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United States of America — PROCEEDINGS AND DEBATES OF THE 85th CONGRESS, FIRST SESSION

SENATE

MONDAY, APRIL 15, 1957

(Legislative day of Friday, April 12, 1957)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Dr. Robert E. Van Deusen, secretary, division of public relations, National Lutheran Council, Washington, D. C., offered the following prayer:

Spirit of God, descend upon our hearts, and take the dimness of our souls away. Give us the grace to face simply and honestly the issues that are before us.

Help us to think clearly, and not to permit the surge of emotions or the pressure of conflicting opinions to disturb our inner calm.

Open our ears to Thy voice speaking to us, and give us the courage to obey. Make our hearts and minds quiet before Thee, and our wills ready to do Thy bidding. In Jesus' name. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the Journal of the proceedings of Friday, April 12, 1957, was approved, and its reading was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting sundry nominations, which was referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the President pro tempore:

H. R. 2367. An act to establish a deferred grazing program as part of the relief available to drought stricken areas under Public Law 875, 81st Congress, and for other purposes;

H. R. 4271. An act to provide that the Delegate from Alaska in the House of Representatives of the United States may be a member of the Alaska International Rail and Highway Commission;

H. R. 6092. An act granting the consent and approval of Congress to the Merrimack River flood control compact;

S. J. Res. 72. Joint resolution to implement further the act of July 15, 1946, by approving the signature by the Secretary of the Treasury of an agreement amending the Anglo-American Financial Agreement of December 6, 1945; and

H. J. Res. 279. Joint resolution authorizing the procurement of an oil portrait and marble bust of the late Chief Justice Fred M. Vinson.

ORDER FOR ADJOURNMENT TO TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until tomorrow at noon.

The VICE PRESIDENT. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, for the information of the Senate, I should like to make a brief announcement. Because the unfinished business, House bill 5520, to amend the Second Liberty Bond Act to increase the maximum interest rate permitted on United States savings bonds, is considered to be of immediate importance, and because, as reported by the Senate Finance Committee, the bill contains provisions substantially different from those adopted by the House of Representatives, in the case of interest rates, I ask the indulgence of Senators in scheduling the bill for action by the Senate prior to the holding of the morning hour today.

It is my intention to ask unanimous consent that there be a morning hour immediately after the Senate completes action on House bill 5520.

It is not planned that any other bill will be considered today. However, the Senate will meet tomorrow; and it is hoped that at that time the Senate will be able to proceed to the consideration of the following measures:

Calendar No. 181, Senate bill 1034, to authorize and direct the Secretary of Agriculture to convey to the University of Missouri for agricultural purposes certain real property in Callaway County, Mo.

Calendar No. 217, Senate Joint Resolution 12, relating to the Yellowtail Dam and Reservoir project.

Calendar Nos. 226 to 231, which are six bills reported from the Senate Finance Committee, and not believed to be controversial.

Mr. KNOWLAND. Mr. President, will the Senator from Montana yield to me?

Mr. MANSFIELD. I am delighted to yield to the distinguished minority leader.

Mr. KNOWLAND. In addition to the measures which have been mentioned, if the House of Representatives acts today on the deficiency appropriation bill, which contains the Post Office Department appropriation, and if the bill comes to the Senate, and if the chairman of the Senate Committee on Appropriations is able to have a hearing on the bill tomorrow morning and is able to report the bill at that time, then, in the event the Senate gives unanimous consent for that purpose, I hope that bill, which contains the Post Office Department appropriation, will be considered promptly by the Senate.

Mr. MANSFIELD. Mr. President, I assure the distinguished minority leader that, so far as I am concerned, we shall cooperate with him to the best of our ability.

Mr. KNOWLAND. I thank the Senator from Montana.

INCREASE OF INTEREST RATE ON UNITED STATES SAVINGS BONDS

Mr. MANSFIELD. Mr. President, I ask that the unfinished business be laid before the Senate.

The VICE PRESIDENT. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 5520) to amend the Second Liberty Bond Act to increase the maximum interest rate permitted on United States Savings Bonds, which had been reported from the Committee on Finance with an amendment on page 1, line 9, after the word "of", to strike out "3½" and insert "3.26."

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Mr. Robert P. Mayo, chief of the debt division of the Treasury Department, be given the privilege of the floor of the Senate while the unfinished business (H. R. 5520) is being considered.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I should like to give a brief explanation of House bill 5520.

The bill raises the maximum permissible interest rates on Government savings bonds to 3.26 percent. In recent months the sales of savings bonds have been decreasing, and redemptions increasing, primarily because general interest rates have gone up considerably while the rate of returns on savings bonds has changed by only one-tenth of one point since the first E-bonds were sold in 1941. The monthly redemptions of savings bonds have exceeded sales for every month since August of 1956. Sales have not exceeded redemptions by any substantial amount in any single month since March of 1956.

In a public statement on February 14, 1957, the Treasury announced plans to increase the interest rates on series E and series H savings bonds. This would be done by selling a series E savings bond at the same price which is presently charged, but with a shorter maturity. For example, the $100 bond would still be sold for $75, but it would mature in 8 years and 11 months, compared with the present maturity time of 9 years and 8 months. The terms of the H-bond will be changed in the same fashion. An H-bond is broadly similar to an E-bond, except that interest is paid by check, instead of being postponed to maturity. The Treasury announced that the new maturity period, if approved by the necessary legislation, would be applied to all savings bonds sold after February 1, 1957.

The Finance Committee has given serious consideration to the Treasury request for raising the present maximum rate on savings bonds above the present 3 percent. We are bringing the bill to the floor with a certain amount of regret. Higher interest rates do increase the cost of carrying the public debt. In addition, higher interest rates make it difficult for small businesses and home owners to borrow funds to finance investments which are necessary for the prosperity of the national economy. We urge Senate support of this particular rate increase, however, because the rate on savings bonds is now considerably out of line with the general structure of interest rates. Even though some may feel that interest rates as a whole are too high, the sales of savings bonds will continue to lag unless the rate of interest they pay is made more nearly consistent with other rates.

The Finance Committee gave consideration to two other issues in connection with this increase. The first was the question of whether or not there should be greater flexibility for the Treasury to increase interest rates on savings bonds if inflationary pressure should build up in the future. The Treasury originally requested that the statute provide that the savings bonds rate could be raised to 4¼ percent, even though they had only announced plans to sell a 3¼ percent bond. The House bill would raise the ceiling only to 3½ percent. The Finance Committee has further reduced the new ceiling to 3.26 percent, which will be adequate to sell the bonds described in the Treasury announcement of February 14.

Let me say that the action of the Senate Finance Committee is an indication that the committee desires to discourage further increases in interest rates in financing Federal obligations. We felt strongly that the serious aspects of higher interest rates require that any further increase should be accompanied by a request for legislation. Experience in the past has indicated that the market for savings bonds declines slowly enough in an inflationary period as to afford ample time for additional legislation.

It is an important feature of this type of bonds, however, that individuals should have confidence in the rate of return. Many short-term fluctuations in the rate of returns would encourage individuals to withhold their purchases from time to time when there was reason to gamble on another increase. It is proper that the rate on bonds sold to the public should remain at an announced level for years, and not months.

I ask for the passage of the bill.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The VICE PRESIDENT. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 5520) was read the third time and passed.

TRANSFER OF RIGHT-OF-WAY FOR YELLOWTAIL DAM AND RESERVOIR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 217, Senate Joint Resolution 12, relating to Yellowtail Dam and Reservoir.

The VICE PRESIDENT. The joint resolution will be stated by title.

The CHIEF CLERK. A joint resolution (S. J. Res. 12) to provide for transfer of right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, and payment to Crow Indian Tribe in connection therewith, and for other purposes.

The VICE PRESIDENT. Is there objection to the unanimous-consent request?

There being no objection, the Senate proceeded to consider the joint resolution, which had been reported from the Committee on Interior and Insular Affairs with amendments.

TRANSACTION OF ROUTINE BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there may be the usual morning hour, for the introduction of bills and the transaction of other routine business, and that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

JOINT RESOLUTION OF ARIZONA LEGISLATURE

Mr. GOLDWATER. Mr. President, I present, for appropriate reference, a joint resolution of the Legislature of the State of Arizona, relating to the appropriation of funds for the construction of a fish producing and rearing station in Sycamore Canyon, north of Cottonwood, Ariz., and in the area of Bullhead City, Ariz.

There being no objection, the joint resolution was referred to the Committee on Appropriations, and, under the rule, ordered to be printed in the RECORD, as follows:

Senate Joint Memorial 4

A joint memorial requesting the United States Congress to appropriate funds for the construction of a fish producing and rearing station in Sycamore Canyon north of Cottonwood, Ariz., and in the area of Bullhead City, Ariz.

To the Congress of the United States of America:

Your memorialist respectfully represents:

It is generally agreed that fish producing and rearing stations in Sycamore Canyon north of Cottonwood, Ariz., and another in the Bullhead City area would be beneficial to the residents of Arizona. Production facilities in this State are limited, and available money and locations for additional fish hatcheries from State funds are improbable.

Wherefore your memorialist, the Legislature of the State of Arizona, prays that the Congress of the United States is requested to give its most earnest consideration to provide an adequate appropriation for the specific purpose of constructing a fish producing and rearing station in Sycamore Canyon north of Cottonwood, Ariz., and another in the area of Bullhead City, Ariz. The exact location shall be determined by the recommendations of the United States Fish and Wildlife Service.

REPORT OF COMMITTEE ON THE JUDICIARY

Mr. O'MAHONEY, from the Committee on the Judiciary, to which was referred the joint resolution (S. J. Res. 70) requesting the President to proclaim the week of April 28 to May 4, 1957, inclusive, as National Mental Health Week, reported it favorably, without amendment, and submitted a report (No. 233) thereon.

CITATION OF EDWARD A. HINTZ FOR CONTEMPT OF SENATE—REPORT OF A COMMITTEE

Mr. FULBRIGHT. Mr. President, from the Committee on Banking and Currency, I report an original resolution, citing Edward A. Hintz for contempt of the Senate, and I submit a report (No. 232) thereon.

The VICE PRESIDENT. The report will be received, and the resolution will be placed on the calendar.

The resolution (S. Res. 124) was placed on the calendar, as follows:

Resolved, That the President of the Senate certify the report of the Committee on Banking and Currency of the United States Senate as to the refusal of Edward A. Hintz to answer questions before the Committee on Banking and Currency, said questions being pertinent to the question under inquiry, together with all the facts in connection therewith, under the seal of the United States Senate to the United States Attorney for the Northern District of Illinois, to the end that the said Edward A. Hintz may be proceeded against in the manner and form provided by law.

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Caleb R. Layton III, of Delaware, to be United States district judge for the district of Delaware, vice Richard S. Rodney, retired.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FLANDERS:

S. 1876. A bill to amend the Internal Revenue Code of 1954 to provide a special method of taxation for real-estate investment trusts; to the Committee on Finance.

By Mr. AIKEN:

S. 1877. A bill for the relief of Louis G. Whitcomb; to the Committee on the Judiciary.

By Mr. GOLDWATER:

S. 1878. A bill for the relief of Choi Ok Ja; to the Committee on the Judiciary.

By Mr. CHAVEZ:

S. 1879. A bill for the relief of Casey Jimenez;

S. 1880. A bill for the relief of Joaquin A. Bazan;

S. 1881. A bill for the relief of Lin Tsai Lin; and

S. 1882. A bill for the relief of Ling Chi Yuan; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina:

S. 1883. A bill to amend the Internal Revenue Code of 1954 so as to increase to $800 the amount of each personal exemption allowed as a deduction for income-tax purposes; to the Committee on Finance.

S. 1884. A bill to amend section 505 of the Classification Act of 1949, as amended; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. JOHNSTON of South Carolina when he introduced the first above-mentioned bill, which appear under a separate heading.)

By Mr. DOUGLAS:

S. 1885. A bill for the relief of David Forbes; to the Committee on the Judiciary.

RESOLUTIONS

The following resolutions were reported or submitted, and placed on the calendar, or referred, as indicated:

Mr. FULBRIGHT, from the Committee on Banking and Currency, reported an original resolution (S. Res. 124) citing Edward A. Hintz for contempt of the Senate, which was placed on the calendar.

(See resolution printed in full when reported by Mr. FULBRIGHT, which appears under the heading "Reports of Committees.")

STUDY OF METHODS OF PROVIDING AN OVERALL FEED PROGRAM

Mr. SYMINGTON. Mr. President, I submit, for appropriate reference, a resolution requesting the Secretary of Agriculture to make a study of methods of providing an overall feed program.

The VICE PRESIDENT. The resolution will be received and appropriately referred.

The resolution (S. Res. 125) submitted by Mr. SYMINGTON, was referred to the Committee on Agriculture and Forestry, as follows:

Resolved, That the Secretary of Agriculture is requested to conduct a thorough study of possible methods of providing an overall feed grain program which can be made effective with the 1958 crop, and to report thereon with specific recommendations, including drafts of necessary legislation to carry out such recommendations, not later than July 15, 1957.

Mr. SYMINGTON. Mr. President, last week the Senate considered and defeated S. 1771, a 1957 corn bill.

I supported it for two reasons. First, I thought it offered an improvement over the existing laws as they relate to corn. Secondly, I wanted to see action taken during this session that would seek a more permanent solution to the overall feed-grain problem.

In my statement on the Senate floor last week, I pointed out the close relationship between feed-grain supplies and livestock prices. Legislation that deals successfully with the feed grains, in reality, deals with the entire agricultural economy.

Corn is only one of several crops which are used almost exclusively as feed for livestock. The other feed grains—barley, oats, rye, and grain sorghums—are excellent substitutes for corn.

The committee report accompanying S. 1771 stated:

Testimony during the hearings indicated that one of the difficulties of making a corn program effective was the shifting of acreage to alternative feed grains not under any control. Witnesses from each farm organization participating in the hearing, while differing as to method, supported the idea that Congress and the Department of Agriculture must consider the total feed-grain supply, recognizing the alternate use of different feeds. Even the Department of Agriculture's witness emphasized the problem was not corn alone, but the total feed-grain supply.

Lateness of the season made it appear impractical to place a new overall feed-grain program into effect this year. For that reason the committee expressed the hope increased corn participation in the soil bank under this bill in 1957 would help reduce the total feed supply to some extent, but nevertheless felt a start should be made at once toward the broader objective of seeking to bring the total feed supply into better balance with demand.

Part of the difficulty encountered by Congress in working out a satisfactory program for feed grains in 1956, and again this year, resulted from a lack of data. The report required of the Secretary by the bill should therefore include all such historic data as may be obtained to assist Congress in working out a satisfactory program.

Since the proposed corn bill, S. 1771, was defeated last week, the Department of Agriculture has no direction from Congress to conduct this feed-grain study. Therefore, I submit this resolution, requesting the Secretary of Agriculture to make a thorough study of the possible methods of providing an overall feed grain program and to report his findings and recommendations to Congress no later than July 15, 1957.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954, RELATING TO AN INCREASE OF PERSONAL EXEMPTIONS FOR INCOME-TAX PURPOSES

Mr. JOHNSTON of South Carolina. Mr. President, I introduce, for appropriate reference, a bill to amend the Internal Revenue Code of 1954 so as to increase to $800 the amount of each personal exemption allowed as deduction for income-tax purposes. I realize that Senators may not introduce measures concerning revenue, since such measures must originate in the House of Representatives. I ask that the bill be referred to the Committee on Finance, so that the committee may be studying this matter before the first revenue bill comes over from the House.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 1883) to amend the Internal Revenue Code of 1954 so as to increase to $800 the amount of each personal exemption allowed as a deduction for income-tax purposes, introduced by Mr. JOHNSTON of South Carolina, was received, read twice by its title, and referred to the Committee on Finance.

HUMANITARIAN AND OLD-AGE RIGHTS ACT—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of April 4, 1957,

The names of Senators KEFAUVER, MAGNUSON, CLARK, LANGER, and CHAVEZ were added as additional cosponsors of the bill (S. 1793) to amend the public assistance provisions of the Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of Federal funds, introduced by Mr. HUMPHREY (for himself and Mr. PASTORE), on April 4, 1957.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. WILEY:

Statement prepared by him entitled "Asian Assembly for Moral Rearmament," with reference to the recent Asian Assembly for Moral Rearmament meeting in the Philippine Islands.

Statement by him on H. R. 6790 and H. R. 6791, proposed bills relating to natural gas.

COMMENTS BY DAVE BECK, PRESIDENT OF THE TEAMSTERS' UNION, ON "THE ANTILABOR TIDE"

Mr. GOLDWATER. Mr. President, the April 1957, issue of the International

Teamster crossed my desk this morning, and I wish to take this opportunity to comment on a letter from General President Dave Beck entitled "The Antilabor Tide."

Mr. Beck has recently achieved a dubious distinction among labor leaders for his constant use of the fifth amendment while a witness before the Select Committee on Improper Practices in the Labor or Management Field, and, in light of his reluctance to assist the committee with its work, I should like to quote from his letter.

> The average workingman or woman is willing and anxious to do the right thing. He wants labor's house cleaned up wherever and whenever it needs cleaning.

Mr. President, does this statement ring true, coming from a man who refused to give a Senate committee any information whatsoever about his financial dealings while president of the largest member union of the AFL–CIO? Apparently Mr. Beck is speaking only for the average workingman or woman and not for himself, the master financial manipulator, who possesses the very real advantage of having other people's money to manipulate. Mr. Beck has shown no inclination to do the right thing in his appearances before the Select Committee Investigating Improper Practices in the Labor or Management Field.

Mr. Beck continues in his letter, in commenting on the recent passage of a right-to-work law in Indiana:

> And also in Indiana we hear a boast of a "slush" fund of $360,000, to achieve the objectives of repressing labor's rights.

This statement, also, needs a little examination due to the fact that Mr. Beck's chief lieutenant, Frank Brewster, sometime labor leader, but more often race horse owner, testified that the Western Conference of Teamsters spent $500,000 to defeat a right-to-work initiative in the State of Washington. This figure was later boosted to $1,080,000 by Howard Sylvester, executive secretary of one of the citizens committees which Mr. Brewster set up to defeat the right-to-work measure. Regardless of the exact figure spent, it is obvious that Mr. Beck is speaking out of the side of his mouth when he registers mock indignation at any sort of "slush funds." I suspect that the only thing that bothered Mr. Beck was the fact that he was unable to borrow from this fund, interest free.

There is one statement Mr. Beck makes in his letter to the membership of the International, with which I am completely in accord. In speaking of the "reactionary forces at work against labor," Mr. Beck comments:

> It may cost us each as individuals as Gompers said, to be associated with a labor organization.

How prophetic this statement is. So far it has cost the rank and file teamsters millions of dollars to support their erstwhile leaders in the manner to which they have become accustomed during the past decade. This money went for such items as transportation charges for Mr. Brewster's jockey and horse trainer, repairs on Mr. Brewster's horse van, investments in racing stables, interest free loans to Mr. Beck, $14 neckties, expenses for known gamblers, Mr. Beck's golf clubs, his love seat, his solid silver gravy boat, his electric razors, and other items too various and bizarre to mention. Yes, Mr. President, it will cost the average teamster plenty to take care of Mr. Beck, Mr. Brewster, and their closely knit clan of associates.

One last comment, Mr. President, on Mr. Beck's stirring message to the rank and file of his organization. Mr. Beck, in commenting on the road ahead, says:

> We must continue to carry out our main function—our principal function—perhaps our only really important function: the meeting with management at the collective-bargaining table and there facing our problems.

The select committee has heard dozens of witnesses and amassed some 3,426 pages of testimony, and, Mr. President, I defy Mr. Beck to point out one instance in which any member of the committee has criticized any representative of labor for carrying out this principal function of meeting with management at the collective-bargaining table. Mr. President, no Member of the Senate has more often been characterized as antilabor than has the junior Senator from Arizona and, yet, I defy Mr. Beck or Mr. Reuther or any other labor leader to point out an instance where I have been critical of labor leadership for carrying out this function.

Mr. President, the record of the Select Committee Investigating Improper Practices in the Labor or Management Field is replete with instances of labor leaders in the teamsters union having strayed far beyond the purposes for which labor unions were originally formed. No evidence has been presented to refute the allegations that teamster officials in Portland, Oreg., conspired to control the rackets in that city; no evidence has been offered to refute testimony and documents pointing out the fact that loans were made from teamster funds to set up poker palaces and bookie joints; Mr. Beck has certainly offered no evidence to refute the allegations that he borrowed some $340,000 from the teamster funds and neglected to pay any interest on this amount; no evidence has been offered to refute allegations that Mr. Brewster has used some $700,000 of teamster funds to meet his own personal obligations; nor has any evidence been offered to explain the purchases with union money of some $87,000 worth of goods for Mr. Beck by Mr. Nathan Shefferman.

Mr. President, I have one suggestion to make to Mr. Beck, and that is, if he would confine himself to his activities at the bargaining table there would be no need for self-serving, patently ridiculous letters such as the one in the April issue of the teamster magazine.

PROPOSED COMMISSION ON FEDERAL TAXATION

Mr. WILEY. Mr. President, the Nation noted with interest the news last Friday that the Senate Finance Committee had unanimously voted to undertake a review of the financial condition of the United States, including interest rates, revenues, and the handling of the public debt.

We know that this review, under the chairmanship of our distinguished colleague, the senior Senator from Virginia [Mr. BYRD], can and will make a most important contribution to America's reappraisal of this most vital subject.

I personally noted with particular interest the comments made by our able colleague from Virginia in response to a question as to the relation between this review by the Finance Committee, and the subject of tax revision.

I noted that our colleague indicated that in the expected course of the committee's review, some tax questions would indeed be considered. He commented further that one question which would probably come up is the size of tax load the Nation can bear if the free-enterprise system is to survive.

VIRTUAL UNANIMITY IN FAVOR OF WILEY TAX BILL

Mr. President, I should like to point out that for several months I have been stressing the advisability of a top-to-bottom review of the Nation's tax structure.

Along with 14 cosponsors, I introduced the Wiley bill, S. 769, for a Hoover-style Federal Tax Commission.

As I have previously reported in the Senate, this Wiley bill has drawn practically unanimous acclaim among expert observers throughout the Nation.

I have previously had printed in the CONGRESSIONAL RECORD the text of many comments which have come to me from leading business spokesmen throughout the United States, from corporation heads and chairmen of boards, as well as from other prominent individuals whose reactions I had sought.

I send to the desk several additional such replies from outstanding business leaders. I include the text of a letter which I received just this morning from the executive director of the Chamber of Commerce of the great city of Pittsburgh, advising that the directors of the chamber have approved this bill.

I submit the text of an editorial from the Monroe, Wis., Times, likewise approving the bill.

I ask unanimous consent that the letters and the editorial be printed at this point in the body of the CONGRESSIONAL RECORD.

There being no objection, the letters and editorial were ordered to be printed in the RECORD, as follows:

THE CHAMBER OF COMMERCE OF PITTSBURGH,
Pittsburgh, Pa., April 11, 1957.

Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: The directors of the Chamber of Commerce of Pittsburgh wish to thank you for introducing S. 769 which would establish a Hoover-type commission to study and investigate the fundamental tax policy and tax structure of the Federal Government.

M. C. Conick, chairman of the Federal finance committee of the chamber's national affairs council, in recommending support of this bill to the board of directors, said:

"The Federal finance committee believes that this bill is for the good of our growing

Nation, and, in view of the present tremendous Federal tax take from the taxpayers, that it is especially desirable at this time that our entire tax structure be reviewed, studied and investigated by the Commission provided for in Senator WILEY's bill S. 769."

The Chamber of Commerce of Pittsburgh subscribes wholeheartedly to these views and congratulates you for initiating legislation which can bring about greatly needed reforms in our Federal tax system.

We are notifying our Pennsylvania Senators and Representatives from Allegheny County of our support for your bill.

Sincerely yours,
SHERMAN P. VOORHEES,
Executive Director.

DOUGLAS AIRCRAFT CO., INC.,
Santa Monica, Calif., March 7, 1957.

Hon. ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WILEY: We agree heartily with the purpose of this bill and believe that the composition of the commission you propose would be excellent for the purpose of taking a new overall look at this country's tax structure. We hope that your proposal will meet with success.

With every good wish, I am
Very truly yours,
FREDERICK E. HINES,
Vice President, Finance and Tax Counsel.

UNITED FRUIT CO.,
Boston, Mass., March 8, 1957.

Hon. ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: I believe your suggestion could be quite useful, particularly if it was directed at the point of taxation for revenue rather than taxation for social purposes. There are many cases where the tax rates are definitely too high for proper collection of revenue and serve only to destroy initiative. This is particularly evident in the very high rates for large incomes.

On the other hand, I have not got much confidence in the result of a study placed purely on taxation. In my mind, the great evil of today's Government in Washington is the spending rather than the taxation, and I would far prefer to see a commission to discuss expenditures with a point of view of putting more of the burden back on the States and on the foreign countries. I do not feel that our Federal Government should subsidize the whole world and I am very fearful of the results of what is now going on. This is particularly in evidence where spending for State purposes may force greater expenditures than the States would care to spend if they had a free hand. As you can understand, I am a believer in government economy.

* * * * *

If I can be of any use to you, I will be only too glad to do what I can, and I appreciate your interest in this subject.

Sincerely,
T. JEFFERSON COOLIDGE.

KOPPERS CO., INC.,
Pittsburgh, Pa., March 15, 1957.

Senator ALEXANDER WILEY,
United States Senate,
Committee on Judiciary,
Washington, D. C.

MY DEAR SENATOR WILEY: I was very pleased indeed to receive your communication concerning S. 769, designed to create a 12-man Hoover-type commission on Federal taxation.

I have, of course, been greatly disturbed by the continuance of high income-tax rates which result in corporate taxpayers paying to the Government more than half their earnings. I know of no informed person who attempts to justify this situation. Nevertheless, we have had a rash of bills introduced in this session of Congress for the purpose of granting relief to small business, but which would accomplish this by an even higher tax rate on "big" corporations. I refer particularly to the Fulbright bill (S. 150), which I understand Senator FULBRIGHT and others intend to offer as an amendment to H. R. 4090 when it reaches the Senate. Even more objectionable proposals have been offered by Senator SPARKMAN, Representative PATMAN, and others which would call for a graduated corporate income tax.

Even at the present level of corporate tax rates, the burden is so heavy that business transactions must always be guided by tax results, and very often the tax system operates to prevent what business intelligence would otherwise require.

It may well be that "small" business needs tax relief, but it does seem to me that any attempt to solve the problem by granting relief merely to small corporations at the expense of the larger units is entirely futile, since only a narrow segment of the small businesses of the country operate as corporations. Representative DANIEL REED recently stated that only about 15 percent of the small businesses of the country operate in the corporate form.

I mention these facts because they have a bearing on your proposal for a Hoover-type commission to examine the entire question of taxation. I am strongly in favor of such a commission and hope that it may dramatize and bring to popular attention obvious defects in our present system of taxation which proponents of higher taxes for "big" corporations almost always ignore.

I therefore want to give my strongest support to your proposal and wish you success in this laudable effort to promote a sensible examination of this most important factor in today's economic life.

Sincerely yours,
FRED C. FOY.

[From the Monroe (Wis.) Times of February 20, 1957]

SENATOR WILEY'S IDEA

There is considerable merit and potential for tremendous service to the Nation's citizens in Senator WILEY's proposal for establishing a Federal Tax Commission.

This 12-member group would study the entire Federal tax structure and make recommendations for changes to improve the programs and to correct inequalities.

It also is highly possible that such a commission might provide the much-needed clearinghouse for giving recognition to the growing revolt against the continued increase in Government spending.

There are some, of course, who do not concede that such a rebellion against big Government is under way. We merely point to the deluge of mail being received by Members of Congress in the wake of the record $72-billion budget proposal as the best possible evidence that the opposition to spending is gaining momentum.

In connection with his proposal, Senator WILEY has polled many industrial leaders for their reaction to the Federal Tax Commission plan. The early replies indicate these leaders are heartily in favor of the plan.

One of them, the head of a giant automobile firm, pointed out some tax facts which have been largely overlooked. Since 1939, he said, Congress has been faced with one emergency after another requiring additional revenues. Main consideration, he contends, has been given to finding taxes to yield those revenues without regard to the long-range effect of the tax structure being created.

The procedure for levying these taxes in many cases, this industrialist claims, has resulted in pyramiding them for the ultimate consumer. In the case of an automobile, the total of taxes attached to the retail price is likely to be as much as 30 percent.

Another industrialist wrote Senator WILEY that the "only body of law which affects each of us in practically everything we do is the tax law."

"Directly, or indirectly," he added, "the tax law can influence what we eat, where we live, what we wear, what we do for a living, even what we do for entertainment."

Most of us will agree with that. By design or by accident, tax laws actually are governing the people more than anything else.

DOUBTFUL IF COMMITTEE CAN FULLY STUDY TAXES

Mr. WILEY. I fully recognize, of course, the outstanding competence of my colleagues on the Finance Committee, especially the expertness of the chairman of that committee, who has devoted so many years to this subject, and who is undoubtedly one of the great tax experts in the land. Nevertheless, I still hope that a 12-man Citizens Commission of the type recommended by the Wiley bill, may be appointed.

I believe that such a group, relieved of the day-to-day pressures of legislation, could take the long-range look of the type I have recommended. As outlined in the RECORD of January 22, the Commission would have until January 1, 1959, to make its final report.

Of course, in the meantime, whatever the Senate Finance Committee can do by way of appraisal of parts of our tax structure, will be welcome.

NINE HUNDRED BILLIONS OF DEBT TO BE STUDIED

But in view of the enormous area to be covered in the course of the Finance Committee's review, I doubt if it will find the time to give to the tax phase as much attention as I am sure my colleagues would agree it deserves.

The committee may, for example, have its hands full, looking at the debt problem alone—America's $900 billion of debt, two-thirds of which is private, one-third public.

TODAY IS FEDERAL TAX DEADLINE

I hope, therefore, that the Wiley bill can still be acted upon, in view of its tremendous significance to 60 million taxpayers who, on this very day, April 15, are due to file their 1956 Federal tax returns. The Wiley bill constitutes, in my humble judgment, the most promising single avenue for fundamental, long-range tax reform.

STATEHOOD FOR HAWAII AND ALASKA

Mr. CHURCH. Mr. President——

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The Senator from Idaho.

Mr. CHURCH. Within a few short weeks the enabling bills, now pending in committee, which will, if passed, grant statehood to the Territories of Hawaii and Alaska, will be debated upon the floor of the Senate. The fate of these measures, in my opinion, will depend upon the type of effort made by the President of the United States in support of them. For this reason I wrote a letter

to the President and delivered it last Friday. The letter is as follows:

UNITED STATES SENATE,
COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
April 12, 1957.

The PRESIDENT,
The White House.

MR. PRESIDENT: On November 23, 1956, shortly following my election to the United States Senate, I wrote to you concerning a highly important bipartisan matter, our foreign policy. In that letter, I pledged my support, within the full limits of my convictions, to your efforts to keep the peace, and I have already had occasion, by vote in the Senate, to honor that pledge.

Today, I feel obliged to write you about another vital bipartisan matter, statehood for Hawaii and Alaska. The platforms of both the Democratic and Republican Parties have long supported statehood for the two Territories, and the cause has your personal endorsement. Yet, for reasons quite apart from the merits of the cause, I am fearful that statehood for both Hawaii and Alaska will once again fail of enactment in the Congress, unless you actively undertake to support your endorsement with the full potential of your high office.

As a member of the Senate Committee on Interior and Insular Affairs, I have participated in the hearings, recently concluded, on the statehood bills. I am also a cosponsor of these bills. The evidence presented at the hearings makes the case for statehood so compelling that our continued failure to grant it will soon be regarded as a denial of the very tradition that has made our country strong and great. As measured by every historic test, the people of Hawaii and Alaska have qualified for statehood for many years. Again and again, they have petitioned the Congress, but each time to no avail. Now, at the outset of your second term as President, they come once more to seek their rights, and they need your help.

It is clear, from past years, that your endorsement of statehood alone will not suffice. But it is my conviction, as well as that of many other advocates of statehood in the Congress, that if you will personally undertake to champion the cause of statehood for Hawaii and Alaska, and give the pending bills your determined and persistent support, both bills will pass, and statehood will be won in this session of the Congress.

That you will take up this fight, and assert the needed leadership that only a President can give, is the earnest hope of the great host of American citizens in Hawaii and Alaska, who ask only that they be granted the elemental rights for which we once fought a revolution, and long regarded as the prerogatives of free men.

Respectfully,

FRANK CHURCH.

RIGHTS OF FEDERAL WORKERS

Mr. JOHNSTON of South Carolina. Mr. President, I wish to place in the body of the RECORD a story written on April 10 by Joseph Young, the able Government columnist of the Washington Star. Mr. Young has revealed a shocking attitude on the part of the administration toward its employees. The Justice Department, the legal arm of the administration, takes the position that Federal employees are not entitled to the benefits enjoyed by workers in private industry. It holds that the main factor in determining what Federal Employees are entitled to in the way of benefits and working conditions is economy. In other words, the Justice Department feels that the rights and benefits of Federal workers are to be determined, not on the basis of what is fair and just and right, but on the basis of the almighty dollar.

No wonder there is such a glaring need for a labor-management law in Government. With such a horse and buggy, 19th century view of Federal employee rights taken by the Government, it is imperative that Congress approve legislation giving Government workers and their representatives the right to deal with their bosses on personnel policy matters and grievances.

Now that the Justice Department's views have been disclosed for everyone to see, the Department is trying to say that its position is misunderstood. But everyone who reads the Department's legal brief stating its position toward Federal workers can come to only one conclusion: The Justice Department has relegated Federal workers to the status of second-class citizenship. Its position on Government workers reads like the views of an industrial baron of 100 years ago.

Mr. President, I ask unanimous consent that there be printed in the body of the RECORD at this point the article to which I have referred.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JUSTICE BRIEF PUTS ECONOMY ABOVE BENEFITS—SAVINGS GET PRIORITY OVER GOVERNMENT WORK CONDITIONS

(By Joseph Young)

A Justice Department brief contends that benefits for Federal workers such as overtime, better pay and improved working conditions "must either bow to or be balanced with considerations of economy and efficiency in Government."

For example, the brief said, Congress, in the interests of Government economy, would be justified in setting a 10-hour workday for Federal employees.

The Department's brief was filed in answer to a test suit by a group of postal workers in the United States Court of Claims seeking overtime payments for extra time involved in studying postal sorting schemes.

The Department's brief, which presumably represents the administration's view, did not state that the administration feels that the Government's 8-hour day should be increased to 10 hours at this time. But it emphasized that such an increase in working hours would be justified in the name of economy if it should become necessary.

LIKE BENEFITS CHALLENGED

The brief emphasized the view that Federal workers, because of economy and Government efficiency considerations, are not entitled to the benefits of workers in private industry.

Federal employee leaders have denounced the Justice Department's views as "a throwback to the horse-and-buggy days."

The "horse and buggy" comment was made by Thomas G. Walters, operations director of the AFL-CIO Government Employees Council.

"This attitude is a striking example of the archaic labor policy that the Government adopts for its own employees," Mr. Walters declared. "It emphasizes the need for a management-labor relations law in Government."

Roy Hallbeck, legislative representative of the National Federation of Post Office Clerks, said "the Justice Department's view is the 19th century version of employee rights." James A. Campbell, president of the American Federation of Government Employees, said "the Government's position is the most discouraging development to Federal employees in a long, long time. But it emphasizes the necessity of getting Congress to approve legislation officially recognizing the rights of Federal employees to better their working conditions."

HOME STUDY INVOLVED

The test case, which is being handled by the law firm here of Herbert S. Thatcher, involves postal workers who must study at home to memorize the routing of mail. The postal workers contend that industry in portal-to-portal agreements with labor unions now pays overtime for time spent by employees in preparation for their on-the-job duties or in traveling from one site to another in connection with a job.

The Justice Department's answer, in part to these claims, declares:

"Plaintiff's—the postal clerks—complaint is that they are not, but should be, paid for the time they spend within the confines of their own homes learning and keeping up with their jobs. As they read the statutes designed to ameliorate working conditions and the case law growing out of those statutes, they should be compensated for what they term physical and mental exertion. Such compensation, they argue, would be entirely in accord with the philosophy of present-day labor law. The philosophy, if such it can be called, may conceivably control in dealings between union and management.

"However, as between Federal employees and their employer, the United States, this philosophy must either bow to or be balanced with considerations of economy and efficiency in Government. The basic rights of labor—the right to strike and the right to bargain collectively—cannot be afforded Federal employees consistently with the Federal obligation to the taxpayers to operate the Federal administration economically and efficiently. Government employee unions have never sought the right to strike and specifically forbid such strikes by its members in their constitutions.

"As stated, Congress, alone charged with the function and duty of establishing the rates of pay and the criteria of payment for Government employees, has always been aware of the necessity of economy in Government and where it has acted to ameliorate the working conditions of Federal employees, it has always acted cautiously and in conformity with its desire for Government economy.

"For example, while the 8-hour day was assured for labor by the Fair Labor Standards Act of 1938 * * * the Federal employee first obtained the right to work only an 8-hour day in 1945 and then only by implication. * * * True time-and-one-half for overtime has been standard for labor for many years. And yet true time-and-one-half for overtime is still not available to the bulk of Federal employees.

DENIED OTHER GAINS

"These few examples illustrate that the many advances made by the labor movement are not, as a general matter, incorporated into the laws affecting Federal personnel. Clearly, the economical administration of Government precludes the immediate and total adoption by Congress of schemes such as automatic cost-of-living increases based on the consumer price index.

"If Congress desires that, insofar as it is possible, all workers in this country work only 8 hours a day, nevertheless Congress could, in its concern for Federal expenditures, require, and validly provide, that Federal employees work 10 hours a day.

"That Congress has chosen to limit the working day of most Federal employees to 8 hours a day, 7 years after it chose to limit the working day for most workers in this country, is no indication that Congress has also chosen to pay its employees industry or private management wages or, in this case, overtime compensation, sometimes described as 'penalty pay,' for study over which Government has no control and on which it cannot check.

"For the fact of the matter is, as we have shown, that Congress has not always accepted for Federal employees the theories or rights of the labor movement in their entirety."

THE POST OFFICE DEPARTMENT

Mr. JOHNSTON of South Carolina. Mr. President, I wish to commend the distinguished junior Senator from Michigan [Mr. MCNAMARA] for his forthright and factual explanation of the mess in the Post Office Department. I invite all my colleagues to read carefully the remarks of the Senator from Michigan, beginning at page 5583 in the Friday, April 12, CONGRESSIONAL RECORD.

At the moment of his remarks it was abundantly clear—as he stated—that someone had broken the law but there might be confusion in the minds of some concerning the identity of the culprit.

Mr. President, decision B-131361 of the Comptroller General of the United States, made public a few minutes after the Senator from Michigan concluded his remarks, identifies the culprits beyond further doubt.

The decision referred to states that actions of the Postmaster General are not "consistent with the spirit and purpose of the act," and further, "there could be no question but that the Director of the Bureau of the Budget had not complied with the requirements of subsection (c) (1) of the act."

I ask that the full text of the Comptroller General's decision be included in the RECORD at the conclusion of my remarks.

The subsequent effort by the Director of the Bureau of the Budget to explain his actions serves to prove that he is totally incompetent and should be removed from the high position he holds. His naive remarks remind me of the kindly old lady who called the police, when informed that a local and popular baseball player had stolen a base. She did not know the "score." By his own public admission, neither does Mr. Brundage, the Director of the Bureau of the Budget.

I do not wish to conclude these few remarks without thanking my good friend and able colleague, the Senator from Michigan [Mr. MCNAMARA] for his generous comments about me indeed, he was most generous, and I should like to have him to know how greatly I appreciate his kindness.

Mr. President, I ask that the decision be printed in the body of the RECORD.

There being no objection, the decision was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL OF THE
UNITED STATES,
Washington, April 12, 1957.

DEAR MR. POSTMASTER GENERAL: Your letter of April 4, 1957, requests a statement of our findings resulting from a study of the records of the Post Office Department to ascertain whether during fiscal year 1957 there has been a violation of the provisions of section 3679, Revised Statutes, as amended (31 U. S. C. 665), commonly known as the Antideficiency Act. An informal request for similar advice was received from a staff member of the House Appropriations Committee following the hearings March 26 and 27, and April 3, 1957, before the Subcommittee on Treasury-Post Office Appropriations, on the Post Office Department's supplemental request for funds for Operations.

At the outset, we wish to explain that our review was made in a very limited time to obtain information readily available as to whether the Post Office Department had violated the Antideficiency Act. Because of the time limit, our review was restricted to a comparison of apportionments, by appropriation, approved by the Bureau of the Budget for the postal quarterly reporting periods ended October 19, 1956, and January 11, 1957, with obligations incurred for the same quarters as they appear in published statements of the Post Office Department. No overobligation of the apportionments for those quarters was revealed by this comparison. Results of operations for the postal quarter ending April 5, 1957, were not available at the time of our review.

We did not review the obligations under administrative subdivisions of funds within the apportionments, but we were informed that in the quarter ended October 19, 1956, funds allotted to 2 regional directors had been overobligated by $27,613 and the required reports to the President and the Congress were made on February 14, 1957.

Your letter, however, and the committee inquiry request our findings as to whether the provisions of the Antideficiency Act were violated during fiscal year 1957. This requires consideration not only of the question as to whether the apportionments of the funds for the fiscal year 1957 were overobligated but also as to whether they were made in accordance with the provisions of that act, which provides, in pertinent part, as follows:

"(c) (1) Except as otherwise provided in this section, all appropriations or funds available for obligation for a definite period of time shall be so apportioned as to prevent obligation or expenditure thereof in a manner which would indicate a necessity for deficiency or supplemental appropriations for such periods; * * *

* * * * *

"(d) (2) Any appropriation available to an agency, which is required to be apportioned under subsection (c) of this section, shall be apportioned or reapportioned in writing by the Director of the Bureau of the Budget. The head of each agency to which any such appropriation is available shall submit to the Bureau of the Budget information, in such form and manner and at such time or times as the Director may prescribe, as may be required for the apportionment of such appropriation.

"(e) (1) No apportionment or reapportionment which, in the judgment of the officer making such apportionment or reapportionment, would indicate a necessity for a deficiency or supplemental estimate shall be made except upon a determination by such officer that such action is required because of (A) any laws enacted subsequent to the transmission to the Congress of the estimates for an appropriation which require expenditures beyond administrative control; or (B) emergencies involving the safety of human life, the protection of property, or the immediate welfare of individuals in cases where an appropriation has been made to enable the United States to make payment of, or contributions toward, sums which are required to be paid to individuals either in specific amounts fixed by law or in accordance with formulas prescribed by law.

"(2) In each case of an apportionment or a reapportionment which, in the judgment of the officer making such apportionment or reapportionment, would indicate a necessity for a deficiency or supplemental estimate, such officer shall immediately submit a detailed report of the facts of the case to the Congress. In transmitting any deficiency or supplemental estimates required on account of any such apportionment or reapportionment, reference shall be made to such report."

Since the Department's supplemental request for funds for fiscal year 1957 is limited to the appropriation for operations, what is said hereinafter is addressed to that appropriation.

The apportionments of that appropriation, with a possible exception of about $2 million referred to on page 97 of the House hearings on the second urgent deficiency appropriation bill, 1957, do not appear to come within the exceptions set out in subsection (e) (1) above and, apparently, subsection (e) was not relied upon in making the apportionments. The communication transmitting the supplemental estimates to the Congress March 2, 1957, contains no reference to any detailed report to the Congress of the facts involved as required in subsection (e) (2), and the testimony in these hearings contains no indication of reliance upon subsection (e) (1) in making the apportionments.

The apportionment of appropriations to prevent deficiency or supplemental appropriations was first required in the amendment to section 3679, Revised Statutes, contained in section 4 of the act of March 3, 1905 (33 Stat. 1257). Section 3679, Revised Statutes, was amended again by section 3 of the act of February 23, 1906 (34 Stat. 27, 48), and lastly by section 1211 of the General Appropriation Act, 1951 (64 Stat. 765). Each of these amendments was intended to reduce further the need for deficiency or supplement appropriations.

Even prior to the complete revision of section 3679 in the General Appropriation Act, 1951, the Antideficiency Act was considered to require that appropriations be apportioned so as to prevent either a deficiency appropriation or the suspension or drastic curtailment of an activity for lack of funds. In House Report No. 221, 79th Congress, 1st session, on the first deficiency appropriation bill, 1945, it is stated:

"The committee met with instances which indicated either a lack of knowledge or an utter disregard of the so-called antideficiency law (31 U. S. C. 665), in that agencies reported overobligations during the first half of the current fiscal year to an extent which places the Congress in the position either of granting additional funds or forcing the curtailment of operations which in some cases would be unwise and harmful. That sort of practice cannot be continued, particularly when the Congress is in continuous session. It must be stopped."

In House Report No. 1817, 79th Congress, 2d session, on the second deficiency appropriation bill, 1946, it is stated:

"Instances have occurred where agencies do not actually incur deficiencies but proceed at an obligational rate which make necessary either a deficiency appropriation or the suspension or drastic curtailment of an activity for lack of funds. The committee does not propose to tolerate that practice any longer. It intends to see that the antideficiency law (31 U. S. C. 665) is observed in letter and spirit and shall expect the Bureau of the Budget to report quarterly, starting at the close of the first quarter of the next fiscal year, the title of any appropriation not being administered in accordance with the letter and spirit of such law, the reasons therefor, and the name and position of the official immediately responsible."

The foregoing quotation was referred to in a letter dated August 22, 1946, of the Assistant Chief, Estimates, Bureau of the Budget, to the Postmaster General, printed at page 118 of the Senate hearings on the second deficiency appropriation bill for 1947. As recorded on page 142 of those hearings,

the Subcommittee on Deficiencies, Senate Committee on Appropriations, after hearing testimony as to deficiencies which had occurred in the Post Office Department, requested the Bureau of the Budget and the General Accounting Office to review the problem and submit a report thereon.

The Acting Director of the Bureau of the Budget and the Acting Comptroller General jointly submitted a report on June 5, 1947, B-66949, to the Senate Committee on Appropriations with the understanding that the subcommittee desired recommendations (1) as to what can be done to control the use of appropriations so as to prevent the incurring of obligations at a rate which will lead to deficiency or supplemental appropriations or to curtailment of necessary activities if such appropriations are not made; and (2) to fix responsibility on those officers of the Government who incur deficiencies or obligate appropriations without proper authorization or at an excessive rate. Included in the report was a draft of legislation to accomplish those two purposes.

This draft of legislation to amend section 3679, Revised Statutes, with some revisions, was enacted as section 1211 of the General Appropriation Act, 1951. A section-by-section analysis of that proposed legislation appears on pages 6835–6836 of volume 96, part 5, of the CONGRESSIONAL RECORD. It is stated in that analysis that subsection (1) (c) is "designed to insure that appropriations which are available for a fiscal year, or for other time periods—usually related to fiscal years—will not be obligated at a rate which would exhaust the appropriation prior to the end of the period for which the appropriation was made and thus result in a need for a deficiency or supplemental appropriation, or an increase in the authorization for administrative expenses of a corporation, or in drastic curtailment of the activity for which the appropriation or authorization was made."

A drastic curtailment toward the close of a fiscal year of operations carried on under a fiscal year appropriation is a prima facie indication of a failure to so apportion an appropriation "as to prevent obligation or expenditure thereof in a manner which would indicate a necessity for deficiency or supplemental appropriations for such period." In our view, this is the very situation the amendment of the law in 1950 was intended to remedy. This view is entirely consistent with the views expressed in the joint report dated June 5, 1947, of the Bureau of the Budget and the General Accounting Office. In view thereof and the legislative history of the Antideficiency Act set out above, subsection (c) (1) of the act must be, and is, construed as a mandate of the Congress that fiscal year appropriations be so apportioned as to prevent obligation or expenditure thereof in a manner which would indicate the necessity for either a deficiency or supplemental appropriation or a drastic curtailment of the activity for which an appropriation is made.

The responsibility for making the apportionments is vested in the Director of the Bureau of the Budget by subsection (d) (2) of the act, which also requires the head of the agency concerned to submit to the Bureau of the Budget information, in such form and manner and at such time or times as the Director may prescribe, as may be required for the apportionment of the appropriation. The apportionment and reapportionments as made by the Bureau of the Budget for the appropriation "Operations, Post Office Department, 1957," including transfers and reimbursements, are set out below:

Date	1st quarter	2d quarter	3d quarter	4th quarter
June 13, 1956	$624,306,000	$547,611,000	$473,766,000	$474,909,000
July 10, 1956	623,429,500	546,988,100	473,112,100	474,255,700
July 13, 1956	630,429,500	546,988,100	469,612,100	470,755,700
Aug. 30, 1956	630,326,100	546,988,100	469,612,100	470,755,700
Oct. 4, 1956	635,326,100	551,988,100	469,612,100	470,755,700
Dec. 14, 1956	635,326,100	561,988,000	466,612,000	463,884,900
Jan. 11, 1957	635,326,100	561,988,000	464,612,000	463,884,900
Feb. 4, 1957	635,326,100	561,988,000	484,612,000	443,884,900

The Post Office Department operates on 4-week accounting periods adjusted at the beginning and end of the fiscal year. The first, second, third, and fourth quarter columns in the above table actually represent 4 (less 1 day), 3, 3, and 3 (plus 2 days) accounting periods of 4 weeks each. The significant reapportionments were made on July 13 and December 14, 1956, and February 4, 1957. On July 13, 1956, the first quarter was increased $7 million and the third and fourth quarters were decreased $3,500,000 each. On December 14, 1956, the second quarter was increased to $10 million and the third and fourth quarters were further decreased by $3 million and approximately $7 million, respectively. On February 4, 1957, the third quarter was increased $20 million and the fourth quarter was decreased by $20 million. These 3 reapportionments decreased the fourth quarter apportionment by a total of approximately $30,500,000, which resulted in the fourth quarter apportionment being $40,727,100 less than the third quarter apportionment which covered 2 days less time.

The necessity for a deficiency appropriation has been acknowledged by the Director of the Bureau of the Budget and the President as evidenced by the transmittal on March 12, 1957, to the Congress of a request for additional funds for operations of the Post Office Department during the fiscal year 1957 in the amount of $47 million, the amount of your request for that purpose as received by the Bureau of the Budget January 4, 1957, before the date of the last reapportionment listed above. Also, you issued Postmaster General Order 56314, dated April 5, 1957, which would curtail the service of the Post Office Department in several respects if it becomes effective.

If it is determined by the Congress that the deficiency appropriation is necessary for operations or if the services of the Post Office Department are drastically curtailed in the event no deficiency appropriation is made, there could be no question but that the Director of the Bureau of the Budget had not complied with the requirements of subsection (c) (1) of section 3679, Revised Statutes, as amended, title 31, United States Code, section 665. It should be noted, however, that the penal provision contained in subsection (i) (1) of the act is applicable only to violations of subsections (a), (b), or (h) of the act and not to subsection (c) (1).

The House hearings on the Post Office Department's request for supplemental funds for operations for 1957 show that, when the Department requested the reapportionment of its funds, it did so in the belief that the requested pattern of management of its funds for the fiscal year would result in the necessity for a deficiency or supplemental appropriation. Such action is not technically a violation of any specific provision of the Antideficiency Act. However, it is not consistent with the spirit and purpose of the act.

Copies of this letter are being sent to the House Committee on Appropriations, to Senator BYRD, and to the Director of the Bureau of the Budget.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

BUREAU OF INTERNAL REVENUE TO SCREEN REQUESTS FOR INFORMATION BY SENATOR WILLIAMS

Mr. WILLIAMS. Mr. President, upon direct orders from Washington, instructions have been given to all the regional offices of the Bureau of Internal Revenue to be on the lookout for any inquiry of any nature received by them or any employee under their jurisdiction from Senator JOHN J. WILLIAMS.

The following is a copy of the memorandum which was circulated in the State of Wisconsin as the result of this broad order:

If you receive any communications from Senator JOHN J. WILLIAMS requesting information of any nature, it is requested that you immediately transmit them to me personally for reply.

It is also requested that you advise all employees in your division who may have occasion to prepare replies to correspondence of this matter.

The Commissioner of Internal Revenue, Mr. Harrington, has confirmed having issued this broad order, and in commenting upon the circulation of this memorandum to all employees in the State of Wisconsin the Commissioner states:

He (the Director of the Milwaukee office), as well as I, deeply regret its occurrence, and we certainly hope that no inference can be drawn by you or anyone else that any improprieties were inferred by my request. We are greatly embarrassed that my request led to this incident.

Mr. Harrington further attempted to justify the issuance of this order and the circulation of the memorandum on the basis of economy and that they merely wished to supply any information requested from my office at a minimum cost.

Certainly this is a new aproach to economy, and I have been advised that this is the first time in the history of the Department that such a memorandum containing such a personal reference to a Member of the United States Senate of the House of Representatives has ever been circulated.

Mr. Harrington excused this on the basis that his orders resulted from my having placed an inquiry with some of the regional offices asking the Directors for the amount of delinquent taxes in their offices as of X date and that he felt that such inquiries directed to the Washington office could be answered more economically.

Mr. Harrington's letter is as follows:

UNITED STATES TREASURY
DEPARTMENT, OFFICE OF COMMISSIONER OF INTERNAL REVENUE,
Washington, April 2, 1957.

Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: This refers to your letter dated March 5, 1957, to Mr. George Reisimer, district director at Milwaukee, requesting information regarding a memorandum which you quoted.

This quoted memorandum was circulated among revenue agents in Wisconsin, as you indicated. I would like to explain the circumstances leading up to it.

Recently, we received a request from you concerning employment tax deficiencies. Several of our district offices also received similar requests. In order to avoid duplication of effort and to furnish the information from one source, I asked that all such requests be referred to me for reply. My sole objective in doing this was to supply the information at a minimum cost.

This led to Mr. Reisimer's issuance of the memorandum to his chiefs of divisions. He did not intend that the memorandum be circulated, but unfortunately it was.

By that I presume he meant that I should not receive a copy of it.

He, as well as I, deeply regret its occurrence, and we certainly hope that no inference can be drawn by you or anyone else that any improprieties were inferred by my request. We are greatly embarrassed that my request led to this incident.

Mr. Reisimer has informed me that he is not aware that his office has ever received any inquiry from you.

Very truly yours,

RUSSELL C. HARRINGTON,
Commissioner.

In writing this letter I had asked Mr. Reisimer and the Commissioner to check their records to see if they could find that any inquiry I had ever sent could be considered by them as being of an improper nature, which would justify this action. I was advised that they were unable to find any such inquiry. In addition, they could not find that I had ever made any inquiry in the State of Wisconsin, or of Mr. Reisimer or anyone else in that division.

I am not criticizing the directors who circulated this memorandum. They were merely acting upon orders from the boss. I wish I could accept the excuse given by Mr. Harrington as being the real reason for the issuance of this broad order, but somehow I simply cannot believe that this is the full explanation, especially when we consider that as yet the order has not been rescinded.

Instead, I am more inclined to repeat what I have said on many occasions during the past several years—that perhaps Congress has been negligent in not having directed more attention to the affairs of this agency which handles all the revenue collected by the United States Government.

TRANSFER OF TITLE OF MIDWEST CLAYPAN EXPERIMENT STATION, McCREDIE, MO.

Mr. SYMINGTON. Mr. President, several months ago I accepted an invitation to speak Thursday evening, March 28, at Sikeston, Mo., at the eighth annual meeting of the Missouri Cotton Producers Association, one of the leading agricultural groups in Missouri. Among those being honored on that occasion was Mr. A. L. Story, of Charleston, Mo., a past president of the Missouri Cotton Producers Association and now president of the American Cotton Producers Association.

At the time I accepted the invitation, I did not know, of course, what the pending business of the Senate would be. Before leaving on Thursday noon, I checked in the Senate and left word of my support for the public works authorization bill, S. 497, which was recorded on Thursday afternoon, at which time I was paired for the bill with the distinguished junior Senator from Virginia [Mr. ROBERTSON].

Making the best plane connections possible, I was not able to return to the Senate until late Friday afternoon, at which time I learned S. 1034 had been made the pending business of the Senate, had been brought up for Senate action, but was objected to by the distinguished senior Senator from Oregon [Mr. MORSE] on the basis that it did not comply with the Morse formula.

The bill in question, S. 1034, was introduced by the chairman of the Senate Agriculture Committee, the distinguished senior Senator from Louisiana [Mr. ELLENDER], on February 4, 1957, at the request of the Department of Agriculture. It would authorize and direct the Secretary of Agriculture to convey to the University of Missouri, for agricultural purposes, the Midwest Claypan Experiment Station located at McCredie in Callaway County, Mo.

Mr. President, I ask unanimous consent that the bill be printed at this point in the RECORD.

There being no objection, the bill (S. 1034), to authorize and direct the Secretary of Agriculture to convey to the University of Missouri, for agricultural purposes, certain real property in Callaway County, Mo., was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed to convey by quitclaim deed to the University of Missouri, without cost, the real property, together with the buildings and improvements thereon, constituting the United States Department of Agriculture Midwest Claypan Experiment Station located at McCredie in the county of Callaway, State of Missouri, which property is more particularly described as follows:

The east half of the southwest quarter of section 10, and 140 acres, more or less, being all that part of the southeast quarter of section 10, lying west of the center of the Fulton and Mexico road;

Also 14.90 acres being that part of the east half of the northeast quarter of section 10 lying south of the McCredie and Williamsburg road;

Also 1 acre, more or less, in the northwest corner of the northwest quarter of the southwest quarter of section 11, being all that part of the northwest quarter of the southwest quarter lying west of the Fulton and Mexico road;

Also about 1 acre in the southwest corner of the northwest quarter of section 11, being that part of said quarter section lying south of the McCredie and Williamsburg road and west of the Fulton and Mexico road;

Also all that part containing about 65 acres of the west half of the northeast quarter and of the east half of the northwest quarter of section 10, lying south of the McCredie and Williamsburg road;

All of the above-described property lying and being in township 48 north, of range 9 west, in the aforesaid State and county, and containing 300 acres, more or less. Such property shall be conveyed upon the condition that it shall be used by the curators of the University of Missouri for the purposes of the college of agriculture. In the event that the curators of the University of Missouri shall cease to use such property for such purposes, all right, title, and interest in and to the said property shall automatically revert to the United States.

Mr. SYMINGTON. Soon after the introduction of the bill, on February 8, 1957, I wrote to Dr. Elmer Ellis, president of the University of Missouri, asking for his comments on the bill, and he replied on February 21, 1957.

Mr. President, I ask unanimous consent that these letters be inserted at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

FEBRUARY 8, 1957.

Dr. ELMER ELLIS,
President, University of Missouri,
Columbia, Mo.

DEAR ELMER: Attached is a copy of S. 1034, which, in accordance with the attached letter from the Department of Agriculture, was recently introduced by Senator ELLENDER.

Inasmuch as this bill has been referred to the Senate Agriculture Committee, of which I am a member, I will appreciate your comments.

Kind regards.

Sincerely,

STUART SYMINGTON.

UNIVERSITY OF MISSOURI,
Columbia, Mo., February 21, 1957.

Senator STUART SYMINGTON,
United States Senate,
Washington, D. C.

DEAR STUART: I appreciate your sending me a copy of Senate bill 1034 with the enclosure from the Department of Agriculture. Frankly this is the first I had heard of this proposal but the people in Agriculture have been close to it for a long time. It seems that the equipment on the farm was turned over to the college of agriculture by the Department of Agriculture some time ago before I became president; therefore, I was not informed about it. Dean Longwell informs me that these farms are being turned over to experiment stations and colleges of agriculture in other States but he did not know of any reasons why there was a delay after the actual operation of the farm had been assigned to us.

It is desirable I think that the bill pass and we get title to the land as it provides opportunities for experimentations that we should be carrying on.

Certainly I appreciate your continued interest in the university and your keeping me informed about these matters.

Cordially,

ELMER ELLIS.

Mr. SYMINGTON. The bill was considered by the Senate Agriculture Committee and was reported to the Senate on March 26, 1957. Mr. President, I ask unanimous consent that excerpts from the committee's report (No. 186), be printed at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

This bill provides for transfer of the Midwest Claypan Experiment Station to the curators of the University of Missouri, without cost, conditioned upon use for the purposes of the College of Agriculture. The station is now being operated and maintained by the university under an agreement which relieved the Department of Agriculture of considerable costs.

DEPARTMENTAL VIEWS

DEPARTMENT OF AGRICULTURE,
Washington, D. C., January 24, 1957.

The PRESIDENT OF THE SENATE,
United States Senate.

DEAR MR. PRESIDENT: There is enclosed a draft of proposed legislation to authorize and direct the Secretary of Agriculture to convey to the University of Missouri, for agricultural purposes, certain real property in Callaway County, Mo.

The purpose of this proposed legislation is to authorize the Secretary of Agriculture to convey to the curators of the University of Missouri, without cost, the United States Department of Agriculture Midwest Claypan Experiment Station, at McCredie, Mo. In addition to the land, the conveyance would include buildings and improvements at the station. The transfer would be made on the condition that the property be used for the purposes of the College of Agriculture. In the event that the property ceased to be used for such purposes, all right, title, and interest in the said property would automatically revert to the Federal Government.

The land on which the Midwest Claypan Experiment Station is located was acquired by the Soil Conservation Service of this Department in 1937 by purchase from the Northwestern Mutual Life Insurance Co. The purchase price was $13,107.48. The property acquired at purchase consisted of 300 acres of land, including buildings estimated to be valued at $3,975. This station was transferred from the Soil Conservation Service to the Agricultural Research Service under Secretary's Memorandum No. 1318, dated October 14, 1952.

Under the provisions of a memorandum of understanding entered into on September 20, 1954, by this Department and the curators of the University of Missouri, a cooperative research program in soil and water conservation and management studies, including work on terrace layout and design, erosion control, irrigation and water-supply development, and effects of deep placement of fertilizers on the utilization of claypan soils, is being carried on. This agreement also transferred the title and possession of the personal property and operating equipment to be used and disposed of in carrying out the terms of the agreement. Under the agreement the university assumed the responsibility for the operation and maintenance of the station.

The aforementioned memorandum was to serve as a document of cooperation pending consideration that the facilities would be transferred to the university through normal legislative channels.

When the University of Missouri assumed responsibility for the operation and maintenance of the station, the Department was relieved of considerable costs. The Missouri Agricultural Experiment Station has materially increased its financial support for the operation of the station. The increased contribution by the State makes it possible for the Department to cooperate in other research programs of high priority.

This proposed legislation follows closely the pattern established by Public Law 825, 81st Congress, approved September 23, 1950, which provided for transfer of title, without cost, of certain agricultural dryland and irrigation field stations to the States in which such stations were located. It authorized the Secretary of Agriculture or, when the lands concerned were public domain, the Secretary of the Interior, to convey the interest of the United States in the lands including water rights, buildings, and improvements at certain specified field stations of the Department of Agriculture to the States concerned. Transfers were not mandatory but were subject to arrangements mutually agreeable to the States and the Department.

Conveyance of this property would result in no additional cost to the Government.

We have discussed this proposal with Missouri State authorities and it is satisfactory to them.

A copy of the proposed legislation and a similar letter have also been sent to the Speaker of the House of Representatives.

The Bureau of the Budget advises that there is no objection to the submission of this proposal.

Sincerely yours,

TRUE D. MORSE,
Acting Secretary.

Mr. SYMINGTON. Included in this report is a letter from Mr. True D. Morse, Acting Secretary of Agriculture, dated January 24, 1957, and addressed to the President of the United States Senate.

I invite particular attention to the following statement in that letter:

Under the provisions of a memorandum of understanding entered into on September 20, 1954, by this Department and the curators of the University of Missouri, a cooperative research program in soil and water conservation and management studies, including work on terrace layout and design, erosion control, irrigation and water-supply development, and effects of deep placement of fertilizers on the utilization of claypan soils, is being carried on. This agreement also transferred the title and possession of the personal property and operating equipment to be used and disposed of in carrying out the terms of the agreement. Under the agreement the university assumed the responsibility for the operation and maintenance of the station.

The aforementioned memorandum was to serve as a document of cooperation pending consideration that the facilities would be transferred to the university through normal legislative channels.

When the University of Missouri assumed responsibility for the operation and maintenance of the station, the Department was relieved of considerable costs. The Missouri Agricultural Experiment Station has materially increased its financial support for the operation of the station. The increased contribution by the State makes it possible for the Department to cooperate in other research programs of high priority.

Mr. President, after reading the comments of the senior Senator from Oregon [Mr. MORSE] on Saturday morning, following my return, we immediately contacted Dean John H. Longwell of the College of Agriculture, University of Missouri, and asked that he furnish us with a statement of the expenditures by the University of Missouri in carrying on the cooperative experimental work in the Midwest Claypan Experiment Station, which the Department of Agriculture now desires authority to transfer to the University of Missouri.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter from Dean Longwell, dated March 30, 1957, together with a statement showing that the University of Missouri has expended a total of $116,291.16 on this cooperative experimental work.

There being no objection, the letter and statements were ordered to be printed in the RECORD, as follows:

UNIVERSITY OF MISSOURI,
Columbia, Mo., March 30, 1957.

Senator STUART SYMINGTON,
Senate Office Building,
Washington, D. C.

DEAR SENATOR SYMINGTON: Enclosed is a statement of the expenditures by the Missouri Agricultural Experiment Station in support of research conducted on the Midwest Claypan Experiment Farm, McCredie, Mo., and a few notes concerning the work at this farm. The Missouri station has furnished office space and laboratory facilities for Federal employees without charge.

Beginning July 1954, the Missouri station has operated the farm and furnished facilities for Federal employees who are cooperating in the work.

Very truly yours,

J. H. LONGWELL, *Director.*

Expenditures, McCredie-university funds

Year:	Amount
1940–44	$12,730.13
1945	2,700.00
1946	1,794.92
1947	3,878.35
1948	3,180.12
1949	6,376.71
1950	4,853.24
1951	7,261.49
1952	7,870.03
1953	6,311.17
1954	13,000.00
1955	14,770.00
1956	15,440.00
1957	16,125.00
Total	$116,291.16

EXPENDITURES—M'CREDIE FARM

Soil Conservation Service started experiments about 1940. Operations moved from Bethany to McCredie in 1944.

University of Missouri has furnished office space and laboratory facilities for Federal employees since 1940.

All sales funds were placed in a special university account and used in farm operations at McCredie.

May 13, 1949, University of Missouri board of curators designated McCredie Farm as an outlying experiment field.

In 1954, University of Missouri assumed responsibility of operating farm and increased appropriations for research work. Since that time the University of Missouri has assumed responsibility for providing facilities for Federal employees to work.

Mr. SYMINGTON. Mr. President, in raising objection to the passage of this bill, S. 1034, the distinguished Senator from Oregon [Mr. MORSE] questioned the statement of the Acting Secretary of Agriculture, True D. Morse:

This proposed legislation follows closely the pattern established by Public Law 825, 81st Congress, approved September 23, 1950, which provided for transfer of title, without cost, of certain agricultural dryland and irrigation field stations to the States in which such stations were located. It authorized the Secretary of Agriculture or, when the lands concerned were public domain, the Secretary of the Interior to convey the interest of the United States in the lands including water rights, buildings, and improvements at certain specified field stations of the Department of Agriculture to the States concerned. Transfers were not mandatory but were subject to arrangements mutually agreeable to the States and the Department.

Mr. President, I was not a member of the Senate at the time Public Law 825 was passed by the 81st Congress, and approved September 23, 1950. I have, however, read this public law and find the following conditions included therein:

"SEC. 2. Conveyances or patents hereunder shall be upon such conditions as in the opinion of the Secretary of Agriculture will assure the use of such station in the cooperative agricultural experimental work of the Department of Agriculture and the respective

State. Any such conveyances of the land shall contain a reservation to the United States of all the minerals in the land together with the right to prospect for, mine, and remove the same under such regulations as the Secretary of the Interior may prescribe.

Mr. President, by telephone we have read this section from Public Law 825, 81st Congress, to Dean Longwell, of the Missouri College of Agriculture.

Dean Longwell assures us that it is his understanding that the transfer of title is being made subject to this condition.

Mr. President, Department of Agriculture officials have also been in contact with Dean Longwell since last Friday. I ask unanimous consent that a statement from the Department be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE STATEMENT CONCERNING S. 1034, A BILL TO AUTHORIZE AND DIRECT THE SECRETARY OF AGRICULTURE TO CONVEY TO THE UNIVERSITY OF MISSOURI, FOR AGRICULTURAL PURPOSES, CERTAIN REAL PROPERTY IN CALLAWAY COUNTY, MO.

On September 20, 1954, the Department entered into a memorandum of understanding with the curators of the University of Missouri covering a cooperative research program in soil and water conservation and management in Missouri and the maintenance and operation of a cooperative field station at McCredie, Mo. Under the terms of this agreement it was agreed that both parties would participate in this project and that the university would maintain the buildings, roads, ditches, fences, and other permanent and operating equipment belonging to the research branch and used under the terms of this agreement. The buildings and facilities at the McCredie Station are within the terms of this provision and have been maintained by the State in accordance with the agreement. It is intended that the cooperation will continue and assurance has been received that the university will continue to maintain these facilities.

The Department's report on S. 1034 anticipated that the existing memorandum of understanding between the curators of the University of Missouri and the Department would continue to remain in effect even after the station would be transferred. This latter point was verified in our discussion with the personnel of the university. They have assured us that it was their intent that a cooperative program on soil and water research will continue in the future. The language in S. 1034 provides that such property shall be conveyed upon the condition that it shall be used by the curators of the University of Missouri for the purposes of the college of agriculture. This language is somewhat broader than the language provided in Public Law 825, 81st Congress, under section 2. Since it is intended both by the Department and by the University of Missouri that our present cooperative program continue to exist even after the proposed transfer, neither the Department nor the university would have any objection to the inclusion in the pending S. 1034 of language similar to section 2 of Public Law 825, 81st Congress, which reads as follows:

"Conveyance or patents hereunder shall be upon such conditions as in the opinion of the Secretary of Agriculture will assure the use of such station in the cooperative agricultural experimental work of the Department of Agriculture and the respective State. Any such conveyances of the land shall contain a reservation to the United States of all the minerals in the land together with the right to prospect for, mine, and remove the same under such regulations as the Secretary of the Interior may prescribe."

In view of the substantial cooperative contributions made by the University of Missouri since 1954, and particularly its maintenance of McCredie Station, it is felt that the conveyance should be without charge as proposed in S. 1034.

Copy of the memorandum of understanding between the Department and the curators of the University of Missouri is attached.

Mr. SYMINGTON. To prevent any possible misunderstanding, I have at the desk an amendment to S. 1034, providing the same conditions as in Public Law 825, 81st Congress. I ask that the amendment be printed in the RECORD at this point.

There being no objection, the amendment intended to be proposed by Mr. SYMINGTON was ordered to be printed in the RECORD, as follows:

Beginning on page 2, line 22, with the word "Such", strike out all through page 3, line 4, and insert in lieu thereof the following: "Such property shall be conveyed upon such conditions as in the opinion of the Secretary of Agriculture will assure the use of such property in the cooperative agricultural experimental work of the Department of Agriculture and the State of Missouri. The conveyance of such property shall contain a reservation to the United States of all the minerals in the land together with the right to prospect for, mine, and remove the same under such regulations as the Secretary of the Interior may prescribe."

Mr. SYMINGTON. Mr. President, Dean Longwell reports the land to be transferred to the University of Missouri, under S. 1034, has an estimated present value of $60,000. However, I wish to assure the Senator from Oregon that this is not a transfer of land owned by the United States without the giving of consideration by the transferee.

In fact, the United States will receive substantial benefits by this transfer, which will soon surpass the value of the property to be conveyed.

The Department of Agriculture reports that under the memorandum of understanding entered into in preparation for this transfer of title, the University of Missouri assumed operations and maintenance expenses of the station and facilities. This action by the university made possible the release of Agricultural Research Service personnel for additional high priority cooperative research work, both at this experiment station and elsewhere; as one example, irrigation studies at Elsberry, Mo., in cooperation with the State of Missouri, and the Soil Conservation Service.

The Department further reports that were it not for this transfer of responsibility, an additional expenditure of $20,000 a year would be required to attain this same result.

It is for this reason, that the Department of Agriculture recommends on S. 1034, as it did on Public Law 825, of the 81st Congress, that the transfer of title to this Agricultural Experiment Station be made, without cost to the transferee, the University of Missouri.

Mr. President, with this additional information, and with this understanding as a part of the legislative history of this bill, I trust that the senior Senator of Oregon [Mr. MORSE] will withdraw his objection and that the Senate will pass S. 1034, with the amendment I have proposed.

CONGRESSIONAL RESERVE TRAINING UNIT

Mr. THURMOND. Mr. President, those of us who are Members of the Congress and who also hold active United States Army Reserve or National Guard commissions have long felt a need for some means of maintaining our Reserve status in good standing.

Recognizing this need, the Department of the Army has now organized a Reserve training unit which will be titled "The United States Army Congressional Command and Operations Group, USAR."

This unit will conduct training assemblies once weekly while the Congress is in session. Assemblies normally will be conducted on Tuesday morning at 0830 hours. The initial meeting, which will be an organizational meeting, will be held this Wednesday morning at 0830 in the House caucus room.

Col. ROBERT L. F. SIKES, USAR, Representative from Florida, has agreed to act as liaison with the Army for this program. He has been assured by the Army that these training assemblies will be stimulating, informative, educational, and up to date. The program affords an excellent opportunity to a Reserve officer to keep up his Reserve status and interests with minimum interference with Congressional duties.

Participation in this unit will be on a nonpay basis. Members of the Congress who hold commissions in the Ready, Standby, or Retired Reserve of the Army, or who are commissioned in the National Guard, are eligible for membership in the unit. Staff members of Congressional committees and staff members of individual Congressmen who are commissioned in the Reserve components are invited to participate. Membership in this unit will not sever affiliation of the Member with his home unit. The Department of the Army will insure that individual records of Members will continue to be kept in their present home Reserve unit, and credit for participation in the Congressional training unit will be entered in the records of their home unit.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, April 15, 1957, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 72) to implement further the act of July 15, 1946, by approving the signature by the Secretary of the Treasury of an agreement amending the Anglo-American Financial Agreement of December 6, 1945.

ADJOURNMENT

Mr. CHURCH. Mr. President, in accordance with the previous order, I move that the Senate adjourn.

The motion was agreed to; and (at 2 o'clock and 36 minutes p. m.) the Senate

adjourned, the adjournment being, under the order previously entered, until tomorrow, Tuesday, April 16, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 15 (legislative day of April 12), 1957:

IN THE NAVY

I nominate the following-named midshipmen (Naval Academy) to be ensigns in the Navy, subject to qualifications therefor as provided by law:

William A. Abbott
Robert H. Alles
William T. Alexander
Thomas L. Allman, Jr.
Theodore A. Almstedt, Jr.
Harvey K. Altergott
Franklin F. Alvarez
Anders T. Anderson
Edward E. Anderson, Jr.
George W. Anderson III
Charles H. Andrews, Jr.
Thomas W. Andrews
Gary P. Antonides
Philip Arcuni
George W. Ashford, Jr.
Harvey B. Atkinson, Jr.
Robert F. Atwell III
Dwight E. Avis, Jr.
Samuel M. Bailey, Jr.
James C. Baker
Peter A. Baker
Ronald E. Baker
Joseph F. Ballou
James E. Bangert
Milton H. Bank II
Harold D. Barker
Nathaniel C. Barker
Frank W. Barnes
Craig L. Barnum
John E. Bartocci
Bryan W. Barton
Stanley E. Bator, Jr.
Herbert Bauer
Charles J. Beasley
Don G. Beatty
James R. Beatty III
Robert R. Beeler
Paul O. Behrends
James E. Bender
William B. Benjes
Bruce A. Bennington
James W. Bibb
Charles E. Biele, Jr.
Richard O. Black
Ronald K. Blackner
George R. Blessing
Harold A. Boggs, Jr.
Charles S. Bond
James H. Bostick
Bruce B. Bower
Robert L. Bowers
Joseph J. Boyajian
Heyward E. Boyce III
Peter B. Boyne
Frederick L. Bradley, Jr.
Robert Brazzon
Leroy E. Brenner
Allan G. Brookes, Jr.
Dennis M. Brooks
Bobby S. Broome
Donald G. Brown
Kenneth C. Brown
Parke L. Brown, Jr.
Randall R. Brown
William T. Brown
Thomas M. Browne
George W. Bryant
Wilbur P. Buck
James A. Buckner
Harold O. Bullock, Jr.
Chester W. Burchett
Thomas J. Burke
David P. Burleigh
James M. Burns
John D. Burns
David L. Butterfield
James J. Caciola
Thomas S. Cameron, Jr.
William Campbell, Jr.
Charles S. Carroll
Richard M. Chansior
Richard N. Charles
Ejner S. Christensen, Jr.
John E. Christensen, Jr.
Robert W. S. Christenson
Loren L. Clark
Redmond L. Clevenger
Frederick B. Cobi
Lawrence Cohen
William M. Cole II
James J. Coleman
William N. Collier, Jr.
David M. Collins
Eugene D. Conner
Henry B. Converse
John H. Cook III
Thomas L. P. Cook
Daniel L. Cooper
David S. Cooper
John H. Copeland
Samuel W. Coulbourn
James P. Cox
William B. Cox
Donald R. Crandall
Ian R. Crichton
William M. Crowe, Jr.
Alton I. Crowell, Jr.
William N. Currie
William H. Curry, Jr.
Frederick O. Dammann
Robert L. Daughenbaugh
Charles L. Davis
John W. Davis, Jr.
Philip C. Davis
Ray E. Davis, Jr.
John A. DeCarlo
Robert F. Deegan
Robert E. DeLashmitt
David A. Delo
Bruce DeMars
Jefferson R. Dennis, Jr.
James P. Dickey
Jacob P. Didier, Jr.
Charles J. Diehlmann
John S. Disher
Ned E. Dixon
Richard H. Dolliver
Thomas F. Donnelly
Robert A. Doragh
Ray W. Dove, Jr.
Thomas F. Drumm, Jr.
Ferdinand C. Dugan III
Andrew F. Dulik
William C. Dunham
Stanton P. Dunlap
Robert J. Duppenthaler
James E. Durr
Thomas E. Dyer
Thomas A. Eades
Leon A. Edney
Clifford H. Eley III
Warren R. Elsworth, Jr.
Terry E. Emery
Richard F. Emmett
Richard E. Enkeboll
Theodore W. Erikson
David L. Fahrney
William G. Fallai
Grover F. Fannin
Raymond J. Fazzio
Bruce C. Felt
Francis J. Fendler, Jr.
Lloyd W. Fernald, Jr.
David B. Fickenscher
David E. Fields
John L. Finley
William A. Finn
Lloyd D. Follmer, Jr.
Frank R. Ford, Jr.
James H. Foresman III
Robert N. Foss
Donald W. Fowlkes
Robert F. Fox
Thomas R. Fox
Bruce Friederich
Wayne R. Fritz
James R. Gant
Dudley A. Gaouette
Walter J. Gautier
Joseph J. Gawarkiewicz III
Richard C. Gentz
Michele D. Giambattista
Douglas B. Gibson
Ronald B. Gibson
Sherwood E. Gifford, Jr.
Harry M. S. Gimber III
Lawrence B. Goldstein
Ronald G. Goldstone
James P. Googe, Jr.
Paul E. Graff
Kermit W. Greenelsen
Duane F. Greenhoe
Robert T. Grigsby
Michael J. Gubitosi
Charles R. Hall III
John E. Hamilton
Ira R. Hanna
Richard D. Hartman
Robert K. Hastie
Duran T. Hatfield
Paul L. Hathaway, Jr.
Robert R. Haven, Jr.
Crriton E. Haviland
Allan H. Hawk
Alvin G. Haworth, Jr.
Jesse H. Heald, Jr.
Robert I. Heisner, Jr.
John S. Hellewell
Allen P. Hemphill, Jr.
Patrick Henry, Jr.
John W. Herlihy
George G. Herring III
Wesley C. Hewitt
John S. Heyde, Jr.
Shannon D. Heyward
Orrie G. Hiett, Jr.
Theodore K. Higgins
William H. Higgins
Dean H. Hines
Richard J. Hlava
William J. Hobler, Jr.
Lawrence M. Hogan
John A. Holt III
Herbert L. Hoppe
John E. Horsefield
Frederic N. Howe, Jr.
Jonathan T. Howe
James J. Hower
John H. Howland
Ira A. Hughey
Leo G. Hyatt
David A. Isquith
Thomas P. James, Jr.
Vencin L. Jamison
David W. Jaynes
George W. Jensen
Glen L. Jermstad
John D. Jerome
Leonard W. Johnson II
Peter A. Junghans
Steven E. Kadas
Norman H. Kail
Richard N. Kane
Bennett D. Katz
William A. Kauffman
Timothy E. Keating
John J. Kelley
Daniel J. Kenney
Roy A. Kensinger
William A. Kerr, Jr.
Robert L. Kershner
Martin D. Kiefer
Richard H. Kiel
Carleton J. King, Jr.
James W. King
Thomas J. Kirkland III
James D. Kirkpatrick
Montelle N. Knapp
Fredrick C. Knauf
Richard H. Knauf, Jr.
William C. Knodle
Jerry G. Knutson
Joseph W. Koch, Jr.
Alfred M. Koster IV
Leonard T. Kozlov
Theodore R. Kramer, Jr.
Thomas J. Krilowicz
William W. Kronzer
Urban R. Lamay, Jr.
George E. Lampert, Jr.
William G. Lange
George M. Lanman
Kent W. Larabee
Rene R. LaSalle
Richard N. Leahy
Mark M. Lenhart
Rex L. Leonard
William N. Leslie
Edmund F. Lewis
Philip R. Licari
Donald J. Lisa
Gill F. Livingston
Fred W. Llewellyn III
Robert G. Loewenthal
Cleve E. Loman, Jr.
Andrew P. Longton
Gary B. Lowe
Douglas L. Lowrance
Wendell H. Lueker
Charles T. Luke, Jr.
Robert A. Luke
Clayton W. Lynch
Richard L. Madouse
Lawrence R. Magner
Thomas J. Maguire
Edward J. Mahon, Jr.
Charles A. Mahoney, Jr.
Terrence M. Mahony
Kenneth C. Malley
Philip N. Mandel
John W. Margedant
Thomas A. Marnane
Ronald F. Marryott
Norman P. Marshall, Jr.
John S. Martin, Jr.
Hugo E. Marxer
Andrew S. Massimino
Lawrence E. Masten
William B. Matney, Jr.
Ebe C. McCabe, Jr.
Hugh W. McCauley
Gilson K. McClure, Jr.
Richard A. McConnel, Jr.
Richard L. McCracken
Lawrence E. McCullough
Thomas J. McGinty
Daniel E. McGlasson
Charles R. McGrail, Jr.
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William M. McHugh
William C. McIlvain, Jr.
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Albert S. McManes
Kenmore R. McManes
John A. McMorris II
Carter V. McNeese
James L. McNerney
Roger B. McPherson
William N. Mears
Richard P. Meaux
Wallace B. Mechling
Norbert W. Melnick
Kenneth N. Meneke
Walter T. Meukow
David A. Meyer
Daniel A. Mickey
John E. Middleton
William M. Mickle
Thomas J. Miklos
Donald L. Miller
Peter R. Miller
Howard E. Miniter, Jr.
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Donald L. Mitchell
David L. Mitchell
Christopher N. K. Mooers
Harold L. Mooney, Jr.
Harry R. Moore, Jr.
Jimmie R. Moore
Conrad R. Morency
Richard P. Murdoch
George S. Murphy
James H. Murphy
Michael A. Murphy
John P. Myers
Joseph F. Neary
John H. Nelson
Robert F. Nevin
John W. Newell
Burton K. Nichols
Niel P. Nielsen
Bruce F. Nolan
Charles F. Noll
Eugene J. Normand
David M. North
George E. O'Brien
Daniel J. O'Connell
James J. O'Connell
James P. O'Hara, Jr.
Brian E. O'Neill
James P. O'Neill, Jr.
LeRoy C. Ostrander
Gene A. Paasch
Henry H. Page, Jr.
William N. Palmer II
Kenneth H. Parcell
Frank W. Parker
Ural C. Parnell
James G. Partlow
John S. Paul
Jimmie "D" Paulk, Jr.
John D. Peace III
Robert W. Peacher
William H. Peerenboom
Gary R. Peiphrey
Edmund J. Peresluha II
Kenneth D. Peterson
Paul A. Peterson
George Philipps
James J. Pistotnik
James F. Pitney
James R. Poole
Richard G. Porter
Douglas F. Pritchard
Norman E. Prosser
Ronald L. Pruett
Victor H. Prushan
Bruce H. Purvis
Samuel M. Purvis
Edwin A. Putkonen
James H. Quinn
Ronald E. Rau
Robert B. Reed, Jr.
Harold L. Reichart, Jr.
James R. Reid III
Henry F. Rempt, Jr.
Richard B. Renner
John D. Richardson, Jr.
Sherwood L. Ritchie
Kenneth F. Robinson
Robert G. Robinson
Denis P. Roche
Walter V. Roeser, Jr.
Carl J. Rohsenberger, Jr.
William K. Romoser, Jr.
Wilson C. Rook
Robert H. Rositzke
Thomas E. Ross
David J. Rosser
Roger H. Rotondi
Daniel L. Roudebush
Fay O. Round, Jr.
Oren G. Rutemiller, Jr.
Paul T. Saari
Leyon D. Sakey
Robert L. Saracco
Tommy D. Sawyer
Richard H. Scales
David G. Schaffer
Jack W. Scheible
Gilbert P. Schneidewind
Henry J. Schneider
Douglas L. Scott
Roy E. Seaman
Richard A. Secor
Gerald Sedor
Alfred E. Senior, Jr.
Laverne S. Severance, Jr.
James E. Shay
John B. Shewmaker
Ronald M. Shields
Charles P. Silvia
Bennet S. Simonton
James R. Simsarian
John D. Sipes
Dennis Y. Sloan
Stephen B. Sloane
Bertram D. Smith, Jr.
Howard E. Smith, Jr.
Jess J. Smith, Jr.
William E. Smith, Jr.
William J. Smith
William S. Smith, Jr.
Selig Solomon
Arthur T. Spring
John L. Stacey
George L. Stallman III
Robert A. Steelnack
Frederick N. Steiner
Edward L. Stewart, Jr.
David J. Stiller
Richard C. Stober
Raymond N. Stoetzer
Francis H. Stoodley
Kenneth A. Strahm
Robert O. Strange, Jr.
Stanley P. Strickland
Moore A. Stuart
Wesley A. Sweat, Jr.
Oscar C. Tack, Jr.
Bruce R. Tapper
Bruce A. Thomas
David M. Thomas
Roy D. Thompson, Jr.
Robert R. Tims
Arthur B. Trammell
Charles W. Truxall, Jr.
John J. Turner, Jr.
Lawrence W. Twitchell
John L. Ulrich
Samuel G. Underhill
Clyde H. VanLandingham, Jr.

James Varnadore
Edward B. Vaughan, Jr.
Walter V. R. Vieweg, Jr.
Thomas H. Vollmer
Richard T. Vosseller
Clarence L. Walker, Jr.
Thaddeus O. Walker, Jr.
Burke Ward
Norman D. Waring
Robert L. Warters
Alexander E. Wattay
William K. Weaver
Robert F. Welland
Frederick C. Weiss, Jr.
Robert M. Wellborn, Jr.
Herbert J. West, Jr.
William W. West
Jack L. Weston
Thomas P. Whaley
Walter Whipple
George W. White, Jr.
John R. White
Wilson R. Whitmire
Charles H. Wilbur
Albert P. Williams, Jr.
Garry L. Wilson
Ronald J. Wiltsie
Warren A. Woodrow
Francis G. Woods
Joseph C. Woolman
Dwight I. Worrell
Arthur St. Clair Wright
Raymond E. Wyatt
John M. Yarbrough
Harry M. Yockey
Emory P. Zimmer
Allen M. Zollars, Jr.

The following-named midshipmen (Naval Academy) to be ensigns in the Supply Corps in the Navy, subject to qualification therefor as provided by law:

Richard G. Adams
William D. Aldenderfer
David L. Anglim
Charles E. Bachelder, Jr.
David W. Balding
James C. Ballantine, Jr.
Warner P. Basse
George D. Cassimus
Paul D. Coon
James E. Craig, Jr.
Hans R. Croeber
Robert L. Crouch
Ronald M. DelDuca
Allison B. Donalson
Joseph J. Duffy, Jr.
Richard D. Furiga
Bernard L. Gleason
Ronald T. Hall
Charles E. Harlow
Philip C. Holmen
Donald R. Jahn
Rodwell C. Johnson
George N. Kachigian
Robert H. Kase
Arthur W. Kelly
Karl W. Koch
Robert T. Lutz, Jr.
Stuart W. Marcotte
Gary D. Matthews
Richard H. Nace
Frank M. Nichols, Jr.
John E. Nolan
Gary B. Nuss
Richard B. Nygaard
Jerry G. Patterson
Robert A. Phillips
Charles T. Poplk
Constantinus P. Prahalis
Robert W. Pruess
Joseph V. Reilly, Jr.
Eugene C. Rook, Jr.
John D. Rosselott
Robert W. St. Martin
Conrad P. Schulte
Frederick G. Shea
John E. Sheehan, Jr.
Thomas M. Sims, Jr.
James J. Spillane
Thomas R. Weissinger
James R. Wilber

The following-named midshipmen (Naval Academy) to be ensigns in the Civil Engineer Corps in the Navy, subject to qualification therefor as provided by law:

James E. Bligh
Jerome J. Barczak
John L. Clearwater
Frederick M. Derr
Jerome R. Dunn
John C. Fraser, Jr.
Lester E. McMenamin, Jr.
Harold R. Somerset

The following-named (Naval Reserve Officers Training Corps) to be ensigns in the Navy, subject to qualification therefor as provided by law:

Donald E. Abram
Charles P. Adams
William E. Aherne
Roger E. Alberty
Louis P. Aldana
Robert F. Aldrich
Bruce G. Alexander
William C. Allen, Jr.
David W. Almgren
Thomas P. Anderle
Gordon W. Andersen
Benny A. Anderson
Donald C. Anderson
Norman D. Anderson
Richard C. Anderson
Robert E. Anewalt
Stanley R. Arthur
Donald S. Atkinson
Bernard S. Awtrey, Jr.
William H. Baddley
Frank B. Bailey
Joseph J. Baldes
Roger L. Baldwin
John E. Ball
Walter E. Barbee
Michael J. Barron
Richard J. Barry III
Terry M. Badger
Charles A. Baechler
Lawrence C. Baker, Jr.
James E. Barger
Richard H. Barker
John W. Barrows
Donald W. Bartlett
Larry D. Bartlett
James M. Barnes
Robert L. Barry
Paul H. Bassin
Kenneth W. Bateman
Richard H. Bates
William H. Beatty III
Donald E. Beck
John R. Beck
Lance S. Belville
Charles A. Berghane, Jr.
David J. Berrier
William H. Berry
Edward C. Bessey
Thomas C. Betterton
Francis M. Betts III
Harold R. Beury
John A. Bevan, Jr.
Charles H. Binkley
Frederick W. Bishop
Harold F. Bishop
Lawrence R. Bishop
Herbert L. Black, Jr.
Michael G. Blanken-ship
Jack Bluestein
Howard Z. Bogert, Jr.
Frank B. Boice
Thomas A. Boisseau
James R. Boling
Stuart W. Bolinger
Ray S. Bolze
Thomas J. Boodell, Jr.
Paul A. Bornstein
Robert L. Boswell
William C. Bowden
Addison M. Bowman III
Gerald L. Bowman
William D. Brandon
James J. Brennan
Edward A. Brewton
Frank G. Briggs
Richard A. Brobst
David M. Brode
Ronald A. Brookbank
Donald C. Brown
John S. Brown
Thomas S. Brown
Walter C. Brown
William J. Brownlow
David D. Brunell
William B. Buchanan
David E. Buck
John S. Bull
Philip E. Burcher
John E. Burgess
John W. Burnett, Jr.
Stanley R. Burnett
James B. Burrows
Robert A. Burton, Jr.
Marvin L. Busch
Robert H. Bussard
John P. Butler
John M. Byers
W. H. Gerald Caldwell, Jr.
Kim J. Calvin
John R. Campbell
Robert B. Campbell
John J. Campillo
Robert G. Carleton
Raymond F. Carlin, Jr.
Robert M. Caron
Jann W. Carpenter
William G. Carson
Sanford P. Carter
Robert G. Case
Walter E. Cates
James W. Cave
Glenn R. Cella
Roger B. Chaffee
John T. Chambers
Jong M. Chew
James D. Church
James J. Ciersniak
Douglas L. Clarke
Robert G. Clason
Ralph B. Clifton
Roger L. Clifton
Andrew M. Coats
Frank F. Colburn
George F. Cole III
William W. Cole, Jr.
Edward J. Collard
James B. Conner
David M. Connor, Jr.
Michael A. Conron
David W. Cook
Edward H. Cook
Patrick D. Coogan
Jesse D. Coolbaugh
John D. Cooper, Jr.
Robert E. Copeland
Gordon W. Corwin
Richard E. Cossitt
Kenneth H. Cowles
Darrell Z. Cox
Edward L. Cox
Joseph F. Cox
Robert G. Cox
Samuel R. Crain III
Forrest S. Crawford
Charles C. Cromer
Claude C. Cross
Ronald L. Crozier
Jack D. Crutchfield
Joseph R. Culhane, Jr.
Kenneth E. Cumbridge
Robert G. Cunningham, Jr.
Shane A. Cunningham
Shaun Cunningham
William E. Cupps
David S. Currie
Leonard P. Dague
James C. Dale III
Alexander S. Daley
Lewis M. Dalgarn
Dale S. Dallon
Frederick T. Daly III
Herbert V. Danielson, Jr.
William M. Dante
Thomas E. Darby, Jr.
Charles T. Darragh, Jr.
Charles A. Davenport
Theodore M. Davenport
Craig H. Davis
Jackson K. Davis, Jr.
Robert A. Davis
Robert E. Davis
Edward C. Davidson
John M. Davidson
William P. Dawkins
Laurence R. DeBuys III
Carl F. Deibaugh, Jr.
Francis B. Degress III
Robert E. DeKinder, Jr.
Joseph G. Demarest III
Michael B. Demetrjos
Charles D. DeSimio
John B. DeVries
Douglas A. Dial
Donald D. Dixon
Charles M. Doherty
Herman A. Doll
Frank C. Dorsey
John P. Dotson
John L. Dougan, Jr.
Charles W. Doughdrill
Robert L. Dow
Robert J. Dowling
John K. Doyle, Jr.
Richard J. Duane
Daniel L. Dudas
Douglas W. Duderstadt
Richard L. Duncan
William E. Durham
Denis D. Durnan
Barry J. Dyer
Henry C. Dyer II
Robert K. Eagan
Robert W. Edson
Daniel J. Edwards
Gary M. Edwards
Fred G. Eidson
Richard W. Ekblad
Robert L. Elich
Robert "A" Elkin
Richard W. Elliott
Jerry K. Emrich
Burton D. Engle
Raymond V. Engler
Samuel L. Erwin
Richard G. Erwine
John R. Esaig
Robert C. Enstam
Daniel B. Evans
Gary R. Evans
Isaac T. Evans
John J. Fahey, Jr.
Edward B. Farley, Jr.
David W. Fay
Herbert Feinroth
Paul L. Feldman
Robert L. Ferguson
John R. Ferrari
Richard A. Fidlar
William T. Finley, Jr.
David H. Fischer
Thomas F. Fishburn
John W. Fisher
George P. Fitzgibbons
Joel L. Fletcher III
Irvine D. Flinn
Ernest D. Foote
Robert R. Foote
Ronald J. Foster
Ronald L. Fowler
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Robert J. Fredericks
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Gilbert M. Freedman
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Charles J. Fuqua
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William R. Gallant
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Frederick Gardner
Norman R. Gerness
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Richard L. Geyer
Vernon W. Gibson, Jr.
James H. Gilbert, Jr.
Richard E. Gilbert
Lawrence A. Gilliland, Jr.
Stanley F. Gillmar
Edward P. Gistaro
Joseph R. Godwin
Joseph P. N. Goodell
Samuel Gordon
Walter J. Gordon
Grady L. Gothard
George K. Gowans
Donald V. Graf
Richard P. Graff
Edward J. Grant
Garland A. Gray, Jr.
Richard F. Green
David S. Greiling
David H. Griffin
James J. Griffin
John I. Griffin
Roger F. Griffin
Richard A. Groeneveld
Dean A. Grossman
Victor S. Gulliver
Donald H. Gunderson
Larry S. Gutsch
Vincent T. Hackett
Gerald L. Hackler
William K. Haeckler
Paul A. Hagedorn
Robert G. Hahn
Paul V. Halberg
Charles M. Hale
David S. Hall
Gordon B. Hall, Jr.
John P. Hall, Jr.
Richard O. Hall
Charles D. Hamilton
William E. Hammond
Souren Hanessian, Jr.
Bryant M. Hanley, Jr.
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Theodore B. Hannah
David W. Hansen
John A. Hansen
Lee E. Hargrave, Jr.
John V. Harker
Daniel H. Harkness, Jr.
Charles F. Harner, Jr.
John O. Harper
Eugene S. Harris
John L. Harrison, Jr.
John Haruch
Jerry M. Hatcher
Harry S. Havens
Ash M. Hawk
Richard S. Hayes
Charles L. Hays, Jr.
Larry Hebert
Walter Heigeland
Arthur A. Hellebusch
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Gordon W. Henderson
Tom A. Hendrickson
John B. Henneman, Jr.
Armand M. Hess
Gene A. Heth
Robert J. Hiebner, Jr.
Lyle J. Higgins
James R. Higgs
John H. Highfill III
Daniel C. Hildenbrand
Victor R. Hill
Robert M. Hillyer
Bruce W. Hilyard
Arthur R. Hirst
Peter W. Hobbs
George A. Hodges
Franklin R. Hoeven
Larry L. Holdren
Jan P. Holick
George H. Honeycutt
James B. Hope
John R. Hooper, Jr.
Shirley W. Holt
Alan E. Hoover
John C. Houldsworth
Carlton V. Howard, Jr.
Robert W. Howard
Finley N. Hubbard, Jr.
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John J. Hunt
William R. Hurley, Jr.
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Charles E. Hutchison
Cecil R. Hutchison, Jr.
Philip W. Hyatt
James P. Jackson, Jr.
Michael Jasperson
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Samuel L. Jennings
Eugene T. Jilg
Donald M. Johnson
Henry C. Johnson
Richard B. Johnson
Robert A. Johnson
Robert O. Johnson
Ivan R. Johnston
Duane C. Johnstone
Colin M. Jones
Courtney S. Jones
Daniel F. Jones
Thomas N. Jones
Dennis R. Jordan
Steven A. Jordan
William M. Jordan
Joseph I. Judge
James R. Julian
Edward R. Kaiser, Jr.
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Beau K. Kansteiner
Ernest W. Karger
Alfred L. Kasiq, Jr.
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Richard A. Kaufer
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Lawrence P. Kelliher
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Edward W. Kelly
Hugh F. Kelly
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William D. Kinsley
William P. Kirk II

John C. Kirscher
Joseph D. Kirschten
Donald S. Klein
Wallson G. Knack
Richard N. Knight
Richard W. Knorr
Richard J. Kolodziej
Richard L. Komp
William J. Kooyman
George E. Kopp
Robert W. Kopp
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Richard A. Kreitaberg
Robert C. Krieckhaus
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Eugene R. Krueger
Richard F. Kruppa
John F. Kuhn
Paul R. Kulka
Karl R. Kullander
Larry D. Kunkel
Thomas M. Kurihara
Theodore H. Kurtz
William P. Kurtz
Roger N. Kust
James D. Laing
Richard E. Landry
Edward M. Lang, Jr.
William R. Lang
Rudolph S. Langer
Paul B. Lansing
Donald K. Larsen
Donald R. Larson
Jon M. Larson
Alan W. LaRue
William W. LaRue
James W. Lauer
Casimir E. Lawler
James C. Lawrence III
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Donald M. Laws
Alan E. Lazar
Robert A. Leavenworth
Jamil G. LeBlanc
Melvin E. Lehman
Paul E. Leitzinger
Paul R. Leopold
John D. Letheo
Robert L. Leuschner, Jr.
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Sol M. Lieberman
Joseph W. Little, Jr.
Paul R. Little
William C. Livingston
Stanley J. Locke
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Marvin D. Loper
James F. Loucks II
John M. Ludwig
Carl D. Lundin
Donald U. McBride
David T. McCabe
Richard J. McCahon
James F. McCarthy
John E. McCandless
Joseph G. McClellan
Milton L. McCutchan
Peter J. McConnell
James L. McCorkle, Jr.
Henry Y. McCown, Jr.
Ronald S. McCuiston
Richard J. McCready
John F. McDaniels
John G. McDonald
Jack M. McGahey
Russell L. McGalliard
James A. McGill
Francis J. McGrath
Patrick F. McGuire
Laurence C. McIntyre, Jr.
Robert C. McIver
Warren M. McLaughlin, Jr.
George L. McMichael
Thomas C. McMurtry
James D. McNeill III
John P. McNichols, Jr.
William C. McWhorter
George E. MacCubbin, Jr.
Donald R. MacDermott
Richard W. MacKay
John W. MacKnight
Robert D. MacNish
John Macrae
Richard J. Madara
Rolf V. Mahler
Irwin R. Major
Donald B. Malcolm
Frank Mallette
Charles A. Malmberg
Emil D. Malmquist
Robert A. Mammano
Richard D. Mann
Thomas A. Manzi
William D. Marsh
Harris A. Marshall, Jr.
William G. Marshall
Albert J. Martin
James A. Martin
William J. Martin, Jr.
Joel D. Marvil
Raymond E. Matthei
Nick N. Matthews, Jr.
Kenneth A. Maxwell
Paul L. Maycock
Allen Mead
Louis D. Megehee, Jr.
Elbert L. Menees, Jr.
David L. Mericle
Lawrence F. Merrion
Paul A. Meschler
Paul M. Mettert
Nathan Metzger III
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Robert F. Michel
Harold E. Miller
Max K. Miller
Wayne W. Miller
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Robert D. Mitchell, Jr.
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Anthony M. Moore
Thomas R. Moore, Jr.
John W. Moran, Jr.
Edward A. Morgan
Ronald S. Morris
John H. Morrison
William J. Moyer
Bruce B. Mudge
Denis A. Mueller
Myron J. Mumaw
Robert E. Mumford, Jr.
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Gerard F. Murphy
John F. Murphy
Nicholas M. Murphy
Ronald D. Murphy
John A. Murray, Jr.
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Larry D. Nace
Kenneth E. Narehood
Ronald B. Natalie
Marcus E. Nellums, Jr.
David O. Nelsen
Neil O. Nelson, Jr.
Robert B. Nelson
Sydney B. Nelson
James E. Nevitt
Lino G. Niccoli
Julian C. Nichols
Lee H. Nichols
Francis E. Niering, Jr.
William P. Nilsson
James S. Noblitt
John K. Nolan
Gene O. Nommensen
Lee E. Norton, Jr.
Gary R. Nuss
Frederick W. Nutt
Francis E. O'Connor
Otis L. O'Connor
Paul O'Connor
Robert E. O'Connor
Allan W. Okins
Calvin A. Olano, Jr.
Joseph R. Olson
Oscar W. Olszewski
Stafford N. Ordahl, Jr.
Peter C. Osborne
Joseph F. O'Sullivan
Theodore C. Palen
Philip Palmer, Jr.
Richard A. Palmer
Stanley B. Palmer
Arthur J. Pancook, Jr.
Harry L. Parker
Walter W. Parker III
David N. Parks, Jr.
Angelo L. Pastore
Stewart K. Patberg
Robert C. Paton
Dale W. Patterson
Ralph A. Patterson, Jr.
Noel L. Peacock
Peter B. Perry
John R. Peters, Jr.
Melvin L. Peterson
Wade J. Pharis
Lindsay F. Phillips
David C. Pierson
Lawrence L. Pillsbury
Richard H. Pletcher
James D. Pope
Henry C. Porter
Edward C. Prettyman
Charles F. Price
Mebane M. Pritchett
James E. Prock
Peter N. Puerling
Robert W. Puschinsky
Harry S. Quast
Gerald T. Quenell
Ralph W. Quere
Gerald T. Quigley
George M. Quint
Kenneth D. Rakouska
Herbert G. Rammrath
Robert F. Randall
John T. Ratliff, Jr.
Peter V. Raudenbush
David R. Rawson
John R. Reardon
James D. Rees, Jr.
Joseph A. Reich, Jr.
Richard Reichler
Richard M. Reische
Thomas F. Reiser
George H. Reisner
Tracy V. Remy
Edward J. Rice
Edward F. Richards, Jr.
James H. Richards
Ralph Richter, Jr.
William A. Ringer
Robert T. Ritchey
David B. Robbins
Gary L. Roberts
Harry D. Roberts
Paul E. Roberts
Rex W. Roberts
Ian E. G. Robertson
John A. Robertson
Gene A. Robinson
Ronald K. Robinson
David M. Rockmore
Alexander M. Roe
Emmon S. Rogers
Thomas E. Rohricht
Clifford C. Roltsch
Stephen E. Rosenthal
Norman A. Ross
Wendell R. Ross
Alyn Rovin
William A. Rucker
Roger L. Rue
Barr E. Ruston
George W. Ryan
Joseph A. Ryburn
Alexander M. Salley
Glenn A. Saltzman
Steven M. Sandlin
George D. Sauter
David T. Savage, Jr.
Gerald K. Scales
Dennis N. Schafer
Karl G. Scheetz
John J. Schell
Parley G. Schenk
Ralph O. Schenk
Joe D. Schillinger
Preston G. Schiwitz, Jr.
John E. Schlapkohl
Raymond G. Schliesman
Kenneth L. Schneider
Thomas J. Schoen
Carl H. Schrank
Walter H. Schwartz, Jr.
Cullen R. Schwemer
Lawrence J. Scott
Robert S. Scott
Thomas D. Scott
Cornelius D. Scully III
William P. Searcy
James G. Seely, Jr.
Herbert E. Seglehorst
Frederick W. Seibold
Carwin "Y" Self
Norman D. Self
Kent S. Seymour
Stanley S. Shaw
James R. Shea
Edwin A. Shelley, Jr.
David L. Sherck
Gary G. Sick
Harry M. Siegmund
Richard L. Sorsby, Jr.
Wilson E. Southern
Barry F. Smith
Charles P. Smith, Jr.
Clarence E. Smith, Jr.
Dean L. Smith, Jr.
Fred E. Smith, Jr.
Glenn A. Smith
Jimmy F. Smith
John B. Smith
Kerry C. Smith
Robert E. Smith
Ronald D. Smith
William J. H. Smithey
Samuel J. Smock
Joseph Smotzer, Jr.
Robert J. Smythe
William F. Snell
Roger W. Staehle
Harrison I. Steans
Dwight O. Stedman
John R. Stephens
Leon M. Stevenson, Jr.
John E. Stewart
Michael M. Stewart
Francis J. Steyer
William A. Stoodt
Rolland L. Strausbaugh
Richard R. Stuart
Wilton Sturges III
James F. Sullivan, Jr.
John B. Surrett
William R. Sutherland
Harold J. Sutphen
Christopher F. Sutphin
Andrew L. Swallows
Floyd C. Swan
Edward W. Swanson, Jr.
David P. Swanson
Thomas D. Swepston
Ernest G. Szoke
Jack F. Talbott
William E. Tangney
Jerome K. Tankel
James C. Tappan
Peter R. Tatro
John N. Taussig
Douglas G. Taylor
Robert M. Taylor
Robert P. Tema
William J. Texido
Edwin R. Thiele
George F. Thoman, Jr.
David D. Thomas
George M. Thomas III
Larry D. Thomson
Manly P. Thornton
Melvin C. Thornton
David E. Thouin
Ronald E. Tietz
Calvin L. Todd
William M. Tolle, Jr.
Richard S. Tompson
Morton E. Toole
Audrice R. Traylor, Jr.
Edmund B. Treidler
Clifton R. Tucker, Jr.
David C. Twesme
Paul D. Vance
James W. Vaughan, Jr.
John J. Veak
Eugene B. Veek
Edward L. Velden
Alex J. Viessmann
James C. Vohr, Jr.
William A. Wallace
Thomas F. Wallace
Donald F. Walter
Thomas V. Wambach
Newton E. Ward, Jr.
David R. Warnock
Harold W. Waterman
John A. Watson
John W. Watt
Robert B. Watts
Charles H. Weaver
Donald E. Weaver
Charles Webb III
James M. Weiffenbach
Robert P. Weil
Robert M. Weiner
Raymond G. Weinmann
Edwin A. Weise
Francis J. Weller, Jr.
Robert E. Welsch
William R. Westlake
Mathias J. Wey
John M. Whalen
Gerald A. White
Ray J. White
Robert B. White
Harry E. Whitelock
Gregory L. Whitlinger
Ralph R. Whitney, Jr.
James B. Whittaker
William K. Wible
Robert H. Wichmann
Malcolm H. Wiener
Francis A. Wiesner
Luke J. Wilburn, Jr.
Bruce T. Willey
Thomas G. Williamson
Bruce D. Wilson
Stuart M. Winkler
Arthur R. Wise, Jr.
Lawrence E. Witmer
Robert J. Wolfe
Roderic L. Wolfe
David G. Wood
Joseph M. Woods III
Thomas B. Worthen
Joseph A. Worzala
Paul I. Wren, Jr.
Robert J. Wright
Kenneth R. Yenni
Hugh L. Yoho
Robert B. Young
William M. Younger
John A. Zachman
Raymond A. Zambrano
Richard N. Zelley
Cario F. Zezza, Jr.
James F. Ziegler
David E. Zweifel

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Supply Corps of the Navy subject to qualification therefor as provided by law:

Robert B. Abele
Frank J. Adelman
Bruce W. Avis
Richard L. Battelle
Swinton B. Burkhalter
Richard A. Butler
James E. Carpenter
Frank R. Cepel
Hugh B. Cowan
Fred Cowley
James J. Craig
Claudius S. Dawson, Jr.
Arthur P. Dayries
Robert B. Farris
Donald J. Fint
Robert N. Flinn
Robert L. Fowler, Jr.
Robert S. Friedman
Archibald Gann, Jr.
Harvey N. Herstein
John A. Jordan, Jr.
Garnett L. Keith
Charles R. Koppa
Larry G. Laycock
James H. Malecki
James E. Martin, Jr.
Paul J. Martineau
William A. Meeker
Robert A. Ogletree
Joseph K. Pinnell
Ronald D. Robinson
James W. Rosa
James F. Wilson
Paul H. Zuckerman

The following-named officers to be lieutenants (junior grade) in the Medical Corps of the Navy, and to be promoted to the grade of lieutenant when their line running mates are so promoted, subject to qualification therefor as provided by law:

Howard Alleman
Arthur O. Anctil, Jr.
Robert F. Anderson
William V. Applegate
John A. Arness
Robert M. Baird
Robert F. Baker
William J. Baker
William M. Bason
John H. Beaumier
Byron L. Beddo
James L. Beeby
Fred L. Benoit III
Harold E. Bergee
James J. Biemer
Robert S. Boring
Ronald L. Bouterie
Charles E. Boylan
Herbert E. Brooks
Frank S. Bryan
John B. Burr
Donald R. Cagle
Ronald R. Cameron
Alfred R. Chappelka, Jr.
Maynard S. Christian
Edmonston F. Coll
Marvin E. Collentine
Terry M. Collier
Ralph D. Comer
Theodore J. Cosgrove
Frederick J. Cremona
Richard K. Cureton
Jere J. Daum
Bruce K. Deflebre, Jr.
Michael F. Dolan
William C. Douglass
Robert C. Elliott
Eldon L. Evans
Fred S. Evans
George A. Ferré
John R. Finch
Albert L. Folkner
Ralph M. Fortenberry

William J. Fouty
James H. Gallent
Nicolas A. Garcia III
Allyn E. Gilbert
James T. Gillespie, Sr.
Edwin P. Gramlich
Edward D. Greaves
Donald H. Greene
Thomas P. Hamilton II
James E. Hansen
Jude R. Hayes
John E. Hester III
Jon K. Hillis
Howard S. Irons
Stephen H. James
Stephen J. Kendra
Francis L. Klingle, Jr.
Robert W. Knapp
Henry D. Knox
David H. Kohl
Jack A. Langevin
Donald T. Lansinger
Willard A. E. Larson
Robert Littlejohn
Albert G. Loew, Jr.
Denton E. MacCarty
Gilbert I. Madison, Jr.
James J. McHale, Jr.
George J. McMahon
Raymond E. Merrill
George E. Metz
Johnny E. Milner
Murray G. Mitts
Jerome H. Modell
Ross B. Moquin
Robert K. Norton
O'Tar T. Norwood
James L. Okel
John B. Oldershaw
Andrew Olesijuk
Andrew M. Pardue
Stanley R. Payne
John M. Pearson
Richard L. Rogers
William A. Royer
Ellsworth J. Sacks, Jr.
George F. Sengstack
Guy A. Settipane
Alvin A. Shackner
Edward J. Sheldon
Norman L. Sims
Joseph L. Sirois, Jr.
Alvin J. Southworth
Kenneth F. Spence, Jr.
Robert E. Strange
Fred J. Svendsen
Lawrence Sweeney
Ives C. Thillet
Philip J. Torsney, Jr.
Monroe E. Trout
Richard C. Trump
Sidney Tolchin
Peter F. D. VanPeenen
Daniel V. Voiss
James B. Wade
Kenneth E. Wagner
Edward B. Weiss
Gerald Weitzman
Robert A. Williams
George H. Wood III
Ronald H. Woody, Jr.

The following-named (civilian college graduates) to the grades indicated in the Medical Corps of the Navy, subject to qualification therefor as provided by law:

Lieutenant commander

Donald H. McLean.

Lieutenant

Edwin R. Carnes.
Charles E. Pohl.
Charles A. Rockwood, Jr.

Jeanette C. Opsahl, woman (civilian college graduate), to be a lieutenant in the Medical Corps of the Navy, subject to qualification therefor as provided by law.

The following-named Reserve officers to the grades indicated in the Medical Corps of the Navy, subject to qualification therefor as provided by law:

Commander

Rosario A. Fistichella.
Wendell A. Johnson.

Lieutenant commander

Harold R. Noer

Lieutenant

Louis C. Alaia
James A. Austin
Frank M. Barnwell
Paul R. Bauer
Joseph F. Bayer
James C. Bellamy
Daniel G. Bitner
Charner W. Bramlett
William F. Brunner
Frederick S. Caldwell
Philip K. Carter, Jr.
Pat A. Cato
John W. Coles, Jr.
Neilson T. Debevoise
Hugo S. DeLuca
Gerald F. Dobel
Thomas G. Doneker
George J. Ellis, Jr.
Hugh E. Fraser
Dudley J. Gaeckle
Henry L. Giard
Lucius A. Harrison, Jr
George R. Hart
Henry T. Haye
Neil P. Kenney
George E. Kimmel
Joseph V. LeBlanc III
James R. McArthur
Robert C. McDonough
Alan G. Miller
John L. Moore
William M. Narva
Fred H. O'Connell
Robert G. O'Connor
Jefferson W. Paslay
Malcolm R. Powell
Jack D. Real
John R. Reynolds
Bruce H. Rice
Robert G. Rizza
James W. Sanders III
Lewis R. Schumacher
Kenneth W. Sell
Robert B. Small
Robert C. Spagnoli
James J. Thomas
Adam T. Thorp, Jr.

The following-named Reserve Officers to the grades indicated in the Dental Corps of the Navy, subject to qualifications therefor as provided by law:

Lieutenant

Theodore A. Bodine
Joseph R. Bohacek
Alfred O. Brault
Donald J. Cody
James E. Corthay
Harold E. Freeburn, Jr.
Jack E. Hyde
Robert W. Longton
Robert S. Nolf
Donald L. Yowell

The following-named officers to be lieutenants (junior grade) in the Dental Corps of the Navy, and to be promoted to the grade of lieutenant when their line running mates are so promoted, subject to qualification therefor as provided by law:

Robert W. Allen
Doil E. Barlow
Paul L. J. Bradford
George R. Butler, Jr.
William L. Comcowich
George B. Cross
Charles J. Cunningham
Charles R. Diem
Ronald N. Dodds
Albert M. D'Onofrio
Richard C. Edwards
Robert K. Fenster
John T. Forte
Arthur M. Gensior
Roy F. Gherardi
Dan C. Gholson
Norman B. Giles
Richard J. Good
Charles J. Grady, Jr.
David M. Grove
Dale F. Hands
Robert J. Harland
Robert D. Heckel
Robert L. Hill
John H. Jayne
Harris M. Kimbrough, Jr.
Richard V. Lolla
James R. McAndrew
William J. McDonnel
Charles W. McGary
Louis J. Marino
Richard M. Mayberry
Eugene J. Messer
Dean T. Mielke
James E. Miller
Robert E. Mouritsen
William J. Newell
Fred A. Olson
Roy C. Page
William J. Porter
David T. Russell
Joseph P. Ryan
Kenneth D. Sipe
William A. Stout
Thomas E. Stump
Van R. Tibbetts
Herbert O. Tietzer, Jr.
Edward J. Trusz
Warren R. Westerhoff
Don H. Whited
Henry G. Wright, Jr.

The following-named Reserve officers selected as alternates to be lieutenants (junior grade) in the Dental Corps of the Navy, and to be promoted to the grade of lieutenant when their line running mates are so promoted, subject to qualification therefor as provided by law:

Vincent A. Amicucci.
Marvin J. Molacek.
James P. Toyias.

William R. Yarwood for permanent appointment to the grade of chief warrant officer W-2, in the United States Navy, subject to qualification therefor as provided by law.

The following women officers of the Naval Reserve to be appointed in the permanent grade of lieutenants in the Medical Service Corps of the Navy, subject to qualification therefor as provided by law:

Italina Di Giambattista.
Helen F. Maurer.

The following women officers of the Regular Navy to be appointed in the permanent grade of lieutenant in the Medical Service Corps of the Navy, and reappointed to the temporary grade of lieutenant commander, subject to qualification therefor as provided by law:

Bertha I. Alvord
Thelma R. Bare
Mary E. Crenshaw
Ruth L. Flickinger
Florence M. Frazier
Muriel Hanwell
Lydia F. Kieler
Dorothea J. McKinney
Eva M. Minkel
Ruth Moeller
Edna L. Townsend
Doris A. Wilson

The following women officers of the Regular Navy to be appointed in the permanent grade of lieutenant in the Medical Service Corps of the Navy, subject to qualification therefor as provided by law:

Minnie D. Banko
Marion D. Bates
Mary E. A. Bisenius
Blanche E. Boumel
Frances L. Bowdle
Helen J. Brown
Mary J. Caldbeck
Helen W. Caldwell
Mildred Chapulis
Mary E. Darling
Delima M. M. Dumas
Ruth E. Fabian
Mary C. Groez
Jane Higginson
Florence G. Lahey
Georgia M. McKearly
Maurine M. Meckes
Barbara Munroe
Helen T. O'Brien
Elizabeth O'Malley
Mary M. Opsuth
Margaret L. Rafferty
Emma G. Robinson
Elaine O. Rosevear
Anna Stankavitch
Alice Q. Steele
Ella M. Vick
Dorothea H. Wheeler
Evelyn D. White
Muriel M. White

The following woman officer of the Regular Navy to be appointed in the permanent grade of lieutenant (junior grade) in the Medical Service Corps of the Navy, and reappointed to the temporary grade of lieutenant, subject to qualification therefor as provided by law:

Betty D. Bair.

The following-named officers for temporary or permanent appointment to the grade indicated in the line of the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

Lieutenant

William H. Albertson
Richard C. Allen
Roy L. Beavers, Jr.
Joel H. Berry, Jr.
Earl C. Bowersox, Jr.
George W. Bruce, Jr.
Eugene R. Burdon
Albert L. Chandler
Donald E. Clark
Edward A. DeFelice
Donald E. Erwin
Richard M. Fletcher
Philip G. Griffith
Joseph E. Guion
Brian K. Hannula
Richard B. Hartigan
Phil "R" Hawkins
Harold J. Hilz
Joseph M. Husbands
George M. Johnson
Donald E. Jubb
Karl E. Kuehner
Marion G. Lamb
John L. Langston
Robert E. Lavender
Billups E. Lodge
Robert G. McCausland
Isidoro Maggay, Jr.
Thomas H. Mathews
Edward H. Monroe, Jr.
William E. Nyce
William H. Pierce, Jr.
Michael C. Pouls, Jr.
Donald J. Renz
William R. Rugg
Anthony D. Sesow
Maurice J. Shine
George C. Sibert
James D. Taylor, Jr.
Kenneth G. Thomas
Herman L. Turk
Robert J. Wallace
Richard B. Walls
Albert C. Wartman, Jr.
Thomas W. Watson
James D. Wolf
Donald P. Zeithaml
Robert J. Zemaitis

Lieutenant (junior grade)

John P. Baumgartner
William J. Belay
Charles F. Cook
Martin F. Corcoran
James A. Crider
Norman E. Davis
Arthur H. Eagan
Edward S. Fitch
John W. Grunenwald
Richard L. Hill
George C. Hogan
George A. House, Jr.
Robert S. Jackson
Robert Kerr
John W. Rustin, Jr.
Francis H. Scherer
Ralph A. Smith III
Louis W. Stevens
Richard A. Stratton
Richard W. Stuebben
Walter Sturm
Gerald C. Vaught
Richard M. Weber

The following-named for permanent appointment:

Lieutenant

Arthur W. Cleveland
John R. Ditore
Harry B. Ellis
Leonard B. Szatkowski
Richard T. Whitlock
Ned E. Wick

Lieutenant (junior grade)

William H. Albertson
Richard C. Allen
Alexander R. Andersen
Roy L. Beavers, Jr.
Clifford L. Bekkedahl
Joel H. Berry, Jr.
George L. Boaz
Earl C. Bowersox, Jr.
Cloyde I. Brown
George W. Bruce, Jr.
William J. Buc
Eugene R. Burdon
John W. Cade
Albert L. Chandler
Donald E. Clark
John B. Dana
George K. Davis
Edward A. DeFelice
Richard T. Dreghorn
Richard H. Engelbrecht
Donald E. Erwin
Richard M. Fletcher
Edward I. Fox
Pat M. Garner
Timothy P. Gentry
Charles A. Gray
Philip G. Griffith
Joseph E. Guion
Brian K. Hannula
Stanley J. Harms
Thomas K. Harrison
Richard B. Hartigan
Eugene F. Hartnagle
Phil "R" Hawkins
Harold J. Hilz

Edward S. Hosepian
Clifford R. Hubbard, Jr.
Joseph M. Husbands
George M. Johnson
Donald E. Jubb
Jack M. Kennedy
Wilbert A. King
Steven E. Kish
Karl E. Kuehner
Manford D. Kuttler, Jr.
Marion G. Lamb
John L. Langston
Robert E. Lavender
Billups E. Lodge
Robert G. McCausland
William A. McWaters, Jr.
Chester M. Mack
Isidoro Maggay, Jr.
Stanley J. Marks
Thomas H. Mathews
Donald M. Metzler
Edward H. Monroe, Jr.
Houston M. Morgan
William L. Morris
Richard Nielsen
William E. Nyce
William T. Owesney
James E. Perkins
Joseph "A" Perkins
Thomas M. Pieper
William H. Pierce, Jr.
William R. Pettyjohn
Michael C. Pouls, Jr.
Richard P. Ralph
Donald J. Renz
John W. Roberts
William R. Rugg
John N. Ryan
George A. Sawyer, Jr.
John J. Scully
Anthony D. Sesow
William J. E. Shafer
Maurice J. Shine
George C. Sibert
Wayne L. Stephens
Joseph E. Sullivan, Jr.
Jerry G. Swor
Benjamin E. Tabler
James D. Taylor, Jr.
Richard "Z" Test
Kenneth G. Thomas
Herman L. Turk
Christopher R. Vatidis
Robert J. Wallace
Millard L. Wallen, Jr.
Richard B. Walls
Charles W. D. Ward, Jr.
Albert C. Wartman, Jr.
Thomas W. Watson
Alan L. Weeks
Richard W. Wells
James D. Wolf
Donald P. Zeithaml
Robert J. Zemaitis

Ensign

John P. Baumgartner
William J. Belay
Leslie E. Breeding
Eugene A. Cernan
Charles G. Chisholm III
Claude D. Clower
Charles F. Cook
Martin F. Corcoran
James A. Crider
Norman E. Davis
Arthur H. Eagan
Edward S. Fitch
Charles L. Fuld
John W. Grunenwald
Richard L. Hill
George C. Hogan
George A. House, Jr.
Robert S. Jackson
Robert Kerr
John W. Rustin, Jr.
Francis H. Scherer
Ralph A. Smith III
Louis W. Stevens
Richard A. Stratton
Richard W. Stuebben
Walter Sturm
Merrill L. Talbott
Gerald C. Vaught
Richard M. Weber

The following-named officers for temporary or permanent appointment to the grade indicated in the line of the Navy (special duty law), subject to qualification therefor as provided by law:

The following-named for temporary appointment:

Lieutenant

Thomas F. Hairston.
Savas Hantzes.

The following-named for permanent appointment:

Lieutenant (junior grade)

Savas Hantzes.

Ensign

Thomas F. Hairston.

The following-named women officers for permanent appointment to the grade indicated in the line of the Navy, subject to qualification therefor as provided by law:

Lieutenant

Marie A. Cardani.

Lieutenant (junior grade)

Ann E. Carter
Nancy L. Denton
Betty J. Dew
Janet E. Horgan
Margaret J. Merritt
Beverly F. York

Ensign

Kathleen A. Bashe.
Julia J. DiLorenzo.
Janet K. Tandy.

The following-named officers for permanent appointment to the grade indicated in the Medical Service Corps of the Navy, subject to qualification therefor as provided by law:

Lieutenant (junior grade)

Elmer E. Inman, Jr.

Ensign

James G. Wilcox.

The following-named officers for temporary or permanent appointment to the grade indicated in the Supply Corps of the Navy subject to qualification therefor as provided by law:

The following-named for temporary appointment:

Lieutenant

Robert L. Brunson
Charles F. Carpenter
John H. Dunlevy
Rial C. Jones

Lieutenant (junior grade)

Ronald B. Goodman.
Richard F. Wilson.

The following-named for permanent appointment:

Lieutenant

Perry E. Baunsgard.
Harold C. Duessel.

Lieutenant (junior grade)

James A. Breit
Robert L. Brunson
Charles F. Carpenter
John H. Dunlevy
Rial C. Jones
Lawrence E. Krukin
John J. Lyons
Charles L. Rush
Thomas L. Schanz

Ensign

Ronald B. Goodman.
Richard F. Wilson.

The following-named officers for temporary or permanent appointment to the grade indicated in the Chaplain Corps of the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

Lieutenant

Eugene T. Flatley
Thaine E. Ford
Martin F. Gibbons
Chester R. Weber

The following-named for permanent appointment:

Lieutenant

Vincent M. Smith.

Lieutenant (junior grade)

Eugene T. Flatley
Thaine E. Ford
Martin F. Gibbons
Chester R. Weber

The following-named officers for temporary or permanent appointment to the grade indicated in the Civil Engineer Corps of the Navy subject to qualification therefor as provided by law:

The following named for temporary appointment:

Lieutenant

Vytautas B. Bandjunis.

Lieutenant (junior grade)

Willard G. Shafer.

The following named for permanent appointment:

Lieutenants (junior grade)

Vytautas B. Bandjunis.
Kenneth J. Kristiansen.
Richard E. Skogsberg.

Ensign

Willard G. Shafer.

The following-named officers for temporary or permanent appointment to the grade indicated in the Nurse Corps of the Navy, subject to qualification therefor as provided by law:

The following named for temporary appointment:

Lieutenants

Marie A. Croteau
Rosemary Davis
Mona L. Filler
Marguerite J. Racek

The following named for permanent appointment:

Lieutenants

Ruby M. Brooks.
Martha J. Meyers.
Margaret F. Neely.

Lieutenants (junior grade)

Marie A. Croteau
Rosemary Davis
Mona L. Filler
Marguerite J. Racek

The following-named to be temporary ensigns in the line in the Navy, for limited duty only, classification deck, subject to qualification therefor as provided by law:

William J. Adkins
Neil J. Amero, Jr.
Richard T. Baldwin
Gordon J. Barclay
Maurice J. Barrett, Jr.
Ralph I. Bertelsen
Paul G. Bowser
Randolph M. Brown
Stanton L. Brown
Richard J. Bussmann
Clarence Buyers
Frederick J. Casselberry
Thomas B. Clark
Billy W. Cummings
Joe W. Eaton.
Jeremiah Edwards, Jr.
George Fondren.
William R. Forte
Robert A. Giovanetti
Jack L. Godfrey
Joseph G. Gofus, Jr.
William M. Greaney
Lawrence E. Harkins
George C. Hebble, Jr.
William L. Henderson
Bernard M. Hillman
James K. Ingalls
Freasie "L" Jones, Jr.
William P. Karmenzind
Herman S. Kunz
Travis H. Laird
Joseph W. Lauf
William J. Leonard
William E. McGuirk
Vito J. Monteleone
Lester A. Morgan
Burton C. Newby
Lawrence B. O'Brien
Frank P. O'Keefe
Jack L. Patterson
Ronald F. Petty
James L. Putman
William F. Rogers
Donald C. Ruthford
Paul J. Santoro
Warren B. Shearon
Robert E. Sheelor
Carl J. Weidetz, Jr.
Richard L. Welch
Joseph A. Winkeler
Sol Young

The following-named to be temporary ensigns in the line in the Navy, for limited duty only, classification ordnance, subject to qualification therefor as provided by law:

Francis A. Adamcewicz
Thomas R. Allen
Russell S. Ault
John G. Bornowski, Jr.
Samuel L. Bouton
William R. Boxwell
Clarence E. Brown, Jr.
Edward H. Cahill
Wade A. Cole
William J. Cranford
Raymond Cross
Robert L. Davis
Garnett D. Duncan
Peter Edwards
Morton B. Fine
William K. Garrett
Bernie L. Green
Frederick "G" Grisbaum
Stephen J. Grosscup, Jr.
James B. Haralson
Howard J. Hardenstein
William J. Humphrey
John R. Hurd
George F. Jenkins
Oscar F. Luedtke, Jr.
John J. Peterman, Jr.
Benjamin W. Randle
Earl L. Roberts
Laverne W. Speed
Edward L. Stockhausen
David W. Strunk
George W. Sturdivant
William T. J. Swayne
Russell G. Teague
Robert L. Thompson
Robert R. Wall
Donald Ward, Jr.
William D. Watkins
George Zwirlein

The following-named to be temporary ensigns in the line in the Navy, for limited duty only, classification administration, subject to qualification therefor as provided by law:

Frank H. Abbott
Joseph D. Adams
Harris Barnett
Byron A. Blount
Roland I. Bruning
Calvin E. Burdett
Arthur E. Chayer
Harold E. Coburn
Dana P. Covert
Dean P. Flickinger
Richard H. Fulfer
Emmett T. Guindon
John K. Harley
Milam B. Hassey
Albert L. Hefferman
James W. Hood, Jr.
Raymond E. Inman
Francis P. Jones
Paul B. Kincade
Ellis R. Lamb, Jr.
William E. Landon
David C. LeBlanc
Lloyd R. Lemerande
Paul W. Martin
Lloyd H. McGraw
Roy C. Morrow
Harold W. Nall
Kenneth C. Nielsen
Lester W. Notbohm
Orville E. Painter
Newell D. Park, Jr.
Bobby J. Pigg
Ralph S. Poole, Jr.
Donald J. Pouliot
Charles A. Roll
Kenneth M. Roxburgh
Cleveland H. Russell
Alfred Sistrunk, Jr.
Joseph R. Starr
Homer H. Sullivan
Maurice S. Syverson
William H. Tebbetts
John W. Thompson
Carl L. Vancil
Kenneth E. Vann
David B. Venable
Harry E. Wagner
Joseph A. Worrall
Arthur E. Young, Jr.

The following-named to be temporary ensigns in the line in the Navy, for limited

duty only, classification engineering, subject to qualification therefor as provided by law:

Lee R. Anderson
William J. Bartee
John H. Beahm, Jr.
Wesley L. Bennett
Dean T. Blakeslee
Wayne A. Braastad
John W. Branin
James V. Brewer
Charles W. Brink
Howard S. Brown
Edward J. Cameron
Richard D. Canter
Albert J. Carr, Jr.
William F. Cole
Raymond L. Curry
James G. Davison, Jr.
Lester C. Dowling
Francis T. Duba
Thomas J. Elliott
John K. Epley
William H. Evered
Richard C. Fleming, Jr.
Roger W. Fuller
Stanley W. Gardner, Jr.
George M. Giganti
Roy D. Gomer
Charles A. Gossard
Charles D. Griswold
Matthew W. Gundersen
Frances M. Harper, Jr.
Leroy M. Hayden
Roscoe Hayter, Jr.
Eugene L. Hill
Albert L. Hoffman
John D. Jacobs
Donald G. Jefferson
Arthur L. Jewell
Harvey E. Jewell
Jesse H. Lafever
Russell J. Larkin
Carl H. Long, Jr.
Harlen J. Martin
Thomas G. McFarland, Jr.
Charles R. McIntire
Alton L. McKeithan
Robert N. McKeon
Laurence V. McNamara
Robert E. McPherson
Vincent R. Medugno
Robert L. Meenan
George L. Meisner
Bernard G. Morris
Munir A. Moyer
John J. Nania
William J. Nelson
William J. Nott
Rex G. Nunnally
William M. Patrick
Wayne M. Pierce
Robert E. Priest
Robert A. Quick
Vito N. Ragone
Billy R. Randolph
Joseph W. Reck
William J. Reno
John T. Reynolds, Jr.
Eugene Richter, Jr.
Doyne C. Robbins
Melvin D. Romero
Thomas E. Sayers, Jr.
Tom R. Sibson
William E. Silvey, Jr.
Bennie J. Smith
Jimmie E. Spear
Virgil L. Springer
Henry R. Strangfeld
Paul C. Stroup
Lester R. Sunda
Charles N. Swahn
Harold L. Thompson
Victor G. Thorp
William C. Toney
Raymond L. Urry
James [illegible] Ward
Conrad W. Weiser, Jr.
"J" "B" Whitaker
Benjamin F. Whitmer
Teddy P. Wilkison
Maurice D. Willyard
Warren C. Wilson
John D. Wood
Lawrence G. Yessak
Edward C. Yuskis

The following-named to be temporary ensigns in the line in the Navy, for limited duty only, classification hull, subject to qualification therefor as provided by law:

Chester L. Arnett
Ernest P. Blanton
Wayne E. Coltrin
Eugene Dootson
Carl Gibson
Benjamin W. Jones
Allan E. Lipke
Wallace F. MacLeod, Jr.
David B. Michael
Dehlbert C. Michel
Raymond K. Mullaly
"H" "O" Mutz, Jr.
Lawrence A. Papi
Herbert T. Randall
Harold J. VanOutrive
Clarence G. Waldner
Frank J. Woidyla

The following-named to be temporary ensigns in the line in the Navy, for limited duty only, classification electronics, subject to qualification therefor as provided by law:

John C. Alexander, Jr.
Archie A. Anderson
George E. Anderson
Robert B. Armbruster
Einar W. Backstrom
Lawrence Bates, Jr.
Robert J. Beckman
Leland "S" Beedle, Jr.
Benjamin M. Bishop
Sela A. Blaisdell
Joseph N. Brand
Lawrence H. Carter
Arthur R. Caudry
John D. Clark
Robert E. Corsnitz
John A. Craven
Richard D. Crumm
James R. Dayhoff
James M. Dearman
Joseph F. DelRoss
Thomas E. Dimond
Melvin J. Edwards
James C. Evans
Elbert W. Faires
Robert W. Felts
Franklin E. Fergerson
Cecil O. Fields
Donald L. Frear
Charles A. Fuller
Merton E. Gaudette, Jr.
George A. Gellenthin, Jr.
Winton S. Gessner
Donald "C" Gibson
Ernest E. Guimond, Jr.
Stanley J. Hall
John R. Harrington
Donald H. Hewett
Robert C. Heyde
Delbert F. Heydenberk
Robert E. Hills
Benjamin Horn
Charles E. Houck
Frank A. Howard
Robert L. Hughes
Philip H. Jacobsen
John L. Jennings
Edward D. Johnson
Roy L. Jones
Henry W. Kassler, Jr.
Charles A. Kennedy, Jr.
Wayne P. Keyes
James "J" Kilmer
John W. King
Loren L. Kuske, Jr.
William J. Lang
Harvey D. Lasko
Donald W. Little
Robert A. Lockshire
Rudyard K. Loose
Richard M. Lufkin
Harold R. Markley, Jr.
Charles B. Megyesi
John F. Merry
Joseph M. Murphy
John Nonni, Jr.
Roy A. Norman
John B. O'Brien
Walter H. O'Brien
Earl L. Oliver
Albert J. Pappas
Robert A. Parsons
Irwin B. Pierson
William C. Pioske
Lloyd E. Polk
Roger E. Prenzlow
Harold W. Rachiell
Denny R. Rathbun
Bernard S. Reitmeier
Edgar E. Richmond
William E. Riley
George L. Roberts, Jr.
Robert D. Robertson
Larry R. Rodke
Robert R. Sanborn
Paul H. Sayles
Peter J. Scheidt
Walter H. Sharp
Leonard T. Smith
Carl T. Snyder
Robert P. Sterling, Jr.
Maurice M. Stickney, Jr.
Louis J. Torres
Gordon E. Townsend
Earl V. Tracy
Theodore J. Vroman, Jr.
Eldon C. Wilson
Billie R. Young
Robert M. Zurfluh

The following-named to be temporary ensigns in the line in the Navy, for limited duty only, classification aviation operations, subject to qualification therefor as provided by law:

James L. Albritton
Hubert E. Brainard
Harold D. Carder, Jr.
"W" "L" Lamon Crouch
Richard C. Farrell
Harry A. Folkins
William H. Foulk
Paul J. Keegan
John A. Landaker, Jr.
William T. Long
Rex A. Maddox
Dean E. Nordell
Uil G. Rabb
Frederick A. Shaw
Phillip H. Skiff
Morris K. Terry
Ray A. White
Peter A. Wiktorski

The following-named to be temporary ensigns in the line in the Navy, for limited duty only, classification aviation ordnance, subject to qualification therefor as provided by law:

Earl W. Achord
Aquilla J. Allen, Jr.
Edwin C. Beach
Donald J. Brough
Donald C. Dodd
Joe L. Dyer, Jr.
Raymond E. Engle
John D. Evanoff
Bernard M. Fitzgerald
Edward F. Gold
Frank W. Huseman, Jr.
Jay D. Koehler
Roy R. Lewis, Jr.
Robert W. Morgan
Benjamin F. Schultz, Jr.
Charles R. Walton
Carl C. Wells, Jr.
Alfred H. White

The following-named to be temporary ensigns in the line in the Navy, for limited duty only, classification aviation maintenance, subject to qualification therefor as provided by law:

Robert N. Ball
Joseph S. Bouchard
Allen E. Brady
Joseph C. Bures
Morris C. Carter
Walter R. Coe
Joseph J. Cosgrove
Homer B. Daily
Chester L. Fitzpatrick
Cecil H. Fleming
Ralph A. Goslin
Irving G. Hall III
John F. Hill
William G. Holland
Walter Hopwood, Jr.
Alton J. Huth
Stephen D. Keir
Howard Kelso
Eugene J. Kozak
Frank A. Lastrico
James J. Lynch
Roy T. Magnuson
Clayton C. Mamele
Robert F. Marshall
Roger A. Mathieu
Joe B. McInvale
George W. Miller, Jr.
Herbert E. Montgomery
John T. Moore
Kenneth P. Mullins
Addison W. Newton
Edward "B" Nohlburg
Robert A. Peirson
Samuel B. Phillips
Edmund A. D. Piasecki
Nicholas T. Potts
Kyle T. Prevo, Jr.
Howard V. Richardson, Jr.
Richard T. Schoonover
Bradford K. Shaffer
Robert H. Smith
Donald G. Stanfield
John S. Thompson
Russell W. Wright

The following-named to be temporary ensigns in the line in the Navy, for limited duty only, classification aviation electronic, subject to qualification therefor as provided by law.

Clarence M. Ammons
Robert M. Archibald
Ronald W. Arenth
Harry J. Baker
Albert Barre
Harry O. Baumgartner
William C. Bibbee
Raymond L. Blazevic
James R. Blum
Richard W. Blumenthal
Arnold E. Boyster
James K. Brackin
Joseph L. Buechel
Mitchel T. Burchfield
Albert G. Bush
Lowell E. Bush
David I. Byers
Lloyd B. Camp
James P. Carl
Wayne D. Carpenter
Joseph W. Carroll
Charles S. Carter
Samuel M. Chavar
Wiley J. Cheek
Frank J. Cheney, Jr.
Lyle E. Y. Clarke
Robert A. Clary
Harry B. Clay, Jr.
James G. Cocchi
Paul T. Cook
Raymond L. Crihfield
Earl H. DeEsch
Norman L. Denoon
William E. Dishon
Joseph F. Doherty
John J. Donnelly
Joseph D. Driscoll
Charles E. Dunn
Robert A. Duvall
Robert L. Dygert
Donald L. Edwards
Richard B. Ehrhart
William B. Elliott
William T. Fenton, Jr.
Leo G. Ferlet, Jr.
Walter E. Frank
Harold A. Fredericks
Joseph Gass
Byron A. Gaudry
Francis Gorecki
Robert F. Hagen
Michael P. Hannify
Joseph E. Haralson
William L. Harkness
John R. Harkreader, Jr.
James O. Harris
Carl L. Hawkins
William E. Heppard
Paul J. Heying
Frank C. Holland, Jr.
Norman H. Johnson
Paul C. Johnson
Clarence A. Johnston
Wayne R. Kelley
Martin S. Kennedy
Aubrey V. Kesterson
William A. Kivelle
Robert G. Kofnovec
Edwin L. Krause
John A. Laboone, Jr.
Donald R. Larkin
Edward E. Lesko
William T. Martin
Ralph A. Matarazza
Richard T. Mayer
Willard L. McCollough
Robert S. McDaniel
Donald C. McIntyre
Patrick J. McIntyre, Jr.
Harry McKay
Edward W. McKinnon
David R. McKnight
Daniel J. Million
Edward Mills
Marvin L. Mills
Raymond A. Mosman
William Murdoch
Richard D. North
Arthur L. Northrop
John J. O'Donnell
Joseph D. Olson
Cecil W. Painter
Harold P. Pruitt, Jr.
Thomas H. Rasberry
Ned W. Reed
Robert W. Repp
Oscar "G" Rice
Charles A. Roberts
Robert W. Roman
Daniel P. Roper
Herman E. Roy
Edward A. Sailor
Edford W. Sapp
Bill W. Sharp
Joseph Shipman
Roy A. Sloan
Lewis F. Smith
Thomas E. Southworth
Charles E. Spitzner
Donald O. Stansbury
Zachary Steine
Raymond L. Steventon
Joel Stowers
George R. Stradley
Junior C. Sturm
Clarence S. Swaringen, Jr.
Harry D. Truitt
James G. Tylee
Frank C. VanDoren
William H. Vaughn
James A. Victor
John Wagner
Muthey D. Walker, Jr.
Audrey C. Webster
Robert W. White
William A. Wilkerson
Charles L. Williams
Van E. Williams
Kenneth D. Wright
Walton E. Yates
Anthony J. Zorbach
Ralph M. Zuver

The following-named to be temporary ensigns in the line in the Navy, for limited duty only, classification aerology, subject to qualification therefor as provided by law:

Jack V. Baldwin
George Bernstein
Thomas D. Deagan
Frederick F. Farnsworth
Chester J. Fields, Jr.
Arnold W. Pruitt, Jr.
Robert B. Roberson
Ralph W. Sallee
Marrion R. Thompson
George C. Underwood

The following-named to be temporary ensigns in the Supply Corps in the Navy, for limited duty only, subject to qualification therefor as provided by law:

"D" "C" Agee
Thomas C. Andersen
Leo R. Ayers, Jr.
Howard J. Barbary

Thomas S. Beaman
Ralph W. Bell, Jr.
Thomas Benvenuto, Jr.
Christian L. Broxterman
Jerry R. Chambers
Roy F. Christian
Floyd E. Combs
Richard D. Costa
Lawrence D. Crutchfield
John H. Dietz
Maurice E. Dixon
Dale E. Dodson
James L. Erickson
Elonza B. Fitzgerald
Robert U. Frankeny
John J. Getrige
Allen Hardy
Richard R. Hendren
Elmer G. Hunt
Rutherford E. Hunt
Raymond E. Hutton, Jr.
Floyd L. Irvin
Carl F. Irving, Jr.
Harold B. Itzkowitz
Vernon R. Jenkins
Nels P. Jensen
Theodore G. Liter
Richard A. Martell
Orville D. Matthews
Mason B. McClure
Robert H. Moore
Allen R. Murphy
Bartholomew Pacofsky
William H. Parke, Jr.
Michael Pata
Loyal B. Pettypool
Richard A. Reese
Colonel P. Robinson
Robert P. Rose
Arthur Roth
Harold R. Schoolcraft
Rodney K. Squibb
Robert H. Stead
Donald Stripling
Alex E. Swartz
Dwight O. Thietten
Philip L. Tilley
Ralph A. Utrup
Louis E. Vann
Howard A. Vincent
James V. Vogele
Paul D. Walker
Johnnie R. Weaver
Harry G. Webster
Don J. Wiggins
George W. Worth

The following named to be temporary ensigns in the Civil Engineer Corps in the Navy, for limited duty only, subject to qualification therefor as provided by law:

Clarence E. Loomis.
William J. Schoenholzer.

The following-named officers of the Navy for temporary promotion to the grade of lieutenant in the line, subject to qualification therefor as provided by law:

Cash, Eugene J.
Cassidy, Thomas J., Jr.
Dee, Orson R.
Detonnancourt, Arthur E.
Dick, Joseph L.
Duckering, Donald W.
Evans, George J.
Farnham, Charles G.
John, Robert P.
Lilling, Wilbur
Ludwig, George E.
Mathews, Donald W.
McMurtray, Robert A.
Metzler, Donald M.
Mulcahy, William J., Jr.
Ralph, Steve, Jr.
Sawyer, George A., Jr.
Scully, John J.
Shafer, William J. E.
Shields, John D.
Willhauck, Aarion
Wunsch, John R.
Dew, Betty J.
Merritt, Margaret J.

The following-named line officers of the Navy for transfer to and permanent appointment in the Civil Engineer Corps of the Navy in the grade of ensign:

William A. Bair
Maurice R. Berdan
Donald L. Conner
Theodore M. Edson
Aaron B. Jacoba
Stephen D. Love
Philip Oliver, Jr.
Edward R. Oscarson
James B. Pitman, Jr.
William W. Smila
Robert J. Westberg

The following-named (Naval Reserve Officers Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Alfred J. Adkisson, Jr.
Charles A. Augustine
Earl R. Allen
Norman D. Ailsworth
Robert H. Andrews
Robert E. Bancroft
Kline P. Barney, Jr.
William H. Barutio
Kent C. Bateman
William D. Beaty
Francis W. Bell
Donald R. Binns
William H. Bond, Jr.
Frank R. Black
Joseph P. Borland
Jerry D. Boulton
Gene E. Brennan
Donald G. Brown
Gordon R. Brown
Gordon D. Brownlee
Donald E. Bullard
Jerome C. Burchard
James H. Canova
Charles L. Carpenter, Jr.
James R. Cerasoli
James R. F. Chandler
Richard B. Chess, Jr.
Fred L. Cisewski
Gordon M. Clark
John W. Clark
Richard W. Clark
Paul F. Coakley
Jere B. Cobb
Robert L. Cochran
John C. Cooper, Jr.
Eric W. S. Craig
Stanley R. Currey
Martin J. Dalquist
Robert D. Davis
Hollis E. Davison
William D. Dobrowolski
Cyril W. Doyle
Robert C. Duval
Emory S. Evans
Charles S. Edwards
Edward H. Ernst
John F. Flynn
Paul C. Flattery
John W. Fowler
Matthew Flessner
Irving L. Fuller, Jr.
John W. Futrell, Jr.
George A. Gale
Robert E. Garcia
Richard T. German
James R. Ginn
Victor H. Golletz
William L. Goodwin
Bradford Gorham
Orrin R. Gore
Walter D. Gould
Otis L. Graham
Dean W. Graves
Glenn R. Grosch
Richard A. Gustafson
Donald A. Haldi
Donald D. Hall
George L. Hammond
Spenst M. Hansen
William J. Hatcher, Jr.
Robert E. Haverkamp
David R. Hines
Marvin E. Hoffman
Robert C. Hooper, Jr.
Bert G. Hornback
David W. House
Robert G. Jensen
Edward T. Johnson, Jr.
Richard R. Johnson
Allan E. Jones
George T. Jones
Richard O. Jones
Frank Junger
James R. Jurecka
Paul F. Kahn
Francis M. Kauffman
Robert Keeney
Morris C. Kellett
John A. Kirchner
Donald U. Kreppein
Basil L. Kristoff
Timothy B. Lecky
David J. Leighton
John J. Liati
John M. Lilla
Claude M. Linford
A. Michael Lipper
Charles F. Lloyd
Basil M. Long
Hugh M. Lovejoy
Thomas F. Lowe
Robert G. Lucas
William R. Lutes
John B. McIlhenny
John F. McManus
Colin R. McMillan
Michael J. McTighe
Donald E. Machenberg
Malcolm L. MacKay
Carter G. Mackie
Max L. Mardick
Benjamin J. Mason
Gerald J. Massey
Jacob T. May
James G. Meador
Richard O. Merritt
Donald C. Mikulecky
John G. Miller
Louis L. Morgan
William R. Murray
Benjamin F. Napheys III
Nelson M. Olf
James W. Orr
Lionel J. Parrish
Roy A. Patterson, Jr.
John T. Peavey
William P. Peterson
John J. Pikel, Jr
Woodrow W. Pitt, Jr.
John C. Pollock
Samuel G. Putnam, Jr.
Richard B. Quanrud
Radford M. Reams, III
Paul E. Ridge
Robert D. Ritchie
James Y. Robertson
Robert K. Rushin
Ivan K. T. Samsonoff
Robert H. Schuppe
Frederick W. Searby, III
John P. Senik
Robert B. Shepard, Jr.
Thomas F. Sheppard
David K. Silhanek
Tommy J. Silver
Roger E. Simmons
Robert L. Sindelar
Francis Sistrunk
Robert H. Smart
Robert E. Swartwood, Jr.
Gareth W. Smeltzer
James B. Smiley
Brock R. Snyder
Dwight T. Sorenson
Lloyd G. Spivey, Jr.
Henry C. Stackpole, Jr.
Carl M. Stephens
Edward L. Stowe
Warren J. Strausser
Henry W. Streitman
Anthony R. Stringer
Charles S. Stubin
Norman F. Suedekum
William L. Sullivan
Richard F. Swift
Carl G. Tebbe, Jr.
John F. Thelen
Carl R. Thomas
John M. Tivnan
Paul G. Toxie
William P. Trower
John S. Vogt
Samuel F. Wells, Jr.
Edward A. White
Larry R. Williams
Morris M. Williams
Charles P. Williamson
Douglas N. Wilson
Phillip A. Wittmann
Benjamin H. Woodbridge, Jr.
David H. Wright
George P. Wuerch
Fred A. Wulff, III

The following named (meritorious noncommissioned officers) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Thomas P. Angus
William S. Bates
Herman D. Batson
Daniel J. Blaul
Robert P. Brooks
Franklin H. Case
William R. Dorffeld
John L. Dunn
John P. English
Gerald D. Fassler
Vernon E. Firnstahl
George L. Gardner
Gordon D. Gore
Charles H. Gullett
Robert L. James
Peter J. Johansen
Christian F. Kiene
Charles S. Lawson
Paul F. Lessard
Joseph P. Marada
Bernard McMahon
Harold R. McSweeney
Richard S. Pyne
David R. Ramzel
William P. Redding, Jr.
Joseph E. Revell
Robert E. Rutherford
Gaetano F. Squillace
Russell P. Treadwell
Richard C. Wells

The following-named (Naval Academy graduates) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Roy F. Arnold
Robert R. Babbin
John H. Baer
Owen C. Baker
Ernest F. Baulch
James D. Beans
Randolph M. Browne III
Joseph B. Byrnes
Carl R. Chelius
Richard F. Chenault
Walter T. Chwatek
Robert C. Cockell
Donald B. Conaty
Donovan F. Duggan
James C. Eddins
Clarence Fong
Hadley C. Ford, Jr.
George R. Frank, Jr.
Charles D. Goddard
William S. Hamel
Kenneth P. Harrison
Richard T. Hart
Thomas W. Haven
Charles H. Heiden
Donald L. Hicks
Jon D. Hollabaugh
Larry T. Ingels
Angelo M. Inglisa
Redmond R. Jensen
William B. Jessup
Duncan H. Jones
Michael J. Kelly
Robert W. Layer
David R. Mabry
James F. Maguire, Jr.
James A. McGinn
David S. McIntyre
Joseph W. Monteith
Harold M. Nelson
Peter F. Neumann
James C. Norton
Richard H. Oates
Paul M. O'Brien, Jr.
John W. O'Donnell
Jerry D. Peterson
Earl S. Piper, Jr.
Allen I. Price, Jr.
George N. Robillard, Jr.
William J. Rodenbach
Robert P. Rogers
Paul E. Roush
James E. Royer, Jr.
Conrad J. Samuelsen
Richard H. Sargent
David F. Smalley
Stanley L. Smith
William J. Tirschfield
Chester J. Tricca
Samuel M. Trippe
Pedro R. Vazquez
George F. Warren
Mark H. Waterbury III
Harry E. Wells

The following-named (Army Reserve Officers Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefore as provided by law:

Joe E. Carmack.

The following-named officers for permanent appointment to the grade of first lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Nicky C. Davis
Charles R. Habgood
James D. Pierce
Ernest A. Schwab
Howard L. Snider
Donald T. Sessler
Victor D. Stauch, Jr.
Milton G. Thompson
Robert J. Weiss

The following-named officers for temporary appointment to the grade of first lieutenant in the Marine Corps, subject to qualification therefor, as provided by law:

John E. Bates
Robert W. Bartsch
Wallace J. Butler
John J. Caldas, Jr.
Donald S. Carr
Robert M. Cook
Frank T. Crews, Jr.
Terry L. Eikenbery
William G. Ficere, Jr.
Robert A. Freeman
Donald J. Hatch
Richard B. Hohman
Perry L. James
Lester E. Johnson
Jack D. Jorgenson
James L. Ludlow
James A. McCarty
James A. Schumacher
John A. Schuyler
Lionel V. Silva
Benton E. Stephenson, Jr.
Gordon D. Strand
Donald R. Treichler
Everett L. Tunget
Neil R. Van Leeuwen
Norman H. Vreeland
Edwin H. Walker IV
Dwayne E. T. Wilson

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 15, 1957

The House met at 12 o'clock noon.

Rev. Dr. Joseph F. Thorning, associate editor, World Affairs, Carrolton Manor, Md., offered the following prayer:

Heavenly Father, author of life and of love:

Let the light of Thy countenance shine brightly upon the Speaker of this House and all the Members of the United States Congress.

Grant, we beseech Thee, special divine favors for the President of the United States and other leaders who have achieved a moral miracle in building bridges of friendship among all the 21 Republics of the Western Hemisphere.

Inspire all these peoples and their government officials to speak and to act in such manner that the good-neighbor values that have been developed over recent decades may be expanded and strengthened.

Do Thou, dear Saviour, in Thy generosity and goodness, inflame the hearts and souls of the sons and daughters of America, who will be the lay and religious leaders of the future, a profound love of the ideal of inter-American understanding and devotion.

Vouchsafe, we beseech Thee, a renewed spirit of loyalty and confidence, excluding all indications of animosity, strife, or ill will.

In this critical hour, when freedom is threatened on every continent, preserve our minds and our hearts in sentiments consecrated to truth and fairness.

We implore all these graces in the name of our beloved Redeemer, the Christ of the Andes. Amen.

The Journal of the proceedings of Thursday, April 11, 1957, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment bills, a concurrent resolution, and a joint resolution of the House of the following titles:

H. R. 4271. An act to provide that the Delegate from Alaska in the House of Representatives of the United States may be a member of the Alaska International Rail and Highway Commission;

H. R. 6092. An act granting the consent and approval of Congress to the Merrimack River flood-control compact;

H. Con. Res. 115. Concurrent resolution expressing the sense of the Congress that efforts should be made to invite Spain to membership in the North Atlantic Treaty Organization; and

H. J. Res. 279. Joint resolution authorizing the procurement of an oil portrait and marble bust of the late Chief Justice Fred M. Vinson.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 126. An act for the relief of Ljubischa Nikolich;

S. 130. An act for the relief of Frosso Spiliotou;

S. 161. An act for the relief of Elias Youssef Mikhael (Ellis Joseph Michael);

S. 246. An act for the relief of Herta Kubelle Shields;

S. 249. An act for the relief of Theodora Hegeman;

S. 251. An act for the relief of Edith Elisabeth Wagner;

S. 253. An act for the relief of Josef Michael Adolf;

S. 257. An act for the relief of Petronella Elisabeth Deimbeck Major;

S. 268. An act to provide that the Secretary of the Army shall return certain mineral interests in land acquired by him for flood-control purposes to the former owners of such land;

S 368. An act for the relief of Jose Medina-Chavez (Joe Medina);

S. 385. An act to authorize the training of Federal employees at public or private facilities, and for other purposes;

S. 438. An act for the relief of Paul Er (Ear) Chen and Lydia Chen, nee Shih Ming Chung;

S. 528. An act for the relief of Nicolaos Papathanasiou;

S. 560. An act for the relief of Alec Ernest Sales;

S. 570. An act for the relief of Jeannine Therriaud Grantham;

S. 771. An act for the relief of Rebecca Erriete Mustacchi;

S. 973. An act for the relief of Yun Wha Yoon Holsman;

S. 987. An act for the relief of Leonardo Finelli;

S. 998. An act to amend the act of June 4, 1953 (67 Stat. 41), and for other purposes;

S. 1002. An act to enable the Secretary of Agriculture to extend financial assistance to desert-land entrymen to the same extent as such assistance is available to homestead entrymen;

S. 1171. An act for the relief of Harry Siegbert Schmidt;

S. 1192. An act for the relief of Irma B. Poellmann;

S. 1202. An act for the relief of Arsene Kavoukdjian (Arsene Kavookjian);

S. 1203. An act for the relief of Lydia Anne Foote;

S. 1212. An act for the relief of Evangelos Demetre Kargiotis;

S. 1346. An act for the relief of Jane Bailey (nee Jane Dzun Ma);

S. 1360. An act for the relief of Mrs. Geraldine Elaine Sim;

S. 1412. An act to amend section 2 (b) of the Performance Rating Act of 1950, as amended;

S. 1521. An act to exempt persons appointed to student trainee positions from the provisions of section 9 of the Civil Service Act prohibiting the employment in the classified service of more than two members of the same family;

S. 1832. An act to authorize the appointment of one additional Assistant Secretary of State; and

S. Con. Res. 24. Concurrent resolution authorizing the printing of additional copies of Senate Report 139, entitled "Technical Assistance."

The message also announced that the Senate insists upon its amendments to the bill (H. R. 4813) entitled "An act to extend the life of the District of Columbia Auditorium Commission, and for other purposes, disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MORSE, Mr. CLARK, and Mr. CASE of New Jersey to be the conferees on the part of the Senate.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States No. 57–9.

THE UNITED STATES ARMY CONGRESSIONAL COMMAND AND OPERATIONS GROUP

Mr. SIKES. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, Members of the Congress who hold active United States Army Reserve or National Guard commissions have long felt a need for some means of maintaining their Reserve status in good standing. Congressional staff members are in exactly the same position.

Recognizing this need, the Department of the Army has now organized a Reserve training unit which will be titled "The United States Army Congressional Command and Operations Group."

This unit will conduct training assemblies once weekly while the Congress is in session. Assemblies normally will be conducted on a designated morning at 0830–0930 hours. The initial meeting, which will be an organizational meeting, will be held this Wednesday morning at 0830 in the House caucus room.

I have been assured by the Army that these training assemblies will be stimulating, informative, educational, and up to date. The program affords an excellent opportunity to a Reserve officer to keep up his Reserve status and interests with minimum interference with congressional duties.

Participation in this unit will be on a nonpay basis. Members of the Congress who hold commissions in the Ready, Standby, or Retired Reserve of the Army or who are commissioned in the National Guard, are eligible for membership in the unit. Staff members of congressional committees and staff members of individual Congressmen who are commissioned in the Reserve components are invited to participate. Membership in this unit will not sever affiliation of the member with his home unit. The Department of the Army will insure that individual records of members will continue to be kept in their present home Reserve unit and credit for participation in the congressional training unit will be entered in the records of their home unit.

ANTIDEFICIENCY ACT

Mr. PORTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. PORTER. Mr. Speaker, the $41 million deficiency appropriation should be approved quickly by Congress so that full postal service can be restored throughout the Nation. We cannot abide ill-considered "meat-ax" cuts vitally affecting thousands of families whose breadwinners are postal employees, as well as the millions of postal patrons who are entitled to rely on the mail service which has been established.

However, the Postmaster General should resign. I said so at the outset of this hassle; I say so again now, as do the Detroit Times and other leading newspapers, along with a number of Congressmen, including my friend and distinguished colleague, the gentleman from Michigan, JOHN LESINSKI, Democrat, who is a senior member of the House Post Office and Civil Service Committee, of which committee I am also a member.

Now, did the Postmaster General violate the antideficiency law? Yes, says the Comptroller General in an opinion written April 12, 1957. He violated subparagraph (c) (1), which requires him to make the money appropriated to his Department last for the full year without the necessity of a deficiency appropriation.

The law provides no penalty for the violation of this section. I intend to introduce an amendment to provide for the same penalty applicable for violations of paragraphs (a), (b), and (h) of the Anti-Deficiency Act.

My considered opinion, as a lawyer, is that Mr. Summerfield violated paragraph (h), for which paragraph the penalty is, upon conviction, a fine of not more than $5,000 or imprisonment for not more than 2 years, or both. His guilt, of course, must be determined by a court. Therefore, I am turning over a copy of this statement to the United States Attorney for the District of Columbia with the request that he take appropriate action and in due course advise me. I personally do not believe Mr. Summerfield should be fined or imprisoned, in view of the fact that there have been previous unprosecuted violations of the Anti-Deficiency Act, although it appears that none was so gross, so flagrant and so arrogantly carried out as the instance before us. In any event, if he were convicted, the matter of punishment would be for the court to decide.

All that I am saying as a lawyer is that there is a basis for prosecution.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet tomorrow at 11 o'clock.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PAN AMERICAN DAY

The SPEAKER. Pursuant to a resolution providing that the House of Representatives designate Monday, April 15, 1957, as the date to celebrate Pan American Day, on which day appropriate remarks on the occasion may occur, the Chair recognizes the gentleman from West Virginia [Mr. BYRD].

GENERAL LEAVE TO EXTEND

Mr. BYRD. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks immediately following the remarks I am about to make; and also that all Members may have 5 legislative days within which to extend their remarks in the RECORD on this subject matter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BYRD. Mr. Speaker, I offer a resolution (H. Res. 232) and ask for its immediate consideration.

The Clerk read as follows:

Whereas April 14, 1957, marked the 67th anniversary of the founding of the Pan American Union, now the Secretariat of the Organization of American States; and

Whereas the legislatures of the 21 American Republics have traditionally observed April 14 as Pan American Day; and

Whereas the House of Representatives, ever since the founding of the Pan American Union, has encouraged the development of inter-American cooperation and friendship in recognition of common interests and aspirations of the peoples of this hemisphere: Therefore, be it

Resolved, That the House of Representatives extend its greetings of most cordial friendship and highest regard to the representative bodies of each of the other American states on the occasion of Pan American Day, in recognition of our common purpose to achieve the goal of solidarity through voluntary cooperation in mutual freedom and good will.

Copies of the present resolution shall be distributed through appropriate channels to the legislatures of the other American states and to the Secretary General of the Organization of American States.

Mr. BYRD. Mr. Speaker, it is a privilege for me to call the attention of the House to the 67th anniversary of the founding of the Pan American Union. Last week all of the independent Republics of this hemisphere observed Pan American Week, and yesterday, April 14, was Pan American Day. Due to the fact that the House could not be in session yesterday, we have postponed official recognition of this important event until today. The United States shares with the other American Republics a sense of gratification at this evidence of the feeling of unity on the part of our neighbors in this hemisphere. It is important that we this afternoon by formal action give evidence of our awareness of our common interest and common heritage to the other members of the Pan American Union.

It seems to me that our annual observations of Pan American Day resemble in many ways the observation of a birthday in a typical family here in the United States. Certainly our relations with our sister American Republics are essentially a family relationship. Nature and tradition have bound us to each other by special ties and have made us especially dependent on one another. In a sense all of the American Republics were born into the same household and are aware that their destinies are intermingled.

Just as the members of any family tend to take each other for granted most of the time, I think that it is true that in certain respects the nations of this hemisphere are inclined to take each other for granted. But just as a birthday celebration in a typical family gives evidence to one member of the family of the respect and appreciation of the rest of the family, even though that member has been pretty much taken for granted during the rest of the year, it seems to me Pan American Day gives us an opportunity to show to each other our gratitude for friendship and cooperation and our consciousness of our dependence on each other.

We are all aware of the many things which the American Republics have in common. I am sure that our institutions and outlook tend to become more alike each year. Nevertheless, it seems to me that the very marked differences that exist among us point to one of the most significant aspects of our relationship with each other. Certainly we all recognize that we are different in many ways, some of which are fundamental and obvious. Some of the nations of this hemisphere are large, others are small; some are rich and others are relatively poor. A number of the American Republics have undergone a substantial industrial development, while others are almost entirely agricultural. We are all aware of the fact that we do not have a common language. In some countries an overwhelming majority of the population has a European ancestry, while in others the overwhelming majority finds its roots entirely in this hemisphere. The basic legal systems of some countries are different from the rest. There are a number of other points of difference which all of us recognize.

The point I want to make, however, is that, in spite of these important differences, we in this hemisphere seem to have worked out procedures for getting along with each other, and these procedures seem to work better every year.

I think we all expect nations and people that are pretty much alike to get along well with each other. But, in my opinion, the biggest problem confronting the world today is to devise measures by which nations and people that are not alike can develop methods of settling their differences and avoiding controversy. The American Republics found out long ago that it is impossible as well as undesirable to try to make all nations conform to the same pattern. We have learned that we have to accept each other as we are and that our points of view and national interests will inevitably be different in important respects.

The world as a whole is just becoming aware that it must face the same realities. The world is aware that we on the two American Continents have made great progress in dealing with such matters. The Pan American Union is the oldest international organization in existence. The basic principle of the

North Atlantic Treaty had previously been embodied in the Rio Treaty of 1947. The concept of point 4 had already been in successful operation for years in Latin America before it was extended to the rest of the world by the United States and by certain programs of the United Nations.

The American Republics can be gratified that our experience has served as a guide to the world in the past, and I am sure that the nations of the world will continue to observe and to benefit from our experiences.

I think our experience with the United States aid to Latin America is particularly interesting and significant. It may well give an indication of the course to be followed in the development of our programs in other parts of the world. In the 10 years since the end of World War II the United States Government has made grants to the American Republics to a total of $673 million. In addition to this, loans of our Government to Latin American governments have reached a total of $1,333,000,000. Altogether this amounts to $2,006,000,000 of United States Government money which has gone to the American Republics during the postwar period. One of the most interesting aspects of these expenditures is the fact that roughly two-thirds of the total was made available on a loan basis. It should be noted also that nearly half of the grants, that is, $316 million was for military aid.

Let me call to your attention an aspect of our aid program to Latin America which is frequently overlooked. We have during the ten years since the war raceived a total of $821 million from that area in the repayment of principal and interest. Of the total loans of $1,333,000,000 which we made to that area, almost 50 percent have now been repaid. The outstanding debt of the American Republics to the United States is only $7'9 million.

I think that the Members of this House may all derive satisfaction from the fact that during the fiscal year 1956, the last year for which complete data is available, the total grants made by the United States to the American Republics were $111 million. But as against this amount, the United States received from the countries of Latin America $164 million in the payment of principal and interest on previous loans. We have today reached the stage where we are actually getting back from the American Republics on our previous loans to them more than the current grants which we are making to them.

I mentioned a moment ago that the total outstanding debt of the American Republics to the United States is $709 million. We all recognize that this is a substantial sum. On the other hand, I am sure that many of us are not aware of the fact that the total investment in Latin America of the United States business enterprises is $7 billion. In other words, there is 10 times as much United States capital being used in Latin America by private enterprise as is currently available there as a result of Government loans.

It is particularly significant, I think, that this very substantial capital investment in Latin America has not resulted in a drain on Latin American resources in order to make payments to the United States. A survey which has just been completed by our Department of Commerce indicates that the American firms which have made a total investment in the American Republics of $7 billion are paying each year $1 billion in taxes to the governments of the countries in which they operate. Let me point out that this $1 billion which United States firms pay in taxes exceeds the total outstanding debt of Latin American governments to the United States, which is $709 million, and may well be contrasted with the total payment of interest and principal made by the governments of the American Republics to the United States last year of $164 million.

I have cited these figures, Mr. Speaker, in order to make clear that the United States has undoubtedly made a substantial contribution to the economic development of our pan-American neighbors. It is important to note, however, that by far the greatest share of this contribution has been in the hands of American business enterprises which have come to occupy an important and permanent place in the economies of the countries in which they are located. In the second place, it is significant that a very large proportion of the funds which have been supplied to the American Republics by our Government have been made available on a loan basis and that of these loans almost 50 percent have been repaid.

It seems to me that we may hope that our assistance to nations in other parts of the world with their economic development may be similar. Certainly we want to cooperate with them and to make capital available to them when we can be sure that it will be effectively used. At the same time, we are well aware that the best evidence of the success of such a program is the fact that private enterprise is willing to make substantial investments in the area and that money supplied by our Government is being used so effectively that the nations using it are able to pay it back.

Mr. Speaker, I think we should congratulate all of our sister Republics of this hemisphere and ourselves as well on the happy relationship which has developed during the 67 years since the Pan American Union was founded. I think we have every indication that we are on the right track and that we may all derive increasing satisfaction from succeeding anniversaries of this happy event.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. BYRD. I yield to the gentleman from Florida.

Mr. SIKES. I am so glad that my distinguished friend has brought this resolution to the floor. I have listened with keen interest to his very fine statement. I think it most significant that this is the oldest organization of States that is in continuous existence. Here in this hemisphere we find our best friends and here in this hemisphere we find the greatest promise of the future. I think it very commendable indeed that the House pause to pay particular respect to this day.

Mr. BYRD. I thank the gentleman.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BYRD. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I join with my friend from West Virginia in the very fine remarks he has made on this occasion.

Sixty-seven years ago today delegates to the First International Conference of American States gathered in Washington, D. C., at the Wallach Mansion on the corner of 18th and I Streets NW., and laid the foundation for the mighty Organization of American States.

The meeting resulted from a growing conviction that the American Republics have much in common and could prosper through collaboration. Simón Bolivar, as early as 1823, had envisioned the mutual benefits to be reaped from a spirit of cooperation among the young nations of the New World. By 1889 the concept of inter-American fraternity had taken firm root in American thinking both north and south of the Rio Grande. Of the 19 American States existing at that time—Cuba and Panama were not yet independent—all except the Dominican Republic, whose agreement with the United States dated from 1884, cordially accepted a United States invitation to hold a conference aimed at strengthening inter-American ties.

The conference took several steps which foreshadowed later developments in our continental system. In the first place, it condemned conquest in the American Republics. Secondly, it adopted a comprehensive plan of arbitration. But these were lofty conceptions that had to wait until the American system ripened. The third step taken by the conference, however, proved to be of lasting significance. On April 14, 1890, the delegates agreed to establish a permanent organ of inter-American cooperation. Called the Commercial Bureau of the Americas, the first permanent machinery of the inter-American system had the sole function of collecting and distributing commercial information. But the very fact of its continual existence soon made it the nucleus upon which later attempts to improve pan-American relations could build.

The great Elihu Root, in a prophetic address to the delegates to that first pan-American meeting, captured the essence of their accomplishment. Said he:

> We hail you, gentlemen, not only for the immediate results which we expect from this international conference, but for the bright promises of the future. The vision of one generation is the project of the next, the project of this generation is the accomplished fact of the next; the fact of this generation passed into history with the next, and all the world wonders that men have so long been blind * * *. You gentlemen who participate in this conference between all the peoples of the free Western Hemisphere are the advance guard in the greatest movement since civilization began toward the brotherhood of man and the federation of the world.

Sixty-seven years later we can testify to the accuracy of Root's prediction.

One generation, then another, have built upon the groundwork laid by the distinguished delegates to that First International Conference of American States. Over the years the inter-American system has grown and gained vitality. It has endured two tragic World Wars and outlived the League of Nations. The spirit of harmony and cooperation it fosters among the American family of nations reduces tensions and mistrust that otherwise might riddle America as they have other parts of the world.

At the same time, the practice of working together has strengthened the sister nations in their resistance to threats from abroad. The American Republics drew together when the totalitarian Axis Powers threatened to destroy the freedom of nations. Now, communism, national and international, menaces the freedom and peace of the free world. The Communist threat is virulent and persistent. In its path, the 21 American Republics stand solidly together, determined to assist one another to retain the freedoms and democratic traditions that all hold dear.

On this the birthday of our inter-American system we can look back with pride on the unique peace apparatus conceived and developed in the Western Hemisphere. Nevertheless, our generation cannot relax in satisfaction at the handiwork to date. By renewed devotion to the ideals of pan-Americanism, we must strive to ever strengthen the bonds of inter-American solidarity.

From the practical standpoint, inter-American friendship and solidarity can help us win the current struggle for human freedom. The agents of Marxism-Leninism are active in the Caribbean, in Central America, and on the South American Continent. As an elementary principle of prudence, every United States citizen can ask himself what would be gained by the subversion of any Republic in the Western Hemisphere? Do we not know that the Marxists and the Leninists always disturb the peace and fish in troubled waters? When trusted, responsible friends are under fire, what have we to gain by promoting confusion, anarchy, and chaos? Thanks to the union of hearts and minds achieved in World War II, we know our allies and our allies know us. We must maintain this union, in the light of our own vital interests.

In conclusion, I would like to record my joy that, thanks to the courtesy of our beloved Chaplain, the Members of the United States House of Representatives have joined in the prayer on Pan American Day as offered, for the 13th consecutive year, by a man of God who is a friend of us all, Father Joseph F. Thorning, associate editor of World Affairs. It is our own prayer that Father Thorning, loyal friend that he is, may be preserved for many years to continue his apostolate of friendship among our good neighbors.

Mr. GORDON. Mr. Speaker, Pan American Day is an anniversary which all of us in the United States can observe with gratification. Although our country is confronted with serious problems and grave threats in many parts of the world, we can derive confidence from the fact that in the Western Hemisphere events are moving in the right direction.

I do not mean to say that the American Republics have solved all of their problems or that there are no controversies among us. Certainly every one of the countries on this side of the Atlantic has serious internal problems. We all recognize that in certain of the Pan American nations the standard of living is much too low and that an all-out effort must be made to bring about an improvement.

Nevertheless, the American Republics as a group find themselves in a favorable economic situation and the statistics show that the standard of living of the Latin American countries is increasing at the rate of 2½ percent a year. This is higher than the annual rate of increase of our own standard of living.

We should not shut our eyes either to the fact that the nations of this hemisphere have differences with each other. We in the United States find that there are areas of disagreement with certain of the nations to the south.

The fact remains, however, that in this hemisphere we have an old well-established working organization for dealing with our common problems and for working out solutions to matters of disagreement. We also have a tradition for bringing our international disputes to the membership of the Organization of American States for consideration and a feeling of confidence that no disagreement will be so serious that a solution by peaceful negotiation cannot be found.

Therefore, Mr. Speaker, on this 67th anniversary of the founding of the Pan American Union, it gives me great pleasure to join with my colleagues of the House in extending to the other nations of this hemisphere the greetings of the United States and give them assurance of our continued good will.

Mr. O'HARA of Illinois. Mr. Speaker, I desire to join in this anniversary occasion with the distinguished gentleman from West Virginia [Mr. BYRD], the chairman of the American Hemisphere Subcommittee of the Committee on Foreign Affairs, with whom on that subcommittee I have the honor to serve.

The idea of pan-Americanism goes back to the time of the first inter-American Congress in Panama in 1826. Simón Bolivar who was mainly responsible for urging this gathering of American States visualized the possibility of a permanent Pan American Union. It was his belief that such a confederation would promote inter-American peace and security.

It was not until 1890, when the first Conference of American States was held in Washington, that Bolivar's dream became a reality. It was at this conference that the foundation of pan-Americanism was laid with the formation of the Pan American Union. This union was formed on the Bolivarian ideals of inter-American cooperation based on peace, freedom, and justice.

Later conferences added to the strength of the growing "House of the Americas." Finally, at Bogota in 1948, the Ninth International Conference of American States gave permanence to the structure by establishing the Organization of American States. In the charter of this organization, the American Republics reaffirmed their desire to live together in peace; to respect each other's sovereignty; to provide for common action in case of aggression; and to promote, by collaboration, their economic, social, and cultural development.

This growth of pan-Americanism is tangible evidence of the desire of the American people to live and work with their American neighbors. It shows that we abandoned any thoughts of intervening in the internal affairs of our sister Republics and rather have recognized the sovereign equality of our good neighbors.

Today, on the anniversary of Pan American Day, all Americans can look with pride on the accomplishments of the pan-American system. Within the framework of Pan Americanism, we have succeeded in bettering the health and living conditions of our neighbors; we have developed their resources and economy; and we have successfully maintained hemispheric peace and security.

I am confident that pan-Americanism which is based on the sovereign equality of all American States and has promoted fellowship and mutual cooperation among its members in the past will continue to grow and to contribute to hemispheric welfare and solidarity in the future.

Mr. HOSMER. Mr. Speaker, California was first founded by Spain and Father Junipero Serra, who established California's many missions, is one of the State's heroes. These men from Spain brought to California the same traditions and systems of law they brought to Central and South America during the Spanish colonialization period. California was once a part of Mexico, and then an independent republic under the bear flag before it became a part of the United States. The ties of California with Latin America today remain as close as those of any region of our land.

In consequence, it is highly fitting that this year the Ambassadors of the American Republics chose to celebrate Pan American Day by a visit to California. I am inserting below editorials from the Los Angeles Times and Los Angeles Examiner commenting on the event. These editorials, however, fail to mention a most singular event in the Ambassadors' tour of California. That is the Pan American Festival at Lakewood, Calif., at which the Ambassadors were feted by a luncheon and were distinguished guests for a parade last Saturday.

The city of Lakewood and its citizens are no newcomers to the enhancement of good relations between the United States and her neighbors to the south. For over 10 years the community has honored and forwarded friendship between the people of the United States and the peoples of Latin America by an annual Pan American Day Festival and Parade. Each year one country has been singled out for special attention, which includes the formation of special contacts between Lakewood and one of the cities of that country, together with a similar specific contact between Lakewood's schools and schools of that country. So successful has Lakewood conducted these efforts that last fall the

community and its citizens were honored to received the United States Information Agency's special award of merit for outstanding services forwarding the President's "people to people", good-will program.

With the participation in this year's events at Lakewood of the Ambassadors of the American States, further recognition of the value of Lakewood's contributions to International solidarity in the Americas has been afforded. Although the success of the Lakewood Pan American Festival and Parade is due to the untiring efforts of many, special notice should be given to Mr. M. H. Jennings, president, and Mr. William S. Walker, vice president, of the Pan American Festival Association, which shouldered the major responsibility for conducting the ceremonies and festivities at Lakewood.

The editorials I referred to previously are as follows:

[From the Los Angeles Examiner]

PAN AMERICAN DAY

It is singularly fitting that today's celebration of Pan American Day is being formally celebrated in the cities of San Francisco and Los Angeles, and graced by the presence in California of the Ambassadors of the 21 American Republics which constitute the Organization of American States.

This is the first time since the founding of pan-Americanism in 1890 that observance of the event centers in the westernmost State of our own Union.

This circumstance vividly reminds the peoples of the New World of the historic links that bind the Commonwealth of California with our neighboring nations of Hispanic origin and culture.

That memory is, of course, everpresent with us. The poetic and sonorous names of California, San Francisco and Los Angeles alone suffice to establish the tie of a common past and inspire the confidence of enduring fraternity.

This sentiment is based on some facts of deep significance that are sometimes overlooked in the hurlyburly of workaday affairs, sometimes obscured by small differences that rise naturally among members of an active, creative family.

But the differences seem trivial indeed in the light of the positive beliefs that unite the sovereign states of the Western Hemisphere.

These are easily defined: A passion for liberty, both individual and collective; a deep faith in the same God and the same Saviour; recognition of the principle that the freedom of each member is essential to the freedom of all.

This has been true since George Washington and Simón Bolívar, liberators of the two great branches of the American people, both stated it clearly and firmly.

In modern times it was emphasized by Herbert Hoover during his good will tour of Latin America, before he took office as President of the United States.

More recently, the increasing exchange of goods and ideas, of cultures and arts between American nations, has helped to cement the aims of statesmanship with the realities of friendly personal relations.

With these proofs of mutual respect and trust between the New World nations uppermost in mind, The Examiner welcomes and salutes the American Ambassadors and, through their good offices, the great peoples they represent.

[From the Los Angeles Times]

GOOD NEIGHBORS GETTING TOGETHER

Whenever good neighbors get together there is the inspiration for a celebration.

And such a happy event is taking place here this week because it is the privilege of Los Angeles to be host to representatives of 19 out of 21 American Republics.

IMPORTANT VISITORS

The distinguished delegation arrived by plane yesterday and is on a steady round of entertainment building up to the climatic observation of Pan American Day Sunday.

Eighteen Ambassadors of the 21 nations comprising the Western Hemisphere were in the group welcomed at the airport by Mayor Poulson, many city officials, and civic leaders. The presence of the Ambassadors attests the importance of the occasion.

The Americas have much in common and meeting in an atmosphere of friendship and cooperation is the ideal way to promote their collective interests. Foremost is the hope that the 340 million persons in the Western Hemisphere can cross cultural differences and boundaries to become a united community.

In the 67 years since pan-Americanism has been in operation a dependency between the nations has been established. Today the Organization of American States, the sponsor of Western Hemisphere advancement, possesses an enviable record.

ENVIABLE RECORD

Wars have been reduced to the vanishing point, defensive measures have been instituted for collective security, and inter-American trade is steadily increasing. The enormous exchange of products has reached $8 billion annually and is increasing.

On the agenda for consideration are the peaceful use of atomic energy, promoting trade, eradicating of diseases, reduction of illiteracy, atimulating agricultural and industrial development, intensifying the existing technical cooperation program, construction of low-cost housing, and completing the inter-American highway system.

The matter of defense also gets continuous study and planning. The agreement is that an attack upon one shall be accepted as aggression against all. The ability to work together was shown in World War II when most of the Americas alined themselves with the United States following Pearl Harbor.

During the conflict Latin America provided 75 percent of the foodstuffs and 40 percent of the raw materials imported by the United States. The relationship has grown in importance since then and today Latin America furnishes 30 out of a total of 77 strategic materials listed for stockpiling in this country.

EARLY CHAPTERS

The New World has a fine list of successes to its credit, but there also are differences to be resolved. The story of solidarity is still in its early chapters even though the prolog was written 131 years ago by Simón Bolívar, the "George Washington" of the Latin American Republics.

He called the first meeting of the Americas for Panama City in the summer of 1826. Only four governments, Colombia, Peru, Mexico, and the Central American Federation, took part. The others ignored the invitation or were not able to send delegates.

A political storm blew up in Washington over proposals to be presented. By the time fears of entangling alliances were soothed it was too late for delegates to reach Panama City. What a far cry that is from today's realization that the whole of the New World is one community in many respects.

This year's pan-American ceremonies are more widespread than before. Pan-American Day Sunday will be the first to be observed by the organization outside of Washington, so it is fitting that Governor Knight and Mayor Poulson welcome the Americas through Dr. Fernando Lobo, Chairman of the Organization of American States. The occasion will constitute another first for Los Angeles and one difficult to surpass in pleasure and importance.

Welcome, American neighbors.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. BYRD. I yield.

Mr. VORYS. Mr. Speaker, I am happy to participate in this celebration of the 67th anniversary of the Pan American Union, and pay my tribute to our neighbors to the South. For many years I have had a deep appreciation of the necessity for solidarity in the Western Hemisphere, the importance of friendly, neighborly relations between all of the 21 Republics. Except for a trip to Panama, however, I had never traveled through Latin America until a year ago. Then, as a delegate to the inauguration of President Kubitschek, I journeyed to Brazil, and on the same trip I visited Bolivia, Peru, Colombia and Guatemala. On that trip I realized the many things we all had in common, but I also realized the individual characteristics, cultures, and problems of each of those countries each of them great and important in their own way. I met fine people in each country, in all walks of life. I realized, as one always does from such visits, that countries are not merely places on a map; nations are not statistics, but people, with human powers and frailties, with infinite possibilities. So I greet this Pan-American Day with a new appreciation of Latin America and its culture, a new bond with the fine folks who live there.

Mr. CHIPERFIELD. Mr. Speaker, we again welcome the opportunity to celebrate Pan-American Day—April 14. It may be well for us to pause and reflect upon its truly historical significance. For us in the New World it is a day peculiarly our own—the day of the Americas—when Americans both to the north and south can join hands to bring about a better understanding of one another, and cement hemispheric solidarity.

Let us therefore briefly review the progress which the Americas have made. It seems particularly desirable that we do so because next to world peace hemispheric unity is of the utmost importance to the people of the Americas.

In these anxious times when nations are wearily striving for an enduring peace in spite of overwhelming difficulties, the example of the Americas might well be taken as a guiding light for this troubled world.

Painfully, with measured steps, and in spite of many weaknesses and misunderstandings, the nations of the Americas have progressed along a weary road until now they clearly understand that while they are equal independent and sovereign nations, at the same time they are interdependent neighbors with similar problems. The crucible of the war brought them together to find victory through their united front.

As far back as 1810 the eminent Chilean Don Juan Egana made the first proposal for pan-American unity, foreseeing with statesmanlike outlook the importance of unity of purpose and policy of the American Republics.

Many important steps have been taken to increase the effectiveness of the inter-American system and of course one of the greatest of these was the founding of the Pan American Union 66 years ago today.

Another was when President Hoover, 26 years ago, proclaimed April 14, 1931, as Pan American Day.

From a series of inter-American conferences a better understanding was brought about and the keystone for closer ties of friendship was the machinery set up for prompt consultation on matters of common concern.

In 1940 at Habana it was recognized an aggression of the territory or sovereignty of any nation in the Americas should be considered as an aggression against all.

These policies led ultimately to the Act of Chapultepec at Mexico City where it was agreed not only acts of aggression from without should be the concern of all, but also acts of aggression from within the hemisphere against another American State.

The United Nations at San Francisco recognized the importance of such regional arrangements by approving of such agreements in its charter just as the signers of the Act of Chapultepec recognized the United Nations by agreeing its activities should be "consistent with the purposes and principles of the general international organization."

So today the Americas have adopted a charter of their own to keep the peace. The 3,000-mile unfortified border between Canada and the United States, the towering figure of the Christ of the Andes high on the border between Chile and Argentina take on a new and added significance.

As I have indicated there have been many factors which have tended to bring about hemispheric security and to consolidate the ties of understanding and confraternity.

Among these is the fact that the Americas of all the areas of the world are best suited for geographical unity. Without the racial and historic prejudices of the Old World, they comprise an area equal to 25 percent of the globe—consisting of 12 million square miles of the richest and most diversified resources of the world. Their climates and crops supplement each other which in and of itself draws the peoples of the hemisphere closer together and creates bonds of solidarity.

Just as we, in the years past, fought and died for our independence in the New World, so did the patriots of our neighbors to the south fight for the independence of their respective countries. This, too, provides a common bond of understanding as all these countries have heritages dedicated to the same ideals of independence of nations.

I need not add that in the fields of culture, music, art, and sciences there are great opportunities for progress because contacts of this character ignore national borders and local differences.

One of the best examples of the friendly feeling between ourselves and our American neighbors is that in the Americas alone of all the world there are no quota restrictions on immigration to this country.

While I have recited many instances of progress which we in the Americas have made in the past it does little good to blink the fact that there are still many problems to be solved.

All too often, up to the present time, there have been entirely too many coups, revolutions, and internal troubles in many of the countries of this hemisphere. There has been serious penetrations of both Red fascism and Red communism with its usual exploitation of false hope for the improvement of social and economic conditions for the people. An outstanding example how this problem can be met was when Guatemala, through her own efforts, overthrew the communistic infiltrated government and set up a truly democratic government.

As I have said on previous occasions, the so-called good-neighbor policy is not dependent on any one administration for its execution. This policy is a continuing one and rests upon a much sounder foundation. It is the universal desire of the vast majority of our people, which transcends partisan considerations, to have hemispheric unity for the betterment of us all—not just for the present but as a permanent policy.

As has so well been said, let us improve the inter-American system and remember its interdependence is its foundation, cooperation is its keystone.

Let us recall the words of the great liberator, Simón Bolívar:

> We, for our part, shall hasten with the most lively interest to establish the American compact, which forming all our republics into a single body politic, will present America to the world in an aspect of majesty and grandeur unexampled among the nations of antiquity. America thus united, if Heaven grant our desire, may be called the queen of nations and the mother of republics.

Mr. FASCELL. Mr. Speaker, pan-Americanism as a working concept dates back to the time of Simón Bolívar, the great liberator, who was the first to call a convention of the American nations. Bolívar's attempt, at the Congress of Panama in 1826, to establish a confederation to protect the hemisphere against outside attack did not bear immediate fruit, but the ideal of regional cooperation did not die.

As the threat of external attack declined, interest in commercial and economic development within the Western Hemisphere increased. It was in response to this interest that Secretary of State James G. Blaine called the First International Conference of American States to be held in Washington in 1890. It was the commercial bureau established at this meeting which eventually was developed into the Pan American Union.

The 1890 conference was only the first in what was to prove a long and successful series of hemispheric meetings. From the original emphasis on closer commercial relations the American States gradually moved on to deal with other broader problems. These included the establishment of machinery to settle inter-American disputes and to protect the Western Hemisphere. Eventually questions of international law, finance, agriculture, transportation, communications, health, sanitation, education, and cultural affairs were added.

At the Ninth Conference of the American States, held at Bogotá in 1948, a new high point in pan-American cooperation was reached with the adoption of the Charter of the Organization of American States. Simón Bolívar's noble dream of over a century before was finally well on the way to becoming a reality.

Today the 347 million people of the 21 American Republics are bound together in a wide variety of cooperative endeavors. In addition to formal ties between the various countries there has been a tremendous growth in inter-American trade, student exchange, tourist travel, and general cultural interchange. This progress is taking concrete form in such projects as the nearly completed Pan American Highway and in the Interama Center planned for construction in Miami.

On this 67th observance of the pan-American movement it is appropriate that we not only mark the progress that has been made, but that we look forward to the many tasks yet remaining. The military security of the Western Hemisphere rests on a firm basis, but there is a great need for more private investment and continued Government technical assistance to help in the rapid economic growth of Latin America. This development is of tremendous importance to the United States as a whole, and to Florida in particular.

There is, however, always a danger that close neighbors may fall into the habit of taking each other's friendship for granted. On this occasion it may be well for us in the United States to make a special effort to guard against an attitude of indifference to our good neighbors to the south. The United States and Latin America are close not only geographically, but historically and sentimentally as well. This is to the advantage of both, and to continue this close working relationship in the future requires the interest, friendship, and cooperation of men of good will in both North and South America. It is to this task that we should look while observing Pan American Week.

Mr. CANFIELD. Mr. Speaker, it was inspiringly uplifting to hear Father Joseph F. Thorning, who has been called "the good padre of the Americas," in this morning's prayer and I understand today's message was his 13th in as many Pan American Days.

May we become increasingly conscious of the good works of our good friends and neighbors in the Western Hemisphere, and may we continually strive to convince them we are anxious to work with them side by side for freedom and peace.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

PAYMENT TO COMMISSIONED OFFICERS FOR LOSSES INCURRED UNDER EMERGENCY ECONOMY LEGISLATION

The Clerk called the bill (H. R. 293) to authorize settlement for certain inequitable losses in pay sustained by officers of the commissioned services under the emergency economy legislation, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, I would first like to point out that the amount involved in the proposed legislation is not budgeted for in the fiscal 1957 or fiscal 1958 budgets for the Department of Defense. Secondly, I do want to point out that based on testimony given before the Committee on the Judiciary and based on statements submitted to me by those who are most interested in behalf of this legislation, this legislation, if approved, would potentially cost the Federal Treasury $1,328,300. As the Members of this body know, the Consent Calendar committee on both sides of the aisle on February 19, 1957, submitted to the membership certain rules and regulations pertaining to the Consent Calendar. On page 2249 of the CONGRESSIONAL RECORD of February 19, it indicates and I quote:

> The members of the committee feel first that generally no legislation should pass by unanimous consent which involves an aggregate expenditure of more than $1 million.

Consequently, based on the information which I have indicated, and based on the rules set forth by the Consent Calendar committee, I must object to the consideration of this legislation.

The SPEAKER. Objection is heard.

TESTIMONY OF WITNESSES BEFORE COMMITTEES OF CONGRESS

The Clerk called the bill (H. R. 259) to prescribe a method by which the Houses of Congress and their committees may invoke the aid of the courts in compelling the testimony of witnesses.

The SPEAKER. Is there objection to the present consideration of the bill?

Messrs. THORNBERRY, SMITH of Virginia, and IKARD objected.

CLINT AND FABENS SCHOOL DISTRICTS, TEXAS

The Clerk called the bill (H. R. 1983) to provide for the conveyance of the reversionary interest of the United States in certain lands to the Clint Independent School District and the Fabens Independent School District in the State of Texas, or to either of them, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, on the last call of the calendar this bill was put over at my request in view of the absence of a departmental report. Since that time a report from the Department has been furnished.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of State is hereby authorized, notwithstanding any other provisions of law, to enter into an agreement with the board of trustees of the Clint Independent School District, Clint, Tex., and the board of trustees of the Fabens Independent School District, Fabens, Tex., municipal corporations of the State of Texas and grantees of an undivided one-half interest in and to a 40-acre tract of land covered by a deed dated May 14, 1940, filed of record in volume 667, at page 290 of the deed records of El Paso County, Tex., (1) consenting on behalf of the United States that the said municipal corporations may voluntarily partition between them the land so granted: *Provided*, That the reversionary provisions in said deed shall remain unaffected by such partition; and (2) providing for the exchange by either or both of said grantee municipal corporations in accord with the provisions of section 2 hereof of the lands so granted and so partitioned for other lands of not less than an equal area and value, as determined by the Secretary of State, as said municipal corporations, or either of them, may deem more suitable for public educational purposes.

SEC. 2. When the agreement contemplated by section 1 hereof shall have been concluded, there shall be exchanged simultaneously by the parties in interest such deeds and other instruments as may be required by the laws of the State of Texas (1) to effect a waiver by the Secretary of State on behalf of the Government of the United States of the reversionary interest which it has in the lands covered by the partition and to be exchanged; (2) to vest in the Government of the United States in the lands to be received in exchange by the said municipal corporations, or either of them, for their portions or portion of the lands to be partitioned a reversionary interest, which reversionary interest shall be of like intent and legal effect as the reversionary interest retained by the United States under the provisions in the said deed of May 14, 1940, to said municipal corporations; and (3) to effect the exchange between the present owners in fee simple of the lands covered by the partition and of those for which the exchange is to be made: *Provided, however*, That none of the instruments of title shall be valid until all necessary deeds and other instruments have been executed and exchanged: *And provided further*, That the exchange of lands herein contemplated shall be without cost to the United States.

SEC. 3. The Secretary of State is further authorized to execute on behalf of the Government of the United States such deeds and other instruments of title as shall be necessary to carry out the purpose of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOANS TO HOMESTEADERS AND DESERT-LAND ENTRYMEN

The Clerk called the bill (H. R. 3753) to enable the Secretary of Agriculture to extend financial assistance to desert-land entrymen to the same extent as such assistance is available to homestead entrymen.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MARSHALL and Mr. LANHAM objected.

PENSIONS FOR VETERANS SUFFERING FROM TUBERCULOSIS

The Clerk called the bill (H. R. 1264) to provide that certain veterans suffering from active pulmonary tuberculosis shall be deemed to be permanently and totally disabled for pension purposes while they are hospitalized.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

LIMITING PAYMENTS TO CERTAIN BENEFICIARIES OF CERTAIN VETERANS

The Clerk called the bill (H. R. 72) to amend section 21 of the World War Veterans' Act, 1924, to provide for the disposition of certain benefits which are unpaid at the death of the intended beneficiary.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

EXTEND AGRICULTURAL CONSERVATION PROGRAM

The Clerk called the bill (H. R. 1045) to amend the Soil Conservation and Domestic Allotment Act, as amended, and the Agricultural Adjustment Act of 1938, as amended.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, I wonder if I may have the attention of somebody from the Committee on Agriculture.

I do not question at all the merits of the conservation program. That is not dealt with in this bill, but if I understand correctly, this program since its inauguration in 1936 has been a program of Federal grants-in-aid to the States.

Mr. ABERNETHY. That is correct.

Mr. BYRNES of Wisconsin. And this bill would change that so that from here on it would be a direct Federal program. Am I correct in that?

Mr. ABERNETHY. No. The bill does not change the character of the program at all. The program every year has to run the Congressional gauntlet of an extension. That is an extension for 2 years ever since 1936. The bill is always carried on the Consent Calendar and has been passed by unanimous consent for a number of years. At the present time the Department has a budget problem which is rather serious. They have reason to believe that the program will be continued every 2 years, but they do

not actually know that. Nevertheless, they proceed with setting up their budget down there, but the time may come when they may run into a controversy about that. The Department is heartily in favor of the legislation, and it came from the committee by a unanimous report.

Mr. BYRNES of Wisconsin. I understand there is no change made in the basic philosophy or the basic operation of the program. The only thing you do in this bill is to make it permanent rather than a temporary character.

Mr. ABERNETHY. That is right. There is no change whatever in the basic philosophy of the bill.

Mr. BYRNES of Wisconsin. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That section 7 of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590g), is further amended as follows: Subsections (b), (c), (d), (e), (f), and (g), and the subsection designation "(a)" are stricken out.

SEC. 2. (a) Subsection (a) of section 8 of said act, as amended, relating to the period within which the Secretary is authorized to develop programs and make payments directly to farmers for specified purposes, is hereby repealed.

(b) The first sentence of subsection (b) of section 8 of said act, as amended, is amended by striking out the words "Subject to the limitation provided in subsection (a) of this section, the" and inserting in lieu thereof the word "The."

(c) Subsections (b), (c), (d), (e), and (f) of section 8 of said act, as amended, are redesignated as subsections (a), (b), (c), (d), and (e), respectively.

SEC. 3. Sections 8, 9, and 12 of the Soil Conservation and Domestic Allotment Act, as amended, are amended by deleting "7 (a)" wherever it appears and inserting in lieu thereof "7."

SEC. 4. Section 388 (a) of the Agricultural Adjustment Act of 1938, as amended, is amended by deleting "8 (b)" wherever it appears and inserting in lieu thereof "8 (a)."

With the following committee amendment:

Page 1, line 3, strike out all after the enacting clause and insert: "That section 8 of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590g), is further amended by deleting subsection (a) and inserting in lieu thereof:

"'(a) The Secretary shall exercise the powers conferred in this section to carry out the purposes specified in section 7 (a), in any year and in any State for which no State plan has been approved for such State pursuant to section 7: *Provided, however*, That the Secretary shall carry out the purposes specified in section 7 (a) through State action as rapidly as adequate State laws are enacted and satisfactory State plans are submitted. Notwithstanding the foregoing provisions of this section and section 7, the provisions of this section with respect to the State, county, and local committees of farmers shall continue in full force and effect for purposes other than the administration of State plans.'"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read: "A bill to amend the Soil Conservation and Domestic Allotment Act, as amended."

A motion to reconsider was laid on the table.

PEREMPTORY CHALLENGES IN CIVIL SUITS

The Clerk called the bill (H. R. 3368) to amend section 1870 of title 28, United States Code, to authorize the district courts to allow additional peremptory challenges in civil cases to multiple plaintiffs as well as multiple defendants.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM of Iowa. Mr. Speaker, reserving the right to object, I would like to ask the chairman of the committee exactly how this bill will operate.

Mr. ROGERS of Colorado. This was reported unanimously from the Committee on the Judiciary. The present operation of the peremptory challenge is limited to three on each side, with the proviso that the judge may, in his discretion, give additional peremptory challenges to the defendant.

Mr. CUNNINGHAM of Iowa. Does the gentleman believe that this bill may put a burden upon Federal judges that is not now there, that will become embarrassing to the judiciary?

Mr. ROGERS of Colorado. No; it will not. All it does is to equalize and give to the judge the right to extend to the defendant as well as the plaintiff additional peremptory challenges.

Mr. CUNNINGHAM of Iowa. Would this bill be an opening wedge to extending the same privilege in criminal cases?

Mr. ROGERS of Colorado. No. This has nothing to do with criminal cases.

Mr. CUNNINGHAM of Iowa. Has there been any hearing before your committee at any time about giving the same right to defendants in criminal cases? Frankly, that is what I am afraid of.

Mr. ROGERS of Colorado. It has nothing to do with criminal cases. This is recommended by the Judicial Conference. The question, as it may relate to criminal proceedings, will be met when presented.

We feel that it would be disadvantageous to continue civil actions whereby you give to one party, that is, the defendants, in a civil action, the right to appeal to the judge to get extra peremptory challenges, but the same right is not granted to the plaintiff.

All this does is to equalize the number of challenges available to each side and say that whether you are plaintiff or defendant, if you can convince the judge of the necessity for extra challenges, he may grant them to both sides.

Mr. CUNNINGHAM of Iowa. I thank the gentleman. One further question: In case there should be a multitude of defendants, like several hundred in one case, it is entirely up to the judge whether or not he grants the right of additional peremptory challenges.

Mr. ROGERS of Colorado. The gentleman is absolutely correct.

Mr. CUNNINGHAM of Iowa. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection the Clerk read the bill as follows:

Be it enacted, etc., That section 1870 of title 28, United States Code, is amended to read as follows:

"§ 1870. Challenges

"In civil cases, each party shall be entitled to three peremptory challenges. Several defendants or several plaintiffs may be considered as a single party for the purposes of making challenges, or the court may allow additional peremptory challenges and permit them to be exercised separately or jointly.

"All challenges for cause or favor, whether to the array or panel or to individual jurors, shall be determined by the court."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

USE OF CERTIFIED MAIL IN SUMMONING JURORS

The Clerk called the bill (H. R. 3367) to amend section 1867 of title 28 of the United States Code to authorize the use of certified mail in summoning jurors.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1867 of title 28, United States Code, is amended to read as follows:

"§ 1867. Summoning jurors

"When the court orders a grand or petit jury to be drawn the clerk shall issue summons for the required number of jurors and deliver them to the marshal for service.

"Each person drawn for jury service may be served personally or by registered or certified mail addressed to such person at his usual residence or business address.

"Such service shall be made by the marshal who shall attach to his return the addressee's receipt for the registered or certified summons, where service is made by mail."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUSPENDING APPLICATION OF CERTAIN FEDERAL LAWS

The Clerk called the resolution (H. J. Res. 230) to suspend the application of certain Federal laws with respect to personnel employed by the House Committee on Ways and Means in connection with the investigations ordered by House Resolution 104, 85th Congress.

Mr. SISK. Mr. Speaker, reserving the right to object, and I do so to ask the gentleman from Louisiana or some gentleman from the Committee on the Judiciary a question. What I have in mind particularly is the extent to which the committee will have in mind conflict of interest. I ask this because of some experiences we had last year on certain tariff matters, and I am concerned about that particular issue.

Mr. ROGERS of Colorado. As the gentleman knows, the law at the present time prohibits one with a conflict of interest to take employment with the

Government and keeps him from considering other employment after it is over. To the extent that the Ways and Means Committee anticipates the use of these employees is not certain. However, we feel that we should waive it in this special investigation.

Mr. SISK. I realize, I might say to the gentleman from Colorado, that they have certain problems with reference to securing experts, or people who are thoroughly familiar with tariff matters which are technical, but I am interested in a determination as to what the committee feels to be its responsibility in the case where a possible conflict of interest might arise under this provision.

Mr. ROGERS of Colorado. I do not know what the Ways and Means Committee may have in mind in that regard, but it would be well for the committee in the exercise of its judgment not to bring in a party who has outside interests which would benefit from information he got through his work on the committee.

Mr. SISK. Mr. Speaker, I withdraw my reservation of objection and ask unanimous consent that this resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

RELINQUISHMENT OF THE OFFICE OF CHIEF JUDGE

The Clerk called the bill (H. R. 985) to provide that chief judges of circuit and district courts shall cease to serve as such upon reaching the age of 70.

Mr. O'HARA of Illinois. Mr. Speaker, reserving the right to object, do I understand that under this bill a judge who is 70 years of age, who may be of the greatest worth to the court, who has no physical impairment and whose brain, if anything, is keener than in his younger years, but merely because of years, would have to retire?

Mr. ROGERS of Colorado. The answer to the gentleman's question is "No." The present statute requires the senior circuit judge and senior district judge to handle administrative work. This bill, if it is adopted, would require that a senior judge, on reaching the age of 75 years, will be relieved of his duties and responsibilities in the administrative field only. He will still continue to hold his office as a Federal judge. That is the only object and purpose of this legislation.

Mr. O'HARA of Illinois. Then, as I understand the gentleman, the bill is in line with much that is being done now to measure persons not by their worth and their actual physical soundness and mental alertness, but the number of years they have lived. It presumes that when any man is 70 or 75 it is time to step out.

Mr. ROGERS of Colorado. No.

Mr. O'HARA of Illinois. I do not like this kind of legislation. Compulsory retirement of educators, policemen, judges, and others is responsible for a waste we can ill afford. It is discrimination in its ugliest form. Every person should be judged by what he actually is, and not by the years of a calendar.

Mr. ROGERS of Colorado. I may say to the gentleman that we have a number of judges who have passed the age of 75 and who insist upon handling mere details of the administrative functions of the court, with the result it has impaired the efficiency of some of the district courts and some of the circuit courts. We provide a method that when he reaches the age of 75 he will not be burdened with this responsibility. We provide that the judge who will succeed him must have had at least 1 year's experience as a judge in the district or circuit.

Mr. O'HARA of Illinois. You get rid of him kindly. You do not shoot him, you just chloroform him.

Mr. ROGERS of Colorado. No, we do not shoot him. We just say: You do not have to do as much work. If you want to, you can continue and decide a few more cases and not devote your whole time and interest to administrative details with reference to which clerk and which case shall be assigned to whom. If he is 75 or 85 and wants to continue he may do so under this bill. It would just relieve him of a lot of petty details.

Mr. BYRNES of Wisconsin. I think there may be a little confusion. The bill itself refers to the age 70.

Mr. ROGERS of Colorado. Yes.

Mr. BYRNES of Wisconsin. With the committee amendments I think it should be pointed out they raise the age to 75. It does not go into effect at 70 but at 75.

Mr. O'HARA of Illinois. Mr. Speaker, I think this is the sort of legislation that should not be on the Consent Calendar so I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EXTRA LONG STAPLE COTTON PRICE SUPPORT LEVEL

The Clerk called the bill (H. R. 3654) to amend the Agricultural Act of 1949 with respect to price support for extra long staple cotton.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. GATHINGS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 812) to amend the Agricultural Act of 1949 with respect to price support for extra long staple cotton, and to substitute the Senate bill, which is a similar bill, for H. R. 3654.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There being no objection, the Clerk read the Senate bill as follows:

Be it enacted, etc., That the first sentence of section 101 (f) of the Agricultural Act of 1949, as amended, is amended to read as follows:

"The provisions of this act relating to price support for cotton shall apply severally to (1) American upland cotton and (2) extra long staple cotton described in subsection (a) and ginned as required by subsection (e) of section 347 of the Agricultural Adjustment Act of 1938, as amended, except that, notwithstanding any of the foregoing provisions of section 101 of this act, the level of support to cooperators for the 1957 and each subsequent crop of extra long staple cotton, if producers have not disapproved marketing quotas/ therefor, shall be the same per centum of the parity price as for the 1956 crop."

The Senate bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill (H. R. 3654) was laid on the table.

A motion to reconsider was laid on the table.

COMMANDING GENERAL OF THE MILITIA OF THE DISTRICT OF COLUMBIA TO HOLD THE RANK OF MAJOR GENERAL

The Clerk called the bill (H. R. 4144) to provide that the commanding general of the militia of the District of Columbia shall hold the rank of major general.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 7 of the act entitled "An act to provide for the organization of the militia of the District of Columbia," approved March 1, 1889 (D. C. Code, sec. 39-201), is amended by striking out "brigadier general" and inserting in lieu thereof "major general."

With the following committee amendments:

On page 1, delete all of lines 6 and 7 and substitute in lieu thereof the following: "amended by inserting after 'brigadier general' the words 'or major general'."

On page 1, after line 7, insert the following new section:

"SEC. 2. The act entitled 'An act to authorize the detail of an officer of the retired list of the Army as adjutant-general of the District of Columbia militia,' approved June 6, 1900 (D. C. Code, sec. 39-205), is amended by striking out 'brigadier-general commanding' and inserting in lieu thereof 'commanding general of.'"

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to provide that the commanding general of the militia of the District of Columbia shall hold the rank of brigadier general, or major general."

A motion to reconsider was laid on the table.

INCREASING RETIRED ANNUITIES OF MEMBERS OF THE TEACHING STAFFS OF THE UNITED STATES NAVAL ACADEMY AND THE UNITED STATES NAVAL POST GRADUATE SCHOOL

The Clerk called the bill (H. R. 5832) to increase the retired annuities of the civilian members of the teaching staffs of the United States Naval Academy and the United States Naval Postgraduate School.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the annuities, payable under chapter 607 of title 10, United States Code, to civilian members of the teaching staff of the United States Naval Academy

or of the United States Naval Postgraduate School are increased as follows: That portion of an annuity which is not in excess of $1,500 is increased by 12 percent, and that portion of an annuity which is in excess of $1,500 is increased by 8 percent. These increases shall not exceed the sum necessary to increase the annuity to $4,104, and are in addition to the increases authorized by Public Law 371, 84th Congress. The monthly installments of each annuity shall be fixed at the nearest dollar.

SEC. 2. The increases provided by section 1, when added to the annuities of retired civilian members of the teaching staff of the United States Naval Academy or the United States Naval Postgraduate School, do not increase the annuities of their survivors. The annuity of any such survivor, however, who is entitled to or becomes entitled to an annuity under chapter 607 of title 10, United States Code, shall be increased in accordance with the following schedule:

If annuity commences between—	Portion of annuity not in excess of $1,500 shall be increased by—	Portion of annuity in excess of $1,500 shall be increased by—
January 16, 1936, and June 30, 1955.	12 per centum	8 per centum
July 1, 1955, and December 31, 1955.	10 per centum	7 per centum
January 1, 1956, and June 30, 1956.	8 per centum	6 per centum
July 1, 1956, and December 31, 1956.	6 per centum	4 per centum
January 1, 1957, and June 30, 1957.	4 per centum	2 per centum
July 1, 1957, and December 31, 1957.	2 per centum	1 per centum

SEC. 3. Any provision of law, enacted after the effective date of this act, which increases the annuities of retired employees and their survivors who are entitled to annuities under the Civil Service Retirement Act of May 29, 1930, as amended (5 U. S. C. 691 et seq.), shall be applicable in like manner and to the same extent to civilian members of the teaching staff of the United States Naval Academy and of the United States Postgraduate School and their survivors who are entitled to annuities under chapter 607 of title 10, United States Code.

With the following committee amendment:

On page 3, line 1, after the words "United States" add the word "Naval."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. CANNON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 61]

Adair	Barden	Clark
Addonizio	Barrett	Colmer
Albert	Bass, N. H.	Cooley
Alger	Becker	Coudert
Anderson, Mont.	Belcher	Davis, Ga.
Andrews	Bitch	Delaney
Anfuso	Bowler	Dellay
Ashley	Boykin	Dempsey
Aspinall	Buckley	Dies
Ayres	Cederberg	Dixon
Bailey	Celler	Dollinger
	Chudoff	Donohue
Dorn, N. Y.	Keogh	Richlman
Doyle	Knox	Rivers
Dwyer	Krueger	Rodino
Eberharter	Laird	Rogers, Mass.
Engle	Landrum	Roosevelt
Fallon	Lankford	Sadlak
Farbstein	Lennon	Santangelo
Fino	Loser	St. George
Flynt	McCulloch	Sound
Forrester	McDonough	Scherer
Friedel	McGovern	Scott, Pa.
Fulton	Magnuson	Shelley
Garmatz	Martin	Smith, Calif.
Gordon	May	Smith, Kans.
Granahan	Miller, Calif.	Springer
Green, Pa.	Miller, Md.	Taylor
Gregory	Miller, Nebr.	Teague, Calif.
Gubser	Miller, N. Y.	Teague, Tex.
Halleck	Morano	Teller
Harvey	Morris	Thomas
Healey	Morrison	Thompson, La.
Hill	Multer	Tollefson
Hillings	Norblad	Utt
Holtzman	Norrell	Vinson
Horan	O'Brien, N. Y.	Walter
Hyde	O'Neill	Westland
Jackson	Osmers	Widnall
Jarman	Patterson	Willis
Jennings	Philbin	Wolverton
Judd	Powell	Yates
Kearney	Radwan	Zelenko
Keating	Rains	
Kelly, N. Y.	Reece, Tenn.	

The SPEAKER. On this rollcall, 299 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

SECOND URGENT DEFICIENCY APPROPRIATIONS, 1957

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6870) making appropriations for the fiscal year ending June 30, 1957, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to 4 hours, one-half to be controlled by the gentleman from New York [Mr. TABER] and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. TABER. Mr. Speaker, reserving the right to object, I wonder if we could not get along with 1 hour or 1½ hours at the most.

Mr. CANNON. Mr. Speaker, I think the people of the country want to know something about this. I think everybody is very much interested. I want to give an opportunity, Mr. Speaker, to everybody who wants to whitewash the Postmaster General to have time to do so.

Mr. TABER. Suppose we try to limit debate to 2 hours? How about 2 hours?

Mr. CANNON. I will agree to 3 hours, then.

Mr. TABER. That is a little better. I will go along with that. Mr. Speaker, I withdraw my reservation of objection.

Mr. CANNON. Mr. Speaker, I ask unanimous consent then that general debate be limited to 3 hours, half of the time to be controlled by the gentleman from New York [Mr. TABER] and half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Missouri [Mr. CANNON].

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H. R. 6870, with Mr. SMITH of Virginia in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Missouri [Mr. CANNON] is recognized for 1 hour and 30 minutes, and the gentleman from New York [Mr. TABER] is recognized for 1 hour and 30 minutes.

The gentleman from Missouri [Mr. CANNON] is recognized now.

Mr. CANNON. Mr. Chairman, the bill before us deals with a number of routine deficiencies and supplementals which are admissible under the antideficiency law. They are largely formal, and I shall not discuss them, as they are fully explained in the pending report of the committee.

However, there is an item in the chapter on Treasury and Post Offices which is not admissible under the antideficiency law.

Last Friday the Postmaster General arbitrarily, and in contravention of the duties imposed upon him by his office, abruptly discontinued a number of services customarily provided by the Department.

As a result we have had an opportunity to observe the effects of the extraordinary measures to which he has resorted in his determination to dictate to the Congress and the American people and take as much money as he wants from the United States Treasury to be spent as and when he wishes.

Under the Constitution no money can be appropriated except by act of Congress. The taxpayers acting through their representatives control the purse strings. But the Postmaster General changes all that and the taxeaters instead of the taxpayers take over the purse strings.

Congress appropriated enough money—over $3 billion—to run the Department post offices for a year. They gave the Postmaster General more than he asked. But instead of making it last a year he spent it on extravagant programs during the first 9 months and now at the last minute comes in and tells Congress that unless he can have $47 million more he will close the Department or discontinue services he is required by his official duties to provide.

He gave Congress no warning that he was running behind. The first intimation that he was overspending came the last month of the third quarter when he suddenly submits an estimate and demands immediate action by the House. The communication was referred by the Speaker to the committee which held hearings at the earliest possible minute. The subcommittee promptly notified the Postmaster General that it would allow $17 million additional for items which were not in violation of the antideficiency act. And when the whole committee met the amount was increased to $41 million to include items in contravention of the

Antideficiency Act. This gave him for operations alone $2,166,000,000 when originally he had only asked for $2,118,000,000.

Although adoption of the report for $41 million by the committee was assurance that the money would be forthcoming as soon as it could reach the Senate and the President, he refused to withdraw his order for curtailment of service, which became effective at midnight Friday night.

There was no reason for this drastic act, unprecedented in American history, unless to cover up waste and extravagance and inefficiency in administration.

He said he had been advised by his lawyers that he would be subject to a year's imprisonment if he continued to spend money before he had it. There is no such law. But he refused to resume service, even after the allowance by the committee of $41 million in addition to his first annual appropriation, until both Houses had passed the bill and it had been signed by the President and he had the money in his hand.

He still had left close to half a billion dollars of his first appropriation. Most of the personnel of the Department are paid by the month. They drew their pay whether they worked or not. Many of them sat all day behind closed windows when they could have been discharging their usual duties and keeping the mail service in operation. So any disadvantage or inconvenience which anyone may have suffered was due exclusively to the determination of the Postmaster to show Congress who was boss—the taxpayers or the taxeaters.

No one can now deny that the Postmaster General knew all along that he was overspending and his continued support of extravagant programs was every month making a deficiency imperative and inescapable. His continued application to the Bureau of the Budget for a deficiency estimate is proof positive of that.

The Postmaster's violation has been deliberate. He knew last July that he did not have enough money to go through the year at the rate at which he wanted to operate.

He could have cut down a slight amount at that time, spread the reduction over the entire year, and would have come out within the money given him. But he did not want to do it that way. He was determined to set the pace and rate of spending and purpose of spending, and not Congress. He deliberately planned his operations to thwart Congress and the taxpayers. He refused to plan his operations to live within the amount Congress had given him.

Many years ago Jay Gould, a plunderer who dealt in sums infinitesimal in comparison with those juggled by the Postmaster General, when warned of losses inflicted on the public, coined that famous phrase "The public be damned." In urging the Director of the Budget to violate the law and in refusing to carry out the provisions by Congress, the Postmaster General, in the language of the Comptroller, repeatedly violated both "the spirit and purpose of the law." It was another case of the public be damned.

But there can always be found some partisan to take the side of the downtrodden Postmaster General. You doubtless noted in this morning's newspaper that the gentleman from Maine [Mr. HALE] attempted to excuse him by saying that the committee "deliberately delayed action in providing the money." Unfortunately the record does not bear out that surmise.

The Postmaster General early applied to the Bureau of the Budget for deficiency estimates. Time and again he urged the Director of the Budget to bail him out. Each time he was denied and told that he must live within the amount given him by Congress. Finally the Director yielded to his importunities and sent a deficiency estimate to the House.

This was the first official notice given Congress. The Speaker referred the estimate to the committee, and an immediate hearing was ordered. The Postmaster General asked for a delay of a week, which was granted. From that time on every effort was made to accelerate the proceedings. There is no ground whatever for the statement which the gentleman from Maine has sent back to his district.

In the same vein, the newspapers this morning report that the gentleman from Washington [Mr. PELLY] has released the statement to the press that Congress deliberately neglected to provide money for the purpose. As a matter of fact, for more than 8 months he did not come to Congress. The road was open to the President to come to Congress with a supplemental budget. But he did not come to Congress until March 12. The Postmaster General did not want to come to Congress. Congress would call him on the carpet and ask him embarrassing questions. Congress would tell him to allocate his spending and carry out his original plan, under which they had given him more than he asked. He preferred to wait until it was too late to reapportion, and then he would bludgeon Congress with the necessity of providing money to keep the Department operating. And that was what he did. This was the first official notice given Congress, and promptly a hearing was called and every action taken to expedite consideration. The hearing was ordered, but the Postmaster General himself asked for a delay of a week.

Still here is a charge that we deliberately delayed giving the money. That is just not so. The statement is not justified by the facts. The Postmaster General went ahead in deliberate violation of the spirit and purpose of the law. He failed to secure a deficiency estimate; he failed to convince the President's Office of the alleged need for additional funds until March 12.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Washington.

Mr. PELLY. I was wondering why the chairman of the Committee on Appropriations did not call a meeting of the full committee earlier last week? That is what I felt was the deliberate delay. If he had called a meeting earlier, we could have had the same discussion we are having today earlier and we would have gotten the money appropriated so that the post offices would not have had to close over the weekend.

Mr. CANNON. A meeting was called at the earliest moment, as is customary under our procedure. Friday is the customary day for the meeting of the whole committee. Time is required in which to prepare hearings and reports for consideration by the whole committee. The clerks of the committee must have an opportunity to check, the subcommittee must have an opportunity to secure the facts, and at the very next Friday we called a meeting of the committee.

Let me say, Mr. Chairman, there can be no misunderstanding of the facts here. They are fully set out in the report. We gave the Postmaster General ample funds last year. We gave him more than he asked. And he abrogates the antideficiency law, a law which it took us years to perfect; the most salutory provision in our budgetary system.

There are two fundamental questions involved here. The first is, Shall the dog wag the tail or the tail wag the dog? Shall Congress control the departments or shall the departments control Congress? Shall Congress retain its constitutional right to take money out of the Treasury or shall Congress delegate that to the departments? That is the first question.

The next question is, Shall the Government continue to take an unconscionable cut out of every man's income, out of his wages, out of his salary, out of the money upon which his family must depend? Shall it continue to levy wartime taxes in time of peace? Or shall we reduce expenses sufficiently to permit Congress to cut taxes at this session?

These are the two questions before us here this afternoon. All this hullabaloo about the Postmaster General is merely incidental. The people back home are not so much interested in Mr. Postmaster General as has been demonstrated in the last 2 days. But they are interested in what it costs them to live and support their families. They are interested in the amount of taxes you are taking away from them. And they think it is high time you took this heavy burden off their backs and permitted them to spend their own money instead of the Government letting the Postmaster General spend it contrary to law.

And, of course, there is only one way to reduce taxes and that is to reduce expenses. As long as you continue to increase expenses—and this time the Bureau of the Budget and the President asked for the Post Office Department more money than it ever had before, and now come back for $47 million more—as long as every Department asks more money, and the President recommends more money, the only way to get that money is to take it out of the pockets of the taxpayers. There is no other source.

We hope to cut taxes this session. The House leadership has already announced a tax-reduction program for this session, now, when the people want it, when they ought to have it, when they need it. We are going to release this brake on the national economy.

But that is dependent upon one thing: It is dependent upon our cutting out of this $71.8 billion budget, this highest of all peacetime budgets, enough money to warrant a tax-reduction bill.

Most of us came here after hard-fought campaigns. In every district there are 20 or 30 men back home that would like to have your job. They would run against you if they thought they had a chance to win. The only reason they do not run is because they do not think they have a chance to win. There is no better way to encourage them than to keep on throwing money around to the departments—letting the departments write their own tickets. And then grinding the taxpayers down to get the money to pay the bills.

We have only a few more bills and a few more weeks to wait to find out whether we have cut enough from the budget to support a tax bill. Unless we do there is no chance for tax relief now or next year or any other year.

The amount generally indicated by the experts who pass on the matter, is $4 billion. They estimate, say we will have to cut $4 billion out of this budget to justify a tax cut. In round figures the budget by the end of the session will aggregate $72 billion, and we will have to cut it down to at least $68 billion to warrant a tax cut. Up to this time we have cut nearly one and one-quarter billion dollars, and we have done it by piecemeal. Every time we have brought in an amendment to cut a little off an appropriation there has been a storm of protest saying that is peanuts, it is chicken-feed, what is the use of cutting small amounts like that? But many a mickle makes a muckle—we have now cut about $1.25 billion. But we must have $2.75 billion more.

And we will have to quit bringing in these deficiency bills. What is the use of cutting a little money here and there and then bringing in a deficiency bill like this, and throwing it all out the back door? In the bill before you, you are undoing part of what you accomplished when you made these piecemeal cuts which gave you this start of $1.25 billion on our slow but sure way to tax reduction.

The stock market has been on a steady downward trend. Eight to ten percent of industrial securities on the exchange have lost a total of $18 billion in the last 18 months. So the outlook for continued increased income, increased prosperity, is not so good. We run in cycles. These money trees do not bloom forever. We are on the downward swing of the cycle. We cannot depend on recordbreaking revenues indefinitely.

And the burden of taxation is rapidly reaching the maximum of human endurance.

The purchasing power of the average factory worker is lower than it was a year earlier. It is significant that this is the first time that has happened during the Eisenhower administration.

Taxes—State, Federal, and local taxes—take about 1 dollar out of every 3 the average man makes.

A man today in standard industry is really working 2 hours and 45 minutes out of every 8-hour day for the Government. Out of every 8-hour day he has to work 2 hours and 45 minutes to pay his taxes before he begins to make anything to support his family. That leaves about 5 hours and 15 minutes a day to provide food, housing, clothing, and everything else the family requires. In other words, over one-third of every day we are working for the Government. High taxes intensify inflation, hike the cost of living higher, and cut the buying power of the pay of the daily wage worker lower.

We have some chance to say what shall be spent locally for schools in our town, county, and community centers, but nationally we have let control of expenditure get away from us as in this bill.

Britain is in dire distress—yet they are reducing taxes.

Our situation, our responsibility, in the world is growing. Britain and France and other NATO countries are pulling out; they are withdrawing; they are taking their troops home; they are throwing the burden on us. We will need financial stability and solvency, as never before. How shall we maintain it when every year this budget swells, until this year we have the largest peacetime budget in history?

Too much cannot be said for the faithful, efficient, hard-working personnel of the Post Office Department. All through the country in every post office you find men ready and able and willing, doing their work, filling their jobs, and carrying on. But they need leadership. Where there is no leadership, the people perish.

And there is another phrase in that quotation that is apropos at this time. "But he that keepeth the law, happy is he."

Mr. Chairman, I trust that the Director of the Budget and the Postmaster General will read that famous, that wonderful statement justified by the centuries from the pen of the wisest of all men, King Solomon. It was true in his day, it is true in our day.

The Post Office Department is one of the biggest businesses in the world. It is a monopoly. It controls the market completely. No competitor can interfere. Yet this enormous business with an absolute monopoly cannot keep its ledgers in the black. They need business efficiency.

Mr. Chairman, here is an editorial from this morning's Wall Street Journal.

The Wall Street Journal is perhaps the widest read financial journal in the world. It supported President Eisenhower in 1952 and in 1956. It heartily approved Br. Brundage as Director of the Budget, and it was in complete agreement with the appointment of Mr. Summerfield as Postmaster General. So I have seldom found myself in agreement with its editorial policies. But this morning its leading editorial indicates one of the most profound reversals in the history of American journalism.

Also, in this connection I include a telegram just handed to me as I came in. It is from an organization of businessmen in Baltimore:

BALTIMORE, MD., *April 15, 1957.*

All right, so the post office did not operate Saturday. But nobody was seriously hurt. Now let's stick to our guns and see that Postmaster General Summerfield operates the Department within the budget. Economy must be enforced.

And here is what the Wall Street Journal had to say:

So, Postmaster General Summerfield has informed Congress that if it does not promptly give him the money he wants for the Post Office, he will take a meat ax to the postal service.

Now, you know, that term "meat ax" strikes a responsive chord in memory. We have heard that word "Meat ax" before. The meat ax is going to cut appropriations; going to insist on economy; going to enforce the Antideficiency Act. My good friend the gentleman from New York [Mr. TABER] over there, known as the great meat ax expert, comes in today like Mary's little lamb, following behind the Postmaster General. No meat ax at all. Just an affectionate little sheep. And, may I add that when he was chairman of the committee and we had before us a Postmaster General who had not spent money but merely proposed spending money, that I supported him and supported the committee against my own Postmaster General. There was no politics in it then. We have something more important than politics in this. I voted with the gentleman from New York. I supported him. I supported my chairman in his criticism of my Postmaster General, in his insistence that the Postmaster General should obey the antideficiency law. But, when the shoe is on the other foot, that is a different matter, and no matter how much money they waste he is entirely satisfied with the way things are going down there in the Post Office Department when nobody else is satisfied.

But here is the editorial. It is from New York, too:

The "general's" ultimatum was handed to the Congressmen a week ago, and when they didn't fall all over themselves in a rush to put up the money, he got out the cleaver. In New York and many other cities the post office windows were shuttered on Saturday and there were no mail deliveries. Further cutbacks in service are scheduled for this morning. The general's operation plan calls for cutting daily mail deliveries to business today. If that doesn't speed up Congress, he will suspend money-order sales at first and second-class post offices on April 29.

And that is another thing which a great many telegrams mentioned this morning, that they do not need any Federal money orders; the banks can operate quicker and cheaper.

Now none of this, you understand, has anything to do with the regular Post Office appropriation.

And that is something we should not lose sight of.

Congress appropriated the 1957 money last year; the 1958 appropriation is not due until next June 30. This is extra money—known technically as a deficiency appropriation—that Mr. Summerfield is asking to tide him over until next June 30.

And he says, "Gimme quick, or else."

And you can supply the remainder.

If this strikes you as pretty arrogant behavior from a public servant—a sort of blackmail of the body politic—Mr. Summerfield's defense is that he can't help it. He has just plain run out of money. And how can he be expected to run the Post Office, or anything else, without money?

The trouble with this reply is that it raises as many questions as it answers.

It is certainly not amiss to inquire why this emergency came so suddenly. Mr. Summerfield knew last summer how much money he had to run the Post Office for a full 12 months. Dividing a given sum of money by 12 doesn't require advanced mathematics. If it is true, as alleged, that the money provided last summer was too penurious to keep service up to par for the full year, one still wonders why small adjustments were not made during the year.

It might be said, also, that one still wonders why he did not come to Congress about it—why the President himself did not see fit to send up a supplemental budget. Mr. Summerfield works under the direction of the President.

No sensible post-office clerk, however unhappily underpaid, would unconcernedly spend his year's salary in less than a year.

The difference may well be that a post-office clerk is not habituated to deficiency appropriations. With Government departments they were, at one time, so usual as to seem an almost unquestioned right—

That is why we have that antideficiency law. That is why we put teeth in it in 1950—

and Mr. Summerfield may be honestly surprised to find himself now out of money and none promptly provided. It's a temptation to forego frugality in November when the Appropriations Committees will be in session in April.

To suppose that this sudden crisis was deliberately developed for its dramatic effect on Congress may be very unfair. It could be that the Post Office Department was simply lulled into not counting its pennies carefully. But if this is not a calculated kind of political blackmail—

The staid and conservative Wall Street Journal says this—

But if this is not a calculated kind of political blackmail, then somebody in Congress ought to find out who goofed.

Mr. REES of Kansas. Mr. Chairman, would the gentleman yield for a question?

Mr. CANNON. I yield to the gentleman.

Mr. REES of Kansas. The gentleman has reported a bill, H. R. 6870 by Mr. CANNON from the House Committee on Appropriations. Is he asking the House to support this proposed legislation or is he asking the House to vote against it?

Mr. CANNON. I am asking the House to take into consideration the facts. They are before us here. You should govern yourself accordingly.

Mr. REES of Kansas. But does the gentleman want us to vote against the whole thing?

Mr. CANNON. The gentleman may do as he pleases. I will not vote for it. I will not vote to abdicate the right of the Congress to control national finances. I will not condone violation of law. I will not vote to increase expenses and make it impossible to lower taxes. I will not vote to discard the antideficiency law after JOHN TABER and I and more than a hundred members of the Committee on Appropriations have worked for years to perfect it to the point where it will protect the United States Treasury.

Mr. TABER. Mr. Chairman, I yield 20 minutes to the gentleman from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Chairman, I remember so well one of the great perorations of the gentleman from Missouri, the distinguished Chairman of our Committee on Appropriations [Mr. CANNON] about 1 year ago. We were then discussing the appropriation bill having to do with funds for the Departments of Labor, and Health, Education, and Welfare. The gentleman from Rhode Island [Mr. FOGARTY] had proposed an amendment having to do with the National Institutes of Health, raising the figure requested by the President and the Bureau of the Budget. The gentleman of Missouri came into the well of the House and he indulged in this peroration at the close of his speech.

"Why," he said, "Mr. Chairman, I cannot be for cancer. I have got to be for free beer. I must support the amendment of the gentleman from Rhode Island."

And he did, upping the figure requested by the President and the Bureau of the Budget.

I am not high enough up in this world to be a regular subscriber for the Wall Street Journal, but I believe and I believe most sincerely that the House today will discharge its responsibility to the postal patrons of the United States and to the postal workers of our country. And I cannot help but believe that the Congress as a whole will send this bill to the President not later than tomorrow.

Mr. Chairman, the New York Times has rendered a real service in reporting today a survey of postal services in foreign countries—on both sides of the Iron Curtain. It contends that such services are generally far superior to ours and usually pay their own way.

Slight losses in the British postal system last year were offset by profits on its telephone and telegraph services and currently up to four deliveries are made daily in London on business days and all urban areas get two deliveries a day.

France has also a splendid record and raises its rates when necessary to balance the postal budget. Paris has 4 deliveries a day, 6 days a week.

In West Germany, the postal system operates at a profit and there are two deliveries a day, Monday through Saturday.

Italy generally breaks about even and the larger cities have 3 deliveries 6 days a week, villages having 2.

Spain also reports a profit in its postal system, its larger cities having from 2 to 4 deliveries on workdays plus 1 on Sundays and holidays. Its system operates at a profit.

Seven-day-a-week deliveries are also the rule in Japan and in the large cities there are three deliveries on weekdays. Japan's postal system has run at a profit for the last 5 years because of expanded business and postage rises.

In Moscow, the Russians get four deliveries every day of the week. A first-class letter costs 10 cents and an airmail letter 25 cents in our money.

Motor scooters help expedite Pakistan's deliveries every day except Sunday.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Virginia.

Mr. GARY. May I ask the gentleman if he would be in favor of paying the postal employees the same amount that is being paid the postal employees in those countries? If we were to do that in America, I am absolutely certain we would make a profit on our postal service, but I am not in favor of eliminating the deficit in that manner.

Mr. CANFIELD. Let me say to my friend from Virginia that the domestic letter rate today in Germany is 4.8 cents, in France it is 4.3 cents, in Belgium it is 4 cents, in Norway it is 4.2 cents, in Switzerland it is 4.6 cents, and in Sweden it is 4.6 cents. The average is 4.4 cents, while we still use the 3-cent letter rate.

I do not have to repeat to you now the platforms adopted by the Republican and Democratic Parties last summer. Both of them stressed more expeditious and more efficient employment of our mail services. If anything, the Democratic platform was stronger than the Republican platform, because the Democratic platform emphasized more frequent delivery of our mail.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. What about the 1952 platform of the Republican Party, which specifically promised the return of the two deliveries a day?

Mr. CANFIELD. I do not recall that, but may I say to my friend from Massachusetts that I am still for the two deliveries a day. As the gentleman knows, our committee voted preponderantly to do away with that several years ago, and it has been done away with. I am sure the gentleman knows that.

Mr. McCORMACK. The gentleman is of course in a much better position to make the statement he has made than a lot of his colleagues on his side, because the gentleman is very independent minded.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from North Carolina.

Mr. JONAS. When did we do away with two deliveries a day, under what Postmaster General?

Mr. CANFIELD. I believe they were done away with in the year 1950. The abolition of the two-a-day system was projected by our subcommittee and that suggestion was promptly accommodated by the then Postmaster General, Mr. Donaldson. I strongly dissented.

Mr. JONAS. Is it not true that the then Postmaster General told the committee if he did not get certain moneys he would eliminate one of the deliveries a day, and that followed?

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Virginia.

Mr. GARY. No, he did not tell the committee that. The committee cut his request $47 million and suggested that one way he could make up the $47 million was by eliminating one mail delivery

a day in residential sections. He did so and saved $100 million a year. The present Postmaster General estimates that to reinstate that one delivery daily would cost $150 million a year, and I, for one, do not think it is worth it.

Mr. CANFIELD. I believe the gentleman from Virginia will recall that the facts are these. The Department was cut some $26 million by the committee and $22 million by the Bureau of the Budget and following the suggestion of our subcommittee, he issued the order doing away with the two deliveries a day.

Mr. GARY. I meant that his estimate was cut $47 million.

Mr. CANFIELD. I recognize that.

Today, Mr. Chairman, the Post Office Department of the United States loses money on practically every piece of mail it delivers excepting, that is, packages, and it is required to operate on 1957 costs with 1932 rates. It is important to bear in mind the Department spends most of the money it gets for personnel. Seventy-seven cents of every dollar goes to its employees and 16 cents for transportation and the other 7 cents for other expenses such as rent and so on.

It is clear, therefore, that most of the Department's expenses are completely out of its control.

Since 1945, the last surplus year, the Department reports its increases in wages, transportation, supplies, and other costs have amounted to $1,860,000,000. About $1,300,000,000 of this is attributed to wage and fringe benefit legislation approved by the Congress itself. During this period, Congress raised postal rates on two occasions to provide less than $275 million in additional revenue. The demands for new service have bolstered the deficit, which nevertheless is expected next year to at least remain below the peak low of $720 million set in 1952.

Mr. Chairman, the relationship between the Post Office Department and the Treasury and Post Office Subcommittee of the Committee on Appropriations of the House have been extremely harmonious over the years. The record of the hearings contained repeated statements by committee members—by our chairman—by all committee members irrespective of party—complimenting the Postmaster General and the members of his staff for their accomplishments in modernizing the postal establishment and improving the mail service.

Frankly, I cannot help but resent the statements made today by the distinguished chairman of our full committee, the gentleman from Missouri [Mr. CANNON], inferring that the Postmaster General believes in and indulges in a public-be-damned philosophy. You can read the hearings. Every page of the hearings conducted by our subcommittee these last 4 years—and until March 26, 1957, you will not be able to find one word derogatory of the character, the approach, and the dedication of the Postmaster General of our United States. We have gotten along with him very well indeed.

The Senate committee handling the Post Office request for supplemental funds knew last July that the Bureau of the Budget would come before the Congress requesting a supplemental appropriation for the Post Office Department sometime later in the year. It was suggested on the other side of Capitol Hill that the Post Office Department wait until this year, the last half of the fiscal year 1957, to press for this supplemental.

On January 15 of this year, in a hearing before the House Subcommittee on Treasury and Post Office appropriations, the chairman of the committee, the distinguished gentleman from Virginia [Mr. GARY] asked the direct question as to the amount of the supplemental appropriation which the Department needed for the balance of the year. He was told this would total $53 million, which included $6 million for capital improvements. The Bureau of the Budget agreed to delete $6 million for capital improvements on three of the largest post offices in our country, those in New York, Chicago, and Los Angeles. And now those funds are needed today to modernize those offices. Those offices have to do with the gateway cities of our country, servicing some 27 percent of our mail. It is extremely unfortunate that the Post Office Department was forced into this straitjacket situation, for it cannot spend money until it is actually in hand. The losers in a difficult situation, such as we are now experiencing, as the chairman of the committee pointed out, besides the postal patrons of our country are 520,000 faithful postal workers. The Congress should, I am certain, take positive action to appropriate the funds needed to resume normal mail service until June 30.

The Congress furthermore faces a similar situation which should be resolved promptly as regards the funds needed by the Post Office Department for its operations during the 1958 fiscal year starting on July 1. The Department has already indicated they will need $58 million more to continue normal mail service throughout the fiscal year 1958 than so far has been appropriated to it. If the Congress fails to grant these additional moneys, the Post Office Department once again will have to curtail the mail service to live within its budgetary appropriation. In a few months are we going over this same situation again?

The continual phenomenal growth of our country and the unprecedented prosperity of our economy are basic reasons why the Post Office Department needs more money to carry an increased volume of mail than it originally estimated 18 months ago.

No business in the world can increase its volume without increasing costs, and the Post Office Department is no exception to the rule. When the people of the country decide to send more mail than the Department estimates, the Department must deliver it. Under these circumstances commonsense indicates the Department should have a more flexible procedure than at present, to get the money for these inevitable added costs. This is particularly true since by law all receipts of the Post Office Department go directly to the Treasury Department.

In the fiscal year 1958 the Department estimates it will have to extend letter-carrier service to 5,000 new communities. Unless it has the money to do so, and a large part of the $58 million additional it needs will go for this purpose, our postal system will go backward rather than forward. Certainly the Members of Congress should understand these facts and be prepared to appropriate the funds needed to give the American people the mail service they deserve, expect, and are willing to pay for.

Mr. Chairman, the Post Office Department must prepare its budget about 12 months ahead of the beginning of the fiscal year. Work is really begun 18 months ahead. Hearings are held about 6 months before the start of the fiscal year. In preparing these budgets all expenditure estimates have to be related to the estimated volume of mail to be carried. The final appropriation limits the amount to be spent and has no provision for change in spending authority as the conditions change.

If the country is prosperous and people send more mail and are building more homes and start more new businesses than the Department has estimated, the postal service nevertheless has no more money to spend. Any increase in its receipts goes to the Treasury.

On the other hand, if conditions should turn downward and mails should decrease and other factors turn out to be less than the Department estimated, Congress holds no strings to reduce the Department's spending power.

This clearly points up the need for a new look by Congress at the post office budget problem, with some changes in the law or the annual appropriation procedure. One way would be for each appropriation to provide flexibility by giving the Postmaster General the authority to spend an additional amount equal to the amount by which receipts for the year exceed the estimates. This provision could be policed by the Bureau of the Budget, with reports to the Congress from time to time.

Another way to do it is to put the post office on a true revolving fund basis. Under such a plan the Congress would appropriate only for the net deficit—which we would hope, with higher postage rates, would be very small. If the Postmaster General then had authority to spend all of his receipts, in addition to the appropriated deficit, the amount that he could spend would automatically adjust upward or downward as the receipts went upward or downward.

It is unfair to put the postal administration in the position which it has had to face this year. It would be even more unfair to perpetuate this unworkable situation for the future. Congress should act this year to determine the proper way to provide flexibility in post office budgets, so that postal services would not have to be curtailed to live within estimates made more than 12 months ahead of the beginning of the year.

Now I want to say a word about postal employment.

The highest fiscal year and figure for postal employment was 1952. On June 30 in that year the number of postal employees was 523,757.

On June 30, 1957, postal employment will be just about the same figure.

In the same time the volume of mail has increased by 18 percent, establishing the efficiency of our postal workers.

Now, supplemental appropriations are not a new thing in the Congress of the United States. In 1947 the Post Office Department received a supplemental appropriation from the Congress for operating funds of $93 million. In 1948 it received $173,700,000; 1949, $140,800,000; in 1950, $71,400,000; in 1951 $29,400,000; in 1951 it received $250,000.

In 1953 the Department returned to the Treasury of the United States as surplus $83,574,247. In 1954 the same Department returned to the Treasury $109 million, in round figures, and in 1955, the same Department returned to the Treasury $43 million.

In 1956 the Congress voted a supplemental appropriation of $16 million plus $150 million for the salaries of postal workers.

Mr. TABER. Mr. Chairman, I yield myself 10 minutes.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. TABER. I think, Mr. Chairman, that first of all perhaps I ought to give you my own position. I have not changed in the slightest degree my feelings on the antideficiency law.

The difference between me and my position and the gentleman from Missouri and his position is that I maintain it is the duty of the Congress to supply the funds that are necessary to operate the agencies of the Government, and that we cannot punish the patrons of the postal system and the employees of the Post Office Department by trying to get even with them for something they did not themselves do. That is the reason I am wholeheartedly supporting this appropriation for the Post Office Department.

This deficiency—and it is a deficiency—is the result of the enormous increase in the number of dwellings and dwelling units that have been completed in this country, running between 1 million and 1.6 million a year over the postwar years. That has resulted in the necessity of creating new carrier routes and in some places additional clerks to take care of the office work in these places. There has also been more or less a buildup because of the change in the method of living.

As to whether or not this item is needed, I call your attention just now to the situation with which we are confronted. In the third quarter of this fiscal year the expenditures were $484,612,000. The amount left over from the year's appropriations is $443,884,000, or practically $444 million. There will be a couple more days in the last quarter down to the 30th of June than there were in previous quarters.

On top of that the Post Office Department will have to finance certain amounts of annual leave for post office employees. It has been the invariable custom of the Post Office establishment to take care of a certain percentage of those annual leaves in the fourth quarter of the year, that is, in the spring and early summer. More of it comes in the following period, which runs from the 1st of July to close to the 1st of October. That is the situation.

There have been certain transfers in the Department from the transportation fund to the operational fund and they have to a certain extent reduced the amount of the deficiency.

As to what the situation is with reference to the antideficiency law, the Comptroller General has made a decision. He has written a letter dated the 12th of April, addressed to the Postmaster General. I have a copy of that letter. I would think that it would be desirable for the membership to read that. Frankly, I believe that the Postmaster General should operate his plant so as to come within his appropriations. If he cannot, he should come back to the Congress early for a deficiency. He actually did advise the Congress back in the early part of January that he was going to have a deficiency for this year, and the figure he gave at that time was $53 million, which I understand is $6 million above the amount of the budget estimate that was considered by the Committee on Appropriations, but it was that way because that $6 million was for transportation and it was determined that they did not need that deficiency.

Now, it is clear from the Comptroller General's opinion that there was no violation of the antideficiency law which is punishable in any way under the law. Perhaps the law requires revision, but this is the situation that we are actually confronted with, and this is the situation that we must face as we come to pass upon this bill. In other words, we should provide for what are the needs of the Department to give the kind of service that the people of the United States feel should be provided to the public, and pay for the services of the employees of the Post Office Department, and I think we should do this with just as little inconvenience in the operation of the situation as it is possible to have.

Mr. CORBETT. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Pennsylvania.

Mr. CORBETT. Is the gentleman—and I am stating this for summary emphasis—making the argument that at this time and under the consideration of this measure the point is not how the deficiency occurred, but the point is who is going to be hurt if we do not pass this additional appropriation, namely, that it is going to be the users of the mail and the patrons of the mail that will be punished rather than any individual that might or might not have caused the trouble.

Mr. TABER. That is exactly correct.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Is it not true that there will be a very great loss to the business of the country if this service is not continued; that in dollars and cents the Government will lose a great deal of money? Is that not correct?

Mr. TABER. I do not know how much, but I know it will create a good many bad situations. For instance, I think we are going to begin to hear from our farmer friends on rural free delivery routes who will not get their Saturday morning papers if this situation is not corrected. And I do not see how the Postmaster General can proceed, with the charges that have been bandied about, to open up the services that have been curtailed until he receives the money to do it with. If we are going to have respect for the things that the committee has complained about, I do not see how that can be had unless that course is followed. Now, that is my position. That is how I feel.

There is no question in my mind but what the items of service that are involved here are, practically all of them, things that should be given to the public. There might be some way to discontinue some work. But most of the things we would discontinue to bring about a reduction in operating expenses that would be required to bring the Post Office Department within the amount of money, $443 million that is available for the quarter, are things that you cannot very satisfactorily explain to the people.

I am in hopes that this Congress will today go through the bill and pass it, so that it may go over to the other body and so that the other body may act on it, and so that it will remain as it has been presented to the members of the Committee of the Whole here rather than with any amendments that might delay its final passage. The bill relates only to a few deficiency items. It is not a long bill. I do not believe there is anything in it that would need to be changed very substantially.

Mr. JOHANSEN. Mr. Chairman, would the gentleman yield for a question?

Mr. TABER. I yield to the gentleman.

Mr. JOHANSEN. I wonder if the gentleman would enlighten the House on a matter of procedure? It is my understanding that much of the criticism directed against the Postmaster General has been to the point that he borrowed in one quarter against a succeeding quarter; is that correct?

Mr. TABER. I think there is criticism of him for that. Of course, he did not violate the law himself. If the law was violated, according to the Comptroller General, it was violated by the Budget.

Mr. JOHANSEN. My question goes to this point. If the Postmaster General determines in the middle of a given quarter that the funds allocated for that quarter are not going to be adequate, what is the proper procedure for the Postmaster General in order to meet all possible criticism from whatever source and of whatever character to avoid borrowing against a future quarter?

Mr. TABER. I never heard of anybody who did anything who did not get some criticism. My own opinion is that the Postmaster General, in his approach to the problem, has been very careful to do the things that were proper and to keep within balance on his appropriations, to make the funds go far enough to take care of the job of giving service to the public. I will say this, and I know

this is so, because it was pretty well covered in the hearings; he is up against this kind of a situation, with tremendous pressure all the time for new service. I ask the gentleman from New Jersey [Mr. CANFIELD] to correct me if I am not right, but it is going to be necessary to provide 6,000 or 7,000 new clerks and carriers to carry on the load and give the service that the people require in 1957. The gentleman indicates that that is correct. That is the situation we are faced with. If we are not prepared to provide service, we are not in too good a position to raise the rates.

Mr. JOHANSEN. Mr. Chairman, may I ask the gentleman one further question?

Mr. TABER. Yes.

Mr. JOHANSEN. My original question was directed to the point of how the Postmaster General, with the pressures for increased services and with the problem of budgeting 12 to 18 months ahead of time, is going to avoid this sort of situation again, and not lay himself open again to what I think has been an unfair castigation to which he has been subjected.

Mr. TABER. That is evidence that the Postmaster General has done something and kept things moving.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. REES of Kansas. Is it not correct that nearly all of the funds requested in this deficiency appropriation come about because of the extension and expansion of the Post Office Department, and that comes from the public itself demanding these additional services?

Mr. TABER. Yes; and it results from the change in the mode of living of the people, the number of people we have, and the growing of age of that group of youngsters who were born right after the war.

Mr. REES of Kansas. Does the gentleman not agree with me that whatever may have been said with regard to the management of the Department, and personally I think that it has been managed well, we ought not to punish the people who work in the Post Office Department because of the need for funds? These funds go to the people who work in the Post Office Department, the carriers, the clerks, the people who work in the service down there. Is there any good reason the gentleman can see why we should not go ahead and allow these funds to pay them?

Mr. TABER. I can see no good reason, and I also feel that the patrons of the Post Office Department are entitled to service. We ought to provide it.

Mr. REES of Kansas. We have no right to punish them.

Mr. TABER. No.

Mr. CANNON. Mr. Chairman, I yield 15 minutes to the gentleman from Virginia [Mr. GARY], the chairman of the committee in charge of this bill.

Mr. GARY. Mr. Chairman, this bill has been so fully discussed in the last few weeks that it is not my intention to prolong the discussion at this time, but I do think there are certain facts this body should know when it votes on the proposal before it.

Last year the Postmaster General submitted his budget estimates for the fiscal year 1957 and he requested $3 billion to run the Post Office Department. I have heard the statement made on this floor many times that there is not a budget of a single department of this Government that you could not cut 10 percent without hurting the department.

Our committee studied these estimates very carefully. We held hearings for weeks. We did not cut him 10 percent, we did not cut him 5 percent. The Congress did not cut him even 1 percent. We cut him $15,660,000, which was one-half of 1 percent. It seems to me the Postmaster General could have absorbed a cut as small as that had he so desired.

That appropriation of $3 billion is divided into five separate items—administration, research, operations, transportation, finance and facilities. He is asking now only for the appropriation of additional funds for operations. Let us see what the situation is as to operations. He requested $2,118,880,000 for operations. We cut that request only $5,440,000. Under the law, we have allowed the Post Office Department transfer authority that is not enjoyed by any of the other departments of Government so far as I know except the military. But, the Congress permits them to transfer up to 5 percent from one item to another. They transferred from other items to operations a net of $11,290,000 which gave them $5,850,000 more than they requested for the operations of the Post Office Department.

It is true, as the gentleman from New Jersey said, that when they presented their full request to the committee for the fiscal year 1958, they told us at that time they were going to ask for $53 million in supplemental funds, but at the same time that the Postmaster General told us he was going to ask for these funds, the Budget Director told us that he had not decided to allow them.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. CANFIELD. Is it not true that the Bureau of the Budget last July agreed on $30 million?

Mr. GARY. Last July?

Mr. CANFIELD. Yes, indeed; last July.

Mr. GARY. No, sir; not according to my knowledge.

Mr. CANFIELD. That was sent to the other body. It was approved by the Bureau of the Budget and sent to the other body.

Mr. GARY. It did not come to the House.

Mr. CANFIELD. That is true.

Mr. GARY. The only information that we had came from a conversation that the clerk of our committee had with the Director of the Budget in January or February of this year. He told our clerk that he had not decided to allow anything. He said that last year the Post Office Department had asked for $53 million; that he had gotten them down to $20 million, and he did not know whether he would allow them anything. Let me say to the gentleman that the first request sent to the Congress for additional funds came on March 12.

Mr. CANFIELD. I am sorry to disagree with my friend, but I must point out that the first request was sent to the other body and the subcommittee on appropriations of the other body received that request on July 12, 1956, in the amount of $30 million and the Post Office Department was then told, "Hold off until next year, and then we will do business with you."

Mr. GARY. May I say to the gentleman that appropriations under the Constitution originate in the House. I do not know what was sent to the other body, but certainly any request, since this body has the authority to originate appropriations, should be sent to the House of Representatives. As I was saying, the first request that we received was on March 12 of this year. Before submitting that request, the Postmaster General came to my office and told me he needed additional funds and he needed them promptly. I promised him if he would submit his request, he would have an immediate hearing. Just as soon as that request reached our committee I tried to set the hearings for Tuesday of the following week. The Postmaster General himself requested a postponement of those hearings because, he stated, he had already made engagements to appear before the legislative committee to testify on rates during the week and, consequently, the hearings were postponed for 1 week at his request. The next week we heard his request, and as we listened to him, we found out that the antideficiency law had been violated. If anyone questions whether or not that law has been violated, let him look at page 171 of the hearings of our subcommittee. There you will find a very complete table of the apportionments for the year.

The antideficiency law requires that these apportionments be made so that there will not be a deficiency at the end of the year. The initial apportionments were made on that basis, but you will find they were revised on July 10, 1956; they were revised again on July 13, 1956. That is, there were slight changes in the apportionments but very slight. They were revised again on August 30 and on October 4, 1956. Then on December 14, 1956, is the time that they began to take the money from the third and fourth quarter funds and use them in the second quarter. When they came to the revision of February 4, 1957, they transferred large sums of money from the fourth quarter to the second and third quarters. According to their own testimony, they knew long before February 4 that there was going to be deficit and, yet, they knew that these transfers were being made—then with that knowledge they deliberately transferred funds from the fourth quarter to the second and third quarters instead of coming to the Congress and asking for additional appropriations.

Mr. MURRAY. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. MURRAY. Who made these quarterly apportionments? The Postmaster General or the Director of the Bureau of the Budget?

Mr. GARY. The Director of the Bureau of the Budget made the apportionments at the request of the Postmaster General.

Mr. MURRAY. The Postmaster General has no authority to make those apportionments.

Mr. GARY. But he does have the power to request them.

Mr. MURRAY. Who made the apportionments back to the second and third quarters or the first quarter?

Mr. GARY. The Bureau of the Budget, at the request of the Postmaster General.

Mr. MURRAY. If anyone is to blame, it is the Bureau of the Budget and not the Postmaster General.

Mr. GARY. Well, I am sure the Bureau of the Budget would not have made the change in the apportionments if it had not been requested by the Postmaster General. I am not trying to fix blame. I am trying to give this body the facts in this case.

Mr. MURRAY. There has been some criticism of the Postmaster General, because he did not come before Congress last fall. The Congress was not in session, and he had no opportunity to come before the Congress before this January. Is that not correct?

Mr. GARY. He said he knew he was going to have a deficiency in July, and the Congress did not adjourn until August. In that connection, I may add that I have just been reliably informed that no request was made to the Senate for additional funds last July. The Post Office Department requested the Budget Bureau to approve additional funds, but the request was refused.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. HOFFMAN. Inasmuch as the Director of the Budget and the Postmaster General are both Republicans, why not apportion the blame instead of putting it all on the Postmaster General?

Mr. GARY. I am not trying to put the blame on anybody. I have simply stated the facts. I have said that the law was violated, and the General Accounting Office has also said that the law has been violated. I insert the report of the House Appropriations Committee at this point to substantiate my position:

POST OFFICE DEPARTMENT OPERATIONS

The committee considered an estimate of $47 million contained in House Document No. 115, and recommends an appropriation of $41 million. Approval of this action by Congress will result in there being available for operations in 1957 a total of $2,165,730,000, which includes the result of the exercise of transfer authority by the Department, and is $46,850,000 more than the original estimate for 1957, and $51,290,000 more than the appropriation made by the Treasury-Post Office Appropriation Act, 1957.

In spite of the increases in availability of funds by transfers, the Department has been operating at a rate of obligation which, the witness threatened, would require the cessation of postal service "completely for 2 weeks" in the event the requests were denied.

The committee reviewed with the Department and with the Director of the Bureau of the Budget the details of the apportionment requests of the Department and the subsequent approvals by the Bureau. This review coupled with an analysis of the obligations incurred, established the fact that all operations have been geared to an inevitable deficiency. It seems abundantly clear that the Department made no effort to operate within even the augmented appropriation, and that the apportionments approved by the Bureau of the Budget openly gave Executive approval to this course of action, contrary to law. It must be pointed out that the very same Director of the Budget who approved the various reapportionment requests leading directly to this deficiency at the same time "specifically said I would not send up a supplemental for those amounts."

Section 3679 of the Revised Statutes, as amended in 1950, was designed to preclude the situation which now arises. In discussing the law on the floor of the House on May 10, 1950, the gentleman from Arkansas [Mr. NORRELL] said of paragraph 1 of subsection c:

"This is designed to insure that appropriations which are available for a fiscal year, or for other time periods—usually related to fiscal years—will not be obligated at a rate which would exhaust the appropriation prior to the end of the period for which the appropriation was made, and thus result in a need for a deficiency or supplemental appropriation, or an increase in the authorization for administrative expenses of a corporation or in drastic curtailment of the activity for which the appropriation or authorization was made."

The Postmaster General requested the General Accounting Office to issue an opinion as to whether or not the law had been complied with. Today, a letter (B-131361) from the Comptroller General states, in pertinent part, as follows:

"The necessity for a deficiency appropriation has been acknowledged by the Director of the Bureau of the Budget and the President as evidenced by the transmittal on March 12, 1957, to the Congress of a request for additional funds for operations of the Post Office Department during the fiscal year 1957 in the amount of $47 million, the amount of your request for that purpose as received by the Bureau of the Budget January 4, 1957, before the date of the last reapportionment listed above. Also, you issued Postmaster General Order 56314, dated April 5, 1957, which would curtail the services of the Post Office Department in several respects if it becomes effective.

"If it is determined by the Congress that the deficiency appropriation is necessary for 'Operations' or if the services of the Post Office Department are drastically curtailed in the event no deficiency appropriation is made, there could be no question but that the Director of the Bureau of the Budget had not complied with the requirements of subsection (c) (1) of section 3679, Revised Statutes, as amended, title 31 United States Code, section 665. It should be noted, however, that the penal provision contained in subsection (i) (1) of the act is applicable only to violations of subsections (a), (b), or (h) of the act and not to subsection (c) (1).

"The House hearings on the Post Office Department's request for supplemental funds for operations for 1957 show that, when the Department requested the reapportionment of its funds, it did so in the belief that the requested pattern of management of its funds for the fiscal year would result in the necessity for a deficiency or supplemental appropriation. Such action is not technically a violation of any specific provision of the Anti-Deficiency Act. However, it is not consistent with the spirit and purpose of the act."

Although the items involved in the request all result from actions contrary to the law, a majority of the committee feel that the necessity for maintaining service to the public is an overriding consideration. Of the amount requested, approximately $2 million meets the test of paragraph 1 of subsection (c) as an exception to the prohibition of deficiency apportioning, the balance does not. The committee recognizes that certain mitigating circumstances surround an additional $17 million of the estimate in that the effective date of the reclassification portion of Public Law 68, 84th Congress, although technically prior to the transmission of the estimates was, in fact, subsequent to the preparation of the estimates for printing and transmission.

The administrative decisions necessary during the interim pending approval of this appropriation have been and will continue to be unfortunate. Had these decisions been made nearly a year ago, when they should have been, the present situation would not have arisen. It is most regrettable that a service so vital to the economy of our Nation, and affecting personally and individually each of our people, has thus been so callously jeopardized by the injudicious action of the executive branch which now seeks to escape justifiable criticism by overtly threatening the Congress.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. HALEY. The gentleman says the law has been violated. Apparently there is no penalty for a violation of that law. Does the gentleman agree with me that we could determine responsibility very quickly by just passing a simple resolution introduced in this body to bring somebody to account for the expenditures and the violation of this law?

Mr. GARY. I think the Congress could fix the blame if it desired. Yes.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. EVINS. Is it not a fact that the Director of the Bureau of the Budget at least turned down the request of the Postmaster General for supplemental funds? Is it not also the fact that when the supplemental request for the various agencies was sent up, it was the chairman who notified the Postmaster General that his item was not contained in a list specifically designated as emergency items?

Mr. GARY. Yes. The request was sent up on March 12. When we held our hearings the Postmaster General insisted he had to have this money immediately. The chairman of the committee called his attention to the fact that this item had been sent to us with numerous other items, and the Director of the Bureau of the Budget had been requested to mark the items that were urgent, and that the Post Office appropriation was not included in the list of urgent matters. The Director of the Budget did subsequently write a letter to the committee designating the item as urgent. The letter arrived on April 3.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I shall be glad to yield to the gentleman.

Mr. JOHANSEN. Knowing of the complete fairness of the gentleman from Virginia, I am asking this question with reference to the future rather than the past, and I am directing a very similar question to the gentleman from Virginia that I directed to the gentleman from New York. I would like to know first of all if there is a certain latitude within which the Director of the Budget may

approve transfers from one quarter to an earlier quarter.

Mr. GARY. Not if they will bring about a deficiency; but here is the idea: Whenever the head of a department finds he is going to have a deficiency, that he needs more money, then he should come before the Congress before that deficiency is incurred so that the Congress will have the right to pass upon the question as to whether or not he should have the additional funds.

We did not have that cooperation in this instance, but to the contrary, the Postmaster General came before our committee after the funds had been overspent in the first three quarters and said: "You give us this additional money or else!"

He said we had but two alternatives; one, to cut off the main service entirely on June 15 for the rest of the month, or else begin to curtail service immediately if we were not going to allow the funds.

Mr. JOHANSEN. One further question, if the gentleman will permit: In a subsequent year, if in any quarter prior to the fourth it is found that the funds allocated to that quarter are not adequate, do I understand that the Postmaster General may with the approval of the Director of the Budget Bureau use funds for a later quarter, provided the borrowing does not create a deficit for the entire year?

Mr. GARY. Yes.

Mr. JOHANSEN. Then if it is determined that it would create a deficit, the Postmaster General is supposed to come to the Congress before the borrowing is done.

Mr. GARY. Exactly.

Mr. JOHANSEN. I am interested in how it works.

Mr. GARY. In the present instance the Postmaster General admits that he knew there was going to be a deficit when the transfers were made, yet no request was made to the Congress.

Mr. JOHANSEN. That is a debatable point but I am asking the gentleman as to procedure.

Mr. GARY. There is no debate as to what the Postmaster General said before our committee. He testified that he knew there would be this deficiency.

Mr. STEED. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. STEED. The justification that was contained in the message from the President on the deficiency bill known as House Document 115 gave certain reasons why they needed this $47 million. When the Post Office Department representatives appeared before our committee, some admission was made as to the fact that the justifications contained in the President's message were not accurate, and they gave some other reasons at that time why they needed the $47 million. Will the gentleman explain to the House this discrepancy?

The CHAIRMAN. The time of the gentleman from Virginia has expired.

(Mr. CANNON yielded 5 additional minutes to Mr. GARY).

Mr. GARY. There were two items. One item clearly came within the provisions of the antideficiency law. The Congress after the original requests had been submitted passed a law authorizing the Post Office Department to pay the postal employees while they are engaged in military service in the Reserves. That cost $2 million.

In addition, there was another item that they admitted did not come specifically within the exception in the law. The Congress prior to the time they submitted their budget request passed a law increasing postal salaries. They had taken that law into consideration, but there was a provision in that law requiring the reclassification of postal employees, and that provision did not become effective until the following December.

The Post Office Department representatives testified that when they put that provision into effect they found it cost more than they had anticipated by $17 million. Our committee, although realizing it was a technical violation of the law, did not want to be technical and recommended the $17 million. Frankly I think we should also have recommended the $2 million which was overlooked.

Mr. TABOR. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from New York.

Mr. TABER. The Postmaster General went to the Budget Bureau on the 10th of July last year and the Bureau called the Senate committee which said that it was too late in the session for the submission of a supplemental request. After that, on his next possible appearance before the Congress, on the 15th of January, he told the subcommittee he was going to have a deficit of $53 million and after that he followed the thing up with the budget to get a budget estimate. What does the gentleman think the Postmaster General should have done? Should he have immediately on the 1st of July or the 1st of August, when he found out he did not get the first budget estimate, curtailed the operation of the post office at a time when it was impossible for the Congress to do anything or should he have done what he did? I would like to have the gentleman clarify that.

Mr. GARY. I will say that was a question for the administration to handle. When two of his administrative departments disagree the decision as to which is right rests with the President. I have not attempted to fix the responsibility. I have said that the law has been violated. The General Accounting Office has sustained that position. I am not going to quibble with the gentleman as to which department violated the law. If this had been handled properly there would not have been any question about adequate funds being supplied. The fault is certainly not with the Congress.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Some of us are wondering, regardless of who may or may not be to blame, whether or not this appropriation of $41 million is sufficient to restore to the country an adequate mail service on the same basis that we have had up to June 30?

Mr. GARY. That is another question for the Postmaster General to answer. He said that he could not get by with a penny less than $47 million.

Mr. BROWN of Ohio. What is the gentleman's opinion?

Mr. GARY. I do not know. We only cut his appropriation one-half of 1 percent. We thought he could have absorbed that without difficulty, but he has not absorbed any of it. He is asking for more money than he requested originally. If we give him the $17 million that our subcommittee recommends he will have $1,340,000 more than he requested originally.

Mr. BROWN of Ohio. Yes; but perhaps the amount granted in this bill is not enough. How did the gentleman's committee get at that figure?

Mr. GARY. I may say to the gentleman that I am against the $41 million. I am for the $19 million. I want him to live within the amount that the Congress appropriated.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. GARY. Mr. Chairman, the question before us boils down to this: Is the Congress of the United States going to control the expenditures of this Government or are we going to turn it over to bureaucrats? That is the whole question. The Hoover Commission has recommended that the Congress be given greater control over governmental expenditures. I think that is proper, because the Members of Congress are elected by the people and they represent the people.

The most effective control that we have today is the control that is set forth in this antideficiency law. Once we relinquish that control, once we capitulate to the threats and tactics of the Postmaster General, then we have relinquished our most effective control. To me, that is of far greater consequence than the temporary inconvenience of the mail users.

I have received numerous letters and telegrams and messages on this situation. Somebody said that when we hear from the rural people we will change our minds. Let me read you a telegram I received from a rural delivery carrier in one of the Western States:

> Congratulations on your subcommittee recommendations for the Post Office Department. Patrons contacted today are not interested in Saturday service, did not care if rates went up where post office could pay own way, wondered why they got so much junk mail. I serve 320 families, 64-mile route, 10 years service.

I have heard a lot of talk about the mail service of foreign countries here today. The first speech that I made on the floor of this House was in favor of a salary increase for postal employees. It was in 1945 and at that time they had not had a salary increase for 20 years. I think we have got to pay our postal employees salaries commensurate with the salaries paid by private industries. I am for giving them good salaries, but whenever we talk of what the foreign services are doing, if you will just compare our pay of postal employees with theirs, you

will see that there is a great difference. In addition to that, we have not increased our postal rates on first- and second-class mail since 1932. I am for an increase in the postal rates to make each class of mail pay its own way. Let me say that I appeared before Mr. MURRAY's committee last week and testified for three-quarters of an hour on that subject. I noticed that the Government-subsidized Time magazine said that I roared. I think it is time for somebody to roar about the failure of the users of the mail in this country to pay for the services that they are receiving from the Post Office Department.

Just one other thought. Our people have been inconvenienced by the order of last Saturday. That was a hurried order. I found one situation in my city Friday night when I returned home. A contract station called me and said "We are not permitted to accept parcel post packages on Saturday." I called the Postmaster General at his hotel in Washington, and that order was countermanded immediately.

Now, I do say this, since industry and business are going to a 5-day week the time has come when we should begin to curtail our Saturday service to some extent. I do not think it ought to be discontinued, but I do think there should be some study along that line. I am told by the Post Office Department that by not delivering third class mail on Saturdays we can save $10 million a year. When that class of mail is not paying the expense of its delivery, why should we not save $10 million a year. I want to see the people of this country get all the service that they pay for, but when they do not pay for the service, I do not think they can expect champagne service at beer prices.

There is just one other feature that I want to discuss. I think there are some places that we can cut the service that will not hurt. This administration has decentralized the postal service. What they have done is this: They have established 15 brandnew regional offices throughout the United States. They have established 91 new district offices throughout the United States. In each of these regional offices they have practically duplicated the setup of the office here in Washington. In the district offices they have employed additional help, and while there is not a complete duplication, there is a partial duplication. They have put into those offices a lot of high salaried personnel that we have not had before. Frankly, I cannot see that the service has been benefited one iota.

I understand the statement was made the other day that prior to decentralization the mail piled up here in Washington. I was told the other day that one of my constituents had a question of classification that had been tied up in the district and regional offices for 1 year and in the Washington office for 2 months, making a total of 14 months.

Now with respect to these regional and district offices: I used to enjoy vaudeville. I can remember a corny joke I heard in vaudeville many years ago. It probably stuck in my mind because it was so corny. Two would-be comedians come out on the stage and one of them said to the other, "John, if that post over there were to fall on us, what would you do?" And the other said, "I would call the postmaster." The first one said, "Why?" And just as quick as a flash he said, "To get the post off us."

Today, you would not know whether to call the postmaster, the district manager, the regional director, or a supervisor. The situation has become so complicated under decentralization that nobody knows today where the postmaster's jurisdiction ceases, where the district manager's jurisdiction begins, or where the regional director fits into the picture. There is a wide area for economies in this confusing setup.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. GARY] has expired.

THE TRUTH ABOUT SUMMERFIELD AND THE POST OFFICE DEPARTMENT

Mr. LANHAM. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LANHAM. Mr. Chairman, a great furor has arisen over the attempt of the Postmaster General, Mr. Summerfield, to sandbag Congress into giving him the total amount of money he requests for the operation of the Post Office Department. Here are the facts.

The committee appropriated practically the entire budget request for the current fiscal year which began July 1, 1956. Until a few years ago it was the general practice among the Federal bureaus and departments to use all of the money appropriated such department for any one fiscal year before the end of the year and come back to the next Congress and ask for a deficiency appropriation. This practice meant that the Congress had absolutely no control over expenditures but was at the mercy of the departments which could spend under such practice the sums of money they saw fit instead of the sums appropriated by the Congress. To prevent this practice, a law known as the antideficiency law was passed by the Congress. This law requires the heads of the various departments to apportion the money for expenditure of a certain maximum amount in each quarter, the total not to exceed the amount appropriated for the entire fiscal year. Most of the departments now follow the law and if an emergency arises during the year which makes it impossible for the department to operate on the appropriation previously made by the Congress, the department comes to the Appropriations Committee before it makes the expenditures and gets the authority of the Congress to exceed the quarterly amount by the sum required for the emergency.

During the current fiscal year which began July 1 of last year, Mr. Summerfield did not follow this practice but in October, again in December, and again in January changed the allocations of the money appropriated to him and spent it needlessly to support the 15 regional offices set up by him and which are of no earthly use but which cost millions of dollars more than the operation of the Department costs when the affairs of the Department were administered from Washington. In addition many unnecessary district offices were set up at additional cost.

So instead of coming to the Congress before he spent sums in excess of his quarterly allocations, he waited until January when he came to the subcommittee which makes appropriations for his Department and demanded that a certain amount be appropriated for the remaining months of the year. This was a distinct violation of the antideficiency law.

In the meantime, he asked the Budget Bureau to send a request for additional funds to the Appropriations Committee. The Budget Bureau believing such funds unnecessary and expressing that belief to members of the subcommittee handling these appropriations, refused to request the committee for additional funds. However Mr. Summerfield continued to pressure his fellow Republican, Mr. Brundage, head of the Budget Bureau, until the latter surrendered and sent a request to the committee on March 12 for the additional appropriation.

The committee after a hearing and careful consideration of the request decided that while Mr. Summerfield had violated the law and spent money illegally, an appropriation of $17 million additional would be justified because an act of Congress had increased the cost by $17 million. Mr. Summerfield was told that this amount would be appropriated when the committeee could take regular action on the bill.

Instead of doing as other department heads do and accepting the money appropriated by the Congress, he immediately threatened to curtail the postal service in various ways. Finally in order to put tremendous pressure upon the Congress to do just as he wished, he proposed to close the post offices on Saturday, to stop issuing money orders, and otherwise curtail the postal service. He is quite arrogant and apparently has a contempt for Congress as so many of the bureaucrats do.

SHALL THE PEOPLE THROUGH THEIR CONGRESS, OR THE BUREAUCRATS, CONTROL EXPENDITURES?

This is the vital question posed by Mr. Summerfield's actions in violation of the law and his threats to curtail the postal service. We are being constantly urged to cut expenditures so that the people can be given a tax reduction. The Appropriations Committee of which I am a member has been trying to do just that and has succeeded in making many cuts. Now the question is, Do the people back home want the Congress to surrender to Mr. Summerfield and let him say what amount is to be spent for postal service or do you want your Representatives in Congress to hold the purse strings? This is the problem and this is the real question involved. Whatever Mr. Summerfield may say to the contrary, this is the inescapable problem posed by his contemptuous and arrogant conduct toward the Congress.

SUMMERFIELD WILL BE RESPONSIBLE FOR CURTAILED POSTAL SERVICE

If your postal service is curtailed temporarily or permanently, it will be the fault of Mr. Summerfield who violated the law by making unauthorized expenditures—many say for political purposes—during the first 9 months of the year. If we surrender to him and permit him to violate the antideficiency law, the other departments will demand the same treatment. If so, the Congress might as well shut up shop and turn the handling of your tax money over to the bureaucrats.

It is not a question of whether we shall appropriate money for foreign aid or for any other purpose. The Appropriations Committeee will take care of cutting foreign aid and other funds where possible, but we should not and cannot be expected to surrender to the arrogant demands of a power-drunk bureaucrat. I have, and will continue, to vote against any such surrender.

THE POST OFFICE DEPARTMENT

Mr. EVINS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. EVINS. Mr. Chairman, the House this week approved the second appropriations bill for the Post Office Department during this session—the first being the regular annual departmental appropriations bill, carrying funds in excess of $3 billion for postal services—the second bill being a supplemental appropriation, carrying an additional $41 million for the Department.

The Postmaster General—General Summerfield—has publicly contended that this latter appropriation is needed for the operation of all the services in the Department through June 30, the end of the Government fiscal year.

As indicated, the Congress has appropriated to date more than $3 billion for the Department, the exact amount being $3,197,000,000 plus the additional $41 million this week approved. Besides these appropriations, it should be pointed out that Mr. Summerfield, the Postmaster General, has the authority to transfer funds from one operation to another at his discretion.

Notwithstanding the cooperation of the Congress in providing these funds for services to the public by the Department, the Postmaster General has threatened to completely shut down the operation of the Post Office if the full funds he demanded is not immediately provided.

It should be pointed out that the Bureau of the Budget in the White House, that initially passes on all departmental requests for funds, has twice rejected the Postmaster General's requests for additional funds. The Budget Bureau only recently submitted its approval for the supplemental funds to Congress. Had this latter request been received earlier, the Congress could have acted earlier and the apparent urgency of the situation would have been avoided. The Committee on Appropriations and the Congress have acted in accordance with usual and customary procedure in these matters and not under force of threats, intimidation, and pressure.

Certainly, there exists no desire on the part of anyone to curtail essential postal services to the public. However, many Members of Congress feel that the Post Office Department should practice some economy as other agencies of the Government. Hearings before the Post Office Committee on the Appropriations Committee have established that the Department is expending huge sums of money in the setting up of 15 new regional supervisory offices and about 100 new branch supervisory offices throughout the United States. These new offices have been staffed by highly paid personnel and increases in funds requested by the Department have resulted in expenditures of funds being transferred from services to support these new offices. There exists the opinion here in Washington that the Postmaster General has ordered limited service curtailment—for a limited time—for two primary reasons; the first being to dramatize the need for increasing the postal rates to the public which he has long advocated and the other reason being political.

With more than $3 billion available in appropriations to the Department, plus the authority to transfer funds from one operation to another, there certainly should be no need to suspend mail service, even temporarily, to the public.

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, to one who does not know anything about the operations of the Post Office Department—except that as he puts a stamp on a letter and drops it in the mail box, the addressee gets it, and on time, and that sometimes one gets a letter—this does seem to be about as ridiculous a situation as even the Congress of the United States can get into.

We created the Post Office Department. We have written certain laws telling the Department what it must do; what kind of mail it shall accept and what the charge for that service shall be, how much the employees shall be paid, and many other directions and restrictions.

We tell the Postmaster General what to do and how, but we do not give him enough money to do it—then we complain when he refuses to carry out our orders when, if he did, he would violate the law we have written.

Now it just happens that we have a Republican postmaster and all at once the charge is that the law is being violated.

When given the privilege of coming here, what most amazed me was the fact that the Congress could have a deficiency bill. It has always been my thought that when money was given to me or when I earned money and I spent it for a particular purpose, that was it; that was the end of that incident. But inquiry of the Parliamentarian as to how many deficiency bills could be brought in elicited the information that we could have as many as the congressional committee wanted to bring in. And if a Department did not get enough money the first time, it could come back and ask again; and if it did not get enough money then, they could come back again and again and ultimately the Congress would give the Department what was needed.

Mr. REES of Kansas. Mr. Chairman, would the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. REES of Kansas. We have 5 deficiency bills before us today, do we not—5 more?

Mr. HOFFMAN. We may have more; I do not know. But having created the Department, and having a Postmaster General under whose direction it is supposed to operate, and having told him by law what he should do—let me interrupt myself. There are two remedies. We can either curtail the service or—well, the other one would not work. That is, we cannot prevent people being born and learning to read and write and wanting to get postal service, nor can we prevent the expansion of the service demanded by increasing businesses. I would not subscribe to either. But fortunately our population has grown, as has business. We have had some refugees, some others have been admitted and apparently many wish to write letters to the friends they have left abroad, telling what a wonderful country this is, and they want to get letters. What a howl would have gone up if the Postmaster had curtailed the service before he did. And that is apparently what he should have done if he had desired to meet the approval of the gentleman from Missouri [Mr. CANNON] or if the Bureau of the Budget failed to abide by the strict letter of law.

If there is a Member of this House who has not had requests for the extension of rural routes, for carrier service in growing communities, for additional service—all of which cost dollars—it would be a pleasure to meet that gentleman, because certainly he must be happier than some of the rest of us are today.

Mr. MURRAY. Mr. Chairman, would the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman.

Mr. MURRAY. There has been a good deal said about how unusual it is for the Post Office Department to ask for a supplemental appropriation or a deficiency appropriation. With the gentleman's permission, may I read figures showing what has happened with appropriations for the Post Office Department?

In 1947 Congress gave the Post Office Department a supplemental appropriation of $93 million. In 1948 Congress voted $172,700,000 in a supplemental appropriation for the Post Office Department. In 1949, there was a supplemental appropriation of $140,800,000. In 1950, it was $71,400,000; in 1951, $29,400,000; and in 1952, $250,000.

Now, let us see what has happened under Postmaster General Summerfield. In 1953 he turned back——

Mr. HOFFMAN. Oh, no?

Mr. MURRAY. He turned back $83,574,247.

Mr. HOFFMAN. Does the gentleman not realize Mr. Summerfield is a Republican Postmaster General?

Mr. MURRAY. Yes. I am just giving the gentleman facts and figures.

In 1955 he turned back $108,724,572. Next year he turned back $42,993,628. So in 3 successive years he turned back over $200 million of the appropriation given by Congress.

Since he has been Postmaster General, since 1953, this is his second request for a supplemental appropriation. In 1956 he received a supplemental appropriation of $16 million. The supplemental appropriation now pending is the second one he has asked for.

Mr. HOFFMAN. At any time during that period did the gentleman hear any complaint from the gentleman from Missouri [Mr. CANNON]?

Mr. MURRAY. None whatever.

Mr. HOFFMAN. Was the gentleman listening?

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Michigan.

Mr. JOHANSEN. Did the gentleman hear any word of commendation of the Postmaster General from certain sources?

Mr. HOFFMAN. Does the gentleman mean during this debate?

Mr. JOHANSEN. I mean at any time, for the money that was turned back.

Mr. HOFFMAN. Of course the gentleman realizes that each of us cannot hear everything that is said. That is just impossible. Inasmuch as the Congress has been under the control of our Democratic friends, I would not expect there would be too much commendation along that line.

Repeatedly it has been said here that there has been a violation of the law. We have heard read the letter from the Comptroller General. As far as it was my privilege to understand the situation, the only violation there has been was because the Bureau of the Budget, and the chairman of the Post Office Committee will set me right on it, did not send up a notification of a deficiency as soon as it should.

Mr. MURRAY. That is entirely correct. The Director of the Bureau of the Budget failed to send up the request when it was first made last July and held it up until March 12 of this year. I do not know the Director of the Bureau of the Budget, but he gave as an excuse that he understood the revenues of the Department were increasing, which is true, and that there would be a $20 million increase in postal revenues. He thought that the Postmaster General could use the increased revenue to pay for the operating expenses of the Department, which of course is not true. All postal revenues go into the General Treasury.

Mr. HOFFMAN. He made a mistake of about $20 million. He thought it would come to the Post Office Department and it went into the Treasury of the United States. That is the situation, is it not? He thought a saving might be made?

Mr. MURRAY. That is correct.

Mr. HOFFMAN. That is what all the, if the word may be used, "squawk" is about here today. That is the only foundation there is, as I can read the record, for the charge of the gentleman from Missouri [Mr. CANNON] that the law has been violated. The gentleman from Virginia [Mr. GARY], when he was talking here a few moments ago, referred directly to a violation not by the Bureau of the Budget, not by the Postmaster General, but by his own committee. I had not heard that until today when it slipped out. The violation has been nothing but a technical one, for which there is no penalty, as I understand it, and if I am wrong, again I will ask the chairman of the Post Office Committee to correct me. Is there any penalty attached to the violation of which the Bureau of the Budget may be guilty?

Mr. MURRAY. I understand there is no penalty whatsoever.

Mr. HOFFMAN. Well, where and what do we get? Charges that the Postmaster General has violated the law and is responsible for the present curtailment of the service. A political charge that is without foundation. Where does the blame belong? Right over there with the gentleman from Missouri [Mr. CANNON], the chairman of the Committee on Appropriations. He has been familiar with the situation all along. When the Postmaster General came up finally and said that he would not violate the law by continuing service as it then existed, that unless he was given money to operate as we had directed one of two things must happen—he must either violate the law or he must curtail the services.

The gentleman from Missouri, the chairman of the Committee on Appropriations [Mr. CANNON]—I cannot say he got his back up—nobody knows what transpires in his head—but he decided, at least said, the Postmaster General was holding a gun at the head of the Congress, and was bluffing, and the gentleman from Missouri [Mr. CANNON] called what he characterized the Postmaster's bluff. And what happened? The Postmaster General just was not bluffing. He obeyed the law, and stood by his guns and cut the service as he was forced to do. The present curtailment in services is due to the action of no one except that of the gentleman from Missouri [Mr. CANNON]. There on the Democratic side sits the person who is responsible for the recent cut in service, for the failure of postal employees to be on their jobs. What are we to do about it. The House will do as it should have done a week or two ago. It will appropriate the necessary funds notwithstanding all the talk of the gentleman from Missouri [Mr. CANNON]. The only thing that was wrong, as I can read the record, was that when the third quarter rolled around, they transacted their business by using the fourth-quarter funds. The Postmaster General, if I understand the situation transferred funds supposed to be used after one date over to an earlier period. Is that what it was? They transferred money, for example, from the third to the second quarter in order to continue to operate?

Mr. MURRAY. They transferred funds from the fourth quarter several different times to the first, second, and third. Those transfers were made at the direction and with the approval and on the order of the Director of the Bureau of the Budget.

Mr. HOFFMAN. And nobody said anything about it at the time; did they?

Mr. MURRAY. No.

Mr. HOFFMAN. And the only thing the Postmaster could have done at that time is what he later did, and that was to curtail the services; was it not?

Mr. MURRAY. Certainly.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from the Third Congressional District who is so ably representing his district, who is on the Post Office Committee.

Mr. JOHANSEN. I thank the gentleman. I was disturbed by the answer that was given by the distinguished gentleman, my good friend from Virginia [Mr. GARY] when the question was asked, I believe, by the gentleman from New York as to what the Postmaster General should have done if he discovered a deficiency and he was going to have to transfer these funds at a time when the Congress was not in session, and the only answer given was that that was an administrative problem.

Mr. HOFFMAN. Oh, no, no. What he could have done was to have done then just what he did later and that was to cut the services and that is the only thing the Postmaster could have done at any time. Why all this hollering and yelling and making of charges without justification now. The only thing I can figure out is that the Postmaster General happens to be a Republican and this is the time—this is the year when they are after the Republican Party with 1958 in mind. They loved Ike; many of them supported Ike but now they would tear him and his administration to pieces.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. GARY. I was asked the question a few moments ago as to what the Postmaster General could do if he went to the Budget Director on two occasions and asked for a transfer of funds which he had to have, and the Budget Director refused to give it to him. They asked me what he could do under those circumstances. What he could have done was to have gone to the President of the United States who is the coordinating officer and he could have directed the Budget Director to send the proper request to the Congress of the United States.

Mr. HOFFMAN. Nonsense. The Congress knew the money was needed, the Congressmen calling the tune but did not want to pay the piper. Yes; and if the President had authorized the expenditure we would have heard a howl go up all over the place. The politicians would have had something to talk about other than the helicopter, the speed at which his chauffeur drives, a red spot on his nose, and the President's health. The only thing the Postmaster General could have done and the only thing he can do today, and the only thing he can do in the future when he comes before the Appropriations Committee of the Congress and the Congress fails to give him money necessary to operate is

to cut off the services or violate the law. Now, if our people are displeased, if they are sore about anything, they should direct their wrath to and at the gentleman, as I said before, from Missouri [Mr. CANNON]. There is where they should go. He is the gentleman responsible for the lack of funds which cut down the postal service, the loss of compensation of employees who were out of work. The gentleman from Missouri is the boss of the Appropriations Committee, he is a master of inconsistency, but he is not, as yet, running the Department of the Post Office—as he has recently learned the hard way. I stand by this statement—there is not a Member of this House who has not had requests for additional services either for an extension of routes or for more frequent deliveries in, for example, carrier service in cities which have grown—and the gentleman from Louisiana [Mr. LONG] seems to be nodding his head in the affirmative. Evidently, he has heard from his home folks as have we all. I hope when this bill comes up for a vote the gentleman will not only vote to give the present Postmaster General what he needs, but you will have a word of praise as other good members of your party have had since this issue came up.

Mr. COLLIER. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. COLLIER. For the purpose of the RECORD, and for the economy-minded Members of this Congress, it might be well to point out that this deficiency appropriation in toto represents one-seventeenth of 1 percent of the entire Federal budget.

Mr. HOFFMAN. Well, the gentleman from Missouri [Mr. CANNON] thought it sufficient to hang a political charge on, and that is all this argument is about. The gentleman from Missouri [Mr. CANNON] just for a few days thought he was Postmaster General. Being from Missouri, he asked to be shown—and he was. What the Congress has done was to create a Department, tell it to operate in a certain way, and then the Committee on Appropriations, under the guidance of its chairman, for a few days refused deliberately to give the Postmaster General funds enough to carry out the orders of the Congress.

Mr. CANNON. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Chairman, notwithstanding the statements of the gentleman from Michigan [Mr. HOFFMAN], the decision of the Comptroller General held that the law was violated. In response to a request of the Postmaster General for an opinion on this point, Comptroller Campbell wrote in a detailed and authoritative opinion on April 12, as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, April 12, 1957.

DEAR MR. POSTMASTER GENERAL: Your letter of April 4, 1957, requests a statement of our findings resulting from a study of the records of the Post Office Department to ascertain whether during fiscal year 1957 there has been a violation of the provisions of section 3679, Revised Statutes, as amended (31 U. S. C. 665), commonly known as the Antideficiency Act. An informal request for similar advice was received from a staff member of the House Appropriations Committee following the hearings March 26 and 27, and April 3, 1957, before the Subcommittee on Treasury-Post Office Appropriations, on the Post Office Department's supplemental request for funds for operations.

At the outset, we wish to explain that our review was made in a very limited time to obtain information readily available as to whether the Post Office Department had violated the Antideficiency Act. Because of the time limit, our review was restricted to a comparison of apportionments, by appropriation, approved by the Bureau of the Budget for the postal quarterly reporting periods ended October 19, 1956, and January 11, 1957, with obligations incurred for the same quarters as they appear in published statements of the Post Office Department. No overobligation of the apportionments for those quarters was revealed by this comparison. Results of operations for the postal quarter ending April 5, 1957, were not available at the time of our review.

We did not review the obligations under administrative subdivisions of funds within the apportionments, but we were informed that in the quarter ended October 19, 1956, funds allotted to two regional directors had been overobligated by $27,613 and the required reports to the President and the Congress were made on February 14, 1957.

Your letter, however, and the committee inquiry request our findings as to whether the provisions of the Antideficiency Act were violated during fiscal year 1957. This requires consideration not only of the question as to whether the apportionment of the funds for the fiscal year 1957 were overobligated but also as to whether they were made in accordance with the provisions of that act, which provides, in pertinent part, as follows:

"(c) (1) Except as otherwise provided in this section, all appropriations or funds available for obligation for a definite period of time shall be so apportioned as to prevent obligation or expenditure thereof in a manner which would indicate a necessity for deficiency or supplemental appropriations for such period. * * *

* * * * *

"(d) (2) Any appropriation available to an agency, which is required to be apportioned under subsection (c) of this section, shall be apportioned or reapportioned in writing by the Director of the Bureau of the Budget. The head of each agency to which any such appropriation is available shall submit to the Bureau of the Budget information, in such form and manner and at such time or times as the Director may prescribe, as may be required for the apportionment of such appropriation. * * *

"(e) (1) No apportionment or reapportionment which, in the judgment of the officer making such apportionment or reapportionment, would indicate a necessity for a deficiency or supplemental estimate shall be made except upon a determination by such officer that such action is required because of (A) any laws enacted subsequent to the transmission to the Congress of the estimates for an appropriation which require expenditures beyond administrative control; or (B) emergencies involving the safety of human life, the protection of property, or the immediate welfare of individuals in cases where an appropriation has been made to enable the United States to make payment of, or contributions toward, sums which are required to be paid to individuals either in specific amounts fixed by law or in accordance with formulas prescribed by law.

"(2) In each case of an apportionment or a reapportionment which, in the judgment of the officer making such apportionment or reapportionment, would indicate a necessity for a deficiency or supplemental estimate, such officer shall immediately submit a detailed report of the facts of the case to the Congress. In transmitting any deficiency or supplemental estimates required on account of any such apportionment or reapportionment, reference shall be made to such report."

Since the Department's supplemental request for funds for fiscal year 1957 is limited to the appropriation for operations, what is said hereinafter is addressed to that appropriation.

The apportionments of that appropriation, with a possible exception of about $2 million referred to on page 97 of the House hearings on the second urgent deficiency appropriation bill, 1957, do not appear to come within the exceptions set out in subsection (e) (1) above and, apparently, subsection (e) was not relied upon in making the apportionments. The communication transmitting the supplemental estimates to the Congress March 12, 1957, contains no reference to any detailed report to the Congress of the facts involved as required in subsection (e) (2), and the testimony in these hearings contains no indication of reliance upon subsection (e) (1) in making the apportionments.

The apportionment of appropriations to prevent deficiency or supplemental appropriations was first required in the amendment to section 3679, Revised Statutes, contained in section 4 of the act of March 3, 1905, 33 Stat. 1257. Section 3679, Revised Statutes, was amended again by section 3 of the act of February 23, 1906, 34 Stat. 27, 48, and lastly, by section 1211 of the General Appropriation Act, 1951, 64 Stat. 765. Each of these amendments was intended to reduce further the need for deficiency or supplemental appropriations.

Even prior to the complete revision of section 3679 in the General Appropriation Act, 1951, the Anti-deficiency Act was considered to require that appropriations be apportioned so as to prevent either a deficiency appropriation or the suspension or drastic curtailment of an activity for lack of funds. In House Report No. 221, 79th Congress, 1st session, on the first deficiency appropriation bill, 1945, it is stated:

"The committee met with instances which indicated either a lack of knowledge or an utter disregard of the so-called antideficiency law (31 U. S. C. 665), in that agencies reported overobligations during the first half of the current fiscal year to an extent which places the Congress in the position either of granting additional funds or forcing the curtailment of operations which in some cases would be unwise and harmful. That sort of practice cannot be continued, particularly when the Congress is in continuous session. It must be stopped."

In House Report No. 1817, 79th Congress, 2d session, on the second deficiency appropriation bill, 1946, it is stated:

"Instances have occurred where agencies do not actually incur deficiencies but proceed at an obligational rate which make necessary either a deficiency appropriation or the suspension or drastic curtailment of an activity for lack of funds. The committee does not propose to tolerate that practice any longer. It intends to see that the antideficiency law (31 U. S. C. 665) is observed in letter and spirit and shall expect the Bureau of the Budget to report quarterly, starting at the close of the first quarter of the next fiscal year, the title of any appropriation not being administered in accordance with the letter and spirit of such law, the reasons therefor, and the name and position of the official immediately responsible."

The foregoing quotation was referred to in a letter dated August 22, 1946, of the Assistant Chief, Estimates, Bureau of the Budget, to the Postmaster General printed at page 116 of the Senate hearings on the second deficiency appropriation bill for 1947. As recorded on page 142 of those hearings, the Subcommittee on Deficiencies, Senate Committee on Appropriations, after hearing testimony as to deficiencies which had occurred in the Post Office Department, requested the Bureau of the Budget and the General Accounting Office to review the problem and submit a report thereon.

The Acting Director of Bureau of the Budget and the Acting Comptroller General jointly submitted a report on June 5, 1947, B-66949, to the Senate Committee on Appropriations with the understanding that the subcommittee desired recommendations (1) as to what can be done to control the use of appropriations so as to prevent the incurring of obligations at a rate which will lead to deficiency or supplemental appropriations or to curtailment of necessary activities if such appropriations are not made; and (2) to fix responsibility on those officers of the Government who incur deficiencies or obligate appropriations without proper authorization or at an excessive rate. Included in the report was a draft of legislation to accomplish those two purposes.

This draft of legislation to amend section 3679, Revised Statutes, with some revisions, was enacted as section 1211 of the General Appropriation Act, 1951. A section-by-section analysis of that proposed legislation appears in the CONGRESSIONAL RECORD, volume 96, part 5, pages 6635–6636. It is stated in that analysis that subsection (1) (c) is "designed to insure that appropriations which are available for a fiscal year, or for other time periods—usually related to fiscal years—will not be obligated at a rate which would exhaust the appropriation prior to the end of the period for which the appropriation was made and thus result in a need for a deficiency or supplemental appropriation, or an increase in the authorization for administrative expenses of a corporation, or in drastic curtailment of the activity for which the appropriation or authorization was made."

A drastic curtailment toward the close of a fiscal year of operations carried on under a fiscal year appropriation is a prima facie indication of a failure to so apportion an appropriation as to prevent obligation or expenditure thereof in a manner which would indicate a necessity for deficiency or supplemental appropriations for such period. In our view, this is the very situation the amendment of the law in 1950 was intended to remedy. This view is entirely consistent with the views expressed in the joint report dated June 5, 1947, of the Bureau of the Budget and the General Accounting Office. In view thereof and the legislative history of the Antideficiency Act set out above, subsection (c) (1) of the act must be, and is, construed as a mandate of the Congress that fiscal year appropriations be so apportioned as to prevent obligation or expenditure thereof in a manner which would indicate the necessity for either a deficiency or supplemental appropriation or a drastic curtailment of the activity for which an appropriation is made.

The responsibility for making the apportionments is vested in the Director of the Bureau of the Budget by subsection (d) (2) of the act, which also requires the head of the agency concerned to submit to the Bureau of the Budget information, in such form and manner and at such time or times as the Director may prescribe, as may be required for the apportionment of the appropriation. The apportionment and reapportionments as made by the Bureau of the Budget for the appropriation "Operations, Post Office Department, 1957," including transfers and reimbursements, are set out below:

Date	1st quarter	2d quarter	3d quarter	4th quarter
June 13, 1956	$624,306,000	$547,611,000	$473,766,000	$474,909,000
July 10, 1956	623,429,500	546,988,100	473,112,100	474,255,700
July 13, 1956	630,429,500	546,988,100	469,612,100	470,755,700
Aug. 30, 1956	630,326,100	546,988,100	469,612,100	470,755,700
Oct. 4, 1956	635,326,100	551,988,100	469,612,100	470,755,700
Dec. 14, 1956	635,326,100	561,988,000	466,612,000	463,884,900
Jan. 11, 1957	635,326,100	561,988,000	464,612,000	463,884,900
Feb. 4, 1957	635,326,100	561,988,000	454,612,000	443,884,900

The Post Office Department operates on 4-week accounting periods adjusted at the beginning and end of the fiscal year. The first-, second-, third-, and fourth-quarter columns in the above table actually represent 4 (less 1 day), 3, 3, and 3 (plus 2 days) accounting periods of 4 weeks each. The significant reapportionments were made on July 13 and December 14, 1956, and February 4, 1957. On July 13, 1956, the first quarter was increased $7 million and the third and fourth quarters were decreased $3,500,000 each. On December 14, 1956, the second quarter was increased $10 million and the third and fourth quarters were further decreased by $3 million and approximately $7 million, respectively. On February 4, 1957, the third quarter was increased $20 million and the fourth quarter was decreased by $20 million. These 3 reapportionments decreased the fourth quarter apportionment by a total of approximately $30,500,000, which resulted in the fourth quarter apportionment being $40,727,100 less than the third quarter apportionment which covered 2 days less time.

The necessity for a deficiency appropriation has been acknowledged by the Director of the Bureau and the President as evidenced by the transmittal on March 12, 1957, to the Congress of a request for additional funds for operations of the Post Office Department during the fiscal year 1957 in the amount of $47 million, the amount of your request for that purpose as received by the Bureau of the Budget January 4, 1957, before the date of the last reapportionment listed above. Also, you issued Postmaster General Order 56314, dated April 5, 1957, which would curtail the services of the Post Office Department in several respects if it becomes effective.

If it is determined by the Congress that the deficiency appropriation is necessary for "Operations" or if the services of the Post Office Department are drastically curtailed in the event no deficiency appropriation is made, there could be no question but that the Director of the Bureau of the Budget had not complied with the requirements of subsection (c) (1) of section 3679, Revised Statutes, as amended, 31 U. S. C. 665. It should be noted, however, that the penal provision contained in subsection (i) (1) of the act is applicable only to violations of subsections (a), (b), or (h) of the act and not to subsection (c) (1).

The House hearings on the Post Office Department's request for supplemental funds for operations for 1957 show that, when the Department requested the reapportionment of its funds, it did so in the belief that the requested pattern of management of its funds for the fiscal year would result in the necessity for a deficiency or supplemental appropriation. Such action is not technically a violation of any specific provision of the Antideficiency Act. However, it is not consistent with the spirit and purpose of the act.

Copies of this letter are being sent to the House Committee on Appropriations, to Senator BYRD, and to the Director of the Bureau of the Budget.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

As will be noted the Comptroller held that the Director of the Budget, at the repeated importunity of the Postmaster General, had violated the Antideficiency Act. That makes the Postmaster General in effect an accessory before the fact and his repeated insistence, in the language of the opinion, "not consistent with the spirit and purpose of the act. It is a reproach on both the administration and the Department. All the perfumes of Arabia will not sweeten it.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. HAYS].

Mr. HAYS of Ohio. Mr. Chairman, there has been a lot of talk about Democratic attacks on the Postmaster General. I have a letter from a constituent of mine, a dentist out in Ohio, who happens to be a Republican. He says:

There is a persistent rumor being circulated locally that our Postmaster General has threatened to resign his office.

Frankly, since learning that our local post office will be locked Saturday, postal money orders will be discontinued effective April 15, and third-class mail will no longer be available, I am not merely in favor of such a resignation—I am definitely enthusiastic about it.

Maybe such a move might start a trend toward giving the country back to the people for a change. Goodness knows it has been long, long overdue. And then, there is that old-fashioned thought that most of us cling to—the postal service is by no stretch of the imagination a privilege. It is a right.

If the Postmaster General has handled his Chevrolet business in Michigan as inefficiently as he has the Postal Department, he is either broke or his personal finances must surely be in bad shape. Accordingly, and since it is just "not fittin'" that a man of his age and financial destitution should be forced to thumb his way back to Michigan, I am enclosing my personal check in the amount of $1. This will help to defray the expense of sending him back home by the fastest available means—and at the earliest possible date.

I realize the amount of the check is rather insignificant, but I feel that it is all I can afford—with all my other numerous charitable contributions. I am sure, however, that the project can be oversubscribed several hundred times in Washington within the first couple of minutes.

Incidentally, I will accept any other contributions you want to send.

Then he says further:

It is possibly worthy of note (and perhaps should rate a special stamp to commemorate the achievement) that he has done what neither the Indians, road agents, bandits, nor the elements ever succeeded in doing during our entire history—disrupted the United States mail.

He is a Republican and he sent a check for $1 made out to the "Summerfield Transportation Fund." Down in the corner where it says "For," he has "Homecoming."

I tried to get the gentleman from New Jersey to yield a while ago when he was reading off the postal rates charged in France, Russia, and every place else

around the globe, but he did not see fit to yield at that time, because I wanted to ask him a question as to whether or not France, Germany, and the rest of them carried Time and Life magazines free, or practically free. You hear a lot about the postal deficit. My good friend from Tennessee [Mr. MURRAY] comes in from time to time with a bill to raise postal rates. I have not yet voted for any of his bills because up to now he has not brought in one to raise the rates on the people who are causing the deficit. I do not have anything against Time or Life magazines, except the fact that they are not paying their way.

Mr. MURRAY. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. Yes, I yield.

Mr. MURRAY. How can you say we have not done anything to increase the second- and third-class rates?

Mr. HAYS of Ohio. Well, you have not brought them up to where they ought to be. You did bring in a bill to raise first-class rates by 33 percent.

Mr. MURRAY. And how much for second class?

Mr. HAYS of Ohio. Ten percent, I think it was, for second-class, was it not?

Mr. MURRAY. No, no.

Mr. HAYS of Ohio. Did the gentleman have any bill which would make these magazines pay their own way? Will the gentleman answer me Yes or No on that?

Mr. MURRAY. The bill provided for an increase of 10 percent on the reading matter contained in the magazines and 120 percent on the advertising content.

Mr. HAYS of Ohio. Would that have left any deficit?

Mr. MURRAY. It would have left considerable of a deficit.

Mr. HAYS of Ohio. That is it, and that is the point I am trying to make. In other words, they would still be taking a partial free ride at the taxpayers' expense. I am only using Time and Life as an example. There are plenty of other magazines taking a free ride. If you would come in here with a bill to make those magazines pay their way and could show me that the Post Office Department still does not have enough money to operate without a deficit, I might then be willing to raise the rate on other classes of mail which are already paying their way. Until you do I am not going to vote for any postal increase. I do not think my mail has demonstrated that my constituents do not want a postal increase that is fair, but they do want the different classes of mail to pay their own way. If there is any business that is making a profit it is the slick paper magazines, and their financial statements show it.

Mr. NEAL. Mr. Chairman, when the original Post Office appropriation measure was before the House, I voted against reducing the amount requested. I did this with full knowledge that always heretofore, the Congress had allowed the supplemental funds asked for, and that eventually the Congress could do nothing but reverse its stand.

In my opinion, Mr. Summerfield met the challenge of the committee and House leaders in the only honorable and self-respecting manner open to him.

Mr. TABER. Mr. Chairman, I have no further requests for time.

Mr. CANNON. Mr. Chairman, I ask that the Clerk read the bill for amendment.

The Clerk read as follows:

RURAL ELECTRIFICATION ADMINISTRATION

Loan authorizations

For an additional amount for loans for the rural-electrification program, $200 million, to be borrowed from the Secretary of the Treasury in accordance with section 3 (a) of the Rural Electrification Act of 1936, as amended, and to be made available from the loan authorization contained in section 606 (a) of the act of August 7, 1956 (Public Law 1020).

Mr. JONES of Alabama. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. JONES of Alabama. Mr. Chairman, I make a point of order against the language commencing on page 2, line 23, after the word, "as amended" and reading: "And to be made available from the loan authorization contained in section 606 (a) of the act of August 7, 1956 (Public Law 1020)."

Mr. Chairman, the public law referred to has nothing whatsoever to do with the authorization of REA, but is a loan authorization for construction of rural housing as provided in the Rural Housing Act of 1949, as amended by the act of 1956, which gives authorization to the Secretary of Agriculture to issue such debentures as necessary to carry out the authority contained in section 11 of the act of 1949.

I submit that this is legislation on an appropriation bill and is subject to a point of order.

Mr. CANNON. Mr. Chairman, will the gentleman withhold his point of order?

Mr. JONES of Alabama. Yes, Mr. Chairman; I reserve the point of order.

Mr. MAHON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we are seeking to make a record in this Congress in reducing the budget. There are two ways in which we can increase the budget: We can increase it by appropriating money in excess of the President's budget requests, or we can grant new obligational authority through legislation directly affecting Government spending, but not through regular appropriation channels.

We asked President Eisenhower to tell us how we could reduce this big $72 billion budget. We passed a resolution and sent it to him asking him how it might be reduced. The President, when he sent up his request here for $200 million for loans for the REA, took into consideration that the money was needed, but he said we should provide this additional authorization by making these funds available from loan authorizations contained in section 606 of the act of August 7, 1956, which is the Rural Housing Act. Last year we passed a rural public-housing bill authorizing loans in the sum of $450 million. We authorized loans in that sum. That showed in the budget as an additional obligation of the Government. It does show as an additional obligation of the Government to the extent of $450 million. We would, of course, hope and believe that the loans would eventually be repaid to the Government. So the President said: "We will not use all of this housing money. The law will expire in 1961 and we will not use half of it," as shown on page 40 of the hearings. He said that they would only use about $27 million at this time and that one-half of the sum would never be used. He said this money would not be needed. So he proposed to transfer from the $450 million in housing loan authority the sum of $200 million for the REA. Through such a procedure the overall obligations of the Government would not be increased.

On the Department of Labor bill we worked for a week to reduce appropriations by $130 million. Here, by reason of this point of order, we are proposing to increase the obligational authority of the Government by $200 million. I agree that in the labor bill a direct appropriation is involved and in this action obligational authority of a different type is involved. In both cases funds can be taken from the Treasury. The housing funds and the REA funds will in time be repaid to the Government after a period of years when the loans come due. The point is in each case funds will be withdrawn from the Treasury and the obligational authority of the Government is increased. The public debt will likewise be increased to the extent of the appropriations expended on the loans made. Of course, the Government will get credit when the loan money is repaid. If we increase the President's obligational budget by $200 million we will wipe out in a moment one-fifth of the savings we have made this year below the President's big budget.

Let us not increase the President's budget by $200 million. Let us transfer this obligation from rural housing to the REA, all within the Department of Agriculture. Everyone agrees the $200 million will not be used by the housing program. When the final chapter of this Congress is written the point of order will be responsible for a $200 million increase in the President's budget in funds available for expenditure. This will make Congress look bad. I hope the gentleman will withdraw his point of order.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. The gentleman from Texas is saying to the committee that the Appropriations Committee feels it has incurred the responsibility to legislate in the field of rural housing, which was passed by this Congress in 1949, and repeatedly included in every Housing Act up to 1956. Therefore, the question as to whether or not there should be a public debt transaction has to be decided by the Appropriations Committee.

It seems to me a very curious arrangement that the Appropriations Committee did not go further and enact legislation which would provide that the loans made by the Rural Electrification Administration should not be a public debt transaction—go the whole hog—instead of coming in here in such a way as to

preclude the authorizations and the work to be completed under the Farmers Home Administration. To carry out that program you commit one sin to protect the other sin you hope to commit in the future.

Mr. MAHON. I want to make it clear that I do not approve of the method being used by the President in requesting the $200 million for the REA. I think the direct request should have been made by the Bureau of the Budget and that REA should stand on its own feet and that the housing program should stand on its merits. I do not want to see the REA or the housing program crippled, and if the administration would utilize the $450 million housing authorization, I would be opposed to any transfer whatever. I do not like the transfer method. I am simply saying, however, that we have no other alternative except to increase the President's budget by $200 million, and I would like to avoid that.

The gentleman from Alabama, if he insists upon this point of order, will be responsible for increasing the President's budget by $200 million. I am not criticizing the gentleman from Alabama. I can see his position. He is a good legislator. Basically, I agree with his position. I am just trying to avoid increasing the President's budget by such a large sum.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from New York.

Mr. TABER. I feel we ought to allow the language to stay in the bill as it stands.

Mr. MAHON. It was written by the budget and by the administration, not by the committee.

Mr. TABER. When the Department was up here it said that even if this year's expenses were doubled next year and maintained at that rate through 1961, this would only indicate a need for $225 million for housing operations.

Mr. MAHON. The following is contained in the President's budget request to Congress, and it is contained in the bill which is before us:

RURAL ELECTRIFICATION ADMINISTRATION

Loan authorizations

For an additional amount for loans for the rural electrification program, $200 million, to be borrowed from the Secretary of the Treasury in accordance with section 3 (a) of the Rural Electrification Act of 1936, as amended, and to be made available from the loan authorization contained in section 606 (a) of the act of August 7, 1956 (Public Law 1020).

I now quote from a statement by Mr. Joseph C. Wheeler, director of the budget of the Department of Agriculture, whose testimony appears on pages 39 and 40 of the hearings before the Appropriations Committee:

Mr. WHEELER. House Document 115 includes proposed supplemental appropriations and other authorizations for various agencies of the Government, submitted to the Congress by the President on March 12, 1957. In accordance with budgetary policy, most of the additional appropriations and authorizations required for unforeseen and emergency items are proposed to be financed by transfers from obligational authority already made available by the Congress. In transmitting the proposed supplemental appropriations to the President, the Director of the Bureau of the Budget stated as follows:

"In developing these recommendations the Bureau of the Budget has been guided by your statement in the 1958 budget message that 'efforts will continue to be made by every executive department and agency to improve efficiency and to maintain expenditures well within the budget estimates.'

"Requests for which tentative amounts were specifically forecast in the 1958 budget document have received the same strict review as other requests. Our objective has been to hold proposals for supplemental appropriations to a minimum, to require the absorption of additional needs within funds already available to the fullest extent possible and to search for offsetting savings."

In the case of the Department of Agriculture, requests totaling $234,037,400 are included, of which $229,037,400 are to be financed by transfer from other funds or authorizations already available. Included within these totals is an increase of $200 million in the authorization for REA loans. A recent survey of borrowers' needs shows that applications for rural electrification loans will total about $453 million in fiscal year 1957. At the time the budget estimates were prepared last fall, the latest survey figures available to the Rural Electrification Administration indicated that 1957 applications would total only about $270 million. This proposed transfer of authorization would make it possible to meet this increased need for rural electrification loan funds in 1957 and provide a margin to continue the higher level loan program into 1958.

It is proposed to meet this need by transferring $200 million of the $450 million loan authorization for farm housing loans for the period 1957 through 1961, contained in section 606 (a) of the act of August 7, 1956. Based on experience so far this fiscal year in operating under the farm housing loan authorization, $450 million is considerably in excess of what will be needed through 1961. Despite the fact that $50 million was initially set up for use during this fiscal year, it now appears that not more than one-half that amount will be needed or used. Even if this year's experience were doubled next year and maintained at that rate through 1961, this would indicate a need for only $225 million. Therefore, it was decided that the urgent need for additional electrification loans could be met in this manner without detriment to the farm housing program.

In summary, the proposal is in implementation of the determination stated on numerous occasions by the President to do everything possible to keep new obligational authority and expenditures within current budget totals and to meet unforeseen or emergency needs within existing authorizations.

The above-quoted statement from the budget director of the Department of Agriculture indicates that the transfer of obligational authority from the housing program to the rural-electrification program will do no injury to the housing program. If we follow the recommendations of the Bureau of the Budget, we will not increase the overall obligational authority of the Government. If the point of order is sustained, we increase the overall obligational authority of the Government in the sum of $200 million, increasing the budget to that extent.

This Congress last year exceeded the President's budget in excess of $1 billion by reason of these kinds of transactions, granting additional obligational authority, as is proposed here. So we worked so hard to make reductions, and why increase the budget by $200 million when the funds will not otherwise be used?

Mr. JONES of Alabama. The gentleman's argument defeats itself. You say we are not going to use it.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MAHON. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. MASON. I object, Mr. Chairman.

Mr. BOW. Mr. Chairman, I make a point of order against the entire paragraph on loan authorizations.

Mr. JONES of Alabama. Mr. Chairman, I insist on my point of order that the part of the sentence that I raised the point of order against be sustained and not as to the entire paragraph. Now, Mr. Chairman, I submit that that point of order has not been disposed of and the Chair cannot entertain other points of order without disposing of the pending question before the committee.

The CHAIRMAN. As I understand, the point of order was reserved.

Mr. JONES of Alabama. Yes; it was reserved.

The CHAIRMAN. Does the gentleman from Ohio desire to be heard?

Mr. BOW. I desire to say this, Mr. Chairman: My point of order is in order at this time inasmuch as the gentleman reserved his, and the argument I would make against the entire paragraph is the same argument the gentleman made on his point of order to strike certain language. Where a point of order is raised to a portion of a paragraph, the entire paragraph is subject to a point of order, and I insist on my point of order.

Mr. JONES of Alabama. I would like to be heard on the point of order made by the gentleman from Ohio.

The point of order which the gentleman from Ohio raises is to the entire paragraph. Now, there is no question as to the authority of the Committee on Appropriations to make appropriations available for the Rural Electrification Administration program. There is no restriction, nor is it a limitation, but it is a general authority by which the Committee on Appropriations would have authority to make appropriations.

Now, the point of order that I raise is to preclude the Committee on Appropriations writing into this bill legislation which is not authorized under pending law but taking the appropriation item and making it a credit against the Housing Act of 1949 and 1956 as amended. So, the argument made that this will increase the debt and at the same time that the Secretary of Agriculture will not utilize the moneys, is inconsistent to me, Mr. Chairman, and would not hold water, I do not think; nor would it be advisable any more than it would to take it out of funds available for the Atomic Energy Commission for some of its activities to carry on REA.

Mr. CANNON. I would like to ask if the gentleman insists on his point of order.

Mr. JONES of Alabama. I insist on the point of order, Mr. Chairman.

Mr. CANNON. Mr. Chairman, we concede the point of order.

Mr. BOW. I insist on my point of order, Mr. Chairman.

The CHAIRMAN. The Chair is prepared to rule.

The point of order made by the gentleman from Alabama on line 23, page 2, is against the three lines beginning with the word "and" as being legislation upon an appropriation bill, which it obviously is.

Now, the gentleman from Ohio, however, offers a point of order against the entire paragraph. As the language which is sought to be stricken by the gentleman from Alabama is subject to a point of order and is part of the paragraph, then the whole paragraph is subject to a point of order, and the Chair is constrained to sustain both points of order.

Mr. MARSHALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARSHALL: On page 2, after line 17, insert:

"RURAL ELECTRIFICATION ADMINISTRATION

"Loan authorizations

"For an additional amount for loans for the rural electrification program, $200,000,000, to be borrowed from the Secretary of the Treasury in accordance with section 3 (a) of the Rural Electrification Act of 1936, as amended."

Mr. MARSHALL. Mr. Chairman, this amendment seeks to do that which the gentleman from Alabama [Mr. JONES], who just spoke on the point of order, attempted to do. In other words, it restores language which your Subcommittee on Agricultural Appropriations wrote into the bill in the first instance. When we went before the full committee the other day, the full committee saw fit to write language in the bill which transferred from the rural housing program to the REA certain funds, $200 million. Your Subcommittee on Agricultural Appropriations unanimously reported the language which is in the amendment which is now before us.

Your committee felt that the Rural Electrification Administration program should be kept entirely separate. We do know that some Members have heard from REA organizations throughout the country. They have been very insistent that they did not want their own authorizations tied up with other programs. I can rightly see why they take that stand, because it is poor practice for them to have their own authorizations affected by transfers from other programs. It does not make for a good, healthy feeling in the country when some of those things take place.

I think we ought to be careful when we do write legislation on an appropriation bill, because some of those things do have far-reaching effect. Some of the things that we do sometimes cause trouble and confusion, and, on top of that, they may do things that we do not intend to do. Certainly, as far as we are concerned, in going over appropriation bills we are doing what we can to stay within the budget. In fact, we are doing what we can to reduce the budget below the amount the President requested, the largest peacetime budget in history. Appropriation bills are one thing, expenditures are another. I want to point out that this is an authorization, and it is an authorization for REA's to increase their borrowing power. This comes about because of the greater demand that REA has for its services and because of the demand that faces REA organizations to firm up their lines. No one anticipated when the Rural Electrification Act was passed that it would need the heavy power lines to carry the heavy loads that REA carries at the present time. Many of the REA organizations have been handicapped by not having proper construction to take place.

The loans are paid back. The repayment record of the REA is remarkably good. Because that repayment record is so good, this cannot be considered in one breath as an expenditure, because it is not an expenditure. They are loans that are paid back.

As far as this particular program is concerned I am sure that Members of Congress want to see REA's given the funds that they need to operate with. I am also sure that the legislative committees of this House do not want the Committee on Appropriations to write legislation on appropriation bills.

Mr. MAHON. Mr. Chairman, would the gentleman yield?

Mr. MARSHALL. Mr. Chairman, I yield to the gentleman from Texas. I should like to say to him that I appreciate his fine courtesy and I am sorry that on this matter there seems to be some misunderstanding that exists between the gentleman from Texas and myself.

Mr. MAHON. Mr. Chairman, I agree that the President would have followed a much sounder practice, in my judgment, had he sent up a budget estimate for $200 million, carrying the additional obligational authority of the Government. That is the way I think he ought to have done it. Then when we approved the $200 million we would not be increasing the President's budget. But since there existed this obligational authority, which is, according to the President, not needed, on the rural housing program, he took advantage of the opportunity to say we transfer that obligational authority within the Department of Agriculture to the Rural Electrification Administration and we do not increase the overall obligational authority of the Government. I do not like that way of doing it, but while I do not like it I would rather do that than increase the present budget by $200 million. That hurts our economy record in Congress.

Mr. MARSHALL. I am sure my good friend from Texas agrees with me that under the parliamentary situation that exists at present my amendment ought to be adopted.

Mr. MAHON. Sure, the gentleman's amendment ought to be adopted, but I should like for us to have gotten this $200 million without increasing the President's budget. Of course, over a period of years this loan money will be paid back, but we all know that it is an outstanding obligation of the Government until it is loaned out and repaid.

Mr. WHITTEN. Mr. Chairman, I rise in support of the amendment.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. WHITTEN. Mr. Chairman, since our subcommittee refused to go along with the recommendation of the President to cancel Housing lending authority before we authorized REA lending authority, I should like to make the record clear as I see it.

I can appreciate the feelings of my friend from Texas as far as holding down the possible expenditures of the Government is concerned. I hope I have a good record in that regard, myself. Certainly it is my desire to hold down expenditures. But the President's recommendation was to the effect that we increase the lending authority of the REA to meet this need, which is sound. The money will be repaid with interest. But in the recommendation our subcommittee was asked to repeal 40 percent of the basic legislation on farm housing, including farm structures.

I have heard so much from so many of our friends in the House about the action of the Appropriations Committee on this course of passing legislation. In the first place, I did not know whether or not it was sound to repeal 40 percent of the Rural Housing Authority; but certainly I knew it was unsound for a subcommittee of the Appropriations Committee to repeal 40 percent of the housing legislation that was law pure and simple, an act passed by the Congress and a part of the law of the land. It was not original action taken by our subcommittee we were asked to repeal. This was a recommendation that if we were going to give this lending authority to the REA, we were asked as an Appropriations subcommittee to repeal 40 percent of the basic legislation on housing. We just were not in shape to repeal this law, for this action was beyond our jurisdictional authority.

I am sorry my friend from Texas intimated in the committee, and has here, that our committee refused to go along in taking $200 million out of the President's budget. If he had said: "Repeal the President's right to spend I would have agreed." We did not do as my friend indicated. We did not refuse to cut expenditures. We were not requested to do that. We were asked as an Appropriations subcommittee to repeal 40 percent of basic legislation on rural housing loans which was beyond our jurisdiction, beyond our reach. If, in a proper way, that matter is brought up for repeal I perhaps would vote for it, if we kept the other 60 percent. I do not know.

May I point out another thing: The President said the administration was not going to approve these loans for housing beyond the 60 percent which would have remained, which means the money would not have been spent. So the money is not going to be spent if the President holds the approvals down, as

he says he is. We have done as we tried to do before, stick to the rules of the game and tend to our own knitting. If you want to repeal the Housing Act, you do it. Our subcommittee said we could not because we were not authorized to. Unfortunately, the whole committee reversed us. That was their privilege. But I do think we ought to make the record straight here. At any rate, the President's recommendations went out on the point of order. Now there is nothing we can do except adopt the amendment and make these loans available to the REA. If some other group wishes in a proper way to repeal the Housing Act, you do it. It was beyond our reach.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. MARSHALL].

The question was taken; and on a division (demanded by Mr. ROONEY) there were—ayes 37, noes 40.

Mr. WHITTEN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. MARSHALL and Mr. TABER.

The Committee again divided, and the tellers reported that there were—ayes 55, noes 49.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CHAPTER VI

Post Office Department

(Out of Postal Fund)

Operations

For an additional amount for "Operations," $41 million.

Mr. GARY. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. GARY: On page 5, line 7, strike out "$41,000,000" and insert "$19,000,000."

Mr. GARY. Mr. Chairman, I am not going to take up the time of the House any further. The Members have been very patient in listening to me. I think I have made a complete explanation of this item.

This amendment which I have offered will put into the bill the $17 million recommended by our subcommittee, plus $2 million, which was unquestionably within the exception of the antideficiency law. The total is $19 million. The amendment gives the Congress the opportunity to vote specifically upon the question as to whether or not it wants to capitulate to the threats and tactics of the Postmaster General and its control over the expenditures of this Government.

Mr. CANFIELD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hope we are not going to adopt the amendment offered by the gentleman from Virginia [Mr. GARY] this afternoon. He would allow only $17 million required to pay certain additional salaries under the Reclassification Act of last year. He would provide for no additional funds for the great increase in the volume of mail; for the hundreds and hundreds of extra carrier routes that have to be provided. His amendment, in effect, would be a blow not only to the postal patrons of the United States but to the postal workers who have to serve us our mail.

Now, it has been made very clear these last few hours that the other body is ready to consider an appropriation of $41 million and expedite such appropriation to the President of the United States.

Just a few moments ago there was some question about the action of the Post Office Department with reference to supplemental funds for the fiscal year 1957, dating back 9 months ago. I have just talked with the Bureau of the Budget here in Washington and I find that their records show that on July 12, 1956, the Bureau of the Budget advised the Post Office Department it was ready to entertain a supplemental for 1957 in the amount of $30 million. Tack on to the $30 million the $17 million required under reclassification as mandated by the Congress of the United States and you have exactly the dollar figure now being requested by the Postmaster General, $47 million. This supplemental was to be sent to the Senate for immediate consideration. The Senate suggested, however, it was too late and indicated that it be pursued in the early months of this year. That is exactly what the Postmaster General has been doing and in a very proper way.

I urge that we reject this amendment and stick to the $41 million voted out by the Appropriations Committee by a vote of 37 to 10.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. EDMONDSON. Can the gentleman give us assurance that if this amendment is defeated and the $41 million provided, that the money-order service and service to the third-class mail and all other services now suspended will be resumed?

Mr. CANFIELD. That I truly believe.

Mr. BALDWIN. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. BALDWIN. I would like to congratulate the gentleman on the statement he has made, and I join with him in opposing this amendment.

Mr. CANFIELD. I thank the gentleman.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. TABER. There has been no statement that the money is not needed to operate the essential services of the Post Office Department.

Mr. CANFIELD. That is true, and the Department is very sensible and realistic in not spending or obligating funds it simply does not have.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending amendment offered by the gentleman from Virginia [Mr. GARY].

Mr. Chairman, I am not going to take too much of the time of the Committee of the Whole in discussing this amendment. I do not think that is necessary. This amendment will and should be defeated.

This amount of $41 million contained in line 7, page 5, was inserted in this bill when the amendment that I offered on Friday last in the full House Committee on Appropriations was adopted by the full committee by a vote of 37 to 10.

On Saturday and on yesterday in the city of New York there was great gloom as the result of the closing of the post offices. It seemed as though we were back in the war days again as the result of what has happened to the taxpayer and the postal employee in this pending hassle, which was caused either by the ignorance or the inability of the Postmaster General and/or the Director of the Budget. I believe the Comptroller General of the United States says they both violated the law.

On the facade of the general post office in Manhattan at 8th Avenue and 33d Street, in the city of New York, from whence is directed the activities, in the boroughs of Manhattan and the Bronx alone, of 30,000 postal employees, we find the following inscription:

Neither snow, nor rain, nor heat, nor gloom of night stays these couriers from the swift completion of their appointed rounds.

On yesterday in Brooklyn, N. Y., a collection was being taken up to defray the expense of adding after the words, "Neither snow, nor rain, nor heat, nor gloom of night," these two words "except Summerfield."

I know the House will reject the pending amendment and approve this amount of $41 million and thus stop any further curtailment in postal service.

Mr. MURRAY. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I support the recommendation of the Appropriations Committee for $41 million for the Post Office Department. I feel that this is nonpartisan, nonpolitical; and, certainly, politics regarding action of the Postmaster General in this matter should not be injected into it.

I know a little about the operation of the Post Office Department. I was with the Post Office Department for 11 years. I served with Generals Farley, Walker, and Hannegan and I have been on the Post Office Committee since January 1943.

I do not think the Postmaster General is due the unwarranted and unjust criticism that has been made of him today. Certainly he has done all he could to get this supplemental appropriation. He started last July telling the Bureau of the Budget that he had to have a supplemental appropriation. I cannot understand all this furor over this request. I regret the delay of the Bureau of the Budget in sending up the request for the supplemental appropriation but certainly the delay cannot be placed upon the Postmaster General.

As I have already said, the Post Office Department has been given supplemental appropriations for the last 10 years with the exception of 3 years when the present Postmaster General turned back substantial sums into the Treasury in 1953, 1954, and 1955 by not spending the full appropriations given him by Congress for these years.

The Post Office Department absolutely needs this money on which to operate during the rest of this quarter. You can either give the Post Office Department this money or you can expect drastic curtailment of your postal service from now until the first of July. The Postmaster General has no alternative.

All of you know that the mail volume increased considerably during the past year, that many expansions were made in the city carrier service and in rural route extensions. The volume of the mail demands for new city carrier routes exceeded the estimate of the Postmaster General when the budget was presented to Congress. Now the people are clamoring for good service. If you want good service, if you want to satisfy the patrons, and continue the efficient service of the Department, you will vote for this appropriation of $41 million.

I do not agree that the Postmaster General is here trying to browbeat or sandbag the Congress. In my opinion he is doing the only thing possible in asking for the supplemental appropriation. He is telling us that he must have this money or that the service must be curtailed.

In my opinion, if you do not vote the Post Office Department the full $41 million you will not only have your post offices closed every Saturday from now until the first of July, but you will also see many other drastic curtailments and reductions of the postal service. It must be so, because the Post Office Department just will not have the money to do otherwise if the appropriation of $41 million is not made by Congress.

Mr. McCORMACK. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, there are certain salient facts that are outstanding in this matter. Whatever difficulty there is about the budget message coming up, it is the fault of somebody in the administration. It is either the fault of the Postmaster General, Mr. Summerfield, or the fault of the Director of the Budget. On the evidence submitted, I am inclined to think it is the Director of the Budget. We start out with the proposition that wherever the blame is, as far as the administration is concerned, it rests somewhere in the Republican administration and not with the Committee on Appropriations.

There are certain facts we must face from the practical angle. The Committee on Appropriations last Friday voted $41 million. Everybody knew that was voted out of the committee and anyone with commonsense knows that is going through. Postmaster General Summerfield, in my opinion, was not only in contempt or showed a contemptuous attitude toward the Congress, but he also showed a contemptuous attitude toward the people of America when with the knowledge that the Committee on Appropriations had voted out $41 million last Friday he did not rescind his order for last Saturday at least. All of us know the history of the antideficiency law; all of us are acquainted with that law and everyone knows there has never been any prosecution under it or any action taken under it. Postmaster General Summerfield knew that and with knowledge of what the committee had done last Friday he owed it to the American people to keep the post offices throughout the country open. If he had stated at that time, in rescinding his order for last Saturday, that if he did not get this money by next Saturday the order would stand, there might have been some logic in that action. But he did not do that. When the committee had acted, I cannot see why he did not then rescind his order.

Mr. Chairman, it so happens that I am majority leader of the House. Whether Postmaster General Summerfield consults with me or not is immaterial to me. Whether he has to might be a matter of discussion with some people. But it is the fact that so far as Speaker RAYBURN is concerned, he never saw the Postmaster General in connection with this matter until last Thursday, until after he had been doing all this talking through the press. I have not seen him. He has not even telephoned me. He would probably say he did not have to telephone me. But there is leadership up here. He has been up here consulting with the leadership of the Republican Party, and he should, but it seems to me as a matter of decency, if for no other reason, before he started talking and threatening through the press, and when the facts did not justify it, he should have come up here and talked with the leadership not on one side but with the leadership on both sides.

Let us push aside all of these things and get down to the real facts. To me the real issue here is the general public. What should we do in the interest of the general public? In the interest of the general public we should vote against the pending amendment that has been offered and vote for the $41 million, get it through before we recess, and let the post offices of the country be opened during the remainder of this quarter.

Mr. MARTIN. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I do not think we should be carried away by alibis or excuses. The fact is Postmaster General Summerfield last July knew there was going to be a deficit and he so informed the Congress. The fact is that later on he renewed his plea that he needed this money if the service was to continue. The fact is that a week ago he was here and implored those who had charge of the appropriations in this House that he needed this money and that he could not continue unless given that money. The fact is he postponed that closing order for a week in the hope that the Congress would see clearly its duty to the American people and provide the money that would permit the postal service to go on as usual.

Last Friday it was stated by a high-ranking Member of Congress that he had violated the law about spending money outside the budget. That was untrue; he had not done so. Now, I ask in all fairness, if you were the Postmaster General, would you violate a law that he had already been falsely accused of violating? Of course you would not. To do that would be to put himself in a trap that would be inexcusable. So I say to you, my friends, the Postmaster General is not to blame for this stopping of the mail no matter how many political protestations are made. We had a month to pass this appropriation bill in the House and we did not do it. I have been a Member of this House for a great many years. I have seen other bills in jeopardy, lacking a few hours of meeting payrolls. These went through this House by unanimous consent, because we recognized our obligation to the people who had earned the pay. True, no one before ever made any talk about the crime of exceeding the budget allowance. But here he was warned by members of the Appropriation Committee. One more thing I want to warn you of: There is a bill in conference, and has been in conference for a long while, and unless you get it out pretty soon, the social-security people of this country will be right where the postal employees are now. Let us not have another failure of Congress to meet its obligations. I say, let us be fair. Let us give the Postmaster General the funds which are necessary to carry the mails. The people want the service and expect us to do it. I do not believe by raising a smokescreen that we are going to keep the people from knowing where is the real responsibility for the failure of the mails to go through. The people of America are not dumb and they are not easily fooled. They can judge for themselves, and I know they will. Let us quit quibbling and vote down the amendment of the gentleman from Virginia and pass this appropriation bill today so the services that the people are clamoring for can be resumed. You can have service only to the extent you are willing to pay for it.

Mr. ABBITT. Mr. Chairman, I move to strike out the last word.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman from Missouri.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. ABBITT. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Virginia. I want to take just a moment or two to point out the curtailment features of Postmaster General Summerfield's order.

I am surprised, yes, shocked that a member of the President's Cabinet would do what Postmaster General Summerfield has done. I am convinced that Summerfield's orders were not issued to actually obtain savings in the Post Office Department but were intended solely and simply to arouse the people into pressuring the Congress into appropriating additional money for the Post Office Department for the balance of this fiscal year ending June 30, 1957.

The action of the Postmaster General is deceiving to the American people. It was not an effort to bring the expenditures of the Post Office Department within the amount appropriated for the Department but rather it was intended to strike at the most important service of the Department that would be felt quicker by the people so as to get the desired reaction from them.

The orders prohibit the deliveries of RFD mail on Saturdays but it requires RFD carriers to put in full time on Saturdays with pay by sitting idly in their respective post offices. This deprived the RFD patrons of delivery of their Saturday's mail with no savings whatever to the Post Office Department except the small amount paid the carriers by way of mileage. This was plainly an effort to arouse the American people and to secure additional tax money for the Department. In my opinion, it amounts to extortion. It is an attempt on the part of Summerfield to hoodwink the American people into bludgeoning the Congress into giving the Post Office Department additional money to take the place of funds that have been unwisely and uneconomically spent heretofore by the Department contrary not only to the wishes of the Congress but the plain intent of the law.

Mr. Chairman, I am opposed to giving the Post Office Department any funds over and above the $17 million recommended originally by the Post Office Subcommittee of the Appropriations Committee of the House of Representatives. To do otherwise would be an admission on the part of the Congress that they do not have the power, the foresight, or the wisdom to legislate on matters of vital importance to the people of America. To refuse the Post Office Department this blood money that Summerfield is now requesting may cause some inconvenience to our people. Suppose it does? It is better for us to suffer some inconvenience now than to wreck the economy of this country by inefficiency and fiscal irresponsibility on the part of arrogant bureaucrats who are unwilling to even try to economize and put their departments on an efficiency basis.

It is estimated that the Secretary's orders prohibiting the rural carriers from delivering the Saturday's mail along their rural routes composing 1,582,800 miles will amount to only a savings of approximately $142,000.

The so-called economy order in my opinion emanates from a fanatical desire to compel the Congress to yield to every whim and wish of an autocratic and dictatorial bureaucrat.

Mr. Chairman, I am opposed to giving the Post Office Department the funds that they are requesting, and I hope that our Congress, particularly this House, will see to it that we do the legislating, and that we do not yield on this occasion.

Mr. HAYS of Ohio. Mr. Chairman, would the gentleman yield?

Mr. ABBITT. I yield to the gentleman.

Mr. HAYS of Ohio. In other words, the gentleman is saying that all of these men sat in the post office, got paid, but were not allowed to deliver the mail?

Mr. ABBITT. They were prohibited from delivering the mail. They required the rural carriers to go to the post office and sit inside, with the windows closed, in most of the rural offices, but were prohibited from receiving or delivering the mail.

Mr. HAYS of Ohio. If this House has the courage that the writers of the Constitution intended it to have, and that is not grounds for impeachment, then I do not know what is.

Mr. ABBITT. That is my information. And my information is that it is estimated that this would only save approximately $142,000; yet the rural people of America were denied mail rural delivery.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. ABBITT] has expired. All time on this amendment has expired.

The question is on the amendment offered by the gentleman from Virginia [Mr. GARY].

The amendment was rejected.

The Clerk concluded the reading of the bill.

Mr. REES of Kansas. Mr. Chairman, this legislation resolves into a question of whether the House is willing to provide funds to pay the postal employees for their services and to provide the people of this country with mail service to which they are entitled.

The cause of the need for additional funds is by reason of postal services in additional areas and to an unprecedented volume of mail due to high business activity and increased cost resulting from postal employees' pay adjustments.

The impact of this need for additional funds was felt as long ago as last July. Most of the discussion revolved around the fact that a request for a deficiency appropriation should have been initiated when the first transfer of funds was made from the last quarter of this fiscal year to the first quarter of this fiscal year. This occurred last July. Requests for these funds were not submitted because the Bureau of the Budget did not clear them, which is required procedure.

Under the present circumstances, I believe that Congress must provide the additional funds. Certainly, we cannot afford to let our postal service deteriorate. Business plans have been made relying on existing postal service. I have done, and intend to do everything possible to see that these services continue.

Much has been said with regard to the so-called violation of law. There is no charge or inference that there has been misuse of funds. It is a question of misjudgment as to the need of additional funds to carry out an expanded program. In any event, the question before us today is whether the users of the mail are to have the services to which they have been accustomed and to which they are entitled and whether you want to appropriate sufficient funds to pay for this service and to pay the postal employees who perform that service.

Mr. HOLLAND. Mr. Chairman, if you could picture a business doing $2½ billion a year, employing 373,338 full-time employees and 135,000 part-time employees, maintaining 39,000 district offices, I am sure you would classify this investment as big, big business.

I am also sure the board of directors in debating their choice of a new president would very carefully weigh the qualifications of all prospective candidates for the position. Prime consideration in the selection would be given to a man's ability, knowledge, and experience in the business.

We in Government are running a business of this size for what I have described as the United States Post Offices.

Our Post Office was founded temporarily after the adoption of the Constitution in March of 1789. In 1829, the Postmaster General was made a member of the President's Cabinet by Andrew Jackson. In June of 1872, the Post Office Department became an executive department by an act of Congress. Our post-office system started with 75 post offices. Today, it is one of the largest businesses in the world.

Over the years the following motto was accepted by the postal employees as their incentive—"Neither snow, nor rain, nor heat, nor gloom of night, stays these couriers from the swift completion of their appointed rounds."

A great pride has existed among the postal employees that they have never failed the motto under which they have worked.

For the first time since its inception, last weekend all post offices were closed.

The great record of services by the post offices was established by the postal employees.

These men through competitive examination had chosen the profession of a postal worker. As postal employees they took pride in seeing that the mail went through.

Their promotions in the Post Office were based on their ability, their experience, and by their standing in competitive tests.

In the previous administration under President Truman, the Postmaster General was a product of the post-office system.

He had the esprit de corps of the service.

He believed in the postal motto. Every promotion he received was because of his knowledge and experience in handling the mail. When the former Postmaster General was appointed, he measured up to all the qualifications needed to fill the position.

He was selected in the same way that the board of directors of a private corporation would select a man to be president of their company.

By no stretch of the imagination can the breakdown of the Post Office of the last weekend be blamed on those dedicated employees who are proud to be a part of our great post-office system.

This great blow dealt to the prestige of our Post Office can be placed at the door of only one man—the President of the United States.

Mr. Eisenhower would not consider carrying out the policy set by his predecessor by appointing one from the ranks and who had long experience in post-office work.

Although Postmaster General Donaldson was thoroughly experienced and had made a great record, the Eisenhower administration turned their back not

only on him but on the thousands of capable postal employees who knew thoroughly the workings of the Post Office, and made his selection under the spoils and patronage system.

The present administration chose the Postmaster General only on the following basis:

First, he was a Republican.

Second, he contributed to the Republican Party.

Third, he sold cars made by the General Motors Co.

Who among the members of the big business interests of Eisenhower's Cabinet would select a president of one of their holdings on the above basis?

Inefficiency and waste of money in the post-office system have been the result of this bad appointment.

Bungling by the administration, in the affairs of the Post Office, has resulted in breaking the morale of those who have spent all their lives as postal employees.

I have been told by many employees that the check and doublecheck and experimental changes suggested by the present Postmaster General have brought havoc and disorder to the regular procedure of the postal worker.

No wonder the Postmaster General is short $47 million. The business administration the Postmaster General likes to speak about, if continued by him, will completely destroy our Post Office which we have all regarded with reverence over the years.

Mr. Chairman, I believe that drastic steps must be taken by Congress.

I have introduced a resolution requesting the President to ask for the resignation of the Postmaster General and to designate an experienced official—one who has been an employee of the Post Office Department to replace him.

This man must have the ability, experience and knowledge of the problems of the postal service, and be well qualified to discharge his duties.

I believe that after this appointment is made there should be a thorough investigation of our greatly enlarged Post Office services so that proper changes to keep abreast of the times may be made.

The best one qualified to do this job is one who has worked in the postal service; who has secured his promotion—not under the spoils and patronage system—but on his qualifications, ability and experience to do a good job.

Mr. CANNON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SMITH of Virginia, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 6870) making appropriations for the fiscal year ending June 30, 1957, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

Mr. CANNON. Mr. Speaker, I move the previous question on the bill and the amendment thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. HARRISON of Virginia. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. HARRISON of Virginia. I am, sir.

The SPEAKER. The gentleman qualifies.

The Clerk read as follows:

Mr. HARRISON of Virginia moves to recommit the bill, H. R. 6870, to the Committee on Appropriations, with instructions to report the same back forthwith with the following amendment: On page 5, line 7, strike out the words "$41,000,000" and insert "$19,000,000."

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. HARRISON of Virginia) there were—ayes 12, noes 121.

So the motion was rejected.

The SPEAKER. The question is on passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. CANNON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

COMMITTEE ON THE JUDICIARY

Mr. LANE. Mr. Speaker, I ask unanimous consent that Subcommittee No. 2 of the House Committee on the Judiciary be permitted to sit tomorrow during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

A SKIP-TRACING FIRM MASQUERADING AS UNCLE SAM

Mr. REUSS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. REUSS. Mr. Speaker, other Members have recently received from their constituents, as I have, official-looking forms from "Director in Charge, NRC Office, 748 Washington Building, Washington, D. C." labeled "NRC Office—Notice," asking for information about the recipient's occupation, employer, birthdate, social security number, and correct address. The form also contains printed symbols and boxes obviously intended to make the notification look official and governmental.

A Milwaukee constituent who recently received one of these forms through the mail has passed it on to me, inquiring whether this was an official governmental form.

Members will be interested that the agency which sends out these forms throughout the country is in no way connected with the Government, but is a "skip-tracing" firm which has been in trouble with the Federal Trade Commission before. It supplies printed forms for companies wishing to trace and obtain personal information concerning debtors. The "NRC" stands, it turns out, for "National Research Co." But a visit to the NRC office in the Washington Building disclosed that the NRC is unequipped to do any particular "research." Instead, the only person in the place, Lansing Joralemon, the director in charge, admitted that "our business is skip-tracing."

The FTC on June 1, 1956, ordered the NRC to cease and desist from using any forms intended to convey the false impression that the business was connected with the United States Government. Since then the company has stopped using eagles and the words "United States," but uses the present form, which is equally deceptive. The company's attorney, Murray M. Chotiner, as recently as February 23, 1957, told the FTC that he was going to keep right on using the present forms.

The Federal Government plagues its citizens with enough forms and reports as it is, without letting Mr. Chotiner's skip-tracing bureau add to the workload.

This kind of petty deception is thousands of years old. Smooth Jacob impersonated hairy Esau by covering his hand with animal skin and attempted to fool his father despite his slick voice. In this case, Mr. Chotiner is attempting to dress the NRC in the clothes of Uncle Sam. The hand may be the hand of Uncle Sam, but the voice is the voice of Chotiner.

I am hopeful that the Federal Trade Commission will take prompt action. Debt collecting is a legitimate business, but not when the collector seeks to make Uncle Sam the collecting agency. I include my letter of April 12, 1957, to the FTC:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., April 12, 1957.

Re National Research Co. et al., Docket 6236.
FEDERAL TRADE COMMISSION,
Washington, D. C.

GENTLEMEN: I urge your honorable body immediately to take the strongest possible action to enforce your order of June 1, 1956, which directed the National Research Co. to stop the distribution of any forms or questionnaires calculated to convey the false impression to the recipient that the company was in any manner connected with the United States Government.

Despite your cease-and-desist order of last June 1, the National Research Co. has continued to distribute misleading forms designed to pursue and entrap defaulting debtors. This outfit has masqueraded as a Government agency long enough. I suggest that the Department of Justice be asked immediately to institute a civil penalty suit against the company.

I am enclosing copies of two documents received through the mail on or about March 27, 1957, by Mrs. Betty M. Tiedt, 1010 West Orchard Street, Milwaukee, Wis. The original documents are in my possession and can be used as evidence in a suit against the company when needed. The documents are:

1. An IBM-type form headed "NRC Office, 748 Washington Building, Washington, D. C. Notice from 'Director in Charge, Lansing Joralemon,'" to Mrs. Tiedt. The form makes "immediate request" for information concerning her occupation, employer, birth date, social-security number, and correct address. It contains other mumbo-jumbo intended to make the notification look official and governmental.

2. A business reply envelope for returning the form addressed to "NRC Office, Director in Charge, Lansing Joralemon, 748 Washington Building, Washington 5, D. C."

Mrs. Tiedt filled out and dated the form March 27, 1957, and states that she received it not more than 1 or 2 days before that. Therefore this is clear evidence that the forms were distributed after your Commission by letter dated February 13, 1957, notified Mr. Murray M. Chotiner, attorney for the National Research Co., that the use of any forms that would not make the recipient aware that the information was sought in connection with the collection of a debt would be a violation of your order of June 1, 1956, and would result in a request to the Department of Justice to start a civil penalty action.

Your compliance division has informed me that Mr. Chotiner, who reportedly is not only the attorney for the National Research Co. but also a principal in the company, in a letter dated February 23, 1957, denied that there was deception in the form, denied that your order required the form to state that its purpose was to gain information about delinquent debtors, invited a test case and suggested that it be initiated in the Federal Court of Southern California, his home territory.

Let's have the lawsuit. The courts have upheld similar orders of your Commission in the past. Certainly they will not permit companies to badger citizens under the guise of nonexistent governmental connections.

I should like to quote from the letter of the Milwaukee attorney who forwarded on to me the documents received by Mrs. Tiedt:

"Enclosed is something that gets my dander up. I suspect this is a collection outfit creating the impression that it is a Government agency. It is a dirty shame that a citizen's desire to cooperate with the Government should be exploited by shysters. Ultimately, if this abuse spreads, people will not cooperate with Government requests for information."

Your Commission by its order of June 1, 1956, did succeed in stopping the National Research Co. from using even more flagrantly fraudulent forms containing pictures of eagles and other symbols and phony titles to convey the impression of Government affiliation. The new form is an obvious attempt to sneak around the Commission's order. Until such forms or questionnaires state their true purpose on their face, making clear that they are not from a Government agency, their use should not be permitted.

I am sure that the Commission recognizes the dangers to the public interest and to the good name of the Government that are inherent in this kind of masquerading operation. I look forward to hearing from you that strong steps are being taken to stop this deceitful practice.

Sincerely,

HENRY S. REUSS,
Member of Congress.

FAIR PLAY IN CONGRESSIONAL BUSINESS

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ENGLE. Mr. Speaker, I have had called to my attention a story which appeared in the noon edition of the Washington Daily News of April 12, 1957, which story referred in detail to a number of allegations of misconduct of military personnel in Alaska, including several high-ranking officers of the Air Force. These allegations were reportedly contained in a letter addressed to me and signed by a "Keith Hart," who gave his address as College, Alaska.

Substantially the same story has appeared in local newspapers and in wire service stories given wide dissemination.

I am concerned about the only impression that can be drawn by the average reader from the Daily News version, and one or two others—and that is that the letter was made public or available to the press by my office or by the staff of the House Committee on Interior and Insular Affairs. That impression is inaccurate—I did not release the letter to the press. The facts are these:

First. The original of the Hart letter was addressed to me and delivered to my office on April 10, 1957; the original letter I received indicated on its last page that carbon copies had gone to at least 14 other people, a number of them here in Washington. Upon receipt of the letter I contacted the appropriate officials in the Defense Department and asked that I be given an early reply to the allegations.

Second. In light of the appearance of the story in the Washington Daily News, I can only conclude that one or more of the recipients of carbon copies of the Hart letter, the original of which was addressed to me, made known the contents to the Daily News reporter, and apparently to other members of the press—all without contacting me before taking that action.

I repeat, that until the appearance of the story in the Daily News, as I believe is the only proper treatment of such matter, the contents of the Hart letter were in no way made public by me, or by my committee or office staff.

Third. I want this much to be made unmistakably clear:

I have always believed that anyone accused—whether in or out of Government, or in or out of uniform, whether appearing before a congressional committee, or in connection with some business of the Congress or a committee—should have an opportunity to be confronted with allegations made against him, and be afforded the right to tell his side of the story before those allegations are made public.

Fourth. We on the House Committee on Interior and Insular Affairs have in the past—as have all Members and committees—received anonymous, or signed allegations of misconduct in some field or other. This has been true during the past 18 months in connection with an inquiry by my committee into military public land use, including hunting and fishing practices within military reservations. A number of allegations have been made, covering a wide range of subjects and geographic areas, and from a number of quarters.

Because the Hart letter was signed, was specific in several instances, and because it did contain very serious allegations of misconduct by personnel under the jurisdiction of the Air Force in Alaska, I followed what I considered to be the only proper procedure in such matters. The basic tenet of what I consider "proper procedure" is confrontation and an opportunity to rebut, if possible, allegations made, before any publication of the allegations.

Fifth. I regret very much that others did not elect to follow that procedure in this instance. Until official explanation and comment is received from responsible defense sources, no additional steps will be taken by me in the matter. When such explanation and comment is received, I will of course then consider what further action should be taken.

CONTROL OF NARCOTIC DRUGS

Mr. KARSTEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. KARSTEN. Mr. Speaker, I am today introducing legislation in the House of Representatives to establish a comprehensive and fair control system covering the manufacture of all narcotic drugs, not only the natural narcotic drugs made from imported crude opium and coca leaves, but also the newly developed synthetic drugs that are now being made from a vast variety of uncontrolled sources readily available within the United States.

A striking example of the need for such legislation appeared in papers a few days ago when they reported of the development of a new painkiller which acts more quickly than the centuries-old morphine. If this new drug, now known only as Su4027, should prove addictive, like many of the other synthetic analgesics, the quantity and locations of its manufacture must, of course, be controlled and limited to legitimate medical and scientific purposes. But under existing law the Government has no power to control the manufacture of such drugs.

A practical control over the manufacture of natural narcotics, which can be manufactured only from crude opium and coca leaves not grown in the United States, has been achieved in the past by limiting the amounts of importation of crude opium and coca leaves under the Export and Import Act. But no such control is available over the

manufacture of synthetic drugs that can be produced from available domestic sources.

The Harrison Act has been generally effective to control the distribution and use of narcotic drugs in interstate commerce. But with the development of the new synthetic drugs control over distribution and use without control of the manufacturing source is no longer adequate. An effective system of control requires, among other measures, restriction of the total production of all narcotic drugs to the amount required for medicinal and other proper uses. Any excess tends to find its way into illicit traffic and use, despite controls on distribution and sale.

The new legislation is needed not only for general health and welfare purposes; it is also required to enable the United States Government to discharge its treaty obligations which require it to limit the manufacture in the United States of new synthetic narcotic drugs, as well as the natural narcotic drugs, to quantities required for legitimate medical and scientific needs and to manufacturers who have been licensed for the purpose.

Modern chemical research is constantly producing additional new synthetic drugs; and patents on already developed synthetic drugs, which have restricted their manufacture to the original manufacturer, are beginning to run out. The need for control has become urgent.

Enactment of control legislation has been repeatedly urged by the Commissioner of Narcotics and has been advocated by the President's Special Committee to Combat Illegal Narcotics. Near the close of the last session of Congress, I introduced legislation for this purpose, but the bill could not be considered before the Congress adjourned.

The present bill is a revised and improved version of last year's measure. I believe both its purposes and provisions deserve and will receive the support of the medical profession, the ethical drug industry, the public, and the Congress.

ECONOMIC DISCRIMINATION

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, progress is not without its drawbacks.

As medical science increases the span of human life, our industrial civilization shortens the ceiling beyond which it will not hire workers.

A person seeking employment may be healthy, sober, industrious, and with an excellent work record, but if he admits to being more than 40, he becomes aware of a sudden lack of interest on the part of the personnel officer. The job opening immediately closes. And he is left on the outside.

There are numerous violations of the Fair Employment Practices Act.

Discrimination against job applicants who are not old, but simply approaching middleage, is widespread.

A survey of the larger cities reveals that more than 40 percent of all employment offers are limited to applicants who can prove that they are under the age of 45.

This points up one of the tragic social problems of our time; the exclusion from our industrial life of so many competent and conscientious workers who are from 40 to 65 years of age.

This applies with particular severity to the worker who has given 20 or more years to the same job in the same industry. When that industry curtails its operations, or moves to some other section of the country, the displaced worker is unable to find other employment.

Some employers are blunt about it. "Over 40? Sorry, no job."

Others are more subtle, deceiving the applicant with the hope that "we have a long list ahead of you, but if we reach your name we will let you know. In the meantime, we will place your application on file."

The dead file.

If employers try to rationalize this on the grounds of "efficiency," and I dispute this because middle-aged workers are more experienced and responsible, then a ruthless factor is corrupting our vaunted material progress.

As I see it, there is a conspiracy of silence concerning this problem. We must bring it out into the light of day, examine it, and devise remedies for it.

That is the basic purpose of congressional investigations.

It is my belief that increased pension and insurance costs are the root of this discrimination against people over 40 who are looking for work.

In the emphasis on speed-up in our industrial system, and the subordination of an individual's worth to an actuarial table, are we going to say to people in the prime of life: "You are through at 40. You do not belong. It is no business of ours how you manage to survive until you are 65, and then hang on to the life-preserver of social security that is barely able to keep you afloat. Business is business, and we have got to be realistic about it. So sorry. The door is closed to you."

If industry as a whole, has no better answer than that, with its new power and responsibility in our national life, Government will have to step in and fill the vacuum.

We cannot afford to condemn people over 40 to economic exile. Furthermore, they will not stand for it.

To get at the source of this serious, and neglected problem, I propose that the Committee on Education and Labor shall undertake a full-scale investigation into the job barriers set up against people over 40 who are willing and anxious to work.

This is economic discrimination at its worst.

I suggest that we take steps to correct it, before it leads to further deterioration in the right to work, and in the morale of Americans over 40.

NATIONAL DEFENSE

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ROBSION of Kentucky. Mr. Speaker, one modern tank costs around $200,000, and hundreds of these are required as an integral part of our national defense. It is, therefore, important that we in the Congress who have the responsibility for providing the money for these tanks understand the progress that is being made in their development for tactical use in battle. I doubt if many of the Members of this House have had the opportunity to inspect our latest tank models or see them in action. Recognizing this, last December the Department of the Army started preparing for a demonstration at the Armored Center at Fort Knox, Ky., to which would be invited Members of the House and Senate and other Government officials responsible for national defense. As an exercise of this kind would involve the participation of many different units, it was necessary to set the date several months in advance, and the dates selected were May 3 and 4.

I learned of the demonstration on March 19, and on that day called the attention of the officials of the Department of the Army to the fact that the Kentucky Derby was being run in Louisville, 30 miles from Fort Knox, on the afternoon of May 4, and as the demonstration was scheduled to end at noon on that day it was possible that some Members of Congress would want to stay over a few hours for the derby. I pointed out the possibility of a misunderstanding about tickets and suggested it be made clear that the Army would not undertake to secure tickets or make arrangements for the derby, and this was done in the notice which went out to Members of Congress.

As I represent the Louisville, Ky., District I felt an obligation to assist my colleagues who wanted to attend the Derby in securing tickets. I thereupon made an investigation and found that only 4 or 5 of the 50 or more who were going to the demonstration were interested in staying over for the Derby and suggested to the Department of the Army that the small number would not justify holding a plane and we probably would return to Washington by commercial airline. I want to make it clear that to my personal knowledge the officials of the Department of the Army did not have the Kentucky Derby in mind when the arrangements for the Fort Knox demonstration were made and their first knowledge of the coincidence of dates of the two events came when I called it to their attention on March 19.

So you will see the actual facts do not support the charges that were made in the press and on the floor of this House that the Army had arranged a congressional junket to the Kentucky Derby. As the result of these baseless charges, certain individuals in the Department of the Army were unjustly accused and that fine service was presented in a very unfavorable light to the country.

Perhaps the most important legislation we consider in this Congress relates to national defense, and all of us should make every reasonable effort to thoroughly inform ourselves on the subject. The Army, Navy, and Air Corps have gone to a lot of trouble from time to time to show us what progress is being made in the development of new weapons and tactics. I for one have benefited greatly from these demonstrations and feel that I am a better Member of Congress because of the knowledge of our defense preparations which has been made available to me. At this time I want to express my deep appreciation for the invitations that were extended me to visit Aberdeen Proving Grounds, Fort Bragg, the Brooklyn Navy Yard, Norfolk Navy Yard, Nevada Proving Grounds, Eglin Field, Fort Knox, and Fort Benning.

Perhaps those who helped to expose the so-called congressional junket to the Kentucky Derby felt they had rendered the country a real service and saved the taxpayers money when the Fort Knox demonstration was called off, but an examination of the facts will clearly show all they did was to unjustly smear innocent persons who were sincere in their efforts to inform Congress on an important aspect of national defense. They also denied Members of Congress the opportunity to see for themselves the high degree of proficiency the armored center of the United States has achieved at Fort Knox under the command of Maj. Gen. Jack L. Ryan.

PASSOVER MESSAGE TO ISRAEL

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, it has been 35 centuries since the exodus of the Jews from the oppression of Egypt. And after 35 centuries the heart and the mind of Egypt are untouched by the sentiments of peoples elsewhere in the world of everbroadening horizons. Today, as 35 centuries ago, the Jew finds in Egypt only oppression, and the ships of commerce of the great and courageous State of Israel are barred by the Government of Egypt from passage through the Suez Canal.

It is fitting that today we in the Congress of the United States, in joining in the celebration of the Passover, the Hebrew spring festival, should give assurance of our support and our warmest friendship to the Government and the people of the State of Israel.

The Passover festival is one of the earliest religious and national landmarks in the history of the Jews. It has always been regarded as the festival of freedom. Its origin goes back to the exodus of the Jews from Egypt in about the 15th century before our era. The cause of this exodus was general oppression, one aspect of which was apparently a refusal of the Government to permit a general gathering for the old custom of sacrificing the firstlings of their flocks in the spring. Later the sprinkling of the blood, and the ritual of the unleavened bread were combined, culminating in the Passover festival. Moreover, this festival was made the fitting occasion for a celebration in memory of the redemption of the Jews from Egypt. Subsequent dispersion of the Jews and the oppression amplified the meaning of this festival. With the "Passover of Egypt" was associated the idea of the "Passover of the future," the hope for Israel's redemption from exile.

Today, some 2,000 years after their dispersion, it is indeed great joy to see the people of Israel celebrate their historic spring festival in their ancestral home, in their recreated and reborn State of Israel. Through the years of dispersion it seems that the true meaning of this ancient festival was never lost; in it the freedom-loving Hebrews perceived the great benevolent acts of their God. Today while they celebrate the Passover in joy and freedom, justifiably and steadfastly they cling to that sublime divine belief.

In the making and shaping of the State of Israel this belief has worked as the spiritual catalytic force; and it seems that the vigor of youth as well as this belief have played equally important parts in the making of that State a safe and happy haven for the Jews. Under the existing circumstances the new state is in dire need of economic assistance. Her trade with the West has been improving and is still expanding. The country is being industrialized and progressively developed. With the political and moral support of the West, it is fast becoming a model democracy in the Middle East. Yes, the spirit of the "Passover of the future" has been realized. And even in the celebration of this memorable national festival the people of the State of Israel are readied for the firm maintenance of their hard-won and richly deserved freedom and independence.

TUSKEGEE INSTITUTE—FOUNDER'S DAY PROGRAM

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON. Mr. Speaker, following is an address which I made at the Tuskegee Institute, Founder's Day program, on Sunday, April 14, 1957:

ADDRESS BY THE HONORABLE FRANCES P. BOLTON, MEMBER OF CONGRESS FROM THE OHIO 22D DISTRICT, AT TUSKEGEE INSTITUTE, FOUNDER'S DAY PROGRAM, SUNDAY, APRIL 14, 1957

Mr. President, honored guests, members of the Strong Band of Tuskegee Alumni, and students, Founder's Day is always a peculiarly poignant day here at Tuskegee. The man whose memory we honor, brought to his own people opportunity and hope—to his country a practical answer to many problems and a new vision of America's responsibility in the field of human relations. Much has happened since his day—some of it almost miraculously good, some of it not so good. Alas, that change always stirs up the best and the worst in people. Not so strange, perhaps, that the death struggle of any outworn way of life is fierce and terrible. Yet we know that Lincoln's words: "I believe this Government cannot endure permanently half slave, half free" hold true in a deeper sense today for they say to us: Freedom and justice are for all men, not for any one race or color or religion nor for any way of life. If one could wave a magic wand and take away in an instant the fears, the prejudices, the old habits of centuries, how wonderful it would be. But man learns slowly. So we see the moderation in the Supreme Court's decision set aside—and prejudice and fear, bitterness and hate, build up continuing misunderstanding.

But even these will pass as bits of flotsam and jetsam on the great river of God's life upon our earth—thrown about among the rocks of narrow canyons for a time—but ultimately reaching the calm and the unity of the eternal sea.

Though I have been able to come to Founders Day only a few times, the memory of the few stays with me. Today you have given me an added privilege in asking me to speak to you. I hesitate to do so, for such very eminent people have preceded me. Yet am I deeply happy to come to you. Somehow I seem to leave my inhibitions at the gate when I come to Tuskegee—and both my mind and heart feel free to speak without restraint.

My association with your presidents, your board, your faculty, mean very much to me. I never come without learning something. I always go back to Washington refreshed. For all this I am grateful, but never more so than today.

We are living in what is perhaps the most momentous day of all man's life on earth. As one reads history, one finds great changes occurring periodically—but never before has all the world been involved at one time. One by one the secrets of fire, of light, of propulsion, of radiation, of communication and transportation have been opened to us. We have stepped across a threshold which opens the deep secrets of creation and its sister—destruction. Our very existence is in jeopardy, perhaps the existence of our world. How will man use these new found elements? Upon his understanding of the law, upon his recognition of the fact that "the earth is the Lord's and the fullness thereof" (not man's world) will it all depend.

Evidences of the new world that is being built are on every hand—but none more dramatic, more vital than that which occurred on the midnight preceding March, the 6, 1957, far away in Africa.

For many years there had been a British Colony known as the Gold Coast—a name that told of wealth, of seafaring men who found riches. As March the 6th took over, a new nation was born—returning to the name of Ghana, an ancient West African empire which flourished about a thousand years ago. Even after it passed from the scene of history its legend spoke of power and magnificence in bygone days. Yes, a new nation was born, an ancient nation reborn.

The special significance of a nation's rebirth tends to be overshadowed by the rounded oratorical phrases of the day. We have begun to speak in cliches, to think in patterns: colonialism and independence, empire and freedom. But phrases are not enough. There are moments when the breath of ancient tradition can be felt in the present, and events are touched by the

long shadows of past realities that go back as far as 10 centuries. Such a moment came at that midnight hour.

Perhaps you have seen TV portrayals of the scene, but I can assure you they could not do it justice.

Let me try to bring some reality into the picture.

The Gold Coast Assembly meeting the night of March 5 was dignified and a bit solemn. Restraint was in every word and upon every face. But when the Speaker, Sir Emmanuel Quist, solemnly announced its adjournment, a spark of deep emotion flashed through Parliament house. Cheers mingled with tears in the galleries and on the floor. The long-awaited moment had come.

Outside the jubilant voices of massed thousands could be heard in a rising crescendo as the Speaker's words carried over the public address system. Amidst exploding firecrackers and triumphal shouts, the Prime Minister was swept on friendly shoulders to a raised platform on the nearby polo field. There, he did a brief dance of jubilation, stepped to the microphone, and delivered his freedom address.

The Prime Minister's power over the masses was apparent. He is a gifted orator who fires one explosive statement, then waits for it to sink in and the avalanche of roars to subside before he shoots another. Were he not so serious and the circumstances underlying the hysterical happiness of the crowd less grave, his technique might seem that of a rabble rouser. Klieg lights shone down on the scene of upturned faces as they sang a national political song while cameramen from the United States and British Information Service, as well as CBS filmed the scene. Their shouts of joy were indescribable when they heard their leader declare, "At long last we are free."

But Nkrumah did not make the event one of jubilation only. He told them their task had only just begun. He warned of sacrifices. He told of the responsibilities they, the people, must now shoulder. He charged them to prove themselves worthy of freedom and self-government.

The crowd itself was an experience. Filled with emotion as it was there no pushing or shoving, only a deep down joyous good nature. When all was over the whole vast smiling assemblage melted away into the night.

The next morning the new Parliament was convened with great pomp and ceremony in the name of the Queen by the Duchess of Kent, and Ghana turned a new page in her proud history.

Africa, the oldest of earth's continents geologically, has a history long since buried in her past. The relentless seas left her few harbors. Man's heedless destruction of her forests left her with high plateaus from which all life-bearing soil had been blown away. Ignorance and climate—man's great enemies—had built up barriers of sickness of every sort and kind between her people and the outside world. Indeed her West Coast has often been called the white man's grave.

So the Western World has known little of Africa, and cared less except where hardy adventurers found wealth in gold nuggets, in cocoa, in palm oil, etc., and in the enslavement of her people. But evolution moves relentlessly on and little by little, one at a time, the African nations will insist upon taking the responsibility for their own lives.

Is this going to affect us here in the Western Hemisphere? Have we any responsibility to the people of these emerging countries?

Is it not possible that we, here in this young country of ours, are learning lessons in human relationships which might be useful to the people in the various countries of Africa and throughout the world, especially those whose people are of various races? Here in these United States we are still trying to find our way out of the jungles of prejudice, ignorance, and injustice. I would suggest to you that the peace of the world may hang upon the method we here in America employ to bring understanding and complete justice to all men within our own frontiers. To right a wrong that has gone so deep is tragically difficult, for it requires the kind of patience that only an unshakable faith in a just and understanding God can give. I do not speak of a do-nothing patience. I speak of a patience so permeated by wisdom and by love that it knows when to speak quietly, when to shout aloud, when to move and in what direction and when to wait. Surely a milestone was reached when at last a President, President Eisenhower, within weeks of his first inauguration, removed the visible barriers as he had said he would wherever Presidential power could reach. Unfortunately invisible barriers in the hearts of men will disappear less readily.

We mortals have no way of knowing the ways of evolution. Yet, is it not possible that even the enslavement and transplanting of the descendants of an ancient land had and have deep meaning? For not only did Africans find themselves on the continent of North America, but also in South America and in the islands.

These ancient cultural traditions transplanted to the Western Hemisphere will—I am firmly convinced—form a most significant basis for mutual understanding in the future of modern Ghana. True, political and economic factors are of vital importance. But upon more than this new nation's form of government or her national resources will her stability and orderly processes depend. Her foundations rest upon a more elusive and far less calculable set of conditions. They rest upon her soul.

Were you to ask me what I mean by a nation's soul I should have to begin by saying that essentially a nation's soul is the sum total of all its experiences; its religious-cultural heritage; its emotional qualities, and its ability to face the challenges of the events within and all around it. In our day and age of psychological studies, we often speak of personality characteristics. A nation has these no less than does a person. Even a continent may have a soul and/or a personality. To me Africa has such a personality—strong and emotionally powerful, yet appealingly tender, so potent that all who tread upon her shores are in a measure changed. I have no doubt that it was just this soul of Africa that Prime Minister Kwame Nkrumah had in mind when he called for an African personality in international affairs and said that Africans "must seek an African solution to the problems of Africa."

We of the West have a challenge to meet in this for we are always too apt to feel that our solution of our problems, our way of life, is best for all people. It is high time that we went out to see the world, not with closed minds arrogantly pleased with ourselves but with all our senses open to absorb the thoughts, the feelings, and the realities of other lands and other peoples. It is also high time that we faced up to the cold fact that we have not done too well in certain aspects of our own living, and that our actions, watched across the world, affect our standing and the quality of our leadership in the family of nations.

I believe that you who carry in your veins the blood of Africa will want to find your particular niche in the help our country can give to Ghana and to other emerging countries. Your instinctive understanding of the thoughts and emotions of our African neighbors should be of infinite value. Yet curiously enough, you will perhaps need to use greater restraint than those of us whose traditions come from other strains. It would be so easy to overlook the differences of your experiences and so fail to understand the possible suspicion with which your overtures might be regarded.

The world is so conditioned to suspicion by centuries of exploitation of the weak by the strong that our desire to share our good things without demanding returns is mistrusted still. Our American assumption of superiority all too often raises a barrier that is difficult to break down. Let me repeat Prime Minister Nkrumah's words: "Africans must seek an African solution to the problems of Africa"—not a British one, not a Russian nor a Chinese one, not an American one, but an African one.

Africa knows her own soul better than any outsider, no matter how well-meaning. It is at this point that colonialism fails—for with the best intentions in the world the enigma of Africa's soul defies outside comprehension. It is to England's glory that American-educated Premier Nkrumah could say "we part from the former imperial power, Great Britain, with the warmest feelings of friendship and good will." After these centuries of colonial control, at this solemn moment of independence one feels that, consciously or subconsciously, every Ghanian is singing his own poem of gratitude so well voiced by the poet Henley:

"Out of the night that covered me,
Black as the pit from pole to pole,
I thank whatever gods may be—
For my unconquerable soul."

One cannot but recognize, however, the fact that a colonial power can do much to better the physical condition of a territory. It can establish transportation and communication; it can wipe out malaria and other decimating diseases; it can bring the resources of a nation into the world market, so increasing prosperity. Today's colonial powers are doing these things in no uncertain ways—clean water, sewage disposal, medical services are perhaps the best examples of colonial beneficence. The results are dramatic. Mr. Charles T. O. King, once Liberia's Ambassador to the United States, commenting recently upon certain advantages enjoyed by a nation such as Ghana which has passed through the period of colonialism and benefited from these constructive services said: "It is the difference between the home of a man who has accomplished everything by his own sweat and toil, and that of a man who has enjoyed a large inheritance."

And Ambassador King spoke feelingly—for his country of Liberia has had to work out her own salvation. But there is no question as to what the Liberians feel: Freedom is first—better living can and will be built though too slowly for the impatient ones.

Ghana on the other hand has had every advantage while Liberia has walked the road of sweat and toil. Yet one must know that the development that has taken place in Ghana during these last years has been largely the work of her own people, helped along by the country's continued tranquillity, the absence of irresponsible agitation, and an atmosphere of constructive achievement.

No conqueror ever subdued the soul of the nation he came to control. How dramatically this has recently been proven in Hungary. Dr. Nkrumah defined very well some of the conditions likely to influence and govern the future of Ghana and much of Africa as a whole. Africa's personality—her soul—has been and will remain her own. She is no more likely to yield her soul to the blandishments of communism, imported from the Soviet Union than she ever yielded it to other non-Africa influences.

It is interesting to see that Communist materialists have proven particularly unimaginative in their dealings with Africa—at least in the past. Certainly nothing could be more alien to Africa's personality than the mechanistic approaches of Marxism—what it chooses to call its "scientific determinism." But their methods need watching, for they are consummately skillful in changing their methods to meet new situations. Yet—somehow—I have too great a faith in the people of Africa to be disheartened by the tremendous upstepping of the U. S. S. R. program for Africa.

Yes, I spent 3 months south and east of the Sahara a short while ago, traveling some 20,000 miles and stopping in 24 countries. I am no authority on Africa. As I look back upon those days in commercial aircraft, on trains, riverboats, coastwise freighters, cars, and jeeps, I find certain things have grown increasingly clear. Perhaps my thoughts did not actually crystallize fully until that moment when the flag of Ghana—red, yellow, and green, with a strong black star at its heart, spread its wings for the first time over a free land. To me it said to all the world: Africa will and must be her own master.

What a task. Surely the greatest task of all for a man or a nation is to be master of his own soul. To come to maturity, to shoulder the responsibility of adulthood, psychologists tell us, tests the very fiber of one's being.

So too the task of responsibility tests the fiber of a nation—of our own as well as that of the youngest and the oldest on this earth. Ghana finds herself in a privileged position. It was, in a manner of speaking, full grown at birth. A thousand years of tradition have given her inner strength to be herself. Ghana has been reborn in the shadow of ancient glory, master of her destiny, proudly conscious of her unconquerable soul.

May the Infinite have her always in His gracious keeping.

We Americans are in a position to be of inestimable service to all the developing countries of the world. We could and should be filling the vacuum in their lives. For they are searching day and night to fill the emptiness that has become theirs. You may well ask what is this vacuum? Let me give you the words of Charles Malik, long Lebanon's representative in Washington:

"In the case of many of them, the vacuum is something far above mere personal needs. * * * It is something to live for, some idea to serve, some cause to be dedicated to."

When Dr. Malik was asked (by U. S. News & World Report), "What is the particular appeal of communism as an ideology to the intellectuals of the Middle East?" he replied, "Its social vision, its total character, its total interpretation of life—its Messianic idea, namely that it is the wave of the future. Also the promises it holds—that it will solve all these economic and social injustices. It is these things, you see, it's these things."

And it is something more: It is the complete dedication and the fanatic zeal of the Communist that draws people to him. Even the most critical anti-Communist cannot but be impressed when he encounters the truly dedicated Communist. He is often left with a curious sense that there is a certain flabbiness and softness and inconsistency in our western way of life which is less than impressive to the man who is searching for a completely satisfying way. Because of the dedication of the Communist worker and the consummate skill of world communism, we of the West find ourselves outdone all too often. Again let me quote Dr. Malik:

"Communism is a very strange thing: It's a total impact; it comes to a man from every angle—from the social challenges of his country, the economic challenges, the political challenges, even the intellectual challenges when he has nothing he really believes in and his teachers themselves don't believe in anything much."

Because Dr. Malik—a graduate of the American University of Beirut—loves this great land of ours second only to his own we shall do well to listen to him when he pictures the contribution he feels we can and should make. I quote him:

"You have in your own traditions certain invaluable beliefs about man and society, and history and human destiny, and the nature of God—beliefs you should not be ashamed of, that you should feel free to export and to teach others. But first you must rediscover them yourselves and believe in them profoundly. Many of you have taken life too much for granted. Therefore the great deposit of belief and conviction and interpretation of life which has come down to you, you simply don't honor enough.

"The Communist is a man who has received a tradition and honors it profoundly and believes in it and, therefore, is willing to propagate it. You are a bit diffident—and many of you don't really know your own traditions."

"My deepest fear," says this man who knows us so well and loves us so dearly, "is that you don't know the infinite values that you have at the basis of your own civilization and that you don't believe in them enough to put them strongly to the rest of the world. You take life too easily. You take things too much for granted. You are not fighting for your values as much as your forbears were."

Dr. Malik was speaking of what he knows to be the point of view of the Middle East. My journeys have given me a deep sense of the rightness, the accuracy of his diagnosis and the application to all our world contacts.

Look at the world as a whole with some three-quarters of its people of some color other than white. Everywhere there is this longing for an understanding of life itself and more participation in it. The upsurge of what has been termed nationalism is but one phase of this demand of every human creature to know that he, the individual, has importance. He needs something firm to stand on, something strong to tie to. Surely it is this that is America. Fundamentally, basically, American stands for an all-consuming certainty that because God is, we are. Quite regardless of the fact that we still walk in the shadows of our own misdeeds deep in our souls we believe that every human creature is made out of the very essence of the Being of Deity and because he is, he as an individual has a primal importance that must and will be recognized.

No one has understood these fundamental human needs more truly, more constructively than this great man whose vision and consecrated work conceived and brought into being this great institution. The man whose impress is upon so many, whose memory is poignantly with us today. He had no diffidence when it came to the contribution he felt his people were qualified to give to his country. We who carry on in his stead, trying to keep abreast of the needs this place must fill, are privileged indeed. Tuskegee's name is one revered in many areas of the world, most of all, perhaps in Africa. I find myself so very often wishing that there might be a replica of this great institution somewhere in the central areas of that great continent, the continent that God has been holding in reserve, the continent from which will come new revelations of His wisdom, His justice and His love.

Gathered here as we are today let us ask the Author of Life, the Father of all men, to bless this institute and all who serve its purposes. May every student who comes within its gates find challenge to his mind, strength for his purposes and illumination for his soul. May America be strong in her faith, humble in her desire to serve the high purpose for which she became a Nation, wise in her progress and ever increasingly grateful for her privileges and her consequent responsibilities.

THE LATE HONORABLE FRED L. CRAWFORD

The SPEAKER. The Chair recognizes the gentleman from Michigan [Mr. BENTLEY].

Mr. BENTLEY. Mr. Speaker, it is my painful duty to inform the House of the passing of a former Member of Congress last Saturday, the Honorable Fred L. Crawford, who represented the Eighth Congressional District of Michigan here from 1935 through 1952. Mr. Crawford who resided at Allentown, Md., died Saturday night of a brain hemorrhage at Casualty Hospital.

Fred Crawford was born at Dublin, Tex., in 1888 and had a long and varied career in business activities prior to his first election to Congress. He could in many respects be described as a self-made man since his formal education terminated with the public schools. At various times he was an accountant, was active in manufacturing, ranching, and overland transportation. It was about 1929 when he settled in Saginaw, Mich., where he was associated in a prominent capacity with the Michigan Sugar Co. He was active in the financing and operation of various sugar beet mills and his experience in this connection stood him in good stead during his service in Congress.

Mr. Crawford was first elected to Congress in 1934 on the Republican ticket and served until his primary defeat in 1952. He was originally a member of the Committees on Territories, Public Lands, and Insular Affairs. He later served with distinction on the Banking and Currency Committee until the Legislative Reorganization Act and then chose to serve on the Committee on Interior and Insular Affairs where he advanced to the position of ranking minority member. He was particularly interested in our various Territories and possessions and was always endeavoring to emphasize their importance to this country. Among his many notable achievements was his labor in drafting legislation during the 82d Congress for the approval of the Puerto Rican Constitution. He was likewise active on behalf of farmers and was considered an expert in banking and financial matters.

Until his death, Mr. Crawford retained his directorship on the Michigan National Bank and also the Refiners Transport & Petroleum Corp. of Detroit. Both his ability and his interest in Michigan affairs is perhaps most clearly shown by the fact that during the worst days of the depression he pawned his personal life insurance to permit the opening of a sugar plant at Alma, Mich. This fact not only took many people of that area off the relief rolls and gave them active employment but it likewise turned into a profitable business venture. As a matter of fact, the company paid the Michigan beet-sugar farmers more for their beets than any other company in that area.

Since 1952, Fred Crawford returned many times to Capitol Hill as an official representative of the Commonwealth of Puerto Rico and also because of his very real affection for the House of Representatives and his many close personal

friendships which he had formed during his 18 years' tenure of office. A few years ago he organized a bank at St. Thomas in the Virgin Islands with which he continued association until his death.

In spite of the fact that I was directly responsible for the termination of Mr. Crawford's service in Congress, we always greeted each other pleasantly when we met here on Capitol Hill and on many occasions had interesting and, coming from my standpoint, profitable conversations. I can also speak from my personal experience when I say that Fred Crawford was deeply respected and admired throughout the Eighth Congressional District and that his many friends of long-standing will join with me and with the membership of the House in extending sincere condolence and sympathy to his wife, his son, and other members of his immediate family.

Fred Crawford was in many respects a controversial and colorful figure. He had, however, a highly developed sense of public responsibility, a very strong characteristic of personal integrity and a courageous determination to pursue what he believed to be the right course of action, regardless of political consequences involved. As I have said earlier, he was a very friendly and sociable person and brought real distinction to the State of Michigan and the House of Representatives during the time which he devoted to the interest of the people of his district. I am sure that many of my colleagues today will feel a sense of personal loss as keenly as will a great many people in the Eighth Congressional District and throughout the State and indeed the country.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I gladly yield to the distinguished Speaker.

Mr. RAYBURN. Mr. Speaker, it was my privilege to know Fred Crawford well and also favorably. He was a man of splendid ability and good, sound character. His family have my deepest sympathy.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I yield to the distinguished majority leader.

Mr. McCORMACK. Mr. Speaker, I am very sorry to learn of the death of our colleague, Fred Crawford, whom I admired very much. It was only recently when I saw him and had a pleasant chat with him while he was visiting the House.

Mr. Crawford served with distinction and courage during his period of service in this body from 1933 to 1951. He was one of the most active Members on the floor and in committee. Mr. Crawford was one of the best versed Members on pending legislation, constructively participating in the consideration and debate on legislation that came before the House and in committee. He contributed greatly in reporting out of committee well-considered legislation.

In particular the people of Puerto Rico and the Virgin Islands will always remember his deep interest in their welfare and in legislation for their best interests.

I extend to Mrs. Crawford and her son my deep sympathy in their bereavement.

Mr. BENTLEY. I thank the gentleman from Massachusetts.

Mr. ROONEY. Mr. Speaker, will the distinguished gentleman yield?

Mr. BENTLEY. I yield to the distinguished gentleman from New York.

Mr. ROONEY. Mr. Speaker, I always admired Fred Crawford. I am reminded of the fact that it was only about a week ago that we had a little chat together out in the Speaker's lobby. I was very saddened to learn of his sudden passing, and I wish to extend to his wife and son my deepest sympathy in their great loss.

Mr. CLEVENGER. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I yield.

Mr. CLEVENGER. Mr. Speaker, one of the first men with whom I became acquainted in this Congress was Fred Crawford. At that time we met because of a common interest, an interest in the sugar farmers of our respective districts in their very fight for life, and for the right to sell what they had raised. I think Fred Crawford was the best posted Member of this House on banking and currency, and perhaps in general commodities. He knew them all. But before he became interested in the economies of Cuba and Puerto Rico, he likewise was well posted on the Philippines. Many times he has told me of the almost fabulous wealth of the island of Mindanao. I think it is remarkable that this district in Michigan had two such able Congressmen in a row. I transferred my affection to Mr. BENTLEY almost immediately when he came here, but it never affected the friendship I had for Mr. Crawford. We had numerous little visits that were always rare moments to me.

I wish to express my condolence to his wife and son, and I hope the son may follow in his father's remarkable footsteps.

Mr. BENTLEY. I thank the gentleman from Ohio.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Iowa.

Mr. GROSS. I am sorry, indeed, to learn of the death of my friend, Fred Crawford, a former distinguished Member of the House.

He was one of the first Members with whom I became acquainted when I came to Congress in 1949. His wide knowledge of public affairs; his courage and independence of thought and action, and his ready willingness to share of his knowledge and experience was of no small assistance to me in those early days of my service in Congress. Thus it is not easy to reconcile myself to the fact of his sudden and untimely death.

It was my pleasure to have had the opportunity to visit my former colleague on his farm near Washington and to meet Mrs. Crawford and their son. To them I extend the heartfelt sympathy of Mrs. Gross and myself in this hour of sorrow.

Mrs. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. Mr. Speaker, I was grieved indeed to hear of the death of Mr. Crawford.

Mr. Crawford belonged to that rapidly vanishing band who came here in the 74th Congress. He made friends. He gained respect. His kindness to me personally when I came here as a new Member is something I shall never forget.

I would like to extend my most understanding sympathy to his family.

Mr. BENTLEY. I thank the gentlewoman from Illinois.

Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks at this point in the RECORD on the late Fred L. Crawford.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. AUCHINCLOSS. Mr. Speaker, Fred Crawford was a warm friend of mine for whom I had great respect and affection. He was a man without fear and always had the courage to stand by his convictions—and he had strong convictions. Such an attitude sometimes made people think of him as stubborn, and in some respects he was, but he was justified in his position because he was right more often than he was wrong. He studied problems thoroughly, analyzing them with care, and when he reached a decision he was always fortified with the facts and good reasoning. He was a fair and honest man, a tireless worker, and he enjoyed the company of purposeful people. He did not waste his time in fruitless conversation.

As an analyst of financial matters, he had few equals and his keen judgment in all matters was stimulating. After he left Congress it has been my privilege to see him at frequent intervals and I had the greatest admiration for his ability to dig out the important facts of a problem and suggest the solution. I am greatly saddened by his passing.

To those who knew him his loss is great and the memory of his friendly character, his honest thinking, and his loyalty will always be cherished by his friends. My warmest sympathy goes out to his wife and family and may their sorrow be made easier by the knowledge that his was a useful life blessed by many friends who respected him with real affection.

Mr. MARTIN. Mr. Speaker, I join with my good friend Congressman BENTLEY in expressing deep regret at the death of former Congressman Fred Crawford. It was my privilege to know him intimately for many years, and I know the great American he was. His service in the House was a great contribution to the national welfare. As a member of the Banking and Currency Committee he was an authority on financial and housing problems. His long service for agriculture made his views on agricultural problems extremely valuable. He was an authority on Puerto Rico, and above all he was an ardent American. He always put first the welfore of his country. A fine citizen and a conscientious legislator passed away when Fred Crawford died. To his wife and family I extend my deepest sympathy in their hour of sorrow.

Mr. BENNETT. Mr. Speaker, it was my privilege to serve with our late distinguished colleague, Fred Crawford, when I first came to this House at the beginning of the 78th Congress.

As a new Member at that time, Fred was very helpful to me and his constructive and kindly advice was very welcome. Fred Crawford was a hard worker and an able legislator. He worked diligently for the people of his district in Michigan during his many years of service in this House. He had deep convictions on most legislative issues and always had the courage to vote as he believed, regardless of his own political welfare. Those of us who were privileged to serve with him know of the many valuable contributions he made as a Member of Congress. I wish to extend my deepest sympathy to Mrs. Crawford and the other members of his family.

Mr. COLE. Mr. Speaker, like all of his host of friends, it was a great shock to me to read in the paper yesterday of the sudden death of our former colleague and my personal friend, Fred Crawford of the State of Michigan. Fred and I entered Congress at the same time in 1935 and because of our membership on the Committee on Insular Affairs, which involved a number of official visits to the Philippine Islands, Puerto Rico, and the Virgin Islands, I came to admire his tireless energy, his keen mind, his complete devotion to public service, and considered him as one of my good personal friends.

During his period in the House, he was recognized as an authority on legislation pertaining to the Territories and insular possessions, as well as in matters related to banking and currency.

It was only a very few days prior to his death that I visited with him in the Chamber of the House and at that time he told me of his excellent health, energy, and vigor. With these words spoken to me by his own voice still ringing in my ears, the shock of his sudden demise was all the more stunning and sudden to me.

I extend to his lovely wife and fine son expressions of my deep sympathy.

Mr. FERNÓS-ISERN. Mr. Speaker, one of my dearest friends passed away last Saturday. I know that many of my colleagues share the loss of Fred Crawford in equal measure, for he was that kind of a person that you had to like.

With his boundless energy and keen, alert mind, and tireless enthusiasm, Fred's presence was always an inspiration. His fund of knowledge never ceased to amaze me. It enabled him to participate in every discussion and to make him a sort of nucleus of any discussion group. His participation always had a positive optimistic note, and it was his general character and enthusiasm and optimism which made the room seem just a little brighter when Fred walked in. He was a devoted family man.

Fred Crawford was a generous man, and to me this trait was best illustrated by the sense of responsibility which he assumed as a Member of Congress over the dependent peoples under the United States flag. Many of these, from the offshore areas, had no representation in the Congress; that is to say, they formally had sent no representative here. But they had Fred Crawford, who was very able and equal to the task of representing such peoples. Being of courageous heart and never backing away from a fight, Fred Crawford saw that these people's interests were considered at every turn. Puerto Rico owes Fred Crawford more, I think, than he ever realized, for the battles he fought in its behalf in the days before Puerto Rico became a Commonwealth and fully self-governing in local matters.

Fred Crawford was an honest man and a fair man. There was never any doubt as to where he stood. He was a sound and practical man, and was to be identified with success in his many endeavors.

He was a tireless worker who believed that a task well done was a task one performed himself, and, indeed, Fred was building a structure on his farm when he was stricken.

I believe that Fred Crawford might well serve as an example to the young people of this country who must one day take over the reins of government and business, and to serve as provider and protector for family. For his example in all of these matters is worth following.

To his family, I offer my deepest sympathy and I share their grief. To all the many here who were his friends, I join in paying homage to our dear, departed friend, Fred Crawford.

Mr. HOFFMAN. Mr. Speaker, in the sudden and unexpected death of our former colleague last Saturday evening we are again reminded that man's duration here on earth is beyond our control.

We again become aware that no matter how great our contribution to our friends and country others will take up, and as God wills, carry on.

Great men and nations, great and powerful are born, live and die but time continues. Each contributes something to the world's progress. Millions have lived and then vanished into the past. But each has, for better or worse, filled his allotted space in his generation and time.

Our colleague was an able and industrious legislator. He was an astute and successful businessman. He was a patriotic and conscientious citizen. He was a faithful and ever-helpful friend. He was a loving and kind father, ever mindful of the future of his idolized son. A considerate and solicitous husband.

Mrs. Hoffman and I extend to son and wife our sympathy and hope for a lessening of their grief and sorrow. May his soul rest in peace. God welcome him home.

Mr. JENSEN. Mr. Speaker, the passing of my esteemed friend and former colleague, the Honorable Fred Crawford, grieves me.

No Member of Congress was more devoted to duty nor took his responsibilities more seriously as a servant of the people.

From early youth, Fred Crawford studied the intricate workings and problems of national and international trade and finance, and being schooled in that art he became a most valuable member of the House Banking and Currency Committee. He served on that committee for many years with great distinction.

I dare say that Fred's good services both in and out of Congress have and will be a benefit to every American for generations to come. On many, many occasions while Fred was in Congress and since, yes, to the very last he took time to counsel and advise with me on our United States fiscal conditions which as time went on became a greater worry to him, and without a doubt that worry contributed to the untimely death of this good man.

If being a conservative with the people's money is a virtue, and I believe it is, I must give the late Honorable Fred Crawford much credit for my conservative record in Congress.

Goodby, Fred. God rest your soul.

I extend my deepest sympathy to his family and to his multitude of friends everywhere.

Mr. BARTLETT. Mr. Speaker, it was with deep regret on a personal basis that I learned of the unexpected death of Fred L. Crawford on April 13. He had been in my office on several occasions the very week of his death. Then he appeared to be in wonderful health, and was his usual cheerful and energetic self.

I had known Fred Crawford since I first came to Congress. He led the first Congressional committee to Alaska to hold hearings on statehood. Fred Crawford did a terrific job then. From that time on he was a leading advocate of statehood for Alaska. His help was given to us Alaskans in ever so many other ways. Of course, I am aware that the other Territories and possessions also benefited from his wise advice and counsel and leadership. It is interesting to note that this Member of Congress from Michigan was possessed of the vision which led to so many changed concepts in reference to American areas beyond the seas. During the years since he left Congress we Alaskans have missed Fred Crawford in his official capacity; but his enthusiasm was such that even since then he has guided us, counseled us, and helped us.

Hundreds of Alaskans knew Fred Crawford; some of us knew him well. We treasured his friendship. We grieve now because we have lost a friend. We grieve because the Nation has lost a man who served it well. We grieve most of all because Betty Crawford and their son have lost husband and father. To them I should like to extend deepest sympathy on behalf of the people of Alaska, and for Mrs. Bartlett and myself personally.

Mr. SAYLOR. Mr. Speaker, it was with profound regret that I learned of the unexpected passing of our former colleague and my personal friend, Fred L. Crawford, on April 13. I know many of our colleagues will miss the warm and friendly visits of Fred Crawford in their offices and on the floor of the House.

Fred Crawford was a kindly and generous man. He was known and respected for his painstaking work with the nonself-governing areas under the United States flag. As a Member of Congress from 1935 to 1952, Fred Crawford played a vital role in obtaining independence

for the Philippine Islands, commonwealth status for Puerto Rico, and organic legislation for Guam and the Virgin Islands. In addition, as chairman of the Subcommittee on Territories, he held hearings in American Samoa, the Trust Territory of the Pacific Islands, and Guam. He had a personal knowledge of and interest in the welfare of thousands of our islanders in the Caribbean and the Pacific. For 20 years he was a strong advocate of statehood for Alaska and Hawaii. After his retirement from Congress he maintained an active interest in the affairs of our offshore areas.

Besides being an excellent legislator, Fred Crawford was a keen and practical businessman and financier. He had widespread business and farming interests on the mainland and in the Virgin Islands. He was the organizer of the West Indies Bank & Trust Co. in the Virgin Islands, an outstanding financial institution in the Caribbean. To thousands of persons in the Virgin Islands, Fred Crawford brought the concept that banking was something for the little-business man and farmer as well as for those in the higher-income brackets. To them, Fred Crawford was a benefactor and a true friend.

In the years I served with Fred Crawford on the Committee on Interior and Insular Affairs my interest in our dependent areas waxed and bloomed. I learned much from him in the appreciation of islanders' appetite for self-government and in the need for creating an outlet for their dignity, sense of responsibility, and willingness to cooperate with the Federal Government. I have lost a personal friend whose judgment and advice I often sought.

The people of our offshore areas have lost a true friend. I share in their loss. To his wife and son I offer my sympathy and share their grief. To all of us who were his friends and colleagues—I join in paying homage to the late Fred Crawford.

Mr. ENGLE. Mr. Speaker, I served with Fred Crawford for many years on the House Committee on Interior and Insular Affairs. He was the second ranking Republican on that committee and at one time the chairman of the Subcommittee on Territories. He took an intense interest in all the matters under the jurisdiction of our committee, especially those matters relating to the offshore areas such as Hawaii, Alaska, Puerto Rico, and the Virgin Islands. After his retirement from Congress he actively devoted himself to business enterprises in the Virgin Islands.

Fred Crawford was one of the best legislators I have ever served with. He was intelligent, industrious, and forthright. His extensive business experience gave him a fine grasp of many of the problems which come before the Congress. Fred Crawford was an independent thinker. He would disagree occasionally with his own party just as vigorously as from time to time he disagreed with the Democrats. He was a man who stood up for what he thought was right. On one occasion he spent a short period in a Maryland jail rather than submit to the extortionate bonding practices conducted in that State when he was accused of a minor offense. This exposed him to a good deal of publicity which some people would have avoided. But he preferred to face the publicity rather than be victimized by the bond racket. I felt that the incident distinguished Fred Crawford as a man of singular courage and independence of thought.

More important than all of this, he was a very close personal friend in whose opinions and conclusions I reposed great confidence. His passing is a deep personal loss and I extend my sympathy to members of his family.

MORE EFFECTIVE UTILIZATION OF VETERANS MEMORIAL HOSPITAL AT MANILA, PHILIPPINE ISLANDS

The SPEAKER. Under the previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to include as part of my remarks the bill which I introduced early today to provide for the more effective utilization of the Veterans Memorial Hospital at Manila and to strengthen the medical care and treatment of certain Philippine veterans who served in the Army of the United States during World War II, and for other purposes.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, the bill provides for the more effective utilization of the Veterans Memorial Hospital at Manila, as I have said.

In late 1955 a $9 million veterans hospital was opened in the Philippines to care for sick and disabled Filipino veterans who fought with our forces in the dark days on Bataan and who continued the fight as guerrillas against the enemy until General MacArthur returned to the islands.

This hospital, built under a grant of United States funds, is owned and operated by the Philippine Government under a formal international agreement containing restrictions on the use of the facility based on provisions of the authorizing law.

The late Philippine President, Ramon Magsaysay, whose tragic passing was mourned by the free world only a few weeks ago, held close to his heart this program of care for Philippine veterans in which, as in many other fields, our respective Governments cooperated.

In 1948, while a Philippine Congressman, his fellow veterans selected him to come to Washington and bring to our attention the sad plight of the defenders of Bataan, whose service-connected disabilities were untreated. The Congress promptly corrected this through passage of a bill which I had the privilege of introducing.

Somewhat later, as Secretary of Defense, Mr. Magsaysay took the time from his major task of breaking up the Communist movement in the Philippines, to personally direct the planning and construction of the great Philippine Veterans Memorial Hospital which as President he dedicated 18 months ago. Our own Administrator of Veterans' Affairs, Mr. Higley, participated in that ceremony.

Mr. Speaker, I have learned of certain problems involving this fine new hospital which were of serious concern to our great friend, President Magsaysay, a few short days before his untimely death. Since the bill I am introducing today is designed to alleviate these problems, I want to explain them briefly.

Both changes in the law I am proposing are designed for better utilization of the new Philippine hospital. One change would permit the Philippines complete freedom in using the remaining beds after the needs of service-connected cases are met. It is also proposed to provide outpatient treatment for those whose needs can be met in this manner, thereby releasing additional beds for Philippine Government use.

In 1948 it was thought that treatment of those with serious war disabilities would require more than the entire 722-bed capacity of the new hospital. However, I am told that now, largely because of a high death rate on Bataan and during the occupation, this is not the case. It is a sad fact that as a result of the lack of medicines and treatment in the Philippines in those dark days so many died that there remain fewer disabled to be cared for than we anticipated.

It is now understood that of about 630 patients in the 722-bed hospital the needs of approximately 200 could be met by outpatient treatment, which unfortunately our original law did not provide.

If outpatient treatment were provided, based on careful screening of patients, over 300 beds as well as much of the fine equipment and other facilities would be available beyond the needs of the veterans for whom we are responsible. The Philippine Government should not be restricted in their use of these facilities.

It was one of the last wishes of President Magsaysay that these facilities could be made available for Philippine veterans not presently eligible and to provide a great medical research and training center badly needed in the Philippines. Except for beds actually used for VA patients, no other expense would accrue to the United States. It is simply a matter of removing present restrictions to give the Philippine Government a free hand.

The original intent of our 1948 law would remain inviolate as those service-connected veterans for whom we have assumed responsibility would continue to have top priority in the new hospital.

Mr. Speaker, it is my hope that this body will see fit to carry out the last wishes of our great friend in Asia whose passing, as was said of Abraham Lincoln, was—

As when a lordly cedar, green with boughs,
Goes down with a great shout upon the hills,
And leaves a lonesome place against the sky.

The bill is as follows:

A bill to provide for more effective utilization of the Veterans Memorial Hospital at Manila, to strengthen the program of medical care and treatment for certain Filipino veterans who served with the Army of the United States during World War II, and for other purposes

Be it enacted, etc., That the act of July 1, 1948, as amended (50 App. U. S. C. 1991–1996), is hereby amended to read as follows:

"For the purposes of this act the term—

"(1) 'veterans' means persons who served in the organized military forces of the Government of the Commonwealth of the Philippines while such forces were in the service of the Armed Forces of the United States pursuant to the military order of the President of the United States, dated July 26, 1941, including among such military forces organized guerrilla forces under commanders appointed, designated, or subsequently recognized by the commander in chief, Southwest Pacific area, or other competent authority in the Army of the United States, and who were discharged or released from such services under conditions other than dishonorable;

"(2) 'service-connected disabilities' means disabilities determined by the Veterans' Administration under laws which it administers to be connected with the service described in (1) above.

"SEC. 2. The President may assist the Republic of the Philippines in providing medical care and treatment for veterans who are in need thereof for service-connected disabilities, through grants to reimburse the Republic of the Philippines for expenditures incident to such hospitalization, for a period not to exceed 10 consecutive years beginning with calendar year 1950. The total for such grants for any one calendar year shall not exceed the following amounts: for any year prior to 1955, $3,285,000; for 1955, $3,000,000; for 1956, $2,500,000; for 1957, $2,000,000; for 1958, $1,500,000; and for 1959, $1,000,000.

"SEC. 3. (a) The program of assistance provided by section 2 of this act may be modified by agreement between the United States and the Republic of the Philippines with respect to any period commencing on and after the date of enactment of this section as follows: In lieu of grants to reimburse the Republic of the Philippines for expenditures incident to hospitalization, the Veterans' Administration may afford hospital care in the Republic of the Philippines at any time to veterans determined by the Veterans' Administration to be in need thereof for service-connected disabilities. When such hospital care is afforded in the Veterans Memorial Hospital, the Veterans' Administration shall pay to the Republic of the Philippines a per diem rate jointly agreed by the two governments to be fair and reasonable for each day of hospital care afforded under this section. The Veterans' Administration also may contract with any other hospital in the Philippines to afford such hospital care if the Administrator of Veterans' Affairs determines that the use of such other hospital would be advantageous.

"(b) In addition to hospital care afforded pursuant to subsection (a) hereof, the Veterans' Administration may afford outpatient treatment for veterans determined by it to be in need thereof for service-connected disabilities under the conditions and subject to the limitations on outpatient treatment applicable generally to beneficiaries under Veterans' Administration Regulation No. 7 (a), as amended, through facilities maintained by the Veterans' Administration in the Philippines or by contracting for such treatment.

"(c) The existing agreement between the United States and the Republic of the Philippines respecting the use of the Veterans Memorial Hospital at Manila may be modified by agreement between the two countries to provide for the use by the Republic of the Philippines of the beds and equipment in that hospital in excess of those required for the hospitalization of veterans for service-connected disabilities in such manner as the Republic of the Philippines determines would afford the best utilization of such facilities. Such modified executive agreement if entered into shall specify, however, that priority of admission and retention in such hospital shall be accorded veterans needing hospitalization for service-connected disabilities.

"SEC. 4. The President may from time to time prescribe such rules and regulations and impose such conditions on the receipt of benefits under this act as may be necessary to carry out the provisions of this act; and he may delegate in whole or in part the authority conferred upon him by this act to any officer or officers of the United States.

"SEC. 5. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act."

SEC. 2. The amendments made by the first section of this act shall not affect the availability and use of appropriations heretofore made for the purposes of the act of July 1, 1948, as it existed prior to enactment of this amendatory act.

THE CITY OF CHICAGO

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. O'HARA] is recognized for 10 minutes.

Mr. O'HARA of Illinois. Mr. Speaker, at the suggestion of our beloved dean of the Illinois delegation, the Honorable THOMAS J. O'BRIEN, I am calling the attention of the House to another great honor that has come to the city of Chicago. The magazine Look has conducted a survey of the cities in the United States that during the last year have made the greatest advance in improvement of housing conditions and a distinguished jury selected by that publication has just named Chicago as among the nine cities of the Nation to receive its 1956 Community Home Achievement award.

The award winning cities are Baltimore, Chicago, Indianapolis, Little Rock, Memphis, Norfolk, Rochester, Seattle, and Shreveport. Honorable mention goes to Dayton, Dallas, Clarksville, Los Angeles, Perth Amboy, St. Louis, and Washington Terrace, Utah.

The award given to the city of Chicago reads:

Chicago: The metropolis kept changing—for the better. It created a new planning department, to implement its plan Atlas, a master plan for future growth. It launched six new slum-clearance projects. The law department put the heat on slum landlords. Result: A sixfold increase in convictions of housing-code violators. Mayor Richard Daley proclaimed 1956 as Home Improvement Year. Greater Lawndale alone spent $1½ million on home betterment. The 35 community conservation groups continued their work.

Mr. Speaker, when I visited Los Angeles in December of 1955 with the Rains housing subcommittee the witnesses at our hearings stressed what Los Angeles was doing in the way of enforcement of its building ordinance. Los Angeles was doing a great job and our committee properly was impressed with what was being done there in the administration of our former colleague, the Honorable Norris Poulson, now the mayor of Los Angeles.

But in the awards voted by the distinguished judges elected by Look magazine, Chicago is given a higher award than that voted to Los Angeles, which itself has done a terrifically good job and receives honorary mention. It will be noted that in the reasons for Chicago's selection among the top nine American cities is the heat that has been put on slum landlords by Mayor Daley and Corporation Counsel John C. Melaniphy and his able staff.

The Chicago delegation feels a great sense of pride in bringing to the attention of the House and to the people of the country this most recent evidence of the giant strides Chicago is making under the dynamic leadership of Mayor Richard D. Daley. I am especially proud because the Honorable John C. Melaniphy, the corporation counsel, whose office has so vigorously prosecuted violators of the housing code with an all-time record of sixfold increase in convictions, comes from the great Second District of Illinois.

HIGH COST OF THE EASTER EGG

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, today, April 15, can be said to be Federal income-tax day throughout the United States. Midnight tonight is the last moment for the people of the United States to file their Federal income-tax returns without penalty. Sunday, April 21, is Easter Sunday. It is celebrated by Christians all over the Nation. In addition to its serious significance, Easter day is a happy time for children in every community in the United States, who have come to associate their fun and pleasure with the so-called "Easter Egg."

In view of these facts and the closeness of these two dates, it is of serious interest to have a close look at this so-called "Easter Egg." Aside from its many painted colors that make it attractive to children and its wonderful qualities as a food, the Easter egg is becoming a very expensive pleasure.

In addition to his income taxes, Mr. John Q. Taxpayer is burdened with taxes he is vaguely aware of, such as Federal excise taxes added to the price of many products he purchases. In fact, there are many tax levies regarding which he knows nothing. These are known as hidden taxes.

According to some statistics on these hidden taxes assembled by the Tax Foundation, a private nonprofit research organization, it is disclosed there are over 100 hidden taxes on 1 hen's egg. Little do the children know, as they search for their Easter eggs, that the egg they find is actually a little gold nugget. Little do they know the money this egg has cost their parents in the nature of taxes. Without a doubt, there

is even a tax on the colors used for coloring the eggs.

But the Easter egg is not alone. A man's Easter suit has over 116 hidden taxes and that Easter bonnet that means so much to every feminine, whether she be 10 or a hundred on Easter morning, has over 150 hidden taxes.

And so it is, Mr. Speaker. And Easter Sunday is becoming an expensive day along with all of the rest throughout the year. In fact, I have just learned a very enterprising study is being made on ways and means of placing a tax on the air which we breathe.

A SALUTE TO FRANKLIN, KY.

Mr. NATCHER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. NATCHER. Mr. Speaker, the Kentucky Chamber of Commerce on April 10 named Franklin, Ky., the outstanding community of the group II cities. Group II cities are those with a population of more than 3,500, and an award of $1,000 donated by the Kentucky Utilities Co. was accepted by Mrs. Nell James, president of the Business and Professional Women's Club of Franklin.

The progressive small city of Franklin located in the heart of a fine agricultural section of south central Kentucky, served by the Louisville & Nashville Railroad Co. and bisected by Highway United States 31W, has good schools, nice homes, many churches and wide tree-shaded streets, but the citizens decided that all of this was not enough. More would have to be done to make Franklin progressive enough to give the young people an interesting future at home. Franklin went to work.

An outstanding businessman, Paul Massey, was drafted for mayor. He was backed by a strong council, an excellent chamber of commerce, and the people of Franklin. The struggle was half won. Interest was maintained in large part and progress reported by the fine articles and editorials in the newspaper, the Franklin Favorite, edited and published by L. L. Valentine, and by radio station WFKN. The industrial development board of the Franklin Chamber of Commerce became quite active in planning and building for the future. On their advice, land well located was purchased and held for industrial development.

Today Franklin can boast of new school buildings, new street-lighting projects, good hospital, improvement and modernization of existing businesses and new industry and expanding business along many lines.

Franklin has found in preparing a place of interest for her children that it has also become interesting to people outside of Franklin.

May the Commonwealth of Kentucky develop more cities with the spirit shown by Franklin. Not only will those cities become stronger and more progressive but in turn they will strengthen their counties and our great State.

CREDIT UNIONS HELP SMALL BUSINESS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, on last Thursday, April 11, I brought to the attention of the House the proposal made by Mr. Edward T. McCormick, president of the American Stock Exchange, to the bankers of Wall Street, that they, the bankers, should appoint a special committee to study the credit problems of small business. Mr. McCormick proposed that the bankers should be ready to advise the small-business men and should help in providing equity capital to them. I was happy to commend Mr. McCormick's proposal and to repeat that which we have said repeatedly, that the Select Committee on Small Business is anxious to have the cooperation of the banks, the insurance companies, Government agencies, and all others who are interested in this problem of credit for small business. Our committee is, and has been for some time, laboring with this problem. Difficult as it is, in every aspect, we are determined to make a real contribution to its solution.

I want to call your attention now to the contributions being made by credit unions to small-business men in need of credit.

I have always been grateful, and will always be grateful, for the opportunity which I was given to sponsor in the House the legislation which provided for the granting of charters to credit unions by the Federal Government. I have been grateful when the leaders of the credit-union movement in the United States turned to me to sponsor legislation, or to present their cause to this House.

A year or so ago we began to seek for facts about the credit facilities which were available to small business. In this work we were offered, now and then, suggestions by representatives of small business. And one of the suggestions which came to us was that credit unions might provide us with a pattern which could be used to develop a credit facility for small business. Some of the leaders of the credit unions then offered to assist us, to assist us without cost to us, and without any reward for themselves. Thus I was interested in the story of Sterling, Colo.

I wish that every Member of this House could get a copy of the credit union magazine, The Bridge, for April, and would then find the time to read the first article published in this issue, the article entitled "Setting Up Small Business." The story is the story of the assistance given by the community credit union in Sterling, Colo., to the small-business men of that city.

Up one street and down another in Sterling—

The writer reports—

you see small-business men who either got into business, or expanded their business, or kept their business through bad times, thanks to the Sterling community credit union.

On another page of the magazine you will find a map of the city of Sterling. Circles are drawn along the streets on this map to present graphically the picture story of the businessmen and the businesses that have been helped by the credit union. It will not be possible to reproduce this map in the RECORD, but I am going to ask that the article be placed in the RECORD at the close of my remarks. And I hope that it will be read and discussed widely.

The story of Sterling is one of the most interesting stories of credit unions and their work. But we have learned, as we have sought for information, that many scores of credit unions throughout the country have been assisting some of their members who are small-business men. Perhaps we have begun to find one of several ways to do a big job.

Mr. Speaker, within a few weeks now there will be organized in four counties in Michigan a countywide credit union made up of the retail gasoline dealers in those four counties. The project has been developed and has been put on paper. The officials of the credit unions will meet in a week or so and will approve the final articles of incorporation and then will ask for a charter from the State of Michigan. The leaders of the Michigan Credit Union League have given of their time and all of their facilities to aid these small-business men. The operation is a pilot-plant operation. Everyone interested is working together, contributing to each other from what they have. They want to know whether the credit-union road is one of the good credit roads for small-business men to take.

I want to refer to one fact as I present this information to the House. The accomplishment of the community credit union in Sterling, Colo., is due, in some part, at least, to the work of H. Vance Austin. I assume that some of you will know Mr. Austin. You will be glad to know that he is now the managing director of the Credit Union National Association at Madison, Wis. When my good friend, Prof. H. B. Yates, a good man and a great man from Texas, resigned as managing director of CUNA a few months ago, Mr. Austin was elected to succeed him. I know that Professor Yates was happy to turn the responsibilities of that office over to his friend, Mr. Austin.

I have wanted to pay tribute to Mr. Yates, and this is an opportunity to do so. He retired from the most important position in CUNA because his health would not permit him to continue in the job. He retired from the teaching profession some years ago, and as he retired he carried with him a tremendous asset of thousands of friends. He did most of the labor in building one of the finest credit unions in Texas, a credit union of teachers. He contributed much to the development of the national organization of credit unions. I am confident he established a record in CUNA which will become an example for his successors. And I know that he had

complete confidence that Mr. Austin would justify the confidence Professor Yates had in him.

SETTING UP SMALL BUSINESSES—THE COMMUNITY CREDIT UNION IN STERLING, COLO., HAS HELPED START A LOT OF MEMBERS IN BUSINESS FOR THEMSELVES, AND BACKED UP OTHERS WHO NEEDED MONEY FOR EXPANSION

Mr. Average Small-Business Man in Sterling, Colo., probably owes his business to the community credit union.

Wilfrid Foxhaven does; he runs a gas transport. Pete Hoppol does; he operates a service station. Wayne Rossen does; he runs an elevator. Elbert Coats does; he's an auto specialist.

Up one street and down another in Sterling you see small-business men who either got in business, or expanded their business, or kept their business through bad times, thanks to the Sterling Community Federal Credit Union.

Last year alone, with loan volume nearly $1 million, the Sterling Credit Union made 87 loans for investments in business ventures. These business loans totaled $210,821. In the past 10 years the credit union's business loans probably totaled more than $1 million.

Some of these small-business men got their credit-union loans after being rejected by the banks. Others have always made a practice of going to the credit union first.

Most of the business loans run around $2,000 to $4,000. But they run as low as $400 and as high as $33,000. Only once has a cosigner had to pay off on a business loan made through the credit union.

This liberal mixture of small business loans helps make the Sterling Credit Union a thriving enterprise. For the past 5 years the directors have declared a 4 percent dividend on shares and for the past 2 years a 10 percent interest refund.

In Sterling's case the power that turns credit union capital into small business finance comes from an aggressive credit committee. It meets two, maybe three, times a week and is "on call" constantly.

A Bridge reporter interviewed some small-business men financed by the credit union. This is what they said:

SET UP FEED GRINDER

James K. (Jim) Lindsey has never borrowed a dollar from a bank, but he owes his business to credit union loans. He's a custom feed grinder, preparing cattle feed and mixing molasses with the native grains which provide Logan County a steady source of income.

In 1948 Lindsey moved into Sterling with a feed grinding gang from Kaw Dehydrating Co. in Topeka, Kans. That winter and the next he worked in Sterling, returning to Topeka in the summers. In the winter of 1950 he decided against moving any more. His son was nearing school age, and Lindsey didn't want to be shuttling the boy in and out of school.

He joined the credit union, his first membership in such an organization, and in the spring of 1950 got a $4,400 loan to buy some used equipment. He started with a 24-inch grinder and little more save plenty of know-how. In the 7 years since he has borrowed another $10,000 and now has a 36-inch grinder, a molasses truck and a fork truck.

Lindsey's work takes ironman endurance. The feedgrinding season is during the winter, when cattle must be fed prepared feeds because snow and ice cover the natural feed. Lindsey either heads a 3-man crew in the fields or works 3 men. This winter he had to take time out and give his health some overdue care, but his credit union-financed grinder has stayed busy.

HAMBURGERS AND MALTS

Mr. and Mrs. Charles Nelson don't have to take the abuse from weather that Jim Lindsey does, but they work long hours the year around in their malt shop. It's a clean, tidy hamburger and frozen-cream stand about a block from a public school and less than a half block from the credit union office.

Charlie Nelson's membership in the Sterling credit union goes back to 1938 when he was a school custodian. He never had done anything but odd jobs until a couple of years ago when he opened a cafe at Holyoke, a small town near Sterling. Then in July 1956 he had a chance to buy the complete stock in the malt shop for $400. The credit union furnished the cash.

Each day at noon the Nelsons are snowed under. It takes the Nelsons and 3 or 4 high school girls to handle the rush of hamburger and malt orders. The hours are long and the work continuous, but Charles Nelson supports six people off the malt shop which the credit union helped him buy.

A WELDING BUSINESS

Rankin Thomas, 53, and his son, Lee Wood, 28, may be well on their way to dominating the important machine shop business in Sterling. Their Palco Welding Works caters to oil business. "We work the oil business pretty good," Lee Wood says, "and we treat the boys good. The steel strike in 1955 pretty near got us, but Mr. Poole carried us. We couldn't make our payments."

Lee Wood arrived in Sterling from Palco, Kans., March 21, 1954, and worked as a welder, a trade he had learned from his dad. Lee traded in his car for his first welding truck, and Palco Welding Works was formed soon after.

In December 1954, Lee got a $300 credit union loan to make a downpayment on a house. Then he borrowed $4,800 to buy another truck and complete welding rig.

Now Palco Welding Works has 4 trucks and 5 welders. The father-son team owns its building, has about $35,000 invested in machinery and is looking for the long, steady haul which will help them pay back the credit union. Lee Wood puts it, "To me the credit union is run by a bunch of honest people. They care what happens to you."

Mrs. Ila Strunk's work tools are scissors and hair dryers instead of blow torches and wire pliers. She operates one of Sterling's largest beauty shops in the same location where she has been 21 years. When the Bridge reporter visited her she had just a week ago installed five new hair dryers. A $1,200 credit union loan paid for them.

Mrs. Strunk and her husband joined the credit union in 1947. Since then she has borrowed a total of $2,330 to keep her four-booth shop among the town's best. It gives Charlie Poole particular pleasure to okay Mrs. Strunk's loan applications because she graduated from Sterling High School under him when he was high school principal and before he entered credit union work.

EXPANDING A MOTOR COURT

William (Bill) Venohr runs the Plaza Motor Courts directly across the street from the credit union office. The Bridge reporter called on him in February, the slowest month of the year for Venohr's 24-unit court. He carried the smell of fresh paint from his workshop where he was tending to midwinter maintenance.

Bill Venohr was born and raised in Watlersdorf, Germany. His father was a member of the village Raiffeisen Verein (society), the forerunner of the credit union. Young Venohr came to this country and became a livestock buyer for Armour & Co. That work eventually settled him in Sterling, where in 1950 he entered the motel business.

"Sterling is a good resting place," Venohr explains. A credit union loan didn't put him in the motel business, but an $18,000 loan from the credit union helped him consolidate some debts and begin a remodeling program which has made his motel one of the finest on United States Highway 138.

Those five striving businesses show why the Sterling Credit Union holds such prestige in its community. Small-business men have found it a source of dependable and convenient credit.

The Sterling Community Federal Credit Union was chartered July 21, 1938, with $90 assets. Originally the credit union was suggested for the First Methodist Church, but the then pastor disliked the suggestion and blunted that effort. The credit union originated as a cooperative enterprise, but was soon changed to a community type. As such it serves virtually all of Logan County, where approximately 25,000 people live in an area just larger than the State of Delaware. Any Logan County citizen is eligible for membership.

The credit union's membership reached 2,431 on December 31, 1956. Members' savings stood at $1,239,841.18 on the same date—another steadily climbing figure. Last year the average loan, including loans for all purposes, was $842.45 and an average shareholding was $510.

OIL ADDS TO GROWTH

In number of loans made and amounts loaned, however, the credit union has had a brief spurt and is now leveling off. Oil, with its multiple economic blessings and problems, hit Logan County in a commercial way in 1952. Oilworkers, eager for local credit, swarmed into town and the credit union started answering their needs.

One big loan item in the early 1950's was house trailers. Also, new houses for the newly prosperous, real estate money for investors and home improvements for the established. Credit union loan volume jumped from $889,949.25 in 1952 to $1,021,500.36 in 1953 and to an alltime high of $1,022,885.81 in 1954. Total income, total expenses and net income kept pace with the growth.

TRAILERS WERE TROUBLE

Sterling's sudden spurt has slowed now, and the credit union has simmered down somewhat. Its loan volume last year, for instance, was $994,937.30, or about $25,000 below the record 1054. Of the money loaned last year $680,075.91 was to members on 830 applications, $219,500 was to other credit unions and $375,000 was invested in savings and loan associations.

Several things caused the slackening-up in loan volume, Treasurer-Manager Poole says. "For one thing we began watching the loans a little closer. We got hurt on a few of those trailer house loans. We would lend a guy money on a trailer and he'd make one payment. The next month we would get a letter from him in Casper, Wyo., or somewhere else. For another thing the banks began liberalizing their loan policy. A new industrial bank was just starting, and they got some of our customers. Also the oil boom slowed down a bit, and crops didn't come in too well."

Despite the oil development, Logan County was and still is principally an agricultural area. Its big money crops in order of total value are wheat, sugar beets, barley, corn, alfalfa, field beans, oats, sorghums, millets, and wild hay.

Stock feeding pumps money steadily into the county and city economy. Cattle feeding is estimated to be a $20 million annual enterprise, with some 80,000 head fattened annually in feed lots. With 623,761 acres of grazing land and 31,281 head of range cattle, Logan County is Colorado's second largest livestock producer.

By official count Sterling's 1950 population was 7,538. The 1952 city directory put the figure at 9,652, and a 1955 estimate was 12,500. Bank deposits, building permits, postal receipts and retail sales have shown similar gains.

The credit union not only kept pace with the county's growth, but actually anticipated and preceded it. From 1938 to 1948 the

credit union did business from a small downtown location. After the building owner gave notice that she intended to remodel the building and raise the rent considerably, the credit union sacrificed its downtown location for more room and a home of its own. Charlie Poole, Fidele Guenzi, and Louie Rieke, three longtime members, bought a plot of land about eight blocks from the business center and constructed a small masonry building for the credit union home. The credit union rents its space, a central office with handy counter and ample room for the desks of Poole, an assistant treasurer, and two secretaries, plus a directors' conference room.

IT'S CONVENIENT

As a convenient place to do business, the Sterling Community Federal Credit Union is a model. About 95 percent of its business is done across the counter, with the other 5 percent by mail. Office hours are 9 to 5:30 daily and 9 to noon Saturday. On the average day, between 60 and 75 persons will come in to make a share deposit, a loan payment, or both. In its 19-year history the credit union has made loans ranging from $10 to $33,000.

There's only one Negro family in Sterling, and they are longtime credit-union members. There are a number of Spanish-American families, and many of them have credit union-financed homes or cars.

TWO CREDIT COMMITTEES

The board of directors has made some bylaw changes to keep pace with the credit-union's growth. For one, they rescinded a former rule which limited a man to serving two 2-year terms in succession in any one office. Too much talent and enthusiasm and willing work potential was lost as a result of that rule, they felt. Now Rieke, the credit committee chairman, is serving his third term. Interestingly, every member of the credit committee is a former chairman of that group, and the credit committee has alternate members who meet with the regular committee on call.

Whether it's a farmer wanting to buy feed for his hogs or a businessman wanting to expand his firm, each loan applicant gets personal and confidential consideration. Either Treasurer-Manager Poole or his assistant, Carl Waltz, meets with the applicant in the separate conference room. Either Treasurer-Manager Poole or his as- "we try to dispel the idea that a credit union is just another lending agency. We point out the democratic fact that the credit union is owned by the members and that no man has more than one vote in its control. We don't find the 1 percent per month interest rate hard to explain, because we talk in terms of how much is the money going to cost the borrower. We will show him that we can lend him money cheaper than somebody else, or we'll show the borrower that he can get his money cheaper somewhere else if that is true."

WANTS HIGHER LIMIT

Poole believes that the $400 Federal limit on signature loans is outdated. He would have the limit raised to $1,000. "After all," he argues, "when you lend more, you're depending on the cosigner. If you can depend on him, you ought to be able to depend on the borrower." Also, Poole believes that his credit union has lost some loans because of the 3-year repayment limit, and he would raise that limit to 5 years.

Not only does the credit committee meet as often as necessary, with either Poole or Waltz meeting with them, but board of directors meetings are held subject to call. The Sterling Credit Union has no educational committee as such, but the board of directors takes that as part of its job.

THE AUDITING PROBLEM

"The weak link in our chain, and I don't think we're unusual," Poole says, "is our supervisory committee. Not that we don't have good members, but it is just impossible to get them to make an audit more often than quarterly. Oh, it might do some good to have one of the credit committee members move over to the supervisory committee, but we feel that our first job is to get the money back to the members, and that certainly is what our credit committee does."

No small part of the Sterling Credit Union's success is attributed to its advertising and educational program. Last year that took a $1,645.56 bite out of the total expenses of $29,749.73. Much of the advertising money went to local newspapers and radio, about $50 per month to newspaper and $300 per year on radio.

The Sterling Credit Union feels strongly about benefits gained from league and national association membership. They spent more than $300 last year on material from CUNA Supply Cooperative, including copies of every release which applied to their problems.

Last year the Sterling Credit Union had $82,804.65 income, including $63,288.14 interest on loans to members, $11,904.17 on investments in savings and loan associations, $5,783.38 on loans to other credit unions and $1,828.96 on other income.

One feature of the credit union which Poole likes to mention is its family membership. Some families run as high as 15 or 20 members, each with a savings account. And there are a couple of proud grandfathers who see that each grandchild gets a $5 account the day he is born. "You can't beat membership like that," Poole boasts.

The Sterling Community Federal Credit Union is a model of how well a credit union can serve a community's needs. In the process it has hung at least one record: It was the first Federal community type credit union in the United States to reach the $1 million mark in assets.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. KEARNEY (at the request of Mr. ARENDS) for the week on account of official business.

To Mr. SADLAK (at the request of Mr. MARTIN) to May 6 on account of official business attending council meeting, Interparliamentary Union, Nice, France.

To Mr. MULTER (at the request of Mr. SISK) for the balance of the week on account of official business.

To Mr. KEATING from April 8 to April 19, inclusive, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. BAILEY, for 20 minutes, on Thursday next.

Mrs. ROGERS of Massachusetts, for 10 minutes, today, on a bill she introduced today, and for 5 minutes today on another subject, and to revise and extend her remarks and include extraneous matter; also for 5 minutes on tomorrow.

Mr. O'HARA of Illinois, for 10 minutes today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. GATHINGS and to include extraneous matter.

Mr. MCGOVERN (at the request of Mr. NATCHER) and to include a speech by Senator HUMPHREY.

Mr. MCGREGOR and to include extraneous matter.

Mr. NEAL.

Mr. WILSON of Indiana.

Mr. PORTER in three instances and to include extraneous matter.

Mr. HOSMER to include two editorials in his remarks on Pan American Day.

Mr. MAHON to revise and extend his remarks and include extraneous matter.

Mr. MULTER (at the request of Mr. BOLAND) in two instances and to include extraneous matter.

Mr. GARMATZ (at the request of Mr. BOLAND).

Mr. ZELENKO (at the request of Mr. BOLAND).

Mr. VAN ZANDT in two instances.

Mr. REES of Kansas and to include extraneous matter.

Mr. BYRD and to include extraneous matter.

Mr. THOMPSON of New Jersey.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 126. An act for the relief of Ljubischa Nikolich; to the Committee on the Judiciary.

S. 130. An act for the relief of Frosso Spiliotou; to the Committee on the Judiciary.

S. 161. An act for the relief of Elias Youssef Mikhael (Ellis Joseph Michael); to the Committee on the Judiciary.

S. 248. An act for the relief of Herta Kubelle Shields; to the Committee on the Judiciary.

S. 249. An act for the relief of Theodora Hegeman; to the Committee on the Judiciary.

S. 251. An act for the relief of Edith Elisabeth Wagner; to the Committee on the Judiciary.

S. 253. An act for the relief of Josef Michael Adolf; to the Committee on the Judiciary.

S. 257. An act for the relief of Petronella Elisabeth Deimbeck Major; to the Committee on the Judiciary.

S. 268. An act to provide that the Secretary of the Army shall return certain mineral interests in land acquired by him for flood-control purposes to the former owners of such land; to the Committee on Public Works.

S. 368. An act for the relief of Jose Medina-Chavez (Joe Medina); to the Committee on the Judiciary.

S. 385. An act to authorize the training of Federal employees at public or private facilities, and for other purposes; to the Committee on Post Office and Civil Service.

S. 438. An act for the relief of Paul Er (Ear) Chen and Lydia Chen, nee Shih Ming Chung; to the Committee on the Judiciary.

S. 528. An act for the relief of Nicolaos Papathanasiou; to the Committee on the Judiciary.

S. 560. An act for the relief of Alec Ernest Sales; to the Committee on the Judiciary.

S. 570. An act for the relief of Jeannine Therriaud Grantham; to the Committee on the Judiciary.

S. 771. An act for the relief of Rebecca Erriete Mustacchi; to the Committee on the Judiciary.

S. 973. An act for the relief of Yun Wha Yoon Holsman; to the Committee on the Judiciary.

S. 987. An act for the relief of Leonardo Finelli; to the Committee on the Judiciary.

S. 998. An act to amend the act of June 4, 1953 (67 Stat. 41), and for other purposes; to the Committee on Interior and Insular Affairs.

S. 1171. An act for the relief of Harry Siegbert Schmidt; to the Committee on the Judiciary.

S. 1192. An act for the relief of Irma B. Poellmann; to the Committee on the Judiciary.

S. 1202. An act for the relief of Arsene Kavoukdjian (Arsene Kavookjian); to the Committee on the Judiciary.

S. 1203. An act for the relief of Lydia Anne Foote; to the Committee on the Judiciary.

S. 1212. An act for the relief of Evangelos Demetre Kargiotis; to the Committee on the Judiciary.

S. 1346. An act for the relief of Jane Bailey (nee Jane Dzun Ma); to the Committee on the Judiciary.

S. 1360. An act for the relief of Mrs. Geraldine Elaine Sim; to the Committee on the Judiciary.

S. 1412. An act to amend section 2 (b) of the Performance Rating Act of 1950, as amended; to the Committee on Post Office and Civil Service.

S. 1521. An act to exempt persons appointed to student trainee positions from the provisions of section 9 of the Civil Service Act prohibiting the employment in the classified service of more than two members of the same family; to the Committee on Post Office and Civil Service.

S. 1832. An act to authorize the appointment of one additional Assistant Secretary of State; to the Committee on Foreign Affairs.

S. Con. Res. 24. Concurrent resolution authorizing the printing of additional copies of S. R. 139, entitled "Technical Assistance"; to the Committee on House Administration.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2367. An act to establish a deferred grazing program as part of the relief available to drought-stricken areas under Public Law 875, 81st Congress, and for other purposes;

H. R. 4271. An act to provide that the Delegate from Alaska in the House of Representatives of the United States may be a member of the Alaska International Rail and Highway Commission;

H. R. 6092. An act granting the consent and approval of Congress to the Merrimack River Flood Control Compact; and

H. J. Res. 279. Joint resolution authorizing the procurement of an oil portrait and marble bust of the late Chief Justice Fred M. Vinson.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 72. Joint resolution to implement further the act of July 15, 1946, by approving the signature by the Secretary of the Treasury of an agreement amending the Anglo-American Financial Agreement of December 6, 1945.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 2367. A bill to establish a deferred grazing program as part of the relief available to drought stricken areas under Public Law 875, 81st Congress, and for other purposes;

H. R. 4271. A bill to provide that the Delegate from Alaska in the House of Representatives of the United States may be a member of the Alaska International Rail and Highway Commission;

H. R. 6092. A bill granting the consent and approval of Congress to the Merrimack River Flood Control Compact; and

H. J. Res. 279. Joint resolution authorizing the procurement of an oil portrait and marble bust of the late Chief Justice Fred M. Vinson.

ADJOURNMENT

Mr. O'HARA of Illinois. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 46 minutes p. m.), under its previous order, the House adjourned until tomorrow, April 16, 1957, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

735. A letter from the Assistant Secretary of the Interior, transmitting a report and findings on the San Angelo project, Texas, pursuant to section 9 (a) of the Reclamation Project Act of 1939 (53 Stat. 1187) (H. Doc. No. 151); to the Committee on Interior and Insular Affairs and ordered to be printed with illustrations.

736. A letter from the Assistant Secretary of Agriculture, transmitting a report for the month of March relating to the cooperative program of the United States with Mexico for the control and eradication of foot-and-mouth disease, pursuant to section 3 of Public Law 8, 80th Congress; to the Committee on Agriculture.

737. A letter from the Assistant Secretary of Agriculture, transmitting a notice of the intention of the Department of the Army and the Department of Agriculture to interchange jurisdiction of military and national forest lands, pursuant to Public Law 804, 84th Congress; to the Committee on Agriculture.

738. A letter from the Secretary of the Navy transmitting a draft of proposed legislation entitled "A bill to authorize the transfer of naval vessels to friendly foreign countries"; to the Committee on Armed Services.

739. A letter from the Director of Research and Development, Department of the Army, transmitting a report on Department of the Army research and development contracts for $50,000 or more which were awarded during the period July 1 to December 31, 1956, pursuant to Public Law 557, 82d Congress; to the Committee on Armed Services.

740. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting the annual report of operations for the calendar year 1956, pursuant to section 17 (a) of the Federal Deposit Insurance Act; to the Committee on Banking and Currency.

741. A letter from the Secretary of Health, Education, and Welfare, transmitting a report on a contract between the United States of America and the Board of County Commissioners of Bernalillo County, State of New Mexico, and the board of trustees of the Bernalillo County Hospital, pursuant to Public Law 568, 83d Congress; to the Committee on Interstate and Foreign Commerce.

742. A letter from the Acting Secretary of the Interior transmitting a draft of proposed legislation entitled "A bill to establish uniform procedures relating to the acquisition of non-Federal land for purposes of the national park system, and for other purposes"; to the Committee on Interior and Insular Affairs.

743. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill for the relief of Madame Henriette Buaillon and Stanley James Carpenter"; to the Committee on the Judiciary.

744. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting additional material relative to the case of Shien Woo Kung, A-10067345, involving the provisions of section 6 of the Refugee Relief Act of 1953, and requesting that it be returned to the jurisdiction of this Service; to the Committee on the Judiciary.

745. A letter from the Assistant Secretary of the Interior, transmitting part II of House Document No. 94 which was submitted on February 12, 1957, by the Secretary of the Interior, relating to a report with respect to the present status of negotiations with prospective purchasers of the falling water to be produced by the Trinity River division of the Central Valley project, pursuant to Public Law 386, 84th Congress; to the Committee on Interior and Insular Affairs, and ordered to be printed as part II of House Document No. 94, 85th Congress.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House April 11, 1957, the following bills were reported on April 12, 1957:

Mr. CANNON: Committee on Appropriations. H. R. 6870. A bill making appropriations for the fiscal year ending June 30, 1957, and for other purposes; without amendment (Rept. No. 350). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROONEY: Committee on Appropriations. H. R. 6871. A bill making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes; without amendment (Rept. No. 351). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, pursuant to the order of the House of April 11, 1957, the following bills were introduced on April 12, 1957:

By Mr. CANNON:

H. R. 6870. A bill making appropriations for the fiscal year ending June 30, 1957, and for other purposes.

By Mr. ROONEY:

H. R. 6871. A bill making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes.

[*Introduced and referred April 15, 1957*]

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HARRIS:

H. R. 6872. A bill to provide for the development and modernization of the national system of navigation and traffic-control facilities to serve present and future needs of civil and military aviation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WOLVERTON:

H. R. 6873. A bill to provide for the development and modernization of the national system of navigation and traffic-control facilities to serve present and future needs of civil and military aviation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HARRIS:

H. R. 6874. A bill to amend the provisions of the Public Health Service Act relating to grants for construction of research facilities so as to increase their duration from 3 to 5 years and to authorize grants for medical and dental teaching facilities; to the Committee on Interstate and Foreign Commerce.

By Mr. WOLVERTON:

H. R. 6875. A bill to amend the provisions of the Public Health Service Act relating to grants for construction of research facilities so as to increase their duration from 3 to 5 years and to authorize grants for medical and dental teaching facilities; to the Committee on Interstate and Foreign Commerce.

By Mr. KEATING:

H. R. 6876. A bill to exempt certain aspects of professional team sports from the antitrust laws; to the Committee on the Judiciary.

By Mr. BYRNES of Wisconsin:

H. R. 6877. A bill to exempt certain aspects of professional team sports from the antitrust laws; to the Committee on the Judiciary.

By Mr. BEAMER:

H. R. 6878. A bill to amend the Merchant Marine Act, 1936, in order to authorize Federal ship-mortgage insurance for fireboats; to the Committee on Merchant Marine and Fisheries.

By Mr. BENNETT of Michigan:

H. R. 6879. A bill to regulate the foreign commerce of the United States by establishing quantitative restrictions on the importation of hardwood plywood; to the Committee on Ways and Means.

H. R. 6880. A bill to provide that certain annuity payments, if waived, shall not be counted as income for the purposes of laws administered by the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. BROOMFIELD:

H. R. 6881. A bill to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Boy Scouts of America for use at the "Gold Rush '57" Jamboree of the Boy Scouts of America, and for other purposes; to the Committee on Armed Services.

By Mr. CHAMBERLAIN:

H. R. 6882. A bill to further amend the Agricultural Adjustment Act of 1938, as amended, to exempt certain wheat producers from liability under the act where all the wheat crop is fed or used for seed on the farm, and for other purposes; to the Committee on Agriculture.

By Mr. COLE:

H. R. 6883. A bill to adjust the tax rates on light sparkling wines in relation to those imposed on other wines; to the Committee on Ways and Means.

By Mr. DOYLE:

H. R. 6884. A bill for the establishment of a National Outdoor Recreation Resources Review Commission to study the outdoor recreation resources of the public lands and other land and water areas of the United States, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. EBERHARTER:

H. R. 6885. A bill to amend section 218 (d) (3) of the Social Security Act; to the Committee on Ways and Means.

By Mr. ENGLE:

H. R. 6886. A bill to amend the Communications Act of 1934 to authorize, in certain cases, the issuance of licenses to noncitizens for the operation of radio stations on aircraft; to the Committee on Interstate and Foreign Commerce.

By Mr. GUBSER:

H. R. 6887. A bill to permit one-half of the budget surplus for any fiscal year to be applied against the public debt and to provide that one-half of such surplus shall be applied as tax credits against individual income taxes; to the Committee on Ways and Means.

By Mr. HARRIS:

H. R. 6888. A bill to amend the Trading With the Enemy Act, as amended, and the War Claims Act of 1948, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. HARVEY:

H. R. 6889. A bill to provide a minimum initial program of tax relief for small business and for persons engaged in small business; to the Committee on Ways and Means.

By Mr. HASKELL:

H. R. 6890. A bill to provide for the development and modernization of the national system of navigation and traffic control facilities to serve present and future needs of civil and military aviation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HAYS of Arkansas:

H. R. 6891. A bill to amend the Employment Act of 1946 as amended so as to establish a National Development Priorities Council; to the Committee on Government Operations.

By Mr. HUDDLESTON:

H. R. 6892. A bill to amend Public Law 874, 81st Congress, relating to assistance for the operation of schools in federally affected areas, to provide such assistance with respect to certain Federal activities at publicly owned airports; to the Committee on Education and Labor.

By Mr. JENSEN:

H. R. 6893. A bill authorizing the restoration of Carter Lake, Iowa and Nebraska, in the interest of water conservation and recreation; to the Committee on Public Works.

By Mr. KARSTEN:

H. R. 6894. A bill to amend the Tariff Act of 1930 as it relates to unmanufactured mica and mica films and splittings; to the Committee on Ways and Means.

H. R. 6895. A bill to discharge more effectively obligations of the United States under certain conventions and protocols relating to the institution of controls over the manufacture of narcotic drugs, and for other purposes; to the Committee on Ways and Means.

By Mrs. KNUTSON:

H. R. 6896. A bill to ratify and confirm conveyances of allotted land on the White Earth Reservation in Minnesota by fullblood Indians, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 6897. A bill to provide that persons who have filed petitions for naturalization may be employed as doctors in the Medical Service of the Department of Medicine and Surgery of the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. LENNON:

H. R. 6898. A bill to provide for the conveyance of certain surplus property of the United States to Cumberland County, N. C.; to the Committee on Government Operations.

By Mr. LESINSKI:

H. R. 6899. A bill to provide that the compensation of star route, panel body, and mail messenger contractors shall be increased if their costs are increased because of a Federal or State statute, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. McCARTHY:

H. R. 6900. A bill to amend section 206 of the Legislative Reorganization Act of 1946, so as to enable the Comptroller General more effectively to assist the Appropriations Committees in considering the budget; to the Committee on Government Operations.

By Mr. McMILLAN:

H. R. 6901. A bill authorizing the participation by the Federal Government in the construction of a 4-lane high-level fixed bridge across the Intracoastal Waterway in the vicinity of Myrtle Beach, S. C.; to the Committee on Public Works.

By Mr. MASON:

H. R. 6902. A bill to regulate the foreign commerce of the United States by establishing quantitative restrictions on the importation of iron and steel wood screws; to the Committee on Ways and Means.

By Mr. MILLER of California:

H. R. 6903. A bill to amend an act authorizing the disposition of lands no longer needed for naval purposes; to the Committee on Armed Services.

By Mr. NATCHER:

H. R. 6904. A bill to amend the Watershed Protection and Flood Prevention Act with respect to measures for erosion control; to the Committee on Agriculture.

By Mrs. ROGERS of Massachusetts:

H. R. 6905. A bill to provide for more effective utilization of the Veterans Memorial Hospital at Manila, to strengthen the program of medical care and treatment for certain Filipino veterans who served with the Army of the United States during World War II, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. SIKES:

H. R. 6906. A bill to determine the need for a small boat channel from the port of Panacea, Fla., into Apalachee Bay; to the Committee on Public Works.

By Mr. SIMPSON of Illinois:

H. R. 6907. A bill to provide for the District of Columbia an appointed governor and lieutenant governor, and an elected legislative assembly and nonvoting Delegate to the House of Representatives, and for other purposes; to the Committee on the District of Columbia.

By Mr. TEAGUE of Texas:

H. R. 6908. A bill to authorize modification and extension of the program of grants-in-aid to the Republic of the Philippines for the hospitalization of certain veterans, to restore eligibility for hospital and medical care to certain veterans of the Armed Forces of the United States residing in the Philippines, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. TELLER:

H. R. 6909. A bill to establish a system for the classification and compensation of scientific and professional positions in the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. THOMPSON of New Jersey:

H. R. 6910. A bill to amend the Agricultural Marketing Agreement Act of 1937, as amended, to include cranberries for canning or freezing; to the Committee on Agriculture.

H. R. 6911. A bill to amend the public assistance provisions of the Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. ZELENKO:

H. R. 6912. A bill to amend the Internal Revenue Code of 1954 to provide an income tax deduction for depletion of human resources; to the Committee on Ways and Means.

By Mr. AVERY:

H. R. 6913. A bill to authorize the Secretary of the Army to make payment to owners and tenants of land acquired for Tuttle Creek Reservoir, Missouri River Basin, for certain business losses; to the Committee on Public Works.

By Mr. CURTIS of Massachusetts (by request):

H. R. 6914. A bill to amend title 28 of the United States Code relating to actions for infringements of copyrights by the United States; to the Committee on the Judiciary.

By Mr. SCUDDER:

H. R. 6915. A bill to adjust the tax rates on light sparkling wines in relation to those imposed on other wines; to the Committee on Ways and Means.

By Mr. COLE:

H. J. Res. 309. Joint resolution proposing an amendment to the Constitution of the United States relating to the inability of the President to discharge the powers and duties of his office; to the Committee on the Judiciary.

By Mr. PELLY:

H. Con. Res. 163. Concurrent resolution expressing the sense of the Congress that the Atomic Energy Commission should establish an experimental nuclear reactor in the State of Washington; to the Joint Committee on Atomic Energy.

By Mr. FLOOD:

H. Res. 233. Resolution directing the United States Tariff Commission to make certain investigations of imports of residual fuel oil; to the Committee on Ways and Means.

By Mr. HOLLAND:

H. Res. 234. Resolution to request the President to request the resignation of Postmaster General and to designate an experienced official to temporarily discharge the duties of Postmaster General; to the Committee on Post Office and Civil Service.

By Mr. LANE:

H. Res. 235. Resolution to provide that the Committee on Education and Labor shall conduct investigation and study of discrimination in employment against persons 40 or more years of age; to the Committee on Rules.

By Mr. BOSCH:

H. Res. 236. Resolution creating a committee to conduct an investigation and study the plight of the Transylvania-Saxons; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. BERRY: Memorial of the Senate of the State of South Dakota in the 35th legislative session, memorializing Congress to resist the efforts of proponents of centralization of Government to invade the field of education and usurp or encroach upon the right and duty of the people in the local communities to provide for and supervise the education of their children; to the Committee on Education and Labor.

By the SPEAKER: Memorial of the Legislature of the State of South Dakota, memorializing the President and the Congress of the United States to resist the efforts of proponents of centralization of Government to invade the field of education and usurp or encroach upon the right and duty of the people in the local communities to provide for and supervise the education of their children; to the Committee on Education and Labor.

Also, memorial of the Legislature of the State of Arizona, memorializing the President and the Congress of the United States to appropriate funds for the construction of a fish producing and rearing station in Sycamore Canyon, north of Cottonwood, Ariz., and in the area of Bullhead City, Ariz.; to the Committee on Merchant Marine and Fisheries.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to appropriate funds for the purpose of increasing the span of the Fore River bridge in the city of Quincy; to the Committee on Public Works.

Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States to authorize immediate modification of the navigation locks at Bonneville Dam, etc.; to the Committee on Public Works.

Also, memorial of the Legislature of the State of Pennsylvania, memorializing the President and the Congress of the United States to provide adequate safeguards in tariff and trade legislation, etc.; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States to amend the laws limiting the authority of such political subdivisions to issue general obligations bonds so that they may issue such bonds to a limit of 10 percent of the aggregate taxable value of the real and personal property within their corporate limits, etc.; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States that Alaska be granted title to its shorelands, tide and submerged lands, and its inland waters; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States to extend exemptions from Federal income taxation to those new industrial enterprises qualifying under the Alaska Act; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to enact legislation to amend the Servicemen's Readjustment Act of 1944, as amended, to extend the date of expiration for the making of loans thereunder from June 30, 1958, to June 30, 1960; to the Committee on Veterans' Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California (by request):

H. R. 6916. A bill for the relief of Mrs. Evelyn Serrero; to the Committee on the Judiciary.

By Mr. ASHLEY:

H. R. 6917. A bill for the relief of Marianna Giorgianni; to the Committee on the Judiciary.

By Mr. BARRETT:

H. R. 6918. A bill for the relief of Eugenio De Leo; to the Committee on the Judiciary.

H. R. 6919. A bill for the relief of Ezekiel A. Anderson; to the Committee on the Judiciary.

By Mr. BURNS of Hawaii:

H. R. 6920. A bill for the relief of Maria Natividad Ermano Adolfo; to the Committee on the Judiciary.

H. R. 6921. A bill for the relief of Irineo A. Salas; to the Committee on the Judiciary.

H. R. 6922. A bill for the relief of Antonio Sencio; to the Committee on the Judiciary.

By Mr. CRETELLA:

H. R. 6923. A bill for the relief of Meriden Industries Co.; to the Committee on the Judiciary.

By Mr. CUNNINGHAM of Iowa:

H. R. 6924. A bill conferring jurisdiction upon the United States Court of Claims to render findings of fact with respect to the claim of Carl E. Edwards against the United States; to the Committee on the Judiciary.

By Mr. EDMONDSON (by request):

H. R. 6925. A bill for the relief of Mrs. Antonina Borodina Buschman; to the Committee on the Judiciary.

By Mr. GUBSER:

H. R. 6926. A bill for the relief of Fortunato Castenada Herrera; to the Committee on the Judiciary.

By Mr. HESS:

H. R. 6927. A bill for the relief of Parakevi Chocheff Tarpoff; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 6928. A bill for the relief of Ernesto Fontanilla; to the Committee on the Judiciary.

By Mr. MILLER of Maryland:

H. R. 6929. A bill for the relief of Randolph Stephan Walker; to the Committee on the Judiciary.

By Mr. MULTER:

H. R. 6930. A bill for the relief of Chih Chou Yu; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H. R. 6931. A bill for the relief of Frank E. Ablett; to the Committee on the Judiciary.

By Mr. SCOTT of North Carolina:

H. R. 6932. A bill for the relief of the estate of W. C. Yarbrough; to the Committee on the Judiciary.

By Mr. SELDEN:

H. R. 6933. A bill for the relief of Myra Joyce Carroll and Shiela Jeanne Carroll; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H. R. 6934. A bill for the relief of Fabcon, Inc., to the Committee on the Judiciary.

By Mr. TRIMBLE:

H. R. 6935. A bill for the relief of Wang Fai (Freddie) Chun; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

205. By Mr. PRICE: Petition of employees of the direct mail division of the Reuben H. Donnelly Corp. (Chicago office) for continuation of all types of mail service; to the Committee on Post Office and Civil Service.

206. By the SPEAKER: Petition of the secretary, the Cuyahoga County Bar Association, Cleveland, Ohio, petitioning consideration of their resolution relative to the conduct of Counsel Richard Arens, counsel for a subcommittee of the Un-American Activities Committee of the House of Representatives, 84th Congress, during proceedings at Youngstown, Ohio, on November 26–27, 1956; to the Committee on Un-American Activities.

EXTENSIONS OF REMARKS

Hon. Alexander Wiley, of Wisconsin, Condemns Latest Natural Gas Bill

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Monday, April 15, 1957

Mr. WILEY. Mr. President, one of the most inflationary pieces of legislation of the 85th Congress has now been introduced.

I refer to the proposed legislation which would unfortunately make a hollow shell of Federal regulation of the prices of natural gas.

Specifically, I have reference to H. R. 6790 and H. R. 6791, introduced, respectively, by Representative OREN HARRIS, of Arkansas, and Representative JOSEPH O'HARA, of Minnesota.

In my judgment, this proposed legislation poses a tremendous threat to the American economy in more ways than one.

I ask unanimous consent that a statement I have prepared on this subject be printed in the CONGRESSIONAL RECORD.

Mr. CLARK. Mr. President, will the Senator from Wisconsin yield for just a moment in connection with that he has just said with respect to the Harris bill?

Mr. WILEY. I yield.

Mr. CLARK. I commend the Senator from Wisconsin for the action he is taking at the very start in opposition to the Harris bill, which has been introduced in the House.

When I was mayor of Philadelphia we had a mayors' committee which fought very vigorously against that bill. I know the distinguished Senator from Wisconsin was on that side, and did his very best to prevent its enactment. I assure the Senator from Wisconsin that he will have support in his efforts from at least one Senator on this side of the aisle.

Mr. WILEY. I thank the distinguished Senator. My opening remarks contained a statement of my views. I shall continue to restate them in committee, and before the Senate, when the subject comes before us.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

For months, we have been reading disturbing newspaper accounts to the effect that a new version of the bill which President Eisenhower vetoed in the 84th Congress would soon be introduced.

Now this version has been offered.

This time, it attempts to accomplish its objective by permitting a so-called reasonable-market price to be charged.

But what is reasonable-market price?

It is the going price.

So, will this be regulation? Of course not; it is pretended regulation on the basis of an unregulated price.

So in its pretense at regulation, it is even worse than last year's more frank bill. In 24 pages of legal falderal, the bill deceptively makes noises as if some regulation were really being attempted.

It sets up a standard for a regulatory agency which the Commission would find it impossible to follow. The criterion would be a quicksand of uncertainty into which every regulatory case would founder—if any attempt were made to actually enforce it.

The reasonable-market price would be changing constantly—upward.

The Commission investigators would have to scramble to keep up interminably with what the latest market price was.

Consequently, the Commission would be following the market price rather than leading, abjectly approving rather than independently establishing a fair regulated price, as all regulatory commissions are supposed to do.

The supporters of this legislation make no bones about what they really have in mind.

Their aim is the very same as it was in the 84th Congress, the 83d Congress, and in preceding Congresses—to deny the consumers of this Nation the reasonable protection which the consumers had a right to expect under the Natural Gas Act of 1938.

For months, we have been reading reports from natural-gas associations to the effect that if the administration really wants this legislation enacted, it—the administration—will have to work hard for it.

I hope that the administration will do no such thing.

I say very frankly, however and yes, sorrowfully, that I will not be surprised if the administration does come once again to the unwise decision of backing the purposes of this legislation.

Unfortunately, the administration has allowed itself to swallow the misrepresentations which have been spread by the natural-gas industry.

Unfortunately, the administration, which has been wisely pleading for a curb on inflation—which has been pleading for voluntary efforts to hold down wage and price pressures, this same administration now seems determined to do a rightabout-face. Thus, it probably backs a bill which will be one of the most inflationary measures in the 85th Congress.

Fuel is the key item in the cost of living and in the cost of production. When industry has to pay higher fuel costs, when 30 million homeowners have to pay higher residential gas costs, what is that but inflation?

We see in this legislation, too, one more unfortunate step down the road of ineffective regulation by a so-called regulatory agency. It is a road in which a Federal Commission does not seem to be actively interested in protecting the very public interest which it was set up to protect.

I say, frankly, but respectfully: The Federal Power Commission has repeatedly failed in its obligations vigorously to protect the public interest.

Instead, by backing the previous version of this legislation and by reportedly backing the present version of this legislation, the Federal Power Commission seems to say, in effect: "Gentlemen of the Congress, we will be glad to authorize whatever the 'traffic will bear,' if you will just permit us to do so."

I want to be fair to the Federal Power Commission—which, after all, faces enormous work burdens. I am not, of course, reflecting on the sincerity of any of its members. I respect their honest differences with me. I am simply stating that the Commission is not uniformly doing the job which the Congress originally intended for it.

Lastly, I want to reiterate a point which I have previously made. The oil and gas industry is definitely entitled to a reasonable return on their investment. The local gas distributors are entitled to a reasonable return. The pipelines are entitled to a reasonable return on their investment.

But so, too, the public is entitled to reasonable protection.

There is no evidence whatsoever to indicate that the oil and gas industry has suffered under previous Federal regulation. There is every evidence to indicate that the industry has prospered, and that it will continue to prosper if reasonable regulation is carried on.

I hope, therefore, that this Harris-O'Hara legislation will be defeated.

I hope that it will be defeated on its lack of merit and not simply because of part of the oil industry's lobbying tactics, as carried on in the 84th Congress.

I hope the administration will reconsider its overall stand.

I support this administration generally. But I will not falter on my right to part company with the administration when my conscience tells me it is in the wrong.

Perhaps, there are some within the administration—within the Department of Justice or elsewhere—who support my stand and who disagree with the Harris-O'Hara bill. If so, I hope they will be in a position to come forth and openly say so.

Submarines Everlasting Honor and Glory

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, April 15, 1957

Mr. VAN ZANDT. Mr. Speaker, it was Adm. Chester Nimitz who once said that the Japanese missed their golden opportunity at Pearl Harbor when they restricted their attack to capital ships. If they had knocked out our submarines, our task would have been infinitely greater. For as soon as the war started, our submarines began unsupported operations in Japanese waters and substantially damaged Japan's vitally important shipping.

"It was to the submarine force that I looked to carry the load until our great industrial activity could produce the weapons we so sorely needed to carry the war to the enemy," Admiral Nimitz has said. He added, "It is to the everlasting honor and glory of our submarine personnel that they never failed us in our days of peril."

Now this valiant—and relatively unpublicized—branch of our Armed Forces is getting the kind of recognition long due it. Throughout the Nation, a television program called the Silent Service is being shown to increasing millions of Americans. This series, based on authentic war reports, dramatically presenting the heroism and adventures of submarines at war, effectively delivers to the citizenry a weekly account of the vital role our submarine service performs in the Nation's defense.

The series was conceived in love and devotion by Adm. Thomas M. Dykers, United States Navy, retired, an old submariner himself who as commanding officer of the submarine *Jack* in World War II downed 4 Japanese tankers in 1 day—a feat unequaled by any other United States sub in the war.

Mr. Speaker, it is a privilege to pay tribute to the glory of the men of the submarine service. I commend NBC Television Films for bringing this story to the American public and to WTOP-TV in Washington, D. C., where it begins on the air April 30, so that everyone, especially those in Goverment here, in the Nation's Capital, may know more about the Silent Service.

The Defense Department Has Not Yet Learned To Properly Utilize Its Manpower

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, April 15, 1957

Mr. MULTER. Mr. Speaker, we are hearing a great deal these days about the necessity of increasing the military pay of various branches of the Armed Forces in order to attract and to keep in the service of our country professional men and skilled technicians.

There is no doubt that such men, if worth their salt, will leave for private practice or private industry if the pay and working conditions are not sufficiently attractive to keep them in Government service. I favor paying these men fair compensation, the fairness thereof to be determined by the competitive demand for these men.

At the same time, it should be pointed out that the Defense Department traditionally has not utilized these men to the best advantage either of the Government or of the men.

We are constantly told that it costs as much as $25,000 to train a recruit to deal with complicated matters requiring the attention of skilled men. The fact of the matter is that the complaints still pour in to Members of Congress from men who are called up to serve their country, as well as from men who have enlisted for that purpose. Thousands of these men have specialized college and university training. All too frequently such education and training is completely ignored and the men are assigned to training programs entirely foreign to what they have been equipped for. Thousands of dollars are spent by the Defense Department for such training, more properly called retraining. The training is hardly completed when the men leave the service.

Sergeants, good drillmasters despite their lack of formal education, still delight in assigning college-trained men to the garbage dump.

Thousands of dollars can be saved by the Defense Department by properly screening men and assigning them to work that they are already fitted to perform instead of trying to train them to do things in which they have no interest and which will only drive them out of the service instead of keeping them in.

Our whole concept of military training still reflects the methods of the last century. It has not caught up with World War I, not to mention World War II, or the nuclear age.

Tribute to an Outstanding Citizen—Ian Ross MacFarlane

EXTENSION OF REMARKS
OF
HON. EDWARD A. GARMATZ
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Monday, April 15, 1957

Mr. GARMATZ. Mr. Speaker, with the closing of the Emergency Hungarian Refugee Operation, it seems a fitting time to review what has been done in resettling the thousands of gallant freedom fighters and their families in various American communities.

The contribution of the citizenry of Baltimore in this cause is one, Mr. Speaker, which I feel privileged to acknowledge with pardonable pride. Over 125 Hungarians have been brought or sent to Baltimore by various sponsors. This project has required the interest and patience of Baltimore industry in offering employment; the charity of religious organizations in donating clothing; the generosity and understanding of the Baltimore homeowner in making available living quarters where these Hungarian newcomers could live, not only in self-respect, but in an environment of genuine American family life. The YMCA, the Rotary Clubs, the Kiwanis, and other civic organizations, the police department, storekeepers, taxicab companies have all joined in a cooperative effort to assist these otherwise bewildered patriots from overseas.

However magnificent as has been the work, Mr. Speaker, of those already mentioned and the scores of others who have toiled so generously but without recognition, there stands out one Marylander who has been the originator, the spark, the driving force, the coordinator of all this trendous achievement. He is Ian Ross MacFarlane, who this year marks his 20th anniversary as a radio commentator.

Mr. Speaker, this is not the first time Mr. MacFarlane has figuratively left his job as one of our State's most respected political reporters and news commentators to assist those who needed aid. During World War II and following his return from an overseas tour of duty that took him to the frontlines, Citizen MacFarlane sponsored the idea over his radio hookup that eventually resulted in the Congress enacting into law a measure that provided for increased allowances and allotments for the dependents of servicemen. Immediately after the cessation of hostilities, he led the fight that secured for 158 honorably discharged veterans the right to own and operate taxicabs in Baltimore. This group is still functioning and doing a standout job under the name of the G. I. Veterans Taxicab Association of Baltimore. In organizing this company, Mr. MacFarlane insisted that it be based on equality for all. In other words, Mr. Speaker, integration of its membership from its very inception. In between gathering and editing news, Mr. MacFarlane served as president of this group for 5 years, leaving them with earned assets of over $100,000.

Every veterans' organization in Maryland has honored Mr. MacFarlane by citations, medals, and plaques for his work in behalf of all veterans. In 1947, he was named the Baltimorean who has done most for the Negro people.

Being a humanitarian and a champion of the rights of all has been the keystone of Ian Ross MacFarlane's life. He is the first non-Jew ever to have lived and worked as a member of the Jewish agricultural colonies in Palestine. Since this period in 1933, he has constantly worked voluntarily for the cause of autonomy for Palestine, which he has seen come to pass with the establishment of the Republic of Israel. Today he is one of the outstanding champions for justice and understanding of this tiny outpost of democracy in the Middle East.

So, Mr. Speaker, it is no wonder that when another voice of an underprivileged or persecuted person calls, Ian Ross MacFarlane is among the first to respond.

Therefore, it is a privilege and real pleasure to be able to pay tribute to Ian Ross MacFarlane in connection with his outstanding and untiring efforts in connection with the Hungarian relief program, and his many other civic activities.

Arrogance of the Postmaster General

EXTENSION OF REMARKS
OF
HON. CHARLES O. PORTER
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Monday, April 15, 1957

Mr. PORTER. Mr. Speaker, a senior member on the Post Office and Civil Service Committee, Mr. LESINSKI, commented on an editorial of the Detroit Times of April 15, as follows:

Under law the Federal employees do not have the right to strike against the Government. However, the Postmaster General has achieved the same effect as a strike and some action against him should be taken. As per my previous statement and the following editorial from the Detroit Times of April 15, 1957, he should resign.

The editorial, which I endorse wholeheartedly, is as follows:

The arrogance of Postmaster General Summerfield has brought about a bureaucratic shakedown of Congress and American taxpayers.

His arrogance succeeded last Saturday in canceling all regular mail deliveries in the United States on a business day for the first time in history.

It has succeeded beginning today in curtailing deliveries and hours when post offices are open to the public.

Mr. Summerfield high-pressured a congressional committee into voting him $41 million extra to run his Department through the remainder of the fiscal year ending June

30. But even this did not move him to call off his cutback of service. He demands the money in hand.

His arrogance has hampered the operation of business and gravely inconvenienced the American people.

The "crack of doom" method he has used raises questions of his efficiency and competence.

Whatever bureaucratic victory he has gained, the Postmaster General has lost the confidence of the public.

He should resign.

The Washington Pilgrimage—A Symbol of the Religious Heritage of America

EXTENSION OF REMARKS

OF

HON. EDWARD H. REES

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. REES of Kansas. Mr. Speaker, on April 26, 27, and 28 the Washington Pilgrimage, under its 7th annual program, will visit our Nation's Capital to pay tribute to our great American religious heritage.

During the weekend hundreds of men and women of all faiths, from all parts of America, will visit patriotic and historical shrines, religious centers, memorials, and various institutions of Government. In the course of their program they will meet and hear personal messages from America's spiritual, cultural, and Government leaders. One of the outstanding events of their program is an awards dinner on Saturday evening, April 27th. At that time, Dr. Louis H. Evans, former pastor of the Hollywood, Calif., Presbyterian Church, and who presently represents the Presbyterian Church on a nationwide basis, will be named Clergy-Churchman of 1957. The award will be made by Mr. Cecil B. DeMille of Paramount Pictures, Hollywood, Calif.

The Washington Pilgrimage is an organized movement in America whose basic theme is "This Nation Under God," and whose purposes are:

To emphasize our national religious heritage.

To create a greater awareness of the spiritual vision and understanding of America's founders.

To rededicate ourselves to the spiritual origins of our country.

To strengthen our spirit of liberty under which Americans of all religious beliefs may prosper in unity.

To encourage vision, faith, and courage in order to revitalize our American faith in democracy and morality.

To recognize religious leadership by the only national awards in this field to the Clergy-Churchman, Lay-Churchman, Churchwoman of the Year, together with the Faith and Freedom Award in religious journalism.

Because of the importance of this occasion, and for the reason, in all probability, you will be visited by some of those participating in this important event, I take this opportunity to acquaint you with the purposes and activities of the Washington Pilgrimage.

Proposed Tax Reduction for the Depletion of Human Resources

EXTENSION OF REMARKS

OF

HON. HERBERT ZELENKO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. ZELENKO. Mr. Speaker, today I have introduced a new measure which would cut taxes for older workers by providing a tax deduction for the depletion of human resources.

This bill is aimed at encouraging older people to continue productive activity in business and industry. It would allow taxpayers 45 years of age and older to claim a special deduction for the depletion of human resources on their Federal income tax. There is no reason why there should be a distinction between the present deductions for the depletion of natural resources, machinery and property, and that of the depletion of the most important resource of all—the human one.

The proposed deduction would be computed strictly on the basis of the taxpayer's age and would apply only to salaries, wages, and earned income and would offer an added economic incentive for the older workers to realize their full potential as useful and productive members of the Nation's business and industrial population. At present, from a monetary standpoint, retirement benefits in many cases far outbalance earning inducements for people of 45 and over to remain actively employed.

These conditions have produced a steady and detrimental effect upon the size of our country's senior working forces. Unless Congress takes constructive measures to combat the problem, we will ultimately find ourselves faced with a nationwide shortage of skilled and experienced older workers who form the strength and backbone of so many of our leading industries.

The reduction in income-tax revenue would be balanced with a decrease in social security to older workers who, with the inducement of tax deductions, would choose to remain actively engaged in business and industry. The deduction for the depletion of human resources would be computed by subtracting 44 from the age of the taxpayer and multiplying the resulting figure by 1 percent of his earned income. In other words, as the taxpayer grows older he would be allowed to deduct 1 additional percent each year. Thus, a 66-year-old working taxpayer would be entitled to a deduction of 22 percent from his earned income.

I hope this measure will act to ease the problems of our older people in industry, to the mutual benefit of our senior citizens and our national economic structure.

Bridge Across the Ohio River Near Lawrenceburg, Ind.

EXTENSION OF REMARKS

OF

HON. EARL WILSON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. WILSON of Indiana. Mr. Speaker, a week or so ago I introduced a measure which would give Government approval to the creation of an Indiana-Kentucky bridge commission for the purpose of constructing a toll bridge across the Ohio River near Lawrenceburg, Ind. Since this is in the congested Cincinnati area, a bridge at this point would be very helpful.

A few days after introduction of my bill—on Monday, April 8, to be exact—this Chamber passed a measure calling for an appropriation of some $10,500,000 for the construction of another bridge across the Potomac River between Virginia and Washington. There are already five Potomac bridges in this area.

It seems grossly unfair to me, Mr. Speaker, for the general American public to be asked to foot the cost of this project, with the State of Virginia paying no more, proportionately, than will Nevada, for example.

Also, the people in Indiana and Kentucky—and elsewhere, I am sure—are going to wonder why they have to finance all their bridges across the Ohio, while the entire Nation pays for bridges connecting the District of Columbia with Virginia and Maryland.

There are now four bridges spanning the Ohio River between Evansville and Cincinnati, a distance of some 350-river miles. Not a one of these was financed by public moneys. All were constructed as toll bridges, paid for by the people who use them. The people out there have not complained about it, either. They were glad to get the bridges, glad to pay for them. I am certain they will be equally as glad for the opportunity to pay, by the toll arrangement, for the proposed new bridge at Lawrenceburg.

I am familiar with all the arguments in favor of another Potomac bridge—the congestion, the fact that Washington is the Nation's Capital, and so forth—but I still cannot see the fairness of calling upon all American taxpayers to meet the cost.

I might point out that there is very much heavy traffic in the region of the Ohio. People now drive 30 or 40 miles to get to a bridge to cross that river. There are many important industrial centers, and there is much defense work going on. In event of armed attack against our country, the north-south traffic arteries and bridges would be of immense importance.

In seeking passage of my own Lawrenceburg Bridge Commission bill, I am not suggesting that one red cent come from Federal funds. All that my people want is the approval of the Government so that they can proceed, in an orderly manner, to set up a commission which will plan all the details incident to financing and constructing of the bridge.

I wonder why other bridges, such as the Potomac projects, cannot be financed in a similar manner?

Plans Completed for 1957 Congressional Tour of New York City, May 10, 11, and 12

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. VAN ZANDT. Mr. Speaker, plans have been completed for the annual congressional tour of New York City and Kings Point Maritime Academy, May 10, 11, and 12.

This annual congressional tour for Members of both Houses of Congress and their families provides for 3 glorious days in New York at a cost of $37.50 for adults and $32.50 each for children between the ages of 5 and 12 years.

As in previous years, Members of the Senate and House of Representatives have received a most cordial invitation from Mayor Robert F. Wagner of the city of New York, who has instructed his city department of commerce and public events to make every effort to assure an interesting and well-balanced program for the reception and entertainment of the group making the 3-day tour of New York.

For the information of those who intend to make the tour, the following itinerary will be of interest.

SCHEDULE OF EVENTS

Friday, May 10: 9:45 a. m. daylight time, we leave Washington via Pennsylvania Railroad. Luncheon will be served in dining car. We arrive New York Penn Station at 1:45 p. m. daylight time, and immediately board motor coach for tour of lower New York, including a stop at City Hall for reception by the Mayor, Hon. Robert F. Wagner. We also stop at the United Nations for a 2-hour tour. We arrive at the Paramount Hotel about 6 p. m daylight time. The evening will be open to attend the theater or enjoy the bright lights of Broadway.

Saturday, May 11: 9 a. m. motor coaches will leave for Pier 83, Hudson River, to board excursion steamer for luncheon and harbor inspection until 2 p. m. From 4 to 6 p. m. the party will go aboard the Italian Line steamship *Cristoforo Colombo* at pier 84, Hudson River, for a reception and inspection of the ship. The party will then proceed to the Hotel Savoy-Plaza for a reception and buffet dinner after which the evening is open for theaters and other forms of entertainment.

Sunday, May 12: 8:30 a. m. motor coaches will transport the party to the foot of the Battery for a 9 a. m. departure via steamer up the East River through Hell Gate Rapids and out to Long Island Sound for a noon arrival at the United States Maritime Academy pier at Kings Point, Long Island. After lunch and a review of the cadets, the party will return by bus to the Pennsylvania Station, New York City, and depart for Washington at 5:30 p. m. daylight time.

I should like to emphasize that this tour is for Members of the Senate and House of Representatives and their families, and reservations should be made immediately by calling Miss Patricia Bryan, extension 366 or 1830.

The Postmaster General Should Resign

EXTENSION OF REMARKS

OF

HON. CHARLES O. PORTER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. PORTER. Mr. Speaker, the $41 million deficiency appropriation should be approved quickly by Congress so that full postal service can be restored throughout the Nation. We cannot abide ill-considered "meat-ax" cuts vitally affecting thousands of families whose breadwinners are postal employees, as well as the millions of postal patrons who are entitled to rely on the mail service which has been established.

However, the Postmaster General should resign. I said so at the outset of this hassle; I say so again now, as do the Detroit Times and other leading newspapers, along with a number of Congressmen, including my friend and distinguished colleague, JOHN LESINSKI, Democrat, Michigan, who is a senior member of the House Post Office and Civil Service Committee, of which committee I am also a member.

Now, did the Postmaster General violate the antideficiency law? Yes, says the Comptroller General in an opinion written April 12, 1957. He violated subparagraph (c) (1) which requires him to make the money appropriated to his Department last for the full year without the necessity of a deficiency appropriation.

The law provides no penalty for the violation of this section. I intend to introduce an amendment to provide for the same penalty applicable for violations of paragraphs (a), (b), and (h) of the Anti-Deficiency Act.

My considered opinion, as a lawyer, is that Mr. Summerfield violated paragraph (h), for which paragraph the penalty is, upon conviction, a fine of not more than $5,000 or imprisonment for not more than than 2 years, or both. His guilt, of course, must be determined by a court. Therefore, I am turning over a copy of this statement to the United States attorney for the District of Columbia with the request that he take appropriate action and in due course advise me. I personally do not believe Mr. Summerfield should be fined or imprisoned, in view of the fact that there have been previous unprosecuted violations of the Antideficiency Act although it appears that none was so gross, so flagrant, and so arrogantly carried out as the instance before us. In any event, if he were convicted, the matter of punishment would be for the court to decide.

All that I am saying as a lawyer is that there is a basis for prosecution for the following reasons:

Paragraph (h) of section 3679, Revised Statutes as amended—title 31, United States Code, section 665—commonly known as the Antideficiency Act, provides:

(h) Expenditures in excess of apportionment prohibited: penalties.

No officer or employee of the United States shall authorize or create any obligation or make any expenditure (A) in excess of an apportionment or reapportionment, or (B) in excess of the amount permitted by regulations prescribed pursuant to subsection (g) of this section.

It is plain that Mr. Summerfield did authorize and create obligations in excess of the amount permitted under subsection (g), which subsection, so far as important, reads as follows:

The head of each agency, subject to the approval of the Director of the Bureau of the Budget, shall prescribe, by regulation, a system of administrative control * * * designed to (A) restrict obligations or expenditures against each appropriation to the amount of apportionments or reapportionments made for each such appropriation.

A study of the reapportionments made by the Bureau of the Budget at the recommendation of the Postmaster General shows that the fourth quarter apportionments beginning with December 14, 1956, were $11 million below the "apportionment" made on July 13, 1956, and were $31 million below the July 13 "apportionment" by reason of a "reapportionment" accomplished on February 4, 1957. A study of the eight adjustments of the "apportionments" will show that the Postmaster General decreased the fourth quarter "apportionment" by three different "reapportionments," which resulted in the fourth quarter "apportionment" being $40,727,100 less than the third quarter "apportionment" which covered 2 days' less time.

I have put "apportionment" in quotation marks because the proper understanding of this word is central to an understanding of my contention that subsection (h) has been violated. My point is this: As used in this act, an "apportionment" is more than a mere division of the money appropriated for the whole year. It is, rather, the sum necessary for any particular quarter so that the usual services provided by the Department may be carried on as provided by law. It is plain that the reductions in the fourth quarter by the adjustments set forth in the Comptroller General's letter, No. B-131361, dated April 12, 1957, resulted in the amount allocated to the fourth quarter being far too little to maintain the usual services in the sense just described. This is further borne out by the fact that the Postmaster General is pressing for a $47 million deficiency appropriation so that he may maintain operations during this fourth quarter.

The whole matter boils down to the Postmaster General's willful and knowing violation of the Anti-Deficiency Act by purposefully refusing to apportion the appropriation money as required by law. It may be said that he did ask the Director of the Budget to approve supplemental appropriations and that the Director of the Bureau of the Budget, through inexcusable ignorance with respect to the use of postal revenues, refused to transmit this information to Congress.

However, the Postmaster General well knew the antideficiency law and had ample opportunity between July 10, 1956, and the adjournment of Congress that year, as well as during the remainder of 1956, to contact the appropriate committees of the House to inform them of any additional needs so that the drastic curtailment now put into effect would not be necessary and so that the antideficiency law would be obeyed instead of flagrantly flouted and violated.

Federal Expenditures

EXTENSION OF REMARKS

OF

HON. WILL E. NEAL

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. NEAL. Mr. Speaker, those who oppose reducing the 1958 budget are just not responsive to general public opinion.

The progressive addition of bureaus and agencies calling for more Federal employees and annual increases in the cost of Government has aroused the people to the necessary tax burden that must be imposed on them to administer these programs.

Instead of continuing heavy taxes and spending to the limit of public forbearance, Government leaders might well read the signs of revolt so spontaneously generated by uniting their efforts to make this 1957 the year of the turning point from deficits and lavish indulgences.

Sensible reductions from amounts proposed by domestic Federal agencies, a more careful review of overlapping functions and waste in the Defense Department, and withdrawal of foreign aid from missions completing their assignments, can be the direct means of showing the folks back home that we are abandoning our disappointing experiences in assuming we can save the world.

It is traditional for heads of families and business organizations to periodically take account of capital depletion and correct unwarranted expenditures that endanger the safety and solvency of the financial structure.

The predicament of the United States Government, overdrawn, so to speak, in the sum of $275 billion, still insisting on increased budgets with no assurances of diminishing national indebtedness and only an expression of hope for tax relief, should indicate the timeliness of a reevaluation of our national financial prospects.

The American citizens have been extremely tolerant but that tolerance is waning. Let us recognize and profit by the warning before we encounter open revolt.

Area of Production Definitions and the Farmer's Income

EXTENSION OF REMARKS

OF

HON. E. C. GATHINGS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. GATHINGS. Mr. Speaker, the farmer goes to the market place and asks: "What am I offered?"—for the American farmer must sell his product in the market and pay, in great part, for the processing of that product for market. The cotton farmer's price for his cotton must absorb the cost of ginning. The farmer cannot pass on to the consumer any increase in his cost of production.

When the wage and hour legislation was before Congress in 1938, Representatives from the Cotton Belt pointed out these facts to other Members of Congress. Congress realized that the cotton farmer had to pay the cost of the ginning and that to increase the cost of ginning would result in a reduction in the farmer's income. Accordingly, when it enacted the wage and hour legislation, Congress placed in the law an exemption applying not only to agricultural labor but in addition exempted the operations and processes involved in preparing for marketing and handling of agricultural commodities. This exemption is in section 3 of the act of 1938, as amended, and came to be known as the area of production clause.

However, despite the clear intent of Congress, the Secretary of Labor, through the definition of "area of production" has virtually nullified this exemption. So well have they drawn their definition that only 14 percent of the cotton gins in the Nation are exempt under this bureaucratic decree, and only 4 percent of the cotton compresses are eliminated from the provisions of the minimum wage and maximum hours law. Under the present departmental definition, and it will be remembered that earlier definitions issued by the Secretary have been condemned and nullified by the Federal courts, a cotton gin in a rural county in Arkansas is not considered as being in the area where cotton is raised if, first, more than 5 percent of the cotton received at the gin in any month was transported more than 10 miles from the farm, or, second, if the cotton gin is within 1 mile of a village having a population in excess of 2,500, or is within 3 miles of a city having a population of 50,000.

Another example to indicate the extent to which this definition has nullified the intent of Congress to exempt operations and processes involved in handling and preparing for market of agricultural commodities is the fact that cotton warehouses in the Cotton Belt which handle 94 percent of the cotton crop are not considered by the Department as being in the area where cotton is grown.

Only last year the Supreme Court denied a contention that poultry is not an agricultural commodity and, therefore, dressing and preparing poultry for market is not to be considered under this exemption.

Nor does the Department of Labor take into consideration new processes and techniques in preparing food for market. Canning of fruit and vegetables is exempt but the freezing of food is not. Today, great savings to the consumer have been effected by packing some vegetables in the field and hauling them to the packing sheds for precooling prior to shipment. But, this new technique is penalized by the Department, which has ruled that since the packing is done in the field the cooling operation is no longer exempt.

The following information, taken from official Government sources, shows graphically what has been happening to our farmers' income because of these increasing labor costs and processing charges:

[In billions of dollars]

Year	Gross farm income	Production expense	Labor cost of distributing products	Net farm income
1947	34.0	16.8	10.8	17.2
1948	34.6	18.6	11.8	15.9
1949	31.6	17.9	12.4	13.7
1950	32.1	19.2	13.0	12.9
1951	37.1	22.3	14.2	14.8
1952	34.7	22.5	15.1	14.3
1953	35.1	21.2	16.0	13.9
1954	33.5	21.4	16.5	12.0
1955	32.9	21.6	17.2	11.3
1956	34.0	22.1	(1)	11.8

[1] Not available.

It is apparent that action must be taken to eliminate the Department of Labor's authority to restrict and nullify the intent of Congress. In the Senate S. 1418 has been introduced by Senator STENNIS, of Mississippi. This bill will reemphasize the intent of Congress by defining the meaning of "agriculture," "first processing," and "area of production." Senator STENNIS would define the area of production to be "all of each county in which such commodity is produced in commercial quantities, except that it shall not include the corporate limits of a city or municipality having a population in excess of 250,000 as reported in the 1950 census."

In the interest of protecting the farmer's net income as well as assisting the American consuming public, this legislation should be adopted.

Reserve Officers' Retirement Pay

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. MULTER. Mr. Speaker, there is a real need for enactment of the Sparkman-Jackson-Huddleston bill (S. 1085 and H. R. 689) which would specifically include Reserve officers for retirement pay under the Pay Readjustment Act of 1942.

The latter bill referred to "any officer" who served in World War I as well as World War II and "is eligible for retirement." The current interpretation of the term "officer" to signify only Regular Army officers is unreasonable and unjust.

As an example of what type officer is being excluded by this discrimination against Reserve officers, I cite the case of an officer friend of mine. This officer has 43 years' creditable service for pay purposes. He served actively from 1912 to 1915 on the Mexican border, from 1917 to 1919 with the AEF in World War I, from 1942 to 1945 in World War II, and from 1952 to 1955 during the Korean crises. During all inbetween periods he was active in the Reserve Corps. He received the Legion of Merit in World War II. He was considered "essential" when recalled in 1952. At that time, at the age of 54, he gave up an excellent position as a top executive. He came back at age 57 to start, in effect, a new career. This type of uprooting and consequential readjustment to civilian life is a type of sacrifice unique to the Reserve officer in the Army.

Those officers, who maintained Active Reserve status between World Wars I and II, worked against odds to do so, and without compensation.

In interpreting the Pay Readjustment Act of 1942, officers who were cadets at West Point during World War I, have just been ruled eligible on the basis that "any service" qualifies them, yet the term "any officer" is not interpreted to mean any officer other than Regulars.

I urge the enactment of the Sparkman-Jackson-Huddleston bill so that the inequitable situation, whereby the Reserve officer is excluded from the officer class, will be remedied.

Post Office Department Appropriation

EXTENSION OF REMARKS

OF

HON. J. HARRY McGREGOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. McGREGOR. Mr. Speaker, it is to be regretted that the chairman of the Appropriations Committee and possibly one or two more are playing politics with the Post Office Department's recommendations. I am sure the public will know of his actions and his refusal to give consideration to the request of the Postmaster General that an emergency exists.

I am reliably advised that the Postmaster General notified the proper department many months ago of the situation in which we now find ourselves. It is ridiculous, in my opinion, for the Congress to pass laws reclassifying and increasing expenditures of the Post Office Department and then to refuse to give the money to pay for those increases.

I sat in on a meeting a few days ago, Mr. Speaker, and our Postmaster General Summerfield had questions fired at him for over an hour. I might add that many of the questions did not come from so-called friends. The Postmaster General clearly demonstrated that he is a victim of politics, that just a few members of the New Deal and Democratic Party were trying to embarrass not only him but the Eisenhower administration as well.

Being granted permission to extend my remarks, I am including the following information given by the Postmaster General that I believe will be of interest:

How much does the Post Office Department spend in a year?

About $3,250,000,000.

Seventy-eight and four-tenths percent for postal employees' salaries and fringe benefits set by Congress.

Fifteen and one-half percent for transportation of mail set by Government agencies.

One and eight-tenths percent for rents, utilities, and communication set by FCC.

Only 4.3 percent left for controllable items over which the Department really exercises any control.

Use money to print stamps, buy trucks, pens for 38,000 post offices, and hundreds of other items needed to operate post offices.

Why does the Post Office Department need $47 million now?

To give accustomed service for the next 90 days.

None of this money to pay past bills.

Three reasons why it is costing more to give the American people the mail service they deserve, expect, and pay for:

1. More mail than estimated by about a billion pieces. And this increased volume of mail doesn't provide funds to operate the Post Office Department, since all revenues go directly to the Treasury Department.

2. Increased mail service to 1.3 million new homes.

3. Higher wages to employees by law.

All three of these reasons beyond control of the Department.

If the Post Office Department doesn't get the $47 million, what can it do?

Required by law to live within the money Congress appropriates.

If Congress doesn't vote more money, must curtail mail service starting next Saturday, April 13.

Orders to do so already in hands of postmasters.

1. No Saturday mail deliveries.
2. Close post offices on Saturdays.
3. Less delivery service in business areas.
4. Close post offices earlier on weekdays.
5. Embargo third-class mail on April 29.
6. Stop the sale of money orders on April 29.

Obviously these drastic actions seriously hurt the economy of the Nation.

Has the Post Office Department ever asked for more money before?

Yes; but only once in past 4 years.

In 1956 needed and got $166 million more, of which $150 million was for pay increases under Public Law 68, effective March 1, 1955; the remaining $16 million is the only supplemental appropriation the Department has received in 4 years for additional operating expenses.

However, in 2 other years spent less:

In 1954 turned back $105 million.

In 1955 turned back almost $50 million.

Are you cutting costs in the Post Office Department?

Yes. Now carrying 20 percent more mail with fewer employees than 6 years ago.

How many postal employees are there?

1952	523,757
1955	511,613
1956	508,587

How is mail volume increasing?

	Pieces
	Billion
1952	49.9
1956	56.4
1957 (estimated)	58.8
1958 (estimated)	59.7

Is the Post Office Department satisfied with mail service today?

Of course not.

Better than it was but still not good enough.

What is the Post Office Department doing to improve service?

Spending over $4 million this year alone on research.

Set up first Office of Research and Engineering in history.

Working with nine engineering firms and Bureau of Standards.

Developing mechanical and electronic devices to speed mail through post offices.

Over 1,500 obsolete post offices replaced in past 4 years with new ones built by private capital.

Objective: Next day delivery of mail anywhere in the United States.

Governments South of the Border, Free and Otherwise

EXTENSION OF REMARKS

OF

HON. CHARLES O. PORTER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. PORTER. Mr. Speaker, under leave to extend my remarks in the RECORD in connection with Pan American Day, I am bringing the following list to the attention of my colleagues. It separates the practicing democracies and blatant dictatorships, with a third category consisting of countries striving to adopt democratic procedures but who for various reasons do not qualify as democracies at this time:

TYPES OF GOVERNMENTS IN LATIN AMERICA, MARCH 1957

I. DEMOCRACIES

1. Brazil.
2. Bolivia.
3. Chile.
4. Costa Rica.
5. Ecuador.
6. El Salvador.
7. Mexico.
8. Panama.
9. Peru.
10. Uruguay.

II. DICTATORSHIPS

1. Colombia (Rojas Pinilla).
2. Cuba (Batista).
3. Dominican Republic (Trujillo).
4. Nicaragua (Somoza).
5. Paraguay (Stroessner).
6. Venezuela (Perez Jimenez).

III. GOVERNMENTS FALLING BETWEEN THE EXTREMES OF POPULAR FREEDOM AND DICTATORIAL GOVERNMENT CONTROL

1. Argentina: Revolutionary government of General Aramburu has problem of recovery after 10 years of Perón dictatorship. Elections are promised for 1957.

2. Guatemala: Government of Castillo Armas which replaced Communist-infiltrated government [duly elected] of Arbenz has aroused criticism of even friends by repressive measures.

3. Haiti: President Magliore forced to resign in December after outburst of public discontent. Provisional government has scheduled elections tentatively for April.

4. Honduras: In October 1956 a liberal military junta seized power from an unpopular de facto government. The junta is committed to free elections and an eventual return to constitutional government. At present junta enjoys widespread popular support.

CBS Action Makes Case for FCC Network Control

EXTENSION OF REMARKS

OF

HON. ROBERT C. BYRD

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. BYRD. Mr. Speaker, I wish to direct the attention of our colleagues to the proposed action by Columbia Broadcasting System to discontinue its television affiliation with Charleston, W. Va.'s station WCHS–TV, the only operating television station in the capital city of my State. Columbia Broadcasting System has announced it will transfer its network affiliation to station WHTN–TV in Huntington, W. Va., which has just been purchased by the Cowles interests, "a big-business operation in the Midwest." The unfairness of such action is clearly evident in the following letter which I have forwarded to the president of CBS. The public interest may also be involved if the contemplated transfer is effected. The following editorial from the April 10, 1957, issue of the Charleston Gazette clearly points up the issue. The letter and editorial follow:

APRIL 10, 1957.

DR. FRANK STANTON,
President, Columbia Broadcasting System, Inc., New York, N. Y.

DEAR DR. STANTON: It has come to my attention that the Columbia Broadcasting System contemplates discontinuing its affiliation with Charleston, W. Va.'s only operating television station, WCHS–TV, and transferring its affiliation to WHTN–TV in Huntington. I understand that WCHS–TV has already been notified that its affiliation will be terminated on July 1, 1958, the expiration date of its contract with CBS.

I am quite familiar with the service being given by station WCHS–TV in Charleston, our State capital, which is the focal point for both State and Federal governmental activities in West Virginia. The Columbia Broadcasting System in having been affiliated with station WCHS–TV, has enjoyed the confidence and profound respect of the citizens of the area. The present facilities accommodate a very broad listening audience, and our capital and its people have been greatly benefited by the very adequate and complete services that have been rendered. In my opinion, no station could possibly provide better service than that being rendered to the public in the Charleston and immediately adjacent areas by station WCHS–TV. The transferral of network facilities from Charleston to a new station would deprive a rapidly growing industrial area of the kind of service it has been receiving and which it so rightly deserves. Unexcelled news service, national, State, and local, has been provided in the field of both radio and television by WCHS–TV, and Charleston has come to accept it as one of the indispensable factors in the progress and development which have caused the Kanawha Valley to be so often spoken of as the "magic valley."

If the plan that has been announced by CBS is carried forth to completion, I have no doubt that the citizens of all of West Virginia will be justified in feeling that Charleston's local station has been exploited to satisfy big business and absentee ownership. It would be said indeed if this should be the situation, because it is in just such situations that Government control, so often and so vociferously deplored in this day and age, is invited.

Charleston's station WCHS–TV is about to complete the construction of a new high tower erected at a cost of over $300,000. The location and the construction of the tower were approved by the engineering department of Columbia Broadcasting System. It would seem to me that CBS would be morally obligated to continue its affiliation with the Charleston station, now that WCHS–TV has gone to the trouble and expense of building the new tower. Transmittal of pictures via the new tower is expected to begin on May 1. The station constructed the tower in good faith in order to improve and expand its coverage. Instead of waiting until the station could have an opportunity to prove the performance of the new tower, CBS has arbitrarily announced that it will transfer network facilities to the Huntington area as soon as the present contract runs its course.

Dr. Stanton, I cannot help but be greatly disturbed about the action contemplated. I represent the congressional district in which Charleston is located. Mine is the greatest coal-producing district in the United States, and in the Kanawha Valley you will find one of the largest concentrations of chemical plants in the Western Hemisphere. It seems little short of ridiculous that the city in which is located the seat of State government, situated in such a large industrial and heavily populated area, is about to be deprived of its CBS outlet. I realize that the matter is one over which I have no direct supervision or control, but as Representative of an area which will be most vitally and injuriously affected, I cannot, in good conscience, avoid protesting the action being proposed. I am advised that the owners of television sets will be put to additional expense for purchase of new antennas, and I should think that CBS would be most reluctant to cause this additional burden to be placed upon the public. Moreover, the public has a natural, and, indeed, vested interest in retaining the outlet in Charleston, and I am at a loss to understand why the facilities should be moved to another community which already possesses the outlet of another leading network, namely, NBC.

I trust, Dr. Stanton, that the proposed action, although already announced, will not be consummated. Local ownership has been recognized by the Federal Government as being the type of ownership which renders the most complete public service to the people. The people of West Virginia too long have suffered from out-of-State ownership of many of the industrial enterprises, and we look jealously and with askance upon the decision by CBS to weld another shackle and place another millstone around the neck of local ownership as is being done in this instance. I sincerely hope that reason and justice will prevail and that the Columbia Broadcasting System will not terminate its affiliation with WCHS–TV.

Sincerely yours,

ROBERT C. BYRD,
Member of Congress.

CBS ACTION MAKES CASE FOR FCC NETWORK CONTROL

The decision of the Columbia Broadcasting System to switch its television affiliation from WCHS, Charleston, to WHTN, Huntington, raises two rather astounding points:

1. That an organization of the supposed business sense of CBS would make such a decision in the first place; and

2. That the Federal Communications Commission, which has the power to regulate individual television stations down to the finest detail, has no control whatsoever over the giant networks.

On point 1, except for a business obligation to do the best possible job for its stockholders and what some may hold to be an obligation to the viewing public, we suppose the CBS decisions in such matters are its own business.

But on point 2, it seems to be astonishingly inconsistent that Congress would give the FCC control over individual stations, which would be in the relative category of small business and give an absolute free hand to the networks, which are big business with the power to make or break an individual station.

And nothing does more to emphasize this inequity than the case at hand, which we consider to be an unfair, arbitrary, and unreasonable action on the part of CBS to give one television station a great advantage at the expense of another.

It can hardly be denied that network affiliation is a big factor in the value of a local station. Thus, looking at it in the cold light of cash value, the CBS decision will be highly beneficial to WHTN and somewhat detrimental to WCHS just as it would have had a similar effect on the stations concerned if NBC had decided to switch from WSAZ to WHTN.

Therefore, it seems rather significant that the CBS decision came shortly after WHTN, admittedly a weak third station in the Charleston-Huntington area, was purchased by the Cowles interests, a big business operation in the Midwest.

Is this a case of CBS, which is big business itself bowing to the demands of big business in the ownership of individual television stations?

And, with this switch in network affiliation, what happens to the value of the stock of WHTN, which certainly must have been acquired by Cowles at a modest price?

The only reasons made public by CBS for its decision were that it wanted to be in a more competitive position with NBC's Huntington outlet, WSAZ, and that Cowles had done an outstanding job of management in other cities.

But CBS prefers to ignore the advances made by WCHS after its main competition had a 5-year advantage in getting on the air, and the effort and expense to which it has gone to improve the CBS competitive position.

The thing that makes the CBS action so unfair, and casts suspicions upon the motives involved, is that the decision was made just before WCHS is to put in use its new transmitting tower which it is building at a cost of $300,000 to improve its competitive position.

Both WCHS and WHTN are in the process of building new towers. Therefore, if CBS had any interest in being fair in its consideration of affiliates, we contend that it would have waited until it could have had a firsthand comparison of the two stations on their performance with their new transmitters.

Instead, CBS arbitrarily announces its decision to kick its old friend, WCHS, off to the side and embrace an untried but wealthy newcomer.

Such an action certainly causes suspicions and raises questions that should be subject to review by the Federal Communications Commission.

In the public interest, Congress should do something to prevent this dog-eat-dog principle of permitting the big to swallow up the small.

Middle East Development Authority

EXTENSION OF REMARKS

OF

HON. GEORGE S. McGOVERN

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. McGOVERN. Mr. Speaker, one of the clearest and best-informed voices in the field of American foreign policy today is that of Minnesota's great Senator, HUBERT H. HUMPHREY. Always a forceful and articulate spokesman, Senator HUMPHREY is also a keen student of foreign relations. As a member of the Senate Foreign Relations Committee, he has frequently offered incisive criticism and constructive suggestions in such a manner as to place all those who believe in peace in his debt. Knowing of his special interest in the crucial area of the Middle East, I have asked unanimous consent that an address which he delivered in New York City on April 10 be included in the RECORD.

The address follows:

ADDRESS BY SENATOR HUBERT H. HUMPHREY ON THE MIDDLE EAST DEVELOPMENT AUTHORITY (MEDA)

Tonight I want to explore with you some further thoughts on a subject I first broached here in New York on December 20 in a speech I made at the Overseas Press Club. At that time I said:

"It might be useful * * * to consider establishing, under United Nations auspices, a Middle East Development Authority. Most of the economic, as well as the other, problems of the area are international in their scope. Most of them also require outside assistance, either in the form of capital, of technical aid, or of good offices. Why not, then, have an international agency to deal with them? The kind of Middle East Development Authority that I have in mind would have on its board of directors representatives of all the states of the area, as well as representatives of the states furnishing capital and technical assistance. Ample provision could be made to protect national sovereignties."

In the past few months since I made that suggestion, I have been spending a good deal of time thinking about the proposal in more detail. Among the various proposals which others have made and which are entirely consistent with my own suggestion, is one in particular which I should like to bring to your attention. It originated in the London Economist last August 4, at the start of the Suez crisis. The Economist called for "a permanent international zone to consist of the Gaza Strip, plus a narrow strip of Egyptian Sinai running all down the frontier to the Gulf of Aqaba south of Israel's Red Sea outlet at Eilat, plus the island of Tiran at the mouth of the gulf." The Economist proposed that "this area should be available for the passage of oil pipelines, air, and land traffic—in fact, all international communications agreeable to the United Nations."

I believe that this proposal should be given more consideration. Even on its own merits, such a strip would form a buffer zone making it possible for both Egypt and Israel to reduce their military expenditures. Unlike most international transfers of land, it would displace no settled nationals of any country. Operating in conjunction with a Middle East Development Authority, the project could indeed provide new employment to many of the 200,000 Arab refugees in the Gaza Strip.

Of course, there is the possibility—perhaps the probability—that intense negotiations would have to take place before both Egypt and Israel would accept this proposal. We need to be bold. But there are advantages in it for both. As one bargaining point in negotiations, I would even be willing to consider the possibility which has up to now been unacceptable to the Israelis: namely, the possibility of an internationally administered and guaranteed corridor across the Negev which would provide land communications between Egypt and Jordan. Such a corridor could in turn be used as a quid pro quo both for an additional international corridor across the Sinai Peninsula and for Arab guaranties of free Israeli passage through the Straits of Tiran and the Suez Canal.

Whether or not some modification of this plan for the internationalization of territory can be worked out, the parallel proposal of a Middle East Development Authority still seems to me to be a significant and hopeful one. We should give it the highest priority in a dramatic effort to break the accumulated logjam of frustration and bitterness in the Middle East.

Nowhere on earth can a better case be made than in the Middle East for a regional approach to the basic necessity for economic development. Most if not all of the vexing, complicated tensions of the area are involved with, and partly dependent upon, present economic conditions and future economic prospects in the area.

A Middle East Development Authority (MEDA), representing all the states in the region as well as of other states furnishing capital and technical assistance, could be a decisive new element in the whole situation. It seems to me that such an authority could be the catalytic agent which is now so desperately needed to precipitate solutions for a host of other Middle East problems.

As I now see it, MEDA itself would be a kind of hybrid between the World Bank and the TVA. It could undertake projects itself. It could lend money to either private or public agencies. It could participate in equity financing, in the manner of the International Finance Corporation. It could actively manage projects. It could carry on scientific research (in such matters as soil fertility, geological surveys, etc.). It could make basic engineering surveys and contribute to the drawing up of overall regional development plans. Furthermore, it could carry on long-term technical assistance—directed and staffed by the people of the area—for the people of the area.

The advantages of such an authority are really exciting. Just to consider a few of the possibilities:

1. MEDA could divert the attention of Arab leaders from military adventures to internal economic development. Turning Arab energies into constructive channels would eventually lead to institutional and social changes, such as the growth of a middle class, which would have a beneficial energizing and yet stabilizing influence.

2. MEDA could provide a means of channeling Arab oil revenue into productive uses which would benefit the entire area, thus utilizing part of the presently existing hard-money resources of the Middle East for the financing of regional development.

3. MEDA could be an international entity with which the states of the area could carry on bilateral negotiations and bilateral economic agreements. At present, it would be fanciful to expect Israel and Egypt to agree with each other. But it would perhaps not be so fanciful to expect them to agree separately with someone else.

4. MEDA could ultimately provide a solution to the whole Palestine-Arab refugee problem. This problem is supposed to be dealt with by the U. N. Relief and Works Agency, but UNRWA's activities have been limited almost solely to relief. The only long-term solution for the refugees is basic economic development for the area as a whole—the kind of development which will make it possible for the area to support more people at a higher standard of living.

5. MEDA might provide the political and economic formula for the acceptance of the Jordan River plan. MEDA itself could manage the project. This would also have advantages because an international agency would be less suspect of giving one side or the other more or less than its fair share of irrigation water or of power.

6. MEDA could give technical assistance and supervised farm credit to farmers settling on new lands coming into production from the development of the Jordan, the Litani, the Euphrates, or the Nile.

I appreciate the fact that there would be very serious practical problems as to how MEDA could be established and financed. In the present circumstances in the area, these problems may prove insuperable. For this reason, it is probably wise not to attempt to outline MEDA's charter and functions in precise detail, but to leave plenty of room for negotiation and compromise as developments indicate. Great care must be taken not to give MEDA the appearance of a supranational authority which would impinge upon the sovereignties of the states of the area. All chances of Egyptian participation, especially, would be lost if MEDA were put forward as an international agency to operate the Suez Canal.

To meet these objections, ample provisions for the protection of national sovereignties would have to be written into MEDA's charter. Further protection would be offered by the fact that all participating states would be represented on MEDA's Board of Directors.

Care would also have to be taken that MEDA did not become an instrument for furthering the Arab economic boycott of Israel. At the same time, the project would probably fail if the Arabs viewed it as an instrument designed especially for breaking their boycott. The avoidance of both of these pitfalls will require a fine degree of diplomatic tightrope walking, and determination to come to grips with the problems.

It is important to recognize that progress toward political stability and economic development in the Middle East can only be made slowly, one step at a time. It is impractical to try to work out an overall political settlement and economic development plan in a single package. It is imperative, however, that some kind of a start be made. Once this is done, the economic and social consequences will themselves generate a kind of momentum that will lead to further progress. For example, one cannot realistically expect the establishment of full trade relations between Israel and the Arab States in one step. But one can, perhaps, expect some kind of an arrangement, with MEDA or a similar agency acting as an intermediary, whereby joint water-use rights, for example, can be established. And one can also expect one thing to lead to another. Economic contact has a way of stimulating further activity.

In all of this, it is of the greatest importance that economics and politics be sharply separated. Economic development and political stability are, of course, closely related, and it is a close question as to which comes first. But one of the difficulties with the American foreign economic assistance program has been that it has been too much concerned with political conditions and too little concerned with economic conditions. The result, in many cases, is that the program has been counterproductive politically and a failure economically.

If there is a new international agency for economic development in the Middle East, or if the United States continues its own bilateral programs, the problem should be approached on an economic basis. The charter of the international agency should forbid the use of political considerations, and the

United States should renounce such use. On the other hand, the most rigid economic criteria should be established and adhered to.

What we have got to get across to everybody concerned in the Middle East is that it is in their own interests to turn their attention from intraregional feuding to intraregional development. This is true of both Israel and the Arab States. Israel has a per capita gross national product approximately twice that of Lebanon, the richest Arab state, and approximately 4 or 5 times that of most of the other Arab states. Just as it is unhealthy, and indeed dangerous, for the United States to live as an island of wealth in a sea of poverty, so is it unhealthy and even more dangerous for Israel to do so.

This is not to suggest an Israeli aid program for the Arab States. But it is to suggest that Israel has responsibilities toward the Arabs, particularly in terms of compensating the Arab refugees and providing for at least token resettlement in Israel.

The Arab States likewise have responsibilities toward Israel, the most important of which is to recognize Israel's right to independent existence and peace.

The Arabs frequently complain about the disparity in American aid to Israel as compared to the Arab States. What is frequently overlooked is that American aid has been better used and has been more effective in Israel than in almost any other country of the Afro-Asian region. The economic transformation which Israel underwent between 1952 and 1955 is as dramatic as that which occurred in Western Europe under the stimulus of the Marshall plan—yes; even more so.

The plain economic truth is that comparable amounts of aid poured into the Arab States would have produced by no means comparable results. In Israel, the aid program was dealing with a skilled, literate population with workable social and political institutions which are a prerequisite to economic development. These same conditions do not exist in the Arab States. This is not a reason for withholding aid to Arab States; but it is an additional reason for undertaking, multilaterally, and on a regional basis, fundamental development projects in the Arab States. The need is great—the possibilities challenging.

Total United States aid to Israel and the Arab States has amounted to more than $600 million. Except in Israel, it has not been particularly effective. The total that can be usefully expended over the next 10 years will almost certainly be no more than $600 million—let's say $1 billion at the most. If a regional development agency like MEDA could be created and given a capital of approximately this amount, the United States would be called upon to contribute only a portion of the total. In addition, the chances of successful economic development would be considerably improved.

UNITED STATES-ISRAEL ECONOMIC RELATIONS

What I have just said about the importance of Israel as a symbol for economic development in the whole Middle East area only further serves to emphasize the importance of close, continued United States-Israel economic relations. Your own Chamber is dedicated to the promotion of these relations, through the publication of your News Bulletin and Monthly Journal; your regular and special meetings of businessmen; your market research; the finding of agents here for Israeli products and in Israel for American products; your advice to investors; your assistance in licensing arrangements, and the many other valuable services you are performing.

I know that your 10-year program aims at sustaining and increasing United States-Israel economic relations and calls for economic activity totalling $1,500,000,000 over the 10 year period since your founding in 1953. I rejoice with you that economic activity between the two countries is increasing, in spite of diminishing official United States economic aid to Israel.

On that subject, let me say a bit more. United States economic aid to Israel reached its peak in fiscal year 1953 ($70 million), and has been decreasing since then. Last year it was $25 million, but was augmented by some $25 million in surplus foodstuffs.

This form of aid promotes United States exports to Israel, usually to an extent larger than the aid amount itself. This help, of great value to Israel, has also helped establish United States leadership in Israel's markets.

I know that you have heard talk of renewing such aid now that Israel's troop withdrawals have occurred. I know that the hundreds of United States business firms trading with Israel, are anxious to know: (a) When will the aid be renewed, and (b) What amount of aid is being considered.

I am glad to say that I have reason to believe that the Israeli aid program will be resumed in the near future. As you know, mutual security aid for fiscal 1957 was planned at about the level of $25 million for Israel. I believe that when the program is resumed, it will be reinstated at about that same level.

You will also remember that a United States Export-Import Bank loan to Israel of $75 million was under negotiation last year, to assist Israel's agricultural development. The grant of the loan would have meant much export business for the United States, no doubt over and above the $75 million loaned.

The Export-Import Bank announced last October 11 that a delegation from the bank would leave for Israel to examine the development program and clear the way for granting the loan. The outbreak of fighting negated this mission.

Since Israel's withdrawal there have been rumors that the negotiations for the loan are being resumed and I can assure you that some of us have been urging, and will continue to urge with all the force at our command, the renewal of these negotiations.

OIL PIPELINES

Many of us have been following closely the developments in the two Israeli pipeline projects now in process, as well as the third which is still in the planning stage.

I appreciate the fact that our Government has not been requested to assist in the financing of any of these projects, but I am afraid the reason is what the Israelis consider to be a predictable disinterest on our part. I should like to see us take an active interest, and offer to help. The oil pipeline situation in Israel at the moment is itself another story of imagination and initiative on the part of those pioneering people.

The first pipeline, a purely domestic project, calls for the construction of an 8-inch pipeline from Eilat—on the Gulf of Aqaba—to the railhead of Beersheba. This line will be capable of carrying about two-thirds of the country's oil needs, or roughly 800,000 metric tons a year. Construction of this pipeline was undertaken from domestic resources, with pipe already in the country and the preliminary technical survey was done by Tahal, the Israel water planning company. To put the line in operation by the target date of April 15, Israel must bring to rapid completion 2 pumping stations with double pumps—one located at Eilat and the other about 100 kilometers north of that port. Israeli press reports indicate one of these stations was completed by the middle of March. The oil will be transported by rail from Beersheba to the Haifa refinery which has an annual capacity of 4 million tons. This pipeline of 240 kilometers will cost about $6.7 million.

In the meantime, another project which is about to commence is for a 16-inch pipeline from Beersheba to the Mediterranean coast—in the neighborhood of Wadi Sukheir (about 30 kilometers south of Tel Aviv) with the oil transported by sea tanker to Haifa. The 16-inch line from Beersheba to Wadi Sukheir will be 60 kilometers in length.

Israel is also seeking financing for a 32-inch pipeline to carry 25 million tons of oil a year from Eilat to a location somewhere along the Mediterranean coast. The pipeline will be 180 or 270 miles long, depending upon the location of its Mediterranean terminal, and may require something in the order of $60 million. According to Israeli reports, surveys of this line have begun, with the help of French engineers. This project would be an international pipeline and is intended as Israel's answer to the Suez problem. Israelis say that they prefer private enterprise financing of this project. At one point, the French Government announced it would finance its construction but this appears to have fallen through. Whether this project can be realized remains to be seen. It, too, may depend on what we do.

Here, as on other issues, it is important to remind ourselves in conclusion that what happens to Israel happens to freedom. America and the entire free world are inextricably involved in the fate of Israel. We must frankly come to recognize that whatever happens to this struggling country happens to the forces of freedom everywhere.

If this outpost of democracy suffers, the free world suffers with her. As a result, far more than the fate of one nation, as vital as that is, is involved in the future of the Middle East.

Israel ought to and does represent and exemplify America's foreign policy objectives. Our goals for a free and peaceful world include development of responsible governments, the correction of ancient social and economic inequalities, the determined use of modern skills and technical skills for economic progress, and the opening of new horizons for the human personality. When we look at the Middle East today, where but in Israel do we find these goals being realized in daily performance? Israel is an exemplification of liberal democracy, in an area needing a beacon of democracy.

We have a vital stake in keeping that beacon glowing.

The Federal Flood Insurance Program

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. THOMPSON of New Jersey. Mr. Speaker, in recent weeks, I have been endeavoring to determine the reasons for the delay in the issuance of flood insurance policies to those who desire to purchase them. I have found that the delay was caused first by the administrative details which had to be ironed out before rates could be established, policies drafted and claims procedures established.

The administrative work has been completed now and excellent procedures have been developed under which extremely reasonable rates are proposed for policies which you will be able to purchase from your own insurance agent wherever you live. Fire and casualty insurance companies will issue the contracts and collect fees and losses will be handled through independent claims adjustment facilities.

I was delighted to learn of the excellent job which had been done but my spirits were dampened when I learned that the Federal Flood Indemnity Administration has been unable to get the Appropriations Committee to budget the $50 million which will be necessary. Members of the committee tell me that the States have indicated little interest and that the demand for the insurance on the part of individual homeowners is below expectations. The committee apparently has balked because of the campaign for economy and the whole program is in danger of collapse—this is shocking, but true.

The $50 million to which I have referred is not to be spent each year, and is necessary for two principal purposes: First, for subsidy premium payments into the reserve fund, and secondly, for payments to agents, carriers, and loss adjusters for their expenses and services. Obviously, if the Government sells an insurance policy and a loss occurs, the Government has a legal obligation to pay the loss, therefore a reserve fund must be set up. The program will be self-supporting, but, like any private insurance company, the Government must have money to start.

During the 84th Congress I was privileged to participate as a cosponsor with Senator Herbert H. Lehman and others in the first flood-insurance program ever established in the United States.

Senator JOHN F. KENNEDY said, on March 21 on the floor of the Senate, that—

> The Nation's first flood-insurance program, in the shaping of which I was privileged to participate, was one of our proudest accomplishments in the last session of Congress. It was intended to fulfill a dire need on the part of homeowners and businessmen in all parts of the country, including New England. It was promptly considered and passed by both Houses of Congress, and swiftly approved by the President, because of the urgent need for such legislation before disaster struck again.
>
> Now, nearly a year later, as New Englanders and others prepare for the consequences of spring and melting snows, what has happened to this program? No protection is available, no insurance can be purchased, no regulations have been published, no final policy forms have been agreed upon. Excessive bureaucratic delay, undue reliance upon a private insurance industry whose attitude has been negative from the beginning, and a diminution of popular interest as the result of restrictions, have all contributed to this administrative failure.

Senator KENNEDY puts his finger on one of the major reasons for the failure of the program to date. He said:

> One of those legislative problems—the necessity of obtaining a special appropriation for administrative expenses—would not have occurred had the administration accepted the provision in my original bill for such expenditure to be made from program funds, which come from a Treasury revolving-loan fund. But once the present provision was enacted, the new Federal Flood Indemnity Administration was negligent in failing to submit a budget request in time for inclusion in the urgent deficiency appropriation bill, already passed by the Congress.

I have joined with Senator KENNEDY in sponsoring legislation to amend the present Federal Flood Insurance Act of 1956. My bill, H. R. 6334, was introduced on March 25, 1957.

I include here the text of H. R. 6334, together with a letter I have received from the Commissioner of the Flood Indemnity Administration. I feel both of these items will be of considerable interest to my colleagues:

Be it enacted, etc., That (a) section 4 of the Federal Flood Insurance Act of 1956 is amended by striking out all that follows the colon and inserting in lieu therof the following: "*Provided*, That in the processing of applications for insurance under this act, the Administrator shall give priority to applications from persons who are not then protected against loss due to flood under any insurance provided by the Administrator under this act."

(b) Section 7 (a) of such act is amended by striking out the last sentence thereof.

(c) Section 15 of such act is amended—

(1) by striking out in the first sentence of subsection (b) the following: ", and the contributions made by the Administrator and the respectives States in accordance with section 7 (a) of this act"; and

(2) by striking out the last sentence of subsection (e) and inserting in lieu thereof the following: "Funds may be borrowed under this section at such times as may be deemed necessary by the Administrator, and funds so borrowed shall be deposited, in such proportions as the Administrator deems advisable, in the disaster insurance fund, the disaster reinsurance fund, and the disaster loan fund."

(d) Section 21 of such act is amended by striking out the second sentence thereof.

HOUSING AND HOME FINANCE AGENCY,
FEDERAL FLOOD INDEMNITY ADMINISTRATION,
Washington, D. C., April 11, 1957.

Hon. FRANK THOMPSON, Jr.,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN THOMPSON: This is in answer to the inquiry from your office yesterday about the current status of the Federal flood indemnity program.

On March 12, 1957, the President transmitted to the Speaker of the House proposals for supplemental appropriations for the fiscal year 1957, in which $50 million was requested for the operations of the Federal flood indemnity program. This amount is composed primarily of two items: One for subsidy premium payments into the reserve fund (disaster insurance fund); and the other for payments to agents, insurance carriers and loss adjusters as reimbursement for their expenses and services. You realize, I am sure, that this money can only be used as the business develops. Obviously, if we sell an insurance policy and a loss occurs, the Government has a legal obligation to adjust the loss and an adjuster must be paid. The same is true for agents who sell the policy and carriers who issue it in our behalf and perform accounting and statistical services. Until money is appropriated by the Congress for this purpose, we cannot legally incur these obligations.

The request is now before the Subcommittee on Independent Offices of the House Committee on Appropriations. Since the Federal Flood Insurance Act requires that all administrative costs, including payments to the insurance industry for selling and servicing this insurance, must be paid from appropriated funds, the date that we can offer this insurance to the American public is directly related to the action of the Congress. When Congress appropriates these funds, we can shortly thereafter commence issuing insurance policies.

By way of background, you will recall that the 84th Congress enacted the Federal Flood Insurance Act of 1956 on the closing day of the session and it was signed into law by President Eisenhower on August 7, 1956.

Acting under the authority of this act, Administrator Albert M. Cole established the Federal Flood Indemnity Administration as a constituent unit of the Housing and Home Finance Agency on September 23, 1956. On the same date, I was appointed Commissioner of FFIA.

Some of the potentially difficult administrative problems of establishing a new program lent themselves to prompt solutions. Acting under the authority of the act to utilize the private insurance industry to the maximum practicable extent, we have been able to lay out a marketing plan that contemplates maximum use of private facilities: Insurance agents and brokers throughout the country will sell Federal flood-indemnity contracts; fire and casualty insurance companies will issue the contracts and collect fees; and losses will be handled by independent claim-adjustment facilities. The marketing arrangements we have made will enable persons or corporate bodies to purchase flood-indemnity contracts in their own communities from the same agents or brokers who sell fire and casualty insurance.

We have been successful in negotiating with the insurance companies to have their services and facilities made available to us at cost; without profit or allowance for administrative expenses or other expenses normally incident to the operation of their business. These operations will be subject, of course, to our supervision and control.

After months of intensive efforts, we are now completing final drafts of the flood-indemnity contracts, underwriting rules and regulations, loss adjustment procedures and accounting and statistical forms and regulations, as well as completing the rate structure. Net rates (after the application of subsidy) will range for the major classes of our risks from approximately $1 to $2.50 per hundred of insurance on an 80-percent coinsurance basis.

Since you were so closely connected with the legislation which created the flood-indemnity program, you know that flood insurance for fixed-location property has never been generally available to the American people. Because of the high risk and catastrophic nature of floods, private companies have declined to offer this form of insurance.

This meant that we were charged with the responsibility for writing flood insurance without any prior flood-insurance experience to draw upon for ratemaking and underwriting. However, we had to comply with provisions of the act which specified that rates shall be established which would produce sufficient proceeds to pay all claims for probable losses over a reasonable period of years, shall be based on consideration of the risks involved, and that the fees to be charged the purchasers of indemnity contracts shall be designed to achieve marketability.

We attacked the rate problem by calling on the services of two groups of specialists. One was a committee of highly competent rate experts from the insurance industry. The other was an interagency committee of the Federal Government, including engineers and hydrologists from the Weather Bureau, the United States Geological Survey, and the Corps of Engineers.

Each committee, working separately, came up with a different rating system. The industry suggested rates which would be applicable nationally. These rates would take into consideration, among other things, (1) the location of the property, whether over water (such as piers, wharves, and similar facilities) or not; (2) whether insurance covered only the building or the building and its contents; (3) the location of the contents within the building; (4) whether or not the insured desired to take advantage of coinsurance or contribution provisions; and (5) dollar and percentage deductibles.

The Government group suggested rates based on hydrological data and the mathematical probability of floods. This system

would establish rates on the basis of location alone, that is, elevation and distance from the exposure, and upon the probability of a flood of a certain discharge at that site. These data, it was proposed, were to be used to develop contour maps which would indicate flood frequency, magnitude and intensity, and thus an average risk for property within prescribed zones shown on the map. This method is time consuming and expensive and not practicable for immediate use.

We have given both these systems exhaustive study and have arrived at a method which we feel combines the best features of each. We propose to adopt the general approach suggested by the insurance industry, but have modified it by considerations of flood frequency and damage in different areas.

By using the best data available, we have established a separate set of rates for each major river basin in the United States and for the more highly exposed areas along the Atlantic and Gulf coasts. We feel that the rates as now established meet the requirements of the act, including marketability.

I share with you and your constituents the concern over the need for protection against future flood losses, and I assure you that we are making every effort to offer flood insurance as soon as possible after the appropriated funds become available.

I trust that this answers your inquiry. If you have need for any further information, please do not hesitate to contact me again.

Sincerely yours,

FRANK J. MEISTRELL,
Commissioner, Flood Indemnity Administration.

Asian Assembly for Moral Rearmament

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Monday, April 15, 1957

Mr. WILEY. Mr. President, there has just been completed in the Philippines an Asian Assembly for Moral Re-Armament attended by representative leaders from 27 nations. This assembly was welcomed to his country by the late President Magsaysay, and was attended by his successor, President Garcia, with members of his Cabinet.

We in Washington would be wise to take note of what has been done and said at this gathering. The reconciliation of bitterness between races and nations, the demonstration of moral and spiritual power in men who can decide policy, the implications for the United States of this new understanding among the free nations of Asia—these are all matters of the highest significance.

Freedom has its ideology. Absolute moral standards give it firmness. The spirit of God gives it life.

If we in America live that ideology we shall find a response in Asia that money cannot buy. It could be the turning point.

The signs of response to these deeper realities at this assembly are a source of hope for us all—and a challenge to us to examine our policy and our practice in light of these truths.

Mr. President, I ask that a statement I have prepared on this subject be printed in the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ASIAN ASSEMBLY FOR MORAL REARMAMENT—STATESMEN UNITE AT MRA ASSEMBLY IN THE PHILIPPINES

President Carlos P. Garcia of the Philippines and Mrs. Garcia, with members of his Cabinet and leaders of the Philippine Congress, traveled by special train to Baguio to welcome delegates from 27 nations to the Asian Assembly for Moral Re-Armament held March 29–April 8. President Garcia said: "I am glad that Moral Re-Armament was born. It is sounding a chord that will find responsive hearts the world over."

The Presidential party included the Acting Secretary of Foreign Affairs, the chairman of the Senate Foreign Relations Committee, the chairman of the Senate Committee on National Defense, as well as other members of the Cabinet and chairmen of congressional committees.

The Manila Times reported that President Garcia went to fulfill a date made by the late President Magsaysay. Speaking of the late President, Senator Roseller Lim said:

"Since his breakfast a year ago with Dr. Frank Buchman, initiator of Moral Re-Armament,* the President said at least three times, 'Ros, we must decide this on the basis of what's right, no matter whose feelings are hurt, even my own.' On that basis many of the President's problems were solved. Five days before his death I told him about this Assembly. He said he would come to Baguio to open the conference, and expressed the particular hope that the three Colwell brothers would be coming."

Senator Emmanuel Pelaez, chairman of the Senate Committee on National Defense in the Philippines, said:

"It is for practical reasons that I want MRA to be a force here. From the standpoint of national security it can be a very practical, realistic bulwark against the infiltration of communism."

ONLY ANSWER A SUPERIOR IDEOLOGY

The former Prime Minister of Nationalist China, Gen. Ho Ying-chin, now chairman of the Military Strategy Advisory Board of Taiwan, summing up the results of the conference, declared that what he and others had "failed to achieve in 10 years of postwar diplomatic effort had been accomplished at this Asian Assembly.

"Although the war ended over 10 years ago, deep bitterness has remained. I see Moral Re-Armament as the ideology which is uniting the Asian nations. Real contributions have been made to the welfare of Asia. Leading Japanese and Koreans have found understanding. We have seen a dream of long standing realized here. Enemies have become reconciled and great hope has been found.

"Today we need a superior ideology to safeguard our national freedom and democracy. Dr. Frank Buchman, from his knowledge of human nature, foresaw this need and has given the world an ideology of change. Twenty years' experience of communism has proved to me that the only answer is a superior ideology. Today there is only one road—that of Moral Re-Armament—along which the whole world can advance to freedom and peace."

Gen. Ho Ying-chin pledged himself to accept gladly any responsibility through Moral Re-Armament to consolidate this new spirit in Asia and the world.

PRIME MINISTER U NU DEFINES BASIS OF ANSWERING IDEOLOGS

The Burmese Prime Minister sent a message to the assembly which was broadcast over the Burmese National Radio: "Dr. Buchman has presented to the world a new ideology above race and class because it seeks to answer the needs of the heart. This ideology seeks to change men, their ideas, their motives, their aims. Its moral standards of honesty, purity, unselfishness, and love form the cream of all religious beliefs."

Prime Minister Nobosuke Kishi of Japan said in a message delivered by Niro Hoshijima: "I look forward to the day when all the peoples of Asia unite in friendship. This desire of mine makes me exceptionally happy to send my greetings to the Asian Conference for Moral Re-Armament. Understanding between nations can hardly be realized by the official phase of diplomacy alone. What appears to me vastly more important is a reawakening to the moral and spiritual values involved."

Dr. Mohammad Hatta, former vice president and cofounder of the Indonesia Republic, sent a message declaring: "If with God's help you can achieve something to alleviate world tension, the whole of mankind will be grateful to you."

R. P. Sunarto, a director of Radio Indonesia, delivered Dr. Hatta's message and told of the widespread response to weekly broadcasts on MRA in Indonesia.

President Ngo Dinh Diem of Vietnam sent a personal representative, Dinh Van Huan, first president of the court of appeals. Mr. Van Huan said: "To remake the world we only need a determined nucleus in every country. I am deeply convinced of the objectives for which you are so effectively striving. An Asian Assembly for Moral Re-Armament should be held at least once a year."

HISTORIC HATREDS HEALED

Niro Hoshijima, cosignatory of the Japanese Peace Treaty and oldest member of the Diet in point of service, said: "Relations between Japan and our nearest neighbor, Korea, are not what they should be. This is primarily the responsibility of the Japanese. Here we have been able to find the road to unity between Korea and Japan. With the spirit of MRA Japan can change and we can find lasting unity with the countries of Asia."

Yoon Sung Soon, chairman of the Foreign Relations Committee of the Korean National Assembly, said: "The real difficulties between Korea and Japan can only be solved through the spirit of Moral Re-Armament. We need to change personally, but it also needs to issue in political, social, economic, and international changes. I have to change and every nation has to change. Just as Korea and Japan have found unity through MRA, so too can every nation."

Senator Shidzue Kato, member of the Foreign Relations Committee of the Japanese Diet, asking forgiveness of the Korean people who suffered under more than 30 years of Japanese occupation, said: "I want to take full responsibility for what my nation did and for this I ask your forgiveness. I return with the determination that it will not just be lip service to an apology but to fight that this spirit becomes the policy of my nation."

Mrs. Park Hyun Sook, former Korean Cabinet Minister whom the Japanese had imprisoned for years and whose husband had been bedridden for more than 18 years as a result of Japanese maltreatment, said: "The unity of Asia can only be achieved when there is reconciliation between Japan and Korea. Through change in my own heart I lost my enmity and I am convinced that only on the basis of MRA can permanent peace be achieved in Asia and the world."

Senator Kato, in describing how the reparations agreement between the Philippines and Japan was ratified, said: "Before I met MRA I was champion in embarrassing the government to get my name before the public. But MRA taught me how to fight on the basis of what is right. Last June the Diet was considering ratification of our reparations agreement with the Philippines but this was endangered by our party's opposition to the Government and the many conflicts in the Diet. I decided to take full responsibility as a member of the Foreign Relations Committee to fight for ratification, and 3 hours before the Diet session ended the reparations agreement was ratified."

Daw Nyein Tha, distinguished educator from Burma, said: "MRA has the secret of turning enemies into friends." She quoted Dr. Buchman: " 'The best defense of your country is the respect and gratitude of your neighbors.' "

Mr. Kichizaemon Sumitomo, head of the Japanese industrial family which before the war employed 500,000 men, said: "I realize that as a capitalist I was also responsible for what happened in the Philippines by providing the material strength for the Japanese militarists. But apology is not enough. We in management must work on a basis of what is right. It is not enough to rely on good will between individuals. We responsible leaders of our nations must commit ourselves to living a moral ideology."

After an apology by Renzo Kanagisawa, chairman of 250,000 Japanese shipyard workers, for what Japan did to the Philippines during the war, Donato Alarcon, vice president of the Philippine Transport Workers Union, said: "At this assembly we are developing the moral ideology where our mistakes of the past can be corrected and Japan and the Philippines can learn to live as members of one family."

Willard Johnson, president of the student body of 12,000 at the University of California at Los Angeles, and Jerry Nelson, another student leader from the same university, told of the unity MRA had brought to their campus. "We were the bitterest political enemies on the campus," said Nelson. "What we had been doing was divisive and selfish. MRA united us. America needs this ideology. It is the only hope of our country." Johnson said: "We Negroes have often attempted to answer racial prejudice with an equal amount of prejudice against the whites. Our real battle is against prejudice and not against the people involved in it. The ideology of moral rearmament can answer racial prejudice because it challenges both black and white to change and build a new world."

WORLD DICTATORSHIP, WORLD DESTRUCTION, OR WORLD RENAISSANCE

Dr. Douglas Cornell of Washington, executive officer of the National Academy of Sciences, said: "MRA is the ideology of freedom needed in the atomic age. I have worked 10 years in the development of weapons and have some knowledge of such facts as the marriage of atomic warheads with guided missiles. The new factor is that the next war would mean total destruction. Consciously or unconsciously everyone of us chooses one of three alternatives—world dictatorship, world destruction, or world renaissance. MRA offers every man the chance to play his full part in the creation of this renaissance."

Dante Calma of the office of the President of the Philippines, said: "As yet it is only in Communist countries that ideology is placed before self-interest. I fear for the future of my country and my children if there is not a change. Moral Re-Armament has proved a turning point in my life and for the first time I have become part of my Catholic faith. The future of this country as well as of Asia is being shaped here at this assembly. We Filipinos must make Moral Re-Armament top priority."

Dean Vincente G. Sinco, dean of the College of Law, University of the Philippines, and chairman of the import-export committee, told the assembly: "I have been overwhelmed by the decisions which men and women have made at this Assembly to take this ideology to Asia and the world. The spirit of greed, falsehood, impurity, and selfishness exists even where there is no communism. With MRA these forces will not become dominant in our nation. Only in this way will we have peace and unity."

Rajaram Shastri, Member of Parliament of India and General Secretary, 1954–55, of the All-India Hind Mazdoor Sabha, central organization of the Socialist trade unions of India with 500,000 members, declared:

"As a Marxist I spent 26 years of my life organizing the Indian working class on a basis of hatred and bitterness. When I saw the division around me I traveled for an answer to Soviet Russia, Red China, and several countries of Europe, but everywhere I found people suffering from the same disease—materialism.

"When I met Moral Re-Armament I realized that for 26 years I had been pointing out the mistakes of others instead of seeing where I need to change myself first. MRA turned a torchlight inward. Through absolute moral standards and the guidance of God lies the way to bring peace and happiness to individuals, families, nations, and the world."

Cornelio Balmaceda, general manager of the Philippine Chamber of Commerce and former Minister of Commerce, who had earlier attended the World Training Center for Moral Re-Armament at Caux, Switzerland, while a delegate to the ECOSOC Conference in Geneva, said: "Ideological controversy plagued the meetings in Geneva. At Caux I saw Communists changing and the force of an idea to unite the world. Most solutions center around material rearmament. MRA is an armament that does not cost nations billions to insure defense. While the masses of Asia are being serenaded by communism, the coming of Moral Re-Armament is very significant and timely."

TRUE BASIS FOR EAST-WEST UNITY

In a cable to Mr. SAM RAYBURN, Speaker of the United States House of Representatives, and Senator THEODORE FRANCIS GREEN, chairman of the Senate Foreign Relations Committee, on the occasion of a private showing for Members of both Houses of the United States Congress of the all-African film, Freedom, delegates at the Asian Assembly said:

"The Asian nations gathered at Baguio in the Philippines respond to your initiative in the presentation of the film, Freedom, to the United States Congress. The Asian premiere of Freedom was seen here this week by delegates from 24 nations attending the Asian Assembly for Moral Re-Armament. This overwhelming film is providential for our nations at this critical time and must reach the millions of Asia now.

"The ideology depicted in the film, Freedom, is the ideology Asia wants. It is the only true basis on which East and West can unite. Where diplomacy has failed to answer our greatest need, Moral Re-Armament is succeeding. It is breaking down barriers of hate and bitterness and creating trust and unity. It is opening up avenues to reparations and concrete accords.

"We are grateful for the three American brothers, the Colwells, who responded to the late President Magsaysay's call that they come to Baguio. They have played a vital part in operating the spirit in which unity is being forged between our nations."

The cable was signed by: Senator Roseller T. Lim, the Philippines; General Ho Ying-chin, chairman, Military Strategy Advisory Board, Formosa; Niro Hoshijima, senior member, Japanese Diet; Senator Shidzue Kato, member, Foreign Relations Committee, Japan; Yoon Sung Soon, chairman, Foreign Relations Committee, Korean National Assembly; R. P. Sunarto, director, Radio Indonesia; Devar Surya Sena, Radio Ceylon; Dato Mahmoud Bin Mat, former speaker, Legislative Council, Malaya; Maung Maung Khin, editor, New Light of Burma; Rajaram Shastri, Member of Parliament, India.

A special showing for members of Congress of the Philippines was held on April 13 and attended by the Speaker of the House of Representatives, the Senate majority leader, chairman of the three Senate committees, and other Congressional leaders. The morning session of the Senate was delayed for an hour to enable members to attend.

*On July 1, 1936, President Magsaysay awarded to Dr. Frank Buchman the Order of the Philippines Legion of Honor with Gold Medal.

SENATE

TUESDAY, APRIL 16, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Father, strong to save, all that we think or plan or do this sacred week has upon it the shadow of a rugged cross. With a surety that pure reason cannot follow, because it passeth understanding, we are conscious that in the face of man's best man, love's best love, as He moves with unshrinking, steady pace to the cross-crowned hill outside the city's walls, is the confirmation of our highest aspirations, the rebuke to our failure to be true to our best, the shining goal of a self uncowed by the threats of foes or compromised by the seduction of friends:

We take, O cross, thy shadow
For our abiding place,
We ask no other sunshine
Than the sunshine of His face;
Content to let the world go by,
To know no gain or loss,
Our sinful selves our only shame,
Our glory all the cross.

In His name, who for the joy that was set before Him endured the cross and despised the shame. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the Journal of the proceedings of Monday, April 15, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 58. An act for the relief of Duk Chang Cho;

S. 87. An act for the relief of Pavel Blaho;

S. 91. An act for the relief of Victor Charles Hunt;

S. 127. An act for the relief of Anna Maria Cosentino and Francesca Maria Cosentino;

S. 158. An act for the relief of Hewey Malachi Mackey;

S. 269. An act for the relief of Esther Guagliardo;

S. 363. An act for the relief of Nelson Shu-Yung Chuang;

S. 424. An act for the relief of Herbert James Bramley;

S. 649. An act for the relief of Yee Chung Fong Ming and Yee Chung Nom Ming;

S. 753. An act for the relief of Georgiana Ching Hsien (Liang) New; and

S. 812. An act to amend the Agricultural Act of 1949 with respect to price support for extra long staple cotton.

The message also announced that the House had agreed to the following concurrent resolutions of the Senate:

S. Con. Res. 11. Concurrent resolution favoring the suspension of deportation of certain aliens;

S. Con. Res. 12. Concurrent resolution withdrawing suspension of deportation of Carlis Stender;

S. Con. Res. 17. Concurrent resolution favoring the suspension of deportation in the case of certain aliens; and

S. Con. Res. 18. Concurrent resolution withdrawing suspension of deportation of Ashun Yung.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 1045. An act to amend the Soil Conservation and Domestic Allotment Act, as amended;

H. R. 1983. An act to provide for the conveyance of the reversionary interest of the United States in certain lands to the Clint Independent School District and the Fabens Independent School District in the State of Texas, or to either of them, and for other purposes;

H. R. 3367. An act to amend section 1867 of title 28 of the United States Code to authorize the use of certified mail in summoning jurors;

H. R. 3368. An act to amend section 1870 of title 28, United States Code, to authorize the district courts to allow additional peremptory challenges in civil cases to multiple plaintiffs as well as multiple defendants;

H. R. 4144. An act to provide that the commanding general of the militia of the District of Columbia shall hold the rank of brigadier general or major general;

H. R. 5832. An act to increase the retired annuities of the civilian members of the teaching staffs of the United States Naval Academy and the United States Naval Postgraduate School; and

H. R. 6870. An act making appropriations for the fiscal year ending June 30, 1957, and for other purposes.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H. R. 1045. An act to amend the Soil Conservation and Domestic Allotment Act, as amended; to the Committee on Agriculture and Forestry.

H. R. 1983. An act to provide for the conveyance of the reversionary interest of the United States in certain lands to the Clint Independent School District and the Fabens Independent School District in the State of Texas, or to either of them, and for other purposes; to the Committee on Foreign Relations.

H. R. 3367. An act to amend section 1867 of title 28 of the United States Code to authorize the use of certified mail in summoning jurors; and

H. R. 3368. An act to amend section 1870 of title 28, United States Code, to authorize the district courts to allow additional peremptory challenges in civil cases to multiple plaintiffs as well as multiple defendants; to the Committee on the Judiciary.

H. R. 4144. An act to provide that the commanding general of the militia of the District of Columbia shall hold the rank of brigadier general or major general; and

H. R. 5832. An act to increase the retired annuities of the civilian members of the teaching staffs of the United States Naval Academy and the United States Naval Postgraduate School; to the Committee on Armed Services.

H. R. 6870. An act making appropriations for the fiscal year ending June 30, 1957, and for other purposes; to the Committee on Appropriations.

SECOND URGENT DEFICIENCY APPROPRIATIONS, 1957—REPORT OF A COMMITTEE (S. REPT. NO. 234)

Mr. HAYDEN. Mr. President, by direction of the Committee on Appropriations, I report House bill 6870, making appropriations for the fiscal year ending June 30, 1957, and for other purposes, and I submit a report thereon. I ask unanimous consent for the immediate consideration of the bill.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 6870) making appropriations for the fiscal year ending June 30, 1957, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HAYDEN. Mr. President, House bill 6870 has been reported to the Senate without change, insofar as the action taken by the House of Representatives on the appropriations for the executive branch is concerned. All the departments and agencies affected by the bill have been consulted, and they are fairly well satisfied with the amounts of appropriations voted by the House of Representatives.

The only amendments which have been made by the Senate committee in the bill provide for certain contingent expenses of the Senate; and the action of the Senate Appropriations Committee in that connection corresponds in principle with the action taken by the House in making available the amount of $290,000 "for 'Special and select committees.'"

The VICE PRESIDENT. The committee amendments will be stated.

The first amendment of the Committee on Appropriations was on page 5, beginning in line 10, after the heading "Legislative Branch," to insert "Senate."

The amendment was agreed to.

The next amendment was on page 5, after line 10, to insert:

SALARIES, OFFICERS AND EMPLOYEES

Office of the Vice President: For an additional amount for clerical assistance to the Vice President, $5,000.

The amendment was agreed to.

The next amendment was, on page 5, after line 13, to insert:

Administrative and clerical assistants to Senators: For an additional amount for administrative and clerical assistants for Senators, to provide additional clerical assistants for each Senator from the States of Louisiana and Ohio so that the allowance for each Senator from the State of Louisiana will be equal to that allowed Senators from States having a population of over 3 million, the population of said State having exceeded 3 million inhabitants, and so that the allowance for each Senator from the State of Ohio will be equal to that allowed Senators from States having a population of over 9 million, the population of said State having exceeded 9 million inhabitants, $5,000.

The amendment was agreed to.

The next amendment was, at the top of page 6, to insert:

Administrative and clerical assistants to Senators: For an additional amount for administrative and clerical assistants for Senators, to provide additional clerical assistants for each Senator from the State of Texas so that the allowance for each Senator from said State will be equal to that allowed Senators from States having a population of over 9 million, the population of said State having exceeded 9 million inhabitants, $2,000.

The amendment was agreed to.

The next amendment was, on page 6, after line 8, to insert:

CONTINGENT EXPENSES OF THE SENATE

Inquiries and investigations: For an additional amount for expenses of inquiries and investigations, fiscal year 1956, $25,000.

The amendment was agreed to.

The next amendment was, on page 6, after line 12, to insert:

Inquiries and investigations: For an additional amount for expenses of inquiries and investigations, $320,000.

The amendment was agreed to.

The next amendment was, on page 6, after line 14, to insert:

Automobile for the President pro tempore: For an additional amount for purchase, exchange, driving, maintenance, and operation of an automobile for the President pro tempore of the Senate, $2,000.

The amendment was agreed to.

The next amendment was, on page 6, after line 18, to insert:

Automobiles for the majority and minority leaders: For an additional amount for purchase, exchange, driving, maintenance, and operation of 2 automobiles, 1 for the majority leader of the Senate, and 1 for the minority leader of the Senate, $4,000.

The amendment was agreed to.

The next amendment was, on page 6, after line 23, to insert:

Joint Committee on Navajo-Hopi Indian Administration: For salaries and expenses of the Joint Committee on Navajo-Hopi Indian Administration, $5,000, to remain available during the existence of the committee.

The amendment was agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The VICE PRESIDENT. The bill having been read the third time, the question is, Shall it pass?

The bill (H. R. 6870) was passed.

Mr. KNOWLAND. Mr. President, I move to reconsider the vote by which

the Senate just passed the second urgent deficiency appropriation bill.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Montana to lay on the table the motion of the Senator from California.

The motion to lay on the table was agreed to.

Mr. GOLDWATER subsequently said: Mr. President, I was absent from the floor, on committee business, when the appropriation bill including the deficiency item for the Post Office Department passed the Senate. I had certainly expected that the bill would receive far more attention than that which was accorded to it this afternoon. I was very hopeful that we would have an opportunity to have a yea-and-nay vote taken on the question of the passage of the measure. If such a vote had been taken, I would have voted against the bill.

I think the statement made on yesterday by the Postmaster General—namely, that $1 million was saved by closing the post offices last Saturday—indicates to the American people that $52 million might be knocked from the budget this year by continuing to close the post offices on Saturday. The country is working on a 5-day week basis. I do not know why it is necessary for mail to be delivered on Saturday. In fact, last Saturday at home was a joy: I did not have to read any local newspapers; I received no bills; I received no letters from anyone telling me what an unusual person I am—in either direction. [Laughter.]

I think the country might welcome a respite from the free mailings which are so numerous, both those from the Congress and those emanating from private sources through the allowances of the law and the regulations of the Post Office Department.

I certainly would have hoped this body would have given more attention than it did to an item of approximately $41 million.

However, inasmuch as the bill has now been passed, and inasmuch as I—because of my absence on committee business—did not have an opportunity to vote on the question of the passage of the bill, I ask unanimous consent that the few words I have had to say on the bill be printed in the RECORD in connection with the passage of the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator from Arizona yield to me?

Mr. GOLDWATER. I yield.

Mr. MANSFIELD. Am I to understand that the distinguished Senator from Arizona, who is one of the Nation's most outstanding advocates of economy, is not in favor of the position taken by the Postmaster General, Mr. Arthur Summerfield, in respect to this particular matter?

Mr. GOLDWATER. I do not know what his final position is; he has taken several. However, when the Postmaster General said he could save money by not delivering mail on Saturday, I was in complete agreement with him. After the Postmaster General stated that $1 million could be saved by not delivering mail on one Saturday, I do not know what happened to change his mind and to cause him to conclude that it would be necessary that the mail be delivered on Saturday.

Mr. MANSFIELD. Let me say that I was disturbed that, under coercion, the House caved in and voted to give the Postmaster General the amount of money he requested, because certainly he must have been in violation of some law, if the General Accounting Office was correct in its statement that the action of the Postmaster General was in violation of the law. He did not notify the Congress of the fact that he would be faced with a deficit. He notified Congress only at the last minute, and he used coercion and threats; and he seemed to get away with it. I am delighted that the distinguished Senator from Arizona is not in accord with the attitude of the present Postmaster General.

Mr. GOLDWATER. Mr. President, if what the distinguished Senator from Montana says is true—and I have no reason to doubt its truthfulness—I certainly shall have reason to take issue with the Postmaster General.

I say to the Senator from Montana and to all other Senators that all of us are violating a law—one of the immutable laws of economics, namely, that one cannot spend what he does not have. However, today the Government is spending $286 billion of the money of our grandchildren and our great-grandchildren and our great-great-grandchildren, as well as the money of the grandchildren's mothers. I say it is time we put a stop to it, even in the case of those who like to be bothered by having mail delivered on Saturday.

Mr. MANSFIELD. I should like to join the Senator from Arizona; and I wish to state that I hope the agencies downtown will take heed of what the Senator from Arizona has said.

Mr. GOLDWATER. Mr. President, I still have hope.

REQUESTED AUTHORIZATION FOR OUT-OF-TOWN HEARINGS BY JUVENILE DELINQUENCY SUBCOMMITTEE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Juvenile Delinquency Subcommittee be permitted to hold out-of-town hearings during the sessions of the Senate on May 7, 8, and 9, 1957.

Mr. KNOWLAND. Mr. President, I must object to the request that the Senate authorize the subcommittee to hold out-of-town hearings. It is a subcommittee of the Judiciary Committee. We have had difficulty in getting the committee to have a quorum present and to take action on the proposed civil-rights legislation, which now has been pending before that committee for some time.

In view of the fact that the Senate is about to take a recess for the Easter period, unless the subcommittee's out-of-town meetings could be held during that recess week, I must object to out-of-town meetings by any subcommittee of the Judiciary Committee, until the full committee has at least acted on the proposed civil-rights legislation.

The VICE PRESIDENT. Objection is heard.

TRANSACTION OF ROUTINE BUSINESS

Mr. MANSFIELD. Mr. President, since the Senate is meeting today following an adjournment, under the rule, there will be the usual morning hour, for the introduction of bills and the transaction of other routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON COOPERATION WITH MEXICO IN CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE

A letter from the Assistant Secretary of Agriculture, reporting, pursuant to law, that during the month of March there were no significant developments relating to the cooperative program of the United States with Mexico for the control and eradication of foot-and-mouth disease; to the Committee on Agriculture and Forestry.

NOTICE OF INTENTION TO INTERCHANGE JURISDICTION OF MILITARY AND NATIONAL FOREST LANDS

A letter from the Secretary of the Army, and Assistant Secretary of Agriculture, transmitting, pursuant to law, a notice of intention of the Department of the Army and the Department of Agriculture to interchange jurisdiction of military and national forest lands (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT ON RESEARCH AND DEVELOPMENT CONTRACTS

A letter from the Director of Research and Development, Department of the Army, Washington, D. C., transmitting, pursuant to law, a report on research and development contracts, for the period July 1, 1956, through December 31, 1956 (with an accompanying report); to the Committee on Armed Services.

REPORT ON SAN ANGELO PROJECT, TEXAS

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, his report and findings on the San Angelo project, Texas (with accompanying papers); to the Committee on Interior and Insular Affairs.

SUPPLEMENT TO CONTRACT WITH PACIFIC GAS & ELECTRIC CO. FOR CERTAIN SERVICES

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed contract entitled "Supplement to Contract With Pacific Gas & Electric Co. for Transmission and Exchange Service," dated March 1, 1957, amended March 4, 1957 (with an accompanying paper); to the Committee on Interior and Insular Affairs.

DEVELOPMENT AND MODERNIZATION OF NATIONAL SYSTEM OF AIR NAVIGATION

A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a draft of proposed legislation

to provide for the development and modernization of the national system of navigation and traffic control facilities to serve present and future needs of civil and military aviation, and for other purposes (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

MADAME HENRIETTE BUAILLON AND STANLEY JAMES CARPENTER

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of Madame Henriette Buaillon and Stanley James Carpenter (with an accompanying paper); to the Committee on the Judiciary.

REPORT ON CARE AND TREATMENT OF INDIANS

A letter from the Secretary, Department of Health, Education, and Welfare, reporting, pursuant to law, on the care and treatment of Indians, subsequent to June 30, 1957 (with accompanying papers); to the Committee on Labor and Public Welfare.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of Arizona, relating to the appropriation of funds for the construction of a fish-producing and rearing station in Sycamore Canyon, north of Cottonwood, Ariz., and in the area of Bullhead City, Ariz.; to the Committee on Appropriations.

(See joint resolution printed in full when presented by Mr. GOLDWATER on April 15, 1957, p. 5644, CONGRESSIONAL RECORD.)

A resolution of the Senate of the State of Pennsylvania; to the Committee on Finance:

"The increased importation of numerous products that come into competition with the output of factories, farms, and mines of Pennsylvania, replacing the products of Pennsylvania's industries, is a constant menace to the State's continuing economic stability.

"The lower wages paid abroad make it impossible for many of our smaller and medium-sized producers to compete with imports without resorting to ruinous price cutting, which in turn would result either in financial losses or heavy pressure for wage reductions and outright unemployment.

"Our national obligations have reached such extreme proportions that the national income must be maintained at its present unprecedented high level, or close thereto lest we become insolvent.

"Unemployment caused by the imports of residual oil, which represented 3.43 times the average of 45 million barrels imported in 1946, to approximately 154 million barrels in 1956, or the yearly equivalent of 36,640,000 tons of coal; and unemployment caused by imports of crude oil; various types of glass, steel, aluminum, brass, and zinc products; pottery and chinaware; granite, tiles, cement, hardboard, plywood, hardware, plumbing, flat glass and other building supplies; lace, carpets, and all kinds of woolen, cotton, and synthetic fiber manufactured goods; leather and fabric gloves; bicycles; hydraulic turbines; machine tools and other machinery; heavy electrical equipment and other electrical industry products and electronics; watches, clocks, and parts; optical industry products; cutlery; scientific apparatus; pencils and pens; pins, clips, and fasteners; soft fiber; insulation board and manufactured cork products; chemicals; toys; mushrooms; farm, dairy and dried milk products; wallpaper; hats and millinery; printing industry products; ladies' hand bags and leather goods; nails, wire, screws, bolts and nuts, and many other commodities; will render the upholding of the economy at its high levels most uncertain and difficult unless all import trade is placed on a fair competitive basis and the potential injury therefrom thus eliminated.

"Agricultural products, such as wheat, wheat flour, cotton, butter, cheese, and peanuts enjoy the protection of import quotas.

"A maximum of satisfactory trade results from a prosperous domestic economy freed from the threat of a breakdown resulting from unfair import competition: Therefore be it.

"*Resolved* (*the house of representatives concurring*), That the General Assembly of the Commonwealth of Pennsylvania memorialize the Congress of the United States to provide adequate safeguards in tariff and trade legislation, including import quotas and an effective prohibition against dumping of imports in the United States; against the destruction or lowering of our American standard of living, the labor standard of our workmen, and the stability of our economy by unfair import competition, and that the existing trade-agreements legislation be amended accordingly; and be it further

"*Resolved*, That copies of this resolution be transmitted to the President of the United States, the Vice President of the United States, the Secretary of State, the Secretary of the Treasury, the Secretary of Commerce, the Secretary of Labor, the Secretary of Agriculture, the Chairman of the United States Tariff Commission, the Speaker of the House of Representatives, and each Senator and Representative from Pennsylvania in the Congress of the United States.

"I certify that the foregoing is a true and correct copy of a resolution introduced by Senators Paul L. Wagner, Ernest P. Walker, Arthur E. Kromer, William Z. Scott, Charles R. Mallery, J. Irving Whalley, Harold E. Flack, and John T. Van Sant, and adopted by the Senate of Pennsylvania the 19th day of March 1957, and concurred in by the House of Representatives the 27th day of March 1957.

"A. H. LETZLER,
"Secretary, Senate of Pennsylvania."

A resolution of the Senate of the State of South Dakota; to the Committee on Labor and Public Welfare:

"A resolution memorializing the Congress of the United States to resist the efforts of proponents of centralization of government to invade the field of education and usurp or encroach upon the right and duty of the people in the local communities to provide for and supervise the education of their children

"Whereas the matter of education of the children of this State is now, and always has been of utmost concern to our citizens, both individually and collectively, and they have never hesitated to provide funds through taxation and otherwise in sufficient amount, both locally and statewide, to meet their obligation to provide proper educational facilities; and

"Whereas the differential that existed between construction and/or staffing of education facilities and student population arose through no fault or lack of interest of the people but was caused by wartime stresses and conditions when all peacetime construction and career planning, of necessity, was deferred in order that a maximum war effort could be put forth; and

"Whereas through thoughtful planning and economical and efficient use of available financial resources this State, and the local communities therein, have at this time, for all practical purposes, achieved an equalization between school facilities and school population without sacrificing quality of school plants or personnel, and, further, the office of superintendent of public instruction of this State, in cooperation with local school authorities has instituted an education-planning program so as to provide properly for the future population growth; and

"Whereas in recent years, through the efforts of certain national groups there has developed a strong movement to have the Federal Government step into or invade the education field on the pretext that the State and local authorities are unable to cope with the school problem, whereas the real reason therefor is to remove the whole field of education from the supervision, operation and control of the people of the local communities; and

"Whereas any such movement is objectionable upon several grounds among which are:

"(a) Any Federal program must be regulated which, in turn, calls for creation, establishment and staffing of various boards and bureaus with the usual waste, inefficiency, and consequent dissipation of badly needed tax money, attendant thereon;

"(b) Apart from financial or economic consideration is the even greater danger that such movement could and, eventually, would remove from the observation and control of the people of local communities the teaching methods, philosophy, source material and like matters, thus paving the way for subtle insinuation of the teachings of subversive ideologies into school curricula, and resulting in the possible warping, twisting and poisoning of the impressionable minds of children against our democratic principles and processes; and

"Whereas since the very inception of this program of unwarranted attempted usurpation of these inalienable rights and duties of the people, the State of South Dakota has fought it militantly and unyieldingly, as a result of which the aforesaid national groups have intentionally, knowingly, and unconscionably issued reports containing absolutely false misstatements and discolorations of fact and truth concerning this State's educational facilities and program in an insidious attempt to discredit, embarrass and belittle it and its citizens before the Congress of the United States and the people of this country; and

"Whereas such action upon the part of said national groups strengthens and confirms our suspicions that the tears they shed for the educational welfare of the children of this State and Nation are, truly, 'crocodile' in nature and serve but to camouflage the ulterior socialistic motives they so poorly conceal; and

"Whereas the aforesaid distortions and untruths by said groups concerning the situation in the State of South Dakota lead but to the conclusion that statements concerning the educational facilities and programs in other States are equally erroneous and fallacious; and

"Whereas this State, and the citizens hereof, are now, always have been and always shall be unequivocally, incontrovertibly and unalterably opposed to any Federal invasion, encroachment or infringement of the fundamental right, obligation and duty of the people and their local governmental authority to provide, supervise and control the education of the children of this State or the educational processes concomitant thereon: Now, therefore, be it

"*Resolved by the Senate of the State of South Dakota,*

"SECTION 1. That the Congress of the United States be and it is hereby memorialized to reject any and all efforts to obtain the passage of legislation by the terms of which, money would be appropriated and made available to the States, through grants-in-aid or otherwise for school building or other purposes, which either indirectly or directly would infringe upon the rights, duties and obligations of local and State governments or authorities to provide, supervise and control the education of the children of this country or the accompanying educational processes.

"SEC. 2. That a copy of this resolution be sent to the following:

"1. The Honorable Dwight D. Eisenhower, President.

"2. Marion B. Folsom, Secretary of Health, Education, and Welfare.

"3. All representatives in the United States Senate and House of Representatives.

"4. The governors of all other States of these United States.

"5. The commissioner on interstate cooperation in each of the other 47 States.

"L. R. HOUCK, *President.*
"NIELS P. JENSEN, *Secretary."*

A resolution of the House of Representatives of the Commonwealth of Massachusetts; to the Committee on Public Works:

"Resolutions memorializing Congress to appropriate funds for the purpose of increasing the span of the Fore River Bridge in the city of Quincy

"Whereas navigation on Fore River in the city of Quincy and the town of Weymouth has increased both in the number and the size of vessels which must pass over these waters due to the shipyards and other defense and industrial plants which are located in the area; and

"Whereas the present span of the Fore River Bridge over said river is becoming inadequate to allow the free passage of shipping due to said increase in both the number and size of vessels which must pass thereunder; and

"Whereas it is important to both the national defense and the civilian economy and convenience that free and unimpeded access to the shipyards and industrial plants in said area be available for both naval and civilian ships: Therefore be it

"*Resolved*, That the Massachusetts House of Representatives hereby requests the Congress of the United States to enact legislation and appropriate funds authorizing the widening of the span of the Fore River Bridge in the city of Quincy and the town of Weymouth; and be it further

"*Resolved*, That copies of these resolutions be sent by the secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress, and to the Members thereof from this Commonwealth.

"House of representatives, adopted, April 3, 1957.

"LAWRENCE R. GROVE, *Clerk.*

"A true copy, attest:

"EDWARD J. CRONIN,
"Secretary of the Commonwealth."

A joint resolution of the Legislature of the State of Wisconsin; to the Committee on Public Works:

"A joint resolution memorializing Congress regarding the diversion of water from the Great Lakes

"Whereas the city of Chicago and its suburbs attempted, prior to 1900, to dispose of their sewage by digging the Chicago Sanitary Canal across the Continental Divide and diverting water from Lake Michigan to discharge the sewage into the Mississippi watershed; and

"Whereas the United States Supreme Court restrained this diversion in 1930 and required the area to develop other means of sewage disposal, but since then a veritable parade of other reasons for directing water from the Great Lakes have been proposed, including the desire to reduce the salty content of the lower Mississippi by diverting water from Lake Michigan; and

"Whereas the program of the Great Lakes-St. Lawrence Basin is rapidly shaping up into a plan which will enhance the economic life of that area; and

"Whereas the persistent efforts of the advocates of diversion to make inroads into the Great Lakes water supply are disrupting and in fact nullifying any long-range plan for the development of the waterways of the Great Lakes; and

"Whereas the United States Supreme Court has provided an equitable plan for the allocation of the waters of the Great Lakes which is subject to modification whenever the advocates of diversion can provide the necessary data to cause the Court to modify its order of 1930 and 1956: Now, therefore, be it

"*Resolved by the assembly* (*the senate concurring*), That Congress be and it hereby is petitioned to refrain from disrupting the longstanding order of the Supreme Court because—

"1. The authorization of increased diversions of waters from the Great Lakes must of necessity affect the development of lake ports and lake shipping adversely;

"2. The issue which involves engineering decisions and international considerations should be made by means of the judicial process; and

"3. The valuable resources contained in the waters of the Great Lakes ought not to be disposed of without the consent of the States abutting thereon; and be it further

"*Resolved*, That five copies of this resolution be submitted to the Secretary of the United States Senate, Clerk of the House of Representatives, and each Member of the Wisconsin delegation in the Congress of the United States, and to appropriate authorities in Minnesota, Illinois, Indiana, Michigan, Ohio, Pennsylvania, New York, Ontario, and Quebec.

"W. P. KNOWLES,
"President of the Senate.
"LAWRENCE R. LARSEN,
"Chief Clerk of the Senate.
"ROBERT G. MARONZ,
"Speaker of the Assembly.
"ARTHUR L. MAY,
"Chief Clerk of the Assembly."

A joint resolution of the Legislature of the Territory of Alaska; to the Committee on Interior and Insular Affairs:

"House Joint Memorial 18

"To the President of the United States, Congress of the United States, the Secretary of the Interior, the Director of the Bureau of Land Management, and the Delegate to Congress from Alaska:

"Your memorialist, the Legislature of the Territory of Alaska in 23d regular session assembled, respectfully submits:

"Whereas the development of the oil and gas resources of the Territory of Alaska is of vital importance to the development and economy of the Territory and to the national defense of the United States and its Territories and possessions; and

"Whereas most of the known geologic areas favorable to the development of oil and gas reserves in Alaska lie beneath or are bordered by shorelands, tide and submerged lands, and inland waters; and

"Whereas such Alaska lands are now held in trust for the future State of Alaska and under present law and the territorial status of the Territory of Alaska there is no means by which such shorelands, tidal and submerged lands, may be leased for oil and gas drilling and development; and

"Whereas representatives of the oil industry have urged that these underwater lands be made available for leasing so that the further search for oil and gas deposits, and their development, if found, can freely follow the indicated and demonstrated geology and will not be impeded by the arbitrary boundaries between dry land and underwater lands; and

"Whereas it is common knowledge that the existence and extent of oil and gas deposits cannot be positively determined except by the actual drilling of wells; and

"Whereas it is the sense of your memorialist that everything possible should be done to encourage and extend to further areas the search for and development of oil and gas deposits within the Territory and in its tidal and coastal waters; and

"Whereas the 23d session of the Alaska Legislature has passed enabling legislation establishing policies for the administration of any lands acquired by Alaska and has created a department of lands capable of such administration: Now, therefore,

"Your memorialist, the Legislature of the Territory of Alaska, respectfully requests and petitions Congress that Alaska be granted title to its shorelands, tide and submerged lands, and its inland waters, for administration thereunder; or in lieu thereof said lands be removed from their present status and be made available to the Department of the Interior for administration in behalf of the Territory of Alaska.

"And your memorialist will ever pray.

"Passed by the house March 5, 1957.

"RICHARD J. GERUEL,
"Speaker of the House.

"Attest:

"DOLORES D. GOAD,
"Chief Clerk of the House.

"Passed by the senate March 7, 1957.

"VICTOR C. RIVERS,
"President of the Senate.

"Attest:

"KATHARINE T. ALEXANDER,
"Secretary of the Senate."

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Labor and Public Welfare:

"Senate Concurrent Resolution 19

"Whereas many veterans have been unable to take advantage of the loan provisions under the Servicemen's Readjustment Act of 1944; and

"Whereas the need for Federal aid to veterans for business and home loans seems likely to continue for the next 3 years; and

"Whereas it appears that the existing tight conditions for private financing will also continue making it difficult for many veterans to obtain loans from private lending organizations: Now, therefore, be it

"*Resolved by the Senate of the 29th Legislature of the Territory of Hawaii* (*the House of Representatives concurring*), That the Congress of the United States is hereby respectfully requested to enact legislation to amend the Servicemen's Readjustment Act of 1944, as amended, to extend the date of expiration for the making of loans thereunder from June 30, 1958 to June 30, 1960; and be it further

"*Resolved*, That a certified copy of this concurrent resolution shall be forwarded to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States; to the Administrator of Veterans' Affairs; and to the Delegate to the Congress from Hawaii."

The petition of Mrs. Frederick Edwards, of Downingtown, Pa., praying for the prompt enactment of legislation to provide emergency appropriations for money to send May checks to the needy blind; to the Committee on Finance.

By Mr. HICKENLOOPER:

A concurrent resolution of the Legislature of the State of Iowa; to the Committee on Interstate and Foreign Commerce:

"Senate Concurrent Resolution 23

"Whereas it has been proposed that the United States Fish and Wildlife Service establish a migratory waterfowl refuge and recreational area on the Missouri River in and adjacent to Harrison County, Iowa, in what is known as the Bertrand-Harrison Bend in connection with a project of bank stabilization being constructed by the United States Army Corps of Engineers; and

"Whereas such an area would greatly enhance the recreational facilities of Iowa; and

"Whereas outdoor recreation tends to lessen juvenile delinquency by providing a wholesome and healthy outlet for youthful

energy as well as fulfilling a basic need for the people of Iowa in general; and

"Whereas the United States Army Corps of Engineers has made a study of the proposal and finds that the necessary alterations in its plans can be carried out at no additional cost: Now, therefore, be it

"*Resolved by the senate (the house concurring)*, That the Legislature of the State of Iowa commends the Federal agencies involved for their forethought and efforts in the interests of outdoor recreation and urges their continued cooperation in advancing this project to a successful completion; and be it further

"*Resolved*, That the secretary of the senate send copies of this resolution to the United States Senators and Representatives from Iowa, the United States Senators and Representatives from Nebraska, to Brig. Gen. J. L. Person, United States Army Assistant Chief of Engineers for Civil Works, and to Mr. Ross Leffler, Assistant Secretary of the Interior.

"SENATE CONSERVATION COMMITTEE.
"ALBERT WEISS, *Chairman*.

"We, William H. Nicholas, Lieutenant Governor of Iowa; Richard W. Berglund, secretary of the senate; W. L. Mooty, speaker of the house of representatives; and William R. Kendrick, acting chief clerk of the house of representatives, hereby certify that the above and foregoing resolution was adopted by the senate and house of the 57th General Assembly of Iowa.

"RICHARD W. BERGLUND,
"Secretary of the Senate.
"WILLIAM R. KENDRICK,
"Acting Chief Clerk of the House.
"WILLIAM H. NICHOLAS,
"Lieutenant Governor of Iowa.
"W. L. MOOTY,
"Speaker of the House."

By Mr. KERR:

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Interior and Insular Affairs:

"Senate Concurrent Resolution 15

"Resolution relating to the coal industry; requesting the Congress of the United States of America to take appropriate action to provide for a comprehensive research program on the problems of the coal industry and to develop water transportation facilities in Oklahoma to assist said industry; requesting the President of the United States and the Secretary of the Treasury to provide accelerated tax write-offs for businesses desiring to develop and expand the coal industry and related industries; and directing that duly authenticated copies of this resolution be transmitted to the President of the United States, to the Secretary of the Treasury, and to all members of the Oklahoma congressional delegation

"Whereas the coal industry at the time of statehood was the second largest industry in Oklahoma; and

"Whereas Oklahoma continues to have large coal reserves; and

"Whereas the coal industry has declined in recent years, resulting in a large amount of unemployment in the coal-producing areas of Oklahoma, the largest amount of unemployment since prior to World War II; and

"Whereas the coal industry operates on a small profit margin; and

"Whereas only a limited amount of money is available from the industry for needed research in such fields as improved coal production techniques, expansion of markets, new coal products and byproducts and other related subjects; and

"Whereas lack of adequate water transportation in Oklahoma is a deterrent to expansion and promotion of the coal industry; and

"Whereas the lack of accelerated Federal tax writeoffs for the coal industry is also a deterring factor in the further expansion of the Oklahoma coal industry; and

"Whereas a subcommittee of the Congress is currently studying problems of the coal industry: Now, therefore, be it

"*Resolved by the Senate of the 26th Legislature of the State of Oklahoma, (the House of Representatives concurring therein)*:

"That the Congress of the United States of America is hereby requested to provide appropriations and to take such other appropriate action as may be necessary to provide for a comprehensive research program relating to the coal industry to provide expanded markets, new production techniques, new uses for coal, and related matters;

"That the Congress of the United States of America is also requested to provide more adequate water transportation, especially in the development of the Arkansas River Basin;

"That the President of the United States and the Secretary of the Treasury are hereby requested to provide accelerated tax write-offs for businesses desiring to develop and expand the coal industry and related industries, particularly to alleviate present and future distressed areas of unemployment in the coal-producing areas of the country; be it further

"*Resolved*, That a duly authenticated copy of this resolution be transmitted to the following: 1. Dwight D. Eisenhower, President of the United States; 2. George M. Humphrey, Secretary of the Treasury; 3. All members of the Oklahoma congressional delegation.

"Adopted by the senate the 21st day of March 1957.

"BOYD COWDEN,
"Acting President of the Senate.

"Adopted by the house of representatives the 3d day of April 1957.

"B. E. HARKEY,
"Speaker of the House of Representatives."

JOINT RESOLUTION OF TENNESSEE LEGISLATURE

Mr. KEFAUVER. Mr. President, I present, for appropriate reference, Senate Joint Resolution 73 of the 1957 session of the Legislature of Tennessee relative to the development of a navigable waterway connecting the Tombigbee and Tennessee Rivers by constructing a canal in the State of Mississippi. This project is vitally important to the State of Tennessee and I urge this body to give it serious consideration.

There being no objection, the joint resolution was referred to the Committee on Public Works, and, under the rule, ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 73

A resolution relative to the development of navigable waterway connecting the Tombigbee and Tennessee Rivers by the construction of a canal in the State of Mississippi

Whereas our sister States, the State of Mississippi and the State of Alabama, are contemplating the execution of an interstate compact looking to the development of a navigable waterway connecting the Tombigbee and Tennessee Rivers by way of the east fork of the Tombigbee River and Mackey's and Yellow Creeks, so as to provide a 9-foot navigable channel from the junction of Tombigbee and Warrior Rivers at Demopolis, in the State of Alabama, to the junction of Yellow Creek with the Tennessee River at Pickwick Pool, in the State of Mississippi, a development which will be of much economic benefit to the State of Tennessee when it is completed; and

Whereas the State of Tennessee has a vital interest in the development contemplated and gives wholehearted support to the promotion of this undertaking: Now, therefore, be it

Resolved by the General Assembly of the State of Tennessee (both houses concurring), That this body hereby records its approval and endorsement of the proposed undertaking and joins with the Legislatures of the State of Mississippi and the State of Alabama in urging the Congress of the United States to provide the financial systems necessary to enable the Corps of Engineers to undertake and complete this project, and respectfully requests the members of the Tennessee congressional delegation to aid and assist in every possible way to bring about this development at the earliest possible date.

This body further respectfully requests the President of the United States to consider the urgency and importance of this project and to give encouragement to its undertaking;

Resolved also, That the secretary of state of the State of Tennessee be directed to send a copy of this resolution to the President of the United States, to each member of the Tennessee congressional delegation, to the Speaker of the House of Representatives of the Congress of the United States, to the President of the Senate of the United States, and to the Governors of the States of Mississippi and Alabama.

Adopted March 21, 1957.

JARED MADDUX,
Speaker of the Senate.
JAMES L. BOMAR,
Speaker of the House of Representatives.
Approved March 29, 1957.
FRANK G. CLEMENT,
Governor.

LAND PROCUREMENT PRACTICES BY CORPS OF ARMY ENGINEERS IN TUTTLE CREEK DAM AREA, KANSAS—RESOLUTIONS

Mr. CARLSON. Mr. President, I submit, for appropriate reference, a resolution approved by the House of Representatives of the State of Kansas on April 3 memorializing the Congress to direct special attention to the land procurement practices of the Corps of Army Engineers in the Tuttle Creek Dam area in northeastern Kansas.

The Tuttle Creek Dam is one of the large reservoir projects in the Missouri River Basin and encompasses some 3,000 acres of land, which is not only highly productive, but is the home of some of the finest people who live in my State.

In this area they have built thriving communities which include homes, schools, churches, and business sections. They are now being forced to leave these areas as a result of a project which is being constructed as a part of a water conservation and flood control program for the protection of thousands of people below the reservoir.

It is only natural that the construction of this project creates some real problems for the citizens affected, and I urge that every effort be made on the part of the Federal agencies and the Congress itself to see that these people are not only fully compensated for their removal from this area against their own will and desires, but are given additional substantial sums of money in order that they may relocate in other areas of their choosing.

The American Legion posts of that area have adopted resolutions urging that every consideration be given these people and I ask unanimous consent that these resolutions be made a part of this statement.

There being no objection, the resolutions were referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

House Resolution 41

Resolution memorializing the Congress of the United States and the appropriations committees thereof, to direct special attention to the land procurement practices of the Corps of Army Engineers in the Tuttle Creek Dam area of northeastern Kansas

Whereas the Tuttle Creek Dam on the Big Blue River in northeastern Kansas is in the process of construction by the Corps of Army Engineers; and

Whereas this $90 million project encompasses 53,000 acres of land in a highly developed and productive agricultural area, resulting in the removal of 2 third class cities and 4 towns and the dislocation of nearly 600 farm homes, 19 cemeteries, scores of schools and churches, and involves relocation of parts of 2 railroads, 1 Federal highway, 6 State highways and hundreds of miles of county and township roads; and

Whereas congressional appropriations for this project, as a part of the Kansas River Basin flood-control plan were finally made after 15 years of serious questioning as to the advisability and economic feasibility of this project by presidential and State commissions and engineering studies, organizations and legislative bodies of the State of Kansas; and

Whereas violent objection to this project by the several thousand residents of the Tuttle Creek area drew congressional and nationwide attention to this project; and

Whereas the people of said Tuttle Creek area repeatedly through the years voiced their objections to this project in personal and delegation appearances before the congressional appropriations committees of both the House and Senate; and

Whereas assurances were repeatedly given to the people to be displaced by said Tuttle Creek Dam, both by these congressional committees and the personnel of the Corps of Army Engineers that, in the event of construction of this project, every effort would be made to see that the people in the affected area would not have inflicted on them undue economic hardship and loss as a result of such project and so far as possible they would be left in as favorable economic position following displacement as they were before being forced to move; and

Whereas appraisals and purchase of land and residential properties in said Tuttle Creek area are in the process of being made by the land procurement office of the Corps of Army Engineers; and

Whereas appraisement of property in the cities and towns in the Tuttle Creek area are being made on the basis of value in present location with no consideration given to replacement cost in kind in another location; and

Whereas the high percent of refusals to accept the offered price by those whose properties are appraised and the ever increasing number of condemnation actions being filed against residents of the Tuttle Creek area indicates dissatisfaction with the procedures and treatment being accorded the people of this area in matters of appraisals: Now, therefore, be it

Resolved by the House of Representatives of the State of Kansas, That we respectively urge, request, and petition the Congress of the United States to make such inquiry into the land procurement procedures of the Corps of Engineers, issue such directives and take such action as may be necessary to insure the fulfillment of the intent of the congressional appropriations committees as expressed to the people of the Tuttle Creek area and as assured these people by the Corps of Army Engineers; and be it further

Resolved, That the chief clerk of the house of representatives be directed to send a copy of this resolution to the President of the United States, the Vice President of the United States, each Member of the Congress of the United States, the Director of the Bureau of the Budget of the United States, and to the Chief of the United States Corps of Army Engineers.

I hereby certify that the above resolution originated in the house, and was adopted by that body April 3, 1957.

JESS TAYLOR,
Speaker of the House.
A. E. ANDERSON,
Chief Clerk of the House.

(The VICE PRESIDENT laid before the Senate a resolution of the house of representatives identical with the foregoing, which was referred to the Committee on Public Works.)

Whereas the construction of Tuttle Creek Dam on the Big Blue River is proceeding on schedule and the Army engineers are accelerating their program of land acquisition in the reservoir area, which includes some 55,000 acres and several towns and villages; and

Whereas many of the homes in this area are owned by veterans and veterans' widows who will be forced to relocate; and

Whereas many of the appraisals on these homes appear to be unreasonably low and take no consideration of replacement values, thereby working a distinct injustice on said veterans and widows of veterans; and

Whereas many inconsistencies have developed in prices offered by the Army engineers for properties of like value and in appraisals made by different personnel; and

Whereas appraisals made by competent disinterested appraisers have shown that appraisals made by the Army engineers are running from $550 to $9,300 lower than the true value of said homes: Therefore be it

Resolved by Cleburne American Legion, Post No. 390, George Bedford Post No. 169, Blue Rapids, and Drumm-Frank Post No. 219, Irving, of the Kansas Department of the American Legion, That we respectfully urge, request, and petition the Corps of Army Engineers, the Members of Congress who represent this affected area, and the Kansas department and the national headquarters of the American Legion that they take whatever action is necessary and do everything possible to the end that fair and reasonable prices be paid for the homes of veterans and others who live in these small communities in the Tuttle Creek area and are being forced to give up their homes.

Adopted by Cleburne American Legion Post No. 390 February 13, 1957.

DONALD VATHAUER,
Commander.
ROBERT HOLT, *Adjutant.*

Adopted by Drumm-Frank Post No. 219, Irving, February 20, 1957.

WILLIAM LAMB,
Commander.
MAURICE BOYD,
Adjutant.

Adopted by George W. Wood Post No. 91, Washington, Kans., March 26, 1957.

IVAN WARDER.
EDWIN G. BRYCHTA.
DONALD VATHAUER.
ROBERT HOLT.
WILLIAM LAMB.
MAURICE BOYD.

Adopted by George Bedford Post No. 169, Blue Rapids, February 18, 1957.

IVAN WARDERS,
Commander.
EDWIN BRYCHTA,
Adjutant.

Adopted by S. M. N. & R. (Marysville) Post No. 163 on March 20, 1957.

——— ———,
Commander.
——— ———,
Adjutant.

Adopted by Levick-Barrett Post No. 282, Wetmore, Kans., March 19, 1957.

Adopted by Davis-Gibson Post No. 387, Winchester, Kans., March 9, 1957.

Adopted by Palmer Post No. 383, Palmer, Kans., March 12, 1957.

Adopted by Summerfield Post No. 362, Summerfield, Kans., March 12, 1957.

Adopted by Brown-Woodward Post No. 391, Richland, Kans., March 14, 1957.

PROPOSED SELF-HELP MEAT PROMOTION PROGRAM—LETTERS AND RESOLUTION

Mr. HENNINGS. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the Missouri Livestock Association transmitting a copy of a resolution adopted by its board of directors relative to S. 646, which proposes a self-help meat promotion program. I would also like to include a letter I have received on this subject from C. W. Sheppard, president of the Missouri Livestock Association. I believe the views of this representative group of livestock producers should be given careful consideration by the Senate.

There being no objection, the letters and resolution were ordered to be printed in the RECORD, as follows:

MISSOURI LIVESTOCK ASSOCIATION,
Columbia, Mo., February 23, 1957.

The Honorable THOMAS C. HENNINGS,
The United States Senate,
Washington, D. C.

MY DEAR SENATOR: There is before the Senate a bill, S. 646, that has to do with amending the Packers and Stockyards Act of 1921 by inserting a new section to be designated as section 318.

Attached you will find a copy of the resolution adopted by the directors of the Missouri Livestock Association relative to this amendment.

This resolution was read and discussed in eight district meetings held in the State in January and February of this year. Missouri livestock producers attending these meetings voted their approval of the board's action.

We will appreciate hearing from you as to your views on this bill.

Very truly yours,

E. S. MATTESON,
Secretary-Treasurer, Missouri Livestock Association.

RESOLUTION ADOPTED BY THE BOARD OF DIRECTORS OF THE MISSOURI LIVESTOCK ASSOCIATION

The board of directors of the Missouri Livestock Association has given careful consideration to the proposal that Federal legislation be enacted requiring that all marketing agencies deduct stated amounts from proceeds on all livestock sold, such money to be used in the creation of a fund to be used in the promotion and advertising of meat and meat products and in research having to do with the production and marketing of meat and meat products.

The board of directors is highly in favor of any practical method or program which will be effective in increasing the consumption of meat and in encouraging research in the production and marketing of meat and meat products provided such methods will not duplicate present ones or detract from promotional and advertising programs now being carried out. However, the board is doubtful about the advisability of the enactment of the proposed legislation at this time for the following reasons:

(1) We are reluctant to ask the Government for further Federal legislation if the objectives desired can be attained in any other manner.

(2) We do not feel that effective and efficient methods of spending the additional funds to be raised by the proposed check-off have been sufficiently well developed to avoid duplication of effort and waste of money.

(3) We are concerned about the possibility of encouraging competition between the different segments of the livestock industry. It would be unfortunate, indeed, if any program is launched which would result in pitting against each other the cattle producer, the hog producer, and the sheep and lamb producer in the market places. This situation is highly undesirable for many obvious reasons.

(4) The National Live Stock and Meat Board is now doing a splendid job on an effective and economical basis. We feel that the possibility of expanding the funds and program of this board should be studied thoroughly before resort is had to Federal legislation and the creating of another agency to do a job now being done by the National Live Stock and Meat Board and by many other agencies in the livestock and meat industry, i. e., packers, retailers, etc.

(5) We need further information about the possibilities of actually increasing meat consumption by the expenditure of enormous funds in doubling or trebling the advertising campaign.

(6) We are convinced that much more can and should be done in the field of research and marketing and in the improvement of the types of hogs, cattle, and sheep which will better meet consumer demands. We have serious doubts that by merely expanding our advertising campaign we can best meet the marketing problems confronting livestock producers.

For these reasons we feel that final action on the proposed Federal legislation should be deferred pending more careful study of the entire program in general and the accumulation of more information about practical means of collecting the proposed check-off and the use of funds to be derived from that source.

MISSOURI LIVESTOCK ASSOCIATION,
Warrensburg, Mo., March 27, 1957.

Hon. THOMAS C. HENNINGS,
United States Senator from Missouri,
Washington, D. C.

DEAR SENATOR: I have received a copy of your letter to Mr. E. S. Matteson, secretary of the Missouri Livestock Association, in response to his letter to you setting forth the position of our association with respect to the proposed nationwide check-off program for livestock.

I want to thank you for your letter and for your request to have the contents of the letter entered into the CONGRESSIONAL RECORD. Our board of directors made careful study of this proposed program, and while we are in agreement upon the objectives of the program, we cannot go along with the suggested plans for meeting those objectives.

Our members at our last annual meeting requested the board to make this study and report our conclusions. We reported to the members at a series of district meetings held last spring covering the entire State. The members at all eight meetings agreed with the board of directors that we should not support this legislation. They recommended that more money be given to the National Livestock and Meat Board.

The National Cattle and Swine Councils seem to be carried away with the possibilities of this national producer meat promotion agency. Our board members think it would be nearly impossible to coordinate the promotional activities of the proposed national agency, and as the law provides, not more than three State agencies in each State. That would be a lot of organizations and jobs for somebody.

We question the wisdom of setting up a new and inexperienced promotional setup, when we have now in operation an experienced, efficient, and economical agency on the job in the capacity of the National Livestock and Meat Board. This board gets a tremendous amount of free publicity by having the various news agencies run their educational material. If the producer agency is authorized by Congress and they begin buying publicity, we stand a chance of losing this free publicity.

Farmers are a bit touchy about any sort of deductions. They would be very unhappy if any money deducted from their sales of livestock went to pay fat salaries for any top-heavy administrative agency.

The members of the Missouri Livestock Association will greatly appreciate your cooperation in supporting our views with respect to Senate bill 646.

Sincerely,

C. W. SHEPPARD,
President, Missouri Livestock Association.

REPORTS OF A COMMITTEE

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 147. A bill for the relief of Guido William Gramberge (Rept. No. 236);

S. 239. A bill for the relief of Maria Parisi (Rept. No. 237);

S. 256. A bill for the relief of Aristea Vitogianes (Rept. No. 238);

S. 470. A bill for the relief of Livio Senni (Rept. No. 239);

S. 616. A bill for the relief of Bianca G. Hidalgo (Rept. No. 240);

S. 629. A bill for the relief of John Eicheri (Rept. No. 242);

S. 650. A bill for the relief of Isabella Abrahams (Rept. No. 243); and

S. 710. A bill for the relief of Sui-an Fung and Shu-nung Wu Fung (Rept. No. 244).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 308. A bill for the relief of Maria Caccomo (Rept. No. 245);

S. 622. A bill for the relief of Georgina Mercedes Llera (Rept. No. 241);

S. 623. A bill for the relief of Donini Maurizio Donato (Rept. No. 246); and

S. 641. A bill for the relief of Elvira A. Belford (Rept. No. 247).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 776. A bill for the relief of Shigeko Kimura (Rept. No. 248);

By Mr. O'MAHONEY, from the Committee on the Judiciary, with amendments:

S. J. Res. 22. Joint resolution to designate the third Friday of May of each year as National Defense Transportation Day (Rept. No. 235).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KNOWLAND:

S. 1886. A bill authorizing the Secretary of the Army to receive for instruction at the United States Military Academy at West Point Harkjoon Park, a citizen and subject of the Republic of Korea; to the Committee on Armed Services.

By Mr. KNOWLAND (for himself and Mr. KUCHEL):

S. 1887. A bill to authorize the Secretary of the Interior to construct the San Luis unit of the Central Valley project, California, to enter into an agreement with the State of California with respect to the construction and operation of such unit, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SALTONSTALL (by request):

S. 1888. A bill to amend the Refugee Relief Act of 1953, as amended, to provide a certain number of visas for persons of ethnic Armenian origin; to the Committee on the Judiciary.

(See the remarks of Mr. SALTONSTALL when he introduced the above bill, which appear under a separate heading.)

By Mr. PURTELL:

S. 1889. A bill to provide in the Department of Health, Education, and Welfare for a loan service of captioned films for the deaf; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. PURTELL when he introduced the above bill, which appear under a separate heading.)

By Mr. WATKINS:

S. 1890. A bill to establish a Commission and Advisory Committee on International Rules of Judicial Procedure; to the Committee on the Judiciary.

(See the remarks of Mr. WATKINS when he introduced the above bill, which appear under a separate heading.)

By Mr. CARLSON:

S. 1891. A bill for the relief of Piet W. Van Aalst; to the Committee on the Judiciary.

By Mr. DOUGLAS:

S. 1892. A bill for the relief of Cacilie Emilie Eichmann; to the Committee on the Judiciary.

By Mr. YOUNG (for himself and Mr. LANGER):

S. 1893. A bill for the relief of Mrs. Maria Finnell (nee Pitsch); to the Committee on the Judiciary.

By Mr. NEUBERGER (by request):

S. 1894. A bill to amend the law with respect to the recoupment of funds expended in cooperation with the school board of Klamath County, Oreg., because of the attendance of Indian children, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HILL (for himself and Mr. SMITH of New Jersey):

S. 1895. A bill to protect the public health by amending the Federal Food, Drug, and Cosmetic Act to prohibit the use in food of chemical additives which have not been adequately tested to establish their safety; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. HILL when he introduced the above bill, which appear under a separate heading.)

By Mr. CASE of New Jersey:

S. 1896. A bill for the relief of Maria West; to the Committee on the Judiciary.

By Mr. MALONE:

S. 1897. A bill to provide the United States with a gold standard and redeemable currency, and to correct other defects in the monetary system of the United States; to the Committee on Banking and Currency.

(See the remarks of Mr. MALONE when he introduced the above bill, which appear under a separate heading.)

By Mr. SMATHERS:

S. 1898. A bill to amend section 203 of the National Housing Act; to the Committee on Banking and Currency.

(See the remarks of Mr. SMATHERS when he introduced the above bill, which appear under a separate heading.)

By Mr. DIRKSEN:

S. 1899. A bill to regulate the foreign commerce of the United States by establishing quantitative restrictions on the importation of iron and steel wood screws; to the Committee on Finance.

(See the remarks of Mr. DIRKSEN when he introduced the above bill, which appear under a separate heading.)

By Mr. BUSH:

S. 1900. A bill to regulate the interstate distribution and sale of hazardous articles in packages suitable for or intended for household use; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. BUSH when he introduced the above bill, which appear under a separate heading.)

By Mr. GORE:

S. J. Res. 62. Joint resolution to provide for the designation of the proposed United States Veterans' Administration Hospital at Nashville, Tenn., as the J. Percy Priest Veterans' Memorial Hospital; to the Committee on Labor and Public Welfare.

ADDITIONAL FUNDS FOR STUDY OF JUVENILE DELINQUENCY IN THE UNITED STATES

Mr. KEFAUVER submitted the following resolution (S. Res. 126), which was referred to the Committee on Rules and Administration:

Resolved, That Senate Resolution 173, agreed to on March 20, 1956, as amended, be amended by striking out in section 4, lines 21 and 22, "Expenses of the committee, under this resolution which shall not exceed $80,000" and inserting in lieu thereof the following: "Expenses of the committee, under this resolution which shall not exceed $82,500."

AMENDMENT OF REFUGEE RELIEF ACT, RELATING TO NUMBER OF VISAS FOR PERSONS OF ETHNIC ARMENIAN ORIGIN

Mr. SALTONSTALL. Mr. President, by request, I introduce, for appropriate reference, a bill to amend the Refugee Relief Act of 1953, as amended, to provide 20,000 visas for persons of ethnic Armenian origin. The bill which I am today introducing is very similar to S. 2248 of the first session of the 84th Congress. Hearings were held on this bill in January of last year, and much favorable testimony was developed, although, because of the press of other business, no final action was taken on the bill.

There are many people of Armenian extraction living in our country. They have made many splendid contributions to our Nation and to our culture. To permit them now to be reunited with their families abroad, who have heretofore been denied admission into the United States, would be truly consistent with the provisions of the Refugee Relief Act. As was stated last year in the committee hearings, such an amendment as this would rectify a previous omission in the immigration laws which has prevented these very deserving people from seeking refuge in this great land of ours.

To admit the 20,000 refugees of Armenian origin as provided by the amendment to the act which I am introducing would signal unmistakably to the remainder of the world that our Nation will not forget persecuted peoples wherever they may be.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The bill will be received and appropriately referred.

The bill (S. 1888) to amend the Refugee Relief Act of 1953, as amended, to provide a certain number of visas for persons of ethnic Armenian origin, introduced by Mr. SALTONSTALL (by request), was received, read twice by its title, and referred to the Committee on the Judiciary.

LOAN SERVICE OF CAPTIONED FILMS FOR THE DEAF

Mr. PURTELL. Mr. President, I introduce, for appropriate reference, a bill to provide in the Department of Health, Education, and Welfare a loan service of captioned films for the deaf and the severely hard-of-hearing.

This measure, if enacted, will bring to approximately 200,000 deaf persons and to about 400,000 severely hard-of-hearing persons better understanding and appreciation of those films which play such an important part in the general and cultural advancement of hearing persons.

Through the more than 1,000 organizations of and for the deaf and the severely hard-of-hearing in 429 communities in 46 States and the District of Columbia, this bill will provide enriched educational and cultural experiences through which these people can be brought into better touch with the realities of their environment. It will also provide a wholesome and rewarding experience which these people may share together.

Under the program established by the bill, State schools for the deaf and other agencies in this field, to be designated by the Secretary, will serve as local or regional receiving and distribution centers for the films. All films made available under the program will be for nonprofit purposes in accordance with regulations to be promulgated by the Secretary of the Department.

In carrying out the provisions of the proposed act, the Secretary shall have the authority to acquire films, or rights thereto, by purchase, lease, or gift. The Secretary will further provide for the captioning of films and for their distribution.

The Secretary will also make use, consistent with the purposes of the bill, of films made available to the Library of Congress under the copyright laws, and will also utilize the facilities of other governmental agencies.

Mr. President, this proposed legislation will also establish in the Department an Advisory Council on Captioned Films consisting of 12 members to be appointed by the Secretary. At least 3 of the members shall be deaf persons and 3 more shall be representatives of the general public. The membership shall also include persons selected from the leading organizations of the deaf or those groups working with the deaf, including professional workers. The Secretary, or a member of the Department so designated by him, shall act as Chairman of the Council.

It shall be the duty of the Council to advise the Secretary on the establishment of broad criteria for the selection of films to be captioned, and to recommend films which it believes would make the greatest contribution to the general, cultural, or recreational advancement of deaf or severely hard-of-hearing persons.

The bill also provides for compensation for the members of the Council while engaged in its work, and provides traveling or other necessary expenses incurred while so engaged. The bill also authorizes sums necessary to carry out its provisions to be appropriated.

Mr. President, in introducing this measure, which is similar in intent, but differs in operational process, a measure I proposed last year, and in which I was joined by 40 Members of this body as cosponsors, I would like to make this final observation.

In years past, films were one of the great sources of information and recreation for the deaf and severely hard of hearing. The advent of sound film deprived these people of this valuable resource and, up until now, they have had nothing satisfactory to take its place.

It is also true that the great number of educational and technical films now in existence are of little use to the deaf, particularly to the deaf child, because nearly all of these films are carried by narration. I want to particularly stress the opportunities for increased educational benefits inherent in the program proposed.

This program would provide great advantages, not only from the educational and informative subject matter of the films themselves, but in recreational therapy and in the opportunity for great increase in general understanding. Our deaf and hard of hearing are deprived of the many advantages available to hearing persons through radio, television, and motion pictures. This program would compensate in considerable measure for this lack. It will also provide opportunities to which I believe these afflicted persons are entitled.

A pilot program of this sort has been pioneered by Captioned Films for the Deaf, Inc., and the enthusiastic reception and demonstrated value of these films circulated among schools for the deaf is impressive evidence of the worth of this proposal.

My visits to the American School for the Deaf in my own home community of West Hartford, Conn., and my continuing research and investigation in this matter have convinced me of the necessity of this project in behalf of the young and old deaf and severely hard of hearing.

I believe it is proper and fitting to undertake such a program of incalculable educational and other benefits to provide for these handicapped citizens.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1889) to provide in the Department of Health, Education, and Welfare for a loan service of captioned films for the deaf, introduced by Mr. PURTELL, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

PROPOSED COMMISSION AND ADVISORY COMMITTEE ON INTERNATIONAL RULES OF JUDICIAL PROCEDURE

Mr. WATKINS. Mr. President, I introduce, for appropriate reference, a bill to establish a Commission and Advisory Committee on International Rules of Judicial Procedure. I ask unanimous consent that the bill, together with an explanation I have prepared concerning the measure, be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill

and statement will be printed in the RECORD.

The bill (S. 1890) to establish a Commission and Advisory Committee on International Rules of Judicial Procedure, introduced by Mr. WATKINS, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

ESTABLISHMENT OF THE COMMISSION ON INTERNATIONAL RULES OF JUDICIAL PROCEDURE

SEC. 1. There is hereby established a Commission to be known as the Commission on International Rules of Judicial Procedure, hereinafter referred to as the "Commission."

PURPOSE OF THE COMMISSION

SEC. 2. The Commission shall investigate and study existing practices of judicial assistance and cooperation between the United States and foreign countries with a view to achieving improvements. To the end that procedures necessary or incidental to the conduct and settlement of litigation in State and Federal courts and quasi-judicial agencies which involve the performance of acts in foreign territory, such as the service of judicial documents, the obtaining of evidence, and the proof of foreign law, may be more readily ascertainable, efficient, economical, and expeditious, and that the procedures of our State and Federal tribunals for the rendering of assistance to foreign courts and quasi-judicial agencies be similarly improved, the Commission shall—

(a) draft for the assistance of the Secretary of State international agreements to be negotiated by him;

(b) draft and recommend to the President any necessary legislation;

(c) recommend to the President such other action as may appear advisable to improve and codify international practice in civil, criminal, and administrative proceedings; and

(d) perform such other related duties as the President may assign.

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) The Commission shall consist of 7 members. The President shall appoint 3 public members, the Secretary of State shall appoint 2 representatives of the Department of State, and the Attorney General shall appoint 2 representatives of the Department of Justice. The Commission shall elect a chairman from among its members.

(b) Vacancies in membership of the Commission shall be filled in the same manner as in the case of original designation.

(c) Five members shall constitute a quorum.

(d) Members of the Commission who are appointed by the Secretary of State and the Attorney General shall serve without compensation in addition to that received for their services in the Government.

(e) The public members of the Commission shall each receive $50 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel subsistence, and other expenses incurred by them in the performance of such duties.

(f) Service of an individual as a member of the Commission or employment of an individual by the Commission shall not be considered to be service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

THE DIRECTOR AND STAFF

SEC. 4. (a) The Director of the Commission shall be appointed by the Commission without regard to the civil-service and classification laws, and his compensation shall be fixed by the Commission without regard to the Classification Act of 1949, as amended.

(b) The Director shall serve as the Commission's reporter, and, subject to the direction of the Commission, shall supervise the activities of persons employed under the Commission, the preparation of reports, and shall perform other duties assigned him within the scope of the functions of the Commission.

(c) Within the limit of funds appropriated for such purpose, individuals may be employed by the Commission for service with the Commission staff without regard to the civil-service and classification laws, and services may be procured as authorized by section 15 of the act of August 2, 1946, as amended (5 U. S. C. 55a), but at rates for individuals not in excess of $50 per diem.

ESTABLISHMENT OF THE ADVISORY COMMITTEE

SEC. 5. (a) There is hereby established a committee of 15 members to be known as the Advisory Committee on International Rules of Judicial Procedure (hereinafter referred to as the "Advisory Committee"), to advise and consult with the Commission. The Advisory Committee shall be appointed by the Commission from among lawyers, judges, and other persons competent to provide advice for the Commission.

(b) Members of the Advisory Committee shall not be deemed to be officers or employees of the United States by virtue of such service and shall receive no compensation. Members of the Advisory Committee who are not otherwise officers or employees of the United States shall be entitled to travel and subsistence expenses as authorized by section 5 of the Administrative Expenses Act of 1946, as amended (5 U. S. C. 73b-2), for persons serving without compensation, in accordance with the provisions of the Travel Expense Act of 1949, as amended (5 U. S. C. 835-842).

GOVERNMENT AGENCY COOPERATION

SEC. 6. The Commission is authorized to request from any department, agency, or independent instrumentality of the Government any information it deems necessary to carry out its functions under this act; and each such department, agency, and instrumentality is authorized to cooperate with the Commission and, to the extent permitted by law, to furnish such information to the Commission, upon request made by the chairman or other member designated to act as chairman.

ADMINISTRATION

SEC. 7. (a) For administrative purposes only, the Commission and the Advisory Committee shall be attached to the Department of Justice.

(b) The Commission shall render to the President annual reports for transmission to the Congress.

The Commission shall submit its final report and the Commission and the Advisory Committee shall terminate and wind up their affairs prior to December 31, 1959.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to carry out the provisions of this act.

The explanation presented by Mr. WATKINS is as follows:

EXPLANATION

The purpose of the attached bill for the establishment of a Commission and an Advisory Committee on International Rules of Judicial Procedure is to create an agency to study existing practice of international judicial assistance and to make such recommendations as are considered desirable for the improvement of international practice and procedure in civil, criminal, admiralty, and quasi-judicial matters.

The end of hostilities in 1945 brought to our Federal and State courts an unprecedented flood of litigation with international ramifications—cases in which judicial documents must be served abroad, records or witnesses examined within the territory of a foreign state, or in which proof must be offered of the law prevailing in a foreign jurisdiction. These cases pose problems of procedure which are often baffling and sometimes insoluble. They emphasize the need in the international field of the same expert study and codification which have brought about historical reforms of Federal procedure over the last few years. The Federal Rules of Civil Procedure became effective in 1938. The Federal Rules of Criminal Procedure became law in 1945, and the Administrative Procedure Act became law in 1946. It is appropriate that the benefit of simplified and codified procedure should now be extended to our international practice.

Except for some consular treaties which permit the taking of depositions abroad of American citizens in certain categories of cases, extraterritorial procedure now depends largely upon usage and custom. It is difficult for the practicing lawyer to ascertain what steps should and can be taken in a given instance. The provisions of the Federal Rules of Civil and Criminal Procedure and of the State practice acts for the taking of evidence abroad are often frustrated by prohibitions and limitations put upon the use of such procedures by foreign governments. For reasons which are not entirely understood by the American bar, many countries either forbid entirely or limit the taking of depositions within their territories. Even where our practice with respect to the taking of depositions is permitted or tolerated, there is no provision in civil-law jurisdictions for obtaining the testimony of an unwilling witness.

When witnesses refuse to testify, or if they are found in a country where our practice with respect to the taking of depositions is forbidden, recourse must be had to letters rogatory. Borrowed from the civil law, a letter rogatory is, in our practice, a request by a domestic court to a court of a foreign country to take evidence. It is executed according to the law of, and in the language of, the foreign country. Procedure in civil-law jurisdictions is so different from ours that American lawyers avoid using letters rogatory wherever possible. As now issued, transmitted and executed, they are inefficient, time consuming, and costly. Moreover, the courts of some countries, such as the Netherlands and Germany, are unable to issue compulsory process even to aid in the execution of a letter rogatory issuing from an American court because the United States has not entered into procedural treaties or other arrangements with their governments. Courts of limited and specialized jurisdiction and administrative tribunals which cannot promise reciprocity, a time-honored condition of letters rogatory, are without certain means of obtaining testimony abroad from unwilling witnesses found in civil-law countries.

It appears that the provisions of the Federal Judicial Code and of the practice acts of the States for the personal service of judicial documents abroad cannot be utilized in many countries. Inability to serve judicial documents and to take depositions abroad may seriously impede the prosecution of crimes against our internal security. More than in the case of ordinary crime, prosecutions for security violations may require the service of documents and the procuring of evidence abroad. Prosecutions could be impeded or frustrated by any of the following:

1. Lack of agreements with foreign countries for service, under sections 1783 and 1784 of the Judicial Code, of subpenas and orders

to show cause upon witnesses found in their territory.

2. Prohibitions by certain foreign countries of interviews with or interrogations of prospective witnesses.

3. Prohibitions and limitations by many countries on the taking of depositions under Federal Rule of Criminal Procedure 15.

4. Lack of means in all civil-law countries to compel unwilling witnesses to testify in deposition proceedings and in some civil-law countries to compel unwilling witnesses to testify in the execution of letters rogatory from American courts.

5. Difficulty or impossibility of proving foreign public records under Federal Rule of Criminal Procedure 27 and section 1741 of the Judicial Code.

6. Difficulty or impossibility of proving foreign records under sections 3491-3494 of the Criminal Code.

Foreign courts are said to find equally unsatisfactory the judicial assistance which American courts render them. Neither the Federal Rules of Civil Procedure nor the Federal Rules of Criminal Procedure contains any provision relating to assistance to foreign courts. Section 1782 of the Federal Judicial Code relating to the taking of depositions to be used in foreign judicial proceedings is ill-adapted to the execution of letters rogatory from courts of the civil-law countries. Neither State nor Federal practice makes any adequate provision for the service of judicial documents on behalf of foreign courts.

Practice can be simplified, expedited, and rendered more certain and less expensive by treaty or other arrangement. Much of Latin-America and Europe is covered by a network of procedural treaties. Great Britain has entered into a number of such agreements. This demonstrates that the common-law and the civil-law systems can be coordinated procedurally. An excellent start in drafting has already been made by the Harvard Research in International Law which in 1939 published a Draft Convention on Judicial Assistance. The Inter-American Juridical Committee of the Organization of American States in September 1952 rendered a report on judicial assistance in civil matters. Considerable improvement in practice can probably be effected by informal agreement, or the development of greater uniformity of law in the various countries.

Responsibility for reform must be assumed by the Federal Government because there is little or nothing the individual States can do to improve their international juridical relations.

Reform of international procedure has been urged by many interested organizations. In 1950, the American Bar Association recommended the establishment of a governmental agency for that purpose. Again, in 1953, the association adopted a resolution favoring the establishment of a commission and advisory committee to draft international rules of practice. Joining the American Bar Association with resolutions urging reform of international practice are the American Society of International Law, the American Foreign Law Association, the Consular Law Society, the Maritime Law Association, the Association of the Bar of the City of New York, and the Pennsylvania State Bar Association. In the international field, the International Bar Association and the Inter-American Bar Association have recommended the negotiation of procedural treaties.

The proposed legislation would combine the techniques of democratic draftsmanship by the joint effort of the bench, bar, and law faculties that proved successful in recent Federal procedural reforms, with certain of the techniques of interdepartmental cooperation utilized in the drafting of treaties for the alleviation of international double taxation.

Effective and uniform reform of international procedures can be brought about only by general international agreement. Any such agreement would set up rules of practice which, in litigation in the Federal courts, would supplement the Federal Rules of Civil Procedure and the Federal Rules of Criminal Procedure. The organization contemplated by the proposed legislation has therefore been modeled upon the two Supreme Court advisory committees, which, in turn, were established upon the precedent of the American Law Institute.

The requested legislation will not of itself effect any particular reform or change of procedure; it will merely create an agency for the study of existing problems of international judicial assistance. The proposed commission and advisory committee will be authorized to explore, report upon, and make recommendations for the improvement of all aspects of international judicial or quasi-judicial practice and procedure. The commission will itself determine, within broad limits of the subject of judicial assistance, the precise scope and content of its program; and its recommendations, accompanied by draft treaties or other proposed procedures, model conventions, or draft statutes, will be forwarded to the President for appropriate action.

AMENDMENT OF FEDERAL FOOD, DRUG, AND COSMETIC ACT, RELATING TO THE PROHIBITION OF CHEMICAL ADDITIVES IN FOOD

Mr. HILL. Mr. President, on behalf of myself, and the Senator from New Jersey [Mr. SMITH], I introduce, for appropriate reference, a bill to protect the public health by amending the Federal Food, Drug, and Cosmetic Act to prohibit the use in food of chemical additives which have not been adequately tested to establish their safety. I ask unanimous consent that the bill lie on the table until the close of business on Thursday next, in order that other Senators, if they so desire, may have the opportunity to become cosponsors.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will lie on the table, as requested by the Senator from Alabama.

The bill (S. 1895) to protect the public health by amending the Federal Food, Drug, and Cosmetic Act to prohibit the use in food of chemical additives which have not been adequately tested to establish their safety, introduced by Mr. HILL (for himself and Mr. SMITH of New Jersey), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

QUANTITATIVE RESTRICTIONS ON IMPORTATION OF IRON AND STEEL WOOD SCREWS

Mr. DIRKSEN. Mr. President, I introduce, for appropriate reference, a bill to regulate the foreign commerce of the United States by establishing quantitative restrictions on the importation of iron and steel wood screws.

I should like to observe that the heavy importations of iron and steel wood screws have reached such a point that the American industry is jeopardized and action is called for. The bill I am introducing deals with this matter, and proposes a quota for our own industry.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1899) to regulate the foreign commerce of the United States by establishing quantitative restrictions on the importation of iron and steel wood screws, introduced by Mr. DIRKSEN, was received, read twice by its title, and referred to the Committee on Finance.

REGULATIONS OF INTERSTATE DISTRIBUTION AND SALE OF CERTAIN HAZARDOUS ARTICLES

Mr. BUSH. Mr. President, I introduce, for appropriate reference, a bill to regulate the interstate distribution and sale of hazardous articles in packages suitable for or intended for household use.

There is increasing concern on the part of the public, members of the medical profession and responsible manufacturers because of the many substances in household use which are potentially hazardous to life and health. There have been distressing cases of death or injury of young children resulting from misuse of such products.

The proposed Federal Hazardous Articles Act is intended to protect the public by requiring manufacturers to label such articles so as to clearly identify the hazard and the precautionary measures which should be taken to protect life and health. I ask unanimous consent that the bill be printed in the RECORD following my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1900) to regulate the interstate distribution and sale of hazardous articles in packages suitable for or intended for household use, introduced by Mr. BUSH, was received, read twice by its title, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

CHAPTER I—SHORT TITLE

SECTION 1. This act may be cited as the "Federal Hazardous Articles Act."

CHAPTER II—DEFINITIONS

SEC. 201. For the purposes of this act—

(a) The term "Territory" means any Territory or possession of the United States, including the District of Columbia and excluding the Canal Zone.

(b) The term "interstate commerce" means (1) commerce between any State or Territory and any place outside thereof, and (2) commerce within the District of Columbia or within any other Territory not organized with a legislative body.

(c) The term "Department" means the United States Department of Health, Education, and Welfare.

(d) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(e) The term "person" includes individual, partnership, corporation, and association.

(f) The term "hazardous article" means any article or mixture of articles which is (i) toxic, (ii) corrosive, (iii) an irritant, (iv) flammable, (v) radioactive, or which (vi) generates pressure through decomposition, heat or other means, and which, when used and handled in any customary manner

or in a manner reasonably to be anticipated, is likely to cause substantial bodily injury or illness to man.

(g) The term "toxic" shall apply to any article which has the inherent capacity to produce bodily injury to man through ingestion, inhalation or absorption through the skin.

(h) The term "poison" means any toxic article which falls within any of the following categories: (i) produces death within 48 hours in half or more than half of a group of 10 or more laboratory white rats weighing between 200 and 300 grams, at a single dose of 50 milligrams or less per kilogram of body weight, when orally administered; or (ii) produces death within 48 hours in half or more than half of a group of 10 or more laboratory white rats weighing between 200 and 300 grams, when inhaled continuously for a period of 1 hour or less at an atmospheric concentration of 2 milligrams or less per liter of gas, vapor, mist or dust, if such concentration is likely to be encountered by man when the article is used in any reasonably foreseeable manner; or (iii) produces death within 48 hours in half or more than half of a group of 10 or more rabbits tested in a dosage of 200 milligrams or less per kilogram of body weight, when administered by continuous contact with the bare skin for 24 hours or less.

If available data on human experience with any article in the above-named dosages or concentrations indicate results different from those obtained on animals, the human data shall take precedence.

(i) The term "corrosive" is limited to any article which, when placed in contact with living tissues, will cause significant destruction of tissue by chemical action.

(j) The term "irritant" means any article which is not corrosive within the meaning of subsection (i) of this section, but which, when placed in contact with normal living tissue, will induce a severe local tissue reaction.

(k) The term "flammable" means, in the case of any article other than the contents of self-pressurized containers, an article which has a flashpoint of 80° or less, as determined by the Tagliabue open cup tester, and, in the case of the contents of self-pressurized containers, any article determined by the Secretary, after investigations, to be flammable and is so designated in regulations issued by him.

(l) The term "radioactive" means any article which, as a result of disintegration of unstable atomic nuclei, emits energy.

(m) The term "label" means a display of written, printed, or graphic matter upon the immediate container of any article; and a requirement made by or under authority of this act that any word, statement, or other information appear on the label shall not be considered to be complied with unless such word, statement, or other information also appears on the outside container or wrapper, if any there be, of the retail package of such article, or is easily legible through the outside container or wrapper.

(n) The term "immediate container" does not include package liners.

(o) (1) Except as is otherwise provided by paragraph (2), the term "misbranded package" means any retail package of a hazardous article, intended or suitable for household use, which fails to bear a label (A) which conspicuously displays (i) the name and place of business of the manufacturer, packer, or distributor, (ii) the common or usual name, or the chemical name (if there be no common or usual name), or the recognized generic name (not trade name only) of the hazardous article or of each component which contributes substantially to the hazardous quality thereof, (iii) a single word such as "danger," "warning," or "caution," (iv) when necessary for the protection of the life or health of man, an affirmative statement of the principal hazard or hazards of the article, such as "flammable," "vapor harmful," "causes burns," "absorbed through skin," or similar words descriptive of the hazard or hazards involved, (v) precautionary measures describing the action to be followed or avoided in order to protect the life and health of man, (vi) in case of an article which is hazardous through contact or exposure, such instructions for first-aid treatment as may be necessary for the protection of the life or health of man, (vii) the word "poison" in the case of any article which is defined as poisonous by subsection (h) of section 201 of this act, (viii) instructions for handling and storage of such article, if special care in handling or storage thereof is necessary for the protection of the life or health of man, and (ix) the statement "keep out of reach of children," or its practical equivalent, if the hazardous article is packed in a container holding not more than one United States gallon of a liquid, or not more than 10 pounds of a solid, and if the hazardous article is intended for other than laboratory or industrial use; and (2) on which there appears with such conspicuousness (as compared with other words, statements, designs, or devices, in the label) and in such terms as to render likely to be read and understood by the ordinary individual under customary conditions of purchase and use all words, statements, and information required to appear thereon by subparagraph (A).

(2) (A) If the Secretary finds that, because of the size of the package involved or because of the minor hazard presented by the article contained therein, full compliance with the labeling requirements contained in paragraph (1) would constitute an unreasonable burden upon the manufacturer, packer, or retailer of any hazardous article, the Secretary shall promulgate regulations exempting such articles from such requirements to such extent as he determines to be consistent with adequate protection of life or health of the public.

(B) The provisions of paragraph (1) shall not apply to packages of articles which are subject to the Federal Food, Drug, and Cosmetic Act, to packages of economic poisons which are subject to the Federal Insecticide, Fungicide, and Rodenticide Act, or to packages of substances intended for use in agricultural, horticultural, or related operations.

CHAPTER III—PROHIBITED ACTS AND PENALTIES

Prohibited acts

SEC. 301. The following acts and the causing thereof are hereby prohibited:

(a) The introduction or delivery for introduction into interstate commerce of any misbranded package of a hazardous article.

(b) The alteration, mutilation, destruction, obliteration, or removal of the whole or any part of the label of, or the doing of any other act with respect to a hazardous article, if such act is done while the article is in interstate commerce or while the article is held for sale (whether or not the first sale) after shipment in interstate commerce and which results in the hazardous article being in a misbranded package.

(c) The manufacture within any Territory of any misbranded package of a hazardous article.

(d) The receipt in interstate commerce of any misbranded package of a hazardous article and the delivery or proffered delivery thereof for pay or otherwise.

(e) The giving of a guaranty or undertaking referred to in section 302 (b) (2) which guaranty or undertaking is false, except by a person who relied upon a guaranty or undertaking to the same effect signed by, and containing the name and address of, the person residing in the United States from whom he received in good faith the article.

(f) The refusal to permit entry or inspection as authorized by section 402 (b).

Penalties

SEC. 302. (a) Any person who violates any of the provisions of section 301 shall be guilty of a misdemeanor and shall on conviction thereof be subject to a fine of not more than $500, but if the violation results from willful disregard of the provisions of this act, the penalty shall be imprisonment for not more than 1 year, or a fine of not more than $3,000, or both such imprisonment and fine.

(b) No person shall be subject to the penalties of subsection (a) of this section, (1) for having violated section 301 (d) of this act, if delivery or proffered delivery of the hazardous article was made in good faith, unless he refuses to furnish, on request of an officer or employee duly designated by the Secretary, the name and address of the person from whom he purchased or received such article, and copies of all documents, if any there be, pertaining to the delivery of the article to him; or (2) for having violated section 301 (a), if he establishes a guaranty or undertaking signed by, and containing the name and address of, the person residing in the United States from whom he received in good faith the article, to the effect that the article is not in misbranded packages within the meaning of that term in this act; or (3) for having violated section 301 (a) in respect of any article shipped or delivered for shipment for export to any foreign country, in a package marked for export and branded in accordance with the specifications of the foreign purchaser and in accordance with the laws of the foreign country.

Seizure

SEC. 303. (a) Any hazardous article that is in a misbranded package when introduced into or while in interstate commerce or while held for sale (whether or not the first sale) after shipment in interstate commerce, shall be liable to be proceeded against while in interstate commerce, or at any time thereafter, on libel of information and condemned in any District Court of the United States within the jurisdiction of which the article is found: *Provided*, That this section shall not apply to an article intended for export to any foreign country if it (1) is in a package branded in accordance with the specifications of the foreign purchaser; (2) is in accordance with the laws of the foreign country, and (3) is labeled on the outside of the shipping package to show that it is intended for export.

(b) The article shall be liable to seizure by process pursuant to the libel, and the procedure in cases under this section shall conform, as nearly as may be, to the procedure in admiralty; except that on demand of either party any issue of fact joined in any such case shall be tried by jury. When libel for condemnation proceedings under this section, involving the same claimant and the same issues of misbranding, are pending in two or more jurisdictions, such pending proceedings, upon application of the claimant seasonably made to the court of one such jurisdiction, shall be consolidated for trial by order of such court, and tried in (1) any district selected by the claimant where one of such proceedings is pending; or (2) a district agreed upon by stipulation between the parties. If no order for consolidation is so made within a reasonable time, the claimant may apply to the court of one such jurisdiction, and such court (after giving the United States attorney for such district reasonable notice and opportunity to be heard) shall by order, unless good cause to the contrary is shown, specify a district of reasonable proximity to the claimant's principal place of business, in which all such pending proceedings shall be consolidated for trial and tried. Such order of consolidation shall not apply so as to require the removal of any case the date for trial of which has been fixed. The court

granting such order shall give prompt notification thereof to the other courts having jurisdiction of the cases covered thereby.

(c) Any article condemned under this section shall, after entry of the decree, be disposed of by destruction or sale as the court may, in accordance with the provisions of this section, direct and the proceeds thereof, if sold, less the legal costs and charges, shall be paid into the Treasury of the United States; but such article shall not be sold under such decree contrary to the provisions of this act or the laws of the jurisdiction in which sold: *Provided*, That after entry of the decree and upon the payment of the costs of such proceedings and the execution of a good and sufficient bond conditioned that such article shall not be sold or disposed of contrary to the provisions of this act or the laws of any State or Territory in which sold, the court may by order direct that such article be delivered to the owner thereof to be destroyed or brought into compliance with the provisions of this act under the supervision of an officer or employee duly designated by the Secretary, and the expenses of such supervision shall be paid by the person obtaining release of the article under bond.

(d) When a decree of condemnation is entered against the article, court costs and fees, and storage and other proper expenses, shall be awarded against the person, if any, intervening as claimant of the article.

(e) In the case of removal for trial of any case as provided by subsection (b)—

(1) The clerk of the court from which removal is made shall promptly transmit to the court in which the case is to be tried all records in the case necessary in order that such court may exercise jurisdiction.

(2) The court to which such case was removed shall have the powers and be subject to the duties, for purposes of such case, which the court from which removal was made would have had, or to which such court would have been subject, if such case had not been removed.

Hearing before report of criminal violation

SEC. 304. Before any violation of this act is reported by the Secretary to any United States attorney for institution of a criminal proceeding, the person against whom such proceeding is contemplated shall be given appropriate notice and an opportunity to present his views, either orally or in writing, with regard to such contemplated proceeding.

CHAPTER IV—GENERAL ADMINISTRATIVE PROVISIONS

Regulations and hearings

SEC. 401. (a) The authority to promulgate regulations for the efficient enforcement of this act, except as otherwise provided in this section, is hereby vested in the Secretary.

(b) The Secretary of the Treasury and the Secretary of Health, Education, and Welfare shall jointly prescribe regulations for the efficient enforcement of the provisions of section 501, except as otherwise provided therein. Such regulations shall be promulgated in such manner and take effect at such time, after due notice, as the Secretary of Health, Education, and Welfare shall determine.

Examinations and investigations

SEC. 402. (a) The Secretary is authorized to conduct examinations, inspections, and investigations for the purposes of this act through officers and employees of the Department or through any health officer or employee of any State, Territory, or political subdivision thereof, duly commissioned by the Secretary as an officer of the Department.

(b) For purposes of enforcement of this act, officers or employees duly designated by the Secretary, upon presenting appropriate credentials and a written notice to the owner, operator, or agent in charge, are authorized (1) to enter, at reasonable times, any factory, warehouse, or establishment in which hazardous articles are held for introduction into interstate commerce or are held after such introduction, or to enter any vehicle being used to transport or hold such hazardous articles in interstate commerce; and (2) to inspect and sample, at reasonable times and within reasonable limits and in a reasonable manner, finished articles in retail packages and labeling thereon in such factory, warehouse, establishment, or vehicle. A separate notice shall be given for each such inspection, but a notice shall not be required for each entry made during the period covered by the inspection. Each such inspection shall be commenced and completed with reasonable promptness.

Records of interstate shipment

SEC. 403. For the purpose of enforcing the provisions of this act, carriers engaged in interstate commerce, and persons receiving hazardous articles in interstate commerce or holding such articles so received, shall, upon the request of an officer or employee duly designated by the Secretary, permit such officer or employee, at reasonable times, to have access to and to copy all records showing the movement in interstate commerce of any such article, or the holding thereof during or after such movement, and the quantity, shipper, and consignee thereof; and it shall be unlawful for any such carrier or person to fail to permit such access to and copying of any such record so requested when such request is accompanied by a statement in writing specifying the nature or kind of article to which such request relates: *Provided*, That evidence obtained under this section shall not be used in a criminal prosecution of the person from whom obtained.

Publicity

SEC. 404. (a) The Secretary shall cause to be published from time to time reports summarizing all judgments, decrees, and court orders which have been rendered under this act, including the nature of the charge and the disposition thereof.

(b) The Secretary may also cause to be disseminated information regarding articles which, in the opinion of the Secretary, involve imminent danger to health. Nothing in this section shall be construed to prohibit the Secretary from collecting, reporting, and illustrating the results of the investigations of the Department.

CHAPTER V—IMPORTS

SEC. 501. (a) The Secretary of the Treasury shall deliver to the Secretary of Health, Education, and Welfare, upon his request, samples of hazardous articles which are being imported or offered for import into the United States, giving notice thereof to the owner or consignee, who may appear before the Secretary of Health, Education, and Welfare and have the right to introduce testimony. If it appears from the examination of such samples or otherwise that such article is in misbranded packages then such article shall be refused admission, except as provided in subsection (b) of this section. The Secretary of the Treasury shall cause the destruction of any such article refused admission unless such article is exported, under regulations prescribed by the Secretary of the Treasury, within 90 days of the date of notice of such refusal or within such additional time as may be permitted pursuant to such regulations.

(b) Pending decision as to the admission of an article being imported or offered for import, the Secretary of the Treasury may authorize delivery of such article to the owner or consignee upon the execution by him of a good and sufficient bond providing for the payment of such liquidated damages in the event of default as may be required pursuant to regulations of the Secretary of the Treasury. If it appears to the Secretary of Health, Education, and Welfare that the article can, by relabeling or other action, be brought into compliance with the act, final determination as to admission of such article may be deferred and, upon filing of timely written application by the owner or consignee and the execution by him of a bond as provided in the preceding provisions of this subsection, the Secretary of Health, Education, and Welfare may, in accordance with regulations, authorize the applicant to perform such relabeling or other action specified in such authorization (including destruction or export of rejected articles or portions thereof, as may be specified in the Secretary's authorization). All such relabeling or other action pursuant to such authorization shall in accordance with regulations be under the supervision of an officer or employee of the Department of Health, Education, and Welfare designated by the Secretary, or an officer or employee of the Department of the Treasury designated by the Secretary of the Treasury.

(c) All expenses (including travel, per diem or subsistence, and salaries of officers or employees of the United States) in connection with the destruction provided for in subsection (a) of this section and the supervision of the relabeling or other action authorized under the provisions of subsection (b) of this section, the amount of such expenses to be determined in accordance with regulations, and all expenses in connection with the storage, cartage, or labor with respect to any article refused admission under subsection (a) of this section, shall be paid by the owner or consignee and, in default of such payment, shall constitute a lien against any future importations made by such owner or consignee.

CHAPTER VI—MISCELLANEOUS

Separability clause

SEC. 601. If any provision of this act is declared unconstitutional, or the applicability thereof to any person or circumstance is held invalid, the constitutionality of the remainder of the act and the applicability thereof to other persons and circumstances shall not be affected thereby.

Time taking effect

SEC. 602. This act shall take effect upon its passage, but no penalty or condemnation shall be enforced for any violation of the act occurring prior to the sixth month after the month in which this act is enacted.

Application to existing law

SEC. 603. Nothing in this act shall be construed to modify or affect the provisions of title 18, United States Code, chapter 39 or any regulations promulgated thereunder (relating to the transportation of dangerous articles and explosives by surface carriers); or of title 18, United States Code, sections 1715–1716 or any regulations promulgated thereunder (relating to mailing of dangerous articles); or of title 49, United States Code, section 622 (h) or any regulations promulgated under section 551 of such title (relating to transportation of dangerous articles and explosives in aircraft); or of the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended; or of the Federal Insecticide, Fungicide, and Rodenticide Act of June 25, 1947.

Repeal of Federal Caustic Poison Act

SEC. 604. The Federal Caustic Poison Act, approved March 4, 1927, as amended, is hereby repealed as of the first day of the sixth calendar month after the month in which this act is enacted: *Provided*, That, with respect to violations, liabilities incurred, or appeals taken prior to said date, all provisions of the Federal Caustic Poison Act, as amended, shall be deemed to remain in full force for the purpose of sustaining any proper suit, action, or other proceeding with respect to any such violations, liabilities, and appeals.

AMENDMENT OF SMALL BUSINESS ACT OF 1953—ADDITIONAL COSPONSORS OF BILL

Mr. THYE. Mr. President, I ask unanimous consent that the names of the Senator from Connecticut [Mr. PURTELL], and the Senator from Indiana [Mr. JENNER] be added as cosponsors on subsequent printings of the bill (S. 1789) to amend the Small Business Act of 1953 (title II of Public Law 163, 83d Cong., as amended), introduced by me, for myself and other Senators, on April 4, 1957.

The PRESIDING OFFICER. Without objection, it is so ordered.

HOME RULE FOR THE DISTRICT OF COLUMBIA — ADDITIONAL COSPONSORS OF BILL

Under authority of the orders of the Senate of April 10 and April 12, 1957,

The names of Mr. CASE of South Dakota, Mr. PAYNE, Mr. FLANDERS, Mr. ALLOTT, Mr. BARRETT, Mr. POTTER, Mr. SMITH of New Jersey, Mr. IVES, Mr. JACKSON, Mr. MAGNUSON, and Mr. KEFAUVER were added as additional cosponsors of the bill (S. 1846) to provide for the District of Columbia an appointed governor and lieutenant governor, and an elected legislative assembly and nonvoting delegate to the House of Representatives, and for other purposes, introduced by Mr. BEALL, for himself and Mr. JAVITS, on April 10, 1957.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. KNOWLAND:

Address delivered by him before 66th Continental Congress of the Daughters of the American Revolution, Constitution Hall, Washington, D. C., April 15, 1957.

By Mr. TALMADGE:

Address delivered by Senator RUSSELL on April 15, 1957, before the National Society Daughters of the American Revolution, on the subject The Landmarks We Defend.

By Mr. MARTIN of Pennsylvania:

Genesis of the Amen Corner and addresses delivered by him and by Senator SCHOEPPEL, at the Amen Corner dinner on April 6, 1957.

NOTICE OF CONSIDERATION OF A NOMINATION BY THE COMMITTEE ON FOREIGN RELATIONS

Mr. GREEN. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today the nomination of Roy Richard Rubottom, Jr., of Texas, a Foreign Service officer of class 1 to be an Assistant Secretary of State, vice Henry F. Holland, resigned.

Notice is given that the nomination will be eligible for consideration by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, for action on the nominations on the Executive Calendar under the heading "New Reports."

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. BIBLE in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. GREEN, from the Committee on Foreign Relations:

Gerald A. Drew, of California, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Haiti;

Donald Vaughn Lowe, of New Jersey, to be the representative on the Transport and Communications Commission of the Economic and Social Council of the United Nations; and

Robert B. Memminger, of South Carolina, and sundry other persons, for appointment and promotion in the foreign and diplomatic service.

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Frederick J. Lawton, of the District of Columbia, to be Civil Service Commissioner;

Christopher H. Phillips, of Massachusetts, to be Civil Service Commissioner; and

Harris Ellsworth, of Oregon, to be Civil Service Commissioner.

The PRESIDING OFFICER. If there be no further reports of committees, the nominations on the Executive Calendar, under the heading "New Reports," will be stated.

THE COAST AND GEODETIC SURVEY

The Chief Clerk proceeded to read sundry nominations in the Coast and Geodetic Survey.

Mr. MANSFIELD. I ask unanimous consent that the Coast and Geodetic Survey nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations will be considered en bloc, and, without objection, they are confirmed.

DEPARTMENT OF THE NAVY

The Chief Clerk read the nomination of William B. Franke, of New York, to be Under Secretary of the Navy.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

IN THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army.

Mr. MANSFIELD. I ask unanimous consent that the Army nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations will be considered en bloc, and, without objection, they are confirmed.

UNITED STATES DISTRICT JUDGE

The Chief Clerk read the nomination of Caleb R. Layton III, of Delaware, to be a United States district judge for the district of Delaware.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. MANSFIELD. I ask that the President be immediately notified of the nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

PANAMA CANAL

Mr. MARTIN of Iowa. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed at this point in the RECORD, pertinent excerpts from communications received by me concerning proposed legislation affecting the Panama Canal and the question of interoceanic canals generally, with a preliminary statement by myself.

There being no objection, the statement and excerpts were referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

PRELIMINARY STATEMENT BY SENATOR MARTIN OF IOWA

In a statement to the Senate on June 4, 1956, I quoted a memorandum to the Congress on the Panama Canal problem with excerpts of letters from a number of eminent engineers and others with Panama Canal construction and subsequent broad experience. Since then I have received additional communications on various aspects of the canal question from persons in many parts of the Nation. Among them are some whose records include both canal engineering and thermonuclear warfare.

The key issue in this correspondence centers on the old question of type of canal for the major increase of interoceanic transit facilities: whether to improve the existing high-level-lake and lock shipway by adapting it to the principles of the terminal lake-third locks conception or to construct a new Panama Canal at sea level that would still require tidal locks. This important matter was last considered by the Congress and the President in 1906, after years of explorations and studies culminating in a great Congressional debate known as the battle of the levels, with decision for the high-level plan under which the Panama Canal was constructed.

Now, more than 50 years afterward, this much discussed problem of the type of canal, once described by former Governor J. J. Morrow as a hardy perennial, is posed again in a far more complicated setting. It is one that has been featured by animated injections of so-called security and national defense angles occasioned by the advent in 1945 of the atomic bomb.

By way of explanation, it should be remarked that this development in weapon design led to authorization in late 1945 for an inquiry by the Governor of the Panama Canal conducted in 1946–47 under Public Law 280, 79th Congress—an act originally drafted in the Canal Zone by those who later supervised its execution. That study was not an independent investigation but one preconceived and administratively directed toward securing adoption of a sea-level project at Panama. (See Hon. Willis W. Bradley, CONGRESSIONAL RECORD, Apr. 21, 1948, vol. 94, pt. 10, p. A2449). Submitted in 1947, its recommendations failed to receive Presidential approval and were not accepted by the Congress.

As expressed in my statement to the Senate on January 17, 1957, the advocates of the sea-level proposal in their public statements have not been fully candid with the Congress and the country. Their mode of treatment was recently illustrated in an unofficial report on the Panama Canal prepared by a special committee of the National Rivers and Harbors Congress, entitled "The Sea-Level Project and National Security," which generally followed the recommendations of the 1947 report (H. Doc. No. 446, 84th Cong.).

Despite the large volume of informed discussions of the canal problem, much of which has been published in the CONGRESSIONAL RECORD, this rivers and harbors congress report dismissed all consideration of all high-level lake and lock plans on the alleged basis that "none of these can afford the necessary security," and failed to mention the well-known terminal lake-third locks program (see Gov. Glen E. Edgerton's preliminary report, January 17, 1944, in CONGRESSIONAL RECORD, vol. 102, pt. 3, p. 10756). Though stressing the vulnerability of locks and dams in the present canal, it failed to consider the danger of closure of any type of canal by nuclear attack on the slide area of Gaillard Cut, which sector is considered by independent atomic warfare and canal engineers as constituting a comparable hazard (see E. S. Randolph in United States Naval Institute Proceedings, April 1956, p. 395). It is obvious, because the bottom of the channel in the mountainous section of the sea-level project would be lowered more than 100 feet below its present height of 40 feet above sea level, that this project would offer a far greater hazard with respect to such closure than the existing canal.

The National Rivers and Harbors Congress, it should be recorded, is a registered lobby organization (CONGRESSIONAL RECORD, Jan. 3, 1957, p. 120). Its primary purposes are to obtain from the Congress authorizations and appropriations for river and harbor projects of the United States.

Notwithstanding the nature and purpose of this organization, its report on "The Sea-Level Project and National Security" was published as a Government document at the request of its president, who is also a Member of Congress. Never before, so far as I have been able to learn, has any unofficial organization obtained publication of any report as a Government document. Certainly the National Rivers and Harbors Congress has not been in a position to make an adequate or authoritative study of Panama Canal problems.

Thus, it must appear that the indicated report can serve no purpose except that of propaganda. In this, the Rivers and Harbors Congress has been surprisingly successful in creating the erroneous impression that its report on the Panama Canal is an official one by a regularly appointed Congressional committee, which it is not. Such publication is certainly contrary to long-established practice of the Congress with respect to public documents. It is unfortunate that the rivers and harbors organization permitted itself to be used in a role of this character.

Over a period of years, in close association with former Representative Willis W. Bradley, an experienced naval officer and ordnance engineer, and other distinguished Members of Congress, I have observed that advocates of the sea-level project, in their discussions of the means to increase Panama Canal capacity, have consistently ignored three vastly important factors that must be considered. These are:

(1) A new treaty with Panama that the sea-level project would require, with its inevitable huge indemnity and greatly increased annuities;

(2) The well-established marine operational shortcomings of the present waterway, and a reasoned plan for their solution; and

(3) The effect of costs for increased capacity on tolls that must be imposed on shipping using the canal, especially that of its greatest customer—the American merchant marine.

The failure to meet these and all other vital questions bearing on the expansion of trans-Isthmian transit facilities certainly gives color and credence to the charge that sea-level advocates have been evasive and unfair in their views and recommendations and, in effect, have considered the Congress and the public at large altogether stupid or indifferent (see hearings on Panama Canal and Canal Zone Government before House Committee on Merchant Marine and Fisheries, March 29–31, 1955). The only fair inference to be derived from these failures of sea-level advocates to present and discuss all such greatly important matters is that they have been lacking either in candor, good faith, or in adequate grasp of all the problems involved.

Any informed or thoughtful person must know that the indicated factors must be faced and dealt with in a sufficient and realistic manner. Thus far, this has not been done and, apparently, can be achieved only by means of an independent commission created by Congressional authority.

In contrast with the actions of advocates of the sea-level project, the supporters of the terminal lake-third locks proposal, who include many persons of distinction, have endeavored to consider fully these three factors, as well as the many others that apply, and to present them forthrightly in their discussions and views. The lake-lock plan, it is important to note, does not require a new treaty with the Republic of Panama. Moreover, its cost would be only a fraction of the vast expenditure for any sea-level undertaking.

Though these facts are obvious and have been published many times in professional papers and the annals of the Congress, the official recommendation in 1947 by the Governor of the Panama Canal of only the sea-level project for major canal construction, which, as previously stated, failed to receive Presidential approval or Congressional acceptance, has served to exclude from proper consideration what many independent experts consider the best solution when evaluated from all angles. (See memorandum to the Congress on the Panama Canal Problem, CONGRESSIONAL RECORD, vol. 102, pt. 7, p. 9406.)

In this connection the attention of the Congress, which is the highest and final authority on Isthmian Canal policy matters, is invited to the salutary results produced by the recent independent inquiry into an official recommendation to abandon the Panama Railroad. Undertaken under direction of the House, this investigation thwarted an effort by the Panama Canal Company to liquidate this vital trans-Isthmian rail link (H. Rept. 2974, 84th Cong.) and reversed the decision of the routine administrators. The results supply eloquent evidence of the even greater necessity for independent inquiry for the tremendously more important canal policy question of the type of the future canal.

More factors, however, are involved in the canal situation than the inherent problems of the waterway. There are at this time in the United States and elsewhere advocates who are vociferously clamoring for the internationalization of the Panama Canal. They do this regardless of the facts that the Canal Zone was acquired in perpetuity; that the Panama Canal was constructed by the United States with the taxpayers' money; and that it has been successfully and impartially operated since completion, all under terms provided by treaty.

The question thus arises, "Should the taxpayer be further burdened by the huge cost of a sea-level undertaking estimated up to $10 billions, and after its completion allow it to pass from exclusive American control with complete loss of the huge sums supplied by the United States for its construction?" An independent commission would certainly consider such angles and make some recommendations in the premises.

Fortunately the paramount features in the legislative history and problems of the Panama Canal have been extensively documented in available form. The attention of the Congress is invited to the comprehensive bibliography prepared by Representative CLARK W. THOMPSON, of Texas, and published in the CONGRESSIONAL RECORD of March 28, 1955, volume 101, part 3, page 3610; also to subsequent statements in the RECORD by other distinguished Members of Congress.

From these it is clear that the interoceanic canals problem is anything but a routine matter to be handled by routine officials. Instead, it is one of prime importance that must be decided on its merits and at the highest plane of statesmanship.

To these ends, Representatives CLARK W. THOMPSON, DANIEL J. FLOOD, and FRANCIS E. DORN, all effective students of canal problems, and myself, have just introduced identical measures to create an independent Interoceanic Canals Commission: H. R. 3258, H. R. 4774, H. R. 6008, and S. 611, 85th Congress.

This body should be composed of the best qualified men in the country—men who cannot be improperly dominated—and, without further delay, put to work on the canal problem, which has become increasingly a topic of public discussion since the Suez crisis. For this step, we cannot afford to wait until some grave crisis overtakes the Panama Canal with attendant necessity for quick solution, which might precipitate and bring about ill considered action and unfortunate decisions.

The present Panama Canal situation and the imperative necessity for prompt constructive legislation is keenly appreciated by those with whom I have been in consultation. Because of their high stature, some of their expressions should be of the greatest interest and value not only to the Congress and Executive but also to the Nation at large, particularly agencies that use the canal or would otherwise be affected by tolls.

JUNE 28, 1956.

DEAR SENATOR MARTIN: I was much interested in your letter of June 12 in regard to the Panama Canal, and the influence which vulnerability to atomic bombing might have on consideration of this matter.

Now I am not an expert on atomic bombing, or on atomic energy matters generally. I know that the newspapers sometimes indicate that I am, but as a matter of fact I have never been what is ordinarily known as an atomic scientist. Neither have I delved closely into this matter since the war, for I have not been at any time a member of the Atomic Energy Commission, or even on one of its advisory bodies. My connection with the subject during the war was more that of an administrator than of a scientist or engineer. So I have only the layman's point of view, and of course the point of view of a

man who has been an engineer all of his life and who is always interested in engineering matters.

With this background, so that you will not place undue weight upon what I have to say, I have a feeling that vulnerability to atomic bombing should not be a controlling factor in decisions on this Panama Canal question. This is for the reason that I believe that any type of canal whatever could be put out of operation for a rather long period by bombing, if the enemy was able to place bombs on its target, and if the enemy considered it a matter to be of sufficient importance to make the necessary sacrifices for this purpose, and to employ bombs of a magnitude adequate for the job. In fact I believe that if we get into a war in which atomic bombs are used generally, which of course I very much hope can be avoided, I doubt whether the continued operation of the Panama Canal would have any really decisive influence on the outcome.

Cordially yours,

VANNEVAR BUSH,
Former Chairman, Research and Development Board, National Military Establishment.

DECEMBER 21, 1956.

DEAR SENATOR MARTIN: I am in receipt of your letter of December 11, 1956, with particular reference to the effect that atomic and thermonuclear weapons would have on the Panama Canal.

I am sending you herewith a memorandum which I wrote on October 1, 1956, which gives briefly my views concerning the vulnerability of either a sea-level or a lock canal to an attack by atomic or thermonuclear weapons. You may use that memorandum in any way you choose.

With kindest wishes, I am,

Sincerely yours,

T. F. FARRELL,
Major General, AUS, Retired, Former Deputy Commander, Atomic Bomb Project.

OCTOBER 1, 1956.

ISTHMIAN CANAL POLICY AND ATOMIC WAR

The debate between advocates of a sea-level canal at Panama and those favoring an improved lock canal still goes on. In order to provide for the increasing needs of interoceanic commerce, an early decision should be made and work gotten underway.

One strong argument of the sea-level advocates is its alleged greater security against atomic-weapon attack. What little merit there may have been to that argument with respect to the earliest atomic weapons is lost when one considers the superatomic weapons and their successors, the thermonuclear (hydrogen) weapons.

The earlier atomic bombs produced effects equivalent to 20,000 tons of TNT (20 kiloton weapons). Later atomic bombs are many times as powerful and hydrogen bombs are rated in millions of tons (megatons) of TNT equivalent. In a few short years, the power of the bombs has gone up by a factor of 1,000.

The radioactive fallout from the superweapons now can cover a vast area with its killing deposits. Chairman Strauss of the Atomic Energy Commission reporting on the thermonuclear device tested at Bikini on March 1, 1954, states that:

"There was sufficient radioactivity in a downwind belt about 140 miles in length and of varying width up to 20 miles to have seriously threatened the lives of nearly all persons in the area who took no protective measures.

"About 7,000 square miles of territory downwind from the point of burst was so contaminated that survival might have depended upon prompt evacuation of the area or upon taking shelter and other protective measures."

The early 20-kiloton bombs, by blast and heat, would destroy or damage severely all buildings within a radius of more than a mile from the point of explosion. Lesser damage would extend further out.

In a megaton bomb, with the energy yield increased by a factor of 1,000, the distance for similar damage increases approximately by a multiple which is the cube root of 1000 or 10. Thus, the circle over 2 miles in diameter of almost total destruction for a 20-kiloton bomb would become a circle of similar destruction more than 20 miles in diameter for a 20-megaton hydrogen bomb. Something less than total destruction would extend many miles beyond that area. The intensity of the blast and heat for a large area directly below the explosion would be so enormous that buildings, power, communications, shipping, vegetation, and life, itself, would be totally destroyed. Great fire storms would sweep out in all directions. As Milton wrote in Paradise Lost, there would be "whirlwinds of tempestuous fire."

A megaton hydrogen bomb exploded over the center of activities at each end of the canal would destroy life and things completely. Another megaton bomb exploded in the deep Gaillard cut could be expected to start slides so overwhelming that years of massive effort would be needed to clear them away. It would be a long, long time before a working canal could be restored. The deadly radioactive fallout would snuff out the lives of those it could reach. The few living who were spared because they were hidden out would flee in panic from the awful place. The canal, its people, and all its vast wherewithal would be dead and done for.

Two puny, old-fashioned atomic bombs blasted and burned the heart out of Hiroshima and Nagasaki and left them gasping for life. The awful memory of those shattered cities makes one pray to be spared seeing what bombs thousands of times more powerful would do to living communities.

Since death, destruction, and waste would be so total at either a sea-level or a lock canal, there is little to be gained by making detailed comparisons. All is all.

The interruption must last for years in either case. The losses would be complete in all supporting facilities of power, water supply, communication, transportation, shops, housing, supply installations, maintenance plants, and floating equipment. The operating personnel and all those on whom they depend for normal living would be wiped out. The residual effects of radiation could prevent working in hot areas for a long time. The canal would be so blocked by slides that it would take years to dig out. The deeper cut of the sea-level canal could be a much tougher job to open than that of the lock canal.

To sum up: If war with atomic and hydrogen weapons should come to the Panama Canal—be it a sea-level or a lock canal—the canal would die in blast and fire and radiation. It could stay dead a long, long time. Perhaps it would not be rebuilt. It could be abandoned to the voracious jungle, and become buried ruins to be dug up and studied by archeologists of future generations. Perhaps instead, a better and wiser world will find a way to avoid the uttermost folly of atomic war.

THOMAS F. FARRELL,
Major General, AUS, Retired.

NOVEMBER 21, 1956.

MY DEAR SENATOR: Reference is made to your letter of November 13 on the subject of an independent commission to be created to study the Panama Canal situation.

I have been working with a number of the engineers who were engaged in the initial design and construction of the canal for many months in an attempt to create an atmosphere based on sound judgment and it is highly necessary that a competent and independent commission be created to study the various plans that have been suggested for increasing the capacity of the Panama Canal and including the proposed sea-level canal.

It is my considered opinion that a sea-level canal, while perhaps possible, is highly impractical. I am also convinced that the hydrogen bomb is an absolute weapon which, if properly used, would put either the lock or sea-level canal out of commission for many months or possibly years.

I endorse wholeheartedly the stand taken by Messrs. W. R. McCann, Richard H. Whitehead, E. Sidney Randolph and others in reference to the necessity of a competent and disinterested commission to study the problems that are presented in any consideration of increasing the capacity of the canal.

The Sunday New York Times of November 11 quotes figures of the income of the Panama Canal from 1952 to 1956. In the year 1956 the income, before payments to the United States Treasury, was $23,276,426. Interest was paid to the United States Treasury at the rate of 2.48 percent based on the canal cost of $342,465,445, and after the payment of the interest and the annuity to Panama of $430,000, which has since been increased by the late treaty with Panama to over $1,125,000, the net income was $4,179,464.

House Document 446 of the 84th Congress, 2d session, is a report by the Special Committee on the Panama Canal of the National Rivers and Harbors Congress regarding the Panama Canal—the sea-level project and national security, which endorses everything certain Army engineers propose and has a statement that the policy of the committee has been to seek information from every available informed source both lay and official. To my certain knowledge they have not communicated with any of the engineers who participated in the design and construction of the Panama Canal.

They estimate the cost of the sea level canal project, which they endorse, at $4,879,000,000. Now, if we add this sum to the present capital investment of the canal and apply the present rate of interest, the additional interest amounts to $120 million annually or more than five times the present income of the canal from all sources. Note this is an additional charge and based on the same operating costs. The canal's net income of $4,179,464 would show an annual operating deficit of about $117 million. I have serious doubts as to whether the tolls from the sea level canal can ever approach this annual charge.

Returning to the question of security: The hydrogen bombs with megaton effect indicates there is no such thing as security. The security of the canal must be obtained through diplomatic agreements or similar means rather than by the expenditure of huge sums to obtain so-called security. Security is a myth that has been exploded by the hydrogen bomb.

There are a very few of the engineers who went to the canal in 1904 and served throughout its design and construction still living and in actual engineering practice and it does appear to me * * * that their experience and knowledge of the situation should be taken into account either by the Army engineers, the Congress or a commission, if one is ever appointed, to study these problems.

* * * * *

We believe it to be in the interests of the American public that the grave questions involved merit a complete study of all of these questions, including that of the sea-level project, by a commission to be appointed without further delay, and that the competent engineers who were engaged in the design and construction of the lock canal be given an opportunity to express their views and opinions based on their complete and accurate knowledge of all of

the facts. If this matter is delayed unduly there will be very few of them left to testify and to us time is extremely important.

I trust that you and other Members of the Congress will be successful in the next Congress in obtaining the approval to the appointment of such a commission. You have labored long and diligently on this very serious matter and we are all hopeful that you will be successful in this Congress.

With kindest personal regards, I am,

Very truly yours,

HARTLEY ROWE,
Former Member, General Advisory Committee, Atomic Energy Commission.

JUNE 21, 1956.

MY DEAR SENATOR:

* * * * *

As your letter states, I have had long experience with the Panama Canal project. I first went to the isthmus a few months after Colonel Goethals took over in 1907. I had two tours of duty under him, starting as a young surveyor just out of West Point. I had occasion to review the French plans and to inspect the remaining evidences of their efforts in the field. Actually, until we really got fully started, we used a lot of French abandoned equipment and facilities.

After many later visits to the isthmus, to keep up with developments, I was recalled to active duty and served for over 6 years under two governors, in many capacities during World War II, including engineer of maintenance (now lieutenant governor), and finally assistant to the Governor.

In the short time since I have returned to the United States I have been going through a mass of accumulated second-class mail including many marked copies of the CONGRESSIONAL RECORD, for which I thank you. I was especially impressed by your remarks in the CONGRESSIONAL RECORD, volume 102, part 7, page 9406.

While I naturally have a lot of ideas accumulated over nearly 50 years, I am not committed to any one solution, and I could not discuss them in a short letter. That is the function of the proposed Interoceanic Canals Commission as contemplated by your and Mr. THOMPSON's bills now before Congress. I am strongly for an independent commission to overhaul the whole situation as of today. The last report was a departmental report in 1947 which has not been printed and upon which Congress has taken no action. In the succeeeding 10 years, there have been terrifying advances in the nuclear situation.

Cordially,

JAS. G. STEESE,
Former Engineer of Maintenance, Panama Canal.

MAY 28, 1956.

DEAR SENATOR MARTIN:

* * * * *

When the Isthmian Canal was first proposed, I realized that fundamentally the problems involved were in large part geological. Accordingly, I undertook them and have lost no opportunity since to inform myself on the matter and have visited the Canal Zone several times and kept in touch with developments.

Admiral Walker, Chairman of the first Canal Commission and also of the two successive Commissions, was a close friend of mine and he urged me to accept the position of geologist for the Canal Commission. * * * Agreeable to Admiral Walker's request however, I examined the drill cores obtained in the course of the drilling to determine the best foundations and therefore most desirable location for the Gatun Dam. * * *

As between the preferable location for a canal across the isthmus whether in Nicaragua or Panama, much geological work has been carried out. The then Chief Geologist of the United States Geological Survey, C. W. Hayes, went over the ground of both sites thoroughly. He concluded that the northern site across Nicaragua was not only considerably longer but would traverse a region subject to considerable violent volcanic outburst, one of the mountain ranges which the canal would pass through is made up of a chain of volcanic cones. The unpredictable nature of this volcanism made the Nicaragua site impractical and most undesirable as compared with the Panama site which was not threatened by such volcanism. * * *

As between a sea-level project and a lock project, I believe the sea-level would not only prove vastly more expensive but would also, in case of war and bombing, prove much less defensible.

All in all, the so-called terminal lake plan, which has been carefully worked out by qualified engineers who have worked on the zone, impresses me as the most desirable plan for expanding the facilities of the Panama Canal. Further, it is estimated that the cost of accomplishing the expansion according to this plan would be under $600 million as compared with the estimated cost of the sea-level plan of $2,500,000,000. After careful consideration of the various factors involved I am satisfied that the terminal lake plan is the most feasible and most economic and most satisfactory method for expanding the capacity of the canal.

Most sincerely,

JOHN M. BOUTWELL,
Consulting Geologist, Formerly With Isthmian Canal Commission.

JUNE 1, 1956.

DEAR SENATOR MARTIN: Thanks for sending me the CONGRESSIONAL RECORD of April 26, 1956, containing your remarks on the Isthmian Canal policy. This brought to my mind the studies made in the Navy Department in 1946–47 on modernization of the Panama Canal.

Secretary Forrestal, after his trip to the Canal Zone in January of 1946, authorized the studies in the Navy Department as a means of acquainting the Governor of the Panama Canal Zone with the naval problems involved.

Supervision of this work devolved on me as Assistant Chief of Overseas Bases. We concentrated our efforts on ways of improving the canal as it existed so as to increase the efficiency of ship handling through the canal.

It was soon apparent from reports of the Governor's board of consultants and from visitors from the canal organization to Washington that the Governor was using the authority of Public Law 280, 79th Congress, to overstress the security and national-defense angles to bolster an argument for a new canal at Panama at sea level.

Inadequate consideration was given to the simple and obvious solution of improving the existing canal by means of a high-level terminal lake on the Pacific side of the canal to balance the similar lake (Gatun) on the Atlantic side.

Voluminous propagada in the lay and technical press supporting the sea-level concept appeared at this time. The origin of such articles was obvious—dredging and earth-moving interests.

The Navy Department supplied the canal authorities with naval views, which included the answers to questions of relative vulnerability, then termed "security," of the two types of canals.

Atomic experts in the Navy Department held that either a sea-level or a lock canal would be vulnerable to superbombs. Therefore the type of canal is irrelevant. As all this information was classified at the time, it was never given to the public nor to Congress so far as I know.

It all looks so simple to me, I wonder that there is any problem at all. The problem would be solved if some authoritative person or body such as your and Representative CLARK W. THOMPSON's Interoceanic Canals Commission—provided for in S. 766 and H. R. 3335, 84th Congress—would announce, "We are going to improve the present canal according to the authorized third-locks plan adapted to the terminal lake project. After this there would be no further changes in lock dimensions." * * *

Because of your position as a congressional leader on interoceanic canals, economic, and defense policy questions, you may have the great opportunity of pioneering the decision in what may lead to the final settlement of the canal question. May I add that I know of no greater service to the welfare of these United States and the world at large than the successful culmination of the prolonged efforts of yourself and Representative THOMPSON to effect a wise Panama Canal policy.

Sincerely yours,

H. H. LITTLE,
Captain, United States Navy (retired), Former Assistant Chief of Overseas Bases, Office of Naval Operations.

JANUARY 8, 1957.

DEAR SENATOR MARTIN:

* * * * *

My father was one of the two civilian division engineers on the construction of the Panama Canal under General Goethals, and was responsible for the design of the Gatun Dam, and subsequently was in charge of all of the hydrology of the canal. I was brought up there as a young man, and have naturally retained my interests in developments, since I have continued in my father's field of hydraulic and sanitary engineering.

As a member for many years of the United States Beach Erosion Board, which functions under the Corps of Engineers, United States Army, I have had occasion to concern myself with many hydraulic problems involving waterways and I have followed closely the various recommendations which have been made with respect to the Panama Canal problem. * * *

From the studies and reports which I have made, and from my own personal familiarity with the canal both during its construction and from a visit years later, I am of the opinion that the situation has become so involved in controversies not fully supported by adequate investigation, that an Interoceanic Canal Commission should be authorized by the Congress with a directive to study the entire canal situation. * * *

I remember well the Board of Consulting Engineers to the Panama Canal during its construction, several of whose members I knew very well, including John R. Freeman and Frederick P. Stearns. Prior to that time there had been also an Interoceanic Canal Commission I believe, also made up of distinguished engineers and others.

I hope very much that the efforts which you apparently have in mind to stimulate the authorization of an independent Interoceanic Canal Commission will be successful * * *.

Cordially yours,

THORNDIKE SAVILLE,
Dean, College of Engineering, New York University.

DECEMBER 30, 1956.

DEAR SENATOR MARTIN: This responds to your request of December 27 for comment on some aspects of the Panama Canal problem.

1. Comment below is based on the premise and hope that the canal as an institution will be forever preserved and protected as an American bulwark against encroachment and violation by any agency whatsoever. Existent misguided sentiment would give to the United Nations administrative control.

Nothing could be more inimical to the sovereign integrity of our country. Frustration and confusion must inevitably ensue when 80 nations are given any license to meddle in our internal affairs.

2. Assuming that we shall retain undivided control, we should proceed in orderly fashion to improve and increase capacity of existing facilities. This suggests an early consideration of, and approval by, the Congress of the so-called terminal lake plan which entails a new dam at Miraflores which would raise Miraflores Lake to plus 85 feet, enabling vessels to proceed safely at summit level with minimum transit time from Miraflores to Gatun.

3. This plan cancels out Pedro Miguel dam and locks. It requires new dams and locks at Miraflores. Properly designed this concept will permit passage of *Roosevelt* or any ships now contemplated, without restrictions inevitably to be imposed by any sea-level chimera. The terminal lake plan, with all its appurtenances, might cost one and one-half billions and require, say, 7 years to complete, including a new set of larger bypassing locks east of Gatun. This obviously is the preferable solution, economically, strategically, and navigationally.

4. Certain officers of the Corps of Engineers have long advocated a completely new so-called sea-level canal, paralleling the existing route. This advocacy was suddenly born after a nuclear bomb fell on Hiroshima, on the theory that a nuclear bomb, by destroying the locks, would destroy the canal. These advocates forebore mentioning that well-placed TNT bombs, used long before Hiroshima, could accomplish the same purpose. It is simply not true that a sea-level canal is not susceptible to destruction, or long interruption of transit. Diversion of rivers whose rainy season flow is now dispersed into Gatun Lake, and which could not be permitted to flow into a sea-level canal, is imperative * * *. Dikes to contain this diversion through miles of swamps would be peculiarly susceptible of destruction by light bombs.

5. To honestly summarize for your purposes, no canal of whatsoever type of construction may be deemed invulnerable to intelligently organized attack. In actuality, the tidal locks at Balboa, absolutely essential to functioning of a sea-level canal, are as liable as are the navigational locks.

6. Earth and rock slides have plagued this canal since 1906. Obviously, the deeper the excavation the greater is the certainty of slides. What will happen when the proposed sea-level canal bottom is carried 100 feet deeper than it now is? The new channel is to have its bottom at minus 60. This is one of the gravest of the considerations confronting the sea-level plan. * * *

My devotion to and affection for this Nation impels me to suggest that a cost of seven or eight billions and 10 or 12 years for a sea-level canal hardly provides that immunity from trouble we have a right to expect * * *.

In short, no type of canal is immune to enemy destruction. A canal with summit level at 85 or 90 is immeasurably to the Navy's advantage, as opposed to a sea-level canal just as susceptible to closure.

The Congress must eventually decide on this matter. * * * You and your colleagues have a most perplexing problem. You have my most sympathetic best wishes.

WM. G. B. THOMPSON,
Consulting Engineer, Formerly With Isthmian Canal Commission.

SEPTEMBER 27, 1956.

DEAR SENATOR MARTIN: This is an unavoidably delayed reply to your letter of September 4 requesting my views with respect to the proposed conversion of the existing lock canal at Panama to sea level, as recommended by the Governor of the Panama Canal in an extensive and voluminous report dated November 1, 1947.

That report, comprising a text and plates supplemented by eight separate volumes identified as annexes, and embracing 21 additional volumes classified as appendixes, was transmitted to the Congress by the President, December 1, 1947, without comment or recommendation.

During succeeding years no definitive decision was taken by the Congress. The great problems of engineering, future capacity to meet maritime growth, enormous estimated costs, questions of national defense and security, and increasing political complexities inherent in our relations with the Republic of Panama, all combined to present a most controversial national and international problem. I understand the report has not been printed or released to the public.

Public Law 280, 79th Congress, approved December 28, 1945, under which the investigation and subject report was authorized, was initiated to deal with the phases of methods and costs to increase the capacity of the canal, which within itself encompasses broad and most complicated matters of the engineering field.

In the act, however, as finally worded, there were included the words "* * * increasing the capacity and security of the Panama Canal," and further the words "* * * to meet future needs of interoceanic commerce and national defense," and again the words "* * * international commerce or national defense." With this very involved mingling of two great objects the question arises, which was intended to be of paramount importance? If the answer is of equal importance, what qualified line officers of the Army, Navy, and Air Departments were assigned for duty with respect to national defense and security in the preparation of the subject report?

A careful reading of the various studies leading to the recommendation for a sea-level canal discloses that national defense and security seemed to be paramount. As early as February 1947, while the subject report was in process, a superintendent of dredging on a Panama Canal in a paper before the American Society of Civil Engineers, recommended a sea-level canal. He stressed security and national defense as more important than maximum capacity and further stated a sea-level canal would be "relatively invulnerable."

Shortly after the report reached the Congress, but not available in text to the public, the various authors presented to the American Society of Civil Engineers a series of papers summarizing the major elements of the report. These were a part of the official proceedings of the society but were made the subject of a separate publication by the society carrying the title "Panama Canal—The Sea Level Project—A Symposium." Thus began what many thought was an attempt to mold public opinion and the technical world in favor of the sea-level recommendation in advance of action by committees of the Congress. To some nonmembers of the society and to the public, this special publication seems to imply in some degree the formal stamp of approval of the American Society of Civil Engineers, comprising many thousands of experienced engineers of the country.

Thus began the flow of many public articles, not only in the technical press, but in newspaper and popular magazines supporting the sea-level project. All through many such articles appeared the indicated necessity of taking the canal to sea level in the interest of security and national defense as of paramount importance irrespective of cost, and the lesser importance of future capacity enlargement.

It occurs to me that if my views, which you have asked for, may receive more than cursory attention, I should state briefly the background from which they arise. I need not refer to my nearly 13 years of engineering, design, and construction experience during the building of the canal.

Early in 1948 a typewritten copy of the Governor's report, and all its annexes and appendixes, with the exception of annex 8, entitled "Security (Secret), and Appendix 6, Volume 1 (Confidential) and Volume 2 (Secret)" came into my possession. Prior to this I received a copy of the Sultan report on the Nicaragua Canal. I also had some knowledge of the Edgerton report of 1944 and recently had the opportunity to read an extensive summary.

Between 1948 and 1953 I studied all these reports in great detail; reread many of the annual reports of the chief engineer during the period of original construction; conferred with many old engineering associates. In particular, I conferred with two of the leading engineers in the development of the atomic bomb and also with that employee of the Atomic Energy Commission who was delegated to help in the preparation of the security annex and appendix (marked secret). * * * Further, for a period of 12 years prior to 1945, I was in charge of the operations of a commercial corporation which, in addition to its other activities, operated a fleet of company-owned and chartered vessels, engaged in intercoastal commerce between North Atlantic and North Pacific ports and to the Far East via the Panama Canal.

I am quite familiar with the bills introduced concurrently in the House of Representatives and the Senate (84th Cong.) by Representative CLARK W. THOMPSON and yourself respectively, designed to establish a special agency to be called the Interoceanic Canals Commission. These bills failed of action as did similar bills introduced in previous sessions of the Congress.

I understand there may be opposition to a new commission as proposed, and that opposition, if it exists, is based on the premise that all phases and alternatives of the canal problems have been exhaustively covered and no useful purpose would be served in further studies by a new group.

In conclusion, my studies have led me to the following specific views:

1. As opposed to modernization, the recommended conversion to sea level of the lock canal at Panama is not warranted from the following standpoints:

(a) National defense and security;
(b) Comparative navigability;
(c) Increased capacity;
(d) Relative impracticability of conversion, within the limits of the present canal, concurrently proceeding with the daily transiting of ocean vessels;
(e) Unprecedented practical problems of engineering and construction methods;
(f) Unprecedented design and building of outsize dredging and excavation equipment;
(g) Unpredictable action of the complex and loaded unstable base formations when the existing counterbalancing head of 87 feet of water is removed;
(h) The basic requirement for areas of new territory outside the present Canal Zone, thereby causing another revision of the controlling treaty with the Republic of Panama, with all the international problems and hazards to the United States inevitably involved; and finally
(i) The impossibility of reasonably projecting in advance the ultimate cost in billions of dollars of a sea level canal at Panama. If finally completed there would have been created, in my opinion, the Straits of Panama, that cauvinistic dream of Bunau-Varilla.

2. Establish an Interoceanic Canals Commission as proposed broadly in S. 766 and H. R. 3335 and introduced in the 1st Session of the 84th Congress, but more or less limited in functional scope. * * *

* * * * *

4. The vast physical data available for Panama, and also the comparable physical data for Nicaragua accumulated over the years up to and through the Sultan studies, may be considered an adequate basis for definitive analysis and recommendations by the proposed new Commission, without additional field work.

* * * * *

With regards and cordial best wishes, I am,
Yours sincerely,

GEO. M. WELLS,
Consulting Engineer, formerly with Isthmian Canal Commission.

FEBRUARY 2, 1957.

DEAR SENATOR MARTIN: In reply to your letter of December 27, 1956, with reference to our Isthmian Canal policy, I wish to comment as follows:

The major questions of policy involved in this discussion I believe can be outlined as:

(a) The relative practicability from the engineering standpoint of the proposed sea-level canal and the proposed locks-lake plan.

(b) The relative cost of the two plans above mentioned.

(c) The relative navigability of the canal under the two plans.

(d) The relative toll charges under these plans for ships utilizing the canal.

(e) The relative defensibility of the canal in case of war under these plans.

(f) The proper course of action by the Congress of the United States in the consideration and determination of a wisely reasoned Isthmian Canal policy.

A. ENGINEERING PRACTICABILITY

The question of engineering practicability would hardly be a serious one if the terrain and geologic features of the Panama Isthmian route were the same as the Suez Canal route. The essential points of difference lie in the fact that the isthmian route necessarily involves a passage through the Continental Divide and the difficulties and uncertainties created by the instability of the geologic strata extending for some miles in the vicinity of the divide.

This instability is evidenced by the numerous slides that occurred not only during the initial construction period (approximately 1904–15), and increasing in number and volume as the excavation of the cut through the divide deepened, but also during the operating period from 1915 to date.

The annual report of the Board of Directors of the Panama Canal Company for 1956 contains the following passage:

"During 1955 Contractors Hill, overlooking the canal at the Continental Divide, started to move toward the channel, and the threat of a serious blockage of the canal required immediate correction. The project, involving an expenditure in excess of $4 million, was completed without any delay to transiting ships. Currently, Gold Hill, adjacent to Contractors Hill, is under continual observation because of signs of instability and may require attention."

The fissure in the strata at Contractors Hill that marked the threatened slide in 1955 referred to in the above quotation was first observed on the surface of the ground several hundred feet from the canal bank, and was found to extend to a depth several hundred feet below the bottom of the proposed sea-level canal.

The instability of the geologic strata evidenced by the slides during the construction period and at intervals during the operating period up to the 1955 Contractors Hill occurrence, and the presently threatened Gold Hill slide, was created by the excavation of the present canal channel through the divide, and the slides due to the instability thus created increased in number and volume as the cut was deepened. The proposed sea-level project involved the deepening of this cut by over 100 feet below the present canal bottom.

In my opinion it is impossible to estimate the amount of material that will have to be removed to effect this deepening, the cost of such removal, or the permanence of the canal channel if and when such deepening is effected.

No such hazards and uncertainties created by strata instability occur in the proposed locks-lake plan.

B. COST

The only estimate of cost of the sea-level canal that the writer has seen is $2.483 billions, contained, I believe in the original Mehaffey report made in 1947. Construction costs have greatly increased since that date, and for that reason alone this estimate would have to be greatly increased, the most recent published estimate being $4.8 billions.

In view of the hazards and uncertainties which have been discussed under A above, the writer believes that it is inherently impossible to make any reliable estimate of cost for the sea-level project.

The estimates for the proposed locks-lake project, under $800 million, made at a later date, may still be too low, but reasonably reliable estimates of cost are not inherently negated.

C. NAVIGABILITY

It is the writer's opinion that the sea-level canal would involve greater navigational difficulties and hazards and less adequate and flexible facilities for ships, especially vessels of the United States Navy that may find it necessary or desirable to stopover in the canal than in the case of the locks-lake canal with its Gatun Lake and the proposed Miraflores Lake. This question was discussed in a symposium conducted by the American Society of Civil Engineers several years ago, together with all other features of the two types of canal. The writer read the discussions and arguments presented by advocates of both types of canal at the time it appeared in the proceedings of the society * * *.

In any case, it would appear that the question of relative navigability of the two proposed plans should be thoroughly investigated by the Congress through the testimony of officers of the United States Navy and qualified representatives of commercial shipping organizations.

D. TOLLS

The annual report of Board of Directors of the Panama Canal Company for 1956 states that the maintenance and operation of the Panama Canal is governed by the act of September 26, 1950, 64 Statutes 1036 (Public Law 841 of the 81st Cong.). The report further states that:

"The (Panama Canal) Company is required to be self-supporting, to reimburse the United States Treasury annually for the net cost of operation of the Canal Zone Government and the basic annuity payment to the Republic of Panama, and to pay interest to the Treasury on the net investment of the United States Government in the corporation (Panama Canal Company)."

For the fiscal year 1956, approximately 78.6 percent of the total revenue of the Panama Canal was derived from tolls. The net investment in the canal at the end of fiscal year 1956 was $408,505,000. The interest rate the Canal Company has to pay to the Treasury of the United States has been established at 2.485 percent for the fiscal year 1957. The receipts from tolls from commercial vessels and credits from United States Government vessels for fiscal year 1956 were $34,450,951.

The amount paid by the Canal Company to the United States Treasury for fiscal year 1956 was $22.3 million of which approximately $10,131,000 was for interest.

If the net investment for a sea-level canal were only $5 billion, the interest at the 1957 fiscal year rate would amount to $124 million. In the writer's opinion, for reasons discussed above, the cost would be far greater than $5 billion, and the interest charges proportionately increased.

Commercial users of the canal have for some time been urging a reduction in the present toll charges. It would appear to be obvious that the increased capital charges of a sea-level canal could not possibly be met by an increase in tolls or in any other revenues of the canal, since the tolls constitute so large a percentage of the total revenue. The 1956 report of the Panama Canal Company, previously mentioned, says on page 9:

"Thus the canal enterprise operates entirely from earnings, requiring no contribution from the American taxpayer."

This condition could not possibly exist with the proposed sea-level canal.

E. DEFENSIBILITY

In all of the discussions of the sea-level versus locks-lake plan that the writer has seen, the proponents of the sea-level plan base their main argument on the claim that the sea-level canal would be less vulnerable to bombing attack in time of war than the locks-lake type.

In the writer's opinion this argument is completely fallacious. The writer believes that in any war in which an enemy of the United States has at its command atomic bombs of either the fission (original atomic bomb) or fusion (thermonuclear or hydrogen bomb) type, and considers the canal a military objective of sufficient importance to warrant its attack, either type of canal is sufficiently vulnerable to be effectively put out of commission for the duration of such war.

There are only two possible ways of preventing such an outcome—first, by an international agreement preventing war, or, second, by an air defense of the canal area that would preclude the proximity of enemy bombers. The writer doubts the practicability of arriving at or enforcing any international agreement that envisions wars of global extent between great powers, but effectively bans the use of atomic bombs in such wars.

Any war in which atomic bombs are used, by either or both belligerents, is certain to be a short one—measured by weeks or months rather than by years.

The possible damage to the canal in the event of such war must not be envisioned as occurring only to the canal channel or structures proper, nor as the dropping of a single bomb. The attack, if made, would involve the effects of numerous, perhaps a dozen or more bombs, directed at the canal proper, and at shops, powerplants, storehouses and centers of population in and adjacent to the Canal Zone.

The hydrogen bomb we dropped at Bikini created a crater approximately a mile in diameter and of a depth far greater than the bottom of the proposed sea-level canal. What would such a bomb do if dropped in the unstable strata section referred to in "A" above? What would such bombs do to the population of Panama and Colon, and of the various towns in the Canal Zone housing employees of the canal? What would happen to their sources of electric light and power and water, and to their food supplies?

It would appear to be obvious that in the case of such an eventuality the canal itself would be blocked, its navigational service, supply and repair activities paralyzed, and there would be neither personnel, equipment, nor material or supplies available for the restoration of essential canal operations, within the possible duration of such a war.

If such an attack on the canal were, as would probably be the case, accompanied by simultaneous attacks on our major productive centers and seaports in the United States, on cities such as Boston, New York,

Philadelphia, Washington, Pittsburgh, Detroit, Chicago, Kansas City, St. Louis, New Orleans, San Francisco, etc., etc., the restoration of Panama Canal navigation would be rendered still more impossible.

The opinion of members and experts of the Atomic Energy Commission and of scientists who have been engaged in our atomic energy developments on this question should be sought by Congress.

F. ACTION BY CONGRESS

In the light of the foregoing discussion, and of the serious objections to the sea-level plan by numerous and eminent engineers, including almost every engineer and executive still living who was engaged in a responsible position during the design and construction of the present canal, the least the Congress could do is to enact legislation such as that contemplated in H. R. 3258 and S. 611. Those bills do not attempt to decide the issue, but to ensure to the Congress the unbiased opinion of highly competent Army, Navy and civilian experts, to the end that whatever policy the Congress may choose to adopt, it will, to use your own expression, at least be a wisely reasoned one.

Sincerely yours,

W. H. ROSE,
Brigadier General, Honorary Retired List, United States Army, Former Civil Assistant to Chief of Engineers, 1941–46.

APRIL 15, 1957.

MY DEAR SENATOR MARTIN: I have your letter of the 9th inst. You have done me the honor to ask my views with respect to the future of the Panama Canal.

In response—and for whatever they may be worth—I herewith submit certain comments.

1. In the world at large there is being pushed the proposal for the internationalization of the Panama Canal. The communistic governments and international communism have been, and are, strongly in favor of such internationalization; and, emboldened by the marvelous success in helping to bring about the liquidation of the power and authority of the free nations—while, at the same time, retaining and increasing their unprecedented and ever-growing dominion over tremendous areas and vast populations of the world—they are pressing for the surrender, in one or another way, by the United States, of all its authority and control of the Panama Canal. There is also non-Communistic sentiment in free countries—including some in our own—for such internationalization. There is growing insistence that the United States step out of the picture, notwithstanding the fact that throughout its connection with the Panama Canal enterprise it has scrupulously observed the treaty agreements involved, and since the completion of the great waterway it has, in compliance with existing treaties, operated the canal under terms of equality for all the nations and without any discrimination in behalf of its own shipping.

Then there is a fast growing sentiment in Panama for the nationalization of the canal by that country, the recently developed Suez Canal status being urged as a precedent—though, in fact, the two situations appear to be quite dissimilar.

In no plan calling for the relinquishment of the rights of the United States in and about the maintenance and operation of the Canal has there been any suggestion—so far as I am advised—for the reimbursement to our Nation of the vast net outlay incurred by it—at the expense of its taxpayers—in the construction and protection of the canal.

The questions are so grave that it is of the utmost importance—for the benefit of all concerned—that the position of our own Government in the premises be, at the earliest possible moment, fully and formally stated.

To this end, I am sure that it would be most helpful if the Congress should adopt an appropriate resolution or declaration recording its views and judgment touching these questions. As to Panama, it is to be hoped that the spirit of friendship and good will, so long existing between the two countries, may continue and that all substantial questions of variance may be solved in the spirit of amity and affectionate esteem which has generally characterized the dealings between the two countries since Panama became an independent nation.

The United States would certainly never have undertaken the construction, maintenance, and operation of the Panama Canal—all at tremendous cost and much sacrifice—except for the treaty arrangements involved; and no nation but the United States could have performed the tremendous task required. I believe it is best for ourselves, for our friends in Panama, and for the entire world that the United States continue its authority and control over the operation of the canal in strict accord with its treaty obligations and, except for which obligations, its work in the building of the canal would never have been undertaken. Should it ever come to pass that the authority of the United States for the maintenance and operation of the canal shall cease, it must likewise be absolved from any further responsibility in that connection. Certainly it cannot afford to have responsibility without authority.

2. Assuming that the United States will continue in the control and operation of the Panama Canal, the question of its increased capacity is becoming more and more urgent because of growing shipping requirements. While I do not speak as a civil engineer, my service on the Isthmian Canal Commission and as head of the civil administration of the Canal Zone during several years of the construction period, as well as my continued study of the problems of the canal ever since, have caused me to favor what is called the terminal lake-third locks project. I think such plan would be greatly superior and more satisfactory than that involved in the sea-level design. The former would require no new treaty arrangements; but new treaty arrangements, it appears, would be required in the sea-level plan; and these would certainly bring increased demands by Panama as to indemnity and annuities, together with other complications. Moreover, the funds required for any major development of the canal would be exacted from our own taxpayers—just as was the case in the original construction—and the terminal lake-third locks project would entail far less expenditure than that which would be necessary in constructing a sea-level design: not more, perhaps, than 1 billion in the former, and between 5 and 10 billion in the latter. With the staggering public debt of the United States already approaching the unprecedented $300 billion mark, other things being equal, it is certainly the part of wisdom to choose the lower cost. It would be criminal stupidity for the United States to spend a vast sum for major improvements of the existing canal—all at the expense of our taxpayers—only to surrender the finished work to some other power or authority.

3. My judgment is that for navigational purposes the present canal is best adapted for efficient results; it has proven successful for the entire period that it has been in service; and with the removal of the Pedro Miguel locks and the grouping of the three Pacific locks in the manner of those at Gatun, the canal would be navigationally improved, certain navigational dangers eliminated, greater anchorage provided for ships on the Pacific side, and other benefits secured.

4. As to the sea-level design, it appears that the basic and most important argument that was formally submitted some years ago in its behalf was that the canal would provide greater security—that it to say, greater security from nuclear attack. It seems to me that whatever force there may have been in this contention at that time, since then the tremendous increase achieved in the destructive force of nuclear bombs has wholly destroyed any idea that any form of canal could escape obliteration under modern nuclear attack. Not only this, but there is every reason to believe that there will be further and greater destructive agencies of nuclear character developed in the years to come; and that it is altogether futile to expect or hope that the Panama Canal can be protected against these forces in any way except that which the United States through two World Wars and the Korean conflict has, with great skill and never-failing watchfulness, provided. Should the internationalization of the Panama Canal, or its nationalization by any other country, ever take place, such status of the canal would never be respected by the Communistic countries if and when it appeared to be to their interest to act in an adverse manner.

5. As to the engineering problems which would be involved in the two designs for increased capacity of the Panama Canal, it is significant that all surviving engineers—practically without exception—of the construction days who had substantial experience in the building of the canal oppose the sea-level design and strongly favor the terminal lake-third locks project.

As I understand the plan for the sea-level design, it would have as a feature the deepening of Gaillard (Culebra) Cut by something like 100 feet. Having for some years, during the construction period, observed the tremendous slides occurring in that region, I cannot escape the belief that if an attempt should be made thus to deepen the Cut, these slides would recur in far greater volume and more devastating effect than obtained during the construction period. In consequence, there is presented an unknown, but certainly vastly sinister, factor of tremendous importance. In case of nuclear attack, the great Cut would certainly be as vulnerable as would be the existing locks; and if through such attack the Cut should be filled with obstruction, it would require as much time and effort to clear it as would be required in the construction of the locks. Moreover, in this connection a sea-level design would require tidal locks and a great dike system to confine the Chagres River—and these features would be likewise vulnerable to such attack. In the event of the indicated destruction in the case of war, it is highly improbable that the restoration could be made until the conflict ceased. Hence, it is difficult to believe that under the improvements involved in nuclear development, the question of relative security in different types of the canal would have intrinsic bearing; and the major questions remain, namely, navigational facility, cost, and freedom from new treaty requirements; and as to these certainly the terminal lake-third locks plan is to be preferred.

6. It is my judgment that the best and wisest manner of dealing with these canal problems is the creation of an Interoceanic Canals Commission, as proposed in identical (nonpartisan) bills introduced in the present session of Congress—in the Senate by yourself and in the House by Representatives THOMPSON, of Texas; FLOOD, of Pennsylvania; and DOAN, of New York. Such a body, properly constituted and vested with the fullest measure of independence, could make the required up-to-date studies and present to the President and to the Congress wise and adequate recommendations—not only as regards the Panama Canal, but, as well, concerning the entire subject of interoceanic canals. This proposed legislation, I believe, should receive prompt consideration and approval. The time undoubtedly has come for action.

Sincerely yours,

MAURICE H. THATCHER,
Former and Only Surviving Member of Isthmian Canal Commission and Head of Department of Civil Administration of the Canal Zone, 1910–13.

AMERICA'S MAIL SERVICE

Mr. WILEY. Mr. President, the Nation wants a solution to the mail problem.

Probably millions of words have already been written and spoken about the serious problem caused by the drastic curtailment of mail service, as ordered by Postmaster General Summerfield.

There are all sorts of explanations of why it happened, how it happened, who is to blame, and so forth.

So far as I am concerned, the really important thing is to act constructively so as to make sure that this postal snafu does not occur again.

The American people are entitled to adequate, efficient mail service.

At the same time, there is no question but that the enormous postal deficit problem must be met.

I send to the desk a brief statement which I have prepared. It outlines some of the many factors, as I see them, in this situation.

Appended are excerpts from letters and telegrams from a good many of the messages which have come to me from mail users back home.

I ask unanimous consent that this statement and appended materials be printed in the body of the CONGRESSIONAL RECORD at this point.

There being no objection, the statement and other matters were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

In all the maze of charges and countercharges, certain facts emerge:

THIRD-CLASS USERS DEPEND ON MAIL CRUCIALLY

1. The first fact is that America's business economy depends very heavily upon the mails.

This is especially true of third-class mail. Yet it is this mail in which the Postmaster General has threatened a paralyzing embargo.

I need hardly point out that there is a tremendous variety of American business—from the corner grocery store to multimillion-dollar mail order businesses, whose life and death, businesswise, depends upon prompt and efficient delivery of direct mail.

There are a vast number of printing establishments, including some of the smallest letterpress and offset shops whose "bread and butter" is this third class printing.

Thus, to embargo such mail would, in my judgment, constitute a direct threat to the very existence of these enterprises. Such a threat cannot be justified.

FORTY MILLION HOUSEHOLDS NEED MAIL

2. There is, however, a larger interest. It is the interest of 40 million householders. There is not a single household in America which does not rely upon the mail—first, second, third, or fourth class—for some purpose or another.

And the fact of the matter is that, already, mail service to our 40 million and more households is recognized as inadequate.

I think that one of the best descriptions of this situation—at least so far as we of Wisconsin are concerned—was contained in an editorial in the Friday, April 12 Milwaukee Journal.

MILWAUKEE JOURNAL DESCRIBES POOR MAIL SERVICE

It described the amazing slowness and irregularity of mail service.

Here are some excerpts from that editorial:

[From the Milwaukee (Wis.) Journal of April 12, 1957]

"RAISE POSTAL RATES AND KEEP SERVICE FROM GETTING WORSE

"In 1836, when Belmont was the territorial capital of Wisconsin, the hamlet of eight buildings enjoyed daily mail service via stagecoach.

"This week a letter mailed in Madison at 5 p. m. Tuesday reached the Journal office Thursday noon—43 hours after it started its 77-mile trip from the capital to the State's biggest city.

"It is service like this that makes so ironic Postmaster General Summerfield's determination to curtail the service further in his row with Congress. The truth is that the service is incredibly bad now. And although Summerfield insists that he has made 'more than 1,000 improvements' since he took office in 1953, what counts with the average householder and businessman is when he gets his mail and how often.

"No change has been made in the 1950 cutback from twice a day to only once a day home delivery, and the single round of the letter carrier may reach your residence at any hour. Post office clerks no longer try to trace address changes through city directories and phone books. A letter posted in Milwaukee today may or may not reach its destination in Wauwatosa tomorrow. (Consider the difference in London; there an invitation to tea dropped in the collection box in the morning will reach a guest in ample time for him to keep the appointment.)

"A paradox of the service is that the more distant the point to which a letter is dispatched the less relative time it takes in transit. Milwaukee has overnight air mail service to Washington, and recently the Journal received dispatches of a roving correspondent from India, Burma, and Singapore in 4 or 5 days and communications from South Africa in 5 or 6."

THE POST OFFICE'S HUGE PROBLEM

3. Let it, however, be pointed out in all frankness that there is a third factor, and that is:

That in 1955 some 54 billion pieces of mail were handled—more than all the mail in the rest of the world. As pointed out in the Milwaukee Journal editorial, the load still further increased last year.

The Post Office has made a great many improvements in its service, but obviously not enough improvements.

All the while, let it be stated in all fairness and frankness that postal expenses have risen. I refer to the costs of postal employees' salaries (but postal unions urgently feel "not high enough") plus the rising cost of operating machinery, the cost of materials, etc.

STAGGERING POSTAL RED-INK TOTALS

4. And so a fourth factor is the staggering Post Office deficit. Since World War II American taxpayers have had to make up deficits in the mail that have totaled almost $5½ billion.

The three-quarter-billion-dollar deficit in prospect cannot be ignored. Somehow that deficit must be reduced. Somehow a reasonable compromise must be found.

But the deficit must be reduced in a way which will not destroy businesses which depend upon the mail.

DON'T KILL BUSINESS GOOSE THAT LAYS GOLDEN EGG

We cannot and must not kill the goose that lays the golden egg.

If a mail-order business or a printshop thrives, it pays taxes to Uncle Sam and it pays mail costs to Uncle Sam.

But if the business is knocked out by destroying its mail service, then Uncle Sam gets no taxes from that business; the enterprises' employees are thrown out of work.

And the postal service loses that much of a customer.

Wisconsin, I may say, is one of the great printing States—one of the great graphic arts States of this Nation. The printing industry can hardly be ignored in its vital needs.

IS POST OFFICE'S COST ACCOUNTING SOUND?

5. Another key aspect of the situation is: Just what are the actual costs of the various classes of mail? How much of a deficit really occurs in each category?

Experts differ.

Many experts say, however, that the Post Office's accounting system is wrong; that it does not allocate costs efficiently and accurately.

GIVE A BREAK TO THE MAILMAN

6. Still another factor to which I have already referred is that the postal unions feel that postal salaries are again under the levels that they should be.

There is a considerable employee turnover in the Post Office Department because of a feeling that salaries are unfair and inadequate.

This factor—the factor of employee morale—too, must be considered.

In all the welter of criticisms which have been flung about there are very few, if any, Americans who dispute the fact that the employees of the Post Office Department are trying to do an honest, conscientious job.

The faithful American mailman is certainly not the one to be criticized. He is carrying an enormous burden on his back, literally and figuratively.

These, then, are some of the factors which bear upon consideration.

POST OFFICE COMMITTEE HEARINGS SUGGESTED

I am not personally a member of the Senate Post Office Committee. So I cannot assert that I have any prepackaged solutions to this situation.

I do know that it is absolutely indispensable that Congress promptly authorize the supplemental funds, as the House has now done.

Comprehensive hearings should likewise be held on the overall postal situation.

There should be no recriminations on a personal basis. Rather, there should be an effective effort to find the answers in a constructive, nonpartisan fashion, once and for all.

To the extent that the post office can be further modernized, it certainly should be.

It should be streamlined for the sort of high-speed, high-accuracy operations which will give the American people the best possible service at the lowest possible cost.

REPRESENTATIVE MESSAGES FROM GRASSROOTS

There follow now excerpts from a flood of letters and telegrams to me.

In respect of the confidence in which private individuals wrote, I have omitted their names.

Where individuals wrote however, on a public basis on behalf of their organizations, I have included their names.

"EVANSVILLE, WIS.

"Hon. ALEXANDER WILEY,
"*Washington, D. C.:*

"The Wisconsin Advertising Publishers Association joins with other publishers and direct-mail advertisers in protesting the proposed embargo on third-class mail; such a ban would necessitate suspension of the service we offer businessmen and residents of communities where our shopping guides are the only media reaching every urban and rural home. Merchants depending on our

publications to reach their customers would suffer loss of revenue. Shopping guides are published in over 60 Wisconsin communities and in hundreds of communities throughout the United States. All would feel serious effects of a third-class mail embargo.

"MRS. ROSE P. EHLE,
"For Wisconsin Advertising Publishers Association."

"MILWAUKEE, WIS.

"Hon. ALEXANDER WILEY,
"Senate Office Building,
"Washington, D. C.:

"In connection with Postmaster General order No. 56314, the Wisconsin Manufacturers Association, a traffic committee of 62 industrial manufacturers in Wisconsin and Illinois request that you take immediate action to retain third-class mail services which the order requests to be discontinued April 29, 1957.

"CUTLER HAMMER, INC.,
"M. I. ADAMS,
"Traffic Manager, chairman, Express Mail and Parcel Post Committee WMA."

KAUKAUNA, WIS., *April 8, 1957.*

Hon. ALEXANDER WILEY,
United States Senator, Senate Office Building, Washington, D. C.

DEAR SENATOR: In reading the newspapers, following television and radio, regarding the question of the curtailment of mail delivery to the American people, the question of dollars seems to be more important and out of proportion to the damages that could be done if Congress does not give relief to one of the greater branches of governmental services which are given to the people and which is a great factor in our economy and is part of our everyday life.

I hope that Congress will realize the fact that the great increase in population also has meant such an increase in mail delivery and which will continue. Congress will have to make a decision as to whether they want to give the American people the kind of service which they are asking for. We all realize that the postal employees of today are underpaid in any comparative study in what involves hard work, public relations, and presenting themselves as one of the finest of the Government workers.

In the beginning of this great service, in the days of the Pony Express, the longer the horse carried the mail, the more oats and feed were given him to carry on this American institution, so I hope Congress will follow the voice of the pioneers in regard to mail delivery and give the Postal Department a small piece off of one of the foreign-relief bills to maintain the proposed mail service in the United States. I trust that they will also see fit to realize that the postal employees are a very important part of every community and every city and the services rendered by them, to the public, are reflection of clear thinking in Washington.

I hope that you see fit to use your influence and that the Postal Department's request is granted so that there will be no interference of the orderly running of the Postal Department in the United States.

Respectfully yours,

JOSEPH F. BAYORGEON,
Mayor.

MEDFORD, WIS., *April 8, 1957.*

Senator ALEXANDER WILEY,
Washington, D. C.

DEAR SENATOR: You are aware I believe that we have in the Medford, Wis., community a group of organized rural people affiliated with the National Farmers Union.

We are of course interested in efficient Government in connection with necessary services to the citizens of the United States.

We are aware of the terrific tax burden the American taxpayers are compelled to shoulder and the constantly increasing national debt due in part, we must admit, to the services we Americans demand.

In spite of these facts, however, we feel that expansion of our economy would suffer severely if postal services were to be curtailed, a service which we feel is so all inclusive and so uniformly beneficial to every American citizen.

We hope you will be on our side and join us in protesting the threatened curtailment of postal service which we understand may include nondelivery of mail on Saturdays and discontinuance of issuing of money orders.

Yours sincerely,

CHAS. PAUR,
Deer Creek Farmers Union.

A Wisconsin daily newspaper spokesman:

"Senator ALEXANDER WILEY,
"Senate Office Building,
Washington, D. C.:

"Summerfield's service curtailment threat means chaos for daily newspapers, even if temporary. Mail subscribers will not receive Friday editions until Monday. Saturday's edition probably won't get handled before Tuesday. I need not remind you the wholesale cancellations facing us, not to mention a shutting off of advertising revenue because of delay. Few of us can survive a jolt like that."

A planograph printing plant:

APRIL 8, 1957.

"Senator ALEXANDER WILEY,
"United States Senate,
"Washington, D. C.:

"If third-class matter is ruled out by Post Office Department on April 29 it will put us out of business; throw 11 persons completely out of work; cut off 13 part-time employees, and destroy a $100,000 business. This would be repeated in many Wisconsin communities. We cannot even afford to suspend 1 week. Will you do utmost to help solve post-office problem."

A printing firm in Madison writes:

"APRIL 10, 1955.

"Senator ALEXANDER WILEY,
"Senate Office Building,
"Washington, D. C.:

"DEAR SENATOR WILEY: We are very much disturbed by Postmaster General Summerfield's arbitrary order No. 56314 of April 5. A refusal on the part of the post office to handle third-class mail, particularly on such short notice, would wreak havoc in business. It would hit the entire graphic-arts field directly and severely.

"Direct-mail campaigns are laid out months in advance of mailing. For example, we are now working on our Christmas cheese mailers and soon will be in production on them. Normally, this work is completed early in August. Most of the accounts for which we do these jobs live entirely as mail-order houses, moving vast quantities of Wisconsin cheese throughout the country. The Postmaster's order, if put into effect, would put all of these people out of business quickly and effectively—and in turn disrupt the marketing of Wisconsin cheese.

"This brief outline of the problem indicates the widespread disorganization and hardship which the Postmaster's order would effect.

"Anything you can do to help avert the disaster which would follow the Postmaster's order will be sincerely appreciated.

"Very truly yours."

AMONSON LETTER SERVICE,
Oshkosh, Wis., April 12, 1957.

Senator JOSEPH MCCARTHY,
United States Senate,
Washington, D. C.:

Senator ALEXANDER WILEY,
United States Senate,
Washington, D. C.:

Representative WILLIAM VAN PELT,
House of Representatives,
Washington, D. C.:

We, the employees of the firm of Amonson Letter Service, respectfully request that you do all in your power to prevent or discontinue the proposed embargo on third-class mail.

An embargo, for even a very short period of time, would work a serious hardship on every employee and if continued for even 3 months would mean eventual financial ruin for our company.

We resent the highhanded and discriminatory manner in which this embargo is to be placed and the shameful, self-serving publicity given to the matter by the press.

Third-class mail represents a major portion of our work, as it must to every direct-mail letter shop, and the loss of this business could ruin every direct-mail shop in the United States.

Again we ask you, for the sake of small business, to do all you can to stop this un-American abuse of authority and the ruination of our livelihood and jobs.

Respectfully yours,

E. B. AMONSON.
LOIS TREISE.
JANET LEMKE.
NANCY AHRENS.
H. O. AMONSON.

A small-business problem:

"Hon. Senator WILEY,
"Washington, D. C.

"DEAR SENATOR WILEY: We are publishers of a weekly shoppers' guide. * * * It serves 6,000 homes, and many persons have become dependent upon it for their daily buying.

"Continued publication * * * is seriously jeopardized by the Postmaster General's dictum to place an embargo on third-class mail matter. Needless to say complete discontinuance of third-class mail would simply put ourselves out of business, along with the hundreds of other shoppers that serve well their communities.

"We appeal to you in the interests of many persons to do everything within your power to prevent such an embargo from going into effect.

"If the needs of the Post Office Department are so great, why is it not possible to demand that second-class mailers pay their fair share of the postal rates?

"Very truly yours."

A publisher in Milwaukee:

"MILWAUKEE, WIS.

"Senator ALEXANDER WILEY,
"Senate Office Building,
"Washington, D. C.:

"Milwaukee Post Office advises our publication * * * mailed under section 34.64, Postal Laws and Regulations, will not be accepted in view of Post Office Department restrictions; this means controlled circulation magazines will be put out of business; what is being done to alleviate this confiscating situation?

A Milwaukee publishing house:

"APRIL 9, 1957.

"Hon. ALEXANDER WILEY,
"Senate Office Building,
"Washington, D. C.

"DEAR SENATOR WILEY: As you know, hearings are being held at the present time by

both the Senate and House on proposed increases on postal rates. As a publisher of three trade publications we can be seriously affected by the extent of these increases.

"We recognize the problems with which the Post Office Department is faced. We do not oppose increases in rates for the various classes of mail, but we do oppose excessive increases which may seriously affect the entire publication industry, particularly smaller publishers such as ourselves which use the second-class privileges and who must rely on the mails entirely for their distribution.

"These smaller magazines are to the largest extent made up of trade papers. It is through these trade papers that the dissemination of information within industries is largely accomplished. The growth and progress of the smaller businesses are actively tied to the trade publications serving their respective industries. Anything that would affect the growth of small business in this country would, in our opinion, affect the entire economy.

"It was with this in mind that we are writing to you and ask that you express our position at this time to the members of both the House and Senate Post Office Committees. It would be our recommendation that an increase in second-class rates be limited to not more than 10 percent per annum for a limit of 3 years.

"I would appreciate hearing from you as to what position you will take when and if new legislation regarding increases in the postal rates are presented to Congress.

"Sincerely yours,

"ROBERT H. APPLE."

A leading Wisconsin newspaperman:

"Senator ALEXANDER WILEY,
"United States Senator,
"Washington, D. C.

"DEAR SENATOR: I am much disturbed over the threat of Postmaster General Summerfield to discontinue Saturday rural deliveries. This would mean that our farm subscribers, of which we have a large number, would not receive their Friday paper until Monday. That would be definitely bad, and would generate a squawk that will be heard all the way from here to Washington.

"In talking to the local post office officials, I gather that nothing will be saved by elimination of rural deliveries because the rural carriers would not be cut one-sixth in pay. I understand they are on an annual pay basis, and that their pay would not be affected.

"Our newspapers reach the post office by 5 o'clock each afternoon. The bags are tossed down a chute to the rural carriers' room in the basement. Each rural carrier sorts the mail on Saturday morning, and gets everything in order for the delivery trip. All other mail coming into the post office on Friday also is shot down to the rural carrier room on Friday and is sorted by the rural carriers on Saturday morning. So nothing is saved by eliminating rural service on Saturday.

"It seems to me that the Summerfield order is too far-reaching—more far-reaching than necessary to accomplish the end he says he must accomplish, namely the saving of $47 million.

"With kindest personal regards, I remain,

"Sincerely yours."

A citizen in Eau Claire:

"APRIL 13, 1957.

"Hon. ALEXANDER WILEY,
"Senate Office Building,
"Washington, D. C.

"DEAR SENATOR WILEY: I am writing to you concerning the request of Mr. Summerfield for sufficient money to operate the Post Office Department. I think that you should give Postmaster General Summerfield the rest of the $47 million he asked for.

"We are on a rural mail route and we get very poor service at best. Six years ago, we received our mail at 11:30 a. m. but right now, we do not get it before 2:30 p. m. If our mail service is curtailed through insufficient funds, we will probably have none at all.

"Yours very truly."

A postal union for the Lake Winnebago area:

"APRIL 11, 1957.

"Senator ALEXANDER WILEY,
"Senate Building,
"Washington, D. C.

"DEAR SIR: I am writing with the hope that some quick action will be taken to appropriate more money for the Post Office Department.

"The morale in this office has dropped 100 percent. Fellows with many years of faithful service are beginning to wonder if they will still have jobs, while the younger fellows in the service will surely be put out of work. The cut in funds will create problems for the townspeople as well as the postal employees and their families.

"If the Post Office Department has ever needed help, the time is now. We hope you will do everything in your power to help appropriate more money for the Department.

"Hoping to hear from you regarding this matter, I remain."

A major publishing enterprise in Milwaukee:

"Senator ALEXANDER WILEY,
"Senate Office Building,
"Washington, D. C.:

"Most urgent that you take immediate action to prevent embargo of third-class mail. Embargo would cripple our company, cause major losses, and disrupt employment of 150 people."

A publisher in Madison:

"MADISON, WIS., *April 8, 1957.*

"Senator ALEXANDER WILEY,
"United States Senate,
"Washington, D. C.:

"Third-class mail is the life blood of our business. Without it our employees would be thrown out of work, and it would seriously affect our suppliers and customers. We are alarmed and appalled at Summerfield's threat to discontinue third-class service. We appeal to you to exercise your good influence to prevent this catrastrophe."

A publisher in southern Wisconsin:

"BURLINGTON, WIS., *April 8, 1957.*

"Senator ALEXANDER WILEY,
"Senate Office Building,
"Washington, D. C.:

"The undersigned herewith vigorously protest the suspension of third-class mail privileges. It will result in our immediately being put out of business and will disrupt the entire advertising program of a substantial number of local merchants who depend on this media for communicating their wares and merchandise to the people of a large area. We have a 3-year lease on a new building, contracts with staff employees and a substantial investment in our present business. We cannot operate for a single issue without this third-class mail privilege. A number of employees will be put out of work as well. We urge your immediate attention to a reconsideration of this matter."

ADVERTISING BY ELECTRIC POWER AND LIGHT COMPANIES

Mr. KEFAUVER. Mr. President, for some time now the privately owned electric power and light companies have been running an advertising campaign designed to attack TVA, Niagara, Hells Canyon, the REAs, and public power generally.

Much of this advertising is of a false and misleading nature.

It was undertaken following a survey made for the National Association of Electric Companies, which showed that TVA was very popular but socialism was not, and, therefore, the cold-blooded decision was made to link TVA with socialism, and the electric companies' advertising program was formed.

I have been in correspondence with the Commissioner of Internal Revenue concerning this advertising to determine how it is treated for tax purposes. At the conclusion of my remarks, I shall ask that the Commissioner's letter be printed in the RECORD.

However, I am glad to inform the Senate that as a result of this correspondence the Commissioner tells me that he has ordered his field forces to make a study of the advertising in question and its relationship to proposed legislation.

He states that it is the rule of the Internal Revenue Service "not to allow deductions of expenditures where the facts of the case indicate that they were incurred primarily for lobbying purposes, for the promotion or defeat of legislation, for political purposes, for the development of exploitation of propaganda (including advertising other than trade advertising) relating to any of the foregoing purposes, or for the furtherance of matters in the area of political controversy."

I submit that an impartial study of the electric companies' advertising will show that it violates all these criteria and therefore should not be deductible.

I have no present estimate on the amount of money spent, but it is considerable. I have a booklet published by the Saturday Evening Post reprinting all the advertisements which appeared in that journal alone through 1956. There are 169 of them. The advertising agency in publishing this booklet claims credit for helping shift public opinion 12 percent in the course of the campaign.

There is little doubt in my mind that these companies have been charging the public, through income tax deductions, for their own brainwashing. For the Treasury to now retrieve this money would be not only just and fair, but a great help to the small taxpayers who have been bearing the brunt of the cost of government.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter dated March 21, 1957, addressed to me by the Commissioner of Internal Revenue; also a memorandum containing a copy of Internal Revenue Ruling 54-442, together with the pertinent provisions of the Internal Revenue Code dealing with this subject matter.

There being no objection, the letter and memorandum were ordered to be printed in the RECORD, as follows:

UNITED STATES TREASURY DEPARTMENT,
Washington, D. C., March 21, 1957.

Hon. ESTES KEFAUVER,
Chairman, Antitrust and Monopoly Subcommittee, United States Senate.

MY DEAR SENATOR KEFAUVER: This is in reply to your letter of February 20, 1957,

concerning the deductibility for Federal income tax purposes of amounts expended by electric companies in connection with the "Electric Company's Advertising Program".

Photostatic copies of three advertisements which recently appeared in National magazines were submitted with your letter. These advertisements were under the sponsorship of "America's Electric Light and Power Companies" and "America's Independent Electric Light and Power Companies", which are said to include some 50 electric companies.

You inquire as to whether the costs to the individual companies for placement of these advertisements is classified as a business expense and whether there has been a ruling on this matter.

To be deductible, advertising expenses must be ordinary and necessary and bear a reasonable relationship to the business activities in which the enterprise is engaged. Whether expenditures of this nature meet the requirements of section 162 (a) of the Internal Revenue Code of 1954, and the regulations applicable thereto, as deductible business expenses, involves a question of fact, the determination of which is made by the field office at the time of examination of the taxpayer's income tax return. It has been the consistent practice of the Internal Revenue Service, however, not to allow deductions of expenditures where the facts of the case indicate that they were incurred primarily for lobbying purposes, for the promotion or defeat of legislation, for political purposes, for the development or exploitation of propaganda (including advertising other than trade advertising) relating to any of the foregoing purposes, or for the furtherance of matters in the area of political controversy. The basis for the nonallowance is that such expenditures do not meet the requirements of the Internal Revenue Code and regulations as ordinary and necessary and directly connected with the carrying on of the taxpayer's trade or business.

It is not clear whether the advertisements in question are sponsored by a formal organization or by individual companies. However, a copy of Revenue Ruling 54-442, which sets forth the Internal Revenue Service's position with respect to amounts paid to certain organizations, is enclosed for your information.

I have directed our field forces to make a study of the import of the magazine advertisements in question and their relationship to any proposed legislation. If it is determined that the principal purpose of the independent utility companies, who paid for the costs of the advertisements, was lobbying or attempting by propaganda or otherwise to promote or defeat legislation, the amounts of such payments would not be allowable deductions.

Very truly yours,

RUSSELL C. HARRINGTON,
Commissioner.

COPY OF REVENUE RULING 54-442, AS PUBLISHED IN CUMULATIVE BULLETIN 1954-2, PAGE 131

Regulations 118, section 39.101(7)-1: Business leagues, chambers of commerce, real-estate boards, and boards of trade.

"A corporation organized and operated primarily for the purpose of promoting a common business interest and bettering the conditions of independent business, whose activities include the furtherance of a legislative program in connection therewith, is exempt from Federal income taxation under the provisions of section 101 (7) of the Internal Revenue Code of 1939."

Advice is requested whether a corporation organized and operated primarily for the purposes of promoting a common business interest and bettering the conditions of independent business, whose activities include the furtherance of a legislative program in carrying out those purposes, is exempt from Federal income taxation under the provisions of section 101 (7) of the Internal Revenue Code of 1939.

Section 101 (7) of the code provides for the exemption of:

"(7) Business leagues, chambers of commerce, real estate boards, or boards of trade, not organized for profit and no part of the earnings of which inures to the benefit of any private shareholder or individual."

There is no prohibition in the statute or regulations relating to section 101 (7) which disqualifies a corporation from exemption for legislative activities so long as such activities are only incidental and the purposes of the organization are to promote a common business interest and to improve business conditions of one or more lines of business, and it is shown by its actual activities that it is operating for those purposes.

Accordingly, it is held that a corporation organized and operated primarily for the purposes of promoting a common business interest and bettering the conditions of independent business, whose activities include the furtherance of a legislative program in connection therewith, is exempt from Federal income taxation under the provisions of section 101 (7) of the code.

However, with respect to dues, assessments or other payments, to organizations such as the foregoing, it should be noted that section 39.23 (o)-1 (f) and 39.23 (q)-1 (a) of regulations 118 provides that "sums of money expended for lobbying purposes, the promotion or defeat of legislation," etc., are not deductible from gross income. This provision is also applicable to deductions for business expenses under section 23 (a) of the code. *Textile Mills Securities Corp.* v. *Commissioner* (314 U. S. 326, Ct. D. 1532, C. B. 1941-2, 200); *Roberts Dairy Co.* v. *Commissioner* (195 F. 2d 948, cert. den. 344 U. S. 865). It accordingly follows that all payments made to such organizations are not necessarily deductible. Whether or not any portion of such payments is deductible must be determined on the facts of each case.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Is there further morning business? If not morning business is closed.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSFER OF RIGHT-OF-WAY FOR YELLOWTAIL DAM AND RESERVOIR

Mr. MANSFIELD. Mr. President, I ask, what is the pending business?

The PRESIDING OFFICER. The Senate has met today pursuant to an adjournment. Therefore the unfinished business will not be laid before the Senate automatically until 2 o'clock. The Senate may by motion take up any bill for consideration.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the measure which was the unfinished business at the close of the session yesterday, Calendar No. 217, Senate Joint Resolution 12, relating to the Yellowtail Dam and Reservoir project, be made the pending business.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 12) to provide for transfer of right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project and payment to Crow Indian Tribe in connection therewith, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate resumed the consideration of the joint resolution.

Mr. MANSFIELD obtained the floor.

Mr. WATKINS. Mr. President, does the Senator intend to make a statement in connection with the joint resolution?

Mr. MANSFIELD. Yes, indeed. However, if the Senator desires, I shall insert my statement in favor of Yellowtail Dam at this point in the RECORD, and then the Senator can answer my statement. The Senator knows pretty well what is in my statement.

Mr. WATKINS. I think I do.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MANSFIELD ON SENATE JOINT RESOLUTION 12, YELLOWTAIL DAM AND RESERVOIR

The Senate is considering today Senate Joint Resolution 12 which will remove the one remaining obstacle to the development of one of the few remaining natural power sites in the country—Yellowtail Dam and Reservoir. The construction of this project will give a needed shot-in-the-arm to the economy of eastern Montana and northern Wyoming. It will provide power in an area with power demands exceeding production; it will bring arid lands under irrigation; and it will provide flood control and recreation, in addition to a number of other subsidiary benefits.

Briefly, the purpose of Senate Joint Resolution 12 is to provide for the transfer of right-of-way of approximately 7,000 acres of land for Yellowtail Dam and Reservoir and payment of $5 million to the Crow Indian Tribe in this connection. The facts and elaborate testimony have been presented and explored by the Senate Committee on Interior and Insular Affairs on several occasions. They support, in my judgment, the just and fair compensation as set forth in this joint resolution. A position subscribed to by the Senate committee.

I should like to limit my discussion to the more important aspects of this legislation, so that the Senate may act expeditiously in approving Senate Joint Resolution 12.

Testimony in behalf of this joint resolution has cited two precedents for the $5 million payment—Kerr Dam in western Montana and Pelton Dam in Oregon. In both instances special values and justifiable considerations were essential factors where Indian lands for power site purposes are being leased by private utilities at rates which in a 50-year period yield proportionately more than the proposed payment in this resolution. This procedure has been subscribed to as reasonable by the Federal Power Commission, and the Department of the Interior. What we are asking in this joint resolution is equitable treatment for the Crow Indians.

The Flathead Indians at Kerr Dam are receiving an annual payment of $175,000 and the Warm Spring Indians are receiving $90,000 for their lands at the Pelton project. Over a 50-year period the Indian charges will be $7,377,000 and $3,952,000 respectively. In view of these precedents and the multi-

purpose benefits derived from a completed Yellowtail Dam, I feel that the $5 million figure is justifiable.

I point out that since a third generator has been installed at Kerr Dam, the Flathead Indians are currently negotiating for additional compensation from the utility company in view of this new power revenue.

The Yellowtail Dam settlement will be an outright purchase, allowing certain reservations for the Crow Indians as set forth in this joint resolution, as opposed to a lease at Kerr and Pelton Dams.

In a report submitted to the distinguished chairman of the Senate Committee on Interior and Insular Affairs on February 5, the Bureau of the Budget states that these precedents should not be considered because they are private concerns, licensed under the jurisdiction of the Federal Power Act. The utilities are private profit-making organizations and cannot be compared with the Federal Government's operations, but it is the duty of the FPC and the Interior Department to see that the interests of the Indians and the consumers of power from these projects are protected.

The Federal Power Commission is an arm of the Congress, and it is difficult to see why the recognition of power-site values at Kerr and Pelton Dam sites are not a sufficient precedent for their recognition by the Congress itself in the case of Yellowtail Dam site.

The fact that Indians constitute a special case is well established in our law. Aside from this, I feel that the $5 million payment is very reasonable when you compute the total payment over a period of time. What we are trying to do is give equitable treatment to the Crow Indians. The provisions of Senate Joint Resolution 12 gives this equitable compensation to the Crow Tribe and the completion of the Yellowtail Dam will give the consumer hydroelectric power at reasonable rates.

The Budget Bureau rejects the provision that the reduction in area of the Crow tribal lands to approximately 5 percent of the original area, is partial justification for the $5 million payment. As established, by treaty in 1851, the Crow Indian Reservation in Montana and Wyoming was composed of 38,500,000 acres of land, including valuable grazing and other agricultural lands, as well as vast timber and mineral resources. The Crow Indian Reservation now comprises 2,018,218 acres. To the contrary, this is just one more reason why we should bend over a little backwards to treat these Indians equitably. The approval of this payment should in no way be considered fulfillment of any claims on this matter now pending before the Indian Claims Commission.

The Department of the Interior report on this bill, dated April 2 states the Government's action to acquire the lands by condemnation has proceeded to the point where a judicial determination of the value of the lands would be made relatively soon. In short, Assistant Secretary of the Interior, Fred G. Aandahl, stated that "it is unlikely that construction of the Yellowtail undertaking will be long delayed even if the Congress should fail to enact Senate Joint Resolution 12 or some similar measure."

As my Senate colleagues may know, Judge Charles N. Pray of the District Court of the United States ruled in favor of condemnation proceedings on January 8, 1957.

The statement of Assistant Secretary Aandahl rejects the wishes of Congress in this matter as did the President when he vetoed a similar measure in the 84th Congress.

At this point I wish to make it very clear to the Congress and the Executive that I am unalterably opposed to condemnation proceedings. I never have and I never will agree to a position of force in obtaining these lands. My support of the $5 million figure is firmly established and I shall not agree to a cent less.

The original appraisal of the actual value of these lands was set at something under $50,000 without giving consideration to power site values. The Department of Interior, under both Democratic and Republican administrations, has offered the Crow Indians $1½ million for these lands. These offers were not adequate and were rejected by the tribe. At the other extreme there have been proposals recommending $1 million a year on a lease basis for 50 years, at which time the project would revert to tribal ownership. I understand that this suggested payment has been reduced to something like $8 million for the transfer of these lands.

I think it is most interesting to note that the Interior Department's most recent report on this measure cites $2½ million as an agreeable price for these 7,000 acres. This is $1 million more than they had been willing to agree to previously. Perhaps if we wait a few years they will eventually readjust their estimates to favor a $5 million payment. But we do not have time; we need Yellowtail Dam now.

In view of the various offers proposed I feel that the $5 million settlement is just, fair, and equitable, and it is agreed to by the vast majority of those concerned.

The Crow Indian Tribe has been more than cooperative in advancing the development of this vital multipurpose project in southeastern Montana and neighboring Wyoming. On several occasions they have endorsed the $5 million settlement by tribal resolutions, the most recent being January 25, 1957.

This payment was subscribed to by Congress in the last Congress, the Governor of Montana has endorsed the settlement, the people of the Billings-Hardin area of Montana are fully behind it, and most recently the Montana Legislature passed House Joint Memorial No. 4 urging and requesting the enactment of resolutions pending before Congress setting forth a fair and just settlement.

President Eisenhower vetoed Senate Joint Resolution 135 in the last session of Congress. However, I sincerely believe that he will reconsider when he is given all of the facts and their justification.

Before concluding my statement on behalf of Senate Joint Resolution 12 I invite the Senate's attention to the excellent report on this resolution prepared by the Senate Interior Committee. This document is very comprehensive and presents all the legal and factual data supporting the $5 million payment. Also, the report points out an additional precedent for a congressional award as set forth in this joint resolution. I refer specifically to the Boysen Dam case. The additional precedent relates to the right-of-way for the small multi-purpose Boysen Dam in Wyoming. In this instance Congress authorized payment to the Arapahoe and Shoshone Indian tribes that recognized power site values. This power installation is one-eighth of that proposed of Yellowtail Dam and the amount of payment was considerably less but the principle involved is the same as that in Senate Joint Resolution 12.

The approval of Senate Joint Resolution 12 will be the green light for this multipurpose project which has been authorized for over 12 years.

Early and expeditious action on this legislation is imperative so that we can appropriate funds this session of Congress for the beginning of construction of Yellowtail Dam and Reservoir in fiscal year 1958. Any additional delay in meeting the power needs of the Northwest will be detrimental as well as disastrous to the economy of the area.

Mr. WATKINS. Mr. President, I rise to state briefly my reasons for opposition to the joint resolution, which I opposed in the Committee on Interior and Insular Affairs and which I oppose in the Senate today.

First of all, let me explain that my opposition to this measure is on its policy precedent of a far-reaching nature, and not on its obvious objective of providing a fair settlement for the Crow Tribe of Indians in Montana. As a member of the Indian Affairs Subcommittee, I have initiated and supported many measures for relief and rehabilitation of our Indian peoples, and I most certainly feel that the Crow Indians deserve equitable treatment where their rights as individuals or as a tribe are concerned. Furthermore, I think that such an equitable settlement on all claims outside of the taking of land for the Yellowtail claim would be made eventually in the Indian Claims Commission, a body established by the Congress for orderly consideration of such claims.

If the proponents of the Yellowtail Dam and Reservoir of the Hardin unit of the Missouri Basin project wish to utilize surplus power revenues to make a large grant to these Indians in addition to just compensation, I most certainly would give it serious and fair consideration on its merits if there was nothing otherwise objectionable or illegal or precedent making involved in such an action. And I most certainly would like to see this delayed Hardin project moved along. It is a sound project and I would like to see it built.

In the bill itself, and in the report, it should be clearly indicated that it is a grant, and not in the nature of a just settlement, as provided in the Constitution, for the taking of properties for public use.

However, I object to the precedent-making action we are asked to take here today of incorporating such an outright grant in addition to just compensation for lands required for a Federal water-resource development. By approving this bill we will be saying, in effect, that the Congress approves as just and equitable compensation the payment of more than 100 times the fair market value of lands required for a reservoir project when the measure of damages, under the constitutional provision for just payment has been established under a long line of court decisions, as the fair market value of the land at the time and place of the taking.

Nothing quite as extreme as this bill proposes to do has ever been done by Congress, and it is my considered opinion that this action could affect future land acquisition for reservoir projects in all States, and possibly involving lands owned by other citizens as well as Indians.

In this connection I think we in the Congress owe a real debt to the executive department for recognizing the far-reaching legal implications of the measure we passed last year, and returning it to us by veto. As you are aware, considerable improvement has been made in the language of this resolution in committee. But lest anyone is unaware of the serious limitations of the bill we reported out and passed last year, I ask to have printed in the RECORD at this point the President's veto message of June 8,

1956, with which he returned Senate Joint Resolution 135 of the 84th Congress.

The PRESIDING OFFICER (Mr. DOUGLAS in the chair) Is there objection?

There being no objection, the message was ordered to be printed in the RECORD, as follows:

THE PRESIDENT'S VETO MESSAGE

THE WHITE HOUSE, *June 8, 1956.*

To the United States Senate:

I return herewith, without my approval, Senate Joint Resolution 135, for payment to Crow Indian Tribe for right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, Montana-Wyoming.

The joint resolution would pay the Crow Indian Tribe, Montana, $5 million as just compensation for certain tribal lands required for the construction, operation, and maintenance of the Yellowtail Dam and Reservoir. The area of the land comprises 5,677.94 acres and such additional land as the Secretary of the Interior determines to be required for the construction of minimum basic recreation facilities for the accommodation of the public, which it is understood will increase the total area to somewhat more than 6,000 acres.

In essence, this resolution culminates a decade of negotiation and disagreement between the Department of the Interior and the Crow Indians with respect to the amount of compensation to be paid to the tribe for lands required for the Yellowtail Dam and Reservoir, for which the initial construction appropriation was made in the fiscal year 1956 and for which an additional $10,850,000 was included in the budget for the fiscal year 1957.

The standard of payment for land acquired by the Government is just compensation or fair market value. However, I recognize that, as a matter of policy, the Federal Government has made awards in excess of just compensation in other cases involving Indian lands. If the Congress determines that it wishes to provide for an extra payment in this case, it should not be done under the claim that it is just compensation. The amount, the method for computing it, and the equitable justification for it should be clearly established on acceptable premises. Neither the resolution nor the legislative history does this.

According to my information, the acquisition by the United States of the land contemplated will not interfere with the tribal life, except as to a small area used for grazing, and will not displace any of the members of the tribe since the area is not inhabited and consists almost wholly of inaccessible land, largely of bare, precipitous canyon walls. Thus, the only justification for an additional sum over and above just compensation arises from the value of the land as a power site. General principles of constitutional law exclude power site values in determining just compensation, as the Supreme Court recently reiterated in *United States* v. *Twin City Power Co.*, January 23, 1956.

A statutory settlement of this kind of controversy might be acceptable if soundly and equitably premised, and if it reflected a substantial measure of agreement between parties to the dispute. I regret that the extravagant nature of the award contemplated by Senate Joint Resolution 135 requires this action which may cause some additional delay in proceeding with the construction of the Yellowtail unit. It is my hope that the Congress can approve a statutory settlement which will permit expeditious action to proceed with the construction of this much-needed project.

For these reasons, I have withheld my approval from this measure.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE,
June 7, 1956.

Mr. WATKINS. Also, in order to show more clearly that the executive agencies do not endorse the mandatory action taken in connection with the revised version, I ask unanimous consent that the 1957 reports of the Bureau of the Budget and the Department of the Interior be printed in the RECORD at this point as a part of my remarks.

There being no objection, the reports were ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF
THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., February 5, 1957.

Hon. JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs, United States Senate, Washington, D. C.

MY DEAR MR. CHAIRMAN: This is in reply to your letter of January 14, 1957, requesting the comments of the Bureau of the Budget with respect to Senate Joint Resolution 12, "To provide for transfer of right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project and payment to Crow Indian Tribe in connection therewith, and for other purposes."

The resolution provides for payment of $5 million to the Crow Tribe for the transfer of right-of-way for the Yellowtail unit and is similar in that respect to Senate Joint Resolution 135, 84th Congress, from which the President withheld his approval for the reasons set forth in a message to the Senate dated June 7, 1956. The essence of that message is contained in the preamble to Senate Joint Resolution 12, together with a statement of various circumstances bearing on the amount of the proposed payment.

One of the points cited in the preamble is the reduction over the years in the size of the Crow Indian Reservation "without just compensation" to about 5 percent of its original area. We understand that the Indian Claims Commission is now considering on its own merits the claim of the Crow Tribe relating to this matter, and it would therefore appear to be improper to include the reduction in area of tribal lands as partial justification for the payment here in question.

The preamble also cites awards to the Flathead Indians and Warm Spring Indians in connection with power sites where special values and justifiable consideration were essential factors, and which in 50 years yield proportionately more than the proposed payment to the Crow Tribe. The comparison is not a sound one because these awards were negotiated under the Federal Power Act, which is not applicable to Government use of navigable rivers but applies only to licensees under that act.

It is noted that the Department of the Interior has instituted condemnation proceedings against the tribal lands on the Yellowtail right-of-way in the Federal courts. The committee may wish to consider deferring action on Senate Joint Resolution 12 until the courts have determined the amount of just compensation in order that the basis for any additional payment for special values may be clearly established.

On the basis of information now available and without further demonstration of the special values to the United States cited in the preamble, the Bureau of the Budget is unable to agree that payment to the Crow Indian Tribe for the right-of-way under discussion should exceed $1.5 million, the amount proposed some time ago by the Department of the Interior. Therefore, we are not in a position at this time to recommend enactment of Senate Joint Resolution 12.

Sincerely yours,

ROBERT E. MERRIAM,
Assistant Director.

UNITED STATES
DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D. C., March 29, 1957.

Hon. JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs, United States Senate, Washington, D. C.

DEAR SENATOR MURRAY: You have requested an expression of the views of this Department on Senate Joint Resolution 12, a measure "To provide for transfer of right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, and payment to Crow Indian Tribe in connection therewith, and for other purposes."

If enacted, Senate Joint Resolution 12 would provide for transfer of $5 million to the credit of the Crow Tribe and for the transfer to the United States of such right, title, and interest as the tribe may have in and to certain lands which are to be used for construction of Yellowtail Dam and Reservoir, excepting therefrom certain mineral and other rights.

For the reasons hereafter stated, while the Department recommends that Senate Joint Resolution 12 be not enacted with a $5 million figure in it, it would not object to enactment if this figure were reduced to $2,500,000 or less.

When we reported to your committee on February 27, 1956, on Senate Joint Resolution 135, 84th Congress, a somewhat similar measure, we recommended that the sum to be transferred to the credit of the tribe be fixed at $1,500,000. The Congress adopted $5 million as the figure, and the President vetoed the measure (S. Doc. 128, 84th Cong.). His reasons for doing so were that the joint resolution confused the concept of "just compensation" or "fair market value," in terms of which the joint resolution was then written, by including power site value; that there was lacking, either in the joint resolution itself or in its legislative history, any equitable justification for payment of the proposed amount; and that the amount to be paid the tribe was extravagant.

Senate Joint Resolution 12 attempts to overcome the first of these objections by specifying that the sum proposed to be paid "includes both just compensation for the transfer to the United States * * * of the right, title, and interest of the Crow Tribe in and to the tribal lands described in section 2 of this resolution and a share of the special value to the United States of said lands for utilization in connection with its authorized Missouri River Basin project * * *." While this successfully separates the "just compensation" element from other factors, and thus overcomes one of the stated objections of the President, it does not touch the measurement of "special value."

Its attempt to meet the other two objections of the President is, we believe, unsuccessful. As spelled out in the preamble to the joint resolution, the specific "justifiable considerations" relied on for a $5 million payment are the reduction in the size of the Crow Reservation by acts of Congress over the last hundred-odd years and the approval in two other cases of agreements between Indian tribes and private power companies which "yield proportionately more than proposed in this resolution * * *."

It is true that the reservation as established by the Treaty of Fort Laramie, September 17, 1851, has been severely reduced since that time. The bulk of the reduction—about 77 percent of the original reservation—took place under the treaty of May 7, 1868. Another 17 percent was the consequence of agreements ratified in the acts of

April 11, 1882, March 3, 1891, and April 27, 1904. And, since the last of these acts, the tribal lands have been still further reduced by sales, by termination of restrictions on allotments, and by elimination of lands under the act of June 31, 1937. At present, the area of the reservation under the jurisdiction of the Government embraces about 1,730,000 acres, as compared with the approximately 38,530,000 acres which it had to begin with.

This Department cannot subscribe to mixing compensation for reduction of the reservation, assuming that any is due, with compensation for a proposed acquisition of lands for a Government dam, reservoir, and powerplant. The problems involved in the two should be studied and dealt with separately. In view of the numerous other reductions in the area of Indian reservations throughout the United States that have taken place over the years, the precedent-making character of this ground for the award of $5 million or any part of that amount has tremendous potentialities which cannot be overlooked and that argue against it. In addition, the Crow Tribe now has pending before the Indian Claims Commission, I am advised, a claim for the principal sum of $29,530,764 based upon the diminution of the reservation effected by the treaty of 1868. In establishing the Indian Claims Commission, the Congress provided an orderly method of handling such claims as those on which the proposed $5 million is at least partially based. We recommend, therefore, that the portion of the preamble reciting the reduction in the reservation be deleted from the resolution.

The other "justifiable consideration" mentioned in the preamble to Senate Joint Resolution 12 is the payments being made or proposed to be made to the Flathead Indians in western Montana and to the Warm Springs Indians in Oregon by licensees of the Federal Power Commission. These cases do not support a payment of $5 million to the Crow Tribe. The fact, if it be a fact, that these payments "yield proportionately more [to the tribes concerned] than proposed in this resolution" (p. 4, lines 9–10) is, of course, no measure of "the share of the special value to the United States of said lands for utilization in connection with its authorized Missouri River Basin project" (p. 5, lines 1–2).

Since, however, our comments on the Kerr and Pelton cases have been specifically requested, we submit them in the following paragraphs.

In the Kerr Dam case negotiations with the Commissioner of Indian Affairs were initiated in 1926 by the Rocky Mountain Power Co. for the construction of a hydrogenerating plant at the Newell site on the Flathead River within the Flathead Indian Reservation. The act of March 7, 1926 (45 Stat. 200, 212), among other things, authorized the Federal Power Commission, in accordance with the Federal Power Act, upon terms satisfactory to the Secretary of the Interior, to issue permits or licenses for the development of power sites on the Flathead Reservation and for the use of water rights reserved or appropriated for irrigation projects on the reservation. License No. 5, dated May 23, 1930, under which the Kerr Dam was constructed, was issued to the Rocky Mountain Power Co. The license was subsequently transferred to the Montana Power Co. The license also authorized the company to regulate Flathead Lake between elevations 2,883 and 2,893 mean sea level as a storage reservoir. Approximately one-half of the shoreline of Flathead Lake is within the Indian reservation.

Two generating units, each of 56,000 kilowatts capacity, were installed. The first unit went into service in 1939, the second in 1949. Payments to the Indian tribes are stipulated in article 30 (D) of the license as amended, which provides that the annual charges may be adjusted at the end of 20 years after the beginning of operations under the license and at periods of not less than 10 years thereafter by mutual agreement between the Commissioner and the licensee with the approval of the Secretary of the Interior. A total of $2,872,379 was paid to the Indian tribes through 1954. An annual payment of $175,000 per year was stipulated for the period 1954 to 1959. In the event the annual payment of $175,000 is not readjusted, the payments to the tribes for the 50-year period of the license will total $7,247,380 and the average annual payment will be $145,000. The license also requires that certain quantities of energy be made available to the Flathead irrigation project at preferential rates. These are of benefit both to the tribe and to white irrigators.

A third unit of 56,000 kilowatts was installed and placed in operation in December of 1954 by the power company. Proper payment for this unit is a matter of controversy between the company and the tribes and is now before the United States District Court for the District of Montana.

The Pelton Dam case involves a license granted to the Portland General Electric Co. dated March 23, 1956, by the Federal Power Commission for a hydroelectric dam on the Deschutes River. This river forms a portion of the east boundary of the reservation and half of the structure will be located on the Indian reservation. The Pelton project also includes a low re-regulating dam about 2¼ miles below the Pelton Dam proper. A total installation at Pelton of approximately 108,000 kilowatts is contemplated. When the Pelton project is completed and has begun to generate electricity the company, under terms of agreement with the Indians approved by the Secretary of the Interior, will pay to the Indians the sum of $4,320 per month, or 4 cents for each kilowatt of installed capacity based on the total nameplate rating of 108,000 kilowatts. In addition, the company will pay monthly one-tenth of 1 mill per kilowatt-hour produced at Pelton. The Warm Springs Indians will thus receive annual payments ranging from $84,340 to $89,340.

In addition to the above payments the agreement provides that the Warm Springs Indians shall have a prior right to purchase up to 4,000 kilowatts of power developed at Pelton Dam and the exclusive right to install, operate, and maintain at their own expense 1 or 2 generating units at the re-regulating dam. The contract provides that the company will pay 5 cents per acre per month for any and all tribal lands used. The company is also required to construct a gated outlet below the re-regulating dam capable of releasing 10 cubic feet per second for the irrigation of Indian lands below the re-regulating dam.

The agreement between the company and the Warm Springs Tribe also covers the construction of a dam known as the Round Butte project located about 8 miles north of the Pelton Dam on the Deschutes River below the confluence of the Metolius and the Crooked Rivers. The height of the dam and the capacity of the generating plant have not yet been determined. Payment to the Indians would be essentially on the same basis as for the Pelton Dam. A license for the Round Butte project has not yet been issued to the company.

The problem of finding a solution that is fair to both sides in the present case—that is, to the Government as the developer of the Missouri River Basin project and to the Government as trustee for the Indians—is a difficult one that has faced us for well on to a decade. It is not one that—assuming, for the sake of the argument, that power site value can properly be considered legislatively where it would not be considered judicially—can be resolved by multiplying the proposed number of kilowatts of installed capacity at Yellowtail by a factor derived by dividing the 50-year payments to, say, the Warm Springs Indians by the number of kilowatts installed at their site. Nor is it one that can be arrived at by any similar process which substitutes acres taken or kilowatt-hours generated for installed capacity. For power site value, if it is to be brought into the picture, is an economic concept that must have its basis in the net earning capacity of the proposed installation.

Not only must we bear in mind that power-site value is something which is outside the constitutional phrase "just compensation" in the circumstances of the Yellowtail case, but we have also to remember that when power site value is properly open to consideration it is as a part of market value and the latter is not the value of the site to any particular taker—for example, the Government—but its value on the market. Finally, we must remember that the Yellowtail site as a power site is valueless to anyone except the Government.

The last point just made is of particular importance. Its meaning, put simply, is this: If Yellowtail were developed otherwise than as a unit of the Missouri River Basin project, it would probably have an installed capacity of 130,000 kilowatts. (Our proposed installation of 200,000 kilowatts includes 70,000 of peaking capacity.) The kilowatt-hour cost of producing and delivering energy from such a plant, estimated as shown on the attached table, would be somewhat over 14 mills. This is an uneconomically high price. If 200,000 kilowatts were installed under private development, the cost of producing and transmitting the output would be still higher; namely, about 16 mills.

It is, therefore, only a matter of academic curiosity to apply the Pelton Dam formula of 48 cents per year for each kilowatt of installed capacity and one-tenth mill for each kilowatt-hour of energy generated to the Yellowtail site and to estimate a payment to the Crow Tribe on that basis. The bare arithmetic of such a formula, however, produces an annual payment of $144,200 (the capitalized value of which is $3,710,000) in the case of a 130,000-kilowatt plant or $177,800 (the capitalized value of which is $4,575,000) in the case of a 200,000-kilowatt plant. Similar computations based on the Kerr payments cannot be made, since they are not directly related to capacity or output. In addition, as the Federal Power Commission has reported to you, "Such values of power as may have been considered in arriving at the rental for tribal lands for the Kerr project No. 5 in 1930 are of little, if any, use under present-day conditions."

Consideration has been given by this Department to a report, dated July 5, 1955, prepared by Mr. Barry Dibble and relied on by the Crow Tribe as support for the $5 million figure. The computations in the Dibble report are not related to power value of the site and do not recognize the fact that the Crow Indian Tribe is not the sole owner of all lands required for the reservoir. In fact it is not clear what relationship the amount of $5 million bears to the computations in the report. The computations are in reality a pay-out study of the Yellowtail site based on the assumption that the Bureau of Reclamation would build and operate the project in accordance with a number of assumptions and estimates of cost arrived at by Mr. Dibble. Under the conditions assumed, the report indicates that if the assumptions are correct the undertaking will pay itself out in the 59th year. The author of the report further states: "I believe that the indicated rental of $150,000 per year for the Yellowtail site and reservation lands to be used for the reservoir would be fair and reasonable compensation to the Crow Tribe for the use of

their property." After studying the report, we have reached the following conclusions:

(a) The report does not develop the Yellowtail power site value on a sound basis in accordance with well established methods.

(b) The conclusion of the report that a $5 million powersite value exists is not justified by the text and supporting data of the report and apparently was arrived at in some manner unrelated to the material and presentation which precedes it.

(c) The report takes full advantage of the Federal multipurpose development principle but fails appropriately to credit all multipurpose functions and uses and, instead, claims all the benefits of such development for the Crow tribe.

(d) The report contains basic data on costs and employs revenue estimates which influence repayment ability as developed, which in turn is the determinant of site value. Some of these estimates are inaccurate and inconsistent with assumptions made elsewhere in the report.

For the above reasons and because the report fails to recognize the factual infeasibility of private development, it is our belief that it cannot be taken as support for the claimed figure.

The approach that is reflected in the $1,500,000 which we recommended to your committee last year was based on the earning capacity of the proposed Yellowtail installation. (This estimate has been restudied in the light of cost experience since the time we last reported to your committee and the restudy concludes with substantially the same figure.) This figure was derived from and is supported by two appraisals—one made by engineers for the Bureau of Reclamation, the other by engineers for the Bureau of Indian Affairs—that took into account not only the entire estimated net earnings of the Yellowtail plant as compared with an alternative steam plant but, of course, the marketability of the power and the price at which it will be sold. It also took into account that Yellowtail dam, reservoir, and power plant are not being constructed by the Government as a commercial enterprise but that they are part of a plan which will, at Government expense, benefit a very large area and furnish protection by way of flood control both to the Indian reservation and to other lands. Finally, it took into account the fact that only a portion of the reservoir lands are in tribal ownership, the remainder being public lands, State and county lands, and allotted lands, and that the value cannot, therefore, be attributed solely to the tribal lands.

The fact that only about 20 percent of the required lands are in tribal ownership but that about one-third of the special value of the entire site to the Government for its installation was attributed to them is indicative that $1,500,000 would be not only a fair but a generous payment. This conclusion is many times reinforced when it is recognized that, exclusive of its use by the Government, the tribal lands is probably worth less than $50,000. But while we could not recommend that more than $1,500,000 be allowed to the tribe, we are not wedded to the figure as one that is inescapable and, as has been indicated above, would not object if the Congress should see fit to insert a figure of not more than $2,500,000 both as just compensation for the lands taken and as the "share of the special value to the United States of said lands" which the joint resolution speaks of. Two million five hundred thousand dollars will give to the tribe somewhat more than 50 percent of this "special value."

The above recital, I believe, is persuasive of the desirability of non-enactment of the joint resolution in its present form at this time. There is another factor in the situation which we must also point out to you. Since the last time we reported to you, the Government's action to acquire the tribal lands by condemnation has proceeded. The trial court has heard argument and has ruled in favor of the power of the Government to condemn. The case is now being prepared for trial on the issue of compensation which, under the trial court's ruling, is the only issue left to be tried. Thus there can be, relatively soon, a judicial determination of the value of the site, including a judicial determination of whether the Indians are entitled to power site value and, if so, what it is. In short, it is unlikely that construction of the Yellowtail undertaking will be long delayed even if the Congress should fail to enact S. J. Res. 12 or some similar measure.

Your attention is invited to two typographical errors. The first occurs on page 7, line 9, where "4,711.6" should be "4,771.6"; the second on page 8, line 4, where "3,765" should be "3,675."

The Bureau of the Budget has advised that there would be no objection to the submission of this report to your Committee.

Sincerely yours,

FRED G. AANDAHL,
Assistant Secretary of the Interior.

Single-Purpose Hydro Development by Private Utility, Yellowtail Dam Site

		130,000-kilowatt installation	200,000-kilowatt installation
At-site construction cost:			
Dam and reservoir (includes land and rights, relocations, clearing, dam, roads, and bridges)		$61,216,000	$61,216,000
Afterbay Dam		1,506,000	1,506,000
Powerplant and switchyard		14,410,000	22,170,000
General property		1,341,000	1,341,000
Total		78,473,000	86,233,000
Transmission costs		6,155,000	8,206,000
At-site annual charges:			
Fixed charges:	*Percent of investment*		
Cost of money	5.50		
Depreciation	.41		
Interim replacements	.20		
Insurance	.10		
Taxes:			
Federal	4.64		
State and local	2.16		
Total	13.01	10,209,000	11,219,000
Operation and maintenance:			
Powerplant		208,000	320,000
Switchyard		50,000	62,000
Administrative and general expense (20 percent of operation and maintenance)		77,000	115,000
Total at-site annual charges		10,544,000	11,716,000
At-site average cost per kilowatt-hour:			
$10,544,000 divided by 818,100,000	mills	13.0	
$11,716,000 divided by 818,100,000	do		14.3
Transmission annual charges:			
Fixed charges:	*Percent of investment*		
Cost of money	5.50		
Depreciation	1.00		
Interim replacements	.35		
Insurance	.25		
Taxes:			
Federal	4.64		
State and local	2.16		
Total	13.90	$856,000	$1,141,000
Operation and maintenance:			
Lines		45,000	61,000
Substations		60,000	79,000
Administrative and general expense (15 percent of operation and maintenance)		16,000	21,000
Total transmission annual charges		977,000	1,302,000
Transmission average cost per kilowatt-hour:			
$977,000 divided by 818,100,000	mills	1.2	
$1,302,000 divided by 818,100,000	do		1.6
Total average at-market cost per kilowatt-hour (excluding any component for power-site value)		14.2	15.9

Mr. WATKINS. Senators will notice this conclusion in the February 5 report of the Bureau of the Budget:

On the basis of information now available and without further demonstration of the special values to the United States cited in the preamble, the Bureau of the Budget is unable to agree that payment to the Crow Indian Tribe for the right-of-way under discussion should exceed $1.5 million, the amount proposed some time ago by the Department of the Interior. Therefore, we are not in a position at this time to recommend enactment of Senate Joint Resolution 12.

A very good summary of the shortcomings of the proposed legislation from the legal standpoint is provided in the report of the Department of the Interior dated March 29, 1957. For emphasis, I wish to read a portion of the report, which I have introduced in its entirety into the RECORD.

[Excerpts from Department of the Interior report of March 29, 1957]

When we reported to your committee on February 27, 1956, on Senate Joint Resolution 135, 84th Congress, a somewhat similar measure, we recommended that the sum to be transferred to the credit of the tribe be fixed at $1,500,000. The Congress adopted $5 million as the figure, and the President vetoed the measure (S. Doc. 128, 84th Cong.). His reasons for doing so were that the joint resolution confused the concept of "just compensation" or "fair market value," in terms of which the joint resolution was then written, by including power site value; that there was lacking, either in the joint resolution itself or in its legislative history, any equitable justification for payment of the proposed amount; and that the amount to be paid the tribe was "extravagant."

Senate Joint Resolution 12 attempts to overcome the first of these objections by specifying that the sum proposed to be paid "includes both just compensation for the transfer to the United States * * * of the right, title, and interest of the Crow Tribe in and to the tribal lands described in section 2 of this resolution and a share of the special value to the United States of said lands for utilization in connection with its authorized Missouri River Basin project * * *." While this successfully separates the "just compensation" element from other factors and thus overcomes one of the stated objections of the President, it does not touch the measurement of "special value."

Its attempt to meet the other two objections of the President is, we believe, unsuccessful. As spelled out in the preamble to the joint resolution, the specific "justifiable considerations" relied on for a $5 million payment are the reduction in the size of the Crow Reservation by acts of Congress over the last hundred-odd years and the approval in two other cases of agreements between Indian tribes and private power companies which "yield proportionately more than proposed in this resolution * * *."

It is true that the reservation as established by the Treaty of Fort Laramie, September 17, 1851, has been severely reduced since that time. The bulk of the reduction—about 77 percent of the original reservation—took place under the treaty of May 7, 1868. Another 17 percent was the consequence of agreements ratified in the acts of April 11, 1882, March 3, 1891, and April 27, 1904. And, since the last of these acts, the tribal lands have been still further reduced by sales, by termination of restrictions on allotments, and by elimination of lands under the Act of August 31, 1937. At present, the area of the reservation under the jurisdiction of the Government embraces about 1,730,000 acres, as compared with the approximately 38,530,000 acres which it had to begin with.

This Department cannot subscribe to mixing compensation for reduction of the reservation, assuming that any is due, with compensation for a proposed acquisition of lands for a Government dam, reservoir, and powerplant. The problems involved in the two should be studied and dealt with separately. In view of the numerous other reductions in the area of Indian reservations throughout the United States that have taken place over the years, the precedent-making character of this ground for the award of $5,000,000 or any part of that amount has tremendous potentialities which cannot be overlooked and that argue against it. In addition, the Crow Tribe now has pending before the Indian Claims Commission, I am advised, a claim for the principal sum of $29,530,764 based upon the diminution of the reservation effected by the treaty of 1868. In establishing the Indian Claims Commission, the Congress provided an orderly method of handling such claims as those on which the proposed $5,000,000 is at least partially based. We recommend, therefore, that the portion of the preamble reciting the reduction in the reservation be deleted from the resolution.

The other "justifiable consideration" mentioned in the preamble to Senate Joint Resolution 12 is the payments being made or proposed to be made to the Flathead Indians in Western Montana and to the Warm Springs Indians in Oregon by licensees of the Federal Power Commission. These cases do not support a payment of $5,000,000 to the Crow Tribe. The fact, if it be a fact, that these payments "yield proportionately more [to the tribes concerned] than proposed in this resolution" (p. 4, lines 9–10) is, of course, no measure of "the share of the special value to the United States of said lands for utilization in connection with its authorized Missouri River Basin project" (p. 5, lines 1–2).

Mr. President, in conclusion, I point out that there are half again as many acres of private lands involved in this project as there are Indian lands. Now, unless we wish to make second-class citizens of the white landowners in that project area, we should be prepared in all fairness, to make the same financial arrangements with them for the acquisition of that required 10,770 acres of private property. If this is done, it could mean an additional $7,500,000 in costs for this project, and a possible precedent that could result in added expense of untold millions for future reservoir projects if the courts follow this formula for acquiring lands required for such purposes.

Mr. President, I do not intend to ask for a yea-and-nay vote on this bill, but I think it is very unwise legislation, because of the possible precedent it might create to vex us at some future time.

If the Indians are to be given a grant, we ought to say it is a grant, and let it be so understood. Let us not change the constitutional formula under which the fair market value at the time of the taking is the measure of damages when private property is taken for public use. If we pass the bill and establish the precedent, there could be no limit to the use of this formula. It would be a very dangerous precedent to establish. I believe the President was justified last year in vetoing the same kind of measure. Even though some amendments have been made to the bill, I still do not think they correct the defects which formed the basis of the President's veto.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. WATKINS. I yield.

Mr. CURTIS. What are the factors injected into the proposed plan of settlement that exceed just compensation on the day of taking?

Mr. WATKINS. They are not specifically spelled out. The President suggested that if we wished to take cognizance of the additional factors, they should be specifically spelled out. I do not believe the defects in the previous bill have been corrected. That is shown in the report of the Department of the Interior and also in the report of the Bureau of the Budget, which I have placed in the RECORD.

I point out that an appraisal of the property was made and that it was appraised at $37,000. If we take it on the basis of $50,000, and award $5 million, it would be at least 100 times more than the fair market value.

The land in question is not land on which the Indians are living. That also should be kept in mind. The Indians, along with the other members of the community, will enjoy some of the benefits which will come from the building of the dam. The reclamation project, on the other hand, is a good project, I favor it now and I believe I voted for it when it came before the Senate some years ago.

Mr. CURTIS. What disposition has been made of the submerged mineral rights? To whom do they belong?

Mr. WATKINS. I believe that under the provisions of the bill the mineral rights are reserved.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. WATKINS. I yield.

Mr. MANSFIELD. Is it not correct to say that under both Democratic and Republican administrations the Department of the Interior did make offers to the Crow Indian Tribe in the sum of $1½ million?

Mr. WATKINS. Yes; I mentioned that earlier.

Mr. MANSFIELD. Is it not also true that this year the Department of the Interior raised the amount to $2,500,000?

Mr. WATKINS. Yes; I believe the Department did do that. That is absolutely wrong as a policy matter. It is impossible to do anything like that and have anything that will be fair to all the citizens of the United States, Indian and non-Indian alike. Even a million and a half dollars is far above the appraised fair market value.

Mr. MANSFIELD. We should not lose sight of the fact that there is involved here the right-of-way and the dam site itself. That should be taken into consideration when we consider what was done in connection with the Warm Springs Tribe and the Flat Head Indians in western Montana. I think it is a very fair price, in view of the fact, particularly, that the Federal Government gains outright control, in comparison with what happened in connection with the Warm Springs and Flat Head Indians.

Mr. WATKINS. Of course the other instances to which the Senator from Montana calls attention were instances in which negotiations were carried on with a private utility. It was not a matter of taking land by condemnation, or anything of that sort. It was done by private negotiations, and all the Federal Power Commission did was to approve a compensation the parties had agreed upon outside of the Commission's proceedings. I do not believe the two cases are similar at all, except that they involved the taking of land for reservoir purposes. That is about the only similarity. If we set this precedent, there will be all sorts of projects it will not be possible to build under the same formula. They would be made unfeasible under the high cost of rights-of-way which would result if the precedent now sought to be established were followed.

Mr. O'MAHONEY. Mr. President, I wish to add a brief word in support of the measure reported by the Committee on Interior and Insular Affairs, the Yellowtail Dam bill. I do this because back in 1944 I had a large part in preparing the authorization of the Missouri River project in the Flood Control Act of 1944.

The purpose of that act in relation to the Missouri River was to make utilization of the waters of the entire Missouri River Basin to the best advantage of all the inhabitants of that vast area.

These rivers and the waters therein have been flowing down to the sea for generations, wreaking ruin and creating waste and offering very little advantage economically to the people who live in the areas where the rivers flow.

ENGINEERS AND RECLAMATION BUREAU AGREE

When the Missouri River project was finally planned, it was only by appeal to the President of the United States that we were able to persuade the Army engineers and the Bureau of Reclamation to come to an agreement as to which of the two would have charge of the construction of the vast projects which were necessary to conserve these waters.

The pending bill is a conservation bill. It is a power bill. It is a reclamation bill. Every member of the committee recognizes the fact that it is a very splendid reclamation proposal. We also recognize the fact that the dam which it is proposed to build will be located on one of the few remaining sites available for the development of power.

It is an excellent site.

Moreover, the site is on the Crow Indian Reservation. There is no question about the propriety of the compensation the bill provides for the Indians. When the Crow Reservation was established in 1851, it embraced 90 million acres. Today it embraces less than 3 million acres. The reservation has been reduced from a broad expanse to a very small area because of the settlers who moved in and who wanted to live in that area.

I do not know how many Members of Congress who represent the State of Montana in the House of Representatives and in the Senate of the United States now live on land which originally belonged to the Crow Indians, but I am confident that there are many in the history of the State of Montana who can make that proud boast.

PRESIDENT'S OBJECTIONS MET

In vetoing the bill last year, the President said:

> If the Congress determines that it wishes to provide for an extra payment in this case, it should not be done under the claim that it is just compensation.

We of the committee have sought to meet that requirement laid down by the President. That the compensation provided in the resolution is in excess of the amount that the Department of the Interior and the Department of Justice call "just compensation" is based upon the fact that those agencies are thinking solely of the appraised value of the six or seven thousand acres in the canyon of the river that will be used as a part of the reservoir site.

The problem cannot be solved on such a basis. In the committee bill we are seeking to compensate the Indians in the light of the history of the tribe for the contribution they are making to the development of the entire region by surrendering to the United States the land and the rights without which the dam, with its truly vast benefits for all, cannot possibly be constructed. Thus, the terms and figures of the ordinary condemnation suit have no application here.

PROJECT HIGHLY BENEFICIAL

It is true that the Crow Indians do not want to make their homes on the floor of this canyon. But the United States wants to lay here the foundations of a dam which will conserve the waters of the stream, which will make those waters available for use above and below the dam, which will become the source of highly important new sources of electric power, and which will contribute in an extraordinary degree to the fulfillment of the original concept of the utilization of all of the waters of the Missouri Basin for the public welfare by improving the whole economy of the entire region. Without the power site and lands for the reservoir the dam cannot be built.

I think, without any question at all, that if we were to take the time to review the history of the Crow Tribe we would find my conclusion to be correct. The United States should not pay the Indians upon the basis of the mere appraised value of these lands in the middle of the canyon, on which the Indians do not live. We should pay them upon the basis of the great contribution which the building of the dam will make, not only to the Indians themselves, but also to the entire community of the non-Indians as well as the Indians in Montana, in Wyoming, and throughout this area. I believe the bill should pass without objection.

YELLOWTAIL DAM VITAL SEGMENT

Yellowtail Dam and powerplant will be another vital segment toward the culmination of the major objectives of the Missouri River Basin project. It is located on the Big Horn River which rises in the great State of Wyoming and flows through Montana into the Yellowstone River, a major tributary of the Missouri.

Senate Joint Resolution 12 paves the way for another major objective of the Misouri River Basin project which is transforming desert areas into thriving irrigated agricultural communities, providing drought protection, and producing power for rural areas, cities and towns, as well as industries.

FUNDS AVAILABLE

Funds to start construction of Yellowtail Dam were appropriated by the Congress for fiscal year 1956. It is our understanding that sufficient unobligated appropriations for the Missouri River Basin project are available for payment of the $5 million to the Crow Indian Tribe without further appropriations for the Indian holdings required for the right-of-way.

The Congress at its last session passed Senate Joint Resolution 135 which had for its purpose the same objective as the pending resolution. The President, on June 7, 1956, sent a message to the Congress "of disapproval" or veto. With all due deference to the Chief Executive, the Committee on Interior and Insular Affairs felt that the President was laboring under a misconception of the facts which led the Congress to approve last year's resolution.

Senate Report No. 216 of the Committee on Interior and Insular Affairs recommanding passage of Senate Joint Resolution 12 sets forth fully the committee's views with respect to the $5 million payment. I quote from the objectives and conclusions of the committee, set forth on pages 8, 11, 12, and 13 of the report as follows:

WILL SAVE LONG, EXPENSIVE LITIGATION

> In any event, without this legislation, long and expensive litigation is in prospect with the result that the vitally needed Yellowtail Dam development will be further delayed many, many years before the courts make final determinations.
>
> The proposal to pay the Indians $5 million reflects a complete "meeting of minds" on the part of the Crow Indians, on the one hand, and the Congress of the United States, on the other, as is evidenced by congressional approval of Senate Joint Resolution 135 in the 84th Congress.
>
> Unquestionably the legal and equitable considerations that are cited demonstrate that the Crow Indians are entitled to the $5 million award as provided in the resolution. These include the value of the right-of-way as a dam, reservoir, and particularly as a power site. Precedents set by the Congress, by an executive agency (Interior) in its recommendations, and by the Federal Power Commission, an independent agency, show that both legal and equitable factors have been taken into consideration in making awards to Indians in instances akin to the Yellowtail Dam-Crow Indian case.
>
> The committee concludes that the $5 million payment to the Crow Indian Tribe is a fair and equitable payment to the Crow Indian Tribe in the light of all relevant factors, direct and related, in connection with right-of-way for Yellowtail Dam and powerplant as a vital unit of the Missouri River Basin project, Montana-Wyoming, authorized by the Flood Control Act of 1944.
>
> In reaching this conclusion, particular deference was accorded the message of the President of the United States (S. Doc. 128, dated June 7, 1956) returning without approval Senate Joint Resolution 135. This earlier resolution had for its ultimate objective a similar payment to the Crow Indian Tribe.
>
> Senate Joint Resolution 12, the current measure reported, retains the same ultimate objective of Senate Joint Resolution 135 of assuring payment of $5 million to the Crow Indian Tribe, but the wording of the current measure is revised in recognition of the President's comments. There is full cognizance that the Chief Executive was properly exercising his constitutional prerogative in connection with this subject.
>
> The committee is of the view that Senate Joint Resolution 12 as amended, meets the President's objections. It perfects the record through citing at least one direct additional precedent of congressional authority to recognize "special values" to the United States in connection with the development of a multiple-purpose project involving hydroelectric power potentials such as is involved at Yellowtail Dam.
>
> In addition to the applicable findings of the committee in connection with Senate Joint Resolution 135, the committee therefore concluded that precedent for a congressional award buttressed, as provided in Senate Joint Resolution 12, had incontestable support in (a) at least one previous recommendation of the Department of the Interior; (b) in a congressional resolution; and (c) approval of the Chief Executive in the Boysen Dam case, Public Law 591, 82d Congress, July 18, 1952.

BOYSEN DAM PRECEDENT

The additional precedent relates to the right-of-way for the smaller multiple-purpose Boysen Dam (Wyoming), also a unit of the Missouri River Basin project. In this instance, Congress authorized payment to the Arapahoe and Shoshone Indian Tribes that recognized power-site values. While the power installation at Boysen Dam is less than one-eighth of that proposed at Yellowtail Dam, and the amount awarded comparatively less, the principle involved is on all fours with that reiterated by the committee in Senate Joint Resolution 12.

The relevant comparisons of the actual Boysen Dam features and allowances, as extended on a comparable basis to Yellowtail Dam and powerplant are as follows:

	Boysen Dam (actual)	Yellowtail (proposed)
Area	25,000	6,000 plus.
Appraisers' value of land	$141,000	$37,000.
Power (installed capacity kilowatt).	15,000	200,000.
Total award	$458,000	$5,000,000.
Potential power share	[1] $317,000	$4,279,000 [2] (to more than $5,000,000).

(This subject is dealt with more fully in exhibit.)

[1] The $317,000 figure represents a compromise from an original estimate of $375,000 by Government appraisers and more than $200,000 claimed by the Indians for power values at Boysen Dam.

[2] Estimated higher figure based on production of more valuable "peaking" power from 20 percent of installation at Yellowtail.

The installed kilowatt capacity proposed for Yellowtail is approximately 13½ times that at Boysen. On the basis of capacity, a minimum award of $4,250,000 at Yellowtail would be justified. Consideration of another factor would increase the Yellowtail figure to $5 million or more. This factor relates to the fact that 70,000 kilowatts, or one-third of the Yellowtail capacity, will produce peaking power which has a sales value much higher than that at Boysen. Thus, a payment of $5 million to the Crow Indians in connection with Yellowtail is again justified.

OTHER PRECEDENTS FOR PAYMENT

Attention is again directed by way of emphasis to previous comparisons cited on page 5 of Senate Report No. 1626, dated March 6, 1956, on Senate Joint Resolution 135. This relates to the 50-year lease payments recommended by the Secretary of the Interior and approved by the Federal Power Commission to Indian tribes. This was in connection with Kerr Dam on the Flathead River in Montana, where power-site lease returns to the Flathead Indians (who would retain title to the site) would approximate $7,375,000 or 50 percent more than the payment to the Crow Indians at Yellowtail Dam.

Another instance of Interior-Federal Power Commission approval is in lease payments to the Warm Springs Indians in connection with Pelton Dam on the Deschutes River in Oregon. On the basis of Federal Power Commission statistics, a payment of $7,318,000 to the Crow Indians would be justified if the same yardstick were used at Yellowtail, which to the committee appears fully justified.

Viewed as a matter in equity, the conclusion is inescapable that the dam site and power privileges were confirmed in Crow tribal ownership by the treaty of 1851 and the act of June 4, 1920. Acquisition of this property by the Government for the use and benefit of the Federal Missouri River Basin project necessarily must be based on compensation to the Crows for their property rights which include the power privilege. A proper means of evaluating that power privilege is provided by the compensation paid to other tribes for comparable power privileges. Inasmuch as the entire dam and powerplant site of the Yellowtail development is Crow tribal land, fully comparable cases exist in the Pelton Dam and the Kerr Dam settlements, both of which have been approved by the Federal Power Commission, on recommendation of the Secretary of the Interior. Using those approved settlements as the standards, the value of the Yellowtail power site would range from $4,279,000 to more than $5 million.

POWER PHASES OF PROJECT

A vital consideration in connection with Yellowtail Dam is that power revenues will repay the entire investment in commercial power facilities in 50 years with interest. This repayment will include the $5-million payment to the Crow Indians for right-of-way.

Reports of the Bureau of Reclamation to the committee show there is not only a market for the Yellowtail power, but that the output will aid the entire Missouri River Basin power system by producing power for so-called peaking purposes when it is most needed.

A surplus in power revenues over 50 years will be more than adequate to absorb the additional payment for right-of-way to the Crow Indians.

ATTITUDE OF DEPARTMENTS

The President, in his veto message, stated that "a statutory settlement of this kind of controversy might be acceptable if soundly and equitably premised and if it reflected a substantial measure of agreement between parties to the dispute."

We submit, Mr. President, that Senate Joint Resolution 12 meets the President's ground rules.

First, the facts and circumstances cited in the report support our position that the settlement is "soundly and equitably premised."

Second, the amount reflects complete agreement between the Congress and the Crow Indian Tribe. There have been claims that the Crows should receive as much as $50 million for the power site. The Department of the Interior first agreed to a payment of $1,500,000 to the Indians. On March 29, 1957, Assistant Secretary Aandahl wrote that the Department would not object to an award of $2,500,000. The Congress last year approved a $5-million payment. In my opinion, it meets the premise laid down by the President.

Mr. MANSFIELD subsequently said: Mr. President, I ask unanimous consent that a statement prepared by my colleague, the distinguished senior Senator from Montana [Mr. MURRAY], who is absent this afternoon because of official business, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MURRAY

Senate Joint Resolution 12, as amended, has for its major purpose the just settlement of a longstanding, involved controversy between the Federal Government and the Crow Indians over what is the fair compensation for the right-of-way for Yellowtail Dam and powerplant to be built in the Big Horn River, Mont. and Wyo., as a part of the Missouri River Basin project. The Yellowtail Dam project was authorized by Congress 13 years ago in the Flood Control Act of 1944. All agencies of the Federal Government agree as to the desirability and feasibility of this project. All business and industrial interests, the chambers of commerce, and civic and social groups in the area strongly support it.

The sole issue has been over the amount of money the Crow Indian Tribe, on whose reservation lands the dam and powerhouse site will be built, shall receive as fair, legal, and equitable compensation for all their interest in the lands and rights they are surrendering.

The Yellowtail project would conserve the waters of the Big Horn River and permit their maximum use for hydroelectric power, flood control, irrigation, protection of fish and wildlife, and recreation. Eastern Montana and northern Wyoming have urgent need for the additional 200,000 kilowatts of power that the dam will provide. The additional low-cost power and irrigation will speed greatly the area's industrial, commercial, and agricultural expansion, enlarge its tax bases, and develop greater markets for the manufactured products of other sections of the country.

INDIANS TO BENEFIT BUT LITTLE

It is clear that the non-Indian population of both the area itself and of the Nation as a whole will benefit greatly from the project; on the other hand, it will mean very little, comparatively speaking, to the Indians whose reservation will be still more diminished as a result. The Indians have not had the training, nor have they the capital, to take advantage of the benefits that will accrue to the non-Indians from this great development.

In arriving at an asking price for the power site and the reservoir area, the Crow Tribe engaged expert engineers, appraisers, and lawyers and finally voted to sell their lands and rights for $5 million.

In the 84th Congress, the Interior and Insular Affairs Committee conducted full and complete hearings and investigation of the issue as set forth in Senate Joint Resolution 135, of that Congress. In order to insure that the committee's approach was objective, I did not myself act as chairman at these hearings, but asked the distinguished junior Senator from New Mexico [Mr. ANDERSON] to do so. After examining all of the evidence and weighing the issues carefully, the committee came to the conclusion that the $5 million payment for which the Indians asked was fully justified both in law and equity.

FIVE MILLION DOLLARS FAIR, LEGAL, AND EQUITABLE

Accordingly, the committee reported the measure with that amount determined to be the fair, legal, and equitable compensation to the Indians. As reported, the committee undertook to recognize the factors supporting the $5 million payment. The Senate agreed with its committee, the House of Representatives went along with us, and Senate Joint Resolution 135 went to the President.

However, the President vetoed the measure, and in his message of disapproval set forth in some detail the reasons for his veto.

This year the Interior Committee, in drafting and considering the present measure, gave most careful and full consideration to President Eisenhower's veto message. We conscientiously believe we have met the substance, at least, of all of his objections.

The attention of the Members of the Senate is invited to the committee's report on Senate Joint Resolution 12, Report No. 216, in which is reprinted the veto message and in which is set forth our conscientious efforts to meet the President's objections. True, Senate Joint Resolution 12 retains the $5 million figure which is the price at which the Indians are willing to part with rights in the power site and lands. But we do believe we have set forth the legal and the equitable considerations which form the basis for our recommendation of this amount, as the President directed.

NO NEW APPROPRIATION CALLED FOR

I want to make here a point set forth in the committee report, namely, that no new appropriations of Federal funds will be necessary under this resolution. The funds already have been appropriated. They are in the Missouri River Basin appropriation. All that is needed is authorization for transfer.

I should like to stress again the fact that the non-Indian population in the area and

the Nation will benefit greatly from the development of this project; whereas the Indian population, not trained in business and industrial activities, will gain comparatively little. The great boom in industrial and business activity that the 200,000 additional kilowatts of power from the dam will bring about will increase all land values in the area. There will be a substantial rise in opportunity and prosperity for the non-Indians.

In these circumstances, every effort must be made to see that the Crow Indian Tribe shall receive full legal and equitable consideration for the lands, rights, and interests they are willing to convey to the United States.

The committee report and that of the Department of the Interior point out that the Supreme Court of the United States has repeatedly ruled that the relationship between the Federal Government and the Indians is that of guardian and ward. That fiduciary relationship is and must have the highest moral and ethical basis.

MORAL AND ETHICAL PRINCIPLES

Yet, all the Members of the Senate are aware that in the past the Federal Government, through some of its agents, has not always acted in accordance with those moral and ethical principles laid down by the highest tribunal in our land. The facts speak for themselves. In a land the length and breadth of which once was theirs by right of possession, occupancy, and use, the American Indian has been progressively, or more accurately, retrogressively, crowded into fewer and fewer acres of poorer and poorer land. This is the fact, despite all those solemn treaties, which, with the Constitution are the supreme law of the land, assuring the original owners of the country that "as long as grass shall grow and water shall run" they, the Indians, shall not be disturbed in the peaceful possession and enjoyment of their reservation lands.

Recently the distinguished junior Senator from Minnesota [Mr. HUMPHREY] made a most moving speech in the Senate on the plight of the Indians in Minnesota. He quoted at length from a series of articles on conditions among the Indians today, written by that outstanding reporter, Mr. Carl T. Rowan, of the Minneapolis Tribune. Mr. Rowan starts his series of articles, based on firsthand observation, as follows:

"This is the story of a forgotten people, of the vanishing Americans who forgot to vanish.

"It is the story of those 400,000 Americans of Indian ancestry who today languish in almost silent misery at the bottom of the totem pole in a land they once ruled alone."

Mr. Rowan's articles go on to depict the truly brutal conditions in which the Indians have been forced to live, by our inactivity in preparing them to meet the conditions of life in the country that was once theirs. He cites the report of United States Public Health Service to Congress last year that "no other group in the United States lives under comparable conditions" and that the Indian is half a century behind the rest of the Nation when judged in terms of health.

What does it mean, in human terms, to be a half century behind? According to the Public Health Service, it means simply this:

"The average Indian dies at age 37—25 years earlier than the average American.

"Fewer than half the Indians born reach the age of 20; one-third of them die before the age of 5.

"Indians are afflicted by tuberculosis at 9 times the rate of the general population; pneumonia at more than 100 times the general rate; trachoma, a contagious eye disease, at 700 times the general rate; dysentery at 40 times the general rate.

"Of every 1,000 Indian babies born, 76 will not live to be a year old—3 times the infant death rate for other Americans."

I could go on and on and cite example after example, case history after case history, of the results of our treatment of the original Americans: How the agents of the Federal Government have, through empty legalisms and technicalities in laws and treaties, overreached, browbeaten, and cheated him out of his lands and rights, and then have left him adrift in an economic system and society which was not of his making, which he did not understand, and with which he was not equipped by nature and training to deal.

JUSTICE FOR THE INDIANS

However, in Senate Joint Resolution 12, the Congress has an opportunity to do full justice and equity to the Crow Tribe of Indians by making a reasonable and just payment. As I have stated, the Interior Committee twice has found that this $5 million price for outright sale of the lands and rights is reasonable, that it is fully justified in fact, in law, and in equity.

This payment will enable the Department of the Interior to supervise a far-reaching welfare and betterment program among the Crow Indians to enable them to take their place in present-day American life and to meet the challenges our economy imposes.

Before concluding these brief introductory remarks, I want to say a few words on how the Crow Indians and the committee, acting on the advice of engineers, appraisers, and legal counsel, arrived at the $5 million figure. First of all, the lands for the dam and powerhouse are wholly tribal lands, and the reservoir is partially so.

The "special value" of the Yellowtail power site was recognized by the 66th Congress in enacting the act of June 6, 1920. This act vested the power site values in the tribe, as a power site. This vesting of power-site values was confirmed in an opinion of the Honorable Harlan F. Stone, late Chief Justice of the Supreme Court of the United States, when he was Attorney General of the United States in President Coolidge's Cabinet. I am including as a part of my remarks a memorandum-of-law prepared by our committee counsel, Stewart French, in which the then Attorney General's opinion is cited.

ADMINISTRATIVE AND CONGRESSIONAL PRECEDENTS FOLLOWED

Since the Crows do have this special property right in the power site, as a power site, there remains the question of computing its value. On this matter, the Crows and the committee looked to precedents established by the Federal Government in analagous cases. These cases are set forth in detail in the committee report. They concern the payments to the Flathead Indians in connection with the Kerr Dam in Montana and the Warm Springs Indians in connection with the Pelton Dam in Oregon. In these two cases, the executive branch of the Government followed a method of determining just compensation for the Indians involved which, if used for the Crows, would bring us to approximately the $5 million figure which is the amount the Interior Committee twice has found fully justified after study of all legal and equitable considerations.

For Congressional action such as called for by Senate Joint Resolution 12, we also have a clear-cut precedent. This was the action of the 82d Congress, in 1952, authorizing payment to the Arapahoe and Shoshone Indian Tribes in which power-site values were considered in determining just compensation. While the power installation at Boysen Dam is less than one-eighth of that proposed at Yellowtail Dam, and the amount awarded comparatively less, the principle involved is squarely in accord with that reiterated by the committee in Senate Joint Resolution 12.

Here again, if we use the same principles and methods in computing just compensation for the Crow Indians, we arrive at a figure of approximately $5 million. Details are set forth on page 12 of the report of the committee on Senate Joint Resolution 12.

The facts, the law, and the equitable considerations all show that the $5 million price set by the Crow Indians for the power site and reservoir lands for the Yellowtail project is a reasonable and just figure. The Interior Committee twice has investigated the matter fully and carefully, and twice has come to this conclusion. Last year, the Senate and House both came to the same conclusion.

I am confident that the President, when he considers the legal and equitable factors which he called for in his veto message last year and which are now set forth, will approve this measure. It is difficult to see how, in all conscience, he could do otherwise.

It is my earnest hope that the Senate will approve this measure, supported as it is in law and in equity, and thus take at least a small step forward toward justice for the Indians and for the development of the natural resources of Montana and of our Nation.

MEMORANDUM

To: Senator JAMES E. MURRAY.
From: Stewart French, committee counsel.
Subject: Just compensation under Senate Joint Resolution 12, 85th Congress.

1. "Just compensation" may include power-site values (id est, values "in the flow of the stream" as well as riparian values).

President Eisenhower's message of June 8, 1956, vetoing Senate Joint Resolution 135, 84th Congress, states: "General principles of constitutional law exclude power-site values in determining just compensation, as the Supreme Court recently reiterated in *United States* v. *Twin City Power Co.*, January 23, 1956." The Bureau of the Budget cites this message in its report on Senate Joint Resolution 12.

The Twin City case (350 U. S. 222) was an appeal by the Federal Government from rulings of both the Fourth and Fifth Circuit Courts upholding condemnation awards. The lands that were the subject of the action were fast lands, lands above the high-water line of the Savannah River, found by the court to be a navigable stream. Included in the proposed compensation awards were sums based on the value of the land as a site for hydroelectric power operations.

In holding that the United States was not required to pay for such values, the majority opinion held: "* * * the landowner here seeks a value [in the flow of the stream] (matter in brackets that of the court), a value that inheres in the Government's servitude and one that under our decisions [the Government can grant or withhold as it chooses]" (matter in brackets supplied) (p. 225). The majority further quotes, at page 227, from the Appalachian case: "'exclusion of riparian owners' from the benefits of power in a navigable stream 'without compensation is [entirely within the Government's discretion]'" (matter in brackets added).

Thus, it is respectfully submitted that, in the case relied upon by the President, there is no rule of law enunciated under which power-site values may not be a part of "just compensation"; rather, the matter clearly is one within the discretion of the Congress or the Executive even in a case where there are no special considerations of law and equity. The Twin City decision concerned non-Indian lands in a stream adjudged navigable. Also, the Twin City action was under the Federal Power Act; Yellowtail is under the reclamation law.

2. The Crow Tribe, by act of Congress, has vested property rights in the site as a power site.

The 66th Congress, in the act of June 4, 1920, an act to provide for the allotment of lands to the Crow Tribe, provided in section 10 as follows:

"That any unallotted lands on the Crow Reservation chiefly valuable for the development of water power shall be reserved from allotment or other disposition hereunder, for the benefit of the Crow Tribe of Indians" (41 Stat. 751, 754).

It is submitted that this provision is a recognition of special property values in power sites within the Crow Reservation, and vests said values in the Crow Tribe. Hence, any taking of such vested property rights must be a subject of compensation.

Also as a general legal principle, the right of Indians to the special waterpower values on reservation lands was set forth by the Honorable Harlan F. Stone, late Associate Justice of the Supreme Court, when he was Attorney General in President Coolidge's Cabinet. The then Attorney General in an opinion written at the request of the President held:

"If the extent of the Indian rights depended merely on definitions, or on deductions to be drawn from descriptive terms, there might be some question whether the right of 'occupancy and use' included any right to the hidden or latent resources of the land, such as minerals [or potential waterpower], (matter in brackets supplied) of which the Indians in their original state had no knowledge. As a practical matter, however, that question has been resolved in favor of the Indians by a uniform series of legislative and treaty provisions beginning many years ago and extending to the present time. * * * In all these instances Congress has recognized the right of the Indians to receive the full [sales] value of the land, including the value of the timber, the minerals, [and all other elements of value] (matter in brackets supplied) * * *" (34 Op. Atty. Gen. 171, 178–179, May 12, 1924).

More specifically with respect to the precise lands and power site in question, the Attorney General wrote in an opinion to the Secretary of the Interior:

"Similar provisions have been made in many other cases for the sale of surplus tribal lands, all the proceeds of all elements of value to go to the tribe. In a recent act for further allotment of Crow Indian lands (41 Stat. 751), the minerals are reserved to the tribe instead of passing to the allottees (Sec. 6); and moreover, unallotted lands chiefly valuable for the development of waterpower are reserved from allotment 'for the benefit of the Crow Tribe of Indians' (sec. 10) (34 Op. Atty. Gen. 181–190, May 27, 1924).

"In respect to legislation and treaties of this character, two views are possible. First, that the right of occupancy and use extends merely to the surface and the United States, in providing that the Indians shall ultimately receive the value of the hidden and latent resources, merely giving them its own property as an act of grace. Second, that the Indian possession extended to all elements of value in or connected with their lands, and the Government, in securing those values to the Indians, recognizes and confirms their preexisting right. If it were necessary here to decide as between these opposing views, I should incline strongly to the latter; mainly because Indian possession has always been recognized as complete and exclusive until terminated by conquest or treaty, or by the exercise of that plenary power of guardianship to dispose of tribal property of the Nation's wards without their consent" (id., p. 191).

3. That Indians constitute a special case is so well established in our law as to need no elaboration here. A statement of this policy that appears particularly apposite in the instant case was enunciated in May 1953 by the Court of Claims, in the *Sioux Tribe* v. *U. S.* (125 Ct. Claims 439; 111 Fed. Sup. 766). The court said:

"The argument (of the Government opposing an award) has force, and between equals dealing at arm's length might be controlling * * * we think it was the guardian's (i. e., the Government's) duty to account to the ward for the land which the ward had lost and the guardian had gained * * *."

Also, in *Klamath Indians* v. *United States* (296 U. S. 244) the Supreme Court in 1935 reiterated that the relationship between the Federal Government and the Indians resembled "those arising out of the relation of guardian and ward * * *." The Court went on to rule:

"The obligation of the United States to make good plaintiff's loss is a moral one, calling for action by Congress in accordance with what it shall determine to be right" (p. 255).

STEWART FRENCH,
Committee Counsel.

The PRESIDING OFFICER. The amendments of the committee will be stated.

The amendments of the Committee on Interior and Insular Affairs on page 5, line 7, after the word "and", to strike out "a share"; at the beginning of line 10, to strike out "justifiable" and insert "equitable", and, in the same line, after the word "considerations", to strike out "Nothing contained herein shall be taken as an admission by the United States that it is under any legal obligation to pay more than just compensation to said Crow Tribe and, in any suit brought as provided in section 3 of this resolution, no amount in excess of the sum above stated shall be awarded unless the court find that the whole of said sum is less than just compensation for the lands taken. No attorney fees shall be allowed out of the amount paid under authority of this resolution."; on page 9, line 22, after "Sec. 3.", to strike out "Unless suit to determine whether an additional amount to that specified in section 1 hereof is due as just compensation is brought in the Court of Claims by the Crow Tribe within three years after the effective date of this joint resolution, the" and insert "The"; and, on page 10, at the beginning of line 6, to strike out "In the event of such suit, the court shall have jurisdiction as under section 1505, title 28, United States Code and in determining just compensation shall take into account the sum specified in section 1 hereof and the rights reserved to the tribe by subsections (b), (c), and (d) of section 2 hereof. The amount embraced in such judgment, if any, as may be entered against the United States shall be deposited in the Treasury to be available in like manner as the sum specified in section 1 hereof. Review of the judgment entered shall be in the same manner, and subject to the same limitations, as govern in the case of other claims cognizable under the aforementioned section 1505."; so as to make the joint resolution read:

Resolved, etc., That from funds appropriated to the Department of the Interior, Bureau of Reclamation, for the Missouri River Basin project, there shall be transferred in the Treasury of the United States to the credit of the Crow Tribe of Indians, Montana, the sum of $5,000,000. Said sum includes both just compensation for the transfer to the United States as herein provided of the right, title, and interest of the Crow Tribe in and to the tribal lands described in section 2 of this resolution and of the special value to the United States of said lands for utilization in connection with its authorized Missouri River Basin project, in addition to other equitable considerations. Neither the initial transfer of such funds to the tribe, as provided herein, nor any subsequent per capita distribution thereof shall be subject to Federal income tax.

SEC. 2. (a) Subject to the provisions of this section, there is hereby transferred to the United States the right, title, and interest of the Crow Tribe in and to lands situated in the Big Horn County, Mont., hereinafter described under the headings "Parcel A" and "Parcel B."

PARCEL A

Lots 7, 8, 9, 10, 11, and 12, northeast quarter of the southwest quarter and the east half of the southeast quarter of section 18; lots 1, 2, 3, 4, 5, and 6, the southwest quarter of the northeast quarter, southeast quarter of the northwest quarter, and the northeast quarter of the southwest quarter of section 19, all in township 6 south, range 31 east, Montana principal meridian, and containing 573.84 acres, more or less.

A tract of unsurveyed, unallotted Indian land described as follows: Beginning on the westerly side of the Big Horn River at a point on the west line of lot 9, section 18, township 6 south, range 31 east, Montana principal meridian, said point being at elevation 3,675; thence running upstream along a contour line whose elevation is 3,675, to a point of intersection with the east line of the southeast quarter of the northeast quarter of section 22, township 6 south, range 30 east, Montana principal meridian; thence southerly along the east line of said southeast quarter of the northeast quarter to a point on the east line of said southeast quarter of the northeast quarter, whose elevation is 3,675; thence running upstream along a contour line whose elevation is 3,675, to a point of intersection with the south boundary of the Crow Indian Reservation on the westerly side of the Big Horn River; thence easterly along the said south boundary of the Crow Indian Reservation to a point of intersection with the middle of the thread of the Big Horn River; thence running upstream along the middle of the thread of the Big Horn River to a point of intersection with the south line of township 9 south, range 28 east, Montana principal meridian; thence easterly along the south line of said township 9 south, range 28 east, to a point on the south line of said township 9 south, range 28 east, Montana principal meridian, whose elevation is 3,675 feet; thence running downstream along a contour line whose elevation is 3,675 to a point of intersection with the west line of township 6 south, range 31 east, Montana principal meridian; thence northerly along the west line of said township 6 south, range 31 east, to the point of beginning, and containing 4,711.6 acres, more or less.

Also, a parcel of land lying along the south boundary of the Crow Indian Reservation, further described as follows: Beginning at a point where the 3,675-foot contour to the left of the Big Horn River intersects the south boundary of the Crow Indian Reservation, said point being approximately 5,400 feet westerly of the point of intersection of the Big Horn River and the south boundary of the Crow Indian Reservation; thence running upstream on the 3,675-foot contour to a point where the 3,675-foot contour intersects the south boundary of the Crow Indian Reservation; thence running easterly along the south boundary of the Crow Indian Reservation to the point of beginning and containing 5.7 acres, more or less.

Also, a parcel of land lying along the south boundary of the Crow Indian Reservation

and along Hoodoo Creek further described as follows: Beginning at a point on the south boundary of the Crow Indian Reservation where the 3,675-foot contour on the east bank of Hoodoo Creek intersects the south boundary of the Crow Indian Reservation; thence running upstream on the 3,675-foot contour to its intersection with the middle of the thread of Hoodoo Creek; thence running downstream on the 3,675-foot contour to a point where the 3,675-foot contour intersects the south boundary of the Crow Indian Reservation; thence easterly along the south boundary of the Crow Indian Reservation to the point of beginning and containing 1.3 acres, more or less.

The total area above described is 5,352.44 acres, more or less, situated in Big Horn County, Mont.

PARCEL B

Lots 1, 5, and 6 of section 18, lots 4, 6, 7, and 8, and the south half of the northwest quarter of section 17, lots 6 and 7, section 16, all in township 6 south, range 31 east, Montana principal meridian, containing 325.50 acres, more or less, and situated in Big Horn County, Mont.

(b) There is reserved from the right, title, and interest transferred as to parcel B, the Indian Irrigation Service canal and appurtenant facilities, Big Horn unit, Crow Indian Irrigation Department, as now constructed or as they may be hereafter modified, until such time as said canal and appurtenant facilities may be replaced.

(c) Except as to such area as the Secretary determines to be required for the dam site and the construction and operating campsite, the right, title, and interest transferred shall be exclusive of the rights to minerals, including gas and oil, beneath the surface: *Provided*, That no permit, license, lease, or other document covering the exploration for or the extraction of such minerals shall be granted by or under the authority of the Secretary except under such conditions and with such stipulations as the Secretary deems adequate to protect the interests of the United States in the construction, operation, maintenance and use of the Yellowtail unit.

(d) The members of the Crow Tribe of Indians of Montana shall be permitted to hunt and fish in and on the Yellowtail Reservoir and taking area without a license.

SEC. 3. The sum provided by section 1 hereof shall constitute full, complete, and final settlement of any and all claims by the tribe on account of the transfer to the United States as therein provided of the tribe's right, title, and interest in and to the lands referred to in section 2 hereof.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution (S. J. Res. 12) was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was amended so as to read:

Whereas the 84th Congress, 1st session, adopted Senate Joint Resolution 135 providing "for payment to Crow Indian Tribe for right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, Montana-Wyoming," to which reference is hereby made; and

Whereas on June 7, 1956, the President returned said resolution, "without my approval," with comment which included the following:

"In essence, this resolution culminates a decade of negotiation and disagreement between the Department of the Interior and the Crow Indians with respect to the amount of compensation to be paid to the tribe for lands required for the Yellowtail Dam and Reservoir, for which the initial construction appropriation was made in the fiscal year 1956 and for which an additional $10,850,000 was included in the budget for the fiscal year 1957.

"The standard of payment for land acquired by the Government is 'just compensation,' or 'fair market value.' However, I recognize that, as a matter of policy, the Federal Government has made awards in excess of 'just compensation' in other cases involving Indian lands. If the Congress determines that it wishes to provide for an extra payment in this case, it should not be done under the claim that it is 'just compensation.' The amount, the method for computing it, and the equitable justification for it should be clearly established on acceptable premises. Neither the resolution nor the legislative history does this.

"A statutory settlement of this kind of controversy might be acceptable if soundly and equitably premised and if it reflected a substantial measure of agreement between parties to the dispute. I regret that the extravagant nature of the award contemplated by Senate Joint Resolution 135 requires this action, which may cause some additional delay in proceeding with the construction of the Yellowtail unit. It is my hope that the Congress can approve a statutory settlement which will permit expeditious action to proceed with the construction of this much-needed project."; and

Whereas the Crow Indians, by a majority vote of its tribal council through Resolution No. 63, adopted January 11, 1956, showed its willingness to cooperate in advancing the construction of Yellowtail Dam as a multiple-purpose development as a part of the Missouri River Basin system for flood control, river regulation, irrigation storage, and hydroelectric power production by a further surrender of a valuable part of the remaining reservation; and

Whereas, by telegram dated May 29, 1956, the duly elected officers of the Crow Indian Tribal Council withdrew opposition to said Senate Joint Resolution 135 and urged the President to sign said resolution into law; and

Whereas the Crow Indian Tribal Council, by resolution on January 25, 1957, reaffirmed its previous position with respect to accepting the $5 million payment in connection with the Yellowtail Dam and Reservoir right-of-way, which resolution has been certified to the Secretary of the Interior; and

Whereas the Congress has repeatedly shown its willingness and readiness to recognize cooperation by Indian tribes in advancing resource development through multiple-purpose projects such as Yellowtail Dam; and

Whereas the Federal Power Commission and the Department of the Interior have approved awards to Indian tribes in connection with hydroelectric power developments by non-Federal agencies in at least two transactions, where special values and other equitable considerations were essential factors (to the Flathead Indians in western Montana and to the Warm Springs Indians in Oregon, where Indian lands for power-site purposes are leased at rates which in 50 years yield proportionately more than proposed in this resolution); and

Whereas said amounts of special values and considerations in connection with Yellowtail Dam will be repaid to the Federal Treasury through power revenues paid by power consumers of the Missouri River Basin power system; and

Whereas facts and circumstances are available to support the special values and other justifiable considerations and thereby meet the objections set forth in the President's message of June 7, 1956: Now, therefore, be it.

Mr. MANSFIELD. Mr. President, I move that the vote by which the joint resolution was passed be reconsidered.

Mr. O'MAHONEY. I move to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. MORSE. Mr. President, I have followed the very able presentation made this afternoon of the case in support of the Yellowtail Dam proposal. As the Senator knows, I have been a longtime supporter of the Yellowtail project. I want the RECORD to show that I enthusiastically supported the passage of the bill today.

Mr. MANSFIELD. Mr. President, the senior Senator from Oregon has been an advocate of this particular proposal not merely this year but for many years past. His help has been of great significance in securing the passage of the measure. I want him to know that the Senators from Wyoming and Montana appreciate his unfailing support.

Mr. MORSE. I thank the Senator from Montana.

TRANSFER OF TITLE OF MIDWEST CLAYPAN EXPERIMENT STATION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar 181, S. 1034.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1034) to authorize and direct the Secretary of Agriculture to convey to the University of Missouri for agricultural purposes certain real property in Callaway County, Mo.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. SYMINGTON. Mr. President, yesterday I sent to the desk an amendment to S. 1034. The amendment was printed in the RECORD on page 5653. I have discussed the amendment with the able and distinguished senior Senator from Oregon [Mr. MORSE] and believe it meets in full his objection to the bill as reported by the committee.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 2, line 22, after the word "less," it is proposed to strike out:

Such property shall be conveyed upon the condition that it shall be used by the curators of the University of Missouri for the purposes of the College of Agriculture. In the event that the curators of the University of Missouri shall cease to use such property for such purposes, all right, title, and interest in and to the said property shall automatically revert to the United States.

And in lieu thereof to insert:

Such property shall be conveyed upon such conditions as in the opinion of the Secretary of Agriculture will assure the use of such property in the cooperative agricultural experimental work of the Department of Agriculture and the State of Missouri. The conveyance of such property shall contain a reservation to the United States of all the minerals in the land together with the right to prospect for, mine, and remove the same

under such regulations as the Secretary of the Interior may prescribe.

Mr. MORSE. Mr. President, I assure my friend, the distinguished junior Senator from Missouri [Mr. SYMINGTON], that not only am I satisfied with the amendment he has offered, but I wish to offer him exceedingly high commendation for the typical statesmanship he is exhibiting again in this matter as he does in other matters.

The Senator from Missouri in the first instance was not fully aware of the rather technical basis of the objections I raised to his bill, because we were of one mind as to the objectives. Our disagreement was only over a small matter of wording. The Senator from Missouri has studied the statement I made concerning the matter and has assured me that he meant this bill to be identical in objective with the so-called dry-land bills which were passed some years ago by the Senate. The Senator from Missouri has offered an amendment which brings this bill into complete agreement with the so-called dry-land bills.

I thank the Senator from Missouri, and I wish to say to him on the floor of the Senate that no one has cooperated with me more completely in the past several years in the application of the so-called Morse formula to the transfer of Federal property than has the junior Senator from Missouri. I thank him very much for his assistance.

Mr. SYMINGTON. I thank the distinguished senior Senator from Oregon for his gracious remarks. I am sure the present occupant of the chair, the distinguished junior Senator from Pennsylvania [Mr. CLARK], will agree with me that there is no Member of the Senate from whom we would rather have such high commendation.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Missouri.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

NATIONAL MENTAL HEALTH WEEK

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 233, Senate Joint Resolution 70.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 70) requesting the President to proclaim the week April 28 to May 4, 1957, inclusive, as National Mental Health Week.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (S. J. Res. 70) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the President of the United States is authorized and requested to issue a proclamation designating the week beginning April 28 and ending May 4, 1957, as National Mental Health Week, and urging the people throughout the Nation to cooperate in the fight for the prevention, treatment, and cure of mental illness, and inviting the communities of the United States to observe such week with appropriate ceremonies and activities.

The preamble was agreed to.

BANNING PENSION PAYMENTS TO CERTAIN PRISONERS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 226, H. R. 71.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 71) to prohibit the payment of pensions to persons confined in penal institutions for periods longer than 60 days.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. BYRD. Mr. President, the bill provides that pension granted under public or private laws administered by the Veterans' Administration shall not be paid to an individual who has been imprisoned in a Federal, State, or local penal institution as a result of conviction for a felony or misdemeanor for any part of the period beginning on the 61st day of his imprisonment and ending when the imprisonment ends.

The bill has the approval of veterans' organizations. The pension is merely suspended during the period of imprisonment. It does not apply to veterans whose disability is service connected.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 71) was ordered to a third reading, read the third time, and passed.

EXTENSION OF CERTAIN PROVISIONS RELATING TO STATE PLANS FOR AID TO THE BLIND

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 227, H. R. 3035.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 3035) to provide a temporary extension of certain special provisions relating to State plans for aid to the blind.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. BYRD. Mr. President, the purpose of the bill, as reported, is to extend from June 30, 1957, to June 30, 1959, the provisions of section 344 of the Social Security Act amendments of 1950, which provide for the approval by the Secretary of Health, Education, and Welfare of certain State plans for aid to the blind. The original expiration date was extended in 1954 from June 30, 1955, to June 30, 1957. This bill proposes a further extension of 2 years. The bill has application to only two States, namely, Pennsylvania and Missouri.

The PRESIDING OFFICER (Mr. MORSE in the chair). The bill is open to amendment.

Mr. CLARK. Mr. President, will the Senator from Virginia be kind enough to advise me of the reasons why, in the judgment of the Finance Committee, it was desirable to provide for only a 2-year extension to Pennsylvania and Missouri, in connection with this measure?

I should like very briefly to express my point of view to the Senator from Virginia, so that he will be able to answer my question: It has been my understanding that Pennsylvania has for some time had a plan for pensions for the blind, as well as a plan for aid to the needy blind. Pennsylvania and Missouri have somewhat more generous provisions for aid to the blind than do other States.

It has been my hope, as one of the cosponsors of the original bill, that the generosity on our part would not be penalized by a requirement by the Department of Health, Education, and Welfare that we comply with the requirements of the Federal act and not go beyond the limitations of the Federal act, by making more blind persons eligible for pensions than the Federal act would appear to permit.

It has been my thought that this matter was pretty much a question of States rights, and that we in Pennsylvania should not be required to cut our cloth according to a uniform pattern, so long as the only money we obtained from the Federal Government was used to pay aid to the needy blind, which I understand we now do.

I shall appreciate having the Senator from Virginia comment on that point.

Mr. BYRD. Mr. President, the matter was thoroughly discussed in the committee. We believe Pennsylvania and Missouri should conform with the standard law. They are the only two States in the Union that do not. Information received from the Department of Health, Education, and Welfare indicates that the degree of blindness required in these two States is more stringent than that generally required by States which operate programs in full conformity with the Social Security Act. I understand that some needy persons who are not determined to be blind within the definitions used in Missouri and Pennsylvania but who have not sufficient vision to engage in activities for which sight is essential, are denied assistance in these States, whereas they would generally be found eligible in other States. The Committee on Finance favors the full compliance by these two States and believes the 2-year extension will provide sufficient time for the Department of Health, Education, and Welfare and the States of Pennsylvania and Missouri to plan for bringing the programs in full conformity.

Mr. CLARK. Mr. President, will the Senator from Virginia yield to me?

The PRESIDING OFFICER (Mr. MONRONEY in the chair). Does the Senator from Virginia yield to the Senator from Pennsylvania?

Mr. BYRD. I yield.

Mr. CLARK. I fully intend to vote for the bill; but I should like to have the RECORD show my understanding—which I believe to be correct—that the additional liberality of the Pennsylvania law is paid for by the citizens of Pennsylvania, out of State taxes, and is not a charge on the Federal Government. It was for that reason that it seemed to me that we should not be required to conform, since the matter is one of States rights.

Mr. BYRD. The subject is quite complicated. If the Senator from Pennsylvania will come before the Finance Committee at the expiration of the 2 years, we will consider the matter carefully, from the point of view of making the arrangement permanent.

Mr. CLARK. I thank the Senator from Virginia.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 3035) was ordered to a third reading, read the third time, and passed.

DUTY-FREE ENTRY OF METAL SCRAP

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to consideration of Calendar No. 228, House bill 4686, continuing the suspension of duties and import taxes on metal scrap.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 4686) to continue until the close of June 30, 1958, the suspension of duties and import taxes on metal scrap, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Virginia for the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 4686) to continue until the close of June 30, 1958, the suspension of duties and import taxes on metal scrap, and for other purposes.

Mr. BYRD. Mr. President, the purpose of H. R. 4686 is to continue the existing exemption of metal scrap from import duties and taxes for another year, until June 30, 1958.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 4686) was ordered to a third reading, read the third time, and passed.

CHICAGOLAND COMMERCE AND INDUSTRY EXPOSITION—BILL PASSED OVER

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 229, H. R. 4803.

Mr. BYRD. Mr. President, I ask that that bill be passed over. It is desired to have it considered at another time.

The PRESIDING OFFICER. The bill will be passed over.

FREE IMPORTATION OF GIFTS FROM MEMBERS OF THE ARMED FORCES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 230, H. R. 6304.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 6304) to make permanent the existing privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Finance with amendments.

The first amendment was on page 2, line 13, after the word "the", to strike out "United States." " and insert "United States."

The amendment was agreed to.

The next amendment was at the beginning of line 14, to strike out:

SEC. 2. The amendment made by the first section of this act shall be effective with respect to articles entered, or withdrawn from warehouse, for consumption on or after July 1, 1957.

And, in lieu thereof, to insert:

SEC. 2. This act shall be effected with respect to articles entered for consumption or withdrawn from warehouse for consumption on or after the day following the date of its enactment and before July 1, 1959.

Mr. BYRD. Mr. President, H. R. 6304, as passed by the House, would have made permanent the present temporary privilege accorded to servicemen stationed abroad to send to the United States duty free, bona fide gifts not exceeding $50 in value. The present temporary privilege is scheduled to expire June 30, 1957. The Finance Committee amended the bill to extend the privilege for a period of 2 years, or until July 1, 1959.

I offer a technical amendment to the committee amendment, on page 2, line 18.

The PRESIDING OFFICER. The amendment offered by the Senator from Virginia to the committee amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 18, after the word "be" it is proposed to strike out "effected," and insert in lieu thereof "effective."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Virginia to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended, so as to read: "An act to extend for a period of 2 years the privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad."

EXEMPTION FROM DUTY OF ARTICLES IMPORTED FOR WASHINGTON STATE SIXTH INTERNATIONAL TRADE FAIR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 231, House Joint Resolution 126.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (H. J. Res. 126) to permit articles imported from foreign countries for the purpose of exhibition at the Washington State Sixth International Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. BYRD. Mr. President, the purpose of House Joint Resolution 126 is to permit the entry, free of duty, of articles imported for exhibition at the Washington State Sixth International Trade Fair, to be held at Seattle, Wash.

The PRESIDING OFFICER. The joint resolution is open to amendment.

If there be no amendment to be proposed, the question is on the third reading of the joint resolution.

The joint resolution was ordered to a third reading, read the third time, and passed.

CHICAGOLAND COMMERCE AND INDUSTRY EXPOSITION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 229, H. R. 4803.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 4803) to permit articles imported from foreign countries for the purpose of exhibition at the Chicagoland Commerce and Industry Exposition, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

ORDER FOR ADJOURNMENT TO THURSDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns today, it adjourn to meet on Thursday next at 12 o'clock noon.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

RETIREMENT OF PROF. EDWIN E. WITTE, OF UNIVERSITY OF WISCONSIN

Mr. MORSE obtained the floor.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum——

Mr. MORSE. Mr. President, will the Senator withhold his request?

Mr. MANSFIELD. Yes. I withhold my request temporarily.

Mr. MORSE. On March 28 I gave an address at the University of Wisconsin honoring Prof. Edwin E. Witte, who, at the age of 70, is retiring from the University of Wisconsin this next June. Professor Witte was one of my major professors, along with Prof. Selig Perlman, in the field of labor economics when I was a student at the University of Wisconsin. I think it is generally agreed among scholars that Witte and Perlman are today among the very top labor theorists in American scholarship. They are not only great economic theorists and idealists, but they are also very practical men, Mr. President, because, as I pointed out in my address honoring Edwin Witte, their ideals, when put into practice, give sound practicalities in the field of labor-management relationships.

I should like very much, Mr. President, to have unanimous consent to have published at this point in my remarks the speech that I made honoring the great Edwin E. Witte in Madison, Wis., on March 28, 1957.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF SENATOR WAYNE L. MORSE AT A LUNCHEON HONORING PROF. EDWIN E. WITTE, MADISON, WIS., MARCH 28, 1957

Friends, no student can be honored more highly than by an invitation to address a gathering which is met to pay tribute to one of his former teachers.

The invitation that came to me from Professor Young, and from my great friend, Selig Perlman, was accepted eagerly and without hesitation. I would not have missed this occasion for anything less than the most urgent official business, and I am delighted to be here now, sharing in your tribute to Professor Witte.

Although this occasion is dedicated to Ed Witte—and I will have a good deal to say on that subject—I also want to mention the great personal obligation I owe to Selig Perlman. Professors Perlman, Witte, Dean Rundell and Andrew Weaver were the faculty members whom I came to know best at the University of Wisconsin and who had the greatest influence on me while I was here.

It is easy enough for one to look back at his college days—even for one of my mature years—but it isn't quite so easy to look back and pick out the faculty members who did the most to attract one's interest and formulate one's mental standards. For my part, there were many, but I would certainly name these four—Ed Witte, Selig Perlman, Ollie Rundell, and Andrew Weaver. It is a privilege for me to stand before Professors Witte and Perlman today and acknowledge this debt I owe to them.

Fortunately, I am still the beneficiary of their counsel and wisdom. I still depend upon their guidance, both as experts in the fields of labor law and social security with which I am deeply concerned, and as personal friends. It has been a great satisfaction to me that I have continued to enjoy their friendship after having left their classrooms.

You have been here in Madison for 2 days, reviewing the contribution that Edwin E. Witte has made to the science of economics, to the development of a social-security system that has meant new life for millions of elderly and retired Americans, and to the improvement of labor relations and settlement of labor disputes. As a Member of the United States Senate, I have daily contact with the fruits of Ed Witte's work. When we add amendments to the Social Security Act, expanding its coverage and improving its benefits, we are only adding to the basic structure to which Ed Witte contributed so much.

When we discuss Government and industrial relations in the Senate Labor Committee and on the floor of Congress, we start with the history of labor management relations that Witte affected so significantly by his service on the Wisconsin Labor Relations Board and on the National War Labor Board.

His books, articles, and lectures in the fields of social security and labor-management relations mark him as one of the Nation's intellectual leaders in these fields. His work is prime source material not just for students of these subjects but for the legislators and practitioners of government who work in these areas. I think it was most fitting that Professor Witte's retirement from the University of Wisconsin has been marked by symposiums on the subjects to which he contributed so much. The scholars, educators, and Government officials who are here all have brought together new information and given a new dimension to our knowledge of these subjects. I hope the discussions that were held yesterday and this morning will be published so that all of us can share in them. This is the kind of tribute that should be paid to Professor Witte—it is the kind of tribute he deserves. His contribution was of the intellect, of the heart and mind, and to the expansion of our knowledge of human relationships. That is the kind of tribute that should be paid him by his grateful friends and students, and I am glad that that is what has been done.

After leaving the University of Wisconsin I did not again work with Professor Witte until I became a member of the National War Labor Board. In 1942, when I was appointed to the Board, I had the privilege of serving with Professor Witte. During that time—during World War II and the many emergencies that arose from labor-management disputes—he established himself as one of the great national figures in industrial relations.

To many of us who were his students Professor Witte has been the embodiment of what a great teacher should be and the personification of what a great university should do for its students.

It has been the slogan of the University of Wisconsin that the borders of the campus are the borders of the State; it would be more appropriate now to say that the borders of the campus are the borders of the Nation.

It has been men like Witte who have applied the conclusions of the classroom to public affairs, at the local, State, and National levels of society, and who have in fact stretched the borders of this campus to the borders of the country.

As much as any man associated with the University of Wisconsin, Professor Witte has personified the historic "Wisconsin Idea" that scholarship has its greatest use in application. That is a widely known principle today, in Wisconsin and in the Nation. It holds that knowledge and theory are only meaningful when they are tested by application, and that the society that supports an institution of higher learning deserves to reap the reward of its investment. Its reward must be the improvement of its institutions—social, legal, political, and economic. The University of Wisconsin has given that improvement to this State and to the Nation, and Ed Witte has been one of the outstanding figures who has contributed to that improvement.

His membership on the Wisconsin Industrial Commission, the Wisconsin State Planning Board, the Wisconsin Labor Relations Board, the National War Labor Board, and his directorship of the Wisconsin Unemployment Compensation Division, the Wisconsin Legislative Reference Service, and the President's Commission on Economic Security all bespeak Witte's great devotion to the principle of the Wisconsin idea.

His former students and his colleagues and admirers who have joined in honoring him today have tried to live up to his example and to his teachings in their own fields and professions. It is the philosophy of this university, and, I think, of Ed Witte as well, that the end of education and scholarship is the betterment of human life. He has not only left his own monument to this principle, but he has instilled in his students the determination to carry into public affairs not just the results of scholarship but the techniques and methods as well.

And with that statement about the great man we honor today, I would like to apply it for a minute or two to a serious problem which confronts labor and management and the people generally in this country in the field of labor relations.

Important teachings of Witte and Perlman must be applied to the labor problems of today, and one of those basic teachings is that trade unions have the primary obligation of serving and promoting the legitimate rights of the rank-and-file members. I ought to stress, in fact, as far as anything I say in this speech, beyond my reference to the man we honor, that I would have you carry away even for a moment, is the statement that I now make, because it is basic to the teachings of Witte and Perlman—it is that the primary obligation of trade unions in America is to promote the legitimate rights of its rank-and-file members.

We are in for trouble in the field of labor relations today because there are some unions that seem to have lost sight of that ideal. And may I point out to you that whenever you compromise your ideals you lose your principles. Or, let me put it another way: I do not accept the rationale of some labor leaders that seek sometimes to alibi and justify practices of expediencies on the theory that you can't be practical unless you are expedient. These two concepts of adopting expediencies and standing for ideals are irreconcilable. Whenever you adopt the expedient, you destroy the ideal; and whenever you compromise a principle, you lose the principle. I am one who takes the position that ideals can be put into practice in the field of legislation. They can be put into practice in the administering of the policies of a union; and when they are not, a union loses its ideals and becomes impractical. Or, to put it still another way, the only practicality that any one of us ever experiences

is in terms of an ideal put to work, and so I would come to grips for a moment with the serious labor problem that confronts our Nation today.

It is not typical of the work of the unions generally, but the public thinks it is now, and probably will for some weeks to come, until by presentation of a full record the public comes to understand that within the field of labor management, as within the field of employer management, we have a few who have lost their ideals, a few who are adopting expediencies; and as they adopt them, they destroy, of course, the legitimate rights of the rank and file members, whether it is a union or an employers association.

In 1946 and 1947, I warned the major labor leaders of this country that if they did not come forward with legislative proposals and recommendations that would correct some of the unfair labor practices developed under the Wagner Act, they would be confronted with some bad legislation that would destroy some of the legitimate rights of labor. They didn't believe me. I served on the Senate Labor Committee at that time and, without recalling their names, let me say we had a parade of labor leaders before us. Each one of them testified before us and to each one I put the question, "What do you propose?" and I got the answer in varying forms but with the same meaning from each one, "Nothing, because there is no need."

At that time, some of the labor periodicals were not particularly complimentary to me; in fact, some of them seemed to imply that because they endorsed your speaker for election they owned him. I think I have succeeded in correcting that impression. Although having mentioned it, let me expand on it only to this extent—that the duty of representation, of course, in the Senate of the United States is the duty of sitting there as a freeman, free to exercise an honest independence of judgment on the merits of issues. Of course, that means when labor is wrong you have the duty owed to labor and to the public to do what is necessary to correct its abuse. It was in that spirit that I pleaded in 1947 with the labor leaders to give us the recommendations for fair labor legislation which would correct some of the unfair labor practices that had grown up under the Wagner Act. When I got no help from the labor leaders, I then proceeded with what became known as the Morse-Ives bill, a bill that sought to remedy some of the abuses that had developed under the Wagner Act. They need not have developed. There was no reason why that great Wagner Act should have been changed into a vehicle for some labor abuses, and the responsibility for it rested squarely upon the heads of some shortsighted labor leaders. But, in view of the record they had made, it became clear in my judgment that it was the duty of the Congress of the United States to pass some legislation, and I joined in framing the Morse-Ives bill. I'm sorry to say I didn't get any help from labor leaders. But you know what happened; the forces of hysteria and antilabor attitudes were stirred up. In 1947, they were strong enough to go far beyond the Morse-Ives bill, and we got the infamous Taft-Hartley bill.

I want to say to labor from this rostrum this noon in Madison, Wis., "You had better come forward and quickly with some recommendations for labor legislation for this session of Congress, or you'll once again get some labor legislation that will do great damage to the legitimate rights of organized labor in America. I would recommend that you give us your best advice on two phases of that legislation, because, unless I do not take the pulse of the Congress correctly, you are going to get some legislation on these two subjects and it ought to be fair legislation and good legislation that will protect honest, idealistic, sound labor leaders but correct the abuses of the corrupt."

That legislation is going to have to deal with the subject of protecting the rank and file interests in the funds of the unions because the funds of the union are union funds and not officer funds.

I don't have to tell anyone in this audience, or anywhere, that any labor leader who dips into the funds of a union and takes any amount of money, whether it is $200,000 or $400,000 or whether it is "X" dollars, as a personal loan to himself or to his friends without paying interest on that loan takes out of the pockets of every member of the union money that belongs to members of the union. I think we ought to call it what it is. That constitutes, to use the most polite legal term, a form of embezzlement at least, if not grand larceny.

We are going to have to have legislation that will protect funds of the members of unions, which means, of course, legislation is going to have to have some provisions in it under which the Government will exercise regulatory rights in regard to union funds, because, after all, a labor union is not a private organization. It is more than that. A labor union is, after all, an institution that is vested with public interest, and the Government regulatory power over it should be limited, but we should have it exercised, however, to whatever degree is necessary to protect the public interest. It should be limited to those regulations and controls necessary to protect the "stockholders" so to speak, in quotation marks, which are the rank and file members.

Of course, we do it in other phases of social and economic activity. What do you think would happen to a bank president, as I said to the press this morning, if he took $200,000 to $400,000 or "X" dollars for a personal loan without interest out of the bank coffers? Well, if the board of directors didn't do something about it quickly by way of getting a new bank president, the stockholders would. So I am satisfied that the labor statesmen of America now have a clear obligation to come forward with some legislation that will protect the rank and file members of unions in respect to their own funds.

Second and a more touchy one, and a more difficult one to handle by way of legislative draftsmanship without running the risk of interfering with legitimate organizational rights of labor, is the subject matter of insisting upon greater democratization of unions, greater control of the unions by the rank and file, greater procedural guarantees that the voice of the rank and file under democratic processes will prevail. It is true in most unions, but not all, and I venture to guess here this afternoon that as abuses are brought by this or further hearings you will find that the abuses are limited pretty much to the unions that are not democratic in their procedures.

The Congress will undoubtedly turn its attention to the rights of the rank and file members, and should, because America's organized labor has now entered into an era in which the public has a right to insist upon Government regulation that will protect the individual members of the union and, in so doing, not in any way injuring the legitimate rights of the union in the field of collective bargaining.

I wanted to digress from this short manuscript long enough to make these points, because the present Senate hearings are costly to American labor, and I would be no friend to the legitimate rights of labor if I didn't tell them so. It is in such periods that men have to stand up against a hysterical public opinion, but that doesn't mean that men have any right in the Congress of the United States to follow the attitude of some labor leaders who would do nothing in order to meet a problem that the public has the right to have corrected.

The old "fire present when there is so much smoke" argument has a terrific effect on the legislative process. We'd better in our preventive legislation methods make sure we do not set the whole prairie afire. I would have the representatives of labor here within the sound of my voice today keep in mind my warning because, although there will be some that criticize me for it, I am perfectly willing to stand on the record that I have made in the past as to legislative predictions. I think I know how to take the temperature of the Senate, and I am satisfied that we are going to be confronted with very bad legislation of the Goldwater type unless labor comes forward quickly and gives us the assistance we need in the passage and draftsmanship of good legislation.

Having mentioned the Goldwater type of legislation, I doubt very much if there will be any substantial amendments to the Taft-Hartley law this year. I think labor legislation is going to be of another nature such as I have referred to already. I think one of the most dangerous proposals for injuring labor is going to be a great push for further delegation of Federal power to the States over labor relations. Some of you have heard me in the past decry the growth of antifederalism in America. The Goldwater proposals are, of course, antifederal proposals; they are proposals that seek to delegate to the States delegated jurisdiction of the Federal Government. I call it the move of antifederalism, and I'd have you be on guard against this threat to social and economic welfare legislation. Progress under the welfare clause of the Constitution will be set back many, many years, if not decades, if we continue to delegate to the States jurisdiction under the Constitution given to the Federal Government. I am not a State righter in that sense; although, may I say, many of you will appreciate, just by mentioning it, that one of the most fallacious arguments used in this field in the State-right argument that we ought to delegate more and more of Federal authority to the States under such amendments as the Goldwater amendment as a matter of State right.

I have listened to that fallacious argument so long in the Senate. Almost any bill proposed that would have the Federal Government carry out its constitutional functions for the welfare of the people is taken by some Senators on the floor of the Senate as a violation of States rights. Two years ago we had a Federal Building and Loan bill before the Senate that sought to grant Federal loan companies the authority to set up branch associations. A Southern Senator got up, and I thought the eagle up in the glass ceiling of the Senate would flap his wings before this Senator got through as he tiraded about States rights. I had heard it so often that I asked him to yield. He is a good friend of mine personally and he made the mistake of yielding on this occasion, as he said afterward. I said, "Is the Senator ready to get to the heart of the States rights argument, because, if his argument means anything—and I have been waiting now for some minutes to find some merit in it—if his argument means anything, it means he is about to tell me in what respects this proposal is unconstitutional. I want the Senator to understand that no State right argument has any footing here on the floor of this Senate unless the proponent wants to come forward and show the Senate of the United States where any piece of legislation we are proposing is beyond the power—the constitutional power—of the Congress to pass. Unless you are ready to sustain the argument that it is unconstitutional, then your State right argument falls to the floor of the Senate as just a deadweight fallacy."

I want you to remember that, because the States rights argument has taken on an emotional sanction aspect in American thinking. The only time a State right argument has any basis in law is when the proponent of it wants to argue that a legislative proposal by the Congress of the United States is unconstitutional in that it is beyond the delegated power and jurisdiction of the Congress.

Well, he got me out in the cloakroom afterward and he said, "I was waiting for somebody to wrap that around my neck sometime, but I didn't think you would do it."

Now, listen to the argument of the proponents of the Goldwater amendment as to why we ought to delegate authority over labor relations to the States as a State right. What they really want to see as a matter of social policy is a nullification of the interstate commerce clause of the Constitution.

I am always interested in the position of the State righters. Last week in the Labor Committee we were dealing with legislation proposing the extension of coverage of minimum wages. We had this States right argument being made—we ought to leave minimum-wage coverage to the States. I want to tell you I know of no better way of breaking down the protection of workers in this country than to fall for the Goldwater alarm which would delegate more and more authority to the States in the field of labor-management relations. It will not be done with my vote. I want to work cooperatively with the States, but when you come to the basic question of jurisdiction, keep it vested in the Federal Government, because if you delegate away the Federal jurisdiction, as the Goldwater amendments will do, then, of course, you have lost the great right of Congress to see to it that abuses are not developed on a State basis by antilabor legislation such as you are going to get, I think, as the aftermath of the present Senate investigation unless this Congress acts and acts quickly with sane legislation.

I wanted to mention this because it seems to me that in discussing these labor issues I have been living up to the teachings of Witte and Perlman. The tests of the theories we studied with them are to be found in their application; and as you study under Witte and Perlman the theory of labor economics and the theory of unionism, you see how right I am when I say we must take those theories and apply them to specific problems such as I have sought to raise here this noon.

The heritage of La Follette, Van Hise, Commons, Ely, and the other great professors who graced the University of Wisconsin in the first decades of the century has been preserved and enhanced by Professor Witte.

But there is something more than that, which a university or an individual professor must leave with students, if they are to leave school equipped to make a genuine contribution to their communities.

That is a devotion to truth, and to intellectual honesty. It is one thing to be intellectually honest in the classroom; it is quite another to be intellectually honest in business, in politics, in our chosen professions, in our personal relations with each other, and in formulating opinions on social issues. If a university is able to teach its students to seek the truth, to recognize the truth when it is found, and to act upon it, it has given them the greatest instrument for the improvement of society it can give.

Having been a teacher myself for 20 years, I know that this is the hardest thing of all to teach, just as it is the hardest thing of all to learn. But it is the calling of the university to do that, and its degree of success in doing it is the measure of its value to its community.

The same can be said of a professor. It is said that education is what we have left after we have forgotten everything we learned in school. Sometimes students are educated in this sense by their entire experience in college; occasionally by a single teacher who has the quality of being able to transmit it. I think that Ed Witte can safely be judged an overwhelming success according to this standard.

There is one more point I would like to make about Professor Witte, and his contribution to the University of Wisconsin and its students. Those of us who have addressed these meetings and taken part in the discussions are fairly well known, in one field or another, and for one reason or another. I see a great many faces here that are familiar to me—not just as old friends and acquaintances, but as outstanding people in government, labor, and academic life. But I know there are thousands of Professor Witte's students who are not here and are not mentioned on the program, but who honor him every day of their lives by adhering to the standards of intellectual integrity he taught them.

Not all the graduates of a university become outstanding national leaders; that is not the purpose of a State-supported university, nor should it be of any university, in my judgment. It should be its purpose to send back to the communities of the State young men and women who are educated in the sense that they cherish the truth, and have some idea of how to find it. There are thousands of young men and women in this State and in the Nation who attended the University of Wisconsin, and while they did not do their major work under Ed Witte, have sat in his classes and been enriched by that experience. They have been elevated by his instruction just as much as have those of us who are here, and they cherish the experience as much as we do.

They are the people whose quality attests to the success of a college professor, because it is up to them to uphold in their communities and in their local businesses and activities the objectives of education I have been discussing.

I know they are here in spirit.

I want to express one more thought about Professor Witte, and to him, before I close. It is this: I know that your official retirement from the University of Wisconsin will not mean an end to the work you are doing, or the end of your contributions to the study of economics and to your former students. We need your analytical mind and your constructive thinking as much as ever. I did not make this trip back here to write any epitaph, but on the contrary to help erect a milestone.

I hope that you will always continue to bless us with your friendship and intellectual guidance, just as you have in the past.

THE MORSE FORMULA

Mr. MORSE. Mr. President——

Mr. MANSFIELD. Mr. President, I wish to renew my request.

Mr. MORSE. I should like to complete my speech without a quorum call.

Mr. MANSFIELD. I thought the Senator would like to have a quorum present, in light of the speech he is about to make.

Mr. MORSE. The Senator is very kind to me, but persons will read my speech, and I am speaking for the RECORD.

Mr. MANSFIELD. I am sure the speech will make interesting reading.

Mr. MORSE. I do not want to disturb anyone at lunch. It is now a quarter after one.

Mr. MANSFIELD. I withdraw my request for a quorum call.

The PRESIDING OFFICER. The request is withdrawn.

Mr. MORSE. Mr. President, I have 2 or 3 so-called chore matters, as we use the term in the Senate, that I should like to dispose of. When I refer to them as chore matters, I do not wish to detract from their significance, but I should like to dispose of them before I talk on the subject on which I rise to speak today.

It will be recalled that some days ago, when we were discussing S. 1034 in the Senate, I pointed out that my attention had been called to a bill, of which I was a cosponsor, offered by very able colleague [Mr. NEUBERGER], S. 1529, a bill that seeks to authorize the conveyance of real property from the Federal Government to Klamath County, Oreg. It was my understanding, when the bill was introduced, that it did not violate the Morse formula, although I had not had the opportunity, prior to its introduction, to study it in detail.

Mr. President, with regard to S. 1529, on March 29, 1957, in a statement on the floor of the Senate I said that I would look into the provisions of the bill to determine whether or not the bill in any way violated the Morse formula. I indicated very clearly I was satisfied that if my colleague had thought the bill violated the Morse formula, he would not have introduced the bill in the first place, but that he, too, might have labored under a mistaken notion, as I might have. I stated that I would report to the Senate at a later date on the bill. I am now prepared to make that report, Mr. President, and to assure the Senate that the bill does not violate the Morse formula.

It is pretty well known, I think, by now, what the Morse formula is. It is the so-called policy which was promulgated for the first time in 1946, when I took the position that any transfer of Federal property to any local government agency—be it a school board, county, city, or any other local government agency—should be considered under a policy based upon the requirement that if the transfer of property was sought for a public use the local government agency should pay at least 50 percent of the appraised fair market value, and if the transfer was sought for a private use recipients should pay 100 percent of the appraised fair market value.

As the record will show, in 1946 I pointed out that Federal property was being thrown into a political "grab bag" and Senators and Representatives were falling over each other to introduce bills in the Congress to secure this property for local government agencies without cost, but that the property belonged to all the taxpayers of the country, no matter where they lived, and that it was not morally right to dispose of Federal property on a "grab bag" basis.

I have consistently and persistently, as the record shows, held fast to that formula for more than 10 years. The record shows that as a result I have saved the Treasury of the United States several hundred million dollars.

Oh, there has been an exception now and then, Mr. President. Senators have gotten around me on occasion, by motion to bring up a particular bill which violated the Morse formula, but they have never gotten around me by the unanimous-consent procedure.

Having said what I have just said, I now wish to express my very deep appreciation to my colleagues in the Senate over the years for the great cooperation they have extended me with regard to this formula. The position has been, by and large, "so long as you are consistent and uniform, we will back you up."

I know of no exception I have ever made, Mr. President. If any bill has slipped through, it has been without my knowledge, or when I have been unavoidably absent from the Senate. Therefore, when the question was raised on March 29 as to whether or not a bill which bore my name might in any way violate the Morse formula, the Senate can be assured I was very much concerned about it, and proceeded forthwith to have a thorough investigation of the bill made. I am now ready to make a report on the bill (S. 1529).

I asked the Department of Health, Education, and Welfare for a report on this proposed land transfer, because we had been advised by the offices of the Senator from Oregon [Mr. NEUBERGER] and Representative ULLMAN, from my State, that the interested agencies were ready to handle the transfer administratively under the provisions of existing law. At my request, the Department of Health, Education, and Welfare submitted a report, dated April 3, 1957, which I shall read shortly. It will be noted that in the third paragraph of this statement from the Department of Health, Education, and Welfare it is stated:

> In view of the benefits which have accrued and will accrue to the United States from the use of this property by Klamath County, the Department has determined to grant a public benefit allowance of 100 percent from the appraised fair value of the property.

Such action is warranted under section 203 (k) (1) of the Federal Property and Administrative Services Act of 1949.

Mr. President, in view of the detailed comments set forth in the report of April 3, 1957, submitted to me by the Department of Health, Education, and Welfare, I wish to read the report at this time, with such explanatory comments as I shall make in the process of the reading.

Mr. President, the letter of April 3, 1957, from the Department of Health, Education, and Welfare, is signed by Chester B. Lund, Director, Office of Field Administration, Department of Health, Education, and Welfare. The letter reads:

DEAR SENATOR MORSE: We have received a request from a member of your staff for certain information with respect to the proposed transfer of 86.41 acres of land located at Klamath Falls, Oreg., to Klamath County for educational purposes.

Section 203 (k) (1) of the Federal Property and Administrative Services Act of 1949, as amended, authorizes the Secretary of this Department, subject to disapproval of the Administrator of General Services, to transfer surplus Federal real property for educational or public health purposes. This section also provides that in fixing the sale or lease value of property to be transferred, the Secretary shall take into consideration any benefit which has accrued or may accrue to the United States from the use of such property by any State, political subdivision, instrumentality, or institution.

On December 7, 1956, Klamath County submitted an application to our San Francisco regional office for the acquisition of the subject property to be used as an agricultural experiment station to be operated by Oregon State College. After reviewing this application, our San Francisco regional office on December 12, 1956, requested the assignment of this property from the General Services Administration for transfer to the county for educational and research purposes. In view of the benefits which have accrued and will accrue to the United States from the use of this property by Klamath County, the Department has determined to grant a public benefit allowance of 100 percent from the appraised fair value of the property.

I digress from the letter long enough to point out, Mr. President, that in the application of the so-called Morse formula whenever it has been shown as to any particular bill that benefits will accrue to the Federal Government from the use of the property by the particular grantee, then the value of those benefits shall be taken into account in determining the amount the State agency should pay for the property.

That is exactly the point, as pointed out by the Department in connection with this particular transfer.

Going back to the letter:

> In 1939, an education and research experiment station project was established on this 86-acre site since it was representative of approximately 10,000 acres of land under the Klamath Irrigation District operated by the Bureau of Reclamation which were considered unfit for agricultural use. Klamath County and the Oregon State College jointly entered into a lease with the Bureau of Reclamation for the use of the 86 acres as an experiment station to conduct a program of soil reclamation and improvement. As a result of the work conducted at the station, approximately 10,000 acres of land previously in class V have been reclassified and put into classes that now bear operation and maintenance costs in the district. Also, considerable information has been obtained on adapted crop varieties for this area and new varieties introduced here have added materially to the local economy. Klamath County has erected structures on this property having a value of $75,000 and has plans for the erection of a new office and laboratory at a cost of $30,000. In addition, the county has financed improvements such as plantings, fencing, deep drainage, land leveling, and soil improvements. The county and Oregon State College propose to continue the same program of soil reclamation and improvement as has been in effect since 1939 when they entered into the agreement with the Bureau of Reclamation.

I digress further from the letter to point out that this is a very important distinguishing factor between this bill and bills which violate the Morse formula.

I stress the point that the agricultural program for which this station was established in the first place will continue. Thus the case is brought into parallel with the so-called dryland experimentation bill, and in line with the Missouri bill, passed earlier in the session today.

In connection with the dryland bill, certain dryland stations were transferred to various States, including Oregon, Wyoming, Montana, and several other States, under a cooperative arrangement with the United States Department of Agriculture, that the program would continue after the transfer. As the Department of Public Health, Education, and welfare points out in its letter, this program, which has been operating in Klamath County, will be continued after the transfer.

Going back to the letter:

> If the property is assigned to this Department by the General Services Administration, it will be conveyed to the county under the following terms and conditions:
>
> 1. For a period of 20 years from the date of the deed the property shall be used continuously for educational and research purposes in accordance with the proposed program and plan set forth in the application of the county.

I digress to point out that the continuation of this cooperative program for 20 years, with the amount of money which will be expended by the Oregon State College and the county of Klamath, will result in the investment of State and local funds, over the 20-year period, of many times the very few thousand dollars the property is worth at the present time. So the requirement that the transfer must be a transfer involving Federal benefits is overwhelmingly met in the bill of the junior Senator from Oregon [Mr. NEUBERGER].

> 2. During the period of 20 years the county will not resell, lease, mortgage, or encumber, or otherwise dispose of the property unless authorized in writing to do so by this Department.

The letter further shows that the bill itself contains the condition of Federal control to the degree set out in the transfer. In other words, this is not a transfer in which the Federal Government loses control in trying to protect all the taxpayers of the country. The Federal Government will see to it that the cooperative program is carried forward for 20 years.

> 3. The county shall file annual reports with this Department on the operation and maintenance of the program.
>
> 4. In the event of a breach of any of these conditions, all right, title, and interest in and to this property shall, at the option of the Government, revert to and become the property of the United States of America.
>
> 5. In the event of a national emergency declared by the Congress or the President of the United States, the Government shall have the right, in perpetuity, to the full use and possession of the property conveyed.
>
> It is our understanding that the General Services Administration is furnishing you with background information regarding the acquisition of this property by the Bureau of Reclamation and its subsequent use by the county and Oregon State College under the lease with the Bureau of Reclamation.
>
> We shall be glad to provide you with further information if you so desire.
>
> Sincerely yours,
>
> CHESTER B. LUND,
> *Director, Office of Field Administration.*

Mr. President, I now ask that the letter in its entirety, without any of my interpolations, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE,
Washington, April 3, 1957.

Hon. WAYNE MORSE,
United States Senate.

DEAR SENATOR MORSE: We have received a request from a member of your staff for certain information with respect to the proposed transfer of 86.41 acres of land located at Klamath Falls, Oreg., to Klamath County for educational purposes.

Section 203 (k) (1) of the Federal Property and Administrative Services Act of 1949, as amended, authorizes the Secretary of this Department, subject to disapproval of the Administrator of General Services, to transfer surplus Federal real property for educational or public-health purposes. This section also provides that in fixing the sale or lease value of property to be transferred, the Secretary shall take into consideration any benefit which has accrued or may accrue to the United States from the use of such property by any State, political subdivision, instrumentality, or institution.

On December 7, 1956, Klamath County submitted an application to our San Francisco regional office for the acquisition of the subject property to be used as an agricultural experiment station to be operated by Oregon State College. After reviewing this application, our San Francisco regional office on December 12, 1956, requested the assignment of this property from the General Services Administration for transfer to the county for educational and research purposes. In view of the benefits which have accrued and will accrue to the United States from the use of this property by Klamath County, the Department has determined to grant a public benefit allowance of 100 percent from the appraised fair value of the property.

In 1939, an education and research experiment station project was established on this 86-acre site since it was representative of approximately 10,000 acres of land under the Klamath Irrigation District operated by the Bureau of Reclamation which were considered unfit for agricultural use. Klamath County and the Oregon State College jointly entered into a lease with the Bureau of Reclamation for the use of the 86 acres as an experiment station to conduct a program of soil reclamation and improvement. As a result of the work conducted at the station, approximately 10,000 acres of land previously in Class V have been reclassified and put into classes that now bear operation and maintenance costs in the district. Also, considerable information has been obtained on adapted crop varieties for this area and new varieties introduced here have added materially to the local economy. Klamath County has erected structures on this property having a value of $75,000 and has plans for the erection of a new office and laboratory at a cost of $30,000. In addition, the county has financed improvements such as plantings, fencing, deep drainage, land leveling and soil improvements. The county and Oregon State College propose to continue the same program of soil reclamation and improvement as has been in effect since 1939 when they entered into the agreement with the Bureau of Reclamation.

If the property is assigned to this Department by the General Services Administration, it will be conveyed to the county under the following terms and conditions:

1. For a period of 20 years from the date of the deed the property shall be used continuously for educational and research purposes in accordance with the proposed program and plan set forth in the application of the county.

2. During the period of 20 years the county will not resell, lease, mortgage, or encumber, or otherwise dispose of the property unless authorized in writing to do so by this Department.

3. The county shall file annual reports with this Department on the operation and maintenance of the program.

4. In the event of a breach of any of these conditions, all right, title, and interest in and to this property shall, at the option of the Government, revert to and become the property of the United States of America.

5. In the event of a national emergency declared by the Congress or the President of the United States, the Government shall have the right, in perpetuity, to the full use and possession of the property conveyed.

It is our understanding that the General Services Administration is furnishing you with background information regarding the acquisition of this property by the Bureau of Reclamation and its subsequent use by the county and Oregon State College under the lease with the Bureau of Reclamation.

We shall be glad to provide you with further information if you so desire.

Sincerely yours,

CHESTER B. LUND,
Director, Office of Field Administration.

Mr. MORSE. Mr. President, I have gone into this subject in great detail, which ordinarily I would not do, only because I am personally involved in the bill, and I would not want the slightest misunderstanding to exist as to the position of the senior Senator from Oregon. I want the RECORD to be perfectly clear that this bill in no way violates the consistent objection I have raised since 1946 to any bill, introduced by any Senator, which seeks to transfer Federal property without some compensation therefor paid to all the taxpayers of the United States, into the Treasury of the United States.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. MORSE. I yield for a question.

Mr. CARROLL. I wonder if the distinguished Senator from Oregon, in his wide experience, has come across a situation in which the Federal Government gave grants-in-aid to State corporations for governmental purposes. I have listened very carefully to the distinguished Senator's presentation in connection with the particular issue which he has been discussing, and I am thoroughly in accord with the position he has taken. However, it occurred to me that as a result of the 10 or 12 years' experience the Senator has had in connection with this subject, perhaps he may have come across a situation in which, many years ago, State corporations were formed and grants-in-aid were given to the State corporations for a governmental purpose. In a sense such purposes and objectives were laudable. Such a situation exists in Colorado today. I do not wish to commit the Senator in any way. The junior Senator from Colorado has not yet made up his mind. I wonder if I could draw upon the distinguished Senator's experience if in his investigations he has come upon such a situation.

Mr. MORSE. I wish to say to my good friend from Colorado that, speaking generally, and without any application to a specific bill, if a particular bill involves a factual situation in which a vested interest was created, and there is a continuing vested interest, the Morse formula does not apply, because the Government's word must be its bond. If as a result of legislation, we have created a vested interest which would justify the terms of a particular bill, under those circumstances I would take the position that the Morse formula does not apply.

I cannot say more than that to the Senator from Colorado, unless I have a specific bill before me. The Senator having raised the matter, I wish to emphasize the distinction between a public use—and he refers to a public use—and the use by a so-called corporate device for furthering private use.

We have had some bills in the Senate which involved the making available of some land to a chamber of commerce, for example, to make it possible for the chamber of commerce to invite industry into its town. The chamber of commerce would do that by offering free industrial sites to an industry in order to attract the industry into that town. That is a laudable undertaking for a chamber of commerce.

However, the RECORD will show that I said on the floor of the Senate, in such a case the chamber of commerce ought to pay for the land. I saw no reason why the citizens of the State of Maine or Florida or Colorado or any other State—my State was not involved, so I shall use my State as an example—should see the Federal Government grant to a chamber of commerce in the State of Oregon Federal land, which in turn would be given away to an industry which might like to come into my State. In addition, I said that, although the chamber of commerce had a right to attract industry to its city, I could see no reason why it should not, through its membership, take positions on the Main Street of that city and pass the tin cup and make a collection from its citizens, to make it possible to establish that industrial site.

We have had cases of that type, but offhand I do not recall a particular factual situation the Senator may have in mind. In a situation of that kind we have taken action under the Morse formula.

Mr. CARROLL. If the Senator will yield further, let us assume that many years ago a grant-in-aid came from the Federal Government to a State corporation formed for a public purpose, that purpose being, we will say, the distribution of funds to low-income groups and family-farm groups. If that grant-in-aid flows from the Federal Government to a State corporation, would the Federal Government still continue to retain jurisdiction over the funds?

Mr. MORSE. I believe the Senator has raised two questions. The first refers to whether the Morse formula would apply. In my judgment, the Morse formula would not be applicable in that factual situation.

The second question relates to what our policy should be in view of any proof that could be presented as to changing circumstances that might justify a secession of that policy as to the future. There again I would say that, so far as any vested rights that were created by the original act are concerned, I would be inclined to say that we must keep our word and continue to see to it that those vested rights are protected.

Mr. CARROLL. To be more specific, some of these corporations were formed 20 years ago, and in a few States they are still functioning on the basis of the grant-in-aid given by the United States Government. Incidentally, the kind of corporation I have in mind is not under the jurisdiction of the State government. It is chartered by the State, and it exists

in a more or less no-man's-land, and is neither a part of the Federal Government nor of the State government. It exists by virtue of its own charter and is governed by its own board of directors, with a grant-in-aid which originally came from the Federal Government. The public purpose is still there, and the money is still there.

My question is what jurisdiction, if any, does the Federal Government have over the money it gives as additional grants?

Mr. MORSE. Again speaking in broadest terms, I would say to my good friend from Colorado that we should apply in such a case the good old principle of parental obligation; that he who was responsible for the birth is responsible for the upbringing; and that until some other legislative course of action is followed the Federal Government still has jurisdiction and responsibility.

Mr. CARROLL. But it is possible to wean money, too.

Mr. MORSE. Oh, yes.

Mr. CARROLL. Perhaps they have lost the child in the weaning process.

Mr. MORSE. Oh, yes; that is possible. However, under our adoption laws we have very strict legislation on that subject.

Mr. CARROLL. There is involved also a question of legitimacy, which we will not discuss at this time. When the matter comes up I shall call it to the Senator's attention in connection with the Morse formula.

Mr. MORSE. The Senator has whetted my curiosity. I certainly wish to be further enlightened by my friend from Colorado when one of these matters comes before the Senate. The Senator may be perfectly sure that if the facts show that a public interest is involved, then the public interest would be jeopardized if we did not assume senatorial responsibility. I shall be in favor of assuming that responsibility, and I know my friend from Colorado will be also.

Mr. CARROLL. I thank the Senator very much for his comment.

Mr. MORSE. Mr. President, I now turn my attention to another subject.

The PRESIDING OFFICER (Mr. MONRONEY in the chair). The Senator from Oregon has the floor.

PACIFIC AIR SERVICE

Mr. MORSE. Mr. President, there is a great deal of concern, as evidenced by mail I have received, about two cases pending before the Civil Aeronautics Board. One is known as 5031, the Great Circle case, and the other is known as 7725, the West Coast-Tokyo case.

I should like to make clear at the outset of my brief remarks on these two cases that I am perfectly statisfied to leave the disposition of these matters in the administrative tribunal, the Civil Aeronautics Board, which has jurisdiction over the cases, because the parties involved have the right to appeal to the courts if they decide they have been aggrieved.

Nevertheless, as a Senator from Oregon I feel that I have the duty to put into the RECORD today certain information which had been made available to me since the close of the CAB hearing on these two cases. If the hearings were not closed, I would send the information directly to the CAB, even though I probably would still make this factual statement for the RECORD for purposes of future reference.

There is a great deal of concern in our State that the Northwest area may be left off the so-called great circle route to the East. In view of the great increase in our State's population and the unquestioned increase in population that will come into our State from year to year in the future, we naturally are concerned about any discriminatory policy which will detrimentally affect our State.

I wish to make very clear that I am not at all interested in or concerned with any controversy that may exist between Pan American and Northwest Airlines. I am interested only in doing whatever I may, as a Senator from my State, in making sure that my State will get air service.

I do not believe that competition has ever hurt anyone. If the State of Oregon should be left out of this service, I am sure it would be much more difficult at a later date to get the service.

The only thing I can find in the examiner's report which would justify the recommendation that Portland should be left out is the expressed fear that the stops in Portland and Seattle might put the Northwest Airlines back on subsidy.

I am concerned about what is the best service for the people of Oregon; what is desirable in order to have good competition; what is desirable in order to have good service. I am perfectly willing to postpone for future consideration, if the reality develops, the matter of the subsidy problem. Therefore, there is great merit, it seems to me, in the strong representations which are being made to my office by Oregon groups that favorable consideration should be given to the Portland request to be placed on the so-called circle route.

Some figures have been submitted to me. I think they are reliable figures; at least, they should be made a matter of record. If they are shown to be unreliable, or if anyone holding a different point of view thinks the figures are subject to question, let me make it very clear now that I shall insert in the RECORD, with the same spirit and intent with which I am placing these figures in the RECORD today, any figures which answer the contentions of those who have submitted these statistics to me. I shall turn to those figures in a moment.

There is another phase of the problem that I wish to mention in my speech. I point out that Pan American flies to Hawaii en route to Tokyo. I am perfectly willing to say that I think Northwest Airlines should have the same competitive right and privilege. It seems to me that that would be putting both airlines on a comparable and fair competitive basis.

I repeat: My interest is in the community and not in any airline. I do not have any stock in Pan American or in Northwest. I simply do not have any corporate stock. I have not followed an economic course of action in my lifetime which makes me the owner of such stock. I wish I had some.

Mr. GORE. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Tennessee—suspicious of what is coming.

Mr. GORE. I know of no Senator who has more acceptable stock in trade than has the distinguished senior Senator from Oregon. His independence, his toughness of mind, his articulate voice, and his incisive vision give to him a stock in trade which is unexcelled by any other Member of this body.

Mr. MORSE. I sincerely appreciate that compliment. The Senator from Tennessee has really taken me by surprise, because when I said I was suspicious of what was about to come, what I thought the Senator from Tennessee was about to say, in reply to my remarks about not being the owner of any corporate stock, was that I have very, very valuable livestock, for which I can get but little money.

As Senators know, the Senator from Tennessee and I really believe in the competitive system, because as the breeder of two competing blood lines or breeds of cattle, I think we have demonstrated our belief in the competitive system. That is what I thought he was about to rib me about, in view of some remarks I have made recently on the floor of the Senate. So I thank the Senator from Tennessee for his kindness and generosity. It is a good example of how sometimes what one expects does not take place.

Mr. GORE. Mr. President, will the Senator further yield?

Mr. MORSE. I yield. Now I will probably "get it."

Mr. GORE. The Senator from Oregon now has touched upon a different kind of stock, about which he exercises an amazing lack of good judgment. But I will not disparage the breed of cattle which he owns. I shall simply invite him to join with me in treating our Democratic colleagues to the products thereof. I will furnish the steaks from Aberdeen Angus cattle if he will furnish the bone stew from his breed of Devon cattle.

Mr. MORSE. You will note, Mr. President, what a tough competitor the junior Senator from Tennessee is. But even on that basis, I will supply the soupbone. I am certain my colleagues will prefer the soup to the steaks which the junior Senator from Tennessee will supply. [Laughter.]

Mr. President, returning to the point I was making about the airline situation, I wish to make it very clear, in dead seriousness, that I am no party at all to the controversy between the airlines, but that I am a party to the community interest in this matter. I want to make certain that the people of my State are protected from any unfair economic discrimination which might flow from a failure to have all the facts considered in this controversy, which is of such great concern to my State.

Therefore, I ask unanimous consent to have printed at this point in the RECORD, for future reference, the specific

information which bears upon the controversy.

There being no objection, the statistics were ordered to be printed in the RECORD, as follows:

In the 5 months July-November, 1956, Northwest's international services earned $1,538,000 according to that carrier's reports to the CAB.

This period is historically 43 percent of that carrier's annual international total. Hence, Northwest's current international earnings amount to $3,577,000 annually.

These earnings were achieved on the basis of 7 weekly round trips between Seattle and Tokyo, only 6 of which carried passengers. By converting the seventh trip from a DC-4 cargo-mail flight to a passenger-property flight using the same aircraft as are used on the other flights, Northwest could carry more traffic and would realize higher yields from the carriage of passengers. Assuming the same load on this converted seventh flight as Northwest experiences on its other flights, a conservative assumption since Northwest's present service is loaded virtually to capacity and the market is growing 20 percent annually, Northwest would increase its annual earnings to $4,636,000.

In addition, Northwest will shortly place DC-7C's in service. By Northwest's own admission, these aircraft are at least 25 cents per mile cheaper to operate than its present aircraft. This will further increase Northwest's international net operating income to at least $5,600,000 annually.

All this assumes that the frequencies of both American-flag carriers remain frozen at seven round trips per week each. If this is increased, Northwest will do even better.

Thus, even if Pan American were to divert a substantial amount of Northwest's traffic, this would not have the effect of forcing Northwest back on subsidy. Actually, Pan American has been allowed no increase in frequency for nearly 3 years, it is operating at capacity and it could not divert so much as one passenger from Northwest by operating its transpacific flights directly. At such time as increases in frequency are allowed, these will be geared to the American-flag share of the United States-Japan market, Northwest will get as many added frequencies as Pan American, and Pan American will still not be in a position to divert appreciable traffic from Northwest.

ECONOMY AND THE SIZE OF THE BUDGET

Mr. MORSE. Mr. President, I now turn to the principal matter which I plan to discuss today.

Lately we have heard a great deal of talk about economy and reduction in the size of the budget. I should like to call to the attention of the Senate how the Comptroller General made a $5 million contribution toward a balanced budget in a review of the Air Force.

I ask unanimous consent to have printed at this point in the RECORD an article entitled "Air Force Spurned $5 Million Refund, House Unit Is Told," published in the New York Times of March 30, 1957.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times of March 30, 1957]

AIR FORCE SPURNED $5 MILLION REFUND, HOUSE UNIT IS TOLD

WASHINGTON, March 29.—A Government accountant told incredulous Members of Congress today that it sometimes was easier for a company to make $5 million on a Federal contract than to get the Air Force to accept a refund.

The situation was unfolded before a House Armed Services subcommittee by Lawrence J. Powers, head of accounting and auditing for the General Accounting Office. Involved were the Air Force, the Ford Motor Co. and the Boeing Airplane Co.

Mr. Powers said Boeing contracted with Ford for 454 sets of wings for B-47's it was producing. After Ford had started production the contract was revised and Ford's profit jumped $9,800,000 to $21,800,000.

Ford felt this was too much and asked Boeing to revise the contract again. But Mr. Powers said Boeing replied that it could not afford to keep changing the terms. Ford then offered the $5 million to the Air Force.

F. EDWARD HÉBERT, subcommittee chairman, Democrat of Louisiana, asked whether Mr. Powell meant that Boeing and the Air Force showed no interest in recovering this $5 million from Ford, even though the auto company insisted on giving it back.

"We found no evidence that the Air Force or Boeing had endeavored to obtain a refund from Ford," Mr. Powers replied.

But he said Ford, seizing the initiative, submitted a written commitment to the Air Force for the refund and the money now is on its way to the Treasury.

Mr. Powers said Max Golden, Deputy Air Force Secretary for Procurement and Production, told him the Air Force did not like to take refunds in such cases because contractors might want it to make good on unanticipated price increases.

Mr. Powers said the Air Matériel Command told him the situation arose because of Ford's outstanding efficiency in cutting costs, plus "faulty" cost projections and weaknesses in contract negotiations.

After hearing the evidence, Mr. HÉBERT said he feared the case was "one of many which we will be able to uncover."

Mr. MORSE. Mr. President, it is futile for us to think of economy unless the executive branch practices economy. When the money is appropriated, it is not "spent." If the Air Force estimates it needs $100 million for B-47 airplane wing sets, and it does not exert itself to see that these items are bought at the least expense consistent with defense standards, it may well be guilty of wasting dollars. This waste reflects itself in higher costs for government. Five million dollars legitimately saved can be used for other programs, or can be unobligated to help reduce the cost of government. There is no obligation to waste money, although in my judgment the Air Force had an obligation to buy the number of planes directed by the Congress.

I am certain there are many opportunities for real savings. I call to the attention of the Senate an editorial entitled "The Deadly Doctrine," published in the April 1 issue of the Wall Street Journal. I ask unanimous consent that it may be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE DEADLY DOCTRINE

"I don't know what the amount of taxes represent when we talk about $70 billion. Is that this room full of bills, or is it three truckloads? I don't know. But I do know this: We can't afford what we're spending and stay strong enough to lead the world to peace."

Those words were spoken by General Eisenhower, at Paterson, N. J., in October 1952. The Republican candidate for the presidency was discussing Democratic spending. The country, he said, was maintaining military strength "above our capacity to pay for it." But, "frugality, efficiency, information, knowledge properly used can bring us a defense organism that will be balanced with our capacity to pay and so will keep and make us strong."

In New York City, at the closing session of the Herald Tribune Forum on October 21, 1952, Mr. Eisenhower said, "Certainly, I know that we must find a substitute for the purely temporary business of bolstering the free nations through annual handouts. That gets neither permanent results nor real friends."

The same month, at Peoria, Ill., General Eisenhower said that, if elected: "My goal, assuming that the cold war gets no worse, is to cut Federal spending to something like $60 billion within 4 years."

And in Kansas City, he told of one way to do it by likening Government to the family. "If in your family affairs you find that your plan to build an addition on the house is going to cost a lot more than you figured on, what do you do? You don't go ahead regardless. You call up the carpenter, the painter, and the brickmason, and you call off the project."

During his first 4 years, President Eisenhower carried out his promises of a balanced budget and of a tax cut. The Government reduced spending to a low of $64.6 billion in 1955, almost $10 billion lower than was spent in 1953, a fiscal year he shared with Mr. Truman.

But in 1956, the spending was higher. In 1957, the spending was higher. And for the 1958 fiscal year, the Government budget is $71.8 billion, or nearly $2 billion more than Mr. Eisenhower mentioned at Paterson, N. J., when he talked about spending more than we could if we were to stay strong.

Now, just the other day in his press conference, President Eisenhower discussed this $71.8 billion budget. And he had this to say:

"But I tell you it is futile to talk about the United States keeping up the position it must keep up in the world and measurably sticking to the programs that have already been adopted in the United States or have been agreed to be necessary for the United States and cut that budget severely."

Among the spending he mentioned that could not be cut safely were military expenditures and foreign aid: "And of all of those (in the security field) I would say none is more important than so-called foreign aid." As for much of the rest: "Someone else will have to say that it is not important to keep up our obligations to veterans, that it is not in the interests of all of us to try to keep a healthy agriculture, that it is not in the interest of all of us to get some schools built. * * * If these programs are not essential to us, why, then, of course you can save a lot of money. I happen to think they are essential, and that is the way I am operating."

The difference between what President Eisenhower said the other day and what he was saying in 1952 is obvious. Perhaps conditions have changed a great deal since then; perhaps the temporary business of bolstering foreign nations with annual handouts now is as right as Mr. Eisenhower believed it to be wrong in 1952. Perhaps frugality and efficiency have reduced the military budgets as low as national safety permits. Perhaps, also, programs such as $450 million for schoolrooms across the country are such necessary additions to our national house that it would be wrong to call up the carpenter, the painter, and the brickmason—and call off the project.

Perhaps all these things are essential and perhaps nothing can be done about reducing the budget.

If so, the attitude of the administration has become the attitude of hopelessness General Eisenhower rejected in 1952.

On October 28, 1952, he said at Pittsburgh:

"In this—as in our whole national life—we cannot be ruled by the deadly doctrine of: It can't be done."

Mr. MORSE. Mr. President, this editorial is not an April Fool's Day practical joke. Where is the frugality and efficiency this administration was going to give the American people? The Comptroller General practices these great virtues. As an arm of the Congress, he daily goes about his business of making certain that the taxpayer gets a dollar's worth of government for every dollar spent. The present Comptroller, Mr. Joseph Campbell, his interim predecessor, Mr. Frank Weitzel, and the great Lindsay Warren, steadfastly worked toward frugality and efficiency.

Mr. President, every Member of Congress, in my opinion, owes a great debt to these great Comptrollers General. Appointed by the President, in accordance with our constitutional system, they function really as watchdogs for Congress over Federal funds. They have been a great group of public servants. In fact, I think the appointment of Mr. Campbell is one of the few great appointments which this administration has made. It is an outstanding one.

He was a great comptroller of Columbia University before his service with the Federal Government. I have developed great admiration for the patriotic public service that this courageous man renders the American people.

I wish to say I am sure that in the executive branch of the Government there is room for great economy. We can make the dollars that are appropriated give the taxpayer full value if we only give a little more support and pay timely attention to the reports on waste and inefficiency sent to Congress by the Comptroller General.

In my judgment, savings of up to $100 million in the cost of Government are possible, and these savings will be real. Furthermore, with the Comptroller giving us the facts, and committees of the Congress following up, we can reduce waste. As a constitutional liberal, I have never subscribed to the deadly doctrine of "It can't be done." Instead, I hold to the doctrine that it can be done, and that it must be done, and in this instance that it is being done.

While we have in a high office one general who now swallows his own campaign words, we have another general—the Comptroller—who is so independent that he refuses to concede that waste and inefficiency cannot be reduced. I urge that we support this general in every way possible.

I wish also to mention the Ford Motor Co. and its effort to help save the taxpayers' money. I think this company deserves credit for its interest and initiative in trying to refund excessive profits to the Treasury.

Mr. President, economy in Government is now a favorite topic of conversation among politicians. Everyone seems to be for it, especially when economy is applied to a program that does not affect his own particular interest or his own particular district.

I try to make a conscientious effort to study the programs that affect my State. If I can be convinced that a reduction in funds is wise, I shall support that reduction, even though the State of Oregon is involved. If I find that the budget request is too low, I shall—and do—proudly go before the Appropriations Committee to seek an increase, and offer my proof in support thereof.

Mr. President, the action proposed for the Forest Service in the supplemental budget is, in my judgment, an example of an unsound proposal. I was amazed when I discovered recently that the Department of Agriculture, in a request for supplemental funds, contemplated cutting the 1957 Forest Service budget by $2,300,000, despite the fact that the proposed 1958 budget for the Forest Service is $22 million more than it was in 1957. I studied the accounts for decreases, and found that almost every program for 1958 is either to be increased or is for essentially the same amount. I want to record my opposition to the policy proposed in this supplemental bill.

After careful consideration I reached the opinion that perhaps this is a "phoney" saving for 1957 that the Executive is proposing; and I took the liberty of communicating my views to the leadership in the House and to our able Appropriations chairman, the Senator from Arizona [Mr. HAYDEN]. I should like to make that letter a part of the RECORD. Therefore, Mr. President, I ask unanimous consent to have the letter printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 22, 1957.

The Honorable SAM RAYBURN,
Speaker, United States House of Representatives, Washington, D. C.

MY DEAR MR. SPEAKER: I notice that the supplemental appropriation submitted by the President in House Document 115 proposes that the Forest Service and the Department of Agriculture will absorb $2,300,000 in expenses already incurred for vital fire-fighting and insect-control programs. The proposed supplemental appropriation calls for $1,500,000 of the $6,500,000 incurred in fire-fighting costs to be absorbed, and $800,000 for insect control to be absorbed.

I want you to know that I am opposed to this as an unsound budgetary practice, and I find that the following language from H. R. 1510 in the Department of Agriculture appropriation bill (H. R. 8779) for the fiscal year 1955 supports my view.

FREEZING OF APPROPRIATIONS

"Another development deplored by the committee was the arbitrary action taken last fall to freeze the funds of many of the action agencies. This action was taken only a few months after the Department had presented testimony to the committee strongly supporting amounts even in excess of the funds finally approved by Congress for the current fiscal year. Reference is made particularly to the freezing of over $1 million of the funds of the Farmers Home Administration at the expense of essential field activities, which money was eventually turned over to the Extension Service to meet penalty mail costs.

"The committee believes that such action is a breach of faith with the Congress and seriously damages confidence and working relationships. It is of the opinion that transfers of funds between agencies should be restricted to the limits allowed by law in the future, unless prior clearance is obtained from appropriate Congressional committees.

"The committee would like to impress on the Department that it is the authority and responsibility of the Congress to determine the scope of the various programs within the Department. The committee welcomes legitimate savings, but does not agree with the impounding of funds where it destroys the intent of Congress as to the size and nature of the programs of such agencies as the Soil Conservation Service, the Farmers Home Administration, the Rural Electrification Administration, the Forest Service, and the pest and disease control activities."

To carry this analogy through, I wish to point out that the absorption of these fire-fighting expenses already incurred runs counter to the practice Congress has long recognized—namely, that forest-fire fighting costs cannot be predicted as can many other expenses. Last year the Forest Service had some very terrible fires that were expensive to extinguish.

Should we now say that the cost of fighting fires set by an act of God should be paid for out of funds appropriated—after careful and meticulous study by Congress—for timber sales, watershed protection, construction and maintenance of roads and trails, and recreational development?

Here we have an example of the Department of Agriculture, having come before Congress last year to request funds for the fiscal year 1957, now implying: "We sought more than we needed for 1957, and we can absorb $2.3 million in other action programs that were expended on fire fighting and insect control without damage to these other programs." To further compound this grievous error, they have just appeared before the Appropriations Committee requesting increases totaling $22 million over the 1957 appropriation for the fiscal year 1958. Again, I emphasize that they have said that all of these increases for 1958 are necessary.

I cannot but conclude that their approach on this supplemental appropriation is unsound.

All of these fires occurred last summer. The Department knew the expense. If they knew they could absorb this expense in the 1957 budget, how could they come forward with an even larger budget for 1958?

I am convinced that if this supplemental appropriation is approved as submitted, it will result in the cutback of vital programs for the balance of the fiscal year 1957. In fact, these cuts will be concentrated in the last quarter of the fiscal year. Then, on July 1 the Department will race ahead full tilt at an even higher level of expenditure in these very programs.

I hope you will carefully scrutinize the effect of the proposals set forth by the Department of Agriculture.

Where Congress has agreed, as it has in fire fighting and insect control, that a supplemental appropriation will be based upon actual costs, I believe the Executive has a moral obligation to request, and Congress the duty, to appropriate these funds. For other programs where a new need occurs after the regular appropriation has been made, there should be a well defined prohibition of the executive branch expending funds in anticipation of securing favorable action by Congress. They should immediately come up here and at least discuss the matter with the leadership.

Finally, the transfer of funds from one program to another should be severely limited. If, in fact, the Executive has requested more funds than can be wisely expended upon a given program, or if the Congress has appropriated more than can be effectively utilized, the Executive should advise Congress of the savings that can be made by not expending the funds. However, when Congress believes that a given level of expenditure is in the public interest, the Executive must then be required to comply with the appropriation law and expend the funds.

I view the course of action suggested by the Executive as another effort to flaunt the will and judgment of Congress. Further, it is an effort to cripple and unbalance other needed programs for which specific funds have been appropriated by Congress. Even if a reduction in some program is feasible, I do not believe the executive branch should be permitted to decide where a cutback will be made. We should require that they indicate exactly where they recommend cuts be made, and Congress should write into the appropriation bill the reduction for each appropriation.

This present case is a good example of the fatal defect in the Executive approach to the problem. I am concerned that cuts will be made in vital capital-improvement programs, such as timber-access roads, rather than by a direct effort to find areas where permanent reductions may be made in the annual expenses of Government.

Instead of saving money, the taxpayer's precious dollar will be wasted. Instead of programs operating in a stable, efficient manner, they will stop and go with jerks and jumps. Just as we would not dream of letting an inexperienced engineer operate a valuable passenger train with its irreplaceable human cargo, we in Congress should not let the inexperienced and reckless engineers at the other end of Pennsylvania Avenue manipulate important Government programs when they know not whether they are pushing the throttle or pulling on the brake.

Sincerely yours,

WAYNE MORSE.

(Copies to the Honorable CLARENCE CANNON, the Honorable MICHAEL KIRWAN, the Honorable DON MAGNUSON, and the Honorable CARL HAYDEN.)

Mr. MORSE. Mr. President, it seems to me that if the Department of Agriculture can absorb $2.3 million of fire- and insect-fighting costs in other programs in the last quarter of the year, it should be possible for the Congress to detect some real saving opportunities. Arithmetic tells me that 4 times $2.3 million equals $9.2 million. It may well be that programs for which savings are proposed for 1957 can be cut back by $9.2 million for 1958. If the administration has proposed increases for 1958 in these programs, the savings opportunity might be even greater.

However, we already have a record made. Department head after department head has testified in favor of the budget as presented. Either real savings opportunities exist, or else these are phony savings.

For my part, I believe that the savings claims are really phony. Over in the Defense Department, through slipshod management, $5 million of the taxpayers' money was almost wasted. In the Department of Agriculture, savings are apparently proposed by cutting back temporarily on programs in the last quarter of the fiscal year, while added funds are sought for next year.

I think this administration would be pleased if we had an appropriation bill that merely read: "There is hereby appropriated $72 billion to be spent any way the President desires."

That is the net effect of the proposal in the supplemental bill, if we in the Congress allow the executive branch to save money by cutting back authorized programs and transferring the money to other activities. Mr. President, let me stress the point that in using the word "save" in that connection, I used the word with quotation marks around it.

I believe that the interests of economy might well be served by going over the supplemental bill in great detail. Let the Executive outline where every last cent of savings can be made. Then let the Congress assess the facts and look at the proposed expenditures for 1958. If a saving can really be made between now and June 30, 1957, let us not appropriate a penny more for that function for the year that starts July 1, 1957.

We in the Congress have many ways open to explore the possibility of savings. I commend two courses. First, let us have the Comptroller General study whether the appropriated money has been effectively spent. Through improving efficiency and insuring the careful use of funds available, we can promote real savings.

Second, let us examine these proposals to absorb extraordinary expenses by planned cutbacks in other programs. If funds can be transferred from a program without crippling its effectiveness, let us not in the subsequent years honor requests exceeding the net amount spent in the preceding year.

Above all, let us in the Congress be the final judge as to how and where the funds are expended. Let us not write a blank check addressed to whoever occupies 1600 Pennsylvania Avenue, be he a Republican or be he a Democrat.

It behooves all of us to remember that it is we in Congress who frequently are made to appear as ne'er-do-well spendthrifts foisting tremendous budgets on an unwilling Chief Executive. If we in Congress are to pay the piper, then it is we who should call the tune.

Furthermore, if the Chief Executive and his agents are playing a game of semantics with the people, let us expose the fraud.

In my opinion, that is exactly what the administration is doing.

The only thing consistent about this administration is its inconsistency. It ran on an economy ticket, and then proceeded to request more than has been requested in any four peacetime years. Instead of moaning and crying about the size of the budget, let us tell the American people the truth.

We are budgeting for the welfare and security of our Nation. We need no excuse. By our oath of office, we are obliged to promote our Nation's welfare. We appropriate, in good faith, the funds needed for our Nation's welfare.

The greatest part of the budget is requested by the President. We study that budget; and we may cut funds in one place, and we may add funds in another. The President tells us that cuts in funds he has requested are harmful, and then he tells us that essential increases for vital public works—which his big-business friends have not recommended—are not only unwise, but are pork-barrel politics. The implication to the people is that if we would just let the President have his way, the budget would be balanced.

Mr. President, for my part, I am getting tired of the political posture I see at the other end of Pennsylvania Avenue. One who forever sits astride a political fence and waits to learn the direction of political winds continually exposes his ineffectiveness as a political leader.

I think it is about time we got some constructive help from the administration, and it is we in Congress who must work together in this direction.

Mr. President, today, in making this speech, I plead again, as I have done many times since 1947, when I first proposed a capital budget—for the adoption by the Congress of a capital budget. As the record shows, that recommendation of mine was based on the early recommendation of the Committee for Economic Development—a committee composed of outstanding business leaders; and there was not one Government person on the committee.

I see that the Senator from Illinois [Mr. DOUGLAS] has just taken a seat in front of me, here in the Senate Chamber. I wish to state that in my opinion the Senator from Illinois is not only the greatest economist in the Congress, but he is one of the 10 great economists in the United States; and he is one of the economists who for some time have been urging the importance of having us face the budget problem from the standpoint of a capital budget.

I want to say, Mr. President, that I do not think we are going to have a sound budget procedure in this country until we provide for it. Yet there has not been a whisper of encouragement by this administration for such a budget procedure. There is not a single corporation in America which would think of conducting its financial affairs except on the basis of a capital budget, because a corporation would not get very far in sound bookkeeping if it tried to carry on its books capital investments as operating costs. That is what we do in running our national budget. We mix up operating costs and capital investments, both creating projects. We cannot do much about major budget provisions such as for military purposes, to pay interest rates, for veterans costs, and other so-called fixed costs, and we should not, because, as I have stated so many times, and I repeat today, I do not believe in economizing at the expense of the security of my country. However, the matter of the security of my country is not limited just to foreign affairs or military affairs. We have got to take a look at the security of our country from the standpoint of the future economic needs of American boys and girls. I respectfully point out that the Eisenhower administration is doing irreparable damage to the future needs and the heritage of future generations of American boys and girls in respect to their natural resources, of which the Eisenhower administration, during its term of office, is but the trustee of God's gift of these natural resources to each generation. I make that statement on the floor of the Senate today, as I have elsewhere in America, and will continue to do so so long as this budget issue is of such importance to future generations.

All one has to do, if one wants to see the false economy, is see the Eisenhower

administration's position with regard to water resources. Let the American people remember an ugly lesson of history. Civilizations go down as their water tables go down; and America's water table is going down. One of the reasons why America's water table is going down is that this administration is playing cheap politics with full river basin development. This administration is segmentizing the river basins of America, and this administration is following a profiteering and privateering course of action with America's water supply, by playing right into the monopolistic interests that are destroying the future water supply of American boys and girls in the decades ahead.

I say to the Senate and to the American people, I want you to look at the natural resources of our country and see something besides trees and mountains and streams and valleys. I want you to see this problem in terms of the imagery of the faces of unborn millions of American boys and girls who are going to follow us throughout the course of this national history of ours. I want to ask this question, What kind of a history will it be? Will it be a history in which shortsightedness and false economy caused us to exploit God's gift of natural resources to each generation, as we are doing under the Eisenhower administration? Or are we going to insist, before it is too late, that thousands of square miles of America shall not become another eroded China? Are we going to act before it is too late, Mr. President, in order to prevent what has developed in the course of history in the Middle East, when not so many centuries ago four times the area in the Middle East was then under cultivation as compared to now? Why? Because past centuries of people in the Middle East forgot to protect their water table.

One may say, "Mr. Senator, what has it got to do with this budget problem?" It has a great deal to do with it, because when we get down to the final cuts, if we yield to some of the hysteria in this economy drive, we cut off funds for great wealth-producing natural resource projects that will protect full river-basin development and protect the water supply for future generations.

Yes; I supported the upper Colorado project. I got a lot of criticism from my home State, too. It was said, "How can you support the upper Colorado River project? That is a very expensive project from the standpoint of cost-to-benefits." It is so expensive that the administration never even suggested that any of the power developments in that area should be taken over by the private utilities, because they are too expensive.

I will state why I supported the upper Colorado project. The upper Colorado project is primarily and fundamentally a water-conservation project, and I see the faces and imagery, to which I have alluded, of thousands and thousands of American boys and girls who are going to live in the upper Colorado project in the decades ahead. I considered it was my duty of statesmanship, during by service in the Senate, to see to it that I did attempt to get an adequate water supply. I took note of the fact that Denver is on water rationing several months each year. I take note that 244 counties of Texas out of 254 are water-disaster areas today.

I think when we come to grips with salient facts such as these, when we face the fact that there are literally hundreds of communities in America that are short in water supply today, the place to economize in this budget is not in great wealth-producing projects of the type advocated by Pinchot, Norris, Theodore Roosevelt, Franklin Roosevelt, Harry Truman, and others, because they recognized the soundness of that doctrine in this field of service.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MORSE. I yield to my good friend from Illinois.

Mr. DOUGLAS. First, may I say I want to congratulate the Senator from Oregon on the general nature of the speech which he is making and his plea for a capital budget, in which I most heartily join. I think the Senator from Oregon knows I have always supported him in the development of power projects along the Columbia River. Is not that true?

Mr. MORSE. That is correct. The Senator from Illinois is a great friend of ours, and I want to assure him the people of my State approve of his statesmanship.

Mr. DOUGLAS. I think such projects are sound, because the flow on the Columbia is tremendous, amounting to 180 million acre-feet. It is the greatest water resource on the continent. But I will say that, though the Senator from Oregon has in general made a very fine record in the Congress, and though I approve of most of his efforts in the field of power development and water conservation, he made the greatest mistake in his life when he supported the upper Colorado project, because that is a project where the cost per acre on irrigation ran from $800 an acre up to, in some cases, $2,000 an acre, in high altitudes, where farmers will never be able to grow anything but hay and perhaps a few apples, and where not more than $100 an acre can be paid back from the revenue received for crops raised on that land.

The richest soil in the country is in the central belt of counties across Illinois. This land does not have a value, at present, of more than $650 an acre. Yet the Senator from Oregon has the nerve to stand here on the floor of the Senate and say that he did a great job for the public when he voted to spend from $800 to $2,000 an acre on high altitude land, 5,000 feet above sea level, where the growing season will be less than 100 days per year.

The Senator from Oregon is one of the great Senators of all time. I suppose he is entitled to his share of mistakes. I believe that when the Senator from Oregon reaches the conclusion of his long and illustrious life, when he looks back at his vote on the upper Colorado, he will say, "That time I erred."

Mr. MORSE. I think everyone in the Senate knows I love the Senator from Illinois very, very much. He usually exercises great influence on my judgment, Mr. President.

I listened to the Senator from Illinois during the debate on the upper Colorado River bill, and I came to the conclusion that this was one of only a few times that my good friend from Illinois suffered from historical myopia—that he was not seeing far enough ahead into history.

I recognize the high cost of this project as of now. I hope the Senator from Illinois is not correct. I hope I am not mistaken about it, Mr. President. But I do wish to say that facts such as the following are facts that concern me very much, as to the upper Colorado River debate: The testimony before our committees was that the population experts are raising the question, "Where will the food come from by the year 2000?" Their concern is that we will not, by the year 2000, be able to produce enough food to feed the population of the United States.

So, Mr. President, with that kind of concern, we had better act now and take the steps now, costly as it is going to be, for insurance purposes for the future, to see to it that we follow this water-conservation program in order to obtain that food.

Mr. President, I think we have to agree that when we come to the problem of the adequacy of food, the problem of having enough food to meet the needs of our population, we cannot pay too much to solve the problem.

I know the Senator from Illinois has performed a great service here in the Senate by checking up on these various reclamation projects, elsewhere than in the upper Colorado River Basin, some of which do cost a great deal.

But I do think, Mr. President, in terms of history, these projects are going to be cheap investments on the part of the American people. I may be wrong in this premise. If I am, then my argument falls to the floor of the Senate, Mr. President. However, in my judgment one cannot accomplish what is needed on a piecemeal basis. One has to work on the basis of a comprehensive river basin development program. That is why I go along, Mr. President, with some projects which are highly expensive.

I assure the Senator from Illinois—and I speak quite facetiously about it—that I listened to what he just said about the value of Illinois land and about the population of Illinois, a State with wonderful land and wonderful people, but I do not have anything to do with the fact that many of those people are migrating to the upper Colorado River Basin.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MORSE. I think I ought to serve those ex-Illinoisans by seeing to it that when they get to the upper Colorado River Basin they will have enough water to drink.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. MORSE. I yield. The Senator knows I am just having a little fun with him.

Mr. DOUGLAS. Is it not true that one of the areas of the country which lost population in the period from 1940 to 1950 was the area of these Mountain States, from Montana down through Utah, Wyoming, Colorado, and so on?

Mr. MORSE. The Senator is correct.

Mr. DOUGLAS. As a matter of fact, the population is upheld very largely by subsidies paid by the Federal Government, such as the irrigation subsidy, the silver subsidy, and the wool subsidy. There is also the prohibition against importation of cattle to this country, when such cattle could be imported to sell at prices lower than sales prices of domestic cattle in the United States.

Believe me, the political power of those Mountain States is exercised very frequently at the expense of the consumers and taxpayers of the country.

Mr. MORSE. I understand the point of view of the Senator from Illinois. I will say to the Senator, good-naturedly and seriously, that of course one of the reasons this out-migration has been taking place is the very major premise I am laying down here today, the fact that we are not protecting the water supply of that area and the water table is falling.

We must have a total nation—not a nation in which there is a density of population in one part of the country, with great physical erosion, so far as natural resources are concerned, in other parts of the country, for that will bring human erosion, too. What happens, Mr. President, when we do not protect the natural resources of the people living in an area, is that the people erode, too, so far as their regional culture and their civilization are concerned.

I desire a total nation. I wish to have a nation, Mr. President, where a person can go to any of these areas, to which the Senator from Illinois has referred, and find the same great standards of living that are enjoyed in the State of Illinois. Of course, we all have to pay part of the bill.

I do not mean to imply that the Senator from Illinois is a regionalist, because he is not. His great record in the Senate shows he is not. This is only one small facet of this problem, on which he and I have disagreed. I think part of that disagreement is because the Senator does not fully appreciate, I feel, the fact that a little bit of regionalism has crept into his economic philosophy. But that does not in any way do any great damage to the magnificent economic record the Senator has made as a wonderful economist. That is our difference.

I am glad the Senator has raised these points today. I wish to state to the Senator from Illinois that I shall continue to weigh his point of view; but I shall continue to fight with all my ability in the Senate, such as I may have, for the total development of the natural resources of our country, for the benefit of the future generations of American boys and girls, to whom I refer so frequently in my discussions of the subject.

I yield the floor.

The PRESIDING OFFICER. The bill is open to amendment.

PROPOSED CIVIL RIGHTS LEGISLATION

Mr. HENNINGS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD two memorandums. Both relate directly to so-called civil rights legislation. One is a memorandum, which I sent to all members of the Judiciary Committee. It deals with the broad question of the alleged denial of a jury trial under the pending legislation. The second deals with the more specific question of a right to a jury trial in labor dispute cases.

I think these memorandums will be of interest to all Members of the Senate.

There being no objection, the memorandums were ordered to be printed in the RECORD, as follows:

MEMORANDUM

UNITED STATES SENATE,
Washington, D. C., March 23, 1957.

To: All Members of the Senate Committee on the Judiciary.
From: THOMAS C. HENNINGS, Jr.
Subject: Alleged denial of jury trial in pending civil rights legislation.

During the past week or so, an effort has been made, both in the press and otherwise, to convince the Congress and the public that the injunctive relief contained in the pending civil rights legislation would result in a deprivation of "the right to a trial by jury." To lay minds, there might seem to be something superficially plausible in this allegation. However, I am certain that lawyers will see that the charge is essentially without foundation in fact.

As all lawyers know, the concept of jury trial is a limited one, both traditionally and constitutionally. It is well-known that a person is not entitled to a jury trial in every conceivable type of criminal proceeding, or, indeed, in every type of criminal proceeding for that matter. In fact, the Constitution provides for jury trial in only two types of proceedings: (a) criminal prosecutions and (b) civil actions at law for money damages in excess of a certain amount.

One field of the law in which jury trial is very limited is in equity proceedings. To listen to the opponents of civil rights legislation, one would think that injunctive relief was something new. As we all know, it goes back for hundreds of years in Anglo-American legal history.

The injunctive process was first established to provide relief in unusual circumstances, where the regular law courts could not, in fact, be counted upon to provide relief. The injunctive process continues to serve the same purpose today.

One such unusual circumstance exists today where the civil and criminal procedures cannot be relied upon to provide relief in certain cases of violations of voting rights. We know that, regardless of the facts, juries in some such cases are not likely to convict. An alternative is the grant of injunctive relief to the United States.

If an injunction against the violation of the right to vote were issued by a Federal judge, and if this injunction were willfully disobeyed by voting officials, such officials would then be in contempt of the court. Contempt proceedings could be undertaken by the Federal judge, without a jury. However, there is nothing in either our Constitution, our historical development, or our tradition which guarantees a jury trial in a chancery or equity proceeding. Furthermore, in both civil and criminal contempts to punish for violation of an injunction, there is no right to a trial by jury if the United States has been a party litigant in the proceedings (with one exception, below). In fact, Congress has denied a jury trial in contempt proceedings where the injunction was instituted by the United States (18 U. S. C. 3691).

There is only 1 exception to this rule, only 1 type of case in which a person charged with contempt is entitled by law to a trial by jury where the United States is a party. This is in the case of labor disputes where injunctions are obtained under the Norris-La Guardia Act. And even this exception is, today, for all practical purposes a dead letter, since injunctions are now obtained under provisions either of the Taft-Hartley Act (which does not provide for trial by jury for violations of injunctions) or under State laws (which may or may not provide for jury trial).

My conclusions have been thoroughly documented in two attachments to this memorandum. The first is an excellent analysis by the chief counsel of the Constitutional Rights Subcommittee.

The second is a list of 28 Federal statutes in which injunctive relief lies. As outlined above, with one exception, there is no right to trial by jury in cases for criminal contempt of court for violations of injunctions, under these statutes, where the United States is a party to the case.

ATTACHMENT A

UNITED STATES SENATE,
COMMITTEE ON THE JUDICIARY,
SUBCOMMITTEE ON
CONSTITUTIONAL RIGHTS,
March 12, 1957.

To: The Honorable THOMAS C. HENNINGS, Jr., Chairman, Senate Judiciary Subcommittee on Constitutional Rights.
From: Charles H. Slayman, Jr., Chief Counsel and Staff Director, Senate Judiciary Subcommittee on Constitutional Rights.
Subject: Some notes supporting the position that proposed civil-rights legislation, with its provision for Federal injunctive relief, will not infringe constitutional rights of Americans to trial by jury.

1. Proponents of the proposed civil-rights legislation maintain that no person will be denied the right to trial by jury in any situation in which he is now guaranteed that right.

2. Subject notes are attached in support of this position.

Respectfully submitted.

CHARLES H. SLAYMAN, Jr.

Some notes supporting the position that proposed civil rights legislation, with its provisions for Federal injunctive relief, will not infringe the constitutional rights of Americans to trial by jury:

1. The present legal and equitable situations in civil rights cases.

(a) Private plaintiffs may sue for damages resulting from deprivations of civil rights under 42 U. S. C. 1983, and 1985. Constitutional procedural guaranties apply for civil actions at law.

(b) Private plaintiffs may seek equitable relief, including injunctions and declaratory judgments, pursuant to 42 U. S. C. 1983, where such remedies would be appropriate under the historical doctrines of equity. Constitutional procedural guaranties apply for suits in equity.

(c) The Federal Government may institute criminal prosecutions under 18 U. S. C. 241, 242, or 594, as appropriate. Constitutional procedural guaranties apply for criminal prosecutions.

2. The legal and equitable effects of the proposed additional civil remedies for civil rights cases.

(a) The Federal Government would be authorized to bring a suit for damages either on its own behalf or on behalf of the aggrieved party. The constitutional procedural guaranties appropriate to civil actions at law would apply here in the same manner as in private actions for damages.

(b) The Federal Government would be able to seek equitable relief, including injunctions and declaratory judgments, wherever such remedies would be appropriate under the historical doctrines of equity. The procedural rules historically governing equity proceedings would apply along with all the constitutional guaranties provided for such cases in the same manner as in private suits, except that the equity doctrine requiring exhaustion of administrative remedies would be modified.

(c) The Federal Government would still be empowered to institute criminal prosecutions in which all of the constitutional guaranties appropriate to such prosecutions would apply.

3. Jury trial would not be denied.

(a) The constitutional right to trial by jury would not be infringed. Under the United States Constitution, the defendant has such a right in criminal prosecutions and in civil actions at law but not in civil suits in equity. The proposed legislation makes no change; the defendant is not now entitled to a jury when a private person brings a civil suit for injunction.

(b) It is not a valid argument to say that the proposed legislation would deprive a person of a right to trial by jury by permitting the Government to institute proceedings for preventive relief as well as criminal prosecutions. Such an argument seems to say that persons who propose to violate the Constitution provisions guaranteeing civil rights have a constitutional right to be subjected only to a criminal prosecution. Congress has always had the power—and, as shown by the list of 28 statutes placed in the record of the hearings by the Attorney General, has frequently exercised it—to decide whether forbidden conduct shall be reached by civil proceedings or by criminal proceedings or by both.

(c) In proceedings for contempt of court as the result of a violation of an injunction, the defendant has no constitutional right to a jury trial. Congress has provided for a jury trial in certain contempt cases and not in others. The Federal Rules of Criminal Procedure, provide, in section (b) of rule 42, on criminal contempt:

"The defendant is entitled to a trial by jury in any case in which an act of Congress so provides."

It has long been the declared policy of Congress that—except in labor-dispute cases—there shall be no right to a jury trial where the contempt charge is disobedience of an injunction obtained in a proceeding in which the United States Government was the plaintiff. Title 18, United States Code, sections 3691 and 3692 specifically provides for a jury trial for contempt in labor-dispute cases. The proposed legislation does not alter this long-standing Congressional policy.

4. Right to counsel, right to confront and cross-examine witnesses, right to a fair trial would not be denied.

(a) Normal equity procedures apply to a trial on the merits of a plaintiff's request for an injunction or declaratory judgment. Witnesses are heard in person and subject to cross-examination by counsel. Affidavits are not used to establish facts. With respect to the right of the defendant to be represented by counsel and to confront and cross-examine witnesses and to have all the other procedural requisites for a fair trial, such a proceeding is the same as any other civil suit.

(b) Courts of equity have inherent power to issue restraining orders and temporary injunctions, for the purpose of preserving the status quo pending the final outcome of the suit, and to do so on the basis of affidavits. The proposed legislation does no more than recognize this standard equitable power and purports to give no special power to the Federal courts in civil-right cases. Similar language in this respect will be found in many Federal statutes. See, e. g., Atomic Energy Act of 1954, authorizing the Attorney General to seek injunctive relief and providing that "a permanent or temporary injunction, restraining order, or other order may be granted" (42 U. S. C. 2280). Similar language is in the Federal Power Act (16 U. S. C. 825m) and many other statutes. In all these situations, the relief granted on affidavits is only temporary and at the trial on the merits witnesses are heard and examined as described above.

(c) The Federal courts have clearly defined the law to be that "the purpose of a preliminary injunction is to preserve the subject matter of the controversy in its then existing conditions—to preserve the status quo." (*Seagram Distilling Corp.* v. *New Cut Rate Liquors* (22 F. 2d 815, 820 (1955)).) A restraining order or preliminary injunction is not proper where the effect would be to compel the defendant to take affirmative action beyond that necessary to preserve the status quo. (*Eighth Regional War Labor Bd.* v. *Humble Oil and Refining Co.* (145 F. 2d. 462, 464 (1942)).) "Where the granting of a preliminary injunction would give to a plaintiff all the actual advantage which could be obtained by the plaintiff as a result of a final adjudication of a controversy in favor of the plaintiff, a motion for preliminary injunction should be denied." (*Selchow & Richter Co.* v. *Western Printing and Lithographing Co.* (112 F. 2d 430 (1940)).) There is nothing in the proposed statute which would modify such established doctrines of equity practice. If the Federal court in equity would not be able to proceed to a full hearing on the merits prior to an election, for example, it would not be authorized to decide the issue on affidavits. If the complaint were a refusal to register the voter, no preliminary injunction would be proper since it would go beyond the status quo. If, on the other hand, the complaint was that the registrar was about to strike the name of a voter from the rolls, then a preliminary injunction might be proper to preserve the status quo—that is, to maintain his existing status as a registered voter.

5. Many judicial limitations are placed upon equity proceedings to insure fairness to the defendant.

(a) In an equity proceeding, the plaintiff, whether it be a private person or the Government, must satisfy the historical requisites for equity jurisdiction. He must show irreparable injury and the inadequacy of the remedy at law. The court has a much broader discretion to deny the requested relief than it has in actions at law.

(b) The judicial attitude in such cases and the safeguards placed by the court is illustrated by the following quotations from the Supreme Court opinion in *Eccles* v. *Peoples Bank of Lakewood Village* (333 U. S. 426 (1948)), a case in which the Court upheld the refusal of the district court to grant relief to the plaintiff in an injunction proceeding on a motion for summary judgment heard on affidavits: "A declaratory judgment, like other forms of equitable relief, should be granted only as a matter of judicial discretion, exercised in the public interest. * * * It is always the duty of a court of equity to strike a proper balance between the needs of the plaintiff and the consequences of giving the desired relief. Especially where governmental action is involved, courts should not intervene unless the need for equitable relief is clear, not remote or speculative. * * * A determination of administrative authority may of course be made at the behest of one so immediately and truly injured by a regulation claimed to be invalid, that his need is sufficiently compelling to justify judicial intervention even before the completion of the administrative process. But, as we have seen, the bank's grievance here is too remote and insubstantial, too speculative in nature, to justify an injunction against the Board of Governors and therefore equally inappropriate for a declaration of rights. This is especially true in view of the type of proof offered by the bank. Its claims of injury were supported entirely by affidavits. Judgments on issues of public moment based on such evidence, not subject to probing by judge and opposing counsel, is apt to be treacherous. Caution is appropriate against the subtle tendency to decide public issues free from the safeguards of critical scrutiny of the facts, through use of a declaratory summary judgment. Modern equity practice has tended away from a procedure based on affidavits and interrogatories, because of its proven insufficiencies."

6. Legislation would not transfer to Federal courts power to determine qualifications of voters.

If a State establishes voter qualifications and registration procedures applicable to all voters without discrimination based on race, color, etc., and if the election authorities comply with the State statute, the Federal courts now do not have jurisdiction to interfere and would not have under the proposed legislation. It is only when the registrar fails to comply with the State law and discriminates against certain voters that the Federal courts have jurisdiction. The jurisdiction of the Federal courts is not to determine the qualifications of the voter but rather it is to prevent or punish, as the case may be, action by the election officials which (in violation of State and Federal law) results in a discriminatory application of the local qualifications.

ATTACHMENT B

Statutes authorizing injunctive relief to the United States Government and agencies authorized to seek the same

1. Antitrust laws, restraining violations (by U. S. attorney under direction of Attorney General) (15 U. S. C. 4).

2. Associations engaged in catching and marketing aquatic products restrained from violating order to cease and desist monopolizing trade (by Department of Justice) (13 U. S. C. 522).

3. Association of producers of agricultural products from restraining trade (by Department of Justice) (7 U. S. C. 292).

4. Atomic Energy Act, enjoining violation of act or regulation (by Atomic Energy Commission) (42 U. S. C. 1816).

5. Atomic Energy Act, enjoining violation of act or regulation (by Attorney General) (42 U. S. C. 2280).

6. Bridges over navigable waters, injunction to enforce removal of bridge violating act as to alteration of bridges (by Attorney General) (33 U. S. C. 519).

7. Clayton Act, violation of enjoined (by U. S. attorney, under direction of Attorney General) (15 U. S. C. 25).

8. Electric utility companies, compliance with law enforced by injunctions (by Federal Power Commission) (16 U. S. C. 825).

9. False advertisements, dissemination enjoined (by Federal Trade Commission) (15 U. S. C. 53).

10. Freight forwarders, enforcement of laws, orders, rules, etc., by injunctions. (Interstate Commerce Commission or Attorney General) (49 U. S. C. 1017).

11. Fur Products Labeling Act, to enjoin violation (by Federal Trade Commission) (15 U. S. C. 69g).

12. Inclosure of public lands, enjoining violation (by U. S. attorney) (43 U. S. C. 1062).

13. Investment advisors, violations of statute, rules and regulations governing, enjoined (by Securities and Exchange Commission) (15 U. S. C. 80b-9).

14. Gross misconduct or gross abuse of trust by investment companies, enjoined (by Securities and Exchange Commission) (15 U. S. C. 80a-35).

15. Use of misleading name or title by investment company, enjoined (by Securities and Exchange Commission) (15 U. S. C. 80a-34).

16. Violation of statute governing, or rules, regulations, or orders of SEC by investment companies, enjoined (by Securities and Exchange Commission) (15 U. S. C. 80a-41).

17. Fair Labor Standards Act, enjoining of violations (by Administrator, Wage and Hour Division, Department of Labor, under direction of Attorney General; see 29 U. S. C. 204b) (29 U. S. C. 216 (c), 217).

18. Longshoremen's and Harbor Workers' Compensation Act, enforcement of order by injunction (by U. S. attorney; see 29 U. S. C. 921a) (33 U. S. C. 921).

19. Import trade, prevention of restraint by injunction (by U. S. attorney, under direction of Attorney General) (15 U. S. C. 9).

20 Wool products, enjoining violation of Labeling Act (by Federal Trade Commission) (15 U. S. C. 68e).

21. Securities Act, actions to restrain violations (by Securities and Exchange Commission) (15 U. S. C. 77t).

22. Securities Exchange Act, restraint of violations (by Securities and Exchange Commission) (15 U. S. C. 78u).

23. Stockyards, injunction to enforce order of Secretary of Agriculture (by Attorney General) (7 U. S. C. 216).

24. Submarine cables, to enjoin landing or operation (by the United States) (47 U. S. C. 36).

25. Sugar quota, to restrain violations (by U. S. attorney, under direction of Attorney General; see 7 U. S. C. 608 (7) (7 U. S. C. 608a (6))).

26. Water carriers in interstate and foreign commerce, injunctions for violations of orders of ICC (by ICC or Attorney General) (49 U. S. C. 916).

27. Flammable Fabrics Act, to enjoin violations (by Federal Trade Commission) (15 U. S. C. 1195).

28. National Housing Act, injunction against violation (by Attorney General) (12 U. S. C. 1731b).

RIGHT TO A JURY TRIAL IN LABOR-DISPUTE CASES

The contention has been made in connection with the pending civil-rights bill that in labor-dispute cases there is a general statutory right to a jury trial for contempt. From this contention it is argued that a similar right to a jury trial for contempt should be given in civil-rights cases.

The brief answer to this line of argument is that unions and employers do not now enjoy any significant or substantial rights to jury trials in contempt cases arising out of labor disputes. To demonstrate that this is so requires, however, a fairly detailed explanation of the law on this subject.

To begin with, there is no constitutional right to a jury trial in any contempt proceeding, civil or criminal. In re *Debs* (158 U. S. 564, 594, 595, 15 S. Ct. 900 (1894)). (If there were a constitutional right to a jury trial, the present controversy in connection with the so-called civil-rights legislation would, of course, not arise.) Thus, any right to a jury trial in contempt cases must, in the case of the Federal courts, rest on the Federal statutes, and, in the case of State courts, on State statutes.

Let us see then what the controlling statutes provide.

Federal statutes: The only Federal statute which confers any right to a jury trial for contempt in labor-dispute cases is section 3692 of the Criminal Code (title 18 of the United States Code). The first sentence of this section reads:

"In all cases of contempt arising under the laws of the United States governing the issuance of injunctions or restraining orders in any case involving or growing out of a labor dispute, the accused shall enjoy the right to a speedy and public trial by an impartial jury of the State and district wherein the contempt shall have been committed."

There then follows a provision that the section shall not apply to contempts committed in the presence of the courts, etc.

On its face this section provides generally for jury trials for criminal contempt in labor-dispute cases. However, it is not entirely clear that this statute will be applied literally.

This section is derived from section 11 of the Norris-La Guardia Act (act of March 23, 1932, c. 90, 47 Stat. 72, formerly 29 U. S. C. sec. 111 (1940 ed.)). In its original form it applied only to contempt of injunctions issued under the Norri-La Guardia Act. In the famous Mine Workers case the Supreme Court ruled that the Norris-La Guardia Act, including section 11, does not apply to suits brought by the United States; and that the union was accordingly not entitled to a jury trial when Judge Goldsborough fined it $3,500,000 for criminal contempt. (The fine was reduced to $700,000 by the Supreme Court.) *United States* v. *United Mine Workers* (330 U. S. 258, 298, 67 S. Ct. 677, 698 (1947)).

Further, the Taft-Hartley Act explicitly provides (secs. 10 (h), 203 (b), 302 (e)) that the Norris-La Guardia Act shall not apply to the issuance of injunctions under Taft-Hartley.

Finally, the Norris-La Guardia Act, in actual practice, virtually ended the issuance of injunctions by the Federal courts in labor-dispute cases between private parties.

Thus, following the United Mine Workers decision and the enactment of the Taft-Hartley Act, section 11 of the Norris-La Guardia Act (29 U. S. C. 111) was a dead letter. It had no application to contempt of injunctions obtained by the United States or by the NLRB; and since the enactment of the Norris-La Guardia Act, injunctions have almost never been obtained by employers in labor-dispute cases in the Federal courts.

At this point the 1948 revision of the Criminal Code was enacted. In this revision section 11 of the Norris-La Guardia Act was repealed and in a revised form became section 3692 of title 18. In its new form as section 3692, the provision is phrased generally and states that "in all cases of contempt" in any case growing out of a labor dispute the accused shall enjoy the right to a jury trial.

The question thus arises whether, in view of this revision and generalization of the section, there is now a right to a jury trial for criminal contempt (1) in labor-dispute cases to which the United States is a party—like the United Mine Workers case—or (2) in cases involving disobedience of court orders issued under the National Labor Relations Act.

No flat answer to this question can be given. Although the 1948 recodification and revision of the Criminal Code was enacted into positive law, and the prior statutes repealed, the courts will still to some extent look to the wording and purpose of the predecessor statute. *Amalgamated Clothing Workers* v. *Richman Brothers* (348 U. S. 511, 75 S. Ct. 452 (1955)). If the courts look to section 11 of the Norris-La Guardia Act as a guide to the meaning of the present section 3692 of title 18, they may conclude that, despite the latter's general phraseology, it was meant to apply only to contempt of injunctions issued under the Norris-La Guardia Act. And it seems unlikely that Congress intended, in approving this section as a part of the 1948 revision of the Criminal Code, to restore jury trial in contempt cases arising under the Taft-Hartley Act when Congress had explicitly provided the year before that the Norris-La Guardia provisions, including that for jury trial, should not apply under the Taft-Hartley Act.

On the other hand, the language of section 3692 is general and unequivocal, and the courts may conceivably hold that its scope is not limited to contempt of injunctions issued under the Norris-La Guardia Act.

No single case arising since the 1948 revision is found in the annotations to section 3692; and the possible application of section 3692 does not seem to have been urged in any contempt case arising under the Taft-Hartley Act.

However, even if section 3692 be taken as a general provision, extending beyond the Norris-La Guardia Act, its practical significance is not great. That is because, as part of the Criminal Code (title 18), it applies only to criminal contempt and not to civil contempt. (See Moore's Federal Practice (2d ed., vol. 5, p. 260).) Even apart from the section's incorporation in the Criminal Code, the Supreme Court interpreted a similar provision in the Clayton Act as applying only to criminal, and not to civil, contempt, and it even expressed doubt whether Congress could accord a right to jury trial in a civil-contempt proceeding without encroaching upon the equity jurisdiction intended by the Constitution. See *Michaelson* v. *United States* (266 U. S. 42, 45 S. Ct. 18 (1924)).

Normally the same facts give rise to both civil and criminal contempt: the only difference is that the punishment for civil contempt must be remedial while that for criminal contempt may be punitive as well. See the *United Mine Workers* case (Moore's Federal Practice (2d ed.) vol. 5, pp. 256-265). Thus, if a union strikes in violation of a court order it can, in either a civil or criminal contempt proceeding, be fined a thousand dollars a day for each day the strike continues, and its leaders can be imprisoned while the strike lasts. The only difference between the two types of contempt is that in a criminal contempt proceeding a fine and jail sentence can be levied even after the union has complied with the court order.

Not only does the same state of facts normally give rise to both civil or criminal contempt, but the courts usually resort to civil rather than to criminal contempt proceedings. That is probably why, though there have been scores of contempt proceedings under the Taft-Hartley Act, in many of which it would have been advantageous to the defendant to seek a jury trial, there is no record that any jury trial has never been claimed.

Since the courts are thus free to resort to civil contempt rather than criminal contempt (and normally prefer to) and since there is no right to a jury trial in civil contempt, it makes little practical difference whether section 3692 of title 18 gives a right to a jury trial for criminal contempt in labor dispute cases. Here again, that is no doubt why no single case has arisen under that section since 1948.

This point is equally applicable to section 3691 of title 18, which provides for jury trial of criminal contempts when the act done constitutes a criminal offense. (The statute excepts from this general rule suits brought by the United States, and the proposal which has been made in connection with the so-called civil rights legislation is to create an exception to this exception by providing for jury trial of contempts in civil rights cases even though they are brought by the United States.) Since this section, too, applies only to criminal contempt proceedings, and not to civil contempts, it is not really of major significance. The prosecuting authorities can always avoid a jury trial by proceeding for civil, rather than criminal, contempt.

Thus, as far as the Federal courts are concerned, there is no meaningful right to a jury trial in contempt cases arising out of labor disputes.

State proceedings: Since the enactment of the Norris-La Guardia Act in 1932, employers have resorted primarily to the State courts in their quest for injunctions in labor dispute cases. See report on State Court Injunctions, Senate Committee on Labor and Public Welfare, 81st Congress, second session, Document No. 7.

Since there is no Federal constitutional right to a jury trial in contempt cases, either civil or criminal, it is wholly up to each State whether or not to accord a right to jury trial in contempt proceedings. Some States do provide for a jury trial in criminal contempt proceedings, but many States do not. Some States do not even apply the preponderance of evidence rule in criminal contempt cases. Jury trials in civil contempt proceedings are virtually unknown.

Since the great bulk of the injunctions in labor dispute cases are issued by the State courts, and since the State courts do not normally provide jury trials in contempt cases, it is manifest that there is little substance to any assertion that unions enjoy the right to a jury trial in contempt cases growing out of labor disputes.

SUMMARY

Unions may or may not enjoy a theoretical right to jury trial in criminal contempt cases in the Federal courts: this issue has not been ruled upon. Unions and employers do not enjoy any right to a jury trial in civil contempt cases in the Federal courts, of which there are a considerable number. In the State courts, it is strictly up to the States whether to accord a jury trial in contempt cases—civil or criminal—and most States do not grant a jury trial.

AGREEMENT FOR COOPERATION WITH THAILAND

Mr. PASTORE. Mr. President, I ask unanimous consent to have printed in the RECORD an amendment to the agreement for cooperation with Thailand, with accompanying correspondence. The agreement makes an additional amount of material available to Thailand, under its research agreement, up to 100 grams of contained uranium-235, 10 grams of plutonium, and 10 grams of uranium-233.

It also clarifies the responsibility of the Governments of Thailand and the United States with respect to any liability arising out of the research agreement. This agreement, which arrived before the Joint Committee on Atomic Energy on March 29, comes before the Joint Committee in accordance with the provisions of section 123 of the Atomic Energy Act of 1954.

There being no objection, the amendment to the agreement, with accompanying correspondence, was ordered to be printed in the RECORD, as follows:

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., March 29, 1957.

Hon. CARL T. DURHAM,
Chairman, Joint Committee on Atomic Energy, Congress of the United States.

DEAR MR. DURHAM: Pursuant to section 123c of the Atomic Energy Act of 1954, there is submitted with this letter:

1. An amendment, signed at Washington March 27, 1957, to the Agreement for Cooperation Between the Government of the United States of America and the Government of the Kingdom of Thailand Concerning the Civil Uses of Atomic Energy signed at Bangkok on March 13, 1956;

2. A letter dated March 5, 1957, from the Chairman of the Atomic Energy Commission to the President recommending approval of the amendment;

3. A letter dated March 12, 1957, from the President to the Chairman of the Atomic Energy Commission approving the amendment, authorizing its execution and containing his determination that it will promote and will not constitute an unreasonable risk to the common defense and security.

Article II of the amendment would permit the transfer of limited amounts of special nuclear materials, including U-235, U-233 and plutonium, for defined research projects related to the peaceful uses of atomic energy.

Articles I and III of the amendment include new provisions which are designed to clarify the responsibilities that the parties to the agreement have assumed with respect to liability for any information, special nuclear material or fuel elements transferred pursuant to the agreement.

The amendment will enter into force when the two governments have exchanged notifications that their respective statutory and constitutional requirements have been fulfilled (art. IV).

Sincerely yours,
LEWIS L. STRAUSS, *Chairman.*

Enclosures: (1) Amendment to the Agreement for Cooperation with Thailand (3 certified copies), (2) letter from Commission to President (3 certified copies), (3) letter from President to Commission (3 certified copies).

UNITED STATES ATOMIC
ENERGY COMMISSION,
Washington, D. C., March 5, 1957.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the attached amendment to the agreement entitled "Agreement for Cooperation Between the Government of the United States of America and the Government of the Kingdom of Thailand Concerning Civil Uses of Atomic Energy," which was signed on March 13, 1956. The Commission believes that the proposed amendment will, if effectuated, advance the peaceful uses of atomic energy. It is also recommended that you authorize the execution of this proposed amendment by appropriate officials of the United States Atomic Energy Commission and the Department of State.

Article II of the amendment would permit the transfer of limited amounts of special nuclear material, namely, U-235, U-233, and plutonium, for defined research projects in the peaceful uses of atomic energy.

Articles I and III of the amendment include new provisions which are designed to clarify the responsibilities that the parties to the agreement have assumed with respect to liability for any information, special nuclear material, or fuel elements transferred pursuant to the agreement.

Subject to your approval, and to the authorization requested, the proposed amendment will be executed by appropriate authorities of Thailand and the United States. In compliance with section 123c of the Atomic Energy Act of 1954, the amendment will then be placed before the Joint Committee on Atomic Energy.

Respectfully,
LEWIS L. STRAUSS,
Chairman.

I certify this to be a true copy.
W. T. MALLISON, Jr.,
Acting Chief, Asian-African Branch, Division of International Affairs.

(Enclosure: Amendment to agreement for cooperation with Thailand.)

THE WHITE HOUSE,
Washington, March 12, 1957.

The Honorable LEWIS L. STRAUSS,
Chairman, Atomic Energy Commission, Washington, D. C.

DEAR MR. STRAUSS: By letter dated March 5, 1957, the Atomic Energy Commission recommended that I approve a proposed amendment to the "Agreement for Cooperation Between the Government of the United States of America and the Government of the Kingdom of Thailand Concerning Civil Uses of Atomic Energy," which was signed on March 13, 1956.

The Commission's letter states that article II of the amendment will permit the transfer of limited amounts of special nuclear materials to the Government of the Kingdom of Thailand for research in the peaceful uses of atomic energy. I have also noted that articles I and III of the proposed amendments are designed to make the responsibilities of the parties to the agreement more explicit.

I have examined the proposed amendment to the agreement and I share the belief of the Commission that the performance of the amendment will serve to advance the peaceful uses of atomic energy.

Accordingly, pursuant to the provisions of section 123 of the Atomic Energy Act of 1954, and upon the recommendations of the Atomic Energy Commission, I hereby

1. Approve the proposed amendment to the Agreement for Cooperation Between the Government of the United States of America and the Government of the Kingdom of Thailand Concerning Civil Uses of Atomic Energy;

2. Determine that the performance of the proposed amendment to the agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States; and

3. Authorize the execution of the proposed amendment to the agreement for the Government of the United States by appropriate authorities of the United States Atomic Energy Commission and the Department of State.

Sincerely,
DWIGHT D. EISENHOWER.

I certify this to be a true copy.
W. T. MALLISON, Jr.,
Acting Chief, Asian-African Branch, Division of International Affairs.

AMENDMENT TO AGREEMENT FOR COOPERATION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE KINGDOM OF THAILAND CONCERNING CIVIL USES OF ATOMIC ENERGY

The Government of the United States of America and the Government of the Kingdom of Thailand;

Desiring to amend the Agreement for Cooperation Between the Government of the United States of America and the Government of the Kingdom of Thailand Concerning Civil Uses of Atomic Energy, signed on March 13, 1956, hereinafter referred to as the "Agreement for Cooperation";

Have agreed as follows:

ARTICLE I

Article I of the Agreement for Cooperation is amended to read as follows:

"A. Subject to the limitations of article V, the Parties hereto will exchange information in the following fields:

"1. Design, construction and operation of research reactors and their use as research, development, and engineering tools and in medical therapy.

"2. Health and safety problems related to the operation and use of research reactors.

"3. The use of radioactive isotopes in physical and biological research, medical therapy, agriculture, and industry.

"B. The application or use of any information or data of any kind whatsoever, including design drawings and specifications, exchanged under this Agreement shall be the responsibility of the Party which receives and uses such information or data, and it is understood that the other cooperating Party does not warrant the accuracy, completeness, or suitability of such information or data for any particular use or application."

ARTICLE II

The following new article is added directly after Article III of the Agreement for Cooperation:

"ARTICLE III (A)

"Materials of interest in connection with defined research projects related to the peaceful uses of atomic energy undertaken by the Government of the Kingdom of Thailand, including source materials, special nuclear materials, byproduct material, other radioisotopes, and stable isotopes, will be sold or otherwise transferred to the Government of the Kingdom of Thailand by the Commission for research purposes in such quantities and under such terms and conditions as may be agreed when such materials are not available commercially. In no case, however, shall the quantity of special nuclear materials under the jurisdiction of the Government of the Kingdom of Thailand by reason of transfer under this article, be, at any one time, in excess of 100 grams of contained U-235, 10 grams of plutonium, and 10 grams of U-233."

ARTICLE III

1. Article VI, paragraph A of the Agreement for Cooperation is amended by deleting the phrase "uranium enriched in the isotope U-235 leased from the Commission" and substituting in lieu thereof the phrase "special nuclear materials received from the Commission."

2. The following new paragraph is added to Article VI of the Agreement for Cooperation:

"D. Some atomic energy materials which the Government of the Kingdom of Thailand may request the Commission to provide in accordance with this arrangement are harmful to persons and property unless handled and used carefully. After delivery of such materials to the Government of the Kingdom of Thailand, the Government of the Kingdom of Thailand shall bear all responsibility, insofar as the Government of the United States is concerned, for the safe handling and use of such materials. With respect to any special nuclear materials or fuel elements which the Commission may, pursuant to this agreement, lease to the Government of the Kingdom of Thailand or to any private individual or private organization under its jurisdiction, the Government of the Kingdom of Thailand shall indemnify and save harmless the Government of the United States against any and all liability (including third party liability) from any cause whatsoever arising out of the production or fabrication, the ownership, the lease, and the possession and use of such special nuclear materials or fuel elements after delivery by the Commission to the Government of the Kingdom of Thailand or to any authorized private individual or private organization under its jurisdiction."

ARTICLE IV

This amendment shall enter into force on the date on which each government shall receive from the other government written notification that it has complied with all statutory and constitutional requirements for the entry into force of such amendment and shall remain in force for the period of the agreement for cooperation.

In witness whereof the undersigned, duly authorized, have signed this amendment.

Done at Washington in duplicate this 27th day of March 1957.

For the Government of the United States of America:
WALTER S. ROBERTSON,
Assistant Secretary of State for Far Eastern Affairs.
LEWIS L. STRAUSS,
Chairman, United States Atomic Energy Commission.

For the Government of the Kingdom of Thailand:
P. SARASIN,
Ambassador of Thailand.

I certify this to be a true copy.
W. T. MALLISON, Jr.,
Acting Chief, Asian-African Branch, Division of International Affairs.

RESEARCH AGREEMENT FOR COOPERATION WITH IRAN

Mr. PASTORE. Mr. President, I ask unanimous consent to have printed in the RECORD the research agreement for cooperation with Iran, with accompanying correspondence, which arrived at the Joint Committee on Atomic Energy on March 13, 1957.

There being no objection, the research agreement, with accompanying correspondence, was ordered to be printed in the RECORD, as follows:

UNITED STATES ATOMIC
ENERGY COMMISSION,
Washington, D. C., March 13, 1957.

Hon. CARL T. DURHAM,
Chairman, Joint Committee on Atomic Energy, Congress of the United States.

DEAR MR. DURHAM: Pursuant to section 123 of the Atomic Energy Act of 1954, there is submitted with this letter:

1. An executed agreement for cooperation with the Government of Iran;

2. A letter dated December 6, 1956 from the Commission to the President recommending approval of the agreement;

3. A letter dated December 22, 1956, from the President to the Commission approving the agreement, authorizing its execution and containing his determination that it will promote and will not constitute an unreasonable risk to the common defense and security.

This agreement, as executed, makes cooperation possible between the United States and Iran on the design, construction, and operation of research reactors, including related health and safety problems; the use of such reactors in medical therapy; and the use of radioactive isotopes in biology, medicine, agriculture and industry. Iran, if it desired to do so, would be able to engage United States companies to construct research reactors, and private industries in the United States will be permitted, within the limits of the agreement, to render other assistance to Iran. No restricted data would be communicated under this agreement. The Atomic Energy Commission, however, would lease to Iran up to six (6) kilograms of contained U-235 in uranium enriched up to a maximum of 20 percent U-235, plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous operation of the reactor or reactors while replaced fuel elements are radioactively cooling in Iran or while fuel elements are in transit. This expressed limitation will restrict Iran in determining the choice of reactor to be constructed to a research reactor.

You will also note that the agreement includes in article V provisions for the sale or transfer of research quantities of materials of interest in connection with defined research projects, which I described to you in my letter of March 30, 1956. The amount of special nuclear material which would be made available to Iran under this agreement would not be important from the military point of view.

Article VIII of the proposed agreement records the obligations undertaken by Iran to safeguard the special nuclear material to be leased by the Commission and article II contains the guaranties prescribed by section 123 of the Atomic Energy Act.

This agreement expresses the hope and expectation of the two Governments that this first stage of cooperation will lead to further development of the peaceful uses of atomic energy in Iran.

Sincerely,
H. S. HAUER, *Acting Chairman.*

(Enclosures: (1) Agreement with the Government of Iran, (2) letter from Commission to the President, dated December 6, 1956, (3) letter from the President to the Commission, dated December 22, 1956.)

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., December 6, 1956.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the enclosed proposed agreement entitled "Agreement for Cooperation Concerning Civil Uses of Atomic Energy Between the Government of Iran and the Government of the United States of America," and authorize its execution.

This agreement has been negotiated by the Atomic Energy Commission and the Department of State pursuant to the Atomic Energy Act of 1954, and is, in the opinion of the Commission, an important and desirable step in advancing the development of the peaceful uses of atomic energy in Iran in accordance with the policy which you have established. The agreement would permit cooperation between the two countries with respect to the design, construction, and operation of research reactors, including related health and safety problems; the use of such reactors in medical therapy; and the use of radioactive isotopes in biology, medicine, agriculture, and industry. Iran, if it desires to do so, may engage United States companies to construct research reactors, and private industry in the United States will be able, under the agreement, to render other assistance to Iran. No restricted data would be communicated under this agreement, and the Government of Iran has signified its agreement to the guaranties prescribed by the Atomic Energy Act of 1954 which are part of this agreement.

Further provisions permit the Atomic Energy Commission to lease to Iran up to 6 kilograms of contained U-235 in uranium enriched up to a maximum of 20 percent U-235 for use as initial fuel charges in research reactors plus such additional quantity of such material, as in the opinion of the Commission, is necessary to permit the efficient and continuous operation of such reactors. You will note, in addition, that article V of this agreement would permit the transfer of limited amounts of special nuclear materials, including U-235, U-233, and plutonium, for defined research projects related to the peaceful uses of atomic energy. This agreement expresses the hope and expectation of the two governments that this first stage of cooperation will lead to further discussions and agreements relating to the peaceful uses of atomic energy in Iran.

Following your approval and subject to the authorization requested, the agreement will be formally executed by the appropriate authorities of Iran and the United States and then placed before the Joint Committee on

Atomic Energy in compliance with section 123c of the Atomic Energy Act of 1954.

Respectfully,

LEWIS L. STRAUSS, *Chairman.*

(Enclosure: Agreement for Cooperation with the Government of Iran.)

I certify this to be a true copy.

W. T. MALLISON, JR.,
Acting Chief, Asian-African Branch, Division of International Affairs.

THE WHITE HOUSE,
Washington, December 22, 1956.

The Honorable LEWIS L. STRAUSS,
Chairman, Atomic Energy Commission, Washington, D. C.

DEAR MR. STRAUSS: Under date of December 6, 1956, you informed me that the Atomic Energy Commission had recommended that I approve a proposed agreement between the Government of Iran and the Government of the United States for cooperation concerning the peaceful uses of atomic energy. The agreement recites that the Government of Iran desires to pursue a research and development program looking toward the realization of the peaceful and humanitarian uses of atomic energy and desires to obtain assistance from the Government of the United States and United States industry with respect to this program.

I have examined the recommended agreement. It calls for cooperation between the two Governments with respect to the design, construction, and operation of research reactors, including related health and safety problems; the use of such reactors as research, development and engineering tools, and in medical therapy; and the use of radioactive isotopes in biology, medicine, agriculture, and industry. The agreement contains all of the guaranties prescribed by the Atomic Energy Act. No restricted data would be communicated under the agreement, but the Commission would lease to the Government of Iran special nuclear material for use as reactor fuel. In addition, the Commission would be permitted to sell or otherwise transfer limited quantities of such material, including U-235, U-233, and plutonium, for use in defined research projects related to the peaceful application of atomic energy.

Pursuant to the provisions of section 123 of the Atomic Energy Act of 1954 and upon the recommendation of the Atomic Energy Commission, I hereby

1. Approve the proposed Agreement for Cooperation between the Government of the United States and the Government of Iran enclosed with your letter of December 6, 1956;

2. Determine that the performance of the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States; and

3. Authorize the execution of the proposed agreement for the Government of the United States by appropriate authorities of the United States Atomic Energy Commission and the Department of State.

It is my hope that this agreement represents but the first stage of cooperation in the field of atomic energy between the United States and Iran, and that it will lead to further discussions and agreements relating to other peaceful uses of atomic energy in Iran.

Sincerely,

DWIGHT EISENHOWER.

I certify this to be a true copy.

W. T. MALLISON, JR.,
Acting Chief, Asian-African Branch, Division of International Affairs.

AGREEMENT FOR COOPERATION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF IRAN CONCERNING CIVIL USES OF ATOMIC ENERGY

Whereas the peaceful uses of atomic energy hold great promise for all mankind; and

Whereas the Government of the United States of America and the Government of Iran desire to cooperate with each other in the development of such peaceful uses of atomic energy; and

Whereas the design and development of several types of research reactors are well advanced; and

Whereas research reactors are useful in the production of research quantities of radioisotopes, in medical therapy, and in numerous other research activities, and at the same time are a means of affording valuable training and experience in nuclear science and engineering useful in the development of other peaceful uses of atomic energy, including civilian nuclear power; and

Whereas the Government of Iran desires to pursue a research and development program looking toward the realization of the peaceful and humanitarian uses of atomic energy and desires to obtain assistance from the Government of the United States of America and United States industry with respect to this program; and

Whereas the Government of the United States of America, acting through the United States Atomic Energy Commission, desires to assist the Government of Iran in such a program;

The parties agree as follows:

ARTICLE I

For the purposes of this agreement:

(a) "Commission" means the United States Atomic Energy Commission or its duly authorized representatives.

(b) "Equipment and devices" means any instrument or apparatus and includes research reactors, as defined herein, and their component parts.

(c) "Research reactor" means a reactor which is designed for the production of neutrons and other radiations for general research and development purposes, medical therapy, or training in nuclear science and engineering. The term does not cover power reactors, power demonstration reactors, or reactors designed primarily for the production of special nuclear materials.

(d) The terms "restricted data," "atomic weapon," and "special nuclear material" are used in this agreement as defined in the United States Atomic Energy Act of 1954.

ARTICLE II

Restricted data shall not be communicated under this agreement, and no materials or equipment and devices shall be transferred and no services shall be furnished under this agreement to the Government of Iran or authorized persons under its jurisdiction if the transfer of any such materials or equipment and devices or the furnishing of any such services involves the communication of restricted data.

ARTICLE III

1. Subject to the provisions of article II, the parties hereto will exchange information in the following fields:

(a) Design, construction, and operation of research reactors and their use as research, development, and engineering tools and in medical therapy.

(b) Health and safety problems related to the operation and use of research reactors.

(c) The use of radioactive isotopes in physical and biological research, medical therapy, agriculture, and industry.

2. The application or use of any information or data of any kind whatsoever, including design drawings and specifications, exchanged under this agreement shall be the responsibility of the party which receives and uses such information or data, and it is understood that the other cooperating party does not warrant the accuracy, completeness, or suitability of such information or data for any particular use or application.

ARTICLE IV

1. The Commission will lease to the Government of Iran uranium enriched in the isotope U-235, subject to the terms and conditions provided herein, as may be required as initial and replacement fuel in the operation of research reactors which the Government of Iran, in consultation with the Commission, decides to construct and as required in the agreed experiments related thereto. Also, the Commission will lease to the Government of Iran uranium enriched in the isotope U-235, subject to the terms and conditions provided herein, as may be required as initial and replacement fuel in the operation of such research reactors as the Government of Iran may, in consultation with the Commission, decide to authorize private individuals or private organizations under its jurisdiction to construct and operate, provided the Government of Iran shall at all times maintain sufficient control of the material and the operation of the reactor to enable the Government of Iran to comply with the provisions of this agreement and the applicable provisions of the lease arrangement.

2. The quantity of uranium enriched in the isotope U-235 transferred by the Commission under this article and in the custody of the Government of Iran shall not at any time be in excess of six (6) kilograms of contained U-235 in uranium enriched up to a maximum of twenty percent (20%) U-235, plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous operation of the reactor or reactors while replaced fuel elements are radioactively cooling in Iran or while fuel elements are in transit, it being the intent of the Commission to make possible the maximum usefulness of the six (6) kilograms of said material.

3. When any fuel elements containing U-235 leased by the Commission require replacement, they shall be returned to the Commission and, except as may be agreed, the form and content of the irradiated fuel elements shall not be altered after their removal from the reactor and prior to delivery to the Commission.

4. The lease of uranium enriched in the isotope U-235 under this article shall be at such charges and on such terms and conditions with respect to shipment and delivery as may be mutually agreed and under the conditions stated in articles VIII and IX.

ARTICLE V

Materials of interest in connection with defined research projects related to the peaceful uses of atomic energy undertaken by the Government of Iran, including source of materials, special nuclear materials, byproduct material, other radioisotopes, and stable isotopes, will be sold or otherwise transferred to the Government of Iran by the Commission for research purposes in such quantities and under such terms and conditions as may be agreed when such materials are not available commercially. In no case, however, shall the quantity of special nuclear materials under the jurisdiction of the Government of Iran, by reason of transfer under this article, be, at any one time, in excess of 100 grams of contained U-235, 10 grams of plutonium, and 10 grams of U-233.

ARTICLE VI

Subject to the availability of supply and as may be mutually agreed, the Commission will sell or lease, through such means as it deems appropriate, to the Government of Iran or authorized persons under its jurisdiction such reactor materials, other than special nuclear materials, as are not obtainable on the commercial market and which are required in the construction and operation of research reactors in Iran. The sale or lease of these materials shall be on such terms as may be agreed.

ARTICLE VII

It is contemplated that, as provided in this article, private individuals and private organizations in either the United States or Iran may deal directly with private individuals and private organizations in the other country. Accordingly, with respect to the subjects of agreed exchange of information as provided in article III, the Government of the United States will permit persons under its jurisdiction to transfer and export materials, including equipment and devices, to and perform services for the Government of Iran and such persons under its jurisdiction as are authorized by the Government of Iran to receive and possess such materials and utilize such services, subject to:

(a) The provisions of article II.

(b) Applicable laws, regulations and license requirements of the Government of the United States and the Government of Iran.

ARTICLE VIII

1. The Government of Iran agrees to maintain such safeguards as are necessary to assure that the special nuclear materials received from the Commission shall be used solely for the purposes agreed in accordance with this agreement and to assure the safekeeping of this material.

2. The Government of Iran agrees to maintain such safeguards as are necessary to assure that all other reactor materials, including equipment and devices, purchased in the United States under this agreement by the Government of Iran or authorized persons under its jurisdiction shall be used solely for the design, construction, and operation of research reactors which the Government of Iran decides to construct and operate and for research in connection therewith, except as may otherwise be agreed.

3. In regard to research reactors constructed pursuant to this agreement, the Government of Iran agrees to maintain records relating to power levels of operation and burn-up of reactor fuels and to make annual reports to the Commission on these subjects. If the Commission requests, the Government of Iran will permit Commission representatives to observe from time to time the condition and use of any leased material and to observe the performance of the reactor in which the material is used.

4. Some atomic energy materials which the Government of Iran may request the Commission to provide in accordance with this arrangement are harmful to persons and property unless handled and used carefully. After delivery of such materials to the Government of Iran, the Government of Iran shall bear all responsibility, in so far as the Government of the United States is concerned, for the safe handling and use of such materials. With respect to any special nuclear materials or fuel elements which the Commission may, pursuant to this agreement, lease to the Government of Iran or to any private individual or private organization under its jurisdiction, the Government of Iran shall indemnify and save harmless the Government of the United States against any and all liability (including third party liability) from any cause whatsoever arising out of the production or fabrication, the ownership, the lease, and the possession and use of such special nuclear materials or fuel elements after delivery by the Commission to the Government of Iran or to any authorized private individual or private organization under its jurisdiction.

ARTICLE IX

The Government of Iran guarantees that:

(a) Safeguards provided in article VIII shall be maintained.

(b) No material, including equipment and devices, transferred to the Government of Iran or authorized persons under its jurisdiction, pursuant to this agreement, by lease, sale, or otherwise will be used for atomic weapons or for research on or development of atomic weapons or for any other military purposes, and that no such material, including equipment and devices, will be transferred to unauthorized persons or beyond the jurisdiction of the Government of Iran except as the Commission may agree to such transfer to another nation and then only if in the opinion of the Commission such transfer falls within the scope of an agreement for cooperation between the United States and the other nation.

ARTICLE X

It is the hope and expectation of the parties that this initial agreement for cooperation will lead to consideration of further cooperation extending to the design, construction, and operation of power-producing reactors. Accordingly, the parties will consult with each other from time to time concerning the feasibility of an additional agreement for cooperation with respect to the production of power from atomic energy in Iran.

ARTICLE XI

1. This agreement shall enter into force on the day on which each government shall receive from the other government written notification that it has complied with all statutory and constitutional requirements for the entry into force of such agreement and shall remain in force for a period of 5 years.

2. At the expiration of this agreement or of any extension thereof the Government of Iran shall deliver to the United States all fuel elements containing reactor fuels leased by the Commission and any other fuel materials leased by the Commission. Such fuel elements and such fuel materials shall be delivered to the Commission at a site in the United States designated by the Commission at the expense of the Government of Iran and such delivery shall be made under appropriate safeguards against radiation hazards while in transit.

In witness whereof the parties hereto have caused this agreement to be executed pursuant to duly constituted authority.

Done at Washington, in duplicate, this 5th day of March 1957.

For the Government of the United States of America:

WILLIAM M. ROUNTREE,
Assistant Secretary of State for Near Eastern, South Asian, and African Affairs.

LEWIS L. STRAUSS,
Chairman, United States Atomic Energy Commission.

For the Government of Iran:

A. AMINI, *Ambassador of Iran.*

TRADE RESOLUTIONS LEGISLATURE STATE OF NEVADA

Mr. MALONE. Mr. President, the State legislature of my State in the 1957 session, recently terminated, took official notice of the 1934 Trade Agreements Act—the so-called Reciprocal Trade Agreements Act—and its effect upon the economy of this Nation.

Mr. President, special reference was made to textiles, machine tools, precision instruments, critical materials, and materials, chemical and electrochemical products, crockery, glass, and several hundred additional products, making up the economy of specific areas in this country.

Mr. President, we are living on a $40 billion annual war economy, while the cheap labor nations divide our markets among them.

GATT—1934 TRADE AGREEMENTS ACT

Mr. President, at this time, 34 competitive foreign nations are sitting in Geneva, Switzerland, dividing this Nation's markets among them through the simple expedient of continually lowering our duties or tariffs.

The cheap labor nations of Europe and Asia are exercising the constitutional responsibility of Congress in the regulation of our foreign trade and national economy.

All this has been accomplished under the General Agreement on Tariffs and Trade—GATT—which was organized and placed in Geneva by the President in 1947, under the authority granted him by the 1934 Trade Agreements Act. It was so testified by the Secretary of State, Mr. Dulles, before the Senate Committee on Finance, of which I am a member.

NEVADA SENATE JOINT RESOLUTION 14

Senate Joint Resolution 14, of the Legislature of the State of Nevada, adopted on March 11, 1957, is entitled "Joint Resolution Memorializing the Congress of the United States To Resume Its Responsibility of Regulating Foreign Commerce, and To Allow the 1934 Trade Agreements Act To Expire in June 1958." I ask unanimous consent to have the joint resolution printed in the RECORD at this point as a part of my remarks.

There being no objection, Senate Joint Resolution 14, of the Legislature of Nevada, dated March 11, 1957, was ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 14

Joint resolution memorializing the Congress of the United States to resume its responsibility of regulating foreign commerce, and to allow the 1934 Trade Agreements Act to expire in June 1958

Whereas the promotion of world trade should be on the basis of fair and reasonable competition and must be done within the principle long maintained that foreign products of underpaid foreign labor shall not be admitted to the country on terms which endanger the American workingmen's jobs or American investments; and

Whereas article I, section 6, of the Constitution of the United States, provides that the Congress shall have the power to lay and collect taxes, duties, imposts, and excises, and shall regulate foreign commerce; and

Whereas the Congress transferred the constitutional responsibility to regulate foreign trade to the executive branch through the 1934 Trade Agreements Act, as extended to June 1958, with authority to transfer such responsibility to Geneva under the general agreements on tariffs and trade: Now, therefore, be it

Resolved by the Senate and Assembly of the State of Nevada (jointly), That the United States Congress is hereby urged to resume its constitutional responsibility of regulating foreign commerce and the national economy, through the adjustment of duties, imposts, and excises, through its agent, the Tariff Commission, and allow the 1934 Trade Agreements Act, which transferred such responsibility to the President, to expire in June 1958; and be it further

Resolved, That the secretary of state of the State of Nevada shall transmit copies of this

resolution to each member of the Nevada congressional delegation.

Adopted by the senate, March 11, 1957.

REX BELL,
President of the Senate.
H. E. ROWNTREE,
Secretary of the Senate.

Adopted by the assembly March 15, 1957.

WM. D. SWACKHAMER,
Speaker of the Assembly.
C. O. BASTIAN,
Chief Clerk of the Assembly.
CHARLES H. RUSSELL,
Governor of the State of Nevada.

NEVADA ASSEMBLY JOINT RESOLUTION 9

Mr. MALONE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks Assembly Joint Resolution 9 of the Legislature of Nevada, adopted by the Assembly on February 28, 1957. It is entitled:

Resolution memorializing the Congress of the United States to allow the 1934 Trade Agreements Act to expire on June 30, 1958, so that the regulation of foreign trade and the laying of tariffs and import fees will immediately vest in Congress as the Constitution requires and thereby stop the lowering of the American standard of living by the importation of foreign-made goods.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

TRADE RESOLUTION, NEVADA LEGISLATURE,
APRIL 4, 1957

Assembly Joint Resolution 9

Resolution memorializing the Congress of the United States to allow the 1934 Trade Agreements Act to expire on June 30, 1958, so that the regulation of foreign trade and the laying of tariffs and import fees will immediately vest in Congress as the Constitution requires and thereby stop the lowering of the American standard of living by the importation of foreign-made goods

Whereas the Legislature of the State of Nevada is aware of the fact that the selective so-called free trade policy, adopted by the State Department of the United States under the provisions of the Trade Agreements Act of 1934, is lowering the American living standard through the lowering of wages and is causing unemployment and a subsequent decline of the demand for minerals, agricultural products, and other commodities produced in the State of Nevada; and

Whereas the indiscriminate lowering of import fees and tariffs, without regard to the differential between the costs of production due largely to the difference in living standards of this Nation and foreign competitive nations, has a demoralizing effect on the mining and agricultural markets of this country and thereby causes unemployment and loss of labor; and

Whereas the State of Nevada is in a particularly vulnerable position in attempting to compete with foreign sweatshop labor because the products produced in Nevada, such as livestock, wool, tungsten, lead, zinc, copper, magnesite, chemicals, manganese, mercury, silicon, and many others, are readily importable at a lower cost from sources outside of this country under the so-called Reciprocal Trade Act, all to the great detriment and economic hardship of this State; and

Whereas many mining companies in the State of Nevada are practically shut down and almost all of the zinc miners are out of work and the cattle industry is being endangered because our ranchers cannot compete with the importation of hides, beef, or live cattle from Argentina or Mexico; and

Whereas the haphazard lowering of the floor under wages and investments represented by the tariffs and import fees destroys American workingmen and shifts their jobs to foreign soil; and, as a result, many of our mines, mills, and factories have been closed and our farm production saved only by subsidies; and

Whereas those industries which depend upon the power of Hoover Dam and Davis Dam are in danger because similar products are being imported at a price less than production costs in this State; and

Whereas the Nevada wool industry has found it impossible to compete with the importation of wool from Australia, New Zealand, and elsewhere; and, for the first time, the wool industry of Nevada is only being saved from destruction by the use of subsidies; and

Whereas it is essential to the protection of the American standard of living that world trade should only be on the basis of fair and reasonable competition and based on the principle that foreign products produced by underpaid labor should not be admitted to this country on terms which endanger the living standard of our workers, farmers, and miners; and

Whereas article I, section 8, of the Constitution of the United States requires that Congress should lay duties, imposts, and excises, and regulate foreign commerce, but the Congress of the United States has abrogated its constitutional duties by virtue of the Trade Agreements Act of 1934 by transferring the duty of fixing tariffs to the executive department of the Government which has, in turn, carried out policies inconsistent with the welfare of American agriculture, industry, and commerce; and

Whereas the free-trade policies fostered by the State Department under the 1934 Trade Agreements Act have resulted in our dependence upon foreign nations across one or both major oceans for many of the materials and minerals which we would need to fight a war and to prepare our own defense and thus stifled the initiative to explore, develop, and produce such needed materials in our own country; and after having become dependent on foreign sources for criticail materials the foreign countries have been able to cause us great embarrassment by manipulation of export permits and fees so that we must bow to their demands and submit to international blackmail; and

Whereas the United States has in the last several decades only been able to prosper because of war or the threat of war and under this cover of war the industrially inexperienced State Department has been wrecking the national economy by the simple expedient of tampering with tariff and import fees so as to open the door to foreign commodities, which in turn prevents the flow of venture capital into the business stream of the Nation even in time of emergency since investors know that when the emergency is over their investment will be destroyed through foreign sweatshop labor competition; and

Whereas it is mandatory to the future economical growth and development of this country, and Nevada in particular, that the 1934 Trade Agreements Act be allowed to expire on June 30, 1958, so that Congress can immediately recover its constitutional responsibility to regulate foreign trade through the adjustment of tariffs and import fees, and with such an expiration of the act the so-called trade agreements already made and in effect will in no way be affected but will continue in effect for their full terms: Now, therefore, be it

Resolved by the Assembly and Senate of the State of Nevada (jointly), That the Legislature of the State of Nevada most respectfully memorializes the Congress of the United States to stop the dreadful deterrent to American economic well-being and the lowering of our standard of living and that it return to its traditional and constitutional method of fixing tariffs based on the principle of protecting American industry, agriculture, and commerce by allowing the 1934 Trade Agreements Act to expire by its own force and limitation on June 30, 1958; and be it further

Resolved, That until the expiration of the agreement, the Department of State should exercise its powers in fixing tariffs only in accordance with the traditional principles of American policy as set forth in this resolution until such time as the responsibility for regulating foreign commerce be vested where it belongs, in the Congress of the United States; and be it further

Resolved, That the Congress of the United States after June 30, 1958, should set up a flexible import fee which would be based upon fair and reasonable competition administered by a reorganized and experienced tariff commission functioning much in the same manner as the long-established Interstate Commerce Commission so that the market for foreign goods in this country would be based on a fair and reasonable competition with our own agricultural, industrial, and mining production; and be it further

Resolved, That copies of this resolution, duly certified by the secretary of state of the State of Nevada, be promptly transmitted by him to the President and Vice President of the United States, the Speaker of the House of Representatives, the President pro tempore of the Senate, and the Secretary of State and the Secretary of Commerce, and to the United States Senators and Congressmen from Nevada.

Adopted by the senate, March 12, 1957.

REX BELL,
President of the Senate.
H. E. ROWNTREE,
Secretary of the Senate.

Adopted by the assembly, February 28, 1957.

WM. D. SWACKHAMER,
Speaker of the Assembly.
C. O. BASTIAN,
Chief Clerk of the Assembly.
CHARLES H. RUSSELL,
Governor of the State of Nevada.

FOREIGN TRADE RESOLUTIONS, CIVIC BODIES OF NEVADA

Mr. MALONE. Mr. President, I have before me a series of resolutions which I ask to have printed in the RECORD at this point as a part of my remarks. They are as follows:

A resolution on foreign trade adopted by the Churchill County (Nev.) Chamber of Commerce on July 12, 1956;

A resolution on foreign trade adopted by the Reno Chamber of Commerce on June 19, 1956;

A resolution on foreign trade adopted by the Las Vegas Chamber of Commerce on December 19, 1955;

A resolution passed by the Humboldt County Chamber of Commerce in June 1956;

A resolution on foreign trade adopted by the White Pine Chamber of Commerce and Mines in June 1956;

A resolution by the Mina Chamber of Commerce, Inc., adopted on June 21, 1956;

A resolution of the 1955 Western Governors' Mineral Policies Conference on Foreign Trade;

A resolution on foreign trade by the Reno Central Trades and Labor Council, adopted in December 1955;

A resolution adopted at the 30th annual meeting of the Nevada State Farm Bureau on domestic and foreign policy, at Ely, Nev., on December 2, 1949;

A resolution adopted by the White Pine County Central Labor Council in January 1950;

Resolutions by the Colorado River Water Users Association, accepted and passed December 1, 1955; and

A letter from Pioche, Nev., signed by Thomas L. Hutchings, president, Local No. 407, CIO.

There being no objection, the resolutions and letter were ordered to be printed in the RECORD, as follows:

TRADE RESOLUTIONS, NEVADA CHAMBERS OF COMMERCE AND OTHERS, JULY 1956

RESOLUTION, CHURCHILL COUNTY (NEV.) CHAMBER OF COMMERCE

Whereas the promotion of world trade should be on the basis of fair and reasonable competition and must be done within the principle long maintained that foreign products of underpaid foreign labor shall not be admitted to the country on terms which endanger the living standards of the American workingman or the American farmer, or threaten serious injury to a domestic industry; and

Whereas article I, section 8 of the Constitution of the United States provides that the Congress shall have the power to lay and collect—duties, imports, and excises (tariffs or import fees) and to regulate foreign commerce; and

Whereas the Congress transferred the constitutional responsibility to regulate foreign trade to the executive branch through the 1934 Trade Agreements Act as extended from time to time: Therefore, be it,

Resolved, That the United States Congress is hereby urged to resume its constitutional responsibility of regulating foreign commerce and the national economy, through the adjustment of duties, imposts, and excises, through its agent the Tariff Commission and to repeal the 1934 Trade Agreements Act, which transferred such responsibility to the President.

REPEAL OF THE 1934 TRADE AGREEMENTS ACT

(Resolution on foreign trade adopted by the Reno Chamber of Commerce, June 19, 1956)

Whereas the promotion of world trade should be on the basis of fair and reasonable competition and must be done within the principle long maintained that foreign products of underpaid foreign labor shall not be admitted to the country on terms which endanger the living standards of the American workingman or the American farmer, or threatens serious injury to a domestic industry; and

Whereas article I, section 8, of the Constitution of the United States provides that the Congress shall have the power to lay and collect duties, imposts, and excises (tariffs or import fees) and to regulate foreign commerce; and

Whereas the Congress transferred the constitutional responsibility to regulate foreign trade to the executive branch through the 1934 Trade Agreements Act as extended from time to time: Therefore, be it

Resolved, That the United States Congress is hereby urged to resume its constitutional responsibility of regulating foreign commerce and the national economy, through the adjustment of duties, imposts, and excises, through its agent the Tariff Commission and to repeal the 1934 Trade Agreements Act, which transferred such responsibility to the President.

WILLIAM BRUSSARD,
Director, Reno Chamber of Commerce.

RESOLUTION ON FOREIGN TRADE ADOPTED BY THE LAS VEGAS CHAMBER OF COMMERCE, DECEMBER 19, 1955

Whereas the promotion of world trade should be on the basis of fair and reasonable competition and must be done within the principle long maintained that foreign products of underpaid foreign labor shall not be admitted to the country on terms which endanger the living standards of the American workingman or the American farmer, or threaten serious injury to a domestic industry; and

Whereas article I, section 8, of the Constitution of the United States provides that the Congress shall have the power to lay and collect duties, imposts, and excises (tariffs or import fees), and to regulate foreign commerce; and

Whereas the Congress transferred the constitutional responsibility to regulate foreign trade to the executive branch through the 1934 Trade Agreements Act as extended from time to time: Therefore be it

Resolved, That the United States Congress is hereby urged to resume its constitutional responsibility of regulating foreign commerce and the national economy, through the adjustment of duties, imposts, and excises, through its agent the Tariff Commission and to repeal the 1934 Trade Agreements Act, which transferred such responsibility to the President.

HERB MCDONALD,
Director, Las Vegas Chamber of Commerce.

RESOLUTION PASSED BY THE HUMBOLDT COUNTY CHAMBER OF COMMERCE, JUNE 1956

Whereas the promotion of world trade should be on the basis of fair and reasonable competition and must be done within the principle long maintained that foreign products of underpaid foreign labor shall not be admitted to the country on terms which endanger the living standards of the American workingman or the American farmer, or threaten serious injury to a domestic industry; and

Whereas article I, section 8 of the Constitution of the United States provides that "the Congress shall have the power to lay and collect * * * duties, imports, and excises" (tariffs or import fees) and "to regulate foreign commerce"; and

Whereas the Congress transferred the constitutional responsibility to regulate foreign trade to the executive branch through the 1934 Trade Agreements Act as extended from time to time: Therefore be it

Resolved, That the United States Congress is hereby urged to resume its constitutional responsibility of regulating foreign commerce and the national economy, through the adjustment of duties, imposts, and excises, through its agent the Tariff Commission and to repeal the 1934 Trade Agreements Act, which transferred such responsibility to the President.

KAY FLOYD JOHNSON,
Manager, Humboldt County Chamber of Commerce.

RESOLUTION ON FOREIGN TRADE ADOPTED BY THE WHITE PINE CHAMBER OF COMMERCE AND MINES, JUNE 1956

Whereas the promotion of world trade should be on the basis of fair and reasonable competition and must be done within the principle long maintained that foreign products of underpaid foreign labor shall not be admitted to the country on terms which endanger the living standards of the American workingman or the American farmer, or threaten serious injury to a domestic industry; and

Whereas article I, section 8 of the Constitution of the United States provides that "the Congress shall have the power to lay and collect * * * duties, imposts, and excises" (tariffs or import fees) and "to regulate foreign commerce"; and

Whereas the Congress transferred the constitutional responsibility to regulate foreign trade to the executive branch through the 1934 Trade Agreements Act as extended from time to time: Therefore be it

Resolved, That the United States Congress is hereby urged to resume its constitutional responsibility of regulating foreign commerce and the national economy, through the adjustment of duties, imposts, and excises, through its agent the Tariff Commission and to repeal the 1934 Trade Agreements Act, which transferred such responsibility to the President.

JAMES E. HEALD,
Executive Secretary, White Pine Chamber of Commerce and Mines.

RESOLUTION BY MINA CHAMBER OF COMMERCE, INC., JUNE 21, 1956

The importation of low-wage materials and various products without protection of any kind has caused the closing of American mines and factories and resulting in unemployment throughout our State; and

Whereas the present situation regarding the adjustment of tariff has been delegated to a world conference in which our representative is 1 in 35 instead of being in our Congress where the time-to-time changes in tariff schedules require prompt action to remedy the situation: Be it therefore

Resolved, That it is the spirit of this chamber that we urge our Congress to repeal the Foreign Trades Act and place the tariffmaking powers back where it belongs in our Congress so that our mines and factories can have the protection to which they are entitled.

MINA CHAMBER OF COMMERCE,
JAMES SHARMAN, *President.*

RESOLUTION OF 1955 WESTERN GOVERNORS MINERAL POLICIES CONFERENCE ON FOREIGN TRADE

Whereas the promotion of world trade should be on the basis of fair and reasonable competition and must be done within the principle long maintained that foreign products of underpaid foreign labor shall not be admitted to the country on terms which endanger the living standards of the American workingman or the American farmer, or threaten serious injury to a domestic industry; and

Whereas article I, section 8, of the Constitution of the United States provides that "the Congress shall have the power to lay and collect—duties, imposts, and excises (tariffs or import fees)"—and "to regulate foreign commerce"; and

Whereas the Congress transferred the constitutional responsibility to regulate foreign trade to the executive branch through the 1934 Trade Agreements Act as extended from time to time: Therefore be it

Resolved, That the United States Congress is hereby urged to resume its constitutional responsibility of regulating foreign commerce and the national economy, through the adjustment of duties, imposts, and excises, by its agent the Tariff Commission through the repeal of the 1934 Trade Agreements Act as amended, which transferred such responsibility to the President.

RESOLUTION ON FOREIGN TRADE BY RENO CENTRAL TRADES AND LABOR COUNCIL, DECEMBER 1955

Whereas the promotion of world trade should be on the basis of fair and reasonable competition and must be done within the principle long maintained, that foreign products of underpaid foreign labor shall not be admitted to the country on terms which endanger the living standards of the American workingman or the American farmer, or threatens serious injury to a domestic industry; and

Whereas article I, section 8, of the Constitution of the United States provides that "the Congress shall have the power to pay and collect—duties, imposts, and excises" (tariffs or import fees) and "to regulate foreign commerce"; and

Whereas the Congress transferred the constitutional responsibility to regulate foreign trade to the executive branch through the 1934 Trade Agreements Act as extended from time to time: Therefore be it

Resolved, That the United States Congress is hereby urged to resume its constitutional responsibility of regulating foreign commerce and the national economy through the adjustment of duties, imposts and excises, through its agent the Tariff Commission and to repeal the 1934 Trade Agreements Act which transferred such responsibility to the President.

PAULA DAY,
TOMMY BLAKE,
LOU LEVITT,
C. D. BYRD,
Musicians Local 368.

RESOLUTION ADOPTED AT THE 30TH ANNUAL MEETING OF THE NEVADA STATE FARM BUREAU ON DOMESTIC AND FOREIGN POLICY, ELY, NEV., DECEMBER 2, 1949

Whereas the selective free-trade policy adopted by the State Department, based upon the Trade Agreements Act of 1934, is lowering the American living standard through the lowering of wages and is causing unemployment and a subsequent decline in the demand for agricultural products: Therefore be it

Resolved, That the Nevada State Farm Bureau adopts and recommends that the American Farm Bureau Federation support a domestic and foreign policy containing the following features:

I. Foreign policy

(a) Protection of private investments in foreign countries.

(b) Free convertibility of European currencies in terms of dollars.

(c) Consolidation of the European nations into a United States of Europe, and the erasing of all present trade barriers.

(d) Equal access to the trade of all nations of the world subject only to the action of the individual nations.

II. National policy

(a) Set up a flexible import fee which would be based upon "fair and reasonable" competition administered by a reorganized experienced Tariff Commission in the same manner as the long established Interstate Commerce Commission adjusts freight rates for the carriers on a basis of the principle laid down by Congress, of a reasonable return on the investment. Under a flexible import-fee principle, a market is immediately established for the goods of foreign nations on a basis of a "fair and reasonable" competition with our own—other nations in good conscience cannot ask for more. By so doing, America's domestic agricultural market would be greatly stabilized and cease to be a dumping ground for world surpluses. We are a land of agricultural abundance striving to maintain a standard of living unparalleled by any other nation in the world; Be it further

Resolved, That the lowering of import fees and tariffs without regard to the differential of the cost of production due largely to the difference in living standards of this Nation and of foreign competitive nations has a demoralizing effect on our agricultural markets as well as those of other industries, thereby causing unemployment and loss of revenue to the American farmer.

RESOLUTION ADOPTED BY THE WHITE PINE COUNTY CENTRAL LABOR COUNCIL JANUARY 1950

Whereas the selective free trade policy is removing the floor from under American wages and investments, causing unemployment and loss of taxable property; and

Whereas the haphazard lowering of the import fees and tariffs without regard to the differential of the cost of production due largely to the difference in living standards of this country and foreign competitive nations, has severely injured the nonferrous mining industry: Therefore be it

Resolved, That a telegram be sent to each of our national Senators asking them to do what they can toward correcting this deplorable situation.

DOUG HAWKINS,
President, White Pine County General Council.

RESOLUTIONS BY COLORADO RIVER WATER USERS ASSOCIATION ACCEPTED AND PASSED DECEMBER 1, 1955

Whereas much industry in the Colorado River Basin States, including mining, the beneficiation of ores, manufacturing of industrial chemicals, fuels, military supplies, and the successful agriculture of irrigated areas is dependent upon water supply from the Colorado River system; and

Whereas such industries are essential to the public welfare in peacetime and doubly so in time of war, when foreign sources of supply might be lost; and

Whereas much of such industry has been destroyed or seriously injured by the competition of imported products manufactured at lower labor costs than are possible or desirable in the United States: Now, therefore, be it

Resolved, That the Colorado River Water Users Association urges the United States Congress to resume its constitutional authority of regulating foreign commerce by the Tariff Commission through repeal of the Trade Agreements Act of 1934, which transferred that responsibility to the President.

PIOCHE, NEV.

DEAR SIR: By unanimous vote Pioche Union Local No. 407 CIO disapproves part 4 plan of the President which includes the International Trade Organization agreement and urge that you do everything possible to substitute flexible import fee. (As outlined in your talk at Pioche, Nev., on December 15, 1949.)

THOMAS L. HUTCHINGS,
President, Local No. 407.

SOUND MONEY: PROTECTION OF AMERICAN LABOR AND INVESTMENTS—LONGVIEW (TEX.) NEWS-JOURNAL, BY GEORGE ROTHWELL BROWN

Mr. MALONE. Mr. President, on March 17, 1957, the Longview, Tex., Sunday News-Journal published an article by George Rothwell Brown, entitled "Nevadans Asking for Honest Dollar." I ask unanimous consent to have the article printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEVADANS ASKING FOR HONEST DOLLAR

(By George Rothwell Brown)

WASHINGTON.—It is a curious fact that although the Eisenhower administration has deplored the tendencies in this country today working for inflation, nobody in the Government has even so much as mentioned the one sure cure for it.

Inflation in the last analysis springs from the unholy union of a printing press and a stack of paper. If the Government really wants to stop inflation and prevent its further disastrous spread it will have to go back to the honest little dollar—the gold standard which F. D. Roosevelt repudiated in frightful violation of his most solemn campaign pledges in 1932.

(NOTE.—United States Senator GEORGE W. MALONE, of Nevada, is the inspiration and moving force behind the plea for return to an honest dollar and an end to sky-high taxes and inflationary free spending. For editorials on Senator MALONE's position and the general subject, "Foundations of Our Freedom and Progress," and the popular response his stand is being accorded by the people, see below.)

Now the metal minded State of Nevada has revived a question of recent times all but unheard of in Washington.

The Republican State Central Committee of Nevada has come up with three recommendations of policies based on principles embodied in the United States Constitution.

First, it expresses the opinion that the Republican Party must advocate a free market for gold, with removal of all restrictions upon its purchase, sale, and ownership.

Coupled with this is a recommendation for a return to the hard money standard, gold and silver certificates redeemable in those precious metals.

It is more than an economic absurdity, it is an economic sin, that American gold mines should be shut down, idle, and unproductive, while Communist Russia reaps the benefit of a world gold market from which American gold at only $35 is excluded. That price, fixed by law, has paralyzed the American gold-mining industry.

Nevada Republicans also urge that the Reciprocal Trade Agreements Act be permitted to expire next year. Under this law the tariffmaking power was transferred by Congress to the President, and by him relegated to obscure bureaucrats in the State Department.

The administration wants to extend State Department authority still further by legalizing GATT through the establishment of an international trade organization.

Nevada also suggests that the Republican Party rally to the support of States rights.

Commenting on this forward-looking stand taken by the Republican Central Committee, Senator MALONE told the Senate the other day that Nevada is the first State to reaffirm the principles of Washington, Jefferson, and Lincoln in 24 years.

"Since 1933," said Senator MALONE, "inflation has been encouraged, so that Congress can appropriate any amount of money for any purpose at any time, including billions of dollars to European and Asiatic countries, and can have the money printed without regard to its ultimate value.

"Under the free-trade policy of sending billions of dollars to Europe and Asia, more than $30 billion of American capital has gone abroad to operate plants with cheap labor and to ship the products to the United States to compete with our own labor and investments."

This word from Nevada sounds almost like a voice crying in the wilderness, but it isn't. Evidence piles up in Congressional mail from back home every day that national public opinion strongly supports the point of view of Nevada and her senior Senator.

Runaway Government spending is properly spotted as the prime cause of inflation.

Mr. MALONE. In the Longview, Tex., Sunday News-Journal of March 17, 1957, there was published an article entitled "Foundations of Our Freedom and Progress." I ask unanimous consent to have the article printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOUNDATIONS OF OUR FREEDOM AND PROGRESS

Constitutional government, based upon our traditional American principles, is sound and safe government. It is most refreshing, therefore, to note the encouraging response that comes to Senator GEORGE W. MALONE on his forthright call for a return to constitutional government and restoration of those basic principles upon which American freedom was founded and our strength and prosperity developed.

Senator MALONE, Nevada Republican and a professional engineer, for some years now has been a lone voice crying in the wilderness of party politics and Federal Government councils in Washington against pouring out the economic lifeblood of our Nation in the form of billions upon billions of dollars of subsidy money from the Federal Treasury to foreign countries.

Recently, the Senator more strongly than ever had advocated a return to the Constitution in the regulation of foreign trade and the national economy, ending of the ruinous free-trade policies which are enabling foreign sweatshop labor factories to compete in the American market and endangering our workingmen's jobs and investors' money, and return to our traditional gold standard which would do away with the funny-money regime and the ruinous inflation that has been riding high, wide, and handsome for the past 24 years.

The note of popular concern and public response which Senator MALONE's vigorous advocacy of these policies has aroused in his own State and elsewhere across the Nation is perhaps best illustrated by three editorials from prominent Nevada newspapers. Republican and Democratic newspapers alike carried editorials and feature news articles explaining their Senator's position and complimenting him for his bold stand.

The editorials carried in Nevada Democratic newspapers, however, are most significant and revealing in their content. Because of their unusual significance and bearing upon current national policy, we are reproducing two of them and one from a Republican newspaper in the following order, and we will comment further at the end of the third one.

Mr. MALONE. On March 17, 1957, there was published in the Longview (Tex.) Sunday News-Journal an editorial entitled "Three Principles of Freedom." I ask unanimous consent that the editorial be printed in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THREE PRINCIPLES OF FREEDOM

We want to go on record as being 100 percent in favor of Senator MALONE's position calling for a return to a sound money policy, protection of the workingman's job and investors' money, and recognition of States rights.

These three principles, enunciated by the Republican Party 100 years ago, are foundation stones of the Constitution and as such are the basis of our individual freedom and the springboard from whence arises our national strength and prosperity.

The first of these three great principles is a sound money policy. This kind of a policy was in effect when America had its great basic growth and expansion. It includes a free market for gold, with removal of all restrictions upon its purchase, sale, and ownership, and a return to our traditional firm money standard, using gold and silver certificates redeemable in these metals. As long as big government can control and depreciate the value of our money through inflation to meet its free-spending and giveaway programs, there can be no sound basis for saving and investing, nor any assurance that the workingman's wages will buy reasonable value in merchandise and services. Progress and prosperity thus eventually must bog down and fail.

The second of these principles calls upon Congress to resume its constitutional responsibility of regulating foreign commerce through the adjustment of duties, imposts, and excises, through the Tariff Commission, which is an agent of the Congress, and to let expire in 1958 the so-called Reciprocal Trade Act which transferred this responsibility to the President, who then delegated it to the State Department where it has become little more than an instrument of foreign meddling and giveaways.

The third principle would require the Congress to respect the rights of the individual States in all those matters which have been historically matters of State concern. This is fully in line with the Constitution which specifically declares that all rights not transferred to the Federal Government by the Constitution nor prohibited by it to the States "are reserved to the States and to the people."

It has been no accident that the people of this Nation now are free people, and that as free people they have been able to plan and work and produce and sell in our own market so that we have developed the strongest nation in the world and the highest living standard of all time. The underlying principles which have permitted such progress had to be just and right.

These great fundamental principles of freedom and justice and sound economics have not been repealed, although they have been pushed into the discard in recent years by a "tax and spend and tax" wild-money philosophy, a "buy friends by the dollar" diplomacy, and a denial of individual and States rights by a mushrooming Washington bureaucracy—all of which is bleeding the Nation of its economic lifeblood, robbing the workingman of his wages through exorbitant taxes, and taking away his job and the investor's capital by a free dumping of foreign-made goods in America.

These principles, since they are constitutional and fundamental, have been in bad repute in Washington. It is quite natural that in calling for a new recognition and practice of them in the Federal Government, Senator MALONE has been as a lone voice crying in the wilderness.

It is now a most encouraging sign to find the leading newspapers of Nevada, including both Republican and Democratic papers, coming out in strong support of the Senator's stand. It can only be a reflection of the way more and more people in Nevada are thinking today.

We commend you, Senator MALONE, for your bold stand. And we commend your position, and a restudy of the principles which you have cited, to all public officials everywhere and to every citizen who prizes his freedom, is proud of his heritage, and wants to protect and preserve his rights and privileges.

S. 28: AMEND 1930 TARIFF ACT IN ACCORDANCE WITH NEVADA RESOLUTIONS

Mr. MALONE. Mr. President, on January 7, I introduced a bill to amend the Tariff Act of 1930, and for other purposes. Under the heading "Declaration of Policy," the following language is to be found in section 1:

DECLARATION OF POLICY

SECTION 1. It is declared to be the policy of the Congress—

(a) to facilitate and encourage trade with foreign nations on the basis of fair and reasonable competition.

(b) to maintain an investment climate through the principle applying equally to the whole country.

(c) to provide necessary flexibility of import duties thereby making possible appropriate adjustments in response to changing economic conditions.

(d) to assure the accomplishment of these objectives by returning to the provisions of the Constitution (art. I, sec. 8) in the control over American import duties now subject to international agreements.

On page 3 of the bill, in subparagraph (2) of subsection (b) of section 3, the Commission is authorized and directed, among other things—

(2) to prescribe, upon termination of any foreign-trade agreement, that the import duties established therein shall remain the same as existed prior to such termination, and such import duties shall not thereafter be increased or reduced except in accordance with this act.

It is also provided, in subparagraph (1) of section 3 (b), that the Commission is authorized and directed—

(1) to terminate as of the next earliest date therein provided, and in accordance with the terms thereof, all the foreign-trade agreements entered into by the United States pursuant to section 350 of this act.

That is to say, the 1930 Tariff Act.

Section 4 (a), under the heading "Periodic Adjustment of Import Duties," provides as follows:

PERIODIC ADJUSTMENT OF IMPORT DUTIES

SEC. 4. Title III, part II, section 336, of the Tariff Act of 1930 is hereby amended to read as follows:

"SEC. 336. Periodic adjustment of import duties

"(a) The Commission is authorized and directed from time to time, and subject to the limitations hereinafter provided, to prescribe and establish import duties which will, within equitable limits, provide for fair and reasonable competition between domestic articles and like or similar foreign articles in the principal market or markets of the United States."

Mr. President, the bill was introduced in connection with and to carry out resolutions passed by the Legislature of the State of Nevada and the State central committee of the Republican Party of the State of Nevada.

SOUND MONEY

On April 1, 1957, I introduced a bill to authorize private transactions involving the sale, acquisition, or holding of gold within the United States. The bill, in part, reads:

Be it enacted, etc., That, notwithstanding any other provision of law, gold in any form, mined subsequent to the enactment of this act, within the United States, its Territories, and possessions may be melted, smelted, concentrated, or otherwise treated so as to prepare it to be sold, or held and stored as is, or has been customary with gold, and it may be thought, held, sold, or traded upon the open market within the United States, its Territories, and possessions for any purpose whatsoever without the requirement of licenses and it may be exported without the imposition of duties, excise taxes, the requirement of licenses, permits, or any other restrictions whatsoever.

Mr. President, I ask unanimous consent that the text of the entire bill, whose title is "To authorize private transactions involving the sale, acquisition, or holding of gold within the United States," be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That notwithstanding any other provision of law, gold in any form, mined subsequent to the enactment of this act, within the United States, its Territories, and possessions may be melted, smelted, concentrated, or otherwise treated so as to prepare it to be sold, or held and stored as is, or has been customary with gold, and it may be bought, held, sold, or traded upon the open market within the United States, its Territories, and possessions for any purpose whatsoever without the requirement of licenses and it may be exported without the imposition of duties, excise taxes, the requirement of licenses, permits, or any restrictions whatsoever.

SEC. 2. Gold imported into the United States after the date of enactment of this act may be held, bought, sold, or traded upon the open market within the United States, its Territories and possessions, for any purpose whatsoever and may be exported without the imposition of duties, excise taxes, the requirement of licenses, permits, or any restrictions whatsoever.

SEC. 3. All gold held or bought by the United States Treasury, or mints, or assay offices, or by the Federal Reserve banks, shall be construed to be monetary gold. Such gold shall not hereafter be sold for commercial use or for the arts, and such gold shall not hereafter be sold by the Treasury or by the Federal Reserve banks (or for the account of either), directly or indirectly, in any free gold market in the United States, its Territories, or possessions, for the purpose of depressing such market and thereby lessening the price and value of gold: *Provided*, That the United States Treasury shall purchase as monetary gold any gold mined after the date of enactment of this act in the United States, its Territories, or possessions, which is offered to it for sale at the rate of $35 an ounce.

Mr. MALONE. Mr. President, I send to the desk a bill for appropriate reference. It is a bill "to provide the United States with a gold standard and redeemable currency, and to correct other defects in the monetary system of the United States."

This bill, Senate bill 1775, for a free market for gold, is necessary for an additional reason, which is to determine what the free market price for gold really is under our inflated currency.

In section 10, the bill provides:

All money of the United States, including money issued by banks, shall be maintained on a parity with the standard gold dollar by freedom of exchange at its value with standard gold bullion or coin at the United States Treasury.

Mr. President, if the price of gold should be raised in legislation to return to the metal standard that price can be closely determined through a free market for gold under Senate bill 1775.

S. 1897: GOLD STANDARD AND REDEEMABLE CURRENCY

The bill (S. 1897) to provide the United States with a gold standard and redeemable currency, and to correct other defects in the monetary system of the United States, introduced by Mr. MALONE, was received, read twice by its title, and referred to the Committee on Banking and Currency.

Mr. MALONE. Mr. President, these bills were introduced in response to demands from my State that we return to a sound metal money system.

SOUND MONEY—PROTECTION OF AMERICAN JOBS AND INVESTMENT—AND STATES RIGHTS

On December 15, 1956, the executive committee of the Republican Party of the State of Nevada met and officially adopted, as a part of its platform, the request that the United States return to the constitutional requirement of a sound money system for the United States—for the protection of the American workingmen's jobs and American investors, through a duty or tariff, as we have come to refer to it, as set down in the Constitution in article I, section 8, which provides that Congress shall adjust the duties, imposts, and excises, and shall regulate foreign trade—and for States rights.

The Legislature of my State of Nevada—through senate and assembly joint resolutions—demanded the same legislation and procedure.

FINANCE COMMITTEE INVESTIGATION—DETERMINE STATUS OF MONEY SYSTEM

Mr. President, the Committee on Finance, of which I am a member, very recently adopted a resolution that provides for an investigation:

The committee shall examine, investigate, and make a complete study of the financial condition of the United States, including (1) the revenues, bonded indebtedness, and interest rates on all public obligations including contingent liabilities, (2) policies and procedures employed in the management of the public debt and the effect thereof upon credit, interest rates, and the Nation's economy and welfare, and (3) factors which influence the availability and distribution of credit and the interest rates thereon as they may apply to public and private debt.

It is the opinion of the Senator from Nevada that the Committee on Finance has a definite responsibility under the Legislative Reorganization Act for matters dealing with the public debt of the United States, inflation, and related matters.

We believe it is necessary, in order to discharge that responsibility, to conduct a study of both Treasury and Federal Reserve policies as they affect debt management, and also as the policies of this Nation in regard to the money system affect inflation, the value of the money, and the purchasing power of the money.

INFLATION LOWERS WAGES, PENSIONS, AND ANNUITIES

Mr. President, the inquiry and investigation may show the effect of our removing this Nation from the hard-money standard in 1934, and thereby starting an avalanche of inflation, merely because the money is not tied to the metal standard.

Congress may appropriate any amount of money and simply print the money, because there is no definite tie to the metal money standard. Possession of gold has been definitely prohibited, so far as the individual citizens of this country are concerned. Inflation has definitely affected wages, pensions, and retirement annuities. Wages and pensions must constantly be adjusted, then inflation continues, and in a few months the wages have again been effectively lowered because of the lessening of the purchasing power of the paper which we use for money.

GIVING SMALL BUSINESS LIPSERVICE AND DESTROYING IT

Our tax policies have kept just a little ahead of the inflation. In that way taxes and inflation, in the opinion of many of our citizens, have been the cause of increased business failures and bankruptcies.

We are giving small business lipservice and utterly destroying it.

DELIBERATE INFLATION

When we left the hard-money standard, we started an avalanche of deliberate inflation. We are following a policy of continually higher appropriations, higher wages—a deliberate spiral that can only ultimately destroy us.

I believe the investigation will show that the real purchasing power of the dollar, referred to the value of the dollar in 1934, is about 33 cents. That is the actual purchasing power of today's dollar based on the purchasing power of the dollar in 1934.

Of course we have been very clever. We have changed the date of reference. Instead of 1934, it is now 1948. If we should refer the purchasing power to the value of the dollar of 1957, the purchasing power will be practically 100 percent.

However, on the basis of 1948 value, it is admitted that the purchasing power is less than 50 cents.

If my statement is correct, that, compared with the 1934 value, the purchasing power of the dollar today is approximately 33 cents, or about one-third, then a man receiving $10 a day in 1934, in order to have the same purchasing power today, would have to receive $30 a day. Five dollars a day in 1934 would be $15 a day at this time.

These things are all the result of dependence upon paper or unsound money—and that, coupled with our foreign-trade policy—virtually free trade with sweatshop foreign labor, all of the duties, imposts, and excises which we refer to as tariffs, have been lowered well below the differences in the effective wages and costs of doing business in the United States and the chief competing country on each product. Therefore, there is no protection. It means that the sweatshop labor of Europe and Asia is being used to compete with labor in this country.

All that is necessary to be done is to examine the markets. Consider the crockery, textile, critical minerals and materials, machine tools, livestock, and 5,000 other products which I have mentioned in this statement. The increasing imports of these products from foreign countries are flooding our markets every day, while we live on a wartime economy of $40 billion a year and think we are sound financialy.

ARTICLE I, SECTION 8, OF THE CONSTITUTION

I wish to read from article I, section 8, of the Constitution, which was a very effective section so long as it was followed. However, over the last 24 years ways and means have been found to circumvent the Constitution. I read as follows:

The Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States; but all duties, imposts, and excises shall be uniform throughout the United States.

The duties, imposts, and excises are what we call tariffs. I continue:

To borrow money on the credit of the United States;

To regulate commerce with foreign nations, and among the several States;

To establish * * * uniform laws on the subject of bankruptcies throughout the United States;

To coin money, regulate the value thereof, and of foreign coin, and fix the standard of weights and measures.

CONGRESS TRANSFERRED POWER TO THE EXECUTIVE

I submit that Congress has transferred practically all of the power contained in article I, section 8, to the executive branch of the Government.

About all of the power that Congress has retained is the power to appropriate the amount of money which the executive branch suggests should be appropriated. Sometimes Congress lowers the amount by about 5 percent, but Congress, in the last 24 years, has not had the intestinal fortitude to go below that amount.

Congress retains the power to fix the tax rate and to then maintain whatever dignity it can by refusing to answer the public questions.

Mr. President, the basic tenets upon which this Nation was founded included sound money, protection of the American workingmen's jobs and the investors' money, and States rights.

HOUSING

Mr. SMATHERS. Mr. President, the opportunity for every American family to acquire a good home in a pleasant neighborhood is and has been for 25 years a basic objective of the Congress. In working toward this objective Congress created the Federal Housing Administration in 1934, the loan guarantee program of the Veterans' Administration in 1944, and the improved Federal National Mortgage Association in 1949. These three programs have made it possible for millions of American families, who could not otherwise have done so, to buy good homes of their own. The FHA, the VA, and the FNMA were created to make it possible for the average families of the United States to buy their own homes on terms they could afford—and without either subsidy or interference from the Federal Government.

These programs are the best things that have ever happened to the American consumer. They enabled millions of American families to move from flats and tenements into homes of their own. They brought home ownership up from 40 percent to 60 percent in 15 years. They are the outstanding example of Government and business partnership, in the public interest, developed in this or any other nation on earth. Yet the facts and figures I have outlined with this statement clearly demonstrate that we are already in grave danger of losing everything we have gained during the past 25 years. Certainly we cannot afford to let these programs fail now.

The Congress in creating these programs has clearly indicated its concern for, and has taken steps to make possible, the moves which make us the best housed nation in the world. Unfortunately, however, these measures have become increasingly ineffective in recent years because of the monetary situation and because current legislation is not adapted to current housing needs. For these reasons I am today introducing a new revised FHA downpayment housing program which will again create a framework to provide housing for the American people on a basis they can afford.

I ask unanimous consent to have printed at this point in the RECORD a comparison table showing the required downpayment under existing law; the downpayment that would be required under the administration's proposal, S. 1609 if enacted into law; the downpayment that would be required under a House Banking Committee proposal; and the downpayment that would be required under the bill which I propose.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Comparison table: FHA downpayments

FHA value	Present statute [1]	Proposed Senate bill [2]	Administration proposal (S. 1609)[3]	House Banking Committee bill [4]
$5,000	$250	$100	$200	$200
$6,000	300	120	240	240
$7,000	350	140	280	280
$8,000	400	160	320	320
$9,000	450	180	360	360
$10,000	700	200	400	400
$11,000	950	280	550	600
$12,000	1,200	360	700	800
$13,000	1,450	440	850	1,000
$14,000	1,700	520	1,000	1,200
$15,000	1,950	600	1,150	1,400
$16,000	2,200	850	1,300	1,600
$17,000	2,450	1,100	1,600	1,900
$18,000	2,700	1,350	1,900	2,200
$19,000	2,950	1,600	2,200	2,500
$20,000	3,200	1,850	2,500	2,800
$21,000	3,450	2,100	2,800	3,100
$22,000	3,700	2,350	3,100	3,400
$23,000	3,950	2,600	3,400	3,700
$24,000	4,200	2,850	4,000	4,000
$25,000	5,000	3,100	5,000	5,000
$26,000	6,000	3,350	6,000	6,000
$27,000	7,000	3,600	7,000	7,000
$28,000	8,000	3,850	8,000	8,000
$29,000	9,000	4,000	9,000	9,000
$30,000	10,000	5,000	10,000	10,000

[1] 95 percent of $9,000 value, plus 75 percent of excess; maximum mortgage, $20,000.

[2] 98 percent of $10,000 value, plus 92 percent of next $5,000, plus 75 percent of excess; maximum mortgage, $25,000. A similar bill introduced by Congressman TEAGUE (Democrat, Texas).

[3] 96 percent of $10,000 value, plus 85 percent of next $5,000, plus 70 percent of excess; maximum mortgage, $20,000.

[4] 96 percent of $10,000 value, plus 80 percent of next $6,000, plus 30 percent of excess; maximum mortgage, $20,000. (Veterans: 98 percent of $10,000, plus 90 percent of next $6,000, 85 percent of excess.)

Mr. SMATHERS. Mr. President, considering, for example, a home with a Federal Housing Administration appraised value of $15,000, existing law requires a downpayment of $1,950, the administration's proposal would require a downpayment of $1,150, the House Banking Committee proposal would require a downpayment of $1,400, and the legislation which I propose would require a downpayment of $600.

It is my firm conviction that downpayments such as would be required under the proposed legislation are absolutely essential for the revival of the home-building industry, as well as to insure adequate housing needs for the American people. It is in line with the amount of cash which the typical purchaser can provide, taking into consideration the necessity for closing costs and prepaid charges, which generally amount to $500 in a typical case, plus moving and refurnishing expenses.

Simply stated, the legislation which I propose would provide for a one-family residence a maximum mortgage equal to 98 percent of the first $10,000 of appraised value, 92 percent of the next $5,000, and 75 percent of such value in excess of $15,000. The proposed legislation will provide a new downpayment schedule for the FHA which will enable the American home-buying public with modest means to obtain necessary housing.

The average young home-buying family of today has not had the opportunity to save a large amount of money and does not have much in the way of available cash—seldom more than about $1,000. Under the present FHA downpayment schedule, this would mean that such a family could afford a house valued at not much more than $10,000, since cash requirements for closing costs average generally between $400 and $500. At today's costs, to obtain a home typically suited to its needs, such a family should be enabled to buy a home valued at approximately from $13,000 to $15,000.

Unless builders can count on the presence in the market of large numbers of potential home buyers, they cannot mass-produce homes and must, therefore, shift to fewer and more expensive homes. Advance planning for this year and next is already seriously curtailed because of the absence of effective mass financing to make possible mass production. Present FHA downpayment schedules do not permit such planning.

The extent to which the downpayments are changed measures the degree to which progress can be made toward providing housing for families of modest income. The decline in housing production of the past year has been entirely in that sector of the market which depends on low downpayment financing. Statistics indicate that such financing in the past produced 90 percent of the homes selling for under $15,000. Failure adequately to reduce downpayments to a level which families of modest income can afford will mean that such families—who have always been the prime concern of Congress in its housing policy—will continue to be excluded from the possibility of purchasing their homes.

In the absence of a method of financing suited to their ability to pay, many of these families in order to acquire homes will be forced to resort to unsound second mortgages or contracts for deed or similar devices, the use of which has been increasing during the past year. Financing of this sort characterized residential financing prior to the conception of the FHA low downpayment, low monthly payment plan, and contributed materially to real estate difficulties of the early 1930's.

Let me draw attention to recent events which dramatically underline the importance of passing the bill I introduce today. Last week, as Senators are aware, the seasonally adjusted annual rate of private starts dropped to 880,000 in March—the lowest level since May, 1949. Since the beginning of 1955, the annual rate of housing starts has dropped more than half-a-million.

Altogether, housing starts totaled 83,000 in March, a less-than-seasonal increase, and 16 percent below a year ago. Publicly owned starts numbered 7,500, which were all Capehart-Rains housing.

There were 75,500 private starts in March, which was the lowest in 8 years.

Starts under the VA program declined 45 percent from a year ago, to only 11,400 units; FHA starts declined 34 percent from a year ago, to 11,300; and conventional starts declined 6 percent, to 52,800. All categories were below March of 1956.

The last time housing starts were at an annual rate as low as 880,000 was in 1949, but at that time home building was moving upward and the industry was on its way to a new high of 1,400,000 starts in 1950. Now, however, we have reached an annual rate of 880,000, and the prospect for the future is even less. The rate at which we are building indicates that the industry is moving downward and is not accelerating, as it was in 1949.

The best indication of what the immediate future holds in prospect for home building at any given time are the FHA applications and the VA appraisal requests. These applications mean that a purchaser is submitting his application for an FHA insured loan or a VA guaranteed loan with the present intention of purchasing a home. Thus, although housing starts indicate the rate at which building is going forward, FHA and VA applications indicate the rate at which home purchases are being made.

I ask unanimous consent to have printed at this point in the RECORD a VA and FHA table for the States of Texas, California, Florida, and Alabama, comparing the years 1955, 1956, and 1957.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Total proposed new homes, FHA and VA

State	March of each year			Percent change, March 1957 from—	
	1955	1956	1957	March 1955	March 1956
Texas	9,624	3,876	2,663	−72	−31
California	22,546	9,292	3,774	−83	−59
Alabama	1,946	1,100	433	−77	−62
Florida	4,203	1,808	1,364	−68	−25
United States total	107,536	62,395	35,713	−67	−43
VA appraisal requests:					
Texas	8,822	2,757	1,349	−77	−51
California	17,573	5,270	1,794	−90	−66
Alabama	1,362	938	148	−89	−84
Florida	3,314	1,043	722	−78	−31
United States total	71,939	37,511	19,508	−73	−48
FHA applications:					
Texas	3,802	1,119	1,314	−65	+17
California	4,973	4,022	1,980	−60	−51
Alabama	554	252	305	−45	+21
Florida	889	765	642	−28	−16
United States total	35,597	24,884	16,205	−54	−35

New dwelling units in building permits issued

State	February of each year			Percent change, February 1957 from—	
	1955	1956	1957	February 1955	February 1956
Alabama	1,265	887	765	−40	−14
California	15,881	16,298	12,858	−19	−21
Texas	6,581	4,213	3,997	−39	−5
Florida	4,510	4,979	[1] 4,508	−2	−8
United States total	78,864	71,110	[1] 55,000	−30	−23

[1] Preliminary.

Mr. SMATHERS. Mr. President, this table shows very clearly that the downward trend is much more severe in the South and the West than the nationwide figures indicate, and the nationwide figures are down very sharply too. Nationwide, in March 1957, VA appraisal requests for new homes were only 19,508 as compared with 71,939 in 1955, a drop of 73 percent. The FHA totals for March 1957 amounted to 16,205 as compared to 35,597 during March 1955. The only reason the FHA is not so badly off as the VA is that some of the proposed VA units have switched to FHA because of the change in the interest rate.

As a solution to the problem, I believe that two major objectives are necessary: First, a new downpayment schedule in the FHA; second, sufficient funds in FNMA to support the market on a reasonable basis so that builders can get back into business. It is reasonable to assume that builders cannot make application to the VA for certificates of reasonable value without some assurance that the mortgages can be sold at a price which will give them at least the possibility of a reasonable profit.

It is my understanding that the Senate Banking and Currency Subcommittee on Housing is already studying plans which would authorize the Federal National Mortgage Association to support the mortgage market on a reasonable basis.

I feel that unless Congress takes immediate steps along the lines I have suggested, we will slip back into the type of residential mortgage financing which characterized the 1920's and led to the housing bankruptcy of the early 1930's—that is, high downpayments, high interest rates, short-term mortgages.

At this time, I introduce, for appropriate reference, a bill to amend section 203 of the National Housing Act. For the reasons I have set forth, I sincerely trust that the Senate Committee on Banking and Currency, to which my proposal will undoubtedly be referred, will act promptly and favorably on it.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1898) to amend section 203 of the National Housing Act, introduced by Mr. SMATHERS, was received, read twice by its title, and referred to the Committee on Banking and Currency.

Mr. MANSFIELD. Mr. President, will the Senator from Florida yield to me?

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). Does the Senator from Florida yield to the Senator from Montana?

Mr. SMATHERS. I am happy to yield to the Senator from Montana.

Mr. MANSFIELD. I wish to commend the distinguished Senator from Florida for the proposal he has just made. I certainly hope the Banking and Currency Committee will give early and serious consideration to the proposal, because I believe something must be done to break the logjam now in existence in connection with the home-building industry.

Again I wish to say to the Senator from Florida that he is to be commended for submitting a proposal which seems to be very much worth while at this particular time, and certainly may have a great effect in breaking down the obstruction placed in the way of those who wish to obtain homes at reasonable prices and at reasonable rates.

Mr. SMATHERS. I thank the Senator from Montana.

Mr. SYMINGTON. Mr. President, will the Senator from Florida yield to me?

Mr. SMATHERS. I am glad to yield to the Senator from Missouri.

Mr. SYMINGTON. I congratulate the distinguished Senator from Florida for his wise proposal. All of us wish to see more people own their own homes. The bill introduced by the Senator from Florida is a wise move in that direction. I congratulate the Senator from Florida, and desire to join him in working for the enactment of the bill.

Mr. SMATHERS. I thank the Senator from Missouri.

Mr. NEUBERGER. Mr. President, will the Senator from Florida yield to me?

Mr. SMATHERS. I yield to the distinguished Senator from Oregon.

Mr. NEUBERGER. I desire to express my approval of the legislation proposed by the distinguished Senator from Florida. Particularly as one of the Senators from Oregon, which is the foremost lumber-producing State in the Nation, I wish to point out that we who live in Oregon have reason to know what has happened during the past year in the United States in the field of home building. Throughout the Nation, and particularly among those who are active in the construction industry, it is said that housing is the cream of the lumber industry. When housing is up, lumber is up; when housing is down, lumber is down.

Unfortunately, during the past year the construction industry, in the case of home building, has been down—both for home builders and for home buyers. We who live in Oregon know this, because of the impact on lumber.

I wish to express the appreciation of myself and of all the other people of my State to the Senator from Florida for the bill he has introduced today.

Mr. SMATHERS. Mr. President, I am very much indebted to the Senator from Oregon for the kindness of his remarks. Of course, I know of his keen interest in housing and his great concern with getting this facet of our economy back on its feet.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 6870) making appropriations for the fiscal year ending June 30, 1957, and for other purposes.

CONFISCATED PROPERTY: THE MORAL ISSUE

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a very interesting article which deals with the confiscation of property. The article, entitled "Confiscated Property: The Moral Issue," was published in the Christian Century of April 17, 1957. The Christian Century is a nondenominational religious journal published in Chicago.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONFISCATED PROPERTY: THE MORAL ISSUE

(By Glenn D. Everett)

On December 11, 1941, as one of the first acts of the war between the United States and Germany and Japan, President Franklin D. Roosevelt signed an executive order seizing all assets in the United States owned by nationals of the enemy countries and establishing an Office of Alien Property Custodian to supervise the property thus expropriated. The action was a proper one under the emergency in time of war, although it was exceedingly harsh on the commercial firms and private citizens that were affected. In the case of Germany alone, the United States Government made 34,000 separate vestings, totaling more than half a billion dollars. Ninety percent of these were of less than $10,000 and included such items as the bank accounts, automobiles, houses, and other personal property of German citizens, including many who were residents of the United States but had not yet completed their American naturalization.

UKULELES, TEACUPS, AND LIFE INSURANCE

While its major aim was to seize the assets of the Nazi and Japanese Governments and to prevent them from manipulating the funds of their private citizens to the detriment of the American war effort, the Office of Alien Property Custodian was exceedingly thorough in interpreting its mandate. In the case of one girl in Honolulu, for instance, a list of 250 items seized included pillows, dresses, dolls, teacups, hairbrushes, mirrors, tableware, a coffee percolator and a toy ukulele. The test for seizure was not sympathy or association with the enemy, but nationality alone. Thus a German-born widow residing in Baltimore found the Government seizing the $10,000 life insurance left her by her son when he was killed fighting in the American Army. The estates of Americans who on dying left bequests to relatives in Germany or Japan were seized. An 80-year-old native of Germany who had been in business in the United States for many years had his life's savings seized as an enemy asset. When he died his American-born daughter was made defendant in the suit by the Government which sought to retain these assets and to seize in addition the $5,000 trust fund left to the aged widow.

A DECISION IN THE OFFING

The passions of war have now cooled and we can look back with a sense of shame at the vindictiveness practiced against individuals because of their race or nationality. It comes as a shock to realize that today, more than a decade after the war ended, the United States still holds nearly all the assets it seized from private citizens of Germany and Japan. The Office of Alien Property Custodian is still doing business and still controls an estimated $500 million in confiscated property.

Government agencies of this kind have a tendency to be long lived. It was only in June 1956 that Congress passed a law disposing of the last $800,000 in assets seized during World War I. However, the matter of the World War II assets is rapidly nearing a decision. Either the United States will give back the property to its owners or it will order the remaining property sold off and proceeds turned in to the Federal Treasury.

Legislation for the return of the confiscated property to its owners was one of the hotly debated issues in the 84th Congress. The Eisenhower administration, recognizing the justice of the claims of many private individuals who were subjected to harsh treatment during the war, proposed last year that all property up to $10,000 for each person be returned, but none to corporations. The Senate Judiciary Committee, however, unanimously reported a bill sponsored by Senator OLIN D. JOHNSTON, Democrat, South Carolina, which would return all ex-enemy assets. But the House was still conducting public hearings on the thorny issue when Congress adjourned; so action on this bill was prevented. Since the 84th Congress did not resolve the question, it is again being debated in the 85th. On April 4 the Senate Judiciary Subcommittee on the Trading With the Enemy Act began hearings on the return of confiscated German and Japanese property.

A TITHE OF ASSETS RETURNED

Uncle Sam has taken a few steps to give back the property he seized during World War II. All assets owned by Italians were returned to them shortly after hostilities ceased. Property owned by private citizens of such countries as Hungary and Bulgaria is likewise being returned. The Japanese residing on the west coast who had been prevented by American law from becoming citizens won back some of their property through a court decision that they were not properly classified as nationals of Japan since they had expatriated themselves during the war by swearing loyalty to the United States. Persons in Germany who were persecuted and deprived of their civil rights by the Nazis had their United States-seized property restored to them through an act of Congress in 1946. Most of these claimants were Jews who had been held in concentration camps. However, less than 10 percent of the confiscated property was affected by all these actions.

In considering the moral issues involved in this question one point should be made clear: this is the property of private citizens and commercial firms. That the assets of the Hitler and Tojo governments were a proper prize of war cannot be disputed. That our Government had the right to control all assets owned by Japanese and German citizens in this country during the war is likewise indisputable. But now that peace has been restored the question at stake is whether we should keep this private property permanently and dispose of it without any compensation to the owners.

In 1946 this writer, while on a mission for UNRRA and the Heifer project, watched in helpless horror as thousands of residents of Breslau, Stettin, Danzig, Allenstein, and other areas of eastern Germany were routed out of their homes by the Communists. Carrying only little suitcases or knapsacks, these people were herded westward to the Oder-Neisse line, on foot or in boxcars. At the new border, even what little they had was taken from them on the ground that they could not export such articles as watches and cameras from "People's Poland." These Germans were forced to leave behind their homes of a lifetime and all their possessions, for the sole reason that they were German in nationality or ancestry and happened to be living in the provinces which Russia wanted to annex to Poland to make up for the Polish territory she was taking. If punishment was to be meted out to the German people, it seemed tremendously unjust to make a few suffer so much while their fellow Germans in the rest of the country escaped any loss at all, even if they were Nazi Party members.

Such a policy was unjust and immoral when pursued by the Russians; and it is no less unjust and immoral when pursued by the United States. What our Government did in 1941 was to seize the property of all Germans and Japanese residing in the United States, and any assets of people in Germany and Japan that happened to be located in the United States. What we propose to do now is to confiscate this property permanently, without any regard to the merit of the individual owner. This is exactly the same as the cynical policy of expediency pursued by the Communists.

In 1948, in a demogogic effort to justify this gun-point confiscation, Congress enacted a War Claims Act for the benefit of American servicemen who, as prisoners of war in Germany and Japan, did not receive treatment according to the standards set forth in the Geneva Convention. For every day of confinement on which he was underfed or ill-treated, each American serviceman was entitled to collect $1.50. Where was the money to come from? Congress provided that assets in the hands of the Alien Property Custodian be sold to pay the veterans' claims. Naturally, in a campaign year there was little opposition to the bill.

GREED REARS ITS HEAD

Germany and Japan ought to pay whatever is proper under international law for their violation of the rights of prisoners of war. But should the burden be laid universally on the entire population or should the payment be taken only from the pockets of a few who were so unfortunate as to have property which was within Uncle Sam's reach during the war? For the sake of expediency, Congress decided to use the property already under Government control without regard to the propriety or justice of so doing. It was contended that the German Government ought to reimburse its citizens for their losses.

However, let us look reality in the face. Is the German Government going to recompense those who lost their property in America as a result of confiscation, without recompensing the millions who lost all their property in Silesia and East Prussia? Or the millions who lost homes and possessions in West Germany in bombing raids? The answer from the overburdened Bonn government is that, obviously, it is not in a position to assume this additional obligation. Politically as well as economically it is an impossible requirement.

Why is there opposition in Congress to legislation such as the Johnston bill to restore the confiscated property? Primarily because several large industrial holdings, such as General Aniline and Film (manufacturers of Agfa cameras and Ansco film), are involved. American competitors and

speculators are anxious to buy these plants, and considerable jockeying has been done in financial circles to facilitate their purchase. The companies are widely described as cartels which supported Hitler. But if this is true, retort some advocates of the Johnston bill, let the companies be tried before an appropriate judicial tribunal and a legal penalty exacted. If their assets in Germany have not been seized in satisfaction of Hitler's debts to international society, why should their assets in America be seized? Or, in short, why it is immoral for our Government to confiscate private property valued at less than $10,000, and moral for it to take more than $10,000? That question has often been asked with respect to the administration bill.

COMMITTEE FORMED TO FORWARD JUSTICE

A committee of American citizens has been organized by the venerable 82-year-old Frederick J. Libby, who for many years directed the National Council for the Prevention of War, to focus attention on the moral issues of the problem. "We have come together because of our sense of justice and fair play and our concern for the good name of America," he declares. "To steal $1 million is not more honorable than to steal $100. The insurance policies that have been paid into the United States Treasury instead of to beneficiaries and the little legacies left by American soldiers to relatives in Germany are in principle no more sacred than the investments of thousands of stockholders in large companies."

Learned Hand, the noted jurist, who is a member of Libby's Committee for the Return of Confiscated German and Japanese Property, declared that in the light of modern jurisprudence "this confiscation is a step back to savagery." John A. Scherzer of Washington, D. C., a Lutheran clergyman, stated during the hearings before the 84th Congress: "There is a difference between right and expediency. It might be economic or expedient from a political, social or some other point of view to hold fast to that property which belongs to citizens of another country, but that expediency does not prove it right. It is important that we set forth our true character as a nation." O. K. Armstrong, writer, prominent Baptist layman and former Congressman, pointed out at the hearings that America wants Germany and Japan as allies in a struggle against world forces which do not respect the rights of individuals or private property; yet we persist in perpetrating what their citizens regard as galling injustice and in denial of our own principles.

It remained for Representative BROOKS HAYS, Democrat, of Arkansas, whose House Foreign Affairs Subcommittee had conducted an investigation into the subject, to summarize the moral issues involved. In response to questions as to the cost of making full return of the confiscated property, Mr. HAYS said: "In the determination of this country to live by high moral standards, the question of cost hardly seems to come into the equation. There may be various shadings of virtue as respects the various German and Japanese owners, but a person doesn't lose his claim just by being German or Japanese. No one can feel more strongly about German or Japanese aggression than I, but I recall that during the war we said we were not making war upon the people, but against their tyrants. There is enough merit in the proposal of the Johnston bill to wind it up with full return. That is, if we believe in the old legal adage that "justice must be done though the heavens fall."

Moved by such testimony and by its own investigation of the facts concerning the wartime seizure, the Senate Judiciary Committee in the 84th Congress voted unanimously for full return of the confiscated property. Will the corresponding committee in the 85th make a similar recommendation? And will Congress as a whole accept and act on it? The answer will be given only after a soul-searching contest between the expediency of keeping the property and the morality of giving it back to those who own it.

CONGRESSIONAL PAGES—WHY NOT PAGE GIRLS IN THE FUTURE?

Mr. NEUBERGER. Mr. President, I always have known that our Congressional pages were extremely bright and gifted young men. However, I was particularly impressed from a favorable standpoint when I viewed the National Broadcasting Co. network program Teen Talk on Sunday, April 14, 1957.

Four fine Capitol Hill pages interviewed Representative JOHN DINGELL, of Michigan, himself a former page. These boys were Jay Sourwine, George Weaver, Tommy Allen, and Jerry Bostich.

They made a splendid presentation, and were particularly articulate in pointing out the high quality of the Capitol Page School, which is operated so efficiently for Senate, House, and Supreme Court pages by the District of Columbia public school system. I must confess, however, that I felt the page boys were a little weak in their arguments as to why there should never be any page girls in Congress. I rather approve of the idea myself, and I do not see any reason—in these enlightened days of female suffrage—why the position of page should be exclusively a masculine prerogative.

I myself have been proud of my own three fine appointees as Senate page boys—Michael Forrester, of Pendleton, Oreg.; Keith Schroeder, of Myrtle Point, Oreg.; and Richard Allender, Jr., of Oswego, Oreg.

AUTHORIZATION FOR PRESIDING OFFICER TO SIGN ENROLLED BILLS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Presiding Officer be authorized to sign enrolled bills during the adjournment of the Senate.

The PRESIDING OFFICER (Mr. SYMINGTON in the chair). Without objection, it is so ordered.

ADJOURNMENT

Mr. MANSFIELD. Mr. President, notwithstanding the order, entered earlier today, that the Senate adjourn from today until Thursday, at noon, at this time I move that the Senate adjourn until tomorrow, Wednesday, at 12 o'clock noon.

The motion was agreed to; and (at 3 o'clock and 7 minutes p. m.) the Senate adjourned until tomorrow, Wednesday, April 17, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 16, 1957:

DEPARTMENT OF STATE

Roy Richard Rubottom, Jr., of Texas, a Foreign Service officer of class 1, to be an Assistant Secretary of State, vice Henry F. Holland, resigned.

DEPARTMENT OF THE NAVY

J. Sinclair Armstrong, of Illinois, to be an Assistant Secretary of the Navy, vice William B. Franke.

UNITED STATES ATTORNEY

A. Pratt Kesler, of Utah, to be United States attorney for the district of Utah for a term of 4 years. He is now serving in this office under an appointment which expires May 8, 1957.

UNITED STATES MARSHALS

Bernard A. Boos, of South Dakota, to be United States marshal for the district of South Dakota for a term of 4 years. He is now serving in this office under an appointment which expires April 16, 1957.

Clement W. Crahan, of Iowa, to be United States marshal for the northern district of Iowa for a term of 4 years. He is now serving in this office under an appointment which expires May 21, 1957.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 16, 1957:

DEPARTMENT OF THE NAVY

William B. Franke, of New York, to be Under Secretary of the Navy.

UNITED STATES DISTRICT JUDGE

Caleb R. Layton III, of Delaware, to be United States district judge for the district of Delaware.

THE COAST AND GEODETIC SURVEY

The following for permanent appointments to the grade indicated in the Coast and Geodetic Survey, subject to qualifications provided by law:

To be captains

Henry O. Fortin (effective April 1, 1957).
Lawrence W. Swanson.
Gilbert R. Fish.

IN THE ARMY

The following-named persons for reappointment to the active list of the Regular Army of the United States, in the grade of colonel, from the temporary disability retired list, under the provisions of title 10, United States Code, section 1211:

Friedersdorff, Louis C., O15732.
Nemo, Ralph, O8362.

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of title 10, United States Code, section 3294 as amended by Public Law 497, 84th Congress, title 10, United States Code, section 3291, and Public Law 294, 84th Congress, title 10, United States Code, section 3311, title 10, United States Code, section 3292, and Public Law 737, 84th Congress:

To be captains

Distelhorst, Frederick W., DC, O4022419.
Dixon, Leon M., Jr., MC, O968320.
Edwards, Ian K., MC, O2267482.
Ford, George W., MC, O1941874.
Hanson, Merril H., DC, O4050928.
Hanson, Thomas A., MC, O1891967.
Lamson, Thomas H., MC, O975561.
Lipscomb, James Watts, MC.
Mansfield, John O., MC, O4016515.
Monahan, James L., DC, O938692.
Nakagawa, Bunzo, MC, O1923107.
Rose, Lawrence R., MC, O4067286.
Shamburek, Roland H., MC, O4016792.
Turner, Guthrie L., Jr., MC, O2269024.

To be first lieutenants

Adams, Charles R., Jr., JAGC, O2280046.
Bogrette, Ann, AMSC, M2994.
Brown, Eleanor N., ANC, N901344.
Butcher, Anna M., ANC, N901175.
Church, Roy S., MSC, O1918954.
Conley, Paul J., MC.

Cooper, Robbie F., ANC, N900237.
del Valle-Garcia, Rafael A., MC, O2034117.
Doyle, Thomas M., MSC, O1922527.
Fitch, Charles T., MC.
Forest, Philip E., MSC, O1893890.
Futoran, Jack M., MC.
Griffin, Robert E., MSC, O4005204.
Helmann, Eleanor M., ANC, N805421.
Hettinger, Dale A., DC, O4043832.
Hille, Robert A., MSC, O4020623.
Howlett, Byron P., Jr., MSC, O1933640.
Jan, Lloyd V., MSC, O1933746.
Johnson, Merlyn B., DC.
Kellert, Albert J., MC, O4022333.
Kiel, Richard A., MSC, O1893902.
Kirchner, Marvin M., MC, O4056269.
Lau, Bennett M. K., MC, O4051019.
Little, Earle E., Jr., MC.
Marill, Irwin H., MC, O4034538.
Matthews, Nancy L., AMSC, M20006.
Mendez, Enrique, Jr., MC, O4055405.
Middleton, Gordon K., Jr., MC.
Munoz-Noya, Orlando, DC, O2276571.
Nishikawa, Wallace Y., MC, O4051120.
Pelham, Walter L., MC.
Pound, Edwin C., Jr., MC, O4043783.
Pratt, Curtiss R., MC, O4051090.
Radentz, William H., DC, O2274487.
Ross, Don R., MSC, O4007162.
Sadler, Tom H., MSC, O2272296.
Schiele, Raymond J., DC, O2276563.
Smith, Elizabeth R., Jr., WAC, L1010476.
Theodoroff, Mary J., WAC, L1020648.
Vickers, Russell E., JAGC, O2273140.
Waters, Ethel D., WAC, I1010639.
Williams, Dana S., MC, O2274744.
Winfield, Mark E., MC, O1341842.
Wolcott, Jeane M., WAC, L1020060.
Yamamoto, Hiroshi, MSC, O4006713.
Yarbrough, Roy D., MSC, O2206298.
Zone, Robert M., MC, O4067979.

To be second lieutenants

Bullard, John W., MSC, O4030646.
Erickson, Duane G., MSC, O4030113.
Gray, Barbara D., AMSC, M3037.
Latta, Patricia A., AMSC, M3024.
Read, Betty I., WAC, L1010826.
Silvernale, Douglas J., MSC, O4029627.
Stover, James W., MSC, O4019402.

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of Public Law 737, 84th Congress:

To be captains

Franklin, Swayne B., O1688769.
Phillips, Eric C., O1181062.
White, Kent B., O404333.

To be first lieutenants

Baker, Theodore A., O1917897.
McDonald, Payton R., Jr., O4023600.
Stenquist, Richard W., O1341054

To be second lieutenants

Kelley, Emmett L., Jr., O4031400.
Komarow, Ronald M., O4040301.
McCuistion, Alan L., O4010737.

The following-named persons for appointment in the Medical Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of title 10, United States Code, section 3294, as amended by Public Law 497, 84th Congress, subject to completion of internship:

Farbstein, Martin E.
Leonard, John T.
Spees, Everett K., Jr.

The following-named distinguished military students for appointment in the Medical Service Corps, Regular Army of the United States, in the grade of second lieutenant, under the provisions of Public Law 737, 84th Congress:

Oswalt, Harris G.
Browning, Robert D.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of Public Law 737, 84th Congress:

Adams, James E.
Baker, Jerry W.
Banner, Thomas A.
Bell, Ross T., Jr.
Berg, George A.
Carpenter, Rodney K.
Cockrell, Allen A., Jr.
Cothran, Paul E.
Coull, James M.
Crawford, Jack F.
Davies, Peter G., O4077302.
Desonier, Richard J.
Echols, Bill D.
Fleming, Jerry L.
Forgy, Jack O.
Gagliardone, John L.
George, Edward H., III.
Gonzales, Richard E., Jr., O4072259.
Grant, Arthur J., Jr.
Grimes, Dan S.
Harris, Chester R., Jr.
Harris, Thomas L., Jr.
Harvard, Thomas P., Jr.
Helpling, Ray D.
Hofer, Kenneth W.
Hutchison, Jack R.
Hyde, Herbert K., Jr., O4048492.
Isbell, James C.
Jones, Walter R.
Kruger, Robert.
Leos, Tommy G.
Logan, Laddie B.
London, William G.
McFarland, Roger E.
McGarvey, Bruce H.
Mettam, Richard E.
Nelson, Clifford R.
Nemeth, Philip E.
Nestle, Eugene C.
Nichols, Charles W.
Noyer, Gary R.
Parrack, Jim M., Jr.
Paulus, Lawrence R.
Philpott, Lawrence D., O4060575.
Pinnell, Aubrey B., Jr.
Plummer, Gerrell V.
Polk, John C.
Pople, Richard A.
Porter, Bobby B.
Rafferty, James E.
Rich, Arthur L., Jr.
Robbins, Grant C.
Rock, Thomas L.
Simpson, William F., Jr.
Sones, Vernon B.
Stoll, Roy M.
Thorne, Gerald B.
Trdla, Joseph R.
Turk, Roy M.
Wharton, Walter N.
Whatley, Howard G., O4062241
Williams, Edward H.
Williams, William J., Jr.
Zimmerman, Robert

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 16, 1957

The House met at 11 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Eternal God, our Father, by Thy grace we have entered upon Holy Week.

We are commemorating events and experiences in the life of our blessed Lord whose solemn and sacred significance our finite minds cannot comprehend.

Grant that with a humble spirit and a contrite heart we may contemplate the redemptive ministry of the Christ, our Saviour.

May this be for all of us not only a time of commemoration but of renewed consecration when we are filled with a fervent desire to see men and nations redeemed from the darkness and bondage of sin and led into the glorious light and liberty of the sons of God.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5520. An act to amend the Second Liberty Bond Act to increase the maximum interest rate permitted on United States savings bonds.

SPECIAL ORDER VACATED

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that the special order granted me for today be vacated.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first bill on the Private Calendar.

FAVORING THE SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The Clerk called the concurrent resolution (S. Con. Res. 11) favoring the suspension of deportation of certain aliens.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-9716766, Alfonso, Jose Fortich.
A-6949986, Alter, Chain.
A-10135642, Alter, Paula.
A-6821652, Chao, Chi-Hsien.
A-7174725, Chillemi, Agatino.
A-5225158, Chor, Lin Yet.
A-9769273, Choy, Yen Chu.
A-9635428, Constantinides, Michael.
A-7485232, Crisci, Chung May Fong.
T-2672020, Cuevas-Fausto, Marciso.
A-2545910, Goumas, Costas Theodore.
A-6662794, Halberstam, Hersch.
A-6463603, Halberstam, Brucha.
A-7858110, Halbrecht, Miriam Baraks.
A-7821864, Huerta, Juana Villanueva De.
A-7821806, Huerta-Villaneuva, Elena.
A-7457147, Iniguez-Gomez, Martin.
0900-55633, Iniguez, Petra Martinez De.
A-6760550, Klein, Leon.
0300-403947, Lem, Bee.
A-2976235, Lam, Tit Hong.
T-2671987, Lopez-Martinez, Fidencio.
A-5319344, Minami, Tom Miyoshi.
A-4802395, Miyashta, Hisano.
0900-63110, Ortiz-Soto, Efrain.
A-5977278, Santos, Marcolino.
A-1985208, Veronis, Gerasimos Nicholaou.
A-4956624, Wallace, Empson Clarkston.
T-1496984, Uyeyama, Miyasumi.
A-4095935, Aguirre-Ruiz, Jose.
A-7354329, Arbutjman, Lejb Bernardo.
A-6612013, Arzrouni, Achoude.

A-4784317, Bakker, Harry Paul Marinus.
1600-97772, Barra-Duarte, Aurelliano.
A-2938135, Beker, Leon.
0900-64192, Camarena-Arias, Juan.
A-9669215, Dedo, Styepo.
A-9737095, De Moura, Julio.
A-7898941, Douskos, Carmen Maria.
A-6507735, Douskos, George.
A-9518412, Foo, Nee Ah.
E-89750, Gee, Chin Jun Kim.
0900-64550, Hernandez-Castro, Juan.
A-6048903, Huerta-Santellan, Angel Magdaleno.
E-056666, Joe Kwok Liang.
E-056667, Joe, Paylan Liang.
E-056668, Joe, Lee San.
A-6597759, Legister, Albert John.
T-2760951, Levy, Rene Cisneros.
A-7250484, Lockhart, Baleeka.
V-319235, Long, Haydee Rueda.
A-4954329, Lumas, Joseph.
A-6726819, Madrazo, Elisa Amparo.
A-8876986, O'Donnell, William John.
A-7270220, Palombella, Francesco.
A-9707191, Ramos, Pedro.
A-6711481, Rizk, Alfred Alexander.
T-2760421, Rodriguez-Garcia, Rafael.
A-3822477, Sanchez-Alejandro, Esteban.
A-9038125, Sanchez-Alejandro, Filomeno.
A-4010160, Sanchez-Alejandro, Gregoria.
A-4209497, Sanchez-de, Natividad Bazan.
T-1499169, Si, Wang.
A-5904796, Su'a, Kipeni.
A-4219656, Temita, Tamio.
A-5338975, Traynor, Janet Jessie.
A-9581816, Trojanovic, Pedro.
A-5423889, Tsien, Wei Hwa.
A-923672, Tsien, Wei Nan.
E-44755, Vega, Maria.
A-3610417, Ying, Teresa.
A-10086556, Ying, Yuen.
0966-263, Zamarripa-Barrera, Petra.
0966-264, Zamarripa-Barrera, Enrique.
A-2821296, Cnapich, Joseph.
A-7225061, Di Mambro, Edoardo.
V-1240687, Okana, Takeko.
A-7469332, Nevarez-Meraz, Alberto.
A-7044290, Ramirez-Mata, Carlos.
T-2672016, Ramirez, Petra Aida Montes De.
A-7188173, Roden, Adolf.
A-5528068, Todeschini, Isidoro Oreste.
A-6346278, Valkana, Constantinos.
A-6357988, Valkana, Panagiota.
A-6079538, Browne, Candelaria S. M.
A-6078003, Browne, Cynthia.
A-6079549, Browne, Rudolph.
A-8938372, Browne, Albert.
A-6079545, Browne, Leslie.
A-6078002, Browne, Vernon.
A-6870027, Fong, Way Chong.
A-7367898, Chu, Lau Hing.
A-5978605, Engelmann, August Max.
A-5763362, Fong, Liu.
A-4030307, Hee, Yep.
A-5967408, Ikari, Manuel Enrique.
A-5982007, Katsuro, Shuhei.
A-6886810, Lawrence, Genoveva Adelina.
A-5814895, Marshall, John Neil.
A-4080362, Maya-Ybarra, Francisco.
A-4334530, Miki, Tomizo.
A-10416353, Orozco-Estrado, Pedro.
0300-387312, Quintero-Toscano, Candido.
A-5248778, Singh, Channan.
A-6352336, Soltero, Silverio.
A-8039899, Stumbaugh, Giovanna Flammini Di Loreto.
A-8901479, Tang, Lily Cheng-Li.
1600-101488, Toro-Moreno, Manuel Del.
A-10504578, Valles, Luz Gasca De.
1500-42507, Velez, Esteban.
1500-42508, Velez, Eduviges.
1500-42509, Velez, Elvira.
A-7283659, Wah, Leung.
T-1892615, Foo, Wong Ah.
A-9747459, Henderson, Cecil Ashton.
A-6097780, Honda, Katsuki.
A-2573276, Li, I-Ying.
A-4829259, Mischler, Richard Robert.
A-6063644, Nielson, Lindsay Franklin.
A-6930858, Paradissis, Philip John.
A-8883007, Petrizzo, Maria Rosaria.
A-7751743, Pigulewski, Nicholas De Lorence.
A-1657086, Redko, Isay Ivanovich.
A-10086222, Scurvin, Lancelot Seymore.
A-2994820, Alfaro, Lydia Molina De.
A-8021752, Alfaro-Molina, Samuel.
A-6160109, Davis, Guy Henry.
A-7391996, Herrera-Ruiz, Juan.
A-3972563, Kogano, Takashi.
A-9708088, Naum, Lee.
0300-415842, Ong, Min.
A-5186985, Perez-Perez, Ruben.
A-10492500, Perez, Socorro Luna De.
A-10492499, Luna, Maria de Jesus.
A-8082062, Sing, Au.
E-118899, Wong, Ah Liang.
A-2185719, Alle, Alex.
A-5672581, Havlasa, Jan Klecanda.
A-4967860, Korogiannos, Eponinodas.
A-9645741, Lee, De She.
0300-398963, Leong, Mock Fook.
A-8014953, Nardo, Albert Di.
A-6161490, Ozawa, Atsumi Angelica.
A-6354359, Perlaki, Thomas.
A-7764289, Plaushak, Pamela Lysa.
A-7930337, Poy, Ngai Kai.
T-1892169, Sam, Chin You.
A-9513946, Sze, To King.
A-6161489, Yoshimura, Suzuko.
A-7384655, Benn, Hajara Singh.
A-6226075, Carlson, Susan.
A-3497151, Cosgrove, James.
A-8258649, Dominguez, Beatrice Rodriguez De.
A-10474407, Guerra, Maria Tovares De.
A-4352288, Hurtado, Lucia Espinosa De.
A-8832503, Mazer, Carmen Enriqueta De.
A-9501864, Michalakis, George.
A-7772769, Pinedo-Tamayo, Adolfo.
A-2706650, Sato, Kunishige.
A-7295956, Villapudua-Sanchez, Armando.
A-2319463, Zara, Thomas.
A-5997836, Gonzalez, Feliciano.
A-5882765, Gutierrez, Angelina Cuellar.
A-3653450, Lee, Hsin Chin.
A-9747187, Locke, George Frederick.
A-2008973, Maticzuk, Nicolaj.
A-6459301, Paneth, Lea.
A-8851449, Ulrych, Boruch.
A-8851450, Ulrych, Chaia Tauba.
A-3812648, Won, Tom Yon.
A-7439457, Aguirre, Rita Talavera De.
A-6484421, Fischer, Isidor.
T-303675, Garcia-Ramos, Eulalio.
A-9333333, Jit, Boh Tong.
A-3818721, Jung, Wood Dar.
A-8039673, Kenul, Joseph.
A-7290162, Lee, John.
A-5360726, Maldonado-Gonzalez, Fidel.
A-8258739, Pardon-Lizana, Enrique.
A-1196312, Silverman, Ada.
A-5753515, Sutherland, William George.
A-7363001, Vernazza, Gina Letina.
A-8871495, Ybarra-Torres, Eugenio.
A-7276513, Wing, Jew.
A-9151185, Akerberg, Hjalmar Alfons.
A-9684304, Fat, Lam.
A-7361923, Jung, Guey.
A-9538393, Leetmaa, Kaarel.
A-8870247, Martinez-Gutierrez, Alvino.
A-3379867, Naito, Tomio.
A-4784332, Nelson, Minnie.
A-6496278, Oriel, Benjamin Joseph.
A-4234512, Paz, Alicia Herdandez De.
A-3095797, Tsichlis, Vasilios.
A-4381523, Cook, Anthony.
A-5944885, Crowther, Angela Knez.
A-6899161, Dirks, Hendrik.
A-4820438, Frangos, Nicholas Kostantinos.
A-5154701, La Guardia, Francisco Marti.
A-9117178, Legac, George.
A-5966811, Miculinic, Joseph.
A-10499492, Mohamed, John.
A-4906873, Pizarro, Emilio Anastacio.
A-5997834, Prieto, Angel.
A-5997834, Prieto, Jr., Angel.
A-7201762, Scott, George Edward Wladom.
A-10416355, Atilano, Berta Morales De.
A-9517004, Fong, Foh Hua.
A-10075140, Foo, Mah Hong.
A-5549548, Friedrich, Hans Max.
A-7984748, Gonzalez-Perez, Angel.
A-3573618, Green, Caroline Louise.
A-6549172, Lazaro, Pelagia Javier.
A-6614916, Livas, Gregory Panagiotou.
A-5785564, Merayo, Agustin.
A-74445700, Niewolkiewicz, Mary.
A-10416327, Ramirez, Luis Ortega.
A-7841671, Shew, Gee.
A-1035814, Diamond, Phillip.
A-6476840, Figueroa-Ayuso, Eulalio.
A-10256536, Hung, Wong.
A-7140275, Lopez-Barragon, Nicolas.
A-5372469, Marcev, Samuel Anton.
A-5778460, Naess, Fred.
A-7115379, Scime, Marianne.
A-3747236, Tai, Mook Hoo.
A-8883649, Barbosa-Gomez, Luis Emilio.
A-7251809, Kehoe, Sophie.
A-8190275, Lai, William.
A-1945249, Rumenko, Frank.
A-7028911, Shavulsky, David.
A-5415136, Shavulsky, Goldie.
A-7028913, Shavulsky, Sylvia.
A-9582980, Syrigos, Antonios.
A-6849417, Tung, Ching Chen.
A-6967562, Tung, Lillian Liu.
A-9662775, Van Diepen, John.
A-9260398, Ward, Frank Joseph.
A-10255874, Chow, Fai King.

The concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

CARLIS STENDER

The Clerk called the concurrent resolution (S. Con. Res. 12) withdrawing suspension of deportation of Carlis Stender.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress, in accordance with section 246 (a) of the Immigration and Nationality Act (8 U. S. C. A. 1256 (a)), withdraws the suspension of deportation in the case of Carlis Stender (A-2180275) which was previously granted by the Attorney General and approved by the Congress.

The concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

FAVORING THE SUSPENSION OF DEPORTATION IN THE CASE OF CERTAIN ALIENS

The Clerk called the concurrent resolution (S. Con. Res. 17) favoring the suspension of deportation in the case of certain aliens.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring); That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation pursuant to the provisions of section 244 (a) (5) of the Immigration and Nationality Act (66 Stat. 214; 8 U. S. C. 1254 (c)):

A-1618471, Avis, Solomon.
A-5072321, Barbalat, Robert Samuel.
A-4530872, Caplan, Jacob.
A-8291885, Dreeka, Farres.
A-5982370, Givot, Simon.
A-5341909, Gutierrez-Cantu, Matilde.
A-2069878, Jurado-Portillo, Alberto.
A-4689730, Korkaris, Spiridon Ioanou.
A-10065801, Kratka, Abraham.
A-3843882, Lentzner, Rudolf.
A-3560108, Lopez-Varela, Angel.
A-3791973, Mandisky, Ceslaw.

E-072770, Olson, Gustav Olov.
A-1285420, Radman, Annie Elizabeth.
A-1917568, Slobodian, Moses.
A-4587587, Burck, Jacob.
A-1407721, Romano, Antonio.
A-4963187, Zaytoun, Eunice Zatone Eunice.
A-4611296, Dagostaro, Sebastiano.
A-5055225, Fishman, Nathan.
A-2144176, Flores-Duran, Jesus.
A-8619031, Goldbogen, Joseph.
E-131756, Hermans, Charles Ferdinand.
A-5006378, Jez, Franciszek.
A-2109652, Lopez, Secundo.
A-3549317, Murphy, George Patrick.
A-5905086, Rintrona, Paul.
A-4306639, Scuteri, Antonino.
A-3787439, Soeldner, William.
A-4167441, Swain-Rios, Raul.
A-1266712, Pozniak, Joseph George.
A-4237764, Rios-Beltran, Francisco.
A-3903054, Bernhardt, Joseph.
A-4390213, Bernhardt, Julia.
A-2854445, Chatlos, Peter Joseph Paul.
A-2663770, Drozda, Steve.
A-2663834, Gallo, Ettore.
A-8891753, Ginsberg, Samuel.
A-8729317, Ierna, Louis.
A-5398485, Kleingeld, Jan Antonie.
A-1667195, Kvederis, George.
A-1805400, Pacuka, William.
A-1953485, Rizzo, Emanuel.
A-3334493, Rozko, Gleb.
A-5920350, Tilinski, Blaise.
A-1832692, Haszaji, Janos.
A-4048788, Spiet, Casimer Joseph.
A-6036505, Wojcik, Andrzej.
A-3549327, Acks, Benjamin.
A-3540280, Camarillo-Hernandez, Melescio.
A-5957928, Conforti, John.
A-5283587, Herman, Carl.
A-4699846, Herman, Helen.
A-2331514, Geier, Michael.
A-4451943, Glocher, Louis.
A-3023919, Gomez-Romero, Macario.
A-3927637, Gordon, Sidney Dimitro.
A-2305717, Goris, Modeste.
A-4578869, Kelsik, Karl Charles.
A-3113854, Lichtstrahl, Nathan.
A-3284190, Nagy, Ferencz Fre.
A-10392951, Semrau, Otto.
A-3326451, Stefanich, Robert John.
A-4951722, Baker, Cyril Joseph.
A-1125010, Delgadillo-Bautista, Jose Audon.
A-2884715, Farhat, Assad.
A-5023157, Henry, Nellie.
A-5357355, Maggio, Anthony.
A-8728319, Mai, Felix.
A-1776754, Meldahl, Ludvik Theodore.
A-5262674, Oaxaca-Licon, Miguel.
A-2654872, Palacios, Manuel Antonio.
A-1009799, Pina, Edwin James.
A-5875661, Sowinski, Andrew Michael.
A-1355134, Strand, Emil.
A-10145314, Thomson, George Washington.
A-4827436, Corona, Vidal.
A-4578246, Corona, Maria Mercedes Murillo De.
A-3955408, Fillion, Pierre Joseph.
A-5003117, Steigerwald, Joseph.
A-3960477, Yettra, Max Henry.
A-4538625, Zinkiewicz, Theodore Stanley.
A-7387847, Abogile, Andrew.
A-10236757, Falsbein, Lillie.
A-3559457, Farino, Pasquale.
A-6846019, Januszkiewicz, Stella.
A-3872504, Navarro, Antonio.
A-3343832, Pollack, Walter.
A-5556763, Rose, George.
A-5164395, Stagliano, Alexander.
A-3917066, Vitale, Maria Rose Dolores.
A-5608431, Wagman, Anna.
A-5953152, Zuniga-Ayala, Gil.
A-5522981, Angelo, Joseph.
A-1136722, Battista, Domonick.
A-3115920, Cutrona, Paolo.
A-2433364, De Witt, Heridrick Mathilde.
A-2313159, Garza-Martinez, Anastacio.
A-5642228, Ivnitsky, Morris.
A-5055209, Johnson, Eric Gustav Christian.
A-8330014, Jurina, Stephen Martin.
A-5267881, Kaczmarek, Anthony Frank.
A-5578905, Karasiewicz, Bronislaw Daniel.
A-5536604, Karov, Harry.
A-4920268, Murphy, Frances Lavine.
A-3940909, Ferrone, Gasper.
A-4229759, Quong, Mong Lai.
A-4818926, Rivnyak, Michael.
A-5383872, Rosenzweig, Joseph.
A-4935411, Rye, Agil.
A-2837467, Teleshefsky, Harry.
A-4325513, Tkachuk, Peter.
A-1755685, Zajatz, Ivan.
A-8959188, Fajardo, Marcos.
A-4371961, Gum, Tang.
A-5621394, Geoniotes, Demetros Georgi.
A-3455978, Kucharik, John Paul.
A-4753662, Lubrano, Daniel.
A-4613965, Sanchez, Gil Ramirez.
A-4428360, Schwartz, Nathan.
A-3823508, Schwartz, Rebecca.
A-5907730, Aboseketes, Nick.
A-3556323, Ciechomski, John.
A-231660, Evtushik, Ulian.
A-5264444, Kahan, Isidore.
A-3149068, La Hood, John Joseph.
A-10165019, Leonard, Joseph Frank.
A-4647042, Maskovic, John Peter.
A-2917332, Mitchell, George Paul Vucenovich.
A-1258853, Strauber, Erwin.
A-3193490, Tresca, Benny.
A-3356111, Trost, Molly.

The concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

ASHUN YUNG

The Clerk called the concurrent resolution (S. Con. Res. 18) withdrawing suspension of deportation of Ashun Yung.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress, in accordance with section 246 (a) of the Immigration and Nationality Act (8 U. S. C. A. 1256 (a)), withdraws the suspension of deportation in the case of Ashun Yung (A-4196469) which was previously granted by the Attorney General and approved by the Congress.

The concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called the joint resolution (H. J. Res. 272) for the relief of certain aliens.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That, for the purposes of the Immigration and Nationality Act, Georgette Charalambo Harrison, Bronislaw Matuszczak, Walter Schik, and Solomon Joseph Sadakne, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act in the case of Bronislaw Matuszczak. Upon the granting of permanent residence to each alien as provided for in this section of this act, if such alien was classified as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.

SEC. 2. For the purposes of the Immigration and Nationality Act, Patrick Joseph Blewett, Barbara M. Stamat, and Azzam Issac Rafidi, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees.

SEC. 3. The Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bonds, which may have issued in the cases of Jose Zavala-Rivera and Mrs. Labibe Salibi. From and after the date of the enactment of this act, the said Jose Zavala-Rivera and Mrs. Labibe Salibi shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued.

With the following committee amendment:

On page 2, line 13, after the word "fees" change the period to a colon and add the following: "*Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act in the case of Barbara M. Stamat."

The committee amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAIVING CERTAIN PROVISIONS OF IMMIGRATION AND NATIONALITY ACT

The Clerk called the joint resolution (H. J. Res. 273) to waive the provisions of section 212 (a) (9) and (12) of the Immigration and Nationality Act, in behalf of certain aliens.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That, notwithstanding the provisions of section 212 (a) (9) and (12) of the Immigration and Nationality Act, Lucienne Canicio Smith, Lotte Gertrude Augusta Phelan, Mrs. Remaria Avearil a Marama Geronimo, Albina Mesesnel Lombardi, Mrs. Marie B. (Winkler) McClendon, Sylvia Duratti Stithan, and Mrs. Hildegarde Weber Bennett, may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act: *Provided*, That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CECELIA VACCARO

The Clerk called the bill (H. R. 1451) for the relief of Cecelia Vaccaro.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 402 (j) of the Immigration and Nationality Act (65 Stat. 191) shall be held to be applicable to Cecelia Vaccaro if she applies for benefits thereunder in accordance with regulations issued by the Secretary of State, prior to the

expiration of 6 months immediately following the enactment of this act.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That Cecelia Vaccaro, who lost United States citizenship under the provisions of section 401 (e) of the Nationality Act of 1940, may be naturalized by taking, prior to 1 year after the effective date of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said act. From and after naturalization under this act the said Cecelia Vaccaro shall have the same citizenship status as that which existed immediately prior to its loss."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELLEN G. MARINAS

The Clerk called the bill (H. R. 1765) for the relief of Ellen G. Marinas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act Ellen G. Marinas shall be held and considered to be the minor alien child of Paul A. Marinas, a citizen of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JEFFREY CHARLES MEDWORTH

The Clerk called the bill (H. R. 1454) for the relief of Jeffrey Charles Medworth.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of section 202 (a) (4) of the Immigration and Nationality Act, Jeffrey Charles Medworth shall be held to be chargeable to the quota of Great Britain.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELDA MONDILLO

The Clerk called the bill (H. R. 1837) for the relief of Elda Mondillo.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Elda Mondillo shall be held and considered to be the minor alien child of Mr. and Mrs. Giovanni Mondillo, a citizen of the United States.

With the following committee amendments:

Line 6, strike out "and Mrs." and strike out "citizens" and insert "a citizen."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK E. GALLAGHER, JR.

The Clerk called the bill (H. R. 1348) for the relief of Frank E. Gallagher, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is hereby authorized and directed to pay out of the United States Government life insurance fund to Frank E. Gallagher, Jr., Alexandria, Va., total disability benefits for the period from July 1, 1942, through November 28, 1945, under the terms of his United States Government life insurance policies, and to refund the premiums paid on such insurance through allotments from his active duty pay for the period from August 1, 1942, through November 28, 1945. The said Frank E. Gallagher, Jr., was totally disabled during such period by malnutrition and dysentery incurred as a result of inhumane treatment by the Japanese Government while a prisoner of war: *Provided*, That no part of any benefits or refund received by reason of this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ANNA L. DE ANGELIS

The Clerk called the bill (H. R. 1472) for the relief of Anna L. De Angelis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, the Administrator of Veterans' Affairs is authorized and directed to pay, out of any money available for the payment of national service life insurance benefits, to Anna L. De Angelis, of Rochester, N. Y., the widow of Aniceto De Angelis, a soldier in the United States Army during World War I, in full satisfaction of her claim against the United States, the sum of $5,000 representing the face value of Government insurance policy (K-851424) which was issued to the said Aniceto De Angelis on August 1, 1918, and reinstated on July 1, 1927, and under which the said Anna L. De Angelis was principal beneficiary although she has never received any payments on such policy following the death of the insured: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That jurisdiction is hereby conferred upon the United States District Court for the Western District of New York, notwithstanding any lapse of time or any provision of law to the contrary, to hear, determine, and render judgment upon the claim of Mrs. Anna L. De Angelis, of Rochester, N. Y., arising out of a controversy concerning the payment to her as beneficiary of policy numbered K-851424 issued to her husband, Aniceto De Angelis, on August 1, 1918, and reinstated effective as of July 1, 1927. The said Anna L. De Angelis asserts that after the reinstatement of said policy that Aniceto De Angelis became permanently and totally disabled during the period when the said insurance was in force on a premium-paying basis and that by reason of this the said insurance policy continued in force and effect until the death of the said Aniceto De Angelis, and that she then became entitled to the proceeds of the said insurance policy as his beneficiary: *Provided*, That passage of this act shall not be construed as an inference of liability on the part of the United States Government: *Provided, further*, That suit shall be filed within one year after the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

HOMER CAZAMIAS

The Clerk called the bill (H. R. 1502) for the relief of Homer Cazamias.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Homer Cazamias, Laredo, Tex., the sum of $3,300. The payment of such sum shall be in full settlement of all claims of the said Homer Cazamias against the United States for reimbursement of excessive customs duties paid by him with respect to certain tin cans (containing frozen strawberries) imported from Mexico during April, May, June, and July 1951. Such cans had been originally manufactured in the United States and would accordingly have been entitled to an exemption from duty if a claim for free entry had been filed at the time of such importation: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

GEORG GAHN AND MARGARETE GAHN

The Clerk called the bill (H. R. 1535) for the relief of Georg Gahn and Margarete Gahn.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Alien Property Custodian be, and he is hereby, authorized and directed to pay to Georg Gahn $6,537.07 and to Margarete Gahn $6,537.08. Such amounts represent the distributive share of Georg Gahn and Margarete Gahn under the

will of their deceased sister, Lena Steeger, who died in Massachusetts on August 9, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

WESTERN INSTRUMENTS ASSOCIATES

The Clerk called the bill (H. R. 1700) for the relief of Western Instruments Associates.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

FRANK J. AND MAE T. W. BURGER

The Clerk called the bill (H. R. 1752) for the relief of Frank J. and Mae T. W. Burger.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provisions of the act entitled "An act providing for the barring of claims against the United States," approved October 9, 1940 (31 U. S. C., sec. 71a), are hereby waived in favor of Frank J. and Mae T. W. Burger, of Hamilton, Ohio, if their claims for amounts due them by reason of the death of their son (1st Lt. George B. Burger, Army Air Corps), whose death is presumed to have occurred on May 11, 1944, are filed with the General Accounting Office within 1 year after the date of enactment of this act, since such claims are now barred solely by reason of the failure of the responsible governmental agency to forward them to the General Accounting Office within the allowable period of time.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT D. MILLER, OF JUNEAU, ALASKA

The Clerk called the bill (H. R. 2045) for the relief of Robert D. Miller, of Juneau, Alaska.

There being no objection, the Clerk read the bill, as follows

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Robert D. Miller, of Juneau, Alaska, the sum of $132.45, in full settlement of all claims against the Government of the United States as reimbursement for personal effects lost on December 14, 1954, in the sinking of a United States Coast Guard aircraft near Haines, Alaska, while employed by and on actual duty with the Department of Justice as deputy United States Marshal for the First Judicial Division of Alaska: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MORRIS B. WALLACH

The Clerk called the bill (H. R. 2674) for the relief of Morris B. Wallach.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HEMPHILL and Mr. ROBERTS objected; and, under the rule, the bill was recommitted to the Committee on the Judiciary.

ALEXEI FRANK

The Clerk called the bill (H. R. 2720) for the relief of Alexei Frank.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. VAN PELT. Mr. Speaker, I object.

The SPEAKER. Two objections are required under the rule.

Mr. VAN PELT. Mr. Speaker, then I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

ESTATE OF WILLIAM V. STEPP, JR.

The Clerk called the bill (H. R. 2973) for the relief of the estate of William V. Stepp, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of William V. Stepp, Jr., the sum of $1,500, in full settlement of all claims against the United States on account of the death of the said William F. Stepp, Jr., who died on or about June 4, 1948, as the result of a bullet wound inflicted by an enlisted member of the United States Army, acting as a sentry at a military base at Anchorage, Alaska, on June 4, 1948. This claim is not cognizable under tort claims procedure as outlined in title 28, United States Code: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

BUNGE CORP.

The Clerk called the bill (H. R. 3126) for the relief of Bunge Corp.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Bunge Corp., New York, N. Y., the sum of $1,087.50. The payment of such sum shall be in full settlement of all claims of the said Bunge Corp. against the United States on account of the erroneous liquidation of New York Consumption Entry No. 702540 of July 7, 1952, which entry incorrectly classified the merchandise involved, resulting in excessive customs duties being charged against such merchandise.

With the following committee amendments:

Page 1, line 6, strike out "$1,087.50" and insert "$1,196.25."

Page 2, line 5, insert: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

EDWIN K. FERNANDEZ

The Clerk called the bill (H. R. 3276) for the relief of Edwin K. Fernandez.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,115 to Edwin K. Fernandez, of 1094 South King Street, Honolulu, Oahu, Hawaii, to compensate him for the loss of property loaned to the Department of the Army in August 1943: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$2,115" and insert "$1,910.40."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ERNEST HAGLER

The Clerk called the bill (H. R. 3558) for the relief of Ernest Hagler.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim of Ernest Hagler on account of the seizure by the Internal Revenue Service of a quantity of ethyl alcohol purchased by Mr. Hagler from the Department of the Army pursuant to an award of a contract made under invitation for bids Nos. 23-207s-56-5, issued November 4, 1955 by the Saint Louis Area Support Center, United States Army, and to allow in full and final settlement of the claim the sum of not to exceed $1,079.72. There is hereby appropriated from any money in the Treasury not otherwise appropriated, the sum of $1,079.72 for payment of said claim.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

GEORGE T. MOORE, CARL D. BERRY, AND DR. HAROLD J. HECK

The Clerk called the bill (H. R. 3559) for the relief of George T. Moore, Carl D. Berry, and Dr. Harold J. Heck.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That George T. Moore, of Glencoe, Ill., an employee of the Department of Commerce, is hereby relieved of all liability to refund to the United States the sum of $3,051, representing payments of a per diem allowance in lieu of subsistence paid to him for the period from December 21, 1953, through November 30, 1954, as a result of administrative error, in connection with service rendered to the Government as consultant and as expert in Washington, District of Columbia. In the audit and settlement of accounts of any certifying or disbursing officer of the United States full credit shall be given for the amounts for which liability is relieved by this act.

SEC. 2. Carl D. Berry, of Winnetka, Ill., a former employee of the Department of Commerce, is hereby relieved of all liability to refund to the United States the sum of $1,423.66, $1,127.25 of which represents payments of a per diem allowance in lieu of subsistence for the period from March 9, 1955, through July 31, 1955, and $296.41 represents payments for travel incurred between Washington, District of Columbia, and Winnetka, Ill., which payments were made as the result of administrative error, in connection with service rendered to the Government as consultant and as expert in Washington, D. C. In the audit and settlement of accounts of any certifying or disbursing officer of the United States full credit shall be given for amounts for which liability is relieved by this act.

SEC. 3. Dr. Harold J. Heck, of New Orleans, La., a former employee of the Department of Commerce, is hereby relieved of all liability to refund to the United States the sum of $616.03, representing payments of a per diem allowance and travel expenses paid to him for the period June 1, 1955, through August 31, 1955, as a result of administrative error in connection with services rendered to the Government as consultant and as expert in Washington, D. C. In the audit and settlement of accounts of any certifying or disbursing officer of the United States full credit shall be given for the amounts for which liability is relieved by this act.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

HELMUTH S. HEYL

The Clerk called the bill (H. R. 3921) for the relief of Helmuth S. Heyl.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Helmuth S. Heyl, 270 Woodcrest Boulevard, Kenmore 23, N. Y., the sum of $1,149.24, in full settlement of all claims against the United States for a refund of income tax for the year 1922 erroneously collected: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

OSWALD N. SMITH

The Clerk called the bill (H. R. 4023) for the relief of Oswald N. Smith.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Oswald N. Smith, of 3757 Jay Street NE., Washington, D. C., the sum of $881.50. The payment of such sum shall be in full settlement of all claims of the said Oswald N. Smith against the United States Army out of the loss of clothing, equipment, and personal property sustained by him as a result of a fire in a warehouse in Merryville, La., in January 1944, while the said Oswald N. Smith was serving as a lieutenant with the 92d Infantry Division, United States Army: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out "$881.50" and insert "$793.35."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

JOY KULIS AND JANET ARLINE KULIS

The Clerk called the bill (H. R. 4970) for the relief of Joy Kulis and Janet Arline Kulis.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $4,004.20 to Joy Kulis and to pay the sum of $4,345.90 to Janet Arline Kulis, of Richmond, Calif., in full settlement of all claims against the United States. Such sums represent the amounts due as compensation from the death of their father, Joseph E. Kulis, for a period beginning June 5, 1942, and ending on August 18, 1953 for Joy Kulis, and ending September 17, 1954 for Janet Arline Kulis, the day preceding the 18th birthday of each child: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

HARRY V. SHOOP ET AL.

The Clerk called the bill (H. R. 5061) for the relief of Harry V. Shoop, Frederick J. Richardson, Joseph D. Rosenlieb, Joseph E. P. McCann, and Junior K. Schoolcraft.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Harry V. Shoop, Frederick J. Richardson, Joseph D. Rosenlieb, Joseph E. P. McCann, and Junior K. Schoolcraft are hereby relieved of all liability to refund to the United States the sums of $1,190.30, $410.40, $636.11, $904.80, and $1,176.80, respectively. Such sums represent the respective amounts of overpayment of compensation made to the above-specified individuals and received by them in good faith covering periods from and after November 9, 1952, through February 14, 1953, during which such individuals were absent from duty as employees of the Department of the Air Force by reason of service which they were performing with the Ohio National Guard. In the audit and settlement of the accounts of any disbursing officer of the United States, full credit shall be given for such respective amounts of overpayment. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to each of the above-specified individuals a sum equal to the aggregate of any amounts which may have been paid by him, or which may have been withheld from amounts otherwise due him, in complete or partial satisfaction of the claim of the United States for refund of such overpayment.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

CAPT. THOMAS C. CURTIS AND CAPT. GEORGE L. LANE

The Clerk called the bill (H. R. 5081) for the relief of Capt. Thomas C. Curtis and Capt. George L. Lane.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Capt. Thomas C. Curtis, Army service No. O965919, and Capt. George L. Lane, Army service No. O949474, both of The Adjutant General's Corps, United States Army Reserve, are hereby respectively relieved of liability to repay to the United States the sums of $54, received from April 13, 1949, to July 31, 1949, and $524.50, received from August 1, 1949, to January 31, 1954, which sums represent amounts paid to them for the performance of administrative duties as division pay officers of the 102d Infantry Division, Army Reserve. In the audit and settlement of the account of any disbursing officer of the United States, full credit shall be given for the amounts for which liability is relieved by this act.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

JOE KAWAKAMI

The Clerk called the bill (H. R. 5082) for the relief of Joe Kawakami.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Joe Kawakami, 4416 North Racine Avenue, Chicago, Ill., the sum of $106.05, in full reimbursement of the expenses incurred by him personally in paying a judgment obtained against him in a civil action in the municipal court of Chicago, as the result of a vehicular accident which occurred on January 9, 1953, Chicago, Ill., when he was acting within the scope of his employment as the chauffeur of the Army vehicle involved in said accident: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating any of the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ROBERT BURNS DEWITT

The Clerk called the bill (H. R. 5083) for the relief of Robert Burns DeWitt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Robert Burns DeWitt, 5934 Tremont Street, Dallas, Tex., the sum of $4,100, in full satisfaction and final settlement of all claims against the United States of the said Robert Burns DeWitt arising out of the recruiting, quartering, provisioning, and transportation of troops by him for service with the United States Armed Forces during World War I: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or agents, or attorney or attorneys, on account of services rendered in connection with this claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

WILLIAM HENRY DIMENT ET AL.

The Clerk called the bill (H. R. 5168) for the relief of William Henry Diment, Mrs. Mary Ellen Diment, and Mrs. Gladys Everingham.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William Henry Diment and Mrs. Mary Ellen Diment, 242 Grand Avenue, Ely, Cardiff, England, the sum of $5,000, in full settlement of all claims against the United States on account of the death of their son, W. H. Diment, as the result of his being shot by a soldier of the United States Army, acting within the scope of his employment as a sentry, at Antwerp, Belgium, on January 22, 1946; and to Mrs. Gladys Everingham, individually and as natural guardian of her two minor children, Michael Ronald Everingham and Maureen Everingham, 1 Montrose Avenue, Seymour Street, city of Kingston upon Hull, England, the sum of $12,000, in full settlement of all claims against the United States on account of the death of her husband, Sergeant Ronald Everingham, of the British Army, as the result of his being shot by a soldier of the United States Army acting outside the scope of his employment, at Antwerp, Belgium, on April 27, 1946: *Provided*, That no part of the amount appropriated in this act shall be paid out of the Treasury until such time as the Government of the United Kingdom has paid to Mrs. Gabrielle Evans, 85 Rue Olivier de Serras, Paris (15), Seine, France, the sum of $12,000, in full settlement of all claims against the Government of the United Kingdom on account of the personal injury and resulting death of her husband, LeRoy R. Evans, who was a citizen of the United States and a civilian employee of the United States Army when he was severely injured on January 1, 1949, in an accident involving a British Army vehicle, which occurred at Fontainebleau, France: *And provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, or attorney or attorneys, on account of services rendered in connection with this claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

HIGA KENSAI

The Clerk called the bill (H. R. 5220) for the relief of the estate of Higa Kensai.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

AUTHORITY FOR COURT OF CLAIMS TO DETERMINE AND RENDER JUDGMENT ON CERTAIN CLAIMS OF UNITED FOUNDATION CORPORATION OF UNION, N. J.

The Clerk called the bill (H. R. 5355) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment on certain claims of the United Foundation Corporation of Union, N. J.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims, notwithstanding any prior determination by such court on a motion for summary judgment, or any other provision or rule of law to the contrary, to hear de novo, determine, and render judgment upon all claims of the United Foundation Corporation of Union, New Jersey, against the United States, arising out of contract numbered W-49-080-eng-668 entered into between the said corporation and the United States on September 30, 1948, and such claims shall be considered as if they had arisen subsequent to the enactment of the act entitled "An act to permit review of decisions of the heads of departments, or their representatives or boards, involving questions arising under Government contracts," approved May 11, 1954 (41 U. S. C., secs. 321 and 322).

SEC. 2. Suit upon such claims may be instituted at any time within 90 days after the date of enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

SCOTT BERRY

The Clerk called the bill (H. R. 5441) for the relief of Scott Berry.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Scott Berry, of Huntington, W. Va., the sum of $481.84. Such sum represents the amount of the judgment and costs which the said Scott Berry has been required to pay, arising out of an automobile accident near Huntington, W. Va., on March 25, 1954, in which a truck being operated by him on official business of the United States Post Office Department was struck by a privately owned vehicle: *Provided*, That no part of the amount appropriated in this act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, lines 2 and 3, strike "in excess of 10 percentum thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A. C. ISRAEL COMMODITY CO., INC.

The Clerk called the bill (H. R. 5707) for the relief of the A. C. Israel Commodity Co., Inc.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

THE SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

WILLIAM FREDERICK WERNER

The Clerk called the bill (H. R. 5714) for the relief of William Frederick Werner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William Frederick Werner, Pawtucket, R. I. (Veterans' Administration claim No. C-3842760), the sum of $1,449.70. The payment of such sum shall be in full settlement of all claims of the said William Frederick Werner against the United States for reimbursement of the amounts which he paid for hospitalization for a service-connected disability during the period beginning March 1, 1946, and ending May 9, 1947, both dates inclusive, at a Veterans' Administration contract facility: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

JUANITA GIBSON LEWIS

The Clerk called the bill (H. R. 5718) for the relief of Juanita Gibson Lewis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the national service life insurance, represented by the certificate No. N-195-931-199, issued to Harvey C. Lewis (Veterans' Administration claim No. XC-4-143-457), shall be held and considered to have been in full force and effect at the time of the death of the said Harvey C. Lewis on June 11, 1945, and the Administrator of Veterans' Affairs shall pay such insurance (from the national service life-insurance appropriation) to Juanita Gibson Lewis, widow of the said Harvey C. Lewis and designated beneficiary of such insurance: *Provided, however*, That the total amount of the premiums unpaid on such insurance for the period beginning January 23 and ending on June 11, 1945, both dates inclusive, shall be deducted from the amounts payable to the said Juanita Gibson Lewis as principal beneficiary of such insurance.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

MANUEL MELLO

The Clerk called the bill (H. R. 5855) for the relief of Manuel Mello.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Manuel Mello, New Bedford, Mass., the sum of $158.21. Such sum represents reimbursement to the said Manuel Mello for paying out of his own funds a judgment rendered against him in the courts in the Commonwealth of Massachusetts, arising out of an accident occurring in January 1954, when the said Manuel Mello was operating a Government vehicle in the course of his duties as an employee of the Post Office Department: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

THOMAS F. MILTON

The Clerk called the bill (H. R. 6172) for the relief of Thomas F. Milton.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thomas F. Milton, 88 Violet Avenue, Hillingdon, Middlesex, England, the sum of $11,197.60 in full satisfaction of all claims of Thomas F. Milton against the United States for damages resulting from injuries sustained in an incident involving United States Air Force personnel in Uxbridge, Middlesex, England, on May 10, 1952, while exercising his duties as a constable in the London Metropolitan Police: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

VIRGINIA HELL

The Clerk called the bill (H. R. 6175) for the relief of Virginia Hell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,495.36, to Virginia Hell, of 2055 38th Street SE., Washington, D. C. Such sum shall be in full settlement of all claims of said Virginia Hell against the United States for necessary expenses incurred in returning to the United States from London, England, after serving in Europe as a civilian employee of the American Government for 2 years and 7 months (May 4, 1948, to December 8, 1950) and for property damage sustained as the result of household furnishings being left out in weather at New Orleans, La., by the United States customs officials: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

WAIVING PROVISION OF SECTION 212 (A) (9) OF THE IMMIGRATION AND NATIONALITY ACT IN BEHALF OF CERTAIN ALIENS

The Clerk called House Joint Resolution 274 to waive the provision of section 212 (a) (9) of the Immigration and Nationality Act in behalf of certain aliens.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Rose Maria Pucillo, Bertha Gabriel Y. Martinez Gomez, Francesco Pizzo, Bronislaw (John) Waz, Mrs. Elizabeth Helene Carter, George Liberatos (Lymperatos), Hildegard Kaufmann, Mrs. Helene Dimitrowa Shiver, Berthilde Vogler Ganno, Herta Friedrichs Rockwood, Luis Torres, Ursula Anna Peterich von Rekowsky, Antonio Contreras, Francesco Di Lorenzo, Beniamino Rocco Giordano, Donato Severino Spensieri, and Mrs. Anna Hoczak Aumueller Cathey may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act: *Provided*, That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAIVING PROVISION OF SECTION 212 (A) OF THE IMMIGRATION AND NATIONALITY ACT IN BEHALF OF CERTAIN ALIENS

The Clerk called House Joint Resolution 288 to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

FACILITATING ADMISSION INTO UNITED STATES OF CERTAIN ALIEN CHILDREN

The Clerk called House Joint Resolution 289 to facilitate the admission into the United States of certain alien children.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, James Kanji Hoskins, shall be held and considered to be the natural-born alien child of Master Sergeant James Britton Hoskins, a citizen of the United States.

SEC. 2. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Petros Ioannou Calengas, shall be held and considered to be the natural-born alien child of Margarita L. Calengas and Leonardos P. Calengas, citizens of the United States.

SEC. 3. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Efmorphia Nikolaidou, shall be held and considered to be the natural-born alien child of Wallace Frederic Woiever and Helen Wolever, citizens of the United States.

SEC. 4. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Choon Sik Kim, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Walter H. Lohans, citizens of the United States.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called House Joint Resolution 290 for the relief of certain aliens.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That, for the purposes of the Immigration and Nationality Act, Moosa Ebrahimian, Abdullah Ibrahim Hakim, Margaret Shand (Chansior), Vasiliki Elefantis Kritselis, Maria Rosa Largaiolli, Hene (Genia) Wasser, Michael Wasser, Poulicos S. Loucacos, Margarete Herzog, Evangelos Demetre Kargiotis, and Hsun-Tiao Yang, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to each alien as provided for in this section of this act, if such alien was classified as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.

SEC. 2. For the purposes of the Immigration and Nationality Act, Wayne Edward Cottrell and Jang Ngoon Tom, also known as Doon Wee Tom, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees.

The joint resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ALBERT HYRAPIET

The Clerk called the bill (H. R. 1574) for the relief of Albert Hyrapiet.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Albert Hyrapiet shall be deemed to be a native of Canada, notwithstanding the provisions of section 202 of that act.

With the following committee amendment:

Page 1, line 5, strike out "Canada" and insert "England."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

SHIGEKO KIMURA AND HER MINOR CHILD

The Clerk called the bill (H. R. 2723) for the relief of Shigeko Kimura.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Shigeko Kimura, the financée of Sfc. Francis J. Luddy, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Shigeko Kimura is coming to the United States with a bona fide intention of being married to the said Sfc. Francis J. Luddy and that she is found admissible under all provisions of the Immigration and Nationality Act other than section 212 (a) (6) thereof and if she is found inadmissible under this provision of law, she may be issued a visa and admitted to the United States under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as described by section 213 of the said act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Shigeko Kimura, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Shigeko Kimura, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Shigeko Kimura as of the date of the payment by her of the required visa fee.

With the following committee amendment:

Page 1, strike out all after the enacting clause and insert the following: "That, in the administration of the Immigration and Nationality Act, Shigeko Kimura, the fiancée of Sfc. Francis J. Luddy, a citizen of the United States, and her minor child, shall be eligible for visas as nonimmigrant temporary visitors for a period of 3 months: *Provided*, That the administrative authorities find that the said Shigeko Kimura is coming to the United States with a bona fide intention of being married to the said Sfc. Francis J. Luddy and that they are found otherwise admissible under the immigration laws, except that section 212 (a) (6) of the said act shall be inapplicable in the case of Shigeko Kimura, and she may be issued a visa and be admitted to the United States under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare may deem necessary to impose: *Provided further*, That if the said Shigeko Kimura is not entitled to medical care under the Dependents' Medical Care Act (70 Stat. 250), a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Shigeko Kimura and her minor child, they shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Shigeko Kimura and her minor child, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Shigeko Kimura and her minor child as of the date of the payment by them of the required visa fees. The exemption provided herein in the case of the said Shigeko Kimura shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time and passed.

The title was amended to read as follows: "A bill for the relief of Shigeko Kimura and her minor child."

A motion to reconsider was laid on the table.

PAVEL BLAHO

The Clerk called the bill (S. 87) for the relief of Pavel Blaho.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Pavel Blaho shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such queta is available.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

DUK CHANG CHO

The Clerk called the bill (S. 58) for the relief of Duk Chang Cho.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Duk Chang Cho, shall be held and considered to be the natural-born alien child of M. Sgt. and Mrs. Francis M. Bradshaw, citizens of the United States.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

VICTOR CHARLES HUNT

The Clerk called the bill (S. 91) for the relief of Victor Charles Hunt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of Victor Charles Hunt. From and after the date of enactment of this act, the said Victor Charles Hunt shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and order have issued.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

DOMINIC PAUL STEINHAUSER (HIROSHI TSURUDA)

The Clerk called the bill (S. 93) for the relief of Dominic Paul Steinhauser (Hiroshi Tsuruda).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Dominic Paul Steinhauser (Hiroshi Tsuruda), shall be held and considered to be the natural-born alien child of Master Sergeant and Mrs. Paul W. Steinhauser, citizens of the United States.

SEC. 2. That, notwithstanding the provisions of section 212 (a) (6) of the Immigration and Nationality Act, the alien, Dominic Paul Steinhauser (Hiroshi Tsuruda) may be granted a visa and be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act and upon compliance with such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: That, a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

With the following committee amendment:

Page 2, line 7, after the colon insert: "*Provided*, That, unless the beneficiary is entitled to medical care under the Dependents' Medical Care Act (70 Stat. 250)."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNA MARIA COSENTINO AND FRANCESCA MARIA COSENTINO

The Clerk called the bill (S. 127) for the relief of Anna Maria Cosentino and Francesca Maria Cosentino.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Anna Maria Cosentino and Francesca Maria Cosentino shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the proper quota or quotas for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HEWEY MALACHI MACKEY

The Clerk called the bill (S. 158) for the relief of Hewey Malachi Mackey.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Hewey Malachi Mackey shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ESTHER GUAGLIARDO

The Clerk called the bill (S. 288) for the relief of Esther Guagliardo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of paragraphs (9), (12), (17), and (19) of section 212 (a) of the Immigration and Nationality Act, Esther Guagliardo may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That this act shall apply only to grounds for exclusion under such paragraphs known to the Secretary of State or the Attorney General prior to the date of the enactment of this act.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

NELSON SHU-YUNG CHUANG

The Clerk called the bill (S. 363) for the relief of Nelson Shu-Yung Chuang.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Nelson Shu-Yung Chuang shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HERBERT JAMES BRAMLEY

The Clerk called the bill (S. 424) for the relief of Herbert James Bramley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (6) of the Immigration and Nationality Act, the alien, Herbert James Bramley, may be granted a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act and upon compliance with such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

YEE CHUNG FONG MING AND YEE CHUNG NOM MING

The Clerk called the bill (S. 649) for the relief of Yee Chung Fong Ming and Yee Chung Nom Ming.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Yee Chung Fong Ming and Yee Chung Nom Ming shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STYLIANOS LECOMPLES

The Clerk called the bill (S. 687) for the relief of Stylianos Lecomples.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Stylianos Lecomples shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

With the following committee amendment:

Strike out all after the enacting clause and insert "That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Stylianos Lecomples may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALECOS MARKOS KARAVASILIS AND HIS WIFE, STELIANI KARAVASILIS

The Clerk called the bill (S. 696) for the relief of Alecos Markos Karavasilis and his wife, Steliani Karavasilis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Alecos Markos Karavasilis and his wife, Steliani Karavasilis, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota control officer to deduct the required numbers from the appropriate quotas for the first year that such quotas are available.

With the following committee amendment:

Strike out all after the enacting clause and insert "That the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bonds, which may have issued in the cases of Alecos Markos Karavasilis and Steliani Karavasilis. From and after the date of the enactment of this act, the said Alecos Markos Karavasilis and Steliani Karavasilis shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

GEORGIANA CHING HSIEN (LIANG) NEW

The Clerk called the bill (S. 753) for the relief of Georgiana Ching Hsien (Liang) New.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Georgiana Ching Hsien (Liang) New shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

JOHN LEARY

The Clerk called the bill (S. 797) for the relief of John Leary.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, John Leary shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, the Attorney General is authorized and directed to cancel any outstanding order and warrant of deportation, warrant of arrest, and bonds, which may have issued in the case of John Leary. From and after the date of the enactment of this act, the said John Leary shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued: *Provided*, That nothing in this act shall be construed to waive the provisions of section 315 of the Immigration and Nationality Act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DOROTHY E. GREEN AND THELMA L. ALLEY

The Clerk called the bill (H. R. 5186) for the relief of Dorothy E. Green and Thelma L. Alley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, neither Regular Army W. O. Dorothy E. Green, V-904322, nor Regular Army W. O. Thelma L. Alley, V-904321, may be separated from active duty with the United States Army solely by reason of the provisions of title 10, United States Code, section 1164 (b), and section 46 of the act of August 10, 1956 (Public Law 1028, 84th Cong.), until she has completed 20 years of active service that could be credited to her under section 511 of the Career Compensation Act of 1949 (37 U. S. C. 311).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAUL BERNSTEIN

The Clerk called the bill (H. R. 1488) for the relief of Paul Bernstein.

The SPEAKER. Is there objection to present consideration of the bill?

Mr. VAN PELT and Mr. AVERY objected; and, under the rule, the bill was recommitted to the Committee on the Judiciary.

DONALD F. THOMPSON

The Clerk called the bill (H. R. 2264) for the relief of Donald F. Thompson.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

LEONA C. NASH

The Clerk called the bill (H. R. 2678) for the relief of Leona C. Nash.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of all laws administered by the Veterans' Administration, Leona C. Nash shall be held and considered to have validly married George J. Nash (Veterans' Administration claim No. XC 1342436).

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

MRS. MARY JANE RUSSELL

The Clerk called the bill (H. R. 3572) for the relief of Mrs. Mary Jane Russell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Mary Jane Russell, Casscoe, Ark., the sum of $2,000. The payment of such sum shall be in full settlement of all claims of the said Mary Jane Russell against the United States arising out of the failure of the Department of the Army to forward to the Armed Forces Mutual Life Insurance Co., San Antonio, Tex., premiums under a class E allotment from the pay account of her son, Ernest L. Buchanan, RA17235639, who died while serving in the Armed Forces of the United States in Korea. Such premiums were intended to be applied on a life insurance policy issued by that company to the said Ernest L. Buchanan who designated his mother, Mrs. Mary Jane Russell, as sole beneficiary: *Provided*, That no part of the amount appropriated to this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

VITO MAGISTRALE

The Clerk called the bill (H. R. 6050) for the relief of Vito Magistrale.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Vito Magistrale, the sum of $2,000. The payment of such sum shall be in full settlement of all claims of the said Vito Magistrale against the United States for refund of the amount which he posted as bond in the case of Fioravante Antonio Magistrale, an alien (file No. 0300-370104 App. B) who was deported: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6870. An act making appropriations for the fiscal year ending June 30, 1957, and for other purposes.

DEPARTMENTS OF STATE AND JUSTICE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION BILL, FISCAL YEAR 1958

Mr. ROONEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6871) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to 2½ hours, the time to be equally divided and controlled by the gentleman from New York [Mr. COUDERT] and myself.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 6871, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. ROONEY. Mr. Chairman, I yield 30 minutes to the distinguished chairman of the full Committee on Appropriations, the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, we won the First and Second World Wars through production. We outfought, outthought, and outgeneraled the rest of the world, but in the last analysis we won because we outproduced them.

In the economic battles ahead, that nation will win which retains the advantage in sources of energy. We must not dissipate our fuels. We must conserve coal, oil, and gas. Every barrel and ton shipped abroad is a loss we cannot afford to sustain. We must buy all fuels abroad and import every unit available.

And especially we must develop as rapidly as possible every potential source of electric and atomic power. A century from now or sooner these potent sources of energy will be decisive in world survival.

The world is now at the threshold of the atomic age. Our status in this iconoclastic era is now being determined by legislation pending in this Congress.

The Atomic Energy Commission has submitted to the House its budget estimates for fiscal year 1958.

Even a cursory examination of the acts of Congress under which the Commission operates indicates that a number of the items in the budget estimates, particularly those purportedly justifying the appropriation of millions of dollars for atomic electric power, are not specifically authorized. Many of these items appear to be in violation of the 1954 Atomic Energy Act, and beyond that, the entire program has been, and is, so vague as not to warrant the appropriation of a single dollar for the Commission's atomic electric-power program unless and until the Joint Committee on Atomic Energy, the legislative committee, effects the amendment of the Atomic Energy Act of 1954, specifically authorizing the Commission's atomic-power program. Beyond that, the joint committee should put to searching scrutiny every program of the Commission.

The amounts of money requested annually for the Commission are necessarily large. As of June 30, 1956, the Congress had appropriated $15.2 billion for the atomic-energy program. For fiscal year 1958 the Commission is asking the Congress to appropriate $2,377,000,000 for operating expenses and $120 million for construction. This would involve an increase over the appropriation for fiscal year 1957 which was $1,898,000,000, or an increase of $600 million. Congress has been exceptionally considerate of the atomic energy appropriations in the past on the theory that its work involves elements of secrecy and urgency and should, therefore, be justified largely by general statements rather than detailed explanations and specific data.

This phase of the subject was discussed by distinguished members of the Joint Committee on Atomic Energy, on both sides of the aisle and in both Houses of Congress, in drafting the Atomic Energy Act which became law on August 30, 1954. The legislative history of the act of 1954 has been compiled in 3 volumes, embodying something like 4,000 pages. The Congress on the basis of this impressive record had a right to feel that the act established adequate guidelines for the Commission. Yet, less than a year later, the gentleman from California [Mr. HOLIFIELD] was moved to say to Mr. Strauss, Chairman of the Atomic Energy Commission:

> Frankly we have felt that the Atomic Energy Commission is going to have to conform in the future much more closely to the regular procedures of other agencies before congressional committees than they have in the past, and it is felt there is a feeling among the Members of Congress that the time for flexibility has passed to a great extent and it has become now almost a normal procedure, and that in many ways you are going to have to conform in the future to a more rigidly planned schedule than you have in the past.

This quotation is taken from page 151 of the joint committee's hearings on authorizing legislation, May 31, 1955.

This statement of the gentleman from California was not a casual observation. Rather it was obviously the product of long and studied reflection on his part. I say this on the basis of an examination of the joint committee's earlier hearings held in January, February and March of 1955, and of earlier colloquies which occurred in the May 1955 hearings from which I have quoted. Passing to the many hearings held in 1956 by the joint committee, and to the hearings conducted by the Appropriations Committee in 1956, it is evident that the gentleman's statement has even more direct application today.

The 1954 act is inadequate as a framework within which appropriation requests can be adequately considered for atomic electric power because, as interpreted and applied by the Commission, the intent of Congress appears to have been violated in many respects. Having examined the Commission's factual performance, and compared it with the provisions of the 1954 act, we have reached the following conclusions:

First. The Commission's atomic electric power program is in some respects in contravention of the law, and must be specifically authorized in its entirety before further appropriations should be made.

Second. The program from a factual standpoint is practically nonexistent. If it ever had any promise of achievement, the facts as known today establish inescapably that it has collapsed.

Third. Britain, Russia, and now the six nations which have formed Euratom, are forging ahead in this field, to the point that our leadership in application of the atom to peaceful generation of electricity is seriously challenged. The generation of energy is the key to peace, and a first line of defense in war. This country must not delay in constructing atomic electric power plants. We cannot afford to further tolerate the Commission's complacency.

AUTHORIZATION REQUIRED FOR ATOMIC ELECTRIC POWER PROGRAMS

Under section 261 of the act of 1954 Congress retains the right to authorize projects designed to develop and promote atomic electric power. The section provides:

> SEC. 261. Appropriations: There are hereby authorized to be appropriated such sums as may be necessary and appropriate to carry out the provisions and purposes of this act except such as may be necessary for acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion.

When the 1954 act was under consideration by the Joint Committee on Atomic Energy, the Commission vigorously opposed inclusion of this provision. Notwithstanding that the section was included in the act, the Commission has effectively evaded the clear language, purpose and intent of the section insofar as atomic electric power is concerned.

The Commission's method of defeating the statutory direction has been to arbitrarily divide the various atomic electric power programs into two fiscal categories. The first category pays lip-service to section 261 and covers physical structures on the theory that a so-called bricks-and-mortar test segregates the major portion of the programs from the requirement of authorization. It is carried in the budget estimates under plant acquisition and construction which is the portion of the budget which must be first and separately authorized by the joint committee. The second category is operating expenses. Budget requests for fiscal years 1956, 1957, and 1958 carried more than 80 percent of the money for the programs under operating expenses. The operating expense budget is not specifically authorized by annual authorizing legislation.

This arbitrary and unreal approach ignores the fact that the atomic electric power programs are indivisible entities. You cannot have what goes into the physical structures without having the physical structures, and you cannot have a program at all without having both the physical structures and their component parts.

The result has been that for fiscal years 1956, 1957, and 1958 the amount appropriated and requested for the civilian power reactor program totals $236.8 million, of which only $40 million was authorized under authorizing legislation reported out by the joint committee and approved by the Congress. Thus it is readily seen that less than 20 percent of this program was authorized and more than 80 percent of this indivisible program was not specifically authorized. This puts the Appropriations Committees of the Congress in an extremely difficult position so far as the entire civilian power reactor program is concerned.

The problem is readily illustrated. In the first hearings held by the joint committee subsequent to the passage of the Atomic Energy Act of 1954, the joint committee in February 1955 raised the question of how the Commission had segregated its initial request for funds to accelerate the civilian reactor program. The Commission had requested $75 million for this purpose and had arbitrarily placed $50 million in the portion of the budget which does not require annual authorization, namely, the operating budget; and $25 million under plant and equipment which would require authorization. The General Manager of the Commission answered that he had personally pulled this division "out of the hat." He said at page 189 of the Joint Committee hearings the following:

> We felt in justifying that division—I think I was responsible for it and more or less pulled it out of the hat after the staff argued pro and con as to whether it should be bigger or smaller—if we feel we have some of these proposals we can refinance that distribution. And with the consent of the Budget Bureau, we can ask for a change in it when we defend our budget for fiscal 1956.

In May 1955 the joint committee held hearings on authorizing legislation for fiscal year 1956 and on June 14, 1955, reported out a bill recommending authorizations which was subsequently enacted. In its report the joint committee stated that the purpose of the requirement of authorizing legislation is to give the joint committee and the Congress some control over the programs of the Commission. However, the joint committee pointed out the Commission had not included in its request for authorizing legislation items which we now know to constitute over 80 percent of the programs and the joint committee affirmatively stated that it strongly disagreed with the arbitrary Commission interpretation. But there the joint committee stopped and resigned itself to loss of control over more than 80 percent of the program, by saying that it was not including in the authorizing legislation the items which make up the 80 percent because the Commission reported that it did have authority for the appropriation of such funds. The Congress is the judge and not the Commission, and it should not appropriate money on any such basis as this.

THE COMMISSION'S CIVILIAN POWER REACTOR DEVELOPMENT PROGRAM IS IN CONTRAVENTION OF THE 1954 ACT

The civilian power reactor development program is a general heading which actually encompasses three separate and distinct atomic electric power programs. The first is the Government's experimental program, or so-called 5-year program, which was initiated under the basic 1946 Atomic Energy Act, prior to the enactment of the 1954 act. It has been generally regarded that the Government's experimental program does not require authorizing legislation except for plant and equipment. If this were ever so, time, facts and circumstances now demonstrate that the Government's experimental program is part and parcel of the indivisible entity which we have come to know by the generic term "civilian power reactor development program." Just as in the cases of the other two programs about to be described, the Government's experimental program in its entirety must stand on the basis of authorizing legislation, or not at all.

The second part of the civilian power reactor development program is known as the power demonstration program under which, pursuant to Congressional intent, it is provided that Government and industry, both public and private power, may participate in the development of atomic electric power. This program as formulated and put into operation by the Commission is in contravention of section 169 of the act which prohibits subsidy to industry. Every project and item and every phase of every project and item in the power demonstration program should stand on the basis of specific authorizing legislation, or not at all.

The third portion of the indivisible entity entitled "Civilian Power Reactor Development Program" is known as the independent-industrial program. Under this program as formulated and put into operation by the Commission, industry applicants are to be given the benefit of all the technology acquired by the Government at a cost of $229.5 million up to June 30, 1957, with no obligation whatever on the part of industry to return to the Government, for the benefit of all, the technology, know-how, cost, and operating experience which this country needs so vitally. The way in which this entire thing has been put together by the Commission results in the situation that inescapably the industry applicants under the independent-industrial program will receive Government assistance, but the type and form of the Government assistance paid for with taxpayers' dollars cannot be readily identified in the annual Commission budgets. Since the ostensible objective of the independent-industrial program must necessarily be identical with the objective of the other two programs, it is the duty and responsibility of Congress to painstakingly determine to the fullest extent the form and manner in which taxpayers' dollars are being handed to industry under this program as they undoubtedly are. Again, every phase of such assistance should be based upon specific authorizing legislation, or not at all.

In the first hearings held by the joint committee subsequent to enactment of the 1954 act, distinguished members of the joint committee expressed themselves unmistakably as disagreeing with the Commission's formulated programs. Thus, we find that Congressman COLE, who was chairman of the joint committee in 1954, and who piloted the 1954 act through the joint committee and through the House, said at page 173 of the hearings:

> Just for the sake of completing the record, let me express my own viewpoint that I not only disapprove, as an individual, of the Commission's procedure under this power-reactor program, but also disagree with its interpretation. Don't misunderstand me. I thoroughly agree that the Commission has the right under 31 (b) to do everything it seeks to do in its power program. But it is a mistake to tie the authority of 31 (b) into an effort to create or construct a research reactor.
>
> You admit it is tantamount to a subsidy. You must admit that section 169 was intended very definitely to prohibit the use of Commission funds for the purpose of constructing and operating a research reactor.

Senator ANDERSON, who was presiding as chairman of the joint committee in these February 1955 hearings, characterized the Commission's interpretation as a subterfuge, saying, on page 157:

> I think, General Nichols, that it is going to be very important that we try to develop that difference of opinion that seems to exist here as to whether you regard this as the real interpretation of the law, or whether you recognize that what was written in here at the tail end of this was an escape clause to let you go make a research contract.
>
> When you start paying the cost of these plants, you are making a subterfuge of what Mr. Cole and others thought was the purpose of the law. You are not trying to find out if industry is going ahead. You are saying to industry, "Don't put up your own money, because, if you just wait, we will come along and give you part of it."

And then at page 159, Chairman ANDERSON engaged in this colloquy with Mr. Strauss:

Chairman ANDERSON. What would be the trouble of once saying to begin with, we would like to find if anybody wants a license without Government subsidy? This section is headed "No Subsidy." It is not headed, "How To Give Subsidy."

Mr. STRAUSS. Mr. Chairman, would a question be permitted by a witness? I would like to ask what the intent of that last clause in 169 was.

Chairman ANDERSON. It is an escape clause. It is a simple answer. The paragraph is headed "No Subsidy." It does not read "Instructions to the Commission as to how to give subsidy on the development of this program."

These exceptions of two distinguished chairmen of the joint committee graphically pinpoint the problem of the joint committee in its endeavor to understand just what the Commission was about. And the joint committee in its report some months later on June 14, 1955, as stated earlier, told the two Houses of Congress that, although the joint committee had achieved some understanding and "strongly" disagreed with what it had learned, the Commission's interpretation which is contrary to time-honored authorizing and appropriation procedures would be accepted. Congress should not appropriate money on any such basis.

COST OF TECHNOLOGY FOR CIVILIAN NUCLEAR POWER

Up to June 30, 1957, the sum of $229,500,000 will have been spent in the development by the Government of civilian power reactor technology. The breakdown of these funds I have here in the tabulation prepared under date of January 31, 1957, by the Commission, and I ask unanimous consent to insert it in the RECORD at this point.

The Commission in its 1958 budget estimates has requested $95 million for this purpose and even this may not be enough to permit the acceleration of development of atomic electric power which is so urgently and vitally needed.

Summary of funds for civilian nuclear power

[As reported on pp. 376 and 377 in hearings on 2d supplemental appropriation bill, 1957, pt. 2, Investigation of Atomic Electric Power, compared with fiscal year 1958 budget

[In millions]

AEC costs	Fiscal year 1957 budget to Congress					Fiscal year 1958 budget to Congress		Total
	Prior to 1954 actual	1954 actual	1955 actual	1956 estimated	1957 estimated	1956 actual	1957 estimated	
Operating costs:								
Pressurized water reactor	0	$7.7	$10.2	$15.2	$14.8	$15.2	$16.3	
Boiling water reactor	$2.8	2.4	4.0	5.1	2.6	4.7	5.0	
Homogeneous reactor	10.8	3.9	7.7	8.2	8.4	10.7	10.4	
Intermediate power breeder reactor	16.7	0	0	0	0	0	0	
Fast breeder reactor	6.0	3.4	3.5	4.9	6.5	4.7	9.3	
Sodium graphite reactor	1.7	1.5	1.0	3.4	1.4	5.0	7.9	
Liquid metal fuel reactor	0	0	0	2.0	3.5	1.6	4.5	
Organic moderator reactor	0	0	0	.6	.6	.3	3.7	
Water graphite reactor	0	0	0	0	.4	0	1.0	
Pressurized heavy water reactor	0	0	0	0	0	0	.5	
Power reactor acceleration	0	0	0	0	15.0	0	0	
All other	1.8	.1	0	0	0	.1	1.0	
Total operating costs	39.8	19.0	27.3	39.4	53.2	42.3	59.6	[1] $188.0
Construction costs:								
Pressurized water reactor	0	0	1.2	9.5	15.0	7.1	17.9	
Boiling water reactor	0	0	.1	.8	.1	.6	.3	
Homogeneous reactor	.6	0	.1	.7	0	.1	.4	
Fast breeder reactor	2.7	0	1.0	3.0	9.7	1.4	2.4	
Power reactor acceleration	0	0	0	2.0	23.0	.1	5.5	
Total construction costs	3.3	0	2.4	16.0	47.8	9.3	26.5	[1] 41.5
Construction obligations budgeted for fiscal year 1957: Authorized by Public Law 981, 84th Cong., 2d sess., approved Aug. 26, 1956: Project 57-e-10, amended reactor development project, $15.0.								
Grand total								[1] 229.5

[1] Using in addition the last 2 columns covering "1956 actual" and "1957 estimated" and deleting the 4th column headed "1956 estimated" and the 5th column headed "1957 estimated."

Division of Finance, Budget Analysis Branch, Jan. 31, 1957.

DEFICIENCIES AND AMBIGUITIES OF THE 1954 ACT AS APPLIED AND PUT INTO PRACTICE

No less than 11 separate provisions of the 1954 act have been applied and put into practice by the Commission in a manner we find difficult to reconcile with the purpose and intent of the clear language of the act. These provisions are found in sections 261, 169, 104 (b), 11 (q), 31, 32, 33, 53, 105, 152, and 159. Each one of these provisions has definite application to the civilian power reactor development program and there is a definite interplay between them.

The confusion created by the Commission in interpreting section 261 concerning authorizing legislation is effectively illustrated by Mr. TABER's close questioning of the Commission in our hearings of last summer at pages 322 and 323. Finally the Commission's General Counsel stated that the Commission does not have authorization to construct full-scale plants. Earlier in the hearings at page 67, the general counsel had replied to my question the very opposite.

The amount of money authorized to date is only $40 million against a total program of $236.8 million. The first authorization which was for $25 million was justified by the vaguest sort of statements. Congressman DURHAM pressed for a pretty clear definite statement which was never forthcoming. Congressman HOLIFIELD called the $25 million a "floating fund," with complete discretion in the Commission to apply the money as it saw fit.

It is important to consider the effect of granting such discretion to the Commission. At page 50 of the hearings the Commission's general counsel said that in using the money the Commission "might end up with what is called a scrambled facility, where the Commission owns part and the licensee owns part." He then spoke of a mingling of the Commission's property with that of industry. Later at page 56 the general counsel again referred to "a scrambled facility." If there is to be any scrambling or mingling of Government money and property in these atomic electric powerplants, Congress and not the Commission should determine in each individual case just what scrambling and mingling is to be permitted.

The second authorization of $15 million in the 1956 act is just as vague:

This item is to permit the Atomic Energy Commission to carry forward its important research and development of work on reactors and in other related fields.

Looking at the 1958 budget request for $95 million, we find only three items for which there is specific authorization. In the case of one of the three, the authorizing act placed a dollar limit on the project of $14,850,000. Yet we find that the Commission applied $9,300,000 to this project in 1957 and is now asking for $15,100,000 for 1958, or $10 million in excess of the ceiling imposed by the authorizing act.

Another project, $9.2 million, if authorized at all, has been considered by the Commission to be authorized from the vague $25 million floating fund.

A fourth project has not even been authorized. Yet the Commission advises that this project requires a structure that must be authorized under section 261 but for which authorization has not as yet been provided. This is a perfect example of the Appropriations Committees being asked to permit the initiation and funding of a project and to be committing the Congress to something without the benefit of the expert guidance of the joint committee. In other words, once money is applied to this project, which it has been, there is precious little the joint committee can do except to authorize the part of the project which the Commission's erroneous interpretation of section 261 says is the only thing that requires authorization. It is putting the cart before the horse.

The procedure is basically defective. The proper procedure should be that the research and development and the plant and equipment aspects of the civilian reactor program should be tied together and recognized for what they are—an entity, an indivisible program for authorization and appropriation purposes. The joint committee should provide authorization for each project under this program with a monetary limit, project by project. Then the House Appropriations Committee will have the benefit and advantage of the exercise of its expert functions by the authorizing committee. The procedure here outlined is parallel to the authorization and appropriation procedures which have been historically applied to such similar types of development and construction such as NACA projects, Bureau of Reclamation projects and military construction projects. Otherwise the House Appropriations Committee is called upon to appropriate against something but it does not know what. In giving the Commission money in the operating budget, is the House Appropriations Committee appropriating for something which may lead to something else later that will have to be authorized? This must not be done.

Representative DURHAM, the present chairman of the joint committee, clearly foresaw the loss of congressional control if the Commission's erroneous interpretation of section 261 were to be applied. He said in May 1955:

I am not raising any particular question about it, except I do not see much difference in this and the NACA. Many things they built they did not know whether they were going to work or not, and they had to come for authorization to the Congress. I think that is what we are going to face eventually. I think it is something we can correct if it does not work. I am willing to try it.

I do feel that when you get into these expenditures of millions of dollars, and with the cry and everything we hear about expenditures, that Congress should have the authority to authorize them. I think that was the intent, whatever construction you want to put on the word "facility." But I see very little difference in the NACA and this operation, because it is primarily a research project, where you start out and put one thing in, and add bricks and mortar, and you have a facility.

Noncompliance with section 261 by failure on the Commission's part to get authorization should bar further appropriations until the Commission goes before the joint committee and secures the necessary authorization. However, the Commission's erroneous interpretation and application of other sections likewise warrants further consideration by the joint committee.

Chairmen COLE and ANDERSON in joint committee hearings have repeatedly questioned the Commission's distortion of section 169—the no-subsidy section; section 104 (b)—the research and development license section; section 31 (a) (4)—the basic research and development section; and section 31 (b)—the section permitting noncompliance with advertising and competitive bidding requirements of law. The Commission's basic error has been to ignore seven words in section 169 as though they had never been included in the law. Section 169 provides:

No funds of the Commission shall be employed in the construction or operation of facilities licensed under section 103 or 104 except under contract or other arrangement entered into pursuant to section 31.

The seven words are "facilities licensed under section 103 or 104."

These words appear to mean that Government funds may not be given to industry for use in research and development unless and until industry has constructed and has in being a reactor. It is only then that industry will be in a position to give the Government the technology for which Government money is authorized by section 169. However, this is not the case in any of the proposals which industry has made. No commercial licenses have been issued under section 103, and it is doubtful that they will be for years to come. It is probable that section 104 (b) licenses will be issued to industry, but they have not been to date.

The Commission's budget estimates disclose that notwithstanding, the Commission in fiscal 1957 committed $1.5 million to the Yankee Atomic group for its proposed project and proposes to commit $2 million to Yankee in fiscal 1958; and further than the Commission in fiscal 1957 committed $100,000 to the Detroit Edison group and proposes to commit $1.5 million in fiscal 1958 to this proposed project. This expenditure of Government money in fiscal 1957 appears to be in contravention of section 169, as are also the proposed expenditures requested for the two utility groups for fiscal 1958.

The joint committee was intensively concerned with this problem in hearings held in January, February, March, and May 1955. So strongly did Congressman COLE feel, he was moved to comment in May 1955:

I have been impressed with the Commission's interpretation of that section. My conclusion is that the Commission feels that the net effect of 169 is, as a limitation on the Commission's operation, rather nebulous and meaningless. Or, to express it differently, the prohibition of section 169 can be very easily and readily circumvented.

The two former chairmen felt equally as strongly that there should be no interwedding of section 104 (b) with subsections 31 (a) (4) and 31 (b), and expressed themselves repeatedly to this effect. Chairman COLE said emphatically:

Just for the sake of completing the record, let me express my own viewpoint that I not only disapprove, as an individual, of the Commission's procedure under this power reactor program, but also disagree with its interpretation.

The joint committee in its subsequent report of June 14, 1955, on the first authorizing bill under the 1954 act agreed with Chairmen COLE and ANDERSON, and in doing so rejected the Commission's erroneous interpretation of sections 169, 104 (b), 31 (a) (4), and 31 (b). Yet we find the Commission still persisting today in its erroneous application of these sections because all the proposals under the power demonstration program are predicated on this incorrect basis. Congress should not appropriate money to implement this plain contravention of the law.

Still another important section is being erroneously applied. It is section 53 which permits the use of special nuclear material by industry on the basis of reasonable charges to be established by the Commission. The Commission has failed to establish criteria in writing for determination of whether a charge will be made as required by section 53 (c), but instead has interpreted this subsection as providing for and encouraging waivers of charges in its own unlimited discretion without the standards required by law. But of even greater importance is the fact that, in the only reference in the House and Senate debate to section 53, Chairman COLE was asked the direct question as to whether the bill set up any yardstick whereby the Commission would be controlled in permitting the use of special nuclear material by industry. His response was clear and decisive, as follows:

That is covered in the bill. The Atomic Energy Commission is required to make a charge for the use of this material.

The same erroneous reasoning is being applied to section 33 which permits the Commission to perform research for industry in its own facilities for which it "is authorized to determine and make such charges as in its discretion may be desirable." The Commission applies this section in a manner diametrically opposite to its plain intent.

The Commission proposes to allocate substantial sums of money to industry with which to pay for research done in Government facilities at the instance of industry. In so doing the Commission ignores section 32 which is the section providing for research in Government facilities at Government expense for the benefit of all.

It is clear that the Commission views the words "is authorized" to make charges as meaning it does not have to do that which is authorized, namely, charge the utility. Instead the Commission interprets this language as authorizing it to charge the taxpayers and not the utility.

The Commission's attitude appears to be that when Congress authorizes it to

do something, it should do just the opposite, as I have just demonstrated in the cases of sections 53 and 33. The same has been true under the no-subsidy section, section 169, to the point that Senator ANDERSON told the Commission that it interpreted section 169 as though it were headed "Instructions to the Commission as to how to give subsidy on the development of this program."

This attitude came to a climax when Mr. Strauss objected to the words "authorized and directed" in the Gore-Holifield bill before the joint committee on June 28, 1956. He wanted the words "and directed" deleted because "that is the kind of an expression you use to your valet." Commissioners Libby and Vance concurred in his suggestion. Obviously, they want to be merely "authorized" and not "authorized and directed" so they can do as they please, regardless of congressional intent.

RAMIFICATIONS OF THE COMMISSION'S CIVILIAN POWER REACTOR PROGRAM

The program, as I stated earlier, is an indivisible entity embodying three component parts which are shown in tables I and II which I wish to insert in the RECORD at this point:

TABLE I.—*Developing civilian atomic power*

GOVERNMENT'S EXPERIMENTAL PROGRAM

	Scheduled for operation
Shippingport, Pa., pressurized water reactor, 60,000 kilowatts, Westinghouse and Duquesne for AEC	1957
Lemont, Ill., experimental boiling water reactor, 5,000 kilowatts, Argonne National Laboratory	1957
National Reactor Testing Station, experimental breeder reactor No. 2, 17,500 kilowatts, Argonne National Laboratory	1959
Santa Susana, Calif., sodium reactor experiment, 7,500 kilowatts, North American Aviation for AEC and Southern California Edison Co.[1]	1957
Oak Ridge, Tenn., homogeneous reactor experiment No. 2, no electricity, Oak Ridge National Laboratory	1956

[1] Turbogenerator and other conventional electric transmission equipment.

TABLE I.—*Developing civilian atomic power*—Continued

GOVERNMENT'S EXPERIMENTAL PROGRAM—CON.

	Scheduled for operation
National Reactor Testing Station, organic moderated reactor experiment, North American Aviation for AEC (no electricity)	1957
Los Alamos, N. Mex., molten plutonium reactor experiment, Los Alamos Scientific Laboratory (no electricity)	1959
Los Alamos, N. Mex., power reactor experiment I and II, Los Alamos Scientific Laboratory (no electricity)	1956
Liquid metal fuel reactor, the Babcock & Wilcox Co	1959
Gas-cooled reactor (contractor not selected)	([2])

POWER DEMONSTRATION PROGRAM

First round	
Rowe, Mass., pressurized water reactor, 134,000 kilowatts, Yankee Atomic Electric Co	1960
Monroe, Mich., fast breeder reactor, 100,000 kilowatts, Power Reactor Development Co., Inc. (Detroit Edison Co. and others)	1960
Nebraska, sodium graphite reactor, 75,000 kilowatts, Consumers Public Power District	1959
Second round	
Elk River, Minn., boiling-water reactor, 22,000 kilowatts, Rural Cooperative Power Association	1960
Gainesville, Fla., pressurized water reactor, 500 kilowatts, University of Florida	1959
Piqua, Ohio, organic moderated reactor, 12,500 kilowatts, city of Piqua	1961
Hersey, Mich., aqueous homogeneous reactor, 10,000 kilowatts, Wolverine Electric Cooperative	1959
Anchorage, Alaska, sodium-cooled heavy water moderated, 10,000 kilowatts, Chugach Electric Association, Inc., Nuclear Development Corporation of America	1962
Orlando, Fla., liquid metal fueled reactor, 25,000 to 40,000 kilowatts, city of Orlando	1961
Holyoke, Mass., gas-cooled reactor, 15,000 kilowatts, city of Holyoke	1961

[2] Unknown.

TABLE I.—*Developing civilian atomic power*—Continued

INDEPENDENT INDUSTRIAL PROGRAM

	Scheduled for operation
Indian Point, N. Y., pressurized water reactor, 140,000 kilowatts, Consolidated Edison Co	1960
Dresden, Ill., boiling water reactor, 180,000 kilowatts, Commonwealth Edison Co. and others	1960
Eastern Pennsylvania, aqueous homogeneous reactor, 150,000 kilowatts, Pennsylvania Power & Light Co	1962
Florida (type unspecified), 200,000 kilowatts, Florida Power Corp., Florida Power & Light Co., Tampa Electric Co	1962
Livermore, Calif., boiling water reactor, 3,000 kilowatts, General Electric Co. and Pacific Gas & Electric Co	1957

ESTIMATED PROGRAM TOTALS

[In millions]

Estimated cost of all work from July 1, 1953, through completion of projects listed. Includes cost of core fabrication but excludes cost of special nuclear materials. Excludes EBR-1 HRE-1, and borax-1, 2, and 3:	
Government	$236
Industry	20
Based on proposals submitted to AEC. Excludes cost of core fabrication and of special nuclear material:	
Government	77
Industry	128
Based in part on statements made by sponsoring utilities and in part on AEC estimates:	
Government	0
Industry	210
Kilowatts	
Total electrical capacity	1,182,000
Government's experimental program	90,000
Power demonstration program	419,000
Independent industrial program	673,000
Total estimated cost	$671,000,000
Government	313,000,000
Industry	358,000,000

TABLE II.—*Summary of large prototype power reactor plants proposed, part 1 (power demonstration reactor program projects and others)*

	Westinghouse [1] and Duquesne Light Co.	Yankee Atomic Electric Co.	Consolidated Edison Co.	Commonwealth Edison and others	Consumers Public Power District	Power Reactor Development Co. (Detroit Edison, et al.)	Westinghouse and Pennsylvania Power & Light
Location	Shippingport, Pa.	Rowe, Mass.	Indian Point, N. Y.	Dresden, Ill.	Beatrice, Nebr.	Monroe, Mich.	Pennsylvania Power & Light service area.
Type of reactor	Pressurized water (PWR).	Pressurized water.	Pressurized water.	Boiling water.	Sodium-graphite.	Fast breeder.	Aqueous homogeneous.
Thermal power	236,000 kw.	480,000 kw.	500,000 kw.	630,000 kw.	245,000 kw.	300,000 kw.	Not available.
Gross generating capacity	100,000 kw.	134,000 kw.	250,000 kw [2]	180,000 kw.	75,000 kw.	100,000 kw.	150,000 kw.
Amount of fuel	12 T natural U	28,800 kg.	275 kg U and 8,275 kg th.	68,000 kg.	22,500 kg.	2,100 kg.	Not available.
Enrichment percent U-235	and 52 kg about 90 percent.	2.5 percent.	About 90 percent for U.	1.1 percent.	2.3 percent.	27 percent.	Do.
Moderator	H_2O	H_2O	H_2O	H_2O	Graphite.	None.	Do.
Coolant	H_2O	H_2O	H_2O	H_2O	Sodium.	Sodium.	Fuel solution.
Reactor temperature [3]	540° F.	535° F.	510° F.	480° F.	925° F.	800° F.	Not available.
Reactor pressure	2,000 psig.	2,000 psig.	1,500 psig.	1,000 psig.	46 psia.	Atmospheric.	Do.
Steam conditions	585 psig saturated.	600 psig saturated.	370 psia saturated 1,000° F.	970 psia 540° F.	800 psia 825° F.	600 psia 730° F.	600 psia.
Estimated cost of reactor [4]	$37,750,000	$18,500,000	Not available.	$34,200,000	$13,800,000	$36,000,000	Not available.
Estimated cost of turbogenerating plant.	$10,000,000	$16,000,000	do	$10,800,000	$10,800,000	$9,000,000	Do.
Total estimated plant cost	$47,750,000	$34,500,000	$55,000,000	$45,000,000	$24,300,000	$45,000,000	Do.
Cost per kw	$370	$240	$230	$250	$325	$450	Do.
Estimated completion date	1957	1959–60	1960	1960	1959	1960	1962.

[1] This reactor is being built by the AEC; Westinghouse and Duquesne are prime contractors to the AEC.
[2] Includes 110,000 kw of conventional superheating capacity.
[3] Reactor coolant at outlet.
[4] Not including research and development, fabrication of fuel elements for first charge or nuclear materials. Fuel element fabrication and nuclear materials are included in fuel costs.

Summary of small prototype power reactor plants proposed, pt. 2 (power demonstration reactor program)

	Chugach Electric Association	Wolverine Electric Cooperative	University of Florida	City of Orlando, Fla.	Rural Cooperative Power Association	City of Piqua, Ohio	City of Holyoke, Mass.
Location	Anchorage, Alaska.	Hersey, Mich.	Gainesville, Fla.	Orlando, Fla.	Elk River, Minn.	Piqua, Ohio.	Holyoke, Mass.
Type of reactor	Sodium-cooled heavy water moderation.	Aqueous homogeneous.	Pressurized water.	Liquid metal fuel th. br. blanket.	Boiling water.	Organic moderated.	Gas-cooled closed cycle.
Thermal power	40,000 kw.	31,000 kw.[1]	10,000 kw.	Not available.	58,000 kw.	45,500 kw.	44,000 kw.
Gross electrical generating capacity.	10,000 kw.	10,000 kw.	500 kw.	25,500 to 40,000 kw.	22,000 kw.	12,500 kw.	15,000 kw.
Amount of fuel per loading.	10,000 kg. U.	12 kg.	Not specified.	60 kg. U-235, 17,000 lbs. th.	12 kg. enriched, 10,000 kg. normal.	6,000 kg.	736 kg.
Enrichment percent U-235.	Approx. 2 percent.	Fully enriched.	40 percent.	Fully enriched.	Fully enriched spikes—nat. U core.	3 percent.	10 percent.
Moderator	Heavy water.	Uranyl sulfate in heavy water.	H_2O	Graphite.	H_2O	Terphenyl.	Graphite.
Coolant	Liquid sodium.		H_2O	U-235 in molten bismuth solution.	H_2O	Terphenyl.	Nitrogen gas.
Reactor temperature [2]	950° F.	570° F.	450° F.	Not specified.	533° F.	617° F.	1,292° F.
Reactor pressure	Atmospheric.	1,900 psig.	1,200 psig.	do.	900 psig.	50 psig.	515.7 psia.
Steam conditions.	850 psig.	600 psia [3]	190 psig.	1,250 psig.	600 psig.	400 psig.	Not specified.
	850° F.	486° F.	404° F.	900° F.	825° F.	550° F.	
Estimated cost of reactor [4].	$5,500,000 [5]	$2,486,000	$650,000	$12,500,000.	$3,760,000	$3,340,000	$2,400,000.
Estimated cost of turbogenerator plant.	$1,850,000.	$1,088,000.	$1,200,000 [6]	$11,100,000.	$2,425,000	$1,960,000	$4,028,000.
Total estimated plant cost.	$7,350,000.	$3,574,000.	$1,850,000 [7].	$23,600,000.	$6,185,000.	$5,300,000.	$6,428,000.
Cost per kilowatt.	$735.	$357.	$800.	$512–$820.	$281.	$424.	$429.
Estimated completion date.	1962.	1960.	1959.	1960.	1960.	1960.	1960.

[1] Includes superheater=7,000 kilowatts thermal.
[2] Reactor coolant at outlet.
[3] Steam from heat exchanger to gas-fired superheater which delivers steam at 530 psia at 825° F.
[4] Does not include research and development.
[5] Does not include design cost.
[6] Does not include building cost.
[7] Subject to change.

It is to be noted in table I that the Commission breaks down the power demonstration program at the bottom of the second column as costing the Government $77 million and industry $128 million, making a total of $205 million. This $205 million has been broken down project by project, cost to the Commission as compared with cost to industry, and construction costs as compared with research and development costs in table III, which I wish to insert in the RECORD at this point:

TABLE III.—*Costs of power demonstration program proposals*

[In thousands]

Project	Total project cost [1]	Cost to AEC	Cost to industry	Construction costs		Research and development	
				AEC	Industry	AEC	Industry
FIRST ROUND							
Yankee:							
Nuclear	$39,500	$5,000	$34,500		$18,500	$5,000	
Nonnuclear					16,000		
PRDC:							
Nuclear	58,450	4,450	54,000		36,000	4,450	$9,000
Nonnuclear					9,000		
Consumers:							
Nuclear	26,500	10,480	16,020	[2]$8,280	5,220	2,200	
Nonnuclear					10,800		
Total, first round	124,450	19,930	104,520	8,280	95,520	11,650	9,000
SECOND ROUND							
Elk River:							
Nuclear	$9,285	$6,860	$2,425		$3,760		$3,100
Nonnuclear						[3] $2,425	
University of Florida	2,150	850	1,300	650	1,200	[4] 200	$100
Piqua	7,300	5,340	1,960	3,340	1,960	2,000	
Wolverine	4,876	3,788	1,088	2,486	1,088	1,302	
Chugach	16,850	14,975	1,875	5,500	1,850	9,475	25
Orlando	30,150	19,050	11,100	12,500	11,100	6,500	
Holyoke	10,128	6,100	4,028	[5] 2,400	4,028	3,700	
Total, second round	80,739	56,963	23,776	30,686	23,651	26,277	125
Grand total	205,189	76,893	128,296	38,966	119,171	37,927	9,125

[1] Project costs exclude cost of special nuclear materials, fabrication of cores, and fuel use charges.
[2] Includes some preoperational research and development.
[3] Includes property now owned and allocated to this project.
[4] Proposal contemplates that AEC will also pay for 5 years of operation.
[5] Holyoke proposes to pay for nonnuclear portion not to exceed cost of conventional plant.

These three tables were designed by the Commission to tell the Congress, and through the Congress to tell the American people, that much can be expected of the Commission's program by 1962. The truth of the matter is that the program has fallen apart, and what is left of it gives little hope of fulfillment for many years to come.

The first column of table I identifies projects undertaken wholly with Government money. The only nuclear powerplant of the size even approaching a full-scale plant, is the pressurized water reactor being constructed at Shippingport, Pa. All of the other reactors in this program are experimental only. In short, the Government has no plan or program for construction with Government money and under Government control as to schedule of construction and completion time with the exception of Shippingport which is to go into operation during this year. The vital need for construction of full-scale plants as the next stage beyond the experiments is beyond question. A Commission official has stated in this regard:

> The reactor experiment will supply much of the technical data needed for the design of the prototype reactor. However, the scale up from the experiments presents formidable design problems. The operation and construction of these large-scale plants will thus provide information that can be obtained in no other way.

Implicitly, the construction of the different types of reactors both under the power-demonstration program and the independent industrial program is contingent upon the success achieved in these experimental reactors being constructed under the Government's experimental program. The first type, the pressurized water reactor, has proven itself beyond expectation in the *Nautilus*. The second type, the boiling water reactor, has recently gone into operation at Argonne National Laboratory in Illinois, generating 5,000 kilowatts. This type of reactor dispenses with a heat exchanger and it is my information that a major problem exists in this type of reactor because of the danger of the bursting of a

fuel element which would result in radioactive water going into the turbine.

The next type of reactor is the sodium reactor experiment, 7,500 kilowatts, being built at Santa Susana, Calif. It is my information that sodium has turned out to be an element which is very difficult to handle when used in a reactor as the coolant to the extent that the Department of Defense has announced that it has abandoned this type of reactor for use in naval vessels. This announcement was followed by a decision of the Commission to shut down and dispose of the sodium power reactor at West Milton, N. Y., which was the land prototype for the *Seawolf* reactor. This reactor at West Milton has been generating power which has been sold to industry. Up until now, the power has not been firm because the prime purpose of operating the reactor has been to experiment. Since the experimentation is over, I wonder why this reactor should not be continued in operation and the power thus generated, generated as firm power and offered to utilities for sale.

The next type of reactor in the Government's experimental program is homogeneous reactor experiment No. 2 at Oak Ridge, Tenn. Great hope had been expressed from time to time by Commission officials that this type of reactor offered promise for economic electric power. The Commission is having trouble with this reactor experiment at Oak Ridge and announced in December 1956 that the experiment would necessarily be delayed due to cracking and damage in the leak detector system ascribed to stress corrosion.

REACTORS PROPOSED UNDER THE POWER DEMONSTRATION PROGRAM

Table I states that 10 atomic electric powerplants are to be built under the power demonstration program, with all of them being scheduled for operation commencing in 1959 and extending to 1962. Of the 10, the Commission has recently rejected 3 of the proposals—Holyoke, Orlando, and the University of Florida. That leaves seven projects. Of the 7, there are only 3 full-scale projects. Two of the three propose to use sodium as a coolant. Thus the fast breeder reactor, 100,000 kilowatts, scheduled by the Detroit Edison group for operation in 1960, is dependent upon a solution of the major problem of handling sodium. The same is true of the sodium graphite reactor, 75,000 kilowatts, scheduled by Consumers Public Power District of Nebraska for operation in 1959. That means two more projects for which substantial delay is indicated.

Five projects are left. One of these is the 134,000-kilowatt pressurized water reactor proposed by Yankee Atomic Electric Co. Commissioner Murray of the Atomic Energy Commission last summer told the House Appropriations Committee that the date 1960 in which this reactor is scheduled for operation was very fine but that the Government has no assurance or guaranty whatever that the reactor will be completed by that date. As a matter of fact, he said the same was true of all the projects in both the power demonstration program and the independent industrial program, stating:

> Every one of these projects from this point on has a doubt as to when it will be started and when it will be finished, and whether we have any guaranties that it will ever be finished.

Four projects are left under the power-demonstration program. The one proposed for Alaska will use sodium as a coolant and obviously has no early hope of materializing. It has been stated that the Alaska sodium reactor is as advanced and unproved a concept as the closed-cycle, gas-cooled design which the Commission has rejected for Holyoke. The one in Michigan proposed by a cooperative is the aqueous homogeneous which obviously must wait until Oak Ridge experiment No. 2 is made to operate successfully, which is not the case to date. The boiling-water reactor proposed by a cooperative in Minnesota will obviously have to wait until the problem of radioactive water going into the turbines is solved.

I do not have sufficient information on the 10th and last proposal, the city of Piqua, Ohio, to construct an organic moderated reactor, to comment on it.

The fact of the matter is that under the power-demonstration program only a contract has been signed with the Yankee group, but no construction permit has been issued to Yankee, and only 1 construction permit has been issued, the Detroit Edison permit which is conditional; 3 of the other 8 projects have been rejected outright by the Commission; and in the cases of the remaining 5 no construction permits have been let by the Commission. Although the conditional construction permit was issued to the Detroit Edison group on August 4, 1956, a contract with this group was not signed until just the other day, March 26, 1957. Therefore not one single project in the power-demonstration program, which was initiated in January 1955 and expanded in September 1955, has resulted in a firm commitment by any industry group whatever to build a nuclear powerplant as formally evidenced by both a contract with the Commission and the issuance by the Commission of an unconditional construction permit. The whole power-demonstration program is nothing but paper hopes.

INDEPENDENT INDUSTRIAL PROGRAM

As shown in table I there are five projects listed in the independent industrial program with scheduled-for-operation dates running from 1957 to 1962. The reactor scheduled for operation in 1957 is a boiling water reactor being constructed at Livermore, Calif., by the General Electric Co. for Pacific Gas & Electric Co. Although table I shows the generating capacity of this reactor to be 3,000 kilowatts, this capacity has been increased to 5,000 kilowatts, a generating capacity which still leaves the reactor in the experimental category. General Electric is to construct the 180,000 kilowatt boiling water reactor in Illinois for the Commonwealth Edison group. Until the problem of the possibility of radioactive water getting into the turbine is solved, it is doubted that the Commonwealth Edison group will proceed with the construction of the proposed 180,000 kilowatt boiling water reactor for which a construction permit was issued on May 4, 1956.

Another reactor scheduled for operation in 1962 is a 150,000 kilowatt aqueous homogeneous in eastern Pennsylvania by Pennsylvania Power & Light Co. The significant thing about this project is that the Commission's own homogeneous reactor experiment No. 2 has been delayed due to cracking and damage in the leak detector system. Obviously until the feasibility of this prototype has been demonstrated, the utility company is in no position to commit itself to the investment of the tremendous sums of money involved. This plant is to be built, if built at all, by Westinghouse. Dr. W. E. Shoupp, the top atomic technician at Westinghouse, told the joint committee in February 1957 that the aqueous homogeneous project is being considered by the Pennsylvania Power & Light Co. as eligible under the third round of the power demonstration program, which would mean that the utility now wants Government financial assistance and that the utility wants to remove itself from the independent industrial program. Equally important is the fact that Dr. Shoupp readily conceded that the sponsors will not decide whether to build the plant until completion of engineering and cost studies early in 1958.

Then there is a 200,000 kilowatt reactor scheduled for operation in 1962 in Florida, but the type has not even been specified and obviously no construction permit has been issued.

The only other project under the independent industrial program is the proposal by Consolidated Edison to construct a pressurized water reactor, 140,000 kilowatts in New York, scheduled for operation in 1960. The Commission issued to Consolidated Edison on May 4, 1956, the very first construction permit issued. However, this project, as are all the others, is plagued with uncertainty as to cost of construction, and Consolidated Edison has recently advised the joint committee that the cost estimates have increased 27 percent in total cost which means an increase of 13 percent per kilowatt of electric capacity.

SUBSIDIES UNDER POWER DEMONSTRATION PROGRAM ARE IN CONTRAVENTION OF LAW

To date the Commission has invited proposals from industry in three so-called rounds. The Commission's offers of subsidies under each round contravene the 1954 act in several respects.

First, the offer of waiver of nuclear fuel charges in all three rounds is invalid because the Commission has failed as required by section 53 (c) to establish the written criteria for the determination of whether a charge should be made, and in this failure has failed to give effect to Chairman Cole's statement on the floor of the House that the "Commission is required to make a charge for the use of this material." Beyond that, I am of the view that there is a deficiency in section 53 (d) which should be cured. The third round adds a new offer—the loan of

heavy water for 5 years without charge. I also question the basis for this.

Secondly, all three rounds offer the use of Commission laboratories for research and development work without cost. This is in contravention of the legislative intent of both the "no subsidy" section 169 and the "research" section 33.

Then we come to cash grants of money to industry on the theory that the Government is buying technology to be developed by industry applicants. This is barred unless developed in a privately owned completed facility licensed under sections 103 or 104, as provided in section 169. No such licenses have been issued under either section, and therefore any arrangements which the Commission has made or proposes to make in this regard are invalid.

Curiously enough the Commission limited these cash grants in the first and second rounds to firm amounts fixed definitely in advance of any work by the applicant, and the applicant to receive no further financial assistance. The Commission called this the "closed-end principle." This principle was repudiated in the third round invitation of January 7, 1957, which told industry it could get more money even though it previously had been limited to a fixed amount. There is absolutely no authority in law for this.

This repudiation followed on the heels of agitation by industry to increase the cash subsidies. The chairman of Commonwealth Edison candidly stated in September 1956:

> At one time, questions were raised as to whether or not the Atomic Energy Act of 1954 authorized the making of outright cash contributions toward the cost of a demonstration reactor. If any doubt remains, Congress should remove it.

There is no doubt about the matter at all—section 169 clearly prohibits such cash contributions.

He then proposed that the Federal Government pay the difference between what would be a utility's cost of a conventional powerplant and the cost of a nuclear powerplant. Is any more proof needed of industry's inability to move forward and get these atomic powerplants built?

It is to be noted that the proposed Commonwealth Edison plant was to be built, according to this same chairman "without any governmental subsidy," and, according to Mr. Strauss, "without any financial assistance from the Government."

Then we have learned from a meeting of the Committee on Commercial Uses of Atomic Energy of the United States Chamber of Commerce that the Government should put up as much as one-half the cost of construction, and in any event title to the reactor should remain in private hands.

There is no question about it. Industry cannot undertake the risks involved, and the Government must undertake the task if it is to be done at all.

THE ATOMIC GIVEAWAY UNDER THE INDEPENDENT INDUSTRIAL PROGRAM IS NOT AUTHORIZED BY LAW

Under this program, industry applicants are to be given all of the technology acquired by the Government at a cost of almost $230 million, and industry is not required to return to the Government the technical and economic information which it needs to acquire and apply for the benefit of all.

In subsection (c) of section 31 of the 1954 act it is provided that arrangements made with industry applicants shall "require the reporting and to permit the inspection of work performed thereunder, as the Commission may determine." Then the next sentence contemplates the dissemination of such information by providing:

> No such arrangement shall contain any provisions or conditions which prevent the dissemination of scientific or technical information, except to the extent such dissemination is prohibited by law.

All four major construction permits issued to date relate to section 104 (b), and none of them require the permittee to give the Government anything. This violates section 31 (c).

Turning to the independent industrial program, we find that the Government has invested $75.6 million in the technology to benefit Consolidated Edison, and $19.9 million in the technology to benefit Commonwealth Edison, Pacific Gas & Electric, and General Electric. The failure of the Commission to require in return from each of these companies as a condition of their construction permits all the technical and economic data acquired to be made available to all the American people on a nondiscriminatory basis is in contravention of section 31 (c), and for this reason the construction permits are not authorized by law.

The Commission's failure to comply with the law in this regard is beyond comprehension. Chairman DURHAM wisely and with foresight posed the problem in February 1955, and after considering the Commission's position stated his concern as follows:

> The thing that worries me somewhat in this type of procedure is how much control you are going to have over the basic research and fundamental research of industry in this country.

YANKEE ATOMIC ELECTRIC CO. CONTRACT

The Commission on June 6, 1956, entered into a contract with Yankee Atomic Electric Co. under the power demonstration program whereunder it is proposed that Yankee Atomic will construct a 134,000 kilowatt pressurized water reactor plant in Massachusetts. This plant was estimated to cost $39,500,000 of which the Atomic Energy Commission would invest $5 million for the necessary research and development. It is my understanding that the cost estimate of $39.5 million will have to be revised substantially upward.

This contract is invalid for many reasons, some of which were stated by the Comptroller General in his recent report. He pointed out that:

First. The 12 companies making up Yankee had not executed binding agreements with Yankee and therefore were not committed;

Second. Yankee had not made formal arrangements to obtain permanent financing of $33 million;

Third. AEC had executed the contract without adequate assurance that the Government will receive benefits compensatory with its investment; and

Fourth. AEC agreed to bear extra costs of $1.6 million through an additional waiver of fuel charges, contrary to announced Commission policy.

Not only is the additional waiver of fuel charge invalid, but so also is the basic waiver of fuel charge of $1.7 million in contravention of section 53. The entire grant of $5 million to Yankee is apparently in violation of the no-subsidy section 169 for the reason that Yankee is not licensed under section 103 or 104. As a matter of fact, a construction permit which would refer to section 104 has not yet been issued to Yankee, and the contract was signed 10 months ago. The commitment of $1 million to work performed in AEC facilities for Yankee is in contravention of research section 33. The application by the Commission of $1.5 million in fiscal 1957, and its request for $2 million for the same purpose in fiscal 1958, are both unauthorized by law.

The Commission has sought to justify its policy of handing out cash subsidies to industry in addition to expensive Government technology by stating that the Government is to benefit from the technology, know-how, technical, and economic data acquired in the construction of projects, such as the plant proposed by Yankee Atomic, and to make this data available to everybody.

The plant is made possible at all only because the Government has already spent $75.6 million for the technology of the pressurized-water reactor, and the Commission wants to hand Yankee $5 million in cash on top of that. But the contract fails to require Yankee to return the lessons learned in construction and operation of the plant to be available to everybody. This is well illustrated by the contract provisions relating to patents. Those inventions and discoveries not traceable directly to Government funds in this scrambled project will not be available to everybody. Instead the contract gives the Commission no more than a license restricted to governmental purposes. This violates the Commission's announced policy. These inventions and discoveries should either be dedicated to the public, or at least made available to all the American people on a nondiscriminatory basis.

Then in treating inventions and discoveries resulting from expenditure of the $5 million cash subsidy, the contract gives Yankee "at least a nonexclusive, irrevocable, royalty-free license." Thereby Yankee is being improperly favored since the contract does not provide that all the American people are to receive the same privilege.

Unfortunately the 1954 act places a terminal date of September 1, 1959, on protective patent provisions. In view of the unfortunate and substantial delays which have taken place in getting these atomic electric reactors built, this date is far too early and should be extended.

THE DETROIT EDISON GROUP

The head of this group, Walker Cisler, was reminded by the joint committee in February 1955 that he had in 1953 answered this question: "To what extent do you expect Government participation in

your project?" by saying, "We do not expect any financial appropriation to this project."

Yet, as I said earlier, the Commission has committed $100,000 of Government money to this project this year, and requests $1,500,000 for it in fiscal 1958, all of which is not specifically authorized by law. I am particularly disturbed by the application of the $100,000 to this project in fiscal 1957 for the further reason that in our appropriation hearings on the fiscal 1957 bill Mr. Strauss sought to evade questions about this project by saying:

The Commission is not coming before you requesting any appropriation for the Power Reactor Development Co. We are not asking for any money from you at this time for this particular project.

Under the apprehension that you may have that there is such an item in our budget, I would like to assure you there is not in our current budget any item for this subject.

The Commission signed a contract on March 26, 1957, with this group under which the Government is to give the group further substantial cash and other subsidies which likewise are unauthorized. In my opinion, the contract is invalid.

The type of reactor proposed by this group is a sodium cooled, fast breeder reactor, 100,000 kilowatts, which has been publicized as a reactor which will breed more fuel than it consumes. Under the law, the United States automatically is the owner of all special nuclear material which is produced.

The nature and extent of subsidy by the Government of this project is almost beyond comprehension. The Government guarantees to the group the payment of $48.6 million over a 10-year period for the plutonium which it is expected the breeder will produce. In addition, the Government is making an outright research and development grant to the group of $4,450,000, and further the Government is waiving fuel charges in the amount of $5 million. These three sums total $58,050,000. When compared with the construction cost of the project which is $47 million, these cash subsidies exceed the actual construction cost by $11,050,000.

During the 10 years of plant operation from 1961 to 1970, the group expects to realize $43.5 million for the sale of steam resulting from nuclear fission. This $43.5 million when added to the Government's guaranty of $48.6 million totals $92.1 million. This project is made possible only because the Government has already expended $34.4 million in acquiring the necessary technology. This type of proposal is justified by the Commission on the theory that the Government is a partner with industry. It is a most peculiar partnership.

The contract, in my opinion, is invalid for many reasons. First, it is in contravention of section 169 since a license under section 104 (b) has not been issued. As a matter of fact, the contract specifically says that the Commission makes no representation that any license or approval is granted or will be granted. Therefore, the research and development grant of $4,450,000 is invalid.

The waiver of charge for nuclear fuel in the amount of $5 million is likewise invalid for the reason that the Commission has failed to prescribe the standards required in section 53 (c).

The Government's guaranty to the group to purchase the special nuclear material produced by the reactor is also invalid since it is in contravention of section 52. The last sentence of section 52 provides as follows:

Any person who lawfully produces any special nuclear material, except pursuant to a contract with the Commission under the provisions of section 31 or 41, shall be paid a fair price, determined pursuant to section 56, for producing such material.

The contract between the Commission and the group is a contract pursuant to the provisions of section 31 and, therefore, the group cannot be paid for the special nuclear material which is produced.

There is another curious thing about the Government's commitment to pay $48.6 million to the group for the plutonium. This works out to a price of either $46, $51.20, or $38.60 per gram of plutonium whereas the Commission's established fuel value for plutonium is $12 per gram. The result is that the Commission is proposing to pay the group 3 to 4 times its own established fuel value.

Then we come to the provisions of the contract which relate to patents. These provisions are practically identical with the patent provisions in the Yankee Atomic contract, which I discussed earlier My comments and criticisms apply with equal force to the Detroit Edison contract.

From a standpoint of public interest, there is a saving feature in the contract which provides as follows:

It is expressly recognized that the Commission's undertakings in connection with this contract are subject to the availability of funds appropriated from time to time by the Congress.

Under this circumstance, Congress is in a position to reject the contract in a very simple and effective manner—Congress can exercise its legislative authority by refusing funds for the purpose of this contract and project.

The Commission issued a conditional construction permit to this group on August 4, 1956, notwithstanding a report of its own Reactor Safeguards Committee in the summer of 1956, which said:

It is impossible to say—

and they are referring to this Detroit Edison job—

whether or not an accelerated program would give sufficient information to permit safe operation of this reactor at the Laguna Beach site on the time schedule presently proposed.

This project is in an area of some 2 million people, and is now the subject of formal protests made by labor unions on the ground of safety.

Walter Reuther, who was a member of the McKinney panel, feels very strongly that a large-scale fast breeder reactor should be built at a remote Government site. He said:

Such an experimental fast breeder reactor, built and operated in an area removed from population centers, will minimize the health and safety dangers and thus remove this tremendous restrictive burden from the scientists who are devoting their skill and knowledge to the extension of the frontiers of atomic know-how.

Since the safety factor of the fast breeder reactor which Detroit Edison is building has been challenged, it is appropriate to consider the request of industry and the recommendation of the Commission that the Government indemnify industry against third party liability.

President Eisenhower in his budget message of January 16, 1957, for fiscal year 1958, carried on page M32 his recommendation that legislation be passed authorizing "the Government to supplement commercially available insurance against liability arising from possible nuclear accidents."

The type of legislation contemplated would provide Government indemnity to cover third party liability losses arising out of nuclear incidents up to $500 million per plant over the amount of coverage available from the private insurance industry. The private insurance industry has formed an association comprising 134 capital stock casualty insurance companies, known as the Nuclear Energy Liability Insurance Association. This third party liability insurance will insure against bodily injuries and property damages to others than an owner or operator of an atomic reactor in the event such injury or damage results from a nuclear incident. The limit of such liability is $50 million per reactor and the association which has been formed is the exclusive agency through which its members may provide the new insurance.

In the case of Shippingport, the Federal Government is carrying all the risk, because it is a Government project.

The undertaking by private and public utilities to construct atomic electric powerplants has been predicated on the assumption that the Federal Government will enact a law providing for excess coverage above the amount available from the private insurance industry.

In Europe, three pools of insurance companies, one in Great Britain, one in Sweden, and one in France, have been formed recently for the purpose of insuring against risks arising from the production and use of atomic electric power, including third party liability. A very pertinent question at this point is whether the governments of these countries are offering or plan to offer indemnity above the coverage made available by these private insurance industry pools. It is my information that the three governments do not. Detailed information should be secured promptly in order that Congress will have the benefit of the approach taken in the European countries to this problem of indemnity and insurance.

Then there are serious antitrust implications to this project which should be considered.

The Detroit Edison project is being undertaken by two separate combinations of companies. The first combination is known as Atomic Power Development Associates and it consists of 33 utilities and 12 industrial companies which have banded together for the purpose of developing the technology to

be applied to the specific Detroit Edison project.

The second combination is known as Power Reactor Development Company and it consists of 14 operating utilities, one utility service company, and 9 industrial companies which have banded together for the purpose of owning the reactor and selling the power generated to Detroit Edison.

Unfortunately the teeth in the antitrust provisions of the 1954 Act do not reach these combinations. The teeth are found in section 105 (c) which places the duty on the Commission to consult the Attorney General before issuing a license for an atomic reactor, but only in the case of an application for a commercial license under section 103. Detroit Edison has not been issued any license whatever—merely a conditional construction permit which states that the Commission may at some future date issue a license under section 104 (b). Therefore, the recent statement of Attorney General Brownell on January 24, 1957, is little more than academic. He said:

Although the companies seeking such licenses jointly may not presently be engaged in the same industries, such activities require considerable careful study, from a competitive point of view, both as to present actions in the experimental stages and in future activities when the commercial stage is reached.

It is true that section 105 (a) reiterates the fact that there are antitrust laws which should be enforced, but the real teeth as far as the Justice Department is concerned are found in section 105 (c).

CONGRESS INITIATED THE SHIPPINGPORT PLANT, NOT THE COMMISSION

As I said before, the pressurized water reactor presently being constructed at Shippingport, Pa., is the only large-scale atomic powerplant under construction in the United States today. It is to commence operation this year, with a generating capacity of 60,000 kilowatts.

I have regretted for some time the reluctance of the Commission, and in particular the reluctance of Mr. Strauss, to recognize the fact that the Shippingport plant was first proposed by Commissioner Murray in the spring of 1953, some time prior to the time Mr. Strauss returned to the Commission in July 1953, and the further fact that Congress should be recognized as having implemented this recommendation even though the executive branch of the Government had failed to join in Commissioner Murray's recommendation.

In the original budget for fiscal year 1954, prepared by the outgoing Truman administration, the Atomic Energy Commission had requested funds to begin the construction of experimental reactors. The incoming Eisenhower administration, however, prepared a new budget which deleted any construction funds for this purpose. The fact that Shippingport was initiated was due entirely to the proposal of Commissioner Murray that it be started and the fact that the House Appropriations Committee, upon representations made by Chairman Cole of the Joint Committee on Atomic Energy that there was need for international leadership in atomic electric power, put money in the second independent offices appropriation bill for 1954—H. R. 5690, Public Law 149, 83d Congress, 1st session for the purpose of starting construction of the project.

This establishes that the Congress has played a major role in what little progress we have made to date in the field of atomic electric power, and that the United States can get this job done only if the Government, through Congress, undertakes it directly.

THE UNITED STATES MUST MAINTAIN ITS LEADERSHIP

From the very beginning, the United States has been the world's leader in both nuclear power and thermonuclear power. We have led the way, but now our leadership is being challenged by other nations in this one important phase of atomic energy, and that is the field of atomic electric power. The ability and potential ability to generate energy is of paramount importance to all nations of the world. Every nation in Europe and Asia today recognizes this fact. With the realization of the tremendous sources of energy through nuclear fission, it becomes possible for all nations to husband their mineral resources and to apply them constructively in the lubricating and chemical fields instead of destructively by consuming them in the process of burning them up for the purpose of generating energy. Britain and all the free nations of Europe are acutely aware of this, so is Japan, India, and the Philippines, and this is likewise true of Russia.

Chairman DURHAM of the joint committee on March 14, 1957, called for realism in atomic power development and for stepping up this Nation's nuclear power program to insure the maintenance of America's world leadership in atomic energy. He posed the problem very bluntly, when he said:

Our overriding problem, as I see it, is how to maintain our world leadership in atomic energy. In the field of atomic weapons and military reactors this is necessary for our immediate survival. In the field of civilian atomic power, it is necessary for our world prestige and longtime survival.

He did not share the Commission's complacency about Britain and Russia, going on to say that our leadership is being seriously challenged by the British and Russians.

Almost unbelievably, Commissioner Vance, of the AEC, on the same platform and on the same day perfunctorily dismissed Russia, saying:

For some time, three nations have been engaged in planning for extensive development of nuclear power—United States, Britain, and Russia. I shall say no more about the Russian effort because our information about it is incomplete.

In our hearings of last year Mr. Strauss repeatedly minimized anything the Russians have been doing or announced they plan to do. On the other hand, Commissioner Murray and Admiral Rickover were not at all complacent about the capability of Russia to develop and build atomic electric plants. Mr. Murray said:

I think everybody will admit that the Russians have the capability of doing the things that they say they intend to do scientifically. I suppose from a manufacturing standpoint, if they say they will build a 100,000-kilowatt plant, I am willing to make the judgment that they have the capability to do that.

Admiral Rickover had no doubt in his mind that the Russians are making rapid progress in atomic electrical power. He said at page 225 of the hearings the following:

They are making rapid progress. I think one of the things that drives them is that they want to become the leaders in supplying atomic-energy plants to nations within their own orbit and to other nations that they hope to get within their orbit.

I think this is probably the most compelling reason for them to do it, that is, to be the first, not only from a propaganda standpoint, but also to reap the advantage in this cold war.

* * * * *

If military weapons are to be used as an example, and these are generally the most difficult industrial products to produce, they certainly are producing excellent military weapons. So the major difference between Russia and the United States today, from an industrial standpoint, is volume rather than quality.

In the same hearings, Dr. Libby of the AEC stated on June 26, 1956, that:

If the world market for atomic reactors were lost to the Soviet Union it would be a catastrophe to the free world.

Russia's program and achievements in this field are a major concern of this country. The Joint Committee on Atomic Energy on June 29, 1956, in its report on the Gore-Holifield bill stated that Russia "has a more ambitious program, both in terms of variety of reactor concept and total number of plants and kilowatt production," than the British, and the Joint Committee stated that, "there is no reason to believe the Russians cannot achieve their goal provided they give it top priority."

Let us then examine the British atomic power program.

The British are pushing vigorously the development of atomic electric power by the construction of atomic electric powerplants at a rate which has given them, and continues to give them, a lead over the United States not only in generating capacity but more important in operating experience which can only be gained by building the plants and running them. The British had in February 1955 issued a so-called white paper in which it was proposed to construct by 1965 twelve atomic electric powerplants with a total generating capacity of 1 million to 2 million kilowatts. In March 1957, predicated in large part on the successful operation of Britain's first nuclear plant at Calder Hall which went into operation in October 1956 as the first commercial atomic powerplant in the world, the British announced that the program would include approximately 20 power stations involving 30 to 40 reactors for a total of 5–6 million kilowatts at an estimated capital cost of 2½ billion.

These power reactors will begin coming on the line in 1960. The Calder Hall plant has generating capacity of 92,000 kilowatts. The British built this plant by going to work in 1953 on a crash basis, a year before the United States started

our Shippingport plant. It took the British until October 17, 1956, to put Calder Hall on the line. Our Shippingport plant is requiring approximately the same construction time—3 years. The British now believe that additional plants can be built in as little as 12 to 18 months on the basis of technology they have learned in the construction of Calder Hall. They are so confident that early in 1957 they are commencing construction on the largest atomic electric power project yet announced by any country—a 360,000 kilowatt plant for Glasgow, Scotland.

By way of comparison with Russian plans, it is understood, on the basis of information available in the fall of 1956, that the Russians expect to have a nuclear generating capacity of 2.5 million kilowatts by 1960 with a variety of reactors which will be three times the most optimistic estimate for the United States of 800,000 kilowatts. The British, of course, have run rings around this Russian target by revising their own program in March 1957 to almost three times as great as the Russians. The reason is abundantly clear—the British know that national survival is directly dependent on the use of the atom for peace as well as for defense. Undoubtedly the Russians have since the fall of 1956 revised their own plans upward, and America in the meantime continues to suffer from the Commission's numbers game of meaningless charts and tables.

The British type of reactor has three distinct advantages over American types. In the first place, the British gas-cooled reactor is fueled with natural uranium instead of enriched uranium. Second, the British reactors are simpler in design and easier to build. And in the third place the British have been cinching their lead over this country by virtue of benefiting from the construction and operating experience of Calder Hall. And don't think for a moment that the British are not boasting about the lead they have over us.

Sir Christopher Hinton, a top official of the British atomic energy authority, has said that, based on Calder Hall experiences, substantial design improvements have already been developed which make the British confident that "reactors of the Calder Hall type can produce power at a cost comparable with that of modern stations using conventional fuel." He said further that the Calder Hall reactor is "giving us the initial lead in the use of nuclear power and we shall be able to retain that lead for at least a decade by improvements in this type of reactor."

When Sir Christopher speaks of cost of power comparable to that produced using conventional fuel, he, of course, is referring to a comparison in high fuel cost areas such as exist in Britain and all of Western Europe, the Philippines, Japan, and all free Asia. It is well known that there are comparable high fuel cost areas in the United States. New England is a good example. The Commission closes its eyes to this fact and bases its comparisons on the lowest possible cost of conventional power with that of potential nuclear power cost. This is more fallacy.

The United States made a fateful decision in 1953 to develop only single-purpose reactors, instead of using our production plants to generate heat for electricity as well. The British and the Russians chose to follow the dual-purpose road, which means that they combine in a plant or facility the production of weapon material and the generation of heat for electricity. In the production of weapon materials, quantities of heat energy are created by the nuclear fission involved in the process. The United States is wasting this heat energy whereas the British and the Russians are putting it to work in generating electricity. The basic Atomic Energy Act of 1946 clearly contemplated that this heat energy be used in a constructive manner either by the Commission, by other Government agencies, or by public or private utilities under contracts providing for reasonable resale prices. But we have not done it. How wasteful should even this wealthy Nation permit itself to be?

The gravity of the problem was well stated by General Electric's vice president in charge of atomic energy, Francis K. McCune, who told the joint committee on May 24, 1956, the following:

> However, there is this about it: More than 3 years ago I know that I felt, and I know that I said, that there would be grave concern over our situation in electricity generation and that the best thing that this country could do at the time was to concentrate on wedding the electrical production to our plutonium production. That, I think, would have put us in an international situation in which we had a lot of electricity, let us say, and I think that is what is worrying us.
>
> Now, that was debated. There were provisions debated in the 1954 act that could have made it so or not so, but the upshot was that nothing was done, and we have started on the single-purpose road. England went down the dual-purpose road. Russia went down the dual-purpose road. I am convinced totally of that.
>
> Having done that 3 years ago, they are going to get more electricity sooner than we are. Whether that is good or bad is an entirely different situation, but I do not think that is something you redeem at the present time.

The British have learned enough from their dual-purpose reactors to switch them over by improved technology to the single purpose of generating electricity. We know this is the case with the British, and there is little doubt to believe that the Russians can do the same.

What attention, if any, has this country given to the construction of a gas-cooled reactor such as the English are concentrating on? There is no gas-cooled reactor in any program of the Commission; not in the Government's experimental program; not in the Government's power demonstration program; and not in the independent industrial program. The only place where work is being done on the gas-cooled reactor is a study being made under the Army power reactor program. On June 28, 1956, AEC witnesses stated that there is an item in the fiscal 1957 budget under the heading of the army power reactor program for study and development work on a closed cycle gas turbine reactor with the expectation that that effort will be pursued to the point of building a reactor experiment. The budget estimates for fiscal 1958, on page 73, contain the modest amount of $5,600,000 for three general reactor concepts, one of which is the gas-cooled reactor.

This stubborn unwillingness to recognize a good thing is placed in even greater focus by the fact that the British Government has either refused, or in any event has failed, despite requests from the United States to supply this Government with information and data and technology regarding the gas-cooled reactor. This refusal or failure is beyond comprehension in view of the fact that the United States Government in 1956 agreed to give information on the design and operation of the atomic submarine *Nautilus* to the British. Commissioner Murray of the Atomic Energy Commission has been urging the United States to develop and build a gas-cooled reactor that will improve on the successful new British type.

The need for expansion of energy-producing facilities in Europe is beyond question. Whereas in 1938 only 6 percent of Europe's energy requirements were imported, now 25 percent are imported, and it is reliably predicted that this percentage will jump as high as 50 percent in the next 20 years. Six western nations of Europe have just joined together in an international program called Euratom. They hope to discontinue the construction of conventional powerplants after 1961 and to have 3 million kilowatts of nuclear power by 1962 and 15 million kilowatts by 1965. If realized, the Euratom group will be the world's leading center of atomic electric power. These nations do not have the technology to proceed with this program, and must therefore buy from either the United States or Great Britain. The likelihood is that they will buy the only proven reactor in this country, the pressurized water reactor, from us, and the only proven reactor in Britain, the gas-cooled reactor, from them.

Recently American industry has suggested that the United States subsidize the construction of reactors abroad in order to acquire needed technology. There is absolutely no need for subsidy. This country can sell our reactors on a full-cost basis, and should do so only on a full-cost basis. We can experiment here at home on every feasible type of reactor, but in doing so we have absolute control over the technology being developed and also the schedule of construction and operation. This country should benefit from its experiences in constructing military installations in foreign countries and reflect upon the understandable complications which inherently arise when American money is used to construct permanent installations and facilities in other countries. Since Britain is slow in giving us the technology and other valuable data from their own construction and operation of the gas-cooled reactor, what possible firm assurances could this country hope to secure from any other nation?

Japan has as urgent a need for nuclear power as Western Europe. The Japanese need is an historic one since Japan has always been short of fossil fuels. This is true also of the Philippines and all of

free Asia. Japan has determined its need of nuclear power at 3 million kilowatts by 1962 and is on the verge of purchasing atomic reactors from either the United States or from Britain. American representatives have been to Japan for the purpose of selling our pressurized water reactor which is not yet in commercial operation, but a Japanese commission has been to England and has actually seen the Calder Hall plant in operation. The inclination of the Japanese is to buy from Great Britain, but the question of which type they will buy has not been finally determined and, consequently, the United States still has an opportunity, even at this late date, to try to retain its standing internationally by persuading the Japanese to buy from us.

It cannot be overstated that the capacity to generate energy is the key not only to peace but even more so to war. The tremendous consumption of electricity required by the Atomic Energy Commission itself presents ample proof of this premise. Looking at AEC's consumption of electricity nationwide, we find that AEC presently uses 20 percent of all of the industrial power generated in the United States. Looking at the total consumption of electric energy in the United States, AEC consumes 10 percent of the Nation's total, or a kilowatt requirement exceeding the combined capacity of the New England States.

In my opinion this country is at a crossroads and cannot afford to repeat the mistakes which it has made during the last 3 years. Development of atomic electric power must be pushed immediately, and the record clearly shows that the job is so complex that only the Government itself is in a position to get the results which must be achieved at the earliest feasible time. It is my firm conviction that the Federal Government should immediately initiate construction at existing Atomic Energy Commission sites of full-scale atomic electric powerplants.

Mr. CANNON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. GROSS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Seventy-two Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 62]

Anderson, Mont.	Dawson, Ill.	Granahan
Aspinall	Delay	Green, Pa.
Barden	Dies	Gregory
Bolling	Dollinger	Harvey
Barrett	Dorn, N. Y.	Healey
Blatnik	Eberharter	Hiestand
Bowler	Fallon	Hill
Budge	Farbstein	Hillings
Celler	Fino	Holt
Chudoff	Frelinghuysen	Holtzman
Colmer	Fulton	Hyde
Curtis, Mo.	Garmatz	Jenkins
Davis, Ga.	Gordon	Kean
Kearney	Patterson	Smith, Kans.
Keating	Pelly	Steed
Kelly, N. Y.	Powell	Taylor
Krueger	Prouty	Teague, Tex.
Lipscomb	Radwan	Teller
Lossi	Rains	Thomas
McDonough	Reece, Tenn.	Thompson, La.
McGovern	Rhodes, Ariz.	Thompson, N. J.
Magnuson	Riehlman	Utt
Metcalf	Roosevelt	Vinson
Miller, Calif.	Sadlak	Vursell
Miller, N. Y.	St. George	Walter
Morano	Scherer	Widnall
Morrison	Shelley	Willis
Multer	Sieminski	Yates
Patman	Sisk	Zelenko

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 6871, and finding itself without a quorum, he had directed the roll to be called when 337 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. ROONEY. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, the subcommittee of the House Appropriations Committee, which handles the annual supply bill for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year 1958 presents to the membership of the Committee of the Whole and of the House a bill showing reductions from the amount of the 1958 budget estimates to the extent of $101,850,000.

At the outset I should like to thank my fellow members of the subcommittee, the distinguished gentleman from Georgia [Mr. PRESTON], the distinguished gentleman from Florida [Mr. SIKES], the distinguished gentleman from Washington [Mr. MAGNUSON], and the minority members, the distinguished gentleman from New York [Mr. COUDERT], the distinguished gentleman from Ohio [Mr. BOW], and my long time friend, the distinguished gentleman from Ohio [Mr. CLEVENGER], for their cooperation and courtesy during the course of the long and extended hearings with regard to this budget. I would be remiss if I did not say a word with regard to the executive secretary of this committee, Mr. Jay B. Howe, without whose untiring assistance the committee could not have gotten into a budget such as this to the extent that it has.

The amount recommended in the bill for the Department of State is $180,382,743, as compared with a budget estimate in the amount of $227,714,552.

With regard to the Department of Justice, the committee was requested $234,655,000 and allowed $227,855,000, or a reduction of $6.8 million.

For the judiciary the committee approved $38,562,050 of a request for $40,780,250.

With regard to the Information Agency, there was a request in the amount of $144 million, $140 million for the program, and $4 million for a new transmitter in the vicinity of the eastern end of the Mediterranean. As to this request, the committee allowed $106.1 million, a reduction of $37.9 million from the budget estimate.

Finally, with regard to the President's so-called cultural fund, a fund appropriated to the President, there was a request in the amount of $18.5 million, and the committee allowed $10.9 million, a reduction to the extent of $7.6 million.

A summary which I have made with regard to these appropriations indicates that the committee recommends in the pending bill for these 5 parts of the Government $563,799,793, or a reduction of $41,665,364 as compared with the current fiscal year and $101,850,009 in the amount of the budget estimates. This reduction, made at the time when we are confronted with the highest peacetime budget in history, amounts to over 15 percent.

At the outset, and as indicated at page 2 of the committee report on this bill, I should like to call your attention to the fact that in the Department of State and the United States Information Agency there were over 950 positions added to the payroll over and above the number that were requested of the Congress a year ago, and this in the face of a cut of $22 million last year in funds for the United States Information Agency. The committee says at page 2 of the report:

> The committee was at a loss to understand how it was that the President's Bureau of the Budget would permit such a thing, until it was discovered that they too had resorted to this same device in their own 1958 budget presentation although on a smaller scale.

Now, what happened, so that each and every one may thoroughly understand this, is the following: The committee was presented with a set of justifications with regard to, let us say, the first item we came across, Assistant Secretary of State for Congressional Relations. This page of the justifications presented to the committee this year indicated that for 1958 fiscal year they were asking for 22 positions, $184,935. Alongside that was a column indicating the 1957 figure, which showed 22 positions, $184,935. Alongside that was another column, for 1956, indicating 22 positions, $180,713.

Upon a hurried glance at this summary with regard to the Office of the Assistant Secretary for Congressional Relations, one would gain the impression that the work was being carried on on the same basis over the 3-year period. But we asked our committee clerk to get the set of justifications presented to us last year. We were amazed to find that the 1957 figure then being asked of the Congress was 19 positions, and $149,685.

Such procedure is about the nearest to fraud and deceit that I have come across in a long time. I am speaking, mind you, of only 3 positions. This happened with regard to 950 positions.

After unearthing the circumstances which I have just disclosed, we then found the Department of State requesting 1,327 additional positions over and above the ones which without any authorization or notice to the Appropriation Committee of either House of Congress they put on the payroll. Someone may ask, "How many new positions are in this budget?" There were requested 1,327 for the Department of State. None was allowed. For the Department of Justice

there were 126 new positions requested. We allowed 63 in the FBI. Incidentally, we allowed every bit of the requested appropriation for the FBI. For the Judiciary there were 132 additional positions requested. The committee allowed 44, of which 40 are for the Bankruptcy Division and presently required because of the fact that bankruptcies are now at the highest number in the history of the United States Government. And it is expertly predicted that they will be higher in the coming year.

Members will find all this information and details in the committee hearings and I believe we have also mentioned the situation in the committee report.

As to the USIA, after having put 508 additional unauthorized positions on the payroll, they came along and asked for 796 over and above the 508. Needless to say, they were not allowed.

Then we found practices in the Department of State such as the opening of a Passport Office in Los Angeles, Calif., by the Director of the Passport Agency, without any notice to the committees on appropriations of either branch of the Congress. She just went right ahead and opened an office costing the taxpayers $110,601.51. Where does the business for the Los Angeles office come from? Part of it comes from the San Francisco passport office which we opened some years ago. So now the business is decreasing in the San Francisco office, and it is going up in the Los Angeles office. They got along all right in Los Angeles for a long time by having the clerk of the Federal Court handle the passport applications, all of which were handled by him at no cost to the Department of State.

I mention these facts as an indication of the thinking of the Department of State. There seems to be no control whatever with regard to what they can do. Last year in the committee report reference was made to the exorbitant amount of money requested for so-called transfer allowances. These used to be allowances to cover the situation where a Foreign Service officer came from a post in a very hot country and had to go to a post in a very cold country. Allowance was made for his required change in clothing. Why, they ran that up from an all-time high of $75,890 in 1955, to $595,000 last year, after we told them it was wholly exorbitant, and by that expected they would not go ahead with this step-up from $75,000 to $595,000. Lo and behold, they come along this year with a request for $632,594. We have directed that they go back to the $75,890 figure.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman has made an excellent statement in amplification of the report, which is one of the most amazing I have read in a long time in connection with an appropriation bill. I believe the gentleman's committee last year gave the State Department $250,000 to buy certain equipment to save manpower in the Department of State. Is that not correct?

Mr. ROONEY. The committee found out this year after having given Mrs. Knight in the Passport Office a quarter of a million dollars to buy new machinery that we were assured was going to save personal services and personnel down there—they asked for the money and got it—that the machinery had not yet been invented.

Mr. GROSS. Can the gentleman tell me what became of the $250,000?

Mr. ROONEY. They used a good part of the $250,000 to establish 55 new positions.

Mr. GROSS. And that again was deception in that they asked for the money for a specific purpose?

Mr. ROONEY. Exactly. We told them they would not get any more money for machinery. They had better find out how to retrieve it.

Mr. GROSS. How can we cure them, to use the expression, of "sucking eggs"?

Mr. ROONEY. You just have to get some sensible thinking down there.

The week before last here in Washington I had a dinner guest who handed to me a clipping from the previous evening's Washington Evening Star. I started to read it. It stated that a new tennis pro would take over at the Sheraton-Park Hotel, that Allie Ritzenberg, noted tennis pro and former tennis star at the University of Maryland, was going to take over the tennis courts at the Sheraton-Park, that they would be open to the public 7 days a week, and that he would be there ready to give lessons. I turned the clipping back. My friend said, "But you miss the point of this thing." I had read it too fast. We all make mistakes sometimes. I had not noticed the last one-sentence paragraph, "Allie is now in Port au Prince, Haiti, on a mission for the Department of State."

I said, "Oh." The next day I gave the committee secretary the clipping to call on the State Department to tell us what sort of a mission Allie was on in Port au Prince, Haiti, knowing exactly the kind of place Port au Prince is, having been there a couple of times. Many of the poor people there are barefooted and lucky to have clothing on their backs. There are a few ritzy hotels up on top of the mountain in back of the city. Why, we found that Allie is down there teaching tennis for the State Department at $6,800 for the 6-month period from November until next May 11th. Fortunately, he has a good job out at the Sheraton Park beginning in May or he might still be down in Port au Prince, Haiti, at a cost to the taxpayers of $6,800 for 6 months.

I do not know whether I need to say much more with regard to this bill. It covers quite a bit across the Government. You have the Federal prison system, the FBI, the Immigration and Naturalization Service. You have all the courts, the State Department, and oh, yes, the Brussels Fair. Yes, we have the Brussels Fair, and I should like to call your attention to the top of page 22 of the committee report.

Mr. ROONEY. For 26 weeks in Brussels in 1958, there is going to be an international fair. We have to put up a building over there. Of course, the State Department did not let out any bids on this. They just went right ahead and hired a Belgian architect and a Belgian contractor. When they complete this building, they are going into a gala theatrical performance. This will be for 26 weeks and, mind you, after they put up the building, they must raze it at the end of the 26 weeks. They propose to have 9 weeks of musicals at a cost of $540,000 or $60,000 a week. What musicals? Well, I hope nobody thinks I am against the theater. I am from Brooklyn in New York City, which is the theatrical center of the world. The State Department proposes to send Annie Get Your Gun, Carousel, which is an adaptation of a Hungarian play by Ferenc Molnar, and Guys and Dolls—as examples of American culture. I do not know who sells these things to the President down at the White House. This is one of his most important programs—Guys and Dolls, Damon Runyon—the Bowery—Nicely Nicely Johnson—and the Great White Way—fine entertainment for the American public but what a great cultural impact—and done in English, incidentally—in Brussels to the people of Europe. Sometimes I wonder.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield.

Mr. HALEY. I notice on page 2 of the committee report where the Department of State and the United States Information Agency proceeded to establish in 1957 over 950 positions more than they had requested in their 1957 budget presentations. These agencies now come along and request funds to "annualize" these positions in the fiscal year 1958. What does the word "annualize" these positions mean?

Mr. ROONEY. Well, you see they put these people on at the end of the fiscal year in May and June and they tell you when they come in this year, "We have so many positions." The committee discovered they had in both agencies 950 more than they were ever authorized or requested to have. So then they want these positions annualized. You see they only pay them in the previous fiscal year for a month or two and then they want money for the full fiscal year following their addition to the payroll.

Mr. HALEY. Did the committee do anything about deannualizing these positions?

Mr. ROONEY. Oh, yes, yes.

Mr. HALEY. That is fine.

Mr. ROONEY. I think we have adequately taken care of that.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from Virginia.

Mr. SMITH of Virginia. I want to ask the gentleman two or three questions.

Mr. ROONEY. I hope I can answer them.

Mr. SMITH of Virginia. First, let me say I desire to congratulate the gentleman and his subcommittee on the very fine and meticulous and careful job they have done in screening out the unnecessary expenditures with which this department seems to be loaded. I notice it is intended to create an additional Assistant Secretary of State for African Affairs. I believe that has not yet been

authorized. I wonder if it ought to be carried in this bill when it has not been authorized.

Mr. ROONEY. It was the opinion of the committee that there is progress being made in Africa now, and with new countries coming into existence, we must have some representatives there. In this particular instance we are directing that they use the money that I referred to a while ago, transfer allowances, to open up their 10 new consular and reporting posts. The requested increase with regard to the so-called Bureau of African Affairs comes to not more than $150,000.

Mr. SMITH of Virginia. I understood that the operation of that new department would require about $4 million.

Mr. ROONEY. No. That is not the case. The formation of the Bureau of African Affairs would cost approximately $150,000. We are represented in Africa now in most of the countries.

Mr. SMITH of Virginia. We have always been represented, and I was wondering why it was necessary to create a new office.

Mr. ROONEY. It is an administrative decision, I will say. Authorization for a new Assistant Secretary for African Affairs has not yet been approved by this House.

Mr. SMITH of Virginia. Then I wanted to ask the gentleman about this item of "Acquisition of buildings abroad." They are being paid for entirely out of this counterpart currency?

Mr. ROONEY. No, not entirely. The bulk of the amount with regard to acquisition of buildings is in foreign currencies, not American dollars.

Mr. SMITH of Virginia. How much actual money are we going to pay for this $18,500,000 worth of new buildings abroad.

Mr. ROONEY. If the gentleman will bear with me one second, there is included within the bill $18½ million in connection with this item, which is not only for acquisition of buildings but also for the maintenance of our present buildings. The committee allowance is a reduction of 1½ million from the amount which was requested. Of the $18½ million approved they must use not less than $15 million to purchase foreign currencies and credits now owed to or owned by the Treasury of the United States.

As I have said on this floor many times—very often I used to have trouble with this problem, but not any more—I would rather have a piece of real estate—it has been a fact that most of our real estate has increased in value over the years—I would rather have a piece of real estate than a credit entered in a book. That is about what this comes to.

Mr. SMITH of Virginia. I was wondering why you did not purchase all of it with this foreign currency.

Mr. ROONEY. The direction of this program is here in Washington, and dollars are required therefor. In some countries we do not have any or sufficient credits. We have 201 office buildings over the world; 120 office residences; 162 residences for senior officers and attachés, and 1,999 staff living units. Some cash is required in order to handle this huge operation.

Mr. SMITH of Virginia. Contributions to international organizations: There is an item of $35 million of which I understand $16 million is our part of the United Nations expense. That amounts to $19 million that we are expending in these 31 various and sundry international organizations. What portion of that is this Government paying? What proportion of the entire amount?

Mr. ROONEY. With regard to the United Nations, the United States' share is one-third. In the case of UNEF, the police force which is over in Egypt, some of our diplomats thought it well if we paid 50 percent of part of that cost.

Mr. SMITH of Virginia. My question is directed at the 31 international organizations to which we are now contributing. I wanted to ask what proportion of it we pay and whether we cannot get rid of some of it.

Mr. ROONEY. We pay in different proportions, I must say to the distinguished gentleman from Virginia.

Mr. SMITH of Virginia. What I am getting at is whether there is any way for us to get rid of some of this expense in connection with international organizations.

Mr. ROONEY. They have not been very successful in that regard.

Mr. SMITH of Virginia. We should do something about it.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr ROONEY. I yield to the gentleman from Florida.

Mr. SIKES. I think we should point out at this time that all this participation and the percentage of participation was authorized by Congress. So if something is going to be done it will have to start in an authorization bill in the Congress. We put ourselves in this position, which I consider as untenable as does the distinguished gentleman from Virginia.

Mr. SMITH of Virginia. I am fully aware of what the gentleman from Florida says, that we put ourselves into this position. What I want to know is how we can get out of it and save part of this $20 million.

Mr. ROONEY. That would be up to the Congress. If we were to presently deny funds we would still be members of these international organizations and our dues would continue. We would be carried on the books as delinquent members.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I promised to yield to the gentleman from Virginia for a series of questions.

Mr. SMITH of Virginia. I have just one more question.

In the item dealing with the Information Agency did the committee cut out the magazine published by this outfit, the one he criticized?

Mr. ROONEY. Which magazine?

Mr. SMITH of Virginia. I think it is called the American magazine.

Mr. ROONEY. Amerika Illustrated? No; we did not cut that out. I think that to cut that out would be a mistake. It looks like Life magazine. It is well done. It is put out in Russia, and they tell us that as soon as it hits the stands in Moscow it is sold out in 10 minutes; that the magazine is passed from hand to hand until each copy reaches a hundred different people, until it is worn out and comes apart in shreds.

I approve the use of this magazine in Russian. The language used at pages 19 and 20 of the report was more to indicate that this agency is directing its propaganda toward the American public, telling them how good they are in order to get bigger and better appropriations.

The USIA told the committee that they gave out 4,000 copies of this magazine to Americans on its first issue. They insisted that these free copies were requested by the recipients. So we asked them to bring up all the written requests. We wanted to look at them. They came up with a shoe box full of form cards which said "Yes, kindly send me a copy of the first issue of the new Amerika Illustrated." Then we asked for a copy of the letter they sent out with the return card. They brought the letter up and it appeared that they notified the people they could have a free copy—sign the card and they would send them a copy of this magazine.

Mr. SMITH of Virginia. It occurs to me that might be something we could get rid of.

Mr. ROONEY. I say emphatically to the distinguished gentleman that I would not dare suspend the publication of this magazine in Russian. It happens to be one of the things that the United States Information Agency does that is required.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from West Virginia.

Mr. BAILEY. I would like to take exception to the comments of the gentleman from Florida [Mr. SIKES], who said that membership in all these organizations abroad for which we are making appropriation was authorized by Congress. I would like to remind the gentleman that the general agreement on trade and tariffs has not been.

Mr. ROONEY. I believe I have heard the gentleman mention that subject once or twice before.

Mr. BAILEY. Mr. Chairman, will the gentleman yield further?

Mr. ROONEY. I yield to the gentleman from West Virginia.

Mr. BAILEY. The gentleman will agree with me that the item on page 3 of the bill of $93,088,500 and the item of $18,500,000 at the bottom of page 4 must contain money to pay the salaries of the State Department employees working at Geneva, Switzerland, on the general agreements on tariffs. I make the point they are all illegal because they were not authorized by the Congress.

Mr. ROONEY. I am sorry I cannot agree with the gentleman.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Florida.

Mr. SIKES. This is a contribution to a temporary international organization. It is carried under contingencies. It has

not been authorized as a permanent contribution; and to that extent, of course, the gentleman is correct.

Mr. ROONEY. I thank the gentleman.

Mr. Chairman, I shall conclude by paying tribute to the gentleman from Ohio [Mr. Bow] who produced the best piece of evidence that the committee came across with regard to this business of the United States Information Agency and President Eisenhower's cultural program. It appeared they paid Dizzy Gillespie $2,150 a week, then had to pay additionally for 15 musicians and 2 vocalists to go along with him, pay for the rehearsals of these musicians no less, then had to send along a lecturer who did not speak the language of the countries visited, as well as the expenses of Dizzy's baggageman.

During the course of the questioning with regard to this alleged cultural program, the gentleman from Ohio [Mr. Bow] read from a pamphlet put out abroad by the United States Information Agency. He read a statement from that pamphlet to the witness. The witness did not at that time know from what sort of paper or book Mr. Bow was reading. Mr. Bow asked him if it was as the result of the statement he had just read, that we need a cultural program. The witness in effect replied, "Oh, yes. That is exactly what we use it for. We have to offset that kind of statement." And Mr. Bow was reading from a pamphlet put out abroad by the United States Information Agency.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I note on page 21 of the report that the committee under "Department of State cultural and sports presentations" recommend $2,300,000 and cut $800,000. Could the gentleman briefly tell us what that $2,300,000 is going to be spent for? That is a lot of money.

Mr. ROONEY. If the gentleman will kindly come over to the committee table I shall show him and he will see the alleged justifications. He will see the list of athletic, choral groups, band, and so forth included in the program.

Mr. GAVIN. Would the gentleman put that in the RECORD so that we will be able to see the breakdown of the $3,100,000.

Mr. ROONEY. Very well. The following is the summary:

Department of State, President's special international program, artistic and athletic presentations by areas—Summary, 1958 fiscal year

Activity	American Republics area		Europe, Western		Europe, Eastern		Far East		Near East		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Orchestras	1	$168,895	1	$168,895	1	$147,783	1	$168,895	1	$168,895	5	$823,363
Drama and musical comedy groups			1	161,000							1	161,000
Musical groups	2	100,436	2	100,436	3	131,822	2	100,436	2	100,436	11	533,556
Dance groups	1	132,945	1	132,945			1	132,945	1	132,945	4	531,780
Individual artists	4	84,648			7	129,617	6	126,972	5	105,810	22	447,047
Sports activities	3	66,000			4	77,000	5	110,000	4	88,000	16	341,000
Subtotal	11	552,924	5	563,276	15	486,222	15	639,248	13	596,086	69	2,837,756
Promotion												94,500
Administration												167,744
Total												3,100,000

Mr. COUDERT. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, let me say at the outset that it has been a pleasure and a gratification to me again this year to serve on this subcommittee. A more capable and agreeable group of gentlemen would be hard to find, a more patient, effective, and hard-hitting chairman would be harder to find, although I do not always agree with his conclusions. A more capable, patient and industrious staff assistant than Jay Howe would be hard to find. It is really a rare privilege to serve on the committee and I have enjoyed every moment of it. I am only sorry that all of the conclusions of the majority of the committee are not mine nor that of one or two other members of the minority members of the subcommittee. The report submitted by the chairman of the subcommittee, and which he has commented upon at some length, suggests rather more of an indictment of a couple of great national agencies than anything else.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield to the gentleman from New York.

Mr. ROONEY. Can the gentleman point out one allegation contained in that report which is not factually true?

Mr. COUDERT. The gentleman is quite right. I merely said to my friend, for whom I have the warmest regard and the greatest respect, that it leaves the impression of an indictment, because all it does is point out mistakes or errors or differences of opinion regarding these two agencies involved. I simply submit that the State Department is the first line of defense of the United States today.

Mr. ROONEY. Mr. Chairman, will the gentleman yield at that point?

Mr. COUDERT. I yield.

Mr. ROONEY. Surely the gentleman understands that my thinking in that regard is the same as the gentleman's. The committee report is a criticism of that first line of defense.

Mr. COUDERT. If my good friend from New York will let me finish my statement, I will be delighted to yield to him.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield to the gentleman from Minnesota.

Mr. JUDD. Is this not a situation where a collection of mistakes of judgment and excesses and human failures has been put together representing a tiny fraction of the total work being done, in which the individual illustrations given may be accurate, but the total impression given is completely false?

Mr. COUDERT. That is precisely correct.

Mr. JUDD. Is it not a case of picking out all the failures and making no adequate appraisal, in perspective, of the remarkable successes that have been accomplished by both of those agencies in very important and crucial fields?

Mr. COUDERT. The gentleman from Minnesota has taken the words out of my mouth. I thank him.

Anyone who reads the report through can only think ill of the State Department, whereas in truth and in fact we have lived successfully through 4 difficult years. Perhaps there have never been 4 more difficult years in the absence of a great war, and when we are in a great war, the State Department takes second place. Somebody very properly has said—I have forgotten who it was—that when the diplomats fail the generals move in. Now, many of us in this House and on this floor this afternoon will remember that in our time alone there have been three great wars where the diplomats failed and the generals moved in.

Now, my objection and the objection of one or two of my associates on the minority side is that the cuts made in the State Department requests are too deep. I quite agree, there undoubtedly have been mistakes. I do not condone the practice of putting employees and staff members on the payroll contrary to budget justifications without notifying the Appropriations Committees, although there is no legal requirement and there is no violation of the law involved. It is still bad budgetary practice, and I still think that when an agency, or a department adds to the payroll more than those requested in its budget justification, they should advise the committee. But there is no justification for punishing the department or the agency and punishing the people of the United States by undermining the prestige, limiting the striking power of a great agency like the State Department.

I object particularly to two item cuts in the State Department budget. First, despite the continuing growth in the burdens, and the responsibilities, and the obligations of the State Department, and the corresponding need for additional manpower, the ablest possible manpower, this subcommittee, with approval of the full committee, is submitting a bill that gives the State Department exactly the same amount for operations that it is now getting in current fiscal 1957. Yet there is not one of us in this hall who does not know that everything has gone up in the last year; every cost has gone up, and as burdens go up and responsibilities go up, obviously the costs of a great Government Department go up, and, in my opinion, we should have allowed at least a part of the requested increase for salaries and expenses for the operation of the Department.

I also regret the fact that a majority of the subcommittee chose to further reduce the already limited representation allowances which alone make it possible for career Foreign Service officers to hold important positions. In the current year State Department was allowed $800,000 for representation allowances.

The Department asked for $1,200,000 in the coming year because of the increase in number of personnel whom they expect to have and probably will have. The subcommittee cut them back $200,000, down to $600,000. That is a small matter, but after all, representation allowances are a weapon of the Department of State in the constant conflict to preserve peace in an ever more troubled world.

Mr. GROSS. Mr. Chairman, would the gentleman yield?

Mr. COUDERT. I should be happy to yield.

Mr. GROSS. The distinguished gentleman from Virginia [Mr. SMITH], mentioned an Assistant Secretary for African Affairs. Where in this bill is there an authorization for the creation of an Office of Assistant Secretary for African Affairs? I understand that this bill would create a Bureau of African Affairs, but I do not find in the bill itself any authorization for an Assistant Secretary.

Mr. COUDERT. I do not know whether it is authorized or not.

Mr. GROSS. Is there that kind of authorization?

Mr. SIKES. Mr. Chairman, would the gentleman yield?

Mr. COUDERT. I yield to the gentleman from Florida.

Mr. SIKES. There is no authorization in this bill for an Assistant Secretary. An authorization would be necessary if one were appointed.

Mr. COUDERT. That seems to answer the question.

Mr. VORYS. Mr. Chairman, would the gentleman yield?

Mr. COUDERT. I yield to the gentleman from Ohio.

Mr. VORYS. I understand that a bill creating such a position passed the Senate.

Mr. GROSS. It passed the other body the other day on the unanimous-consent calendar. Not a word was asked about it and no answers were given. But let me say to the gentlemen that when the bill comes over here there will be at least one or two questions asked.

Mr. COUDERT. Of course, if it does not pass the House, there will be no additional Secretary. That is fairly obvious, because an authorization is required.

Let me say in summary about the State Department that in my humble judgment the Secretary of State is one of our great Secretaries. He also happens to be a resident of my district. Also, he is a very old friend of mine. I am very proud of that. He has conducted our foreign policy with success under the greatest difficulties. We are still at peace. That is something not to be laughed off. We are still in trouble because the world is full of trouble and confusion and uncertainty. In my humble judgment it was never so important to maintain a strong, powerful, competent, hard-hitting State Department. And I do not think that can be done unless it has the full backing of Congress, and unless it has more money than is allowed in this bill. I trust that somewhere along the line there will be sober second thought and additional funds will be provided.

There is another agency that came in for a bad trimming at the hands of a majority of this subcommittee. That is the United States Information Agency, which is a handmaiden of the State Department. It is an auxiliary of the State Department created in Democratic administrations, supported, authorized, and appropriated for by Democratic and Republican Congresses and universally recognized as a necessary instrument for the conduct of foreign affairs. We have had it now for 10 or 12 years. I have forgotten exactly how long.

The President in his state of the Union message chose to refer to this Agency, the only agency or department to which he referred in that message, as requiring greater appropriations than in the current year. Said he in his state of the Union message:

> World events have magnified both the responsibilities and the opportunities of the United States Information Agency. Just as, in recent months, the voice of communism has become more shaken and confused, the voice of truth must be more clearly heard. To enable our Information Agency to cope with these responsibilities and opportunities, I am asking the Congress to increase appreciably the appropriations for this program and for legislation establishing a career service for the Agency's overseas Foreign Service officers.

That latter, of course, had nothing to do with this bill, is not in this bill, and does not concern the House at this time.

Then later the President was advised that a substantial cut might be made in the relatively small sum requested for this agency which he considers so important in the conduct of the foreign policy of the United States, so important to the success of the objectives of the United States, the preservation of peace, the reduction of armaments, greater understanding among people. When he discovered that this committee was considering a substantial reduction he wrote a letter to the chairman of the subcommittee, the gentleman from New York [Mr. ROONEY], to me as ranking member, to the chairman of the full committee, Mr. CANNON, and to Mr. TABER, and I think perhaps to the former Speaker and minority leader and to the Speaker of the House. In that letter, dated April 9, the President said:

> I must express my deep concern over the possibility of a slash in this budget. No doubt you are as sensitive as I am to its critical importance and realize with me that this importance has been magnified by recent world events. Imperatively, in key areas of the world, America's voice of truth must become more clearly heard. There is pressing need for expansion of our informational functions in the Near East, Africa and the Far East, and I cannot over-emphasize the urgency of completing a land-based transmitter in the eastern Mediterranean to make our radio broadcasts more audible in important Near Eastern countries.

Parenthetically, the committee allowed the radio station, which will take a year or two to build, and allowed the entire amount requested to be obligated in 1958, which is $1.1 million.

The President concluded in these words, showing the great importance that he as the director of the foreign policy of the United States attached to this program. We cannot substitute ourselves for him. He alone must be the arbiter of the conduct of our foreign relations.

> This program is a key instrument in our efforts to promote peace, world understanding, and eventual reduction of armaments. It contests with a vastly greater Communist effort. This undertaking I consider so basically important to the vital interests of the United States that I address these views to you. I hope you will do all possible to maintain and strengthen this essential activity of our Government.

What did our subcommittee do and what did the full committee approve? In the current year the Agency was allowed the sum of $113 million to conduct a worldwide information and propaganda agency to carry the word of America to the farthest corners of the earth, into lands in all stages of culture, of all colors and creeds, and in all states of mind, war and peace. This very subcommittee of this House last year allowed $110 million. As the result of action on the other side of the Capitol the final figure was $113 million. So what does this bill carry for this Agency, the importance of which the President goes so far out of his way to emphasize? This bill cuts the 1958 appropriation $10 million below that of the present year.

It is all very well to find mistakes in its operation. Able cross-examiners, experienced lawyers, experienced chairmen of committees like my friend from New York, can always in any great Government agency find mistakes, can find objects for derision; objects for differences of opinion; but the fact still remains that the most vehement and effective critics of this Agency, such as

Eugene Castle, a resident of my district, who has written forcefully upon the subject, admit the necessity for the existence of such an agency.

All the differences are about how to manage it. And so long as there is advertising in this world, so long as there are efforts to reach men's minds, there will be differences of opinion as to how to go about it and as to which medium is better than which other medium. The problem of this agency is that no two men will agree on how the dollars should be spent. Somebody has to decide it and only that agency can decide it. Of course, Congressional committees may differ. Other people may differ. Constructive criticism is helpful. It is an operation of trial and error that will improve as it goes along. I say we should give this agency, at the very least, the amount that it has in the current year of $113 million, to explain to the people of the world why we are spending $8 billion to maintain armed forces all over the world, to maintain bases all over the world, and giving foreign aid all over the world, and to explain what America is and what America's purposes in the world are, and what is its relation to the well-being of other people in the world.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield.

Mr. ROONEY. First, I would like to refer to the gentleman's reading of the letter of President Eisenhower. As he knows, I replied to the President's letter, and I should like to insert that letter and my reply at this point.

THE WHITE HOUSE,
Washington, April 9, 1957.

The Honorable JOHN J. ROONEY,
House of Representatives,
Washington, D. C.

DEAR MR. ROONEY: I understand that subcommittee action on the budget of the United States Information Agency is completed and will soon be considered by the full Committee on Appropriations.

I must express my deep concern over the possibility of a slash in this budget. No doubt you are as sensitive as I am to its critical importance and realize with me that this importance has been magnified by recent world events. Imperatively, in key areas of the world, America's voice of truth must become more clearly heard. There is pressing need for expansion of our informational functions in the Near East, Africa, and the Far East, and I cannot overemphasize the urgency of completing a land-based transmitter in the eastern Mediterranean to make our radio broadcasts more audible in important Near Eastern countries.

At the time of the Hungarian uprising our informational efforts demonstrated great value. The capacity of the Agency to react to future crises should be at the least maintained. My considered judgment is that they need to be substantially increased.

This program is a key instrument in our efforts to promote peace, world understanding, and eventual reduction of armaments. It contests with a vastly greater Communist effort. This undertaking I consider so basically important to the vital interests of the United States that I address these views to you. I hope you will do all possible to maintain and strengthen this essential activity of our Government.

Sincerely,

DWIGHT D. EISENHOWER.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., April 12, 1957.

The PRESIDENT,
The White House.

MR. PRESIDENT: I acknowledge receipt of your letter of the 9th instant concerning the pending budget of the United States Information Agency, and I assure you that I share your views concerning the importance of its work and general program. On many occasions over the twelve years I have been connected with this agency's appropriations I have stated that I would be willing to vote the full amount requested for this program if it were managed and operated effectively and I will again make that statement.

Realizing that you receive far more documents and reports than you can possibly have time to read, but inasmuch as we both agree on the importance of this agency's work, I trust you will have time to go through the Committee's hearings and report with regard to the United States Information Agency. These hearings reveal a most amazing situation.

When the 1957 budget request for the United States Information Agency was submitted to Congress a year ago, request was made for a certain number of positions. The Congress subsequently made a reduction of $22 million dollars in that request and you of course signed the bill approving the reduced appropriation. After a reduction such as this, most people would expect that fewer personnel than the number requested would have been employed; but that did not turn out to be the case. We found, this year, that about 500 more positions were added, despite the reduction, than had been stated would be employed had the entire amount been approved. The same situation was found to be true with the Department of State and even the Bureau of the Budget itself.

I have made many trips abroad over the years and on each I have tried to carefully evaluate the program of the United States Information Agency in the areas visited. I cannot in good conscience say that I feel the American taxpayers have been getting the value they should for their money.

The record will indicate that his agency has gone far beyond what it was intended to do. It has used taxpayers' money to try and shape opinion in this country, which is completely contrary to the purposes for which this agency was established. Furthermore, I do not feel that we should appropriate money to try and influence our British friends—such as costly annual subscriptions to American newspapers for 644 members of the British Parliament. The pending Budget includes $702,476 for a "giveaway" of American newspapers and periodicals.

I must most respectfully take exception to your statement with regard to the Hungarian uprising. The efforts of the United States Information Agency in that crisis left much to be desired. In fact, the work of the United States Information Agency in the Hungarian situation was almost a complete failure, as were our diplomatic efforts. This failure is clearly indicated in the fact that we were unable to convince a majority in the United Nations that "enforcement measures" should be taken against Soviet Russia for its brutal and immoral aggression in Hungary. Assistant Secretary of State Robert C. Hill admitted this failure in a letter dated last February 5th and published in the CONGRESSIONAL RECORD, when he wrote that a "requisite majority of the United Nations is not prepared to support such action."

The foregoing is offered purely as honest criticism.

I shall make our correspondence available to the Congress and the press.

Sincerely and respectfully,

JOHN J. ROONEY.

Now it is utterly amazing how circumstances can change viewpoints. I do not know what to say in this regard. The gentleman from New York [Mr. COUDERT], my distinguished friend who is now in the well of the House, and the gentleman from New York [Mr. TABER] in the full committee last Friday sought to increase the USIA appropriation. They did not get very far. But, the point I want to make is that this change in ideas with regard to agencies just because President Eisenhower happens to be President is amazing. Let me read to you, and this is very brief, what the distinguished gentleman from New York [Mr. TABER] has previously said on this subject.

This is what my distinguished friend the gentleman from New York [Mr. TABER] had to say about the information agency on the floor of this House on the 4th of April 1952 when we were debating a similar bill:

> Mr. TABER. Mr. Chairman, when you get an outfit that is not doing a good job, some people think that the way to improve it is to throw a lot more money into it before it cleans up. My own idea of handling that kind of disease is to cut it down some until it gets straightened out. That is what this cut in the estimate is supposed to do.

It is utterly amazing how 5 years later viewpoints can change as they do.

Mr. COUDERT. Mr. Chairman, may I say to my colleague from New York, in five years the agency has learned something, and it has learned enough to get out of the committee, of which the gentleman is the chairman, $110 million last year. Why did you cut it down to $103 million this time?

Mr. ROONEY. The gentleman recalls, I am sure, that for the present year I did not want to give them the $110 million, but the gentleman from New York and others in that markup insisted upon it.

Mr. COUDERT. Did you yield to it? Did you go along with it? Did it come out of your subcommittee?

Mr. ROONEY. That was the amount in the bill which I am supposed to present on the floor of the House as the action of the full committee. I had to go along on giving them $110 million.

Mr. COUDERT. One more point I would like to draw to the attention of the members of the Committee of the Whole. My good friend from New York, Mr. ROONEY, has made much of and has provoked a certain amount of amusement in his references to the cultural program conducted by the State Department. Actors, entertainment, cruises around the world at public expense for the purpose of creating public good will, and yet he and his majority allowed in this bill the exact amount for the cultural program that is carried in the current year. Yet when he comes to the United States Information Agency, for which he went along for $110 million in the current year and ultimately $113 million, he cuts them down by $10 million.

I would like to know what has happened in the last 12 months to make that difference.

The CHAIRMAN. The gentleman from New York has consumed 24 minutes.

Mr. COUDERT. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. BOW].

Mr. BOW. Mr. Chairman, I have agreed with the subcommittee on this bill except in one instance, and that was the instance of the United States Information Agency. I reserved on that item because it was my opinion that we should have given to them what they had last year; that is, $113 million, plus their retirement fund and a specific authorization for the building of one new installation. I shall come to my reasons on that later.

There are a few items that I think should be discussed. I admit that this report, although accurate and truthful, is in a sense an indictment. I can well understand perhaps why some of the Members of the House in reading this report may wonder why we are appropriating anything for these agencies, in face of this indictment. It is unfortunate that a report of this kind does not tell some of the good things and some of the constructive items that should be put into a report on these departments and agencies. But of course we have that situation today where, with all due respect to my distinguished chairman [Mr. ROONEY], he is not completely known in this House as being one who does not engage at times in partisanship. In the consideration of these bills may I say to the gentleman I do not think in committee it is particularly partisan, but occasionally the gentleman from New York [Mr. ROONEY] will take the floor and he will be just a little partisan at times. All of us who have known him over the years know that to be the fact, and perhaps that is the reason why this report is in the shape that it is. I would rather assume that if the situation reversed in the executive department today, this report would be in glowing terms of the accomplishments of the administration. But we must meet this thing as it is. We must face the facts. That is true. As I said, and I say it in all fairness and all candor, I could not point to a single item in this report that is not based upon fact.

But I would say this, that when you come down to talking about facts I noticed that the press the other day took a great interest and great delight in finding one section of this report which said that requests for funds for 1958 included such niceties abroad as swimming pools, clubhouses, cabin boats, mountain retreats, beach huts, and cabanas.

That makes good reading. That is a matter that would be of interest to the people who would pick up papers and read. But, Mr. Chairman, I will say to you very frankly, and it appears in the hearings, I think there are some places in this world where we owe it to those who make up our first line of defense in those areas to give them some recreational opportunities. We must do so for the morale of the service.

I do not agree with everything for which they ask in this bill, but I want the record to show that I do not believe such facilities are out of line in certain places I could pick out such as Karachi, Saigon, Laos, and other areas which are most important to us in our fight against communism and say they need help of this kind. I would not say that there are not places where it would not be uplifting to the morale of our Foreign Service for the very benefit of our country to see that our people whom we send out there have some form of recreation.

Mr. Chairman, we went into Laos where we found our people living in native huts, where their water supply was brought from the Mekong River in tanks, put in gasoline drums out in front of their houses, where every time they lifted the top off the drum you could see wiggly, crawly things in the water. They had to take that water and boil it for drinking purposes and cooking, and use it also for their sanitation.

Some of the finest American youth are in these services, and I think when they are sent into areas of that kind with their families we owe them something more than they are receiving. I think the question of some recreation and some relief for them is good, and I would support it.

It is not in this bill. I think we could point out many places where these people who have gone there have done a magnificent job for this country.

As the gentleman from New York [Mr. COUDERT] has said, these are strenuous times, and times in which the people our State Department sends to these faraway places carry great responsibility not only for this Nation but also for the free world, and I think it is a shame that in a report of this kind there is nothing but castigation of the agency, and that we do not pay tribute to those who are carrying the load of the free world and the load of our own Nation in the preservation of peace and the fight against communism.

So I should like to take this time to pay tribute to them. There has been a little fuss made here about the Passport Office and I would just like to say in passing, that the GSA said they could get some machinery that would speed up the delivery of passports in the Passport Office. This committee gave it to them last year, but Miss Knight did not accept that machinery because she found it would not do the job.

Is she to be criticized for not accepting machinery that would not do the job which GSA said it would do? Are we to criticize her for not spending money for this equipment she knew would not do the work? I think she did what was right. Read the record and you will find that increases were not in her job.

Let me say this, the gentleman from New York [Mr. ROONEY] in touching this matter complained bitterly that these people did things without telling the Appropriations Committee what they were doing.

You will find in this record that in the case of Miss Knight when they wanted to make some changes in her Division, the Passport Office, she had a paragraph put in which said she would agree to it provided consent was received from the Appropriations Committee of the two bodies of Congress. I think that she has done a magnificent job. We all remember what a fine job Mrs. Shipley used to do in that Department. Miss Knight is carrying on, she has expanded the Department and she has done an excellent job. As far as the Los Angeles office is concerned, the Committee on Foreign Affairs by legislation last year granted permission to open these offices the gentleman from New York now complains about. There is the authority. She had a right to do it. Are we going to continue to complain about operations for the benefit of the American people? That is what your Passport Office is for.

Now, if I may have the attention of the gentleman from Virginia [Mr. SMITH] on the question of acquisition of buildings abroad. When I was first assigned to the Committee on Appropriations, one of the specific assignments given to me by the chairman of the subcommittee was the matter of acquisition of buildings abroad. I made a study of that matter at that time and I have tried to stay with it as much as possible. If there is any one item in this bill that I do have personal knowledge of it is that particular question. May I say to the gentleman that I believe the program that has been established and that has been carried on for some years, is a good one. I believe that the $15 million we are using in foreign currency is being well used. Because under some of our agreements with foreign nations, we are limited to use some of this foreign currency for acquisition of building or buildings and for educational purposes, it has been a savings to the American taxpayers to use this foreign currency. The Foreign Building Office today under its operation is not attempting to build an empire, in my opinion. The new buildings are constructive and conservative. They are actually doing a good job in that department. I am very pleased to say that I think this particular item is well justified.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. COUDERT. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. BOW. Mr. Chairman, we must appropriate some dollars but those are in cases where we have no foreign currency. We have great investments in our buildings and we must maintain them, we must repair them and assume costs for matters of that kind. It is necessary for us to use dollars in some of these instances. I think the item is one that has been well handled.

Mr. Chairman, may I now address myself to the rest of the bill? There has been no talk here about Justice and the Judiciary, but I would feel remiss if we did not point out in this bill that under the Justice Department the committee has recommended $101,450,000, the full amount of the budget estimate for the FBI. The fact that we have appropriated that full amount for the FBI, it seems to me, indicates the confidence of this committee and of the full Committee on Appropriations, and I am sure of the Members of the House, in the fine

work that has been done by the Federal Bureau of Investigation and by Mr. J. Edgar Hoover. I am sure the House will go along with the idea that that is one agency we have complete confidence in, and we appreciate the fine work that has been done.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from New York.

Mr. ROONEY. Mr. Chairman, I should like to join in the remarks of the distinguished gentleman from Ohio with regard to the Director of the Federal Bureau of Investigation, and point out that, if I am not mistaken, this is his 40th year with the Department of Justice.

Mr. BOW. I thank the gentleman.

Mr. Chairman, in closing, I would like to touch briefly on the USIA. As I stated previously, I reserved on that because I felt we should have given them what they had last year. I did not feel they should have any more. If you will read the record of the USIA, not only this year but in the past, you will find in the hearings that I, along with the gentleman from New York [Mr. ROONEY], have been perhaps one of its most severe critics. I have dug into that Agency as hard as I could to try to show the mistakes which they made, and which I believe they made, and, in my opinion, I believe they have made a good many mistakes. But we are in a war, a cold war, for the battle of the minds of men all over the world. I do not believe, if we had an appropriation bill here for the Department of Defense, that if we found a division commander in one area of the world had wasted ammunition, that he had been extravagant in a particular way in the use of his military might—I do not believe we would have cut down the entire budget, and said, well, because one fellow over here has done that, we will undermine the possibility of complete victory in the end. And that is my feeling here, that we have an overall picture to go into in this terrific fight.

Now, here is what we are up against on this cut. We have a new man, Arthur Larson, as director of this agency, a man of great capability, proven in Government. Now we are bringing him into this Agency, and what are we doing? His first job, if this bill should be passed as it is now, is not to see what a constructive job he can do, but he is going to have to begin to cut down his department, get rid of people, and his time will be taken up in that rather than in a constructive job of realigning these programs and taking advantage of the hearings and the things that have been brought to his attention and correcting them and go forward in the main objective of a United States information agency. And, we are handicapping him. We are taking away from him the opportunity to get the job done. I have heard the gentleman from New York [Mr. ROONEY] say that if we had a proper agency, if we were doing the job we ought to do, he would appropriate many hundreds of millions of dollars more than there are in this bill, and so would I. I believe it is one of the most important functions we have.

In closing I would just like to say this, and I have permission from the President to say it. Last Thursday afternoon the gentleman from New York [Mr. TABER] and myself were called to the White House and had a discussion with the President on this subject. The President said that we might quote him on the floor here today, that in his opinion this is one of the most important functions of the executive branch of the Government, and he feels that any substantial cut will endanger not only the free world but this country and our possibility of cutting the defense budget in the future by substantial amounts, and he believed that this amount should have been raised.

Mr. Chairman, let me say further on the USIA, the conspiracy of communism, seeking as it does to dominate the world by propaganda, subversion, and terror, is a threat to the freedom and individual liberties of Americans and all other peoples everywhere. Recognition of this basic fact has caused the United States to maintain an extensive Defense Establishment, to create by treaty and maintain an international defense structure involving many of the free nations of the world, and to maintain a worldwide information service to explain our country's objectives and policies and to counter Communist distortions and lies. These security requirements are costly and the burden upon the American people has therefore been a heavy one.

For almost 10 years the American people have carried a large share of the responsibility for keeping freedom's cause alive in many parts of the world. There have been disappointments and discouragements in meeting the challenge of Communist aggression. The national goal of peace and freedom has at times seemed remote, but recent international events lead us to believe that the long, hard road which has been forced upon our Government and people during these past 10 years is now beginning to bear fruit. There are notable signs that the conspiracy of communism is faltering in its drive toward world conquest, as evidenced by the Hungarian revolution and the steps taken by other nations to escape Moscow's domination.

To cover up these developing weaknesses in the system, the Communists have launched a propaganda offensive to conceal the true meaning of these developments, to confuse and divide the free world, and to facilitate their attempt to take over the Near and Middle East and the continent of Africa. Their free world countries can be conservatively estimated at many hundreds of millions of dollars per year.

In the light of this threat, plus the great responsibilities and opportunities created by recent international events, we believe that the proposed appropriation for the United States Information Agency is completely inadequate. The President has said and I have his permission to quote him:

> Let me add that in my judgment our information program offers one of the best hopes of promoting peace and world understanding with eventual reduction of world armaments, leading in days to come to substantial reductions in world military budgets, including our own.

For the above reasons, I believe the proposed appropriation for operations should have been the same as the last fiscal year.

I also believe that the need for a powerful medium-wave transmitter located in the eastern Mediterranean to improve United States radio broadcasts to Near East countries is critical, and that the full $4 million of no-year funds requested for this purpose should be granted. Existing unobligated funds may not be available for this purpose without canceling out an essential project already underway to construct a high power, short wave transmitter in Africa, needed to overcome Soviet jamming and to improve our broadcasts to Russia and the Iron Curtain countries.

Mr. COUDERT. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN. Mr. Chairman, I can readily understand a bill of this magnitude invokes many criticisms and much castigation. I also understand it is the criticisms and the castigations that make the headlines and not the solid work of the individual. I do not think, as we consider this bill, we should forget that there are thousands and thousands of competent, conscientious, honest men and women employed not only in the foreign service but in our services at home. These conscientious employees are working to make this a better country. While we point out the mistakes—and they should be pointed out—let us not forget that we have an obligation to the country to see that the reputations of these men and women employed in Government service are not destroyed without good cause.

Mr. Chairman, my purpose is to speak upon only one item in this particular bill, the Information Service. I want to repeat, it is not my purpose to try to restore the cut, because as much as I believe it should be restored, I am a practical legislator and I know that in all probability that view would not prevail at this time. I am laying the foundation in the hopes that when the legislation goes somewhere else it may be corrected and that then we will have another opportunity to review the funds.

Mr. ROONEY. Mr. Chairman, would the distinguished minority leader yield?

Mr. MARTIN. I yield to the gentleman from New York.

Mr. ROONEY. Is that "somewhere else" an alleged upper body that generally ups the appropriations?

Mr. MARTIN. I would not want to catalog the other branch of the Congress in that way, but that is where the bill will go.

No one wants to see the budget balanced more than I do. I am fully conscious that the heavily taxed American people are demanding a real retrenchment in spending, and I know how helpful that could be for the continuation of prosperity. However, there are some economy cuts that are not real economy. In the end they work in reverse.

That is how I catalog the Information Agency cut. We are living in a world where we are forced to worry about the future. We are faced with a formidable opponent who seeks to spread

his ideology all over the world. We face a foe spending literally billions of dollars in propaganda to deceive and confuse the peoples of the world. He distorts and lies about the real views of our country.

With this situation prevailing, I say it is a poor time to cut down on our propaganda efforts. Rather would I say it should be increased.

I know the severe criticism that has been directed against this agency from is inception. Unfortunately, a good deal of the criticism in the past was fully justified. Our efforts now should be directed toward improving rather than in reducing its efficiency.

Many at the first instance found employment in the agency merely because they were out of a job and sought employment, even if compelled to work abroad. I think we have got beyond that period. There are undoubtedly some who are still inefficient; there undoubtedly are some services that are foolish and services which duplicate those already in existence. I make no defense of these. I say these should be corrected, but let us not take our eye off the real objective of this Service which is to sell America and freedom to the peoples of the free world.

I do not know the Director very well. My acquaintance with him is decidedly casual. But he does appear to me as an aggressive and intelligent official who if given real support can and will make this service a mighty bulwark to the free world. Neither, may I add, do I have any particular friendships in his staff.

If there is any subject in the world I think I can speak with some semblance of an expert it is in the field of publicity and propaganda.

For over 60 years as a newsboy, high school reporter, reporter, editor, business manager and publisher, I have been affiliated with publicity and propaganda. And furthermore, as Chairman of the Republican National Committee for 3 years, when for most of the time the committee was broke and like the small boys in the horse and buggy days you rolled your own I gained further insight into these problems.

So I think I can speak with some authority. I do know that when competition becomes keen it is no time to curtail advertising. It is the concern that increases its advertising, adopts new methods, and gets out and hustles that wins.

This applies just as truly to politics and world policy.

A while ago a distinguished visitor from Ethiopia, a true friend of the United States, was talking with President Eisenhower. Why don't you double the volume of your radio, queried the friend. The big voice of Russia drives your messages off the airways. This is one suggestion why we should increase rather than diminish our efforts.

In the satellite countries of Europe, the Mideast, and the Far East, hundreds of millions of dollars are being poured into the fight against the free world. In this cold war, or as some call it the war of nerves, there can be no lagging. The loss of one or two of these key countries would be a disaster that would ultimately cost us vast sums of money and many lives. As a word of caution, we must not invite this disaster.

The service should be thoroughly scrutinized; only persons whose heart and soul belong to America should be employed. The service is more vital to America than most of our other services, and there can be no question in this agency of anyone's loyalty. If there is duplication, waste, or extravagance these can be corrected.

But my final warning is, let us work together with the agency to improve and make stronger this vital part of America's defense of the free world.

President Eisenhower has expressed deep concern over the cut. He says there is actually a pressing need to expand the work in many parts of the world. The President has stated it is critical that America's voice be more clearly heard in some spots and that the funds are a key part of our struggle for peace.

These are serious words and words, I am sure, will impress upon Congress the need of at least continuing the amount which has been available the past year.

Mr. Chairman, in the past we have spent huge sums for war; money that could be better devoted to making peace in this world. I hope the Senate will review this bill, and that it will be their judgment that we can give the President the money he says is essential for this vital part of America's fight to maintain freedom in this world and to make it possible for people to live peacefully and happily. To the President has been given this responsibility. We should not handicap him as he strives for peace.

Mr. COUDERT. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I want to deal first with the exhibit which is set on the table here in the well of the House, a wastepaper basket. I do not know whether that can be construed as an executive type wastepaper basket or just a plain wastepaper basket. You will recall that a year ago, this committee learned the State Department was buying wastepaper baskets at a price of $27 apiece. As I understand from reading the hearings, the State Department may be expected henceforth to buy wastepaper baskets at the rate of $10 apiece.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. ROONEY. I should like to say in connection with this subject of wastepaper baskets that the State Department at least listened to the committee in this regard and saved $17 on each of the wastepaper baskets. We are now trying to get them to recline on executive davenports that would not cost $264.50 each.

Mr. GROSS. Yes, that too makes very interesting reading in the hearings. Getting back to the wastepaper basket situation, I went down to our House office supply room and looked over the wastepaper baskets. I use a $1.25 steel wastebasket in my office. I found that this is the best you can buy in the House office supply room—at the rate of $2.25 each and they are guaranteed not to rip, ravel, or run down at the heel. I am sure the Department of State could get along very well with $2.25 wastepaper baskets or something very similar, if not the $1.25 numbers.

I want to commend the chairman of the House committee and those members of the subcommittee who so ably assisted him in developing some of the things that we are able to read in these hearings. If you have not read them, you ought to take a little time and read them even though this appropriation bill may have been disposed of. I want to commend the gentleman from New York. However, I must say I do not think he has gone far enough in cutting the State Department and international organizations. At the proper time, I propose to offer amendments to cut the State Department and the appropriations for the various leaching international organizations.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. ROONEY. When we get to that point, I shall probably be with President Eisenhower.

Mr. GROSS. The gentleman can take any position he wants to. The gentleman has not reduced many items in this bill below last year's appropriation. We do not begin to plow fertile ground in this business of trying to reduce spending and help the taxpayers of this country by relieving their burdens—and I am not one of those who comes down here in the well of the House to say to you that I think you can have your cake and eat it too, as some of the preceding speakers have done—to repeat, you do not plow fertile ground here until you cut below last year's appropriations. That is where we are going to have to go if we are going to give the taxpayers of this country any relief.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. ROONEY. The gentleman says last year's appropriations—does the gentleman refer to this fiscal year of 1957?

Mr. GROSS. Yes, I was in error. I meant the present fiscal year.

Mr. ROONEY. If he is referring to that year, I should like to point out that the State Department has been cut $41,317,329.

Mr. GROSS. Let me interrupt the gentleman. In your own report, it says that when the new building funds are excluded from both the 1957 and 1958 figures the amount allowed is $1,102,671 over the appropriation for the current fiscal year.

Mr. ROONEY. That would include the matter of retirement contributions, required by law and over which the Congress has no control.

Mr. GROSS. Yes, I understand that, but the State Department can easily absorb a $3 million reduction. I would remind the gentleman from New York that his committee report says the State Department has used deceit and deception in matters of personnel and various other things. What are you going

to do? Just slap them on the wrist and say—"go your way and sin no more." Why not give them a jolt by way of a cut and let them know that Congress—at lease the House of Representatives—refuses to be flimflammed.

Now what about this new Bureau of African Affairs? Of course that is the "foot in the door" to big, new giveaway program for the entire African Continent. We have not done too much in giveaways in that area, so the Bureau of African Affairs is for the purpose of opening up this vast new area in which to shovel out the dollars. The Assistant Secretary, which the other body voted just the other day, will put the capper on the sheaf.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. GROSS] has expired.

Mr. COUDERT. Mr. Chairman, I yield 5 minutes to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON. Mr. Chairman, I rise very reluctantly at this point, realizing that no words of mine in the short time allowed me, and the few days given to study the hearings and the fewer still to even read the report, which I believe was only available on Friday, will change the attitude of any Member of this House.

I must make it clear that I have no brief for the Department of State, and I have no brief for the committee. I find myself unable to refrain from making a few comments which I trust will receive the consideration of the House.

I have served 16 years on the Committee on Foreign Affairs of this House. During that time life has changed very materially on this globe of ours. Major countries have lost their power and the United States has become the country to whom the free countries of the world look for advice, guidance, assistance, and above all, for strength.

I regret exceedingly, Mr. Chairman, that the committee report did not give a more balanced view of what the Department stands for and does. I think it is always most unfortunate when only complaints and criticisms are given. There are always two sides to everything. There is never only one side. Never. To me, the tenor of the report in certain places is very unfortunate. To talk about swimming pools, clubhouses, and mountain retreats, as though they were being put into every single foreign service post is surely regrettable and unjust. My colleague from Ohio [Mr. BOW], brought out the fact that in the various places for which such requests have been made, the need for them is vital. Then we come to the representation allowance. I find it difficult to believe that there are still people who no not realize what the reasons for it are—nor how important it is.

Have you ever had to ask for the accounts in a consulate? Once it was my job to do that. Our United States representative at a small post gave a dinner for me and my colleagues, 14 people that same night. The next morning I asked my hostess where the money was coming from, and she did not want to tell me. When I told her I had gone over the accounts, she said, "Well, it is my whole year's dress allowance." Her contribution to saving face for the United States. Can we be proud of that?

Recently while I was out of the country, I found that in a certain spot where a change of personnel has made the most marvelous difference in the whole aspect of our service there. But I found that our representatives there, in order to meet and to entertain the people important to us they were having to put their hands into their own pockets. Again, Mr. Chairman, I could not be proud of the necessity put upon them.

For a moment, Mr. Chairman, I would like to speak of Africa. As you all know, I have been there. I have probably been to more places in Africa than anybody in this House and probably more than any one person in the State Department.

I want to tell you that in spite of some of the comments that have been made since our return from Africa this last time, the Communists are going in there in full force. They have been moving in there for many years; but, believe me, they are pouring in every form of ammunition in their well-equipped arsenals. If you do not realize it I think it would be well for you to open your eyes and your ears, and perhaps take a trip.

We cannot do what the Communists do; we do not want to. But we certainly can give our people out in those areas something to use, something adequate to work with, and I hope immeasurably that we will take a realistic view of the whole situation in Africa. That is the last continent left. Do we want it to go like China, like Asia? I assure you it is going fast unless we do the things we should do to protect our country unless we take a long look ahead and set our feet upon a clear and constructive road and then stay on it.

Mr. ROONEY. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Ohio [Mr. HAYS].

Mr. HAYS of Ohio. Mr. Chairman, it is not my purpose to quarrel with the committee on any cuts they have made, because obviously they have sat through long hearings. They heard the justifications, and they have much information that I do not; but I have heard some Members make an attack on the item for Africa, particularly the Assistant Secretary for African Affairs. I believe that is the title. I would just like to tell you that the Russians are very frank to admit that they think the struggle for the domination of the world will be decided by who ultimately controls the African Continent, or, rather, who ultimately controls the raw materials and the disposition of the raw materials from the African Continent.

I do not think the Russians are half as interested in the Near East for the sake of the Near East or even for the oil that is there, as they are because the Near East is the land bridge between Russia and the continent of Africa.

America has been rich in raw materials, and we in some cases have been prodigal in our use of them, but the greatest source of undeveloped raw materials in the world today is the continent of Africa. At the moment we are drawing certain strategic materials and raw materials from Africa, and we will need them in ever-increasing amount as time goes on.

I certainly concur in what the distinguished gentlewoman from Ohio [Mrs. BOLTON] has said about the importance of Africa, and I know that the Russians are making a tremendous effort to move in there to dominate the thinking of the peoples of Africa and ultimately control those raw materials.

I was glad to hear the distinguished chairman of the subcommittee say that even though legislation had not yet been passed to create the Office of Assistant Secretary for African Affairs, the committee thought it was important and that ultimately it would be created, and that they had included money in this appropriation measure for it.

I do not know how much attention we as individual Members of Congress have paid to this thing. It would be easy after this continent has slipped behind the Iron Curtain, if it should, to point the finger and say "Well, we should have been more alert, we should have done something about it."

Now is the time to be alert, before we lose it, because if the Communists can control the Near East and move in force into Africa the time will come, and it will come within our generation, when they can put a squeeze on us for raw materials that are not only vital to our military machine but which will also be vital if we are to maintain our standard of living and if we are to improve.

So I hope that any amendments that may be offered or adopted, for the sake of economizing on a few dollars this year we will not be doing something which will cost us billions of dollars in years to come, billions that we can ill afford to spend.

Mr. COUDERT. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. SHEEHAN].

Mr. SHEEHAN. Mr. Chairman, I take this time for the purpose of directing some inquiries to one phase of the USIA program which in my mind needs a little clarification. I understand this program involves the giving away of a large number of subscriptions to two of the New York newspapers printed in Europe. I would like to direct the question to the gentleman from New York [Mr. ROONEY] just for general purposes: Why are these subscriptions being given away?

Mr. ROONEY. The gentleman asks me why they want to give them away?

Mr. SHEEHAN. Yes.

Mr. ROONEY. To 640 or more Members of the British Parliament?

Mr. SHEEHAN. That is right.

Mr. ROONEY. I cannot answer that question. I cannot justify such an expenditure.

Mr. SHEEHAN. May I ask the gentleman from New York [Mr. COUDERT] does he have any knowledge of why these particular subscriptions are given away?

Mr. COUDERT. I can only say to the gentleman a great many thousand Americans read those particular newspapers abroad and at home. If they are good enough to give American information to Americans, I suppose the USIA thought them a good source of information for foreigners.

Mr. SHEEHAN. I thank the gentleman.

Mr. COUDERT. It seems to me this is a place where reasonable men may reasonably differ.

Mr. ROONEY. Of course, the gentleman from New York is not talking of one copy of these newspapers being handed to a Member of the British Parliament. These are annual subscriptions to six-hundred and forty-some Members of the House of Lords and the House of Commons. Subscriptions at a cost of $155 a year each send these papers to Pakistan and India. I do not know, maybe it is all right to send a copy or so once in a while or in connection with a particular matter, but I still cannot justify this costly operation.

Mr. SHEEHAN. I thank the gentleman.

Well, now, I believe the gentleman from New York [Mr. COUDERT] may have hit the nail on the head for me because he said if those papers are good enough to give the American viewpoint, they ought to be good enough to give our viewpoint to the Europeans. Well, that is where I disagree with him heartily. The purpose of the free subscriptions is to let the European people know how we think. Certainly, from my point of view the New York Times and the New York Herald Tribune, with their extreme internationalism, if I may say so, do not represent my viewpoint, nor the viewpoint of the great majority of American people.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. SHEEHAN. I yield to the gentleman from New York.

Mr. COUDERT. Bear in mind that these two particular newspapers, the New York Times and the New York Herald Tribune, are distributed abroad by this agency because of the fact they have European publishing bases. That is the only reason. None is distributed in the Far East. They are distributed in the East, in Africa and in the European area where it is far cheaper to distribute them than to get newspapers from the United States.

Mr. SHEEHAN. I thank the gentleman. The hearings on page 263 show that subscriptions are sent to Pakistan and India at $155 and $122 yearly cost. I am sure a great many of the midwestern newspapers, like the Chicago Tribune, and the Chicago Daily News and the Chicago American and a great many other newspapers would be happy to contribute free subscriptions and send them over by airplane so they would reach there the same day or the next day. It would give the European people a viewpoint different from that of the internationalist New York papers.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SHEEHAN. I yield to the gentleman from Iowa.

Mr. GROSS. Unfortunately, I had to be out of the chamber for a minute or two. Do I understand Members of this House defend this nearly half-million-dollar appropriation for annual subscriptions to these New York papers that are being sent all over Europe?

Mr. SHEEHAN. They will have to answer for themselves. I cannot answer for them.

Mr. GROSS. That is as amazing as some of these other things we see here.

Mr. BASS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. SHEEHAN. I yield to the gentleman from Tennessee.

Mr. BASS of Tennessee. Is this not the only way that Parliament can be assured they can get their foreign aid every year?

Mr. SHEEHAN. According to the hearings the following amounts will be spent for newspapers during 1958:

New York Times	$255,475
New York Herald Tribune	177,584
Total	433,059

The point I want to make is this: It seems to me we are giving these two newspapers a tremendous amount of money to do a job that could be done in another way so that other viewpoints could be given. For instance, I understand that Mr. John S. Knight, publisher and editor of the Chicago Daily News, stated that our own good President reads mainly only three newspapers. I do not mean he reads only three, but he reads the New York Times, the New York Herald Tribune, and the Washington Post, as the main source of his news. Well, if you ever had 3 peas in a pod, these 3 newspapers express the same international and political philosophy and certainly the President as well as the people of Europe should read other newspapers to get the real American viewpoints. It seems to me, by spending all this money, that the agencies should do something to see that other viewpoints are given to the people in Europe, and I would certainly advise that the agency check with the Middle West, the Far West, the Far North and the Far South to see to it that other newspapers and viewpoints are distributed which would give an American viewpoint from an overall picture and not strictly an ultra-liberal New York international viewpoint. These two papers, as Mr. John S. Knight of the Chicago Daily News so well stated editorially they plump "for restrained internationalism; they hardly reflect the temper and pulse of the country."

Some point has been made that some of these are given to libraries. According to my figures, of the 6,459 subscriptions to the New York Times, 5,829 are given away free to people and only 630 go to libraries. The New York Herald Tribune, of 5,298 subscriptions, 4,975 are given away to influence people and personnel and only 323 are given to libraries. In other words, the greatest part of these free subscriptions go to individuals.

Mr. O'KONSKI. Mr. Chairman, will the gentleman yield?

Mr. SHEEHAN. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. Not only is money spent for newspapers, but a good many of the writers on these newspapers get pay-off money from the United States Government.

Mr. SHEEHAN. That has been proven. A gentleman from the New York Times got a lot of money recently when he wrote a sports article going to Tokyo where there was no distribution of the paper. Be that as it may, I intend to propose an amendment to cut some of this out, or to influence the officials of the State Department and the United States Information Agency to get a more rounded viewpoint to the foreigners.

In my opinion the editorial and international opinion of these two New York newspapers do not represent a true picture of American thinking, and if President Eisenhower, as well as our State Department would also read such great midwestern newspapers as the Chicago Tribune, the Chicago Daily News, and the Chicago American the Europeans and the President would certainly have a much better understanding of the American viewpoint.

Mr. COUDERT. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, will the gentleman on the Republican side in charge of the bill advise me where in this bill this item is carried? The gentleman from New York [Mr. COUDERT]. Will you advise me where this item in the bill is carried and how much it is?

Mr. COUDERT. It is in the lump sum item for USIA.

Mr. HOFFMAN. That is the one where the committee cut from $140 million?

Mr. COUDERT. No. It was cut from $113 million, which is the current year, to $105 million.

Mr. HOFFMAN. I thought the budget asked for $140 million.

Mr. COUDERT. One hundred and forty million dollars. That is correct.

Mr. HOFFMAN. Yes. That is the one. What is the purpose of that? What is the money to be spent for?

Mr. COUDERT. It is to be spent to pay the expenses of the United States Information Agency which has been operating for many years.

Mr. HOFFMAN. I do not mean to interrupt. I understand that. But what particular objects are to be purchased? The language is, and I quote from lines 4, 5, and 6 "and purchase of objects for presentation to foreign governments, schools, or organizations."

Mr. COUDERT. It is to purchase the dissemination of information throughout the world relating to American foreign policy and promotion of American interests.

Mr. HOFFMAN. Promotion of American interests?

Mr. COUDERT. I believe so.

Mr. HOFFMAN. Well, does the gentleman not know? Well, pardon me again. Well, then, if that is it, why is there not some direction as to the kind of information that should be given abroad?

Mr. COUDERT. There is direction under the law. The State Department furnishes the direction.

Mr. HOFFMAN. Oh, yes. I know. But if the State Department is to tell the people abroad what the feeling is in

this country, what the thinking is, why is there not something in the program that prevents information and opinions all coming from New York? From the New York Times, the New York Herald Tribune. Those two papers, I understand, have control of the information. They make and release their views—the views of the East. Certainly they do not speak for the rest of the country.

Mr. COUDERT. There is varied dissemination of information including those two newspapers in limited areas.

Mr. HOFFMAN. And they give out what they think. Their opinions as to what policy we are following—should follow—abroad.

Mr. COUDERT. They are a very, very small part of the overall distribution of information through various media: the radio, television, newspaper, periodicals, books, lectures.

Mr. HOFFMAN. That is enough. The gentleman has heard of the saying that one rotten apple in a barrel spoils the whole barrel sometimes. Not that either publication can be so characterized but other sections of the country have newspapers.

This is the point. If the gentleman wants the people in other countries, or if the committee or the agency wants, the people in other countries to have accurate information about all of America why pick just these two New York papers? No others? I understand the gentleman lives there, but some of us live west of the mountains. Why is it?

Mr. COUDERT. I can answer that, I am sure, to the gentleman's satisfaction.

Mr. HOFFMAN. I doubt it.

Mr. COUDERT. Those two newspapers bearing the New York name are published, one in Amsterdam and the other in Paris. That is why this agency took them. They were therefore the least expensive American newspapers available.

Mr. HOFFMAN. Oh, nonsense on the cost suggestion—the Agency and the State Department spend millions if not billions. That is no reason for feeding the people we are trying to educate—perhaps they are better educated than are we—just one kind of information and international at that. Cost is no excuse for getting away off base. There are some people on the Pacific side. They tell me that there are some cities and States and some people west of New York. Why should they not have their views expressed to the people to whose welfare they are contributing millions.

Mr. COUDERT. For some reason or other there are no newspapers distributed in this fashion in the Far East. That is probably because there are no American newspapers published there. But we send teachers and propagandists by the hundred into those countries.

Mr. HOFFMAN. In other words, because there are two newspapers from New York that have plants over there, the Agency does not want those people to have anybody's views but those of the New York publishers and writers. The committee does not want to provide money to give the views of the people of all the rest of the country. Just little old New York and its interests.

Has the gentleman ever been out of New York? Surely, he has. The gentleman has been in the Midwest.

Mr. COUDERT. What is the Midwest?

Mr. HOFFMAN. It is that part of the country where sound, sensible, independent, self-reliant people live who pay enough tax to the Federal Government so you New Yorkers can buddy up with the people across the seas.

Mr. COUDERT. Mr. Chairman, will the gentleman yield so that I may give him my definition of the midwesterner?

Mr. HOFFMAN. The gentleman's definition of what?

Mr. COUDERT. My definition, a New Yorker's definition of a midwesterner is the fellow who sits in the seats of the show Fair Lady when he would like to get them, because the midwesterner gets them first.

Mr. HOFFMAN. Another definition of the people in the Midwest might be the folks who support New York, who pay the gangsters who operate on the waterfront, although we hope to get out from under those boys pretty soon, by using the St. Lawrence Seaway. The people in New York will miss us when we do not ship everything through New York ports all the time and pay the tariff charged by the bosses of the men on the docks.

Now, there is a serious side to this. There are papers in the Midwest which are just as apt to have a correct slant at the news, as, for example, the E. Herbert Norman case, as do the eastern and international press. I should like to read, if I may, a small part of what the Chicago Tribune says. That is one of the papers that gives some Midwest views. While the press of the East belabors a Senate committee, Edwards of the Tribune wrote and I read:

CLASH OVER ENVOY SUICIDE—SENATE GROUP RIPS CLAIMS OF STATE DEPARTMENT—CANADA CENSORS DEATH NOTE

(By Willard Edwards)

WASHINGTON, April 11.—The mysterious suicide of a Canadian ambassador in Cairo, Egypt, a week ago continued today to provoke international repercussions.

The Senate Internal Security Subcommittee, target of angry attacks by the Canadian Government for having "hounded" the diplomat to his death, issued a statement explaining its position and then withdrew it—too late to prevent its publication.

The United States Government began study of a threat by Canada to hold back "security information" from American intelligence agencies unless Congressional committees are barred in the future from access to such reports.

DETAILS KEPT SECRET

The story hidden under these surface events is one of potentially grave proportions. The details are known to the intelligence agencies of three nations—Great Britain, Canada, and the United States. They may be held back for years or never disclosed because, in the customary diplomatic phrase, they might "jeopardize relations with friendly nations."

There are reports in high circles here that a "security leak" of top-secret information in the Middle East was under investigation when Ambassador E. Herbert Norman leaped to his death from a high Cairo building, April 4.

Norman left two suicide notes, couched in hysterical vein. Two brief excerpts were made public but the major portion of one note has been withheld. It may contain the motive for the tragic decision to end his life.

BLAME SENATE REPORT

The published portions of Norman's suicide notes give no clue to his motive. To his wife, he wrote, begging her forgiveness. To a friend, Swedish Minister Carl Eng, he wrote: "I have no option. I must kill myself for I live without hope."

But Canadian officials, led by Lester B. Pearson, Secretary of State for External Affairs, have repeatedly asserted that Norman's motive was mental grief occasioned by the "slanders and unsupported insinuations" of the Senate subcommittee.

This was a reference to publication by the subcommittee on March 14 of a security report naming Norman as a past Communist Party member and disclosing that he had been questioned in the Canadian spy case of 1946 concerning his connections with one of its principal figures.

WITHDRAWAL EXPLAINED

These charges, Pearson said, were "old and discredited" and Norman had been "cleared" of them by his government in 1951. Pearson thus questioned the authenticity of the security report in the subcommittee's record which was introduced by Chief Counsel Robert Morris.

It was to this point that Chairman EASTLAND, Democrat, Mississippi, and Senator JENNER, Republican, Indiana, ranking minority member, addressed themselves in the statement issued today which was later withdrawn. There was no question of White House or Government pressure in this withdrawal, EASTLAND said.

The statement was given to press associations by a staff member not acquainted with a decision to hold it back after it had been prepared.

REFUSES TO KILL DISPATCH

President Eisenhower, EASTLAND noted, had said at his press conference yesterday that he hoped "this thing will now be dropped." The President had voiced his "great sorrow" over the decline in Canadian-American relations caused by the incident but pointed out that the Senate had independent authority to investigate and publish the results of its investigations.

Under these circumstances, EASTLAND said, the subcommittee was prepared to remain silent although many of its members are highly resentful of what they regard as unjustified attacks from Canada.

The statement was already on press wires when the staff member's error in releasing it was discovered 20 minutes later. One press association refused to "kill" its dispatch and the rival press associations then decided not to observe EASTLAND's request.

TOLD OF CORROBORATION

EASTLAND and JENNER asserted the State Department had been asked by the subcommittee to verify from the Federal Bureau of Investigation "the truth and accuracy of the subcommittee information and evidence concerning Norman."

"The State Department informed the subcommittee that it had already checked with the FBI and had corroborated the truth and accuracy of the subcommittee's information and evidence," the statement continued.

A trace of the subcommittee's indignation was glimpsed in the next paragraph:

"The internal security subcommittee is conscious of its duties and obligations to the Senate and the American people. The subcommittee shall at all times conduct its responsibilities in this light."

CLEARED FOR PUBLICATION

Concerning the State Department's disclaimer that it was not responsible for release of the information on Norman, the statement said:

"The State Department did not and could not disclaim the action. The truth is that before the testimony, which contained reference to Ambassador Norman was released, the transcript was cleared for publication by the State Department. The release was then approved by every member of the subcommittee [4 Democrats and 4 Republicans] except 1, Senator NEELY, Democrat of West Virginia, who was ill."

The State Department, through a press spokesman, Lincoln White, promptly reported that the subcommittee had "misinterpreted" a "clearance" by Robert Cartwright, Acting Chief of Security. White said that Cartwright only had authority to say whether publication would jeopardize security or relations with Canada.

SENATORS JOIN FIGHT

Meanwhile, debate continued to rage over the incident with such subcommittee foes as Chairman GREEN, Democrat, of Rhode Island, Senators NEUBERGER, Democrat, of Oregon, and HUMPHREY, Democrat, of Minnesota, seizing the opportunity to fulminate against "attempts to destroy relations" with Canada.

Amid the uproar of charges and countercharges, the average American and Canadian could not be blamed for confusion. Uppermost in many minds is the question: "How did a United States Senate subcommittee get into an inquiry into the Communist connections of a Canadian diplomat and how do they justify it?"

CHRONOLOGICAL ACCOUNT

Here is a chronological account of the Norman affair which may supply the answer.

On August 7, 1951, Counsel Morris was questioning Prof. Karl Wittfogel, a distinguished historian on the faculty of Columbia University. The inquiry concerned the Institute of Pacific Relations [IPR] which, the subcommittee eventually was to find, was "an instrument of Communist policy, propaganda, and intelligence" which exercised great influence upon the State Department.

Wittfogel was an admitted former Communist who ran a Communist study group in 1938. He named a number of students who were members of the group. One of them, he said, "was a talented and pleasant young man who was studying in the Japanese department at Columbia. His name is Herbert Norman." It was "obvious," Wittfogel said, that Norman was a Communist.

The name of Norman was unknown to the subcommittee. But subsequent hearings developed that he was deep in the affairs of the IPR.

Norman, it developed, was born September 1, 1909, in Japan, the son of missionary parents. He received his early education in Japan and became fluent in the language. He studied at Harvard and Columbia and entered the Canadian Foreign Service in 1939.

In 1940, Norman was sent to Tokyo as language officer in the Canadian Legation. He subsequently became the Canadian Minister.

The records of the IPR hearings are replete with references to Norman. One note, sent by the head of the IPR in the United States to a subordinate in Japan, said: "Any very secret messages might be sent care of Herbert Norman at the Canadian Legation."

DEMANDS JAP'S PAPERS OF FBI

In 1942, Norman was repatriated because of the war. His first act, upon returning to the United States, was to visit the FBI in Washington. Declaring himself a representative of the Canadian Government on "confidential" business, he demanded the personal papers of Tsuru Shigeto, a Japanese student at Harvard and a close friend, who had been sent back to Japan.

According to the security report put into the record, Norman was unsuccessful. He admitted to the FBI that he was not representing his government. The papers he sought were placed in the record. They revealed a detailed program for Communist indoctrination of American students in the 1930's.

When World War II ended, Norman went back to Japan. He became the chief of the Canadian diplomatic mission attached to the supreme commander of allied forces in the Pacific, General MacArthur.

In 1946, the Canadian spy case broke as a result of revelations by Igor Gouzenko, a code clerk in the Russian Embassy at Ottawa. Norman was called back to Canada for questioning concerning his relations with Israel Halperin, one of the principal figures in the case.

PROPOSED FOR TOP POST

Apparently exonerated of any blame for this relationship, Norman went back to Japan, where he served until 1950. After a year of service at the United Nations headquarters in New York, he was sent to New Zealand as chief of the Canadian mission. Late in October 1956, he arrived in Cairo, as Ambassador to Egypt and Minister to Lebanon.

The subcommittee's records on the IPR hearings mentioned Norman's Canadian legation connections and referred to his "identification as a Communist." The Canadian Government in 1951 issued a press release declaring that Norman had been "cleared." But there was no international excitement at that time about the Senate subcommittee's investigation of a Canadian official.

Meanwhile, the subcommittee's interest in Norman had been intensified by discovery of a State Department memorandum in which Norman was proposed for the post of intelligence liaison between the United States and Canada, a post in which he would have access to top-secret information of both countries.

DEEMED PROPER SUBJECT

Norman's relations with American diplomats thus were deemed a proper subject of inquiry by the subcommittee despite his status as a foreign diplomat. It was in the light of this background record that the subcommittee last March 12 summoned John K. Emmerson, Deputy Chief of Mission in the American Embassy in Lebanon, for questioning.

Senator JENNER had noted in a Senate floor speech the curious fact that many of the American diplomats who had adopted a pro-Communist attitude in the postwar period in China and Japan were now stationed in the troubled Middle East area.

After lengthy questioning in executive session about his recommendations concerning the use of Japanese Communists in the Far East, Emmerson was quizzed about his relations with Norman.

IDENTIFICATION RECORDED

He disclosed that he and the Canadian were friends of 17 years standing. Reluctantly, he disclosed that he and Norman had met briefly in Beirut, Lebanon, last October 27. His sworn testimony indicated that this meeting was largely accidental and certainly not by arrangement.

Counsel Morris then placed the security report on Norman in the record. This report was partly based on information provided to the FBI by the Canadian Royal Mounted Police. It identified Norman as a past Communist Party member and a member of a well known Communist front.

Counsel Morris obtained the approval of all subcommittee members, except the ailing Senator NEELY, got the consent of the State Department's security section, and then released this executive record on March 14. The storm broke.

CHANGES MEETING STORY

The next development was unusual. Emmerson asked permission to come back and change his testimony. He gave a new version of his meeting with Norman. It had been prearranged, lasted two hours, and the two diplomats had discussed their respective clearances of disloyalty charges [Norman in 1951 and Emmerson in 1952]. Norman, it transpired, had helped Emmerson at his loyalty hearing with an affidavit.

This second transcript was released also, this time over State Department protests that it would "damage" relations with Canada. The record also disclosed that the FBI had corroborated the authenticity of the security report concerning Norman.

From the Tribune of April 13:

NORMAN ONCE A PAL OF REDS, SAYS PEARSON

(By Eugene Griffin)

OTTAWA, April 12.—Lester B. Pearson, Minister for External Affairs, told the House of Commons today he knew that E. Herbert Norman, Canadian Ambassador to Egypt, who took his own life, had "certain Communist associations."

Pearson did not deny any of the United States Senate subcommittee charges against Norman.

John Diefenbaker, the leader of the Progressive Conservative opposition, confronted Pearson with this question:

"Will the Minister say that the allegations and the statements before the subcommittee of the United States Senate on March 13 and 21, specifically were untrue, unjustified, and had no basis in fact?"

BARED RED CONNECTIONS

The subcommittee has alleged that Norman had belonged to a Communist cell at Columbia University in 1939; had been identified as a member of the Communist Party in 1940 by a United States security agency, and had tried to obtain Communist data from Federal Bureau of Investigation files on false pretenses during World War II.

Pearson dealt with only part of the allegations, which concerned Norman's Communist associations at the university.

"Mr. Norman as a university student was known to have associated with Communists, or persons thought to have been Communists, and he made no secret of it," Pearson said.

KNEW OF ASSOCIATION

"These associations were of course known to us. We examined Mr. Norman's record on the basis of confidential information. I examined this information more than once myself."

Pearson said that as a result of a security checkup on Norman the Government was left with no doubt that Norman was a loyal Canadian, suitable for important posts.

Diefenbaker challenged Pearson to answer his question, which he repeated, as to whether the subcommittee's charges were "untrue, unjustified and had no basis in fact."

FACE GROWS RED

Pearson, whose face grew pink as crowds in the public galleries stared down at him, fidgeted, and refused to make a flat denial of any of the subcommittee's allegations.

"I've made my statement," he said. "I will stand on that."

"The answer is an equivocal one," Diefenbaker said in a loud, prosecutor's voice, pointing his finger at the Minister across the aisle.

"He equivocates. He has the statements released by the subcommittee in connection with its hearings of March 13 and March 21.

"He knows what charges and allegations were made. He has come into this House with a prepared statement, but he has not denied those charges."

HITS MINISTER'S THREAT

Diefenbaker then attacked Pearson's threat to the United States State Department 2 days ago to stop the exchange of security data across the border. Pearson demanded that the United States Government guarantee that information involving Canadian suspects shall not be given to investigating committees.

Diefenbaker pointed out that the threat was "meaningless" if information from Canadian security sources had not provided the basis for the subcommittee's charges against Norman.

Pearson raced 120 miles back to Ottawa from Kingston, Ont., to handle Diefenbaker's question. He was on an election campaign speaking tour, which Prime Minister Louis St. Laurent and other ministers put off until Pearson could be brought in.

PREMIER ALOOF FROM CASE

St. Laurent has been noticeably aloof from the case of Norman, who leaped to death from a high building in Cairo on April 4. In this country the suicide has been blamed on "persecution" and "false" charges by the American Senate subcommittee.

When Pearson and opposition party leaders paid their respects to Norman in Parliament on the day of his death, St. Laurent uttered only one sentence, in which he did not even use Norman's name or refer to him directly.

Diefenbaker at that time proposed that the parliamentary flag be lowered to half staff, a suggestion which pleased Pearson and others, but the flag was not lowered. This has been attributed to a direct negation by St. Laurent of Diefenbaker's idea.

COMMITTEE DENOUNCED

Papers and broadcasts have been denouncing the subcommittee's statements as false, and Pearson has appeared to have described them as untrue, although actually he has said only that they have been "dealt with" or "disposed of" by this Government.

M. J. Coldwell, leader of the Cooperative Commonwealth Association, a Socialist group which has been extremely critical of the Senate subcommittee, also requested the Government to explain away the Communist allegations against Norman. "I think this should be cleared up immediately, specifically, and categorically," he said.

ELECTION JUNE 10

Parliament was expected to be dissolved late today for a general election on June 10, and the Liberal administration's handling of questions about Norman could have important bearing on the results.

Canadian suspicious outside the Government that there might be truth in the subcommittee's allegations have been increasing. A growing number of Canadians have asked just how the Department of External Affairs came to give Norman what Pearson called a "clean bill of health" in 1951.

At that time, Pearson said that Norman had been investigated, but he did not specify by whom, and the Government never has revealed what particular charges were investigated, or whether they had been found factual or false.

An editorial columnist in the Toronto Globe and Mail noted today that the Government has been excessively secret concerning the Norman affair.

"The Canadian Government has within its power to lay out, point by point, the facts upon which it decided in 1951 that Mr. Norman's loyalty and integrity were in all respects beyond doubt, and it has not only failed to do so, but it has refused to do so," the paper's Ottawa correspondent wrote.

"I have been trying for a week to get from the Department of External Affairs the answers to the specific allegations which were made against Mr. Norman by the United States investigators. This has produced nothing except reasons why it is impossible to do so, none of them particularly convincing."

Let me read from the Brooklyn Tablet published April 13:

NORMAN SUICIDE STARTS SMEARS BY THE LEFTISTS—ROBERT MORRIS, COUNSEL FOR SENATE INVESTIGATORS, IS SINGLED OUT FOR ATTACK—MERELY CITED EVIDENCE—RECALLED SWORN TESTIMONY ON COMMUNIST AFFILIATIONS OF CANADIAN OFFICIAL

(By Francis Carroll)

WASHINGTON.—Fourteen months ago Robert Morris relinquished his judgeship in the New York City Municipal Court to become chief counsel for the Senate Internal Security Subcommittee.

The financial sacrifice was public knowledge. It was in the thousands of dollars. But the potential personal sacrifice was even greater. He was inviting the treatment given to Senator JOSEPH R. MCCARTHY of Wisconsin, who dared go beyond grandiloquent condemnation of the Communist conspiracy and expose the conspirators themselves.

The Communists, pro-Communists and anti-anti-Communists realized that the persecution of Senator MCCARTHY had not fazed Mr. Morris and they decided he also must be destroyed. Only a plausible occasion was needed—an occasion, that is, which could be perverted to smear him with the facts being submerged so deep they would not distract attention from the smear.

SUICIDE PROVIDES OCCASION

The occasion offered itself last week. E. Herbert Norman, Canadian Ambassador to Egypt, committed suicide. This week the body was brought to Rome for cremation and the ashes were flown to Canada for final disposal.

Mr. Norman's name had been brought into hearings by the Senate Internal Security Subcommittee on March 12 and March 21. The witness was John K. Emmerson, Deputy Chief of Mission and Counselor of the United States Embassy at Beirut, Lebanon, and a friend for many years of Mr. Norman.

Mr. Emmerson was queried at length on his knowledge of activities of Mr. Norman that had caused the latter to be closely tied to the Communist Party by witnesses before the subcommittee over the past few years.

This testimony had to be recounted at the hearings, of course, so that Mr. Emmerson could comment upon it. His repeated protestations of his inability to recognize any evidences of procommunism in Mr. Norman made his testimony favorable to the latter. But the earlier testimony stood by itself, unchallenged and unrefuted.

Senator MCCARTHY was attacked because of his methods. The same charge could not be brought against Mr. Morris. The March 21 hearing was held to permit Mr. Emmerson to correct, revise, or amplify his testimony of March 12. Mr. Emmerson was appreciative of the opportunity and even added further enhancement to the prestige of Mr. Norman.

FEW WILL READ TRANSCRIPT

But few Americans will read the transcript of the testimony, as few read the transcript of Senator MCCARTHY's patient questioning of Gen. Ralph W. Zwicker, at that time commanding officer at Fort Monmouth. Those who do read transcripts of such testimony are not sufficiently influential in number or properly organized to interfere with a smear campaign formulated by the Communists, pro-Communists, and anti-anti-Communists.

The press and the supporting element which calls itself "liberal" were prepared for Mr. Morris, as they had been prepared for Senator MCCARTHY.

They raised the cry of, as one paper expressed it, "assassination by insinuation." The roles of the Senators on the subcommittee who released the earlier testimony of Mr. Norman and that of the acting State Department security chief, Robert Cartwright, who cleared it for release, were glossed over or completely ignored. Mr. Morris is the object to be destroyed.

Although he performed only his routine duty, Mr. Morris' dismissal for mischievous bungling has been demanded by the Americans for Democratic Action through its national chairman, Robert R. Nathan.

Senator RICHARD L. NEUBERGER, of Oregon, lent a helping hand to the cause of the Communists, pro-Communists and anti-anti-Communists by calling for a Senate investigation of "the staff." The staff is composed of Mr. Morris, Associate Counsels J. G. Sourwine and William A. Rusher, Research Director Benjamin Mandel, and Investigations Analyst Robert McManus—of the subcommittee.

In the spirit of Christian charity, one may assume Senator NEUBERGER only knew what he had read in the newspapers, which in this instance, as in 1954, concealed more than they printed.

PEARSON DEPLORES "SLANDERS"

Lester B. Pearson, Canadian Prime Minister for External Affairs, reacted immediately to the resurrection of the earlier testimony against Mr. Norman. He termed the testimony "slanders and unsupported insinuations." He reminded the world the Canadian Government had absolved Mr. Norman of all Communist leanings in 1951.

Incidentally, one of the witnesses who stated unequivocally that he knew Mr. Norman to be a Communist was Prof. Karl August Wittfogel, who was a party member from 1920 to 1933.

Professor Wittfogel testified before the subcommittee August 7, 1951. He was never called upon to testify by the Canadian Government that exculpated Mr. Norman. Nor did the latter ever ask for his "day in court" to challenge the professor's charges. Nor, again, did Mr. Pearson specify the charges that were the "slanders and unsupported insinuations" to which he referred.

Mr. Pearson protested to the United States State Department—which he should know is part of the executive branch and not the legislative. He said Mr. Norman had his "wholehearted admiration."

Space forbids a detailed account of all the sworn testimony concerning Mr. Norman's activities of which Senator THEODORE GREEN, of Rhode Island, did not indicate that he was aware when he wrote to the Canadian Ambassador, A. D. P. Heeney:

"Judications that his (Mr. Norman's) death may have been attributable to unfortunate publicity arising from activities in connection with the work of the Senate lead me to express my deep regret to the Canadian Government and to the Norman family."

QUOTES PROFESSOR WITTFOGEL

As mentioned above, Professor Wittfogel made the most direct—and unchallenged—charge that Mr. Norman was a Communist. He told the subcommittee of a Communist study group conducted by one Moses Finkelstein in 1938. The professor's testimony is brief enough to be quoted. Questioned concerning the members of the study group, here is an excerpt from his testimony under oath:

"Mr. MORRIS. Who were some of the other students at this study group?

"Dr. WITTFOGEL. There was a talented and a pleasant young man who was studying in the Japanese Department at Columbia. His name is Herbert Norman.

"Mr. MORRIS. Was he a member of this study group?

"Dr. WITTFOGEL. Yes.

"Mr. MORRIS. To your knowledge, did he know it was a Communist study group?

"Dr. WITTFOGEL. Yes, it was obvious.

"Mr. MORRIS. To you?

"Dr. WITTFOGEL. I think it was obvious, in general.

"Mr. MORRIS. Was it obvious therefore that he was a Communist?

"Dr. WITTFOGEL. Yes."

At the March 21 hearing, Mr. Morris made this significant comment:

"I also think it is appropriate at this time to mention that I have spoken to Professor Wittfogel since last week and he said that to this day no official of the Canadian Government has ever called him up or asked him whether or not any of his testimony was in fact accurate."

CANADA BANNED QUESTIONING

Mr. Morris read from a United States Government executive agency security report which indicated that Dr. E. Herbert Norman had been recalled from Japan when his Government discovered certain Communist connections, specifically with Israel Halpern, a Canadian citizen of Russian parentage, who was one of the principals implicated in the exposed Soviet military intelligence operation in Canada.

He reminded Senator WILLIAM E. JENNER, of Indiana, that when he, the Senator, tried to have Gouzenko, one of those involved in the spy plot, testify, the Canadian authorities would not let him ask any questions whatever about anyone who was a Canadian personality.

"When Shigeto Tsuru, Japanese instructor at Harvard, was apprehended for repatriation purposes in 1942," Mr. Morris read from the report, "the FBI was approached by Norman who represented himself as an official on highly confidential business of the Canadian Government in an effort to take custody of Tsuru's belongings.

"One main item of these belongings was a complete record of the Nye munitions investigations, largely prepared by Alger Hiss.

"Norman later admitted to the FBI agents in charge that his was only a personal interest and that he was not representing the Canadian Government as stated.

"Another item among these belongings, as reported by the FBI, was a letter dated May 9, 1937, which related to a series of studies being promoted at Harvard by Tsuru which provided for the study of American capitalists from a Marxist viewpoint. The studies were conducted by a group of young instructors and graduate students which had met five times. They discussed certain papers which included American Imperialism by E. H. Norman."

The report further indicated, Mr. Morris added, that Norman was identified in February of 1940 as a member of the Communist Party.

One of the witnesses at the marriage of Norman to Laura Irene Clark on August 31, 1935, he noted, was one C. P. H. Holmes who has been identified as Charles P. H. Holmes, born in Japan in 1910 and known as a Communist and active in the Communist underground in Ottawa.

MR. TSURU TESTIFIES

Last month Mr. Tsuru testified that he had never actually been a Communist Party member or a Communist, but that he had knowingly associated with Communists.

He also admitted having been a leader in a study group of which Mr. Norman was also a member.

Mr. Morris quoted the following from a letter written by Mr. Tsuru in 1936: "To be a member of a study group may be a step toward enrolling in the Workers' School; it may be a step toward joining the American League Against War and Fascism; it may be a step toward becoming a member of the Young Communist League of the Party."

These facts and others were considered by the Senators on the subcommittee. They were submitted to the security division of the State Department and they received clearance for release. Mr. Morris' role was merely that of counsel, and in that role he read from testimony already received by the subcommittee and from official security reports. By so doing he is now charged with assassination by insinuation.

Then on April 15 the Herald Tribune carried a story as follows by David Lawrence:

CANADIANS REPORTED IN DOUBT ABOUT CASE OF ENVOY NORMAN

(By David Lawrence)

WASHINGTON, April 14.—Many Canadians are having second thoughts about the case of E. Herbert Norman, Canadian Minister to Cairo, who committed suicide recently. At first the charges that Norman had Communist connections were vehemently denounced as slander and it was announced at Ottawa that the Canadian Government had cleared Norman in 1951. Indeed, a note of protest was sent to the United States Government a few days ago deprecating the hearings of the Senate Subcommittee on Internal Security which had revealed some derogatory information about Norman.

Now it turns out that there is a great deal of doubt as to what was really covered by the Canadian Government's denial as uttered by Lester Pearson, Secretary of State for External Affairs, and the mystery is as big as ever.

Last Friday certain questions were put to Mr. Pearson in the House of Commons at Ottawa, but for some unexplained reason what was said there was not transmitted very fully by most of the press services or else it was ignored on Saturday by those Eastern newspapers hereabouts which have been denouncing the State Department and the Senate subcommittee.

For it develops that despite the early dispatches saying the Canadian Government had found the charges against Norman to be baseless, and despite the later revelation by Mr. Pearson that Norman had had certain Communist associations, the Canadian Secretary of State refused to answer last Friday a direct question on this point by John Diefenbaker, the leader of the Progressive-Conservative opposition. Here was the question:

"Will the Minister say that the allegations before the subcommittee of the United States Senate on March 12 and 21 specifically were untrue, unjustified and had no basis in fact?"

Mr. Pearson in his speech dealt only with Norman's associations with Communists in his student days at Columbia. But he added that as a result of a security checkup on Norman and a personal examination of the reports the Canadian Government was left in 1951 with no doubt as to the loyalty of Norman and his suitability for important posts.

Notwithstanding this, Mr. Diefenbaker challenged Mr. Pearson to answer the question he had propounded and repeated it, demanding to know if the Senate subcommittee's charges were "untrue, unjustified, and had no basis in fact."

Mr. Pearson, however, said he had made his statement and would stand upon it. Mr. Diefenbaker retorted that "the answer is an equivocal one" and went on to say that Mr. Pearson had not denied the charges of the Senate subcommittee.

What were those charges? In a report from a secret agent of an important Government security service—it is not specified whether American or Canadian—the FBI learned in February 1940 that Norman was a member of the Communist Party of Canada.

Also in February 1942 Norman approached the FBI in Boston on behalf of his close friend, Tsuru Shigeto, Japanese instructor at Harvard, who had been interned. Norman wanted to get custody of some of Shigeto's papers and told the FBI he was on official and highly confidential business for the Canadian Government. Not long afterward, Norman changed his story and told the FBI it was only a personal interest on his part and that he was not representing the Canadian Government. Tsuru Shigeto admitted recently in testimony before the Senate subcommittee that he had Communist associations but said he was not a member of the Communist Party. His papers, however, convinced the authorities here that he was strongly sympathetic at the time to the Communist cause. He now says he is ashamed of those Communist associations.

Norman, in 1946, was in the counter-intelligence corps at MacArthur's headquarters in Tokyo representing the Canadian Government. The FBI was informed that he was recalled from Japan on the advice of the Royal Canadian Mounted Police who discovered certain Communist connections on the part of Norman. He was linked with Israel Halperin, a Canadian of Russian parentage who was one of the principals implicated in the exposed Soviet military intelligence operations in Canada as disclosed through the defection of Igor Gouzenko.

There were other factors in the background and Counsel Robert Morris read to the Senate subcommittee on March 12 last a paraphrase of one of the reports of a United States security agency dealing with those aspects. Mr. Morris then added to the record this very significant remark:

"This is all in connection with an inquiry that there was an effort being made to have Norman given the assignment of being a liaison between Canada and the United States intelligence."

This raised some interesting questions for the Senate subcommittee:

1. Who inside the American Government was sponsoring such a setup in 1950 just after the Korean war began?

2. What blocked it and what part did a letter from the FBI to the United States Army Intelligence play in preventing Norman from getting into such a key post in the United States?

3. Isn't it the duty of a Congressional committee to investigate administrative weaknesses which occur inside our Government here and with which suspected persons from abroad make contact?

4. Wasn't Klaus Fuchs cleared by the British Government before he went to work in the secret atomic laboratory in New Mexico?

5. Wasn't Burgess of the Maclean-Burgess scandal—who is now in Moscow advising the Soviets—cleared by the British Government when he became secretary of the British-Canadian-American Committee on Atomic Problems and thereby was given night and day access to the building of the Atomic Energy Commission in Washington?

6. Since Norman was identified as a Communist by information furnished directly to the Senate committee by important witnesses did he cease to be a Communist and in what year?

7. In his recent mission to Cairo what were Norman's contacts with American officials in the Middle East and what did they know of his background?

The proceedings of the Senate Internal Security Committee on March 21, 1957, show a significant passage in which Counsel Robert Morris, addressing Senator WATKINS, said:

"Senator, in that connection, we asked the State Department if the communication from the Canadian Government ever was to the effect that they discovered that Norman had been a Communist and that he is no longer one. The Department has informed us that that has never been the effect of any advice given them by the Canadian Government."

So the main question to which the Senate subcommittee still has not found the

answer is this: how long was Norman a Communist and what was the nature of his contacts with American officials in the Far East and in the Middle East?

Solon Low, national leader of the Socialists Credit Party in the Canadian Parliament, is quoted now as saying that the Pearson government, knowing of Norman's Communist associations, should never have sent him to Cairo last November and was responsible for the tragedy. Mr. Diefenbaker said he too couldn't understand the reasoning of the Pearson government in giving delicate posts to a man with a background of Communist associations. Norman presided over the all-important desk on Far Eastern affairs in the Canadian Government at Ottawa during the critical months of the Korean war and was later acting head of the Canadian delegation to the United Nations in New York.

Since other members of the British Commonwealth openly sided with England and France in the attack on Suez the Canadian Minister to Cairo became a key figure in Egypt. Prominent members of the Canadian Parliament now are saying if Norman hadn't been sent to a post in Cairo—where he was naturally in possession of vital information concerning diplomatic moves of the Western powers—the whole episode would never have arisen.

The Times gets around to a little different slant:

PEARSON SCORED ON NORMAN CASE—CANADIAN PRESS CRITICIZES DELAY IN CONCEDING ENVOY ONCE HAD COMMUNIST TIES

(By Raymond Daniell)

OTTAWA, April 15.—Popular indignation toward the United States over a Senate subcommittee's charge of disloyalty against one of Canada's leading diplomats changed today to criticism of the Canadian Government over its handling of the case.

Tirades of bitter denunciation of the Senate subcommittee were set off April 4 by the suicide in Cairo of E. Herbert Norman, Canadian Ambassador to Egypt. He jumped to his death from the roof of an apartment house after charges of Communist affiliation by the United States Senate Internal Security Subcommittee, first leveled at him in 1951, had been revived.

His suicide under the circumstances prompted the Canadian Government to threaten to halt the exchange of security information unless the administration in Washington could give a pledge that such information, involving Canadians, would not be divulged to Congressional committees, over which the executive branch had no control.

Until last Friday, statements by Lester B. Pearson, Secretary of State for External Affairs, had led the Canadian people to believe there was not a word of truth in the charges that Mr. Norman once had been an associate of Communists.

COMMUNIST LINKS REVEALED

Then, under opposition pressure, Mr. Pearson revealed that in his student days Mr. Norman had associated openly with Communists in his university student days, but that ultimately he had "learned that he had had mistaken beliefs and had been following a false ideology."

This belated revelation came as a shock to many Canadians, who felt their Government had been less than frank with Parliament. John Diefenbaker, leader of the Conservative opposition, made it clear at once that the issue would play an important part in the election campaign just getting under way.

He took the line that if Mr. Pearson had been completely candid with Parliament when the charges were first made in 1951 they would not have been revived in 1957 and Mr. Norman might be alive today.

However, in 1951 Mr. Pearson said that charges of Mr. Norman's "alleged previous association with the Communist Party" had been fully investigated and that he had received a clean bill of health after a security check in Canada. Again when the charges were revived last March Mr. Pearson said they should "be treated with the contempt they deserve."

PAPER CRITICIZES GOVERNMENT

"This left the matter still in doubt and permitted the miasma of suspicion to remain," the Toronto Globe and Mail said in an editorial today. This newspaper has been the most outspoken and bitterest critic of the methods of the Senate subcommittee headed by Senator JAMES O. EASTLAND, Democrat of Mississippi. But today it said the Canadian case would have been stronger if there had been a little honest confession coupled with a statement of faith in the present loyalty of the late ambassador.

"It is quite possible that it was this lack of forthright report by his own Government, far more than irresponsible slanders in a foreign capital, which finally broke Herbert Norman's spirit," the editorial continued. "It is only now that Mr. Pearson says what he should have said 6 years ago."

The Montreal Gazette, another of Canada's influential newspapers, took the same editorial line—that a little more frankness earlier about Mr. Norman's campus indiscretions in the 1930's might have stifled the accusations of 1957.

In a lead editorial headed "Not a Wise Defense," the Montreal newspaper noted that it was now known that Mr. Norman's "previous association with the Communist Party was not only alleged; it had existed." "The clean bill of health related not to ideological illness of the past but to subsequent recovery," the editorial said.

"The tragedy is that Mr. Pearson by giving Mr. Norman this kind of defense in 1951 was not settling the matter; rather he may have increased the probability that it would again be renewed," the editorial went on. "The old charges whose revival Mr. Norman (in his letter to Mr. Pearson found so 'vexing and discouraging') had been left to smolder."

The editorial said that little had been done to dampen them "by the official pretense, however gracious, that there was no truth in them at all."

"In the end Mr. Pearson found it necessary to make a fuller disclosure," the editorial continued. "Perhaps it might have been better since it was made in the end that it had been made earlier. The consequences surely could not have been more calamitous."

Seriously, now, is it fair, is it just? Here is the Cleveland Plain Dealer in Ohio. The Chicago Daily News. Why should not the views of a hundred other papers be sent abroad—or better—at least—a fair example of the thinking of America? Every section of the country is entitled to its day in court. Is there any reason on earth why the country which lies west of the mountains north-south of New York City should not have its views made known. I am sure the gentleman agrees?

Mr. Chairman, it just is not fair to spend the money of all the people, of people from all over this country of ours, to tell the people abroad just what New York and Brooklyn think.

Mr. ROONEY. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Chairman, these probably are the most realistic cuts on an appropriation bill that have been brought to the floor of the House during this year. I refer you to page 2 of the committee report. The Department of State is cut $41 million below its 1957 appropriations and $47 million below the proposed 1958 appropriations. The Department of Justice is to have $11 million above the 1957 appropriations and $6,800,000 below the 1958 estimates. The Judiciary is $2 million above the 1957 appropriation and $2 million below the current request. The United States Information Agency is $6,900,000 below the 1957 appropriation and $37,900,000 below the amount requested for this fiscal year. The funds appropriated to the President are $7,500,000 below the 1957 appropriations and $7,600,000 below the fiscal 1958 estimates.

I hope the House recognizes and gives proper credit for these reductions to the distinguished gentleman from New York [Mr. ROONEY], the chairman of the subcommittee. He worked hour after hour, day after day, digging out the places where it appeared proper cuts could be made. His has been an example of tireless devotion to duty.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Illinois.

Mr. MASON. The gentleman says these are realistic cuts. I agree that they are realistic cuts. But undoubtedly we will be told that they are irrational and fatuous, and a lot of other things. I will say this, however: As far as I can see, they are realistic cuts and should be sustained.

Mr. SIKES. I must go one step further. While these cuts are realistic they are not crippling cuts. Despite some of the statements that have been made and some of the questions that have been made, these departments will not be crippled by the budget estimates that are before us. A careful reappraisal and reexamination to determine the necessary elements of the programs will suffice.

I realize and fully agree that the State Department is America's first line of defense. The State Department must fight communism every hour of every day. In the State Department and in the other agencies to which we are referring there are a great many fine and capable people who give of the very best they possess while doing a difficult job. Undoubtedly our greatest need is for a strong foreign policy. I think every person here will have to admit that America does not today have a dynamic, electrifying, positive foreign policy which leads our allies and our friends in a determined and successful search for peace. Unfortunately, money is not going to make it so. Additional money in this bill would not necessarily mean that we would have a better State Department. We have done about everything that can be done moneywise in the way of making this the best Foreign Service we could have. We allow hardship differentials that amount to as much as 25 percent additional for a great many people because of the type of post in which they live. We give home leave for 2 years with costs paid by the Government. There are many other emoluments. As a matter of fact, the State Department now has the largest appropriation it has had for several years. It has had a strong buildup moneywise and personnelwise over the last 3 years.

But, very disappointingly, we are in more trouble diplomatically worldwide today than we have been for many, many years. Look around you. I do not have to point out the many places where American diplomacy barely holds its head above water. You know where they are and you see that our allies, one after the other are shifting their burdens of taxation and of defense to us—the American people. Does that sound like a strong State Department which would benefit from more money? You have to go deeper than monetary considerations in this all important matter. You have got to have the spirit and the leadership to do the job.

I know, my friends, that USIA should be the strong right arm of the State Department and I hope that it will be. But, no one says today that it actually is. Unfortunately, it has been shown to be riddled with weaknesses. I think it is a part of our responsibility as Congressmen to ferret out, to seek to find these weaknesses wherever they may be, to expose them and to see that they are eliminated. If the agencies will not eliminate them, then we, in Congress, must exercise our authority and see that they are eliminated.

I know the job before us is now bigger. America's world responsibilities are ever greater. I know that adequate money should be provided for all the things we have to do, but, gentlemen, money alone will never be the answer.

The CHAIRMAN. The time of the gentleman has expired.

The gentleman from New York [Mr. ROONEY] has 3 minutes remaining, and the gentleman from New York [Mr. COUDERT] has 1 minute remaining.

Mr. COUDERT. Mr. Chairman, we have no requests for time on this side.

Mr. ROONEY. Then, Mr. Chairman, will the gentleman be kind enough to yield the 1 minute to me?

Mr. COUDERT. I am glad to yield the 1 minute to the gentleman.

Mr. ROONEY. Mr. Chairman, I should like to reply to the distinguished and kindly gentlewoman from Ohio [Mrs. BOLTON] who said the committee was utterly unrealistic when it cut the amount requested for representation allowances. The fact is that the amount of money presently contained in the bill is higher than the amount for this purpose in fiscal years 1954, 1955, and 1956. There should be some limit to the spending of money for entertainment. The United States Information Agency produced a witness who was going to overwhelm us. He had been the public-affairs officer in Baghdad for 2 years. He testified that it was deplorable that he had to spend $650 for cocktail parties and dinners and that $275 of this $650 came out of his own pocket. What were the facts developed? This young gentleman was put on the payroll in 1949 at a salary of $3,950 a year. Six years later, when the poor fellow had to put his hand in his own pocket for $275 for his cocktail parties and dinners with his associates in the Embassy or Legation and visitors, he was costing the taxpayers over $16,000 a year. His salary had been increased from $3,950 to $10,180. He had a hardship-post allowance of $1,500. He had $2,000 for quarters allowance. He had $800 for cost-of-living differential and $300 for education allowance.

He was costing the taxpayers when you include travel about $18,000 a year. I do not know what we are coming to. I realize the necessity for diplomatic entertainment. I have long been a friend of the State Department and the Foreign Service in this regard, but when they come up to Congress and ask for $1,200,000, when they got along with $500,000 on 1954, $475,000 on 1955, and $575,000 in 1956, I think it is time that we had a reckoning in this regard. I am not going to agree with my distinguished friend from Kansas whose philosophy on the subject is entirely different from mine. I sometimes sip a Martini. My distinguished friend from Kansas [Mr. REES] does not indulge. So in this regard I can testify as a far better expert than he and I am going to oppose any attempt that he may make to cut these allowances any further than the amount contained in the bill.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield.

Mr. COUDERT. Is it not a fact that in 1957 the representation allowance is $800,000?

Mr. ROONEY. Yes, and the gentleman knows the answer to that. Plans went awry. The committee had agreed to a lesser figure last year than the $700,000, contained in the bill. But somebody was not fast enough on his feet in rising to offer an amendment which the committee could accept, so the plans went awry.

Mr. COUDERT. It came out of committee at $800,000.

Mr. ROONEY. It came out of committee at $700,000, with the agreement, to which you subscribed as did every member of the subcommittee, to cut the amount further on the floor of the House to agree to an amendment expected to be offered by either the gentleman from Iowa [Mr. GROSS], or the gentleman from Kansas [Mr. REES].

The CHAIRMAN. The time of the gentleman from New York [Mr. ROONEY] has expired.

All time has expired.

The Clerk will read.

The Clerk read as follows:

TITLE I—DEPARTMENT OF STATE

Administration of Foreign Affairs

Salaries and expenses: For necessary expenses of the Department of State, not otherwise provided for, including the cost of transporting to and from a place of storage and the cost of storing the furniture and household and personal effects of an employee of the Foreign Service who is assigned to a post at which he is unable to use his furniture and effects, under such regulations as the Secretary may prescribe; expenses authorized by the Foreign Service Act of 1946, as amended (22 U. S. C. 801–1158), not otherwise provided for; expenses necessary to meet the responsibilities and obligations of the United States in Germany (including those arising under the supreme authority assumed by the United States on June 5, 1945, and under contractual arrangements with the Federal Republic of Germany); salary of the United States member of the Board for the Validation of German Bonds in the United States at the rate of $17,100 per annum; expenses of the National Commission on Educational, Scientific, and Cultural Cooperation as authorized by sections 3, 5, and 6 of the act of July 30, 1946 (22 U. S. C. 287o, 287q, 287r); expenses of attendance at meetings concerned with activities provided for under this appropriation; purchase (not to exceed 10, of which 3 shall be for replacement only) and hire of passenger motor vehicles; printing and binding outside the continental United States without regard to section 11 of the act of March 1, 1919 (44 U. S. C. 111); services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); purchase of uniforms; payment of tort claims, in the manner authorized in the first paragraph of section 2672, as amended, of title 28 of the United States Code when such claims arise in foreign countries; dues for library membership in organizations which issue publications to members only, or to members at a price lower than the others; employment of aliens, by contract for services abroad; refund of fees erroneously charged and paid for passports; radio communications; payment in advance for subscriptions to commercial information, telephone and similar services abroad; rent and expenses of maintaining in Morocco institutions for American convicts and persons declared insane by any consular court, and care and transportation of prisoners and persons declared insane; expenses, as authorized by law (18 U. S. C. 3192), of bringing to the United States from foreign countries persons charged with crime; and procurement by contract or otherwise, of services, supplies, and facilities, as follows: (1) translating, (2) analysis and tabulation of technical information, and (3) preparation of special maps, globes, and geographic aids; $93,088,500, of which not less than $9,000,000 shall be used to purchase foreign currencies or credits owed to or owned by the Treasury of the United States: *Provided*, That passenger motor vehicles in possession of the Foreign Service abroad may be replaced in accordance with section 7 of the Act of August 1, 1956 (70 Stat. 891) and the cost, including the exchange allowance, of each such replacement shall not exceed $3,000 in the case of the chief of mission automobile at each diplomatic mission (except that 11 such vehicles may be purchased at not to exceed $5,000 each) and $1,500 in the case of all other such vehicles except station wagons.

Mr. O'HARA of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have in my hand an Italian translation of the Federalist papers. This is the first time that the Federalist papers have ever been translated into Italian. The publication resulted from the so-called Classics of American Democracy program that 2 years ago, on the initiation of a small but most distinguished group of Chicagoans, I had the privilege of submitting to this body and which just 1 year ago by your approval was brought into operation.

This, I repeat, was the first time the Federalist papers were translated into Italian. The public reception was tremendous. Within the first month the Italian translation of the Federalist papers was the best seller in Italy of all nonfiction works.

There followed the printing and distribution through local booksellers and bookstalls translated into native tongues, some 15 or 20 different tongues, in inexpensive paperbacks the classics of our democracy that had inspired our own forefathers. They were offered for sale at 10, 15, and 20 cents a copy. This was the first time that these Classics of American Democracy

had ever been translated into these languages. It was the first time in history that the peoples of many foreign lands ever had available for their reading such American classics as the Federalist, Franklin's autobiography, the political writings of Thomas Jefferson, Tom Paine's Common Sense, John C. Calhoun's Disquisition on Government, John Adams' political writing, Thoreau's Nature and Liberty, and others of similar character.

The sales in every land where these American classics were made available to the people at grassroots level broke all records. Soon it was found, as might have been expected, that what had reached the hearts and the minds of our forefathers and had fixed their political philosophy was moving the hearts and minds of peoples in the areas of the world where great changes have come and there is hunger for the fundamental truths of government.

I wish to commend the USIA for inaugurating this program and the vigorous and effective manner in which it has pushed and expanded its operation. It is to me, and I know it is to all my colleagues on both sides of the aisle, a source of great satisfaction. The success of the program has outrun all expectations. I trust there will be no curtailment on the part of the USIA of a program that has accomplished so much, that holds the brightest promise we have in a troubled world and which I feel safe in saying has the devout support of every Member of this body.

I desire, too, to commend the book publishers of the United States who, with no profit to themselves and solely as an unselfish, patriotic service, have given their cooperation. The Chicago Daily News, too, is entitled to a great share of the credit. It was the on-the-spot reports from the foreign correspondents of the Chicago Daily News all over the world that pinpointed the need of getting the classics of our democracy to peoples at grassroots level if America was to win the fight for the hearts and minds of men.

The success of the program is heartening indeed to the little group of Chicagoans who were its real originators. To Dr. Harold Fey, editor of the Christian Century; Drs. Richard McKeon and Jerome Kerwin of the University of Chicago; Emery T. Filbey, vice president emeritus at the university; John McGinnis, president of Pennsylvania Lodge No. 225 of the Brotherhood of Railway Trainmen; Thomas B. Stauffer, instructor in the humanities at Wilson Junior College, and Leland G. Stauber, an undergraduate student at the university, go our thanks and the gratitude of the American people.

The USIA makes mistakes, of course, because to err is human. Its batting average, nevertheless, is pretty high. In the matter of current writings, the books and the newspapers of today, it is in a domain of controversy since among the liberals and conservatives of no living generation is their common acceptance of ideas and expressions. But with the classics of our democracy there is no controversy. They are the writings, not of persons now living, that form the basis of our democratic faith and our political philosophy.

I might remark to the committee that some year or so ago I mailed to some 5,000 leading Americans in all lines of activity a questionnaire seeking agreement as to the American classics that should be included. The replies to this questionnaire fill some 50 or 60 pages of the CONGRESSIONAL RECORD. The replies came from leaders in the field of industry, labor, women's clubs, veteran organizations, editors and publishers, educators. They reflected a tremendous interest. I am happy to report that in its selection of the classics by the USIA the conclusions of this jury of American thought have been followed. There is no controversy here.

In this program every encouragement should be given to the USIA. I should like to ask the distinguished gentleman from New York, who has done such a terrifically good job in cutting out waste, I would like to ask what he thinks about the Classics of American Democracy program. Does he wish to comment?

Mr. ROONEY. I do not have time to act as USIA censor to select and reject books; $2,267,000 was requested for subscriptions and books to be given away free of charge, many of them hardcovered books that retail at $3.50 each. I am not in a position to say which books should be chosen.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(By unanimous consent Mr. O'HARA of Illinois was allowed to proceed for 5 additional minutes.)

Mr. O'HARA of Illinois. I am glad the gentleman from New York mentioned the $3.50 books. The trouble with the book program, heretofore, and the reason we were losing out to the Soviets was because the program centered on expensive books which were distributed to a relatively few individuals and were placed in libraries not easily accessible to the common people. This was brought out convincingly by the on-the-spot reports from the foreign correspondents of the Chicago Daily News.

The books in the Classics of American Democracy program are being put out in inexpensive translated editions that sell at from 10 cents to not higher than 20 cents a volume. These inexpensive books are read where the expensive books were not. They are actually reaching people at grassroots, where the soil is most fertile for democratic thought.

We will win only when we win the hearts and minds of the little and big people the world over. This was the fight we were losing. Now we are changing the tide of the battle. There must be no lessening of the Classics of American Democracy program. These classics constitute the bible of our democracy. They are selected books written at different times by people of different countries but expressing a political faith as the Christian Bible is a collection of books written at different times but collectively giving expression to a religious faith.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to the gentleman from Minnesota.

Mr. JUDD. I want to associate myself wholeheartedly with the gentleman in what he has said. Perhaps the chairman of the subcommittee cannot properly express views for or against a particular volume selected and distributed by USIA. But I can. I believe that sometimes in our library and book programs overseas, those in charge have tended to assume that people there want the same literary diet that Americans generally ask for ourselves. The folks over there who read are interested in solid stuff more than in fiction, for example. They know that the survival of their country and the preservation of their newly won independence depend on their understanding the fundamentals of democratic self-government and our country is certainly one of the world's most successful demonstrations of it. They do not ask for easy stuff, they do not ask for comic books; they want the kind of material such as appears in the classics the gentleman has spoken of.

The first target of the Communists is the student mind. They do not bother much with the peasants, they do not bother with labor until they have won the students' minds and have the intellectuals in their camp. They accomplish that largely by the use of the printed word. That was how it happened in China; it is happening today in Japan. You see it happening in the bookstalls and bookstores all over the world, especially in those countries that have recently come to national independence. There is no place where we can get more for our money than in putting out good translations of our very best books on whose merit all agree, and making them widely available, not necessarily free, but at small cost. Those people who can read at all come in and study such books from cover to cover. They are trying to determine what to believe themselves and what course to adopt for their nation. They are not dismayed at the writings of Karl Marx and Lenin; and anyone who has read them knows they are not light reading. The intellectuals of the world are hungry for solid meat setting forth our philosophy of government and of life in general This is the kind of books we ought to give them more of, and not bother too much with the latest novels that may tickle our fancy but in which they are not interested.

Mr. O'HARA of Illinois. I am most grateful to the gentleman from Minnesota, who indeed was among the first to interest me in a subject in which he is recognized by all his colleagues as an authority. He called my attention at one time to the fact that the Federalist had been translated only into 1 or 2 languages and when I obtained a list from the Library of Congress I was amazed to learn that the Federalist and other fundamental papers of our democracy were practically without translation in foreign languages.

In the global struggle for the minds of men every possible information medium is being used by the Russian Communists. They have been engaged in intensive propaganda work directed at

freemen for the past 35 years. In some respects the Communists give their propaganda program a priority over economic and military considerations. They believe ideas are the most powerful weapons available for their unrelenting warfare against all humanity. Events of the past 20 years show that the Russians have great skill in presenting an appealing and disarming front to the real terror, which in fact is life under Communist rule. They have demonstrated skill in twisting the truth about the United States, her people, and our hopes for all the people of the world. As a consequence of many years of Communist propaganda, appreciable numbers of people in far-distant lands do not understand us or our policies and some even continue to regard us as imperialists and colonizers. To attain those evil ends required constant and skillful use of all the means of mass communication. This the Communists have done and continue to do.

But the Russians have shown unusual skill in the utilization of books to put across their story. They maintain, in Moscow, what is called the Foreign Languages Publishing House, and boast about their ability to produce a given book in nearly every language of the world. They also maintain book publishing fronts in many key cities of the free world. They far outstrip the total effort of the free world in both the number of books produced each year, the total number of copies of each volume published, the number of different languages used in their publication program, and the variety of books produced. Moreover, they price their books in a price range which makes them available to everyone. For those who cannot afford to buy their books, particularly students, very convenient credit terms are available for the asking. Communist propaganda tracts in the form of books are thus infiltrated into all levels of society in every country of the world.

It was knowledge of this situation which led me to join with a group of distinguished Americans living in Chicago, for the purpose of challenging the Russian Communists in the book field. We were immediately joined in our work by the able and distinguished gentleman from Ohio [Mr. FEIGHAN]. We were all convinced that the great ideals which stand as the basis of our free institutions would hold great appeal and inspiration for millions and millions of people throughout the world. We were especially concerned with those who have been often called the newly awakened people of the world—those people who after a long, hard struggle had emerged from colonies and possessions into sovereign and free nations enjoying the stimulation of national independence. All of us were convinced that large segments of humanity were starved for more knowledge of those great political principles and institutions without which all men are quickly stripped of their dignity and individual worth.

In order to test our plan, we canvassed the opinion of several thousand Americans who we believed represented a fair cross section of public opinion. Among them were newspaper publishers, heads of civic organizations, political scientists and columnists. There was an immediate response to our proposal; many fine suggestions and recommendations came from people all over the United States. We were encouraged to go forward with our plan. After careful study of these several thousand respenses and the many editorials appearing in newspapers throughout the country, we appealed to the USIA to adopt our plan, which had by then become known as the "Classics of American Democracy." The classics of our democracy were, in brief, a selection of books which reflected the social and political philosophy of the United States from the time of the Revolutionary War.

The USIA adopted the plan and then set a pilot project in motion to test the reaction of people in several areas of the world. Low cost paperback volumes in the English language were used for the pilot project. The response exceeded the hopes of our most optimistic supporters. The Classics of American Democracy quickly proved their value and popular appeal. The USIA then decided to go ahead with arrangements for the printing of the Classics of American Democracy in 10 major languages of the world. Each printing was to be produced at a cost within the reach of the working people and students of each of the countries concerned. All this took time and advance planning because of the novelty of the program. However, all the major problems in connection with this project have now been worked out by USIA and they are prepared to go ahead with a program which gives hope that we and our social, political, and economic system will be better known to all the people of the world. This will be a real accomplishment because it will stand as a firm contribution to the cause of peace and world understanding.

It is my hope that the chairman [Mr. ROONEY] and members of his committee continue to look with favor upon this phase of the USIA program—as they did last year. It would be a setback to a most necessary and indeed essential work if at this stage the inexpensive book program of USIA; which features the Classics of American Democracy, had to be reduced or was slowed down. I hope and pray that this will not be the case. In that hope and prayer I feel that I am joined by all my colleagues.

Mr. Chairman, I hope there will be no curtailment of this program, but that the contrary will be true and that the program will be expanded so that in the next year we will have in all the languages and tongues of the world some of the classics of our own democracy. I remember some years ago I was shown a book of gospel hymns. I was informed that this book of gospel hymns had been translated into 80 different languages and tongues. Certainly we ought to do as much for the classics of our democracy. We owe that to the world and I think we owe it to our own survival because we do not survive as we were, and with our way of life unchanged, when we win a cold war or win a hot war. Survival is not in killing men. You can kill men and conquer countries physically, but you have to conquer the minds and hearts of people before you are in fact conquerors.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to the gentleman from Ohio.

Mr. ASHLEY. Mr. Chairman, I want to congratulate the gentleman from Illinois on his very forceful and well-reasoned statement.

I am sure that he will agree with me that the House must weigh carefully any further cuts in the United States Information Agency budget. I know that there are many who believe that the Appropriations Subcommittee did not go far enough when it approved only 74 percent of the President's request for funds for this Agency. Certainly, there has been considerable criticism of many of the Agency's programs and of the efficiency with which these programs are being carried out.

As far as I can tell, Mr. Chairman, these criticisms come mainly from Members who simply do not believe in the soundness of the basic purposes and objectives of the Information Agency.

Perhaps there is room for an honest difference of opinion on this point. But there can be no difference of opinion on whether or not we are engaged in a cold war for our very survival. Is there anyone in this Chamber, Mr. Chairman, who questions whether the aggressive ambitions of the Soviet Union extend to political and economic control of the entire world? Perhaps those who are most eager to scuttle the United States information program will be interested in the wide variety and effectiveness of similar efforts in which the Soviet Union is engaged.

There was a marked stepup of Communist propaganda efforts directed at the free world in 1956. In some cases the Sino-Soviet bloc doubled and tripled its output.

Radio, printed words, and films were major instrumentalities used by the Communists.

Radio broadcasting—one of the oldest means used by the Communists to reach the free world population—for the first time passed the 2,000 hours per week mark last year. While the overall increase amounted only to 10 percent, special consideration was given to politically vulnerable areas of the world. Thus the U. S. S. R. doubled its Arabic-language programs to the Near East, and Moscow increased by 50 percent its Spanish program to Latin America. At the same time all Communist radios increased or initiated broadcasts in their native languages aimed at their compatriots in all areas of the world. The purpose of these programs was to support the worldwide redefection campaign staged by the Communists. While in 1955 satellites had only 20 minutes weekly on the air beamed to Latin America in satellite languages, in 1956 the total weekly time amounted to 19:30 hours.

Africa is another example. In 1955 there was only one station beaming in Arabic. That was Moscow with 14

weekly hours on the air. By the end of 1956 Moscow had 24:30 hours per week in Arabic, while satellites added another 3:30 hours per week. Thus from 14 hours per week in 1955 the Arabic broadcasts jumped to 28 hours per week by the end of 1956.

Communist China registered her interest in Africa by starting in September 1956 a 3½ hours per week program in English for Egypt and central Africa. Furthermore, antiwestern views—particularly anti-British and anti-French—are mirrored in the output of the Egyptian station Voice of the Arabs, representing ultranationalistic Egyptian circles. The station, located in Cairo, was partly out of commission after the Abu Zabal transmitters were bombed last November. As of the end of the year it was broadcasting 35 hours per week to the entire Arab world, and within the first 3 months of 1957 it increased its broadcasting to 53:05 hours per week. It also beamed to the Sudan in Arabic 21 hours per week as of the end of March 1957—14 hours at the end of 1956—and resumed its broadcasts to Ethiopia—in Amharic 3:30 hours per week—to Somaliland—in Somali 5:15 hours per week—and to East Africa—in Swahili 5:15 hours per week. These latter broadcasts had been interrupted after the Abu Zabal bombing.

International broadcasting by the Communists to all areas of the world at the end of 1956 amounted to 2,077:45 hours per week. That included 242:25 hours per week to North America—the U. S. S. R. doubled its English language output to North America in 1956. This compares with 1,139:15 hours per week broadcast by the Voice of America, which includes 133 hours per week of Music—USA, a purely musical program.

Area by area comparisons indicate that the Communists have a lead over the Voice of America in all of them. To Europe the Communists broadcast 961:10 hours per week while the Voice had 556:30 hours per week. Since Europe is taken here as one unit, VOA's principal targets—U. S. S. R. and satellites—are included in the overall figure.

Broadcasts to the Near East, South Asia, Africa from the bloc increased from 228:50 hours per week in 1955 to 241:30 hours per week in 1956. That figure compares with 192:30 hours per week broadcast by the Voice. Far East comparative figures include 414:40 by the bloc and 252:00 by the Voice of America. Furthermore, the Voice is on the air only 5:15 hours per week to Latin America while Communist broadcast 72 hours per week.

The year 1956 was one of the most successful years in the history of the Communist film industry; 192 feature films were produced, which was about 30 percent in excess of 1955's total. Russia's 85 feature films were a 30-percent upswing over 1955, and Red China's features reflected a 135-percent jump. It is interesting to note that within the Soviet sixth 5 year plan film production is included and a high goal set. No fewer than 120 full length films, according to the plan, are to be produced annually by the Soviet Union alone.

In June 1956 the Moscow Documentary Studios initiated a monthly newsreel, U. S. S. R. Today, in 30 languages. Altogether during 1956 an estimated 500 documentaries and newsreels were produced by the bloc, which was not a very large increase over 1955. A big jump, however, is expected in 1957 which is the 40th anniversary of the October revolution. According to the Film Daily, a New York trade paper, the U. S. S. R. set aside 500 million rubles—$125 million at the official rate of exchange—to produce primarily documentaries in 1957.

The bloc countries participated during the year in almost every international film festival held in the free world. At the Venice Film Festival held last August, the bloc captured 13 out of the total of 22 awards. At the Edinburgh Film Festival the bloc won 36 out of the total of 179 awards.

The Communists have made also a full use of the printed word to get their message across; 613 new book titles—100 pages and more—in 27,836,000 copies in free world languages were produced by the Soviet Union. Twelve principal languages were used including Arabic—7 titles and 27,250 copies; Urdu—5 titles and 59,500 copies; English—240 titles, 7,743,250 copies; French—118 titles, 2,260,500 copies; and German—151 titles, 16,990,100 copies.

In addition to publication of books in free world languages, the Communists also put out a large number of translations. While final figures for 1956 are not available, comparative statistics related to 1955 and 1954 give a clear indication of the scope of Communist efforts in this field. The total number of titles translated into non-Soviet languages was 29.7 percent higher in 1955 than in 1954. There was an increase of 300 percent of titles translated into Arabic, 150 percent into Urdu, and 82 percent into English.

In addition to books, the Communists publish a large number of pamphlets. There is no way of estimating how many propaganda pamphlets and leaflets were put out by the bloc but the magnitude of the Communist effort in that field was illustrated recently in Indonesia. Twenty thousand copies of a specially prepared pamphlet on President Sukarno's visit to the U. S. S. R. were distributed free of charge all over the country.

Communist wire and news agencies—which are integral parts of the party machinery—increased their activities in a number of places. The New China News Agency opened an office in Cairo and increased its staff in Damascus and Kabul. TASS expanded its offices in New Delhi, Karachi, Bangkok, Djakarta, Beirut, Cairo, Copenhagen, Kabul, and Helsinki. In July 1956 TASS doubled the size of its fortnightly magazine Soviet Land published in India.

Soviet preoccupation with the Near East—reflected in other media operations—was also evident in the activities of various press services. In Beirut alone the estimated cost of TASS, VOKS center and the Najah Press—a local Communist outfit—amounted in 1956 to $410,000. The Najah Press issues a weekly Arabic language magazine.

Communist exchange of persons activities rose almost 40 percent in 1956 over the previous year as governmental, cultural, and sports delegations traveling to and from the Orbit jumped from 1,317 to 1,810. Especially revealing are figures for travel of cultural delegations between the Orbit and Near East-South Asia-Africa, with 216 such groups representing an increase over 1955 of more than 100 percent.

Participation by Communist countries in international fairs in free world countries during 1956 cost them about $100 million, compared with $38 million in 1955 and $10 million in 1954. The 93 international fairs in which they took part during 1956 stood for an increase of 36 percent over 1955.

Another important instrument used by the Communists in the free world are front organizations. During 1956 two significant events occurred in this field. The World Federation of Trade Union, according to Radio Moscow, has gained 3 million members—if accurate it may mean an increase in Communist China and possibly in the Near and Middle East. The other event was creation of a new Asian-front group called the Asian Solidarity Committee. The organization, set up last April at the World Peace Council Asian Conference in New Delhi, included Communist China, North Korea, India, Ceylon, North Vietnam, and Japan.

I hope, Mr. Chairman, that the potency of the Soviet propaganda weapon will not be underestimated when Members of this House are called upon to vote appropriations for the continued operations of the United States Information Agency.

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 3, line 24, strike out the figure "$93,088,500" and insert "$91,088,500."

Mr. GROSS. Mr. Chairman, in considering this bill we are left with scarcely any alternative but to meat-ax it. Appropriation bills, I regret to say, are coming to us increasingly in lump-sum appropriations by which very few items are segregated so that Members can get at them. I hope that some day that situation will be changed. But, we are left with practically no recourse when a chunk of meat like this is thrown at us but to throw the meat cleaver at it.

Now, I think that the distinguished gentleman from New York [Mr. ROONEY] has made a very good case for cutting the State Department appropriation bill. My amendment would take into consideration the appropriation for retirement and cut out approximately $2.7 million. Certainly that is not too much to cut a department of Government which, as the gentleman has well pointed out, has indulged in deception and deceit with respect to additions of personnel and various other things.

I would call your attention to an item on page 137 of the hearings in further support of my amendment to cut something off this bill where it shows that the cost of gardening service for the Department of State runs to the tune of $255,239

a year. I had not realized that we were in that business to the extent of a quarter of a million dollars.

Mr. Chairman, I cannot believe, in view of the fact that a cut was applied to the Post Office Department not so long ago when that appropriation bill was before the House, a cut of some $58 million in a department of Government that is ever expanding its service to the people of this country—I cannot believe that a cut of $2.7 million, approximately, in this bill can hurt anyone, and that it cannot be absorbed. I hope that my amendment will be adopted.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Is there any arrangement that the gentleman has with the committee about this amendment like they had on the one last year, or are you just offering this on your own?

Mr. GROSS. Of course, I do not know that there was any arrangement, and I intend to speak to that later when an amendment is offered to the representation allowances. I did not understand that there was any agreement as between the gentleman from Iowa and the Committee on Appropriations. There was an agreement between the gentleman from Iowa and the gentleman from Kansas that the gentleman from Kansas would introduce the amendment last year, but I regret very much that he did not get the amendment offered. But, I have no arrangement, let me say to the gentleman, with the appropriations subcommittee. Had I happened to be putting in the amendment, it would have been offered last year.

Mr. GRAY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GRAY. Mr. Chairman, I first want to congratulate the distinguished chairman of the subcommittee, the gentleman from New York [Mr. ROONEY], for the splendid job he has done on this bill. In fact, I want to be frank in stating that he has done too good a job on certain items. All of us are interested in cutting the budget and reducing taxes; however, there has been one item disallowed from the budget request that I do not believe is good economy. I refer to the request of the United States Bureau of Prisons for $1,300,000 with which to start construction on a much needed maximum security Federal penitentiary. As I explained to the Subcommittee on Appropriations on March 12 when I appeared before them, prisoners in Federal penitentiaries who are committed for more than 5 years have increased 26 percent since 1952. This fact points out one thing—the Federal prison system is critically overcrowded. When I make the statement that it is not good economy to disallow these funds I refer specifically to the danger we are running into of having a major riot in one of our present antiquated, overcrowded institutions. Such a riot could cause millions of dollars' damage.

All we need to do is stop and look at some of the riots that have taken place in Ohio, Nevada, and my own State of Illinois. A few years ago, we had a riot in a penitentiary in my State resulting in several hundred thousand dollars' damage. I have the utmost confidence in the long term director of the United States Bureau of Prisons, Mr. James V. Bennett. He came before the Appropriations Committee and pointed out that it was a "must" for this country to have a new maximum security Federal penitentiary in which to house the most hardened criminals.

The Committee on the Judiciary of the United States Senate has just issued report No. 118. This report was made after a personal inspection of the Federal prison system by a subcommittee of the Judiciary. I would like to quote a portion of their recommendations:

The need for additional maximum custody prison facilities to care for this continually increasing number of repeaters and serious offenders is beyond question. In the first place, more and more responsibilities for law enforcement are coming under the jurisdiction of Federal agencies with a consequent effect on Federal prisons. The continually mounting population of the country and the general increase in crime point to the imperative necessity for an orderly program of developing Federal prison facilities. It should not be necessary to wait until a major catastrophe occurs in the Federal Penal System to give attention to this problem.

Mr. Chairman, I have no idea what the other body will do concerning the restoration of funds; however, I would like to say that I hope the House will go along with whatever action they see fit to take. At the very latest, I hope these funds can be allowed no later than next year so the United States Bureau of Prisons can proceed to build this much needed institution.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 7 minutes, with 5 minutes reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The chair recognizes the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, will the gentleman from New York [Mr. ROONEY] advise how a Member might proceed to cut any one of the services referred to on page 2 of the bill? There seem to be 6 or 7 objectives there. And then on page 3 you have the same situation. That is all before you get to the $93 million. Just take this one above "unable to use his furniture and effects, under such regulations as the Secretary may prescribe." Now, if somebody wanted to cut that item, how would he go about it?

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from New York.

Mr. ROONEY. Mr. Chairman, in reply, I should like to say that this language is a money saver.

The Foreign Service Act gives them the authority to transport their furniture at Government expense and this permits it to be stored and saves transportation costs.

Mr. HOFFMAN. Here is another instance, in line 22, "expenses of attendance at meetings" and so on. There is no way by which an amendment can be drawn to cut that particular item, is there?

Mr. ROONEY. I do not know of any way other than by a limitation.

Mr. HOFFMAN. A limitation would not reduce or cut the item. So that if the amendment is agreed to, cutting the $93 million, the State Department would then be at liberty to apply what was left to any part of the service it chooses; is not that so?

Mr. ROONEY. That is correct, if no indication was made.

Mr. HOFFMAN. And if some Member on the floor wants to cut the amount for any particular service, or to cut the amount out entirely, he just cannot get at it, can he? That is, that particular item?

Mr. ROONEY. I do not think that is so. I think if an amendment is adopted and is directed to a particular part of the appropriation, the Department is supposed to carry out the will of Congress and the committee.

Mr. HOFFMAN. I know; but what I mean is this: Here is another illustration, "Salary of the United States Member." Let us assume that a Member of the House wanted to cut that particular item out, cut out that salary. How could he draw the amendment? If the amendment is offered in the way the amendment was offered by the gentleman from Iowa [Mr. GROSS] to cut the $93 million, that does not mean that that particular item would be taken out even if the amendment were approved, does it?

Mr. ROONEY. That would be a question of parliamentary procedure.

Mr. HOFFMAN. No. The agency could state the salary—leave out some other item.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. HOFFMAN] has expired.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending amendment. Many here have said that the members of this subcommittee have done a good job in unearthing the facts. We worked for practically 2 months on this bill, every day from 10 o'clock in the morning until 4 or 4:30 in the afternoon 5 days a week. We think we have cut the fat out of it. We think we have taken away as much as we can safely take away. Now along comes the gentleman from Iowa [Mr. GROSS] who wants to reduce it further by $2 million. The gentleman has the printed committee hearings. I know he has carefully studied them. He has had these hearings for over a week. Now he appears to be qualifying as a better expert than any of the members of the subcommittee. The gentleman is now in a dangerous area when he proposes to further cut salaries and expenses of the Department of State and the Foreign Service. Honestly, this is a very, very dangerous area. I think the

House will accept the judgment of the committee in preference to the judgment of the gentleman from Iowa [Mr. GROSS].

Each year the gentleman from Iowa offers these kinds of amendments and he bases them on the very facts developed by the committee and which the committee used to make the committee cut. I respectfully suggest to the membership of the House that this amendment be rejected.

Mr. GAVIN. Mr. Chairman, would the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from Pennsylvania.

Mr. GAVIN. I do not think the chairman of the subcommittee should be so wrought up about anybody offering amendments. My good friend, the gentleman from Rhode Island [Mr. FOGARTY] and his committee spent weeks and weeks in hearings on the appropriation bill for the Department of Health, Education, and Welfare. The economy bloc, that is not here today, was on the floor in full force that day offering all kinds of amendments to cut appropriations on the health, education, and welfare bill.

Mr. ROONEY. I did not yield to the gentleman for a speech; I yielded for a question.

Mr. GAVIN. I know, but I just say the gentleman should not be concerned——

Mr. ROONEY. Let the gentleman obtain his own speech time. If I have another breath or two left later, I shall be glad to yield to the gentleman, but I want to finish this thought first.

The committee was asked for $112 million for this item of salaries and expenses. It covers the actual running of the State Department personnel, all their equipment, transportation, and other necessary expenses. The committee cut this request to $93,088,500. The committee allowed the exact amount they have at the present time plus $2,588,500, which is for retirement-fund contributions.

Mr. GAVIN. Now will the gentleman yield to me?

Mr. ROONEY. For a brief question; not a speech.

Mr. GAVIN. I am just weeping——

Mr. ROONEY. What is the distinguished gentleman weeping about?

Mr. GAVIN. I am weeping for that $16,000-a-year executive, the gentleman brought to our attention very dramatically a few moments ago.

Mr. ROONEY. Does the gentleman mean the publicity man who had to spend a little money out of his own pocket?

Mr. GAVIN. Yes; that gentleman from Baghdad, who got his salary increased from $3,900 to $16,000. I just feel quite bad about it.

Mr. ROONEY. I will lend the gentleman my handkerchief if he saturates his. But let us not laugh about this pending amendment. This is the most important item in the bill. This is just as important as the Federal Bureau of Investigation money contained in this bill. Do not ruin the American Foreign Service.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Ohio.

Mr. VORYS. I think the gentleman from Pennsylvania should save his tears, because the fellow he is talking about is not in this part of the bill.

Mr. ROONEY. That is correct.

Mr. VORYS. If this amendment is carried, you would have to dismiss people who are at present serving in the State Department.

Mr. ROONEY. It would create utter chaos in the State Department. The action I say would be irresponsible.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ROONEY I yield to my distinguished friend.

Mr. GROSS. The gentleman will agree, I am sure, that there are some of those people in this part of the bill, too?

Mr. ROONEY. No; I do not think so. I am being utterly honest with the House. I am afraid of the consequences of this amendment. I think it would be irresponsible to cut this any further than the committee did.

The CHAIRMAN. The time of the gentleman from New York has expired. All time has expired on the pending amendment.

The question is on the amendment offered by the gentleman from Iowa.

The question was taken; and on a division (demanded by Mr. GROSS), there were—ayes 31, noes 76

So the amendment was rejected.

The Clerk read as follows:

Representation allowances: For representation allowances as authorized by section 901 (3) of the Foreign Service Act of 1946 (22 U. S. C. 1131), $600,000.

Mr. REES of Kansas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REES of Kansas: On page 4, line 13, strike out "$600,000" and insert "$400,000."

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment, and all amendments thereto, do close in 15 minutes with the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REES of Kansas. Mr. Chairman, the best and most forceful statement in favor of this amendment has been made by the distinguished chairman of this subcommittee, the gentleman from New York. He described the situation rather clearly, I think, a while ago. He said he differs in the point of view in respect to the subject matter. He did tell you quite plainly, as I see it, why the proposed amount in this bill should be reduced. I want to commend him, for having reduced the request as much as he did. This thing had gone wild. The request was $1,200,000 and he secured approval of his committee in the sum of $600,000. I want to remind you, too, that this is not the only item of so-called representation in this legislation. This is one of the items. So if you only support this amendment, you will then be cutting it back to where it was in 1956, 1954, 1953, and 1952. I am asking for a reduction in line, where it was 2 and 4 years ago. I believe that is fair and reasonable, and I think you ought to support it. Now there are other items of so-called representation in this bill.

Mr. Chairman, about the only reason for this legislation is described in the hearings on the bill.

The witness says, and I quote:

In order to do their work properly, they have got to establish friendly personal relations with a broad range of people in political, business, scientific, and cultural life, with the leaders in government in power and the representatives of political groups which may themselves come to power.

Mr. Chairman, if we have to use this method in our attempt to get along with the heads of other nations, then we are using cheap methods in trying to make agreements with people of foreign nations.

Mr. Chairman, this amendment is only to cut $200,000. But it is at least some reduction. The fact of the matter is that I would strike it all out, if I could. The gentleman from New York understands that. But nevertheless I think he ought to go along with us on this rather moderate reduction and save $200,000. In my opinion it would be good for our country. I do not see how in the world or why you have to get people to drink intoxicating liquors in order to try to become friendly with them. It is not the best way, as I see it, to try to get an understanding with people wherever they are—in America or anywhere else.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman yield?

Mr. REES of Kansas. I am glad to yield to the able chairman of this subcommittee.

Mr. ROONEY. Under the provisions of the gentleman's amendment, which would cut these allowances back to $400,000, there would not be a cookie left in the State Department.

Mr. REES of Kansas. There would not be what?

Mr. ROONEY. A cookie.

Mr. REES of Kansas. I do not know what the gentleman refers to.

Mr. Chairman, in all seriousness, let us not let this thing get out of hand. Let us just cut this $200,000. It is a comparatively small amount. Let us reduce it down to $400,000. I hope the members of this committee will see fit to support my amendment. I think it is only fair that we save $200,000 of the taxpayers' money. They will appreciate our saving at least that much especially when it is not for a necessary cause. So vote to save $200,000 for the taxpayers of America.

Mr. ROONEY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 6871) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes, directed him to report that it had come to no resolution thereon.

DEFICIENCY APPROPRIATION BILL

Mr. CANNON. Mr. Speaker, by direction of the Committee on Appropriations, I ask unanimous consent to take from the Speaker's table the bill H. R. 6870, making appropriations for the fiscal year ending June 30, 1957, and for other purposes, with Senate amendments, with the intention of asking that the House agree to the Senate amendments.

The SPEAKER. The Clerk will report the title of the bill and the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

(1) Page 5, after line 9, insert: "Senate."

(2) Page 5, after line 9, insert: "Salaries, officers and employees."

(3) Page 5, after line 9, insert:

"Office of the Vice President: For an additional amount for clerical assistance to the Vice President, $5,000."

(4) Page 5, after line 9, insert:

"Administrative and clerical assistants to Senators: For an additional amount for administrative and clerical assistants for Senators, to provide additional clerical assistants for each Senator from the States of Louisiana and Ohio so that the allowance for each Senator from the State of Louisiana will be equal to that allowed Senators from States having a population of over 3 million, the population of said State having exceeded 3 million inhabitants, and so that the allowance for each Senator from the State of Ohio will be equal to that allowed Senators from States having a population of over 9 million, the population of said State having exceeded 9 million inhabitants, $8,000."

(5) Page 5, after line 9, insert:

"Administrative and clerical assistants to Senators: For an additional amount for administrative and clerical assistants for Senators, to provide additional clerical assistants for each Senator from the State of Texas so that the allowance for each Senator from said State will be equal to that allowed Senators from States having a population of over 9 million, the population of said State having exceeded 9 million inhabitants, $2,000."

(6) Page 5, after line 9, insert: "Contingent expenses of the Senate."

(7) Page 5, after line 9, insert:

"Inquiries and investigations: For an additional amount for expenses of inquiries and investigations, fiscal year 1956, $25,000."

(8) Page 5, after line 9, insert:

"Inquiries and investigations: For an additional amount for expenses of inquiries and investigations, $820,000."

(9) Page 5, after line 9, insert:

"Automobile for the President pro tempore: For an additional amount for purchase, exchange, driving, maintenance, and operation of an automobile for the President pro tempore of the Senate, $2,000."

(10) Page 5, after line 9, insert:

"Automobiles for the majority and minority leaders: For an additional amount for purchase, exchange, driving, maintenance, and operation of two automobiles, one for the majority leader of the Senate, and one for the minority leader of the Senate, $4,000."

(11) Page 5, after line 9, insert:

"Joint Committee on Navajo-Hopi Indian Administration: For salaries and expenses of the Joint Committee on Navajo-Hopi Indian Administration, $5,000, to remain available during the existence of the committee."

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

Mr. TABER. Mr. Speaker, reserving the right to object, this is the same bill that we passed in the House yesterday, with the addition of $871,000, which the other body has added for their own housekeeping items, and those are the items that were first put in by the Senate in the urgent deficiency bill which is still in conference. Is that correct?

Mr. CANNON. The gentleman is correct. It is the bill we passed yesterday, with the addition of some housekeeping items by the Senate. Of course, between the two Houses, we do not interfere with housekeeping items of the other body.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

URGENT DEFICIENCY APPROPRIATION BILL

Mr. CANNON. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution (H. J. Res. 310) making additional appropriations for the fiscal year 1957 and for other purposes, which is a resolution reported by the Committee on Appropriations in lieu of the first urgent deficiency appropriation bill which has been in conference for some time and on which the House and Senate conferees have not agreed.

The Clerk read the title of the resolution.

Mr. CANNON. Mr. Speaker, this proposition contains everything in difference between the two Houses with three exceptions. One is the strategic minerals amendment. Another is the cotton seed feed amendment. In addition it divides equally between the House and Senate the limitation on funds that can be used for local and State administration in connection with grants to States for public assistance under the Social Security Administration. Of course, we have taken out of it the Senate housekeeping items to which the gentleman from New York [Mr. TABER], just referred, and which were carried in the bill just agreed to by the House.

Mr. Speaker, I ask unanimous consent that this resolution be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

The Clerk read the resolution, as follows:

Resolved, etc., That there are hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1957, the following sums:

CHAPTER I—DEPARTMENT OF AGRICULTURE

Agricultural conservation program service

Emergency Conservation Measures

For an additional amount to enable the Secretary to make payments to farmers who carry out emergency measures to control wind erosion on farmlands or to rehabilitate farmlands damaged by wind erosion, floods, hurricanes, or other natural disasters when, as a result of the foregoing, new conservation problems have been created which, (1) if not treated, will impair or endanger the land, (2) materially affect the productive capacity of the land, (3) represent damage which is unusual in character and, except for wind erosion, is not the type which would recur frequently in the same area, and (4) will be so costly to rehabilitate that Federal assistance is or will be required to return the land to productive agricultural use, and for reimbursement to the appropriation to the President for "Disaster relief," for allocations to the Secretary of Agriculture for such purposes, $15 million: *Provided*, That this appropriation may be expended without regard to the adjustments required under section 8 (e) of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590h), and may be distributed among States and individual farmers without regard to other provisions of law.

Farmers' Home Administration

Disaster Loan Revolving Fund

Not to exceed $15 million of the disaster loan revolving fund established under the act of April 6, 1949, as amended (12 U. S. C. 1148a–1 to 1148a–3), may be used for emergency feed and seed assistance under section 2 (d) of said act in addition to, and under the same conditions as, the amount made available under this head in the Third Supplemental Appropriation Act, 1954 (68 Stat. 81, 88).

Loan Authorizations

For an additional amount for loans under title I and section 43 of title IV of the Bankhead-Jones Farm Tenant Act, as amended, $26 million: *Provided*, That not to exceed the foregoing amount shall be borrowed from the Secretary of the Treasury in accordance with the provisions set forth under this head in the Department of Agriculture Appropriation Act, 1952.

CHAPTER II—SMALL BUSINESS ADMINISTRATION

Salaries and expenses

For an additional amount for "Salaries and expenses," $1,100,000, to be transferred from the "Revolving Fund, Small Business Administration."

Revolving fund

For additional capital for the revolving fund, authorized by the Small Business Act of 1953, as amended, to be available without fiscal year limitation, $45 million.

CHAPTER III—AMERICAN BATTLE MONUMENTS COMMISSION

Construction of Memorials and Cemeteries

To the extent that the Commission may find necessary or desirable, the appropriation granted under this head in the General Government Matters Appropriation Act, 1957, shall be available for the purposes of the act of April 2, 1956 (70 Stat. 84).

CHAPTER IV—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Public Health Service

Foreign Quarantine Service

Section 364, part G, title III, of the Public Health Service Act is amended by adding thereto the following subsections:

"(c) Employees of the United States Public Health Service, Foreign Quarantine Division, performing overtime duties including the operation of vessels, in connection with the inspection or quarantine treatment of persons (passengers and crews), conveyances, or goods arriving by land, water, or air in the United States or any place subject to the jurisdiction thereof, hereinafter referred to as 'employees of the Public Health Service', when required to be on duty to perform such duties between the hours of 6 o'clock postmeridian and 6 o'clock antemeridian (or between the hours of 7 o'clock postmeridian and 7 o'clock antemeridian at stations which have a declared workday of from 7 o'clock

antemeridian to 7 o'clock postmeridian), or on Sundays or holidays, shall be paid, in lieu of compensation under any other provision of law, at the rate of 1½ times the basic hourly rate for each hour that the overtime extends beyond 6 o'clock (or 7 o'clock as the case may be) postmeridian, and 2 times the basic hourly rate for each overtime hour worked on Sundays or holidays. As used in this subsection, the term 'basic hourly rate' shall mean the regular basic rate of pay which is applicable to such employees for work performed within their regularly scheduled tour of duty."

"(d) (1) The said extra compensation shall be paid to the United States by the owner, agent, consignee, operator, or master or other person in charge of any conveyance, for whom, at his request, services as described in this subsection (hereinafter referred to as overtime service) are performed. If such employees have been ordered to report for duty and have so reported, and the requested services are not performed by reason of circumstances beyond the control of the employees concerned, such extra compensation shall be paid on the same basis as though the overtime services had actually been performed during the period between the time the employees were ordered to report for duty and did so report, and the time they were notified that their services would not be required, and in any case as though their services had continued for not less than 1 hour. The Surgeon General with the approval of the Secretary of Health, Education, and Welfare may prescribe regulations requiring the owner, agent, consignee, operator, or master or other person for whom the overtime services are performed to file a bond in such amounts and containing such conditions and with such sureties, or in lieu of a bond, to deposit money or obligations of the United States in such amount, as will assure the payment of charges under this subsection, which bond or deposit may cover one or more transactions or all transactions during a specified period: *Provided*, That no charges shall be made for services performed in connection with the inspection of (1) persons arriving by international highways, ferries, bridges, or tunnels, or the conveyances in which they arrive, or (2) persons arriving by aircraft or railroad trains, the operations of which are covered by published schedules, or the aircraft or trains in which they arrived, or (3) persons arriving by vessels operated between Canadian ports and ports on Puget Sound or operated on the Great Lakes and connecting waterways, the operations of which are covered by published schedules, or the vessels in which they arrive.

"(2) Moneys collected under this subsection shall be deposited in the Treasury of the United States to the credit of the appropriation charged with the expense of the services, and the appropriations so credited shall be available for the payment of such compensation to the said employees for services so rendered."

Social Security Administration

Grants to States for Public Assistance

For an additional amount for "Grants to States for public assistance," $275 million: *Provided*, That not more than $16,728,000 of this amount may be used for State and local administration.

CHAPTER V—PUBLIC WORKS—DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS

Department of the Army—Rivers and harbors and flood control

Construction, General

That portion of title III of the act of July 2, 1956 (Public Law 641, 84th Cong., 70 stat. 474, 480), that pertains to the purchase of lands and improvements in the Buford-Trenton Irrigation District in lieu of protecting said Buford-Trenton Irrigation District in connection with development, construction, and operation of the Garrison Dam and Reservoir project on the Missouri River, is amended to read as follows:

"That in lieu of protecting the East Bottom of Buford-Trenton Irrigation District, the sum of $1,621,791 of the funds herein or hereafter appropriated for the Garrison Dam and Reservoir project on the Missouri River shall be available for the purchase of lands and improvements in and contiguous to the Buford-Trenton Irrigation District, exclusive of tracts numbered H. H. 3170 and H. H. 3168, and not to exceed $2 million shall be available to the Corps of Engineers for protection of the intake structure of the pumping plant in Zero Bottom and for the construction of bank protection to prevent erosion in the Missouri River adjacent to the Buford-Trenton irrigation project. The substitution of land acquisition for production shall be made and the Secretary of the Army shall acquire such land and improvements if all of the land owners, except Lester G. Larson, the heirs of Louis Morin, Jr., and the heirs of A. Desjarlais, on or before June 30, 1957, have offered to sell their property on the terms agreeable to said landowners, and within the amount provided for such land acquisition: *Provided*, That the Chief of Engineers, United States Army, is authorized to acquire by condemnation proceedings, in the appropriate United States district court, tract 208C of the Buford-Trenton project, Williams County, N. Dak., according to the recorded plat thereof which tract is owned by Lester G. Larson, the public domain allotment of A. Desjarlais, now deceased, described as Government lots 5 and 8 in section 19 in Government lot 1 in section 30, township 153 north of range 102 west of the fifth principal meridian, North Dakota, and the public domain allotment of Louis Morin, Jr., now deceased, described as the west half southwest quarter, section 16, and the north half southeast quarter, section 17, township 153 north, range 102 west, fifth principal meridian, North Dakota, in connection with the construction and operation of the Garrison Dam and Reservoir: *Provided further*, That in the event land acquisition is undertaken in lieu of protection of the East Bottom, that in recognition of the increased per acre annual operation and maintenance cost of the remaining lands in the Buford-Trenton Irrigation District, the construction charge obligation assignable to the remaining lands of said district pursuant to the act of October 14, 1940 (54 Stat. 119), as amended, and the proposed contract between the United States and Buford-Trenton Irrigation District, approved as to form February 23, 1955, shall be nonreimbursable, and the Secretary of the Interior is authorized and directed to enter into a contract with the Buford-Trenton Irrigation District to transfer operation and maintenance responsibility for project works constructed by the Bureau of Reclamation for the benefit of the Buford-Trenton Irrigation District to such district."

CHAPTER VI—LEGISLATIVE BRANCH—HOUSE OF REPRESENTATIVES

For payment to Cleo C. Fernandez, widow of Antonio M. Fernandez, late a Representative from the State of New Mexico, $22,500.

For payment to Elizabeth F. Hand, widow of T. Millet Hand, late a Representative from the State of New Jersey, $22,500.

For payment to Wilberta R. Hinshaw, widow of Carl Hinshaw, late a Representative from the State of California, $22,500.

For payment to Mildred N. Priest, widow of J. Percy Priest, late a Representative from the State of Tennessee, $22,500.

CHAPTER VII—GENERAL PROVISIONS

Appropriations, funds, and authorizations made available by this joint resolution shall be charged against any corresponding appropriations, funds or authorizations made available by H. R. 4249, 85th Congress (Urgent Deficiency Appropriation Act, 1957) whenever said H. R. 4249 is enacted into law.

Mr. McCORMACK. Mr. Speaker, I move to strike out the last word that I may ask a question. So that the RECORD will show, what amount was included in the resolution for social-security payments?

Mr. CANNON. Two hundred and seventy-five million dollars is provided for payments to States—which in turn goes to the individual recipients. As for the limitation on the amount that can be used for administrative expenses, the resolution carries a compromise between the two Houses. It is halfway between the Senate figure and the House figure, and amounts to $16,728,000.

Mr. McCORMACK. And the chairman of the committee assures the House that that is plenty of appropriations at this time to last until after the Easter recess and further consideration can be given?

Mr. CANNON. Unquestionably; and I might say to the majority leader, the distinguished gentleman from Massachusetts, that this disposes finally and completely of all appropriation matters that are to be considered before the Easter recess. With the disposition of this joint resolution Members can go home for the holidays with a clean slate and a clear conscience.

Mr. McCORMACK. In other words, the immediate situation is met by this, and there will be no hardships; that additional requests for appropriations can be given further consideration after the Easter recess.

Mr. CANNON. It disposes of all pending questions, and is satisfactory to everybody concerned on this side of the Capitol.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

DEPARTMENTS OF STATE, JUSTICE, JUDICIARY, AND RELATED AGENCIES, APPROPRIATION BILL, FISCAL YEAR 1958

Mr. ROONEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 6871) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 6871 with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The gentleman from Iowa [Mr. GROSS] is recognized for 3⅓ minutes.

Mr. GROSS. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Kansas, and I would like to say at the outset in trying to fix responsibility for failure to cut this item last year when the appropriation bill was before the House, I recall that the gentleman from Kansas asked the gentleman

from New York [Mr. ROONEY], if he would permit the return to the item so that he could offer his amendment, and the gentleman from New York informed the gentleman from Kansas that he would not give him unanimous consent to go back to it so he could offer the amendment to cut down spending for liquor for the State Department.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. The gentleman from New York mentioned my name just a few minutes ago and refused to yield to me. Now, wait a minute and I will yield to you. The gentleman, therefore, must assume his share of responsibility for the liquor allowance not being cut in the last session of Congress.

Now I yield to the gentleman from New York.

Mr. ROONEY. I would like to say to the gentleman from Iowa that I am not in the custom of trying to commit harakiri when I am here on the floor in charge of a complicated appropriation bill. If one permits a portion of the bill which has been read and passed to be reopened we would have nothing but parliamentary chaos.

Mr. GROSS. I quite agree with the gentleman, but let the RECORD show that the gentleman refused to give consent to the gentleman from Kansas to return to that item.

Mr. ROONEY. I do not recall one way or the other. Is the gentleman sure of that? Where is that found in the RECORD?

Mr. GROSS. In this bill, in addition to the $600,000 to the State Department for liquor, let me say to the Members of the House, there is approximately $200,000 additional for other agencies for representation allowance—for liquor—call it whatever you will. Incidentally, a new name has been adopted by some of these agencies of the Government; I found in at least one of the hearings that the money for liquor is called a ceremonial fund.

Mr. Chairman, I should like to ask the gentleman a question on another subject. On page 4, line 9, there is this language:

> Each such replacement shall not exceed $3,000 in the case of the chief of mission automobile at each diplomatic mission, except that 11 such vehicles may be purchased at not to exceed $5,000 each—

And so forth. Does that mean that the State Department is permitted to spend $5,000, plus the trade-in's, on 11 automobiles they would be authorized to buy?

Mr. ROONEY. No.

Mr. GROSS. They can spend $5,000?

Mr. ROONEY. These $5,000 automobiles are for our ambassadors and chiefs of missions and they cost more than the average car for the reason they have a glass partition between the driver and whoever happens to be in the rear seat.

Mr. GROSS. That intrigues me. Why do they have to have that partition?

Mr. ROONEY. Because there are local employees who drive our automobiles at foreign posts and conversations take place that the Ambassador would not want heard by that local driver.

Mr. GROSS. Could not the Ambassador just reserve that conversation for some few minutes and take care of it at a little later time and save the Government this additional cost?

Mr. ROONEY. There might be an important crisis going on at that particular time in that particular area of the world and it might be very, very important that our Ambassador have the conversation at that exact moment.

Mr. GROSS. Do all of these drivers wear caps, livery, and so forth?

Mr. ROONEY. Those who drive our Ambassadors do.

Mr. GROSS. That gives them a gilt-edge appearance when they wear a cap, uniform, and so forth.

Mr. ROONEY. Yes; but your Mr. Dulles wants the best.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Chairman, I take this time to speak to my good friend, the gentleman from New York. I cannot understand why he is so anxious to expedite this legislation today. The gentleman just said a moment ago that we should discuss this legislation if it takes a week. What difference does it make if it takes a week or more? Let us not be too hasty. The Nation is $275 billion in debt. Two hundred and seventy-five billion dollars. We are paying $7½ billion a year interest on the debt. No small sum of money I think you will agree. This appropriation bill concerns the debt and any reductions that are made I would say are in the interest of the American taxpayer. Regrettable they, the taxpayers, are unable to be heard here today.

The other week on the health and welfare bill which concerns our own backyard and the activities of millions of American people, the economy bloc was out in force. The Members heard from the folks back home. Everybody was offering amendments to cut the health and welfare appropriations; anxious to get on record so the folks back home would note their activity, interest, and efforts to effect economies and reduce the budget. There are some here today who are seldom around except when matters pertaining to foreign affairs are being considered. Then they suddenly become active and alerted to present you all of the definite information on all of these respective items. They do a good job and many succumb to their pronouncements. Some of us who are economy minded are seemingly unable to make much of an impression or inroad on any appropriation reductions on these bills that concern spending all over the world. When the health and welfare appropriations bill was before the House many were up on their feet to cut appropriations in your own backyards. You just seem to lack courage to offer any amendments to reduce this bill today. Frankly, I cannot understand it. Very little response to these proposed cuts on matters that concern foreign affairs appropriations.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman from Kansas.

Mr. REES of Kansas. Let us have the courage to save $200,000 now.

Mr. GAVIN. I do not know whether they will or not; I doubt it very much. When these foreign affairs appropriations are before them there is a great hesitancy. There is no remedy for it. They cannot bring themselves around to cutting on these appropriations, but when it concerns the welfare of the American people, many amendments are offered to reduce these appropriations.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. HAYS].

Mr. HAYS of Ohio. Mr. Chairman, the gentleman who offered this amendment makes the argument that the thing has gone wild. He said it went wild last year. If it went wild last year from what we have heard divulged on the floor here today, it went wild because the gentleman from Kansas [Mr. REES] was asleep at the switch. I do not know the purpose of the amendment this year; it is not an election year. Last year apparently we had an arrangement whereby the gentleman from Kansas was going to offer the amendment and it would have been accepted. I do not know, but it was kind of a startling revelation to me that the thing was all cut and dried. Now, the truth of the matter is this: These representation allowances are in there so that some people can be ambassadors who are not millionaires. That is just about what it boils down to. The newspapers have carried several articles lately that ambassadors in certain posts have to be picked from the ranks of the wealthy, the campaign contributors, because that shows they have enough to be an ambassador.

But, there are a lot of people who come in before the Foreign Affairs Committee and testify and say that we are trying to make it possible for any person who shows that he has what it takes, the necessary abilities to handle a crucial situation, to be an ambassador in any post. If you really mean that, if you want it, then some people who have what it takes except the cash are going to have to have a little bit of help to be an ambassador. Look up your figures on some of our big embassies where some of the people come in the millionaire class, such as London, and you will find that they got $80,000 to run the Embassy last year, and the record shows that they spent another $80,000 out of their own pocket. Maybe that is too much. I do not know. But certainly if you are going to have to spend $80,000 out of your own pocket, it is going to severely limit the number of people from whom you can choose an ambassador to that post. Now, I am not in favor of anything unreasonable, but the chairman of the committee has already told you that they have cut this item, I believe, by more than 50 percent. Is that not right?

Mr. ROONEY. Exactly.

Mr. HAYS of Ohio. Exactly 50 percent. And you are going to have to leave some things in there for some necessary functions which ambassadors must hold if they are going to remain and do any job for the United States.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Iowa.

Mr. GROSS. Fifty percent with respect to the budget estimate but not 50 percent over what they spent last year.

Mr. HAYS of Ohio. I explained to you why the item got so big last year, and it has been explained half a dozen times, because the amendment was not offered at the proper time, or it would have been accepted. The committee made a cut of 50 percent, over the budget request and if you ask me, I think that is a very healthy cut.

The CHAIRMAN. The chair recognizes the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Chairman, in opposing this amendment I should first like to point out, as appears at page 5 of the printed committee hearings, Secretary Dulles had the following to say on this subject:

> I have spoken before about the importance of the representation allowances, Mr. Chairman, and we are requesting that they should be increased by about $300,000 this year.
>
> That is a tremendously important factor. It very much affects our ability to staff properly these posts. We still would not be in a position to appoint career officers except in very exceptional circumstances of happening to find a wealthy person to appoint to some of the posts which carry the high expenditures.

He said further:

> I do not think that is a sound situation.

The committee thereupon, having considered this testimony and the fact that there was a substantial requested increase, decided that it should be realistic about this and cut it back to size. I believe the subcommittee was in unanimous agreement on this action. The distinguished advocates of economy, the gentleman from Iowa [Mr. GROSS], the gentleman from Pennsylvania [Mr. GAVIN], and the gentleman from Kansas [Mr. REES] have their figures wrong. In 1953 fiscal year the amount for this purpose was $50,000 more than is contained in the bill today, to wit: $650,000. In 1952 these allowances were $675,000. In 1951 they were $675,000.

The gentleman from Kansas [Mr. REES] puts this on the basis of wets against drys. I am willing to meet him on that ground. I am not a dry. I am one who thinks that if we are going to have a ceremonial diplomat bedecked in his striped pants, the least we can do is to furnish him with a cocktail shaker and a few martinis. It is just done. Every other nation in the world does it. So if Mr. Dulles wants it and President Eisenhower wants to handle it that way, I am for it.

Mr. Chairman, I want to make one final point. To be serious, this money is not only for cocktails. This money is for food. This money is for many other things, as pointed out on page 5 of the committee report:

> The purpose of this appropriation is to reimburse officers of the Foreign Service for expenses incurred at their posts of duty for such items as entertainment offered on American holidays or on occasion of visits by prominent citizens or American vessels or aircraft; entertainment necessary in the conduct of official duties; and the purchase of flowers, wreaths, and similar tokens for presentation in accordance with local custom on appropriate occasions.

Mr. LONG. Mr. Chairman, would the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from Louisiana.

Mr. LONG. Is it not necessary that we get both sides real good and drunk so that they can squander this $4 billion?

Mr. ROONEY. I do not know whether that is necessary. I have seen some strange things happen in the State Department when they were perfectly sober.

Mr. Chairman, I urge that the pending amendment be rejected and that once again the Committee of the Whole accept the unanimous judgment of the subcommittee.

Mr. BASS of Tennessee. Mr. Chairman, would the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Tennessee.

Mr. BASS of Tennessee. We may be assured, regardless which way we vote on this amendment, that there was no deal made this year?

Mr. ROONEY. No deal this year.

Mr. COUDERT. Mr. Chairman, would the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from New York.

Mr. COUDERT. Mr. Chairman, let me say that I am completely in accord with the gentleman in opposing this amendment. I seem to remember that I reserved on this point in the committee; but that is wholly irrelevant at this time.

Mr. ROONEY. I asked the gentleman just 5 minutes ago if it was not the fact that the Members were unanimous?

Mr. COUDERT. It is irrelevant. I thought the gentleman was referring to our unanimity in opposing this amendment. I am opposed to this amendment.

The CHAIRMAN. The time of the gentleman from New York has expired. All time on this amendment has expired.

The question is on the amendment offered by the gentleman from Kansas [Mr. REES].

The amendment was rejected.

The Clerk read as follows:

> Extension and remodeling, State Department Building: For expenses necessary for planning, and the extension and remodeling, under the supervision of the General Services Administration, of the State Department Building, Washington, D. C., and for expenses necessary for providing temporary office space, including payment of rent in the District of Columbia, alteration, purchase, and installation of air-conditioning equipment, to remain available until expended, $2,500,000, to be transferred to the General Services Administration.

Mr. REES of Kansas. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am not sure the statement made by the gentleman from Ohio [Mr. HAYS] a few minutes ago with respect to my position in regard to the proposed legislation is really worth answering, but I dislike very much, having been a Member of this body for a number of years, to have the RECORD even indicate that there was any political color to the subject matter under discussion only a few minutes ago. It is a new experience to me. I have no feeling whatever just because he or any other Member disagrees or takes issue with my views. That is understood.

I just want to say that I resent statements made by the gentleman from Ohio wherein he alleges political motives and slipshod methods or deals having been made in respect to legislation considered a year or 2 years ago. I just want him to know that I regret he saw fit to make such statement.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from New York.

Mr. ROONEY. I should like to say to this House that the gentleman from Kansas [Mr. REES] is one of its most lovable Members. I have been his close friend, and he my close friend, for many years. I have always respected the gentleman. He is a man of the highest integrity and ability. I say here and now that there is a misunderstanding and the gentleman from Kansas had nothing whatever to do with the matter that was discussed on the floor a while ago, nothing whatever. I had no conversation with him at the time and no member of this Committee had any conversation with him last year on the subject.

Mr. REES of Kansas. I thank the gentleman from New York.

Mr. HAYS of Ohio. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, in view of what the gentleman from New York has just said, may I say when I owe someone an apology I will make it, and it is possible I owe an apology to the gentleman from Kansas. I do not know what the RECORD is going to show but I know what was said here on the floor. Certainly I do not think I was stupid in inferring from that that there was some kind of arrangement made that the Committee was going to accept an amendment which was going to be offered either by the gentleman from Iowa or the gentleman from Kansas. But since the gentleman from New York has stated that there was a misunderstanding it is possible that I misunderstood with whom the deal on the amendment had been made.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. No, I will not yield to the gentleman from New York. It was his statement that caused the confusion, so I am going to try to clear up the confusion.

If that is the case, and if there was no agreement made, and if the gentleman from Kansas had not had prior arrangements, and if it were not stated here that there were prior arrangements made for the Committee to accept the amendment, then certainly I apologize to him because I do not want to imply that anybody has done anything that he did not do. In other words this is an "iffy" apology.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word.

Mr. ROONEY. Mr. Chairman, would it be in order to ask unanimous consent

that all debate on this subject close in 5 minutes?

Mr. HOFFMAN. I have a motion for you.

The CHAIRMAN. Does the gentleman from New York submit a request?

Mr. ROONEY. Mr. Chairman, I believe the gentleman from Michigan moved to strike out the last word.

The CHAIRMAN. The gentleman from Michigan has not been recognized and the Chair has recognized the chairman of the committee, the gentleman from New York, if he seeks recognition.

Mr. ROONEY. Mr. Chairman, I ask to be recognized and yield my 5 minutes to the gentleman from Michigan.

The CHAIRMAN. The gentleman from Michigan [Mr. HOFFMAN] is recognized.

Mr. ROONEY. Now I will have to stand for that length of time.

Mr. HOFFMAN. I surely appreciate that.

Mr. ROONEY. Does the gentleman appreciate the fact that he would not have the 5 minutes if I did not stand while he is speaking, as required under the rules of the House?

Mr. HOFFMAN. Either that or a motion I have to strike out the enacting clause would have to be made. So I do thank the gentleman.

Mr. Chairman, there may be some misapprehension of what the gentleman from Ohio [Mr. HAYS] said. My understanding of his statement was that he referred to a Mr. Hoffa and not to HOFFMAN the Member from the Fourth District of Michigan. I ask the gentleman if I am correct on that?

Mr. HAYS of Ohio. Oh, definitely, I would not think of my dear friend, Mr. HOFFMAN, in the same breath or in the same terms as the teamsters' official, Mr. Hoffa.

Mr. HOFFMAN. Now that is a wave of consideration and affection which almost overwhelms me.

Mr. Chairman, it was my purpose to say when I was speaking about New York and the gangsters that the reference was to one of the unions which for years has levied a tribute on everything coming into the port. That is what I was referring to.

Now, Mr. Chairman, with reference to Mr. James Hoffa, Mr. Hoffa will go on trial at the proper time. We all reserve judgment until that decision has been finally reached.

Mr. Chairman, I yield back the balance of my time.

The pro forma amendments were withdrawn.

The Clerk read as follows:

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

> Contributions to international organizations: For expenses, not otherwise provided for, necessary to meet annual obligations of membership in international multilateral organizations, pursuant to treaties, conventions, or specific acts of Congress, $35,899,243.

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. GROSS: On page 6, line 9, strike out the figure "$35,899,243" and insert "$38,859,285."

Mr. ROONEY. Mr. Chairman, will the gentleman yield for a unanimous consent request?

Mr. GROSS. I would rather not yield at this time for you to obtain consent to limit debate. It is possible that somebody else might want to talk for 1 or 2 more minutes.

Mr. Chairman, the committee report shows that this appropriation has been increased $2,039,958 over the present fiscal year. My amendment would cut off the $2,039,958 increase and then apply a $5 million cut.

Let me give you one of the good reasons why I think these various international organizations ought to be cut. If you will turn to page 673 of the hearings, you will find that last year UNESCO held a meeting in New Delhi, India. At that meeting, they decided it was time to increase the United States contribution. So they voted, 27 to 20, with 19 abstentions and 13 absent, to raise our contribution to UNESCO, which is another way of saying that 27 foreign countries voted to increase the taxes of the people of the United States of America. Irrespective of the amount, that is what happened.

Now, let me tell you what countries voted to increase our contribution: Afghanistan, Brazil, Chile, Colombia, Ecuador, Egypt, El Salvador, Ethiopia, France, Guatemala, Haiti, India, Indonesia, Israel, Lebanon, Liberia, Mexico, Monaco, Morocco, Panama, Peru, Spain, Switzerland, Tunisia, Uruguay, Venezuela, Yugoslavia. They all voted to increase our contribution to UNESCO.

Let me give you a little more information with respect to this vote. Ecuador, Egypt, Guatemala, Peru, Israel, and Uruguay are delinquent in their payments to UNESCO. They owe their contribution to UNESCO and they have not paid, but they have the gall to slap higher taxes upon us.

There was a time when you could get at the separate appropriations for the Interparliamentary Union, NATO parliamentary group, and other of these junketing outfits. I went to a usual interparliamentary union meeting in the old Senate Chamber this year and it was interesting to hear a Member of the other body, who made a trip to Bangkok, Siam, last fall get up in that meeting and chide his colleagues for some of the spending that went on, and some of the families that were taken along on that trip. When will Congress cut down on these outfits? When are you going to stop this boondoggling and these junkets? When are you going to stop sending people all over the world at the expense of the taxpayers when the record shows they accomplish nothing?

I understand a lease-purchase building has been approved by the House and Senate Public Works Committees for the United States mission to the United Nations. It is to be constructed in New York next to the Tower of Babel, otherwise known as the United Nations. I do not know whether this United Nations crowd has priority over lease-purchase buildings that are needed in your districts and mine. Anyway, the State Department came to this Appropriations Committee and asked for $200,000 for new furniture and other equipment, when they have not even turned a spade of earth for the building. That is the way some of the "fancy Dans" in the State Department and these various international organizations are operating. But I object, Mr. Chairman, to a bunch of foreigners in New Delhi, India, voting to increase the taxes of the taxpayers of the United States. It is time to begin cutting these people down to size, and I am giving you an opportunity to start.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. GROSS] has expired.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

Mr. GAVIN. Mr. Chairman, I object.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate close in 12 minutes.

The CHAIRMAN. Is there ojection to the request of the gentleman from New York [Mr. ROONEY]?

Mr. WILLIAMS of Mississippi. Mr. Chairman, reserving the right to object, assuming that this amendment should be voted down by the House, would another amendment then be in order?

Mr. ROONEY. It would depend upon what the other amendment was.

Mr. WILLIAMS of Mississippi. Would debate on another amendment be in order under your unanimous consent request?

Mr. ROONEY. Of course there are certain privileges that belong to the Chair in deciding these parliamentary questions.

The CHAIRMAN. The Chair will state that as the Chair understood the unanimous-consent request, it was that all debate on this amendment and amendments thereto close in 12 minutes. That would not preclude debate on another amendment if it should be offered.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GAVIN] is recognized.

Mr. GAVIN. Mr. Chairman, I wish to direct a question to my good and able friend the gentleman from New York [Mr. ROONEY]. I note the recommendations for this particular item: Contributions to international organizations was $33,859,285 for the fiscal year 1957; that the estimate for 1958 is $37,475,552, of which the committee granted $35,899,243.

This represents an increase of $2,039,958 over last year.

May I ask, Mr. Chairman, what is so necessary about these organizations as to recommend this $2 million increase?

Mr. ROONEY. Oh, I guess that the folks down in the State Department and Secretary Dulles just do not seem to be capable of cutting down the amount of our contributions to these international organizations; and the committee had no alternative but to sign the check for the money.

Mr. GAVIN. Evidently the gentleman agrees with Secretary Dulles. That

is a rather unusual position for him to take. The gentleman has differed with him in the past on many issues, and I have heard considerable discussion—I decline to yield—about Mr. Dulles. I am greatly pleased to note that the gentleman is now acquiescing and conciliating with the distinguished Secretary of State to the extent of $2,039,918.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. Not at this time; permit me to secure a little further information. The gentleman has been talking about this justification and the report page 21 states that this International Exhibition at Brussels is being used for these gala theatrical enterprises, presenting such attractions as "Guys and Dolls" and so on.

Mr. ROONEY. That is in another part of the bill.

Mr. GAVIN. But these funds are appropriated for the international program. The two sort of go together, do they not?

Mr. ROONEY. No; there is no connection whatever.

Mr. GAVIN. No connection whatever?

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield.

Mr. BAILEY. They put that extra $2 million in here so they could increase the number of State Department people who are working over in Geneva on the Trade and Tariffs Agreement. That is already approved by Congress.

Mr. GAVIN. Regardless of other sections, I am glad to know that my good friend from New York is conciliating with the State Department and increasing this appropriation over last year. Here is a considerable sum of money, $35 million, and you have an opportunity to reduce it. You who are so economy minded have a chance to be recorded for the folks back home to see. I hope you will respond with the same fine alacrity that you have in the past.

The CHAIRMAN. The gentleman from Massachusetts [Mr. NICHOLSON] is recognized.

Mr. NICHOLSON. Mr. Chairman, I do not know too much about these figures and it is difficult to follow them. In the bill itself I cannot find this item at all. I just asked a few minutes ago what we raised three Congresses back, in 1950, and I found for salaries and expenses it was $78 million. This year they are asking for $112 million, quite a lot more than before, as a matter of fact about $24 million more.

The reason I rise at this time is to state that I am not going to vote for any increases in this budget and every opportunity I get to cut it I am going to do so because I know it can stand cuts.

They are building a new building for the State Department, making it bigger and bigger. For what? Are we going to run the world or are we going to take care of the United States? I do not know how far back it goes but in the 10 years I have been here this item alone has more than doubled. It is about time we take another look. I am not what you would call a real isolationist, but you are gradually getting me there and you will get more and more letters from home if we do not start on this proposition of letting a man in this country save something for a rainy day.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Chairman, before urging that the pending amendment be rejected, I should like to say in regard to the remarks of my distinguished friend, the gentleman from Pennsylvania [Mr. GAVIN], that I think Secretary Dulles is a fine, kindly gentleman. But when I find Secretary Dulles or his assistants in the Department wrong, I feel it is my duty to say so. On the other hand, when I find that they are right I will commend them. I shall continue to follow that policy.

If the House were to adopt the pending amendment, such action would not save the taxpayers of this country 5 cents. There would be no saving, as alleged by the gentleman from Iowa [Mr. GROSS]. While the United States is a member of these organizations we will have to pay our dues. Some think we should not be in the United Nations. There are many who do. But that question should not be resolved here in a few minutes in the consideration of an appropriation bill which merely contains the annual dues.

The requested increase this year is the result of agreements made within these organizations. I know some of them, if not all of them, were opposed by our State Department representatives to these international organizations. In the United Nations there is an increase of approximately $250,000. In the International Civil Aviation Organization, which is of more benefit to the United States than any other nation in the world, there is a requested increase of $414,000. In the World Health Organization $457,000, the Food and Agriculture Organization, International Communications Union, World Meteorological Organization additional increases. When all these items are added together they come to the amount which would be temporarily denied if the pending amendment were to be adopted.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Minnesota.

Mr. JUDD. Is it not true that when the legislative bodies of these respective international organizations or agencies voted to raise their budgets for the present year and thereby raised our dues or contributions, they also raised their own in exactly the same proportion?

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Iowa.

Mr. GROSS. Let me ask the gentleman this question: Since the World Health Organization is one of these organizations, did not a certain Member of the Congress come before your committee seeking to bring the world health convention to this country to the tune of $400,000, with us paying the expense of a lot of delegates over here?

Mr. ROONEY. Yes; that is so. And maybe that is good, I will say to the gentleman. I should first like to hear all the testimony. I like to go into these budgets and listen to all the witnesses and then decide what is the right thing to do.

To get back to this amendment, this is an ineffective attempt at economy, because you are not saving the taxpayers 5 cents. Our dues will continue in the United Nations and in these organizations until such time as the Congress formally decides we should not belong to them.

Mr. GROSS. Did this same gentleman, a Member of the House, not ask your committee to ask the State Department to extend an invitation to the World Health Organization to come over here, using your committee as a vehicle to spend $400,000?

Mr. ROONEY. I took the position and all the members of my committee took the position that we would do nothing about this $400,000 request until it came from the Bureau of the Budget and was formerly presented to us by the State Department. I think that is sound.

But, let us stay with the pending amendment. This amendment would be a slap in the eye to the United States of America in every one of these international organizations. Mr. Chairman, not only does this appropriation apply to the organizations I have already mentioned; it applies to many other organizations. It applies to our membership in organizations such as the Organization of American States, the Inter-American Radio Office, the Pan-American Sanitary Organization; it applies to the International Sugar Council, the International Wheat Council and two parliamentary organizations in which this House itself is interested. If we were to accept the pending amendment, the United States of America would look very bad in each and every one of these organizations.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. GROSS].

The question was taken; and on a division (demanded by Mr. ROONEY) there were—ayes 76, noes 59.

So the amendment was agreed to.

The Clerk read as follows:

Missions to international organizations: For expenses necessary for permanent representation to certain international organizations in which the United States participates pursuant to treaties, conventions, or specific acts of Congress, including expenses authorized by the pertinent acts and conventions providing for such representation; attendance at meetings of societies or associations concerned with the work of the organizations; salaries, expenses, and allowances of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended (22 U. S. C. 801–1158); hire of passenger motor vehicles; printing and binding, without regard to section 11 of the act of March 1, 1919 (44 U. S. C. 111); and purchase of uniforms for guards and chauffeurs; $1,350,000.

PASSAMAQUODDY TIDAL POWER SURVEY

For expenses necessary to carry out the provisions of the act of January 31, 1956 (Public Law 401), including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed $50 per diem for individuals; hire of passenger motor vehicles; and expenses of attendance at meetings concerned with the purpose of this appropriation; $935,000, to remain available until expended.

Mr. DOWDY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DOWDY: On page 11, line 14, strike out line 14 through line 22, both inclusive.

Mr. DOWDY. Mr. Chairman, it is my hope that this amendment will not be one that will create chaos in the State Department or any other department. The truth of the matter is that I feel these bureaus can, within themselves, create all the chaos they need without any assistance from Congress.

This Passamaquoddy tidal power survey is what my amendment would propose to strike from the bill. It is my understanding—and this happened before I came to Congress—that President Franklin D. Roosevelt considered this a pet of his and Congress in those days appropriated and there was spent some $15 million investigating this particular program. Finally even President Roosevelt, who was interested in it, decided that it would not work, that it was a fantasy and a boondoggle. So it was dropped.

There has been some mention of deals made. Last year there was a Democratic Governor elected in Maine for the first time in some time, I am sure. It was intimated that there was a deal between Republicans and Democrats to have another survey made of Passamaquoddy tidal power and about a million dollars was spent last year on that survey. Whether that be true, or not, they are here again attempting to appropriate an additional $935,000, substantially $1 million, for the same purpose. It is purely for a survey to redetermine a matter that has heretofore been decided negatively at a cost of $15 million. There is no indication how long this survey will keep up. I am sure the people that are hired to do it will not be talking themselves out of a job by bringing it to a conclusion. I feel that my amendment should be adopted.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 15 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Chairman, I call to the attention of the Committee page 739 of the hearings on the State Department. It is estimated that the total cost of this project is going to be $2,700,000. An appropriation of approximately $900,000 was made last year, and of that amount of money, by late February something like half, over $400,000, had actually been obligated.

The facts are that if we were to drop this project at this time, very little of that $900,000 that was appropriated last year could be salvaged. An additional $900,000 is carried in this budget. The idea is to determine once and for all whether the tides at Passamaquoddy can be harnessed to provide electric power. Nobody knows. This thing has been debated for many years. A great many qualified engineers believe that a very large amount of public power can be generated at Passamaquoddy. We will not know unless we complete the entire expenditure of approximately $2,700,000. Nine hundred thousand was appropriated last year. An equal amount is carried in this bill. We are well embarked on this survey, and we can justify spending the total amount of the money required for the survey to find out once and for all what the facts are in connection with the harnessing of the tides at Passamaquoddy. Therefore, I trust the amendment will be rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. BOW].

Mr. BOW. Mr. Chairman, I yield my time to the minority leader, Mr. MARTIN.

Mr. HOFFMAN. I object, Mr. Chairman.

Mr. BOW. I reserve my time, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. NEAL].

Mr. NEAL. Mr. Chairman, I am a firm believer that if we are going to cut the budget, if we are going to bring about sensible conduct in governmental affairs, there are only two approaches we have toward restoring Government economy. The first is to reduce the number of personnel employed, and the second is to postpone projects which are of very doubtful value in the end, and thereby save as much as we can. The Passamaquoddy project has been studied over and over and a lot of money has been spent on it. It will not hurt to delay this matter for a few years.

The CHAIRMAN. The Chair recognizes the gentleman from Maine [Mr. COFFIN].

Mr. COFFIN. Mr. Chairman, this is the first time I have ever spoken on this project to this body, but this is a project that from my childhood I have watched and dreamed about together with all the other citizens of our State. This project is not in my district. It is in the district of my good friend, the gentleman from Maine [Mr. MCINTIRE]. But, this is so close to the hearts of all our people, that I must tell you something about it. Sitting with you here today and hearing us discuss the matter of spending some $600,000 for ceremonial expenses and the cost of entertaining people in foreign countries, I have been thinking of our people in that most remote Down East corner of Maine, a part of this country the nearest to Canada where it is, indeed, very hard to make a living and where the people are just waiting for a chance to find out once and for all if there does lie in those tidal waters of the Passamaquoddy a chance for them to make a decent living and to bring up their children to have the kind of life shared by the rest of the country. Now to think of the hopes and dreams of making that determination go sailing out the window at this time is indeed something that is most disheartening. So, if you can only think of the welfare of the people of this country as well as the people across the seas and establish for yourselves a sense of values that will place our own people at least as high up in that scale as the people who will be entertained in the ceremonial parlors of our chancelleries abroad, then I think you will be doing your duty. I pray that you may not cut the cord of this experiment at this time.

The CHAIRMAN. The gentleman from Ohio [Mr. BOW] is recognized.

Mr. BOW. Mr. Chairman, I yield to the gentleman from Maine [Mr. MCINTIRE].

Mr. MCINTIRE. Mr. Chairman, I appreciate the opportunity to oppose this amendment. Let me point out to the Members of the Committee that I am acquainted with the history back of this project. Let me point out to you that this is a survey which is not associated with the concept of the original project. This is a survey of the international approach to this resource. I want to point out to you that this resource has never been surveyed on this basis. The survey of the work which was done was on an American project which was held solely to the American side of the line. This appropriation is for a survey of the resources of the project as an international project. I point out to you that this legislation and the authorization for this survey was very carefully considered by the Committee on Foreign Affairs. The authorization came to the floor of the House in the usual manner. Agreements have been made between the United States and Canada. The staffs are in the field. The commissions associated with the survey are established and functioning. Last year the appropriation of $935,000 was made. The recommendation of the committee this year is to provide an appropriation in the same amount as last year. This is a survey established under agreements reached by a careful review on the part of the Canadian Government and the American Government through the International Joint Commission.

I cannot conceive of the logic behind this amendment. Work has already started. Certainly it is not good business to strike this appropriation. I urge defeat of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, this is the same old project that has been before us for years and years. Way back when the gentleman from Maine [Mr. BREWSTER] was a Member of this House and later when in the Senate, we had this project before the Congress. What they are trying to do is to have the people of the country finance a power project through control of the tides which rise to an exceptional height in a bay or inlet on the main coast. Well, now, every bay along the coast on this side of the continent and on the other side, on the Pacific Ocean, where there is a trap for tidal waters of great height, might well demand the same or similar project.

How many millions or billions of dollars have been wasted on that idea

I cannot recall. But, it is plenty. Here they go again.

If there is any way we can at this time spend more money and get less results, I cannot think of it. Why revive it again and start off on another spending spree at this time when we are calling for a reduction in taxation.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN. Mr. Chairman, we started this last year. This is a continuation of a program. Personally, I think it is poor business to stop a survey once you have started it, because it will simply mean that the question will still be undetermined. Why be so foolish? Let us complete the survey and ascertain whether or not it is worthy.

I yield to the gentleman from Maine, Mr. HALE.

Mr. HALE. I thank the gentleman. I have always been a warm admirer of the gentleman from Michigan [Mr. HOFFMAN], but he could not have made a statement which was more unfair, inaccurate and misleading than the statement he just made. This Passamaquoddy Bay area is unique in the whole world. This money is being spent on a study of a project which everybody admits is feasible from an engineering standpoint. We are trying to learn the costs. The resolution authorizing this expenditure was originally reported from the Committee on Foreign Affairs twice. It passed the Senate in the 83d Congress. It passed the House and Senate in the 84th. We have already spent nearly a million dollars. If you turn down this appropriation, you are throwing away almost a million dollars that has already been spent. If you spend this money, which is less than the amount recommended by the Bureau of the Budget, you are advancing toward some knowledge which will be extremely valuable. I urge the defeat of this ill-considered amendment.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I yield.

Mr. BOLAND. Is it not true that this is the only place in the world where there is a possibility? Is it not true that the thing is engineeringly feasible and what is being done is to find out once and for all whether it will pay off if it is built?

Mr. MARTIN. That is exactly it.

Mr. BOLAND. And is it not true that this is one area where there is no money being spent? I have just sat for the past 4 weeks on public-works projects all around the United States, and this is one area that gets little or no money. I think this is one project that is feasible and has been shown to be feasible. It would be a rank injustice to the Members of the State of Maine to knock out this project at this time.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. ROONEY] to close debate.

Mr. ROONEY. Mr. Chairman, in urging rejection of the pending amendment, I should like to say I cannot approach this subject on the basis that one should be against it because it was the brain child of Franklin D. Roosevelt, or for it because President Eisenhower now considers this a feasible proposition. When I say "proposition," are we talking about a project? No. We are talking about a survey. This House, this Congress—I mean the last Congress just 1 year ago—appropriated $935,000 as part of a $2.7 million total survey. As the gentleman from Massachusetts, the distinguished minority leader, points out, it just is not good business, having spent $935,000 in the current year, to now turn down another payment on the $2.7 million survey which is to determine whether or not the project is economically sound. Further, our good neighbor, the Dominion of Canada, is concerned with this project. That is the reason it is in this bill, because it is an international project.

The Dominion of Canada contributes to the extent of $300,000 on the cost of this survey. I think that under all the circumstances the House will use just good plain business sense and reject the pending amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was rejected.

Mr. SIKES. Mr. Chairman, I ask unanimous consent that the gentleman from Maine [Mr. COFFIN] may revise and extend the remarks he made in connection with the amendment just adopted.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read as follows:

EDUCATIONAL EXCHANGE

International educational exchange activities: For necessary expenses, not otherwise provided for, to enable the Department of State to carry out international educational exchange activities, as authorized by the United States Information and Educational Exchange Act of 1948 (22 U. S. C. 1431–1479), and the act of August 9, 1939 (22 U. S. C. 501), and to administer the programs authorized by section 32 (b) (2) of the Surplus Property Act of 1944, as amended (50 U. S. C. App. 1641 (b)), the act of August 24, 1949 (20 U. S. C. 222–224), and the act of September 29, 1950 (20 U. S. C. 225), including salaries, expenses, and allowances of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended (22 U. S. C. 801–1158); expenses of attendance at meetings concerned with activities provided for under this appropriation; hire of passenger motor vehicles; entertainment within the United States (not to exceed $1,000); services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); and advance of funds notwithstanding section 3648 of the Revised Statutes as amended; $17,575,000, of which not less than $6,750,000 shall be used to purchase foreign currencies or credits owed to or owned by the Treasury of the United States: *Provided*, That not to exceed $1,275,000 may be used for administrative expenses during the current fiscal year.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am sorry that the Appropriations Committee has recommended such a drastic cut in the request for the international educational exchange program of the State Department.

At a time when there is so much misunderstanding regarding America in many parts of the world, and the Communists working day and night and by every device to create misunderstanding, I believe that money for exchange of persons is a sound investment. We should be doing more, not less.

Students, teachers, and influential leaders from other lands are brought to America to learn and observe our way of life. They return home, better citizens of their own countries. They tell others in their countries about the true picture of America. They are believed in their own countries as Americans themselves may not be. They use what they have learned here to help their countries.

We also send out carefully selected American teachers, professors, and specialists to these other countries to study their cultures—to teach their young people—and to work with their leaders on projects of mutual interest.

This two-way flow of culture and understanding is making a contribution to the defense of the United States. It is our best long-range defense against creeping, but deadly, communism. It is one of the best things we are doing in the international field. It is a mistake to have this request for the exchange program cut so deeply.

Now, Mr. Chairman, earlier we heard the mention of a tennis player who is presently working in Haiti under the exchange of persons program.

Many are not intimately familiar with how the exchange program works. They read in the press that the State Department has sent a tennis player overseas. Naturally, they may have honest questions about the use of taxpayers' funds for that purpose. Some may even suspect that this is just a method of getting a free tennis coach for the Embassy staff.

Now, I happen to think the exchange program is a necessary program. It must be made a good program. So I decided to check the facts. This is what I found.

Albert Ritzenberg, a tennis coach, is in Haiti on a State Department exchange grant, working hard for his country. We are paying part of his expenses and the Haitians are paying part of his expenses. His primary function is to encourage and help the Haitians develop playgrounds and recreation facilities for their youth.

Tennis is a popular sport in Haiti. The Haitians wanted a topflight coach in tennis. They wanted to get their recreational facilities better organized for the thousands of children who can not go to school for lack of educational institutions.

They were willing to pay as much as possible, and asked our Embassy for help to get a man who could work with their youth and coach tennis.

The State Department invited Albert Ritzenberg. He is a professional tennis coach but he has other qualifications. For example, he received his Master of Arts degree in sociology from George Washington University. He served as a recreation officer in the United States Air Force in the Pacific during the Second World War and later at Wheelus Air Force Base in Libya. He coached tennis at Georgetown University.

His assignment in Haiti has been highly successful. He is working with the most influential people in Haiti as well as helping the Haitians of the future—the youth.

He has conducted daily classes and clinics in tennis. His work with the youth has resulted in a request, by the Government down there, that he plan a new playground system for the children of Haiti. He is trying to get the donation of additional recreational equipment from his broad acquaintances in the States.

Ritzenberg's project has resulted in the organization of the Haitian Lawn Tennis Association. He has helped organize a Davis Cup Club.

But more important, I think, is the fact that he has sponsored a Junior Davis Cup Club.

The local newspapers have praised the work of this great American athlete and youth specialist. One paper devoted a full page to his project.

The people of Haiti have not asked for a handout. They are paying $200 a month toward his expenses.

Coach Ritzenberg is making a major contribution to Haiti, at their request. He is also creating better friendship and international ties between Haiti and our country, to our credit.

The awarding of this specialist grant to Albert Ritzenberg may not materially alter the history of the world, but it has contributed to the well-being of Haiti and it will contribute to the type of international understanding which is indispensable to the Western World in our fight against communism.

The primary target of communism is the restless youth of underdeveloped areas. If American sports figures can stop this menace we need more, not less, Albert Ritzenbergs.

Mr. TRIMBLE. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I have no quarrel with the subcommittee or the full committee on the cut in this appropriation for international educational exchange. They heard the testimony and were able to evaluate it. I do want, however, to say here that I think that among all the programs of the State Department which contribute to the great reservoir of good will which we are endeavoring to build throughout the world through our expenditures and high taxes, this is one of the best.

I had an experience at home this last fall in one of the great rural counties of my district which I want to relate. Two girls from India, lovely young ladies, came into that county on this student-exchange program. They came in their native dress, and they came into the community and stayed in homes in that community and visited the high schools. It was my good fortune to be in the county and at the high school while those children were there. I want to say that those two young ladies, even though their dress was completely different from that of the children in that county and community, even though their language was different, they endeared themselves to the people of that county, and they have done more to get across the spirit of America and her feeling for the peoples throughout the world than anything that has happened since I have been connected with that county or community, and I just wanted to testify to that effect from my personal experience.

I have not made any of these trips overseas, but if two children from faraway India can come here to our country and win the hearts of our people by their good sense and their winsomeness, surely we can afford to spend the money which this program requires. Let us send our young people to other countries, and welcome their young people over here.

Mr. HAYS of Arkansas. Mr. Chairman, will the gentleman yield?

Mr. TRIMBLE. I yield.

Mr. HAYS of Arkansas. I have listened with great interest to the splendid statement of my colleague from Arkansas. I agree with him that the exchange program is a great asset to our country and to the cause of freedom. The agency is bringing to the United States many people of influence in other lands and as a result of information acquired here will be able to interpret our institutions and our purposes in the world.

One of the cities of my district recently had a young teacher from India on exchange and she returned to her home singing the praises of this Nation. Both countries were served, for she made many friends here who, as a result of her visit, have a better understanding of India. I trust that the House will make no further cuts in funds to operate this valuable service.

Mr. ROONEY. Mr. Chairman, I move to strike out the last word.

First, I would like to inform the membership with regard to the amendment offered by the gentleman from Iowa [Mr. GROSS], which was adopted a while ago, that the Committee plans to give every Member of the House a chance to record himself on that amendment.

Secondly, in regard to this International Educational Exchange program, I am for such a program. I have voted for it many times. I have on previous occasions been criticized for not appropriating enough money, but this year we have given the State Department for International Educational Exchange Activities an amount which together with the $3,575,000 in foreign currencies under Public Law 480, disposition of surplus agricultural products, comes to exactly the same amount as they had requested for the current fiscal year.

I suggest that this Office of International Educational Exchange Activities sort of tighten up, and not let things happen, such as in the case of Allie Ritzenberg, the tennis pro; $6,800 of the taxpayers' money was used to send him to Port-au-Prince, Haiti, to teach tennis for 6 months. The money used came out of International Educational Exchange Activities.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Minnesota.

Mr. JUDD. I wish I had finished what I started to say a while ago instead of extending my remarks in the RECORD because in them I included information on the Ritzenberg case. I asked the Department for the details, and they will be in the RECORD tomorrow morning. It ought to be said he is not down there only or primarily to teach people to play tennis. He was sent down at the request of Haiti because they did not have schools enough for their children and they are interested in getting more playgrounds and recreational activities.

Mr. ROONEY. Mr. Chairman, this should be quite interesting. Evidently the gentleman has the last self-serving script written by the State Department, but we have some information over here which we shall insert in the RECORD. I have in my hand a dispatch in the State Department dated August 13, 1956, subject: Educational Exchange—Tennis Coach, reading as follows:

EDUCATIONAL EXCHANGE—TENNIS COACH

In the Educational Exchange estimated budget fiscal year 1958, referenced above, a project was outlined for the establishment in Port-au-Prince of an American tennis coach for a 1- or 2-year period.

It was pointed out that such a coach could be of great value to the overall United States objectives in Haiti since he would be in intimate, day-to-day contact with the most important and influential members of the opinion-molding class here.

Tennis is an extremely popular sport in Haiti in the upper economic levels although there has never been any experienced person available to teach the fundamentals. We have received repeated requests from prominent Haitians for a coach. As outlined in our budget estimate, the Haitians themselves are willing to meet part of his expenses. We have recently been informed by a group representing several tennis clubs in Port-au-Prince that they are prepared to guarantee a sum of $250 per month for the services of a competent coach.

We should appreciate the Department's suggestions in this matter. Someone such as a retired coach of a university tennis team would be ideal for this project. Although the project is still in a highly amorphous state, we would appreciate the Department's reaction and comment.

Then, thereupon the exchange program spent $6,800. Where did he teach? The Belevue Turgeau Port-au-Prince Tennis Club and the Petionville Country Club.

He was not anywhere around the iron market where the poor Haitians are. He was up in the hills, at the country club.

Mr. JUDD. I wish I had my earlier statement here because in what the gentleman calls the latest script, I had all the facts as to this man's work.

Mr. ROONEY. Does the gentleman dispute anything I have said here on the floor today in regard to this matter?

Mr. JUDD. But what he has said does not in the least disprove my contention that the primary purpose of sending him is to help them in a field where they have expressed a need. Their primary concern is to create interest in building up such things as playgrounds where youth can be given an opportunity to become good citizens instead of becoming delinquents. Nothing attracts youth more than athletic heroes. The newspapers there have given the project favorable attention. One newspaper used a whole page to commend the United States for its help in this field. The No. 1 target of

the Communists around the world is the mind of restless, unemployed, frustrated youth. And to get them interested and engaged in athletic competition is just as healthy in Haiti or Puerto Rico or anywhere else as it is in the United States.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Chairman, this gets more interesting as we go along. I want to read another paragraph of this dispatch:

Tennis is an extremely popular sport in Haiti in the upper economic levels, although there has never been any experienced person available to teach the fundamentals. We have received repeated requests from competent Haitians for a coach. As outlined in our budget estimate, the Haitians themselves are willing to meet part of his expenses. We have recently been informed by a group representing several tennis clubs in Port-au-Prince that they are prepared to guarantee a sum of $250 a month for the services of a competent coach.

Now, not only did Allie get compensation at the rate of $600 a month out of the American taxpayers' money under the exchange program, a total of $3,600 for 6 months, but he got $14 a day in addition to that, or a total of $2,520 in per diem. His travel was $245; his excess baggage was $56; books and equipment, $150; internal travel in Haiti, $200; and miscellaneous, $40. In addition, he is receiving $250 a month from a group in Haiti representing several tennis clubs.

It also turns out that although this request was made in the field for a coach for next year, in the 1958 budget they found that they had $6,800 in the international exchange program that might have been used to bring 2 or 3 of the children that the distinguished gentleman from Arkansas [Mr. TRIMBLE] spoke of awhile ago, to this country. So they used that to teach the country club set in Port-au-Prince how to play tennis. Here are some details:

UNITED STATES SPECIALIST—ALBERT RITZENBERG (TENNIS COACH)

Grant No. 362-7, dated November 2, 1956. One hundred and eighty days' duration (6 months), began November 12, 1956; terminates May 11, 1957.

Cost of grant

Compensation ($600 per month)	$3,600
Per diem ($14 rate for Port-au-Prince)	2,520
International travel	245
Excess baggage	56
Books and equipment	150
Internal travel in Haiti	200
Miscellaneous	40
Total	$6,811

In addition Mr. Ritzenberg is receiving $250 per month from a group in Haiti representing several tennis clubs.

See despatch 47 dated August 13, 1956, from American Embassy, Port-au-Prince, requesting an American tennis coach.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I hope that the gentleman from Minnesota [Mr. JUDD], will be on the floor tomorrow if this debate continues, because I am going to ask someone then about this character by the name of Tom Two Arrows, who is mentioned in the committee hearings. I cannot find out what he has been doing, or how much has been spent on him.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. ROONEY. Please do not make a mystery of this. The gentleman knows who Tom Two Arrows is.

Mr. GROSS. No; I do not.

Mr. ROONEY. Why, we have discussed Tom Two Arrows previously on this floor. He is the Indian-lore teacher and lecturer. He is quite a man with the bow and arrow. Last year and the year before we were asked to include, in this cultural program of President Eisenhower's, money for Tom Two Arrows. This year I found the name of Thomas Dorsey on the program. Knowing that Tommy Dorsey, the orchestra leader, died some 8 or 9 months ago, I felt that surely they did not mean him. Now, who do you think Thomas Dorsey was? Tom Two Arrows.

Mr. GROSS. I want to say to the gentleman that he seemed to be confused about this in the committee; and I am still not completely enlightened.

Mr. ROONEY. No. I am very seldom confused, I will say to the gentleman.

Mr. GROSS. Well, I read the hearings, and I saw Tom Two Arrows' name and then Tom Two Arrows, alias Thomas Dorsey, and I would like to know something about Tom Two Arrows, how much he was paid and what he did and so on and so forth. Perhaps the gentleman from Minnesota [Mr. JUDD] could enlighten us, since he claimed to have all the information on the tennis player.

Mr. ROONEY. I thought the gentleman had read all the hearings. He will find all this in the hearings.

Mr. DOWDY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DOWDY: Page 13, beginning in line 2, strike out "of which not less than $6,750,000 shall be used to purchase foreign currencies or credits owed to or owned by the Treasury of the United States" and insert in lieu thereof the following: "of which such portion, not less than $3,575,000, as may be equal to the dollar equivalent of any foreign currencies or credits acquired under the provisions of Public Law 480, 83d Congress, and used to carry out activities or programs under this paragraph shall be used to purchase such currencies or credits and not less than $6,750,000 shall be used to purchase other foreign currencies or credits owed to or owned by the Treasury of the United States."

Mr. ROONEY. Mr. Chairman, I make a point of order against this amendment and reserve it at this time.

Mr. DOWDY. Mr. Chairman, it is likely that a member of the Committee on Agriculture should be presenting this matter rather than I. However, I discovered it too late to talk to any of the members about it so I thought it might be well to have it called to the Committee's attention. I hope I can make clear what I refer to in this amendment.

Mr. Chairman, you will note that of the amount to be spent for this educational exchange—and I always thought it was a pretty good program; it is a matter of principle that I am offering this amendment. However, it seems that there may be some question about it from some of the things I have heard here today. Perhaps it is not all good. But that is beside the point.

You will note that the bill provides that of the money appropriated not less than $6¾ million shall be used to purchase foreign currencies and credits owed to or owned by the Treasury of the United States.

I find in reading the budget and also in some of the hearings and the committee's report on this bill that in addition to the foreign exchange and foreign currencies they are having to reimburse by appropriations, there is a further amount of $3,575,000 which comes under Public Law 480 of the 83d Congress, with reference to the disposal of some of our surplus agricultural products. That was title I of the Agricultural Trade and Development Assistance Act of 1954 which authorized the sale up to $3 billion of surplus agricultural commodities to friendly nations for their currencies.

The Commodity Credit Corporation finances the cost for these, and most of the currencies that are obtained from the sale of the products are used without charging it to appropriations; in other words, just turning it over to the State Department or somebody else and they spend it actually without much accounting for it. A small amount of it is charged to appropriations. The proceeds of such sales go to the Commodity Credit Corporation, what little is sold.

I feel that when we are using this money for other purposes then it should be charged to appropriations and the Commodity Credit Corporation given credit for it, because they will be coming in charging these as costs of farm program while using money which is charged against the farm program for other purposes. I think these other purposes should reimburse the Commodity Credit Corporation for the money that they use for other purposes. Public Law 547, passed in 1952, provided that foreign credits owed to or owned by the United States Treasury will not be available for expenditures by agencies of the United States after June 30, 1953, except as may be provided for annually in appropriation acts and provisions for the utilization of such credits for purposes authorized by law are thereby authorized to be included in general appropriation acts. That law was passed, and then when this Public Law 480 came along it repealed Public Law 547 as to parts of the sales of agriculture products. The only purpose of my amendment is to bring all of it under the provision of this Public Law 547 of 1952.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. DOWDY. I yield to the gentleman from Ohio.

Mr. BOW. As a matter of clarification, to see whether I understand what the gentleman's amendment would do or what he intends by the amendment, does the gentleman submit to the Committee the fact that the 480 funds are not subject to appropriation?

Mr. DOWDY. Apparently not. The report and the budget show that they expect to expend $3,575,000 of 480 funds in connection with this without any reimbursement.

Mr. BOW. Reimbursement, the gentleman means, to the agricultural fund? Is that the point the gentleman is making?

Mr. DOWDY. That is correct.

Mr. BOW. But the 480 funds are subject to appropriation and cannot be spent without appropriation.

Mr. DOWDY. They are not subject to appropriations so that the particular department will be bearing the cost.

I hope I have made plain my contention, and the purpose of my amendment. It should be adopted. I will have a similar amendment for the same purpose in the appropriation for the propaganda agent, the United States Information Agency.

Mr. ROONEY. Mr. Chairman, I withdraw the point of order, and rise in opposition to the amendment.

Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Chairman, if the pending amendment were to be adopted, the result should be very apparent. It would not in the least cure the situation the gentleman from Texas talks about. It would deny $3,575,000 in funds for the educational exchange program. If he has fault to find with regard to the provisions of Public Law 480, I think you will agree that the legislative committee is the proper place to bring up a proposal such as this.

Adoption of this would really gut the program. This is the danger of amendments offered here on the floor of the House without consultation with the committees and the department to find out what happens if such an amendment were adopted. This is such an instance. This amendment would gut this program and reduce it to the tune of $3,575,000. Mr. Chairman, I urge that the pending amendment be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was rejected.

The Clerk read as follows:

RAMA ROAD, NICARAGUA

For an additional amount for necessary expenses for the survey and construction of the Rama Road, Nicaragua, in accordance with the provisions of section 5 of the Federal-Aid Highway Act of 1952 (66 Stat. 160), as supplemented by section 8 of the Federal-Aid Highway Act of 1954 (68 Stat. 74), $1,500,000, to remain available until expended: *Provided*, That transfer of funds may be made from this appropriation to the Department of Commerce for the performance of work for which the appropriation is made.

Mr. MEADER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MEADER: On page 13, line 13, strike out "$1,500,000" and insert "$500,000."

Mr. MEADER. Mr. Chairman, this is an illustration of a foreign project which originated without the approval of Congress and which has grown and grown and grown.

The Rama Road, which has nothing to do with the Inter-American Highway, but extends from the Inter-American Highway about 160 miles to the Escondido River at the port of Rama in Nicaragua, was the result of a private agreement between President Roosevelt and President Somoza of Nicaragua when the latter made a visit here in the early days of the war.

President Roosevelt agreed to give Somosa $2 million out of the President's defense emergency fund. What connection the Rama Road had with the defense of the United States in World War II is a little hard to conceive. Nevertheless, Congress had nothing to do with it and did not even know about it.

Two million dollars was not enough so $4 million was taken out of the President's emergency fund. When that too proved insufficient, then, for the first time, they came to the Congress and twice in authorization acts brought in by the Public Works Committee, we have authorized an additional $4 million or a total of $8 million plus $4 million from the President's emergency fund or a total authorization of $12 million for a project that was originally supposed to have cost $2 million.

On top of that we learn from the hearings on the pending bill, on page 836, that the Nicaraguan Government itself put $4,128,000 into this project.

The amount requested by the administration for fiscal 1958, was $2 million, which would use up all of the funds that have been authorized by the Congress.

The committee saw fit to cut that by $500,000 and the item on the bill is for $1,500,000. I am suggesting we cut $1 million off that and make it only $500,000 this year.

I want to call your attention to a question asked by Mr. MAGNUSON on the subcommittee on page 836 of the hearings:

Mr. MAGNUSON. Will the $12 million complete the job?

Mr. RUBOTTOM. We cannot assure the committee that it will. The survey which is now being undertaken for this last 19 miles has not been finished, and the survey will have to be finished before any estimate can be completed of the cost of the termination of the job. On the basis of very informal estimates now, and taking into account the increased cost of steel and other items that have to go into the highway, there is a very real likelihood that some additional funds will be required in order to terminate it.

Why do we not make them tell us what the whole project is going to cost before we go on year after year adding to a project that has already cost $16 million, and which may cost more, when the original cost was estimated at $2 million and the Congress did not have the slightest thing to do with approving it in the first place.

I think it is high time that we not permit these bureaucrats to go around spending money and committing us and getting us part way into a program and then coming to the Congress to say that to keep an international commitment, we, in the Congress, have to back them up and underwrite the cost no matter what it may be. Let us postpone this expenditure until we know what it is going to cost to bring an end to this road to finish it and then we can act intelligently.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. MEADER. I yield.

Mr. HALEY. Why does not the gentleman just try to cut the entire amount out so that we could then try to arrive at some figure as to what the total cost is going to be? Why leave the half million dollars in the bill?

Mr. MEADER. I leave the half million dollars in because there is probably work in process which we ought not to shut down completely. But, I think before we give any more appropriations or an additional authorization, if we exceed the $12 million already authorized, let us hold back until they get their figures in order so that they can come in here with a reliable estimate of total cost so that we can act intelligently.

Mr. SIKES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would like to point out that this road, the Rama Road, had its inception in an old agreement that the Nicaraguans gave us to build an alternate canal for use in lieu of the Panama Canal through Nicaragua. As the years passed it became apparent that we would not need the alternate route for canal purposes between the Atlantic and the Pacific. It was decided it would be a worthwhile thing, however, to have a highway in the event the Panama Canal was blocked or destroyed during wartime. The Nicaraguans, interested in hemisphere solidarity and development, gave assent. Therefore, President Roosevelt started this project with emergency funds under his control. Since that time, each President, including President Eisenhower, has endorsed the value of the project. We have a commitment with the Nicaraguan Government to finish the project. The project is contributing materially to the development of Nicaragua. The end is in sight. There is not too much more of the road yet to be built. We are not the only ones paying for this project. The Nicaraguans themselves are contributing substantially to the main road, and in addition they are constructing feeder roads that are built entirely from their own resources. This money in the current budget would, except for $500,000, complete the appropriations for which there is authorization. Apparently, some additional money is going to be required, but not a great deal. I can see no useful purpose that can be served by disrupting the project at this

time when it is moving toward completion. Therefore, I trust the Committee will vote down this amendment and that we will complete our commitment to the Nicaraguan Government and people—a very good neighbor—and help them to build this road.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. MEADER].

The question was taken; and on a division (demanded by Mr. MEADER), there were—ayes 57, noes 53.

Mr. ROONEY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ROONEY and Mr. MEADER.

The Committee again divided, and the tellers reported that there were—ayes 67, noes 70.

So the amendment was rejected.

The Clerk read as follows:

TITLE IV—UNITED STATES INFORMATION AGENCY

Salaries and expenses: For expenses necessary to enable the United States Information Agency, as authorized by Reorganization Plan No. 8 of 1953, and the United States Information and Educational Exchange Act, as amended (22 U. S. C. 1431 et seq.), to carry out international information activities, including employment, without regard to the civil-service and classification laws, of (1) persons on a temporary basis (not to exceed $120,000), (2) aliens within the United States, and (3) aliens abroad for service in the United States relating to the translation or narration of colloquial speech in foreign languages (such aliens to be investigated for such employment in accordance with procedures established by the Secretary of State and the Attorney General); travel expenses of aliens employed abroad for service in the United States to and from the United States; salaries, expenses, and allowances of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended (22 U. S. C. 801–1158); expenses of attendance at meetings concerned with activities provided for under this appropriation (not to exceed $6,000); entertainment within the United States not to exceed $500; hire of passenger motor vehicles; insurance on official motor vehicles in foreign countries; purchase of space in publications abroad, without regard to the provisions of law set forth in 44 U. S. C. 322; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); payment of tort claims, in the manner authorized in the first paragraph of section 2672, as amended, of title 28 of the United States Code when such claims arise in foreign countries; advance of funds notwithstanding section 3648 of the Revised Statutes, as amended; dues for library membership in organizations which issue publications to members only, or to members at a price lower than to others; employment of aliens, by contract, for service abroad; purchase of ice and drinking water abroad; payment of excise taxes on negotiable instruments abroad; cost of transporting to and from a place of storage and the cost of storing the furniture and household and personal effects of an employee of the Foreign Service who is assigned to a post at which he is unable to use his furniture and effects, under such regulations as the Director may prescribe; actual expenses of preparing and transporting to their former homes the remains of persons, not United States Government employees, who may die away from their homes while participating in activities authorized under this appropriation; radio activities and acquisition and production of motion pictures and visual materials and purchase or rental of technical equipment and facilities therefor, narration, script-writing, translation, and engineering services, by contract or otherwise; maintenance, improvement, and repair of properties used for information activities in foreign countries; fuel and utilities for Government-owned or leased property abroad; rental or lease for periods not exceeding 5 years of offices, buildings, grounds, and living quarters for officers and employees engaged in informational activities abroad; travel expenses for employees attending official international conferences, without regard to the standardized Government travel regulations and to the rates of per diem allowances in lieu of subsistence expenses under the Travel Expense Act of 1949, but at rates not in excess of comparable allowances approved for such conferences by the Secretary of State; and purchase of objects for presentation to foreign governments, schools, or organizations; $105 million, of which not less than $9 million shall be used to purchase foreign currencies or credits owed to or owned by the Treasury of the United States: *Provided*, That not to exceed $50,000 may be used for representation abroad: *Provided further*, That this appropriation shall be available for expenses in connection with travel of personnel outside the continental United States, including travel of dependents and transportation of personal effects, household goods, or automobiles of such personnel, when any part of such travel or transportation begins in the current fiscal year pursuant to travel orders issued in that year, notwithstanding the fact that such travel or transportation may not be completed during the current year: *Provided further*, That funds may be exchanged for payment of expenses in connection with the operation of information establishments abroad without regard to the provisions of section 3651 of the Revised Statutes (31 U. S. C. 543): *Provided further*, That passenger motor vehicles used abroad exclusively for the purposes of this appropriation may be exchanged or sold, pursuant to section 201 (c) of the act of June 30, 1949 (40 U. S. C. 481 (c)), and the exchange allowances or proceeds of such sales shall be available for replacement of an equal number of such vehicles and the cost, including the exchange allowance of each such replacement, except buses and station wagons, shall not exceed $1,500: *Provided further*, That, notwithstanding the provisions of section 3679 of the Revised Statutes, as amended (31 U. S. C. 665), the United States Information Agency is authorized in making contracts for the use of international shortwave radio stations and facilities, to agree on behalf of the United States to indemnify the owners and operators of said radio stations and facilities from such funds as may be hereafter appropriated for the purpose against loss or damage on account of injury to persons or property arising from such use of said radio stations and facilities: *Provided further*, That existing appointments and assignments to the Foreign Service Reserve for the purposes of foreign information and educational activities which expire during the current fiscal year may be extended for a period of 1 year in addition to the period of appointment or assignment otherwise authorized.

Mr. SHEEHAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SHEEHAN: On page 32, line 6, after the semicolon, strike out "$105,000,000" and insert "$104,567,000."

Mr. SHEEHAN. Mr. Chairman, earlier in the debate we covered the principle behind this cut. This strikes out $433,000 from the appropriation for the United States Information Agency. The $433,000 is the amount which the United States Information Agency is going to pay or hopes to pay during the fiscal year 1958 to the New York Times to the extent of $255,475 and to the New York Herald Tribune to the extent of $177,584 for subscriptions of which the greatest bulk will be sent to various people throughout Europe to help influence their opinion, as I see it and understand it, on how the American people think.

As was pointed out in debate, I personally feel, and I know a lot of other Members feel, that the New York Times and the New York Herald Tribune with their extreme internationalism and their political philosophy do not represent the real thinking of the people of America. Therefore, if the State Department and the United States Information Agency really desires to convey to the interested people of Europe, Pakistan, India, and other places where these papers are sent, the true feelings of Midwest America, Far West America, the northern part of the United States, and the southern part of the United States, then they will embark upon a program to see to it that not only these internationalistic viewpoint papers are given to the Europeans but a cross section of the other sections of America are distributed abroad.

I am not sure how this can be done. My amendment will strike out this amount of money, not that I object to the main purpose for which the money is being spent, but I am objecting to the way in which the United States Information Agency does it. It would seem to me if the United States Information Agency would come back here at a later time and show the Members of Congress that they are attempting to give to the people of Europe and other sections of the world a real cross section of the ideas, the thinking, and the political philosophy of America, then I do not think I would have any particular objection to the amount because I believe the members of the committee under the gentleman from New York [Mr. ROONEY] and the gentleman from New York [Mr. COUDERT] have done a very fine job on this appropriation bill. But until such time as the State Department can adequately show us that the entire viewpoints of the country are represented I think this amount should be stricken from the bill.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 10 minutes, the last 5 minutes to be reserved for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Chairman, I rise in opposition to the pending amendment. This amount has been cut enough. It should not be cut any more.

On this question of circulating newspapers in Europe, we have heard a lot of talk about how the Chicago Tribune ought to be circulated over there. I would like to put in a word for the Ohio State Journal, the Columbus Dispatch, and the Columbus Citizen, all great dailies in my district. I will back them against any paper in the Nation. The only trouble is that these papers from my home town, and from a lot of other places in the United States, do not publish in Europe, and therefore it would be slow and expensive to circulate them abroad. The Times and the Herald Tribune are published over there, with special European editions, and those who have traveled in Europe know they are published primarily for the benefit of American tourists and businessmen so that they contain the sort of news of the United States that is pretty well planned to fit over there.

While I admit that it is pretty foolish to send all the Members of Parliament a copy of these papers every day—I doubt if they read them—yet I think that the general idea involved, of making sure that these papers get to libraries and places like that where they will be read, and where they will give information on what is going on in the United States day by day is a pretty good idea. It is probably less expensive, and more readable than circulating USIA bulletins.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from New York.

Mr. COUDERT. I would just like to add to what the gentleman has said about other papers. There are excellent newspapers in New York besides the New York Times and the New York Herald Tribune that would be certainly as well qualified to give American views abroad if they were published abroad and equally available.

Mr. VORYS. That may be, and I do not want to yield to all of those who claim that their papers are as good as the ones in my Congressional district.

Mr. SCOTT. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Pennsylvania.

Mr. SCOTT of Pennsylvania. I am not going to praise all the newspapers of my city, but I just want to point out that in some large cities of the world there are no wire services available to our representatives there, and that is why American newspapers published abroad will often take the place in the dissemination of information which would otherwise be provided by wire service.

Mr. VORYS. I do not want to defend in detail the distribution of these papers, but I am certain that this is a good idea, to take something that is already printed up and is in pretty good shape and have it made available to show what is going on in the United States day by day, and get it circulated around without having the USIA label stamped on it. Since Europeans know that these papers are prepared primarily for Americans to read, this takes the propaganda label off the information they obtain.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Is not the Chicago Tribune published in Paris?

Mr. VORYS. I asked our friend from Illinois, and he informed me that it is not at the present time.

Mr. HOFFMAN. At the present time, you mean?

Mr. VORYS. Yes.

Mr. GAVIN. Mr. Chairman, I offer a substitute amendment.

The CHAIRMAN. All debate on this amendment and all amendments thereto has been closed. The gentleman may offer his amendment after the debate is over.

The Chair recognizes the gentleman from New York, Mr. ROONEY.

Mr. ROONEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ROONEY. Is the gentleman from Pennsylvania withdrawing his amendment?

Mr. GAVIN. I am not. I am offering the amendment after the vote is taken on this amendment. I am offering this later at the suggestion of the Chairman.

Mr. ROONEY. Should it not be read at this time? Mr. Chairman, I ask unanimous consent that the amendment now at the Clerk's desk offered by the gentleman from Pennsylvania be read.

The CHAIRMAN. For information?

Mr. ROONEY. Yes.

Mr. GROSS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GROSS. Is the amendment by the gentleman from Pennsylvania in order after this is disposed of?

The CHAIRMAN. Well, the Chair will have to wait to see what is offered. In the first place, he will have to offer something.

Mr. GROSS. If he has not offered it, I object.

Mr. ROONEY. Mr. Chairman, I thought the gentleman had offered the amendment.

Mr. GAVIN. The Chair has ruled otherwise.

Mr. ROONEY. Oh, no; the Chair has not ruled otherwise.

Mr. GAVIN. I withhold the amendment until the vote is taken on this amendment.

Mr. ROONEY. Then, in rising in opposition to the pending amendment offered by the gentleman from Illinois, [Mr. SHEEHAN], I should also address myself to this secret amendment which is about to be offered by the distinguished gentleman from Pennsylvania, my dear friend, Mr. GAVIN. I think that we are getting into a very, very dangerous area with amendments such as these. The committee took into consideration all the facts at the time it arrived at the $105 million of appropriations for the United States Information Agency. I do not believe that this is the way for us to proceed on an appropriation bill.

The committee is unanimous in opposing the pending amendment. If I were so disposed, or that kind of a fellow, I should be the last one to get up here and oppose this amendment because the New York Times did a very nice job on me this morning, entitled "Meat Ax 'Economy,'" when they said that—

The proposed cut is of unreasonable proportions. Even more unreasonable is the absurd but characteristic statement of Representative JOHN J. ROONEY, Democrat, of Brooklyn, unfortunately one of the committee's influential members.

I should be the last fellow in the world to be up here opposing this amendment. But I do not believe in permitting personal differences to interfere with my judgment. I do not think and I have never believed that it should be the function of Congress to take over the executive agencies. I am not going to assume the decision as to whether USIA should send copies of the New York Times to any members of the British House of Lords and the British House of Commons. But the public and the Congress are entitled to know that there is $433,000 in the USIA request for the European editions of 2 newspapers. Everybody is entitled to know what is going on. If the United States Information Agency were intelligently run they would heed the debates that take place up here; they would read the committee's report; and perhaps then they might send only a few copies of these American newspapers to the British Parliament. Then they would save some money.

After a committee cut of $35 million, to proceed further and cut another half a million dollars on the basis of a situation that the committee has known about all along, and has specifically mentioned in its report, does not seem like good judgment to me.

Mr. COUDERT. Mr. Chairman, would the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from New York.

Mr. COUDERT. Mr. Chairman, I merely want to say that I am entirely in accord and on behalf of the minority I am opposed to this amendment. I trust it will be beaten. $105 million is the absolute minimum. I think it should be more, not less.

Mr. ROONEY. The President would surely be against this proposed cut.

Mr. GROSS. Mr. Chairman, would the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from Iowa.

Mr. GROSS. Does the gentleman know whether USIA has ever given any thought to sending free copies of the New York Times and the New York Herald Tribune to the Members of Congress so they can brainwash us?

Mr. ROONEY. For goodness' sake, let us not get into that; they are liable to do it.

Mr. Chairman, I urge the rejection of the pending amendment and now ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. SHEEHAN].

The question was taken; and on a division (demanded by Mr. ROONEY) there were—yeas 56, nays 76.

So the amendment was rejected.

Mr. GAVIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GAVIN: On page 32, line 6, strike out "$105,000,000" and insert "$100,000,000."

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 5 minutes on his amendment.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on the amendment and all amendments thereto close in 5 minutes.

Mr. GAVIN. I do not yield for that purpose.

Mr. ROONEY. I thank the gentleman.

Mr. GAVIN. I might say to the gentleman the feeling is mutual. I hope very much my very good friend, whom I greatly admire, and I really do admire him, will remain on the floor and listen, because he was very much concerned about this last cut, which was around $400,000. This amendment is for a $5 million reduction. If you want to do some reducing, and I doubt it, you have a chance now to show the folks back home you really mean business. Many were very much interested in reducing the Health, Education, and Welfare program. Many amendments were offered and many wanted to be recorded, so you had 14 record votes on amendments and several unrecorded on that appropriation bill. However, not many amendments today.

This proposed amendment, which I offer, concerns—and I quote from the bill—"the radio activities and acquisition and production of motion pictures and visual materials and purchase or rental of technical equipment and facilities therefor, narration, script writing, translation, and engineering services, by contract or otherwise; maintenance, improvement, and repair of properties used for information activities in foreign countries; fuel and utilities for Government-owned or leased property abroad; rental or lease for periods not exceeding 5 years of offices, buildings, grounds, and living quarters for officers and employees engaged in informational activities abroad; travel expenses for employees attending official international conferences, without regard to the Standardized Government Travel Regulations, and to the rates of per diem allowances in lieu of subsistence expenses," and so forth, and so forth.

To show how these activities have grown, I ask my very good friend, the chairman, what does it cost to run this United States Information Agency? In 1955 it cost $73,914,000. Then in 1956 and 1957 apropriations were increased from $73,914,000 to $113 million. Note this Agency is growing by leaps and bounds everywhere. Evidently by expansion programs, greater contribution requests jumped from $113 million to $144 million, but the committee turned in a good job and reduced it to $106,100,000. Let me remind the House that in 1955 the Agency was granted only $73,914,000, so they have been increased $32,186,000 in a couple of years—not a bad increase for a short period of time.

We have been vociferous in our talk about effecting economies. We have been talking about giving relief to the American taxpayers. You want all branches and all departments of our Government at home to effect economies and to cut down on the number of their employees and cut down on the expense of everything that goes on in our own Government. Note the attitude toward the Post Office Department in the recent $47 million deficiency appropriation. Now here is an opportunity to reduce the appropriation and help bring about a tax reduction. Maybe it will cause this agency some difficulty, but, nevertheless, it will cause them to effect a more businesslike approach and efficient operation because they will be a bit restrained and restricted and will not be able to have all the money available that they want to carry on every program and project they might conceive. When I review these programs here that are in the report, there are some they can do without. On this one item alone on page 22 of the report, item B. Twenty-six weeks of evening performances in the National Pavilion Theater, which was cut out, $1,305,000 to produce all the musicals and plays. Maybe one might say that is not relevant to this particular item before us; however, this is part of what I think is an unwise use of the American taxpayers' money. Even if it was rejected it should never have been recommended under such circumstances. I am concerned about the whole program. It is about time this agency got down to doing things in a businesslike, practical, sound, sensible, and efficient manner. It is about time we effect economies and give some relief to the American taxpayers. I present my thinking because you are all now apparently economy minded. You are hearing from the folks back home. What are you going to do about it? How are you going to vote? Certainly you want to be recorded. Here is an opportunity to be recorded that you, too, mean to get results. It will save the taxpayers $5 million at one time.

Mr. PRESTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not really think it is necessary to debate this amendment at any great length. I do not believe that the good judgment of the House will permit the adoption of this amendment. It is interesting to note that in every department or in every area for which we appropriate, there is always one good popular whipping boy. Members frequently blow off steam and use this whipping boy to make speeches in the well of the House. This USI program is a program of that type. The reason it is is because there is not any way in the world to evaluate this program. I do not care how expert you are. I do not think there is a human being in America with all the experience that he may have in TV, radio, and newspapers, magazines, and so on who can really evaluate this program and tell us whether we are getting our money's worth. Unfortunately, it is that type of program. It is a program of trial and error. It is a highly specialized program. Now I do not care who runs it and I think the present director is a very able man—but I do not care who runs this program, he should have the privilege of trying to convince the Congress that we are getting our money's worth out of what we have spent. We are not experts here in the House on this subject. We must have faith in our appointed leaders of Government. There is no reason to believe that the present director does not have the capacity and capabilities to run this program properly. He is entitled to a fair trial. He is already starting out on the fiscal year 1958 with a handicap of $7 million that we have cut off this program. This amendment would seek to take off $5 million more. We are penalizing and punishing him when he has not had a decent chance to prove his worth at running this great and important program that is so important that the President of the United States has emphasized publicly and by letters to Members of the Congress his deep concern about this cut.

Mr. MARTIN. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. MARTIN. I join the gentleman in his opposition to this amendment. I think it would be assuming a terrific responsibility for the Congress to reduce this figure any more than it already has been reduced. This money is for peace. This money is to protect America from an atheistic foe who is striving to spread its ideology all over the world. I cannot believe when the President of the United States has so strongly made known that he thinks this is a great and important sustaining part of his program that this House will reduce the amount of money involved here.

Mr. PRESTON. I thank the gentleman. I do not think the House will either.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. ALBERT. Are not the potential enemies of this country spending this same kind of money on their own kind of propaganda?

Mr. PRESTON. The Russians are spending much larger amounts than has ever been spent by the United States.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. McCORMACK. I join with the gentleman in his opposition to this amendment, and also the gentleman from Massachusetts [Mr. MARTIN]. I think it might be decidedly harmful to the best interest of our country if this amount is further reduced. As a matter of fact, my own personal opinion is that the amount reported here is not sufficient, but I am going along with the committee. I strongly urge the defeat of the present amendment.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. FLOOD. Is it not a fact that the Russians spend more money jamming the American programs than we spent on this program entirely?

Mr. PRESTON. Well, I do not know about that.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. ROONEY. The gentleman knows, does he not, that the statement made by the gentleman from Pennsylvania [Mr. FLOOD] is entirely inaccurate?

Mr. PRESTON. I do not have the figures and so I do not know.

Mr. SCOTT of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. SCOTT of Pennsylvania. Mr. Chairman, I ask unanimous consent to revise and extend my remarks at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SCOTT of Pennsylvania. I agree with the gentleman. I am in opposition to this amendment.

We are all familiar with the tremendous growth of television in the United States.

It may be surprising to know that in some foreign countries, the rate of growth exceeds even that of our country. In 1956, it is estimated that there were 10,051,000 receivers in use in Free World nations. Of course, the potential viewing audience exceeds this many times, particularly in countries where sets are located in public places.

We all know from firsthand experience the impact of TV in telling a story, in depicting the truth about people and places.

I am glad to note that the United States Information Agency has moved quickly to take advantage of TV as a communications medium.

Last year 58 new foreign TV stations went into operation bringing the total of 212 stations in the free world. For the period 1957–58, 203 more stations are planned.

USIA has the advantage of American experience and know-how in the television field. Other countries seriously lack the producers, technicians, and performers necessary to produce good, professional programs. As a result foreign TV stations are anxious to use the programs we can offer. The TV industry's fine cooperation makes possible our being able to send abroad some of the best programs in American television.

Many TV systems abroad start under the direction of the educational authorities, particularly in the Near East and southeast Asia. In these areas TV is particularly adaptable to the cultural development of these areas. There the people hunger for knowledge, yet their facilities will not be able to cope with the demand for years to come. TV is a natural method to reach quickly mass audiences and large student groups.

USIA, in cooperation with other government agencies, stimulates the inception of TV abroad through the educational approach. The United States knows that the more people everywhere know of their neighbors, the wider their knowledge of what we stand for, the closer we will come to a peaceful world.

At present TV programing by USIA is active in 43 countries. I am glad to note that it is the Agency's intention to keep pace with this dramatic new medium for reaching the minds of people everywhere.

It is well to remember that it is what people believe about us which determines their attitude toward us.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. GAVIN. I want to say to the gentleman from New York that the figures I obtained from you, as far as accuracy is concerned, they are what your executive gave to me.

Mr. ROONEY. Does the gentleman refer to the gentleman from New York [Mr. ROONEY]?

Mr. GAVIN. Certainly. I will call you "Mr. ROONEY." When you refer to me, you refer to me as "Mr. GAVIN."

Mr. ROONEY. Did the gentleman ever get any inaccurate figures from me? I have always addressed the gentleman as the distinguished gentleman from Pennsylvania [Mr. GAVIN], as required by the rules.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. PRESTON] has expired.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending amendment. I did not understand what the distinguished gentleman from Pennsylvania [Mr. GAVIN] was saying a moment ago. He had some papers in his hand and he pointed over in this direction. I wonder if he believes that I ever gave him any incorrect information.

Mr. GAVIN. No. You were referring to my statement as being incorrect. I am merely telling the gentleman from New York that I got the figures referred to from your executive secretary.

Mr. ROONEY. If you have any figures that are incorrect, they were not supplied by the committee or anyone connected with it. When the gentleman offers an amendment to cut an appropriation by $5 million, based on what he has had to say in the well of the House in presenting his amendment, he expects us to go quite far. I think that the committee, in the interest of economy, has taken the fat out of the Information Agency to the farthest extent possible at this time. This program is now far more costly than it ever was. Previously we never had requests for such amounts as $135 million and $140 million. We have always gone into the USIA budget. This committee works hard on all of them.

I recall, some 5 or 6 years ago, when this committee, with the support of the House, reduced a request of USIA for $97½ million for radio facilities, to $9,500,000—a 90-percent cut—and the cut was sustained in the other body, and that $9,500,000 became the law with regard to that requested appropriation. Does the House know that there is still in the hands of the Information Agency a good part of that $9½ million which had been reduced from $97½ million?

Mr. Chairman, I yield to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. I am a little disturbed getting down here between these two Irishmen today.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. No.

Mr. Chairman, I think the gentleman from Georgia put it very well when he said that any program such as this must necessarily be a program of trial and error. Errors will occur, there will be here a mistake and there a mistake, but the whole program should not be condemned because of a few mistakes.

Whether we like it or not, and we don't like it, we cannot escape the fact that there is a worldwide struggle between the slave way of life and the free way of life. We know that the struggle affects us because we are getting ready to appropriate billions for the defense of our land.

Why do we do that? Because we must protect ourselves from the possibility of aggression from the Communist forces arrayed against us.

In this struggle we not only must maintain our defenses, but we must take part in a struggle for the minds of men; it is a struggle in which if we are to be ultimately successful we must one day convince enough of the people of this world that ours is the best way of life for everybody, that it is better than the slave way. That is what this program is about; and as far as I am concerned I rise in opposition to the amendment and I hope the amendment is defeated. The committee has already substantially reduced this amount.

Mr. ROONEY. I thank the distinguished gentleman from Indiana. I appreciate what he says and am glad that in this instance I can go along with him. I am glad he feels the way he does with regard to the pending amendment. He is one of those who on the last vote on the amendment offered by the gentleman Illinois was so courageous as to stand up and vote with President Eisenhower.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. I also rise in opposition to the amendment.

I want to express my strong regret at the action of the Appropriations Committee in slashing USIA funds so heavily. To my way of thinking the information program is one of the most vital programs of the Government in these critical times. Take the case of Latin America, about which I know a little more than other foreign areas. A strong information program in that area is vital.

Two basic facts stand out in the relationship of the United States to the 20 neighboring countries of Latin America: First, years of friendly association have tended to make us take them for granted. We forget too easily the multiplying populations, the rampant nationalism and ambition for national improvement.

Second, we are inclined to assume that the Latin American is aware of our good intentions, that he understands the United States, its policies, its actions, and its people. We forget that his actual knowledge of us is limited, and that our special economic position in his territory makes it easy for unscrupulous forces to turn him against us, to make him feel exploited by us.

If we are not farsighted, a familiar pattern can be repeated in this area as in others. Communists, taking advantage of inevitable nationalisms, will create conditions that will multiply the problems of the United States in this area many times, and jeopardize the important economic and strategic interests we have in Latin America.

A case in point was the Guatemalan crisis which suddenly demanded emergency attention. That situation is now

under control but the Communists have only been checkmated. They are still at work in that courageous country, and in almost every other country in Latin America. This is evident in the uprisings; in the never-ending attempts of local stooges to infiltrate and gain control of labor unions, and in the increasing volume of books, magazines, and Communist-controlled newspapers. More and more Latin Americans are being invited behind the Iron Curtain; more and more cultural exchange programs are being carried out with the Soviet bloc. Also, more and more Soviet-bloc countries are soliciting trade with Latin America and showing their wares at Latin American trade expositions.

This is the situation confronting the United States in Latin America today. Fortunately, we are not completely on the defensive there. We can, if we adopt proper measures, take advantage of historic and geographic factors which are in our favor, and also of the very factors which are being exploited today by our enemies.

But a vigorous information program is a primary necessity. Not only do we need to counteract the lies and rumors and half-truths, but we need to convince our neighbors that our interests parallel theirs, that what we believe and stand for is fundamentally the same as their own convictions and aspirations. Essential to this end is a strong and effective information and cultural program.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. If the gentleman can contribute anything.

Mr. GAVIN. Yes; I think this is a contribution. The only thought I want to call to the minds of the Members is that on the health and welfare bill everybody wanted to be recorded. Why not accept this amendment? Then you can be recorded as showing just how you voted, whether you are for economy or otherwise. If you have the courage of your convictions let your vote be recorded.

Mr. ROONEY. In conclusion I remind the Committee that a deep cut has already been made in this appropriation and I urge the rejection of the pending amendment and ask for a vote.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to ask the gentleman from New York if this is not the same agency that put 950 persons on the payroll?

Mr. ROONEY. No; they put on only 508 of the approximately 950. The State Department did that with 446 positions; this agency did it with only 508.

Mr. GROSS. Yes, despite the committee's injunction a year ago that they must not increase personnel. Is that not correct?

Mr. ROONEY. Despite a reduction of $22 million. We took into consideration these matters which were uncovered by the committee and used them in arriving at the figure of $105 million.

Mr. GROSS. Here is an agency, Mr. Chairman, which has expended thousands of dollars to hire reporters to propagandize, to brainwash the people of this country, not some foreign country, but in this country. This is the same organization that paid a sportswriter in New York City on the New York Times $100 to write an article about Casey Stengel for the benefit of the Japanese.

This is the same outfit that has produced a movie. I believe it is the same outfit that has produced a movie in this country, a commercial movie, but I have not been able to discover the name of that movie or what has happened to it. Apparently it was a boxoffice flop, at a cost to the taxpayers of at least $100,000. Perhaps the gentleman would like to enlighten us on that.

The amendment offered by the gentleman from Pennsylvania is very modest. This ought to be cut deeper than the gentleman from Pennsylvania proposes, in view of the hearings and the information that we have before us.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. ROONEY. I would like to close debate on the pending amendment if the gentleman will yield.

Mr. GROSS. Could the gentleman give us a little information about this mysterious movie that was produced and that was such a boxoffice flop?

Mr. ROONEY. There is included in the printed hearings everything in this regard the agency wished to disclose.

Mr. GROSS. I understand that.

Mr. ROONEY. The title of the picture is classified. The agency made it classified information; I cannot tell the gentleman.

Mr. GROSS. That is what we run into in connection with this particular outfit. I hope the amendment offered by the gentleman from Pennsylvania will be adopted.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. JOHANSEN. Mr. Chairman, I would like to direct a question to the chairman of the subcommittee. Did my ears serve me right when I heard him say that the title of the play produced for distribution or showing in the United States was classified information?

Mr. ROONEY. That is correct. The United States Information Agency classified the title of this movie and will not release it to the press. I know the title.

Mr. JOHANSEN. Can the gentleman give any valid reason for the classification of such information?

Mr. ROONEY. That inquiry should be directed to Mr. Larson and the United States Information Agency.

Mr. JOHANSEN. I think, certainly, that the committee should be profoundly interested in knowing the reason.

Mr. ROONEY. I am not the one who classified the title of the movie. The committee did not classify it. Mr. Larson, of the Information Agency, did that.

Mr. JOHANSEN. The gentleman did not say that the committee classified the title. The gentleman said he thought the committee should be profoundly interested in the reasons for doing that.

Mr. ROONEY. I know all about the picture and all about the alleged reasons, I may say to the distinguished gentleman. The Information Agency has made the information classified, and I have respected that classification. It should not be too long before it is declassified.

Mr. JOHANSEN. I am not asking the gentleman to betray any confidences, but I do think the gentleman from California, who is making headlines in the suppression of information to the American people in the executive branch, I think my good friend the gentleman from California [Mr. Moss], would be very much interested in the reasons for classifying the title of this movie.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Chairman, I take this time to call the attention of the chairman of the committee to an article appearing in the Evening Star of Thursday, January 1, 1957, by Mary McGrory titled "New USIA Chief Plans Worldwide Program."

I want to read a couple of paragraphs of that article and then ask the gentleman whether or not in the hearings they were able to determine the philosophy of the new director of this program. I read the following:

> The former Under Secretary of Labor, who was widely advertised during the campaign as living proof that the Republican Party is big enough for intellectuals, does not believe in telling other countries how grand we are.
>
> "Rather," says Mr. Larson, "we should increase their own self-respect, their devotion to their own institutions, their own public and private associations, their religion, their families—everything under the sun that makes them want to stand on their own two feet."

The problem as he sees it is "not to make them love us but to make them love themselves."

Are we spending $105 million to make other countries love themselves when they probably love themselves already?

Mr. ROONEY. I must say in answer to the distinguished gentleman from Michigan that I am not responsible for anything that Mr. Larson says. He happens to be a Republican. He is known as "Mr. Republican," is he not?

Mr. MEADER. I did not know him that way. He wrote a book, I remember.

Mr. ROONEY. Is the gentleman criticizing his book?

Mr. MEADER. I was asking the gentleman whether or not in the hearings Mr. Larson had indicated that he was going to convert this agency into a totally different organization with a completely different purpose than it has had in the past.

Mr. ROONEY. Mr. Larson may have some grandiose ideas, but if you follow

the judgment of this committee, we shall keep any grandiose ideas to a minimum, I assure you.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from New York.

Mr. COUDERT. I call the attention of the members of the committee to the fact that this $100 million is not $100 million comparable to current figures. It is $98 million, because of the $2 million mandatory item for contribution to the retirement fund and extra days' pay for 1958; in other words, $105 million in the bill is really $103 million compared to $113 million in the current year.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. GAVIN].

The question was taken; and on a division (demanded by Mr. GAVIN) there were—ayes 48, noes 81.

So the amendment was rejected.

Mr. DOWDY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. DOWDY: On page 32, beginning in line 6, strike out "of which not less than $9,000,000 shall be used to purchase foreign currencies or credits owed to or owned by the Treasury of the United States" and insert in lieu thereof the following: "of which such portion, not less than $1,350,000 as may be equal to the dollar equivalent of any foreign currencies or credits acquired under the provisions of Public Law 480, 83d Congress, and used to carry out activities or programs under this paragraph shall be used to purchase such currencies or credits and not less than $9,000,000 shall be used to purchase other foreign currencies or credits owed to or owned by the Treasury of the United States."

Mr. DOWDY. Mr. Chairman, this has reference to the same Public Law 480 that I referred to at another time this afternoon, and I will not go into that. I did not get to finish what I wanted to say before, as my 5 minutes ran out.

Now, Public Law 480 has a provision in it which says:

> And any department or agency of the Government using any of such currencies for a purpose for which funds have been appropriated shall reimburse the Commodity Credit Corporation in an amount equivalent to the dollar value of the currencies used.

I find from page 173 of the President's budget request for this year that this United States Information Agency, or whatever the name of it is, has $1,350,000 worth of these Public Law 480 funds in addition to the $105 million provided for in this bill.

The purpose of my amendment is to cause this agency to pay into the Treasury for the foreign currencies and credits they are using and the Commodity Credit Corporation would get the credit for it.

I did notice in the President's budget request in another place in regard to these Public Law 480 funds that the President recommends that a lump-sum appropriation be made to reimburse the Commodity Credit Corporation for its losses which are not made up through these appropriation sales which, of course, would have the effect of charging this information and propaganda agency's expenditures to the farm program of the United States.

That, together with what I said before in connection with another amendment, should explain the purpose of this amendment. I trust it will be adopted by the committee.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending amendment, and I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Chairman, I do not think very much time need be taken with this amendment. It is similar to the amendment which was offered by the distinguished gentleman from Texas awhile ago with regard to the educational exchange activities of the Department of State. It is, again, a question with regard to Public Law 480. If he was amending that law I would be for it. But to accept an amendment such as this on the floor is something I think the Committee of the Whole will not do.

So, Mr. Chairman, I now ask for a vote on the pending amendment which should be rejected, being similar to the one that was rejected by the committee about 20 minutes ago.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. DOWDY) there were—ayes 23, noes 67.

So the amendment was rejected.

Mr. HOFFMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. HOFFMAN: On page 32, line 6, after "$105,000,000", insert "of which not more than $500,000 shall be used to purchase objects for presentation to foreign governments, schools, or organizations."

Mr. HOFFMAN. Mr. Chairman, several amendments have been offered during the afternoon, the purpose of which was to induce the United States Information Agency to give to the people of other countries the views of some of our people who did not live on the eastern seaboard. To date internationalized New York and the Northeast has been brain washing and propagandizing the people of Europe and the Middle East through the New York Times and the Herald Tribune as well as by the other biased views it puts out. The New York Times and the Herald Tribune seem to represent the views of a comparatively small section of the country. On page 32 beginning on line 4 is found this language: "and purchase of objects for presentation to foreign governments, schools, or organizations; $105 million, of which not less than $9 million shall be used to purchase foreign currencies or credits owed to or owned by the Treasury of the United States." That leaves $96 million.

The purpose of the amendment which reads: "of which not more than $500,000 shall be used for the purchase of objects for presentation to foreign governments, schools, or organizations" is to limit the amount which can be spent for New Deal international giveaway propaganda.

Being curious as to the purpose of the language which just precedes the amount named, naturally reference was made to the index of the hearings, and there it was found. On page 4 of the index, identifying this provision of the bill is found the descriptive title, which is "Giveaway Programs." If there is any doubt about what this program is, we have this characterization of it by the committee itself.

The gentleman from New York who is in charge of the bill and presumably an advocate of economy gives us a report which describes this provision or subtitle as "Giveaway Programs." Permit me to congratulate him upon an accurate description.

Then, if reference is made to page 36 of the hearings you will find among other things this:

> PRESENTATION OF AMERICAN PUBLICATIONS TO LOCAL FOREIGN AUTHORITIES
>
> Mr. LARSON. We make use of anything we can possibly use to do our job, whether it is purchasing existing periodicals, or magazines, or papers, or books, or producing them ourselves. Whichever is the most efficient we try to do. We want to do whatever will do the job.
>
> Mr. COUDERT. What do you do with the American magazines and newspapers that you purchase?
>
> Mr. LARSON. We see that they get to the people that will do the most good.
>
> * * * * *
>
> Mr. ROONEY. Will you please insert in the record at this point a statement with regard to the American newspapers and publications used in connection with this French program, listing each one, how many, and how much?
>
> Mr. POSNER. That is American newspapers and magazines?
>
> Mr. ROONEY. That is right.
>
> Mr. POSNER. Used in connection with the French program?
>
> Mr. ROONEY. That is right.
>
> (The matter referred to follows:)

American newspapers and magazines used in the French program, fiscal year 1957

	Number	Cost
For presentation:		
1. Purchased in France:		
New York Times (international edition)	537	$9,642.00
Herald Tribune (international edition)	209	5,065.00
Subtotal	746	14,707.00
2. Supplied by Information Center Service, Washington: Periodicals (see following table)	111	758.55
Total presentations of periodicals and magazines for French program		15,465.55
For information centers (supplied by Information Center Service, Washington): [1]		
Newspapers	28	1,225.61
Magazines	1,094	10,128.14
Subtotal		11,353.75
Grand total, American newspapers and periodicals in French program		26,819.30

[1] All American newspapers and periodicals are supplied to information centers in France by the Information Center Service, Washington.

Over on page 316 you will find this:

The breakdown by categories for the full program is as follows:

Recipients in England of New York Times and Herald Tribune

Category	Herald Tribune	New York Times
Individual members, House of Commons	216	251
Individual members, House of Lords	79	98
Ministries	12	21
Public libraries	253	219
Newspaper editors	334	149
Writers, opinion leaders	196	104
Unions, union officials	32	43
Universities		25
Colleges, schools	28	
Teachers	30	69
Clubs, training centers	14	27
United States and other reading rooms	17	14
Total as of Mar. 15, 1957	1,211	1,020

If that is the way it is to be, it does seem as though the amount which is to be expended, that is, the amount which the information agency is to pay to inform and educate the people of other countries, but only in the giveaway program the amount should be limited to $500,000. In all fairness—and this argument was made before—in all fairness the agency should give those people they are trying to educate a little information about the rest of our country. It is un-American to lead the people of other lands to believe that the views of the New York Times and Herald Tribune are the views of the United States.

That is all I care to say about it. The language of the bill is not confined to publications. You will notice it says "purchase of objects for presentation to foreign government, to schools and to organizations." What objects? What organizations? Some policymaking positions have been wide open to and held by Communists.

Let me conclude with the statement that you can accept the characterization of this bill made by the committee itself when it said it is a giveaway program. And there is little if any reason to doubt the statements of our colleague, Dr. JUDD, of long experience in the East, in China, and of intimate connections with officials of the State Department which oversees this program as quoted in an April 15 editorial of the Chicago Tribune which reads:

THE LAW OF AVERAGES

We have been reading Congressman WALTER JUDD's stirring tribute to the State Department before the Senate Internal Security Subcommittee. An interesting snatch of the colloquy went as follows:

"Chairman EASTLAND. Then you think some of these people that are pro-Communist are still in the State Department, and still in the Pentagon?

"Mr. JUDD. Why, yes. I don't mean pro-Communist in the sense that they are in the party, but they advocate policies that work out to the good of the party. On the law of averages, a mere moron, once in a while, would make a decision that would be favorable to the United States. When policies are advocated by any group which consistently work out to the Communist advantage, that couldn't be happenstance."

What Congressman JUDD seems to be telling us is that the country would be fortunate if the State Department were to be staffed with mere morons. Even if of subnormal intelligence, they might be prompted by some instincts of patriotism, and, by fluke, would occasionally do a stroke of diplomacy to the advantage of the United States.

But, unhappily, we are short of well-intentioned morons in the State Department, which inclines to brighter types, some of questionable loyalty. They never miss in loading things the Soviet way.

Mr. JUDD says they get in their licks chiefly by writing policy papers that the higher-ups study in determining decisions and policy.

"If you allow me to write the papers on which my superiors make their decisions," said the Congressman, "I think I could have a good deal to say about what my superiors will think.

"For example, if the top man comes in and he has the choice between two memoranda on his desk, and both are written by a fellow who is a pro-Communist, the man's freedom of decision is not too wide. He has to decide between two positions, both of which are in various degrees pro-Communist, which means, in my book, inimical to the interests of the United States."

What to do about it? When Senator EASTLAND asked if the State Department couldn't fire these people who always load the dice in favor of the Kremlin, Mr. Judd replied:

"Well, it seems to me they could. It seems they could, if there was the will to be really tough in policing an organization and tightening it up. They could go back to the papers and find out what a man's position consistently has been. Then, if he has been consistently advocating over the years policies which events have proven wrong, he ought to be fired, not as a Communist, but as a fellow who is consistently wrong.

"If I have a doctor who takes care of my father and he dies, who takes care of my mother and she dies, who takes care of my wife, and she dies, and then I get sick, I am going to fire him, not as a Communist, but because he is just not a good enough doctor."

Looking back over the course of American diplomacy in the last quarter century, it is plain to see that the American public has never had the services of a very good doctor. In fact, it is almost cause for self-congratulation that the patient has survived the treatment at all, even if his present condition is not too flourishing.

Our colleague on this occasion "has something" and the United States Information Agency needs a new Director and direction—One who is an American in his views and practices.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendments and all amendments thereto close at the end of 2 minutes, to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Chairman, I do not think we should take too much of our time to discuss the pending amendment. Again this is a matter where, when the committee has spent 2 months on a bill, an amendment is offered which would undo the painstaking work of the committee. Everything mentioned by the distinguished gentleman from Michigan [Mr. HOFFMAN] was taken into consideration by the committee at the time this bill was written. I do not believe the Committee of the Whole or the House will go along on a further limitation such as this.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Does the gentleman not believe that the rest of the country should have its views presented to other people?

Mr. ROONEY. I am one who is thoroughly in favor of everybody's having a chance to present his views. There is no question about that. But this is a question of judgment, the amount of time spent in arriving at the committee figure, which has been a sufficient cut in connection with this agency.

Mr. Chairman, I ask for a vote and the rejection of the pending amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was rejected.

Mr. JUDD. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. Mr. Chairman, I believe unwise the drastic budget cut for the United States Information Agency recommended by the House Appropriations Committee, which will require a cutback of this country's information operations in all areas of the world. The place where we have been losing some ground is the Far East. Do we realize the extent to which Red China has stepped up its own propaganda efforts throughout the Far East? The extent and nature of their activities measured in terms of our efforts are fantastic. Their efforts indicate the importance they attach to the area and their own appraisal of their chances of effectively influencing these people.

Let me give you some facts on the Red Chinese propaganda offensive: 1954 marked the intensification of their efforts in this field for purposes of "peaceful" penetration. The scale of effort continues upward. In 1956, Peiping radio broadcasts added the Lao and Cambodian language service, doubled broadcast hours to Indonesia, and raised total hours for the area from 136 in 1955 to 216 hours in 1956. Book output for Southeast Asia was raised from 10 million copies in 1955 to roughly 24 million copies in 1956. Red China's "people's diplomacy" campaign showed even more striking gains than those in radio and books—delegations from Peiping to Free Asia countries increased from 65 delegations totaling 400 persons in 1955 to 105 delegations totaling 2,000 persons in 1956. Add to this their subsidized trade, their offers of unfettered economic aid, their large expenditures to bring foreign visitors to China, and some measure of the competition we face can be seen.

Under these circumstances, this country should intensify and strengthen—and certainly not relax—its efforts to keep Asians aware of the threat posed to their security by Communist China. If the United States reduces its efforts

in the information field, you can be sure that the Red Chinese propagandists will be quick to follow up and exploit our pull-back. The instability of key countries—Indonesia is a prime example and Singapore is another—causes the area to be particularly vulnerable to Communist propaganda attacks, and makes it all the more important to make the voice of truth more clearly heard throughout the Far East.

Then there is the positive aspect: The Hungarian revolt dramatized the complete failure of the Communist system in a country which had the opportunity to know it first-hand. And all the world could see the brutality with which the Communists shot down the very people whose support they have always claimed—the workers, students, and intellectuals. The Hungarian story is the one great embarrassment for Peiping, on which it has no ready answer for its Asian neighbors. The United States must repeat, and keep on repeating even louder, the true story of the Hungarian tragedy—we cannot afford to let the Communists divert attention from it and sweep it under the rug.

For all these reasons, I believe the budget recommended for the United States Information Agency for the coming year by the House Appropriations Committee is inadequate, and I hope the other Body will see fit to restore a substantial portion of the funds cut from the Agency's request.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on the bill do now close.

Mr. GROSS. I object, Mr. Chairman. I have an amendment to offer.

The Clerk read as follows:

TITLE V—FUNDS APPROPRIATED TO THE PRESIDENT

President's special international program

For expenses necessary to enable the President to carry out the provisions of the International Cultural Exchange and Trade Fair Participation Act of 1956, $10,900,000, of which $5 million shall be available for the Universal and International Exhibition of Brussels, 1958, to remain available until expended: *Provided*, That not to exceed a total of $25,000 may be expended for representation.

Mr. HALEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to ask a question of the gentleman from New York, who I may say has done a magnificent job today in defending this bill. On a few items I might disagree with him, and maybe some should be cut further, but I think the committee has done an excellent job.

I would just like to ask the gentleman a question or two here, if I may. I note in this item you have cut it very substantially and that you have disapproved an item or requested item on page 22 pertaining to the performances in the theater. Does the gentleman think he has reduced this budget enough so that those performances will not be given?

Mr. ROONEY. The committee has examined the justifications and taken testimony that they were going to produce 3 musicals at $60,000 a week at Brussels. The request included 12 weeks of legitimate plays at $45,000 a week. When we inquired, we found that these legitimate plays costing over half a million dollars were going to be presented in English to the foreign audience. Finally, the Director General, Mr. Cullman agreed that it would not be a good idea. In effect, he withdrew the request for the $540,000 to produce the legitimate plays abroad in English, but he said he would like to have the money—he would substitute something else. I think that was the way he put it.

Mr. HALEY. I hope the gentleman will think about some of the American insitutions—there is one I have in mind.

Mr. ROONEY. The Ringling Bros., Barnum & Bailey circus?

Mr. HALEY. Yes, the Ringling Bros., Barnum & Bailey circus.

Mr. ROONEY. I am all for the Ringling Bros., Barnum & Bailey circus.

Mr. HALEY. I thank the gentleman.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. HALEY. I yield.

Mr. VANIK. Mr. Chairman, I want to take this opportunity to express my regret at the action of the Appropriations Committee in striking an appropriation for the 1959 pan-American games which were scheduled to be held in Cleveland, Ohio.

At this time, it is not yet determined whether or not these games will be held. Some efforts are being made to conduct the games with private financing. Prospects are very dim that adequate financing will be provided. There is some talk of the games being held in another American or Latin American city. As a matter of fact, the failure of Congress to provide necessary funds may result in an undefinite postponement of the games. Certainly the future of the pan-American games may be imperiled and jeopardized.

Other nations have found it good government business to encourage their athletes and have, to a considerable degree, subsidized them throughout their period of development If it is good business for other nations of the world which can less afford it, why should it be bad business for America? We are spending billions in establishing what we think is a mutual security defense system. We are spending tremendous sums for our internal defense, but it may be that the dollars we spend to establish the moral and spiritual leadership of this country might in the end bring a greater dollar return in good will than any other investment which we can make.

During the past many months we have given considerable emphasis to providing to the need for military and economic aid to the countries of the Middle East, many of which have been openly hostile to our Nation's best interests. For too many years we have been taking our friendship with the Pan American countries for granted. In the final analysis, and when the chips are down, they may prove to be our only friends. It seems to me that we must try to do more than load nations friendly to us with military equipment and impose upon them various sums of economic aid. We must strive to build good will in other ways, and it is my belief that good will through an international athletic event, such as these Pan American games, may bring many times over the return that is realized from any investment in guns and planes.

In the world of sports there are more areas of accord among the discordant people of the world than there is anywhere else. It is an essential structural part of the moral rearmament with which democracy must make its way in this world. We must make it clear that we are dedicated to human progress—that we are interested in the scientific-moral and athletic achievement of other people on this planet. It is to be desired that the great contests between people in the future will be removed from the battlefield to the Olympic arena. This may be a fond hope, but we must pray that it is not too far distant. There are a great many things that this country does to stimulate international good will and international trade. Of these, are the world trade fairs in which this country has always participated. In this bill there is provision for the trade fair to be held in Belgium in 1959. If we can spend millions to show off our machines, why cannot we spend $4½ million to show off our muscles? It seems to me that one is just as important as another.

The pro forma amendments were withdrawn.

The Clerk read as follows:

TITLE VII—GENERAL PROVISIONS

SEC. 701. No part of any appropriation contained in this act shall be used for publicity or propaganda purposes not heretofore authorized by the Congress.

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 36, line 5, insert "(a)" immediately following "Sec. 701"; and immediately following line 7 on page 36 insert the following:

"(b) No part of any appropriation contained in this act shall be used for payment of any expert or consultant, or of any management engineering corporation, company, firm, or other organization, for the performance of any service relating to management or organization, unless the utilization and payment of experts or consultants and of management engineering corporations, companies, firms, or other organizations, is specifically authorized by law for the performance of such service."

Mr. GROSS. Mr. Chairman, this is the amendment which I offered to the last appropriation bill and it was accepted by the gentleman from Georgia [Mr. PRESTON], and the minority members of the subcommittee.

This is the amendment I propose to offer to every appropriation bill that is brought up hereafter. It simply provides that:

No part of any appropriation contained in this act shall be used for payment of any expert or consultant, or of any management engineering corporation, company, firm, or other organization, for the performance of any service relating to management or organization, unless the utilization and payment of experts or consultants and of management engineering corporations, companies, firms, or other organizations, is specifically authorized by law for the performance of such service.

I should think the chairman of this particular subcommittee and the minority members would be willing to accept this amendment in view of the experience they have had during the past year in which the State Department and USIA put on a number of employees, several hundred, without sanction of the committee. I should think they would welcome this amendment as conforming to their desires that people not be employed unless authorized by law.

Mr. Chairman, I yield back the balance of my time.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, I am sure the Committee of the Whole will not seriously consider the pending amendment under the circumstances disclosed with regard to some of the areas concerned in this appropriation.

My good friend the gentleman from Iowa [Mr. GROSS] is one of the hardest working Members of this House; everyone knows that. The distinguished gentleman from Iowa has been well known for his activities and votes in this House on the subject of economy. He offered this amendment previously to another appropriation bill. There may have been something to that, but this is not the kind of bill where this sort of limitation should preemptorily be adopted. We have already pointed out many instances where better management in the State Department is necessary. If the State Department and USIA proposed to spend a few thousand dollars to get some good advice from some good management people what would be wrong with that?

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from New York.

Mr. COUDERT. I would just like to say, Mr. Chairman, that the minority concurs with the statement just made by the chairman of the subcommittee, and I trust this amendment will be defeated.

Mr. ROONEY. I thank the gentleman and also urge rejection of the pending amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The amendment was rejected.

Mr. FEIGHAN. Mr. Chairman, the American people have been forced into their present situation whereby we are compelled to defend ourselves and help others who are willing to fight for their freedom. The role of defender of human freedom, a choice which we had to make, is costing billions of dollars each year. The cost of our activities in this regard comprises 63 percent of our total budget. The fundamental issue involved is war or peace. The Russian Communists seek world conquest. We want peace—not at any price but peace with justice and freedom for all.

The Communists are engaged in unrelenting warfare against all the people of the free world. Their warfare takes various forms, with emphasis upon propaganda warfare but not omitting armed aggression when the Communists feel that there is a 50–50 chance of winning. The Russians will not desist in this effort until they conquer the world or are themselves destroyed. That is a sad fact of life but nevertheless a fact of life which we must face up to.

It is now almost 10 years since President Truman made the historic decision to defend our freedom and the independence of other freedom-loving nations against the threat of Communist aggression. That decision has had a marked effect upon the history of the whole world. It also officially ended our uneasy alliance with the Russian Communists which was made during the world crisis which marked World War II.

We have pursued this objective for almost 10 years. The American people have made tremendous sacrifices to make possible programs in support of that objective. There are now unmistakable signs that this great effort is beginning to bear fruit. There have been revolutions in the Communist-occupied countries—revolts against the Russian masters who are the overlords of the Communist empire. There are clear signs that intense struggles are taking place within the Soviet Union. The people of the non-Russian nations are demonstrating again their discontent with communism and their contempt for the Russians whom they know as their exploiters.

Together with this it is obvious that there is dissension among the leaders of the Kremlin. They are confused—uncertain, but nevertheless unchanged in their determination to impose communism upon all the nations and people of the world. The Russians are well aware of the tremendous corrosion and human restlessness that is taking place throughout the entire Communist empire. The Russians are well aware that the people they enslave await only the opportunity to throw off their chains and assault their tormentors. To counteract this the Russians have made unfounded promises to give more freedom to the people, more opportunity for individual development, more recognition of the national demands coming up from all the nations within the empire. The men in the Kremlin have even attempted to blame Stalin for all the errors and miseries of life under communism. They have blamed Stalin for the almost endless list of crimes against humanity committed by the Communists during the past 30 or more years. The much publicized "de-Stalinization" campaign being talked about within the Russian empire is nothing more than an effort to find a scapegoat for the complete and dismal failure of communism to provide the decencies of life for the people it enslaves.

The leaders of the Kremlin are aware that unless changes are made, internal revolution is inevitable and each such revolution hastens the day of final collapse of their empire. Their greatest fear is that if they relax the hold of the police state over the people, total revolution of all the people will occur. This, then, is the great dilemma which now confronts the leaders of the Russian Communist conspiracy.

In the face of this compelling evidence, I am firmly convinced this is not the time to give the Communists a breathing spell—this is not the time for us to relax our worldwide campaign of truth.

It is generally recognized that the worldwide struggle between the evil forces of communism and the desire of all people for freedom and democracy is essentially one of ideas and ideals. This struggle involves the dissemination of ideas which reflect the social, economic, and political system of the free world. It also involves full exposure of the cruel realities of communism as contrasted with the rosy ideal painted by the theory of communism. Our campaign has been designed to counteract Communist lies about the American free way of life, the free enterprise system, and government of the people, by the people, and for the people. In summary, it has been recognized that the struggle for the world will be largely won or lost by the judicious and astute utilization of all the medias of mass communication to effectively carry freedom's story to all the people of the world.

Economy in the operation of the Federal Government is long overdue. There is no doubt in my mind that Congress can save the American taxpayers several billion dollars of the funds requested in the budget which the President sent to Congress a short while ago. Every Member of Congress is anxious to bring economy and efficiency into the operation of our Government. The question before us is where we can make substantial cuts and at the same time provide maximum security for our people.

I believe that the type of work which the USIA is by law and Presidential directive chartered to do is one of the essential elements necessary to prevent the conspiracy of communism from taking the breathing spell it so badly needs. The USIA is the agency of our Government which, by law, is charged with the responsibility of exploiting all the developments growing out of the effort of the Polish people to win their freedom and national independence and the all-out effort of the Hungarian people to win their freedom and national independence. If maximum exploitation is given to these two historic events and the confusion and uncertainty which grip the leaders of the Kremlin is also exploited, a powerful blow will have been struck for the cause of peace and freedom.

Again I say, this is not the time to give the enemy a breathing spell—now is the time to press forward our advantage and to reap the rewards which the great sacrifices of the American people over the past 10 years have produced. It is my hope that the USIA will intensify the campaign of truth and bring it to an ever increasing number of people throughout the world.

The Clerk concluded the reading of the bill.

Mr. ROONEY. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 6871), making appropriations for the Departments of State and Justice, the Judiciary, and Related Agencies for the fiscal year 1958, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. ROONEY. Mr. Speaker, I move the previous question on the bill and the amendment thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The question was taken, and the speaker announced that the noes appeared to have it.

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GROSS. Is this the amendment that was adopted in the Committee of the Whole?

The SPEAKER. That is correct.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Under the order of the House made on April 11, further consideration of the bill must go over until tomorrow because there was an agreement that there would not be a rollcall on Monday or Tuesday.

COMMITTEE ON APPROPRIATIONS

Mr. ROONEY. Mr. Speaker, on behalf of the gentleman from Missouri [Mr. CANNON] I ask unanimous consent that the Committee on Appropriations may have until midnight to file a report on House Joint Resolution 310.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

GENERAL LEAVE TO EXTEND REMARKS

Mr. ROONEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on H. R. 6871.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

AMENDING SECOND LIBERTY BOND ACT

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5520) an act to amend the Second Liberty Bond Act to increase the maximum interest rate permitted on United States savings bonds, with Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 1, line 9, strike out "3½" and insert "3.26."

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD on the bill just considered.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, as it passed the House, H. R. 5520 would have increased the maximum permissible investment yield on savings bonds and savings certificates from 3 percent to 3½ percent per year, compounded semiannually. Additionally, the bill would authorize the Secretary of the Treasury, in his discretion, to increase the yield on savings bonds bearing issue dates of February 1, 1957, or thereafter; and would authorize the Secretary, if he deems it a desirable policy to do so, to increase the interest rate on series E savings bonds maturing on February 1, 1957, or thereafter, for the period the bonds are held beyond maturity, up to the new permissible maximum investment yield fixed by the bill. The Senate amendment to H. R. 5520 fixes the maximum permissible investment yield at 3.26 percent per year, compounded semiannually.

As indicated in the Senate report accompanying H. R. 5520, the reduction from 3½ percent per year to 3.26 percent per year was thought necessary by the Senate because of the possibility of an expectation on the part of the public that the rate on yield on savings bonds would, in fact, be raised to 3½ percent, thus tending to reduce sales of the 3¼-percent bonds which the Treasury has announced that it will issue. The Senate report states further that reducing the limit to 3.26 percent expresses the opposition of the Congress to any increase in interest rates not absolutely essential in the interests of economic stability. I urge the House to concur in the Senate amendment.

Mr. REED. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD on the bill just considered.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED. Mr. Speaker, I join my esteemed friend and chairman in his request that the House concur in the Senate amendment to H. R. 5520 relating to the authority of the Secretary of the Treasury to establish a higher interest rate applicable to United States savings bonds.

It will be recalled that the administration had originally requested discretionary authority which would have placed an interest ceiling on Series E and Series H savings bonds at 4¼ percent. At the time of requesting this discretionary authority, the Treasury Department publicly announced the intention of making an actual rate of 3¼ percent applicable to bonds sold on and after February 1, 1957.

The Committee on Ways and Means in acting on legislation to carry out this Treasury request amended the proposal to establish a maximum discretionary rate of 3½ percent. While I supported this legislation when it was under consideration in the House of Representatives, I pointed out the objection to granting insufficient discretionary authority to the Secretary in this area. The essence of my principal objection is that when the margin of discretion is too closely related to the existing rate, the millions of American citizens who patriotically and prudently invest in savings bonds are denied a fair rate of return on their investment as established by the money market.

The Senate Finance Committee in its consideration of H. R. 5520 further restricted this margin of discretion by amending the bill, placing a maximum interest rate ceiling of 3.26 percent. Of course, the argument I offered against a 3½ percent rate can be even more forcefully applied to a 3.26 percent rate.

However, in the interest of dealing expeditiously with the immediate problem, namely, increasing the present rate to 3¼ percent, I have urged my colleagues in the House to act favorably on a motion to concur in the Senate amendment. This will enable the Department of the Treasury to deal effectively with the present situation and give our citizens a fair current rate of return on their savings-bond investments.

THE MISSING PERSONS ACT, AS AMENDED

Mr. TRIMBLE, from the Committee on Rules, reported the following privileged resolution (H. Res. 237), Report No. 354, which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5807) to amend further and make permanent the Missing Persons Act, as amended. After general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

NEW SCHOOL FINANCE BILL

Mr. DAWSON of Utah. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DAWSON of Utah. Mr. Speaker, since my return to Washington, I have given a good deal of study to the various proposals to help our States meet the tremendous task of housing our growing school population. I agree thoroughly with the President and others that we should grant emergency Federal aid to assist the States to meet this need. I also agree that the Federal aid should be temporary; that when the emergency is met the Federal Government should stop contributing to the support of local school systems. The alternative would be to promote an increasing dependence by our States and local school districts upon Federal financing. And there is no Member of Congress, I believe, who will not admit that this road leads to Federal control.

We must avoid this route at all costs. The question is how.

Before we can answer this question, we must determine what has caused the crisis in our schools in the first place. Why is it necessary for our schools to look to Washington for financial aid after all these years of meeting building and operating expenditures with local tax resources?

The cause is apparent. The Federal Government's tax burden is so great that our State legislatures find there are no tax resources left for State and local districts to tap. As long as this situation exists, we will have continued pressure for Federal aid. And it will be an irresistible pressure because the alternative will be to require the States to lower their education standards. Even if the people recognize that what they ask will eventually mean a loss of control over their school system, they will take that risk in preference to lowering educational opportunities for their children. I submit, Mr. Speaker, the people of the Nation should not have to choose between two alternatives as unsatisfactory as these two are.

Yet all of the legislative proposals I have seen to date require this choice. Each of them has a termination date, it is true. But the growing financial needs of an expanding public-school program cannot be terminated simply by passing a law. The withdrawal of Federal aid in 4 years or 5 will leave a budgetary gap in education programs of all of our States. And no means will be provided by any of the pending school aid bills to enable the States to make up this deficiency from local and State sources.

Mr. Speaker, I predict that unless we make it possible for the States and local school districts to meet their own needs when the expiration date of Federal aid arrives, Congress will extend the program. New legislation will be enacted and with as much justification as the legislative proposals we are considering in this Congress. The new schools that will be built with Federal funds will need new teachers to staff them, new desks to equip them, new maintenance expenditures to protect and operate them. How will these additional expenses be met from present tax resources of our States? What would the discontinuance of Federal aid mean to our schools at a time when all other costs are rising?

We all know the answer. Under such conditions, Federal aid cannot be discontinued. In all likelihood, it will be expanded. Along with that expansion will come Federal control. There is no alternative.

What is the duty of a member of the House Appropriations Committee or any Member of Congress who receives evidence that a local school board is misappropriating Federal funds or even just expending them unwisely? It is his duty to have this matter investigated. Duly elected board of education members would be called to Washington and questioned. An abuse of the program by one school district will result in a regulation to prevent similar abuses from recurring. Regulations carry with them the right to enforce them. Enforcement requires investigations. The Federal Government would have the right, perhaps the duty, to examine the spending policies and budgets of every school district in the Nation.

There is no way that we can grant Federal aid to education without attaching strings to it. Even the emergency legislation proposed by the President carries with it a measure of control. A perfectly germane amendment to his proposal would be to make any school board official liable for Federal prosecution if found guilty of using Federal school construction funds to build a house for the superintendent or himself. Certainly no one should object to such a reasonable provision. But it is Federal control. It is enforceable by the Federal Bureau of Investigation.

Mr. Speaker, if this Congress is going to approve legislation giving emergency Federal aid for school construction, it should also provide some method by which the States could again assume their school costs when the Federal grants end.

Today I have introduced legislation to accomplish this goal. In essence, the legislation is a Federal tax reduction for general education purposes.

Briefly, the legislation I have introduced would grant a Federal income and corporation tax credit to individuals and corporations in States which will levy a one-half of 1 percent tax on taxable income for general education purposes. The tax credit—deductible from the amount of Federal taxes paid—would equal in all cases the amount the individual or business pays under the States' new levy. The legislation is not mandatory. It is permissive only.

But, of course, it would be an inducement to States to increase their taxes for school purposes—unlike a simple percentage return of Federal funds, which offers no encouragement to the States to put forth a greater effort on their own behalf.

My proposal is in keeping with the President's theory that any Federal program should stimulate greater State and local effort for support of schools.

The proposal has other advantages. It makes additional funds available for schools, but increases no one's taxes. What is paid to the State is deducted from taxes due the Federal Government.

It will not hurt the Government's budgetary system. Even if all States adopt the new tax, thereby qualifying their residents for a Federal tax credit, the overall loss to the Federal Government will approximate the annual appropriation provided for under Federal aid bills now under consideration. It requires no new bureau in the Office of Education. The only Federal expenditure would be an additional line on Federal income tax returns upon which the tax credit is entered and claimed.

There is another tremendous advantage to my legislative proposal. It allies the dedicated groups who recognize our school needs with those who would decrease the size of the Federal Government and decrease its revenue, rather than with those who favor a continued growth in Federal spending and taxing power.

Mr. Speaker, nearly every economic investigation of the relationships of government have stressed the need for returning some taxing power to our local governments and States in order that they could meet their own needs. This would be a long step in that direction and it would return to the States the ability to finance and improve their own school systems.

I earnestly commend its provisions to all who want to help our schools but not at the cost of local control over our school system.

PLIGHT OF THE BICYCLE INDUSTRY

Mr. McVEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. McVEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to call the attention of my colleagues to the serious position in which the domestic bicycle industry finds itself as a result of the increased flow of low-priced foreign bicycles into the United States. The tariff increase proclaimed by the President in 1955 has not provided adequate relief, and the American bicycle industry has felt it necessary to apply to the United States Tariff Commission for the imposition of an import quota.

Bicycle imports soared from 3.4 percent of total United States consumption in 1950 to 38.4 percent in 1954, when the serious injury to the industry was recognized by the Tariff Commission. The rise later reached 40.1 percent in 1956. In a recent report, the Bicycle Manufacturers Association lists the significant factors operating against the industry's recovery from the damage inflicted by these imports as follows:

SHIFT IN CHARACTER OF IMPORTS

The shift in the character of imports from lightweights to other type bikes, noted by the Tariff Commission in 1955, has been substantially accelerated. The latter takes the highest duty rate. It is significant that imports have increased the most where the duty has been highest. This clearly demonstrates that the new rates have been no deterrent to foreign producers.

LOWER PRICED BIKES DISPLACE BRITISH

Another important change is taking place in the import market. The lower priced bikes of all types from West Germany, France, Austria, and the Netherlands are displacing the British as principal sellers in the United States. In this price tug-of-war, the British recently cut back their prices to 1954 levels and, for the first time, are selling American-styled bikes here.

NEW MIDDLEWEIGHT COPIED ABROAD

The determined effort of the American bike industry to regain its market through far-reaching technical improvements culminated in the introduction of the new-type middleweight bike in 1955. Vigorously merchandised, it caught the public's fancy. But even before consumer preference had been proved, the Germans copied the American models and sold them at lower prices here in 1955 and 1956. Foreign producers are now selling these American-designed machines in greater quantities and as their most popular models.

IMPORT PRICES CONTINUE DOWNWARD

A fourth aspect of the intensification of import competition is the continuing downward price trend of all types of foreign bikes, despite the 1955 tariff hike. The rising scale of wages and increased cost of materials have prevented American manufacturers from making similar reductions in their prices. Despite the practice of every economy to meet import competition, United States bike makers' margin of profit is either negligible or a complete loss. For several years this has been the price we've paid just to stay in business.

A constituent of mine writes that the bicycle manufacturer for whom he works formerly employed 3,000 people, but now that number is reduced to 700. The situation in which the bicycle industry has been placed is an outstanding example of what has happened in this country by reason of low tariffs. It is evident that if we are to protect our home industry, either the tariff must be substantially raised, or the number of bicycle imports must be limited. The bicycle industry feels that only an import quota can help correct the injury it has suffered.

DEDICATION EXERCISES OF THE EAST COAST FACILITIES OF TRACERLAB

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, on Thursday I am attending the dedication exercises of the east coast facilities of Tracerlab, Inc. They have a very interesting facility in the Speaker's State of Texas. The principal speaker will be the Honorable STERLING COLE, an expert member of the Joint Committee on Atomic Energy, who has done an enormous amount of work on this subject. I will be delighted to be there, and also because the laboratories are in the district of the distinguished gentleman from Massachusetts [Mr. DONOHUE].

I would like to tell the Members, Mr. Speaker, of the work played by the women in the nuclear instrument industry. The following is part of a letter sent to me by Tracerlab, Inc., and also there is a release from the corporation:

TRACERLAB, INC.,
Waltham, Mass., April 12, 1957.

Hon. EDITH NORSE ROGERS,
House Office Building,
Washington, D. C.

DEAR MRS. ROGERS: It is an honor indeed to have you present at our dedication ceremony.

* * * * *

The nuclear instrument industry, like so many others, is shorthanded, so women have come to play an important role here to help fill the gap, and many of them are doing jobs which would otherwise be done by men. Since the atomic-energy field is hardly 10 years old, it does not suffer from the rigid hiring-patterns of older industries and, as a result, women who can take responsibility and carry it out have been given a free hand. Much of our work in radiochemistry is done by women—women Ph. D.'s, women technicians, women laboratory assistants, women chemists. Our industrial relations director is a woman. Our crystal-growing laboratory, one of a handful of such operations in the whole world, is in charge of women. Much of our Geiger tube glass work is done by women. In addition, of course, the more traditional jobs of clerks, secretaries and others are filled by women. (I am sure you will be able to make comparisons with women in industry 10 years ago, or, drawing on your own experiences, show how today's situation is different from that of yesteryear.)

In a rapidly growing company such as ours, women have probably been offered more unique opportunities to achieve positions of leadership than in other companies. Our rapid growth has resulted in more promotions, but at the same time has made greater demands on the individual. A number of successful instances in which women have risen to the top here and are at the same time raising families or enjoying successful marriages is conclusive proof that today's woman is enjoying the freedom and equality she has long sought and has the full acceptance of management as a dependable reliable worker.

As I said above, I can only offer these as suggestions. If you would like additional thoughts, I would be glad to give them to you on the telephone or Thursday morning when you get here.

I might suggest that you may want to get here around 12:30 p. m., although the dedication ceremony does not begin until 1 p. m., in order to give the press time to talk briefly with you.

Sincerely yours,

W. A. STENZEL,
Public Relations Manager.

[Tracerlab, Inc., press release of April 17, 1957]

Peaceful applications for atomic energy are taking another giant step forward in the United States with the completion of the world's most modern plant devoted entirely to peaceful uses of atomic energy for Tracerlab, Inc., pioneer in this field. The $1,900,000 plant in Waltham, Mass., with 4 acres of floor space, confirms United States leadership in the world race to harness the atom. It will house Tracerlab's east coast laboratory, research and manufacturing facilities, and will be dedicated April 18 in brief ceremonies to be attended by National, State, and local officials, and many of the people who have contributed to the peaceful uses of the atom.

Formerly housed in seven separate locations in downtown Boston, where the company was established only 10 years ago with a half dozen employees, the new facilities house operations which last year turned out almost $12 million worth of X-ray and nuclear products to the world's medical, research, industrial, and chemical centers. Tracerlab, with some 800 employees, operates the world's largest commercial radiochemical facilities, has the broadest product line in its field—ranging from simple lead bricks for radiation shielding to complex process control systems using radioisotopes—and a complete X-ray equipment line, produced by its X-ray subsidiary, Keleket X-ray Corp.

President W. O. Faxon, commenting on the new plant, said: "It is predicted that the nuclear instrumentation market alone will rise to a total of $135 million by 1963 (compared to $10 million in 1955) in response to an accelerated reactor building program as well as to new applications for atomic energy uncovered by research now in progress. This building gives us under one roof the facilities we need to continue to keep pace with this tremendous growth.

"This one building will provide complete facilities for a number of varied working groups. Besides manufacturing and administration, 11 separate major chemical laboratories, many designed exclusively for radioisotope work, can be used for research and synthesis. In another part of the building engineering facilities have been set up for the special needs of industrial, X-ray and instrument groups whose work may be in textiles one day, rubber the next, medicine the third and so on through an ever-broadening range of applications."

To tell the story of how the peaceful atom has been put to work to save industry some $200 million last year, and to show some of the operations of this unique New England firm, product displays, plant tours and demonstrations of isotope applications will be held at the time of the dedication which will be witnessed by the invited guests, and representatives of radio, television, newspapers, and the trade press.

A highlight of the program will be an address by the Honorable STERLING COLE, Representative from the State of New York and member of the Joint Committee on Atomic Energy, who will carry out the ribbon-cutting ceremonies by remote control using isotopes in a Tracerlab beta gage.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PASSMAN, for 30 minutes, on April 17.

Mr. HENDERSON, for 30 minutes, on tomorrow.

Mr. BRAY (at the request of Mr. CRAMER), for 15 minutes, on tomorrow.

Mr. FLOOD, for 1 hour, on tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. SIEMINSKI (at the request of Mr. LANKFORD).

Mr. LANKFORD.

Mr. SILER.

Mr. ROONEY to revise and extend his remarks in Committee of the Whole and include extraneous matter.

Mr. NEAL (at the request of Mr. CRAMER).

Mr. BRAY (at the request of Mr. CRAMER).

Mr. BYRD and to include extraneous matter.

Mr. SANTANGELO (at the request of Mr. ROONEY) and to include extraneous matter.

Mr. BENTLEY (at the request of Mr. CRAMER) and to include extraneous matter.

Mr. BEAMER.

Mr. ALGER.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 6870. An act making appropriations for the fiscal year ending June 30, 1957, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 812. An act to amend the Agricultural Act of 1949 with respect to price support for extra long staple cotton.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 7 minutes p. m.), the House adjourned until tomorrow, Wednesday, April 17, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

746. A letter from the Assistant Secretary of the Interior, transmitting a report on the Mercedes Division of the Lower Rio Grande rehabilitation project in Texas, pursuant to section 9 (a) of the Reclamation Project Act of 1939 (53 Stat. 1187) (H. Doc. No. 152); to the Committee on Interior and Insular Affairs and ordered to be printed with illustrations.

747. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (5)); to the Committee on the Judiciary.

748. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (1)); to the Committee on the Judiciary.

749. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to Public Law 863, 80th Congress; to the Committee on the Judiciary.

750. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

751. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to the Refugee Relief Act of 1953; to the Committee on the Judiciary.

752. A letter from the Comptroller General of the United States, transmitting a report on the audits of Government Services, Inc., and the employee retirement and benefit trust fund of Government Services, Inc., for the year ended December 31, 1956, made pursuant to the request of the corporation; to the Committee on Government Operations.

753. A letter from the Attorney General, transmitting the annual report of the Attorney General of the United States of the activities of the Department of Justice for the fiscal year ended June 30, 1956; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TRIMBLE: Committee on Rules. House Resolution 237. Resolution for consideration of H. R. 5607, a bill to amend further and make permanent the Missing Persons Act, as amended; without amendment (Rept. No. 354). Referred to the House Calendar.

Mr. CANNON: Committee on Appropriations. House Joint Resolution 310. A bill making additional appropriations for the fiscal year 1957, and for other purposes; without amendment (Rept. No. 355). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CHELF: Committee on the Judiciary. H. R. 1520. A bill for the relief of Mrs. Fusako Takai and Thomas Takai; with amendment (Rept. No. 352). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. House Joint Resolution 308. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; without amendment (Rept. No. 353). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAILEY:

H. R. 6936. A bill to amend the Internal Revenue Code of 1954 to impose an import tax on natural gas; to the Committee on Ways and Means.

By Mr. BOSCH:

H. R. 6937. A bill to amend section 207 of the Legislative Reorganization Act of 1946, to provide that the Boards for the Correction of Military or Naval Records shall give consideration to satisfactory evidence relating to good character and conduct in civilian life after discharge or dismissal in determining whether or not to correct certain discharges and dismissals, and for other purposes; to the Committee on Armed Services.

By Mr. DAWSON of Utah:

H. R. 6938. A bill to amend the Internal Revenue Code of 1954 to provide a credit against income tax for payments of taxes which are imposed by States for general educational purposes; to the Committee on Ways and Means.

By Mrs. DWYER:

H. R. 6939. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for income-tax purposes of expenses incurred by an individual for transportation to and from work; to the Committee on Ways and Means.

By Mr. ENGLE:

H. R. 6940. A bill to authorize the Secretary of the Interior to reimburse owners of lands acquired under the Federal reclamation laws for their moving expenses, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HALE:

H. R. 6941. A bill to amend section 1332 of title 10 of the United States Code to provide that retired pay shall be granted to certain persons; to the Committee on Armed Services.

By Mr. LANKFORD:

H. R. 6942. A bill to amend the Professional Engineers' Registration Act of September 19, 1950, Public Law 789, by exempting electrical contractors and master electricians; to the Committee on the District of Columbia.

By Mr. MARSHALL:

H. R. 6943. A bill to promote the welfare of the American Indian citizens of Minnesota, and to establish the Minnesota Indian Administration, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PORTER:

H. R. 6944. A bill to amend the public-assistance provisions of the Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. SCRIVNER:

H. R. 6945. A bill to provide for the issuance of a special postage stamp in commemoration of the celebration of the centennial birthday of Baker University, Baldwin, Kans., February 12, 1958; to the Committee on Post Office and Civil Service.

By Mr. WILLIAMS of Mississippi:

H. R. 6946. A bill to extend rural mail delivery service; to the Committee on Post Office and Civil Service.

H. R. 6947. A bill to amend the Legislative Reorganization Act of 1946 to provide for more effective evaluation of the fiscal requirements of the executive agencies of the Government of the United States; to the Committee on Rules.

By Mr. DINGELL:

H. R. 6946. A bill to amend the public assistance provisions of the Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. FRIEDEL (by request):

H. R. 6949. A bill to amend the Tariff Act of 1930; to the Committee on Ways and Means.

By Mrs. KNUTSON:

H. R. 6950. A bill to amend the Soil Bank Act to enable producers of Irish potatoes and other nonbasic agricultural commodities to participate in the acreage reserve program; to the Committee on Agriculture.

By Mr. OSMERS:

H. R. 6951. A bill to prohibit unjust discrimination in employment because of age; to the Committee on Education and Labor.

By Mr. RIVERS:

H. R. 6952. A bill to authorize the transfer of naval vessels to friendly foreign countries; to the Committee on Armed Services.

By Mr. SILER:

H. R. 6953. A bill to amend the Internal Revenue Code of 1954 to impose an import tax on natural gas; to the Committee on Ways and Means.

By Mr. SCOTT of Pennsylvania:

H. R. 6954. A bill to authorize the United States Court of Claims by its rules to create and to prescribe the functions and duties of trial and appellate divisions; to the Committee on the Judiciary.

By Mr. VAN ZANDT:

H. R. 6955. A bill to provide a vitalized and equitable reserve program for the Armed Forces, and for other purposes; to the Committee on Armed Services.

H. R. 6956. A bill to provide for a suitable and distinctive lapel button which may be worn by veterans of the Korean hostilities; to the Committee on Armed Services.

By Mr. BOGGS:

H. R. 6957. A bill to amend section 1033 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. BERRY:

H. R. 6958. A bill to provide that certain lands shall be held in trust for the Oglala Sioux Tribe in South Dakota; to the Committee on Interior and Insular Affairs.

By Mr. BOYKIN:

H. R. 6959. A bill to authorize the Secretary of the Interior to cooperate with Federal and non-Federal agencies in the augmentation of natural food supplies for migratory waterfowl; to the Committee on Merchant Marine and Fisheries.

By Mr. CANNON:

H. J. Res. 310. Joint resolution making additional appropriations for the fiscal year 1957, and for other purposes; to the Committee on Appropriations.

By Mr. SCOTT of Pennsylvania:

H. J. Res. 311. Joint resolution establishing a United States Academy of Foreign Service; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. ALBERT: Memorial of the State Legislature of Oklahoma relative to the development of the coal industry; to the Committee on Ways and Means.

By Mr. PRICE: Memorial of the 70th General Assembly, State of Illinois, approving and supporting the decision of the United States Supreme Court in the school segregation cases; to the Committee on Education and Labor.

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to compensation of postal employees; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 6960. A bill for the relief of John Baltrusaitis (Baltrusaitieni); to the Committee on the Judiciary.

By Mr. BRAY:

H. R. 6961. A bill for the relief of Walter H. Berry; to the Committee on the Judiciary.

By Mr. BROYHILL (by request):

H. R. 6962. A bill for the relief of Mrs. Alston P. Coughlin, and others; to the Committee on the Judiciary.

By Mr. CARNAHAN:

H. R. 6963. A bill for the relief of Mrs. Elba Haverstick Cash; to the Committee on the Judiciary.

By Mr. FASCELL:

H. R. 6964. A bill for the relief of Maria Zaharis; to the Committee on the Judiciary.

By Mr. LATHAM:

H. R. 6965. A bill for the relief of Carmen Cruz-Sexton; to the Committee on the Judiciary.

By Mr. O'HARA of Illinois:

H. R. 6966. A bill for the relief of Mrs. Avis M. Barnard; to the Committee on the Judiciary.

By Mr. SCRIVNER:

H. R. 6967. A bill for the relief of Branislava Jancetovic; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H. R. 6968. A bill for the relief of Velid Mehmed Dag; to the Committee on the Judiciary.

By Mr. WILSON of California:

H. R. 6969. A bill for the relief of Luz Verdugo Campbell; to the Committee on the Judiciary.

By Mr. WILSON of Indiana:

H. R. 6970. A bill for the relief of C. A. Nolan; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

207. Mr. BRAY presented a petition of Miss Grace A. Wright and 31 others, of the Methodist Home, Franklin, Ind., in favor of legislation to prohibit alcoholic beverage advertising over the air or in the channels of interstate commerce, which was referred to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Washington Report by Bruce Alger

EXTENSION OF REMARKS

OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1957

Mr. ALGER. Mr. Speaker, as a weekly service to my constituents I report most briefly the week's legislative and Congressional activities in which I participate. The following is the current report:

WASHINGTON REPORT

(By Congressman BRUCE ALGER, Fifth District, Texas)

The Department of Commerce and related agencies appropriation bill for 1958 was reduced $69 million (9½ percent) below 1957 expenditures and $218 million (25 percent) below the budget request. Savings thus far this year in six appropriations now total $1,039,000,000 (7.2 percent of $14,300,000,000). Really impressive savings—that is, cutting below 1957 expenses—are infinitesimally small. Government is still growing, more than the population increase, most discouraging. In the CAA portion of the bill air traffic safety will be increased with more radar control and personnel on the airways traffic lanes. The suggestion has been made that those aircraft using the airways could help pay the cost, thus relieving the taxpayer. We must decide soon—and the people are concerned—whether in many Government services we pay our way or charge it to Uncle Sam, and like the ostrich with head in sand, pretend it is not costing us, all the while demanding budget cuts.

The House passed the Export-Import Bank Act extending the expiration date 5 years from 1958 to 1963. The bank, financed by United States dollars, has made loans of $5,277,000,000 to 68 countries as aid to United States trade in manufactured and agricultural products. Charging interest sufficient to repay the Treasury 2¼ percent, the Bank has lost only $500,000 with $9 million in loans past due, and has paid its own expenses, which are 1.7 percent of gross income, while building a reserve of $435 million. This program has been one of the Government's more businesslike arrangements.

The amendment of Anglo-American financial agreement, the British loan, posed a real question. The Great Britain loan of $4,472 million requires a 50-year annual payment of principal and interest of $138 million with an option of canceling the interest portion (approximately $81 million) if certain trade and currency conditions prevail making repayment difficult. Now Britain wants to cancel this year's payment or work out a new agreement, hence this amendment. The amendment would set up a new formula permitting postponement of payment. Arguments for: (1) A better chance of our being repaid; (2) A needed ally needs help; (3) Secretary Humphrey favored it. Arguments against: (1) The $81 million interest payment was already in escrow in a United States bank, so Britain had the money; (2) a just-announced British tax cut of $280 million suggested they could pay (and we could cut our taxes); (3) over $8,000 million in economic aid plus untold billions in military aid had earlier gone to Britain; (4) we are in effect supporting Britain's welfare programs. The vote was divided without pattern, but it passed 218 to 167. I voted against it.

A trip by our Interstate Committee members through the United Aircraft plant building, the Pratt & Whitney aircraft engine and Sikorsky helicopter at Hartford and Bridgeport, Conn., added to our aircraft knowledge. The J-57 and J-75 jet engines being tested were regular infernos of power (a horsepower now roughly requires two ounces of engine weight, as blades whirl 11,000 revolutions per minute). The helicopter flights were magic carpetlike as we went almost straight up and down in traveling between airports. Shuttle services will soon be prevalent throughout the country. Igor Sikorsky was as interesting as his fabulous engineering reputation would suggest. He enthusiastically reminisced about his early helicopter, "A fine machine. Its only fault—it wouldn't fly." They fly now—all sizes and styles.

The CONGRESSIONAL RECORD of April 8 carries a Dallas constituent's letter to a fellow Texas Congressman (which he then put in the RECORD), commenting on and approving the courage of the Member who opposes Federal handouts when, most tempting of all, the Federal money is for his own district. To this constituent, and many other Dallas

residents for recognizing the problem and commending me, my thanks. Yes, it is tough, and public understanding and approval are necessary.

General Twining, the new head of the Joint Chiefs of Staff, joined several of us for breakfast this week. We listened and questioned him concerning defense plans. He stressed the three roads we are simultaneously traveling in military preparedness developing (1) conventional weapons, (2) nuclear weapons, and (3) guided missiles of all types. No wonder the expense.

Several items suggesting further legislative squabbles: The Postal Department-Congress struggle over increased money needs versus reduced service; foreign-aid money to be partially put in the military and removed from congressional scrutiny; Walter Reuther's "less work for more pay" announcement, completely overlooking the need for "increased productivity" only making it all possible (not Federal law or the bargaining table.)

Rooster Feathers in Washington

EXTENSION OF REMARKS

OF

HON. EUGENE SILER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1957

Mr. SILER. Mr. Speaker, the word "cocktail" originally meant the rear end of a rooster. And the word's basic meaning right now could be expressed in the phrase, "Rooster feathers," according to the makeup of cocktail, rhetorically and in literal syllable.

Much has been said or written about the Washington cocktail party, or rooster feathers, as this function has been carried out during the past two decades, particularly after liquor became legalized and glamorized in President Roosevelt's first term. Now when a Congressman is invited out to rooster feathers in Washington and the function appears to be tied in with something he should rightly attend, he could always try to get there about the time rooster feathers is over. But if he gets in before the tail end of the rooster's tail, then he could very well hunt for some sparkling ginger ale or some good red tomato juice for a little honest nourishment while some of the remaining gigglers are closing up on rooster feathers with manifest evidence of drooping feathers and minus any remaining crow after too many ounces of Old Crow.

Sometimes a person may wonder about the historic background or early origin of rooster feathers. Did Nero start rooster feathers as he worked out his fiddling technique just before the occasion of the burning of Rome? Or did Pontius Pilate establish rooster feathers as he considered his final order of execution against the Saviour? Or did rooster feathers start much later, say when Benedict Arnold got some of his friends together during the last week before he carried out his predatory plot? Certainly George Washington had no rooster feathers party when he got ready to cross the Delaware in the hour of our country's great crisis. Neither did rooster feathers originate with Paul Revere in the early evening of the night of his famous midnight ride. It could never have been invented by Joan of Arc that evening before she rode out to deliver her people yonder in France in their time of great need. These last-named people were serious and effective patriots with sober and far-reaching objectives ahead of them. And none saw fit to have rooster feathers in the critical hours of those great undertakings and historic achievements.

Does a Representative or Senator or high governmental official really need rooster feathers to sustain him or entertain him in his times of wrestling with the problems of his day and age? The correct answer is no, of course.

Rooster feathers tends to make women silly and men belligerent.

Rooster feathers is a friend of frivolity and failure.

Rooster feathers is an enemy of all serious endeavor.

Rooster feathers has no ally in heaven but many good friends in hell.

Rooster feathers in Washington never gave America her greatness or strength or fame or continuity but is certainly an effective force to curtail all of these here at the very center of our country's heartbeat.

Errors in the Trial of Jesus

EXTENSION OF REMARKS

OF

HON. ALFRED D. SIEMINSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1957

Mr. SIEMINSKI. Mr. Speaker, this is Easter Week. It is Holy Week. It is the time of the Passover, too. It is the most solemn week of the year.

People slow down. Strife ebbs. Stores close. People eat less. They think more.

It is a time meant for man to contemplate on the direction of life in relation to that of the Lord.

Easter Week gives man the time to turn back the pages of life and to review them in the quiet of his heart, asking strength to avoid in the future what might not read too well in the past.

Easter means many things to many people.

The question is, Could it mean more to the Congress and to the courts of the United States? Could the impact of Easter, let us say, cause the Congress and the courts to stay execution of any death sentence until the week after Easter? The week after Easter would be the only week in which a life could be legally snuffed out in our land.

This would give all pause for thought.

The question is, Would it have its proper influence on society, on Congress, and the courts?

Had this idea prevailed in the Holy Week 2,000 years ago, Pontius Pilate would not have washed his hands and the life of the Lord might have been spared. In spite of man, it was, anyway. The influence of that life thunders through time.

It might be well for us to review each year at this time, Mr. Speaker, errors in the trial of Jesus.

It is said that our Bill of Rights, scrupulously observed, guaranteed life, liberty, and the pursuit of happiness, and that under our Bill of Rights the tragedy of 2,000 years ago could not be repeated today, or ever.

Errors in the trial of Jesus are said to be so well known that they need not be repeated here.

United States Naval Academy Nutritional Foods for the Brigade of Midshipmen

EXTENSION OF REMARKS

OF

HON. RICHARD E. LANKFORD

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1957

Mr. LANKFORD. Mr. Speaker, as a member of the Board of Visitors to the United States Naval Academy, and as a Member of a Congress which constantly and properly has an ear attuned to economy, I feel that Congress should be apprised of a program now underway at the Naval Academy which is designed not only to contribute to the welfare of the midshipmen, but to do so without adding to the costs of operating the Academy.

It has often been said that an army marches on its stomach; the same holds true, and even more so, for a growing young man being developed into a naval officer.

Admiral Smedberg, Superintendent of the Naval Academy, long has been concerned with the many complex problems involved in providing 4,000 calories a day of nutritional foods for the 3,600-man brigade of midshipmen at a daily ration of $1.35.

To assist in this problem, General Foods Corporation was asked by the Academy to loan the services of one of its four institutional dietitians, Miss Gerry de Mauro, to create nutritional salads and desserts with sufficient eye appeal and taste appeal that the midshipmen would eat these dishes with the same relish they apply to steak.

According to Commissary Officer Louis W. Le Forge, Jr., the result has been a contented brigade, a great reduction in the volume of food left on their plates—and lower costs. To cite only one example, Miss de Mauro showed the Academy cooks how to reduce the cost of each lemon meringue pie by 7 cents, and since 700 pies are devoured at a single sitting, this represents a substantial saving.

The personnel of the Academy certainly deserve commendation for the foresight shown in improving the physical well-being of the midshipmen. Miss de Mauro and General Foods rate a hand for donating their services to make this accomplishment possible.

The Federal Budget

EXTENSION OF REMARKS

OF

HON. WILL E. NEAL

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1957

Mr. NEAL. Mr. Speaker, when the people of America in a nationwide movement spontaneously disapprove a Federal budget involving heretofore unheard of expenditures, Government administrators can draw but one conclusion. The hard-pressed taxpayer is out to get relief.

What the average American does not realize is how the Congress and executive departments have over the years, partly at the request of the people and largely through their indifference, legalized far-reaching Government functions calling for annual increases in employees and salaries as well as facilities for administration.

Now that the people have demanded the Congress reduce the budget, the Congress in turn is face to face with the embarrassing problem of trying to reduce expenditures for services and agencies created by its own ill-considered legislation. To cut out established agencies, even though they serve a small minority of our citizens, would severely test the judgment of members who directly represent these favored constituents and must look to them for reelection.

So when Government has become so all-embracing that social and welfare benefits, all regularly distributed to such a large percent of the population, get so numerous and so large, congressional efforts to cut the budget are severely limited, leaving only two approaches: first, cease hiring more employees, and second, postpone the authorization of agencies and projects until they can safely be executed—after our defense and overseas operations become less indispensable.

This plan, strictly adhered to, can bring about sufficient budget requirements to provide a tax cut for all our people.

But the big reductions, the ones that count, can come only through a judicious reappraisal of our commitments for national defense and foreign economic aid. In all these years if foreign-aid programs had succeeded in accomplishing what we expected, our present relations with nations of the world should be far more satisfactory and with much less danger to world peace than now appears.

We have seen former world powers, our allies, reduced to dependencies. We have witnessed formerly impotent nations, rising to the point of self-expression, assume the attitude of threatening nations, resorting to blackmail methods to throw their self-styled neutralism to the Communist cause unless we outdo their material demands, and we have seen the only other major world power successfully infiltrating smaller struggling nations which, by their very economic position, can never hope to become self-supporting and capable of resisting aggression.

In much of our foreign economic aid we are succeeding temporarily only because we have insisted on "upping the ante" and even there, because of the preponderance of have-nots, Communist infiltraters promising better things are steadily laying the groundwork for the eventful day when they can assume dominant control.

In areas such as these we cannot reject the possibility that aid in the form of armaments insufficient in amount and incapable of resisting aggression may in the end be turned against us in the final test of strength.

The time has come when the United States must look well to her own survival. Continued spending of our money and substance, accompanied by increasing inflation with its cheapening monetary system and a breakdown of Federal and industrial pension systems, can place the unsuspecting people of the United States in the position of the have-nots, when we, too, may fall to the communistic theory that only the state can successfully provide for us.

We cannot reasonably advocate scrapping either our defense budget of our foreign aid economic programs. But there is much waste in our defense operations which can be recovered. There are savings to be accomplished by elimination of duplications. There are untold economies to be made by application of commonsense and frugality in the administration of each branch of our Defense Establishment.

As to foreign economic aid, many important missions have practically completed the work originally assigned them. Instead of using downright pressure for new projects in governments to which they have been assigned, they should be ordered home. Aid of this nature should be well placed with every assurance on part of the recipient area that their own contributions will be faithfully complied with. The estimated cost of many of these projects is often increased manyfold by failure of the contract nation to fulfill its pledge.

How unrealistic can a people become? How far must fundamental rules of human behavior be sidestepped before truth and sanity reassert themselves to turn the tide of riotous, self-destroying conduct of our national affairs leading blindly into dissolution and bankruptcy?

The sprawling, spendthrift Federal Government for the first time in a generation is reading in no uncertain terms clear evidence that a major proportion of thinking Americans aroused over the questionable stability of their future welfare, are voluntarily proclaiming their conviction that as a nation we have reached the point beyond which it is dangerous to tread.

Never before has public criticism of a peacetime budget been so volatile, and never before have Members of Congress and department heads been more conscious of reactionary critics among their constituents. It is the most fortunate public demonstration of a democratic society this Nation has experienced in many decades. It is a solemn reminder to legislators and executives alike that overmanned Government, reckless spending, huge national debt, and a confiscatory tax system have reached the point of intolerance by the people whose substance is being confiscated without consent and dissipated with little or no accounting.

Little wonder—less than 30 years ago the total cost of Federal Government was less than the yearly interest payment on the national debt today. Our total debt, less than $20 billion, is now $275 billion, nearly $2,000 for every man, woman, and child. Social welfare has become costly, sure enough, but it takes only about 15 percent of our taxes. It is the military and foreign aid expenditures that create the real burden. And the deeper we become involved the less national security against Communist aggression and the nearer we seem to approach dangers of military involvement. The program is so big, so unwieldly, so devoid of permanent policy.

Only now are we beginning to realize how futile are our highly humanitarian dreams that young America can make over the world in its own likeness or that permanent allies and stanch friends are developed by bolstering bankrupt, tottering ruling cliques in lands where suppressed individuals have never been harmless to the world save when under strong dictatorial governments.

Let us ease away from sentiment and turn back to reality. Let us begin now to curtail our foreign aid.

Federal Aid to Education

EXTENSION OF REMARKS

OF

HON. JOHN V. BEAMER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1957

Mr. BEAMER. Mr. Speaker, under unanimous consent I wish to include in the CONGRESSIONAL RECORD the following article which appeared in the April 1957 issue of the American Legion magazine:

FEDERAL AID TO EDUCATION

May I compliment the American Legion on its stand for sound Americanism. It is apparent that veterans, as a group who fought to retain freedom, stand ready to fight against any principles that would lose those freedoms. This is the reason that I am proud to have been a continuous member of the American Legion since our local post was chartered.

A symbol of this freedom fight is your continuous opposition to Federal aid to education. With many others I have been concerned about the excessive growth of our Federal Government and its attempts to assume too many functions that rightfully belong to the States and to local governments.

One such attempted usurpation of authority is this repeated effort to authorize the Federal Government to assume control of the public-school system. If this movement is permitted to grow, then too soon we can

expect Government schools with thought control instead of public schools with freedom of thought.

Equally important would be the effect on the several States and on local initiative. Our home State of Indiana (and I understand this is true of all of the States) has been able to supply all of the necessary classrooms without Federal aid. In doing so, millions of dollars have been saved for the taxpayers. Whenever any of our tax dollars travel from our home State to Washington, and then are returned back to us, these same dollars have shrunk to a small fraction of the original amount.

There are justified complaints on the size of the present proposed Federal budget. The proposal to provide Federal aid to schools would add to this burden. Thus, savings to the taxpayers should be a serious consideration.

JOHN V. BEAMER,
Member of Congress from Fifth District, Indiana.

Annual Congressional Poll

EXTENSION OF REMARKS
OF
HON. ALVIN M. BENTLEY
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 16, 1957

Mr. BENTLEY. Mr. Speaker, under leave to revise and extend my remarks in the CONGRESSIONAL RECORD, I wish to insert the following press release dated April 15 regarding the results of my annual Congressional poll taken among the residents of my district:

PRESS RELEASE FROM THE OFFICE OF CONGRESSMAN ALVIN M. BENTLEY, EIGHTH DISTRICT, MICHIGAN

Congressman ALVIN M. BENTLEY, Republican, of Michigan, today released the results of his annual Congressional poll taken among residents of the Eighth Congressional District of Michigan. This year more than 13,000 questionnaires were answered and returned. Occupations of those replying were given as follows: Farmers, 2,296; workers, 3,292; business, 1,323; professional, 1,147; housewives, 88; office workers, 1,796; others, 3,070. The results of the poll are listed below:

1. I favor the following in a farm program:

(1) High price supports (9.3 percent) .. 1,213
(2) Flexible supports (37.6 percent) .. 4,896
(3) Soil bank program (32.6 percent) .. 4,241
(4) No supports (24.4 percent) .. 3,174
(5) Other (3 percent) .. 390

(Farmers voted 37 percent for a soil bank program and 30 percent for no supports as their first choices.)

2. The following items in our national budget could best be reduced for more economy:

(1) National defense (12 percent) .. 1,559
(2) Foreign aid (70.6 percent) .. 9,188
(3) Veterans' benefits (18 percent) .. 2,346
(4) Farm payments (31 percent) .. 4,037
(5) Health and welfare program (14.5 percent) .. 1,887
(6) Other (4.8 percent) .. 621

(All groups put foreign aid first and farm payments second. Farmers voted 27.3 percent for cuts in their own payments.)

3. The Federal Government should help our schools as follows:

(1) Direct subsidies for teaching salaries (11.9 percent) .. 1,545
(2) Grants to States for school construction (27.3 percent) .. 3,556
(3) Loans to States for construction (33.0 percent) .. 4,295
(4) Scholarships for colleges and universities (15.4 percent) .. 1,999
(5) Assistance to lower interest rates on school bonds (41.3 percent) .. 5,379
(6) Nothing (11.6 percent) .. 1,514
(7) Other (2.6 percent) .. 332

(All groups listed numbers 5 and 3 in that order as their first two choices.)

4. We need the following improvements in our Social Security laws:

(1) Lower retirement age for men and women (46.1 percent) .. 5,997
(2) Allow increased outside earnings (59.8 percent) .. 7,784
(3) Increase minimum benefits (30.9 percent) .. 4,019
(4) Pay full benefits regardless of other pension income (38.9 percent) .. 5,059
(5) Other (3.8 percent) .. 499

(Workers voted 64 percent to lower retirement age but all other groups gave absolute majorities for increases outside earnings. Housewives voted for it 70.5 percent.)

5. Our immigration laws need the following changes:

(1) More immigrants permitted per year (4.2 percent) .. 543
(2) Revise quota system to take care of oversubscribed countries (16.1 percent) .. 2,093
(3) More liberal provisions for adopted children (31.3 percent) .. 4,078
(4) Other (6.2 percent) .. 812
(5) No change in present law (29.0 percent) .. 3,770

(For the most part, all groups voted evenly between numbers 3 and 5. Apparently the only change that receives any support is to facilitate entry of orphans and adopted children.)

6. The Post Office Department needs:

(1) Higher postal rates (27.8 percent) .. 3,618
(2) Increased salaries for postal workers (21.4 percent) .. 2,787
(3) To be run on a business basis (50.3 percent) .. 6,542
(4) To be operated only as a public service (27.4 percent) .. 3,566
(5) Other (3.5 percent) .. 451

(All groups substantially endorsed the principle that the Post Office Department should be run like any other business.)

7. In the field of labor legislation, I favor:

(1) Government-supervised secret strike ballots (38.1 percent) .. 4,959
(2) Permission for secondary boycotts (3.5 percent) .. 460
(3) Antimonopoly legislation against unions (39.9 percent) .. 5,186
(4) Investigation of union trust funds (58.0 percent) .. 7,542
(5) Repeal of Taft-Hartley Act (11.7 percent) .. 1,517
(6) Compulsory union shop in all States (7.2 percent) .. 931
(7) Other (3.3 percent) .. 430

(Workers voted as follows: (1) 35.3 percent; (2) 4.5 percent; (3) 31 percent; (4) 55.1 percent; (5) 19.7 percent; (6) 13.5 percent.

(The vote for No. 4 might have been larger if answered after the recent teamster investigations in Washington.)

8. We should have helped the Hungarian uprising as follows:

(1) Send troops (3.7 percent) .. 480
(2) Send weapons (11.9 percent) .. 1,546
(3) Send food and clothing only (37.2 percent) .. 4,840
(4) Admit all refugees (5.1 percent) .. 664
(5) Press for U. N. police force or other U. N. action (60.4 percent) .. 7,861
(6) Nothing (6.5 percent) .. 849
(7) Other (2.1 percent) .. 278

(All groups appear to regard the Hungarian problem as strictly a United Nations affair and believe that our assistance should be confined to charity and relief supplies.)

9. Do you think we should have stronger civil rights legislation on a Federal basis or let the States handle their own problems?

(1) State (52.2 percent) .. 6,790
(2) Federal (30.7 percent) .. 3,996
(3) Other (2.4 percent) .. 317

(All groups gave a slim majority to the principle that the question of civil rights is primarily a State problem.)

10. If prices and wages continue to rise we should:

(1) Impose price and wage controls (43.5 percent) .. 5,665
(2) Investigate unions and corporations alike (63.8 percent) .. 8,307
(3) Have tighter credit controls (31.6 percent) .. 4,107
(4) Do nothing (2.1 percent) .. 279
(5) Other (2.7 percent) .. 357

(Almost all groups listed Nos. 2 and 1 in that order as their choices. Workers voted 66 percent for No. 2 and 48 percent for No. 1. Business voted 65 percent for No. 2 and 40 percent for No. 1. Only the professional people endorsed credit controls over price-wage controls.)

Congressman BENTLEY expressed his deep appreciation to all persons replying to his questionnaire and promised to reply personally to all letters and comments which accompanied the answers even though the number might mean a delay of several months for some.

St. Lawrence Seaway Tends To Increase Budget

EXTENSION OF REMARKS
OF
HON. WILLIAM G. BRAY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 16, 1957

Mr. BRAY. Mr. Speaker, our increased budget is caused by a number of factors, not the least of which is the tendency of cost estimates to be unrealistic and unreliable. The St. Lawrence Seaway project offers a good example of how estimates on multimillion dollar projects often prove untrustworthy.

For more than a half century there has been a strong demand by many groups for the construction of canals and locks which would open the St. Lawrence River and the Great Lakes to more shipping. During my first term in Congress I was a member of the Public Works Committee which for several months heard testimony on the St. Lawrence seaway project. Groups favorable to it naturally magnified its value and minimized its cost. Both political parties sponsored it. It was apparent to me that the cost would far exceed the estimate, and I stated this publicly. Lobbyists for this project, who were many and well paid and experienced in their profession, attacked me for my statements.

During the 2 years I was on the Public Works Committee, the bill was not reported out of that committee. It became law, however, in 1954. The cost of those parts of the project which the United States will build was estimated to be $66,815,000. Now the cost is estimated

to be $133 million and an additional authorization is being asked of Congress. Frankly, it is going to cost far more than this. The cities on the Great Lakes ports are requesting Government authorization to the extent of hundreds of millions of dollars for the deepening of their harbors in order to accommodate ships of deeper draft.

At the time of the drive to get public backing for the building of the seaway, it was represented that Indiana and most of the other States would be greatly and directly benefited by this project. It was also stated that the toll charges would pay for the canal and so the St. Lawrence seaway would cost the American people nothing. It is now admitted that if tolls are set high enough to pay for the project they will discourage traffic and be self-defeating. We can have high tolls and little traffic, or low tolls and heavy traffic; but the total revenue, in either case, will not meet the yearly costs if the seaway is to be self-liquidating as it was approved. Funds to make up any deficit can only come from one source—the Federal Government.

The person in charge of the drive to get the authorization of the St. Lawrence seaway was N. R. Danielian, a hard worker and one of the most capable lobbyists I have known. During the time I was a member, great pressure was brought to bear on the Public Works Committee to approve this project. Interested parties held meetings in the Seventh District to create support for it. They told Seventh District voters how cheap this project would be, the great benefits the district would derive from it, and how it would pay for itself. Now the people are realizing the cold facts. I will now quote Mr. N. R. Danielian, president, Great Lakes-St. Lawrence Association, and chairman, Users Committee on St. Lawrence Seaway Tolls. This is the same man who was the chief lobbyist for the project. I am quoting from a speech made by Mr. Danielian in Cleveland, Ohio, on April 5, 1957:

Thus, one of the first misconceptions we must set aside is that this new waterway will bring a bonanza to everybody by and of itself, just because it is there. It will bring great advantages if and to the extent that it lowers transportation costs. Will it do that?

The answer should be definitely "Yes" in the Great Lakes coastal areas, such as the north shore of Ohio * * * for most goods, Pittsburgh, as of now, would still find it cheaper to trade via Baltimore; Cincinnati probably so. Columbus and Dayton and Youngstown may be marginal.

Because such a wide belt across New York, western Pennsylvania, Ohio, Indiana, Michigan and Illinois is marginal as between the Great Lakes-St. Lawrence tributary area and east and gulf coasts, the level of tolls will have a definite effect upon amount of traffic through the seaway and commercial activity in the Great Lakes ports.

As for the tolls from the seaway paying its costs, he stated:

If any attempt is made to set tolls so high as to collect $26 million a year from the users right off the bat it will as surely dry up traffic as I stand here, and there will be neither traffic nor revenues commensurate with expectations.

On the basis of present-day cost estimates, it will require over $26 million to meet the annual requirements, an increase of some 75 percent over 1954 estimates.

Yes, the cold facts are now coming to the American people. The St. Lawrence seaway will only directly benefit a small area. Its costs will be many times its original estimate. Its tolls will not pay for its construction and maintenance.

I do not question that the seaway will be beneficial to some. Perhaps the seaway is even worth its cost. Perhaps the American people would have backed this project even if they had known the true facts, but the sad part is that the estimated cost was misleading. Incidentally, cost estimates for the Canadian share of the project have also risen sharply. Why have the costs risen? Partly, construction costs are higher than they were a few years ago. Partly, the increase is due to changes and additions made in the plans. Nevertheless, it is typical of how projects once approved expand and become more costly and force increases in Government spending.

Statement of Hon. Robert C. Byrd Before Senate Committee on Banking and Currency

EXTENSION OF REMARKS
OF
HON. ROBERT C. BYRD
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 16, 1957

Mr. BYRD. Mr. Speaker, I wish to call to the attention of our colleagues the following statement which I presented on April 12, 1957, to the Subcommittee on Production and Stabilization of the Senate Committee on Banking and Currency during the recent hearings on area assistance and redevelopment:

STATEMENT OF HON. ROBERT C. BYRD, PRESENTED TO THE SUBCOMMITTEE ON PRODUCTION AND STABILIZATION OF THE SENATE COMMITTEE ON BANKING AND CURRENCY

Mr. Chairman and honorable members of the Subcommittee on Production and Stabilization, I appreciate and am grateful for the opportunity to appear before this subcommittee to present testimony in support of the bill, S. 964, which has been introduced by the distinguished Senator from Illinois, for the purpose of establishing an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in certain economically depressed areas. Specifically, the areas to be benefited are those urban and rural areas that have been experiencing continuing low income, and continuing unemployment and underemployment—areas in which local initiative and enterprise cannot be drawn upon to alleviate the economic distress.

As the Representative to Congress from West Virginia's Sixth District, I can vouch for the urgency and justification of the program of assistance proposed under the Douglas bill. In my opinion, the measures proposed in this bill will displace the despair, the want, and the suffering overtaking the many unemployed areas in my State.

The bill, in brief, would accomplish the following:

1. Creation of an area redevelopment administration, under the supervision of an administrator, appointed by the President and confirmed by the Senate. Authorization to administrator for establishment of local and regional committees.

2. Assistance to industrial areas which have had unemployment of not less than (1) 12 percent of labor force for preceding 1-year period, (2) 8 percent for 15 months in preceding 18-month period, or (3) 6 percent for 8 months in each of preceding 2 years.

3. Assistance to rural areas having largest number and percentage of low-income families and a condition of substantial and persistent unemployment or underemployment.

4. Loans: Administrator to make loans for financing (a) purchase or development of land for industrial usage; (b) construction or rehabilitation of plants or facilities; (c) purchase of machinery or equipment. Loans shall bear interest at 0.5 percent per annum, shall not exceed 75 percent of total project cost, or extend beyond 40 years. Authorization of $100 million for industrial redevelopment loans and $100 million for projects in rural redevelopment areas.

5. Public facility loans and grants:

(a) Authorization of $75 million to administrator for public facility loans. Such loans shall not exceed 75 percent of aggregate cost with interest equal to rate paid by administrator on funds obtained from the Secretary of Treasury, plus 0.5 percent per annum.

(b) Authorization of $50 million to administrator for making grants for public facilities if funds not otherwise available.

6. Authorization of $4.5 million to administrator for technical assistance to redevelopment areas.

7. Declaration of policy to be followed by governmental agencies to award procurement contracts to redevelopment areas.

8. Housing and Home Finance Agency authorized to use slum clearance and urban renewal projects in redevelopment areas for industrial and commercial rebuilding without regard to existing residential requirements for such projects.

The necessity and need for legislation to carry out the program outlined above has been succinctly stated by the Senate Committee on Labor and Public Welfare in reporting out similar legislation during the 84th Congress. That committee, in its report on July 12, 1956, stated (S. Rept. No. 2555, p. 2):

"More than 10 years ago Congress recognized the continuing responsibility of the Federal Government to utilize its resources in order to establish conditions which would assure that maximum employment, production, and purchasing power would prevail throughout the United States. It did so through the enactment of the Employment Act of 1946 (Public Law 304, 79th Cong.).

"Nevertheless, a large number of communities within the United States have failed to share in the prosperity that has generally prevailed throughout the country during recent years. Regardless of the cause, the fact is that many labor market areas have been classified as suffering from substantial labor surpluses continuously since 1951, when the Labor Department stated its current labor market classification system. During most of this time the rest of the Nation enjoyed economic growth, prosperity, and stability."

The findings made by the committee are reflected in many areas within my State of West Virginia. Because today our Nation as a whole is experiencing full employment and economic prosperity, we are prone to disregard or to be indifferent to the fact that some areas of our country have been facing the problem of continuous unemployment because of the loss or decline of a major industry. While the term, "depressed local labor market," is comparatively new, the existence of such markets, however, has been a problem recurring many times in our American economy. For example, the ghost towns arising from abandoned mines are a

well-known part of the history of our West. The plain and simple difference, however, is that today there are so many factors that go to make up the economic climate of each and every labor-market area. The local methods resorted to in the past cannot always be employed today to resuscitate an economically distressed area.

Since the early days of World War II, the Department of Labor's Bureau of Employment Security has been studying labor-surplus areas. As you know, the Bureau surveys at bimonthly intervals 149 major labor-market areas—each consisting of a central city or cities and the surrounding territory within a reasonable commuting distance. The area takes its name from the central city or cities, but may have many other communities within its boundaries. Each major labor-market area has at least a central city with a population of 50,000 or more. These 149 areas account for about 33 million nonagricultural wage and salaried workers—nearly 70 percent of the Nation's total. The Bureau also reports on smaller areas in a special listing. These are the areas with a labor force of not less than 15,000, of which the nonagricultural employment must be at least 8,000.

Since May 1955 the 149 major areas surveyed by the Bureau have been grouped into 6 major labor-supply categories, according to the relative adequacy of labor supply. Nineteen of the major labor-market areas are today confronted with labor surpluses, and 57 smaller areas at the beginning of the year were classified as having a relatively substantial labor surplus.

In my State of West Virginia, our capital, Charleston, is classified as a major area of substantial labor surplus, and classified as smaller areas are Beckley, Fairmont, Logan, Point Pleasant-Gallipolis, Ronceverte-White Sulphur Springs, and Welch. The population of West Virginia in these labor-surplus areas numbers 787,400—or 39 percent of the entire population of the State. The 1 major and 6 smaller labor-surplus areas in the State cover 15 of its 55 counties. All these areas have been continuously included in the Department of Labor's labor-surplus classification since March 1954 and some, since March 1952. Over and above these specified areas, there are many other areas of labor surplus in West Virginia. The labor force in these areas does not come within the classification set by the Department and, therefore, such areas are not surveyed by the Bureau of Employment Security. The reason for the labor surplus in West Virginia can be traced to the long-depressed coal-mining industry.

The facts responsible for the decline of the coal industry are well known, and since World War II various Congressional bodies have made studies of the condition of the industry. The findings and reports of these studies have only confirmed the known existence of the factors responsible for the industry's decline. The important factors, for example, have been the dieselization by the railroads, the imports of huge quantities of residual oil, and mechanization in the coal industry itself. The following tabulation shows production and employment in West Virginia's bituminous coal industry since 1947, the peak year in coal production:

Year	Short tons	Average number of men working daily
		Thous.
1948	168,862	131.7
1949	122,610	120.0
1950	144,116	117.5
1951	163,310	118.9
1952	141,713	108.9
1953	134,105	92.1
1954	116,251	71.3
1955	139,168	70.4
1956	155,507	75.8

Although the figures on employment in West Virginia's coal mining areas show an increase for 1956, the employment picture is not bright. The seriousness of West Virginia's employment problem is emphasized by the fact that from 1950 to 1954 while the population of the United States increased by an estimated 6.3 percent the population of West Virginia declined by an estimated 2.9 percent.

As of June 30, 1956, the total number of persons in West Virginia receiving commodities on welfare, as certified by the State department of public assistance, was 250,136, exclusive of school lunches, institutions, and summer camps. In January of this year the number of persons eligible for such commodities was 209,556. In February the number increased to 214,526. In other words, almost 11 percent of the population of my State is keeping body and soul together by means of Government surplus food.

In my opinion, these facts are convincing proof that the methods and practices employed thus far have failed to alter the continuing economic distress prevalent in the areas that will be reached if the legislation here under consideration is enacted.

I am not unmindful of the objections to this proposed legislation—a principal one being that the measure characterizes an act of the welfare state. Such objections are without merit. Do we not have many Federal domestic program with economic or social objectives, for which we make provision each year in our appropriations? Permit me to name a few: the price-support program; the agricultural-conservation program under which farmers are paid for compliance with specified practices; the Sugar Act program—most of the cost of which consists in payments to cane and beet producers who meet specified conditions; the rural-electrification program; farm ownership loans. There are aids to business, such as assistance to air navigation, grants-in-aid for airports, airmail subsidy payments, the President's fund under the Defense Production Act of 1950 for loans and other costs in financing an expansion of productive capacity for strategic metals. There are aids to veterans in the form of compensation and pensions, education and training, and hospital and medical care. There are loans and grants for housing construction and for slum clearance and urban renewal projects. There are grants to the States for public assistance and administrative costs; for maternal and child welfare; for programs of public health service; for highways; for school-lunch programs.

The direct beneficiaries under many of the above economic and social programs are limited in number and small in comparison to our entire population. This fact has not served to lessen or obscure the responsibility of the Federal Government to provide these necessary forms of assistance. The legislation here under consideration is no less important than any of the above programs.

In my opinion, the problem is one of such importance as to warrant the establishment of a single agency to coordinate all the Federal aids that may be called upon to assist and support local efforts. A single agency will encourage, strengthen, and assist local efforts. The needs of the distressed area can be better evaluated through a single agency, with the result that the necessary assistance will be coordinated so as to effectuate the greater national interest, in keeping with the Employment Act of 1946, which states: "It is the continuing policy and responsibility of the Federal Government to coordinate and utilize all of its plans, functions, and resources for the purpose of creating and maintaining maximum employment."

It appears to me that the comprehensive program envisaged under the Douglas bill will do much to stimulate local efforts.

I particularly give my endorsement to the provisions for assistance to rural redevelopment areas. So far as farming in West Virginia is concerned, for the most part the farms are too small to provide a satisfactory family income. Insufficient capital and the topography of the State make impractical the use of many labor-saving devices, and many farm families are necessarily dependent upon some off-farm employment. I receive many letters from constituents in rural areas who are not able to take advantage of the existing farm-loan programs because their farms are not large enough or are not sufficiently productive to provide the necessary security for such loans. The Douglas bill will overcome many problems in these areas, and it will permit the needed economic improvements so long necessary in the many small rural communities of my State.

I might also direct your attention to the disheartening experiences of other persons who have written to me concerning their applications for small-business loans to undertake new business ventures aimed at improving the local economic situation. Their requests have been turned down simply because an unemployed mining town is not the kind of security upon which money is loaned.

I am in favor of the proposed provision urging Federal procurement agencies to award contracts in redevelopment areas. The Senate Committee on Education and Public Welfare called attention in its report of July 12, 1956, to the effectiveness of the ODM manpower policy No. 4, which was announced in 1952 for the purpose of focusing attention on the desirability of awarding contracts in surplus-labor areas. The report points out that for the first 9 months of the fiscal year 1956 the total volume of supply procurement contracts placed in areas with surplus manpower totaled $2,700,000—not even 1 percent of the total volume of supply procurement contracts.

The facts set out above are some of the reasons why I feel that the Douglas bill or similar legislation must be enacted now if we are to meet the problem of labor-surplus areas. I sincerely hope that this subcommittee will consider the matter favorably.

The U. S. S. "Randolph"

EXTENSION OF REMARKS

OF

HON. ALFRED E. SANTANGELO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1957

Mr. SANTANGELO. Mr. Speaker, on April 11, 12, 13, 1957, in connection with Congressional duties, I, together with 8 Congressmen, inspected the aircraft carrier U. S. S. *Randolph* and observed air operations. The trip was very informative, illuminating, and inspiring. It left us with the feeling that our naval defenses are in competent hands and that our future is being provided for.

The orientation cruise began on Thursday evening after Congress recessed when we were conducted by Capt. Robert McElroy and Comdr. F. A. Manson to the Anacostia Airport and traveled by Convair to Jacksonville, Fla. After an inspection of the naval airbase there, we were flown on Friday morning by a COD aircraft to the U. S. S. *Randolph* about 70 miles off the coast. Landing on a carrier with a sudden stop was a new experience.

I believe that a history of one of our aircraft carriers, a description of what I observed and my reactions may give the same pleasure to my colleagues and our citizenry as I received.

The U. S. S. *Randolph* is a recently modernized 31,000-ton aircraft carrier with a new angled flight deck, enclosed hurricane bow, new deck-edge elevators and other improvements. The carrier possesses almost unlimited range and enormous striking power. Her air group is capable of seeking out and destroying any force which a potential enemy can muster in the air, on or under the sea. The chief function of the *Randolph* is to carry, launch, and handle aircraft quickly and effectively. Capable of achieving speeds in excess of 33 knots and carrying between 80 and 100 aircraft, the *Randolph* is a forceful argument against aggression of war.

The carrier with a length of 895 feet and breadth of 199 feet with its complement of 2,500 men and officers is under the experienced command of Capt. Daniel F. Smith, Jr., of Pittsburg, Tex. The officers are courteous, experienced, and efficient. The men, sailors, and mechanics with whom I had the opportunity to mingle and talk admire their captain and they enjoy good morale. Their only "beef" at this Congressional inspection tour was the requirement to exercise extraordinary care to keep themselves and the ship spotless and neat. My talk with several of the enlisted men and officers revealed a high regard for their superiors and a satisfaction with their daily chow. What they missed most of all was their absence from their families and loved ones. In addition, they complained that to deny them the benefits of the GI bill upon separation from service was unfair.

This carrier bears a great name which dates back to the Continental Navy and Revolutionary War. Named after Peyton Randolph, patriot and statesman from Virginia, this present flattop was constructed in Newport News, Va. She was launched in 1944. Her speed was the keynote. The *Randolph* was launching planes only 4 months after being commissioned, a feat believed to be without precedent in big carrier history. During World War II, the *Randolph* joined Adm. Marc Mitscher's famed task force in the Pacific and supported the landing of troops on Iwo Jima. The *Randolph* also saw action as a unit of Admiral Halsey's 3d Fleet in the final battle against the Japanese.

Since 1953, when she was modernized, she has conducted operations throughout the world, in Gibraltar, in Salonika, Greece, in Genoa and Naples, Italy, and in July of 1956 when the State of Israel was forced to invade Egypt to protect herself, the U. S. S. *Randolph* stood ready and her aircraft provided air cover and surface and air reconnaisance for the evacuation of United States nationals from Alexandria. She patrolled the area for 30 days to protect the United States interest.

Now the U. S. S. *Randolph* is off the Florida coast providing the training grounds for pilots of jet planes, the Navy Cougars and of twin-engine A. J. Savage. To see these young cadets qualify by bringing down these fast and big planes on an angled deck of a moving carrier within a distance of 500 feet is breathtaking. If it is a difficult task in daylight, it is more so in darkness. The cadet fliers demonstrated their skill not only in the daytime but also at night. As a plane approaches the deck, hearts beat as fast as the moving jets. The question in the spectator's mind is will he land or will he overshoot? If he approaches too high or too low, the pilot is warned off by the signalman and the plane roars by. If he is within range and the landing hooks are down, the pilot makes his attempt to lay her down. Nerves of steel and pinpoint precision are needed. As the speedy Cougar or the twin-engined 50-foot-wide A. J. Savage settles on the angled deck, I breathed a sigh of relief and satisfaction. After the arresting cable brings the plane to a screeching halt, the plane is guided to the catapult, shot off into the blue and the process is repeated until the flier has completed at least 6 successful day landings. Upon completion of the final landing, everyone knows that another boy had become a man and joined the legion of qualified Navy pilots in America's defense. As night fell, these fliers were required to prove that they were skilled enough to land their planes on the angled deck under these conditions. No signalman was there to guide. The only help that these men had were the lights outlining the deck, their training, and their God. The only way to believe this performance is to see the operation. It baffles the imagination. Coordination and expert handling are required of the pilot, flight crew, and signalmen. A single mistake may bring disaster, death, or destruction. No serious accident took place and all cadets qualified except two who were overanxious and as a result were directed to fly back to Pensacola Airbase for further training and a new tomorrow.

As a safety measure in event of an accident, we had as a constant overseer a helicopter called "the Angel" and one destroyer. In the evening, two destroyers stood ready to do rescue work. They were almost called into action when one of the heavy planes after an apparently successful landing went a little too far and its left wheel toppled in the catwalk nets. A hundred Lilliputians tugging and pulling finally lifted the Gulliver onto the deck once again with very little damage to its structure. It was a close one.

Whatever questions we visiting Congressmen asked were supplied quickly and if not known, answers were obtained. To Lt. Comdr. Robert Reeve of New Jersey who spent numberless hours answering my naive questions and those of my colleagues and who pointed out the features of the angled deck, the arresting wires, the catapults, the twin-engine A. J. Savage, the Cougar, the control tower called the Pri-Fly, the radar system, and the "meatball," I can express only my appreciation and thanks. His attention and guidance will never be forgotten. With men like Lieutenant Commander Reeve, Captain McElroy, Commanders Manson and McNella who possess the practical, technical, and tactical knowledge, our country has very little to fear.

The work being done on the U. S. S. *Randolph* which thrilled me and earned my admiration is not unrecognized by the Navy. In 1955, this carrier won two of the Navy's highest honors: one, the Atlantic Fleet's coveted battle efficiency E, and the other the Chief of Naval Operations aviation safety award. The latter award was for the ship's outstanding safety record and commendable efforts in preventing aircraft accidents. This is a record that the *Randolph* can justly be proud of.

All I can say after this 3-day inspection tour is "Hail to the U. S. S. *Randolph*, its men, and its command."

The Landmarks We Defend

EXTENSION OF REMARKS

OF

HON. HERMAN E. TALMADGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Tuesday, April 16, 1957

Mr. TALMADGE. Mr. President, it is a privilege for me to ask unanimous consent that the masterful address delivered by my honored and distinguished colleague [Mr. RUSSELL], before the 66th Continental Congress of the National Society of the Daughters of the American Revolution in Washington last night, April 15, be printed in the CONGRESSIONAL RECORD. Entitled "The Landmarks We Defend," this address is a forceful summation of our cherished American heritage which should be read by every citizen of our country.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE LANDMARKS WE DEFEND

(Address of Senator RICHARD B. RUSSELL, 66th Continental Congress, the National Society of the Daughters of the American Revolution, April 15, 1957)

Madam president general, delegates to the 66th Continental Congress of the National Society of the Daughters of the American Revolution, ladies and gentlemen:

It is indeed a high privilege to be permitted to address this distinguished gathering. The Daughters of the American Revolution stand in the very forefront of this Nation's great patriotic organizations. Their contributions to the preservation of our ideals and institutions are valuable beyond computation.

You have recognized the fact that a people without sentiment are poor indeed. In periods when some have considered it fashionable to scoff at pride as a venal sin, you have courageously sought to create and instill pride of our heritage in our youth, indeed in all of our people. You have realized that our country would be safe so long as our increasing population revere and respect the works of those men whose vision, efforts, and sacrifices enable us to enjoy the richest legacy of freedom the world has ever known.

Those who have insisted that our Constitution is outmoded or that this sacred document is a sort of political accordion to be expanded or contracted with the changing moods of men who temporarily hold power have met with unrelenting opposition from your great organization.

The numerous resolves that you have approved over the span of many years demonstrate that you are confirmed in the faith

that our national charter, the Constitution of the United States, means exactly what it says and that no man nor set of men can ever twist or distort it for their purposes without endangering all that we hold dear. As the years have come and gone you have consistently rallied to protect the landmarks our fathers have set, whether they were under direct attack or threatened with undermining by a cunning process of nibbling and erosion. In short, you have worked at citizenship.

The system we have evolved under a Constitution which guarantees the rights and liberties of every American citizen has brought us greater blessings than any people have ever enjoyed. We call it the American way of life. It has enabled us to progress and go forward—to develop—to invent—and to accumulate—to such a degree that the civilization we enjoy has become the envy of the world.

This priceless heritage was not easily won. It cannot be cheaply defended. It will not be easily preserved.

These are dangerous days that demand that those who love liberty recognize and prepare against any force that is likely to destroy that heritage.

The most obvious threat to the security of the United States is the armed might of the Communist conspiracy with its nerve-center located in the Kremlin. Cracks may appear in the Iron Curtain. Rulers may come and go, deified today and denounced tomorrow, but the ultimate objective of the Communist conspiracy remains unchanged. They still seek to dominate and rule the entire world. We know enough about this ugly system to realize that this would mean the destruction of every element of human dignity. No amount of wishful thinking can alter this brutal fact.

We know that without regard to the needs or wishes of the masses of their people, that a despotic power is largely devoting the great resources of the Soviet controlled world to the building of military might. They maintain vast armies. They have built the second largest navy of the world with incomparably the largest fleet of submarines afloat. Only the foolish would blind themselves to the fact that the Soviet has made disconcerting progress in fashioning the new and effective vehicles designed to deliver terrible nuclear weapons. Shamefully we must admit that the Soviet developments in the atomic field were greatly expedited by the treason of those who either partook of our hospitality or enjoyed our citizenship. The unprecedented peacetime efforts by the Soviet Union have done much to close the gap of our leadership in these engines of vast destruction. For many years we have relied on our preeminence in this field for the maintenance of world peace.

We must constantly recognize that we are confronted by a foe who knows little and cares less about the principles of honor and decency we have been taught to respect. The only language that he understands is the language of strength. The only way to prevent a war so destructive as to stagger the human imagination is to maintain American military might. Come what may, cost what it must, the United States must maintain superiority in atomic weapons and in the ability to deliver them. If our people are informed as to the magnitude of the stakes, I do not for a moment doubt that they are willing to make any sacrifice necessary to maintain superior strength in this field. There is no other way to salvation.

Another constant threat to our institutions of freedom is the Communist-directed effort to undermine those institutions, by infiltration and internal subversion. Some of the committees of the Congress have exposed many of the ramifications of this phase of the Communist conspiracy. Your great organization has consistently supported every effort to reveal and stamp out this Communist threat. The Federal Bureau of Investigation works ceaselessly to ferret out agents and traitors who seek to sell this country to our enemies. The prosecutions following these exposures have brought about an awareness of the insidious nature of this danger.

We recognize that the diabolical forces in the Kremlin constantly conspire to find ways and means to plant its agents upon us. The Congress, through legislative enactments, has demanded a careful screening of all aliens who seek admittance to our land. We have sought to make sure that our generosity in making our country a sanctuary for the oppressed shall not be abused.

The heart of America goes out to every victim of tyranny and oppression in foreign lands. However, we will never be able to overthrow the Communist conspiracy by the process of admitting to our country all of those who seek to escape Red tyranny. Common prudence also dictates that we take every precaution to make sure that our national compassion for those in distress is not developed into a gateway for a Communist Trojan horse.

Most of our fellow citizens are fully awake to the danger posed from without by armed Soviet might and from within by Communist subversion. At great cost we seek to maintain the means to protect our way of life and our institutions of free government. We seek to keep loyal Americans on guard to defend us against both of these dangers.

Let me speak to you about a third threat to our constitutional system and to the rights and liberties it seeks to assure. There is another danger confronting us which is far more insidious than even the Communist conspiracy of subversion. This danger is ever present but always difficult to recognize. It often comes in appealing guise, confusing and deceiving many whose love of country is unquestioned. It is a creeping disease which, if not arrested, will surely result in the death of the system which has enabled us to achieve our greatness.

I refer to the grave threat which is posed by big government, undue concentration of power. We must arrest the prevailing trend towards shifting all of the functions and powers of the States into the control of a completely centralized, all-powerful Federal Government. The rights filched from the several States must be restored.

The Founding Fathers well knew the corrupting and tyrannous effects of highly centralized government. They were not only students of history. They had endured tyranny. They knew that the shores of history were littered with the wrecks of great civilizations that had risen to greatness but had deteriorated and crumbled to dust when all of the power of government over the people became concentrated in one pair of hands. They were familiar with the axiom which history had proved before Lord Acton, that all power corrupts, and absolute power corrupts absolutely. Knowing that individual liberty could not be maintained in a government of men, they sought with a wisdom almost beyond human understanding to assure that the liberties of their descendants would be forever protected by a government of law. Thomas Jefferson expressed this determination when he declared, "In questions of power let no more be said of confidence in man, but bind him down from mischief by the chains of the Constitution."

The very genius of our system of government is found in the careful division of power to rule our people. The Founders believed that the exercise of the functions of government should be kept as close as possible to those who were governed. They therefore fashioned a Federal Government of limited powers, with the rights of the several States and of the people fully reserved and protected by the National Charter.

The exercise of the powers over the people allotted to the Federal Government were further divided. They were distributed between the executive, the legislative, and the judicial branches of the Federal Government. To assure the perpetuity of American liberty, they established the most marvelous system of checks and balances ever brought forth from the minds of men.

Those wise patriots realized that the problems of government confronting each of the States would not be exactly the same. They knew that as the several States in their own way approached their own solution for any problem, each State would serve as a laboratory of government. In the processes of trial and error or trial and cure, the experiences of one State would serve as a guide to the others without the danger of injury that simultaneous application to all might bring.

So great was the faith of the Founders in the system of divided powers that each of the Original Thirteen States likewise embraced this system. The State functions were divided between the executive, legislative, and judicial branches. To keep the government close to the governed, counties and other subdivisions were vested with those functions which most directly affected the people in their everyday life. All placed their faith in a government of law and sought to eliminate any possibility of a government of men.

It has been a long time since those who live on American soil have felt the chafe of the chains of tyranny. So many generations have enjoyed the blessings of unchallenged liberty that we have become prone to take them as much for granted as the air we breathe or the water that we drink.

Millions of loyal American citizens have been so engaged in the everyday business of making a living for their families that they do not realize how far down the road to centralization we have already traveled. The approach to one big government has not been made by spectacular leaps. The process has been insidious, but it has gone a long ways. The whittling process has gone so far that it threatens to reduce the several States to mere geographical boundaries or administrative areas of Federal departments. The transferral of the proper functions of the States or their subdivisions to the administrative control of Federal bureaucrats in Washington has been done in many ways. A series of decisions by Federal courts have wiped out a number of rights and privileges which the States have exercised since the birth of our Republic. They do much to extend the process of centralization.

Cooperation between the Federal Government and the States and their subdivisions has long been a part of our system. In recent years, however, some of the legislative proposals that are called Federal aid are almost a sort of bribery to tempt local government to surrender their control over local functions in return for money from the National Treasury.

A small but active group of self-styled intellectuals have dedicated themselves to the task of centralization. Most of them honestly believe that national state socialism is better for us than the system devised by our fathers. They abhor a free enterprise economy and would have the Government of the United States possess the power to control the activities and the lives of all of our people. Unmindful of the lessons of history, they would place America's future in a supposedly benign and all-powerful Federal Government.

This group is too small to be effective were it not for the carelessness and indifference of unthinking millions. Mankind has ever been plagued by the chimerical illusion that it is possible to get something for nothing. We have our millions who seek and accept alleged free benefits for their States and communities from a generous White Father

in Washington in return for the surrender of the priceless right of local self-government. It is understandable that the people of foreign countries who have seen how prodigal we are with our expeditures on the foreign-aid program would believe that dollars grow on trees in the District of Columbia. However, the most obtruse American taxpayer on this day which is the last day for the payment of Federal income taxes must be painfully aware that this is a foreign illusion.

Any money that the Federal Government spends on functions which properly belong to the States and their communities must come in the first instance from the people of these States and communities. Federal bureaucracy takes a toll from every tax dollar it touches. Those who are enticed with the idea of free money from Washington will eventually find to their sorrow that they are paying yearly increasing costs in dollars and cents for the privilege of giving away the right to govern themselves.

The 9th and 10th amendments to the Constitution, designed to limit the powers of the Federal Government and protect the rights of the States and the people, were once considered the keystone of our system. Due to a series of recent decisions by the Federal judiciary, they have now been rendered almost ineffective.

It would have been impossible to have convinced the authors of the Constitution or of the Bill of Rights that a Federal court would ever hold that a sovereign State was powerless to enact and enforce laws against Communist subversion which occurred within its borders. Those men would have been shocked by the mere contention that any local subdivision of government was without power to rid themselves of a teacher, chosen locally to instruct and guide their children, paid with local tax funds, because he sought the refuge of the fifth amendment.

These decisions, as well as others that could be enumerated, are destructive of local self-government. Such crippling attacks upon the rights of the States make meaningless our once proud boasts of an indissoluble Union of indestructible States. State power cannot survive many more such disastrous and degrading blows. If our dual system is once destroyed, how long will the individual rights and liberties of the American people survive?

There is considerable national agitation today over measures pending in the Congress that are euphoniously labeled civil-rights bills. The titles of these bills appeal to the American people. Every American is in favor of more and bigger and better civil rights. An examination of what these measures really do immediately raises the question as to whose civil rights and what constitutional rights are involved. They raise the issue of how far you may go in infringing upon the civil rights of all of our people in the attempt to establish doubtful civil rights for the benefit of one group by force bills. High-handed and drastic legislative action in this field must be weighed well in the light of its effect upon the rights of the States and upon the sum total of the liberties of all of the American people.

Some of these bills are destructive of the integrity and rights of the several States as entities of government. They could be used to deny the elemental rights of individual American citizens guaranteed by the Constitution. By a cunning plan to make the Federal Government a party to civil causes growing out of acts now punishable as crimes against either State or Federal law, these bills would deliberately bypass and annul sacred and inherent individual rights specifically spelled out in the Constitution. American citizens could be punished and jailed without due process by resorting to civil proceedings and contempt citations tried in star chamber sessions.

The right of trial by jury before being sentenced and punished is the proudest boast of Anglo-Saxon justice. It is considered the shield and buckler of the liberties of free men wherever the English language is spoken. Even before Magna Charta was wrung from an unwilling King John at Runnymeade, men of our race had spilled their blood for the right of a public jury trial by their peers. For many centuries Lord Jeffreys and his Star Chamber have been held in odium for perverting judicial power into an instrument of oppression and tyranny. If free born American citizens can be thrown in jail for indefinite or unlimited terms by this perversion of process at the caprice of a Federal judge enjoying life tenure by appointment, we will no longer have a government of law. Our most sacred rights will be the plaything of a government of men.

Let no lover of liberty anywhere be deceived by the specious argument that the unprecedented powers of this bill will be applied only in one section of the country. If enacted, they will be a threat to the most sacred constitutional rights of every American citizen. Such proposals are repugnant to the system which has brought us to greatness. They would employ the methods of the despised police state of totalitarian regimes.

There is no condition in this land of ours that can conceivably justify the wholesale sweeping aside of constitutional rights. Our Constitution wisely provides that the United States shall guarantee to every State of this Union a republican form of government. If there be a single State where a republican form of government is denied, the Federal power may be legally applied. There is no valid reason for general Federal legislation that will further degrade all the States and State institutions. There is no cause whatever to impeach the laws, the procedures, and the officials of all of the States and in the process so twist our system as to eliminate the guarantee of due process of law which has heretofore protected every one of our citizens. If this be done in the name of civil rights, it will be a crime more heinous than any ever committed in the name of liberty.

The President of the United States is duly chosen by the people to serve in the most exalted office of the earth. No President of the United States, even in time of dangerous crisis, has ever possessed any such powers over the lives and liberties of the American people as these bills propose to vest in an appointed Attorney General.

The American system rejects the idea that any one man, however wise or impartial, should be permitted to govern by intimidation and injunction and jailing his fellow citizens for contempt. What self-respecting patriot will willingly agree that any official under any circumstances could designate him to be the first to be stripped of his constitutional rights to a fair trial before being jailed? Our forebears did not endure Valley Forge or face death on a hundred battlefields in the war for independence for any such tortured concept of freedom.

The heart of our country is still sound, and the spirit of patriotism still lives. American youth have again and again shown the heroism of old in their country's service. We still have the genius and capacity to meet and overcome any threat to our freedom and to our institutions.

All of us must work harder in the discharge of every duty of citizenship. Our age is complex and requires greater vigilance as the price of liberty. We must constantly guard against the evil consequences of carelessness and indifference. We can seek no greater reward than to have another generation study and consider the period in which we live and say, "Our American heritage and the landmarks of our Fathers were safe in their hands."

Address by Hon. William F. Knowland, of California, Before Daughters of the American Revolution

EXTENSION OF REMARKS

OF

HON. WILLIAM F. KNOWLAND

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Tuesday, April 16, 1957

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the address I delivered last night before the 66th Continental Congress of the Daughters of the American Revolution.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY UNITED STATES SENATOR WILLIAM F. KNOWLAND, 66TH CONTINENTAL CONGRESS OF THE DAUGHTERS OF THE AMERICAN REVOLUTION, CONSTITUTION HALL, WASHINGTON, D. C., APRIL 15, 1957

The Daughters of the American Revolution have notably contributed to the preservation of our spirit of patriotism without which our Nation would not have arisen from the flames of the revolutionary war nor survived the intervening years.

In this year 1957 we need to rededicate ourselves to the American Constitution and our free way of life.

America is still the authentic revolution. The flame of freedom which was struck at Concord and Lexington still is an inspiration to the enslaved behind the Iron Curtain.

But it is also an ageless lesson that no outsiders can win independence for a people though they may give material assistance. The subjugated must be willing to pay the price in blood and resources to gain their own freedom.

We do recognize, however, that when freedom is destroyed anywhere in the world a bit of freedom is destroyed everywhere.

Other nations have been or now are larger in land area, in population, and in natural resources. Yet they have not been able to give to their people the freedom and the standard of living Americans have enjoyed.

As important as is the productive capacity of our Nation and its military strength, these are not the factors which alone could preserve our freedom or enable us to maintain a free world of free men. The inner strength of America has not been its great cities, its huge industrial plants, its extended transportation systems, or its variety of natural resources.

The factor which made America an inspiration to the rest of the world grew out of our Declaration of Independence, the Constitution of the United States, and the spiritual values which the founders of our Republic recognized and by which they were guided.

We have recognized that there was a higher moral law to which governments were also accountable. We have humbly acknowledged the divine inspiration which made and preserved us as a nation.

We have read of and been inspired by the action of George Washington kneeling in prayer during the dark days of Valley Forge and of Lincoln doing the same during his lonely vigil in the White House during the darkest days of the Civil War.

This Nation of ours has grown from a weak colony of 3 million on the Atlantic coast to a great power of 170 million people, the most productive nation the world has ever known.

The priceless ingredient for our people has been our constitutional form of government, which guarantees our religious, personal, and economic freedom.

The incentives furnished have constantly opened new horizons.

In this atmosphere Americans of each generation have sought to leave to their children a better land than they themselves found, not just better in a material way but in the educational and cultural developments that make for better family and community life.

New inventions in various industrial fields and the tremendous potentials of the peacetime developments of atomic power are bound to challenge us for many years into the future.

Instinctively we know that human freedom is a greater force than tyranny.

We also instinctively know, though at times our allies and our own Government may for expediency forget, that there are some things in life which cannot be compromised.

Nations can die while delegates talk. Last year the General Assembly of the United Nations passed 10 resolutions in 76 days of debate. All that while freedom was being strangled to death in Hungary. With callous indifference the Soviet Union placed itself above the higher moral law of God as well as above its obligations under the United Nations Charter.

No international organization can long endure with a double standard of international morality.

Are the obligations and the mandates of the United Nations to be applicable to the democratic nations but not to the totalitarian powers? To the law abiding but not to the outlaw nations? To the small and weak countries but not to the big and strong? What kind of justice is this? Are we building on quicksand? What kind of a foundation is this for constructing a system of international law and order based on justice?

We serve no useful purpose if we hide the facts. To the contrary by ignoring them and failing to seek remedies, we may endanger the safety of this Republic and free men everywhere.

For many decades the men in the Kremlin have preached the doctrine that the free world contains the seeds of its own destruction.

It is far more likely, I believe, that the Communist world contains the seeds of its own destruction.

Hungary was but the latest in the indications that, even under totalitarian police rule and the brainwashing of a whole generation, the spark of freedom still lived and was capable of lighting a fire that endangered the whole monolithic structure of Communist tyranny.

After the Hungarian experience how much reliance can the Soviet Union place in the armed forces of the other captive nations if freedom is ever within their reach? How can they have faith in Communist indoctrination when young students were the leaders of the Hungarian rebellion?

Within the past 10 days, the rulers in the Kremlin have sought to intimidate Norway, Denmark, Greece, and Iceland.

The Soviet Union has not changed its long-term strategic objective: the destruction of human freedom everywhere.

They will be relentless in seeking to destroy our institutions. Fortified by our faith in God, we must be determined that our way of life will be preserved.

Hungary has also taught the world that unless an independent government or revolutionary movement can function for several weeks or months it is difficult for outside friends to assist.

Had the British redcoats crushed the first American rebellion in a week and captured the leaders (as happened in Budapest) there would have been no time for France and our other friends abroad to come to our aid.

Sooner or later there will be another Hungary. Will the free world be better prepared to strike a blow for freedom? Will the United Nations be prepared to do more than talk and pass 10 resolutions?

It may come this year or next in Bulgaria, Rumania, Czechoslovakia, Eastern Germany, Albania, North Korea, China, Poland, or in Hungary again.

Indeed it may even come in the Soviet Union where the people of Russia were the first victims of the godless Communist tyranny.

During the week Nagy was the legal head of the Hungarian Government what a difference it might have made if the United Nations had sent in observers; if based on the first United Nations resolution the friends of freedom abroad had sent the Freedom Fighters bazookas and grenades rather than more resolutions of sympathy.

Or is the policy of the United Nations and the free world now to be that we will throw water on the embers of freedom and revolt against tyranny and that we will finance Communist economic and political systems so that the slaves will be more content with their masters?

For several years the United Nations has discussed the freedom of colonial people in Asia and in Africa. These are and will continue to be important questions until equitable solutions have been reached. The Asian-African bloc of neutrals shows great solicitude.

Why, however, has there been a strange silence in the United Nations relative to the destruction of freedom in Latvia, Lithuania, and Estonia? Here is a clear-cut prima facie case of the violation of its international treaties of friendship and nonaggression by the Soviet Union. Here is a clear case of the unilateral incorporation of three independent nations as provinces within the U. S. S. R. Here we find three nations that were once free which are now in Communist captivity. Yet here the silence is almost deafening.

Will the General Assembly take further action in the Hungarian case to back up its 10 resolutions or will an effort be made to create a zone of silence so that relations with the Soviet Union will not be embarrassed? Is justice for Hungary to be blinded and gagged as well? Is the conscience of the world that was so thoroughly aroused in October and November to be complacent and satisfied in April and May? If the Security Council meets on the Mid-East question this month or next will the Hungarian issue be raised or be forgotten?

These are questions which free men will be asking and enslaved people who want to be free will be waiting for the answers.

It was Lincoln who said: "Fellow citizens, we cannot escape history. The fiery trial through which we pass will light us down in honor or dishonor to the latest generation. * * * We, even we here, have the power and bear the responsibility. In giving freedom to the slave we assure freedom to the free. * * * We shall nobly save or meanly lost the last, best hope of earth."

Annual Dinner of the Amen Corner of Pittsburgh, Pa.

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Tuesday, April 16, 1957

Mr. MARTIN of Pennsylvania. Mr. President, the Amen Corner of Pittsburgh, Pa., includes in its membership many of the leading business and professional men in the tri-State area of which Pittsburgh is the center. Each year it holds a dinner with a program devoted to the discussion of matters affecting the national welfare. Saturday night, April 6, 1957, the 31st of such meetings was held.

This annual dinner also honors the retiring president of the organization. This year the president, Mr. Walter Schulten, an outstanding industrialist and civic leader of Pittsburgh, was so honored.

The speakers this year were the distinguished Senator from Kansas [Mr. SCHOEPPEL], the distinguished Senator from Ohio [Mr. LAUSCHE], and myself. All of the addresses placed emphasis on the high cost of government and the course we must take to maintain the economic stability of the United States. Unfortunately, we cannot have printed the speech of the able Senator from Ohio, because he spoke from notes and did not have a written address.

I feel that these speeches are of interest to the general public, and I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the Genesis of the Amen Corner, the address of the Senator from Kansas [Mr. SCHOEPPEL], and my remarks on that occasion.

There being no objection, the Genesis and addresses were ordered to be printed in the RECORD, as follows:

GENESIS

The Amen Corner is not a club. Don't forget that.

It is something that just happened, and, without rhyme or reason, might happen in any well-regulated wide-awake, self-respecting urban community.

It happened to Pittsburgh in 18—let me see—well, as far back as the memory of this scrivner runs, debates to the contrary notwithstanding, there has been about town a coterie of boon companions, men of many minds, without regard to race, creed, politics or previous condition, who have gathered nocturnally, quite haphazardly, at some place of convenient rendezvous, to discuss as the spirit moved them, any subject under the rising or the setting sun, and, without let or hindrance, apply to the arts forensic any system of logic or reason, which, the individual in his sovereign right, might elect.

Membership in the Amen Corner is one of the difficult mysteries of the day. There is no set formula and no rules of procedure are made to guide the ambitious tyro who would have his name inscribed on the roster of membership. Indeed, the only information on this head which is available is that to gain the open sesame one must be a one hundred percent man. In truth manhood is the acid test which the Corner prescribes, apparently in secret, for one never knows when, if, or how, he is to become a member until some day he is slapped on the back, hale fellow-like, and is told that he is an "Amener."

That's the simple, frank process, but, like the higher degrees in some of the fraternities, the reason why one has been elected is never disclosed.

"Many are called but few are chosen" seems to be quite literally the maxim of this unique fraternity of good fellows.

The progenitor of "The Corner" was called "The Steps" and its place of concourse then was at Liberty Avenue and Sixth Street.

One dark night some scalawags, out of tune with that splendid spirit which preserves the best traditions and usages of an epoch, wantonly and without ruth, moved "The Steps" to make room for the ignoble

and sordid march of progress—moved them no one knew whither.

Up to Grant Street to the offices of one of the group, the fathers of the Amen Corner trekked and metaphorically pitched their tent.

Not long thereafter this same iconoclastic march of progress—to be exact, in the fall of 1915—the William Penn Hotel offered a rendezvous which the dispossessed members of "The Steps" grasped with an appreciation of the hospitality extended, in a way that warmed the cockles of the heart of the genial Boniface.

"Come over to the William Penn," said he, "and meet in a corner of the lobby."

So, they came, and out of "The Steps" there evoluted The Amen Corner.

On its roster, as active or honorary members, are ambassadors to and from the Old World, Governors, Senators, Judges of all the courts, clergymen, lawyers, business men, politicians, literatti, artists, actors, musicians, and notables in greater or lesser degree in nearly every profession, vocation, and avocation.

Many brilliant prandial functions have marked the history of The Amen Corner. Annually the president is honored with a testimonial dinner. That's why we are here tonight.

But nightly, and now daily since it has its own spacious quarters on the club floor of the Wm. Penn Hotel—the real zest of membership in The Amen Corner may be judged from the casual gatherings and the open discussions that animate them.

Controversies rage on every conceivable subject. Questions are never settled. That's too much to expect from "men of many minds."

But though the disputation may work itself into the velocity of a typhoon or the heat of argument may rise to the temperature of Hades, and, the end of the day may leave some sorely tried tempers and furniture may be a bit awry, the day after dawns with the same sunny skies breaking through Pittsburgh's changeful atmosphere, and the same happy, smiling faces and the same warmth of handclasps all around, that prevailed before the last argument.

THE ROLE OF THE CONGRESS IN THE PRESERVATION OF FREE ENTERPRISE

(Address by United States Senator ANDREW F. SCHOEPPEL, Republican, of Kansas, at the 31st annual dinner of the Amen Corner, Pittsburgh, Pa., on April 6, 1957)

It is a pleasure to be with you in Pittsburgh tonight—the city aptly referred to as the Renaissance City of America, the great metropolis with the Golden Triangle.

Many of your fine leaders, from all walks of life, have contributed to this great enterprise, prominent among them being Walter F. Schulten, one of the outstanding industrialists.

He has interested himself, as you know, in the great civic advancement of your city, and is to be congratulated for his splendid accomplishments.

It is always a pleasure for me to meet with business leaders to discuss some of the problems which confront the Congress of the United States in preserving the free enterprise system which you represent and symbolize.

The 531 individuals who constitute the Congress, 96 Senators and 435 Representatives, are the board of directors for the American people. We are responsible for determining the policies of what has become the biggest business on earth.

As in most corporations, boards of directors have no administrative responsibilities. In the Federal Government, executive responsibility is the province of the President.

The American people—170 million of us, with only 7 percent of the world's population—enjoy the highest standard of living of any country on earth.

We have only 6 percent of its land area, yet we account for 40 percent of its production of goods.

We generate 45 percent of its electric power.

We have 60 percent of all the telephones in use, and more than 75 percent of the automobiles.

The other side of the coin is, of course, the fact that 93 percent of the world's population has far less of the good things of life than do our own citizens.

With the bulk of the world's resources available to them, they should be able to do more for their own people without depending on the American taxpayer.

People from many lands visit America to see our factories, our farms, and to study our productive processes. Our Government fosters these exchanges, as we believe that others can benefit through the application of our advanced technology and scientific developments to raise their own living standards.

I support these efforts. However, I am disturbed that so many who visit our industrial plants leave our shores without finding the key to America's well-being and strength.

They believe that our progress can be transplanted to other lands by capital grants and the application of technical know-how.

They have failed to grasp the fact that the accumulation of capital in the United States, as well as our technical superiority, is based on a unique system of relationships between private citizens and their governments. These relationships are derived from the spiritual and moral concepts which our Founding Fathers wrote into our Constitution.

They are the basis for a competitive capitalistic system, which today protects the free world from atheistic communism.

I believe in this system, and none of us should hesitate to voice our belief that this is the most productive system man has devised.

The United States Information Agency has sent an exhibit to many countries to explain our American system described as "the people's capitalism." This is a good phrase. We have no classes in America.

Here in Pittsburgh your industrial society provides one of the best exhibits in the world to show the success of this system. Many of your neighbors are at one and the same time workers for, investors in, and customers of the same firm.

The distinguishing feature of each of these relationships is the fact that they are based on the voluntary decisions of individuals.

We in the Senate must make sure that its growth is fostered by the development of sound fiscal and monetary policy.

Any one can buy or sell a share of stock in any listed American corporation.

You can seek any job for which your abilities qualify you.

You are free to spend your income as consumers to satisfy your personal wants and express your individual preferences.

This voluntary system based on free individual choice is the unique feature of "the people's capitalism."

The Congress of the United States, your board of directors, promises to protect these rights for all our citizens, which rights have been handed down to us by our forefathers.

These freedoms are possible only because individuals have the right to own private property. The productive tools in America belong to the people and not to their Government.

In recent years we have heard a great deal about the fifth amendment. Every one here is familiar with the fact that it protects individuals from self-incrimination.

Some of you perhaps are not aware of the fact that it also provides the basic security for private property. This amendment, a part of our great Bill of Rights, provides that private property cannot be confiscated without due process of law, nor can it be acquired for public use without just compensation.

From our earliest days as an independent country, we have believed in private enterprise.

It is an article of faith that every individual should be free to develop his God-given talents and to enjoy the fruits of his own labor.

Our country has prospered greatly because of these basic fundamental beliefs.

Our Constitution protects freedom of conscience, freedom of speech, freedom of assembly, and the freedom to petition one's Government.

These freedoms have fostered intellectual development, the spirit of scientific inquiry, and the willingness to explore the unknown, which underlie our great scientific and industrial accomplishments.

Let me remind you that our scientific developments come from the efforts of individuals. We believe in the dignity and importance of every individual.

Let me discuss our current concern with lobbying in terms of the freedom guaranteed in the Constitution to petition one's Government.

I am reminded of an article written in 1935 by Raymond Moley, who is truly an elder statesman in the field of political journalism. Mr. Moley wrote:

"Lobbies about which we are hearing so much these days are an inevitable aspect of republican government. They fill a need created by modern economic life, which is a mesh of many interests. If we recognize these interests as legitimate, we speak of them as interests.

"If we do not like them, we call them in an italicized voice interests. If we hate them and are fighting them, we call them big, special, or vested interests. But interests they are, and they multiply, overlap, and conflict."

It is the admitted responsibility of the Congress and the Senate to prepare and pass upon the ground rules under which these overlapping and conflicting interests compete with each other.

We should run no risk that our deliberation turn into a Roman holiday for the benefit of sensational journalism, and referring to the general area of the activities which we call lobbying, I would like to again quote Mr. Moley: "It is difficult to indict a method which in its essence is the ancient right of petition in a modern dress."

Regarding this right of petition, there is a traditional policy in Washington which every American citizen critical of lobbying should know and understand.

On nearly every entrance door in the Senate Office Building there is a sign which reads, in effect: "Come in. You are welcome."

Were the sign ever to be removed, dictatorship would get its first toehold on the Republic of the United States of America.

Those among our population who in their lack of information condemn the practice of business lobbying as a sinister influence in our public life would be astonished to discover that the widely-publicized groups referred to as the power lobby, the oil and gas lobby, the steel and chemical lobbies, etc., are relatively unimportant compared to other groups.

These other groups are the farmers, the veterans, the labor unions, and others whose activities are usually considered to be exclusively in the public interest, instead of in the private interest.

These citizens would be still more astonished to make the discovery that the biggest of all lobbies are the departments of the Federal administration: The Army, the Navy,

the Air Force, the Post Office, the State Department, the Treasury Department, Foreign Aid, and its associated lobbies.

As to the actual day-to-day operation of Washington lobbies, I do not know a single Senator or Representative who does not value the data and information emanating from these offices.

The public which, unfortunately, is preoccupied with the more sensational aspects of lobbying, does not know that one single, well-written, time-saving analysis is more influential over Congressional action than a dozen offers of special favors, free dinners, or elaborate cocktail parties.

Our system of government is founded on the concept that those who govern do so with the consent of the governed. This concept, in turn, rests on the fact that our citizens own private property, not only homes and personal possessions, but the tools of industrial production.

They can live and support their families regardless of whether their political views are attractive to those in power.

When the United Nations was established in 1945, one of its first acts was to establish a Commission on Human Rights.

Our Government supported the work of this Commission, as we wished to foster universal recognition of the guaranties enumerated in our Bill of Rights, including the right to own private property.

You will be interested to know that your Government, in the councils of the United Nations, has attempted unsuccessfully for 11 years to secure recognition of the private ownership of property as a basic human right.

What is even more disturbing is that fact that in 1952 a resolution was adopted by the United Nations General Assembly which, in effect, condoned the right of countries to nationalize private property without compensation. Only four countries, including the United States, voted against the adoption of this resolution.

As we turn the pages of history we can find no instance in which a war of aggression was started through the legislative actions of a free people. Under our Constitution, only Congress can declare war.

It is inconceivable that we would ever debate a program for an aggressive attack on anyone.

The danger to world peace arises from the fact that in so many countries decisions which determine the course of history do not rest with the elected representatives of free people, but are in the control of individuals who have dictatorial powers over the manpower and resources of their countries.

Permanent progress toward achieving a world in which more of our energies can be directed toward fulfilling the desires of our own people for a more satisfying life, rather than in colossal military expenditures, requires that other countries achieve systems of government in which the aspirations of individual citizens will have a more important place.

The people living behind the Iron Curtain, if they understood our way of life and if they controlled their own destinies, would never vote to make war on us. Our danger lies in the actions of their leaders who have kept the truth about our economic system from their own citizens.

It is because I believe so strongly that the spread of our system of private competitive capitalism would not only help others to raise their living standards, but would remove the threat of nuclear warfare, that I feel we must further a better understanding of our economic system throughout the world.

Every foreign study group which visits the United States must learn that the real secret of our progress lies in the fundamental freedoms which we enjoy.

Until the right to own private property is established as a human right, every citizen will always be subject to the arbitrary actions of those who control the economies of countries where the people are not free to express their own wishes.

Furthering respect for private property will advance the economic well-being of other countries. What is even more important, it will enable us to reduce our own military burdens.

In the months ahead the Congress of the United States must determine the character of our foreign-aid program. Its size, duration, and method of operation will affect the future of our own economy.

Because of the impact foreign-aid expenditures have on the Federal budget and, hence, on industries' tax burden, the Congress will give this program careful scrutiny.

Last year the Senate authorized an extensive study of the present program. The Committee on Foreign Relations has secured assistance from a number of private groups representing different points of view. Their work is now being published by the committee in a series of reports to guide the Congress in its deliberations.

President Eisenhower also established a committee to examine this problem. He appointed Benjamin Fairless, one of your most distinguished citizens, to serve as chairman.

Last month the committee's unanimous report was made public by the President. It strongly urges that we stimulate private investment, rather than depend on Government grant aid. Let me quote from the report:

"Foreign investment of private capital is far more desirable than investment by Government; and during the past fiscal year it appears that there was approximately $3.7 billion of new, private United States investment abroad. Such investments provide much more than capital to the cause of economic development, for they carry with them the initiative, the managerial skill, and the technical aptitude which have proven of great worth to the American economy.

"Moreover, private capital does not constitute a drain on the taxpayer. Indeed, to the extent that private capital can proceed, the burden on the American taxpayer can be reduced without impairment of that economic development of the free world which is so essential to the realization of American aspirations.

"Beyond that, private American capital can join more easily with private capital in other countries than can Government investment.

"We believe, therefore, that the United States Government should increase its efforts to make known, both at home and abroad, the productive contributions and possibilities of private capital. This can and should be done by our diplomatic missions and by friendship and commerce treaties. In our opinion, this effort has not been pursued, thus far, with the vigor that the obvious benefits of such an undertaking would justify" (p. 8).

Obviously, private investors are not going to send their money abroad unless they feel that the countries receiving their capital will not arbitrarily nationalize it or discriminate against it because of its foreign origin.

However, in spite of all that we can do to further private investment, the Fairless committee realizes that our Government must continue to make some direct grants and loans for many years into the future.

The Congress must decide whether grant aid should be administered by our own Government or through the United Nations.

There are two schools of thought on the subject of foreign grant aid. The first, which is supported by the Fairless committee, and which I endorse, believes that governmental assistance financed with your tax dollars should be given primarily to those countries which are willing to take the necessary political, economic, and military measures to safeguard their own freedom against the only aggressive force in existence in the world today—international communism.

The second school of thought, which has many supporters, believes that foreign economic development financed by the American taxpayer is a noble end in itself. The adherents to this philosophy believe that we should support the establishment of a new specialized agency within the United Nations, to be called SUNFED.

The initials stand for Special United Nations Fund for Economic Development.

The reasons for adding the word "Special" to the title of this agency are that without the "S" the initials would read "UNFED," and this is not an appealing word.

Walter Reuther is one of the strongest advocates of SUNFED. He has suggested that our Government pledge an annual contribution of 2 percent of our gross national product to such a fund. This would mean additional expenditures of more than $8 billion of tax dollars.

Establishment of SUNFED would encourage underdeveloped countries to develop along socialistic lines, as they would not feel any compulsion to create the necessary internal conditions to attract the funds of private investors. I am, of course, opposed to such an increase in our foreign-aid expenditures. However, I am even more concerned with the direction the program would take, if the funds were contributed to such an agency.

Any such international organization supplying grant aid would be directed and operated by individuals from many countries in the United Nations whose economic philosophy would range from an adherence to our system of private competitive enterprise to socialism, communism, and every form of economic organization which might lie between the two extremes.

Experts and technicians who are exponents of socialism and communism would be sent into many underdeveloped countries. Yes, they would bring capital and technical training, but I am sure they would not bring the one priceless gift we could give these countries—namely, an understanding of the basic principles of human organization which underlie not only our material well-being, but are responsible for the political freedom which makes each of us rejoice in our United States citizenship.

I am very happy that the Fairless committee in its report to President Eisenhower unequivocally said, and I am again quoting: "The contributions of other economically advanced nations to the task of providing external assistance to nations in need should be actively sought. But it does not appear that there is need for yet another worldwide bureau, such as the Special United Nations Fund for Economic Development, for the distribution of grant economic assistance" (p. 11).

Mr. Fairless, as the chairman of this presidential commission, has performed a great service for the United States and toward the advancement of the private enterprise system to which he contributed so much in his work as a business leader here in Pittsburgh.

Let us now turn our attention to some of the domestic concerns which confront your board of directors, the Congress of the United States.

I have stressed the necessity of preserving freedom for every individual to express his views, and to live his life according to his own dictates as long as he does not infringe on the similar rights of others.

In our present industrial society, there is a definite need for free labor unions. The labor movement can play an important part in advancing our concepts of freedom.

The Labor-Management Relations Act of 1947 provides that a union, which is certified as a bargaining agent for a majority of the employees in any establishment, shall represent all the employees in collective bargaining negotiations and in the handling of any grievances with the employer.

The Congress provided that union-shop agreements not prohibited by State or Territorial law could be executed by unions and employers. Unions contend, with some justification, that they want all members of the bargaining unit to contribute toward the benefits all the employees receive from the activities of the union working as their agent.

The Congress in 1947, when the Taft-Hartley Act was written, regarded the rights and obligations of labor unions in terms of their traditional function as representing their members in dealing with their employers and not as political parties. Recently it has become obvious that in some respects some unions regard themselves as political parties.

I would never infringe on the political rights of any group. I do not object to unions engaging in politics. However, I do feel that any political action by a union must be truly voluntary. No union which participates in politics should be allowed to negotiate a union shop agreement and force all its members to contribute to a political campaign.

The results of the last election clearly show that many union members did not carry out the wishes of their union leaders in the privacy of the polling place. These members, in effect, were forced to contribute dues under a union shop agreement to pay for a political campaign in opposition to their own political beliefs.

More recently, the select committee investigating racketeering under the chairmanship of my friend and colleague, Senator McClellan, has revealed that funds collected on a compulsory basis through union shop agreements, allegedly for political purposes, actually were used for the private gain of a few unscrupulous and, I am sure, unrepresentative union officials.

One task which this Congress must undertake is the amendment of the Labor Management Relations Act so that every union may be given the choice of whether it wishes to operate as a political party or as a trade union.

If it chooses to become a political party it should enjoy the immunities of the first amendment, but lose the right to negotiate union shop agreements.

On the other hand, if it wishes to confine itself to acting as a bargaining agent for its members and not engage in any political activity, it should be permitted to negotiate union shop agreements under State and Territorial law. I know we cannot continue our present course of fostering compulsory membership in political parties. This was the technique of Mussolini and Hitler. It is fascism, and not Americanism.

For many years I have been a member of the Select Committee on Small Business. I sought this assignment as I believe that if our economy is to prosper, today's small businesses must be encouraged to grow into the big business units of tomorrow.

We must constantly revitalize the ranks of our business leaders with newcomers of ability and energy. Every American glories in the achievements of your pioneer industrialists—Andrew Carnegie, Henry Frick, and Andrew Mellon.

They started with nothing but new ideas and a few dollars, which they had saved before the tax collector made saving so difficult.

They gave this community new industries, supplying employment to hundreds of thousands of your fellow citizens. To be sure, they earned large profits, but these profits are small in comparison with the benefits the consumers of our country received from their purchase of the products created by their efforts.

Under our system, the consumer of America really receives the profits from any industrial endeavor.

In recent years it has been more difficult for small business to succeed and move forward. I have been disturbed that so much of the work of our Small Business Committees has been directed to attacks on big business rather than to the development of measures to further the growth of our smaller firms.

One proposal advanced to assist small corporations is to reduce the normal tax on the first $23,000 of corporate profits.

It has great merit, and I support it. However, it only partially solves the problem. We must remember that many of our smaller firms are either individual proprietorships or partnerships. They will only be helped by reducing our personal income tax rates.

If a small business shows a profit of $25,000 and this profit represents a return of 5 percent on invested capital, the stockholders must have invested a half-million dollars. Most small businesses are owned by only a few stockholders.

A family, or two or three individuals, have risked all their assets in a venture.

I wonder whether those who speak with feeling about the small business concern whose profits total only $25,000 have the same solicitude for the stockholders with assets of at least $500,000. Yet, we are talking about the same people.

Under our present personal income tax laws rates in the top bracket reach 91 percent, and it is becoming more and more difficult for individuals to accumulate funds for investment. We can do a great deal to help small business by making it possible for individuals to once again save capital from their current income.

This will accomplish more than attacks on big business or the establishment of new Government programs to loan funds to small business. Loans cannot be repaid unless equity capital can be substituted for Government debt.

The Congress must reexamine our tax structure so that it will produce the maximum possible revenue without depriving individuals of the incentive to establish and expand new businesses. Present tax rates were established under the previous administrations, and many of them are designed to punish success rather than to raise revenue. This is a luxury we can no longer afford.

In view of the large expenditures which our Government must make for years to come it is essential that taxes be levied with due regard to the fundamental economic principle of diminishing returns. Any tax rate which is set so high that it discourages new investment and hence produces a smaller net revenue for the Government than would a lower rate is completely indefensible.

The subject of taxes invariably requires an examination of appropriations. The Congress is considering the budget for the fiscal year 1958 which will start July 1. President Eisenhower has recommended the largest peacetime budget in our history. The greater portion of this budget is dedicated to our defense and foreign-aid activities.

I can assure you that the Congress will examine these items closely, and we will endeavor to effect every possible economy without jeopardizing the security of our country.

In the last analysis the domestic items included in the budget reflect the demands upon the President and the Congress by the people of America. We must reverse the trend to ever-larger Federal budgets if we are to preserve our system of private enterprise.

This can only be done if every community leader assumes a personal responsibility to see to it that demands are not made upon the Federal Government for services which could be better performed either by private enterprise or by the States and local communities.

The Atomic Energy Act was amended in 1954 so as to make it possible for private enterprise to devote its resources to the development of this new great force. Here in Pennsylvania at Shippingport you will shortly be producing electrical energy from the atom on a commercial basis.

I can see no reason for the Federal Government to compete with private industry in the development of peaceful uses for atomic energy. Yet, proposals are repeatedly made which would ultimately require spending billions of tax dollars to place the Government in the utility business in competition with private industry. We must resist these measures which would not only tend to produce a collectivist economy, but would add ever-increasing burdens on our taxpayers.

The 83d Congress authorized the disposal of the Government's investment in synthetic rubber plants to private industry. This transfer has been completed.

The Government is out of this business, and properties valued at hundreds of millions of dollars have been added to the tax rolls of our States and local communities. There is much more to be done in getting the Government out of business. The Government is still the country's largest insurer, its largest lender, its largest tenant, its largest holder of grazing land, its largest warehouse operator, its largest shipowner, and its largest truck-fleet operator.

If the Government withdraws from businesses which can be undertaken by private industry, we will place billions of dollars of additional property on State and local tax rolls and at the same time we will increase the revenue of the Federal Government by their sale of these properties.

All funds realized from the sale of these properties should be dedicated to a reduction of the national debt. The increased local revenues will make it easier for the States and local governments to build schools and perform other necessary community services themselves, instead of seeking Federal assistance in Washington.

As an illustration of how we can apply new approaches to complex economic problems, let me mention briefly Public Law 480 of the 83d Congress, providing for the sale of our agricultural surpluses for foreign currency.

This law also permits bartering surplus agricultural commodities for strategic materials which are placed in our military stockpile where they add to our national security.

The foreign exchange derived from these transactions is used to pay necessary expenses of our Government in foreign countries. Some of the funds have been lent back to the countries purchasing these commodities for economic development.

This program has two features of interest to all taxpayers.

First, it disposes of surplus agricultural products. Appropriations for agricultural programs, a large domestic item in the budget, can be reduced drastically when we are no longer burdened by surpluses which overhang the market and depress agricultural prices.

The second feature of this program of interest to you is that it does not require current funds from the taxpayers. The money for the acquisition of these commodities has already been spent.

In disposing of them we reduce storage charges, we secure needed foreign currency for Government purposes, we acquire strategic materials, and we contribute to our foreign-aid program, which would again otherwise probably involve the expenditure of additional tax dollars.

This Congress will undoubtedly extend this program for an additional year. Programs of this type can be utilized to maximize the benefits to all our people from every tax dollar spent.

As a former governor, as well as a legislator, I am concerned with the problems of education.

We must improve our educational programs, if we are to keep pace with the Russians who have placed great emphasis upon the training of scientists and engineers. You cannot train scientists in our great schools of technology without first providing the applicants for the freshman class with an adequate foundation in mathematics and in the basic sciences.

I find that in many cases our secondary schools have broadened their curricula so as to include so many subjects that it becomes a difficult task to find adequate revenue to pay all the specialized teachers this program requires.

Furthermore, those who are qualified to teach science and mathematics will not accept the salaries normally paid schoolteachers, as they have opportunities to work at their specialties in private industry.

Our communities must reappraise their educational programs. We must make sure that we are doing the best possible job in teaching the fundamentals. We must eliminate some of the frills that our school budgets cannot afford so that we can pay better salaries to those teachers who have a real background in the subjects they are teaching, as well as the teaching qualifications.

This task cannot be undertaken by the Federal Government. It is one of the jobs which I hope that you will do in your local communities.

The future of our country is in the hands of those who are now in school.

It has been a great pleasure for me this evening to review some of the issues which concern us in Washington. The preservation and development of a private enterprise economy both at home and abroad is the most important task before the Senate today. You, as citizens, are stockholders in the greatest business on earth.

In my limited time I could touch on only a few of our problems. I can assure you that your board of directors, the Congress of the United States, regardless of party, and your Chief Executive, are working together to advance the interests of this great Republic.

BIG SPENDING OR ECONOMY—YOU MUST DECIDE

(Address by United States Senator EDWARD MARTIN, of Pennsylvania, at the annual dinner of the Amen Corner, in the Penn-Sheraton Hotel, Pittsburgh, April 6, 1957)

Of all the great powers in the world the United States is the only one where the people still control the Government.

This significant fact of modern history is the foundation upon which was built the structure of American freedom.

It is given impressive expression in the preamble to the Constitution which declares that "We, the People * * * do ordain and establish this Constitution of the United States."

That concept of government gave force and effect to the principle set forth in the Declaration of Independence that governments derive their just powers from the consent of the governed.

If that ideal is to survive—if we are to continue to control our Government—our people must recognize that we have responsibilities as well as rights.

History teaches that it is a heavy responsibility to live as free men. Great nations have gone down to destruction because their people allowed control of their government to slip from their hands. The great powers of the past failed when the people started to depend upon government and not upon themselves. The result has always been extravagant spending, a crushing burden of taxes and debt and eventually the loss of freedom. They passed out of history as completely as if they had been destroyed by invading armies.

The record of the past shows very clearly that freedom cannot long be retained by a people who ignore or evade their responsibilities. That means that we must all accept a personal share of responsibility for keeping our Nation strong, secure, sound, and solvent. We must all take part in government. We must become interested and active in politics—not merely from a partisan standpoint—but as a patriotic contribution to the public welfare.

You men assembled here tonight are leaders in business, industry, and in the professions. You are vitally interested in building the economic strength of this important area and of the Nation. Therefore, the situation in our country, as it relates to Government spending, taxes, and debts should be a matter of great concern to you—and I am sure it is.

I am sure that you are all seriously disturbed over the alarming increase in the cost of government at all levels, local, State, and Federal, during the last quarter of a century.

Let us look at the figures.

In 1932 the people of the United States paid $6,375,000,000 for local government. That cost is now $26,230,000,000.

For State government in 1932 we spent a total of $2,028,000,000. Now the States are spending at the rate of more than $11 billion a year.

The cost of operating the Federal Government in 1932 was $5,125,000,000. The current budget calls for the expenditure of nearly $72 billion.

Now, if we add up these figures we find that the overall cost of government has jumped in 25 years from $13½ billion to $109½ billion, an increase of more than 700 percent.

Now let us look at the debt, which is a mortgage on the future of every man, woman, and child in the United States.

The bonded indebtedness of local government, which was $16,680,000,000 in 1932, is now above $33 billion.

The debt of State government has grown from less than $3 billion to $11 billion in the same period.

The Federal Government debt shows the most startling increase—from $19½ billion in 1932 to the present debt of more than $274 billion.

The total Government debt has gone up from $30 billion to more than $318½ billion, an increase of more than 700 percent.

In addition, many States and local subdivisions have created authorities to finance various types of construction and other public works by the sale of bonds. For example, in Pennsylvania the debts incurred by State and municipal authorities have reached a total of nearly $2 billion.

One illustration of the increase in the cost of government is that the Federal Government proposes to spend $14 billion a year for welfare programs as compared with a little more than $3 billion 10 years ago.

Unfortunately we are continually taking on new projects and new spending programs which grow bigger and more expensive year after year. Local government, with hat in hand, goes to the State for handouts. The State government, with hat in hand, goes to the Federal Government for handouts—the so-called grants-in-aid. Even our big cities are bypassing the States and go directly to Washington for financial assistance. And to raise the money the Federal Government has two courses to pursue—higher taxes or bigger debt.

The time has come when each level of government must stand on its own feet. Otherwise it will not be long before all government will be controlled at the national level. Each grant of Federal funds carries with it a measure of Federal control. That control never lessens. It always increases.

The time has come when we must look ahead with extreme care before we take on new projects.

Two of the greatest men in our history had something to say on this subject.

Washington said this to Lafayette: "It is a part of the military art to reconnoiter and feel your way before you engage too deeply." This was stated when Lafayette was urging some reforms for France.

Abraham Lincoln said in a letter to a friend: "I hope to stand firm enough to not go backward, and yet not go forward fast enough to wreck the country's cause."

The automobile gives another illustration of watching both the past and the future. It has a mirror which gives a view of the road in the rear, while the driver has a perfect view of the road ahead.

The careful driver sees both the rear and the front.

Let us not move too rapidly in government until we survey the road of the past and carefully reconnoiter the road to the future. Let us not lose sight of the dangers that lie ahead.

One of the greatest dangers to national stability is inflation. Inflation is suggested by many economists as a cure for certain economic ills, but it is only a shot in the arm.

Inflation, high taxes, deficit governmental finance, big government debt and big centralized government have destroyed more nations than invading armies. It will destroy more countries than the most terrible bomb that could be invented.

Before it is too late, let the American people take over, because it is still our Government. The people still have the power to control.

Let us bear this in mind. No nation, regardless of how rich it may be in natural resources, can live and pay taxes which destory initiative and the private-enterprise plan of economy. Many are now advocating things which tend toward socialism: public power, restricting the right to work at the job of our choice, centralization of government.

The free-enterprise economy plan has done more to advance our living standards and our cultural and spiritual attainments than all our vast natural resources.

There are many systems of government that advocate some form of socialism. Let us look at some of the results.

After 40 years, the Soviet type of communism has produced a living standard only one-tenth as high as that of the United States.

The so-called Swedish welfare state has produced a living standard only one-third as high as the United States.

In England, where nationalization of basic industries has continued for 12 years, the living standard is about one-half what it is in the United States.

Many of the Founding Fathers who were interested in the independence and freedom of the individual feared that our Government, unless most carefully and economically administered, would fall, of its own weight, within 200 years. Time is moving rapidly. It's our Government. Let us look it over. If we are spending too much for government let us have the courage to make corrections.

One of the principal reasons for the alarming rise in the cost of government is the constant demand from organized pressure groups who have no regard for the welfare of our Nation or its future.

They demand appropriations of public funds for their pet projects, for new and expanded functions of government, for sectional advantage and for every conceivable form of spending. Some do not hesitate to threaten political reprisals unless their proposals are given immediate and favorable attention.

That same sort of pressure must now be exerted in support of economy. If we are to achieve government at lower cost we must develop a demand for economy so strong and so insistent that no one in the executive or legislative branches of government will dare to ignore or oppose it.

It must be supported by business associations, chambers of commerce, service clubs, labor organizations, farm groups and welfare and educational societies. It must have the driving force of an aroused public opinion, so strong and so powerful that it will be irresistible.

As I said in the beginning of my remarks—in the United States the people still control the government. Therefore the battle to cut the cost of government must begin with you.

Big spending or economy—you must decide. And I have complete confidence that you will make the right decision.

SENATE

WEDNESDAY, APRIL 17, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou ruler of all nature, in the blue beauty of the soft spring skies and the blossoming wonder of the awakening earth we come, this week of the passion, reverently following the wounded footprints of that servant of all as He goes on to die. We give Thee grateful thanks that in His death is life for all mankind. In that face may we see anew the might of love, the royalty of self-giving, the majesty of meekness.

At this altar of prayer, steady our spirits with the realization that back of all the dark tragedy of these bewildering days there is a permanent good, the blue sky above the clouds, to which we must be loyal if our lives are to be saved from frustration at last.

God the all-righteous One, man hath defied Thee:
Yet to eternity standeth Thy word;
Falsehood and wrong shall not tarry beside Thee;
Give to us peace in our time, O Lord.

In the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the Journal of the proceedings of Tuesday, April 16, 1957, was approved, and its reading was dispensed with.

ENROLLED BILL SIGNED DURING ADJOURNMENT

Under authority of the order of the Senate of April 16, 1957,

The VICE PRESIDENT announced that on April 16, 1957, the President pro tempore had signed the enrolled bill (H. R. 6870) making appropriations for the fiscal year ending June 30, 1957, and for other purposes, which had previously been signed by the Speaker of the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the following bills of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 93. An act for the relief of Dominic Paul Steinhauser (Hiroshi Tsuruda);

S. 687. An act for the relief of Stylianos Lecompiles;

S. 696. An act for the relief of Alecos Markos Karavasilis and his wife, Stellani Karavasilis; and

S. 797. An act for the relief of John Leary.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 5520) to amend the Second Liberty Bond Act to increase the maximum interest rate permitted on United States savings bonds.

The message further announced that the House had passed a joint resolution (H. J. Res. 310) making additional appropriations for the fiscal year 1957, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 812. An act to amend the Agricultural Act of 1949 with respect to price support for extra long staple cotton;

H. R. 71. An act to prohibit the payment of pensions to persons confined in penal institutions for periods longer than 60 days;

H. R. 3035. An act to provide a temporary extension of certain special provisions relating to State plans for aid to the blind;

H. R. 4686. An act to continue until the close of June 30, 1958, the suspension of duties and import taxes on metal scrap, and for other purposes;

H. R. 5520. An act to amend the Second Liberty Bond Act to increase the maximum interest rate permitted on United States savings bonds; and

H. J. Res. 126. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the Washington State Sixth International Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 310) making additional appropriations for the fiscal year 1957, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Fiscal Affairs Subcommittee of the Committee on the District of Columbia was authorized to meet today during the session of the Senate.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, for the purpose of considering the new reports on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The VICE PRESIDENT. If there be no reports of committees, the nominations on the Executive Calendar will be stated, beginning with the "New Reports."

UNITED NATIONS

The Chief Clerk read the nomination of Donald Vaughn Lowe, of New Jersey, to be a representative of the United States of America on the Transport and Communications Commission of the Economic and Social Council of the United Nations.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Gerald A. Drew, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Haiti.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

ROUTINE APPOINTMENTS IN THE DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk proceeded to read sundry routine appointments in the Diplomatic and Foreign Service.

Mr. MANSFIELD. Mr. President, I ask uanimous consent that these nominations be considered en bloc.

The VICE PRESIDENT. Without objection, they will be considered en bloc; and, without objection, these nominations are confirmed.

CIVIL SERVICE COMMISSION

FREDERICK J. LAWTON

The Chief Clerk read the nomination of Frederick J. Lawton, of the District of Columbia, to be a Civil Service Commissioner for a term of 6 years, from March 1, 1957.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

CHRISTOPHER H. PHILLIPS

The Chief Clerk read the nomination of Christopher H. Phillips, of Massachusetts, to be a Civil Service Commissioner

for a term of 4 years, from March 1, 1957.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

HARRIS ELLSWORTH

The Chief Clerk read the nomination of Harris Ellsworth, of Oregon, to be a Civil Service Commissioner for a term of 2 years, from March 1, 1957.

Mr. MORSE. Mr. President, Mr. Ellsworth served his congressional district from the State of Oregon for a period of approximately 14 years. Last November, he was defeated in his campaign for reelection.

I have known Mr. Ellsworth for many years. I knew him before he came to the Congress in the first instance. He and I have practically nothing in common, insofar as political point of view is concerned. Yet I wish to say I believe he is a good representative of the point of view for which he stands.

When it was understood that Mr. Ellsworth would be nominated for this position, but before the appointment had been officially announced, he extended me the courtesy of calling me long distance and asking whether I would give so-called senatorial clearance in case the appointment was made. I assured him that he did not even have to call me for that; I told him he should have known that I would. I thought he was very courteous to call me about it, because, as I told him then, and as I shall so state to the Senate now—and I am making this statement because obviously there were those in my State who thought I should oppose the nomination—I felt that the President was entitled to appoint to positions in his official family men who would carry out his policies. That has been my consistent position during my more than 12 years of service in the Senate.

Some of my colleagues may remember that the first constitutional debate in which I engaged in the Senate occurred in 1945, at the time when Henry Wallace was nominated to be Secretary of Commerce. At that time I sat on the other side of the aisle. Action by the Senate on the nomination was postponed for some weeks, as the RECORD will show; and at that time I made a research study regarding every nomination fight in the history of the Senate of which there was any record. The CONGRESSIONAL RECORD will show that at that time I made a very lengthy speech on the problems raised by the Wallace nomination. That speech, which was in respect to the advice-and-consent clause of the Constitution, would have comprised approximately five lectures in any law-school class on constitutional law.

In that debate in the Senate I pointed out the four historic criteria which have been followed throughout the history of the Senate, in the case of the application of the advice-and-consent clause to Presidential nominations. On the basis of that analysis, I voted for the Wallace nomination because I felt that the then President of the United States, a Democrat, was entitled to have as Secretary of Commerce a person in whom he had confidence and one who he thought would carry out his official policies, even though there were then many on the other side of the aisle—which was then my side of the aisle—who thought that for partisan purposes we should oppose the nomination.

Mr. President, I am very proud of the yea-and-nay vote taken in 1945 on the question of confirmation of that nomination, because after a thorough constitutional discussion of the meaning of the advice-and-consent clause of the Constitution in respect to Presidential nominations, a very large number of Republican Senators, as the RECORD will show, joined me in voting in favor of confirmation of the nomination.

Mr. President, during my now 13 years of service in the Senate, I have not voted against the confirmation of any Presidential nomination unless I became satisfied that, on the record, the nomination violated, or could not comply with, one of these four historic criteria.

It will be recalled that several years ago there was quite a debate in the Senate over an Eisenhower nomination to the Bureau of Locomotive Inspection; and there were Members of the Senate who thought we should oppose confirmation of the nomination, and should do so on a partisan basis. At that time I sat on this side of the aisle, but my position on that nomination was exactly the same as it was on other nominations when I sat on the Republican side of the aisle.

I think that any President—be he Democrat or be he Republican—is entitled to appoint to his official family, to carry out the administrative duties of his administration, men of his own choosing; and I believe that the advice and consent of the Senate should automatically be given unless it can be shown that the nominee fails to comply with one of the following four historic criteria:

First, there is the character qualification. We must decide whether the nominee is for any reason so lacking in character that it can be said by the Senate that it cannot properly advise and consent to confirmation of the President's nomination because the Members of the Senate do not believe—because of character deficiencies on the part of the nominee—that he can carry out the obligations of the position to which he has been nominated.

Second, is the nominee a patriotic, loyal person who believes in our system of Government?

Third, is the nominee competent? Mr. President, that does not mean that we should decide whether he is the person we would have selected. It does not mean that he is the person whom we believe to be best qualified from the standpoint of competency. I do not think the Senate would confirm very many nominations if it adopted such a principle. But the question is whether the Senate is satisfied, from the standpoint of the nominee's background, that he is a competent person. If the Senate is satisfied of that, then on that score I believe the advice and consent of the Senate should be automatic.

Last of all, is the nominee free from conflict of interest; or can it be said that, because of his professional or economic or family connections, there is a conflict of interest which would cause him to engage, or would indicate that in carrying out the duties of his office he might engage in a course of action which would violate the well-known, historic criterion of freedom from conflict of interest?

As the RECORD shows, such objections as I have made during my 13 years in the Senate, when I have been called upon to vote on a particular nomination, have been limited to the question of conflict of interests.

Mr. President, although there are critics in Oregon who apparently think I should oppose this nomination, since he is a defeated candidate, and because there is strong political opposition to him in certain areas of my State, I want to say on the floor of the Senate, as I have said in correspondence, I know of no sound constitutional basis for my opposing the nomination of Mr. Ellsworth. That is why I told him I would give him clearance. That is why I told the committee I would give him clearance.

I think, in fairness to myself, I ought to put into the RECORD today the statement I sent to the committee when I gave clearance to Mr. Ellsworth. It reads as follows:

Members of the Post Office and Civil Service Committee:

I am pleased to give clearance to Harris Ellsworth for appointment to the Civil Service Commission on the ground that I think this administration is entitled to appoint to its executive positions men who share its reactionary political policies. Mr. Ellsworth is a conscientious ultraconservative who, I am sure, will carry out this administration's policies. As the members of the committee know, I am very much opposed to those policies from the standpoint of what I consider to be in the best public interest, but that does not justify my not giving Mr. Ellsworth so-called senatorial clearance.

Mr. NEUBERGER. Mr. President, because I am a member of the committee which considered the nomination of Harris Ellsworth to be a member of the Civil Service Commission, and because Mr. Ellsworth comes from my State, I believe I should add some very brief comments to the remarks just made on this nomination by the distinguished senior Senator from Oregon [Mr. MORSE].

I have been active during the past 2 years in criticizing Mr. Ellsworth's role in the so-called Al Sarena timber-mining case. That was the situation which involved very valuable forest stumpage in the Rogue River National Forest in Oregon which went to a mining corporation, and where no mining has recently occurred, but where only cutting of the very fine and matchless fir and pine timber has taken place.

In my opinion, Mr. Ellsworth's role in the Al Sarena case has demonstrated very poor judgment on his part in acting as a custodian of valuable natural resources. However, my very thorough study of the handling of the Al Sarena case has convinced me that no personal corruption was involved so far as Mr. Ellsworth was concerned. In view of my estimate of that situation, I have concluded, along with the senior Senator from Oregon, not to interpose any objection to the nomination of Mr. Ellsworth to be a member of the Civil Service Commission.

As the senior Senator from Oregon [Mr. MORSE] has stated, both of us are opposed to Mr. Ellsworth's political, social, and economic philosophy; but I join the senior Senator from Oregon in stating that I think the President of the United States is entitled to place on such a Commission a person with whom he feels politically compatible, and in whom he personally has confidence. Apparently President Eisenhower has such feelings toward Mr. Ellsworth.

Therefore, I interposed no objection in the committee to the nomination, and I shall interpose no objection to confirmation on the floor. Mrs. Neuberger and I both wish Mr. Ellsworth all possible success and good fortune in his new position.

I ask unanimous consent to have printed in the RECORD, along with these remarks, the letters which I addressed to the Committee on Post Office and Civil Service, dated February 18, 1957, and April 16, 1957, concerning the nomination of Mr. Ellsworth.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

FEBRUARY 18, 1957.

Hon. OLIN D. JOHNSTON,
Chairman, Senate Committee on Post Office and Civil Service, Senate Office Building, Washington, D. C.

DEAR OLIN: I am herewith returning the card from your committee requesting my position on the nomination of ex-Congressman Harris Ellsworth, of Oregon, to the Civil Service Commission. You will note that I have indicated my intention of voting to approve the nomination of Mr. Ellsworth.

This does not indicate my basic agreement with Mr. Ellsworth on fundamental issues—far from it.

In my opinion, Mr. Ellsworth acted quite contrary to the long-range public interests in his positions on the Al Sarena timber case, on his sponsorship of the timber-exchange bill, and in his support of so-called partnership policy at Cougar, Green Peter, and John Day Dams.

However, it is my opinion that the President of the United States has the right to appoint someone of this viewpoint to the executive branch of the Government, if it is the President's desire to do so.

Because I know of no reason involving moral turpitude or corruption why Mr. Ellsworth should not be confirmed, I am returning the card concerning his nomination with my approval.

Furthermore, I do not want to be in a position of holding political grudges. Mr. Ellsworth and his newspapers have many times attacked me bitterly, personally, and unfairly in the State of Oregon. Despite this fact, I am not opposing his nomination to the Civil Service Commission.

With good wishes, I am,

Sincerely,

RICHARD L. NEUBERGER.

APRIL 16, 1957.

Hon. OLIN D. JOHNSTON,
Chairman, Committee on Post Office and Civil Service, United States Senate, Washington, D. C.

DEAR SENATOR JOHNSTON: I regret that a conflict in committee meetings has made it impossible for me to attend today's executive session of the Committee on Post Office and Civil Service. The Public Roads Subcommittee of the Committee on Public Works, on which I serve, is meeting in executive session this morning to consider and to vote on my bill, S. 963, and I must necessarily be present at this executive session.

However, I am sending this letter to the Committee on Post Office and Civil Service so that the record may show the reason why I cannot be present. I also would like the record to show that, if I were present, I would vote to confirm the nomination of Hon. Harris B. Ellsworth, of Oregon, to be a member of the Civil Service Commission.

As I stated publicly some time ago, I would not interpose any objections to the appointment of former Representative Ellsworth to this position merely on grounds of political disagreement, as long as no evidence was adduced to indicate any lack of integrity or other fitness for the appointment. In the absence of such evidence, I have taken the position that the President is entitled to a wide degree of latitude in the selection of members of his administration. I should therefore appreciate to be recorded, in this letter, as consenting to the confirmation of Mr. Ellsworth's appointment.

Sincerely,

RICHARD L. NEUBERGER.

Mr. CARLSON. Mr. President, as the ranking minority member of the Committee on Post Office and Civil Service, I wish to say that I appreciate very much the statements made by the distinguished senior Senator and the distinguished junior Senator from Oregon. I have discussed this nomination with them previously. I think they have adopted a very fair attitude in this case. It seems to me they have taken a very statesmanlike approach on this confirmation.

The distinguished chairman of the committee, the Senator from South Carolina [Mr. JOHNSTON], appointed a subcommittee to hold hearings on the nominations to the Civil Service Commission which had been sent to the Senate by the President. On this subcommittee, serving with the chairman, were the junior Senator from Kansas and the junior Senator from Indiana [Mr. JENNER]. We held a hearing.

We took the personal statements of Mr. Ellsworth, Mr. Phillips, and Mr. Lawton. They were interrogated at length on their plans for the Agency and their views on a long-range policy for the Agency.

Yesterday, when the subcommittee reported the nominations to the full committee, it did so unanimously.

The chairman stated he was convinced the nominees would give an outstanding account of themselves in the positions to which they had been appointed and would conduct the affairs of the Civil Service Commission as the committee thought it should be conducted.

Mr. President, I personally have known Mr. Ellsworth for many years. I had the privilege of serving with him in the House of Representatives for some years while a Member of that body. I have the highest regard for him. He is a man of fine character, integrity, sincerity, and ability. I have every reason to believe he will conduct the affairs of the Civil Service Commission in the way the President, the Congress, and the Nation want them to be conducted.

It is my conviction that the nominees before the Senate for members of the Civil Service Commission are not only qualified for their work but will carry on the work in an efficient manner.

I urge their confirmation.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to the nomination of Harris Ellsworth to be a Civil Service Commissioner?

The nomination was confirmed.

Mr. MANSFIELD. Mr. President, I ask that the President be immediately notified of the nominations confirmed today.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

JUVENILE COURT FOR THE DISTRICT OF COLUMBIA

Mr. MORSE. Has the acting majority leader any information with respect to the nomination of Orman W. Ketcham to be judge of the juvenile court of the District of Columbia? I understood it might be possible to get clearance on that nomination before the end of the week. I wish that could come to pass, because I think it would be unfortunate if the Senate went over the Easter vacation period without taking action on this nomination. Although I have assured my colleague in the Senate who has asked for a postponement heretofore that he would receive my complete cooperation with regard to the matter, I thought the Senate possibly could undertake the consideration of the nomination this week.

Does the acting majority leader have any information on this nomination?

Mr. MANSFIELD. If the Senator from Oregon will permit me, as soon as we get clearance from the Member to whom he refers, we shall take the nomination up immediately.

Mr. MORSE. I thank the Senator from Montana.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

TRANSACTION OF ROUTINE BUSINESS

Mr. MANSFIELD. Mr. President, since the Senate is meeting today following an adjournment, under the rule there will be the usual morning hour, for the introduction of bills and the transaction of other routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

TRANSFER OF NAVAL VESSELS TO FRIENDLY FOREIGN COUNTRIES

A letter from the Secretary of the Navy, transmitting a draft of proposed legislation

to authorize the transfer of naval vessels to friendly foreign countries (with an accompanying paper); to the Committee on Armed Services.

REPORT OF BOARD OF VISITORS TO UNITED STATES NAVAL ACADEMY

A letter from the Chairman of the Board of Visitors to the United States Naval Academy, transmitting, pursuant to law, a report of that Board, dated 1957 (with an accompanying report); to the Committee on Armed Services.

AUDIT REPORT ON GOVERNMENT SERVICES, INC.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the audits of Government Services, Inc., and the Employee Retirement and Benefit Trust Fund of Government Services, Inc., for the year ended December 31, 1956 (with an accompanying report); to the Committee on Government Operations.

REPORT ON LOWER RIO GRANDE REHABILITATION PROJECT, TEXAS

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a report on the Mercedes Division of the lower Rio Grande rehabilitation project in Texas (with an accompanying report); to the Committee on Interior and Insular Affairs.

REPORT ON ACTIVITIES OF DEPARTMENT OF JUSTICE

A letter from the Attorney General, transmitting, pursuant to law, his report on the activities of the Department of Justice, for the fiscal year ended June 30, 1956 (with an accompanying report); to the Committee on the Judiciary.

SETTLEMENT OF CLAIMS OF CERTAIN MILITARY PERSONNEL AND CIVILIAN EMPLOYEES

A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to provide for the settlement of claims of military personnel and civilian employees of the Federal Government for damage to, or loss, destruction, capture, or abandonment of, personal property occurring incident to their service, and for other purposes (with an accompanying paper); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law pertaining to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

ADMISSION OF DISPLACED PERSONS—WITHDRAWAL OF NAME

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Shien Woo Kung from a report transmitted to the Senate on July 2, 1956, pursuant to section 6 of the Refugee Relief Act of 1953, with a view to the adjustment of his immigration status (with an accompanying paper); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of California; to the Committee on Labor and Public Welfare.

A joint resolution of the Legislature of the State of California; to the Committee on Post Office and Civil Service.

A resolution adopted by the executive committee of the National Community Relations Advisory Council, of New York, N. Y., favoring the admission into the United States of refugees from Egyptian persecution; to the Committee on the Judiciary.

A resolution adopted by the members of the East Midtown Ministerial Association, New York, N. Y., favoring the statement by the President concerning the admission of refugees into the United States; to the Committee on the Judiciary.

Resolutions adopted by the Daughters of American Colonists, at the 36th General Assembly of the National Society, relating to the pledge of allegiance, and so forth; to the Committee on the Judiciary.

The petition of Newton H. Wickston, of Key West, Fla., praying for the enactment of legislation to provide educational benefits to certain persons under the Veterans Assistance Act; to the Committee on Labor and Public Welfare.

A letter in the nature of a petition from the Henry T. Ross Post 2588, Veterans of Foreign Wars, Brunswick, Ga., signed by Willie Lee Westberry, commander, favoring the enactment of legislation to increase the salaries of postal employees; to the Committee on Post Office and Civil Service.

A telegram in the nature of a petition from the New England Council, of the Forty and Eight, of Concord, N. H., signed by E. Al Walz, chairman, relating to the appropriation for the Post Office Department; ordered to lie on the table.

JOINT RESOLUTIONS OF NEVADA LEGISLATURE

Mr. BIBLE. Mr. President, on behalf of myself and my colleague, the senior Senator from Nevada [Mr. MALONE], I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, Senate Joint Resolution 19 and Assembly Joint Resolution 11 of the Nevada State Legislature.

There being no objection, the joint resolutions were received and appropriately referred and, under the rule, ordered to be printed in the RECORD, as follows:

To the Committee on the Judiciary:

"STATE OF NEVADA.

"Senate Joint Resolution 19

"Resolution memorializing the President of the United States, the Attorney General of the United States, and the Congress of the United States to take appropriate action to cause the appointment of a second United States district judge in and for the District of Nevada

"Whereas the District of Nevada now has two United States district judgeships, one of which is temporary and will expire on April 1, 1957, by reason of the retirement of Hon. Roger T. Foley, leaving the Honorable John R. Ross as the only Federal judge in a State comprising 110,000 square miles; and

"Whereas the State of Nevada population-wise is the fastest growing State in the Union; and

"Whereas the burden of the Federal courts, and particularly in Nevada, is ever increasing due to the unprecedented increase in Federal legislation, and the many problems of a growing State in which some 87 percent of its area is public domain or controlled by the various military departments of government; and

"Whereas Las Vegas and Carson City, in which places the Federal court now sits, are approximately 500 miles apart, with sparse population between the two places but with highly concentrated areas of population in and about each city; and

"Whereas due to the great distances that will necessarily be traveled by one Federal judge in his efforts to maintain court calendars both in Carson City and Las Vegas it will be impossible for litigants to have that degree of accessibility to the Nevada Federal court as is enjoyed by litigants elsewhere throughout the United States; and

"Whereas it appears that the additional expense of a migratory Federal judge, the transportation of Federal prisoners, and other unusual additional costs will total if not exceed the salary of a second Federal judge: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of Nevada (jointly)*, That the Legislature of the State of Nevada respectfully memorializes the President, Attorney General, and Congress of the United States to take appropriate action to cause the appointment of a second United States district judge in and for the District of Nevada; and be it further

"*Resolved*, That the secretary of state of the State of Nevada be, and hereby is, directed to transmit certified copies of this resolution to the President of the United States, the Attorney General of the United States, the Speaker of the House of Representatives and President pro tempore of the Senate, and to the Senators and Representative of this State in the Congress of the United States.

"Adopted by the senate March 16, 1957.

"REX BELL,
"*President of the senate.*
"H. E. ROWNTREE,
"*Secretary of the senate.*

"Adopted by the assembly March 20, 1957.

"WM. D. SWACHAMER,
"*Speaker of the assembly.*
"C. O. BASTIAN,
"*Chief clerk of the assembly.*
"CHARLES H. RUSSELL,
"*Governor of the State of Nevada.*"

(The VICE PRESIDENT laid before the Senate a joint resolution of the Legislature of the State of Nevada, identical with the foregoing, which was referred to the Committee on the Judiciary.)

To the Committee on Public Works:

"Assembly Joint Resolution 11

"Resolution memorializing the department of highways and the Bureau of Public Roads concerning the importance of Nevada State Highway 8A as a connecting route from north central Nevada to northern California

"Whereas a casual glance at any commercial gasoline company road map will show an area in the western United States which is bound on the west by United States Highway 395, on the southwest by United States Highway 40, on the east by United States Highway 95, and on the north by United States Highway 20. The area so bounded is situated for the most part in northwestern Nevada and comprises approximately 38,000 square miles, comparing in size to the State of Indiana, and is not traversed by any route of automotive travel other than summer season dirt roads; and

"Whereas a further look at the map will disclose that nowhere else in the Nation does such a large area remain without any advantages of a highway; and

"Whereas in the interest of defense, the failure between highway communication with the Pacific coast and the evacuation of the Pacific coast area in case of an emergency attack, a new highway known as Winnemucca-to-the-Sea (Nevada State Route 8A extension) should be completed from 10 miles west of Denio, Nev., westerly via Vya, Nev., to connect with California State Highway 299 at the California-Nevada State line; and being the route of such low altitude that an all-year highway could be maintained; and

"Whereas there is grave danger of the blocking of Donner Pass by enemy bombing; and

"Whereas Donner Pass was closed by a snow blockade for 28 days in January 1952 while Cedar Pass between Cedarville and Alturas, Calif., was opened all but 4 hours during the same period; and

"Whereas Cedar Pass is one of the two lowest passes through the Sierra Nevada Mountains and relatively few miles of pavement are needed to complete this new highway from Nevada to California; and

"Whereas there now exists an end of a Federal aid highway on each side of this unimproved road; and

"Whereas the completion of this route would give Nevada another connecting link with the great Pacific Northwest whereby additional tourist traffic would have easy access to Nevada, open a new truck route into this area and make it possible for the livestock industry of Nevada to seek new markets in the Pacific Northwest; give cheaper transportation to lumber into northern and eastern Nevada and aid in the development of the Nevada mining industry in this area; and

"Whereas an origin-destination field study made by the department of highways during the summer of 1956 shows that the mileage from Redding, Calif., to Winnemucca, Nev., via Reno, is 391 miles as compared with 377 miles from Redding to Winnemucca via Nevada State Route 8A; Alturas, Calif., to Winnemucca, Nev., by way of Reno is 365 miles as compared with 232 miles from Alturas, Calif., to Winnemucca via Nevada State Route 8A; Klamath Falls, Oreg., to Salt Lake City, Utah, through Reno is 827 miles as compared with 700 miles from Klamath Falls, Oreg., to Salt Lake City via State Route 8A; Klamath Falls, Oreg., to Rock Springs, Wyo., via Boise, Idaho, is 942 miles as compared with 893 miles from Klamath Falls to Rock Springs via Nevada State Route 8A: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of Nevada (jointly)*. That the department of highways and the Bureau of Public Roads of the United States be and they are hereby memorialized to take proper action necessary to complete this missing link in the Winnemucca-to-the-Sea Nevada State Route 8A Extension Highway; and be it further

"*Resolved*, That the secretary of state of the State of Nevada be, and he hereby is, directed to transmit copies of this resolution to the United States Bureau of Public Roads, Washington, D. C., and to the Senators and Congressman from the State of Nevada, and the board of directors of the department of highways.

"Adopted by the senate March 20, 1957.

"REX BELL,
"*President of the senate.*
"H. E. ROWNTREE,
"*Secretary of the senate.*

"Adopted by the assembly March 6, 1957.

"WM. D. SWACKHAMER,
"*Speaker of the assembly.*
"C. O. BASTIAN,
"*Chief clerk of the assembly.*
"CHARLES H. RUSSELL,
"*Governor of the State of Nevada.*"

RESOLUTION OF BOARD OF SUPERVISORS OF SARATOGA COUNTY, N. Y.

Mr. JAVITS. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Board of Supervisors of Saratoga County, N. Y., relating to the establishment of sound land policies on Federal projects.

There being no objection, the resolution was referred to the Joint Committee on Atomic Energy, and ordered to be printed in the RECORD, as follows:

Resolution 51

Resolution requesting Federal reforestation of open farm lands at the atomic project, West Milton, N. Y.

Whereas the Board of Supervisors of Saratoga County, N. Y., fully recognizes the value and need for scientific research and progress such as that being undertaken at the West Milton atomic project located in the towns of Milton and Galway, Saratoga County, N. Y., and it is singularly honored to have this project of the Atomic Energy Commission of the United States of America within its geographic limits; and

Whereas said board is well aware of the need in the interest of public safety to surround such a plant with a wide protective area, requiring the acquisition of many acres of land; that in acquiring this acreage at the West Milton site, much of the most fertile farmlands of Saratoga County have thus been acquired to create this protective area and have been allowed to remain idle and vacant fostering the growth of inferior species of brush and scrub trees causing a general and steady deterioration of the land; and

Whereas this Board of Supervisors of Saratoga County, N. Y., takes the firm position that scientific progress in one field must and should be undertaken with full cognizance of and adherence to the established knowledge, rules and practices in allied fields which may be affected thereby; and

Whereas the rules, regulations and practices necessary for good land policies have been long established and include sound forestry practices and reforestation projects for watershed protection, to replace timber supplies depleted by both man and nature, to assist in the prevention of soil erosion, and to provide adequate refuge for wildlife and game: Now, therefore, be it

Resolved, That the Board of Supervisors of Saratoga County, N. Y., respectfully request that the Government of the United States of America, in the interests of general and overall scientific progress, take immediate steps to establish sound land policies on Federal projects, provide the necessary funds therefor, and institute the reforestation of approximately 1,500 acres of open, vacant and idle farmland in the protective zone surrounding the plant under the jurisdiction of the Atomic Energy Commission at the West Milton atomic project in the towns of Milton and Galway, Saratoga County, N. Y.; and be it further

Resolved, That a certified copy of this resolution be forwarded to Dwight D. Eisenhower, President of the United States, to Irving M. Ives and Jacob K. Javits, United States Senators from New York State, to Dean P. Taylow, Representative in Congress from the 31st District of New York State, to the United States Forest Service, to the Atomic Energy Commission, and to Knolls Laboratory, Schenectady, N. Y.

STATE OF NEW YORK,
County of Saratoga, ss:

I, Henry J. Kinns, clerk of the Board of Supervisors of Saratoga County, do hereby certify that the foregoing is a true copy, and the whole thereof, of a resolution duly adopted by the board of supervisors of said county, on the 8th day of April 1957.

In witness whereof, I have hereunto subscribed my name and affixed hereto the official seal of said board of supervisors, this 9th day of April 1957.

HENRY J. KINNS,
Clerk of the Board of Supervisors, Saratoga County, N. Y.

RESOLUTION OF BOARD OF SUPERVISORS OF MONTGOMERY COUNTY, N. Y.

Mr. JAVITS. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Board of Supervisors of Montgomery County, N. Y., protesting against the removal of channel 6 from television station WRGB.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Resolution in opposition to proposed abandonment of channel 6 in relation to television station WRGB, Schenectady, N. Y.

Whereas the Federal Communications Commission has instituted a proceeding to terminate the use of channel 6 by television station WRGB located at Schenectady, N. Y.; and

Whereas the city of Amsterdam and the towns and villages of Montgomery County are within the range of channel 6 as presently used by television station WRGB located at Schenectady, N. Y.; and

Whereas a termination of the use of this channel by this television station would deprive many thousands of families residing in the city of Amsterdam and the towns and villages of Montgomery County from any television reception; and

Whereas these families have for many years past enjoyed television reception through station WRGB, channel 6: Now, therefore, be it and it is hereby

Resolved, That the Board of Supervisors of Montgomery County, on behalf of the people of Montgomery County, hereby protests the proposed plan whereby channel 6 will be removed from television station WRGB, and hereby urges that the use of this channel by this television station be continued without interruption.

Seconded by Supervisor Reese and duly adopted upon rollcall, all members present (17) voting aye.

Dated: Fonda, N. Y.; April 9, 1957.

H. WALTON BARNETT,
Clerk, Board of Supervisors.
MILBURN D. SMITH,
County Attorney.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HAYDEN, from the Committee on Appropriations, with amendments:

H. J. Res. 310. Joint resolution making additional appropriations for the fiscal year ending June 30, 1957, and for other purposes (Rept. No. 249).

(See the remarks of Mr. HAYDEN when he reported the above joint resolution, which appears under a separate heading.)

EVALUATION OF RECREATIONAL BENEFITS RESULTING FROM CERTAIN PUBLIC WORKS—REPORT OF A COMMITTEE—ADDITIONAL COSPONSOR OF BILL—MINORITY VIEWS

Mr. KERR. Mr. President, from the Committee on Public Works, I report favorably, with amendments, the bill (S. 1164) to make the evaluation of recreational benefits resulting from the construction of any flood-control, navigation, or reclamation project an integral part of project planning, and for other purposes, and I submit a report (No. 250) thereon. My colleague, the junior Senator from Oklahoma [Mr. MONRONEY] and I were the authors of this bill. A similar bill, Senate bill 1221, was introduced by the Senator from South Dakota [Mr. CASE]. The committee considered both bills jointly, and has agreed to report S. 1164 with amendments. It is the desire of the authors of the two bills that they be cosponsors of the bill reported by the committee. I ask unanimous consent that the Senator from South Dakota [Mr. CASE] be listed as a cosponsor of S. 1164; and that when the bill is next printed, it bear his name, as well as those of the original authors.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The report will be received, and the bill will be placed on the calendar; and, without objection, the name of the Senator from South Dakota [Mr. CASE] will be added as a cosponsor of the bill.

Mr. KERR subsequently said: Mr. President, earlier today, from the Committee on Public Works, I filed a report on Senate bill 1164. One or two members of the committee were not in town, but have since returned and have indicated a desire to file minority views.

Therefore, I ask unanimous consent that any member of the committee may file individual or minority views during any recess or adjournment of the Senate, and that they may be printed as an addition to the report, and be made a part of the record.

The PRESIDING OFFICER. Without objection, it is so ordered.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSTON of South Carolina:

S. 1901. A bill to amend section 401 of the Federal Employees Pay Act of 1945, as amended; to the Committee on Post Office and Civil Service.

By Mr. DIRKSEN (by request):

S. 1902. A bill for the relief of Bella Rodriguez Ternoir; to the Committee on the Judiciary.

By Mr. BUTLER:

S. 1903. A bill to amend section 7 of the Administrative Expenses Act of 1946, as amended, relating to travel expenses of civilian officers and employees assigned to duty posts outside the continental United States; to the Committee on Post Office and Civil Service.

S. 1904. A bill for the relief of Oscar Ems de Huy; and

S. 1905. A bill to amend chapters 2, 3, 4, 5, 6, and 8 of the Immigration and Nationality Act; to the Committee on the Judiciary.

(See the remarks of Mr. BUTLER when he introduced the last above-mentioned bill, which appear under a separate heading.)

By Mr. BIBLE (for himself and Mr. BEALL):

S. 1906. A bill authorizing the conferring of appropriate degrees by the District of Columbia Teachers College on those persons who have met the requirements for such degrees, and for other purposes; to the Committee on the District of Columbia.

(See the remarks of Mr. BIBLE when he introduced the above bill, which appear under a separate heading.)

By Mr. BEALL:

S. 1907. A bill to subject the special charter and sightseeing services conducted by the D. C. Transit System to those taxes which are imposed upon businesses engaged in the conduct of charter and sightseeing services generally; to the Committee on the District of Columbia.

By Mr. BEALL (for himself and Mr. BUTLER):

S. 1908. A bill to amend the District of Columbia Hospital Center Act in order to extend the time and increase the authorization for appropriations for the purposes of such act, and to provide that grants under such act may be made to certain organizations organized to construct and operate hospital facilities in the District of Columbia; and

S. 1909. A bill to amend the Professional Engineers' Registration Act for the District of Columbia in order to exempt from the requirements of such act certain work by electrical contractors or master electricians; to the Committee on the District of Columbia.

By Mr. BARRETT:

S. 1910. A bill for the relief of Salvatore Salerno; to the Committee on the Judiciary.

By Mr. ERVIN:

S. 1911. A bill to authorize the United States Court of Claims by its rules to create and to prescribe the functions and duties of trial and appellate divisions; to the Committee on the Judiciary.

By Mr. NEUBERGER:

S. 1912. A bill to amend the Internal Revenue Code of 1954 to provide an income-tax deduction for depletion of human resources; to the Committee on Finance.

(See the remarks of Mr. NEUBERGER when he introduced the above bill, which appear under a separate heading.)

By Mr. O'MAHONEY (for himself, Mr. NEELY, and Mr. BUTLER):

S. 1913. A bill to amend the Code of Law for the District of Columbia by modifying the provisions relating to the attachment and garnishment of wages, salaries, and commissions of judgment debtors, and for other purposes; to the Committee on the District of Columbia.

(See the remarks of Mr. O'MAHONEY when he introduced the above bill, which appear under a separate heading.)

By Mr. BEALL:

S. 1914. A bill for the relief of Stephen Peter Demogiannis (Stavros Pantellis Demogiannis); to the Committee on the Judiciary.

By Mr. NEUBERGER:

S. 1915. A bill to amend Public Law 883, 84th Congress to provide for the conveyance of certain additional property of the United States to the city of Roseburg, Oreg., and for other purposes; to the Committee on Government Operations.

(See the remarks of Mr. NEUBERGER when he introduced the above bill, which appear under a separate heading.)

By Mr. CASE of New Jersey:

S. 1916. A bill to amend the act of March 3, 1879, with respect to the admission to the mails as second-class matter of issues of publications having substantial bindings; to the Committee on Post Office and Civil Service.

By Mr. SMITH of New Jersey (for himself and Mr. PURTELL):

S. 1917. A bill to amend the provisions of the Public Health Service Act relating to grants for construction of research facilities so as to increase their duration from 3 to 5 years and to authorize grants for medical and dental teaching facilities; to the Committee on Labor and Public Welfare.

By Mr. SALTONSTALL (for himself, Mr. EASTLAND, and Mr. GOLDWATER):

S. J. Res. 83. Joint resolution to establish a commission to commemorate the 100th anniversary of the Civil War, and for other purposes; to the Committee on the Judiciary.

INTEREST RATES ON LOANS MADE UNDER RURAL ELECTRIFICATION ACT OF 1936

Mr. BARRETT submitted the following resolution (S. Res. 127), which was referred to the Committee on Agriculture and Forestry:

Resolved, That it is hereby declared to be the sense of the Senate that loans made under the provisions of the Rural Electrification Act of 1936 should bear interest at a rate not greater than the 2 percent per annum rate now provided by such act, and that no change with respect to such rate should be effected by the Congress.

Mr. MANSFIELD (for Mr. MCCLELLAN) submitted the resolution (S. Res. 128) providing for the extension of the special committee to investigate political activities, lobbying, and campaign contributions, which was considered and agreed to.

(See resolution printed in full when submitted by Mr. MANSFIELD, which appears under a separate heading.)

AMENDMENT OF IMMIGRATION AND NATIONALITY ACT

Mr. BUTLER. Mr. President, I introduce, for appropriate reference, a bill to amend chapters 2, 3, 4, 5, 6, and 8 of title II and chapter 2 of title III of the Immigration and Nationality Act. This bill is similar in many respects to Senate bill 3096 which I introduced on January 31, 1956. I ask unanimous consent to have printed in the RECORD a statement, prepared by me, explaining the purposes of this proposed legislation, which is of great importance to the American merchant marine.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 1905) to amend chapters 2, 3, 4, 5, 6, and 8 of the Immigration and Nationality Act, introduced by Mr. BUTLER, was received, read twice by its title, and referred to the Committee on the Judiciary.

The statement presented by Mr. BUTLER is as follows:

STATEMENT BY SENATOR BUTLER

Senate bill 3096 was a substitute for Senate bill 2076 which I introduced May 25, 1955. Senate bill 2076 was in turn the same as Senate bill 2347 introduced by me on July 10, 1953, in the 83d Congress. Since then, 4 years' experience under the Immigration and Nationality Act of 1952 has revealed difficulties that require amendments which to

some extent are different than and additional to those in the original bill.

The new bill does three things. First, it makes technical changes to remove from the immigration law provisions which are at cross purposes with other laws enacted to promote the development of the United States merchant marine and United States air carriers. The Merchant Marine Act of 1936 declares it "to be the policy of the United States to foster the development and encourage the maintenance" of our merchant marine. Similarly, the Civil Aeronautics Act of 1938 declares it the policy of our Government to encourage and develop "an air transportation system adapted to the present and future needs of the foreign and domestic carriers of the United States, of the postal service, and of the national defense."

As a member of the Interstate and Foreign Commerce Committee I have become familiar with the importance of those policies and the serious problem faced by our carriers in their effort to fulfill those policies in international transport competition. We should not add to those problems by unnecessary or unrealistic provisions in any of our laws. The Immigration and Nationality Act, however, contains provisions which burden the development of our international transportation companies without contributing to the successful enforcement of the law. That law, although enacted primarily to protect the United States from the entry of dangerous aliens, imposes many fines, penalties, and expenses on our steamship lines and airlines. Thus, if an alien misleads or deceives our Government officials and our carriers as to his eligibility to enter the United States, the Immigration Act fines the carriers, makes them responsible for many expenses and the return trip fare of the alien. Even if an alien has been given permission to come to the United States by our State Department through the issuance of a visa and has been approved by our Immigration Service by being admitted to the United States, the carrier which brought him, nevertheless, may be fined $1,000 for doing so. Furthermore, the Immigration and Nationality Act requires carriers' employees to decide whether aliens are admissible to the United States even though those employees have no governmental power to investigate the alien, and must accept the alien's statements as to his eligibility. Some of these requirements are impossible impositions which retard the development of our international carriers and the related development of international trade and commerce.

On the other hand, as a member of the Judiciary Committee, I am concerned with the proper enforcement of our immigration policies. I do not favor legislation which would impair the ability of the Department of State and the Immigration Service to enforce those policies and, therefore, none of the provisions in my bill change the law as to kinds of aliens who may be admitted, nor do these amendments change the quota of aliens who may be admitted. To maintain our immigration policies, however, I do not think it is necessary to penalize our airlines and steamship companies. My amendments, therefore, seek to remove the unfair impositions on our carriers without changing the substantive immigration law or weakening its enforcement.

Second, the bill makes some technical changes in the law which will ease the burden on the agencies in issuing various travel and identity documents. The current Immigration Act in several of its provisions specifies in almost minute detail the contents of some applications for documents and of some documents themselves in such a way as to make it difficult to adjust the paperwork of the enforcement agencies to changing conditions. These amendments will not change the requirement for thorough investigation of aliens, but do relate to the forms and documents used by the agencies or by the aliens.

Third, the amendments deal with the visa procedures applicable to foreigners who come to the United States for temporary visits. Under the present law these visitors must meet the same tests and requirements as foreigners coming to this country for permanent immigration. It is generally recognized that the two groups should receive different treatment. Thus, the President in his state of the Union message recommended that different requirements be imposed on temporary visitors with respect to fingerprinting. My amendments would allow the relaxation of other formalities for temporary visitors from friendly countries but only after reciprocal agreements have been entered into with such friendly countries.

SECTION-BY-SECTION ANALYSIS OF THE AMENDMENTS TO THE IMMIGRATION AND NATIONALITY ACT PROPOSED IN THIS BILL

Section 1 amends the definition of the term "border crossing identification card" to permit it to be issued to persons living on adjacent islands and aliens visiting neighboring territories.

Reason for change: The border crossing card is a useful identification card now issued at our land borders by a consular officer or an immigration officer to expedite the identification of aliens who repeatedly cross the border. Under the present laws its use is limited because it is issued only to aliens who live on or near our land borders. The amendment would permit it to be issued also to persons who live on adjacent islands and who can, and do, because of the availability of the airplane, get into and out of the United States quickly and frequently. Since these border crossing cards are issued by our own Government officials, there is no question that adequate protection against the admissibility of undesirables will be maintained.

Section 2 amends section 212 (d) (4) to authorize the Secretary of State and the Attorney General to waive visas for bona fide visitors from friendly countries on a reciprocal basis.

Reason for change: The present law requires that a bona fide friendly visitor to the United States must meet all the formalities and requirements imposed on a person emigrating to the United States for permanent residence. This has the effect of making our country seem unfriendly to bona fide visitors. However, this amendment will permit the Secretary of State and the Attorney General to enter into agreements with friendly countries to reduce the requirements applied to bona fide visitors.

Sections 3, 4, 5, 6, and 7 amend several sections of the statute to remove detailed requirements on visas, applications for visas and other documents, and leaving such details to be specified by administrative regulation.

Reason for change: The detailed specifications in the statute prevent the Secretary of State and Attorney General from making changes in these documents to meet changing conditions and circumstances. It is the practice in most other statutes to give the administration more discretion and more flexibility to adjust the detailed requirements to the changing needs. These amendments would accomplish that in the current statute. The exact details to be shown on the documents could be specified by administrative regulations. These amendments do not change the policy requirements under the immigration laws.

Section 8 amends the act deleting section 223 entitled "Reentry Permits" in its entirety and by removing from the act all references to reentry permit wherever it appears.

Reason for change: The present law stipulates that any alien lawfully admitted for permanent residence who intends to depart temporarily from the United States may apply for, and the Attorney General at his discretion may issue, a permit to reenter the United States. The need for this reentry permit is questionable since the Attorney General already has the authority to readmit to the United States any alien previously lawfully admitted for permanent residence who departed from the United States temporarily without being required to obtain a reentry permit or other documentation. This authority is contained in section 211 (b) of the act. The application for and the issuance of a reentry permit is a needless waste of time, effort, and expense for both the Immigration Service and the alien since each alien lawfully admitted for permanent residence must register once a year and the Immigration Service has complete knowledge of the whereabouts and conditions of such alien's residence. My amendment would eliminate this duplication without changing the effectiveness of the immigration laws.

Section 9 would amend section 231 (d) of the act to eliminate a mandatory fine for errors in passenger lists, however, small and substitute therefore a fine which would be imposed if the carrier consistently refused to submit accurate passenger lists.

Reason for change: The present law calls for the imposition of a $10 fine for any error in passenger lists and manifests regardless of whether it was material and regardless of whether it interfered with the effective enforcement of the Immigration Act. The present law stipulates that the Attorney General must be satisfied that the provisions of this section have not been met, but this can result in an arbitrary decision without the carriers being given the opportunity of being heard. Even if the carriers appeal the decision the cost of such appeal can equal the amount of the fine. The present administration is apparently doing everything possible to regulate this provision of the act in a responsible manner. However, in view of the language contained in the present law, my amendment merely adds the provision that the carriers be given the right to correct clerical errors and that no fine be imposed until the carriers have had this opportunity. This amendment will not affect the enforcement of the law.

Section 10 amends section 231 (e) to clarify the Attorney General's power to waive passenger lists where they are not necessary.

Reason for the change: Passenger lists are not required of bus lines or railroads crossing the border under the present statute and this amendment grants the authority to the Attorney General to waive the requirements of such lists for other carriers where they are unnecessary or where they duplicate other information available to the Immigration and Naturalization Service.

Section 11 amends section 232 of the act to permit the steamship companies to detain an alien not only on the vessel which brought him but also on another vessel owned by the same steamship line.

Reason for the change: If the alien can be detained only on the vessel which brought him it impedes the turnaround of the vessel for its return voyage, the necessary fumigation, the performance of repairs on the vessel, the transfer of the vessel from one trade to another, or from the foreign trade to the coastwise trade. Permission to transfer the alien to another vessel will not hinder the enforcement of the act.

Section 12 amends section 233 (c) of the act to relieve the transportation companies of detention expenses in those circumstances where the alien is in possession of documents issued by the United States Government authorizing him to apply for admission or has evidence that he is exempt from those requirements.

Reason for the change: The present law imposes expenses for detention on transportation companies for bringing aliens even

though such aliens are in possession of documents issued by the United States Government authorizing them to come and the carriers to bring them. Transportation companies should be entitled to rely on documents issued by our Government, such as visas or other authorizations to apply for admission without suffering penalties because of such reliance.

Section 13 amends section 237 (a) of the act to relieve the transportation companies from the expense of deporting an alien when such alien was in the possession of a visa issued to him by the United States Government authorizing such alien to apply for admission to the United States, and to relieve the transportation companies for similar expenses in the case of a person who claimed United States nationality or citizenship and who was in possession of an unexpired United States passport or other evidence of such nationality or citizenship. Section 13 also amends section 237 (a) of the act to the extent that the alien deported under this section may be deported to a country willing to receive him.

Reason for the change: This amendment would permit a transportation company to rely on a document issued by the United States Government without subjecting that transportation company to the penalty of deportation expenses when the alien is rejected and refused admission after his arrival at a port in the United States. In addition, the present law provides that any alien arriving in the United States who is excluded under this act shall be immediately deported to the country whence he came. This stipulation results in undue hardships and expense to the carriers, and my amendment would permit the deportation of such an alien to another country willing to receive him with the approval of the Attorney General.

Section 14 amends section 237 of the act by adding a new subsection (f) to make clear that the carrier can protect itself from unscrupulous travelers by charging such travelers the transportation and other expenses incurred by the carrier because the alien was ineligible to enter the United States.

Reason for the change: The Senate committee report of the McCarran-Walter bill (Rept. No. 1137, Calendar No. 1072, January 29, 1952) indicates that the intention of the present law was to authorize the carrier to charge the alien for expenses incurred because the alien was inadmissible. That report says on page 34 "in this connection the provisions in existing law which prohibit a carrier from charging an excluded alien for his return transportation have been removed to make it clear that the carriers may enter into an arrangement with the alien for the payment of his return transportation. The provision in section 237 (b) (5) which makes it unlawful for a transportation line to take any fee, deposit, or consideration on a contingent basis to be kept or returned in case the alien is landed or excluded is not intended to preclude the taking of advance security from the alien for the payment of detention expenses in case he is detained; nor does the consideration referred to in that provision include a refund of money for the unused portion of a round-trip ticket. As revised, there is nothing in the bill which would preclude the carrier from selling a round-trip fare to an alien or making such other arrangement with the alien for the purpose of protecting itself from liability for costs incurred in connection with the bringing of the alien to this country." To remove any doubt arising from the wording of the original section, my amendment adds this subsection to give effect to the original intent.

Section 15 amends section 243 (c) of the act to relieve transportation companies from the expenses of deportation when the alien brought to the United States was admitted or allowed to land by the Immigration Service.

Reason for the change: Aliens are in some cases examined and approved by two United States agencies. First, by the United States consul abroad who issued the visa and second, by the Immigration Service which admitted the alien to the United States. These aliens are nevertheless sometimes deported after a stay in the United States. At the present time the law imposes the costs of the deportation of these carefully screened and admitted aliens on the transportation companies. This is corrected by this amendment. Once the United States Government approves the alien for admission to the United States, there is nothing the carrier can do to avoid this penalty, and it should not be imposed.

Section 16 amends section 243 (e) to provide that carriers shall not be required to remove any alien from the United States or be fined for failure or refusal to so remove any alien unless such alien is in possession of a valid unexpired document authorizing entry into the country to which he is to be deported. Section 16 also amends section 243 (e) to include in this section the amendments made by this bill to section 237 (f), namely, authorizing the carrier to charge the alien the expenses involved in his deportation because the alien was ineligible to enter the United States.

Reason for the change: The present law provides that the carriers shall be punished by the imposition of a penalty because of a failure or refusal by the carrier to deport and pay deportation expenses when such failure or refusal may be the result of lack of documents authorizing the alien's entry to the country to which he is to be deported. My amendment merely provides that no action will be taken unless proper documents are available.

Section 17 amends section 251 (d) in the same manner as section 9 above amends section 231 (d), namely, to impose fines for errors in crew lists only when the errors are repeated and are continued so as to interfere with the proper enforcement of the immigration laws.

Section 18 amends section 251 of the act by adding a new subsection (f) which authorizes the Attorney General to waive the crew list requirements.

Reason for the change: There are circumstances when lists of crewmen are not necessary or there is duplicate information in the hands of the Immigration and Naturalization Service. This amendment authorizes the Attorney General to waive the requirement in such cases as he deems appropriate. The Attorney General has this power with respect to passenger lists, and this amendment gives him similar power with respect to crew lists.

Section 19 amends section 252 (b) to authorize a steamship company to detain crewmen on other vessels owned by that company.

Reason for the change: This amendment is similar to the amendment proposed above in section 11 with respect to the detention of passengers. If the alien crewman can be detained only on the vessel which brought him, it would impede the immediate movement of such vessel. Permission to transfer the alien crewman to another vessel of the same line will not hinder the enforcement of this act.

Section 20 amends section 254 of the act to authorize the operator of vessels to detain alien crewmen on other vessels of the same company.

Reason for the change: Section 254 (a) of the present law provides a penalty for the failure of the vessel operator to detain an alien crewman on board the vessel when permission to land has not been granted or such alien crewman is to be deported. My amendment provides that the Attorney General in his discretion may permit such detention on board another vessel of the same line in the same port.

Section 21 amends section 271 (b) of the act to relieve transportation companies of police responsibilities after they have presented an alien to the Immigration Service in an area subject to the control of that Service.

Reason for the change: There is no change in the penalty imposed on a transportation line if it lands an alien at an unauthorized place. However, after the carrier presents the alien to the Immigration Service, the carrier lacks the police power to make arrests and to physically control him. This amendment provides that once the alien has been delivered to the custody of the Imigration Service, that Service and not the carrier has the police responsibility of restraining him. This amendment is necessary in view of the existing language in section 271 (b) of the act.

Sections 22 and 23 amend section 272 (a) and (b) of the act to exempt the transportation companies from a fine for bringing an alien who is in possession of a visa or other document issued by this government authorizing the alien to apply for admission to the United States or who is allowed to land in or was paroled in the United States.

Reason for the change: In the present section 272 of the law the carrier is subject to a penalty for bringing aliens even though such aliens have been examined by the United States consul abroad and have been authorized by our Government to come to the United States. The carrier in such cases must rely on the document issued by our Government and will, under the amendment, not be fined for bringing the alien to the United States under such circumstances. This amendment also provides that if any alien is accepted by the Immigration Service and admitted to the United States, the carrier will not be penalized for bringing him.

Section 24 amends section 273 (a) of the act to eliminate the fine with respect to persons coming from adjacent islands to the same extent as they are presently eliminated with respect to persons coming from contiguous territories.

Reason for the change: The present law does not impose fines on the carriers bringing aliens from foreign contiguous territories because the enormous flow of that traffic makes it impractical for railroads, bus lines and other carriers to examine each alien and determine whether he is admissible. These same considerations apply to the heavy flow of traffic from such places as Bermuda and Nassau, and this amendment eliminates the fine for carriers operating from such areas.

Section 25 amends section 273 (b) of the act to substitute in certain cases for the $1,000 fine presently imposed on a carrier for bringing an alien to the United States who does not have a valid unexpired visa if a visa was required under this act. Further, this amendment eliminates any such fine or penalty if such alien was permitted to land or paroled into the United States.

Reason for the change: This amendment obviously needs explanation. At first glance it would seem only proper to impose a $1,000 fine on any carrier who brings an alien to the United States without a required visa. However, it must be admitted and experience has clearly indicated that established transportation companies do not willfully violate the law merely to gain additional traffic. My amendment provides that established transportation companies making regular trips to ports of the United States shall not be required to pay the $1,000 fine under this section but shall pay a sum equal to that paid by the alien for his transportation when such alien is not permitted to land or is not paroled into the United States. The cost of such transportation often exceeds $1,000 and in this day of heavy traffic demands the penalty of the loss of revenue is sufficient to act as a deterrent to those established carriers who through inadvertence may bring an improperly documented alien to the United States. Under my amendment the Attorney General would determine what carriers are classed as those making regular trips to the United States. The law would still contain the $1,000 fine plus other penalties for those other carriers who may not hold the laws of the United States in such high regard.

Section 26 amends section 273 (d) to authorize steamship companies to use a different vessel of the same line to detain a stowaway from the one on which he was brought. This is similar to the amendment proposed in section 11 above.

Section 27 amends section 316 of the act by adding a new subsection (g) in order to apply the provisions of this section to additional persons.

Reason for the change: Normally, an alien must live in this country 5 years in order to qualify for citizenship. If, however, he is sent abroad by the United States Government or employed abroad to further desirable national policy he may credit his residence abroad toward the naturalization requirements. The alien's wife and children do not receive credit for such residence under the present act. This amendment will give the benefits of section 316 to the spouse and children who live in the household of the alien described in this section who lives abroad.

CONFERRING OF CERTAIN DEGREES BY DISTRICT OF COLUMBIA TEACHERS COLLEGE

Mr. BIBLE. Mr. President, on behalf of myself and the Senator from Maryland [Mr. BEALL] I introduce for appropriate reference a bill authorizing the conferring of appropriate degrees by the District of Columbia Teachers College on those persons who have met the requirements of such degrees.

The subject of the bill is of special importance in view of the fact that elementary school teachers and teachers at other schools receive salaries to which their degrees entitle them. The Senator from Maryland and I introduced a similar bill in the last session of Congress. Unfortunately, pressure of business in the closing days of that session prevented the bill from being enacted. I hope early action will be taken on the bill we are introducing today.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1906) authorizing the conferring of appropriate degrees by the District of Columbia Teachers College on those persons who have met the requirements for such degrees, and for other purposes, introduced by Mr. BIBLE (for himself and Mr. BEALL), was received, read twice by its title, and referred to the Committee on the District of Columbia.

TAX DEDUCTION FOR DEPLETION OF HUMAN RESOURCES

Mr. NEUBERGER. Mr. President, I desire to bring to the attention of the Senate a very forward-looking proposal which has been introduced in the House of Representatives by the Honorable HERBERT ZELENKO of New York. Representative ZELENKO's bill would provide a tax deduction for the depreciation or depletion of the human resources upon which every working person must rely in earning his income, to parallel similar deductions which are now granted in our tax laws for the depreciation or depletion of natural and mechanical resources.

Mr. ZELENKO's bill, introduced on April 15, 1957, is H. R. 6912, and I introduce, for appropriate reference, a companion bill, so that Mr. ZELENKO's proposal may also be before the appropriate Senate committee for study.

The proposal is a very simple one. It is to give every taxpayer, after he reaches the age of 45 years, a deduction of 1 percent of his income earned by salaries, wages or other activities for each year of age after his 45th year. In other words, a taxpayer would subtract 44 from his age, and the resulting figure would represent the percentage of his earned income which he might take as a deduction for human depreciation or depletion.

Mr. President, in recent years we have become more and more conscious of the fact that older workers leave the labor force before their ability or their desire to contribute to the economy is exhausted—either by inability to find employment due to employers' policies or because the difference between their earnings, which are taxed, and their possible retirement benefits, which are not, do not justify further work. As Representative ZELENKO pointed out in his speech, the proposed progressive tax deduction for increasing age would serve as an economic incentive to continue work for those men and women who would prefer to remain gainfully occupied, while simultaneously giving due recognition to the inevitable facts of human depletion. We have fully, and perhaps more than fully, recognized the facts of physical exhaustion both for buildings, machinery and other capital equipment which is invested in the production of income, and also for natural resources such as oil, minerals and timber. I believe that the proposal which I am introducing for the attention of the Senate today can well serve as the basis for spotlighting the essential logic of applying to everyone who uses his own body or his mind in the production of income the same principles and standards which we apply to income earned from the exploitation of such natural resources and invested capital.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1912) to amend the Internal Revenue Code of 1954 to provide an income tax deduction for depletion of human resources, introduced by Mr. NEUBERGER, was received, read twice by its title, and referred to the Committee on Finance.

ATTACHMENT AND GARNISHMENT PROCEDURES IN THE DISTRICT OF COLUMBIA

Mr. O'MAHONEY. Mr. President, I introduce, for appropriate reference, a bill to amend the Code of Law for the District of Columbia by modifying the provisions relating to the attachment and garnishment of wages, salaries, and commissions of judgment debtors, and for other purposes. I assume the bill will be referred to the Committee on the District of Columbia. I introduce the bill on behalf of the distinguished Chairman of the Committee on the District of Columbia, the Senator from West Virginia [Mr. NEELY], my able colleague from Maryland, the senior Senator from Maryland [Mr. BUTLER], a member of the Committee on the Judiciary, and myself.

This measure is intended to amend the code of law for the District of Columbia by modifying certain provisions relating to the attachment and garnishment of salaries, wages, and commissions of certain judgment debtors.

An observation of what goes on in the District of Columbia among the credit houses which are permitted to operate here indicates that they are very heartless in the exploitation of the poorer people of the District, including many persons of the Negro race. Persons are urged and trapped into buying commodities payment for which is beyond their capacity. There have even been incidents in which it was found that, although the creditor had already garnisheed a debtor so trapped into a position of inability to pay, additional contracts of sale were made.

I am glad to say that the municipal court has been very alert in using the existing law, so far as it can be done, to stop this heartless practice of exploitation.

I was moved to seek an amendment to the code when I read recently of the decision of Judge Quinn, of the Municipal Court of Appeals of the District of Columbia, in a case in which the Westinghouse Co., or a branch of it operating in the District, was served with garnishee papers for less than $100, on the salary of one of the workmen at the plant.

There was a legal controversy, and an exemption was claimed within the meaning of the statute, and the record of the case actually shows that the creditor in that case falsified a court paper and served it upon the employer, and, by so serving the false paper, allegedly coming from the court, secured the money which had been under court ban.

Such action in the Capital of the United States is simply beyond belief. It seems to me that steps must be taken to stop this very serious abuse by which families are sometimes broken up. The head of a family, the worker, having been garnisheed without respect to exemptions, under the terms of existing law, and having no money left with which to buy food for his family, sometimes throws up his hands and leaves the family. The family cannot go on relief, because under the law the deserted wife is not the head of a family. There are numerous instances of this kind.

Therefore I trust that it will be possible for the Committee on the District of Columbia, after the Easter recess, if we have one, to proceed as early as possible to hearings on the measure.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1913) to amend the Code of Law for the District of Columbia by modifying the provisions relating to the

attachment and garnishment of wages, salaries, and commissions of judgment debtors, and for other purposes, introduced by Mr. O'MAHONEY (for himself, Mr. NEELY, and Mr. BUTLER), was received, read twice by its title, and referred to the Committee on the District of Columbia.

CONVEYANCE OF CERTAIN ADDITIONAL PROPERTY TO THE CITY OF ROSEBURG, OREG.

Mr. NEUBERGER. Mr. President, I am about to introduce a bill, and I ask unanimous consent that I may speak on it in excess of the 3 minutes allowed under the order which has been entered.

The PRESIDING OFFICER. Without objection, the Senator from Oregon may proceed.

Mr. NEUBERGER. Mr. President, on February 29, 1956, I introduced a bill for the conveyance of certain properties in Roseburg, Oreg., to that city to be used in the public interest. The bill, with certain amendments, was enacted and became Public Law 883, 84th Congress. Briefly, it provided for the dwelling house, known as the Lillie Lela Moore House, together with furniture, personal effects, and jewelry stored in said dwelling house or elsewhere, to be placed in the hands of the Douglas County Historical Society. The bill also required the removal of the house from the land at no cost to the United States.

Mr. President, recent facts and developments make it a matter of duty to introduce another bill which will accomplish certain original objectives wherein Public Law 883, as enacted last year, falls short. Let me say that in S. 3316, as enacted with certain modifying amendments, the Federal Government retained title to the lots, including the one on which the dwelling house sits. As I have mentioned, Public Law 883 also requires the removal of the house.

This week I received an important letter from Mr. Robert J. Caley, president, Central Labor Council, Roseburg, Oreg. He writes:

> It has been brought to the attention of the Roseburg Central Labor Council that the house known as the Lilly Moore property, which was given to the Douglas County Historical Society by the last session of Congress must be moved by July 1, 1957, unless lots 5, 6, and 7 of block 29 in Roseburg are also turned over to the society. Several of our building-trades men have looked at the house to see if it could be moved and their report is that it would be impossible to move without destroying a large part of it. We believe the house to be of enough historical value to ourselves and our children to be saved and urge you to use your influence to secure the three lots so the house will not be destroyed.

It seems to me that it is necessary once more to consider the facts I presented last year, so that the basic intent of Public Law 883 may be realized. Mr. President, I beg your forbearance while I repeat certain statements I made at the time I introduced S. 3316. I believe it will make clear why new legislation is required to accomplish what was certainly the paramount objective of the act. I quote, as follows, from that statement:

> In Roseburg, Oreg., the Douglas County Historical Society, under the guidance of the president, Mrs. V. J. Micelli, has evidenced the interest, perception, and fidelity that makes the society's contribution of major importance to the cultural life of the county. The devotion and dedication so characteristic of the leaders of organizations like the Douglas County Historical Society may not bring rewards of ringing praise, public acclaim, or particularly wide recognition. They bring a rich reward, however, in the knowledge that generations to come will have a better understanding of the life and times of those who preceded them. * * * The ever-watchful eye of such organizations can prevent the irrevocable loss and dispersal of the indigenous monuments to progress found in every community.
>
> There is an old house in Roseburg, referred to locally as the Lillie Moore home, which was built a century ago by Lillie Moore's father for his young bride, Alice Gaylord. The home was representative of that stability and permanence befitting a community conscious of its sudden transition from the frontier days and its pioneer origins. It was proudly graced with many of the refinements of mid-Victorian living shipped around the Horn by order of the young groom, Mr. Moore. I have been told how the little daughter, Lillie Moore, who passed on at an advanced age, recognized that her childhood home had historical significance and should be preserved as a historical museum. This home has no electric lights, no modern heating, or other features common to our day, but it is completely representative of a prosperous, middle-class home of the 1850's.
>
> I have been told how Miss Lillie Moore sat with her neighbors and enumerated pieces of furniture within her home that should be included in any local historical exhibit. Her will, made in 1927, they tell me, evidenced her intent of a bequest for educational and public purposes. Lillie Moore was the last of her line. The family had its beginnings in the New England States, coming to Oregon in early pioneer days.
>
> On her death the property was left to the United States Government in the will probated in 1940, and following a period of litigation it was given to the Government in 1952. I am informed that the United States has had cash returns to date of $104,630.44 from this bequest.
>
> There remain in the possession of the United States three lots, the old home, and the contents of the home. Of minor value in comparison to that part of the bequest which has been sold, that which remains is admirably suited to the purposes of a museum in a city of over 12,000.

Mr. President, I am sure, if Lillie Moore could have foreseen certain events, her will would have been drawn differently. A dream she had long cherished, the use of her home as a museum, would have been carefully and specifically provided for. Perhaps instead of the Federal Government, a smaller division of government would have been the recipient of her bequest. Information that has come to me in recent months explains quite understandably why she made the designation she did. Shortly before Lillie Lela Moore made her will, she had had a difference of opinion with certain local authorities, presumably over the price of land the authorities were endeavoring to acquire for public use. Lillie Moore resented deeply what she believed was an attempt to acquire her land at a considerably lower cost than was paid for adjoining property. In drawing her will, her friends believe, she wanted to make sure the officials with whom she had differed would have no opportunity to administer her property. It was natural for her to think of the Federal Government as the proper recipient of her bequest. From the disclosures of her most intimate friends, it is evident that this will in no way alter her frequently expressed plan of providing a setting for a museum which would catch, and hold for posterity, some feeling and substance of a period receding into its storied past. In her experience, there could not have been sharp distinctions between the levels of government.

I have received several letters which throw light on this matter. I ask unanimous consent, Mr. President, to have these letters printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

OAKLAND, OREG., *February 19, 1957.*

Senator RICHARD L. NEUBERGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: Many of us in Douglas County are interested in obtaining the former Moore property for park purposes. My family were friends of the Moore family and visited often in their home. I recall a visit with Lillie shortly after her mother's death. She showed me sketches and plans she had for a park in memory of her family. She also pointed to an old Franklin stove and remarked that my children would never see one if her's was not saved. Her plans for planting of native plants and shrubs and of a building to house the historic things meant little to me then. Now that I am older and do have a family nearly grown I realize just how important Lillie's plan was. Here in the West we have little in the way of historical parks and most of us feel the great need for such.

We, here in Douglas, are counting on you to do all that is in your power to save this piece of property for historic park purposes. Please do your best to help us.

Sincerely yours,

AGNES B. WILCOX.

ROSEBURG, OREG., *March 18, 1957.*

Senator RICHARD L. NEUBERGER,
Senate Office Building,
Washington, D. C.

DEAR SIR: Numerous people in this area who are well informed regarding the Lillie Moore estate and her wishes concerning its disposition are truly hoping you will give your most earnest efforts to see that an equitable settlement is made of all the problems connected with it.

We are grateful for the passage of the bill in the last session of Congress which gave the house and personal possessions of this estate to the Douglas County Historical Society. It was a right and equitable thing to do. However, we must have a place to house this valuable contribution, as well as the many pioneer trophies that are available as soon as we secure a place to exhibit and preserve them.

We earnestly solicit your support of a bill to return lots 5, 6, and 7 of block 29 in Roseburg, the last remaining part of the estate. Also, we feel, since the Government has collected $106,000 under Miss Moore's will, it is not asking too much that $50,000 of it be returned with a provision that a museum be built with the money. This reimbursement will provide that a wealth of historical data and material will be available to Oregon as well as to its many visitors.

Miss Moore's friends and associates of her later life insist she had just such a plan in mind for the housing of her family possessions.

Yours very truly,

MRS. ETHEL C. CHASE.

ROSEBURG, OREG., *March 12, 1957.*

Senator RICHARD L. NEUBERGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR NEUBERGER: It is generally known that it was the intention of Miss Lillie Moore to leave her possessions for the preservation of local history. All her family possessions were carefully described, documented and a history attached to each item. It seems apparent that the results of willing her estate to the United States Government did not carry out her intent.

I request your support of a bill promoted by the Douglas County Historical Society and the city of Roseburg to return lots 5, 6, and 7 of block 29 in Roseburg, and a refund of $50,000 which is half the cash turned over to the Government from this estate. This centrally located property is an ideal place for a museum and would fulfill the dreams and plans made by Miss Lillie Moore.

Very truly yours,

LELA TYLER.

LANE COUNTY
PIONEER HISTORICAL SOCIETY,
Eugene, Oreg., March 31, 1957.

Senator RICHARD L. NEUBERGER,
Senate Office Building,
Washington, D. C.

DEAR MR. NEUBERGER: Our society is concerned about a matter affecting the welfare of a neighbor of ours, namely the Douglas County Historical Society. A Roseburg woman, Miss Lillie Moore, left her estate in a way intended to benefit the local society by providing funds or the equivalent for the preservation of the history of Douglas County. Through a series of unfortunate circumstances, her plans seem doomed to failure. A bill was passed in the last session of Congress, giving the house and personal possessions to the society, but retaining the three lots upon which the house stands, and making no provision for returning any of the $106,000 in cash that was turned over to the Government from the estate. The Douglas County Historical Society is asking that the three lots be given them, and also $50,000 of the cash, in keeping with Miss Moore's desire to help the society; the property and money to be used for a museum. Our Lane County Pioneer-Historical Society wishes to go on record as endorsing the request and encouraging you and Mr. Porter to give your support to a bill providing for its fulfillment.

Sincerely yours,

FREDERICA B. COONS, *Secretary.*

DOUGLAS COUNTY,
Roseburg, Oreg., March 5, 1957.

Hon. RICHARD L. NEUBERGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR NEUBERGER: This county court confirms that it was generally known that Miss Lillie Moore, for many years prior to her death, made drawings, and held conversations that would indicate her intention of bequeathing her property and estate for preservation of local history.

The results of willing her estate to the United States Government is a miscarriage of her intent.

This county court would, therefore, endorse support of a bill promoted by the Douglas County Historical Society and the city of Roseburg. The land residue, and a refund of half of the cash from Lillie Moore's estate, for museum construction, we should consider a just recognition of her intent.

Very truly yours,

COUNTY COURT OF
DOUGLAS COUNTY, OREG.,
V. T. JACKSON,
County Judge.
FRANK ASHLEY,
Commissioner.
HURON W. CLOUGH,
Commissioner.

Mr. NEUBERGER. I should like to emphasize the fact that the Federal Government has enjoyed a generous profit from this bequest. Well over $100,000 has gone into the Federal Treasury.

The bill I am introducing is identical to a bill being introduced in the House today by Congressman CHARLES PORTER, in whose district the property concerned is found. As I have said, this bill corrects certain shortcomings of the bill as enacted last year. I believe, Mr. President, that it will provide for the fulfillment of the hopes and dreams long held by Lillie Lela Moore. I am sure there would be no precedent set in legislation that would at last accomplish these objectives.

The bill I am proposing makes certain amendments to Public Law 883. It would strike out the language "and removed from said land without cost to the United States" and would add a section conveying to the city the three lots previously excluded, the condition remaining that the use of the property shall be as an historical site operated by the Douglas County Historical Society. A recapture clause remains in the bill, but there is added a section which directs the Secretary of the Treasury to make a payment of $50,000—representing approximately one-half of the revenue the United States has realized from the property to date—to the Douglas County Historical Society for use in the development and preservation of the museum.

Mr. President, I also ask unanimous consent to have the bill as introduced printed in the RECORD at the conclusion of my remarks and that it be referred to the appropriate committee.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1915) to amend Public Law 883, 84th Congress, to provide for the conveyance of certain additional property of the United States to the city of Roseburg, Oreg., and for other purposes, introduced by Mr. NEUBERGER, was received, read twice by its title, referred to the Committee on Government Operations, and ordered to be printed in the RECORD, as follows:

Be it enacted etc., That the act entitled "An act authorizing the Administrator of General Services to convey certain property which has been declared surplus to the needs of the United States to the city of Roseburg, Oreg.," approved August 1, 1956 (Public Law 883, 84th Cong.; 70 Stat. 887), is amended—

(1) by striking out "and removed from said land without cost to the United States"; and

(2) by adding at the end thereof the following:

"SEC. 2. The Administrator shall convey to the city of Roseburg, Oreg., all right, title, and interest of the United States in and to the following described property:

"Lots 5, 6, and 7, block 29, city of Roseburg, Douglas County, Oreg. Subject to rights granted to John Hunter by deed dated April 7, 1899, granting access over a 10-foot gateway along the south and east sides of lot 7 and the east side of lot 6 as recorded in volume 39, page 186, Deed Records of Douglas County, Oreg. Subject to the rights of the public, if any, to use an alleyway along the east side of lots 5, 6, and 7.

"Such property shall be conveyed on condition that the Douglas County Historical Society shall use such property as an historical site, and if such property shall ever cease to be so used, title thereto shall revert to the United States which shall have the right of immediate entry thereon. The cost of any survey which the Administrator determines is necessary to carry out the provisions of this section shall be paid by the Douglas County Historical Society.

"SEC. 3. If the real property described in section 2 of this act reverts to the United States, the property described in the first section of this act shall, within such reasonable period of time after such reversion as the Administrator may prescribe, be removed from such real property by the Douglas County Historical Society without cost to the United States and disposed of by the society in such manner as it may deem appropriate.

"SEC. 4. In order to provide assistance in the development of a museum for the purpose of preserving historical objects of Douglas County, Oreg., the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Douglas County Historical Society the sum of $50,000, representing approximately one-half of the amounts heretofore received by the United States from the property devised to the United States by Lillie Lela Moore."

SEC. 2. The Administrator shall make such changes in the conveyance authorized by the first section of Public Law 883, 84th Congress, or make such new conveyance, as may be necessary to carry out the purposes of the amendments made by the first section of this act.

CONVEYANCE OF CERTAIN LAND TO COMMONWEALTH OF KENTUCKY—ADDITIONAL COSPONSOR OF BILL

Mr. MORTON. Mr. President, on April 9, my colleague, the senior Senator from Kentucy [Mr. COOPER], introduced Senate bill 1823. This bill authorizes the transfer of Bunker Hill Island, now Federal property in Kentucky, to the Commonwealth of Kentucky for recreation purposes.

At the invitation of the senior Senator from Kentucky, I intended to cosponsor the bill. I find that, inadvertently, my name as cosponsor was not included when the measure was introduced. I, therefore, ask unanimous consent that I be listed as a cosponsor of the bill. This request has been cleared and approved by the senior Senator from Kentucky.

In addition, Mr. President, I ask that a letter on this subject from the Honorable Laban P. Jackson, Commissioner of Conservation for the Commonwealth of Kentucky, explaining the Governor's intentions as to the development of this

island, be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, the name of the junior Senator from Kentucky will be added as cosponsor of Senate bill 1823; and, without objection, the letter will be printed in the RECORD.

The letter presented by Mr. MORTON is as follows:

COMMONWEALTH OF KENTUCKY,
DEPARTMENT OF CONSERVATION,
Frankfort, Ky., April 12, 1957.

Senator THRUSTON B. MORTON,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORTON: We appreciate very much your efforts in helping the Commonwealth obtain Bunker Hill Island. So that you might strengthen the case, it is believed that it would be helpful for you to know what our general plan is for its future.

Governor Chandler has instructed me that as soon as he receives the deed he will survey and build a causeway connecting the island with the mainland. It is his plan to develop this island in its initial stage as a recreation area with a swimming pool, picnic tables, grills, a group camp, tent and trailer area, and perhaps a golf course.

As the tourist business increases we would enlarge on its expansion with a central building, eating and sleeping accommodations, and the like.

We are all grateful to you for your help and your interest in your Commonwealth.

Sincerely yours,
LABAN P. JACKSON,
Commissioner of Conservation.

PRINTING OF REVIEW OF REPORTS ON PORT ARANSAS-CORPUS CHRISTI WATERWAY, TEX. (S. DOC. NO. 33)

Mr. CHAVEZ. Mr. President, I present a letter from the Secretary of the Army, transmitting a report dated March 6, 1957, from the Chief of Engineers, Department of the Army, together with accompanying papers and an illustration, on a review of reports on Port Aransas-Corpus Christi Waterway, Tex., branch channel to La Quinta, requested by resolution of the Committee on Public Works. I ask unanimous consent that the report be printed as a Senate document, with an illustration, and referred to the Committee on Public Works.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico? The Chair hears none, and it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. SALTONSTALL:

Address on the subject Republicanism at Work Today, delivered by Senator THYE before the Ramsey County Young Republican League annual convention, in St. Paul, Minn., April 13, 1957.

FIRST URGENT DEFICIENCIES APPROPRIATION BILL—EASTER RECESS

Mr. MANSFIELD. Mr. President, I have an announcement to make for the information of the Senate. I know that Members of this body are aware of the conflict that has existed between the two Houses of Congress on the first urgent deficiency appropriation bill.

For a number of weeks this conflict has centered on the refusal of the House to agree to the funds requested by the President and required to meet urgent payments in the fields of social security and domestic mining. The leadership in the Senate is still hopeful that this conflict can be resolved prior to the Easter recess. It is our judgment, however, that we should not adjourn at this time without passing these items in the deficiency appropriation bill.

Since the House does not share our convictions in this regard, I think that it is important to make clear the intentions of the leadership. If the House decides to adjourn for the Easter period, the Senate will certainly not refuse its consent to their adjournment resolution.

The leadership feels, however, that the Senate itself should not join in such an adjournment.

I repeat, however, that the leadership is still hopeful that the continuing resolution, as amended by the Senate Appropriations Committee, affecting this appropriation bill can be adopted and sent to the White House before the time for adjournment for Easter arrives.

We are advised that great hardship will come to aged and dependent persons unless the deficiency funds requested by the Social Security Administration are promptly made available. Similarly, severe and unwarranted hardship will result to the people in the domestic mining industry in this country if the deficiency funds requested by the President for them are not forthcoming at once.

The importance of these items is so great that the leadership of the Senate feels it would be derelict in its duty if it did not make every reasonable effort to persuade the House to join with the Senate in agreeing to the amendments to the House continuing resolution, and doing so prior to the Easter recess.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MANSFIELD. I am delighted to yield to the Senator from California.

Mr. KNOWLAND. I wish to say to the distinguished Senator from Montana that the Committee on Appropriations has just concluded a meeting at which it had under consideration the House Joint Resolution 310.

After due deliberation, the Senate Appropriations Committee has recommended certain committee amendments dealing with several sections of the joint resolution.

House Joint Resolution 310, as Senators know, includes important items with respect to the Agricultural Conservation Program Service; the Farmers' Home Administration; the Disaster Loan Revolving Fund and certain loan authorizations; the Small Business Administration, which is of great importance to the country; the American Battle Monuments Commission; the Department of Health, Education, and Welfare; the Social Security Administration, including grants to States for public assistance; and certain civil functions of the Department of Defense, Department of the Army. There are certain amendments to language.

Of course, the resolution contains items on which there has been no dispute at all, with respect to which there is comity between the two Houses, which items the other body has recommended. The Senate requests have already been taken care of.

This joint resolution has now been reported, with amendments, to the Senate. I understand the copies of the report will be available in about 1 hour's time.

I shall say, as I have said privately to the acting majority leader, it was the intention of the chairman of the committee, the Senator from Arizona [Mr. HAYDEN], as I understand, to ask the Senate for immediate consideration of this resolution as soon as the copies of the report are available.

I wish to say to the Senate that I personally cannot see why either House of Congress would wish to take a recess while there is danger of the old-age assistance payments, the Small Business Administration, and so forth, and the possibility that they might not be able to function during the period of 10 days. So, of course, no resolution providing for an Easter recess has been submitted up to this time. I hope we shall not have one submitted until there has been final disposition of the urgent deficiency bill.

Mr. MANSFIELD. I wish to assure the distinguished minority leader that I shall work in cooperation with him wholeheartedly in trying to bring to a conclusion the difficulty which he has just brought to the attention of the Senate.

Mr. HILL. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. HILL. Does the Senator from California not think it would be wise to advise the Senate that when House Joint Resolution 310 comes before the Senate, later in the afternoon, there will probably be at least one yea-and-nay vote, and maybe more than one yea-and-nay vote, so that the Senate will be on notice.

Mr. KNOWLAND. The Senate will be on notice that during the afternoon there will be at least one and perhaps several yea-and-nay votes, in order that the position of the Senate may be made very clear as to the proposed committee amendments.

Mr. HILL. I thank the Senator.

Mr. WILEY. Mr. President——

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The Senator from Wisconsin.

Mr. WILEY. Mr. President, I have listened with a great deal of interest to the discussion, and I agree with the sentiments expressed by the minority leader and the acting majority leader.

I feel that the country should be made aware of the exact situation. The responsibility does not rest with the executive; the responsibility rests with the legislative branch, to perform its functions.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF MILWAUKEE

Mr. WILEY. Mr. President, I rise to comment on a significant event which took place on the 11th day of April.

It was the dedication to the service of God and youth of the finest Young Men's Christian Association building in the world. This is the New Central Branch of the Milwaukee County YMCA.

The dedication is a noteworthy event to our country, since the New Central Branch is the focal point of the nationwide expansion program undertaken by the Young Men's Christian Association in the postwar era. Millions of dollars are being spent by the YMCA to provide more and better facilities for the youth of our country.

It is heartening to know that the YMCA, through its wholesome program, is actively engaged in meeting the challenge presented by this age of high-powered motors and rising juvenile delinquency, as disclosed by J. Edgar Hoover.

Mr. President, I ask permission to have printed in the CONGRESSIONAL RECORD at this point a self-explanatory letter from Mr. Edwin A. Gallun, president of the metropolitan board of directors of the Young Men's Christian Association of Milwaukee.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

YOUNG MEN'S CHRISTIAN ASSOCIATION,
Milwaukee, Wis., April 10, 1957.

Hon. ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WILEY: A bright new chapter in the long and distinguished history of the Young Men's Christian Association will be written in Milwaukee on Thursday, April 11.

That is the date of the dedication of the association's finest building in the world, the New Central Branch, located on the Court of Honor in downtown Milwaukee.

The dedication is of special national importance since New Central Branch—18 stories high—is the largest and most completely equipped building constructed by the YMCA in the postwar era, during which $185 million have been spent for building purposes throughout the country.

This inspiring outpouring of funds for a program dedicated to the service of youth has a twofold significance. First, it is proof that Americans, made aware of the needs of young people, are generous in providing facilities for them. Second, it indicates that the people of this country are confident the YMCA program offers an excellent opportunity for youth to develop spiritually, physically, and mentally.

Thursday's dedication dinner will be attended by 800 Milwaukee area residents, who will represent the 20,000 persons who contributed to the fund campaigns which made possible New Central and eight other branches in the community.

With God's help, New Central—like all YMCA branches—will mold better Milwaukeeans for a better America in the years ahead.

Very respectfully,
EDWIN A. GALLUN,
President.

CRITICISM OF CONGRESS

Mr. SMITH of New Jersey. Mr. President, from time to time it is suggested in the press and by comments of various sorts that our legislative program this year is slow in getting under way. I am inclined to think this is true. However, I am one of those who like to take a positive position, and to insist that those things that are worth while doing not only can be done, but should be done.

To illustrate the kind of criticism the Congress is receiving, I ask unanimous consent to have printed in the RECORD at this point in my remarks an editorial from the New York Times of April 11. This editorial is entitled "Fourth Month," and implies that we need some speeding up if we are to get through with the President's program before adjournment.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FOURTH MONTH

The fourth month of the first session of the 85th Congress is now well along; and it must be said that the legislative record both of the Congress itself and of the administration which is supposed to lead it has been virtually negligible. Admittedly, there is a special problem when the administration is controlled by one party and the Congress by the other; but in fact the President has been having almost as much trouble with his fellow Republicans as with the Democrats.

This odd situation is pointed up by an Associated Press report that the Republican Congressional leaders warned the President this week that he would have to throw his personal weight into the legislative struggle if he wanted to see action on his own program—which is another way of saying that he will have to fight a good deal harder than he has been fighting, and more consistently. Of course, things are not made any easier for the President when the leader of his party in the Senate loudly opposes the administration itself in certain important aspects of foreign policy—aid to Poland being a recent example—and when GOP leaders in both Houses are notoriously reluctant to support many phases of the domestic program, including the Presidential budget. The net result is that the prospects of a respectable legislative record at this session are not good.

Exactly two measures of major importance have been adopted so far, one of them after a leisurely 2-month delay in the Senate despite Presidential indications of urgency. This was the administration's Middle East proposal. The other bill had to be, and was, approved by April 1: extension of corporate and excise taxes at existing rates. Apart from these two, nothing much has been accomplished except a sorry display of buck-passing between the President and Congress over the highest peacetime budget in history. The House has voted a half dozen of the 1958 appropriation bills, with claimed savings of over a billion dollars; but the Senate has finally acted on none of them—and the prospect is that, as usual, many of the cuts will be restored, as indeed some of them should be.

President Eisenhower at this late date has finally been galvanized into action on probably the most vital of his programs: an adequate foreign—or, to use his own more accurate phrase—mutual aid bill. Any competent observer of Congress could have detected long ago that this area of governmental activity, of supreme concern to the long-term security of the United States and of the free world, was sure to run into heavy weather. It can be no surprise that that is just what is happening now. The administration's recent proposals in the field of mutual security are on the whole good ones but they will need a maximum effort from the White House to put them across.

Aid to education, civil rights, immigration—all matters of first-rate importance—are in difficult straits. No final action has been taken by either House on the first two, and practically nothing at all has been done on the third. Membership in the Organization for Trade Cooperation—a must if we are to make good our lofty pronouncements in favor of liberalizing the channels of world commerce—has got nowhere. Statehood for Alaska and Hawaii is once again—for the *n*th time—in the hearing stage. And so on down the long list presented to Congress in the President's messages early in the year, not to mention pledges in the party platforms.

It is always true that Congress begins slowly and ends in a whirlwind. But the beginnings this year have seemed even slower than usual and the prospects at this writing are—unless a sudden change takes place and soon—that the finish will be more wind than action.

Mr. SMITH of New Jersey. Mr. President, I am in general accord with the suggestions contained in this editorial, and I propose to do all I can to expedite matters. There are a number of items to which I wish to invite special attention, items which are generally agreed to be controversial:

First. Economic aid to those satellite countries that may be encouraged to seek their own independence and be freed from the domination of Moscow. I refer, for example, to Poland; of course to Hungary, when we know how the aid can be supplied there; to Yugoslavia and the other countries in this group. Everything that we can do legitimately, without the use of force, to support the yearning for freedom, independence and self-determination of these captive peoples is to the advantage of the Western free world and on the positive side of the terrific struggle between freedom and slavery.

Second. The budget. The budget problem can be solved if we will all be realistic, and refrain, in the present emergency, from adventuring into new fields.

Third. The school construction program. This program calls for a substantial expenditure, but if we can understand the purpose of the school construction legislation as proposed by the administration, we will see that we are only asking the Government to help fill the shortages in school facilities that were created by our inability to do anything for school construction during the war. When that vacuum is filled it now seems clear that State by State the yearly demand for additional school facilities can be taken care of locally.

Fourth. Civil rights. The reasonable program proposed by the administration guaranteeing the most elementary rights of American citizens needs our prompt attention.

Fifth. Immigration proposals of the administration.

Sixth. The Organization for Trade Cooperation. This is opposed because there is a misunderstanding of the objectives. If we believe in the expansion of world commerce, which in our present world is so vital for international understanding and good will, we must recognize that the OTC is simply a mechanism for giving the United States its fair share in the general expansion of world trade.

Seventh. Statehood for Alaska and Hawaii, promised in the platforms of both political parties.

Eighth. The so-called foreign aid program. I urge strongly the support of the new approach of the administration for making this program more clearly understood and for making it effective. The entire program, both military and economic, is critically related to the security of America. It is not in any way a handout to other countries, as has been argued in some quarters. The studies of the Special Committee, made up of members of the Foreign Relations Committee, the Armed Services Committee, and the Appropriations Committee, point clearly to the formula which the administration, through Secretary Dulles, has recently proposed. This formula separates the military from the economic parts of the program.

It is suggested that hereafter the Department of Defense should recognize our foreign military assistance as a part of our defense program. Also that the so-called economic aid hereafter should be handled through a revolving loan fund, similar in its operation and complementary to the operations of the Export-Import Bank and the World Bank. Also, it contemplates private investment in foreign countries.

The whole purpose of this part of the program is to aid the underdeveloped countries of the world in their build-up of their own economic health and in helping them to help themselves to qualify for full membership in the family of nations.

The key emphasis of this program is on repayable loans, in many instances long-term loans, and not grants.

In this last connection I ask unanimous consent that the very pertinent article by Mr. Roscoe Drummond, which appeared in the Herald Tribune of Friday, April 12, entitled "New Approach to Economic Aid," be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NEW APPROACH TO ECONOMIC AID

(By Roscoe Drummond)

WASHINGTON.—The Eisenhower administration is at last presenting its economic-aid program in a form which is beginning to make an appeal to Congress and which is capable of making sense to the public.

The President never spoke a truer word than when he remarked recently—and a bit wryly—that the mutual security program has no constituents, that is, no body of voters who are passionately for it because it helps them personally like dams, farm relief, and a well-located defense plant.

The fact is that military and economic assistance has always been propounded to Congress in an atmosphere of crisis and urgency and was accepted pretty much on faith and without much conviction.

That couldn't go on indefinitely. As the sharply declining support in Congress during the last 2 years has indicated, most Congressmen were becoming convinced that the American people were not willing to support such a program much longer. They simply couldn't explain it to their doubting constituents.

They found that few understood that most of the money appropriated under so-called foreign aid goes for the explicit purpose of military equipment and defense support without which the United States would have to spend much more money on its own military budget. Of the proposed appropriation for the coming fiscal year $2,400,000,000 are for military hardware and $800 million are for direct defense support without which our allies (Korea and Formosa are good examples) could not maintain the level of forces necessary to guard the free world, including the United States. No more than $950 million are earmarked for economic development and technical assistance.

Argument over foreign aid usually begins with a leading question like: "Why should we spend over $4 billion a year to help other countries?" No doubt many people look upon this as a $4 billion pie-in-the-sky boondoggle when most of this money ($3,200,000,000) goes for vital military defense. On this point Admiral Radford, as Chairman of the United States Joint Chiefs of Staff, has testified:

"The military aid program is part and parcel of the United States Defense Department program. The expenditures abroad in support of our alliances do not differ in purpose, scope, or objective from our own military expenditures."

These are some of the reasons why the administration is proposing:

That all of the military side of mutual security aid—military hardware and direct defense support—be made a regular part of the annual budget of the Pentagon. (Sensible and straightforward.)

That economic aid for development purposes and technical assistance be the primary job of the present International Cooperation Administration.

That most economic aid for development purposes be put on a loan basis (more liberal than existing Government banks can permit) and that a revolving fund for this purpose ($500 million for the coming fiscal year) be authorized by Congress so that the United States can assist underdeveloped countries with long-range projects. There would additionally be some grant and technical assistance aid—all of which would have the effect of stability in the free world and enlarged opportunity for American business.

All these changes make sense. They make the aid program more comprehensible and will make its administration more efficient.

Every committee or commission, whether appointed by Congress or by the President, which has investigated the aid program in the past year recommends its continuance. The Fairless Committee, the IDAP (International Development Advisory Board) and the CED (Committee for Economic Development)—all manned by United States business leaders—

Agree that foreign aid is in the national interest.

Urge that it be put on a more long-term basis.

Recommend that most of it be in the form of loans.

Want to see private investment encouraged.

The administration hopes that this wide area of agreement among those who have looked at the facts first-hand may carry weight with Congress and the country.

POSITION OF THE UNITED STATES IN THE FIELD OF GUIDED AND BALLISTIC MISSILES

Mr. SYMINGTON. Mr. President, there is an ever-increasing interest on the part of the American people about the position of its Government in the field of guided and ballistic missiles; and especially its relative position as against the progress made in this field by the Communists.

This interest has been increased as a result of the threats the Soviet Union has made in recent weeks against Denmark, Norway, Iceland, Belgium, Holland, West Germany, Saudi Arabia, Iran, Greece, and Turkey.

And also the similar threats made against England and France nearly 6 months ago.

In this connection, Mr. President, I ask unanimous consent that the attached article by General Phillips in the St. Louis Post-Dispatch of Sunday, April 14, be inserted at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RUSSIANS HAVE 6 MISSILES IN PRODUCTION OR DEVELOPMENT—REPORT FOR SENATORS SAYS 4 BEING PRODUCED HAVE RANGES UP TO 1,800 MILES—BACKS UP THREATS

(By Brig. Gen. Thomas R. Phillips, U. S. Army, Retired)

WASHINGTON, April 13.—While Moscow has been broadcasting almost daily threats of nuclear destruction against the allies of the United States, an alarming picture of Soviet progress in guided missiles has come to light here.

A pamphlet prepared for the Senate Armed Services Committee on the missile programs of foreign countries, and just published, discloses that Russia has in operation or in development six types of ballistic missiles. Four of the missiles have ranges up to 1,800 miles.

The others being developed and tested have ranges of 4,000 to 10,000 miles, according to the pamphlet, which devotes 21 pages to Soviet progress in the missile field.

LAUNCHING SITES BUILT

Russia also is well along in preparations for using medium- and long-range ballistic missiles, with missile-launching sites already established in Eastern Europe.

Thus a terrifying missile race is under way between Russia and the United States. Some say this is a further deterrent to war. Others say that war will be so easy to start when all that is necessary is to send missiles on their way, that the danger has been enormously enhanced.

Certainly, if Soviet threats mean anything, war rarely has been closer.

The information in the Senate Armed Services Committee pamphlet was all obtained from unclassified sources. It was, in fact, checked in the Defense Department and published material which it was thought should have been classified was deleted.

Even so the picture it gives of Soviet progress in guided missiles is sufficiently alarming. There is nothing in it to indicate that the Soviets have either an intermediate range ballistic missile or an intercontinental ballistic missile of any great accuracy.

SIX BALLISTIC MISSILES

But it does show that the Russians have, in operation or in development, six ballistic, or winged, missiles with the following ranges:

T-1, range 400 miles, operational and in production; T-2, range 1,800 miles, in production and undergoing qualification tests; T-3, range 5,000 miles, 2 or 3 stages, in development and being tested; T-4, range 500 to 1,000 miles, a winged T-1, in production.

T-4A, range 4,000 to 10,000 miles, a 2-stage antipodal glide bomber weighing 100 tons, in development; T-7A, range 30 to 60 miles, operational and in production.

Thus Russia has four ballistic missiles with ranges up to 1,800 miles, and is developing and testing two with ranges of from 4,000 to 10,000 miles.

Some of the information on which the table is based is a year or more old, so Russia may be considerably further ahead than is indicated.

FURTHER ALONG THAN UNITED STATES

The Soviet Union is further along in preparations for using medium- and long-range ballistic missiles than is the United States. A fourth service, the rocket force, on par with the army, navy, and air force, has been organized to take over the development and operation of missiles and missile air defense.

Missile sites have been established in Eastern Europe. A dispatch from Vienna April 8 said that during the recent visit to Moscow by Hungarian Premier Janos Kadar an agreement was reached to build bases in Hungary near Papa, Tapolca, Hajmasker, and Pecs. All are within 37 to 62 miles of the Austrian border.

The Cairo radio on April 8 announced activity is going on in "the Eastern bloc which is setting up bases for atomic weapons in Eastern Europe, carrying out a series of tests of guided missiles and conducting military maneuvers on the borders of Turkey."

Needless to say, "these activities," according to Cairo, "are merely a reaction to similar activities in the Western camp which is acquiring aggressive bases in the countries of Western Europe."

FIFTY MISSILES REPORTED FIRED

Hanson Baldwin, military editor of the New York Times, has reported that the Russians already have fired 50 missiles with a range of 800 miles.

The report to the Senate Armed Services Committee includes a chart showing Soviet missile launching bases, missile plants, schools, test centers, development center and missile engine development centers.

It indicates 36 launching bases in western Russia and the satellite states and others in the Far East. The actual number today is unquestionably far greater and is being increased rapidly.

Missile plants indicated number 12. There are 6 missile schools, 12 missile development centers and 6 missile engine development centers.

GUIDANCE A QUESTION

The data given in the report to the Senate committee does not indicate how good the guidance of Soviet missiles is, but it does show that the Soviet Union, regardless of the degree of refinement of its medium- and long-range missiles, is much further along in production and preparations to use them than is the United States.

As for short range army, navy, and antiaircraft missiles it appears that the United States is far in advance of the Soviet Union. It has been reported but not confirmed that Moscow is protected by 2 rings of antiaircraft missiles 25 and 50 miles distant. If this is the case, it indicates that the Soviet antiaircraft missiles have no more range than the United States Army's Nike A, which is being superseded by the much more effective Nike Hercules.

THREATS TO NATO NATIONS

Since an announcement recently that the United States is preparing to supply some of its allies in the North Atlantic Treaty Organization with various types of guided missiles, without nuclear warheads, the Moscow radio has threatened nine of the NATO countries with atomic destruction in the event of war.

A typical threat was that made to Norway by Soviet Premier Bulganin March 27 that "it might have to pay dearly for the bases," and that it is "a natural right and duty for any state exposed to attack to make sure that the bases set up for the purpose of the attack be liquidated at once."

WHAT PRICE DEFIANCE?

What will happen to a nation that thus defies the Soviet Union?

"Tests • • • show that one hydrogen bomb can produce destruction within a radius of up to several hundred kilometers," Bulganin warned.

How will the bombs be delivered?

"The development of military techniques, particularly the rocket technique, means that today on our planet there no longer exists any distance that cannot be covered by the most modern types of weapons," said the Russian Premier.

As long ago as last April, Communist Party Secretary Nikita S. Khrushchev said the Soviet Union soon hoped to have guided missiles capable of carrying the hydrogen bomb anywhere in the world.

Anyone who turns back to the newspapers for the month or two before World War I and II started will find that press reports quite accurately indicated the near danger of war. But the situation before these wars was never so obviously tense and filled with threats as it is today.

THREATENING TITLES

"NATO Plans World Thermonuclear Warfare" is the title of a Soviet radio broadcast to Britain in English.

"Single H-Bomb Would Devastate Holland" is the title of one in Dutch to the Netherlands.

"A-Arms Mean Tragedy for Denmark, Norway" is beamed in Danish to Denmark and Norway.

"United States To Make Iran Attack Springboard" is the title of a threat in Persian to Iran.

"A-Bases in Britain Road of No Return" is another threat to Britain.

"United States Plans for Atomic Force in Greece," the Greeks are informed in Greek by radio from Moscow.

Marshal Georgi Zhukov, once President Eisenhower's friend, warned March 20 that the United States would not "be able, as formerly, to sit it out over the ocean and avoid destructive and deadly blows."

"There is no place in the world where the aggressor could find shelter," he continued.

Prime Minister Nehru of India warned on March 21 that the world today for the first time faces the "contingency that all human history, all human experience might be wiped out."

WHAT DOES IT MEAN?

All this is a crescendo of threat and despair such as never occurred in the tense times before World Wars I and II. Does it mean that war is imminent or merely that a new technique of conducting international affairs has replaced the less vituperative methods of former days?

Whoever places his faith on the latter explanation may have a rude shock.

American Gen. Lauris Norstad, supreme Allied commander in Europe, doubts the Soviet capacity to make good its threats with guided missiles.

"We ourselves are not bristling with intermediate range ballistic missiles in NATO-Europe at the present time," he said.

"I know of no reason for giving the Russians credit for doing easily the things that other people find great difficulty in doing. Therefore, I do not believe that these IRBM's stand as any immediate threat to any of the NATO countries."

UNWISE TO DISREGARD BLUFFS

It has, incidentally, always been unwise to disregard what seemed at the time to be bluffs on the part of Soviet spokesmen when speaking of military advances. They are much more likely to be secretive about such matters than we are and to be further along than is indicated in public statements.

The question of accuracy enters into any calculation concerning long-range missiles.

Dr. Von Braun's team at Redstone Arsenal rigged up a "quick and dirty" and tossed it 3,300 miles not long ago and it came down about where it was intended to, but the accuracy was not sufficient to hit a target such as a city.

But if Bulganin's threat of a weapon with a destructive radius of several hundred kilometers is taken into consideration, apparently referring to radioactive fallout, it does not matter whether or not the missile hits a city.

SHOWER OF MISSILES

All that is required in the kind of missile warfare Bulganin apparently envisaged is to shower the enemy country with missiles regardless of where they hit and trust the fallout to accomplish the destruction hoped for.

If anyone wanted to wage war in this fashion it would work. The fallout from the 1954 hydrogen bomb exploded at Bikini by the United States covered initially 25,000 square miles with an intensity of 50 roentgens or more.

The AEC minimized this awful statistic by reporting the area of significant radioactivity 36 hours after the blast as covering but 700 square miles.

The fallout from 4 such bombs, if properly placed, would cover 90,000 square miles of the United Kingdom or Great Britain and Northern Ireland.

ONLY NINE NEEDED TO COVER FRANCE

Only 1 would be needed to blanket Denmark and only 9 France.

Looking at it from our side, only a hundred or so are required to cover European Russia completely.

The United States now has hydrogen bombs with negligible fallout, but radioactive fallout can be added in great quantity to any hydrogen bomb simply by surrounding it with a case of natural uranium. This is ordinarily not fissionable, but is fissioned by the free neutrons released in the thermonuclear explosion. This adds both power and radioactive fallout.

Mr. SYMINGTON. Mr. President, a great deal of misleading information about missiles is being circulated. All those interested in freedom will also be interested in this article.

We do not know how accurate are the estimates presented in the Phillips article as to what the Soviet Communists have accomplished but we do know that any United States production of supersonic medium-range or long-range missiles is still a long way off.

It is a fact that this country has not yet fired a fully operational missile with a speed faster than the speed of modern planes and at the same time a range longer than that of the Nazi V-2, the latter fired originally some 15 years ago.

Therefore we can only be thankful that in the United States Army, Navy, and Air Force, and especially in the Strategic Air Force, we still have the capacity for instant and devastating retaliation against a possible enemy.

WORLD TRADE FAIR

Mr. JAVITS. Mr. President, I invite the attention of Senators to the opening in New York, in the great Coliseum there, of the World Trade Fair, a truly extraordinary demonstration of world trade. Fifty-nine Ambassadors attended the opening, which took place on Sunday last.

World trade is contributing to our economy an estimated sum of between $33 billion and $35 billion. Between four and five million Americans are producing for export, and between 400,000 and 500,000 Americans are affected adversely, they feel, by imports.

I urge every Member of the Senate who may go to New York City to visit the fair. We shall be good hosts, I promise. Incidentally, this is the largest fair in this hemisphere in a covered place. We feel that it represents, in a very unusual way, our great stake in world trade.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an editorial on the opening of the World Trade Fair.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times of April 15, 1957]

THE WORLD TRADE FAIR

Products of nearly 40 different countries and areas of the world are seeking to win American markets in the World Trade Fair which opened its doors yesterday at the Coliseum. The exhibit, which will continue through April 27, is the most ambitious of its kind to date in the United States. With every available foot of space in the city's great new exhibition hall reserved far in advance, some 3,000 exhibitors from 59 nations have put their products on display.

This fair is primarily a trade show, conducted predominantly for the benefit of potential buyers. A sample survey conducted by the fair management indicated that strictly business visitors—representatives of various types of national buying organizations—will reach a total of about 100,000. It is estimated, however, that 9 times this number of plain, curious American sightseers will attend, making the overall figure a million.

This newest and most comprehensive of all trade exhibits, which will stress "quality" products in some 60 broad categories, must be placed in perspective with the whole recently adopted International Trade Fair program of the United States. This was launched by the President on a temporary basis in 1954 with $2½ million from his emergency fund. Congress, to its credit, was quick to realize the importance of the International Trade Fair, not only as a means of exhibiting the wares of our producers but of making friends throughout the world.

In the process we have disproved some words that came some time ago from spokesmen for a major totalitarian country. The country shall be nameless, in deference to the spirit of fellowship prevailing in Columbus Circle. The words were: "The United States doesn't participate in international trade fairs because it is interested only in making munitions."

THE IMPORTANCE OF THE ORGANIZATION FOR TRADE COOPERATION

Mr. JAVITS. Mr. President, I wish to invite the attention of Senators, and of the people of the country generally, to the fact that we have not as yet approved United States membership in the Organization for Trade Cooperation, although the President has sent us a special message on the subject.

Let me say to the many who question where foreign aid is going, that they certainly should pay attention to world trade, because that is the only thing that offers any hope of replacing foreign aid. If we wish to save on the foreign aid budget, we should be supporting world trade, in which we have such a great interest. Yet there does not seem to be very great interest in the Congress in approving our membership in what is really a trade association to encourage export and import trade, of which we would be the greatest beneficiaries.

The International Trade Organization, which I supported in the House of Representatives, failed completely. The subject was not even debated. The same fate seems to be in store for the Organization for Trade Cooperation. I think we are somewhat blind to our own interest in this connection.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an editorial entitled "The Importance of OTC," published in the New York Herald Tribune of April 13, 1957. The editorial points out one of the reasons why there is so much difficulty in furthering this program. It says, in practical effect, that the United States is being prevented from joining the Organization for Trade Cooperation because it is felt that it would encourage imports. On the contrary, blocking United States membership only hurts American exporters. It means nothing one way or the other with respect to our imports, so far as concerns those who think themselves adversely affected.

United States membership in the Organization for Trade Cooperation would have a great deal to do with the general prosperity of the country, at a time when so many people desire foreign aid to be placed on a world trade basis, rather than a Government grant basis.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE IMPORTANCE OF OTC

Some American companies are stopping other United States producers from increasing their export sales. They aren't doing it intentionally. What they really want is to keep foreign companies from selling more goods here. But they have the mistaken notion that they can achieve their objective by preventing the United States from joining the Organization for Trade Cooperation.

Blocking United States membership doesn't help them since the OTC won't be able to raise or lower United States trade barriers. But it does hurt American exporters. The OTC will work to eliminate discriminatory trade practices and the chief victims of these devices are American exporters.

Opponents of OTC use the curious argument that the new organization is bad because it would promote freer trade. It is of course true that it will work for freer trade. But what the critics neglect to say is that the chief beneficiaries would be the American producers whose goods would flow more freely into foreign markets.

President Eisenhower just last week sent Congress a special message renewing his appeal for authority to join the OTC. He stressed that the OTC would be a great boon to American farmers, businessmen and workers. He told Congress that the United States is needlessly sacrificing many of the fruits of its reciprocal trade agreements program by failing to establish machinery to hold other countries to their pledges to remove quotas, license requirements and other discriminatory restrictions.

Mr. Eisenhower sought to allay protectionist fears by indorsing a bill that explicitly declares that the enactment of the OTC measure will not authorize the administration to grant fresh tariff concessions. Administration witnesses have repeatedly but futilely made the same point in testifying before congressional committees. Perhaps putting the assurance in black and white will convince the doubters. We hope so. The OTC bill should have become law a long time ago.

THE THREE-STATE RURAL DEVELOPMENT CONFERENCE TO BE HELD IN LEXINGTON, KY.

Mr. MORTON. Mr. President, along with many citizens of Kentucky, I am deeply interested in the 3-State rural development conference set for Lexington, Ky., on May 13, 14 and 15. In Kentucky there are three trade area development programs under way. In each of these 3 areas 1 pilot county has been specifically designated. A good start is being made in these counties. The counties are Butler, Elliott, and Metcalfe.

I am happy to report that Kentucky has been among the first States to give strong local and national leadership to rural development work.

The Three-State Regional Conference on Rural Development will be held at the University of Kentucky May 13, 14 and 15, according to E. J. Nesius, chairman of the Kentucky Rural Development Committee, and chairman of the three-State committee for the conference.

The first 2 days of the session will be workshop problem-solving sessions for the estimated 25 to 30 persons connected with rural development in each of the 3 States concerned—Kentucky, Tennessee, West Virginia—plus officials in the national program.

The last day, Wednesday, May 15, will be a general session on the character of rural development. Chief speaker will be Dr. John A. Perkins, Under Secretary of the Department of Health, Education, and Welfare, and former president of the University of Delaware.

Dr. Perkins, one of the top national officials in this line of work, will speak on Education and Rural Development.

Both the workshops and the general session will be held in the Fine Arts Building of the University of Kentucky.

Other National and State officials will be on the program. One is True D. Morse, Under Secretary of the United States Department of Agriculture. He will preside at the Wednesday session; he also is the main speaker at the opening day's conference. His talk, Opening Wider the Doors of Opportunity, will be the kickoff point for the 3-day conference. Dean Frank J. Welch, of the University of Kentucky College of Agriculture, and Dr. Frank Dickey, president of the University of Kentucky, will be on the program.

Wednesday's general session includes a talk by Burl St. Clair, president of the Kentucky Farm Bureau Federation, who will discuss rural development as seen by a farm organization.

Informal conferences, with exhibits and pictures showing rural development in action, will wind up the general conference Wednesday afternoon.

Rural development is a relatively new National and State project aimed at improving the economic, sociological, and educational phases of underdeveloped areas. Pilot county programs are under way in each of the three States participating in the regional conference.

Monday and Tuesday the delegates will have 10 workshop problem-solving sessions on such subjects as concepts of rural development, county and State rural development committee structure, and others.

Groups responsible for the National and State development program include Federal and State agencies dealing with agriculture, industry, labor, education, health, welfare, plus many private industries and agencies.

The three-State rural development committees are cooperating with the Federal Committee for Rural Development Program composed of representatives of the Departments of Interior; Agriculture; Commerce; Labor; Health, Education, and Welfare; Small Business Administration; and the Council of Economic Advisers. Under Secretary Morse is chairman of this national group.

More than 100 delegates from the three States and regional and national workers are expected at the workshop sessions. Several hundred persons are expected at the Wednesday general session, to which the public is invited.

I feel sure that the conference will be productive and successful. It will have the good wishes of not only the citizens of the participating counties and areas, but of all Kentuckians. I, too, wish it well.

FEEDING STARVING RUSSIANS AND AID TO PEOPLE BEHIND THE IRON CURTAIN

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point, as a part of my remarks, an article which appeared in the Reader's Digest of August 1948. It is entitled "How We Fed the Starving Russians," and was written by Lt. Gen. William N. Haskell, retired, who had been sent to Russia during the great famine of the 1920's as a representative of the Hoover Relief Commission, which handled the distribution of American food in the relief of the famine in that unhappy country.

It is an article which should be of great interest to all Members of the Senate, particularly when proposals are being made from time to time for assistance to be given to people who are in trouble behind the Iron Curtain.

Certainly I have no objection to feeding hungry people. However, I believe it is important to make certain that no Communist regime will be able to use, as a political weapon, assistance given by the people of the United States, whereby they would feed Communist Party members and would withhold food from non-Communists, who constitute the large majority of the people in the countries behind the Iron Curtain.

I believe the article will refresh the memories of Members of the Senate as to how an effective relief program was carried on under American supervision.

It might not always be feasible to establish a mission like the Hoover Commission, but I believe we should always insist on having the program administered by a group like the International Red Cross, or representatives of the Catholic Relief Organization, or the Friends Service Committee, or the Protestant Relief Agency—some responsible group which could make certain that whatever relief we might furnish would not be used by Communist governments as a weapon with which to work against non-Communists in their countries.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW WE FED THE STARVING RUSSIANS

(By Lt. Gen. William N. Haskell, retired)

In 1921, the wall built by the Soviets around their land was so impenetrable that the outside world knew nothing of the famine—caused partly by requisition of peasant grain reserves and partly by a great spring drought—which threatened millions of Russians with starvation. Finally, in desperation, the Soviet Government let the world-famous writer Maxim Gorky appeal for aid to all honest people of Europe and America.

The honest people of the United States answered this appeal. From 1921 to the summer of 1923, about $60 million worth of food, medicine, and clothing was distributed in Russia through the American Relief Administration, under the chairmanship of Herbert Hoover, at that time Secretary of Commerce. Mr. Hoover appointed me Director General of the relief work in the field.

Not many weeks after Gorky's appeal, I was in Moscow with an advance guard of about 25 assistants, and shortly after that I left for a survey of the chief famine districts along the lower Volga. Here, to some 25 million souls, the only food available was the grass in the fields, acorns, tree bark, and such revolting substitutes as clay or rodents. Hordes of starving refugees were sweeping back and forth across the broad Russian plains in search of something to eat. In the villages, according to H. H. Fisher, historian of the ARA in Russia, "men and women in desperation exhumed dead cattle, or killed and devoured cats and dogs when they could be found. A ghastly struggle for existence destroyed any community spirit. In place of common effort came suspicion and hatred of one's neighbors—even of the members of one's own family; and in the more remote and less civilized communities crime ranged from cold-blooded murder down to the final degradation of cannibalism."

On my return to Moscow, I cabled Mr. Hoover that we faced the greatest famine in history. In Russia it was not a question of supplementing an existing, though inadequate supply of food, or of concentrating on a program for undernourished children. In parts of Russia there was no food at all, and the children had already begun to die. Furthermore, the system of supply and distribution in Russia had completely collapsed, and little help could be counted on from the Government. Elsewhere in Europe it had been possible to form local committees of intelligent, responsible people to help us in our work. But in Russia, when such people could be found at all, they were paralyzed by the fear of the terror which was sweeping over the land. Our Russian employees were repeatedly persecuted, arrested and put into jail.

By March 1922, our food imports had arrested the tides of death from starvation. By August, only a year after Gorky's appeal, the ARA was feeding over 10,500,000 Russian children and adults a day—a number equal to the population of New York State at that time.

In the course of this gigantic program the ARA unloaded at Russian ports 450 cargoes; moved 72,000 carloads over the broken-down railroads; operated more than 17,000 kitchens; and equipped and supplied 16,000 hospitals, dispensaries and other institutions. Eight million Russians were vaccinated or inoculated. Of the outside aid given to Russia in this crisis, over 95 percent came from the United States.

In addition to its huge feeding program, the ARA established a system of food remittances, by which, for $10 paid in the United States, a beneficiary in Russia would receive a package containing enough to nourish an average family for 1 month. Almost 99 out of every 100 packages reached those for whom they were intended, in spite of the chaos and disorganization in Russia; and also in spite of the fact that the remittances went mostly to people belonging to those classes which the Soviet Government was least interested in keeping alive—the bourgeoisie and the intelligentsia.

The meager hospital and medical facilities of Russia had been further depleted by war and civil war. Hospitals lacked bedding; medicines, soap, disinfectants and surgical instruments simply did not exist. Operations were generally performed without an anesthetic, and wounds "dressed" with newspapers and sewed up with threads drawn from old clothing.

Through the ARA, over $7 million worth of medical supplies were distributed in Russia. In addition to this, medical literature was distributed to doctors, nurses and interns so that they could learn what new developments had taken place during the 7 years that Russia had been cut off from the world. It is gratifying to be able to say that the ARA's medical department received from the Soviet authorities the fullest degree of cooperation possible under the circumstances.

Before the ARA left Russia it had stocked, to a fair extent, the hospitals throughout the Soviet Union; but, more important, it had reawakened the courage and revived the morale of the discouraged and destitute medical profession—to the heroic members of which I pay my highest tribute.

Scattered throughout the world today there are some 400 Americans, members of the ARA, who are now entering upon middle age, and to whom the years in Russia will ever remain a sharply etched memory.

These inspectors penetrated into the far corners of their famine districts, by boat or train or crawling cart, estimating needs, arranging for warehouses, organizing village committees, selecting sites for kitchens, designating doctors to examine children, and preparing for the bounty to come. In the fall of 1921 they fought the tenacious mud of the Russian roads; in the winter of that year and of 1922 they traveled for silent days over the flat unending expanses of the Russian plains, and through villages where no sign of life was apparent. By day they rode in crude sleighs or springless carts, and by night slept in peasant huts, with only the unwelcome attention of insects to make life interesting.

No poet has immortalized these young Americans, but their work endures, and I wish to believe that the millions of Russian children, now grown to young manhood and womanhood, whom they succored in the dark days from 1921 to 1923 remember them for

their breezy and efficient presence and for their exemplification of the good will toward a suffering world which always exists in America's heart.

When our work was done, the Council of People's Commissars of the U. S. S. R. assured Herbert Hoover of Russia's "deeply felt gratitude" and thanked him for the ARA's "boundless and entirely unselfish efforts * * * in the name of the millions of people who have been saved." The concluding words were: "The people of the U. S. S. R. never will forget the aid rendered to them by the American people, holding it to be a pledge of the future friendship of the two nations."

CIVIL-RIGHTS LEGISLATION AND TRIAL BY JURY

Mr. THURMOND. Mr. President, in yesterday's edition of the Washington Star the lead editorial was on a subject which I believe is close to the heart of every freedom-loving American citizen. Also, I believe it is not only a subject close to the hearts, but one that discusses a right longed for by the citizens of many nations ground under the heel of conquerors.

The subject of the editorial was Trial by Jury.

This editorial pointed out that the distinguished junior Senator from Wyoming [Mr. O'MAHONEY] has "joined the ranks of those who look with misgivings on the prospective denial of jury trials under the administration's civil-rights bills."

The editorial further placed the newspaper on the side of those who believe in trial by jury. This is what it said about denying such a right:

This, it seems to us, contemplates a radical and even dangerous projection of the Federal judicial power. In principle, why should not the defendants in civil-rights disputes be entitled to at least the same jury protection as defendants in labor disputes?

The editorial cites the words used in a recent speech of an Assistant Attorney General in which he said the trial-by-jury bill was "a clever device to nullify" the civil-rights bills.

We are not prepared to accept the view of Assistant Attorney General Olney—

The editorial concluded.

Also, appearing on the same editorial page is a cartoon on the same subject. It was drawn by the distinguished cartoonist, Jim Berryman, and shows Senator O'MAHONEY directing civil-rights advocates along the road to jury trial.

Mr. President, I ask unanimous consent to have this editorial printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TRIAL BY JURY

It is interesting and perhaps significant that Senator O'MAHONEY, Democrat, of Wyoming, has joined the ranks of those who look with misgiving on the prospective denial of jury trials under the administration's civil-rights bill.

The bill provides that the Attorney General may seek injunctions against violations of civil rights. Defendants in contempt cases arising out of this provision would not be entitled to trial by jury. This is true even though the penalty might be a fine or a jail sentence. It is argued that this is not a new departure, since there are other instances, labor injunctions excepted, in which there is no right of trial by jury in criminal contempt cases to which the United States is a party. This is correct. But it does not follow that the practice is one which should be extended, perhaps widely extended, by the legislation now pending in Congress.

There is no dispute over the motivation behind the proposed denial of jury trials. Sponsors of the legislation fear, perhaps correctly, that southern juries in many instances would not convict civil-rights defendants. Therefore, they say, in effect, let's bypass the jury system and try these defendants before Federal judges.

This, it seems to us, contemplates a radical and even dangerous projection of the Federal judicial power. In principle, why should not the defendants in civil-rights disputes be entitled to at least the same jury protection as defendants in labor disputes? If it is argued in the case of the former that the end justifies the means, an unpalatable doctrine in any circumstances, the fact is that experience has not yet shown the existence of such justification.

Senator O'MAHONEY, who is neither a reactionary nor a "racist," says: "I believe in the jury trial." So do we, and we are not prepared to accept the view of Assistant Attorney General Olney that the jury-trial amendment to the legislation is merely a clever device to nullify the civil-rights proposal.

Mr. THURMOND. Mr. President, I also ask unanimous consent to have printed in the RECORD an editorial which appeared in the State, of Columbia, S. C., on April 11, 1957. The editor of the newspaper is the able Samuel L. Latimer, and the president of the publishing company is the distinguished South Carolina citizen, Mr. M. J. Blalock, of Columbia, S. C.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WORDS OF LOGIC

In pointing out the inconsistency of Republican proponents of the bill jocularly known as the civil-rights measure in opposing another bill guaranteeing trial by jury, South Carolina's Senator STROM THURMOND has spoken with both commendable restraint and sound logic.

Senator THURMOND has pointedly asked if the proponents of the so-called civil-rights legislation believe in certain rights for certain people while denying the same rights to certain other people. He said it had not been explained to him, a former circuit judge, why letting a jury of 12 peers decide whether contempt had been committed is any departure from the principles of justice. He qualified cases of contempt committed before, or virtually in the presence of the court, and said he believed the majority of the American people believed in equal rights for all.

It is gratifying that Senator THURMOND's arguments have been carried, in fairly full quotations, on the Associated Press wires. It is to be hoped that papers in other sections of the country will let their readers have the benefit of his words.

THE ECONOMY OF THE UNITED STATES

Mr. CAPEHART. Mr. President, it is my purpose to call to the attention of the Senate the record which continues to show that the economy of the United States is strong and growing steadily stronger.

Senators will agree with me that two of the most important factors reflecting the condition of the economy are personal income and bank assets. I have before me two United Press newspaper articles which appeared in the Washington Post and Times Herald of Wednesday, April 17, 1957, showing an increase in both personal income and bank assets.

I ask that these two articles be printed as a part of my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

PERSONAL INCOME RISE CONTINUED IN MARCH

Personal income, a vital factor in the American economy, continued to climb last month, the Commerce Department reported yesterday.

It said personal income in March was at an annual rate of $337 billion. This was one billion dollars higher than the annual rate in February.

The Department also said personal income in the first quarter of 1957 was at an annual rate of $336 billion, $19 billion or 6 percent higher than in the first quarter of last year.

Personal income estimates include wages and salaries, income of proprietorships and partnerships, dividends and interest, rents, and other types of individual income.

FDIC NOTES 4 PERCENT INCREASE IN BANK ASSETS

Total assets of all Federally insured banks increased 4 percent during 1956, the Federal Deposit Insurance Corp. reported yesterday.

FDIC chairman H. E. Cook said the growth was about the same as the average annual rate of increase during the past 10 years.

During last year, assets rose by $9 billion and totaled $241 billion at the end of the year; deposits advanced slightly to a new total of $219 billion, and capital and surplus accounts totaled more than $18 billion.

The report covered 13,218 commercial banks and 223 mutual savings banks. The FDIC insures savings accounts in such banks to a maximum of $10,000 each.

The agency said the big increase in assets—about $7 billion—was in commercial banks. In this category, the major advance—about 17 percent—was in business loans. These totaled nearly $39 billion at the year's end.

Mutual savings banks had deposits of nearly $23 billion at the end of 1956, an increase of 8 percent during the year.

THE URGENT DEFICIENCY APPROPRIATION BILL

Mr. BIBLE. Mr. President, I wish to commend the Senator from Montana [Mr. MANSFIELD] for the very splendid and forthright statement he made concerning the disposition of the House Joint Resolution concerning the urgent deficiency appropriation bill. I am completely aware of the importance of this proposed legislation with respect to those who receive assistance under social security, and I am equally aware of its importance to small business. I recognize the fact that immediate action must be taken on the joint resolution.

I also wish to point out, as the Senator from Montana has so ably done, that those of us who have the honor of representing mining States and the mining section of our country have a real interest and a real stake in the proposed legislation.

Likewise, some affirmative action must be taken without further delay to meet head-on the very critical problem with respect to the mining industry. Authorizing legislation was passed last year, which held out to the people of my mining State, and of the mining West generally, that funds would be made available to carry on a domestic mining industry pending the submission to Congress of a long-range mining program. For Congress to fail to keep faith in that respect is, to me, unforgiveable.

It seems to me that the 4 months which have already passed have caused untold damage and hardship to the mining industry and to the miners of the entire West.

I again commend the Senator from Montana, the able acting majority leader, for forthrightly presenting the correct views, as I see them, to the Senate.

Mr. MANSFIELD. I thank the Senator from Nevada for his kind remarks. I assure him that he has expressed the views of the Senators from the West far better than I ever could.

I think it should be brought out that in the case of tungsten, which is, of course, tied closely to the production of manganese, so far as the United States is concerned, under ordinary, normal circumstances we have to import from overseas more than 90 percent of the tungsten and manganese needed in this country. The mere fact that we have enough for the time being certainly does not preclude the need for the passage of the joint resolution to which the Senator from Nevada has so eloquently referred.

Mr. BIBLE. The Senator's statement has prompted me to make this remark: It is significant to me that in the particular strategic minerals program which will come before the Senate later this afternoon providing for a continuation of the domestic mining program, we find, in looking at the foreign import picture, that there are today outstanding and fully enforceable in the neighborhood of $100 million of contracts for the purchase of tungsten overseas, contracts which the United States Government must honor. Yet we are standing here today reluctant to carry out a pledge made to our own domestic mining industry.

I ask the Senator from Montana if that can be satisfactorily explained to the mining people in the West who are closing their mines day after day.

Mr. MANSFIELD. It cannot be explained. I think it is about time for us to take action with respect to economic developments for our own people and our own products, rather than to place so much emphasis on overseas economic development for the benefit of other peoples, needed though that may be. Let us look after ourselves for a change and give our own people a break.

Mr. BIBLE. I thank the Senator from Montana. I certainly share his views in that regard.

REVIEW OF FEDERAL INDIAN POLICY NEEDED

Mr. MANSFIELD. Mr. President, a number of my Senate colleagues and I have been disturbed for some time over the economic status of the American Indian. The standard of living of many of these Indians, on and off the reservation, is deplorable, and there is very little sign of improvement at this time. A great deal of the credit for this situation is due to the failure or lack of an adequate Federal Indian policy.

Congress has pending a number of bills which would assist in alleviating the suffering of many Indians and would promote education, employment opportunities, and improved health and welfare. All of these things are necessary to provide a better life for our first citizens. I specifically refer to the area development bill proposed legislation providing for a very broad technical assistance program for Indians; Federal cooperation in providing hospital facilities to be made available to Indians away from the reservation; and resolutions calling on the Bureau of Indian Affairs to assist in raising the standard of living of the American Indians. In addition, funds are being requested to put into operation a vocational training program for adult Indians.

The Montana Congressional delegation, comprised of the distinguished senior Senator [Mr. MURRAY] and the State's two able Representatives, LEE METCALF and LEROY ANDERSON, and I have joined in promoting these various pieces of proposed legislation, for we believe that they hold great promise in helping to alleviate some of the difficult problems faced by the Indians.

There are a great number of statutes and directives dealing with Indian policy, and there will be more, but where is all of this going, what is it doing to benefit the Indian? All indications are that the policies followed by the Bureau of Indian Affairs and other agencies concerned with Indian matters have met with success in some areas and complete failure in others. In addition the policy toward the off-reservation Indian is irreconcilable in my opinion.

Where is our Federal Indian policy headed? What are the goals? How can these goals best be achieved? The answers to these questions are not clear.

There have been a number of Congressional studies and investigations which have attempted to arrive at the answers to such questions in other matters, foreign and domestic, both within and outside the operation of the Federal Government. I think it is about time that an appropriate committee of the Senate found out where we are headed and what are our goals in Federal Indian policy.

Mr. President, I made such a recommendation in a letter addressed to the chairman of the Interior Subcommittee on Indian Affairs, the distinguished Senator from Oregon [Mr. NEUBERGER], in connection with a hearing on S. 809, the bill introduced by the Senator from North Dakota [Mr. LANGER] to provide economic assistance to the American Indians.

I suggested that Congress restudy its objectives and purposes in Federal Indian policy. I stated that it is time we sat down and discussed the many problems with all interested parties: Federal and State agencies and the Indians themselves. It is time that we reexamine our goals in Indian policy, devising a new comprehensive program to promote the economic welfare and improve the standard of living of the American Indians.

I ask unanimous consent that my letter of March 26 addressed to the chairman of the Senate Subcommittee on Indian Affairs and Senator NEUBERGER's reply of March 30 be printed at this point in the RECORD. I might add that the junior Senator from Oregon is in full accord with the need for this study.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
March 26, 1957.

Hon. RICHARD L. NEUBERGER,
Chairman, Subcommittee on Indian Affairs, Committee on Interior and Insular Affairs, United States Senate, Washington, D. C.

DEAR MR. CHAIRMAN: I have been advised that your Subcommittee on Indian Affairs is holding a hearing today, Wednesday, March 27, on Senator LANGER's bill, S. 809—a bill to provide economic assistance to the American Indians. As you may know I am deeply interested in resolving the numerous problems that confront these people both on and off the reservation. There are far too many instances of Indians living in squalor and poverty due to lack of education, employment opportunities, and job training.

I have felt for some time that the Federal Government has failed to assume its proper responsibilities for this country's first citizens.

The Congress has the opportunity to make an excellent record in behalf of these people. As you know there are numerous areas of conflict which need to be resolved; Federal-State responsibility for welfare, economic development, responsibility for on and off reservation Indians, vocational rehabilitation and the relocation program. All of these things have an important bearing on the success or failure of our Indian policy.

The Indian has had full citizenship for a number of years and he should have been treated accordingly but unfortunately this is too often not the case. Indian matters tend to be an afterthought.

If the Indian is to be assimilated into our society he is going to need help to adjust. There are numerous Indians who have long since become independent but there are thousands still remaining who continue to be wards of the Federal Government. And they should not be denied Federal assistance until such time as they can provide for themselves.

There are a number of good bills pending in Congress which would go far in meeting the needs of the Indians. Senator LANGER's bill, S. 809, which I was pleased to cosponsor, is just one of the bills which provide for assistance to Indians. This bill provides for an elaborate economic-assistance program for the American Indians.

One of the most important provisions in this legislation is that which provides for establishment and encouragement of industries on or near reservations. One of the major problems facing Indians is employment. Income from tribal lands is generally limited unless supplemented from oil and mineral revenues. In addition many of these people on the reservation are not sufficiently educated or trained to compete with the outside labor market. Also many reservations greatly reduced in size, are incapable of providing for the people living within the area.

The provisions of S. 809 would provide a loan program to set up industries on or near reservations, to be operated by the Indians themselves and would provide employment opportunities for these Indians. Bulova's jewel-bearing factory on the Turtle

Mountain Reservation is an example of a successful small industry employing Indians.

There are a number of other bills pending before Congress which would be of great assistance to these people. I am pleased to note that the Bureau of Indian Affairs has requested funds for fiscal year 1958 to operate the adult Indian vocational education program enacted during the 84th Congress.

Senator Douglas' bill, S. 964, to set up a broad redevelopment program to meet depressed economic conditions and unemployment throughout the country, including Indian reservations. S. 380—A bill introduced by my distinguished colleague, the senior Senator from Montana, Mr. MURRAY, and myself would provide for construction of Indian hospitals and to provide for grants to assist in the construction of community hospitals which will serve Indians and non-Indians jointly. The enactment of this legislation would be of great assistance in meeting the medical needs of the Indians.

In addition I would like to direct the attention of the subcommittee to Senator MURRAY's Senate Concurrent Resolution No. 3 calling on the Bureau of Indian Affairs to assist in raising the standard of living of the American Indians.

The necessary legislation to meet these problems is awaiting Congressional action and the sentiment in behalf of the Indians' welfare has never been so high and the cooperation of interested parties is very much in evidence.

I want to take this opportunity to respectfully suggest and urge that the Congress restudy its objectives and purposes in Federal Indian policy. It is time that we sat down and discussed these many problems with all interested parties: Federal, State agencies and the Indians themselves. It is time that we reexamined our goals in Indian policy, devising a new comprehensive program to promote the economic welfare and improve the standard of living of the American Indians.

In closing I want to assure you of my deep interest in these matters and ask that this letter be made a part of the record of this hearing on S. 809.

With best personal wishes, I am,

Sincerely yours,

MIKE MANSFIELD.

MARCH 30, 1957.

Hon. MIKE MANSFIELD,
United States Senate,
Washington, D. C.

DEAR SENATOR: I appreciate having your letter of March 26, in connection with S. 809, a bill which you cosponsored, to provide economic assistance to the American Indians.

The Subcommittee on Indian Affairs held a hearing on this measure on March 27, and your letter was inserted in the hearing record.

I was very interested in the paragraph in your letter in which you suggest and urge that Congress restudy its objectives and proposals in Federal Indian policy. In this connection I might say that I, too, agree with your suggestion, and as a step in this direction the Subcommittee on Indian Affairs has scheduled hearings on April 11 and 12 on Indian timber sale policies. I hope that there will be additional hearings and investigations into other aspects of Indian policies.

With kindest regards,

Sincerely yours,

RICHARD L. NEUBERGER.

Mr. MANSFIELD. Mr. President, in conclusion I may say that Congress has a humane obligation to recognize the inadequacies in our Indian policy and to make a firm resolution to devise a policy to promote the economic welfare and education of the American Indian.

Mr. President, I wish to make another request.

The PRESIDING OFFICER. The Senator from Montana has the floor.

UNITED STATES-CROW INDIAN TRIBE TREATIES

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a history of the United States Government relations with the Crow Indian Tribe and the sorry tale of expediency shown therein, which was published in the Park County News of Livingston, Mont. The editor and publisher of this newspaper is my good friend Fred Martin.

There being no objection, the history was ordered to be printed in the RECORD, as follows:

[From the Park County News, Livingston, Mont.]

HISTORY UNITED STATES-CROW TRIBE TREATIES
JUST SORRY TALE OF EXPEDIENCY, BAD FAITH

News dispatches today and in recent weeks make this review of Crow treaty history timely in view of the discussion regarding the Crow demand for $5 million for permitting construction of Yellowtail Dam on the reservation.

History has been written for the ruler, not the people.

The legend of the Great White Father in Washington, the kind, understanding, fatherly old gentleman who is the friend of Indians everywhere has come to be taken for granted, but an examination of the fact turns one down paths of subterfuge, expediency, doubletalk, and broken promises—just the opposite of the original policy outlined for Indians west of the Mississippi by Gen. William Clark of the Lewis and Clark expedition, later Superintendent of Indian Affairs. (See Clark's story this issue.)

Since Park County once was a part of Indian Territory this will be limited to Crow treaties with the basic information quoted taken primarily from a report. The Laws and Treaties Affecting the Crow Indians, by Howard M. Gullickson, onetime Montana attorney general and later district counsel for the Indian Bureau at Billings, and Fred B. Woodward, assistant attorney. This report was graciously loaned the News by M. A. Johnson, acting area director. Other basic preliminary research can be credited to Joe Montgomery of Lewistown.

The first treaty entered into between the Crow Tribe and the United States of America was dated August 4, 1825, at the Mandan village with Brig. Henry Atkinson and Maj. Benjamin O'Fallon, aides of General Clark, as United States negotiators. "The treaty is declared to be for the purpose of perpetuating the friendship which has heretofore existed between the Crow Tribe of Indians and the United States. This treaty makes no reservation of any lands and there is no mention of lands except that the Crows admit that they live within the territory of the limits of the United States and acknowledge their (the United States) supremacy and claim their protection (7 Stat. 266; II Kappler 244)."

Then apparently came the start of subterfuge, expediency, doubletalk, as indicated by the Treaty of Fort Laramie, Indian Territory, negotiated by D. D. Mitchell and Thomas Fitzpatrick, September 17, 1851, which, "though never proclaimed"; just about split up the area west of the Mississippi, certainly west of the Missouri. "The treaty of 1851 was considered by officers of the United States at that time not to have been ratified and was not believed to be binding either on the Indians or the Government. Consideration therefore, to the Indians for this relinquishment (in the next treaty on May 7, 1868, at Fort Laramie, then in Dakota Territory and signed by Lt. Gen. William T. Sherman, the same general who marched to the sea in the South during the Civil War) "of more than three-fourths of the land granted them by the treaty of 1851, was apparently not thought of by the officers of the Government * * * there is no suggestion of any consideration to be paid."

However, "in IV Kappler, 1867, there is a copy of an Indian Office memorandum relative to the treaty of September 17, 1851, at Fort Laramie, by the Chief Law Clerk of the Indian Bureau, William R. Layne, and shows the full proceedings of the ratification of this treaty, which had been considered an unratified treaty and not binding on either party. The questions concerning this treaty were considered by the court of claims in the case of the *Fort Berthold Indians* v. *The United States* and was in that case held to be binding on all parties."

But General Sherman's treaty of 1868 put hobbles on the white folks, just as it defined the borders of the Indian reservationists, because it included the clause that this (Crow) Territory:

"Shall be, and the same is, set apart for the absolute and undisturbed use and occupation of the Indians herein named, and for such other friendly tribes or individual Indians as from time to time they may be willing, with the consent of the United States, to admit amongst them; and the United States now solemnly agrees that no persons, except those designated and authorized so to do, and except such officers, agents, and employees of the Government as may be authorized to enter upon Indian reservations in discharge of duties enjoined by law, shall ever be permitted to pass over, settle upon, or reside in the territory described in this article for the use of said Indians, and henceforth they will, and do hereby relinquish all title, claim, or rights in and to any portion of the territory of the United States, except such as is embraced within the limits aforesaid."—Quoted from History of the Yellowstone Valley.

This was adopted after the discovery of gold in Emigrant Gulch, after many families had settled in the area, the discovery of minerals in the Cooke City area, and the area included in the reservation was bisected by the Jim Bridger and John Bozeman Trails—it actually was a roadblock to the east to settlement.

Then, to add to the ridiculousness of the situation, was this: On October 20, 1875, a 20-mile strip of land adjoining the reservation on the north—of the Yellowstone River extending perhaps from Shields River, on the west, to the present eastern boundary of the Crow Reservation—was set over by Executive order to the Crows * * *. The language of this order would seem to convey a vested right. On the same page is an Executive order of March 8, 1876, which revokes the above order and restores the land to the public domain. If an Indian tribe had a vested right under an Executive order, then it is beyond the power of the President to revoke such an order and restore the land to public domain without proper consideration to the Indians (I Kappler 857).

But—and this is not included in the Indian Bureau's report—on January 31, 1874, President Grant issued an order establishing the Crow Reserve, setting off the territory, roughly the area south and east of Fort Benton and extending beyond Lewistown, drained by the Judith, Arrow, and Dog Rivers and extending to the Missouri River, the northern boundary. This set off the Montana Legislature, but to no avail, from 1874 to 1882. Leeson's (1885) History of Montana declares:

"Such opinions, however, had no weight with the general Government, when a course opposed to the interests of the people, and even the Indians, might tend to enrich a clique, and the reservations were allowed to stand an obstruction to peace and progress until 1883, when the Mountain Crows were removed to a new reserve. General Sheridan, in his report in 1882, pointed out the absurdity of holding 6 million acres of valuable land for a whole Crow Nation of 3,470 souls and recommended its sale.

"During this year (1882) Congressman Maginnis (Montana) placed the matter before Congress in such practical form as to gain attention from that body. * * * In May 1883, the Secretary of the Interior directed a recognition of mining claims of settlers upon the public lands in Montana ceded by the Crow Indians under agreement made June 12, 1880, and ratified by Congress April 12, 1882." End Leeson quote.

"By the act of Congress on April 1, 1882," the Indian Bureau report states, "the Crows agreed to sell to the United States the tract of land (all that portion of Park County east and south of the Yellowstone River). * * * For this tract, the Crows were to receive $30,000 per year for 25 years ($750,000). The title of the Crows to this land was not better than that * * * granted by the treaty of 1851.

"The next act affecting the Crows is that of July 10, 1882, by which the Crows agreed to the sale of 4,384 acres for railroad right-of-way for which they were to be paid the sum of $25,000.

"On March 3, 1891, an agreement with the Crows was enacted by Congress in which the Crows ceded the tract of land (extending from the Stillwater River to the present western boundaries of the Crow Reservations—portions of Stillwater, Carbon, and Yellowstone Counties south of the Yellowstone River) for which they were to receive the consideration of $946,000. Whether it was subsequently paid or whether it was held on deposit in the Treasury Department after the 20 years time, is not disclosed either by the act of Congress or any subsequent legislation. It will be noted that the payment of $12 a year to each member of the Crow Tribe would amount to approximately the interest at 4 percent on the $522,000.

"The act of April 27, 1904, ratified an agreement formerly made with the Crow Indians. The land ceded * * * (the area of Huntley project between the present northern boundary of the reservation and the Yellowstone River) * * *. Article 2 of this act provides for the payment to the Indians of $1,150,000 * * * to bear interest at the rate of 4 percent per annum; and interest to be added annually to the principal, and an annual payment of $12 per capita shall be paid in cash to every man, woman, and child having rights upon the reservation * * *. From a computation of the various sums, it would appear that there was in the neighborhood of $400,000 to be set up as an annuity fund as above set forth."

Then, there is the act of April 15, 1930, which provides compensation to the Crow Indians for the Custer Battlefield National Cemetery.

With the amounts still due on the principal, the piling up of back interest, the claims on the entire territory which might be valid, there may be something to that saying: "Let's give the country back to the Indians," not because of the Indians but because of the bungling and the failure to heed the policy of William Clark.

(EDITOR'S NOTE.—Authorities, helpers, and prodders on this story include Joe Montgomery, of Lewistown; Wallis Huidekoper, of Big Timber; Dudley White, of Columbus; Sam Strickland, of Wilsall, the editor's wife and her pioneer relatives and heritage, lots of other folks and just plain curiosity.)

USE OF SURPLUS AGRICULTURAL COMMODITIES TO FEED HUNGRY CHILDREN

Mr. MORSE. Mr. President, my attention has been called to an article which appeared in the April 11, 1957, edition of the Washington Star, on page A-22. The article concerns the dinner given by the Italian Ambassador in honor of Secretary Benson and Assistant Secretary of Agriculture Earl Butz; and the accompanying picture shows the Ambassador adjusting a decoration given by the Italian Government to the Secretary, while in the background the Assistant Secretary, who was also decorated, looks on.

I wish to speak for the moment, Mr. President, on one facet of the dinner article. I refer specifically to the reasons advanced by the Ambassador for the awards. I quote from the article:

The Ambassador told assembled guests that the reasons for the award were quite complex, but he wanted to explain it in words the young people would understand.

The Italian Government, he said, wanted to show its appreciation for the fine example of international cooperation in which Mr. Benson and Mr. Butz have taken part. Under the program initiated in 1955, various agricultural surpluses either have been sold or given as grants to the Italians. Among other benefits, this program has helped provide free meals for one and a half million Italian schoolchildren.

Mr. President, I have nothing but laudatory comment for this statement. The surplus foods under these conditions go where they ought to go—into the empty stomachs of hungry children. My only reservation is to ask why we do not do more of this; and, specifically, why we do not see to it that more and more of our surplus meats, milk, and cheese go into the stomachs of our hungry children—children right here at home, in the United States.

Mr. President, let me make very clear that I am perfectly willing to see to it that ample supplies of surplus foods go into the stomachs of hungry children elsewhere in the world, too, rather than to allow such foods to rot and spoil in Government bins. But, Mr. President, we have a domestic problem, too. Here in the Nation's Capital we should realize that there is a shocking need for better distribution of our surplus food commodities, in order to wipe out the disease of hunger and malnutrition which exist today not 10 blocks from the floor of the Senate. Mr. President, I speak of this matter in order to lay the groundwork for the proposed legislation which will be before the Senate at an early date.

Mr. President, at this time I ask whether we can afford not to give favorable consideration domestically to the type of food distribution, through an expanded school-lunch program, which will enable underfed American children to have at least one square meal a day.

I wish to say to the members of the press who may be in the Press Gallery at this time that the last statement I have made does not mean that I am committing myself now in favor of the free school-lunch program for the elementary schools, beginning immediately; but I wish to say that across the United States I believe it would be a fine national defense program, if we wished to put it on that basis. If we did not wish to put it on the basis of a sound, humanitarian program—namely, to see to it that American boys and girls in school get at least one square meal a day—then I do not know of any better expenditure of public funds from a defense standpoint, because only with a healthy America shall we be able, in my judgment, in the decades ahead to meet the threat of a Communist Russia.

Of course, Mr. President, those who know me, must be aware that I would also make my plea on a spiritual and moral basis. We, the people of the United States, cannot justify our failure to live up to our moral obligation, when it comes to the matter of feeding hungry American boys and girls.

My only regret regarding the newspaper story to which I have referred, Mr. President, is that we have not earlier developed the conscience and the determination to clean up the condition existing at this time in Washington and also, I am confident, in far too many other great American cities. We must cut the redtape which keeps needy American boys and girls from being fed; and I am confident that we shall do so; once the Congress comes to understand the problem.

Mr. President, I realize how busy each Member of Congress is. I know it cannot be expected that each Member of the Senate and each Member of the House of Representatives will make the kind of study the Senate Committee on the District of Columbia has been making. I recognize that it would be most unfair of me if I were to criticize Members of Congress, because they have not personally made such a study and have not conducted the sort of investigation our committee conducted in the environs of the Capitol, in fact, almost in the shadow of the dome of the Capitol. As a matter of fact, Mr. President, the other day some of us took a walk 3½ blocks from the House Office Building; and there we were confronted with conditions so shocking and deplorable, so unsanitary, so dangerous to the health of the people of the city of Washington, that one had to see them in order to believe them. For instance, in alley after alley, block after block, there were outdoor toilets so stenchful that one resisted walking down the alleys. That condition existed, as I have said, within 3½ or 4 blocks from the dome which symbolizes the Capitol of supposedly the greatest religious nation on the face of the earth when it comes to putting religious principles into practice.

Mr. President, I make these remarks today because of the Sunday which lies just ahead of us. Again I ask whether only on Sunday we shall bow our heads to our great spiritual principles, and thereafter, as representatives of a free people, do nothing about them, when it comes to meeting our obligation to appropriate the necessary funds in order to relieve such a condition.

I never will play politics with the economy issue, Mr. President. If I have to make a choice between economizing on

the budget and appropriating the funds needed for hungry American boys and girls, I shall vote to appropriate the funds; and I shall point out that not one taxpayer in the United States is justified in making a complaint against such an expenditure, because we should pray and thank God that we are able to pay the taxes necessary to be paid in order to carry out such a moral obligation.

Of course I know there are economies which can be effectuated; but here is one Senator who is not going to vote to economize at the expense of empty stomachs on the part of a good many hundreds of boys and girls here in the District of Columbia.

That is why I urge the Senate, this Eastertide, to think about this matter next Sunday. I am raising my voice today in a plea for applied Christianity. Let me say that these spiritual tenets are the same in the case of other religions, the parishioners of which next Sunday may not be bowing their heads in reverence to the particular forms of worship in which we Christians engage. But these spiritual tenets are identical in all religions, and run through the Jewish religion, the Mohammedan religion, and the religion of Confucius. Yes, Mr. President, name to me a religion based upon the acceptance of an Almighty, and the principles I am speaking for here today are common, and through all such religions is the tenet that we are our brother's keeper. I am pleading for the application of that principle today.

To return, Mr. President, in closing, to the award given Secretary Benson, I hope we will soon have before us the enabling necessary legislation provided for in article I, section 9, clause 8, of the Constitution of the United States, and title 5, United States Code, section 115, so that the Secretary and his assistant may legally accept the decorations that are being tendered to them through the State Department. I hope the Department of Agriculture will give serious consideration to an honor award of the Department for the employee who proposes necessary shortcuts and streamlined procedures designed to increase the flow of surplus commodities, and especially high protein commodities, to American schoolchildren.

I ask unanimous consent that the article to which I have referred be printed in the body of the RECORD at this point, as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHILDREN STEAL SHOW FROM FAMOUS FATHERS

(By Selwa Roosevelt)

The children almost stole the show from their daddies last night at the Italian Embassy.

The occasion was a black-tie dinner party for Secretary of Agriculture Ezra Benson and Assistant Secretary of Agriculture Earl Butz who were decorated by the Italian Government.

The thoughtful hosts, Italian Ambassador and Signora Brosio, made a very special evening out of it by inviting the honored guests to bring their children.

Of the Benson's 6 children, only 3 were present—Beverly 20, Bonnie 16, and Flora Bess 13, the youngest one displaying tremendous poise and trying to look nonchalant in her dainty red and white party dress.

The Butzes provided the youthful male contingent for the party with their handsome sons, William 13, and Thomas 9, who watched the entire proceedings, wide-eyed and asked questions about everything.

It was quite obvious that the two Agriculture officials were delighted at a chance to spend such an evening with their children.

"It's so rare when we can share our official life with them," said petite Mrs. Butz. She and Mrs. Benson and the children formed a semicircle in the drawing room before dinner to watch Ambassador Brosio present the decorations.

Mr. Benson was awarded the Cavaliere di Gran Cordone Ordine al Merito della Republica; Mr. Butz, the Cavaliere di Gran Croce Ordine al Merito de la Republica.

The Ambassador told assembled guests that the reasons for the award were quite complex, but he wanted to explain it in words the young people would understand.

The Italian Government, he said, wanted to show its appreciation for the fine example of international cooperation in which Mr. Benson and Mr. Butz have taken part. Under a program initiated in 1955, various agricultural surpluses either have been sold or given as grants to the Italians. Among other benefits, this program has helped provide free meals for one and a half million Italian school children.

Afterward, as photographers recorded the event, the universal comment from the guests was what a wonderful wholesome family the Bensons were.

Mrs. Benson, incidentally, told a guest that she had just come from a portrait sitting. It seems an Italian painter is doing the entire family in one huge painting.

Being strict Mormans, the Bensons do not smoke or drink, so they did not partake of the wines the Ambassador offered the rest of his guests. (At dinner the adults were seated at one long table and the children at a small round one in the same room.)

Adults included Undersecretary of Agriculture and Mrs. True Morse, Senator and Mrs. Bourke Hickenlooper, Representative and Mrs. Victor Anfuso, Assistant Secretary of State and Mrs. Andrew Berding, Miss Constance Harvey, Italian Minister and Signora Ortona, Mr. Sergio Pizzoni, and others. At the children's table were several daughters of Italian Embassy officials.

PERSONAL STATEMENT BY SENATOR MORSE

Mr. MORSE. Mr. President, I now turn to a matter of personal privilege. I shall introduce my remarks by reading into the RECORD at this point an editorial entitled "In Defense of No. 321," which appeared in the Bend Bulletin, of Bend, Oreg., dated April 4, 1957. It is a short editorial, and I shall read it, because I wish to use it as an introduction to certain remarks I intend to make in reply to certain vicious attacks that have been made upon the senior Senator from Oregon. The editorial reads:

One regrettable side angle to the labor and racketeering hearings in Washington the past few weeks has arisen because too many people are willing to tar everyone with the same brush. Because the teamsters union has figured prominently in the hearings, there has been a tendency to blacken all teamster locals.

This newspaper holds no brief for those teamster leaders—particularly Beck and Hoffa—who find themselves in hot water. But there is a big difference between the national picture and the local one.

Most of the teamster problem locals seem to be trusted locals, operated by the international union. Local 321 of the teamsters, headquartered in Bend, controls its own affairs, and from what we can determine, controls them wisely and honestly.

The local also has been generous in making the time of its secretary, Hugh Cole, available for a wide variety of community projects, which he has performed well.

Mr. Hugh Cole is secretary of the teamsters local in Bend, Oreg., and he is an exceedingly able and capable labor leader. He is a fine citizen, and is very active, as the editorial points out, in various community affairs. Whenever there is a program which seeks to advance community betterment in Bend, Oreg., we may be sure that Hugh Cole, secretary of the teamsters local union at Bend, Oreg., will be one of the leaders participating in that program.

Mr. President, in these days one would think sometimes that members of organized labor are not good citizens, judging from some of the smear editorials and comments we read. Yet these men are our neighbors. In every community in this land our next door neighbor may very well be the secretary or business agent or president of a local union. He is a part of the warp and woof of the American democratic system. Yet there are those who apparently think that, because some of the leaders have betrayed their trust to the rank and file, therefore all members of unions are subject to the kind of a smear campaign which certain reactionary media of information these days are circulating throughout the country.

I shall probably tread today on so-called eggs that angels fear to tread on; but there is something which needs to be said, and I am going to say it, and I think it needs to be said before the Easter holiday, when some of us will be in a position to talk to a good many of our constituents, although I shall not be able to go to Oregon until the first part of May.

Mr. President, it is well known in my State that I have labor support, and on the floor of the Senate today I want to say I am exceedingly proud of it. I have support from other groups, too, Mr. President, as the election returns have shown. However, on the question of labor support—and this is a part of my reply to some of the vicious attacks which are being made upon me these days in much of the press of my State—I am very proud of the fact that the Oregon Central Labor Council endorsed me for reelection in 1956. It represented the total labor movement in my State. It also endorsed me in 1944 and 1950, and in those days the Republicans were very proud of it.

It is interesting, now that I am no longer a Republican, Mr. President, to note that reactionary forces which dominate the Republican Party aid and abet in an attempt to smear the senior Senator from Oregon. I have a sense of humor about it, but I do not duck issues, and I shall take the fight to them by saying that one of the things I am most proud of is labor's support of me.

I have the support also of farm groups and teacher groups and small business groups, and other groups, too, Mr. President, and I am proud of it, because I would not like to think of an America

without a strong labor movement. I would not care to think of an America with the unions so weakened that they could not effectively represent their members with regard to wages, hours, and conditions of employment. That is why, when I address chambers of commerce, I talk to them on labor problems. When I get a chance to talk to business groups, I usually talk on labor problems; and when I address labor groups, I talk to them on business problems. It seems to me my job in the Senate, so far as this particular issue is concerned, is to get both groups to see the interrelationship between and among their economic interests, and also the responsibility of both groups to the public, to see to it that they follow courses of action that will protect and advance the public interest. So I am very proud to have the support of organized labor, and within organized labor in my State happens to be the teamsters union. So the question is raised: "Did the teamsters support you in the 1956 campaign?" And the answer is "Yes"—and in 1944 and 1950. And I am proud of it.

People talk to me about teamsters, Mr. President. They do not talk to me about officials of the teamsters union, but they talk to me about the men who drive the trucks over the highways of America and perform the magnificent economic service the teamsters perform for our economy. Let us not forget that there are more communities in America served by trucks than by railroads.

Yes, Mr. President, the teamsters supported me, in that they are members of the Oregon Central Labor Council, and the council endorsed me.

I think these locals, to which the Bend Bulletin referred in the editorial I have used, are typical of teamster locals in my State.

I wish to say, Mr. President, that the derelictions of top officials of the teamsters which are being brought out by investigations are not representative at all of the fine public service and labor service being rendered by many officials of teamster locals. But, because some of the editorials in my State have sought to poison public opinion by giving the impression that the senior Senator from Oregon has had nothing to say about this matter since the investigation started, I wish to point out on the floor of the Senate that I started discussing it even before the first hearing was called, and I pointed out on the floor of the Senate, as the CONGRESSIONAL RECORD will show, that I thought there should be a thoroughgoing investigation, letting the chips fall where they may.

Periodically since then, Mr. President, I have expressed myself on this matter, and I shall continue to do so until we get all the facts, and until, on the basis of the facts we pass the legislation which I think ought to be enacted.

So in this part of my speech today I wish to repeat what I said at the University of Wisconsin more than 2 weeks ago, during the course of a 2-day symposium on labor relations problems, conducted at the university in honor of that great labor economist, Edwin Witte. On that occasion I forewarned American labor leaders as I did in 1947, that it is up to the labor leaders to come forward with constructive, affirmative labor legislative proposals which legislatively will check abuses that have developed within the American labor movement.

In 1947, as a member of the Senate Committee on Education and Labor, I cross-examined the major labor leaders of the United States as they came before our committee to give testimony on various proposals for amendments to the Wagner Act. In 1947 I pointed out that certain unfair labor practices had developed under the Wagner Act, and that I thought it was necessary to pass legislation to correct those labor abuses. I asked each labor leader, "What is your proposal for amendments to the Wagner Act?" The transcript of the record will show that labor leader after labor leader said that no amendments were necessary, because no serious abuses existed. I then soundly criticized American labor leaders, and took a lot of critical and castigating comments in some of the labor press, when I said, "You will either come forward with sound labor legislative proposals or you are going to be confronted with bad labor legislation, which will injure the legitimate rights of American labor."

And that is exactly what happened, because we did not get the cooperation of labor leaders then. The result was the infamous Taft-Hartley law, which has done such irreparable damage to the legitimate rights of labor.

To American labor leaders I say today, "Come forward, and quickly, with proposals for sound and fair legislation that will handle two great problems which I think must be handled by the Congress in the field of labor legislation, or you are going to get bad legislation."

The first problem is—and I move to my next point, Mr. President—legislation that will protect the rank and file members of unions in their rights in relation to union funds.

I wish to make two points about union funds. First, union funds are vested with a public interest. Union funds are not private property, in the sense that a union should consider itself free, or its officials free, to do anything with union funds it may desire or they may desire. Union funds are vested with a public interest.

Let the unions not forget that Government has given them great privileges, too, through legislation which protects them and helps administer the legitimate labor rights.

Mr. President, we need legislation that will guarantee to the rank and file members of unions complete protection, in order to provide a check upon the activity of any national officials of the union involving the misuse of union funds.

I wish to say, as a member of the Committee on Education and Labor of the United States Senate, that I intend, as soon as we feel the record has been satisfactorily made—so that we shall have sufficient information on the basis of which to enact legislation—to support legislation which will protect the rank-and-file members of unions in respect to their own funds.

I do not have to tell the Senate, as I have said elsewhere, that if a bank president, for example, took $200,000 or $400,000 or X amount of dollars out of the treasury of the bank for an interest-free loan to himself or his associates in the officialdom of the bank, such bank president would be out of a job in a matter of hours, once the board of directors understood the situation. If he were not, the stockholders at the earliest possible moment would see to it that they had a new board of directors.

There can be no question about the fact that union funds are not funds which ought to be made available to officials of a union for interest-free loans unless, of course, the rank-and-file members by a vote authorize such a loan to a union official.

Mr. President, I wish to stress that point. It will be necessary to enact legislation which will protect the financial rights and interests of the rank-and-file members of the unions.

Secondly, let me say to the labor leaders that it will also be necessary to enact legislation which will protect the rank-and-file members of unions in the democratic process of operating American unions. I would say that the day of the labor union oligarchy is over. It is long past the time, Mr. President, that it be over.

I take the position that we need legislation which will guarantee, to the rank-and-file union members of the locals of organized labor, democratic procedures for the operation of union business. This guaranty should be assured as a matter of governmental regulation and governmental right. By doing that, Mr. President, we will strengthen the legitimate rights of organized labor.

In fairness to labor leadership let me say that the attitude of the labor leaders today is quite different from what it was in 1947, because labor leader after labor leader has said to me, "You are right about it, and it will be necessary to enact legislation in those two broad fields."

I wish to mention the foregoing, Mr. President, because I know of nothing that makes my answer to the vicious attacks made upon me by some segments of a reactionary press in my State any clearer than the position I have just outlined, which is not anything new for me. The trouble is that editors either do not read or, having read, they lie to their readers about the record of a public official of whom they do not approve.

While making this speech I should like to say that another attack is being made upon me, with all the smear, innuendoes, and implications that go along with it. During the past month or 5 weeks, everywhere I have gone, the question was asked by the press, "Did the teamsters contribute to your campaign in 1956?" My answer is, "I hope so. I certainly needed the money."

In connection with the so-called bucks-for-MORSE fund in my State, I am proud that more than 18,000 individual workers contributed to the so-called bucks-for-MORSE drive in my campaign, in which a worker would contribute voluntarily a dollar or two, or perhaps $5 on payday. He may have done it once, or several times during the campaign. I am exceedingly proud of that fact, because I

believe that such a broad base of campaign contributions is essential in American politics if we are to elect freemen to the parliamentary bodies of American democracy. I should be very much disappointed if a great many hundreds or several thousands of those rank-and-file workers in my State who contributed to the bucks-for-MORSE drive were not teamsters. I hope they were. That is why I say that when anyone talks to me about teamster support, it is necessary to define the term.

When I talk about teamster support, I am talking about the individual, rank-and-file teamster, whose friendship I have. He knows, as does the rest of organized labor, that when I think he is right on an issue, I will fight for his position, and when I think he is wrong, I will fight against him just as hard, as I have done on issue after issue.

Since this question was first raised, I have found that outside my State one teamster local union made a direct contribution of voluntary funds to the finance committee of my campaign. I am very proud of that, too, because the contribution was made without my knowledge. It was made directly to the campaign finance committee, and was made on the basis of so-called free money, and not union money—money which, I understand, was raised by the rank-and-file members of that particular teamster union. I am very proud that that contribution was made. It is a part of the official financial reporting of my campaign, filed with the Secretary of State of my State.

I have one further comment to make for the RECORD today, in answer to the type of criticism to which I am replying. The press has said to me, "Senator, did you speak to the western conference of teamsters last spring in Vancouver, British Columbia?"

My answer is that I did. I am also proud of that invitation. As I said to the press, "I would speak to them again next week, if they gave me an invitation. I would have some more good advice to give them. Do you want to know what I said in Vancouver, British Columbia, last spring, at the western conference of teamsters?"

It is interesting to note how quickly the press loses interest after an answer of that kind. It is not a question of wanting to know what one said, but they think they can poison public opinion by giving the impression that one spoke at a certain conference, and that it was not wise to speak at that conference.

I am always happy to speak at any labor conference, farmers' conference, teachers' conference, or any other conference where I think there can be raised some issues of public policy which will exemplify the teaching of Jefferson, that a democracy can be no stronger than the enlightenment of its people. So long as I serve in the Senate, when time and energy permit, I intend to carry out my job of political education with regard to the great issues which confront the people of the United States through the Congress.

So, at the western conference of teamsters, held at Vancouver, British Columbia, as the printed record of the speech will show, I spoke in large measure about a subject matter on which I spoke on the floor of the Senate in March 1956 concerning the record of the National Labor Relations Board in amending the Taft-Hartley law by way of the Eisenhower appointments to that Board, when legislative amendments could not be passed through the Congress. The National Labor Relations Board has been accomplishing amendment of the act by way of decisions of the Board.

The CONGRESSIONAL RECORD will show that in March 1956, I cited as examples nine cases. Since March 1956 decisions in 8 of the 9 cases have been reversed by lower Federal courts, and the ninth is now pending before the Supreme Court on a writ of certiorari.

For the most part, my speech before the western conference of teamsters was on the general subject that no union has suffered more at the hands of the Eisenhower Administration than have the teamsters; and the international president of the Teamsters Union was sitting on the platform with me. I only make the passing comment that in both 1952 and 1956 he endorsed the Republican candidate.

I do not blame the Republican candidate for that. That does not mean that because the president of the Teamsters' Union endorsed a Republican candidate, the Republican candidate thereby became in any way a party to any malfeasance by any union official who might have endorsed him. The Republican candidate does not thereby become a party to any previous or subsequent guilt on the part of the union official.

One must maintain a sense of humor about these attacks. I think it is rather humorous that the press should try to leave a false impression with the people of my State because I spoke to the western conference of teamsters. What they seek to do is to give the impression that I am controlled by some economic group. That is a smear. On that point, I am perfectly willing to let the record of the senior Senator from Oregon speak for itself. All anyone in doubt needs to do is to ask any union official to what extent he thinks he could exercise any influence on the senior Senator from Oregon when the senior Senator from Oregon is convinced, on the merits, that the union official is wrong.

I thought I should make this statement today because my friends in Oregon, who worked so hard in my campaign, are entitled to it. They have told me, in letters and telephone calls, that they felt they needed from me exactly the type of statement I am making here today, so that they could have the ammunition, so to speak, with which to answer the reactionary smearing press of my State, which does not like it because we licked them in 1956, with every daily newspaper in Oregon against me except 2, or possibly 3, of the smaller dailies, and with only 5 weeklies out of more than 60 for me. Of course, that is a pretty bad beating for the press to take. Yet it is not the senior Senator from Oregan who is important in this matter.

I close my speech by directing a few remarks to what I think the real problem is. The real problem of the American people is that of postponing final judgment in regard to the labor situation until the entire record has been made.

There can be no doubt that there are some corrupt labor leaders and some corrupt representatives of employers. As I said once before in the Senate, let every American citizen remember that when there is collusive labor racketeering agreement, there is on one side of the table a corrupt labor leader and on the other side of the table a corrupt employer; that labor racketeering, like bribery, is not singular; it is not possible to bribe oneself; it is not possible to do labor racketeering with oneself.

Let me say, in fairness to American employers, I am satisfied, as one who has worked in the field of labor arbitration and mediation in the years before I came to the Senate, that only an exceedingly small percentage of American employers engage in corrupt practices, just as I am convinced that only a small percentage of labor leaders engage in corrupt practices.

Mr. President, we have passed more legislation designed to take effective action against reprehensible practices by business than we have in respect to reprehensible practices on the part of labor.

Therefore I believe Congress has the duty of seeing to it that before final adjournment this year there shall be passed labor legislation which in the long run will strengthen the legitimate interests and the rights of labor by protecting the rank and file of American workers in respect to their financial rights and in respect to their rights to greater democracy in the administration of the American labor movement.

ADDITIONAL APPROPRIATIONS, 1957

Mr. BIBLE. Mr. President, I was about to suggest the absence of a quorum; but for the moment, I withhold the suggestion.

Mr. HAYDEN. Mr. President, from the Committee on Appropriations, I report favorably with amendments, House Joint Resolution 310, making additional appropriations for the fiscal year 1957, and for other purposes, and I submit a report (No. 249) thereon.

The PRESIDING OFFICER (Mr. MONRONEY in the chair). The clerk will state the joint resolution by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (H. J. Res. 310) making additional appropriations for the fiscal year 1957, and for other purposes.

Mr. WILLIAMS. Before the joint resolution is made the unfinished business before the Senate, I suggest the absence of a quorum.

Mr. BIBLE. I plan to suggest the absence of a quorum.

Mr. WILLIAMS. Before it is made the unfinished business, I shall wish to ask some questions.

Mr. BIBLE. I am sure the Senator from Delaware will have ample opportunity to do so.

Mr. WILLIAMS. Mr. President, what is the request of the Senator from Arizona?

The PRESIDING OFFICER. The Senator has not made any request. He has merely reported the joint resolution. He has not yet made a request in connection with it.

Mr. WILLIAMS. He has not yet made a request?

The PRESIDING OFFICER. The Senator is correct.

Mr. BIBLE. Mr. President, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HAYDEN. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 310.

Mr. BUSH. Mr. President, may we have order? I cannot hear the Senator's request.

The PRESIDING OFFICER. The Senate will be in order.

Mr. HAYDEN. My request is that the Senate proceed to the consideration of House Joint Resolution 310, making additional appropriations for the fiscal year 1957, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

Mr. WILLIAMS. Mr. President, reserving the right to object, I should like to have the Senator from Arizona tell me what the joint resolution does with respect to restoring any appropriations for the tungsten program.

Mr. HAYDEN. The Senator from Delaware will remember that there was a budget estimate of $30 million for the acquisition of tungsten and other minerals. To the urgent deficiency appropriation bill an amendment carrying out the budget estimate was adopted by the Senate on February 18 by a yea and nay vote of 64 to 17.

The Senate went to conference with the House on the bill. The House was not inclined to do anything at all for tungsten. In the joint resolution we tried to cut the program down by providing only enough money with which to operate for the remainder of the fiscal year. Then we state in the report that there will be no further appropriation for this program unless Congress amends existing legislation. It will take $9,140,840, of which $8½ million is for tungsten, and the remainder for asbestos and fluorspar, to carry on the program until the end of the present fiscal year. We feel that inasmuch as Congress passed an act authorizing an appropriation of $91 million for this program, and inasmuch as we appropriated at the previous session of Congress $21 million for the program, it is only fair to give the operators an opportunity to close out in an orderly way between now and the 30th of June.

Mr. WILLIAMS. Is it the intention of the committee, if the $9 million is appropriated at this time that it be done with the understanding that the program will be closed out and we will not be asked for new authorizations or appropriations?

Mr. HAYDEN. I will read from the committee report:

> The committee will not consider any additional funds for the acquisition of tungsten under the existing provisions of Public Law 733; and the committee urges the proper legislative committee to consider amendments to overcome the objections that have been raised to the tungsten program.
>
> It is possible that legislation to implement the long range minerals policy could be enacted during this session of Congress. If such legislation is enacted to provide for a tungsten program, the committee will consider funds for it at the proper time.

In other words, unless there is new legislation pertaining to tungsten, this is the last appropriation we expect to make for the acquisition of tungsten.

Mr. WILLIAMS. Did the committee receive testimony from anyone connected with the Office of Defense Mobilization or the Secretary of Defense that this tungsten was needed?

Mr. HAYDEN. Yes; we had testimony from the Bureau of Mines and other agencies that tungsten is an essential metal. There is a possibility, in connection with the development of jet aircraft, for which there is need for great heat-resistant metal, that there will be a great demand for tungsten in the future. But that matter is in the experimental stage at this time.

Mr. WILLIAMS. That is not quite in response to the question I asked. I asked, Was there anyone connected with the Office of the Secretary of Defense or with the Office of Defense Mobilization who said that this tungsten was necessary for the stockpiling program or the defense of the country?

Mr. HAYDEN. We had testimony from the Office of Defense Mobilization and the Secretary of the Interior that they supported the act of Congress which authorized the program, and wanted to see it carried into effect.

I do not think there is any question at all, so far as the Department of Defense is concerned at the moment, that the tungsten is not needed now; but that is no sign that it will not be needed within due course of time.

Mr. WILLIAMS. The question in which I am interested is, Was there any testimony officially given before the committee, from anyone connected with the stockpiling program or with the Secretary of Defense, who stated that this tungsten was needed for the defense of the country? I am not asking as to whether they endorsed the program or not. Did they say that tungsten was needed?

Mr. HAYDEN. That was not the purpose of the legislation. We were trying to build up in this country a strategic minerals industry. When the war broke out, no tungsten whatsoever was being produced in the United States. We paid as high as $100 a unit for tungsten and had to scrape the world to find it. In the meantime, there has developed a mounting demand for tungsten in our country and abroad.

We have all the tungsten we need at the moment in the stockpile. That is why we are cutting down on the program. But we want to finish the program in an orderly way, because Congress held out by law to the people who were interested a program which should be fulfilled in good faith. We simply wanted to provide the money now to terminate the program.

Mr. WILLIAMS. Was testimony not given to the committee to the effect that even in the case of an all-out war, with all our domestic supplies and our foreign supplies shut off, we would have more tungsten than we would need for any foreseeable military or civilian needs for a period of 5 years?

Mr. HAYDEN. When the defense stockpile was filled, the Government discontinued purchases of tungsten. When that time was reached, in order to keep the industry alive Congress passed the act I have described. It authorized a program to keep the American tungsten industry going.

Mr. WILLIAMS. What is the price at which tungsten would be purchased if the item were allowed to remain?

Mr. HAYDEN. Fifty-five dollars a unit.

Mr. WILLIAMS. What is the prevailing world market price today?

Mr. HAYDEN. My understanding is that it is $35.

Mr. WILLIAMS. In other words, the proposal would be to buy all the tungsten which would be offered at $20 a unit above the prevailing market price in this country?

Mr. HAYDEN. That is correct.

Mr. WILLIAMS. Is it not a fact that all the tungsten which is being presently used in the United States by our domestic industry is foreign tungsten, which is being bought at $35 a ton; and that the $55 tungsten which the American Government is buying is merely being moved from one hole in the ground to another hole in the ground?

Mr. HAYDEN. That is exactly correct. That is why we thought it was proper to bring the program to a close; but we want to do it in an orderly way, so that those who have invested their money in the program could feel that the Government had not run out on them after having made promises to them.

Mr. WILLIAMS. Is it not also true that the same condition existed 1 year ago, when Congress passed the bill under which the appropriation is being made?

Mr. HAYDEN. That may have been true. I was not a member of the legislative committee which reported the bill. I do not know what representations were made to that committee. But Congress passed the act and held out the promise. Under that act, Congress last year appropriated $21 million.

Mr. WILLIAMS. If we appropriate $9 million today, it will be a safe guess to say that about $3,500,000 of it will be a direct subsidy for about 7 or 8 mines in this country.

Mr. HAYDEN. Oh, I think it will be for many more mines than that. There have been developed about 200 producers of tungsten in the United States.

Mr. WILLIAMS. Was it not testified that about 7 or 8 of them were getting about 70 percent of what is provided in the bill?

Mr. HAYDEN. There are a few large mines; yes. It takes time to open a mine

and develop it. We have included a provision limiting the amount of tungsten that can be acquired from any single mine to 2,500 units in any one month.

Mr. WILLIAMS. Does the Senator from Arizona, as chairman of the committee, have available the amount of tungsten which is presently on contract with foreign sources by the General Services Administration?

Mr. HAYDEN. I have no knowledge of that. I understand that perhaps some long-term contracts have been made with producers abroad. That is perhaps unfortunate. Those contracts will have to be honored. But Congress will be repudiating a promise it made to domestic producers if we do not pass the proposed legislation.

Mr. WILLIAMS. Is it not true that the domestic price of $55 a ton which Congress is proposing is far above the world price or the prevailing price and that actually tungsten is being smuggled over the border from Mexico into the United States and sold to the Government under the classification of domestically produced tungsten?

Mr. HAYDEN. There have been some criminal prosecutions along that line, but I am certain that no great amount of such tungsten has been brought into this country.

Mr. WILLIAMS. But there have been such instances.

Mr. HAYDEN. There have been instances of persons being prosecuted for selling tungsten smuggled into the United States as tungsten produced in the United States, and testimony has been taken and indictments have been obtained.

Mr. WILLIAMS. I suggest the absence of a quorum.

Mr. MANSFIELD. Mr. President, will the Senator from Delaware withhold his suggestion of the absence of a quorum?

Mr. WILLIAMS. Yes.

Mr. MANSFIELD. Is it not true that, normally speaking, this country is dependent upon imports to the extent of more than 90 percent of its tungsten needs?

Mr. HAYDEN. There is no question about that, under normal conditions.

Mr. MANSFIELD. Is it not true that if the mines in the West close down they will close down to stay because they will be flooded and will be of no further use?

Mr. HAYDEN. And then it is only reasonable to suppose that if there is no American production, the price of foreign tungsten will rise.

Mr. MANSFIELD. Exactly. During the war, was the United States not dependent on foreign manganese and tungsten for in excess of 90 percent of its defense needs?

Mr. HAYDEN. We were, indeed; and ships carrying the tungsten were, in numerous instances, sunk by German submarines.

Mr. MANSFIELD. What is wrong with carrying on an economic development in the United States, in behalf of the people of the country, in the form of a program which is very vital to our future and our security, and is in our own best interests?

Mr. HAYDEN. That is what Congress thought, and that is what we hope will ultimately become effective, when the President sends to Congress his domestic minerals program. It has been promised for more than a year. We have been assured that before the end of this session of Congress, the President will submit to Congress a domestic minerals program which will apply to all domestic minerals.

Mr. MANSFIELD. Is this not at the request of the President and the Bureau of the Budget?

Mr. HAYDEN. Of course; this is a budgeted item.

Mr. MANSFIELD. Of course it is.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. KNOWLAND. As a matter of fact, the request of the Bureau of the Budget was for $30 million.

The Senate had originally passed, by a vote of 64 to 17, the $30 million appropriation. The report by the Committee on Appropriations, after hearing all the facts in the matter, brings the amount down to $9,100,000 from the original Senate base of $30 million.

The report itself also makes clear, as the able Senator from Arizona has pointed out, that the program is to terminate unless Congress, in its judgment, passes permanent legislation which will take into consideration all the various factors.

Mr. HAYDEN. That is an entirely correct statement.

Mr. MANSFIELD. The Senator from Delaware referred to this appropriation as a subsidy. Very well. Does the United States Government pay subsidies to newspapers and magazines, and royalties to steamship companies and airlines? As a matter of fact, is the tariff which has been in operation for 160 years not a form of subsidy of businessmen?

Mr. HAYDEN. It has been so considered by very good economists.

Mr. WILLIAMS. I may say, in reply to what the Senator from Montana has stated, that no doubt the Government is paying subsidies to a good many industries. No doubt the Bureau of the Budget did recommend $30 million. I do not question that. But we have also received from the President an overall Federal budget of $72,500,000,000. Unless we in Congress begin to take some action, cutting these subsidies, there will not be any economy effected by the Congress. Likewise there will not be any tax reduction.

Let us stop talking and really cut these appropriations. Certainly we are not going to adopt the policy of restoring all House cuts.

There will be no tax reduction and there will be no need for Members of Congress to talk about how they propose to help the taxpayers unless the Congress votes to cut the various budgets. Every agency of the Government connected with our national defense will testify that this is one of the items which is not needed.

CHICAGOLAND COMMERCE AND INDUSTRY EXPOSITION

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 4803) to permit articles imported from foreign countries for the purpose of exhibition at the Chicagoland Commerce and Industry Exposition, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the joint resolution (S. J. Res. 70) requesting the President to proclaim the week April 28 to May 4, 1957, inclusive, as National Mental Health Week.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 1348. An act for the relief of Frank E. Gallagher, Jr.;

H. R. 1451. An act for the relief of Cecelia Vaccaro;

H. R. 1454. An act for the relief of Jeffrey Charles Medworth;

H. R. 1472. An act for the relief of Anna L. De Angelis;

H. R. 1502. An act for the relief of Homer Cazamias;

H. R. 1535. An act for the relief of Georg Gahn and Margarete Gahn;

H. R. 1574. An act for the relief of Albert Hyrapiet;

H. R. 1752. An act for the relief of Frank J. and Mae T. W. Burger;

H. R. 1765. An act for the relief of Ellen G. Marinas;

H. R. 1837. An act for the relief of Elda Mondillo;

H. R. 2045. An act for the relief of Robert D. Miller, of Juneau, Alaska;

H. R. 2678. An act for the relief of Leona C. Nash;

H. R. 2723. An act for the relief of Shigeko Kimura and her minor child;

H. R. 2973. An act for the relief of the estate of William V. Stepp, Jr.;

H. R. 3126. An act for the relief of Bunge Corp.;

H. R. 3276. An act for the relief of Edwin K. Fernandez;

H. R. 3558. An act for the relief of Ernest Hagler;

H. R. 3559. An act for the relief of George T. Moore, Carl D. Berry, and Dr. Harold J. Heck;

H. R. 3572. An act for the relief of Mrs. Mary Jane Russell;

H. R. 3921. An act for the relief of Helmuth S. Heyl;

H. R. 4023. An act for the relief of Oswald N. Smith;

H. R. 4970. An act for the relief of Joy Kulis and Janet Arline Kulis;

H. R. 5061. An act for the relief of Harry V. Shoop, Frederick J. Richardson, Joseph D. Rosenlieb, Joseph E. P. McCann, and Junior K. Schoolcraft;

H. R. 5081. An act for the relief of Capt. Thomas C. Curtis and Capt. George L. Lane;

H. R. 5082. An act for the relief of Joe Kawakami;

H. R. 5083. An act for the relief of Robert Burns DeWitt;

H. R. 5168. An act for the relief of William Henry Diment, Mrs. Mary Ellen Diment, and Mrs. Gladys Everingham;

H. R. 5186. An act for the relief of Dorothy E. Green and Thelma L. Alley;

H. R. 5355. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment on certain claims

of the United Foundation Corporation of Union, N. J.;

H. R. 5441. An act for the relief of Scott Berry;

H. R. 5714. An act for the relief of William Frederick Werner;

H. R. 5718. An act for the relief of Juanita Gibson Lewis;

H. R. 5855. An act for the relief of Manuel Mello;

H. R. 6050. An act for the relief of Vito Magistrale;

H. R. 6172. An act for the relief of Thomas F. Milton;

H. R. 6175. An act for the relief of Virginia Hell;

H. J. Res. 272. Joint resolution for the relief of certain aliens;

H. J. Res. 273. Joint resolution to waive the provisions of section 212 (a) (9) and (12) of the Immigration and Nationality Act, in behalf of certain aliens;

H. J. Res. 274. Joint resolution to waive the provision of section 212 (a) (9) of the Immigration and Nationality Act in behalf of certain aliens;

H. J. Res. 289. Joint resolution to facilitate the admission into the United States of certain alien children; and

H. J. Res. 290. Joint resolution for the relief of certain aliens.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 58. An act for the relief of Duk Chang Cho;

S. 87. An act for the relief of Pavel Blaho;

S. 91. An act for the relief of Victor Charles Hunt;

S. 127. An act for the relief of Anna Maria Cosentino and Francesca Cosentino;

S. 158. An act for the relief of Hewey Malachi Mackey;

S. 288. An act for the relief of Esther Guagliardo;

S. 363. An act for the relief of Nelson Shu-Yung Chuang;

S. 424. An act for the relief of Herbert James Bramley;

S. 649. An act for the relief of Yee Chung Fong Ming and Yee Chung Nom Ming; and

S. 753. An act for the relief of Georgiana Hsien (Liang) New.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles and referred to the Committee on the Judiciary:

H. R. 1348. An act for the relief of Frank E. Gallagher, Jr.;

H. R. 1451. An act for the relief of Cecelia Vaccaro;

H. R. 1454. An act for the relief of Jeffrey Charles Medworth;

H. R. 1472. An act for the relief of Anna L. De Angelis;

H. R. 1502. An act for the relief of Homer Cazamias;

H. R. 1535. An act for the relief of Georg Gahn and Margarete Gahn;

H. R. 1574. An act for the relief of Albert Hyrapiet;

H. R. 1752. An act for the relief of Frank J. and Mae T. W. Burger;

H. R. 1765. An act for the relief of Ellen G. Marinas;

H. R. 1837. An act for the relief of Elda Mondillo;

H. R. 2045. An act for the relief of Robert D. Miller, of Juneau, Alaska;

H. R. 2678. An act for the relief of Leona C. Nash;

H. R. 2723. An act for the relief of Shigeko Kimura and her minor child;

H. R. 2973. An act for the relief of the estate of William V. Stepp, Jr.;

H. R. 3126. An act for the relief of Bunge Corp.;

H. R. 3276. An act for the relief of Edwin K. Fernandez;

H. R. 3558. An act for the relief of Ernest Hagler;

H. R. 3559. An act for the relief of George T. Moore, Carl D. Berry, and Dr. Harold J. Heck;

H. R. 3572. An act for the relief of Mrs. Mary Jane Russell;

H. R. 3921. An act for the relief of Helmuth S. Heyl;

H. R. 4023. An act for the relief of Oswald N. Smith;

H. R. 4970. An act for the relief of Joy Kulis and Janet Arline Kulis;

H. R. 5061. An act for the relief of Harry V. Shoop, Frederick J. Richardson, Joseph D. Rosenlieb, Joseph E. P. McCann, and Junior K. Schoolcraft;

H. R. 5081. An act for the relief of Capt. Thomas C. Curtis and Capt. George L. Lane;

H. R. 5082. An act for the relief of Joe Kawakami;

H. R. 5083. An act for the relief of Robert Burns DeWitt;

H. R. 5168. An act for the relief of William Henry Diment, Mrs. Mary Ellen Diment, and Mrs. Gladys Everingham;

H. R. 5186. An act for the relief of Dorothy E. Green and Thelma L. Alley;

H. R. 5355. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment on certain claims of the United Foundation Corporation of Union, N. J.

H. R. 5441. An act for the relief of Scott Berry;

H. R. 5714. An act for the relief of William Frederick Werner;

H. R. 5718. An act for the relief of Juanita Gibson Lewis;

H. R. 5855. An act for the relief of Manuel Mello;

H. R. 6050. An act for the relief of Vito Magistrale;

H. R. 6172. An act for the relief of Thomas F. Milton;

H. R. 6175. An act for the relief of Virginia Hell;

H. J. Res. 272. Joint resolution for the relief of certain aliens;

H. J. Res. 273. Joint resolution to waive the provisions of section 212 (a) (9) and (12) of the Immigration and Nationality Act, in behalf of certain aliens;

H. J. Res. 274. Joint resolution to waive the provision of section 212 (a) (9) of the Immigration and Nationality Act in behalf of certain aliens;

H. J. Res. 289. Joint resolution to facilitate the admission into the United States of certain alien children; and

H. J. Res. 290. Joint resolution for the relief of certain aliens.

URGENT DEFICIENCY APPROPRIATIONS, 1957

Mr. MANSFIELD. Mr. President, I ask unanimous consent that unfinished business be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HAYDEN. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the joint resolution (H. J. Res. 310) making additional appropriations for the fiscal year 1957.

Mr. WILLIAMS. Mr. President, will the Senator from Arizona yield to me?

Mr. HAYDEN. I yield.

Mr. WILLIAMS. I shall not object to the unanimous-consent request for consideration of the joint resolution; but I wish the record to show that I shall object to inclusion of this $9 million item for tungsten because I do not think it is necessary. In my opinion the Senate will be wise to eliminate this item from the joint resolution.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

There being no objection, the Senate proposed to consider the joint resolution (H. J. Res. 310) making additional appropriations for the fiscal year 1957, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

Mr. HAYDEN. Mr. President, I ask unanimous consent that the joint resolution be read for amendment, and that the committee amendments be considered first.

The PRESIDING OFFICER. Without objection, it is so ordered; and the clerk will proceed to state the amendments of the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, under the heading "Chapter I—Department of Agriculture—Farmers' Home Administration—Disaster Loan Revolving Fund," on page 3, line 13, after "(68 Stat. 81, 88)", to insert a colon and *"Provided*, That in furnishing feed assistance to farmers or ranchers in designated drought areas, the Secretary may give attention to inclusion of feeds such as cottonseed meal, cottonseed cake, or pellets which are available in the areas, so long as such assistance does not substantially increase the existing prices charged for such feeds."

Mr. KNOWLAND. Mr. President, I think a brief explanation should be made of the proviso.

Mr. HAYDEN. Mr. President, in connection with furnishing feed assistance, the Senate formerly considered a provision making mandatory the inclusion of such feeds as cottonseed meal, cottonseed cake, or pellets. However, the pending amendment merely makes it permissive. The amendment provides—

> That in furnishing feed assistance to farmers or ranchers in designated drought areas, the Secretary may give attention to inclusion of feeds such as cottonseed meal, cottonseed cake, or pellets which are available in the areas, so long as such assistance does not substantially increase the existing prices charged for such feeds.

That means that when there is another drought-relief program—and probably we shall have one—attention will be directed to the areas of the United States in which cottonseed meal or cake or pellets are used. In that connection I refer specifically to west Texas, Arizona, Oklahoma, and New Mexico; it is customary to use them in those areas; and the amendment points out that it is desired to have consideration given to their use.

Mr. KNOWLAND. Mr. President, will the Senator from Arizona yield to me?

Mr. HAYDEN. I yield.

Mr. KNOWLAND. The basic difference between this amendment and the

proviso originally in the bill previously before the Senate—and there was some contest at the time—is that the previous one was mandatory, and provided that the Secretary shall use such feed under certain specified conditions, whereas, as I understand, in view of the explanation given before the Appropriations Committee today and in view of the explanation given on the floor by the Senator from Arizona, the pending amendment changes the word "shall" to the word "may," and makes the provision purely optional, under the proviso referred to.

Mr. HAYDEN. Yes.

Mr. BUSH. Mr. President, I should like to ask a question: Does the proviso conform to the Knowland amendment?

Mr. KNOWLAND. Yes; it conforms in substance to the amendment I offered at that time; I refer to the amendment to make it optional.

The ranking Republican member of the Committee on Agriculture and Forestry, the senior Senator from Vermont [Mr. AIKEN], had to leave to transact some other public business; but he told me that, being optional rather than mandatory, any objection he had to this provision was removed.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The next amendment was, under the heading "Chapter IV—Department of Health, Education, and Welfare—Social Security Administration—Grants to States for Public Assistance," on page 7, at the beginning of line 21, to strike out "$16,728,000" and insert "$17,728,000."

Mr. KNOWLAND. Mr. President, I hope the distinguished Senator from Arizona will make an explanation of the amendment. However, first I wish to request that the yeas and nays be ordered on the question of agreeing to the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. HAYDEN. Mr. President, the committee amendment relates to the funds granted to States for public assistance, to be available from the appropriation for the Social Security Administration, under the Department of Health, Education, and Welfare. The amendment strikes out the sum "$16,728,000," and inserts the sum "$17,728,000." In other words, the amendment provides that $17,728,000 may be used for State and local administration; and thus the amendment provides an increase of $1 million in the limitation.

The committee voted to include the amendment because of testimony presented before the committee that that much money would be required in order to carry on from now until the end of the year. That is the sole reason for including the amendment. The committee did not want any State to be unable to obtain what it was entitled to obtain. However, at the present time, unless this amendment is adopted and the bill including the amendment is enacted into law, a great many States will be out of money this very month.

Mr. BUSH. The money will be used to administer what? I am not familiar with this measure.

Mr. HAYDEN. It is for public assistance.

Mr. BUSH. Old-age assistance?

Mr. HAYDEN. Yes, old-age assistance. The law now provides that the Federal Government shall match the money provided by the States in carrying on this work. That much money will be required between now and July 1, in order to match the amount of money the States have put up.

Mr. KNOWLAND. Mr. President, will the Senator from Arizona yield to me?

Mr. HAYDEN. I yield.

Mr. KNOWLAND. In the committee there was considerable discussion, and this is one of the items which caused the previous measure to be tied up in conference, in view of the fact that the other body had originally included a limitation of approximately $15 million plus. When this measure came to the Senate, it included the item of $16,728,000.

However, it was the very strong feeling of the Senate Appropriations Committee that, in effect, this limitation acted as a nullification of the existing statute, which has been on the statute books since 1935, I believe.

Mr. HAYDEN. Yes, for 21 years.

Mr. KNOWLAND. Yes, for approximately 21 years—whereby the Federal Government has undertaken to bear half the cost of the administration of these programs.

Although I think there is room for discussion and argument as to whether the Congress might consider, in the appropriate legislative committee, the matter of whether they should bear 50 percent of the cost or 40 percent of the cost or 25 percent of the cost, for that matter, that change should be made in the basic law. Until the basic law is changed, the feeling is that the Federal Government should live up to its commitments to the States.

Mr. HAYDEN. That is correct.

Mr. KNOWLAND. That is the reason why the Senate Appropriations Committee has recommended the item of $17,728,000, which is the amount which the Administrator, has set forth in a letter from him to the chairman of the committee.

Mr. HAYDEN. The Senator from California is absolutely correct.

Mr. FLANDERS. Mr. President, I should like to ask a question of the Senator from Arizona. My question relates to the particular situation existing in my own State.

In Vermont we have taken great pride in the low cost of the administration of these funds. Can the Senator from Arizona inform me whether either the joint resolution as passed by the House of Representatives or the joint resolution as reported to the Senate by the Senate Appropriations Committee penalizes any State which has an unusually low administrative cost?

Mr. HAYDEN. Frankly, Mr. President, I am not sufficiently familiar with that matter to be able to give the Senator from Vermont a proper answer. Undoubtedly some members of the legislative committee can answer the question.

Mr. BRIDGES. Mr. President, will the Senator from Vermont yield to me?

Mr. FLANDERS. I yield.

Mr. BRIDGES. I think what the Senator from Vermont has indicated is true. Undoubtedly one of the problems we face is that a State such as Vermont, which has a low ratio of administrative costs, and which administers the program on an economic basis, would be discriminated against, as contrasted with a State such as New York, which has very high administrative costs.

Mr. HAYDEN. I might say to the Senator from Vermont the House provision penalizes his State, although it has good administration, along with the States that do not have it.

Mr. FLANDERS. We are penalized by not getting as much of a slice of Federal money, but we are content to do that so long as we do not have to contribute more money.

Mr. President, will the Senator from Arizona yield so that I may address a question to the Senator from New Hampshire and so he may answer me?

Mr. HAYDEN. I yield for that purpose.

Mr. FLANDERS. What is the advice of the Senator from New Hampshire as to the way the Senator from Vermont should vote on this particular question, with his State's interests in mind?

Mr. BRIDGES. I think the only way for the Senator from Vermont to vote would be to vote for the amendment on administrative costs, because his State, as well as every other State, is affected, and this amendment provides for what I am informed would be a substantial amount but not quite all of the full reimbursement authorized. Whereas some of the States have high administrative costs, they investigate their cases more closely than do others. Some of the States with low administrative costs do not have sufficient investigations. Nevertheless, one of the great objections we have heard to such an arrangement over the years, and it is a cumulative objection, is against the Federal Government's paying half the administrative cost no matter how high the costs in some States run, while other States try to keep their costs at rockbottom. I think that is a problem with which we are very much concerned.

Mr. FLANDERS. Would the Senator from New Hampshire suggest that I should support the position of the Senate committee on this question?

Mr. BRIDGES. I do not think the Senator could do anything else, consistently, in order to help his State, because the Federal Government under the basic law as it now stands is authorized to pay his State 50 percent of the cost. I hope, as a long-range proposition, that there will be a limitation put on administrative costs by legislative action, and that the Government will not merely pay a flat 50 percent.

Mr. FLANDERS. The Senator refers to a percentage of the total expenditure?

Mr. BRIDGES. Yes.

Mr. SALTONSTALL. If the Senator will yield, am I not correct in saying that this additional amount, with the limitation now in effect, will, in the opinion of the Department, scarcely provide sufficient funds, even with very careful and prudent administration?

Mr. BRIDGES. It will be something under 50 percent.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield to the Senator from New York.

Mr. JAVITS. I have taken this matter up with the Commissioner of Public Welfare of the State of New York. New York State believes there should be no ceiling. The proposal now before the Senate represents a compromise position. If the amendment is adopted, a ceiling will be placed on the amount.

I also point out to my friends from the smaller States that the Federal Government pays a proportion of their public assistance. Hence, if the State of New York tried to do, as it does try to do, an efficient job, with a population of 17 million, it would be helping a far greater number of people and the cost would represent greater economy than is represented by the amount provided for the administration.

Mr. BRIDGES. If the Senator from Arizona will yield to me on this matter, to follow through in accordance with what the Senator from Vermont has stated, let me say that the administrative costs in Vermont are 4.04 percent, which is a low ratio. I am now talking about old-age assistance. The figure runs higher in certain other States. In New York State it runs to 18.54 percent. For instance, the highest is in the Virgin Islands, where the figure is 26.38 percent. In New Hampshire, where the costs do not run quite so low as they do in the State of Vermont, but where they are still in the low category, the figure is 7.4 percent. For instance, the figure in the State of Georgia runs to 3.73 percent. The figure for Connecticut is 9.94 percent. For the District of Columbia it is 9.14 percent. For Massachusetts it is 8.25 percent, which is in the lower bracket. Colorado has one of the best figures, 3.17. New Jersey is in the upper bracket, 16.22 percent.

The costs vary. Some States have done an excellent job in holding their administrative costs down, but the excuse of the other States is that they do a very thorough job of investigation. To some extent that may be true, but I do not think it accounts for all of the wide variations. The matter should have some legislative consideration in the future.

Mr. HILL. Mr. President, if the Senator will yield, I think it ought to be made clear that in the report of the committee on the bill, it is stated, and I read from the report:

> It is the sense of the committee that the limitation herein recommended will enable the Social Security Administration to fully meet the Federal obligations under the Social Security Act to buy each State "an amount equal to one-half of the total of the sums expended for the proper and efficient administration" of each of the assistance programs.

The words in quotations are taken verbatim from the basic act. I think it ought to be made clear that, according to the information which the committee has from the Department of Health, Education, and Welfare, more particularly the Social Security Administration—and the information is embodied in a letter to the distinguished chairman of the committee, the Senator from Arizona [Mr. HAYDEN]—the amount in the limitation embodied in the committee amendment upon which the Senate is about to vote, will be sufficient to have the Federal Government meet the obligations of paying 50 percent of the administrative costs of these programs.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). The question is on agreeing to the committee amendment on page 7, beginning on line 21.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Texas [Mr. BLAKLEY], the Senator from Virginia [Mr. BYRD], the Senator from Pennsylvania [Mr. CLARK], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. GORE], the Senator from Florida [Mr. HOLLAND], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Washington [Mr. JACKSON], the Senator from Texas [Mr. JOHNSON], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

I further announce that if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Pennsylvania [Mr. CLARK], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. GORE], the Senator from Florida [Mr. HOLLAND], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Washington [Mr. JACKSON], the Senator from Texas [Mr. JOHNSON], the Senator from Washington [Mr. MAGNUSON], the Senator from West Virginia [Mr. NEELY], and the Senator from North Carolina [Mr. SCOTT] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Kentucky [Mr. COOPER] is necessarily absent.

The Senator from North Dakota [Mr. LANGER] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Utah [Mr. BENNETT], the Senator from Nebraska [Mr. CURTIS], the Senator from Iowa [Mr. HICKENLOOPER], and the Senator from Wisconsin [Mr. MCCARTHY] are detained on official business.

If present and voting, the Senator from Nebraska [Mr. CURTIS], the Senator from Wisconsin [Mr. MCCARTHY], and the Senator from Maine [Mr. PAYNE] would each vote "yea."

The result was announced—yeas 75, nays 0, as follows:

YEAS—75

Aiken	Bush	Chavez
Allott	Butler	Church
Barrett	Capehart	Cotton
Beall	Carlson	Dirksen
Bible	Carroll	Douglas
Bricker	Case, N. J.	Dworshak
Bridges	Case, S. Dak.	Ellender
Ervin	Kuchel	Revercomb
Flanders	Lausche	Robertson
Frear	Long	Russell
Fulbright	Malone	Saltonstall
Goldwater	Mansfield	Schoeppel
Green	Martin, Iowa	Smathers
Hayden	Martin, Pa.	Smith, Maine
Hennings	McClellan	Smith, N. J.
Hill	McNamara	Sparkman
Hruska	Monroney	Stennis
Ives	Morse	Symington
Javits	Morton	Talmadge
Jenner	Mundt	Thurmond
Johnston, S. C.	Neuberger	Thye
Kefauver	O'Mahoney	Watkins
Kennedy	Pastore	Wiley
Kerr	Potter	Williams
Knowland	Purtell	Young

NOT VOTING—21

Anderson	Eastland	Langer
Bennett	Gore	Magnuson
Blakley	Hickenlooper	McCarthy
Byrd	Holland	Murray
Clark	Humphrey	Neely
Cooper	Jackson	Payne
Curtis	Johnson, Tex.	Scott

So the amendment of the committee was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, at the top of page 8, to insert:

CHAPTER V

DEPARTMENT OF THE INTERIOR

Office of the Secretary

Acquisition of Strategic Minerals

For an additional amount for "Acquisition of strategic minerals," $9,140,840: *Provided*, That none of the funds appropriated in this paragraph shall be available to accept offers for delivery of tungsten trioxide in any one calendar month, from any one producer, in excess of 2,500 short-ton units originating in any one mining district from properties controlled by such producer.

Mr. WILLIAMS. Mr. President, I offer an amendment to the committee amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. In the committee amendment, on page 8, it is proposed to strike out "$9,140,840" and insert "$600,000," and strike out the proviso beginning in line 2 of the committee amendment.

Mr. WILLIAMS. Mr. President, the purpose of this amendment is to strike out funds which were allocated to the purchase of tungsten. The committee proviso would require the Government to purchase up to 2,500 short-ton units. If this amendment is not adopted, the Government will be committed to spend about $8½ million in the purchase of tungsten at $55 a unit at a time when every agency of the Government which has anything to do with the stockpiling program or with our national defense says that not one unit is needed. They say that we have more on hand now than we could use, even in the event of all-out war, for domestic and civilian needs for a minimum of 5 years without the production of any domestic tungsten or the importation of a single unit.

The Government would be committed to purchase tungsten at a price of $55 a unit, when it can go into the open market anywhere and buy all it wants at $35 a ton. Certainly this is unnecessary extravagance at a time when economy is needed.

proviso originally in the bill previously before the Senate—and there was some contest at the time—is that the previous one was mandatory, and provided that the Secretary shall use such feed under certain specified conditions, whereas, as I understand, in view of the explanation given before the Appropriations Committee today and in view of the explanation given on the floor by the Senator from Arizona, the pending amendment changes the word "shall" to the word "may," and makes the provision purely optional, under the proviso referred to.

Mr. HAYDEN. Yes.

Mr. BUSH. Mr. President, I should like to ask a question: Does the proviso conform to the Knowland amendment?

Mr. KNOWLAND. Yes; it conforms in substance to the amendment I offered at that time; I refer to the amendment to make it optional.

The ranking Republican member of the Committee on Agriculture and Forestry, the senior Senator from Vermont [Mr. AIKEN], had to leave to transact some other public business; but he told me that, being optional rather than mandatory, any objection he had to this provision was removed.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The next amendment was, under the heading "Chapter IV—Department of Health, Education, and Welfare—Social Security Administration—Grants to States for Public Assistance," on page 7, at the beginning of line 21, to strike out "$16,728,000" and insert "$17,728,000."

Mr. KNOWLAND. Mr. President, I hope the distinguished Senator from Arizona will make an explanation of the amendment. However, first I wish to request that the yeas and nays be ordered on the question of agreeing to the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. HAYDEN. Mr. President, the committee amendment relates to the funds granted to States for public assistance, to be available from the appropriation for the Social Security Administration, under the Department of Health, Education, and Welfare. The amendment strikes out the sum "$16,728,000," and inserts the sum "$17,728,000." In other words, the amendment provides that $17,728,000 may be used for State and local administration; and thus the amendment provides an increase of $1 million in the limitation.

The committee voted to include the amendment because of testimony presented before the committee that that much money would be required in order to carry on from now until the end of the year. That is the sole reason for including the amendment. The committee did not want any State to be unable to obtain what it was entitled to obtain. However, at the present time, unless this amendment is adopted and the bill including the amendment is enacted into law, a great many States will be out of money this very month.

Mr. BUSH. The money will be used to administer what? I am not familiar with this measure.

Mr. HAYDEN. It is for public assistance.

Mr. BUSH. Old-age assistance?

Mr. HAYDEN. Yes, old-age assistance. The law now provides that the Federal Government shall match the money provided by the States in carrying on this work. That much money will be required between now and July 1, in order to match the amount of money the States have put up.

Mr. KNOWLAND. Mr. President, will the Senator from Arizona yield to me?

Mr. HAYDEN. I yield.

Mr. KNOWLAND. In the committee there was considerable discussion, and this is one of the items which caused the previous measure to be tied up in conference, in view of the fact that the other body had originally included a limitation of approximately $15 million plus. When this measure came to the Senate, it included the item of $16,728,000.

However, it was the very strong feeling of the Senate Appropriations Committee that, in effect, this limitation acted as a nullification of the existing statute, which has been on the statute books since 1935, I believe.

Mr. HAYDEN. Yes, for 21 years.

Mr. KNOWLAND. Yes, for approximately 21 years—whereby the Federal Government has undertaken to bear half the cost of the administration of these programs.

Although I think there is room for discussion and argument as to whether the Congress might consider, in the appropriate legislative committee, the matter of whether they should bear 50 percent of the cost or 40 percent of the cost or 25 percent of the cost, for that matter, that change should be made in the basic law. Until the basic law is changed, the feeling is that the Federal Government should live up to its commitments to the States.

Mr. HAYDEN. That is correct.

Mr. KNOWLAND. That is the reason why the Senate Appropriations Committee has recommended the item of $17,728,000, which is the amount which the Administrator, has set forth in a letter from him to the chairman of the committee.

Mr. HAYDEN. The Senator from California is absolutely correct.

Mr. FLANDERS. Mr. President, I should like to ask a question of the Senator from Arizona. My question relates to the particular situation existing in my own State.

In Vermont we have taken great pride in the low cost of the administration of these funds. Can the Senator from Arizona inform me whether either the joint resolution as passed by the House of Representatives or the joint resolution as reported to the Senate by the Senate Appropriations Committee penalizes any State which has an unusually low administrative cost?

Mr. HAYDEN. Frankly, Mr. President, I am not sufficiently familiar with that matter to be able to give the Senator from Vermont a proper answer. Undoubtedly some members of the legislative committee can answer the question.

Mr. BRIDGES. Mr. President, will the Senator from Vermont yield to me?

Mr. FLANDERS. I yield.

Mr. BRIDGES. I think what the Senator from Vermont has indicated is true. Undoubtedly one of the problems we face is that a State such as Vermont, which has a low ratio of administrative costs, and which administers the program on an economic basis, would be discriminated against, as contrasted with a State such as New York, which has very high administrative costs.

Mr. HAYDEN. I might say to the Senator from Vermont the House provision penalizes his State, although it has good administration, along with the States that do not have it.

Mr. FLANDERS. We are penalized by not getting as much of a slice of Federal money, but we are content to do that so long as we do not have to contribute more money.

Mr. President, will the Senator from Arizona yield so that I may address a question to the Senator from New Hampshire and so he may answer me?

Mr. HAYDEN. I yield for that purpose.

Mr. FLANDERS. What is the advice of the Senator from New Hampshire as to the way the Senator from Vermont should vote on this particular question, with his State's interests in mind?

Mr. BRIDGES. I think the only way for the Senator from Vermont to vote would be to vote for the amendment on administrative costs, because his State, as well as every other State, is affected, and this amendment provides for what I am informed would be a substantial amount but not quite all of the full reimbursement authorized. Whereas some of the States have high administrative costs, they investigate their cases more closely than do others. Some of the States with low administrative costs do not have sufficient investigations. Nevertheless, one of the great objections we have heard to such an arrangement over the years, and it is a cumulative objection, is against the Federal Government's paying half the administrative cost no matter how high the costs in some States run, while other States try to keep their costs at rockbottom. I think that is a problem with which we are very much concerned.

Mr. FLANDERS. Would the Senator from New Hampshire suggest that I should support the position of the Senate committee on this question?

Mr. BRIDGES. I do not think the Senator could do anything else, consistently, in order to help his State, because the Federal Government under the basic law as it now stands is authorized to pay his State 50 percent of the cost. I hope, as a long-range proposition, that there will be a limitation put on administrative costs by legislative action, and that the Government will not merely pay a flat 50 percent.

Mr. FLANDERS. The Senator refers to a percentage of the total expenditure?

Mr. BRIDGES. Yes.

Mr. SALTONSTALL. If the Senator will yield, am I not correct in saying that this additional amount, with the limitation now in effect, will, in the opinion of the Department, scarcely provide sufficient funds, even with very careful and prudent administration?

Mr. BRIDGES. It will be something under 50 percent.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield to the Senator from New York.

Mr. JAVITS. I have taken this matter up with the Commissioner of Public Welfare of the State of New York. New York State believes there should be no ceiling. The proposal now before the Senate represents a compromise position. If the amendment is adopted, a ceiling will be placed on the amount.

I also point out to my friends from the smaller States that the Federal Government pays a proportion of their public assistance. Hence, if the State of New York tried to do, as it does try to do, an efficient job, with a population of 17 million, it would be helping a far greater number of people and the cost would represent greater economy than is represented by the amount provided for the administration.

Mr. BRIDGES. If the Senator from Arizona will yield to me on this matter, to follow through in accordance with what the Senator from Vermont has stated, let me say that the administrative costs in Vermont are 4.04 percent, which is a low ratio. I am now talking about old-age assistance. The figure runs higher in certain other States. In New York State it runs to 18.54 percent. For instance, the highest is in the Virgin Islands, where the figure is 26.38 percent. In New Hampshire, where the costs do not run quite so low as they do in the State of Vermont, but where they are still in the low category, the figure is 7.4 percent. For instance, the figure in the State of Georgia runs to 3.73 percent. The figure for Connecticut is 9.94 percent. For the District of Columbia it is 9.14 percent. For Massachusetts it is 8.25 percent, which is in the lower bracket. Colorado has one of the best figures, 3.17. New Jersey is in the upper bracket, 16.22 percent.

The costs vary. Some States have done an excellent job in holding their administrative costs down, but the excuse of the other States is that they do a very thorough job of investigation. To some extent that may be true, but I do not think it accounts for all of the wide variations. The matter should have some legislative consideration in the future.

Mr. HILL. Mr. President, if the Senator will yield, I think it ought to be made clear that in the report of the committee on the bill, it is stated, and I read from the report:

> It is the sense of the committee that the limitation herein recommended will enable the Social Security Administration to fully meet the Federal obligations under the Social Security Act to buy each State "an amount equal to one-half of the total of the sums expended for the proper and efficient administration" of each of the assistance programs.

The words in quotations are taken verbatim from the basic act. I think it ought to be made clear that, according to the information which the committee has from the Department of Health, Education, and Welfare, more particularly the Social Security Administration—and the information is embodied in a letter to the distinguished chairman of the committee, the Senator from Arizona [Mr. HAYDEN]—the amount in the limitation embodied in the committee amendment upon which the Senate is about to vote, will be sufficient to have the Federal Government meet the obligations of paying 50 percent of the administrative costs of these programs.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). The question is on agreeing to the committee amendment on page 7, beginning on line 21.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Texas [Mr. BLAKLEY], the Senator from Virginia [Mr. BYRD], the Senator from Pennsylvania [Mr. CLARK], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. GORE], the Senator from Florida [Mr. HOLLAND], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Washington [Mr. JACKSON], the Senator from Texas [Mr. JOHNSON], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

I further announce that if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Pennsylvania [Mr. CLARK], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. GORE], the Senator from Florida [Mr. HOLLAND], the Senator from Minnesota [Mr. HUMPHREY], the Senator ffom Washington [Mr. JACKSON], the Senator from Texas [Mr. JOHNSON], the Senator from Washington [Mr. MAGNUSON], the Senator from West Virginia [Mr. NEELY], and the Senator from North Carolina [Mr. SCOTT] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Kentucky [Mr. COOPER] is necessarily absent.

The Senator from North Dakota [Mr. LANGER] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Utah [Mr. BENNETT], the Senator from Nebraska [Mr. CURTIS], the Senator from Iowa [Mr. HICKENLOOPER], and the Senator from Wisconsin [Mr. MCCARTHY] are detained on official business.

If present and voting, the Senator from Nebraska [Mr. CURTIS], the Senator from Wisconsin [Mr. MCCARTHY], and the Senator from Maine [Mr. PAYNE] would each vote "yea."

The result was announced—yeas 75, nays 0, as follows:

YEAS—75

Aiken	Bush	Chavez
Allott	Butler	Church
Barrett	Capehart	Cotton
Beall	Carlson	Dirksen
Bible	Carroll	Douglas
Bricker	Case, N. J.	Dworshak
Bridges	Case, S. Dak.	Ellender
Ervin	Kuchel	Reverecomb
Flanders	Lausche	Robertson
Frear	Long	Russell
Fulbright	Malone	Saltonstall
Goldwater	Mansfield	Schoeppel
Green	Martin, Iowa	Smathers
Hayden	Martin, Pa.	Smith, Maine
Hennings	McClellan	Smith, N. J.
Hill	McNamara	Sparkman
Hruska	Monroney	Stennis
Ives	Morse	Symington
Javits	Morton	Talmadge
Jenner	Mundt	Thurmond
Johnston, S. C.	Neuberger	Thye
Kefauver	O'Mahoney	Watkins
Kennedy	Pastore	Wiley
Kerr	Potter	Williams
Knowland	Purtell	Young

NOT VOTING—21

Anderson	Eastland	Langer
Bennett	Gore	Magnuson
Blakley	Hickenlooper	McCarthy
Byrd	Holland	Murray
Clark	Humphrey	Neely
Cooper	Jackson	Payne
Curtis	Johnson, Tex.	Scott

So the amendment of the committee was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, at the top of page 8, to insert:

CHAPTER V

DEPARTMENT OF THE INTERIOR

Office of the Secretary

Acquisition of Strategic Minerals

For an additional amount for "Acquisition of strategic minerals," $9,140,840: *Provided*, That none of the funds appropriated in this paragraph shall be available to accept offers for delivery of tungsten trioxide in any one calendar month, from any one producer, in excess of 2,500 short-ton units originating in any one mining district from properties controlled by such producer.

Mr. WILLIAMS. Mr. President, I offer an amendment to the committee amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. In the committee amendment, on page 8, it is proposed to strike out "$9,140,840" and insert "$600,000," and strike out the proviso beginning in line 2 of the committee amendment.

Mr. WILLIAMS. Mr. President, the purpose of this amendment is to strike out funds which were allocated to the purchase of tungsten. The committee proviso would require the Government to purchase up to 2,500 short-ton units. If this amendment is not adopted, the Government will be committed to spend about $8½ million in the purchase of tungsten at $55 a unit at a time when every agency of the Government which has anything to do with the stockpiling program or with our national defense says that not one unit is needed. They say that we have more on hand now than we could use, even in the event of all-out war, for domestic and civilian needs for a minimum of 5 years without the production of any domestic tungsten or the importation of a single unit.

The Government would be committed to purchase tungsten at a price of $55 a unit, when it can go into the open market anywhere and buy all it wants at $35 a ton. Certainly this is unnecessary extravagance at a time when economy is needed.

This is strictly an unwarranted subsidy, which would go to the benefit of only one segment of the industry. There is no more justification for this subsidy than there would be for committing the Government to buy wheat at $3 a bushel, or to buy the entire corn crop at 100 percent more than the market price, or to buy the entire output of a textile mill in New England which might be in trouble.

There is not money enough in the Federal Treasury to pay for the continuation of all such programs as could be proposed. Every Member of Congress says he is for economy. They all say, "Show us a particular item with respect to which we can effect an economy without jeopardizing national defense or security." If we are ever to find such an item this is one which is not needed by any stretch of the imagination. I do not think anyone will dispute that statement.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. HAYDEN. The same authorities which the Senator quotes all say that we should have a domestic mining industry, so that in the event we should become involved in war, we could produce strategic materials, with respect to which we are now absolutely dependent on the outside world. In the last war, we paid up to $200 a ton for this very substance.

There are two considerations. First, as the committee says, it is desired to finish in an orderly way a program which was established by Congress, and, second, to resume it as, if, and when the present administration submits a strategic minerals program.

Mr. WILLIAMS. I am in complete agreement with what is said about maintaining a domestic minerals industry; but how? Certainly not by paying double the market price. I do not agree that any industry should be maintained which can be maintained only by the Government paying a permanent subsidy of 100 percent over prevailing market prices. Let us give the taxpayer a break.

I repeat that not one representative of any agency which is charged with our national defense, or any stockpiling agency, or anyone from the Defense Department, has ever said that this program is needed from the standpoint of the security of our country. Certainly it is eight and a half million dollars which goes for direct subsidy to purchase a mineral which will be taken out of a hole in the ground in one place, moved, and placed in another hole as a stockpile.

The fact that the program was recommended by the Bureau of the Budget has nothing to do with the case. The Bureau of the Budget also submitted a $72-billion budget, and they told Congress that if it is possible to cut the budget anywhere without jeopardizing the services of the Government and the security of the country we should go ahead and do it. This is our chance.

Mr. LAUSCHE. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. LAUSCHE. Am I correct in my understanding that if the amendment which has been proposed by the distinguished Senator from Delaware is adopted the sum of $9,140,840 will be reduced to $600,000?

Mr. WILLIAMS. The Senator is correct.

Mr. LAUSCHE. And the $600,000 will be used for the purchase of asbestos and fluorspar, but not for the purchase of tungsten. Is that correct?

Mr. WILLIAMS. The Senator is correct.

Mr. LAUSCHE. Am I also correct that it is the Senator's understanding that we now have tungsten stockpiled in such quantity that we could not use it in 5 years, regardless of what circumstances might develop in our country?

Mr. WILLIAMS. That is the testimony given to the committee. On a previous occasion I placed in the RECORD a letter signed by Mr. Flemming, Director of the Office of Defense Mobilization, in which he said that even in the event of an all-out war we have more tungsten than we could use in 5 years, even if all sources of supply, both foreign and domestic, were completely cut off.

Mr. Flemming said there was no justification for stockpiling from the standpoint of need or from the standpoint of the security of the United States. Nor have I heard that the Secretary of Defense submitted any testimony that this would be needed in order to protect the security of the United States.

Of course, some testimony has been given by some people who wish to continue the spending of money in support of this program. However, I repeat if we are going to cut the budget, we must delete the items which are not needed. Certainly this one is not needed. Even if the tungsten were needed, it is possible to buy it at $35 a ton. Therefore, I ask, Why should we pay $55 a ton? Certainly the taxpayers of the country have enough to do without paying twice the prevailing market price for any product.

Mr. LAUSCHE. I concur with the statements made by the Senator from Delaware. I should like to ask one further question. For what period of time has the discussion been in progress concerning the hugeness of the stockpile and the fact that we had reached a point where we could well dispense with the subsidization of this product?

Mr. WILLIAMS. A little more than 2 years ago and again last year, when the major fight was made on the floor of the Senate, I put into the RECORD the testimony from the agencies concerned that they did not need this tungsten. Now it is proposed to appropriate another $8½ million for the same program. The legislation was enacted after the agencies concerned said they did not need the mineral; legislation was enacted over the objections of the administration at that time.

One of the bills which would have permitted the purchase of this mineral at $55 a ton, and which would have committed the Government to an expanded program, was even vetoed by the President about a year and a half ago.

All the testimony during the past 2 years has been to the effect that we have more tungsten than we need. Notwithstanding all that testimony, we are still paying $55 a ton. If my amendment is not adopted, we will commit the Government to continue buying, and to pay another $8½ million for a mineral which is not needed.

Mr. LAUSCHE. Then it is a fact that the interests which are being subsidized in a measure have known for 2 years what the facts are and what the likelihood of the judgment of Congress would be on the question of subsidization?

Mr. WILLIAMS. That is correct. Each time the appropriation was passed it was passed on the plea that we must appropriate the amount because we have the commitment. Always we are told that we are going to stop it the next time. There is always a next time. My argument is that the only time to stop a program that is not needed is when the roll is called, and that is now. If we cut out the money for it, we stop it dead.

Mr. BIBLE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I have yielded the floor.

CRITICAL MINERALS STOCKPILE—1953 MINERAL PURCHASE ACT AS EXTENDED IN 1956

Mr. MALONE. Mr. President, the public record should be kept straight with regard to this subject. The advanced laboratory work by the Stanford Research Institute and the work now being followed indicate that in order to build jet engines with heat-resisting metals above 650°, and up to 2,000° or more, it takes an alloy of 50 percent or more of tungsten. When that metal is in general use, it will be seen that the so-called 6-year stockpile will turn into a stockpile of 2 years, and perhaps even less.

The experiments being conducted by the Stanford Research Institute at Stanford University show that it will result in three or four times the use of the amount of tungsten used this year or that has been used for the last 2 or 3 years. Therefore it is clear that instead of a 6-year stockpile, we have less than a 2-year stockpile, and perhaps even less than that.

So far as the subsidy is concerned, the fixed price was computed to make up the difference in the wages between the foreign price of the metal in the country where the competition is located and the general cost of doing business in this country. That could be made up, and perhaps sometime will be made up, with a tariff or duty. It is not a subsidy.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. MANSFIELD. I am delighted that the Senator has brought up the question of subsidies. It seems to me that this administration is paying subsidies to farmers to take acreage out of production. Here we are attempting in a very small way to pay a very small subsidy for a product which is in short supply and which we have to import in excess of 90 percent for our normal needs.

The Senator knows better than anyone else in the Senate that when the mines go down, they usually go down for good, because they fill up with water and the timbers rot, and that is the end of the business.

I invite the Senator's attention to the fact that when I was in the School of Mines in Montana I was told by my professors that one prospect out of 4,000 panned out.

Furthermore, this country is rapidly becoming a have not country in the field of natural resources. I am not referring to the hemisphere, with respect to which the Senator has carried on much in the way of investigation, and has shown how much we have in the hemisphere. However, so far as this country is concerned, we are rapidly becoming a have-not country. Yet we are afraid to continue the development of our own country for the benefit of our own people. I believe it is about time we start to turn the clock back and pay some attention to what we have in our country and to make some progress concerning it.

Mr. MALONE. I do not wish to prolong the debate. However, it should be remembered that a man by the name of Harry Dexter White once proposed that we give Russia $5 billion with which to buy this very material from them, and to save our own material, because we had no more than little stringers that were found throughout our country, because for 20 years we said we had no tungsten or other critical minerals. The reason was that we were willing to help foreign sweatshop labor compete directly with the labor of this country.

All we needed to get all the tungsten was to pay the difference in wages. If a Senator is not willing to do that, I would like to have him say that.

It is not necessary to subsidize anything. If we protect the machine-tool industry with a tariff on machine tools, then it is a subsidy to make up the difference in wages paid overseas and wages paid in America. If it is a subsidy for tungsten carbide material to have a 42 cents a pound tariff and a 12½ cents ad valorem tariff on top of that, when it only makes up the difference in wages in order to keep our manufacturing people in business, I am on the wrong track.

In my opinion, it is not a subsidy. The difference in wages could be made up by a tariff, such as is done in the case of tungsten carbide and 5,000 other products; or the price could be fixed.

This is a temporary matter. The Secretary of the Interior has said that the administration will soon propose a long-range plan. I understood the distinguished senior Senator from Arizona to say simply that this measure will be the last appropriation that the Committee on Appropriations will recommend, unless there shall be an amendment to the Mineral Purchase Act of 1953, in accordance with the conditions laid down today on the Senate floor, until the long-range plan can be discussed.

I think it is clear that all we are trying to do is to stay in business, by means of a subsidy, by paying American wages, until such time as we can get what is wanted in a long-range plan, still to be discussed. We should not be dependent upon foreign nations across major oceans for a mineral without which we cannot fight a war. It is a mistake to assume that we have a 6-year supply when we have a maximum supply of only 1½ years, as anyone will learn who will study the laboratory results in the last year.

URGENT DEFICIENCY APPROPRIATIONS, 1957

The Senate resumed consideration of the joint resolution (H. J. Res. 310) making additional appropriations for the fiscal year 1957.

Mr. LAUSCHE. Mr. President, I ask for the yeas and nays on the amendment offered by the Senator from Delaware.

The yeas and nays were not ordered.

Mr. DIRKSEN. Mr. President, I prefer not to let the RECORD stand as would be indicated by my affable friend, the Senator from Delaware [Mr. WILLIAMS]. I think some corrections are necessary. I think some specific points need to be made.

First, in 1951, when the United States was at war in Korea, we did not, according to the testimony before the committee, have sufficient tungsten with which to conduct the Korean war. I am like Will Rogers. All I know is what I see in the book, where the testimony of witnesses is recorded. If anyone wants to take the trouble to go through the hearings, he will see the testimony given by a man who, in my judgment, knows the most about the subject, namely, Mr. Leibert, of the Department of the Interior, and who testified at great length.

Let Senators settle in their minds the fact that tungsten was in short supply, and that we could not fight the Korean war because of a lack of tungsten until we went abroad to Brazil and elsewhere and contracted with producers to buy tungsten from those sources. We even sank a mine in Korea, and the man who did it was shot a few times in the operation. That is some hint of how short the supply was.

Second, it was stated that 87 percent of the benefits went to nine producers. That statement is entirely incorrect. If any Senator has any curiosity about that, let him look at page 106 of the Senate hearings. Two hundred and six producers are listed. The reason why nine producers were stated as being the chief beneficiaries was that the General Services Administration, in the interest of expeditious and simple administration, made its deal with the shippers; the miners simply brought in the tungsten. So actually there were 206 producers, and they are listed in the hearings, if any Senator wants to examine the list.

The third point I make is that this is not merely a tungsten stockpiling program. It is a stockpiling of the mineral capacity of the United States. We had a pretty serious experience during the war.

Do we want these mines to shut down? Very well. They cannot compete with foreign producers. They cannot meet the foreign price by $20 a ton. Do we want them to shut down? If so, this is a good time to shut them down and let the timbers fall, as my friend, the distinguished Senator from Montana [Mr. MANSFIELD], has said. Let the mines fill up with water. Destroy the mineral capacity, and then see what we will have to pay the foreign producers when they have us over the barrel.

We are not dealing merely with stockpiling as such, but we are dealing with the stockpiling of mineral capacity and the capacity to produce in case of emergency.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MORSE. I think the Senator from Illinois has gone to the heart of the matter with his last comment. Some of us on the committee had a similar experience years ago with the problem of tin. We were warned to reduce our own production of tin. But what happened? We paid an increased price for tin.

If these mines are allowed to decay, then we will pay an exorbitant price for the minerals.

Mr. DIRKSEN. Some persons have the curious idea that a mine can be turned on and off like a spigot. A mine has to be conditioned. A job must be done. The mine must be retimbered. It is necessary to provide entry. Certain things have to be done before tungsten can be extracted from the earth. Mines cannot be turned on and off overnight. If the mines are allowed to fall into a state of disrepair, their capacity to produce will be destroyed.

Is it not strange that under the Defense Production Act we were willing to buy 3 million units from other producers, outside the country, but are not now willing to keep our own mineral-production capacity intact? That is the long and the short of it.

This is an interim program. I do not know whether there will be a long-range program. Perhaps there will be. But I can say that when Arthur Flemming, of the ODM, testified before the Subcommittee on Minerals of the Committee on Interior and Insular Affairs, he said:

> But I have also gone on to say in support of Public Law 733—

Which, parenthetically, authorized this program—

> that it is the position of the administration that pending the consideration and adoption of a long-term policy on the part of the Congress, in our judgment we should avoid weakening this particular segment of our economy by permitting it to close down.

That is the man who ran the ODM. He had the responsibility for the stockpiling. I do not want to see that program weakened.

Today we are not dealing merely with tungsten; we are dealing also with a continuing capacity to produce. If that is not worth eight million and some hundred thousand dollars of this country's money, then I never saw a better insurance policy.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MALONE. Is it not a fact that Mr. Flemming made contracts with foreign producers, some of which are being fulfilled for as high as $60 a unit?

Mr. DIRKSEN. That is correct. In Brazil, the producers were offered $55 a unit.

Mr. MALONE. During World War II, 90 percent of our shipping from South Africa, containing strategic materials, was sunk. Some State Department officials said we would be justified in getting every unit of tungsten we could secure from Korea. Some of what we got from South Africa cost $500 a unit.

Mr. DIRKSEN. Mr. President, there is no tungsten in my State. I have no interest in that particular metal as such, except in its relation to the defense requirements of this Nation. But I hope the amendment offered by the Senator from Delaware will be rejected and the committee's position sustained. This amount was agreed upon in the committee this morning. I trust the amendment can be expedited and sent to the House for further consideration.

Mr. BIBLE. Mr. President, will the Senator yield for a brief observation?

Mr. DIRKSEN. I yield.

Mr. BIBLE. I think the Senator from Illinois has stated the case very well and very effectively. I wish he had read the next two sentences from Dr. Flemming's statement. It was made on February 26, 1957, and is the most recent statement of the administration's policy. Because it was such an effective statement and pinpointed two additional factors in connection with this particular problem, I wish to continue from where the distinguished Senator from Illinois concluded his statement. Dr. Flemming went on to say:

> And a weakened segment of the economy weakens the foundation on which our whole defense mobilization program rests.
>
> To that extent there is a defense relation. Then the additional point that I just made, we are also in a stronger position from a defense point of view if we have a going concern rather than something that is shut down when there is also a probability that the military requirement figures may change and we may need to acquire additional material.

I believe that is a very effective and correct observation.

I wish to compliment the Senator from Illinois on his statement.

I desire to point out that this proposal had the wholehearted support, after long and extensive hearings on Public Law 733, of the witnesses for the Interior Department, the ODM, and the Bureau of the Budget; and thereafter the measure received the signature of the President of the United States.

To me, it is unthinkable that at this stage—after having held out to our domestic miners that they could expect a continuation of the program—it would be cut off in this fashion.

As the Senator knows, today there are outstanding and in force contracts amounting to between $65 million and $70 million—contracts which are absolutely enforcible—for the purchase of tungsten from foreign countries, at a price averaging approximately $55 a unit.

Not to support the domestic segment of this industry—vital as it is—I believe would be a breach of faith of the worst kind by the Congress of the United States.

Mr. DIRKSEN. Mr. President, I am glad to have had the Senator from Nevada amplify the presentation, for the RECORD.

I yield the floor.

Mr. ALLOTT. Mr. President, I desire to comment briefly on the excellent remarks made by the Senator from Illinois and the Senator from Nevada.

It seems to me that several points need stressing in connection with this matter. I direct my remarks particularly to the Senator from Delaware [Mr. WILLIAMS], my good friend. I know in his desire to reduce the budget, he is prompted by the highest motives. However, in this respect, an attempt to reduce the budget would be exactly like an attempt to buy a piece of machinery for the lowest possible price, when the purchaser realized that the low-priced piece of machinery would not last, and that later he would have to buy a better one.

The following facts were substantiated by the committee and by the Members of the Senate who understand the situation:

At the close of World War II, and from 1946 to 1950, the average production amounted to only 3.7 million pounds, and the imports amounted to 8.2 million pounds.

When the Korean war began, and when we needed this valuable strategic mineral, the domestic production of tungsten in the United States was at a very low ebb. The foreign importers were able to increase the price of tungsten from $26 to actually over $100 a unit in this country. It was not until this domestic program went into effect and we got the United States producers again producing tungsten that we were able to get the price back to a reasonable one, which now is approximately $63.

By a vote of 65 to 17, we have already said to the tungsten miners all over the United States, "We believe in the future of tungsten, and we believe it is necessary."

The Senator from Nevada already has pointed out that the testimony presented before the committee shows that we have not even begun to approach the potential use of tungsten in this country.

What is the situation? Production of jet fighters in the United States is probably at as low a figure as it will ever be. If we should be precipitated into a national emergency, the need for tungsten for our jet fighters would increase a thousandfold. I do not need to inform any Senator that not a single commercial jet airliner is in use today in the United States. The first dramatic use of one occurred a week or so ago, when a Boeing 707 flew from the west coast to Baltimore, and landed at Friendship Airport.

If we are to have the jet aircraft development we need, and if jet motors are to be produced for those aircraft, we must have tungsten.

The Senator from Illinois has very ably pointed out that the solution of the tungsten problem is not to be found in turning on a spigot, as in the case of water, because once a tungsten mine is abandoned, and once the men who have the know-how to mine tungsten are allowed to depart, and once water is permitted to seep into the mine, and the timbers are permitted to rot, and the roof is permitted to cave in, we cannot still expect to obtain tungsten from the mine whenever we need it.

China has the largest known reserves of tungsten in the world. Between 1905 and 1948, China supplied 25 percent of the world's production. But what were the Chinese miners paid? The wages in that area, for the production of tungsten, were probably a few yen a day, and probably often amounted to a cup of rice for a day's work. That information is provided in the report of the Senate committee, Report No. 2146.

On the other hand, the wages paid to those who work in the mines in the United States average $16 to $18 a day. Are we going to vote that the pay of American miners shall be established on the basis of a cup of rice a day?

The opponents of this program have stated—and they have stated it in good faith, I am sure—that all of the payment will go to a few concerns. However, that statement is not borne out by the facts. There are more than 700 producing operations in the United States. It is true that most of them funnel into a few refineries. Let me point out that all the facts I am now stating are to be found in the testimony given before the committee, and are summarized in the committee's report; thus, the facts are available for anyone who wishes to read the hearings and the report.

As I began to state, there are more than 700 producers. However, it has been pointed out that their mining operations are funneled through a comparatively few refineries. Therefore, the opponents state that this proposal is for the benefit of only those few refineries. However, Mr. President, that is not the case at all.

The principal producing States are as follows:

California, 34 percent; Nevada, 28 percent; North Carolina, 16 percent; Montana, 10 percent; and Idaho, Arizona, Washington, and Colorado account for the balance.

In conclusion, Mr. President, I desire to point out that much has been made of the difference between the price the Government presently is paying and the apparent price on the world market. A few moments ago the Senator from Montana spoke of subsidies in other fields. My own feeling is that the more we get away from subsidies, the better off we shall be. However, the undisputed testimony—and it is to be found in the committee hearings, and is summarized in the committee report—shows—and now I read from the report:

> A number of the producing companies supplied information on their tax schedules which demonstrated that more than one-third of the $63 per unit price paid by the Government is returned in the form of taxes—Federal, State, county, and local taxes—plus the fringe benefits to employees such as hospitalization, vacations, and insurance of various kinds.

If that be true—and I assume it is true, because that statement is taken from the committee report, in which the committee presents its findings—that reduces the price approximately $23, in round figures, and brings it down below the world price. Is it better to maintain

in the United States an industry which we need—yes, Mr. President, an industry before which we shall be on our knees, praying for, if we get into a national emergency—and then to receive these moneys back in taxes, and in effect obtain the tungsten at the price we would pay for it on the world market; or is it preferable again to put ourselves in a position where we should be at the mercy of foreign countries, particularly in view of the fact that the tungsten mines of China today are under the domination of the Communists?

Mr. LAUSCHE. Mr. President, will the Senator from Colorado yield to me?

The PRESIDING OFFICER (Mr. CHURCH in the chair). Does the Senator from Colorado yield to the Senator from Ohio?

Mr. ALLOTT. I yield.

Mr. LAUSCHE. I observe from the hearings that in June 1956, Dr. Flemming, in charge of the Office of Defense Mobilization, testified, when he appeared before a Senate committee, that tungsten and the other three minerals are not needed for defense purposes. He testified that we have enough tungsten in stockpile to last for 5 years.

Mr. ALLOTT. Let me ask whether the Senator from Ohio has quoted Dr. Flemming's exact words?

Mr. LAUSCHE. No, I did not. I quoted the statement of someone who was quoting Dr. Flemming. However, I understand that the Senator from Delaware has dealt with the same subject.

Mr. WILLIAMS. Mr. President, if the Senator will yield, I should like to say there has been placed in the RECORD prior to this time a letter in which Dr. Flemming stated we had an adequate amount in our stockpile program to take care of all the needs of this country for 5 years, even in the event of an all-out war. It is also true that Dr. Flemming appeared before the committee and testified he would like to see some kind of a program which would preserve the domestic mining industry, but that is an entirely different question. The question raised at this time is, Does the Government need this tungsten from the standpoint of national defense? And from the standpoint of national defense I repeat what I said prior to this time, that there has been no testimony from either Dr. Flemming or anyone connected with the Defense Department that it is needed.

Mr. ALLOTT. I will answer the Senator from Delaware. I had yielded to the Senator from Ohio.

Mr. LAUSCHE. I did not complete my question. To what extent does the Congress, in view of this testimony, think it is necessary to continue stockpiling? When will we have reached a load adequate to say "This is the end of it"? That is the crux of the problem that concerns me.

Mr. ALLOTT. I think the Senator from Arizona answered that question very well a few moments ago when he said it was the intention of the committee that this would be the last appropriation for this purpose, unless the Congress appropriated more money under a different bill. Is that correct?

Mr. HAYDEN. Yes.

Mr. ALLOTT. Now I wish to answer the question that has been raised, because, in a way, it seems to me that it shows a failure on the part of the opponents to really consider the whole matter. It is true that Mr. Flemming testified in substance what the Senator from Delaware has said, but it is also true that what the Senator from Nevada pointed out, namely, that we have not even begun to scratch the surface of the uses for tungsten in this country, is also a fact. We have not begun to use the amounts of tungsten that we shall use. We need jets. We shall need thousands of jets for each one that we now use. With the increased uses of tungsten, a lot of the stockpile will be used up, and much more rapidly than it is now being used. The statement Mr. Flemming made upon this matter was based upon the then present use of tungsten, which use is increasing daily.

SEVERAL SENATORS. Vote! Vote!

Mr. WILLIAMS. Mr. President, I shall not delay the vote on my amendment but just a very few moments. The question has been raised as to the accuracy of my interpretation of the statement by Dr. Flemming with respect to not needing more tungsten for our national defense.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. WILLIAMS. Yes.

Mr. ALLOTT. I am sure the Senator from Delaware is not implying that I raised a question as to the accuracy of the statement.

Mr. WILLIAMS. No.

Mr. ALLOTT. I did not mean to do so, if I did. I was speaking of the interpretation of that statement.

Mr. WILLIAMS. In order that Mr. Flemming's position may be clear, I should like to read the exact language of his statement as contained in the House report on the question. I read from page 11 of the House report:

> The Director of the Office of Defense Mobilization assured the Congress in June 1956, that there was no defense justification for further domestic purchase of any of these four minerals, pointing out that in each instance the amount on hand and on order met both the minimum and long-term stockpile objectives. For example, Mr. Flemming testified as follows concerning tungsten, for which $68,750,000 has been proposed, representing 80 percent of the total purchase program.

I am still reading from the House report, wherein is contained Dr. Flemming's statement.

> Tungsten on hand exceeds both the minimum and long-term stockpile objectives. The inventory plus orders is larger than the total 5-year war-time requirements. * * * There is clearly no defense justification for continuation of this program because even without any access to either domestic or foreign sources of supply in the event of war, we would have enough in the stockpile to meet total requirements for approximately a 5-year period.

I think that Congress will admit that that language is clear enough for anybody to understand and that there can be no possible misunderstanding of the interpretation thereof. The committee of the House concluded its report with this statement:

> In the light of these facts, there can be no sound justification for continuing in peacetime a subsidization program for the sole benefit of a very limited segment of the industry at such an exorbitant cost to the taxpayers of the Nation.

Mr. President, I ask unanimous consent that the entire portion of the House report accompanying the bill be printed at this point in the RECORD as a part of my remarks.

There being no objection, the portion of the report was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE INTERIOR: ACQUISITION OF DOMESTIC MINERALS

The committee has disallowed the supplemental budget request of $30 million to continue, under Public Law 733, the domestic purchase of tungsten, asbestos, fluorspar, and columbium-tantalum for the remainder of the current fiscal year. Considering that there is clearly no defense justification for further acquisition of these minerals, the committee feels that continuation of this subsidy program at an estimated total cost of $91 million is entirely unwarranted.

The Director of the Office of Defense Mobilization assured the Congress in June 1956 that there was no defense justification for further domestic purchase of any of these four minerals, pointing out that in each instance the amount on hand and on order met both the minimum and long-term stockpile objectives. For example, Mr. Flemming testified as follows concerning tungsten, for which $68,750,000 has been proposed, representing 80 percent of the total purchase program:

"Tungsten on hand exceeds both the minimum and long-term stockpile objectives. The inventory plus orders is larger than the total 5-year wartime requirements. * * * There is clearly no defense justification for a continuation of this program because even without any access to either domestic or foreign sources of supply in the event of war, we would have enough in the stockpile to meet total requirements for approximately a 5-year period."

The committee believes there is even less justification for continuing this subsidy program at this time than there was on August 14, 1955, when the President vetoed H. R. 6373 which would have directed the continuation of the existing domestic minerals-purchase programs under the Defense Production Act for certain minerals, including at least three of the four in question. In his veto message, the President said:

"Finally, the provisions of H. R. 6373 would apply to only a small segment of the domestic minerals industry and would not reach the fundamentals of the program. Indeed this bill would make solution of the overall problems of the industry more difficult. * * * The interests of the domestic minerals industry will be better served by proceeding with the careful development of a long-range minerals program than by approving a stopgap measure extending substantial Government aid to only a segment of the industry."

It is obvious that no long-range program has yet been developed by the administration. This is best evidenced from a review of the situation prevailing in the tungsten industry. Since 1951 the Government has purchased from domestic producers, at $63 per unit, 3 million short-ton units under Defense Production Act authority at a total cost of $187,562,751. During this period, the Government also awarded certificates of tax necessity and provided assistance under defense minerals exploration programs to many of these same producers.

During the first half of 1956 almost all of the domestic production was being delivered to the Government under the purchase program at the price of $63 per unit, while industrial needs were being supplied from imports at about $43 per unit. As the amount on hand and on order exceeded even long-term stockpile objectives, it was necessary in June 1956 to discontinue defense purchases from domestic producers.

Under the new subsidy program, the Government has purchased since August 1, 1956, over $15 million worth of tungsten from domestic producers at $55 per unit while the United States market price was approximately $35. It should be noted that while it was contended that about 700 domestic producers might benefit from this program, only 49 producers have participated, 9 of whom have received 87 percent of the funds.

The largest purchase during this period was from a group of three affiliated companies and totaled $2,875,730, representing 19 percent of the total. A top executive of these companies testified previously that the authorizing legislation was needed in order that domestic mines "can survive foreign competition." The committee was astounded to discover through its own investigation that a dominant company in this group has the largest contract to supply tungsten to the Government from foreign mines. The committee is advised that this contract, for the purchase of over $39 million of tungsten at $55 a unit, will not terminate until December 1959.

In the light of these facts, there can be no sound justification for continuing in peacetime a subsidization program for the sole benefit of a very limited segment of the industry at such an exorbitant cost to the taxpayers of the Nation.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS] to the committee amendment at the top of page 8. [Putting the question.]

Mr. WILLIAMS. Mr. President, I ask for a division.

On a division, the amendment to the amendment was rejected.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment at the top of page 8.

The amendment was agreed to.

The next amendment was, on page 8, line 1, to change the chapter number from "V" to "VI."

Mr. LAUSCHE. Mr. President, I ask for a division on the committee amendment.

The PRESIDING OFFICER. The Chair has announced that the previous committee amendment has been agreed to. The question now is on the committee amendment just read by the clerk, which would change the chapter number.

Mr. MORSE. Mr. President, the Chair did not hear the Senator from Ohio. I know if he had heard him he would have granted his request for a division. I shall testify that the Senator from Ohio was seeking to be heard on his request for a division on the preceding committee amendment.

I ask unanimous consent to reconsider the vote by which the last committee amendment was agreed to, so the Senator from Ohio's request for a division may be granted. I shall vote against him, but I think he should have his request granted.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request to reconsider the vote by which the committee amendment at the top of page 8 was agreed to? The Chair hears none, and the vote is reconsidered.

The question is on agreeing to the committee amendment at the top of page 8 on which a division is requested by the Senator from Ohio [Mr. LAUSCHE].

On a division, the amendment was agreed to.

The next amendment was, on page 8, line 1, to change the chapter number from "V" to "VI."

The amendment was agreed to.

The next amendment was, on page 10, line 15, to change the chapter number from "VI" to "VII."

The amendment was agreed to.

The next amendment was, on page 11, line 6, to change the chapter number from "VII" to "VIII."

The amendment was agreed to.

The PRESIDING OFFICER. The joint resolution is open to further amendment.

Mr. MORSE. Mr. President, I should like to ask the chairman of the committee, the Senator from Arizona [Mr. HAYDEN], a question with regard to the joint resolution, in connection with making legislative history. First, I commend the Senator from Arizona for another great job of statesmanship he has performed in connection with this bill. The question I should like to ask the Senator from Arizona is this: Does the Senator believe there is authority under Public Law 875 to include a freeze as a natural disaster and thus make the freeze-struck orchardists eligible for emergency conservation or emergency credit under the headings of "Emergency Conservation Measures" or the "Disaster Loan Revolving Fund," which latter authorizes emergency credit?

Mr. HAYDEN. Yes; there is no question about Public Law 875, and I call the Senator's attention to the following four provisions in chapter I of the joint resolution:

(1) if not treated, will impair or endanger the land, (2) materially affect the productive capacity of the land, (3) represent damage which is unusual in character and, except for wind erosion, is not the type which would recur frequently in the same area, and (4) will be so costly to rehabilitate that Federal assistance is or will be required to return the land to productive agricultural use.

Under these circumstances the money would be available—if this were a disaster—for land-treatment measures.

Then there is another provision as to the disaster loan revolving fund, of the Farmers' Home Administration, which contains authority for the Department to provide emergency credit to disaster areas.

I think there is ample money in the pending measure to take care of what the Senator is discussing.

Mr. MORSE. I thank the Senator from Arizona very much. His response is in accordance with the opinion I held, and I think his answer will be helpful.

Mr. NEUBERGER. Mr. President, I particularly wish to join with my colleague in expressing appreciation to the Senator from Arizona, because the orchardists in our State, particularly in the Milton-Freewater area, were caught by the disastrous freeze of 1955, and have never recovered from it. Entire orchards were as effectively wiped out as if a fire had swept them. The answer of the distinguished chairman of the Appropriations Committee is very reassuring. I have had many letters from those orchardists in recent weeks who are dependent on such emergency credit to make any start on restoration of their orchards.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the joint resolution.

The amendments were ordered to be engrossed, and the joint resolution to be read a third time.

The joint resolution was read the third time.

The PRESIDING OFFICER. The joint resolution having been read the third time, the question is, Shall it pass?

The joint resolution (H. J. Res. 310) was passed.

VISIT TO THE SENATE BY WOMEN LEADERS OF MEXICO, CENTRAL AMERICA, AND SOUTH AMERICA

Mr. CHAVEZ. Mr. President, seated in the diplomatic gallery is a group of ladies who are the women leaders of Mexico, Central America, and South America. I should like to present them to the Senate. The lady in uniform is the chief of police of São Paulo, Brazil. I ask the ladies to rise.

(The ladies rose in their places, and were greeted with applause, Senators rising.)

The PRESIDING OFFICER. On behalf of the Senate, the Chair extends a cordial welcome to the distinguished ladies from the neighboring countries to the south.

CHICAGOLAND COMMERCE AND INDUSTRY EXPOSITION

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 4803) to permit articles imported from foreign countries for the purpose of exhibition at the Chicagoland Commerce and Industry Exposition, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes.

Mr. NEUBERGER obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield to the Senator from Montana.

EXTENSION OF SPECIAL COMMITTEE TO INVESTIGATE POLITICAL ACTIVITIES, LOBBYING, AND CAMPAIGN CONTRIBUTIONS—SENATE RESOLUTION 128

Mr. MANSFIELD. Mr. President, on behalf of the senior Senator from Arkansas [Mr. MCCLELLAN] I submit a resolution providing for an extension of the Special Committee To Investigate Political Activities, Lobbying, and Campaign Contributions, and I ask that it be given immediate consideration.

The PRESIDING OFFICER. The clerk will state the resolution for the information of the Senate.

The legislative clerk read the resolution (S. Res. 128) as follows:

Resolved, That Senate Resolution 47, 85th Congress, agreed to January 30, 1957, extending the special committee established by Senate Resolution 219, 84th Congress, agreed to February 22, 1956, is amended by striking out "April 30, 1957" wherever it appears therein and inserting in lieu thereof "May 31, 1957."

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. KNOWLAND. Mr. President, reserving the right to object—and I shall not object—this matter was discussed with me by the acting majority leader. The resolution extends for 1 month the special committee which was established to investigate lobbying activity. It received the approval of the special committee by the unanimous vote of both the Democrat and Republican members. I think the request is reasonable, and I hope the resolution will be agreed to.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 128) was considered and agreed to.

Mr. MANSFIELD. I thank the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

THE NORMAN CASE AND TENSION BETWEEN THE UNITED STATES AND CANADA

Mr. NEUBERGER. Mr. President, on April 16 a Member of the House of Representatives placed in the CONGRESSIONAL RECORD a newspaper article charging that I "lent a helping hand to the cause of the Communists, pro-Communists, and anti-anti-Communists" because I had called publicly for an investigation of the subcommittee release of material in the case of the late Ambassador Norman.

Mr. President, I resent this charge because it is 100 percent untrue, and because it is malicious and scurrilous.

Canada has been our ally in war and in peace all through the modern era. Canadian troops have fought valiantly at the side of our soldiers against Fascist foes and against Communist foes. On Canada's soil today are our two great radar defense lines, as well as the highway and airfields leading to our strategic defense bastion in the North—Alaska. Canada shares with us the patrol of the vast Arctic frontier, where the free world of North America has its closest geographic proximity to the Soviet Union. In all these projects, Canada is closely associated with us in the cold war against communism.

Mr. President, how can it be encouraging to communism to ask for an investigation of any episode which has caused a breach between our country and Canada? If you ask me, Mr. President, nothing could serve the cause of communism more effectively than just the kind of tension between the United States and Canada that has been precipitated by the Norman incident.

Presumably, Mr. President, according to the House Member who inserted the derogatory article about me in the CONGRESSIONAL RECORD, it is quite all right recklessly to publish material about a Canadian envoy that angers the Government of Canada and many people in Canada; but it is aiding communism if a Senator asks for an inquiry into the background of this episode, so as to find a way to prevent its recurrence.

By this same standard of judgment, Mr. President, most of the leading newspapers of the United States and Canada must likewise be guilty of lending a helping hand to communism, because they too have demanded an investigation of this whole unfortunate affair, and such reforms as may be necessary to avoid it in the future.

In conclusion, I wish to say that I know personal attacks of this kind in the CONGRESSIONAL RECORD are against the policy of the illustrious Speaker of the House of Representatives, the Honorable SAM RAYBURN.

In my own comments on the Norman case, I have scrupulously refrained from personal recriminations of any sort. I even did not include in the RECORD certain editorials, because this material—from both American and Canadian newspapers—contained inferential personal attacks on some of my colleagues in the Congress.

Mr. MORSE. Mr. President, I wish to associate myself with the remarks made by my colleague, the Senator from Oregon [Mr. NEUBERGER], not only his comments today but also the record he has made in connection with the Norman case. I particularly wish to say a word, Mr. President, about the violation of a long-established rule of courtesy that no statement inserted in the CONGRESSIONAL RECORD shall cast reflection upon a congressional colleague, whether he be one of the Members of the Senate or one of our colleagues in the House.

I hope, Mr. President, that the unfortunate incident to which my colleague referred will not be repeated, because we have to make up our minds whether this rule of courtesy is to be continued. The rule works both ways. Therefore, I respectfully request that the appropriate committee of the Senate, with jurisdiction over the CONGRESSIONAL RECORD, take note of this matter, because if Senators are going to be confronted with derogatory statements of this type inserted in the CONGRESSIONAL RECORD on the part of colleagues on the House side, then let us face the fact, abolish the custom, proceed, as we do on the political platform, and feel perfectly free on the floor of either House to put in the CONGRESSIONAL RECORD statements about Members of Congress which in our judgment should be put in the RECORD.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. MORSE. I should like to take for granted that the particular House Member is guilty only of an oversight and probably already regrets the mistake. It is quite possible he was not fully appreciative of the reflection upon my colleague that his insertion in the RECORD amounted to, but I wish to raise my voice here today urging that custom be followed. Also, I wish to speak these words in defense of my colleague, because the article which was inserted in the RECORD is an unwarranted slander and libel of my colleague, who is one of the most patriotic men I know, and who is not deserving of the kind of insulting treatment which this particular insertion represents.

Mr. NEUBERGER. Mr. President, I thank the distinguished senior Senator from Oregon for his statement on the floor today. I wish to emphasize to him what I said very briefly earlier. In my discussion of the Norman case, I avoided any personal recriminations or attacks. I even refrained from including in the RECORD editorials from leading newspapers on both sides of the international border because they contained some inferential criticism, which might be taken personally, of Members of Congress.

In my opinion, the worst disservice which could be done to the free world would be to have a serious breach of friendship between the United States and Canada. I believe that no one could serve the cause of the Soviet Union better than by causing a split between the two great nations which occupy the heartland and coastlines of North America. That is why I took an interest in the Norman incident, and that is why I hope that whatever rift has occurred between the United States and Canada can be closed, and that the recurrence of such wholly unnecessary incidents can be prevented in the future, at least so far as the responsibility of the Senate is concerned.

Mr. MORSE. I thank the Senator. I completely agree with his observations on the Norman case, and stand shoulder to shoulder with him in the position he has taken.

Mr. NEUBERGER. I thank my colleague.

TALE ABOUT ASSISTANT PRESIDENT

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a most excellent article by the eminent columnist and newspaperman, Thomas L. Stokes, entitled "Tale About Assistant President," which was published in the Washington Evening Star of April 17, 1957. The subhead reads: "Sherman Adams Believed Directing Fight Against Development of Public Power."

This is a most excellent column, and I know of no more accurate, crystal-clear digest of what has happened under this administration in regard to the great power issues of the Pacific Northwest than this Stokes column.

As a witness I can testify in respect to what he has to say about the importance of this issue in the Pacific Northwest. It is a most accurate column, and I am proud and pleased to ask unanimous consent that it be printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TALE ABOUT ASSISTANT PRESIDENT—SHERMAN ADAMS BELIEVED DIRECTING FIGHT AGAINST DEVELOPMENT OF PUBLIC POWER

(By Thomas L. Stokes)

This is a tale about Sherman Adams, major domo in the Eisenhower administration under his innocent title of "Assistant to the President."

It is a tale, too, about geography, Sherman Adams' geography in New Hampshire, where he once was governor, and how it reacted politically on a lot more geography spread in magnificent splendor of mountain, forest, plain, and swiftly coursing rivers in the West and Northwest and on the Pacific coast and also, indeed, in the South.

But we'll stick to the West, first. This will take us to Salt Lake City and another one of Republican National Chairman Meade Alcorn's regional conferences on May 3 and 4. There will gather Republican political leaders from nine States—Oregon, Washington, California, Idaho, Nevada, Utah, Arizona, New Mexico, and Montana. The purpose of these regional meetings, of which there are six altogether, is to try to find out how the Republican Party can win next year's congressional elections.

That being the aim, much study must be given at Salt Lake City to the sad news the Republican Party got in some parts of that vast area last November, especially in Washington, Oregon, and Idaho. For one of the biggest election surprises was the earthquake which, despite the Eisenhower victory for President, shook up that region. It elected Democratic Senators in Oregon, Washington, and Idaho, added two Democratic House Members to make it 3 out of 4 Democrats in the State's House delegation here along with 2 Democratic Senators, elected Democratic governors in Oregon and Washington, and made wide gains in State legislatures.

Admittedly a factor in this Democratic upheaval was that big gorge with the intriguing name—Hell's Canyon—in the Snake River along the Oregon-Idaho boundary. A big piece of geography. Democratic candidates made an issue of it. They attacked the Eisenhower administration and former Secretary of Interior Douglas McKay for helping to hand over development at Hell's Canyon to a private power company, Idaho Power, an absentee-owned corporation which holds its stockholders meetings in Augusta, Maine. The Idaho Power Co. was awarded a license to build three dams at Hell's Canyon by the Federal Power Commission. The way was opened for the company when Secretary of Interior McKay withdrew from the FPC a recommendation by his Democratic predecessor, Secretary Oscar Chapman, for construction of one high dam by the Government at Hell's Canyon. The latter was in keeping with the overall plan prepared by the Army engineers for development of the Columbia River system, of which the Snake is a tributary.

Now we come to Sherman Adams, who won't be at Salt Lake City.

It was he who called Secretary McKay from the White House early in the Eisenhower administration and instructed him to withdraw the Chapman recommendation for a high Federal dam. Thereupon Secretary McKay tore up the memorandum which he had drafted supporting the high Federal dam and prepared another to withdraw the previous recommendation.

So much for western geography. Now for Sherman Adams' geography, to get a better understanding of why he is directing the fight against public power development. His attitude reflects a widespread antagonism in New England among businessmen against Federal power development. They have resisted development of their rivers for production of cheap electric power by comprehensive Federal development. This failure is a factor in migration of so many mills to the South. Because of that migration, much of it to the TVA cheap power territory in the Southeast, you find deep-seated hostility toward TVA among New England's Members in Congress.

That is shared by Sherman Adams. He revealed that by his attempt to prevent the chairman of the Securities and Exchange Commission, J. Sinclair Armstrong, appointed Tuesday by President Eisenhower to be Assistant Secretary of the Navy, from turning over certain information to a congressional committee investigating the Dixon-Yates deal. That deal, you may recall, was an attempt to cut under TVA, which was instituted by the Eisenhower administration and finally abandoned when exposed by the Senate investigation.

We see Sherman Adams' hand in the Hell's Canyon imbroglio again in the last Congress. He put heavy pressure on Republicans in the Senate to line them up and, with the help of a handful of Southern Democrats, to defeat the Morse-Pfost bill that would have nullified the FPC license to Idaho Power and authorized Federal development at Hell's Canyon.

There very likely will be talk at the Salt Lake City Republican meeting about Hell's Canyon and what it means in politics, though it is unlikely anyone will be so bold as to point the finger at Sherman Adams. But it is he who is the real driving force in the administration's war on public power development.

Credit should go where credit is due.

LUMBER AND THE HOUSING SITUATION

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a report by a noted lumber analyst, Mr. H. J. Cox of Eugene, Oreg., in which he discusses the administration's tight-money policy.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

Federal Housing Administrator Cole has been hopelessly floundering for some time in the unwarranted belief that builders would start construction on 1.1 million houses this year, the same as last year, regardless of so-called "tight money." A recent membership poll by the National Association of Home Builders forecast a decline to 900,000 units, or less, unless mortgage money becomes more plentiful, and the views of building representatives appearing before the Senate Housing Subcommittee are much more pessimistic with 800,000 predicted as the absolute maximum. Meanwhile, the seasonally adjusted annual rate of new home starts is running below the level for 1949.

Home building is in a tail spin, thanks to a bungling Government, rapidly worsening, particularly for financing guaranteed by the Veterans' Administration. There hasn't been any drop in the basic demand for new houses and there is no possible inflation in home building. On the contrary, it is faced with severe deflation and possible disaster if the present asinine situation is permitted to continue by subservient temple guards and congressional representatives who are content to sit on their dead posteriors and fiddle while Rome burns.

Persons able to make heavy downpayments and pay high interest rates for available and plentiful conventional mortgage loans could not discernibly dent this home building tail spin.

In the late 1930's, it took Government pressure to force banks and mortgage lending concerns in line and, now, such pressure is needed more than ever. Certain of the high echelon in Washington could do well by devoting more time to home problems and less time on golf courses and in visiting Africans.

Mr. MORSE. The foregoing comments represent a grassroots view that is apparently not understood, nor even discussed, on the putting green.

Mr. President, the entire lumber industry of our Nation is experiencing difficulties due to one principal factor—the tight-money policy of this administration. Were this not enough, there is now underway an effort to put the lumber industry of the Douglas-fir region at a further competitive disadvantage. Mr. Cox' analysis of April 4, 1957, which I ask unanimous consent to have printed in the RECORD at this point in my remarks, discloses the harmful proposal.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

Of utmost importance to green fir rail and cargo sawmills in the Douglas fir region of western Oregon, western Washington, and northern California is the attempt of certain competitive softwood regions of the country, acting under the mask of public interest, to use the American Lumber Standards Committee of the Department of Commerce for fixing a maximum moisture content at which ALS sizes would apply to 1-inch boards and 2-inch dimension.

Around 70 percent of the 10 billion board-feet annually produced in the Douglas fir region is green lumber, and it is not hard to imagine the magnitude of this competitive handicap were such regulations imposed on the major softwood producing region of the United States. Production costs would increase from $3 to $5 per thousand feet board measure, present rail freight costs to the Midwest and elsewhere would jump from $3 to more than $4 per thousand feet, and water freight rates to the Atlantic coast from $2.77 to $3.11.

President Eisenhower, upon leaving for his fast weekend automobile trip to his Gettysburg farm, ordered the return to the 1955 legal minimum downpayment requirement on homes bought with FHA-insured loans. The downpayment may now be 5 percent of the first $9,000 of house value and 25 percent of the amount in excess of that figure. But this drop of 2 percentage points will be of little use unless he removes the tight money throttle on home mortgage money.

Mr. MORSE. Oregon and Washington have long been subject to a number of disadvantages imposed by big business. The railroads have maintained rates that often make it difficult for our products to compete. For a number of years the railroads failed to supply boxcars when they were urgently needed. We have long fought this discrimination. Now, apparently, another effort will be made to cripple our lumber industry.

Last year I fought the Federal Housing Administration on that agency's attempt to discriminate against the west-coast lumber industry after the industry had very wisely promulgated rules which accurately tell the contractor what he is getting when he buys west coast lumber. With equal vigor, I shall fight any effort to place our west-coast lumber industry at a further competitive disadvantage.

The forests of the Pacific Northwest will continue to produce lumber that amply fills the needs of lumber users. Our industry will cooperate with builders and contractors and other users in every possible way, but it will not permit any committee within the Department of Commerce to get by with action that will seriously impede the industry. Here and now I serve notive that any action which is unreasonable with respect to the west-coast lumber industry shall have my wholehearted opposition whether the action starts within the Department of Commerce, or elsewhere.

This administration has perpetrated a series of deeds designed to disrupt the entire housing program needed for the people of our Nation as well as the lumber industry. Last year when the west-coast lumbermen improved their grade stamping procedures the FHA tried to rule out this lumber from FHA financed housing. Now another effort, apparently with some disguised administration blessing, is about to get underway which will hurt the western lumber industry.

Frankly I do not know why this industry should be so singled out for discriminatory treatment. The big lumbermen in my State supported Republican candidates. Perhaps the administration wants to dry up a fertile source of campaign contributions for the Republican Party but that hardly seems likely. I want the RECORD to show that I intend to watch this situation and regardless of whether or not someone supported me, I shall dedicate myself to keeping our lumber industry in a healthy economic condition.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, April 17, 1957, he presented to the President of the United States the following enrolled bills:

S. 58. An act for the relief of Duk Chang Cho;

S. 87. An act for the relief of Pavel Blaho;

S. 91. An act for the relief of Victor Charles Hunt;

S. 127. An act for the relief of Anna Maria Cosentino and Francesca Cosentino;

S. 158. An act for the relief of Hewey Malachi Mackey;

S. 268. An act for the relief of Esther Guagliardo;

S. 363. An act for the relief of Nelson Shu-Yung Chuang;

S. 424. An act for the relief of Herbert James Bramley;

S. 649. An act for the relief of Yee Chung Fong Ming and Yee Chung Nom Ming;

S. 753. An act for the relief of Georgiana Hsien (Liang) New; and

S. 812. An act to amend the Agricultural Act of 1949 with respect to price support for extra long staple cotton.

RECESS TO 5 P. M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until 5 o'clock p. m.

The PRESIDING OFFICER (Mr. CHURCH in the chair). Is there objection?

There being no objection (at 3 o'clock and 41 minutes p. m.), the Senate took a recess until 5 o'clock p. m. the same day.

On the expiration of the recess, the Senate reassembled, when called to order by the President pro tempore.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a joint resolution (H. J. Res. 312) making additional appropriations for the fiscal year 1957, and for other purposes, in which it requested the concurrence of the Senate.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PASTORE in the chair). Without objection, it is so ordered.

ADDITIONAL APPROPRIATIONS, 1957

The PRESIDING OFFICER laid before the Senate House Joint Resolution 312, making additional appropriations for the fiscal year 1957, which was read twice by its title.

Mr. HAYDEN. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 312.

The PRESIDING OFFICER. Is there objection to the unanimous consent request of the Senator from Arizona?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. HILL. Mr. President, I offer an amendment, to strike out the proviso on page 2 beginning on line 7 and extending through line 9.

The PRESIDING OFFICER. The amendment offered by the Senator from Alabama will be stated.

The LEGISLATIVE CLERK. On page 2 it is proposed to strike out the proviso beginning on line 7 and extending through line 9.

Mr. HILL. Mr. President, the effect of the amendment is to eliminate the proviso which the House put in the joint resolution, which proviso would keep the Federal Government from meeting the basic provision in the Social Security Act to the effect that the Federal Government shall pay 50 percent of the administrative costs of the old age assistance, the blind, and the dependent children programs.

The adoption of the amendment would simply mean that the Congress would be doing what it has already done in the past, namely, permit the Social Security Administration to comply with the provision of the basic act and provide the funds necessary to enable the Federal Government to meet the requirement of paying 50 percent of the administrative costs.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HILL. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. It is my understanding there are two items in the joint resolution, one of which concerns small business and the other of which concerns Federal help to old-age-assistance programs. All the other items are left out of the joint resolution. The two Houses are still in conference with regard to the first urgent deficiency appropriation bill. If a further conference is granted by the House, the Senate conferees can discuss these two amendments. If no further conference is granted by the House, and we believe any of those items are desirable, the Senate can add them as amendments to other appropriation bills and they can be taken to conference. Is that correct?

Mr. HILL. The interpretation and understanding of the Senator from Massachusetts are, in the opinion of the Senator from Alabama, entirely correct.

Mr. KNOWLAND. Mr. President, will the Senator from Alabama yield?

Mr. HILL. I yield to the distinguished minority leader.

Mr. KNOWLAND. I rise to support, without qualification, the amendment of the Senator from Alabama [Mr. HILL], who is the chairman of the subcommittee which deals with social security and assistance to States. His amendment would strike out the proviso. Adoption of the amendment would leave the law as it is and enable the social security agency to function under statutes which have been in existence since 1935. Is that correct?

Mr. HILL. The Senator from California is correct.

Mr. KNOWLAND. I think the Senate should take such action, and agree to the amendment of the Senator from Alabama. I hope the amendment will be agreed to by an overwhelming vote.

I wish to express my personal regret that House did not act on the prior resolution, which the Senate sent back to it. After all, this is a two-house Congress. I think there always has to be give and take in order that the legislative process may function.

The Senate on several occasions has demonstrated its belief in certain things, including the minerals program. I think the distinguished Senators present who spoke earlier today, including the Senator from Montana [Mr. MANSFIELD], the 2 Senators from Nevada [Mr. MALONE and Mr. BIBLE], the Senator from Colorado [Mr. ALLOTT], who made a very able argument, the Senator from Illinois [Mr. DIRKSEN], and all the other Senators who participated in the discussion, have made a very fine contribution to the record. At least so far as the minerals program is concerned, it is no worse off than if we had no bill at all, because the question is now in conference. Furthermore, the House has not foreclosed another opportunity, if another supplemental appropriation bill comes to the Senate, which I believe will happen, to again offer the amendment. The Senate has spoken twice on the matter, once by a vote of 67 to 17 on a yea-and-nay vote, and again on a division by a vote of 32 to 3, or something in that proportion. So the record of the Senate is very clear.

However, I will say I think we are faced with a practical situation, and that is that social security benefit payments and old age payments to recipients in the various States may be jeopardized if

the other phase of the joint resolution is not passed. I think it would be a mistake to pass the joint resolution with the limitation, because that would break faith with the States under the existing statutes. So although I feel it is a mistake that some compromise along the lines the Senate has suggested was not reached, I hope the Senate will send back to the House the joint resolution with the proviso eliminated.

Mr. MANSFIELD. Mr. President, I wish to associate myself with the remarks made by the distinguished minority leader. We are faced with a practical and realistic situation. I wish to commend the chairman of the Appropriations Committee, the Senator from Arizona [Mr. HAYDEN], and the chairman of the subcommittee, the senior Senator from Alabama [Mr. HILL], on the attitude they have taken and the means they have devised to meet the particular situation which now faces the Senate.

It is true, of course, that the payments to the States as the Federal Government's contribution, are almost due, and if they are not met, it will mean many of our older citizens will suffer as a result.

Naturally, I am distressed, as are the senior Senator from Nevada [Mr. MALONE], the junior Senator from Nevada [Mr. BIBLE], the Senator from Colorado [Mr. ALLOTT], the minority leader, the Senator from California [Mr. KNOWLAND], and other Senators from the mine-producing areas, who have worked so diligently on the subject, that, for the time being at least, the tungsten item is being held in abeyance.

Personally, in my opinion it is a mistake. I think it also ought to be made very plain, as the minority leader has made it plain, that the attitude of the Senate—the overwhelming attitude of the Senate on both sides of the aisle—has been in favor of the help for the domestic mining industry we have attempted to extend. The tungsten item is being postponed because of the unalterable opposition which has developed in the House, and which seems to be impossible to overcome at this time. While the chances for aid may have been lessened so far as tungsten is concerned, I certainly hope the possibility of getting the needed amount in a future deficiency appropriation bill is not remote, because I think the Senate, as well as the House, ought to recognize that there are such things as economic development programs in the United States of America. I hope when Members of the Congress vote for overseas programs, they will recognize there is a similar need here at home to think of our own people for a change, once in a while, so we can develop American resources for the betterment and the welfare of our own people.

Again I desire to thank the distinguished Senator from Alabama.

Mr. HILL. I wish to say, as the distinguished Senator from California and the distinguished Senator from Montana have said, tungsten and other items not now covered by the resolution pending before the Senate are still in conference, between the House and the Senate, and they can be acted on in conference.

Furthermore, there is nothing whatever to preclude the Senate, if it sees fit, from adopting amendments to some future bill and thus trying to effectuate legislation of this character.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. HILL. I yield to the distinguished Senator from Nevada.

Mr. MALONE. What is the situation, in a very few words, that the distinguished Senator from Alabama is proposing? I wish to have the Senator know that I have the highest regard for his judgment, and always have had.

The Senator from Nevada had a reservation on a 5:30 plane to go home tonight, but has canceled it. He is ready to stay here until the snow is about 9 feet deep on Pennsylvania Avenue, unless a commonsense view is taken of this situation.

It is the opinion of the Senator from Nevada that if the pending resolution is passed, that will be the last of the conference. There will be nothing more upon which to meet, and no trading point to discuss.

Mr. HAYDEN. Mr. President, will the Senator permit me to speak to that point?

Mr. MALONE. I should be delighted to have the Senator do so, and would appreciate it.

Mr. HAYDEN. In the first place, there have to be additional conferences, because items aside from the tungsten item have to be acted upon.

In the second place, measures in the nature of supplemental appropriation bills will come to the Senate and on any one of those the Senate could attach a tungsten amendment. Therefore, this is not the last chance. We shall have at least two good chances, yet, to work on.

Mr. MALONE. Mr. President, if the Senator will yield further, I understand that the conference committee could meet, but I also understand there is nothing about which to trade. In other words, the conferees on the part of the Senate could suggest the inclusion of some minerals in a sack, but they would have nothing to trade.

Mr. HAYDEN. There will be other items in which the House is interested in all the other measures. We will have a little trading stock.

Mr. MALONE. I have great admiration for the distinguished senior Senator from Arizona. I recall, when I was State engineer in Nevada, that I was sent to Washington D. C., on the matter of legislation for the Boulder Dam project. The Senator from Arizona had just come to the Senate from the House. That was 1927. I watched the career of the Senator in the House before that time, and I have watched his career closely over the 30 years, or whatever it has been, in the Senate. It seems impossible for it to have been that long. This is the 11th year I have served in the Senate with the Senator from Arizona, and I have a high regard for his strategy in legislation.

But there comes a time when even the Senate ought to consider what is important and what is not important. We have pinned it on tungsten.

CRITICAL MINERALS REGULATED IN GENEVA

I should like to read to the distinguished Senator from Arizona and to the distinguished Senator from Alabama a list of minerals which are contained in Senate Resolution 143, which is a resolution to withdraw 17 important critical minerals from Geneva, where they are now being regulated. Our foreign trade in these minerals is being regulated through the simple expedient of continually lowering the tariffs or duties on them, without regard for the United States Senate and the House constituting the Congress.

It is done simply because we have passed several acts transferring the constitutional responsibility of the Congress of the United States to regulate foreign trade and the national economy to the President. According to the testimony of the Secretary of State, Mr. Dulles, there is full authority in the trade agreements act to do so. That is what we have done. Responsibility is being transferred to various countries on the earth, under the auspices of any organization they may spearhead or may cause to be organized.

This process began in 1934. In 1947 the President of the United States transferred the constitutional responsibility of Congress to Geneva, Switzerland, and foreign nations competitive with the United States are regulating our foreign trade. They are regulating our national economy in Geneva, Switzerland.

Therefore, it is necessary to do something, if we are going to stay in business in this country in competition with other countries where the wages paid—at least in some of the 34 countries—are less than we pay for social security and industrial compensation. Somebody thought we could compete with them.

Harry Dexter White—I shall have to refer to this, I guess—in 1945 sent a memo to the Secretary of the Treasury of the United States, Mr. Morgenthau, and suggested doing exactly what is proposed to be done today—that is, to be dependent upon foreign nations across major oceans for the things we cannot fight a war without and cannot live in peace without, so that we can be blackmailed in peacetime into any kind of a contract and any kind of an agreement.

We are being threatened now, that if the Congress ever tries to take back its responsibility for the regulation of foreign trade they will do this, or they will do that—they will join Russia, or they will do something else. We extend the Trade Agreements Act every time. The act will expire a year from this coming June, in 1958, and I hope the Congress will have nerve enough to take back its constitutional responsibility. If it does, we will not need this tungsten legislation. However, in the meantime we do need the legislation.

HARRY DEXTER WHITE STATEMENT

Permit me to read what Mr. Harry Dexter White suggests. It will be of great interest, I am sure, to some of the Senators.

This is dated March 7, 1944, and is a memo that went to Mr. Morgenthau. I shall not read it all. Senators will find it on page 371 of the Senate Report

No. 1627, 83d Congress, 2d session. I sent an investigator to Princeton University about this. First I telephoned the library of the university and then the president of the university, and I was informed that our investigator could search the records. The investigator searched the records and brought back, among other things, this memorandum. I shall read a random paragraph.

> Recent confidential reports on our raw material resources prepared for the Under Secretary of the Interior disclose an increasing dependence of the United States on foreign sources of supply for strategic raw materials because domestic reserves have been seriously diminished or virtually depleted.

For 20 years Secretary Ickes and all of his ilk said that we had no tungsten in the United States; that we had no critical materials.

It was said that all we ever needed, as proved by the 1953 Mineral Purchase Act, was to set a price that added to the world price would be sufficient to make up the difference between the wages paid in this country and the sweatshop wages paid in other countries, and to compensate for the bare cost of doing business in this country as compared to the cheap cost of doing business in other countries, of those minerals.

So the Senate and the House saw fit to pass that act. We are in business. As a matter of fact, we are producing so much tungsten it is embarrassing to every New Dealer in the United States. Because we now have a stockpile, not considering the fact that in every war—and we have had three terrible ones during the past 24 years—we have started from scratch to produce these materials, and we did produce them, we have this action proposed.

I was a special consultant to the Senate Committee on Military Affairs, which is now the Senate Committee on Armed Services, from 1941 to 1945, or whatever time the war lasted. I was a special consultant to the Secretary of the Interior and to the Committee on Strategic and Critical Minerals and Materials, and we finally produced all the tungsten that was needed. We produced several other minerals, when it was said we did not have them.

A TARIFF IS NEEDED TO MAKE UP DIFFERENCES IN WAGES

If we needed more than the addition of just enough to equalize the wages to stay in this business, that would be a different matter, but we do not need more than that. What we really need is exactly what the tungsten-carbide producers in this country have, a tariff or a duty that makes up for the difference in wages. Then they are in business. They have it. I said earlier on the floor today that the tungsten and carbide producers have a tariff of 42 cents a pound on every pound they produce, plus a 12 percent ad valorem duty, which keeps them in business. They would not be in business 30 days if they did not have it. That equalizer takes the profit out of the sweatshop wages at the water's edge. It equalizes the costs of the material, and they are in business. That is all that is needed in respect to fluorspar, tungsten, and other minerals, and 5,000 other products in the United States. All we have to do is to look over the list. We are out of business in any of those materials when the tariff or duty is materially lowered under the 1934 Trade Agreements Act, unless the material is being sold as a war material and unless we are living under a war economy.

GOING CONCERN INDUSTRY NEEDED

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. MANSFIELD. What is wrong with having a stockpile of tungsten, manganese, copper, and other metals? Do they lose their potency and efficiency when they are piled on top of the ground, or in sheds?

Mr. MALONE. No; they do not lose it.

Mr. MANSFIELD. Of course not.

Mr. MALONE. The best stockpile in the world is a going concern industry; and if we had a going concern industry producing the amount we need annually when we are at war, we would not need a stockpile.

Mr. MANSFIELD. Does not a good businessman keep an inventory on hand?

Mr. MALONE. A good businessman certainly keeps an inventory on hand, to supply any need which may suddenly arise, which he could not supply by making the material.

Mr. MANSFIELD. Because we did not have inventories of manganese, tungsten, copper, and a few other critical materials, we were caught short during the war, or during certain parts of the war, and had to depend on overseas production. We had to pay pretty high prices for what we got.

The Senator knows, as a man interested in mining, that if the tungsten, manganese, and other mines are closed, the timbers will cave in, the shafts will be filled with water, and the result will be that an investment on the part of our own people will be lost. This Government will not be the gainer as a result of such a misadventure.

Mr. MALONE. The distinguished Senator from Montana is exactly right. But I am not standing here talking for the mining industry. I am talking for the security of the Nation. I am referring to Senate Report 1627——

Mr. MANSFIELD. It is pretty hard to distinguish between the mining industry and the security of the Nation.

Mr. MALONE. Of course it is. The reason for these factual reports is to see if we could produce strategic and critical materials which we would need for war or peace, in the Western Hemisphere, where the operation can be defended. We can. With respect to most of these minerals and critical materials we can materially increase our own production by equalizing the costs, taking the profit out of the sweatshop wages at the water's edge.

I should like to read another paragraph from Harry Dexter White's memorandum. It sounds a good deal like some of this debate. He said:

> 1. The U. S. S. R. is richly provided with a wide range of strategic raw materials, including metals, minerals, timber, and petroleum, but the unequal degrees to which these have been developed will limit the number and volume that may be available for export in the immediate postwar years.
>
> 2. Rapid economic reconstruction and expanded resources development could greatly enhance the export surplus of the U. S. S. R., could sustain large-scale exports of metal and metallic ores, petroleum, and timber at an average annual value of at least $500 million, not including exports of other materials such as furs and semimanufactures.
>
> 3. It therefore appears that a financial agreement whereby the United States would extend a credit of $5 billion to the U. S. S. R. for the purchase of industrial and agricultural products over a 5-year period, to be repaid in full over a 30-year period, chiefly in form of raw material exports, would not only be advantageous to the United States, as well as helpful to the U. S. S. R. but would be within the limits of feasible trade between the two countries, since the amount we would wish to purchase would be in excess of the repayment which the U. S. S. R. would be required to make under the proposed loan terms. (See attachment II for suggested terms of U. S. S. R. repayment for United States credits.)

With respect to petroleum, it was said that we had 16 years' supply in 1943. If that were true, we should be entirely out of petroleum in another couple of years. On the basis of a 13-year supply, we should be out of petroleum now. We should have no petroleum. It is running out of our ears, but that is another item.

With respect to manganese, he said there was a 3-year supply. Right now, if we had a duty or tariff, if we had the gumption God gave little geese, we would equalize wages at the water's edge, on the basis of a comparison of the cost of doing business here and in India, which is our chief competitor. We are getting from India 800,000 or 900,000 tons of manganese. If war were to start, we could not get a ton of it.

They stopped the shipment of monazite sands to this country in peacetime. They thought we did not have any monazite sands, but we did, so they did not need to ship it from India. But we are dependent upon India, across a major ocean, for the supply of manganese, which would stop instantly in case of war.

In Minnesota there is a great deal of low-grade manganese. Enough to last us for countless centuries, in fact. In the light of the new laboratory work which has been developed, with an adjustment to take care of the difference in wages and other costs of doing business here and in India, we are in business, and we can produce all the manganese we need.

Mr. THYE. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. THYE. Minnesota has been mentioned. I wish to say to the distinguished Senator from Nevada that I am glad he mentioned it. We in Minnesota have been mindful of the need of research with respect to various minerals, and the process of mining minerals. By research we have developed the technique of processing and obtaining rare minerals. I am glad the Senator mentioned the subject, because it is an indication that by means of a little research we become more self-sufficient as a Nation.

Mr. MALONE. We have already passed legislation in the Senate providing for a laboratory in Minnesota to work on manganese. There are billions of tons of it—not millions, not thousands, but billions.

Mr. THYE. Mr. President, will the Senator further yield to me?

Mr. MALONE. I am happy to yield.

Mr. THYE. There was a time when we thought taconite, the low-grade iron ore which is locked in the rock, was a waste material. The cost of removing it from the rock was prohibitive, when compared with the cost of mining high-grade ore deposits. But as soon as we perfected the technique for the separation of the iron ore from the rock, it became a very profitable product and operation to Minnesota. Today we know that we have an unlimited tonnage of iron ore in the form of taconite which we are processing at Silver Bay, all because of research, and making available to the technicians the equipment and the research laboratory in which to do the research.

Mr. MALONE. In the light of later developments in the laboratories, the reports of 5, 10, or 15 years ago are simply behind the times. We do not keep up with the times if we ignore the laboratory work which has been done recently. If we ignore such laboratory work, we accept the reports of 5 or 10 or 15 years ago as correct.

It was stated today that there were 6 years of tungsten in the stockpile. In the light of the laboratory work that has been conducted in various institutions, I doubt if we have a 2-year supply.

Reading further from the memorandum of Harry Dexter White:

It therefore appears—

To Mr. Harry Dexter White and to several other people who are still remembering what Harry Dexter White was for, but forgetting who advocated it.

It therefore appears that a financial agreement whereby the United States would extend a credit of $5 billion to the U. S. S. R. for the purchase of industrial and agricultural products over a 5-year period, to be repaid in full over a 30-year period, chiefly in form of raw material exports, would not only be advantageous to the United States, as well as helpful to the U. S. S. R. but would be within the limits of feasible trade between the two countries, since the amount we would wish to purchase would be in excess of the repayment which the U. S. S. R. would be required to make under the proposed loan terms. (See attachment II for suggested terms of U. S. S. R. repayment for United States credits.)

That memorandum, consisting of three pages, was sent almost word for word to the President of the United States. As a result of that memorandum from Mr. Morgenthau, the President of the United States nullified the buy-American clause which gave American workers the benefit of 25 percent in the difference in price because of the cost of labor and the cost of doing business with the competing country. That was not quite enough, but at least it made it possible for the domestic producer to get into the business.

HARRY DEXTER WHITE DEAD—POLICY LIVES ON

Mr. President, I have not finished with the table. In addition to petroleum and manganese, there was tungsten. We had a 3-year supply of tungsten, according to the table. This was in 1943. According to that table, we have been out of tungsten since 1946. The fact that tungsten has been running out of our ears has had very little effect on people like Harry Dexter White. We send $4 billion to Europe every year, and we use funny money.

Mr. President, the whole effect is to destroy the workingmen of the United States and small business in the United States. Small business cannot invest money in foreign markets. It must confine its business and its operations to this Nation. They are broke today, with taxes and free trade.

Mr. President, Harry Dexter White has been dead for a number of years, and Mr. Alger Hiss has served a term in United States prison, but we are still carrying on their policy. We still want to make this Nation dependent upon foreign nations.

Some of the foreign nations will be for us and some will be against us when another war starts in Europe. In fact, when another war starts, every nation in Europe will have to be neutral if it wants to survive. So they will deny us the use of anything there when that fight starts.

The next item is zinc. In 1943, we had an 8 years' supply of zinc. The fact that we have been producing a great deal of zinc since then, even under free trade conditions, means nothing to people like Harry Dexter White.

We were out of lead in 1949, because according to the table we had a 6 years' supply on hand. A great many lead miners did not know that.

Chrome. According to the table, there was less than 1 year's supply on hand.

Mercury. Less than a 2-year supply. With respect to mercury, we reached a point of self-sufficiency during World War II, when I was consulting engineer with the Secretary of War and with the Military Affairs Committee in connection with critical materials.

On January 10 Mr. Morgenthau sent a memorandum to the President of the United States. It is on the letterhead of the Secretary of the Treasury. It is entitled "Memorandum for the President. A $10 Billion Reconstruction Credit for the U. S. S. R."

Mr. President, I spent 2 months and a half behind the Iron Curtain in 1955. I finally decided to visit our star boarders. I thought I should visit behind the Iron Curtain if we are going to vote for all the crackpot ideas in support of everybody throughout the world. Some people might think that this matter is confined to minerals. That is not so. It includes textiles and machine tools and precision instruments and wool, and many other things.

There is hardly anything that can be mentioned that cannot be produced cheaper in a foreign country, with cheap ocean transportation to this country, than can be produced in this country. The only reason we are in business today is because we are in a war economy.

I congratulate the President of the United States on his selection of a new Chairman of the Joint Chiefs of Staff. General Twining knows what he is doing. He has also brought with him one of the best military strategists that I have ever known, General LeMay, as his assistant. If they are given an opportunity to deal with this problem, I know we will be manufacturing the things we need.

MORGENTHAU MEMORANDUM

What does Mr. Morgenthau say in his memorandum of January 10, 1945, to the President of the United States? This memorandum was dug out of the files at Princeton University by one of our investigators in 1953. He said this:

I suggest consideration be given to a financial arrangement with the U. S. S. R. to provide her with $10 billion credits for the purchase of reconstruction goods in the United States, with provision for repayment to us chiefly in strategic raw materials in short supply in the United States.

1. The interest rate could be 2 percent, amortized over a period of 35 years. A schedule of repayments is attached.

That interest rate is a little less than we get, but I can see that they were planning that we should be dependent upon Russia for the things we could not fight a war without and could not live in peace without. So what they did was to make us dependent on Russia, and when we had become dependent on Russia, they would say, "We will not let you ship these things out of the country, unless you sign an agreement that we suggest." That would be blackmail.

The memorandum goes on to say:

2. The Russians have more than adequate means to assure full repayment. There are three principal sources from which she can obtain the necessary amount of dollars.

(a) Selling to us strategic raw materials which are in short supply in the United States because of our depleted natural resources. (See attached memorandum.)

(b) Russia will be able to develop substantial dollar assets from tourist trade, exports of nonstrategic items to the United States, and from a favorable balance of trade with the rest of the world.

(c) Russia has a stock of gold estimated at $2 billion now and is reported to be able to produce from one hundred and fifty to two hundred and fifty dollars per year. These gold resources can be used to pay her obligations to the United States to the extent that her other dollar sources are not adequate.

3. An important feature of this proposal is that we will be conserving our depleted natural resources by drawing on Russia's huge reserves for current needs of industrial raw materials in short supply here. We would be able to obtain a provision in the financial agreement whereby we could call upon Russia for whatever raw materials we need without giving a commitment on our part to buy.

I confined myself to the minerals, because we had not yet arrived at the point where we were using 19-cent-an-hour Japanese labor to put our textile industry out of business. Now we have arrived at that point. The same thing is true of many other materials. We pay our workingmen in this country $16 or $17 or $18 a day, and our workingmen are able to live in houses with carpets on the floor and curtains at the windows. We want them to be able to do that. However, we allow 35 competitive nations to regulate our foreign trade.

In Geneva we repudiated every statement that every Senator has made since he has been in the Senate, that we want to hold the standard of living in this country to the point where our workingmen can have these advanced living conditions.

4. This credit to Russia would be a major step in your program to provide 60 million jobs in the postwar period.

Is not that a wonderful statement? Jobs can be created in this country by creating jobs in a foreign nation.

I just finished reading that it was proposed to give $10 million to furnish jobs in Russia, jobs which ordinarily would be furnished here, if an additional amount were supplied. Whether we fixed the amount per unit of mineral or textile or any other material, there was to be a tariff to make up the difference in wages between the foreign and domestic prices. Then the jobs would be provided in this country. But the argument is made that by creating jobs in Russia, it would help to provide 60 million jobs in the postwar era here.

He says further:

The United States has had to draw heavily on domestic raw-material reserves during the war to meet peak production requirements. The following table prepared from some recent confidential reports for the Secretary of Interior discloses the depleted natural resources of the United States, and emphasizes the need for conservation measures.

Then he repeats the table that Mr. White furnished him on March 7, 1944, which I have already read into the RECORD, except that I think he has reduced it somewhat. It is about the same.

For petroleum, there was supposed to be a 13-year supply. That was in January 1945.

For manganese, there was supposed to be a 3-year supply; for tungsten, a 3-year supply; for zinc, an 8-year supply; for lead, a 6-year supply.

For chromite, there is a question mark. The chromite producers in California, Oregon, and other places will be interested to know that there was supposed to be no advance supply whatsoever.

For mercury there was supposed to be a supply of less than 1 year. Of course, that is not true either.

Mr. Morgenthau goes on to say, in his memorandum to the President:

We could safeguard and conserve our strategic material reserves in postwar years which are now at a minimum level, by importing from abroad to meet ordinary annual production requirements. The U. S. S. R. has tremendous reserves of many materials which the United States will urgently require after the war. A reconstruction loan to the U. S. S. R. will give the means whereby we can conserve our natural resources for the next two generations, by utilizing Russian reserves.

Think of that, Mr. President. By utilizing Russian materials, we were to become absolutely dependent upon Russian sources for materials without which we cannot live or fight a war. We could conserve our own resources for two generations by utilizing Russian reserves. I continue:

The U. S. S. R. could provide substantial quantities of strategic raw materials for an annual basis within 5 years after the close of the war as indicated in the following table:

Then he goes on to show the various amounts which would be needed:

Metals and metallic ores (manganese, tungsten, graphite, mica, chrome, mercury, iron ore, platinum, copper), $80 million.

Timber and wood products, $45 million.

Petroleum, $50 million.

Oils and oil cake, $10 million.

Other industrial raw materials, $15 million.

This all adds up to a total of $200 million worth of materials which would be needed immediately.

Mr. President, I have traveled pretty well all over Russia. I was behind the Iron Curtain for 2½ months. I traveled 14,000 miles in Russia alone. I visited the great mineral area of the Ural Mountains. I visited each of the 16 Socialist Republics.

I was at Stalingrad Dam, where next year, perhaps somewhat before that time, the power will be cut in. There will be three times more installed capacity on the Volga River than there is at Hoover Dam, where we thought we were doing pretty well.

Gorki Dam, also on the Volga River, will provide a smaller amount of power, but it is probably not in operation yet.

There will be a grid system between the Volga River and Moscow. The railroads are being electrified into Leningrad. The Russians have some of the best electrical equipment and generators made. I was there and saw them. One of them is 60 feet in diameter as it stands on the floor. The wiring looked as good as it does at Westinghouse. That low-head generator was to be used in the Stalingrad Dam.

I know that Russia has all these materials. I am certain Russia has the oil. But what we propose to do now is to send our foot soldiers to the Middle East, about 500 miles from the Russian border, to protect a 1,000-mile pipeline. I flew the full length of that proposed pipeline in 1947. It had not been built then, but it is built now.

Then there is a 2,000-mile stretch of water transportation which is necessary to carry the oil from the Middle East to the European nations.

I visited the Ruhr and Frankfurt, where the chemical industries are located. I was in Birmingham, England, and in many other industrial areas, also. In those places the industries were converting from coal to oil as a fuel. There the industries were built over the coal mines, but they are now lacking the coal, so they are converting to oil.

It is necessary to move the oil through a 1,000-mile pipeline across Arabia and 4,000 miles to Europe. King Saud can "bust" the pipeline any time he wants to.

In that area we are as close to the Russian border as the Russians would be to the United States if they were in Cuba.

In my discussion with Mr. Bulganin, we were talking about bases. He said, "What would you do if we tried to build a base in Cuba?"

I said, "We would bomb the hell out of you." That is what I told him. I hope we would. I am not sure that we would, the way we run our business here. But I think that is what they would do to us if we got in their hair, because it is one thing to defend a base a thousand miles way from our center; but when we get 2,500 or 4,000 or 5,000 miles away from our center, the supply line gets a little thin. Whenever the distance is only 500 miles away, we are doing pretty well.

If the Russians are only a thousand miles away, they cover pretty nearly all of Europe. By looking at a map, it can be seen that the Russians have control of Czechoslovakia, Rumania, Poland, Yugoslavia, and Bulgaria. So there is only a little peninsula left, which we call the free world.

The free world is going to be neutral in the next war. Neutrality is the only thing that will save them, and probably they would not let the United States get anything from them, if we were to be dependent upon them. We could not get manganese from India, even if they let us go in, which they probably would not.

To continue, we were going to buy, in the first 5 years after the close of the war, $10 million worth of oils and oil cake.

Other industrial raw materials purchases would have amounted to $15 million.

The total amount would have been $200 million.

I now turn to Senate Document 83, which was made available in February 1957. In Senate Document 83, as also in Senate Report No. 1627, there is thoroughly explained and documented the factual information showing how the United States can become self-sufficient in the production of everything we need for war and peace in the Western Hemisphere. Nobody denies it; nobody can deny it.

Nobody can deny that if the proper wages are paid in this country, and if we have something which will take the profit out of the sweatshop at the water's edge, we will be in business in this country in critical materials, and will become self-sufficient in tungsten, manganese, and other items, and will materially increase the supply.

Then it can be made up on going-concern mining industries in the Western Hemisphere, which can be protected while a war is going on. If we examine a map, we observe at once that any attack on the United States from Russia or the Iron Curtain countries will come, not through Europe or Asia, but over the North Pole. In that event the countries of Europe and Asia will be neutral. Similarly, if the United States launches an attack upon Russia, the attack will also move over the North Pole. So it would seem that more reference should be made to the map.

AVOID BLACKMAIL BY PROTECTING DOMESTIC INDUSTRY

Therefore, Mr. President, the only chance we have to be independent and to avoid being blackmailed into future agreements and to avoid having to walk

from one trap into another is to make ourselves independent by promoting the production of critical minerals and materials in an area which we ourselves can protect. Then we can be neighborly and can trade with all other countries on the basis of free and reasonable competition, not on the basis of free trade, so that the capital of the United States can move into the other nations and the materials of those nations can be moved into the United States.

Let me ask the distinguished Senator from Ohio [Mr. LAUSCHE] who presently occupies the Chair, to consider the fate of the glass industry and other industries which used to be located in Ohio. Where are they today? They are in Belgium, Japan, and Germany, where wages of from 10 cents an hour to 25 cents an hour are paid. Mr. President, we say we want our workingmen to live in the way that American people should live. However, we do not vote as if we meant that.

In connection with the necessity of increasing such production in the United States, let me refer the distinguished Presiding Officer and the other Members of the Senate to Senate Document 83, published by the United States Senate under Senate Resolution 271. On page 3 of that document, under the heading "Recommendations," we find the following:

> A major barrier to legitimate trade and business relations between countries is the longtime practice of sovereign nations to engage in multiple exchange rates and other subterfuges for trade advantage. Common honesty and integrity among sovereign nations in currency exchange is the first ingredient for sound business and trade relations.

THE UNITED STATES FOLLOWED ENGLAND OFF THE GOLD STANDARD IN 1933

But, Mr. President, that is something which has not existed in the Western Hemisphere or elsewhere in the world since 1933, when the United States left the gold standard or the hard money standard. Until that time, when paper currency of any country—whether Brazil or any other country of the world—was presented to an American, he obtained from the bank the equivalent in American money, and that equivalent was paid to him in either gold grains or ounces of silver—whichever metal was called for. Therefore, there could be trade and there could be buying and selling, because it was known that no subterfuge was being used.

But when we followed England by going off the hard money standard in 1933, we seemed to proceed on the theory that if it was to the advantage of other nations to cheat everyone by manipulating their monetary systems, it would be to our advantage to follow England in the same kind of deal. However, we do not gain by that. Instead, we get beaten in every such transaction.

I read further from Report No. 83:

> It has been and is almost universal practice for foreign nations to place a higher unit price on their currency in terms of United States dollars than the true competitive market price, which results in what is known as a "dollar shortage"; the taxpayers of our Nation are then expected to make up the difference through the World Bank, the Export-Import Bank, or direct appropriations by Congress, including foreign aid. This practice has severely retarded trade and private investment in such areas.

Mr. President, surely you have heard of "the dollar shortage"—in other words, the situation existing when a foreign nation wishes to buy something, but does not have enough dollars to enable it to make the purchase. Of course, many times I have found myself in a similar position. However, in the United States we are required to consider the whole card, and either to increase our earning capacity or to trim our purchases until they are in line with our earning capacity. On the other hand, in the case of foreign countries, that principle does not seem to be applied. Therefore, we have the references to "the dollar shortage."

Mr. President, I recall that when the sugar bill was before the Senate, the United States had a special "deal" in the case of sugar. That arrangement was partially a tariff and partially an allocation of certain amounts of sugar to the cane-sugar producers and the beet-sugar producers of the United States; and also to the producers in Hawaii, which is part of the United States; and to the producers in Puerto Rico, which is a part of the United States; and also to the producers in the Philippines, which formerly were a part of the United States. Under that arrangement, we continued to allocate to them a considerable portion of the supply of sugar which we consume but do not produce; and we allocated a considerable amount to Cuba—46 or 47 percent of the amount of sugar which we ourselves do not produce, but which we consume.

So I asked a very bright young man in the State Department why the State Department was so adamant about keeping the Cuban percentage so large, in respect to the total amount of sugar which the United States consumes but does not produce—having in mind that in Peru and in other South American countries, an increased allocation of one-half of 1 percent would mean a great deal, and might aid us in maintaining friendly relations with those countries. The reply I received from that young man was, "The Cubans buy our grain."

I said to him, "That is very interesting. What do they pay for the grain they buy from us? Do they pay our support price for the wheat or do they pay the world price for the wheat?"

After some hesitation he said, "They pay the world price."

I replied, "That is very interesting, too. When we buy their sugar, what price do we pay for it? Do we pay our support price or do we pay the world price—bearing in mind that they sell the remainder of their sugar on the world market, and still make a profit."

Then there was a considerable amount of hesitation; but finally he said, "We pay the support price."

I said, "That is interesting. Let us do a little computing."

And Mr. President, right then and there—and it is set forth in the hearings, where we also find the answer given by the State Department—we figured that on every 100 pounds of wheat which we sell to Cuba, the taxpayers of the United States lose $1.35. Yet we call that foreign trade. No doubt that is something the taxpayers of the United States will look into as time moves on. Nevertheless that is counted by our delightful State Department as foreign trade.

I read further from report No. 83:

> The long-range trade future of this Nation is in the Western Hemisphere.

That is what the committee believes and that is what the senior Senator from Nevada believes, namely, that—

> The long-range trade future of this Nation is in the Western Hemisphere.

But while we are trying to buy trade, as I have just explained, with the low-cost-labor countries, they are taking our money and are using it to increase their activities in South America.

Mr. President, I have spent a considerable amount of time in each of the countries of South America; and in each one of them I have studied the industries and the wages and working conditions, just as I have done in every other nation of the world.

I have even visited Lithuania. Of course, Lithuania is about the size of Nye County, Nevada. Lithuania is so small in size that it is almost difficult to land an airplane there. I had not heard much about Lithuania until I visited that country. I remember that Jack Sharkey was a Lithuanian—and also a very good boxer.

At any rate, I was interested in visiting Lithuania, so I went there. Having visited there, I am in a position to discuss the industries of Lithuania. When I travel, I do not spend time paying social visits. If the head of state is present, I usually pay my respects to him and state my purpose in visiting his country. But whenever I visit a country, I study that country's production.

Mr. President, at this point I desire to read further from Report No. 83:

> To throw this highly important interdependent trading relationship into gear the following recommendations based on simple integrity of the nations are desirable and necessary:
>
> 1. We recommend the closest cooperation among the nations of the Western Hemisphere in the interest of security from external aggression, and to promote lasting peace and prosperity.
>
> 2. We recommend convertibility of all currencies of the nations of the Western Hemisphere on the basis of their respective free exchange market values.

Mr. President, there is only one alternative to a metal standard, when the money which one exchanges contains the same number of grains of gold or calls for the same number of grains of gold or the same number of ounces of silver as the other money with which one is dealing. The only alternative is to adopt the market value of the currencies at the time when trading occurs.

So we recommend that the market value be accepted in our trade relations, and not what a particular nation says its currency is currently worth in terms of the dollar.

As an illustration, I want to tell what occurred when I went to Bolivia, for example. Bolivia is not a wealthy country. A tremendous amount of tin is produced there. If the program were handled right, I think all the tin we need in the Western Hemisphere could be produced there. I went into the tin mines of Bolivia and inspected them while I was there. I want to tell what is not a secret at all. When I looked into the matter of the economic structure, I found there is an executive rule in effect there. The executive handles most of the matters relating to money and trade. The difficulty, of course, is that one does not care what the rules of the game are, so long as they are not changed while he is playing the game. Those countries can change them any minute of the day or night. What I am saying is true of almost every nation in the world. All that information has been documented. One may disagree with the conclusions, but he cannot disagree with the facts. Those nations have a ruling, or an executive order, that if one gets an American dollar—or any other money, for that matter, although at the moment I am talking about American money—within 30 days or 60 days it must be turned in to the central bank. If it is Bolivian or Argentine money, the dollar must be turned in and one receives what the American dollar is worth in terms of their money.

I was in Bolivia in 1954. If one turned in $100 in American dollars, he received 500 bolivianos, even though the $100 were worth 1,700 bolivianos if traded on the street. One-third of the money value was deducted on the first "go round." That is the trade we talk about. We make it possible by our philanthropy. What I am talking about applies to every nation we deal with.

England has been the worst offender. England said the dollar was worth $1.03 when it was selling for $1.65 on the Shanghai exchange.

I went to Shanghai and many other places——

Mr. KNOWLAND. Mr. President, will the Senator yield for a parliamentary inquiry, without losing his right to the floor?

Mr. MALONE. I yield to the distinguished Senator from California.

Mr. KNOWLAND. The parliamentary inquiry I should like to address to the Presiding Officer is that I understand the pending amendment—I want to know if I am correct or not—of the distinguished Senator from Alabama is to strike from the House joint resolution which is before the Senate the proviso which placed a limitation of $16,728,000 on the amount that may be used for State and local administration. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. KNOWLAND. I should like to ask the distinguished Senator from Nevada, if he, without losing the floor and all the rights he has to the floor, would be willing to yield sufficiently to have action taken on the amendment of the Senator from Alabama to strike the proviso. The Senator from Nevada would still have his full rights to offer any amendments. He would still have his full rights to hold the floor as long as he desires, in order to acquaint the Senate with the issues which he sincerely believes are involved in this joint resolution.

I might say I have been informed by the acting majority leader that, if it is agreeable to the Senator from Nevada, he is willing to have the Senate take a recess until tomorrow. I understand the House is prepared to recess until tomorrow at noon. Depending on the determination of the acting majority leader, the Senate could possibly recess to an earlier hour, perhaps 10 or 11 o'clock in the morning, at which time the Senator from Nevada would have the floor and none of the rights he now has would in any way be interfered with. In that way, this one issue of the limitation of payments to the States, under the Social Security Administration, for public welfare assistance, would at least be taken care of and be out of the way.

Mr. MALONE. May I ask the distinguished minority leader, just what is to be gained by taking this joint resolution piecemeal, putting everything over except the one thing we have been trying to do? I have been trying for 10 or 11 years to put this country in the position of a going concern business, so that we will not be dependent on India and other countries. We should not be dependent on these little nations which run from everybody.

What is to be gained by taking this piecemeal and adopting it, until we get to the point where there is only one thing left?

Mr. KNOWLAND. All I can say to the Senator is that to the extent we took action on the last resolution, in which I stood with the Senator from Nevada——

Mr. MALONE. I appreciated it very much.

Mr. KNOWLAND. We had to take it piecemeal, in the sense that we acted on the amendment dealing with social-security payments to the States under the law of 1935, upon which for 21 years the States have relied.

The Senator is still not foreclosed as to any of his rights to offer the same amendment, if he wishes, that he offered before, or to offer some other amendment. The Senator still has the right of discussion in the Senate. However, I thought my proposal would enable the Senate to at least dispose of this matter.

The Senator from Nevada has not indicated, at least, that he is opposed to the public assistance phase of the joint resolution. He is merely greatly concerned because the other body did not see fit to agree on some compromise figure with respect to the mineral item.

I assure the Senator he will not lose any of his rights, if he agrees to my suggestion, but he will thereby permit the Senate to again state its position, which is that in this field of public assistance payments the Senate does not intend to shortchange the States.

Mr. MALONE. I will say to the distinguished Senator that I understand his great anxiety to adjourn the Senate. I would like very much to adjourn it myself, or recess for the period agreed on between the House and the Senate.

Mr. KNOWLAND. Mr. President, if the Senator will yield, first of all, there has been no agreement between the House and the Senate on a resolution as to a period of adjournment.

I will say to the Senator from Nevada that I have already canceled three plane reservations out of Washington, and I am prepared to cancel all the others and remain here all Easter week, if it is necessary, to conduct the public business. I am sure other Members of the Senate are prepared to do likewise.

By the same token, it has been customary for both the House and the Senate to take a recess of varying periods during the Easter season. I am merely trying to accomplish this much legislatively tonight, before the Senate recesses until tomorrow.

The able Senator has already forced, or will in effect have forced, both the House and the Senate to go over for 1 additional day, so he will lose nothing by letting us accomplish this much legislatively.

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). Is it the position of the Senator from California that the Senator from Nevada is speaking on the subject of materials and minerals, and the Senator from California is suggesting that the Senate be permitted to dispose of the issue on welfare?

Mr. KNOWLAND. The Presiding Officer is correct. Of course, we have no rule of germaneness in the Senate, and the Senator is entirely in order to talk about strategic materials or anything else under this heading. I was only suggesting as a matter of courtesy to the leadership of the Senate that the distinguished Senator, who obviously feels very deeply and sincerely on this subject, and who considers it to be important to bring it to the attention of the Senate and the country, might let us proceed and take care of the public-assistance phase of the matter. That is all I am asking the Senator to do.

Mr. MALONE. Mr. President, I will say again to the distinguished Senator that what we are doing is taking it piecemeal. Finally we shall be left sitting behind the eight ball with no place to go.

Mr. KNOWLAND. No.

Mr. MALONE. Wait a minute. I wish to finish this statement this time.

In the first place, the House pulled a sneak punch on the Senate by passing a resolution merely approving everything, a blanket approval without any warning to the Senate whatever, when we were already in conference, without suggesting any way out at all. Making no suggestion in the conference, so that the matter could be disposed of, they pulled this resolution out and threw it down on the table one day without any warning, and we either had to take it or go home. Then today the Senate, in its wisdom, put back the 2 or 3 or 4 things it thought important. Then the matter went over, and without warning they put over an entirely new bill in the House, and sent it to the Senate, knowing that everybody here had made plans to go home, just as I have.

I wish to go home, but I wish to tell the distinguished Senator, who leads this Senate on our side of the aisle, that I do not wish to go home that much. I am ready to stay right here, as I said before, until the snow is 9 feet deep on

Pennsylvania Avenue, until we make some sense out of this thing. We cannot do it by taking it piecemeal, everything they want and nothing we want.

Mr. KNOWLAND. I am saying to the Senator that we are not taking it piecemeal, because we are not agreeing to the House position on this matter. In the first place, we are making a very fundamental change in this resolution, which has been one of the main factors that has tied up the conference. The House first put on a limitation of $15 million, and then they put on a limitation of $16 million, which I personally think is contrary to the statute. So we are not yielding to the House in any sense of the word on this item of public assistance.

If I were suggesting to the Senator that he permit the Senate to accept the amendment of the Senator from Alabama [Mr. HILL], and if I were then proposing that tonight the Senate should pass the bill—as he might call it, piecemeal—I think the Senator's position would be entirely correct.

Mr. MALONE. May I ask the Senator from California a question?

Mr. KNOWLAND. But I am not proposing that the Senate do that. The bill will still be before the Senate, and the Senator's rights will be reserved.

Mr. MALONE. May I ask the Senator a question?

Mr. KNOWLAND. I am glad to yield to my distinguished friend, the Senator from Nevada.

Mr. MALONE. What would be gained by doing this tonight rather than tomorrow?

Mr. KNOWLAND. We would send to the country, to all of the States of the Union, notice that the Senate had again reiterated its position on the question of public assistance. I think that is extremely important from the point of view of the States and from the point of view of the old people. If the Senate should happen to recess without taking this action, they would be denied their payments under the old-age assistance program. I think it is important that they understand, which they otherwise may not, that it is another subject matter which is tying up the House and the Senate, in consideration of the joint resolution.

Mr. MALONE. I will make a suggestion to the distinguished Senator from California, our distinguished minority leader. I will guarantee that the old people of Nevada will understand, because they understand they are being destroyed utterly by the 34 competitive nations in Geneva, who are regulating our foreign trade and national economy. By voting more and more money all over the world we are cheapening the value of money every day. We give lip service to stopping inflation, and make no effort to stop it. It has increased as fast or faster since 1952 than it did during the previous 4 years.

So what we do is lower the purchasing power of wages, and we lower the purchasing power of pensions, and there are some places where there is no way to raise those pensions, for they are not paid directly. We can raise the social-security payments to keep pace with inflation. That is what we are talking about now with relation to railroad men. Inflation has lowered the purchasing power of their retirement pensions, so they have come to the point where they are willing to put in more money if we will raise their pensions, so that they can make ends meet and buy groceries. We are about to enter that discussion again. I am about to cooperate with other Senators in the Senate to bring that about.

Here we are talking about something the House might agree on, and leaving out the controversial items.

I will make this suggestion to the distinguished minority leader: That we do the same thing on the mineral purchase provision; just put it right back in, and send the joint resolution back. Then I will go along with the Senator.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MALONE. Does any Senator have anything to offer in that regard?

Mr. MANSFIELD. Mr. President, will the Senator yield for a unanimous-consent request without losing his right to the floor?

Mr. MALONE. No. I am just starting, as a matter of fact, unless we can bring some sense into play.

This is what I would like to see done: I should like to see this joint resolution sent back to the House exactly as we sent it back before, not taking it piecemeal.

Mr. MANSFIELD. All I am asking for is the opportunity to make a unanimous-consent request, without the Senator from Nevada losing his right to the floor.

Mr. MALONE. That does not mean anything. I will probably lose my life some time here, if this thing keeps up.

Mr. MANSFIELD. Perhaps we all will.

Mr. MALONE. I really intend to fight this out on the ground floor, and I am capable of doing it.

Mr. MANSFIELD. I do not doubt that in the least.

Mr. MALONE. I know what the Senator wants, and I am in sympathy with him, but he is taking the ground out from under us by agreeing with the things they want. Then they can go home and let us alone.

Mr. MANSFIELD. No. This is something else. I will tell the distinguished Senator what I had in mind. The minority leader [Mr. KNOWLAND] and I had agreed that when the Senate adjourned today—or tomorrow morning—it ought to reassemble at 10 o'clock tomorrow. If the Senator from Nevada has no objection, I should like to place that proposal in the form of a unanimous-consent request at this time.

Mr. MALONE. I have the highest regard in the world for the Senator, but I think the Senate ought to reconvene at the regular time, and I think we should leave this question for debate—all of it. Then tomorrow, when the Senate reassembles, we can debate it. I will take my chances on getting the floor. The Senator does not need to protect me.

Mr. MANSFIELD. The Senator is pretty good at preserving himself.

Mr. MALONE. It is not that. I think the country is at stake. I have just read the Harry Dexter White memorandum to Morgenthau, and Morgenthau's letter to the President. We are still supporting Harry Dexter White, and he has been dead 10 years. We are voting for him.

Mr. MANSFIELD. I will withdraw my request at this time, and listen to the Senator from Nevada with great interest.

Mr. MALONE. The third recommendation in the series to which I have referred is as follows:

> We recommend that the United States return to the constitutional method of adjusting duties or tariffs in the regulation of foreign trade and in the interest of the national economy—article I, section 8 of the Constitution.

We circumvented the Constitution of the United States when the Legislature, in 1934, under great pressure from a powerful President, transferred its constitutional responsibility. Senators occupying seats in this body transferred their constitutional responsibility to the President, with full authority to place such responsibility anywhere in the world, under the jurisdiction of any organization he might spearhead. So in 1947 he organized the General Agreement on Tariffs and Trade. I assume Senators have heard of that organization. It is located in Geneva. The President could have located it in Peiping or Moscow; and some day some President might do that.

Many things were done which were dumfounding. I represented the Military Affairs Committee at San Francisco in 1945. I was there as an observer, by direction of the committee. What did I see? I saw Harry Dexter White leading Senators around by the nose. I saw him writing the articles giving England more votes. It is 10 times the number of votes which the United States of America has. A similar situation prevails with respect to Belgium. Even Lithuania, if she had been a member, would have had just as many votes as the United States of America. So we signed, and again depended upon foreign nations for the things without which we cannot live, either in war or peace. We can be blackmailed all our lives, and we are being blackmailed.

The next recommendations are as follows:

> 4. We recommend that, beyond mutual collaboration on the Monroe Doctrine principle of security of the Western Hemisphere, sound money and mutual integrity of private interests, the sovereign nations of that area each conduct its domestic affairs without external interference.
>
> 5. We recommend that each nation of the Western Hemisphere collaborate in establishing and maintaining a stockpile of critical materials, which, added to the "going concern" production within the area, will equal the estimated consumption during any projected emergency.

I invite specific attention to the language "going concern" production.

> This procedure will be facilitated by market value exchange convertibility.

In other words, if we have a going concern production which equals our consumption in war time, we do not need a stockpile. The stockpile we need is a stockpile which represents, with respect to each particular strategic or critical material, the amount which, added to the going concern production, would equal what we need each year. That is what

we are talking about tonight. We are talking about the going concern production of the United States.

Harry Dexter White, Morgenthau, and others of their ilk said that we could not produce in this country, so we must depend on Russia. We are depending on India and other nations almost as far away, and just as uncertain. The record shows that in peacetime India stopped our importation of something which they thought we had to have, and could not obtain elsewhere. It happened to be monazite sands. It so happened that we could obtain the material somewhere else, but the principle is the same. The minute a war started, there would be a little pressure on India, and we could not obtain a ton of manganese from India.

There is one thing which I deplore about Washington. There is probably more education and less horsesense in Washington than in any other place I have ever been—and I have been in a good many places.

The next recommendation is as follows:

> 6. We maintain that the Western Hemisphere can be made self-sufficient in the production of the critical materials necessary for war or peace.

All we need to do, if we have any doubts in that connection, is to consult these reports. One of them was published in 1957, and the other was published in 1955. If any Senator has a few minutes in which he does not have to determine how much money to send to some foreign nation, he can profitably study these reports. I see that it is proposed to send $48 million to Hungary. We reduced the amount by about $2 million for some reason. Probably that proportion of the population of Hungary emigrated to the United States.

If there is any doubt on the subject, I refer to Senate Report 1627 for the factual, documented information. While one may draw different conclusions from those of the Senate committee which wrote the report, or different conclusions from my own, we cannot change the facts. They are documented. It would be very interesting reading if we had any time to consider the United States of America and the Western Hemisphere, instead of the area within 500 miles of Russia.

The next recommendation is as follows:

> 7. We maintain that whatever area it is necessary to defend for our own ultimate safety under an extended Monroe Doctrine policy must be defended from North America.

Let us consider our position. We have bases all over the world. All of Europe will be neutral when the fight starts. Those bases are within a very reasonable distance of Russia. Much strategic defense advice is to the effect that we could not hold those bases for 30 minutes. Many say, "If we could get off the ground once, it would be worth it." But that would sacrifice every man on foot and in the air, including every man who is there to maintain the planes. They would be sacrificial troops.

We have foot soldiers in 73 nations around the world, and they will be as dead as Julius Caesar or on their way to the salt mines a week after the war starts, because we will not be able to feed them and we will not be able to get them home.

We could build long-range bombers which could fly to Russia and return without refueling. We had better get to doing that. We can build cargo planes that will hold 100,000 pounds of material. With those cargo planes we will not need a billion dollars' worth of stuff in every airport of the world. We can put the material down with parachute troops and leave it there, if necessary, or move it.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. KNOWLAND. In view of the colloquy which we had, and because the Senator has objected to the request I made, I do not intend to renew my request, but I wonder whether the Senator would have any objection to having the Senate recess until tomorrow at the regular time of 12 o'clock noon, particularly in view of the fact that the House, I have been informed, has now recessed until 12 o'clock noon tomorrow. I wonder, therefore, whether the Senator would be willing to yield so that a motion could be made to recess until 12 o'clock noon tomorrow.

Mr. MALONE. I shall be very glad to yield the floor for that purpose, because I see no advantage or disadvantage in keeping the floor at this time, if it is understood that we will debate the question at 12 o'clock tomorrow. I should also like to have it understood that I will have the floor tomorrow in the event it is necessary to discuss the subject further at that time.

Mr. HILL. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. HILL. Would the Senator be willing at this time to dispose of the pending amendment?

Mr. MALONE. I did not hear the Senator.

Mr. HILL. Would the Senator be willing to dispose of the pending amendment at this time? The Senator could then offer any amendment he saw fit to offer.

Mr. MALONE. I would be happy to join the Senator from Alabama, whom I have known for 11 years on the floor of the Senate and for 25 years before I came to the Senate, in connection with veterans' organizations, if we could just say to the House, "You pulled a sneak punch on the Senate, and there is no other way around it," and if the Senate would send back to the House the same thing we sent this afternoon and say, "We are here for the period." That is what we should do. Then I would be glad to go along with the amendment of the Senator from Alabama.

Mr. KNOWLAND. Mr. President, the distinguished acting majority leader has temporarily stepped out of the Chamber. I wonder if the Senator from Nevada will yield to me, with the understanding that he will not lose his right to the floor, so I may make an insertion in the RECORD at this point.

Mr. MALONE. I will be happy to yield for that purpose, and also for the purpose of making a motion to recess or adjourn until 12 o'clock tomorrow, at which time the senior Senator from Nevada will have the floor, if he chooses to take it.

AID TO IRON CURTAIN COUNTRIES

Mr. KNOWLAND. Mr. President, I have a brief statement I should like to make for the RECORD. I have a letter which I received under date of April 12. It reads:

> DEAR SENATOR: I wish to compliment you for your stand against the administration's offer of economic aid to Poland.
>
> I have been a newspaper correspondent in Europe for 23 years and know Poland and the Iron Curtain better than most Americans.
>
> Just this week I returned from an extensive tour through Poland. I spent considerable time in the western provinces which make up the former German territories of Silesia, Brandenburg, and Pomerania.
>
> In these areas I had ample opportunity to see the breakdown of the Polish coal industry. The mining machinery is very antiquated and in many cases dates back to the period before 1914. The miners themselves are very dissatisfied as shown in the great turnover in personnel. Mining officials admitted to me that there was a 53-percent turnover in miners between January and July 1953.
>
> The primary reasons for this unwillingness of men to stay in the mines are the antiquated working conditions, poor housing, and the psychological what's-the-use attitude. Everywhere I found rumors that Polish coal had been sold to Russia for 8 zlotys per car. Russia in turn got $30 per car from Sweden. Eight zlotys are worth about 6 cents in Breslau's and other Silesian black markets.
>
> Rather than improve these conditions by giving Poland mining machinery, I for one believe that they are the very conditions that we should encourage. They have so far resulted in the slowing down of production in East Germany, Czechoslovakia, and contributed much to the Budapest revolution.
>
> Daily I saw the effect that this shortage of coal had and would have in time of war on shipments of supplies from Russia to Red army troops in East Germany. The locomotives had no hard coal and had to operate on brown coal or peat. This is very inefficient fuel and slows the trains considerably, also lays up locomotives for frequent cleanings.
>
> During this trip through the lost provinces of Germany I saw much evidence of the present population movement from Poland to Germany, also the replacing of these Germans by Poles from Russia. These brought back very vividly Gomulka's last expulsion of Germans in 1945–47.
>
> At that time Gomulka was Minister of State in Charge of Western Provinces. His expulsion methods were no better than what Himmler and Frank had done to the Poles. When he came into office there were 5,650,000 Germans under his administration. Of these, 29 percent, or over 1,600,000, were killed or died in the processes used by Gomulka during the first year alone.
>
> Your fellow Members of the United States Senate must have very short memories if they have forgotten the horror of Gomulka's camps of Stettin-Scheune, Kreskow, Frauendorf, and others. I have not, nor have any of those that saw them or heard the accounts of those that came from them. I can only suggest that you refresh their memories, then they will know better with whom they deal.
>
> From several years of traveling in the Iron Curtain countries I am convinced that it is far from impregnable. This is a year like

1848, when the people are ripe for throwing off autocracy. With a firm stand by the United States the Iron Curtain would go over like an outhouse on Halloween with all the little Kadars and Gomulkas scampering off to Moscow.

RECESS

Mr. BIBLE. Mr. President, if there is no further business to be transacted, I move that the Senate stand in recess until 12 o'clock tomorrow, with the understanding that the Senator from Nevada will not thereby lose his right to the floor.

The PRESIDING OFFICER. The question is on the motion of the Senator from Nevada.

The motion was agreed to; and (at 6 o'clock and 49 minutes p. m.) the Senate took a recess until tomorrow, Thursday, April 18, 1957, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 17, 1957:

UNITED NATIONS

Donald Vaughn Lowe, of New Jersey, to be representative of the United States of America on the Transport and Communications Commission of the Economic and Social Council of the United Nations.

DIPLOMATIC AND FOREIGN SERVICE

Gerald A. Drew of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Haiti.

CIVIL SERVICE COMMISSION

Frederick J. Lawton, of the District of Columbia, to be Civil Service Commissioner, term of 6 years, from March 1, 1957.

Christopher H. Phillips, of Massachusetts, to be Civil Service Commissioner, term of 4 years, from March 1, 1957.

Harris Ellsworth, of Oregon, to be Civil Service Commissioner, term of 2 years, from March 1, 1957.

ROUTINE APPOINTMENT IN THE DIPLOMATIC AND FOREIGN SERVICE

The following-named persons to the offices indicated:

To be consuls general

Robert B. Memminger, of South Carolina.
Allen B. Moreland, of Florida.
George H. Owen, of New York.

To be Foreign Service officers of class 2, consuls, and secretaries

John W. Evans, of the District of Columbia.
Russell L. Riley, of Missouri.

To be Foreign Service officers of class 3, consuls, and secretaries

John L. Brown, of Massachusetts.
William Gerber, of Pennsylvania.
Dr. Merle Walker, of Kansas.

To be Foreign Service officers of class 4, consuls, and secretaries

Mrs. Ursula H. Duffus, of Ohio.
Miss Jean Jerolaman, of New York.
Miss Lucy Richmond Lentz, of North Carolina.

To be Foreign Service officers of class 5, consuls, and secretaries

Elwood M. Browne, of Maryland.
William J. Monticone, of Rhode Island.
James C. Quick, of Florida.
Clarence W. Toulme, of Louisiana.

To be consul

Malcolm P. Hallam, of South Dakota.

To be Foreign Service officer of class 6, consul, and secretary

William P. Shockley, Jr., of California.

To be Foreign Service officers of class 6, vice consuls of career, and secretaries

Martin S. Bowe, Jr., of Massachusetts.
Miss Eleanor Van Trump Glenn, of Georgia.
Miss Fannie Goldstein, of New York.
William H. Hardage, of Georgia.
Miss Jessie L. Harnit, of North Dakota.
Clarence J. Heissel, of California.
J. William Henry, of Arizona.
Miss Margaret Ruth Kelley, of California.
James B. Lindsey, of Florida.
David H. McCabe, of Maryland.
Miss Mary Willis McKenzie, of Virginia.
Miss Isabelle Pinard, of California.
Miss Irene L. Rossi, of Pennsylvania.
Benjamin J. Ruyle, of Washington.
John W. Sullivan, of Maryland.
E. Paul Taylor, of California.
James G. Ward, of Pennsylvania.
Charles T. Warner, of West Virginia.
Walter C. Young, of Pennsylvania.

To be Foreign Service officers of class 8, vice consuls of career, and secretaries

George Aneiro, of Wisconsin.
Roy J. Apel, of California.
Diego C. Asencio, of New Jersey.
Thomas J. Barnes, of Minnesota.
Eugene J. Bashe, of California.
Arthur C. Bauman, of Michigan.
Michele C. Bozzelli, of Ohio.
John A. Cantwell, of New York.
George F. Carr, Jr., of Texas.
Temple G. Cole, of Kentucky.
G. Leslie Dillmann, Jr., of Louisiana.
John M. DuPont, of Massachusetts.
Harvey Fergusson, of New Jersey.
Peter F. Frost, of Connecticut.
Gregory Gay, of Ohio.
Robert S. Gershenson, of Pennsylvania.
William L. Givens, of California.
Leopold Gotzlinger, of Ohio.
Philip J. Griffin, of the District of Columbia.
John C. Griffith, of Connecticut.
Terrence T. Grindall, of California.
Thomas Gustafson, of Virginia.
Kent H. Hall, of California.
Clifford H. Harpe, of Tennessee.
James R. Head, of Wisconsin.
Aaron F. Jacobs, of New York.
Roy H. Johnson, of Nevada.
Stanley E. Kagan, of New York.
Robert D. Knight, of California.
Miss Morelle Lasky, of California.
Norman D. Leach, of California.
Wingate Lloyd, of Pennsylvania.
Alan Logan, of California.
Shepard C. Lowman, of Texas.
Eugene A. Luebker, of Minnesota.
Carl H. McMillan, Jr., of Maryland.
Edward J. Maguire, Jr., of California.
William H. Mills, of Maryland.
Gottfried W. Moser, of New York.
Ronald D. Palmer, of the District of Columbia.
Ross C. Parr, of Michigan.
Douglas R. Perry, of Maryland.
Robert J. Perry, of Ohio.
Walter G. Ramsay, of Virginia.
Robert G. Rich, Jr., of Florida.
George B. Roberts, Jr., of Pennsylvania.
Roger C. Schrader, of Missouri.
Richard C. Searing, of New Jersey.
Carl G. Shepherd, of New York.
William L. Simmons, of Mississippi.
Kenneth N. Skoug, Jr., of Minnesota.
John D. Spangler, of Tennessee.
James M. Thomson, of Minnesota.
Miss Virginia A. Weyres, of Wisconsin.
Dawson S. Wilson, of Florida.
Bruce E. Woolner, of Texas.
Robert G. Wright, of Illinois.
Albert J. Zuckerman, of New York.

The following-named staff officers to the offices indicated:

To be consuls

Frank C. Niccoli, of California.
William P. Robertson, of Tennessee.
Warren L. Swope, of Illinois.

The following-named Reserve officers to the offices indicated:

Joseph C. Arundale, of Oklahoma.
Lee F. Dinsmore, of Maryland.
Wilfred V. Duke, of Oregon.
Zachary P. Geaneas, of New York.
Edward Macauley 3d, of Rhode Island.
Roswell M. Parrott, of Virginia.
John L. Wiggin, of New Hampshire.

To be consuls and secretaries

Henry S. Bonner, of Massachusetts.
Frederick W. Flott, Jr., of Illinois.
E. Howard Hunt, Jr., of Florida.

To be secretaries

Philip F. Fendig, of the District of Columbia.
Franklin P. Holcomb, of the District of Columbia.
John P. Horgan, of Massachusetts.
Richard M. McCarthy, of Iowa.
Samuel H. Rickard III, of Michigan.
William C. Simenson, of Wsconsin.

To be vice consuls and secretaries

Osborne A. Day, of Connecticut.
Fred C. Thomas, Jr., of Pennsylvania.

To be vice consuls

Roderick W. Horton, of New York.
Spiros A. Siafacas, of Florida.
Quentin H. Watkins, of Indiana.

HOUSE OF REPRESENTATIVES

WEDNESDAY, APRIL 17, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, whose amazing love we cannot fathom, in these days of Holy Week, we are calling to mind the sufferings and death and resurrection of the Captain of our Salvation.

We rejoice that when there was no eye to pity and no arm to save, then in the fullness of time Thou didst send Thine only begotten Son to be our Saviour.

Our hearts go out to Thee in gratitude for His redeeming ministry, emancipating mankind from the bondage and power of sin and releasing its hidden splendor.

Give us the glad assurance that the sacrifice of His life on the cross is the propitiation for our sins; and not for ours only but for the sins of the whole world.

Help us to hasten the dawning of that blessed day when the spirit of man shall be too strong for chains and too large for imprisonment.

In Christ's name we pray. Amen.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 71. An act to prohibit the payment of pensions to persons confined in penal institutions for periods longer than 60 days;

H. R. 3035. An act to provide a temporary extension of certain special provisions relating to State plans for aid to the blind;

H. R. 4686. An act to continue until the close of June 30, 1958, the suspension of duties and import taxes on metal scrap, and for other purposes; and

H. J. Res. 126. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the Washington State Sixth International Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6304. An act to make permanent the existing privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad, and for other purposes.

The message also announced that the Senate had passed a bill and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 1034. An act to authorize and direct the Secretary of Agriculture to convey to the University of Missouri, for agricultural purposes, certain real property in Callaway County, Mo.;

S. J. Res. 12. Joint resolution to provide for transfer of right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, and payment to Crow Indian Tribe in connection therewith, and for other purposes; and

S. J. Res. 70. Joint resolution requesting the President to proclaim the week of April 28 to May 4, 1957, inclusive, as National Mental Health Week.

CALL OF THE HOUSE

Mr. JUDD. Mr. Speaker, I suggest the absence of a quorum and make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

The call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 63]

Barden
Blitch
Bowler
Boykin
Buckley
Celler
Colmer
Curtis, Mo.
Dague
Davis, Ga.
Delay
Dies
Donohue
Eberharter
Farbstein
Fino
Forrester
Gordon
Green, Pa.
Gregory
Harvey
Hill
Holifield
Holt
Holtzman
Hull
Jenkins
Keating
Loser
McDonough
McGovern
Magnuson
Miller, Calif.
Miller, Md.
Miller, N. Y.
Morrison
Multer
O'Konski
Patman
Philbin
Prouty
Radwan
Rains
Reece, Tenn.
Riehlman
Robeson, Va.
Sadlak
St. George
Scherer
Scott, Pa.
Shelley
Sheppard
Sieminski
Smith, Kans.
Steed
Teague, Tex.
Teller
Thomas
Utt
Vinson
Vursell
Walter
Willis
Young
Zelenko

The SPEAKER. On this rollcall 370 Members are present, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEPARTMENTS OF STATE AND JUSTICE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION BILL, FISCAL YEAR 1958

The SPEAKER. The unfinished business is the further consideration of the bill (H. R. 6871) making appropriations for the Departments of State and Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes, which the Clerk will report by title.

The Clerk read the title of the bill.

The SPEAKER. Without objection, the Clerk will again report the amendment adopted in the Committee of the Whole.

There was no objection.

The Clerk read as follows:

On page 6, line 6, strike out the figure "$35,899,243" and insert "$28,859,285."

The SPEAKER. The question is on the amendment.

Mr. GROSS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 167, nays 205, not voting 60, as follows:

[Roll No. 64]

YEAS—167

Abbitt
Abernethy
Adair
Alexander
Alger
Allen, Calif.
Allen, Ill.
Andersen, H. Carl
Andresen, August H.
Andrews
Ashmore
Ayres
Bailey
Baker
Baring
Bates
Baumhart
Beamer
Belcher
Bennett, Fla.
Bennett, Mich.
Bentley
Berry
Betts
Bonner
Bosch
Boykin
Boyle
Bray
Brooks, La.
Broomfield
Brown, Mo.
Brown, Ohio
Brownson
Broyhill
Budge
Burdick
Burleson
Byrd
Byrne, Ill.
Cannon
Carrigg
Cederberg
Chamberlain
Chelf
Christopher
Church
Cole
Collier
Corbett
Cramer
Cretella
Cunningham, Iowa
Cunningham, Nebr.
Curtin
Dague
Dawson, Utah
Derounian
Dorn, S. C.
Dowdy
Durham
Fallon
Feighan
Fisher
Flynt
Fountain
Frazier
Gary
Gathings
Gavin
Grant
Gray
Gross
Gwinn
Hagen
Haley
Harden
Hardy
Harrison, Nebr.
Harrison, Va.
Hébert
Hemphill
Henderson
Herlong
Hess
Hiestand
Hillings
Hoeven
Hoffman
Hosmer
Huddleston
Hull
Jackson
Jennings
Jensen
Johansen
Jonas
Keeney
Kilgore
Kitchin
Knox
Krueger
Laird
Landrum
Lane
Latham
Lennon
Lipscomb
Long
McCulloch
McGregor
McMillan
McVey
Mack, Wash.
Mason
Matthews
Meader
Michel
Miller, Nebr.
Minshall
Moore
Moulder
Mumma
Murray
Neal
Nicholson
Nimtz
Norblad
O'Hara, Minn.
Passman
Pillion
Poff
Polk
Rees, Kans.
Rivers
Rogers, Fla.
Rogers, Tex.
Rutherford
Schenck
Scott, N. C.
Scrivner
Selden
Sheehan
Shuford
Siler
Simpson, Ill.
Simpson, Pa.
Smith, Calif.
Smith, Va.
Smith, Wis.
Taile
Taylor
Teague, Calif.
Teague, Tex.
Thomson, Wyo.
Tollefson
Tuck
Van Pelt
Weaver
Wharton
Whitener
Whitten
Williams, Miss.
Williams, N. Y.
Winstead
Withrow
Younger

NAYS—205

Addonizio
Albert
Anderson, Mont.
Anfuso
Arends
Ashley
Aspinall
Auchincloss
Avery
Baldwin
Barrett
Bass, N. H.
Bass, Tenn.
Beckworth
Blatnik
Boggs
Boland
Bolling
Bolton
Bow
Breeding
Brooks, Tex.
Brown, Ga.
Bush
Byrne, Pa.
Byrnes, Wis.
Canfield
Carnahan
Chenoweth
Chiperfield
Chudoff
Clark
Clevenger
Coad
Coffin
Cooley
Cooper
Coudert
Curtis, Mass.
Davis, Tenn.
Dawson, Ill.
Delaney
Dellay
Dempsey
Dennison
Denton
Devereux
Diggs
Dingell
Dixon
Dollinger
Dooley
Dorn, N. Y.
Doyle
Dwyer
Eberharter
Edmondson
Elliott
Engle
Evins
Fascell
Fenton
Flood
Fogarty
Forand
Ford
Frelinghuysen
Friedel
Fulton
Garmatz
George
Granahan
Green, Oreg.
Griffin
Griffiths
Gubser
Hale
Halleck
Harris
Haskell
Hays, Ark.
Hays, Ohio
Healey
Heselton
Holifield
Holland
Holmes
Horan
Hyde
Ikard
James
Jarman
Johnson
Jones, Ala.
Jones, Mo.
Judd
Karsten
Kean
Kearns
Kee
Kelley, Pa.
Kelly, N. Y.
Keogh
Kilburn
Kilday
King
Kirwan
Kluczynski
Knutson
Lanham
Lankford
LeCompte
Lesinski
McCarthy
McConnell
McCormack
McFall
McIntire
McIntosh
Macdonald
Machrowicz
Mack, Ill.
Madden
Mahon
Mailliard
Marshall
Martin
May
Merrow
Metcalf
Miller, Md.
Mills
Morano
Morgan
Morris
Moss
Natcher
Norrell
O'Brien, Ill.
O'Brien, N. Y.
O'Hara, Ill.
O'Neill
Osmers
Ostertag
Patterson
Pelly
Perkins
Pfost
Pilcher
Poage
Porter
Powell
Preston
Price
Prouty
Rabaut
Ray
Reed
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Riley
Roberts
Robsion, Ky.
Rodino
Rogers, Colo.
Rogers, Mass.
Rooney
Roosevelt
Santangelo
Saund
Saylor
Schwengel
Scudder
Seely-Brown
Sikes
Sisk
Smith, Miss.
Spence
Springer
Staggers
Stauffer
Sullivan
Taber
Tewes
Thompson, N. J.
Thompson, Tex.
Thornberry
Trimble
Udall
Ullman
Vanik
Van Zandt
Vorys
Watts
Westland
Widnall
Wier
Wigglesworth
Wilson, Calif.
Wilson, Ind.
Wolverton
Wright
Yates
Zablocki

NOT VOTING—60

Barden
Becker
Blitch
Bowler
Buckley
Celler
Colmer
Curtis, Mo.
Davis, Ga.
Dies
Donohue
Farbstein
Fino
Forrester
Gordon
Green, Pa.
Gregory
Harvey
Hill
Holt
Holtzman
Jenkins
Kearney
Keating
Loser
McDonough
McGovern
Magnuson
Miller, Calif.
Miller, N. Y.
Morrison
Multer
O'Konski
Patman
Philbin
Radwan
Reece, Tenn.
Riehlman
Robeson, Va.
Sadlak
St. George
Scherer
Scott, Pa.
Shelley
Sheppard
Sieminski
Smith, Kans.
Steed
Teller
Thomas
Thompson, La.
Utt
Vinson
Vursell
Wainwright
Walter
Willis
Young
Zelenko

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Riehlman for, with Mr. Holtzman against.

Mr. Jenkins for, with Mr. Keating against.

Mr. O'Konski for, with Mr. Reece of Tennessee against.

Mr. Becker for, with Mr. Vinson against.

Mr. Colmer for, with Mr. Buckley against.

Mr. Fino for, with Mr. Holt against.

Mr. Thompson of Louisiana for, with Mr. Farbstein against.

Mr. Willis for, with Mr. Forrester against.

Mr. Barden for, with Mr. Rains against.

Mr. Robeson of Virginia for, with Mr. Zelenko against.
Mr. Dies for, with Mr. Celler against.
Mr. Scherer for, with Mr. Vursell against.
Mr. Radwan for, with Mr. Teller against.
Mr. Morrison for, with Mr. Multer against.

Until further notice:

Mr. Gordon with Mrs. St. George.
Mr. Donohue with Mr. Smith of Kansas.
Mr. Philbin with Mr. Harvey.
Mr. Patman with Mr. Kearney.
Mr. Shelley with Mr. Miller of New York.
Mr. Sheppard with Mr. McDonough.
Mr. Walter with Mr. Curtis of Missouri.
Mr. Young with Mr. Utt.
Mr. Loser with Mr. Wainwright.
Mr. Miller of California with Mr. Sadlak.
Mr. Bowler with Mr. Scott of Pennsylvania.
Mr. McGovern with Mr. Hill.

Mr. GEORGE changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. WILSON of Indiana. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. WILSON of Indiana. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. WILSON of Indiana moves to recommit the bill H. R. 6871 to the Committee on Appropriations.

Mr. ROONEY. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. HOFFMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. HOFFMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The bill was passed and a motion to reconsider was laid on the table.

Mr. HILLINGS. Mr. Speaker, one of the important phases of the program carried on by the United States Information Agency is motion pictures. A wide variety of films are produced for use abroad showing our American way of life and also exposing Communist lies about our people and our system of Government. In parts of the world where illiteracy is high, motion pictures have very high value in telling our story. Experience has proven that motion pictures are an effective and popular media for getting our story across to foreign people.

Documentary films play an important part in this phase of the USIA program. Recently I had called to my attention a very significant letter written by a prominent Pakistani concerning the documentary film of the second inauguration of President Eisenhower, which was shown in Karachi and other cities of Pakistan. This letter expressed in straightforward language the value of our films, as seen by people halfway around the world. The contents of that letter follow:

A few days ago my wife and I saw in a local cinema the film showing the second inauguration of President Eisenhower in Washington. It was a magnificent film, and we congratulate the USIA sincerely for bringing it to Dacca. My wife and I went to London as representatives of Bengal when the late King George was crowned in 1936, and we saw most of the ceremonies personally. We also saw the British film depicting the coronation of Her Majesty Queen Elizabeth. The British coronation ceremony is beautiful, solemn, and grand: it was a great experience to see it. But the inauguration of the American President was very different. It was solemn and impressive, but at the same time "homely" in the truest and highest sense of the term. I have read a great deal about democracy in America—I hope that I shall have the opportunity of visiting your great country this year—but the short film of the inauguration of the President brought home to us far more vividly than any amount of literature could have done that democracy is real and effective in America; that the President was chosen by a free and democratic people, and he was their true and beloved representative. We appreciated very much the singing of the American national anthem by the Negro singer, Miss Marian Anderson. There was a sincerity and fervor in that song—and she sang it magnificently—which (in our opinion) would not have been conveyed so forcefully and brought home to the hearts of the hearer, if there had been a formal choir of thousands singing in an organized, formal manner. The manner in which the President and Mrs. Eisenhower greeted the vast assembled crowd at the inauguration and subsequently in the reception proved that the people and the President of America are one and indivisible.

We should like to see this film several times. We congratulate you again for showing us this magnificent film.

With all good wishes,
Yours sincerely,

MAHMOOD HASAN.
Chairman, East Pakistan Public Service Commission.

Recently I heard criticism of USIA for engaging in what was called a "$100,000 film fiasco." I inquired into this matter and found the facts had been considerably garbled. In the first place the film in question was produced by a commercial company and not by USIA. The film was an exposure of the true nature of communism and calculated to alert people abroad to the dangers of communism. Ordinarily, such films are not produced commercially for overseas use. In this case USIA agreed to bear slightly less than one-fifth of the production cost because, I am informed, the message carried by this film is a powerful and moving one. In return the commercial producer retained the right to show the film commercially in the United States, which he did only after the same film had been shown abroad for several months. The response to this film in foreign countries has been such that plans are now being completed to adapt it to more foreign languages to cover a total of 23 countries.

Any charges growing out of this incident, that USIA is attempting to propagandize the American people, are unfounded. I have been assured by USIA that they did not produce the film, but rather it was produced by a commercial film company. I also have been assured that the showing of the film commercially in the United States was a straight commercial undertaking and in no way related to or connected with USIA.

Mr. MACK of Illinois. Mr. Speaker, I congratulate the gentleman from New York [Mr. ROONEY] and his subcommittee for their excellent job on the Justice Department appropriation bill. I regret, however, that they did not recommend funds for construction of a new maximum security prison. I have great confidence in the ability of Mr. James V. Bennett, who has been director of the Federal Bureau of Prisons for many years. Mr. Bennett testified that a critical need exists for another prison to house the worst type of offender. Mr. Bennett told the subcommittee that overcrowding of these institutions has been critical for years and does not seem to be getting any better. Is it not false economy to delay this construction? Are we not impeding the orderly development of the Federal prison system? By delaying this work, we run the risk of conditions deteriorating to the point where we might have to undertake a crash program at far greater expense.

Within the last year or so major riots have broken out in many State prisons across the country. Overcrowding, antiquated facilities, and insufficiently trained personnel have contributed to these troubles. It is significant that none of the recent riots occurred in a Federal institution. In fact, there has not been a major disturbance at a Federal prison in many years. But unless we act to reduce overcrowding, how long can we count on maintaining that fortunate record?

I appreciate the subcommittee's reluctance to provide funds for a new maximum security prison in the fact of statistics which appear to reflect a slight decline in the prison population. According to the tables on page 262 of the hearings, there were 220 fewer prisoners incarcerated in the Atlanta, Leavenworth, and McNeil Island maximum-security prisons on June 30, 1956, as compared to June 30, 1955. However, I have been informed by the Bureau of Prisons that the United States marshals ran out of transportation money toward the end of the last fiscal year. Convicted prisoners in the marshals' custody were held back in jail until money became available after July 1 to transport them to prison. For this reason, the prison population figures for June 30, 1956, were abnormally low. A more accurate picture, I believe, is reflected by Bureau of Prisons statistics for April 4, 1957. On that date, less than 2 weeks ago, the Atlanta, Leavenworth, and McNeil Island institutions housed 6,073 prisoners, or 146 more than on the same date a year ago.

On April 4, 1957, the Atlanta prison had 2,654 inmates, 534 more than its rated capacity. The Leavenworth prison had 2,427, 523 over capacity, and the McNeil Island prison had 992, 231 over capacity.

During the first 9 months of the present fiscal year, commitments to all Federal penal institutions declined by 1.3 percent as compared with the previous

year. But if you will deduct those prisoners convicted of military and immigration offenses, you will find that commitments actually increased 7.7 percent.

Even these figures do not tell the whole story. What is perhaps more significant is that judges are being more severe with serious offenders. Hardened criminals are receiving longer sentences than formerly was the case. Please note this statement on page 255 of Mr. Bennett's testimony.

The average sentence for maximum custody cases in 1 year has increased 5 months. The average length of stay has increased 2 months at these institutions.

The appropriation asked by the Justice Department would allow work to start on a new prison for 600 prisoners convicted of serious crimes. There has been no maximum security prison built since 1902. Alcatraz was built 87 years ago.

An excellent résumé of this situation was contained in an article by Mr. Edward J. Mowery in the Sunday, April 7, issue of the National Weekly. I include the article entitled "The Crisis in Our Prison System" in the RECORD at this point.

THE CRISIS IN OUR PRISON SYSTEM

(By Edward J. Mowery)

The Federal prison system is facing a real crisis. Its administrators admit they are sitting on a "powder keg."

Here's the picture:

More than 20,000 prisoners—a record high—are jammed into antiquated bastilles, some of which were designed to "accommodate" the train robbers and whisky barons of bygone eras.

More felons are committing more serious crimes and receiving longer sentences. A mounting army of youthful offenders and a steadily rising crime cycle have completely exhausted cell capacity.

Overcrowding in the various institutions is critical and dangerous. And the lofty goal of trying to rehabilitate these thousands of inmates and return them to society is purely visionary.

A careful analysis of the explosive situation shows that the hoary institutions which once housed the notorious Capones, Dillingers, Nelsons, and Floyds have outworn their usefulness and objectivity in the jet age.

But this isn't a case of Uncle Sam hitting a sudden jackpot of criminals.

The Federal penal system has been plagued with inadequate and makeshift facilities since 1895 when its first institution, the old military jail at Fort Leavenworth, came under the aegis of the Department of Justice.

From 1909 to 1926, a crucial period in the Nation's history, the system had only three prisons including the venerable McNeil Island (Wash.) Penitentiary, once a Territorial jail.

Overcrowding of emergency proportions began in 1930 when Federal officials, with hats in hand, opened eight improvised prison camps to handle overflow. Rumrunners and lesser Volstead Act violators made up nearly half of the commitments flowing from Federal courts. But this prison bulge in population was in line for more jolts in the next quarter century.

Congress, sensitive to the need for new criminal statutes, passed 10 major laws from 1932 to 1950. Kidnapers, racketeers, draft dodgers, fugitive felons, bank robbers, counterfeiters, and espionage agents by the thousands fell into the Federal net.

State and local penal officials declined to accept Federal prisoners (their problem was just as acute) and Federal bastilles were bursting at the seams.

Ironically, a Nation which spews untold billions to aid distress in other parts of the world could find no money for current needs or future expansion of a vital Federal prison system whose only function is to protect society and salvage human lives.

The situation steadily worsened, and today harassed Federal wardens are assigning 10 men to a single cell, strewing cots in corridors, converting basements into dormitories, and spreading their limited personnel so thin that 2 officers actually supervise 800 criminals.

Fourteen institutions are now jammed beyond normal capacity and the excess load at Atlanta, McNeil Island, and Leavenworth totals 1,582 men.

This is the situation confronting the Nation's lawmakers and the communities which shelter Federal prisons now seething with tensions and unrest.

In Washington, Federal Prison Director James V. Bennett has been viewing the situation with alarm for years, but he hasn't been able to get sufficient funds to do the job.

Now, armed with a Congressional grant of $250,000 placed at his disposal last year, Bennett has completed a comprehensive and exhaustive study of Federal prison needs and he has recommended a complete rehabilitation and modernization program to stave off possible disaster.

Here are highlights of his recommendations:

Allocate $111 million for a long-range construction program; construct "at least" 7 institutions and rehabilitate 4 others in the next decade; reorient the system to meet changing geographical needs; revitalize the near-stagnant rehabilitation program for offenders, and give prison officials the "tools" to turn convicts into useful citizens.

No man could be better equipped by experience and training to advise the lawmakers on the subject than the 62-year-old prison director.

A former president of the American Prison Association and current vice chairman of the American Bar Association's criminal-law section, Bennett has been close to the prison picture since 1919 when he investigated numerous Government agencies for the United States Bureau of Efficiency.

In 1926 the employment policies of Federal prisons came under his analysis and 3 years later he aided Congressional committees to probe the entire Federal prison setup. Since heading the prison system in 1937 he has traveled extensively to the various institutions, conferred with wardens and inmates, and kept abreast of the increasing tensions and inadequacies plaguing the system.

In 1945, American military brass called for his expert knowledge in the organization of civil prisons in occupied Germany.

How does he feel about the present critical situation in his prisons?

"We're sitting on a powder keg," he told this writer, "and I've advised Congress that no safety factor now exists to care for possible national emergencies or broadening of the Federal criminal jurisdiction.

"With such outmoded and inadequate facilities, how can we possibly hope to successfully salvage lives and rehabilitate offenders?"

This implied indictment of Federal prisons by one of the Nation's top penologists brings us to another question: Just how bad are the prisons now coming under official Congressional scrutiny?

Have you ever gazed down from the swank surroundings of the Top of the Mark into picturesque San Francisco Bay? If you have, any native will point out two objects of considerable interest. One, of course, is the towering Golden Gate Bridge, an undisputed engineering triumph.

The other, a snaky triangular island jutting into the water, is Alcatraz, known to cops-and-robbers movie fans as The Rock.

Perhaps you've attached some degree of glamour to The Rock. You recall the headlines announcing the arrival of Al Capone or other racketeers at this citadel of punishment. You've been awed by its impregnability, or perhaps its unique setting.

Actually, there is nothing glamorous about Alcatraz.

Back in 1857, when President James Buchanan was being inaugurated, Alcatraz was being readied to receive its first batch of military prisoners. It's doubtful that the tiny island was even known to some San Franciscans of that day.

And when it was converted into a Federal prison for especially dangerous criminals in 1933, not a movie cameraman was on hand to record the historic event. Here is Director Bennett's description of "The Rock" in his report to Congress:

"Alcatraz, converted from an Army fort to a military prison more than a half century ago, costs three times as much to maintain and operate as other Federal penitentiaries. It's in constant need of expensive repairs.

"Everything used on Alcatraz—including water—must be transported from the mainland by boat. It's expensively located geographically since most of its commitments come from Atlanta and Leavenworth. And conversely, most of its prisoners must eventually be transported back to these institutions."

But the unsuitability of Alcatraz as a Federal prison isn't the exception. Another institution was built during the Lincoln administration. A third was opened 27 years ago as a temporary prison camp. And a fourth—New York City's Federal headquarters—was formerly a garage.

"The New York jail," Bennett explained, "has never been suitable. Maintenance and essential remodeling cost is excessive. It has no single cells or proper facilities to separate prisoners from witnesses."

The Federal official conceded, however, that he has no monopoly on aged and unsuitable penal institutions. And in view of a mushrooming population trend (190 million people by 1965), the custodial situation is bound to get worse.

The Federal prison boss, a keen student of penology for more than a quarter century, said it's fairly obvious that reexamination of America's outmoded correctional concepts is long overdue.

As for the "no bars—no walls" theory of incarceration, he said with a broad smile:

"I haven't built a prison wall since becoming bureau director in 1937. The whole essence of crime control and offender rehabilitation depends upon brains, not bars."

From 85 to 90 percent of the average prison population, he asserted, can be safely handled without walls or bars. Just the tough criminal residue requires walls, cellblocks, electronic locking devices, and other maximum custody safeguards as we know them. Neither is the no-walls concept any longer a theory.

"Of course," Bennett said, "this statement may shock the average warden who can go to sleep with few or no worries when he has walls and bars. But the no-walls concept has proven successful in the Federal system and we're expanding its potential value."

Three minimum security institutions are now operating under the new approach, he explained, and more are inevitable in future prison planning. State prisons at Wallkill, N. Y., and Chino, Calif., have no traditional bars or walls. Their Federal counterpart is located at Seagoville, Tex.

"You'll find none of the features at Seagoville that characterize the conventional type of prison," Bennett said.

Seagoville, catering to a selected clientele, has no bars, walls, guard towers (topped with

machine guns) or lines of men marching under the suspicious, watchful eyes of club-swinging guards.

And the relative visiting a Seagoville inmate isn't restricted to a supervised screen conversation in a dingy cubicle. On approved visiting days, the prisoner and his family may attend church services together or lunch in the dining hall.

Day-to-day emphasis in this prison is on self-reliance, trustworthiness, and self-respect. Work, education, vocational training, religious counseling, recreation, and medical care are key segments of the average daily program.

Half of the inmates live in small dormitories, the others in simply furnished rooms (unlocked and without bars or grilles). The men go to assigned jobs at appointed times—on their own initiative.

"This isn't an institutional program," the official explained, "it's an atmosphere in which failure, self-defeat, apprehension, distrust, and tensions are dissipated. In this setting, hostility between officer and prisoner—a devastating evil in conventional prisons—just can't exist."

Will this kind of penal utopia eventually uproot the traditional type of penitentiary in the future?

"Perhaps," Bennett mused, "we'll never be able to wholly eliminate bars and walls. But substantial modifications of philosophy and program are now under way in the Federal system.

"The very fact that effectiveness of today's prisons has been seriously challenged is evidence that some underlying ferment is whittling away at dependence on the traditional penitentiary."

A good segment of our population, he pointed out, wonders if prisons aren't failing completely in their purpose. Prisons, these critics charge, neither reform nor rehabilitate.

And what is more startling, 2 out of every 3 men released return in less than 5 years.

"These same critics," the Federal spokesman conceded, "say prison officials are turning loose hostile, embittered men who are unfit to live in law-abiding communities. We're undergoing a period of transition in approaching the entire question of crime control and offender treatment."

Would he classify thoroughly ingrained rebels, dangerous perverts and psychopathic misfits as "hopeless or congenital" criminals? And shouldn't these felons be restrained with every device society can muster?

"Certainly they should be punished and restrained," the Federal expert said, "but there are no 'hopeless' criminals and the old adage, 'once a criminal, always a criminal,' is one of the most frustrating and erroneous concepts underlying criminal laws. The New York habitual-offender laws are based upon this unfortunate concept."

These laws, he added, constitute a counsel of desperation, like an incurable disease. The real need is organized, scientific research to evaluate effects of prison treatment on both conduct and adjustment of offenders. Federal authorities are currently experimenting with group therapy, tranquilizer drugs and TV as aids in supervising prisoners.

Before treatment of prisoners can be intelligently weighed, however, a complete overhaul of the penal system is necessary to root out its numerous "pitfalls."

The immediate goal of the mammoth rehabilitation of the Federal prison system is a $17 million grant to insure construction of a midwestern penitentiary (in eastern Missouri, Illinois, Kentucky or Tennessee) and a western youth guidance center. Both projects have been approved by the President and Attorney General.

A site-selection committee for the prison may report its recommendations at any time to Congress.

It's a vast program—and an expensive one—based on years of study by the Nation's top criminologists. And if Congress supplies the necessary money, to what extent will such a program aid the mounting army of youthful offenders, revitalize an almost stagnant rehabilitation program and revamp thousands of convicts into useful citizens?

The affable prison director refused to conjecture on the degree of success his projected construction program will achieve if the plan is adopted. However, he inferred that if nothing is done about antiquated prisons and critical overcrowding, disaster may strike at any time.

In light of the terrific odds against successful rehabilitation of thousands of Federal prisoners under prevailing conditions, would the Federal expert say the penal system is failing?

"It is not failing," he said bluntly. "It's only one spoke in the wheel. But every other segment of society is failing. And we must intelligently weigh the gravity of this failure.

"Take a look at what's happening in every part of the United States. The parents, church, school, community, police, courts, and probation people all had a previous chance to salvage the prisoners pouring into our institutions.

"They failed, and after they threw in the sponge, these lawbreakers were turned over to us in desperation. We're expected to perform miracles! And the amazing thing is • • • we partially succeed despite the facilities we have to work with.

"In the face of fears and prejudices directed against the men we release, by the community, 40 percent do not return to prison. And 75 percent of all the prisoners (Federal) who are granted parole or conditional release, actually make good.

"Please remember another thing in considering this problem. Men are sent to prison as punishment, not for punishment."

Certainly, neither the public nor Congress can be complacent in the face of Bennett's appeal for help.

Will we make an intelligent effort to salvage the lives of thousands of erring youths in the next few years by supporting this program? Or will we, by apathy or design, damn them to oblivion in antiquated bastilles?

The solution is actually in your hands.

NATIONAL MENTAL HEALTH WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (S. J. Res. 70) requesting the President to proclaim this week April 28 to May 4, 1957, inclusive, as National Mental Health Week.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the resolution, as follows:

Whereas there is presently a great need for nationwide action for the prevention, treatment, and cure of mental illness; and

Whereas the National Association for Mental Health and the State and local mental health organizations associated therewith are working diligently in the fight against mental illness; and

Whereas the mental health fund is in dire need of public support in order to improve conditions in mental hospitals, provide more adequate treatment for the mentally and emotionally ill, carry on research in the field of prevention, treatment, and cure of mental illness, and promote mental health education: Now, therefore, be it

Resolved, etc., That the President of the United States is authorized and requested to issue a proclamation designating the week beginning April 28 and ending May 4, 1957, as National Mental Health Week, and urging the people throughout the Nation to cooperate in the fight for the prevention, treatment, and cure of mental illness, and inviting the communities of the United States to observe such week with appropriate ceremonies and activities.

The joint resolution was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

FEDERAL AID HIGHWAY ACT OF 1956

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. JONES of Alabama. Mr. Speaker, today I have introduced in the House two bills which would amend the Federal Aid Highway Act of 1956 and the Highway Revenue Act of 1956.

The first bill would amend section 111 of the Federal Aid Highway Act of 1956 by providing that hereafter no Federal funds apportioned to a State under that act shall be used to reimburse that State for the cost of relocation of utility facilities necessitated by the construction of a project on any of the Federal aid highway systems unless such cost is a part of the cost of acquiring lands or interests in lands necessary for the rights-of-way for the highway project.

The bill would also provide that no utility would be permitted within the highway rights-of-way for any project on any of the Federal aid highway systems, except where the utility actually crosses the highway rights-of-way.

Section 111 of the 1956 act now provides that Federal-aid funds may be used to reimburse a State whenever the State shall pay for the cost of relocation of utility facilities necessitated by the construction of Federal-aid highway projects. Such reimbursement is made in the same proportion as Federal funds are expended on a project in the case of the Interstate System, on a 90–10 matching basis. Section 111 also provides that Federal-aid funds shall not be reimbursed to the States when the payment to the utility violates the law of the State or violates a legal contract between the utility and the State.

The purpose of section 111 of the 1956 act was to assure the availability of Federal-aid funds to reimburse a State for relocation of utility facilities in connection with Federal-aid highway construction where the State itself was actually required by law or under contract to pay for such relocation. Congress, in enacting section 111, did not intend to open the door to a raid on the Federal Treasury to pay funds to the States for utility relocation costs where the utilities otherwise would be required to assume this expense. Since the enactment of the 1956 act, however, a clear majority of States are either considering or have enacted legislation which would allow them to pay for utility relocation costs. The great majority of these limit such payment to Federal-aid highways. In fact, many of these State laws are specifically limited to the Interstate System where the State is obliged to pay only 10 percent of the total project cost. The effect of section 111 as it now exists, together with subsequent State legislation, either proposed or enacted, has produced a potential cost item in connection with the Federal highway system that was not contemplated by Congress in its consideration of the 1956 act. In connection with the Interstate System, particularly, this actually amounts to a decrease in the number of miles which may be constructed with funds authorized to be appropriated under the 1956 act. Thus the intention of Congress to complete the Interstate System within a certain period of time will be defeated unless section 111 is amended in a manner similar to that which I am now proposing or unless Congress authorizes the appropriation of additional funds to compensate for the number of miles which would not be constructed if such forages upon the highway trust fund are permitted to continue. It is quite clear that the utilities stand to receive an unprecedented windfall under section 111 as it now reads. They are benefiting as a class at the expense of the highway user who is paying for our Federal-aid highway systems through highway user taxes. In view of the situation which I have just described, I believe that it is necessary, in fact, mandatory, that Congress act immediately to preserve the highway trust fund for the purposes for which it was intended and to prevent public funds from being used for the benefit of a single class of business enterprise. Under the situation we now face, the utilities will be compensated unjustly and without regard to the interest of the taxpayer in our highway systems.

Subsection (b) of the proposed amendment to section 111 would prevent the location of any utility within the highway rights-of-way except for utilities crossing these rights-of-way. This provision is designed to prevent utilities from squatting on the highway rights-of-way. The location of utilities within the highway rights-of-way result in giving these utilities an undue advantage. The proposed provision so prohibiting utility location is consistent with the provisions of section 112 of the 1956 act relating to prohibition of service stations and other establishments within the rights-of-way of the Interstate System. It is also consistent with the regulations for the administration of Federal aid for highways issued by the Secretary of Commerce under the Federal Aid Road Act of July 11, 1916, as amended and supplemented. These regulations specifically provide that rights-of-way provided for Federal-aid highway projects shall be held inviolate for public highway purposes. I believe that to allow utilities to locate within these rights-of-way is in violation of the spirit of these regulations.

This bill which I am proposing would accomplish several important objectives. It would preserve the rights-of-way for Federal-aid highways for highway purposes. It would safeguard the public funds, Federal and State, from being used for substantially private purposes. Finally it would prevent the further diversion of funds in the highway trust fund for nonhighway purposes.

Mr. Speaker, the second bill which I have introduced in the House today would amend subsection (f) (1) of section 209 of the Highway Revenue Act of 1956 (70 Stat. 387).

Section 209 (f) (1) of the Highway Revenue Act of 1956 provides that the amounts in the highway trust fund shall be available to meet the obligations of the United States which are attributable to Federal-aid highways and incurred under Federal-aid highway legislation. This bill would amend the existing provision of law to provide that the amounts in the trust fund shall not be available to reimburse any State for the cost of relocation of utility facilities with respect to any Federal-aid highway project unless the cost of such relocation is a part of the cost of acquiring the land or interests in land necessary for the highway right-of-way. The bill would also provide that the amounts in the trust fund shall not be available to pay for the administrative expenses of any department or agency of the Federal Government, except for the Bureau of Public Roads, Department of Commerce, in carrying out the Federal-aid highway program.

The highway trust fund has been created by Congress for the purpose of assuring that the proceeds from Federal highway user taxes shall be used only to accomplish the objectives of Congress with respect to construction of Federal-aid highways and completion of the Interstate System. To the extent that the highway trust fund is used to pay for relocation of utilities where such payment is not required to meet normal just compensation expenses pursuant to eminent domain procedures, or are used for any nonhighway purposes, there is proportionately less money available for actual highway construction. Unless action is taken to preclude such practices the end result will be to shift to the Federal Government millions and millions of dollars of expense which the States heretofore have never recognized as an obligation of the State—all to the impairment of the highway trust fund.

In enacting the Federal-Aid Highway Act of 1956, Congress inserted a new provision appearing as section 111 of that act, which permits Federal funds to participate in the cost of relocation of utility facilities when such cost is paid by the State, provided payment to the utility does not violate the law of the State or an existing contract between the utility and the State. This provision may appear reasonable and just on the surface. However, there is every indication that the provision is serving merely as a tool—a device toward the enactment of bills pending in the State legislatures of a clear majority of States which will change the State law so as to permit payment by the States of utility relocation expenses which heretofore they have not been obligated to pay. I understand that the great majority of these bills are so worded as to be applicable only to Federal-aid highway projects—thereby establishing special ground rules favoring utilities with respect to Federal-aid projects. Of these, some are applicable only to the interstate system. In this case, of course, the Federal Government foots 90 percent of the cost of relocation of utilities—an unprecedented windfall. The whole scheme behind these bills is to shift to the Federal Government the type of expense which normally is borne by the utility involved. I say that this is rank discrimination against the Federal Government. This is so for the reason that if the highway project were constructed only with State funds the State would not have any obligation to assume this expense under most existing laws as well as under the great majority of bills now pending before State legislatures. This action of State legislatures is a distortion of the intent of Congress in enacting section 111 of the 1956 act. That section was intended only to assure that Federal funds would be available to participate in a legitimate right-of-way cost incurred by a State.

Another serious problem now existing concerns the fact that the Department of Labor has succeeded in having moneys appropriated from the highway trust fund to bear the cost of administrative expenses with respect to one of its own functions establishing minimum wage rates for Interstate System projects. The Labor Department is now attempting to secure additional money from the trust fund for the same purpose during the coming year. While it is recognized that such minimum wage determinations relate to highway projects financed from the highway trust fund, such determinations relate to a function of the Labor Department with respect to the labor standards program of the Federal Government. Hence, the functions of the Department of Labor in making wage determinations are not a part of road construction. There is no sound or just reason for permitting the highway trust fund to be used to finance administrative expenses covering the functions of the Labor Department.

In conclusion, I wish to point out that this second bill which I have introduced today is designed to protect the integrity of the highway trust fund for the purpose for which it was created and to prevent it from being raided to the detriment of urgently needed miles of highway construction.

REHABILITATION ACT OF 1957

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. ELLIOTT. Mr. Speaker, today I have introduced a bill entitled the "Rehabilitation Act of 1957." The purpose of this act is to bring about a further expansion in rehabilitation services to disabled adults. It would accomplish this result in two ways. First, it would make rehabilitation services through

the State-Federal program of rehabilitation available for persons for whom there might not be "a reasonable expectation of employment." Such rehabilitation services are referred to in this legislation as "independent living" services. As the term implies, these are services which will enable the severely handicapped individual to take care of himself to the degree that he will not have to be institutionalized, or, if he is homebound, to the degree that he will not have to have an attendant. It is felt that many of these severely handicapped people, not currently eligible for vocational rehabilitation services, will actually go on to vocational rehabilitation and independence, if they are given the opportunity to make the attempt under the supervision of skilled professional rehabilitation workers. It is estimated that there are at least 200,000 persons in the country not now eligible for vocational rehabilitation services who will be eligible for services under this title of the act.

Another part of the legislation would establish a grant-in-aid program to assist the States and local communities in the development of workshops and other rehabilitation facilities. There is a growing recognition of the fact that many severely handicapped persons must have work experience in a sheltered environment before they will be able to work in competitive employment. Assisted by funds made available under this title, it is hoped that local communities will create the workshops that are needed for this purpose. In addition, these funds would be available for other rehabilitation facilities such as adjustment centers for the blind and speech and hearing centers.

I had the privilege of being a member of a subcommittee of the House Committee on Education and Labor that made a study of rehabilitation programs and facilities throughout the country in 1953 and 1954. This study led up to the passage of Public Law 565 of the 83d Congress. At that time, I was impressed by the sound and constructive program of rehabilitation existing throughout the country. It has been further improved since that time. In 1956, nearly 67,000 people were rehabilitated through this joint State and Federal effort. There is no question that rehabilitation is both socially and economically sound. It is a program that has always been supported on a bipartisan basis. I believe that the passage of my bill will result in further expansion and improvement of this program.

It is my hope that a hearing on this legislation will be conducted during this session of Congress.

FOOD COST TRENDS

Mrs. KNUTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include tables and extraneous matter.

The SPEAKER. Is there objection to the request of the gentlewoman from Minnesota?

There was no objection.

Mrs. KNUTSON. Mr. Speaker, may I call your attention to a committee print called Food Cost Trends put out by the Consumers Study Subcommittee, created on March 14, 1957, to study and investigate, among other things—

First. The cost of living and, with respect to agricultural products, the share which the farmer gets of the consumer dollar and how it compares with other costs, that is, wages for labor, profits for middleman, retailer, and so forth.

Second. The part which our food and fiber programs have played in winning friends for the United States and preventing the spread of communism at home and abroad.

Third. The accomplishments or deficiencies of our public, private, and voluntary agencies in this common struggle.

Fourth. The proper stockpiling of surpluses within the limits of the United States as a matter of national and civilian defense.

This document is merely an introduction to the first phase of the subcommittee's work.

We invite House Members to secure copies and begin calling it to the attention of our constituents.

We are fortunate to have as our chairman the gentleman from New York, VICTOR ANFUSO, who can definitely be called a true representative of consumers on the Agriculture Committee. We shall try to dramatize and to publicize the truth and we believe that when the consumer public is told the truth that they will come to our assistance.

FOOD COST TRENDS

Retail food prices have increased 16 percent in the past 10 years although prices received by farmers declined 14 percent.

Retail food prices reached a peak in 1952, then declined slightly in the following 3 years. Prices received by farmers reached their postwar peak in 1951 and then declined steadily until 1956. When farm prices stabilized in 1956 retail food prices began to rise again. In the latter part of 1956 and early 1957, prices received by farmers recovered slightly from their postwar record low levels and retail food prices increased even further.

The Agricultural Marketing Service of the United States Department of Agriculture makes monthly estimates of the farm value and retail cost of a typical "market basket" of farm food products purchased by an urban wage earner and clerical worker's family. This statistical series indicates that the average worker's family paid 5 percent more and farmers received 17 percent less in 1956 for the same kinds and quantities of food purchased in 1947.

FARM AND RETAIL PRICE OF CEREALS AND BAKERY PRODUCTS

The greatest divergence between the farm and retail prices in this 10-year period have occurred between the farm price of wheat and the retail prices of cereals and bakery products.

The farm price of wheat dropped 7 percent and the retail prices of cereals and bakery products increased 34 percent.

When city families purchase bread or prepared cereal products they pay mostly for processing, packaging, and distributing the product; very little goes to the farmer for the raw product. For example, there is less than 3 cents' worth of farm-produced corn in a 22-cent package of corn flakes and only 4 cents' worth of wheat in a 28-cent package of soda crackers. The pound loaf of bread that sold at retail for an average price of 17.9 cents in 1956 contained wheat having a farm value of 2.6 cents. The farm value and retail cost of several cereal products in 1947 and 1956 is shown below:

	Farm value		Retail cost	
	1947	1956	1947	1956
	Cents	*Cents*	*Cents*	*Cents*
Bread, 1-pound loaf	2.9	2.6	12.5	17.9
Soda crackers, 1 pound	4.3	4.0	24.7	27.6
Corn flakes, 12 ounces	3.6	2.8	14.8	21.9
Rolled oats, 20 ounces	6.0	4.4	14.6	19.3

The Agricultural Marketing Service estimates that the farm value of all ingredients used in the bakery products in their market basket declined 15 percent from 1947 to 1956 and the retail cost increased 31 percent.

FARM AND RETAIL PRICES OF DAIRY PRODUCTS

Both the farm price of milk and butterfat and the retail prices of dairy products reached a peak in 1952. Although farm prices have dropped 16 percent since then, retail prices declined only 3 percent.

The farm value of the quantity of dairy products in the market basket dropped 5 percent between 1947 and 1956 while the retail cost increased 15 percent.

PRICE TRENDS FOR OTHER FOOD GROUPS

It is impossible to make direct comparison between changes in the farm and retail prices of other food groups. However, it is interesting to note that in 1956 farmers received only 2 to 3 cents for the sweet corn and peas in the cans which sold at retail for 18 to 22 cents. A can of tomatoes which retailed at 15 cents had 2.3 cents' worth of tomatoes in it.

The market basket statistical series published by the Agricultural Marketing Service indicates 10-year changes in farm values and retail cost of groups of food as follows:

Food group	Percent change from 1947 to 1956 in—	
	Farm value	Retail cost
Meat products	−29	−5
Poultry and eggs	−21	−13
All fruits and vegetables	+7	+12
Fats and oils	−37	−30
Miscellaneous products	0	+4

FOOD COSTS OF AVERAGE CITY FAMILY

The average city family spent about $1,500 for food in 1956. This compares with about $1,100 in 1950 and $1,000 spent for food by the average city family in 1947—10 years ago.

Surveys of consumer food expenditures made in 1947 and 1955 indicate that the average city family of 3.3 persons spent 32 to 33 percent of its income after taxes for food in each of those years. This is equivalent to about 30 percent of its income before tax payments.

Ten years ago, in 1947, the average urban family received an income of only $3,349, according to the Bureau of the Census. In 1950 the income of the average urban family had increased to $3,673 and in 1955 it was up to $4,840. The average city family's income before payment of taxes is unofficially estimated at $5,000 in 1956.

The only recent study of city-family expenditures was made by the Bureau of Labor Statistics in 1950. The average wage and clerical worker's family in large cities in 1950 had an income before taxes of $4,332. This is about 18 percent higher than the income of the average urban family as reported by the Bureau of the Census.

The families interviewed in these large cities spent more than their income in 1950.

The average income and expenditures of the wage and clerical workers' families in large cities are shown in table 1, together with the estimated expenditures of the average urban family with an income of $3,673 in 1950.

FAMILY FOOD CONSUMPTION

National food consumption statistics indicate that an average urban family of 3.3 persons purchased about the same amount of food in 1956 as 10 years earlier. Some substitution took place between potatoes and cereals where decreases occurred, and livestock products where increases occurred. Per capita meat consumption increased 8 percent in this 10-year period.

FARM AND MARKETING SHARE OF FOOD EXPENDITURES, 1947–56

Of the $1,500 spent by the average city family for food in 1956, approximately $105 was paid to food importers and fishermen for imported foods and fish and $465 went to farmers for the farm-produced, unprocessed foods. The balance—$930—went to the agencies which processed, transported, and distributed the foods to the retail purchasers. Similar data for the 3 years—1947, 1950, and 1956—are shown below:

	1947	1950	1956
Average income of urban families	$3,349	$3,673	$5,000
Average expenditures for food and beverages	1,000	1,100	1,500
Estimated payments to importers and fishermen	50	66	105
Estimated payments to United States farmers	420	396	465
Estimated payments to marketing, transportation, and processing agencies	530	638	930

Of the $500 additional spent for food by the average city family in 1956 over 1947, $55 was paid to importers and fishermen for imported foods and fish, $45 went to farmers for farm-produced products, and $400 went to the various processing and marketing agencies which account for the so-called marketing margin. This indicates that of the $500 additional spent for food by the average family in 1956 over 1947, 80 percent found its way into the marketing margin and only 9 percent went to the farmers who furnished the consumers more livestock products and fewer potatoes and cereal products than 10 years earlier. The percentage increase in payments to each group in 1956 over 1950 and 1947 follows:

	Percentage increase in 1956 from—	
	1947	1950
Payments to importers and fishermen	110	60
Payments to United States farmers	11	17
Payments to processing, transportation, and marketing agencies	75	46

FOOD MARKETING COSTS AND OTHER ECONOMIC TRENDS

How does this 75 percent increase in payments to food-distribution agencies over this 10-year period compare with other economic trends?

First, it should be noted that a part of the increased marketing charges may be associated with the change in composition of the family food purchases during this 10-year period. Fewer potatoes and cereal products, and more meats, poultry, and eggs were purchased in 1956 than in 1947.

Second, and even more important, the average city family in 1956 purchased many more ready-prepared, fresh frozen, and specially packaged foods than in 1947. The increased payments to marketing agencies represent payments for additional services as well as higher costs for the same services as those performed in 1947. The percentage change from 1947 to 1956 in selected economic items is shown below:

	Percentage change, 1947 to 1956
Increase in marketing payments for all imported and home-produced foods and beverages purchased by the average city family	+75
Increase in marketing margin for fixed quantity of "market basket" foods	+27
Increase in payments to farmers for foods purchased by average city family	+11
Increase in hourly earnings of food-marketing employees	+61
Increase in average hourly earnings of workers in manufacturing	+60
Increase in railroad-freight rates for farm products	+50
Increase in wholesale prices of industrial products	+28
Increase in medical-care prices	+40
Increase in retail apparel (clothing) prices	+9
Increase in consumer price index	+22

CONCLUSIONS

This preliminary document only shows that retail food prices and city families' expenditures for food have been increasing in recent years even though prices to farm producers were declining.

It has not attempted to evaluate the factors which have increased the retail costs of specific foods such as meats, milk, bread, poultry, eggs, coffee, cocoa, or sugar. Nor has it gone into such related market activities as the use of trading stamps, corporation mergers, vertical integration of production, processing and distribution activities, and other practices which affect the retail cost of food. These investigations will be the next phase of the subcommittee's activities.

DOUGLAS COUNTY, OREG.

Mr. BURNS of Hawaii. Mr. Speaker, I ask unanimous consent that the gentleman from Oregon [Mr. PORTER] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. PORTER. Mr. Speaker, the eastern portion of our great Nation is blessed with a wealth of historical monuments, shrines, and museums which give to us and our posterity valuable and irreplaceable knowledge of our forebears. In the West, which still is in the romper age of United States history, many know that unless we preserve those items, which mutely depict the glorious heritage left by the pioneers, they will be lost forever.

Today, I respectfully call to the attention of my honored colleagues the work now under way in Douglas County, Oreg., a part of the Fourth Congressional District I represent. There, members of the Douglas County Historical Society and their many supporters desire to preserve the history of this county which was named for a famed Member of the United States Senate, the Honorable Stephen A. Douglas.

The society and its friends seek a site for their museum, the former home of a pioneer Roseburg lady, the late Miss Lillie Lela Moore, which the 84th Congress gave to them under Public Law 883.

Senator RICHARD NEUBERGER and I have introduced identical legislation this day which would amend the law and give to the society the surplus Government property upon which the Moore home stands, along with certain other benefits. This amending legislation is proposed because of many requests for it from citizens of all ages and groups throughout the State of Oregon, and because my good friend and distinguished colleague and I believe the cause is just.

American history bespeaks the noble ways of man's constant search for improvement. I hope this House and its distinguished Members will help my friends in Douglas County save another page of this priceless treasure.

TESTING TIME FOR LABOR

Mr. UDALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. UDALL. Mr. Speaker, I believe responsible labor leaders fully realize that public confidence in the labor movement will dwindle unless labor takes the initiative to set its own house in order.

When misconduct is brought to light the first reaction of many citizens is that a law can be passed which will solve the problem. Some laws should be passed by the Congress to meet this situation, but in the long run the job of making a union function democratically rests with the membership. In the final analysis a democracy works not because of laws, but because of the spirit men bring to bear on their responsibilities.

As one who believes that my own organization—the Congress—needs some reform, I am encouraged to find that the Senate hearings have convinced many labor leaders that much is to be gained by improving the internal practices and procedures of unions.

In my opinion, the worst mistake labor can make today is to cry "foul" and, ostrichlike, stick its head in the sand. There is work to do, and those who really want to serve the cause of sound unionism will set about the task of internal reform without delay.

The truth of the matter is that at the local level the overwhelming majority of unions have always had a high degree of democracy and respect for individual rights. My home city of Tucson had a rather striking demonstration of this fact last November during a labor dispute between the machinist union and the Hughes Aircraft Co., when the union reached its decisions by a membership vote at mass meetings attended by as many as 2,400 union members. This exhibition put to silence those who have always contended that labor-union decisions are made by the bosses.

During the last few days I have made a study of the constitutions and bylaws of many national labor groups, and I believe those in the union movement who

are interested in reform would be well advised to give close study to the framework of some model unions such as the International Typographical Union—ITU. I have heard predictions that it will be extremely difficult for members to vote Dave Beck out of office at the teamsters convention next fall, since under the teamsters constitution past conventions have been controlled by the same clique whose highhanded operations have brought the national leadership of this union into disrepute. By contrast, the ITU convention merely nominates candidates and all officers are actually elected by a secret ballot referendum of all members.

Another complaint is that in a few unions members who have dared to criticize union officials have been railroaded out of their jobs by unjust trials. Only last week another union, the United Automobile Workers, came up with a solution to this problem. At its national convention the UAW created an independent public review board of prominent citizens outside the labor movement. This board has been given authority to receive complaints and conduct investigations of any violations of the bylaws and ethical codes of the UAW. This is the type of reform designed to win public support and stave off union-busting legislation.

In the meantime, there is one field where I believe Congress should move quickly to enact legislation. I refer to bills designed to regulate the billion-dollar union welfare and pension funds, which would make the keepers of such funds trustees subject to full public scrutiny. It is interesting to note that even in this area a union like the machinists—which also has an excellent set of bylaws—already protects its funds by prohibiting loans to private individuals and requiring that such funds be invested in Government bonds. The machinists also maintain a large staff of auditors to act as a watchdog over their financial affairs.

I have always believed that our country needs a vigorous labor movement. I am hopeful that labor will answer the flood of adverse criticism by action which demonstrates a capacity for self-criticism and growth.

This is a time of testing for the working people of our country and their friends will hope that they boldly meet the challenges ahead.

JOINT COMMITTEE TO ATTEND CEREMONIES ON THE LANDING OF "MAYFLOWER II"

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, I rise in support of House Concurrent Resolution 123 filed by my colleague, the gentleman from Massachusetts [Mr. NICHOLSON], to create a joint committee of Congress to attend the ceremonies to be held at Plymouth, Mass., on May 25, 1957, in connection with the landing of the *Mayflower II*. This resolution is now pending before the House Committee on Rules, and I am hopeful that the Nicholson resolution will have the unanimous support of that committee so that the Congress may be properly represented at these affairs.

The *Mayflower* sails again. An exact replica of that historic ship sailed from England this week, tracing the course of her predecessor.

Destination: Plymouth, Mass., where a new world and a new way of life began.

Mayflower II is a gift of friendship from the British people to the American people.

It is fitting, therefore, that the United States Government should recognize this happy and colorful occasion by participating in the celebration.

I also suggest that the President issue a proclamation summing up the significance of the *Mayflower's* arrival; calling upon all groups and individuals to cooperate in this observance; expressing anew the bond between the United States and Great Britain; pointing out that the spirit which animated the Pilgrims is shared by all freedom-loving peoples today.

That the Postmaster General be asked to issue a commemorative stamp bearing a likeness of *Mayflower II*.

That a suitable United States naval escort be provided to accompany *Mayflower II* as an honor guard on the duplication of the original *Mayflower's* epic voyage.

That representatives of foreign governments in the United States shall be invited by the President to witness the arrival of *Mayflower II*. In order that they may appreciate the great love of freedom that inspired our forefathers. So that they may understand that this is the outstanding quality of Americans in the living of their own lives and in their relations with people everywhere.

That the President shall draw up a program insuring full participation in this celebration by the Government of the United States to focus national and world attention on this eternal spirit of liberty.

When the original *Mayflower* dropped anchor near the present community of Provincetown, Mass., the first concern of its pioneering people was to draw up the Mayflower compact. This was the first written American constitution.

The coming of *Mayflower II* will be a major event of 1957, rekindling pride in the courageous men and women who opened up this New World for us.

In conclusion, I respectfully request that the Rules Committee act favorably on this pending resolution as soon as possible and that the President assure the American people that the United States is making plans to provide a full-scale welcome for *Mayflower II*.

APPOINTMENT OF J. SINCLAIR ARMSTRONG AS ASSISTANT SECRETARY OF THE NAVY

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SPRINGER. Mr. Speaker, I am sure the Members of the House have learned with a great deal of pleasure of the appointment of J. Sinclair Armstrong, now Chairman of the Securities and Exchange Commission, as Assistant Secretary of the Navy.

Mr. Armstrong has been a member of the Securities and Exchange Commission since July 11, 1953, and has been Chairman since May 25, 1955.

Sinclair Armstrong came to Washington dedicated to the cause of good government. As a member of the Securities and Exchange Commission he has demonstrated the ability which is so necessary in such a complicated agency. He has instituted reforms which have been far reaching and in the best interests of the people of the United States.

During his time as Chairman of the Commission, the most important aspect of the numerous activities was the enforcement program. The aim of this program was to assure fair disclosure of all material facts about corporations offering securities to the public and to prevent fraud, deceit and manipulation in the purchasing, sales and trading of securities, and thus to provide adequate protection to the public. In this effort he has done a good job and has had the backing of not only the executive department, but all of the Congress.

Mr. Armstrong has a background for his new job, having served several years in the United States Navy during World War II. He came out of the service with an honorable record and with an experience which should stand him in good stead in understanding the problems of a great organization like the United States Navy. I am sure that all of his friends in this body wish him well as he enters upon another great job which has come to him as the result of previous service well recognized in the Securities and Exchange Commission.

JOINT DEVELOPMENT OF THE HYDROELECTRIC FACILITIES OF THE TRINITY RIVER UNIT OF THE CENTRAL VALLEY PROJECT IN CALIFORNIA

Mr. SCUDDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SCUDDER. Mr. Speaker, I have today introduced a bill to authorize joint development of the hydroelectric power facilities of the Trinity River unit of the Central Valley project in California by the Federal Government and the Pacific Gas & Electric Co.

Public Law 386 as approved on August 12, 1955, authorized construction of the Trinity River project as a division of the

Central Valley project. This law also authorized and directed the Secretary of the Interior to continue to a conclusion negotiations with any non-Federal agency with respect to development of the hydroelectric power phases of the project. The Secretary was directed to report on these negotiations within 18 months following the enactment of the act. Pursuant thereto the Secretary of the Interior Fred A. Seaton, submitted his report and on February 13, 1957, recommended to the Congress that joint development be approved, thus permitting the sale of falling water to the P. G. & E., providing that the company construct, operate, and maintain the generating facilities.

In submitting this recommendation, the Secretary pointed out the advantages of the so-called partnership plan, as compared with all-Federal development. It would, first, mean a savings of $55.5 million to taxpayers in capital outlay; second, result in a net return of $165 million to the Federal Government over the repayment period of the project from the sale of falling water; and third, provide tax revenues amounting to an estimated $145.6 million to Federal, State, and local governments.

When you compare the savings and income which will be realized by private development of the power facilities, as compared to a project estimated to cost $225 million, it seems to me that this would be an extraordinarily profitable venture on the part of the Federal Government.

The objective of the bill that I have introduced today, to authorize joint development of the hydroelectric facilities of the Trinity River project, has wide support throughout the State of California. It would accomplish a considerable savings at a time when we are trying to reduce Federal expenditures and permit private enterprise to do a job which it is fully capable of handling. The proposal for joint development as submitted by the private utility has been carefully scrutinized by the Bureau of Reclamation and the Secretary of the Interior. The recommendation by the Secretary that the Congress approve joint development is based on substantiated fact. It sounds like good business to me, and I trust it receives the approval of the Congress.

The following 72 newspapers in the State of California have come out wholeheartedly in support of the joint development plan, and they represent the majority of the population of northern California:

The Daily Review, Alameda, Calif.; Alameda Times Star, Alameda, Calif.; Auburn Journal, Auburn, Calif.; the Press, Bakersfield, Calif.; Daily Report, Bakersfield, Calif.; Biggs News, Biggs, Calif.; Brentwood News, Brentwood, Calif.; California Farmer, Los Angeles, Calif.; Chico Enterprise-Record, Chico, Calif.; Chowchilla News, Chowchilla, Calif.; Colfax Record, Colfax, Calif.; Cutler Orosi Courier, Orosi, Calif.; Dixon Tribune, Dixon, Calif.; Elk Grove Citizen, Elk Grove, Calif.; Elsinore Leader-Press, Elsinore, Calif.; Emeryville Golden Gate Herald, Emeryville, Calif.; the Humboldt Times, Eureka, Calif.; Fall River Mills, Fall River, Calif.; Fillmore Herald, Fillmore, Calif.; the Fresno Guide, Fresno, Calif.; the Galt Herald, Galt, Calif.; the Union, Grass Valley, Calif.; the Daily Review, Hayward, Calif.; the News Messenger, Lincoln, Calif.; Los Angeles Times, Los Angeles, Calif.; Press-Telegram, Long Beach, Calif.; Manteca Bulletin, Manteca, Calif.; Appeal Democrat, Marysville, Calif.; Mojave Desert News, Mojave, Calif.; the North Sacramento Journal, North Sacramento, Calif.; Oakland Neighborhood Journal, Oakland, Calif.; Oakland Tribune, Oakland, Calif.; Oroville Mercury, Oroville, Calif.; Palo Alto Times, Palo Alto, Calif.; Petaluma Argus-Courier, Petaluma, Calif.; Redwood City Star Advertiser, Redwood City, Calif.; Redwood City Tribune, Redwood, City, Calif.; Delta Herald, Rio Vista, Calif.; Sacramento Shopping News, Sacramento, Calif.; the Sacramento Union, Sacramento, Calif.; St. Helena Star, St. Helena, Calif.; Salinas Californian, Salinas, Calif.; the Call-Bulletin, San Francisco, Calif.; Sanger Herald, Sanger, Calif.; San Jacinto Valley Times, San Jacinto, Calif.; San Jose Mercury, San Jose, Calif.; San Jose News, San Jose, Calif.; San Jose Evening News, San Jose, Calif.; San Juan Mission News, San Juan Bautista, Calif.; San Marino Tribune & News, San Marino, Calif.; Independent-Journal, San Rafael, Calif.; San Luis Obispo Reporter, San Luis Obispo, Calif.; Santa Rosa Press-Democrat, Santa Rosa, Calif.; the Solano Republican, Fairfield, Calif.; the Sonoma County Herald, Santa Rosa, Calif.; South Sacramento Shoppers, Sacramento, Calif.; Weekly Trinity Journal, Weaversville, Calif.; the Vacaville Reporter, Vacaville, Calif.; Waterford News, Waterford, Calif.; the News Messenger, Lincoln, Calif.; California Magazine of the Pacific, State Chamber of Commerce monthly magazine; Isleton Journal, Isleton, Calif.; the Logger-Tidings, Fall River Mills, Calif.; Enterprise Journal, South San Francisco, Calif.; the Farm News, Bakersfield, Calif.; Free Lance, Hollister, Calif.; the Utility Reporter, IBEW labor monthly magazine; Mill Valley Record, Mill Valley, Calif.; Valley of the Moon Review, Boyes Spring, Calif.; the Shopping News Times, Sacramento, Calif.; the Placer Herald, Auburn, Calif.; Yuba City Independent Herald, Yuba City, Calif.

TAX RELIEF FOR SMALL BUSINESS

Mr. OSMERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. OSMERS. Mr. Speaker, during the recent campaign the President, many Members of Congress, as well as the Democratic presidential candidate, all agreed that tax relief for small business was necessary.

Recently I introduced H. R. 6027 to provide urgent tax relief for small businesses.

According to recent figures, there are approximately 700,000 corporations in the United States. Approximately 5 percent of these earn 90 percent of all the profits, leaving 95 percent to share in only 10 percent of the income.

With the tax benefits provided for in my bill, small business will be given the incentive to expand, modernize and improve. It is inevitable that we will see a new era in productivity as a result.

Is it not more likely that, with relief, the corner grocer, who is now striving to compete with his large competitors, will finally have the funds with which to make that addition to his building, or modernize that store front? Equipment such as refrigerators and display cases will be replaced. We must encourage the individual free enterpriser if we are to preserve traditional American know-how and initiative. The health and vigor of small business is essential to the health and vitality of the overall national economy.

The tax reduction sought in my bill need not result in overall loss of income to the government. Every deduction allowed for expenditures for expansion, modernization and improvements should actually result in more employment, productivity, and greatly increased taxable small business income. There is the further goal of curbing the present-day trend to merger with, and acquisition of, small- and medium-sized concerns by their larger competitors. Many large corporations utilize the merger technique as a means of tax savings.

One of the most important causes of the plight of small and medium business is the oppressive effect of high income taxes which prevent the retention of enough earnings for growth capital. Such firms do not have ready access to the capital markets and are finding rising interest rates to be prohibitive. Under present tax laws, as soon as a small-business corporation earns $25,000, 52 percent of all its profits go to Uncle Sam with the result that, under present-day conditions, the small-business man cannot, as in the old days, reinvest earnings to enable his business to grow and prosper. The larger corporation can float stock issues, sell bonds, and make adequate bank loans, whereas small business mainly has to depend upon plowing back earnings. This is the most serious problem of small and new businesses today—the raising of equity capital to satisfy their financial needs and to expand.

We must take action now. Edwin L. Covey, Chief of Bankruptcy, United States Courts, has testified that bankruptcy cases will total an estimated 72,000 for the year ending June 30. This will exceed the depression record of 70,049 set in the fiscal year ending June 30, 1932. A real crisis exists in our economy which affects every State and county in the United States.

The more important clauses of my bill may be stated simply as follows:

First. To enable small business earning under $150,000 of taxable income per year to treat as expenditures a certain proportion of money spent for construction, improvements, and machinery to

increase productive capacity. The limits would be as follows:

If the taxable income is:	The limit is:
Not over $10,000	50 percent of taxable income.
Over $10,000 but not over $25,000.	$5,000, plus 40 percent of excess of taxable income over $10,000.
Over $25,000 but not over $50,000.	$11,000, plus 30 percent of excess of taxable income over $25,000.
Over $50,000 but not over $100,000.	$18,500, plus 20 percent of excess over $50,000.
Over $100,000 but not over $150,000.	$28,500, plus 10 percent of excess over $100,000.

Second. To reduce normal corporate tax rate to 20 percent from 30 percent existing at the present time. And to increase the surtax exemption from its present figure of $25,000 to $150,000. The following computation would show how the proposed change would result in tax benefit.

Corporate taxable income		Present tax; 30 percent normal, 22 percent surtax	Proposed tax; 20 percent normal to $150,000
$10,000		$3,000	$2,000
$25,000		7,500	5,000
$50,000:			
$25,000 times 30 percent	$7,500		
$25,000 times 52 percent	13,000		
		20,500	10,000
$100,000:			
$25,000 times 30 percent	$7,500		
$75,000 times 52 percent	39,000		
		46,500	20,000
$150,000:			
$25,000 times 30 percent	$7,500		
$125,000 times 52 percent	65,000		
		72,500	30,000

Third. To provide for rapid amortization of machinery and equipment by small businesses with taxable incomes of $50,000 or less. By giving firms in this bracket the opportunity, heretofore provided to only large defense firms, to write off such expense in five years, this provision encourages competition, with the resulting benefit to the overall economy.

In a similar vein, another provision of the bill would allow accelerated depreciation of used machinery and equipment. In the 1954 code, only new equipment and property was allowed the rapid writeoff. Since smaller businesses are the ones most likely to make purchases in the "used" category, it is really a penalty to deprive them of a right granted to larger firms who happen to be in the more fortunate position of being able to buy new rather than used.

Other provisions are designed to enable individuals or parties engaged in a trade or business to be taxed as a corporation and to enable small corporations to be taxed as individuals. The bill gives investors in small corporate business ventures the right to treat losses in them as a full deduction instead of the present limitation of $1,000. More time is given for the payment of estate taxes which will prevent liquidation in many cases.

The tax adjustment proposals I have made are dictated by the urgent situation which faces the small-business segment of our economy. These proposals will, if enacted, provide much needed relief. Most important, they will help preserve and encourage such enterprises.

I urge the Ways and Means Committee to start hearings immediately on all bills to afford relief to small business.

FOREIGN AID

The SPEAKER. Under previous order of the House, the gentleman from Louisiana [Mr. PASSMAN] is recognized for 30 minutes.

Mr. PASSMAN. Mr. Speaker, I doubt if in recent history there has been another propaganda machine devised that would parallel the one brought into being by the advocates of foreign aid. For the past 90 days there has been more propaganda circulated among the Members of Congress and the American people in behalf of foreign aid than has been circulated in behalf of any legislation during my time here.

There are tremendous pressure groups back of the foreign-aid appropriation. A large number of our highest paid bureaucrats and their subordinates are working by night and by day to convince the American people that this program is indispensable, representatives of foreign nations are lavishly entertaining in embassies in Washington and their consular offices throughout the United States in order to gain support for a continuation of the spending program. Business firms that get fat and profitable contracts are part of the pressure group, and certainly thousands of paid employees of the State Department who are scattered in the 66 recipient nations of the foreign-aid program are screaming to the high heavens about what would happen if we reduce the amount of funds they are receiving.

The political medicine men in the State Department and elsewhere are trying to convince the American people by charts, graphs, press releases, ghost writers, and phrase formers that we are doing a clever and wise thing by scattering our resources to the four winds. Certainly, our foreign-aid policy of spending has become an accepted habit by our Washington bureaucrats. I am thoroughly convinced that we have lost sight of the purpose of the foreign-aid program.

For many, foreign aid has become an Alice in Wonderland, a pie-in-the-sky program. It is a program where leaders persuade themselves into believing that if a gift of $15 million to an ally fails to win his friendship, then a gift of $50 million should do the trick. We have reached the point where we have actually convinced ourselves that we can gain friends and superiority by giving away our resources to foreign nations.

I wonder just when we are going to stop, look, and listen and have a sober and sensible review of this lavish foreign-aid spending program that will eventually bring us to our knees economically if we do not put some sense into it.

On January 31 of this year, there was $8¼ billion unexpended money for foreign aid from prior appropriations. But notwithstanding this fact, somebody reached up into the thin gray air and pulled down a figure for new funds for fiscal 1958 in the amount of $4,400,000,000.

The Congress, the executive branch, and the American people were somewhat skeptical of the program from its inception. Therefore, the foreign-aid program, as we know it today, was started in 1948 with great caution. The Congress in its wisdom determined that the authorization for the foreign-aid program should be granted 1 year at a time. Some of our more brazen leaders at the time advocated that for this program to accomplish all of its objectives could require 4 or 5 years and that the total cost could very easily go to fifteen or seventeen billion dollars. Now, what has happened? The program has been in effect for 9 years and our appropriations for the single foreign-aid program as carried in the bill handled by the Foreign Operations Subcommittee on Appropriations have already exceeded $45 billion. The number of recipient nations has increased from 17 to 66.

After the first 2 years of this program, it began to get harder to sell the Congress and the people on the idea that it was accomplishing its objectives, so the political medicine men in the executive branch decided they could overcome a reluctant Congress by doing 2 things:

First. Present the foreign-aid program to the Congress for consideration late in the session so there would not be sufficient time to consider the request thoroughly and wisely. In other words, every year, we are given the rush act near adjournment.

Second. Change the name of the program every time it appeared that the American taxpayers had grown weary of financing such a dream scheme.

The program started with the name "Foreign Assistance Act"; then the name "Marshall Plan" was applied. Later it became known as the Economic Cooperation Administration, then the Mutual Security Agency. Still later the Congress set up an agency known as the Foreign Operations Administration. That was followed by the present agency, known as the International Cooperation Administration.

Now the bogey man has caught up with us again. So, the President, Mr. Dulles, Mr. Hollister, and Mr. Fairless, and many thousands of other bureaucrats and businessmen pressure groups and propagandists have decided that they had better attempt to pull the wool so far over the American people's eyes that the hood can never be raised.

First, they propose to establish the program on a permanent basis and request legislation to accomplish this objective. Secondly, they will work untiringly and unceasingly to bury the program in other agencies where it would be hard for Members of Congress, much less the American taxpayer, to ascertain the annual cost of the program.

The Foreign Operations Subcommittee on Appropriations heard of this dream

scheme and surprised the downtown boys by starting the hearings on the foreign-aid program months in advance of the original plans to conduct hearings, even before the program could be presented to the Foreign Affairs Committee of the House. The witnesses almost stampeded; they were belligerent; but finally the Foreign Operations Subcommittee succeeded in getting a partial confession out of the top echelon witnesses. They were sick at heart that this committee had exposed their scheme. Here is a part of it, and I quote verbatim from the statement of Mr. Benjamin F. Fairless, coordinator of the President's citizen advisers on the mutual security program:

> It is recommended that there be a separation between economic and military contributions to the collective security program. All forms of proposed military assistance should be submitted to the Congress as a separate title within the regular Defense budget. All forms of nonmilitary assistance should be submitted separately and labeled as economic assistance, to be justified and administered by the Department of State. The International Cooperation Administration should be integrated into the Department of State.

May I say for the record that Mr. Hollister, the director of the foreign aid program, says that he has nothing to do with the military end of the program. We will accept that as true because the military assistance part of the program is justified by Department of Defense witnesses as the program stands today.

Of course, the International Cooperation Administration is already a part of the State Department and funds for nonmilitary assistance are justified by Department of State witnesses, beginning with Mr. Dulles.

Mr. Fairless, when before our committee, stated in positive terms that it was desirable to transfer the military assistance portion of the program to the Defense budget so that the American people would accept it as a part of our own defense program.

I have a very high regard for every member of the Armed Services Subcommittee on Appropriations headed by the very able gentleman from Texas [Mr. MAHON]. I have equally high respect for members of the subcommittee handling Department of State funds headed by the very able gentleman from New York [Mr. ROONEY].

But, regardless of the integrity and splendid leadership of the members of the two subcommitttes just mentioned, the present proposal to transfer the functions of the Foreign Operations Subcommittee on Appropriations to these two subcommittees is to hide the cost of the program from the taxpayers. You know it is true, and I know it is true, so let us face up to it and cut the political medicine men's water off before it starts to flow too freely.

There is a lot of trickery, shadow-boxing, and subterfuge practices going on in the several branches of the Department of Defense every day. Let me furnish you with one example of how these smart boys who are loaded with brass are milking the Mutual Security Program.

A few years ago, they passed out sugar-coated pills to the Congress that had the desired effect. They got Pentagon language into the foreign aid program which, in effect, stated that all obsolete and obsolescent and much nonserviceable equipment of our own Armed Forces could be transferred to the Mutual Defense Assistance Program at the replacement cost.

Here is one example of legal thievery: Our services would take World War II jeeps which had cost $1,200 originally and had been used from 10 to 15 years, and transfer them to the Mutual Security Program at a cost of $3,500 each, which is the replacement value. The new ones, of course, have almost every known type of modern equipment and device that was not available at the time of the purchase of the older jeeps. They are selling these ancient jeeps to the Mutual Security Program for $3,500, whereas, in other instances, they are being sold as surplus for $37.50 to $50.

I could list pages of this kind of monkey business, but I furnished you with this one example so that you would have some knowledge of the skulduggery that is being practiced by the military because of the Pentagon language in the foreign aid bill.

Therefore, I say to you, why destroy the Foreign Operations Subcommittee, or watchdog committee, on appropriations, when they have done a creditable job. May I respectfully point out to the Members of the House that the members of the Foreign Operations Subcommittee on Appropriations have worked untiringly and unceasingly to put some sense into the foreign-aid program.

By consolidating fiscal years 1956 and 1957, we can point to a saving below the budget request in the amount of $1,868,000,000. Did we hurt the program? Certainly not, we helped it.

Another explanation, when the House passed the appropriation bills for fiscal years 1956 and 1957, our coequals in the other body put back practically every dollar the House reduced the request by. But the Foreign Operations Subcommittee on Appropriations went to conference determined that the committee and the House knew what they were doing; therefore, they would try to reason things out with the Senate conferees. The final conference figure for the 2 fiscal years was $847 million below what the other body had approved.

Did we hurt the program? Certainly we did not. We helped it.

There is another subterfuge being practiced by the political medicine men and that has to do with loans. Most of the loans made under the foreign aid program are just as worthless as a box of sand. That part of the program is a long story, but may I quote briefly from the Fairless report and his statement before our committee:

> In our view loans by the United States repayable in the inconvertible currencies of foreign nations are undesirable, and the practice of granting them should be terminated. Our relations with other countries will suffer from United States control of large amounts of their currencies. The soundness of the loan device should not be jeopardized by inviting repayment in foreign currencies which cannot be freely spent by the United States.

I commented to Mr. Fairless as follows:

> Would it not be better to make an outright grant than to have what appears to be a loan when we know it is not worthwhile. Do you agree with the statement that such practices are wrong and are misleading to the American people?

Mr. Fairless answered, and I quote:

> Indeed, I concur 100 percent. We should either make sound loans or in the event a sound loan is impossible and yet aid seems to be in the best interest of the United States, then we should make a gift or grant.

Mr. Speaker, I should like to reiterate what I have said before, and that is the foreign-aid spending program is out from under control. It is going downhill with no brakes. Therefore, a crash is inevitable unless we can prevail upon the driver to apply the brakes.

I wonder if there is a single Member of Congress unthoughtful enough to believe that our President is in possession of positive knowledge of the need for a continuation of a lavish foreign-aid program. How could the President have anything but a meager knowledge of such a mammoth operation being carried on in 66 of the 85 nations of the world? Of course, this mammoth and complicated program is a small part of the duties of a full-time President when he is the leader of 170 million people.

Therefore, it is obvious that the President, with few exceptions, if any, is following the recommendations of his subordinates, of big business which is getting fat and profitable contracts, the internationalists who like to fly high and wide, the bureaucrats who like to head up missions in foreign lands and perpetuate their jobs and prestige, and various and assorted other pressure and propaganda groups.

I have been exposed to some of this pressure myself on inspection trips to Europe, the Middle East, and the Far East. I was intrigued by the pressure, persuasion, and cleverness that is usually generated by an enthusiastic mission head.

For instance, let us say you visit country X to inspect various types of assistance programs underway in that country. When you arrive there you listen to the pleas of the Chief of the economic mission, then his subordinate who administers the technical-aid program, then the head of the military mission program, and after that you are permitted to meet some of the heads of the government of the country. So, unless you are careful, you leave the country convinced that that nation would fall into Communist hands within an hour without these bureaucrats being there to save them from their plight.

Do you realize that we now have over 2,000 different projects or programs going, and new ones are being initiated continually? May I also remind you that it is these ambitious and enthusiastic mission heads who determine the level of aid for each country. There is nothing realistic about their recommendations. The same men determine the type and cost of the programs. These

same people can switch funds from one program to another without any approval of those in the top echelon.

Mr. Speaker, do we have a Congress capable of reasoning things out? I believe we do.

May I ask what right we have as Members of Congress to spend that which is not ours? What right do we have to place an unbearable public debt upon the heads of unborn generations?

They say it is old fashioned to quote leaders of yesteryear, but I am prompted to quote from the statements of Thomas Jefferson:

To preserve our independence, we must not let our rulers load us with perpetual debt. If we can prevent the Government from wasting the labors of the people under the pretense of caring for them, they will be happy. The same prudence which in private life would forbid our paying our money for unexplained projects, forbids it in the disposition of public money.

Mr. Speaker, what success have we had in curing the ills of other people and nations of the world? May I quote verbatim from an article that I read, and then elaborate:

It is a gloomy moment in history. Not for many years—not in the lifetime of most men who read this—has there been so much grave and deep apprehension; never has the future seemed so incalculable as at this time.

In France the political caldron seethes and bubbles with uncertainty; Russia hangs as usual, like a cloud, dark and silent upon the horizon of Europe; while all the energies, resources, and influences of the British Empire are sorely tried, and are yet to be tried more sorely, in coping with the disturbed relations in China.

It is a solemn moment, and no man can feel an indifference—which happily, no man pretends to feel—in the issue of events.

I am sure that all of you listening will agree that the conditions quoted above parallel conditions of today. Yet, I was quoting from Harper's Weekly, the issue dated October 10, 1857, a hundred years ago, my friends. How much longer will we be misled into believing that we can cure the ills that have grown up over a period of centuries, especially if we are attempting to do it with the American taxpayers' dollars. What we may be doing is destroying the incentive and arresting initiative in a lot of foreign nations and making it impossible for them to handle their own economy, according to standards they have been accustomed to. When you relieve an individual of his daily responsibilities, he develops into a weakling. The same thing applies to nations.

How many of you know cases where parents have spoiled a child by showering undeserved favors upon him and relieving him of all responsibilities, and when the child became an adult, he was a weakling and could not assume responsibility for himself. Why should we do for other nations the things that they could and should do for themselves?

Now, Mr. Speaker, I want to discuss something of utmost importance, and if anything I have said in the past or present has failed to make an impression, maybe the following will:

First. From the first session of the First Congress in the year 1792, to January 1, 1948, a period of 156 years during which time we fought and won six wars, including World War I and World War II, the Government collected from the American people in taxes $315,963,030,418.

Second. From the year 1948 through 1956, a period of 9 years, during which time we fought only one war, the war in Korea, and which, incidentally, was fought without victory, the Government collected from the American taxpayer in taxes the staggering total of $532,155,381,000.

Third. During the past 4 years, namely, 1953, 1954, 1955, and 1956, under the present administration, the Government has extracted in taxes from the people $283,458,280,000. Fantastic, is it not? These figures can be verified through the Library of Congress or the United States Treasury.

During the past 4 years, when the Government collected $283,458,280,000 in taxes, you would think that this amount would have been sufficient to support the Government. But that is not true. During the same period, the public debt was increased by $9 billion.

May I respectfully point out that the year the foreign-aid program was brought into being that the Congress went wild on its spending for every agency and department in existence, and there just does not seem to be any stopping place.

But just as sure as God made little apples, unless we bring this unreasonable overall spending program under control, the American people will retire hundreds of us. More particularly will the foreign-aid program bring about this wholesale involuntary retirement.

Mr. Speaker, contrast if you will, the $315 billion plus extracted from the American people from 1792 to 1948 with the figures of $532 billion plus taken in taxes for the period 1948 through 1956. Contrast if you will, the present administration's collection of $283 billion plus in a period of 4 years, and if the estimates for 1957 hold good, then the Eisenhower administration will have collected more taxes in 4 years and 6 months than was collected from 1792 to 1948.

Mr. Speaker, we should bear in mind that there are many foreign-aid programs. The one I have referred to today has to do only with that part handled by the Foreign Operations Subcommittee on Appropriations, of which I have the honor to be chairman. But, let us be ever mindful, and I shall take my information from the Fairless report, that in the past fiscal year the total programs abroad amounted to $7,800,000,000. This included the mutual security program, and other forms of assistance sums spent abroad by our military forces, and so forth.

May I also establish for the record that during the past 20 years, Uncle Sam has actually given or made what appears to be uncollectible loans to other nations in the amount in excess of $109 billion. Many obviously believe that this staggering, frightening, unbelievable amount has actually done more harm than good. I shall not subscribe to either view, but I say that the time has come when we must not, we should not, and in my opinion, we will not, continue to follow the blind leadership of a lot of bureaucrats who have listened to a multitude of little bureaucrats and have permitted this foreign aid program to grow until it is now in 66 nations of the world and is getting bigger every day.

It is to be regretted that almost every individual of any stature who has supported the foreign aid program, including former Members of both branches of the Congress, are immediately given the choicest positions available in the foreign aid program. They are sent abroad to help initiate and create new programs that could eventually cost this Nation tens of billions of dollars and bring us to economic chaos. We must wake up and accept our responsibilities seriously and refuse to follow the men downtown, because in many instances, they are the poorest posted men in our Nation on our economy and they fail to comprehend what a continuation of this wild and woolly uncontrolled foreign aid program is doing to our economy.

Yes, regardless of the feelings of many, we will have a foreign aid program, but I pray that it will not be in the amount mentioned in the President's budget which was $4,400,000,000, but a figure nearer $2,200,000,000. I hope that our leaders will keep in mind that on February 1, 1957, our public debt amounted to $276 billion, whereas, the total public debt of the other 84 nations of the world amounted to only $252 billion. Putting it another way, our public debt, one Nation, if you please, exceeds the combined public debts of all other nations of the world, numbering 84, by $24 billion.

Mr. WILLIAMS of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. In mentioning the various aliases of the foreign-aid program, the gentleman forgot to mention one name they had which was actually the most appropriate, the European Recovery Program, which was commonly known as ERP.

Mr. PASSMAN. There are many more names; I am only picking out a few that were brought to the attention of the American people by the bureaucrats.

Mr. JOHANSEN. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Michigan.

Mr. JOHANSEN. I would like first of all to congratulate the gentleman on the very excellent statement he is making. I do not want to anticipate his points, but I would like, since he has said that the purpose of this proposed division and shift in the two phases of foreign aid would be to keep information from the American people, I wonder if he does not feel it would also have the effect of making it increasingly difficult for the Congress to legislate wisely and discernedly?

Mr. PASSMAN. I thank the gentleman for his contribution. He is absolutely correct. In all probability if we have two committees you might find it will be costing you 2½ to 3 times as much.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Iowa.

Mr. GROSS. Let me join the gentleman from Michigan in congratulating the gentleman upon the excellence of his statement. I was intrigued a moment ago by the gentleman's reference to the lavish entertainment in the embassies in Washington. I know nothing about that, but recently a new diplomat came to town and, strange as it may seem, this gentleman blossomed out in the biggest Cadillac I ever saw, and yet he comes from a bankrupt country.

Mr. PASSMAN. It that the gentleman who ordered gold-studded Cadillacs to be sent back to his friends?

Mr. GROSS. No; this diplomat is apparently stationed in Washington.

Mr. PASSMAN. There are plenty of Cadillacs around wherever they have foreign aid.

Mr. GROSS. I have always wondered how they come into this sudden wealth. They come from poverty stricken countries to which the giveaway artists have sent millions and sometimes billions of dollars in foreign aid. Yet they come to this country and blossom out in the biggest Cadillacs you ever saw.

Mr. PASSMAN. I thank the gentleman. I shall get into that a little later.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Florida.

Mr. HALEY. I want to commend the distinguished gentleman for the presentation he has made here today. He is one of the best informed Members of this House on this give-away or so-called give-away program or so-called foreign aid program. I hope that the gentleman, when he brings the bill up here, will cut this program to the point that this House will uphold it and that there will be no increase in funds in the other body.

Mr. PASSMAN. I thank the gentleman for the compliment, and I certainly hope the gentleman will assist us in bringing out a sensible bill.

Mr. HALEY. I want to assure the gentleman that I will support a bill cutting out all of this foreign aid if he will bring it out of his great committee.

Mr. PASSMAN. I thank the gentleman.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Virginia.

Mr. GARY. I want to compliment the gentleman on his remarks on this most important subject, and particularly his calling attention to the effect that it is having on our total economic policy in the United States.

DEPRESSED-AREAS LEGISLATION

Mr. HALE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. HALE. Mr. Speaker, 2 weeks ago I told the Members of this House that two textile mills were being closed down in my State of Maine within the next 2 months. I pointed out about 2,000 jobs were involved, and I urged quick action on depressed areas legislation.

I am now submitting for the RECORD two resolutions calling for legislation to aid the textile industry. One is from the city officials of Biddeford, Maine, and the other is from the Biddeford-Saco Joint Board of the Textile Workers Union of America.

They both support a bill which has been introduced in the Senate by Mrs. MARGARET CHASE SMITH of Maine. Her measure would authorize the Secretary of Agriculture to sell surplus raw cotton to American textile mills at prices they can afford to pay.

At this time I want to urge the Eisenhower Administration and Congress to support this legislation. It would do a great deal to help the sagging textile industry in the United States.

Statistics clearly indicate the downward trend of this industry. Since 1948, over 300,000 jobs have been lost. The two mill closures in Maine afford evidence that the situation is getting worse.

Yet, at the same time this is happening, surplus cotton is being sold to Japan and other foreign countries at a price substantially lower than the domestic price.

This is possible because the Commodity Credit Corporation is paying exporters of surplus cotton the difference between the domestic market price and the export price in order to cut down on our surpluses. This payment has been averaging more than 6 cents per pound.

The foreign countries which are receiving this cotton are using it to increase their share of the world textile market, while American textile exports are decreasing. In 1951 our exports of finished cotton products amounted to $390 million. By 1956 this figure had dropped to $239 million, a decline of $151 million.

In view of the foregoing, I think it would be highly desirable to permit the American industry to purchase surplus cotton at a price comparable to the export price.

This undoubtedly would help the industry to get back on its feet by building up its exports to past levels. It also would cut down on surpluses at an accelerated rate.

These surpluses increased from over 5 million bales at the end of 1953 to over 14 million at the conclusion of 1956. The Department of Agriculture estimates that 7.3 million bales will be exported in the 1956–57 marketing year. Coupled with a sale to the American industry, this would make a big dent in the carryover.

Something must be done to help the textile industry, and I think the sale of surplus cotton would be the most logical action to take at this time. The administration contemplates the expenditure of a record $5 billion for agriculture in fiscal 1958. Much of this will be spent in the form of subsidies. I approve this concern for the American farmer, but I think that a similar sympathy should be shown to the textile worker.

Some textile industry spokesmen have also advocated establishment of import quotas as another measure to improve the situation. This may not be necessary if the Japanese live up to their voluntary agreement made this year to keep their exports to this country within specified limits. The Tariff Commission has informed me they seem to be living up to it. In the meantime, the Commission is working on a program to keep a closer check on the Japanese exports.

But this is only a partial answer to our problem. The sale of surplus cotton to American industry would help. And I am hopeful that some type of depressed areas legislation will be passed this session.

The administration and Congress should not overlook the plight of the American textile industry, which is so important to the economy of the New England States.

STATE OF MAINE,
County of York, ss.:

We, the undersigned official representatives of the people of the city of Biddeford, do herewith resolve that—

Whereas the people of the city of Biddeford are vitally interested in the economic welfare of its community and that of its neighboring city, Saco, Maine; and

Whereas the Bates Manufacturing Co. located in said Saco is an integrated part of our economy and is to cease operations affecting 1,200 employees, all living in this area; and

Whereas it is our understanding that the textile industry has been affected by improper duty control of textile importation and by the sale of American grown cotton to foreign countries at cut-rate prices, thus affecting textile industry: Be it

Resolved, That the Smith bill, known as S. 314, introduced in Congress by Senator MARGARET CHASE SMITH, be adopted, or that other measures be forthwith taken to prevent the economic deterioration of our textile industry so affected.

Albert C. Lambert, Mayor; J. Alfred Letellier, Maurice Jalbert, Roland Bois, Antonio Dallaire, Louis Gendron, Marc Collette, Robert Robida, Lionel Croteau, Honorius Gagne, Raymond Lizotte, Roland L'Heureux, Councilmen; Simon Spill, City Solicitor.

A true copy.
Attest:

ROYAL SHELTRA,
City Clerk of Biddeford.

RESOLUTION ADOPTED BY THE BIDDEFORD-SACO JOINT BOARD, TWUA, AFL–CIO, IN EXECUTIVE SESSION HELD APRIL 10, 1957

What has happened to the cotton industry because of the stubborn shortsightedness on the part of responsible United States Officials?

Since the general agreement of trades and tariffs has been in effect, liquidations of more than 1,000 mills and the elimination of 342,000 textile jobs in this country has resulted, and is still continuing to happen; not only in other parts of the nation but right here in the Biddeford-Saco area where textile workers at the York mill of the Bates Manufacturing Company, through no fault of their own, will be thrown out of work because the United States Government is unwilling to listen to pleas of the textile industry nor the pleas of the Textile Workers Union of America, AFL–CIO, to save this industry and American jobs by selling American surplus cotton already paid for by American taxpayers to Japan and other foreign nations

at 10 cents a pound less than our own American textile companies can buy it on the American market by:

Failing to recognize the seriousness of this situation in subsidizing Japan and other foreign nations with American taxpayers' dollars in the matter of cotton buying.

Being unwilling to subsidize the American textile industry that is so vital to the welfare and security of a great many textile workers and communities in the United States and in the Biddeford-Saco area.

Allowing the textile workers of this nation to starve in the midst of plenty who must work for wages at 65 cents per hour less than the industrial average of the United States and is now being asked in the face of increased cost-of-living to take a further cut in pay that would bring the textile workers still lower on the economic ladder of this nation who are now at the bottom of the economic ladder. A cut in wages would depress these workers still lower and would create a hardship to the communities in which a textile worker lives.

Hundreds of millions of dollars are given away to foreign buyers and yet, to save the American textile industry and to provide full-time employment, the Government can't find even 10 percent of the amount given to foreign purchasers to save the American textile industry and textile workers' jobs: Therefore, be it

Resolved by the Biddeford-Saco Joint Board, Textile Workers Union of America, AFL-CIO, That:

1. We support wholeheartedly the Senate bill 314 as supported by Lester Martin, president of the Bates Manufacturing Co., and introduced in the United States Senate by Senator MARGARET CHASE SMITH of Maine. This bill would alleviate the depressed conditions in the textile industry;

2. We call upon all interested citizens in these communities and upon the city governments of Biddeford and Saco to actively lend their support to Senator MARGARET CHASE SMITH's bill;

3. We call upon the administration in Washington to subsidize the American textile industry until it is put on its feet and is able to effectively compete with Japanese and other foreign textile imports; and be it further

Resolved by the Biddeford-Saco Joint Board, T. W. U. A., AFL-CIO, That we call upon the President of the United States to put into effect immediately, as an emergency measure, cotton textile quotas on the basis of 5 percent by cotton textile classification; and be it further

Resolved, That favorable action on Senator SMITH's bill, No. S. 314, be taken immediately so that it will benefit the textile industry, the workers, and the Nation, now.

OUR SENIOR CITIZENS

Mr. WEAVER. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. CRAMER] may extend his remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CRAMER. Mr. Speaker, in my opinion one of the most serious problems facing this Nation today, and one that is becoming increasingly acute, is that of our senior citizens—the man or woman who has reached the age where they are either retired from an active life with a small annuity and their savings on which to live or who must continue to support themselves and find in this modern age that their years are a great handicap. With today's increasing longevity this problem piles problem upon problem in all areas of the United States.

The life of our Nation has changed and the freedom of living granted to others must also be given these older members of our communities. They must be allowed to live out their years in happiness, comfort, and by a gainful way of life. We must see that their desires and happiness are provided for through understanding of their problems and their hope to remain a part of each community and its economic, social, and spiritual growth within the bounds of American liberties with freedom from either regimentation or socialistic planning.

I have today introduced a bill into the House that would provide a series of studies by competent personnel through the establishment of a new bureau of the Department of Health, Education, and Welfare known as the Bureau of Senior Citizens. This Bureau would be directed by an additional Assistant Secretary of the Department and grants to the several States would be made to assist them in their programs of studies and research, along with guidance and counsel of the Bureau in the study of geriatrics, gerontology, and other means suggested to aid these senior citizens to achieve a comfortable and honorable living.

I have been particularly impressed with this problem because of the great influx, perhaps because of the salubrious climate and other attributes of our State, into Florida of people of this age bracket and the problems that are presented there. I would emphasize this point, in reference to the State of Florida, by quoting from the preface to a publication by the Bureau of Economic and Business Research, University of Florida, entitled "Florida's Older People."

From 1900 to 1950, while the population of the United States was increasing 98 percent, the population of Florida increased 424 percent. However, a greater difference than shown by these figures is revealed by a comparison of the changes in the older population. While the Nation's age class of 65 years and over was increasing 298 percent, Florida's increase for this segment of the population was 1,603 percent.

An increase in the proportion of people 45 to 64 years of age and 65 years and over has occurred in each successive decade during the half century ending in 1950. This continuous aging of Florida's population is in part the result of the general nationwide tendency of the population to age because of gains in the control of infectious diseases, other advances in medical science, and also because of a higher standard of living. However, Florida's far greater increases in these older age categories are attributable mainly to the fact that many older people have migrated to Florida from other parts of the United States.

Included in the exhibits that follow are further figures that will demonstrate the important part that the senior citizen plays in the future of the economy and growth of the State of Florida.

The Health Information Foundation has well outlined the problem that exists in the United States today. In a recent article the background and predications on which I base my contention that this is one of the most serious problems facing the Nation is well stated and I would include certain portions of the history they have prepared in regard to population trends and causes of the unprecedented growth of population in the age group making up those entitled "Our Senior Citizens":

With each successive decade since 1900, increasing proportions of our population reach the older ages and relatively smaller proportions are found in the childhood and young adult age groups. Thus, the composition of the American population is changing noticeably, and problems relating to later years of life—problems of income, health, and social and psychological adjustment—require more of our attention. By 1933, the birthrate in the United States had dropped from more than 30 per 1,000 population at the turn of the century to a low of 18 per 1,000. Even though the rate has now recovered from the 1933 low, births are only 25 per 1,000 population and are not expected to increase appreciably. Also, by the 1930's immigration had ceased to be an important factor in adding to the young population.

While the lower birth rate and restrictive immigration legislation greatly reduced our basic sources of young people, another development occurred that had even greater effect on the changing age distribution of the population. The marked declines in mortality in the United States since the turn of the century greatly increased our chances of survival at all ages, and in recent decades especially significant gains have been made in reducing deaths among the aged. Thus, with greater proportions of our people living longer and with a declining proportion of young people, the average age in the United States has gradually increased. It is likely to increase further if the birth rate remains stable and as greater gains are made in the medical sciences in controlling heart disease, cancer, and other degenerative conditions generally associated with the later years of life.

Fifty-four percent of our population in 1900 was less than 20 years old, but today this age group makes up only 36 percent of the total. Likewise, our population from 20 to 44 years of age now represents a smaller percentage of the total, having declined from 38 percent of the total in 1900 to 35 percent today.

The age groups over 45, however, have become considerably larger proportions of the total population. Whereas people 45 to 64 years old represented only 14 percent of our total population in 1900, this age category now constitutes over 20 percent of the present population in the United States. An even greater rate of increase is reflected for the ages over 65. At the turn of the century few people would have survived to 65 or beyond—only 4 percent of the population was in those ages; today, however, 9 percent of our population is over 65.

In absolute numbers, while the population of the United States has doubled since 1900, our population 65 and over has more than quadrupled, increasing from about 3 million to more than 14 million. Clearly, as the benefits of reduced mortality continue, this age group will increase; its manifold problems will be of even greater importance in the future. By 1975 there will be about 21 million people over 65 in the United States, according to present estimates.

In terms of medical advances, our aged population has shared the significant strides of the past half century: If the 1900 mortality rates had prevailed in 1954, 44 percent more people would have died between the ages of 65 to 74; 43 percent more deaths would have occurred in the ages 75 to 84, and nearly 50 percent more people would have

died in the ages over 85. These percentage changes add up to a startling total—over 360,000 additional people 65 years of age or over would have died in 1954 had our death rates at the turn of the century prevailed. The social and economic value of such progress is becoming increasingly apparent as the potentials of our aged population are becoming more fully utilized.

Even more graphically the figures of the Department of Commerce demonstrate through census figures and estimates the increase in the size of the problem that faces us today. For the convenience of the Members who face these problems in each of the States they represent I would include a table of records showing the actual figures of that Bureau as to increases in population aged 65 and over. In the following charts we shall first, however, consider the total of this Nation together with projections extending to 1975.

Year	Total population		Population aged 45 to 64		Population aged 65 and over		
	Number (in thousands)	Percent increase since 1900	Number (in thousands)	Percent increase since 1900	Number (in thousands)	Percent increase since 1900	As percent of total population
1900	75,995		10,400		3,080		4.1
1910	91,972	21	13,424	29	3,950	28	4.3
1920	105,711	39	17,030	64	4,933	60	4.7
1930	122,775	62	21,415	106	6,634	115	5.4
1940	131,669	73	26,084	151	9,019	193	6.8
1950	151,132	99	30,720	195	12,195	296	8.1
1954 (July)	162,414	114	32,877	216	13,715	345	8.4
Projections:							
1960:							
A and B	177,426	133	36,580	252	15,701	410	8.8
C	176,126	132					8.9
D	173,847	129					9.0
1975:							
A	220,982	191	43,136	315	20,689	572	9.4
B	213,568	181					9.7
C	206,615	172					10.0
D	198,632	161					10.4

In the States themselves the figures are even more revealing, as earlier noted in the case of the State of Florida, and both actual growth and applied percentages of growth are shown in the following:

Total population and population aged 65 and over in 1950, by State and percent change, 1940 to 1950

[Minus sign (−) denotes decrease]

State and territory	Total (in thousands)	65 and over		Percent change, 1940 to 1950		State and territory	Total (in thousands)	65 and over		Percent change, 1940 to 1950	
		Number (in thousands)	Percent of total	Total	65 and over			Number (in thousands)	Percent of total	Total	65 and over
Continental United States	150,697	12,270	8.1	14.5	36.0	Continental United States—Con.					
						Nevada	160	11	6.9	45.5	57.1
Alabama	3,061	199	6.5	8.1	46.3	New Hampshire	533	58	10.9	8.3	18.4
Arizona	750	44	5.9	50.3	83.3	New Jersey	4,835	394	8.1	16.2	41.2
Arkansas	1,910	149	7.8	−2.0	39.3	New Mexico	681	33	4.8	28.0	43.5
California	10,886	895	8.5	53.3	61.3	New York	14,830	1,258	4.5	10.0	36.4
Colorado	1,325	116	8.8	18.0	34.9	North Carolina	4,062	225	5.5	13.7	43.3
Connecticut	2,007	177	8.8	17.4	37.2	North Dakota	620	48	7.7	−3.4	23.1
Delaware	318	26	8.2	19.1	23.8	Ohio	7,947	709	8.9	15.0	31.3
District of Columbia	802	57	7.1	21.0	39.0	Oklahoma	2,233	194	8.7	−4.4	33.8
Florida	2,771	237	8.6	46.1	80.9	Oregon	1,521	133	8.7	39.5	43.0
Georgia	3,445	220	6.4	10.3	38.4	Pennsylvania	10,498	887	8.4	6.0	31.0
Idaho	589	44	7.5	12.2	37.5	Rhode Island	792	70	8.8	11.1	29.6
Illinois	8,712	754	8.7	10.3	32.7	South Carolina	2,117	115	5.4	11.4	42.0
Indiana	3,934	361	9.1	14.8	25.3	South Dakota	653	55	8.4	1.6	25.0
Iowa	2,621	273	10.4	3.3	19.7	Tennessee	3,292	235	7.1	12.9	36.6
Kansas	1,945	194	10.2	5.8	23.6	Texas	7,711	513	6.7	20.2	47.8
Kentucky	2,945	235	8.0	3.5	24.3	Utah	689	42	6.1	25.3	40.0
Louisiana	2,684	177	6.6	13.5	48.7	Vermont	378	40	10.6	5.3	17.6
Maine	914	94	10.3	7.9	17.5	Virginia	3,319	215	6.5	22.9	38.7
Maryland	2,343	164	7.0	28.7	32.3	Washington	2,379	211	8.9	37.0	46.5
Massachusetts	4,691	468	10.0	8.7	26.8	West Virginia	2,005	139	6.9	5.5	37.6
Michigan	6,372	462	7.3	21.2	39.6	Wisconsin	3,435	310	9.0	9.5	28.1
Minnesota	2,982	269	9.0	6.8	26.3	Wyoming	291	18	6.2	15.9	38.5
Mississippi	2,179	153	7.0	−.2	33.0	Territories:					
Missouri	3,955	407	10.3	4.5	24.8	Alaska	129	5	3.9	76.7	25.0
Montana	591	51	8.6	5.7	41.7	Hawaii	500	20	4.0	18.2	53.8
Nebraska	1,326	130	9.8	.8	22.6	Puerto Rico	2,211	86	3.9	18.3	36.5

Since the above table was published, still further figures have become available that would indicate this growth to be even more expanded between the ages with which we are concerned than before. A similar comparison is demonstrated in the chart that follows:

Total population and population aged 65 and over in 1955 and percentage of change from 1950 to 1955

Region, division, and State	Estimates of civilian population by States and for Hawaii, July 1, 1955		Percent of change, civilian population, by States and for Hawaii, Apr. 1, 1950–July 1, 1955		Region, division, and State	Estimates of civilian population by States and for Hawaii, July 1, 1955		Percent of change, civilian population, by States and for Hawaii, Apr. 1, 1950–July 1, 1955	
	Total civilian population	65 years and over	Total civilian population	65 years and over		Total civilian population	65 years and over	Total civilian population	65 years and over
Continental United States	162,307,000	14,069,000	+8.5	+15.4	South:				
					South Atlantic	22,861,000	1,697,000	+9.6	+23.4
Regions:					East South Central	11,539,000	927,000	+1.1	+14.7
Northeast	41,610,000	3,848,000	+5.8	+12.0	West South Central	15,407,000	1,214,000	+7.1	+19.0
North Central	48,243,000	4,463,000	+8.7	+12.7	West:				
South	49,808,000	3,839,000	+6.8	+19.8	Mountain	5,806,000	432,000	+15.6	+20.7
West	22,646,000	1,919,000	+17.5	+20.4	Pacific	16,840,000	1,487,000	+18.2	+20.3
Northeast:					New England:				
New England	9,514,000	979,000	+2.7	+8.0	Maine	891,000	99,000	−2.3	+5.7
Middle Atlantic	32,096,000	2,869,000	+6.7	+13.4	New Hampshire	549,000	61,000	+3.4	+5.5
North Central:					Vermont	368,000	42,000	−2.5	+7.4
East North Central	33,498,000	2,937,000	+10.4	+13.5	Massachusetts	4,729,000	496,000	+1.4	+5.9
West North Central	14,745,000	1,527,000	+5.1	+11.1	Rhode Island	786,000	78,000	+1.5	+11.2
					Connecticut	2,191,000	202,000	+9.5	+14.6

Total population and population aged 65 and over in 1955 and percentage of change from 1950 to 1955—Continued

Region, division, and State	Estimates of civilian population by States and for Hawaii, July 1, 1955		Percent of change, civilian population, by States and for Hawaii, Apr. 1, 1950–July 1, 1955	
	Total civilian population	65 years and over	Total civilian population	65 years and over
Middle Atlantic:				
New York	15,950,000	1,421,000	+7.8	+13.3
New Jersey	5,275,000	456,000	+9.8	+16.1
Pennsylvania	10,871,000	993,000	+3.7	+12.4
East North Central:				
Ohio	8,925,000	788,000	+12.4	+11.5
Indiana	4,325,000	306,000	+10.0	+10.1
Illinois	9,237,000	862,100	+6.5	+14.9
Michigan	7,311,000	536,000	+14.9	+16.6
Wisconsin	3,699,000	354,000	+7.7	+14.4
West North Central:				
Minnesota	3,185,000	311,000	+6.9	+15.7
Iowa	2,609,000	302,000	+1.9	+10.6
Missouri	4,167,000	441,000	+5.4	+8.7
North Dakota	643,000	54,000	+3.7	+11.3
South Dakota	678,000	65,000	+4.4	+16.9
Nebraska	1,382,000	146,000	+4.6	+11.8
Kansas	2,021,000	210,000	+7.1	+8.2
South Atlantic:				
Delaware	382,000	29,000	+20.2	+11.1
Maryland	2,668,000	186,000	+15.9	+14.8
District of Columbia	835,000	61,000	+6.1	+9.3
Virginia	3,421,000	245,000	+6.7	+16.2
West Virginia	1,983,000	159,000	−1.1	+15.5
North Carolina	4,248,000	266,000	+5.8	+20.0
South Carolina	2,251,000	137,000	+7.4	+22.6
Georgia	3,581,000	254,000	+5.2	+17.8
Florida	3,492,000	361,000	+27.9	+53.9
East South Central:				
Kentucky	2,954,000	263,000	+1.4	+12.6
Tennessee	3,396,000	264,000	+3.5	+13.8
Alabama	3,083,000	229,000	+1.0	+17.6
Mississippi	2,107,000	173,000	−2.7	+15.4
West South Central:				
Arkansas	1,784,000	178,000	−6.5	+21.3
Louisiana	2,900,000	200,000	+8.9	+15.9
Oklahoma	2,179,000	224,000	−1.8	+16.1
Texas	8,536,000	612,000	+12.5	+20.5
Mountain:				
Montana	624,000	60,000	+6.0	+18.8
Idaho	609,000	53,000	+3.4	+20.9
Wyoming	301,000	23,000	+6.7	+24.1
Colorado	1,596,000	132,000	+15.2	+14.0
New Mexico	766,000	42,000	+14.7	+28.0
Arizona	982,000	61,000	+32.3	+39.4
Utah	791,000	49,000	+15.2	+16.6
Nevada	227,000	12,000	+44.1	+12.1
Pacific:				
Washington	2,534,000	241,000	+9.4	+14.1
Oregon	1,680,000	155,000	+10.7	+16.8
California	12,625,000	1,091,000	+21.2	+22.4
Hawaii	503,000	25,000	+5.5	+24.5

Source: U. S. Department of Commerce, Bureau of the Census.

These are the facts about the astounding growth of this older age bracket whom we call our senior citizens. I would be remiss if I did not acknowledge many studies that have already been made in this field by President Eisenhower and through committees appointed by him. I have long been familiar with this work and, indeed, many conclusions I have reached and incorporated in the bill I present today were the results of these studies. In that regard I would include for clarification portions of a letter written by me to the President on March 29, 1956, as follows:

Great interest has been shown in the study of gerontology by the State of Florida through the Florida Institute of Gerontology in Gainesville, and more particularly in the First District, the St. Petersburg area, by the appointment of a committee on gerontology and the commencement of studies in medical treatment for the aged at Mound Park Hospital as well as the introduction of two courses in gerontology at St. Petersburg Junior College.

It is logical that Florida should take a position of leadership in this field because of the large percentage of senior citizens in the State, there being a large concentration of these citizens in the St. Petersburg area. To substantiate this, I call your attention to the following facts:

While the Nation's age class of 65 years and over was increasing 298 percent between 1900 and 1950, Florida's increase for this segment of population was 1,603 percent; and

While there has been an increase in population by 46 percent in Florida between 1940 and 1950, the population of people 60 years or over was increasing 81 percent, and in Pinellas County this increase was in excess of 120 percent.

This, I believe, clearly indicates why Florida, in general, and my district, in particular, has such a great interest in the problems of the senior citizen.

It is my fervent hope that the senior citizens committee, which you suggested be appointed as soon as possible, will have adequate funds and personnel available to do a thorough job in research and study and will come forth with concrete and constructive recommendations on meeting the tremendous and numerous problems of the senior citizen of today, a problem which will grow more acute in future years as the number in this classification increases.

In reply to my letter the President, April 6, 1956, indicated his complete understanding of this problem and I would also make that response available to the Members:

THE WHITE HOUSE,
Washington, April 6, 1956.

The Honorable WILLIAM C. CRAMER,
House of Representatives,
Washington, D. C.

DEAR BILL: The concern and interest that you expressed in your recent letter regarding the marked rise of older persons in our population is shared by me and by large numbers of our citizens. You and your associates in Florida are to be commended for the active leadership you are taking toward the continuing betterment of these senior citizens, so many of whom retire to your State.

With respect to current planning in the field of the aging, this administration is striving earnestly and on a coordinated basis to achieve maximum utilization of existing programs. To this end, I requested earlier this week the establishment of a Federal Council on Aging to be made up of Federal officials whose departments and agencies engage in activities that may specifically benefit the aging individual. Members of the Council doubtless will wish to draw for advice upon the experience of State and local authorities who have been active in this field, and I shall make certain that your letter is brought to their attention so that they may have the opportunity to become better acquainted with the work being done in Florida and the organizations you mentioned.

The principal responsibility of the Federal Council on Aging will be to review existing programs in the light of emerging needs and to make recommendations to the appropriate departments and agencies as to the emphasis, priorities and provisions for unmet needs of the older persons.

Obviously the Federal Government alone cannot and should not undertake to meet all these needs. Where individual assistance of one kind or another is needed, much of the initiative is rightly being taken by the States and communities, and by families, employers, labor organizations, voluntary groups and religious bodies throughout the country.

The Federal Government can, however, be a helpful partner in many ways, and the formation of a Federal Council on Aging will establish a broader and more permanent basis than previously existed for coordinating programs pertaining to the aging. I am enclosing a statement that outlines recent and proposed actions of this administration affecting older persons. I am confident that you approve of and will support these efforts to improve the status of our older citizens.

With warm regard,

Sincerely,

DWIGHT D. EISENHOWER.

Mr. Speaker and gentlemen, I would impress upon you that, as demonstrated in the statistics presented this is a problem of today's generation and will become even more important to our sons and daughters as they carry on the work of our great Nation. Now is the time to provide the answer to these problems for ourselves and for all time.

I first recognize that this is the primary concern of each State but the Federal Government must play the role of advisor and consultant assisting each State in organization of workable units of assistance through study grants and a staffed Bureau for study, consultation and advisory capacities.

To accomplish this goal my bill would provide for the following acts by this Congress:

First. Establish a Bureau of Senior Citizens within the Department of Health, Education, and Welfare.

Second. Provide an assistant secretary of the department to direct this new bureau.

Third. Appropriate $2 million for grants up to 33⅓ percent of plans by each State and $500,000 for grants to private non-profit institutions.

Fourth. Establish an advisory committee on problems of aging, geriatrics, gerontology and other problems of the aged to assist the secretary.

Fifth. Provide for a national conference on the problems of senior citizens.

Sixth. Provide for reports to the President and this Congress of the needs and progress of the committees and bureau.

I am firmly convinced that establishment of a new Bureau within the Department of Health, Education, and Welfare is both necessary and the best means of solution both from a viewpoint of research and administration of recognizable problems as they are developed. This I have provided in the bill introduced today.

As earlier pointed out, America is in a state of change and the senior citizen no longer desires or expects to be a nonproductive member of both the family and the community. He, or she, is entitled to a future of continued usefulness within that community, and it has been well demonstrated that there is such a place for him in the social and economic plan of this Nation. To provide the framework of that development and growth, it is entirely the jurisdiction and problem of each individual State of this Nation. Our Federal Government can be of invaluable assistance in the coordination and guidance of this movement of self-help by the individual through guidance and facilities provided by the States.

It is my hope that the bill I have introduced today will receive thoughtful and careful consideration by the Members of the Congress and that a program of constructive legislative aid will thereby be developed to benefit the senior citizen of our great Nation.

With the relentless passing of time, we shall all reach the position and understand better the problems of the senior citizen. Today it is our problem to learn, and then, I believe, we shall and will provide for every senior citizen a place of honor through understanding.

SPECIAL ORDER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Indiana [Mr. BRAY] is recognized for 15 minutes.

Mr. BRAY. Mr. Speaker, I have just finished reading in the May issue of Esquire magazine an article entitled "The Army's Case Against Itself," by Garrett Underhill. This article was reviewed in papers throughout the country and was promoted through great advertising. On the cover of that issue of Esquire was pasted a red and yellow flasher proclaiming "A Smothered Report: The Army's Shocking Case Against Itself." This article is a very strong and bitter attack against the Army, its training, organization, use of weapons, mobility, and many other phases of the organizational functions of the Army. A few selected short quotations in this article are as follows:

Its (the Army's) very weakness is an open invitation to Communist aggression and ensuing disaster. * * * The Army today is not a force in being and its efforts to cope with any kind of war, large or small, would result in epic disasters in which the free world's best young men would make up in blood and suffering for Army deficiencies. Can it (the Army) be modernized or should it be abolished? * * * The situation is so desperate that our national security demands immediate action. * * * The Army's decay has caused many of our military leaders to start making radical plans for change * * * who sincerely feel that the Army is in such a bad state that it should either be abolished or merged with the Marine Corps * * *. These plans call for the Army's functions to be reduced to guarding antiaircraft installations * * * and providing a force that could be mobilized for civil defense in time of disaster. Now here in the pages of Esquire, is the completed report I would have presented to Secretary of the Army Wilber Brucker and General Taylor if Mr. Wilson (Secretary of Defense) hadn't gotten in the way. This report is presented in the hope that public opinion can do what the Army has failed to do.

These are only a very few of the condemnatory statements by the author, Garrett Underhill. Having been a commissioned officer of the Army for almost 32 years and being now a member of the House Armed Services Committee, I read and studied this article with a great deal of interest.

I also find that Mr. Garrett Underhill in Look magazine of November 4, 1952, in an article entitled "Young Men With Old Guns" made a bitter attack against the Army. Mr. Underhill's sharp criticism of the Army certainly is not new. I find an article written by him in Aviation magazine as early as December 1941, just on the eve of World War II, entitled "Air Corps Learned Plenty on Maneuvers, but Did the Army?" His buildup on this article is as follows:

The author has been a close observer of military affairs for a number of years. Since the present war began he has been in a position to see numerous unpublished reports on both air war and ground war on each of the battlefronts. During the recent maneuvers he traveled hundreds of miles, seeing at firsthand the activities about which he has written in this article.

In this article there is no statement as to Mr. Underhill's status, whether soldier or civilian. This article discusses the Louisiana maneuvers of 1941, and as usual in his other articles, Mr. Underhill is most critical of the Army. I will quote a few of his comments:

After months of small unit training, the conduct of the average ground soldier and junior officer was a severe disappointment. Deficient in fundamentals of scouting and patrolling that every hunter ought to know, officers and men would walk and even ride right into enemy outposts, or else become hopelessly intermixed with other elements of their own forces.

All ground operations were conducted in an atmosphere of mystery, confusion and indecent haste.

The Air Task Forces and observation squadrons acquitted themselves brilliantly.

If anything, the air forces may thus be said to have normally done the right thing at the right time.

Considering the author's severe condemnation of the Army it seems most surprising that immediately after the printing of this article we entered World War II, and won the greatest global war the world has ever known.

I note on the first page on the article in Esquire his picture and an account of his qualifications. I naturally became interested in the background, knowledge and experience of the author. Although I have but little information regarding him, I understand that he was at one time a Reserve officer. I will quote only a few of the statements made regarding him.

Mr. Underhill resides in Washington, where he maintains close personal liaison with top United States and foreign military men. * * * Presently he [Mr. Underhill] is a weapons consultant to private industry. * * * One of the best informed men on the Army whether in or outside the military.

I also noted a statement in the last paragraph of the article that gives a special insight into the background of Mr. Underhill. This statement was that he was talking with Gen. George Marshall, then Chief of Staff in 1939, and that he asked General Marshall who would be the generals of the future if war should come. He states that General Marshall pulled a list from his pocket and showed him that top on that list were Lt. Col. D. D. Eisenhower and Lt. Col. O. M. Bradley.

I am well aware of the great secrecy regarding the plans of promotion of officers and the recognized bad taste of an officer's discussing the merits or faults of a fellow officer. Also knowing that General Marshall was never a blabbermouth, I could not help being impressed with the great confidence placed in Mr. Underhill by General Marshall, then Chief of Staff. Such action is contrary to the policy of the Army as I knew it.

Mr. Underhill in this article discusses many weapons and vehicles. He also discusses organization, leadership, and tactics, and points out the great superiority of Russia over the United States in these fields. In brief, Mr. Underhill follows rather well the recent trend of writers and commentators in pointing out the superiority of Russia over the United States. Mr. Speaker, I intend as briefly as possible to take up item by item the great failures of the American Army as set out by Mr. Underhill. Much information in connection with our defense is classified. I have had access to both classified and unclassified. However, I will check at all times to insure that what I discuss is not secret information.

The first weapon that the author attacked as being inferior was the Garand M-1 rifle, which has been the rifle used by the American Army during and since World War II. He states that this rifle is too heavy and fires an old cartridge, .30-06, and that a new cartridge, T-35, which has been adopted by most of the NATO nations and Israel, is superior. The cartridge he mentions is one-half inch shorter and is as powerful as the .30-06. Mr. Underhill's statements in regard to this new ammunition and the

need of a different rifle are correct. American ordnance and civilian engineers have been working toward a better gun and ammunition for years. The true situation of the American rifle is that since the development of the Garand rifle there has been brought into production a better powder which enables a rifle shell to be one-half inch shorter, and yet have the same striking effect. Many countries including the United States have been developing a lighter rifle to fire this new cartridge. The Belgian Fabrique-National arms plant has developed the FN–48, which is a very good rifle, and is the type of rifle which will ultimately replace the M–1 rifle, the carbine, and the Browning automatic rifle—commonly called the BAR. Mr. Underhill recommends this rifle very highly and it is a good rifle, but Army Ordnance has developed a rifle of equal capabilities that weighs 1 pound less. I do not know of a certainty the expense involved in changing over our millions of rifles and tens of thousands of machineguns to a new weapon using a different size ammunition. Some estimate that the cost would be a billion dollars. Many military leaders in the United States question whether at this time the billion dollars might be better used in national defense. I believe, however, that the changeover is being carefully studied.

On page 49 of the article Mr. Underhill says:

> The same, scandalous lack of progress applies to our machineguns. All of the current standard models were developed about the time of the First World War, based on a mechanism patented by a man named John Browning in the days of President McKinley and Queen Victoria.

It is true that our machinegun uses part of the mechanism patented about 60 years ago. However, this mechanism is in general use in machineguns throughout the world. The United States is developing a lighter machinegun to fire the then-new shorter cartridge. There are several factors to be considered as to when a new machinegun should be made in great quantities and issued to the troops to replace the present machinegun. A great amount of money is involved in the replacement of all of our machineguns with a gun which is only slightly better than the present gun. In addition to the money involved, it is also true that when we commence a program to make these machineguns in numbers sufficient to equip the entire Army, progress and development toward an even better weapon is stopped. It is a calculated risk which we must always take when we change from one weapon to another. Mr. Underhill seems to believe from his statement that a weapon should be discarded just because it is old. I fail to see any justification for this theory. A good example of the falsity of this philosophy is shown in the development of the new Vulcan machinegun now used in our best fighter planes. The Vulcan is capable of firing 4,500 shots per minute and is the best machinegun for this work in the world. In perfecting the design of this machinegun, our Armed Forces went far back to a much earlier date than the time of Queen Victoria and McKinley as mentioned by Mr. Underhill in his article. He went back to the principle of the Gatling gun which was used in the Battle of Petersburg during the Civil War. This gun was used very effectively in the Spanish-American War in 1898 by Capt. John H. Parker in the Battle of San Juan Hill, and he was ever-after known as Gatling Gun Parker. This gun, I believe, is without question the greatest rapid-firing gun in the world, but because of its weight it would not be adaptable to ordinary ground use. However, if we had followed the philosophy that that which is old and tried must be discarded, we would not have developed this gun. In passing, it might be worthwhile to mention that the bayonet today is in many ways similar to the spearpoint used in the deadly phalanx of Alexander.

Next, Mr. Underhill points out the superiority of Russia over the United States in regard to tanks. While I am not claiming to be an expert on tanks, I did serve in that branch of the service throughout World War II; therefore, I became fairly familiar with the American tank. He is very critical of the American tanks because of their weight.

In the last paragraph of page 49 he states:

> This Russian tank packs an unprecedented amount of armor, horsepower, and firepower into an astoundingly compact low-silhouette package.

I would like to remind Mr. Underhill that armor plate, whether in Russia or the United States, weighs the same per cubic foot. While Mr. Underhill is very critical of the United States tanks because of their weight, he apparently disregards the fact that the Soviet tanks have increased from 35 tons in the T–34 to weights comparable to our postwar medium tank. If Mr. Underhill would care to check he would find that there is a good reason for Russia's increasing the weight of her tanks. They discovered in Korea that the 35-ton T–34 tank could not stand up against the now obsolete United States M–46 tank. I believe that the present M–48, now standard in the Army and the Marine Corps, is the best tank in the world.

The author praises the French AMX which was tested in the United States during 1950–51. I personally saw this tank, and it is a good light tank, but it is slightly inferior to the United States M–41—Walker Bulldog—in armor protection, firepower, and crew space. It is, however, a lighter tank. There is always a problem of how much armor should be put on a tank. Armor naturally increases protection of the crew but decreases its maneuverability and increases fuel consumption per mile. That problem is ever present in the designing and the manufacturing of tanks. In ancient writings we find the same problems were present in determining the weight of armor to be worn by a knight. Mr. Underhill in his proof that the French AMX–13 is better than our light tank, cites the use of these tanks by the Israelis, Venezuelans, Swiss, and Egyptians. I am not certain that this citation proves conclusively the superiority of these tanks.

Next the author attacks our trucks, the jeep, and our standard 2½-ton truck. The jeep is recognized as the best vehicle of its kind in the world. Yes, it is about 17 years old; but I do not want to destroy it and all the machinery to make it until a better vehicle is made. The author criticizes it as too heavy. He neglected to mention that we have a new lightweight vehicle, M–274—Mechanical Mule—which is very low and light and weighs only a few hundred pounds. The author criticizes the Army's 2½-ton truck and calls it the "2½-ton monstrosity." I have personally used the 2½-ton truck throughout World War II in combat and out, all the way from the Louisiana and Carolina maneuvers of 1941 to Korea, and I have found it a very fine vehicle that will carry 5 tons across country, and I have had them carry more than 8 tons on the road. They are rugged and almost foolproof. I have discussed this truck with military personnel who have served on all fronts and they have been unanimous that this is superior to the trucks of any other country. This truck is also criticized because it does not have the fuel-injection system. At the time these trucks were placed in production fuel-injection engines with comparable horsepower were not in production. Considering the cost of these trucks, it would not seem wise to abandon them for new trucks for this slight change.

Mr. Underhill next makes light of our artillery, stating that:

> The Army's artillery is antiquated. The main fieldpiece, the 105 mm. howitzer, was ready in 1932. It weighs almost 5,000 pounds, and is not fitted with protective armor, critical in the nuclear age. Moreover, it must be tossed into position by a truck which can be stopped with a 7-cent bullet in the radiator. A postwar Army report recommended that the Army develop self-propelled, armored artillery. The only self-propelled artillery the Army has produced recently were unready prototypes rushed into production in order to create employment in depressed industrial areas.

I am somewhat at a loss to understand exactly what the author means by these statements. I am very familiar with the operation of the 105 howitzer. Although the author attacks it thoroughly he does not suggest that there is a better caliber weapon for close infantry support. Frankly, I know of none. He neglects to mention that there is a pack howitzer of the same caliber that can be used as mountain artillery and can be dropped by parachute. Neither did he mention that there are two versions of the 105 howitzer—one towed behind a truck and the other self-propelled. I am not attempting to say which of these versions is best for I have heard that question argued by artillerymen. Neither can I understand his statement regarding the lack of self-propelled artillery. To my personal knowledge we have thousands of self-propelled 105 howitzers. I am very familiar with their use as they were used in the armored outfits during World War II. To my personal knowledge, we have the following additional self-propelled guns: 90 mm. gun, 105 mm. gun, 155 howitzer, 155 gun, 8 inch howitzer, 40 mm. antiaircraft gun. We also have a 120 mm. gun which, although not technically self-propelled, is the main armament in the heavy tank. He also mentions the great progress Russia has made in artillery and mortars. I do not pretend to have a special entree into Russian military planning but I believe I do have as reliable sources of information on Russian armament as anyone and I have no evidence that their artillery is superior to ours. The author also mentions that Russia, has large-caliber mortars, very mobile and easily able to fire atomic shells. The large-caliber mortars are not new. The United States had them in the coast artillery, before the turn of the century, although most of them have now been cut up as junk. While Japan in World War II made effective use of her small and medium mortars, she had a number of very large mortars which were not too effective. I am fairly well acquainted with the range of mortars and while I do not attempt to say of a certainty that Russia does not intend to use them to fire atomic shells, I can, frankly, state that if I were operating it, I would want more range than in a mortar to fire an atomic shell.

The author states that the Army rockets and guided missiles capable of carrying an atomic warhead are not air-transportable. I do not know where Mr. Underhill gets this information for it is unclassified knowledge that both the Honest John and LaCrosse are capable of firing an atomic warhead and are very mobile and can be transported by air. I personally know that similar but improved weapons of that type are also being developed. It is academic that your large long-distance rockets such as Redstone are not now air-transportable.

The author next attacks the 280-millimeter atomic cannon as follows:

> The atomic cannon, for example, is probably the most ill-conceived weapon in the history of armament.

The fact is that this large atomic cannon was developed for the purpose of firing a small-yield atomic shell. At the time this weapon was developed it was impossible to get atomic missiles in a shell less than 280 millimeters in diameter. The Army in attempting to get a gun capable of firing an atomic shell naturally found it necessary to develop a gun with bore large enough to hold an atomic projectile. This was the 280-millimeter gun which is quite large. This weapon naturally has all the vulnerability which would go with a weapon of that size. It is common knowledge that there now has been developed a low-yield atomic projectile which can be fired from an 8-inch gun. The Army has such a gun today that is far cheaper than the 280-millimeter gun, is self-propelled, has great speed and maneuverability, and can fire an atomic projectile with great accuracy in a few moments after arriving at the firing position. The Army was fearful that a gun capable of firing an atomic projectile would be needed before an atomic projectile capable of being fired from an 8-inch gun could be produced. As matters developed we didn't need this large 280-millimeter gun. However, not to have developed it would have been taking an unjustified risk.

Next the author attacks the fact that the Army is using the Dart, an antitank guided missile. He mentioned the fact that the Dart is actually an attempt to build an improved copy of a German World War II projectile which the French had in service before Korea. I see no reason why the United States should not use a superior weapon merely because it has been developed by France, a friendly country. I have never maintained nor do I believe that the United States has all of the knowledge and engineering ability in the world.

The article praises the spaced-link track as follows: "The spaced-link track, a result of the new science, already has revolutionized ideas on the ability of heavy vehicles to travel in deep mud and snow. The Terra Tire, now being manufactured by Goodyear in a variety of sizes, is a cheap bag type, very low pressure tire which can even be used to convert old-type trucks to afford an unprecedented cross-country mobility." The author further states, and I quote:

> But none of these advances has been fully exploited.

The fact is that the Terra Tire is at present only in the early development stage. It is being considered and experiments are being conducted in various applications to determine its true advantages and disadvantages. Tests to date have shown advantages on certain types of terrain—snow and muskeg. It has not been satisfactory for general purpose use on highways or ordinary cross-country operation.

The spaced-link track is almost in the same category. In certain types of soil it offers improved performance, but on other types it is decidedly inferior to the standard track. For all-around use, at its present state of development, it is not superior to the conventional track.

Research efforts are continuing on both the tire and track in an effort to secure improved performance. Also in this field, a substantial effort is being initiated on vehicles with essentially the same characteristics as the large earth-moving vehicles.

In further criticism the author states:

> Time after time the Army will refuse to buy a proven weapon because a "better one" has arrived on the drawing board. For example, our divisions today are not equipped with the 20-ton M–59 armored personnel carrier, because it looks as though an 8-ton design, yet to be perfected, may be better. Budapest fighting revealed the Soviets already have armored personnel carriers. They are inferior to the M–59 but decidedly better than nothing or than 8-ton carriers which are not even in production.

I cannot understand the source of information the author has to the Army's refusal to use the M–59. On the contrary, the following is true:

Development and test of the M–59 armored personnel carrier was expedited to the fullest possible extent from its inception in August 1951, until it was placed in production in September 1953. The M–59 has been in continuous production since that time to meet urgent troop requirements.

Weighing approximately 20 tons, the M–59 is a fast, agile carrier capable of negotiating inland waterways. The M–59 is the finest carrier of its type known to be in the hands of any army in the world today.

The T–113 (8-ton) carrier is a developmental effort to produce an armored vehicle capable of being transported in assault-type aircraft. If the development of the T–113 proves successful, it is estimated that item will be released to production in the fiscal year 1961.

The T–113 may replace the M–59 in some of its roles; but, as presently conceived, it is not intended as a substitute for the M–59 in its role of transporting troops across fire-swept areas in the assault. The extent to which the T–113 will reduce requirements for the M–59 cannot be predicted pending user evaluation of the T–113.

On the last page of the article the author is very critical of the Army's tactical parachute jumps, stating that a few atomic shells would destroy these parachutes. He suggests instead a Marine plan whereby helicopters would land troops on one objective and when captured carry them to another objective, and on and on. Both plans—that of landing by parachute and by helicopter—have advantages and disadvantages, and I have seen them both used in maneuvers. As to the atomic explosion destroying the parachutes, I think without question it would also destroy the helicopter. Any landing of troops by air into hostile territory whether by parachute, helicopter, gliders, or by air transports certainly poses great difficulty. The American people can be assured that the Army, Air Force, and Marine Corps are sincerely working to determine the best methods of landing of our troops by air. I do not believe the answer is as simple as the author has stated.

Mr. Underhill is also critical of leadership in the Army. I believe that all of us who have been in service have at times seen poor leadership displayed. That is not new. We have also seen magnificent leadership displayed under most difficult conditions. I do know that the Army as well as the other two services by schooling, training, and examples are trying to develop the best in leadership. I have personally studied and observed their efforts. They are producing good results, but I am well aware that perfection will not be attained. Perhaps it can best be expressed in the words of Browning, "A man's reach should exceed his grasp or what's a heaven for"?

This article mentioned "Colonels' Revolt." I have heard this phrase many times in disturbances in foreign countries. I am certain that the author does not mean this phrase in the manner in which we often consider it. It is fortunate that we do have younger officers that are impatient to make more progress faster. I well recall that, as a battalion commander in World War II, I often became impatient with what I thought was lack of force and progress of my superiors. I also realize that a favorite pastime in the Army among both the officers and enlisted men is to

do a great deal of griping. I have been guilty of such myself. I well remember while on active duty that at the same time I was griping at my superiors, I was a little shocked to discover that my subordinates were griping at me. However, these continued attacks on the Army by Mr. Underhill over 16 years far transcends any griping or constructive criticism.

In closing I wish to make a general remark about instituting a "crash" program as suggested by Mr. Underhill to bring to the Army immediately all of the weapons and other paraphernalia now under study. To do this would cost an astronomical sum and to do the same for the other two services would place a burden upon the American economy that could destroy it. While I am interested in a strong defense, I am well aware that, if in attaining this defense we wreck the very economy that produced it, our Armed Forces would be useless to us. In addition and also important is the fact that as soon as you enter into a "crash" program to provide all the Armed Forces with a new weapon or carrier that research and further development in that field is reduced to a low point for a considerable period. By example, if we would immediately produce and arm our forces with the newest rifle we have today, we could not for several years provide them with a better rifle. Determining the time at which the Army should inaugurate a "crash" program to provide a new weapon must be carefully studied. Whatever course you take involves a calculated risk. If we knew that a war would come within a year, we naturally should freeze improved models of weapons under study and produce them in volume. On the contrary if war is more than 10 years away, such action would be greatly detrimental to America and to our economy.

In spite of all derogatory remarks made of the military leaders of America I believe they are on the whole honest, capable men, men who are only human but men who are dedicated to our Nation and their job in it.

In closing, considering the attitude shown by Mr. Underhill over a period of 16 years, I cannot quite see the significance in the title, "The Army's Case Against Itself." It is the privilege of every American to express his views on a given subject; however, I am not quite certain that Mr. Underhill is a spokesman of the Army.

PANAMA CANAL SITUATION DEMANDS INDEPENDENT INQUIRY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. FLOOD] is recognized for 1 hour.

Mr. FLOOD. Mr. Speaker, I have the honor of being a member of the Appropriations Committee of this House and of its subcommittee for the Panama Canal. In my official capacity I have visited the Canal Zone and the Republic of Panama on numerous occasions. I shall go there again during this Easter recess on official business for my committee.

During my years of service in the House, I have always been to the front in calling for deeds as well as words of friendship for all of the nations of Central and South America, and our mutual friends of the Caribbean Islands.

I reaffirm once more that warm, abiding friendship; with all of these people I am "muy simpatico."

I say this in preface so that it is understood that what I now feel called upon to say comes from the mouth and heart of an old and dear friend of Panama and her good people.

Mr. Speaker, for more than a decade, 1945 to 1957, the problems of the Panama Canal and of interoceanic canals generally have been topics of recurrent Congressional, professional, and national discussion. Now, because of a convergence of circumstances, which I shall mention later, the conditions presented by the canal problem have become acute.

By way of background, the attention of the Congress is invited to the 1946 to 1947 Isthmian Canal studies conducted by the Governor of the Panama Canal under Public Law 280, 79th Congress. This endeavor, which followed soon after the use of the atomic bomb in World War II, was featured by strong emphasis on questions of security and national defense, which in the very nature of the case were more theoretical than practical as regards the canal.

Based upon an interpretation of these two factors in that statute as the superior consideration, the report of this study recommended only the so-called sea-level project at Panama for a major increase in trans-Isthmian transit facilities.

Transmitted to the Congress by the President on December 1, 1947, without Presidential approval, comment, or recommendation, it failed to receive Congressional sanction or action. However, the recommendations in the report, though not so intended, did contribute toward the first reorganization of the Panama Canal since 1914.

This administrative change was brought about under Public Law 841, 81st Congress, popularly known as the Thompson Act in honor of Representative CLARK W. THOMPSON of Texas, chairman of the Special Subcommittee on the Panama Canal, 1949 to 1950, that made the required studies with resulting favorable report by the full Committee on Merchant Marine and Fisheries.

Other than this managerial reform, nothing tangible in the way of major improvement in the operations of the Panama Canal has ever been concluded. The waterway, in a physical sense, is yet essentially what it was when opened to traffic on August 15, 1914. Moreover, the 1947 recommendation for only the sea-level project for major construction has served to prevent adequate public discussion and consideration of tremendously important questions in our isthmian policies about which there are well-defined differences of opinion. These have been extensively presented over a period of years in numerous statements in the RECORD by many distinguished Members of the Congress. They are commended for study by all concerned with this gravely important subject.

The traffic of the canal is now at its highest point in history, with more than 800 commercial and Government transits during March 1957 which surpasses the previous high of 780 vessels in May 1953. This increase in traffic volume clearly reflects a steady growth of interoceanic commerce since the end of World War II and brings closer the time when major improvements must be made to meet future transportation needs.

The problems involved represent a challenging task. Their adequate resolution is a serious responsibility of the Congress, which is the final authority, and clearly requires expert advice to the Congress of independent character. To supply the Congress with essential disinterested assistance, Senator THOMAS E. MARTIN, of Iowa, Representative CLARK W. THOMPSON, of Texas, and Representative FRANCIS E. DORN, of New York, and I, have introduced identical measures in the present 85th Congress to create an independent Interoceanic Canals Commission: S. 611, H. R. 3258, H. R. 6008, and H. R. 4774, respectively.

In this connection, I note from the Panama Canal Review that the Directors of the Panama Canal Company recently instituted their own study for increasing the capacity of the Panama Canal and for the consideration of canals at other locations; this, notwithstanding the fact that there are four identical measures pending in the present Congress for the creation of an independent and capably constituted Interoceanic Canals Commission to study this particular question and all others relative to the subject of transisthmus canals, with recommendations to the Congress and the President.

In view of this, why have canal officials, after years of delay, suddenly undertaken to bypass the Congress on this policy question? Is it for the purpose of killing the proposed legislation and substitution of some preconceived program or basic change in the canal?

The indicated action in some ways suggests that previously taken by the Board of Directors of the Panama Canal Company concerning the Panama Railroad with which I am thoroughly acquainted and was one who contributed to blocking it. In that recommendation they acted to liquidate this strategic rail link without advance Congressional approval and would have succeeded had not the Congress become alarmed and instituted an independent inquiry. The ensuing study resulted in formal recommendations to retain the railroad, and this recommendation the Congress has accepted.

As is well known by Members of the Congress who have studied isthmian problems, the railroad incident is merely the most recent in a series of costly efforts by routine canal officials. The voluminous 1946–47 Isthmian Canal studies, costing some $5 million, proved futile. The third locks project, authorized in 1939, was suspended in 1942 after the expenditure of some $75 million. Is history now going to repeat itself again?

There is a feeling long existent, that certain Army engineers, but not all, are determined that there shall be no basic improvement of the Panama Canal except as they recommend it, and they fear that any plan not developed by themselves may result in their loss of jurisdiction over the canal enterprise. Such a view is not justified one way or the other.

As a matter of fact, the continued effort of the Panama Canal administrative setup to bypass the Congress in the determination of basic questions of canal policy will do far more damage to the prestige of Army engineers than would their acquiescence in the bipartisan proposal for the creation of an independent body to study the gravely important and far-reaching questions involved in providing increased capacity and operational improvement of the Panama Canal for the future; and before which body they would have ample opportunity to present their views.

But the Panama Canal question involves more than forming objective judgments concerning the technical problems of increasing its capacity. There are diplomatic and political complications of increasing gravity, which administrative officials of the Panama Canal have altogether ignored. Since these are not understood as they should be, a brief explanation is required.

The juridical basis for United States control of the Panama Canal rests in three important treaties:

First. The Hay-Pauncefote Treaty of 1901 between the United States and Great Britain, which facilitated its construction and established rules for its free and open navigation for vessels of commerce and war on terms of equality with charges just and equitable.

Second. The Hay-Bunau-Varilla Treaty of 1903 between the United States and Panama, which granted to the United States in perpetuity the use, occupation, and control of the Canal Zone for the construction, maintenance, operation, sanitation, and protection of the canal as if it were sovereign of the territory to the entire exclusion the exercise of such powers by Panama.

Third. The Thomson-Urritia Treaty of April 6, 1914, between the United States and Colombia, which recognized the title to the Panama Canal and the Panama Railroad as vested in the United States.

In 1936 the original setup began to change with the signing of the Hull-Alfaro Treaty of Friendship and Cooperation. This treaty superseded article I of the Hay-Bunau-Varilla Treaty in which the United States guaranteed the independence of the Republic of Panama—a provision long viewed by patriotic Panamanians as the Platt amendment of their country. It also raised the annuity from $250,000 to $430,000 and extended other benefits to Panama.

In 1955 the Eisenhower-Remon Treaty of January 25 carried these changes further, raised the annuity from $430,000 to $1,930,000, and gave Panama valuable properties worth many millions of dollars related to the operation and protection of the canal and railroad, without compensation. This treaty has not yet been fully implemented by the Congress, but there is legislation pending therefor.

The diplomatic negotiations with Panama over a number of years have been featured by steady surrenders to that Republic of rights granted to the United States in the 1903 treaty. Despite the very great advantages that accrued to Panama from the 1955 treaty, a so-called International Round Table Conference on Interoceanic Canals recently met at Panama with the apparent purpose of the further liquidation of the rights of the United States as to the control and protection of the Panama Canal, and at which the United States does not appear to have been represented.

Adjourning on April 1, 1957, in substantial agreement for further revisions of canal treaties, the discussions of the Conference, widely circulated in Latin America, were aimed primarily at securing greater compensation for Panama and denunciation of the perpetuity clauses in the basic Hay-Bunau-Varilla Treaty of 1903.

In this general connection, it is to be noted that recently returning travelers from Latin American countries report widespread agitation to get the United States, including its armed forces, out of the Panama area with the ultimate aim of turning jurisdiction over the canal enterprise to Panama or the United Nations.

The pattern of this program is obvious. It conforms to the well-known and long-standing communistic plan to place the United States on the defensive by using the Panama Canal as a psychological lever to cause anti-American feeling as well as to wrest from the United States its authority and control over the canal.

For this subversionary task there have been press reports of agitators, trained at the State College of Political and Economic Science at Prague, the propaganda educational center of the Communist world, being dispatched to the Americas to direct it. Yet our national administration remains strangely silent on this subject, and sinister propaganda affecting the future of the Panama Canal is having its full and unrefuted play.

However sincere the sentiments of Latin American participants may be in connection with this question, it is undoubtedly true that handling the canal situation in the manner indicated conforms to world Communist strategy.

It is not possible within the limitations of this statement to give all the reasons why control and operation of the Panama Canal should remain with the United States. But it is sufficient to state that the existing arrangement, sanctioned by treaties, intended, and specifically stated, to be in perpetuity as a consideration to the United States for undertaking the great task of building the canal at its own expense should continue.

In the voluminous talk about nationalization and internationalization of the Panama Canal has there been the faintest hint that the United States would be reimbursed for its vast outlay in the construction, maintenance, operation, sanitation, and protection of the canal? I have noted none.

The net investment of the United States in the canal proper as of June 30, 1955, was $368,004,765. To this sum must be added the very heavy costs over the years for the maintenance of the Armed Forces on the isthmus for protective purposes, which include fortifications, defense bases, and the like, all running in the aggregate to a staggering total of hundreds of millions of dollars. Any suggestion that the United States surrender the canal and all that inheres with it, in the light of the facts involved, is well calculated to cause such a proposal, however intended, to be regarded by our people as unfortunate.

As to the presence of United States forces on the isthmus, it is most pertinent to state that they are there not only for the protection of the interests of the United States, but, as well, the direct interests of every country in the Western Hemisphere, including Panama. In event of war with the forces of world communism, they would in no wise respect the neutrality of the canal, whether under Panamanian or international control. Instead, they would certainly seek to destroy it as a matter of their war strategy, which is characterized by unfailing defiance of every concept of freedom and international law.

If, unfortunately, any such war should occur, what power is so well equipped to protect the Panama Canal as the United States? Its capabilities have been amply demonstrated during two World Wars and the Korean struggle. And I think, too, that I reflect the overwhelming sentiment of all peoples of the Americas, North, Central, and South, that a Suez crisis will never be permitted to occur in this hemisphere.

These are realistic views and they should be candidly, and, of course, kindly stated. No immature emotionalism should be permitted to becloud the subject. We hold our neighbors in the Western Hemisphere in the closest bonds of affection and esteem. Our efforts, since the promulgation of the Monroe Doctrine in 1823 to the present, have been directed toward their security and these will continue. Their aid and cooperation we have always welcomed and will continue to welcome.

Now, dramatized by the Suez Canal crisis, the problems of the American isthmus have become objects of growing national concern among our people at large, with increasing demands for independent inquiry along the constructive lines contemplated in the proposed legislation previously mentioned. Such affirmative action by the United States should focus the spotlight of national publicity on the subject of interoceanic canals, dispel the uncertainty that has made the Panama Canal a weapon of psychological warfare against the best interests of all the Americas, result in the final and adequate resolution of the questions at issue, and lead to a wisely reasoned isthmian canal policy that will long endure.

STATEHOOD FOR HAWAII

The SPEAKER pro tempore. Under previous order of the House, the Delegate

from Hawaii [Mr. BURNS] is recognized for 15 minutes.

Mr. BURNS. Mr. Speaker, time and circumstance as well as personal choice have resulted in my being a member of very few organizations.

One organization of which I am highly honored to be a member is the 442d Veterans Club. I am privileged to be an honorary member of this club formed by World War II veterans who distinguished themselves as one of the greatest fighting units in the history of Uncle Sam's fighting forces. On March 23, 1957, the 442d Veterans Club adopted a resolution and requested me to read it before this House. It is an honor and a privilege for the Delegate from Hawaii to read the resolution from an organization of which I am proud to be a member:

Whereas the Territory of Hawaii has continued in the status of an incorporated Territory of the United States for nearly six decades; and

Whereas as such Territory, the people of Hawaii have been relegated to an inferior status as compared to their fellow citizens of the 48 States; and

Whereas the people of Hawaii have proven themselves in every conceivable way that they are anxious and capable of governing themselves as a sovereign state of the United States; and

Whereas this proof has been manifested time and again, and continuously, both in times of foreign conflict and in times of peace; and

Whereas Hawaii has stood as a military bastion in the Pacific and a showcase of democracy and international good will; and

Whereas the 442d Veterans Club, comprised of former members of the 442d Infantry Regimental Combat Team which was trained in Mississippi and was engaged in active combat in Italy and France in World War II, firmly believes that the admission of the Territory of Hawaii as a State in the Union would enhance immeasurably the prestige and dignity of the United States as the bulwark of democracy in the family of nations: Now, therefore, be it

Resolved by the 442d Veterans Club, That it reiterate its endorsement of statehood for Hawaii; and be it further

Resolved, That every Member of the Senate and House of Representatives of the United States in Congress assembled, is hereby respectfully requested to take appropriate action in granting immediate statehood to Hawaii; and be it further

Resolved, That the President of the Senate and the Speaker of the House of Representatives, or the Delegate to Congress from Hawaii, the Honorable JOHN A. BURNS, honorary member of the 442d Veterans Club, are hereby respectfully requested to read this resolution before their respective Houses; and be it further

Resolved, That copies of this resolution be transmitted to the following: The Honorable Dwight D. Eisenhower, President of the United States; the Honorable Richard M. Nixon, Vice President of the United States; the Honorable Lyndon B. Johnson; the Honorable William F. Knowland; the Honorable Sam Rayburn; the Honorable John W. McCormack; the Honorable Joseph W. Martin; the Honorable James E. Murray, the Honorable Clinton P. Anderson; the Honorable Henry M. Jackson; the Honorable Joseph C. O'Mahoney; the Honorable Alan Bible; the Honorable Richard L. Neuberger; the Honorable George W. Malone; the Honorable Arthur V. Watkins; the Honorable Henry C. Dworshak; the Honorable Thomas H. Kuchel; the Honorable Frank A. Barrett; the Honorable Barry Goldwater; the Honorable Frank Church; the Honorable Gordon Allott; the Honorable John A. Carroll; the Honorable Clair Engle; the Honorable Wayne N. Aspinall; the Honorable Leo W. O'Brien; the Honorable Walter Rogers; the Honorable Gracie Pfost; the Honorable James A. Haley; the Honorable George A. Shuford; the Honorable Adam C. Powell, Jr.; the Honorable Ed Edmondson; the Honorable Lee Metcalf; the Honorable George H. Christopher; the Honorable B. F. Sisk; the Honorable Stewart L. Udall; the Honorable Charles C. Diggs, Jr.; the Honorable J. T. Rutherford; the Honorable A. L. Miller; the Honorable John P. Saylor; the Honorable J. Ernest Wharton; the Honorable E. Y. Berry; the Honorable William A. Dawson; the Honorable Jack Westland; the Honorable John R. Pillion; the Honorable Craig Hosmer; the Honorable John J. Rhodes; the Honorable J. Edgar Chenoweth; the Honorable James B. Utt; the Honorable Phil Weaver; the Honorable Harold R. Collier; the Honorable Walter F. Baring; the Honorable Al Ullman; the Honorable Keith Thompson; the Honorable E. L. (Bob) Bartlett; the Honorable A. Fernós-Isern; the Honorable John A. Burns.

Respectfully submitted.

STANLEY M. WATANABE,
President, 442d Veterans Club.
TOGO NAKAGAWA,
Executive Secretary, 442d Veterans Club.

Mr. Speaker, it is a privilege and an honor indeed as Delegate from Hawaii to this great body to be privileged to read this resolution before you.

Mr. Speaker, I yield back the balance of my time.

THE PRESIDENT'S SPECIAL INTERNATIONAL PROGRAM

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from New Jersey [Mr. THOMPSON] is recognized for 10 minutes.

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include related matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, I want to congratulate the gentleman from New York [Mr. ROONEY] and his colleagues on the Appropriations Subcommittee for the Departments of State and Justice, the Judiciary, and related agencies for their conscientious and painstaking endeavors with regard to the President's special international program.

I think they have shown restraint and realism with regard to this program, and I generally concur with their findings and recommendations.

House Report No. 351 accompanying H. R. 6871 ably presents these findings and recommendations.

With Senator HUBERT H. HUMPHREY I sponsored the legislation which became Public Law 860, 84th Congress. This law made the President's special international program permanent.

With sound judgment and able administration, this program can and should grow into one which would reflect credit on this country, a program which would merit the support of the entire country, and the complete support of the Congress.

I think this is the kind of program which Chairman ROONEY wants, and which his colleagues on the subcommittee want. It is certainly the kind of program and the kind of administration of that program which Senator HUBERT H. HUMPHREY and I had in mind when we sponsored this legislation in the 84th Congress.

By comparison with other foreign-affairs expenditures the amount involved in the President's special international program is small, but the program is of vital consequence in this era of competitive coexistence between two opposing concepts of life. To live in peace with the Soviet orbit and to contain its expanding influence, we must meet its constantly shifting tactics. Since the death of Stalin and the advent of the Communist tactic of "peaceful coexistence" the Soviet orbit has concentrated increasingly on winning the sympathy and respect of peoples of other countries through displays of the strength and creative vigor, and the supposed peaceful attitudes of Communist society. Cultural delegations are dispatched to all parts of the world to show the superiority of Communist man in such peaceful pursuits as music, drama, dance, sports, and industry. Huge and costly Communist exhibits at international and national trade fairs depict the economic and technological strength of Communist society, and leave the subtle, but all too clear, impression of the great power of modern Communist states.

The Communist strategy is being waged with cunning and energy. Everywhere cultural agreements are being consummated between Communist states and other nations. Cultural delegations are not only sent to uncommitted non-Communist states but are invited in droves to the Soviet Union and to China, where they are feted and raved over. Every effort is made not only to exhibit the cultural depth of Communist society but to evince appreciation for the cultural attainments of other societies.

At the same time, no chance is wasted to show how barren is the cultural life of the capitalist world, and how insensitive is the Western World to the finer values of life. The United States is, of course, the principal target and Soviet propaganda hammers away at the materialistic crudity and cultural ignorance of our citizens and our Government.

Unfortunately, the Communists have a strong ally in this offensive against America. The stereotype of this country that is all too common abroad, even in the minds of our closest friends, pictures our country as devoid of appreciation for esthetic values and lacking even the most rudimentary development of the arts.

It is hard for us to understand the disadvantages we labor under in this new field of cultural competition. We have a big job to do in this field, and, make no mistake about it, the task lies at the heart, the vital center, of the struggle between the Communist and the free Western World for the sympathy and alliance of the uncommitted hundreds of millions of people in Asia, Africa, and elsewhere.

It is clear, I think, that if we as a people have no concern for our own cultural attainments and heritage, and for our cultural leaders, then other peoples

and other countries are hardly to be blamed if they ignore and underrate the cultural contributions which we have to share with them. They are inclined to take their cues from our own Federal Government and we have only ourselves to blame if others feel that we have no respect for our own intellectual and cultural leaders.

American newspapers and cultural leaders have vigorously criticized the lack of any domestic arts program at the Federal level at a time when we are using the arts as cultural exchange and propaganda.

The St. Louis Post-Dispatch in a major article last December 9 had this to say:

> On the domestic front, the United States has the poorest record of support for art and culture of any Nation that can be described as civilized • • • unless something is done, quickly, certain forms of art will suffer irreparable harm.

The Arkansas Gazette says we have "reached a point in our civilization where we are willing to subsidize hog farmers and real estate promoters with Federal funds. It may be that artists are equally worthy."

In commenting on Public Law 860 of the 84th Congress the New York Times said editorially on January 25 this year that—

> It is ironic, in fact, that this one substantial recent Federal contribution to the arts is limited to backing them outside—not inside—America. Practically every other civilized country (and some not so civilized) has recognized that the Government has a proper interest in promoting the arts, and in promoting them with cash. It would be a mark of maturity and enlightenment if we were to do the same.

The New York Times made admiring reference to the British Arts Council and the new Canadian Arts Council which was finally established on March 28 this year after having passed both the House of Commons and the Canadian Senate and obtained royal consent.

But having pointed these things out, and these are matters on which I should suppose there is broad general agreement in Congress—for President George Washington declared that—

> The arts and sciences essential to the prosperity of the State and to the ornament and happiness of human life have a primary claim to the encouragement of every lover of his country and mankind.

And that—

> There is nothing which can better deserve our patronage than the promotion of science and literature.

Having pointed these things out, I repeat, I still think the President's special international program has not been given the kind of support and intelligent direction and administration which was contemplated by Senator HUMPHREY and myself when we sponsored the legislative measure which became Public Law 860, 84th Congress.

Let me give one or two examples to prove my point.

I quote from House Report No. 351, page 21:

> The committee is of the opinion that some of the fees paid to individuals in connection with this program are exorbitant and indicate a reckless regard for and an irresponsible handling of the taxpayers' money. Examination of the hearings will disclose that fees have been paid individuals in excess of $2,100 per week.

This is considerably more than is paid the President of the United States.

Here is a second example. Mr. Richard L. Coe, the nationally known theater critic of the Washington Post and Times Herald, wrote this in his newspaper on October 21, 1956:

> What I'm getting at is not whether the Government should take part in cultural exchanges, but at the hypocrisy that rules what program there is. On the one hand President Eisenhower issues impressive statements about the importance of such an idea. On the other, once such a program has gone up the State Department rungs such projects as Anne Frank and Porgy and Bess get the turndown. • • • But what these matters boil down to—the turning down of Anne Frank and the refusal of India's invitation to Porgy for a visit—is a hollow hypocrisy of saying one thing and doing another. The President's fine phrases are being turned into meaningless gibberish by inactivity.

Another criticism that is made by well-informed observers is that none of the Federal Government's top cultural affairs officials are members of the Cultural Presentations Committee of the Operations Coordinating Board which makes most substantive decisions in respect to the President's special international program. This seems to be an unusual state of affairs, to say the least. It is similar to trying to run the Department of Agriculture without officials familiar with farm problems and the Department of Commerce without officials familiar with the problems of business.

It is clear that distinguished Federal officials in charge of the Government's cultural activities would add great strength to the Cultural Presentations Committee of the Operations Coordinating Board and vastly improve its operations.

The purposes of sections 10 and 11 of Public Law 860, 84th Congress, were to provide such distinguished leadership to the cultural exchange program.

I must say I find it very difficult to understand why sections 10 and 11 of this law have not been carried out by the administration.

I feel the gentleman from New York [Mr. ROONEY] and his colleagues on the Appropriations Committee have taken a sound position in keeping a tight rein on this program until such time as the administration gives it the kind of leadership provided for in Public Law 860 84th Congress.

I would say, further, that the name "Cultural Presentations Committee of the Operations Coordinating Board" is a misnomer since this committee does not have a single distinguished Federal official concerned with cultural activities as a member. Here I have in mind Federal officials of the stature of Dr. Leonard Carmichael, Secretary of the Smithsonian Institution; Dr. L. Quincy Mumford, Librarian of Congress; and Dr. David E. Finley, Chairman of the Commission of Fine Arts.

I include here as part of my remarks some correspondence on this matter, as well as some relevant sections from the Reports to the Congress by the United States Advisory Commission on Educational Exchange. This Advisory Commission was established pursuant to the authority of the Smith-Mundt Act of 1948.

For the past 5 years this fine Advisory Commission has been recommending that the Secretary of State establish a Federal Advisory Committee on the Arts under the authority of the United States Information and Educational Exchange Act of 1948 which is popularly known as the Smith-Mundt Act.

So far, the Advisory Commission has not been successful in this endeavor. Such an advisory committee would help greatly in this growing field of cultural exchange which is the field covered so poorly by the President's Special International Program, as the Appropriations Committee has pointed out.

MARCH 28, 1957.

The PRESIDENT,
The White House, Washington, D. C.

DEAR MR. PRESIDENT: I am very pleased that you have asked the Secretary of State and the Director of the United States Information Agency to consider my suggestion that distinguished Federal officials concerned with cultural activities be represented on the cultural presentations committee of the Operations Coordinating Board.

Such a step would be directly in line with your recommendation to the Congress in your January 6, 1955, Message on the State of the Union that "In the advancement of the various activities which will make our civilization endure and flourish, the Federal Government should do more to give official recognition to the importance of the arts and other cultural activities."

General Wilton B. Persons replied under date of March 21 to my letter of March 6 recommending such distinguished Federal officials be appointed as Dr. Leonard Carmichael of the Smithsonian Institution, Dr. L. Quincy Mumford of the Library of Congress, and Dr. David E. Finley of the Commission of Fine Arts.

In his letter General Persons said that "the cultural presentations committee of the Board has always had persons with background in cultural arts among its membership." So far so good, but the Humphrey-Thompson Act (Public Law 860, 84th Congress) specifically says that "individuals having special knowledge and experience in the field of the cultural arts" shall be appointed to all interagency committees created by you to assist in carrying out the promotion and strengthening of international relations through cultural and athletic exchanges and participation in international fairs and festivals. This act lists the United States Information and Education Exchange Act of 1948 and programs carried out under it, as well as other programs, as covered by it.

While the present OCB cultural presentations committee was created prior to the passage of Public Law 860 compliance with the spirit of this great act would and surely does require the appointment to it of distinguished Federal officials concerned with cultural activities. These officials would unquestionably add great strength to the OCB cultural presentations committee and vastly improve its operations. This was the purpose of section 11 of the Humphrey-Thompson Act and it is to be hoped that there will be no further delay in taking this step. It is very clear there is a vast difference between "persons with background in cultural arts" who are political affairs officials and the

Federal officials concerned with cultural activities which section 11 would provide.

Sincerely yours,

FRANK THOMPSON, Jr.,
Member of Congress.

THE WHITE HOUSE,
Washington, March 21, 1957.

The Honorable FRANK THOMPSON, Jr.,
House of Representatives,
Washington, D. C.

DEAR MR. THOMPSON: I acknowledge, in the President's absence, your letter of March 6, concerning the program of cultural presentations abroad.

We fully share your view that advice on the program should be sought from persons eminent in the various fields of the arts. This will be particularly accomplished by the establishment of the Advisory Committee on the Arts under section 10 of the act authorizing this program. A chairman of the committee has been already appointed, and additional members are being selected among the persons nominated by major organizations in the field.

Regarding the interagency committees provided for under section 11, we are continuing to use the Operations Coordinating Board to provide the necessary policy and program coordination for both trade fair and cultural presentation programs. The Board being already established, it has not seemed desirable to establish additional coordinating committees. I am advised that the cultural presentations committee of the Board has always had persons with background in cultural arts among its membership and, in addition, continuously looks to the American National Theater and Academy, with its distinguished panels, for further expert guidance.

If experience shows that either the representation or the functioning of the committees concerned with the cultural program is not as is should be, appropriate corrective action will be taken. The Secretary of State and the Director of the United States Information Agency, who is the overall coordinator of the trade fair and cultural presentations programs, are also being asked to consider your suggestion that distinguished Federal officials concerned with cultural activities be represented.

We appreciate your interest in and continued support of this program.

Sincerely yours,

WILTON B. PERSONS,
The Deputy Assistant to the President.

MARCH 6, 1957.

The PRESIDENT,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: In recent weeks Senator HUBERT H. HUMPHREY and I have expressed concern about the appointment of interagency committees under section 11 of the Humphrey-Thompson Act, Public Law 860, 84th Congress.

I have received two very interesting letters on this matter. Under date of November 30, 1956, your Administrative Assistant, Bryce N. Harlow, wrote me in part as follows: "As regards section 11, present convictions are that the OCB cultural committee which makes most substantive decisions in respect to the cultural presentations program adequately fulfills the function authorized by this section." I can only gather from this that Mr. Harlow has decided that section 11 of Public Law 860 is unnecessary. This seems to me to be a highly unusual position for him to take and I would deeply appreciate having your own views of this particular section.

On March 4, 1957, Robert C. Hill, Assistant Secretary, Department of State, had this to say with regard to section 11:

"I note your concern and that of Senator HUMPHREY about the appointment of interagency committees under section 11 of Public Law 860. Under this law the President is authorized to create such interagency committees. The Department has not been assigned responsibility in this matter. Meanwhile we are continuing to operate the cultural presentations program under delegations of authority contained in letters issued annually by the President to the Director of the United States Information Agency as coordinator of the overall program for cultural presentations and trade-fair participation. This circumstance has involved continuing cooperation with the interagency committee that has functioned since the beginning of the cultural presentation program in reviewing and approving proposed projects and advising the Department on program operation. We rely for artistic judgment on special advisory panels in cultural arts established by the American National Theater and Academy.

"You may be sure that the Department intends to operate the cultural-presentations program in full compliance with all pertinent provisions of Public Law 860."

Despite Mr. Harlow's bland assurance, there is widespread doubt at this time that the present OCB cultural committee is working out well or that it even begins to fulfill the function authorized by section 11 of Public Law 860, 84th Congress. Mr. Richard L. Coe, a member of ANTA's drama panel and a leading theater critic, wrote in the Washington Post and Times Herald on October 21, 1956, as follows:

"What I'm getting at is not whether the Government should take part in cultural exchanges, but at the hypocrisy that rules what program there is. On the one hand, President Eisenhower issues impressive statements about the importance of such an idea. On the other, once such a program has gone up the State Department rungs, such projects as Anne Frank and Porgy and Bess get the turndown. But what these matters boil down to—the turning down of Anne Frank and the refusal of India's invitation to Porgy for a visit during next month's UNESCO meeting—is a hollow hypocrisy of saying one thing and doing another. The President's fine phrases are being turned into meaningless gibberish by inactivity."

Another criticism that is made by well-informed observers is that none of the Federal Government's top cultural affairs officials are members of the OCB cultural committee which makes most substantive decisions in respect to the cultural presentations program. This seems to be an unusual state of affairs, to say the least. It is similar, I think, to trying to run the Department of Agriculture without officials familiar with farm problems and the Department of Commerce without officials familiar with the problems of business. It would seem to me that distinguished Federal officials concerned with the Government's cultural programs would add great strength to the OCB cultural committee and vastly improve its operations. This was the purpose of section 11 of Public Law 860.

I must say I find it very difficult to understand why section 11 hasn't been carried out. Further, I think the name "OCB cultural committee" a misnomer, since this committee obviously has no cultural affairs officials as members—here I have in mind such cultural officials as Dr. L. Quincy Mumford, of the Library of Congress; Dr. Leonard Carmichael, of the Smithsonian Institution; and Dr. David E. Finley, of the Commission of Fine Arts.

I would appreciate having your views on this matter.

Sincerely yours,

FRANK THOMPSON, Jr.,
Member of Congress.

DEPARTMENT OF STATE,
Washington, March 4, 1957.

The Honorable FRANK THOMPSON, Jr.,
House of Representatives.

DEAR MR. THOMPSON: I have received your letter of February 2, 1957, concerning the appointment of committees under sections 10 and 11 of Public Law 860, 84th Congress.

With respect to the Advisory Committee on the Arts provided for under section 10, the Department considers the appointment of the chairman a definite step toward the formation of the committee. This appointment was made, in accordance with the law, by the United States Advisory Commission on Educational Exchange. Appointment of the additional members of this committee must await the completion of administrative procedures prescribed under Executive Order 10450. The Department is making every effort to expedite these procedures. Measures have also been instituted to arrange proper staff services for the committee and a number of subjects have been considered for its early attention.

I note your concern and that of Senator HUMPHREY about the appointment of interagency committees under section 11 of Public Law 860. Under this law the President is authorized to create such interagency committees. The Department has not been assigned responsibility in this matter. Meanwhile we are continuing to operate the cultural presentations program under delegations of authority contained in letters issued annually by the President to the Director of the United States Information Agency as coordinator of the overall program for cultural presentations and trade fair participation. This circumstance has involved continuing cooperation with the interagency committee that has functioned since the beginning of the cultural presentations program in reviewing and approving proposed projects and advising the Department on program operation. We rely for artistic judgment on special advisory panels in cultural arts established by the American National Theater and Academy.

You may be sure that the Department intends to operate the cultural presentations program in full compliance with all pertinent provisions of Public Law 860.

Sincerely yours,

ROBERT C. HILL,
Assistant Secretary.

DEPARTMENT OF STATE,
Washington, January 30, 1957.

The Honorable FRANK THOMPSON, Jr.,
House of Representatives.

DEAR MR. THOMPSON: I have received your letter of December 31, 1956, addressed to the Secretary, in which you ask for comments on pages 4–5 of your speech entitled "The Federal Government's Role in Art."

Your concern with the need for expansion of the Department's international educational exchange program is very much appreciated. The Department has requested $30 million for these activities in fiscal year 1958, an increase of 50 percent over the current appropriation. With regard to the Advisory Committee on the Arts authorized by section 10 of Public Law 860 of the 84th Congress, I am enclosing a press release announcing the appointment of Dr. Rufus H. Fitzgerald as chairman. It is expected that the appointment of other members of the committee will be announced in the near future.

Special note has been taken of your comments concerning the present interagency committee established by the Operations Coordinating Board to advise the Secretary of State with respect to the cultural presentations program operated by the Department under authority of the Humphrey-Thompson Act (Public Law 860, 84th Cong.). In its role as the agency operating this program, the Department would, of course, be glad to work with any type of interagency committee that might be established. Its relationships with the current committee have been close, and undoubtedly the program has benefited from the careful scrutiny given each project by the members of this committee.

Sincerely yours,

ROBERT C. HILL,
Assistant Secretary.

APPOINTMENT OF DR. RUFUS H. FITZGERALD AS CHAIRMAN, ADVISORY COMMITTEE ON THE ARTS

The United States Advisory Commission on Educational Exchange announced today that it has designated Chairman Rufus H. Fitzgerald as Chairman of the Advisory Committee on the Arts. This Committee was created by Public Law 860, 84th Congress, to advise the President, the Secretary of State and the United States Advisory Commission on Educational Exchange concerning the promotion and strengthening of international relations through cultural exchanges. The provisions of the act call for a chairman to be selected by the United States Advisory Commission on Educational Exchange from among its membership and nine other members to be appointed by the Secretary of State.

Dr. Edens, Vice Chairman of the Commission and president of Duke University, stated that the designation of Dr. Fitzgerald as Chairman of this Committee would assure strong leadership of the Committee because of his knowledge and experience in this field. Chairman Fitzgerald, chancellor emeritus of the University of Pittsburgh, was director and professor of the School of Fine Arts and head of the department of history and appreciation of fine arts at the State University of Iowa from 1929 to 1938.

In addition to Chairman Fitzgerald and Vice Chairman Edens, the presidentially appointed Advisory Commission on Educational Exchange is composed of: Mrs. Anna L. Rose Hawkes, president of the American Association of University Women (and recently retired dean of Mills College); Dr. Arthur A. Hauck, president of the University of Maine; and Mr. Laird Bell, Chicago attorney.

DEPARTMENT OF STATE,
THE UNITED STATES ADVISORY
COMMISSION ON EDUCATIONAL EXCHANGE,
October 10, 1955.

Hon. FRANK THOMPSON, Jr.
House of Representatives.

MY DEAR MR. THOMPSON: The question of augmenting the cultural activities of our Government referred to in your letter of August 18, to the Secretary of State (copy of which you sent to me on August 19) was discussed at our recent Commission meeting.

Your statement proposing the establishment of an Advisory Committee on Arts and Cultural Exchange was of particular interest to this Commission. This is a subject which has been of vital concern to the Advisory Commission on Educational Exchange, and one upon which recommendations have been made by the Commission since December 1951. In this connection, I believe you will be interested in the attached statement which gives a brief summary of the Commission's recommendations to the Secretary of State concerning the need for and the establishment of a Committee on Arts. These recommendations were reported to the Congress in the Commission's seventh, eighth, and ninth semiannual reports, copies of which are enclosed.

The Commission appreciates your interest in this matter. Since this is a subject of mutual concern and one which the Commission will have under continual review, we shall follow with interest the action taken on the bill introduced by you as well as bills introduced by other congressional leaders, which propose the enactment of legislation to facilitate the effective operation of an art and cultural exchange program.

Sincerely yours,

R. H. FITZGERALD,
Chairman.

SEVENTH SEMIANNUAL REPORT TO THE CONGRESS BY THE UNITED STATES ADVISORY COMMISSION ON EDUCATIONAL EXCHANGE (JULY 1–DECEMBER 31, 1951)

I. CULTURE—THE SOVIET'S NEW WEAPON

Over the past year the Kremlin's constantly mounting propaganda offensive has been directed at the free nations in an attempt to break their determination and desire to unite against communism. The theme of the offensive is the "peaceful intentions of the Soviet Union and the satellites" as contrasted to the "aggressive preparations of the United States to plunge the world in a new war."

All propaganda techniques, all informational and cultural media, and all supporters of the Communist cause have been made a part of the new peace offensive. Cultural activities in particular have been emphasized since they provide a natural channel for depicting the U. S. S. R. as a peace-seeking nation which concentrates on the development of its cultural life as distinct from America which devotes its energies to building its military might and materialistic pursuits.

The Soviet's use of culture as a weapon in the cold war is new. It has a potentially adverse effect on United States interests abroad because of its special emphasis on the fine arts, which by contrast are not emphasized in the United States information and educational exchange program.

This Commission has advisory responsibilities to the Congress and the Secretary of State for the United States educational exchange program. It is therefore important and necessary that we place the matter before the Congress, together with our views thereon. This is done in the succeeding statements which have been arranged topically as follows:

1. Soviet propaganda resources.
2. Media used in the Soviet peace offensive.
3. The United States programs.
4. Special problem of the fine arts.
5. Recommendations of the Commission on Educational Exchange.

For data and statistics used in this report the Advisory Commission is indebted to the Department of State which has made the information available to us from its files.

The Commission wishes to take this opportunity to point out that the importance of educational exchange should not be overlooked. We fight antidemocratic forces with good ideas as well as with military defense. The Soviet Governments, as the following record will show, are very much alive to the importance of personal exchange in cultural as well as educational activities.

1. Soviet propaganda resources: Since both domestic and foreign propaganda are of crucial importance to the triumph of the Communist Party, the U. S. S. R. and its satellites spend billions of dollars on the Communist propaganda machine and maintain an elaborate system of training to operate it. These activities are unparalleled in history.

In 1950 the Soviet Union itself spent almost a billion dollars on propaganda activities out of a total national income of some 70 billions. In addition, the satellites spent over $480 million during the same year for this purpose. But these staggering expenditure data do not tell the whole story.

A multitude of Soviet propaganda operations are carried on within free countries. In the main, they are manned and financed by Communists and their friends on the outside. They encompass everything from printing newspapers and posters to ringing doorbells to get signatures for a "peace petition." They result in daily Communist contacts with hundreds of millions of persons in every land in the world.

The Kremlin has established a large, highly organized training program in the U. S. S. R. to insure that propaganda operations are carried out by professional expert propagandists and agitators.

Six thousand special schools exist for this purpose on the local level. These have a constant enrollment of more than 185,000 students. On the regional level there are 177 more schools that train an additional 135,000 students. Then, on the national level, there are some dozen higher institutions devoted entirely to this subject. These furnish specialized training to some several thousand advanced students.

Moreover, propaganda training is not limited to these special schools. It is emphasized in every other type of advanced adult-education program within the Soviet Union. In the training of Red army officers, schoolteachers, engineers, skilled laborers, etc., the regular course of instruction always includes instruction in agitation-propaganda techniques. The result is that nearly everyone who is in a position to influence opinion in the Soviet Union has received professional tutoring in this field. It is not too much to say that the cream of the Russian population, five to ten million persons, are trained propagandists, and all of them constantly carry on activities to promote Communist propaganda objectives.

The picture is the same within the European satellites, China, and North Korea. The process involves not only the training of Russians, Czechs, Poles, etc., for work within those countries, but also the training of Communists from outside the Soviet orbit. Persons who have received special training in propaganda train others who in turn train others, and so on.

2. Media used in the Soviet peace offensive: The Kremlin's official program for the peace offensive utilizes all informational and cultural mediums.

As in previous propaganda drives outside the Soviet orbit, U. S. S. R. activities in the peace offensive include radio broadcasts, wide dissemination of publications, support for binational societies, and assistance to the Communist Party in various countries. Under the new offensive, however, these activities have been multiplied and accelerated. For example, there has been a marked increase of radio programs to the North American and other English-speaking areas, as well as an increase in programs in other languages. The U. S. S. R. and its satellites now broadcast a total of 1,722 hours a week. This compares with a total of less than 500 hours a week broadcast by the Voice of America.

The Soviet press and publication program, moreover, has been greatly stepped up so that out of the Soviet Union pours a constant stream of publications of various sorts. These include some of the old standbys like Pravda, which is distributed around the world and sets the line for international communism, and Tass, the official Soviet news agency, and the official organ of the Cominform, For a Lasting Peace—for a Peoples' Democracy, a weekly newspaper published in 18 languages, including Japanese, Arabic, Korean, Chinese, English, and most of the languages of Europe. In addition, new Soviet publications have been created to carry the message of a peace-seeking Russia. Examples of these are the recently inaugurated English language "friendship journal" News and the Mexican magazine Paz.

Another example of the accelerated approach is in the medium of films. The Soviets are attempting to expand their film

markets by participation in international film festivals, and by holding Soviet film festivals, such as those held in India in past months. Also, individuals prominent in the Soviet film industry are being sent abroad to win friends for Soviet films.

The new element in the offensive is the cultural campaign in the course of which the U. S. S. R. is bringing to Russia an increasing number of leaders in cultural and related fields and sending Soviet citizens to western nations. Under this new approach a number of delegates are entering the Soviet Union. This is not, however, an "open door" program. Although all individuals allowed to enter the U. S. S. R. are not Communists, all are highly screened to ascertain that they will be receptive to the intense, high-powered propaganda program to which they will be subjected once inside the Soviet Union. Upon completion of this program they are returned to their own country to popularize the Soviet message.

The flow of people from the Soviet Union is equally impressive. These individuals are also carefully selected. This is to insure not only that there will be no embarrassing defections but also that the individuals are of the caliber to strike an intellectual response in the outside world.

In all of these exchange activities special emphasis has been placed on impressing the Western World with Soviet artistic superiority. The Communist world is represented as one in which artistic endeavor attains unsurpassed excellence as a result of an atmosphere of peace and well-being. Under this approach, Russian musicians, singers, ballet dancers, lecturers, professors, writers, scientists, are being sent to perform at special events such as exhibitions, festivals, anniversary celebrations, and international conferences, both private and public.

The emissaries of Soviet culture have done an effective job as indicated in the following statement:

"At the Brussels International Music Contest in May 1951, Russia carried 4 of the 7 top ratings, including the first 2, whereas the United States was unofficially represented by 2 young entrants who finished ninth and eleventh on the list of 12. The Russian violinist was so sensational as to be compared in the Belgian press to the leading violinists of the Western World.

"At the music festival in Florence this past May the Russians joined at the eleventh hour and literally stole the show with 3 or 4 outstanding artists. The United States did not participate in the festival.

"Again, at the film festival in Cannes in May 1951, the Russians after accepting at the last moment, sent an official delegation including a top film producer and one of their best stars. They scored heavily at press conferences attended by hundreds of newspapermen from all over the world. They also took honors at social functions. Their own reception was the most elaborate of the 30 official receptions offered.

"There was no official United States delegation at Cannes, nor were there any American movie stars or an official United States reception. A private United States citizen, learning that no American reception was planned, came forth with a thousand dollars of his own money and saved the day.

"In Iceland, the Russians are presenting excellent artistic programs to local audiences, whereas American artists who perform for the United States Army troops in Iceland cannot appear before local audiences due to lack of funds and union regulations prohibiting free performances.

"In India the Soviet's cultural approach has been particularly strong. It includes Soviet and satellite participation in the recent Indian film festival, to be followed by an impressive exhibition of Russian art which will be shown in five cities of India. This exhibit, reportedly worth several million dollars, consists of over 700 paintings, 22 sculptures, and over 200 other items. Leading Soviet art personages will accompany the exhibit during its Indian tour. This exhibit appears to be the largest display of Soviet art to be shown outside the Soviet Union."

There is also increased Communist activity to establish front organizations on national and international levels. Many of these organizations participate in so-called cultural activities, including the sponsorship of festivals and conferences which are calculated to appeal to a wider group than confirmed Communists.

A list of scheduled and proposed conferences and meetings of such organizations, to be held on both sides of the Iron Curtain, shows that a number of artists, writers, youth representatives, doctors, lawyers, and other professionals, will be traveling to and from the U. S. S. R. and the satellite countries in the coming months.

3. The United States programs: One of the resources for furthering this Nation's interests on the psychological front is the information and educational exchange program being carried out by the Department of State. This total program is a composite of individual programs carried out under Public Law 402, 80th Congress, and other laws authorizing special programs of educational exchange such as the program under the Fulbright Act, and the program for educational exchange with Finland.

Originally conceived as an instrument for achieving understanding of the United States among other nations, the program's objectives have sharpened so that it is now dedicated to the following three objectives:

(a) Keeping alive the spirit of cooperation among the free nations of the world for the purpose of self-protection and progress for all;

(b) Strengthening resistance to communism in countries immediately threatened with infiltration or aggression;

(c) Weakening the forces of communism and diminishing its power in areas now under the domination of the U. S. S. R.

The scope and nature of activities conducted to carry out these objectives are, generally speaking, fixed by legal authority for, or congressional intent concerning specific activities; their effectiveness in achieving foreign-policy objectives; and availability of funds.

A number and variety of information and educational exchange activities are conducted under the total program. An indication of this is given in the accompanying table which summarizes the educational-exchange program as planned for 1952, for which approximately 29.7 million in dollars and the dollar equivalent in foreign currencies has been made available. In addition, funds have been appropriated for information activity and work at the overseas missions, bringing the total for information and education exchange to $103.4 million.

Obviously the Soviet propaganda machine provides greater resources than this Nation's information and educational exchange program can supply. More are required to support the Soviet way of life.

The determination as to what total program resources this Government needs to counteract the Soviet peace offensive and other propaganda efforts is properly a responsibility of the executive and legislative branches of the Government and outside both the purview and competence of the Commission. We are convinced, however, that it would not be practicable nor desirable to attempt to match the Soviet effort. Propaganda, Russian style, is alien to American principle, practices, and economy. Nevertheless, the Commission considers it important that additional resources be provided to counteract the Soviet effort in fields not now covered by the United States information and educational exchange program, where the Soviet impact stands to jeopardize United States interests.

4. Special problem of the fine arts: The emphasis on the fine arts in the cultural phase of the Soviet peace offensive creates a special problem for the United States. First, the Soviet's emphasis on the fine arts capitalizes on the fact that certain areas of the world, particularly Europe and Latin America, have always underestimated the level of American cultural achievements. This prejudice has affected attitudes and judgments about American policies and foreign relations.

In turn, because cultural achievements are so important to the peoples of these areas, they may be influenced in favor of communism of a result of Russia's newly acquired prestige in the artistic fields.

Second, the Soviet drive in the fine arts field finds the United States at present without a counteroffensive. Fine arts activities per se are not included in the Department of State's information and educational exchange program.

Policies laid down by the Congress during the enactment of Public Law 402 have resulted in a deemphasis on the fine arts in general and a specific prohibition on Government-financed exhibits of paintings. Even if this were not the case, funds appropriated on an annual basis for the program have been too modest to permit this emphasis.

It should be pointed out, however, that in the meantime certain activities in the fine-arts field have been carried out by the Department within the limit of available funds and Congressional policies. Such activities have consisted chiefly of making the best use of volunteer performances by American artists and musicians, giving grants on a limited basis to individuals in the fine arts field, and facilitation of certain private projects. These have constituted no more than a mere holding operation.

5. Recomendations of the Commission on Educational Exchange: The Commission believes that a counteroffensive in the fine arts field should be initiated.

We foresee no immediate lifting of the barriers which in the past have prevented the Department of State from emphasizing the fine arts in its international educational exchange program. We do not, in fact, advocate that they be lifted. The Department of State has no special competence in the fine arts field. We believe that the Department's activities should continue to be confined to making a limited number of grants in the fine arts field and to facilitation of private projects. However, it is our strong conviction, which we know the Department of State shares, that even in connection with activities of this type, the Department must establish criteria to insure that those fine arts projects in which it participates will operate in the national interest. We believe that such criteria can best be developed with the assistance of private experts.

If the Department of State's activities in the fine arts field are to remain limited, who is to take the lead in conducting the necessary cultural counteroffensive?

Our Commission believes that this is a job for private endeavor, and that the first step is to interest private agencies in undertaking it. The next step is to develop a mechanism to insure continuous, close cooperation between private agencies conducting the offensive and the Department of State.

Our conclusions point to one thing—the appointment of a committee of private experts in the field of fine arts for the purpose of (a) securing the interest of private enterprise in conducting the necessary counteroffensive; (b) counseling the Department of State concerning its facilitation of private projects.

We have made a recommendation to the Secretary of State to this effect. We have further recommended that the committee be appointed by the Secretary of State under the authority of section 8301 (6) of Public Law 402 to operate in effect, as a subcommittee of this Commission and that the chairman be designated by the Commission from among its membership. We further believe that the committee membership should in no case exceed nine individuals, exclusive of the chairman. We believe that the members should represent the public interest and be individuals whose experience and qualifications will enable them to perform the jobs as outlined in broad terms above.

The Secretary of State has informed us that our recommendations are being considered and that action thereon will be reported to us in the near future.

EXTRACTS FROM EIGHTH SEMIANNUAL REPORT TO THE CONGRESS BY THE UNITED STATES ADVISORY COMMISSION ON EDUCATIONAL EXCHANGE, JANUARY 1–JUNE 30, 1952

III. OVERSEAS AMERICAN ARTS PROGRAM

At the Commission's September 14, 1951, meeting, the Department of State reported in detail to the Commission on the importance of a presentation of American achievements in the fine arts—music, drama, painting, etc.—to foreign audiences in order to overcome the widely held view that Americans are uncultured, materialistic, and money-mad. The Department emphasized the fact that people in Europe and many other countries have confidence in American scientific and technical achievements but lack knowledge of our cultural achievements and so fail to respect the essential moral and spiritual qualities of the American people.

The Department reviewed for the Commission an analysis of the greatly intensified Soviet cultural offensive now under way in all key countries and its highly inimical effect on attitudes of people in foreign countries toward the United States. It was pointed out that this Soviet culural offensive was aimed at glamorizing and glorifying the cultural achievements of the Soviet Union and its satellites and picturing Americans as devoid of creative ability in nontechnical fields of endeavor, thus destroying respect and confidence in the American people on the part of people in other countries.

The Department summarized its activities in attempting to secure a more extensive presentation to foreign audiences of American cultural achievements. These have largely been confined to the award of a relatively small number of grants to individuals in the fine arts field and to the dissemination of information on American activity through printed and visual material. The Department has facilitated private projects without the use of Government funds, but since the Department's competence does not include specialization in fine arts matters, it has been difficult to determine which private projects should be assisted in terms of overseas objectives and needs. The Department noted the Congressional injunction against the use of Public Law 402 funds for pictures without specific Congressional authorization, which injunction has been adhered to.

In the Department's opinion, two major needs exist if we are to meet the Soviet challenge:

1. The appointment of a panel of expert advisers who would be asked to develop criteria to use in determining what private projects might make a sufficient contribution to the objectives of the information and educational exchange program to warrant departmental facilitation.

2. The development of an overseas fine arts program, utilizing the advice of the above panel and other experts, which could then be the basis of departmental action and also serve to stimulate private groups or agencies to finance and conduct as much of the program as possible.

The Department requested approval of the Commission for the establishment of a committee of expert advisers, under the authority of section 801 (6) of Public Law 402, 80th Congress, to act as a subcommittee to the Commission. The Commission agreed to the Department's request and in its second[1] and third quarterly reports to the Secretary of State for fiscal year 1952, gave the Department certain guidance on the problem. The Commission advised the Department to expedite the establishment of the Committee referred to above to keep its facilitation of private projects at a minimum until this Committee's advice could be obtained, and to refrain from using Public Law 402 funds to support overseas fine arts projects.

Since the submission of the above-mentioned reports, certain developments have taken place which have resulted in the Commission's modifying and amplifying its original recommendations. We wish to report our final position on this subject, together with factors which have contributed to the development thereof, in the statements which follow.

During the last quarter of fiscal year 1952, the Commission devoted considerable time and attention to this problem. It made an additional intensive study of the elements of the Soviet's new use of fine arts activities as a weapon in psychological warfare, as well as a detailed review of the Department of State's specific proposal of June 27, 1952, for the establishment and operation of the Committee on Overseas American Arts.

This committee will, like the Committee on Books Abroad, be appointed by the Secretary of State under the authority of section 801 (6) of Public Law 402, 80th Congress, and act as a subcommittee of this Commission. We were impressed with the soundness of the proposal and the caliber of the candidates being considered for membership. We not only approved the proposal but also developed new recommendations concerning the conduct of an official Government overseas fine arts program.

Formerly, we had reservations about the use of Public Law 402 funds for overseas fine arts projects because the Department has no special competence in this field and because no provision had been made to insure that any official programs or projects would be developed and conducted effectively.

We now believe after our full review of the Department's proposal for a Committee on Overseas American Arts that such a committee will provide a means by which a program in the field can be developed under sound criteria and with adequate safeguards so as to advance the objectives of the international educational exchange program. We feel free to recommend that the way be left open for the conduct of official Government projects where such action is necessary in the national interest. More specifically, we believe that provisions should now be made for the International Information Administration to assume its rightful leadership in the conduct of this particular phase of the American psychological counteroffensive. Therefore, all previous recommendations notwithstanding, the Commission expects and recommends that the Department of State make whatever budgetary arrangements are necessary to support this developing program, subject to the following conditions:

1. No program or specific project involving American arts and the use of Public Law 402 funds should run counter to any existing specific Congressional ban, such as the prohibition on "* * * the use of funds for pictures * * * which do not have the approval of the Congress,"[2] the Department of State should request the approval of the Congress to exempt from this ban the use of funds for shipping pictures, provided the Congress considers the ban to apply thereto.

2. The Department should establish the Committee on Overseas Arts in accordance with the sound and workable plan presented to the Commission at its June 27, 1952, meeting.

3. The Department should develop a specific program for the conduct of an effective fine arts program overseas, based on recommendations to be developed by the Committee on American Arts with the approval of the Commission on Educational Exchange; and including specific provisions for the private financing and conduct of a major portion of such a program.

4. The International Information Administration should establish a central point of responsibility for fine arts matters, before the Committee on Overseas American Arts is appointed, in order to insure priority attention to this important phase of the Administration's program and a focal point of contact within the Department with which the Committee on Overseas American Arts may deal.

The Commission's recommendations on this subject, as set forth above, are being submitted to the Department of State and reported to the Congress on the same date, July 25, 1952.

EXTRACTS FROM NINTH SEMIANNUAL REPORT TO THE CONGRESS BY THE UNITED STATES ADVISORY COMMISSION ON EDUCATIONAL EXCHANGE, JULY 1–DECEMBER 31, 1952

V. RECOMMENDATIONS TO THE SECRETARY OF STATE PRIOR TO JUNE 30, 1952, ON WHICH DEPARTMENTAL ACTION HAS NOT PREVIOUSLY BEEN REPORTED TO THE CONGRESS

A. American arts program

During the fiscal year 1952, the Commission devoted considerable time and attention to the emphasis which the U. S. S. R. has placed on the use of culture as a weapon in the cold war. In order to fulfill our advisory responsibilities in accordance with Public Law 402, we reported our views on this subject, together with certain recommendations, to the Secretary of State in quarterly reports. The complete text of these recommendations has been reported to the Congress in the Commission's seventh semiannual report (H. Doc. 412, 82d Cong.) and eighth semiannual report (H. Doc. 35, 83d Cong.). Briefly, these recommendations are as follows:

Recommendation (submitted to the Department of State April 1, 1952): "The Commission believes that a counteroffensive to the Communists' cultural drive should be initiated but that it should be undertaken under private auspices. We further stated that in our opinion the Department of State's activities in this field should continue to be limited to the awarding of a modest number of grants in the fine arts field and to the facilitation of certain worthwhile private projects.

"We recommended that a committee of private experts in the fine arts field be established to act as a subcommittee of the Commission for the purpose of assisting us to stimulate private projects, to insure continuous, close cooperation with private agencies undertaking them and the Department of State, and to establish criteria which the Department of State might use to determine

[1] The Commission's 7th Semiannual Report to the Congress also served as the 2d quarterly report for fiscal year 1952 and reported fully on the Soviet's new cultural offensive.

[2] May 21, 1947, Report of the House Committee on Foreign Affairs, p. 5.

the worth of private projects which it is continuously being requested to facilitate."

Recommendation (submitted to the Department of State April 14, 1952): "The Commission wishes to reiterate and emphasize its previous recommendations on this subject as follows:

"The Department's facilitation of fine-arts projects should be kept to a minimum until the advice of the Committee on American Arts can be obtained.

"The Department should expedite the establishment of the Committee.

"Fine-arts projects should not be financed from funds appropriated for the conduct of the program under Public Law 402, 80th Congress."

Recommendation (submitted to the Department of State July 15, 1952): As reported in the Commission's eighth semiannual report to the Congress * * * "during the last quarter of fiscal year 1952, * * * the Commission made an additional intensive study of the elements of the Soviet's new use of fine arts activities as a weapon in psychological warfare, as well as a detailed review of the Department of State's specific proposal of June 27, 1952, for the establishment and operation of the Committee on Overseas American Arts. * * * We not only approved the proposal but also developed new recommendations concerning the conduct of an official Government overseas fine arts program.

"Formerly, we had reservations about the use of Public Law 402 funds for overseas fine arts projects because the Department has no special competence in this field and because no provision has been made to insure that any official programs or projects would be developed and conducted effectively.

"We now believe after our full review of the Department's proposal for a Committee on Overseas American Arts that such a committee will provide a means by which a program in the field can be developed under sound criteria and with adequate safeguards so as to advance the objectives of the international educational exchange program. We feel free to recommend that the way be left open for the conduct of official Government projects where such action is necessary in the national interest. More specifically, we believe that provisions should now be made for the International Information Administration to assume its rightful leadership in the conduct of this particular phase of the American psychological counteroffensive. Therefore, all previous recommendations notwithstanding, the Commission expects and recommends that the Department of State make whatever budgetary arrangements are necessary to support this developing program, subject to the following conditions:

"1. No program or specific project involving American arts and the use of Public Law 402 funds should run counter to any existing specific Congressional ban, such as the prohibition on '* * * the use of funds for pictures * * * which do not have the approval of the Congress,'[1] the Department of State should request the approval of the Congress to exempt from this ban the use of funds for shipping pictures, provided the Congress considers the ban to apply thereto.

"2. The Department should establish the Committee on Overseas Arts in accordance with the sound and workable plan presented to the Commission at its June 27, 1952, meeting.

"3. The Department should develop a specific program for the conduct of an effective fine-arts program overseas, based on recommendations to be developed by the Committee on American Arts with the approval of the Commission on Educational Exchange, and including specific provisions for the private financing and conduct of a major portion of such a program.

"4. The International Information Administration should establish a central point of responsibility for fine-arts matters, before the Committee on Overseas American Arts is appointed in order to insure priority attention to this important phase of the administration's program and a focal point of contact within the Department with which the Committee on Overseas American Arts may deal."

First departmental reply (dated August 20, 1952: The Department accepts the recommendation of the United States Advisory Commission on Educational Exchange "that a committee of private experts in the fine-arts field be established to act as a subcommittee of the Commission for the purpose of assisting us to stimulate private projects, to insure continuous, close cooperation with private agencies undertaking them and the Department of State, and to establish criteria which the Department of State might use to determine the worth of private projects which it is continuously being requested to facilitate.

In regard to the 3 recommendations submitted on April 14, 1952, the Department presents the following:

The Department concurs with the Commission that until the Committee on American Arts is organized within the Commission, the International Information Administration's facilitation of fine-arts projects should be kept to a minimum.

The Department is at present processing names of possible members of the Committee on American Arts selected from the panel approved by the Commission. In view of the time required for the processing of such appointments, one cannot anticipate that the Committee on American Arts would be a functioning reality before another 4 months have passed.

The Department concurs that fine-arts projects—if "fine arts projects" is used in a very narrow and intellectually sophisticated sense—should not be financed from the moneys appropriated for the conduct of the program under Public Law 402.

The Commission's attention is invited to the use of the word "arts" in the proposed name for the committee. The words "art," "arts," and "fine arts" are all replete with connotations inadequate to the role which American culture must play in the task of gaining the acceptance and recognition of our allies. The concept is considerably broadened therefore, if the name of the proposed subsidiary body of the Commission were "Committee on American Culture."

As a result of the Department's interest in initiating a counteroffensive to the Communists' cultural drive there have been two major exhibits in the field of the visual arts prepared for showing abroad. In both instances the initiative was taken by the Bureau of German Affairs. The first exhibit, a cross section of American painting, past and present, was financed by the Oberlander Trust, assembled under the direction of the American Federation of Arts and shown in Berlin, Vienna, and Munich. The second exhibit, the 19th century American painting, is now being assembled by the American Federation of Arts in response to a request submitted by a committee of German museum directors. It is to be financed by a grant from the Wyoming Foundation.

Exhibits financed from Public Law 402 funds so far have belonged to the category of crafts and educational subjects rather than to the fine-arts field.

Second departmental reply (dated October 7, 1952): With regard to the Commission's recommendations submitted to the Department on July 15, amplifying its previous recommendations, stipulating four conditions relative to the arts program, the Department desires to inform the Commission as follows:

1. The International Information Administration is taking the necessary steps, in line with the Commission's recommendation, to consult the opinion of the chairman of the House Subcommittee on Appropriations.

2. As reported to the Commission heretofore, the formal establishment of the Committee on Overseas Arts awaits the processing of the panel of possible members.

3. The International Information Administration has taken note of the recommendation that a larger fine-arts program overseas be developed. Preliminary projections of a program to make American culture better understood will be ready to present to the committee upon its establishment.

4. Concerning the establishment of a central point of responsibility within the International Information Administration for policy coordination of the cultural program, this recommendation of the Commission is the subject of a management proposal to make the special projects officer of the Office of Policy and Plans the chairman of a working group representing the Office of Field Programs, the Private Enterprise Cooperation Staff, and the media services. This proposal does not yet have full concurrence in the International Information Administration.

Recommendation (submitted to the Department of State December 5, 1952): The Commission believes that the title of the committee suggested by the Department—"Committee on American Culture"—is too all-inclusive. The Commission wishes to indicate its preference and recommends that the title be "Committee on Arts" if a new title is desired.

Departmental reply (dated April 15, 1953): The name preferred by the Commission "Committee on Arts" is acceptable to the International Information Administration.

The appropriation recommended for the President's Special International Fund represents, in my opinion, the barest minimum which we can afford for this purpose.

I am sure the Appropriations Committee would have recommended more if the Administration had fully carried out Public Law 860, 84th Congress, in all of its provisions and thereby given this important program better direction and management.

So far only a modest start has been made in filling the tremendous need in our foreign policy to present the cultural side of the American way of life to the uncommitted peoples abroad; to show that we Americans support and practice the creative and performing arts with as great a respect and as high a level of attainment as that of any other great nation and people in the world; and that our economic and productive might has given us happiness and well-being.

This program has been under way only since 1954 and yet the results, as the testimony before the Appropriations Subcommittee showed, have been dramatic.

Johnny-come-lately as we have been in the field of international trade fairs, we have been represented in 47 so far and can be proud of our showings. The American exhibits have been smash hits on every occasion.

We are meeting the Communist cultural offensive, and meeting it well in trade fairs, in sports, and in the performing arts.

There is one important side of the cultural program that is, in my opinion, not being sufficiently emphasized in the present program. Little or nothing is being done to provide adequate United States representation in international exhibitions or cultural festivals, especially in the nonperforming arts. Section 3 (2) of Public Law 860 expressly calls for this and section 12 of the Act states that, to the maximum possible extent, the cultural program should include projects not just in the performing arts but in the nonperforming arts.

Some part of the funds appropriated should, in my opinion, be used to provide United States participation in the numerous fairs and festivals throughout the world devoted to exhibitions of the nonperforming arts.

It is to be hoped that the administration will carry out the policy set out in Public Law 860 in this regard.

Here are some of the international exhibitions and cultural festivals in which the U. S. S. R. and the Communist-bloc nations participate and as to which we would be remiss if we did not take steps to counter their propaganda activities disguised as cultural exchange—

The Milan Triennial, an international exhibition of architecture and decorative and industrial arts; the New Delhi Biennial, an international art exhibition; the Cologne International, a photography exhibition; and the São Paulo Biennial, an exhibition of theater architecture, and stage design.

In closing, I would like to reiterate my personal conviction that this program—dollar for dollar—is one of the most important activities of the Federal Government today.

It must have top-flight administration if it is to be continued and if it is to be successful. This can only be done as authorized by Public Law 860, 84th Congress.

[1] May 21, 1947, report of the House Committee on Foreign Affairs, p. 5.

THE GERRY MURPHY CASE AND THE DOMINICAN REPUBLIC

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Louisiana [Mr. LONG] is recognized for 30 minutes.

Mr. LONG. Mr. Speaker, when, on April 1 last I rose to address this House on the strange and fantastic matter which has become known as the "Gerry Murphy case" and which had lately been the subject of some rather intemperate and well publicized remarks by my distinguished friend and colleague, Representative Charles Porter of the great State of Oregon, I was motivated solely by my desire to be of aid and assistance to a younger colleague, whom we all admire. It was not my purpose to enter into a controversy. Be that as it may, however, it seems apparent that a controversy is a raging about this matter, and, as shown by the RECORD of April 5 and April 8, that controversy has now been brought into this House.

While it was not my desire nor my intention to start any such controversy, I shall not hesitate to stand up and be counted on the side of Christianity, patriotism and righteousness in such controversy. As I pointed out in my address of April 1, I come from a State which is a near neighbor and a close friend of those American nations which border upon the Caribbean Sea and who are so important to our own safety and security. For many years I have had many friends among our good neighbors in these nations, and I have access in my own State of Louisiana, to men who are experts in all matters concerning the relations of our own country with those valiant, free and sovereign nations of what we term "Latin" America, and particularly our close neighbors of Central America and the island nations of the Caribbean. Consequently, I feel that I am qualified to speak with some authority about these nations. The RECORD of this House will disclose my interest in these nations since I have been a Member of this august body, and particularly my active interest in the restoration of Christian, decent government in the Republic of Guatemala, that great American nation which became the first nation on earth to throw off an established Communist Government once it had been established. With justifiable pride, coupled with Christian humility, I refer my esteemed colleague to a speech which I delivered in this House in 1954 congratulating the people of the Republic of Guatemala for their heroic action in throwing out their Communist terrorists. I am likewise humbly proud of the appreciation that has been expressed to me by so many high officials and humble citizens of Guatemala in connection with my actions on behalf of them and their great nation in their time of crisis. During the Communist rule in Guatemala, few of the people of our own Nation realized that such great cities as New Orleans and Houston were only 45 minutes or an hour away from Guatemala by modern jet bomber, that Washington, New York, Detroit and Chicago were only 2 or 3 hours distant; and that Guatemala, in those terrible days, like Communist nations everywhere, was strictly a Russian satellite, from which atomic and hydrogen terror and annihilation could have been used against our own people and own industrial installations had Soviet Russia decided to have done so.

And so, Mr. Speaker, in the current campaign of world communism against the Government of the fabled Republic of Santo Domingo, it is time that we face some facts and that we speak with the utmost frankness. Despite the great agitation displayed by my esteemed colleague from the State of Oregon, I am convinced that neither he, nor any other Member of this House would take any part in the Communist attempt to destroy the existing Government at Ciudad Trujillo if the facts are known and understood.

As a preface to an understanding of those facts, I believe that a brief review of the history of the Dominican Republic during this century is in order. The people of this great island nation are mostly the proud descendants of those great Spanish conquistadores who were the first discoverers and explorers of the Western Hemisphere. The proud and brave people of the Dominican Republic had no Anglo-Saxon traditions behind them as we of our own country had when we fought our Revolutionary War. The result was that stable government was long in coming to the Dominican Republic. Prior to 1930, stable and responsible government hardly existed there. Almost one President after another met death by assassination; each President ran his country further into debt, largely debt owed to European powers. When these debts remained unpaid and when the nation was facing bankruptcy, these European powers, as was then the custom, threatened Santo Domingo with "battleship diplomacy". By so doing, they ran afoul of our own Monroe Doctrine. Our own Government notified all of the creditors of the Dominican Republic that we would not tolerate armed invasion of our island neighbor under any pretense whatsoever. However, we had to admit the legitimacy of the claims of these foreign powers for the debts owed to them, and we took upon ourselves the responsibility for seeing that they were paid. To protect ourselves, we seized the Dominican customhouses, and proceeded to administer the financial affairs of that nation, at least partially until the year 1940. Our administration would have been extremely difficult if not impossible, without a responsible and stable government of that Republic. From the financial and political chaos that existed in the Dominican Republic prior to 1930, there emerged the strong and friendly government which, under the leadership of Generalissimo Rafael Trujillo, longtime President of the Dominican Republic, and now the chief of its armed forces, has provided more than 2 decades of stable government, during which the nation has become the first in the world (in modern times, at least) to become entirely free of debt. During this long period of peace, the economy of the Dominican Republic has prospered so greatly that the living standard of the people has been raised tenfold. Comparatively, the people of the Dominican Republic are, for the first time in the memory of anyone now living there, prosperous and happy. The vast majority of the people of that great island nation look with horror at the conditions under which they lived prior to 1930, and they have no intention of returning to those grim and horrible days. Only the usual small, almost minuscule in this case, minority of chronic dissenters, want to interfere with their present. A minority, that is, and one other group, an alien group, the Communists. It is the latter group, who are not Dominican citizens, and who engage in their murder, their conspiracies and their propaganda from outside of the Republic, who are behind the unprecedented smear and vilification campaign being waged against the Government of the Dominican Republic. The reasons behind this campaign will be discussed below.

Now, Mr. Speaker, let me make it abundantly clear that I make no accusation whatsoever that my young and esteemed friend, the Representative from Oregon, is knowingly serving the Communist cause, nor is any implication to

that effect to be drawn. On the contrary, I am convinced that neither Representative PORTER nor any other Member of this House would knowingly give aid and comfort to the nefarious schemes of our evil and atheistic Communist enemy. However, anyone who will believe that these international criminal conspirators will not use the Members of this House, or any Government official, or even the members of the Christian clergy, if they are able to do so, would be naive indeed. Indeed, the entire history of the evil Communist attempt to dominate the world demonstrates that it never achieves victory on the field of battle nor at the ballot box; rather, all of its numerous successes have been brought about through tactics of intrigue and infiltration, tactics at which the Communists are the greatest experts on earth. The history of modern communism, the records of the various investigative committees of this House and of the other legislative body, the public pronouncements of Mr. J. Edgar Hoover, head of the Federal Bureau of Investigation, all will show beyond doubt that for every admitted Communist Party member in any nation of the world there are at least 10 liberals, intellectuals, or fuzzy do-gooders who, wittingly or unwittingly, serve the Communist cause; and, beyond even that group there are always men and women of the best character and reputation, whose patriotism is beyond question, but who, nevertheless, feeling secure in their complacency, and in complete ignorance of what they are doing, and without any evil design or intent whatever, do in fact serve the aims and purposes of Godless communism. Probably it is this latter group who, by reason of their respectability, their standing in their communities, and their very ignorance and complacency, present the greatest danger to our Christian way of life. This is particularly and tragically true in our own great and free Nation, where we accept our great freedoms of speech, of the press, and of religious worship as a matter of course. We are a trusting and sincere people. Decades upon decades of our American way of life has conditioned us to trust in the sincerity of every man, until circumstances prove that our trust is not justified. God would that we might continue always with that simple faith in the decency, the honesty and the morality of our fellow man. God would that all men and women everywhere could enjoy that simple trustfulness of our fellow human beings which we in the United States of North America have heretofore come to accept as a way of life.

That simple presumption of honesty, morality and good faith of all men and women has become dangerous, Mr. Speaker, since the curse of atheistic communism has come upon the world. Communism is not at all concerned with truth, decency, morality and justice.

Communists, as a matter of course, will lie, cheat, steal, engage in the greatest imaginable acts of immorality, take advantage of those who have extended to them the hand of friendship—if such conduct will further their evil designs to plunge all the world into inhuman slavery and degradation. Communists and their followers have no conscience, no morals, no scruples. They are pure evil, evil incarnate. The honest and decent Christian peoples of the Americas, brought up in the tenets of Christian morality simply cannot understand nor accept the fact that such depraved human being actually exist and move about on our earth. Certainly decent people are not prepared to cope with them.

These depraved disciples of evil do exist, Mr. Speaker. They have succeeded in putting into bondage and slavery a large portion of the peoples of the earth; a very large portion of the lands of the earth have been subjugated by them, and they are determined to conquer and subjugate the remainder of the free world, and to stamp out and forever eradicate what remains of Christianity and western civilization. They it is, these depraved and evil devotees of godless communism, who now beset the free nations of our Western Hemisphere. They it is, these depraved devotees of pure evil, who have ordained that the Government of the free and independent Republic of Santo Domingo, and those who have served it successfully for so many years, shall be destroyed.

Now, Mr. Speaker, I well realize that those who are not too well informed about the Communist movement, might ask, quite logically, why should world communism be so concerned and so insistent upon, the destruction of one small American island republic? The answer to that question, Mr. Speaker is simply this: First, as has been said so often, communism loves to fish in troubled waters. The breakdown of civil authority, governmental chaos, all are to the advantage of atheistic communism. Communism has never won a free election anywhere in the world. Always it has come to power by taking advantage of a weak and confused government. Second, the conquest of the Western Hemisphere is the last remaining task of world communism. Its immediate goal is the conquest of our own great Nation, the strongest Nation in the hemisphere. To accomplish that conquest of our own Nation, however, atheistic communism must isolate us from our friendly American neighbors.

We must never forget that the science of psychology originated in Russia, now the vaunted "motherland" of atheistic communism. We must never forget that it is the Communists who are the greatest experts in mass psychology; that the Communists have taken the facts developed by the Russian scientist Anton Pavlov to the effect that certain fundamental laws apply to all living organisms, and have developed from these findings of Pavlov the cruel and brutal tortures of "brainwashing," the fantastic voluntary "confessions" and other standard Communist procedures for achieving their evil ends.

Now, Mr. Speaker, our Communist enemy knows quite well that the great majority of all of the peoples of all of the Americas are decent, Christian citizens, devoted to their God and their country, and imbued with those high ethical and moral standards which are the most valuable result of our Christian civilization. But these evil men are, as we have said, masters of mass psychology. And it is precisely this knowledge of mass psychology which gives rise to their determination to destroy the Government of our great and friendly neighbor, the Dominican Republic.

By reason of the fact that the United States of North America is the strongest and most wealthy nation of the Western Hemisphere, and by reason of such fundamental policies as our Monroe Doctrine which for so long protected our hemisphere neighbors from European colonialism, our neighbors have come to place a certain trust and confidence in us. Our Communist enemy knows that such trust and confidence must be destroyed before we are separated from our neighbors, and thus made ready for the final assault by our Communist enemy. Our Communist enemy knows that the best way to bring about this separation is to demonstrate to the world and particularly to our American neighbors, that we are weak and unreliable. Only in this manner can our Communist enemy bring about the disintegration of the warm and friendly solidarity which we have enjoyed for so long with the other sovereign nations of our hemisphere. What better way to bring about this result than to impudently and wantonly attack the government and the leaders of that small but valiant island nation, lying almost immediately off our continental shores, that nation which has, more than any other American nation, proved impregnable to atheistic communism, whose political leaders have made of their nation an invulnerable bulwark against communism, a nation with whom we have lived so long under conditions of the highest mutual respect, confidence, and cooperation?

Yes, Mr. Speaker, our Communist enemy knows too well the psychology of men and of nations. Our Communist enemy is busy all over the Western Hemisphere. In Guatemala, our Communist enemy thought he had achieved a victory, only to suffer, in the end, the sharpest rebuff that Communist slavery has ever suffered. But if atheistic communism can succeed in destroying the government and the political leaders of the small and friendly Dominican Republic, lying, as it does, just off our shores, and relying, as it must, upon us for protection against external aggression, of whatever nature, then godless communism will indeed have achieved a major and perhaps lasting victory. If we permit our Communist enemy to bring about the downfall of the friendly and cooperative Government of the Dominican Republican, then will we have any right to expect further cooperation or friendship from any of the other nations of our hemisphere? Once the Communist enemy demonstrates that we are unwilling or unable to protect our nearest, most anti-Communist and most cooperative friend from Communist aggression, then we may expect all the other nations of the hemisphere to conclude that we no longer provide the safety and defense which they have been encouraged to rely upon. We may expect our neighbors of the hemisphere to each take such measures as they may consider

proper or within their respective abilities, to provide for their own defense. We may expect, under such circumstances, the rapid and inevitable deterioration of the friendly relations and conditions which have made of the Americas the most peaceful and prosperous regions of the world. This, then, is an explanation of the importance to us, and, indeed, to the Christian world, of beating off the Communist aggression of our friend and neighbor, the stanchly Christian and anti-Communist Republic of Santo Domingo. Once this is understood, I cannot imagine any American, and particularly no Member of this House, lending aid and comfort, wittingly or unwittingly, to the Communist determination to overthrow the Government of the Dominican Republic.

And now, Mr. Speaker, let me proceed to go into the matter of the deceased Gerry Murphy, the unfortunate young citizen of our own country, whose untimely death in the Dominican Republic has brought about so great indignation on the part of my distinguished friend and colleague, Representative PORTER of the State of Oregon.

In my speech of April 1, I suggested that my colleague visit the Republic of Santo Domingo, there to obtain at first hand the facts of this case, so that he might speak to us about the matter from first-hand knowledge rather than relying on what would of necessity be, pure hearsay. In a speech appearing on page 5210 of the RECORD, and dated April 5, my colleague from Oregon rejects this reasonable suggestion for the stated reason that "it would not do any good." Frankly, Mr. Speaker, I am unable to follow the reasoning or the logic of this position by my colleague. Only by hearsay, the very thing which we reject as proof, could my friend, the gentleman from Oregon, know that a visit by him to the Dominican Republic in this matter would fail to do any good. Could it be, on the contrary, that what my esteemed colleague really fears is that a visit to that great and friendly Caribbean Republic would demonstrate to him that those serious charges which he has hurled about so recklessly are, after all, completely false? Certainly I do not believe that my colleague would want to deprive the political leaders of a friendly neighbor of those rights which we consider fundamental, and which I am sure he, in similar circumstances, would insist upon.

Mr. Speaker, I am sure that all, or nearly all, of my distinguished colleagues of this House will join with me in rejecting the further evidence that our colleague from Oregon presents in this matter. This evidence consists of unsupported statements, an editorial from a publication entitled "Coos Bay Times," a publication with which I am not familiar, but which I am sure is operated in the best American newspaper tradition, and hence spends as much time attacking west coast Communists as it does what it believes to be Latin American dictators; an editorial of the New York Times; a reference to an editorial in the New York Post; and, unbelievably, a resolution condemning the Dominican Republic by—believe it or not—Americans for Democratic Action. Since this last piece of evidence is so fantastic, coming from one of our distinguished colleagues, I feel that I must cite it specifically to you. It will be found in the daily RECORD, page A2775. I am sure that this last piece of evidence leaves us completely unimpressed.

As to the newspaper editorials, we all know that the journalists who wrote them would be the first to admit that the majority of editorials are made up of opinions, not of facts. We consider it a necessity of civilization that there be a free, but responsible, press. We expect our newspapers, in return, to report facts with complete objectivity. We are all aware that some newspapers do on some occasions slant news to fit their editorial opinions. Fortunately, however, this practice is limited, and the harm that it does is more than overbalanced by the good that a free and responsible press accomplishes for our Nation.

My distinguished colleague should know full well that the editorials which he relies upon, however honest and convinced be their authors, are, after all, nothing more than the opinions of those authors. Of course, these editorial writers have a fundamental right to hold their opinions and to express them. But by no stretch of the imagination may these editorial opinions be relied upon as fact.

Another piece of evidence mentioned by my distinguished colleague is that most ancient of all inter-American exaggerations, that moth-eaten concoction conceived by our Communist enemy so many years ago, that Dictator Trujillo, of the Dominican Republic, slaughtered 15,000 innocent Haitians. We are not going into a discussion of that matter here. It occurred over an event between two of our sovereign and friendly neighbors; we consider whatever did happen as unfortunate, but as absolutely none of our business. Be that as it may, however, I can see in this occurrence—if it did occur—nothing whatsoever of probative value on the allegation that the Dominican Republic, and particularly Generalissimo Rafael L. Trujillo Molina, had anything to do with the untimely demise of the unfortunate Mr. Gary Murphy. And, of course, Mr. Speaker, I do not believe or allege that my esteemed colleague from Oregon is so naive as to believe that he has made a great discovery or that he has been the first to make public this hoary and ancient incident about the alleged slaughter of the Haitians.

Mr. Speaker, I believe that our colleagues will agree that the allegations made by our colleague from the State of Oregon, and found on page 5210 of the RECORD are interesting if not startling. Taking me to task over my statement that our diplomatic mission was satisfied with the cooperation of the officials of the Dominican Republic, my colleague states, first, that what I said was untrue; and, second, that in any event, our Ambassador to the Dominican Republic, Mr. Pheiffer is "much too friendly with the dictator." That strange statement, Mr. Speaker, quite beyond the matter of good taste, raises some interesting questions: What degree of friendship constitutes "too much"? Is friendship, in the context of its usage in our Nation, a matter that can even be restrictedly qualified? Rather, does not honor demand that we be either friendly or unfriendly? These statements of my colleague also raise a serious constitutional question: Is not the unrestricted criticism of our foreign service officers by a member of the legislative branch in very bad taste, unless the conduct complained of has been duly brought to the attention of the Secretary of State, an officer of the executive branch?

Of course, Mr. Speaker, I must congratulate my distinguished colleague from Oregon for the strength and ardor of his aggressiveness. I am sure my distinguished colleagues will agree that not within our recent memories has a freshman Member of this House rushed in so boldly to attack those who disagree with him.

On the question of the late and unfortunate Mr. Gerry Murphy, the object of so much concern on the part of my colleague from Oregon, I am simply unable to go along with my esteemed Oregon colleague. By the statement of my colleague, it would appear that the deceased Mr. Murphy was a criminal, a kidnaper, a criminal conspirator, a man who flouted the laws of his own country as well as the laws of God. Certainly, we can have no faith in anything purportedly said by this lamented but criminal individual. Not only did he engage in the conspiracy to kidnap a fellow human being—according to my esteemed colleague from Oregon—but he also tended to bring into disrepute the Civil Aeronautics Administration—which either cleared him for an illegal flight to transport a kidnaped man out of the country, or failed to punish him after the deed was accomplished—the United States Customs Service and the Immigration Service—who took no steps to punish him after he boasted of his kidnaping—the United States Public Health Service—who failed to punish Mr. Murphy when he did not report his arrival from a foreign nation when he returned the rented kidnap plane—and, above all, the military services, who, despite all of their vaunted radar and early defense, failed to detect this unidentified kidnap plane as it left or returned to our shores on its illegal mission. Truly, Mr. Speaker, if the information given to my colleague from Oregon be reliable, then the late Mr. Murphy was not only a criminal, but a wanton character, completely indifferent to the damage he might do to the governmental departments who were responsible for the welfare of his country or to the reputations of the men and women who were the officers and employees of those departments of Government.

I am full of regret that I must say so, Mr. Speaker, but I am not impressed with Mr. Gerry Murphy, as he is described to us by our distinguished colleague from Oregon. Mr. Murphy—or the memory of Mr. Murphy—does not come to us with clean hands. We are a law-abiding people. As such we cannot be too concerned with what did or did not happen to Mr. Gerry Murphy.

I respectfully suggest to my distinguished colleague from Oregon that he might better concern himself with the welfare of those honest Americans still rotting in the stinking and rotten jails and torture chambers of Communist China, than with what happened to an American who, by his own admission, chose to become involved in a criminal kidnaping conspiracy.

It is my sincere hope, Mr. Speaker, that we may now bring to an end this matter of Mr. Gerry Murphy and the Dominican Republic. Let there be no misunderstanding, however, of my own position. I owe nothing to the Dominican Republic, nor to any citizen or official of that nation. Neither does that nation, its citizens, or its officials, owe anything to me. I do owe it to my country, to my God, and to myself not to stand idly by while an attempt is being made to destroy a small and friendly nation, whose only crime is that it has refused to knuckle down under the assaults of atheistic communism. I believe that the overwhelming majority of my colleagues of this House share those sentiments.

Before finally leaving the Gerry Murphy aspect of this matter, Mr. Speaker, I should like to point out that in this case the "jingling of the guinea" do, to some extent, "heal the hurt that honor feels." As pointed out by my good friend and colleague from the State of Oregon, the family of the man who brought about the death of Gerry Murphy, has paid to the parents of the dead man, damages in the amount of $50,000. If it was necessary to twist the arms of these unfortunate parents, or if any dictatorial methods were used to get them to accept this money, we are not so advised. From the statements of our esteemed colleague from Oregon, we believe that he is in perfect good faith, and we are sure that he would consider any money coming from the Dominican Republic to be tainted with the evils of what he terms dictatorship. I am sure that he will understand that all of his colleagues sincerely sympathize with him and share with him the embarrassment which he must feel by reason of the parents of the late Gerry Murphy having accepted this tainted money as damages for the death of their son.

In conclusion, Mr. Speaker, I want to put into express words something that I have heard often discussed, but which has not heretofore been stated officially so far as I know, and that is this: Granting, for the purpose of this statement, that the Dominican Republic is a Dictatorship, that Generalissimo Rafael L. Trujillo Molina is an absolute and unprincipled dictator, possessed of all of the attributes of Satan himself, and that His Excellency, Hector B. Trujillo Molina, President of that great Caribbean Republic is merely a figurehead; admitting, Mr. Speaker, that all of these things are true—which, of course we know not to be true—even then, what business is it of ours as to what type of government the people of the Dominican Republic have, or in which manner their Government operates, so long as that Government and its operation, presents no danger to our own rights? We call ourselves the good neighbor of the other nations of our Hemisphere. One certainly cannot be a good neighbor if he persists in meddling in the affairs of his own neighbors. Such meddling will not be tolerated among individuals nor among nations. Too long have we in our own great Nation said, in effect, to our Latin American neighbors, that they should divide themselves into two political factions, Democrats and Republicans, in about equal proportions, in a pale imitation of our own political way of life, and hold an election every 4 years. We have said to them, in effect, if they will do this, then we shall pick up all the checks, pay all the bills. This has been nothing short of silly. Mr. Speaker, I care not what type of government is maintained at Ciudad Trujillo, so long as it is not an atheistic Communist government which would endanger our own safety and security. I would not permit Generalissimo Rafael Trujillo Molina to tell us what type of government we must maintain in our own country. I would fight any attempt by any other nation to intervene in the affairs of our own Nation. By the same token, I shall resist any attempt of our Government to intervene in the affairs of any other nation. Quite frankly, Mr. Speaker, this constant cry of "Dictator" leaves me unimpressed. Intervention into the affairs of other sovereign nations is immoral and intolerable. The type and form of government which the great and honorable people of the Dominican Republic choose to have, as well as the political leaders they chose to govern them, is strictly none of our business. I am sure that these are the sentiments of all decent and patriotic Americans.

When it comes to patriotism, Mr. Speaker, we have no Republicans and no Democrats in this House. We have only representatives of the great people of the United States of North America. In giving friendly assurances of neighborly appreciation and support to Chief of the Armed Forces, Generalissimo Rafael L. Trujillo Molina, to His Excellency, President Hector B. Trujillo Molina and to all of the proud and brave people of the great Dominican Republic against the Communist aggression that is being waged against them, I stand with such of my great and honorable colleagues as Representative JOHN MCCORMACK, the distinguished floor leader of this House, and a Democratic Congressman from the great and historic State of Massachusetts, and with that equally great and honorable Representative from the State of New Jersey, Congressman BERNARD W. KEARNEY (Pat). These men are true patriots. They are great Americans. I am honored to stand with them. Also, I stand with my God and my country. I shall continue to do so. To paraphrase another great American, I shall continue to stand for Christianity and for decency upon men, as God shall give me to see that Christianity and that decency, in order that human liberty, human freedom and our great Christian religion shall not perish from this earth. Let those who believe otherwise do as they wish. Let those who make light of Christianity a light and joking matter, who ridicule it by referring to it in terms of "light years" do as they wish. As for me, and I am sure for a great majority of my Christian colleagues in this House, I shall, come what may, pursue the course of honor and decency. I shall continue to do so, whatever be my position in life, whether I am, in the future, a public official or an humble citizen, for so long as I live upon this earth.

HALT THE IMPORTATION OF UNEMPLOYMENT

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from West Virginia [Mr. BAILEY] is recognized for 30 minutes.

Mr. BAILEY. Mr. Speaker, I consider the time opportune that the Congress give thought to halting the importation of unemployment.

Last week my colleague from Pennsylvania [Mr. SAYLOR] took the floor of the House to take exception to the current campaign to pipe natural gas into our fuel markets from the Dominion of Canada. He explained that there have been Members of Congress from both parties who have been fast-talked into lending support to this campaign.

I have been watching the situation for a long time, and I agree that it has reached the point where we who are cognizant of the potential economic repercussions must step in and protect this Nation's interests. The gentleman from Pennsylvania is seated on the other side of the aisle, but in this case we are going to solicit Members of both parties to aid in putting a stop to this nonsense. When the jobs of American citizens are at stake, we cannot spare the horses—or elephants, or donkeys.

Promoters of the Canadian gas program have persuaded public officials to go down to the Federal Power Commission and grease the way for the pipeline application. I do not know whether this type of pressure is considered cricket in Canada. As a quasi-judicial agency of the Government, the FPC is charged with making decisions on evidence and testimony presented at hearings. For elected State and Federal officials to tell the judge what his verdict should be is—to say the least—somewhat unusual in this country. It is hoped that the FPC will not be influenced by this type of administrative lobbying and will ultimately render a decision that will be in the best interests of American industry, labor, and the public as a whole.

Mr. Speaker, the application to which I refer would provide for the construction of a gas chamber to bring sudden death to the economy of mining towns in West Virginia and elsewhere. I do not condemn the Canadians for wanting to peddle their gas in this country or wherever else they can sell it. I do charge American supporters of this plan—and I do not care which party they happen to represent—with a selfish and narrow attitude.

Just how far do these fellows wish to go in intruding upon the economic security of fellow American workers? Industrial centers of Minnesota and adjacent areas have been built upon the fuels that God placed beneath our soil

and which have been extracted through the investment, labor, industry, and imagination of American citizens.

Let us imagine ourselves in a mining community of West Virginia—or it could be in a town in Ohio, Pennsylvania, Kentucky, Indiana, or Illinois. The mining company which is responsible for a considerable portion of the local employment opportunities has among its customers some industrial firms in the State of Minnesota. The tonnage may not be particularly heavy, yet it could very easily represent the bread and butter of scores of families in that mining community. They depend upon this outlet for their livelihood.

Now, then, gas is suddenly discovered in great quantities in the Dominion of Canada, and every possible consuming area is canvassed. What about that lucrative industrial region across the border that has already been built up by domestic coal and oil as a big fuel market? Certainly you are going to find the people who produce the gas and run the pipelines trying to invade this lush field. Perhaps their offers have wide appeal to fuel users in this country. Is that any justification for permitting them to come in here and put our own people out of work?

There has not been a single session of Congress in the past two decades that someone has not sounded off about dropping our tariff barriers so that a foreign nation could find it easier to get into our markets. I will say that no one is more desirous than I of wanting to work closely with the other free nations of the world, but I do not believe that it should be necessary for us to surrender our standard of living in order to stay on working terms with our foreign friends. I do not believe that anyone can accuse me of being inconsistent on this matter of tariff and trade, because I have been adamant about protecting all segments of the American economy. In other words, my efforts have not been to the exclusive benefit of my own congressional district.

Now we hear that elected officials from Minnesota and elsewhere are demanding that foreign gas be admitted at the expense of American coal and oil. Let me ask whether this group feels the same way about other commodities produced in Canada and in other allied countries. If we are going to permit tax-free foreign natural gas to come into this country, should not the same consideration be given to meat, dairy products, and grain?

I remind the gentlemen from the States producing these foodstuffs that coal has no price-support program and that the Government does not take the excess production of coal and distribute it around the world or put it in a storehouse. I challenge my friends from the Midwest who are so voluble about opening our markets to Canadian gas; I challenge them to show reason—moral and economic—why the products of West Virginia should be exposed to unfair foreign competition while industries in their part of the country are snug and secure within the framework of adequate tariffs, import quotas, and section 22 of the Agricultural Adjustment Act.

I am not suggesting that we should drop these barriers and thus destroy the thousands of jobs that would be certain to fall before the invasion of commodities produced in countries where workers receive only a small percentage of the income of their counterparts in the United States. Not at all. I believe that it is obligatory on the part of the Federal Government to defend both management and labor against inequitable foreign competition. I appeal to my friends from the Middle West to provide for the people of West Virginia and other coal-producing regions the same consideration that is making it possible for their own constituents to earn a living.

Mr. Speaker, I feel confident that the Federal Power Commission will ignore the efforts of pipeline supporters to influence its decision. If, in its wisdom, the Commission is of the opinion that taking economic impact into consideration is not within its scope of authority, then the burden will be upon Congress to place such power into the Commission's hands through the medium of an amendment to the Natural Gas Act. Meanwhile it is my hope that elected State and Federal officials who front for the international pipeline project will cease in their efforts to meddle in the business of the Federal Power Commission.

May I take this opportunity to advise my colleagues of the House that on yesterday I introduced in the Congress legislation to provide for classifying natural gas as a fuel, by amending the Internal Revenue Act of 1930, the Smoot-Hawley Tariff Act, so that we can put an import tax on the shipment of Canadian gas being piped into this country.

May I also call attention to the fact that every ton of West Virginia coal sold in the Dominion of Canada for consumption must pay a 50 cents per ton import duty before it can be shipped into Canada. Why should we let Canadian people pipe gas through pipes of 18-inch capacity into this country free without being brought under the Internal Revenue Code and properly classified?

Much reference is made to balancing the budget these days. If that gas is to come here in hundreds of millions of cubic feet, we might have a right good source of revenue that would help us pay some of these bills you hear so much complaint about on the floor of the House.

THE HONORABLE D. S. SAUND

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Maine [Mr. COFFIN] is recognized for 5 minutes.

Mr. COFFIN. Mr. Speaker, it so often happens in this House that problems of great moment are discussed. You have heard them discussed within the past hour. But sometimes we lose our perspective and what I want to talk about for a moment or two is something that has been of great help to me in keeping the perspective of this country's greatness.

There are many Horatio Alger stories in this House. Probably there is a story about every Member. But it is my privilege today to bring to you the story of one of our Members that has been reported in the May issue of Coronet magazine. I am speaking of my distinguished colleague on the Foreign Affairs Committee, Judge SAUND, of California. I commend this article to your attention, which is as follows:

MR. SAUND GOES TO WASHINGTON

(By Joseph Laitin)

(The new Representative from California is a Sikh, a disciple of Gandhi, and a two-fisted peacemaker turned farmer and businessman. As the first native of India ever elected to Congress, he considers himself a living example of democracy at work.)

The 20-year-old Sikh in a snow-white turban that set off his sensitive, dark-skinned features told the immigration inspector on Ellis Island in clipped British accents that he came from Amritsar, India, and that he wanted to enter an American university. The official validated his student's visa for a permanent stay. That was 38 years ago. Today, DALIP SINGH SAUND sits in the House of Representatives, the first native of India ever to be elected to Congress.

Except for a slight trace of British accent, he is completely American in appearance, manner and thought. A distinguished looking, even-tempered man of medium height and solid build, his boundless energy and heavy shock of blue-black hair, uncovered now, belie his 57 years. He looks and talks more like a college professor than the farmer and businessman he is.

DALIP SAUND'S election to Congress from California's 29th Congressional District hit his native India like a thunderbolt. For newspapers there, long fed on Russian propaganda, have encouraged the belief that oppression of minorities in the United States was accepted national policy. To be suddenly confronted with the astounding fact that a native of Amritsar had been elected to one of the highest offices in the United States was a very hard blow. But there it was.

DALIP SINGH SAUND had been elected from a district generally considered politically conservative. And he had defeated Jacqueline Cochran Odlum, the famed aviatrix, who not only typified American rags-to-riches success but was married to one of the Nation's richest financiers, a veritable symbol of capitalism.

"I would like to fly to India," SAUND stated, "and say to the people in their own dialect: 'Here before you is a living example of American democracy at work.'" Through the Voice of America he has already done so; and he hopes, before the end of the year, to say it in person.

SAUND may have emerged on November 6 as a symbol of American democracy, but this was an incidental byproduct of his election. For he campaigned strongly on local issues, which revolve mainly around water and farm subsidy.

Much to his surprise, he won appointment to the important House Foreign Affairs Committee, something of a coup for a freshman Congressman, as it is 1 of the 3 most powerful committees in the House. Yet, while pleased with the assignment because of his intense interest in world affairs, SAUND is likely to concern himself less with the woes of India than the problems of Indio, a desert town in his district.

In his first mimeographed letter to his constituents, he discussed farm problems at length, made almost casual reference to the "high honor" of his appointment to the Foreign Affairs Committee, and neglected to mention that he was one of the few Congressmen with whom Nehru, India's Prime Minister, had spent time during his visit to President Eisenhower.

The congressional district SAUND represents is 200 miles long and 100 miles

wide, an area larger than Delaware. It includes California's Imperial and Riverside Counties, which stretch from the Mexican border to the fringes of Los Angeles.

Normally a Republican district, it went heavily for President Eisenhower, as expected. But thousands of citizens who voted for the President crossed party lines when they came to DALIP SINGH SAUND's name on the ballot. His election made him the first Democrat this sprawling area ever sent to Washington.

"People say it was an upset," SAUND comments, "but it wasn't. I knew it would be close, but I never had any doubts about the outcome. I had it all figured out—mathematically."

Although he says this partly in jest, he may very well have. For SAUND came to this country to study fruit canning at the University of California (he earned his tuition by working nights in a packing plant and grading papers for professors by day), but while there he also obtained a doctor of philosophy degree in mathematics.

Armed with this knowledge, he prepared to return to India in the mid-1920's. He had been a disciple of Mahatma Gandhi. But by this time Gandhi was in jail; so was Nehru. His family warned him that the authorities had a complete dossier on his anti-British utterances in America.

SAUND decided to remain in the United States until things cooled off in India. America's discriminatory laws against Indians seemed less repugnant than the prospect of a British jail cell. Looking around for employment, he visited California's Imperial Valley and was impressed with the affluence of its farmers. He decided to try his luck at Westmoreland.

In the Valley he found prejudice against Mexicans, Japanese, Chinese and Indians, who were prohibited by law from owning or leasing land. But his intellectual prowess, combined with his warmth of personality, soon melted or awed most of the bigots.

Not planning to make America his home, SAUND concentrated on making a go of farming, even though land was not legally available to him. Irrigation farming is largely management operation and he read everything about it he could lay his hands on. He made friends with landowners and eventually talked one of them into permitting him the use of several acres under a private arrangement.

He earned a reputation as a good farmer and others sought his advice. "Dalip was never too busy to get off his tractor and help me with some problem I had on my own land," recalls one farmer, "and if he didn't have time, he'd make it. I don't know whether he read the book on irrigation farming or wrote it. He was a man who always seemed to know what he was talking about."

SAUND prospered, except for one year during the depression of the early thirties, when he owed everybody money. His friends suggested he take refuge in bankruptcy. SAUND swore he would pay back every last dime.

He did, but it required 10 years. His last outstanding debt was an $80 bill owed to an oil company, and when he walked into their office to square accounts, it took a week to dig up the records of what they'd long ago written off.

Even in his early days as a dirt farmer, SAUND was active in civic affairs. He joined the Toastmaster's Club, mainly because of a desire to polish his platform personality, and eventually won its annual regional speech-making competition. Today, he is rated as a spellbinder, despite his clipped, high-pitched voice, not uncommon among Indians.

The following year, the competition was won by E. H. Cain, one of SAUND's first American friends, who immigrated to California from Texas around the time Saund came from India. At a luncheon commemorating his friend's award, SAUND observed: "Last year, you awarded the prize to an Indian. This year you award it to a Texan. Aren't you carrying the policy of nondiscrimination too far?"

SAUND first came to local public attention when he published a book, My Mother India, its theme anti-British imperialism. It was banned in India, and the local post office bulletin board announced that SAUND's book could not be accepted for mailing there. That was the first anybody knew that he'd written one.

It earned him a local reputation—totally undeserved—as something of a young radical, which plagued him right through his campaign for the congressional seat. Actually, many of his political supporters feel he is so conservative he barely scrapes under the wire as a liberal.

In 1928, SAUND married Marion Kosa, Massachusetts-born daughter of a landscape painter. And when he found himself the husband of one American citizen and the father of another, he turned his attention to mobilizing and leading the fight to make the 3,000 Indians in this country eligible for citizenship. In 1946, President Truman signed the bill which accomplished this. SAUND became a full-fledged American citizen in 1949.

He won his first elective office as judge of justice court, Westmorland judicial district. Westmorland, at the time, was notorious as a center of vice and gambling which flourished on the trade of itinerant fieldworkers. Judge SAUND's first case was a woman who was no stranger to the court; she pleaded guilty and promptly opened her purse to pay the customary fine. SAUND rapped his gavel: "One year, madam." Within a few months, Westmorland was the cleanest town in California.

His uncompromising crackdown on vice came as no surprise to his intimates. SAUND was reared as a Sikh, a religious sect in India that demands of its followers clean living, the worship of one God, and the rejection of the caste system. SAUND doesn't drink or smoke, but nobody would accuse him of being stuffy.

Even though not an attorney, Judge SAUND became so thoroughly versed in the law that attorneys who appeared before him were often amazed. It was a favorite pastime for members of the community to drop over to the courthouse when some smart aleck lawyer from San Diego was scheduled to appear as a defense counsel.

"Judge SAUND sure put them in their place when they tried to trip him because he wasn't a lawyer," chuckled one local farmer recently. "Once Dalip has read a book, he can recite it back to you 10 years later. They'd throw the book at him and he'd just throw it back, word for word."

SAUND found it difficult to continue his farming and still give adequate attention to his judicial post, which did not pay enough to maintain a family of five. So he discontinued farming and opened a chemical fertilizer plant, which he still operates.

At a political rally during his congressional campaign, a heckler rose and demanded: "What makes you qualified to go to Washington? You're only a part-time judge and your real job is selling fertilizer."

A businessman came to SAUND's defense with: "But it's chemical fertilizer."

Ignoring the heckler, Judge SAUND fixed the businessman with a stern eye. "Let's not have any snobbery here," he said. SAUND won a lot of votes that evening.

The whole family pitched in on SAUND's campaign. It is a closely knit family. The eldest daughter, Julie, a former UCLA student, is now married to a physicist studying for his Ph. D.; Ellie is an education major at UCLA; and Dalip, Jr., a lieutenant wounded in action during the Korean war, is studying for a degree in mechanical engineering at California Institute of Technology and working nights as a sheet metal worker.

The Saund family home is now on some land SAUND bought in the Hollywood hills overlooking the city. He designed the kind of house he wanted and hired men to build it. After observing the carpenters for 2 weeks, SAUND decided he could do better himself. So, with the help of Dalip, Jr., he erected the 3-bedroom house, calling in professional help only when the law required him to.

While SAUND was a devout disciple of Ghandi, he had two other boyhood idols—Abraham Lincoln and Woodrow Wilson—and read every book about them he could find. "They were my first glimpse of the wonderful heritage of America," he says.

His worship of Gandhi's principles are still a part of him, and he carries this tolerance of others' views into his politics. In fact, in the California Democratic Party he is known as "the peacemaker."

In the aftermath of any election, there is always lively speculation as to what factors influenced the voters. Democratic National Committeeman Paul Ziffren thinks SAUND won because he was an able candidate and because the organization made an all-out effort to get the foreign-born population to register. Others think it was because many independent voters believed that sending an Indian to Congress would show the Russians a thing or two about America.

But a dirt farmer from the Imperial Valley puts it this way: "He's growed cotton. He's growed lettuce and beets. He's worked in hay and he's worked for wages. And he won't let any smart aleck lawyers trick him. That's why we sent him to Washington."

Mr. Speaker, this is the story of a man who came here from India and has been a citizen of this country but 8 years. He now sits with us in this chamber where he is making a very real contribution both in his judgments and in the strength of his convictions.

I would like to quote part of the paragraph which ends this article. There are many theories as to why his people sent him here, but the article concludes by quoting a dirt farmer from the Imperial Valley who had this to say:

> He's growed cotton. He's growed lettuce and beets. He's worked in hay and he's worked for wages. And, he won't let any smart alec lawyers trick him. That's why we sent him to Washington.

Mr. Speaker, I feel we are indeed fortunate in having such a good friend as my distinguished colleague from California sit with us. I think his story is an inspiration to all of us and to all of the people, and I think that it is part of the lesson of America that we must continue to bring to the people of this world. It is a lesson that is far more important than money, far more vital than arms. It is the very heart of America itself.

Mr. WHITENER. Mr. Speaker, will the gentleman yield?

Mr. COFFIN. I yield to the gentleman from North Carolina.

Mr. WHITENER. Mr. Speaker, I, too, have read this magnificent article about our good friend, Judge SAUND, and I commend the gentleman from Maine for calling it to the attention of the Memmers of the House. Judge SAUND is my neighbor in the House Office Building in which my office is located. He is a gentleman in every respect, and I have been very much gratified by the opportunity which my service here has given to become acquainted with this great American, even though he has only had his citizenship for a few years.

Mr. COFFIN. I thank my friend for his contribution.

Mr. COFFIN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include an article.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

PRESS SERVICE OF USIA

Mr. WILSON of California. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WILSON of California. Mr. Speaker, occasionally someone questions the function of the Press Service of USIA in making available a wireless file of news throughout the world. I believe some factual information on this subject will be useful in giving a complete picture of this service, and what it accomplishes.

The wireless file carries official news, based on texts of official statements and on special stories chosen and written to promote specific program objectives. It also carries full texts of important speeches and statements by the President and other Government leaders, as well as texts of major United States policy statements.

The wireless file also carries commentaries, in the form of special columns, backgrounders, and roundups of editorial opinion from the United States and world press. The commentaries are researched and written to emphasize certain policy objectives and to correct damaging misconceptions about the United States or to counter hostile propaganda.

Commercial news files are not in business to promote United States Government policies. Because of high transmission rates they frequently carry only the highlights of important United States policy statements.

Commercial agencies cannot devote much space to background information or commentary designed to explain and interpret the United States position. In most instances, the relatively high cost of long-haul communications precludes them from furnishing overseas clients with full text and full spell out coverage of important United States developments.

The best illustration of how the wireless file does not compete with commercial news agencies is to point out the content of a typical day's filing of news. For example, 27 percent is devoted to the texts of speeches by the President, Secretary of State, and so forth. Fourteen percent is devoted to anti-Communist stories or themes, 13 percent to roundups of editorial comments. In contrast 6 percent covers stories on general news.

Many countries served by USIS are not covered at all by the United States commercial agencies—Afghanistan, Belgian Congo, Ethiopia, Iran, Iraq, Jordan, Libya, Morocco, Nigeria, Syria, Gold Coast, Kenya and Tunisia. Others receive only limited service—Ceylon, Egypt, India, Israel, Lebanon, Pakistan, and Turkey.

It should be noted that in the Middle East and south Asia areas, the Soviet Tass service is available gratis to all publications in Turkey, Lebanon, Israel, Egypt, India, Pakistan, Afghanistan, and Iran. And Tass, of course, is widely available in Europe and Scandinavia. In addition, it has outlets in southeast Asia, the Far East, and South America.

The economy of journalism in most parts of the world is a much more hard-pressed affair than it is in the United States. Many papers in many areas of the world cannot afford to contract for American private news agency services; in most cases this is due to the long communications haul and consequent high toll rate. These papers, some of which can afford to pay for less expensive news service, almost uniformly rely upon non-American news agencies such as Reuters, Agence France Presse, Tass, and others. Tass, offering its file without any charge, would have the field to itself in a great many areas of the world if it were not met by the USIA wireless file.

Here are some examples of the effective use made by this wireless file:

When the Times of India received conflicting stories from Reuters and AP on the delicate question of the possible use of force in the Suez Canal crisis, the news editor called USIS for clarification. The Reuters story, he said, indicated that the President advocated the use of force to keep the Suez Canal open. AP on the other hand said that the President was opposed to the use of force. Portions of the official text from the wireless file were read over the phone to the editor, showing that the AP story was essentially correct. A copy of the official text was at that time on the way to the Times of India by messenger.

Athens, in a dispatch of October 12, reports USIS Press Service provided 90 percent of the background material for a series of five articles on Unrest Behind the Iron Curtain, which the Athens daily Ethnikos Kyriz published recently.

Beirut in December reported widespread useage in Lebanon of a special column—December 5, 1956—detailing United States policy in the Near East. The column, said USIS Beirut, inspired a number of editorials favorable to the United States and was prominently quoted by editorial writers.

Karachi reports that the Karachi Morning News of December 5 carried verbatim a 1,000-word special material chronology of Peiping statements supporting Soviet action in Hungary.

Addis Ababa, Ethiopia's new—and only—daily newspaper "relies on the USIS file to fill its pages," Addis Ababa reports. "In some issues of the paper," it was noted, "as much as half of the material has been supplied by USIS."

Outstanding cooperation was obtained from some 14 large daily newspapers throughout the United States in filing excerpts from their editorials on the election of President Eisenhower, the Hungarian crisis and the Egyptian crisis.

CONTESTED ELECTION OF CARTER v. LECOMPTE (H. DOC. NO. 153)

The SPEAKER laid before the House the following communication, which was read and referred to the Committee on House Administration and ordered to be printed:

APRIL 16, 1957.

The honorable the SPEAKER,
House of Representatives.

SIR: From the attorney of record for the contestant in the contested election case of *Steven V. Carter* v. *Karl M. LeCompte* for the seat in the 85th Congress from the Fourth Congressional District of the State of Iowa, the Clerk has received a communication submitting certain motions for consideration by the Committee on House Administration.

The communication in this matter is being transmitted to the House for possible reference to the Committee on House Administration, at the request of the attorney of record for the contestant.

Respectfully,

RALPH R. ROBERTS,
Clerk, United States House of Representatives.

AID TO DISTRESSED AREAS

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, it is a well-known fact that many communities in the United States have not shared in the economic growth and prosperity that have generally prevailed throughout the country in recent years. The Federal Government to a great extent shares the responsibility of alleviating the economic distress in these areas. This is not a partisan view.

President Eisenhower recently spoke in support of a program to help labor surplus areas. Then, too, in the last election both major parties incorporated a solemn promise in their respective platforms supporting legislation to aid labor surplus areas.

There is evidence of strong support for such legislation since the Senate during the 84th Congress approved a bill on the subject by a 2 to 1 vote. At the same time, the House Banking and Currency Committee unanimously approved a bill similar to the measure that was passed by the Senate. Unfortunately, however, the House failed to act on the legislation because the majority and minority were divided on several administrative details and a few basic provisions with regard to the execution of the program.

NEED FOR COMPROMISE

As a result of the failure of the 84th Congress to take final action, we still do not have a program to help depressed areas. The administration has proposed one approach to the problem and the Democrats have taken a somewhat different approach. Frankly, it is time to stop squabbling over details and to unite in enacting a long-overdue program to help labor-surplus areas. I am not interested in who gets the credit for the enactment of the program. What I am

interested in is that a workable and effective program should be enacted which would help alleviate the unfortunate economic conditions that exist in many of our communities.

With this purpose in mind, I have introduced today, H. R. 6975, "Area Redevelopment Act of 1957," which attempts to compromise between the several positions that have received major attention in the 84th and 85th Congresses. It is my belief that my bill, H. R. 6975, adopts the best provisions of the proposals of the administration bill, S. 1433, as well as the best that can be found in S. 964, the bill introduced by Senator PAUL DOUGLAS, of Illinois.

Like the administration bill, S. 1433, my proposal is intended to aid industrial labor-surplus areas only. This does not mean I am opposed to extending aid to low-income rural areas. I do not believe, however, that the two programs fit into the same bill.

You will recall that last year the Department of Agriculture initiated a rural-development program. I am informed that this program is a step in the right direction to help the low-income rural areas. The administration has already proposed to increase the budget for a rural-development program. If need be, Congress should appropriate additional funds to expand that program even further. With the exception of providing assistance to rural areas, therefore, my bill constitutes a compromise between the two approaches, as I have suggested earlier.

It is my opinion that the administration bill, S. 1433, does not go far enough to meet the needs of chronically depressed areas, which need Federal help in forms of grants, vocational training with compensation, and Federal loans. While on the other hand, the Douglas bill, S. 964, provides too liberal aid to areas whose economic decline is of recent duration. In this connection, such communities normally have sufficient resources and should not be entitled to the variety of programs offered in the Douglas bill.

AID SHOULD BE PROVIDED ON BASIS OF NEED

I believe that the solution to this difference lies in providing various types of aid that would be available to communities with labor surplus. The extent of the help would be based upon the duration and levels of unemployment. Under my proposal, as embodied in my bill, H. R. 6975, the neediest communities would get the most aid, while the help extended to the less needy communities would be more limited.

This approach would also make it possible to reduce the Federal expenditures, but still leaves sufficient funds for communities which meet the most rigid tests of chronic unemployment and economic distress.

My bill, H. R. 6975, provides for designation of three different levels of unemployment, such levels determining the eligibility of the areas for different types of programs.

The three levels of unemployment are as follows:

First level: The unemployment rate in the area is 6 percent or more, adjusted seasonally, and has been 6 percent or more at least 8 months in each of the preceding 2 years.

Second level: The unemployment rate in the area is 8 percent or more, adjusted seasonally, and either has been 8 percent or more for the major portion of each of the preceding 2 years or has averaged 12 percent or more during the preceding year.

Third level: The unemployment rate in this area is 6 percent or more, adjusted seasonally, and either has averaged 6 percent or more during the preceding 5 years, 8 percent or more during the preceding 3 years, or 12 percent or more during the preceding 2 years.

Here is how I would apply these criteria to the various types of programs offered in the administration and in the Spence bills.

I. TECHNICAL ASSISTANCE

I believe that all communities with labor surplus should be entitled to technical assistance from the Federal Government. But that does not mean that the community which has had just 6 percent unemployment for parts of the last 2 years should be entitled to receive the same aid as the community which has been subjected to chronic unemployment many years.

I would, therefore, limit the extent of technical assistance given by the Federal Government to communities in the first level, mentioned before, to only one-third of the total cost of the needed technical assistance, and would require that the other two-thirds of the needed funds should come from State or local sources.

However, for the most needy communities I would extend Federal assistance to provide as much as 3 out of every 4 dollars needed.

II. LOANS

The administration bill, S. 1433, now provides that Federal participation in loans to labor surplus areas should be limited to 35 percent of the cost of the proposed projects. The Douglas bill, S. 964, would go as high as three-fourths of the total cost of the project.

In this connection, I believe that the administration proposal is amply adequate for communities which meet the criteria of the first level of unemployment, but is certainly not sufficient for areas which have suffered from chronic unemployment for many years.

My bill, H. R. 6975, would extend Federal participation under the proposed loan program, as follows:

A. For the first level areas, up to one-third of the total cost of the project.

B. For the second level areas, up to 50 percent of the total cost of the project.

C. For the third level areas, as much as 75 percent of the total cost of the project.

In addition to providing loans to labor surplus areas, my bill, H. R. 6975, will amend section 207 (a) of the Small Business Act of 1953, by providing that in making and approving loans first preference be given to small business concerns which are otherwise qualified and which are located or about to locate in areas of substantial and persistent unemployment.

Section 207 (a) of the Small Business Act of 1953 is also amended by making eligible for loans local private nonprofit organizations, including industrial foundations, development corporations, and similar groups, formed to assist, develop, and expand the economy of areas of substantial and persistent unemployment, as certified under section 4 of the Area Redevelopment Act of 1957, but only where the purpose of the loan is to enable such organizations to provide supplementary assistance to one or more small-business concerns in such areas which have qualified for loans under the preceding provisions of this subsection.

In making and approving loans under this subsection, first preference at all times shall be granted to qualified small-business concerns certified as being located in areas of substantial and persistent unemployment or about to locate in such an area and to local nonprofit organizations previously described under this amendment to section 207 (a) of the Small Business Act of 1953.

III. GRANTS

The administration bill, S. 1433, makes no provision for grants except in the case of technical assistance, while the Douglas bill, S. 964, provides for Federal grants for public facility projects. I do not believe that all the communities that have some labor surplus should be entitled to this type of aid. Therefore, my bill, H. R. 6975, in addition to providing loans for public facility projects, would allow Federal grants up to one-third of the cost of the public facility project in level 2 areas and up to two-thirds of the cost of the project in level 3 areas.

IV. SUBSISTENCE PAYMENTS

The administration bill, S. 1433, does not allow any subsistence payments to persons undergoing training for new jobs in labor surplus areas. I believe that this type of program should be used sparingly and in extreme cases only. Therefore, my bill, H. R. 6975, extends Federal subsistence payments to people undergoing training only in areas with the most chronic unemployment; namely, those which are classified in level 3.

My bill, H. R. 6975, would assure that the neediest communities would get adequate aid and in addition, it encourages the several States to establish their own program of area redevelopment and by limiting some of the aid provided by the Douglas bill, S. 964, it would also be possible to reduce the total cost of these area redevelopment programs.

Mr. Speaker, it is my belief that my bill, H. R. 6975, constitutes a genuine compromise between the administration bill, S. 1433 and the Douglas bill, S. 964. This is especially true when you compare the cost of the three bills.

Recognizing the administration bill, S. 1433, as a conservative approach, it will cost about $55 million; while the Douglas bill, S. 964, represents an ultra-liberal approach to the subject and would cost in excess of $325 million. My compromise bill, H. R. 6975, would cost in the neighborhood of $200 million and would extend Federal aid to labor surplus areas in a reasonable yet realistic manner.

Mr. Speaker, I most earnestly beseech all those who would like to see Federal aid extended to alleviate unemployment conditions in depressed areas to unite behind this compromise bill, H. R. 6975.

RECESS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that it may be in order for the Speaker to declare a recess at any time subject to the call of the Chair this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER. The House stands in recess subject to the call of the Chair. The bells will be rung 15 minutes before the House reassembles.

Accordingly (at 2 o'clock p. m.) the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 3 o'clock and 50 minutes p. m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 310. A joint resolution making additional appropriations for the fiscal year 1957, and for other purposes.

MAKING ADDITIONAL APPROPRIATIONS FOR THE FISCAL YEAR, 1957

Mr. CANNON. Mr. Speaker, by direction of the Committee on Appropriations I submit a privileged resolution (H. J. Res. 312) and ask unanimous consent for its immediate consideration in the House as in the Committee of the Whole.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Resolved, etc., That there are hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1957, the following sums:

CHAPTER I

Small Business Administration

Salaries and Expenses

For an additional amount for "Salaries and expenses," $1,100,000, to be transferred from the "Revolving fund, Small Business Administration."

Revolving Fund

For additional capital for the Revolving fund, authorized by the Small Business Act of 1953, as amended, to be available without fiscal-year limitation, $45,000,000.

CHAPTER II

Department of Health, Education, and Welfare

Social Security Administration

Grants to States for public assistance

For an additional amount for "Grants to States for public assistance", $275,000,000: *Provided*, That not more than $16,728,000 of this amount may be used for State and local administration.

CHAPTER III

Legislative Branch

House of Representatives

For payment to Cleo C. Fernandez, widow of Antonio M. Fernandez, late a Representative from the State of New Mexico, $22,500.

For payment to Elizabeth F. Hand, widow of T. Millet Hand, late a Representative from the State of New Jersey, $22,500.

For payment to Wilberta R. Hinshaw, widow of Carl Hinshaw, late a Representative from the State of California, $22,500.

For payment to Mildred N. Priest, widow of J. Percy Priest, late a Representative from the State of Tennessee, $22,500.

CHAPTER IV

General Provisions

Appropriations, funds, and authorizations made available by this joint resolution shall be charged against any corresponding appropriations, funds or authorizations made available by H. R. 4249, 85th Congress (Urgent Deficiency Appropriation Act, 1957) whenever said H. R. 4249 is enacted into law and shall also be in lieu of any corresponding appropriations, funds, or authorizations made available by House Joint Resolution 310, 85th Congress, whenever said House Joint Resolution 310 is enacted into law.

Mr. CANNON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, in an effort to provide appropriations for small business and social security before the Easter recess, the committee submits a joint resolution providing $45 million for loans and $1 million for related administrative expenses for the Small Business Administration.

The resolution also carries $275 million in grants to the States for public assistance and the customary allowance to widows of deceased Members of the House.

The bill totals $321,100,000 and includes a million dollars more for grants to the States than was provided in the House bill.

With these amounts, ample provision is made for the two agencies to carry them past the emergency and until final provision can be made after the recess.

I yield to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, I move to strike the last word.

Mr. Speaker, this resolution represents the third attempt of the House to make necessary provision for two Government programs which must be provided with additional funds without further delay. We attempted to do this at first in the urgent deficiency bill passed by the House on February 5. We made another attempt on yesterday, April 16, and today the other body has amended our action of yesterday in such a manner as to preclude agreement on the several propositions contained in House Joint Resolution 310.

This third resolution provides for the following:

SMALL BUSINESS ADMINISTRATION

Forty-five million dollars for loans and $1,100,000 for related administrative expenses.

This agency has been out of money for some time.

GRANTS TO STATES FOR PUBLIC ASSISTANCE

This third resolution provides $275, million for that purpose which must be made available immediately and in addition, it retains the limitation of $16,-728,000 which was in House Joint Resolution 310. The Senate today increased that limitation in House Joint Resolution 310 to $17,728,000 as against the original proposition of the House of $15,728,000.

Since this is the third attempt of the House to provide promptly for these two mandatory items it is to be hoped that the other body will, on this third attempt, agree to the pending resolution without further amendment.

GRATUITIES FOR WIDOWS

The pending resolution includes customary gratuities for widows of deceased Members of the House.

Mr. CANNON. Mr. Speaker, I ask for a vote on the resolution.

The SPEAKER. The question is on the engrossment and third reading of the House joint resolution.

The House joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the House joint resolution.

The House joint resolution was passed and a motion to reconsider was laid on the table.

COMMITTEE ON APPROPRIATIONS

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on House Joint Resolution 312.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

RECESS

The SPEAKER. Under the circumstances, the Chair thinks it would be wise to recess the House and wait a while, so the House will stand in recess subject to the call of the Chair. The bells will be rung 15 minutes before the House reassembles.

Accordingly (at 3 o'clock and 56 minutes p. m.) the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 6 o'clock and 21 minutes p. m.

MRS. JOHN WILLIAM BRENNAN—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 154)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith, without my approval, H. R. 1863, for the relief of Mrs. John William Brennan.

The bill proposes to consider that John William Brennan, Sr., had $4,000 United States Government life insurance in effect at the time of his death on September 15, 1952, and to require the Administrator of Veterans' Affairs to pay such insurance to the veteran's widow.

The insurance protection under the veteran's United States Government life insurance policies lapsed on December 1, 1933, because of the nonpayment of premiums. On April 25, 1951, Mr. Brennan visited the Veterans' Administration regional office, Jackson, Miss., to apply for $4,000 insurance. An employee executed a portion of the insurance application but, because of the rush of business, Mr. Brennan was apparently advised to return home, have his private physician give him the necessary physical examination, and return the completed application to the Veterans' Administration. Mr. Brennan secured the examination the following morning and mailed the application.

Section 10 of the Insurance Act of 1951 provided, in part, that on and after the date of enactment (April 25, 1951) no United States Government life insurance could be granted unless an acceptable application accompanied by proper and valid premium remittance had been received by, or mailed to, the Veterans' Administration on or before that date. Since Mr. Brennan's application and premium remittance were not mailed on or before April 25, 1951, the Veterans' Administration advised him that the statutory requirements were not met and that that agency was precluded from issuing the insurance to him. Mr. Brennan died on September 15, 1952.

It appears from the committee reports on the bill that the correctness of the denial of Mr. Brennan's insurance application is conceded. Favorable action by the committee apparently was based on the belief that, as a matter of equity, the delay in filing the application should be waived since, if it had been filed 1 day earlier, it would have been accepted and the insurance issued.

It is clear that the Congress intended to terminate the granting of national service life insurance and United States Government life insurance on the date of enactment of the Servicemen's Indemnity Act. No provision was made for a processing period for additional applications or for advance notice to policyholders or former policyholders. The date of enactment depended entirely upon when the enrolled measure was actually signed by the President. This date could not have been precisely anticipated by the Congress, the interested public, or by Veterans' Administration employees processing insurance applications. Accordingly, whatever the medical facts of the case might have been, Mr. Brennan did not file his application in time to meet a deadline which the Congress intended to become effective without advance notice.

The committees' assumption that the insurance would have been issued if the application therefor had been timely filed is not supported by the record. To the contrary, the medical records indicate that Mr. Brennan suffered from increased blood pressure and pulse rate of long standing, to a degree, in several instances, greater than can be considered consistent with good health and beyond the acceptable limits for insurance purposes. In this connection, it is also pertinent to note that the Veterans' Administration on two previous occasions rejected applications by Mr. Brennan for United States Government life insurance because of high blood pressure and rapid pulse rate.

Under the circumstances, it is my opinion that this case does not warrant equitable relief or present a basis for exceptional or preferred treatment. Approval of the bill would be discriminatory and constitute a precedent which cannot be dismissed. In a Federal program as large as the United States Government life-insurance program, it is most important that the laws be administered uniformly and with special favor for none. Payment of a gratuity in the guise of insurance, as proposed by H. R. 1863, would not be in keeping with these principles.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *April 17, 1957.*

The SPEAKER. The objections of the President will be spread at large upon the Journal, and, without objection, the bill and the message will be referred to the Committee on the Judiciary and ordered printed.

There was no objection.

TUNGSTEN, A STRATEGIC METAL

Mr. DAWSON of Utah. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DAWSON of Utah. Mr. Speaker, it is very easy in time of peace—however unstable—to forget what happens to this Nation and its needs for strategic metals in times of emergency. Tungsten is a good example and the recent history of our Nation's need of this vital metal points up the value of having a dependable domestic source available.

Surely, Members remember how this domestic tungsten program got started. It came with the Korean crisis when we found ourselves without tungsten and without any substantial domestic production upon which to draw.

This Nation went out onto the world market in a desperate effort to obtain tungsten and in so doing bid the price up to $69 per unit—$14 per unit more than the purchase program here under discussion proposes to pay our domestic mines. We paid the high price for tungsten because we had no alternative. But the Nation at that time determined it would not be put in that spot again. As a result, the purchase-stockpiling program was adopted to encourage domestic exploration and development of tungsten.

The program—from a production standpoint—was an overwhelming success. This Nation is now self-sufficient in tungsten. But an uneasy peace has returned to the world and as a result the metal can again be obtained from foreign sources at a price cheaper than the domestic industry—which this Government called into being—can meet. Let us remember, however, that it is this very domestic production that has served to lower the world price of tungsten and let us remember that without this production we would again be dependent upon foreign sources whose slogan is "All the market will bear."

I think we all realize that stockpiling is a stopgap measure to be relied upon only until the administration's long-range minerals program can find a more stable and orderly solution. Unfortunately, the long-range program has yet to be submitted to Congress. As a result there is still a gap to be stopped and this program is designed to do that.

It is shortsighted economy, Mr. Speaker, to again make ourselves dependent upon foreign sources of a metal we must have for our defense. We should keep our domestic mines in operation as insurance—the best available—against price gouging in the world market place.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. COFFIN, for April 18 and April 29, on account of official business.

To Mrs. ST. GEORGE (at the request of Mr. ARENDS), for today, on account of illness in family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. BURNS of Hawaii, for 15 minutes, today.

Mr. COFFIN, for 5 minutes, today.

Mr. HENDERSON, for 30 minutes, tomorrow.

Mr. BAILEY, for 20 minutes, today.

Mr. THOMPSON of New Jersey, for 10 minutes, on today, and to include extraneous matter.

Mr. LONG, for 30 minutes, on today.

Mr. POWELL, for 20 minutes, on tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mrs. SULLIVAN (at the request of Mr. ZABLOCKI) and to include extraneous matter.

Mr. MACK of Illinois to revise and extend his remarks on the State-Justice-Judiciary bill and to include extraneous matter.

Mr. WESTLAND and to include extraneous matter.

Mr. VAN ZANDT and to include extraneous matter.

Mr. BROOKS of Louisiana in two instances and to include extraneous matter.

Mr. CRAMER and to include extraneous matter.

Mr. DORN of South Carolina.

Mr. ASHLEY (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. GWINN (at the request of Mr. JOHANSEN).

Mr. SCHWENGEL.

Mr. JENSEN and to include a speech by Mr. FRED SCHWENGEL.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1034. An act to authorize and direct the Secretary of Agriculture to convey to the University of Missouri, for agricultural purposes, certain real property in Callaway County, Mo.; to the Committee on Agriculture.

S. J. Res. 12. Joint resolution to provide for transfer of right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project and payment to Crow Indian Tribe in connection therewith, and for other purposes; to the Committee on Interior and Insular Affairs.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 71. An act to prohibit the payment of pensions to persons confined in penal institutions for periods longer than 60 days;

H. R. 3035. An act to provide a temporary extension of certain special provisions relating to State plans for aid to the blind;

H. R. 4686. An act to continue until the close of June 30, 1958, the suspension of duties and import taxes on metal scrap, and for other purposes;

H. R. 5520. An act to amend the Second Liberty Bond Act to increase the maximum interest rate permitted on United States savings bonds; and

H. J. Res. 126. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the Washington State Sixth International Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The Speaker announced his signature to enrolled bills of the Senate of the following titles:

S. 58. An act for the relief of Duk Chang Cho;

S. 87. An act for the relief of Pavel Blaho;

S. 91. An act for the relief of Victor Charles Hunt;

S. 127. An act for the relief of Anna Maria Cosentino and Francesca Cosentino;

S. 158. An act for the relief of Hewey Malachi Mackey;

S. 288. An act for the relief of Esther Guagliardo;

S. 363. An act for the relief of Nelson Shu-Yung Chuang;

S. 424. An act for the relief of Herbert James Bramley;

S. 649. An act for the relief of Yee Chung Fong Ming and Yee Chung Nom Ming;

S. 753. An act for the relief of Georgiana Hsien (Liang) New.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills and a joint resolution of the House, of the following titles:

On April 16, 1957:

H. R. 6870. An act making appropriations for the fiscal year ending June 30, 1957, and for other purposes.

On April 17, 1957:

H. R. 71. An act to prohibit the payment of pensions to persons confined in penal institutions for periods longer than 60 days;

H. R. 3035. An act to provide a temporary extension of certain special provisions relating to State plans for aid to the blind;

H. R. 4686. An act to continue until the close of June 30, 1958, the suspension of duties and import taxes on metal scrap, and for other purposes;

H. R. 5520. An act to amend the Second Liberty Bond Act to increase the maximum interest rate permitted on United States savings bonds; and

H. J. Res. 126. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the Washington State Sixth International Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 26 minutes p. m.), the House adjourned until tomorrow, Thursday, April 18, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

754. A letter from the Administrator, Federal Civil Defense Administration, transmitting the Sixth Annual Report of the Federal Civil Defense Administration, pursuant to Public Law 920, 81st Congress; to the Committee on Armed Services.

755. A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation entitled "a bill to provide for the settlement of claims of military personnel and civilian employees of the Federal Government for damage to, or loss, destruction, capture, or abandonment of personal property occurring incident to their service, and for other purposes"; to the Committee on the Judiciary.

756. A letter from the Clerk, United States House of Representatives, relative to the contested election case of Steven V. Carter against Karl M. LeCompte for the seat in the 85th Congress from the 4th Congressional District of the State of Iowa (H. Doc. No. 153); to the Committee on House Administration and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. H. R. 3366. A bill to validate overpayments of pay and allowances made to certain officers of the Army, Navy, Naval Reserve, and Air Force, while undergoing training at civilian hospitals, and for other purposes; without amendment (Rept. No. 368). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLATNIK: Committee on Public Works. H. R. 2. A bill to authorize the State of Illinois and the Metropolitan Sanitary District of Greater Chicago, under the direction of the Secretary of the Army, to test, on a 3-year basis, the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway, and for other purposes; without amendment (Rept. No. 369). Referred to the Committee of the Whole House on the State of the Union.

Mr. MCMILLAN: Committee on the District of Columbia. H. R. 1937. A bill to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes; without amendment (Rept. No. 370). Referred to the Committe of the Whole House on the State of the Union.

Mr. ENGLE. Committee on Interior and Insular Affairs. H. R. 3995. A bill to amend the act of August 4, 1953 (67 Stat. 41), and for other purposes; with amendment (Rept. No. 371). Referred to the Committee of the Whole House on the State of the Union.

Mr. CANNON: Committee on Appropriations. House Joint Resolution 312. Joint resolution making additional appropriations for 1957, and for other purposes; without amendment (Rept. No. 372). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DONOHUE: Committee on the Judiciary. H. R. 1412. A bill for the relief of Mrs. Elise T. Kirk; without amendment (Rept. No. 356). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 1591. A bill for the relief of the Pacific Customs Brokerage Co., of Detroit, Mich.; without amendment (Rept. No. 357). Referred to the Committee of the Whole House.

Mr. DONOHUE: Committee on the Judiciary. H. R. 1612. A bill for the relief of Frances Pompa; without amendment (Rept. 358). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1648. A bill for the relief of Rachel Nethery; without amendment (Rept. No. 359). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1758. A bill for the relief of Mrs. Hertha L. Wohlmuth; without amendment (Rept. No. 360). Referred to the Committee of the Whole House.

Mr. DONOHUE: Committee on the Judiciary. H. R. 1883. A bill for the relief of Benedict M. Kordus; without amendment (Rept. No. 361). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 2083. A bill for the relief of Carl A. Willson; with amendment (Rept. No. 362). Referred to the Committee of the Whole House.

Mr. DONOHUE: Committee on the Judiciary. H. R. 3588. A bill for the relief of John R. Hill; with amendment (Rept. No. 363). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 4240. A bill for the relief of Cornelia S. Roberts; without amendment (Rept. No. 364). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 4538. A bill for the relief of Martin A. McGrory; without amendment (Rept. No. 365). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 5062. A bill for the relief of Albert H. Ruppar; with amendment (Rept. No. 366). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. S. 120. An act for the relief of James F. Walsh; without amendment (Rept. No. 367). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Montana:

H. R. 6971. A bill to amend the public assistance provisions of the Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. ASHLEY:

H. R. 6972. A bill to amend section 5 of the Flood Control Act of August 18, 1941, to provide for emergency measures of protection along the Great Lakes; to the Committee on Public Works.

H. R. 6973. A bill to provide that a child of a veteran who, after reaching the age of 18 years, but while dependent in fact upon the veteran or the veteran's widow, becomes permanently incapable of self-support, shall be considered to be a "child" for the purposes of determining entitlement to benefits under laws administered by the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. COOLEY:

H. R. 6974. A bill to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes; to the Committee on Agriculture.

By Mr. VAN ZANDT:

H. R. 6975. A bill to establish a program of financial and technical assistance designed to alleviate conditions of substantial and persistent unemployment in economically depressed areas, and for other purposes; to the Committee on Banking and Currency.

By Mr. CRAMER:

H. R. 6976. A bill to provide for the establishment of a Bureau of Senior Citizens within the Department of Health, Education, and Welfare; to provide for an Assistant Secretary in the Department of Health, Education, and Welfare to direct said Bureau; to authorize Federal funds to conduct and encourage research and studies into the fields of gerontology, geriatrics, and allied problems of senior citizens; assist in the operation of projects to help senior citizens; and for other purposes; to the Committee on Education and Labor.

By Mr. CURTIS of Massachusetts:

H. R. 6977. A bill to remove the tax on the transportation of persons for travel between porta or stations in the United States where transportation begins or ends outside of the United States or the contiguous area; to the Committee on Ways and Means.

By Mr. DURHAM:

H. R. 6978. A bill to amend Public Law 31, 84th Congress, 1st session, to increase the authorization for appropriation to the Atomic Energy Commission for the construction of a modern office building in or near the District of Columbia to serve as its principal office; to the Joint Committee on Atomic Energy.

By Mr. ELLIOTT:

H. R. 6979. A bill to increase from $600 to $800 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemption for a dependent, and the additional exemption for old age or blindness); to the Committee on Ways and Means.

H. R. 6980. A bill to amend the National School Lunch Act to permit junior colleges to participate therein, and for other purposes; to the Committee on Education and Labor.

H. R. 6981. A bill to provide rehabilitation services to handicapped individuals who as a result thereof can achieve such ability of independent living as to dispense with the need for expensive institutional care or who can dispense with or largely dispense with the need of an attendant at home; to assist in the establishment of public and private nonprofit workshops and rehabilitation facilities, and for other purposes; to the Committee on Education and Labor.

By Mr. FOGARTY:

H. R. 6982. A bill to provide rehabilitation services to handicapped individuals; to assist in the establishment of public and private nonprofit workshops and rehabilitation facilities; and for other purposes; to the Committee on Education and Labor.

By Mrs. GRANAHAN:

H. R. 6983. A bill to amend title 10 of the United States Code to permit a person on whose behalf an election to receive a reduced annuity has been made, to receive such annuity when the member of the armed services so electing dies before attaining retirement age; to the Committee on Armed Services.

H. R. 6984. A bill to amend part I of Veterans Regulation No. 1 (a) to provide a presumption of service connection in certain cases involving idiopathic convulsive seizures; to the Committee on Veterans' Affairs.

By Mr. HARVEY:

H. R. 6985. A bill to provide for further research relating to new and improved uses which offer expanding markets for farm products, and for other purposes; to the Committee on Agriculture.

By Mr. HYDE:

H. R. 6986. A bill to exempt electrical work done by licensed electrical contractors or master electricians from the Professional Engineers' Registration Act; to the Committee on the District of Columbia.

By Mr. JONES of Alabama:

H. R. 6987. A bill to amend section 111 of the Federal-Aid Road Act of 1916, as amended and supplemented; to the Committee on Public Works.

H. R. 6988. A bill to amend subsection (f) (1) of section 209 of the Highway Revenue Act of 1956 (70 Stat. 387); to the Committee on Ways and Means.

By Mr. KRUEGER:

H. R. 6989. A bill to provide that certain lands shall be held in trust for the Standing Rock Sioux Tribe in North Dakota and South Dakota; to the Committee on Interior and Insular Affairs.

By Mr. MACDONALD:

H. R. 6990. A bill to amend section 207 of the Legislative Reorganization Act of 1946, to provide that the Boards for the Correction of Military or Naval Records shall give consideration to satisfactory evidence relating to good character and conduct in civilian life after discharge or dismissal in determining whether or not to correct certain discharges and dismissals, and for other purposes; to the Committee on Armed Services.

By Mr. McCARTHY:

H. R. 6991. A bill to amend the Tariff Act of 1930 to transfer a noncompetitive specialty from the dutiable to the free list; to the Committee on Ways and Means.

By Mr. McGREGOR:

H. R. 6992. A bill to protect the safety and welfare of American workers by providing for a uniform system of identification for all receptacles containing compressed gas; to the Committee on Interstate and Foreign Commerce.

H. R. 6993. A bill to amend and extend the Public Buildings Purchase Contract Act of 1954, as amended, the Post Office Department Property Act of 1954, as amended, and to require certain distribution and approval of new public building projects, and for other purposes; to the Committee on Public Works.

By Mr. NIMTZ:

H. R. 6994. A bill to amend the Reserve Officer Personnel Act of 1954 to provide for the retention on active duty of certain officers; to the Committee on Armed Services.

By Mr. PORTER:

H. R. 6995. A bill to amend Public Law 883, 84th Congress, to provide for the conveyance of certain additional property of the United States to the city of Roseburg, Oreg., and for other purposes; to the Committee on Government Operations.

By Mr. REES of Kansas:

H. R. 6996. A bill to increase the income limitations governing payment of non-service-connected pension; to the Committee on Veterans' Affairs.

By Mr. SCUDDER:

H. R. 6997. A bill to provide for the joint development of the water power resources of the Trinity River division, Central Valley project, California, by the United States and Pacific Gas & Electric Co., to reduce expenditures of the United States, to increase revenues of the United States, to encourage the most widespread use of the power generated at the lowest possible rates to consumers consistent with sound business principles, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SISK:

H. R. 6998. A bill to provide for the conveyance of certain real property of the United States to Fresno County, Calif.; to the Committee on Government Operations.

By Mr. THOMPSON of New Jersey:

H. R. 6999. A bill to amend section 206 of the Legislative Reorganization Act of 1946, so as to enable the Comptroller General more effectively to assist the Appropriations Committees in considering the budget; to the Committee on Government Operations.

By Mr. HERLONG:

H. R. 7000. A bill to amend section 103 of the Internal Revenue Code of 1954 relating to interest on certain governmental obligations; to the Committee on Ways and Means.

By Mr. FISHER:

H. R. 7001. A bill to provide for the reconveyance of certain lands in the San Angelo Reservoir project, Texas, to former owners of such lands; to the Committee on Public Works.

By Mr. FRELINGHUYSEN:

H. R. 7002. A bill to amend the Internal Revenue Code of 1954 to provide a 30 percent credit against the individual income tax for amounts paid as tuition or fees to certain public and private institutions of higher

education; to the Committee on Ways and Means.

By Mr. FULTON:

H. R. 7003. A bill to establish an effective program to alleviate conditions of excessive unemployment in certain economically depressed areas; to the Committee on Banking and Currency.

By Mr. JENKINS:

H. R. 7004. A bill to amend the Tariff Act of 1930 with respect to the dutiable status of handles, wholly or in chief value of wood, imported to be used in the manufacture of paint rollers; to the Committee on Ways and Means.

By Mr. WHARTON:

H. R. 7005. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. CHUDOFF:

H. R. 7006. A bill to provide for the reorganization of administrative procedures and practices in Government operations for improving their economy and efficiency, to provide for the organization of machinery to coordinate and administer such procedures and related practices; and for other purposes; to the Committee on the Judiciary.

By Mr. HYDE:

H. R. 7007. A bill authorizing the conferring of appropriate degrees by the District of Columbia Teachers College on those persons who have met the requirements for such degrees, and for other purposes; to the Committee on the District of Columbia.

By Mr. MICHEL:

H. R. 7008. A bill to amend the Internal Revenue Code of 1954 to provide an exclusion of up to $50 per year from gross income for amounts received as interest on savings deposits; to the Committee on Ways and Means.

By Mr. SANTANGELO:

H. R. 7009. A bill to amend the act of March 3, 1879, with respect to the admission to the mails as second class matter of issues of publications having substantial bindings; to the Committee on Post Office and Civil Service.

By Mr. CANNON:

H. J. Res. 312. Joint resolution making additional appropriations for the fiscal year 1957, and for other purposes; to the Committee on Appropriations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. JENSEN: Memorial of Legislature of the State of Iowa commending the Federal agencies involved for their forethought and efforts in the interests of outdoor recreation and urges their continued cooperation in advancing this project to a successful completion; to the Committee on Public Works.

By the SPEAKER: Memorial of the Legislature of the State of Nevada memorializing the President and the Congress of the United States to take appropriate action to cause the appointment of a second United States district judge in and for the district of Nevada; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Wisconsin memorializing the President and the Congress of the United States regarding the diversion of water from the Great Lakes; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURDICK:

H. R. 7010. A bill for the relief of Willard O. Mortenson; to the Committee on the Judiciary.

By Mr. DELLAY:

H. R. 7011. A bill for the relief of Nicola Abbattista; to the Committee on the Judiciary.

By Mr. FEIGHAN:

H. R. 7012. A bill for the relief of Samuel D. Huang; to the Committee on the Judiciary.

By Mr. JACKSON:

H. R. 7013. A bill for the relief of Luis Rosendo Gallegos-Gallegos (also known as Raul Gutierrez-Gonzalez); to the Committee on the Judiciary.

By Mr. LANE:

H. R. 7014. A bill for the relief of Mme. Henriette Buaillon and Stanley James Carpenter; to the Committee on the Judiciary.

H. R. 7015. A bill for the relief of Felicisimo Aguilar; to the Committee on the Judiciary.

By Mr. MORANO:

H. R. 7016. A bill for the relief of Maria Do Carmo Vincente Fernandes; to the Committee on the Judiciary.

H. R. 7017. A bill for the relief of Apolonia M. J. Verhoef; to the Committee on the Judiciary.

H. R. 7018. A bill for the relief of Roberto Pais Vidal; to the Committee on the Judiciary.

By Mr. MOSS:

H. R. 7019. A bill for the relief of Mar Man Li and his wife, Mar Wong Li Shee; to the Committee on the Judiciary.

H. R. 7020. A bill for the relief of Masadeh Mogannam; to the Committee on the Judiciary.

By Mr. PATTERSON:

H. R. 7021. A bill for the relief of Manuel Rosa Silveira; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H. R. 7022. A bill for the relief of Javier Rojo Barcena; to the Committee on the Judiciary.

By Mr. WRIGHT:

H. R. 7023. A bill for the relief of Elsa Hartmann Colvin; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

208. Mr. CHIPERFIELD presented a petition of Henry County, Ill., citizens for enactment of the Jenkins-Keogh bills H. R. 9 and H. R. 10, 85th Congress, which was referred to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Progress in Our Military Program

EXTENSION OF REMARKS

OF

HON. OVERTON BROOKS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1957

Mr. BROOKS of Louisiana. Mr. Speaker, I rise to report to the House that our military program is moving along nicely. I have just been advised by the Department of the Army that this week 4,523 young men entered the Army part of this program. Of this number, 2,244 were 18½ years of age or older, the Army states, and 2,279 are under 18½ years.

Since the Reserve Forces Act of 1955 was passed by the Congress, there have been made criticisms of the operation of the program under the 6-month training act. Suffice it to note at this time that of these 4,523 men entering the Army program—does not include the National Guard—this week, 3,080 came in under the 6-month training provisions.

The Army also informs me that a total of 161,329 young men are now enlisted under the Army Reserve program. This is clear evidence, in my opinion, that our Reserve program is definitely developing and should give our people confidence in its future.

As with most successful programs, however, additional problems arise. This is especially true of our Reserve program. With the increasing influx of younger men into this program, there come the difficulties of providing them with adequate training facilities, equipment and competent instructors at unit level. A part of this problem is that of supplying military clothing for these men in needed amounts. The Army indicates that these problems will be extremely difficult to handle in some localities, particularly the one pertaining to capable instructors.

These are but a few of the problems which this program presents to the Army and which must be ironed out as the Reserves continue to increase in size and move to their ultimate strength. This is a very favorable situation, even with the present problems, and one which will result in time in developing the best military Reserve program in the world.

A Tribute to Thomas H. MacDonald, Father of the Nation's Highway System

EXTENSION OF REMARKS

OF

HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1957

Mr. SCHWENGEL. Mr. Speaker, America lost a great public servant when Thomas H. MacDonald, former Commissioner of Public Roads, died on April 7, 1957. He has been rightfully called the Father of the Nation's Highway System. Because his early background, training, education, and experience tie him to Iowa, I deem it an honor to pay tribute to his memory.

Iowa, perhaps better than any other State, knows the great loss to the world of highway administration, planning, and construction which is sustained in the death of Thomas H. MacDonald.

Mr. MacDonald died at College Station, Tex., on Sunday, April 7, 1957, succumbing to a heart attack.

Though born in Colorado and moved to Iowa at an early age, Mr. MacDonald considered himself a son of Iowa. It was in Iowa that he was educated in engineering; in Iowa that he entered upon his profession; in Iowa that he laid the foundations for sound highway planning and engineering; in Iowa that he created his first magnificent highway system; and from Iowa that he carried to the Nation's Capitol and to the Federal Government the experience and wisdom which were to qualify him so thoroughly for the expressive title "Father of the Nation's Highway System."

Iowa knew Tom MacDonald not only with deep respect and admiration, but also with warm personal affection and friendship. It knew him not only as an engineering administrative genius, but also as a man of the highest principles, inflexible in his insistence upon rendering in his own service the fullest measure of performance to the public which employed and trusted him, and equally insistent upon such performance by others under his direction.

His career is too well known to highway and other governmental circles in this State, as well as throughout America, to need detailed restatement today. But his is an inspiring life, nonetheless, which may be profitably reviewed again.

Mr. MacDonald first attended Iowa State Teachers College at Cedar Falls, Iowa, in 1899–1900. He went on from there to graduate in civil engineering at Iowa State College at Ames, in 1904. It was during his undergraduate days there that his lifetime interest in roads was developed. A thesis which he wrote on studies of the power required to pull a wagon—this was before the days of automobiles—over various types of roads became an authoritative text in that field.

When he was serving as a young professor at Iowa State and the legislature commissioned the college to prepare a study of how Iowa's roads might be improved, Tom MacDonald was the logical person to undertake and head such a study. The research which went into that effort was the beginning of a devotion to highway improvement which was to characterize the rest of his life.

He fell naturally and logically into the position of State highway engineer when Iowa launched a road improvement program in 1907. He simply switched titles, retaining the same functions, when the Iowa State Highway Commission was established separate from the college in 1913, with Mr. MacDonald as chief engineer.

Iowa owes its first real system of all-weather roads to Mr. MacDonald's foresight and energy. This State promptly took the lead among all States in creation of a coordinated highway system, under his administration. He recognized the basic needs for proper grading and draining. More than a third of Iowa's roads were graded, bridged, and drained, and plans had been made for an unprecedented hard-surfacing program when he was called to Washington, D. C., in 1919 to take charge of the Bureau of Public Roads, as the Nation's Federal Highway Commissioner.

There stands to his credit the development of the joint Federal-State system of highway planning and construction. He insisted always upon recognition of State sovereignty in highway matters. He regarded State highway commissions as representative of the States, and the United States Bureau of Public Roads as properly bound to act only with and through the State commissions.

As the acknowledged last word in highway administration and policy planning, Tom MacDonald was frequently the adviser of congressional committees. He never wavered from his loyalty to the principle of State sovereignty. Neither did he ever relax his insistence upon the right of the Federal Government to demand uniformly high standards of design and construction in all projects where the Federal Government shared in financing. Throughout his public life, he was generous in the assignment of credit to State highway departments for their large measure of contribution to highway improvement.

These self-imposed high standards won him in the national field the same admiration and respect they had brought to him in his adopted state, Iowa.

Although himself a Republican, and he always so remained, Mr. MacDonald, without solicitation on his part, was appointed Chief of the United States Bureau of Public Roads, in 1919, by a Democratic Secretary of Agriculture, serving under a Democratic President. He accepted the proffered appointment as a matter of duty and with some misgivings as to his own ability to handle the job. He performed such an outstanding service that, as a matter of course, he remained, through 34 years of shifting Republican and Democratic national administrations, exemplifying for the Nation and the industry, that highway administration itself is not, and should not, be in any degree partisan.

One of Tom's last visits to Iowa was to attend the testimonial dinner accorded to his former associate and his successor, Fred R. White, who retired as chief engineer, Iowa State Highway Commission, in October 1952. He gracefully and justly gave credit to Mr. White for the structure built upon the foundations he had laid in Iowa, without, of course, claiming any credit for the foundation.

Tom MacDonald was widely known throughout Iowa despite his long absence from this State. There are still active in highway and engineering circles here men who knew him as a student and many who launched their own business careers in Iowa while he headed the Iowa highway effort. Many too, met him also at meetings of various national highway and related associations, before which he was a frequent and appreciated speaker.

Mr. MacDonald retired as Commissioner of Public Roads in 1953, but did not discontinue his active interest in and contribution to highway work. He accepted the position of "distinguished research engineer" at Texas A. and M. College, College Station, Tex. There he headed a highway research station which in the few years of his tenure, has contributed important knowledge and counsel to the world of roadbuilding and road use.

We say a sad goodbye to a lifelong distinguished public servant, almost without peer, and a personal friend of all who worked with him in the great and important objective of providing adequate thoroughfares for our country. He spent billions of dollars of the people's money with never a shade of a shadow of a suspicion as to the integrity or the intelligence of the expenditure thereof. He left his imprint on his time as few men are privileged or able to do. His was a substantial contribution to making America a better place in which to live. Much that today's motorist takes for granted in the ease, and comfort, and speed of his travel along America's highways, he owes to Thomas H. MacDonald.

There is no irreverence in quoting as a word of farewell to a good and faithful public servant the 5th verse of the 3d chapter of the Gospel according to St. Luke:

> Every valley shall be filled, and every mountain and hill shall be brought low; and the crooked shall be made straight, and the rough ways shall be made smooth.

Tom did his part to bring that to pass.

Ease Hardship on Handicapped Children of Veterans

EXTENSION OF REMARKS

OF

HON. THOMAS L. ASHLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1957

Mr. ASHLEY. Mr. Speaker, I have today introduced legislation to correct an inequity in the laws administered by the Veterans' Administration. In its simplest terms, the bill would define the term "child" include persons over 18 years old who become incapable of self-support and remain dependent on a veteran or a veteran's widow.

The following example serves to illustrate the benefits that would result from passage of this bill. A 19-year-old boy, the only child of a deceased veteran, takes his first job in industry. In his first week at work he becomes permanently disabled and incapable of earning his own way. His mother, the veteran's widow, is unable to claim her son as a dependent under present law, yet she must and will want to provide for her handicapped son. As the law stands, she would only be entitled to $1,044 annually in widow's compensation benefits from the Veterans' Administration. In addition, she would be allowed to earn up to $1,400 to supplement her meager income—a total of $2,444 to support herself and her crippled son. By redefining the word "child" for purposes of the Veterans' Administration laws, Mr. Speaker,

the widow would collect $1,452 in compensation benefits and she would be allowed to earn up to $2,700 outside income without losing her Veterans' Administration payments—a total, in this case, of $4,152, and an increase of $1,708 over existing benefits.

I should like to inquire, Mr. Speaker, how many of my colleagues would look forward to spending their last years on an income of this size, while supporting a crippled son or daughter. I believe the time has come when Congress must act to correct this unnecessary hardship.

To complete the record, Mr. Speaker, I am including a brief summary of the legislative history of the term "child," and a table of benefits that would result from this legislation. Here again, let me point out that this bill does not propose to raise existing benefit payments—but, rather, it broadens the scope of the act to include a number of our unfortunate citizens forever denied the opportunity to earn their own way:

DEFINITION OF HELPLESS CHILD

General law: Compensation payable for child over 16 years of age only if insane, idiotic, or otherwise mentally or physically helpless at date of attaining age 16 years and at date of filing claim.

War Risk Insurance Act amendment of October 6, 1917: Compensation payable to a child of any age if insane, idiotic, or otherwise permanently helpless.

World War Veterans' Act, 1924: Compensation payable to a child of any age if permanently incapable of support by reason of mental or physical defect.

Public No. 2, 73d Congress, and Veterans Regulation No. 10: Compensation payable to a child over 18 years of age only if prior to reaching age 18 child becomes or has become permanently incapable of support by reason of mental or physical defect—or until 21 years of age, under certain conditions, if in school.

Public No. 484, 73d Congress, as amended: Pension is not payable to a child over 18 years of age unless prior to reaching the age of 18 the child becomes or has become permanently incapable of support by reason of mental or physical defect—also payable under certain conditions until 21 years of age if in school.

BENEFIT SCHEDULES

Mr. Speaker, benefits under laws currently administered by the Veterans' Administration are listed in the following chart. The legislation I have introduced today would increase benefits by increasing the total number of children in a family receiving these benefits. For example, a veteran's widow supporting a son or daughter newly defined as a "child" by this legislation would be entitled to the same benefits she would receive if her family were increased by one.

COMPENSATION, DEPENDENCY AND INDEMNITY COMPENSATION, OR PENSION TO VETERANS OR THEIR DEPENDENTS

RATE TABLES

The succeeding tables of rates are added for ready reference where information as to rates payable under existing laws is desired without a detailed analysis of the elements of entitlement. The brief table of rates for wartime and peacetime service-connection disabilities is restricted to the largest class of such rates, those payable under Public Law No. 2, 71st Congress, March 20, 1933, and Veterans regulations issued pursuant thereto, as modified and amended by subsequent legislation. It does not include rates payable for service-connected disabilities under the general pension law or Public Law No. 141, 73d Congress, March 28, 1934, as amended. For rates under Public Law No. 141 and for detailed information bearing on elements of entitlement, under such laws, references should be made to the pertinent tables set forth in the preceding part of this analysis. Dependency and indemnity compensation is payable under the Servicemen's and Veterans Survivor Benefit Act for service-connected deaths occurring on or after January 1, 1957, whether service was prior to or on and after that date and without distinction between wartime and peacetime service:

Rates of compensation for wartime and peacetime service-connected disabilities under Public Law 2, 73d Cong., as amended, and Veterans Regulations

	War service-connected rates, Veterans Regulation 1 (a), as amended, pt. I	Peacetime service-connected rates, Veterans Regulation 1 (a), as amended, pt. II
(a) 10 percent disability	$17.00	$14.00
(b) 20 percent disability	33.00	26.00
(c) 30 percent disability	50.00	40.00
(d) 40 percent disability	66.00	53.00
(e) 50 percent disability	91.00	73.00
(f) 60 percent disability	109.00	87.00
(g) 70 percent disability	127.00	102.00
(h) 80 percent disability	145.00	116.00
(i) 90 percent disability	163.00	130.00
(j) Total disability	181.00	145.00
(k) Anatomical loss, or loss of use of a creative organ, or 1 foot, or 1 hand, or both buttocks, or blindness of 1 eye having only light perception, rates (a) to (j) increased monthly by	47.00	37.60
Anatomical loss, or loss of use of a creative organ, or 1 foot, or 1 hand, or both buttocks, or blindness of 1 eye, having only light perception, in addition to requirement for any of rates in (l) to (n), rate increased monthly for each loss or loss of use by	[1] 47.00	[2] 37.60
(l) Anatomical loss, or loss of use of both hands, or both feet, or 1 hand and 1 foot, or blind both eyes with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, monthly compensation	279.00	223.00
(m) Anatomical loss, or loss of use of 2 extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, or suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, monthly compensation	329.00	263.00
(n) Anatomical loss of 2 extremities so near shoulder or hip as to prevent use of prosthetic appliance, or suffered anatomical loss of both eyes, monthly compensation	371.00	296.00
(o) Suffered disability under conditions which would entitle him to 2 or more rates in (l) to (n), no condition being considered twice, or suffered total deafness in combination with total blindness with 5/200 visual acuity or less, monthly compensation	420.00	336.00
(p) In event disabled person's service-incurred disabilities exceed requirements for any of rates prescribed, Administrator, in his discretion, may allow next higher rate, or intermediate rate, but in no event in excess of	420.00	336.00
(q) Minimum rate for arrested tuberculosis	67.00	53.50

[1] But in no event to exceed $420.
[2] But in no event to exceed $336.

Additional disability compensation because of dependents [1]

	Wife, no child	Wife, 1 child	Wife, 2 children	Wife, 3 or more children	No wife, 1 child	No wife, 2 children	No wife, 3 or more children	Dependent parent or parents
Korean conflict; World War II; World War I; Spanish-American War, Philippine Insurrection, Boxer Rebellion; Civil War; Indian wars; Peacetime service (under combat or extrahazardous conditions)	$21.00	$35.00	$45.50	$56.00	$14.00	$24.50	$35.00	$17.50 (1); 35.00 (2)
Regular peacetime service	16.80	28.00	36.40	44.80	11.20	19.60	28.00	14.00 (1); 28.00 (2)

[1] Above rates are for 100 percent disability. If and while rated partially disabled, but not less than 50 percent, additional compensation is authorized in an amount having the same ratio to the amount specified in the applicable table, above, as the degree of disability bears to the total disability; e. g., war service-connected disability of 50 percent, compensation rate $91.—if veteran has a wife, his compensation is increased as follows: $91.00+$10.50=$101.50.

Rates of compensation to widows, children, and parents of deceased veterans

For service-connected death prior to Jan. 1, 1957	Widow, no child	Widow, 1 child	Each additional child	No widow, 1 child	No widow, 2 children	No widow, 3 children	Each additional child	Dependent parents
Korean conflict World War II World War I Spanish-American War, Philippine Insurrection, Boxer Rebellion Civil War Indian wars	$87	$121	$29	$67	$94	$122	$23	1 parent, $75. 2 parents, $40 each.
Peacetime (Regular Establishment): Death result of armed conflict, extrahazardous service, including service under conditions simulating war, while United States engaged in war.	69.60	96.80	23.20	53.60	75.20	97.60	18.40	1 parent, $60. 2 parents, $32 each.

Rates of dependency and indemnity compensation to widows, children, and parents for service-connected death occurring on or after Jan. 1, 1957 [1]

Widows and children	Children, no widow
Widow alone: $112 per month, plus 12 percent of basic pay of deceased husband, with total amount adjusted to next highest dollar. Rates range from $122 in an E-1 case with less than 2 years' service to $242 in case of an O-8 with over 30 years' service. Slightly higher rates if deceased was lieutenant general, vice admiral, general, or admiral, with $266 top.	Children under age 18: 1 child, $70. 2 children, $100 (equally divided). 3 children, $130 (equally divided), plus $25 for each child in excess of 3 (equally divided).
Widow and 1 child under age 18: Same as amount payable to widow alone.	Child age 18 or above who became permanently incapable of self-support prior to that age: $95 (basic $70 rate increased by $25; total rate with $25 supplement variable where there are other children).
Widow and 2 or more children under age 18: Same rate as that payable to widow alone with following exception: Where total amount payable under the Railroad Retirement Act or Social Security Act, or under sec. 405 of the Servicemen's and Veterans' Survivor Benefits Act based upon an assumed fully and currently insured status, is less than $128, the compensation payable to widow by V.A increased by $25 for each child in excess of 1, but the total increase may not exceed the difference between the amounts payable under the above and $128.	Child or children ages 18 to 21 attending school: Same as basic rate payable to children under age 18 where there is no widow. (Payment barred if child commences program under War Orphans' Educational Assistance Act of 1956.)
Widow and child or children age 18 and above permanently incapable of self-support where incapacity began under age 18: Regular widow's rate payable to widow, plus $70 for each such child payable to child.	
Widow and child or children age 18 but under 21 attending school: Regular widow's rate payable to widow, plus $25 payable to each such child. (Payment barred if child commences program under War Orphans' Educational Assistance Act of 1956.)	

1 parent only			2 parents living together			2 parents not living together		
Total annual income		Monthly rate	Combined annual income		Monthly rate to each	Total annual income of parent		Individual rate
More than—	But equal to or less than—		More than—	But equal to or less than—		More than—	But equal to or less than—	
	$750	$75		$1,000	$50		$750	$50
$750	$1,000	60	$1,000	$1,350	40	$750	$1,000	40
$1,000	$1,250	45	$1,350	$1,700	30	$1,000	$1,250	30
$1,250	$1,500	30	$1,700	$2,050	20	$1,250	$1,500	20
$1,500	$1,750	15	$2,050	$2,400	10	$1,500	$1,750	10
$1,750		0	$2,400		0	$1,750		0

[1] Persons eligible for death compensation based on death occurring prior to Jan. 1, 1957, may, under certain conditions, apply for and receive dependency and indemnity compensation.

Applies also to remarried parent living with spouse, with income of spouse counted.

Pension rates: Indian wars, Civil War, Spanish-American War, Philippine Insurrection, Boxer Rebellion, World War I, World War II, and Korean conflict

Indian wars	Civil War	Spanish-American War, Philippine Insurrection, and Boxer Rebellion — Service pension laws in effect Mar. 19, 1933, reenacted by Public Law 269, 74th Cong., Aug. 13, 1935, as modified or amended		World War I, World War II, and Korean conflict [1]
90 days or more service or through campaign in connection with or in zone of active Indian hostilities. Rates: 1/10 disability or more.. $101.59 Age 62 or over..... 101.59 Aid and attendance... 135.45	90 days or more service or discharge for disability incurred in line of duty. Rate..... $101.59 Aid and attendance 135.45	90 days or more service or discharge for disability incurred in line of duty. Rates: 1/10 disability or more. $101.59 Age 62 or over..... 101.59 Aid and attendance... 135.45	70 days or more service but less than 90 days. Rates: 1/10 disability or more. $67.73 Age 62 or over..... 67.73 Aid and attendance... 88.04	90 days or more service or discharge for disability incurred in line of duty. In active service before cessation of hostilities. Rates: Permanent and total..... $66.15 Rated permanent and total for continuous period of 10 years or reach age 65 years..... 78.75 Aid and attendance..... 135.45

[1] Also available to Spanish War group veterans. However, such veterans generally are entitled to, and take, the higher service pension rates set forth in col. 3.

Rates of pension to widows and children

For non-service-connected deaths	Widow	Widow age 70	If widow was wife of veteran during service	Widow, 1 child	Each additional child	No widow, 1 child	No widow, 2 children	No widow, 3 children	Each additional child
Korean conflict, World War II, World War I	$50.40			$63	$7.56	$27.30	$40.95	$54.60	$7.56.
Spanish-American War, Philippine Insurrection, Boxer Rebellion: Act of May 1, 1926, as amended	$54.18		$67.73	$62.31, $75.86	$8.13	$62.31	$70.44	$78.57	$8.13.
Sec. 1, Public Law 144, 78th Cong., July 13, 1943						$27.30	$40.95	$54.60	$7.56.
Civil War, Indian wars	$40.64	$54.18	$67.73	$48.77, $62.31, $75.86.	$8.13	$48.77	$56.90	$65.03	$8.13.

Extension of Lease Purchase

EXTENSION OF REMARKS

OF

HON. WILLIAM C. CRAMER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1957

Mr. CRAMER. Mr. Speaker, I intend to introduce immediately a bill extending the life of the lease purchase and extended lease program until June 30, 1960, with amendments designed to make the program more workable. The program otherwise expires July 22, 1957.

Fundamentally, I believe the program to be the most reasonable and acceptable approach to the ever-increasing problem of keeping up with Federal public building needs, General Services and Post Office programs.

It is essential that the extended lease authority given the Postmaster under the Lease Purchase Act be continued. This has proven to be a most effective weapon in meeting the needs of the small communities throughout the country. This is provided for in section 203 of Public Law 519, the Lease Purchase Act and empowers the Postmaster General to enter into lease agreements for periods not exceeding 30 years and to do other things required to cary out the purposes of this provision. This extended lease authority is not available to the Post Office Department under the basic law and if this act is not extended, then, this most effective method of meeting the problem of post-office needs in the smaller communities will not be available.

There have been hundreds of post offices constructed under this program that could not have been built without long term lease arrangements. In my district as well as throughout the State of Florida and the United States many urgent local needs have been met.

Using my district as an example, the following construction has in the last 2 years been completed or is under way:

Dade City; 9,000 feet, estimated construction cost $50,000.

Zephyrhills, 4,200 feet, estimated construction cost $20,000.

St. Petersburg, 142,000 square feet, estimated construction cost $1,300,000.

Interbay Branch, Tampa, 4,500 square feet, estimated construction cost $30,000.

The following construction has been approved and is being advertised or processed and thus the estimated cost is not available;

West Tampa Branch, 6,000 square feet.

Dale Mabry Branch, Tampa, 6,000 square feet.

Newport Richey, approximately 6,000 square feet.

The following construction is being considered when the present lease terms expire; size and cost is thus not yet estimated: Ybor City, Tampa branch; Tampa, mail-handling facility; Tarpon Springs, St. Petersburg and Gulf Beaches, two branches; Clearwater, additional branch; Ruskin.

I hope this gives an idea as to how important this extended lease program is in meeting the problems of smaller post offices, branch offices and expansion of existing facilities.

Aside from any considerations of merit or demerit as they relate to lease purchase as such, there can be no argument advanced that convinces me that this extended lease program is unsound, unworkable or unwise. It has proven itself to the contrary.

Considering the lease-purchase aspects of the bill I shall introduce, the following reasons seem to necessitate its extension for a reasonable period:

First. It is obvious and has been for some time that Congress is not going to meet this responsibility of Federal building and post office needs in the local communities through direct appropriations. This is true despite the fact that authorized building in the District of Columbia for Federal purposes is jumping to an alltime high, to some $130 million, not including the New House Office Building. This is true despite the fact that the needs in the local areas, in the Congressional districts, become ever more acute. This is especially true with the new economy wave that is sweeping the Nation and Congress—with which I concur—and which in itself justifies the lease-purchase approach to meeting this problem. This is further true because our backlog of public building needs is so great that the direct appropriations needed to bring the program up to date and give the type of service to the people at home to which they are entitled would be in the billions.

Second. This is the most economical method of financing these projects over the long run without having to make large construction appropriations at a time when the people are demanding economy in government.

Third. The additional cost of rent as the result of moving to larger quarters is self-liquidating by the additional business turnover resulting from the additional space and accommodations to patrons.

Fourth. The entire program is based upon the merits of the given projects and the greatest needs, rather than political considerations, and this will continue to be true so long as the GSA and the Bureau of the Budget continue to handle the program of recommending projects. Should Congress attempt to return to only the direct appropriation program it would result in district vying against district for priority and favored treatment rather than meritorious consideration alone.

Fifth. This lease-purchase program is only an alternative approach, additional to the basic law and the direct appropriations approach. Congress can still, where and when the facts justify it, authorize and appropriate for construction. This alternative is available to Congress at all times. This lease-purchase program and extended lease program provides for an additional way of meeting the need on a planned, methodical and merit basis.

Sixth. The Lease-Purchase Act has not had adequate chance to operate to prove its true value. Admittedly, there are some shortcomings of the act, and the amendments contained in my amendment are directed at trying to rectify some of these problems. The basic reason for the philosophy behind the bill remain as commanding as ever, and it is a mistake, in my judgment, to kill at this time a program that is so badly needed.

Seventh. Much money and time and effort has been already expended in planning a well-rounded program on a national basis under this act and this should not be lost or destroyed at this time.

Eighth. This is the only way, through financing, that the multi-million-dollar financing deficit can be met soon enough to provide adequate services where needed.

What Price Culture

EXTENSION OF REMARKS

OF

HON. JACK WESTLAND

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1957

Mr. WESTLAND. Mr. Speaker, I would like to make some observations on the activities of the State Department and their cultural exchange program to date.

Since I believe that an exchange of ideas between nations is a good thing, I suggested to the State Department that perhaps it would be interested in helping to send four youngsters who won the North American dairy cattle judging championship to the world championships in England in June. I received a great big "No."

These four youngsters are typical, wholesome, fine young American farm people, who are the youngest judging team ever to win the United States national judging contest, held at Waterloo, Iowa, this year, and to go on to win the North American continent championships. Since they reside in my congressional district, I have had the opportunity of meeting them. I can tell you they are fine young Americans, teenagers we can view with pride. They come from farm families of modest means, and have earned their award through hard work on the farm.

The proposed trip would enable them to be in England for about a week. Private dairy people are attempting to raise enough money for their expenses on the trip. I was interested in procuring travel arrangements through the State Department's exchange program. Cattle experts say these outstanding 4-H judgers have an excellent chance to win the world championship in England if they are able to compete.

I would like to refer to the remarks made yesterday by the gentleman from Arkansas [Mr. TRIMBLE], who pointed out the fine impression made by two young farm girls from India who came to visit in his district under the exchange program. I believe we could expect favorable results from sending these four young American farm people to England to exhibit their skills against judging teams from around the world.

Now, I do not believe that every project of this nature should be financed by the Government. However, since we have approved vast sums to be spent on the cultural exchange program between our Nation and others, I thought that this would certainly reflect good will toward our Nation, and would be a project that we could be proud of.

The State Department has informed me that they cannot spend the small sum of $3,000 or so to help send this team to England. I was interested in finding out just what kind of talent it takes to be financed by the State Department.

A look at the record is most revealing. The State Department found it could afford a sum of $133,000 so that Band Leader Dizzie Gillespie could reflect glory and honor on the United States by riding down the streets of Buenos Aires dressed as a gaucho. It appears that we are interested in spreading be-bop before we spread good farming practices. Gillespie drew $2,100 per week while teaching the Latin Americans to be cool cats.

Looking further into the record we find the Jose Limon Dance Co. received $43,801 to tour South America and teach the natives there to tango and mambo. Then there is the globetrotting Tom Two Arrows, who this year had his listing changed to Tom Dorsey. This veteran State Department cultural exhibit just returned from a tour of Japan, Korea, Formosa, Cambodia, Vietnam, Thailand, Burma, and Malaya where he demonstrated American culture, and the State Department has received glowing reports.

The list of professional acts includes many famous names in our field of entertainment, sent at a cost of $3 million. Now, I believe that we should also have a few amateur attractions to show that we have hard-working people in this country who excel without selling their talents.

The State Department has sent a few amateur groups abroad. Included are an amateur hockey team, distance runners to Finland, a track team to Rumania, the San Francisco Chinese-American basketball team, and also the world-famous professional hoop squad, the Harlem Globe Trotters.

I do not believe that all of these groups did us good. Many of them were probably of great value in spreading our culture to foreign lands. I question strenuously the value of the State Department spending $133,000 to send a jazz band to South America. I am not altogether certain that jazz is the type of culture we need to be spending that kind of money to spread.

I believe the State Department could do more toward cementing relations with the youth of other nations of the world by spending about $3,000 to send our judging team to England to compete in the world championships. Prejudices have less foothold in children than in adults. These youngsters could do a real job of spreading American good will to farm youths from many nations where our motives and system of government are misunderstood.

The State Department is also requesting $810,000 to generate enthusiasm among the American people to attend an international fair in Brussels, Belgium. The object is to send American musicals to Brussels at great cost to the State Department, and then persuade Americans to go overseas to see them, by spending $810,000 on a promotion campaign for the trade fair.

This is big money, a grandiose type of promotion designed to dazzle. I think we can do more good by sending plain American citizens to exchange everyday ideas.

I believe this Congress could well spend more time looking into what kind of people we have directing these programs. Who is choosing for us the people and the types of culture to be sent overseas to impress the foreign population with American ideals? It is obvious that sending fine young farm people is not being given consideration, but sending bebop artists from our smoky dives is considered hep international relations.

The Lowest Ebb of Our Country

EXTENSION OF REMARKS

OF

HON. BEN F. JENSEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1957

Mr. JENSEN. Mr. Speaker, last Sunday, April 14, was the 92d anniversary of the assassination of President Abraham Lincoln. The Lincoln group of Washington, D. C., in cooperation with the National Park Service, held an appropriate observance at Ford's Theater, the scene of the assassination, which has since become the famous Lincoln Museum. Our colleague, the Honorable FRED SCHWENGEL, of Iowa, vice president of the Lincoln group, gave the address for the occasion. He entitled his remarks "The Lowest Ebb of Our Country."

Congressman SCHWENGEL is a lifelong student of the life and deeds of the Great Emancipator. He knows his subject well and in his address last Sunday he gave new meaning to the growing importance of Lincoln's stature. I know that Congressman SCHWENGEL considers it a great honor to deliver such an address. I can appreciate this deep sense of pride, because a few years ago it was my distinct privilege to deliver the Lincoln Day memorial address at Ford's Theater.

Under leave to extend my remarks, I am pleased to ask permission to have Congressman SCHWENGEL's fine address printed in the CONGRESSIONAL RECORD so that all can share its message:

THE LOWEST EBB OF OUR COUNTRY

(Address by Hon. FRED SCHWENGEL, of Iowa, Ford's Theater, Sunday, April 14, 1957)

Tomorrow morning at 7:22 o'clock, it will be exactly 4 score and 12 years since the great heart of Abraham Lincoln ceased to beat in mortal flesh. This happened at a time when he and the Nation that he led so nobly had reasons to feel that it stood on the pinnacle of its finest and most significant moment in history. After 4 years of sacrifice, bloodshed, and heartaches unmatched in the history of the world, the question of whether a nation had a right to dissolve itself, to secede, was settled forever. With this wonderful victory came also the greatest moral victory of any nation in history. He led his people and they joined him in breaking the chains of slavery for millions born in an atmosphere of freedom. Three million souls born to be slaves became free and soon a nation became aware of the fact that as the slaves were freed, so were their masters.

And so it was, as we look back to that time that our country was getting ready to enjoy its finest moment. It had won its greatest victories. Lincoln was happy and the people were rejoicing—the boys would soon be home now. No more sow belly and beans, home and peace, a united Nation, it was wonderful.

With this great achievement, however, Lincoln saw still other battles to be won. They were in the political arena, and he knew they must be won on the basis of reason and commonsense. This would be awfully hard, but he must try. So as he had planned the battles of the war he now was planning the battles for the peace and there was no precedent for this either. He knew it would not be easy and he knew it would take time, and he knew that what was exactly right would come gradually. We must take our time. So now the real pressure was off, permitting him, the official family, and his family to look forward to some moments of relaxation. And so, on the evening of the 14th, he entered this theater with Mary, his wife, to see Our American Cousin. He was in a box seat just above us 4 score and 12 years ago today.

We need not go into detail on what happened here on that day. All of us know too well the terrible story of the shot that killed this great-hearted man. May I try for a few moments to review the reaction of a Nation toward his passing—then from this, call to your attention some significant observations, from which we can learn some lessons for our time and which might be of some value to us.

Robert Browning Hamilton once said:

"I walked a mile with sorrow
And ne'er a word said she;
But, oh the things I learned from her
When sorrow walked with me."

It was Good Friday when he was shot—one wonders—was this the hand of the Almighty? He lived until Saturday morning; until 7:22. That day was a cold, rainy day. He was in the Peterson house—hundreds of people stood outside watching, wondering, hoping, and praying. Officials were coming and going from this brick house. Inside, Lincoln lay on a wooden bed in the rented room of William Clark. He hadn't been conscious from the time the bullet found its mark the night before. Life was ebbing away.

They did what they thought was best to keep him alive, but the doctors knew it couldn't be.

Rumors spread and soon the Nation was to know that as they sacrified for the four long years with Lincoln as leader and were about to enjoy a great period of celebration, they now were forced to mourn. Sorrow was with them once again. The Nation began a period of mourning. More people shed tears over this death than any in the history of our Nation. Yes; maybe even the world. There were funeral sermons in almost every church and community. Editorials in every newspaper in the land and muffled talk on the streets; in the homes. It was on the lips of those in saloons and the railroad cars. There was black bunting and crepe everywhere. These were attempts to say something that could not be said. Silence seemed to reign. Men tried to talk about it and the words failed and they fell back to silence. To say nothing seemed best. They did go through the motions of

grief, and they did take their part in a national funeral and the ceremony of humiliation and abasement and tears.

Newsboys at their stands normally making a lot of noise but at this time they cried no headlines. They handed the damp sheets from the press to the buyers, wiping their tears as they sold their papers. In thousands of stores the merchants told their clerks they would close for the day. And on Monday, in many schools, the sobbing teachers could only tell the children "Go home, there will be no school today."

The board of trade, operators in gold, were shocked and closed the exchange. They couldn't transact business in this atmosphere. In North Carolina a Negro in a shanty barber shop told his first customer that he wouldn't shave anybody that day, because he said, "Somethin's happen to Marse Linkum."

Lincoln wasn't on the official roll of any church, but on Sunday every church did penance—Catholic, Jew, and Protestant. They could have and did have many differences, but in this they were united—thankful that their God had given them a Lincoln and mourned deeply his death. Seemed he might have been a member somehow of every church.

The tragic effect of this murder on the South is strongly expressed in Herman Melville's poem, most effectively edited by Jim Bishop in his book The Day Lincoln Was Shot:

"Good Friday was the day
Of the prodigy and crime,
When they killed him in his pity,
When they killed him in his prime.
They killed him in his kindness.
In their madness in their blindness,
And they killed him from behind.

"He lieth in his blood—
The Father in his face;
They have killed him, the forgiver—
The Avenger takes his place.

"There is sobbing of the strong,
And a pall upon the land;
But the people in their weeping
Bare the iron hand:
Beware the people weeping
When they bare the iron hand."

As we reflect and contemplate the almost unbelievable problems of that time, one wonders how a Nation that had just gone through the valley of the shadow of death paid so dearly with so many human lives for its sins—then having won, and I believe somehow both sides in this war won—stood on the brink of enjoying and celebrating its greatest achievement—could now stand the terrible shock of having to go into the darkest valley of sorrow ever experienced by any nation in the history of man. It seems as we look back now, too terrible a load for his people to carry—but they must. They could if—if, that is, they would harken and be reminded, as Lincoln was, to what our forefathers said and did four score and seven years before. He said at Gettysburg that what they said and did about the great objectives of Government was his goal—and he certainly implied that they are our goals, too. The people must achieve them now without Lincoln as their leader. It seemed hard—but they now had, as we have, a forefather that he did not have; one whose simple pronouncements made so much sense. Volumes could be said about what he said that gave them sustenance for strength and courage in their hour of challenge, but I shall refer to only two short paragraphs of his public statements.

His annual message to Congress, dated December 1, 1862, has been nominated by many a student, at home and abroad, as the greatest state paper any American ever wrote. With this I agree. The country's plight was then as desperate as it ever was. That message was a classic of truth, of philosophy, of love of country, of duty, and actually, of beauty of thought and style. Every American ought to read it. In it Lincoln gave to Congress the formal announcement of his Emancipation Proclamation, together with its facts and reasons and needs. He argued that two nations made out of our one, could not reasonably exist. "There is no line straight or crooked suitable for a national boundary upon which to divide." "There is no possible severing of this but would multiply and not mitigate, evils among us." Note the logic in his every word. He then proposed our Constitution be modified so that his pet plan would prevail, that slaves would be free and slave owners compensated. He said, "By mutual concession we should harmonize and act together. Without slavery the rebellion could never have existed; without slavery it could not continue."

How noble, how logical is every suggestion. Then came the famous last paragraph. It is probably 60 seconds in length. When we read it we ask ourselves, Did anything grander ever come from the White House?

"Fellow citizens, we cannot escape history. We of this Congress and this administration will be remembered in spite of ourselves. No personal significance or insignificance can spare one or another of us. The fiery trial through which we pass will light us down, in honor or in dishonor, to the latest generation. We say we are for the Union. The world will not forget that we say this. We know how to save the Union. The world knows we do know how to save it. We—even we here—hold the power and bear the responsibility. In giving freedom to the slave, we assure freedom to the free—honorable alike in what we give and what we preserve. We shall nobly save or meanly lose the last, best hope of earth. Other means may succeed; this could not fail. The way is plain, peaceful, generous, just—a way which, if followed, the world will forever applaud, and God must forever bless."

In this 1-minute paragraph there are a total of 160 words—111 of them are 1-syllable words and 49 are 2-syllable words. Every one a jewel set in a crown of logic.

What a precious plea. To end the bloodiest war in history.

To sweep away the curse of slavery and selfishness.

Complete in justice—to all—even to the slaveowner.

Could purpose be more divine?

Did mortal man ever use words for a nobler aim?

How wise was Lincoln. How sad the thought that men did not let his wisdom then prevail.

But surely his God must forever bless the plea.

Let me at this point pose the question—can we find some lessons or ideas in these 160 words to end the terrible cold war today?

Then there are those suggestions on conduct for a people and as a nation for our time and for all the world:

"With malice toward none and charity to all.

"With firmness in the right, as God gives us to see the right, let us strive on to finish the work we are in; to bind up the Nation's wounds; to care for him who shall have borne the battle, and for his widow, and his orphan—to do all which may achieve and cherish a just and lasting peace, among ourselves and with all nations."

In this paragraph, this gem of completely Christian thought, this another of his masterpieces, are exactly threescore and 12 words (72 in all) and 2 less than threescore of them are 2-syllable words and 1 word has 3 syllables and it is "charity"—another and maybe nicer name for love. Christ said, didn't He, "I give you one new law—that ye love one another." This was the core—the central idea of Lincoln's great objective—his life—by precept and example.

Then let us look at the last statement in his final inaugural address—"to do all which may achieve a just and lasting peace—among ourselves and with all nations."

We might ask ourselves—are we doing all we can to bring peace and understanding among ourselves?—think for a moment on some of our domestic difficulties—race, labor and industry, and education. They are many—varied and complex—then we don't really have to remind ourselves of the world tensions, do we? Are we doing all we can to solve the problems that plague us? I think not.

Let us then heed the admonitions of our forefathers and especially those of Lincoln.

Harken unto those great foundations of truth and morality on which our country was built.

Then we will know that as hate breeds contempt and ignorance breeds misunderstanding and poverty, so can the respect for virtue in others make us more respected, and the sharing of our freedoms and liberties will spread these virtues to other lands.

From these fine examples on our American heritage it is not hard to conclude that it is our business to make other men wiser and better as we can find or make opportunity. Let us then think on these and countless other thoughts, foundation truths of our forebears—make them our rule and guide—then try to find ways to make our personal and collective application of them to the problems of our time, remembering that the words of a great seer—"that no doctrine, faith, or knowledge is of value to man except as it bears fruit in action."

Having done this, can anyone doubt that God will continue to bless America?

Let us today then dedicate ourselves to our unfinished task before us—emulating our forbears—doing those things, as they did, that true wisdom dictates—realizing always that right makes might and that if we would attain our goal as Lincoln did, charity in all its senses must be our motive. Accepting these as our principal guidepost we will be well on the way toward attaining peace among ourselves and with all nations. Thus we do great honor to our forefathers and especially to Abraham Lincoln.

The Dallas Tornado

EXTENSION OF REMARKS

OF

HON. W. J. BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1957

Mr. DORN of South Carolina. Mr. Speaker, I believe sentiment is growing in America among our States and the local communities to do as much as possible for themselves without calling on the Federal Government. The people of Dallas, Tex., were stricken by a terrible tornado which caused over $4 million damage and took many lives. It is my understanding that immediately after the tornado struck, insurance adjusters and investigators moved in to take care of the people's claims. Carpenters, brick masons, engineers, and the people in general moved in the next morning and went to work to restore the damaged property. Local contributions of time, money, clothes, and food poured in. A magnificent job was done by the city of Dallas and the State of Texas. It is my understanding that no official request for help to the Federal Government in

Washington was ever issued by the local authorities. The people of Dallas will always remember with pride how everyone chipped in and, at the local level, rebuilt the damaged portion of their great city. This is the kind of effort that made America the Nation that it is today. This is the kind of pride, frugality, and thrift which will preserve this great Nation. I congratulate the people of the city of Dallas, Tex., on their splendid reaction to a major disaster.

Flood Insurance Still in ALeyance Although All Details Are Said To Be Worked Out

EXTENSION OF REMARKS

OF

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1957

Mrs. SULLIVAN. Mr. Speaker, in a recent special order in the House, on April 8, I was intensely critical of the delays which have occurred in placing into effect the Federal flood insurance program authorized by Congress last year.

As I pointed out, people are experiencing flood damage right now, with the heavy spring rains in many parts of the country, yet the official attitude has seemed to be that the floods should wait while the minute details of the program are worked out to everyone's satisfaction—before any policies are issued or any businessmen or homeowners are afforded some measure of protection against disastrous flood losses.

Since then, I have received a great deal of additional information from the Flood Indemnity Administration of the Housing and Home Finance Agency, which administers the new program, and have been assured that the details are now being worked out, and are just about all completed.

Now, we are informed, the delay is at the door of Congress—that nothing can be done until Congress appropriates funds for the payment of possible future losses once the policies are issued and also appropriates funds for the payment of private insurance companies of agents' fees, claim adjusting costs, et cetera.

LETTER FROM COMMISSIONER MEISTRELL

This situation is outlined in some detail, Mr. Speaker, in a letter which I have received from the Commissioner of the Federal Flood Indemnity Administration, Mr. Frank J. Meistrell, and in fairness to him, I am inserting the full text of his letter at the conclusion of these remarks.

I will say, in comment on it, that I am pleased all of the details have been worked out for cooperation between the Federal agency administering the program and the private insurance firms which will handle the sale of the insurance on a nonprofit basis.

I will say I am delighted that things have been brought to the point that the program can get underway if money is made available.

But I must say, in fairness to those in St. Louis and elsewhere who live in dread of new flood damage while this whole program languishes in redtape, that it seems to me there has been much too much delay downtown on this and that there now appears to be a desire to blame any and all delays on Congress.

The act was passed last year. There was no money included for the program in the President's budget sent up here in January. The initial request for funds did not arrive until last month.

I have checked with the Appropriations Committee on this matter and I have been informed that the proposed funds for the flood insurance program were not put on any urgent priority list by the administration, and hence were not considered for any of the urgent deficiencies or supplemental bills which have been reported out so far.

SHOULD COME UP AFTER EASTER RECESS

Hence, this matter is being treated in the usual manner of any rather routine request for a supplemental appropriation, and the reason it is so treated is not by decision of the Appropriations Committee, as I understand it, but rather by decision of the Bureau of the Budget, which has shown no sense of urgency about it.

Congress has just been subjected to a buck-passing, blame-placing fiasco over deficiency postal funds, and the resentments are deep in this entire House over the way this whole issue was handled. I hate to see the Appropriations Committee again being blamed for delay on the flood insurance program, when it is not in any sense responsible for the delays which have occurred.

It is my understanding that this proposed appropriation for $50 million for payment of future losses and for payment of agents' fees and adjusters' expenses, and so on, will be considered by the committee along with other supplemental items in a bill which will probably come out shortly after the Easter recess. I wish this had been earmarked by the Budget Bureau as among the kind of high-priority items taken up in the bill we passed earlier this week which contained postal funds.

LETTER CONTAINS MORE DETAILS ON RATES

In Mr. Meistrell's latest letter to me, Mr. Speaker, there are some additional details on the probable rate structure for this insurance and on other aspects of the program which I believe will be of interest to many of the Members as well as to all of those who are anxious to buy flood insurance once the program is underway.

The text of the letter from Mr. Meistrell, dated April 15, is as follows:

HOUSING AND
HOME FINANCE AGENCY,
FEDERAL FLOOD
INDEMNITY ADMINISTRATION,
Washington, D. C., April 15, 1957.

Hon. LEONOR K. SULLIVAN,
House of Representatives,
Washington, D. C.

DEAR MRS. SULLIVAN: I am pleased to give you the following information in answer to your inquiry concerning the present status of the Federal flood-indemnity program.

I wish I could give you, and many others who have inquired, a definite answer as to when flood insurance will be made available to the general public. The fact is that the date on which we shall be able to offer flood insurance to the public is directly related to action by the Congress.

As you know, there is now pending before the Subcommittee on Independent Offices of the House Appropriations Committee a supplemental appropriation request which when approved by the Congress will provide necessary funds.

A hearing on this request was held on April 3 and I am enclosing herewith a copy of the justification of supplemental estimates and a copy of my statement before the subcommittee, which you requested. I do not have a copy of my testimony to the subcommittee which you also requested.

You will observe that the appropriation request is for $50 million based on an initial insurance authorization of $3 billion as prescribed in the Federal Flood Insurance Act. This request is composed of two major items:

The first item of $36 million is to be used, if needed, to pay losses in excess of premium income estimated at $54 million. In short, we anticipate having available for the purposes of the disaster insurance fund loss reserves aggregating $90 million.

The second item of approximately $14 million is to be used for payments to the insurance companies, and agents and brokers, for selling and servicing flood indemnity contracts, and to claim adjusters for adjusting claims arising under these contracts. This money will be expended only as such services are actually rendered.

In this connection, I should like to emphasize that:

The payments made to insurance companies for issuing policies and performing other related services on our behalf, are to reimburse them only for their out-of-pocket costs, and do not include any profit, or administrative overhead, or any other expense incident to the normal conduct of their business. The claims adjustment organizations are to be reimbursed for their services on a comparable basis. The agents and brokers who sell the contracts are to be paid on a commission basis which has not yet been finally determined.

In effect, we are prepared to put into operation a wholly new insurance business using for the purpose the facilities and the highly trained personnel of the insurance industry at cost. This appears to us to be the most economical and effective way to put this program into operation promptly.

As a consequence, the staff of the Federal Flood Indemnity Administration can be kept relatively small. Our functions will include policy formulation, supervision of program operations by the insurance companies, settlement of claims for losses, and research. The administrative costs of this agency can thus be kept comparatively low, especially during the early years when the program is largely experimental.

You asked me also what the cost will be for this insurance. This raises the whole question of rates which has been our most difficult problem.

For the major classes of risks, our net rates (after application of the subsidy) will range from $1 to $2.50 per $100 of insurance on an 80 percent coinsurance basis. Within this range, the rates will be different in various parts of the country depending upon considerations of flood frequency and flood damage in such areas.

On the basis of available data, we have established a separate set of rates for each major river basin in the United States, and for the more highly exposed areas along the Atlantic and gulf coasts. We believe that these rates reflect varying degrees of exposure, ascertainable at this time, and that they are marketable, as required by the Federal Flood Insurance Act.

The rating system we have devised will of course be refined and improved, as we gain experience. But it makes possible flood protection for the people this program is intended to help—the home owners and businessmen of modest means who are exposed to flood hazards. The insurance industry is prepared to market flood indemnity contracts at these rates.

Mindful of the constant need for economy in our operations, we have given considerable thought to the question of large losses being incurred in excess of income derived from these rates. Certain safeguards have, therefore, been incorporated into the program:

1. The amount of insurance which can be sold to any person or corporation is limited to $250,000, and $10,000 on a dwelling and its contents.

2. The total amount of insurance in force will not be the measure of the Government's liability as most losses arising under these contracts will in all probability be partial losses. Moreover, flood indemnity contracts will contain dollar and percentage deductibles which will tend to reduce nuisance claims.

3. The flood indemnity contracts will be sold nationwide. Since all exposed places will not have damaging floods at the same time, the fundamental principle of insurance will apply, namely, the contributions of the many to pay for the losses of the few.

You will also find enclosed three different sets of answers which we have prepared to various questions that have been asked us from time to time.

We deeply appreciate your interest in this program. If we can be of further service to you at any time, please let us know.

Sincerely yours,

FRANK J. MEISTRELL,
Commissioner, Flood Indemnity Administration.

Reserve Forces Act of 1955

EXTENSION OF REMARKS

OF

HON. OVERTON BROOKS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1957

Mr. BROOKS of Louisiana. Mr. Speaker, since the enactment of the Reserve Forces Act of 1955 I have made it a policy to make periodic reports to the Congress on the implementation of that law and the Reserve forces generally.

I know the Members are aware of the recent controversy between the Army National Guard and the Department of the Army which came about because of an Army directive requiring Army National Guard recruits to participate in the 6-month basic training program. The differences between the Guard and the Army were resolved after lengthy hearings before the subcommittee of which I am chairman. We were able to obtain the unqualified approval of the Army and the National Guard to a memorandum of understanding which alleviated their differences.

The required 6 months' training program for all guard recruits will have the effect of providing the Army National Guard with persons already trained in the basic arts of war and ready to enter upon the advanced and unit training phases in the Army National Guard. This is necessary because the technique and pace of modern warfare, in this age of possible sudden disaster, requires well-equipped Reserve forces in being, capable of immediate mobilization and almost concurrent entry into battle stations. I have no hesitancy in predicting that with all National Guard recruits receiving 6 months of basic training after their enlistment the level of training of the Army National Guard will rise, and more than ever before the Guard will justify the position which the Congress has given it, the first line of defense for our country.

The Army National Guard has done an outstanding job of attracting and retaining in its ranks on a voluntary basis over 400,000 young men who have consistently demonstrated an intense interest and desire to serve their country. One of the provisions of the memorandum of understanding, agreed to by both the Army and the guard, was that the strength of the Army National Guard should not be permitted to fall below 400,000.

It must be definitely understood, however, that what the committee and the parties to the agreement had in mind, in establishing this figure, was that the strength of 400,000 for the Army National Guard was to be considered a floor and not, in any respect, a ceiling.

The increased international responsibilities thrust upon this country dictating increased worldwide commitments for our active Armed Forces require that our Reserve forces be maintained in a constant state of readiness and that there be no reduction in their strength and training. However, it has been brought to my attention that the Department of the Army has projected a 1958 fiscal year end strength for the Army National Guard of 400,000. Now, at the present time, the Army National Guard has already obtained a strength of approximately 430,000, and it can be reasonably anticipated that this strength will gradually increase as more and more emphasis is put on the acquisition of trained men for the guard ranks.

Last year the Congress appropriated for a 1957 fiscal year end strength of 425,000 and, it is my understanding, that the Appropriations Committee repeatedly stated that it desired no cessation in National Guard recruiting.

In view of this, it is my earnest hope that the Congress will place no limitations on the National Guard for fiscal year 1958 which would serve to restrict recruiting activity at a time when it is now on a steady ascent. I realize, of course, that, for budget purposes, we must have an appropriations limitation on the overall strength of the Army National Guard. But I believe this strength figure should be set sufficiently high so as to not impair National Guard recruiting in the next fiscal year.

The budget now under consideration provides for only 25,000 6-month trainees for the Army National Guard, whereas a more realistic figure would be approximately 50,000. Any restriction on National Guard recruiting at this time, to my mind, would be a grave mistake and cause untold injury to the projected plans and programs for increasing the efficiency and combat capability of our Reserve forces.

The guard has constantly demonstrated its ability to meet the requirements imposed upon it by Congress. It has furnished trained units and individuals in times of catastrophe and need, and is deserving of strong and continued support in its efforts to increase its combat potential and capability for our common defense.

Our National Defense in the Atomic Age

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1957

Mr. VAN ZANDT. Mr. Speaker, on April 16, 1957, it was my privilege to address the Pennsylvania State Society, Daughters of the American Revolution, at the Shoreham Hotel, Washington, D. C., on the subject Our National Defense in the Atomic Age.

The address follows:

It is a pleasure to have this opportunity to appear before so noteworthy an audience representing as it does the best and most enduring ideals of American womanhood and citizenship.

During my years in public life I have developed admiration for your activities on a national scale as reflected in your annual continental congress here in Washington.

Your endeavors to restore and mark places of great historic importance and your intense interest in the great problems facing our country are among your laudable objectives.

I am especially happy to speak to you as my neighbors in Pennsylvania on a subject which has been of vital importance to the Daughters of the American Revolution since its founding.

I share your conviction that continued public interest in an adequate national defense is vital if we are to maintain our world position and strength in order to preserve our liberty and freedom.

In discussing the subject of our national defense in the atomic age, it is of interest that Congress is currently considering the administration's request for a $38.5 billion defense budget, the largest in 2 years.

These funds are required for the maintenance of our Armed Forces at their present strength and for the development of a wide range of new powerful weapons.

In examining this request many of us ask ourselves whether or not such enormous expenditure is really necessary for our national security.

We wonder if this huge and expensive Defense Establishment is becoming an unbearable drain on our national economy.

Some critics contend that it is a waste to continue our national defense program at its present level, now that Stalin is dead.

They further state the present Soviet leadership has no intention of attacking the United States.

In addition, they argue that the Russians have altered their doctrine and strategy and, hence, are no longer determined to communize the world.

Fellow Americans, let me assure you that this is not true.

Today the Soviet Union and Communist China maintain the largest military force in history.

Excluding the armies of North Korea and Vietminh, the Russian and Chinese Communists forces number well over 11 million men.

The Russians alone have an army of 2½ million ground troops.

The security of Western Europe is continually threatened by 31 Soviet divisions stationed on satellite territory.

Since World War II the Soviets have re-equipped their armed forces with a complete new family of powerful small arms, artillery, armor, and transportation equipment.

They have constructed a fleet of over 450 submarines and are aiding Red China in modernizing the huge Chinese Army.

The Communist bloc is also pushing ahead rapidly in the development of guided missiles and in the buildup of their atomic and hydrogen stockpiles.

For example, since the first of this year we have learned of a series of atomic bomb tests by Russia.

They are training scientific and technical personnel at a rate which will seriously threaten the lead of the West in scientific skill within a few years.

If the Soviets have changed their nature since Stalin's death there are few signs of it.

Witness their sly maneuvering in the Middle East, where they are fanning fanatical nationalism through anti-Western propaganda.

Certainly the Communist ideology has not changed since Stalin's death.

The Soviet leaders still preach the incompatibility of the Communist system and Western society.

Mr. Khrushchev, after having labeled Stalin a murderer and a tyrant, recently stated that he was nonetheless a great Marxist and "fighter of imperialism in the class war."

Khrushchev said quite openly that in this respect the present Kremlin leadership is Stalinist in its attitude.

With this attitude on the part of Soviet leaders the quest for peace remains increasingly difficult.

No one realizes more than I do the folly of an arms race.

Certainly every effort should be made to reach a sound agreement with the Soviet Union on the reduction of armaments.

But sound agreement involves international control and inspection.

It, therefore, follows that until such an effective system can be established for the entire world we must remain constantly alert in our defense and push ahead with our weapons development.

We cannot afford to take a chance on any weak disarmament plan based solely on the good faith of the Soviets.

A mistake in judgment on this crucial issue could mean our destruction.

Confronted as we are with Soviet hostility and with their refusal to cooperate on a sound disarmament system it is horrifying to imagine what might happen to us if we do not maintain and develop our defense.

We must remain vigilant.

We must be prepared at all costs to oppose Communist aggression in any form.

Therefore, let us now consider what we need to defend the United States adequately.

We cannot forget the impact of atomic-hydrogen weapons on our defense system.

Surely we have all been made aware of the new scientific age in which we are living.

In this connection, the President's plan for the peaceful uses of the atom has provided some indication of the revolution in living which we will experience when the effects of nuclear power are fully felt.

Until now, however, primary emphasis on nuclear research has stressed the destructive aspect of the atom in the weapons field.

The effect of the atom on military strategy has completely altered former concepts of defense and war.

Today we cannot think of an adequate defense system without first taking into full consideration the destructive force of atomic-hydrogen weapons.

I believe that there are two major requirements for a sound defense policy in this atomic age.

First, we must maintain and develop our capacity to retaliate massively against any power that launches a thermonuclear attack on the continental United States.

Second, we must maintain and develop our capacity to fight small or limited wars with the use of either tactical atomic weapons or of conventional arms as the circumstances may require.

Let me further develop these points.

We are living today under the shadow of atomic and hydrogen bombs.

In testimony before the Senate during its inquiry into airpower last year the Nation's top military experts pointed out that the Soviet Union now has the capability of striking a devastating blow at the United States.

Gen. Nathan Twining, chief of the Air Force, said in part:

"In looking to the future our plans and programs must be oriented toward countering the Soviet capability.

"As the Soviet war potential increases, particularly in intercontinental striking capability, this becomes even more valid.

"Such a potential will give the Soviet a continuing ability to attempt to deliver at any time of his choosing, with or without warning, a crucial blow against us.

"Thus for the foreseeable future we must maintain in constant protected readiness a retaliatory force of sufficient strength to deter an attack, or to insure ultimate victory if general war occurs."

Therefore, it is evident the maintenance of atomic-hydrogen power, as a deterrent force, requires the stockpiling of sufficient quantities of fissionable material and the development of airpower as a means of delivery.

From information released to the public it appears that both the United States and the Soviet Union have reached the position of being able to wage atomic warfare.

Working from published evidence and his own special knowledge, a British physicist recently estimated that the United States probably has stockpiled material for the manufacture of 35,000 atomic weapons as opposed to Soviet stockpiles for approximately 10,000.

Our Strategic Air Command today is the means of delivering our thermonuclear power.

From bases encircling the Soviet Union SAC can strike the Soviet Union within hours after an attack on the West.

To maintain and develop SAC as our first line of defense we must steadily push research and experimentation in weapons, piloted aircraft, and guided missiles.

Above all, we must keep pace with Soviet advances.

Bases circling the Communist bloc must be maintained.

Because it is upon this first line of defense that our national survival may depend.

The second requirement of a sound national defense policy is the ability to cope with local aggression in small wars.

We must take into account the possibility that small tactical atomic weapons may be used in a local conflict rather than conventional arms.

This means that our Armed Forces must develop offensive and defensive tactics geared to the use of a variety of small atomic weapons.

At the same time we must also be prepared for local attacks that are confined to nonatomic weapons.

According to the estimates of military experts the Soviet Union will soon possess a capability for atomic destruction equal with the United States.

This will establish a nuclear stalemate.

In such a stalemate, the United States may find that it will be difficult to initiate the use of tactical atomic weapons if the Communists use only conventional-type weapons.

When the Soviet Union is able to bomb the United States with nuclear weapons the risk that a local atomic war might spiral into an all-out conflict would be too great.

This means that our Armed Forces must possess a dual capability, namely:

(a) The capability to fight with conventional arms, using conventional tactics for some types of conflict; and

(b) With atomic weapons using atomic tactics for other types of combat.

Therefore, it is necessary to maintain our Armed Forces at their present strength and continue to supply them with conventional equipment.

We must also train them in the use of tactical atomic weapons and supply them with the latest models in our small atomic-weapons system.

Let us now turn our attention to our existing Defense Establishment and the problem of its continued development.

Testimony by leading Defense Department authorities has given convincing evidence that we do have a balanced defense system, and at a cost which our national economy can support.

Secretary of Defense Charles Wilson recently pointed out that "the forces envisaged in the long-range program of the Department of Defense constitute by far the largest Military Establishment that this country has ever undertaken to maintain for an indefinite period of time."

Secretary Wilson continued by saying:

"With the incorporation into our Military Establishment of the new weapons that we have developed, they constitute a force of tremendous striking power which, in my opinion, adequately provide for our national security at this time."

He added:

"It is also my feeling that these powerful United States forces continue to make a major contribution to peace and stability in the international field."

Fellow Americans, as a member of the House Armed Services Committee and the Joint Congressional Committee on Atomic Energy, I agree with Secretary Wilson that our present retaliatory deterrent force is much more powerful than it was a year ago.

Under plans outlined in the President's 1958 budget this force will be strengthened in both power and effectiveness.

The present number of bomber wings in SAC—numbering 11 wings of B-52's with 45 bombers per wing—will be maintained.

Plans have been made to accelerate the fighter program.

Increased stockpiles of more powerful and more diversified nuclear weapons are being made available to SAC at bases all over the world.

Research in the ballistic missile program, now highly accelerated and on atomic-powered aircraft, holds great promise for the future capabilities of SAC.

It is our hope to be first in developing the intercontinental ballistic missile which will enable us to strike the enemy with pilotless craft, armed with atomic or hydrogen warheads.

The development of ground-to-air and air-to-air missiles for our continental defense system is also being accelerated.

The Air Force has developed the Falcon and the Navy the deadly Sidewinder, both of which are now in quantity production.

The Air Force is currently concentrating on the Bomarc, a long-range missile of supersonic speed, while the Army will further develop both Nike and Talos.

The Armed Forces of the United States have a total strength of over 2,800,000 men and women.

The Army, according to Secretary Wilber Brucker, represents the most "thoroughly equipped and superbly trained army" that this Nation has ever put into the field.

These forces, together with our strategic Reserve, are ready to fight at any moment should the need arise.

This readiness constitutes an impressive deterrent against aggression.

In support of our mutual defense alliances, and other arrangements, 40 percent of our Army is stationed overseas in 73 countries.

Army missions in 44 nations in Europe, Asia, and Latin America are directly engaged in helping to train more than 200 allied foreign divisions—a large part of the free world's military strength.

Considerable progress is being made in matters of organization, research, and development in the Army.

Under plans now being implemented the major combat units of our ground force are being reorganized into the so-called pentomic divisions, which improve the ability of the Army to fight effectively under conditions of atomic warfare without losing their ability to conduct conventional war.

We are also organizing atomic support units, which are particularly suitable in providing atomic support for the forces of our allies in combat.

Research and experimentation are progressing in the development of new weapons systems.

As a result, we are stockpiling our arsenal with an adequate variety of atomic weapons precisely tailored to our needs, and which can be used accurately against close or distant targets.

At the same time, emphasis is being placed on the continued improvement of conventional weapons needed to accomplish many tasks for which atomic weapons would be wholly unsuitable.

The element of flexibility is similarly being stressed by the Navy.

The most important offensive weapon developed by the Navy is the mobile airbase—the new carrier *Forrestal*.

In the event of global war this type of ship will serve to defend the continental United States, and at the same time project our air striking power into the enemy's territory.

In case of local war it will supplement our land-based airpower, or supply airpower where land bases are limited or nonexistent.

The Navy is also pushing its aircraft and missile-development program.

Several types of advanced aircraft, operating from mobile carrier bases, have already been added to the fleet.

Of particular importance is the new *Skyhawk*, a light attack plane with high-speed and high-altitude performance, capable of carrying atomic weapons.

The development of sea-based ballistic missiles will prove to be immeasurably important by adding variety and dispersability to our deterrent capabilities.

The Navy is making the transition from guns to missiles very rapidly.

The cruisers *Boston* and *Canberra* have been converted and a third, *Galveston*, is being readied.

Under the present program the Navy envisages a total of 21 missile ships before the end of 1958.

The Navy is also making the transition to nuclear power as rapidly as possible.

The submarine *Nautilus*, the pioneer ship in this development, has now steamed more than 55,000 miles without a single disabling casualty.

Its reactor has now been refueled after 2 years of service.

The nuclear-powered submarine introduces a new weapon into naval warfare.

It can sink ships, it can serve as a radar picket ship, it can seek out and destroy enemy submarines, and most important of all, it can serve potentially as a base for the launching of ballistic missiles.

The present program of the Navy and Marine Corps serves to maintain a high state of immediate readiness, while instituting some very basic and revolutionary changes in naval weapons systems and strategy.

The readiness of the Navy was strikingly demonstrated during the recent Suez crisis by the rapid deployment of a large part of our fleet and by the evacuation of our nationals from Egypt.

Fellow Americans, in concluding my discussion of our national defense in the atomic age, I join millions of other Americans in accepting our Military Establishment, the projected program for the development of our military capabilities, as being adequate in meeting the requirements of our defense program for the maintenance of United States and free world security.

Federal Aid to Education

EXTENSION OF REMARKS

OF

HON. RALPH W. GWINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1957

Mr. GWINN. Mr. Speaker, under permission to extend and revise my remarks, I include the following address on Federal Aid to Education delivered today by my colleague, the Honorable AUGUST E. JOHANSEN, of Michigan, before the 66th Continental Congress of the Daughters of the American Revolution, meeting in Washington, D. C.:

Two weeks ago today, on April 3, the President of the United States held a White House news conference.

By way of opening my discussion of the subject of Federal aid to education, I quote a question asked at that news conference, and the President's reply.

A newspaper correspondent asked:

"Sir * * * you said earlier tax cuts would be possible because some of these programs are not permanent. They are temporary. Could you identify 1 or 2 of these?"

The transcript of the President's reply, verified at the White House, is as follows:

"For example, I recommend the school program for 4 years; I want 4 years, and I want it stopped, if necessary by a constitutional amendment. I just want it stopped there. I don't want to go into anything we can't continue, that we shouldn't continue."

The school program to which the President referred is, of course, the proposed Federal assistance to the States for school construction, again currently before the Congress.

I believe the President is completely sincere in saying that he wants this program only on a so-called emergency, onetime, one-shot, temporary, terminal basis. He has repeatedly so stated to the Congress, and he has indicated some of the very valid reasons why the program shouldn't continue on a permanent basis.

Heretofore I have also always believed that the President was completely convinced that it is possible to have the program on such a terminal basis—a view, incidentally, I have never shared.

Now, however, I am not so sure as to the President's own certainty on this point—in view of his amazing and enigmatic reference to stopping the program "if necessary by a constitutional amendment."

I will not speculate as to whether this statement was made by the President in complete seriousness or facetiously in an effort to discount the idea that terminating the program would involve a serious problem or difficulty.

In either case, it seems to me to suggest a definite misgiving on the part of the President, a doubt as to whether terminating the program is really going to be as easy and simple as a company commander ending a drill period with the order, "Fall out."

In either case, the President's reference to a constitutional amendment in this connection ought to be so effective a warning to the Congress and the American people that it will be the kiss of death for this or any similar proposal for Federal aid to education—and I earnestly hope it will be just that.

Furthermore, if adoption of this or any program of Federal aid to education does in fact involve the likelihood or possibility that we are starting something which will require a constitutional amendment to stop, now is the time to know it; now is the time to face up to the fact, and now is the time to stop such a program, once and for all.

Indeed, it would be well for Congress and the American people to earnestly consider adoption of a constitutional amendment now, spelling out definitely and decisively the proposition that the financing and control of education and educational policy in the United States shall hereafter be specifically reserved to the States, or to the people.

I intend, as a Member of Congress, to explore to the fullest the potentialities of such a step.

The temptation is strong to elaborate on the implications of such an amendment. Particularly, I would like to point out its potential effect in restoring to the States, the local units of government, and our citizens, an acute awareness of their rights, responsibilities, and capabilities in this area of activity so vital to progress, freedom, and constitutional self-government.

Such a step would, I believe, be a powerful antidote to the real opiate of a free people—the illusory doctrine and dogma that the solution of all problems, and of the problems of education in particular, must depend increasingly upon Federal action, Federal financing, and the exercise of Federal authority.

I resist that temptation because of the greater and more immediate urgency of discussing the proposal currently before Congress, in support of which both the Congress and the American people will be bombarded, by high-voltage propaganda, increasingly in the weeks just ahead.

With regard to this proposal for Federal assistance to the States for school construction, I wish to make just two points:

First, I should like to document the fact that there are numerous determined and powerful advocates of this specific legislation, both in education and in Government, whose avowed desire and design for America is all-out, all-type Federal aid to education on a permanent basis and on an ever-expanding scale—time-wise, dollar-wise and program-wise.

For them this particular legislation is useful and important primarily because it would successfully establish a principle; because it is, in the words of Adlai Stevenson to the National Education Association convention in July 1955, "just a beginning." And Mr. Stevenson urged, as an illustration of what he had in mind, that "over the longer run it may be best, it seems to me, not to tie Federal assistance to specific purposes, such as school construction, but rather to make unrestricted cash grants to the States on a per pupil basis. State governments would then have much greater flexibility to distribute these funds among local school districts for whatever purpose would most effectively advance education."

This year, as for several years past, the official platform of the NEA advocates, without reference to any temporary or terminal

basis for the program "financial assistance from the Federal Government to the States * * * for the support of public education."

As a further clarification of the permanent and expanding type of this Federal participation envisioned by the leadership of this organization, I call attention to the testimony of Dr. William G. Carr, executive secretary of the NEA, to a Senate committee in 1955:

"As long as our schools are cut off from the most powerful and efficient and productive form of taxation that we have (Federal taxation, of course) so long will they fail to receive a reasonable share of the great wealth and income of our country."

There is nothing terminal or temporary about that philosophy of Federal aid to education.

In February of last year, Dr. John K. Norton, head of the department of educational administration at Teachers College, Columbia University, declared:

"Even if $500 million a year were voted for school-building aid, it would represent only a first step toward adequate Federal participation in the financial support of education in the United States."

Dr. Edgar Fuller, executive secretary of the Council of Chief State School Officers, whose chief argument for Federal aid to education before congressional committees is that the Federal Government now discriminates against education by limiting its Federal-aid bribes ("incentives" is the gentler word he uses) to stimulate State spending to highway and other welfare programs, and that it must offer some competitive bribery in behalf of education, has urged that "Federal assistance for school facilities be at least one-third the amount of Federal assistance for highways during the next decade, in order that competition for State [matching] funds may be equitable."

Governor Williams, of Michigan, who has a known aversion for moderation, has proposed a 5-year program of $16 billion-plus—compared with the President's one-time-only program of $2 billion, spread over a 4-year period.

Finis E. Engleman, Connecticut commissioner of education, writing in the October 1955 NEA Journal, said:

"Since for many years funds [from Federal sources] will only be sufficient to supplement the State and local efforts, some safeguards must be erected to insure the continuance of local and State efforts to finance their schools."

I said last July that "the import of these words is that someday funds from Federal sources will do all—or, at least, the bulk—of the job." And I have been told that this was reading entirely too much into Dr. Engleman's statement.

Be that as it may, I defy you to read "too much" into the statements of the amazing trio of educators and economists who addressed the American Association of School Administrators at Atlantic City on February 18 of this year.

Economist Beardsley Ruml described Mr. Eisenhower's current proposal as a "harmless gesture of good intent," but "wholly inadequate," and evasive of what he termed "the central duty of Federal support for the public schools." Mr. Ruml proposed an immediate Federal grant of $750 million a year, which would increase until it reached $3½ billion in 1962. No termination of the program was suggested, so far as I can determine.

Prof. Seymour Harris, of Harvard, proposed a start of $600 million a year now, with $6 billion a year by 1965.

Prof. Lester V. Chandler, of Princeton, didn't bother with specific figures. He simply advocated that "financing education should be primarily a Federal responsibility," with local or State support only secondary.

One final example: Dr. Theodore Brameld, professor of educational philosophy at New York University—of whom more later—in his book Toward a Reconstructed Philosophy of Education, published in 1956, urges "* * * the United States should spend annually at least $35 billion on education, nationally and internationally, during the next quarter-century. * * * Moreover, not less than half of this amount should come from the Federal Treasury" (p. 295).

What a pity that the House Subcommittee on Education did not secure for its record the testimony of these determined and reckless advocates of transfer of the responsibility for public school financing to the Federal Government, thereby putting the Congress and the American people on full and fair notice as to how truly, compared with their desires and designs, current proposals are just a beginning.

To pooh-pooh these proposals for gargantuan expansion of Federal activity and financing in the field of public education as merely the harmless pipedreams of dwellers in ivory towers is to ignore the potential eagerness of powerful educational lobbyists, of a few socialist-minded and power-hungry labor leaders, and the would-be political beneficiaries of an all-powerful centralized Federal Government to join forces to give substance to the pipedreams.

Small wonder President Eisenhower suggests the possible necessity of recourse to a Constitutional amendment to set limits and call a halt to the relatively modest program of Federal assistance for school construction he has felt constrained to propose.

And now, briefly, my second point—the matter of Federal control of education.

It is absurd and, I think, an insult to your intelligence to suggest that any transfer of responsibility for public education to the Federal Government and Federal finances, on the scale envisioned in the statements I have cited, can be accomplished without a transfer of control over education.

Yet it is stoutly argued in recent testimony before the House subcommittee that there is no threat of Federal control.

And it is pointed out that the proposed current legislation includes provisions that there must not be any Federal control.

How, as a practical matter, may I ask, can there be a massive transfer of citizen, community and State dependence for financial support without a measure of transfer of control, regardless of these puny and temporary prohibitions.

One answer, of course, is that even to achieve the comparatively modest degree of participation in Federal aid proposed by the President's school building bill, many States must change their tax structure and their school district setup—or face the prospect of Federal taxation without participation.

To argue that because tomorrow, or next year, there may not be Federal interference in, or dictation of, curriculum, educational standards or administrative policies, and conclude that therefore there is no actual or potential Federal control of education, and no threat of such Federal interference and dictation subsequently, is to miss the whole point and meaning of control.

The unfortunate widow who signs over title to her home to a greedy relative in return for an ill-defined promise of financial support loses control of that home the moment she delivers the deed—not at some indefinite future when the new owner begins to dictate her activities or serves an eviction notice.

The ominous threat of Federal control of education, it seems to me, is clearly recognized and underscored by a statement of President Eisenhower in his special message of January 28 of this year:

President Eisenhower said:

"Once the accumulated shortage (of classrooms) is overcome, if State and local autonomy in education is to be maintained, the States and communities must meet their future needs with their own resources and the Federal-grant program must terminate."

The key words, in that statement, are: "If State and local autonomy in education is to be maintained."

That, in plainest possible language, means "if State and local control of education are not to be replaced and supplanted, albeit gradually and at the outset imperceptibly, by Federal control of education."

Unfortunately, most of the advocates of Federal aid to education on a permanent and expanding basis lack either the perception, or the honesty, or the courage to face squarely this inevitable corollary of Federal control.

One advocate who does unblinkingly face up to this reality—and for his own ideological background and associations or his current proposals I have neither sympathy nor respect—is Dr. Theodore Brameld, whom I have already quoted.

Dr. Brameld does not flinch at Federal control of education. He advocates establishment of a permanent Federal Educational Authority.

In that connection may I point out that the NEA and the American Association of School Administrators are on record as favoring creation of a National Board of Education as an independent agency, which would select a Commissioner of Education responsible to the Board.

Dr. Brameld asserts "the need for educational designs that * * * are parts of an organic whole embracing schools everywhere in the Nation and the world."

More specifically, he contends that educators "in agreeing to Federal aid * * * acknowledge that final responsibility for schooling can no longer rest so exclusively where it has rested in the past—with the localities or States."

And he further argues that those who "separate the questions of Federal aid and Federal control" take the position that "whereas they are willing that Congress, as the representatives of the people, should provide funds, they are not willing that the representatives of the people should control them."

This, Dr. Brameld concludes, "implies a distrust in representative government that Congressmen who hold genuinely democratic convictions should resent."

Finally he advocates an education system that is supported heavily by Federal taxation (supplemented by local resources) and controlled by the majority; that gears curriculums, teaching, guidance, and administration to the purposes of the economy of abundance, political order, scientific society, and esthetic pattern, and that brings newspapers, radio chains, and other instruments of public enlightenment into direct cooperation with education and under similar controls.

What, then, is the conclusion of this matter?

On the darker side, the warning of Dr. Leonard D. White, of the University of Chicago, national authority on State-Federal relationships, a warning of particular import with respect to education in these United States:

"If present trends continue for another quarter century, the States may be left hollow shells, operating primarily as the field districts of Federal departments and dependent upon the Federal Treasury for their support."

On the brighter side, the knowledge that if, beginning with the problem of current school-building shortages, we will patiently, painstakingly and persistently bring to bear the resources of leadership, finance, and organized effort available in our communities and States, we will meet the needs and successfully maintain State and local autonomy in education—an indispensable bulwark of freedom and progress.

God grant us the wisdom to recognize the task; the courage to accomplish it.

Republicanism at Work Today

EXTENSION OF REMARKS

OF

HON. LEVERETT SALTONSTALL

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Wednesday, April 17, 1957

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address on the subject Republicanism at Work Today, delivered by the senior Senator from Minnesota [Mr. THYE] before the Ramsey County Young Republican League annual convention in St. Paul, Minn., April 13, 1957.

I also submit for printing in the RECORD, to follow the address of the Senator from Minnesota, an editorial entitled "Modern Republicanism Judged by Its Results," from the St. Paul Pioneer Press of April 17, 1957.

There being no objection, the address and editorial were ordered to be printed in the RECORD, as follows:

REPUBLICANISM AT WORK TODAY

(Address by EDWARD J. THYE, United States Senator from Minnesota, before the Ramsey County Young Republican League annual convention, Commodore Hotel, St. Paul, Minn., April 13, 1957)

My participation in the Ramsey County Young Republican League Convention is something I have looked forward to ever since I received the invitation from Mr. Butler. I have always maintained that no political party can long endure without the active participation at all levels of activity by those like yourselves who are dedicated to a keen interest and desire to serve in public and community affairs.

One topic which has assumed national importance in today's political life is that of Modern Republicanism. Many Republicans have attempted to define it, while the Democrats maintain that it is a figment of imagination and that it does not exist.

I am one who believes that there is no easy definition for the term which President Eisenhower has created. I would like to believe that the term "Modern Republicanism" can only be defined by example and by the record of the Republican administration and the Republicans in Congress.

If we quickly scan the record of the Republican Party in the past 4 years, we can begin to see that Modern Republicanism is a very real thing which has won the support of the vast cross section of our people.

This record indicates that the Republican Party has met the fast-growing needs of our expanding economy without sacrificing the principles of our free-enterprise system. It has proved to be sensitive to the human needs of our Nation, and, at the same time, has maintained a fiscal stability which has allowed us to assume heights of prosperity which, 30 years ago, challenged man's imagination.

We might use the following examples in considering our definition:

1. One of the great problems of our day is that of providing school facilities for our expanding school population. It is interesting to note the approaches taken to this problem by the two major political parties. The administration has submitted a bill to the Congress which urges that funds should be made available for school construction only in those areas where a need is demonstrated. We know there are areas where the number of school-age children far exceeds the space available for classrooms. The administration would also require that the local units match the Federal funds. The Democratic Party proposed legislation for Federal aid to school construction without regard to need or the willingness on the part of the local units to match Federal funds. This represents a major difference in the approach to this highly controversial problem. The important thing to remember is that the Republican Party recognized the need for action and, at the same time, proposed a solution which would allow local units of government to participate and which limited Federal participation.

2. Ever since the Civil War, the issue of civil rights has been debated and discussed. Many office seekers have used this issue as part of a platform to enter high office. However, until 1953, very little in the way of action was taken to solve the problem. I have observed, firsthand, the situation which prevailed on civil rights in our Nation's Capital. For years and years, there were many promises made to the colored population of Washington, but not until the Republican administration came into power was any action taken. Today when you visit Washington, you will find segregation does not exist in the public schools, the public restaurants, the hotels, or the public parks and playgrounds. By Executive action, President Eisenhower has recognized the dignity of the individual and has lowered the bars of racial prejudice. If this present Congress passes civil rights legislation, it will be due largely to the patient and understanding approach taken by the President and the administration. Here we see Modern Republicanism at work. It demonstrates a sensitive concern for a social problem and a willingness to take action.

3. For over 20 years, we witnessed the vigorous debate over the issue of public power versus private utilities. The two groups of contestants had become deadlocked to a point where suspicion, fear, and anger were the rule among those who had the responsibility of converting our natural resources for power. I have lived through that long debate, and I know that many of you have debated this question in high school and college debate tournaments. Shortly after the Republican administration assumed its duties in 1953, President Eisenhower advocated a partnership to develop our natural resources. The partners were to be the Federal Government, the private utilities, the State governments, and the local units of government. He said that each partner should share in the work which had to be done. Once again, we see the recognition of a need for action and alertness in developing a workable blueprint for success.

4. Modern Republicanism has been responsive to the human needs of our people in the area of research into diseases, extension of social security, unemployment compensation, and other related programs. The agency of Health, Education, and Welfare stands as a monument to this type of action and accomplishment. It means that our standard of living has advanced to an alltime high, that people are conscious of a commonsense approach to problems that affect them most directly, and that labor has advanced to a greater position of importance in our economy and society.

5. At the same time that the Republican Party has been writing this record of accomplishments, the fiscal and monetary system of the United States has been maintained at an even level. Inflation has been curtailed, and every person's dollar is more stable. This may seem strange to you at a time when so much talk is heard on the general subject of the $71.8 billion budget for fiscal 1958. However, let us analyze the budget for a moment.

In any discussion of the budget, we must remember that 60 percent is accounted for by defense and national security expenditures. If we could eliminate this huge expenditure and just consider the domestic budget, we would find that it is sustained by an alltime high in national per capita income and national gross productive output. We must never forget that our economy is constantly expanding and that we, as a nation, are going through a period of tremendous growth. This you can see in the cars you buy, the clothes you wear, the food processing in the supermarkets of today, the improvement in farm machinery, and the advanced methods which are now employed by business and agriculture.

Even if we include the huge outlays for national defense and security, we find that the percentage of our national income going to the Federal budget is not out of proportion compared to preceding years. Let me illustrate this point: in 1953 the Federal budget was almost 25 percent of the national income, in 1954 it was 22.7 percent, and in the following years it has been declining percentagewise until the 1957 budget represented 19 percent of the national income. The $71.8 billion budget estimate for fiscal 1958 approximates about the same percentage of a projected estimate of the national income for next year.

I would like to see this percentage of our total national income reduced if at all possible, but at the same time I realize that the 19 percent of our national income is considerably less than the 52 percent and 54 percent during the war years of 1944 and 1945. In this respect, I must emphasize the tremendous economic adjustment which has been accomplished since that time without the depression which was once predicted.

Unfortunately, as long as we must engage in the cold war with Communist Russia and her satellites, we must continue to spend much of our revenue on items of defense and national security.

At this particular period in our history, this represents an abnormally large expenditure. The United States is still in the initial stages of exploring and developing the modern instruments of defense. It was 40 years ago that I served in the United States Air Service, in World War I. At that time, the Air Force was in an early stage of development. However, we who were serving thought that our planes were far advanced in comparison with what other countries had.

World War II demonstrated how quickly research and development can change all weapons. Some of you probably flew the B-29 and B-17 bombers. Everyone thought at that time that there could be little improvement in aircraft production.

Then the atomic age dawned, and we now see how obsolete the equipment we used in World War II has become. Today we talk in terms of missiles, atomic warheads, interceptor missiles, atomic-powered submarines, for fighters, 'round-the-world bombers, advanced artillery, and pushbutton warfare.

As a member of the Senate Appropriations Committee, I have the opportunity to hear the Chiefs of Staff, the top military and civilian officials of our Navy, Army, and Air Force. These men all testify that in spite of the rapid advances we have already made, we are still involved in day-to-day research and development in the use and production of new weapons. This is another reason why our current budget for defense represents such a large share of the proposed budget for fiscal 1958.

We know that we must never yield our place of leadership to the Communists. To do that would be to seal the fate of freedom, peace, and our democratic way of life. So, we must always ask ourselves this question: How much shall we pay to defend our liberty, our Constitution, our God-given rights? I, for one, would not attempt to place a dollar value on those basic elements of our way of life.

This does not mean that we must go blindly ahead without challenging proposed expenditures. The administration and the Republican Members of Congress realize that every expenditure must be carefully weighed and considered. A conscientious effort will be made to reduce the present budget by an amount which will not place our national security in jeopardy.

At the same time, the administration and the Congress are working to implement the second Hoover Commission report, which will allow us to trim expenditures and save taxpayers' money. The executive branch of our Government has already accepted wholly, or in part, 313 of the 479 recommendations made by the Commission. This represents 65.3 percent of the entire report. The 84th Congress enacted 39 public laws, House resolutions, and Senate resolutions which implement 55, or approximately one-third, of the 167 legislative recommendations that the Commission made.

I point these facts out to demonstrate that behind the scenes, there is much activity designed to increase efficiency in government and which will effect an economy. This will appear in future budget requests.

But, remember, when we discuss the large budget requested by the President, we must view that budget in the light of our present-day economy and our growth as a nation.

Now, I would like to discuss the handling of our foreign policy under the Republicans during the past 4 years. President Eisenhower and Secretary of State Dulles assumed a situation in 1953 which was not bright. There was the Korean war, the crisis in Indochina, and rumblings in almost every part of the world.

The Korean hostilities were ended shortly after the President assumed office. We witnessed a release of tension in Indochina and saw the Red Chinese pull back from their threat of war against Formosa.

The United States truly assumed leadership of the free world under the guiding hand of the President and the Secretary of State. The Russians were placed off balance. No longer was the United States holding back and waiting to see what Russia would do next. The United States became the first to act and placed the Communist world on the defensive. This was accomplished through our leadership in the United Nations, at the Geneva Conference, with the establishment of SEATO and by the strengthening of NATO.

Modern Republicanism again recognized the need for concerted action and met the challenge. The most recent test in the Middle East was met with the same degree of patience and understanding. The job is not finished, but we are not at war, and Russia has not gained domination of that important area of the world.

We have now considered major examples of how the Republican Party is meeting the needs of the people and the responsibility of shaping policy—both domestic and foreign.

Through the past 4 years, we have seen our people advance in all aspects of everyday life. There has been no appeal in this philosophy to special-interest groups. There has been no use of the divide-and-conquer technique of former years. There has been no emotional attempt to pit labor against management, banker against farmer, small against large. Ours has been an appeal for unity—unity for a very real program of progress with benefit to all and discrimination for none. The Republican Party today is a party of heart, mind, and conscience. The heart has been demonstrated by the humanitarian approach to our people's problems. The mind has guided our financial and economic destiny. The conscience has been the balance wheel which recognizes that the Federal Government shall share responsibility with the States and not dominate and discourage local initiative.

This is the type of philosophy which challenges the imagination of adults and young people alike. You are present today to participate in the work of Modern Republicanism. As we look ahead, petty differences must be eliminated so that we may pass on to future generations the heritage of a nation which, today, stands as a bulwark of hope, inspiration, and friendship to the entire world.

[From the St. Paul Pioneer Press of April 17, 1957]

MODERN REPUBLICANISM JUDGED BY ITS RESULTS

Senator EDWARD J. THYE adopted an effective and convincing way of explaining "Modern Republicanism" in his talk before the Ramsey County Young Republican League.

Rather than emphasizing words and theories, he presented concrete examples of what has been done and what is proposed by the Eisenhower administration and Republicans in Congress.

The administration supports Federal aid for school construction, but only in areas where the need is proved and where local taxpayers are willing to match Federal funds. In contrast, the free-spending policy of the Democrats calls for Federal appropriations "without regard to need or the willingness to match Federal funds."

In civil rights, the Eisenhower administration actually brought about desegregation in Washington, which had persisted under Democratic administrations despite many promises. The Republican civil-rights program now before Congress would get at the root of discrimination in the South by assuring minority groups the right to vote and thus make their influence directly effective in local politics.

Commonsense partnership between public and private agencies and companies in development of power and water resources is part of Modern Republicanism. Establishment of the new Department of Health, Education, and Welfare is an indication of the party's concern for human values and individual happiness and well-being.

In discussing the Eisenhower budget, Senator THYE pointed out that the $71.8-billion program for 1958 represents only about 19 percent of the anticipated national income. The 1953 budget was nearly 25 percent of national income, and in the war years the budgets took more than 50 percent of income. Of the total 1958 budget, 60 percent is required by defense and security measures to prevent war and protect the Nation. The foreign policy of the administration likewise has reduced the danger of another world war and has put Russia on the defensive.

Senator THYE has given an excellent summing up of the record of "Modern Republicanism." Its results are the best proof of its soundness.

SENATE

THURSDAY, APRIL 18, 1957

(Legislative day of Wednesday, April 17, 1957)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Wm. Kenneth Lyons, minister, Anacostia Methodist Church, Washington, D. C., offered the following prayer:

Almighty and most merciful God, our Heavenly Father, we come into Thy presence this hour in grateful testimony of Thy goodness. Surely our hearts are singing Thy praises, for so great is the kindness of Thy providence and so great are the manifestations of Thy love, through Jesus Christ, that our hearts say, "Surely goodness and mercy shall follow us all the days of our lives."

We realize that even from everlasting to everlasting, Thou art God. So teach us to number our days that we may apply our hearts unto wisdom.

O God, beneath whose guiding hand our fathers crossed the sea, unto Thy merciful providence and in the spirit of our Pilgrim forefathers, we commend this Nation, beseeching Thee to bless all who govern, and all who aspire to lead, that they may ever seek to lead the people in Thy fear and to Thy praise. We bless Thee for the institutions of a free country, and we would not shrink from the disciplines that accompany liberty. Grant that we may be willing to pay the price of a national life that shall increasingly trace out the mind of the Lord of lords and King of kings. Remove from our minds all narrowness and prejudice, all indifference and self-seeking, that in the power of a holy passion for the right and the true, we may fearlessly dedicate ourselves to Thy honor and glory.

May the blessing of Almighty God, the Father, and of His son, Jesus Christ, our Lord, and of the Holy Spirit, descend and remain forever upon this body, and upon all those who labor, speak, and dwell herein, and upon us all. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the Journal of the proceedings of Wednesday, April 17, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of

the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 6871) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled joint resolution (S. J. Res. 70) requesting the President to proclaim the week April 28 to May 4, 1957, inclusive, as National Mental Health Week, and it was signed by the President pro tempore.

HOUSE BILL REFERRED

The bill (H. R. 6871) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

ADDITIONAL APPROPRIATIONS, 1957

The Senate resumed the consideration of the joint resolution (H. J. Res. 312), making additional appropriations for the fiscal year 1957.

Mr. MANSFIELD. Mr. President, the Senator from Nevada [Mr. MALONE] has the floor, under the agreement previously entered into.

Mr. MALONE. Mr. President, I shall be glad to yield to Senators who may wish to make insertions in the RECORD, transact other routine business, or ask questions, provided that I do not thereby lose the floor.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT OF FEDERAL CIVIL DEFENSE ADMINISTRATION

A letter from the Administrator, Federal Civil Defense Administration, Battle Creek, Mich., transmitting, pursuant to law, a report of that Administration, for the fiscal year 1956 (with an accompanying report); to the Committee on Armed Services.

RELIEF OF SURGEONS GENERAL OF ARMY AND NAVY OF CERTAIN RESPONSIBILITIES

A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to relieve the Surgeons General of the Army and Navy of certain responsibilities outside the Department of Defense (with accompanying papers); to the Committee on Labor and Public Welfare.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution of the House of Representatives of the State of Kansas, relating to land procurement practices of the Corps of Army Engineers in the Tuttle Creek dam area of northeastern Kansas; to the Committee on Public Works.

(See the above resolution printed in full when presented by Mr. CARLSON on April 16, 1957, p. 5723, CONGRESSIONAL RECORD.)

A concurrent resolution of the Legislature of the State of New York; to the Committee on the Judiciary:

"Resolution 64

"Concurrent resolution creating a joint legislative committee to cooperate with the Federal Commission in honoring the memory of Theodore Roosevelt and celebrating the centennial anniversary of his birthday and making an appropriation for its expenses

"Whereas the Congress of the United States has created the Theodore Roosevelt centennial commission of 15 members, including President Eisenhower, Vice President NIXON and 4 Members of Congress from New York State; and

"Whereas Theodore Roosevelt was born in New York State, grew up in New York State and served as a member of the New York Assembly and as Governor of New York before going on to become President of the United States, and

"Whereas the year 1958 is the centennial anniversary of the birth of the great 'Rough Rider,' and

"Whereas the State of New York is justly proud of her citizen who acquitted himself so well in war and peace, and

"Whereas it is fitting and proper that the State of New York should cooperate with the commission created by Congress in the celebration of the centennial anniversary of Theodore Roosevelt's birthday: Now, therefore, be it

"*Resolved (if the senate concur)*, That it is the sense of the legislature that the State of New York should cooperate and lend assistance to the successful celebration of the centennial anniversary of Theodore Roosevelt's birthday; and be it further

"*Resolved (if the senate concur)*, That a joint legislative committee be and it is hereby created to serve until December 31, 1958, to be known as the Joint Legislative Committee for the Theodore Roosevelt Centennial. Such committee shall consist of three members of the senate, to be appointed by the temporary president of the senate, three members of the assembly to be appointed by the speaker of the assembly. Any vacancy in the membership of the committee shall be filled by the officer authorized to make the original appointment. Such committee shall, at such time or times as may be appropriate: (a) attend, on behalf of the State of New York, at appropriate ceremonies or other occasions of the centennial celebration; (b) formally convey at such ceremonies and occasions the greetings and felicitations of the State of New York; and (c) extend suitable greetings and courtesies to Representatives from the Congress of the United States and other persons who may participate in or attend the centennial celebration. Such committee is empowered otherwise to act on behalf of the State in the observance of the Roosevelt centennial. Such committee may request and shall receive from all public officers, departments, and agencies of the State and its political subdivisions such cooperation and assistance as may be necessary or appropriate to carry out the purpose of this resolution; and be it further

"*Resolved (if the senate concur)*, That the sum of $10,000, or so much thereof as may be necessary is hereby appropriated from the contingent fund of the legislature for the necessary expenditures of such committee, payable on the audit and warrant of the comptroller on vouchers certified and approved by the chairman of the committee in the manner provided by law, and be it further

"*Resolved (if the senate concur)*, That copies of this resolution be transmitted to the Secretary of the Senate of the United States, the Clerk of the House of Representatives of the United States, and to each Member of Congress duly elected from the State of New York.

"By order of the assembly,

"AUSLEY B. BORKOWSKI, *Clerk*.

"In senate March 30, 1957. Concurred in without amendment.

"By order of the senate.

"WILLIAM S. KING, *Secretary*."

Two joint resolutions of the legislature of the State of Colorado; to the Committee on Finance:

"House Joint Memorial 1

"Memorializing the Congress of the United States to amend the Internal Revenue Code to allow the oil shale industry the same depletion allowance as that given the oil and gas industry

"Whereas it is becoming apparent that the United States must eventually turn more and more to synthetic sources to supplement its petroleum resources, and for this reason the promotion and development of new domestic sources of fuel oils, including the mining and production of oil shale, is essential; and

"Whereas the depletion allowance now allowed on the mining of oil shale is 5 percent as compared with a 27½ percent depletion allowance given the oil and gas industry; and

"Whereas the oil shale industry, in the exploration and promotion of oil shale deposits and in the mining of oil shale, should be given the same economical assistance as is given the oil and gas industry, in order to expand the oil shale industry and create a competitive market between the two industries: Now, therefore, be it

"*Resolved by the House of Representatives of the 41st General Assembly of the State of Colorado (the Senate concurring herein)*, That it respectively memorializes the Congress of the United States to amend the Internal Revenue Act so as to provide that the depletion allowance allowed on the mining of oil shale be raised from 5 percent to 27½ percent of the value of the oil produced from oil shale mined; and be it further

"*Resolved*, That a copy of this memorial be transmitted to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, and to the Senators and Congressmen representing the State of Colorado in the Congress of the United States.

"CHARLES R. CONKLIN,
"Speaker of the House of Representatives.

"LEE MATTIES,
"Chief Clerk of the House of Representatives.

"FRANK L. HAYS,
"President of the Senate.

"MILDRED H. CRESSWELL,
"Secretary of the Senate."

"House Joint Memorial 4

"Memorializing the Congress of the United States and urging the repeal of that section of the Federal laws governing old age assistance, to enable the recipients of awards to accept partial employment and to retain the remuneration received therefrom without penalty or reduction of old age assistance payments

"Whereas the people of Colorado, having adopted a constitutional amendment by the will of the majority as expressed by the vote of the people on November 6, 1956; and

"Whereas said amendment, in part, provides for a means of adapting Colorado statutes to such modifications as may be desirable, in conformity with alterations of Federal laws relating to old age assistance; and

"Whereas there have been expressed strong sentiments favoring the affirmation of the rights of all citizens to engage in work of their choice; and

"Whereas it is a well established fact that the therapy of work, and the psychological benefits derived therefrom are of great value to our aged; and

"Whereas such employment would not materially alter the average income of our elder citizens who are recipients of old age assistance: Now, therefore, be it

"Resolved by the House of Representatives of the 41st General Assembly of the State of Colorado (the Senate concurring herein), That the general assembly hereby petitions the Members of the Congress of the United States to consider such modification of existing old age assistance laws as would enable recipients to accept employment and retain the compensation derived therefrom up to the statutory limit of Federal income tax exemption, establish savings, make contributions to charities, and other similar morale building forces of participation in their community life without loss of, or deductions from their awards; and be it further

"Resolved, That copies of this memorial be transmitted to the President of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, and Members of Congress from the State of Colorado.

"CHARLES R. CONKLIN,
"Speaker of the House of Representatives.
"LEE MATTIES,
"Chief Clerk of the House of Representatives.
"FRANK L. HAYS,
"President of the Senate.
"MILDRED H. CRESSWELL,
"Secretary of the Senate."

A joint resolution of the Legislature of the State of Colorado; to the Committee on Interior and Insular Affairs:

"House Joint Memorial 6

"Whereas the State of Colorado is now entering its seventh year of uninterrupted drought; and

"Whereas this drought has caused serious depletion of surface stream flow with the result that farmers, industrial concerns, municipalities, and individual domestic users have had to resort to the drilling of numerous new wells and the deepening of existing wells in attempts to make up their deficiencies in water supplies; and

"Whereas this increased use of wells has resulted in a critical lowering of the water table in many areas, and has given rise to increasingly complicated problems with respect to the apportioning and regulating of the diminishing ground water supplies; and

"Whereas existing information on ground water supplies and the effects of withdrawals therefrom is inadequate: Now, therefore, be it

"Resolved by the House of Representatives of the 41st General Assembly of the State of Colorado (the Senate concurring herein), That the 41st general assembly is prepared to appropriate any reasonable amounts of money that may be needed to supplement that already appropriated to match any amounts made available by the Federal Government through the office of the United States Geological Survey, for a comprehensive statewide survey of ground water supplies within the State; and be it further

"Resolved, That copies of this memorial be forwarded to the Speaker of the House of Representatives and the President of the Senate of the United States, to each of the United States Senators and Representatives from Colorado, to the Commissioner of the United States Bureau of Reclamation and to the headquarters of the United States Geological Survey in Washington, D. C.

"CHARLES R. CONKLIN,
"Speaker of the House of Representatives.
"LEE MATTIES,
"Chief Clerk of the House of Representatives.
"FRANK L. HAYS,
"President of the Senate.
"MILDRED H. CRESSWELL,
"Secretary of the Senate."

A joint resolution of the Legislature of the State of Rhode Island; to the Committee on Interior and Insular Affairs:

"Resolution memorializing the Congress of the United States to grant statehood to the Territories of Alaska and Hawaii

Whereas for well over a century the people of Alaska and Hawaii have shown their capacity to govern themselves; and

"Whereas the people of the Territories of Alaska and Hawaii have consistently and willingly observed and performed all of the duties of other citizens of the United States; and

"Whereas the people of the Territories of Alaska and Hawaii have contributed considerable sums of money toward the support of the Federal Government; and

"Whereas in all of our Nation's wars since annexation the people of Alaska and Hawaii have served honorably and well in our Nation's Armed Forces; and

"Whereas to allow these modern communities of loyal Americans to continue to share the burdens and responsibilities of citizenship without the right to fully govern themselves in the manner of our States, without both voice and vote on the floors of Congress, and without vote for the President of the United States, is to continue to violate the sacred democratic principles which guided our great country's fight for independence over a century and a half ago; and

"Whereas the platforms of both political parties presently pledge and have advocated for a number of years, immediate statehood for Alaska and Hawaii; and

"Whereas the Territories of Alaska and Hawaii have been exhaustively investigated by committees and Members of the Congress to the end that the Congressional record on Alaskan and Hawaiian statehood takes up over 5,000 pages and 2 million words spread over 30 Government publications; and

"Whereas both of the Houses of the Congress of the United States have during recent sessions considered and favorably acted upon bills to grant Alaskan and Hawaiian statehood; and

"Whereas both Houses of the Congress of the United States are once again considering legislation which would grant statehood to Alaska and Hawaii: Now, therefore, be it

"Resolved by the General Assembly of the State of Rhode Island and Providence Plantations, That the President and the Congress of the United States be respectfully urged to grant statehood to Alaska and Hawaii during the current session of Congress; and be it further

"Resolved, That duly authenticated copies of this resolution be transmitted by the secretary of state to the President of the United States of America, to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States, to the chairmen of the respective committees of the Congress which are considering statehood for Alaska and Hawaii, to the Representatives and Senators in the Congress of the United States from the State of Rhode Island and to the Delegates to Congress from Alaska and Hawaii."

A resolution adopted by the board of governors of the American Bakers Association, Chicago, Ill., relating to the curtailment of Federal expenditures; to the Committee on Appropriations.

PROPOSED INVESTIGATION OF AMATEUR ATHLETIC UNION OF AMERICA—CONCURRENT RESOLUTION OF KANSAS LEGISLATURE

Mr. CARLSON. Mr. President, on several occasions during the 84th Congress, I called to the attention of the Senate the unfair and unjust action taken by the Amateur Athletic Union of America in regard to Wes Santee, one of the fine, outstanding athletes of the Nation.

It had been my hope, and that of many other citizens, that Wes Santee would be privileged to compete in and represent the United States in the mile run at the Olympics. The action taken by the American Athletic Union prevented that.

Now that the Olympic meet is over, that problem does not face us; but I still contend that Wes Santee was given shabby treatment by an organization which continues to operate under antiquated rules and regulations.

The Kansas Legislature, which has just adjourned, took official action in this regard by adopting House Concurrent Resolution No. 13, urging that the American Athletic Union be investigated and that specific findings be made to expose the entire truth with regard to the organization in this particular case.

From the resolution adopted by the Kansas Legislature, I read the following:

We strongly urge Congress to take a positive stand against any sort of tyranny in amateur athletics and if the investigation warrants, to enact legislation that will restore integrity to amateur athletics so that the American people may be justly proud of its amateur athletes.

Mr. President, I ask unanimous consent that the concurrent resolution be printed at this point in the RECORD, and referred to the appropriate committee.

There being no objection, the concurrent resolution was referred to the Committee on the Judiciary, and, under the rule, ordered to be printed in the RECORD, as follows:

House Concurrent Resolution 13

A concurrent resolution memorializing the Congress of the United States to investigate the Amateur Athletic Union of America and to take the proper action on the findings resulting from such investigation.

Whereas there is an overwhelming public demand that the alleged actions of the Amateur Athletic Union be investigated and specific findings be made to expose the entire truth with regard to this organization; and

Whereas prominent coaches have commented on and criticized the alleged injustices that have befallen some of our finest athletes and which are exemplified by the Wes Santee case; and

Whereas leading sportswriters over the entire United States have expressed shock and amazement at many of the actions of this same Amateur Athletic Union; and

Whereas investigations have already revealed that the United States Olympic Association and the Amateur Athletic Union have for all practical purposes an interlocking board of directors; and

Whereas the Junior Chamber of Commerce has seen fit to "vigorously condemn the Amateur Athletic Union as un-American to the extent to which it has applied its rules by whim and caprice instead of in a uniform manner to all, and (to) further censure the Amateur Athletic Union for so bungling its internal disciplinary problems as to make the amateur athletic picture appear confused, inconsistent and dishonest in the eyes of the world"; and

Whereas the American Legion, department of Kansas, has condemned and censured "the Amateur Athletic Union for being undemocratic, for being backward, for its obstinate refusal to enforce the poor rules it has in a fair and impartial manner, for its vengeful crucifixion of a brilliant American runner * * *"; and

Whereas there is a question as to whether there is any actual need for the Amateur Athletic Union; and

Whereas we strongly urge Congress to take a positive stand against any sort of tyranny in amateur athletics and if the investigation warrants, to enact legislation that will restore integrity to amateur athletics so that the American people may be justly proud of its amateur athletes: Now, therefore, be it

Resolved by the House of Representatives of the State of Kansas (the Senate concurring therein), That we respectfully urge and request the Congress of the United States to investigate the Amateur Athletic Union of America and to take proper action based on its findings; and Be it further

Resolved, That the Secretary of State be directed to transmit a copy of this resolution to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives of the Congress of the United States, and each member of the Kansas delegation in the United States House of Representatives and the United States Senate and to the respective houses of the legislatures of the several States of the United States.

I hereby certify that the above concurrent resolution originated in the House and was adopted by that body March 26, 1957.

JESS TAYLOR,
Speaker of the House.
G. E. ANDERSON,
Chief Clerk of the House.
Adopted by the Senate April 3, 1957.
JOSEPH W. HENKLE, Jr.,
President of the Senate.
RALPH E. BARKER,
Assistant Secretary of State.

(The VICE PRESIDENT laid before the Senate a concurrent resolution of the Legislature of the State of Kansas, identical with the foregoing, which was referred to the Committee on the Judiciary.)

JOINT RESOLUTION OF ILLINOIS LEGISLATURE

Mr. DOUGLAS. Mr. President, I am very glad that the 70th General Assembly of the State of Illinois has recently reaffirmed its support of the basic constitutional principles of equal protection of the laws, our fundamental governmental theory that the Supreme Court is the highest tribunal for the interpretation of those laws, and more specifically the decision of that Court in the historic school cases. It is good to have this formal reminder from the legislature of the State which I am honored to represent in this body that nullification, by whatever name it may be called, is inimical to the Constitution and our Federal system. I therefore ask unanimous consent that Senate Joint Resolution 6 of the 70th General Assembly of the State of Illinois adopted by the senate on March 5, 1957, and concurred in by the house of representatives on March 28, 1957, be printed in the RECORD.

There being no objection, the joint resolution was referred to the Committee on the Judiciary, and, under the rule, ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 6

Whereas the United States Supreme Court and various Federal courts have been subjected to severe criticism as a result of the decisions and decrees in the school segregation and related cases which declare that segregation and discrimination because of race, color, religion, or national origin in public schools and facilities violate the principles of the Constitution of the United States; and

Whereas these decisions and decrees of the United States Supreme Court and various Federal courts have been condemned as a usurpation of and encroachment on the reserved powers of the States by the Supreme Court and Central Government of the United States; and

Whereas the decisions and decrees of the United States Supreme Court and various Federal courts are being condemned, disregarded, and evaded both directly and indirectly by State legislation, procrastination in complying with said decisions and decrees, coercion and intimidation, all under the theory that any State has a right to interpose its sovereignty in opposition to an exercise of power by the Federal Government which that State determines has not been granted by the several States to the Federal Government; and

Whereas all the States of the United States are bound by the Constitution and laws of the United States, including judicial interpretation of said Constitution and laws, until later changed through constitutional processes; and

Whereas the Constitution of the United States provides the manner in which said Constitution and laws of the United States are to be enacted, amended, or repealed; and

Whereas the Constitution of the United States does not permit any State to act in total disregard of any Federal law, court decision, or decree when the State has through an assumption of unconstitutional powers declared that any said law, decree, or decision is unconstitutional; and

Whereas to permit each State to decide of itself by which provision of the United States Constitution, law, judicial decree, or decision it shall be bound would eventually result in the destruction of the Federal system of government: Be it therefore

Resolved by the Senate of the 70th General Assembly of the State of Illinois (the House of Representatives concurring herein), That the United States of America is founded upon the principle that everyone is entitled to equal privileges, opportunities, rights, duties and immunities regardless of race, color, religion or national origin, and any public facility which segregates or discriminates against any person because of race, color, religion or national origin is contrary to said principle; and be it further

Resolved, That segregation and discrimination because of race, color, religion or national origin in public schools and facilities is prohibited by the Constitution of the United States, and no State has the right to maintain at its own expense racially separate public schools or facilities; and be it further

Resolved, That this 70th general assembly go on record as approving and supporting the decision of the United States Supreme Court in the school segregation cases; and be it further

Resolved, That the Supreme Court of the United States is the final arbiter on questions of constitutionality, and any disagreement or dissatisfaction this State may have with any decision or decree of said Court should be resolved through the processes provided by the Constitution and laws of the United States; and be it further

Resolved, That the theory of interposition, whereby the authority of the Government of the United States is disregarded when any State decides it shall interpose its sovereignty in disobedience to that authority, is hereby condemned as a dangerous threat to the Constitution and Federal system of government of the United States; and be it also.

Resolved, That a copy of this resolution be sent by the secretary of state to the President of the United States, to each of the Houses of Congress, to Illinois' Representatives and Senators in Congress, to the governor and legislature of each of the other States, and to the Supreme Court of the United States.

Adopted by the senate March 5, 1957.

JOHN WM. CHAPMAN,
President of the Senate.
EDWARD E. FERNANDES,
Secretary of the Senate.

Concurred in by the house of representatives March 28, 1957.

WARREN L. WOOD,
Speaker of House of Representatives.
FRED W. RUEGG,
Clerk of House of Representatives.

THREE HUNDRED AND FIFTIETH ANNIVERSARY OF SETTLEMENT AT JAMESTOWN, VA.—RESOLUTION OF TEXAS STATE SENATE

Mr. ROBERTSON. Mr. President, my home county of Rockbridge takes great pride in the fact that it was the birthplace of Sam Houston who contributed so much to the independence of the Lone Star State. And all citizens of Virginia take pride in the fact that one of the largest, one of the richest and certainly the most rapidly developing city of the South is named for that Virginia soldier and statesman.

Throughout its period of independence from Mexico as an independent Republic, throughout its period as the largest State in the Union, the ties between Virginia and Texas have been very close. All Virginians, therefore, will be deeply appreciative of the resolution adopted by the State Senate of Texas last week in connection with Virginia's current celebration of the 350th anniversary of the English settlement at Jamestown.

Mr. President, I ask unanimous consent that Senate Resolution 338 of the Texas Senate be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Senate Resolution 338

Whereas 350 years ago 3 small sailing vessels—the *Susan Constant* (100 tons), the

Godspeed (40 tons), and the *Discovery* (20 tons)—carrying 104 souls, sailed from London late in December 1606, in the midst of winter storms which had delayed their departure for many weeks, and which appear, in retrospect, to have portended the hardships and sufferings endured and to be endured in the years ahead by their passengers, and approached the bright and beckoning shores of Virginia, clad in the verdure of springtime; and

Whereas among the company was the intrepid Capt. John Smith, who by his courage, ability, and industry saved the brave band of colonists from complete annihilation from famine and Indian depredations and thereby carved his name high on the scroll of everlasting fame; and

Whereas on May 13, 1607, the 3 sailing vessels landed at a small island in the James River, some 32 miles from its mouth, where the settlement of Jamestown was established, to be followed by years of privation, starvation and death, but which remained as the capital of the Virginia colony for 92 years; and

Whereas this first permanent settlement of Englishmen on the North American continent demonstrated the vitality and virility of the people of the England of that day and age, who, despite the awesome hardships of an untamed wilderness and the enmity of the Indians under the leadership of the great chief, Powhatan, who rightly feared the advent of the colonists, chose rather to suffer affliction in the quest of freedom than to remain in their native land the subjects of tyrannical royalty; and

Whereas the romantic legend of Pocahontas, the young Indian princess, daughter of Chief Powhatan, in saving the life of Capt. John Smith, doubtless assuring the survival of the Jamestown settlement, is a source of pride and is appreciated by the young and the old who are so fortunate as to be familiar with the rich and stirring history of our country; and

Whereas the settlement at Jamestown developed and grew into one of the great Colonies of the Original Thirteen and, following a few years of somewhat disorganized leadership, instituted representative government and adopted free competitive enterprise in America in 1619, thus becoming well-deserving of its sobriquet Old Dominion and subsequently to be known as the Mother of Presidents by reason of having furnished eight of her distinguished sons to the Nation; and

Whereas the names of the famous men of Virginia are legion, and included the peerless Father of Our Country, General Washington, Thomas Jefferson, Patrick Henry, Lighthorse Harry Lee, Matthew F. Maury, Thomas J. (Stonewall) Jackson, and the immortal Robert E. Lee, whose varied abilities represent the versatility and integrity of the true Virginian; and

Whereas in 1699 the capital of the struggling colony was moved from Jamestown to nearby Williamsburg, to serve as the capital until 1780, which latter city has been so magnificently restored by the philanthropy of Mr. and Mrs. John D. Rockefeller, Jr., and which will cooperate and participate in the Jamestown festival; and

Whereas in this richly historical region is situated Yorktown, the scene of the last and decisive battle of the American Revolution, which will observe with appropriate ceremonies the 176th anniversary of the taking of Lord Cornwallis at "past 2 o'clock" in the morning, followed by his surrender to General Washington and Count Rochambeau October 19, 1781, and which community likewise will join in the celebration of the Jamestown settlement; and

Whereas the settlement at Jamestown, assuring an English foothold on the North American Continent, together with the flowering and radiance of colonial life in Williamsburg and the beginning of our Nation's history at Yorktown, are events of unparelleled importance to Western civilization and deserve, yea, demand the cooperation and respect of freedom-loving people throughout the world; and

Whereas no citizens of this great country can more fully appreciate the hardships and achievements of the colonists of Virginia than Texans, be they native born or adopted sons and daughters for, as are Virginians of the Old Dominion, Texans are proud of the heritage of the Lone Star State and well may they be, for hers, likewise, has been, indeed, a glorious history, a land of romance, a land of legend, and a land of song, replete with the heroic sacrifices of soldier, priest, and citizen, all accomplished with a glory and patriotism unexcelled by any people and with whom we proudly share the immortal Gen. Sam Houston: Now, therefore, be it

Resolved by the senate of the 55th Legislature of the State of Texas, That the admiration of the members of this body for the glorious and inspiring heritages, together with the energies of the present and the ambitions of the future of our great sister Commonwealth of Virginia be, and the same is hereby, expressed; and be it further

Resolved, That the gratitude we share and the best wishes we hold for the success of the Jamestown Festival, joined by her sister communities of Williamsburg and Yorktown, in reenacting the scenes of yesteryear and in portraying to Americans the great contributions made by the Founding Fathers of Virginia toward the establishment and achievements of our great land be extended to all those aiding in the gigantic undertaking involved in their presentations; and be it further

Resolved, That copies of this resolution, under the seal of the senate of Texas, be forwarded to His Excellency Hon. Thomas B. Stanley, Governor of the Commonwealth of Virginia; Hon. Conrad Wirth, Director, National Park Service; Hon. Harry F. Byrd and Hon. A. Willis Robertson, United States Senators from Virginia; the president of the Association for the Preservation of Virginia Antiquities; the superintendent of the Colonial National Historical Park; the chairman of the Jamestown Festival; the president of the senate; the speaker of the house of delegates of the Virginia Assembly; Mr. and Mrs. John D. Rockefeller, Jr.; the respective mayors of the participating cities; and the festival reservations bureau.

BEN RAMSEY,
President of the Senate.

I hereby certify that the above resolution was adopted by the senate on April 9, 1957.

CHARLES SCHNABEL,
Secretary of the Senate.

RESOLUTIONS OF CENTRAL COOPERATIVES, INC., SUPERIOR, WIS.

Mr. WILEY. Mr. President, I received today from Donald Lehtinen, director, Central Cooperatives, Inc., of Superior, Wis., a series of resolutions which were adopted at the 40th annual meeting of this organization.

In attendance were delegates representing more than 100,000 local members of cooperatives in Wisconsin, Michigan, Minnesota, and the Dakotas.

The resolutions were the result of discussions held in prior years and in grassroots reviews, and reflect the sentiments of local members up to the leadership of the organizations.

They bear upon such important issues as improvement of the Duluth-Superior Harbor, action on the Federal high dam at Hells Canyon—a proposal which I personally cosponsor—unremitting efforts in the cause of world peace through American partnership with the free world, and, similarly, a ceaseless effort on behalf of sound parity protection for American agriculture, particularly the modest income farm.

I believe these resolutions will be of interest to my colleagues, and I ask unanimous consent that they be printed in the RECORD, and appropriately referred.

There being no objection, the resolutions were appropriately referred, and ordered to be printed in the RECORD, as follows:

To the Committee on Public Works:

"RESOLUTION 2, TWIN PORTS WATER HIGHWAY

"Many resolutions urging the passage of bills to construct the St. Lawrence Seaway have been enacted at previous meetings of Central Cooperatives, Inc.

"The seaway is now under construction, and will result in our Twin Ports of Duluth and Superior becoming important seaports in the heartland of our North American Continent.

"To be assured of having adequate facilities for loading and unloading oceangoing vessels in the Twin Ports, we urge deepening of the channel to the Duluth-Superior Harbor in the immediate future, and we highly commend the formation of port authorities in the two cities."

To the Committee on Interior and Insular Affairs:

"RESOLUTION 4, HELLS CANYON DAM

"This 40th annual meeting of Central Cooperatives, Inc., representing 100,000 cooperative families in the States of Michigan, Minnesota, Wisconsin, North Dakota, and South Dakota strongly urges the construction of the proposed Federal high dam on Snake River. Such a high dam would not only control floods on the Snake River and enable use of the water for irrigation, but would also provide cheap power which is so vital in developing and exploiting western phosphate deposits.

"We also urge that the power generated by the high dam be transmitted by REA lines, so that the energy generated would be available to all users of electricity at rates prescribed by the REA. We are convinced that future generations of Americans will find the Hells Canyon high dam a wise investment for the security and welfare of our Nation. We ask Senators and the Congressmen from the States of Michigan, Minnesota, Wisconsin, North Dakota, and South Dakota to do all in their power to affect the intent of this resolution."

To the Committee on Foreign Relations:

"RESOLUTION 7, WORLD PEACE

"Whereas this 40th annual meeting of Central Cooperatives, Inc., specially commemorates 40 years of peaceful progress and mutual self help in the area it serves; and

"Whereas cooperative members the world over are in deep need of peace for their very existence, because the use of the modern weapons of war such as atomic and hydrogen bombs could bring about the annihilation of all mankind: Therefore be it

"*Resolved*, That this convention appeals to the powers of the world to confine their differences to the councils of the United Nations, use every avenue possible for peaceful solution of world problems, and use nuclear power for the benefit of mankind instead of its destruction."

To the Committee on Agriculture and Forestry:

"RESOLUTION 8, THE NATIONAL FARM PROBLEM

"Whereas Central Cooperatives, Inc., serves 100,000 families in the States of Michigan, Minnesota, Wisconsin, and South and North Dakota, where agriculture is a major source of the economy; and

"Whereas the present alarming national trend continues toward wholesale elimination of small farms by the cost price squeeze; and

"Whereas this trend can and must be stopped by constructive Federal legislation: Be it therefore

"*Resolved*, That this 40th annual meeting of the Central Cooperatives, Inc., reiterates its stand of the past annual meetings, urging our Representatives in Congress to sponsor and support Federal legislation that will give protection to the farm units in the $15,000 gross income group and under, which group represents 70 percent of our farms and contributes so greatly to our economy."

CIVIL RIGHTS—RESOLUTION OF NATIONAL SOCIETY, DAUGHTERS OF THE AMERICAN REVOLUTION

Mr. TALMADGE. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD a resolution on civil rights, adopted by the National Society of the Daughters of the American Revolution at its 66th Continental Congress, held this week in Washington.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

CIVIL RIGHTS

Whereas the right of trial by jury, as guaranteed by the Constitution, is a basic civil right necessary for the protection of the individual from the tyranny of government; and

Whereas the gravest peril exists today to the civil liberties of all the citizens of the United States of America as evidenced by the increasing tendency of the Federal Government to encroach upon and absorb functions properly belonging to the several States, and to exert the powers so usurped by means either of administrative rulings by commissions and other governmental agencies, or by judicial action based on the substitution of injunction and contempt of court procedures for the normal constitutional processes of trial by jury: Be it

Resolved, That the National Society, Daughters of the American Revolution, recommends that the Congress of the United States reject all pending civil rights legislation and recognize the rights of the States to protect all citizens as provided in the Bill of Rights of the Constitution of the United States of America.

RESOLUTION OF LINCOLN COUNTY POMONA GRANGE NO. 10, HARLAN, OREG.

Mr. MORSE. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Lincoln County Pomona Grange No. 10, of Harlan, Oreg. This is a youth resolution, and relates to the child-labor laws.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

YOUTH RESOLUTION

Whereas our present child-labor laws prohibit the employment of youth until the age of 16, except in special cases; and

Whereas youth between the ages of 14 and 18 who seek employment would like something worth while to do; and

Whereas this group of youth are our major problem as far as juvenile troubles are concerned; and

Whereas the program formerly carried on known as the CCC (Civilian Conservation Corps) did many worthwhile things, such as forest camps, parks, lodges, trails, etc., that would not have been done without such a program: Therefore,

We recommend that this Pomona Grange go on record as favoring the establishment of a similar worthwhile program to give our youth employment and worthwhile activity that would be beneficial to the general welfare, thus helping with our juvenile problem: Therefore be it

Resolved by Lincoln Pomona Grange No. 10, Lincoln County, Oreg., in regular session assembled at Lincoln Grange No. 395, on this 9th day of March, 1957, That we recommend to the Congress of the United States that a program similar to the Civilian Conservation Corps be established to give our youth employment and worthwhile activity that would be beneficial to the general welfare; be it further

Resolved, That a copy of this resolution be mailed to Oregon State Grange; to Andrew Naterlin, State senator from Lincoln County; to Thomas R. McClellan, State representative from Lincoln County; and to the five members of Oregon's congressional delegation.

LINCOLN COUNTY POMONA GRANGE
NO. 10.
NEAL MAN, *Master.*
LEONA G. DODSON, *Secretary.*

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. MONRONEY, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 1474. A bill to amend section 401 (e) of the Civil Aeronautics Act, as amended (Rept. No. 251).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PASTORE:

S. 1918. A bill to amend Public Law 31, 84th Congress, 1st session, to increase the authorization for appropriation to the Atomic Energy Commission for the construction of a modern office building in or near the District of Columbia to serve as its principal office; to the Joint Committee on Atomic Energy.

By Mr. BUSH:

S. 1919. A bill for the relief of Antonio Mirabelli; to the Committee on the Judiciary.

By Mr. MARTIN of Iowa:

S. 1920. A bill for the relief of Don I. Mitchell; to the Committee on the Judiciary.

By Mr. BEALL:

S. 1921. A bill for the relief of Maria Goldet; to the Committee on the Judiciary.

By Mr. HILL (for himself, Mr. KENNEDY, Mr. NEELY, Mr. HUMPHREY, and Mr. SMATHERS):

S. 1922. A bill to authorize a 5-year program of grants for construction of medical and dental educational and research facilities, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. FULBRIGHT:

S. 1923. A bill to amend section 2 of the act of June 28, 1879, providing for the appointment of a "Mississippi River Commission" for the improvement of said river from the Head of the Passes near its mouth to its headwaters; to the Committee on Public Works.

(See the remarks of Mr. FULBRIGHT when he introduced the above bill, which appear under a separate heading.)

By Mr. STENNIS:

S. 1924. A bill to establish the level of price support for the 1958 and subsequent crops of upland cotton, and for other purposes; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. STENNIS when he introduced the above bill, which appear under a separate heading.)

AMENDMENT OF ACT PROVIDING FOR APPOINTMENT OF MISSISSIPPI RIVER COMMISSION

Mr. FULBRIGHT. Mr. President, the Mississippi River Commission presently consists of 7 members, 3 of whom are selected from the Corps of Engineers of the Army; 1 from the Coast and Geodetic Survey; and 3 from civil life, 2 of whom shall be engineers.

I introduce, for appropriate reference, a bill which would amend section 2 of the act of June 28, 1879, the act which created the Commission. This amendment would increase the membership of the Mississippi River Commission from 7 to 9 Commissioners; and would provide that 4 Commissioners be selected from the Corps of Engineers of the Army; 1 from the Coast and Geodetic Survey, and 4 from civil life, only 1 of whom shall be a civil engineer. The bill provides further that any Commissioner appointed from civil life shall at the time of appointment be a resident of the State of Missouri, Illinois, Kentucky, Tennessee, Arkansas, Mississippi, or Louisiana. It further provides that no more than one such Commissioner from civil life from any one State shall serve on the Commission at any given time, and in addition provides that any succeeding appointee shall be a resident of the State having the longest period of time without representation on the Commission.

Mr. President, I think this bill will remedy an inequity which has existed for many years, by providing that the States bordering the Mississippi River, which by reason of this fact have the greatest interest in the membership of the Commission, shall be accorded representation on the Commission.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 1923) to amend section 2 of the act of June 28, 1879, providing for the appointment of a Mississippi River Commission for the improvement of said river from the Head of the Passes near its mouth to its headwaters, introduced by Mr. FULBRIGHT, was received, read twice by its title, and referred to the Committee on Public Works.

PRICE SUPPORT FOR 1958 AND SUBSEQUENT CROPS OF UPLAND COTTON

Mr. STENNIS. Mr. President, all of us have been greatly concerned over the declining farm prices and the increased cost of the items the farmer buys. On many fronts, our national economy is prosperous. Personal income is at an all-time peak; the take-home pay and the buying power of factory workers are at an alltime high. By contrast, net farm income has been reduced by 32 percent in the last 10 years. During the

same period, farm prices have gone down 15 percent, and farm costs have gone up 19 percent. The index of prices paid by farmers in January 1957 set a new all-time high of 292. Few farmers can make ends meet under these conditions.

In the case of cotton, we have placed too much emphasis on parity percentage, without regard to income. We have reached the point where controlled allotments have reduced acreage to such an extent that a 90 percent of parity support-price, or a higher one, has lost its meaning in terms of income. In the case of Mississippi, our acreage has been reduced from 2,671,000 acres, in 1953, to an allotment of 1,644,000 acres, in 1957. This represents a reduction of over 40 percent. Thus, a price support of about 150 percent of parity would be required, to give an income equivalent to that of 1953, assuming the same yield and price. The announcement recently made by the Secretary of Agriculture to support cotton at only 77 percent of parity is without justification. This action is not within the true spirit of the law, and will result in additional hardships and inequities.

While our cotton farmers have made great sacrifices in controlling their acreage almost to a breaking point, foreign countries have greatly expanded their annual production to within a few million bales of total foreign demand. Exports during the 1953–55 period were only about 44 percent of exports during the 1920's, even though foreign consumption of cotton had increased more than 60 percent. The world demand for textiles is steadily growing, but the increased demand is being met mainly by foreign cotton and by manmade fibers, rather than by United States cotton.

Mr. President, a long-range cotton program is a necessity in attaining some measure of stability and confidence in the program in the years to come. It is essential that farmers have a fixed foundation on which to build and plan their future farm operations. Some degree of certainty is necessary for the smalltown bankers, merchants, cotton ginners, and the local economy in general, as they plan for the future. We have come to the crossroads, in terms of a more realistic policy for cotton. We must have a major adjustment in our cotton laws, with the objective of establishing a program which will give more cotton acreage, will increase income, and will lend stability to our cotton economy. One of the most shocking effects of acreage cuts and price decline has been the sharp reduction in rural and farm population. The impact of these forces has literally forced many of our small and family-sized farmers off their land.

A recent survey made by the division of sociology and rural life, of Mississippi State College, indicates that only two counties in Mississippi have gained in population since 1950 and that some counties have suffered a loss ranging as high as 29 percent. Since 1950 over one-half of the counties in Mississippi have lost from 1 to 10 percent of their population; one-fourth of the counties have lost from 10 to 15 percent of their population; and one-fourth of the counties have lost from 15 to 29 percent of their population. Most of the loss in Mississippi has been in rural areas and is causing serious impacts on the local economy. If figures were available for other cotton-producing States, I believe the pattern of population loss would be found to be similar.

Looking to the next 2 years, it now appears that it is possible that we may be freed of acreage controls by 1959. However, another huge surplus will certainly follow, if corrective measures are not taken. It is not logical, nor is it sound business, to cut acreage to the bare minimum 1 year, and to permit uncontrolled production the next year. This wide fluctuation in acreage and price will continue to create unnecessary hardships on farmers, ginners, warehousemen, and the cotton industry in general. Our cotton economy cannot absorb the shock of these wide variations. The minimum national allotment for 1958 should be increased to at least 20 to 21 million acres, and an entirely new approach to the problem devised.

We have debated the 90-percent support price formula and the sliding-scale formula for cotton. I am firmly convinced that neither method offers an effective and sound long-range solution for the cotton problem. I believe that we must treat each commodity separately and distinctly, and must formulate for each basic crop a program designed for it, and one which will objectively meet the problems of that crop and will provide adequate safeguards to protect farm income.

We cannot expect a material increase in domestic consumption of cotton until competition is actually met in such a way as to restore confidence to the mills which buy the cotton. Most essential and basic is a program which will increase cotton acreage to such an extent that farmers will have at least a fighting chance to improve income.

The present so-called sliding-scale support program does not provide a remedy for cotton. This plan cuts price and acreage at the same time, creates grave uncertainties, and fails completely in meeting competition. In the final analysis, it means that our farmers are forced to take a heavy cut in acreage, as well as income, without any hope for relief in terms of increased markets.

The competitive export program included in the Agricultural Adjustment Act in 1956 clearly illustrates what can be accomplished through meeting competition. It now appears that over 7.3 million bales will be exported under this program during the current season, as compared to a total cotton export of only 2 million bales for the preceding season. This is certainly encouraging, but the fact still remains that we are not meeting domestic competition. Each day we see synthetics and paper making deeper inroads into the existing markets. Cotton's share of the domestic market has dropped from 81 percent of the total fiber market to 66 percent, as of today. On the other hand, there is a reasonable possibility of expanding our domestic market to 14 or 15 million bales annually, and expanding our exports each year to 6 or 8 million bales, under a program designed to meet competition. This would permit an acreage allotment of 28 million to 30 million acres. If we fail to meet this opportunity, and if our surpluses push us back to a 10-million-bale marketing quota, our national allotment will then be near 12.5 million acres. This would be about 28 percent below the 1957 allotment. Neither our farmers nor the cotton industry can absorb the shock of such a reduction.

Adverse economic conditions facing the farmer, increased cost of production, minimum wage laws, tariff protection for industry, and other governmental aids for business, make it impossible for our cotton farmers to bear the cost of a program which would change cotton parity to a level which would permit cotton to compete for new markets. All mechanical equipment that a farmer uses, including tractors, plows, trucks, and other items, is manufactured by labor that is paid from $1.50 to $3.50 an hour. A Federal law requires that every person connected directly or indirectly with the manufacture of this equipment, including the man who sweeps the factory floor, shall receive not less than $1 an hour for his labor. This same conditions and laws apply to every truck, to every plow, and to every other piece of equipment the farmer buys. Thus, he is faced with an artificial level of prices forced up by law. At $1 an hour for the work actually performed, the cost to the cotton farmer of producing a pound of cotton would be 48 cents for the labor alone. The present market price for cotton is 34 cents per pound. This comparison shows the burden of the farmer, in contrast with the benefits enjoyed by the consumer.

In addition to the protection which labor has, there are other tariffs which apply directly and indirectly to shore up the price of virtually every manufactured product the farmer buys. Our government gives substantial aid to business and industry; subsidizes shipbuilding, navigation; gives favorable tax amortizations and other subsidies. The result of all these activities and agencies is higher prices. The farmer did not create these conditions. He cannot change them. He must pay these prices or lose his farm. There must be some kind of government program to at least partly offset these artificial government policies which directly benefit other segments of our economy.

Mr. President, farming is also a way of life for a great many families and landowners, and is not primarily a business concern. Therefore, any cotton program is unsound if it does not give special consideration to the small, family-size farmer. This group of farmers, especially the small ones, has been neglected by this administration and by previous administrations; and corrective measures must be taken in our agricultural laws, to give them more adequate consideration.

There are several possible approaches to formulating a more constructive program for cotton which would better serve agriculture and meet the foregoing problems.

For some time I have thought the soundest approach was in providing for an allotment of acreage sufficient to grow enough cotton to meet domestic needs,

with a special price support to cover this production. Under this plan, cotton for the world market would be grown on additional acreage, with or without a specific allotment, depending on existing conditions as to the amount of surplus cotton on hand. Because it included these sound, basic features, last year I spoke in favor of and supported the Russell amendment to the 1956 agriculture bill.

With the passing of time, the necessity for a new approach to the problem becomes clearer and clearer. In considering and working on this problem over a period of many months, I have prepared a bill, and I present it to the Senate for consideration. Mr. President, I introduce, for appropriate reference, a bill which has the following as its main features, all directed to meeting the pressing problems confronting the American cotton farmer:

First. Provision is made for a national acreage allotment equal to the acres required to supply estimated domestic consumption, plus estimated production for exports, which for 1958 would be approximately 20 to 21 million acres. This acreage would be allotted to the States, counties, and farms on the basis of the present formula, with a domestic allotment and an export allotment for each farm. A price support of 95 percent of parity would be given on cotton produced under the domestic allotment, and a price support of 75 percent of parity on that produced under the export allotment. A Government loan would be available at 75 percent of parity, and cotton producers would receive an adjustment payment on the domestic allotment equal to the difference between 75 percent and 95 percent of parity.

Second. The bill further provides that the farmers shall vote whether they prefer to operate under the present flexible support system or under this combination domestic export allotment plan.

Third. The bill provides that any unused part of the soil bank funds for 1958 shall be used to meet a portion of the cost of this domestic export allotment plan.

Fourth. Special consideration is also given to our small farmers with an allotment of five acres or less by providing a support price of 95 percent of parity for all cotton produced on such acreage.

The estimated cost of this program to the Federal Government for the first 2 years will be less than one-half of the cost of the present program.

Mr. President, I believe the foregoing program is a sound approach toward meeting the primary problems of giving better protection for farm income, restoring stability and confidence to the cotton economy, and objectively meeting competition. Certainly, we do not have an adequate program now. This critical problem should be fully studied by the Committees on Agriculture in both the House and Senate, as well as by all interested parties with the purpose of developing a sound, long-range cotton program. I hope this bill and the points I have raised here will stimulate constructive thinking on this highly important subject. I believe these major considerations will prove to be the foundation for sound, constructive legislation on the subject.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

The PRESIDING OFFICER (Mr. THURMOND in the chair). The bill will be received and appropriately referred, and, without objection, the bill will be printed in the RECORD.

The bill (S. 1924) to establish the level of price support for the 1958 and subsequent crops of upland cotton, and for other purposes, introduced by Mr. STENNIS, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That, subject to the provisions of section 2 of this Act, beginning with the 1958 crop production adjustment and price support programs for upland cotton shall be carried out by the Secretary of Agriculture in accordance with provisions of the Agricultural Adjustment Act of 1938, as amended, the Agricultural Act of 1949, as amended, and the Soil Bank Act except that—

(1) The national marketing quota shall be a number of bales equal to the estimated domestic consumption plus exports of cotton for the marketing year beginning in the calendar year in which such quota is proclaimed. The percentage of the national marketing quota for domestic consumption shall be determined by dividing the total of such estimates of domestic consumption and exports into the estimate of domestic consumption, and the percentage of the national marketing quota for exports shall be determined by dividing the total of such estimates of domestic consumption and exports into the estimate of exports. The percentages so determined shall be referred to herein as the "domestic percentage" and the "export percentage";

(2) The domestic percentage and the export percentage shall be applied to each farm acreage allotment established pursuant to section 344 of the Agricultural Adjustment Act of 1938, as amended, to obtain the farm domestic allotment and the farm export allotment;

(3) The level of price support to cooperators for any crop of upland cotton for which producers have not disapproved marketing quotas shall be 75 percent of the parity price for upland cotton as of June 1 of the calendar year in which such crop is produced;

(4) The Secretary shall make equalization payments to cooperators on the farm normal yield multiplied by the farm domestic allotment (or, in the case of a farm having a farm cotton acreage allotment of five acres or less, by the farm cotton acreage allotment). Such payments shall be at a rate equal to the amount by which 95 percent of the parity price for upland cotton as of June 1 of the calendar year in which the crop is produced exceeds (A) the average farm market price for upland cotton for the first three months of the marketing year, or (B) 75 percent of such parity price, whichever is larger; and

(5) Funds available for cotton payments under the Soil Bank Act which are not required for such payments shall be used to make the equalization payments provided for in this section, and, insofar as such funds are insufficient for such equalization payments, the Secretary is authorized to use funds of the Commodity Credit Corporation for making equalization payments.

SEC. 2. The foregoing provisions of this Act shall become effective only if a majority of those voting in a referendum, which shall be held by the Secretary not later than December 15, 1957, of farmers engaged in the production of the 1957 crop of cotton, vote to approve the program set forth in such provisions.

SEC. 3. Section 303 of the Agricultural Act of 1956 is amended by changing the first sentence of subsection (e) to read as follows: "The amendments made by this section shall be effective with respect to the 1957 and succeeding crops."

SEC. 4. Section 377 of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:

"SEC. 377. In any case in which, during any year for which acreage planted to such commodity on any farm is less than the acreage allotment for such farm, the entire acreage allotment for such farm shall be considered for purposes of future State, county, and farm acreage allotments to have been planted to such commodity in such year, but only if the owner or operator of such farm notifies the county committee prior to the thirtieth day following the beginning of the marketing year for such commodity of his desire to preserve such allotment. This section shall not be applicable in any case in which the amount of the commodity required to be stored to postpone or avoid payment of penalty has been reduced because the allotment was not fully planted. Nothing herein shall be construed to permit the allotment to any other farm of the acreage with respect to which notice is given under this section."

AMENDMENT OF PUBLIC-ASSISTANCE PROVISIONS OF SOCIAL SECURITY ACT—ADDITIONAL COSPONSOR OF BILL

Mr. MANSFIELD. Mr. President, on April 4, 1957, the Senator from Minnesota [Mr. HUMPHREY], for himself and the Senator from Rhode Island [Mr. PASTORE], introduced the bill (S. 1793) to amend the public-assistance provisions of the Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of Federal funds. The bill remained on the desk until the close of business on April 15, and several additional cosponsors added their names. The name of the junior Senator from Oregon [Mr. NEUBERGER] should have been added to the list of cosponsors, but was inadvertently omitted.

The Senator from Minnesota [Mr. HUMPHREY] is absent today on official business, but as the sponsor of S. 1793, he has asked me to make the cosponsorship of this bill by the Senator from Oregon [Mr. NEUBERGER] a matter of record. At such time as the bill is reprinted, the name of the Senator from Oregon should appear as an additional cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF FEDERAL FOOD, DRUG, AND COSMETIC ACT, RELATING TO THE PROHIBITION OF CHEMICAL ADDITIVES IN FOOD—ADDITIONAL COSPONSOR OF BILL

Under authority of the order of the Senate of April 16, 1957, the name of Mr. SPARKMAN was added as an additional cosponsor of the bill (S. 1895) to protect the public health by amending the Federal Food, Drug, and Cosmetic Act to prohibit the use in food of chemical additives which have not been adequately

tested to establish their safety, introduced by Mr. HILL (for himself and Mr. SMITH of New Jersey) on April 16, 1957.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. MANSFIELD:

Address delivered by him before the Executives Club on Friday, April 12, 1957.

ANNOUNCEMENT OF FURTHER HEARINGS BY SUBCOMMITTEE ON RAILROAD RETIREMENT

Mr. MORSE. Mr. President, for the information of the Senate, I wish to announce the resumption of hearings on May 1 by the Subcommittee on Railroad Retirement. Three days of hearings have been held on S. 360, S. 945, and S. 1313. Since the recess of hearings, two additional bills have been introduced, S. 1630 and S. 1651.

As chairman of the subcommittee I announce hearings on May 1, 2, 3, and 6 to complete the testimony on all of these bills by the carriers, the Railway Labor Executives Association and the Railroad Retirement Board.

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. McCLELLAN. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Francis Everett Van Alstine, of Iowa, to be United States attorney for the northern district of Iowa for a term of 4 years. He is now serving in this office under an appointment which expires May 21, 1957.

Roy L. Stephenson, of Iowa, to be United States attorney for the southern district of Iowa for a term of 4 years. He is now serving in this office under an appointment which expires May 21, 1957.

John F. Raper, Jr., of Wyoming, to be United States attorney for the district of Wyoming for a term of 4 years. He is now serving in this office under an appointment which expired April 16, 1957.

Roland A. Walter, of Iowa, to be United States marshal for the southern district of Iowa for a term of 4 years. He is now serving in this office under an appointment which expires May 21, 1957.

On behalf of the Committee on the Judiciary notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Friday, April 26, 1957, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

AMENDMENT OF ROBINSON-PATMAN ACT, RELATING TO EQUALITY OF OPPORTUNITY

Mr. DIRKSEN. Mr. President, on Friday, April 12, I received unanimous consent to have inserted in the CONGRESSIONAL RECORD a list of persons and organizations who were opposed to S. 11, a bill to amend the Robinson-Patman Act. More than 56 such persons and organizations were listed in opposition; 18 persons and organizations were listed in favor of S. 11.

The list of persons and organizations against S. 11 continues to grow—indicating a far greater interest in S. 11 this year than was shown in 1956. I ask unanimous consent that a list of organizations and persons who have indicated their opposition to S. 11 be printed at this point in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

PERSONS AND ORGANIZATIONS WHO HAVE SUBMITTED A MEMORANDUM IN OPPOSITION TO S. 11

Illinois Bar Association, Manufacturers Chemist Association (Henry Fowler), Bernard L. Majewski, American Bakers Association, the Empire State Petroleum Association, William Simon, Ohio Petroleum Marketers Association, A. G. Stone, M. C. Junkin Corp., of Charleston, W. Va., Drug-Chemical and Allied Trades Section of New York, Milton Handler, professor of law, Columbia University, American Hard Rubber Co., Formed Steel Tube Institute, National Retail Lumber Dealers Association, Alabama State Chamber of Commerce, National Beet Growers Federation, the American Mining Congress, National-American Wholesale Lumber Association, Earl J. Hurd, attorney, Albert E. Scherm, United States Rubber Co., the Universal Clay Products Co.

Clayton Mark & Co., Evanston, Ill.; Hill Transformer Co., Inc., California; Henrite Products Corp., Ohio; R. B. Lautner, West Virginia; E. J. Carter, New York; T. D. Higgins, Jr., Ohio; Gardner Board and Carton Co., Ohio; Berkshire Papers, Inc., Chicago; John D. Conner, Monsate Chemical Company for Chicago, Ill., and St. Louis, Mo.; International Minerals & Chemical Corp.; Otis H. Ellis, attorney; Barrett Division, Allied Chemical; Bestwall Certain-teed Sales Corp.; Blue Diamond Corp.; Cardiff Gypsum Co.; Celotex Corp.; Connecticut Adamant Plaster Co.; Fibreboard Paper Products Corp.; Samuel H. French & Co.; Grand Rapids Plaster Co.; Kaiser Gypsum Co.; National Gypsum Co.; The Ruberoid Co.; Union Gypsum Co.; United States Gypsum Co.; R. Barraclough, Petrolia, Pa.; M. L. Courington, Jr., Park Forest, Ill.; J. J. Nowicki, C. Reiss Coal Co.; A. H. Eustis, Boston, Mass.; V. A. Romito, General Chemical Division, Marcus Hook, Pa.; Donald MacLean, California & Hawaiian Sugar Refining Corp.; Frank R. King, Washington, D. C.; T. C. Fogarty, Continental Can Co., Inc., New York; M. D. Griffith, New York Board of Trade, Inc.; Thomas Jefferson Miley, Commerce & Industry Association, New York; M. A. Varela, Chicago; S. B. Taylor, Parker Appliance Co., Cleveland, Ohio; R. G. Jeter, B. F. Goodrich Co., Akron, Ohio; Edward E. Bohnsack, Independent Oil Co., Davison, Mich.; Hal Barich, Seamless Rubber Co., New Haven, Conn.; F. M. Morton, Chester, N. J.; John T. Huels, Fairfield, Ala.; George W. Geyer, Geyer Lumber & Coal Co., Chambersburg, Pa.; Townsend M. Gunn, Metals & Controls Corp., Attleboro, Mass.; O. A. Amidon, Fair Lawn, N. J.; A. Hanchett, New York; J. A. Morse, Barrett Division, Toledo, Ohio; G. L. Walter, Baton Rouge, La.; Herbert Levy, Lone Star Bag Bagging Co., Houston, Tex.; John C. Esher, Staten Island, N. Y.; Harry B. Hilts, Empire State Petroleum Association, New York.

J. J. Porter, Pompton Plains, N. J.; W. H. Brumfield, Syracuse, N. Y.; Clark J. A. Hazelwood, McGraw Electric Co., Milwaukee; J. E. Shand, Upper Montclair, N. J.; James Macke, Ranco, Inc., Columbus, Ohio; C. P. Hackett, Syracuse, N. Y.; David M. Gooder, Illinois State Bar Association; J. F. Daly, National Aniline Division, New York; John D. Wallace, Morristown, Tenn.; L. I. Adams, San Francisco; O. A. Kitto, Fayetteville, N. Y.; Robert Roberts, Toledo, Ohio; Stanton N. Labare, Barrett Division, Norwood, N. Y.; Charles F. Lewis, Volunteer Portland Cement Co., Knoxville, Tenn.; Karl R. Zimmer, Zimmer Paper Products, Indianapolis; N. H. Rudeen, Minneapolis, Minn.; Charles H. Jones, Milton, Mass.; G. W. Matthews, Elm Grove, Wis.; Raymond W. Hess, Buffalo, N. Y.; F. J. O'Connell, Garden City, N. Y.; A. C. Hobbie, Pittsburgh Plate Glass Co., Moorestown, N. J.; Clarence B. Hausmann, New York; R. Largent, Camillus, N. Y.; Ernest E. Duque, Los Angeles; O. H. Schwanger, Elizabethtown, Pa.; Borden S. Chronister, Hopewell, Va.; Harry S. Fuguson, South Orange, N. J.; A. J. White, Kingsport Oil Co., Kingsport, Tenn.; L. S. Clark, Twin City Hardwood Lumber, St. Paul, Minn.; C. S. Parke, The Harshaw Chemical Co., Cleveland; James N. Grove, Detroit, Mich.

SCHOOL CONSTRUCTION

Mr. MARTIN of Pennsylvania. Mr. President, at this time there is much discussion relative to the financing of schools, particularly school buildings. I ask unanimous consent to have printed in the body of the RECORD a very able discussion of this subject which appeared in an editorial entitled "Will We Trade In Our Old Schools?" The editorial was published in the Washington (Pa.) Observer.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WILL WE TRADE IN OUR OLD SCHOOLS?

Perhaps we're going to start trading in our old schools the way we do automobiles.

Schools being built in this State under the State Public School Building Authority plan are financed for 40 years, on a rental system which brings a deed at the end of that time.

But a lot of school buildings which approach that age are now considered obsolete, unless they are remodeled and modernized.

Are we going to be asked by State educational authorities to build new schools before the "obsolete" ones are paid for? If so, will the local districts which are "renting" these buildings get credit for their rental investment, or will it remain in the books of the authority?

Or, if "obsolete" but unpaid-for buildings must be modernized, will the "renting" district have to pay for the work, or will the Public School Building Authority do it? It's pretty certain that this question will be answered by the State rather than by the districts concerned.

Will present methods of financing new schools lead to the kind of financing done by those motorists who never really own their cars? It would seem so.

It would go a little farther, it would seem. For the financing Public School Building Authority and the State Council of Education would be the agencies which would determine when new schools must be built or the old ones modernized.

It still looks a bit as though the old method of financing new schools—through local banks and home agencies—might be more advantageous in the end.

But that wouldn't suit the politician who thrives on State control of institutions. It would be a blow to bureaucrats.

Perhaps in a lot of instances, however, necessary new buildings cannot be financed at home. But it's nevertheless true that financing through the State is the best of all ways to yield to the State a large part of

what school control the people and the local boards have left.

It's equally true that for every bit of authority taken away from the home folk and given to State or Federal Government another bit of freedom passes from the people into the hands of the politicians and bureaucrats. It's time for the people to ask themselves, "Do we want this to happen?"

We must have schools. We must have good schools and good teachers if we are going to keep our freedoms. But will good education retain our freedom for us if the very instruments through which that freedom is given are monopolized by those who would centralize our school system and controls? We think not.

SPECIFICATIONS FOR THE CONSTRUCTION OF GRAND CANYON DAM

Mr. KUCHEL. Mr. President, in southern California approximately 7 million persons depend to a very great extent for a supply of water from the Colorado River. They also depend to a very marked degree on the development of electricity at Hoover Dam, through which the waters of the Colorado River flow, for the power necessary to carry on their economy.

A short time ago the Secretary of the Interior announced his specifications for the construction of Glen Canyon Dam, which was authorized by the Congress at the last session. The persons whose responsibility it is to care for the rights of the people of California to their rightful share of the Colorado River have raised serious questions to the manner in which those specifications are worded. They fear severe damage to the interests of the people of my State.

I wish to say to my distinguished friend, the very able senior Senator from Arizona [Mr. HAYDEN], that representatives of the people of Arizona likewise have registered objection to the specifications for the construction of Glen Canyon Dam, as those specifications have been announced by the Department of the Interior.

I have written to the Secretary of the Interior a letter in which I have asked him to hold hearings on the questions which have been raised, to consult with California, and lower basin representatives to allay the apprehensions which have arisen, and to demonstrate in advance that when Glen Canyon Dam is constructed, it will be constructed completely in a fashion which will do no damage to the rights of the people who live in the lower Colorado River Basin. It would be my sincere hope that a composition of views might be readily and speedily obtained.

I ask unanimous consent that a copy of my letter to the Secretary of the Interior be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
April 16, 1957.

The Honorable FRED A. SEATON,
Secretary of the Interior,
Washington, D. C.

MY DEAR MR. SECRETARY: You are fully aware, I know, of the urgent concern of water and power users in California that construction and operation of Glen Canyon Dam and powerplant might adversely affect their supplies of water and power derived from the Colorado River. It has been gratifying to me to note Commissioner Dexheimer's press release of April 10, 1957, stating that the requirements and rights of lower-basin interests will be respected in the construction of the Glen Canyon unit.

Without in any way disparaging the reassurances expressed by officials of your Department, nevertheless, it seems to me that the extreme gravity of the matters involved warrants more direct treatment of the protests made by our California water representatives. I need not detail to you how vital to California people is the uninterrupted flow of water and power from the Colorado River. Nor is it necessary to recall the many binding safeguards provided in law and compact which are designed to protect established rights under the "law of the river" and the contracts with the United States, including the most recent one explicitly provided by the Colorado Storage Project Act, which authorizes construction of the Glen Canyon unit.

Specific exception has been taken by California interests to certain elements in the specifications for construction of Glen Canyon Dam. It has been asserted that construction pursuant to those specifications could result in severe curtailment of water and power supplies that are assured to California by laws and contracts. Such curtailment would be unlawful. It would cause grievous injury to 7 million people living in southern California and would wreak disastrous damage to the agriculture and industry of the State.

A question has been raised about certain aspects of the structure design as they may bear on its safety, stability, or effectiveness.

Of course, I do not attempt to evaluate the technical engineering questions that may be involved in this problem. This is for engineers to resolve. It is, however, of immediate concern to me as a member of the United States Senate from California, that your Department should not start construction of a tremendous dam while the interests most vitally and most immediately affected have any reasonable basis for fearing great potential damage therefrom. In addition to my primary concern for the potential damage to people and property in California, I am mindful that any revisions of plans necessary by reason of the validity of these considerations should be made prior to award of the construction contract. One reason for this is that, were such revisions delayed until after award of the contract, the United States might be liable for substantial increases in construction costs.

All these reasons are persuasive to me that your Department should promptly seek composition of the views of the interests affected—and I refer specifically, but not exclusively, to the California interests. It is possible that such a composition of views might be effected readily. That is my sincere hope. In any event, I believe that such composition of views should be effected prior to any contractual commitment that might obligate the United States with respect to construction of the dam and powerplant pursuant to the specifications to which objection has been taken. I have great confidence that you will agree with me in this view.

To this end, I respectfully urge that you withhold the award of the construction contract pending resolution of the objections of Arizona and California to the designs and specifications. It would be my hope that this would not extend unduly the time normally required for contractual procedures leading to award of a contract of this magnitude. However, the possible adverse consequences of the present specifications are so great that the time afforded to such composition of views should be adequate for the possibly complex technical consideration that may be required.

My recommendation in this regard is that you provide for two stages of consultation with affected lower basin interests. One stage should be at the secretarial level for departmental determination of the policy foundation relative to administrative actions in construction and operation of the Glen Canyon unit, the most important of which would be assurance that progress of the work would at all times be consonant with proper protection to established rights of the lower basin.

A second stage of consultation should be at the technical level. This could be accomplished by collaboration by the engineering representatives of the lower basin interests with your chief engineer, members of his staff, and the board of consultants that I understand you are providing.

I am informed that the Colorado River Board of California is in a position to represent California interests in this matter. They will exert every energy to bring to rapid conclusion a satisfactory composition of views to the end that construction schedules may not be disrupted.

I am very hopeful that the recommendations I have urged will be followed, as I feel they offer a prompt and equitable method to resolve the issues I have presented.

May I hear from you?

Sincerely yours,

THOMAS H. KUCHEL,
United States Senator.

Mr. HAYDEN. Mr. President, will the Senator from California yield to me?

Mr. KUCHEL. I yield.

Mr. HAYDEN. The situation referred to by the Senator from California was brought to my attention by certain citizens of Arizona. I am satisfied—after talking with the Commissioner of Reclamation—that the matter can be adjusted; and that the release of the waters at the dam will be under the control of the Director of Reclamation, and he will act in accordance with the laws which relate to the river.

Mr. KUCHEL. Mr. President, the specific questions raised by officials from California are serious ones. I believe the Interior Department should, in the public interest, arrange suitable conferences, both policywise and of a technical or engineering nature, so that, with respect to the construction of Glen Canyon Dam, present apprehensions may be removed, and an unassailable solution can be amicably arrived at.

Mr. HAYDEN. That will depend on the assurances we receive. If we receive the proper assurances, it will not be necessary to hold a meeting. If we do not receive the proper assurances, a meeting may become necessary.

Mr. KUCHEL. I thank the Senator from Arizona.

RETIREMENT OF COL. SCOTT P. HART AS MONTANA HIGHWAY ENGINEER

Mr. MANSFIELD. Mr. President, one of Montana's truly devoted civil servants in State government, Col. Scott P. Hart, has resigned from his post as State highway engineer. This announcement was received with regret, because the people of Montana will miss his valuable services.

I have known Scott Hart for a number of years, and he has been most cooperative as chief engineer for the Montana State Highway Commission, under both Democratic and Republican State administrations. He is noted for his efficiency and ability to get work done despite the political atmosphere which hangs over the State capitol.

Scott is quoted as saying that he has been around a long time and that he wants to turn the workload over to younger men. However, I certainly hope that retirement will not mean the last of his contributions to the Treasure State, as Montanans will need his advice and counsel in the years to come.

I ask unanimous consent that an editorial prepared by J. R. Larcombe and published in the Phillips County News be printed in the RECORD at the conclusion of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SCOTT HART RETIRING AS HIGHWAY ENGINEER

(J. R. Larcombe in Phillips County News)

The many friends of Col. Scott P. Hart will regret that he finds it necessary to resign his post as chief highway engineer but they will also wish him well as he enjoys the pleasures of retirement. As Hart says himself, he has been around a long time and if he wishes younger men to carry the load now, that is his privilege.

Scott Hart is northeast Montana "property" inasmuch as he really got his Montana highway start at Poplar and Wolf Point as Roosevelt County surveyor. He became State "property" in 1923, though, and since then has given Montana loyal and efficient service in every post handed to him. He is rather unique in that despite long residence in the supercharged political atmosphere of the State capital he has never been involved in any of the bickering and infighting which more than once has disturbed the highway commission. He figured his job was to work; let others do the feudin' and fussin'.

Colonel Hart told this writer last winter that he and Mrs. Hart would keep their home at Helena when retirement time came. A pretty good place to live, Scott allowed, so why move? Knowing Scott as we do, we imagine he'll get along all right at whatever form of "puttering" he elects as his major hobby, so we join his other friends in wishing him well and thanking him for his unselfish services to Montana.

INVESTIGATION OF THE FINANCIAL CONDITION OF THE UNITED STATES

Mr. STENNIS. Mr. President, I should like to commend the membership of the Senate Committee on Finance for the unanimous action taken at the meeting on April 12 in adopting the resolution providing for a study and an investigation of the financial condition of the United States.

I feel that such an inquiry is long overdue. The subjects specifically mentioned in the resolution indicate that the approach will be broad and comprehensive: First, the revenues, bonded indebtedness, and interest rates on all public obligations including contingent liabilities; second, policies and procedures employed in the management of the public debt and the effect thereof upon credit, interest rates, and the Nation's economy and welfare; and third, factors which influence the availability and distribution of credit and the interest rates thereon as they may apply to public and private debt.

The subject matter is of major national importance.

For several reasons, I feel that a Congressional investigation is the logical approach to this problem. First, any indicated corrective legislation must originate in the Congress. Second, the competent professional staff has proved to be a flexible nucleus capable of expansion to meet the needs of special investigations such as this. The expense and administrative details of building up and closing down a temporary agency are avoided when a permanent standing committee's staff and facilities are utilized. Third, the membership of the cognizant Congressional committee has, through experience, a high degree of familiarity with the subject matter under study and investigation.

I am confident that the Finance Committee, under the able chairmanship of the distinguished senior Senator from Virginia [Mr. BYRD] will do an excellent job of developing the whole picture of the Nation's economy.

Membership of that committee includes a fine cross section of Members of the Senate whose experience and background have well qualified them for such an undertaking, and I feel that the job will be done promptly, thoroughly, and efficiently, to the great benefit of us all.

TWO-WAY CULTURAL EXCHANGES

Mr. WILEY. Mr. President, more than two dozen members of the diplomatic corps in Washington, D. C., have kindly responded to an inquiry which I had submitted to them on two-way cultural exchanges with the United States.

I am glad to report splendid responses from ambassadors whom I had contacted.

The sum total of these responses is rather lengthy. But since the replies represent the views of so many individual nations, and are so exceedingly constructive, I believe that the space necessary to reprint them will prove more than worth while.

The texts are carried in their entirety, with the exception of minor introductory omissions.

I ask unanimous consent, therefore, that the ambassadors' replies to my inquiry be printed at this point in the body of the RECORD, preceded by a further descriptive statement on my part.

There being no objection, the statement and communications were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

MORE THAN TWO DOZEN AMBASSADORS RESPOND TO SENATOR WILEY'S INQUIRIES ON TWO-WAY CULTURAL EXCHANGES

How can we improve and strengthen our relations with the free world?

I am sure that this basic question has occurred at various times to every single Member of this Chamber.

MANY TYPES OF INTERNATIONAL EXCHANGE

The answer is, of course, through economic, political, spiritual, cultural, and other ties.

Each of these friendly links—each of these people-to-people and government-to-government ties—plays an important role.

We and our friends cannot slight economic contacts, or political or spiritual or cultural or constructive relations in almost any other field of endeavor.

The world has been shrunken. We are next door neighbors to all mankind in every sense of the term.

In recent weeks, I have been doing what I could to help cement ties among the nations of the world especially along cultural lines. So, too, in past times, I have, of course, done everything I could to promote constructive relationships in other fields.

MY RECENT TWOFOLD QUESTION TO EMBASSIES

As will be recalled, in the March 18 CONGRESSIONAL RECORD, on page 3806, I reported that I was sending to members of the diplomatic corps here in Washington a letter of inquiry.

I asked the ambassadors a twofold question:

(a) How do you feel about the significance of improved cultural relations between our two peoples? And

(b) What do you think might be specifically done further along this line?

And I indicated that I would, with their kind permission, quote from their responses in further public remarks.

SPLENDID REPLIES FROM AMBASSADORS

I am delighted to say that the ambassadors' responses were not only uniformly excellent, but were exceedingly constructive.

I have received acknowledgments by telephone, letter, and in person from virtually all of the members of the corps whom I was asked to contact within a limited period of time and with my limited facilities.

Additional ambassadorial replies are on the way, based upon information which is being compiled at the present time.

EXCELLENT SUGGESTION FROM INDONESIAN AMBASSADOR

Among the most constructive suggestions was one made by his excellency, Ambassador Moekarto Notowidigdo, of Indonesia.

The ambassador suggested that there be set up a committee through which cultural attachés of the embassies could get together and talk over this general matter. Perhaps from such a formal or an informal organization could come some valuable techniques, for not only bilateral exchange, but multilateral exchange.

I ASKED COMMITTEE CONSULTANT, MR. CAHN, TO CONTACT EMBASSIES

I then asked a member of the professional staff of our committee, Mr. Julius N. Cahn, to take up the ambassador's splendid suggestion with a number of the embassies.

I am pleased to state that he reported that the response was unanimously favorable.

MANY EXISTENT CULTURAL CONTACTS

Of course, a great deal of cultural contact already takes place, particularly through our friends in the Organization of American States and through other means.

Obviously, however, there is a deeply felt need for further helpful activity along this line.

And so, I hope that from this proposed Cultural Attachés Committee will come a further mutually helpful approach.

May it help fulfill the highest objectives of our friends and ourselves in contributing to world peace, understanding, and good will.

EXPLORATORY MEETING SOON AT INDONESIAN AMBASSADOR'S

The Indonesian Ambassador has generously indicated that he will gladly make

available his Embassy as a meeting place for the committee.

I expect therefore to communicate again shortly with members of the diplomatic corps to advise them of the time of the proposed initial meeting. I will respectfully invite them, if they are interested, to designate their cultural attachés to represent the ambassadors at the meeting. I will ask the State Department to designate an individual, as well, to sit in, along with a representative of the Senate Foreign Relations Committee staff.

The purpose is purely exploratory, and is intended solely to provide an avenue of additional contact for our neighbors throughout the world and ourselves.

Finally, let me note that I have taken and propose to take these steps as an individual United States Senator. I hope that through these steps, we may so to speak, plant seeds, that is, provide a basis for further flowering of relations within the free world.

INTEREST OF OTHER SENIOR MEMBERS OF COMMITTEE

This has been my purpose during my 18¼ years as a Member of the Senate, particularly during my 2 years of service as chairman of the Senate Foreign Relations Committee in 1953 and 1954, and now as senior Republican on that committee.

I feel confident that my able and distinguished successor, my colleague from Rhode Island [Mr. GREEN], chairman of our committee, shares my feelings, for he has, throughout his long and busy career, been deeply interested in the arts.

So, too, the ranking Democratic member of our committee, Mr. FULBRIGHT, is I know deeply interested in this type of subject, especially because one of the great programs of good will in the postwar era, proudly bears his name. I refer of course to the Fulbright exchange program of students, teachers, and others.

In this particular instance, I am referring, however, to the exchange of artists—musicians, painters, ballet troupes, and the like.

LETTERS FROM THE AMBASSADORS

KEDUTAAN BESAR INDONESIA,
EMBASSY OF INDONESIA,
Washington, D. C., March 28, 1957.

The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WILEY: I am most interested in receiving your letter of March 27 and heartily endorse your concept of the importance of furthering cultural relations between the countries of the world.

As I am sure you know, various American artists who have visited Indonesia, among them Martha Graham and Marian Anderson, received a great response in my country and in addition helped dispel the misconception which unfortunately often exists among other peoples that the culture of the United States consists of jazz music and second-rate gangster movies. As an additional example, I might cite the visit to this country of the Dancers of Bali in 1952, whose sell-out performances in New York and other cities throughout the United States demonstrated the enthusiasm and interest the culture of Indonesia evoked among the American people.

You ask what I think might be specifically done further along the line of cultural exchange and here my suggestion would be that a committee be set up in which the cultural attachés of the different embassies in Washington be asked to participate and give their views and assistance.

With appreciation for your interest in this important and worthwhile matter and with kind regards, I am,

Sincerely yours,
MOEKARTO NOTOWIDIGDO,
Ambassador of Indonesia.

EMBAJADA DE CUBA,
Washington, D. C., April 5, 1957.

Senator ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WILEY: With much pleasure I acknowledge the receipt of your letter of March 27 last, cordially expressing your desire to receive my opinion in connection with two significant aspects of free world cultural relations; the significance of improved cultural relations between our two peoples, and what can be done along said lines.

The fact that Cuba and the United States are very close socially, politically, economically, and geographically, does not constitute a reason to take for granted the many phases of cultural relations that could be stimulated between the two countries.

Cuba has many outstanding artists and composers who are practically unknown to the American public; also painters and writers whose talents have yet to be discovered in this country.

Perhaps one of many ways that could be employed to raise the interest of those artists would be to give ample publicity to whatever grants or scholarships are offered by the corresponding American agencies and institutions, since in many instances the existence of those cultural facilities are not known to those who could be most representative of our true and respective cultures.

Our First Secretary, Dr. Mario Nuñez, who is in charge of public affairs at the Embassy, has been in contact with your consultant, Mr. Julius N. Cahn, and in my behalf, as I express to you at this time, he has indicated the desire to cooperate in every way possible to the success of your very important program for the improvement of free world cultural relations.

With kindest personal wishes, believe me,

Sincerely yours,
MIGUEL ANGEL CAMPA,
Ambassador of Cuba.

EMBASSY OF GUATEMALA,
Washington, D. C., April 4, 1957.

The Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR WILEY: This is to acknowledge receipt of your kind letter dated March 27, 1957, requesting my comments on the general importance of improving free world cultural relations.

I am pleased to see that you have contacted me asking my opinion on the above mentioned subject and let me inform you that it will be a pleasure to do this work on such an important topic that concerns all the people of the Western Hemisphere.

In accordance with this purpose, I will send you my comments on the matter in the near future in order to accomplish this work. I am sure that Mr. Julius N. Cahn, a good friend of ours, will be of great help to us.

With my best wishes, I am,

Sincerely yours,
JOSÉ LUIS CRUZ-SALAZAR,
Ambassador.

EMBAJADA DE LA REPUBLICA ARGENTINA,
Washington, D. C., April 5, 1957.

The Honorable ALEXANDER WILEY,
Senator from Wisconsin,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WILEY: It has given me great pleasure to read your letter of March 26, 1957, and to study carefully the CONGRESSIONAL RECORDS of March 18 and 21 that you were kind enough to send me.

I believe your plan to create the National Cultural Center in the District of Columbia as well as the International Cultural Exchange and Trade Fair Participation Act, is excellent.

To your question "How do you feel about the significance of improved cultural relations between our two peoples?" I do not hesitate to reply that I sincerely believe that there are no better means of understanding between nations than those that arise from the mutual knowledge of each other through the medium of literature and art, which are the basis of rapprochement through exchanges provided by industry and commerce. From the time that my Government honored me with the post of Ambassador to your country, have sponsored the following cultural exchange programs:

(a) An exhibition of 113 paintings titled "A Century and a Half of Paintings in Argentina." After its inauguration at the National Gallery of Art on April 17, 1956, where it remained a month, it traveled through the United States. The exhibition was brought here as a tribute from Argentina to the people of the United States;

(b) A series of lectures by distinguished American personalities on literature and Argentine music. They were given in the ballroom of the Embassy, in English, and illustrated with small paintings, drawings, etchings or by recordings.

As to the question "What you think might be done further along this line?" my opinion coincides with yours: the increase in the exchange of persons between our countries—men of science and letters, professors, teachers and students, as well as sculpture artists, musical and theatrical groups.

Permit me to congratulate you for your splendid work on cultural exchange and wish you the greatest success in this project.

Yours sincerely,
ADOLFO A. VICCHI, *Ambassador.*

ROYAL GREEK EMBASSY,
Washington, D. C., April 2, 1957.

The Honorable ALEXANDER WILEY,
Senate of the United States,
Washington, D. C.

MY DEAR SENATOR WILEY: I fully share your views about the great importance for improved free world cultural relations. I was also very happy to hear that your great President has endorsed the International Exchange Program. Therefore, I will gladly answer your two questions as follows:

1. I firmly believe that improved cultural relations between our two peoples are deeply significant in the development of the overall relations between our two nations. I know my countrymen are eager and happy to partake of American culture. I am sure that you are aware of the enthusiastic reception that the Greek public has bestowed upon such American projects like Porgy and Bess, the New York Philharmonic, the Ballet Theatre, to name only a few of American artistic groups to have visited my country. I also know that the American public is greatly interested in Hellenic culture, although this interest is directed more to the classical past of Greece than to modern achievements and this leads me to answer your second question.

2. May I be allowed to state a fact which goes unnoticed in this country and that is: Greece is in a period of exceptional artistic flourishing which covers almost all fields of artistic production; i. e., theater, novel writing, painting and sculpture, history, and archeology. As you very aptly point in your letter this International Exchange Program is intended to be a two-way proposition. This encourages me to suggest that the personalities in charge of the International Exchange Program may choose to focus their interest on this aspect of the program and give the American public the opportunity to get themselves acquainted with modern Greece's cultural achievements.

With all good wishes, I am,

Sincerely yours,
GEORGE V. MELAS,
Ambassador of Greece.

EMBASSY OF URUGUAY,
Washington, D. C., April 5, 1957.

The Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: I consider improved cultural relations between the United States and Uruguay to be of the utmost significance, for there is no doubt in my mind that this constitutes one of the most comprehensive and effective means of bringing together people who have different customs and languages.

The appeal of art and culture is universal and I know that in spite of all that has been done before our two countries still have a very great deal to offer each other in this respect.

As regards the specific steps that might be taken along these lines, I would like to mention not only the bilateral arrangements made between our two countries both at the official and at the private level but also the work of the hemispheric organizations headed by the Organization of American States.

In this latter connection, the Inter-American Committee of Presidential Representatives—on which I act for my country—is planning to intensify the role played in the field of cultural relations by the Organization of American States.

I have also learned with substantial interest of the possible establishment of a National Civic Auditorium and Cultural Center, in the District of Columbia. The existence of such a center would no doubt contribute enormously to the attainment of our common aims, for it would certainly contribute to making Washington an even more active cultural place than it is today, facilitating many types of activities that would assist the relations of this country with nations abroad.

You may certainly quote freely from the contents of this letter.

With all good wishes, believe me,

Sincerely yours,

JULIO A. LACARTE,
Ambassador.

EMBAJADA DEL ECUADOR,
Washington, March 28, 1957.

Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR WILEY: I take this opportunity to congratulate you for your thoughtful and quite effective speech of March 21 regarding cultural relations between your country and the rest of the free world.

In answer to your two questions, I would like to say:

(a) To improve the cultural relations between two democratic countries is to provide a solid basis for permanent and fertile understanding. Only through a real knowledge of traditions, ideals, habits, and cultural achievements it is possible to build solidarity among nations. Therefore, the significance of improved cultural relations is of the utmost importance.

(b) I strongly believe that we must undertake a program of interchange of laborers, workmen, and farmers. Cultural exchange must not be limited to the upper classes, intellectuals, professors, and students. I also believe that the United States should spread knowledge of the wonders of this country, not only in the universities and colleges, but also in the schools of small cities and towns. Small pamphlets in Spanish, objective pictures, murals can be used as basis to penetrate in the minds and souls of the laborers and farmers of Latin America.

My dear Mr. Senator, anything you do for the improvement of cultural relations between our countries is a great contribution to the strengthening of cordial democratic relations and better understanding that must exist among nations of the same ideals and principles.

Hoping to hear from you in the near future, I am,

Sincerely yours,

Dr. JOSÉ R. CHIRIBOGA V.,
Ambassador.

ROYAL SWEDISH EMBASSY,
Washington D. C., April 4, 1957.

The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WILEY: I think you deserve to be commended for the great task you have taken upon yourself in trying to promote the cultural relations between the United States and other nations. Establishing such relations and improving them is certainly a very important contribution to good relations between the peoples of the world in other respects also.

I can assure you that those American artists who have visited my country under the sponsorship of the International Exchange Program and whom you have mentioned in the list printed in the CONGRESSIONAL RECORD were enthusiastically received by the Swedish audiences which attended the performances. I think the same can be said also by the great number of American artists, musicians, dancers, actors, etc., who have been touring Sweden. They contributed greatly in establishing better relations and understanding between your people and mine; and I am sure that they returned to their own country having made many new friends in mine.

Many times I myself have witnessed the very hearty reception which has been granted Swedish artists touring the United States, and many of them have assured me that they really never felt that they were abroad. Accordingly, you certainly realize that you have my enthusiastic support in your endeavor to further intensify cultural exchanges between the United States and Sweden.

As to your second question, I must confess that I have at present no specific recommendations. I would like to mention to you, however, that on the staff of this Embassy there is a cultural attaché who is quite prepared to cooperate with American individuals, institutions, or organizations both in promoting a general program of cultural exchange and also to take part in the planning of specific projects. If Mr. Julius N. Cahn, who is assisting you in your work, feels that my cultural attaché could be of any help to him, I would be very glad if they could undertake the further discussions. The attaché's name is Dr. Björn Ahlander.

Once again I want to express my appreciation of your efforts; and wishing you the best luck, I remain,

Sincerely yours,

ERIK BOHEMAN,
Ambassador of Sweden.

EMBAJADA DE BOLIVIA,
Washington, April 1, 1957.

The Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: I have read with deep interest your statements on the floor of the Senate in relation to two-way cultural exchanges between the United States and other countries in the world. As you can easily realize, I am particularly interested in the importance of cultural relations between the two Americas and especially between the United States and Bolivia.

The study of the cultural development of the Americas has been a subject that has occupied a great amount of my time. I strongly believe that although the settlements of both continents were made under different auspices and through different methods of policy, the course of events indicates more strongly as time progresses that the needs of the Americas are firmly tied to each other. The revolutions for independence in the Latin American countries were greatly influenced by that in North America, and the constitutional law of the American Republics was inspired by the Constitution written for the United States. The development of the Inter-American System, whose birth was here in Washington in 1890, has also indicated that in the face of the everyday, more complex world situation, the American unity not only has to be strengthened but also must be taken as a permanent reality.

In this progress of political and economic ties, one of the most important factors is that of cultural relations. The mutual understanding of our cultures will not only avoid misunderstandings and obstacles to the march of our unity, but also it will permit us to maintain a mutual respect that will be the greatest asset to our democratic ideals. Therefore, any effort that is made to improve our cultural understanding will receive my personal support and all that I can give in my capacity as the representative of my country in the United States.

I have reviewed the list of the countries which have been visited by various American artists, and I am sorry to note that Bolivia has been bypassed. I hope that you can do something about this in the future so that my people will have the benefit of such fine cultural missions. At the same time, I think that programs should be studied to find a means of financially helping some private cultural institutions in Latin America, especially in the field of folklore music, dancing, and other artistic expressions, to come to this country so that the people of the United States will have firsthand contact with our cultural characteristics.

With my best wishes, I am,

Very sincerely yours,

VICTOR ANDRADE,
Ambassador of Bolivia.

PERUVIAN EMBASSY,
Washington, D. C., April 1, 1957.

Senator ALEXANDER WILEY,
The United States Senate,
Washington, D. C.

MY DEAR SENATOR: I am very happy to state that on this subject I fully concur with you, as today more than ever it is so necessary to appeal to the cultural background of the community of free nations in order to improve the political and economic relations.

Since both our countries maintain cultural attachés in their respective embassies, I do feel that a tremendous advance has been made in our cultural relationships. Specifically, I think that an improved system in the interchange of scholarships, visits of lecturers, the continuance of artistic presentations, cultural publications, and even more important in my estimation, a more comprehensive treatment by the press will insure a still better understanding among our peoples.

With all good wishes, I remain

Very sincerely yours,

FERNANDO BERCKEMEYER,
Ambassador.

THE AMBASSADOR OF SPAIN,
April 5, 1957.

The Honorable ALEXANDER WILEY,
Senator from Wisconsin,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WILEY: I am glad to give you below my comments on the importance of improved free world cultural relations.

It seems to me that there is only one real way to arrive at a stable peace in the world, and that is to get nations better acquainted. When one discovers how wide is the misunderstanding, the distance, the ignorance among friendly peoples who come from a

common line of historic heritage, one can easily realize how much more difficult the case might be with nations that are members of different cultures, or races, and who live therefore, in separate worlds.

Actually, the ties which link the United States with the Spanish world, are so many and so deep that one cannot but be surprised that there are still so many things which have been forgotten. This great country was discovered, civilized, and pioneered, to a great extent, by the Spanish explorers, missionaries, and conquistadores. More than one-half of the United States territory still bears Spanish names, such as, for instance, the mountains, the rivers, the cities, and the coast. Also, some of the civil laws that prevail west of the Mississippi are of Spanish origin. Much of the folklore and the music of your Southwest still reflect the Spanish stamp. We Spaniards are proud of that legacy, as well as of having aided George Washington's army in the Revolutionary War, with money, ammunitions, and all kinds of arms, as a gesture of our friendship and warm sympathy.

Many of these obvious facts have been disregarded and forgotten during the past decades. But in a world that becomes closer and smaller through progress in technology, we all must work to improve the feeling of solidarity and understanding. And perhaps nothing is so instrumental to achieve it as to revive and bring again to the attention of our public opinion these aspects of our background.

I feel that the same thing applies to the Spanish knowledge of American life and American values. The average Spaniard knows little about the real aspects of the American way of life; of the moral principles on which, as a solid rock, lies the foundation of this country. Sometimes he only catches a glimpse of American realities through a moving picture, which is frequently misleading or inadequate to give a true version of this great country.

I should like very much to see a program of cultural exchange established between the United States and Spain. Much is already being done through some of the United States Government agencies toward bringing Spanish technicians to this country to learn and see the most important aspects of productivity and industrial progress. But it can still be developed in other fields of cultural activity, such as art, music, and the culture of Spain, which could be brought here through our best exponents. And the wonderful achievements of the American way of life could be shown in full splendor to the Spanish people.

The flow of visitors to both countries should also be increased, in order that Americans and Spaniards by the hundreds of thousands become acquainted and friendly. This, in my view, might be the best way to work together for the common ideals of freedom and peace which we share as members of the same western civilization.

With best wishes, I am

Sincerely yours,

JOSÉ MA. DE AREILZA.

AUSTRALIAN EMBASSY,
Washington, D. C., April 5, 1957.

The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: * * * I am totally in accord with you in the belief that the cause of world peace will be advanced by a constant improvement in cultural relations among the nations of the free world. As to the specific questions that you pose, I would answer them as follows:

(a) Even though our peoples have been closely associated in two World Wars and have since the Second World War engaged in mutual programs designed to extend the scope of our cultural relations and to bring about a greater measure of understanding, there still exists a large area of ignorance in both our countries of the truth concerning each of them. We have still much to learn about each other before we can come to a sufficiently intimate understanding of each other's actions and decisions in the great problems which face us in the troubled conditions of today. The more we grow to know each other the better it will be for our own citizens and then by projection the citizens of the rest of the free world.

(b) Much has been done and much is being done to promote cultural exchanges between our countries. In a large measure these exchanges depend upon the generosities implicit in the Fulbright and similar programs. Many students from Australia are studying in the United States, and there is a reciprocal exchange of United States students in Australia. Schoolteachers from our countries have had experience of the other. As to what might be done further along these lines, I can only say that I believe programs at present in operation are doing a splendid job. They are limited only by the amount of money which is available for the purpose. I know of my own experience that there are many young Americans who would like to further their knowledge by studying in Australia just as there are equally large numbers of young Australians who want to learn to know the United States better. The depth of our friendships cannot be made greater. They could, however, be made more extensive by increasing the numbers of young people who might be given the opportunities which exist under present arrangements.

I hope that the foregoing may be of some value to you in any further comment that you may be making in the Senate on this aspect of our international relations, and I will look forward keenly to seeing a transcript of your remarks.

Thank you again for writing to me.

Sincerely yours,

PERCY C. SPENDER, *Ambassador.*

EMBASSY OF TUNISIA,
Washington, D. C., April 1, 1957.

Senator ALEXANDER WILEY,
Senate Office Building,
United States Senate,
Washington, D. C.

DEAR MR. WILEY: * * * It will be my pleasure and that of the whole personnel of this Embassy to cooperate to the best of our abilities in such a worthy and important project as the program of free world cultural relations.

I am sending you herewith a few comments which, I hope, will answer your questions about the significance of improved cultural relations between our two peoples and the possibilities of improving such relations.

Very truly yours,

HABIB BOURGUIBA, Jr.,
Chargé d'Affaires a. i.

Question. How do you feel about the significance of improved cultural relations between our two peoples?

Answer. The purpose of international cultural relations is to create a greater understanding of another country's culture and national life.

Understanding of the geography and history of a country, as well as its problems and way of life, can be achieved by means of speeches, films, and a wide distribution of books, pamphlets, and newspapers in colleges and universities.

The exchanging of students, professors, and even of technicians and research men could be very useful. Scholarships could be granted to Tunisian students who wish to further their studies in the United States, and, likewise, to American students interested in enrolling in a Tunisian university. It would also be advisable to grant scholarships to young people who, after having completed their education, wish to devote their time to surveys on certain aspects of one or the other country.

Special encouragement should be given to native students who wish to write monographs or a thesis on the subject of the other country.

Provisions should be made to encourage the exchange of theatrical and musical companies and folk groups.

Question. What you think might be specifically done further along this line?

Answer. One of the most urgent problems is the language barrier; it would be easy to teach English to a large number of young Tunisians; this could be done by sending American professors to Tunis. Their role would be to prepare the young Tunisians for further education in the United States.

Meetings between Tunisian and American young people between the age of 20 and 30 years old might also be considered in the near future. Study sessions could be organized in Tunisia and in the United States, where students, teachers, and other young groups such as workers, craftsmen, and businessmen could exchange their views and opinions on various problems, especially those confronted by the youth. These sessions would also provide opportunities for artistic manifestations and performances of folk music and dances.

Later on, mixed cultural commissions could be established in both countries in order to promote better coordination of all cultural activities.

Students who wish to specialize in either American or Tunisian affairs should be given an opportunity to do so. Institutes designed for this purpose might be created. An American institute in Tunis would certainly be most welcome.

Thirteen centuries ago, Mohammed, the prophet of Islam, speaking of the importance of education, said to his followers: "When seeking for culture, don't hesitate to go as far as China if needed," thus transcending a narrow concept of culture.

NEW ZEALAND EMBASSY,
Washington, D. C., April 1, 1957.

The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: Thank you for your letter of March 27 seeking my comments on the value of improved free world cultural relations. I shall be quite happy if you wish to quote what I have to say.

You will undoubtedly appreciate that my country is fully aware of the vitally important role this aspect of human relations can fulfill and is fulfilling in the maintenance and promotion of international cooperation and good will. We at the New Zealand Embassy in Washington have been able in a small way to further the already existing good relations between our two countries through this medium by, for example, making available New Zealand literature and art for displays in schools and cultural exhibitions. In the field of music I have endorsed the aims and purposes of UNISOMI, which seeks the establishment of a United Nations symphony orchestra and music institute as a means for promoting and strengthening the endeavors of the United Nations and world peace through music.

New Zealand, of course, is an active participant in many international exchange programs, including the Carnegie Corporation, Fulbright, and Department of State foreign leader travel programs. I know of many fellow countrymen in the United States at the moment who are deriving great benefit and instruction in their work in such fields as anthropology, geology, scientific research, and medicine.

Programs which facilitate the exchange of peoples, from different countries, who are

qualified in some field of human activity, whether it be educational, cultural, or scientific, have my wholehearted endorsement. I trust that they will be preserved and expanded, for I believe that through such program the work of the United Nations toward international good will, peace, and security can have purpose and vastly greater chance of success. I shall be happy to do anything I can to help.

With the utmost sincerity do I welcome and support any move toward increased activity in the field of cultural interchange between nations of the free world.

With my kindest regards.

Yours sincerely,

SIR LESLIE KNOX MUNRO,
Ambassador.

PORTUGUESE EMBASSY,
Washington, April 1, 1957.

The Honorable ALEXANDER WILEY,
United States Senate,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR WILEY: With reference to your first question, my feelings about the significance of improved cultural relations between our two peoples, I can unhesitantly say that my feelings on the matter coincide with yours. An intelligently directed program of cultural relations is the most effective vehicle for the mutual understanding and respect between two peoples such as ours, and the one which more rapidly reaches the heart and mind of the people. I have in mind, for example, the tremendous success of the performances in Lisbon by the American ballet companies, and also the concerts by the Philadelphia orchestra.

In regard to your second question, for a specific suggestion of mine along these lines, I do have a suggestion to offer. It seems to me that, although the technical achievements of the United States are well known and respected in my country, some interesting aspects of the American literary and artistic life are quite unfamiliar to many Europeans, and you know, as well as I do, that Europeans, particularly Latins, are specially receptive to, shall we say, efforts of the spirit. In this connection I thought that, for example, an exhibition of American literary life (not propaganda, of course), which should include a book exhibit, and an exhibit of the best American modern painters, and sculptors, would be extremely valuable in building up respect abroad for your culture.

Working along the same lines, I have been trying to bring to this country exhibits of Portuguese architecture and Portuguese arts and crafts, projects about which the Smithsonian Institution is quite interested.

With every best wish, I am

Sincerely yours,

L. ESTEVES FERNANDES,
Ambassador of Portugal.

EMBASSY OF THE
FEDERAL REPUBLIC OF GERMANY,
Washington, D. C., April 9, 1957.

The Honorable ALEXANDER WILEY,
Senate Office Building, United States Senate, Committee on Foreign Relations, Washington, D. C.

MY DEAR MR. SENATOR: The Ambassador has asked me to thank you for your letter of March 27 with which you kindly sent reprints of the CONGRESSIONAL RECORD of March 18 and 21, giving your ideas on cultural relations between the countries of the free world. He has put me in charge to outline our general approach to cultural relations which we think are of great importance. I am, therefore, glad to have the opportunity to comment on them.

In my opinion, cultural relations form the underlying factors for the relationship between two countries. Independent from day-to-day changes, moods and political considerations, they are the basic foundation of international understanding. We, therefore, should always try to foster cultural relations between our two peoples by every possible means in order to lay the groundwork for better mutual understanding.

Remarkable efforts have been made in the past to build up the cultural exchanges between our two nations. Especially the United States have, by the means of the United States Information Agency and in particular by establishing the Amerika Häuser, performed an outstanding work in Germany, giving the average German an idea about cultural work and achievements in the United States. The German Government is trying on a more modest basis to help the American public get acquainted with and understand German culture.

Similar to the United States Amerika Häuser in Germany, a Goethe House is now being opened in New York. But, contrary to the Amerika Häuser which are operated by the United States Government, this Goethe House has been founded and will be run under the presidency of Mr. McCloy by United States citizens as an American institution to which we will give our help if required. We hope that the Goethe House in New York, by organizing cultural meetings, exhibitions, etc., will in time further the cultural relations between the people of the United States and the people of Germany. We hope that in the future similar institutions will be founded in other major cities of the United States.

Another most valuable contribution to cultural relations have been the exchange programs of our two Governments which, giving many people an opportunity to see the other country by themselves, have enormously contributed to mutual understanding. Most of the exchangees have been leaders in their home countries or have been students who had already made their degrees. Other students only rarely study in a foreign country since they are not credited with foreign university terms in their home country. I think our universities should credit such terms in order to give students an incentive to do some of their studies abroad. The German exchange program, which up to now brought more than 300 United States citizens to Germany, will be enlarged because we attach great importance to this part of our cultural relations.

Furthermore, we should promote the exchange of art by organizing exhibitions of paintings, sculpture, and architecture in the other country. The exchange of orchestras should equally be encouraged. The understanding of art and music does not require the knowledge of the other language. These mediums reach, therefore, a very large part of the population.

I will be glad to comment further on the extension of cultural relations and if there is any special question, Mr. Julius N. Cahn may at any time call on me.

Sincerely yours,

DR. BRUNO E. WERNER.

EMBASSY OF CAMBODIA,
Washington, April 9, 1957.

DEAR SENATOR: I approve entirely your ideas on an ever improving program of cultural relations. Many examples have proven that peoples of different cultures and civilizations can understand each other through the arts, music and dance. The more cultural relations there are, the better peoples will understand each other and develop greater mutual sympathy.

May I point out that in 1956, the United States Air Force Band, under the direction of Col. George S. Howard, also visited my country and had an enormous success. Colonel Howard is a great personal friend of His Royal Highness Prince Norodom Sihanouk, former King of Cambodia. Their friendship started in 1952 when Colonel Howard took a personal interest in the musical compositions of His Royal Highness Prince Norodom Sihanouk. The compositions have been orchestrated and performed on many occasions by the United States Air Force Band in numerous tours in the United States, Europe and Asia, and in the various capitals of the world.

Such a friendship can have only beneficient influence. His Royal Highness Prince Norodom Sihanouk is at the present time the political leader of Cambodia.

If I may be permitted to make a few suggestions I should like to mention that cultural exchanges should be completed, if possible, by a program through which an increasing number of Cambodian students could come to continue their higher education in the United States. Nothing binds more strongly than spiritual ties. Many problems existing between people are spiritual in nature or have their causes in attitudes which can only be understood or changed through the slow but sure processes of education. Only through education can progress and understanding be safely achieved and results can be enduring.

With my thanks and my best wishes, I remain,

Sincerely yours,

NONG KIMNY,
Ambassador of Cambodia.

CHINESE EMBASSY,
Washington, D. C., April 8, 1957.

The Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR MR. SENATOR: I have read your letter of March 27 and the Congressional reprints with great interest.

While the reprints do not cover the United States cultural-exchange program in Taiwan, I am personally familiar with some of its activities, and I am aware of the benefits derived therefrom by our people.

In reply to your first question, I wish to inform you that my Government and people deeply appreciate the significance of this cultural-exchange program, especially so because our resources and facilities for cultural activities are limited, due to 8 years of war with Japan and the present Communist aggression in the Far East.

In regard to your second question, may I express the hope that this type of cultural exchange will be enlarged, particularly in the field of scholarships, fellowships, and training programs for Americans and Chinese.

You may be interested to know that our Ministry of Education has arranged for a number of American scholars and students to study in the universities in Taiwan and that exchange projects have been worked out between several Chinese and American universities. It is our hope that this kind of close cultural contacts may be augmented in the future. Needless to say, in order to make this two-way program more effective, I would like to see an increase in American support for Chinese scholars, trainees, and research workers in the United States and more visits of Chinese scholars, artists, and students to this country.

With high esteem and warm personal regards,

Sincerely yours,

HOLLINGTON K. TONG.

ROYAL DANISH EMBASSY,
Washington, D. C., April 9, 1957.

The Honorable ALEXANDER WILEY,
United States Senate, Senate Office Building, Washington, D. C.

MY DEAR SENATOR WILEY: As to your two questions, I would like to answer the first one in this way:

I am strongly in favor of not only a continuation, but also an extension of the cultural exchange programs between our two peoples. Of the very few blessings that

came out of the last World War, it seems to me that the cultural exchange programs should have a headline, as should also the exchange of persons programs in the educational field.

One of the first cultural relations programs between Denmark and the United States of America after the Second World War was the Hamlet performance by the State Theater of Virginia, under the sponsorship of the American National Theater and Academy at Kronborg Castle, Elsinore, Denmark, in June 1949. I should also like to mention the visit to Denmark in the fall of 1949 of the Howard University players under the leadership of Dr. Anne Cooke. This company gave remarkable and well-received performances of Dubose Heyward's play, Mamba's Daughters.

From recent years I should like to mention the importance of the visit to Denmark by the American Porgy and Bess company, as well as by the New York City Ballet, the performance in this country by the Danish Radio Symphony Orchestra, and the ballet from the Royal Danish Theater in Copenhagen last fall. Many other achievements could be mentioned, but I am only trying to make a point of the importance of such cultural undertakings, and should the day ever come when we do not continue these cultural exchanges we will be neglecting an important part in our participation in world affairs.

As to your second question I will express the hope that we will continue these exchanges whenever there is a natural occasion. Denmark is planning to go ahead with her cultural exchange programs. A smaller group of the dancers from the Royal Danish Ballet will be visiting the United States this coming summer, and we are about to complete the plans for the return of the Danish Radio Symphony Orchestra for a tour in 1958. We are also negotiating about the return visit by the whole corps of the Danish Ballet. If the new National Civic Auditorium and Cultural Center in Washington has been built by that time it will be possible for us also to stage one of our finest ballets, Romeo and Juliet, which during the last visit was only shown at the Metropolitan Opera House in New York as the stages in the other cities where the ballet performed were too small for this particular ballet, which is considered one of the Royal Danish Ballet's finest achievements.

I hope that these lines will give you an idea of my interest in the field of cultural exchanges. I have been very happy that you have given me this opportunity to express my views, and also to thank you for your contribution toward making these cultural exchanges possible.

Sincerely yours,

HENRIK KAUFFMANN.

TURKISH EMBASSY,
Washington, D. C., April 2, 1957.

The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: I was most pleased to receive your kind letter of March 27, 1957, together with its enclosures which I have perused with great interest.

I can only praise your commendable efforts to further closer and improved understanding among peoples of our free world. Cultural acquaintances have undoubtedly a major role in promoting such understanding and art, in all its aspects, has a particular impact on peoples everywhere, because of its appeal to the eye and to the feelings of individuals. The people of this great country, by their appreciation of fine arts and through their great artists and performers have been splendid contributors to the culture of the world and I believe the peoples of other countries should be given the opportunity to take advantage of this large cultural wealth.

The Turkish people have always welcomed all contributions toward increasing their knowledge and been always attracted by the know-how and culture of their American friends. The significance of such contributions, in my opinion, lies in the fact that they give a timely momentum to enhance the existing friendship by extending the field of relations above and beyond the scope of material cooperation. No one questions the part played by art in general and artists in particular in creating the favorable free atmosphere where the cause of liberty and peace could prosper without fear and prejudice.

There may be many ways of furthering cultural relations between two peoples.

I deem it proper, however, to point out that these cultural programs could be much more fruitful if they are prepared and implemented, on a major scale, working in both directions. I am sure you will agree with me, when I say that Turkey, a country of great cultural heritage, has many interesting subjects in the field of music and dances both classical and folkloric. Visits by American orchestras and artists have greatly contributed in advancing the purpose of cultural exchange programs. I think that these purposes would be further attained by using the same media to enlighten our American friends so that they will get to know better their friends abroad, in Turkey as well as other countries, by seeing or hearing representative samples of their culture here more frequently.

Reiterating my heartfelt wishes of success for your praiseworthy efforts in this respect, I am, my dear Senator,

Very sincerely yours,

HAYDAR GORK, *Ambassador.*

NORWEGIAN EMBASSY,
Washington, D. C., April 13, 1957.

Senator ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: I have received your letter of March 27 last, and have conferred with the cultural counselor of this Embassy, Mr. Fredrik Wulfsberg, about the matter and he has given me the following memorandum:

"The cultural relations between the United States and Norway are extremely satisfactory. Since the appointment of cultural officers in Oslo and Washington, D. C., after the Second World War, work in this field has been channelized in a very efficient way. A great encouragement have been the visits of scholars and research students, made possible under the Fulbright and the Smith-Mundt programs, and the exchange of teachers, which has now been going on over a number of years.

"The Oslo University Summer School for American students, started in 1947, has served to create a deeper insight into Norwegian affairs and to promote lasting friendships. In the sphere of art, one may point to an increased awareness of the other country's achievements in music and design. The recent discussion on the establishment of a cultural center in the Federal Capital has been very encouraging insofar as such a center seems to create better opportunity for the arrangements of exhibitions on an official basis than previously."

I hope this will answer your purposes, and let me add that I am glad to know that you are taking up these matters in the Senate.

With best wishes,

Sincerely yours,

WILHELM MORGENSTIERNE,
Ambassador of Norway.

EMBAJADA DE VENEZUELA,
Washington, D. C., April 2, 1957.

To the Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

MY DEAR MR. SENATOR: Thank you for your letter of March 27 and for the enclosure of excerpts of the CONGRESSIONAL RECORD containing your statements, all of which I have read with a great deal of interest.

I shall be pleased to cooperate with you and Mr. Julious N. Cahn in the project. It is suggested that Mr. Cahn communicate with the Embassy's information service for further details.

With kind personal regards, I am,

Sincerely yours,

CÉSAR GONZÁLEZ,
Ambassador of Venezuela.

EMBASSY OF ISRAEL,
Washington, D. C., April 5, 1957.

The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: I sincerely welcome your inquiry on the significance on cultural relations between the United States and Israel. I believe that the history of our two peoples has very significant common elements; the vision of creating a country by immigration and the harmonization of many cultures; a pioneering spirit; tolerance; the ideals of democracy; fidelity to an ancient moral heritage. These common traits of our national culture need to be stressed again and again, and perhaps the most effective way to do so is for the peoples of the United States and Israel to get to know each other through their achievements in the arts and sciences.

Such a cultural exchange between our two countries is already in operation, but we would greatly welcome its expansion. We would be very happy to receive in Israel representatives of American cultural life in its various fields, and to acquaint the American people with some of our own modest achievements. It would, in my opinion, also be very worthwhile to arrange for joint American-Israel enterprises in certain areas, such as archaeology, for example, for which Israel is particularly suitable.

I can assure you of the wholehearted cooperation of the Government and people of Israel in an expanded program of cultural relations between our two countries.

With best wishes.

Yours sincerely,

ABBA EBAN.

LEGATION OF SWITZERLAND,
Washington, D. C., April 5, 1957.

The Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR WILEY: I do highly appreciate the interest you take in the field of international cultural relations and wish to thank you for inviting me to comment on the subject.

Switzerland traditionally takes a very favorable view toward initiatives in the field of contacts between nations through cultural mediums. I have this matter in its particular scope of cultural relations between the United States and Switzerland very much at heart myself and am very glad, therefore, that you have brought your exposé to the Senate to my attention.

In order to express myself in a more specific way, I shall give the question careful consideration and will not fail to contact you again on this subject.

Sincerely,

HENRY DE TORRENTÉ,
Minister of Switzerland.

EMBASSY OF FINLAND,
Washington, D. C., April 15, 1957.

The Honorable Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR WILEY: Thank you for inviting me to comment on the significance of cultural relations between our two peoples. I should like to offer a few observations, for what they are worth, on this subject in which I have a great personal interest.

Cultural exchanges between our two nations have in the recent past produced some striking successes. As one example, I might mention the visits to Finland by the Philadelphia Orchestra in 1955 and the Boston Symphony in 1956. Their performances certainly made a lasting impression on the Finnish public. We, on our side, have been able to show this country some of our arts and crafts and examples of our modern architecture in several exhibitions brought over and circulated by the Smithsonian Institution.

I entirely agree with you that the language of the arts offers a medium of communication that effectively cuts across the barriers of language and distance between the nations. It is, of course, difficult to say in a few lines what might be done further in this field. Much has to be left to private initiative and effort, but I recognize the need of encouragement and support on the part of public authorities in both countries.

Sincerely yours,

JOHAN NYKOPP,
Ambassador of Finland.

EMBAJADA DE CHILE,
Washington, April 16, 1957.

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: I thank you for your courtesy in permitting me this opportunity to comment on a matter to which I have given some thought, and one I deem of great importance in the maintenance of friendly relations among the nations devoted to the philosophy of the West.

I feel very deeply that there should be a greater mutual understanding of each other's individual culture among the free nations, especially those of the Western Hemisphere, who are bound together in a common destiny. I believe that once established, this cultural understanding would serve as a hard core from which would radiate an influence for mutual effort in every facet of international activity, including defense and security, and prove a shield of reason against subversive penetrations.

While it is true that the nations of Latin America need technical knowledge and know-how in all fields of production in order to bolster their incipient economy, at the same time, more should be done on the purely cultural side, which has certain extraordinarily favorable reflection in every field of activity. I do think there should be more exchange of students—not just postgraduate or special students, but also undergraduates—in literature, music, and other branches of the liberal arts. These students become active in education and government in their own countries, and constitute a leaven in the national culture that induces to better comprehension and rapprochement between diverse cultures.

Then there is the unexplored possibility of starting and fostering workers tourism spontaneous and exclusively financed by the workers. It is surprising that so far nothing has been done toward making the attraction and lessons of tourism available to wage earners of all countries, as I say, on a spontaneous and self-supporting basis. All that is required is some scheme under which transportation and sojourn in the United States come within reach of foreign workers and that should not be a utopia.

With high personal regards,

Sincerely yours,

MARIANO PUGA.

CANADIAN EMBASSY,
Washington, D. C., April 1, 1957.

The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: This is to acknowledge your letter to Ambassador Heeney who is away on leave.

The cultural relations between Canada and the United States have always been close and in some ways we are culturally almost a part of the United States. We read your books, enjoy your theater, listen to your radio, and watch your television.

There are times when we almost have to struggle to keep some cultural things Canadian. Our Government, as a matter of policy, has spent a good deal of money in supporting Canadian programs on the Canadian radio and the Canadian television.

Within the last 2 or 3 years there has been the unusual development of our exporting some forms of culture to you. For instance, the Canadian National Ballet, whose dancers you so graciously introduced in the Senate 2 years ago, have just completed today a 9,000-mile tour of the United States. They played to capacity audiences in many centers and were given excellent reviews. The Canadian players from Stratford, Ontario, traveled through a great part of the United States this winter. The Canadian film of the Greek tragedy Oedipus Rex is now playing in art theaters all over the country and will definitely be used by almost all American universities. I recently summarized the Canadian export to the United States in a speech at Dayton, Ohio, and enclose a copy.

I do not think we need to worry about improved cultural relations between our two peoples. Our border has never been a barrier to the exchange of thought.

Sincerely,

R. A. FARQUHARSON,
Counselor.

BRITISH EMBASSY,
Washington, April 16, 1957.

The Honorable ALEXANDER WILEY,
Senate Office Building, United States Senate, Washington, D. C.

MY DEAR SENATOR WILEY: I am most grateful for your letter and for inviting me to comment on the general question of developing two-way cultural exchanges between our countries.

Certainly you can count on our fullest support for any project aimed at increasing the opportunities for learning at firsthand more about our respective peoples.

You will agree, I am sure, that the primary object in encouraging men and women to cross the Atlantic is not only to enable them to learn what is being done in their own field of interests, but also to give them the opportunity of seeing the general life of the people, and to view it in relation to their own work, and the community to which they belong. We hope and expect them, on their return, to pass on the information they glean and the impressions they receive to others with whom they work and among whom they live, thus broadening, in ever-widening circles, the knowledge of our respective countries which is so much desired by your President and our Prime Minister.

Clearly, these efforts will not be uniformly felt through the whole community unless those who participate in the exchange scheme are at once representative of all sections of the community and capable of influencing others. I think that the existing traffic to the United States is possibly less representative of the mass of the British people than it might be. The main emphasis at present is upon teachers and scholars, and rightly so. The machinery of commerce no doubt takes care of the leaders in our great industries, but grants which make it possible to bring to this country representatives of employees generally, and of management in small-business firms have been made available only in the last year or so, and in amounts which cater for only token numbers. Yet as representatives of the majority of our working population, it is evidently desirable that the number in those categories should be increased. More prominence, too, could be given, I believe, to representatives of the smaller newspapers and other journals, to members of the learned professions, to those directly engaged in serving the public, and to artists of all kinds. In short, I believe that relations, cultural or other, between our two peoples, will grow in significance to the extent to which we can improve the balance of representation among those taking part, by augmenting, as opportunity arises, the flow least catered for by existing arrangements.

You ask for suggestions on how the exchange program might be developed. Here I must at once pay tribute to the acts of great generosity on the American side which have made possible and have sustained such fruitful sources of growing understanding as the Fulbright and Smith-Mundt programs. Our reciprocal contributions are on a somewhat smaller scale, but even postwar difficulties have not prevented our making additions, and I would instance the Marshall scholarship scheme as one which we believe is conferring especial benefit to both sides.

More recently, and here on the cultural side, you will know that the Old World Pavilion at the current Jamestown Festival was equipped at the expense of the British Government, who also authorized the loan of priceless objects of historical interest to the Jamestown authorities for the duration of the festival.

On the unofficial side, you will know also of the cooperative arrangements made between the Nuffield and Kellogg Foundations, which bring the benefits of exchange primarily to persons engaged in agriculture, and of grants made by the Ford Foundation to the English Speaking Union which have recently made it possible to bring a number of journalists and trades-unionist leaders to the United States. Finally, there are the agencies which assist the exchange of musicians, dancers, and other artists, a feature of the whole program which you yourself have done so much to encourage. Here, where the scheme is largely self-supporting, it might well be that the best prospects for expansion are to be found, providing the necessary backing is forthcoming which would insure against the hazards implicit in dependence on public support.

If there is anything in the foregoing which you think would be of any use to you in the Senate, I should be only too happy to be quoted. May I end by saying how delighted I am to know of the interest you are taking in this vital matter?

Yours sincerely,

HAROLD CACCIA.

EMBASSY OF IRELAND,
Washington, D. C., April 16, 1957.

The Honorable ALEXANDER WILEY,
United States Senate,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR WILEY: I thank you for your letter of March 27, with enclosures, relative to the importance of cultural exchanges between the countries of the free world.

It would be hard, I believe, to overstress the importance in the world of today of cultural contracts between countries for in almost no other way can the gulfs of language, social and environmental, racial, political and other differences be so triumphantly bridged than by such contacts.

The warm feelings of mutual affection and esteem which have always permeated the relationship between our two peoples have long manifested themselves on the cultural level in the shape of an almost continuous stream to and fro between our two lands of creative and performing artists of the highest caliber.

As instancing this steady two-way flow of cultural relations I may mention the visits in the year 1956 to the United States of the Irish Festival Singers and of the Little Gaelic Singers of County Derry and the memorable

appearances in Cork and Dublin last August of the Boston Symphony Orchestra, which as the Irish Press commented in an editorial devoted to an appraisal of the significance in the cultural life of our country of the visit "under a series of famous directors, has become one of the greatest orchestras in the world."

Any steps which may be taken to the end that representatives from the United States of every field of cultural attainment may be enabled to participate in artistic, dramatic and musical festivals and programs in Ireland would, I feel confident, be most welcome to our people. As the Irish Press in the editorial I have referred to pointed out in relation to the sphere of music, the Irish public appreciates that we in Ireland have musicians capable of linking the traditions of our own past with great contemporary modern music. The writer went on to say "The visits from other countries of famous orchestras, artists or guest conductors help to stimulate and broaden that appreciation."

Of course, similar considerations apply to other aspects of the cultural field. And indeed it may be said in general of cultural exchanges that they tend inevitably to raise the cultural status of each of the participating countries in each other's eyes and operate to elevate the standards of artistic taste in each country.

You will be interested to learn that provision for a scholarship exchange program has been made by an agreement signed in Dublin on March 16, 1957, between our two countries in connection with the use of the American grant counterpart fund. The agreement provides that a sum of £500,000 out of the grant counterpart fund is to be allotted in the words of the agreement, "to promote further mutual understanding between the people's of Ireland and the United States of America by wider exchange of knowledge through educational contacts."

The terms of the agreement provide that approximately £25,000 shall be expended annually for the purpose of financing studies, research, instruction, teaching, lecturing and other educational activities on the part of Irish citizens in American schools, universities and other institutions of higher learning on the one hand, and of American citizens in like educational institutions in Ireland on the other. The funds available under the Agreement may be used to finance transportation, tuition, maintenance and other expenses for such educational activities.

Furthermore, the Society of the Friendly Sons of St. Patrick of Philadelphia in 1954 set up a scholarship exchange plan as a means of promoting international good will between the people of the United States and those of Ireland. Under the terms of the scholarships, a graduate student chosen from among the students of nine colleges and universities in the Philadelphia area is awarded a grant of $1,200 a year to continue his studies at an Irish university. At the same time, a graduate student from one of five Irish university colleges is awarded a grant of $1,800 a year to continue his studies at a university in the Philadelphia area. The scholarships are awarded biennially.

Recently, the Society of the Friendly Sons of St. Patrick of Washington, D. C., announced that they had instituted an exchange scholarship program under which biennially a graduate of 1 of the Irish universities would receive a scholarship for 2 or 3 years of graduate study in one of the universities in the District of Columbia, while a graduate of one of the local universities (whose principal residence is in the Washington metropolitan area) would receive a scholarship for 2 or 3 years of graduate study in one of the universities in Ireland.

I am, my dear Senator WILEY,

Very sincerely yours,

JOHN J. HEARNE,
Ambassador of Ireland.

IRANIAN EMBASSY,
Washington, D. C., April 17, 1957.

The Honorable ALEXANDER WILEY,
Senator for Wisconsin,
Senate Office Building,
The United States Senate,
Washington, D. C.

MY DEAR MR. SENATOR: I read your letter and its enclosures with deep interest and must congratulate you on the marked success you have achieved in this connection. I am deeply impressed by the emphasis you place on the importance of improved cultural relations among the nations of the free world, and its desirable effects on safeguarding world peace.

It goes without saying that through better understanding and increased cultural exchanges among free-world peoples, residual differences could be eliminated. And with the elimination of such differences, those who try to fan the fire of discord and distort facts through false propaganda will lose the opportunity of exploiting the differences to their own advantage.

As your able and forceful comments in the Senate indicate, art, music, and culture transcend language and political barriers. And once cultural exchanges get established on a sound basis, the results could indeed be great.

Concerning the twofold question you mention in your letter, namely, the significance of improved relations; and specific steps for furtherance of such exchanges, I have the following remarks to make:

(a) Through appropriations made by the United States Congress and programs implemented by the ICA, a number of my compatriots have visited the United States, and a number of your compatriots have visited my country, Iran. The results have been splendid in both cases. I am informed, for instance, that by the portrayal of American art and culture in Iran—through the efforts of such artists as Martha Graham, Edward Vito, Pal Renzi, the San Francisco Ballet company and the Minneapolis Symphony—Iranians have come to a better appreciation of American art and culture, and this has inevitably strengthened the bonds of friendship between the two nations. A single performance of the San Francisco Ballet company in an Iranian city has helped counteract and refute reams of false propaganda emanating from the foes of freedom and peace. When the people of Iran see and hear lucid examples of the art of America, the effect is boundless. Such exchanges are the greatest weapons in our hands to enhance friendship on one hand and counteract vicious propaganda on the other.

The same success achieved by American artists sent to Iran under relevant cultural programs has fallen to Iranian artists coming to America under ICA grants.

Recently Mr. H. Sanjari, conductor of the Teheran Symphony, who is here under an ICA grant, conducted the Army and the Navy bands on two separate occasions at the Departmental Auditorium, Washington, D. C., and played selections from his own compositions to a packed house. The ovation he received was indeed impressive—and I was a witness to it. But what impressed Mr. Sanjari more was this: American musicians played his Persian music exceedingly well although they were handling it for the first time.

When Mr. Sanjari returns to Iran, he will have a vast audience to listen to his experience and to come to know of the American love of art and culture.

Similarly, an Iranian painter, Mr. Abbass Katoozian, is giving an exhibition of his works at the Middle East Institute on April 23. I understand his portrayals of American people are among the more important pieces he will show there. Such artists and musicians are well qualified to help this two-way cultural communication.

But the story does not end here. Your USIA and its effective radioarm, the Voice of America, have been reporting these special events to their responsive Iranian audiences. And so when these grantees return to Iran they will find an already very receptive field to recount their experiences to. And the chain reaction continues, gathering force at each stage * * *

Apart from such results, the grants made by the Congress toward improving cultural relations have been effective in dispelling doubts and misconceptions about America.

In your comments in the Senate, you have alluded to the charge often raised against Americans that they "are materialist minded and not interested in culture." Let me assure you, my dear Mr. Senator, that the means you suggest to counteract and refute such charges—namely, answering such charges through increased and improved cultural exchanges—are the most effective ones. I have known of many Iranians who have come to your country—men of understanding and good will—and who have realized the deep moral and cultural forces that pervade the lives of Americans at all levels. These men, thanks to cultural exchanges, will certainly impart to their compatriots the true nature of America.

At this instance I find it appropriate to quote the English translation of a portion of my Now Rouz (Iranian New Year) message to the people of Iran, a message which was broadcast to my country on March 20 this year through the courtesy of the Persian Service of the Voice of America:

"Contrary to what is generally presumed, the people of America do not work simply for money. Americans consider work to be a necessary part of the process of living. To them work is sacred, and hence they do not turn away from any kind of honest labor. No one here thinks any kind of work to be beneath his dignity. On the other hand, idleness is considered to be a disgrace, an infamy.

"It is on this conception and also as a personality-building factor that many American boys start doing some work early in life. One often sees the sons of rich families utilizing their spare time delivering newspapers, thereby getting an income. The underlying philosophy is that a person who demonstrates an ability to earn some money early in life through his own effort and initiative will, eventually, develop self-confidence and build a forceful personality. Such a person will not become a social parasite; neither will he be a liability to the society he lives in * * *."

I am sure that there are many in Iran who will confirm my views in this respect—again, thanks to cultural exchanges.

(b) In connection with specific projects along this line, may I make the following suggestions:

As you have aptly remarked, we want to improve our two-way communication. An American who understands Iranian culture can communicate his culture to his Iranian friends effectively. In the same way, an Iranian who is acquainted with American culture can communicate, in a better way, the culture of his own country to Americans. And under any circumstances, cultural exchanges are best accomplished through artists themselves.

In Iran there are groups of highly talented folk singers, actors, dancers, and musicians, who cannot afford to come to the United States; neither are there funds available in Iran for such purposes. These artists cannot qualify under current programs of cultural exchange because they lack a knowledge of the English language.

I think that it is highly desirable for these groups to come to the United States and perform or display their various art forms in American cities and States under the guidance and management of experienced

Iran-American tour directors, to be assigned to them by ICA.

The advantages of such a program could be tremendous. By disseminating their native culture in America they will, at the same time, assimilate native American culture. And on their return to Iran, they can transmit that to their compatriots. Such artists command vast audiences in Iran and people, as everywhere, are apt to listen to them more readily than they listen to politicians.

Another step would be the translation of Persian classics into English, and American classics into Persian, and their distribution on a wide scale. The cultures of both nations could be enriched through such efforts; and the results would be overwhelming.

These, in brief, are my views on the subject, and of course you are free and welcome to quote any or all in your comments in the Senate. It will be a pleasure to cooperate with you on these projects.

I hope that through your commendable efforts, cultural exchanges will be enhanced and improved among the nations of the free world. This is the mightiest weapon of peace against the vicious propaganda of international communism.

With all good wishes, I am,

Yours sincerely,

Dr. ALI AMINI, *Ambassador of Iran.*

EMBASSY OF THE PHILIPPINES,
Washington, D. C., April 15, 1957.

The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WILEY: I would like to thank you for your kind words and for giving me the opportunity to jot down a few thoughts on the significance and necessity of Philippine-American cultural relations. I enclose for your information copy of a brief article on cultural contracts and patterns.

I find it especially heartening that Congress has taken and continues to take active part in the program to exchange talents and works in the creative arts, in education, in journalism, and in literature.

The enclosures to your letter of March 28, 1957, including the CONGRESSIONAL RECORD of March 21, 1957, are invaluable additions to the Embassy Library.

With warm personal regards.

Sincerely yours,

CARLOS P. ROMULO.

(Enclosure: Copy of Cultural Contracts and Cultural Patterns.)

CULTURAL CONTACTS AND CULTURAL PATTERNS

In recent months there has been a remarkable upsurge of American interest in the Philippines. The scope of this interest has beeng going on for a long time; it has been going on even before the Philippines became independent in 1946. I was pleased for instance to know that in the spring of 1956, civic and church groups, schools and colleges started conducting study groups, seminars, forums, and programs on the Philippines and Southeast Asia. After the death of our former President, the late Ramon Magsaysay, I found in the many letters of condolence and sympathy, paragraphs of requests for literature on Philippine conditions and culture. The Americans would like to know the characteristics of Filipino culture before and after the Spaniards came to the Philippines, the history of the Philippine theater, regional Philippine music, the influences discernible in Philippine dances, classics in the different Philippine languages, the pattern of democratic tradition in the Philippines, and the extent of the revival of nationalist thought. During the war, I myself brought home to American audiences—conscious of the barbarity that accompanied Japanese occupation of the Philippines—the aspects of Philippine life and culture and the nature of Philippine courage in Bataan and Corregidor. After the war, our country and our people became, in a manner of speaking, more known to the United States. Suddenly our Embassy and our consulates here started receiving leters from Portland, Oreg., to Boston, Mass., requesting information about the Philippine political system, the sociological impact of Spanish colonization, the American contribution to Philippine society.

More and more Americans, we found out, would like to go to the Philippines to observe, work, or visit. We are appreciative of this interest and this desire.

Although we have been exposed to western ideas and customs and are more or less familiar with the historical impulses and events that have made America a great country, we do not fully understand the American way of life as much as it should be understood. On the other-hand, most Americans at best have a hazy idea about the Philippines and its people. Today there are, proportionately speaking, more Filipinos in the United States under the exchange program than there are Americans in the Philippines. It is this unfamiliarity that we have to overcome. We need to know each other more. It is for this reason that I note with appreciation the intensified cultural exchange program being undertaken by the United States Government and those sponsored by many private American agencies. The program is by no means bilteral; it includes countries other than mine. I find it gratifying that the Members of the United States Congress have provided and continue to provide the impetus to this project. In 1956 and for 1957 the American National Theater and Academy, in its international exchange program, had made and would make possible the visit of talented American artists to perform to win friends in 80 different countries: the Minneapolis Symphony Orchestra in Algeria; the Robert Shaw chorale in Denmark; the cast of the musical Oklahoma in Italy; Benny Goodman in Japan; Dizzie Gillespie in Denmark; and Marian Anderson in the Philippines, etc.

Since 1950 Filipino writers have come to this country on Rockefeller Foundation fellowships, teachers and artists on Fulbright grants, journalists on Smith-Mundt leader grants. Others study and observe here as International Cooperation Administration participants. The itinerary and visits of some of these people have been administered by many agencies, including the Institute of International Education in New York City. The institute has been promoting and administering exchanges in the arts since 1919. I share its pride in having helped more than a thousand American students in the arts to study abroad and approximately 600 foreign students to study in the United States.

Under the Fulbright program, nearly 1,700 American and foreign art students have been awarded grants and since its inception it has had an appreciable and profound effect on the thinking of my people regarding American progress in the arts. Some of our people who have come here return to the homeland, with valuable impressions about the American family, with insights into the American character, and with a knowledge of American techniques. This has made for an understanding and appreciation of your country's constant struggle for spiritual enrichment as well as for material prosperity. Still, many of our people have but the faintest idea of the American way of life; its values, its meaning and its worth.

Observers of the American and international scenes know that other people regard American society as a materialistic society and the majority of Americans insensitive to art and literature. Mistaken or not, these impressions do not make for friendship; they even provoke arguments. In the Philippines as in this country, the observation has been made that the works of "the hardboiled school" of writers do not necessarily represent the idiom and stance of the average American.

Acquaintance with the real values of American life; familiarity with the richness of America's cultural heritage; and understanding of some of the motivations that underlie the thinking and the action of American leaders may result from a greater and more intensified cultural exchange program, for the arts transcend all barriers, religious, political, racial, and linguistic. This proposition holds true for Americans who would like to know and to understand the Filipinos, their culture, their customs, their institutions. It holds true also for other peoples who would like to understand America.

Last year, our people saw the performances of your Los Angeles Symphony Orchestra, Gregor Piatigorsky, Benny Goodman, Martha Graham, and the San Francisco Ballet. The Philippines is not a wasteland, artistically speaking, and American artists and intellectuals have always been received if not critically, enthusiastically. The visit of William Faulkner a year or so back aroused greater interest in American literature and exploration into the works of other writers from whom Faulkner derives.

It is this kind of action and reaction that makes the cultural exchange program not only illuminating but also exciting. Basically germinal in nature, its scope, I believe, should be enlarged and its participants increased.

A Filipino composer I know who visited in Tanglewood expressed appreciation of the welcome given to him and at the same time expressed the opinion that he thought he knew the reason why Aaron Copland composes the way he does. A countryman of mine who came here on a grant thought that any correct evaluation of American social behavior cannot be accomplished in 3 or 6 months, the period usually allotted to International Cooperation Administration participants. "This works both ways," he said. "You cannot have Americans writing in the Saturday Evening Post about Philippine life and literature after staying Manila for a month."

At a recent conference on the arts and exchange of persons I found that these same thoughts pervade those who have been involved in the cultural exchange program for a long time.

I think that this great country will find it salutary to be more familiar with Philippine culture. For the visits of such distinguished American artisits as you send to our shores, we would like to exchange the visits of Filipino writers, teachers, journalists, and artists. Some of my people have received fellowships from private American foundations, from universities, and institutions, but their number can be increased. We are desirous of enlarging the exchange of books between your country and ours. There are some major works in Philippine literature which the American people are not familiar with: the novels of our national hero, Dr. Jose Rizal; the work of our foremost poet in the national language; the fiction and poetry of our contemporary writers in English, Spanish, and in the various Filipino languages; the essays of some of our thinkers and the works of our revolutionary leaders. We would like to see American audiences witness the repertory if some of our theatrical, music, and dance groups. Recently in Manila, an alert and intelligent group showed Carmen in the national language; while another group performed an operetta based on incident in the novel of Dr. Rizal. There are Filipino painters who have not been given the audience they deserve. And there are writers whose works have been translated into Indian, Indonesian, and Swedish. Although these works are in English, they do not have an American audience.

I am sure that new ways can be found to improve and increase the exchange of talent and works in the arts and it is my earnest hope that the United States Congress and the various private entities deeply interested in this program will explore the necessity of giving the American people a comprehensive idea and a rounded picture of Philippine cultural life.

The exchange of talent and artistic works has become an imperative function of governments in this age when anxiety and tension rack the world. Speaking of the value of cultural exchanges, one of your distinguished statesmen said that he could not explain why in 1914, after 100 years of relative peace, the most civilized peoples of the world fell upon another and tried to commit suicide. None of the reasons, economic, racial, or political, made sense to him, he said. But he thought that there is sufficient evidence to justify the exchange of persons and exchanges in the arts to prevent another world war.

These exchanges result in mutual understanding and sympathy; contribute to the flowering of cultures, promote brotherhood and good will, and lead to the appreciaton among the peoples of the world of their respective artistic achievements.

A country's culture will never flourish in isolation. Cultural contact leads to acquaintance and understanding of cultural patterns. And a country's cultural heritage will be enriched and its development faster if it continuously touches other cultures.

It is on the basis of these observations and beliefs that logic dictates the inclusion of the Philippines as an integral part of any international exchange program which the United States should like to effect and implement.

THE BUDGET

Mr. KNOWLAND. Mr. President, I ask unanimous consent that there may be printed in the body of the RECORD a letter which was addressed by the President of the United States, under date of April 18, 1957, to the Speaker of the House, dealing with the budget situation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE, *April 18, 1957.*

The Honorable SAM RAYBURN,
Speaker, House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: I am sure many Members of the Congress are as gratified as I am to note the growing awareness of private citizens that the dollars spent by the Federal Government are in fact their own dollars, and that Federal benefits are not free, but must be paid for out of taxes collected from the people. It is good to see this realization developing into a widespread insistence that Federal activity be held to the minimum consistent with national needs. As this sentiment grows, our country will be strengthened in many ways.

The evident responsiveness of the Congress to this attitude I find equally encouraging. I assure you and your colleagues that the executive branch will continue to cooperate fully with Members of the Congress who work for sensible control of Federal spending.

In House Resolution 190, adopted last March, I noted the assertion that the public interest requires a "substantial reduction" in the 1958 budget and also the request that I advise the House where a reduction of that magnitude could best be made.

You will recall that last January, immediately after the budget was presented to the Congress, I requested the Director of the Bureau of the Budget to resurvey the expenditures of every department and agency in an effort to find additional items that could properly be reduced. I have kept in close touch with those efforts. Some of the principal results are outlined in this letter.

You realize, of course, that the 1958 budget, as all Federal budgets, is in effect 2 budgets within 1. One consists of requests for new spending authority which enable Federal agencies to obligate themselves to make expenditures sometime in the future. The other concerns the actual expenditures of the agencies in the next fiscal year. These expenditures will be made partly pursuant to spending authority granted in previous years and partly under new spending authority. For example, one-third of the total actual expenditures in the 1958 fiscal year will be made pursuant to spending authority granted, not on the basis of the 1958 budget, but on the basis of spending authority requested in earlier budgets. This problem I emphasize because of its importance in appraising the effect of cuts in new spending authority which, one might assume, will reduce the level of current spending but in fact may affect only future spending.

The House resolution, for instance, does not distinguish between these two budgetary problems, so its call for a substantial reduction, I assume, applies to both and contemplates the reduction of both by a considerable number of billions of dollars.

There are thousands of items in the budget, each an individual fiscal plan to carry forward a new program or a program previously authorized by the Congress. The preparation of these items begins long before the Congress acts, with the result that the budgetary process places a high premium on judgment and foresight. Because departmental needs must be forecast a year or more in advance, no responsible official would realistically contend that every estimate for every item is precisely correct and could be changed only at the risk of serious public injury, or that the funds requested are certain to meet all future needs.

Nevertheless, painstaking efforts were made in preparing the budget to pare to the minimum all projected expenditures and programs, whether large or small. Estimates were substantially reduced before the budget document was submitted to the Congress, and at my request a searching reexamination by all departments and agencies has continued to go forward since that time in an effort further to reduce expenditures whenever possible. I will later discuss possible reductions in new spending authority disclosed by these months of continuing review.

Before turning to budgetary specifics, however, I invite attention to certain general guidlines that, to the extent existing law permitted, were applied in formulating the 1958 budget. These may be helpful to the House in reaching its own budgetary decisions:

First, the Federal Government should undertake only essential activities that the people cannot sufficiently provide for themselves or obtain adequately through private voluntary action or local or State government. Both the Congress and the executive branch should adhere closely to this principle in the interest of sound, economical government.

Second, in times like these Government spending should be held below income in order to lead the way to further reductions in taxes and the public debt.

Third, all governmental expenditures should remain under close scrutiny in the interest of strict economy and, in the currently prevailing prosperity, to help relieve competing demands for economic resources.

Such guidlines have proved their practical worth. Today Federal civilian employees are almost a quarter of a million fewer than in January 1953. The $7.4 billion tax cut in 1954 has already saved our people almost $25 billion in taxes. For the first time in a quarter of a century we have in prospect three balanced budgets in a row. In fiscal year 1956 the surplus was $1.6 billion. It promises this fiscal year to be about the same size, and next year perhaps as much as $1.8 billion. If we hold to this course, we should have paid in these 3 years about $5 billion on the public debt, and the annual necessity to raise the statutory debt limit should have become a thing of the past.

By adhering to the same or similar guidlines, the House can help continue the progress already made.

Regarding the House appeal for guidance on specific budgetary items, I will comment first on the actual expenditures projected for next fiscal year and will later discus possible reductions in new spending authority.

At the outset, we need to remind ourselves that, as in every household budget, all Federal expenditures are not equally subject to control. Many Federal expenditures are rigidly prescribed by law. Others are bills that simply have to be paid. In the 1958 fiscal year, such unavoidable expenditures will total about $17.6 billion, or 24 percent of all Federal expenditures. These funds must be spent for such items as veterans' pensions, public assistance, and the interest on the public debt. The substantial reduction called for by House Resolution 190 cannot be made in this part of the budget until and unless the Congress revises or repeals the governing laws.

In the second place, 63 percent of projected expenditures next fiscal year—some $45 billion—will support programs related to the protection of our country. Departmental estimates in this area were most carefully examined and prudently reduced before they were sent to the Congress. I foresee no early lessening of international tensions and dangers as would justify a significant downward revision in our defense and related programs. The fact is, as we carry forward our efforts for more peaceful world conditions, rapid technological advances in ships, aircraft, nuclear weapons, missiles, and electronics press constantly for more, not fewer, Federal dollars. I most solemnly advise the House that in these times a cut of any appreciable consequence in current expenditures for national security and related programs would endanger our country and the peace of the world.

The remaining expenditures projected in the budget approximate $9 billion, 13 percent of the total. These support the rest of the Federal Government—such activities as public health, the various housing programs, all operations of most executive departments, the civil functions of the Corps of Engineers, the nationwide functions of the General Services Administration, the worldwide operations of the Department of State. Additional savings in such widely varied activities may well be found by the executive branch and the Congress. But a multi-billion-dollar reduction as evidently envisaged by the House resolution would destroy or cripple many essential programs if concentrated in this limited area of the budget.

Thus, it is clear that a substantial reduction in Federal expenditures next fiscal year in keeping with House Resolution 190, whether in any one or a combination of these major segments of the budget, would weaken the Nation's defenses or cutback or eliminate programs now required by law or proposed in the public interest, or both. That forces the conclusion that a multi-billion-dollar reduction in 1958 expenditures can be accomplished only at the expense of the national safety and interest.

Turning now to requests for new spending authority, as distinguished from actual expenditures, we find a more promising outlook. Budgetary reviews since last January have disclosed the feasibility of postponing certain of these requests without serious damage to program levels. A number of the

following actions, which I commend to the House, I have already suggested:

First, that new spending authority for the military assistance portion of the mutual-security program be reduced by $500 million. This reduction results mainly from new management techniques through which leadtime financing has been reduced (notably for spare parts), maintenance support not justified by the rate of consumption of our allies has been eliminated, and items have been removed from grant aid which countries can now pay for themselves. If the funds previously appropriated are continued available, this reduction will not impair the operation of military forces of other countries at mutually agreed levels.

Second, that, by delaying less urgent projects, new spending authority for military public works be reduced by $200 million.

Third, that resulting from new projections of its operating rate and related financial requirements, the new spending authority for the soil bank program be reduced by $254 million.

Fourth, that the investment of the Federal National Mortgage Association in special assistance functions be reduced from $250 million to $200 million, a reduction in new spending authority of $50 million.

Fifth, that the college housing authorization be reduced from $175 million to $150 million, a reduction in new spending authority of $25 million.

Sixth, that resulting from adjustments of construction schedules, the new spending authority of the Corps of Engineers be reduced by $13 million.

The House may wish to give attention to an additional item of $516 million requested for Army procurement and production. The existing authority, granted by the Congress during the Korean war, plus certain reimbursements received since then have made it unnecessary to request new spending authority for this purpose in recent years. Beginning in fiscal year 1959, the Army's need for such spending authority will recur. The $516 million item is requested now to enable the Army to phase efficiently into this new period and to ease the impact of this adjustment in fiscal year 1959. At the expense of efficient programing, the sum can be withheld if the House so chooses. Such action would, of course, increase by $516 million the large amount that will have to be authorized for Army procurement and production in fiscal year 1959.

Exclusive of the Army item just mentioned, but including a possible reduction of $300 million in the amount budgeted for contingent expenses, these reductions and postponements total $1,342 million. Once again I remind the House that less than half of this reduction in new spending authority can be reflected in reductions in expenditures during the next fiscal year, and part of these expenditure reductions will have to be restored in the future. Such expenditure reductions as may result, however, will add to the $.8 billion surplus already projected by the budget. Given continuation of healthy economic growth and of strict expenditure control, these figures combined will begin to lay a firm fiscal foundation for the time when we can be sufficiently assured that our income will so exceed our expenses as to justify a reasonable tax cut for every taxpayer while we continue to reduce the Government's debt.

I am, of course, aware of the cuts thus far proposed by the House. These will be absorbed wherever possible without serious injury to programs essential to the public interest. Where such cuts cannot be so absorbed, the executive branch must and will seek restoration of the needed funds. Some of the House "cuts" have involved large sums that the executive branch is compelled by law to pay. "Cuts" of that kind do not save money and must be later restored through supplemental appropriations unless the governing statutes are revised.

Aside from scrutinizing individual expenditures and reducing new spending authority as suggested above, I strongly urge the House also to improve the Federal budgetary situation by taking such steps as these, most of which I have urged before:

First, adjust postal rates as soon as possible to reduce and eventually eliminate the postal deficit.

Second, establish interest rates for Government loan programs that will induce private funds to participate in their financing and, at the least, require that such rates cover the borrowing costs of the Federal Government.

Third, provide user charges as, for instance, for the use of Federal airway facilities, that will relieve the general public of having to subsidize governmental services affording special benefits.

Fourth, require State financial participation in Federal disaster assistance programs.

Fifth, encourage State and local groups to engage in partnership with the Federal Government in major water resources development.

Sixth, reject new projects not approved by the Board of Engineers for Rivers and Harbors and not reviewed by all interested parties, including the affected States; provide where appropriate for more local participation in approved projects; and withhold authorization and construction of all but urgently needed projects.

Seventh, enact bills approved by the administration to implement Hoover Commission recommendations, such as the authorization of appropriations on the basis of annual accrued expenditures and the extension of the Reorganization Act of 1949.

Eighth, establish procedures that will facilitate the return of surplus Federal land and other property to private, local, or State use.

Ninth, before adopting unbudgeted programs, project the costs they would impose on the Federal budget in years ahead, and reappraise the necessity for and rate of implementation of each program.

And, tenth, to help assure continuing economy on the part of the Congress as well as the executive branch, take action that will grant the President the power now held by many State governors to veto specific items in appropriations bills.

An improved budgetary situation and greater efficiency in our Government will result from prompt approval of these recommendations by the Congress. All elements of the budget, meanwhile, will remain under searching examination by the executive branch in its continuing effort to find additional savings, large or small, that are possible under existing law. Any additional reductions found possible in new spending authority will be promptly reported in the usual way to the Senate and House of Representatives.

Finally, I repeat that as this effort to hold Federal costs and activities to the minimum proceeds sensibly in the executive and legislative branches of our Federal Government, the public interest is bound to be well served.

Sincerely,

DWIGHT D. EISENHOWER.

Mr. JAVITS. Mr. President, the minority leader has had printed in the RECORD the letter addressed by the President of the United States to the Speaker of the House relating to reductions in the Federal budget.

It seems to me that every American should welcome this statement by the President of the United States, for it begins to put the subject into focus.

In the first place, the President reiterates his fundamental political philosophy when he says in the letter:

> The Federal Government can undertake only essential activities that the people cannot sufficiently provide for themselves or obtain adequately through private voluntary action or local or State government.

The President ran for office and was elected on that platform.

I believe the message is also very important for what it does not say.

It represents a refusal on the part of the President to abandon the fundamental principles of the Republican Party's 1956 platform.

It represents also his refusal to yield to criticism of "Modern Republicanism." It is the Eisenhower program, which is the party's program. That is Republicanism today—unhyphenated.

Mr. President, there are millions of Americans who want the budget to be cut, and it is our determination to cut it in line with the suggestions of the President. However, the very same millions of Americans are also deeply interested in housing, health, education, the development of our natural resources, small business, and veterans, as well as many other subjects covered by the Federal budget, and they share the conviction, which has always been adopted by great majorities in both the Senate and the House, that military, economic, and technical assistance is essential to the security of the United States when extended to foreign countries who are friendly to the United States and who want to cooperate with us.

Therefore, the President's letter would appear to me to contemplate reductions within the limits which most objective observers have considered practical, in the two to four billion dollar range. This is prudent and entirely in accord with the middle-of-the-road political philosophy of the President. I deeply believe that the American people are just as responsible as we ought to be. They want the budget cut, but I do not believe they want to make meat-ax cuts at the expense of national safety and interest.

I am convinced that the President's response to the resolution of the House will help all of us along that road.

POLISH AID TO VIETNAM REDS

Mr. KNOWLAND. Mr. President, I have heretofore had printed in the RECORD an article which appeared in the New York Times of March 31. It is a brief article and reads as follows:

POLAND AIDING VIETNAM REDS

HONG KONG, March 30.—Poland is giving what official Communist sources describe as a considerable sum of money to Communist North Vietnam. The North Vietnam radio said last night that Poland had granted the money for construction projects. A Warsaw delegation is now in Washington negotiating for United States farm surplus goods and loans to help solve Poland's economic woes.

Mr. President, as I have indicated I had previously put that article into the RECORD. I wish to put it into the RECORD again because, under date of April 5, I wrote a letter to the Secretary of State,

and have received a reply from Mr. Christian A. Herter, Acting Secretary. The letter is dated April 11 and reads as follows:

DEPARTMENT OF STATE,
Washington, April 11, 1957.

The Honorable WILLIAM F. KNOWLAND,
United States Senate.

DEAR BILL: In your letter to Foster of April 5 you asked him for information on a recent press story stating that Poland had extended aid to North Vietnam. Before he left Washington, Foster had an opportunity to discuss briefly with Jerry Persons your letters on the same subject to him and to the President.

According to our information, the transaction between Poland and North Vietnam to which the press story refers does not provide for the gift of a "sum of money," as reported in the press, but for the sale of sugar machinery and boilers for power stations on credit, for which Poland will obtain repayment through the importation of goods from North Vietnam. Such credit arrangements are often used, as you know, to facilitate the sale of equipment in international trade.

Neither sugar machinery nor boilers are among the products for which Poland has requested credit from the United States during the economic discussions now taking place. Such agricultural or other products as the United States may agree to sell to Poland for local currencies or on credit terms would meet Poland's economic needs, and would be consumed in Poland.

I appreciate your bringing this matter to our attention. You may be sure that any agreements entered into with Poland will contain an assurance from Poland that commodities purchased from the United States under the agreements will not result in the increased availability of such commodities to nations other than Poland.

Sincerely yours,

CHRISTIAN A. HERTER,
Acting Secretary.

I conclude by saying that press reports indicate that, as I previously stated on the floor of the Senate, there will be a loan of approximately $100 million finally negotiated with Communist Poland, under Mr. Gomulka. I expect to have further comments on this subject. I again state I doubt very much the wisdom of the people of the United States, overburdened as they are with taxes at the present time, starting a program to support Communist economic and political systems.

CIVIL RIGHTS

Mr. DOUGLAS. Mr. President, I have been greatly interested in the developing line of argument against certain features of the civil-rights bills now before Senate and House committees. It has been expressed primarily as a concern for the protections of individuals afforded by jury trials.

This new-found enthusiasm in some who were not previously noted for their concern about trials by juries of one's peers has seemed to me to deserve more careful analysis.

PASSAGE OF THE CIVIL RIGHTS BILL MAY DIRECTLY AND INDIRECTLY DO MUCH TO MAKE JURY TRIALS BY ONE'S PEERS—AND I EMPHASIZE ONE'S PEERS—A REALITY IN AREAS WHERE THEY HAVE BEEN DIFFICULT TO SECURE

Those of us who support proposed civil-rights legislation yield to no one in our regard for jury trials by a defendant's peers in all those cases where it is constitutionally and traditionally appropriate.

In fact, the passage of the civil-rights bill and the effective protection of the right to vote and other constitutional rights may directly and indirectly do much to make such trials by one's peers—and I emphasize by one's peers—a reality in areas where they have previously been difficult to secure.

For the information and study of interested Members, I therefore ask unanimous consent to have printed in the RECORD at the conclusion of my remarks a brief which I have had prepared on this important question of jury trials in injunction and contempt proceedings.

The conclusions supported by the legal research and argument set forth in this brief are that—

First. All judicial safeguards presently applicable to injunctions issued under Federal law and to contempt actions in Federal courts apply under the pending legislation;

Second. Far from the pending civil-rights bill denying citizens constitutional rights to trial by jury—and there is no constitutional guaranty of jury trial in contempt proceedings—it is doubtful whether Congress could constitutionally provide for jury trials as broadly as the opponents of the civil-rights bill propose;

Third. The proposals to broaden jury trial guaranties would not promote, but would defeat and seem intended to defeat, the effectiveness of the pending remedial legislation; and

Fourth. Equitable enforcement of civil rights is the least drastic and the most cautious and reasonable means of protecting the right to vote.

AIM IS PREVENTION, NOT PUNISHMENT

The constitutional right to equal protection of the laws and the protection of the right to vote are also fundamental. The proper use of injunctions and contempt proceedings to protect these rights is in accord with due process under the Constitution. The aim of these provisions in the civil-rights bill is prevention of violations or deprivations of constitutional rights, not punishment. To equate these provisions with criminal prosecutions is to confuse and misread their meaning and effect. The reasonableness of, and indeed the necessity for, these provisions should therefore be clarified by this legal analysis.

I shall save until a later time any discussion or debate of these propositions. But I hope this brief will have the most careful study of all who are concerned not only with due process, but also with the protection of other constitutional rights.

There being no objection, the brief was ordered to be printed in the RECORD, as follows:

THE SOUTHERN PROPOSAL FOR JURY TRIAL AMENDMENTS TO PENDING CIVIL-RIGHTS LEGISLATION IS CONTRARY TO THE CONSTITUTION, TO CONGRESSIONAL PRECEDENT, AND TO THE EFFECTIVE PROTECTION OF CIVIL RIGHTS

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I. All procedural safeguards presently provided by Federal law for the protection of the individual would apply to proceedings authorized by the pending legislation.
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A. There is no constitutional guaranty of jury trial in contempt proceedings.
B. The jury trial proposals of the civil-rights opponents are without Congressional precedent.
C. The proposal for jury trial is intended not to further but to defeat the remedial purpose of the pending legislation.
D. The proposal for jury trial in civil contempt cases is not only lacking in precedent or policy but would contravene the United States Constitution.
III. Equitable enforcement of civil rights is the least drastic and the most cautious and reasonable means of protecting the right to vote and preventing the breakdown of law and order in the South.
(1) Reduced representation.
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Conclusion.
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BRIEF

There is pending in the 85th Congress a bill to implement civil rights protections embodied in the civil rights laws. Among the provisions of this bill is one which grants the Federal Government authority to obtain injunctions to restrain violations of civil rights.

Opponents of the pending civil rights bill have centered their major efforts in opposition to the measure on the proposition that it would deprive persons of their constitutional right to trial by jury. They propose to offer amendments to the pending legislation which would require trial by jury in all contempt proceedings under the act.

An analysis of their contentions, however, indicates that—

(i) All the judicial safeguards presently applicable to injunctions issued under Federal law and to contempt actions in Federal courts apply under the pending legislation;

(ii) Far from the pending civil rights bill denying citizens constitutional rights to trial by jury, it is doubtful whether Congress could constitutionally provide for jury trial in contempt cases as broadly as the opponents of the civil rights bill propose;

(iii) The proposals to broaden jury trial guaranties would not promote, but would defeat and are intended to defeat, the effectiveness of the pending remedial legislation.

If this were all, the opposition's attempt to render ineffective the present legislative proposals could be dismissed as mere political tactics. But what renders their arguments and propositions especially disturbing is that they would deny to the Government of the United States its duty and its power to give the citizen effective protection in his right to vote and in his fundamental rights to equal protection and liberty and security under law.

Opponents of the pending civil rights bill assert that it attempts to punish citizens without jury trial. But the pending civil rights legislation is not a bill to punish for crime, but rather to prevent the commission of crime. Prevention not punishment is the purpose.

If prevention succeeds either by obedience to law without court order or by obedience to a court order, it becomes unnecessary to employ any sanctions, civil or criminal. If there is obedience to court orders, no occasion arises for contempt action. All that the

pending legislation contemplates is judicial process to restrain violations of the civil rights of citizens. Trials of violators of Federal decrees are no part of the process contemplated by the pending bill unless those enjoined defy judicial orders and thereby choose to subject themselves to civil or criminal contempt proceedings. Insofar as any penalties are imposed by the Federal courts, such disciplinary action would be for disobedience of specific court orders directed to specified defendants and not for violation of law.

The pending bill accuses no one of crime and does not seek to punish but to make punishment unnecessary. The likelihood of trial and punishment arises only because opponents of civil rights, by stripping courts of power to make civil rights injunctions effective, would invite disobedience and defiance. The civil rights bill is intended to secure compliance—it is the opponents of civil rights who anticipate and would encourage the defiance which in turn would require the substitution of punishment for prevention.

I. ALL PROCEDURAL SAFEGUARDS PRESENTLY PROVIDED BY FEDERAL LAW FOR THE PROTECTION OF THE INDIVIDUAL WOULD APPLY TO PROCEEDINGS AUTHORIZED BY THE PENDING LEGISLATION

Opponents of the pending proposal argue that it provides insufficient safeguards against hasty Federal injunctions, issued without proper hearing, and allows punishment of those enjoined without according them traditional rights, especially the right of trial by jury.

But these arguments can have little merit unless the entire present Federal law on the subject of equitable proceedings is faulty and inadequate. For the proceedings authorized by the pending bill will be accompanied by all the procedural safeguards presently provided by Federal law. We know of no outcry from the opponents of the civil rights bill against existing Federal injunctive and contempt procedures.

A. ISSUANCE OF INJUNCTIONS

The process contemplated by the pending measure is a traditional equitable proceeding, in which present law provides ample safeguards for the litigants. Permanent injunctions are issued only after full trial of the issues between the parties as in any other judicial litigation. The Government will have to make out its case that the civil rights of individuals are threatened with irreparable injury, and the defendants, represented by counsel, will have every chance by cross-examination and by their own proof, to demonstrate that the injunction is unwarranted. Where time does not permit such a complete trial and adjudication before the irreparable injury to the complaining party will have been inflicted and will in fact be beyond repair, the law provides for the issuance of preliminary injunctions and temporary restraining orders; these preserve the status quo until a full hearing can be had on the issuance of a permanent injunction. But in each of these temporary remedies, Federal law carefully safeguards the rights of the litigants.

When Irreparable Injury Will Result Before Hearing Can Be Had

(i) Temporary restraining orders, granted without notice to the adverse party, are issued only if "it clearly appears from specific facts shown by affidavit or by the verified complaint that immediate and irreparable injury, loss, or damage will result to the applicant before notice can be served and a hearing had thereon" (rule 65, F. R. C. P.).

And if such restraining order has been granted without notice, provision is made for the most expeditious giving of notice and holding of hearing. Thus, it is provided by rule 65 that "in case a temporary restraining order is granted without notice, the motion for a preliminary injunction shall be set down for hearing at the earliest possible time and takes precedence of all matters except older matters of the same character; and when the motion comes on for hearing the party who obtained the temporary restraining order shall proceed with the application for a preliminary injunction and, if he does not do so, the court shall dissolve the temporary restraining order. On 2 days' notice to the party who obtained the temporary restraining order without notice or on such shorter notice to that party as the court may prescribe, the adverse party may appear and move its dissolution or modification and in that event the court shall proceed to hear and determine such motion as expeditiously as the ends of justice require."

In addition, temporary restraining orders have minimal duration. Rule 65 provides that "every temporary restraining order granted without notice shall be endorsed with the date and hour of issuance; shall be filed forthwith in the clerk's office and entered of record; shall define the injury and state why it is irreparable and why the order was granted without notice; and shall expire by its terms within such time after entry, not to exceed 10 days, as the court fixes, unless within the time so fixed the order, for good cause shown, is extended for a like period or unless the party against whom the order is directed consents that it may be extended for a longer period. The reasons for the extension shall be entered of record."

When Time Permits Hearing

(ii) Preliminary injunctions, rather than temporary restraining orders, are required where time permits notice and hearing. Rule 65 of the Federal Rules of Civil Procedure provides that "no preliminary injunction shall be issued without notice to the adverse party." This requires that, before the issuance of a preliminary injunction, there be an opportunity afforded the parties to be heard, including a trial of any issue or issues of fact presented, at which the parties may present evidence and argue the effect of that evidence. See *Sims* v. *Greene* (161 F. 2d 87).

(iii) Both temporary restraining orders and preliminary injunctions are issued only on a showing of immediate irreparable injury and only to preserve the status quo between the litigants, not to effect any change in their relationship. See, e. g., *Sims* v. *Greene* (161 F. 2d 87); *Seagram-Distillers Corp.* v. *New Cut Rate Liquors, Inc.* (221 F. 2d 815, cert. denied, 350 U. S. 828). Neither temporary restraining orders nor preliminary injunctions may therefore be employed to compel the registration of any voter, but at the most to restrain last minute attempts by election officials or others to deprive those already entitled to vote of their right to the franchise.

Permanent Injunctions Only After a Full Due Process Hearing

(iv) Permanent injunctions alone have any effect beyond the preservation of the status quo. They can be issued, as we have already seen, only after a full due process hearing wherein the burden of proof must be sustained by the Government and the defendants have the traditional American right of counsel, confrontation and fair play in opposing the issuance of the injunction. The Government must prove a threatened violation of the civil rights laws—for example, a threatened violation of the most precious right of a citizen to exercise his franchise—and also that there will be irreparable injury to the public and private interests unless the court acts. Prevention of wrongdoing, not punishment, is the object of the injunction authorized by the pending civil-rights legislation.

(v) Thus, there is nothing arbitrary about the process by which the Government would obtain injunctions to protect civil rights unless these established safeguards on the subject are themselves arbitrary or inadequate. And there is no evidence that the provisions cited do not adequately protect against the issuance of hasty and ill-considered equitable process. Indeed, the testimony of Attorney General Brownell and cases cited therein before the Senate Subcommittee on Constitutional Rights of the Committee on the Judiciary, February 14 to 16, 1957, make clear that in the cases where Federal courts have been called upon to protect voting rights they have proceeded with utmost caution and deliberation.

* * * * *

Civil Contempt Proceedings Are to Secure Compliance

In case there has been a violation of the court's injunction, such action may be followed by either civil or criminal contempt proceedings.

(i) Civil contempt proceedings are intended to secure compliance with judicial decrees and orders and to compensate the injured parties. The remedies in civil contempt include compensatory fines as well as conditional fines and imprisonment, but the defendant can always relieve himself from such additional penalties by complying with the decree.

Criminal Contempt Penalties Are for Defiance of the Courts

(ii) Criminal contempt proceedings, on the other hand, are intended to punish the individual for violating the court's commands and thereby to vindicate the authority of the court.

In a word, whereas civil contempt proceedings are instituted for the purpose of obtaining compliance with judicial decrees and affording compensatory relief to the parties for violation of decrees, criminal contempts are initiated to punish those who defy judicial authority or judicial commands. In neither case is there punishment for violation of the criminal law.

Both in civil and criminal contempt proceedings, Federal law presently provides numerous safeguards for the parties charged with contempt and we turn now to those safeguards.

B. CIVIL CONTEMPT PROCEEDINGS

In civil contempt proceedings the action is directed only against "the parties to the action, their officers, agents, servants, employees, and attorneys, and upon those persons in active concert or participation with them who receive actual notice of the order by personal service or otherwise." Rule 65 (d), Federal Rules of Civil Procedure. Plaintiff must carry the "heavy burden" of proving defendant's resistance in civil contempt by "clear and convincing" evidence. See, e. g., *Fox* v. *Capital Co.* (96 F. 2d 684, 686); *Telling* v. *Bellows-Claude Neon Co.* (77 F. 2d 584); *Hanley* v. *Pacific Live Stock Co.* (234 Fed. 522, 531).

Civil contempt adjudications after disobedience of final orders and decrees are fully reviewable in appellate courts. *Penfield* v. *SEC* (330 U. S. 585, 591); *Lamb* v. *Cramer* (285 U. S. 217, 221); *Leman* v. *Krentler-Arnold Hinge Last Co.* (284 U. S. 448); see *Clay* v. *Waters* (178 F. 385, 391–2).

Congress Has Never Provided a Jury Trial as a Matter of Right in a Civil Contempt Proceeding

Congress has never provided for a jury trial as a matter of right to the defendant in a civil contempt proceeding. See *Michaelson* v. *United States* (266 U. S. 42); *Odell* v. *Bausch & Lomb Optical Co.* (91 F. 2d 359, certiorari denied, 302 U. S. 756). Indeed, such a provision would apparently be unconstitutional because it would deprive Federal courts of their inherent right to enforce their decrees and authority. See II, D, infra.

Although no jury is provided as a matter of right to a defendant in a civil contempt

proceeding, there is, of course, full judicial authority to employ an advisory jury, and this authority would exist in proceedings arising from the pending bill. A court of equity always has authority to submit questions of fact to an advisory jury. See, for example, *Federal Reserve Bank* v. *Idaho Grimm Alfalfa Seed Growers' Assn.* (8 F. 2d 922, certiorari denied, 270 U. S. 646). Rule 39 (c) of the Federal Rules of Civil Procedure specifically provides that "in all actions not triable of right by a jury the court upon motion or of its own initiative may try any issue with an advisory jury. * * *"

C. CRIMINAL CONTEMPT PROCEEDINGS—CRIMINAL CONTEMPT IS ALSO TRIABLE IN OPEN COURT AND SUBJECT TO APPEAL

If the proceeding be one for criminal contempt, which is initiated to punish those who have defied the authority or the orders of the court, the protections of the Federal Rules of Criminal Procedure apply. See 18 U. S. C. 3771, 3772; *United States* v. *Lederer* (139 F. 2d 861). Under the Federal Rules of Criminal Procedure, rule 42, only the United States attorney or the court may institute criminal contempt proceedings. Rule 42 (b) guarantees every traditional right to litigate issues in open court after full notice:

"The notice shall state the time and place of hearing, allowing a reasonable time for the preparation of the defense, and shall state the essential facts constituting the criminal contempt charged and describe it as such. The notice shall be given orally by the judge in open court in the presence of the defendant or, on application of the United States attorney or of an attorney appointed by the court for that purpose, by an order to show cause or an order of arrest."

In order to avoid any possible bias against the defendant, the rule provides:

"If the contempt charged involves disrespect to or criticism of a judge, that judge is disqualified from presiding at the trial or hearing except with the defendant's consent."

Furthermore, only persons bound by and having actual notice of a decree can be punished by criminal contempt proceedings, see, e. g., *Kean* v. *Hurley* (179 F. 2d 888), and then only if the disobedience was willful and is proved beyond a reasonable doubt. *United States* v. *United Mine Workers* (330 U. S. 258); *Gompers* v. *Buck's Stove & Range Co.* (221 U. S. 418); *United States ex rel. Porter* v. *Kroger Grocery & Baking Co.* (163 F. 2d 168). Trial is not on affidavits but on testimony taken in open court. *Cooke* v. *United States* (267 U. S. 517); *New Jersey Patent Co.* v. *Martin* (166 Fed. 1010).

Criminal contempt convictions are fully reviewable in appellate courts. See *Bessette* v. *W. B. Conkey Co.* (194 U. S. 324); *Nye* v. *United States* (313 U. S. 33); *United States* v. *Lederer* (139 F. 2d 861).

If the proceedings are mixed civil and criminal, the criminal safeguards control. *Penfield* v. *SEC* (330 U. S. 585, 594); *United States* v. *United Mine Workers* (330 U. S. 258); *Kreplik* v. *Couch Patents Co.* (190 Fed. 565, 572–73).

The court in its discretion may employ an advisory jury in criminal contempt proceedings. See *In re Steiner* (195 Fed. 299, 303). Federal law does not, however, provide a right to a jury trial in criminal contempt proceedings except under certain limited circumstances.

Exception Made by Congress After Debs Case But Only in Criminal Contempt Cases Involving Private Litigants; Federal Government Retained the Means Needed for Its Operation and Survival

Until 1914 Congress had made no provision of any kind for jury trial in contempt proceedings. However, in that year, after considerable agitation following the Supreme Court's decision in the Debs case, Congress enacted as part of the Clayton Act a provision which is now section 3691 of title 18[1] of the United States Code (and see 18 U. S. C. 402) providing for trial by jury in criminal contempt cases consisting of willful disobedience of the orders and decrees of United States district courts obtained by private litigants where "the act or thing done or omitted also constitutes a criminal offense under any act of Congress, or under the laws of any State in which it was done or omitted."

However, in deference to the principle that the Federal Government must retain the means needed for its own operation and survival, and for the enforcement of the laws of the land, the law, as enacted in 1914 and in its present form, exempts from the jury-trial provision contempts "in disobedience of any lawful writ, process, order, rule, decree, or command entered in any suit or action brought or prosecuted in the name of, or on behalf of, the United States."[2] Thus, when Congress enacted the provision for jury trial in criminal contempt proceedings, it rejected the proposition now tendered that jury trial should be granted to defendants in contempt actions arising from injunctions, decrees and orders sought and obtained by the United States.

There are 28 statutes on the books today under which the United States is authorized to bring injunction suits to safeguard its interests and to restrain violations of criminal law. (These statutes as compiled by the Attorney General in his testimony on the pending bill appear as appendix A herein.) The Government-suit exception to the jury trial provision for criminal contempts has been uniformly applicable in the case of all these statutes, as well as the Taft-Hartley Act, just as it would be applicable under the pending measure.

What the opponents of the remedial legislation under consideration argue is that, despite the careful procedural safeguards which Federal law provides in injunctive and contempt proceedings, Congress should now go beyond anything it has previously done in the past and provide for jury trials in all criminal contempt proceedings (without regard to the existing limitations just outlined), in all civil contempt proceedings and, what is more, even for the judicial proceedings involved in the issuance of injunctions.[3] We turn to an examination of these proposals.

[1] "SEC. 3691. Jury trial of criminal contempts:

"Whenever a contempt charged shall consist in willful disobedience of any lawful writ, process, order, rule, decree, or command of any district court of the United States by doing or omitting any act or thing in violation thereof, and the act or thing done or omitted also constitutes a criminal offense under any act of Congress, or under the laws of any State in which it was done or omitted, the accused, upon demand therefor, shall be entitled to trial by a jury, which shall conform as near as may be to the practices in other criminal cases.

"This section shall not apply to contempts committed in the presence of the court, or so near thereto as to obstruct the administration of justice, nor to contempts committed in disobedience of any lawful writ, process, order, rule, decree, or command entered in any suit or action brought or prosecuted in the name of, or on behalf of, the United States."

[2] The Norris-LaGuardia extension of jury trials even where the Government is the litigant is discussed in II, B, infra.

[3] We deal in this memorandum with the proposals for jury trial in criminal and civil contempt proceedings. We do not stop to examine the contention that there should be a jury trial as of right before an injunction can issue. It is sufficient answer to that contention that such a negation of the "equity" power conferred under article III, section 2 of the Constitution has never before been attempted; that, because of the limited time factor in election cases it would make relief impossible in many instances; and that in all likelihood such legislation would be unconstitutional. See *Michaelson* v. *United States* (266 U. S. 42); *Cf. Brown* v. *Kalamazoo Circuit Judge* (75 Mich. 274, 42 N. W. 827).

II. THE PROPOSALS TO BROADEN PRESENT FEDERAL PROVISIONS FOR JURY TRIAL IN CONTEMPT CASES ARE WITHOUT CONSTITUTIONAL WARRANT OR CONGRESSIONAL PRECEDENT

Opponents of the pending legislation urge that there is a constitutional right to jury trial in contempt cases, and that, whether or not there is such a constitutional right, Congress should grant such a right in the pending legislation.

But, as will be seen, there is no constitutional right to jury trial for either civil or criminal contempts; and, indeed, there is serious constitutional doubt whether Congress could provide a right to jury trial in civil contempt proceedings.

Furthermore, the proposal to change the existing Federal contempt law is not made to further the remedial purpose of making civil rights guaranties more effective, but is offered in the hope that such an amendment would either defeat or make meaningless and ineffective the very remedial legislation before the Congress.

A. THERE IS NO CONSTITUTIONAL GUARANTY OF JURY TRIAL IN CONTEMPT PROCEEDINGS

Opponents of the pending civil-rights measure assert that it invades the constitutional right to trial by jury of persons charged with violating judicial orders. But this contention is groundless, for it has uniformly been held by the highest judicial authorities that there is no constitutional right to a jury trial in contempt actions.

It has been established by authoritative decisions of the United States Supreme Court since the earliest days of the Union that the Constitution guarantees no jury trial in civil or criminal contempt proceedings. See, e. g., *United States* v. *Hudson* (7 Cranch 32), *Anderson* v. *Dunn* (6 Wheat. 204), *Ex parte Robinson* (19 Wall. 505), *Ex parte Terry* (128 U. S. 289), *Eilenbecker* v. *District Court* (134 U. S. 31), *In re Debs* (158 U. S. 564), *Bessette* v. *W. B. Conkey Co.* (194 U. S. 324), *Gompers* v. *Buck's Stove & Range Co.* (221 U. S. 418), *Michaelson* v. *United States* (266 U. S. 42), *United States* v. *United Mine Workers* (330 U. S. 258), *Fisher* v. *Pace* (336 U. S. 155).

The Court's Position

The contention that jury trials are required by the Constitution for contempt cases arising under the proposed civil rights bill evokes today no different answer from that which the Supreme Court has always given:

"Surely it cannot be supposed that the question of contempt of the authority of a court of the United States, committed by a disobedience of its orders, is triable, of right, by a jury." *Interstate Commerce Commission* v. *Brimson* (154 U. S. 447, 488).

The Constitution's guaranties of jury trial apply only to such cases as were triable by jury at the time of its enactment, and jury trial in contempt cases was unknown in the Colonies. Every decision on the subject rejects an interpretation of this constitutional guaranty which would render the judicial branch the only one of the branches of the Federal Government powerless to make its authority real and effective.

Thus in *Ex parte Terry* (128 U. S. 289), Mr. Justice Harlan, speaking for a unanimous court in holding against the jury trial contention in a contempt case, said:

"Nor can there be any dispute as to the power of a circuit court of the United States to punish contempts of its authority. In *United States* v. *Hudson* (11 U. S., 7 Cranch, 34), it was held that the courts of the United

States, from the very nature of their institution, possess the power to fine for contempt, imprison for contumacy, enforce the observance of order, etc. In *Anderson* v. *Dunn* (19 U. S., 6 Wheat. 204, 227), it was said that 'Courts of justice are universally acknowledged to be vested, by their very creation, with power to impose silence, respect, and decorum in their presence, and submission to their lawful mandates.' So, in *Ex parte Robinson* (86 U. S., 19 Wall. 505, 510): 'The power to punish for contempts is inherent in all courts; its existence is essential to the preservation of order in judicial proceedings, and to the enforcement of the judgments, orders, and writs of the courts, and consequently to the due administration of justice. The moment the courts of the United States were called into existence and invested with jurisdiction over any subject, they became possessed of this power.' (*Ex parte Bollman* (8 U. S., 4 Cranch, 75, 94); Story, Const. sec. 1774; Bac. Abr. Courts, E.). And such is the recognized doctrine in reference to the powers of the courts of the several States. 'The summary power to commit and punish for contempts tending to obstruct or degrade the administration of justice,' the Supreme Judicial Court of Massachusetts well said, in *Cartwright's Case* (114 Mass. 230, 238), 'is inherent in courts of chancery and other superior courts, as essential to the execution of their powers and to the maintenance of their authority, and is part of the law of the land, within the meaning of Magna Charta and of the 12th article of our Declaration of Rights.' The Declaration of Rights here referred to was that which formed part of the Constitution of Massachusetts, and contained the prohibition, inserted in most of the American constitutions, against depriving any person of life, liberty, or estate, except by the judgment of his peers, or the law of the land. So in *Cooper's Case* (32 Vt. 253, 257): 'The power to punish for contempt is inherent in the nature and constitution of a court. It is a power not derived from any statute, but arising from necessity; implied, because it is necessary to the exercise of all other powers.' Without such power, it was observed in *Easton* v. *State* (39 Ala. 552), the administration of the law would be in continual danger of being thwarted by the lawless. To the same effect are *Watson* v. *Williams* (36 Miss. 344); *Johnston* v. *Com.* (1 Bibb, 598); *Clark* v. *People* (Breese, 266); *Com.* v. *Dandridge* (2 Va. Cas. 408); *Ex parte Hamilton* (51 Ala. 63); *Redman* v. *State* (28 Ind. 212); *People* v. *Turner* (1 Cal. 153); *State* v. *Morrill* (16 Ark. 386); and numerous cases cited in note to *Clark* v. *People* (Breese, 266 in 12 Am. Dec. 178)."

And in *Eilenbecker* v. *District Court* (134 U. S. 31), Mr. Justice Miller, speaking again for a unanimous Supreme Court, held to the same effect:

"If it has ever been understood that proceedings according to the common law for contempt of court have been subject to the right of trial by jury, we have been unable to find any instance of it. It has always been one of the attributes—one of the powers necessarily incident to a court of justice—that it should have this power of vindicating its dignity, of enforcing its orders, of protecting itself from insult, without the necessity of calling upon a jury to assist it in the exercise of this power.

Court's Contempt Power Is Essential to the Execution of Their Powers

"In the case in this court of *Ex parte Terry* (128 U. S. 289), this doctrine is fully asserted and enforced, quoting the language of the court in the case of *Anderson* v. *Dunn* (19 U. S. 6 Wheat. 204, 227), where it was said that 'courts of justice are universally acknowledge to be vested, by their very creation, with power to impose silence, respect, and decorum in their presence, and submission to their lawful mandates;' citing also with approbation the language of the Supreme Judicial Court of Massachusetts in *Cartwright's* case (114 Mass. 230, 236), that 'the summary power to commit and punish for contempts tending to obstruct or degrade the administration of justice is inherent in courts of chancery and other superior courts, as essential to the execution of their powers and to the maintenance of their authority, and is part of the law of the land, within the meaning of Magna Carta and of the twelfth article of our declaration of rights.'

"And this court, in Terry's case, held that a summary proceeding of the circuit court of the United States without a jury, imposing upon Terry imprisonment for the term of 6 months, was a valid exercise of the powers of the court, and that the action of the circuit court was also without error in refusing to grant him a writ of habeas corpus. The case of Terry came into this court upon application for a writ of habeas corpus, and presented, as the case now before us does, the question of the authority of the circuit court to impose this imprisonment on a summary hearing without those regular proceedings which include a trial by jury, which was affirmed. The still more recent cases of *Ex parte Savin* (131 U. S. 267), and *Ex parte Cuddy* (131 U. S. 280), assert very strongly the same principle. In *Ex parte Robinson* (86 U. S. 19 Wall. 505), this court speaks in the following language:

"'The power to punish for contempts is inherent in all courts. Its existence is essential to the preservation of order in judicial proceedings and the enforcement of the judgments, orders, and writs of the courts, and, consequently, to the due administration of justice. The moment the courts of the United States were called into existence and invested with jurisdiction over any subject, they became possessed of this power'."

Commission of a Crime Cannot Bring Immunity From Punishment for Contempt

Nor is there a constitutional right to jury trial in a contempt proceeding merely because the actions constituting the contempt also violate Federal or State criminal law. The principle that jury trial guaranties in the Constitution do not apply to contempt proceedings, either civil or criminal, is in no way altered by the fact that the contempt in question may also be a violation of criminal law. The argument that jury trial is guaranteed by the Constitution for acts of criminal contempt which are also crimes fails because the punishment for the contempt is not punishment for the crime but for the willful defiance of judicial authority. It is no more relevant to the question whether a contempt of judicial authority has been committed that the conduct constituting the contempt is forbidden by criminal law than it would be relevant in a criminal prosecution that the acts charged also violated a judicial decree or command. One who willfully defies judicial authority cannot obtain the constitutional right to trial by jury merely by committing a contempt so aggravated that it violates not only judicial mandates but the Criminal Code as well.

Thus, the Supreme Court in the Eilenbecker case, supra, squarely held that jury trials are not guaranteed for criminal contempts even though the contemptuous acts are also criminal:

"The counsel for plaintiffs in error * * * [urge] the proposition that the entire statute under which this injunction was issued is in the nature of a criminal proceeding, and that the contempt of court of which these parties have been found guilty is a crime for the punishment of which they have a right to trial by jury.

"We cannot accede to this view of the subject. Whether an attachment for a contempt of court, and the judgment of the court punishing the party for such contempt, is in itself essentially a criminal proceeding or not, we do not find it necessary to decide. We simply hold that, whatever its nature may be, it is an offense against the court and against the administration of justice, for which courts have always had the right to punish the party by summary proceeding and without trial by jury; and that in that sense it is due process of law within the meaning of the 14th amendment of the Constitution. We do not suppose that that provision of the Constitution was ever intended to interfere with or abolish the powers of the courts in proceedings for contempt, whether this contempt occurred in the course of a criminal proceeding or of a civil suit."

B. THE JURY TRIAL PROPOSALS OF THE CIVIL RIGHTS OPPONENTS ARE WITHOUT CONGRESSIONAL PRECEDENT

As has just been seen, the proposals for jury trials in contempt proceedings under the pending civil-rights bill are not supported by any constitutional requirements; they are equally unsupported by Congressional precedent.

The opponents of pending civil rights bill demand jury trials in all cases of civil contempt. Yet, in the almost 170 years that Congress has sat as the legislature of this country, it has never provided for jury trial as a matter of right in civil contempt actions. Indeed, as will be seen hereafter (II, D), jury trials as of right in civil contempt proceedings would be unconstitutional as in derogation of the powers of the Federal judiciary to enforce its own orders.

The opponents of civil-rights legislation likewise demand jury trials in all cases of criminal contempt. In this respect, they would exceed the requirements for jury trials which Congress, in 1914, saw fit to grant defendants in certain cases of criminal contempt. The 1914 statute provides for jury trials in criminal contempt proceedings where the plaintiff is a private party and the act of contempt is a violation of the Criminal Code, and excludes from the right to jury trial criminal contempt proceedings resulting from suits instituted by the Government.[4] In other words, until 1914, there was no right to a jury trial whatever in criminal contempts. Since 1914 there has been the right to a jury trial in criminal contempts only where the suit was instituted by a private party rather than the Government and the contempt violates the criminal law. Despite this long history of limited jury trial in criminal contempt proceedings, the opponents of civil rights, without ever having objected to the absence of jury trials in criminal contempt proceedings brought by the Government under other statutes, now demand this right for those who willfully defy civil rights injunctions.

Thus, the opponents of the pending civil-rights bill face overwhelming adverse constitutional history against their claim of a constitutional right to jury trial in contempt cases. Likewise, their proposals for jury trials in all civil and criminal contempts are without Congressional precedent. Congress has never been willing to deprive the Federal judiciary of authority to enforce obedience to its lawful orders. Certainly, it ought not to do so here where pending legislation seeks to empower the courts to protect fundamental rights of our citizens guaranteed by our Constitution and the Bill of Rights.

[4] It might be well to repeat here for the sake of clarity the distinction between civil and criminal contempt proceedings. Civil contempt proceedings are intended to secure compliance with judicial orders by conditional penalties and to compensate the injured parties by compensatory fines. Criminal contempt proceedings are intended to punish the individual for violating the court's commands and thereby to vindicate the court's authority. Criminal contempt proceedings for willful violations of the court's order can be based on acts which, independently of the order, would constitute a crime or on acts which, independently of the order, would not constitute a crime. In none of the cases, however, is there penalty for violation of the criminal law; it is for violation of judicial mandate.

The Norris-La Guardia Act Was Passed to Further the National Policy

The opponents of civil rights make much of the one and only instance of a broad right to jury trial in criminal contempts, contained in the 1932 Norris-LaGuardia Act (now 18 U. S. C. 3692). There Congress provided that in criminal contempt proceedings arising out of labor disputes involving the disobedience of judicial orders the accused should have trial by jury. As we have just seen, the general statute for jury trials is much more narrowly confined to cases where the contempts constitute violations of criminal law and do not arise out of injunctions obtained by the United States. There are 28 different statutes providing for Government-sought injunctions to restrain violations of law[5]—in none of these did Congress see fit to provide for jury trials. Norris-LaGuardia contains the only provision ever enacted by Congress in which jury trial was provided as of right in criminal contempt cases arising from injunctions obtained by the United States.[6]

But even as the sole exception to the general Congressional policy, the Norris-LaGuardia provision fails to support the contention of the opponents of the present bill. For, unlike the present proposal, that provision was enacted to insure the carrying out of the national Congressional policy as reflected and specifically defined in the Norris-LaGuardia Act.[7] In the decades prior to 1932 numerous anti-labor injunctions were issued by anti-labor Federal judges. These injunctions were made on the basis of highly controversial judge-made law unsupported by any clear Congressional mandate and frequently contrary to the law prevailing in the courts of the States where the acts took place. These anti-labor judges were unwilling to recognize the growing national policy of fostering rather than stifling the growth of a strong and independent labor movement. Courts would issue injunctions and use their contempt power indiscriminately, not to prevent violations of law but to prevent labor organization and freedom of collective bargaining. Decades of such demonstrated hostility by the courts to labor and its interests[8] prompted Congress to implement the growing national policy in the labor field by specifically curtailing the Federal injunctive power in many areas of labor litigation and by providing that juries, rather than the judges, determine whether contempts had been committed.

Thus the anti-labor judges at whom the Norris-LaGuardia jury trial provision was aimed had utilized injunctive and criminal contempt powers in a manner hostile both to the laboring defendants and to the growing national policy favoring the protection of legitimate trade unionism. The Norris-LaGuardia jury trial provision was intended both to protect the laboring defendants and to further this growing national policy. It certainly cannot be suggested either that Federal judges in the South will utilize their powers under the pending civil rights legislation in a manner hostile to the southern defendants or that the national policy of protecting the right to vote will be furthered by depriving these judges of their contempt powers. Thus, neither of the reasons which called into being the Norris-LaGuardia jury trial provision are present in this situation.

The very narrow purpose and significance of the Norris-LaGuardia provision is demonstrated by the fact that in 1947, when it was believed that the judicial abuses of previous years could no longer reasonably be anticipated, Congress in effect repealed the Norris-LaGuardia Act jury trial provision by providing in Taft-Hartley[9] that Norris-LaGuardia restraints would be inapplicable to injunctions sought by the United States under the Labor-Management Relations Act. By so doing, Congress returned to its basic policy of providing for judicial enforcement of criminal contempt in proceedings instituted by the United States. In Taft-Hartley, Congress manifested once again its determination that only the most overriding considerations would induce it to deprive the Government of speedy and effective judicial remedies. Far from any such considerations applying to the pending civil rights legislation, depriving the judiciary of the power to make effective their civil rights decrees would in fact nullify the very purpose of the legislation.

C. THE PROPOSAL FOR JURY TRIAL IS INTENDED NOT TO FURTHER BUT TO DEFEAT THE REMEDIAL PURPOSE OF THE PENDING LEGISLATION

The present suggestion for jury trial, unlike the Norris-LaGuardia provision, is not offered to further, but rather to defeat, the purpose of the pending remedial legislation. For it is not the judiciary which is hostile to the national and Congressional purpose found in the 14th and 15th amendments, in existing civil rights laws, and the pending legislation; on the contrary, it is the juries in certain States which are hostile to that national policy. It requires no elaborate documentation to show the hostility of juries in certain States to the civil rights legislation and the civil rights amendments to the Constitution. At the moment and, it is tragically probable, for some time to come, southern juries simply will not convict white southerners, no matter how willfully and wantonly they deprive American citizens, because of their color, of their most fundamental constitutional rights. The hostility of the juries to the national policy of racial equality and Negro rights can be explained. In the atmosphere of coercion, intimidation, and threat exerted in some States on the colored people thereof, juries cannot exercise their fair judgment in civil rights cases. The white community of many States is organized in force to prevent the execution of the law and the enjoyment of civil rights, especially those protected by the 15th amendment, and jurors are not impervious to organized force. It is only the Federal judges, protected as they are by tenure for life, who are sufficiently insulated from these organized economic, social, and even physical sanctions to resist the dominant community hostility to the civil rights of the minority group.

Fears Expressed by Southern Legislators About Southern Judges Are Imaginary

The fears that are expressed by southern legislators of the wrongs that southern judges might inflict upon southern citizens under the pending legislation are imaginary. Indeed, their reckless and unsupported attack on the integrity of the judiciary, more specifically of the Federal district judges in Southern States, is not only a discourtesy to these jurists, but ill befits those who indulge in it.

By and large, these judges are southerners drawn from the practitioners of the bars of the various Southern States. They have been appointed without the opposition, indeed with the concurrence, endorsement, and often at the suggestion, of southern Senators. The danger that they represent to the opponents of civil rights is not derived from any injudicious tendencies among the Federal judiciary in the South or any lack of understanding or sympathy among these judges for the problems of the South. The threat that they pose to the opposition is derived rather from the fact that, once given tenure appointments to the Federal bench, these men honestly and conscientiously apply and are applying daily the law of the land, including the civil rights laws and the 14th and 15th amendments.

What the southern proponents of jury trials fear, and all that they fear, is that their own southern judges will enforce civil and electoral rights of American citizens without prejudice, discrimination, and recrimination. The southerners are not asking for jury trials because southern Federal judges cannot be counted on to do justice in civil rights cases; they are asking for jury trials because southern white juries can be counted on not to do justice.

To provide for jury trials in the pending civil rights legislation would not only fail to further its remedial purpose, but, on the contrary, would emasculate and defeat that very remedial intent. As Assistant Attorney General Warren G. Olney III stated in a public address on April 5, 1957, the jury trial proposal of the opponents of civil rights is "a clever device to nullify the proposed civil rights legislation" by "deceptive appeals for the protection of the right to jury trial." Enforcement of injunction orders by judicial authority will effectively implement the purpose of the pending civil rights legislation and will conform to historic Congressional policy in the realm of contempt proceedings.

D. THE PROPOSAL FOR JURY TRIAL IN CIVIL CONTEMPT CASES IS NOT ONLY LACKING IN PRECEDENT OR POLICY BUT WOULD CONTRAVENE THE UNITED STATES CONSTITUTION

Opponents of the pending measure would amend it so as to grant jury trials not only in criminal contempt cases, whether or not arising in suits brought by the United States and whether or not the act of contempt is also a violation of criminal law, but apparently would extend the right to civil contempt proceedings as well. This proposal is not only contrary to the purpose of the pending remedial legislation, but also appears to be unconstitutional. For there is most serious doubt whether Congress could deprive the Federal courts of the power to make their decrees and commands fully effective by making enforcement of such decrees dependent upon and subject to the delays and uncertainties of jury trial.

Numerous decisions in State courts have held that the legislature has no power so to restrict the authority of the courts, by requiring jury trials in contempt proceedings, as to render judicial authority ineffective. The four early authoritative decisions of

[5] There are 29 such statutes counting Taft-Hartley.

[6] It is to be noted, however, that no court has held jury trial to be a right of the defendant in a contempt proceeding arising from a suit instituted by the United States either before or after the Norris-La Guardia Act. It should also be noted that in *United States* v. *United Mine Workers*, 330 U. S. 258, wherein the United States obtained an injunction in its capacity as a mine employer, the Supreme Court held the Norris-LaGuardia Act jury trial guarantee inapplicable to a contempt of that injunction.

[7] The Norris-LaGuardia Act declared that "it is necessary that he [the worker] have full freedom of association, self-organization, and designation of representatives of his own choosing, to negotiate the terms and conditions of his employment, and that he shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection * * *" (29 U S. C. 102).

[8] See Frankfurter and Green, The Labor Injunction (1930).

[9] Sections 10 (h), 208 (b).

State courts which reject legislative power to impair the inherent authority of the courts to punish contempts are *Watson* v. *Williams* (36 Miss. 331 (1858)); *Carter's Case* (96 Va. 791, 32 SE 780 (1899)); *Bradley* v. *State* (111 Ga. 168, 36 SE 630 (1900)); and *Ex parte McCown* (139 N. C. 95 (1905)).

A Mississippi's Court's Opinion

In Carter's case the Supreme Court of Virginia gives a full and cogent analysis which has been relied upon universally in States where the legislature has attempted to require jury trials in contempt proceedings. And there is probably no more concise statement of the constitutional reasons for retaining summary enforcement power in the judiciary than that given by the Supreme Court of Mississippi in 1858 in *Watson* v. *Williams* (36 Miss. 331, 341), where the court held:

"The power to fine and imprison for contempt, from the earliest history of jurisprudence, has been regarded as a necessary incident and attribute of a court, without which it could no more exist than without a judge. It is a power inherent in all courts of record, and coexisting with them by the wise provisions of the common law. A court without the power effectually to protect itself against the assaults of the lawless, or to enforce its orders, judgments or decrees against the recusant parties before it, would be a disgrace to the legislation and a stigma upon the age which invented it."

These early southern decisions have been followed in numerous other States where the courts have held that the legislature may not, by requiring jury trials in contempt of court proceedings, deprive the courts of their inherent power to make their decrees and authority effective. See, e. g., *Fort* v. *Cooperative Farmers' Exchange* (81 Colo. 431, 256 Pac. 319 (1927)); *Arnold* v. *Commonwealth* (80 Ky. 300 (1882)); *Walton Lunch Co.* v. *Kearney* (236 Mass. 310 (1920)); *In re Opinions of the Justices* (314 Mass. 767, 49 NE 2d 252 (1943)); *Pacific Live Stock Co.* v. *Ellison Ranching Co.* (46 Nev. 351, 213 Pac. 700 (1923)); *Hall* v. *The State* (55 Ohio St. 210 (1896)); *Smith* v. *Speed* (11 Okla. 95 (1905)); *Blanchard* v. *Golden Age Brewing Co.* (188 Wash. 396, 63 P. 2d 397 (1936)); *John F. Jelke Co.* v. *Hill* (208 Wisc. 650, 242 NW 576 (1932)).

The Limits of Congressional Power to Require Jury Trials

Both before and after enactment of the Clayton Act in 1914, it was doubted that Congress could, without violating the doctrine of separation of powers, grant the right to jury trial in either civil or criminal contempt. United States courts of appeals for two circuits, in *Michaelson* v. *United States* (291 Fed. 940) and *In re Atchison* (284 Fed. 604), following the universal rule announced in State court decisions, held that the Clayton Act provision for jury trial of criminal contempts violated the constitutional doctrine of separation of powers. The United States Supreme Court in *Michaelson* v. *United States* (266 U. S. 42), reversed these rulings. However, the Court clearly indicated that only because of the limited nature of the Clayton Act jury trial provision could it be upheld. It indicated that "different and more serious considerations would arise" if that statute had extended to cases of failure or refusal to comply affirmatively with a decree. The Court said:

"But it is contended that the statute materially interferes with the inherent power of the courts and is therefore invalid. That the power to punish for contempt is inherent in all courts, has been many times decided and may be regarded as settled law. It is essential to the administration of justice. The courts of the United States, when called into existence and vested with jurisdiction over any subject, at once become possessed of the power. So far as the inferior Federal courts are concerned, however, it is not beyond the authority of Congress (*Ex parte Robinson* (19 Wall. 505, 510–511); *Bessette* v. *W. B. Conkey Co.* (194 U. S. 324, 326)); but the attributes which inhere in that power and are inseparable from it can neither be abrogated nor rendered practically inoperative. That it may be regulated within limits not precisely defined may not be doubted. The statute now under review is of the latter character. It is of narrow scope, dealing with the single class where the act or thing constituting the contempt is also a crime in the ordinary sense. It does not interfere with the power to deal summarily with contempts committed in the presence of the court or so near thereto as to obstruct the administration of justice, and is in express terms carefully limited to the cases of contempt specifically defined. Neither do we think it purports to reach cases of failure or refusal to comply affirmatively with a decree—that is to do something which a decree commands—which may be enforced by coercive means or remedied by purely compensatory relief. If the reach of the statute had extended to the cases which are excluded a different and more serious question would arise."

The Court specifically stated its "doubt" that Congress could require jury trial for civil contempts:

"We first inquire whether the proceeding contemplated by the statute is for a civil or a criminal contempt. If it be the latter—since the proceeding for criminal contempt, unlike that for civil contempt, is between the public and the defendant, is an independent proceeding at law, and no part of the origial cause, *Gompers* v. *Bucks Stove & Range Co.* (221 U. S. 418, 444–446, 451)—we are at once relieved of the doubt which might otherwise arise in respect of the authority of Congress to set aside the settled rule that a suit in equity is to be tried by the chancellor without a jury unless he choose to call one as purely advisory. We think the statute, reasonably construed, relates exclusively to criminal contempts." [10]

The Supreme Court had earlier given its view that courts must be authorized to exercise contempt power "without referring the issues of fact or law to another tribunal or to a jury." In *Gompers* v. *Bucks Stove & Range Co.* (221 U. S. 418, 450), the Court held:

Power to Punish for Contempt Is Vital

"While it is sparingly to be used, yet the power of courts to punish for contempts is a necessary and integral part of the independence of the judiciary, and is absolutely essential to the performance of the duties imposed on them by law. Without it they are mere boards of arbitration, whose judgments and decrees would be only advisory.

"If a party can make himself a judge of the validity of orders which have been issued, and by his own act of disobedience set them aside, then are the courts impotent, and what the Constitution now fittingly calls the judicial power of the United States would be a mere mockery.

"This power 'has been uniformly held to be necessary to the protection of the court from insults and oppression while in the ordinary exercise of its duty, and to enable it to enforce its judgments and orders necessary to the due administration of law and the protection of the rights of citizens.' *Bessette* v. *W. B. Conkey Co.* (194 U. S. 333).

"There has been general recognition of the fact that the courts are clothed with this power, and must be authorized to exercise it without referring the issues of fact or law to another tribunal or to a jury in the same tribunal. For, if there was no such authority in the first instance, there would be no power to enforce its orders if they were disregarded in such independent investigation. Without authority to act promptly and independently the courts could not administer public justice or enforce the rights of private litigants."

Michaelson is the only Supreme Court decision upholding the power of Congress to require jury trials even in criminal contempt proceedings. There the Court indicated its serious doubt whether Congress could, by providing for juries in civil contempts, invade the equity jurisdiction conferred by the Constitution and deprive the courts of their inherent power to obtain compliance with their decrees and orders. Therefore, if Congress were to require a jury trial in civil contempts arising under the present bill, it would not only go beyond what the Constitution requires and what Congress itself has heretofore deemed proper, but would be extending Congressional authority over the judiciary in a way which would give rise to that "doubt" and those "different and more serious considerations" which the Supreme Court emphasized in the Michaelson case.[11]

III. EQUITABLE ENFORCEMENT OF CIVIL RIGHTS IS THE LEAST DRASTIC AND THE MOST CAUTIOUS AND REASONABLE MEANS OF PROTECTING THE RIGHT TO VOTE AND PREVENTING THE BREAKDOWN OF LAW AND ORDER IN THE SOUTH

The limited and traditional equity power of the Federal courts which the present measure invokes, contrasted with other remedies provided by the Constitution in cases of wholesale denial of civil rights and organized resistance to law, are a reasonable and moderate attempt to cope with national problems before they reach proportions requiring more summary and precipitous action. Courts of equity have traditionally intervened to protect against irreparable damage to public and private interests, often in cases not involving so serious an affront to the public interest as in this case where civil rights legislation seeks to protect the fundamental right to vote guaranteed by our Constitution and the Bill of Rights. This use of Federal equity powers is a cautious effort to utilize the least drastic means to protect basic constitutional rights of our citizens.

CAUTIOUS REMEDIAL MEASURES MAY AVERT BREAKDOWN OF LAW AND ORDER

Opponents of the pending civil rights measure who seek to render it ineffective by their proposal for a jury-trial amendment are doing a great disservice to their States and to the Nation. By attempting to defeat cautious remedial measures, they are inviting a state of affairs which may require far more stringent Federal action. They would create the untenable alternative that the Federal Government must rely on present ineffective laws or wait until the breakdown of law and order becomes so complete as to require harsh and peremptory Federal remedies to be invoked. This is reminiscent

[10] See also *Fort* v. *Cooperative Farmers' Exchange*, 81 Colo. 431, 256 Pac. 319 (1927).

[11] In this connection the comment of Mr. Justice Holmes, with Mr. Justice Brandeis concurring, in *Toledo Newspaper Co.* v. *United States* (247 U. S. 402, 425), is relevant. The Justices were dissenting from the majority's denial of procedural safeguards to contempts by publication, but as concerns contemptuous disobedience of judicial candates, Justice Holmes said: "I would go as far as any man in favor of the sharpest and most summary enforcement of order in court and obedience to decrees. * * *"

Even the stanchest advocates of jury trial for contempt cases concede the undesirability of its extension to civil as distinguished from criminal contempts. See, e. g., Beale, *Contempt of Court, Civil and Criminal* (21 Harv. L. Rev. 161, 173–174), approved by Justices Black and Douglas in *United States* v. *United Mine Workers* (330 U. S. at 332).

of the revolutionary theories of salvation by catastrophe: that things must get worse before they can get better.

MORE STRINGENT REMEDIES AVAILABLE

If more stringent remedies be required, there is no lack of Federal power to take far more stringent steps to guarantee the fundamental right to the franchise than those contemplated by the pending measure. Thus, the 14th and 15th amendments, both providing that Congress shall have "power to enforce by appropriate legislation" provisions of those amendments, permit a wide field of remedial action. For instance, Congress provided by law in 1866 for "the removal of suits from a State court either by the plaintiff or defendant, who shall make oath that he cannot have a fair trial on account of local prejudice and influence" (*Barclay* v. *Levee Commissioners* (1 Woods 254)). This unprecedented legislation, designed to secure to Negroes rights which were denied them in the State courts because of bias and prejudice against them, substantially altered the distribution of judicial power established by the Constitution by providing for Federal trial of actions and prosecutions ordinarily within the competence of State authority only. Nevertheless, under the implementing clause of the 14th amendment, this law was upheld by the Supreme Court in *Strauder* v. *West Virginia* (100 U. S. 303):

"A right or an immunity, whether created by the Constitution or only guaranteed by it, even without any express delegation of power, may be protected by Congress. *Prigg* v. *Com.* (16 Pet. 539). So in *U. S.* v. *Reese* (92 U. S. 214), it was said by the Chief Justice of this Court: 'Rights and immunities created by or dependent upon the Constitution of the United States can be protected by Congress. The form and manner of the protection may be such as Congress in the legitimate exercise of its legislative discretion shall provide. These may be varied to meet the necessities of the particular right to be protected.' But there is express authority to protect the rights and immunities referred to in the 14th amendment, and to enforce observance of them by appropriate Congressional legislation. And one very efficient and appropriate mode of extending such protection and securing to a party the enjoyment of the right or immunity, is a law providing for the removal of his case from a State court, in which the right is denied by the State law, into a Federal court, where it will be upheld."

Congress could likewise take far-reaching action under article IV, section 4, of the Constitution which provides that the United States "shall guarantee to every State in this Union a Republican Form of Government." It cannot be doubted that the wholesale denial of electoral rights to a significant portion of the qualified voters in certain States tends to render their governments unrepublican and unrepresentative in form, and it has many times been held that this clause of the Constitution was intended for Congressional implementation within the full discretion of Congress. (See, e. g., *Luther* v. *Borden* (158 U. S. 564).)

THE WHOLESALE DENIAL OF FEDERAL ELECTORAL RIGHTS TO NEGROES

In the light of the wholesale denial of Federal electoral rights to Negroes in many States of the Union, Congress and the President could safeguard their franchise by using far more stringent power provided for such cases. Indeed there is ample constitutional and Congressional precedent for such measures:

1. Reduced Representation

Under the second section of the 14th amendment, the representation of States in the House of Representatives can be drastically reduced when Negroes are denied the franchise. This section permits such reduced representation when the right to vote is denied to any adult male inhabitants of such State for reasons other than participation in rebellion or other crime. It will hardly be argued that, rather than employing established judicial process, Congress should permit the present intolerable wholesale denial of voting rights to continue and merely reduce representation of the offending States in Congress, thus penalizing all citizens of those States. Yet if the pending remedial measure is defeated or impaired, the more sweeping alternative will gain popularity among those suffering from, or outraged by, denial of the equal protection of the laws.

2. Federal Control of Federal Elections

There is also precedent for actual Federal control of Federal elections [12] in legislation enacted after the Civil War, when Congress enacted sweeping laws to protect the Federal electoral right. Included in the 1870 act "to enforce the right of citizens of the United States to vote in the several States, etc.," were provisions providing (as summarized by the Supreme Court in *Ex parte Siebold* (100 U. S. 371)):

(i) For Federal judicial authority to have registrations and elections guarded and scrutinized;

(ii) For the appointment by Federal courts of election supervisors;

(iii) For authority of such supervisors to challenge registration of voters or "to cause such names to be registered as they may think proper to be so marked";

(iv) For such supervisors to attend at the elections "to challenge any vote, the legality of which they may doubt; to be present where the ballot boxes are kept, until every vote cast has been counted * * * and to personally inspect and scrutinize at any and at all times, on the day of the election, the manner in which the poll books, registry lists, and tallies are kept * * *";

(v) For Federal marshals, upon application by two citizens, to appoint deputies to aid and assist the election supervisors; and

(vi) For the marshal and his deputies to "keep the peace and protect the supervisors in the discharge of their duties; preserve order at such place of registration and at such polls; prevent fraudulent registration and voting, or fraudulent conduct on the part of any officers of election, and immediately to arrest any person who commits, or attempts to commit, any * * * offense against the laws of the United States."

The National Government Must Execute Its Power or It Is No Government

This legislation was upheld by the Supreme Court in *Ex parte Siebold* (100 U. S. 371), where these sections of the civil rights acts were put in issue by the conviction of certain State election officials for stuffing the ballot box and for hindering the Federal marshals in their duty to keep the peace at elections of Federal candidates. Broad Federal authority under the Constitution to protect the purity of Federal elections against State action was upheld in the Siebold case (the same power was upheld as against private interference later in *Ex parte Yarbrough* (110 U. S. 651)). The Court answered the contention that there was no Federal authority to keep the peace at Federal elections in the following relevant terms:

"We hold it to be an incontrovertible principle, that the Government of the United States may, by means of physical force, exercised through its official agents, execute on every foot of American soil the powers and functions that belong to it. This, necessarily, involves the power to command obedience to its laws, and hence the power to keep the peace to that extent."

As to the contention that, though Congress might entirely assume jurisdiction over Federal elections it could not, short of such sweeping legislation, provide for protection of the purity of Federal elections, the Court said:

"Without the concurrent sovereignty referred to, the National Government would be nothing but an advisory Government. Its executive power would be absolutely nullified.

"Why do we have marshals at all, if they cannot physically lay their hands on persons and things in the performance of their proper duties? What functions can they perform, if they cannot use force? In executing the processes of the courts, must they call on the nearest constable for protection? Must they rely on him to use the requisite compulsion, and to keep the peace whilst they are soliciting and entreating the parties and bystanders to allow the law to take its course? This is the necessary consequence of the positions that are assumed. If we indulge in such impracticable views as these, and keep on refining and rerefining, we shall drive the National Government out of the United States, and relegate it to the District of Columbia, or perhaps to some foreign soil. We shall bring it back to a condition of greater helplessness than that of the old Confederation.

"The argument is based on a strained and impracticable view of the nature and powers of the National Government. It must execute its powers, or it is no government. It must execute them on the land as well as on the sea; on things as well as on persons. And, to do this, it must, necessarily, have power to command obedience, preserve order, and keep the peace; and no person or power in this land has the right to resist or question its authority, so long as it keeps within the bounds of its jurisdiction. Without specifying other instances in which this power to preserve order and keep the peace unquestionably exists, take the very case in hand.

Congress May Assume the Entire Control and Regulation of Federal Elections

"The counsel for petitioners concede that Congress may, if it sees fit, assume the entire control and regulation of the election of Representatives. This would necessarily involve the appointment of the places for holding the polls, the times of voting, and the officers for holding the election; it would require the regulation of the duties to be performed, the custody of the ballots, the mode of ascertaining the result, and every other matter relating to the subject. Is it possible that Congress could not, in that case, provide for keeping the peace at such elections, and for arresting and punishing those guilty of breaking it? If it could not, its power would be but a shadow and a name. But, if Congress can do this, where is the difference in principle in its making provision for securing the preservation of the peace, so as to give to every citizen his free right to vote without molestation or injury, when it assumes only to supervise the regulations made by the State, and not to supersede them entirely? In our judgment, there is no difference; and if the power exists in the one case, it exists in the other."

The Supreme Court has thus clearly recognized the power of Congress to assume entire control and regulation of Federal elections. Far-reaching proposals have been made for Federal registration or for an Electoral Practices Commission to supervise Federal elections. The pending legislation proposes to leave control of Federal elections in the hands of the States, subject only to the willingness of the State officials to protect the right of every qualified citizen to vote.

3. Federal Forces

Finally, since 1795, the President has been given full power to use military force to execute the laws where wholesale resistance is encountered. Congress, in 1795, passed (First United States Statutes at Large, page 424; see 50 U. S. C., sec. 202), "an act to provide

[12] We mean, of course, elections at which presidential electors, Senators, or Representatives are selected or elected.

for calling forth the militia to execute the laws of the Union, suppress insurrections, and repel invasions," providing that "whenever the laws of the United States shall be opposed, or the execution thereof obstructed, in any State, by combinations too powerful to be suppressed by the ordinary course of judicial proceedings, or by the powers vested in the marshals by this act, it shall be lawful for the President of the United States to call forth the militia of such State, or of any other State or States, as may be necessary to suppress such combinations, and to cause the laws to be executed. * * *"

And the Civil Rights Acts, within the specific context of denial to Negroes of their civil rights, reaffirmed this authority by providing for full aid of the militia and military and naval forces to guarantee such rights. Acts of April 9, 1866; May 31, 1870 (see 42 U. S. C., sec. 1933),[13] Act of April 20, 1871 (see 50 U. S .C., sec. 203).[14]

* * * * *

THE PRESENT CAUTIOUS REMEDIAL MEASURE IS FAR TO BE PREFERRED

We do not believe that anyone would wish to employ such stringent legislation as has been reviewed here in order to guarantee voting rights now denied to many citizens. But it is clear that the Constitution provides most abundant authority for remedial Congressional action to protect the rights safeguarded by the 14th and 15th amendments. It cannot be fairly contended that, rather than using the orderly judicial process to guarantee civil and electoral rights, any of these last resort remedies must be relied upon. The present cautious remedial measure is far to be preferred.

CONCLUSION

The Federal Constitution protects every citizen on every bit of soil under the jurisdiction of the Federal Government. Federal elections are the very heart and soul of this democratic union. In one way or another, the Federal Government must enforce the rights of every citizen in every part of the country to cast his vote. If the cautious and reasonable methods of enforcing the right to vote through Federal injunctions are not successful, more drastic measures will have to be tried. The one thing that cannot be accepted is that the Federal Government should surrender its own democratic foundations by tolerating wholesale denials of the right to vote in any part of the land.

OPPONENTS ARE FIGHTING FOR THE RIGHT TO VIOLATE THE LAW

Opponents of civil rights are not fighting for jury trial, but for the right to violate the law. Their entire argument is based on the expectation that civil rights decrees of the Federal court will be violated and disregarded. They are fighting for the right of defiance to the law of the land without fear of punishment or restraint.

There can be no warrant for accepting the facile arguments of the opponents of the pending civil rights legislation. Never in its history has Congress accorded jury trials as of right in civil-contempt proceedings. It was not until 1914 that Congress provided even a limited right to jury trial for criminal contempt proceedings, i. e., in cases where the Government was not the litigating party.

THEY INVOKE THE SPECTER OF JUDICIAL TYRANNY TO DISTRICT ATTENTION FROM THE REALITY OF EXISTING POLITICAL AND ECONOMIC TYRANNY

Never having been heard before to complain of these limits on the right of jury trial in contempt proceedings, the opponents of civil rights legislation now ask for an unprecedented extension of jury trials to all contempts under the pending civil rights legislation. They invoke the specter of judicial tyranny to distract attention from the reality of existing political and economic tyranny at which the civil rights bill is directed. They ask the whole Nation to distrust the southern Federal judiciary which they have recommended, endorsed, and confirmed, and they would repose the most sacred rights of the citizen in the hands of a jury rendered incapable of performing its constitutional function by fear, intimidation, and hostility.

Of course, occasions may arise when, because of persistent judicial abuse or some other cogent reason, Congress would want to provide for jury trial more broadly than it has provided generally in the law today. But the present bill certainly presents no occasion for such a requirement. On the contrary, it arms and render the pending legislation powerless to carry out the will of the vast majority of this Congress and of the people of the United States.

In the name of civil liberties, overnight champions of jury trials propose now again to strangle hope of making civil rights a reality for millions of disfranchised Americans. Their arguments find not support but contradiction in the Constitution, in established Congressional policy, and in the need for implementing and securing the civil and electoral rights of our American citizens.

APPENDIX A. STATUTES AUTHORIZING INJUNCTIVE RELIEF TO THE UNITED STATES GOVERNMENT, AND AGENCIES AUTHORIZED TO SEEK THE SAME

1. Antitrust laws, restraining violation (by U. S. attorney under direction of Attorney General (15 U. S. C. 4).

2. Associations engaged in catching and marketing aquatic products restrained from violating order to cease and desist monopolizing trade (by Department of Justice) (15 U. S. C. 522).

3. Association of producers of agricultural products from restraining trade (by Department of Justice) (7 U. S. C. 292).

4. Atomic Energy Act, enjoining violation of act or regulation (by Atomic Energy Commission) (42 U. S. C. 1816).

5. Atomic Energy Act, enjoining violation of act or regulation (by Attorney General) (42 U. S. C. 2280).

6. Bridges over navigable waters, injunction to enforce removal of bridge violating act as to alteration of bridges (by Attorney General) (33 U. S. C. 519).

7. Clayton Act, violation of enjoined (by U. S. attorney, under direction of Attorney General) (15 U. S. C. 25).

8. Electric utility companies, compliance with law enforced by injunctions (by Federal Power Commission) (16 U. S. C. 825m).

9. False advertisements, dissemination enjoined (by Federal Trade Commission) (15 U. S. C. 53).

10. Freight forwarders, enforcement of laws, orders, rules, etc., by injunctions (Interstate Commerce Commission or Attorney General) (49 U. S. C. 1017).

11. Fur Products Labeling Act, to enjoin violation (by Federal Trade Commission) (15 U. S. C. 69g).

12. Enclosure of public lands, enjoining violation (by U. S. attorney) (43 U. S. C. 1062).

13. Investment advisers, violations of statute, rules and regulations governing, enjoined (by Securities and Exchange Commission) (15 U. S. C. 80b–9).

14. Gross misconduct or gross abuse of trust by investment companies, enjoined (by Securities and Exchange Commission) (15 U. S. C. 80a–35).

15. Use of misleading name or title by investment company, enjoined (by Securities and Exchange Commission) (15 U. S. C. 80a–34).

16. Violation of statute governing, or rules, regulations or orders of SEC by investment companies, enjoined (by Securities and Exchange Commission) (15 U. S. C. 80a–41).

17. Fair Labor Standards Act, enjoining of violations (by Administrator, Wage and Hour Division, Department of Labor under direction of Attorney General, see 29 U. S. C. 204b) (29 U. S. C. 216 (c), 217).

18. Longshoremen's and Harbor Workers' Compensation Act, enforcement of order by injunction (by United States Attorney, see 29 U. S. C. 921a) (33 U. S. C. 921).

19. Import trade, prevention of restraint by injunction (by United States Attorney, under direction of Attorney General) (15 U. S. C. 9).

20. Wool products, enjoining violation of Labeling Act (by Federal Trade Commission) (15 U. S. C. 68e).

21. Securities Act, actions to restrain violations (by Securities and Exchange Commission) (15 U. S. C. 77t).

22. Securities Exchange Act, restraint of violations (by Securities and Exchange Commission) (15 U. S. C. 78u).

23. Stockyards, injunction to enforce order of Secretary of Agriculture (by Attorney General) (7 U. S. C. 216).

24. Submarine cables, to enjoin landing or operation (by United States) (47 U. S. C. 36).

25. Sugar quota, to restrain violations (by United States attorney under direction of Attorney General, see 7 U. S. C. 608 (7)) (7 U. S. C. 608a (6)).

26. Water carriers in interstate and foreign commerce, injunctions for violations of orders of ICC (by ICC or Attorney General) (49 U. S. C. 916).

27. Flammable Fabrics Act, to enjoin violations (by Federal Trade Commission) (15 U. S. C. 1195).

28. National Housing Act, injunction against violation (by Attorney General) (12 U. S. C. 1731b).

CLARENCE DARROW

Mr. DOUGLAS. Mr. President, Clarence Darrow, the celebrated American attorney, was born just a century ago, April 18, 1857. Mr. Darrow had a distinguished record both as an attorney and as a citizen.

I did not agree with Mr. Darrow's religious views, and I did not agree with many of the positions which he took in public life. He would have been the last man to have claimed that he was perfect in all respects. Nevertheless, his record, taken as a whole, was one of able and persistent defense of "underdogs" in American society, and he performed great service in defending the rights of minority groups, such as laboring men, who were frequently unjustly accused and unduly severely punished, and in defending the right of free inquiry and the freedom of teaching.

I think Mr. Darrow probably did more than anyone else in the history of our Nation to free American schools, so that they might teach the facts of organic life and of the earth and earth sciences.

It was my privilege to have been for many years a close personal friend of Mr. Darrow. I formed a great affection for him and a sincere respect for him.

In the past few years one phase of Mr. Darrow's career has been brought to the attention of the American public by the extraordinary play Inherit the Wind, which tells, in the main truthfully, the story of the celebrated Scopes trial in Tennessee, where Mr. Darrow acted as attorney for the defense.

I wish to pay tribute to Mr. Darrow today, and to say that his career in defense of the "underdogs," ultimately winning great respect from the American public for his defense of unpopular causes, is also in a deeper sense a tribute to America itself.

WASTEFUL GOVERNMENT EXPENDITURES

Mr. TALMADGE. Mr. President, every day my mail brings me scores of letters from constituents who are in economic distress as the result of the failure or refusal of Congress to act to protect their interests.

I receive letters from farmers who are in danger of losing their farms because flexible price supports deny them their proportionate share of the national income. I hear from small-business men who are threatened with bankruptcy because nothing is done to relieve them of the burden of confiscatory tax rates. I get pleas from disabled veterans and widows and dependent children of deceased veterans who are unable to make ends meet on pre-inflation pensions. I have communication with working men and women who, caught in the squeeze between rising living costs and ever-increasing tax burdens, cannot properly provide for their families or assure the education of their children.

These people cannot understand why Congress will do nothing to help them but will unquestioningly vote thousands of dollars to be squandered on all manner of frivilous undertakings in foreign countries. These people are angry—and rightly so—that the tax dollars they pay at so great sacrifice are wasted doing things for people in foreign nations which would not even be considered to be done for Americans here at home.

A case in point is the news item distributed April 10 by the United Press Associations reporting that the United States spent $100,839 last year to send a jazz band on an 8-week tour of Africa and the Middle East and pay its leader a salary greater than that received by the President of the United States. Another example is the recent report of the International News Service of the request of the State Department for $260,000 to build a tennis court at Basra, Iraq; a dancehall in Rangoon, Burma, and a mountain retreat in Indonesia.

I ask unanimous consent that these articles be printed herewith in the RECORD as a portion of my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

DIZZY'S BAND PLEASED TURKS—JAZZMAN'S PAY BEAT IKE'S ON TOUR, TAXPAYERS LEARN

WASHINGTON, April 10.—Uncle Sam last year briefly paid Negro band leader Dizzy Gillespie a Government-guaranteed higher weekly salary than President Eisenhower, Congressional testimony disclosed Wednesday.

The testimony revealed that it "cost" $100,839 for Dizzy's band to make an 8-week tour of Africa and the Middle East from March 27 to May 21 last year. It gave 55 performances in 11 cities in Iran, Pakistan, Lebanon, Syria, Turkey, Yugoslavia, and Greece.

The "cost" included $43,741 for transportation, Dizzy's $2,150 a week salary, salaries of his musicians, extra pay of $1,267 for rehearsals and half pay of $1,802 for travel-time.

The tour produced $16,458 in receipts. Therefore, it cost taxpayers $84,381.

The testimony showed that Gillespie again received $2,150 a week pay when the Department subsequently sent his band on a tour of Latin America. The duration of this tour was not disclosed, but the cost to taxpayers was estimated at $40,000.

In defending the program, Department officials said it was promoting "good relations and understanding between our country and other nations."

They said Gillespie went over big in Turkey where he was "extremely generous" with his time in greeting Turkish musicians and even gave a trumpet to one Turk.

But they said they had criticism about Gillespie's conduct in Uruguay. They said he "went off by himself" and refused to meet with one group "although he could have."

The State Department arranged for Dizzy to be paid $2,150 a week to disseminate American culture by playing jazz music to foreign audiences in Africa, the Middle East, and Latin America.

While it lasted, Dizzy was the Government's highest-paid employee. President Eisenhower's $100,000 a year salary, exclusive of expense allowances, amounts to a little less than $2,000 a week.

Most of Dizzy's pay came from money appropriated by Congress for the President's special international fund which finances the cultural programs on which the State Department has been spending $2,500,000 a year.

IT'S A $17 SAVING—STATE DEPARTMENT SEARCHES WORLD AND FINDS A WASTEBASKET FOR LESS THAN $27

The State Department has proudly reported that it has scoured the world, slashed redtape, and found a wastebasket that sells for less than $27.

Testimony before the House Appropriations Subcommittee released yesterday shows that the Department discovered executive wastebaskets could be purchased somewhere for only $10.

The subcommittee cast a cold eye last year on the Department's $27 variety wastebaskets as well as its $8 smoking stands.

Asked about the cutrate wastebaskets, Thomas S. Estes, Deputy Assistant Secretary for Operations, explained:

"These are a type of executive wastebaskets, sir, that we have succeeded in finding on the market, bearing in mind the committee's interest in this item last year."

Chairman JOHN J. ROONEY, Democrat, of New York, also unearthed a few other bargains. Last year's $8 smoking stands are now available at $7.35. But it was still $73.85 for a chair, swivel, executive, and the tables that were $84 last year are $100 today.

Gloom filled the hearing room over the Department's $260,000 recreation request.

"Included in this amount of $260,000," ROONEY lamented, "we find such items as construction of a tennis court at Basra, Iraq, the construction of a recreation hall for movies and indoor games and dancing and tennis in Rangoon, Burma—that one to the extent of $19,500—a rest center for our Moscow people, a swimming pool and two more tennis courts with floodlights and provisions for dancing and cards at $27,000 at Vientiane, Laos."

The chairman also looked askance at a $25,000 clubhouse in Belgrade, a beach house at Accra on the Gold Coast (now Ghana), and a mountain retreat at Indonesia.

State Department officials explained that the money was to be used for isolated hardship posts where normal recreation facilities are not available.

Mr. TALMADGE. Mr. President, of course, I can only speak for myself; but I, for one, cannot tell my constituents that they must do without bread in the interest of economy when thousands of dollars are being thrown to the four winds overseas.

I wonder, Mr. President, how long the American taxpayer will stand for such irresponsibility on the part of his elected representatives and the officials of his National Government.

I am encouraged to believe, Mr. President, that the wrath of the taxpaying citizen will be felt sooner than many Members of Congress realize.

Mr. MALONE. Mr. President, I join the distinguished Senator from Georgia in everything he has just said. We are about to give $48 million to Hungary—and $48 million is all we are asking to keep open the mines of the United States so that they may produce the things without which we cannot fight and without which we cannot live in peace. That is all we are asking for the fiscal year 1958, when, without anyone coming to Congress, all the money which the distinguished Senator has mentioned is going into the building of dancehalls and the support of people who, when the tugs are tight, cannot be for us. They would be destroyed instantly if they tried to take our part.

THE HELLS CANYON DAM

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, certain telegrams and communications which I have received in respect to Hells Canyon Dam urging that the Congress of the United States proceed forthwith to consider and pass

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[13] "It shall be lawful for the President of the United States, or such person as he may empower for that purpose, to employ such part of the land or naval forces of the United States, or of the militia, as may be necessary to aid in the execution of judicial process issued under sections 1981–1983 or 1985–1992 of this title, or as shall be necessary to prevent the violation and enforce the due execution of the provisions of sections 1981–1983 and 1985–1994 of this title."

[14] "Whenever insurrection, domestic violence, unlawful combinations, or conspiracies in any State so obstructs or hinders the execution of the laws thereof, and of the United States, as to deprive any portion or class of the people of such State of any of the rights, privileges, or immunities, or protection, named in the Constitution and secured by the laws for the protection of such rights, privileges, or immunities, and the constituted authorities of such State are unable to protect, or, from any cause, fail in or refuse protection of the people in such by such State of the equal protection of the rights, such facts shall be deemed a denial laws to which they are entitled under the Constitution of the United States; and in all such cases, or whenever any such insurrection, violence, unlawful combination, or conspiracy, opposes or obstructs the laws of the United States, or the due execution thereof, or impedes or obstructs the due course of justice under the same, it shall be lawful for the President, and it shall be his duty, to take such measures, by the employment of the militia or the land and naval forces of the United States, or of either, or by other means, as he may deem necessary, for the suppression of such insurrection, domestic violence, or combinations."

upon the Morse-Pfost bill in respect to Hells Canyon Dam.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

VERNONIA, OREG., *April 17, 1957.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: May we, the undersigned, urge that you put all efforts and facilities at your command to support the high Hells Canyon Dam to a successful passage.

Lee Wooden, Jewell, Oreg.; Lewis Kelley, Banks, Oreg.; Fred M. Knox, Gaston, Oreg.; Edmund G. Roediger, Jr., Vernonia, Oreg.; Gy Griffith, Timber, Oreg.; Noble Dunlap, Vernonia, Oreg.

VERNONIA, OREG., *April 17, 1957.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: May we kindly urge your strongest possible support to the extent of the successful passage of the high Hells Canyon Dam now before Congress and reverse the adverse order of the Supreme Court.

GUY I. THOMAS,
Manager, West Oregon Electric Cooperative, Inc.

APRIL 3, 1957.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WAYNE MORSE: Enclosed herewith is the resolution which the Malheur County Democratic Club No. 2, of Vale, Oreg., has adopted as of the 28th day of March, 1957. We sincerely hope that this resolution will enable you to present our views in the matter.

Very truly yours,

MARY THIEL,
Secretary of the Malheur County Democratic Club No. 2.

Whereas the development of a high single dam in the Hells Canyon area would grant the maximum benefit for flood control as well as store power production water from early flood and also have ample capacity for late flood water; and

Whereas it will provide recreational possibilities not now available to residents of the area; and

Whereas the principle of public power is still very strong in the West: Now, therefore, be it

Resolved, That the Malheur Democratic Club No. 2, of Vale, Oreg., strongly requests our House and Senate to exert every effort in the support and passing of the Hells Canyon Memorial when the same comes before them.

MARY THIEL,
Secretary of the Malheur County Democratic Club No. 2, Vale, Oreg.

MISUSE AND MISAPPROPRIATION OF TEAMSTERS UNION FUNDS

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article entitled "Teamsters Meet Raps Funds Use," which was published in a recent issue of the Portland Oregonian.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TEAMSTERS' MEET RAPS FUNDS USE

(By Harold Hughes)

A mass meeting of some 1,500 members of Teamster Local No. 162 Thursday night unanimously censured the union's international leadership and the Western Conference of Teamsters for "misuse and misappropriation of our funds," members reported.

The meeting, which was considered orderly by union leaders, was held at the public auditorium. Officials of the local hired seven off-duty Portland policemen to keep order, but there were no incidents requiring police attention.

DUMMY BEARS SIGN

Midway in the meeting, open only to union members with paid-up dues cards, an effigy of Dave Beck, teamster national president, was discovered lying on the sidewalk by a side door. Reporters, who observed the gathering from outside the building, found the dummy.

The stuffed dummy, with Beck's name on it, bore a sign reading "It's Later Than You Think."

The teamsters voted unanimously not to support with union funds any of the international or Western Conference of Teamsters officials under fire for misuse of union funds, another member said.

Specifically, one member reported, Beck's name was mentioned in censuring floor speeches.

CROSBY'S ABSENCE HOOTED

A report from the floor that Clyde Cardinal Crosby, international representative of the union, could not be at the meeting because of teamster business in Los Angeles, brought laughs and a few boos, a member reported.

The teamsters also exonerated Harry Federspiel, teamster member accused of violating the union's bylaws in recently gathering petitions supporting the work of the Senate labor-Government rackets committee investigation.

Al Moore, president of the local, which represents some 5,000 general truckdrivers and is the largest in the Portland area, after the meeting said he did not want to comment on the action taken except to say "it was a good meeting."

LOCAL OFFICERS PRAISED

Members, however, who left the nearly 3-hour meeting from time to time, confirmed the president's estimate of the gathering and added details.

Generally, the meeting censured the union's international leadership and supported its local leaders, members said.

A teamster driver for 3½ years said a 7-man committee was appointed to recommend changes in the international constitution.

"I think our local officers are doing a fine job. The criticism was directed at the national officers," he said.

Federspiel had been under investigation by the executive board. The action of the membership in unanimously tabling the investigation was another indication of the strong feeling expressed against the international leadership exposed by the Senate committee.

MAIN FLOOR FILLED

"They had a chance to get it off their chest," one member said. However, some members were highly critical of the local for not having more than the three floor microphones for members to speak in.

The main floor of the public auditorium was filled. The building had been rented when a regular meeting last week of local No. 162 drew more members than the teamster hall would seat. Members began arriving soon after the doors opened at 6:30 p. m., although the meeting did not start until 8 p. m.

All the proposals acted on by the teamsters came from rank and file members on the floor, a member said.

Mr. MORSE. I wish to take a moment to comment on this very interesting article, written by Harold Hughes.

Yesterday afternoon on the floor of the Senate I had considerable to say about the investigations of labor racketeering and, using as the basis of my remarks an editorial which appeared in the Bend, Oreg., Bulletin, highly commending the local teamsters union of that city and the secretary of that union, Mr. Hugh Cole, for the fine work they do in civic affairs, I pointed out that the American people would make a great mistake if they were to judge the rank and file of the teamsters union of America by the malfeasance and misconduct of some of their national officers.

Therefore I am particularly pleased to place in the RECORD today this news story. Let me read the first paragraph of the article, which sets the tone of the entire article:

A mass meeting of some 1,500 members of the Teamsters Local No. 162 Thursday night unanimously censored the union's international leadership and the Western Conference of Teamsters for "misuse and misappropriation of our funds," members reported.

The article then goes on to describe a mass meeting of the rank-and-file members of local No. 162, who left no room for doubt that they do not approve of the type of action which I not only criticized in my speech yesterday, but which I have criticized ever since it was disclosed to us that union funds had obviously been misappropriated and misused by international teamsters officers.

This article makes it clear, I believe, that we have further evidence that the rank-and-file teamsters can be counted upon to support the type of legislation which I urged on the floor of the Senate yesterday afternoon—legislation which would protect the rank-and-file members with respect to union funds, and protect the rank-and-file members in respect to seeing to it that the affairs of the union are controlled by democratic processes, and not the processes of an oligarchy.

DEATH OF MAPLE T. HARL

Mr. CARROLL. Mr. President, it is with deep regret that I rise today to notify the Senate of the untimely and unexpected death of a distinguished Coloradoan, Maple T. Harl. Mr. Harl became more than a distinguished Coloradoan through his many years of service for the Federal Government. As a Director of the Federal Deposit Insurance Corporation from 1945 to 1953 and, for 8 years Chairman of that important agency, Mr. Harl became well known to the banking fraternity of the entire Nation.

However, while all of us are acquainted with the outstanding service rendered by the FDIC to the banking interests, more important and so considered by Mr. Harl, is the fact that FDIC has become one of the bulwarks of confidence on the part of American citizens that the banking system of our country is sound and that depositors, large and small, may be secure in the belief that their money is safe.

Maple Harl died Wednesday shortly after noon at Walter Reed Army Medical Center which he entered on Monday. He is survived by his wife, 1 daughter, Mrs. Jeanne Stockmar, of Denver, and 3

grandchildren. He was born in Marshall, Mo., in 1893, and graduated from William Jewell College in Liberty, Mo., in 1914. He received an LL. D. from William Jewell in 1952. Mr. Harl also studied at the University of Chicago law school.

He moved to Colorado in 1906, where he quickly established himself in business. He served as State banking commissioner for Colorado from 1939 to 1946.

He left this position to become Chairman of the FDIC, and it was his distinction in 1948 to hand a check for $12,604,306 to Secretary of Treasury John W. Snyder. This check represented the final payment on a $239 million advance made by the Government to the FDIC 14 years previously. On that occasion, Mr. Harl pointed out that the Nation had then completed almost 5 years without loss to any depositor in an insured bank. The three and a quarter billion dollars originally advanced to banks by the Government during the depression had been recovered by the FDIC, Mr. Harl pointed out, adding that the agency had in the meantime built up a billion dollar reserve. In addition, many millions of dollars in interest money had been returned to the United States Treasury on the investment in FDIC. Since that statement in 1948, this reserve has approximately tripled, and a fine record of safety and soundness for the American banking system has been maintained. I might add that this program was inaugurated under the New Deal administration of Franklin Delano Roosevelt which has, at times, been referred to disparagingly by some segments of the business life of our country.

As Maple Harl so fittingly said:

The American system of free-enterprise banking, with Federal and State authority sharing credit and responsibility, is the right answer to the question of financial stability; it represents not only a symbol but a bulwark of our way of life.

The proudest achievement of Maple Harl was his contribution toward the growth and development of this outstanding agency.

The activities of Mr. Harl were many. During World War I he fought in the Argonne and at St. Mihiel. He was bedridden for 4 years with a back injury. For many years an arthritis sufferer, he was chairman of the District chapter of Arthritis and Rheumatism Foundation's 1950–51 campaign. He also served as past national commander of Disabled American Veterans and was a former president of the Denver Kiwanis Club. Mr. Harl was a member of the Masonic order, having achieved the post of 32d degree Mason, and was a Shriner. He belonged to the National Press Club, Metropolitan Club, Democratic Club of Denver, American Legion, Veterans of Foreign Wars, Forty and Eight, and several business fraternities.

In behalf of his many friends in Congress and throughout the Nation, I express our sorrow and extend our sincere sympathy to his wife and daughter with the hope that our sentiments may comfort them in their hour of bereavement.

Mr. HILL. Mr. President, I should like to join the Senator from Colorado in paying tribute to Maple T. Harl. I knew him well. He was a good, steadfast friend, a fine gentleman, and an able and devoted public servant. He rendered great and outstanding service to our country.

Mr. CARROLL. I thank the distinguished Senator from Alabama.

Mr. ALLOTT. I wish to compliment my colleague on the statement he has made in behalf of Maple T. Harl. I have known Maple Harl for more than 30 years. I have been, I hope, one of his stanch friends, and always one of his admirers. We happened to be fraternity brothers in school, which was the association that first brought us together.

Maple was a Democrat. He was always proud of his party association. However, his party association never interfered with his friendship with people who were not of the same political faith, and on many occasions in the 30 years I have known him he expressed again and again his own interest in the senior Senator from Colorado and in the things he was doing in that State.

Mr. President, in the death of Maple T. Harl, the Nation has lost a valued public servant, a man who cannot easily be replaced. Indeed his mark is such an indelible one that, although his work will of necessity have to be carried on, Maple T. Harl's place can never be filled.

Mr. Harl was one of Colorado's most distinguished citizens. He has given freely of his life and his means to the community, the State and the Nation during his 51 years of residence in our State.

Mape Harl, as he has been known for years, is given credit for the work on the passage of the Federal Deposit Insurance Corporation Act of 1950 which extended the insurance coverage to bank deposits from $5,000 to $10,000 and removed the FDIC from under the jurisdiction of the Federal Reserve Act. At the time of his death, he was a Director of the FDIC, having served as its Chairman from 1946 to 1953.

His accomplishments are many from the time he worked his way through William Jewell College by selling produce in the summer, and included a great interest in the ills that befall humanity. Mape carried with him through life the marks of a true gentleman and his conduct always reflected the humble surroundings of his early years. He was not discouraged by the physical handicaps, incurred in the service of his country in World War I, nor the toughness of the competition he met in the pathways of life; rather he met adversity with a head-on determination to succeed in all the things he undertook, and at the same time instill in his family and all of those who knew him the virtues of his early lessons.

Mr. President, I ask unanimous consent that I may have printed in the RECORD at this point, as a part of my remarks, a short statement and biography of Mr. Harl dealing with the pertinent facts of his life.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Born in Marshall, Mo., Mr. Harl put himself through William Jewell College in Liberty, Mo., by selling produce during summer vacations. The college awarded him an honorary doctor of laws degree in 1933. He also studied law at the University of Chicago.

During World War I he fought in the Argonne and at Saint Mihiel. After having been bedridden 4 years with a back injury, he practiced law, specializing in wills and trusts.

Mr. Harl, who lived 51 years in Colorado, started the Harl Mortgage Co. in Denver and specialized in real estate credits. He was Colorado State Banking Commissioner from 1939 to 1946.

An arthritis sufferer, he was chairman of the District chapter of Arthritis and Rheumatism Foundation's 1950–51 campaign. He was a past national commander of the Disabled American Veterans and former president of the Denver Kiwanis Club.

Other affiliations included the National Press Club, Metropolitan Club, Democratic Club of Denver, American Legion, Veterans of Foreign Wars, Forty and Eight, and several business fraternities.

He was also a 32d degree Mason and a Shriner.

Surviving are his wife, Maybell Mayfield Harl of the home address, 4000 Cathedral Ave. NW., and a daughter, Mrs. Ted Stockmar, Jr., of Denver.

Mr. ALLOTT. Mr. President, in conclusion, I should like to say that I personally will always remember Mr. Harl's kindliness and his friendship, which I believe was and should be an inspiration to everyone who undertakes service for the public good.

Mr. MALONE. Mr. President, I should like to join with the distinguished Senators in paying tribute to Maple T. Harl. He was a very personal friend of mine for 37 years. I knew him in American Legion activities, and I knew him in the business in which he was engaged when he suffered his fatal heart attack. I have never known a finer man, or one who was more genial in the company of his friends or more firm in his convictions. He was a good American all the way through.

ADDITIONAL APPROPRIATIONS, 1957

The PRESIDING OFFICER. The Chair lays before the Senate the pending business.

The Senate resumed the consideration of the joint resolution (H. J. Res. 312), making additional appropriations for the fiscal year 1957.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. HILL].

The Senator from Nevada [Mr. MALONE] is recognized

Mr. MALONE. Mr. President, when we adjourned yesterday I was discussing recommendation No. 7 submitted in Document No. 83, 84th Congress, 1st session. Recommendation No. 7 appears at page 5905 of the CONGRESSIONAL RECORD of April 17. I shall continue with the recommendations, which appear on page 3 of the document.

8. We maintain that increased production of the new metal, titanium, is more urgent than ever before in the production of sonic-speed long-range bombers, fighters and interceptors, guided missiles, rockets, and submarines.

9. We recommend that special attention be paid to civil aviation titanium requirements for stepped-up speed and maneuverability, including commercially pure titanium and alloys.

10. We recommend that the Minerals, Materials, and Fuels Subcommittee continue its work in the critical materials field, including possible substitute, replacements, laboratory developments, fuel reserves, the stockpile program, and the status of the investment climate in the nations of the Western Hemisphere.

Mr. President, I ask unanimous consent that the introduction to this document, which is entitled "Critical Materials—Factors Affecting Self-Sufficiency Within Nations of the Western Hemisphere," be printed at this point in the RECORD. It appears on pages 1 and 2.

There being no objection, the introduction was ordered to be printed in the RECORD, as follows:

CRITICAL MATERIALS—FACTORS AFFECTING SELF-SUFFICIENCY WITHIN NATIONS OF THE WESTERN HEMISPHERE, ECONOMIC STATUS—INVESTMENT CLIMATE

INTRODUCTION

The manipulation of the value of their currencies in terms of the United States dollar, the permit system for imports and exports, foreign exchange and the use of multiple currencies for trade advantage forms the basic roadblock to normal trade and the interchange of investments.

Alarming as it may be to American citizens, the United States appears to be the only nation in the Western Hemisphere where the investors and workingmen are not adequately protected by a duty or tariff on imports to equalize the wages and the cost of doing business here and abroad.

It is believed that these data and the information herein, not heretofore available as a reference work, will be helpful to the nations of the Western Hemisphere in establishing the necessary investment climate—and to potential investors throughout the world.

This report—Senate Document 83, 84th Congress—on the investment climate and economic status of the nations of the Western Hemisphere is in the form of a supplement to Senate Report 1627, 83d Congress, published July 9, 1954. The following 42 nations and entities are included in this document.

American Republics

1. Argentina.
2. Bolivia.
3. Brazil.
4. Chile.
5. Colombia.
6. Costa Rica.
7. Cuba.
8. Dominican Republic.
9. Ecuador.
10. El Salvador.
11. Guatemala.
12. Haiti.
13. Honduras.
14. Mexico.
15. Nicaragua.
16. Panama.
17. Paraguay.
18. Peru.
19. United States of America.
20. Uruguay.
21. Venezuela.

Dominion

22. Canada.

European colonies

British

23. Bahamas.
24. Barbados.
25. Bermuda.
26. British Guiana.
27. British Honduras.
28. Jamaica.
29. Leeward Islands.
30. Trinidad and Tobago.
31. Windward Islands.

Netherlands

32. Surinam.
33. Curacao.
34. Bonaire.
35. Aruba.
36. St. Martin.
37. St. Eustatius.
38. Saba.

Danish

39. Greenland.

France

40. French Guiana.
41. Guadaloupe.
42. Martinique.

Senate Report 1627, published July 9, 1954, on the accessibility of strategic and critical materials to the United States in time of war and for our expanded economy including the 42 nations and entities, was a digest of 10 volumes of testimony including 360 witnesses—and showed that the Western Hemisphere could be made self-sufficient in the production of the critical materials for war or peace, and could be defended.

Senate Document 83 is the result of a personal inspection of each of the 42 nations and entities of the Western Hemisphere together with a digest of the 2-year exhaustive research program and shows that such nations, including our own, have steadily moved away from the sound long-range basic principles and policies necessary to establish a favorable "investment climate."

"Investment climate" is a phrase long used by engineers to indicate conditions within a nation or a State, under which private investments may be freely made in any enterprise where a profit is indicated, without fear of an executive action or other ruling destroying the feasibility of such enterprise, with resulting loss or impairment of such investment.

Something more than legislative action is necessary in this field to establish and maintain an investor's confidence—there is no substitute, as in the case of an individual, for a period of basic honesty and integrity.

Senate Resolution 271 continued the special work of the Minerals, Materials, and Fuels Economic Subcommittee of the Interior and Insular Affairs Committee in determining the "accessibility of critical raw materials to the United States in time of war and for the expanding economy"—and "study of the best means, methods, and devices to foster the greatest measure of self-sufficiency of critical materials that can be produced within the United States and the Western Hemisphere and to expand and develop the strategic materials industry."

Senate Document No. 83 then is set up to show the approach to a favorable "investment climate" practiced in each of the 42 nations and entities, together with their current fiscal and investment status.

Principles and policies must be established by the legislative branch of the individual sovereign nation's government upon which potential investors can depend. These principles should include current market value for money exchanges; equitable duties or tariffs on imports and exports, and reasonable policies governing foreign investments in the field of invested capital, including the free flow of interest and dividends. Continuity of such principles is of the utmost importance to the international relationship necessary to encourage production of critical materials and to further amicable relations.

It is well known and recognized that there is more private capital available for investment than ever before, anywhere in the world where there is an opportunity for a reasonable profit and where there is an established favorable "investment climate." Only a nation itself can establish or destroy such an investment climate.

To send Government funds (taxpayers' money) of any nation, into foreign lands, on any pretext or by any name, means a displacement of private investments and delay of sound development. When American taxpayers are forced to substitute foreign aid for investment dollars in projects which cannot pay out on an investment basis, then the result is a program for distribution of the people's wealth throughout the world—or international socialism.

Mr. MALONE. Mr. President, I ask unanimous consent that the findings, from which the recommendations are drawn, and which appear on pages 5 and 6 and the top of page 7 of the report, be printed at this point in the RECORD.

There being no objection, the findings were ordered to be printed in the RECORD, as follows:

FINDINGS

The findings are in conformance with Senate Resolution 271, of the 83d Congress, to determine accessibility of the critical materials to the United States in time of war and for our expanding economy and security—and the policies and principles necessary to assure such accessibility.

The findings, including conclusions arrived at as a result of personal investigations in each of the 42 nations and entities of the Western Hemisphere and a digest of the 2 years' research material, are:

1. That the overriding interest of the nations of the Western Hemisphere is security from external aggression, and from internal economic measures tending to restrict full opportunity for the development of their resources and the welfare of their peoples.

2. That the long-range trade future of the nations of the Western Hemisphere lies in the Western Hemisphere.

3. That the greatest potential industrial development during the next century is located in the Western Hemisphere between Alaska and Greenland on the north and the southern tip of Chile on the south, containing 350 million people and one-third of the land area of the world.

4. That the United States is the only nation in the 42 nations and entities of the Western Hemisphere that does not have adequate methods, including duties or tariffs, to protect its investors and workingmen.

5. That for more than two decades the United States has moved toward international interdependence across major oceans for critical materials, without which the hemisphere cannot be defended—and which would not be available in time of war.

6. That in all of the 42 nations and entities of the Western Hemisphere the executive branches of the governments regulate the amount of money in circulation, thus providing executive-order control of trade and investments within their boundaries without further action by the legislative body. In 41 of these nations and entities the executive branch may invoke a permit system on all imports, exports, and money exchange and fix the price of their currency in terms of the dollar without reference to its market value.

7. That the United States, early in its history, adopted through the legislative branch a policy of adjusting duties or tariffs for the protection of American workingmen and investors by taking the profit out of the European and Asiatic sweatshop labor at the water's edge, thus regulating the national economy in relation to foreign trade in accordance with article I, section 8, of the Constitution. In accordance with this long-established principle by the Congress—the 1930 Tariff Act provided that:

"If the Commission finds it shown by the investigation that the duties expressly fixed by statute do not equalize the differences in the costs of production of the domestic article and the like or similar foreign article when produced in the principal competing

country, the Commission shall specify in its report such increases or decreases in rates of duty expressly fixed by statute (including any necessary change in classification) as it finds shown by the investigation to be necessary to equalize such differences."

8. That the 1934 Trade Agreements Act nullified the 1930 Tariff Act and transferred the constitutional responsibility of the Congress to regulate foreign trade (art. I, sec. 8) to the President (the executive branch). In 1947 the President, by Executive order, transferred that responsibility to the General Agreements on Tariffs and Trade (GATT) at Geneva, Switzerland, which may divide the markets of its 35 member nations, including the United States, through manipulation of duties or tariffs. Such procedure is a form of international socialism.

9. That control by the executive branch of the United States Government of the Federal interest rate, the margin on the stock exchanges and the credit in installment buying all add to investors' uncertainty and confusion.

10. That shipments of supplies across major oceans, including critical materials and replacements of industrial machinery could be completely destroyed during any future major conflict.

11. That an "investment climate" necessary for the maximum production of the critical materials in the Western Hemisphere and trade between such nations must include money exchanges at their respective market value, freedom from expropriation, discriminatory taxes, and controls; the principle of fair and reasonable competition in levying duties or tariffs on imports, and the free export of interest and dividends on investments, including the free flow of capital between the nations.

12. That the trade among the nations of the Western Hemisphere including the sources of production, can be defended as going-concern enterprises during an all-out world war.

13. That where an "investment climate" has been established there is more private capital ready to be invested in development and production enterprises anywhere in the world today than ever before in history.

14. That beyond the mutual security interest, each of the sovereign nations must conduct its own affairs, establish its own fiscal policies, and in general do the things that in its judgment meet the current development and production needs of their own people.

15. That the United States is the only nation that can currently "spearhead" the defense of the Western Hemisphere.

WESTERN HEMISPHERE

The Western Hemisphere can be made self-sufficient in the production of the so-called strategic and critical minerals and materials.

Mr. MALONE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD the list of Strategic and Critical Materials, which appears on pages 7 and 8 of the report. There are 73 of such critical materials. There being no objection, the list was ordered to be printed in the RECORD, as follows:

STRATEGIC AND CRITICAL MATERIALS

GROUP I

Abrasive crude aluminum oxide.
Aluminum.
Antimony.
Asbestos, amosite.
Asbestos, chrysotile.
Asbestos, crocidolite.
Bauxite, metal grade.
Bauxite, refactory grade.
Beryl.
Bismuth.
Cadmium.
Celestite.
Chromite, chemical grade.
Chromite, metallurgical grade.
Chromite, refactory grade.
Cobalt.
Columbite.
Copper.
Corundum.
Diamonds, industrial.
Fluorspar, acid grade.
Fluorspar, metallurgical grade.
Graphite, amorphous lump.
Graphite, crucible grade.
Graphite, lubricant and packing grade.
Kyanite.
Lead.
Magnesium.
Manganese ore, battery grade.
Manganese ore, chemical grade.
Manganese ore, metallurgical grade.
Mercury.
Mica, muscovite block, good stained and better.
Mica, muscovite block, stained (radio tube quality).
Mica, muscovite film.
Mica, muscovite splittings.
Mica, phlogopite splittings.
Molybdenum.
Nickel.
Petroleum.
Platinum group metals, iridium.
Platinum group metals, platinum.
Quartz crystals.
Rare earths.
Selenium.
Tin.
Titanium.
Tungsten.
Vanadium.
Zinc.
Uranium.
Thorium.

Nonminerals

Bristles, hog.
Castor oil.
Coconut oil.
Cordage fibers, abaca.
Cordage fibers, sisal.
Cotton, extra long staple.
Feathers and down, waterfowl.
Hyoscine.
Iodine.
Jewel bearings, instrument jewel except vee jewels.
Jewel bearings, sapphire and ruby vee jewels.
Jewel bearings, watch and timing-device jewels.
Opium.
Palm oil.
Pyrethrum.
Quinidine.
Quinine.
Rubber, crude natural.
Sapphire and ruby.
Shellac.
Silk.
Talc, steatite, block.
Sperm oil.
Vegetable tannin extract, chestnut.
Vegetable tannin extract, quebracho.
Vegetable tannin extract, wattle.

GROUP II

Minerals

Bauxite, abrasive.
Cryolite, natural.
Graphite, crystalline fines.
Ilmenite.
Mica, muscovite block, stained and lower.
Mica, phlogopite block.
Platinum group metals, osmium.
Platinum group metals, palladium.
Platinum group metals, rhodium.
Platinum group metals, ruthenium.
Rutile.
Zirconium ore, Baddeleyite.
Zirconium ore, zircon.

Nonminerals

Agar.
Cotton.
Diamond dies.
Emetine.
Optical glass.
Talc, steatite, ground.
Wool.

Mr. MALONE. Mr. President, for myself and on behalf of my colleague, the distinguished junior Senator from Nevada [Mr. BIBLE], I offer an amendment to House Joint Resolution 312, the effect of which would be to have the Senate return to the House Joint Resolution 310, which was first sent to the Senate by the House yesterday, which was amended by the Senate, and was then sent back to the House. My amendment would have the effect of returning to the House the exact language which was sent to the House yesterday after the Senate had amended House Joint Resolution 310.

The PRESIDING OFFICER. The Senator from Nevada understands, does he not, that the Hill amendment would have to be disposed of before the amendment offered by the Senator from Nevada would be in order? However, the Senator's amendment could be read for the information of the Senate.

Mr. MALONE. I ask that my amendment be read for the information of the Senate, and that it be printed and lie on the table at this time. But to conserve the time of the Senate, I ask that my amendment be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, the amendment offered by the senior Senator from Nevada for himself and on behalf of the junior Senator from Nevada [Mr. BIBLE] will be printed at this point in the RECORD, for the information of the Senate, and will lie on the table.

The amendment is as follows:

Strike out all language after line 5, page 1 and insert in lieu thereof the following:

"CHAPTER I

"Department of Agriculture

"Agricultural Conservation Program Service

"Emergency conservation measures

"Not to exceed $25 million of the appropriation granted under the head 'Agricultural Conservation Program Service,' in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1956, shall be available until June 30, 1958, to enable the Secretary to make payments to farmers who carry out or who, after having requested and been granted approval by their county agricultural stabilization and conservation committees, have carried out subsequent to September 30, 1956, emergency measures to control wind erosion on farmlands or to rehabilitate farmlands damaged by wind erosion, floods, hurricanes, or other natural disasters when, as a result of the foregoing, new conservation problems have been created which, (1) if not treated, will impair or endanger the land, (2) materially affect the productive capacity of the land, (3) represent damage which is unusual in character and, except for wind erosion, is not the type which would recur frequently in the same area, and (4) will be so costly to rehabilitate that Federal assistance is or will be required to return the land to productive agricultural use, and for reimbursement to the appropriation to the President for disaster relief,

for allocations to the Secretary of Agriculture for such purposes: *Provided*, That this appropriation may be expended without regard to the adjustments required under section 8 (e) of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590h), and may be distributed among States and individual farmers without regard to other provisions of law.

"Farmers' Home Administration

"Disaster loan revolving fund

"Not to exceed $25 million of the disaster loan revolving fund established under the act of April 6, 1949, as amended (12 U. S. C. 1148a-1 to 1148a-3), may be used for emergency feed and seed assistance under section 2 (d) of said act in addition to, and under the same conditions as, the amount made available under this head in the Third Supplemental Appropriation Act, 1954 (68 Stat. 81, 88): *Provided*, That, from the funds available, upon request of the governor of any State, assistance to farmers, ranchers and stockmen in major disaster areas under section 2 (d) of the act of April 6, 1949, as amended (12 U. S. C. 1148a-2 (D)), in providing roughage for livestock shall until August 1, 1957, include assistance in procuring cottonseed meal or cottonseed cake or pellets which are available in the area, in amounts recommended by the State extension service as necessary to supplement available grazing or roughage to preserve basic herds of range livestock, upon conditions that such assistance shall be available to farmers, stockmen, and ranchers who desire to feed such protein supplements to their range livestock and that the price of such protein supplements, whether acquired by the State or by the Secretary of Agriculture and resold at less than cost or acquired by the farmer, rancher, or stockman from commercial suppliers, shall not exceed the average price charged by the respective suppliers during the calendar year 1956, or in the case of new suppliers, the average price for 1956 of the county in which the supplier is located. Insofar as funds are available, the Federal contribution hereunder for cottonseed meal or cottonseed cake or pellets shall be comparable in amount to the assistance made available to farmers in major disaster areas in the purchase of feed grains under section 301 of the Agricultural Trade Development and Assistance Act of 1954 (7 U. S. C. 1427).

"Loan authorizations

"For an additional amount for loans under title I and section 43 of title IV of the Bankhead-Jones Farm Tenant Act, as amended, $26 million: Provided, That not to exceed the foregoing amount shall be borrowed from the Secretary of the Treasury in accordance with the provisions set forth under this head in the Department of Agriculture Appropriation Act, 1952.

"CHAPTER II

"Small Business Administration

"Salaries and expenses

"For an additional amount for 'Salaries and expenses,' $1,200,000, to be transferred from the 'Revolving fund, Small Business Administration.'

"Revolving Fund

"For additional capital for the revolving fund, authorized by the Small Business Act of 1953, as amended, to be available without fiscal-year limitation, $45,000,000.

"CHAPTER III

"American Battle Monuments Commission

"Construction of Memorials and Cemeteries

"To the extent that the Commission may find necessary or desirable, the appropriation granted under this head in the General Government Matters Appropriation Act, 1957, shall be available for the purposes of the act of April 2, 1956 (70 Stat. 84).

"CHAPTER IV

"Department of Health, Education, and Welfare

"Public Health Service

"Foreign quarantine service

"For an additional amount for 'Foreign quarantine service,' $67,500.

"Social Security Administration

"Grants to States for public assistance

"For an additional amount for 'Grants to States for public assistance,' $275 million.

"CHAPTER V

"Department of the Interior

"Office of the Secretary

"Acquisition of strategic minerals

"For an additional amount for 'Acquisition of strategic minerals,' $30 million, to remain available until December 31, 1958.

"CHAPTER VI

"Public works

"Department of Defense—Civil functions

"Department of the Army

"Rivers and Harbors and Flood Control

"Construction, general

"That portion of title III of the act of July 2, 1956 (Public Law 641, 84th Cong., 70 Stat. 474, 480), that pertain to the purchase of lands and improvements in the Buford-Trenton Irrigation District in lieu of protecting said Buford-Trenton Irrigation District in connection with development, construction, and operation of the Garrison Dam and Reservoir project on the Missouri River, is amended to read as follows:

"'That in lieu of protecting the East Bottom of Buford-Trenton Irrigation District, the sum of $1,621,791 of the funds herein or hereafter appropriated for the Garrison Dam and Reservoir project on the Missouri River shall be available for the purchase of lands and improvements in and contiguous to the Buford-Trenton Irrigation District, exclusive of tracts Nos. H. H. 3170 and H. H. 3168, and not to exceed $2 million shall be available to the Corps of Engineers for protection of the intake structure of the pumping plant in Zero Bottom and for the construction of bank protection to prevent erosion in the Missouri River adjacent to the Buford-Trenton irrigation project. The substitution of land acquisition for protection shall be made and the Secretary of the Army shall acquire such land and improvements if all of the landowners, except Lester G. Larson, the heirs of Louis Morin, Jr., and the heirs of A. Desjarlais, on or before June 30, 1957, have offered to sell their property on the terms agreeable to said landowners, and within the amount provided for such land acquisition: *Provided*, That the Chief of Engineers, United States Army, is authorized to acquire by condemnation proceedings, in the appropriate United States district court, tract 208C of the Buford-Trenton project, Williams County, N. Dak., according to the recorded plat thereof which tract is owned by Lester G. Larson, the public domain allotment of A. Desjarlais, now deceased, described as Government lots 5 and 8 in section 19 and Government lot 1 in section 30, township 153 north of range 102 west of the fifth principal meridian, North Dakota, and the public domain allotment of Louis Morin, Jr., now deceased, described as the west half southwest quarter, section 16, and the north half southeast quarter, section 17, township 153 north, range 102 west, fifth principal meridian, North Dakota, in connection with the construction and operation of the Garrison Dam and Reservoir: *Provided further*, That in the event land acquisition is undertaken in lieu of protection of the East Bottom, that in recognition of the increased per acre annual operation and maintenance cost of the remaining lands in the Buford-Trenton Irrigation District, the construction charge obligation assignable to the remaining lands of said district pursuant to the act of October 14, 1940 (54 Stat. 119), as amended, and the proposed contract between the United States and Buford-Trenton Irrigation District, approved as to form February 23, 1955, shall be nonreimbursable, and the Secretary of the Interior is authorized and directed to enter into a contract with the Buford-Trenton Irrigation District to transfer operation and maintenance responsibility for project works constructed by the Bureau of Reclamation for the benefit of the Buford-Trenton Irrigation District to such district.'

"CHAPTER VII

"Legislative branch

"Senate

"Salaries, officers and employees

"Office of the Vice President: For an additional amount for clerical assistance to the Vice President, $5,000.

"Administrative and clerical assistants to Senators: For an additional amount for administrative and clerical assistants for Senators, to provide additional clerical assistants for each Senator from the States of Louisiana and Ohio so that the allowance for each Senator from the State of Louisiana will be equal to that allowed Senators from States having a population over 3 million, the population of said State having exceeded 3 million inhabitants, and so that the allowance for each Senator from the State of Ohio will be equal to that allowed Senators from States having a population over 9 million, the population of said State having exceeding 9 million inhabitants, $8,000.

"Contingent expenses of the Senate

"Inquiries and investigations: For an additional amount for expenses of inquiries and investigations, fiscal year 1956, $25,000.

"Inquiries and investigations: For an additional amount for expenses of inquiries and investigations, $820,000.

"Automobile for the President pro tempore: For an additional amount for purchase, exchange, driving, maintenance, and operation of an automobile for the President pro tempore of the Senate, $2,000.

"Automobiles for the majority and minority leaders: For an additional amount for purchase, exchange, driving, maintenance, and operation of 2 automobiles, 1 for the majority leader of the Senate and 1 for the minority leader of the Senate, $4,000.

"Joint Committee on Navaho-Hopi Indian Administration: For salaries and expenses of the Joint Committee on Navaho-Hopi Indian Administration, $5,000, to remain available during the existence of the committee.

"House of Representatives

"For payment to Cleo C. Fernandez, widow of Antonio M. Fernandez, late a Representative from the State of New Mexico, $22,500.

"For payment to Elizabeth F. Hand, widow of T. Millet Hand, late a Representative from the State of New Jersey, $22,500.

"For payment to Wilbert R. Hinshaw, widow of Carl Hinshaw, late a Representative from the State of California, $22,500.

"For payment to Mildred N. Priest, widow of J. Percy Priest, late a Representative from the State of Tennessee, $22,500."

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. MALONE. I shall be happy to yield to my friend, the distinguished Senator from Illinois.

Mr. DIRKSEN. If I may be permitted to do so, first I wish to commend the Senator from Nevada for the steadfast and diligent way in which he has pursued the matter that has engaged his interest, namely, the minerals controversy. Considering his long experience

as a mining engineer, and his familiarity with the section of the country where minerals abound, his diligent pursuit of the national interest in this field is most commendable.

I share his dejection of spirit over what took place when the money item for strategic materials under Public Law 733 was deleted from the resolution by the House, notwithstanding the action taken by the Senate. I doubt, however, that at this late hour, with the Easter recess impending, we will get anywhere unless we follow certain lines of regular procendure.

I wish to make a suggestion to the Senator from Nevada. There will be two opportunities, certainly, for the Senate to register its stand on the minerals controversy. One will come on the third supplemental appropriation bill, which is at present pending either in committee or in the House, and, so far as I know, will probably come to the Senate committee for action not too long after the Easter recess.

The second opportunity will come, of course, on the Department of the Interior appropriation bill. I think hearings have been completed on the Interior appropriation bill, and it will be the first regular appropriation bill to be considered by the Senate.

On either one of those bills a proposal to modify the action which has been taken, so as to restore the funds for minerals acquisition, will be in order. There is, however, one small problem in connection with the matter, namely, that if the funds were to be made available for retroactive payment until such a measure were signed, such a proposal would be legislative in character, and would have to be offered separately on the floor. If a point of order were made against the proposal it would have to be stricken. But there would still be the alternative of moving to suspend the rules and then to insert such a provision, so as to make the money available for retroactive purposes.

I give the Senator from Nevada the assurance, on this point, that such a course can be followed no matter what action is taken on the Urgent Deficiency bill. Whether it lies dormant or whether the House agrees to another conference will make no difference, because we are not inhibited in our opportunity to take such action with respect to other appropriation bills which will come along.

I give the Senator from Nevada my assurance now, because I am interested in the matter. I heard all the testimony. I subscribe to the attitude which has been expressed by the Senator from Nevada. I would, in order to accomplish the result desired, upon my own responsibility, offer an amendment to the supplemental appropriation bill when it finally comes to the full Senate Committee on Appropriations for action. I cannot speak for any other member of the Senate committee; I can speak only for myself. I would make the endeavor in good faith, and would do so in the hope that the amendment could be adopted and inserted in the supplemental appropriation bill. If that effort should fail, I still give the Senator from Nevada my word that I will take the same course in connection with the regular Department of the Interior appropriation bill.

I am willing also to undertake the drafting of the necessary provision notwithstanding the fact that it may be legislative in character, and to make certain that it is incorporated in the bill, so as to take care of the minerals which are produced from this time, until some measure is signed by the President under which funds will become available.

I point out to my friend from Nevada, however, that assuming favorable disposition of the matter by the Senate Committee on Appropriations and the Senate, there will still remain the question of what may be done in conference. I have no way of knowing or determining what the ultimate action of the committee of conference will be.

I wanted to address my statement not only to my friend from Nevada, but also to the distinguished Senator from Arizona [Mr. HAYDEN], the chairman of the Committee on Appropriations, because I discussed the matter with him this morning.

Having helped to carry the flag on this matter, all I can do is to give the Senator from Nevada my personal assurance as a Member of the Senate and as a member of the Committee on Appropriations that I will undertake to do what I have stated, because I think it is entirely in line with the course I have pursued thus far.

Mr. MALONE. Mr. President, I appreciate the remarks of the distinguished junior Senator from Illinois. I know that his attitude has always been right in regard to the production of all critical materials, not solely minerals, without which we cannot fight a war or live in peace, and without which we can be blackmailed into agreements with foreign nations, as we have already been blackmailed. I appreciate and agree with everything he has said in this regard.

ACTION BY THE UNITED STATES SENATE—SECURITY

I may say, further, that I have deeply appreciated the attitude of all Members of the Senate toward the security of the Nation. This is the 11th year in which I have been a Member of the Senate, and twice the Senate has passed mineral bills which I have introduced, as the distinguished Senator from Arizona, the chairman of the Committee on Appropriations, will remember, bills which would continue the production of critical materials until the time when we could reach a commonsense solution in a long-range workable program. Both of those bills failed of passage in the House. That measure was called the Malone-Aspinall Act, but many other Senators and many other Members of the House of Representatives are interested.

In 1953, the Senate and the Congress passed the bill. An extension was passed in 1955. But the President vetoed the bill. I think he vetoed it because of a lack of understanding of what we were trying to do for the security of this Nation. Nevertheless, he did veto it. The bill was passed again in 1956, and the President signed it. The Senate has likewise expressed its approval of the principle—having done so on two different occasions during this session.

So not only do I appreciate the attitude and the promise of support for the security of the Nation, on the part of the distinguished Senator from Illinois; but at this time I wish to inform the Senate that I have watched its actions closely during the past decade, and never to my knowledge has the Senate turned down a requested appropriation or bill which would secure the Nation in the case of the production of critical minerals and materials without which we cannot exist in war or in peace.

Mr. HAYDEN. Mr. President——

Mr. MALONE. I yield to the Senator from Arizona.

Mr. HAYDEN. I recall the basic principle of the act of Congress the Senator from Nevada sponsored—that is to say, that there should be a strategic-minerals industry in the United States, in order that in time of war our country would not be entirely dependent upon foreign sources.

Congress enacted that law; and, in good faith, miners in my own State and in his State and elsewhere throughout the Nation have expended their money, believing that when Congress, by means of the enactment of that law, and then following it up by making an appropriation, last year, made the promise to them it would keep it, and that they could depend upon the promise made in the act, and could proceed accordingly.

But now we have reached a point where Congress has not kept its word.

So long as I have anything to do with the Senate Committee on Appropriations, it will be my endeavor to have Congress carry out its obligations. The only way to do so in this instance is to have Congress appropriate the necessary funds.

I shall be glad to bend every effort to the end that we may do our best to bring about that result when the first deficiency appropriation bill comes to the Senate from the House of Representatives. If we cannot succeed in that instance, we shall do our best in the case of following appropriation bills.

Mr. CHAVEZ. Mr. President, will the Senator from Nevada yield to me?

Mr. MALONE. I yield.

Mr. CHAVEZ. I wish to support what has been said by the Senator from Arizona [Mr. HAYDEN], the Chairman of the Appropriations Committee, and by the Senator from Illinois [Mr. DIRKSEN].

I happen to be a Member of the Appropriations Committee. I agree completely with all the remarks the Senator from Nevada has made in regard to minerals and the necessity of taking care of our own mines and our own people.

However, in the present case we are faced with a practical situation. I believe that the Senator from Nevada and other Senators who are interested in the stockpiling of minerals would gain ground if they would agree to have the Senate pass the pending measure. I assure the Senator from Nevada that, as a Member of the Appropriations Committee—and I am third in seniority on the committee—I shall vote at the first

opportunity I have, whether it be on a deficiency appropriation bill or on the regular appropriation bill for the Department of the Interior, for everything the Senator has requested.

Mr. MALONE. I thank the Senator from New Mexico.

Mr. BIBLE. Mr. President, will my colleague yield to me?

Mr. MALONE. Mr. President, I am happy to yield to my colleague.

Mr. BIBLE. I thank my colleague very much.

Mr. President, I wish to associate myself with my colleague's remarks. I should like to have the RECORD show that I join him in the sponsorship of the amendment which is now before the Senate. I think it is a shame that the amendment is not to be agreed to—if that should be the eventual outcome—and is not to be sent to the House of Representatives. I take that position because of the commitment and the expression the Congress has made to the persons involved.

As I said yesterday, I am as well aware of this problem as I am of the social-security problems and the problems of small business. I wish to call the attention of this body to the fact that, night after night, many unemployed miners go to their homes without funds, and have been doing so for some time. I also wish to point out that certainly this measure relates to a form of social security, too. It will be rather difficult to explain to our constituents that the Congress could take a recess, but could not take care of their immediate problem. As my senior colleague well knows, in our own State many thousands of men are out of employment at this very moment.

Mr. President, I should like to ask the indulgence of my colleague, so as to be permitted to ask a question of the very distinguished chairman of the Appropriations Committee.

Mr. MALONE. I am happy to yield for that purpose.

Mr. BIBLE. If I correctly understand the present situation, if House Joint Resolution 312 is enacted into law, there still will remain in the first urgent deficiency appropriation bill of 1957 a number of items; is that correct?

Mr. HAYDEN. That is correct.

Mr. BIBLE. Those items and that particular bill are still in conference; are they not?

Mr. HAYDEN. That is correct.

Mr. BIBLE. Can the chairman of the committee indicate to us when there will be a meeting of the conference committee?

Mr. HAYDEN. There will be a meeting of the conference committee at the first opportunity that I can persuade the members of the House Appropriations Committee who are conferees to talk over the differences between the two Houses. I have not been able to do so recently, and I understand that they are now preparing to leave for home. But I hope to be able to do so soon.

Mr. BIBLE. Is it possible that during the Easter recess, during the week of April 29, the conferees may get together and thresh out this problem?

Mr. HAYDEN. If an invitation from me will accomplish that result we certainly shall get together.

Mr. BIBLE. I thank the Senator for his answer.

Mr. President, I should like to ask an additional question, if I may have the permission of my senior colleague.

Mr. MALONE. I am happy to yield.

Mr. BIBLE. What is the position of the chairman of the Appropriations Committee, insofar as the regular 1958 appropriation bill for the Department of the Interior is concerned? As the Senator from Arizona is well aware, the bill contains an item of approximately $40 million to carry forward this minerals program, which was written into the law of the land by Congress, and was enacted in good faith.

Mr. HAYDEN. That item is based on a budget estimate, recommended by the Bureau of the Budget to the President; and it is now pending before the committee. Certainly it is entitled to receive consideration. The difficulty about it—as has been pointed out by the Senator from Illinois—is that the appropriations in that bill will not become effective until July 1.

Mr. BIBLE. I realize that.

Mr. HAYDEN. So, in order to take care of the intervening period, there will have to be a suspension of the rule if a retroactive measure is to be passed.

That is why I hope it will be possible for the conferees on the part of the Senate to get together with the conferees on the part of the House immediately after the recess, in order to take some action which will dispose of this matter, and not make it necessary to take it up in connection with the regular appropriation bill. Otherwise, we shall have to take it up in connection with the regular appropriation bill.

Mr. BIBLE. So I understand there are three opportunities to take care of the matter.

Mr. HAYDEN. I think we shall have the necessary opportunity in the case of the deficiency bill which is coming to us from the House of Representatives.

Mr. BIBLE. I certainly wish to impress upon the senior Senator from Arizona, the very able chairman of the Appropriations Committee, the great urgency and need in connection with this problem.

Mr. HAYDEN. I am well aware of the situation.

Mr. BIBLE. The people concerned are in need week after week; and they cannot eat promises.

Mr. HAYDEN. Of course, I fully realize the situation.

Mr. MALONE. Mr. President, I wish to say that the distinguished senior Senator from Arizona [Mr. HAYDEN], the chairman of the Appropriations Committee has been very helpful and very conscientious in this work from the beginning.

As I stated yesterday, for many years I have greatly admired his ability to accomplish things in the Senate of the United States.

Finally, Mr. President, let me say to the Senator from Arizona that I thoroughly understand that certain deficiency appropriation bills will be coming before his committee, in addition to the regular 1958 appropriation bill for the Department of the Interior. As I understand his statements, he will continue to work in the conference on the deficiency legislation which has already passed and is in the conference of both Houses.

Mr. HAYDEN. That is correct.

Mr. MALONE. And in connection with that deficiency appropriation bill, he will try to have the conferees agree upon a sufficient appropriation to carry on this matter until June 30 of this year.

Mr. HAYDEN. That is correct.

Mr. MALONE. If that is impossible, we shall try to include such an appropriation in the first deficiency bill that comes before the committee following the recess, or in the appropriation for the Department of the Interior, whichever may seem the most appropriate, and if possible make it retroactive, which, as explained by the Senator from Illinois, would take a two-thirds vote, because such a provision would be legislative in nature. If we did not succeed in making it retroactive, we would at least get an appropriation to continue operations to the end of this fiscal year, June 30.

Mr. HAYDEN. That is my hope and expectation. That is what I will try to do.

Mr. MALONE. Then, so far as the 1958 appropriation is concerned, it would come under the regular appropriation legislation already in your committee for 1958, since it is the law of the land.

Mr. HAYDEN. It is already in the law, and the committee must consider it.

Mr. MANSFIELD. Mr. President, will the Senator from Nevada yield?

Mr. MALONE. I yield to the distinguished Senator from Montana.

Mr. MANSFIELD. There is not much I can add to what has already been stated by the Senator from Illinois [Mr. DIRKSEN], the chairman of the Committee on Appropriations, the senior Senator from Arizona [Mr. HAYDEN], the junior Senator from Nevada [Mr. BIBLE], and the senior Senator from Nevada [Mr. MALONE].

First, I wish to commend the senior Senator from Nevada for the great fight he has made in behalf of the small-mine producers not only of his own State, but throughout the entire West. What he has done is take up the cudgels for what truly should be considered a national-defense matter. I can say, as acting majority leader on this side of the aisle, I will do what I can to back up the assertions, the promises, and the pledges made on the floor this afternoon relative to tungsten and other materials which are so vital to the welfare and the security of our country.

I want the RECORD to show that, insofar as we are concerned, we will do the best we possibly can to see that funds will be forthcoming in the next deficiency appropriation bill, and that funds will be forthcoming in the Interior appropriation bill, which is now under consideration, and which will carry out the program until next year.

Mr. MALONE. I wish to thank the distinguished Senator from Montana for that statement. I knew already that his heart was in the work. I know he realizes, as I do, and as do all the Senators who have been discussing the matter, that this is a national security matter. It was on that basis that we pressed for the legislation in the first instance.

It was on that basis that we passed the bill in 1953, and on that basis it was renewed last year with the approval of the President.

Over the years that I have been a Member of the Senate, the Senate has fully shown that it never fails to take proper action on such a matter. In my opinion, the House has been derelict. I give the House credit for being conscientious in what it is doing, but sometimes it is pretty hard to rationalize an action such as it has taken in the last 2 or 3 days. Nevertheless, what we are deciding is being decided for the Senate, and not for the House.

I want to express again my appreciation to the Senate. Over the decade that I have been a Member of the Senate it has shown that it is conscious of the necessity for this security measure and the necessity of not being fully dependent on foreign nations across major oceans for products without which we cannot fight a war or live in peace, and therefore being subject to blackmail by such countries upon which we are currently dependent for further agreements.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. MALONE. I yield to the Senator from Illinois.

Mr. DIRKSEN. As the distinguished acting majority leader pointed out so well, we are, after all, confronted with a condition rather than a theory, and we have to resort to the most practical means to meet it.

I respectfully suggest, therefore, to my good friend from Nevada, that he withdraw the amendment he has submitted, since it already appears in the RECORD, so we can consummate action on the pending joint resolution.

Mr. MANSFIELD. If the Senator from Nevada will yield before answering the question, I should like to point out that the acting majority leader has been consistent in his efforts on behalf of the small-mine owners and producers in the West, and particularly with respect to the particular subject under discussion.

Mr. MALONE. I have no doubt the sentiment of the Senate has been for full security for this Nation and for full cooperation in the production of critical minerals and materials. The Senate has always made the proper decisions when confronted by conditions requiring action.

I want to say to the Senator that, of course, while I believe the economic structure of these little communities all over the United States makes up the economic structure of the United States, are vitally important to the economic structure of this Nation, that the delay beyond the Easter recess may be the most feasible method to bring about the proper congressional action. This not only includes minerals and mines, but textiles, machine tools, and 5,000 other products.

We are paying $40 billion annually for materials and labor for national defense. We have moved away from our dependence on our legitimate markets. We have given our markets away to the 34 foreign nations sitting in Geneva, and have moved to a war economy.

I am sure that the country is beginning to realize that condition.

The people of the country are beginning to realize more and more the real basic reason for the plight in which they as taxpayers find themselves.

That while they are objecting to the budget, that is all they can immediately see. They just write their Senator or Congressman and say, "Cut down the budget."

But, Mr. President, what makes up the budget? The budget is made up of millions and millions of dollars which are spent to buy materials for use in a critical period, from as far away as Korea and South Africa and other nations in the world, which would be unnecessary if the proper constitutional responsibility of the regulation of our foreign trade and national economy were borne by the Congress and not shifted to 34 European and Asiatic competitive nations sitting 3,000 miles away in Geneva, Switzerland. They are, as a result, bought at a much higher price than they would cost if produced in this country, and in addition at a sacrifice of life, as in Korea.

That is true with respect to 5,000 or more products that we manufacture and produce in this country. So the public has not yet fully realized what the basic situation is—that the 1934 Trade Agreements Act is the principal factor causing such a high budget.

The President of the United States cannot be altogether blamed for the high budget, because it was started 24 years ago. It has pyramided and pyramided, so it is asking a good deal for him to suddenly say, "We are just not going to appropriate money for all of this funny business," while the Congress continues the legislation upon which it is based.

So long as the 1934 Trade Agreements Act stays in existence, we are confronted with the situation brought about by it, and by the pressing forward of the State Department for the Office of Trade Cooperation legislation, which is nothing more nor less than our approval of 34 competitive nations, in Geneva, controlling our foreign trade and national economy—as long as the President is confronted with all those things, we just cannot place all of the blame upon the President of the United States for the high budget.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MALONE. I am glad to yield to the distinguished Senator from California.

Mr. KNOWLAND. First of all, I wish to say I concur in what the distinguished chairman of the Appropriations Committee has said, and in what was mentioned earlier by the distinguished Senator from Illinois [Mr. DIRKSEN], who is a member of that committee, that there are certain alternative ways in which the Senate will have an opportunity to express itself after the Easter recess.

First, there is the first urgent deficiency appropriation bill, which is in conference. We hope that a conference may be held when the two Houses of Congress reassemble, following the 29th of April.

Certainly we all recognize that under our constitutional form of government, while all legislative power is vested in the Congress, there is a two-House Congress, and unless the legislative machinery is to break down completely, there has to be an adjustment between the points of view of the two Houses of Congress.

Over a long period of time, I think the Senator from Nevada has, as have many of the other Senators who have spoken today, been interested in seeing that, from the standpoint of the defense potentialities of our country, we have a domestic supply of minerals and other basic strategic materials which are essential both for the development of our great peacetime economy and for our national defense.

I think no prudent person dares lose sight of the fact that, based on the information which has been made public, the Soviet Union has a submarine fleet far larger than Nazi Germany had at the height of its power during World War II. While they may not be able completely to intercept—we would hope the antisubmarine measures would prevent their doing so—all sea travel, certainly it would be highly imprudent for us not to recognize that our sea communications would be seriously interfered with in case of war.

We also must be mindful of the fact that in the event of hostilities all these strategic materials, which are found primarily in countries behind the Iron Curtain or in countries which are in close proximity to the Iron Curtain, would not be available to us in wartime. We must face up to the fact, as mentioned by the Senator from Nevada, that the cold statistics might indicate certain of these materials today are in surplus supply compared to our apparent needs, but, with a changing technology, the advance of jet propulsion, the effect of intense heat on metals, and the need for solving many other problems, though the materials might seem to be in long supply today, they might be in short supply tomorrow.

Certainly, considering the debate which has taken place in this body and in the other body, I hope the administration will soon submit to Congress a permanent minerals policy dealing with our strategic stockpile and the importance of maintaining a domestic minerals industry.

It was pointed out yesterday that we have to take a long-term look at these problems. We know that in the event we should have no domestic industry at all, with no domestic processing plants, we could easily find that what we can buy for $25 a ton today we might have to pay $100 a ton for, through the nose, tomorrow, if there were no alternative

source of supply and we had to pay the price asked by the foreign producer. So it would be very poor economy to undertake to solve the problem by buying in the world market today, allowing the domestic industry to be destroyed, and then being called upon to pay all the traffic will bear tomorrow, when we have no way of achieving a fair and equitable balance.

I am not prepared to say at this time that the formulas used in the past are necessarily the utopian formulas. I am not prepared to say today that we should not apply a different standard for one metal that may be in long supply from the standard applied to a metal in short supply. The Senator from Nevada, with his engineering background and mining experience, is far more expert than am I, and perhaps many other Senators are, also. But I think all these factors should be taken into account by both the executive branch of the Government and by the two Houses of Congress in the developing of a long-term program, because we cannot rest entirely on purely a makeshift program.

I say to the Senator from Nevada that so far as I am individually concerned, I shall endeavor to help secure equitable action, either on the urgency deficiency bill—when the conference meets, if it does—on the supplemental bill, or on the appropriation bill for the Department of the Interior. I hope, however that by the time the appropriation bill for the Department of the Interior is considered perhaps the committee of which the Senator from Nevada is a valuable member, the Committee on Interior and Insular Affairs, will have the administration's long-term program under consideration and will have held some additional hearings, so that questions which trouble Senators, for instance, whether we have a 25-year supply, may be adequately answered. Not only the Members of the Senate and the House have to be satisfied with respect to this item, but a great many people throughout the country must also be satisfied, for they read various articles, and they wonder if the Senate and the House are correct in piling up additional materials when there apparently is a sufficient supply to meet the strategic needs of the Nation.

I know the Senator is aware of the many problems involved and I hope we can find a sound solution to them.

Mr. MALONE. I will say to the distinguished Senator from California, the minority leader, that I appreciate very much the statement he has just made. We are all looking for a long-range solution.

I think there is a very sound solution, to take the whole weight off of the President: Simply allow the 1934 Trade Agreements Act to expire on June 12, 1958, and Congress automatically regains its constitutional responsibility under article I, section 8 of the Constitution, and the Tariff Commission, an agent of Congress, will adjust the duty or tariff on the basis of fair and reasonable competition and the American workingmen and investors are back in business.

TARIFF COMMISSION, AN AGENT OF CONGRESS, ESTABLISHES DUTY

However we should immediately return the 17 minerals, without which we cannot make a jet engine to the authority and responsibility of Congress, and permit the Tariff Commission, an agent of Congress, to set that duty based on the difference between the cost of labor and the general cost of doing business here and in the chief competing nation. That would end it.

The PRESIDING OFFICER (Mr. THURMOND in the chair). The Senate will be in order.

Mr. MALONE. If that is satisfactory, we will proceed.

I merely wish to say that in that case, the same as in this case, the domestic price should be fixed, as nearly as it can be computed, based upon the difference between the world price and the cost of the labor in America, the general cost of doing busines here, and in the chief competitive Nation, and that would be the same as a duty or a tariff.

In neither case would it affect the cost of the end product. One could not find the difference in the cost of a jet engine due to paying American labor. Of course there are many other things besides jet engines involved. The steel cutting tools and armor piercing projectiles cannot be made without tungsten. We are unable to make a pound of steel without manganese.

There is a difference between the world cost of doing business and the cost of doing business here, which is mostly the cost of labor—but one could not find that in the cost of a ton of steel. What we are talking about is unimportant, except as to whether we depend on a foreign nation for something we cannot fight a war without or live in peace, or whether we should produce a maximum of these materials in this Nation and have "going concern" production for all we need in the Western Hemisphere.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. MALONE. I am glad to yield to the Senator from Colorado.

Mr. ALLOTT. Mr. President, I believe by this time it has been made abundantly clear, for the benefit of those who are primarily interested in this matter, what the reasons are why the Congress, cannot act upon this item before an Easter recess. It was brought out in the debate very clearly yesterday, as it has been brought out several times today in the debate, that when Congress passed the Strategic Minerals Act of last year it was made very clear to the miners of the United States that we intended to do something for the benefit of the producers of these various minerals. Now, after saying on the floor of the Senate and saying in the report of the committee that the amount appropriated last year was only to last until January 1 and that it was contemplated a further appropriation would be made immediately after January 1, when Congress convened, we have for 3½ months delayed doing anything about this matter. I should not say we have delayed doing anything, because a great many of the Senators who have been here and participated in this debate, as well as others, have tried to precipitate action on this matter since the first of the year.

I believe the remarks of the Senator from Illinois [Mr. DIRKSEN] and the Senator from Nevada [Mr. MALONE] explain why it is not possible to act upon this matter at this time.

The gist of the situation, of course, is the fact, so ably pointed out by the Senator from California, that this is a dual legislative body, and that we must have due regard for the other House. We must work with it and act in unison, to enact laws for the benefit of the country.

I wish to compliment the Senator from Nevada. I am not sure that everything has been touched upon that should be touched upon in a full debate of this question. When it comes before us again I intend, as I am sure the Senator from Nevada intends, to discuss this subject at greater length, so that the people of the country, particularly those who are not able to see in this program one of the greatest conservation measures in the United States today, may be informed as to what we are trying to do, not only for the safety of our country, not only for the sound economic policy of our country, but also for the conservation of strategic materials which will always be of great value, and an absolute need in the event we should become involved in war.

I thank the Senator from Nevada for yielding to me. I will join him in seeing that action is taken on this subject at the earliest opportunity.

Mr. MALONE. Mr. President, there are three procedures which I might follow today in this controversy. However, my colleagues have been very friendly and cooperative in suggesting a way that the program may be continued. The amendment which my colleague [Mr. BIBLE] and I have offered could be debated at considerable length, and voted upon. If the amendment were approved then it would go to the House and be subject to similar treatment accorded our amendment to House Resolution 310 yesterday.

We might debate the subject at considerable length—maybe a few days—but that procedure would, in any case, delay action until after the Easter recess—and cause many friendly Members of this body much discomfort.

As I have said, if we were to send the joint resolution back to the House with our amendment, we would again be in conference, or could receive another joint resolution from the House. Apparently we have reached a point of deadlock, which, in any case, would delay the Easter recess of the Congress and possibly gain nothing of a permanent nature.

To follow the course to which I have just referred would mean holding Senators in attendance on sessions of the Senate. I know that many of them have made other arrangements for the Easter recess. Some plan to hold hearings or conduct investigations. Others are merely trying to obtain a little rest before the session is resumed.

We could debate this issue for a considerable itme. I was moved to do so in the beginning. However, since we

have the assurance of the leading Members of the Appropriations Committee that in connection with the next deficiency bill, or the Interior Department appropriation bill, that this item will be included if the leading Members of the Appropriations Committee can prevail upon the majority of the committee to do so. I am sure they can. They have usually been able to convince a majority of the committee. We have assurances that the conferees on the part of the Senate will continue to press in conference that part of the measure already disposed of by the two Houses which will still be in conference.

I am inclined to believe that that is the best method of obtaining the money to continue purchase of the four minerals mentioned in the Minerals Purchase Act of 1953, as extended last year.

In connection with the question of the surplus of these minerals, I think it has been well established, I will say to the distinguished Senator from California, our minority leader, that in his own State the Research Institute of Stanford University has led the work in many of these investigations.

TUNGSTEN NEEDED FOR JET ENGINES

With particular reference to tungsten, it has been explained on the floor of the Senate that the use of tungsten and tungsten alloys is necessary to create a metal with increased heat resistance, so that jet engines may travel not 750 miles an hour, or at the speed of sound, but 1,200 or 1,500 miles an hour. We must have metals with a greater resistance to heat in order to construct these engines; and, according to the research institutions, the best solution is an alloy composed of 50 percent or more of tungsten, which would require from 3 to 4 times the annual use of that metal than has been customary in the past. Therefore any reserve we may have would be cut in half, or reduced to a third or a fourth.

The more generous use of tungsten in jet engines will increase their life by 4 to 5 times. The cost of these engines runs from $400,000 to $600,000 each, and we need thousands of them.

Wholly irresponsible statements have been made as to the quantity of tungsten in the stockpile. It would have been easy to obtain official figures instead of depending on articles in the press.

I am merely repeating what scientists and engineers have long known, when I say, for benefit of Members of the Senate, that whenever we repeat statistics which are 6 months or a few years old, they should be checked, because, as of today, with respect to any metal, or the use of any material, by reason of the research work and the work of the scientists and engineers directed toward the production of materials which will withstand high speeds, the picture may be entirely changed.

With respect to manganese, without which a pound of steel cannot be made, we were under the impression for a long time that all we had was certain low-grade manganese, which would cost considerably more to produce than merely the difference in labor costs and the costs of doing business as between this Nation and the competing nation. I have never urged on the floor of the Senate that the Senate do anything but make up that difference. When we go beyond that point, it must be considered as a subsidy. We may have to come to that. At the present time we do not have to come to that point in the production of the materials of which I am speaking.

In Minnesota there is enough low-grade manganese, in deposits already known, to last this country for several hundred years. All we have to do is to adjust the duty or tariff on manganese so as to arrive at an equalization between the cost of doing business in this Nation and the cost of doing business in the competing nation, and we are in business.

To complete the record, as a long-range plan for these minerals I introduced Senate bill 34 on January 7, 1957. That is a bill to provide relief for producers of certain critical minerals, metals, and materials indispensable in the construction of jet engines.

The language in the bill setting out the declaration of policy is as follows:

DECLARATION OF POLICY

SECTION 1. It is declared to be the policy of the Congress—

(a) to facilitate and encourage trade with foreign nations on the basis of fair and reasonable competition;

(b) to maintain an investment climate through the principle applying equally to the whole country;

(c) to provide necessary flexibility of import duties on certain critical minerals, metals, and materials, thereby making possible appropriate adjustments in response to changing economic conditions;

(d) to assure the accomplishment of these objectives by returning to the provisions of the Constitution (article 1, section 8) in the control over American import duties on such critical minerals, metals, and materials, now subject to international agreements;

(e) that as used in this act and amendments made by this act the term "critical metals, minerals, and materials" includes antimony, asbestos, beryllium, chromite, cobalt, columbium-tantalum, fluorspar, iron, lead, manganese, mica, molybdenum, nickel, titanium, tungsten, vanadium, uranium, and zinc, all being used in the production of jet engines;

Other conditions are laid down in the bill. It is declared to be the policy of Congress to take care of the situation. Under the terms of the bill no appropriations would be necessary, and no duty or tariff would be necessary to make up more than the difference between the labor costs and the general cost of doing business in this country and the costs in the chief competing nation, with respect to each of the minerals.

All it would do would be to take away from the 34 competitive nations, which are now regulating our foreign trade and national economy, these 17 minerals and bring them back to Congress, where the Constitution of the United States put them in the first place. The 1934 Trade Agreements Act transferred these minerals, among 5,000 products in all, to Geneva. I do not believe that any nation would criticize the President for trying to increase the production of materials and minerals without which we cannot make jet engines in this country.

Furthermore, Mr. President, the volume of business in these minerals is relatively small in foreign trade.

TABULATION OF TRADE LAWS FROM 1930–58

I wish to complete the record by inserting in the RECORD a tabulation of the foreign trade laws from 1930 to date:

First. The Tariff Act of 1930. That act is still on the books and in full force and effect, with the exception that the 1934 Trade Agreements Act took away from the Tariff Act the authority of the Tariff Commission to act. The Tariff Commission at this time has no authority whatever.

Second. The 1934 Trade Agreements Act, Public Law 316—73d Congress. That act extends authority to enter into foreign trade agreements for 3 years, from June 12, 1934, to June 12, 1937.

The act was described as an emergency act. It must be understood that the term "reciprocal trade" does not appear in the act, and it was never intended that the act be a reciprocal act. It never has been reciprocal, because exceptions have been allowed to all other nations, and all those nations have used those exceptions. We are the only nation on earth at this time which is not properly protecting its workingmen and investors in its own country.

Third. Public Resolution 10, 75th Congress. This extends the Trade Agreements Act of 1934 from June 12, 1937, to June 12, 1940.

Fourth. Public Resolution 61, 76th Congress. It extends the 1934 Trade Agreements Act for a period of 3 years, from June 12, 1940, to June 12, 1943.

I call attention to the fact that this act was passed, in the first place, as an emergency act, and has always been extended as an emergency measure. We have not let the water settle in 24 years.

Fifth. Public Law 66, 78th Congress. This act extends the 1934 Trade Agreements Act for a period of 2 years, from June 12, 1943, to June 12, 1945.

Sixth. Public Law 130, 79th Congress, extends 1934 Trade Agreements Act for a period of 3 years—June 12, 1945, to June 12, 1948.

Seventh. Public Law 792, 80th Congress. Trade Agreements Extension Act of 1948. It extends the act for the period from June 12, 1948, to June 30, 1949, a period of 1 year and 18 days.

I had something to do with cutting the extension down to one year. I thought that Congress was about ready to take on its own responsibility. That responsibility had been assumed by Congress for nearly a century and a half before 1934. It was on that system that we built the highest standard of living in the world. We regulated our own foreign trade and national economy. I thought we were ready then to take back our responsibility, and take it away from Geneva.

Eighth. Public Law 307, 80th Congress. This act repealed Public Law 792, 70th Congress. It extended the Trade Agreements Act from June 12, 1948, to June 12, 1951, a period of 3 years.

Ninth. Public Law 50, 82d Congress. The Trade Agreements Extension Act of 1951. It extends the Trade Agreements Act from June 12, 1951, to June 12, 1953, a period of 2 years.

Tenth. Public Law 215, 83d Congress. The Trade Agreements Extension Act of 1953. It extends the act for a period of 1 year, from June 12, 1953, to June 12, 1954.

Eleventh. Public Law 464, 83d Congress. This act extends the Trade Agreements Act from June 12, 1954, to June 12, 1955, a period of 1 year.

Twelfth. Public Law 86, 84th Congress. The Trade Agreements Extension Act of 1955. It extends the act from June 12, 1955, until the close of June 30, 1958, a period of 3 years and 18 days.

NO FURTHER EXTENSION WILL ALLOW CONGRESS TO AGAIN REGULATE UNITED STATES FOREIGN TRADE AND NATIONAL ECONOMY

Mr. President, I hope when the act expires in 1958 Congress will not again extend the law. If it does not extend it, every product will come back to Congress, as the Constitution, in article 1, section 8, requires.

Congress then will regulate, through the Tariff Commission, the foreign trade and national economy of this Nation on the basis of fair and reasonable competition. It will not be done on the basis of a high tariff or a low tariff or a duty, but on the basis of making up the difference in the labor and the cost of doing business, and all manufacturers and producers in this country and our workingmen will be back in business.

It is a principle established in the Constitution of the United States that the foreign trade shall be regulated by Congress, and is the principle laid down in the Tariff Act.

At the end of stockpiling by GSA in 1953, Congress passed the so-called Malone-Aspinall Act, covering seven critical minerals. In 1956 the act was extended, and that is what we are talking about today.

UNITED STATES PRESS ASSOCIATION RELEASE ON DEFENSE REQUIREMENTS

Mr. President, I ask unanimous consent to have printed in the RECORD, as a part of my remarks, a United States Press Association release entitled "Jugular of Defense."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

JUGULAR OF DEFENSE

Our conquest of the air—which must provide our first line of defense—is grinding to a halt in the absence of materials to withstand the disintegrating heat of supersonic flight. At mach 2, approximately 1,500 miles per hour, we are perilously close to the thermal barrier for both engines and planes.

The search for new heat-resistant materials is thus, in a large sense, the pursuit of military superiority. And among all the alloying minerals known, tungsten appears to be the most promising. With the highest melting point of any metal (6,152° F.) it provides a steel alloy that withstands high temperatures and high speeds in cutting tools and jet-engine parts. Alloyed with carbon (tungsten carbide) it constitutes the hardest of all man-made materials, surpassed only by the diamond.

Recognized as a strategic material, tungsten has been stockpiled and price supported by the Government. Just before knocking off last summer, Congress passed Public Law 733 to continue Government purchasing at a support price of $55 a unit (20 pounds). Funds for the purpose, however, ran out last December and a deficiency appropriation bill calling for $30 million more for tungsten, fluorspar, columbium-tantalum, and asbestos is locked in conference, the House against it and the Senate for.

The fate of this apparently minor bill could well control the destiny of the Nation's defense effort, a situation in which the misguided effort to save $30 million could hamstring the effectiveness of $43 billions of expenditure.

With price support for these strategic metals, the mines will be kept open and operating, our stockpile will increase to meet the tremendous and essential demand that metallurgists anticipate. Without it, the Nation will be at the mercy of foreign tungsten producers.

We are all for Government economy. The budget should be cut. But this is not the place. This is the jugular of progress in defense.

AID TO CLARIFY IN MID-EAST

Scarcely a day goes by that someone, somewhere, fails to come up with a plan which is to bring peace to the Middle East. The more one hears of such formulas, however, the more one must be convinced that the problem is too heartbreakingly complex to be resolved either quickly or easily. The most to be hoped for, probably, is that all parties will act with wisdom and forebearance.

Among the few groups making a positive contribution to clear thinking about the Middle East—without which, certainly, no solution will ever be found—is the American Council for Judaism, which is holding its 13th annual conference in New York City, April 26–29.

The council has been dedicated, during its entire existence, to the compilation of a public record of the fact that there are American Jews who reject for themselves, that extra set of Israeli national rights and obligations which Zionism seeks to confer on all Jews, regardless of their citizenship. In holding steadfastly to its purpose, despite bitter and unremitting Zionist attacks, the council helps public understanding of a basic issue involved in the Arab-Israeli conflict.

To council members, Judaism is a religion—not a nationality. To them—and, indeed, in fact—Zionism is a political movement, with no right to the immunity from criticism normally granted a religious faith. The council's stand helps make the point that Zionism, as a political movement, must expect the brickbats as well as the bouquets to which all political enterprises are subject.

For this and other contributions to clarity on a topic otherwise bedevilled by deliberately generated confusion, the council deserves the thanks of all men of good will, regardless of their faith.

MORE TROUBLED SOULS?

In pleading guilty to the second of six counts in the indictment charging them with spying for the U. S. S. R., Jack and Myra Sobel have escaped the possibility of execution. Their counsel, who intimated that they had been victims of the long arm of Russia, forced into espionage to protect their parents in the U. S. S. R., said: "They told me they wanted to recapture their souls for the first time since they came to this country. They were two anguished individuals, suffering intensely from experiences they had gone through before they emigrated to this country and since."

Following this recapture of their souls, the Sobels spent 40 minutes before a special grand jury investigating Russian espionage. It is to be hoped that they did their best to make amends to the country that gave them its trust and honored them with citizenship—and further, that whatever their sentence may be, their decision to confess the truth will be a moving example to others who have betrayed us—willingly or not.

Mr. MALONE. Mr. President, I close my part of the debate by bowing to the advice of my colleagues that they will do everything in their power in committee—in conference committees and on the Appropriations Committee—to arrive at agreement in conference to take care of the situation for the remainder of the fiscal year 1957 and in the regular appropriation bill for the fiscal year 1958, to keep this Nation in peace to the extent that we are not completely dependent upon foreign nations for the things without which we cannot fight a war or live in peace.

I yield the floor.

Mr. BIBLE. Mr. President, I wish to speak for a few minutes on the amendment which has been offered on behalf of my distinguished colleague, the senior Senator from Nevada [Mr. MALONE], and myself. My expressions on yesterday as well as those of today make abundantly clear my keen feelings about this particular matter. I shall not detain the Senate for any appreciable length of time. I wish, however, to repeat what I have said on several occasions, that it is inconceivable Congress would, in a solemn act, Public Law 733, duly enacted and duly signed by the President of the United States, hold out to the mining industry the firm promise that it was to do certain designated things, and then repudiate its own action.

In that connection, on this very morning I received a letter, which I shall read into the RECORD, because I believe it very forcefully points up my thoughts better than I possibly could express them myself. The letter comes from Mr. Robert C. Armstrong, of 60 Anson Drive, Reno, Nev., and is addressed to Mr. Louis D. Gordon, secretary of the Nevada Mining Association, Reno, Nev. A copy of Mr. Armstrong's letter was sent to me, and is as follows:

RENO, NEV., *April 6, 1957.*

Mr. LOUIS D. GORDON,
Secretary, Nevada Mining Association,
Reno, Nev.

DEAR MR. GORDON: A courageous fight has been waged by the proponents of the tungsten appropriation, and not the least of the struggle has been waged by Senators MALONE and BIBLE, Representative BARING, and you. I am very sure that everyone directly or indirectly connected with the production of this vital metal, and they number in the thousands, joins me in expressing heartfelt thanks.

That I might establish my right to speak of a far more vital issue than the mere refusal on the part of the House Appropriations Committee to recommend the appropriation, I respectfully submit that I purchased a large tungsten property in central Nevada, in 1952; that subsequently, under the stimulus of the original stockpiling program, I subjected this property to a thorough and competent development program; that between the years 1953 and 1956, I spent upwards of $60,000 in payments on the purchase of the property, and in development of the ore deposit; that, when the 84th Congress passed Public Law 733, extending the stockpiling program late in 1956, I—along with every other domestic producer—committed myself fully to the mining and milling of tungsten; that, having exhausted my own financial resources, I drew others into the project, whose faith in the integrity of their Government was as unshakable as my own; that these working men and women invested more than $30,000 in the project of mining and milling tungsten ore, and that the project in which they invested was entirely sound and profitable under the appropriation covering Public Law 733; that, as the sole result of the refusal on the part of the House Appropriations Committee to recommend the appropriation, our project has failed, debt has been accumulated, the investors have lost their hard-earned savings, and I have been wiped out.

If, by the above, I have qualified myself to speak out, then I would say that the issue here is betrayal, inexcusable and unforgivable. It would argue that the issue is not whether or not our Government has stockpiled enough tungsten concentrates to meet any emergency for a long period of time; not that the budget ought to be reduced; not that only a very few domestic producers benefit by the stockpiling program; not for any other policy, economic or political reason, but rather if it intends to meet an obligation it incurred by the passage of a law of the land, after inducing a whole industry to irrevocably commit itself by the passage of the law.

It seems to me, indeed I am convinced, that if a group of men duly elected by the people of this Republic, and sworn to serve them faithfully, to do their will, to guard and protect them and their interests, if those interests be honorable, can with arrogance and insolence, with coldness and indifference, and finally with impunity reject and renounce their own acts, then and in that event we have come to a dangerous, a most critical point in our struggle to create reality of the ideals of our beloved forefathers laid down for us along with their lives.

If our elected representatives in Government can now betray a handful of "dispensable" voters without danger of punishment, how long will it be before, with like impunity, they can betray a whole people.

A great many of us in the industry, perhaps a majority, are in complete sympathy with many of the arguments advanced by the House Appropriations Committee in its stand against a further stockpiling of tungsten concentrates. We believe that they are sound arguments, reflecting wisdom and intelligence and leadership; but, we hold that these arguments have no place here, and at this time; we hold that, rather, they should be used when the current program has expired, and a further extension is proposed. We hold there is a law in effect, now, a law that drew us deeply into the mining and milling of tungsten; that, had the law not been passed, we would not have so committed ourselves; that we did so commit ourselves because we had unbounded faith in our Government, and that the duty of Government is therefore plain.

We hold that, if this appropriation is not passed, and at once, we have been cruelly and fatally betrayed; but we hold that something far more horrifying will have been established if this appropriation is not made: a clear precedent will have been raised for more and ever greater betrayals, shocking and confounding the peoples ever more deeply, destroying in increasing measure their faith in their own kind. And, if that comes to pass, what then will follow?

Cordially,

ROBERT C. ARMSTRONG.

Mr. President, to me this letter points up the problem concerning the full faith and credit of the United States. I think it is absolutely unforgivable to permit a breach of faith, a breach of contract, in this instance.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. BIBLE. I am glad to yield.

Mr. MORSE. I am delighted that the Senator from Nevada has read that letter into the RECORD. In my opinion, the letter is unanswerable, so far as the House of Representatives is concerned. If the House wants to attack this problem, let them attack it in the next appropriation bill for the next biennium. But I feel that there is a clear moral obligation to carry out the commitment which Congress made when the present law was enacted, in the first instance, because the investors and the operators of the mines proceeded in good faith to make their investments, thinking that they could count on Congress to fulfill its moral obligation.

I look upon this situation really as a failure on the part of the House to fulfill the obligation which is clearly implied and inherent in the law which was enacted, and on the basis of which this entire controversy has arisen.

Mr. BIBLE. I thank the distinguished senior Senator from Oregon for his remarks. I share his sentiments.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. BIBLE. I yield.

Mr. MANSFIELD. I wish to aline myself with the junior Senator from Nevada and to say that I am in full accord with what he has said. He has come right down to the basic question, namely, the good faith of the United States of America.

I hope that, despite the action taken today, it will be possible for us in the weeks ahead to rectify this error on the part of the Government.

Mr. BIBLE. I thank the distinguished junior Senator from Montana.

Mr. President, I commend Mr. Armstrong's letter to the reading of the Members of the House, who have refused to carry out their part of the obligation. I hope they will read the letter in every detail.

It surprised and shocked me to learn that as of January 1, 1957, the United States Government had in full force and effect 11 contracts for the purchase of foreign tungsten amounting to $60 or $70 million, and some 14 contracts amounting to $98 million.

What does that mean? It means purely and simply that we are not acting in good faith toward our domestic producers, to whom we held out this representation in good faith. Certainly I acted on it in good faith when I voted for it as a freshman Senator and when I went home and repeatedly told my constituents that I had confidence in the United States Government; that I felt the Government had made a commitment to the miners which it was certainly going to carry out.

But young and inexperienced as I am in this body, I am profoundly shocked to find such a breach of faith on the part of this Government, of which I think so much. Yet we still have enforceable foreign contracts to purchase vast quantities of tungsten from abroad. I do not know how I can explain that to the hard-rock miners back in Nevada. I should certainly like to take some of the Members of the House along with me to visit those miners and to let the miners hear their explanation. If this action by the House is not calculated to shake the faith and confidence we have in our Government I do not know how else it can be considered.

Mr. MALONE. Mr. President, will my colleague yield?

Mr. BIBLE. I am glad to yield to my distinguished senior colleague.

Mr. MALONE. Having been a Member of the Senate for 7 or 8 years before my distinguished colleague came here, I could bring him up to date on some of these contracts.

In World War II, I was consulting engineer to the Senate Committee on Military Affairs. The United States was producing none of these minerals, because for many years the Secretary of the Interior—I have mentioned his name several times—Mr. Ickes, and others of the administration then in office had flatly asserted that we had negligible amounts of tungsten, manganese, and other critical materials; therefore, we must save what little we had and buy our needs from foreign nations. I have explained all that in my remarks during the past 24 hours. When the GSA or the RFC or some other agency was suddenly made responsible for stockpiling, they perhaps believed those statements. Therefore, they made those contracts and paid as high as $60 or $65 a unit, which seemed reasonable at the time, because all foreign prices were away up. But as soon as the domestic producers of the minerals went out of business the foreign producer could charge what the traffic would bear. So the prices looked reasonable at the time the contracts were made. I do not blame the individuals who made the contracts; I blame those who fixed the policy; and, in the final analysis, policymaking is the function of Congress.

One of the things I have always deplored is that when Congress wants to investigate the setup of a Cabinet officer—for instance, the Department of the Interior—as my distinguished colleague knows now, we have no force with which to make the investigation. We do not have the room or the facilities. Therefore, we must largely take the information we get from the Department of the Interior and its investigators. When we get the report, it generally contains what the Secretary is for; and at that time Mr. Ickes was against mining in this country.

Then the Korean war took place. There is no need to discuss whether we should have fought that war in the way we did. I think almost everyone knows what I think of our action in that war. But when it became unpopular, the officials of the State Department said it was worth having the war merely to get the tungsten we did not have in this country. That tungsten was covered with blood. If in that connection we consider the cost of that war, the tungsten must have cost at least $10,000 a unit, in addition to the lives of many American boys. But those in the Department had the arrogance, through ignorance—if it was ignorance; and if it was not ignorance, it was worse—to say that the Korean war was worth its cost, because it enabled us to obtain that tungsten.

However, Mr. President, all that we needed to do in order to obtain the needed tungsten was to provide for the payment of an increased amount, in order to cover the cost of wages and the cost of doing business in the United States.

Mr. President, whenever a person says, "I think wages paid in the United States are too high, instead, they should be

lowered, by using foreign labor," I can respect the person who makes such a statement conscientiously. But when a person says, "The United States should import materials which are produced at low wages," and at the same time that person says, "The American standard of wages and standard of living must be maintained," then it is obvious that there is something wrong with his thinking.

Mr. BIBLE. I certainly agree with my colleague.

Mr. MALONE. So, Mr. President, it has finally been decided that at this time we shall not call up our amendment.

Mr. BIBLE. Mr. President, I have not had much experience in speaking marathons. However, at this time I serve notice that if later in the session it is necessary to engage in such procedure, in connection with this matter, in which I so firmly believe, simply in order to keep faith, I am prepared to do so.

I repeat that in my section of the country, once a man gives his word, he is bound by it. I trust that before the final adjournment of this session occurs, the Congress will take action to keep its word to the miners who are affected by this action.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a very emphatic letter from the Secretary of the Interior, dated March 7, 1957. I wish to read the closing sentence of the letter; and in that connection I point out that I do not know how a much stronger statement could be made in behalf of the legislation which is now being urged:

> In our view, the best national interest demands that the provisions of Public Law 733, enacted by the last Congress for the interim support of the four domestic minerals included in Public Law 733 (tungsten, acid-grade fluorspar, asbestos, and columbium-tantalum), be completely implemented by adequate appropriations in the urgent deficiency bill and the regular appropriation bill for the Department of the Interior.
>
> Sincerely yours,
>
> FRED A. SEATON,
> *Secretary of the Interior.*

Mr. BIBLE. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a statement by Charles H. Segerstrom, Jr., president of the Nevada-Massachusetts Co. His father was the pioneer in this essential mineral industry. In my opinion, the statement points up the situation most completely.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF CHARLES H. SEGERSTROM, JR., PRESIDENT OF THE NEVADA-MASSACHUSETTS CO., RESIDING AT SONORA, CALIF., APRIL 1, 1957

My name is Charles H. Segerstrom, Jr. I am president of the Nevada-Massachusetts Co., a tungsten concentrate producer located at Tungsten, Nev. This company has been in business 33 years and with its predecessor companies has operated this mine since 1914, when the first discovery of tungsten ore was made on the property. My late father and myself have been the presidents of this company and directed its operation for this period of time. This mine is the oldest tungsten operation in the United States which has operated and withstood the ups and downs of the domestic industry. Our mining operation has not been continuous, as such, because we have seen five periods when operations could not economically continue: 1919 to 1924, 1932 to 1934, 1937, 1939, 1949, and the situation we are facing today.

Public Law 733 was passed by the 84th Congress, after full consideration by the proper committees of both Houses, after debate in the Senate and House, and the President signed it on July 19, 1956. When the appropriation of only $21 million was made in the closing days of Congress to implement the law it was fully understood by the domestic tungsten mining industry that a supplemental appropriation would be made soon after the new Congress convened, in accordance with Senate Report No. 2770 of July 24, 1956, on the second supplemental appropriation bill, 1957 (H. R. 12350).

However, in the 3 months that the Congress has been in session this year there has been a flood of misinformation and misconstrued facts and figures about the industry, about the stockpile, and about the Government's purchase programs. Irresponsible statements which have been greatly damaging to our industry have tended to create controversial issues.

I am speaking today in behalf of the domestic tungsten mining industry and I intend to clarify—as far as possible—the facts that have been misinterpreted, and to refute the misinformation that has been disseminated by a consumer, not a regular producer, of tungsten, and one who has never been considered a spokesman for the domestic tungsten mining industry.

In April and May of 1956 the Subcommittee on Minerals, Materials, and Fuels of the Senate Committee on Interior and Insular Affairs held extensive hearings on the extension of purchase programs of strategic and critical minerals. One of the witnesses testifying before these hearings was Dr. Arthur S. Flemming, Director, Office of Defense Mobilization. On page 316 of the hearings he made the following statement:

"Up to March 26, 1954, the Government made provisions only for minimum stockpile objectives.

"On that date, the President, acting on the basis of a preliminary study of the policy committee, authorized the Office of Defense Mobilization to establish new long-term mineral stockpile objectives to eliminate completely the risk of dependence on overseas sources.

"The procurement program established under this directive, I am sure you will agree, has materially strengthened the domestic mineral industries.

"The Cabinet Committee on Minerals Policy also recognized that the development of mineral resources may involve factors beyond the national security. It stated that—

"'In addition to security consideration, the Committee believes that an orderly development and wise use of the Nation's resources is an essential element in a strong and sound economy.

"'A major objective of mineral policy is a full and orderly program for the development and conservation of the country's mineral resources.

"'The Committee believes that the Government has an obligation to assure that the mineral resources of the Nation be developed, conserved, and utilized in the best possible manner over the longest possible period in order to enhance its security and commerce. Development of mineral resources is, of course, primarily a function of private enterprise. The Government must, however, continue to assist in many ways.'"

Dr. Flemming further stated:

"Thus the Minerals Policy Committee recognized that there may be nondefense problems in the minerals industries and, therefore, that, as is evident later in the report, these problems are beyond the scope of the Office of Defense Mobilization as a defense agency. I suggest, however, that where a domestic purchase program is about to terminate and where all defense needs have been met, the Congress should make provision beyond the scope of defense legislation to assist the industry by providing for the purchase of specified amounts from nondefense funds until the Congress has had time to consider recommendations from the appropriate nondefense agency, namely, the Department of Interior, for a long-range program.

"Based on this approach, I have taken action necessary to insure the continuance of domestic purchase programs for six minerals under the authority of the Stock Piling Act or the Defense Production Act. These six minerals are mica, muscovite block and film; metallurgical chromite; beryl; metallurgical manganese; metallurgical fluorspar; and antimony. In the case of mercury a review will be made at a later date to ascertain whether there is any need for extension or intensification of the program."

Dr. Flemming continued:

"I also recommend that in the case of three minerals: chrysotile asbestos, acid grade fluorspar and tungsten—for which all defense needs have been met, the Congress pass such legislation and appropriate such funds as it deems necessary to provide interim assistance pending consideration by the Congress of a long-range nondefense program."

* * * * *

Reflecting agreement with the views expressed in the last paragraph of this testimony the Senate Committee on Interior and Insular Affairs reported out S. 3982, which was passed by the Senate on June 18, 1956.

Hearings were held by the House Interior and Insular Affairs Committee and after hearing numerous witnesses an amendment in the nature of a substitute was adopted and S. 3982 was ordered reported favorably, passed by both the House and Senate, approved by the President on July 19, 1956, and became Public Law 733, 84th Congress.

As far as I have been able to ascertain no one in Congress or in the industry was under the impression that the enactment of Public Law 733 was necessarily based on defense needs, but on the contrary that it was merely an interim program to cover the four

minerals until the long-promised, long-range minerals program was drafted and presented to Congress by the Department of the Interior and enacted into law. Neither was there any feeling that the four minerals involved were receiving any preferred aid. With other minerals already being covered by other programs this interim purchase program was deemed both desirable and necessary under the overall national picture.

In 1951 and 1952 during the Korean emergency the Office of Defense Minerals Administration was confronted by large demands for tungsten from our defense officials. The demands and needs were astronomical in size. At a meeting of the domestic producers called by DMA officials early in 1951 it was pointed out that the domestic industry could really not do a great deal to meet these needs. However, I personally pointed out at this meeting that the goals for domestic production could be met only by one factor—that of price. This prediction proved itself accurate as the goal of 3 million units authorized to be acquired from domestic production by June 30, 1958, was in fact met by June 1, 1956. In other words, as I have said before, the domestic producers did an excellent job in meeting the goal.

At the same time when the domestic program was set at 3 million units, contracts were entered into in 1951 and 1952 with foreign producers for something like 7,500,000 units at an average price of $55 per unit, as against the domestic price of $63; the difference being $8 per unit, or approximately the amount of the import duty—$7.93 per unit.

These foreign contracts in a number of cases still remain in effect, and there appear to be currently still in force contracts for 1,800,000 units involving a $98 million commitment on the part of our Government. These foreign contracts call for deliveries running through the first quarter of 1959, at the average price of $55 per unit.

These foreign contracts are with countries where substantial ECA and ICA funds have been granted and where a lot of these funds were used to mechanize these foreign mines to a point where they are better equipped today than most of our domestic operations. As a result their production costs have been lowered a great deal in addition to their advantage of a low wage factor. Their wage scale of $2 per day for miners compared with $2 per hour in the United States give them a distinct advantage. The foreign producers are, therefore, in a position where they can force prices so low that no domestic producer can compete and survive. With the domestic producers out of business, foreign mines can again at any time force world prices up to any level they desire. This is what happened in our nonoperative periods previously mentioned.

In other words, our Government is still going to purchase this foreign production for 2 years longer while the domestic producers are placed in the position of a limited life under Public Law 733 and with hopes for a long-range minerals program for the future.

On this one point, we had a visit several years ago from the manager of an Australian tungsten producer who has a contract with our Government. He asked to see our contract under the 3 million unit program, and I showed him our 2 cent post card saying that we could participate in same. He then displayed his own contract of some 11 or 12 typed pages, which I read. He then commented that he didn't know there were so many darn fools in the United States who would rely on a post card contract as against their long and conventionally drawn contract.

Under date of February 12, 1957, a letter signed by Philip M. McKenna, president of Kennametal, Inc., Latrobe, Pa., a fabricator and a medium-sized producer of tungsten in Nevada, was directed to certain members of the Senate Appropriations Committee, urging the disapproval of appropriating further funds to keep the domestic tungsten mining industry in operation. The letter states, in part:

"Noting that you are on the Senate Appropriations Committee, and reading of the discussion on the appropriation of $30 million to continue to purchase tungsten, I thought you might like to have the enclosed charts showing about 20 years' supply of tungsten on hand in Government stockpiles now, at the current rate of consumption and the average for the past 4 years."

The charts referred to, I am informed, are classified information. In addition to mailing the charts to members of this committee, the information was published in Steel, a trade magazine, by this consumer-producer of tungsten whose profit interest lies in low prices for tungsten concentrates and who has recommended the disapproval of further appropriations. All of the domestic producers are supporting the appropriation, with the one exception of this fabricator-producer.

The stockpile information referred to above has been grossly misinterpreted by the person who circulated it, as well as by some Members of Congress. In refutation of this misinterpretation I quote from testimony offered February 26, 1957, by Dr. Arthur S. Flemming, Director of ODM, in a hearing before the Senate Committee on Interior and Insular Affairs:

"Mr. REDWINE. Dr. Flemming, I hand you a letter on the stationery of Kennametal, Inc., Latrobe, Pa., which for reasons which will develop in a moment, Mr. Chairman, I do not wish to offer for the record. I just want Dr. Flemming to identify it.

"Dr. Flemming, attached to this letter is a chart. There is a figure here that purports to show the total stockpile on tungsten. Is such a figure classified information?

"Dr. FLEMMING. It certainly is.

"Mr. REDWINE. Dr. Flemming, please do not mention the figure that is given, but can you say whether or not, without violating security, that is a realistic figure?

"Dr. FLEMMING. I prefer not to comment on the figure at all, in view of the fact that it is classified.

"Mr. REDWINE. Doctor, in the letter reference is made back to that figure and it is stated that that figure constitutes a 20-year supply in time of emergency of tungsten.

"Can you say whether you have a 20-year supply of tungsten on hand?

"Dr. FLEMMING. Let us make the question very specific. That is a 20-year supply for dealing with a wartime emergency?

"Mr. REDWINE. Correct, sir.

"Dr. FLEMMING. The answer to that is 'No, we do not have anything approaching that on hand.'

"Mr. REDWINE. Can you, without violating security, tell the committee approximately how many years' supply you have on hand for wartime emergency?

"Dr. FLEMMING. Thinking in terms of the requirements for a wartime emergency, we have on hand enough to carry us through approximately a 6-year emergency.

"Mr. REDWINE. Mr. Chairman, I do not think this letter should be put in the record, in view of the testimony of Dr. Flemming.

"Dr. Flemming, getting back to your stockpile of tungsten, usually in December the Defense Department advises you as to its requirements for the following year; is that correct?

"Dr. FLEMMING. Along in there.

"Mr. REDWINE. Along about that period?

"Dr. FLEMMING. Yes.

"Mr. REDWINE. Is it not true that on December 13, 1956, you were advised by the Defense Department that, because of technological, rapid technological advances in weapons, it would be this fall before any realistic figures could be given you as to requirements?

"Dr. FLEMMING. Well, I don't recall the exact wording of that letter, but undoubtedly the Defense Department had that factor in mind in so advising us, but primarily they had in mind the fact that it was necessary for them to review their requirements in the light of new strategic concepts and the new strategic plans that had been developed by the Joint Chiefs of Staff.

"They told us that because of the rather drastic changes that had taken place in those strategic plans it would not be possible for them to give us advice as to new requirement figures until some time next fall.

"Mr. REDWINE. Dr. Flemming, along that line, aren't those changes, many of them, in the development of such weapons as guided missiles, nuclear-propelled vessels and planes which require the use of the so-called refractory or high-temperature metals? Isn't that included in these rapidly changing concepts of warfare?

"Dr. FLEMMING. It is my understanding that that factor is in the picture at the present time.

* * * * *

"Senator MALONE. * * * I would like to call your attention to this matter for the record in the light of your testimony that you have a 6-year reserve or stockpile on tungsten.

"Now, Dr. Thielemann says, and I heard him testify before a House committee in San Francisco last Sunday, a week ago, that:

"'If satisfactory tungsten base alloy can be developed which will have useful engineering properties of temperature of 2,000° F. and higher expected consumption would be doubled or tripled.'

"Now, if you believe that is really right on top of us, what would you say about your stockpile?

"Dr. FLEMMING. Senator, as you know, it is difficult to comment on that in a specific way because I do not know what defense will come up with in the way of requirement in the light of a statement of that kind, but unquestionably the requirements will be higher than they have been at the present time and that will be reflected in the stockpile.

"I would like to say this, Senator: I think the point we are making, although we don't have any figures to go on at the present time, the point that you are making, nevertheless, indicates the desirability of keeping industries of this kind on a going basis rather than letting them shut down because in this kind of world we never know when somebody is going to come through with something like this."

* * * * *

The potential usage and new uses for tungsten are greater today than they have ever been in our country's history. The domestic tungsten mining industry has been spending its own funds on a research program at Stanford Research Institute working on the high-temperature uses of tungsten-base alloys. No other metal has the qualifications for use on the 2,000° F. level and higher temperatures that are now needed for our jet engines in order for us to be ahead of the indicated Russian developments. The present limit of temperature with alloys now in use is a maximum of 1,650° F. and with a very low hour life at this point. Already through the tungsten research program we have developed a new alloy called WI-52 which contains three times as much tungsten as is being currently used, and which will exceed current maximum temperatures with a great extension of hour life. With the lifting of restrictions in October 1956 by the Department of Defense on the amount of tungsten that may be used in jet engines per 1,000 pounds of thrust the Armed Forces are now entering actively into this field. Both the Air Force and the Navy have invited the Tungsten Institute to work with them on this project to

avoid duplication of effort and to expedite the necessary research and development of tungsten-base alloys.

Also the Atomic Energy Commission is interested in tungsten both for its high-temperature qualities and for shielding, where in some fields it has no equal.

Just last Friday another giant B-52 jet stratofortress—the Air Force's costliest aircraft—literally disintegrated while in test flight. This is the fifth $8 million B-52 to meet a similar fate. As a layman I cannot go into scientific details that may cause these fateful disasters but eminent metallurgists who know the reaction of structural metals are begging for time and material to perfect better high-temperature alloys for use not only in gas turbine engines but in structural uses as well. One of the most eminent, Mr. R. H. Thielemann, chairman, department of metallurgy, Stanford Research Institute—the man who developed 14 years ago the alloy currently used in jet aircraft engines—says that "the limiting temperature at which a pure metal will still have useful load-carrying ability has a definite relationship to the melting point of the metal. This limiting temperature is the temperature at which deformed grains in the metal will recrystallize. * * * The need for metals and alloys which will have improved engineering properties at elevated temperatures is urgent. We must continue to develop and improve the present high-temperature alloys wherever possible by the judicious use of those alloying elements, like tungsten, which promote metallurgical stability at the high temperatures. For the higher temperature requirements, the most promising and probably the only means available is with the four higher melting point refractory metals—columbium, molybdenum, tantalum, and tungsten. Because of its high recrystallization temperature and high modulus of elasticity, tungsten appears to be the most promising for the more severe applications."

* * * * *

The commercial airlines' early use of jet engines is going to bring out the low hour life of currently used materials that demand frequent and costly overhauling and rebuilding of the engines. As a result the airlines recognize this problem and are very definitely interested in our new alloys, as they may mean the difference between success or failure on the use of jet engines for commercial use.

As a result the anticipated demand for tungsten can easily be as much as three times the current consumption, exclusive of military demands, at a relatively early date. The military demand will vary but with their now indicated interest in our new alloy their demand could be increased to the point where our current consumption and stockpile figures will have little, if any, meaning in the overall picture because of increased requirements. I am reliably informed that this is a matter of urgent necessity.

There are other new and important uses that are coming along rapidly but I will not take the time now to go into them in detail.

The price of tungsten concentrates has always been a major problem for the domestic industry. Prices are fixed and governed by the world market and are based on London quotations. Quoted prices are often not what the producer can expect to receive as sales are on an individually negotiated basis. As a result, the producer at all times is at the consumer's mercy as competitive foreign material is always the basis on which negotiations start. Both the lows and highs of the market price under all conditions are always controlled by the foreign producer. In times of low domestic demand low foreign prices prevail, but in times of higher or maximum demand the foreign prices are always raised to the maximum that the domestic consumer will stand or is willing to pay. During World War II the United States Government was forced to pay $1,000 per unit or higher to keep foreign production out of enemy hands. At that time the domestic industry was operating under a ceiling price of $24 per unit. During the Korean emergency the foreign price went up to $90 per unit while the domestic ceiling was $65 and the floor price $63.

It can be seen, therefore, that the domestic tungsten mining industry is entirely at the mercy of low-cost foreign producers in times of normal consumption. Furthermore, when an emergency arises the domestic consumer is at the mercy of the foreign producers. This is just a warning of what can happen overnight in the market place, and points up the entire lack of market stability on which the domestic industry can depend.

With the passage of Public Law 733 while fewer producers than the over 700 previously taking part in the 3-million-unit program resumed production because of the lower price of $55, some 200 continued to produce with the assurance that they had an interim program on which they could plan to operate.

As a spokesman for the domestic tungsten industry, I can say, and with authority, that if no funds are appropriated every tungsten mine in this country will be forced to shut down at once.

Mines are not like factories. You cannot shut them down and then reopen in the future just by pulling or pushing a switch. Many problems arise; for example, we cannot stand the expense of keeping the mine dry and replacing its timbering or permit it to fill with water and then let it rust and rot away. We lose our skilled manpower, particularly miners and engineers. In the case of miners they are becoming so scarce that it is difficult even to maintain a full crew under normal conditions due to the overall miner shortage in the mining industry. This again is true in any other industry that is up and down and on which the workmen feel that their future is so insecure that they tend to shy away from such employment.

After a shutdown of say 6 months' duration the time lag in getting the operation back on the same basis where it was before the closedown is a minimum of 2 years and can run easily to 3 or 4 years in numerous cases. The shutdown expense of many properties is so great that it would mean their liquidation and loss forever.

At the present time many operators face major losses on their inventories of finished product on hand, which run into millions of dollars, which were produced in reliance on Public Law 733. They cannot afford these losses and a great many plants, mines, and communities will become ghost camps to be liquidated at further financial losses that cannot be visualized as they are so enormous.

Regardless of the current defense requirements the thought should be maintained that our Nation would have these mines on a stand-by basis for use in an emergency. How can this be possible in the light of the above? In the long run the cheapest and most practical approach is to keep the industry operating so that the time lag will not be a factor, or a great number of mines lost forever.

With a complete shutdown of the domestic industry the country will be placed on the basis of total dependency on foreign sources of supply. This is a situation that I can imagine no one wants to see, but one that can become a reality at any time.

In addition to the vast investment loss of the domestic tungsten mining properties at least 10,000 people directly dependent upon income from jobs in the industry and, in addition, many thousands of people in allied industries will be affected.

Without the appropriation necessary to keep the strategic minerals purchase program in operation not only will an entire industry be wiped out but at the same time a source of tax revenue of at least $8 to $11 million derived annually from domestic tungsten mining operations will be lost.

The initial appropriation of $21 million, under Public Law 733, covered purchases of tungsten to December 1956. General Services Administration, designated by the Interior Department to administer the program, recommended in writing to individual producers that their offerings be continued each month in the apparent belief that retroactive deficiency appropriations would be made early in the 85th Congress.

Relying upon assurances of GSA the industry has continued to produce, to keep its mines open, whenever possible, and consequently an unwieldy inventory has now accumulated at great cost to the producer.

What I am saying in conclusion is that the United States faces a situation where we can become a have-not Nation as far as tungsten is concerned. The people in the industry, whether they be small, medium, or large-size operators, actually feel that there is a moral commitment that has been made in Public Law 733 and under which they went ahead and now under which they may lose their final efforts to keep the United States self-sufficient in the one metal around which so much of their future may depend.

The producers of asbestos, fluorspar, and columbium-tantalum all face exactly the same economic conditions as those faced by the producers of tungsten.

Mr. BIBLE. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Salt Lake City Deseret News of March 2, commenting on the present situation with respect to appropriations for the interim minerals purchase program.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TUNGSTEN MUST STAY STRONG

If nothing else, the experience of the past 17 years should have taught all Americans the necessity of making the Western Hemisphere as nearly as possible self-sufficient in strategic minerals. Yet, at this time, a broad segment of our domestic tungsten industry is fighting to keep from losing out to foreign producers—many of whom are near or behind the Iron Curtain.

Prior to the Korean war, most of the United States supply of tungsten came from such countries as China and Korea. The war cut off some of these sources. Others soon doubled, then tripled their prices. We had to have the metal, so we met the price.

Realizing the need for a strong domestic source of tungsten, the Government offered United States producers $63 a ton. Under this stimulus the domestic industry met the challenge. New mines and refineries came into being. Utah became a vital part of the industry. As a result, our supply of tungsten saw us through the war and has been stockpiled since.

But now, foreign sources have cut their prices from $90 a ton to $35. Our local industry cannot compete with that price. The Government purchase price for domestic tungsten has dropped to $55 per ton. That is about as low as it can go and allow domestic producers to show a profit. This reduction alone reduced our producers from 700 to 200 companies.

As foreign prices continue to drop, pressure is mounting for the Government to abolish its purchasing program. At a moment when we were about to become independent of foreign sources, we are faced with the possibility of closing our domestic mines and abandoning expensive mining equipment.

To forestall this, the Administration has asked for a continuation of the purchasing program until a long-range mineral policy can be formulated. There is a distinct possibility that Congress will not follow the President's wishes in this matter.

This reasoning is hard to understand. Tungsten is a strategic mineral. We cannot afford to have our major sources of this raw material under the control of possible fickle allies or timid neutrals, some veritably under the guns of our potential enemies. We must have a strong domestic industry.

Mr. BIBLE. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Ely Daily Times of February 27, commenting on the present situation with respect to appropriations for the interim minerals purchase program.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TUNGSTEN

News bulletins from Washington indicate that the battle for funds to continue Government buying of tungsten is not yet won despite the efforts of mining State Senators, for the powerful Appropriations Committee of the House has shown a contrary disposition.

It seems to us that this committee is right as far as its knowledge goes, but it further seems to us that the committee does not understand mining. How does it happen that for so long so many otherwise well-informed people refuse to understand the essentials of mining?

Yesterday's report said that the House committee continues to be opposed to the program because, among other things, it had been advised that some larger producers were selling domestic tungsten to the Government "at a subsidy-program price of $55 a unit and purchasing foreign tungsten for use in their own industry at the United States market price of $35.

"Proponents of this nondefense subsidy claim that continuing support of these mining industries is necessary to assure a supply in time of emergency," the committee statement continues. "But the Director of the Office of Defense Mobilization assured the Congress in June 1956 that the amount of these minerals on hand and on order met both the minimum and long-term stockpile objectives. He stated that even if all sources of overseas supply were cut off, the United States would have an emergency stockpile adequate to last at least 5 years."

And here is the part that we particularly object to: The committee said the budget appropriation is unnecessary because it is "abundantly clear that the administration under the Defense Production Act continues to have adequate authority and funds to purchase any of these minerals for which any unforeseen defense requirements may arise."

What they don't seem to be able to get through their heads is that if the mines and the mills shut down for, say, the 5 years for which they believe the stockpile is adequate, there may be authority and funds to purchase domestic tungsten to meet "any unforeseen defense requirements," but there will not be any domestic tungsten to purchase. True, it will be in the ground somewhere, but little will be within a year of the concentrate stage, and defense crises are not going to wait a year in this period of history.

We don't particularly care either for inconsistent, emergency programs. Mining has been plagued by them enough already. But until we find a way to have a consistent long-range minerals policy which will keep the industry going, we must be very sure that we act in the interests of national security, not merely (as the committee seems to feel) "for the benefit of a small segment of the industry."

We wish there were some way to capture that recalcitrant committee and put its members to work in the mines and mills long enough for them to understand that it is a long way from the unworked mountain to an adequate supply of tungsten—or any other mineral—in usable form.

Mr. BIBLE. Mr. President, although it may have been called to the attention of Congress in another manner, I now ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a joint resolution adopted by the Legislature of the State of Nevada regarding the urgency of the problem now confronting us.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 5

Memorializing the President, Vice President, the Secretary of Defense, the Nevada Congressional delegation, and the Congress of the United States to continue the tungsten program

Whereas there are extensive deposits of tungsten in Nevada; and

Whereas a healthy domestic tungsten industry is a key to prosperity and national security, because without such industry the United States cannot be certain of having the stockpile of tungsten necessary to our economy and national defense; and

Whereas the economy of the tungsten producing areas within the State of Nevada and elsewhere within the United States must be kept prosperous, and the United States itself be kept strong and in a position to weather either short or prolonged periods of world and national crises; and

Whereas it requires years to develop a productive tungsten mine and constant effort is needed in development, since, if mines and tungsten processing plants be abandoned, the mines become flooded, timbers deteriorate, and skilled and able personnel are dispersed beyond recall, resulting in a crisis when production is to be resumed in an emergency; and

Whereas the expansion and well-being of the Nevada mining industry is substantially dependent upon continued production of tungsten: Now, therefore, be it

Resolved by the Senate and Assembly of the State of Nevada (jointly), That the President of the United States, the Vice President of the United States, the Secretary of Defense, the Speaker of the House of Representatives, the Senators and the Representative from the State of Nevada in the Congress of the United States, and the Congress of the United States are hereby memorialized to immediately and energetically undertake positive action to do everything necessary and proper to continue, encourage, protect and stimulate the production of tungsten, and, specifically, to continue the purchase and stockpiling of tungsten; and be it further

Resolved, That the secretary of state of the State of Nevada shall transmit certified copies of this resolution to the President of the United States, the Vice President of the United States, the Secretary of Defense, the Speaker of the House of Representatives, and the Senators and Representative from the State of Nevada in the Congress of the United States.

Adopted by the assembly February 6, 1957.

WM. D. SWACKHAMER,
Speaker of the Assembly.
C. A. BASTIAN,
Chief Clerk of the Assembly.

Adopted by the senate February 6, 1957.

REX BELL,
President of the Senate.
H. E. ROWNTREE,
Secretary of the Senate.
CHARLES H. RUSSELL,
Governor of the State of Nevada.

Mr. BIBLE. Mr. President, I yield the floor.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. What is the pending question?

The PRESIDING OFFICER. The pending question is on agreeing to the amendment of the Senator from Alabama [Mr. HILL], to strike out the colon in line 11, on page 2, and the proviso immediately following, in lines 11 to 13. (Putting the question.)

The amendment was agreed to.

The PRESIDING OFFICER. The joint resolution is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the joint resolution.

The amendment was ordered to be engrossed, and the joint resolution to be read a third time.

The joint resolution was read the third time.

The PRESIDING OFFICER. The joint resolution having been read the third time, the question is, Shall it pass?

The joint resolution (H. J. Res. 312) was passed.

CHICAGOLAND COMMERCE AND INDUSTRY EXPOSITION

The Senate resumed the consideration of the bill (H. R. 4803) to permit articles imported from foreign countries for the purpose of exhibition at the Chicagoland Commerce and Industry Exposition, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes.

The PRESIDING OFFICER (Mr. MORSE in the chair). The bill is open to amendment.

THE FARM PROGRAM

Mr. THYE. Mr. President, for the past several months we have heard many references to what the overall cost of the farm program has been to the United States Government. For that reason, I shall cite the facts, as best I can, from information obtained from the Department of Agriculture and the statistical records of the Department.

The total agricultural budget for 1958 amounts to approximately $4.9 billion.

It should be pointed out that, of the total agricultural budget, approximately $2.7 billion, or more than half, is attributable to programs which are not designed, primarily and only, as aids to farmers.

Some of these programs are: Meat inspection program, school lunch program, the foreign aid program, forestry payments to schools, and disaster donations. The costs of these and a few others total approximately $1.7 billion.

Also included here are loan authorizations for REA and FHA, which will be repaid over a period of years. These authorizations in the 1958 budget amount to $474.5 million, while collections in 1958 are estimated at $331.9 million.

It should also be pointed out that certain other receipt items should be deducted from the budget, such as proceeds from sales of timber, grazing leases, and

sugar-tax receipts, which amount to $245.9 million.

After having made these necessary adjustments, we get a more true picture of how much of the total budget for the Department of Agriculture is chargeable to agriculture. This amounts to $2,162,000,000.

When we go into the Department of Agriculture budget for fiscal 1958 item by item, we find that it becomes a very interesting study. The original budget was $5,127,300,000. The budget was later reduced by $254 million.

The obligational authority for 1958 is $4,873,300,000.

I now show the breakdown for the specific functions within the Department of Agriculture.

"Agricultural Research Service, $95,100,000."

Experiment stations are included in the research item.

"Plant and animal pest control, $27.0 million."

"Meat inspection, $18.7 million."

Mr. President, meat inspection is conducted for the safety of the consumers. It is a consumer service.

Meat inspection, $18.7 million.
Extension, $64.1 million.

Mr. President, that service has been in existence for years. It is the educational part of the agricultural function.

	Million
Farmer Cooperative Service	$.6
Forest Service (receipts from sales of timber, grazing, etc. $161.4)	126.0
Soil Conservation Service:	
Conservation operation	73.5
Watershed protection and flood prevention	39.1
Great Plains conservation	20.0
Agriculture conservation service	237.0
Agricultural Marketing Service: Marketing research service	$1.9
School lunch program, $100,000,000.	

Mr. President, that is charged to agriculture, and yet it is a direct school lunch program.

Foreign Agricultural Service, $4,400,000.
Commodity Exchange Authority, $800,000.
Soil Bank, $1,000,000,000.
Commodity Stabilization Service—
Acreage Allotment and Marketing quotas, $43,000,000.
Sugar Act Program, $72,200,000.

Income from sugar taxes, Mr. President, is $84½ million. So any administrative cost in the Sugar Act is actually reimbursed by the tax which is imposed upon sugar. Yet the cost of the Sugar Act program is charged to agriculture.

REA (salaries and expenses) $9,600,000.
Loan authority, $239,000,000.

The 1958 estimate of collections is $137½ million.

Farmers' Home Administration (salaries and expenses) $30,000,000.
Loan authority, $235,500,000.

Collections in 1958 are estimated at $194.4 million.

Staff officers, $9,200,000.
Restoration of Commodity Credit Corporation Capital Impairment (to repay CCC losses in the year 1956) $1,239,800,000.
Reimbursement of CCC for Financial Program, $843,100,000.
Title I, Public Law 480, $637,000,000.
Title II, Donations, $94,500,000.
International Wheat Agreement, $93,000,000.

Now we come to the permanent appropriations. Section 32 provides a donation of 223½ million, which is taken out of section 32 funds. Section 32 funds, Mr. President, are made up of the tariff duties which are collected on imports which come in direct competition with agricultural commodities produced in the United States and the funds are accumulated for the purpose of paying for perishable commodities on a support basis.

The permanent appropriation for this particular fund is $306.5 million.

The payment to counties for schools from forest receipts is $47.3 million.

All these items, Mr. President, total $4,873.3 million, which we have so often heard referred to as the appropriation for agriculture, oftentimes thought of by the taxpayers, because of the way it is phrased, as a subsidy, or a direct Treasury check.

Mr. President, I have a tabulation of programs shown in the agricultural budget of 1958 which benefit others than farmers:

Meat inspection, $18.7 million.
Watershed projects, $39.1 million.
School-lunch program, $100 million.
Section 416 donations, $361.3 million.
Public Law 480, title I, $637 million.
Title II donations for relief, etc., $94.5 million.

The International Wheat Agreement is a part of the State Department's function. That is $93 million.

I have described section 32, for which the figure was $223.5 million.

Mr. President, the remainder of this table I shall not read, because it refers to the figures I read on the other page. I ask unanimous consent that the remainder of this one page be printed in the RECORD as a part of my remarks. It continues with the school milk program, the REA, the FHA, and it shows the total receipts from timber sales and collections under REA and FHA.

There being no objection, the remainder of the table was ordered to be printed in the RECORD, as follows:

[In millions]

Forest payments to counties for schools	$47.3
School-milk program	45.0
Subtotal	1,659.4
REA loan authority	239.0
FHA loan authority	235.5
Subtotal of loans (loan authority to be repaid)	474.5
Total	2,133.9
Receipts received by agriculture:	
Timber sales, grazing leases, etc.	161.4
REA collections (estimated 1958)	137.5
FHA collections (estimated 1958)	194.4
Sugar taxes	84.5
Total receipts	577.8
Total to be deducted from budget	2,711.7
Total agricultural budget	4,873.3
	−2,711.7
Total chargeable directly to agriculture	2,161.6

Mr. THYE. The most significant part of this, Mr. President, is the table following, relating to "Realized Net Income, Direct Government Payments, and Direct Payments as a Percent of Net Income."

I have gone back into the years 1936 and 1937, because they were prewar years. Then I have taken the years in the postwar era, 1946 and 1947. Then I have taken the last calendar year available, which is 1956.

In 1936 the realized net income—this is agricultural net income—was $5.1 billion.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. CAPEHART. Is that the income of the farmers?

Mr. THYE. It is the realized net income of the farmers.

Mr. CAPEHART. That is the amount the farmers received?

Mr. THYE. Yes. It is the realized net income for 1936, and it amounted to $5.1 billion.

Direct Government payments to farmers—I repeat that, direct Government payments to farmers—$300 million.

The next is the direct payments as a percentage of realized net income. That is 5.9 percent.

Then we go to the calendar year 1937. The realized net income was $5.2 billion. The direct Government payments to farmers were $300 million, or 5.8 percent of realized net income.

Next we go to the calendar year 1946. This is the immediate postwar year, after World War II. The realized net income was $15 billion. The direct Government payments to farmers were $800 million, or 5.3 percent of realized net income.

In 1947 the realized net income was $17.2 billion. The direct Government payments to farmers were $300 million. The direct payments as a percentage of realized net income were 1.7 percent.

The last year, the most recent year, was 1956. The realized net income was $11.8 billion. The direct Government payments to farmers were $600 million. Six hundred million dollars is the only figure given for the direct payments to the farmers in 1956, Mr. President. In other words, the direct payments as a percentage of the realized net income amounted to 5.1 percent.

Now I should like to refer to another table, which covers the estimated direct payments to farmers in millions of dollars.

The A. C. P. program in 1957 amounted to $245.3 million.

For 1958, this item is $253 million.

Under the Wool Act, the estimated direct payment to farmers in millions of dollars is $60 million for 1957. The anticipated payments for 1958 are $55 million.

In connection with the soil bank, direct payments to farmers for 1957 are $387 million; and the estimated direct payment to farmers in millions of dollars for the calendar year 1958 will be $896 million.

Under the Sugar Act, the cost to this Government in 1957 was $65.5 million. The anticipated cost for 1958 will be $70.1 million.

The next item is the Great Plains. The estimated direct payment to farmers for 1958 will be $17.7 million.

Stating it in another way, in the calendar year 1957 the estimated direct payment to farmers, in millions of dollars, is $757.8 million. The total anticipated for the calendar year 1958 is $1,291,800,000. It will not be $4 billion, $5 billion, or $5½ billion, the figures we have so often heard stated in recent months. I had to go into these figures and place them in the RECORD in order that we and the taxpayers might understand what is involved in the farm program, and in the total administrative responsibilities and functions of the Department of Agriculture.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. CARLSON. I commend the distinguished senior Senator from Minnesota for calling the attention of the Senate to some factual figures which show the actual payments to the farmers of the Nation. The senior Senator from Minnesota has always been an effective spokesman for our great agricultural economy. He has a keen knowledge of agriculture gleaned from many years of actual experience as a successful farm operator. He is considered a leading authority in this important area of our Nation's economy. There is no man more dedicated to the betterment of agriculture in the United States, than the senior Senator from Minnestota.

I think it is most unfortunate that during the past few months we have been reading figures which have been generally distributed over the Nation, to the effect that the farm programs cost $5.5 billion or more, and that the farm income is only about $11 billion; in other words, that the cost of the farm program is 50 percent of the farm income.

I think the Senator from Minnesota has rendered agriculture a real service. It is time these figures were made known to the people of the Nation. Otherwise they, too, would be concerned, as we are, over these payments which, in reality, are not so large considering the great program as a whole. The American farmer sustained our needs during World War II and the Korean conflict. Today the farmer is producing to sustain our growing needs and demands for agricultural products, both at home and abroad. The farmers of our Nation must not be made the victims of statistical errors concerning subsidy payments.

Mr. THYE. I thank my distinguished friend from Kansas. He has always been a loyal supporter of sound legislation for our Nation's farmers and has recognized their contribution to our ever-expanding agricultural economy.

Mr. President, I have just been given by my administrative assistant a release which has come over the United Press wire service. This is the statement:

Acting Assistant Press Secretary Wayne Hawks just clarified the President's statement on farm subsidies. He said: "The $5 billion figure represents about one-half of the net income of all farmers in the United States. The figure is not all subsidy as the President's remarks implied."

I am grateful that this clarification has been made. I know that it would have been a disservice to cause me and others to labor under the impression that agriculture would be charged with such a burden as was suggested when it was stated that $5 billion was the cost of the farm programs to the Treasury. That was what led me to go into the statistical records to obtain the facts and introduce them on the floor of the Senate this afternoon.

Agriculture is doing too good a job to be placed under a cloud of taxpayers' criticism. The American farmer not only met the needs of the Nation during the war years, not only supplied the food and fiber which our allies needed, but supplied the materials for many a gallon of alcohol which was processed into synthetic rubber and ammunition in the war years.

American agriculture deserves better than to be constantly charged with being such a burden to the United States Treasury. We have won friends all over the world with the surplus products from the good earth of the United States. The United States and Canada are the great bread-producing areas of the world, as well as being producers of foods and fibers, timber, cotton, animal fats, and fatty products from vegetable crops. American agriculture has done such an outstanding job that it should be commended rather than being placed under a cloud of charges to the effect that a burden of possibly $5 billion has been imposed on the Treasury of the United States to support the farm economy of the Nation.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. SYMINGTON. First, Mr. President, I congratulate the distinguished senior Senator from Minnesota, who, as we all know, is one of the true experts of this body on the farm program.

I ask unanimous consent to have printed in the RECORD at this point an article from the Washington Post and Times-Herald of Wednesday, April 17. This article states that Assistant Secretary Earl L. Butz is the source for the assertion that $1,000 a farm is the average amount of subsidy this country will pay each farmer in the coming fiscal year.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times-Herald of April 17, 1957]

REVIEW OF FARM POLICY HINTED BY GOP LEADERS

(By Raymond Lahr)

Republican congressional leaders were told yesterday that Federal farm programs would cost the Treasury an average of about $1,000 per farm in the next fiscal year.

The figure was given out at yesterday's weekly legislative conference between President Eisenhower and the GOP Congressional leaders.

Latest available Census Bureau figures show there were 4,767,393 United States farms in 1954. They were valued at an average of $19,706, including land and buildings.

A SHOCK

"It was a rather staggering thing," Senator STYLES BRIDGES (Republican, of New Hampshire) said later. "It was a shock to me."

Also present at the White House discussion of next year's $5 billion farm budget were Agriculture Secretary Ezra T. Benson and his aides.

BRIDGES did not explain the reason for issuing the $1,000-a-farm figure which was given to the lawmakers by Assistant Agriculture Secretary Earl L. Butz.

But some Senators said they got the impression the Department may be considering an overall review of farm policies and costs.

ACCOUNTING CRITICIZED

BRIDGES, chairman of the Senate Policy Committee, said the estimates also were discussed at yesterday's weekly luncheon of Republican Senators.

Some Farm Belt Senators, he said, replied that the cost of distributing surplus farm products abroad should be charged to the foreign-aid program, not to the farm program.

BRIDGES also reported that some Senators who attended the luncheon voiced disappointment about the failure of the Senate Judiciary Committee to act on the President's civil rights bill, which is being fought by southern Democrats.

He said he told them he still expects the Senate to pass civil-rights legislation this year even though "the speed to date doesn't indicate that it will."

Mr. SYMINGTON. Mr. President, will the Senator from Minnesota yield further?

Mr. THYE. I am happy to yield. However, I do not wish to preempt the floor and prevent recognition of my distinguished friend from Utah [Mr. WATKINS], because I know that he has been in the Chamber for an hour seeking recognition.

Mr. SYMINGTON. I thought I would be recognized in order after the distinguished senior Senator from Minnesota yielded the floor.

Mr. THYE. I am delighted to yield. I merely wished to be courteous to my friend from Utah, and not have it thought that I am holding the floor at his expense.

Mr. SYMINGTON. The distinguished junior Senator from South Carolina [Mr. THURMOND], when he was presiding, told me that I was to be recognized following the distinguished Senator from Minnesota.

Mr. WATKINS. Mr. President, I am not objecting. I hope the Senator will proceed.

Mr. THYE. The Senator from Utah is acting with his usual fine courtesy.

Mr. SYMINGTON. Mr. President, I thank the Senator from Utah for his gracious courtesy. I have congratulated the able Senator from Minnesota for his remarks. If he yields the floor, I will seek recognition.

Mr. THYE. I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. SYMINGTON. Mr. President, at this point I ask unanimous consent to have printed in the RECORD a transcript from the New York Times of part of the press conference held by President Eisenhower yesterday.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

NOT PLANNING FARM LAWS

Charles W. Bailey of the Minneapolis Star and Tribune. Sir, could you tell us about your meeting with the leaders yesterday and your discussions of the farm situation with them? Was this a routine discussion of budgetary matters or were you talking about new legislative proposals, and if so, could you tell us something about them?

Answer. Well, we are not talking about new legislative proposals. We are talking about certain of the problems that persist in our agriculture, regardless of the—all of the programs that have been tried literally since the beginning, or before the beginning of the war.

The * * * we have laws for the disposal of surpluses at a subsidized, under a subsidized arrangement for which the taxpayers pay. Then when we get rid of those surpluses to a certain degree, the arbitrary provisions of the law operate; the price supports go up, and you get more surpluses. So we have in many ways a very, very difficult problem in this whole field.

Now, this administration starts with this: We want to help the farmers who have been caught, as we call it, you know, the cost-price squeeze for so long. This particularly applies to smaller farmers, and the problem is how to help them and not to go beyond reason, and at the same time not just continue to create new problems as you try to solve ones we now have.

At present you must remember that about half the income of the farmer is from Federal subsidy. We are up to over $5 billion in our agricultural budget for the year, and I believe the amount they told me is something, averages over a thousand dollars a farm family that the United States is paying in some form of subsidy; not all of that, I think, gets right into the hands of the farmers.

But the pity of it is that if the small farmers were getting their adequate share of that, probably the system would be working. But it doesn't work that way. The big farmers get the most. So what we are doing is really looking over this whole field to see how you can best have an adequate program for the farmers, one that will stand the test of time, will be stable, and will not create new problems.

Mr. SYMINGTON. In the press conference in question the President was asked about the farm program. I have placed the colloquy in the RECORD, but I should like to read one part of his answer:

Now, this administration starts with this: We want to help the farmers who have been caught, as we call it, you know, in the cost-price squeeze for so long. This particularly applies to smaller farmers, and the problem is how to help them and not to go beyond reason, and at the same time not just continue to create new problems as you try to solve ones we now have.

At present you must remember that about half the income of the farmer is from Federal subsidy.

The just-completed remarks of the distinguished Senator from Minnesota show how wrong that statement was.

The colloquy continues:

We are up to over $5 billion in our agricultural budget for the year, and I believe the amount they told me is something, averages over $1,000 a farm family that the United States is paying in some form of subsidy; not all of that, I think, gets right into the hands of the farmers.

Mr. President, putting it mildly, not all of it does get into the hands of the farmers.

For example, the figure given includes some $686,300,000 for the administration expenses of the Department of Agriculture, including operating expenses, expenditures for agricultural research, agricultural marketing service, soil conservation, forest service, commodity exchange authority, and other similar activities and services of the Department of Agriculture.

As the able Senator from Minnesota [Mr. THYE] pointed out, it also includes the removal of surplus agricultural commodities by special grants to the inhabitants of slums in our cities, people with the lowest incomes; also the national school lunch program. It also includes Government loans, donations for such disasters as floods and fire, meat inspection services, etc. It is almost incredible that this total amount of money would be charged as a subsidy against the farmers.

Mr. President, I could read more figures to disprove this statement, but I believe they have already been placed in the RECORD by the distinguished Senator from Minnesota. My great regret with respect to this statement is the fact there appears to be a lack of understanding of just what is the farm problem in the United States today. Anyone who believes there is a thousand dollars per farm subsidy going to the farmers has no true comprehension of the growing agricultural problem now prevalent in the United States.

Mr. President, I am glad to see that there are those in high office who sympathize with the problems of the smaller farmer. But I was surprised that in the discussion where this concern was expressed, there was a statement that no corrective legislation would be presented to Congress to help solve this problem.

Mr. MORSE. Mr. President, I am very glad that the Senator from Minnesota [Mr. THYE], and the Senator from Missouri [Mr. SYMINGTON] put the President straight this afternoon, in the case of the misinformation regarding the cost of the farm program the President gave the American people at his press conference yesterday.

Of course, Mr. President, we are accustomed to this habit on the part of the President of misinforming the American people. Many of us recognize that he is not a student of these problems, and does not do his bookwork, and apparently depends upon information handed to him as he goes into press conferences or when he is briefed prior to attending such press conferences.

Mr. President, among the American people there is growing concern about these press conferences. When we consider the statement made by the President in yesterday's conference, we find that it is characterized primarily by incoherency. Many of the President's statements simply are not coherent, if we try to dig meaning out of them. That was perfectly apparent yesterday, in the case of his farm statement; and if we have any question about it, we have only to read the statement as it appears in the New York Times.

Mr. President, the President of the United States should have accurate advisers. He owes it to the people of the United States to have accurate advisers. But the examples of the President's inaccuracies and the examples of instances in which the President has misinformed the American people have become legion. The President simply does not have the information in the case of issue after issue. The sad thing is that apparently he simply parrots the misinformation which is given him prior to his press conferences. Such statements by him are very much like the speech he made in Portland, Oreg., on October 18, 1956, during the campaign. On that occasion he said:

Second, the National Park Service and the Wildlife Service: Having inherited a declining system of national parks, we have added more than 400,000 acres to our park system.

Mr. President, I am sure the President thought he was speaking accurately when he told the people that 400,000 acres had been added to the park system. I am sure he believed that much surface area had been added to the park system. However, whoever gave him that information forgot to tell him that the greater portion of that land was under water, beneath the surface of Lake Superior. Yet, Mr. President, in my State the people thought the President had given them information about an actual addition of land to the national parks.

Such inaccuracies on the part of the President of the United States are causing increasing concern. Of course, the necessary information on such matters cannot be obtained while on a putting green; it can be obtained only from books and reports. In order to do a proper job in that connection, it is necessary to study, rather than to have someone—in the most recent instance, apparently, someone from the Department of Agriculture—give off-the-cuff figures, as I assume happened yesterday prior to the President's press conference.

So the President gave the American people misinformation, only to have the ticker a few minutes ago have to correct the President of the United States.

I happen to be one who protests when the President puts his foot in his mouth so frequently by way of giving the American people misinformation. I think the Senator from Minnesota [Mr. THYE] and the Senator from Missouri [Mr. SYMINGTON] deserve a vote of thanks from us for putting the record straight this afternoon, because what the President said yesterday was not based on the facts regarding the cost of the farm program. In fact, until approximately January 1, 1956, over a period of 22 years—so the Department of Agriculture has informed us—the total cost of the farm program was approximately $2 billion, or a little less than $1 a year for every person in the United States, which, as I have said before, is a rather cheap insurance premium to pay for at least the degree of farm stability we had at the time when we had the so-called firm price supports.

Mr. President, I hope the President of the United States learned a lesson yesterday, in connection with his press conference; and I hope he will not again rely upon information which is given to him, until he doublechecks it, so that we do not have to repeat the experience we have had this afternoon on the floor of the Senate, namely, that of having to collect the correct information, in order to correct the President of the United States.

Mr. President, because of what the Senator from Minnesota and the Senator from Missouri already have done, I shall not place in the RECORD corroborating information regarding the actual cost of the farm program.

However, I should like to make the following additional suggestion to the President of the United States: I suggest that he recognize that these problems are not solved by using labels.

It is very interesting to note what the President's program has been. For instance, he will go before a group of educators and will indulge in the most glittering generalities in discussing the importance of education. However, we should have an administration which really will fight for a legislative program which will bring the needed assistance to the boys and girls of our Nation, who by the tens of thousands are being cheated out of a decent education because of the failure to place on the statute books a legislative program which will assure them at least the minimum standard of training which is so essential for the defense of the country, if we wish to consider the matter solely on the basis of the national defense.

I regret to state that I believe the circumstances are such that words as harsh as the ones I have used this afternoon, need to be spoken about the President of the United States. But I believe it is time that some of us say from the floor of the Senate, "Mr. President, will you please start getting the facts and start presenting the facts to the American people, instead of the misinformation which so frequently comes out of your press conferences."

FEDERAL TRADE COMMISSION SUPERVISION OF CERTAIN TRADE PRACTICES

Mr. WATKINS. Mr. President, April 4, 1957, I called to the attention of the Senate the fact that food chains and other nonmeatpacker firms can buy a packing plant, or a small interest in one, and thus escape Federal Trade Commission supervision of their trade practices. This is because meatpackers are exempt from the provisions of the Federal Trade Commission Act by reason of the Packers and Stockyards Act of 1921. However, due to what amounts to virtual nonadministration by the Department of Agriculture of title II of that act, which is designed to prevent unlawful trade practices, such food chains escape supervision not only with respect to the meatpacking operations but their food store operations as well.

To remedy this situation, and others involving meatpackers equally injurious to the public welfare, I cosponsored with the Senator from Wyoming [Mr. O'MAHONEY] S. 1356, which would transfer back to the Federal Trade Commission, where it originally was placed by the Congress, authority to prevent unfair trade practices in the meatpacking industry.

My remarks on April 4 were prompted by the motion filed on March 20, 1957, by the Food Fair Stores, Inc., of Philadelphia, asking for dismissal of a complaint filed against them for an alleged violation of section 2 (d) of the Clayton Act, as amended, in contracting with suppliers to buy certain items for an anniversary sale at prices lower than the prices these suppliers were asking from competitors of the Food Fair Stores Corp. It is to be noted that this alleged violation had nothing to do with meatpacking activities carried on by a packing plant which Food Fair owns in New Jersey.

Yet, it asked the FTC to dismiss the complaint filed against it on the grounds that since it owned a meatpacking plant that its entire operations were exempt from FTC jurisdiction. In its brief filed in support of the motion to dismiss, this food chain had the temerity to cite part of the remarks I made at the time S. 1356 was introduced as evidence of the fact that FTC did not have jurisdiction in the matter. In part, the motion stated:

Senator WATKINS, of Utah, the author of a bill (S. 1356) now pending in the Senate to confer upon the Commission jurisdiction in precisely the situation in issue here, stated the following on the floor of the Senate on February 25, 1957, in support of his bill: "I believe it is in the public interest that FTC control be extended over packers which enter into other sideline businesses—businesses which now escape such control because of USDA inaction, but whose competitors are subject to FTC control. The same need for public control applies to food firms, especially food chains, which now can acquire packing plants, or a substantial interest in one, and thus escape FTC supervision over their entire operation."

Today, Mr. President, a hearing examiner of the Federal Trade Commission issued an order dismissing the complaint against Food Fair Stores, Inc., "for lack of jurisdiction," as Food Fair Stores had contended was the case in its motion to dismiss the complaint. This is a food chain, operating 238 stores located along the Atlantic seacoast, which had gross sales of $475 million for the 1956 fiscal year. Yet, because it owns a packing plant in New Jersey, which during its 1956 fiscal year, by comparison, did only $25 million worth of business, it will, if this order is upheld, be permitted to wholly escape adequate supervision over all its operations. Passage of S. 1356 will bring an end to the type of evasion of proper public regulation.

Because of the importance the practice has assumed, I ask unanimous consent that a pres release announcing this decision and the decision itself be printed in the RECORD.

There being no objection, the press release and the decision were ordered to be printed in the RECORD, as follows:

[Press release from Federal Trade Commission]

PROMOTIONAL ALLOWANCES (ROBINSON-PATMAN AMENDMENT)—UNFAIR COMPETITION (FTC)

A Federal Trade Commission hearing examiner today issued an order which would dismiss for lack of jurisdiction a complaint charging Food Fair Stores, Inc., Philadelphia, Pa., with inducing favored treatment from its suppliers in violation of the antitrust laws.

This is not a final decision of the Commission and may be appealed, stayed, or docketed for review.

The examiner, Frank Hier, said Food Fair is a "packer" under the terms of the Packers and Stockyards Act and, therefore, is under exclusive jurisdiction of the Secretary of Agriculture. The FTC does not have jurisdiction, he said, and Food Fair's motion to dismiss the FTC complaint should be granted.

The Commission's complaint, issued in November 1955 and amended last March, had charged Food Fair with inducing special promotional allownaces which it knew, or should have known, were not being offered by its suppliers to its competitors on "proportionally equal terms," as required by section 2 (d) of the Robinson-Patman Amendment to the Clayton Act. This knowing inducement of violations of the Robinson-Patman Law, the complaint had charged, was an unfair method of competition in violation of the FTC Act.

Food Fair, which is a supermarket grocery chain of 236 stores along the Atlantic seaboard is doing an annual business of about $475 million (gross sales, 1956), has operated a meat-packing plant in Elizabeth, N. J., since July 1945. This plant sells $25 million in meat products each year. These products, the examiner said, are federally inspected, and Food Fair is listed and licensed by the Department of Agriculture as a packer.

The Packers and Stockyards Act, the examiner said, is "clear and unambiguous" and provides that "the Federal Trade Commission shall have no power or jurisdiction so far as relating to any matter which by this act is made subject to the jurisdiction of the Secretary.* * *"

The matters referred to in the act, the examiner said, include "broad proscriptions" against unfair business practices and "include the charge of the complaint here."

Denying the claim of counsel supporting the complaint that the Secretary of Agriculture's jurisdiction applies only to the meatpacking phase of Food Fair's business, the examiner said:

"It is * * * clear that Congress was legislating for all businesses doing any meat packing whatsoever, that the bill was intended to reach and regulate all phases of the business of any person, firm or corporation engaged in meat packing to any extent whatever,' that the problem of 'unrelated activities' was squarely before Congress and thoroughly considered, that the statutory definition of 'packers' * * * was made designedly broad so as to include all within its terms, 'whatever the ramifications of his business, and whatever the form of corporate organization adopted,' or 'if such person has *an interest* in a packing business. * * *.'"

Congress, the examiner added, was legislating "for the future and for an industry, and was keenly aware of extensions into other fields, and of other firms entering into the packing field. There is no evidence in this legislative history that the act was intended to be confined to those whose sole or primary business was meat packing."

Counsel supporting the complaint had maintained that complete jurisdiction in the

Department of Agriculture would lead to absurd results enabling any concern to choose between FTC and Agriculture simply by acquiring or divesting itself of a packing plant.

"The answer, of course, the examiner said, "is that where a law is clear and unambiguous in terms, command, and intent and where the latter is also clear from the legislative history, interpretation is uncalled for and no deciding authority may interpose his views and interpret it away from that intent, regardless of result. The responsibility for the latter, any duty to change, as well as the sole right to change, lies with the enacting authority, Congress. That this is recognized by that body is evidenced by the recent introduction for passage by Congress of S. 1356 to confer on the Federal Trade Commission the very jurisdiction contended for here."

UNITED STATES OF AMERICA, BEFORE FEDERAL TRADE COMMISSION—IN THE MATTER OF FOOD FAIR STORES, INC., A CORPORATION, DOCKET NO. 6458

INITIAL DECISION

Frank Hier, hearing examiner.

Andrew C. Goodhope, Frederic T. Suss, and Alvin C. Edelson, counsel supporting the complaint.

Stein, Stein & Engel, by Howard Engel, Jersey City, N. J., Gravelle, Whitlock & Markey, by Louis A. Gravelle, and Howrey & Simon, by David C. Murchison, Washington, D. C., counsel for the respondent.

In the midst of proof taking to support the allegations of the complaint, and immediately subsequent to the issuance by the Commission of amended complaint, respondent, by counsel, moves for complete dismissal for lack of jurisdiction. Since jurisdiction can be questioned at any time and is not conferred by consent, waiver, or failure to raise the point, at any previous time, the motion is timely and proper. The ground of the motion is that respondent's acts and practices, including those challenged by the complaint herein, are in the exclusive jurisdiction of the Secretary of Agriculture because respondent is subject to the Packers and Stockyards Act of 1921 (S. S. C. 191 et seq.)

Respondent herein is a supermarket grocery chain of 238 stores located along the Atlantic seaboard from New England to Florida, selling a full line of grocery and household products including fresh and canned meat and meat products. Its gross sales were about $475 million for the fiscal year ending April 28, 1956. It was organized about 1933. The charge against it in this proceeding is that it knowingly induced and received from suppliers advertising allowances which those suppliers had not made available on proportionally equal terms to all of their other customers competing with respondent in the retail sale of such suppliers' products and that respondent knew this. In short, that respondent knowingly induced a violation of section 2 (d) of the Clayton Act by its suppliers.

On July 13, 1945, respondent acquired a meat packing plant at 406 Allen Street, Elizabeth, N. J., at which place it has since slaughtered livestock and prepared same for consumption, selling and shipping in commerce to the extent of $25 million, or 95 million pounds, for the fiscal year ending April 28, 1956. Respondent's investment in said plant is $2.7 million. The products thereof are federally inspected and respondent is listed and licensed by the Department of Agriculture as a packer. Counsel supporting the complaint concedes that "to the extent it operates its meatpacking plant in Elizabeth, N. J.," respondent is a packer within the statutory definition set out in title 7, United States Code, section 191, 42d Statute page 160, which reads as follows:

"When used in this chapter the term 'packer' means any person engaged in the business (a) of buying livestock in commerce for purposes of slaughter, or (b) of manufacturing or preparing meats or meat food products for sale or shipment in commerce, or (c) of manufacturing or preparing livestock products for sale or shipment in commerce, or (d) of marketing meats, meat food products, livestock products, dairy products, poultry, poultry products, or eggs, in commerce; but no person engaged in such business of manufacturing or preparing livestock products or in such marketing business shall be considered a packer unless—

"(1) Such person is also engaged in any business referred to in clause (a) or (b) of this section, or unless;

"(2) Such person owns or controls, directly or indirectly, through stock ownership or control or otherwise, by himself or through his agents, servants, or employees, any interest in any business referred to in clause (a) or (b) of this section, or unless;

"(3) Any interest in such business of manufacturing or preparing livestock products, or in such marketing business is owned or controlled, directly or indirectly, through stock ownership or control or otherwise, by himself or through his agents, servants, or employees, by any person engaged in any business referred to in clause (a) or (b) of this section, or unless

"(4) Any person or persons jointly or severally, directly or indirectly, through stock ownership or control or otherwise, by themselves or through their agents, servants, or employees, own or control in the aggregate 20 percent or more of the voting power or control in such business of manufacturing or preparing livestock products, or in such marketing business and also 20 percent or more of such power or control in any business referred to in clause (a) or (b) of this section. (August 15, 1921, ch. 64, sec. 201, 42 Stat., p. 160.)"

Section 406 (b) of that same statute (7 U. S. C. 227, 42 Stat., p. 169) provides "on or after the enactment of this act, and so long as it remains in effect, the Federal Trade Commission shall have no power or jurisdiction so far as relating to any matter which by this act is made subject to the jurisdiction of the Secretary, except in cases in which, before the enactment of this act, complaint has been served under section 5 of the act entitled 'An act to create a Federal Trade Commission, to define its powers and duties, * * *' and except when the Secretary of Agriculture, in the exercise of his duties hereunder, shall request of the said Federal Trade Commission that it make investigations and report in any case (August 15, 1921, ch. 64, sec. 406, 42 Stat. 169; 7 U. S. C. 227)." The two exceptions mentioned in the above code section are obviously inapplicable to this proceeding and it will be noted that the jurisdictional exclusion is as "to any matter which by this act, is made subject to the jurisdiction of the Secretary * * *."

The matter above referred to is obviously that which is contained in section 202, title 7, U. S. C., page 192 of that act which reads as follows:

"UNLAWFUL PRACTICES ENUMERATED

"It shall be unlawful for any packer or any live poultry dealer or handler to:

"(a) Engage in or use any unfair, unjustly discriminatory, or deceptive practice or device in commerce; or

"(b) Make or give, in commerce, any undue or unreasonable preference or advantage to any particular person or locality in any respect whatsoever, or subject, in commerce, any particular person or locality to any undue or unreasonable prejudice or disadvantage in any respect whatsoever; or

"(c) Sell or otherwise transfer to or for any other packer, or any live poultry dealer or handler, or buy or otherwise receive from or for any other packer or any live poultry dealer or handler any article for the purpose or with the effect of apportioning the supply in commerce between any such packers, if such apportionment has the tendency or effect of restraining commerce or of creating a monopoly in commerce; or

"(d) Sell or otherwise transfer to or for any other person, or buy or otherwise receive from or for any other person, any article for the purpose or with the effect of manipulating or controlling prices in commerce, or of creating a monopoly in the acquisition of, buying, selling, or dealing in, any article in commerce, or of restraining commerce; or

"(e) Engage in any course of business or do any act for the purpose or with the effect of manipulating or controlling prices in commerce, or of creating a monopoly in the acquisition of, buying, selling, or dealing in, any article in commerce, or of restraining commerce; or

"(f) Conspire, combine, agree, or arrange with any other person (1) to apportion territory for carrying on business in commerce, or (2) to apportion purchases or sales of any article in commerce, or (3) to manipulate or control prices in commerce; or

"(g) Conspire, combine, agree, or arrange with any other person to do, or aid or abet the doing of, any act made unlawful by subdivisions (a)–(d) or (e) of this section."

Obviously the above broad proscriptions include the charge of the complaint here. There follows detailed provisions for complaint, answer, hearing, decision and order by the Secretary of Agriculture with right of appeal therefrom to the United States circuit court of appeals—procedure closely following that of the Federal Trade Commission (7 U. S. C. 193–194–195) and indeed there is a separate general provision (7 U. S. C. 222) adopting for the use of the Secretary of Agriculture in the enforcement of the act, all of the implementing provisions of the Federal Trade Commission Act. It was probably this which led the Fourth Circuit Court of Appeals in *United Corporation, et al.* v. *F. T. C.* (110 F. 2d 473) to say:

"It was doubtless because plenary power over the unfair trade practices of packers had been vested in the Secretary of Agriculture by the Packers and Stockyards Act and the Meat Inspection Act, that Congress withheld jurisdiction over packers from the Federal Trade Commission. Only confusion could result from an overlapping jurisdiction, as this case well illustrates."

On the basis of the above, counsel for respondent contends that it has an in personam immunity from supervision, investigation, or correction by the Federal Trade Commission, being, by reason of its packing activities, subject in all of its operations exclusively to the jurisdiction of the Secretary of Agriculture. In a word, once in grace, always in grace. Counsel supporting the complaint, on the other hand, contends that the exclusive jurisdiction of the Secretary of Agriculture is not personal, but is only as to matters given to him exclusively, and that the acts and practices of respondent challenged in the instant proceedings are not such a matter. His argument, so far as the examiner understands it, proceeds as follows:

"(a) The Packers and Stockyards Act was aimed directly against the five big packers who, in 1917, handled 70.5 of all animals slaughtered under Federal inspection.

"(b) That these same five packers were under a 1920 consent decree forbidding them to engage in the retail distribution of grocery products including meat or meat products.

"(c) That, therefore, the Packers and Stockyards Act was, and is, confined in its operation to slaughtering, processing, preserving, selling, and shipping meat and meat products in commerce, and does not cover the retail distribution thereof.

"(d) Therefore, there was never conferred on the Secretary of Agriculture any jurisdiction whatever over the retail activities of any business coming within the statutory definition of packer, and, therefore, he has no jurisdiction over the great bulk of respondent's acts and practices."

The above-quoted statutory provisions are clear and unambiguous and would seem to this hearing examiner to require no resort to legislative history for clarification. But all counsel seem to think the contrary, and quote extensively from that legislative history to sustain their conflicting contentions.

Without extensive quotations from that legislative history, it is plain therefrom that while the consent decree of 1920, which barred the five major packers from engaging in most retail operations, was in the mind of Congress in 1921, it is also clear that Congress was legislating for all businesses doing any meatpacking whatsoever, that the bill was intended to reach and regulate all phases of the business of any person, firm, or corporation engaged in meatpacking to any extent whatever, that the problem of unrelated activities was squarely before Congress and thoroughly considered; that the statutory definition of "packers" in section 201 of the act (7 U. S. C. 191) was made designedly broad so as to include all within its terms, "whatever the ramifications of his business, and whatever the form of corporate organization adopted," or "if such person has an interest in a packing business, as [above] defined or if a packer has any interest in his business." It is apparent that Congress was not legislating in a 1921 vacuum, but was legislating for the future and for an industry, and was keenly aware of extensions into other fields, and of other firms entering into the packing field. There is no evidence in this legislative history, that the act was intended to be confined to those whose sole or primary business was meatpacking. On the contrary, the House of Representatives was pressured by the Farm Bureau to narrow the definition of "packer" to just manufacturing or preparing meats and meat products for sale—in other words, just to meatpacking—but this was flatly rejected; the expressed intention then being "to relieve from regulation (by the Secretary of Agriculture) those outside industries only when having no affiliation with a packer." "Affiliation" is a broad and significant word. Finally, on this point, it is most significant to this hearing examiner that in 1938 when Congress was enlarging the jurisdiction of the Federal Trade Commission by adopting the Wheeler-Lea amendment, and then having before it the extensive hearings preceding the Robinson-Patman Act, and their disclosure of new and devious anticompetitive practices which had come to life in the intervening years, with the knowledge of backward and forward integration occurring during the 1920 decade, was most careful to except from the new grant of additional jurisdiction "persons, partnerships, or corporations subject to the Packers and Stockyards Act, 1921, except as provided in section 406 (b) of said act." This careful additional exclusion of jurisdiction, not there before and coming 18 years later in that setting, seems to this hearing examiner to refute any claim that Congress in 1921 was legislating only about five packers, was not legislating as to retail activities, or unrelated operations. It seems a reaffirmation of a firm intent to have the Secretary of Agriculture regulate all phases of any business in whatever primary field, connected in any way, or operating to any degree, in meatpacking. There is, therefore, no necessity for deciding whether the exemption is in personam or merely in rem.

This interpretation logically and inevitably leads, counsel in support of the complaint contends, to absurd results enabling any concern to choose at will the regulatory authority, by simply acquiring or divesting itself of a packing plant. Or, put more crassly, by the simple expedient of buying a load of chickens, wringing their necks, plucking their feathers, and selling their carcasses in commerce, any business in the Nation, even a tire or battery manufacturer, for instance, may escape regulation of its entire business by the Federal Trade Commission, whose "expertise" in the use, for instance, of brokerage, advertising allowances, service grants, and other devious means of competitive favoritism, is widely recognized. Thus, in the instant case, alleged competitive discrimination in the use of advertising allowances to push such nonagricultural products as floor wax, chewing gum, and cleaning fluid is left exclusively to the Department of Agriculture. No law, says counsel, should be interpreted to achieve an absurd result.

The answer, of course, is that where a law is clear and unambiguous in terms, command, and intent and where the latter is also clear from the legislative history, interpretation is uncalled for and no deciding authority may interpose his views and interpret it away from that intent, regardless of result. The responsibility for the latter, any duty to change, as well as the sole right to change, lies with the enacting authority, Congress. That this is recognized by that body is evidenced by the recent introduction for passage by Congress of S. 1356 to confer on the Federal Trade Commission the very jurisdiction contended for here, and by the statement of its sponsor:

"I believe it is in the public interest that Federal Trade Commission's control be extended over packers who enter into other sideline businesses—businesses which now escape such control because of United States Department of Agriculture's inaction, but whose competitors are subject to Federal Trade Commission's control. The same need for public control applies to food firms, especially food chains, which can now acquire packing plants, or a substantial interest in one, and thus escape Federal Trade Commission's supervision over their entire operations."

Despite distinctions of counsel, which are really not actual differences, the views expressed, and the language used in *United Corporation et al.* v. *F. T. C.* (110 F. 2d. 473 (C. C. A. 4) (1940)) and Docket 6409, Armour & Co. (March 30, 1956) are consonant with, and, it is believed, fully support the views expressed, and the conclusion reached here, and these are precedents by which this hearing examiner is, of course bound.

Express findings on this motion then are:

1. Respondent comes within the definition of "packer" as set out in title 7 United State Code, section 191, not only as to its Elizabeth, N. J., plant but as an entity.

2. As such, the Secretary of Agriculture has exclusive jurisdiction of the acts and practices charged in the complaint to be illegal.

3. The Federal Trade Commission has no jurisdiction thereof.

It follows that the motion of respondent to dismiss should be and the same hereby is granted.

Any and all requests for time to brief further the motion are denied.

ORDER

It is ordered that the complaint and the amended and supplemental complaint in this proceeding be, and the same hereby are, dismissed for lack of jurisdiction.

FRANK HIER,
Hearing Examiner.

APRIL 11, 1957.

INTERMOUNTAIN INDIAN SCHOOL, BRIGHAM CITY, UTAH, AND TRIBUTE TO DR. GEORGE BOYCE, SUPERINTENDENT

Mr. WATKINS. Mr. President, a week ago today I gave a talk in Brigham City, Utah, at an occasion honoring the man who has been superintendent of the Intermountain Indian School during the more than 7 years it has been in existence, Dr. George A. Boyce.

The school is a practical example of what can be done to give young Indians—in this case, Navahos—a real American education; it is also a lesson in Government economy. In editorial comment last Saturday the Deseret News-Salt Lake Telegram said:

Government economy is a much discussed subject these days, and properly so. On every side come warnings about the need for a careful watch over the spending of public funds.

Thus, it is with special pride that we here in Utah can point today to the Intermountain Indian School at Brigham City. As Senator Watkins pointed out in an address honoring the school's outgoing superintendent, Dr. George A. Boyce, this week, the school is a good example of what can be done in accomplishing much and at little cost.

In 1950 Congress authorized the transformation of Bushnell General Hospital to the Intermountain Indian School. Before it was decided to convert Bushnell to a school, plans were under way to sell the plant for $1 or to sell it for salvage at an estimated $175,000. Later, $3,750,000 was allotted to convert the hospital and erect new classrooms and other buildings to house and educate children primarily from the Navaho Reservation.

Under the direction of Dr. Boyce the conversion was made, and the country has realized full value for every dollar of the appropriation.

Mr. President, at this time I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of my talk dealing with the progress and the economy achieved at this fine Indian school.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TRIBUTE TO DR. GEORGE BOYCE: PROGRESS AND ECONOMY AT INTERMOUNTAIN INDIAN SCHOOL, BRIGHAM CITY, UTAH

Dr. Boyce, friends, and neighbors, I am very grateful for the opportunity to be here with you, and to be fortunate to be privileged to join with you in this well-deserved recognition of the fine labor among us all of Dr. George A. Boyce. I say this with my heart: I shall always treasure these golden moments in memory, these hours spent here—with you—in recognition of a work well done.

Several weeks ago, when I knew that I might have this opportunity, I began to think back over all of the wonderful things that have happened—right here in Brigham City—in these last few years. Back in Washington, able from that far distance to measure again this achievement here in our beloved State, I think I could appreciate even more than most of you this miracle that you have wrought here in the success you have made of Intermountain School, in the way that you have welcomed these neighbors of ours into your hearts, and seen to it that—within but a few years really—they gained not only education, but love, respect, understanding.

THE MIRACLE OF BRIGHAM CITY

I use the word "miracle" advisedly. For it is truly that—the miracle of Brigham City and Intermountain School. This miracle inspires wonder and admiration and gratitude. And I know that Dr. Boyce will quite agree with me when I say that tonight we honor not him alone, but all of you—townsmen, other Utahns, faculty members, students—who have all taken part in this creation.

As all of you perhaps know, in numbers the Navaho are our largest tribal group of

Indians. They number nearly 80,000. They are a remarkable people, deeply inspired by their heritage from the past, talented, and resourceful. We can scarcely appreciate their historic problem as a people, gradually encircled by those of another race, possessed of superior weapons, speaking a vastly different language, favoring strange customs and beliefs. Yet it is our destiny in this land of ours that the melting pot—as we sometimes call it—has brought us all together. And it is at once our trial and our opportunity—as God Himself would have it—that we must live together, one nation, with full liberty for all, and we shall become the benefactor of this Indian people in the years to come.

WORKS BOTH WAYS

Now to truly live together, we must learn to understand each other, and understanding is not just a one-way route. It works both ways. We have—and this is truly the miracle of Intermountain School—found that understanding here. That is, I think, our triumph. We have learned—from these Navaho boys and girls; and they, in turn, from Dr. Boyce, his staff; those of you here in Brigham City, have also learned. And that is our true joy, that out of all this experience in living and learning together we have found joy in understanding and zest in accomplishment.

That is why I am so happy tonight. Happy for Dr. Boyce, happy for you whose lovely city this is, happy for all the young men and women who have been provided with this opportunity to know you better and through you, to begin to know all the fine things it means to be—not a second-class citizen—but an American, with all that implies.

I say that learning is a two-way street. I think sometimes we forget that. And I want to point out that not only the Navaho but all of us in a way, have been getting an education at Intermountain. And a wonderfully fine education it is.

FRANKLIN'S REMARKS

I think Benjamin Franklin—that educated jack-of-all-skills-and-insights—saw the real meaning, and the humor, in the situation of Indians, Americans, and education. In a little booklet he printed in 1784 he gave us words we should all remember. Ben remarked:

"Perhaps, if we could examine the manners of different nations with impartiality, we should find no people so rude, as to be without any rules of politeness; nor any so polite, as not to have some remains of rudeness.

"The Indian men, when young, are hunters and warriors; when old, counselors; for all their government is by counsel of the sages; there is no force, there are no prisons, no officers to compel obedience, nor inflict punishment. Hence they generally study oratory, the best speaker having the most influence. * * *

"Our laborious manner of life, compared with theirs, they esteem slavish and base; and the learning on which we value ourselves, they regard as frivolous and useless."

THE VIRGINIANS' OFFER

Ben Franklin went on to tell then about some events that occurred at the signing of the Treaty of Lancaster, in Pennsylvania, in 1744, between the government of Virginia and the Indians of the Six Nations. It seems the Virginians—after affairs were settled—told the Indians of their college at Williamsburg, where they had a fund for educating Indian youth. And—in short—they invited the Six Nations to send down, say, half a dozen of their young lads to the college, telling the Indians that their sons would be well cared for and instructed in all the learning of the whites.

Franklin pointed out that because of the Indian rules of politeness—which meant never answering such a proposal on the same day, lest it be felt to have been considered a light matter—the Indians waited until the next day before giving their answer. And—on this next day—the Six Nations spokesman began by expressing their deep sense of kindness of the Virginia gentlemen, in making them that offer, "for we know," the Indian speaker said, "that you highly esteem the kind of learning taught in those colleges, and that the maintenance of our young men, while with you, would be very expensive to you. We are convinced, therefore, that you mean to do us good by your proposal, and we thank you heartily. But you who are wise," he continued, after a pause, "must know that different nations have different conceptions of things; and you will therefore not take it amiss, if our ideas of this kind of education happen not to be the same as yours. * * *

"We have had some experience of it," the Indian leader added. "Several of our young people were formerly brought up at the colleges of the northern provinces; they were instructed in all your sciences; but when they came back to us, they were bad runners, ignorant of every means of living in the woods, unable to bear either cold or hunger; knew neither how to build a cabin, take a deer. * * * Spoke our language imperfectly, were therefore neither fit for hunters, warriors, nor counselors; they were totally good for nothing. We are, however, not the less obliged by your kind offer, though we decline accepting it."

THE INDIANS' REPLY

And then the Six Nations chief—who obviously appreciated the humor of the situation—in the words of Franklin's pamphlet added:

"To show our grateful sense of your kind offer, however, we say this: If the gentlemen of Virginia will send us a dozen of their sons, we will take great care of their education, instruct them in all we know, and make men of them."

Well, Ben Franklin wasn't above making up stories to tell his points, and that may be just one of them. However, it points up what I was saying: Education is a two-way street. The Navaho have learned, here at Intermountain, and we have learned with them.

I just wonder sometimes if the people of Utah and the Nation generally appreciate the marvelous work that is going on here at Intermountain daily, the experience in living and adjusting and learning that Dr. Boyce and his helpmates have directed so ably.

THE NAVAHO VETERANS

Let's just consider it, for a moment. I think many of you know that Navahos, as other young Americans everywhere, were called upon for war service in World War II. Many of them entered and made fine records, proud records, for themselves and their people. But they noticed something, too—many of them, because they were not properly educated, were "casualties" not on the field of battle but in the days of pre-service and introductory service. That hurt, not even to be allowed to fight. And there were many Navaho veterans as Indian veterans elsewhere who in the councils of their people said that the day was long since done when an Indian education was enough. Their words, the words of proud American fighting men returned home, carried weight. Their elders knew, too, that wisdom lay with the education of their children, not merely in tribal customs and mores, but in the ordinary plain and simple ways of the average American child, whatever his parentage, whatever his ancestral heritage.

I came to Congress back in 1946. I remember how appalled I was when I learned of the cold disinterest of many of my colleagues when told that we weren't keeping our promise with the Navaho, made at the Treaty of Fort Sumner more than three-quarters of a century earlier, a treaty which recognized that school in white man's ways and customs would be necessary. Under it the Navaho agreed to send their children to school and the Government agreed to furnish one teacher for every 30 such students. But this was never accomplished. We didn't provide the teachers and by and large the Navaho—just as the Six Nations leaders years before—wasn't too impressed with the value of a white man's education. But in those more than 75 years we had both learned, gradually, what is the true meaning of the word "American."

AN APPALLING LACK

I say I was appalled by the state of the Indian program when I came to Congress in the mid-forties. Appalled to learn that literally thousands of Navaho children, and other Indian children, were not receiving, as every American child should, an American education. I wasn't alone in that feeling. Through its leaders the Navaho Tribe was urging that buildings, teachers, be provided. Through its spokesman the Indian Bureau urged Congress to give full freedom of citizenship—and a proper national education—to the Indians. And in Congress we had new stirrings; some of us appreciated that action was imperative. Thousands of Navaho children—and the tribal population was growing—were not being given the opportunity for an education to fit themselves to live, wherever they might choose, in America. And it was determined—in the 80th Congress—that an action program had to be set in motion.

By then I felt fortunate that in the Senate Committee on Interior and Insular Affairs I had also been assigned to the Subcommittee on Indian Affairs. Later, in the 83d Congress when Republicans controlled the Senate, I felt particularly happy that it was my good fortune to head the Indian Affairs Subcommittee. As I think most of you know, I've served on that committee and subcommittee ever since. It is one of my finest experiences in Senate service.

A REMARKABLE GAIN

My friends, I think you will better understand why I speak of the miracle here when I recall that back in 1945 some 12,000 out of the then 19,000 Navaho children were not in school, largely because they just plain didn't have the opportunity. Since then you know—as Indian Commissioner Glenn L. Emmons has told you—that although there are now nearly half again as many Navaho of school age—some 29,000 in all, we are right on the border of that happy day when we can say that all of them are in school.

Now I am firmly convinced—and I think I can safely say that most of the informed Members of Congress will agree—that secluded reservation life is a deterrent to the Indian—in that it keeps him apart, and that in ways far beyond just the purely geographic. He should have the right, as all of us, to live where it pleases him, in America, and to have all the opportunities of full United States citizenship. Yet through our national historic development the Indian was forced into a dependent position more and more. This tended to sublimate his natural qualities—his self-reliance, his courage, his resourcefulness, his confidence, and, most of all, his faith in himself.

That is why in Congress—in the 83d Congress—the Members, in both the Senate and the House, unanimously endorsed a statement on our policy with the Indians; one that expressed it as national policy to truly grant all of them the rights and prerogatives of full and respected American citizens. That remains today—in the 85th Congress—still our keystone of Indian policy.

PREPARATION FOR LIFE

But it is one thing to express a policy, or adopt a concurrent resolution, and another to see positive results. For example, the 84th Congress passed a Vocational Rehabilitation Act—to assist Indians to adapt themselves more readily to off-reservation life. We found, in short, that just to declare an Indian a first-class American citizen, rather than a Government ward, wasn't enough. And we found, as many of you already have guessed, that education was basic to the whole success of the Indian program. Indeed, there are weighty volumes and hearing reports that proclaim that the whole or major purpose of the Indian Bureau today should be largely or wholly that of education.

And in a way, that brings us right back here—to the miracle at Brigham City. And to the splendid work of our Dr. George Boyce. For truly the hand of God and His inspiration were upon us when we realized that its wartime service done, Bushnell General Hospital stood ready and waiting a further humanitarian call to life.

Yet I wonder—I recall an article in Time—I imagine you do, too, Dr. Boyce—that told of the little misgivings we had when Congress made it possible to put the stamp of Intermountain School over the legend Bushnell General Hospital. How would it go? Would this city be overrun? Would, as Time suggested, perhaps facetiously, "tepees" spring up in our midst? Well, we all know, now—we have known these last 7-plus years: It went wonderfully well.

At this point, I shall yield to the temptation to say something about that much-needed policy of economy in our governmental operations.

ECONOMY WINS OUT

That word economy looms large in our discussions of today. It is entirely probable that if the Intermountain School were up for authorization and the necessary appropriations in our present 85th Congress, that such a measure and accompanying appropriations would be defeated—not on their merits but because of the necessity to economize—to cut the budget.

But back in the 81st Congress, it was also necessary to economize. And I thought then, as I do now, that to save a plant—that had cost the people approximately $12 million—from demolition and to convert it into a school for Indian children who didn't have an opportunity to go to school at all, was the best and most effective kind of economy.

When I came up with the idea of converting Bushnell Hospital to a vocational school for Navaho Indian children and later introduced legislation to put it into effect, the General Services Administration, which was charged with the disposal of Government surplus property, was near to a decision to either sell the plant for $1 to a group to use as a coeducational military school for underprivileged white children, or to sell the plant for salvage purposes. For salvage, it was estimated that $175,000 could possibly be recovered.

MORE THAN FULL VALUE

Well, the bill to transfer the hospital to the Indian Bureau for school purposes was passed and became law. Later, in the same Congress, I offered an amendment to the Interior appropriations bill on the floor of the Senate appropriating $3,750,000 for the conversion of the hospital into a school and the erection of some needed new classrooms and other buildings.

The amendment was adopted and I am happy to say that under the able and efficient direction of Dr. Boyce, the United States Government got more than full value for every dollar of that appropriation.

The conversion was a job well and artistically done, as we all well know.

When Intermountain opened that January of 1950, there they came—some 526 of them, less than half of whom spoke other than their native tongue. Now, well, you know the proud story as well and better than I. School enrollment is about 2,300; isn't that so, Dr. Boyce?

THE POSITIVE GAINS

And think of what has happened. It did my heart good these last few weeks to pick up the school newspaper Smoke Signals and read all about the splendid things that are happening right here. The headlines enraptured me: "1956 Graduates Leave for on-the-Job Training, Boys Will Work in 10 Western States, Girls Work in 6 Different States." The stories were so appealing, written by students themselves.

And just before I left Washington, I sat down with a whole pile of press clippings that told such a wonderful story of what's happening here at Intermountain, in Brigham City.

For instance:

1. The Navaho festival held to raise funds for completion of a Protestant Indian center for the 1,200 students of Protestant faiths you have here.

2. The seventh annual Christmas party the Catholic women of the diocese gave.

3. That dream of a Latter Day Saints' seminary and chapel here that has at last come to be—as President David O. McKay remarked at the dedication in February—"a house of worship, a house of learning, and a house of recreation."

PROVISION OF FAITH

Not only have you kept the faith, in all so many ways, but by these signal acts it is obvious that you have and will continue to give faith—that faith that is truly the finest gift of all.

Friends, I could go on endlessly in praise, in gratitude, for all that has and is and will continue to happen here in your midst. But I feel you know in this that I have said my heart and mind.

There is one thing more, however—I know by your being here tonight your devotion and your affection for George Boyce, who brought Intermountain from little more than rough buildings and a congressional appropriation—with his staff and students—to a triumph of American life. You know, too, that he has received a call.

DR. BOYCE'S CALL

Take pride in this, if you take sorrow in his leavetaking from the superintendency at Intermountain: Congress and the administration have need of his specially qualified services to perform a much-needed task—to survey and take stock of our whole measure of progress and needs for the education—not only of some portion of the Navaho—but all our Indian youth. His findings will provide basis for a special report within 2 years to the Congress.

I am happy, as you, that he will continue not only in spirit but in being to occupy his home here and maintain his office. And I am pleased that in Thomas Tommaney is a new superintendent who has truly grown up with Intermountain and in assistance to Dr. Boyce.

Forgive me if I have today—talked overlong. In a way, and may I say this with all due modesty, Intermountain is "my baby." And like any proud parent, congressional or otherwise, I dote on a rewarding child. But your faces tell me, too, that our feeling is mutual.

Dr. Boyce, all of the best in your important and valuable new work.

Mr. Tommaney, may all good fortune attend you further here, at Intermountain.

Friends from Utah, and especially those of you who call Brigham City home—and that goes for the students too—my heartiest congratulations to you who made the miracle of Intermountain School possible.

SENATORIAL OFFICE ALLOWANCES

Mr. WILLIAMS. Mr. President, many persons are becoming alarmed by the rapid increase in Government expenditures, and in recent months much discussion has been held as to how the cost of Government can be curtailed.

Today I wish to point out one specific instance wherein the Government not only insists upon the full appropriation being spent but actually proposes to levy a penalty against the official on the amount returned to the United States Treasury.

In the administration of our senatorial offices each Senator is allowed a certain amount, based upon the population of his State, for clerical hire, for long-distance telephoning, for telegrams, for special delivery and airmail stamps, and for stationery allowance. Coming from a small State, I have not needed, except on a very few occasions, the full allowance in any of these categories, and at the end of each year have been authorizing the unexpended portion's reversion to the Federal Treasury.

I recognize, of course, that in many instances Senators need their full allotments, and I question their adequacy to cover the expenses of Senators from some of the other States.

It has always been recognized that that portion of such funds not needed for the office reverts to the Federal Treasury, and for the past 10 years, since I have been a Member of the Senate, that principle has been recognized.

Last year I had $1,508.26 left over in my stationery account, which as in previous years I authorized to be returned to the United States Treasury as not being needed, but for the first time I was told that this is no longer permissible. The Government has now taken the position that the money must be spent, and that if a Member of the United States Senate does not spend his full allotment he will be taxed on the unexpended portion, even though it is left in the Federal Treasury.

I have been advised that an easy way to avoid this penalty would be to order $1,508 worth of stationery from the Senate stationary store, even though I do not need it, have it delivered to my office, and then call the truck and send it out to the city dump. In that manner the Government would be rid of the money, I would be subject to no penalty, and everybody but the taxpayers would be happy.

Or under this new ruling I could file a claim for the Treasury check of $1,508.26, pay income tax on the amount, and turn the rest over to the Republican National Committee, or put it in a special account to finance a personal political campaign.

If this ruling stands unchallenged, what is there to prevent using these unexpended funds to buy mink coats or deep freezes, for distribution at our discretion?

All the emphasis seems to be placed not on whether or not the money is needed for the administration of my office, but rather on getting rid of it, no matter for what purpose.

In the first year of my service, in setting up a new office I used the full stationery allotment, but in each of the other years there have been unexpended balances in the stationery fund, which in each instance were released to the Treasury as follows:

Fiscal year	Allowance	Expended	Balance authorized for reversion to the U. S. Treasury
1948	$600	$342.48	$257.52
1949	500	220.94	279.06
1950	700	223.79	476.21
1951	800	198.61	601.39
1952	1,100	341.09	758.91
1953	800	345.20	454.80
1954	1,200	615.25	584.75
1955	1,200	334.33	865.67
1956	1,800	291.74	1,508.26
Total	8,700	2,913.43	5,786.57

At the end of the last fiscal year I again instructed the disbursing officer of the United States Senate to return the unexpended balance to the United States Treasury. My instructions were as follows:

UNITED STATES SENATE,
Washington, D. C., June 26, 1956.

Mr. ROBERT A. BRENKWORTH,
Financial Clerk, United States Senate, Washington, D. C.

DEAR MR. BRENKWORTH: I acknowledge receipt of the voucher stating that I have $1,508.26 representing the unused portion of my $1,800 stationery allowance for the fiscal year ending June 30, 1956.

This amount is not needed and you are hereby authorized to return the balance ($1,508.26) to the United States Treasaury.

Yours sincerely,

JOHN J. WILLIAMS.

In early December 1956 I received a call from Mr. Brenkworth, financial clerk of the Senate, advising that he had been instructed that this procedure would no longer be permissible, but that either the funds would have to be spent or the Member of the Senate failing to spend his full allotment would be subject to income tax on the unexpended balance, even though the money was left in the United States Treasury.

I am not criticizing Mr. Brenkworth for relaying these instructions; he was only acting upon orders. He explained that these instructions were being issued based upon a ruling by the Treasury Department.

A suggestion was made that one way around this situation may be to file a claim for the check, accept the money, and then make a gift of it to the United States Treasury; however, I could not agree to this suggestion, because how can I give something which does not belong to me in the first place? This money, left over from my stationery allowance, does not belong to me; it never has; it belongs to the American taxpayers.

Furthermore, in giving the check back to the United States Treasury, the individual could be subject to a gift tax, added to the other gifts, the maximum gift allowance was exceeded for the year involved. He would be paying the Treasury Department to take back that which was already theirs.

I ask unanimous consent that the Treasury Department's ruling on this question be printed at this point in the RECORD.

There being no objection, the ruling was ordered to be printed in the RECORD, as follows:

MARCH 29, 1956.

This letter deals specifically with funds provided (1) for stationery for Senators (2 U. S. C. 46a), and (2) an amount not to exceed $150 quarterly, for official office expenses incurred by each Senator in his State (2 U. S. C. 53), during the taxable year 1955.

It is our understanding that the stationery allowance is credited to the account of each Senator at the beginning of each fiscal year. As supplies are procured by each Senator from the stationery room, their cost is charged against his individual stationery account. Any unexpended funds remaining in the stationery accounts of the respective Senators at the close of the fiscal year may be withdrawn by them in cash.

It is held, therefore, that any unexpended funds remaining in the stationery accounts of respective Senators at the end of the fiscal year are constructively received by each Senator on that date, whether or not withdrawn, and are includible in the gross income shown on his Federal income-tax return for the taxable year in which that date falls.

Expenses charged against the stationery account are not deductible, for Federal income-tax purposes, since their payment in that manner does not constitute payment by the Senators.

The amount (not to exceed $150 quarterly) payable for official office expenses incurred in a Senator's State is payable upon certification of each Senator and is includible in his gross income for the taxable year in which such quarterly reimbursements are first available to him. This is true even though such funds are not actually reduced to his possession, so long as they are available to him without substantial limitation or restriktion. These funds are understood to be thus available at the close of each quarter. Such office expenses are deductible by a Senator in computing his adjusted gross income to the extent of the reimbursements thus received.

In the event a Senator's official stationery expenses and his official office expenses incurred in his State exceed the respective allowance or reimbursement therefor, the portion of such excess considered reimbursed by that portion of the $2,500 expense allowance received during the taxable year is also deductible in computing adjusted gross income. The balance of such excess which is paid by the Senator from his own funds is deductible in computing taxable income, provided he itemizes his deductions for that purpose.

I sincerely trust the information contained herein will answer your questions on this subject. If not, I shall be glad to hear from you further.

RUSSELL C. HARRINGTON.

Mr. WILLIAMS. Mr. President, I wish to read, for emphasis, one paragraph from that letter:

It is held, therefore, that any unexpended funds remaining in the stationery accounts of respective Senators at the end of the fiscal year are constructively received by each Senator on that date, whether or not withdrawn, and are includible in the gross income shown on his Federal income tax return for the taxable year in which that date falls.

Upon receipt of this ruling, on December 31, 1956, I directed the following letter to Mr. Brenkworth rejecting the money on the basis that it did not belong to me, and again I renewed my instructions that it be released to the United States Treasury:

UNITED STATES SENATE,
Washington, D. C., December 31, 1956.

Mr. ROBERT A. BRENKWORTH,
Financial Clerk, United States Senate, Washington, D. C.

DEAR MR. BRENKWORTH: Your letter of December 17, 1956, notifying me that I have an unexpended balance in the stationery account allotted to my office in the amount of $1,508.26, is acknowledged.

As I have previously advised you, I do not need this allotment for the purchase of stationery or other essentials to my office, and therefore I have authorized you to let this unexpended balance revert to the Federal Treasury.

I have read the ruling of the Commissioner of Internal Revenue in which he indicates that this amount could be accepted by each Member of the Senate as a cash item and then included as gross income for tax purposes. I disagree with those conclusions; this money is not mine. Our salaries are fixed at a specific amount by law, and it was never intended that a Member of Congress should additionally benefit as the result of any savings resulting from the management of his office. These funds were specifically appropriated for the purpose of paying the stationery expenses of the office, and I have utilized all that was necessary. Therefore, as in previous years, I have instructed you to let the unexpended balance ($1,508.26) revert to the Federal Treasury.

I note the suggestion that I could sign the voucher, accept the check, and then endorse the check "Payable to the order of the Treasurer of the United States," transmitting it to him as a gift to the United States Treasury. This cannot be interpreted as a gift since a gift represents something the title of which rests with the donor, who in turn transmits his title to the recipient. In this instance these funds are not and never have been mine, nor were they ever intended to be mine; therefore, I cannot give to the Federal Treasury that which already belongs to them.

I appreciate your position in this matter in that you are merely relaying instructions as they were given to you and I will discuss this further with the agency affected and with the appropriate committee of Congress after we convene in January. In the meantime I renew my instructions, as incorporated in my letter of June 26, 1956, to allow this unexpended balance of $1,508.26, which had been allocated to me for necessary purchases of stationery, to revert to the Federal Treasury.

Yours sincerely,

JOHN J. WILLIAMS.

During the succeeding weeks I have been endeavoring to get the ridiculous ruling of the Treasury reversed.

Throughout all of these discussions I have been left with just one clear understanding, namely, nobody cares how the money is spent or what happens to the goods after it is spent, nobody cares if the money is claimed and put in my pocket, but there is a terrific objection to and suggestion that the funds not needed be left in the United States Treasury.

I think the United States Government should underwrite the cost of administering my office and any other congressional office. I have purchased all the stationery I need for the administering of my office and have charged the cost to the United States Government. But by no line of reasoning do I as a Member of the United States Senate have a right, legally or morally, to reap a profit on economies achieved in the administration of a public office any more than does the head of an executive agency have a right to divert to his own personal use the unexpended balance of any appropriation to his department.

If the unexpended balance in the stationery account is mine, then what about the unexpended balances in the other accounts? Where will this practice stop?

If we are to accept the principle that the unexpended funds in stationery or in any other office allowance are profits to the congressional Member, then what is there to prevent us from increasing these allowances and using the savings to finance our political campaigns? Certainly no one suggests this, yet it would be possible if we let the ruling stand unchallenged.

This particular office allowance has been increased substantially during recent years, and I voted for these increases, recognizing at the same time that while I did not need the extra allowances for my office many representatives from other States did need the additional funds. I reasoned that since my unexpended balance would return to the Treasury anyway, the unnecessary increase to my office was meaningless.

I have refused to sign a voucher claiming this $1,508.26 check for the unexpended balance of my stationery account in 1956 on the basis that the money does not belong to me but belongs to the United States Government, and I have submitted this question to the Comptroller General of the United States asking for an official decision. The text of my letter is as follows:

UNITED STATES SENATE,
Washington, D. C., March 22, 1957.

Hon. JOSEPH CAMPBELL,
Comptroller General,
Washington, D. C.

DEAR MR. CAMPBELL: In June 1956 I was advised by the Disbursing Office of the United States Senate that I had $1,508.26 remaining as an unexpended balance on the stationery allowance for my office. In previous years I had received similar notices regarding this account, and since once again the full allotment was not needed in the administration of my office I directed a letter on June 26, 1956, to the Disbursing Office stating that these funds were not needed and authorizing their release to the United States Treasury.

On December 17, 1956, I received a notice from the Disbursing Office that this procedure was not permissible and that the unexpended balance was mine to be accepted and was available for my personal use and that I would be required to pay income tax thereon.

I replied under date of December 31, 1956, that I could not accept these funds for my personal use since they were not a part of my salary and since I as a Member of Congress had no right to cash in on savings made in the administration of my office. I therefore refused to accept these funds. The suggestion was made that I accept these funds but return them to the Treasury as a gift. I would not agree with this procedure since in my opinion a gift to the Federal Treasury could only be made by first acknowledging this money as mine. In other words, I did not feel that this procedure was proper since refusing to recognize the funds as mine I could not give that which I did not own.

I fully recognize that in most instances the Members need and use their allotments, which is perfectly proper, but if a Member does not need his allowance certainly it is ridiculous to suggest that it must be spent or a penalty tax levied against that Member of Congress who saves Government funds. Presumably I could have ordered $1,500 worth of stationery, had it delivered to my office, and the following day discarded it in the wastebasket, and everybody would have been happy and no tax would be due. Or as I understand the Treasury Department's ruling, I can accept the money, pay the tax, and keep the remainder to finance a political campaign or to use for any other purpose I wish.

Copies of this correspondence, along with the ruling of the Treasury Department in this connection, are enclosed.

I am requesting you to review this and issue a general ruling as to whether or not I am correct in insisting that the unexpended balance on this or on any other account furnished for the administration of my office should revert to the Federal Treasury.

Yours sincerely,

JOHN J. WILLIAMS.

Mr. President, chapter 314, section 304, of Public Law 212 of the 72d Congress, upon which this Treasury ruling was based, reads as follows:

SEC. 304. During the fiscal year ending June 30, 1933, (1) not more than $16,000 shall be available for expenditure for stationery for Senators and the President of the Senate, and for committees and officers of the Senate, (2) not more than $44,000 shall be available for expenditure for stationery for Representatives, Delegates, and Resident Commissioners, and for the committees and officers of the House of Representatives, and (3) each Senator, Representative, Delegate, and Resident Commissioner shall be allowed $90 for stationery allowance or commutation therefor, to be paid out of the sums provided in (1) or (2), as the case may be.

Mr. President, I point out that the amount has been changed many times, because of the increased cost of administering the offices. However, the law still provides that the amount "shall be available for expenditure for stationery for Senators."

It does not say it shall be available for our own personal use.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the joint resolution (H. J. Res. 312) making additional appropriations for the fiscal year 1957, and for other purposes.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 164) establishing that when the two Houses adjourn on Thursday, April 18, 1957, they stand adjourned until 12 o'clock meridian, Monday, April 29, 1957, in which it requested the concurrence of the Senate.

OUR OUTDOORS

Mr. MORSE. Mr. President, one of the outstanding challenges facing the 85th Congress is the opportunity for establishing sound policies with regard to our American outdoors.

One aspect of this opportunity is represented by the wilderness bill introduced in the Senate on February 11, 1957, by the junior Senator from Minnesota [Mr. HUMPHREY], along with a group of cosponsors of both parties from Maine to Oregon, among whom I was glad to be numbered. The bill had been introduced even earlier in this Congress in the House of Representatives, there also by Members of both parties, from various States.

One of these champions of wilderness preservation in the House is the Honorable JOHN P. SAYLOR, of Pennsylvania, who also, like myself, is a sponsor of another measure of fundamental importance to the establishment of a sound outdoors policy—the bill to establish an Outdoor Recreation Resources Review Commission.

As it happens, there are among certain opponents of the wilderness bill some who have sought to give the impression that this outdoor recreation review bill is an alternative measure. Mr. SAYLOR, along with others in both Houses who also are sponsors of both measures, has effectively demonstrated, however, that the two bills are in fact very properly companion measures, both of which should be enacted.

This is one of the conclusions reached by Representative SAYLOR in a significant address on "Our Outdoors" which he presented on April 11, 1957, in Philadelphia, Pa., before the Wilderness Club of Philadelphia Conservationists, Inc. I ask unanimous consent that there be printed in the body of the RECORD, as a part of my remarks, this important address, which explains and advocates this dual program for preserving certain areas of our primeval outdoors unspoiled, and at the same time conducting an inventory of all our outdoor recreation resources and formulating a program for their best use and adequate protection.

This speech was delivered on April 11 by Representative SAYLOR, of Pennsylvania. I recommend its reading to my colleagues in the Senate.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

OUR OUTDOORS—ADDRESS OF HON. JOHN P. SAYLOR, OF PENNSYLVANIA, BEFORE THE WILDERNESS CLUB, PHILADELPHIA CONSERVATIONISTS, INC., ON APRIL 11, 1957, IN PHILADELPHIA, PA.

I want to talk with you tonight about our outdoors. That is still a big subject in this country.

We have become more and more a nation of city people, workers in crowded metropolitan areas, living in suburbs, moving along crowded highways, flying in cozy airliner cabins almost out of sight of trees and streams. But the farther we get away from the rural areas that we all once knew so well and the more removed we are from woods, waters, and wildlife, the more we seem to care about our great outdoors.

Here in Philadelphia, our first great city, is a good place to think about what this means, and what we ought to do as citizens about our outdoors. I am glad to be here—always glad to be in Pennsylvania and, like all Pennsylvanians, glad to visit Philadelphia.

Here, of course, you have the Philadelphia Conservationists, Inc. Here you have the Wilderness Club. Here, in other words, is an ideal setting for some earnest thinking about one of the most important subjects that Pennsylvanians and other Americans are discussing these days.

So I deeply appreciate the invitation you have sent down to me in Washington to come back up here tonight and talk with you, and I thank you for this excellent opportunity you have provided for saying to some deeply interested fellow citizens some things that certainly need to be said.

Here in Pennsylvania—in this sylvan State—I wonder if we fully realize what it means to be discussing what we ought to do about our outdoors? I wonder if we sense fully the fact that our outdoors actually depends on what we do about it.

We have been taking the outdoors for granted, taking it as a matter of course—one thing that we didn't have to do anything about. When we have grown tired of doing things, then we have gone outdoors—anywhere. The outdoors was there all around us. We didn't have to do anything about it, except enjoy it—the great outdoors!

Not everyone has yet realized that this is changing. But it is. And it is slowly dawning on us that we are going to have to do something about it.

My fellow citizens, I am here tonight to tell you plainly that if we have in the future, just over the horizon of our beautiful Pennsylvania hills of today, a still great and beautiful American outdoors, it will be because you and I and our fellow citizens act now with a determination to see that we do have it.

You can no longer trust to the fortunes of history to leave a valley here and a range of mountains there, untouched, undeveloped, unspoiled. You can no longer anticipate an expanse of country so spacious that whenever you wish you can just hike off across the fields and into the woods along some stream and wander around back to where you started, praising God for making the country and thanking Him for always having lots of it at hand whenever you want to escape for a while from the man-made city.

Our civilization is destined to occupy for its purposes every acre on this land. There are so many of us Americans already and so rapidly are we increasing that if all is left to chance, and we do nothing about it, then—when you or your children head for the country in the future, city will change to suburb, suburb to country estates, country estate to carefully cultivated farms, and farm will lead again to country estate, estate to suburb, and suburb to another city. We are destined to occupy the whole of this land; and if we like open spaces for picnicking, streams for fishing, hills and fields for hunting, we are going to have to occupy such open spaces, such streams, hills, and fields for these very purposes.

If we are going to have any of our land wild and unmodified by man it will only be because we have deliberately so dedicated such areas.

So I say that a discussion of what we ought to do about our American outdoors is a mighty important one, because if we do nothing, if we do not act, we shall see the outdoors that we have known so well change and as far as the recreational values which we have known are concerned, it will vanish. The likes of it will never again be known.

Let me make plain that I am not talking, here and now, about conservation in the matter-of-fact material sense that has become so well known to us, so clearly a part of our morality. I am not talking at this time about good forestry. I am not talking about the good plain common sense in conserving wildlife resources by avoiding over-hunting and over-fishing. I am not talking about the immorality of cluttering up the landscape with litter and making America unbeautiful. Nor about stream pollution, or soil erosion. These are aspects of conservation that are indeed aspects of civic righteousness, and especially so for us Pennsylvanians, who once had Gifford Pinchot for governor. I am devoted to these expressions of conservation too, as indeed I am devoted to the welfare of this great Commonwealth, but they are not the subjects of my outdoor concerns tonight. They are indeed in every single instance consistent, however, with what I am here advocating—and that is the importance of the outdoors to all of us as modern Americans, and to our successors.

I speak tonight of the outdoors itself, as such—the outdoors as the environment of what Henry Thoreau called "our own true recreation."

What shall we do about it?

I say, Let's save some of it.

And let's save some of it in remnants big enough to be valid samples of our original primeval America. Let's save some of the wilderness itself.

What are the chances for this?

The chances are good. But let me tell you, these good chances are disappearing rapidly. We better not hesitate any longer.

Wilderness is the oldest resource of all, the raw material for our civilization. It is what we started with. But it is the last resource to be recognized as in need of conservation.

What is wilderness, anyhow? Maybe you face this question the way Johnny faced the teacher when she asked him what a vacuum is and he said "I have it in my head but I just can't express it." In many respects the idea of wilderness is an intangible. It does mean different things to different people. But it is a concept that conservationists have come to know very well, if not by exact definition.

Wilderness I would say is in contrast with those areas where man and his own works dominate the landscape. In the wilderness, the earth and its natural life community are untrammeled by man. Man himself of course belongs there. Indeed he does. But he visits. He doesn't reside there. His travels leave only trails.

Wilderness is land with a certain character. The word wilderness is one of those positive terms that has meaning largely because of what it rules out. Another such word is chastity. I think it is important to recognize this; when we say wilderness we are not referring to any particular use that an area may have but to a character that it has.

Recognizing this clarifies greatly our efforts to save some of this wilderness land of America, because it helps us realize that we can preserve wilderness and still have the areas involved serve other purposes—other purposes that do not destroy the wilderness character of the land.

Let me be more specific. I expressed the belief a few moments ago that our civilization is destined to take over all of the land for its own purposes, that preserving wilderness would involve setting areas aside for that purpose.

The fact is it is even later than we thought. All our wilderness is already serving some other purpose. The opportunity that we have to preserve it comes from the fact that on lands that are serving other purposes it is possible to maintain the wilderness character.

Where is it?

Well, there are some privately owned lands with a wilderness character, but, being privately owned, they are not practically available to you and me and other citizens for a wilderness preservation program. Then there are some State areas that in the aggregate include some 3 million acres, some dozen or more areas of wilderness included in parks or preserves under State jurisdiction. We can regret that history began so early here in Pennsylvania, and civilization swept across this Commonwealth so fast that before we could sense the value of wilderness as such it had vanished from all but the small samples—precious as jewels but small. In our Cook Forest State Park not far from my own home there are still a few acres of the virgin white pine that once grew tall over many, many acres of Pennsylvania. We prize this State park for its virgin forest. But unfortunately we have no great areas of wilderness in Pennsylvania. And of course the wilderness in the State parks, forests, and preserves of other States are not subject to our administration, or our concern at the polls. We can admire them, appreciate them, and commend the people of the States that cherish and preserve them. But the only wilderness that is in our custody is within the Federal areas that we own together as citizens of the United States of America.

So, listen, and I'll tell you where all the wilderness is that is available to you and me to preserve.

There are 80 areas and they are within 80 of the 149 national forests—80 areas inside the forests, not including all of an entire forest, but comprising a certain designated "zone" established as wilderness, wild, primitive, or roadless.

Out of the 181 units in our National Park System there are 48 that include areas of wilderness.

Twenty of the 264 national wildlife refuges and ranges include areas of wilderness for wildlife.

And there are 15 roadless and wild areas within Indian reservations.

These 163 areas with about 56 million acres all together make up our National Wilderness System, and every one of them is serving some stated purpose other than wilderness preservation.

The wilderness of each national park, for example, is back country, or foreground, to some unique scenic splendor, some superb example of the sublimity of our American landscape, some complex of wildlife or flora. The national park idea has suggested the wilderness concept, but the two are not identical. The original idea at the Madison Junction in the Yellowstone country was not to preserve wilderness but rather to assure all Americans the right and privilege of beholding the great natural wonders that Cornelius Hedges and his companions had seen. We owe the leaders of the National Park Service a great debt for the way in which they have fostered the wilderness idea, but we must recognize that the wilderness concept is compatible with, not identical to, the national park idea—an enrichment certainly of the national park purpose but not the genesis.

Similarly our wilderness, wild, primitive, and roadless areas are indeed parts of the various national forests in which they are located—and they are serving essential purposes of those forests. While serving these purposes, these areas have retained their wilderness character, to a very great extent because the administrators of the national forests have so managed.

The Okefenokee National Wildlife Refuge is one of our deepest areas of wilderness, but it is not because of any recreational use which it shares with any national forest or national park area but rather because its wilderness character has been preserved by the Fish and Wildlife Service in connection with the administration of Okefenokee as a wildlife refuge.

Thus have our wilderness areas been preserved, so far, by land administrators in various agencies who have handled them for various purposes in such a way that we still know them as wilderness. Our opportunity as conservationists interested in wilderness is to see that these areas continue to keep their wilderness character. And that is what is proposed in the "Wilderness Bill" which I have introduced in Congress, and

which Representatives and Senators of both parties from coast to coast have also sponsored.

The wilderness bill establishes a National Wilderness Preservation System, "for the permanent good of the whole people," by specifying certain areas of public land that are still wilderness and that are being managed for purposes consistent with their continued preservation as wilderness.

The bill provides for the continued management by the existing Federal agencies, of the areas for the purposes for which they were established but requires that this management be so carried out as to preserve the wilderness character of the areas.

This I consider the key concept of this legislative proposal; namely, that wilderness can be preserved where it is, without disturbing the uses to which the areas are now put, and without changing the administration of the areas, except to add to the administrators a responsibility for continuing so to handle the areas as to preserve their wilderness character.

For you and me, and for our children, and theirs, through a long future, I consider this wilderness bill a fundamentally important statement of national policy.

We must, of course, continue our development of resource uses. We must continue to provide outdoor recreation with conveniences for everybody in picnic places and parks of many kinds. But we must also continue to see that some of our land is preserved as nearly as possible untouched by any kind of civilized development.

Our great engineering and development programs should, indeed, be part of an overall national policy that likewise includes the preservation of some of our land as God made it.

As our population becomes greater, as our industrial and other pressures close around the areas of wilderness still remaining, the necessity becomes keener for moving ahead with a program that will preserve these buffer areas for the human spirit, seeing that they may long endure for the recreational, educational, scientific, and historical uses of the American people.

Therefore, it is important to emphasize that the preservation program provided for in the wilderness bill is recognized as part of an overall outdoor program that must also include attention to other kinds of recreation needs, besides those realized in our wilderness areas.

Not only are we compelled to exercise foresight and take positive action to see that the future in this country continues to include an opportunity to preserve wilderness, but we must also recognize an important obligation to provide for all out outdoor recreation needs.

These needs are varied, but they all require space. Meeting them means seeing that economic and cultural developments across our land are so handled that recreation space is provided for all those activities that mean so much to us as the outdoor people we have always been. Hunting, fishing, camping, hiking, skiing, mountain climbing, pack tripping, nature photography, scenic appreciation, boating, canoeing—all these are comprised by the American way of living which you and I cherish.

If we continue to have the privilege of these activities we shall have to make provisions for them.

It is with this responsibility in mind that I have sponsored, once again, along with others in both the House and Senate, another measure to help us solve our problem of what to do about our outdoors. This bill is one that will establish a national commission to review our outdoor recreation resources and to make recommendations for a program for the future.

Here are the broad and ultimate purposes of this outdoor recreation resources bill:

"To preserve and develop * * * such quality and quantity of outdoor recreation as will be necessary and desirable for individual enjoyment * * * to inventory and evaluate the outdoor recreation resources and opportunities of the Nation, to determine the types and location of such resources and opportunities which will be required by present and future generations."

As a basis for the better understanding that we need in order to realize these purposes, this bill establishes a Commission charged with the following responsibilities, and I quote from the bill:

"The Commission shall proceed as soon as practicable to set in motion a nationwide inventory and evaluation of outdoor recreation resources and opportunities, directly and through the Federal agencies, the States, and private organizations and groups, utilizing to the fullest extent possible such studies, data, and reports previously prepared or concurrently in process by Federal agencies, States, private organizations, groups, and others.

"The Commission shall compile such data and in the light of the data so compiled and of information available concerning trends in population, leisure, transportation, and other factors shall determine the amount, kind, quality, and location of such outdoor recreation resources and opportunities as will be required by the year 1976, and the year 2000, and shall recommend what policies should best be adopted and what programs be initiated, at each level of government and by private organizations and other citizen groups and interests, to meet such future requirements.

"The Commission shall present not later than December 31, 1959, a report of its review, a compilation of its data, and its recommendations on a State by State, region by region, and national basis to the President and to the Congress."

I thank you very much for your interest and attention, and I solicit your further discussion of this problem of what to do about our outdoors. I have suggested a two-fold program that I, myself, have been advocating in this 85th Congress—a two-fold program that is in addition to other important programs in accommodating the recreationists that now visit our national parks and national forests in increasing numbers. Such programs—"Mission 66" in the parks, "Operation Outdoors" in the national forests—have my wholehearted support. Beyond them is our need for a careful inventory of all our outdoor recreation resources—a review of what we have, in the light of the projected requirements of our foreseeable future.

Paralleling all of these programs, present and projected, and crowding urgently for attention while yet there is time, is our effort to enact legislation that will preserve our National Wilderness System.

There are, of course, some people who for various reasons have so far opposed the wilderness bill, and some of these opponents of wilderness preservation legislation have used the outdoor recreation resources bill as a means of their opposition. For this reason, I emphasize that the two measures are in no sense in conflict.

The one bill provides for a thorough and comprehensive study over a period of time and a broad field of interest.

The wilderness bill, on the other hand, proposes to establish at once the preservation of specific areas that already are recognized as suitable and available for preservation.

Anyone who has ever tried thus to accomplish such a positive program knows that a favorite device of the opposition is to say "Oh, no, not yet; let's study it some more." So it is now, with the wilderness bill. And some such opponents have pointed eagerly to the Outdoor Recreation Resources Review Commission bill as the device for such a delay.

We are not being fooled, and you will not be either. We welcome eagerly all the support we can get for establishing the Outdoor Recreation Resources Review Commission. We hope to pass this bill promptly. But I say to you, as I have already said to others, while we are doing all this study let's be saving something too; let's pass the wilderness bill, just as soon as we can.

Man does not live by bread alone. His soul hungers for a sustenance that only Nature's grandeur can offer.

My father took me on my first National Park visit when I was a boy of 12. That experience has stayed with me through all the years. On every subsequent trip I have known the same inner satisfaction, and now I share it with my children. I hope to give them an opportunity to visit our areas of scenic splendor and wilderness recreation just as long as they are willing to spend their vacations with Mom and Dad.

I want to protect and preserve our outdoor heritage of beauty and wildness so that our children's children will also have an opportunity to see the handiwork that God has left for them to enjoy.

I am sure you share with me this deep desire to see perpetuated our great American opportunity to know the health and inspiration of the outdoors. I know that we can work together to this great end.

Thank you.

OKLAHOMA'S SEMICENTENNIAL CELEBRATION

Mr. MONRONEY. Mr. President, I ask unanimous consent to have printed in the RECORD a statement prepared by me regarding Oklahoma's semicentennial celebration.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MONRONEY

The Jamestown Festival and Oklahoma's semicentennial celebration both are being opened officially this month. I trust my colleagues from Virginia will understand if I mention, in this connection, that Oklahoma's exploration goes back even before that of Jamestown. Coronado crossed our State in 1541 on a trip which carried him up into Kansas.

However, a startling contrast is presented by these 2 festivals, I commemorating our Nation's earliest permanent English settlement, and the other, the admission to the Union of one of our youngest States. It seems to me that both should claim the attention of Senators from other parts of the country.

In one, the emphasis is on the rigors of crossing an unexplored ocean in such frail-looking craft as the *Susan Constant* and her sister ships which visited Washington recently, and on the struggles associated with our Nation's earliest beginnings.

Oklahoma's 50th anniversary as a State, on the other hand, marks the progress of the State, in one generation, from tepees to towers. It catches up the still-potent spirit of frontier days in the setting of a modern industrial society and mingles the wild West with the atomic age.

We hope that many of you will visit Oklahoma in the next few months. On Easter Sunday morning, the annual pageant in the Wichita Mountains which annually attracts more than 100,000 persons, will use Faith of Our Fathers as its theme, illustrating the faith of our pioneer fathers that endured and made possible this unique religious observance for people of all faiths, creeds, and colors.

Already a variety of celebrations have been held, ranging from the Okeene rattlesnake hunt to the presentations of Bizet's Carmen by Tulsa Opera, Inc., in Tulsa's fine Municipal Theater; from the dogwood tour in Tahlequah and the Redbud Festival in Shawnee to the Ardmore rodeo and the Territorial Dress Review at Stillwater.

The Special Commemorative stamp will go on sale June 14, coincident with the opening of the Semi-Centennial exposition at Oklahoma City.

The Exposition will feature displays of 12 nations at an International House, a 2-acre Teen Town with custom-made entertainment, and the talents of dancers and singers from 20 States at the National Folk Festival.

Two big automobile companies are spending $125,000 each to make the settings of their displays attractive. Three railroads are building a spur track on which their old and new rolling stock will be displayed. A $50,000 "plastic lady" constructed by German scientists will be shown.

A full-sized replica of Boomtown, linking together the progress of Oklahoma's oil industry and the State, is being made possible by major oil companies.

These unusual attractions at the exposition must share with the cooperative efforts of the people in almost every community in the State for the visitor's attention. I can't mention them all, but their variety is indicated by mention of the Cheyenne-Arapaho Day at Cheyenne, April 19; the Kick-Off Parade and '89ers celebration at Guthrie April 20 through April 23, the Semi-Centennial Exhibition of the Gilcrease Museum of American History and Art in Tulsa opening April 22, and the sports events at Enid, Norman, Lawton, Broken Bow, Bristow, Henryetta and Waynoka this month.

I want to extend a cordial invitation to attend any of these celebrations and to help Oklahoma celebrate its fiftieth anniversary as a State.

ADJOURNMENT OVER EASTER

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate House Concurrent Resolution 164 and further ask for its immediate consideration.

The PRESIDING OFFICER. The concurrent resolution will be stated.

The legislative clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That when the two Houses adjourn on Thursday, April 18, 1957, they stand adjourned until 12 o'clock meridian, Monday, April 29, 1957.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

AUTHORIZATION TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS AND RECEIVE MESSAGES DURING ADJOURNMENT

Mr. MANSFIELD. Mr. President, I submit an order, and ask for its immediate consideration.

The PRESIDING OFFICER. The order will be stated.

The legislative clerk read as follows:

Ordered, That the President of the Senate or President pro tempore be authorized during the adjournment of the Senate to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

Ordered further, That the Secretary of the Senate be authorized to receive messages during such adjournment from the House of Representatives.

The PRESIDING OFFICER. The question is on agreeing to the order.

The order was agreed to.

THE BUDGET

Mr. MORSE. Mr. President, I hold in my hand the release from the White House of April 18, 1957, setting forth the text of a letter of the same date addressed by the President to the Speaker of the House of Representatives. It deals, Mr. President, with some of the recommendations of the President relative to the budget. Parts of it dovetail with the comments I made a few minutes ago with regard to White House representations.

I point out that of the 6 recommendations made for a cut in his budget, 2 are directed against housing programs. With housing construction in a toboggan ride downhill today, all over the United States, with lumber mills in my State shutting down, and many of them on 3- and 4-day weeks, I am at a complete loss to understand the failure on the part of officials of this administration to get the facts to the President in regard to what is happening to the construction industry in this country.

My State has the highest rate of unemployment in the Nation today. One of the reasons it has this unenviable position is due to what is happening to the lumber industry as a result of the hard-money, high-interest-rate policy of this administration, and the record of this administration in cutting public housing to the point that great damage is being done to the construction industry. It hurts thousands of fellow Americans who ought to have decent housing, who come from the low-income groups, and from the slums of America, and who cannot buy housing unless we, the rest of the people, do the humanitarian job that we ought to do, in order to give the assistance, through the public housing program, to which they are entitled.

The six proposals of the President for cuts amount to about $1,042,000,000, and the housing cuts account for only $75 million of it. But that is an important $75 million, so far as the lumber industry is concerned. It is also important because it symbolizes very well the whole attitude of this administration in regard to housing.

The special assistance functions mentioned include cooperative housing, defense housing, disaster housing, and urban renewal housing, those mortgages not being purchased by institutional investments.

Mr. President, it also includes college housing. All one has to do is make a study of the college housing problem to realize what a problem it is. For the last 2 years I have been on the Banking and Currency Committee. I have worked under the statesmanlike leadership of the Senator from Alabama [Mr. SPARKMAN], who is chairman of the Subcommittee on Housing. I want to say the record is replete with evidence that we need to do a job, and do it quickly, with regard to this matter of college housing.

So I am aghast and greatly disappointed that the President of the United States, in his message to the Speaker of the House, would be making the suggestion, and I read from the message:

Fourth, that the investment of the Federal National Mortgage Association in special assistance functions be reduced from $250 million to $200 million, a reduction in new spending authority of $50 million,

Fifth, that the college housing authorization be reduced from $175 million to $150 million, a reduction in new spending authority of $25 million.

I want to say to every operator of a large lumber mill who opposed me last November, "How do you like it? What do you think of it? I warned you during the campaign that the reelection of the administration would not bring about the relief and assistance to which the lumber industry is entitled."

I had the support of the small operators. They were already wise, but some of the big boys thought maybe the administration would change. Yet the record begins to show clearly what I forewarned during the campaign. This administration simply is not going to support a program that is essentially needed, in order to regenerate the construction industry, and put people back to work, increase employment in this segment of our economy.

I think it is a most regrettable thing that we have these recommendations from the President of the United States. That is not sound economy, Mr. President. It is false economy that he proposes. Not only that. Let me say that kind of economy is not in the interest of a sound business program for the construction industry of this country.

I certainly hope the businessmen in this field will make very clear to the President of the United States what they think of it. I will let the President in on a secret—those businessmen do not think much of it.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, April 18, 1957, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 70) requesting the President to proclaim the week of April 28 to May 4, 1957, inclusive, as National Mental Health Week.

ADJOURNMENT TO APRIL 29, 1957

Mr. MANSFIELD. Mr. President, pursuant to the terms of the concurrent resolution previously agreed to, I move that the Senate do now adjourn.

The motion was agreed to; and (at 3 o'clock and 20 minutes p. m.) the Senate adjourned, the adjournment being in accordance with the terms of House Concurrent Resolution 164, until Monday, April 29, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 18 (legislative day, April 17), 1957:

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

C. Douglas Dillon, of New Jersey, to be United States Alternate Governor of the International Monetary Fund and the International Bank for Reconstruction and Development for the term of 5 years.

APPRAISER OF MERCHANDISE

Elie N. Khouri, of New York, to be appraiser of merchandise in customs collection district No. 10, with headquarters at New York, N. Y., vice Alcer J. Couri, resigned.

IN THE ARMY

The following-named officers to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant generals

Lt. Gen. Thomas Wade Herren, O7430, Army of the United States (major general, U. S. Army).

Lt. Gen. Alonzo Patrick Fox, O6434, Army of the United States (major general, U. S. Army).

Lt. Gen. Laurin Lyman Williams, O6425, Army of the United States (major general, U. S. Army).

The following-named officers for appointment in the Regular Army of the United States to the grades indicated under the provisions of title 10, United States Code, sections 3284, 3306, and 3307:

To be major general, Medical Corps

Maj. Gen. Paul Irwin Robinson, O17802, Army of the United States (brigadier general, Medical Corps, U. S. Army).

To be brigadier generals, Medical Corps

Brig. Gen. John Frederick Bohlender, O17814, Army of the United States (colonel, Medical Corps, U. S. Army).

Brig. Gen. Jack William Schwartz, O17823, Army of the United States (colonel, Medical Corps, U. S. Army).

To be brigadier general, Dental Corps

Brig. Gen. Clarence Price Canby, O17904, Army of the United States (colonel, Dental Corps, U. S. Army).

To be brigadier generals

Maj. Gen. John Francis Regis Seitz, O17734, Army of the United States (colonel, U. S. Army).

Maj. Gen. Ralph Copeland Cooper, O17741, Army of the United States (colonel, U. S. Army).

Maj. Gen. David Haytor Buchanan, O17746, Army of the United States (colonel, U. S. Army).

Maj. Gen. Herbert John Vander Heide, O17754, Army of the United States (colonel, U. S. Army).

Maj. Gen. Normando Antonio Costello, O17764, Army of the United States (colonel, U. S. Army).

Brig. Gen. Lloyd Roosevelt Moses, O29362, Army of the United States (colonel, U. S. Army).

Maj. Gen. Eugene Fodrea Cardwell, O38662, Army of the United States (colonel, U. S. Army).

Brig. Gen. Briard Poland Johnson, O29393, Army of the United States (colonel, U. S. Army).

Maj. Gen. Robert William Porter, Jr., O18048, Army of the United States (colonel, U. S. Army).

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of title 10, United States Code, sections 3442 and 3447:

To be major general

Brig. Gen. Stuart Gross Smith, O16369, Medical Corps, United States Army.

Brig. Gen. David William Traub, O17110, Army of the United States (colonel, U. S. Army).

To be brigadier general

Col. John William Cave, O18388, United States Army.

Col. Alden Kingsland Sibley, O18964, United States Army.

The officers named herein for promotion as Reserve commissioned officers of the Army under the provisions of the Reserve Officer Personnel Act of 1954, Public Law 773, 83d Congress:

To be brigadier general

Col. Walter Duryee Lamon, Jr., O403168, Artillery, National Guard of the United States.

Col. James Haydon Weyhenmeyer, Jr., O415260, Armor, National Guard of the United States.

Maj. Gen. Andrew Thomas McNamara, O17324, Army of the United States (colonel, U. S. Army), for appointment as the Quartermaster General, United States Army, and as major general in the Regular Army of the United States, under the provisions of title 10, United States Code, section 3036.

Brig. Gen. Thomas North, O11879, United States Army, for temporary appointment as major general in the Army of the United States under the provisions of title 10, United States Code, sections 3442 and 3447.

HOUSE OF REPRESENTATIVES

THURSDAY, APRIL 18, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Most merciful and gracious God, unto no one else can we draw so near and ask for so much and unto none can we unburden ourselves so freely and completely.

During these days of Holy Week we are turning our thoughts to that lowly Man of Galilee who shouldered a Roman cross and staggered out to a hill called Calvary to die upon it.

Our hearts are stirred with humility and gratitude as we think of the wonder and beauty of the self-giving love of our blessed Lord, who never harmed or hated anyone.

In the hour of His deepest pain and agony He whispered into the ear of the Eternal a petition of pity and compassion: "Father, forgive them, for they know not what they do."

Inspire us to pray and labor for that glorious day when the hot embers of ill will and hatred in the heart of men and nations shall be put out forever.

Hear us in the name of the Christ, our Saviour, and the risen Lord, in whom we find our hope and assurance of eternal life. Amen.

The Journal of the proceedings of yesterday was read and approved.

THE FEDERAL BUDGET—COMMUNICATION FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 155)

The SPEAKER laid before the House the following letter from the President of the United States, which was read, referred to the Committee on Appropriations, and ordered printed:

THE WHITE HOUSE,
Washington, D. C., April 18, 1957.

The Honorable SAM RAYBURN,
Speaker of the House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: I am sure many Members of the Congress are as gratified as I am to note the growing awareness of private citizens that the dollars spent by the Federal Government are in fact their own dollars, and that Federal benefits are not free but must be paid for out of taxes collected from the people. It is good to see this realization developing into a widespread insistence that Federal activity be held to the minimum consistent with national needs. As this sentiment grows, our country will be strengthened in many ways.

The evident responsiveness of the Congress to this attitude I find equally encouraging. I assure you and your colleagues that the executive branch will continue to cooperate fully with Members of the Congress who work for sensible control of Federal spending.

In House Resolution 190 adopted last March, I noted the assertion that the public interest requires a "substantial reduction" in the 1958 budget and also the request that I advise the House where a reduction of that magnitude could best be made.

You will recall that last January, immediately after the budget was presented to the Congress, I requested the Director of the Bureau of the Budget to resurvey the expenditures of every department and agency in an effort to find additional items that could properly be reduced. I have kept in close touch with those efforts. Some of the principal results are outlined in this letter.

You realize, of course, that the 1958 budget, as all Federal budgets, is in effect, two budgets within one. One consists of requests for new spending authority which enables Federal agencies to obligate themselves to make expenditures sometime in the future. The other concerns the actual expenditures of the agencies in the next fiscal year. These expenditures will be made partly pursuant to spending authority granted in previous years and partly under new spending authority. For example, one-third of the total actual expenditures in the 1958 fiscal year will be made pursuant to spending authority granted not on the basis of the 1958 budget but on the basis of spending authority requested in earlier budgets. This problem I emphasize because of its importance in appraising the effect of cuts in new spending authority which, one might assume, will reduce the level of current spending, but in fact may affect only future spending.

The House resolution, for instance, does not distinguish between these two budgetary problems, so it calls for a substantial reduction, I assume, applied to both and contemplates the reduction of both by a considerable number of billions of dollars.

There are thousands of items in the budget, each an individual fiscal plan to carry forward a new program or a program previously authorized by the Congress. The preparation of these items begins long before the Congress acts, with the result that the budgetary process places a high premium on judgment and foresight. Because departmental needs must be forecast a year or more in advance, no responsible official would realistically contend that every estimate for every item is precisely correct and could be changed only at the risk of serious public injury, or that the funds requested are certain to meet all future needs.

Nevertheless, painstaking efforts were made in preparing the budget to pare to the minimum all projected expenditures and programs, whether large or small. Estimates were substantially reduced before the budget document was submitted to the Congress, and at my request a searching reexamination by all departments and agencies has continued to go forward since that time in an effort further to reduce expenditures whenever possible. I will later discuss possible reductions in new spending authority disclosed by these months of continuing review.

Before turning to budgetary specifics, however, I invite attention to certain general guidelines that, to the extent existing law permitted, were applied in formulating the 1958 budget. These may be helpful to the House in reaching its own budgetary decisions:

First, the Federal Government should undertake only essential activities that the people cannot sufficiently provide for themselves or obtain adequately through private voluntary action of local or State government. Both the Congress and the executive branch should adhere closely to this principle in the interest of sound, economical government.

Second, in times like these Government spending should be held below income in order to lead the way to further reductions in taxes and the public debt.

Third, all governmental expenditures should remain under close scrutiny in the interest of strict economy and, in the currently prevailing prosperity, to help relieve competing demands for economic resources.

Such guidelines have proved their practical worth. Today Federal civilian employees are almost a quarter of a million fewer than in January 1953. The $7.4 billion tax cut in 1954 has already saved our people almost $25 billion in taxes. For the first time in a quarter of a century we have in prospect three balanced budgets in a row. In fiscal year 1956 the surplus was $1.6 billion. It promises this fiscal year to be about the same size, and next year perhaps as much as $1.8 billion. If we hold to this course, we should have paid in these 3 years about $5 billion on the public debt, and the annual necessity to raise the statutory debt limit should have become a thing of the past.

By adhering to the same or similar guidelines, the House can help continue the progress already made.

Regarding the House appeal for guidance on specific budgetary items, I will comment first on the actual expenditures projected for next fiscal year and will later discuss possible reductions in new spending authority.

At the outset, we need to remind ourselves that, as in every household budget, all Federal expenditures are not equally subject to control. Many Federal expenditures are rigidly prescribed by law. Others are bills that simply have to be paid. In the 1958 fiscal year, such unavoidable expenditures will total about $17.6 billion, or 24 percent of all Federal expenditures. These funds must be spent for such items as veterans' pensions, public assistance, and the interest on the public debt. The substantial reduction called for by House Resolution 190 cannot be made in this part of the budget until and unless the Congress revises or repeals the governing laws.

In the second place, 63 percent of projected expenditures next fiscal year—some $45 billion—will support programs related to the protection of our country. Departmental estimates in this area were most carefully examined and prudently reduced before they were sent to the Congress. I foresee no early lessening of international tensions and dangers as would justify a significant downward revision in our defense and related programs. The fact is, as we carry forward our efforts for more peaceful world conditions, rapid technological advances in ships, aircraft, nuclear weapons, missiles, and electronics press constantly for more, not fewer, Federal dollars. I most solemnly advise the House that in these times a cut of any appreciable consequence in current expenditures for national security and related programs would endanger our country and the peace of the world.

The remaining expenditures projected in the budget approximate $9 billion, 13 percent of the total. These support the rest of the Federal Government—such activities as public health, the various housing programs, all operations of most executive departments, and civil functions of the Corps of Engineers, the nationwide functions of the General Services Administration, the worldwide operations of the Department of State. Additional savings in such widely varied activities may well be found by the executive branch and the Congress. But a multi-billion-dollar reduction as evidently envisaged by the House resolution would destroy or cripple many essential programs if concentrated in this limited area of the budget.

Thus, it is clear that a "substantial reduction" in Federal expenditures next fiscal year in keeping with House Resolution 190, whether in any one or a combination of these major segments of the budget, would weaken the Nation's defenses, or cut back or eliminate programs now required by law or proposed in the public interest, or both. That forces the conclusion that a multi-billion-dollar reduction in 1958 expenditures can be accomplished only at the expense of the national safety and interest.

Turning now to requests for new spending authority, as distinguished from actual expenditures, we find a more promising outlook. Budgetary reviews since last January have disclosed the feasibility of postponing certain of these requests without serious damage to program levels. A number of the following actions, which I commend to the House, I have already suggested:

First, that new spending authority for the military assistance portion of the mutual security program be reduced by $500 million. This reduction results mainly from new management techniques through which lead-time financing has been reduced (notably for spare parts), maintenance support not justified by the rate of consumption of our allies has been eliminated, and items have been removed from grant aid which countries can now pay for themselves. If the funds previously appropriated are continued available, this reduction will not impair the operation of military forces of other countries at mutually agreed levels.

Second, that, by delaying less urgent projects, new spending authority for military public works be reduced by $200 million.

Third, that resulting from new projections of its operating rate and related financial requirements, the new spending authority for the soil-bank program be reduced by $254 million.

Fourth, that the investment of the Federal National Mortgage Association in special assistance functions be reduced from $250 million to $200 million, a reduction in new spending authority of $50 million.

Fifth, that the college housing authorization be reduced from $175 million to $150 million, a reduction in new spending authority of $25 million.

Sixth, that resulting from adjustments of construction schedules, the new spending authority of the Corps of Engineers be reduced by $13 million.

The House may wish to give attention to an additional item of $516 million requested for Army procurement and production. The existing authority, granted by the Congress during the Korean war, plus certain reimbursements received since then have made it unnecessary to request new spending authority for this purpose in recent years. Beginning in fiscal year 1959, the Army's need for such spending authority will recur. The $516 million item is requested now to enable the Army to phase efficiently into this new period and to ease the impact of this adjustment in fiscal year 1959. At the expense of efficient programing, the sum can be withheld if the House so chooses. Such action would, of course, increase by $516 million the large amount that will have to be authorized for Army procurement and production in fiscal year 1959.

Exclusive of the Army item just mentioned, but including a possible reduction of $300 million in the amount budgeted for contingent expenses, these reductions and postponement total $1,342,000,000. Once again I remind the House that less than half of this reduction in new spending authority can be reflected in reductions in expenditures during the next fiscal year, and part of these expenditure reductions will have to be restored in the future. Such expenditure reductions as may result, however, will add to the $1,800,000,000 surplus already projected by the budget. Given continuation of healthy economic growth and of strict expenditure control, these figures combined will begin to lay a firm fiscal foundation for the time when we can be sufficiently assured that our income will so exceed our expenses as to justify a reasonable tax cut for every taxpayer while we continue to reduce the Government's debt.

I am, of course, aware of the cuts thus far proposed by the House. These will be absorbed wherever possible without serious injury to programs essential to the public interest. Where such cuts cannot be so absorbed, the executive branch must and will seek restoration of the needed funds. Some of the House cuts have involved large sums that the executive branch is compelled by law to pay. Cuts of that kind do not save money and must be later restored through supplemental appropriations unless the governing statutes are revised.

Aside from scrutinizing individual expenditures and reducing new spending authority as suggested above, I strongly urge the House also to improve the Federal budgetary situation by taking such steps as these, most of which I have urged before:

First, adjust postal rates as soon as possible to reduce and eventually eliminate the postal deficit.

Second, establish interest rates for Government loan programs that will induce private funds to participate in their financing and, at the least, require that such rates cover the borrowing costs of the Federal Government.

Third, provide user charges as, for instance, for the use of Federal airway facilities, that will relieve the general public of having to subsidize governmental services affording special benefits.

Fourth, require State financial participation in Federal disaster assistance programs.

Fifth, encourage State and local groups to engage in partnership with the Federal Government in major water resources development.

Sixth, reject new projects not approved by the Board of Engineers for Rivers and Harbors and not reviewed by all interested parties, including the affected States; provide where appropriate for more local participation in approved projects; and withhold authorization and construction of all but urgently needed projects.

Seventh, enact bills approved by the administration to implement Hoover Commission recommendations, such as the authorization of appropriations on the basis of annual accrued expenditures and the extension of the Reorganization Act of 1949.

Eighth, establish procedures that will facilitate the return of surplus Federal land and other property to private, local, or State use.

Ninth, before adopting unbudgeted programs, project the costs they would impose on the Federal budget in years ahead, and reappraise the necessity for and rate of implementation of each program.

And, tenth, to help assure continuing economy on the part of the Congress as well as the executive branch, take action that will grant the President the power now held by many State governors to veto specific items in appropriation bills.

An improved budgetary situation and greater efficiency in our Government will result from prompt approval of these recommendations by the Congress. All elements of the budget, meanwhile, will remain under searching examination by the executive branch in its continuing effort to find additional savings, large or small, that are possible under existing law. Any additional reductions found possible in new spending authority will be promptly reported in the usual way to the Senate and House of Representatives.

Finally, I repeat that as this effort to hold Federal costs and activities to the minimum proceeds sensibly in the executive and legislative branches of our Federal Government, the public interest is bound to be well served.

Sincerely,

DWIGHT D. EISENHOWER.

THE PRESIDENT'S LETTER IN RESPONSE TO HOUSE RESOLUTION 190

Mr. CANNON. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, the letter from the President just read to us from the desk in response to the resolution of the House of March 12, has not been available long enough to permit full and final assessment of its contents, but we appreciate the President's cooperation in responding. We are grateful to him for any suggestions he makes which can be usefully applied to the 1958 budget situation, even at this late date. It is regrettable that we could not have had this letter earlier. We especially deplore the fact that if the President was going to propose these reductions, most of which seem to be delaying reductions, he did not do it when he first sent the budget to Congress in January.

Mr. Speaker, it may be well to recall the circumstances which prompted the House to adopt House Resolution 190. The President submitted his budget for 1958 on January 16 of this year. Measured in terms of both proposed new spending authority to obligate the Government, and estimated expenditures, it is the largest peacetime budget ever presented in the history of the Nation. It proposes the greatest taxes ever taken from the American people in time of peace or war. It proposes to continue in time of peace taxes originally levied in time of war. It proposes budget expenditures of $71.8 billion—$73.6 billion including the highway trust fund formerly carried in budget totals. It calls for enactment of $73.3 billion in new spending authority to obligate—$76.4 billion including the highway item.

In terms of estimated expenditures the budget for 1958 is—

First. About $3 billion above the current year;

Second. Between $5 billion and $6 billion more than last year;

Third. Between $7 billion and $8 billion more than the year before that;

Fourth. For other than major national security programs, proposed spending is 45 percent over fiscal year 1954; and

Fifth. Total spending on a comparable basis is only 1 percent below fiscal year 1953, which was a war year—the last fiscal year of the previous administration.

In terms of proposed new spending authority to obligate the Treasury, the budget for 1958 is—

First. Three billion two hundred million dollars above the current year; and

Second. It exceeds fiscal year 1956—which ended only 9 months ago—by $13.2 billion.

Since the day it was received, the President's budget has been widely condemned as excessive. Authorities have labeled it as inflationary. It has been repeatedly and severely criticized by the press of the Nation, by Members of the House and the Senate. Taxpayers from the four corners of the country have been bombarding the Congress to effectively reduce the budget and Government expenditures. The chief fiscal officer of the Government, the Secretary of the Treasury, decried the excessive budget in some of the most inflammatory statements ever heard on such an occasion. Other high officials of the executive branch have repeatedly suggested that the budget ought to be materially reduced. Secretary Humphrey aptly expressed what seemed to be the universal sentiment when he said, "It is the size of this budget, even though balanced, that concerns us."

So, Mr. Speaker, it was with the object of supplying the Committee on Appropriations and the House with all possible information for consideration in processing the budget and especially such changes in Presidential views as statements seemed to reflect that the resolution was adopted to formally solicit the advice of the President as to where he thought substantial reductions might best be made.

We were careful to point out that in nowise was it to be inferred that the committee or the House was abdicating their constitutional responsibility or that we necessarily would be guided by any recommendations that might be forthcoming. Our sole purpose was to secure facts and information which might indicate any change of policy since the budget had been transmitted to the House.

Cursory examination of today's letter from the President affords substantial basis for the impression that the President's suggestions will be of little or no help to the Congress in reducing expenditures, but we are nevertheless glad to have the President's comments and suggestions.

GENERAL BUDGET GUIDELINES

The President urges the House to adhere to guidelines which he says he followed in making the 1958 budget. By so doing, he suggests that the House "can help to continue the progress already made," evidently inferring that the pending budget proposes some progress toward economy and retrenchment. If the House should apply the guidelines in the manner the President did in making the budget I am afraid the Treasury would be bankrupt sooner than it will otherwise be if the inordinate expenditure and tax load proposed by the President is not effectively lightened.

The first guideline the President would have the House follow is appropriation for "essential activities that the people cannot sufficiently provide for themselves or obtain adequately through private voluntary action, or through local or State government." Mr. Speaker, the House will find it difficult to reconcile this statement with the fact that the President has included in his 1958 budget numerous new State-aid programs for purely local purposes and corresponding responsibilities running into the hundreds of millions of dollars. They include a wide range of projects and programs, such as State industrial safety, juvenile delinquency, aid to build community schools, local sewage treatment plants, local flood protection, and so on.

The second guideline is that "in times like these Government spending should be held below income in order to lead the way to future reductions in taxes and the public debt." This is truly a remarkable statement in the light of the fact that this budget rests for its precarious balance on continuation of wartime taxes in time of peace and proposes to continue the ever-increasing spending rate. It is, as noted earlier, some $3 billion above the current year, between five and six billion dollars more than last year, and between seven and eight billion dollars more than the year before that. It is of no comfort or relief to the overburdened taxpayers to say that we are making progress by keeping Government spending below income.

FEDERAL CIVILIAN EMPLOYMENT

The letter points with some pride to a reduction of almost 250,000 civilian employees since the President took office in January 1953. It is gratifying that Federal employment has come down, and it ought to come down further, but we should bear in mind that in January 1953 we were at war, the Defense Establishment was operating at wartime levels. Government arsenals and factories and installations were going full blast. While the total Federal employment has come down nearly a quarter of a million since then the fact remains that the President, in his budget for 1958, proposes to increase Federal civilian employment by 75,000 over the number on the rolls in June 1956. Whatever credit may be claimed for reduction in civilian employment from a wartime level, the indisputable fact is that the President's budget proposes to add some 75,000 additional employees. I failed to hear any mention of that discouraging fact as the Clerk read the letter to the House.

SPENDING BUDGET

The President's letter falls into three basic sections. The first deals with the $71.8 billion spending budget. The second deals with the $73.3 billion new obligational authority budget. And the last lists a number of steps which the President says would improve the Federal budgetary situation, especially in years beyond fiscal 1958.

As to the $71.8 billion spending budget the President offers no suggestion that would appreciably reduce spending in 1958. He flatly says that no substantial reduction can be made in this figure—that to do so, in his words, would "weaken the Nation's defenses, or cut back or eliminate programs now required by law or proposed in the public interest, or both. That forces the conclusion that a multi-billion-dollar reduction in 1958 expenditures can be accomplished only at the expense of the national safety and interest."

In other words, Mr. Speaker, the President in effect tells us precisely what he told us when he submitted his budget in January. In sum and substance he tells us that the $71.8 billion spending estimate is in the public interest for one reason or the other, or both. That is merely repetitious at this late date, and of no help to the committee or the Congress in processing the budget. To reach that conclusion the President cites several promises:

First. That $17.6 billion, or 24 percent of expenditures, are allocated to purposes "rigidly prescribed by law."

As to this category the President says that no substantial reduction can be made until and unless Congress revises or repeals the governing laws. The plain inference of this statement, pertaining to one-fourth of the budget, is that the President is merely following the mandates of Congress in including these items in the budget; that he has no responsibility for them; and that his role is limited to a routine, mechanical, ministerial function. Of course, the law which directs the President to submit an annual budget clearly provides that he shall include in it estimated expenditures and proposed appropriations "necessary in his judgment" for the support of the Government. He can fail—and it is his duty if he so determines—to decline to recommend money for any program even though authorized by law. Furthermore, if he believes that substantial retrenchment is of transcendent importance he is at liberty at all times to recommend modification or repeal of any law requiring expenditures "rigidly prescribed by law." But he has not done so.

Second. Some $45 billion, or 63 percent of all expenditures, are allocated to national defense or security programs.

This of course is the largest single area of expenditure and it is probably the most fruitful for retrenchment. Military spending is universally conceded to be the area of greatest waste, but what does the President suggest? He says that this area will require more, not fewer, Federal dollars in time to come and furthermore, he "solemnly advises" that in these times a cut of any "appreciable consequence" in current spending would endanger the Nation and the peace.

So, Mr. Speaker, the President thus disposes of another 63 percent of his spending budget. And that is the largest of the appropriation bills yet to come before the House. Here especially there was every expectation and hope that the President would come forward with helpful suggestions for substantial economies.

Third. Nine billion dollars, which is the remaining 13 percent of the spending budget, embraces all other functions of Government.

Here the President suggests that additional savings may well be found, but "a multi-billion-dollar reduction as evidently envisaged by the House resolution would destroy or cripple many essential programs if concentrated in this limited area of the budget." We are somewhat puzzled by the assumption of the President that the House resolution somehow was directed solely at the 13 percent segment. In point of fact, the resolution referred only to substantial reductions in the entire budget, not in any particular segment of it.

THE NEW SPENDING (OBLIGATIONAL) AUTHORITY BUDGET

The President's January budget proposed "new spending (obligational) authority" of $73.3 billion for 1958, an increase of about $3.2 billion above the current year. This includes numerous new programs not heretofore embarked upon and expansion of many existing activities and projects.

As to this request, the President says, "We find a more promising outlook." Appropriation bills are cast in terms of new obligating or spending authority, and it is in this respect that we had hoped that the President would be responsive to the resolution.

But examination of the President's suggestions discloses that with 1 or 2 relatively minor exceptions no material assistance is submitted for effective and durable budget reductions.

The first suggestion commended to the House is that the military assistance portion of the mutual security program, included in the budget at $2,450 million, be reduced by $500 million. His explanation for this reduction, which presumably will be taken into account when the basic legislative proposal is submitted later, clearly implies that an indeterminate portion of the proposed reduction will be in the nature of a postponement rather than a true saving. The second item, $200 million for military public works, can be secured "by delaying less urgent projects."

Mr. Speaker, note the word "delaying." In other words, a delay or postponement, not definite expenditure saving. The third item is a reduction of $254 million in the request for the soil bank program. A budget amendment to this effect has already been received by the House. While this appears to be a valid revision, it is pertinent to note that it results from "new projection of its operating rate and related financial requirements."

Thus far, Mr. Speaker, the suggested reductions fail to warrant the conclusion that they represent any lessening of the ultimate burden on the taxpayer. In adopting the resolution, the House hoped that a substantial reduction of a durable nature would be suggested, such as the next two may possibly be. These involve a total of $75 million through reduction of the special assistance function of the Federal National Mortgage Association and a lowering of the request for the college housing authorization.

The sixth proposal, which has already been received in budget amendment form, reduces the rivers and harbors construction program by $13 million, most of which merely represents slippages in construction schedules and will have to be appropriated at a later date, possibly with additional amounts to cover administrative costs which naturally continue for longer periods on projects which are slowed down. Here again, Mr. Speaker, the suggestion is not to delete any project—merely taking account of slippage—and thus no ultimate saving to the Treasury.

In addition to these specific items the President suggests a "possible"—note the word "possible"—reduction of $300 million in the amount budgeted for contingent expenses—that is, the customary reserve included for items not specifically enumerated in the January budget. These items aggregate $1.342 billion which, of course, is still far short of offsetting the approximate $3 billion increase requested by the President in his January budget and, as noted, much of the $1.342 billion is identified as "postponement," "delay," and "adjustment."

An intriguing item mentioned is $516 million requested for Army procurement and production. The President labels this as another "delay," not a savings, pointing out that if deleted from the 1958 budget it would have to be resubmitted in the 1959 budget. He invites withholding this amount for 1958 "if the House so chooses," but only "at the expense of efficient programing." The value of this information is questionable as a response to the House request for facts as to places where reductions can best be made. We will, of course, explore the claim that this reduction can be made only at the sacrifice of efficiency.

These sundry suggestions will, indubitably, be taken into consideration in processing the budget, but they offer no substantial basis for effective retrenchment. In fact, after offering the list, the President makes this flat and amazing admission:

> Once again I remind the House that less than half of this reduction (this $1.342 billion) in new spending authority can be reflected in reductions in expenditures during the next fiscal year, and part of these expenditure reductions will have to be restored in the future.

It is truly a remarkable circumstance that the President would first submit this detailed list and then immediately discredit its validity by admitting that it will have no real effect and that much of it will have to be restored in the future.

The House had hoped that a more searching scrutiny of budgeted increases would supply information on possible program levels leading to worthwhile reductions in the budget.

STEPS TO IMPROVE FEDERAL BUDGETARY SITUATION

Mr. Speaker, the third and final phase of the President's letter deals with a number of steps which he urges upon Congress as improvements in the Federal budgetary situation primarily as regards future years. I do not see that by and large they concern the immediate problem before the Committee on Appropriations, which is to process the 1958 budget. They involve a number of proposals for legislation of concern to the various legislative committees of the House. Nevertheless, we appreciate the President calling them to the attention of the House. More time is needed to study and evaluate several of these proposals, but I notice that one of them again urges the Congress to adopt legislation to effectuate the Hoover Commission proposal for stating appropriations on the so-called annual accrued expenditure basis. The Committee on Appropriations in a recent report effectively exploded and discredited this costly and impracticable scheme which has been oversold through misleading propaganda claiming virtue for the plan when the facts show that if adopted it would cost money rather than save money.

Another suggestion having future budgetary implications is that interest rates for Government-loan programs be increased so as to induce private funds to participate in their financing. I am certain the ramifications of this suggestion warrant careful and searching scrutiny by the legislative committees.

The President closes with the promise that any additional reductions found possible in new spending authority will be promptly reported in the usual manner to the Congress. It is to be hoped, Mr. Speaker, that the President will come forth at an early date with substantial suggestions for reductions of lasting quality. He has certainly not done so today.

THE HOUSING ACT OF 1957

Mr. TALLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include a section-by-section analysis of a bill.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. TALLE. Mr. Speaker, I have today introduced a housing bill, H. R. 7024, which, at the proper time when the House is considering housing legislation, I intend to offer as a substitute for the housing bill which has been reported by the committee.

This new bill seeks to resolve the conflicts which have arisen over the committee reported bill. With the removal of the provisions which have caused the committee jurisdictional conflict, it seems desirable to provide further liberalization in certain other provisions of the bill.

The new bill, which is patterned after the committee reported bill, omits the three provisions of the committee reported bill to which objection has been raised by the Veterans' Affairs Committee. These are, first, provisions which would have created a special veterans' housing program within the FHA; second, the provision which would have permitted the transfer of part of the veterans' life insurance fund from investment in Government bonds to investment in mortgages; and third, the provision which would have established authority for permissive discount control and has been interpreted as introducing into the VA home loan program a mechanism for varying the effective interest return on GI home mortgages.

The new bill, as did the committee reported bill, provides for an across-the-board liberalization of FHA loan-to-value ratios for sales-type housing. Stated conversely, this means lower downpayment requirements. The new bill would "bulge" FHA loan-to-value ratios in the intermediate price bracket, namely, the $10,000 to $16,000 homes. The committee reported bill would have permitted FHA insured loans up to 96 percent of the first $10,000 of value, 80 percent of the next $6,000 of value, and 70 percent of the remaining value up to a maximum mortgage of $20,000. The new bill would retain the 96 percent limit on the first $10,000 of value, but increase from 80 percent to 90 percent the permitted loan-to-value ratio on the next $6,000 of value and retain the 70 percent limitation on the value in excess of $16,000 up to the permitted mortgage amount of $20,000. The liberalization proposed will take place primarily in the intermediate home price brackets where most of present day housing production occurs. Although the committee reported bill would have limited the liberalized mortgage terms to FHA section 203 sales-type housing, the new bill would make conforming liberalizing changes applicable to other sections of the FHA Act dealing with sales-type housing.

The committee-reported bill would have increased the Treasury preferred stock investment in the Federal National Mortgage Association by $100 million. Since the Federal National Mortgage Association may borrow 10 times the amount of its stock and surplus this would be an effective increase in the mortgage purchase authority of FNMA of $1 billion. The new bill proposes that the Treasury investment in preferred stock of FNMA be increased by $150 million which, of course, means the effective mortgage purchase authority of FNMA would be increased by $1.5 billion. A conforming increase would be made in FNMA's Treasury backstop borrowing authority.

The new bill omits three amendments proposed in the committee-reported bill which relate to the operations of the Federal National Mortgage Association. The effect of those amendments would have been to restrict further the operational authority of FNMA with the result that the Federal Government inevitably would be called upon to assume the financing of a larger portion of certain FHA programs than is now the case.

The few remaining departures from the committee-reported bill are of relatively minor significance.

I have introduced this bill in order that the Members of the House may have

this proposal before them when they go home over the recess. The following is a brief section-by-section statement of the provisions of the bill—I hope the Members will find this of help and interest in discussions they may have with their constituents:

SECTION-BY-SECTION OF HOUSING ACT OF 1957

(Introduced by Mr. TALLE April 18, 1957)

SECTION 1. SHORT TITLE

This section would provide that the act may be cited as the "Housing Act of 1957."

Title I—FHA insurance programs

Sections 101–103. Lower Downpayments for Sales Housing

Section 101: Increase in maximum loan-to-value ratios—FHA section 203 mortgages on 1- to 4-family homes. This section would amend section 203 of the National Housing Act by liberalizing the loan-to-value ratio limits on mortgages insured by FHA under its regular sales housing program. As amended by this section, the amounts of mortgages insured by FHA under section 203 would be limited to 96 percent of the first $10,000 of appraised value of the property, plus 90 percent of the next $6,000 of appraised value, and plus 70 percent of appraised value in excess of $16,000 up to the maximum dollar amount permissible.

Where the mortgagor is not the occupant of the housing (as in the case of a builder-mortgagor) the mortgage would continue, as in the present law, to be limited to a maximum of 85 percent of the mortgage amount available for owner-occupants.

The increase in loan-to-value limits provided under this section would also be applicable to sales-type cooperative housing mortgages which under the provisions of section 213 of the National Housing Act can be insured under section 203.

Under the present provisions of section 203, the loan-to-value ratios for owner-occupants are limited to 95 percent of the first $9,000 of the value of the home plus 75 percent of the value in excess of $9,000 (except that the President can increase this latter limit to 95 percent of $10,000 and 75 percent of the amount over $10,000 if he considers such action to be in the public interest).

Section 101 (c): Increase in maximum mortgage amounts—FHA single-family homes in suburban and outlying areas. This subsection would amend section 203 (i) of the National Housing Act to increase from 95 percent to 96 percent the maximum loan-to-value ratio of mortgages insured by FHA under that section covering single-family homes in suburban and outlying areas. A corresponding change (from $6,650 to $6,750) would be made in the maximum dollar limit. These increases would make the mortgage terms under this program consistent with the regular FHA sales housing program as it would be amended by this bill.

Existing provisions of section 203 (i) which expressly permit a person or corporation other than the mortgagor to advance all or part of the downpayment on a house would be deleted by this subsection. The deleted provision would no longer be necessary if section 101 (b) of the bill is enacted, making applicable to section 203 (i) of the National Housing Act the same provisions relating to secondary financing as now apply to sales housing for the elderly.

This subsection would also eliminate the reference in the existing section 203 (i) to insurance of mortgages on a "farm income on a plot of land, 5 or more acres in size adjacent to a public highway." This statutory language does not add to the Commissioner's other authority which presently is broad enough to permit insurance on mortgages on acceptable suburban or farm properties.

Section 102: Increase in maximum ratio of loan to value—section 220, urban renewal housing. This section would amend section 220 of the National Housing Act to increase the maximum mortgage amounts on urban renewal sales housing based on ratio of loan to replacement cost, so that they would be consistent with the increased ratios of loan to value in the regular FHA sales housing program as it would be amended by this bill.

Subsection (b) of this section is a technical amendment necessitated by a change in language made by subsection (a).

Section 103: Increase in mortgage amounts—FHA mortgage on housing for servicemen. This section would amend section 222 of the National Housing Act to increase the loan-to-value ratio from 95 percent to 96 percent for insured mortgages covering housing for servicemen. A corresponding increase (from $17,100 to $17,300) would be made in the maximum dollar limit for the mortgage. These changes would be consistent with the increases under the bill for mortgages insured under section 203.

Sections 104–110. Other Provisions Relating to FHA Insurance Programs

Section 104 would amend section 2 of the National Housing Act to provide that any payment for loss made to an approved financial institution thereunder shall be final and incontestable after 2 years from the date on which the claim was certified for payment by the Commissioner, in the absence of fraud or misrepresentation. The effect of this amendment would be to prevent the Federal Housing Commissioner from demanding that a title I lender repurchase a home improvement loan (on the ground that the loan was ineligible for the insurance on which FHA paid its claim) after such 2-year period has expired. Under present law there is no statute of limitations applicable to title I insurance payments, and in many cases a long period of years will elapse before some type of information is discovered which indicates that the claim would not have been paid if all the facts had been known to FHA at the time the lender's claim was allowed; the lender is in effect required to create a contingent reserve, since it cannot be assured that the payment of claim is final. This amendment would not be made effective until January 1, 1958.

Section 105 would add to section 204 of the National Housing Act a new subsection (k) which would permit the Federal Housing Commissioner to reimburse mortgagees for reasonable expenditures made to protect property during the period commencing with the institution of foreclosure proceedings and continuing until such time as the Commissioner takes title to the property, in order to encourage such mortgagees to make the relative small expenditures required during this period to protect the property from vandalism and damage by the elements and for necessary repairs and maintenance. This period represents a minimum of several months and may, in States having statutory redemption rights, extend to as long as 18 months. A further provision of the new subsection (k) would permit the Commissioner to terminate the mortgagee's obligation to pay mortgage insurance premiums as soon as an application for debentures has been filed. Mortgagees are now required to pay such premiums up to the date of acceptance of title, and FHA then includes in the debentures amounts to compensate the mortgagees for such expenditures. This results in unnecessary duplication, in that the FHA billing and collecting of insurance premiums after the filing of a claim for debentures is followed by the repayment of the premiums to mortgagees, with interest, within a limited time. In order to provide a consistent treatment to mortgagees' applications in the various sales housing programs, the scope of the proposed amendment includes all sales-type programs, including sections 603 and 903 as well as 203.

Section 106 would clarify existing provisions relating to FHA debenture interest rates. In conformity with the provisions of section 224 of the National Housing Act, added in 1954, a debenture interest rate was established in December 1956 at 3¼ percent. In sections 204, 207, and 808 of that act, however, there remain obsolete references to the former maximum rate of "3 percent per annum." FHA has interpreted section 224 as being controlling and has published a debenture interest rate in excess of 3 percent notwithstanding the references to 3 percent contained in sections 204, 207, and 803. To remove this point of confusion, section 106 of the bill would strike out the obsolete references and insert in each of those sections an express reference to the section 224 interest-rate formula.

Section 107 would amend the special provisions of section 207 of the National Housing Act which relate to rental housing for the elderly. The amendment would permit a mortgage to be in an amount up to $8,400 per family unit where the mortgage is given by a nonprofit organization to finance an elevator-type rental housing project which is to be used and occupied entirely by elderly persons. Under present law there is no provision for higher mortgage amounts per unit for elevator-type structures for the elderly; the limit is $8,100 for all rental housing projects financed under the special provisions of section 207 for the elderly. This amendment would place rental housing for elderly persons on a par with other rental housing under section 207. The section 207 special provisions relating to rental housing for the elderly would also be amended to make it clear that units in such housing could be designated for and occupied by single elderly persons.

Section 108 is technical, merely repealing an obsolete provision in section 207 of the National Housing Act.

Section 109 would make the provisions of section 204 (j) of the National Housing Act (which are now applicable to individual home mortgages insured under sec. 203 of that act) applicable to individual home mortgages insured under sections 213, 220, 221, and 222 of that act. Section 204 (j) permits termination of the mortgagee's liability for payment of mortgage insurance premiums in those cases where the mortgagee forecloses on the mortgaged property but gives the Commissioner notice (which terminates FHA's insurance liability) that it does not intend to convey the property to FHA in exchange for debentures, or where the mortgage has been prepaid in full.

Section 110 would amend section 219 of the National Housing Act, which authorizes the transfer of moneys among certain FHA insurance funds, by adding the section 221 housing insurance fund and the servicemen's mortgage insurance fund (sec. 222) to the list of the insurance funds among which such transfers are authorized. The omission of these two funds from the provisions of section 219 could create a situation which would make it necessary under unfavorable circumstances to call upon the Treasury to redeem debentures issued by them even though ample resources for this need may be available in one or more of the other funds enumerated in section 219. Also, inclusion of these two funds within section 219 would permit transfers, as required, from these funds to other insurance funds which are now included under section 219. It should be noted that the section 203 mutual mortgage insurance fund is not now one of the funds enumerated in section 219, and that such fund would not be affected by section 110 of the bill.

Title II—Secondary mortgage market

Section 201. Capitalization of Federal National Mortgage Association

Subsection (a) would amend section 303 (b) of the National Housing Act so as to change the amount of FNMA stock which a mortgage seller must purchase under FNMA's regular secondary market operations. Under present law FNMA can increase without limit the amount of the required stock purchase; the only restriction is that it cannot be less than 1 percent of the mortgage amount. By regulation the requirement is currently 2 percent. The amendment made by this subsection would establish the maximum stock purchase requirement at 2 percent and retain the minimum at 1 percent.

Subsections (b) and (c) would amend section 303 (d) and (e) of the National Housing Act to increase the capitalization of FNMA's regular secondary market operations by $150 million (in addition to the $50 million increase recently authorized by Public Law 85-10). To accomplish this increase FNMA would deliver to the Secretary of the Treasury an additional $150 million of its preferred stock in exchange for an equal amount of its notes held by the Secretary under the interim borrowing arrangements followed in connection with the secondary market operations. The total borrowing authority under the 10-to-1 ratio (FNMA may borrow up to 10 times the sum of its capital and surplus) would thereby be increased by $1.5 billion, bringing the total borrowing authority to approximately $3.1 billion from the present level of approximately $1.6 billion.

Section 202. Treasury Purchase of FNMA's Obligations

This section would amend section 304 (c) of the National Housing Act to increase to $3.1 billion the maximum amount of FNMA's secondary market operation obligations which the Secretary of the Treasury can acquire, to correspond with the increased borrowing authority provided under the amendments made by section 201 of the bill.

This type of authority provides principally a form of Treasury backstop which assures a ready source of funds under emergency conditions when private investors might be unable or unwilling to purchase FNMA's notes. It also furnishes, of course, additional assurance to private investors that FNMA has a source of liquid funds with which to pay off maturing notes in any unforeseen circumstance in which neither liquidation of the portfolio nor refinancing might be feasible.

Section 203. Special Assistance Functions

Subsection (a) would increase from $200 million to $450 million the amount authorized for the purchase of special assistance mortgages by FNMA. The new aggregate amount of $450 million for the purchase of home mortgages would supplant the present authorizations of (1) $200 million for the purchase of whole mortgages and (2) $100 million for the purchase of 20-percent immediate participations in mortgages. (This amendment would not affect the special FNMA revolving funds which are available for cooperative housing and for military housing.) The amendment would thus merge the so-called participation funds into the whole-mortgage funds and, in addition, increase the aggregate amount available. No use has been made by lenders of the special provisions for purchasing mortgages on a participation basis.

Subsection (b) would authorize an additional $300 million for special assistance for the armed services mortgage-insurance program (title VIII of the National Housing Act and related statutes).

Section 204. FNMA Payments in Lieu of Taxes

This section would change the formula for computing the amount which FNMA must pay to the Secretary of the Treasury, as the equivalent of Federal income taxes, with respect to its secondary market operations. It would provide for the deduction from FNMA's gross income, in addition to all expenses and other deductions which would be authorized by law if FNMA were not exempt from such taxes, of any amounts paid by FNMA to the Secretary of the Treasury as a return on his investment in FNMA's securities. Such amounts would include payments made as a return on Treasury advances on account of notes, stock, or debentures.

Title III—Slum clearance and urban renewal

Section 301. Increased Authorization

This section would amend section 103 (b) of the Housing Act of 1949 so as to increase the present capital grant contract authorization for urban renewal by an additional $250 million on July 1, 1957.

Section 302. Urban Renewal Relocation Payments

This section would authorize the Housing and Home Finance Administrator, in his rules and regulations, relating to urban renewal payments, to permit local public agencies to make such relocation payments for moving expenses of individuals and families in fixed amounts, without the necessity of investigating the actual costs incurred in each case, where the claim for such expenses does not exceed the amount specified in the regulations. In no event, however, could any amount or amounts fixed by the Administrator under this amendment exceed the present $100 statutory maximum.

Section 303. Local Grants-in-Aid

As amended by the Housing Act of 1954, title I of the Housing Act of 1949 permits (for certain types of facilities offered as local noncash grants-in-aid for urban-renewal projects) the estimated costs of local facilities to be deemed their actual costs if the construction of such facilities is not completed at the time of the final disposition of land in the urban-renewal-project area and if satisfactory assurance is provided that the facilities will be completed and available within a specified time. This section of the bill would make the same provision applicable in the case of slum-clearance projects carried forward under the terms of title I as in effect prior to the Housing Act of 1954. The application of this provision to original title I projects would avoid the delay and expense resulting from the requirements that prevent the liquidation of these projects until the completion of all public facilities being built by the community as local grants-in-aid.

Title IV—Military housing

Section 401. Extension of Title VIII Program

This section would amend section 803 (a) of the National Housing Act so as to extend the title VIII military-housing program for an additional year. Under this amendment the program would expire June 30, 1959.

Section 402. Mortgage Limits on a Project Basis

This section would make the statutory maximum average of $16,500 per family unit for housing under the title VIII program applicable to each project rather than each mortgage. Since financing for a large project generally requires separate mortgages for the various areas of the project, and the mortgages in some of these areas will range somewhat higher than the $16,500 family-unit average limitation (although the family-unit average of all project mortgages does not exceed that limit), the amendment made by this section would permit greater flexibility in project planning and financing.

Section 403. Floor Area Limitations

This section, which is in the nature of a technical amendment, would amend section 410 of the Housing Amendments of 1955. Section 410 presently provides that title VIII housing shall have the same net floor area limitations as those which apply to appropriated funds housing under two specifically named existing statutes. This amendment would eliminate the reference to those statutes and would provide simply that the maximum net floor area limitations for title VIII housing shall be the same as the limitations generally prescribed (by the law in effect at the time plans and specifications for such construction are begun) for military housing constructed with appropriated funds, thereby obviating the necessity of further title VIII conforming amendments in the event that new limitations for appropriated funds housing should be enacted in the future.

Section 404. Purchase Price for Wherry Act Housing

This section would amend section 404 (a) of the Housing Amendments of 1955 to change the formula used in determining the purchase price of Wherry Act housing acquired pursuant to that section. It would substitute, for the allowance for physical depreciation now included in determining such price, an appropriate allowance representing the estimated cost of repairs and replacements immediately necessary to restore the property to sound physical condition.

Title V—Miscellaneous

Section 501. College Housing Loans

Subsection (a) would require the Housing and Home Finance Administrator, in making college-housing loans, to charge a rate of interest equal to that chargeable to him by the Treasury plus one-fourth of 1 percent The present law provides for a similar spread, except that if the resulting rate is less than 2¾ percent, the higher rate must be charged. However, because of the different base to which the one-fourth of 1 percent differential would be applied under the amendment made by section 501 (c) of the bill (which changes the formula fixing the interest rate paid by the Administrator on funds borrowed from the Treasury for college-housing loans) as compared with the present law, the net result, under February market conditions, would be to change the college housing loan interest rate from 2¾ percent to 3½ percent. The change would take effect for any loan made pursuant to an application filed after March 15, 1957. The language refers to the rate "chargeable" (rather than "charged") by the Treasury under the new formula in order to make it clear that the new rate would be uniformly applicable to all loans to colleges resulting from applications filed after that date whether or not the Administrator had actually issued notes or obligations to the Secretary of the Treasury under the new formula.

Subsection (b) would increase the college housing loan authorization by $150 million (from $750 million to $900 million). The uncommitted balance of the present authorization will be about $92 million as of June 30, 1957, and the increased authorization provided by this amendment would therefore permit new net commitments of about $242 million.

Subsection (c) would provide that funds borrowed by the Housing and Home Finance Administrator from the Secretary of the Treasury for college-housing loans shall bear interest at a rate, calculated each calendar quarter, based on the current average market yield on all outstanding marketable obligations of the United States having a remaining maturity of 15 or more years. This formula would be in place of the formula now in the law which bases the interest rate on the average rate borne by all interest-bearing obligations of the United States, irrespective of maturity, as computed at the

end of the preceding fiscal year, or 2½ percent, whichever is higher. The new rate would currently result in the Administrator paying 3¼ percent on funds borrowed from the Treasury, whereas under present law the rate for fiscal year 1957 is 2⅝ percent.

The new formula would apply to those notes and obligations issued to the Secretary of the Treasury to secure funds in excess of the aggregate amount required for the program in the pipeline on March 15, 1957.

Section 502. Voluntary Home Mortgage Credit Program

This section would extend the voluntary home mortgage credit program until July 31, 1959. Under present law the program, which is intended for builders and home buyers in small communities and rural areas where mortgage money is scarce and for minority groups in general without regard to the size of the communities in which they live, would cease operations on June 30, 1957.

Section 503. Mortgage Credit Study

This section would authorize and direct the Housing and Home Finance Administrator to conduct a study to determine (1) the extent to which the residential-building industry is able to secure the mortgage credit, manpower, and materials required for the construction of residential housing of the types and in the quantities needed to satisfy the demand for such housing, and (2) the methods and policies by which such industry, without aggravating the overall problem of inflation, may attract a greater share of available mortgage credit, manpower, and materials. The Administrator's findings would be reported to the President and the Congress not later than April 30, 1958.

Section 504. Farm Housing Research

This section would authorize and direct the Housing and Home Finance Administrator to undertake and carry out a 2-year program of farm housing research. The research would cover all phases of farm housing, but its basic objective would be the development of methods by which more attractive and more functional farmhouses can be provided at a lower cost and with better financing. The actual research would be conducted by land-grant colleges, and the costs involved would be financed by grants to such colleges by the Administrator. Such grants could be made by the Administrator only during a period of 2 fiscal years (1958 and 1959), and the total of such grants could not exceed $300,000 during either of such fiscal years.

HEALTH BENEFITS TO FEDERAL EMPLOYEES

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include a bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, we are living in an era of momentous change and tremendous progress in medicine and in health care. We hear much about the miracles of modern medicine but we are less aware of another notable achievement of our day—voluntary health insurance. As an instrument for the financing of needed hospital and medical care, voluntary health insurance has brought succor to millions upon millions of our citizens and relief from financial pain as well as bodily pain. As a result of this movement of prepaying the costs of possible illness, today the price of health protection has become an accepted normal item in the American family budget. This is an accomplishment to be listed among the greatest in the advance of health care during your lifetime and mine.

As of December 31, 1955, 107.7 millions of persons had some form of hospitalization insurance, 91.9 millions had surgical insurance, and 55.5 millions had some form of medical coverage, largely in-hospital protection. Not all such insurance is of equal benefit, and many of these people need better protection and broader benefits. We can include our Federal workers in this latter group.

The employers of the Nation have had a most important part in all of this development. They have given encouragement to their employees to participate by promoting the idea by their willingness to handle payroll deductions and in most cases by contributing in whole or in part to the cost of the benefits secured. Today voluntary health insurance is an expected part of most employment situations. Employment by our Federal Government is notable for its shortcomings in regard to all of these benefits. The steel industry, the automotive industry, telephone and communications, transportation—all of these and practically any other major industry one might name—make it possible for their employees and their families to secure such needed protection. All of these employers have found that it is good business to do so. They attract better employees and their employees do a better job, because they are more secure and happier. These people are able to live without the threat of unexpected illness costs blighting their lives. Thus they are more valuable to their employer. Many employees of the Federal Government are trying to provide health insurance for themselves and contributing totally to its cost, even though they are deprived of the considerable benefits even of group enrollment through payroll deductions.

There has been much controversy as to whether and in what manner the Federal employee should be assisted by his employer to obtain such needed protection. Much of this has been unwarranted.

A number of versions or programs of health insurance have been proposed. Some of these have followed one extreme or another—proposals on the one hand which ignore the basic needs of most employees and the greatest costs in favor of protection for the least number of employees and the least likely costs; and on the other hand, proposals which envisage Federal contributions which in my judgment exceed the amounts that this body is likely to approve.

What we need is a proposal that falls between these extremes—one which offers the Federal employees and their families the protection which most of them most need, yet which can be operated with a reasonable contribution from the Federal Government, together with the assistance of payroll deductions for the employees' share of the cost. In such a proposal, also, adequate provision must be made for the retired employee.

I have introduced a bill designed to meet these objectives. My proposal, I am assured, has the support of the hospitals of the Nation which must render so much of the needed care, of the Blue Cross and Blue Shield plans throughout the country, and at least in its basic approach, of other groups vitally concerned with this problem.

Today in private industry, employer payments for all health benefits are usually above those provided, in the bill I have introduced, as the Government contribution. This is true where employer and employee share the cost, and is, of course, all the more true in those instances where the employer pays the entire cost.

There are many reasons why hospital-medical coverage has become one of the standard employee benefits. One of the most important reasons is that individuals cannot buy such protection as cheaply as it can be bought for groups of persons. Without using the advantages of group purchase and spreading of risks, voluntary health insurance could not have developed to the extent known today. Group coverage and group financing at the place of employment have been a natural and inevitable development.

KINDS OF HEALTH INSURANCE

Health insurance generally is divided into two kinds: basic benefits and "major medical" or "catastrophic" benefits. Basic benefits are intended to protect the individual against the cost of illnesses which are serious enough to require hospitalization, up to some specified maximum, and thus to provide protection against the cost of serious illness in the vast majority of cases. Major medical insurance, on the other hand, is intended to supplement these basic benefits and to provide protection only against illness costs which exceed—usually by a substantial margin—those covered by basic benefits; it comes into play only in the very unusual case.

The first need of any family is for protection against most of the cost of most of the illness which the family will experience. Aside from the frequent but relatively small items of expenditures for minor, non-hospitalized illnesses, the most important costs to the family are for hospital care and for surgery. It is impossible to define the point at which such expenditures become normally "catastrophic" or "major" except in terms of the liquid assets of the individual family. These are obviously relative terms which have little meaning by themselves and vastly different meanings to people in different economic levels. Of Federal employees, more than 90 percent earn less than $6,000 a year. People at these income levels are frequently in no position to carry even a few hundred dollars of illness cost, and their first need is therefore protection against any illness serious enough to require hospitalization.

But protection that stopped at a few hundred dollars of cost would be inadequate because there is always the risk of bills running into the thousands. If the two kinds of health insurance operated in the same manner, and if there were no gap between the two, it would

not matter to the employee at what point basic benefits ended and major medical benefits took over. But they do not operate in the same manner, and usually there is a gap between them. It has proved feasible to frame basic benefits so as ordinarily to meet virtually the full cost of illnesses of the kind which it covers, whereas major medical insurance normally leaves a "corridor"—for example, $100—above the basic benefits, and pays no more than 75 percent or 80 percent of the costs above the "corridor." This means that any important hospitalized illness covered only by major medical insurance leaves a residual cost which is apt to impose a serious economic burden on a man with an income, let us say, of $5,000 a year. Adequate health protection of the typical Government employee therefore requires that basic benefits, based on the principle of full payment, be extended as far as it is reasonably possible to do so.

THE PRESENT SITUATION

At the present time it is estimated there are approximately 2 million Federal employees who would be covered by any legislation of this kind. There are no reliable figures on how many of these have basic health protection. The best information available is that something less than 40 percent have basic benefits under Blue Cross and Blue Shield plans. A very much smaller group participate in programs made available through Federal employee association plans. There is no reliable information on how many participate in group practice prepayment plans, or how many have protection, in varying amount, purchased individually or through various organizations from commercial insurance companies.

The failure of the Government to assist its employees in this matter, as so much of private industry has done, has imposed a double handicap on them. By failing to contribute to the cost of health protection, it has left a great many of its employees in a position where they cannot afford, or think they cannot afford, to buy adequate protection for themselves and their families. In the second place, the Government's failure to make its payroll machinery available for collection of premiums has denied to employees many of the advantages of group coverage. Not only does this deprive them of some of the benefits of a wide distribution of insurance risks, but it also imposes the burden of cumbersome and costly methods of premium collection from individuals. From the standpoint of Government itself, the Comptroller General has reported that, after the changeover had been effected, "the continuing unit cost of administering a payroll deduction plan would generally be less than the costs now being incurred under the group collector method of collecting premiums."

The same problems in obtaining adequate coverage at the best possible rates undoubtedly apply at least as much to major medical protection. Group enrollment and payroll deduction should assist materially in obtaining for Federal employees the best possible protection of this kind, as well as the best possible basic protection.

EFFECTS OF PROPOSED LEGISLATION

The bill I have introduced would enable Federal employees to obtain a broad and comprehensive program of basic benefits, with the Civil Service Commission negotiating nationwide contracts to assure that these benefits would be available to them at the least possible cost. The bill also facilitates the addition of major medical protection.

The basic benefits prescribed by the bill for the two nationwide contracts are more comprehensive and more adequate than those usually available today to Federal employees or members of the general public. So far as concerns hospitalized illness, these benefits are comparable to the best industrial contracts existing today. The wording of the bill would permit the Commission to include also the services to ambulatory patients which are provided in a few of the most expensive industrial contracts, though because of proposed limits on the Government contribution most of these would probably not be included in the standard basic "packages" but would be treated as optional additions.

The precise amount now being paid by Federal employees for hospital and medical benefits is not known. For those now enrolled in Blue Cross and Blue Shield plans—the most widely held protection—employee payments, on the average, approximate $3.50 per month for single employees and $8.90 per month for employee with dependents. These payments and the benefits provided, however, vary widely by area.

Assuming that the Commission were to negotiate with the Blue Cross and Blue Shield organizations a nationwide plan of in-hospital benefits similar to those provided in the steel industry, for example, the best available estimate is that the cost to the employee would be roughly equal to the maximum Government contribution permitted in the bill. On this basis an employee would pay about $2.17 a month for coverage of himself alone, or about $5.42 a month for himself and dependents, and in each case the Government would contribute a like amount. The cost of major medical benefits would add approximately 75 cents a month for individual coverage, or $2 a month for family coverage. Thus, in the case of an employee who chose both basic and major medical benefits, the Government contribution would be roughly 40 percent.

These estimates rest on assumptions about age, family composition, and geographic distribution of subscribers to the plan that have not yet been fully explored, and further study is necessary before final figures can be arrived at. The rough comparisons are sufficient to indicate, however, that for a substantially smaller personal outlay Federal employees could, under this bill, receive much broader protection against the costs of hospitalized illness than they receive today.

Those employees who might choose an existing employee association plan, or a group practice prepayment plan, would find their costs materially reduced. Such plans would be enabled to extend their benefits, by adding major medical protection or otherwise, without equaling the present cost to their members.

HEALTH PROTECTION OF RETIRED EMPLOYEES

Extensive study has indicated clearly that the health needs of the retired worker and his family are appreciably greater than those of active workers, and that his financial resources are generally substantially decreased. Specifically, the aged retired person uses 2½ to 3 times as much hospital care as do the younger age groups in the population. Many insurance carriers either terminate policies as people become elderly, or increase rates to a prohibitive extent. Those carriers—chiefly nonprofit organizations—that continue coverage with little or no rate increase must distribute this item of extra cost over the rates charged to all their subscribers.

Some real encouragement should therefore be given both to the retired worker and to the carrier to continue protection into the later years of life. The bill undertakes to do this by providing a somewhat greater Government contribution during the years of retirement than is provided during the working years, and by stipulating against any increase in premium charged the individual on account of his probably greater utilization. Under both of the nationwide contracts the bill requires the carriers, in order to be eligible to participate, to provide continued coverage on these terms during retirement. For other plans, participation in the retiree program is optional.

Similar provision is made for continued protection to the survivors of deceased employees.

ADVISORY COUNCIL

Because the program is new and in some respects unprecedented, and because much will necessarily be left to administration, the bill provides for an advisory counsel, representing chiefly Federal employees, with a continuing responsibility to advise upon the carrying out of the program and to recommend improvements. The bill also charges the Civil Service Commission with the duty of continuing study of its operation, and with the making of recommendations for improvement.

INDIVIDUAL EMPLOYEE CHOICE

In one major respect the bill differs from the usual pattern of employee health programs in private industry. Ordinarily, each of those programs selects a single carrier, and the individual employee has only the choice of taking what is offered by that carrier or taking nothing at all.

There are not only many competing carriers in the health-insurance field, but there are also competing theories of the kind of benefit that best meets the need. This bill assumes that the Federal Government should give no monopoly to any carrier or group of carriers, or to any single kind of benefit.

One kind of health insurance pays a cash indemnity, partial or complete, to the employee for the costs he has incurred for health services to himself or

his family. Another kind provides what are known as "service" benefits, by which the carrier undertakes through contracts with the providers of services that those services will entail no cost to the employee beyond the subscription charges he has paid. A third kind of health protection is provided by group practice prepayment plans, which undertake to provide the needed services, through their own staffs or other arrangements, directly to their members. All three of these approaches are recognized in the bill.

Existing plans operated by Federal employee associations will share in the benefits of the bill, and can enlarge their benefits to include major medical insurance if they choose. These plans are open only to the members of the respective associations.

Group practice prepayment plans are also eligible to participate. Since these operate only in a relatively few geographical areas, they are available only to a limited number of employees.

The two nationwide contracts to be negotiated by the Civil Service Commission will be open to any Federal employee in the United States, its Territories and possessions—other than some temporary and part-time workers, and the like.

One of these contracts is to provide benefits on a service basis to the maximum extent that such benefits are available. With respect to hospitalization, service benefits can be provided throughout the United States. In many areas surgical-medical benefits are available on a service basis to persons whose incomes are below a stated figure, and in those instances where these benefits are not offered on a service basis they can be provided on an indemnity basis.

The other nationwide contract is to provide for basic benefits on an indemnity basis. The bill requires that even in the indemnity plan the basic hospitalization benefit be sufficient to meet the cost of hospital care. This provision is included because to impose on the employee a portion of the cost of hospitalization in the ordinary case imposes on him a burden that will often prove unreasonably heavy to persons of the income level of most Federal employees.

COST TO THE GOVERNMENT

The bill limits the Government's contribution to $2.17 per month for single employees, and $5.42 per month for employees and dependents.

Only a rough approximation can be made of how many employees will choose to participate in the programs offered under this bill, of the type of program they will select, and of the number who will include dependents. However, experience with similar groups of employees suggests that an overwhelming majority will participate under such a program, will choose broad benefits, and will include their dependents. Accordingly, the cost of this program to Government will be approximately $100 million per year.

SIGNIFICANCE OF THE PROPOSAL

In the matter of employee health protection, enactment of this proposal would move the Federal Government, as employer, from the rear of the procession to a place well up toward the front. This fact is important both because of the prestige of the Federal Government and because of its importance as an employer. Committed as this Nation is to the principle of voluntary health insurance, it would better become the National Government to throw the weight of its example in support of, rather than against, the belief that voluntary insurance can meet the needs of the American people.

Some 2 million employees and their families will, if this bill is enacted, be enabled to receive protection which they now lack altogether or have in less adequate form. For this protection they will pay less than they must now pay for more limited protection.

The most novel feature of the bill is the added Government contribution to the health protection of retired employees. The problem of health care of the aged is very much to the fore. Any solution will necessarily be costly, because the health needs of this group are so great. Employers, by and large, have done less in this area than they have toward health care of their active employees. Enactment of the bill I have introduced, by providing increased employer participation in health protection of retired workers, would set a precedent of far-reaching significance.

An adequate health program for Federal employees is long overdue. There have been many proposals before the Congress in recent years to establish such a program, and these proposals have differed widely, not only in their particulars, but in their concept of the Government's proper role. The subject is complex, and no one can lay claim to a monopoly of wisdom about it.

My bill has been shaped with the twofold end in view, of helping Federal employees to obtain that kind of health protection which will best meet the needs of most of them, and of doing this at a cost to the Government that is within reason. Other bills have been introduced in this session of the Congress having the same ends in view and taking much the same approach that I have taken, but at an appreciably higher cost to the Government. My sole objective, as I know is also the sole objective of the gentlemen who have introduced these other bills, is to promote the welfare of Federal employees. I hope that all bills on this subject will be given careful thought by the Committee, and that out of them will come legislation that will put the Government of the United States, where it ought long since to have put itself, among the leaders in this matter of health protection of its employees.

H. R. 7034

Be it enacted, etc., That this act may be cited as the "Federal Employees' Health Insurance Act."

SEC. 2. As used in this act—

(a) The term "Commission" means the Civil Service Commission.

(b) The term "Advisory Council" means the Federal Employees' Health Insurance Advisory Council created by section 12 of this act.

(c) The term "dependent" means a wife or husband, an unmarried child under the age of 19 years, an unmarried child under the age of 23 years who is enrolled in a full-time course of study in an institution of higher learning approved by the Commission and who is in fact dependent on the employee for over one-half of his support, or an unmarried child who is incapable of self-support because of a mental or physical incapacity that existed prior to his reaching the age of 19 years and who is in fact dependent on the employee for over one-half of his support. The term "child" includes an adopted child or a stepchild.

(d) The term "United States" includes the territories and possessions of the United States.

SEC. 3. (a) Except as provided in subsection (b) of this section, each appointive or elective officer or employee (hereinafter called "employee") in or under the executive, judicial, or legislative branch of the United States Government, including a Government owned or controlled corporation (but not including any corporation under the supervision of the Farm Credit Administration of which corporation any member of the board of directors is elected or appointed by private interests), and of the municipal government of the District of Columbia shall, if the official station of such employee is within the United States, at such time and under such conditions of eligibility as the Commission may by regulation prescribe, come within the purview of this act. Such regulations may provide for the exclusion of employees on the basis of the nature and type of employment or conditions pertaining thereto such as, but not limited to, short-term appointments, seasonal or intermittent employment, part-time employment, and employment of like nature, and shall be issued only after consultation with the head of the department, agency, or establishment: *Provided*, That no employee or group of employees shall be excluded solely on the basis of the hazardous nature of employment.

(b) This act shall not apply to any individual by reason of his status or service as a "member" of a "uniformed service" as such terms are defined in the Career Compensation Act of 1949, as amended.

SEC. 4. The provisions of this act for a Government contribution toward the cost of prepaid health benefits and for payroll deductions shall be applicable to any employee within the purview of the act who elects, for himself or for himself and his dependents, to enroll in any one of the following plans in which he is accepted for enrollment—

(a) A plan for basic health benefits provided primarily on a service basis, contracted for by the Commission in accordance with section 5 (a); and at the option of the employee a plan, approved by the Commission, for such additional or major medical benefits as may be offered by or through the carrier or carriers providing the basic benefits;

(b) A plan for basic health benefits provided on an indemnity basis, contracted for by the Commission in accordance with section 5 (b); and at the option of the employee a plan, approved by the Commission, for such additional or major medical benefits as may be offered by or through the carrier or carriers providing the basic benefits;

(c) A group plan of hospital, surgical, medical, or other personal health services (or any combination of such services) duly sponsored or underwritten by a national association of Federal employees of which the employee is a member, if such association was actively engaged in sponsoring or underwriting group health insurance on the date of enactment of this act and if such plan has been approved by the Commission; including, at the option of the employee, a plan, approved by the Commission, for such additional or major medical benefits as may be offered by or through the plan or carrier providing the basic benefits; or

(d) A group practice prepayment plan approved by the Commission.

SEC. 5. (a) The Commission is authorized, without regard to section 3709 of the Revised Statutes, to enter into a contract or contracts for a plan of basic health benefits (as defined in subsec. (d)) to be—

(1) provided as service benefits to the extent that such benefits are available;

(2) provided by one or more corporations or other organizations which provide health benefits primarily through contracts or agreements with physicians and hospitals (together with any corporations or organizations affiliated with such corporations or organizations or associated with them in offering the plan); and

(3) provided to any employee within the purview of this act who may elect to enroll in such plan, and to the dependents of any such employee who may so elect for his dependents, if his election is made at a time and under conditions specified in regulations under section 3 (a).

(b) The Commission is authorized, without regard to section 3709 of the Revised Statutes, to enter into a contract or contracts for a plan of basic health benefits (as defined in subsec. (d)) to be—

(1) provided on an indemnity basis;

(2) provided by one or more insurance companies, as determined by the Commission; and

(3) provided to any employee within the purview of this act who may elect to enroll in such plan, and to the dependents of any such employee who may so elect for his dependents, if his election is made at a time and under conditions specified in regulations under section 3 (a).

(c) The rates of subscription charge or premium shall be specified in the contracts entered into under subsections (a) and (b), either uniformly without regard to geographic variations in cost, or varied by regions to reflect such variations in cost, as the Commission, after consultation with the Advisory Council, shall determine. If the rates are varied by region for either plan they shall be varied for both plans, and the regions shall be the same. For each plan the rates for all employees or for all employees within a region, as the case may be, shall be uniform, but the rates for the two plans need not be the same. Each contract shall be for a term of not to exceed 1 year, but may be made automatically renewable in the absence of notice of termination by either party.

(d) Basic benefits, for purposes of this section, shall consist of—

(1) Benefits which the Commission, after consultation with the Advisory Council, finds sufficient to meet the cost of hospital care in semiprivate accommodations for 120 days in any period of continuous hospitalization, or for 120 days in the aggregate in any periods of hospitalization separated by 90 days or less;

(2) Benefits which the Commission, after consultation with the Advisory Council, finds to be reasonable and desirable with respect to medical and surgical services during such periods of hospitalization; and

(3) Such benefits with respect to services to ambulatory patients as the Commission, after consultation with the Advisory Council, finds to be reasonable and desirable, including benefits with respect to surgical services and including services in cases of accidental injury.

Basic benefits may be subject to such exclusions as the Commission, after consultation with the Advisory Council, finds to be necessary and desirable to avoid duplication of services or benefits otherwise available, or for other reasons; and in the case of employees who do not elect to enroll for themselves and dependents, shall exclude obstetrical and maternity benefits, as defined by the Commission.

SEC. 6. (a) For each employee for whom there is in effect a notice of enrollment in a plan in accordance with section 4, the Government shall contribute toward the subscription charges or premiums (including the charges or premiums for any additional or major medical benefits) sums equal to one-half of such charges or premiums, but not in excess of $1.00 biweekly for an employee or $2.50 biweekly for an employee and his dependents (or corresponding amounts in the case of employees paid on other than a biweekly basis). The remainder of such subscription charges or premiums shall be withheld from payments of salary to the employee. Amounts contributed by the Government and amounts withheld from salaries shall be paid to the Federal Employees' Health Insurance Fund created by section 8, to the credit of the appropriate agencies approved in accordance with section 7 (c).

(b) Notice by an employee to his employing establishment, on a form prescribed by the Commission, that he has enrolled in a plan pursuant to section 4 shall, while such notice is in effect, constitute authorization for the making of deductions from his salary in accordance with subsection (a). If both husband and wife are employees within the purview of this act, either (but not both) may give notice of enrollment for himself or herself and dependents; or if neither gives such notice, either (or both) of them may give notice of enrollment for himself or herself alone.

SEC. 7. (a) The Commission, after consultation with the Advisory Council, shall prescribe regulations fixing minimum standards for prepaid health plans (including plans for additional or major medical benefits), and it shall not enter into any contract under section 5, or approve any plan for purposes of section 4, which does not comply with such standards. Approval of a plan shall not be withdrawn except after notice and opportunity for hearing to the carrier or carriers and to the employees concerned.

(b) No contract shall be made or plan approved (1) which excludes any employee because of race or sex, or excludes any employee, at the time of his first opportunity to enroll, because of age or physical conditions, or (2) which excludes payment of benefits for any preexisting physical condition, other than a pregnancy existing on the effective date of coverage of a female employee or dependent. The first opportunity of an employee to enroll shall be determined in accordance with regulations of the Commission, which shall allow each employee a reasonable period to enroll after he first becomes eligible to do so.

(c) No contract shall be made or plan approved unless the carrier or carriers involved shall agree that all payments by the Federal Employees' Health Insurance Fund on behalf of employees (both the Government contribution and the amounts withheld from salaries) pursuant to such contract or plan may be made to the appropriate one of the following five agencies established by carriers for the purposes of this act and approved by the Commission:

(1) One agency for the receipt of payments pursuant to a contract or contracts entered into under section 5 (a) or pursuant to any plan or plans for additional or major medical benefits offered by or through the same carrier or carriers;

(2) One agency for the receipt of payments pursuant to a contract or contracts entered into under section 5 (b) or pursuant to any plan or plans for additional or major medical benefits offered by or through the same carrier or carriers;

(3) Two agencies for the receipt of payments pursuant to plans approved by the Commission under section 4 (c), which plans shall for this purpose be divided into two groups in accordance with regulations of the Commission; and

(4) One agency for the receipt of payments pursuant to any plan or plans approved by the Commission under section 4 (d).

SEC. 8. There is hereby created a Federal Employees' Health Insurance Fund, to be administered under the direction of the Commission, to which fund all payments under sections 6 and 10 shall be made and from which all premium or subscription charge payments shall be made to the respective agencies referred to in section 7 (c). There are hereby authorized to be appropriated to the health insurance fund such sums as may be necessary for purposes of this act, including the amounts of Government contribution required by sections 6 and 10. The income derived from any dividends, premium rate credits or other refunds, or from interest earnings on amounts held in reserve, shall be credited to and constitute a part of the health insurance fund. Any amounts remaining in such fund after all premium or subscription charges have been paid shall be retained as a special reserve for adverse fluctuations in future charges, or for the advance funding of the cost of health insurance coverage for retired employees, or may be applied to reduce the premium or subscription cost of, or to increase the benefits provided by, the plan or plans from which such proceeds are derived, as the Commission, after consultation with the Advisory Council, shall from time to time determine.

SEC. 9. (a) No contract shall be made under section 5, and no plan shall be approved for purposes of section 4, which does not provide that an employee whose employment within the purview of this act is terminated shall have option for a period of at least 90 days to convert, on such terms and conditions as may be approved by the Commission after consultation with the Advisory Council, to an individual health-insurance contract to be paid for by him.

(b) No contract shall be made or plan approved which does not provide for furnishing to each employee enrolled in the plan a certificate setting forth the services or benefits to which the employee or the employee and his dependents are entitled, to whom monetary benefits are payable, and the procedure for securing benefits or submitting claims; and setting forth or summarizing the principal provisions of the plan affecting the employee or the employee and his dependents.

SEC. 10. (a) No contract shall be made under section 5 which does not provide that, as long as the contract is in effect, basic benefits (as defined in sec. 5 (d)) will be provided to retired employees and to the survivors of deceased employees in accordance with this section. The provisions of this section shall also be applicable to any other plan approved by the Commission (including any plan for additional or major medical benefits) upon request of the carrier or carriers offering such plan.

(b) The benefits provided pursuant to this section to retired employees shall be available under any plan to any employee who (1) is retired after December 31, 1957, on an immediate annuity under the Civil Service Retirement Act, (2) has been enrolled under such plan either (A) continuously for the last 10 years (or 1 year, if his retirement is for disability) of his creditable civilian service preceding his retirement, or (B) continuously during all of his creditable civilian service from January 1, 1958, until his retirement, and (3) elects to enroll for such benefits for himself, or for himself and his dependents if such dependents (if then living) were covered during the periods specified in clause (2).

(c) The benefits provided pursuant to this section to survivors of deceased employees shall be available under any plan to any survivor of a deceased employee if (1) the employee died after December 31,

1957, (2) the survivor is entitled to an immediate annuity under the Civil Service Retirement Act, (3) the employee was enrolled under such plan either continuously during the last year of his creditable civilian service preceding his death or continuously during all of his creditable civilian service from January 1, 1958, until his death, and during such period the survivor (if then living) was covered as a dependent of the employee, and (4) the survivor elects to enroll for such benefits. Entitlement of a survivor under this subsection shall cease when he ceases to be entitled to an annuity under the Civil Service Retirement Act.

(4) The amount of subscription charge or premium to be paid by a retired employee or a survivor of a deceased employee under this section, and the amount of the basic Government contribution, shall be the monthly equivalents of the amounts paid by, and contributed for, an active employee in the same region enrolled for the same health benefits; and the amount to be paid by the retired employee or the survivor shall be withheld from his annuity. In addition, the Government shall make a further contribution equal to one-half of its basic contribution for each retired employee, and for each survivor who has attained the age of 65 years. Amounts contributed by the Government and amounts withheld from annuities shall be paid to the Federal Employees' Health Insurance Fund, to the credit of the appropriate agencies approved in accordance with section 7 (c).

SEC. 11. The Commission is authorized to prescribe such regulations as it finds necessary for the administration of this act, including regulations with respect to the manner in which employees shall give notice of enrollment under section 4, the continuance of coverage during temporary absence without pay, the conditions under which notice of enrollment may be changed or rescinded (which shall afford annual opportunity for transfer from one plan to another plan which accepts the employee for enrollment), and the conditions (relating to reasonable notice to the employees affected) under which a plan approved by the Commission may be withdrawn. Regulations, procedures, and forms relating to the fiscal and accounting aspects of the administration of this act shall be subject to the approval of the Comptroller General.

SEC. 12. There is hereby created a Federal Employees' Health Insurance Advisory Council, to be appointed by the Chairman of the Commission and to consist of 15 persons, 1 of whom shall be designated to serve as chairman of the Advisory Council. Nine members of the Council shall consist of Federal employees or elected representatives of national associations of Federal employees, and shall serve without compensation. The other six members of the Council shall be persons experienced in the administration of prepaid health benefits or in the rendition of services under prepaid health benefit plans, and shall be compensated while serving on business of the Council, at such rate, not in excess of $50 per day, as the Chairman of the Commission may determine. All members of the Council shall be entitled to receive an allowance for actual and necessary travel and subsistence expenses while serving away from their places of residence. It shall be the duty of the Council to review from time to time the operation and administration of this act; to receive reports and information with respect thereto from employees and their representatives; to consult with and advise the Civil Service Commission, and when it deems necessary the employing establishments, in regard to the administration of this act; and to make recommendations to the Commission with respect to the amendment of this act or improvements in its administration. Each member of the Council shall hold office for 3 years; except that of the members first appointed, one-third shall hold office for 1 year and one-third for 2 years; and that a member appointed to fill a vacancy occurring prior to the expiration of a term shall hold office for the remainder of such term. The Council shall meet not less often than quarterly, on call of the Chairman of the Civil Service Commission or on request of any three members of the Council. The Commission shall provide the Council with the secretarial and clerical staff necessary and appropriate to the performance of its functions.

SEC. 13. The Commission shall make a continuing study of the operation and administration of this act; including surveys and reports on health insurance plans available to employees and on the experience of plans receiving contributions under this act, with respect to such matters as gross and net cost, administrative cost, benefits, utilization of benefits, and the portion of the actual personal expenditures of Federal employees for health care which is being met by prepaid benefits. The Commission shall from time to time make reports to the Congress and to the Advisory Council on the results of such studies, and recommendations with respect to the amendment of this act. The Council shall make such reports and recommendations available generally to employees within the purview of this act.

SEC. 14. The provisions of this act with respect to Government contributions and payments, and with respect to payroll deductions, shall become effective on July 1, 1957, or to the extent so provided in regulations of the Commission, on the first day of the first pay period beginning after that date.

PROVISIONS EXEMPTING CONGRESS FROM ACCOUNTING FOR EXPENDITURE OF INVESTIGATING FUNDS

Mr. DAWSON of Utah. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DAWSON of Utah. Mr. Speaker, Members of Congress are being subjected to criticism as a result of a one paragraph provision of the Supplemental Appropriation Act of 1954. The provision—clearly legislation in an appropriation bill—reads:

> Funds made available in this or any other act shall hereafter be available for examination of estimates of appropriations in the field and the use of such funds for such purposes shall be subject only to regulations by the standing committee concerned.

According to the Comptroller General of the United States the wording of this section precludes any accounting of the expenditure of any appropriated funds by investigating committees of Congress unless the standing committees spending the funds agree to make a list of expenditures available.

The Comptroller General also has ruled in an opinion dated January 7, 1957, and numbered B-129650 that this section requires executive departments to furnish Congressional committees with funds to finance Congressional investigations. In this opinion, the Comptroller General held that the International Cooperation Administration was required by this section to pay the costs of an investigation by the House Foreign Affairs Committee of ICA operations in Guatemala.

Under this broad interpretation, unlimited and unbudgeted funds are made available to Congress. It means that we have lost control over the expenditures of our own committees and those of the other body.

Mr. Speaker, I submit that any legislation which prevents a public accounting by a public official of the expenditure of public funds is bad legislation. We have a special House subcommittee which is raising particular Cain with executive agencies for hiding behind security regulations to keep the public from learning about the public's business. Yet Congress itself has permitted this legislation to stand as a screen behind which investigative expenses can be hidden from the eyes—not only of the public and the press—but from other Members of the House and Senate themselves.

Earlier this year, I introduced legislation which would amend the Mutual Security Act of 1954 and require the budgeting and accounting of expenditures by Members of Congress of counterpart funds. Passage of this legislation would silence once and for all the critics of Congress who logically assume that because Congress keeps something hidden, there must be something to hide.

Mr. Speaker, I am not one of those who believe that public funds spent by Congress for investigations here and abroad is money wasted. On the contrary, I feel it is a duty for Members of Congress to investigate how the executive agencies spend the tax money we appropriate to them. I cannot, however, defend these expenditures as an individual Member of Congress when I do not know how or where they were spent. And I submit, Mr. Speaker, that under the broad ruling of the Comptroller General each standing committee of either body of Congress or any Member thereof can, as a result of this section, spend funds appropriated to the executive departments without the knowledge of other Members of Congress or other committees of the House and Senate.

Today I am introducing legislation which will correct this situation by repealing the entire section.

Mr. Speaker, Congress requires employees of executive agencies to account for the expenditure of public funds. We should hold ourselves subject to the same accountability. I can think of no situation as indefensible as the one now confronting us—that is, to require by law the justification of expenditures of public funds by Government employees and then exempt ourselves from the duty so imposed.

This legislation also removes from present language the provision that expenditure of these funds by Congressional committees are subject only to regulations of the respective committees. Its effect would be to give Congress control over the amount of taxpayers' funds its committees are permitted to spend—with the exception of counterpart funds which will be dealt with in other legislation I am sponsoring.

I urge Members to study this bill and correct a situation that brings Congress under fire from those who rightly feel

that the public is entitled to know how its money is being spent, not only by the executive branch, but by Members of Congress also.

UNITED STATES CONTRIBUTIONS TO FEDERALLY IMPACTED AREAS

Mr. BOW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio.

There was no objection.

Mr. BOW. Mr. Speaker, I am introducing today a bill to make certain essential changes in Public Law 874, the law under which nearly 3,000 school districts receive Federal funds for operation and maintenance of their schools because of an alleged Federal impact.

This program has been discussed repeatedly in the House during this session. I raised the issue when I questioned the secrecy and the apparent extravagance of the school budget in Arlington County, a county where over 10 percent of school funds are furnished by all the taxpayers of the United States under Public Law 874. At that time I proposed certain restrictions which are now embodied in this bill.

More recently the subject has been thoroughly aired in connection with the annual appropriation of $127 million for Federal grants to these so-called impact districts. That debate brought out additional evidence of the need for basic changes in Public Law 874. When my amendment to reduce these funds to the amount available in the current year and Mr. TABER'S amendment to place a cutoff date on the impact were defeated, many Members said the subject should properly be considered in the legislative committee. My bill includes a provision for a cutoff date, and I hope it will have prompt consideration in the legislative committee.

Mr. Speaker, I was about to use Armstrong County, S. Dak., as an example of the only county in the United States which would not be eligible for Federal aid under Public Law 874. A few years ago we learned that Armstrong County was the only county in America that did not have a single Federal employee living within its borders. When I went back to check on this, I find that Armstrong County apparently committed an unforgivable sin in this era of Federal control and interference. Almost as soon as its peculiar status became apparent, it was annexed and absorbed by a neighboring county, and thus, the last outpost of freedom from on-the-spot Federal interference has been eliminated.

What does this mean, Mr. Speaker? It means that there is no need for this House to debate a Federal aid for schools bill at this session. There is no need for the legislative committee to argue and labor with this controversial legislation. There is no need because under the liberal interpretation of Public Law 874, which has been called to our attention by the gentleman from Kansas [Mr. SCRIVNER], there is not a county in the United States today where one or more school districts might not apply for and receive Federal aid for education.

We know that the children of any Federal employee may be counted by a school district in its request for Federal aid. If you are a prosperous and successful businessman in your city and you are appointed to the position of postmaster, your children may be counted for aid and you have become a Federal impact.

And, what is worse, you remain a Federal impact so long as you are in that position. I cannot find any cutoff date. I cannot find any indication it will ever end. This law is the only law we need if we want to distribute Federal funds for schools.

When I proposed reducing the 1958 appropriation to the 1957 level, a cut of about $13 million, I endeavored to explain that this program will continue to grow so long as Federal employees continue to have children, and I endeavored to point out that it continues to grow as the Federal Government hires additional people. We may come to a day when the actual salary of a Federal employee is only a fractional part of his total cost to the taxpayers. Federal aid for the education of his children, retirement, life insurance, travel, and other costs may increase the actual payroll cost many times.

If the Federal Government should follow through on reports that 6,500 employees in this area will be removed, the difference in the Federal aid will be in the neighborhood of $650,000. Parenthetically, I should point out that we might not make that saving on education. This law is so broad and loose that the Commissioner of Education could go on paying for nonexistent children if the school district claimed it was out of pocket because it thought those children were coming to school.

My main criticisms of the law are these:

First. Payments are permitted for Federal employees' children in areas where the employment is not an impact or an unusual burden on the community. This is the case where a longtime taxpaying resident of a community may go to work for the Government. The gentleman from Kansas [Mr. SCRIVNER], inserted in the RECORD for April 1, at page 4933, a list of the categories of Federal employment, or employment with private companies holding Federal contracts, that are considered to constitute an impact on a Kansas school district.

Second. Payments are continued with regard to newcomers to a community long after the new Federal employee has purchased or rented a home, been listed on the tax rolls, and made the usual contribution of a resident through his dealings with local businessmen and services. There is no cutoff date. This is how my secretary, who came here 10 years ago, who owns his home in Fairfax County, paying property tax, personal-property tax, Virginia income tax, and dealing almost exclusively in Virginia, is still considered an impact on the community. He tells me he feels like a native, but to his neighbors and the school board, he is nothing but an impact.

My bill attempts to handle these problems by providing that payments may not be made for a child if his parents have resided in the community for more than 2 years.

This limitation will prohibit the inclusion of children of category No. 1, whose parents simply change jobs in the same community, and it will give a community 2 years in which to absorb any alleged impact from the arrival of a new Federal employee.

I think it is sound and reasonable.

This is what the gentleman from New York [Mr. TABER] had in mind in his amendment to this section of the appropriation bill. Members urged it be presented in proper legislative form for committee consideration. Here it is and I hope it gets consideration soon.

My bill further provides that no school district may receive Federal funds unless its proposed budget is published in a newspaper of general circulation in the district in advance of public hearings on the proposal. This would prevent a recurrence of the secrecy with which the Arlington County school board tried to hide its extravagant budget from public scrutiny.

The Federal Government cannot give blank checks for secret expenditures. When we give Federal aid, we have a duty to know how that Federal aid is spent, and we have a duty to cut it off if it is not spent wisely and carefully and in accordance with the purposes of the Federal Government. In this bill, or any other, we cannot give away the money of all the taxpayers of the United States to some favored locale to spend as it pleases.

The remainder of my bill establishes restrictive standards on the relation between the Federal grants and the local contributions. These are intended, first, to make certain that a district does not apply for and receive Federal aid in order to reduce the rightful contribution of its own citizens; and, second, to prevent the school district from going on a spending spree with the Federal grants.

Mr. Speaker, it is high time that some limits were placed on this Public Law 874. I do not know whether school boards generally are unaware of the legislation or whether a great many school boards should be complimented for their forbearance and self-reliance, but if every school district that might be eligible under the present liberal interpretation were to make a request, this annual appropriation would not be $113 million nor $127 million but something much greater than that. As time goes on, if the Federal payroll grows or if Federal employees enlarge their families, the costs will rise anyhow.

In closing, may I emphasize that my proposal does not change the basis for computing aid for the children who live on Federal property and go to school in nearby school districts, nor does it affect the formula for a contribution where the Federal Government owns a large area of tax-free land. I am directing my amendment primarily at the contributions for children whose parents reside

in their own homes or in rental properties and make a local tax contribution similar to that of any resident of the community.

INVESTIGATIONS IN THE LABOR OR MANAGEMENT FIELD

Mr. FRELINGHUYSEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FRELINGHUYSEN. Mr. Speaker, many Members are keenly interested in the current investigations being conducted by the Senate Select Committee on Improper Activities in the Labor or Management Field. These investigations reveal two major problems: First, how to prevent the misuse of funds; and second, how to assure that union officials are responsive to the aims and purposes of the rank and file union membership.

The problem of assuring democracy in labor unions is an especially difficult one. It is not one which easily lends itself to legislative remedy. It is a problem we should continue to study. Certainly there is no final solution other than an aroused and active union membership.

However, I do feel that something can and must be done now to help protect union members' funds. In recent years there has been an extraordinary increase in the revenue of labor organizations and in the size of employee benefit plans. Current revelations concerning the misuse of these funds clearly point to the need for additional legislative safeguards.

Several bills have been introduced which provide for the registration and reporting of welfare and benefit plans. However, I do not feel that the mere registering and reporting goes far enough. What is required, I believe, is the specification of activities which are to be prohibited and the establishment of severe penalties for those violating the law. That is the basic intent of the bill I am introducing today.

Furthermore, it is essential that Congress do what it can to strengthen the hand of the rank and file union member who wishes to correct corrupt practices when they develop. Too often, under present conditions, a union member feels there is no safe or effective place where he can turn. My bill is aimed at providing a method whereby a rank and file union man, with knowledge that union or welfare funds are being misused, can go directly to the district attorney and begin legal proceedings.

There are no easy solutions to the problems of corruption and racketeering. However, I hope that the legislation which I am introducing today may help start us on the road to providing greater protection to union members and the beneficiaries of welfare funds.

UNITED STATES INFORMATION AGENCY

Mr. HAYS of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS of Ohio. Mr. Speaker, in yesterday's daily RECORD, on page A3072, there is an explanation of why the United States Information Agency had not divulged the name of the motion picture referred to in the debate on the appropriation bill. I think it is a good explanation, and that everyone should read it.

The United States Information Agency, which comes under the jurisdiction of the subcommittee of the Committee on Foreign Affairs of which I happen to be chairman, is supposed to disseminate information in the interest of the United States, and that means all of the United States and not of any political party. In that connection, I noticed in the paper yesterday that the Director of the USIA had been out making another political speech. I think it would be advisable that Mr. Larson either disengage himself from the Republican Party or disengage himself from the directorship of the USIA. Since he is the most modern of modern Republicans, I assume that my suggestion will meet with equal approval on both sides of the aisle.

DEDICATION OF ATOMIC ENERGY LABORATORY

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, very shortly at Waltham, Mass., Tracerlab, the world's most modern plant devoted entirely to peaceful uses of atomic energy, will be dedicated. The distinguished Member of Congress from New York [Mr. COLE] will be the chief speaker and is going to cut the ribbon in a very unusual way. Instead of with scissors, it will be done by remote control, using isotopes in a Tracerlab beta gage. It will burn the ribbon in a spot that is printed and that will sever the ribbon.

The laboratory is in the district of my distinguished colleague [Mr. DONOHUE]. It is my deep regret that I cannot be there, as I was to have a small part in congratulating President Paxon and all of his staff and workers on their great accomplishment, and the Commonwealth on having the laboratory in Massachusetts. I wish them all the greatest success, and that more and more atomic energy can be used for peaceful purposes. I am sorry not to be there. I cannot be there because the other body was not willing to pass the urgent deficiency bill as the House wished to have it. I felt I had to be here and be ready if there were a quorum call and also to vote on this legislation. There is urgent need to pass certain items in the bill, such as money to run the Small Business Administration and money to pay those on social security.

It is one of the penalties a Member of Congress must pay when his or her vote is needed. That does not make my disappointment any the less.

THE LATE MAPLE T. HARL

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. ROGERS of Colorado. Mr. Speaker, the United States Government lost a valiant, true, and honorable servant yesterday in the death of the Honorable Maple T. Harl, a member of the Federal Deposit Insurance Corporation. Mr. Harl was the Chairman of this organization from 1947 until 1953, at which time he was very active in assisting the Congress in passage of a law and increasing the amount of insurance on deposits in insured banks from $5,000 to $10,000.

Mr. Harl was born in Marshall, Mo. He grew up in Colorado and worked his way through the William Jewell College in Missouri. During World War I, he volunteered his services and fought in many battles in Europe. He received an injury and it was necessary for him to be hospitalized for 4 years. Thereafter, he became active in financial circles in Colorado. It was my happy privilege to work with him as the State banking commissioner of the State of Colorado. We, in Colorado, will miss him because he has been an outstanding leader among us. My sympathies are extended his widow and one child.

AUTHORIZING SPEAKER TO DECLARE RECESS TODAY

Mr. McCORMACK. Mr. Speaker. I ask unanimous consent that the Speaker may declare a recess at any time during the day, the House to reconvene subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DEFENSE DEPARTMENT REPORT ON SMALL BUSINESS CONTRACTS

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, it was recently my privilege to call to the attention of the Members of this House the nature and composition of the newly established Small Business Advisory Committee to the Department of Defense. My remarks are to be found at pages 4325–4326 of the CONGRESSIONAL RECORD for March 25, 1957.

The gist of those remarks was to lament the fact that the Department of Defense lacks both the courage and the vision to call to membership in such advisory groups an adequate number of fearless, capable and independent businessmen; and, further, that this Department appears to feel it necessary to dilute a small-business advisory group with a large fraction, if not a preponderance, of representatives of giant corporations. The continuation of such policies cannot but lead us to believe that many of the closest associates of the gentleman who said "What is good for General Motors is good for the country" have not the faintest notion of the meaning of conflicts of interest. It seems that any recognition of this basic evil emerges only sporadically and in individual cases when the cat is somehow let out of the bag and the dogs—perhaps both hunting dogs and kennel dogs—are hot on the trail of another case in which Pentagon bigwigs have been inept in their confusion of the public's business and private or corporate profiteering.

In my remarks of March 25 I also noted that the Defense Department needs someone to challenge such policies as its weapons system concept of procurement before we can hope for any progress in combating the increasing concentration of military procurement from a handful of our largest corporations. It was rewarding to me to receive backing and praise for these remarks from small-business associations as widely scattered as my own California and New England.

Recently a related development in the Defense Department proves, alas, that there is continued and progressive deterioration in the depth of our industrial defense base and the funneling of defense dollars to ever fewer and fewer hands. Perhaps even worse, there is renewed evidence that when faced with bad results, the Department of Defense feels itself more in need of public relations than of the suggestions and criticisms which could be provided by widely known and accepted small-business leaders.

I am referring, of course, to the report of the Department of Defense released last week and entitled "100 Companies and Affiliates Listed According to Net Value of Military Prime Contract Awards, July 1950–June 1957." This semiannual report, which would have been discontinued several years back except for protests by Members of the Congress, cries out for your attention. We should carefully scrutinize both its cold figures and the covering explanations of the Assistant Secretary of Defense for Supply and Logistics.

The figures covering January 1955 through June 1956, a period considerably removed from the exigencies of the Korean war, are particularly awesome. During this period these 100 large corporations and their subsidiaries received 68.7 percent of all taxpayers' dollars spent for military equipment. Only 6 of these 100 corporations received more than one-fourth of the net value of all military contract awards. Twenty-three corporations account for more than 50 percent. Whereas the top 50 of these 100 corporations received 60.4 of the nationwide total, the other top 50 received but 8.3 percent of this total. And by the simplest of arithmetic, we arrive at the saddening conclusion that the thousands and thousands of manufacturing corporations outside this group of 100 received less than 32 percent by value of the total tax dollars committed by these military contracts.

When these percentages for this 18-month period are placed side by side with the comparable percentages for the last 6 years, we see all too clearly both the adverse trend of the recent past and the threatening possibilities of the future, unless the Congress does something more than scowl at Mr. Wilson and the White House for these debilitating consequences to the small and independent business sector of our economy.

In the public relations preface to the release, the Defense Department stated that it should be "emphasized that only a part of these prime contract funds are retained by the prime contractors for work in their own plants" and that some preliminary reports submitted by large defense suppliers show "that their payment to small-business firms were 20.7 percent of their total military receipts."

This is hardly encouraging, and it is often true that figures about who gets dollars from subcontracting are unreliable, since even if the first subcontractor is a small-business man, he in turn may be compelled to buy the largest part of his raw materials and components from big business.

Further, this public relation effort of the Defense Department appears to take some solace in another dead-end. It says: "A second fact to be considered is that this report includes prime contract awards not only to 100 large corporations, but also to many other separate companies, large and small, which are affiliates of the large corporations." If there is any comfort in this to small business, it would appear to be that they should succumb to the merger pressures created by the giant corporations and submerge their independence in a galaxy of centrally controlled and manipulated affiliates. Most of us see only evil for small and independent business and for our country as a whole in the continued growth of these huge and ponderous private collectivisms in the industry.

This Defense report also makes a studied attempt to justify the weapons systems of procurement by stating that "in awarding prime contracts, the Department of Defense in effect is hiring the managerial skill of the prime contractors to organize, schedule, and make efficient use of the extensive subcontracting supply lines which American heavy industry normally uses in assembling its product." So the usual subcontracting practices of heavy industry is good enough for the Defense Department.

The quoted statement is in fact a complete admission of one argument I laid before this House in my previously mentioned statement of March 25:

> Instead, the Defense Department leaves the important task of spreading defense production almost entirely up to the discretion of the large contractors by means of such subcontracting as the large contractor finds it profitable or convenient to make. This, of course, places thousands of smaller concerns more and more at the mercy of a handful of giant companies with respect to how much subcontracting is done, with whom, and upon what terms and conditions.

I wonder how long independent businessmen are going to stand by, largely without any true and independent representation in this administration, while each piece of bad news comes neatly wrapped up with the best sugar-coating which Mr. Wilson's deputies can contrive at the moment.

ECONOMY IN GOVERNMENT

Mr. BYRNE of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BYRNE of Illinois. Mr. Speaker, today we received a message from the President of the United States, stating again his desire that the budget be cut and that we economize. Just recently, on the floor of the House, we had under consideration a bill having to do with health, education, and welfare. Fourteen amendments were offered to that bill. One of them had to do with an appropriation for library service in the rural districts. An amendment was offered to cut that $2 million. I voted for that amendment. It was defeated. The night before last I read in the Washington Star that that bill after leaving this body and going to the Senate was under consideration, and there the director of that library service stated that they did not need $5 million, but that they needed only $3 million. The President of the United States asked for $3 million, an increase of 45 percent. The Budget Bureau asked for $3 million. In some manner it was raised to $5 million, an increase of 144 percent, and in spite of the fact that the proponents of economy sought to cut that appropriation, that particular amendment was defeated. I again suggest that if we are diligent we can find ways of cutting the budget. Let us keep on trying.

IMPORTATION OF NATURAL GAS

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, I have requested this time in order to advise my colleagues of the House that on Tuesday of this week I introduced a bill (H. R. 6936) to amend the Internal Revenue Code to add to the list of liquid fuels the term "natural gas" and to fix an import duty on this particular commodity. At the time our Revenue Code was last revised, I believe in 1954, and during the consideration of the tariff laws in 1930, there was no importation of natural gas into the United States. Presently, there is one line already in operation from Canada and there is an application before the Federal Power Commission for two additional pipelines to come in. It

is injuring our markets for soft coal and also injuring our oil markets. I can see no reason why we should pay 50 cents a ton import duty into Canada for every ton of coal that we sell and allow them to pipe free of import duty into this country unlimited amounts of natural gas.

MILITARY DISCHARGES LESS THAN HONORABLE

Mr. DOYLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DOYLE. Mr. Speaker, I take this time to mention in answer to many inquiries that have come to me as to what the special subcommittee appointed by the gentleman from Georgia, Hon. CARL VINSON, to consider the subject matter of less than honorable discharges from our Military Establishment has done, we anticipate holding preliminary public meetings beginning about May 15, with the representatives of the Defense Department as the only witnesses at this preliminary hearing. A very considerable number of qualified witnesses are desirous of testifying in support of the objectives of H. R. 1108 and companion bills.

We have held several informal meetings, some executive; but we think the time has come now to begin public hearings.

About 30 Members of the House have already filed the same bill, H. R. 1108. If any other Member wants to do likewise, his action will be welcomed, very cordially. We invite the cooperation of the membership and the cooperation of the military in the study we are making of this major problem. The records show it is a major, nationwide problem.

MR. ROOSEVELT. Mr. Speaker, will the gentleman yield?

Mr. DOYLE. I yield.

Mr. ROOSEVELT. Is it also the function of the committee to consider other bills introduced on the same subject?

Mr. DOYLE. Answering the gentleman from California I will say there are a few other bills dealing with the same subject, but from a little different angle. The gentleman from Georgia [Mr. VINSON], chairman of the Committee on Armed Services, has referred those bills to this special subcommittee. The membership of this special subcommittee is made up of the gentleman from North Carolina [Mr. KITCHIN], the gentleman from California [Mr. GUBSER], the gentleman from Alabama [Mr. HUDDLESTON], the distinguished gentleman from Indiana [Mr. BRAY], all distinguished Members of this body, who make up a very fine and special subcommittee. They are working diligently. We appreciate the great interest that has been evidenced in this problem that confronts us.

Mrs. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. DOYLE. I yield.

Mrs. CHURCH. I wanted to ask the gentleman if he could define the scope of the activity of this committee and the powers it may have to recommend legislation.

Mr. DOYLE. Under the order made by the chairman of the Committee on Armed Services, the gentleman from Georgia [Mr. VINSON], the subcommittee is to go into the whole subject matter concerned under H. R. 1108. Subsequent to that time he has also referred to this committee for consideration several other bills which have been filed by Members not exactly in tune with H. R. 1108, but related to it. We have been told by the chairman that we could cover the field of military discharges less than honorable. I may say to the gentlewoman from Illinois that if we can prove that legislation is necessary the committee intends to recommend legislation. The bill, of course, is designed to amend existing statutes. I am satisfied the great interest experienced from all over the Nation and by you, my distinguished colleagues, is meritorious and well founded. The subcommittee is a unit in feeling that there is room and need for thorough major changes of procedure and policy relating to the several thousand a year of less-than-honorable military discharges.

PROGRAM

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. I wonder if the majority leader can gaze into the crystal ball and tell us what we may expect for the balance of the day and what will be the program when we return.

Mr. McCORMACK. I am particularly pleased to answer the latter part of the gentleman's inquiry, because I am in better position to advise the gentleman and the membership as to the possible program the week of our return.

The resolution sent over yesterday is being debated in the Senate, and it is hoped that the Senate will act shortly. Other than that I cannot make any definite statement.

It is also hoped that the situation will be such that a satisfactory solution will be arrived at, in which event, of course, the Easter recess adjournment will take place.

For the week following the Easter recess there is only one rule out; we are all cleaned up with the exception of one rule, with the completion of this, what I might term special resolution today which must be acted upon before we adjourn and if we adjourn. Adjournment is dependent upon its being completed.

For the week beginning April 29, after our return, there is one bill reported out of a committee on which a rule has been granted. That is the Missing Persons Act reported out of the Committee on the Armed Services. I do not think there is any opposition to that bill.

I can safely say, so that the membership of the House may be advised and can govern themselves accordingly, that there will be no legislative program for Monday, April 29, or Tuesday, April 30, and that the only bill I can project my mind forward to is consideration of the Missing Persons Act to which I have referred. That could wait, if necessary, until the following week.

I do not want to commit myself beyond Tuesday because that is a little bit too far in advance, but I will say that the Members can reasonably expect the situation to be as I have outlined for the week beginning April 29. However, the Members might keep in touch with the gentleman from Massachusetts on the Republican side and with me on the Democratic side, or either of us. A matter of this kind is not a question of party consideration. They might keep in touch with us either themselves or through their secretaries and we will keep them advised so that they may govern themselves accordingly in the event there is legislation of a controversial nature or of any kind to come up on Wednesday or Thursday of that week.

Mr. Speaker, may I take this opportunity to strongly urge the chairmen of committees and the committees from now on to get bills out as quickly as possible. Of course, we all realize that the real legislative activity starts after the Easter recess. This first session of the Congress has done a remarkable job to date, but after we return I respectfully request and strongly urge that the chairmen of committees and the committees get bills out as quickly as possible so that we will have a continuous program from the time of our return after Easter until the time of final adjournment.

Mr. MARTIN. I thank the gentleman.

QUESTION OF THE PRIVILEGES OF THE HOUSE

Mr. CANNON. Mr. Speaker, I rise to a question of the privileges of the House and ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, there appears in this morning's RECORD language purporting to be that of a distinguished Member of the other body reflecting on the House.

Mr. GROSS. Mr. Speaker, will the gentleman cite the page to which he is referring?

Mr. CANNON. Page 5905 of the RECORD of April 17, 1957.

I could rise to a question of the privilege of the House, but do not care to dignify the discourtesy to that extent.

But I do rise to express the hope that the language will be expurgated when the permanent RECORD is issued, and that there will be no recurrence of such gratuitous and inexcusable offense.

VIOLATION OF THE HATCH ACT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes, to revise and extend my remarks, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, my attention has been called to an article appearing in the Chattanooga Times, of Chattanooga, Tenn., under date of April 15, 1957. The newspaper article contains, in addition to a story, a picture entitled "Workers Tackle Mail Backlog Here," and then the additional language, "Sign Posted in Post Office Lobby." The picture contains what is purportedly a picture of Mr. Frank Todd Meacham, acting postmaster, and a large sign that purportedly was placed in the lobby of the post office at Chattanooga, Tenn., and signed by the same acting postmaster. The sign reads as follows:

NOTICE, PATRONS AND CITIZENS

Sorry we could not serve you Saturday, April 13 last.

EXPLANATION

1. The Budget Bureau cut our money off.
2. A Democratic Congress refused to pay the bill.

I wonder, Mr. Speaker, if the acting postmaster has ever heard of the Hatch Act. If that is not political campaigning in the lobby of a Government building by a Government official, I would like for somebody to advise me what is.

3. Your postal workers are paying it.
4. It requires $47 million to give you your accustomed service through June 30 next.

Now, Mr. Speaker, I did not sit on the committee that handled the urgent deficiency appropriation bill, but I understood that it was agreed that the amount provided in the bill was sufficient. I wonder why the acting postmaster at Chattanooga, Tenn., does not get a more imposing position in the postal service or the executive department of this Government if he is such a precise and overall authority on the requirements of the entire postal service.

Mr. Speaker, this is not only an unfair but an inaccurate charge against the representatives of the people of the United States on the part of an executive employee of the Government, an employee who could not possibly have been in possession of facts necessary to determine that the requirements of the Department were $47 million.

Mr. PERKINS. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Kentucky.

Mr. PERKINS. I just want to say that there have been numerous postmasters in this country who have been kicked out of their positions since the Republican administration has been in power for much less political activity than the gentleman refers to in his statement. And I hope that this administration will not condone real political activities of their own appointees.

Mr. ALBERT. I thank the gentleman.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. I would just like to say to the gentleman that I agree with what he has had to say about this acting postmaster, and in spite of people like that, my mail would lead me to believe that the American people are not being fooled, because I got not less than 20 letters this morning from my district, all of whom blame the postal situation right on the one person to whom the onus should be attributed, the Postmaster General. One lady went so far as to say, "Why do you not get rid of this incompetent?" meaning the Postmaster General, and she wound up her letter by saying: "I have been a Republican all my life. Maybe that is too long." And I wrote back and I said: "I agree."

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Michigan.

Mr. CEDERBERG. I would just like to say, as a member of the Committee on Post Office and Civil Service, under the very able chairmanship of the gentleman from Tennessee [Mr. MURRAY], you will find in the record that he believes that the Post Office Department, under the present Postmaster General, has been doing an excellent job. May I say as a member of the Post Office Committee, from the opportunities I have had to go into it to see some of the operations of the post office in the past, that the former Postmaster, Mr. Donaldson, did an excellent job. I think they are all dedicated public servants trying to do the right kind of a job for the people of America. I think we in the Congress ought to back them up and provide them with sufficient funds. The present Postmaster General turned back $200 million in the last 3 years.

Mr. ALBERT. I desire to state to the gentleman that I am sure that in defending the Postmaster General he did not intend to defend the action of an employee of the Post Office Department who, in a Federal building, posted a sign, to which he signed his name, which said: "The Bureau of the Budget cut our money off," and "a Democratic Congress refused to pay the bill," when we have already provided the money necessary to keep the postal service going.

The gentleman does not condone, I am sure, that conduct on the part of an employee.

Mr. CEDERBERG. I know nothing of the situation to which the gentleman refers. I would say, on the facts as presented, I would probably agree with the gentleman.

Mr. ALBERT. I thank the gentleman.

MUNICIPAL ELECTIONS IN THE STATE OF ILLINOIS

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, on Tuesday there were municipal elections in the State of Illinois. These were the first elections following the action of the Postmaster General last week in shutting off mail service. The results are interpreted by political analysts as an indication of the public reception of what the Postmaster General did last weekend. For the first time in the history of municipalities in the State of Illinois in predominantly Republican districts Democratic mayors were elected. That is accepted by many students of election trends and causes as the answer of the people of Illinois to the arbitrary action of the Postmaster General. It is significant that these elections followed in a matter of days the Postmaster General's unprecedented severance of the postal services of the people and that on the whole there were no local issues of sufficient interest to cause the unseating of Republican administrations in communities that were overwhelmingly Republican.

Commenting on this marked swing to the Democrats in strongly Republican territory, which occurred on the Tuesday following the Postmaster General's Saturday of enforced postal idleness, the Republican Chicago Tribune of today, April 18, 1957, says:

UNFAVORABLE OMENS

The recent municipal elections in Illinois cities afford Republicans no occasion for rejoicing. * * * In Jacksonville, Moline, Carlinville, and Waukegan Republicans will be succeeded by Democrats as mayors. There were few, if any, important switches from Democratic to Republican administrations. * * * But it is abundantly evident that in Illinois just now the Republican label is not the asset that Republicans wish it to be.

Administration circles in both Washington and Springfield should give heed to these unfavorable omens from Illinois cities. * * * Republican officeholders are in no position to take the voters for granted.

FOREIGN AID POLICY OF THE UNITED STATES

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. HENDERSON] is recognized for 30 minutes.

Mr. HENDERSON. Mr. Speaker, the people of the 15th District of Ohio are alarmed at the magnitude and the direction of the foreign aid policy of the United States. Their complaints fall into several categories and I would like to take a moment or two to summarize those various categories.

First, some people feel that foreign aid is bad because it is a spending program and the money should not be so expended. Secondly, some people feel that that amount of money might well be spent by the Government, but should be spent for domestic aid of one sort or another. Thirdly, some people feel that foreign aid should be eliminated because it is needless interference of our Government into the domestic affairs of other nations. Fourth, some people oppose foreign aid because of the extent of maladministration and wastefulness which has characterized the program. Fifth, some people oppose the foreign aid program because some of the funds or benefits eventually come into the hands of those who oppose our basic democratic principles. Sixth, some people oppose foreign aid because they feel that we are improving or attempting to improve the social and economic status of other nations who will in turn become our competitors or our enemies or become controlled by our enemies. Seventh, some people oppose our foreign aid program because they see in it that as we raise the standard of living of other nations,

we are necessarily reducing our own economic resources and gradually bringing ourselves down to a standard of living to the level to which we are raising those whom we would assist. There are many other reasons, Mr. Speaker, which the constituents of the 15th District of Ohio have given for their opposition to foreign aid.

I have recently conducted a public opinion poll of the people of the 15th District. One of the questions is as follows: "Do you favor the continuation of our foreign aid program which is recommended for $4.5 billion next year?" Although tabulation is not complete, it might be of interest to my colleagues in Congress, as it is to me, to learn that thus far in the tabulation 28.2 percent of the residents of southeastern Ohio responding expressed themselves in favor of the question and 71.8 percent against.

Many of my constituents were not content with merely answering this question "yes" or "no." Many of them took the time to make specific remarks of their own with regard to our foreign-aid policy. Those spontaneous responses were interesting to me as I am sure they will be to my colleagues and to you, Mr. Speaker. So, I have brought with me a few of their statements and will read them:

So far as foreign aid is concerned, I see nothing with this country helping other nations if the aid is in essentials and not frills. I think Representative GEORGE MEADER, of Michigan, is right as rain when he calls the foreign-aid program a bureaucratic nightmare. It seems foolish to try to buy friends abroad while shortchanging the billpayers at home (Summerfield versus Cannon).

The prolific giveaway program to foreign governments should be stopped. All of these things were probably all right and necessary during wartime and the people did not object too strongly during the war, but they were given to understand that these expenditures would be stopped or eliminated with the cessation of hostilities.

Speaking of special privileges, I think the American taxpayer is being taxed and heavy to help a lot of Europeans and Asiatics that are not fast becoming our friends. Aid should be discontinued. This is extending the special privileges of the American Government and making it a worldwide affair.

I would like to express my feelings on the foreign-aid problem and give, maybe, some helpful thoughts about the subject. First, there are a lot of things about foreign aid I don't know about and will probably never find out about unless someone of your business tells us about it. But I can write you and express my views on the matter. I do believe foreign countries should be helped, but not with money—money will often be used for things other than what it is intended for in the first place. I would, therefore, vote 100 percent for the gift of farm machinery which would be of greater use to the people, less dangerous to us, and we could feel that the machinery would get to the people. There's a question about money ever doing any good.

Foreign aid at a realistic, reduced level.
Eventually eliminate all foreign aid.
Total of foreign aid should be reduced.
Cut foreign aid 1 billion.
Reduce foreign aid one-half.
Cut foreign aid in half.

I'm not an isolationist, but I believe we have come to the point when Government spending in foreign countries needs to be reviewed. Too many times we've sent help overseas thinking that we had friends only to find out at a later date that they weren't for our interests but for their own. Mr. Henderson, how much more sacrifices do our people have to give?

With regard to question 4, yes, we have to give some foreign aid but I should think not to the tune of $4.5 billion.

Foreign aid should be cut.

As you can see, I am very much against this continued foreign-aid program of giveaway, and think it should be cut out. During the war, I was in a lot of countries, all through the Middle East, Iran, India, Italy, Africa, Mediterranean, etc., and I saw, at first hand, how a lot of our money was being wasted. If we could eliminate the 4½ billion for foreign aid, we could balance the budget. United States foreign-aid programs should be entirely eliminated.

Read the article Our Foreign Aid Program—A Bureaucratic Nightmare in April Reader's Digest and you will get some idea how disgusting it is. We could use one of those tractors sitting over there rusting away.

Foreign aid breeds contempt. * * * Do away with it before it does us. Use the tax money allotted to foreign aid to reduce the national debt. Why give away money when we owe money? Don't kill the goose that lays the golden egg.

I have never approved the taking of tax money from citizens of this country to help France and other countries whose citizens do everything they can to dodge their rightful taxes. How far would a United States citizen get doing that?

We can't maintain a balanced budget and give money away in wholesale lots all over the world. Our people earn this money and if we must have high taxes to balance the budget, okay. But let's get the darn thing balanced and reduce taxes. Above all we must reduce expenses and get a balance while we have an inflationary period. How could we pay off such a huge debt in a recession period?

Why do we have to be taxed so terribly and then give everything away?

We are not rich enough as a nation to be able to continue to afford the giveaway program to foreign nations.

Foreign aid, yes. But let's do something about the nightmare described by Representative GEORGE MEADER in April Reader's Digest. This is incredible.

I do not favor foreign aid unless Congress has more control over the wild-eyed spending.

As for foreign aid, the more we give foreign countries, the more they will hate us when we quit.

No foreign aid unless they are also furnished technical knowledge. Do not favor putting a crutch under anyone.

Foreign aid is becoming ridiculous. It should be reduced and more selective.

Is it intelligent for the United States to finance the rest of the world? At this time most of the foreign countries should be paying us indemnity. What a mess.

We are sick and tired of having our money passed out to foreign countries.

Foreign-aid programs are now too numerous and costly.

How long can we continue to subsidize the whole world?

Foreign aid, yes, if spent more wisely.

Foreign aid, but cut down.

Not foreign aid as is—too much machinery and waste.

I think it would be wise to eliminate a lot of this unnecessary aid to foreign nations and use it on this huge national debt. If we don't quit giving, pretty soon we'll be broke and in as bad a condition as some of the countries we are being so generous with.

Everybody seems to want, in no uncertain terms, a drastic cut in foreign aid.

Our foreign aid program has been so ineptly managed, so shot with graft, etc., and the result so inimical to our original hopes that I am in favor of stopping it and doing something toward balancing our budget and cutting taxes and our national debt. * * * England is too smart to do as we are doing and we are helping people whose per capita indebtedness and rate of taxation is lower than ours. That is senseless. Foreign aid is a classic example of bureaucratic bumbling, waste, inefficiency, interdepartmental jealousy, abject incompetency in those in charge and downright thievery of the taxpayer's money. I say, let's stop it before we go under.

These are only samples, Mr. Speaker, and I have not quoted from the hundreds of letters which I have received in the past 2¼ years from the people of Ohio opposing foreign aid. In fact, it might be of interest to my colleagues to learn that I have, in that period of time, received only one letter urging me to vote for foreign aid.

With the program so unpopular, with the great number of objections that come from the hearts of the people of the 15th District, how could I represent them truly and honestly and in accordance with their desires, without having some misgivings concerning our foreign aid program? I do have grave misgivings on the justification and value of this program.

A great number of disclosures are made at the time that a mutual aid authorization bill or appropriation bill is brought to the floor of the House. But, the thing that troubles me more than the disclosures and revelations are the matters which are not disclosed, and not revealed, either to Members of Congress or to the citizens and taxpayers who are footing the bill. We are told and they are told that it is not possible, it is not proper, it is not in the best interests of our relationships with other countries, to disclose the extent of our aid to the individual countries, nor to disclose the manner in which those funds will be expended.

It remains for us Members of Congress and the public to learn with wide-eyed amazement and dismay of the reckless manner in which the funds have been expended years after it is too late to do anything about it. I refer to the report of the Government Operations Committee on our foreign aid policy in Iran. Certainly that is a sensational story, and Mr. Speaker, we know that in the report which has been printed and distributed that only the less offensive disclosures have been made, that in the first draft of the committee report are matters and facts set forth which apparently could not be made public. Two articles have appeared in Reader's Digest in recent months, the latest by our colleague, Representative GEORGE MEADER, of Michigan. These articles substantiate and increase the fears of all of us that our money is being expended foolishly.

Why is it that much of the accountability and auditing responsibility cease to be a part of the American way of government when we leave the shores of the United States? Funds expended here in our own country are accounted for, are audited and are expended in accordance with accepted rule and law. And, the people of the United States have confidence that their money spent domestically is spent legally and in accordance with accepted accounting practices.

But, they have a feeling, and probably not without justification, that the wasteful practices of which they read and hear are companions to other wasteful practices which are not disclosed and they feel that in a program measured in dollars and cents expended has few checks and controls to see that results from the expenditures are beneficial to America as well as to the country in whose behalf the funds are expended.

It used to be popular to say that much of the money was being poured down ratholes, but the resources of our great Nation are so tremendous that we have in many cases succeeded in accomplishing the impossible of filling those ratholes and a recent editorial cartoon suggested that the time had come that America must needs go out and dig additional ratholes to be filled.

We have reports of having furnished hypodermic needles in vast quantities of a size seldom used on human beings in a country that has only a handful of doctors. We have advocated the building of broad highways in lands which have urgent need for only better country roads. We have seen funds and equipment furnished nations overseas which do not possess the capabilities of absorbing such aid in any constructive way. We have seen funds spent abroad for projects and purposes that we as Americans, as believers in the principle of democracy, would never permit to be spent in our own nation. What other questionable projects exist behind the veil of secrecy, we can only suspect.

Possibly one of the most discouraging experiences of the Manpower Utilization Subcommittee of the Post Office and Civil Service Committee late last year was when the committee was listening to testimony by representatives of the State Department charged with the responsibility of disposing of these funds. The subcommittee had as its proper purpose the inquiry as to whether cuts in manpower could be made in the various Government departments. Since the generosity of the American people in the field of foreign aid, as expressed by their representatives in Congress has known virtually no limitations, it came as no surprise to learn that no endeavor could be pointed to in this segment of the State Department which was indicative of any economy in manpower or otherwise. It takes more and more personnel to spend more and more money.

Of course, the foreign aid program has become a whipping boy. Its existence is pointed to and it meets ridicule on each occasion when the needs of our people at home are brought up. Mr. Speaker, why should a program into which we are pouring 5 percent of our tax money be a program which is subject to the ridicule and to the criticism which it has received? If it is a valuable program, if it is doing so much to advance the cause of free government and free peoples, it seems to me that it is important enough for the Congress to see to it that the practices which make it subject to ridicule are eliminated. It is unthinkable that 100 percent of the billions are wasted. It is provable, however, that a great amount of the funds have been spent unwisely.

Because I believe sincerely in the need for economy in government, because I believe that we American taxpayers have a right to benefit from the money that they pay into our Treasury, and because I believe that it is a violation of our trusteeship of the Federal funds to permit that money to be recklessly expended, it has been my consistent policy to vote against both the authorizations and the appropriations for this program.

Mr. Speaker, so long as the Congress of the United States is being asked to sign a blank check of some 3 to 4 billion dollars annually of our Nation's wealth, money over which we as a responsible Congress have no control, I must continue to vote against the program.

DEFINITION OF TOTAL DISABILITY UNDER SOCIAL SECURITY ACT

The SPEAKER. Under previous order of the House, the gentleman from Kentucky [Mr. PERKINS] is recognized for 30 minutes.

Mr. PERKINS. Mr. Speaker, during the last session of Congress a new social security program was established to provide benefits for older men and women who are severely disabled. As you know, I have been particularly interested in this type of legislation since I came to Congress and took the oath on January 3, 1949. All around me in mining communities in Kentucky were men with broken backs and limbs. I well realized that we had to give some protection to people in this situation because they were no longer able to work, their workmen's compensation was already used up, and many were dependent on charity. It was with great satisfaction, therefore, that I have consistently supported and voted for a disability benefits plan under the Social Security System.

The Social Security Act, passed in 1935, had been paying monthly benefits to retired workers for 9 years when I came to Congress. I was convinced that certain improvements were vitally necessary. The original act had established a rigid retirement age of 65 years. It was assumed that this age would be so disabling as to force a worker out of the labor market. But experience showed that some workers are able to continue working well beyond the age of 65. On the other hand, many more workers, especially in hazardous jobs, are unable to continue work until 65 or even 45 due to physical or mental disabilities.

In 1949, and again in 1952, the House passed an amendment to the Social Security Act to provide payments to those workers, regardless of their age, who were fully insured if they became totally disabled prior to age 65, but both were killed in the Senate.

In 1954 the House and Senate finally agreed on a disability provision which would end the erosion of a worker's social security rights resulting from long periods of disability. This amendment is usually referred to as the disability freeze provision. This is now in full effect as far as the written act is concerned, but there is some doubt in my mind as to the effectiveness of the administration of the program.

In 1955 the House again approved a bill to establish a program of disability payments for people aged 50 and over as a basic part of the Social Security Act. Opposition again developed in the Senate, where, after a year's delay, the amendment was finally approved, and payments are due to begin July 1, 1957.

In the months that have passed since the disability system was established by law last August I have become concerned, however, with the number of reports I have received from severely disabled people who have applied for these benefits only to be told that they could not qualify. The following letter from a man in Toler, Ky., describes what is happening, I am afraid, in too many instances. He writes:

I am a sick man of 4 years' incurable disease. I froze my social security in July 1955. I worked 37 years in the mines. I am 56 years old.

I am being denied my sick benefits from this. I am enclosing a letter from my rehabilitation counsel. I went and saw him, as you see the letter says. He told me I wasn't able to be trained for one thing. * * * I went back to my social-security office. * * * They told me I had been turned down and would not let me sign up. I have produced letters from my doctor to show I will never be able to work again. What would you advise me to do? I am in bad shape and haven't worked in 4 years.

The fact that this sick man could qualify for the disability freeze but has been denied cash disability benefits is particularly disturbing to me. For it was clearly stated in the legislative history of the 1956 amendments that the definition of disability—except for blindness—and the manner in which it was determined were to be the same for cash benefits as for the freeze. If a man has been unable to work for 4 years because of his physical condition, if his doctor says he is unable to work, if he has been found disabled for purposes of the freeze, how, in clear conscience, can the social-security people justify the denial of the benefits? Is this the way Congress intended the program to operate? I know it is not.

I have been increasingly convinced that this person's situation is shared by thousands of handicapped men and women throughout the country. A recent case came to my attention in which the claimant was actually in a wheelchair and has been for some months, but the Social Security Administration has ruled that he is not totally disabled even though the VA has been making payments based on total disability since 1952.

Here is another letter from a constituent of mine who is considered disabled for his railroad retirement benefits, but not for social security. He writes:

I applied for my social-security benefit in 1956 and went before 3 doctors in June 1956, and they all 3 said I was disabled for any kind of work on account of high blood pressure and arthritis. I am 62 years old and I draw disability annuity from the railroad company. I know I am due one from the social security.

The following letter from Morehead, Ky., suggests what may be happening in

too many social security offices. My constituent writes:

I was, of course, a strong advocate of the recent measure passed by our Democratic Congress making it possible for the age limit to be lowered for workingmen who were permanently disabled, I being in that class which had been retired by my company as permanently disabled. We find, however, the administration * * * do not consider anyone able to move about, disabled. There are many of us here in Rowan County who have been retired as totally disabled, and our burial insurance carried by the company been fully paid. When we apply to the representative of the Social Security Administration, we are forcefully told we can be confined to a wheelchair but still find work where we can use our hands and they are not going to consider us for application under this law.

Since January 1, 1955, when this disability freeze went into effect, I have received letters by the dozens from people who were denied this token gesture on the ground that they were not sufficiently disabled so that their benefit rights could be frozen. Remember that these people were not applying for benefits. They simply did not want to be penalized in the amount of the benefit they would receive at age 65 because they were so disabled they could not work. Another letter describes what has been happening.

He writes:

I am a coal miner 58 years old. I worked in the coal mines for 33 years and have been disabled to work since December 1952 and I have applied for my social security freeze and have been turned down twice but still have my case open. I have a medical report from 3 different hospitals showing I have arthritis, ulcers of the stomach, a stiff knee, 20/40 vision, 1 eardrum badly affected. Now I do not believe the law you fought for so hard and had passed was meant to be abused like that. I couldn't pass an examination for any kind of manual labor and I don't have the education for any kind of work but coal mining. Now there is not only me, but plenty others just like me that can't get anything done so I wish you would have this matter investigated and see where the trouble lies.

Here is another letter dated April 5, 1957:

I have been trying to establish a disability under the social security freeze law since January 3, 1956, but it seems to be next to impossible to do so. I last worked September 10, 1945, and have furnished them medical evidence from June 1947, up to this time. These medical reports made out by at least 10 doctors or more show my impairment as palsy. My whole body trembles so much that I have trouble eating and it's hard to take a bath. I can't get myself a drink of water, and have trouble picking up objects. Also I have a peptic ulcer, a ruptured disk and arthritis in back, hip, and legs, and have trouble walking. I have furnished them medical evidence that I have drawn State aid since June 1947 and still draw $48 a month. I have also furnished them UMWA medical histories since 1946. Note I have not furnished them any evidence for 1945 and 1946, but I am still trying to get this evidence. Now Mr. Congressman, after they have got all of my medical evidence they told me I could take it to court if I want to, but told me I could not file for benefits until I reached the age of 65 years old. Mr. PERKINS, I know you fought very hard for this law and you know the law, but I believe I am being denied my legal rights under this law.

Another letter from Offutt, Ky., describes the effect of these endless delays in reducing the amount of the benefit which a man can receive, when he finally retires, at 65. This man's application was refused with the result that he received a benefit of only $54.50, because his period of disablement counted against him. He wrote:

I appealed the case and they turned it down. I wrote another letter about 6 months ago sending statements from the doctor that I had total disability in my left arm and 50 percent disability of my right hand and I've had this disability for several years. I can get sworn statements of men that refused to give me work because of the danger to my life because of my disability. They are willing to make these statements at any time.

The hardship which arises for these thoroughly disabled people, in having to go from one social security office to another to try to obtain their rights, is one of the reasons I am particularly concerned that we find some way of determining when a man or woman is disabled, promptly and with equity. In too many cases disability benefits are awarded only after long hours of waiting, of repeated medical examinations and repeated appeals. Let me cite the case of a man in East Point, Ky. He writes:

I was told I could make an appeal for social security but I don't know if it would be any use to. I am able to walk around but I cannot do any work and as you know I draw $66.15 a month and you can imagine what it is like trying to get along and everything so high. So I don't have money to have examinations and to make trips to and from where I would have to go. I ask at social security office where I would have to go and they told me that they didn't know, so you see how it is.

I am glad to report that finally on April 10 of this year, previous decisions were rescinded and this person was determined to be entitled to a disability freeze commencing December 1, 1951.

I have been greatly concerned as the stories told in these letters continue to come in. And so I am determined to try to get at the facts. These facts show that fewer people are applying for disability benefits than preliminary estimates showed. Because of the relatively small number of people who have applied, the Secretary of the Department of Health, Education, and Welfare has himself recommended that the deadline of July 1, 1957, be extended so that workers disabled in the past can get credit for their full period of disability. The first fact is, then, that fewer people have applied for disability determinations than were expected to do so. I think there are good reasons for this fact.

First of all, of the relatively small number of disabled people who have applied, about half are being turned down by the social-security people. For example, of a total of 403,000 persons who had received a disability determination at the end of December 1956, only 205,000 were considered disabled by the social-security offices. And remember that not all of these people can qualify for benefits. Many of them are under 50 years of age and are applying only for the freeze. Can it be that someone in charge of the administration of the law is of the opinion that an individual must be perfectly helpless before he is entitled to disability benefits? This, certainly, was not the intent of the Congress.

Perhaps a clue to the answer as to why such a small number of people have applied and an even smaller number have been adjudged to be disabled lies in a little 26-page pamphlet which was recently distributed to all Members of Congress and to the public in general by the Director of the Bureau of Old-Age and Survivors Insurance. It is called "If You are Disabled," and its purpose is to describe the disability-benefits program established by the 1956 amendments to the social-security law. I have read this little pamphlet with great care, and I am disturbed by some of the language I find there. For example, on page 3, under the heading "How Disabled Do You Have To Be?" there appears the flat statement:

You must have a disability which is so severe that it prevents you from doing any kind of work.

Again, on pages 19 to 20 under the heading "If Your Application Is Denied" there is the statement:

If you get a letter notifying you that your application has been denied, it will tell you the reason. It may be that the doctors and other experts who have studied your case have found that your condition is not serious enough to prevent you from doing some kind of work. Perhaps you would be able to work if you could find a particular kind of job or do a different kind of work than you have done in the past.

This means to me—and I think it means to the American people—that some so-called expert can deny the right to disability benefits if he believes that a disabled man or woman might have some remote chance of finding any kind of work, regardless of what kind of work it is. Could he deny benefits to a completely crippled man on the ground that he could go out and sell pencils on a street corner? Could he decide that a bedridden mine worker could not qualify because he might be able to sell dancing lessons over the telephone?

No wonder only a few people are applying for benefits:

The statements in these pamphlets do not, I submit, apprise the people of this country of their basic rights under the act. Moreover, if the tone of this pamphlet indicates the manner in which this disability program is being administered, I believe we should look into the question of whether the social-security people are carrying out the intention of the Congress as to this legislation.

Mr. Speaker, I submit that the record shows that Congress did not anticipate so rigid a definition of permanent and total disability as the flat statement that it must be so severe that it prevents you from doing any kind of work. Section 103 (a) of the Social Security Amendments of 1956 reads:

The term (disability) means inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration.

When the administration testified on the 1956 amendments, the chairman of the Senate Finance Committee requested specific information on the standards which would be used in making disability determinations. The memorandum which the Department of Health, Education, and Welfare prepared and inserted in the Senate hearings stated:

Any work by an individual is some evidence of his ability to perform substantial gainful activity. However, complete helplessness is not necessary to a finding of an allowable disability. Sporadic or infrequent activity would not necessarily establish ability to engage in substantial gainful activity.

The results, however, depend upon each factual situation. In determining whether services are substantial, both the nature of the work, and the amount of earnings derived from the work are considered. Thus, an individual possessed of special knowledge and skills who works 1 hour daily as a highly paid consultant would be considered not disabled. Another individual who is limited to manual labor could be considered disabled if he were capable of only 1 hour of work daily. If the services that a very severely impaired individual is capable of rendering are a small fraction—say one-third or less—of his former services and he receives only a small fraction of his former earnings for such services, he might be considered unable to perform substantial gainful activity. An exception would be where present earnings—although a small fraction of former earnings—were nonetheless considerable.

In the same memorandum, the Department stated that—

The concept of "substantial gainful activity" has been treated by the courts and the Department is developing experience in this area with due regard to the precedents.

Many lawyers in the Congress have had considerable experience with compensation claims in the various States of the Union. I feel it is safe for me to state that the compensation statutes operate on the theory that a man is totally disabled when he receives an injury arising out of or in the course of his employment which prohibits him from going about his usual occupation and earning a living, or prohibits him from obtaining other gainful employment. These statutes do not require total helplessness.

However, I thought I should go to Words and Phrases for court decisions on what constitutes "substantial gainful activity." I found a line of cases under the War Risk Insurance Act where the courts have ruled on what constitutes eligibility for payments for total and permanent disability. This definition is remarkably similar to the one we put into the Social Security Act, and reads "any impairment of mind or body which renders it impossible for the disabled person to follow continuously any substantial gainful occupation."

The Eighth Circuit Court of Appeals, in interpreting this definition, has stated:

By "substantially gainful occupation" is meant an occupation that produces and gains a man a fair and decent living having regard to his station (*U. S.* v. *Rice* (72 Fed. 2d, 676, 677)).

Similarly in *U. S.* v. *Cornell* (63 Fed. 2d, 180, 181) this court held:

"Substantially gainful occupation" as used in the definition means any occupation for which insured is by nature fitted or competent to follow which will enable him ordinarily to make a living for himself.

And again in *United States* v. *Perry* (55 Fed. 2d, 819, 821) the Court stated:

Any kind of work for which an insured may not be fitted or competent, or qualified mentally or physically, cannot always be considered a substantially gainful occupation. A man skilled as a plumber, a carpenter, an engineer, who, in order to keep the wolf from the door, sells apples on the corner from an improvised counter of store boxes, is hardly following a substantially gainful occupation; nor, if he comes from the Army with paralyzed limbs and sits in an invalid's chair and sells shoestrings, is he engaged in what may be termed a substantially gainful occupation.

I believe it is of the utmost importance that we make sure that those people who are entitled to disability benefits should receive them. I am disappointed and concerned about the interpretation which, it seems, has been given to the disability provision. I believe it is our responsibility, as Members of Congress, to make sure that the humane intentions of this disability program are not distorted, by administrative bungling or design, into a calculated attempt to hold down costs.

It is my belief that the Ways and Means Committee should hold public hearings on the inequities that have arisen in regard to the administration of the social-security disability program. In my district alone there are hundreds of persons who would like to testify in regard to these irregularities. I believe that the situation that exists in my district is typical of that which exists in other congressional districts throughout the country.

There is one other inequity in the disability program which I would like to call to your attention. Under the 1956 amendments, a veteran's social-security disability payments would be reduced by the amount of his disability benefit paid by the Veterans' Administration. On March 28 of this year, the House, on a suspension of the rules, passed H. R. 6191, which would modify this provision so that an individual drawing a service-connected disability benefit would not suffer a reduction or elimination of his social-security benefit. This was a step in the right direction and, I am happy to say, that the bill also extended the period of time that persons could apply for the disability freeze.

I would like to insert at this point my correspondence with Hon. JERE COOPER, chairman of the Ways and Means Committee, relative to the legislation, and the reply of Mr. Leo Irwin, the clerk of the Ways and Means Committee.

MARCH 22, 1957.

Hon. JERE COOPER,
Chairman, House Ways and Means Committee, House of Representatives, Washington, D. C.

DEAR CONGRESSMAN COOPER: The 1956 social security amendments providing for payments to disabled workers who have a record of covered employment in 5 out of the last 10 years, and 6 out of the 13 quarters immediately preceding the period of disability, includes a provision for the deduction of any payments from the State workmen's compensation agency or any Federal agency which are based in whole or in part on disability.

Disability payments under the social security program are paid from the disability fund, which is established and maintained by payments from the employees and the employers. Experience to date indicates that the disability fund will be more than adequate to take care of all disability payments. In fact, if the present policies are continued, the disability fund will far exceed the amount needed to make the payments for disabled workers between the ages of 50 and 65.

There is also a question of inequity in a reduction made from payments due under a compulsory insurance policy which the worker carries, by virtue of his employment, because he also obtains payments from another source. In the interests of justice due our workers who have lost their earning power due to a medically determinable disability, the 1956 amendments to the Social Security Act should be changed so that a disabled worker receives his insurance payments from the fund to which he is required to contribute without any reduction based on payments from the Veterans' Administration.

H. R. 6163 provides that no payments from the VA shall be considered deductible from disability payments under the Social Security Act.

I would appreciate an early opportunity to be heard on this bill which has been referred to your committee.

Under the current provisions of the Social Security Act, two workers working side by side, one age 56, the other aged 60, may become disabled. The 56-year-old man receives his full payments under the Social Security Act. The 60-year-old man, being a veteran of World War I, is notified that he is eligible to receive $65 per month from social security; but, being totally disabled, the Veterans' Administration is paying him $66.15. Therefore, he receives no social-security payments. These two workers, both having contributed to the social-security trust fund for many years and the disability fund since it was established, find it very difficult to understand why one is eligible for social-security payments and the other is not.

An actual case, with which I am acquainted, is now a wheelchair patient in the Soldiers' Home in Washington, D. C., with a Veterans' Administration rating of 100-percent disability. As this is non-service-connected, his veteran's payments are $66.15 per month. He is also eligible for social-security disability payments, but the $66.15 per month which he receives from the VA will be deducted from these payments.

I am sure that you will agree this is not equitable treatment for the millions of our veterans who also contribute to the disability fund of the social-security program.

Sincerely,

CARL D. PERKINS,
Member of Congress.

COMMITTEE ON WAYS AND MEANS,
HOUSE OF REPRESENTATIVES,
Washington, D. C., March 30, 1957.

Hon. CARL D. PERKINS,
House of Representatives.

DEAR CONGRESSMAN PERKINS: The chairman has requested me to reply to your letter of March 22, 1957, urging that you be permitted to be heard on your bill, H. R. 6163, which would remove the offset provision as it affects social-security disability-insurance payments and Veterans' Administration compensation.

I discussed your bill with the chairman and with Mr. Byrnes, as you requested in our telephone conversation the day we were considering H. R. 6191. The Department of Health, Education, and Welfare opposed the Byrnes amendment, which provides that there shall be no offset in the case of Veterans' Administration compensation for service-connected disability. The chairman and Mr. Byrnes felt that in light of this opposition it would be unlikely that the

amendment could be broadened as provided in your bill. The Department indicated to us that no action on the offset provision should be taken until study could be given to it. Mr. Byrnes' purpose was to take care of what almost anyone would admit is the most deserving case.

I regret that under the circumstances we were unable to adopt fully the provisions of your bill, although, as you well know, the Byrnes amendment includes the substance of part of your bill.

Sincerely yours,

LEO H. IRWIN, *Clerk.*

As far as the veterans are concerned, however, this bill does not go far enough. The effect of the House-passed bill would be almost meaningless for the next 10 years. I earnestly hope that the Senate Finance Committee will extend this provision in the manner proposed in my bill, H. R. 6163, so that there will be also no reduction in the social-security benefits of individuals drawing non-service-connected disability benefits.

Only those World War I veterans who have survived service-connected disabilities for 40 years and maintained their earning power to a point that would allow them to qualify for social-security benefits during the last 20 years, would be affected by the House bill. The great majority of World War II veterans have not yet reached the age of 50, required to make them eligible for disability payments, and will not reach that age for 10 years or more, so they are not affected by this provision. A World War II veteran with a service-connected disability who has been able to work at least 5 years during the last 10 or 18 months during the last 3 years may be benefited by this provision sometime around 1970 or 1975.

It is important that such disabled veterans who are now making contributions to the disability fund have these rights which they are paying for out of each pay check preserved and not canceled because they wore the uniform of their country in a time of great crisis.

It is not right, however, that their comrades who were discharged in good health be deprived of disability payments under the Social Security Act because of the fact that our Government long ago adopted a policy of caring for its disabled veterans. These millions of veterans who now make up the hard core of our industrial workers richly deserve the same treatment under the social-security program as may be given to other disabled workers who, because of age or physical disability were not able to attain the honor of serving in the military service of their country during a period of time in which we were at war.

Among the numerous letters which I have received from the victims of this discrimination against our veterans, I wish to note the following:

I worked 30 years at Armco, put 10 years in the Army, and I get $137.98 a month pension. Now, Mr. Perkins, I have become totally disabled from arthritis; had my hip fused, and can hardly get around, and still I cannot get service-connected disability. The doctors claim I have had arthritis for over 35 years, and I know I have had it for 40 years, but still I cannot get service-connected disability.

He adds a postcript:

I make leather goods, but I have no market for same.

A veteran's wife writes:

Now he (my husband) has been disabled for 2½ years. He has heart trouble. He only draws $66.15 per month veteran's pension. My three boys are none old enough to have a job. The State only allows them $32 each per months, which is $66. That makes us to draw $132.15 per month for 5 in the family. That is for all our utility bills, food, clothing, mortgage payments, and everything. He could draw his social security. He is 63 years old, but because he draws this small veteran's pension he cannot draw his social security. I want to ask you, Is there a man in Congress today who will help the veterans?

In this case we see an example of how the reduction in social security disability payments due to veterans' disability payments forces one of our disabled veterans to go on public assistance to prevent his children from starving.

One of the basic principles of the original Social Security Act was to reduce the public-assistance rolls by making insurance payments to the workers based on their work record. Here we have an individual who has made contributions to the social security trust fund for almost 20 years only to learn that as a veteran he has earned no rights to disability payments from the social security fund. Is this the first step in carrying out the recommendations of the Bradley Commission which proposes to replace veterans' payments by social security payments?

It was never my intention and I am sure not the intention of the majority of the Members of this body to substitute veterans' payments for social security disability or social security payments for veterans' disability payments. As the law now stands, those few who are able to meet the rigid definition which the Social Security Administration has set up by substituting any kind of work for substantial gainful activity as written into the act now find themselves deprived of social security payment because they are eligible for $66.15 a month from the Veterans' Administration.

If a private insurance company should collect premiums for disability insurance and then deny benefits to disabled workers because they were eligible for monthly veterans' payments, their license to operate would be immediately revoked. Yet, we find the Social Security Administration authorized by law to refuse to pay social security disability benefits which have been paid for by the worker and his employer because the worker is also eligible for veterans' payments. Even the minor group of service-connected cases included in H. R. 6191 was opposed by the Social Security Administration.

In my opinion there can be no justification for such a deduction from the social security benefits—an insurance right which has been paid for at least in part by the worker—because he is eligible for certain other payments regardless of the source of such payments. It is time that we recognize the social security program for what it is—a compulsory workers' insurance program which, on the grounds of equity, should guarantee payments to the worker regardless of eligibility for benefits under other programs. All disabled workers who are eligible for disability payments under the social security program must receive their payments in full as an obligation incurred by the social security trust funds which are fully paid for by the worker and the employer.

The disability insurance plan which I have consistently supported since I came to Congress is a much more liberal plan than the one adopted last year. It would pay benefits to crippled workers at any age instead of making them wait until they are age 50 or over. It would also pay benefits to their dependents. In this way, the wife of a disabled worker would be entitled to a wife's benefit and his children to a child's benefit. He would thus have the same protection as is now given to retired workers age 65 or over. Finally, my plan would reduce the time required to be eligible for benefits so that workers and their families could qualify if they had worked just 6 of the 13 quarters prior to the crippling disability. I know that many disabled people have failed to qualify solely because they lack a single quarter of having the 20 quarters of coverage now required.

I look forward to the day when our disability program will be liberalized along the lines I am proposing. But in the meantime, I am greatly concerned that the law presently on the books must not be distorted by administrative action so as to cheat people out of the benefits which Congress intended them to have.

NORTHWEST FARM LEADER HEADS NATION'S ELECTRIC CO-OPS

The SPEAKER. Under previous order of the House, the gentlewoman from Idaho [Mrs. PROST] is recognized for 10 minutes.

Mrs. PFOST. Mr. Speaker, I am enormously proud of the fact that Mr. John M. George, of Lewiston, Idaho, who was last month elected president of the National Rural Electric Cooperative Association, is a resident of the congressional district I represent.

He is well deserving of the honor he has won, and will fill with distinction the presidency of a great national organization which has not only been the stalwart, effective champion of rural electrification, but is dedicated to the full and wise development of this Nation's God-given natural resources for the greatest good for the greatest number.

We in Idaho and the Pacific Northwest have watched with gratification John George's 21-year struggle—against great odds—to electrify our farms and fully develop and conserve our natural resources—and we are happy that his horizons for usefulness have been so substantially widened.

It is significant that his first act as the new NRECA president was to testify before the Senate Interior and Insular Affairs Committee to express not just his own very intense support, but that of the vast farm organization he represents for the construction by the Federal Government of a high multiple-purpose dam in the Hells Canyon stretch of the Snake River on the Idaho-Oregon border.

RURAL ELECTRIFICATION COMES OF AGE

President Roosevelt had hardly finished signing the Rural Electrification Act on May 20, 1936, before John George jumped in to organize the Clearwater Valley Light & Power Association to serve the area around Lewiston, Idaho. He has been a director continuously since that time.

REA will come of age on May 20, 1957. In these more than 20 years Mr. George has seen loans reach a total of $3.24 billion—as of June 30, 1956—of which borrowers have actually drawn $2.75 billion.

Repayments have reached $377.8 million plus $243.4 million of interest, a total of $621.2 million paid into the United States Treasury. According to the annual REA report, 761 borrowers have made advance payments of $95,870,361.

The business prudence of the farmer-owned co-ops is further indicated by the 1947-to-1955 growth in the net worth of debt-free ownership from $63.6 to $404.7 million.

FOURTEEN MILLION PEOPLE

REA Administrator David A. Hamil reports that by June 30, 1956, 94.2 percent of the Nation's farms were electrified. Nine hundred and eighty energized systems have been financed by REA, operating over 1½ million miles of rural line and serving over 4¼ million customers. Since there is an average of 3 to 4 people in each family, this means that at least 14 million people have been moved out of the kerosene age by the REA.

RURAL LEADERSHIP IS KEY

It is one thing for Congress to authorize a program like the REA. But it takes leadership at the grassroots to make it a going concern.

John George is typical of the local leadership that made the REA story possible. He was born on a farm in Whitman County, Wash., in 1899 and at the age of 2 moved to another farm in Nez Perce County, Idaho. He attended high school in Culdesac and later went to business college in Lewiston. After his marriage to Thelma L. Wyman, who was also born and reared on a farm, the Georges moved to St. Louis, Mo., where Mr. George went to work for a clay products company. In 5 years he rose to the position of factory superintendent, but left because of ill health, and returned in 1927 to Culdesac to farm.

Two years ago he retired, turning the management of his 500-acre farm, where he raised grain, clover, peas, and cattle, over to the George's only child, Johneel Cammerer, and her husband.

Mr. George organized and for 3 years was master of the Culdesac Grange. For 7 years he served as a director of the Lewiston Grange Supply Cooperative, and for 9 years was on the AAA board. His directorship of the Clearwater Power Co., the present name for the Clearwater Valley Light & Power Association, dates from 1927.

He was one of the organizers of the Idaho Rural Electric Cooperative Association, and for 7 years was on the board of trustees of the Northwest Public Power Association. Since 1943 he has served as the Idaho member of the board of directors of the National Rural Electric Cooperative Association.

IDAHO FARMS 97 PERCENT ELECTRIFIED

As of June 30, 1956, Idaho's nearly 40,000 farms were almost 97 percent electrified. The State's 9 rural electric cooperatives have drawn $15,410,261 in REA loans to build 6,410 miles of line to serve 14,959 customers. Average use of electricty is 459 kilowatt-hours per consumer as compared to a 246 kilowatt-hour national average for REA borrowers.

In northern Idaho were low-cost Columbia River power is available, several co-ops have 600 kilowatt-hours per month power use per consumer. As power use increases, we all know rural living improves and so does farm productivity.

COLUMBIA RIVER POWER SYSTEM

As a member of the Bonneville Regional Advisory Council, John George has often put his shoulder to the wheel in the drive for more hydroelectric power.

Recently, as chairman of the legislative committee of the Northwest Public Power Association, he supervised the compilation of a practical working goal in the development of the Columbia River Basin which has been presented to President Eisenhower. He also supervised the compilation of that association's resolutions in a consumer power policy. In 1948 he served on the NWPPA legislative committee which issued a Federal power policy which has been used by a number of other associations as a pattern for drafting similar policy statements.

FOR THE PUBLIC GOOD

So it is clear that John George brings to the NRECA presidency a diversified and rich background in public service. It is good to have him at the head of this important organization.

The REA act has been described as one of the 10 greatest laws enacted by the Congress. In the extent to which it advances the public welfare, it ranks with social security, forest service, reclamation, homestead, housing, and fair labor legislation.

Rural electrification has been and will continue to be good business for the Federal Government, for main street and for rural America. For every dollar invested in rural electric cooperative lines, the consumer spends at least $4 for appliances, wiring, and plumbing. The rural tax base goes up along with the powerline.

The Federal power program likewise opens new geographic areas as the high-voltage lines bring in power from the mountain canyons where the surging waters are trapped and harnessed for the good of men. Federal power increases the tax revenues, too, in the States, counties, and municipalities where the projects operate, because it opens up new industries, and new opportunities for jobs.

Over 40 percent of the Nation's potential waterpower runs wastefully down the Snake and Columbia Rivers—wasted as power and causing waste as floods. The job of converting this power into electric energy for the benefit of the people is moving ahead, with the aid of men possessing the capability and vision of John M. George of Lewiston, Idaho.

POSTAL SERVICE

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. BOYLE] is recognized for 10 minutes.

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I yield to the gentleman from California.

Mr. ROOSEVELT. Mr. Speaker, the gentleman from Illinois was good enough to join with me as a cosponsor of the bill H. R. 6611. Through inadvertence the names of certain other cosponsors were omitted. I appreciate this opportunity of placing in the RECORD the names of the Honorable GEORGE H. CHRISTOPHER of Missouri and the Honorable JOHN A. BLATNIK of Minnesota, who should have been listed also as cosponsors. I appreciate the courtesy of the gentleman from Illinois in letting me make that correction at this time.

Mr. BOYLE. Mr. Speaker, the people of the 12th District of Illinois which I have the honor and distinction of representing, are grieved. They are saddened, Mr. Speaker, by the prospective removal of one of the landmarks of the whole Congressional District, their Post Office at Broadway and Devon Avenues in Chicago.

My constituents are so disturbed and unhappy at the prospect of a removal or consolidation that they have sent me letters and petitions signed by thousands of users of that post office, in the hope of preventing the closing down of this widely used facility.

Closing a post office is a serious matter. It represents disruption of service and a hardship to everyone that has come to depend on it over the course of years. In the case of this little station, the normal hardship is compounded. It is not a recently established branch; it has been there for over 30 years, and has impressed and ingrained its usefulness into the habits and very lives of the whole community.

This is not a large post office; it is not in a beautiful new building. But we need it and the local neighborhood service it provides.

Resultingly, I have pleaded with Ralph Wills, Deputy Executive Assistant to the Postmaster General; Congressman TOM MURRAY, chairman of the House Post Office and Civil Service Committee; and Carl Schroeder, Postmaster of Chicago, against the moving or discontinuation of the post office in this congested area.

This little post office at Broadway and Devon represents, in its way, the battle the American people all over the country are going through this very minute to preserve the service and usefulness of our postal system. It represents the continual battle which has had to be made during the last 5 years to save a free and inexpensive postal system for the people. Not since the notorious British stamp act prior to the Revolutionary War has there been greater danger to the fundamental concept of

service in our postal system than there is today. The suffering which would be brought about by a complete cessation of postal service in this country would be overwhelming beyond belief, yet inroads have been attempted and will apparently continue to be attempted under this administration. The proposed removal of my little postal station is a sign and symbol of what may yet come to every congressional district in the country.

Faced with a projected deficit in the next fiscal year of almost $650 million, the removal of this little post office does not represent a national catastrophe, neither will its removal or elimination change the picture of the balance sheet. To me and the people of my district, the removal of this station, which is located in one of the most highly congested and highly developed business and residential districts in the country would represent a real hardship. We continue to hope that the Post Office Department will recognize before it is too late the impact and hardship which their proposed action would occasion.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. BONNER. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may have until midnight tonight to file a report on small boats.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

COMMITTEE ON APPROPRIATIONS

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file any report.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

HON. THOMAS E. MURRAY, ATOMIC ENERGY COMMISSION

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, one of the great Americans of this time and era is Thomas E. Murray, a member of the Atomic Energy Commission. His dedication to public service, to spiritual truths, and his high ideals are known far and wide. I think I can safely say there is no person in our country who is more highly respected than Commissioner Murray. And equally recognized by all is his outstanding ability in the highly specialized and technical field of atomic energy which is of such great importance to our country, and which is so fraught with significance for the preservation of liberty and independence everywhere. His contributions have been such that there are few persons in the United States that the Communist leaders in the Kremlin would like to get rid of more than this great American. There will be joy and happiness in the Kremlin if he is not reappointed as a member of the Atomic Energy Commission. There will be keen disappointment on the part of countless thousands of Americans if President Eisenhower refuses to reappoint him. His term expires on June 30. At his last press conference, President Eisenhower was asked about the reappointment of Mr. Murray. I will read from a news item which appeared in the April 18 issue of the Washington Post and Times Herald. It reads as follows:

> Asked at his press conference whether he had read the request from 11 of the 18 members of the Joint Committee on Atomic Energy to reappoint Atomic Energy Commissioner Thomas E. Murray, Mr. Eisenhower said, "I have not seen it (the request), and my reaction, if I got it, was this—it is my responsibility to appoint people in the executive branch."

That is the end of the quotation. Well, there is nothing new in that statement. Everybody knows that.

Mr. PRICE. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I am glad to yield to the gentleman

Mr. PRICE. Mr. Speaker, I am glad that the majority leader has taken the floor to say the well-deserved and fine things that he has said about Mr. Murray. I happen to be one of those who signed the letter addressed to the President. I did it not as an official act as a member of the committee, and those of us who did sign it did not do so on an official basis, but rather we signed that letter on a personal basis seeking to give the President background information, from those who have the best opportunity to follow closely the great work that Mr. Murray has done in the past as a member of the Commission. We fully respect the President's authority and prerogative to make these appointments, and we certainly would not want to interfere with that right or authority in any way. But we do feel the President should know the great record and the high esteem in which the majority of the members of our committee hold Mr. Murray, and the great respect we have for his great contribution to the atomic-energy program. I know of no person in the whole world more devoted to the aims of the atoms-for-peace program than Tom Murray. I know of no single individual who has done more to promote that program than Mr. Murray.

Mr. McCORMACK. I thank my friend, the gentleman from Illinois.

Mr. Speaker, I must say at this point the remarks I am making now are being made without the knowledge of Commissioner Murray. I am impelled to make these remarks because of my feeling of deep respect and high regard for this great American and because of his value and his importance at this particular time in the public service of our country.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Speaker, I wish to aline myself with the remarks of my colleagues, the distinguished majority leader, the gentleman from Massachusetts, and the gentleman from Illinois [Mr. PRICE]. I want particularly to call your attention to the fact that Thomas Murray has had 7 years of experience as a member of the Atomic Energy Commission.

It was Tom Murray who first proposed the OVEC utility contract. It was Tom Murray who first proposed the EEI contracts by which private industry was allowed to furnish electricity to this great program.

It was Tom Murray who insisted that we go into an increased raw materials program.

I could go on and on reciting incident after incident of the work of this man, but I will only mention one more, the small-weapons program that he advocated.

Mr. McCORMACK. Yes. That was a program that was not accepted by the administration when first proposed, but now they have taken it over entirely.

Mr. HOLIFIELD. Exactly so; they have taken over the small-weapons program which Tom Murray advocated.

He also has been working on the question of our moral responsibility in using mass-destruction weapons. He has been fearless and has come out and advocated moral principles in the controlling of this terrible force that has been let loose in the world.

Mr. McCORMACK. And, right there, whenever we lose completely our recognition of the power and influence of moral principles, then we degrade ourselves from the spiritual to the materialistic level and we are likely to be lost.

Mr. HOLIFIELD. Exactly so.

Now, this man should be retained because he brings to the Commission an independent objective judgment. It is not always in harmony with that of the other members; quite often it is not in harmony. The reason the Congress agreed to the establishment of Commission rule of the atomic-energy program was that we might get five men of variable backgrounds, varying degrees of judgment and viewpoint, in order that they might bring their collective judgment to bear. A commission that is dominated by one man, as this Commission has been for the last 2 or 3 years, with the exception of Tom Murray, results in your getting but one viewpoint.

The Joint Committee on Atomic Energy which is supposed to be kept currently informed on all of the facets of the program will not get the information they should have without these varying points of view. This information they in turn use as a basis for recommending policy and legislation to the Congress of the United States.

I do not want to take any more of the gentleman's time—I could take an hour on this particular subject—but I want to thank him for taking the floor on this issue, and I aline myself with his thinking.

Mr. McCORMACK. I really appreciate the fine statement of my friend from California.

We recognize that it is the duty and the responsibility of the President to appoint people as he sees fit, to appoint people in the executive departments; no one takes issue with that; that was recognized in the days of George Washington and has been all down through the years with every President. So there is no real marked contribution to American intelligence and history by that observation, but on the other side, every President from Washington down has welcomed recommendations. The recommendations may not necessarily have been adopted, but I think that when 11 Members out of 18 go to the trouble of writing a letter to any President of the United States about anybody, that the President, whoever he may be, should give respectful and courteous consideration to such request; and I might say that the 11th one was a Republican member of the committee.

I am reading this news item further:

> Asked why he has named Scott McLeod, State Department security chief, to be Ambassador to Ireland, when the appointment has been criticized, Mr. Eisenhower said:
>
> "I appointed Mr. McLeod on the serious and earnest recommendation of Secretary Dulles (Secretary of State John Foster Dulles), who is held responsible by me for the successful functioning of all our embassies. And when he recommended him and did it, not in a perfunctory way, but in a very serious, direct way, which he does all those, I approved him (McLeod)."

Now, I am sure the President did not mean to say that the 11 members of the Joint Committee on Atomic Energy were not serious in their recommendation to him of Commissioner Murray; I am sure he did not mean to imply these 11 members were only acting in a perfunctory manner. Of course, the Secretary of State can have direct contact with President Eisenhower more easily than any Member of Congress—I say this not in any unkind way but in an objective way—particularly any Democratic Member of Congress. The 11 members have not acted in a perfunctory way, but with knowledge of the man himself through their close association with him as they have been while members of the Joint Committee on Atomic Energy, made the recommendation for the reappointment of this great American. I can assure President Eisenhower, if he should read my remarks by any chance or if any one of his administrative assistants by any possible chance might call to his attention my remarks, or the substance of them, he will appreciate the fact this it not perfunctory on the part of the 11 members but was done only after very serious consideration. As a Democrat I hope he will not be penalized because he is a real Democrat. There are countless persons throughout the country who are Republicans and independents hoping that Commissioner Murray will be reappointed. They entertain this hope because of his great abilities, his dedication to the public service, his independence and courage, and his nobility of character. This Commission is supposed to be a bipartisan one, with majority and minority party representation. Commissioner Murray is a Democrat and, by the way, he is a real Democrat.

President Eisenhower has not definitely said he will not reappoint Commissioner Murray. I sincerely hope that between now and the time he makes up his mind he will resolve himself to make the decision to reappoint this splendid American who is rendering such outstanding service in behalf of our country. In the field of foreign affairs he knows or ought to know that his greatest support in Congress comes from the Democratic Party. The bipartisan relationship that exists is due mainly to the fact that the Democratic Party in Congress is cooperating with him in the national interests of our country.

But is it a one-way street? That question addresses itself to the minds of many of us. Should the Democratic views and the views of the 10 Democratic members of the Joint Committee on Atomic Energy be ignored? I will not say anything further at this time other than to make the observation that I hope the President has not closed his mind against the reappointment of Commissioner Murray and that at the proper time he will reappoint him for another term as a member of the Atomic Energy Commission.

Mr. ROONEY. Mr. Speaker, will the distinguished gentleman yield?

Mr. McCORMACK. I yield to the gentleman from New York.

Mr. ROONEY. I rise to commend the distinguished gentleman from Massachusetts for his remarks with regard to Commissioner Thomas E. Murray. I do hope that President Eisenhower will take note of the gentleman's remarks and reappoint Commissioner Murray to the Atomic Energy Commission.

Mr. McCORMACK. I appreciate the gentleman's observation and I emphasize as strongly as I can that in the national interest of our country, in carrying out the bipartisan existence of the Commission, and that he is a leader, a man who has been opposed in his views yet his views have been later followed, I hope the President will reappoint Commissioner Murray.

STATEHOOD FOR ALASKA

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, as I am vitally interested in the enactment of legislation granting statehood to Alaska, I should like to take this opportunity to make a few brief remarks on this subject.

First of all, I want you to know that I am, and have long been, a stanch advocate of statehood for Alaska. I also have long contended that such legislation, to be successfully enacted into law, will require a bipartisan effort in both Houses of Congress. Statehood, by its very nature, is such an important objective that it should not be burdened by political ambitions; indeed, I believe it unwise for either political party to take the credit for the enactment of this legislation into law, or, oppositely, to blame the opposing party if it does not become such.

I say this because I have become increasingly disturbed by recent comments to the effect that a statehood bill for Alaska, and for Hawaii too, will be passed only if President Eisenhower further urges its favorable consideration by Congress.

This position of the administration in this matter has been made quite clear. The President, in his budget message for 1957, said:

> I also recommend the enactment of legislation admitting Hawaii into the Union as a State, and that, subject to area limitations and other safeguards for the conduct of defense activities so vitally necessary to our national security, statehood also be conferred upon Alaska.

On March 11 Secretary of the Interior Fred A. Seaton expressed the position of the administration further. Speaking through Assistant Secretary Hatfield Chilson, who appeared before the House Subcommittee on Territorial and Insular Affairs, Secretary Seaton outlined the proposal which would permit the President to create special national defense withdrawals in the northern and western portion of Alaska. The circumstances surrounding such withdrawals were submitted in the form of amendments to the pending statehood legislation. It is my understanding that the aforementioned proposal has met with general approval by the people of the Territory of Alaska. It should also be pointed out that at the time Secretary Seaton's statement was delivered to the House Subcommittee on Territories, and again on March 26 when substantially the same statement was delivered to the Senate Subcommittee on Territories, again by Mr. Chilson, the third paragraph of each statement reiterated the position of the administration, in these words:

> Before we proceed any further, let me make this clear: the administration's position is that all of the Territory of Alaska should become the State of Alaska.

I should also like to call attention to the fact that during the years that I have been a Member of Congress, the Republican Party held the majority of seats during the 83d Congress, in 1953 and 1954. During this time, on June 2, 1953, to be exact, the Committee on Interior and Insular Affairs, of the House of Representatives, by a vote of 19 to 4, approved of the statehood bill for Alaska then before it. On June 26, 1953, the committee favorably reported it to the House of Representatives. I am happy to state that I was chairman of the Subcommittee on Territorial and Insular Affairs, the subcommittee that held hearings on this legislation and first acted favorably thereon, to the full committee, at that time.

Then on April 1, 1954, the Senate passed a combined bill providing for the admission of both Alaska and Hawaii by a vote of 58 to 28. At that time there were 33 Republicans who voted for the bill and 9 against, while only 23 Democrats voted for the bill and 19 voted

against it. One then-Independent, Senator MORSE, voted for the bill.

Therefore, when statements are made by prominent members of the Democratic Party that tend to place complete responsibility for the passage of this legislation upon the administration, I believe that they are in reality admitting that the Democratic Party does not have the necessary votes to pass this legislation—legislation which both major political parties have endorsed.

The present Congress is under the control of the Democrats. We Republicans have little, if anything, to do with what matters are finally presented to the floor of the Congress because of this. And the Constitution of the United States states that Congress has the sole right to admit new States into the Union.

However, I want to assure you that I am more than willing to do everything in my power to support statehood for Alaska and Hawaii, and I am sure that I speak for the vast majority of the Republican Members of the House of Representatives when I say this. At the same time though, I repeat the need for bipartisan support to accomplish this objective. The people of Alaska have expressed their views on statehood at the polls in the past. Only a short time ago they ratified the proposed constitution for the new State by a margin of over 2 to 1. It is for Congress to now honor those opinions.

The administration has demonstrated that it is in full accord with the expressed desire of the people of Alaska to have their Territory admitted as a State; now it is time for the Democratic Party to forgo the use of any cheap political devices, and instead, join with the Republican Party and the administration in this bipartisan project so that statehood for Alaska will become an actuality.

RECESS

The SPEAKER. Under authority granted to the Chair, the Chair declares the House in recess subject to the call of the Chair. The bells will be rung 15 minutes before the House reassembles.

Accordingly (at 1 o'clock and 25 minutes p. m.) the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 o'clock and 33 minutes p. m.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested a joint resolution of the House of the following title:

H. J. Res. 312. Joint resolution making additional appropriations for the fiscal year 1957, and for other purposes.

MAKING ADDITIONAL APPROPRIATIONS FOR THE FISCAL YEAR 1957

Mr. CANNON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H. J. Res. 312) making additional appropriations for the fiscal year 1957, and for other purposes, with a Senate amendment thereto, and consider the same.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendment, as follows:

Page 2, line 11, strike all after "$275,000,000" down to and including "administration" in line 13.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, I move that the House concur in the Senate amendment.

Mr. Speaker, the Senate amendment removes the House limitation placed on Federal funds that can be used for State and local administration.

The President's budget, submitted last January, contained an estimate of $101 million for this purpose during 1957. The House limitation would have held this expenditure to $100 million.

In 1950 there was an average monthly caseload, under all public assistance programs, of 3,405,331. It is estimated in the President's budget for 1958 that the average monthly caseload during 1957 will be 3,486,000. Thus the number of public assistance cases has gone up less than 2½ percent. But the cost of handling this caseload presents quite a different picture. In 1950 the Federal share of State and local administrative expenses was $57,281,000. The current estimate for 1957 is almost double that. There should be some reasonable limitation on this unwarranted and ever-increasing rise in administrative costs.

The hearings on the second urgent deficiency appropriation bill for 1957 indicates that in January the Social Security Administration estimated the Federal share of the costs of State and local administration at $101 million for fiscal year 1957. However, on April 4, less than 3 months later the Commissioner of Social Security estimated the administration costs at "a little over $105 million as our present best guess."

A limitation similar to that proposed by the House is contained in the Labor, and Health, Education, and Welfare appropriation bill for 1958.

Mr. Speaker, I now yield to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, I am not able to vote for this amendment. However, I shall not ask for a division or a rollcall.

The situation is this: They made enormous increases in the administrative expenses and salaries for operating these old-age pensions. The result has been that these increases have got to the point where in some spots the expense of distributing the gratuities that are given to these beneficiaries runs as high as 25 percent of the total amount that is distributed. That to me is unconscionable. It is a procedure whereby the welfare business and the old-age pension business is being run into a racket.

For my own part, I believe we have to take care of the needs of the aged, but I think we ought to be able to do it on a more economical, intelligent, and thorough basis than seems to be the case.

Mr. GROSS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, I cannot approve this resolution for the reason that the limitation imposed by the House, with respect to funds for administrative purposes, has been eliminated.

The House provided nearly $17 million for administrative purposes. Refusal of the other body to accept this limitation may well result in much higher spending for administrative costs and it should be kept in mind that these expenditures for payroll come from the overall funds which are designed to help those who need old-age assistance.

Let the RECORD show that I join with the gentleman from New York [Mr. TABER] in voting against the adoption of this resolution.

Mr. CANNON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri.

The motion was agreed to.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

ADJOURNMENT FROM APRIL 18, 1957, TO MONDAY, APRIL 29, 1957

Mr. McCORMACK. Mr. Speaker, I offer a privileged resolution (H. Con. Res. 164) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved, That when the two Houses adjourn on Thursday, April 18, 1957, they stand adjourned until 12 o'clock meridian, Monday, April 29, 1957.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. CANNON. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may have 5 legislative days in which to extend their remarks in the RECORD on the matter just considered.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

AUTHORIZING THE SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that, notwithstanding the adjournment of the House until April 29, 1957, the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AUTHORIZING THE SPEAKER TO APPOINT COMMISSIONS, BOARDS, AND COMMITTEES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that, notwithstanding the adjournment of the House until April 29, 1957, the Speaker be authorized to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday, May 1 and May 8, 1957, be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

BIPARTISAN COOPERATION ON PRESIDENT EISENHOWER'S FOREIGN POLICY?

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, it should be interesting to the membership of this House and to the American people to know the situation with regard to congressional bipartisanship on President Eisenhower's foreign policy and to learn whether his support in this regard comes from the Republican side of the aisle or the Democratic side of the aisle.

On yesterday the House had a rollcall vote on the question of adoption or rejection of an amendment of the gentleman from Iowa [Mr. GROSS] to the bill H. R. 6871 making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year 1958. Adoption of this amendment would have cut more than $7 million for the State Department for this country's contributions to international organizations such as the United Nations, the World Health Organization, and the Organization of American States. It would have meant that this Government would have had to abandon membership in some of the international organizations and become delinquent in the payment of dues to a number of them.

This is the summary of the vote on such an important foreign policy matter:

For the amendment:	
Democrats	67
Republicans	99
Total	166
Against the amendment:	
Democrats	128
Republicans	77
Total	205

Is it the Democrats of this House or the Republicans who vote to support President Eisenhower's foreign policy?

RECESS

The SPEAKER. The House will stand in recess subject to the call of the Chair.

Accordingly (at 2 o'clock and 40 minutes p. m.), the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 3 o'clock and 31 minutes p. m.

FURTHER MESSAGE FROM THE SENATE

A message from the Senate by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 164. Concurrent resolution establishing that when the two Houses adjourn on Thursday, April 18, 1957, they stand adjourned until 12 o'clock meridian, Monday, April 29, 1957.

GENERAL LEAVE TO EXTEND

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may extend their own remarks in the RECORD at this point; and their own remarks in the Appendix of the RECORD, and in the case of the latter at their own discretion to include any extraneous matter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. ZELENKO (at the request of Mr. BYRNE of Pennsylvania), for Wednesday and Thursday, April 17 and 18, on account of death in family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PERKINS, for 30 minutes, on today.

Mrs. PROST, for 10 minutes, on today.

Mr. BAILEY, for 30 minutes, on Thursday, May 2.

Mr. BOYLE, for 10 minutes, on today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. ADAIR and to include extraneous matter.

Mr. PELLY and to include extraneous matter.

Mr. O'HARA of Illinois.

Mr. PORTER.

Mr. ULLMAN and to include extraneous matter.

Mr. McGREGOR (at the request of Mr. MARTIN.)

Mr. MACDONALD (at the request of Mr. McCORMACK) and to include extraneous matter.

Mr. McCORMACK and to include extraneous matter.

Mr. ENGLE and to include extraneous matter.

Mr. FLOOD (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. WIDNALL and to include extraneous matter.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 70. Joint resolution requesting the President to proclaim the week April 28 to May 4, 1957, inclusive, as National Health Week.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 33 minutes p. m.), pursuant to the provisions of House Concurrent Resolution 164, the House adjourned until Monday, April 29, 1957, at 12 o'clock meridian.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

757. A communication from the President of the United States, relative to holding Federal costs and activities to a minimum (H. Doc. No. 155); to the Committee on Appropriations and ordered to be printed.

758. A communication from the President of the United States, transmitting a proposed supplemental appropriation to pay claims for damages, audited claims, and judgments rendered against the United States, as provided by various laws, in the amount of $2,728,739, together with such amounts as may be necessary to pay indefinite interest and costs and to cover increases in rates of exchange as may be necessary to pay claims in foreign currency (H. Doc. No. 156); to the Committee on Appropriations and ordered to be printed.

759. A letter from the Chairman, President's appointed bipartisan Commission on Increased Industrial Use of Agricultural Products, transmitting the interim report of the Commission on Increased Industrial Use of Agricultural Products, pursuant to Public Law 540, 84th Congress; to the Committee on Agriculture.

760. A letter from the Secretary of the Navy, transmitting a draft of proposed legislation entitled "A bill to relieve the Surgeons General of the Army and Navy of certain responsibilities outside the Department of Defense"; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. GREEN of Oregon: Joint Committee on the Disposition of Executive Papers. House Report No. 373. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. BONNER: Committee on Merchant Marine and Fisheries. H. R. 2493. A bill to authorize the Secretary of the Interior to permit the construction of a bridge and road across Chincoteague National Wildlife Refuge, and for other purposes; with amendment (Rept. No. 374). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. House Joint Resolution 287. Joint resolution permitting the Secretary of the Interior to continue to deliver water to lands in the Heart Mountain division, Shoshone Federal reclamation project, Wyoming; without amendment (Rept. No. 375). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 6454. A bill to amend the act for the retirement of public-school teachers in the District of Columbia; with amendment (Rept. No. 377). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. Report on study of recreational boating safety pursuant to section 136 of the Legislative Reorganization Act of 1946, Public Law 601 (79th Cong.); without amendment (Rept. No. 378). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HYDE: Committee on the Judiciary. House Joint Resolution 307. Joint resolution for the relief of certain aliens; with amendment (Rept. No. 376). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. TALLE:

H. R. 7024. A bill to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes; to the Committee on Banking and Currency.

By Mr. BOW:

H. R. 7025. A bill to amend Public Law 874, 81st Congress which provides Federal assistance for the operation of schools in areas affected by Federal activities; to the Committee on Education and Labor.

By Mr. BROWN of Georgia:

H. R. 7026. A bill to amend and revise the statutes governing financial institutions and credit; to the Committee on Banking and Currency.

By Mr. DAWSON of Utah:

H. R. 7027. A bill to repeal section 1314 of the Supplemental Appropriation Act of 1954 which permits congressional committees to expend funds appropriated to executive agencies for investigations without limit or without requiring accounting thereof; to the Committee on Appropriations.

By Mr. DENTON:

H. R. 7028. A bill to amend title V of the Agricultural Act of 1949 to provide that all the expenses of the United States in supplying Mexican agricultural workers shall be borne by the employers; to the Committee on Agriculture.

By Mr. FENTON:

H. R. 7029. A bill to establish a program of financial and technical assistance designed to alleviate conditions of substantial and persistent unemployment in economically depressed areas, and for other purposes; to the Committee on Banking and Currency.

By Mr. FRELINGHUYSEN:

H. R. 7030. A bill to protect labor organizations' funds and employee benefit plans in industries affecting trade and commerce from embezzlement and corruption; to the Committee on Education and Labor.

By Mr. GRANT:

H. R. 7031. A bill to regulate the foreign commerce of the United States by establishing quantitative restrictions on the importation of hardwood plywood; to the Committee on Ways and Means.

By Mr. HALE:

H. R. 7032. A bill to assist the United States cotton textile industry in regaining its equitable share of the world market; to the Committee on Agriculture.

By Mr. HEMPHILL:

H. R. 7033. A bill to provide for the issuance of a special postage stamp to commemorate the Battle of Kings Mountain which took place on October 7, 1780; to the Committee on Post Office and Civil Seervice.

By Mr. HOLIFIELD:

H. R. 7034. A bill to establish a Federal employees' health insurance program; to the Committee on Post Office and Civil Serevice.

By Mr. McMILLAN:

H. R. 7035. A bill to amend the Code of Law for the District of Columbia by modifying the provisions relating to the attachment and garnishment of wages, salaries, and commissions of judgment debtors, and for other purposes; to the Committee on the District of Columbia.

By Mr. MACHROWICZ:

H. R. 7036. A bill to amend the Internal Revenue Code of 1954 to provide an additional exemption for a taxpayer or spouse who is permanently disabled, and an additional exemption for a taxpayer suporting a dependent who is permanently disabled; to the Committee on Ways and Means.

By Mr. MAY:

H. R. 7037. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for certain amounts paid by a teacher for his further education; to the Committee on Ways and Means.

By Mr. METCALF:

H. R. 7038. A bill to amend the antitrust laws by vesting in the Federal Trade Commission jurisdiction to prevent monopolistic acts or practices and other unlawful restraints in commerce by certain persons engaged in commerce in meat and meat products, and for other purposes; to the Committee on the Judiciary.

By Mr. MUMMA:

H. R. 7039. A bill to permit the State of Pennsylvania to obtain old-age, survivors, and disability insurance coverage, under its State agreement entered into pursuant to section 218 of the Social Security Act, for individuals under the Pennsylvania State Police retirement system; to the Committee on Ways and Means.

By Mr. PATTERSON:

H. R. 7040. A bill to provide that postmasters at first-, second-, and third-class post offices shall be appointed by the Postmaster General, subject to the civil-service laws and rules and regulations; to prohibit prior approval or clearance on a political basis of appointments to positions in the classified (competitive) civil service, and to positions of postmaster of a fourth-class office, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PELLY:

H. R. 7041. A bill to establish a system for the classification and compensation of scientific and professional positions in the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 7042. A bill to provide for the disposition of certain property heretofore conveyed by the United States to the Housing Authority of the city of Seattle, State of Washington; to the Committee on Banking and Currency.

By Mr. PRICE:

H. R. 7043. A bill to amend the public assistance provisions of the Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. ROBSION of Kentucky:

H. R. 7044. A bill to amend the Railroad Retirement Act of 1937 to provide for the payment of an annuity to widows of railroad employees who had more than 30 years of service at the time of their death, but who did not die completely or partially insured; to the Committee on Interstate and Foreign Commerce.

H. R. 7045. A bill to provide for the award of the Good Conduct Medal to certain veterans of World War I; to the Committee on Armed Services.

By Mr. SAYLOR:

H. R. 7046. A bill to establish a program of financial and technical assistance designed to alleviate conditions of substantial and persistent unemployment in economically depressed areas, and for other purposes; to the Committee on Banking and Currency.

By Mr. SMITH of Mississippi:

H. R. 7047. A bill prohibiting lithographing or engraving on envelopes sold by the Post Office Department, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. VAN ZANDT:

H. R. 7048. A bill to authorize the Interstate Commerce Commission to employ 100 inspectors of safety appliances; to the Committee on Interstate and Foreign Commerce.

H. R. 7049. A bill to establish quota limitations on imports of foreign residual fuel oil; to the Committee on Ways and Means.

By Mr. ULLMAN:

H. R. 7050. A bill to amend the law with respect to the recoupment of funds expended in cooperation with the school board of Klamath County, Oreg., because of the attendance of Indian children, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 7051. A bill to stimulate industrial development near Indian reservations; to the Committee on Interior and Insular Affairs.

By Mr. BONNER:

H. R. 7052. A bill to amend section 216 (b) of the Merchant Marine Act, 1936, as amended, to provide for appointments of cadets from the District of Columbia, Guam, American Samoa, Virgin Islands, and the Canal Zone; to the Committee on Merchant Marine and Fisheries.

By Mr. CRAMER:

H. R. 7053. A bill to amend and extend the Public Buildings Purchase Contract Act of 1954, as amended, the Post Office Department Property Act of 1954, as amended, and to require certain distribution and approval of

new public building projects, and for other purposes; to the Committee on Public Works.

By Mr. McINTIRE:

H. R. 7054. A bill to assist the United States cotton textile industry in regaining its equitable share of the world market; to the Committee on Agriculture.

By Mr. WIDNALL:

H. R. 7055. A bill to amend the Internal Revenue Code to assist small and independent business, and for other purposes; to the Committee on Ways and Means.

H. R. 7056. A bill to reduce individual and corporate income taxes by 5 percent, to reduce the alternative tax on net long-term capital gains to 12½ percent, and to increase from $600 to $650 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemption for a dependent, and the additional exemption for old age or blindness); to the Committee on Ways and Means.

By Mr. GRIFFIN:

H. Res. 238. Resolution to authorize and direct the Committee on Interstate and Foreign Commerce to conduct an investigation and study of the effects of widespread abandonment of railroad passenger service in the United States, and for other purposes; to the Committee on Rules.

By Mr. HARRIS:

H. Res. 239. Resolution authorizing the Committee on Interstate and Foreign Commerce to employ two additional employees; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. BARING: Joint Resolution No. 19 of the Nevada State Senate memorializing the President of the United States, the Attorney General of the United States and the Congress of the United States to take appropriate action to cause the appointment of a second United States district judge in and for the District of Nevada; to the Committee on the Judiciary.

By Mr. FORAND: Memorial of the Rhode Island General Assembly memorializing the Congress of the United States to grant statehood to the Territories of Alaska and Hawaii; to the Committee on Interior and Insular Affairs.

By the SPEAKER: Memorial of the Legislature of the State of Colorado, memorializing the President and the Congress of the United States concerning appropriations for statewide survey of ground water supplies within the State of Colorado; to the Committee on Interior and Insular Affairs.

Also, Memorial of the Legislature of the State of Colorado, memorializing the President and the Congress of the United States concerning amending of the Internal Revenue Code regarding the oil shale industry, etc.; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Kansas, memorializing the President and the Congress of the United States to investigate the Amateur Athletic Union of America and to take the proper action on the findings resulting from such investigation; to the Committee on Rules.

Also, memorial of the Legislature of the State of Rhode Island, memorializing the President and the Congress of the United States to grant statehood to the Territories of Alaska and Hawaii; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the Virgin Islands, memorializing the President and the Congress of the United States to appropriate funds for the improvement of the harbors at Charlotte Amalie, St. Thomas, and Christiansted, St. Croix, Virgin Islands of the United States; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 7057. A bill for the relief of Henryk Bigajer and Maria Bigajer; to the Committee on the Judiciary.

By Mr. BLATNIK:

H. R. 7058. A bill for the relief of Frank L. and Evelyn M. Bussmann; to the Committee on the Judiciary.

By Mr. DEVEREUX:

H. R. 7059. A bill for the relief of Rosa Elizabeth Jensen Engle; to the Committee on the Judiciary.

By Mr. LIPSCOMB:

H. R. 7060. A bill for the relief of Yuriko Yamaguchi; to the Committee on the Judiciary.

By Mr. MAY:

H. R. 7061. A bill for the relief of Antonio Forlini Santopietro; to the Committee on the Judiciary.

H. R. 7062. A bill for the relief of Ardashes Hartunian; to the Committee on the Judiciary.

By Mr. NORBLAD:

H. R. 7063. A bill for the relief of Karin Tittel Taylor; to the Committee on the Judiciary.

By Mr. O'BRIEN of New York:

H. R. 7064. A bill for the relief of Mrs. Inge H. Johnson; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

209. By Mr. GRIFFIN: Petition of Lyle Schwarder, master, and 78 members of Missaukee Grange No. 918, Missaukee County, Mich., that the National Grange Headquarters Building be permitted to remain in its present location at 744 Jackson Place, Washington, D. C., and not be taken over by the Government through condemnation proceedings; to the Committee on Public Works.

210. By Mr. THOMPSON of New Jersey: Resolution adopted by members of the township committee of township of Hamilton, Mercer County, N. J., urging Congress to enact legislation providing salary increases and personnel-management relations for postal employees, and also urging support of Senate bills 27 and 386 and House bills 6 and 2474; to the Committee on Post Office and Civil Service.

211. By the SPEAKER: Petition of Mrs. Homer A. Stockton and others, Houston, Tex., relative to trying to destroy the Hoxsey treatment for cancer; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

High Honors Paid to Hon. John W. McCormack, of Massachusetts, and Hon. John J. Rooney, of New York

EXTENSION OF REMARKS

OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1957

Mr. FLOOD. Mr. Speaker, as the House is about to recess for the Easter holiday, I am aware of the religious overtones of this holy week. On Monday and Tuesday our Jewish brothers paid tribute to their ancient Passover, and we of the Christian faith approach Holy Thursday, Good Friday, and the joyous Easter Sunday of rededication to our respective faiths and realization of the mysteries of eternal spring and the eternal God.

Mr. Speaker, I bring tidings of the great joy, high honor, and special distinction conferred upon two of our most respected and beloved colleagues, the distinguished majority leader, the gentleman from Massachusetts [Mr. McCORMACK] and the distinguished gentleman from New York [Mr. ROONEY].

Last night I was privileged to be a witness with some of my colleagues and in the presence of a brilliant gathering of clergymen led by His Excellency the Archbishop of Washington; His Excellency the Auxiliary Bishop of Washington, and many very reverend and right reverend monsignori and priests, when His Excellency the Apostolic Delegate conferred the Ecclesiastical Order of St. Gregory the Great, with the rank of Knight Commander with Star, upon the distinguished gentleman from Massachusetts [Mr. McCORMACK], and the distinguished gentleman from New York [Mr. ROONEY].

This was not an action of a political, temporal, or sovereign nature, but rather a tribute from the leaders of their faith to these two outstanding Christian American gentleman whose character, integrity, and public service merited this ancient, historic, and prized award.

Mr. Speaker, it matters not what honors may come to a public official from his friends or from his community; it matters not how high and mighty among men he may be. Unless he believes in God, unless he is sincere in the manifestation of his faith, regardless of what that belief may be, he is lacking one element essential to greatness. The distinguished gentleman from Massachusetts [Mr. McCORMACK], and the distinguished gentleman from New York [Mr. ROONEY], are devout communicants of their church and profess deeply and sincerely their belief. In these years of uncertainty and turmoil, they stand among us calm and serene as they embrace the motto of our country "In God We Trust."

Emblazoned upon the emblem of the order with which they have been honored are the words pro deo et principe—for God and country. No better phrase can depict their public and private manifestation of faith in their God and dedication as patriots to the United States of America, and so, Mr. Speaker, not only do I congratulate these, our two beloved

colleagues, but I congratulate my country and this House on the good fortune in having them as citizens and as Members. Down the long avenue of time, which I hope and pray lies before them, may they enjoy good health, long life, and great success in the vast circle of their friends and in the intimate bosom of their families ad multos annos.

The Nickel Situation

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1957

Mr. McCORMACK. Mr. Speaker, under leave to extend and revise my remarks, I am including in the RECORD a letter I addressed on April 3, 1957, to the Honorable Gordon Gray, Director of the Office of Defense Mobilization, and a letter dated March 20, 1957, addressed to me by Mr. John M. Curley, president of the Eastern Stainless Steel Corp.

Over a year ago I became convinced that the Department of Commerce and the Office of Defense Mobilization were not taking all the necessary steps to protect American business, particularly in the plating industry, insofar as the allocation of nickel was concerned. Subsequent hearing by three committees of the Congress verified this conviction, and the Congress in Public Law 632 of the 84th Congress directed the Secretary of Commerce to make a study of the nickel situation and report thereon by December 31, 1956. The report admitted, in effect, that there had not been fair and equitable distribution, and it is my understanding that some progress has now been made in this regard respecting the plating industry. Apparently, however, there has not been the same attention directed to the plight of other users, and I have accordingly propounded some questions on the subject to the Honorable Gordon Gray, the new Director of the Office of Defense Mobilization.

May I say for the RECORD that it is my hope that Mr. Gray will himself become acquainted with the nickel situation, the manner in which it has been allocated, and the extent to which the Federal agencies have delegated their responsibility for the allocation of this scarce and critical material.

The letters follow:

APRIL 3, 1957.

Hon. GORDON GRAY,
Director, Office of Defense Mobilization, Washington, D. C.

DEAR MR. GRAY: Over a year ago I became interested in the cause of a number of responsible business concerns that use nickel in connection with their operations in the plating industry, others in the stainless steel industry, others in the chemical industry, etc. I became convinced that the Government had a definite responsibility to insure fair and equitable allocation of nickel which was in short supply. This responsibility was increased in my opinion by the fact that 33⅓ percent to 40 percent of available nickel was taken by the Government itself for defense and stockpiling purposes, thus increasing the shortage to civilian users.

As a result of the light of publicity on the matter and following hearings by three Congressional committees it became well established that the system of allocation, insofar as platers were concerned, was not fair and equitable. Also the action of the Government in entering into an arrangement with the principal producers of nickel whereby that concern actually allocated the material to American industry was to say the least an unusual delegation if not abrogation of governmental responsibility.

The details of the allocation system were not published in the Federal Register or elsewhere to my knowledge so no one was quite sure just what the system was, the period upon which it was based, the provision for new and expanding businesses, curtailed businesses, etc.

It is my understanding that the Commerce Department, after a survey requested by the Congress, has admitted the validity of the complaints of the platers and that some helpful steps have been taken with respect to the plating industry. However, the situation with respect to operators in the stainless-steel industry and I believe in other industries remains the same. In this connection I enclose a letter of March 20, 1957, from Mr. John M. Curley, president of the Eastern Stainless Steel Corp., Baltimore, Md., wherein certain pertinent points are raised. I would appreciate your comments on the questions raised by Mr. Curley and also on the following:

1. Whether it would be possible to allocate the nickel sinter as he has suggested without involving the regular allotment of those who receive it?

2. Whether additional supplies of the nickel sinter could be similarly handled?

3. Whether some mills are receiving more nickel than they need while others are receiving less than their requirements?

4. Whether there are plans to revise the existing allocation formula?

5. Whether or not there is a written agreement between the Department of Commerce and/or Office of Defense Mobilization and the International Nickel Co. with respect to the allocation of nickel.

I shall appreciate hearing from you with respect to this matter at your early convenience and since there is a widespread interest in this subject I shall place this correspondence in the CONGRESSIONAL RECORD and shall afford your reply similar consideration unless you indicate otherwise.

Very sincerely yours,
JOHN W. McCORMACK.

EASTERN STAINLESS STEEL CORP.,
Baltimore, Md., March 20, 1957.

The Honorable JOHN W. McCORMACK,
Congress of the United States,
House of Representatives,
Office of the Majority Leader,
Washington, D. C.

DEAR CONGRESSMAN McCORMACK: Thanks very much for your letter of March 6 with copy of the CONGRESSIONAL RECORD containing data on the scrap picture as far as export is concerned. This is very interesting and I certainly appreciate your having sent it to me.

You know nickel has been a problem with us and with a couple of other concerns and the whole thing is set up on a ridiculous basis of our purchases from the Nickel Co., in 1950 and 1951. As a result of this, some people get more nickel than they need and we get little or nothing on unrated steel for domestic use.

The nickel situation, however, is easing and there is every indication it is going to ease substantially in the near future. However, in the meantime, we are still suffering for want of nickel and have to go out in the market and pay ridiculous prices for it because nobody is willing to change the formula.

At the present we have been advised by the BDSA that there is 1,500,000 pounds of nickel sinter on hand in Philadelphia in the hands of the National Lead and it has been offered to all the steel companies on the basis that it is available to them, but it will be taken off their regular allotment and, therefore, they all have refused it. We would love to get it, but we have had to refuse it because our regular allotment is so small that we would not get any electrolytic nickel if we took this sinter at Philadelphia. Sinter can be used by a steel mill, but you still have to have some electrolytic and our allotment is so small we could not even consider taking it. However, if somebody is really sincere, this material should not lie in Philadelphia for over a month just because somebody cannot decide how to distribute it. We have recommended that it be distributed on a hardship basis because the mills will not accept it on a regular allotment basis, although everybody in Washington says it is not controlled.

If they would sell this, or any part of it, as a means of overcoming the very unfair inequity, we would be glad to purchase any quantity of it at the regular price.

There is another million pounds coming in next week which will be in the same position and, of course, what will probably happen, if they are not able to sell it, will be to put it in stockpile as the only other solution. Along this line, if somebody really wants to make sure the budget does not continue on its same high figure before adoption, a good place to look for saving is on the purchases of nickel for the stockpile.

Everybody you talk to on the nickel question will tell you it is not controlled and that the Commerce Department does not tell how it is to be distributed; but, if we got that or any part of it on the basis on which it was offered, it would automatically be deducted from our allotment from the International Nickel Co. as there is a tie-in of information between the various suppliers and whether you call it control or not, we are limited to a very definite figure in spite of the fact that I am sure some mills get more than they need.

If there is anything you could do to shake loose any part of this nickel sinter by getting the machinery working to a point where the facts can be considered and you do not have to be tied to a 7-year-old formula, it would be greatly appreciated and would be of tremendous assistance to us.

I certainly hope there is something that can be done on this because it looks like a possible way of getting more nickel without these people having to lose face which is what it all amounts to.

Very truly yours,
EASTERN STAINLESS STEEL CORP.,
JOHN M. CURLEY, *President.*

Radio Station WOWO Honored

EXTENSION OF REMARKS

OF

HON. E. ROSS ADAIR

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1957

Mr. ADAIR. Mr. Speaker, in this day and age when we are all so conscious of the need for spreading the gospel of freedom and liberty throughout the world, it is encouraging for me to report to my colleagues a signal honor which has been given to a radio station in my district and to the Indiana State Bar Association, of which I am a member.

Only recently, Westinghouse Radio Station WOWO, in Fort Wayne, won the George Washington Gold Medal Award of the Freedoms Foundation of Valley Forge for a daylong program designed to promote better citizenship.

The inspiration and information for this program were furnished by the American Citizenship Committee of the Indiana State Bar Association.

Joining in the daylong broadcast were Robert E. Meyers, mayor of the city of Fort Wayne; Attorney L. B. Harper, who has been active in citizenship work on behalf of the Lions' Club there; and Attorney Alexander Campbell, chairman of the bar association committee in charge of such projects. The broadcasts were highlighted by Jay Gould, a prominent member of the staff of WOWO, from documented statements by refugees, persons formerly in internment camps and local high school students. Mr. Gould's poem, Freedom, also won him a special gold medal. Carl W. Vandagrift is general manager of radio station WOWO.

As a result of its efforts to instill in its listeners the true meaning of American freedom and citizenship, I am sure that all who heard were inspired anew with the ideals of liberty which are the greatest asset of our Nation.

I am indeed proud to call attention to this stirring example of what is being done in Indiana to spread before the world the many and great blessings which are our national heritage.

House Appropriations Committee Deals Unfairly With Mining Producers Who Properly Relied in Good Faith on Previous Actions of Congress

EXTENSION OF REMARKS

OF

HON. CLAIR ENGLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1957

Mr. ENGLE. Mr. Speaker, the argument over appropriations which threatened to delay the Easter recess of Congress requires, I think, some statement from those who believe that the Appropriations Committee is wrong in continuing to refuse to appropriate for the minerals program authorized by Public Law 733.

It will be recalled that the budget sent up a request for $30 million for the mineral program to be included in the first urgent deficiency appropriations bill. The House Committee refused to include the money. Some of us protested this failure and the $30 million was put in the bill on the Senate side. The matter has since been tied up in conference between the two committees.

The first urgent deficiency appropriations bill involved other matters, including appropriations for the Department of Health, Education, and Welfare, and the Small Business Administration. In order to take care of some of these items, the Appropriations Committee reported House Joint Resolution 310 which provided funds for a number of these items but leaving out any appropriations for the acquisition of strategic minerals, including tungsten. This bill went over to the Senate where it was amended to include $9,140,340 for the minerals program but limited each producer to not in excess of 2,500 short-ton units—the present law puts the limits at 5,000 units.

The Senate committee, in its report to the Senate, made the following statement:

> The committee recommends the allowance of $9,140,840 for the acquisition of strategic minerals under the provisions of Public Law 733, 84th Congress. Of the amount recommended, $600,000 is for the continuation of the asbestos and fluorspar programs and the balance of $8,540,840 is for the tungsten program.
>
> It is the view of the committee that the sum recommended is adequate to allow the producers of tungsten to plan for an orderly close-down of their facilities insofar as purchases under Public Law 733 are concerned. The committee has recommended the inclusion of a limitation to limit the acceptance of deliveries from any one producer from a mining district to 2,500 short-ton units in any one calendar month. Public Law 733 limits such deliveries to 5,000 short-ton units.
>
> The committee will not consider any additional funds for the acquisition of tungsten under the existing provisions of Public Law 733; and the committee urges the proper legislative committee to consider amendments to overcome the objections that have been raised to the tungsten program.
>
> It is possible that legislation to implement the long-range minerals policy could be enacted during this session of Congress. If such legislation is enacted to provide for a tungsten program the committee will consider funds for it at the proper time.

It will be observed that the committee says that the amount allowed was in order to permit an orderly closedown of the mining facilities, and further states that the committee did not intend to consider any additional funds for acquisition of tungsten under the existing provisions of Public Law 733. This appropriation, in short, was an amount allowed to permit the mining industry to close up its operations in an orderly fashion.

It will be recalled that Public Law 733 was passed last August for an announced program covering 30 months and costing $90 million. The first appropriation last August was for $21 million. On the basis of those facts, the mining industry bought equipment, put milling properties in running operation, hired men, and proceeded to go to work on the very proper assumption that the program would last for 30 months with a total amount of $90 million, of which $21 million was already provided. In fact, the Senate Appropriations Committee last August in its report to the Senate stated that the $21 million was the initial amount and the executive agency was directed to come in with a supplemental request in January.

It is our belief that the producers very properly relied upon these representations and that they should be protected against loss incurred by reason of acting on the basis of those representations. It is manifestly unfair to set a program in operation, lead people to rely upon it, and then cut it off. Many miners have invested literally thousands of dollars in getting their equipment required, procuring some new equipment, and putting the mines in operating order. They feel a deep resentment toward their Government and especially toward the Appropriations Committee of the House. With all respect to my colleagues on the Appropriations Committee, I believe that this feeling is jusitfied and that these miners have been done a grievous wrong.

Those of us who represent some mining areas were very reluctant to accept the provisions put in House Joint Resolution 310 by the Senate. We realized it meant the end of the mining program under Public Law 733 and, for all practical purposes, the end of the tungsten industry in the United States. We thought it little enough under the circumstances, but the House Committee on Appropriations would not even accept that amount and ignored the bill, House Joint Resolution 310, when it was returned to the House with the Senate amendments.

Instead of taking this bill House Joint Resolution 310 on the floor where the Senate amendment would have been debated and voted upon, the Appropriations Committee met and passed out a new bill limited to funds for social security payments and small business. The first urgent deficiency appropriations bill presumably will remain in conference—with the tungsten miners sitting out on a limb, as they are now.

Some of us think that the members of the Appropriations Committee ought to carefully examine their consciences, especially during this Easter period, as to whether or not their action is hurting innocent people who relied in good faith upon the fairness of their Government.

Oregon Economy Suffers From Tight Money

EXTENSION OF REMARKS

OF

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1957

Mr. ULLMAN. Mr. Speaker, the present tight money policy being pursued by this administration has adversely affected many segments of our economy. Adequate testimony to the disastrous effect of this unfortunate policy on the district which I represent and on the State of Oregon in general is provided by some very significant figures which I have recently examined.

According to the Oregon State Unemployment Compensation Commission, "payments to insured unemployed reached $3,700,000 for the highest March in 20 years' history of the State unemployment compensation commission." The commission's bulletin continues by pointing out that in the State of Oregon there are currently "some 48,100 persons still without work, about 6,000 more than a year ago."

The same depressing picture is presented by considering current bank debits as reported by a publication of the

University of Oregon, the Oregon Business Review. As bank debits are generally regarded as good indicators of current business activity, I think the figures for the Second Congressional District are significant:

	Number of banks reporting	Debits, February 1957	Debits, January 1957	Debits, February 1956	February 1957 compared with—	
					January 1957	February 1956
Upper Columbia River (The Dalles, Hood River, etc.)	9	22,439,280	28,041,546	23,126,455	−20.0	−3.0
Pendleton area	8	22,201,611	31,363,539	23,175,027	−29.2	−4.2
Central Oregon (Bend, Prineville, Redmond, etc.)	5	19,000,036	22,676,408	22,029,003	−16.2	−13.8
Klamath Falls, Lakeview area	5	21,945,107	30,871,816	26,613,227	−28.9	−17.5
Baker, La Grande area	8	19,627,249	25,747,871	21,124,123	−23.8	−7.1
Buens, Ontario, Nyssa	5	16,198,184	21,268,001	16,353,009	−23.8	−1.0

Reports of two banks in Baker County, which is included in my district and in which county I live, indicate the same trend. The First National Bank of Baker reported that demand deposits of individuals, partnerships, and corporations at the close of business on April 10, 1956, were $6,256,151.14. In a similar report for the close of business on March 14, 1957, this same item was listed at $5,945,599.33. Thus, demand deposits were down over $300,000.

The report of the First National Bank of Halfway, also in Baker County, showed a similar situation. At the close of business on April 10, 1956, demand deposits of individuals, partnerships, and corporations were listed as $642,020.88. A similar report for March 14, 1957, showed this figure had dropped to $592,470.27, or a drop of almost $50,000.

New unemployment applications in Baker County reflect the same unfortunate situation. During the month of March the Baker office of the State Unemployment Compensation Commission reported that there were 102 new applications filed as compared with only 50 filed 1 year ago. I cannot help but note that reports of the two banks in Baker County, which is the area in which Idaho Power Co. is constructing Brownlee Dam, indicate that the much heralded prosperity supposedly resulting from Idaho Power Co.'s activities does not exist.

Continuance of the present tight-money policy can only lead to further aggravation of an already unhealthy economic situation. The State of Oregon and the Second Congressional District can no longer continue to endure the form of economic strangulation which it is now experiencing.

State Management of Local Programs Means a Federal Tax Cut Now

EXTENSION OF REMARKS

OF

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1957

Mr. PELLY. Mr. Speaker, like many of my colleagues who were home in their legislative districts last week during the Easter recess, I have returned with renewed determination to do what I can as a Member of Congress to justify a major reduction in Federal taxes through the curtailment of unnecessary Government waste and spending.

The Democratic and Republican Parties alike, Mr. Speaker, had party platforms calling for such a cut in taxes, and to that purpose many Members like myself have introduced legislation. In my own case, I have been frank in stating I would not ask for consideration by the House Ways and Means Committee or support any measure to reduce the revenue of the Federal Treasury without prior assurance that cuts at least in an equal amount could be made in the budget. My own bill, H. R. 5997, would reduce, for example, the Federal revenue by $4.3 billion, and that, consequently, has been my own goal for a budget cut.

During the Easter recess, I made several public speeches in my home State. In each of these I referred to the Federal grants-in-aid program as a source of long-range economy. I said something every Member of this House knows—that 25 percent of the amount of these grants goes toward Federal administrative and other costs on the national level. In other words, if the States collected and spent their own money, without the funds passing through the Federal Treasury and being appropriated by Congress through executive agencies back to the States and local interests, the recipients of the aid, as well as the taxpayers, would all be better off.

As an example, in my district the University of Washington at Seattle is the recipient of a number of Federal grants for research. These are for worthwhile projects. But my point is that if my State had the funds and the State legislature made the appropriations, I think everyone concerned would be better off. Everybody knows the closer to the people, the better the government, and as the trend increases of State dependence on Federal handouts we face a serious imbalance of local responsibility.

Now we are asked to authorize expenditures for State and local government aid for various programs to cost more than $5.5 billion, or $1 billion over fiscal 1957, which, in turn, was almost three-quarters of a billion dollars over the year before. Since 1948, these Federal grants to States have been mounting every year. Where will it end?

The legislative proposals for fiscal 1958 include $211 million in new grants, together with a total of $6 million for previously authorized programs.

According to the May 1957 issue of Nation's Business, total aid of various kinds to State and local governments will amount to approximately $35 billion by July 1 of this year, since 1947.

Here are some of the programs Congress started last year, as outlined by the article just referred to in Nation's Business:

A water pollution control program this year will cost the taxpayers about $2 million. Next year it will cost $3 million.

A new Federal program of aid to municipalities for the construction of waste treatment facilities will result in drafts on the Treasury of $7 million this year. Next year the program will cost $62 million.

Grants-in-aid for the construction of health research facilities costing $1.6 million this year will take $9.4 million in fiscal 1958.

A program of local library services costing $2 million this year will require $3 million or more next year.

The National Science Foundation administers grants for certain research facilities which this year will cost $500,000, but which next year will take $2.8 million.

A program for the drainage of anthracite mines will cost taxpayers $1 million this year. The program will cost $2.5 million next year.

The $5.5 billion in Federal aid to States and communities in the year ahead basically takes three forms:

Grants-in-aid, at least 66 programs, which account for $5.3 billion.

Shared revenue, totaling $102.3 million.

Loans and repayable advances which total $126.3 million.

Mr. Speaker, I never hear any support in this Chamber for Federal intervention in State affairs; indeed, on the contrary, Members frequently express their opposition on the floor to Federal control.

I wonder if in the grants-in-aid programs, however, we do not overlook the means and look rather at the end. For most of the programs in themselves are worthy.

If Congress, however, directly allocated back to each respective State a percentage of the revenues collected by the Federal Government, with no strings attached, and said in so many words, "You decide and take care of your own needs," and, in short, said, "Grants to the States are at an end"—what a saving this would be to the taxpayers. What a blessing to the people.

My State of Washington gets back about $99 million out of the $848 million we pay through income taxes. If, as I believe, the cost amounts to $25 million of getting and giving our State's part of this aid, then what I mean becomes more apparent. With the $99 million plus $25 million available on the State level the State, unaided, could construct training facilities for medical and dental schools, make grants for health and other research available, plant its own trees, train welfare workers, teachers, and nurses, assist the unemployed, and finance other such programs and projects for itself. The local people, meanwhile, could decide for themselves what projects were desirable, and oversee how the programs were administered.

Mr. Speaker, there are many sources of Federal economy. Our congressional committees will examine into the details of requests of executive agencies and

come up with plenty of suggestions where savings can be made. For myself I do not favor cutting normal functions of Government, nor the standard of compensation of Federal employees which should always equal that of private enterprise. Ample opportunity for reducing Government expenditures, it seems to me, exists without meat-ax cuts, and one of these avenues is in the elimination of the system of Federal grants to States. We can screen carefully foreign aid and our own Department of Defense. We can cut here and there, as we have been doing thus far this session, to the amount of $1 billion. But unless local and State government is to be superseded and become a mere puppet form of federally controlled local field administration, we should end completely the grants to States program. The resultant savings in taxpayers' dollars would be such as to guarantee a lasting cut in taxes for all time for all people.

Other Than Honorable Discharges

EXTENSION OF REMARKS

OF

HON. TORBERT H. MACDONALD

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1957

Mr. MACDONALD. Mr. Speaker, I have today introduced a bill dealing with the hardship suffered by thousands of American servicemen who have been discharged from the Armed Forces under conditions other than honorable. These are individuals who have committed minor offenses or who because of some mental defect or disease have failed to meet, during their service, acceptable standards of social or military conduct. Their offenses or conduct were not serious enough to amount to crime either military or civil, for they have not been tried and convicted by a general court-martial.

Although the policy of the Armed Forces in issuing discharges other than honorable to such individuals was and is intended to distinguish these unfortunates from real criminals, nevertheless this meritorious effort on the part of the Armed Forces has failed of its intended effect. In the civilian mind there is little or no difference between the individual who was discharged other than honorably and the individual who was discharged dishonorably. The ordinary civilian has neither the time nor the patience to draw distinctions. If one has not an honorable discharge, chances for gaining employment are very small, indeed.

Mr. Speaker, have you seen the effects of such discharges upon the lives of these ex-servicemen? Try as they will they cannot get or hold jobs. Employers don't want to employ them, and therefore not only do they pay the price for a misdemeanor over and over again, but also their wives and children also pay a penalty out of proportion to the original offense. This atmosphere permeates as well to the social level, where it lurks as a family skeleton, a thing to be hidden. These unfortunate ex-servicemen apply, time after time, to the boards for the correction of military or naval records in the desperate hope that something might be found in their record which will afford a basis for changing the quality of their discharges. In most cases, the correction boards are helpless under the state of our present law. Their review is confined to the military record. It is true, the law says they may consider "such other evidence as may be presented by such person." But what effect is given this language? No matter how exemplary a life the individual has led since his discharge, no matter if he has been cured of the mental disease which caused his unacceptable conduct, no matter if his fault did not amount to a crime, the boards limit themselves to the official records and evidence relating strictly thereto; the cold official language comes back, "the board regrets, but." The individual must pay and pay for his misdemeanor committed when of a young age until he dies. His family and children must also pay and pay, not only until he dies, but even beyond. Mr. Speaker, is this the penalty a man should pay for acts or faults which were not criminal? Acts, which in the main, were committed by young persons who had not yet matured into adult judgment or responsibility.

I think you will agree that so severe a punishment should not be meted out to these servicemen. This bill will give them hope, a chance at rehabilitation. It will not wipe the slate clean, but it will say, that under our system, rehabilitation is not only possible but should have its rewards. Congress will now make clear its purpose, that the appropriate board must consider evidence of subsequent good character and exemplary conduct, and must issue to such individuals, a discharge or release under honorable conditions, dated back to the date of the original discharge that these men have rehabilitated themselves. Of course, it must be established to the satisfaction of the board by oral or written evidence, or even by such independent investigation as the board may make, that his character, conduct, activities, and habits since his original discharge have been good for at least 3 years. It directs the board to take into consideration in each case the reasons for the nature of the original discharge or dismissal, together with such other factors as the board may consider appropriate. Although the bill would permit the granting of an honorable discharge to these individuals, I call to your attention that it would not authorize the granting of the so-called direct GI benefits including pension, compensation, hospitalization, military pay and allowances, education, loan guaranty, retired pay, or other benefits. They would get a discharge under honorable conditions only.

Mr. Speaker, every Member of this House I am sure will agree with me when I say that this legislation is long overdue. In the fiscal year 1955, a total of 1,062,940 men and women were discharged from all branches of the Armed Forces. Of these were 69,323 who received undesirable, bad conduct, or general discharges—those subject to review under the provisions of the bill which I have introduced. It is interesting to note that between July 1, 1950 and June 30, 1955, only 561 discharges were corrected or changed by the Boards for the Correction of Military and Naval Records. I repeat only 561 out of 69,323. This is due, I am sure, not to the coldness of heart of the reviewing board, but rather to the punitive rules under which the reviewing board operates.

I am sure that every Member of Congress has one or more cases in his district where boys still in their teenage years have been given less than honorable discharges that could be meritoriously considered by the appropriate military review board.

For this reason, Mr. Speaker, I hope that the 85th Congress will enact this worthy legislation into law. By doing so it will give many thousands of our American servicemen, who have rehabilitated themselves in civilian life, a chance to prove that they have lived an exemplary life and are now good American citizens. The stigma which now automatically attaches for a lifetime to them can be erased. It will help them to obtain dignified employment worthy of their natural ambitions and abilities. I feel that they have been punished enough. let us help them to help themselves in their goal to become first-class citizens.

Foreign Policy

EXTENSION OF REMARKS

OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Thursday, April 18, 1957

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a speech which I delivered before the Executives Club, Chicago, Ill., on Friday, April 12, may be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

FOREIGN POLICY

(Address by Senator MIKE MANSFIELD, Democrat, Montana, before Executives Club, Chicago, Ill., Friday, April 12, 1957)

I shall open my remarks today by violating a basic principle of effective public speaking. I shall remind you of a somewhat unpleasant matter. In 3 days your Federal tax returns are due. It is still uncertain what Chicago's bill for income taxes will be in 1956. In 1955, however, it was about $1.3 billion.

You may wish to contrast that total with the experience of this city a little more than a century ago. In the year 1834, all taxes levied on all citizens of the town of Chicago amounted to $48.90. Lest the urge to return to the good old days grows irresistible, I hasten to add that while taxes were low, life in Chicago in those days was not without some minor inconveniences. It was not, for example, until 10 years later, in 1843, that pigs were officially banned from the public streets.

But I have not come here today to collect your income taxes. A Senator's responsibilities involve many unusual assignments but tax collection is not yet included among them. I have been asked by constituents to stop grizzly bears from crossing the Canadian border. I have been asked to change the light bulbs in the Federal building in Butte. I have even been asked to provide the correct answers for TV quiz programs.

And most frequently, I have been asked to "do something about taxes." The phrase—it is a phrase in very common usage in Washington these days—is subject to varying interpretation. When a constituent demands that a Senator "do something about taxes" he may mean many things. I am convinced by long experience in Congress, however, that there are two things he emphatically does not mean. He does not expect the Senator to raise taxes or to collect them.

I have opened my remarks on this matter of taxes because it relates very directly to the subject which we have under discussion today.

What we pay in Federal taxes is, of course, determined by the budget. This year, the budget submitted by the President to Congress is the highest peacetime budget in our history. What are the really big items? First of all, there is the cost of present national defense, $41.7 billion, almost 60 percent of the total budget of $71.8 billion. There is also a charge of $4.3 billion for foreign aid. To a large extent this foreign aid is military assistance; it is also linked to our own national defense needs. Other major items in the budget stem from the still unpaid price of past wars. Our obligations to veterans of these wars, for example, will require about $5 billion during the next fiscal year.

When we put these charges together we find that the preponderant cost of government and, hence, of the high-tax rate, is closely associated with national defense, past, present, and future. The extent of the need for national defense in turn is tied to the state of our relations with other nations. And foreign policy is the principal mechanism which guides those relations. Foreign policy and taxes, in short, are inseparably interwoven. If our foreign policy can move the international situation toward greater stability and security for all nations, the cost of national defense in time can come down and so too can the tax rate. If it is unable to do so, if instead world tensions and the danger of aggression increase, then the cost of national defense must inevitably increase and so too will taxes. The alternative is to toy with the future of the Nation. I do not believe there is a person in this room who would knowingly do that regardless of how onerous the tax burden may be.

Taxes, I am sure, constitute one reason for the growth in public and Congressional interest in questions of foreign policy during recent years. There are others, beyond taxes. Scientific achievements at the University of Chicago and elsewhere a few years ago ushered us into a new era of human history. An effective foreign policy can help to make this new age, this age of nuclear power one of ever-widening horizons of progress for the people of the United States and for all mankind. An ineffective policy, however, opens up the possibility, not merely of vastly higher taxation, but of the sudden death of tens of millions of our citizens. It is not overstating the situation to say that an ineffective policy could act to bring about the end of recognizable civilization everywhere on earth.

These are not remote possibilities. These are the realities of the world in this second half of the 20th century. These are the facts which confront us today and will continue to confront us throughout all of the tomorrows that it is possible to foresee.

We need not fear these facts. We need fear only ignorance of them or indifference to them.

The principal method for dealing with these facts as they affect our national survival and interests is foreign policy. It is the first line of defense of the Nation. It is the one hope in this nuclear age of keeping the price of national security somewhere within the limits of our capacity to pay. And I might point out that in contrast to the cost of past wars, current defense and foreign aid, it takes less than $250 million a year to run the Department of State, the agency that is responsible for foreign policy.

Let me make clear that I do not mean to suggest that foreign policy is the answer to all the problems which confront us in the world. Foreign policy, no matter how effective, is not a panacea. It is not a cure-all for the ills of mankind. It is a highly imperfect world in which we live. Our foreign policy is a major factor, but only one factor, in determining what happens in it.

Recognition of the limits of foreign policy is not, however, an invitation to deprecate its importance. It is not a call to retreat into a citadel of isolation. No matter how thick the walls, that citadel will not insulate us against the powerful tides of the 20th century.

Recognition of the limits under which foreign policy operates is a warning to use the great but not unlimited power of this Nation with restraint, with economy, and with perception, to safeguard the interests of all the people of the United States. It is, in short, an urgent reminder of our need to develop and to maintain the most effective policy possible.

There are no readymade formulas for such a policy. An effective foreign policy cannot be pulled out of the magician's hat. It cannot be had for the wishing. It is possible, nevertheless, to detect the elements which must underlay a policy that will serve our national interests to best advantage.

One of these elements is an informed citizenry. In the last analysis, the people of the United States by their ballots determine the broad direction of foreign policy. Sooner or later, foreign policy must reflect their basic sentiments. Unless it does so, it will rapidly become a rootless policy, a sterile policy. It will command neither support at home nor respect abroad.

That is why the people must have the facts on world affairs, as those facts affect the interests of the United States. The greater their knowledge and concern with these facts, the more effective will be the broad direction they give to foreign policy.

Foreign policy can be irresponsibly short-sighted or it can be concerned not only with the needs of the hour but with the long future of the Nation. It can deal only with the immediate problems or it can take cognizance of the kind of world in which we want our children and our children's children to live out their lives. Foreign policy can focus on one problem such as communism or it can, as it should, put this problem in the context of the many problems which confront us abroad. Foreign policy can be pennywise and pound foolish or it can be as economical as possible, commensurate with our long-range national security. Foreign policy can be wavering and fearful or it can be consistent and courageous in keeping with the finest traditions of the Nation. Ultimately, responsibility rests with the people of the United States to determine what form foreign policy shall take. That is why, I repeat, the people of the United States must have the facts.

Where are we to get them? The press and other media of communication, of course, perform a distinguished public service in this connection. So, too, do organizations such as yours and educational institutions which stimulate interest in foreign-policy questions.

Most important, however, the people of this country have a right to expect the facts from their Government. They have a right to expect honest information rather than smiling assurances that the Government, like father, knows best. Those of you who may have teen-aged children, I am sure, have long since been disabused of that idea, even as I have been.

The point that I am trying to make is that the national administration, whether it is a Republican or Democratic administration, has an obligation to take the Nation into its confidence in matters of foreign policy. It has an obligation to make clear the good and the bad in international situations, the successes and the failures of our policy. The people of this country are wise enough not to expect perfection in the conduct of foreign policy. They are also wise enough to discount foreign policy by cant.

Most of all, the administration in power has an obligation to spell out where it is that we are headed in foreign policy and what it is likely to cost to get there. This point brings me to the second element of an effective foreign policy. Just as we must have an informed citizenry we must also have clear and continuous leadership from the President.

Under our system of government, the system of separate powers, the President is not a dictator but neither can he be a figurehead, nor a mere agent of Congress. The President is an independent representative of all the people of the United States and his is the function of national leadership. Nowhere is this leadership more essential than in matters of foreign policy. The Vice President, the Secretary of State, and others can assist him in discharging this function. In the end, however, if the Nation is to speak to other nations with an undivided voice, it must speak through the President. If we are to concentrate our national strength to meet the challenges which roll in upon us from abroad, it is the President who must serve as the focus of our national power.

The President can be neither a Republican nor a Democrat in foreign relations. He must be the President of all the people. All of us—Republicans and Democrats alike—gain if the President and his Secretary of State conduct our foreign policy well. All of us lose if they conduct it badly.

Mr. Eisenhower is in a unique position to give the Nation the kind of national leadership we must have in foreign policy. In the first place, he is a Republican but his reputation was largely established under Democratic administrations. He is well acquainted with the situation abroad and his stature is high throughout the world, even in the Communist countries. His last election, in which he ran far ahead of his party, was a great personal tribute from the American people of both parties. He is not eligible for reelection and is therefore in an excellent position to keep the Office of the Presidency out of politics in questions of foreign policy. He has, in short, an unparalleled opportunity to lead the Nation toward greater security in a more stable and peaceful world.

This brings me to the third of the basic elements which is essential to an effective foreign policy. I refer to the role of Congress and particularly the role of the Senate of the United States.

The President has the responsibility for conducting foreign policy, but there are constitutional limitations on his power in this respect. Under our system of government, he must have the cooperation of the legislative branch. The reason for this is obvious. It is Congress which provides the funds for the Defense Establishment, for the Department of State, for foreign aid, and for numerous other purposes related to foreign relations. Beyond these ordinary legislative functions, moreover, the Senate has a special constitutional function. It is the function of advising and consenting in major matters of foreign relations. In recent years this function has been used with great vigor.

A case in point was the resolution passed a short time ago on the Middle East, the legal basis for the so-called Eisenhower doctrine. You will recall that in that instance the President sought special military and financial authority to deal with the crisis in the Middle East. The Senate gave the most careful attention to the request, as, indeed, it should, to any major foreign-policy matter in which the President seeks Congressional cooperation. Before passage, however, the resolution was amended by the Senate in many important respects. What the Senate did by these amendments was to safeguard the constitutional power of Congress to declare war, and, at the same time, it reaffirmed the President's power to command the Armed Forces. The Senate also made other changes designed to prevent a misuse of public funds in the Middle East and to sustain the United Nations Emergency Forces which is trying to keep peace in that region.

If I may digress for a moment, I should like to say this about the United Nations and our relationship to that organization. The United Nations is what the member states, including ourselves, wish it to be. It is no more, no less. To regard it as a super-government is to ignore the realities of the present world and to do a disservice to ourselves and to peace. To regard it as a body without any function in the relations among nations is equally a disservice to ourselves and to peace.

The United Nations is not a substitute for sound foreign policies on our part. It ought not to be made a scapegoat for inadequate policies of the administration. If the United Nations is to serve our interests and the interests of other free nations, it ought not to be assigned, nor should it seek responsibilities which it is powerless to discharge. But when the United Nations does make a genuine contribution to the cause of peace among nations—as the United Nations Emergency Forces are doing in the Middle East—then, by all means, in our own interests, the organization ought to have our full support.

Those U. N. forces are made up of the troops of several small nations. By maintaining the truce in the Middle East they may well be the major factor in forestalling an outbreak of a third world war in that region. They are performing a great service to humanity, and in this instance deserve the backing of this Nation and the entire world.

If I may now return to the role of Congress, the point I wish to stress is that Congress must see eye to eye with the President on the main questions which confront us in foreign policy. If there are significant differences, they must be reconciled under the leadership of the President. Unless they are, policy will break down in dissension between the two branches of the Government. We shall face the rest of the world, not as a united people, steadfast and persevering in direction, but as a divided nation, halting and indecisive in purpose.

How are we to obtain this reconciliation of views between the President and the Congress in the matters of foreign policy? A similar problem of course presents itself in domestic matters. In that connection, our Government operates largely on the principle of sponsorship of legislation by the President and his party in Congress and responsible opposition from the other party. I suggest that this formula is inadequate in foreign policy matters, particularly when the opposition party happens to be a majority in Congress. That is the case now with the Democratic Party in control of both Houses. In this situation, something more is needed than Presidential proposition and responsible opposition. What is needed is active, responsible cooperation between both political parties and between the executive and legislative branches of the Government.

What this entails is first of all mutual restraint. Neither party can seek to make political capital out of foreign policy without grave risks to the safety of the Nation. Responsible cooperation also entails close, frequent, and frank consultation between the President and the leadership of both parties in Congress. It entails the use of men of outstanding ability, regardless of party, in the State Department. It entails the acceptance by both parties of the supremacy of their national responsibilities over their party loyalties in dealing with matters which affect the safety and the well-being of the Nation.

Let me make clear what responsible cooperation in foreign policy does not mean. It does not mean a pretended unity when none in facts exists. It does not mean a bipartisanship of silence when conscience urges us to speak out in questions of foreign relations. It does not mean blind and unquestioning Congressional acceptance of the dictates of the executive branch of the Government.

Every Member of Congress owes to his constituents an obligation to think for himself on matters of foreign policy no less than on other public questions. By the same token, however, he has an obligation to place the national interest above party interest when the stake is the future of the Nation itself.

To sum up, these three elements—an informed public, Presidential leadership, and responsible cooperation between the President and Congress and between the parties—these three elements provide the foundation for an effective foreign policy.

What of the structure which rests on this foundation? What of the policy itself? A sound foundation is essential to a sound policy. It does not in itself guarantee such a policy.

Foreign policy results from the major decisions which the Nation takes or fails to take with respect to situations abroad involving our interests. These decisions are or ought to be made ultimately by the President, largely on the advice of the Secretary of State. The wisdom of his decisions will determine whether foreign policy is more or less effective, whether in the long run the cost of national security will be higher or lower, whether we shall move toward international peace and stability or toward international conflict and chaos.

The problem of decision in foreign policy does not differ greatly from the same problem in business or in the professions or even in our personal lives. In any given situation we are usually confronted with a number of possibilities. The doctor must decide whether or not to operate. The businessman must decide whether to buy or sell. We weigh and assess the pertinent factors and then choose what we believe to be the best possible course of action.

This process of weighing the factors in foreign policy can be a very complex one. Let me illustrate just how complex by reference to the situation which confronts us now regarding Poland. As you know, the Polish Government has a mission in Washington at the present time. The Polish Government is headed by Communists. Yet the Poles are seeking aid from this country. If this were the only factor in the situation—a Communist government seeking aid, the decision would be a simple one.

It is not, however, the only factor. Here are some others. The Republican administration, for example, came to power in 1952 on a platform supporting liberation of the Eastern European satellite countries. How is this pledge to be fulfilled? By force of American arms? By words? By tears shed over martyrs to liberty as in the case of Hungary? Or are we to try some other method? Does the Polish request for aid offer any possibility for contributing to peaceful liberation? In this connection, we should note that Poland has recently moved into a more independent position with respect to the Soviet Union. Its capacity to maintain even that limited position of freedom may well depend on whether or not some measure of interim economic support can be obtained from the Western nations.

The aid the Polish mission seeks is largely in the form of loans to purchase agricultural surpluses from this country. I need hardly remind you that we have those surpluses in great abundance. If the Poles do not get food from us they have two alternatives—to turn back to a greater dependency on Russia or to let their people starve. If they choose the latter we may be sure, moreover, that it is not likely to be the Polish Communists who will go hungry.

Further, all reports indicate that there has been some liberalization of political life inside Poland under the present Gomulka regime. The recent election was freer than any Poland has had since the war. The Gomulka regime has made peace with the Catholic church in Poland—the church of the great majority of the Polish people.

And what of the broader implications of a decision on aid to Poland? What of the impact of the decision on other Eastern European countries—on the liberation of Rumania, Czechoslovakia, and Bulgaria? Any decision will certainly influence them either to draw the strings with the Soviet Union tighter or to seek to loosen them. What of its effect on a divided Germany? German unification, one of the critical questions of peace in Europe and in the world, is closely related to what happens in Poland.

There are other factors that I might mention which have to be considered in this seemingly simple decision of whether or not to provide aid to Poland. I think, however, that I have said enough to make clear that we cannot pose the issue simply in terms of "should we give aid to Communist Poland?" We might well rephrase the question in these terms: "Will aid to Poland contribute to international stability and security and hence serve our own national security? Apparently, the President believes that such might be the case, for the Polish aid mission is in this country on his invitation.

I began my remarks on the subject of taxes and I should like to revert to that matter before concluding. I wish I could hold out the promise of a return to the good old days of a tax rate for Chicago of $48.90, without of course restoring the right-of-way to the pigs in the city streets. I believe most of us, however, would be satisfied with a considerably higher rate than that provided it were considerably lower than what we now have.

I believe further that we can have a lower tax rate. The key to significant reduction, as I have stressed throughout my remarks today, is a more effective foreign policy. And there are steps to that end which can and should be taken promptly. Here are a few. We need to restore and strengthen our relationships with democratic countries abroad on the basis of mutuality of interests and mutuality of sacrifice. Unless the free nations maintain their defense in common, each will pay an enormously increased price to try to maintain it alone and most may not be able to maintain it at all.

With respect to foreign aid, these programs are now under careful scrutiny in the Senate. From personal observations in many parts of the world, I am convinced that substantial savings can be made in foreign aid not only without detriment but with positive benefit to our interests and to the interests of other free nations.

There is a desperate need to streamline and coordinate the activities of the many governmental agencies which are now engaged in foreign activities. Not only is this diffusion of responsibility in itself wasteful of public funds, but it can also result in grave damage to our relations with other nations. The key factor here is to restore responsibility for foreign policy to where it belongs—to the President and his Secretary of State.

These are the first steps. They can lead, in time, to others. Most important, they can lead, in time, toward an effective foreign policy, a policy that will yield more security for the Nation in a more peaceful world. That is the only kind of policy which will serve the interests of the people of the United States. That is the only kind of policy which is worthy of the people of the United States.

Airline Subsidies—Congress Saves the Taxpayers $51 Million

EXTENSION OF REMARKS

OF

HON. CHARLES O. PORTER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1957

Mr. PORTER. Mr. Speaker, under leave to extend my remarks, I should like to insert the syndicated column by Drew Pearson which appeared in the Washington Post on Friday, April 12, 1957, headlined "Airline Subsidies Seen Offering Savings."

I should like to make two comments regarding the reforms in the airmail subsidy practice which have been accomplished by the Congress since 1948:

First. Effective with the fiscal year 1955 separation of the concealed airline subsidies from Post Office airmail pay relieved Postmaster General Summerfield of $73 million a year of expenditures which he had previously been forced to carry in the Post Office budget, and thus Congress in a single action reduced the Post Office deficit by over $70 million per year.

Therefore Congress relieved the post office of having to expend $73 million a year in airmail subsidies, an amount which is considerably larger than the amount of money which Mr. Summerfield has been trying to extort from the Congress in a supplemental appropriation this year by the device of shutting off the citizens' mail service last Saturday.

Second. Since subsidies were separated out of the Post Office budget and made a separate appropriation item payable by the Civil Aeronautics Board and not the Post Office Department, Congress has made the following cuts in the amount of subsidy requested in the Presidential budget submitted to the Congress at the beginning of January each year:

Fiscal year 1955 (the first year in which subsidies came before Congress as a separate appropriations item)	$24,100,000
Fiscal year 1956	10,500,000
Fiscal year 1957	3,800,000
Fiscal year 1958 (House only has acted so far)	13,056,000
Total	51,456,000

The airline subsidy figure for 1958 is not only $13,056,000 below the amount requested in the President's budget for fiscal 1958, on page 441, but also $3,586,000 below the bedrock reduction figure stated 2 months after the President's big "telephone book" budget was sent to Congress as being acceptable to the CAB Chairman, the Budget Bureau, and the President.

It can thus be seen that since subsidies were separated from mail pay, Congress has saved the taxpayers over $51 million on the single item of airline subsidies by cutting the President's budgets by that much.

The items of $5,900,000 and $6,500,000 referred to in the Drew Pearson column attached are additional savings over and above the $51 million mentioned above and are attributable in good part to the insistence of Congress at the beginning of the year 1954 that thorough audits be made of the airline subsidies.

In this connection the credit belongs to the Appropriations Committee of the House. I refer particularly to House Report No. 207 of the 84th Congress, 1st session, March 15, 1955, by Mr. CANNON from the Committee on Appropriations, at page 6:

The survey indicates that the Civil Aeronautics Board does not have accurate facts or figures regarding Pan American operations. Most of the subsidiaries have never been properly audited and some not at all, and there has not been insistence that the operations of the entire system be treated as an entity, as required by a recent Supreme Court decision. If corrective action were taken, substantial cuts in subsidy should result.

The article mentioned above follows:

AIRLINE SUSIDIES SEEN OFFERING SAVINGS

(By Drew Pearson)

If the United States Chamber of Commerce and the Congressional economizers want to save more money, the CAB and Senator PAUL DOUGLAS, Democrat, of Illinois, have shown them an important way to do it.

The collection from Pan American Airways of $5.9 million in overpaid 1954 subsidies plus a proposed collection of $6.5 million as a result of bookkeeping which requires scrutiny is one way. It's a way by which the Government can make money instead of cutting down on such important projects as schools.

The recent bookkeeping windfall to Uncle Sam was the direct result of the hiring of 30 extra auditors by the Civil Aeronautics Board to check on the subsidiaries of the far-flung Pan American Airways. For a long time, certain members of the CAB, led by ex-Commissioner Joe Adams, have been trying to get the money to examine Pan Am's books. These CAB officials were suspicious that the big airline, with more subsidies than any other American company, was collecting extra subsidies from American taxpayers by failing to bill its foreign subsidiaries for services. But the CAB was never able to get a thorough look at the subsidiaries' books.

Credit for finally collecting this money goes first to Senator DOUGLAS, who, in speech after speech, urged his Senate colleagues both to cut down on airline subsidies and to hire enough auditors to look at the books. In the House Congressman JOHN ROONEY, of Brooklyn, did the same. DOUGLAS argued that the American taxpayers, through subsidies to Pan Am, were paying for luxury hotels and Pan Am's foreign subsidiaries. He began this campaign in 1953, continued through 1954 and 1955.

Finally he won out. Thirty extra auditors were hired.

Credit also goes to Joe Adams, who harped on the same subject—and got dropped for his pains. After Secretary of Commerce Sinclair Weeks, close friend of Pan Am, called at the White House last December it was made know Adams would not be reappointed to the CAB.

REPUBLICANS TOUGH

Finally, credit goes to Ross Rizley, recent Republican Chairman of the CAB, and to the new Republican Chairman, James R. Durfee. Both men are "sleepers." Rizley was a lame-duck Congressman from Oklahoma who turned out to be one of the best CAB Chairmen in some years, so good that adroit moves were made to get him off the Board and onto the Federal bench.

Chairman Durfee, former GOP chairman of the Wisconsin Public Utilities Commission, has also proved to be a tough, play-no-favorites Commissioner.

The order which Chairman Durfee has now published, reopening Pan American files, is one of the most sweeping ever issued by the CAB. After enumerating various cases in which Pan Am failed to charge its Mexican and Central American subsidiaries for services rendered, the CAB order concluded:

"As a result of these various matters, it appears that Pan American's subsidy needs may have been substantially overstated and that completion of the audit may disclose other discrepanices."

In a direct implication that Pan American engaged in faulty bookkeeping, the CAB stated: "It was not until fiscal 1956 when the CAB received appropriations for a substantial increase in its audit staff that such a project (of auditing) could be and was undertaken.

"The Board, we think, was entitled to assume that the carrier's reports and filing were correct.

"Pan American is yet to be heard from in connection with all these matters," the CAB order stated. "On the other hand, the audit may disclose still further areas requiring exploration.

"HUGE SUBSIDIES

"Our duty in this respect is plainly evident when it is considered that transactions between Pan American and its affiliates aggregate some $50 million annually."

This refers to the fact that Pan American is now the only airline receiving a major Government subsidy.

In 1956 Pan American received $2,669,000 subsidy on its Atlantic Division, $11,482,000 on its Latin American division, and $1,356,000 on its Alaskan division. TWA received no subsidy whatsoever, though it flies the Atlantic, parallel to PAA, and has the less profitable run through the Near East. Northwest Airlines received $1,483,000 on its Great Circle Pacific run, and Pan American is now trying to get certificated to fly that route.

Between 1951–6, TWA received a total subsidy of $4,586,000 on its foreign operations. During the same period, Pan American received the huge total of $138,615,000.

Pan American has 30 subsidiaries all over the world. If the extra auditors hired by the CAB continue to find the same bookkeeping that they found on the books of its Mexican and Central American subsidiaries, a lot of money could come back to Uncle Sam.

PAN AMERICAN REPLY GIVEN IN STATEMENT

Pan American Airways yesterday issued the following statement on Drew Pearson's column printed above:

"The Drew Pearson column contains numerous misstatements of fact and draws erroneous conclusions of an audit conducted by the CAB of Pan American Airways' books which has not even been completed. The Board itself states: '* * * the audit to date is incomplete, and substantial further investigation and analysis is required. Also, it is possible that the questionable areas disclosed by the audit may already have been, to some extent, taken into account by disallowance made in this or other mail rate proceedings; and Pan American is yet to be heard in connection with all of these matters.'

"Mr. Pearson states that Pan American received some $15,507,000 in subsidies in 1956, whereas Pan American received only $7,249,000 for its entire operation, including its national interest routes to Alaska, Scandinavia, Africa, and Australia.

"Mr. Pearson claims the money has already been collected from Pan American as a result of the so-called audit, whereas, by the Board's own statement, many of the questionable areas involved may already have been taken care of in other proceedings.

"Mr. Pearson, in referring to Pan American's affiliated operations, either by intent or oversight, neglects to mention the benefits in the reduction of subsidy which Pan American has received because of services performed by or for its affiliates. A few examples of these benefits are:

"1. Affiliates act as feeder lines and sell for Pan American from 10 to 15 million dollars of passenger sales per year;

"2. For acting as purchasing and shipping agent Pan American receives annually from $700,000 to $1 million;

"3. Profits from maintenance and repair flight equipment are substantial;

"4. Commissions earned as general sales agent for affiliates in the United States go to reduce Pan American's selling costs.

"One further service about which there is little or no talk is the diplomatic and national defense relationship which proved so valuable through World War II in Colombia and Brazil. The national airlines of these countries were dominated by German personnel and it was only through the investment of Pan American that we were able to de-nazify these airlines and make them of service to the hemisphere defense effort. If Pan American did not have these investments, foreign-flag airlines or nations unquestionably would. It is a possibility that such ownership could fall into Communist hands."

Amendments to Public Buildings Purchase Contract Act

EXTENSION OF REMARKS

OF

HON. J. HARRY McGREGOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1957

Mr. McGREGOR. Mr. Speaker, I have introduced H. R. 6993, a bill to amend and extend Public Law 519, 83d Congress, and to amend the Public Building Act of 1926, as amended.

The general effect of H. R. 6993 will be to continue the purchase contract method of acquiring public buildings, a program which may be coordinated with existing authority for construction by direct appropriation under the Public Buildings Act of 1926, as amended, and existing leasing authority.

That the Members may know the many advantages of H. R. 6993 herewith is an outline analysis which sets forth the amendments to existing law and accompanying statements in support of the proposed amendments:

OUTLINE ANALYSIS

Section 411 of the Public Buildings Act of 1949, as amended, 63 Statute 176, as added by the act approved July 22, 1954 (68 Stat. 518), as amended, is amended as follows:

AMENDMENTS TO TITLE I, PUBLIC LAW 519, 83D CONGRESS

Amendment

(a) The proviso at the end of subsection (a) reading: "*Provided*, That prior to July 1, 1955, a limitation of not to exceed $5 million is hereby established for such purpose" is hereby deleted and the following added in lieu thereof: "*Provided*, That subject to the foregoing restrictions on total annual payments, any such purchase contract may provide for payments at such intervals as the Administrator may deem necessary and, without regard to the foregoing requirement for equal annual payments, for partial payments during construction to cover interest on and amortization of the earned portion of the purchase price."

Explanation

The recommended deletion would eliminate language rendered obsolete through the passage of time. The substitute proviso would permit the beginning of the purchase contract term at the commencement of the construction so that the amortization of principal and interest may be commenced on that portion of the cost of the improvements as is represented by construction completed to the satisfaction of the Government. It is believed that these changes will facilitate both temporary and permanent financing since they will provide a means of eliminating or reducing short-term borrowing for construction, and of shortening the time the long-term investor must wait after making his commitment before investing his money and receiving amortization payments with interest.

Amendment

(b) The colon after the word "States" in the fifth line of subsection (d) is changed to a period and the remainder of the sentence reading, "*Provided*, That no such agreement may provide for the payment by the United States in pursuance of the terms thereof of moneys in an aggregate annual amount in excess of 15 percent of the appraised fair market value of the property at the date of the purchase contract, or in the case of property where construction shall not have been completed at that date in excess of 15 percent of the fair market value at the date of completion of such construction." is deleted.

Explanation

The proviso which limits the aggregate annual amount of payments under a purchase contract to 15 percent of the appraised fair market value at the date of the contract or the date of completion of construction, depending on whether or not the building is in being at the date the contract is entered into, is inconsistent with the basic authority of the act. Congress sets the maximum limit of cost for the project by approving estimates thereof recommended by this agency and has specified the minimum and maximum number of years over which the purchase price may be amortized, at the end of which time title to the property is required by the statute to vest in the United States. Any arbitrary limitation on the percentage of fair market value which may be amortized annually might render the contract impossible of performance. In addition, the large majority of the projects involve new construction and it is most impracticable, if not impossible, to determine in advance and before completion, what the fair market value will be upon completion.

Amendment

(c) By striking from subsection (e) the words "within 3 years after the date of enactment of this act" and inserting in lieu thereof "on or before June 30, 1960."

Explanation

Subsection (e) of section 411 of the act provides that no appropriations shall be made for purchase contract projects which have not been approved by resolutions adopted by the Committees on Public Works of the Senate and House of Representatives, respectively, within 3 years after the date of enactment of the act. The act was approved July 22, 1954. Therefore, in order that we may proceed with planning for additional urgently needed projects and submit them to the committees for approval it is necessary that the act be continued in force for an additional period and we have here provided for an extension until the end of the fiscal year approximately 3 years beyond the present expiration date.

Amendment

(d) By striking item (2) of subsection (e) and inserting in lieu thereof "(2) an estimate of the maximum cost of the project: *Provided*, That the maximum cost set forth in any prospectus for any project may be exceeded by not more than 15 percent or shall be reduced by an amount equal to the percentage increase or decrease, if any, as determined by the Administrator of General Services, in construction costs generally dating from the time of transmittal of such project to such committees;."

Explanation

Under the method adopted by General Services Administration for implementation of the program buildings are designed to meet the particular needs of the agencies to be housed therein for construction on sites acquired for the particular building. Obviously, the site cannot be acquired or preparation of the plans and specifications undertaken until after complete approval of projects by the Bureau of the Budget and both committees of Congress. Accordingly, the maximum cost estimates required by the law to be included in the prospectus submitted to obtain such approvals are on the basis of sketch plans. As the obtaining of all required approvals, acquiring sites, preparing building plans and specifications, and advertising for bids are a time consuming procedure, the estimates, for purposes of the prospectuses, must precede by periods ranging from 6 to 18 months, the award of construction contracts. The maximum cost estimates in the 99 projects already fully approved were based upon costs current at the time the estimates were made. As indicated by the testimony during the hearing construction costs increased from 10 to 15 percent before we opened construction bids. As a result the maximum cost ceiling set forth in the prospectuses were inadequate to cover current construction costs. While this problem could be alleviated through resubmission of prospectuses, such action would further delay getting the projects under way and would appear to burden, unnecessarily, the committees. Accordingly, this amendment is proposed to provide that the maximum estimates in the prospectuses may be exceeded or shall be reduced commensurate with increases or decreases in construction costs generally.

Amendment

(e) By striking item (3) of subsection (e) and inserting in lieu thereof "(3) a comprehensive plan for providing space for all Government employees in the locality of the proposed project, having due regard for suitable space which may continue to be available in existing Government-owned buildings and in rented buildings;".

Explanation

This amendment will substitute, for the certificates of need by the head of the using agency, a requirement for a comprehensive plan for providing space for all Government employees in the locality of the proposed

project. This change will lend more flexibility to the problem of allocation of space in the project based on conditions prevailing at the time of completion of construction.

Amendment

(f) By striking the word "and" following the semicolon in item (7) of subsection (e), by changing such semicolon to a period and by striking item (8) of subsection (e).

Explanation

This amendment eliminates the requirement that prospectuses include a statement by the Director, Bureau of the Budget, of conformity with the policy of the President.

Amendment

(g) By changing the period at the end of subsection (h) to a colon and adding the following "*Provided*, That the Administrator of General Services is authorized to enter into agreements with any State, county, municipality, or any subdivision thereof providing for reduction in the amount of or for exemption from taxes otherwise payable under this subsection."

Explanation

Under this amendment agreements with States, counties, municipalities, or any subdivision thereof for exemption from or reduction in taxes would be permissible.

Amendment

(h) A new subsection (k) to read as follows is added:

"(k) The faith of the United States is solemnly pledged to the payment of all annual payments contracted for under purchase contracts entered into pursuant to this section, and there is hereby authorized to be appropriated in each fiscal year, out of any money in the Treasury not otherwise appropriated, the amounts necessary to provide for such annual payments. Payments under purchase contracts entered into pursuant to this section shall be pledged, if the Administrator of General Services so requires, as security for any loans obtained by a contractor to assist in the financing of the construction of the projects to which the purchase contracts relate."

Explanation

Testimony adduced at the hearing established the fact that the difficulties encountered by contractors in obtaining financing constituted a major deterrent to the implementation of the program. Various potential sources of financing have indicated a lack of interest due to the fact that the Government's contractual obligation to make the annual payments due is the sole security offered. We were advised that a statutory amendment which would pledge the full faith and credit of the United States would materially aid market acceptability. The proposed provision, based on language contained in sections 10 (e) and (f) of the United States Housing Act of 1937, as amended (42 U. S. C. 1410 (e) and (f)), is intended to accomplish the objective without making the contracts public debt transactions. The authority granted by this new subsection, of course, would be subject to the restrictions in the law on total annual payments as well as to all of the other requirements thereof.

Amendment

(i) A new subsection (l) is added to read follows:

"(l) Wherever, in this section, the Administrator of General Services is authorized to enter into purchase contracts or a purchase contract, such authorization shall be deemed to include any contract or series or group of contracts, including but not limited to contracts covering acquisition of sites, preparation of plans and specifications, financial arrangements, and construction which the Administrator of General Services deems necessary to effectuate any of the purposes of this section."

Explanation

New subsection (e) is a technical amendment designed specifically to remove questions heretofore raised by counsel for financing institutions as to whether the terms "purchase contracts" or "purchase contract" as used in the act include any contract or series or group of contracts entered into by the Administrator of General Services as necessary to implement and effectuate the purposes of the act.

Amendment

(j) A new subsection (m) is added to read as follows:

"(m) Notwithstanding the provisions of the Assignment of Claims Act of 1940, as amended (31 U. S. C. 203, 41 U. S. C. 15), assignments of moneys due or to become due from the United States under any purchase contract entered into pursuant to the provisions of this section may be assigned to any bank, trust company, trust, insurance company, pension fund, other financing institution including a Federal lending agency, or any other individual, firm, or organization providing the financing in connection with any approved project, whether acting as principal or trustee."

Explanation

Counsel for potential investors of pension funds expressed the opinion that, in the absence of a court decision or amendatory legislation, it had serious doubt as to whether a financing institution, acting as pension trustee, could qualify as an assignee under the Assignment of Claims Act of 1940, as amended. The question is not absolutely free from doubt even though the Comptroller General of the United States, by decision dated October 9, 1956, specifically held that the validity of the assignment of the proceeds of a Government contract is not impaired by the fact that the indebtedness secured by the assignment represents an investment of trust funds, where legal title to, and control of such funds are vested in a bank or trust company. Accordingly, new subsection (m) has been drafted to eliminate this obstacle and enable participation of additional sources of financing.

AMENDMENTS TO TITLE II, PUBLIC LAW 519, 83D CONGRESS

Section 2: Subsection (g) of section 202 of the Post Office Department Property Act of 1954, as amended (39 U. S. C. 902 (g)), is further amended:

Amendment

(a) By striking the words "within 3 years after the date of enactment of this act" and inserting in lieu thereof "on or before June 30, 1960";

Explanation

Subsection (g) of section 202 of the act provides that no appropriations shall be made for purchase contract projects which have not been approved by resolutions adopted by the Committees on Public Works of the Senate and House of Representatives, respectively, within 3 years after the date of enactment of the act. The act was approved July 22, 1954. Therefore, in order that we may proceed with planning for additional urgently needed projects and submit them to the committees for approval it is necessary that the act be continued in force for an additional period and we have here provided for an extension until the end of the fiscal year approximately 3 years beyond the present expiration date.

Amendment

(b) By striking the word "and" following the semicolon in item (7) thereof and by changing the semicolon to a period, and by striking item (8) thereof.

Explanation

This amendment eliminates the requirement that prospectuses include a statement by the Director, Bureau of the Budget, of conformity with the policy of the President.

Amendment

(c) By changing the period at the end of subsection (h) to a colon and adding the following: "*Provided*, That the Postmaster General is authorized to enter into agreement with any State, county, municipality, or any subdivision thereof providing for reduction in the amount of or for exemption from taxes otherwise payable under this subsection."

Explanation

Under this amendment agreements with States, counties, municipalities or any subdivision thereof for exemption from or reduction in taxes would be permissible.

AMENDMENTS TO PUBLIC BUILDINGS ACT OF 1926, AS AMENDED

Section 3: The first section of the act entitled "An act to provide for the construction of certain public buildings, and for other purposes," approved May 25, 1926, as amended (40 U. S. C. 341), is further amended by striking out "That, to enable" and inserting "That (a) to enable", and by adding at the end thereof the following new subsections:

"(b) No appropriation shall be made to carry out the purposes of this act for any project (1) until the expiration of 30 calendar days of continuous session of the Congress following the date on which the Administrator of General Services has submitted to the Committees on Public Works of the Senate and House of Representatives a prospectus of the proposed project, or (2) where a resolution has been adopted by either committee, during such period, stating in substance that such committee does not approve of such a project. For the purpose of this subsection continuity of session shall be considered as broken only by an adjournment of the Congress sine die, but in the computation of the 30-day period there shall be excluded the days on which either House is not in session because of an adjournment of more than 3 days to a day certain."

"(c) The prospectus of the proposed project shall include (but not be limited to)—

"(1) A brief description of the building located or to be erected at a given location;

"(2) An estimate of the maximum cost of the project: *Provided*, That the maximum cost set forth in the prospectus for any project may be exceeded or shall be reduced by an amount equal to the total percentage increase or decrease, if any, as determined by the Administrator of General Services, in construction costs generally dating from the time of transmittal of such project to such committees;

"(3) A comprehensive plan for providing space for all Government employees in the locality of the proposed project, having due regard for suitable space which may continue to be available in existing Government-owned buildings and in rented buildings;

"(4) A statement by the Administrator of General Services that suitable space owned by the Government is not available and that suitable rental space is not available at a price commensurate with that to be afforded through the proposed action; and

"(5) A statement of rents and other housing costs currently being paid by the Government for agencies to be housed in the building to be constructed, enlarged, remodeled, extended, or purchased.

"(d) The Administrator of General Services shall submit to the Congress promptly after the convening of each new Congress, a report showing the location, space, cost, and status of each project submitted under this act and uncompleted as of the date of any prior report under this act."

Section 4: The prospectuses required by section 1 (b) of the aforesaid act, approved May 25, 1926, as added by section 3 of this act shall supersede the reports required by section 4 of the said act, approved May 25, 1926, and section 409 of the Public Buildings Act of 1949, as amended (40 U. S. C. 355), and said section 409 is hereby repealed.

Section 5: There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this act.

Explanation

The purpose of these amendments is to set up a procedure with respect to the approval of building projects under the Public Buildings Act of 1926, as amended, that is substantially similar to the procedure provided for in Public Law 519, 83d Congress, as amended by this act. Also to authorize the appropriation of such sums as may be necessary to carry out the purposes of the Public Buildings Act of 1926, as amended.

The Race for Scientific Supremacy

EXTENSION OF REMARKS

OF

HON. WILLIAM B. WIDNALL

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1957

Mr. WIDNALL. Mr. Speaker, much attention has been given in the press and other media, as well as by speakers on their rostrums throughout the country, to the "critical shortage" of scientific personnel and the "decreasing trends" in science education.

Usually the alarming figures are coupled with such comparable figures as we are able to obtain or estimate for the Soviet Union. This comparison lends drama to what might otherwise be just another dull set of figures. Statistics and graphs can be produced to show that we seem to be falling behind in the scientific race with the Soviet Union.

There is little question that Russia is turning out scientists, engineers, and technically trained people at a faster rate than we are. Both the number and the percentage is greater, particularly the latter. This is understandable, because Russia has had to start practically from scratch to build up a great industrial society. This situation was made worse by the devastation of World War II.

In what has been called a "cold war" of the classrooms, it has been estimated that Russia will produce during the decade from 1950–1960 a total of 1,200,000 trained engineers, compared to our 900,000. In 1955, Russia turned out 130,000 engineers and scientists, as against 60,000 in the United States. Figures often vary, but it must be remembered that in addition, many of the Soviet boys and girls who drop out of the mainstream at the end of their 7th or 10th year, receive specialized training at schools called "technikums." There are estimated to be more than 3,500 of these in Russia. This year they will graduate 100,000 draftsmen, electricians, mechanics, lab assistants, and other technicians. We have no exact counterpart to this rich source of trained people.

It should be remembered that universal education in Russia has now reached the stage where all children receive 10 years of free public schooling if they are capable of receiving it. College entrance is on the basis of severe, competitive examinations, and all tuition is free. Worthy students receive financial aid, in return for which they give 3 years' service, or in a manner of speaking, their whole life to the state.

Russian school children are strictly regimented. They go to school 6 days a week, more hours per day, and more weeks a year than our children, and concentrate heavily on the sciences. They have no electives; they spend 4 years in chemistry, 5 in physics and mathematics, through trigonometry, is a required course. They also study a foreign language for 6 years. English, being a language of science, is very popular.

Much has been written pro and con about the quality of the people being turned out by Russia's 800 institutions of higher learning, and her technical schools. American educators and students of Russian affairs are inclined to believe that the standards are neither as high as alarmists say, nor as low as wishful thinkers would like to believe. They are coming up fast.

If Russia were concentrating only on peaceful developments of her industries, this is the sort of competition between nations that we could welcome. Certainly, it would be a race in which we should have no fear of competing. But there is evidence that the Soviets regard scientific development and engineering progress as a weapon—to build up a strong base from which to infiltrate the underdeveloped nations of the world and eventually to challenge Western industrial supremacy.

What are the actual figures for the United States? How should we best meet this undeniable challenge? Certainly, we do not wish to adopt the Soviet regimentation system. We do not want to turn out robots for certain narrowly-defined tasks. Our emphasis in education has been upon development of the whole personality of our school children. We believe in a democratic system in which students are allowed to reach the full extent of their capabilities.

Percentagewise, we again hear alarming figures. We learn that in 1900 the percentage of students in grades 9 through 12 taking physics was 19 percent whereas today it is only 4.6 percent. However, in 1954, the latest year for which figures are available, the total enrollment in grades 9 through 12 was 6,500,000 compared with only 500,000 in 1900—a thirteenfold increase. Actually the enrollment in high school physics has increased from 98,846 in 1900 to 302,800 in 1954. In chemistry, enrollment has jumped from 40,084 to 482,700. Percentages, therefore, are misleading. Yet they are quoted every day in an effort to prove that we are losing the race.

There are genuine causes for concern but they are quite different from those usually expressed. These causes are the general decline of the level of scientific teaching, the low salaries of science teachers, the skimpy amounts of money allotted by hard-pressed school boards for scientific and laboratory equipment.

In 1900, physics was offered mainly at the 10th grade level; today it is offered usually as a 12th-grade course. In smaller schools, it is often alternated with chemistry in the 11th and 12th grades. It has been pointed out that about 23 percent of high schools having enrollments up to the senior year offered neither chemistry nor physics. This is another alarming figure, until it is shown that these schools include only 5.8 percent of all high-school students. Figures cited by the Office of Education show that at least 95 percent of all students reaching the 12th grade at least have the opportunity to take these courses.

American youth today is interested in science and engineering. The Office of Education says that 55 percent of the boys who took the 1956 general scholarship exam of the National Honor Society, a high school scholastic group, said they planned to take college majors in science or engineering. Other surveys have shown that children frequently asked more questions about science than any other subject.

Yet the facts also show that youngsters who are fascinated by science at junior high school levels often avoid science in senior high school. Twenty-seven percent fail to take high school biology, 68 percent avoid high-school chemistry, and 77 percent—in this atomic age—do not enroll in high-school physics. The mortality rate continues through college, as the freshmen and sophomores drop out of school, leaving fewer and fewer students who are willing and able to pursue the demanding studies in an institute of technology or science department.

Part of this may be due to the myths that have sprung up about scientific studies. Some students have the notion that one must be a genius to succeed in science. Others think that science classes are dull—textbook and sheer academic drudgery. They can be and often are, but they need not be. What is needed are better curricula, new textbooks, modern equipment, and above all, more and better-trained teachers.

The challenge is threefold: the students' interest must be held and maintained. The new teachers must be given more incentive and challenge to keep them in the field. The experienced teachers must have opportunity to improve and discuss their techniques with their colleagues and specialists in various fields. None of these objectives can be solved very easily by a legislative approach. We cannot create a favorable climate to scientific teaching and study merely by the passage of a law.

One of the difficulties of the high school curriculum is the so-called four solids requirement that too often operates to exclude science courses while emphasizing social studies, English, and foreign language. It is too easy to condemn the schools for the trends that many people regard today as alarming.

The quality of instruction is never as high as we would like it to be. The budgets for science teaching are never satisfactory. Besides, industry competes with higher education. They comb our laboratories and classrooms for teachers who are unable to continue to make the sacrifices all too often necessary in this field.

However, there is much that can and is being done. Through such means as the science teacher achievement recognition—STAR—awards, and the preparation of career information material by such organizations as the National Science Teachers Association, we may be able to counteract the current trend. The National Science Foundation provides Federal funds for summer and academic year institutes for science teachers. It serves the President's National Committee for the Development of Scientists and Engineers as well as industrial firms, which are supporting scholarships in ever greater amounts. Contacts between university and college specialists and their colleagues in the general science field have improved greatly in the postwar years.

There is another aspect to this problem. It is obvious that Russia, in training ever greater numbers of technicians every year, is thinking not only of her own needs, but also of the many underdeveloped countries who are willing to accept cadres of scientific and technical workers from Russia. These workers bring both material and technical aid and the gospel of communism. If our own shortage of technicians in many fields persists, we may find ourselves without weapons in a very important aspect of the cold war.

Among the solutions to this problem, a national science or technical academy has been suggested. This would provide engineers and technicians for periods of service overseas in the underdeveloped countries. Perhaps a more simple solution would be to offer an option of service in lieu of military duty for those who have the skills necessary to help other nations—agricultural specialists, geologists, biologists, public health officers, construction men, and others. These men, serving as civilian personnel, or even as members of the Armed Forces, would be suitably compensated for the discomforts and hardships of living in these countries. The servicemen who qualify as scientific and professional personnel might well be willing to spend their obligatory period of military duty as overseas point 4 technicians.

One leaf that might be borrowed from the Russian book is the possibility of longer school terms and more hours of schooling per week. This suggestion has been made by several thoughtful Americans who have visited Russia and observed the education process there. For many students, unable to find sufficient summer employment to spend their time gainfully, a shorter summer vacation would serve equally well. The long summer vacation is a throwback to the days when young children had to pitch in with the summer chores on the farm. Those days are just about gone forever. Admiral Lewis Strauss, the distinguished chairman of the Atomic Energy Commission, has proposed a total of 210 days of school per year, as against the present 180. He also maintains that gifted students must be permitted to forge ahead just as backward children are given special attention. The longer period of tuition could be used to shorten the number of years of elementary and secondary schooling or to bridge the gap between the accomplishments of the American high school students and their European cousins.

Whatever the measures we take to increase our flow of scientific and technical people to the industries and laboratories and classrooms of our country, let us recognize that we are engaged in a race that, if successful, can lead us into a fine new age of peaceful accomplishments. But if we don't keep up, our civilization may be challenged by a power which would like nothing better than to humble if not destroy the great western industrial society which has wrought such significant changes in the world.

Ambassador Campa's Address on Role of the Lawyers in Inter-American Relations

EXTENSION OF REMARKS

OF

HON. BARRATT O'HARA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1957

Mr. O'HARA of Illinois. Mr. Speaker, in anticipation of the approaching 17th anniversary, on May 16, of the organization of the Inter-American Bar Association I am extending my remarks to include the address of one of the great diplomats of the world, Dr. Miguel Angel Campa, Ambassador of Cuba to the United States, at the luncheon on April 16, 1957, at the University Club in Washington given in recognition of Ambassador Campa's work in the diplomatic service of Cuba for over 50 years. The luncheon was the joint tribute of the Inter-American Bar Association and the bar association of the District of Columbia under the chairmanship of Frank J. Kelly. Many of the lawyers present at the luncheon to honor the distinguished Ambassador of Cuba had visited Cuba in 1941 as participants in the first conference of the Inter-American Bar Association held in Habana.

Dr. Campa's address was contained in exactly 193 words. I think many of my colleagues will wish to preserve this address as a classic expression, in a minimum of words, of the spirit properly underlying internatonal relations and the role of the lawyers of one country working in cooperation with lawyers of other countries.

Speaking of the large contribution to Cuba-American understanding made by the Inter-American Bar Association, he said:

I cannot think of any one group better fitted for the cultivation of the pacific and spiritual ideals sustained by nations and men of good faith, than that group which is dedicated to assure, with the book, the word, or the advice, the juridical norms of justice and friendship between nations.

Dr. Campa's classic 193-word address, in full, follows:

I only wish to say a few words to express my sincere appreciation to the president and the members of the Inter-American Bar Association for the cordial invitation extended to me today.

Relations between Cuban and American lawyers have very deep roots, created by the traditional friendship of our respective peoples, and stimulated by a deep and reciprocal scientific and professional understanding.

The frequant visits of American and Cuban jurists between our countries, which gain more importance every day, not only serve as a means of knowing and of developing a higher regard for each other, but go beyond the social and academic levels to flourish in the field of international relations. I cannot think of any one group better fitted for the cultivation of the pacific and spiritual ideals sustained by nations and men of good faith, than that group which is dedicated to assure, with the book, the word, or the advice, the juridical norms of justice and friendship between nations.

As a diplomatic and a lawyer, I sincerely wish, for universal benefit, that we remain always together within this attitude of friendly collaboration, and in this position of supreme human responsibility.

Dr. Adolfo Bioy, of Buenos Aires, Argentina, is the president of the Inter-American Bar Association and William Roy Vallance of our own State Department its secretary general. Mr. Vallance is one of the founders of the association, has attended and participated in all its conferences, convened in the capitals of the various countries in the Americas. No one in the history of our State Department has done more for the cause of hemispheric understanding and solidarity, no one in the United States enjoys the confidence and the warm personal friendship of so many lawyers in so many countries of the American hemisphere. His expected retirement at the end of the present year will be a great loss to the Nation.

Mr. Speaker, I would not wish to close without joining myself with the members of the bar association in congratulating Ambassador Campa on the completion of a half century and more of distinguished service to his country. The Ambassador was born in Habana in December of 1882. In 1906, when 23, he entered the foreign service of the Republic of Cuba as second secretary. The succeeding steps in his remarkable career follow:

Chargé d'affaires, Legation of Cuba in Paris, 1907.

Designated to Legation of Cuba in Rome, Italy, 1909.

First secretary, Legation of Cuba in The Hague, 1910. Chargé d'affaires in The Hague, 1911.

Transferred to Berlin 1911. Chargé d'affaires, Berlin, 1912.

Transferred to London, 1913, as chargé d'affaires.

Appointed secretary of the Cuban delegation to the Peace Conference at Versailles, 1919.

Permanent delegate of Cuba to the League of Nations, First, Second, Third, and Fourth Assemblies.

Envoy Extraordinary and Minister Plenipotentiary to Japan, 1920.

Acting Under Secretary of State, 1925.

Envoy Extraordinary and Minister Plenipotentiary to Brazil, 1930.

President of the National Consultive Commission on Transportation, 1930.

Ambassador Extraordinary and Plenipotentiary, Mexico, 1933.

Under Secretary of State, 1937.

Secretary of State, 1939.

Representative of Cuba to the first meeting of foreign ministers, Panama, 1939.

Appointed Ambassador Extraordinary and Plenipotentiary, 1940.

President, Cuban delegation to the second inter-American meeting of the Caribbean, 1940.

President of the second meeting of foreign ministers, 1940.

President, Inter-American Union of the Caribbean, 1941.

President, International Organization of Archivists, Librarians, and Conservatories of Music.

Plenipotentiary of Cuba in the signature of the Convention of Prisoners of War, and member of the Administrative Council of the Permanent Tribunal on Arbitration at The Hague.

Secretary of the Cuban delegation to first assembly of the League of Nations and various assemblies of that Organization.

President, Pan American Columbian Society, and corresponding member of the Academy of Science of Cadiz.

Minister of State, 1952.

President of the Cuban delegation to the eighth ordinary session of the Assembly of the United Nations, 1952.

President of the Cuban delegation to the Pan American Conference at Caracas, 1954, and President of the Economic Commission of that conference.

Ambassador Extraordinary and Plenipotentiary, Washington, 1955.

Publications: Land and Air Transport Code, 1931; One Year of Cuban Foreign Policy, 1939–40, 1941; Glorious Ashes, 1941; An Actual Interpretation of the Discovery of America, 1942; Regional Politics of the Caribbean, 1944.

Decorations: Grand Cross of the Orders of Carlos Manuel de Cespedes; National Red Cross and the Lanuza Honor and Merit of Cuba; the Sun and Merit of Peru; the Golden Spike and Brilliant Star of China; Vasco Nuñez de Balboa of Panama; Cristobal Colon and Juan Pablo Duarte of the Dominican Republic; Merit, Pethion and Bolivar of Haiti; Cross of the Sun, Brazil; Aztec Eagle, Mexico; Order of the Liberator, Venezuela; Isabel the Catholic of Spain; Cross of Italy and St. Maurice and St. Lazarus of Italy; Merit of Chile; Boyaca of Colombia; Merit of Ecuador; Delgado of El Salvador; and Condor of Bolivia.

Knight Commander of the Orders of Carlos III of Spain, Cross and Leopold II of Belgium; Legion of Honor of France.

SENATE

MONDAY, APRIL 29, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of our fathers, gratefully we return to waiting tasks from the celebration of historic facts which doom the designs of evil forces and make inevitable the final reign of righteousness. Endue us, we pray, with Thy might, that every threat to the things we hold dearest, every assault on the sacredness of human personality, every seeming defeat of eternal truth, may be met and faced with the creed of Easter. May we think today of the risen glory, not as the mere extension of life beyond the physical death which one day will stop our breath, but as the expansion of life in the height and range and quality of this and every day which may be added to our earthly span. In the midst of desperate and difficult days, deliver us from moral cowardice. In a confused day, save us from any panic of spirit. As those set apart in perilous times to keep clean the springs of freedom, to minister to the human welfare of the Nation, and to help heal the open sores of the world, may the spokesmen of the people who serve in this historic Chamber have eyes to see and minds to understand and hearts big enough to claim kinship with all Thy children everywhere.

Even in the fierce fires of global contention and division, may barriers to brotherhood be burned away, and mankind find at last the peace and plenty of the kingdom of love, which has no frontier. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Thursday, April 18, 1957, was approved, and its reading was dispensed with.

ENROLLED JOINT RESOLUTION SIGNED DURING ADJOURNMENT

Under the authority of the order of April 18, 1957,

The PRESIDENT pro tempore on April 18, 1957, signed the enrolled joint resolution (H. J. Res. 312) making additional appropriations for the fiscal year 1957, and for other purposes, which had previously been signed by the Speaker of the House of Representatives.

EVALUATION OF RECREATIONAL BENEFITS RESULTING FROM CERTAIN PUBLIC WORKS—MINORITY VIEWS SUBMITTED DURING ADJOURNMENT (PT. 2 OF S. REPT. NO. 250)

Under the authority of the order of April 17, 1957,

Mr. COTTON submitted on April 18, 1957, the views of the minority of the Committee on Public Works on the bill (S. 1164) to make the evaluation of recreational benefits resulting from the construction of any flood-control, navigation, or reclamation project an integral part of project planning, and for other purposes, which were printed as part 2 of Report No. 250.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTIONS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolutions:

On April 20, 1957:

S. J. Res. 70. Joint resolution requesting the President to proclaim the week April 28 to May 4, 1957, inclusive, as National Mental Health Week; and

S. J. Res. 72. Joint resolution to implement further the act of July 15, 1946, by approving the signature by the Secretary of the Treasury of an agreement amending the Anglo-American Financial Agreement of December 6, 1945.

On April 23, 1957:

S. 58. An act for the relief of Duk Chang Cho;

S. 127. An act for the relief of Anna Maria Cosentino and Francesca Maria Cosentino; and

S. 268. An act for the relief of Esther Guagliardo.

On April 25, 1957:

S. 87. An act for the relief of Pavel Blaho;

S. 91. An act for the relief of Victor Charles Hunt;

S. 158. An act for the relief of Hewey Malachi Mackey;

S. 363. An act for the relief of Nelson Shu-Yung Chuang;

S. 424. An act for the relief of Herbert James Bramley;

S. 649. An act for the relief of Yee Chung Fong Ming and Yee Chung Nom Ming;

S. 753. An act for the relief of Georgiana Ching Hsien (Liang) New; and

S. 812. An act to amend the Agricultural Act of 1949 with respect to price support for extra long staple cotton.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

SENATOR FROM TEXAS

Mr. JOHNSON of Texas. Mr. President, today we have in the Senate Chamber a new colleague, the Honorable RALPH W. YARBOROUGH, Senator-elect from the State of Texas.

Mr. YARBOROUGH has served Texas in many public capacities. As a young assistant attorney general of our State, he was a noted "trust buster." He was an original member of the board of the Lower Colorado River Authority, one of the great waterpower projects serving the people of our State. He sat with dignity and distinction on our courts. He is a combat veteran of World War II.

We Texans are particularly proud that RALPH YARBOROUGH and other Democrats who ran in the special election polled about three times as many votes as did the members of the other party.

Mr. YARBOROUGH is now in the Chamber. At this time I send forward his certificate of election, and ask that it be read.

The VICE PRESIDENT. The certificate will be read.

The certificate of election was read by the legislative clerk, and ordered to be placed on file, as follows:

THE STATE OF TEXAS.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES.

This is to certify that on the 2d day of April 1957, RALPH W. YARBOROUGH was duly chosen by the qualified electors of the State of Texas a Senator from said State to represent said State in the Senate of the United States for an unexpired term beginning on the 19th day of April 1957 and expiring on the 3d day of January 1959.

Witness: His Excellency our Governor, and our seal hereto affixed at Austin, this 19th day of April, in the year of our Lord 1957.

PRICE DANIEL,
Governor of Texas.

By the Governor:
[SEAL] ZOLLIE STEAKLEY,
Secretary of State.

Mr. JOHNSON of Texas. Mr. President, the Senator-elect is present, and is ready to take the oath. I suggest that the oath be administered to him at this time.

The VICE PRESIDENT. The Senator-elect will present himself to take the oath of office.

Mr. YARBOROUGH, escorted by Mr. JOHNSON of Texas, advanced to the Vice President's desk; and the oath of office prescribed by law was administered to him by the Vice President, and was subscribed by the new Senator.

(Applause on the floor and in the galleries.)

Mr. JOHNSON of Texas. Mr. President, I submit, and send to the desk, a resolution, which I ask to have read; and then I shall make another request.

The VICE PRESIDENT. The resolution will be read.

The resolution (S. Res. 129) was read, as follows:

Whereas the certificate of election of RALPH W. YARBOROUGH, chosen a Senator on April 2, 1957, during the present session of the 85th Congress, by the qualified electors of the State of Texas to fill the vacancy in the term ending at noon on the 3d day of January 1959, caused by the resignation of Honorable Price Daniel, states that he was "duly chosen * * * to represent said State in the Senate of the United States for an unexpired term beginning on the 19th day of April, 1957, and expiring on the 3d day of January, 1959"; and

Whereas under title 2, section 36, of the United States Code (49 Stat. 23), and precedents of the Senate based thereon, salaries of Senators elected during a session to succeed appointees shall commence on the day they qualify; and

Whereas the said RALPH W. YARBOROUGH has this day duly qualified by taking, in the open Senate, as provided by Rule II, the oath required by the Constitution and prescribed by law, and has subscribed to the same; Therefore, be it

Resolved, That the term of the service of the said RALPH W. YARBOROUGH shall be deemed to have commenced on this the 29th day of April 1957.

Mr. JOHNSON of Texas. Mr. President, I should like to make a brief statement, and then I shall request unanimous consent for the immediate consideration of the resolution.

Mr. President, adoption of the resolution which has just been read will clarify the situation with respect to the beginning of the term of service of the Senator from Texas [Mr. YARBOROUGH]. Under the law and the precedents of the Senate, while the Senate is not in sine-die adjourment, a Senator elected to fill a vacancy does not commence to draw compensation until he takes the oath in the open Senate and subscribes to it. The appointee holds the office and draws the pay until the Senator-elect takes the oath, as above stated.

Unless the Senate takes action with respect to fixing the beginning of the term of the junior Senator from Texas [Mr. YARBOROUGH], confusion will result. Adoption of the resolution will eliminate any confusion which might otherwise arise, and will be the official notice to the financial clerk of the Senate as to the beginning on this day of the term of service of the junior Senator from Texas [Mr. YARBOROUGH].

Mr. President, a comparable situation existed in the case of the Senator from South Carolina [Mr. THURMOND]. On that occasion the Senate adopted a resolution similar to the one now at the desk.

I have conferred with the distinguished minority leader, and he is agreeable to the procedure I have suggested. Therefore, I ask unanimous consent that the Senate proceed to the immediate consideration of the resolution.

The VICE PRESIDENT. Is there objection to the request of the Senator from Texas?

There being no objection, the resolution was considered and agreed to.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour for the introduction of bills and the transaction of other routine business. I ask unanimous consent that statements made in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

AMENDMENT OF GRAIN STANDARDS ACT, RELATING TO CHARGES FOR CERTAIN SERVICES

A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation to amend the United States Grain Standards Act, 1916, as amended, to permit the Secretary of Agriculture to charge and collect for certain services performed and to deposit such collections to the credit of the appropriation available for administration of the act, and for other purposes (with an accompanying paper); to the Committee on Agriculture and Forestry.

INTERIM REPORT OF COMMISSION ON INCREASED INDUSTRIAL USE OF AGRICULTURAL PRODUCTS

A letter from the Chairman and members of the President's appointed Bipartisan Commission on Increased Industrial Use of Agricultural Products, Washington, D. C., transmitting, pursuant to law, an interim report of that Commission, dated April 17, 1957 (with an accompanying report); to the Committee on Agriculture and Forestry.

PROPOSED REGISTRAR AT UNITED STATES MILITARY ACADEMY

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to authorize a registrar at the United States Military Academy, and for other purposes (with accompanying papers); to the Committee on Armed Services.

AMENDMENT OF TITLE 10, UNITED STATES CODE, RELATING TO INSTRUCTION OF CERTAIN PERSONS AT UNITED STATES MILITARY, NAVAL, AND AIR FORCE ACADEMIES

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to amend title 10, United States Code, to authorize persons from friendly nations to receive instruction at the United States Military, Naval, and Air Force Academies (with an accompanying paper); to the Committee on Armed Services.

COL. RUSSELL KING ALSPACH

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of Col. Russell King Alspach (with an accompanying paper); to the Committee on Armed Services.

AMENDMENT OF ACT OF AUGUST 3, 1950, RELATING TO PERSONNEL STRENGTHS OF ARMED FORCES

A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation to amend the act of August 3, 1950, as amended, to continue in effect the provisions relating to the authorized personnel strengths of the Armed Forces (with an accompanying paper); to the Committee on Armed Services.

EXTENSION OF INTERIM SYSTEM FOR APPOINTMENT OF CADETS TO UNITED STATES AIR FORCE ACADEMY

A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation to extend the interim system for appointment of cadets to the United States Air Force Academy for an additional period of 4 years (with accompanying papers); to the Committee on Armed Services.

REPORT OF STOCKPILING PROGRAM

A letter from the Director, Office of Defense Mobilization, Executive Office of the President, transmitting, pursuant to law, a report on the stockpiling program, for the period from July 1 to December 31, 1956 (with an accompanying report); to the Committee on Armed Services.

AMENDMENTS OF CANAL ZONE CODE RELATING TO CERTAIN FUNDS OF PANAMA CANAL COMPANY

A letter from the Secretary, Panama Canal Company, Washington, D. C., transmitting a draft of proposed legislation to amend provisions of the Canal Zone Code relative to the handling of the excess funds of the Panama Canal Company, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

REPORT ON FEDERAL CONTRIBUTIONS PROGRAM

A letter from the Administrator, Federal Civil Defense Administration, Battle Creek, Mich., transmitting, pursuant to law, a report on federal contributions program obligation of Federal funds, for the quarter ending March 31, 1957 (with an accompanying report); to the Committee on Armed Services.

REPORT ON NUMBER OF OFFICERS ASSIGNED TO PERMANENT DUTY AT THE SEAT OF GOVERNMENT

A letter from the Director, Legislative Liaison, Department of the Air Force, Washington, D. C., reporting, pursuant to law, that, as of March 31, 1957, there was an aggregate of 2,767 officers assigned or detailed to permanent duty in the executive element of the Air Force at the seat of Government; to the Committee on Armed Services.

REPORT ON MILITARY PRIME CONTRACTS WITH BUSINESS FIRMS IN THE UNITED STATES FOR EXPERIMENTAL, DEVELOPMENTAL, AND RESEARCH WORK

A letter from the Assistant Secretary of Defense, Supply and Logistics, transmitting, pursuant to law, a report on military prime contracts with business firms in the United States for experimental, developmental, and research work (with an accompanying report); to the Committee on Banking and Currency.

PROPOSED CONVEYANCE OF FEE SIMPLE TITLE TO CERTAIN LANDS IN ALASKA

A letter from the Administrator, Housing and Home Finance Agency, Washington, D. C., transmitting a draft of proposed legislation to authorize the conveyance of a fee simple title to certain lands in the Territory of Alaska underlying war housing project Alaska-50023, and for other purposes (with an accompanying paper); to the Committee on Banking and Currency.

AMENDMENT OF SECTION 24, FEDERAL RESERVE ACT

A letter from the Administrator, Small Business Administration, Washington, D. C., transmitting a draft of proposed legislation to amend section 24 of the Federal Reserve Act (with an accompanying paper); to the Committee on Banking and Currency.

PROPOSED POLICE AND FIREMEN'S RETIREMENT AND DISABILITY ACT AMENDMENTS OF 1957

A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation to provide for the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, and of certain officers and members of the United States Secret Service, and for other purposes (with an accompanying paper); to the Committee on the District of Columbia.

AMENDMENT OF ACT RELATING TO EXECUTION OF BONDS IN CERTAIN CASES

A letter from the Acting Director, Administrative Office of the United States Courts, Washington, D. C., transmitting a draft of proposed legislation to amend the act regulating the business of executing bonds for compensation in criminal cases in the District of Columbia (with an accompanying paper); to the Committee on the District of Columbia.

REPORT ON INTERNATIONAL EDUCATIONAL EXCHANGE PROGRAM

A letter from the Secretary of State, transmitting, pursuant to law, a report on the International Educational Exchange Program, for the calendar year 1956 (with an accompanying report); to the Committee on Foreign Relations.

AMENDMENT OF LAW, RELATING TO CERTAIN UNITED STATES CONTRIBUTIONS

A letter from the Secretary of State, transmitting a draft of proposed legislation to amend the act of Congress approved August 7, 1935 (Public Law 253), concerning United States contributions to the International Council of Scientific Unions (ICSU) and certain Associated Unions (with accompanying papers); to the Committee on Foreign Relations.

EXTENSION OF GREETINGS TO NEW AFRICAN NATION OF GHANA

A letter from the Assistant Secretary of State, acknowledging receipt of the resolution (S. Res. 111) agreed to by the Senate on March 5, extending greetings to the new African nation of Ghana, and informing the Senate that the resolution had been sent to the American Embassy in Accra for transmission to appropriate officials of the Ghana Legislative Assembly; to the Committee on Foreign Relations.

AUDIT REPORT ON ABACA FIBER PROGRAM

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the abaca fiber program administered by General Services Administration for the fiscal year ended June 30, 1956 (with an accompanying report); to the Committee on Government Operations.

REPORT ON DISPOSALS OF FOREIGN EXCESS PROPERTY

A letter from the Director, International Cooperation Administration, Washington, D. C., transmitting, pursuant to law, a report of that Administration on disposals of foreign excess property, for the period July 1, 1954, through December 31, 1956 (with an accompanying report); to the Committee on Government Operations.

CLAIM OF SHOSHONE TRIBE OF WIND RIVER RESERVATION, WYO., ET AL. *v.* THE UNITED STATES

A letter from the Chief Commissioner, Indian Claims Commission, Washington, D. C., reporting, pursuant to law, that proceedings in the case of the *Shoshone Tribe of the Wind River Reservation, Wyoming, et al.* v. *The United States* have been finally concluded (with accompanying papers); to the Committee on Interior and Insular Affairs.

PROPOSED CONCESSION CONTRACT, LAKE MEAD NATIONAL RECREATION AREA, NEVADA

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a proposed concession contract at the Katherine Wash Site of Lake Mead national recreation area, Nevada (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT ON CANCELLATION OF REIMBURSABLE INDIAN DEBTS, WIND RIVER INDIAN IRRIGATION PROJECT, WYOMING

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a copy of an order canceling $1,875.50 of reimbursable debts existing against certain Indian landowners on the Wind River Indian irrigation project, Wyoming (with an accompanying paper); to the Committee on Interior and Insular Affairs.

REPORT ON CERTAIN CONTRACTS NEGOTIATED BY BUREAU OF INDIAN AFFAIRS

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a report on certain contracts negotiated during the fiscal year 1956 by the Bureau of Indian Affairs, relating to education of Indian children, and so forth (with accompanying papers); to the Committee on Interior and Insular Affairs.

CLARIFICATION OF NAVIGATION RULES FOR THE GREAT LAKES

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to clarify the application of navigation rules for the Great Lakes and their connecting and tributary waters, and for other purposes (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

PUBLICATION ENTITLED "STATISTICS OF ELECTRIC UTILITIES IN THE UNITED STATES, 1955, PUBLICLY OWNED"

A letter from the Chairman, Federal Power Commission, Washington, D. C., transmitting, for the information of the Senate, a copy of its newly issued publication entitled "Statistics of Electric Utilities in the United States, 1955, Publicly Owned" (with an accompanying document); to the Committee on Interstate and Foreign Commerce.

REPORT ON BACKLOG OF PENDING APPLICATIONS AND HEARING CASES, FEDERAL COMMUNICATIONS COMMISSION

A letter from the Acting Chairman, Federal Communications Commission, Washington, D. C., transmitting, pursuant to law, a report on backlog of pending applications and hearing cases in that Commission, as of February 28, 1957 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

ESTATE OF ISA HAJIME

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of the estate of Isa Hajime (with an accompanying paper); to the Committee on the Judiciary.

FINANCIAL REPORT OF NATIONAL SAFETY COUNCIL

A letter from the President, National Safety Council, Chicago, Ill., transmitting, pursuant to law, the financial report of that Council for the year 1956 (with an accompanying report); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS—WITHDRAWAL OF NAME

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Yu Chang Hsieh from a report relating to aliens whose deportation had been suspended, transmitted to the Senate on January 15, 1957 (with an accompanying paper); to the Committee on the Judiciary.

AMENDMENT OF FEDERAL PROBATION ACT, RELATING TO APPLICATION TO UNITED STATES DISTRICT COURT FOR DISTRICT OF COLUMBIA

A letter from the Acting Director, Administrative Office of the United States Courts, Washington, D. C., transmitting a draft of proposed legislation to amend the Federal Probation Act to make it applicable to the United States District Court for the District of Columbia (with an accompanying paper); to the Committee on the Judiciary.

AMENDMENT OF TITLE 18, UNITED STATES CODE, RELATING TO CONFINEMENT IN CERTAIN CASES

A letter from the Acting Director, Administrative Office of the United States Courts, Washington, D. C., transmitting a draft of proposed legislation to amend title 18, United States Code, section 3651, so as to permit confinement in jail-type institutions or treatment institutions for a period not exceeding 6 months in connection with the grant of probation on a one-count indictment (with an accompanying paper); to the Committee on the Judiciary.

AMENDMENT OF VOCATIONAL REHABILITATION ACT

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend sections 4 (a) and 7 (a) of the Vocational Rehabilitation Act (with an accompanying paper); to the Committee on Labor and Public Welfare.

REPORT OF NATIONAL LABOR RELATIONS BOARD

A letter from the Chairman, National Labor Relations Board, Washington, D. C., transmitting, pursuant to law, a report of that

Board, for the fiscal year ended June 30, 1956 (with an accompanying report); to the Committee on Labor and Public Welfare.

AMENDMENT OF VETERANS' READJUSTMENT ASSISTANCE AND WAR ORPHANS' EDUCATIONAL ASSISTANCE ACTS RELATING TO BENEFITS TO CERTAIN PERSONS

A letter from the Administrator, Veterans' Administration, Washington, D. C., transmitting a draft of proposed legislation to amend the definition of the term "State" in the Veterans' Readjustment Assistance Act and the War Orphans' Educational Assistance Act to clarify the question of whether the benefits of those acts may be afforded to persons pursuing a program of education or training in the Panama Canal Zone (with an accompanying paper); to the Committee on Labor and Public Welfare.

PROPOSED CHANGE OF MEMBERSHIP OF BOARD OF TRUSTEES OF POSTAL SAVINGS SYSTEM

A letter from the Deputy Postmaster General, transmitting a draft of proposed legislation to provide for the Board of Trustees of the Postal Savings System to Consist of the Postmaster General and the Secretary of the Treasury (with an accompanying paper); to the Committee on Post Office and Civil Service.

REPORT ON REVIEW OF WASHINGTON AQUEDUCT, CORPS OF ENGINEERS (CIVIL FUNCTIONS), DEPARTMENT OF THE ARMY

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on review of Washington Aqueduct, Corps of Engineers (Civil Functions), Department of the Army, for the fiscal year ended June 30, 1956 (with an accompanying report); to the Committee on Public Works.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

Joint resolution of the Legislature of the State of Oregon; to the Committee on Finance:

"House Joint Memorial 3

"To the Honorable Senate and the House of Representatives of the United States of America, in Congress Assembled:

"We, your memorialists, the 49th Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

"Whereas the national policy of the United States has been to honor the veterans of the wars of the United States by granting assistance to them in their declining years, either by pension or otherwise, all in consideration of their military services in defense of our country; and

"Whereas the veterans of World War I of the United States have attained an age of approximately 63 years; and

"Whereas there has been no general pension granted to veterans of that war by the United States: Now, therefore, be it

"Resolved by the House of Representatives of the State of Oregon (the Senate jointly concurring therein), That it hereby is urged that the Congress of the United States enact legislation granting pension to World War I veterans, with reasonable income limitation provision, but otherwise substantially comparable to pension grants to veterans of America's wars prior to World War I; and be it further

"Resolved, That copies of this memorial be sent to the President of the United States, the President of the Senate and the Speaker of the House of Representatives of the United States and to each of the members of the Oregon delegation in Congress.

"Adopted by house April 1, 1957.

"Adopted by senate April 16, 1957.

"EDITH BYNOM LAW,
"Chief Clerk.

"PAT DOOLEY,
"Speaker of the House.

"BOYD R. OVERHULSE,
"President of the Senate."

A joint resolution of the Legislature of the State of California; to the Committee on Interstate and Foreign Commerce:

"Senate Joint Resolution 23

"Joint resolution memorializing Congress to enact legislation to provide for utilization of commercial marine terminal facilities by the United States

"Whereas the United States Government, and particularly the Army and Navy, ship a large volume of nonsecurity cargo through marine terminal facilities owned and operated by the Government, and route very little of such cargo over commercial marine terminal facilities owned or operated by public and private ports in the State of California; and

"Whereas the public and private ports are an important part of the Nation's transportation facilities and were used to capacity during World War II; and

"Whereas the maintenance and operation of commercial marine terminal facilities in a healthy condition adequately staffed with competent and experienced personnel are essential to the general welfare of the Nation in a time of war or emergency; and

"Whereas the public and private ports are ready, willing, and able, and should be permitted to handle a fair share of nonsecurity Government cargo at the regularly established tariff rates approved by the appropriate State and Federal regulatory agencies, or at fair and reasonable uniform negotiated rates: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California does hereby respectfully urge and memorialize the Congress of the United States to enact legislation similar to H. R. 2229, 85th Congress, which would require the appropriate agency or agencies of the United States Government to take such steps as may be necessary and practicable to assure that nonsecurity Government cargo shall be transshipped by the use of publicly or privately owned commercial marine terminal facilities, to the extent that such marine terminal facilities are available at fair and reasonable rates, in such manner as will insure a fair and reasonable participation of such commercial marine terminal facilities in the transshipment of such cargoes by geographic areas; and be it further

"Resolved, That the Secretary of the Senate is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A resolution of the Legislature of the State of Nebraska; to the Committee on the Judiciary:

"Legislative Resolution 19

"Whereas the United States Supreme Court and various Federal courts have been subjected to severe criticism as a result of the decisions and decrees in the school segregation and related cases which declare that segregation and discrimination because of race, color, religion, or national origin in public schools and facilities violate the principles of the Constitution of the United States; and

"Whereas these decisions and decrees of the United States Supreme Court and various Federal courts have been condemned as a usurpation of and encroachment on the reserved powers of the States by the Supreme Court and Central Government of the United States; and

"Whereas the decisions and decrees of the United States Supreme Court and various Federal courts are being condemned, disregarded and evaded both directly and indirectly by State legislation, procrastination in complying with said decisions and decrees, coercion, and intimidation, all under the theory that any State has a right to interpose its sovereignty in opposition to an exercise of power by the Federal Government which that State determines has not been granted by the several States to the Federal Government; and

"Whereas all the States of the United States are bound by the Constitution and laws of the United States, including judicial interpretation of said Constitution and laws, until later changed through constitutional processes; and

"Whereas the Constitution of the United States provides the manner in which said Constitution and laws of the United States are to be enacted, amended, or repealed; and

"Whereas the Constitution of the United States does not permit any State to act in total disregard of any Federal law, court decision, or decree when the State has through an assumption of unconstitutional powers declared that any said law, decree, or decision is unconstitutional; and

"Whereas to permit each State to decide of itself by which provision of the United States Constitution, law, judicial decree, or decision it shall be bound would eventually result in the destruction of the Federal system of government: Now, therefore, be it

"Resolved, by the members of the Nebraska Legislature in 68th session assembled:

"1. That the United States of America is founded upon the principle that everyone is entitled to equal privileges, opportunities, rights, duties, and immunities regardless of race, color, religion, or national origin, and any public facility which segregates or discriminates against any person because of race, color, religion, or national origin is contrary to said principle.

"2. That segregation and discrimination because of race, color, religion, or national origin in public schools and facilities is prohibited by the Constitution of the United States, and no State has the right to maintain at its own expense racially separate public schools or facilities.

"3. That the Nebraska Legislature go on record as approving and supporting the decision of the United States Supreme Court in the school segregation cases.

"4. That the Supreme Court of the United States is the final arbiter on questions of constitutionality, and any disagreement or dissatisfaction this State may have with any decision or decree of said Court should be resolved through the processes provided by the Constitution and laws of the United States.

"5. That the theory of interposition, whereby the authority of the Government of the United States is disregarded when any State decides it shall interpose its sovereignty in disobedience to that authority, is hereby condemned as a dangerous threat to the Constitution and Federal system of Government of the United States.

"6. That a copy of this resolution be sent by the clerk of the legislature to the President of the United States, to each of the Houses of Congress, to Nebraska's Representatives and Senators in Congress, to the governor and legislature of each of the other States, and to the Supreme Court of the United States.

"DWIGHT W. BURNEY,
"President of the Legislature."

A concurrent resolution of the Legislature of the State of New Jersey; to the Committee on Finance:

"Senate Concurrent Resolution 27

"Concurrent resolution memorializing the Congress of the United States to amend the Internal Revenue Code so as to extend the 'conduit theory' to regulated investment companies that hold their assets in State and local securities

"Whereas the New Jersey Legislature created pursuant to Senate Concurrent Resolution 2, a six-member bipartisan legislative commission, known as the School Bond Interest Rate Study Commission, for the purpose of making recommendations as to what, if anything, can be done to assist New Jersey school districts in obtaining lower interest rates on their new issues of school construction bonds; and

"Whereas President Eisenhower in his economic report of January 23, 1957, to the Congress stated:

" 'The expenditures of State and local governments are now about half those of the Federal Government, and their recent rate of increase has been considerably higher. * * * Financial considerations * * * may require some rescheduling of proposed projects, since State and local governments with large borrowing requirements have already encountered heavy competing demands in the capital markets. Some improvement in the ability of these governmental units to finance their projects would result from an amendment of the Internal Revenue Code to extend the "conduit principle" to regulated investment companies that hold their assets in State and local securities. The amendment, which would involve no loss of revenue, would permit regulated investment companies of this type to pass through to their stockholders the tax-exempt status of the income received on State and local securities. The Congress is requested to enact legislation to accomplish this result'; and

"Whereas the aforementioned New Jersey School Bond Interest Rate Study Commission has concluded that an amendment to the Internal Revenue Code in the manner recommended by the President, would increase the demand for bonds of New Jersey school districts and then tend to reduce interest rates; and

"Whereas congressional action in this regard is already being, or is about to be, sponsored by Members of Congress: Now, therefore, be it

"Resolved by the Senate of the State of New Jersey (the General Assembly concurring):

"1. The Congress of the United States is hereby memorialized to amend the Internal Revenue Code so as to permit regulated investment companies to pass through to their stockholders the tax-exempt status of the income received on State and local securities.

"2. The president of the senate is hereby directed to transmit immediately following the passage of this concurrent resolution a copy thereof, properly authenticated, to the respective presiding officers of the United States Senate and the House of Representatives and to each of the Senators and to all of the Representatives of the State of New Jersey in the Congress.

"I hereby certify that the above is a true and correct copy of a resolution adopted by the senate and concurred in by the general assembly.

"HENRY H. PATTERSON,
"Secretary of the Senate."

Three joint resolutions of the Legislature of the State of New Mexico; to the Committee on Interior and Insular Affairs:

"Senate Joint Memorial 10

"Joint memorial memorializing the Congress of the United States to enact legislation granting 10 million acres of land in trust to this State for the purpose of providing modern educational facilities in institutions of higher learning in this State

Be it resolved by the Legislature of the State of New Mexico:

"Whereas the United States Government and the agencies thereof own over 40 percent of the total land in the State of New Mexico; and

"Whereas such land is not subject to taxation by the State and results in a hardship to the people of this State in raising sufficient revenue for the support of the institutions of higher learning; and

"Whereas a grant of 10 million acres in trust to the State for the advancement of higher education and the providing of equally modern educational facilities in every institution of higher learning in this State, and such a trust would be of permanent and enduring benefit: Now, therefore, be it

"Resolved by the Legislature of the State of New Mexico, That the Congress of the United States be, and it hereby is, memorialized to enact legislation granting 10 million acres of land in this State in trust to the State for use in providing equal modern educational facilities in institutions of higher learning, and providing that only the income from such trust shall be used for that purpose; and be it further

"Resolved, That a duly enrolled and engrossed copy of this memorial be transmitted to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States and to each member of the New Mexico delegation in Congress.

"JOE M. MONTOYA,
"President, Senate.

"GRACE MCAFEE,
"Chief Clerk, Senate.

"DONALD D. HALLAM,
"Speaker, House of Representatives.

"FLOYD CROSS,
"Chief Clerk, House of Representatives.

"Approved by me this 22d day of March 1957.

"EDWIN L. MECHEM,
"Governor, State of New Mexico."

"Senate Joint Memorial 14

"Joint memorial memorializing the Congress of the United States to amend section 10 of the enabling act to permit greater diversity in the prudent investment of proceeds from lands held in trust

"Whereas under the provisions of section 10 of the act of June 20, 1910, as amended, investment of the proceeds from land grants to New Mexico held in trust is restricted to those interest-bearing securities, selected by the State treasurer with the approval of the Governor and the secretary of state; and

"Whereas it has been demonstrated that modern State government demands a greater flexibility in the investment of idle State funds; and

"Whereas a safe and greater return can be realized from the investment of the proceeds of trust lands to the benefit of the cestui que trustent and the future citizens of New Mexico: Now, therefore, be it

"Resolved by the Legislature of the State of New Mexico, That the Congress of the United States be respectfully petitioned to amend section 10 of the act of June 20, 1910, as amended, to enable New Mexico, upon a three-fourths vote of the legislature, to invest the proceeds of the lands it holds in trust through a State investment specialist under the supervision of a qualified State investment council which is to include the Governor, the State treasurer, and the State commissioner of lands, in prudent investments with the same discretion as other fiduciaries; and be it further

"Resolved, That copies of this memorial be sent to the President of the United States Senate, the Speaker of the United States House of Representatives, and the New Mexico congressional delegation.

"JOE M. MONTOYA,
"President, Senate.

"GRACE MCAFEE,
"Chief Clerk, Senate.

"DONALD D. HALLAM,
"Speaker, House of Representatives.

"FLOYD CROSS,
"Chief Clerk, House of Representatives.

"Approved by me this 23d day of March 1957.

"EDWIN L. MECHEM,
"Governor, State of New Mexico."

"Senate Joint Memorial 21

"Joint memorial memorializing the Congress to designate a prescribed area in Taos County, N. Mex., to be defined as a 'wilderness area'

"Whereas the Carson National Forest located in Taos County, N. Mex., is one of the most scenic, primitive areas in the Western United States; a recreational region in which the people of New Mexico take great pride and from which they and visitors derive pleasure; and

"Whereas in recent months vehicular traffic within the national forest has scarred it with a network of rutted trails, diminishing the natural beauty of the region and creating serious erosion and fire hazards: Now, therefore, be it

"Resolved by the Legislature of the State of New Mexico, That the Congress of the United States be respectfully petitioned to declare as a 'wilderness area' that portion of the Carson National Forest centering about Wheeler Peak, including Horseshoe, Heart, Blue, Bear, Star, Waterbird, Williams, Middle Fork and Lost Lakes, Goose Creek, and the headwater area of the Red River; and be it further

"Resolved, That copies of this memorial be sent to the President of the United States Senate, the Speaker of the United States House of Representatives, and the New Mexico congressional delegation.

"JOE M. MONTOYA,
"President, Senate.

"GRACE MCAFEE,
"Chief Clerk, Senate.

"DONALD D. HALLAM,
"Speaker, House of Representatives.

"FLOYD CROSS,
"Chief Clerk, House of Representatives.

"EDWIN L. MECHEM,
"Governor, State of New Mexico."

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Appropriations:

"Concurrent Resolution 531

"Concurrent resolution memorializing the Congress of the United States that sufficient funds under the deficiency appropriation provided in House Resolution 4249 which will permit the Department of Health, Education, and Welfare to continue its present 50–50 matching formula with the various States under its social-security laws for the fiscal year ending June 30, 1957, and that a sufficient appropriation be provided in House Resolution 6287 to permit the continuance of the same matching formula for the administration of assistance under the social-security laws of the United States for the fiscal year ending June 30, 1958

"Whereas it has been called to the attention of the House of Representatives and

Senate of the State of Oklahoma, duly assembled in the regular 26th session of the Oklahoma Legislature, that the Congress of the United States is considering a reduction in the appropriation for administering the social-security laws in the emergency appropriation bill 4240 for the fiscal year ending June 30, 1957, and is considering a decrease in the appropriation for administrative purposes for the Department of Health, Education, and Welfare for the fiscal year ending June 30, 1958, and making the latter appropriation a closed-end appropriation for such purposes; and

"Whereas the Congress of the United States in the 1956 amendments of the social-security laws of the United States has added new programs on a matching formula on a 50–50 basis for medical services which will entail an increase in administrative expenses; and

"Whereas the greater majority of the States will want to take advantage of such medical program for the welfare of the recipients of assistance in their States; and

"Whereas a majority of those States will be limited in the amount of money that can be appropriated within tax structures of such States for such purposes and will need at least a 50–50 matching formula with the Department of Health, Education, and Welfare in order to put into effect such medical and other liberalizations of their welfare program; and

"Whereas it has been the custom of the Congress of the United States to have an open-end appropriation in the appropriation bills for the Department of Health, Education, and Welfare in order that such Department might continue its matching formula on a 50–50 basis in event of unforeseen expenses in its administration; and

"Whereas the States have been accustomed to carrying out their programs with the understanding that there will be no curtailment in said matching funds or the matching formula by the Department of Health, Education, and Welfare, and a reduction in administrative funds by Congress would, no doubt, cause a serious administrative problem in all the social-security programs in the various States which would be seriously detrimental to the intents and purposes of both the Federal and State laws to their assistance programs and that such condition should not be permitted to arise by a curtailment of administrative funds by closed-end and decreased appropriations by the Congress of the United States: Now, therefore, be it

"Resolved by the House of Representatives of the 26th Legislature of the State of Oklahoma (the Senate concurring therein), That the Congress of the United States be memorialized not to decrease the appropriation for administrative purposes in the Department of Health, Education, and Welfare for the fiscal year ending June 30, 1957, and that Congress authorize and direct the Department of Health, Education, and Welfare not to change its present matching formula with the States from a 50–50 basis for administrative purposes: be it further

"Resolved, That the appropriation for the fiscal year ending June 30, 1958, be continued, not as a closed-end, but an open-end appropriation, in order that such Department may continue to conduct its business with the States in the same manner that such business has been heretofore conducted and that such appropriation be in an amount sufficient for the Department to participate in carrying out the liberalization of the social-security laws of the United States as provided in the various amendments of the social-security law of 1956, which becomes effective July 1, 1957: be it further

"Resolved, That copies of this resolution be sent by the secretary of state to the Chief Clerk of the Senate and House of Representatives of the United States Congress and to each member of the Oklahoma delegation in Congress.

"Adopted by the house of representatives the 8th day of April 1957.

"B. E. HARKEY,
"Speaker of the House of Representatives.

"Adopted by the senate the 9th day of April 1957.

"COWBOY PINK WILLIAMS,
"President of the Senate."

A concurrent resolution of the Legislature of the State of Texas; to the Committee on the Judiciary:

"House Concurrent Resolution 76

"Concurrent resolution requesting Congress to enact a law giving consent to join the United States in any suit or controversy in the Supreme Court of the United States involving the Rio Grande compact to which the United States is a necessary party; requesting Texas Members of Congress to support such legislation; and directing the secretary of state to send copies of this resolution to certain Federal officials

"To the Honorable Senate and the House of Representatives of the United States, in Congress Assembled:

"We, the Senate and the House of Representatives of the State of Texas, in legislative session assembled, respectfully represent and petition as follows:

"Whereas in the year 1939 the Legislatures of the States of Colorado, New Mexico, and Texas ratified the Rio Grande compact, and the Congress of the United States gave its consent thereto by act of May 31, 1939 (Public Law No. 96); and

"Whereas, in the month of November 1951, the State of Texas, as plaintiff, filed suit in the Supreme Court of the United States against the State of New Mexico, the Middle Rio Grande Conservancy District, a reclamation and conservation district within New Mexico, and the officers and directors of said district, as defendants, alleging violations of the Rio Grande compact in that the defendants had failed and refused to deliver the quantities of water to which Texas is entitled under the compact, and seeking judgment of the Court requiring the defendants to comply with the compact; and

"Whereas the defendants in said suit requested the Court to dismiss the suit on the grounds that the United States was an indispensable party to the litigation because (a) the rights of Indians in New Mexico to the use of the waters of the Rio Grande were involved and only the United States could represent said Indians, and (b) the Bureau of Reclamation, an agency of the United States, is in possession of and is operating the Middle Rio Grande Conservancy District project under a contract between the United States and the district, and the Congress of the United States has not given consent for the United States to be sued in such cases; and

"Whereas the Attorney General of the United States could have intervened in said suit for the United States but refused to do so; and

"Whereas on the 25th day of February 1957, the Supreme Court of the United States dismissed the suit on the grounds that the United States was an indispensable party; and

"Whereas in view of this action by the Supreme Court of the United States the State of Texas is powerless to maintain a suit against the State of New Mexico for the enforcement of the Rio Grande compact, and cannot have its claim heard on the facts and merits by any court so long as the State of New Mexico asserts that the United States is an indispensable party to any such suit; and

"Whereas past violations of the compact have resulted in enormous losses to the citizens of west Texas because of lack of water, and if such violations continue they will result in disaster to the economy of all areas above Fort Quitman, Tex., that are dependent upon the flow of the Rio Grande for their supply of water; and

"Whereas under the ruling of the Supreme Court of the United States the only method or manner by which any State signatory to the Rio Grande compact can maintain a suit for the enforcement of the compact will be for the Congress of the United States to enact a law giving consent for the United States to be made a party to any such suit in which the United States may be a necessary party thereto; and

"Whereas, the absence of such consent by the Congress has resulted in depriving the State of Texas of its day in court, a right which is fundamental to any concept of justice and equity, and if this situation is not corrected it will continue to prevent the State of Texas from ever having its case heard: Now, therefore, be it

"Resolved by the Senate and the House of Representatives of the Legislature of Texas, That the Congress of the United States is hereby urged to enact promptly a law reading substantially as follows:

"(a) Consent is given to join the United States as a defendant in any suit or controversy in the Supreme Court of the United States involving the Rio Grande compact in any case where the United States is a necessary party. The United States, when a party to such suit, shall be subject to the judgments, orders and decrees of the court; provided, that no judgment for costs shall be entered against the United States in any such suit.

"(b) Summons or other process in any such suit shall be served upon the Attorney General or his designated representatives.

"(c) To the extent that subsection (c) of section 208 of the act of July 10, 1952, is in conflict with this act, the same is hereby repealed; and be it further

"Resolved, That the Texas Members of the Congress promote and support such legislation; and, be it further

"Resolved, That the secretary of state of the State of Texas be and is hereby directed to send a copy of this memorial to the President and Vice President of the United States, to the President and Chief Clerk of the United States Senate, to the Speaker and Chief Clerk of the House of Representatives of the United States, to the United States Senators from Texas, and to all Texas Members of the House of Representatives of the United States.

"BEN RAMSEY,
"President of the Senate.
"WAGGONER CARR,
"Speaker of the House.

"I hereby certify that House Concurrent Resolution 76 was adopted by the house on April 2, 1957.

"DOROTHY HALLMAN,
"Chief Clerk of the House.

"I hereby certify that House Concurrent Resolution 76 was adopted by the senate on April 9, 1957.

"CHARLES SCHNABEL,
"Secretary of the Senate."

A resolution of the Second Legislature of the Virgin Islands; to the Committee on Appropriations:

"Bill 376

"Resolution petitioning the Congress of the United States to appropriate funds for the improvement of the harbors at Charlotte Amalie, St. Thomas, and Christiansted, St. Croix, V. I., of the United States

"Whereas the dredging of the harbor of Charlotte Amalie, St. Thomas, was, upon

recommendation made by the Chief of Army Engineers, authorized by Congress in the Rivers and Harbors Act of 1937, pursuant to House Document No. 200, 75th Congress, 1st session, to consist of: (a) Provision of an entrance channel 36 feet deep and generally 600 feet wide; (b) removal of Scorpion Rock to a depth of 36 feet; (c) provision of an anchorage area 33 feet in depth; and (d) breakwater 700 feet long between Rupert Rock and the mainland; and

"Whereas the improvement of the Christiansted, St. Croix Harbor was, upon recommendation of the Chief of Army Engineers, authorized by Public Law 516, 81st Congress, pursuant to House Document No. 771, 80th Congress, to consist of a channel 25 feet deep, below mean low water and 300 feet wide from deep water in the Caribbean Sea to a turning basin of the same depth about 600 feet wide and 900 feet long; and

"Whereas the Appropriation Act for the fiscal year which ended June 30, 1951, appropriated the sum of $1 million for the St. Thomas project, but the appropriation was impounded by the Bureau of the Budget because of the outbreak of war in Korea; and

"Whereas both projects are imperative from both the strategic and economic points of view; and

"Whereas both the Army and Navy have indicated that the improvement of both harbors would contribute materially to the national defense and would improve the value of the harbors as a hurricane refuge in this area; and

"Whereas the improvement of both harbors would be a boon to the ships of the United States Navy as well as to cruise ships which are entering the harbors; and

"Whereas many large commercial cruise ships are anxious to come to the islands, but are unable to do so because of the inadequate harbor facilities; and

"Whereas the improvement of both harbors is of the utmost importance to the economic stability of the islands; and

"Whereas the improvement of both harbors will greatly enhance the development of tourism in the Vigin Islands: Be it

"Resolved by the Legislature of the Virgin Islands, That the Congress of the United States be and it is hereby petitioned to appropriate, pursuant to the authorizations provided for in the acts of Congress hereinbefore referred to, the necessary funds for the completion of the aforementioned projects at both Christiansted, St. Croix, and Charlotte Amalie, St. Thomas, V. I.; and it is further

"Resolved, That copies of this resolution be forwarded to the President of the Senate, the Speaker of the House of Representatives, the House Subcommittee on Interior Appropriations, the Senate Subcommittee on Interior Appropriations, the Secretary of Defense, the Chief of Army Engineers, the Secretary of the Interior, and the Governor of the Virgin Islands.

"Thus passed by the Legislature of the Virgin Islands on April 12, 1957.

"Witness our hands and the seal of the Legislature of the Virgin Islands this 15th day of April A. D. 1957.

"AUBREY A. ANDUZE,
"President.
"JOHN D. MERWIN,
"Legislative Secretary."

The petition of Myra Babcock, of Pleasant Ridge, Mich., favoring the enactment of legislation to provide compulsory humane slaughtering of animals; to the Committee on Agriculture and Forestry.

A resolution adopted by the Chamber of Commerce, of Jersey City, N. J., relating to governmental economy, and so forth; to the Committee on Appropriations.

A telegram in the nature of a petition, signed by Joseph Hinzy Camp, of Redondo Beach, Calif., relating to national defense; to the Committee on Armed Services.

A resolution adopted by the Congressional Medal of Honor Society, South Orange, N. J., expressing its gratitude that peace now exists in the world; to the Committee on Foreign Relations.

A resolution adopted by the city council of the city of Cambridge, Mass., relating to the extension of broadcast hours to station WTAO; to the Committee on Interstate and Foreign Commerce.

A letter, in the nature of a petition, signed by Richard S. White, president, Virginia Moose Association, Gloucester, Va., relating to civilian employees' rights; to the Committee on Post Office and Civil Service.

A resolution adopted by the township committee of the township of Ewing, Trenton, N. J., favoring the enactment of legislation to increase the salaries of postal employees; to the Committee on Post Office and Civil Service.

A resolution adopted at a conference called by the Governor of the State of Ohio, at Cleveland, Ohio., April 12, 1957, relating to the diversion of water from the Great Lakes watershed; to the Committee on Public Works.

A letter, in the nature of a petition, from the National Cowboy Hall of Fame and Museum, Oklahoma City, Okla., signed by Albert K. Mitchell, chairman, executive committee, relating to a proposed cowboy hall of fame and museum; to the Committee on Rules and Administration.

By Mr. JOHNSTON of South Carolina (for himself and Mr. THURMOND):

A concurrent resolution of the Legislature of the State of South Carolina; to the Committee on Armed Services:

"Concurrent resolution memorializing the commandant of the Marine Corps to name the Marine Corps auxiliary air station at Beaufort, S. C., in honor of Maj. Gen. Lewie Griffith Merritt (retired)

"Whereas the Marine Corps has established and is operating a new airbase at Beaufort, S. C., presently known as the Marine Corps auxiliary air station; and

"Whereas it is fitting that this new base be named in honor of one of its former generals who specialized in and fostered aviation in the Marine Corps and it would be particularly proper to name this station after a South Carolinian, which State has furnished the corps with many of its illustrious sons who have distinguished themselves on active duty with the corps; and

"Whereas Maj. Gen. Lewie Griffith Merritt (retired) is a native South Carolinian, having been born and reared in South Carolina and educated at The Citadel, where he graduated in the class of 1917, at which time he was commissioned a second lieutenant in the United States Marine Corps on April 7, 1917; and

"Whereas General Merritt reported for active duty with the corps on May 15, 1917, and served continuously thereafter for a period of 30 years until his voluntary retirement with the rank of major general; and

"Whereas the greater portion of General Merritt's service was spent in organizing and fostering Marine Corps aviation, having logged more than 5,000 hours himself as an active pilot, and at the time of his retirement he was qualified to fly all types of marine aircraft; and

"Whereas his career was marked by distinguished service in World War I and World War II; and

"Whereas during World War II he was the first American shot down in the European theater where he was flying as an observer over enemy territory on an observation mission with the British; and

"Whereas subsequently he commanded an aviation unit in the Pacific theater, where his command distinguished itself in combat with the enemy; and

"Whereas at the time of his voluntary retirement he was commanding general at Cherry Point Marine Base: Now, therefore, be it

"Resolved by the senate (the house of representatives concurring), That the commandant of the United States Marine Corps is memorialized and requested to name the Marine Corps auxiliary air station at Beaufort, S. C., in honor of Maj. Gen. Lewie Griffith Merritt (retired), a distinguished marine aviator, a native South Carolinian, and an illustrious American; be it further

"Resolved, That a copy of this resolution be forwarded by the clerk of the senate to the commandant of the United States Marine Corps and to each representative in Congress from South Carolina."

Two concurrent resolutions of the Legislature of the State of South Carolina; to the Committee on Finance:

"Concurrent resolution memorializing Congress to repeal that portion of Public Law 880 of the 84th Congress which reduces social security disability insurance benefits by such amounts as are received as benefits under any other law

"Whereas Public Law 880 of the 84th Congress reduces social security disability insurance benefits by the amount of such benefits as are received under any other law which includes Veterans' Administration benefits; and

"Whereas the general assembly believes that social security benefits are those for which the disabled person has paid for himself, and further that such a veteran has earned Veterans' Administration compensation or pension by virtue of wartime service; and

"Whereas the general assembly deplores such a reduction and believes that that portion of Public Law 880 which affects such a reduction should be repealed: Now, therefore, be it

"Resolved by the senate (the house of representatives concurring), That the Congress of the United States is memorialized to repeal section 224 which is that portion of Public Law 880 which relates to the reduction of benefits; be it further

"Resolved, That a copy of this resolution be forwarded to each Senator from South Carolina and each Member of the House of Representatives from South Carolina in the Congress of the United States, and that they be urged to make every effort to have section 224 repealed."

"Concurrent resolution memoralizing Congress to repeal excise taxes on the transportation of persons and property

"Whereas a 10-percent levy on the transportation of persons and a 3-percent levy on the transportation of property were enacted by the Congress of the United States during World War II as a wartime emergency measure; and

"Whereas one of the principal purposes for levying such tax upon the transportation of persons was to discourage unnecessary wartime travel; and

"Whereas, although the emergency has long since passed, the excise taxes have been continued until the fact that it was an emergency tax seems to have been forgotten; and

"Whereas the tax on freight is levied—not just once—but at every stage of manufacture and marketing from raw materials to sales of finished goods and the combined effect of the pyramided taxes and sellers' markups is reflected in prices consumers pay; and

"Whereas the transportation of both persons and property plays such a vital role in the economic life of this country to the extent that the costs of transportation should

always be kept at the lowest possible level; and

"Whereas continuation of this discriminatory tax is having an adverse effect upon the business of the regulated carriers, undermining an industry which is vital to national defense; and

"Whereas there is presently pending before the Congress of the United States legislation which would repeal the tax on transportation of property and which would repeal the tax on transportation of persons: Now, therefore, be it

"*Resolved by the Senate of South Carolina (the House of Representatives concurring)*, That the Congress of the United States be memorialized to take such action as may be necessary to remove excise taxes on the transportation of persons and property; be it further

"*Resolved*, That copies of this resolution be forwarded to each Member of Congress from South Carolina."

(Mr. JOHNSTON of South Carolina (for himself and Mr. THURMOND) presented a concurrent resolution of the Legislature of the State of South Carolina, identical with the foregoing, which was referred to the Committee on Finance.)

By Mrs. SMITH of Maine:

A joint resolution of the Legislature of the State of Maine; to the Committee on Agriculture and Forestry:

"Joint resolution memorializing the President and the Congress to correct governmental policies which create unreasonable competitive disadvantages for the cotton textile industry

"We, your memorialists, the Senate and House of Representatives of the State of Maine in the 98th legislative session assembled, most respectfully present and petition the President and the Congress as follows:

"Whereas the Bates Manufacturing Co. has announced the closing of two of its Maine plants, creating unemployment for thousands of Maine textile workers; and

"Whereas continued unfair foreign competition threatens the existence of the textile industry in Maine and other parts of the Nation; and

"Whereas this threat is immediate, burdensome, and demoralizing to workers, their families and their neighbors; and

"Whereas these thousands of American citizens are confronted with unemployment, family displacement, and economic insecurity in a period of record high spending, high cost of living, and general prosperity; and

"Whereas Federal policies have contributed to the crisis in the textile industry; and

"Whereas only the President and the Congress of the United States have the power to mobilize the resources of the Federal Government to alleviate this problem: Now, be it

"*Resolved*, That we, the Members of the Senate and House of Representatives of the Maine State Legislature, do urgently request the President of the United States, Dwight David Eisenhower, to use the powers of his office and of the several departments of the Government of the United States to effect immediate action to remedy the present situation in the textile industry and to establish a long-range program to provide for a healthy recovery and growth of the textile industry; and be it further

"*Resolved*, That S. 314, 'To assist the United States cotton textile industry in regaining its equitable share of the world market,' and other measures designed to resolve the immediate emergency confronting the cotton textile industry and to promote its long-range prosperity, be acted upon forthwith by the Congress; and be it further

"*Resolved*, That a copy of this memorial, duly authenticated by the secretary of state, be immediately transmitted by the secretary of state to the President and to the Senate and House of Representatives in Congress, the membership of said Senate and House of Representatives from this State and to the presiding officers of each of the legislatures in the New England States."

(The VICE PRESIDENT laid before the Senate a joint resolution of the Legislature of the State of Maine, identical with the foregoing, which was referred to the Committee on Agriculture and Forestry.)

By Mr. JAVITS:

A concurrent resolution of the Legislature of the State of New York; to the Committee on the Judiciary:

"Concurrent Resolution 64

"Concurrent resolution creating a joint legislative committee to cooperate with the Federal Commission in honoring the memory of Theodore Roosevelt and celebrating the centennial anniversary of his birthday and making an appropriation for its expenses

"Whereas the Congress of the United States has created the Theodore Roosevelt Centennial Commission of 15 members, including President Eisenhower, Vice President Nixon, and four Members of Congress from New York State; and

"Whereas Theodore Roosevelt was born in New York State, grew up in New York State, and served as a member of the New York Assembly and as Governor of New York before going on to become President of the United States; and

"Whereas the year 1958 is the centennial anniversary of the birth of the great rough-rider; and

"Whereas the State of New York is justly proud of her citizen who acquitted himself so well in war and peace; and

"Whereas it is fitting and proper that the State of New York should cooperate with the Commission created by Congress in the celebration of the centennial anniversary of Theodore Roosevelt's birthday: Now, therefore, be it

"*Resolved (if the senate concur)*, That it is the sense of the legislature that the State of New York should cooperate and lend assistance to the successful celebration of the centennial anniversary of Theodore Roosevelt's birthday; and be it further

"*Resolved (if the senate concur)*, That a joint legislative committee be, and it is hereby, created to serve until December 31, 1958, to be known as the Joint Legislative Committee for the Theodore Roosevelt Centennial. Such committee shall consist of 3 members of the senate, to be appointed by the temporary president of the senate; 3 members of the assembly, to be appointed by the speaker of the assembly. Any vacancy in the membership of the committee shall be filled by the officer authorized to make the original appointment. Such committee shall, at such time or times as may be appropriate: (a) attend, on behalf of the State of New York, at appropriate ceremonies or other occasions of the centennial celebration, (b) formerly convey at such ceremonies and occasions the greetings and felicitations of the State of New York, and (c) extend suitable greetings and courtesies to Representatives from the Congress of the United States and other persons who may participate in or attend the centennial celebration. Such committee is empowered otherwise to act on behalf of the State in the observance of the Roosevelt centennial. Such committee may request and shall receive from all public officers, departments, and agencies of the State and its political subdivisions such cooperation and assistance as may be necessary or appropriate to carry out the purpose of this resolution; and be it further

"*Resolved (if the senate concur)*, That the sum of $10,000, or so much thereof as may be necessary is hereby appropriated from the contingent fund of the legislature for the necessary expenditures of such committee, payable on the audit and warrant of the comptroller on vouchers certified and approved by the chairman of the committee in the manner provided by law; and be it further

"*Resolved (if the senate concur)*, That copies of this resolution be transmitted to the Secretary of the Senate of the United States, the Clerk of the House of Representatives of the United States, and to each Member of Congress duly elected from the State of New York."

CONCURRENT RESOLUTION OF KANSAS LEGISLATURE

Mr. SCHOEPPEL. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, Senate Concurrent Resolution 11 which has been adopted by the Kansas Legislature. This concurrent resolution petitions the Congress of the United States to take such actions as are necessary to assure continuance of surveys and planning and assure cooperation in the construction of projects in the State of Kansas that are vital and necessary for the prevention of floods, and for the conservation of soil and water.

There being no objection, the concurrent resolution was referred to the Committee on Public Works, and, under the rule, ordered to be printed in the RECORD, as follows:

Senate Concurrent Resolution 11

Concurrent resolution petitioning the Congress of the United States to take appropriate action to assure the continuance of surveys and planning and cooperation in the construction of projects in the State of Kansas that are vital and necessary to the conservation of soil and water by the bureau of reclamation, the United States Department of Agriculture and the Corps of Engineers and other Federal agencies and departments

Whereas water and soil are the most valuable natural resources of Kansas; and

Whereas the citizens, industries, farms, and cities of Kansas have always been subject to flood and drought but more recently they have experienced severe hardships and great financial losses from floods and droughts during the years 1951, 1952, 1953, 1954, 1955, and 1956; and

Whereas many cities, industries and farms are suffering from a critical shortage of water, and, at the same time, are exposed to the further hazards of floods and droughts; and

Whereas it has become evident that we must use every means available and feasible to conserve and control all of the sources of water supply; and

Whereas the nature of rivers is such that storms occurring in headwater regions of a stream in one State frequently inflict damage to areas in other States; and

Whereas there is a vital need for bolstering stream levels for the benefit of entire valleys and entire regions; and

Whereas the Federal Government through acts of Congress has delegated to three agencies, namely, the Bureau of Reclamation, the Soil Conservation Service of the United States Department of Agriculture and the Corps of Engineers the principal responsibilities for the conservation of water and soil, and, more

specifically, such matters as flood control, water supply, irrigation, pollution control and soil conservation, and has also delegated to other Federal agencies and departments matters related to the conservation of water and soil, flood control, water supply, irrigation and pollution control: Now, therefore, be it

Resolved by the Senate of the State of Kansas (the House of Representatives concurring therein), That we respectfully urge, request and petition the Congress of the United States to take what actions are necessary to assure continuance of surveys and planning and assure cooperation in the construction of projects in the State of Kansas that are vital and necessary to prevention of floods, and to the conservation of soil and water, by the three agencies, namely, the Bureau of Reclamation, the Soil Conservation Service of the United States Department of Agriculture and the Corps of Engineers, and also other Federal agencies or departments; and be it further

Resolved, That the secretary of state be instructed to transmit enrolled copies of this resolution to the President of the United States, the Vice President of the United States, each Member of the Congress of the United States, and the Director of the Bureau of the Budget of the United States.

I hereby certify that the above concurrent resolution originated in the senate, and was adopted by that body February 28, 1957.

JOSEPH W. HENKLE, Jr.,
President of the Senate.
RALPH E. BARKER,
Assistant Secretary of the Senate.

Adopted by the House April 3, 1957.

JESSE TAYLOR,
Speaker of the House.
A. E. ANDERSON,
Chief Clerk of the House.

RESOLUTION OF CITY COUNCIL OF JEFFERSON CITY, MO.

Mr. SYMINGTON. Mr. President, on behalf of my colleague, the senior Senator from Missouri (Mr. HENNINGS), and myself, I should like to call the attention of the Senate to the fact that on April 16, 1957, the City Council of Jefferson City, Mo., adopted a resolution expressing the unanimous opposition of the mayor and the City Council of Jefferson City, Mo., to the enactment into law by the Congress of H. R. 6790 and 6791, identical bills introduced on April 10, by Representatives HARRIS and O'HARA, respectively, to amend the Natural Gas Act. The resolution expresses opposition to these "or any other proposed legislation which might in any way change or alter the present situation with respect to the producers of natural gas in the United States."

I present the resolution for appropriate reference, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce and ordered to be printed in the RECORD, as follows:

Whereas recently there has been introduced into the House of Representatives two bills numbered 6790 and 6791, respectively, known as the Harris bill and the O'Hara bill; and

Whereas the mayor and City Council of Jefferson City, Mo., are of the opinion that the enactment of either of these bills into law would be injurious and detrimental to the best interests of the citizens and residents of Jefferson City, Mo.: Now, therefore, be it

Resolved by the City Council of the City of Jefferson City, Mo., as follows:

SECTION 1. The mayor and the City Council of Jefferson City, Mo., are on record as being unanimously opposed to enactment into law by the Congress of the United States of House of Representatives bills Nos. 6790 and 6791, known respectively as the Harris bill and the O'Hara bill, or any other proposed legislation which might in any way change or alter the present situation with respect to the producers of natural gas in the United States.

SEC. 2. The mayor and the City Council of Jefferson City, Mo., urge the Honorable MORGAN MOULDER, as Representative of the 11th Congressional District of Missouri, to vote against and oppose said legislation, and in the event said legislation is passed by the House of Representatives, the mayor and the City Council of Jefferson City, Mo., urge the Honorable THOMAS HENNINGS and the Honorable STUART SYMINGTON, as the United States Senators of Missouri, to vote against and oppose said legislation in the United States Senate.

SEC. 3. In the event the Honorable MORGAN MOULDER, the Honorable THOMAS HENNINGS, or the Honorable STUART SYMINGTON deem it necessary to vote in favor of proposed legislation dealing with natural gas, the mayor and the City Council of Jefferson City, request that they be advised and informed of the reason for so voting.

SEC. 4. That the city clerk of the city of Jefferson City, Mo., is hereby authorized and directed to mail certified copies of this resolution to the Honorable THOMAS HENNINGS, the Honorable STUART SYMINGTON, and the Honorable MORGAN M. MOULDER in Washington, D. C.

SEC. 5. This resolution shall be in force and effect from and after its passage and approval.

Passed April 16, 1957.

Approved April 16, 1957.

ARTHUR W. ELLIS,
President of the Council.
ARTHUR W. ELLIS,
Mayor.

RESOLUTION OF WISCONSIN COUNCIL OF SAFETY OPPOSING S. 815

Mr. WILEY. Mr. President, on previous occasions it has been my pleasure to point out the splendid job which has been done by labor and management in the State of Wisconsin in improving industrial safety practices.

The Wisconsin Council of Safety, in particular, has been the spearhead of the safety effort.

In this connection, I received this morning from R. W. Gillette, executive secretary-treasurer of the council, the text of a resolution which the council had adopted. The resolution opposes Federal legislation which would provide for Federal grants-in-aid to the States for industrial safety purposes.

The resolution expresses the strong conviction that the goal of greater safety might better be achieved through intensified State and local voluntary effort, rather than through the extension of Federal activity, as such, involving new appropriations in a new field.

I know this resolution will be read with deep interest, particularly in view of the very sizable financial burdens which we already confront on all sides. Certainly, the council is in a very strong position to make these comments, because it has representatives on it of 53 associations. They, in turn, represent some 226,729 persons.

So far as I am concerned, I want a still higher safety record achieved. Naturally, if the job can be performed on an entirely voluntary basis, that would be a welcome achievement.

At any rate, so that the private view, so to speak, may be fully recognized on this very important subject, and from a very worthwhile source, I present the text of the council's resolution. I ask unanimous consent that it be printed at this point in the body of the CONGRESSIONAL RECORD, and that preceding it, there be printed a list of the distinguished officers, directors, trustees, and advisers of the council.

There being no objection, the list of names and the resolution were ordered to be printed in the RECORD, as follows:

Wisconsin Council of Safety, 1 West Wilson, Street, room 234, Madison, Wis.: President, George Nelson, Consolidated Water Power & Paper Co., Wisconsin Rapids; vice president, Leslie Mangin, Manitowoc Shipbuilding Co., Manitowoc; vice president, Walter Lindemann, Hough Manufacturing Co., Janesville; vice president, Lyle Barndt, Wisconsin Farmco Service Cooperative, Prairie du Chien; immediate past president, Everett Ravn, Wisconsin Power & Light Co., Madison; executive secretary-treasurer, R. W. Gillette, Industrial Commission, Madison.

Directors: Howard Aderhold, Menasha, Marathan Corp.; Earl Aspinall, Fort Atkinson, Creamery Package Manufacturing Co.; J. J. Banach, Marinette, Ansul Chemical Co.; John Bauer, Stevens Point, Hardware Mutuals Casualty Co.; R. W. Christensen, West Bend, West Bend Aluminum Co.; Paul Edlund, Madison, Motor Vehicle Department; Earl Eckblad, New Richmond, Friday Canning Corp.; Charles Elsby, Milwaukee, Employers Mutuals of Wausau; Pat Felker, Marshfield, Felker Bros. Manufacturing Co.; Les Forde, Fond du Lac, Giddings & Lewis Machine Tool Co.; Lyle Freeman, Ashland, Spliced wood Corp.; James Franey, Eau Claire, United States Rubber Co.; William Frish, Watertown, Kusel Dairy Equipment Co.; Ed Garthwaite, Oshkosh, Deltox Rug Co.; W. O. Hanson, La Crosse, Allis-Chalmers Manufacturing Co.; Jess Hogans, Beloit, Fairbanks-Morse Co.; Harold Holton, Superior, Superior Water, Light & Power Co.; Henry Jobellus, Appleton, Appleton Wire Works; C. R. Johnston, Cornell, Cornell Paperboard Products Co.; H. C. Johnson, Racine, Eagle Luggage Co.; Marvin Keil, Beaver Dam, Green Giant Co.; Melvin Koeppen, Walworth, Perfect Seal Manufacturing Co.; J. A. Long, Green Bay, Baywest Paper Co.; Richard Lutz, Milwaukee, Falk Corp.; C. J. Muth, Milwaukee, Milwaukee Association of Commerce; Allen Paschen, Baraboo, Northern Engineering Co.; Edward Pazders, Two Rivers, police chief; James Reilly, Milwaukee, Cutler-Hammer, Inc.; Clyde Schlueter, Wausau, Employers Mutuals of Wausau; A. M. Thomsen, Kenosha, American Motors Corp., Nash division; John Thurman, Madison, Oscar Mayer & Co.; A. W. Wiemann, Sheboygan, Armour Leather Co.; Clyde Zamjahn, Waukesha, Waukesha Foundry Co.

Trustees: W. R. Arthur, Janesville, W. R. Arthur Co.; M. P. Biancardi, Milwaukee, Allis-Chalmers Manufacturing Co.; W. E. Buchanan, Appleton, Appleton Wire Works; R. A. Ewens, Milwaukee, Wisconsin Manufacturers Association; Myron Jolidon, Milwaukee, Standard Oil Co.; C. P. McBride, Milwaukee, Pabst Brewing Co.; R. G. Knutson, Madison

Industrial Commission; E. C. Woodward, Milwaukee, A. O. Smith Corp.

Advisers: A. M. Baltzer, Small Business & Associations manager, National Safety Council; Alice Barrett, assistant executive secretary, Wisconsin State Nurses Association; Luida Sanders, director, health education division, State board of health; Frank Hausheer, general manager, State chamber of commerce; Edward J. Konkol, executive secretary, Wisconsin Good Roads Association; William Lea, director, industrial hygiene division, State board of health; John TePoorten, coordinator, Wisconsin Vocational Schools; Roger Ostrem, director, safety and building division, industrial commission; Earl Thayer, assistant secretary, State Medical Society of Wisconsin; R. C. Salisbury, director, safety division, motor vehicle department; I. F. Statz, supervisor, Fire Prevention Industrial Commission of Wisconsin; R. C. Swanson, farm safety specialist, University of Wisconsin; John Varda, general manager, Wisconsin Motor Carriers Association; M. P. Verhulst, executive secretary, Wisconsin Canners Association; Wayne Volk, engineer of traffic services, State highway commission; Stuart Wright, general manager, AAA, Wisconsin division; Lloyd Yaudas, public relations manager, Wisconsin Mutuals Insurance Alliance.

Honorary lifetime member: Voyta Wrabetz, Madison.

RESOLUTION RELATING TO SENATE BILL 815, PROPOSING FEDERAL GRANTS-IN-AID TO STATES FOR INDUSTRIAL SAFETY

Whereas Senate bill 815, proposing Federal grants-in-aid to States for industrial safety, is now pending in the United States Senate Labor Committee; and

Whereas said proposed legislation contemplates that more regulations and inspections administered by the States, under Federal supervision, will contribute to the cause of industrial safety, which concept the Wisconsin Council of Safety believes to be wrong, for the following reasons:

(a) Adequate regulations and inspections are presently administered by many of the States, including Wisconsin, without Federal aid or supervision. The experience in these States indicates that, as the need arises, other States can likewise adopt and enforce laws providing for appropriate regulations and inspections.

(b) Adequacy of present inspection activity administered by the State of Wisconsin is evidenced by the fact that only approximately 2 percent of all compensable injuries occurring in Wisconsin in the past 10 years have involved violations of State safety codes; and

Whereas said proposed legislation contemplates a program for promoting the observance of safety precautions through the voluntary cooperation of employers and employees in industry, the Wisconsin Council of Safety believes that such promotion is best carried out in voluntary manner, with no Federal assistance or supervision. In addition to the State agencies, there are other nongovernmental agencies now actively engaged in the cause of industrial safety, including the National Safety Council, with its State and local organizations, numerous voluntary trade and industrial associations, and the workmen's compensation insurance companies of the Nation. The Wisconsin Council of Safety believes that these existing agencies and organizations are wholly adequate to carry out the safety promotion contemplated by said legislation; and

Whereas the Wisconsin Council of Safety believes that the present-day industrial safety problem is not one which calls for additional regulations or inspections, but is rather one which calls for the education and motivation of management and supervisory personnel in attitudes and habits of industrial safety. This is the objective of the numerous voluntary industrial and trade associations, of the National Safety Council and its State and local associations, and of the workmen's compensation insurance companies with which practically every industry must deal; and

Whereas the expenditure of Federal funds as proposed by said legislation would not materially benefit the cause of industrial safety, nor any other worthy cause, and because there is now a widely recognized need for reduction of Federal expenditures: Now, therefore, be it

Resolved, That the Wisconsin Council of Safety be shown, on the record, as opposed to the foregoing proposed bill and any legislation similar thereto; and be it further

Resolved, That a copy of this resolution be prepared for and delivered to Senator ALEXANDER WILEY, Senator JOSEPH R. MCCARTHY, Representative LAWRENCE H. SMITH, Representative DONALD E. TEWES, Representative GARDNER R. WITHROW, Representative CLEMENT J. ZABLOCKI, Representative HENRY S. REUSS, Representative WILLIAM K. VAN PELT, Representative MELVIN R. LAIRD, Representative JOHN BYRNES, Representative LESTER R. JOHNSON.

Dated April 12, 1957.

WISCONSIN COUNCIL OF SAFETY,
CLYDE SCHLUETER, *Chairman*,
Legislative Advisory Committee.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 463. A bill for the relief of Pedro Ampo (Rept. No. 252);

S. 465. A bill for the relief of Maria Concetta Di Turi (Rept. No. 253);

S. 730. A bill for the relief of Shao Fong Sha (Rept. No. 254);

S. 756. A bill for the relief of Giuseppe Sciortino (Rept. No. 255); and

S. 891. A bill for the relief of Dr. Cheung Nung Huang (Rept. No. 256).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 653. A bill for the relief of Mrs. Elsbe Hermine van Dam Hurst (Rept. No. 257);

S. 874. A bill for the relief of Cornelis Vander Hoek (Rept. No. 258); and

S. 1206. A bill for the relief of Antoine Velleman (Rept. No. 259).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 307. A bill for the relief of Noemi Maria Vida Williams (Rept. No. 260);

S. 767. A bill for the relief of Christos A. Mauroyenis (Mavrogenis) (Rept. No. 261);

S. 804. A bill for the relief of George Christopoulos, a minor (Rept. No. 262); and

H. J. Res. 133. Joint resolution for the relief of certain spouses and minor children of citizens of the United States (Rept. No. 263).

By Mr. JOHNSTON of South Carolina, from the Committee on the Judiciary, with amendments:

S. 1639. A bill to provide for the suspension of the vesting of alien property, and the liquidation of vested property, under the Trading With the Enemy Act (Rept. No. 264).

Mr. JOHNSTON of South Carolina subsequently said: Mr. President, I ask unanimous consent that the report and the minority views on Senate bill 1639, which I reported earlier today, be printed.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Francis Everett Van Alstine, of Iowa, to be United States attorney for the northern district of Iowa;

Roy L. Stephenson, of Iowa, to be United States attorney for the southern district of Iowa;

Roland A. Walter, of Iowa, to be United States marshal for the southern district of Iowa; and

Richard A. Simpson, of Virginia, to be United States marshal for the eastern district of Virginia.

By Mr. O'MAHONEY, from the Committee on the Judiciary:

John F. Raper, Jr., of Wyoming, to be United States attorney for the district of Wyoming.

By Mr. DIRKSEN, from the Committee on the Judiciary:

John B. Stoddart, Jr., of Illinois, to be United States attorney for the southern district of Illinois;

Clifford M. Raemer, of Illinois, to be United States attorney for the eastern district of Illinois; and

William J. Littell, of Illinois, to be United States marshal for the southern district of Illinois.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSON of Texas:

S. 1925. A bill for the relief of Charles H. Denny and Dorothy Mae Denny, his wife; to the Committee on the Judiciary.

By Mr. BEALL:

S. 1926. A bill to increase the monthly rates of pension payable to widows and former widows of deceased veterans of the Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection; to the Committee on Finance.

S. 1927. A bill for the relief of Salvatore Sipala; and

S. 1928. A bill for the relief of Stephen Ling-Tsung Tsao and Nancy Yat-Sun Lam Tsao, his wife; to the Committee on the Judiciary.

By Mr. WILEY:

S. 1929. A bill for the relief of Stephen James Meier;

S. 1930. A bill for the relief of Todd Gene Biedermann; and

S. 1931. A bill for the relief of Jon Frederick Cordes; to the Committee on the Judiciary.

By Mr. YOUNG (for himself and Mr. LANGER):

S. 1932. A bill to make certain provisions in connection with the construction of the Garrison Diversion Unit, Missouri River Basin project, by the Secretary of the Interior; to the Committee on Public Works.

By Mr. WATKINS:

S. 1933. A bill to amend the Administrative Procedure Act; to the Committee on the Judiciary.

By Mr. ELLENDER:

S. 1934. A bill for the relief of Barbara Woodward Luckett; to the Committee on the Judiciary.

By Mr. MORSE (for himself, Mr. MAGNUSON, Mr. JACKSON, and Mr. NEUBERGER):

S. 1935. A bill granting the consent and approval of Congress to the Oregon-Washington Columbia River Boundary Compact; to the Committee on the Judiciary.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. CURTIS (for himself, Mr. HRUSKA, Mr. BENNETT, Mr. HICKENLOOPER, Mr. CARLSON, Mr. SCHOEPPEL, Mr. MUNDT, Mr. CASE of South Dakota, Mr. YOUNG, Mr. WATKINS, and Mr. BARRETT):

S. 1936. A bill to amend the Defense Production Act of 1950 so as to require periodic reports to the Congress concerning action taken to carry out the policy of the Congress to encourage geographical dispersal of industrial facilities; to the Committee on Banking and Currency.

(See the remarks of Mr. CURTIS when he introduced the above bill, which appear under a separate heading.)

RESOLUTIONS

Mr. JOHNSON of Texas submitted Senate Resolution 129, relative to the beginning of the term of the junior Senator from Texas [Mr. YARBOROUGH], which was considered and agreed to.

(See resolution printed in full when submitted by Mr. JOHNSON of Texas, which appears under a seperate heading.)

PRINTING OF ADDITIONAL COPIES OF FINAL REPORT OF SPECIAL COMMITTEE TO INVESTIGATE POLITICAL ACTIVITIES, LOBBYING, AND CAMPAIGN CONTRIBUTIONS

Mr. MCCLELLAN submitted the following resolution (S. Res. 130); which was referred to the Committee on Rules and Administration:

Resolved, That there be printed for the use of the Special Committee To Investigate Political Activities, Lobbying, and Campaign Contributions 3,000 additional copies of the committee's final report to the Senate, made pursuant to Senate Resolution 219, 84th Congress and Senate Resolutions 47 and 126, 85th Congress.

OREGON-WASHINGTON COLUMBIA RIVER BOUNDARY COMPACT

Mr. MORSE. Mr. President, it gives me a great deal of pleasure to introduce, for appropriate reference, a bill cosponsored by my colleagues, the Senior Senator from Washington [Mr. MAGNUSON], the junior Senator from Washington [Mr. JACKSON], and the junior Senator from Oregon [Mr. NEUBERGER]. This bill is designed to bring about congressional consent and approval to an Oregon-Washington Columbia River boundary compact, as set forth in the bill.

Approval of this compact by the Congress will assist in carrying out the exemplary purpose, as set forth in article I of the bill, of fixing precsisely the Columbia River boundary between the two States to the end that uncertainties and disputes may be eliminated, particularly with reference to enforcement and administration of the laws of the two States.

The legislatures of Oregon and Washington have ratified the compact, and the next step in the compact procedure

will be the ratification by the Congress. The Senators from the States of Oregon and Washington sincerely hope, Mr. President, that this very worthwhile legislative proposal will have early action in committee and on the floor of the Senate.

I ask unanimous consent to have printed at this point in the RECORD a letter which I have received from the Honorable Robert D. Holmes, Governor of the State of Oregon, in which he discusses the proposed compact.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF OREGON,
Salem, Oreg., April 16, 1957.

The Honorable WAYNE L. MORSE,
The United States Senate,
Washington, D. C.

DEAR WAYNE: Enclosed is a certified copy of chapter 94, Oregon laws 1957 (Senate bill 1), which ratifies a compact between Oregon and Washington, defining that part of the State boundary which lies in the Columbia River. The compact also has been ratified by the legislature of the State of Washington.

You will note from article III on page 6 of the enclosed law that the compact does not become effective until after it has been approved by the Congress of the United States and the constitutions of the States of Oregon and Washington have been amended. Since the compact has now been approved by the Legislature of Washington and Oregon, the next step is to submit it to the Congress for approval.

I would appreciate it if you, as the senior Senator from Oregon, would take the initiative in causing a bill to be introduced in the Congress by the Oregon and Washington delegations to approve this compact.

I am writing to each member of the Oregon delegation, sending each a certified copy of the Oregon law and asking that each join with you and the Washington delegation in sponsoring this legislation.

Kindest personal regards.

Sincerely,

ROBERT D. HOLMES,
Governor.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 1935) granting the consent and approval of Congress to the Oregon-Washington Columbia River boundary compact, introduced by Mr. MORSE (for himself and other Senators), was received, read twice by its title, and referred to the Committee on the Judiciary.

DISPERSAL OF DEFENSE INDUSTRIES

Mr. CURTIS. Mr. President, I introduce, for appropriate reference, a bill proposing to amend the Defense Production Act of 1950, as amended. I am introducing the bill on behalf of myself, my colleagues the senior Senator from Nebraska [Mr. HRUSKA], the Senator from Utah [Mr. BENNETT], the Senator from Iowa [Mr. HICKENLOOPER], the Senators from Kansas [Mr. SCHOEPPEL and Mr. CARLSON], the Senators from South Dakota [Mr. MUNDT and Mr. CASE], the Senator from North Dakota [Mr. YOUNG], the Senator from Utah [Mr. WATKINS], and the Senator from Wyoming [Mr. BARRETT].

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 1936) to amend the Defense Production Act of 1950 so as to require periodic reports to the Congress concerning action taken to carry out the policy of the Congress to encourage geographical dispersal of industrial facilities, introduced by Mr. CURTIS (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Banking and Currency.

Mr. CURTIS. Mr. President, as you know, the national industrial dispersion program was announced in August 1951, and was designed to scatter, as much as possible, new defense industries. As part of the Korean mobilization program, this was supposed to encourage new defense facilities to settle outside potential target areas. Obviously, the politics of this program have direct effect on its promulgation; and, thus far, we have done little more than give lipservice to an ideal.

Last year, the measure extending the Defense Production Act to June 30, 1958, contained a dispersal section sponsored by the Senator from Utah [Mr. BENNETT]. The amendment, in summary, directs the Federal Government to apply the principle of industrial dispersion when feasible, in erecting plants, in participating in such plant erection or improvement, and in the procurement of goods and services under this act.

The bill being introduced today, if enacted, will require the Office of Defense Mobilization to transmit to the Senate and House of Representatives, on or before July 1, 1957, and semiannually thereafter, a report on the action taken by the agencies of Government in carrying out the policies of dispersion of defense industries. I am highly pleased that the Senator from Utah [Mr. BENNETT], the author of the dispersal amendment enacted last year, is one of the cosponsors of this bill.

Admittedly, my deep interest in this issue is occasioned by the fact that the nothern Great Plains region affords an excellent opportunity for industrial expansion. My State of Nebraska provides the elements needed for the support of new industry—transportation, water, power, stable and efficient labor, and a history of good industrial relations. Several communities in my State can satisfactorily absorb units of production. We have several idle wartime plants which may well be used to meet some new defense need.

But transcending the strife in Congress between the "industrial haves" and the "industrial have-nots" is the recognition that continuing concentration of our productive capacity can be foolhardy in the event of atomic attack. The census of 1950 illustrated the fact that our 50 larger metropolitan areas contained 71 percent of industrial capacity which can be called defense supporting. An editorial in the September 1951 Bulletin of the Atomic Scientists, says:

> Dispersal is the only measure which could make an atomic "super Pearl Harbor" impossible.

One of the first dispersal studies initiated was the "Project East River Commission," which made its study in 1952. In 1955, a committee headed by Gen. Otto L. Nelson, of the New York Life Insurance Co., reviewed the 1952 report, and concluded that—

It is high time that an effective [dispersal] program be developed to reduce urban and industrial vulnerability on a long-term basis.

As a practical step, General Nelson recommends that the United States seek to obtain a balanced 30 percent of its gross national production outside of the metropolitan target zones. The 30 percent factor is a starting point, and General Nelson uses this figure because it has been estimated that the present productive capacity of the Soviet Union is about 30 percent of our current level. While we are near the 30 percent figure, it is not a balanced production, according to General Nelson. He believes our productive capacity will grow at a rate of 4 percent per year for the next 10 years, and he holds that dispersion should be achieved by locating new or expanded facilities, rather than by moving existing ones.

Details on industrial concentration can be produced in volume; but we know that, unless motivated by sound defense objectives, human nature will usually follow the easiest course. For example, an article in Rubber World for August 1956, is entitled "The Rubber Industry Is Vulnerable to Atomic Attack." The article states that 6 well-directed H-bombs falling on 6 prime targets can wipe out two-fifths of the plants and personnel of our rubber industry. The article quotes Business Week for August 13, 1955, to point out that the shift of rubber production to new regions is relatively slight, and that 50 percent of postwar rubber industry expansion has been in the Great Lakes region, one-third in Ohio alone.

The problem of dispersion of industry is one we shall meet in the foreseeable future. It will not be solved in the Halls of Congress, nor will it be aided by emoting about the effects of atomic war. Industrialists are, by and large, a practical lot; and sound industrial planning cannot deny an appropriate emphasis on dispersion. I believe economics will be more determinative of ultimate dispersion than will governmental coercion or assistance. For the most part, governmental assistance need not attend beyond that normally afforded defense expansion.

I urge that this important bill be favorably considered within the near future.

I ask unanimous consent to have printed at this point in the RECORD an address delivered by Maj. Gen. David H. Baker to the Aviation Writers Association on November 16, 1956.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY MAJ. GEN. DAVID H. BAKER TO AVIATION WRITERS ASSOCIATION, NOVEMBER 16, 1956

It's a real pleasure to have this opportunity to discuss Air Force procurement and production problems with such an outstanding group of leading writers in the aviation world. Because I read your daily, weekly, and monthly articles most thoroughly, I have had to conclude that there isn't very much I can tell this group about today's procurement problems and how they affect industry. Therefore, I felt you might like to hear some of our ideas on what impact the trend toward guided missiles will probably have on our procurement and production policies and on our industrial relationships.

First, let there be no mistake that we are gradually yet certainly moving toward the era of guided missile. Today approximately 8 percent of our deliveries are for guided missiles. Five years ago less than one-tenth of 1 percent of our total dollar acceptances was for guided missiles, and 3 or 4 years from now we estimate that the percentage will be greatly increased. What is going on today in this area is more of a revolution than an evolution. The impact on the Air Force and industry will be as great or greater than that experienced when we went from Signal Corps observational missions to combat aircraft.

The guided missile era brings with it many new problems and requires many changes in concepts and policies. Many of these problems are common to those we encounter in our advancing supersonic manned vehicles. These include the need for greater automation of our production processes, with new requirements for highly skilled personnel. Also, there are common requirements for new materials such as titanium and stainless steels with new production techniques and manufacturing methods. During my limited time this afternoon, I must pass by these types of changes and concentrate more on those which are peculiar to the missile era.

There are many factors which generate and influence the problems in missile development and production, but the one that stands out above all others in importance is complexity. As we substitute a machine for the thinking process of man, we automatically introduce great complexity no matter if the machine is to provide difficult mathematical solutions, operate machinery, or defeat our enemy. In fact, the latter because of its difficult requirements becomes most complex of all. What are some of these new problems which we can foresee in the future?

The need for instant reaction, as well as the interrelationship of all missiles and weapons, requires complete systems integration as contrasted to island defense which worked effectively under the control of the human brain and human reaction times of our manned combat vehicles. This requirement undoubtedly means that we must obtain increasing scientific and engineering support from industry to assist the Air Force in developing and keeping together all elements of our forces, particularly in the air defense area.

We must link and integrate the several combat functions of detection, warning, and tracking of the enemy weapons with the aiming, firing, guidance control, and target kill of our own weapons. This means a continuous and positive tying together of what would normally be considered separate systems, each tremendously large and complex in its specialized function. Radar screens, fail-proof communications, trajectory calculation and analysis, interlocking of defense centers, strategy and weapons selection, operational launching of weapons, ascertainment of destruction, and the final all clear must be welded into a unitary, automatic system.

This increased industrial support will call for a much more intimate and complete participation and cooperation between industries at all levels. The products of the electronics, avionics, aircraft, aeronautical, radio, communications, television, electrical, and accessories industries must be engineered into each other and time phased in both development and production. The Air Force can only serve as the focal point for leveling and balancing these efforts, but the major burden of accomplishment will fall to industry.

Secondly, and within the overall system integration, we must more closely integrate our individual weapons systems than ever before. The greatly increased complexity of these guided systems will force us to withdraw somewhat from our Government furnished aeronautical equipment procedure, particularly during the development period. We must rely more on our prime manufacturer to assemble a complete guided system for us. However, in doing this we cannot abandon our current policies which require our primes to work with the existing and capable engine, electronics, armament, and related industries in both the development and production of the new weapons. To abandon our efforts in this regard would introduce major problems in standardization, duplication, increased costs in facilities and production, and loss of a suitable mobilization base. To avoid these major problems we, as well as our primes, must continue to utilize the strong subcontractor potential, the excellent specialized industries and the small-business structure available in this country. However, a much closer relationship must be developed between primes and supporting industries than has been evident in the past.

We are facing major problems in the area of procurement. Through the past decades we have developed and utilized good yardsticks for measuring our production efficiency. The Air Force, as well as each company in the industry, recognized the validity of such yardsticks as cost per pound of airframe weight. The guided missile has so reduced the importance of airframe weight as compared to electronics, propulsion, and control items that the old efficiency measuring devices have become somewhat obsolete and we are endeavoring to acquire new experience data which industry, as well as we, can use as a guide in evaluating our missile costs and determining our relative efficiency.

Another of our major procurement problems is that of forecasting the time and level of successful missiles availability. As you all are aware, predictions have been made since early after the close of World War II for the successful completion of operational missiles. In such a rapidly advancing art, it has been virtually impossible to cut off performance levels of the missiles because of the rapidly increasing performance of the offensive weapons both manned and unmanned. The prediction problem here is most important in terms of the predication of our budgets, the formulation of our training programs, and the development of operational and tactical doctrine. As experience is gained in both the development and production of missiles, we are able to introduce greater realism into our forecasts and are approaching the point where we can reasonably predict technically acceptable weapons.

Our facilities problems are changing today and will continue to change as we move further into the missiles era. We will, of course, need newer and more accurate types of machine tools which will be needed even for our newer and faster manned aircraft. In addition, and even more important, it is probable that new brick and mortar will be required to provide missile development and production facilities in areas where missiles can be tested. Likewise, some of our older aircraft plants have not been readily adaptable to missile production and have been replaced with more modern plants which over the first few years of production will more than pay for their investment. However, if new plants are deemed necessary for development and production of missiles, whether paid for partially or completely by industry, the industry must plan to dispose of existing aircraft plants as new plants phase in, for as the missile dollars increase we can forecast ultimately a reduction in the aircraft dollars. This is an extremely important matter for unless this is accomplished we will find ourselves overfacilitized. In such an event, the high cost of maintaining and operating present aircraft plants at a low level of production will certainly strain our limited budgets and we will find an increasing percentage of taxpayers and industry's funds going into nonproductive overhead.

The old bugaboo of reliability increases manyfold in importance in our missiles programs. Much has been said and written about reliability in the past few months and unless industry accepts this new challenge we can never really enter the missiles era. No longer is the human brain available to correct for failures of items to perform in the missile. A failure of a single component probably will mean the failure of the mission. In addition, we cannot afford long testing hours and innumerable test flights such as we have in our manned aircraft. Our missiles must be reliable and must accomplish the mission on the first try. Any effort on the part of industry to overcome the reliability problem will be repaid manyfold as we move into the missiles era.

Along with increased complexity of our weapons, shorter and fewer testing operations, and increased number of changes to our missiles during development and production, it is essential that our development, engineering, and productive sides of our organizations work more closely together than ever before. The barriers between the design engineers and the production engineers must be dissolved. Likewise, it is incumbent upon us in the Air Force to insure that our production people in AMC and the engineering personnel in ARDC work more closely together than ever before to insure the best possible final missile product.

Not only must we work closely together but we must recognize the need for more highly qualified personnel in support of missile operations. Even though "one shot" in nature, a missile still must be ready to go instantly and must be maintained continuously. The complexity of missiles will undoubtedly require more highly qualified support in maintenance from the missile manufacturer. The present average length of service of our airmen does not give us sufficient time to train him and utilize him effectively for this technical function.

Even in operations and field maintenance of the missile, unless industry simplifies some of the missile systems now under development we will be unable to operate them, much less to maintain them without scientific or highly qualified engineering personnel at the operational sites themselves.

Even under the most optimum conditions, it will be difficult for us to support complex missile systems at operational level without more adequate incentives for our military personnel.

These are some of the new problems that we must recognize in our Air Force and industry as we move gradually into the guided missiles era. Altogether, they spell a very substantial load and change in concept for our industry. We have no concern that the Air Force, working closely with industry, can accomplish this transition. During the past decade we have made almost miraculous advancements in the state of the art and in our combat capability, even though aviation has been a growing industry. Nine years ago military sales were nearly $600 million. Today, they are 7 billion 760 million. Nine years ago we had 239,000 workers, today we have 751,000. Today our industry is strong, virile and ready to meet any challenge. I'm sure we can with full justification predict without question tremendous breakthroughs in research, development and production which will certainly not only meet our new challenges, but will surpass all our past accomplishments. Therefore, I am sure that we can predict the stronger and greater air strength that is so necessary to maintenance of air superiority in the critical years ahead of us.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. KNOWLAND:

Address by him delivered before the Association of American Physicians and Surgeons at Miami, Fla., April 26, 1957.

By Mr. SALTONSTALL:

Address delivered by Secretary of State John Foster Dulles at the annual Associated Press luncheon held during the convention of the American Newspaper Publishers Association on April 22, 1957.

NOTICE OF CONSIDERATION OF NOMINATIONS BY THE COMMITTEE ON FOREIGN RELATIONS

Mr. GREEN. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today the following nominations:

Llewellyn E. Thompson, of Colorado, a Foreign Service officer of the class of career minister, to be Ambassador of the United States to the Union of Soviet Socialist Republics;

Don C. Bliss, of New Jersey, a Foreign Service officer of the class of career minister, to be Ambassador of the United States to Ethiopia;

Walter P. McConaughy, of Alabama, a Foreign Service officer of class one, to be Ambassador of the United States to Burma;

Robert C. Hill, of New Hampshire, to be Ambassador of the United States to Mexico;

Francis White, of Maryland, to be Ambassador to Sweden; and

John M. Cabot, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador of the United States to Colombia.

Notice is given that these nominations will be eligible for consideration by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

NOTICE OF HEARINGS ON S. 1356, TO AMEND THE ANTITRUST LAWS TO PREVENT MONOPOLISTIC PRACTICES BY CERTAIN PERSONS ENGAGED IN COMMERCE IN MEAT AND MEAT PRODUCTS

Mr. O'MAHONEY. Mr. President, on behalf of the standing Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary, I wish to announce that hearings have been scheduled to commence on the bill (S. 1356), to amend the antitrust laws by vesting in the Federal Trade Commission jurisdiction to prevent monopolistic acts or practices and other unlawful restraints in commerce by certain persons engaged in commerce in meat and meat products.

The hearings will commence at 10 a.m. in room 424, Senate Office Building, on May 1, 1957.

RECENT JOINT STATEMENT SIGNED BY PREMIER CHOU EN-LAI OF CHINA AND CHAIRMAN CYRANKIEWICZ OF POLAND

Mr. KNOWLAND. Mr. President, I ask unanimous consent that there may be printed in the body of the RECORD the text of a joint statement signed in Peiping on April 11 by Premier Chou En-lai, of Communist China, and the Chairman of the Council of Ministers of the Communist Polish Republic under Gomulka.

While I ask that the entire text of the statement be printed for the information of the Senate, which I think Senators will find of interest, I again wish to reiterate that this is the same Communist Polish Government which has had representatives in Washington negotiating a loan of $100 million.

Before the Easter recess I had put into the RECORD certain information which had come into my hands, that at the very time the Polish representatives had been negotiating in Washington, the Communist Government of Ho Chi Minh in North Vietnam had negotiated a loan with Poland. This official communique, issued in Peiping, indicates that Communist Poland had also negotiated a loan with Communist China at the time Polish representatives were in Washington.

I should like to read into the RECORD a few paragraphs from the text of the statement:

The hearty welcome and warm reception accorded the Polish Government delegation by the Chinese people and the Government of the People's Republic of China demonstrated the fraternal friendship between the Chinese and Polish peoples. The visit to China of the Polish Government delegation will bring even closer the relations between China and Poland and between all the Socialist countries.

Continuing, a little later there appears this statement:

After appraising the latest international situation, both parties point out that, although thanks to the continuous constructive efforts of the peace-loving countries and peoples who advocate a peaceful settlement of international disputes the general trend of the international situation is toward relaxation, the imperialist aggressive circles have not ceased their activities to wreck peace, but have attempted to attain their old objective by new disguised ways.

I call particular attention to this paragraph:

In Europe, they are reviving the forces of West German militarism. In Asia, they are still carrying out activities to endanger the independence and neutrality of many countries in this area. In the Near and Middle East, the ruling circles of the United States are pushing forward the Eisenhower doctrine, which is aimed at supplanting Britain and France in their colonial position.

I am reading from part of the communique signed by the Polish representatives in Peiping shortly after they had negotiated a $100 million grant and credit from the United States of America.

Toward the end the statement reads:

The two parties consider that the building of socialism in accordance with Marxism-Leninism constitutes the supreme interest of the two peoples, and that in their respective Socialist construction in the light of their national characteristics and specific conditions, they should consistently combat all deviations, whether doctrinaire or revisionist. To do this is a sure guaranty for effectively overcoming difficulties and smashing all plots of hostile forces to sabotage the Socialist construction.

The two parties reaffirm their support for the worker-peasant revolutionary Government of the People's Republic of Hungary in their struggle to consolidate the Socialist system and eliminate the consequences of past mistakes. They will continue to help the Hungarian people overcome the difficulties they are presently facing.

In other words, they have both endorsed the Kadar regime, which throttled the freedom of the Hungarian people, and which exists only by virtue of Soviet troops in occupation.

The communique ends as follows:

The Government of the People's Republic of China expresses its thanks to the Polish People's Republic for its active support to China in its struggle to defend its sovereignty and Poland's various aids to China in the economic field and in the fields of shipping, science, and technology.

I have addressed another letter to the State Department, asking for full details as to how much financial aid Communist Poland is giving Communist China at a time when it is obtaining $100 million from the people and the Government of the United States.

The VICE PRESIDENT. Is there objection to the unanimous-consent request?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TEXT OF THE JOINT STATEMENT SIGNED BY PREMIER CHOU EN-LAI OF CHINA AND CHAIRMAN CYRANKIEWICZ OF POLAND IN PEIPING, APRIL 11, 1957

A delegation of the government of the Polish People's Republic headed by Chairman Jozef Cyrankiewicz of the Council of Ministers made a visit of friendship to China in April 1957 at the invitation of the Government of the People's Republic of China.

The hearty welcome and warm reception accorded the Polish Government delegation by the Chinese people and the Government of the People's Republic of China demonstrated the fraternal friendship between the Chinese and Polish peoples. The visit to China of the Polish Government delegation will bring even closer the relations between China and Poland and between all the Socialist countries.

During its visit, the government delegation of the Polish People's Republic was received by Chairman Mao Tse-tung of the People's Republic of China. Talks were held between a government delegation of the People's Republic of China headed by Premier Chou En-lai and the government delegation of the Polish People's Republic.

Taking part in the talks were: For the People's Republic of China: Chou En-lai, Premier of the State Council and Minister of Foreign Affairs; Ho Lung, Vice Premier of the State Council; Yeh Chi-chuang, Minister of Foreign Trade; Shen Yen-ping, Minister of Culture; Chi Peng-fei, Vice Minister of Foreign Affairs; Yang Ying-chieh, Vice Chairman of the State Planning Commission; Tsai Shu-fan, Vice Chairman of the State Planning Commission; Sung Nai-te, Vice Minister of Light Industry; Tseng Chao-lun, Vice Minister of Higher Education; and Wang Pang-nan, Ambassador of the People's Republic of China to the Polish People's Republic.

For the Polish People's Republic: Jozef Cyrankiewicz, Chairman of the Council of Ministers; Karol Kuryluk, Minister of Culture and Art; Eugeniusz Stawinski, Minister for Light Industries; Marian Naszkowski, Vice Minister of Foreign Affairs; Mieczslaw Lesz, Vice Chairman of the State Commission for Economic Planning; Boleskaw Strzek, Vice Chairman of the State Commission for Economic Planning; Eugenia Karsowska, Vice Minister of Higher Education; Franciszek Modrzewski, Vice Minister of Foreign Trade; Ambassador Juliusz Katz-Suchy, member of the Collegium of Foreign Affairs; and Stanislaw Kiryluk, Ambassador of the Polish People's Republic to the People's Republic of China.

The talks were conducted in an atmosphere of friendship and sincerity and in a spirit of mutual understanding and fraternal solidarity. During the talks, the two parties, on the basis of the Sino-Polish statement of January 16, 1957, exchanged views on new questions in the present international situation, the question of further strengthening the solidarity of the Socialist countries and further developing the friendly cooperation between the People's Republic of China and the Polish People's Republic. The two parties recorded unanimity of views on the above questions.

After appraising the latest international situation, both parties point out that, although thanks to the continuous constructive efforts of the peace-loving countries and peoples who advocate a peaceful settlement of international disputes the general trend of the international situation is toward relaxation, the imperialist aggressive circles have not ceased their activities to wreck peace, but have attempted to attain their old objective by new disguised ways.

In Europe, they are reviving the forces of West German militarism. In Asia, they are still carrying out activities to endanger the independence and neutrality of many countries in this area. In the Near and Middle East, the ruling circles of the United States are pushing forward the Eisenhower doctrine, which is aimed at supplanting Britain and France in their colonial position.

The imperialist circles continue to oppose an agreement on the reduction of armaments and the complete prohibition of the use and manufacture of nuclear weapons, and refuse to agree to cessation of the tests of such weapons. They are making use of the North Atlantic Treaty Organization to expand atomic and rocket bases in Europe, gravely endangering peace in Europe and the world.

Such a state of affairs requires that the Socialist countries reinforce their solidarity and strengthen their cooperation with all peace-loving forces, that they firmly oppose the war schemes of the imperialist military blocs.

The two parties support the proposals put forward by the Soviet Union on March 18, 1957, in the disarmament subcommittee and consider that these proposals are of further help to the reaching of an international agreement on the disarmament question. The two parties consider that the proposal for an immediate cessation of nuclear weapons tests assumes a special importance in the present-day conditions. An agreement on this question which the people of the world demand be settled, will greatly facilitate the relaxation of the international situation.

The People's Republic of China and the Polish People's Republic firmly support all proposals and measures aimed at insuring peace in Europe, Asia, and the world.

The participation of West Germany in the North Atlantic Treaty Organization and the speeding up of its rearmament have aggravated the tensions in Europe and the world. Under such conditions, the two parties consider that the Warsaw treaty constitutes an entirely necessary defensive measure on the part of the peace-loving Socialist countries. The two parties also reaffirm their support for all efforts aimed at establishing a European collective security system which would insure the peace of all European countries, including Germany, and facilitate the elimination of opposing military blocs.

The two parties fully support the reasonable aspiration of the German people for the unification of Germany and support the efforts made by the Democratic Republic of Germany toward this direction.

The Government of the People's Republic of China reaffirms that the existing western border of the Polish People's Republic of the Oder and Neisse is a border of peace between Poland and Germany which is in the interest of European security, and which must not be altered.

The two parties oppose military blocs such as the North Atlantic Treaty Organization, the Manila Treaty Organization, and the Baghdad Pact, and hold that all antagonistic military blocs should be replaced by systems of collective security and collective peace. The two parties will continue to exert their utmost for the establishment of effective systems of collective security.

The two governments point out that the historic process in which colonial and semi-colonial countries free themselves from the shackles of enslavement is not to be halted by any force in the world. The two governments (condemn?) all attempts of the colonialists to obstruct the national liberation movements, attempts which violate the principle of self-determination of the peoples and menace world peace.

Although the forces of aggression have suffered defeat in the Near and Middle East, the reasonable demands of the Egyptian people have not yet been fully met, and at the same time the independence of the countries of the Near and Middle East is still being threatened. The two parties consider that observance of the principle of noninterference in the internal affairs of these countries, abrogation of the Baghdad Pact and removal of foreign military bases in these countries are the means of insuring the independence of the countries concerned. The two parties hold that free passage through the Suez Canal must respect Egypt's unshakable sovereign right over the canal. The use of the United Nations emergency force in the Gaza area and the Gulf of Aqaba can only be of a temporary nature and must be with Egypt's consent.

Parts of the territory of certain Asian countries, such as India's Goa and Indonesia's West Irian are still under the rule of the colonialists; this is a situation contrary to the will of the peoples of these countries. The two parties hold that the colonialist countries should unconditionally return these territories to the countries to which they belong.

The Kashmir issue has again intensified recently. The two parties consider that this is a question between Asian countries which should be settled by the countries concerned through peaceful negotiation, and should not be allowed to be made use of by external forces to create new tensions.

The two parties hold that strict implementation of the Geneva agreements on Indochina will be helpful to the peace and stability of this area. They welcome the faithful execution of these agreements by the Cambodian Government and respect the policy of peace and neutrality followed by Cambodia. The two parties express the hope that the agreement reached at the end of last year between the Kingdom of Laos and the fighting units of Pathet Lao may be carried out, which will conduce to the unification of Laos into an independent, democratic and neutral state.

The two delegations express regret at the obstruction of the implementation of the Geneva agreements by the Government of South Vietnam, supported by external forces. The two parties hope that, with the help of the international commission for supervision and control, the present difficulties may be gradually overcome.

The two parties consider that the international commissions for supervision and control in the three states of Indochina have, since the cessation of hostilities, played a positive role in improving the situation on the Indochinese peninsula. The work of the international commissions for supervision and control should receive the support of all parties concerned.

The two parties reaffirm their support for the efforts of the Government of the Democratic People's Republic of Korea to bring about a unification of Korea by the Korean people themselves on peaceful and democratic principles.

The People's Republic of China welcomes the establishment of diplomatic relations between Japan and Poland and between Japan and other countries, and is of the opinion that this development constitutes a positive contribution to the stability of international relations.

The two delegations hold that continuous efforts should be made to facilitate a rapprochement between nations regardless of the difference in the political, economic, and social systems. Despite the attempt of the imperialist forces to continue the cold war, peaceful coexistence among nations with different systems is after all in the interest of mankind.

The Socialist countries are striving for a common aim, the construction of a Socialist and Communist society. The Socialist countries are guided by a common philosophy, Marxism-Leninism. This common philosophy and this common aim bind up closely the Soviet Union, Poland, China, and the other Socialist countries. The two parties are determined to continue their best efforts to strengthen further the solidarity of the countries in the Socialist camp based on the Marxist-Leninist principles of proletarian internationalism and equality among nations.

The two parties note with satisfaction that the series of talks held recently among Socialist countries on the principles of equality, respect for each other's sovereignty, noninterference in each other's internal affairs, and mutual benefit have further improved and strengthened their solidarity and friendly relations. The two parties express satisfaction with the results of these efforts.

The two parties consider that the building of socialism in accordance with Marxism-Leninism constitutes the supreme interest of the two peoples, and that in their respective Socialist construction in the light of their national characteristics, and specific conditions, they should consistently combat all deviations, whether doctrinaire or revisionist. To do this is a sure guaranty for effectively overcoming difficulties and smashing all plots of hostile forces to sabotage the Socialist construction.

The two parties reaffirm their support for the worker-peasant revolutionary Government of the People's Republic of Hungary in their struggle to consolidate the Socialist system and eliminate the consequences of past mistakes. They will continue to help the Hungarian people overcome the difficulties they are presently facing.

The People's Republic of China is happy to see the achievements made by the Polish United Workers Party since the Eighth Plenary Session of its Central Committee. All the people's democratic forces in Poland are rallying evermore closely round the Polish United Workers Party's Central Committee headed by Comrade Gomulka. The results of the recent elections to the Polish Parliament forcefully demonstrate that the Polish people are firmly marching forward along the road of socialism under the leadership of the Polish United Workers Party. The Government of the People's Republic of China is deeply convinced that the Polish People's Republic will make increasingly important contributions to the strengthening of the great family of Socialist countries.

The two parties note with satisfaction that the cooperation between the People's Republic of China and the Polish People's Republic in the political, economic, and cultural fields and in the field of shipping is being steadily strengthened and developed in a fraternal spirit. The Government of the People's Republic of China expresses its thanks to the Polish People's Republic for its active support to China in its struggle to defend its sovereignty and Poland's various aids to China in the economic field and in the fields of shipping, science, and technology.

The 2 parties state that the 2 governments will continue to develop the friendly cooperation between the 2 countries in all the above-mentioned fields and will consult each other, whenever necessary, on important problems in which both countries are interested in a spirit of mutual understanding and fraternal cooperation.

The two parties are deeply convinced that the visit of friendship of the government delegation of the Polish People's Republic to China will help further consolidate and develop the fraternal Sino-Polish friendship, further strengthen the solidarity of the Socialist countries, and uphold the cause of world peace.

THE BUDGET

Mr. MARTIN of Pennsylvania. Mr. President, the Secretary of the Treasury, Hon. George M. Humphrey, made a speech on Thursday, April 18, 1957, before the National Industrial Conference Board, at the Waldorf-Astoria Hotel, in New York, giving his views on the President's budget. I believe his statement was of great importance, and therefore I ask unanimous consent that excerpts from it be printed in the body of the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXTRACTS FROM REMARKS BY TREASURY SECRETARY GEORGE M. HUMPHREY BEFORE THE NATIONAL INDUSTRIAL CONFERENCE BOARD, WALDORF-ASTORIA HOTEL, NEW YORK, N. Y., APRIL 18, 1957

The President's letter of this morning puts into proper perspective the problems about the budget which have been the subject of discussion since the budget was sent to the Congress in January.

At that time the President requested a further painstaking review of the budget by the Bureau of the Budget and by all the departments and agencies of Government. This has now been prepared and discloses the feasibility of postponing certain appropriation requests which can be made without serious damage to the program.

The President, however, stated that actual spending in the coming fiscal year cannot be cut by multi-billion-dollar amounts without danger to the national safety or interest, or the modification of some of the existing programs now authorized or required by law.

I urge every citizen to earnestly consider and support the President's direct and simple analysis of the principles involved in our budget problems.

The President's position not only guards the Nation against ill-considered or dangerous slashing of the budget, but it also points the way to well-considered steps toward holding future Federal spending down. Controlling the upward march of total Government spending is of greatest importance to us all.

There is nothing new about this approach or the principles that guide it. They are the same principles that have guided this administration for the past 4 years. We have been constantly vigilant to continually make every effort to live within our means and to get a dollar's worth for every dollar that we spend.

We have continually striven to avoid waste and extravagance and to adequately balance the necessary costs of our national safety with the equally necessary maintenance of a strong and vigorous economy. We have sought to stabilize the costs of living and foster more and better jobs, to protect the Government's, as well as the people's, high income.

It is perseverance in this continuing effort that has brought us now to the prospect of three balanced budgets in succession for the first time in 25 years. But we have also been ever mindful of our position of leadership in the world and the obligations we must necessarily bear in that regard to protect our national security.

The everlasting search for possible reductions and the drive to make them real will necessarily continue in the future as it has in the past. With the help of the Congress, and the public, and the persisting efforts of the administration, progress toward a proper balancing of our fiscal affairs and full performance of our national obligations will continue.

The proven principles set forth in the President's letter well serve both our national security and the people's best interest. They deserve the full support of every American.

CHARLES A. MARSHALL

Mr. SMITH of New Jersey. Mr. President, on Monday, March 25, a distinguished American who had rendered great and outstanding service to his country passed away in New York. This great American was Charles A. Marshall—a distinguished New York lawyer and public servant. His heritage made him a member of the Marshall family of our foremost Supreme Court Chief Justice, John Marshall. His father was General Lee's aide at Appomattox, and through his father, Charles A. Marshall, came to possess General Grant's handwritten terms of surrender to Lee, and the draft of General Lee's farewell order to the Army of northern Virginia. Charles Marshall, himself, served with distinction in France during World War I.

I am making these remarks, Mr. President, and outlining the background of this distinguished American, because of his recent outstanding Government service in Denmark. Charles Marshall was

chosen in the early days of the Marshall plan to administer our Marshall plan aid in Denmark, a part of our general program to promote the rehabilitation of those European countries which had been so economically devastated by the ravages of World War II. Denmark had suffered under occupation by the Hitler forces and was beset with all the consequences of a devastating economic dislocation.

Of course, we are all aware of the great value, to both the United States and the whole free world, of the early Marshall plan aid in such countries as France, Italy, and the Scandinavian countries. The economic assistance of the United States supplied the essential basis for the economic revival of their war-torn economies.

During the administration of this program, many of our Marshall plan administrators achieved outstanding acclaim within the various host countries, not only for the assistance the program provided, but also for their individual understanding and human qualities. Such an administrator was Charles Marshall. He not only channeled our Marshall plan assistance to Denmark in the manner most appropriate to stimulate economic recovery, but by his personal traits and human understanding he became a personal friend to the Danish people, and affirmed their friendship for the United States.

Mr. President, in these days, when we are prone to hear sharp criticism of our foreign-aid programs throughout the world on the fallacious ground that all our assistance merely breeds ingratitude and hostility on the part of the recipient countries, it is significant to point to the place of honor which the Danish people have accorded their former Marshall plan administrator, Charles Marshall, upon the occasion of his death.

Although Charles A. Marshall and his wife were both personal friends of Mrs. Smith and myself, and although we watched his brief career in Denmark with both great interest and enthusiasm, the tributes to Charles Marshall in the Danish press last month establish his place of high esteem in their memories much more than can any words of mine. It was symbolic of this high regard for Charles Marshall that the Danish Ambassador traveled from Washington to Hewlett, Long Island, to be present at the funeral service.

Mr. President, I ask unanimous consent that there be printed in the body of the RECORD a translated series of excerpts from the Danish press, and quotations of certain statements by Danish public officials in tribute to Charles Marshall.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

[From Borsen of March 27, 1957]

OBITUARY

With the passing of Charles A. Marshall, who died last Monday at Lawrence Hospital in Bronxville near New York, Denmark has lost a good friend. Mr. Marshall came to this country in 1948 as the Croesus who was to distribute the Marshall millions to help rebuild the Danish economy. He shared his name with the originator of the great plan, George R. Marshall, and it was now incumbent on him to carry it out for the benefit of the country where his mission had been staked.

It is hardly a bad start to come as a bearer of gifts, but Charles A. Marshall and his wife quickly achieved a different kind of popularity, one not based on dollars alone. By their great human qualities, rich sense of humor, and warm, extensive hospitality, they spontaneously won over the Danes with whom they came in contact, while, from his desk, Mr. Marshall accomplished work that created respect for American diplomacy.

With admirable speed he learned all about the structure of Danish economic life, and on the basis of his own judgment, plus a fine ability to act as a link between his own collaborators and the Danish officials and representatives of Danish economic interests, he managed to canalize the Marshall aid's dollar stream with a minimum of waste and a maximum of long-range benefit to the Danish economy. Mr. Marshall gradually gained such insight into our economic conditions that he could match his knowledge and evaluations with those of our own bigwigs. Throughout his assignment here, Mr. Marshall remained loyal to the giver as well as to the receiver, and both the United States and Denmark owe him a debt of gratitude for his fine work.

In 1954, when the job was done, and Mr. Marshall returned to New York with his wife to resume his activity as senior partner in his highly esteemed law firm on Broadway, the couple had to face up to leave-taking celebrations extending over several weeks. On this occasion, Danish firms as well as individuals manifested unusual inventiveness in their choice of farewell gifts that, by itself, constituted a eulogy of Mr. and Mrs. Marshall, as well as an appeal to their sense of humor, which the donors knew was not in vain.

Later, the couple returned to visit the country where they had felt so happily at ease, and which had honored Mr. Marshall by conferring on him the order of a Knight of the Grand Cross. They revisited old friends and made new ones, all of whom now join in grief over the passing of Mr. Marshall.

WITH RARE TACT AND CIRCUMSPECTION

Mr. H. C. Hansen, Danish Minister of State and Foreign Affairs, uttered the following words in memory of Mr. Marshall:

"From 1948 till 1953, Charles A. Marshall was head of the American mission established here to administer aid to Denmark under the United States subsidy program for Europe, the Marshall aid. In that capacity it was Mr. Marshall's task, in close cooperation with the Danish authorities, to insure that the aid was applied in conformity with its purpose. The fulfillment of this assignment required very extensive insight into the conditions prevailing in this country, an insight that Mr. Marshall achieved very rapidly, and which he was able to use with rare tact and circumspection. Thus Mr. Marshall, by his objective contribution, helped the Marshall aid to become the great economic importance to Denmark it actually did become. But beyond what can be set down in crowns and öre, Mr. Marshall helped the intimate Danish-American cooperation to take such a form that it increased international understanding and brought Denmark and the United States of America closer to each other. Denmark honors his memory."

[From Politiken of March 26, 1957]

FORMER HEAD OF MARSHALL AID IN DENMARK DEAD—CHARLES A. MARSHALL, ATTORNEY AT LAW, ONE OF DENMARK'S GOOD FRIENDS IN THE UNITED STATES OF AMERICA

NEW YORK, Tuesday.—Charles A. Marshall, former director of the Marshall aid in Denmark, passed away yesterday at Lawrence Hospital in Bronxville, N. Y., at the age of 74.

For more than 5 years Charles A. Marshall was stationed in Copenhagen as head of the special mission to Denmark for economic cooperation, thus acting as the intermediary of the United States of America's generous billion-dollar aid to Denmark until, in 1954, he returned to the big law firm in New York of which he was a senior partner.

With his unique capacity for sympathetic penetration, this always friendly, helpful, and understanding American quickly succeeded in grasping the peculiarities of the Danish economy, which enabled him to distribute the American aid according to requirements and need. Charles A. Marshall was to become more than a mere intermediary and distributor of means, somebody sitting on the moneybags wherefore there would be no need to exude charm in order to achieve popularity. He won real friends and studied Danish conditions far beyond the call of duty; moreover, his own cultural outlook was so wide that it was easy for him to combine, in a dignified way, his economic work for Denmark with an attitude of interest in other aspects of Danish life.

Mr. Marshall traveled all over the country to learn more about it, and he was able to do so as a friend who, on leaving Denmark, was invited to return as a dear and welcome guest.

Fortunately, on his departure, he was able to say: "I have never been disappointed in a Dane."

[Translations of excerpts from Avis Oversigt of March 27]

During his speech in commemoration of Mr. Charles A. Marshall, the former leader of the Marshall Administration to Denmark, Prime Minister and Foreign Minister H. C. Hansen states, among other things: "Mr. Marshall had the task of insuring, in close cooperation with the Danish authorities, that the aid was applied in accordance with its purpose. The solution of this problem demanded a thorough understanding of the conditions in this country, an understanding which Mr. Marshall quickly acquired and which he put to use with a rare tact and foresight. Mr. Marshall's objective efforts greatly contributed to the success of the Marshall aid to Denmark. In addition, Mr. Marshall contributed to the close Danish-American cooperation, which worked out in such a way that it increased the understanding between nations and brought Denmark and the United States closer to each other. Denmark honors his memory.

All papers carry long obituaries of Charles A. Marshall, the former administrator of the Marshall aid to Denmark, who died in New York last Monday. Among other things, it is stated that to Denmark Mr. Marshall was the man who started the rehabilitation of trade and industry after the destructive effects of war and occupation. The part of the noble giver is not so easy when one country has to assist the other. Mr. Marshall understood the art of so doing.

[From Berlingske Tidende of March 26, 1957]

MARSHALL DEAD—HEAD OF MARSHALL AID TO DENMARK 1948–54, AND A REALLY GOOD FRIEND OF THE DANES

NEW YORK, Monday.—Charles A. Marshall, ex-director of the Marshall aid in Denmark, died this morning about 9 o'clock at the Lawrence Hospital in Bronxville, N. Y. His age was 74.

Mr. Marshall was taken to the hospital 2 weeks ago to undergo an operation for a serious stomach condition.

During his stay in Denmark Mr. Marshall had suffered a heart attack, and his heart had been weak since.

REBUILT OUR ECONOMY

To Denmark, Charles Alexander Marshall became the man who sparked the reconstruction of our economic life after the ruinous effects of war and occupation. He came to Denmark in 1948 as head of the United States generous and farsighted aid program known as the Marshall plan, named after the former American Secretary of State, Gen. George Marshall, who, by the way, is no relative of Charles A. Marshall.

It is not easy to act the part of the noble giver, where one country extends aid to another, but Charles A. Marshall mastered the art. Not only did he administer the $278 million which Denmark received during the 5 years over which the aid extended, but he became a friend of Denmark, winning many real friends in our country by his frank ways, natural dignity, and cultivated manner.

Charles A. Marshall started his career by obtaining his law degree before World War I. He took active part in that war and was promoted to the rank of captain in an infantry company. When the war was over, he started a law practice in New York, and later on, as a legal adviser, had various cases in other countries, both in Europe and Latin America. He became a senior partner in the highly regarded law firm of Dorr, Hammond, Hand & Dowson, and was a greatly respected financial adviser to many big American and British firms.

Gradually he was drawn into Government service. Paul G. Hoffman chose him to direct the so-called MSA mission in Denmark.

Returning to New York in 1954 he stated in his replies to the many speeches of gratitude addressed to him, that whereas it was true enough that the Marshall aid had given Denmark's economic reconstruction a push forward, the merit belonged essentially to the Danes themselves. He added:

"Because the Danish spirit and attitude are right, I have no anxiety about Denmark's economic future."

Charles A. Marshall once characterized the skeptical Dane as a type endowed with an excess of intellectual horsepower. But he also knew another type that constituted a viable mixture of sound commonsense and idealism.

Not only did he like the Danes; he also knew them.

[From Dagens Nyheder of March 26, 1957]

DEATH OF MARSHALL-AID HEAD IN DENMARK—CHARLES A. MARSHALL DIED AFTER AN OPERATION IN AN AMERICAN HOSPITAL

A good friend of Denmark died yesterday. Late last night we learned that the former head of the Marshall mission in Denmark, Mr. Charles A. Marshall, died at the Lawrence Hospital in New York, aged 74. Mr. Marshall had had an operation 2 weeks ago and seemed to be making good progress, but suddenly Sunday night a deterioration set in, and death came early Monday morning.

Charles A. Marshall came to Denmark in 1948 as head of the Mutual Security Agency, United States generous aid, and he won a wide circle of Danish friends during the years he directed this undertaking.

It was an incident that looked like premeditation that we got a Marshall to direct the Marshall aid in Denmark; the name, however, is merely a coincidence, as Mr. Marshall was not related to the father of the Marshall plan, Gen. George Marshall. Still, we can fully certify that Charles A. Marshall directed the aid in the originator's own best spirit.

Charles A. Marshall had studied law and was one of United States finest lawyers in the field of commercial law. He participated in World War I as an infantry captain, and, in the years between the two wars, was settled in New York where he practiced law. His legal work brought him various cases that took him abroad to countries such as Russia and Mexico, to Central America, Europe, and other places, and maybe the experience thus gained was a contributing cause to the wide understanding of European conditions one met in Mr. Marshall. He had a particularly profound comprehension of the special economic conditions in Europe after the war.

With his frank, open manner, natural dignity and friendliness, with his simplicity and his cultivated, noble and refined attitude throughout, it was not hard for Mr. Charles A. Marshall to carry out his assignment in Denmark; nor were the Danes slow to appreciate his robust American sense of humor. His work here was of immense importance to Danish economic life, industry, commerce, and trade, and he manifested his friendship for Denmark in a great number of fields, also after his return to the United States.

[Translation of article which appeared in Socialdemokraten of March 26, 1957]

THE DANISH MARSHALL OF THE MARSHALL PLAN DEAD IN NEW YORK—CHARLES A. MARSHALL, THE ADMINISTRATOR OF THE EXTENSIVE AID PROGRAM IN DENMARK

Charles A. Marshall, who represented the Marshall aid program in Denmark, but whose similarity of name to the originator of the plan was just coincidental, died yesterday in a New York hospital, according to Dagens Nyheder. Mr. Marshall, who was 74 years old, was operated on for a heart condition several weeks ago and seemed to be improving, but a sudden relapse Monday morning ended a very active life.

During the 6 years from 1948 to 1954, Charles A. Marshall lived in Denmark as the administrator of the Danish branch of the extensive American economic-aid program, in which Secretary of State George Marshall took the initiative. He made many friends and was himself a good friend of Denmark.

It was not by chance that Charles A. Marshall became involved in the great work of realizing the huge aid program. He was a lawyer, and one of the best in his country in the juridic-economic field. After participation in the First World War, Mr. Marshall practiced law in New York City and, among other things, dealt with many important cases in a number of European countries which provided him with an insight into European conditions, from which he benefited later in his work for the Marshall aid program.

Charles A. Marshall was not only eminent in the juridic-economic field, but as an individual he was of a rare quality. Through his frankness and kindness, he won many friends, not only for the aid plan he was serving, but for himself personally. Thus he is remembered today not only as the representative of an idea and an initiative that restored Denmark's war-depressed economy, but also as a fine[1] and distinguished person and a good friend.

FEDERAL ASSISTANCE GRANTS FOR CONSTRUCTION OF MEDICAL AND DENTAL TEACHING FACILITIES

Mr. SMITH of New Jersey. Mr. President, on the Wednesday before the Easter recess I introduced S. 1917 for myself and the Senator from Connecticut [Mr. PURTELL] to authorize the President's program for Federal assistance grants for the construction of medical and dental teaching facilities. The 84th Congress enacted Public Law 835, which provided for a program of Federal assistance grants for the construction of health research facilities, but similar provisions for assistance to medical teaching facilities were omitted.

Under the provisions of the bill which I introduced, the currently authorized grants for the construction of health research facilities would be integrated with a program of similar grants for the construction of medical and dental school teaching facilities. As the programs for both areas will deal almost completely with the same institutions and schools, and since the line of demarcation between the use of facilities for research and teaching is a difficult one to define, it was felt most appropriate to combine the programs under a single administrative unit.

The total authorization which is provided under this program, including the previous authorization for the construction of health-research facilities, is $225 million for the next 5 years, allowing $195 million for medical research and teaching facilities and $30 million for dental research and teaching facilities. With $60 million of that total already having been authorized by the action of the 84th Congress, the total new authorization is $165 million over 5 years.

I ask unanimous consent that the letter of transmittal, dated April 10, from the Secretary of Health, Education, and Welfare, Hon. Marion B. Folsom, addressed to the President of the Senate, Hon. RICHARD M. NIXON, be inserted in the RECORD at the conclusion of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE,
Washington, April 10, 1957.

Hon. RICHARD M. NIXON,
President of the Senate.

DEAR MR. PRESIDENT: I am enclosing for your consideration a draft of a bill to carry out the President's recommendation, made in his January 16, 1957, budget message, that the temporary program of Federal grants for construction of medical and dental research facilities be amended to include also grants for construction of medical and dental teaching facilities.

The enclosed draft bill would amend title VII of the Public Health Service Act, which was added in the last session of the 84th Congress. That title now authorizes grants to public and private institutions to assist in the construction of facilities for research in the sciences related to health. The amendment would add authorization for grants to accredited public and private nonprofit medical and dental schools to assist in the construction of teaching facilities. Under the amendment, funds would be made available on a project-grant basis, generally under the procedures now in effect for the research facility construction grants. Schools of medicine (including schools of osteopathy and public health) and dentistry could use such grant funds for the construction of new facilities or for the improvement or expansion of existing facilities for either research or teaching, or for both. Grants to other institutions could be used only for facilities for research purposes.

Grant funds could not be used for costs of land acquisition or off-site improvements, or for projects eligible for assistance under the Hospital Survey and Construction Act.

[1] Gustave, as a Dane, prefers the literal translation of his Danish article to the editorial one. So, for "quality" substitute "Karat." In the last sentence read "a rare and fine human being."

As under the existing program, grants could not exceed 50 percent of the necessary costs of construction. The duration of the continued program of construction grants for both research and teaching facilities would be 5 years, as contrasted with the 3-year duration of the existing program. Annual appropriations for the combined program would be authorized up to an aggregate for the 5-year period beginning July 1, 1956, and ending June 30, 1961, of $225 million—$195 million for medical research and teaching facilities and $30 million for dental research and teaching facilities.

The present National Advisory Council on Health Research Facilities would be enlarged by the addition of the Commissioner of Education, as an ex officio member, and 4 more appointed members—2 public and 2 specialized—and would be redesignated the "National Advisory Council on Health Research and Teaching Facilities." The duties of the new Council would be similar to those of the present Council but would embrace the review of applications for teaching, or teaching and research construction grants as well as applications for grants for the construction of facilities for research purposes only.

While the draft bill is in the form of an amendment to title VII of the Public Health Service Act, which title was added by the Health Research Facilities Act of 1956 (Public Law 835), it is in substance a resubmission of the measure recommended by the administration to the last Congress. The only major change made is the reduction by $25 million of the aggregate amounts that would be authorized for the 5-year period.

This proposal is directed toward two primary needs which are basic to continuing progress in realizing our national health objectives. Medical and dental research and the skills necessary for the application of new knowledge resulting from that research are prerequisites to further progress in reducing the human suffering and economic losses caused by disease and disability. The medical and dental schools of the country do a large share of this research and they are the source of supply for all of our physicians and dentists, and for most of our graduate students in the basic medical sciences. We know that the effective demand for medical scientists, physicians, dentists, and other skilled personnel in the health fields is increasing faster than our supplies. There is accumulating evidence that augmented research and training in these critical fields will not be possible without improvement and expansion of the present physical plant of the research and training institutions. It is clear also that the financial situation of these public and nonprofit research and training institutions is such that in all too many cases they cannot, with their present resources, undertake the rehabilitation of laboratory and teaching facilities necessary for the maintenance of present levels of quality.

We are convinced, therefore, that the national interest requires a temporary grant program to assist these institutions in meeting their essential needs for a physical plant adequate to their multiple responsibilities—for teaching as well as for research. The assistance authorized by the last Congress reaches only one area of their construction needs.

The proposed program is a flexible one. It is designed to assist the schools in their efforts to achieve a desirable balance between research and teaching programs—the two basic functions which support and strengthen each other—and to continue their contributions to the preparation of specialized research personnel, to the training of many allied health personnel, and to the postgraduate training of physicians and dentists which plays such an important part in the maintenance of the quality of care. Achievement of a wider geographic distribution of research and teaching facilities would continue to be a factor to be taken into consideration in the making of grants.

Assistance for construction of teaching as well as research facilities will make it possible for the medical and dental research and training institutions to maintain and improve the quality of the programs they now carry and to expand their capacity to the limits of wise institutional planning. In addition, the availability of funds for construction can be expected to stimulate construction of new medical and dental schools, especially in those States in which there has been active consideration of the organization of new schools or the expansion of 2-year basic science schools to 4-year medical schools.

We shall appreciate it if you will refer the enclosed draft proposal to the appropriate committee for consideration.

In compliance with Public Law 801, 84th Congress, 2d session, there is enclosed a statement of cost estimates and personnel requirements which would be entailed by enactment of the proposed legislation.

The Bureau of the Budget advises that enactment of this proposed legislation would be in accord with the program of the President.

Sincerely yours,

M. B. FOLSOM,
Secretary.

THE AMERICAN WEST: PERPETUAL MIRAGE

Mr. MANSFIELD. Mr. President, the June issue of Harper's magazine contains an article entitled "The American West: Perpetual Mirage" written by the noted historian, Walter Prescott Webb.

Mr. Webb has prepared an engrossing study of the West, in which he presents a new understanding of what the West means, what it is, and why it is.

We all have our own associations with the West, but the author suggests a few new concepts. His most interesting observation is that the overriding influence that shapes the West is the desert.

The article is an engrossing literary effort, and suggests a new, logical, and reasonable understanding of the American West. I highly recommend this article to all of my colleagues of the Senate. I am sure they will find Mr. Webb's work fascinating, as well as informative.

Mr. President, I ask that this article, The American West: Perpetual Mirage, by Walter Prescott Webb, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE AMERICAN WEST: PERPETUAL MIRAGE

(By Walter Prescott Webb)

This is an attempt to discover what the West is and why it is that way. We shall not approach it from the outside; we shall begin in the middle, because that is where its dominating force—the desert—resides.

Fortunately the West is no longer a shifting frontier, but a region that can be marked off on a map, traveled to, and seen. Everybody knows when he gets there. It starts in the second tier of States west of the big river. A line drawn from the southern tip of Texas to the farther boundary of central North Dakota marks roughly the eastern boundary. It starts almost in the tropics; it reaches almost to the northern limits of the Temperate Zone. Hemmed in by Canada on the north and Mexico on the south, it runs with the sun to the Pacific. It comprises more than half of the Nation's area—all or part of 17 very large States. The airline distance around it is one-fifth the distance around the earth. This is the West, as distinguished from the other two great regions, the North and the South.

Internally the West is divided into three strips, laid one beside the other on a north-south axis—a mountain strip in the center flanked by the Great Plains strip to the east and the Pacific slope strip to the west. These gigantic natural features give variety and part of the character to the country; but they do not explain it, either separately or in combination. One can never understand the West—all of it—in terms of the rolling plains, the craggy mountains, or the slope to the sea, for none is common to the entire region. They divide rather than unify; they do not bind the West to its inevitable destiny.

The overriding influence that shapes the West is the desert. That is its one unifying force. It permeates the plains, climbs to all but the highest mountain peaks, dwells continuously in the valleys, and plunges down the Pacific slope to argue with the sea.

The desert is the guest that came to dinner, never to go away. It has stripped the mountains of their vegetation, making them "rocky"; it has dried up the inland seas, leaving Death Valley completely dry and Lake Bonneville a briny fragment in Great Salt Lake. It is the great designer of the American West, painting the landscape with color, chiseling the mesas and pinnacles, building the plains with soil washed down by perishing rivers such as the Platte and Canadian. It shortened the grass on its borders before destroying it in the interior. It never permitted trees on the plains it built, and where it found them it beat them down to sage and brush, reducing the leaves to thorns and the sap to grease and oil. The trees it could not destroy it shriveled, and those it could not shrivel it petrified.

The desert designed the animals as it shaped the land. It compelled its creatures to conform to its colors, put horns on toads, made snakes travel sidewise to keep from sinking in the sand, created grasshoppers that fly 5 miles for a sprig of grass. It made them all parsimonious of water. The rabbits require little if any, the antelope do without for long periods, some rodents and plants (like the Joshua tree) manufacture and store their own. The little prairie dog is a desert masterpiece. He is a mismamed squirrel, because the Americans who named him could not believe that a squirrel would live in a dugout. As for water, he will not touch the stuff.

What is at the heart of the West? Where is the center from which the shaping force and power radiate? The answer is simple if we would only see and accept it. The heart of the West is a desert, unqualified and absolute. Draw a line anywhere from the region's eastern boundary to the Pacific, stand on its mid-point, and you will find yourself either in the desert or near it.

If we do not understand the West it is because we perversely refuse to recognize this fact; we do not want the desert to be there. We prefer to loiter on its edges, skirt it, avoid it, and even deny it.

Instead, let us go to the center of the desert's greatest intensity, and from there measure the radius of its diminishing influence. There it lies around us in all its terror and desolate beauty, its sands shimmering in the distance, its mirages playing tricks with our vision, its mountains etched against the sky, a crosscut saw with some teeth knocked out.

This is the best of the desert, the worst of the West. Its radium varies because the

desert expands and contracts, as its enemy—rain—retreats or advances. Always at its margins there is dampness, at its borders moisture, at its limits wetness. When the desert pokes a hot finger into the border regions, the people speak of drought; when it pulls the finger back, they say "the country is getting more seasonable." At the heart of the desert there is no drought, there is only an occasional mitigation of dryness.

WHAT NOBODY MENTIONS

The influence of the desert from the center outward is comparable to the effect of a fire. If we keep a gigantic fire going for a long enough time, we will have where it was and around it, a replica of the American West. In the center will be an area where all life has been destroyed, a charred mass such as may be seen in parts of Utah, Idaho, and Nevada. Beyond that will be a series of concentric circles where the destruction decreases as the distance grows. While the fire is burning you can escape its heat by going outward from it, or by going upward. So today, in the mountain State, you may go above it.

For a million years a fire of low intensity has been burning, and is still burning, in the West. It is broader and more intense in the south, narrower and somewhat cooler in the north. It covers the eight central States marked "desert States" on the map, and it scorches the near side of their flanking neighbors—the rim States, east and west—giving all nine of them large desert area.

This analogy of the fire is useful because fire, like the desert, is a positive thing. We have usually explained the West in negative terms, lack of wetness, rather than by the presence of dryness. We have adopted a series of progressively wetter terms, arid, semiarid, and subhumid—to describe the relative distance from the devil of dryness. Our aversion to deserts has led us into deceitful euphemisms, the lifted verbal hand shielding off the uncomfortable heat of reality. Let us here be realistic and divide the West in two categories, desert States and desert-rim States.

We have not always been dishonest about the presence of the desert. The early explorers thought they knew one when they saw it. They called it by name, and until after the Civil War they put it on school maps. Before the middle of the 16th century, Coronado wrote: "It was the Lord's pleasure that, after having journeyed across these deserts 77 days, I arrived at * * * Quivira." From Montana territory, Ordway of the Lewis and Clark expedition confided to his journal that "this country may with propriety be called the Deserts of North America." Zebulon Pike, farther south, said, "These vast plains * * * may become as celebrated as the sandy deserts of Africa." In 1859 Horace Greeley wrote from the buffale range that "we are in a desert indeed." By 1835 the school maps showed the Great American Desert in block letters east of the Rockies. By 1850 such men as Daniel Webster and Jefferson Davis conceded its existence, and staked their political fortunes on their belief.

After the Civil War, the Great American Desert was abolished. It has hardly been mentioned in polite western society since, and never by the chambers of commerce. Of course, there were some small tourist deserts left, such as the Mohave and the Jornada Del Muerto, but nothing of consequence. The desert did not know that it had been abolished; it waited patiently as puny men moved in from all sides to conquer it. Enough time has now elapsed to reveal the results of this impertinence.

While the annual rainfall for each State has not been found in the reference books, we do have it for selected cities, at least one in each State. These figures are a little high because the larger cities are likely to be in the region of most rainfall. Though the figures are not exact, they are significant.

Average annual precipitation

	Inches
8 desert States (semiarid)	12
6 eastern rim States (subhumid)	24.20
3 western States (subhumid)	26.48

The desert States barely escape the true desert mark of 10 inches. The rim States are subhumid. The average for the entire West is 20 inches, the upper limit of the semiarid.

The significant thing about these figures is that they form a pattern which matches nearly all the yardsticks we use to measure the assets of a civilization. The pattern of precipitation is relatively high in the rim States and low in the desert States. The same is true of people, bank deposits, factories, cities, horses, mules, cattle, and all farm crops. (One exception is sheep; there are more sheep per square mile in the desert States than in either rim. The same is true of hard minerals.)

When this pattern is drawn, the West, especially in its desert part, appears as a depressed region. The rim States are populous and rich as compared to the vast interior. The rim States of Texas and California have about 20 million people as against less than 6 million for the 8 desert States. Texas has about 30 persons per square mile, California about 68, but the desert States have only 6. Texas and California combined had as of 1951 bank assets or liabilities of about $25 billion, as against less than $6 billion for the 8 desert States with nearly twice the area.

These figures indicate what the desert has done to those who set out to conquer it. It emerges in its true character as a great interior force—repelling to people and repulsive to wealth in nearly all forms. Though surrounded and beleaguered, the Great American Desert has not been conquered; instead it has shaped the lives and destinies of those who went against it. That is what Maj. John Wesley Powell saw when he wrote in 1878 that "a new phase of Aryan civilization is being developed in the western half of America."

THE FIRST DEFEATS

If the figures above have given the impression that the rim States have escaped the desert or conquered it, and are now safe beyond the danger line, that impression must be corrected. To correct it, we need to look at man's first general attack, that of the 1880's, which coincided with a wet cycle in the West. Since the attackers came from the humid country, they struck the eastern rim States first. They went singlehanded, with high hopes; they returned before the onslaught of the drought, emptyhanded. A. M. Simons summed up the campaign in these words:

"From the 96th meridian west to the Rocky Mountains there is a stretch of country filled with more tragedy and whose future is pregnant with greater promise than perhaps any other equal expanse of territory within the confines of the Western Hemisphere."

The disorderly charge and the ensuing rout were thus described:

"Following times of occasional rainy season, the line of social advance rose and fell with rain and drought, like a mighty tide beating against the wall of the Rockies. And every such wave left behind it a mass of human wreckage in the shape of broken fortunes, deserted farms, and ruined homes."

Later, Frederick H. Newell said: "The Great Plains can be characterized as a region of periodic famine."

The attackers withdrew, but returned with two new allies, science and invention. By ingenuity they would destroy the desert in spite of hell and without water. They made headway in the rimland by inventing barbed wire, adapting the windmill, learning about dry farming, importing desert plants, reshaping their plows, and revising their laws.

Their hopes always outran their accomplishments. What was discovered today would enable them to complete the conquest tomorrow. In the face of tragedy they became superstitious or religious, and called in the rainmakers with magic, dynamite, and prayer, and later with a chemical calculated to make a dry cloud give water.

The Federal Government enlisted on the side of the people versus the desert. It sought dam sites and blocked the rivers to create tiny islands of water in a sea of aridity. In the meantime the well drillers were probing the earth to discover every aquifer, or underground water deposit. Pumps were installed to bring up water for homes, cities, and irrigation, and every source of water—whether from river, lake, or well—was declared to be everlasting.

Regardless of the source of the water, its major effect was to create an oasis, a lovely word implying a pleasant place in the midst of a larger and less pleasant one. In and around the oasis people came to build towns and cities, establish industry, and open irrigated farms. This has happened all over the West, so that the West is today virtually an oasis civilization.

The concept of the oasis has not apparently been used in reference to the West, and cannot be used as long as we persist in denying the desert. The chambers of commerce would not be pleased if we referred to such oases of elevation as Denver, Boulder, and Rapid City; of such river oases as Santa Fe and El Paso; of the spring-made oasis of San Antonio; of the manmade oasis of Boulder City, Nev.; or of the well-based (and probably temporary) oasis of Lubbock, Tex. Los Angeles is the greatest oasis of them all.

One of the paradoxes of the West is that with its excess of land and dearth of people, it is already an urban society. The 8 desert States are 54.9 percent urban. Only Montana, Wyoming, and Idaho are rural. Utah, with only 8.4 people per square mile, is 65.3 percent urban; Nevada, with only 1.5 persons per square mile, is 57.2 percent urban. The desert has driven the people in to the oasis.

Within the desert States, the people have not overdrawn their water supply. They have struck a balance with their possibilities. This is not true in the rim States where the great cities are. Today most of these cities have outgrown their water supply and are in crisis. They have exhausted the water that made the original oasis, and their problem now is to find more at any cost. They go farther and farther to get it, and bring it in at increasing expense. Here are some examples.

Los Angeles is in an area of about 16 inches of rainfall. "Fresh water issuing from the hills led to the choice of the original site." It was begun on the little river of its name. The people congregated here and consumed the original supply of water. In 1913 the Los Angeles aqueduct was completed across the Sierra Nevada Range to a new source 233 miles distant. The original cost for the aqueduct alone was $25 million. The city outgrew this supply, and in 1939 an aqueduct was built to the Colorado, 242 miles away, at a cost of $200 million. But this is not enough, and a plan is afoot to tap the waters of the Columbia, in the Northwest, to enlarge or save the oasis of southern California.

El Paso began as a river oasis on the Rio Grande. As it grew the upstream water was pumped out, and the river failed. The underground water was tapped, to fail in turn. The Government built Elephant Butte Dam

to catch the floodwater, but it cannot keep the river running. Today El Paso is acquiring dam sites in the Guadalupe Mountains, 100 miles east; it is leasing underground water from the University of Texas lands in Hudseth County, 40 miles from the city.

San Antonio, a real rim city with close to 30 inches of rainfall, was created by the living springs that gushed out to form the San Pedro and San Antonio Rivers—tiny but dependable streams. Later the city got its water from artesian wells of tremendous head and volume. Today San Pedro Springs are completely dry; the San Antonio springs are reduced to a token, and the rivers they fed are gone. The water table has fallen, the artesian wells no longer flow. The city has few good dam sites in its territory, and is desperately pleading with the State water board to let it acquire water from the Guadalupe River basin 50 miles away.

The visitor is always shown the San Antonio River which winds through the heart of the city. The river is, so far as the visitor can see, an exotic thing; its sides are curbed, its low banks a riot of tropical plants. Boats ply back and forth carrying tourists to points of interest. The river flows full here, almost level with its curbful of water now being pumped from the wells which are no longer artesian. This is the price a proud and beautiful rim city is paying to perpetuate its oasislike character.

Dallas never shows anybody the little river on which it was born, the rat-tailed Trinity that served it well for a time. Dallas too is a proud city, consciously cultured, not joyously relaxed and playful like San Antonio, or boisterous and natural like its own near neighbor, Fort Worth. Dallas will probably deny that it is an oasis, what with its 30 plus inches of rainfall. But let us look at its water problem: Before it outgrew the Trinity, it found an everlasting supply in artesian wells which have now failed or become inadequate. It began to build dams, but not in time of drought. In desperation Dallas built a pipeline to the Red River, which gathers its waters high up on the salty plains and semidesert. Today a glass of Dallas water left overnight has a saline scum on the surface in the morning. Peddlers of potable imported water have done well at 50 cents a gallon.

The last example is the underground oasis of Lubbock, Tex. There is no spring near, and it is many miles to a river. Lubbock stands on the high plains where the annual rainfall is about 18 inches. It grew like a mushroom, because a State college was built there, oil was discovered, and an "everlasting" supply of water was found underneath the fertile soil. This high-plains aquifer is of enormous extent, making possible a giant oasis covering several counties. Turbine pumps whir day and night, pouring out streams from 4 to 8 inches in diameter. Crop yields are enormous. This is the story of the rise of an oasis based on ground water.

The story of the fall cannot be told, because it has not happened. Lubbock sees the crisis coming and is trying to avert it by acquiring water rights in the sandhills to the west. The water table is falling as new wells go down, and old ones are deepened.

The story of the five cities could be continued with variations all around the semiarid rim of the arid region. It is a story of cities that got a little too close, all haunted now by a growing consciousness that in every oasis the desert rides outside. What lies outside was described by a real authority, none other than Moses. "And thy heaven that is over thy head shall be brass, and the earth that is under thee shall be iron. The Lord shall make the rain of thy land powder and dust; from heaven shall it come down upon thee, until thou be destroyed."

WHAT THE WEST HASN'T GOT

Once we recognize the desert as the major force in the American West, we are able to understand its history. With our feet planted firmly on a desert base, what hitherto seemed strange, irrational, bizarre, becomes logical and reasonable. Granted the prevailing influence of the desert, it is obvious that the West is in comparison to the East a land of deficiencies. It is full of negatives and short on positives. This obvious fact was first noted by examining 10 standard school histories to see the relative amount of space devoted to the western three-fifths of the country occupied by a little more than one-fifth of the people.

The results were unbelievable. At one extreme the West got 1½ pages out of 100; at the other extreme it got 15. The average for the 10 books was 6 or 7 pages out of 100. This disparity could not be explained by either bias or ignorance or prejudice of the authors, but it had to be explained, made logical and reasonable.

Below is a list of the positives and negatives of the West:

Negatives: Water, timber, cities, industry, labor, Negroes.

Positives: Land, grass, minerals, natural wonders, Indians, Orientals.

A study of this list gives a clue to the brevity of Western history. The scarcity of water, timber, cities, industry, labor, and Negroes in the desert means the absence of many problems about which historians write. Their presence in the rim States is considerable. For example, practically all the timber is in east Texas, Oklahoma, and the three Pacific States. The Negro problem exists only in Texas and California, and it did not come to California until after World War I. Manufacturing amounts to only 14 percent of the national total—and since there is little manufacturing, there is little to say about labor.

The list of positives gives us the main subjects about which the historians must write. Three of them—land, minerals, and natural wonders—cannot be destroyed by the desert. Many of the natural wonders, the Petrified Forest, the Painted Desert, and the Grand Canyon it created. The grass it tolerated on its rim. On the land men laid down dry farming and irrigation; on the grass they established the cattle kingdom; and on the minerals they built mining. All have been producers of raw products, and each destructive. The farmers with the help of the wind destroyed the soil, the cattle the grass, and the miners removed an irreplaceable resource. The natural wonders, in which the West abounds, have produced annually an increased crop of tourists, whose emblem is the desert water bag. They may prove the West's most dependable asset.

UNCLE SAM'S PEOPLE

The West is the home of four-fifths of the surviving Indians, and nearly all their reservations. It is the domicile of four-fifths of the Japanese and three-fifths of the Chinese in this country. It is the home of nearly all people of Spanish-Mexican descent. Paradoxically, contrary to the general opinion, it is in the Toynbeean sense the most cosmopolitan region of the Nation. The North is peopled by many nationalities, but nearly all belong to the Western civilization. The West has all these plus the Indian civilization and the Oriental.

The concentration of the Indians in the West suggests how the desert has been used as a place to discard what is unwanted elsewhere. In their rush westward, the Americans drove the Indians toward the desert to be the wards of Uncle Sam. In the same movement they took the land from Uncle Sam, all they considered worth taking. The refuse—mainly in the desert—they left in the hands of the Government. Here Uncle Sam is the biggest landholder; he owns 47.7 percent of the land in the 8 desert and 3 Pacific States. He owns 87.4 percent of Nevada, 65.3 percent of Idaho, 64.6 percent of Utah, 51.8 percent of Oregon, 47.7 percent of Wyoming, 42.6 percent of California. He owns it mainly because nobody wanted it. Here he established the national parks and forests. The Mormons, like the Indians, fled to it because they were not wanted, and all inland atomic explosions are touched off in the desert. (But ancestors of many of the best people in the West today went there because they were wanted elsewhere in another sense.)

In the columns above we listed 6 negatives and 6 positives. We now must add a seventh negative indicated by the short shrift the West gets in the standard histories. There the historian is deprived of that indispensable ingredient of history, chronology. Aside from the Spanish effort which resulted in failure, everything that happened there occurred yesterday—almost within the long life of one man. Historicallyfi the West has no depth, no long background of slow development. Its story is told in current events. It came on the scene too late to participate in the founding of the Nation or to prevent its dissolution in the Civil War. The result is that it has not yet produced a great statesman. Only two Presidents, Herbert Hoover and Dwight Eisenhower, have come from the region; only one was born there, and he rarely mentions it except at campaign time, and in the State of his birth.

Aside from the Battle of San Jacinto, there has never been a military conflict on Western soil that had the slightest influence on national affairs.

The 20-volume Dictionary of American Biography gives a sketch of every American who has had significance in our history. An examination of the 1,252 names listed under the letter B revealed that only 99 (8 percent) had any connection with the West. The current Who's Who lists 45,227 biographies, but only 7,369 (16.7 percent) are from the West. These percentages run far below the 23 percent of the population now in the West.

Eighty-six people have been voted into the American Hall of Fame, but there is not a Western man among them.

The Federal Government has set up 57 sites of national historic character, and of these only 2 are in the West, one commemorating Theodore Roosevelt and one in the Black Hills honoring Washington, Jefferson, Lincoln, and Theodore Roosevelt—not notable for being westerners. All national historical parks and sites, battlefields, and cemeteries are in the East, the boot hills of the West not yet having attained national recognition.

What is the biographer going to do for a region that has so few men of distinction? What is the historian going to do with a country almost without chronology or important battles or great victories or places where armies have surrendered or dead soldiers were buried? How can he make a thick history out of such thin material?

BRIEF AND BIZARRE

Two characteristics of Western history emerge from the situation. Western history is brief and it is bizarre. It is brief because the time is so short and its material deficient.

Western history is bizarre because of the nature of what it has got. The historians and other writers do what men have always done in the desert. They make the best of what little they do have. Westerners have developed a talent for taking something small and blowing it up to giant size, as a photographer blows up a photograph.

They write of cowboys as if they were noble knights, and the cowmen kings. They do biographies of bad men, Billy the Kid, the Plummer gang, and Sam Bass, of bad women like Calamity Jane, of gunmen like Wyatt Earp and Wild Bill Hickok, of cowmen like Goodnight, of miners like Death Valley Scotty and Silver Dollar Tabor. They blow the abandoned saloon up into an art museum, and Boot Hill into a shrine for pilgrims. In Montana Charlie Russell is better than Titian, and in the Black Hills Frederick Remington is greater than Michelangelo. Custer, who blundered to his death, taking better men with him, found a place in every saloon not already preempted to that travesty on decency and justice, Judge Roy Bean.

This talent for making the most of little has produced 2 strange western societies, 1 good and 1 bad. The good society is that of the Mormons in Utah, a rejected people with a bizarre religion who sought peace in the desert, took the bee as their symbol, and created by their hive-like industry something admirable.

The other society of more recent vintage sprang up in a similar desert, but took a different direction. No State has less to recommend it than Nevada. It is all desert and, once its minerals were depleted, it had little chance of prosperity and hardly enough people to maintain a State government. It solved its problem by creating an oasis of iniquity and license in a sea of moral inhibitions. It provided a haven in the desert to which all could come who wanted to gamble, divorce, or fornicate and have it quick and legal. Then it found it could have a monopoly only on the first two, and so substituted for the third the abolition of State income tax to attract the millionaires who make good customers at the casinos. Nevada was revolutionized, its population shortly doubled, and it has had the highest income per capita of any State in the Union. Nevada is what it is today because of what it did not have yesterday. In compensating for what the desert denied it, it has created the most bizarre society in the Nation.

As we look at the West with its dry center and rims of less dryness, we see that the desert is the unifying force. True, the people have moved into the oases, some of them manmade, but for the most part they dwell around its moist edges where they struggle for water with all their ingenuity. They are a normal people trying to create and maintain a normal civilization in an abnormal land.

They are like a musician performing on a giant stringed instrument with many of the strings missing. The missing strings put extraordinary demands on the performer. He must make the best of what he has; he must compensate by ingenuity, agility, and improvisations for the missing strings. His range is limited, his repertoire reduced. He cannot follow the musical conventions, will try anything, and we should not be surprised that the effects are sometimes odd. We can understand him better if we remember that he is seeking to conquer the great American desert. As the preacher said: "One generation passeth away, and another generation cometh: but the earth abideth forever." And so does the desert in the heart of the American West.

A CHALLENGE TO CATHOLIC EDUCATORS

Mr. MANSFIELD. Mr. President, on April 25, 1957, our former colleague, Hon. William Benton, former Senator from Connecticut, delivered an address to the annual convention of the National Catholic Educational Association in Milwaukee, Wis. In his address Mr. Benton described the Soviet educational system, and pointed out some meanings for American education in general, and Catholic education in particular.

Mr. President, I ask unanimous consent that the address of former Senator Benton be printed in the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A CHALLENGE TO CATHOLIC EDUCATORS

(Address by Hon. William Benton, publisher, Encyclopedia Britannica, National Catholic Educational Association, Milwaukee, Wis., April 25, 1957)

I am honored to have been asked to talk to you tonight about one of the most urgent subjects in today's world. The last time I spoke in Wisconsin I was cast as the keynoter of the 1952 Democratic State convention. It was a moment when Wisconsin Democrats were worried by their State's junior Senator much more than they appear to be today. I am happy to be here again—and under today's auspices.

Monsignor McManus said recently that the Catholic schools are "the most flourishing and fastest growing educational enterprise in the United States." Dramatic proof of this growth is the size and scope of your convention here in Milwaukee.

I am here with you because Father Donnelly, the president of Loyola University of New Orleans, read an article I wrote for the 1956 Britannica Year Book. This grew out of a visit by Mrs. Benton and me to the U. S. S. R. about 18 months ago. Father Donnelly sugested to Monsignor Hochwalt that I talk to you about Soviet education and what it means for America and for Catholic education in America. The rest was easy. Monsignor Hochwalt and I have been friends since we served together in Paris in 1946 on the United States delegation to the first general conference of UNESCO. I well recall how Monsignor Hochwalt thrilled our entire delegation—on our first Sunday in Paris—when he delivered the sermon at high mass in the Cathedral of Notre Dame.

My interest in Soviet education dates from that Paris conference. The cold war hadn't yet been declared for all to see, and the Soviets had given no clear answer on their intentions toward UNESCO. Would the U. S. S. R. sabotage the Western World in educational and cultural matters? I was then serving as Assistant Secretary of State. I decided to go to Moscow to make inquiries. Gen. Bedell Smith, our Ambassador to Moscow, sent his plane to Paris to fetch me. My wife and I flew a first leg as far as Berlin. There we drew a stony-faced blank from the Russians. The Iron Curtain was riveted down. We weren't wanted. We couldn't get clearance. Back we went to Paris.

Because you here work in the field of primary and secondary education I shall limit myself tonight to three quick points about the higher Soviet institutions, and then I shall go on—or back—to the lower schools. I am going to stress three positive points—and deliberately. The positive points have the most to teach us. I never believe in underestimating an opponent, and this particular opponent—the Communist hierarchy—boasts of the anticipated annihilation of the West. The teaching of the Communist dogma is neatly embalmed in a apocryphal anecdote from the Yalta Conference of 1945. One morning as Churchill, Roosevelt, and Stalin assembled for the daily round of conferences, Churchill removed his cigar from his mouth and said, "Gentlemen, I want to tell you of a momentous dream I had last night. I dreamt that God approached my bed in a blazing halo and anointed my forehead, saying, 'Winston, I hereby proclaim you prime minister of the world.'" Roosevelt thereupon jauntily tilted his cigarette holder and said, "How odd. I had a similar experience, except that in my dream God anointed me saying, 'Franklin, I hereby declare you president of the world.'" Whereupon Stalin puffed on his pipe and said, "This is strange, for I too had a similar dream; but I don't remember having anointed either of you."

My first point deals with the dimensions of the higher Soviet system. We Americans are proud that our college and university enrollment recently passed the 3 million mark. But the comparable Soviet figure is 3,775,000, and it is growing faster than ours. The Soviets boast 1,825,000 students in 33 Soviet universities and 800 higher institutes, and another 1,950,000 in 3,700 tekhnikums. (The tekhnikum in full flower as it exists today is a uniquely Russian institution—best described as a vocational college.) In addition to these full-time students millions take correspondence and evening classes. The current figures that seem most to upset Americans are for engineering. A year or so ago the Soviets graduated 63,000 new engineers to our 23,000.

My second point concerns the quality of Soviet higher education. Within their specialties, Soviet graduates measure up well with our own. Except for 10 percent of their time which all must devote to Marxism-Leninism, they concentrate narrowly on their specialties. As specialists, they are competent. We Americans will delude ourselves if we attribute Russian advances in science and technology—for example in atomic physics and aeronautics—mainly, or even largely, to imitation, or to espionage, or to the work of captured German scientists.

My third quick point concerns the talent of Soviet students. Here in the United States we have been jolted by a series of recent studies. These studies show that, of the top 20 percent of our high school population in intelligence, not more than 1 in 3 is graduated from college. Every year 200,000 exceptionally promising American youngsters fail to make the jump from high school into college—half of them because their families can't afford it.

This particular kind of wastage of a national asset isn't indulged in by the U. S. S. R. No people in the world today, with such possible exceptions as the Scots and the Jews, give more attention to developing talented young people. By the use of persuasion, and by incentives and pressures—in a combination that gives the individual very little real choice—the Soviet state steers its promising students into fields it decides are important and then holds them in the educational system up to the highest point of training they can absorb.

Money isn't a problem for a Soviet student. There is now no tuition charge at any level. Above the secondary school, every student gets a cash stipend of about half a worker's wages. In fields the Government is emphasizing, pay is higher; for example, it is higher in aeronautical engineering than in history. Its size also depends on how well the student performs in examinations. Further, if he does well, he is deferred from the draft; in some fields he is exempted permanently.

Most important of all, the Soviets make the life of the professional man, the scientist, the scholar and the engineer, the most desirable, or perhaps I should say the least undesirable, in the U. S. S. R. Such groups are treated and rewarded as counterparts to our American corporation presidents. In the U. S. S. R. it is they who get the cars and chauffeurs, the vineyards and the dachas in the country. This helps explain why Russian youngsters work their hearts out, and often wash their brains out, to climb the educational ladder.

A few weeks ago Prof. Edward Teller, of the University of California, called the father of the hydrogen bomb, made a statement that

should have rocked this country. He says we Americans have already lost the cold war of science to the Russians. Because it takes a dozen or more years to produce a scientist, and because the Russians have more young people in training than we do, and because they have kept their talented students in the educational system, there is now no conceivable way, says Dr. Teller, to prevent the Soviets within the next few years from overtaking and surpassing us in numbers and quality of scientists. If we Americans are to regain our scientific lead, our target date must be in the seventies or the eighties. The sixties, says Dr. Teller, are already lost.

To help us combat this crisis, a year ago I proposed that the Federal Government annually grant 100,000 competitive 4-year college scholarships, plus 20,000 graduate fellowships. As in the GI bill, the successful candidate should choose his own institution.

In addition to tuition and living expenses, each scholarship would provide a cost of education bonus to the institution.

* * * * *

Now I shall move on to Soviet primary and secondary education: first with a brief description and, second, with some of the implications for our own educational system here in America and particularly for Catholic education.

The Soviet system draws much of its quality from its czarist precursors. But prior to 1914 no more than one-half of Russian children of primary school age were ever enrolled in school; at least half of all Russians remained illiterate throughout their lives. Probably the greatest single Soviet achievement has been the gigantic program to bring every child into school. If the Communists have given up butter for guns, they have given up meat for education. Obviously they didn't invent universal education: We Americans were the pioneers. Universal education has been part of the American dream for more than a century. But it is now a fact of life that the Communists are attempting to pilfer our American dream of universal education and in broad daylight.

The core of the Soviet system is the so-called 10-year school. This is roughly comparable with our 12-year elementary and high school system. Please believe me when I tell you that the Russians pack far more facts, and alleged facts, into their children's heads in those 10 years than we do in our 12. I do not suggest, however, that facts are the sole aim or even the primary objective of education.

All children enter the 10-year school at age 7. The first four grades, devoted to reading, writing, and arithmetic, were made compulsory for all in 1930. The next three grades, the so-called incomplete secondary years, were made compulsory in 1947. The big decision to make the full 10 years universal and obligatory was taken in 1951. The target date is 1960 for all children from 7 to 17 and the goal had been 70 percent realized by 1955.

In the last 6 years of the 10-year school the academic pressure mounts progressively. History, geography, and literature enter the curriculum. Each student must devote 6 years to one foreign language. In the Federated Republic, which embraces three-fifths of the population of the U. S. S. R. and extends from the Baltic to the Pacific, every student, in every grade, is studying the same subjects at the same time, and with the same textbooks, with the single exception of his choice of a foreign language. English, as the new language of science, is now the favorite. John Gunther recently reported that there are 41,000 teachers of English in the U. S. S. R. My wife met one of them in the famous Moscow subway. Her Russian chauffeur was unable to explain its marvels except by gesticulation. A young man introduced himself and in excellent English took over as guide. After 5 or 6 minutes, as he turned to leave, he hesitantly queried my wife, "Madam, may I ask you a question? How is my English?" She replied, "Your English is fine; indeed it's perfect." He insisted, "Please be frank with me because I am an English teacher." She repeated, "I assure you your accent is perfect." He turned away and again came back, "Madam," he said gravely, "you are the first foreigner to whom I have ever spoken in my life." Then he vanished into the crowd.

The most striking feature of the 10-year curriculum is its emphasis on mathematics and science. Every graduate must complete mathematics through trigonometry. Each must take 5 years of physics, 4 years of chemistry, 4 years of biology, and 1 of astronomy. Some of our American experts have recently obtained copies of the science examinations used for the 10-year certificate. These examinations approximate the level required for admission to our American university graduate departments of science.

Admiral Lewis Strauss, chairman of our Atomic Energy Commission, comparing Soviet secondary education with our own, has stated: "I can learn of no public high school in our country where a student obtains so thorough a preparation in science and mathematics, even if he seeks it—even if he should be a potential Einstein, Edison, Fermi, or Bell."

Soviet boys and girls, like their West European counterparts, work far harder than do our American youngsters. Wearing their military-look uniforms, they attend classes for long hours each day, 6 days a week, 10 months a year. Discipline is strict. Examinations are severe. Beginning with the fourth year, pupils take examinations each spring covering an entire year's work. Examinations are oral as well as written, and are conducted in the presence of visiting inspectors.

One facet of the Soviet school system which dramatizes its growing efficiency, and which was of particular interest to me as chairman of Encyclopedia Britannica Films, the largest producer of classroom films in the free world, was the rapid strides in the development of audio-visual education. Mr. Ivan Kairov, Minister of Education of the Federated Republic, said to me, "the use of films is of tremendous importance."

In the Soviet Union, if a minister of education decides that 200 new films are to be produced and used, the 200 are produced and used. Here in the United States, more than a quarter century of patient work has gone into demonstrating the value of this new tool to individual teachers, principals, and school boards. We are still ahead of the Soviets in the quality of our films. Most of their films are of the documentary type, not integrated into the curriculum as are ours. But the Soviets seem to be surging ahead of us in their use of films.

In Kiev I visited a studio that produces educational films. Four pictures were screened for me. One was titled "The Story of the Note Book." The film opens with a teacher—a very attractive woman teacher—talking to a class of 8- or 9-year-olds. She holds up examples of the children's notebooks. Some have smudges. Some have fingerprints. Some have sloppy writing. She tells the children she wants them to appreciate the work that goes into producing a notebook. She turns to a still picture of lumbermen felling great pine trees, a still picture hanging right there on the classroom wall. Suddenly this picture begins to move and there we are—off on a very creditable movie showing the making of paper from the pine tree right through to the notebook—with the teacher's voice narrating throughout. At the end we go back into the classroom, with the pupils standing up and swearing to the teacher that henceforward they will treat their notebooks with the respect they deserve.

I was shown a new catalog published by the ministry of culture, listing nearly 1,000 educational films. Under the section on astronomy, for example, there was a film on solar and lunar eclipses; another on the changing of the seasons; one on the sun, another on the universe. One astronomy film was entitled "Heavenly Guests." I couldn't quite figure out what this means—perhaps comets.

David Johnston, an audiovisual expert at the University of London, visited the U. S. S. R. last year. In one 10-year school near Moscow, which seemed to him fairly typical, he found movie projectors in the biology room and the chemistry room. For physics, there were two film projectors, two film-strip projectors and two epidiascopes. The school library had over 200 physics films, and over 200 geography films. An assistant sets up the equipment, but the teacher controls the actual projection from a switch panel at his desk. Even the lowering and raising of the windowblinds was motorized in this school. In another school, Mr. Johnston counted 10 movie projectors.

So you will see that the Soviets are moving swiftly in this new and major area of educational technology. I fear they are likely to reach the goal of a projector in every classroom before we reach the goal of a projector in every school building. I warned you I would stress the strong points of Soviet education. Another good quick example is that in the U. S. S. R. there need be no shortage of physics teachers; draft exemption as an incentive should see to that.

Most obviously Soviet education also has its serious problems. With new millions to enroll, it faces a shortage of school rooms even more acute than ours. The new millions may also force on the system some lowering of standards. In the 10-year schools, polytechnical courses are beginning to replace logic and psychology, and some examinations are being abandoned.

But the Soviet system has weaknesses deeper and far more tragic, by our standards, than these. Fundamentally, it is a system of training rather than education. It is aimed wholly at service to the Soviet state. It is designed to sharpen human tools for coming 5-year plans. Because the end is narrow, the students concentrate narrowly. Because the end is specific, teachers and examiners place heavy emphasis on rote memorization.

For 40 years the Soviets have been trying to abolish moral absolutes and to establish in their stead materialistic absolutism. The Soviet constitution promises freedom of religion. In practice this means freedom from religion. All religion is systematically combated in the schools and through the youth organizations. But, ironically, the Soviets have reared a strange "religion" of their own, complete with an elaborate theology of atheism, embracing the dialectical trinity as expounded in the gospel according to Marx, Lenin and Stalin. They even have seminaries and missionaries to disseminate their mystique of materialism. Although Stalin has now been de-deified by his successors, we must not forget the divinity that still surrounds the Communist Party in the minds of its votaries. And of course all of us know that many Communists have been known to go to confession—and never come back.

Mr. Allen Dulles, the Director of the Central Intelligence Agency in Washington, has suggested that education may prove to be the Achilles' heel of communism. Can the Communists educate young people to think about chemistry and engineering without also teaching them to think? If students think clearly about medicine and aeronautics, won't they be apt to think about politics, economics and philosophy—and about religion? That simple question may prove to be the central issue of our time. We can hope and pray that the answer is favorable, but we dare not assume that it will be, or base our national policy on such an assumption. The example of Germany in the thirties, with its advanced science and technology, is all too vivid. The only prudent policy for the United States is to seek to multiply its own best efforts.

Educating the whole man, rather than training the prototype of the specialist, the technician, or the functionary, must remain our American goal. Yes, our young people need more mathematics and more science. But not because they must operate a technocratic society. They need mathematics and science because these disciplines are essentials of a liberal education.

Communism flings a sharp challenge to American educators in general, and to Catholic educators in particular. The challenge is this: To be our own best selves. Catholic education has its own unique intellectual tradition. At its purest it is a tradition of liberal education.

Twenty years ago, Dr. Robert M. Hutchins, then president of the University of Chicago, reminded the Midwest division of your association that the Catholic Church has "the longest intellectual tradition of any institution in the contemporary world." He then leveled against Catholic education in the United States what he called a "scandalous accusation," that it had failed to emphasize its age-old tradition of cultivating the intellect and instead had imitated the worse features of secular education, among which he listed athleticism, collegiatism, vocationalism, and anti-intellectualism. In brief, the trouble with Catholic education was that it was not Catholic enough.

Father John Courtney Murray, the distinguished theologian who serves as the advisor on articles pertaining to Roman Catholicism in the Encyclopaedia Britannica, spoke here in Milwaukee last spring. He referred to the Roman Catholic population of the United States as "a segment of our society, fully integrated into the pluralistic structure, which has now become so large that its educational needs and interests have become public needs and interests, at the same time that they remain special to the particular community." Today, with over 4 million students enrolled—11 percent of all school and college enrollments in the United States—the Catholic schools have numbers enough not only to carry weight but to provide leadership in every community.

Must our Catholic schools not strive increasingly to become citadels of intellectual as well as moral excellence? They have the tradition. They have the organization. Already, on one great moral issue, they have given leadership to the entire Nation. That issue is segregation.

The moral case for desegregation is of course manifest, but today there are two powerful new arguments, arguments of prudence, rising out of the international strains of competitive coexistence. The first is that a billion dark-skinned human beings in the underdeveloped areas who are now deciding whether to follow the leadership of the free world, look with grave misgiving at the spectacle of racial discrimination in the United States. The second is that we can no longer afford to waste the talent of our Negro youth.

Long before the Supreme Court decision of May 1954, Catholic elementary and high schools in area after area where segregation had been firmly entrenched by law and custom, quietly opened their doors to Negroes. Before 1954, 25 Catholic colleges, universities, and seminaries had desegregated—including institutions in Mississippi, Louisiana, and the District of Columbia. They have thus provided a stirring example for the public institutions.

Because they hold to a common acceptance of first principles and objectives, Catholic schools and colleges have a special opportunity to work toward what must be established as the primary aim of American education: producing not highly trained technicians on the Soviet model but educated individuals on the American model—men and women who possess wisdom as well as knowledge; compassion as well as high personal standards; convictions as well as disciplined reasoning; sensitivity to beauty as well as tough-minded ability to distinguish between the genuine and the counterfeit; individuality as well as willingness to work together with others toward a common goal. Because teachers in Catholic schools are for the most part dedicated on the basis of religious vocation, their training can be more carefully supervised, their professional careers more systematically organized. Curriculum reforms can be achieved more readily than in public education—provided there is a will among Catholic educators to make such reforms.

There are increasing indications that such a will not only exists but is strengthening. Catholic schools and colleges throughout the country are trying imaginative new approaches. The Sisters of Mercy in Chicago, for example, are experimenting with the idea that education should be regarded as a continuous process. They are developing an integrated education—from kindergarten through the fourth year of college—in which each part is related to all the others, and through which the student can proceed at his own best pace.

The University of Notre Dame is reorganizing the entire curriculum of its College of Arts and Letters—to give greater unity and purpose to undergraduate studies. Too often in American higher education these are nothing but a hodge-podge of unrelated tidbits.

One of the most interesting new developments in Catholic education—one that grew out of your 1952 convention in Kansas City—is the Sister Formation Conference. This remarkable venture undertaken by the major orders of teaching nuns in the United States has won the support of the Fund for the Advancement of Education of the Ford Foundation. It aims at nothing less than a complete revolution in the recruitment and training of religious teachers for the Catholic schools.

A ferment is indeed stirring Catholic education in the United States at this midpoint of the 20th century. It rises out of what seems to me—as a non-Catholic layman—a most remarkable capacity for constructive self-criticism. This in turn springs from newly strengthened confidence. With boldness, imagination, and a willingness to change—Catholic schools and colleges may well realize in the decades ahead the full potential of their matchless tradition.

I leave you, as I began, with a quotation from Monsignor McManus: "Our Catholic schools are going places. Those who staff and direct them have talent, ambition, energy, capacity for hard work, boundless enthusiasm, and the priceless asset of an assurance of God's benevolent help." And I add to Monsignor McManus: What a magnificent moment to be alive—to be here at this great convention—and to be at such a work.

ADDRESS BY PRESIDENT CARLOS P. GARCIA, OF THE PHILIPPINES

Mr. MANSFIELD. Mr. President, it is a matter of gratification for the American people and for all lovers of freedom to read the address delivered by President Carlos P. Garcia, of the Philippines, on the 15th anniversary of the fall of Bataan, when he reiterated in stirring words the determination of the Filipino people "to meet the challenge of godless Communist aggression," that the peoples of the world may live in peace and happiness.

When he also said that "the spirit of Bataan symbolizes for all time the Philippine-American covenant to stand together always in defense of freedom and democracy and of those institutions and causes that Filipinos and Americans commonly hold dearest and nearest to their hearts," President Garcia was voicing the ideals of people who know what it means in heroic sacrifice to fight for the highest values in the democratic way of life.

Now that President Magsaysay has passed to the Great Beyond, the Filipino people are fortunate indeed that his successor is fully cognizant of the dangers of totalitarianism. Here is a leader who has the same determination as that exemplified by his predecessor to fight communism without quarter, and to shield his nation from the blandishments, cajolery, and intimidation of Moscow.

The Philippine-American spirit will continue to be one of unity in its resolute stand against totalitarianism while we have leaders of the courage and vision of men like President Garcia.

Mr. President, in the course of an interview in Manila, the account of which is carried in this morning's New York Times, President Garcia made the statement:

> The Philippines will never forget what the United States has done here.

May I say that reciprocity is a two-way street, and that the United States will never forget the sacrifices made by the Filipinos in our common cause during the Second World War.

The distinguished Senator from New Jersey [Mr. SMITH] and I, along with Secretary Dulles, had a chance to observe President Garcia in action during the time of SEATO conference in Manila in September 1954. We were impressed by his decency, honesty, and sincerity. We know he has a difficult job, but we know that under his leadership the good and friendly relations between our two great Republics will continue in the years ahead.

Mr. President, I ask unanimous consent that a copy of the address delivered by President Garcia, as well as articles from the Washington Post and New York Times, be printed in the RECORD as a part of my remarks.

There being no objection, the address and articles were ordered to be printed in the RECORD, as follows:

> It is difficult for a Filipino who is proud of his race to stand on this hallowed ground overlooking Bagumbayan Field without feeling a twitch of glorious pain in his heart. It was here where a people's aspiration for freedom was set aflame with the death of one man—where one bullet snuffed out one life, only to kindle the courage of millions of people. It is meet, therefore, that on the anniversary of Bataan Day the stage be set on this sacred ground.

I have often wondered why year after year we choose to remember that heartbreaking day, 15 years ago, when organized resistance in the peninsula of Bataan by gallant Filipino and American soldiers crumbled before overwhelmingly superior forces of the enemy; why we have to recall every once so often the gallant but tragically futile stand of the Philippine and American forces in that beleaguered and blood-drenched peninsula and bring to mind again the nightmares of the death march that followed.

If a people chose to remember the tragedy of Bataan, it is because Bataan may have been a military defeat, but it was a magnificent victory of a people's spirit, the victory of a strong and steadfast heart against a cruel and determined enemy. There must be something in the fall of Bataan that makes our people take pride in being Filipinos. Wars have been lost in the past and defeated peoples gone down with them, but the defeat of Bataan was a temporary military defeat—the Filipino people not only won that war but became stronger with it.

What did the Philippines lose in the battle of Bataan? As we look back through the years against the perspective of a people's courage that rose from defeat and subjugation to a new and glorious present, it is now clear that all we lost in Bataan was merely a piece of real estate which our fighting men yielded to the enemy only because of overwhelming odds. The military bastions of Bataan were the ones that crumbled. The will to fight, the fortitude to endure, and the determination to win the battles never died in the Filipino people. In fact, within a few months this spirit swept the length and breadth of our country, fired the humblest farmer with a new determination, and gave birth to the resistance movement which was kept alive until American forces liberated the country from the enemy. It was this spirit that led small patrols into encounters with the enemy at tremendous odds, that forced a people to endure deprivation, starvation, and death rather than bow to the domination of a conqueror. Finally, this avenging spirit marched with the liberation forces and, side by side with their American allies, ferreted the enemy out of his ratholes and, without regard to life or limb, hastened the early liberation of his benighted country. It must be the inspiration of this spirit which led José Abad Santos to a smiling death rather than bow to the enemy; that led Manuel Colayco and more like him to disregard their safety for the sake of their hapless countrymen. Much later, in the frozen wastes of Korea, the Filipino brought this ringing courage to meet the challenge of the Godless Communist aggression in that part of the world that other peoples may live in peace and happiness.

It was inevitable that the world should take notice of the Filipino brand of patriotism and love for freedom. It was this spirit that earned for the Filipino a worthy and honored place among the sisterhood of free and independent nations. I know now that Bataan must be celebrated every year, not only to remember the gallant dead but to fire the living with a new resolve to carry on the torch of freedom—to rededicate again those ideals for which so many suffered and died.

On this occasion, let us pledge to the heroes of Bataan, living and dead, that by our sincere dedication to liberty and democracy, by our unswerving determination to keep our native land free from the curse of a godless ideology and by our unrelenting crusade for peace and universal prosperity, we shall prove to history that they have not died in vain.

Let the spirit of Bataan be the new redemptive power that would rout the forces of corruption, greed, concupiscence, vice, and criminality in our midst. Let the spirit of Bataan be the regenerative power that would lift our people to a life of faith and hope or triumphant nationalism without any isolationist fear to live with the free world on terms of equality and mutual respect. Let the spirit of Bataan be the new dynamics to our economic renaissance that would turn the wheels of industry, multiply the productivity of our agriculture, open new avenues of employment for the sinews of labor and new fields of investment for capital. Let the spirit of Bataan symbolize into perpetuity the Filipino-American covenant to always stand together as they stood together on the summits of Bataan and on the rock of Corregidor in defense of freedom and democracy, and of those institutions and causes that we commonly hold dearest and nearest to our hearts.

Let the spirit of Bataan be an added instrument of the people for the upbuilding of a Philippine nation truly free, prosperous, and truly happy.

I thank you.

[From Washington Post and Times Herald of April 29, 1957]

NEW LEADER IN MANILA

President Carlos P. Garcia, of the Philippines, knows how it feels to have the moon and stars fall on him. The tragic death of President Magsaysay which catapulted Mr. Garcia into the Presidency at Manila sent him to President Truman's Memoirs to study the similar transition of authority that occurred in this country in 1945 on the death of President Roosevelt. Mr. Garcia's countrymen, too, are conscious of this historic parallel, and it is heartening to hear them report that Mr. Garcia, a quiet man without much of the dramatic in him, is rising to the occasion as Harry Truman did.

Mr. Garcia's friends admit that he lacks the genius for reaching the hearts of the people that President Magsaysay had in rich abundance. But he has a good grasp on realities. He has identified himself with the ferment of freedom, independence, and improved standards of living that is felt throughout the Orient. And he sees that the greatest hope for attainment of these aims so vital to all the people's of Asia lies in close friendship with the United States. Like his predecessors, he speaks with profound thankfulness of the freedom the United States gave to the Philippines, and of the influence that example has had on the whole Orient. So he makes continued partnership with this country the cornerstone of his foreign policy.

In both the foreign and domestic spheres, Mr. Garcia is seeking to carry out the policies to which Magsaysay was dedicated. Following the Truman example, he is also making a fight for election in his own right in November. His emergence as an able successor to the venerated Magsaysay is a salutary demonstration of the strength of Philippine democracy.

[From the New York Times of April 28, 1957]

GARCIA GIVES AIMS AS FILIPINO CHIEF—AIMS TO PURSUE MAGSAYSAY POLICIES AND TO BE ELECTED PRESIDENT—HAILS UNITED STATES

MANILA, April 23.—President Carlos P. Garcia of the Philippines has two immediate goals—to continue the policies of the late President Ramon Magsaysay and to be elected President in his own right.

In an interview, President Garcia stressed his determination to continue "the closest possible relations with the United States." Sharp criticisms of the United States by some Philippine politicians, Mr. Garcia said, do not represent majority Filipino opinion and certainly not that of the administration.

"There's proof of that in the present political campaigns," Mr. Garcia said. "Many candidates who have been critical have suddenly become great friends of the United States—it's politically the thing to do if a candidate expects people to vote for him."

CHAIN REACTION STARTED

Not only is President Garcia impressed by help given the Philippines by the United States but he credits America with having "started a chain reaction over the world" that has brought independence to a number of nations.

"The Philippines will never forget what the United States has done here," he said. "The United States promised us independence. Once this country was redeemed from the Japanese, the United States did not wait a single day to redeem its promise. No sooner had Japanese occupation ended than we got our freedom.

"I believe that what the United States did here had a great deal to do with India and Pakistan getting their freedom so quickly, with Indonesia and Burma, and the Indochina states," Mr. Garcia continued. "And I think that that reaction is still at work—in Africa, for instance. It is a great thing for the world.

"The United States is trying its best to help us. I do not feel, whatever some others might say, that the United States has imposed its will on us anywhere. Aid has been offered freely and openly, and we can take it or leave it. We have been wise enough to take it, and we have benefited."

Turning to politics, Mr. Garcia said, "I expect to be nominated for the Presidency this year, and I expect to win.

CONFIDENT OF VICTORY

"The most difficult task will be to get the nomination," he predicted. "The death of Magsaysay has stimulated many ambitions in many people. There will be a battle in the Nationalist party convention. I feel I can win the battle, but it may be hard. Whoever does win should win the election easily because the chief opposition party—the Liberal party—is split wide open. I expect to start a new term in November in my own right."

There is a parallel between Mr. Garcia's succession to the Presidency and that of former President Harry S. Truman of the United States. Both succeeded an exceedingly popular hero who died suddenly and unexpectedly. Both had long and not too colorful political careers. Neither was considered a particularly strong man, and yet each moved immediately to take firm and active control of his administration.

Mr. Garcia concedes the parallel when asked about it. Had he read Mr. Truman's Memoirs on his years in the White House?

"Not all of them," Mr. Garcia admitted, "but I did recently read the sections in which he describes his feelings upon taking over the Presidency when Roosevelt died. I know how he felt."

Mr. Garcia was in Australia when he first got word that Mr. Magsaysay's plane was missing and presumed lost. He rushed back to the Philippines, receiving confirmation of Mr. Magsaysay's death on the way.

Mr. WILEY. Mr. President, in an interview in Manila with the North American Newspaper Alliance datelined April 23, 1957, the new President of the Philippines, Carlos P. Garcia, has made statements of great interest to the free world. It is evident that the late President Magsaysay's successor is a courageous champion of democracy and that those who believe in freedom and human dignity can rest assured the new leader of the Filipino people will continue to uphold all those spiritual values that are the basis of the strength and greatness of all democratic nations the world over.

The Washington Post and Times Herald, in an editorial published April 29, 1957, basing its views on the interview I have just mentioned, pays tribute to President Garcia and says that "his emergence as an able successor to the venerated Magsaysay is a salutory demonstration of the strength of Philippine democracy."

No better description could have been made of the vitality of the Philippines as a democratic country, and no higher tribute could have been paid to the Filipino people. We in America are proud to have such friends and allies, and we salute them for showing the world that the processes of democracy in the Philippines continue undisturbed no matter what changes in their leadership may take place.

In making continued partnership with the United States the cornerstone of his foreign policy, President Garcia shows that he has the vision of a statesman. As Secretary of Foreign Affairs under the late President Magsaysay, he was coarchitect of that revered Filipino's outspoken and forthright stand for Philippine-American friendship. Now that President Garcia is the Chief Executive, it is no wonder that he should carry on with the same foreign policy that as Secretary of Foreign Affairs he so ably implemented.

I ask unanimous consent that the Washington Post and Times Herald editorial and an article entitled "Garcia Gives Aims as Filipino Chief," published by the North American Newspaper Alliance, be printed at this point in the RECORD.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald]

NEW LEADER IN MANILA

President Carlos P. Garcia, of the Philippines, knows how it feels to have the moon and the stars fall on him. The tragic death of President Magsaysay which catapulted Mr. Garcia into the Presidency at Manila sent him to President Truman's Memoirs to study the similar transition of authority that occurred in this country in 1945 on the death of President Roosevelt. Mr. Garcia's countrymen, too, are conscious of this historic parallel, and it is heartening to hear them report that Mr. Garcia, a quiet man without much of the dramatic in him, is rising to the occasion as Harry Truman did.

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In both the foreign and domestic spheres Mr. Garcia is seeking to carry out the policies to which Magsaysay was dedicated. Following the Truman example, he is also making a fight for election in his own right in November. His emergence as an able successor to the venerated Magsaysay is a salutary demonstration of the strength of Philippine democracy.

[From the North American Newspaper Alliance release]

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LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I must leave the Chamber soon, but, if Senators will indulge me, I have a brief announcement I should like to make for the information of the Senate.

Mr. President, we have some 15 appropriation bills to consider in the Senate. It is about the time of the year when the Appropriations Committee begins to report those bills to the floor. As all Senators know, the Senate does not consider appropriation bills unless and until the House has acted upon them.

I have asked the Appropriations Committee to give me some information as to the present status of bills pending before that committee.

I have been informed by some of my colleagues that they desire to be notified as soon as the appropriation bills are reported to the Senate, and that in most instances they desired to see the rules followed, which require that an appropriation bill, hearings, and report be available to Senators 3 days before the bill can be brought up for consideration by the Senate.

I am informed that the Treasury, Post Office bill is likely to be reported by the committee between May 7 and May 10. The Interior bill will probably be reported in the second week of May. The general government matters and the independent offices bills will probably be reported in the second week of May. The Commerce Department bill will probably be reported in the second week of May.

Hearings will start tomorrow afternoon on the State, Justice, Judiciary bill. Secretary Dulles will be the first witness. I read in the paper this morning that the President directed the Secretary yesterday to testify before the committee. I should like to observe that the Secretary has been scheduled to testify for some 2 months now, and that actually the date was set several weeks ago.

There are also the Agriculture Department appropriation bill, which we hope will be reported by May 22, and the third supplemental bill, and the District of Columbia appropriation bill by the latter part of May.

Mr. President, it is the hope of the leadership that we may be able to dispose of more than a majority of the appropriation bills during the month of May. Hearings have already begun on most of them, and are far advanced.

As usual, the mutual security bill, the legislative bill, the defense bill, and the later supplemental bills will come along during the month of June, and that will complete our action. I should

like to have all Senators on notice that we expect at least eight appropriation bills to be considered during the month of May. In most instances the 3-day rule must be followed. Senators should make engagements during May with extreme care if they desire to be present when appropriation bills are considered. I am sure there will be considerable controversy in connection with most of them.

Mr. President, I make this statement in order that every Senator may be on notice as to the intentions of the leadership.

ORDER DISPENSING WITH THE CALL OF THE CALENDAR

On request of Mr. JOHNSON of Texas, and by unanimous consent, the call of the calendar today under the rule was dispensed with.

ORDER FOR ADJOURNMENT TO WEDNESDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in adjournment until 12 o'clock noon on Wednesday next.

The PRESIDING OFFICER (Mr. STENNIS in the chair). Without objection, it is so ordered.

THE SCRANTON STORY

Mr. CLARK. Mr. President, the city of Scranton, Pa., has recently received unfavorable publicity because of the activities of certain labor leaders in that community.

The city of Scranton itself is one of the pearls of the Commonwealth of Pennsylvania. The city has met adversity with fortitude. It has pulled itself up by its bootstraps. It is a city of which everyone in the Commonwealth of Pennsylvania is extremely proud.

Mr. President, I ask unanimous consent to have printed in the RECORD two statements which were read into the record of the Senate Permanent Committee on Investigation by the Senator from Arkansas [Mr. MCCLELLAN], chairman of the committee, on April 16, 1957. These statements made on behalf of the Scranton Chamber of Commerce and the Northeast Pennsylvania Industrial Development Commission clearly state a situation with which I am very familiar—that Scranton and northeastern Pennsylvania represent outstanding examples of ingenuity in industrial and community development. I have great personal praise for their civic responsibility and their intrepid courage in creating new employment.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

Senator JOHN L. MCCLELLAN,
Chairman, Senate Permanent Committee on Investigations, Senate Office Building, Washington, D. C.:

A humble community would like the honor to have this statement read into your committee's record prior to commencement of testimony from invited witnesses from Scranton, Pa.

As the processes of this, our Congress, move on in the pursuit of new or corrective legislation to provide this Nation with the best in democratically arrived at laws, it becomes very apparent that all of the apples in the barrel might be characterized, in your quest to spotlight one or more apples under investigation.

Scranton and northeastern Pennsylvania have a proud record—a record that has been lauded on Congressional floors. It represents a record of achievements in the best American tradition.

Under a system of personal individualism, workers from the hard-coal areas of Pennsylvania have, for more than a century, engaged in labor that has been rugged, has been disillusioning, and most dangerous. But they persevered. They have faced the adverse and responded.

During World War II, if the committee staff will check the records of the Veterans' Administration or the armed services, the Scranton and northeastern Pennsylvania region have given to the cause of national liberty more than their equal share of servicemen. When these men returned home, those among them that shared the dismal trials of service and welcomed the advent of civil life, these men were confronted with an economic situation that offered no employment. But, as in wartime, that situation was not totally bad.

Leaders in Scranton and northeastern Pennsylvania conceived what is being heralded in another section of this Senate, the Senate Committee on Banking and Currency now studying the area redevelopment program, a program of community industrial self-help called the "Scranton Plan" which has created thousands of new jobs in the face of a declining anthracite industry.

We wish that the honorable Senate and your committee would recognize that, in view of the tremendous appeal which sensational news reflects from Washington, that Scranton and its environs could be negatively affected if your committee does not at the very outset establish, if it will establish forthwith, a community does have noteworthy qualities. That Scranton is respected as one of those communities.

Scranton and the entire northeastern section of Pennsylvania are engaged in an heroic battle to achieve economic solvency. That community has gained fame for initiating a wonderful self-help spirit that did not await Federal or State intervention and supervision of its problems, but solved most of them within the community.

We can hardly believe that your committee would do anything to defame such a community as a whole, a city that only recently was honored as an all-America city.

But rather, your committee in its contemplation of national reaction to your spotlight hearings will temper a generous number of favorable observations on the stimulating community program that is now in effect at Scranton.

We trust that your committee can appreciate our earnest concern over your broad projection of Scranton before your most honorable body.

VICTOR C. DIEHM,
President, Northeast Pennsylvania Industrial Development Commission.
HAZLETON, PA.

Scranton, Pa., once center of the anthracite industry, developed 12 years ago an industrial development plan of community self-help. People raised $4 million to build 27 community plants to employ almost 10,000 of our people.

This truly American plan has done much to help solve our economic problems.

In view of the widespread negative publicity attached to Senate hearings on practices of labor leaders in the Scranton area, we are concerned that our Nation will associate our industrial development in a negative way.

We are a courageous people, whose Scranton plan we hope will continue to merit the attention and the consideration of progressive people, who will want to associate with us and help us to continue building our new economy.

JOHN J. O'CONNELL,
President, Scranton Chamber of Commerce.

Mr. CLARK. Mr. President, Scranton, Pa., once the flourishing center of the anthracite industry, developed 12 years ago an industrial development plan of community self-help. The people of Scranton raised $4 million to build 27 community plants to create almost 10,000 jobs.

This remarkable initiative has done much to overcome their economic difficulties.

In view of the widespread negative publicity that has come to Scranton as a result of the recent Senate hearings, I ask unanimous consent to have printed in the RECORD a copy of "The Scranton Story" so that the Nation can appreciate the fine community spirit and outstanding civic leadership of one of Pennsylvania's great cities.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE SCRANTON STORY—70 NEW PLANTS BUILT, 100 EXPANDED

THE SCRANTON PLAN TODAY

Twelve years ago, at the close of World War II, an industrial development plan—destined to become the renowned Scranton plan—was launched. At the time of its inception, the entire future of this region was totally dependent upon the success or failure of the daring plan.

The Scranton plan was born of necessity and it was launched in the greatest cooperative community spirit ever experienced in the country.

More than $4 million have been raised in community industrial corporations and it should be noted that that money has been used to build 26 community plants for new industries to lease or buy. They are worth more than $19 million today.

Just 12 years after the birth of a community self-help program which has brought honor after honor to Scranton and its citizens, there are moments when, reflecting on the progress made to date, one wonders what this area might be like today had there not been decisive action on the part of the hard-working people who make the Scranton area their home.

Fortunately, such reflection is brief—for the outstanding achievements of the past few years have carried the region so far along the road of industrial progress that the days when the area was faced with the loss of its single basic industry seem dim in comparison.

The Scranton plan has brought the entire region to the point where—with the added impetus provided by the Scranton Chamber of Commerce and the continued cooperation endeavors of our citizens—the dreamed-of goal of making the Scranton area one of the industrial capitals of the world is not too far away. The road ahead is not smooth, however. Strong efforts must still be forthcoming from all concerned if we are to overcome the final obstacles in our way and complete the task of building a new economy—based on the solid and everlasting bedrock of industrial diversification.

The experience gained in the early days of the Scranton plan will lead us to believe that we can—and will—accomplish that goal.

27 community plants

Present appraised value	$19,365,000
Total industrial floor space	2,620,236
Total employed (approximate)	7,775
Estimated potential employment	14,950
Estimated annual payroll	24,953,000
Estimated potential payroll	59,800,000
43 new buildings financed by private capital in the area	
Estimated cost of plants	$69,234,000
Total square feet	3,583,900
Estimated potential employment	10,680
Estimated potential payroll	32,787,880
100 expansions in established industries	
Estimated cost of expansions	$18,548,400
Estimated employment	24,700

Current expansions—community plants: Trane Co., 24,000 square feet; Life No. 10, 128,000 square feet.

UNIFICATION OF DEFENSE FORCES

Mr. SYMINGTON. Mr. President, everyone interested in the possible reduction of the Federal budget knows that by far the greatest opportunities for economy exist in connection with the national-defense items.

Therefore I ask unanimous consent to have printed in the RECORD at this point an article entitled "Real Unification of Forces Urged," written by John D. Morris, and published in the New York Times of April 28, 1957.

The article has to do with the opinions of a distinguished Member of the House of Representatives, Representative GEORGE H. MAHON, of Texas, one of the most experienced and informed Members of Congress on this particular subject. Representative MAHON is chairman of the Subcommittee on Military Appropriations of the House Appropriations Committee.

Mr. President, all those Members of both bodies of the Congress who are interested in reducing the cost of Government will be interested in this article.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REAL UNIFICATION OF FORCES URGED—TEXAS REPRESENTATIVE BIDS EISENHOWER END RIVALRIES SO BUDGET CAN BE CUT

(By John D. Morris)

WASHINGTON, April 27.—The chairman of a Congressional panel in charge of the military budget urged President Eisenhower today to initiate a drive for real unification of the Armed Forces.

Representative GEORGE H. MAHON, Democrat, of Texas, blamed inordinate jealousy and rivalry among the services for soaring defense costs. He predicted that annual outlays proposed by the administration would rise to about $50 billion in the next few years unless rivalry was stopped.

MISSILES SINGLED OUT

The military budget for the 1958 fiscal year, which starts July 1, 1957, is $38 billion compared with $35,500,000,000 2 years ago. The House Appropriations subcommittee headed by Representative MAHON meets next week to start writing the bill to provide the money.

Mr. MAHON, in an interview, looked for some reductions but doubted that savings approaching $3 billion, as suggested by some economy advocates, could be achieved by Congress without real unification of the services.

He said the rivalry was particularly costly in the development of missiles, with the Army, Navy, and Air Force each asking for "more money, more programs and more duplications."

"The only answer," he asserted, "is more unification—something approaching a merger of the services. We have got to put them all in the same uniform."

Mr. MAHON recalled that only last year he had defended "a certain amount of rivalry" among the services as healthful, but added:

"It has now gotten out of hand. It's very unwholesome and very wasteful and I think something has got to be done about it."

He said legislation probably would be required. President Eisenhower could provide the impetus, if he could find the time to take a personal interest in the problem, Mr. MAHON said.

KNOCK SOME HEADS

"If President Eisenhower with his vast prestige as a military man should say this rivalry has gone beyond wholesome bounds and is threatening the national security and retrenchment, if he would knock some heads together, he could get the support of Congress to work it out," Mr. MAHON asserted.

The main basis of the rivalry, he said, involves a struggle between the Army and Air Force in the knowledge that "whoever controls the missiles will dominate the military scene say 10 years from now."

In addition, he said, the Navy is battling the Air Force to preserve the aircraft carrier's mission as a strategic offensive weapon.

"There is a fierce contest going on," he remarked. "It's the fiercest that I have ever observed. I see a tendency of the services to look upon the sister services as enemies in this long-range planning. Each feels that the other is threatening her place in the sun. If we had them all working on the same team, maybe a satisfactory solution could be found."

Even under present circumstances, Representative MAHON said, the services should be able to get along on expenditures of $35 billion a year.

"It would be wholesome if the Department of Defense would set such a ceiling and determine to live within it," he suggested. "It seems to me we ought to buy a reasonably satisfactory defense for $35 billion.

"I would favor an overriding national policy that all the defense we can't buy for $35 billion we would do without. I think we would come nearer to getting our money's worth."

THE SOVEREIGN STATES

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a review by Mr. William Henry Chamberlin, published in the Wall Street Journal of April 29, on a book entitled "The Sovereign States," written by James Jackson Kilpatrick, editor of the Richmond News Leader.

There being no objection, the book review was ordered to be printed in the RECORD, as follows:

THE BOOKSHELF

(By William Henry Chamberlin)

RINGING AVOWAL OF STATES' RIGHTS

It is appropriate that a citizen of Virginia, Richmond editor James Jackson Kilpatrick, should raise the sadly tattered and often furled banner of States rights.

For Virginia is the State of Thomas Jefferson, fiercest critic of centralized governmental power; of Patrick Henry, who opposed the adoption of the Constitution because he feared a threat to State and local liberties; of Robert E. Lee, who laid down a commission he had held with distinction in the United States Army because he placed loyalty to his State first.

Mr. Kilpatrick's book on The Sovereign States is avowedly written with a purpose—to assert the rights of the States against what he regards as the encroachments of the Federal Government and of the Supreme Court. Like most white southerners (if one may judge from the resolutions of southern legislatures and the attitude of almost all southern Members of Congress), he regards the ruling of the Supreme Court against the maintenance of segregated schools as an unwarranted intrusion into the proper functions of the States.

His argument on this point is stated as follows:

"(1) Under the 10th amendment, all powers not delegated to the United States nor prohibited by the Constitution to the States are reserved to the States respectively or to the people; (2) the power to operate racially separate schools never was prohibited to the States by the 14th amendment or by any other provision of the Constitution, but on the contrary was clearly understood to be reserved to them; (3) therefore, that power remains vested in the States respectively to this day, and can be prohibited to them only by the Constitution itself, and not by any judicial construction."

Mr. Kilpatrick discusses at length the circumstances of the adoption, in 1866, of the 14th amendment which provides that no State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States or deprive any person of life, liberty or property without due process of law or "deny to any person within its jurisdiction the equal protection of the laws."

He shows that the same Senate which passed the amendment almost simultaneously established racially segregated schools in Georgetown, now part of Washington, D. C., and that many northern States at that time maintained segregated schools. At no time, he observes, was the passage of the amendment regarded as aimed against racially separated schools.

But the book is not primarily a polemic about the Supreme Court decision striking down the practice of segregation in public schools. It is devoted to the broader subject of the rights of State governments.

Going back to the nationwide debate which preceded the adoption of the Constitution, the author cites the fiery Patrick Henry as he prophetically perceived that the power of Federal taxation would swing the balance against the States. Henry's words were: "Your rich, smug, fine, fat Federal officers—the number of collectors of taxes and excises—will outnumber anything from the States. Who can cope with the excise man and the tax men?"

And he cites the ringing words of Thomas Jefferson, in the Kentucky resolution against the alien and sedition laws: "Confidence is everywhere the parent of despotism; free government is founded in jealousy and not in confidence; it is jealousy and not confidence which prescribes limited constitutions to bind down those whom we are obliged to trust with power; our Constitution has accordingly fixed the limits to which and no further our confidence may go."

The so-called right of a State to interpose its authority to prevent a wrong threatened by the Federal Government was asserted in

the closely parallel Kentucky and Virginia resolutions. Ranging through the pages of American history, Mr. Kilpatrick shows that at various times various sections of the country showed a defiant attitude toward the Federal Government and toward Supreme Court decisions.

The reader is introduced to the Hartford convention of 1814, which reflected widespread New England disaffection with "Mr. Madison's war" and with the nullification crisis in South Carolina over the "tariff of abominations." Disclaiming any sympathy with slavery, Mr. Kilpatrick points out that up to the time of the Civil War the obligation to return fugitive slaves was the law of the land, upheld by many court rulings.

But in the northern States where antipathy to slavery was strong, personal-liberty laws, enacted by the States, had the effect of making Federal legislation and court rulings null and void. What was sauce for the northern goose then, he implies, may also be sauce for the southern gander at the present time.

While this book is not one of profound original scholarship, the author has done good homework on his sources and reconstructs past political events and court decisions with vigor, vividness, and imagination. In resurrecting and restating the views of the more extreme advocates of State sovereignty, though, Mr. Kilpatrick is probably championing a lost cause. The march of science, invention, and modern industrial organization has not respected State frontiers.

There is an infinitely greater interdependence among the 48 States of 1957 than there was among the 13 States of the Union which grew out of the American Revolution. The sense of being a citizen of a single State is weakened in an age when the automobile has made Americans nomads and the airplane brings New York closer to California than it was to Boston when the Constitution was adopted.

Yet as a dissenting opinion, set forth with clarity and integrity, Mr. Kilpatrick's avowedly partisan brief commands attention and respect. This southern editor has put the case of the South as capably, perhaps, as it has been presented, and with considerably more than average knowledge of historical, constitutional, and legal precedents.

EGYPT, SUEZ, AND THE MIDDLE EAST

Mr. JAVITS. Mr. President, while the Congress was in recess, the Government of Egypt under Colonel Nasser made a unilateral declaration as to the conditions under which the maritime nations of the world may use the newly opened Suez Canal.

Under circumstances of continued tension and threat of explosion in the Near East, the key point for us continues to be the Suez Canal. It was the nationalization of Suez which started the chain of events that created the Mideast crisis. It will be our success in respect of Suez in assuring the use of the canal under the six principles adopted by the United Nations Security Council with Egypt's concurrence, with participation in these assurances by the canal's principal user, that will determine whether we or the Communist-oriented policy of Colonel Nasser will have won the day in the Middle East.

Let us not forget that this canal was bottled up by Colonel Nasser so that it could not be used for months, and was cleared by the United Nations with United States support. Also, that the Suez Canal is the jugular vein to this day for France, Great Britain, our two principal allies in the free world.

It would be self-delusion to describe events to date in respect of the Suez Canal as other than Colonel Nasser's having his way with the whole free world and a sharp reverse for our foreign policy.

We saved Colonel Nasser by insisting upon the United Nations Charter guaranties and the evacuation of British, French, and Israeli forces from Suez and Sinai. We saved him again from his own Communist allies by serving notice on the Soviet Union, which might have led to atomic war, that we would tolerate no volunteers in the Near East. But that does not seem to count for very much with Colonel Nasser.

On the contrary, we have found Egyptian policy diametrically opposed to ours in the Jordan crisis. There, by our invocation of the newly adopted "Eisenhower Doctrine" for the Mideast, and a king who will not be pushed around by Communists and their friends, Jordan's existence as an independent country is apparently being retained instead of its being dismembered at the hands of its Communist-oriented, alleged friends, Egypt and Syria.

Two steps are now vital for us. First, we should give prompt leadership to the principal users of the canal with respect to finding alternate means for the transportation of petroleum products to free Europe. For this purpose, six Senators have introduced Senate Resolution 120. The State Department has filed its report on the measure, and it should have a prompt hearing by the Committee on Foreign Relations.

Second, our Government should immediately back signers of the Constantinople Convention in invoking those provisions—contained in item 9—of Egypt's unilateral Suez Canal declaration which agree to arbitration and accept the compulsory jurisdiction of the International Court of Justice. Under it, such questions may be raised as the assurance of full freedom of transit for all through the Suez Canal pursuant to the Constantinople Convention of 1888 and the linking of the canal's operation to the politics of Egypt; compensation for claims in connection with the nationalization of the canal; and responsibility for establishment and collection of tolls.

Whatever setbacks Colonel Nasser suffers in other quarters, success or failure of his policy is the Suez Canal. This is true in terms of world prestige, "face" in the Arab States, and the fundamental economic condition of his regime. That his regime as now run is a jittery dictatorship and afraid of disclosures of the facts is shown by its expulsion of New York Herald Tribune correspondent Barrett McGurn, who dared to report them. We cannot and must not allow ourselves to fail to continue this struggle or to accept the status quo.

In support of my statement, I ask unanimous consent now to have printed in the RECORD at this point the texts of the documents on the Suez, issued by Egypt; an article entitled "Egyptians Agree To Heed Arbiters in Suez Disputes," published in the New York Times of April 25, 1957; an article entitled "United States Set To Accept Cairo's Suez Plan," published in the New York Times of April 24, 1957; an editorial entitled "Nasser and the Law," published in the New York Times of April 29, 1957; an editorial entitled, "Suez and the Security Council," published in the New York Herald Tribune of April 26, 1957; and a release issued by the Overseas Press Club of America, protesting the expulsion of Barrett McGurn.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

[From the New York Times of April 25, 1957]

TEXTS OF THE DOCUMENTS ON SUEZ

UNITED NATIONS, N. Y., April 24.—Following are the texts of a letter from Dr. Mahmoud Fawzi, Egyptian Foreign Minister, to Dag Hammarskjold, United Nations Secretary General, of an Egyptian declaration on the operation of the Suez Canal and of a letter from Henry Cabot Lodge, United States representative, to Sir Pierson Dixon of Britain, President of the Security Council, requesting a meeting of the Council on the canal question:

EGYPTIAN'S LETTER

"Your Excellency, the Government of Egypt are pleased to announce that the Suez Canal is now open for normal traffic and will thus once again serve as a link between the nations of the world in the cause of peace and prosperity.

"The Government of Egypt wish to acknowledge with appreciation and gratitude the efforts of the states and peoples of the world who contributed to the restoration of the canal for normal traffic, and of the United Nations whose exertions made it possible that the clearance of the canal be accomplished peacefully and in a short time.

"On March 18, 1957, the Government of Egypt set forth in a memorandum basic principles relating to the Suez Canal and the arrangements for its operation. The memorandum contemplated a further detailed statement on the subject. In pursuance of the above, I have the honor to enclose a copy of the declaration made today by the Government of Egypt in fulfillment of their participation in the Constantinople Convention of 1888, noting their understanding of the Security Council resolution of October 13, 1956, and in line with their statements relating to it before the Council.

"I have the honor to invite Your Excellency's attention to the last paragraph of the declaration which provides that it will be deposited and registered with the Secretariat of the United Nations. The declaration, with the obligations therein, constitutes an international instrument and the Government of Egypt request that you kindly receive and register it accordingly.

"I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration."

EGYPT'S DECLARATION

"In elaboration of the principles set forth in their memorandum dated March 18, 1957, the Government of the Republic of Egypt, in accord with the Constantinople Convention of 1888 and the Charter of the United Nations, make hereby the following declaration on the Suez Canal and the arrangements for its operation:

"1. Reaffirmation of convention.

"It remains the unaltered policy and firm purpose of the Government of Egypt to respect the terms and the spirit of the Constantinople Convention of 1888 and the rights and obligations arising therefrom. The Government of Egypt will continue to respect, observe, and implement them.

"2. Observance of the Convention and of the Charter of the United Nations.

"While reaffirming their determination to respect the terms and the spirit of the Constantinople Convention of 1888 and to abide by the charter and the principles and purposes of the United Nations, the Government of Egypt are confident that the other signatories of the said convention and all others concerned will be guided by the same resolve.

"3. Freedom of navigation, tolls, and development of the canal.

"The Government of Egypt are more particularly determined:

"(A) To afford and maintain free and uninterrupted navigation for all nations within the limits of and in accordance with the provisions of the Constantinople Convention of 1888.

"(B) That tolls shall continue to be levied in accordance with the last agreement, concluded on April 26, 1936, between the Government of Egypt and the Suez Canal Maritime Co., and that any increase in the current rate of tolls within any 12 months, if it takes place, shall be limited to 1 percent, any increase beyond that level to be the result of negotiations, and, failing agreement, be settled by arbitration according to the procedure set forth in paragraph 7 (B).

"(C) That the canal is maintained and developed in accordance with the progressive requirements of modern navigation and that such maintenance and development shall include the eighth and ninth programs of the Suez Canal Maritime Co. with such improvements to them as are considered necessary.

"4. Operation and management.

"The canal will be operated and managed by the autonomous Suez Canal Authority established by the Government of Egypt on July 26, 1956. The Government of Egypt are looking forward with confidence to continued cooperation with the nations of the world in advancing the usefulness of the canal. To that end the Government of Egypt would welcome and encourage cooperation between the Suez Canal Authority and representatives of shipping and trade.

"5. Financial arrangements.

"(A) Tolls shall be payable in advance to the account of the Suez Canal Authority at any bank as may be authorized by it. In pursuance of this, the Suez Canal Authority has authorized the National Bank of Egypt and is negotiating with the Bank of International Settlement to accept on its behalf payment of the canal tolls.

"(B) The Suez Canal Authority shall pay to the Government of Egypt 5 percent of all the gross receipts as royalty.

"(C) The Suez Canal Authority will establish a Suez Canal capital and development fund into which shall be paid 25 percent of all gross receipts. This fund will assure that there shall be available to the Suez Canal Authority adequate resources to meet the needs of development and capital expenditure for the fulfillment of the responsibilities they have assumed and are fully determined to discharge.

"6. Canal code.

"The regulations governing the canal, including the details of its operation, are embodied in the canal code which is the law of the canal. Due notice will be given of any alteration in the code, and any such alteration, if it affects the principles and commitments in this declaration and is challenged or complained against for that reason, shall be dealt with in accordance with the procedure set forth in paragraph 7 (B).

"7. Discrimination and complaints relating to the canal code.

"(A) In pursuance of the principles laid down in the Constantinople Convention of 1888, the Suez Canal Authority, by the terms of its charter, can in no case grant any vessel, company, or other party any advantage or favor not accorded to other vessels, companies, or parties on the same conditions.

"(B) Complaints of discrimination or violation of the canal code shall be sought to be resolved by the complaining party by reference to the Suez Canal Authority. In the event that such a reference does not resolve the complaint, the matter may be referred, at the option of the complaining party or the authority, to an arbitration tribunal composed of one nominee of the complaining party, one of the authority, and a third to be chosen by both. In case of disagreement, such third member will be chosen by the President of the International Court of Justice upon the application of either party.

"(C) The decisions of the arbitration tribunal shall be made by a majority of its members. The decisions shall be binding upon the parties when they are rendered and they must be carried out in good faith.

"(D) The Government of Egypt will study further appropriate arrangements that could be made for factfinding, consultation, and arbitration on complaints relating to the canal code.

"8. Compensation and claims.

"The question of compensation and claims in connection with the nationalization of the Suez Canal Maritime Company shall, unless agreed between the parties concerned, be referred to arbitration in accordance with the established international practice.

"9. Disputes, disagreements, or differences arising out of the convention and this declaration.

"(A) Disputes or disagreements arising in respect of the Constantinople Convention of 1888 or this declaration shall be settled in accordance with the Charter of the United Nations.

"(B) Differences arising between the parties to the said convention in respect of the interpretation or the applicability of its provisions, if not otherwise resolved, will be referred to the International Court of Justice. The Government of Egypt would take the necessary steps in order to accept the compulsory jurisdiction of the International Court of Justice in conformity with the provisions of article 36 of its statute.

"10. Status of this declaration.

"The Government of Egypt makes this declaration, which reaffirms and is in full accord with the terms and spirit of the Constantinople Convention of 1888, as an expression of their desires and determination to enable the Suez Canal to be an efficient and adequate waterway linking the nations of the world and serving the cause of peace and prosperity.

"This declaration, with the obligations therein, constitutes an international instrument and will be deposited and registered with the Secretariat of the United Nations."

LODGE'S LETTER

"On behalf of the Government of the United States, I request you in your capacity as president of the Security Council to convene a meeting of the Council on Thursday afternoon, April 25, or as soon thereafter as may be convenient for the purpose of resuming discussion of item 28 (relating to the Suez Canal) of the list of items of which the Security Council is seized.

"During its discussion of this matter last October the Council agreed, by a resolution adopted unanimously on October 13, that any settlement of the Suez question should meet six basic requirements therein set forth.

"About a month ago the Government of Egypt indicated the regime which it desired to apply to the canal traffic when it should be resumed and requested observations thereon by the Government of the United States.

"The United States Government was informed that the proposals of the Government of Egypt were likewise communicated to the Secretary General.

"The canal is now again open to traffic and we have been informed by the Government of Egypt of its intention to make public its declaration on the conditions applicable to transit.

"In these circumstances, the Government of the United States believes that the Council should now meet to take note of the situation regarding passage through the Suez Canal.

"Accept, Excellency, the renewed assurances of my highest consideration."

[From the New York Times of April 25, 1957]

EGYPTIANS AGREE TO HEED ARBITERS IN SUEZ DISPUTES—PROPOSE INTERNATIONAL PANEL TO DECIDE ON COMPLAINTS—REAFFIRM CANAL CONTROL

(By Homer Bigart)

CAIRO, April 24.—Egypt published today a solemn declaration setting forth her final position on management and operation of the Suez Canal.

While stating that Egypt will operate the canal and collect tolls, the declaration makes important concessions to the Western six-point formula for insulating the waterway from the politics of Egypt.

The document has been deposited and registered with the United Nations Secretariat in New York. Egypt regards the declaration as an international instrument possessing all the force of a multilateral treaty.

[At the request of the United States, the United Nations Security Council will meet Friday morning to consider the declaration.]

The declaration reaffirms Egypt's determination to abide by the Constantinople Convention of 1888 in terms and spirit.

PROCEDURES ARE DETAILED

It also makes these further provisions:

Egypt proposes international arbitration of complaints of discrimination and other violations of the canal code. Egypt agrees to accept the decisions of an international tribunal as binding.

Differences arising from interpretation of the Constantinople Convention, as in the case of Israeli shipping, would be referred to the International Court of Justice. Egypt would accept as compulsory the jurisdiction of the Court.

Egypt will set aside 25 percent of all gross receipts for maintenance and development of the canal. Egypt promises to improve the canal in accordance with the progressive requirements of modern navigation.

Egypt will welcome and encourage cooperation between the Suez Canal Authority and shipping interests on advancing the usefulness of the canal.

Any increase in tolls will be limited to 1 percent within any 12 months. Any additional increase would be settled by negotiations or by international arbitration.

Any changes in canal regulations could be challenged and submitted to an international arbitration tribunal.

The arbitration tribunal would be the final court for settlement of all complaints on violations of the canal code, including those alleging favoritism or discrimination.

The panel would consist of one nominee of the complaining party, one of the Suez Canal Authority, and a third to be chosen by both. In case of disagreement, the third member would be chosen by the International Court of Justice upon application of either party.

Decisions of the tribunal would be made by a majority of its members. The Egyptian declaration says: "Decisions shall be binding upon the parties when they are rendered and must be carried out in good faith."

Before going to the international tribunal, complaints will be heard by the Suez Canal

Authority. If that body fails to settle a dispute, either complainant or the Canal Authority may refer the case to the tribunal.

Egypt also pledges further study of appropriate arrangements that could be made for fact finding, consultation, and arbitration.

Diplomatic sources expressed general satisfaction tonight over Egypt's declaration. They said it obviously was not a slick lawyer's gambit, but a paper that has been worked out point by point in the lengthy series of discussions between the Egyptian Foreign Minister, Dr. Mahmoud Fawzi, the United Nations Secretary General Dag Hammarskjold, and the United States Ambassador Raymond A. Hare.

They foresaw some western skepticism over the degree of binding legality in such a document.

"But it is as solemn a declaration as you will get from any sovereign state," said one diplomatic observer. "It looks just as binding as a negotiated treaty. If you suspect Egypt's faith in this, would you be any more trusting of her compliance with a negotiated treaty?"

The declaration went beyond Egypt's March 18 memorandum in this respect: Egypt accepts as binding all decisions on canal disputes referred to the proposed international tribunal or to the World Court.

She already had announced willingness to have the matter of Israeli shipping referred to the World Court. In the new declaration she promised to take the necessary steps in order to accept the compulsory jurisdiction of that court.

The Constantinople Convention decrees that the canal remain free and open to all shipping in time of war as well as in time of peace. Article 19, however, gives Egypt the right to take measures necessary for her defense. Although this provision is hedged with the reservation that such measures must not obstruct the free use of the canal, Egypt contends that the existence of a state of war with Israel permits her to ban Israeli shipping.

The United Nations Security Council in 1951 adopted a resolution calling on Egypt to cease all interference with shipping, but Egypt refused to obey the injunction.

On the subject of tolls, in the new declaration, Egypt reaffirmed her insistence that all tolls be payable in advance to the Suez Canal Authority.

UNITED STATES REQUESTS MEETING

(By Thomas J. Hamilton)

UNITED NATIONS, N. Y., April 24.—The Security Council will meet Friday morning to consider the Egyptian declaration.

A meeting was requested by the United States this morning at the same time that Egypt requested the United Nations to register the unilateral declaration as an international instrument.

Henry Cabot Lodge, United States representative, declared that "the Government of the United States believes that the Council should now meet to take note of the situation regarding passage through the Suez Canal."

A British spokesman said that the Egyptian statement indicated some progress as compared with the earlier Egyptian memorandum.

A French spokesman declined to comment. Unless France insists upon further negotiations, the Security Council is expected to accept the Egyptian declaration as an accomplished fact.

However, Israel, whose ships apparently would continue to be denied the use of the canal, may ask for permission to make a statement. Mordecai Kidron, Israeli representative, discussed the situation this afternoon with Sir Pierson Dixon, British representative and President of the Council for April.

Legal authorities are agreed that if Egypt should halt ships belonging to Israel or any other country, the aggrieved party could charge that this was a violation of the 1888 convention.

However, Israel, like the United States, is not a party to the convention, and the complaint might have to be brought by a signatory.

The basic objection of some western experts is that the Egyptian declaration, being unilateral, could be revoked or revised tomorrow, or at any time and no legal objections could be raised. For this reason they doubt whether the United Nations has the right to register the declaration as an international instrument.

The charter provides that "every treaty and every international agreement" entered into by a member government since October 1945 shall be registered with the United Nations, and that it cannot be invoked before a United Nations organ unless this has been done. However, it makes no provision for registering unilateral governmental statements of policy.

According to official sources, however, the United Nations has registered declarations of this type in recent years. Mr. Hammarskjold may reveal his decision on the Egyptian request at a press conference tomorrow.

[From the New York Times of April 24, 1957]

UNITED STATES SET TO ACCEPT CAIRO'S SUEZ PLAN—TERMS HELD BEST OBTAINABLE—U. N. IS TO BE TOLD CANAL REGIME IS INTERIM ONE

(By Dana Adams Schmidt)

WASHINGTON, April 24.—The United States Government appeared ready today to accept Egypt's terms for operating the Suez Canal as the best obtainable under the circumstances.

But in a report to be made to the United Nations Security Council Friday, the United States is expected to qualify its acceptance by describing as an interim arrangement the canal regime set forth by Cairo. A declaration containing what was described as Egypt's final position on the matter was published today.

Washington is also expected to note that the arrangement is based on a unilateral Egyptian statement of intentions and not on the kind of international negotiations envisaged in the six principles for a Suez settlement. These principles were endorsed by the Security Council last October, before the British-French invasion of Egypt.

Officials indicated that the United States presentation would avoid blaming the Egyptians for any shortcoming in their statement of intentions.

Those officials who were preparing the United States presentation did not seem eager to continue the talks with Egypt on the Suez Canal regime. Their feeling was that President Gamal Abdel Nasser's government was unlikely to make concessions tomorrow that he was not willing to make yesterday.

The United States Government has in effect authorized American ships to resume use of the canal. At his news conference yesterday, Secretary of State Dulles said the Government had "no objection" to passage of American ships through the canal provided that they paid tolls under protest.

The British delegation is expected to acknowledge Egypt's plan for operation of the canal as the de facto regime and to announce that British ships have been authorized again to use the canal. But the British will emphasize, it was noted, that these terms are not acceptable as a permanent solution.

The French, taking a considerably stronger line, will not authorize their ships to use the Suez Canal at this time, it was said. They are expected to insist that, without further clarification, the Egyptian document is not acceptable even as a de facto arrangement.

A comparison between the memorandum Egypt sent the United States and six other governments March 26 and today's Egyptian statement showed that the United States Ambassador to Egypt, Raymond A. Hare, had succeeded in persuading the Egyptians to make a number of modifications.

The most notable was the strengthening of Egypt's commitment to submit disputes to the International Court of Justice at The Hague.

In the earlier document, Egypt had said merely that disputes between signatories of the convention of 1888 on freedom of passage in the canal would be referred to the World Court. The new document adds that Egypt will take the necessary steps to accept the ruling of the World Court in accordance with the provisions of article 36 of the court's statute.

This appeared to be an advance commitment to accept the jurisdiction of the court as required by article 36. The article says the court can deal only with cases in which both parties to a dispute have either agreed generally to accept its decisions or to accept them in that particular case.

The weakness of the commitment is that it applies only to the eight signatories of the convention of 1888. The United States is not one of them.

The commitment does not answer the key question whether Egypt would accept the Court's ruling if a signatory raised the question of Israel's right to free passage. Although some legal experts said today that the Egyptian text technically included this possibility, competent United States officials thought it highly unlikely that the Egyptians would do so in practice.

It is expected that the commitment to go to The Hague, together with the general tenor of the document, would be the basis of any Egyptian claim that she had met the third of the Security Council's six points: that that canal be insulated from the politics of any nation.

Another improvement, from the United States point of view, is a new paragraph declaring that disagreements on increases in tolls beyond 1 percent may be arbitrated.

This is in addition to the provisions previously published for arbitration of disputes over discrimination and administration of the canal code by a board of three—one chosen by the Egyptian authority, one by the complainant, and a third agreed on by both.

A third modification is the addition of an article in which Egypt welcomes and encourages cooperation between the Suez Canal and representatives of world navigation and trade organizations. This is a slight concession to the fourth of the Security Council's principles; namely, that the manner of fixing tolls be agreed between Egypt and the users.

It appears to offer the most promising opening for further negotiations, although the Egyptians are clearly talking about private navigation and trade organizations, not their governmental representatives.

The four other Security Council principles of canal operation are:

Unrestricted and open transit through the canal without discrimination, respect for Egyptian sovereignty, a fair proportion of tolls to be allotted to development, and disputes to be settled by arbitration.

[From the New York Times of April 29, 1957]

NASSER AND THE LAW

Despite the restraint put by the American show of force on President Nasser's Soviet-backed designs on Jordan, Cairo is now celebrating a great victory of still unforeseeable consequences. The reason for this celebration is the tacity, if still provisional, acceptance by the United States, and under its leadership by the United Nations, of Nasser's unilateral declaration proclaiming him to be the "sovereign master of the Suez Canal."

But before the Western Powers completely abdicate their rights they can and should take one immediate step to test both the validity and the honesty of the new Pharaoh's fiat. Since the use of force has been ruled out, this step must be a recourse to the law. The way to it is, in fact, opened up by Nasser's own declaration.

Under this declaration, registered by the United Nations as an "engagement of an international character," Nasser undertakes not only to "respect the terms and the spirit of the Constantinople Convention of 1888," establishing a definite system of international guaranties for freedom of navigation in the Suez Canal, but also to accept the compulsory jurisdiction of the International Court of Justice over "differences arising between the parties to the said convention in respect of the interpretation or the application of its provisions."

In defense not only of their own rights and interests but those of the whole free world, the Western Powers cannot fail to take Nasser at his word and call on the World Court to pass judgment on their differences with him. These differences involve, first of all, Nasser's seizure of the canal and the canal company, his abrogation of international guaranties of freedom of navigation in the canal and his unilateral arrogation of absolute control over this international waterway, all of which the United States, Britain, and France have denounced as illegal and a violation of the 1888 convention. They involve his blockade against Israeli shipping through the canal in violation of the convention, which forbids any kind of blockade, and in defiance of the Security Council's demand for an end of it. They involve his blocking of the canal during the recent hostilities, which should determine who should pay for clearing it.

A judgment on the first issue would also decide on who has the right to collect the canal tolls. These tolls are now being paid by American and other ships to Egypt under protest on the ground that the old canal company may still sue for payment. It would seem to be the duty of the old canal company to clarify the issue by filing a test suit and attaching a ship. Meanwhile, the blocked Egyptian accounts must stay blocked to protect ships against double jeopardy and to assure compensation for the canal owners, on which Nasser promises arbitration without obligation.

A World Court judgment would stand above the politics and the passions that now paralyze the United Nations, and no one could object if members of the United Nations take action to enforce it.

[From the New York Herald Tribune of April 26, 1957]

SUEZ AND THE SECURITY COUNCIL

The Suez Canal question is back in the Security Council, this time with its point of reference the Egyptian plan for operations. Egypt has not negotiated an agreement with the users of the canal or other nations concerned with its future. It has presented its own plan for operating the canal, pretty much on a take-it-or-leave-it basis. Considerable doubt even exists as to the exact legal status of the Egyptian declaration, which is entirely unilateral in nature. Secretary General Hammarskjold, putting the best face upon an unpleasant matter, said yesterday that the Egyptian plan had been registered with the U. N. as an international engagement. He conceded, however, that Egypt could revoke it at will. And there is nothing in Nasser's record of past behavior to suggest that he would abide by an engagement any longer than suited his purpose.

The declaration itself falls far short of the six principles for operation of the canal which were endorsed by the Security Council last October—prior to the Anglo-French invasion—to which the Cairo Government had previously paid lipservice. The all-important provision of the six was that the canal be insulated from the politics of any one nation. Egypt today promises to abide by the six principles according to its understanding of them. As Cairo's understanding frequently passes that of other men, there is little reason to except that canal operations will be insulated from Egyptian politics. Indeed, Nasser's announcement makes it clear beyond doubt that Egypt will collect all tolls from ships using the canal entirely upon its own terms. And while it is encouraging to find at least some reference for arbitration in case of disputes, there is considerable doubt over procedures and eligibility. No clear-cut indication exists, for example, that Israel's case for passage would receive consideration, although the Security Council has already affirmed the right of Israeli shipping to use Suez.

Since Egypt has not shown itself susceptible to moral suasion, and since the General Assembly has canceled the effect of foreign intervention by force, the United States and other interested parties may be in the position of having to accept Egypt's documentation of a fait accompli, resorting only to such meaningless formulas as suggesting that canal tolls be paid under protest. It is a difficult situation and there is only the faintest of hope that something forceful and fruitful can come from the discussions which are to begin in the Security Council. Whatever is done, it will be well to remember that compromise with dictators has never provided the world with more than a brief respite in the past, and is unlikely to do so now.

OVERSEAS PRESS CLUB OF AMERICA, INC., PROTESTS EXPULSION OF BARRETT MCGURN

The Overseas Press Club today (Wednesday, April 24) cabled a strong protest to President Gamal Abdel Nasser of Egypt over the expulsion from that country of Barrett McGurn, veteran Herald Tribune correspondent.

The cable was signed by Wayne Richardson, president of the Overseas Press Club, and Victor Lasky, chairman of its freedom of the press committee.

The full text of the OPC protest follows:

"The Overseas Press Club of America, representing 1,800 past and present foreign correspondents, is deeply shocked at the expulsion from Egypt of the distinguished New York Herald Tribune correspondent, Barrett McGurn. We consider Mr. McGurn's ouster as giving credence to the oft-repeated charge that your government is turning totalitarian. We point out that whatever merits your position in international affairs may have will now more than ever be clouded in the arena of world public opinion. We sincerely hope you will take immediate measure to prevent any recurrence of such incidents. American correspondents have only one function; that is, to tell the truth about conditions overseas. We hope you are not afraid of the truth."

THE BUDGET—NOTICE BY SENATOR JAVITS OF INTENTION TO SPEAK

Mr. JAVITS. Mr. President, I shall seek recognition on Wednesday next for the purpose of stating to the Senate my views on the budget, and also upon the question of how it affects the policy, program, and performance of the Republican Party in relation to its campaign promises and platform. I shall also deal with the question as to whether or not there are any hyphenated Republicans.

AMBASSADORS PRAISE WIDER CULTURAL EXCHANGE AMONG THE NATIONS

Mr. WILEY. Mr. President, within the next few days I expect to announce the date and time of an initial meeting of cultural attachés of the various embassies here in Washington who will meet with other official sources, interested in cultural exchanges.

The purpose of the meeting is the establishment of a cultural committee, designed to expand the program of cultural interchange among the nations of the world.

I commented on this subject on the Senate floor on April 18, as indicated on page 5970 and succeeding pages of the RECORD. At that time I included the texts of many fine comments which I had received from members of the diplomatic corps, in response to an inquiry which I had submitted to them. In that inquiry, I had asked regarding their reactions to cultural exchanges, and what specifically might be done to improve such exchanges.

Every last member of the diplomatic corps here in Washington who has responded thus far has enthusiastically praised the program in terms of cementing good will and understanding among the nations.

OAS SECRETARY GENERAL PRAISES CONCEPT

Speaking for a great organization which has itself admirably worked along these lines, His Excellency Jose A. Mora, Secretary General of the Organization of American States, writes:

I have examined these letters with much interest and want to congratulate you on the measures that you are taking in this important area.

He continues:

As you are aware, the Organization of American States has a broad and comprehensive program to promote closer cultural understanding among the member States of the Organization, and I shall be pleased to designate a representative to sit in on any meeting that you may organize to give further consideration to your proposal.

I send to the desk now additional expressions which I have received, including letters from His Excellency Baron Silvercruys, Ambassador of Belgium, and Ambassadors Mohammed Ali, of Pakistan, and Yilma Deressa, of Ethiopia.

OUTSTANDING WORLD FAIR IN BRUSSELS

In connection with the very splendid comments made by Ambassador Silvercruys, I particularly invite attention to

the fact that the approaching world fair in Brussels in 1958 offers one of the outstanding of all opportunities by which the nations of the world may bring to the attention of tens of millions of viewers the very finest in their national cultures, so as to increase international knowledge, understanding, and good will.

The plans for the World Fair in Brussels have excited the widest of interest, and naturally, we of the United States are looking forward to making our own fullest contribution.

Meanwhile, I trust that we of the 85th Congress will make the necessary appropriations for this and other important cultural responsibilities.

I ask unanimous consent now that the Ambassadors' letters to which I have referred be printed in the body of the CONGRESSIONAL RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

WASHINGTON, *April 25, 1957.*

Hon. ALEXANDER WILEY,
United States Senator,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: I am grateful to you for your letter of March 27 and for the opportunity given me to comment on the importance of cultural relations between our two countries.

Belgium has been privileged in the field of cultural exchange with the United States.

The importance of cultural relations between the two countries is not questioned. It has been effectively demonstrated by the results achieved since 1919 by the Belgian-American Educational Foundation in the United States and by the Fondation Universitaire in Belgium.

The First World War had hardly been brought to a close when these sister organizations came into operation. Both were suitably endowed out of residual funds largely established by the American people and the Belgian Government for the Commission for Relief of Belgium and for the Fonds National in Brussels. Both were dedicated to educational purposes and imbued by the highest conception of public service under the leadership of Herbert Hoover in this country and of Emile Francqui and Félicien Cattier in Belgium.

For more than 30 years, these sister organizations have been instrumental in establishing the closest association between the two countries. In fact, they have created in the field of cultural and scientific exploration new vistas of cooperation in upholding the ideals the two nations have in common.

This program has achieved remarkable results. Substantial scholarships have made it possible for professors and graduate students in each of the two countries to attend universities in the other country. To date, some 400 Belgian university professors, either through teaching or research, have taken part in the academic life of this country under the auspices of the Belgian-American Educational Foundation and the Fondation Universitaire. Some 15 of these professors have subsequently held offices as rector or president of Belgian universities. Furthermore, some 800 Belgian postgraduate students have received in American universities exceptional facilities to pursue their studies and to secure additional degrees. Eleven of this number subsequently became cabinet members in the Belgian Government and three have been prime ministers. Others have played important parts in the scientific, business, and political life of Belgium and they have made their own contributions to mankind. This educational exchange has been instrumental in solidifying understanding and cooperation between the two countries.

Over this period of more than 30 years, the Fondation Universitaire in Belgium has extended an equally friendly hand of cooperation, particularly in the field o. scientific research. Under its leadership and under the aegis of the National Fund for Scientific Research, the Institute for Scientific Research in Central Africa, the Cancer Institute, and kindred organizations, Belgium has joined with the United States in such research and has shared in the noblest enterprises for the benefit of all peoples.

Since World War II, the Belgian-American Educational Foundation and the Fondation Universitaire have been greatly assisted by the various exchange programs established by the United States Government on a multilateral basis. Among such programs are those under the Fulbright Act, the Smith-Mundt Act, and the International Cultural Exchange and Fair Trade Participation Act of 1956. To such legislation, prompted by the highest statesmanship, it is fitting that the names remain attached of Senator ALEXANDER WILEY of Wisconsin, of Senator H. ALEXANDER SMITH of New Jersey, of Senator KARL MUNDT of South Dakota, and of Senator J. WILLIAM FULBRIGHT of Arkansas.

Many of the American people and most of the Belgian people also remember the great symbolic act of friendship evidenced by the efforts and contributions of American schoolchildren all over the United States to help restore the library at Louvain after World War I.

In recent times, Belgium has been favored by performances put on by notable groups from the United States such as the Cleveland, Philadelphia, and New York Philarmonic Orchestras, the New York City Ballet, the Ballet Theater, and more recently by the Denver Philharmonic Orchestra in their broadcast, Salute to Belgium.

As in every phase of human relations, cultural contacts between our two countries can be further improved and strengthened. To cite one example right here in Washington, the Cultural Center which it is proposed to establish in the District of Columbia would be a significant step.

As far as Belgium is concerned, the year 1958 holds great promise for strengthening cultural exchange with the United States and other countries. In that year, Belgium will happily be host in Brussels to the world fair. In the framework of such a spirited festival, all nations will be able to exhibit their achievements and activities in all fields including culture and education.

Belgium looks forward to the active participating in the world fair of the United States, leader of the free world. The exchange of culture and ideas that will take place at the world fair in Brussels holds great promise for our two countries and for mankind.

Sincerely yours,

BARON SILVERCRUYS,
Belgian Ambassador.

EMBASSY OF PAKISTAN,
Washington, D. C., April 24, 1957.

The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WILEY: * * * May I extend to you my congratulations for rendering an admirable service by highlighting the importance of improved free world cultural relations.

May I submit my reaction to your two-fold question put forth in your letter as follows:

(a) The significance of improved cultural relations between the United States and Pakistan is far greater than is commonly realized. Taking into consideration the different patterns of culture in the two countries, it is impossible to develop a full and lasting understanding between the peoples of the two countries except through improved cultural relations between our two peoples. The existing friendly relationship between our two countries and also the close alliance between the Governments of the two countries, can be further cemented by improved cultural relations between the peoples of the two countries.

(b) The most effective way to bring about such improved cultural relations would, in our opinion, be a well-planned program of cultural exchanges. Till now, for all practical purposes, exchanges between the two countries have been limited to education and training. These programs of exchanges have certainly been serving very useful purposes in their specific fields. If the exchange program is extended to include exchange of artists from the fields of fine arts, music, dance, etc., this would lead to a better understanding of Pakistan culture and tradition in United States of America, and of American culture and tradition in Pakistan, and thus promote better understanding between the two countries. It cannot be overstressed that since the appeal of art can transcend the barrier of language and cultural differences, an exchange of artists from the two countries would be the most effective and fruitful means of establishing people to people contact, resulting in improved cultural relations between the two countries.

In closing may I extend to you my sincere thanks and appreciation for providing an opportunity to this embassy to present its views and reaction on the subject.

With best wishes and kindest personal regards,

Yours sincerely,

MOHAMMED ALI,
Ambassador of Pakistan.

ETHIOPIAN EMBASSY,
Washington, D. C., April 17, 1957.

The Honorable Senator ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: * * * I have studied the cultural exchange program which you have outlined in your letter and found it to be a very interesting device in the promotion of understanding between the nations of the world.

In reply to your questions as to the nature of cultural contact to be used in order to promote understanding between the United States and Ethiopia, at this moment I can only suggest some personal ideas which I believe will be helpful. Should you wish to go more deeply into the matter I will communicate to my Government and will let you have their views at a later date.

American films are regularly shown in all the movie houses of Ethiopia, for which reason additional effort may not be called for. Ethiopia has been interested in establishing cultural relations with all friendly nations and to this end, an up-to-date theater and opera building had been completed in the capital not long ago. Since then a number of international artists including some Americans have given performances in the theater at Addis Ababa, The American baritone, William Warfield, made quite a success at the Haile Selassie Concert Hall last October. I believe a periodic visit of American artists to Addis Ababa and other Ethiopian cities will be welcomed and can contribute to the understanding between our two peoples. I am sure the Ethiopian public will be delighted with performance of some American plays such as Harvey (of Ray Bolger show), South Pacific, Porgy and Bess. American music will also be appreciated. Language is no barrier since an important section of city people are fairly versed in English language. It may also be possible to bring out Ethiopian theater or concert group to entertain the American public.

Mr. Senator, without in any way minimizing the effect on our relation of cultural exchange such as outlined above, I believe, even a more permanent stamp could be left with our two peoples if academic scholarships are granted to Ethiopian students in American universities. Presently a number of Ethiopian students are studying in the United States under a scholarship granted through ICA, but we could do with much more. I am sure the University College of Addis Ababa will be glad to receive a number of American students in the field of oriental languages should they wish to study Ethiopic or Amharic languages and literature.

I will be happy to cooperate with Mr. Julius N. Cahn in any way that may contribute to the advancement of this project and he is free to call on me at all times.

With best regards,

Sincerely yours,

YILMA DERESSA,
Ambassador.

INTEROCEANIC CANALS AND THE HYDROGEN BOMB

Mr. MARTIN of Iowa. Mr. President, in a statement to the Senate which appeared in the RECORD of April 16, 1957, at page 5730, I included a number of letters from experienced engineering, atomic warfare, and other experts on various phases of the canal question.

Through the courtesy of Brig. Gen. William H. Rose, former assistant to the Chief of Engineers, United States Army, 1941–46, I have received a copy of an illuminating article by William L. Laurence on the hydrogen bomb, published in the July 29, 1956, issue of the American Weekly. It carries the following editorial note about its author:

William L. Laurence, world famous science writer, was the only journalist at the first atom bomb test in New Mexico in 1945 and saw the atom bombing of Nagasaki. He won a Pulitzer prize for his story of the Nagasaki bombing and for subsequent articles on the development of the atom bomb.

The information developed in Mr. Laurence's article is highly pertinent to the current discussions of the interoceanic canal problems, especially for committees of the Congress concerned with that question. Furthermore, it confirms the point previously made by many qualified experts that the security of any canal cannot be obtained in this age by nuclear weapons through passive defense measures. Instead, it depends on industrial power of this Nation coupled with the wisdom of its statesmen.

I ask unanimous consent that the article be printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHY THERE CANNOT BE ANOTHER WAR

About 1 hour before sunrise on Monday, May 21, in the northern Pacific, I stood on the flag bridge of the U. S. S. *Mount McKinley* and watched the test explosion of America's—and the free world's—first airborne hydrogen bomb.

It had been dropped from a B–52, the world's fastest bomber, in the vicinity of the island of Namu in the Bikini Atoll, and was exploded at a height of more than 15,000 feet after being released from an altitude of about 10 miles.

While hydrogen fusion bombs of immense destructive power had been exploded before in our Pacific proving ground in the Marshall Islands, the one I saw that Monday morning was the first portable one, the very first one that could actually deliver its catastrophic blow to the land of any aggressor against us or our allies.

It was the first time one that could carry to any potential enemy an apocalyptic concentrate of megatons of devastation, the equivalent of millions of tons of TNT.

I was thus privileged to witness in the camp of the free world the arrival of its most powerful defensive weapon against any aggressor—the portable multimegaton hydrogen fusion bomb.

As I stood there watching, time, as far as human perception was concerned, had stopped flowing. I saw breath-stopping phenomena follow one another at incredible speed and yet I somehow felt as though they were taking place in slow motion. It was as though one was experiencing a nightmare in broad daylight. With wide-open eyes I was uncertain of the reality of the things that were happening because of the sense-defying speed at which the vast panaroma of the superearthly spectacle was shifting on the immense stage of sky, ocean, and clouds.

Through high-density goggles I saw a supersun rise over the vastness of the blue-black Pacific, with a dazzling burst of green-white light estimated to equal, for a brief instant, the light of 500 suns at high noon. Awestruck and unbelieving, I watched the enormous fireball expand in a matter of seconds to a diameter of about 4 miles, more than 20 times the diameter of the fireball of the new antiquated atomic fission bombs that had devastated Hiroshima and Nagasaki.

For nearly an hour after the fireball had faded I watched incredulously, with naked eye, the great many-colored cloud that had been born in a gigantic pillar of fire. This cloud rose and spread until the boiling mushroom at its top had reached about 25 miles into the stratosphere and covered a stretch of sky, now tinged by the rising sun to the east of it, about a hundred miles long.

Having seen what a much smaller fireball and mushroom-topped cloud, picayune by comparison, had done to the city of Nakasaki, I was momentarily staggered by the thought of what the fireball and mushroom I was then watching would do to any of the world's great cities—New York, Washington, Chicago, Paris, London, Rome, or Moscow. But then, as I kept on watching, a second more reassuring thought became uppermost in my mind, a thought that has kept growing ever more reassuring in the days and weeks that have followed that historic morning last May.

This great iridescent cloud and its mushroom top, I found myself thinking as I watched, is actually a veritable protective umbrella that will forever shield mankind everywhere, in the free world and slave world alike, against the threat of annihilation in any atomic war.

This rising supersun, an inner voice seemed to be saying, really was a symbol of the dawn of a new day on earth—the coming of an era in which any sizable war had become impossible, because no aggressor could from now on ever dare to start an aggressive war without the certainty of absolute and swift annihilation.

This world-covering, protective umbrella, I have since become convinced, will continue shielding mankind everywhere until the time will come, as come it must in the not too distant future, when those millions new enslaved will throw off the yoke of their oppressors and stand free under the sun.

When that time comes, possibly within the next quarter century, mankind will then be able to beat atomic swords into plowshares, harnessing the vast power of the hydrogen in the world's oceans to bring in an era of prosperity, combined with spiritual growth, such as the world has never even dared dream about.

To those who would have us stop our tests in the Pacific, I would therefore say: "These tests, and others of improved models to come, serve as an effective substitute for war. History will record, I am sure, that world war III was fought and won on the Pacific proving ground in the Marshall Islands without the loss of a single life and without the slightest damage to any inhabited locality anywhere in the world."

That this is not mere wishful thinking can be proved by a few comparative facts. The single atomic fission bomb I saw tested in the desert of New Mexico on the morning of July 16, 1945—the same model that I watched 3 weeks later transform the city of Nagasaki into an atomic cloud that rose 60,000 feet—packed a destructive power equal to that of 20,000 tons of TNT, namely, an explosive force of 20 kilotons.

Nowadays, when we talk in terms of megatons, namely, the equivalent of millions of tons of TNT, a bomb of only kilotons is a mere outdated trifle by comparison.

Nevertheless, that now antiquated atomic weapon was in its day the equal of no less than 2,000 10-ton blockbusters, which were considered veritable marvels in the first years of World War II.

To carry the equivalent of just one Nagasaki-type bomb, it will thus be seen, would then have required no less than 2,000 B–29's, World War II's largest bombers, each costing about $1 million. With a crew of 9 men per bomber, such a mission would have required 18,000 highly trained young American flyers. The Nagasaki-type bomb, on the other hand, was carried by just 1 B–29 and 1 crew of 9.

Now, 11 years later, this equivalent of 2,000 10-ton blockbusters of World War II is so obsolete that it is not even fit to be used as a trigger for the multimegaton hydrogen bomb. To set off a hydrogen fusion bomb of the type I watched explode on May 21, we now have improved models of ordinary atomic-fission bombs (using uranium 235 or plutonium) yielding an explosive force as high as 500 kilotons (the equivalent of 500,000 tons of TNT), or smaller ones of much higher efficiency than the models dropped on Japan.

Now, with the successful testing of our first portable multimegaton hydrogen bomb, we have entered the egaton age, in which 1 plane, carrying just 1 hydrogen bomb, can deliver on a target a cargo of destructive force exceeding by far all the explosives dropped on Germany, Japan, and Italy combined throughout all of World War II.

In fact, just one 10-megaton bomb, about the size I saw explode over Bikini, would equal about five times the total load of explosives dropped in the whole World War II by the air forces of all the combatants.

What would a 10-megaton bomb, of the size tested last May, do if dropped over a city? We can get an idea from the official data given out by the Atomic Energy Commission on the results of the test of a device that yielded an explosive force of only

5 megatons, namely, the equivalent of 5 million tons of TNT in the November 1952, test.

That shot, known as "Mike," produced the greatest lateral destructive effects up to that time from a single explosive device—complete annihilation within a radius of 3 miles, severe to moderate damage out to 7 miles, light damage as far as 10 miles.

In Washington, with the Capitol as ground zero (detonation point), there would have been complete annihilation west to Arlington Cemetery, east to the Anacostia River, north to the Soldier's Home, and south to Bolling Field.

That 5-megaton bomb created the largest nuclear explosive fireball produced up to that time—3½ miles in diameter at its maximum, enough to engulf about one-quarter of Manhattan Island, the heart of New York City. With the Empire State Building as ground zero, the fireball would have extended from Washington Square uptown to Central Park.

That blast caused the particular test island, named Elugelab, to disappear, leaving a crater roughly a mile in diameter, into which 14 Pentagon Buildings could have fitted easily. The crater sloped down to 175 feet—equivalent to the height of a 17-story building.

Within 2 minutes after the explosion, the mushroom cloud soared to 40,000 feet—the height of 32 Empire State Buildings. Nearing its maximum 10 minutes later, the cloudstem pushed upward 25 miles, deep into the stratosphere, while the mushroom-cap portion, 10 miles high, spread laterally for 100 miles.

These earth-destroying weapons, now being constantly reduced in size and increased in power, thus make it certain that no nation, no matter how powerful, could dare risk a thermonuclear (hydrogen fusion) war, because such a war would mean certain suicide for the aggressor.

The hydrogen bomb derives its tremendous power from the fusion of two forms of hydrogen—hydrogen 2 (deuterium) and hydrogen 3 (tritium). Hydrogen 2 is derived in endless amounts from ordinary water, while hydrogen 3, an element no longer found in nature, is created inside the bomb itself, at incredible speed, out of the lighter variety of the common element lithium, known as lithium 6.

It takes the fusion of only 110 pounds of hydrogen 2 and 165 pounds of hydrogen 3 to yield an explosive force equal to that of 10 million tons of TNT. The addition of 2 plus 3 not only makes 5; inside the hydrogen bomb the addition of 2 plus 3 makes 10 million.

Two little words, in fact only half words—"micro" and "mega"—make it possible for 2 plus 3 to equal 10 million, or even 20 million or more.

"Micro" means one-millionth, while "mega" stands for a million. (Scientists refer to a million dollars as a "megabuck"). Taken together they mean that the tremendous explosive forces in the range of megatons develop inside the hydrogen bomb in fractions of a millionth of a second, namely, microseconds or even micro-microseconds.

Only this unimaginable speed, in which the creation of a large quantity of hydrogen 3 and its fusion with hydrogen 2 takes place in hundreds of individual steps, each taking only billionths of a second, in a repeating cycle, makes it possible for the elements of the bomb to hold together long enough to build up its multimegaton explosive force.

It was when I saw that awesome force blast the peaceful Pacific sky that I believed the human race was freed from the threat of nuclear war.

THE GORE REPORT

Mr. SCHOEPPEL. Mr. President, I have prepared a further statement with reference to the Gore report relating to campaign expenditures and contributions in the 1956 general election. I ask unanimous consent that it be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SCHOEPPEL

On April 12 the distinguished junior Senator from Tennessee referred to my remarks which appear in the CONGRESSIONAL RECORD of March 29. My position as expressed to the Senate remains unchanged. I stand on that statement. However, the able Senator, who was chairman of the subcommittee during the period when this report was prepared, has raised some questions which I am happy to answer.

The Senator from Tennessee said I was indulging "in a plainly partisan effort to discredit the report." The distinguished Senator said:

"I can find no logical excuse for this unwarranted attack except that it is a smokescreen calculated to obscure from the view of the American people the defects of existing law and their tendency to pollute the streams of political life, and designed to discourage at this session of the Congress the enactment of any legislation in this field."

My criticism of the report has been supported by the president of the American Bar Association and others who are not engaged in partisan politics. I wish that it had not been neecessary for anyone to criticize the report of his subcommittee.

To refute this statement by the Senator from Tennessee, I merely quote from my remarks of March 29:

"The Congress will perhaps enact new election laws during the current Congress which will meet many of the legitimate criticisms which have been raised in the public hearings and by both the majority and minority members of the subcommittee. Any legislation we adopt will of necessity require the reporting of contributions and expenditures. If our efforts are to be meaningful, we must make sure that the Congress is adequately staffed with responsible people to analyze the reports which it will receive from political committees and individuals" (p. 4774).

* * * * *

"I am sure that the Congress can write more realistic election laws than those we now have. But we will receive no help or guidance from the report filed by the subcommittee covering the past campaign. We must approach our task with open minds and no preconceived notions other than to assure that the will of the American people prevails in each and every election contest, and that adequate funds may be contributed and spent to properly present the programs of the parties and candidates to the people of the United States" (p. 4789).

I certainly hope we can agree on new election laws at this session of the 85th Congress.

My able colleague comments on the fact that I characterized my work as spot checking the report. He refers to "the microscopic treatment to which it has been exposed." I only wish that I had the resources to completely analyze the report of his subcommittee.

Pursuant to Senate Resolution 123, 80th Congress, the chairman of the Committee on Rules and Administration filed a report on January 9, 1957, showing the expenditures of the Subcommittee on Privileges and Elections during the period July 1, 1956, to December 31, 1956, together with the names and salaries of each member of the staff. This appears on pages 819–821 of the CONGRESSIONAL RECORD of January 22. It shows expenditures of $80,771.22, and that 34 people were associated with the subcommittee at one time or another during this period. It was their responsibility, not mine, to produce this document. Without the assistance of such a staff or the other resources, including IBM equipment available to the Senator from Tennessee, I resorted to a spot-checking procedure to determine whether the tables contained gross errors. I can assure the Senator that I was not looking for trivial errors.

My friend and colleague, the Senator from Tennessee, stated:

"However the fact remains that, notwithstanding his herculean faultfinding effort of 2 months' duration, characterized by the distinguished Senator as spot checking, the findings and conclusions therein stated remain unshaken and unaffected" (p. 5588).

The spot check which I attempted shows duplicate counting and many other errors now conceded by my friend, the Senator from Tennessee. I am confident that a complete and detailed analysis by a staff of 34 people would reveal so many additional errors that all conclusions drawn from the report must be carefully qualified.

Perhaps the subcommittee's general findings would be supported by a complete audit of its report, but no one today can say that this document, released to the press of the country by the subcommittee, accurately sets forth the statistics concerning the corporate, family, and other affiliations of contributors.

The former chairman of the subcommittee in his remarks on April 12 said:

"Without restating here all of the conclusions and observations expressed in the report by the majority members of the subcommittee, I shall mention a few which particularly aroused our attention and concern:

"First. There are heavy campaign expenditures, on the one hand, by persons affiliated with big business and large vested interests, and by wealthy individuals; and, on the other hand, by organized labor—the former being preponderantly to Republican committees and candidates, and the latter almost entirely to Democratic committees and candidates" (p. 5588).

I am sorry that the majority members of the subcommittee suggest that our two great political parties divide the American people into economic classes. In my remarks on March 29, I said:

"The strength of our country lies in the fact that our two great political parties have always drawn their support from people in all walks of life and in all income groups. No one can perform a greater disservice to our country than to foster class divisions and attempt to drive the people of one supposed class into one of our great political parties, and those of other classes into the other. If we ever reach this sorry state of affairs, we will be in serious jeopardy. This concept has been advanced repeatedly by a few demagogs and some labor leaders who hope to take over the Democratic Party so as to advance their own lust for power. All Americans must condemn class warfare, regardless of their party affiliations" (p. 4774).

The distinguished Senator from Tennessee has noted errors in the spelling of the names of individuals in my remarks of March 29. He is correct in stating that I checked and rechecked my material, and I regret any errors which may appear therein. However, I repeat, I was not aided by a staff of 34 people, and my research did not cost the taxpayers over $80,000.

My remarks on March 29 dealt only with matters of substance. I was not concerned with errors in spelling. If I had commented on the trivial errors which my spot check of

the subcommittee's report revealed, many additional pages of the CONGRESSIONAL RECORD would have been required. If that had been my purpose, I would have mentioned the fact that my exhibit I shows loans by an individual with the name of Gary Hagg taken from subcommittee exhibit 10, and Gory Hogg in subcommittee exhibit 26. Similarly, the name Fuller Kimbell was taken from subcommittee exhibit 10, and Fuller Kimbrell from subcommittee exhibit 26. Let me cite just one more example. There is a contribution of $9,000 attributed to P. U. Du Pont in subcommittee exhibit 12 and to P. V. du Pont in subcommittee exhibit 11.

There are so many spelling errors on the machine listings that the subcommittee apologized for them with a statement preceding each such tabulation. I purposely did not discuss these trivialities when it was obvious that no reader could be confused as to the identity of the individual whose contribution was referred to.

The Senator from Tennessee referred to spelling errors because I commented on the fact that the machine listing showed a contribution by Mrs. Joseph A. Moore in the amount of T3, T00. When a column of figures includes alphabetic characters, it is obvious that proper identification becomes impossible. My criticism was justified by the fact that the chairman of the subcommittee found it necessary to rerun the recapitulation sheet at the end of the exhibit. I insist that this is an error of substance, and not a trivial one.

Let us now turn to the criticism directed at my mentioning Barbara Rockefeller's contribution to the Democratic Party. In my remarks of March 29, I protested the effort to link individuals into families. I said:

"The intended purpose of such an exhibit is quite apparent; namely, to create the impression that a group of wealthy families have some special interest in the Republican Party" (p. 4775).

I also showed the difficulties inherent in such a procedure. I said:

"For example, if a girl by the name of Smith living in New York has a large fortune and marries a man by the name of Jones in Texas, she then becomes Mrs. Jones of Texas. The subcommittee could not associate the contribution of Mrs. Jones of Texas with the Smith family of New York in every instance without employing an army of experts and clerks. Hence, any such list becomes meaningless" (p. 4775).

I was well aware that Barbara Rockefeller was the divorced wife of Winthrop Rockefeller. I do not believe that the private affairs of members of the Rockefeller family, or any other family, are a proper subject for discussion on the floor of the Senate. Inasmuch as my distinguished colleague has mentioned the fact that Barbara Rockefeller is divorced, may I point out that she received a substantial financial settlement. It was Rockefeller money which placed her in the position to make a contribution to the Democratic Party. Furthermore, she is the mother of Winthrop Paul Rockefeller, the son of Winthrop Rockefeller and the grandson of John D. Rockefeller, Jr. She was granted custody of this child.

I made it quite clear that I was not an authority on genealogy. The Senate should not be concerned with the problem of determining her connection with the family. We would not be reviewing these details of the subcommittee had confined its work to listing the contributions of individual contributors. I am at a loss to see any useful public purpose in the compilation of these family groupings.

The Senator from Tennessee expresses surprise that three members of the Du Pont family, whose family connection the subcommittee had not noted, contributed financial support to the Democratic Party. On March 29 I showed that one of these individuals, Mr. J. H. Tyler McConnell, was the Democratic gubernatorial candidate in Delaware last fall. It is surprising that the subcommittee was not aware that Alexis I. du Pont Beyard served as the Democratic Lieutenant Governor of Delaware during the period 1949 to 1952. He was also the Democratic candidate for United States Senator in the 1952 general election.

The subcommittee in its report referred to the fact that "* * * in the case of the Du Pont family, the names of over 900 members of the family were checked against the list of contributors" (p. 65).

There are 900 members of the family because it is one of America's oldest families. Eleuthere Irenee du Pont de Nemours, a refugee from a French dictatorship, established a factory to make gunpowder in this country in 1802. I might add that the first Du Pont to settle in the United States was a close friend of Thomas Jefferson, who many regard as the founder of the Democratic Party.

Since the Du Pont family has been mentioned so prominently in the subcommittee's report and in the subsequent remarks by the junior Senator from Tennessee, may I also add that members of this family have served in this body. Henry Algernon du Pont was elected to the United States Senate from Delaware on June 13, 1906, and served until March 3, 1917. His cousin, Thomas Coleman du Pont, was Senator from Delaware from July 7, 1921, to November 7, 1922. He was elected to the United States Senate in 1924 and served from March 4, 1925, until his resignation on December 9, 1928.

I cite these facts to show that political contributions by members of a family with this long tradition of service to their country does not imply, as the subcommittee suggests, support of the Republican Party to further big business and large vested interests.

The distinguished Senator from Tennessee, in his statement on April 12, placed in the RECORD on exhibit entitled "Exhibit A, Summary Table of Exhibit 11, 1956 Contributions of 12 Selected Families, As It Would Be Changed by Exhibit 2 and Accompanying Remarks of the Senator from Kansas."

I must take exception to this table. An examination of my exhibit 2 clearly shows that I did not attempt to correct the report of the subcommittee. The title of my exhibit 2 reads: "Comparison of committee exhibit 11 showing contributions of 12 selected families with exhibits 12 and 26." I do not know which exhibit is correct or how many other individual contributors should be included in a given family. I repeat, my effort was only a spot check. I did state in my remarks that the subcommittee's exhibit 12, based on replies to individual questionnaires, would probably be more accurate than subcommittee exhibit 26. Page 4776 of the CONGRESSIONAL RECORD shows that I said:

In attempting to check the consistency of the subcommittee's work I have compared amounts shown as contributions for the names listed under the 12 families against exhibit 12, a list of 1956 political contributors of $5,000 or over, and against exhibit 26, a list of 1956 political contributions of $500 and over—alphabetical list of contributors arranged by party—January 1 to November 30. I have assumed where there was a difference between exhibits 12 and 26 that exhibit 12, based on the special questionnaire sent by the subcommittee in the event it shows a larger amount than exhibit 26, should be taken as the correct amount for the individual in question."

Therefore exhibit A, prepared by my colleague the Senator from Tennessee, does not reflect my position. For example, the contribution of Robert Lehman was shown on both exhibits 11 and 12 as $11,000. Exhibit A, prepared by the Senator from Tennessee, raises this contribution to $13,000, the amount shown in exhibit 26. In preparing this table he apparently selected the highest figure in each instance. I see no justification for such a procedure. I repeat, I made a comparison of some of the inconsistent listings which I found in the subcommittee's report. It does not constitute a correction of subcommittee exhibit 11.

Let me now refer to another point raised by my colleague the junior Senator from Tennessee. He said:

"There are also certain errors of omission in the distinguished Senator's exhibits. In his exhibits 4, 5, 7, 8, and 9, appearing on pages 4778–4784 of the CONGRESSIONAL RECORD under the column headed 'Exhibit 26,' contributions of the following are omitted, Mr. Henry Ford II, Mr. George Whitney, Mr. Donaldson Brown, Mr. Roger Firestone, together with the names of several other Republican contributors, though there are included in the exhibit 26 column the contributions of various other Democrats and Republicans" (p. 5590).

In compiling these exhibits I omitted the contributions of these individuals under the column headed exhibit 26, as I followed the procedure I explained in connection with my exhibit 2. To make my position completely clear let me again quote from page 4776 of the CONGRESSIONAL RECORD:

"I have assumed where there was a difference between exhibits 12 and 26, that exhibit 12, based on the special questionnaire sent by the subcommittee in the event it shows a larger amount than exhibit 26, should be taken as the correct amount for the individual in question."

The individuals named by the Senator from Tennessee were listed in exhibit 12 with larger contributions than in exhibit 26.

The chairman of the subcommittee, on page 5588, tried to explain the omission from the exhibits showing corporate affiliations of such names as C. R. Smith and Warren Lee Pierson. He said that reports of some contributions were received too late for inclusion in these exhibits, which had been tabulated before exhibit 26. Since these exhibits would necessarily be incomplete, and hence inaccurate, the question may appropriately be raised as to why they were included in the report at all.

The Senator from Tennessee was granted permission to include subcommittee exhibit 25 in the CONGRESSIONAL RECORD at the conclusion of his remarks. It appears starting on page 5592 through 5606. The Senator said:

"The implications of these unchallenged and unchallengeable facts cannot be weakened by the style of criticism directed at the report by our distinguished colleague. This exhibit contains almost 1,200 separate listings of names, of which 329 appear more than once, and the duplicates have been eliminated in arriving at the totals. In addition, there are 149 contributions attributed to husband and wife, or the wife alone. The net result is that this exhibit shows contributions of approximately 780 individuals, the majority of whom, of course, contributed to Republican candidates and committees, and more than 300 of them have multiple directorships in the largest corporations in the United States. Of this total number of 780 individuals, the distinguished Senator from Kansas has been able to find but 4 instances of error, which alter the net figures by no more than $6,500. Mr. President, I ask unanimous consent that exhibit 25, as it appeared in the subcommittee report, be inserted in the RECORD at the conclusion of my remarks" (p. 5590).

I must respectfully disagree that exhibit 25 constitutes a summary of unchallenged

and unchallengeable facts. I have no idea how the Senator arrived at the statement that I had been able to find but 4 instances of error, which altered the net total figures by no more than $6,500. I made no such statement. No attempt was made to examine the list of officers of each of these 225 corporations. That would have been an impossible task. The insurance companies, trade corporations, commercial banks, and transportation companies other than airlines included therein, were not subject to any review. Where companies appeared on other subcommittee exhibits, such as the 100 largest military prime contractors, the 88 corporations participating in the atomic-energy program, and the 29 largest oil companies, a comparison was made between the listing shown in exhibit 25 and the other subcommittee exhibits. These comparisons constitute my exhibits 4, 7, 8, and 9. They are clearly identified in the CONGRESSIONAL RECORD as a comparison between the subcommittee's exhibits.

I must respectfully disagree with the Senator's statement that I found only four instances of error. On April 12 the Senator explained that the subcommittee exhibits relating to contributions by officials of the 17 leading certificated airlines, the 29 largest oil companies, the 100 largest military prime contractors, and the 88 corporations participating in the atomic-energy program, had been completed before all the information contained in exhibit 26 was available to the subcommittee. This was the Senator's explanation for significant omissions. He stated that subcommittee exhibit 25 contains "unchallenged and unchallengeable facts."

At this point I include a tabulation showing the names of the companies and the differences in the contributions shown in subcommittee exhibit 25 and subcommittee exhibits 15, 18, 19, and 20, in those cases where the amount shown in these earlier subcommittee exhibits is larger than shown in subcommittee exhibit 25. In these instances the subcommittee cannot plead lateness in securing information. It was available to them for the preparation of these earlier exhibits. The data could have been included in exhibit 25 since it was in the possession of the subcommittee.

Differences between Republican contributions shown under company totals in subcommittee exhibits 25 and 15, 18, 19, and 20, when amount shown in exhibit 25 is less than that shown in other exhibits

Company	Exhibit 25	Amount	Exhibit No.
United Air Lines	$14,600	$15,200	15
Standard Oil of California	6,750	9,000	18
Standard Oil of New Jersey	6,500	7,500	18
Texas Co	4,847	9,397	18
Tide Water Associated Oil	27,300	27,550	18
Du Pont, E. I., de Nemours	138,645	138,745	19
Ford Motor	35,000	35,399	19
General Motors	162,050	163,250	19
Goodyear Tire & Rubber	18,850	19,400	19
International Business Machines	27,500	33,500	19
General Electric	51,950	68,849	20
Detroit Edison	1,500	3,500	20
Westinghouse Electric	40,750	42,250	20
Total	536,242	573,640	
Difference	37,398		

Once again let me stress that I have only compared those companies shown in subcommittee exhibit 25 whose names also happen to appear on these other subcommittee exhibits. I have made no examination of the figures for those companies which are listed only in Subcommittee Exhibit 25. Again I do not pretend to know whether the amount shown in Subcommittee Exhibit 25, or in these other exhibits is the correct amount. In any event the inconsistencies I have listed total $37,398, considerably more than the $6,500 reported as my findings by the junior Senator from Tennessee. There are obviously more than four inconsistencies.

The junior Senator from Tennessee suggests that the tables which I inserted in the CONGRESSIONAL RECORD on March 29 constitute corrections of the subcommittee's report. Nothing could be further from the facts. In each case the tables were clearly labeled. They showed inconsistencies within the subcommittee report. I have no way of knowing which exhibit is correct, or on which figure we can rely. Over and over again I stressed that I was not attempting to completely verify any of the exhibits. For example, in my discussion of Subcommittee Exhibit 16, I said:

"Mr. President, I must again repeat that I have not checked a list showing all of the names of the members of these firms against either exhibit 12 or 26. The omissions I have found indicate that many others would show up if such a check were made. This is precisely what the subcommittee staff was supposed to have done" (p. 4778).

I had no alternative but to spot check this report. In my statement on April 4, I said:

"Certainly the information filed with the subcommittee or with the Clerk of the House of Representatives or the Secretary of the Senate would not show any of the corporate affiliations or membership in various organizations or the family connections of individuals who made campaign contributions. It is difficult to see how such information is of any importance to the Congress. We are concerned with knowing the names of contributors, the amount of their contribution, and to which political organizations the contribution was given.

"Whether an individual contributor is a member of the House of Delegates of the American Bar Association has no bearing on the drafting of legislation affecting campaign contributions and expenditures" (p. 5096).

I wonder whether a more accurate and meaningful report concerning the amount contributed, the names of the contributors and their current addresses could have been produced if the staff had concentrated on this task rather than the attempt to identify individuals in terms of their association with various groups to which they happen to belong, including their family affiliations.

It occurs to me that the efforts of the staff should have been directed toward the perfection of exhibit 12—"1956 Political Contributors of $5,000 or Over," Exhibit 26—"1956 Political Contributions of $500 and Over—Alphabetical List of Contributors Arranged by Party," Exhibit 27—"1956 Political Contributions of $500 and Over—Alphabetical List of Contributors Arranged by Parties and by States," and Exhibit 28—"1956 Political Contributions of $500 and Over—Alphabetical List of Contributors Arranged by Party and by Recipient Committee or Candidate." If the staff had concentrated on the production of these lists, I believe it would have been possible to have presented complete information on individual contributions.

In my opinion any legislation we adopt concerning campaign contributions will apply to individuals, and possibly to contributions from a husband and wife, or their minor children. It is difficult for me to conceive how the Congress of the United States could enact legislation relating campaign contributions of individuals to their association in any organization. The subcommittee's difficulties arise from the fact that it undertook a statistical study which can have no bearing on any proposed legislation.

This report came under attack from so many quarters due to this practice which serves no useful purpose unless the subcommittee has reason to believe that the contributions were, in fact, from corporations or other organizations, which it does not allege.

My colleague in attempting to determine the motive for my remarks of March 29 said:

"I say, further, that we may take notice of the fact that there is now an unfilled demand for several thousand copies of the report of the subcommittee, and we may well question whether or not the secondary motive is to discourage a reprinting to satisfy these thousands of requests" (p. 5538).

My only motive in addressing the Senate was to show that this report, in its present form, is misleading and inaccurate. The Senator from Tennessee is correct in assuming that I would oppose the reprinting of the committee print as a Senate document, since I know that it contains many errors which I have detected, and I have good reason to believe that there are additional errors which a complete audit would disclose.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

REORGANIZATION PLAN NO. 1 OF 1957—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 161)

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read and, with the accompanying paper, referred to the Committee on Government Operations:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 1 of 1957, prepared in accordance with the Reorganization Act of 1949, as amended.

The liquidation of the assets and the winding up of the affairs of the Reconstruction Finance Corporation have been proceeding for the past several years, in accordance with law. Reorganization Plan No. 2 of 1954 expedited and simplified liquidation by transferring certain functions of the Corporation to the Export-Import Bank of Washington, the Small Business Administration, and the Federal National Mortgage Association. Reorganization Plan No. 1 of 1957 transfers all present functions of the Corporation to appropriate officers and abolishes the Corporation.

First, the reorganization plan transfers to the Housing and Home Finance Administrator functions of the Corporation relating to items resulting from programs which provided assistance to States, municipalities, and other public agencies in financing various public projects. Also transferred are functions relating to the liquidation of programs of financial aid for drainage and irrigation projects.

Second, the plan transfers to the Administrator of General Services functions related to the liquidation of matters arising from national defense, war, and reconversion activities conducted by the Corporation preceding, during, and subsequent to World War II. Functions relating to the liquidation of the Smaller War Plants Corporation are also transferred to the Administrator.

Third, the plan transfers to the Administrator of the Small Business Administration: first, all of the Corporation's disaster loan functions which were not transferred to the Small Business Administration by Reorganization Plan No. 2 of 1954, and second, all matters arising out of the Corporation's financial-assistance programs to business enterprises except those relating to assistance to railroads, financial institutions, and insurance companies and those listed in schedule A. The first category consists of items, such as paid loans, charged off loans, and closed files, which were not embraced by Reorganization Plan No. 2 of 1954. The second category includes generally loans or other matters involving outstanding amounts under $250,000 arising under financial-assistance programs to business enterprises, as well as all functions relating to paid or charged off loans, regardless of amount, under such programs.

Finally, the plan transfers to the Secretary of the Treasury all of the functions of the Corporation not otherwise transferred by the plan. Those functions relate principally to the obligations and loans listed in schedule A, which consist generally of business loans with outstanding principal balances in excess of $250,000, and to financial assistance to railroad companies, financial institutions, and insurance companies. The Secretary of the Treasury will also receive the capital stock of the War Damage Corporation, dissolution of which is expected in the near future when one remaining lawsuit is concluded.

The functions transferred by the reorganization plan are, in general, similar to, and can appropriately be administered in conjunction with, present activities of the respective transferees.

The plan also transfers the pertinent assets of the Corporation to the respective agencies, together with the related liabilities, and by operation of law substitutes the particular transferee for the Corporation with respect to all instruments of every kind and character pertaining to the transferred functions, assets, and liabilities. In order to permit the transferees to administer the transferred matters with the same flexibility of operation as obtains at present, the plan transfers to each transferee those powers, authority, rights, and immunities which are now available or applicable to the Corporation for carrying out the respective functions. To the extent that it becomes necessary or desirable, therefore, the transferees will be enabled, with respect to the transferred functions, to sue and be sued, to engage private attorneys in conjunction with litigation involving the transferred functions, and to avail themselves of any other authority, powers, or immunities now available to the Corporation, whether under the Reconstruction Finance Corporation Act, as amended, or otherwise. In enacting the Reconstruction Finance Corporation Liquidation Act the Congress included a provision reading "The activities engaged in by the Secretary of the Treasury as a result of the enactment of this act shall continue to be subject to the provisions of the Government Corporation Control Act." The Government Corporation Control Act will continue to be applicable to the functions transferred by the reorganization plan.

By transferring the remaining assets and liabilities of the Reconstruction Finance Corporation to officers who conduct continuing programs involving similar functions, the plan will carry out the basic purposes not only of the Reconstruction Finance Corporation Liquidation Act but also of the Reorganization Act of 1949, as amended. The size of the Corporation's portfolio has diminished to such a point that after June 30 it should not be necessary to maintain a separate agency solely for the purpose of administering the remaining assets. The plan will make possible a more economical administration of the Corporation's functions by obviating the expense incident to maintaining a separate organization. It is not, however, practicable at this time to indicate more specifically the reduction of expenditures which it is probable will be brought about by the taking effect of reorganizations contained in the plan.

Incident to the abolition of the Corporation, the reorganization plan (1) abolishes the function of making the final report provided for in section 10 of the Reconstruction Finance Corporation Act, as amended—title 10, United States Code, section 609—and (2) provides for a final report to the Congress by the Secretary of the Treasury which is to reflect the affairs of the Corporation up to the date of abolition of the Corporation and is to be made not later than June 30, 1959.

After investigation I have found and hereby declare that each reorganization included in the Reorganization Plan No. 1 of 1957 is necessary to accomplish 1 or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949, as amended.

I recommend that the Congress allow the reorganization plan to become effective.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *April 29, 1957.*

PROTOCOL WITH JAPAN, RELATING TO AVOIDANCE OF DOUBLE TAXATION—REMOVAL OF INJUNCTION OF SECRECY

Mr. JOHNSON of Texas. Mr. President, the President has today transmitted to the Senate a protocol with Japan, relating to a treaty for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.

As in executive session, I ask unanimous consent that the injunction of secrecy be removed from Executive K, 85th Congress, 1st session, and that it be referred to the Committee on Foreign Relations, and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the protocol between the United States and Japan, signed at Tokyo on March 23, 1957, supplementing the convention of April 16, 1954 for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.

I transmit also, for the information of the Senate, the report by the Secretary of State with respect to the protocol.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *April 29, 1957.*

(Enclosures: 1. Report by the Secretary of State. 2. Supplementary income tax protocol with Japan, signed March 23, 1957.)

POLIOMYELITIS IMMUNIZATION PROGRAM IN MINNESOTA

Mr. MORSE. Mr. President, before I proceed with remarks I desire to make, I wish to thank the acting minority leader, the distinguished junior Senator from Nebraska [Mr. CURTIS], for the courtesy he has extended to me by permitting me to precede him on the speaking program this afternoon. It is typical of the parliamentary courtesy which my friend from Nebraska always extends to me.

I want the record to show also that the junior Senator from Nebraska has extended to me many fine social courtesies, as well. That is why I consider him to be one of my personal friends in this body. I thank him sincerely for this courtesy.

Mr. President, the distinguished junior Senator from Minnesota [Mr. HUMPHREY] is currently in the Middle East on official business. In his absence, I ask unanimous consent to have printed at this point in the RECORD a brief statement which the Senator from Minnesota had intended to make today in the Senate on the subject of the poliomyelitis immunization program in Minnesota.

I ask unanimous consent also to have printed at this point in the RECORD a memorandum to Governor Freeman from Dr. Robert N. Barr dated March 19, 1957, and a letter to Governor Freeman from Mr. Thomas P. Cook, executive secretary of the Hennepin County Medical Society, dated March 25, 1957, relating to the program.

There being no objection, the statement and letters were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY

There has been much discussion of the poliomyelitis immunization program from the very inception of the program, and a great deal of criticism at various times concerning the planning and handling of the several projects.

Perhaps because of the highly unfortunate series of incidents at the very beginning of the national program, when live virus turned up in several parts of the country, there has been a tendency in many parts of the Nation

to go slow on the immunization program. There has been an unfounded but nevertheless significant distrust of the vaccine itself in many parts of the Nation, a distrust which has been overcome only through vigorous leadership and hard work.

In Minnesota, the Governor, public health authorities, and the medical profession have worked together in splendid fashion to develop a polio immunization program which has achieved results, and which has given us documented evidence that the immunization program of two doses has reduced the incidence of paralytic poliomyelitis among individuals who have received the two doses to one-sixth of the rate for those who had received no Salk vaccine.

Following recent reports that the vaccine would soon be in short supply, Gov. Orville Freeman requested the Minnesota Department of Health to give him a report on the current status of the polio immunization program and to make sure that financial considerations would not bar any Minnesotan from receiving the protection of the vaccine.

The Minnesota Department of Health made a detailed report to the Governor which tells an inspiring story of what can be accomplished where there is a will to accomplish. This report on March 19, 1957, was followed by a report from the Hennepin County Medical Society, which further expands the narrative, and indicates that Minnesota is 1 of only 3 States which have expended 100 percent of their Federal allocation for polio vaccine.

Together these two reports make inspiring reading, and are vivid testimony to the effectiveness of group effort in a democracy, and of the way in which private citizens and public officials can work together in the face of crisis for the common good. Minnesota can be very proud of this story, and I am sure that my colleagues will find the chronicle stimulating and encouraging.

STATE OF MINNESOTA,
DEPARTMENT OF HEALTH,
March 19, 1957.

To: The Honorable Orville L. Freeman, Governor of Minnesota.

From: R. N. Barr, M. D., secretary and executive officer, Minnesota Department of Health.

Subject: Poliomyelitis vaccination program.

Thank you for your memorandum of March 11, 1957, indicating your interest in the poliomyelitis immunization program and the problem of developing a procedure to insure that the cost of such does not prevent people from securing desired protection.

We are discussing this matter with all interested groups and are transmitting detailed information to the individual members of the State board of health, and will have a complete review of the problem at the next meeting, which will very likely be on Thursday, April 4.

In the meantime, Dr. Dean Fleming, director of our division of disease prevention and control, will provide you and the board of health and all interested groups with a complete summary of the present information as to the availability of vaccine, the amounts that have been used in Minnesota during the entire program, and the activities of medical and other groups in the effort to assure that present and future supplies of vaccine will be used to the best advantage of all people in the State.

Our information over the entire period indicates that the physicians in Minnesota have provided a splendid service in seeing to it that people in all areas received Salk vaccine, and while individual criticisms have been made relative to charges for vaccine the general overall information indicates that in essentially all areas of the State a nominal charge has been made for the administration of vaccine for those who have been able to pay and for those individuals unable to pay it has been given without charge, and where there are large numbers in the family the charges for its administration have been made accordingly.

The Minnesota State Medical Association and its component county societies have lent every effort within their limitations in seeing to it that the members of their organization carry out these principles.

The results in the number of people immunized and the reduction in paralytic poliomyelitis cases in Minnesota are mute testimony to what had been accomplished. As you know, Minnesota has used all the vaccine made available to it under the Federal Poliomyelitis Act. This supply was exhausted as of December 7, 1956, and records indicate that the statewide use of vaccine purchased through commercial channels has continued at a very high level. In addition, physicians are reporting to the Minnesota Department of Health the numbers and ages of persons being immunized with commercial vaccine.

The action of the National Foundation for Infantile Paralysis (NFIP) indicated in the fall of 1956 that it intended to make available approximately $11 million for polio immunization. Our welfare boards indicated they would provide for immunization of those persons who are on their various assistance rolls. It was for these reasons that the State board of health did not request the 1957 legislature to appropriate funds for the purchase of vaccine.

Subsequently, the NFIP has indicated to its county chapters that they may properly expend one-third of their resources obtained through the 1957 drive for providing immunization against poliomyelitis.

We, therefore, have every reason to believe that while Minnesota may not receive the public acclaim as have certain cities like New York, Chicago, and recently Seattle, where large organized immunization programs were carried out, it will be able to more than hold its own in the number of persons in the State who are immunized against poliomyelitis and the protection obtained as the result of such immunization. The State department of health is confident that physicians in Minnesota will continue to provide reports on those immunized. This will make it possible for Minnesota to be one of the States where the exact evaluation of the results of immunization may be obtained. You will recall that it was previously reported to you that Minnesota was 1 of the 2 or 3 States that have complete records of both cases and immunization thereby making it possible to critically evaluate the results of immunization throughout the State. Our records for 1956 indicated that the incidence of paralytic poliomyelitis was 6 times as great in those who had received no Salk vaccine as it was in those who had received 2 doses.

State health departments report each week to the United States Public Health Service on estimated supplies and needs for poliomyelitis vaccine within their States. Minnesota's report for March 18 indicates the following estimated stock of vaccine in the State:

	Cubic centimeters
In State health departments	0
In local health departments	3,086
In wholesale houses	23,057
In drugstores	9,000
In doctors' offices	9,000
Total	44,143

We estimated that this supply would last one week. It is our understanding that no additional vaccine will be available from the manufacturing companies before April 15.

Our records indicate that of commercial vaccine shipped into Minnesota:

	Percent
Eli Lilly Co. supplies	80.7
Pitman Moore Co. supplies	13.1
Parke Davis Co. supplies	4.2
Sharp & Dohme Co. supplies	2.0

You will be receiving further reports on this matter.

Respectfully,

R. N. BARR, M. D.

P. S.—This memorandum and our reply has been transmitted to Mr. R. R. Rosell, executive secretary, Minnesota State Medical Association, who will supply you with additional information on the subject.

HENNEPIN COUNTY MEDICAL SOCIETY,
March 25, 1957.

The Honorable ORVILLE L. FREEMAN,
Governor, State of Minnesota,
St. Paul, Minn.

DEAR GOVERNOR: The Hennepin County Medical Society wishes to supplement the March 19 Salk vaccine report of the Minnesota Department of Health with the following comments:

The American Medical Association recently called a 1-day meeting in Chicago to discuss public apathy toward the effectiveness of Salk polio vaccine and the accumulation of more than 26 million cubic centimeters of this serum on the manufacturers' shelves which was rapidly becoming outdated.

The meeting referred to was held on Saturday January 19 and medical representatives were on hand from every State in the Union, Territorial possessions, and some foreign countries. Dr. Jonas Salk and other eminent medical scientists reemphasized the effectiveness of Salk vaccine as an immunizing agent, warding off the tragic effects of paralytic polio.

Surgeon General Burney presented the latest United States Public Health figures which reflected the percentage of the national population in the various age brackets that had received one or more injections of Salk vaccine.

A third phase of this meeting dealt with the expenditure of Federal funds which had been allocated to State health departments of the separate States for the purchase and control of Salk vaccine. Only 3 of the 48 States had spent their total allocation of Federal funds for the purpose for which this appropriation had been made and 1 of these 3 States was Minnesota. A well-earned compliment to the administration of our State health department in its discharge of a public responsibility.

This 1-day meeting adjourned in the early evening and each representative returned to his home community charged with the responsibility of developing a campaign that would result in public utilization of this effective weapon against paralytic polio.

The public health committee of Hennepin County Medical Society under the direction of Drs. Charles E. Merkert and W. W. Rieke, ably assisted by the State department of health and other agencies concerned with contagious disease problems spent the balance of January 1957 in laying the groundwork for a Salk vaccine campaign in this county. Representatives from the pharmaceutical houses producing and selling the vaccine were present at each of our several meetings. A program of mass inoculations was never given favorable consideration because of our fear that the vaccine adequate to meet our needs might not be available in the quantities needed and because the success of our accomplishments to date in this endeavor, on a private physician basis, by comparison with what other areas throughout the Nation had achieved in varying types of programs. Minnesota was, and still is, one of the outstanding leaders in the percentage of population participation in this immunization effort. This statement can be readily substantiated by procuring Federal figures on this subject and by the report of the Salk vaccine manufacturers reflecting the delivery and usage of vaccine in Minnesota.

Banking institutions and other large places of business were responsible for the mailing of more than one-third of a million stuffers throughout Hennepin County and adjacent areas advocating the immediate use of Salk vaccine. Radio stations and TV outlets were providing some 8 to 12 plugs per day as a public service. Three hundred and sixty-five drugstores throughout our community carried window posters and counter displays pleading for public participation in this fight against paralytic polio. The metropolitan dailies and suburban weeklies gave generously of their news space. Members of our committee addressed meetings of school nurses, teachers, and parent-teacher association groups, on the value and effectiveness of this serum in the war against polio. The people responded to these pleadings and urgings; they stirred themselves out of their complacencies and lethargy toward Salk vaccine, and the results speak for themselves, we ran out of vaccine—locally and nationally.

This office has been in long-distance communication with the several manufacturers of the vaccine and have their assurance that shipments of the serum will be renewed on or about the 5th of April. In the meantime we have established a priority for the city health department and the commissioner of health for the city of Minneapolis and today we filed a firm order in their name for a pro rata amount of the million units to be shipped to governmental agencies this week. Every effort will be made to provide funds in this community to enable the city and county health authorities to continue injecting underprivileged children through the well child clinics and immunization centers maintained by these public health authorities.

Many places of business and industry in this county have sponsored in-plant programs of Salk vaccine injections for their employed personnel—most of these at company expense.

The writer meets with labor leaders on Thursday night of this week to discuss the details of similar programs in those places of employment that have not as yet seen fit to provide such programs.

It is my unqualified opinion that Minnesota can be proud of what it has already accomplished in this endeavor, but that we will not consider the job well done until every eligible individual has at least had the opportunity to procure this protection, with or without the means to pay for it.

Respectfully yours,

THOMAS P. COOK,
Executive Secretary,
Hennepin County Medical Society.

ANOTHER ADMINISTRATION GIVE-AWAY AT HELLS CANYON

Mr. MORSE. Mr. President, a cynical hoax is being put over on the country's taxpayers. The administration has talked piously of cutting Federal expenditures, particularly in the field of water-resources development. Partnership dams have been advertised by the Eisenhower administration as a means of reducing the Federal debt.

Yet on Thursday, April 25, the office of Defense Mobilization announced a multi-million-dollar tax handout to the Idaho Power Co. to build two inadequate dams in the Hells Canyon area of the Columbia River Basin. Since early 1953, this administration has opposed the full development of Hells Canyon for flood control, electric power, navigation, irrigation, and recreation, and has favored and supported the Idaho Power Co.'s plan for less than full development.

Repeatedly it has been claimed that this plan will save the taxpayers money. Administration apologists have made this claim. One example is the adverse report of the Interior Department on the Federal Hells Canyon Dam bill in the last session.

The saving factor was commented upon by the Federal Power Commission Examiner in his report of May 4, 1956:

> One of the seemingly attractive aspects of the Idaho Power proposal and one which has been exploited and publicized was that Idaho Power would, without cost to the taxpayer, relieve this need (for electric power) to a substantial extent.

In 1956, before the Senate vote on the Hells Canyon bill, full page advertisements in national magazines, expensive advertisements, propagandized that the Idaho Power Co. dams at Hells Canyon would save the taxpayers money. Those ads were paid for by electric power rate payers.

Now the cat is out of the bag: The United States Treasury will subsidize the private-utility inadequate dams. The backers of the Federal high Hells Canyon Dam predicted that this would be the case.

Last Thursday, ODM announced that quick tax writeoff certificates amounting to $65,206,094 were to be issued to the company. In fact, the certificates are not for a definite dollar amount; they are for 65 percent of Brownlee Dam and 60 percent of Oxbow Dam. The cost of these dams, in the Interior Department recommendation to ODM that the tax subsidy be given, understates the cost of the two dams by many millions below the estimates of Interior's own experts and the findings of the Federal Power Commission. The lower figures are based on the company's claims, rejected by the Department of the Interior's engineers and cost experts, rejected by the FPC examiner, and not accepted by the FPC. So the actual value of the certificates will be far greater.

What does this mean? The ordinary taxpayer can deduct only a fraction of the cost of capital investments from his taxable income. But the quick tax writeoff certificate means that Idaho Power Co. can deduct one-fifth the total value of the certificate for each of the first 5 years, reducing by that amount the amount of taxable income.

Even on the basis of the low estimates used by Interior and the Office of Defense Mobilization, the Idaho Power Co. will not have to pay but will save $29,250,000 in taxes during the next 5 years.

UNITED STATES GIVES TAX-FREE LOAN TO IDAHO POWER CO. AT HELLS CANYON

The Federal Power Commission in 1953 characterized these tax writeoffs as follows:

> This has the precise effect of a grant by our Government to a certificate holder of an interest-free loan.[1]

Mr. President, I digress here, because I wish to point out that when a labor-union leader takes $200,000 or $400,000 or X amount of dollars for an interest-free loan to himself, in my judgment he commits an act of immorality. Likewise, I say, Mr. President, that when the Eisenhower administration deals in this kind of executive immorality, it steals, based on moral terms, from the taxpayers of the United States; and it is about time that in the Congress a few Members have the courage to protest and to call this administration what it is—an administration honeycombed with political immorality. O, Mr. President, the stealing is done within the terms of the law; the officials can say that the Office of Defense Mobilization has a right, under the law, to do what it is doing in this case. But that does not make it moral, Mr. President. Instead, it makes it rotten. This administration is so rotten that it stinks to high heaven; and the time has come to draw the issue with this administration in regard to such a handout to American big business. It is a shocking betrayal of a public trust. It cannot be justified.

Mr. President, I am one Senator who proposes to tell the American people, on the basis of the facts, what this administration is doing to them as taxpayers, by putting its hands into the taxpayers' pockets and giving an interest-free loan to the Idaho Power Co. and to other big businesses in the United States, by means of such a deal by way of an accelerated tax amortization program which cannot be justified on national-defense grounds.

In a moment I shall deal further with that matter; but first I wish to state what this action really is, namely, a shocking betrayal of the taxpayers of the United States.

Mr. President, I have grown weary of the sanctimonious pronouncements of the President of the United States which would lead the American people to believe that he does not stoop to the kind of tactics with which I now charge him. I am fed up with his sanctimonious pronouncements, Mr. President. The time has come to place the responsibility directly where it belongs—right on the shoulders of Dwight D. Eisenhower. I say to the President, "Come on; tell the American people how you can justify this action on any ground of political morality."

Mr. President, I believe it is our duty to speak against the immorality of a labor-union leader when he takes interest-free money out of the pockets of the members of the union; and I think it

[1] Matter of Treatment of Federal Income Taxes as Affected by Accelerated Amortization, FPC opinion No. 264, December 3, 1953.

is also time to speak out against the President of the United States when he allows this kind of immorality to run through his administration, and does not put a stop to it.

So I throw back to his teeth the language of his own Federal Power Commission in 1953, when it characterized these tax writeoffs as follows:

> This has the precise effect of a grant by our government to a certificate holder of an interest-free loan.

Mr. President, on the most conservative basis, a 50-year loan of $29,250,000 at 6 percent is worth $329 million. That shows what a hand-out it is. Those responsible think the average citizen will not realize what the interest will amount to over a period of 50 years. Otherwise, of course, if they had to figure the depreciation at the regular rate, there would be a cost to them of additional millions of dollars. That indicates the kind of give-away in which the administration is participating in this instance. It indicates what Idaho Power is getting for quick tax write-offs, instead of making normal deductions over a 50-year period. Indeed, the 50-year depreciation period is conservative, for the useful life of a dam is much greater. As an example, the Washington Water Power's Cabinet George Dam is given a normal depreciation life of 70 years.

HANDOUT MEANS LARGER FEDERAL DEBT

In very simple terms, the Idaho Power Co. is being permitted to avoid millions of dollars of tax payments during the next 5 years. This means shifting the burden of that tax loss, plus interest payments, to other taxpayers.

The 1956 staff report of the Joint Committee on Internal Revenue Taxation makes this quite clear. In describing the effect of this form of tax amortization, it says:

> If the budget is to be balanced, larger burdens are imposed on the rest of the taxpayers.

I may add that if the budget is not balanced, the taxpayers also must pay interest for the increase in the national debt. So in this kind of double dealing, the taxpayers lose both ways.

Only a few weeks ago, the administration walked out on a campaign pledge to reduce taxes for small corporations. It did so because, it claimed, the Treasury could not afford the lost revenues. Small corporations lost the relief they needed, because of the defeat of the Fulbright amendment.

SUBSIDY FOR HIGH-COST POWER

Yet in the last 6 years, $3.34 billion—yes, billion—in tax writeoffs have been granted to electric power companies—more than half in the past 4 years—1953–56—according to the joint committee.

SUBSIDY FOR HIGH-COST POWER

The joint committee staff report states:

> Rapid amortization is a form of special Government assistance to private manufacturers, or bluntly, a subsidy.

Theoretically, it is designed to be an incentive to build capacity which would otherwise not be built. In this case, the subsidy comes after the company started to build.

This is a very interesting circumstance. As I pointed out in August 1955, the Idaho Power Co. in August 1953 applied for tax writeoffs on only Brownlee Dam and Oxbow Dam, but not for Little Hells Canyon Dam, the third dam in its so-called plan. Two years later—in August 1955—the Federal Power Commission granted licenses on only Brownlee Dam and Oxbow Dam; and delayed—probably forever—any requirement for building the third dam, Little Hells Canyon. This was surprising foresight on the part of the company—to be able to predict what the Federal Power Commission would do.

Let us look at another example of incredible foresight. The Federal Power Commission's examiner found—on the basis of a very detailed record—that the Idaho Power Co. power in the Hells Canyon area would cost 7.6 mills for Brownlee Dam, and 6.6 mills per kilowatt-hour for all 3 dams. He found that there was no market for such fancy-priced power in the Idaho Power Co. service area, and still less of a market in Oregon and Washington, where power prices are much lower.

But the company started to build Brownlee Dam anyway. How did it know that the Office of Defense Mobilization would come along with this multi-million-dollar subsidy to help it out—witht taxpayers' money?

Yes; this is a fascinating coincidence, Mr. President.

CASE FULL OF COINCIDENCES

There are other fascinating coincidences in the Hells Canyon controversy. On May 5, 1953, the Secretary of the Interior withdrew his predecessor's objections to the Idaho Power Co.'s license application when only the Oxbow Dam application was on file. He based his letter on the company's three-dam plan. Only after the Secretary's letter did the company's stockholders authorize the three-dam license applications—a few days later, for the company's annual meeting is always in early May.

Again, in 1955, the Federal Power Commission examiner's report came out a few days before the company's annual meeting.

Again, in 1957, the Office of Defense Mobilization gift is announced a few days before the stockholders' meeting in Maine.

ODM IGNORES FORMAL PROTESTS AND FACTUAL CHALLENGES

In February 1956, a group of Senators and Representatives filed with the Office of Defense Mobilization a detailed protest to the grant of these certificates. Our protest was based on factual errors and misrepresentations in the Interior Department's recommendation to ODM and the ODM staff analysis.

So, for example, we showed that, contrary to the assertion by the Department of the Interior, the company dams would not make usable power available to western Oregon and Washington, where a power shortage impends.

We showed that neither memorandum set forth any evidence for the bald assertion that Idaho Power Co. would use the power to serve defense industry; and, from our knowledge of the area, we can assert there is none of any magnitude there. Further, at the power costs shown to be attached to these second-rate dams, defense industry will have no use for the electricity generated by them.

AN ATTEMPT TO EVADE BYRD HEARINGS?

For some time, the Chairman of the Senate Finance Committee has made clear that he proposed a study of ODM's quick tax-writeoff program, especially as it pertains to private utilities. Indeed, his hearings are scheduled to begin this week, on May 2. A specific subject for consideration during the hearing is the Idaho Power Co.'s Hells Canyon applications.

It would appear that despite this impending hearing, addressed in part to this case, ODM nonetheless went ahead to close out the case. In other words, they wanted to jump the gun. They wanted to get ahead of the Senate committee. They made the grant before the Senate committee could conduct its hearings.

This is another example of how the executive departments, under this administration, try to give congressional committees the runaround. I happened to be presiding today over a subcommittee going into the problem of the radio daytime question—not into the substantive question, but into the procedural question as to why the Federal Communications Commission has not given the daytime broadcasters a decision on their petition so that they would be able to process their appeals to a higher court if a decision went against them—in keeping with our historic judicial process. To my shocking surprise, I received a message from the staff that the Commission did not think a member of the Commission should come to the hearing; but apparently the Commission was willing to send a subordinate. As a lawyer, I would not think of interfering with a decision of the Commission on its merits, but it is rather shocking to learn that the Commission will not send a member of the Commission to a hearing when it is looking into the question of dilatory delays in handing down a decision in this case.

It should be emphasized that these administrative law tribunals are children of the Congress. The Congress happens to be their legislative parent. They are agents of the Congress, responsible to the Congress. It happens to be the duty of the Congress when any administrative agency, whether it be the Federal Power Commission, the Federal Communications Commission, or any other administrative agency, is charged by responsible citizens with dereliction of duty, to look into the matter and ascertain what the facts are, and members of those agencies should appear before appropriate committees of Congress and make their statements.

I shall await with interest tomorrow morning to see whether or not the Federal Communications Commission sends a member of the Commission to speak in behalf of the Commission. If it does not, my recommendation will be that our committee take appropriate action, and

there will then be an appropriate resolution from me presented on the floor of the Senate.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. O'MAHONEY. I am very happy to hear the Senator from Oregon make these remarks. The time has long passed since there has grown out of all proportion the development toward disregard of the legislative powers of Congress by the boards and commissions to which we have delegated legislative power.

It has occurred to me on numerous occasions that one of the best ways, perhaps, to handle this matter would be in conjunction with the confirmation of all nominees to any board or commission. I myself have adopted that practice on the Judiciary Committee. When, by chance, I have been appointed to conduct hearings on certain nominations, I have always taken the caution to put the nominee under oath and have asked the nominee, while under oath, if, should he be confirmed to the position to which he was nominated, he would carry out the law as it is written by the Congress, without fear or favor, and without partisanship toward the executive branch of the Government. It works. The Congress, particularly the Senate, should not overlook the power it has in the confirmation of officials. I think we ought to make it a practice, throughout the committees of Congress, in passing upon nominations, to make certain that the nominees understand that they are not responsible to the White House.

A very unfortunate thing happened several years ago, under this administration, when one of the reorganization acts was created. Under the Truman administration, the Senator will recall, a reorganization act suggested by the Hoover Commission was adopted, which provided that the chairmen of most of the commissions should be appointed by the President when he made the original nomination, and the chairman was given certain housekeeping authorities. The purpose of that was to save money. But now the White House constantly channels information and policy designs to the chairmen of the various commissions. The Federal Communications Commission, I have no doubt, is one. The Civil Aeronautics Board is another. The White House tells the chairman what the White House policy is, in spite of the intent and purpose of the law, which is that a commission should be an independent agency, exercising delegated powers from Congress, to sit in a semiofficial capacity, listening to all sides, and not serving the purpose of the White House.

We now learn from the papers that the White House is about to ask for authority to build a new executive mansion—a vast new building—either on the Ellipse, where employees from the various departments play baseball, or perhaps on Lafayette Square. The White House is no longer large enough to accommodate the anonymous assistants of the President who carry on the work of the President when he does not do it himself.

I am very happy that the Senator from Oregon has made this allusion to a very important phase of the decline in the powers of Congress. I hope he will insist that the Commission be represented before the committee tomorrow.

Mr. MORSE. I shall insist.

Mr. O'MAHONEY. And I shall be happy to give all the poor assistance I can in helping the Senator to get the results that are necessary.

Mr. MORSE. I wish to say that I agree with what the Senator from Wyoming has said, and I am particularly pleased to have his contribution to this discussion, because I know of no man in the Senate who is a greater authority on the administrative law process than is the Senator from Wyoming.

What we are dealing with again is the whole question of responsibility to the Congress of administrative agencies created by the Congress. The difficulty with too many of the men in these agencies is that their heads have become too big for their hats. A good example of that is Mr. Gray of ODM. He owed it to the Congress of the United States to withhold a decision on this matter, instead of granting the certificate, until he heard from the Senate through the Byrd committee. And before I finish, I shall put into the record the position of the Senator from Virginia [Mr. ROBERTSON] in regard to the hasty action Mr. Gray is guilty of.

In addition, the present chairman of the Joint Committee on Defense Production, when vice chairman of the Committee last year, advised Director Flemming of his opposition to these certificates. Pursuant to his instructions the Director was put on notice that the Senator from Virginia [Mr. ROBERTSON] last year, after adjournment, had directed a study and asked for hearings; and I shall quote from the request of the Senator from Virginia [Mr. ROBERTSON]:

> With particular reference to the Oxbow and Brownlee projects on the Snake River in the Northwest.

This was a request by the Senator from Virginia [Mr. ROBERTSON] for a committee hearing on this matter, pending before ODM, and in spite of that, Mr. Gray proceeded to issue these certificates. In my judgment, by so doing, he stands in contempt of the Robertson committee, and I happen to be one who believes he ought to be so charged.

After all, Mr. President, the Robertson committee had the right to ask for this postponement until an investigation into the facts could be made. The Senator from Virginia [Mr. ROBERTSON] is now chairman of the committee. The action of the ODM is a strange reply to the chairman of a congressional joint committee with jurisdiction over the subject. Indeed, ODM's unseemly haste appears to be an attempt to avoid and evade Congressional scrutiny of its actions.

I know why they would want to do that, because the granting of the certificate could not be justified on the basis of the record that would be made before the Robertson committee.

This act of political immorality upon the part of Gray could not have been justified, Mr. President. He knows it, but he did not want to wait for the Robertson committee to present the facts. That is the kind of irresponsible conduct we are getting from an agency head under this administration, and it is about time we made clear to this administration that the fight is on, and we do not intend to let this kind of defeat of the public interest go unchallenged any longer.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the correspondence of the Senator from Virginia [Mr. ROBERTSON], with the ODM on this matter, which he has graciously supplied to me.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

JULY 23, 1956.

Hon. ARTHUR S. FLEMMING,
Director, Office of Defense Mobilization, Executive Office of the President, Washington, D. C.

DEAR DR. FLEMMING: The Idaho Power Co. has asked for accelerated depletion on its Oxbow and Brownlee Dams on the Snake River, totaling I believe, $103 million, but has not asked for accelerated depletion on the Hells Canyon Dam and officials of the company have told Senator WATKINS of Utah that it did not plan to ask for accelerated depletion on the Hells Canyon Dam if the Federal Power Commission granted it a certificate to build it.

In my opinion, none of these power projects can meet the test of the accelerated-depletion law as being essential to the defense effort and, therefore, I hope the request heretofore submitted for the Oxbow and Brownlee Dams will be denied.

With kindest regards, I am

Sincerely yours,

A. WILLIS ROBERTSON.

JULY 24, 1956.

Hon. ARTHUR S. FLEMMING,
Director, Office of Defense Mobilization, Executive Office of the President, Washington, D. C.

DEAR DR. FLEMMING: Senator A. WILLIS ROBERTSON, vice chairman of the Joint Committee on Defense Production, has requested a further study of the mobilization program with respect to the issuance of certificates of necessity for accelerated tax-amortization, with particular reference to the Oxbow and Brownlee projects on the Snake River in the Northwest.

Senator ROBERTSON has also indicated that he intends to request that the Joint Committee on Defense Production hold hearings on these two applications for certificates of necessity.

I am advising you of the above in order that there may be an adequate opportunity for study and due consideration of these matters prior to a final determination.

Sincerely yours,

HAROLD J. WARREN.

AUGUST 22, 1956.

Hon. ARTHUR S. FLEMMING,
Director, Office of Defense Mobilization, Executive Office of the President, Washington, D. C.

DEAR DR. FLEMMING: Under the heading "Washington Whispers" it is stated in U. S. News & World Report of August 24 that the steel companies will ask the privilege of rapid amortization of new steel facilities as part of the settlement of the wage price issue within the industry.

What I said in a recent letter to you about the amortisation of new powerplants applies equally as well to new steel plants. Should new steel plants be built they will be built for purely peacetime production. The only authority the Government has to grant special

amortization privileges as tax-saving devices is to encourage the construction of new facilities needed for war production. Senator BYRD, chairman of the Senate Finance Committee, has directed the staff of the Joint Committee on Internal Revenue Taxation to conduct an exhaustive study this fall of amortization laws and the manner in which they have been employed to secure tax deductions. Personally, I do not think there is anything radically wrong with the law but, of course, there is an old political saying, "No law can rise above its enforcement."

With kindest regards, I am,

Sincerely yours,

A. WILLIS ROBERTSON.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF DEFENSE MOBILIZATION,
Washington, D. C., August 24, 1956.

Hon. A. WILLIS ROBERTSON,
United States Senate,
Washington, D. C.

DEAR SENATOR ROBERTSON: I deeply appreciated your thoughtfulness in writing me relative to the applications for rapid tax amortization filed by the Idaho Power Co. on its Oxbow and Brownlee Dams on the Snake River.

I can assure you that your views will be given very careful consideration in passing on this matter.

Very sincerely and cordially yours,

ARTHUR S. FLEMMING,
Director.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF DEFENSE MOBILIZATION,
Washington, D. C., August 28, 1956.

Hon. A. WILLIS ROBERTSON,
United States Senate,
Washington, D. C.

DEAR SENATOR ROBERTSON: Thank you very much for your letter of August 22.

Certain representations have been made to us relative to the establishment of expansion goals for structural steel, steel plate and tubular goods. The question of whether these goals will be established will be decided solely on the basis of whether or not existing capacity would be adequate in the event of general mobilization. I can assure you that I will not permit the question of prices to influence the decision one way or another. Also, I can assure you that the demands of a rapidly expanding civilian economy will not influence the decision.

I am in complete agreement with you that defense incentives should be used strictly for defense purposes and should not be used to solve nondefense problems.

Very sincerely and cordially yours,

ARTHUR S. FLEMMING,
Director.

ELBERTON, GA., *September 5, 1956.*

Hon. A. WILLIS ROBERTSON,
Vice Chairman, Joint Committee on Defense Production, Senate Office Building, Washington, D. C.

DEAR SENATOR: Thanks for your letter of September 1.

I am writing Dr. Flemming, as suggested by you, and asking him to be prepared to testify before the Joint Committee next year relative to the matters discussed in your letter. I also told Harold Warren to contact Dr. Flemming.

I hope you will get some needed rest this fall.

With all good wishes.

Sincerely yours,

PAUL BROWN.

Mr. MORSE. The Senator from Virginia [Mr. ROBERTSON], in his correspondence with ODM, made it quite clear that he felt there was abuse in the tax certificate program, particularly with regard to projects not directly related to defense. The Idaho Power projects are clearly within the area to which he objects. He had a right to depend on former Director Flemming's assurance that "defense incentives should be used strictly for defense purposes."

However, ODM did not abide by this assurance.

Mr. President, I shall read only a paragraph of the letter of the Senator from Virginia [Mr. ROBERTSON], written to me, dated April 26, 1957.

In view of the correspondence and personal conversations which I had with Dr. Arthur S. Flemming concerning the application of the Idaho Power Co. for a certificate for accelerated depletion on its Brownlee and Oxbow Dams on the Snake River, I was just as surprised as you when I learned that the certificate had been granted.

ODM did not honor the request of some 19 Senators and several Representatives to hold public hearings to resolve the questions of fact raised in the Interior and ODM memoranda on these applications.

As with all of the other administration actions in relation to the Hells Canyon case, ODM's grant of the taxpayers' money to Idaho Power has been characterized by an unwholesome hurry to bull the giveaway through.

ADMINISTRATION ACTION RECALLS DIXON-YATES

The repeated acts of favoritism to the Idaho Power Co. brings to mind the series of questionable actions to put across the Dixon-Yates deal.

Why is the administration so adamant in its opposition to a high Federal dam at Hells Canyon? It is urgently needed for flood control—for low-cost power production to avert a serious shortage. It is urgently needed as the only major multipurpose dam that can assure full downstream development. It has the tremendous advantage of imperiling no conservation values; indeed it will be of positive value for recreation, while other administration-favored projects imperil fish, wildlife, and wilderness.

The record of the administration on Hells Canyon shows utter bias against full development that pays its own way and for underdevelopment that wastes resources. It has shown again and again that it has no use for the facts, no interest in the merits of the issue; only political expediency, sellout, and immorality characterize the pattern of this administration in this field.

The quick tax writeoff subsidy to Idaho Power is a shocking political theft from the people's pockets to enrich a private utility and enable it to waste the best dam site in the country.

I warn the American people today from the Senate that they should not support this giveaway, and I warn this administration that once the American people find out the facts they will hold this administration to account. I warn that the people will not pay for this giveaway.

Mr. President, I close by saying I do not find it pleasing to have to speak so critically of any administration, Republican or Democratic, but I wish to say I have done so today because in my judgment the facts warrant it, and the time has come for Republicans and Democrats alike in the Congress to hold this administration responsible for the kind of malfeasance in office that I have pointed out for the RECORD today.

I close again by thanking my friend from Nebraska for permitting me to speak before him.

FAST AMORTIZATION FOR DEPRECIATION GRANTED TO THE IDAHO POWER CO.

Mr. BYRD. Mr. President, I wish to make a brief statement. I have been informed that the Office of Defense Mobilization has issued a rapid writeoff tax depreciation to the Idaho Power Co., which will mean the granting of rapid tax certificates aggregating $65,200,000.

I believe this is an utterly indefensible act, because the law providing for the rapid writeoff depreciation was intended to apply only to those industries which were engaged in defense operations. A public utility is guaranteed its profits.

Therefore I cannot understand why such a large writeoff has been given the Idaho Power Co.

Mr. President, I wish to say that on October 22, 1956, I wrote to Mr. Flemming, Director of the Office of Defense Mobilization, protesting against the issuance of these rapid writeoff certificates. I ask unanimous consent to have my letter of that date to Mr. Flemming printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON FINANCE,
October 22, 1956.

Hon. ARTHUR S. FLEMMING,
Director, Office of Defense Mobilization,
Washington, D. C.

MY DEAR MR. FLEMMING: As chairman of the Senate Finance Committee, I have requested the Joint Committee on Internal Revenue Taxation staff, headed by Mr. Colin F. Stam, to review existing legislation allowing fast amortization for depreciation of plant and equipment for tax purposes, and to study its effect and need under current peacetime conditions.

I am informed that pending applications for such fast tax amortization by steel companies alone involve proposed new construction totaling at least $1.2 billion.

As a member of the Finance Committee, I know that the original and continuing purpose of this wartime legislation has been to expedite production essential to national defense.

It is my opinion that under present peacetime conditions such special privilege can be justified only in exceptional and rare cases. Otherwise, there is danger of creating unfair competition, overexpansion, and damage to smaller business. I am concerned also about the temporary loss of revenue resulting from these cases.

I understand you have temporarily postponed action on pending applications by steel companies and perhaps certain others. As chairman of the Senate Finance Committee, I am asking you not to grant those applications which you have held up or any others about which there is the slightest question until this committee can complete its review of the situation under existing defense and business conditions and make its report.

Meanwhile, please submit to the Senate Finance Committee as promptly as possible a list of all pending applications for fast

amortization, along with such information as may be pertinent in each case.

Cordially yours,

HARRY F. BYRD,
Chairman.

Mr. BYRD. Mr. President, I also ask unanimous consent to have printed in the RECORD as a part of my remarks the reply which Mr. Flemming sent to me in answer to my letter of October 22. In the letter Mr. Flemming indicated that he was not going to extend the operation of the rapid writeoff depreciation, and included in his reply a list showing the applications he had received, aggregating $3,661,741,000.

There being no objection, the letter and the statement were ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF DEFENSE MOBILIZATION,
Washington, D. C.

Hon. HARRY F. BYRD,
Chairman, Committee on Finance,
United States Senate,
Washington, D. C.

DEAR SENATOR BYRD: Thank you very much for your letter of October 22 relative to the tax-amortization program.

As you state, the purpose of this program has been to provide an incentive to private industry to expand facilities required for defense production. Under the current system of expansion goals, this has been done in an orderly fashion. As established defense requirements have been met, the goals have been closed. Of a maximum of 228 goals, only 23 remain open and unfilled, and this number will soon be reduced further.

With the exception of direct defense or AEC projects, expansion goals reflect gaps in the mobilization base which would exist under mobilization conditions. In order to determine whether or not a gap exists, we have taken military requirements, defense-supporting requirements, and the requirements of a rockbottom civilian economy and balanced them out against the supplies that would be available. If it is determined that supplies would not be adequate the extent of the shortage is identified and this becomes an expansion goal. We believe that expansion goals should be established only under these conditions. We do not believe that they should be set up in an effort to meet current situations where the demand is greater than the supply.

Certificates now being issued cover expansions for continuing defense requirements within open goal areas, particularly those which are directly related to current Department of Defense or Atomic Energy Commission procurement.

As you requested, I enclose a list of all pending applications for tax amortization with accompanying notes of explanation on individual cases and groups of cases. Those for which there is no expansion goal have been tabulated on the last page.

In regard to pending applications filed by the steel industry, I issued a press release on September 21, 1956, which reads as follows:

"At a meeting this morning the Defense Mobilization Board considered the question of the policy which should be followed in the future in the establishment of expansion goals and the granting of rapid tax-amortization certificates within those goals. Consideration of this matter grew out of the requests that have been made for the establishment of new steel-expansion goals. It was determined that no final decision would be made on the policy to be followed until the matter has been discussed at the Cabinet level. After this discussion has taken place a decision will be made and announced on the policy to be followed and on the relationship of the decision to the requests for new steel-expansion goals."

Following Cabinet consideration of the tax-amortization policy on September 28, I stated publicly on October 3 that I would not be in a position to make a decision on the establishment of expansion goals for the steel industry until I receive from the Department of Defense the new mobilization requirements on which they are now working.

I appreciate your interest in this matter and look forward to your committee's report.

Sincerely yours,

ARTHUR S. FLEMMING,
Director.

Rapid tax amortization applications pending as of Oct. 17, 1956

Standard industrial classification code No.	Tax amortization No.	Company	Location of facilities	Date filed	Amount (thousands)	Goal No.	
2932	31785	United States Steel Corp	Gary, Ind	Aug. 27, 1956	$35,000	------	Metallurgical coke facilities not now eligible for certification. (See note.)
2932	31803	----do	Morrisville, Pa	Aug. 29, 1956	19,000	------	Do.
2932	31859	Crucible Steel Company of America	Midland, Pa	Sept. 13, 1956	10,000	------	Do.
1211	31922	Armco Steel Corp	McAlester, Okla	Oct. 1, 1956	5,000	------	Do.
		Total			69,000	------	Do.
4923	27377	Panhandle Eastern Pipe Line Co	United States at large	Dec. 29, 1953	2,896	171	Natural gas pipeline.
5121	29208	Gaylor Oil Terminals	Long Beach, Calif	Mar. 14, 1955	2,500	65	Petroleum storage facilities.
4613	29333	Texas Eastern Transmission Co	United States at large	Apr. 7, 1955	16,367	65	Oil products pipeline.
2829	30608	Firestone Tire & Rubber Co	Lake Charles, La	Oct. 4, 1955	16,452	------	Alkylation facilities.
2911	30676	Petro-Tex Chemical Corp	Houston, Tex	Oct. 20, 1955	27,000	------	Do.
2911	30686	Sunshine Stafe Refinery, Inc	Florida at large	Oct. 24, 1955	675	------	Do.
2911	30716	Phillips Chemical Co	Borger, Tex	Oct. 31, 1955	4,396	------	Do.
2911	30830	Delhi-Taylor Oil Corp	Corpus Christi, Tex	Nov. 28, 1955	3,600	------	Do.
1314	31104	El Paso Natural Gas Products Co	Odessa, Tex	Dec. 29, 1955	11,300	------	Do.
2911	31105	Odessa Butadiene Co	----do	----do	19,215	------	Do.
2911	31178	Petroleum Chemicals, Inc	Lake Charles, La	Jan. 5, 1956	4,361	------	Do.
2911	31238	Phillips Chemical Co	Borger, Tex	Jan. 27, 1956	10,395	------	Do.
4922	31341	Utah Gas Service Co	Utah at large	Mar. 7, 1956	510	226	Gas pipeline to AEC installation.
2911	31360	Pan-Am Southern Corp	Destrehan, La	Mar. 13, 1956	3,000	65	Petroleum refining facilities.
2911	31370	Southland Oil Co	Tampa, Fla	Mar. 23, 1956	9,550	------	Alkylation facilities.
2819	31372	Hancock Chemical Co	Long Beach, Calif	----do	1,500	------	Do.
1314	31384	Commerce Oil Refining Corp	Portsmouth, R. I	Mar. 27, 1956	34,000	------	Do.
2911	31440	Standard Oil Co. (Ohio)	Cleveland, Ohio	Apr. 16, 1956	3,887	------	Do.
2911	31455	California Oil Co	Perth Amboy, N. J	Apr. 27, 1956	309	------	Do.
2911	31482	Ashland Oil & Refining Co	Cattlesburg, Ky	May 3, 1956	500	------	Do.
2911	31483	----do	Buffalo, N. Y	----do	948	------	Do.
2911	31464	----do	Canton, Ohio	----do	1,433	------	Do.
2911	31527	Standard Oil Co. (Indiana)	Whiting, Ind	May 18, 1956	4,244	206	Research and development.
2911	31528	Malco Asphalt & Refining Co	Artesia, N. Mex	----do	855	------	Alkylation.
2911	31588	Standard Oil Co. (Ohio)	Toledo, Ohio	June 11, 1956	500	------	Do.
5121	31723	Northville Dock Corp	Northville, N. Y	Aug. 1, 1956	1,400	226	Petroleum storage facilities.
4613	31757	Yellowstone Pipe Line Co	Spokane County, Wash	Aug. 14, 1956	574	------	Alkylation facilities.
4923	31776	Brooklyn Union Gas Co	New York, N. Y	Aug. 23, 1956	4,510	------	Do.
2911	31777	Texas Co	Port Arthur, Tex	Aug. 24, 1956	2,600	------	Do.
2911	31796	DPX Sunray Oil Co	Stephens County, Ind	Aug. 29, 1956	450	------	Do.
2911	31849	Aurora Gasoline Co	Detroit, Mich	Sept. 10, 1956	1,238	------	Do.
2911	31868	Shell Oil Co	Wood River, Ill	Sept. 13, 1956	488	------	Do.
2911	31884	Phillips Petroleum Co	Sweeny, Tex	Sept. 17, 1956	2,950	------	Do.
2911	31885	----do	Phillips, Tex	----do	7,250	------	Do.
5721	31896	Franklin C. Murphy	St. Ignace, Mich	Sept. 20, 1956	490	226	Petroleum storage facilities.
1314	31911	Union Oil & Gas Corporation of Louisiana	Eunice, La	Sept. 27, 1956	5,704	------	Alkylation facilities.
2911	31958	D-X Sunray Oil Co	Tulsa, Okla	Oct. 16, 1956	9,888	------	Do.
		Total			217,025	------	
4911	13746	Electric Energy Inc	United States at large	Aug. 14, 1951	191,000	55	Electric power generating facilities.
4911	26407	Idaho Power Co	----do	Aug. 6, 1953	35,944	55	Do.
4911	26500	----do	----do	Aug. 21, 1953	67,138	55	Do.
4911	31167	Gulf States Utilities Co	Orange County, Tex	Jan. 3, 1956	1,450	225	Electric power transmission facilities.
4911	31579	Cleveland Electric Illumination Co	Cleveland, Ohio	June 6, 1956	1,674	225	Do.
4911	31926	Ohio Edison Co	Minerva, Ohio	Oct. 1, 1956	267	225	Do.
		Total			297,473	------	

NOTE.—Where no goal number is indicated, the application is not now eligible for certification.

Rapid tax amortization applications pending as of Oct. 17, 1956—Continued

Standard industrial classification code No.	Tax amortization No.	Company	Location of facilities	Date filed	Amount (thousands)	Goal No.	
1093	27745	Harvey Machine Co., Inc.		Mar. 23, 1954	$24,842	------	Titanium sponge facilities.
1011	29064	United States Steel Corp.	Houseville, Pa.	Feb. 7, 1955	25,000	------	Iron ore beneficiation facilities.
1011	29630	do	Gary, Ind.	May 23, 1955	21,800	------	Do.
3311	29631	do	Chicago, Ill.	do	15,000	------	Do.
3311	29639	do	Lorain Work, Ohio	May 26, 1955	11,260	------	Do.
1011	29676	do	Youngstown, Ohio	do	10,630	------	Do.
3311	29719	do	Birmingham, Ala.	June 14, 1955	14,000	------	Do.
1011	29735	do	Mesabi Range, Minn.	June 13, 1955	11,000	------	Do.
1093	29912	National Distillers Products Corp.	Ashtabula, Ohio	June 28, 1955	2,050	------	Do.
1011	29917	Marquette Iron Mine Co.	Negaunee, Mich.	June 29, 1955	32,000	------	Do.
3311	30145	Bethlehem Steel Co.	Sparrows Point, Md.	July 19, 1955	2,440	------	Do.
2819	30288	Columbia Titanium Co.	Natrium, W. Va.	Aug. 1, 1955	10,500	------	Do.
1011	30554	United States Steel Corp.	Utah County, Utah	Sept. 14, 1955	8,000	------	Do.
1011	31192	Bethlehem Steel Co.	Sparrows Point, Md.	Jan. 9, 1956	9,240	------	Do.
3339	31432	Kennecott Titanium Development Co.	Undetermined	Apr. 12, 1956	10,375	206	Pilot plant, titanium.
3339	31435	Texas-Zinc Minerals Corp.		Apr. 13, 1956	8,000	224	Uranium ore mining facilities.
1011	31436	Jones & Laughlin Steel Corp.	Cleveland, Ohio	do	5,721	------	Iron ore beneficiation facilities.
1011	31443	United States Steel Corp.	Minnesota at large	Apr. 16, 1956	19,320	------	Do.
1011	31647	Granite City Steel Co.	Madison County, Ill.	July 2, 1956	5,900	------	Do.
1094	31651	Lucky Mo Uranium Corp.	Fremont County, Wyo.	June 29, 1956	9,577	224	Uranium ore mining facilities.
1011	31775	Iron Mines Company of Venezuela	Venezuela, South America	Aug. 24, 1956	1,800	------	Iron ore mining facilities.
1094	31809	Vitro Corporation of America	Salt Lake City, Utah	Aug. 31, 1956	1,242	224	Uranium ore mining facilities.
1092	31817	Sonoma Quicksilver Mines, Inc.	Cuernaville, Calif.	Sept. 4, 1956	1,921	64	Mercury.
1094	31842	Dawn Mining Co.	Stevens County, Wash.	Sept. 10, 1956	3,786	224	Uranium ore mining facilities.
3339	31903	Titanium Metals Corporation of America	Henderson, Nev.	Sept. 25, 1956	935	------	Titanium sponge facilities.
3339	31904	do	do	do	7,862	------	Do.
1094	31906	Lost Creek Oil & Uranium Co.	Split Rock, Wyo.	do	3,365	224	Uranium ore mining facilities.
		Total			277,246	------	
4281	29248	Emery Transportation Co.	Jersey City, N. J.	Mar. 21, 1956	115	216	Motor truck terminal.
4462	31738	Lake Superior & Ishreming RR. Co.	Delta County, Mich.	Aug. 9, 1956	9,927	------	Port facilities.
4221	31923	Utah-Coleman Grain Elevator Co.	Avondale, La.	Oct. 1, 1956	5,794	------	Do.
4213	31939	Fort Orange Trailer Corp.	Cheshire, Conn.	Oct. 4, 1956	50	216	Motor truck terminal.
		Total			15,886	------	
4422	29777	Bethlehem Steel Corp.	United States at large	June 13, 1956	2,600	------	Dry cargo ship.
4422	30542	American-Hawaiian Steamship Co.	do	Sept. 12, 1956	118,000	227	Roll-on, roll-off ships.
4412	31170	Ship Builders Co., Inc.	United States at large	Jan. 3, 1956	15,000	------	Dry cargo ship.
4421	31377	Tank Barge 14, Inc.	do	Mar. 23, 1956	600	224	Barge.
4412	31452	Alcoa Steamship Co., Inc.	do	Apr. 23, 1956	35,700	------	Ore carriers.
4418	31667	Central Gulf Steamship Corp.	do	July 9, 1956	4,500	------	Dry cargo ship.
4412	31816	Red Hills Corp.	do	Sept. 4, 1956	4,350	27	Oil tanker.
4412	31893	Paragon Oil Co., Inc.	do	Sept. 20, 1956	9,500	27	Do.
		Total			187,250	------	
4512	30591	Delta Air Lines, Inc.	Atlanta, Ga.	Sept. 27, 1955	450	------	Commercial aircraft
4512	30649	Trans World Airlines, Inc.	United States at large	Oct. 12, 1955	70,400	------	Do.
4512	30650	do	do	do	18,400	------	Do.
4512	30693	Northeast Airlines, Inc.	Boston, Mass.	Oct. 25, 1955	11,556	------	Do.
4512	30699	United Air Lines, Inc.	United States at large	Oct. 27, 1955	4,338	------	Do.
4512	30810	Northwest Airlines, Inc.	do	Nov. 21, 1955	9,300	------	Do.
4512	30811	Trans Caribbean Airways, Inc.	do	Nov. 18, 1955	2,250	------	Do.
4512	30815	American Airlines, Inc.	do	Nov. 21, 1955	159,574	------	Do.
4512	30858	United Air Lines, Inc.	do	Dec. 1, 1955	175,650	------	Do.
4512	30899	Western Air Lines, Inc.	do	Dec. 7, 1955	1,400	------	Do.
4512	30908	Continental Air Lines, Inc.	do	Dec. 9, 1955	2,372	------	Do.
4512	30988	Delta Air Lines, Inc.	do	Dec. 16, 1955	3,750	------	Do.
4512	31011	Flying Tiger Line, Inc.	do	Dec. 20, 1955	18,500	------	Do.
4512	31098	Eastern Air Lines, Inc.	do	do	124,060	------	Do.
4512	31186	National Airlines, Inc.	do	Jan. 9, 1956	4,391	------	Do.
4512	31187	do	do	do	8,010	------	Do.
4512	31186	do	do	do	35,100	------	Do.
4512	31189	National Airlines, Inc.	do	do	47,840	------	Do.
4512	31194	Delta Air Lines, Inc.	do	Jan. 11, 1956	44,000	------	Do.
4512	31196	Braniff Airways, Inc.	do	Jan. 12, 1956	50,990	------	Do.
4512	31210	Pan American-Grace Airways, Inc.	do	Jan. 16, 1956	14,485	------	Do.
4512	31211	do	do	do	26,440	------	Do.
4512	31212	Trans World Airlines, Inc.	do	do	2,600	------	Do.
4512	31213	Alaska Airlines, Inc.	do	do	1,500	------	Do.
4512	31214	Pan American World Airways, Inc.	do	do	289,969	------	Do.
4512	31218	Continental Air Lines, Inc.	do	do	16,992	------	Do.
4512	31219	do	do	do	10,974	------	Do.
4512	31220	do	do	do	18,960	------	Do.
4512	31221	Trans Caribbean Airways, Inc.	do	Dec. 28, 1955	2,290	------	Do.
4512	31553	Delta Air Lines, Inc.	do	May 31, 1956	80	------	Do.
4572	31554	do	do	do	2,500	------	Do.
4512	31670	do	do	July 11, 1956	40,000	------	Do.
4512	31726	Eastern Air Lines, Inc.	do	Aug. 2, 1956	60,365	------	Do.
4512	31737	United Air Lines, Inc.	do	Aug. 8, 1956	28,200	------	Do.
4512	31772	Trans World Airlines, Inc.	do	Aug. 23, 1956	48,800	------	Do.
4512	31927	Western Air Lines, Inc.	do	Oct. 2, 1956	21,565	------	Do.
4512	31929	do	Los Angeles, Calif.	do	754	------	Do.
4512	31942	do	United States at large	do	5,526	------	Do.
		Total	United States		1,384,351	------	
3561	31448	General Electric Co.	Schenectady, N. Y.	Apr. 19, 1956	1,163	224	Components for atomic powerplants.
3641	31580	Hertner Electric Co.	Strongsville, Ohio	June 7, 1956	210	224	Small motors for military aircraft.
		Total			1,373	------	
3339	31447	Olin Mathieson Chemical Corp.	New Haven, Conn.	Apr. 18, 1956	1,550	224	Components for atomic energy.
3614	31728	General Electrical Co.	Fitchburg, Mass.	Aug. 2, 1956	1,493	74	Steam turbines.
3614	31729	do	Schenectady, N. Y.	Aug. 3, 1956	19,204	74	Do.
3511	31933	do	Lynn, Mass.	Oct. 3, 1956	17,931	74	Do.
3512	31935	do	San Jose, Calif.	do	4,200	224	Nuclear power equipment.
		Total			44,378	------	
3494	31703	Camloc Fastener Corp.	Paramus, N. J.	July 19, 1956	220	------	Metal fasteners facilities.
3729	31850	Accurate Bushing Co.	Garwood, N. J.	Sept. 10, 1956	332	------	Do.
		Total			552	------	

Rapid tax amortization applications pending as of Oct. 17, 1956—Continued

Standard industrial classification code No.	Tax amortization No.	Company	Location of facilities	Date filed	Amount (thousands)	Goal No.	
3561	31679	Ingersoll-Rand Co.	Painted Post, N. Y.	July 12, 1956	$2,292	------	Air compressor facilities.
1093	29709	Mallory-Sharon Titanium Corp.	Weathersfield, Ohio	June 3, 1955	14,521	223	Titanium processing facility.
3339	29870	Aetna-Standard Engineering Co.	Ellwood City, Pa.	do	919	------	Machine tools.
3541	31493	Giddings & Lewis Machine Tool Co.	Fond du Lac, Wis.	May 9, 1956	676	224	Machine tools for military service:
3542	31691	Cincinnati Shaper Co.	Hamilton Co., Ohio	July 16, 1956	3,225	------	Machine tool facilities.
		Total			19,341	------	
3729	31488	Indiana Realty Corp.	Ozone Park, N. Y.	May 7, 1956	200	224	Facilities for the production of military aircraft, guided missiles, and components.
3722	31567	Austenal Laboratories, Inc.	La Porte County, Ind.	June 5, 1956	2,611	224	Do.
3721	31594	Aero Design & Engineering Co.	Bethany, Okla.	June 13, 1956	836	224	Do.
3722	31599	B & E Tool Co., Inc.	Southwick, Mass.	do	115	224	Do.
3722	31622	Bendix Aviation Corp.	Utica, N. Y.	June 26, 1956	236	224	Do.
3721	31624	McDonnell Aircraft Corp.	St. Louis County, Mo.	do	1,796	224	Do.
3721	31629	Cessna Aircraft Co.	Wichita, Kans.	June 27, 1956	2,540	224	Do.
3722	31639	United Aircraft Corp.	East Hartford, Conn.	July 2, 1956	6,378	224	Do.
3722	31640	Curtiss-Wright Corp.	Wood-Ridge, N. J.	do	4,632	224	Do.
3721	31645	Lockheed Aircraft Corp.	Burbank, Calif.	do	5,198	224	Do.
3721	31650	Bendix Aviation Corp.	South Bend, Ind.	June 29, 1956	354	224	Do.
3722	31652	Ex-Cell-O Corp.	Elwood, Ind.	do	102	224	Do.
3721	31653	do	Downey, Calif.	July 20, 1956	370	224	Do.
3722	31654	do	Fostoria, Ohio	do	378	224	Do.
3722	31677	Thompson Products, Inc.	Cleveland, Ohio	July 12, 1956	6,171	224	Do.
3729	31685	Robson Hydraulic Units Corp.	Charlotte, N. C.	July 13, 1956	78	224	Do.
3721	31692	Boeing Airplane Co.	Seattle, Wash.	July 16, 1956	3,414	224	Do.
3599	31704	Curtiss-Wright Corp.	North Hollywood, Calif.	July 23, 1956	1,368	224	Do.
3560	31722	Trane Co.	La Crosse, Wis.	Aug. 1, 1956	1,272	224	Do.
3721	31734	General Dynamics Corp.	San Diego, Calif.	Aug. 7, 1956	2,024	224	Do.
3519	31739	Simmonds Aerocessories, Inc.	Vergennes, Vt.	Aug. 9, 1956	100	224	Do.
3721	31744	Goodyear Aircraft Corp.	Litchfield Park, Ariz.	Aug. 10, 1956	218	224	Do.
3722	31746	Rohr Aircraft Corp.	Auburn, Wash.	Aug. 13, 1956	567	224	Do.
3722	31754	United Aircraft Corp.	East Hartford, Conn.	do	308	224	Do.
1099	31756	Bendix Aviation Corp.	North Hollywood, Calif.	do	262	224	Do.
3721	31759	Lockheed Aircraft Corp.	Marietta, Ga.	Aug. 15, 1956	610	224	Do.
3722	31761	Thompson Products, Inc.	Harrisburg, Pa.	Aug. 16, 1956	793	224	Do.
3721	31770	Pennsylvania Manufacturing Co.	Newington, Conn.	Aug. 22, 1956	161	224	Do.
3721	31795	Vickers, Inc.	Torrance, Calif.	Aug. 28, 1956	1,130	224	Do.
3721	31798	Glenn L. Martin Co.	Baltimore 3, Md.	Aug. 29, 1956	401	224	Do.
1929	31819	do	Jefferson County, Colo.	Sept. 4, 1956	166	224	Do.
3721	31832	Zarkin Machine Co., Inc.	Long Island City, N. Y.	Sept. 6, 1956	117	224	Do.
3721	31843	United Aircraft Products, Inc.	Dayton, Ohio	Sept. 10, 1956	101	224	Do.
3729	31844	Aro Equipment Corp.	Byran, Ohio	do	2,716	224	Do.
3721	31846	Fairchild Engineering & Airplane Corp.	Hagerstown, Md.	do	372	224	Do.
3729	31847	do	Bay Shore, N. Y.	do	120	224	Do.
3729	31848	Curtiss-Wright Corp.	Cleveland, Ohio	do	683	224	Do.
3722	31854	do	Caldwell, N. J.	Sept. 12, 1956	400	224	Do.
1929	31883	Cameron Iron Works, Inc.	Houston, Tex.	Sept. 17, 1956	425	224	Do.
3722	31895	Fairchild Engine & Airplane Corp.	Deer Park, N. Y.	Sept. 20, 1956	64	224	Do.
3616	31898	Hetherington, Inc.	Folcroft, Pa.	Sept. 21, 1956	211	224	Do.
3722	31899	United Aircraft Corp.	North Haven, Conn.	Sept. 24, 1956	202	224	Do.
3722	31912	Solar Aircraft Co.	San Diego, Calif.	Sept. 28, 1956	381	224	Do.
3721	31913	Lockheed Aircraft Corp.	Burbank, Calif.	do	356	224	Do.
3729	31916	Ryan Aeronautical Co.	San Diego, Calif.	do	200	224	Do.
3722	31924	Bendix Aviation Corp.	Sidney, N. Y.	Oct. 1, 1956	900	224	Do.
3721	31925	G. E. Tool Corp.	Farmingdale, N. Y.	do	55	224	Do.
3729	31944	Hughes Tool Co.	Culver City, Calif.	Oct. 8, 1956	36	224	Do.
3721	31946	Goodyear Aircraft Corp.	Akron, Ohio	Oct. 9, 1956	109	224	Do.
3729	31949	Project Fabrication Corp.	College Point, N. Y.	do	41	224	Do.
3721	31953	Fairchild Engine & Airplane Corp.	St. Augustine, Fla.	Oct. 11, 1956	11	224	Do.
3721	31956	Chance Vought Aircraft, Inc.	Dallas, Tex.	Oct. 15, 1956	4,010	224	Do.
3721	31960	Douglas Aircraft Co.	Santa Monica, Calif.	Oct. 16, 1956	992	224	Do.
3721	31961	do	El Segundo, Calif.	do	144	224	Do.
3721	31962	do	Long Beach, Calif.	do	1,698	224	
		Total			59,343	------	
4811	31161	Citizens Utilities Co. (California)	Lassen County, Calif.	Dec. 30, 1955	274	224	Telephone communication facilities for military bases.
3064	31437	Automatic Electric Co.	North Lake, Ill.	Apr. 13, 1956	24,679	224	Do.
4811	31674	Mid-Texas Telephone Co.	Killeen, Tex.	July 11, 1956	433	224	Do.
4811	31675	do	do	do	175	224	Do.
4811	31676	do	do	do	463	224	Do.
		Total			26,024	------	
3661	28884	Andrew Corp.	Orland Park, Ill.	Dec. 27, 1954	160	224	Facilities for the production of military electronic equipment.
3661	31271	National Aeronautics Corp.	Dublin, Pa.	Feb. 10, 1956	330	224	Do.
3661	31356	Sangamo Electric Co.	Pickens County, S. C.	Mar. 15, 1956	736	224	Do.
3619	31420	International Business Machines Corp.	San Jose, Calif.	Apr. 9, 1956	9,311	224	Do.
3661	31545	Bendix Aviation Corp.	Towson, Md.	May 28, 1956	62	224	Do.
3661	31546	International Business Machines Corp.	Owego, N. Y.	May 29, 1956	9,471	224	Do.
3661	31583	Gulton Manufacturing Corp.	Metuchen, N. J.	June 8, 1956	1,116	224	Do.
3662	31586	Raytheon Manufacturing Co.	Waltham, Mass.	do	349	224	Do.
1941	31605	Hughes Aircraft Co.	Culver City, Calif.	June 14, 1956	648	224	Do.
3811	31682	Sperry Piedmont Co.	Albemarle County, Va.	July 13, 1956	1,200	224	Do.
3661	31733	Varian Associates	Palo Alto, Calif.	Aug. 7, 1956	4,700	224	Do.
3661	31769	Hamilton Watch Co.	Denver, Colo.	Aug. 22, 1956	815	224	Do.
3661	31789	F. H. Ayer Manufacturing Co.	Chicago, Ill.	Aug. 27, 1956	30	224	Do.
3661	31810	Collins Radio Co.	Cedar Rapids, Iowa	Aug. 31, 1956	69	224	Do.
3661	31815	Ramo-Wooldridge Corp.	Englewood, Colo.	do	2,820	224	Do.
3661	31820	Burroughs Corp.	Detroit, Mich.	Sept. 4, 1956	1,200	224	Do.
3661	31830	Leach Corporation	Los Angeles, Calif.	do	246	224	Do.
3661	31890	Tydeman Machine Works, Inc.	Redwood City, Calif.	Sept. 17, 1956	39	224	Do.
3661	31910	Collins Radio Co.	Dallas, Tex.	Sept. 27, 1956	40	224	Do.
3661	31928	Avco Manufacturing Corp.	Evendale, Ohio	Oct. 2, 1956	99	224	Do.
3661	31951	Tele-Dynamics, Inc.	Philadelphia, Pa.	Oct. 10, 1956	138	224	Do.
3661	31957	General Precision Laboratory, Inc.	Pleasantville, N. Y.	Oct. 15, 1956	23	224	Do.
		Total			33,602	------	

Rapid tax amortization applications pending as of Oct. 17, 1956—Continued

Standard industrial classification code No.	Tax amortization No.	Company	Location of facilities	Date filed	Amount (thousands)	Goal No.	
3861	31700	Winnette Slide Manufacturing, Inc.	Hempstead, N. Y.	July 18, 1956	$275		Photographic slides.
1929	31549	American Machine & Foundry Co.	Buffalo, N. Y.	May 31, 1956	244	244	Ordnance components.
3731	31564	Bethlehem-Sparrows Point Ship, Inc.	Sparrows Point, Md.	June 5, 1956	420		Do.
3731	31575	Bethlehem Steel Co.	Hoboken, N. J.	June 6, 1956	4,740		Do.
3731	31576	do	Baltimore, Md.	do	990		Shipbuilding and repair facilities.
3731	31617	Avondale Marine Ways, Inc.	Westwego, La.	June 20, 1956	1,758		Do.
3731	31663	Pacific Dry Dock & Repair Co.	Oakland, Calif.	July 6, 1956	12		Do.
1911	31699	B-G E Manufacturing Co.	Gilroy, Calif.	July 13, 1956	126	224	Ordnance components.
3731	31758	Bethlehem Steel Co.	Beaumont, Tex.	Aug. 13, 1956	690		Shipbuilding and repair facilities.
3731	31821	do	Fairfield, Md.	Sept. 5, 1956	600		Do.
3731	31822	do	Hoboken, N. J.	do	720		Do.
3731	31823	do	Baltimore, Md.	do	996		Do.
3731	31824	Bethlehem Pacific Coast Steel Co.	San Francisco, Calif.	do	12,000		Do.
3731	31825	do	Los Angeles, Calif.	do	8,000		Do.
3731	31827	Martinolich Shipbuilding Co.	San Diego, Calif.	Sept. 6, 1956	5,439		Do.
		Total			36,734		
7399	29379	Turco Products, Inc.	Los Angeles, Calif.	Apr. 18, 1955	793	206	Research and development facilities for defense purposes.
7399	29859	Westinghouse Electric Corp.	Pittsburgh, Pa.	June 21, 1955	5,185	206	Do.
7399	30031	Cities Service Research & Development Co.	Middlesex County, N. J.	Dec. 12, 1955	1,094	206	Do.
7399	30059	Enterprise Engineers	Meriden, Conn.	Dec. 14, 1955	74	206	Do.
7399	31034	Collins Radio Co.	Los Angeles, Calif.	Dec. 22, 1955	1,807	206	Do.
3811	31232	Kearfott Co., Inc.	Little Falls, N. J.	Jan. 25, 1956	3,200	206	Do.
7399	31442	Ramo-Wooldridge Corp.	Los Angeles, Calif.	Apr. 16, 1956	13,419	206	Do.
7399	31455	Weber Aircraft Corp.	Burbank, Calif.	Apr. 23, 1956	208	206	Do.
7399	31466	Bethlehem Steel Co.	Northampton, Pa.	Apr. 30, 1956	12,500	206	Do.
7399	31470	General Motors Co.	Oak Creek, Wis.	do	6,000	206	Do.
7399	31492	General Electric Co.	Pleasanton, Calif.	May 8, 1956	10,000	206	Do.
7399	31530	do	San Jose, Calif.	May 21, 1956	580	206	Do.
7399	31531	do	do	do	987	206	Do.
7399	31559	Aerojet-General Corp.	Sacramento, Calif.	June 4, 1956	418	206	Do.
7399	31621	Avco Manufacturing Corp.	Wilmington, Mass.	June 25, 1956	10,229	206	Do.
7360	31628	Union Carbide & Carbon Corp.	Parma, Ohio	do	5,820	206	Do.
3841	31637	Becton, Dickinson and Co.	Platte County, Nebr.	July 1, 1956	277	206	Do.
7399	31646	Lockheed Aircraft Corp.	Van Nuys, Calif.	July 2, 1956	998	206	Do.
7399	31655	Technical Operations, Inc.	Burlington, Mass.	do	332	206	Do.
7399	31681	Motorola, Inc.	Riverdale, Calif.	July 12, 1956	1,204	206	Do.
3821	31687	Forewel Corp., Inc.	Buffalo, N. Y.	July 16, 1956	40	206	Do.
7399	31688	United States Steel Corp.	Monroeville, Pa.	do	4,463	206	Do.
7399	31713	Westinghouse Electric Corp.	Churchill, Pa.	July 26, 1956	4,130	206	Do.
3613	31742	Liquidometer Corp.	Los Angeles, Calif.	Aug. 10, 1956	126	206	Do.
7399	31769	Radiation, Inc.	Orlando, Fla.	Aug. 15, 1956	164	206	Do.
7399	31765	Hughes Aircraft Co.	Culver City, Calif.	Aug. 20, 1956	710	206	Do.
7399	31767	Aerojet-General Corp.	Azusa, Calif.	Aug. 21, 1956	895	206	Do.
3821	31811	Bailey Meter Co.	Wickliffe, Ohio	Aug. 31, 1956	750	206	Do.
7399	31869	Union Carbide & Carbon Corp.	Elmsford, N. Y.	Sept. 14, 1956	4,310	206	Do.
2823	31870	do	South Charleston, W. Va.	do	7,984	206	Do.
7399	31871	do	Niagara Falls, N. Y.	do	1,911	206	Do.
7399	31882	do	Tuxedo, N. Y.	do	6,975	206	Do.
7399	31891	United States Borax & Chemical Corp.	Anaheim, Calif.	Sept. 17, 1956	962	206	Do.
7399	31905	Lockheed Aircraft Corp.	Van Nuys, Calif.	Sept. 25, 1956	847	206	Do.
7399	31914	Motorola, Inc.	Phoenix, Ariz.	Sept. 26, 1956	98	206	Do.
7399	31917	Ryan Aeronautical Co.	San Diego, Calif.	do	500	206	Do.
7399	31918	Boeing Airplane Co.	Wichita, Kans.	do	232	206	Do.
7399	31919	McDonnell Aircraft Corp.	St. Louis, Mo.	do	3,684	206	Do.
7399	31920	Republic Steel Corp.	Independence, Ohio	do	4,785	206	Do.
7399	31930	Magnavox Co.	Champaign County, Ill.	Oct. 2, 1956	1,798	206	Do.
7399	31931	General Electric Co.	Lynn, Mass.	Oct. 3, 1956	1,230	206	Do.
7399	31936	do	Schenectady, N. Y.	do	305	206	Do.
7399	31940	United Aircraft Corp.	Windsor Locks, Conn.	Oct. 5, 1956	735	206	Do.
7399	31947	General Dynamics Corp.	San Diego, Calif.	Oct. 9, 1956	17,936	206	Do.
7360	31948	do	do	do	91	206	Do.
3511	31952	Detroit Controls Corp.	Norwood, Mass.	Oct. 11, 1956	921	206	Do.
		Total			141,507		
3463	31573	Aluminum Company of America	Vernon, Calif.	June 6, 1956	4,323		Aluminum castings and extrusions.
3463	31574	do	Lafayette, Ind.	do	9,009		Do.
3561	31720	Heat Treating Engineers	Milwaukee, Wis.	July 30, 1956	150		Do.
		Total			13,473		
3351	30299	Metal Manufacturing Co.	Newark, Calif.	Aug. 2, 1955	2,672		Copper fabricating facilities.
3631	31394	Wm. Brand & Co., Inc.	Windham, Conn.	Mar. 30, 1956	250		Do.
3631	31696	Warren Wire Co.	Pownal, Vt.	July 16, 1956	1,606		Do.
		Total			4,528		
3311	28777	United States Steel Corp.	Morrisville, Pa.	Dec. 1, 1954	8,350		Steel production facilities.
3311	28962	Bethlehem Steel Co.	Lebanon, Pa.	Jan. 14, 1955	260		Do.
3312	28999	United States Steel Corp.	Chicago, Ill.	Jan. 20, 1955	88,000		Do.
3312	29343	do	Duluth, Minn.	Apr. 11, 1955	3,357		Do.
3312	29678	Wallingford Steel Co.	Wallingford, Conn.	July 17, 1955	2,150		Do.
3312	30171	Universal-Cyclops Steel Corp.	Bridgeville, Pa.	July 20, 1955	2,050		Do.
3312	30541	United States Steel Corp.	Cleveland, Ohio	Sept. 12, 1955	3,168		Do.
3312	31223	Alan Wood Steel Co.	Conshohocken, Pa.	Jan. 17, 1956	1,800		Do.
3311	31391	Bethlehem Steel Co.	Steelton, Pa.	Mar. 29, 1956	768		Do.
3313	31514	Universal-Cyclops Steel Corp.	Bridgeville, Pa.	May 16, 1956	995		Do.
3391	31570	Ladish Co.	Cudahy, Wis.	June 15, 1956	10,296		Do.
3391	31571	do	Kenosha, Wis.	do	944		Do.
3391	31572	do	Vernon, Calif.	do	556		Do.
3312	31684	Jones & Laughlin Steel Corp.	Houston, Tex.	July 13, 1956	250,000		Do.
3312	31701	Colorado Fuel & Iron Corp.	Pueblo County, Colo.	July 19, 1956	1,400		Do.
3323	31702	Allegheny Ludlum Steel Corp.	Ferndale, Mich.	July 18, 1956	744		Do.
3313	31731	H. K. Porter Co., Inc.	West Aliquippa, Pa.	Aug. 6, 1956	911		Do.
3312	31747	United States Steel Corp.	McKeesport, Pa.	Aug. 13, 1956	58,998		Do.
3312	31748	do	Lorain, Ohio	do	17,470		Do.
3312	31749	do	do	do	42,827		Do.
3312	31750	do	McKeesport, Pa.	do	13,352		Do.
3312	31751	do	do	do	8,954		Do.
3312	31752	do	Lorain, Ohio	do	14,762		Do.

Rapid tax amortization applications pending as of Oct. 17, 1956—Continued

Standard industrial classification code No.	Tax amortization No.	Company	Location of facilities	Date filed	Amount (thousands)	Goal No.	
3312	31771	Colorado Fuel & Iron Corp.	Pueblo County, Colo.	Aug. 23, 1956	$1,600		Steel production facilities.
3312	31773	do	do	do	3,000		Do.
3312	31779	United States Steel Corp.	Chicago, Ill.	Aug. 27, 1956	5,000		Do.
3312	31780	do	do	do	17,895		Do.
3312	31781	do	do	do	33,136		Do.
3312	31782	do	do	do	8,895		Do.
3312	31783	do	Gary, Ind.	do	62,215		Do.
3312	31784	do	do	do	46,485		Do.
3312	31786	Youngstown Sheet & Tube Co.	Campbell, Ohio	do	24,375		Do.
3312	31790	Inland Steel Co.	Indiana Harbor, Ind.	do	4,180		Do.
3312	31791	do	do	do	16,264		Do.
3312	31792	do	do	do	18,430		Do.
3311	31793	do	do	do	2,020		Do.
3313	31797	Union Carbide & Carbon Corp.	Koloo, Ind.	Aug. 29, 1956	941		Do.
3312	31800	United States Steel Corp.	Morrisville, Pa.	do	48,900		Do.
3311	31801	do	do	do	13,000		Do.
2311	31802	do	do	do	8,500		Do.
3312	31804	do	do	do	5,000		Do.
3311	31805	Alan Wood Steel Co.	Conshohocken, Pa.	do	3,539		Do.
1011	31806	do	do	do	3,500		Do.
2489	31831	Watson-Stillman Co.	St. Louis, Mo.	Sept. 6, 1956	1,640		Do.
3312	31833	Allegheny Ludlum Steel Corp.	West Leechburg, Pa.	Sept. 7, 1956	1,752		Do.
3312	31834	do	do	do	201		Do.
3312	31835	do	Brackenridge, Pa.	do	500		Do.
3312	31836	do	do	do	1,728		Do.
3312	31837	do	do	do	330		Do.
3312	31838	do	Dunkirk, N. Y.	do	3,150		Do.
3312	31839	Kaiser Steel Corp.	Fontana, Calif.	do	65,000		Do.
3489	31840	Detroit Steel Corp.	Portsmouth, Ohio	Sept. 10, 1956	1,111		Do.
3312	31841	do	do	do	16,445		Do.
3312	31851	Continental Steel Corp.	Kokomo, Ind.	do	1,090		Do.
3313	31852	Pittsburgh Metallurgical Co.	Charleston, S. C.	Sept. 12, 1956	189		Do.
3313	31853	do	Calvert City, Ky.	do	1,504		Do.
3312	31855	Lukens Steel Co.	Coatesville, Pa.	do	40,000		Do.
3312	31858	Crucible Steel Company of America	Midland, Pa.	Sept. 13, 1956	12,522		Do.
3312	31860	do	do	do	7,595		Do.
3312	31861	do	do	do	20,040		Do.
3312	31862	do	do	do	12,600		Do.
3312	31864	Inland Steel Co.	East Chicago, Ind.	do	47,380		Do.
3312	31865	do	do	do	52,845		Do.
3312	31873	Union Carbide & Carbon Corp.	Marietta, Ohio	Sept. 14, 1956	3,000		Do.
3313	31874	do	do	do	2,430		Do.
3313	31875	do	do	do	372		Do.
3313	31876	do	do	do	413		Do.
3313	31877	do	do	do	290		Do.
3313	31878	do	Ashtabula, Ohio	do	1,200		Do.
3312	31892	Armco Steel Corp.	Ashland, Ky.	Sept. 18, 1956	136,596		Do.
3312	31894	McLouth Steel Corp.	Trenton, Mich.	Sept. 20, 1956	100,250		Do.
3312	31907	Republic Steel Corp.	Cleveland, Ohio	Sept. 21, 1956	4,500		Do.
3312	31900	Inland Steel Co.	East Chicago, Ind.	Sept. 24, 1956	7,000		Do.
3312	31907	Youngstown Sheet & Tube Co.	Youngstown, Ohio	Sept. 26, 1956	1,579		Do.
3312	31908	do	Chicago, Ind.	do	3,585		Do.
3312	31909	do	do	do	6,928		Do.
3312	31921	Armco Steel Corp.	Houston, Tex.	Oct. 1, 1956	118,000		Do.
3391	31932	General Electric Corp.	Lynn, Mass.	Oct. 3, 1956	795		Do.
3312	31937	Republic Steel Corp.	South Chicago, Ill.	Oct. 4, 1956	2,149		Do.
3323	31941	Erie Forge & Steel Corp.	Erie, Pa.	Oct. 5, 1956	5,018		Do.
3323	31943	Ohio Steel Foundry Co.	Lima, Ohio	Oct. 8, 1956	3,330		Do.
3312	31945	Armco Steel Corp.	Middletown, Ohio	do	42,298		Do.
3312	31954	Granite City Steel Co.	Granite City, Ill.	Oct. 11, 1956	23,075		Do.
		Total			1,609,961		
1093	26378	Harvey Machine Co., Inc.	Torrance, Calif.	Dec. 28, 1954	1,870	215	Titanium.
3612	31627	Union Carbide & Carbon Corp.	Maury County, Tenn.	June 26, 1956	3,730		Graphite electrodes.
3339	31671	Brush Beryllium Co.	Hartis, Ohio	July 11, 1956	4,526	224	Beryllium metal.
3399	31718	Mallory-Sharon Titanium Corp.	Weathersfield, Ohio	July 20, 1956	3,608	223	Titanium.
3339	31766	Firth Sterling, Inc.	Trafford, Pa.	Aug. 20, 1956	105	224	Zirconium.
3612	31794	Crescent Carbon Corp.	Kern County, Calif.	Aug. 27, 1956	1,700		Synthetic graphite.
3339	31808	Tantalum Metal Corp.	Muskogee, Okla.	Aug. 31, 1956	6,652	224	Tantalum metal.
3339	31818	Wah Chang Corp.	Albany, Oreg.	Sept. 4, 1956	1,534	224	Zirconium.
3339	31866	Rem-Cru Titanium, Inc.	Midland Area, Pa.	Sept. 13, 1956	11,210	223	Titanium.
3339	31867	do	Unknown	do	36,615	223	Do.
3612	31872	Union Carbide & Carbon Corp.	Maury County, Tenn.	Sept. 14, 1956	5,782		Carbon electrodes.
3299	31889	Owens-Corning Fiberglas Corp.	Anderson, S. C.	Sept. 17, 1956	10,833		Fibrous glass products.
3399	31931	Babcock & Wilcox Co.	Beaver Falls, Pa.	Oct. 3, 1956	1,200	223	Titanium.
3339	31950	Titanium Metals Corp.	Brackenridge, Pa.	Oct. 10, 1956	225	223	Do.
3339	31955	En Wilbur B. Driver Co.	Newark, N. J.	Oct. 12, 1956	300		Steel alloy facilities.
		Total			90,000		Do.
2833	26924	Monsanto Chemical Co.	St. Louis, Mo.	Jan. 5, 1955	735		Facilities for manufacturing of aspirin.
2841	30545	Shell Chemical Corp.	Morco, La.	Sept. 12, 1955	30,000	82	Glycerin production facilities.
2841	31007	Dow Chemical Co.	Freeport, Tex.	Dec. 20, 1955	8,350	82	Do.
2896	31204	California Oxygen Co.	Sacramento, Calif.	Jan. 16, 1956	430	224	Production facilities, liquid oxygen.
2896	31255	Dye Oxygen Co., Inc.	Phoenix, Ariz.	Feb. 1, 1956	185	224	Do.
2896	31340	Industrial Air Products Co.	Portland, Oreg.	Mar. 9, 1956	779	224	Do.
2841	31383	Olin Mathieson Chemical Corp.	Doe Run, Ky.	Mar. 27, 1956	10,675	82	Glycerin production facilities.
2896	31532	Big Three Welding Equipment Co.	Houston, Tex.	May 21, 1956	1,745	224	Production facilities, liquid oxygen.
2841	31636	Union Carbide & Carbon Corp.	Institute, W. Va.	June 28, 1956	9,804	82	Glycerin production facilities.
2896	31811	Dye Oxygen Co., Inc.	Phoenix, Ariz.	June 30, 1956	245	224	Production facilities, liquid oxygen.
2896	31843	Union Carbide & Carbon Co.	Fontana, Calif.	Sept. 12, 1956	1,168	224	Do.
2829	31901	Rohm & Haas Co.	Philadelphia, Pa.	Sept. 24, 1956	20	224	Bomb shelters.
2829	31902	do	do	do	34	224	Do.
		Total			63,736		
3491	31959	Republic Steel Corp.	Charleston, W. Va.	Oct. 16, 1956	1,800		Production facilities, steel barrels.
		Grand total			4,597,159		

Rapid tax amortization applications pending as of Oct. 17, 1956—Continued

SUMMARY

Not now eligible for certification under any open and unfilled goal

Description	Amount	Number of cases	Description	Amount	Number of cases
Metallurgical coke facilities	$69,000,000	4	Shipbuilding and repair facilities	$36,364,000	12
Alkylation facilities	200,500,000	29	Aluminum castings and extrusions	13,473,000	3
Titanium sponge	33,650,000	3	Copper fabricating facilities	4,528,000	3
Iron ore beneficiation facilities	204,041,000	17	Steel production facilities	1,610,261,000	81
Port facilities	15,721,000	2	Synthetic graphite and carbon electrodes	11,322,000	3
Ore carriers	35,700,000	1	Fibrous glass products	10,833,000	1
Dry cargo ships	22,100,000	3	Steel containers	1,800,000	1
Commercial aircraft	1,384,351,000	38	Air compressor	2,292,000	1
Metal fasteners	552,000	2	Facilities to produce aspirin	735,000	1
Machine tools	4,144,000	2			
Photographic slides	275,000	1	Total	3,661,741,000	211

Eligible for consideration under expansion goals

Description	Amount	Goal	Number of applications	Description	Amount	Goal	Number of applications
Gas pipeline	$2,806,000	171	1	Glycerin	$58,409,000	82	4
Oil-refining facilities	22,137,000	65	3	Facilities for production of procurement items for the armed services and AEC	157,155,000	224	107
Petroleum storage facilities for armed services	2,400,000	226	3	Research and development	156,126,000	206	48
Electric power generating facilities	294,082,000	55	3	Mercury	1,921,000	64	1
Electric power transmission facilities	3,201,000	225	3	Motortruck terminal facilities	165,000	216	2
Oceangoing tankers	13,850,000	27	2				
Roll-on, roll-off ships	115,000,000	227	1				
Steam turbine facilities	38,628,000	74	3	Total	935,409,000		188
Titanium melting facilities	1,870,000	215	1				
Titanium processing facilities	67,379,000	223	6	Grand total	4,597,150,000		399

Mr. BYRD. Mr. President, as chairman of the Committee on Finance I directed the staff of the Committee on Finance to study the entire question and present a memorandum. I presented the memorandum to the Senate previously and had it inserted in the body of the RECORD. At this time I ask to have printed in the RECORD the letter I addressed to the President of the Senate under date of December 28, 1956.

There being no objection the letter was ordered to be printed in the RECORD, as follows:

THE COMMITTEE ON FINANCE,
Washington, D. C., December 28, 1956.

To the PRESIDENT OF THE SENATE.

SIR: I have the honor to submit a report by the staff of the Joint Committee on Internal Revenue Taxation, dated December 27, 1956, relative to the desirability of continuing in its present form section 168 of the Internal Revenue Code of 1954, authorizing a 5-year tax amortization writeoff on the basis of certificates of necessity issued by the Office of Defense Mobilization.

The 5-year amortization provision was first enacted during World War II in connection with the imposition of an excess-profits tax. At that time it was estimated that World War II might last for a period of at least 5 years and that the provision was necessary to provide adequate facilities for the prosecution of World War II. During the Korean war an excess-profits tax was again imposed, and the 5-year amortization provision was again enacted to speed the construction of facilities essential to the prosecution of that war. The Korean excess-profits tax expired under the terms of the law on December 31, 1953; however, the 5-year tax amortization program of the Korean war has been continued in the code, in spite of the fact that more than 3 years have elapsed since that war was terminated.

It has been stated that the amortization provision is necessary to encourage construction of facilities which it is estimated will be needed in a future war. Necessarily, such estimates are highly speculative and subject to frequent changes. When a certain goal of expansion is reached today it may be modified tomorrow. Considerable hardship might occur from a competitive standpoint in granting a certificate of necessity to one manufacturer and denying it to another. After peace was declared, in 1953, 6,000 certificates of necessity were issued by the Department of Defense, covering investments of $13 billion and tax writeoffs of $7 billion. This greatly exceeds the World War II figures.

The report clearly demonstrates that section 168 of the Revenue Act of 1954 should be modified, if not repealed. On the basis of certificates issued between the years 1950 to 1956, it is estimated there will be a loss in revenue of approximately $5 billion, none of which can begin to be recovered until 1961. This is a hidden cost for which no appropriation is required by the Congress. Its effect makes it more difficult to balance the budget or reduce the tax burden of taxpayers not receiving such a benefit. The granting of such broad powers to the Office of Defense Mobilization is not, in my opinion, in the public interest.

I favor the repeal of section 168 of the Revenue Code of 1954, except insofar as it applies to facilities directly connected with the national defense.

Respectfully,

HARRY F. BYRD,
Chairman, Committee on Finance.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. MANSFIELD. Is the distinguished Senator from Virginia referring to the writeoff which the Idaho Power Co. has just received for the proposed Hells Canyon Dam?

Mr. BYRD. The Senator is correct.

Mr. MANSFIELD. Mr. President, will the Senator yield further?

Mr. BYRD. Yes. I am expressing my strong disapproval of that writeoff.

Mr. MANSFIELD. It appears to me that what is happening is that the Idaho Power Co. is getting, in effect, a gift from the Government as far as the dam site is concerned, and now is being further rewarded by a tax amortization, I understand, to the extent of something like $40 million. Is that correct?

Mr. BYRD. I am not familiar with that fact, I will say to the Senator. My remarks are directed to the rapid writeoff certificates, which have to do with the question of taxation. As chairman of the Committee on Finance, I have great concern in that field. I am very much opposed to such a procedure. I have pending before the committee, as the Senator from Montana probably knows, a bill dealing with the subject, and hearings will begin on Thursday. The purpose of the bill is to repeal the law, which has permitted such writeoffs to the extent of $7 billion up to the present time.

As the Senator well knows, the law was passed with the intention that it be applicable only to defense contracts. It was passed during the war for that purpose. However, it has been very much abused.

I hope the Committee on Finance will very shortly report the bill I have introduced, to repeal the law, with the exception of provisions relating to certain defense items that have been heretofore produced.

Mr. MANSFIELD. Mr. President, I should like to ask the distinguished chairman of the Committee on Finance this final question. I should like to ask him whether the agency charged with the responsibility for the amortization of taxes in any way consulted with the chairman of the committee about the matter, or with any other committee of Congress.

Mr. BYRD. Not only have we not been consulted, but no reference was made to this very comprehensive report that was made by the staff of the Joint Committee on Internal Revenue Taxation, which was sent to the Senate on December 28, and which recommended that the law be repealed.

The Committee on Finance was not consulted. I am making my very strong protest against this action.

So far as the Senator from Virginia is concerned, if there is any way in which

this procedure can be canceled retroactively, I hope it will be done. Some consideration should be given to that feature by the committee.

It is totally indefensible to give a public utility, whose earnings on its investment are guaranteed, a writeoff to the extent of $65 million. That does not mean a complete saving. It means that the company may take its depreciation in 5 years, instead of the usual 20 or 30 years.

Mr. MANSFIELD. Mr. President, will the Senator yield further?

Mr. BYRD. I yield.

Mr. MANSFIELD. We are confronted with the highest peacetime budget in our history. There is considerable talk about a tax reduction. However, there will not be any tax reduction unless there is a reduction in the budget. The budget, as I said, is the highest in the history of our country, but, nevertheless, the administration is, in effect, making it even a bigger budget by the amortization of such projects as this one, because funds which should be coming into the Treasury, for the purpose of tax cutting and lowering the debt, are being used to perpetuate a system which has long outlived its usefulness.

Mr. BYRD. The Senator is correct in this respect, that this will postpone in this particular case the collection of additional taxes.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. ROBERTSON. I wish to associate myself with the statement made by my distinguished senior colleague. Last year the junior Senator from Virginia was vice chairman of the Joint Committee on Defense Production. This year he is chairman of that joint committee. As vice chairman, when I learned that the application of the Idaho Power Co. was pending, I wrote to Dr. Flemming under date of the 23d of July, stating that, in my opinion, the Idaho Power Co. did not qualify under the law. The next day the committee instructed its chief clerk to write to Dr. Flemming to the effect that the committee was interested in the matter and desired to take testimony before any action was taken.

There are $60 million involved in the writeoff, over a period of 5 years. As the senior Senator from Virginia has stated, a public utility is allowed to charge a rate that gives it a fixed return on its investment. Here, in addition, they will get the equivalent of a $60 million loan, without any interest, over a period of 5 years, because they can write off that much after taxes.

I was glad to hear the senior Senator from Virginia say that if he can find any way to stop this action, he will do so. I express my great surprise that this action was taken, in view of what the senior Senator from Virginia and the junior Senator from Virginia did last fall.

Mr. BYRD. I thank my colleague.

SECONDARY BOYCOTT

Mr. CURTIS. Mr. President, on January 7, I introduced my bill, S. 76, which is intended to put a stop to a common technique of labor union officials that is second only to violence. This technique is the secondary boycott. Although no action has been taken on my bill by the Senate Labor Committee, there is a tremendous need to protect the public from the mountainous costs of the secondary boycott.

There are thousands of secondary boycotts that are occurring throughout the United States and, as Senators may recall, I have from time to time summarized the secondary boycott examples that have occurred in Nebraska. Recently I received a letter from a retailer in Nebraska who complained that when he ordered a truck of rubber from Akron, Ohio, the company selling him the rubber had to advise that no motor carrier in the Akron area would accept cargo which was destined to be delivered in Nebraska by a nonunion truck line.

Mr. President, we might raise a question as to the purpose for which the certificate for convenience and necessity was issued to all these truckers, or as to what right any carrier would have to refuse to accept this cargo.

There have been many instances of secondary boycotts being used in Nebraska. On previous occasions I have discussed these incidents in connection with a number of small and independent, yet very important, transportation companies. I refer to the case of the Coffey Transfer Co., of Alma, Nebr.; Clarke Bros. Transfer Co., of Norfolk, as well as the Abler Transfer Co., of the same city. There has been the case of the Ross Transfer Co., in northwest Nebraska, and many others. The secondary boycott technique has been used in connection with construction in Nebraska and it has affected many lines of business. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD at this point several articles that appeared in the Omaha World-Herald containing factual statements of these Nebraska labor problems.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Omaha World-Herald of March 18, 1957]

SIX-TRUCK FIRM THROWN AT TEAMSTERS BLOCKADE

Six semitrailer trucks splashing along Midwest highways Monday represented a weapon with which a dozen small Nebraska trucking firms hope to smash the blockade on interstate freight shipments imposed on them and the communities they serve by the teamsters union.

Where unionized interstate truckers are bound by hot-cargo clauses in their labor contracts to respect the boycott slapped on the Nebraska firms by the teamsters, the six-unit truck fleet is not.

It is owned by the men who run the boycotted trucking firms.

Operating under temporary authority from the Interstate Commerce Commission, the Nebraska Short Line Carriers, Inc., trucks took to the road 3 weeks ago, Harry Lee, general manager, said Monday.

Authorized ports of call are Chicago, Ill.; St. Louis, Mo.; Kansas City, Mo.; and Omaha.

The little fleet is carrying freight from those cities to Omaha and from Omaha to them.

In most instances it will be freight which, the independent truckers say, the established freight lines would not turn over to or accept from them because of the boycott.

The small truckers, most of whom say they wanted to remain in the short-line business, contend they were forced to organize the new corporation because their customers in dozens of Nebraska communities served exclusively by the boycotted lines were suffering from the embargo.

Shipments arrived late. Freight costs were higher. In some instances merchandise shortages developed.

Late last fall the individuals who own the small lines joined to finance the new company.

Impressed by testimony of businessmen of numerous Nebraska small towns about hardships resulting from the boycott, the ICC granted the temporary route authority.

The Federal agency now is considering a permanent license.

The new company, said Mr. Lee, has asked for authority to operate to Denver, Colo.; Des Moines, Iowa; St. Joseph, Mo.; and Minneapolis-St. Paul, Minn., in addition to the cities on the temporary license. Service to intermediate points also is sought.

Mr. Lee said the firm is using rented equipment. Locally, it operates from the terminal of Clark Bros. Transfer Co., one of the boycotted firms.

[From the Omaha World-Herald of March 24, 1957]

BIG TRUCK FIRMS HURT BY SECONDARY BOYCOTT

An executive of a large trucking firm told the World-Herald Saturday that his industry faces a life-or-death dilemma because of the intensified use of the secondary boycott by the teamsters union.

His company, he admitted, is participating in the boycott imposed by the union against a dozen small truckers in Nebraska.

Under Interstate Commerce Commission regulations, the executive said, "we do not dare hold up a shipment in interstate commerce.

"But the union tells us that if we do not hold it up they will put us on strike."

MUST GIVE SERVICE

"The ICC insists we must render true public service, serve every one alike. The union says if we serve the boycotted lines we're in trouble."

The executive would not permit the use of his name or that of his company. "There are too many jobs at stake. We can't afford trouble with the union," he explained.

An officer of one company was asked why he signed a teamsters contract containing a clause requiring him to participate in a union boycott.

LOSING PLENTY

"We couldn't have signed any contract without the hot-cargo clause," he replied.

"And, believe me, I'm losing plenty of business because of it. There's nothing I can do. The only way I can fight it is to go out of business," he said.

The boycott against the 12 Nebraska carriers has cost unionized trucking firms here hundreds of thousands of dollars in gross revenue, one executive estimated.

He noted that one result of the embargo was the creation of the boycotted firms of the Nebraska Short Line Carriers, Inc., a nonunion interstate company.

ANOTHER COMPETITOR

"That will cause further loss of business," he said, "because there is another competitor in the field."

One executive said the hot-cargo clause need not apply only to cargo in the accepted definition.

"If the teamsters were trying to organize a bank they could declare the checks we use to be hot cargo. Our men wouldn't

have to accept the checks. We'd have to change banks," he said.

"It's a most powerful thing—a Jimmy Hoffa vehicle to organize everyone he wants," he declared. "And it's gone quite far in Nebraska, further than in other States."

COULD PARALYZE

Another company official said the use of the secondary boycott by the teamsters "could paralyze the country," he added.

"There isn't a business that doesn't have some connection with the teamsters," he explained.

Strengthening of the Taft-Hartley law to outlaw the secondary boycott was considered the only remedy by trucking-firm officials. They endorsed the efforts of Nebraska Senator CARL T. CURTIS in that direction.

UNION ACTION NEARLY RUIN FOR PLUMBER—BOYCOTT DELAYED ROOF, BUT RAIN HELD OFF

(By Howard Silber)

"One heavy rain," sighed Richard Rowbal, Ord, Nebr., "and I'd have been responsible for $90,000 in damages.

"As it was, that teamsters' union cost me more than $300."

Mr. Rowbal, a plumber who erects metal buildings as a sideline, has no reason to deal with the teamsters. No attempt has been made to organize his tiny work force.

NEEDED SECTIONS

But a secondary boycott by the union against a dozen small truckers in Nebraska has caused Mr. Rowbal economic hardship. And, had that one heavy rain fallen in Ord last September, the boycott might have put him out of business.

It was the Rowbal case and hundreds like it that prompted Senator CARL T. CURTIS recently to reintroduce legislation to outlaw the secondary boycott.

Mr. Rowbal was putting up a corn storage building. He ran out of metal roof sections—$30 worth.

SENT RUSH ORDER

A rush order went to Detroit. Normal delivery time by truck is 1 week. The usual procedure is by interstate truck to Omaha and via Romans Motor Freight Lines to Ord.

Most interstate truckers have contracts with the Teamsters Union. Most of the contracts contain "hot cargo" clauses which compel the truckers to refuse to deal with carriers boycotted by the union.

Romans is under boycott. It is the only trucking firm serving Ord regularly.

BUILDING UNCOVERED

The interstate carrier refused to give Romans the Rowbal shipment. The cargo finally was shipped by rail. It arrived 8 days late.

A week earlier 60,000 bushels of Government corn had been put into the partly roofless building. There was no other place to store it.

Had the corn been soaked the Government might have rejected the entire lot. Mr. Rowbal said he had contracted to complete the building in time for the corn and was responsible for keeping the corn in good condition.

PRODUCTS RUINED

The $300 paid out by Mr. Rowbal was in additional equipment rental and workers' wages while he waited.

Now the case of Bill Andersen, Ord refrigeration repairman, and Ellis Carson, Ord grocer:

The refrigeration unit that serves two large coolers in Mr. Carson's market failed. The replacement part had to come from Minneapolis, a 2-day haul. The boycott delay made it 5 days.

Mr. Carson lost $75 worth of produce, Mr. Anderson lost Mr. Carson's good will.

The Ord Cooperative Hospital ordered 6 cartons of bottled germicide from Minneapolis. Five days late, it was carried to Ord in an uninsulated livestock truck. Most of the germicide had frozen. It could not be used.

John Osenbaugh, Burwell, Nebr., druggist, had to wait 3 weeks for deliveries of drugs from Kansas City, Mo. The normal time is 2 days. He had to buy substitutes at higher prices.

Because of boycott delays he ran out of cattle insecticide when farmers and ranchers needed it badly. They had to drive to other towns to buy it.

DELAY COST $400

A feeder elevator ordered by Howard Huff, Ord implement dealer, arrived 1 month late. Parts for a stock truck he was repairing were delayed a week. The layup cost the truck owner $400 in business.

After remaining on an Omaha loading dock 3 or 4 days, type metal for the Ord Quiz was shipped back to Chicago, and arrived in Ord 3 weeks late. The Quiz had to melt standing type for metal. Now the melted type has to be reset. "That costs money," said Editor Ed Apking.

SMUGGLED OUT

Christmas catalogs printed by that newspaper for a Chicago firm had to be smuggled from a Romans' truck to an Omaha line's terminal.

Dean Misko, Ord sporting goods dealer, ordered leather mechandise from Texas for Christmas trade. It arrived after Christmas because of the boycott.

Peanuts for a March of Dimes benefit sale reached Palmer, Nebr., 5 days late.

HE WON'T SIGN

Floyd Ward, Taylor, Nebr., grocer, waited 2 extra weeks for a shipment of macaroni from Kansas City and then had to drive 9 miles to Sargent, Nebr., to pick it up. A "hot cargo" clause trucker, refusing to turn it over to Romans, had sent it by rail. Taylor has no railroad.

Jack Romans, president of the trucking firm, said the union tried unsuccessfully to organize his 18 full-time employees.

"Now," he said, "the union is trying to force me into signing a contract anyway. I won't do it. It would be like joining with Hitler."

Mr. CURTIS. At this time I wish to discuss the secondary boycott experiences of a small company manufacturing steel ventilators in Akron, Ohio. This company, which employs about 150 production workers, has been in business for 66 years. It is the Burt Manufacturing Co., which until the last 10 years, has sold its products throughout the United States and in foreign countries without hindrance from labor union officials.

In October 1945, the CIO United Steelworkers Union won a National Labor Relations Board election at the Burt plant, and it was certified as the legal bargaining agent for production employees. Since that time the union and the company have successfully negotiated contract after contract, and apparently find that collective bargaining works very well for both of them.

But as soon as the steelworkers became the bargaining agent for the employees of the Burt Co., the AFL Sheet Metal Workers Union cast its eyes upon the membership rolls of Burt's employees. In brief, the sheet-metal workers union considered Burt products nonunion because they were not made by members of the sheet-metal workers. This jurisdictional dispute has continued over the years, and the merger of the giant AFL and giant CIO, instead of remedying the jurisdictional dispute, has only intensified it. Today this jurisdictional dispute and secondary boycott imposed against Burt is probably the most classic example of the unfairness of a union official's secondary boycott techniques.

The Burt case is also one of the best examples to show that the Taft-Hartley Act should be amended to prevent and close the present secondary boycott loopholes of section 8 (b) (4) of the act. Burt is a victim of four secondary boycott loopholes. Let me identify them.

Although it is unlawful under the Taft-Hartley Act for a union to induce employees of another employer to engage in a concerted refusal to work when the purpose is to force any person to stop doing business with any other person, clever union officials can get around this provision. Instead of putting pressure on employees, they intimidate or coerce the employer to stop doing business with another firm. This perhaps is the greatest loophole in the present act, and S. 76 would correct it.

The second loophole in the law to which Burt falls victim is that the sheet-metal workers union may put pressure upon a key employee, perhaps a foreman, to refuse to handle Burt products. Thus there is no violation because there has not been any "concerted" activity by the union. The law requires concerted activity.

Still a third loophole is a form of "hot cargo" contract. Here the sheet-metal workers' officials require contractors to sign a "standard form of agreement," which contains among other things, language to the effect that the employer will handle wages, hours, working conditions, and materials in accordance with the jurisdictional standards of the sheet-metal workers union.

The union says that this means that the contractor agrees not to use any sheet-metal products which are not made by members of the sheet-metal workers union.

A fourth loophole which affects Burt is built around the phrase in the law, "in the course of employment." If the business agent for the sheet-metal workers union finds Burt products on a construction job, he simply refuses to furnish sheet-metal workers for the job. Since the men never officially become employees there can be no interference with workmen in the course of their employment. It has been so interpreted by the Labor Board.

I am told that Burt is only one of numerous victims in this field. I understand that the Chicago Heights Furnace Supply Co., of Chicago, Ill.; the Youngstown Furnace Co., of Youngstown, Ohio; the Reeves Steel and Manufacturing Co., of Dover, Ohio; the Republic Steel Corp.'s Burger division in Canton, Ohio; the Henry Furnace Co., of Medina, Ohio; the Airo-lite of Marietta, Ohio; the Swartout Co., of Cleveland; H. H. Robertson Co., of Pittsburgh; and the Wheeling Steel Corp., of Wheeling, W. Va., are but a few of the firms who are victims of a secondary boycott imposed by the sheet metal workers union.

Although most of these boycotts involve steelworkers, the United Auto

Workers and other unions also are involved.

Let me detail several secondary boycott examples suffered by Burt.

In April 1956, sheet metal union representatives from Chicago would not permit the erection of $25,000 worth of ventilator equipment manufactured by Burt in a plant of the Johnson motors division of the Outboard Marine Manufacturing Co., of Waukegan, Ill. It was the position of the sheet metal officials that Burt ventilators were not union made, because their members did not make them. Only through the intervention of the top union officials in Washington were the ventilators erected.

In May 1956 sheet metal union representatives stopped the erection of $35,000 worth of Burt ventilators specified in a contract for the new Campbell Soup Co. plant in Napoleon, Ohio. The ventilators had been delivered to the jobsite, and, only after a considerable delay, the subcontractor got the union to give him permission to erect the ventilators. But to do it, he had to pay double time for all work performed.

This same sort of double-time racket was required of a contractor in New Jersey who had ordered Burt ventilators.

This monopoly by the 50,000 members of the sheet metal workers union is used even against industrial giants. The construction of the Ford Motor Co. engine plant in Lima, Ohio, was delayed when this union refused to allow its members to unload railroad cars containing $100,000 worth of Burt ventilators. From July 5, 1956, until September 17, 1956, these railroad cars were tied up on a siding with demurrage charges accumulating daily. The contractor was afraid to unload the ventilators.

Also in 1956, a secondary boycott threat was made at the construction of a new Chrysler Automobile Co. plant near Akron, Ohio. The $85 million plant called for the installation of $17,000 worth of Burt equipment. Because of a secondary boycott threat and delay, Chrysler canceled the contract.

Within the last few months the Burt case has received national publicity, but that has failed to dampen the enthusiasm of the officials of the sheet metal workers union to continue their monopoly. Although both the AFL and CIO leaders have deplored the secondary boycott, it has continued.

The Wooster Sheet Metal & Roofing Co., of Akron, Ohio, was threatened with labor trouble unless the company discontinued purchase of Burt products. Wooster had bought from Burt for more than 30 years, but was told that its employees would be called off the job if they continued to use Burt.

Even the State of Ohio bowed to the union—until the Governor heard about it.

A State architect turned down plans for Burt ventilators on a building project at Ohio University. The architect wrote the subcontractor for the job saying that he had learned that Burt products were not acceptable in Ohio to the AFL sheetmetal workers union.

Governor LAUSCHE, now one of my colleagues, the junior Senator from Ohio, reversed that decision. The plans were submitted and an order was given for the ventilators.

After the Wooster secondary boycott threat the Akron Beacon-Journal, on December 3, 1956, in an editorial asked:

> By what right may a labor union arrogate to itself the authority to tell an employer where he shall or shall not purchase supplies and materials for his business?

The real danger is beyond damage to Burt. As the Akron Beacon-Journal pointed out in its editorial:

> Thus, Wooster Sheet Metal is deprived of its free choice to obtain ventilators wherever it deems the price and quality to be favorable.

This is the real danger of the secondary boycott. That danger is that the American public's freedom of choice is being removed because of the monopoly power of the labor-union official. S. 76 by curbing this power by outlawing all secondary boycotts and organizational picketing would serve the public benefit.

In union circles the Burt case has become a celebrated example of union power. Mr. George Meany, president of the AFL–CIO, is well aware of this particular problem, and the executive council of his union discussed it during their meeting in Miami last January.

In fact, Mr. Meany, Mr. Joseph Beirne, president of the communications workers, and Mr. George Harrison, president of the Brotherhood of Railway Clerks, formed an official committee of three to visit Akron and to investigate the secondary boycott.

Accompanied by three union officials from both the steelworkers union and the sheet metal workers union, Meany and his committee toured the Burt plant on February 18. The trio left Akron and scheduled a meeting February 28 in Washington. Following this February 28 meeting, Mr. Meany reported that satisfactory progress was being made.

A few days ago a special committee of the AFL–CIO, under the direction of George Meany, ordered the sheet metal workers union to discontinue its secondary boycott against the Burt Manufacturing Co. It took 10 years to get this decision, but at this time it is too early to know whether the sheet metal workers' officials will agree to stop the boycott.

It is obvious that secondary boycotts and particularly the experiences of Burt and other companies should not be left to the decisions of union officials to solve. There is a need for legislation to insure prompt relief in order that the public does not have to depend upon the whim of a professional unionist.

Secretary of Labor Mitchell is also familiar with the Burt case and other secondary boycotts of this type. When the Secretary submitted three suggested changes in the Labor Management Relations Act a few weeks ago, he made no mention of secondary boycotts.

In the Secretary's letter of transmittal to the Congress, he said:

> Matters of jurisdictional disputes, restrictive practices, and secondary boycotts at construction project sites were resolved by agreement that legislative action was not required now, since present efforts at voluntary solutions of these problems would be continued.

Mr. President, I am very much disappointed at this statement that appears in Secretary Mitchell's letter. I am sure that many of the workers of the country, as well as management and the public generally, are disappointed too. It is not surprising that the Akron Beacon-Journal of March 21, in an editorial, criticized Secretary Mitchell in this respect. It is a well-known fact that voluntary solutions are not coming forth in reference to the evil of the secondary boycott.

As I see it, there are two immediate methods for correcting this situation: First, to hold hearings and to enact the anti-secondary-boycott bill, S. 76.

The other possibility is that the committee, under the chairmanship of the Senator from Arkansas [Mr. MCCLELLAN], which is investigating union racketeering and improper union activities, hold hearings on the Burt case.

I ask the Senator from Arkansas to give serious consideration to the Sheet Metal Workers Union conspiracy to force Burt illegally to compel its employees to join a union that is not of their choice. I also ask him to note the secondary boycotts coercing employers, employees, and the public all over the country.

If the labor union officials are sincere about cleaning up improper practices, secondary boycotts are one place in which they can start.

Mr. President, the practice of the secondary boycott is of concern to every citizen in the United States. I would especially mention how it affects the consumers of the country. After all, everyone is a consumer. The practice of secondary boycotts results in higher prices, it reduces the selection of goods for the consumers, and it makes needed articles in short supply.

It has happened, when a company has become financially distressed by resisting the unwarranted attacks by union leaders, that other companies have showed up on the scene and have offered to buy the distressed company. Sometimes they are compelled to sell, by reason of the very difficulties that they face. Thus, the secondary boycott becomes an instrument for furthering the concentration of economic power in this country. It is an aid to monopoly.

The secondary boycott deprives the workers themselves of their civil rights. It has been used to compel individual citizens to join a labor organization when they did not want to. It has been used, as in the case of the Burt Manufacturing Co., in an effort to compel individuals to cease their membership in a recognized labor union and to compel them to join one not of their choosing. The secondary boycott has been used to deprive workers of one of their most precious civil liberties, the right to make their own choice, to join or not to join, and to work where they choose without paying tribute to any outsider.

The wage earners of America are entitled to protection from the union czars. I have faith in the personal integrity of the millions of men and women who work in this country. I believe that if more

power is placed in their hands, and less in the hands of some of their self-perpetuating leaders, it would be a wholesome thing.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an advertisement published by the Roberts Dairy Co. in the Lincoln, Nebr., Journal and the Lincoln, Nebr., Star. The advertisement expresses the views which I have just stated.

There being no objection, the advertisement was ordered to be printed in the RECORD, as follows:

STRIKES SHOULD NOT BE CALLED BY LONG DISTANCE

In the face of much criticism, Roberts Dairy Co. has favored organized labor for 20 years. And we deal with the much-publicized teamsters.

It has been the contention of our company that employees should be protected as fully as possible against the petty tyrannies which can and do develop in any group in which authority is necessarily delegated.

Despite the bad publicity given organized labor, our position has not changed. One condition, however, would change it.

Our position will change whenever service to the individual members ceases to be the primary purpose of a labor union.

Whenever local business agents answer to other than local membership, service to the individual members ceases to be the primary purpose of the labor union.

As a friend of organized labor for 20 years, we feel that we are justified in offering the following comments. For reasons which shall be explained, union leadership should not, in its own interest, follow any of these practices:

1. Tie up company assets by contract so that the sale of the business lies outside the control of actual ownership.

2. Free itself from any legal responsibility either by its leadership or membership, through contracts obtained by coercion.

3. Call strikes by long distance without any agreement on the part of employees, much less understanding of possible issues.

And, of course, if the secondary boycott may be used, even obstinate employees may be brought into line in favor of the aforementioned measures for "maintaining union membership."

Under the foregoing conditions, one dishonest union official can easily sell out any independent company to a large competitor willing to pay enough to eliminate the "nuisance."

And, of course, the large company can then buy out the smaller on its own terms by reason of the "sale of assets" clause.

Bargaining is in many ways like government. The further away from responsibility to the individual member that bargaining is removed, the greater the chance for abuse. Bargaining should be done entirely with local business agents unless there is some exceptionally good reason that this should not be done. (Our company bargained successfully for 20 years with local unions.)

For with the death of small and independent business dies also the local union as an entity, the conscience and grassroots moral strength of organized labor. Divine justice works slowly but inevitably.

ROBERTS DAIRY CO.

Mr. CURTIS. Mr. President, I ask unanimous consent also to have printed at this point in the RECORD a statement of my own that explains the purpose, background, and detail of S. 76, which I introduced.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CURTIS

The following statement explains the purpose, background, and detail of S. 76 which I introduced January 7 before the United States Senate:

I. PURPOSE OF THE BILL

The bill is designed as a substitute for the present language of section 8 (b) (4) of the Taft-Hartley Act. Its purpose is to make more effective the prohibition on secondary boycotts which Congress intended at the time of the passage of the original act in 1947.

In drafting the language, an effort has been made to simplify the wording so that the intent shall be clear and understandable. As with the present language of section 8 (b) (4), secondary boycotts are the primary concern, but certain primary activities directly related to secondary boycotts are also covered.

II. THE BACKGROUND OF THIS PROPOSAL

1. Status of secondary boycotts prior to passage of the Taft-Hartley Act

Even before the passage of the Taft-Hartley Act, secondary boycotts were generally regarded as unlawful. Numerous court decisions going back for many years had adopted this view. Writing in 1940, a recognized authority on labor law, Mr. LUDWIG TELLER, who ns now a Member of the 85th Congress and serving in the House of Representatives, said:

"American judicial decision has come into general agreement that there is a distinction between a primary boycott and a secondary boycott, and, as shall be seen hereafter, that the primary boycott, if peacefully carried on, is legal, while the secondary boycott, illegal because involving the exercise of coercion upon innocent third persons not parties to the dispute." (TELLER, Labor Disputes and Collective Bargaining, vol. I, p. 454.)

Federal statutory relief became necessary because of the difficulty of securing adequate relief in Federal and State courts—a situation brought about by the restrictions placed on the issuance of injunctions in labor disputs by the Norris-La Guardia Act and similar statutes in many States. Thus an admitted evil—the secondary boycott—existed, but affected parties were unable, because of procedural restrictions, to get effective help.

2. Legislative history of section 8 (b) (4) of the Taft-Hartley Act

Prior to the passage of the Taft-Hartley Act, lengthy hearings were held by Congressional committees on the need for a more balanced labor-relations statute. As the committee reports show, one of the most discussed evils was the secondary boycott. Testimony before both the Senate and House committees showed in minute detail the unfair and undesirable technique and purpose of secondary boycotts.

There is no question but that the Congress in passing section 8 (b) (4) sought to prohibit the use of secondary boycotts in industries subject to the provisions of the act. The point is almost too clear to require documentation. The conference report to the House of Representatives referred to section 8 (b) (4) (A), as follows:

"Under clause (A) [of 8 (b) (4)] strikes or boycotts, or attempts to induce or encourage such action were made unfair labor practices if the purpose was to force an employer or other person to cease using, selling, handling, transporting, or otherwise dealing in the products of another, or to cease doing business with any other person. Thus it was made an unfair labor practice for a union to engage in a strike against employer A for the purpose of forcing that employer to cease doing business with employer B. Similarly it would not be lawful for a union to boycott employer A because employer A uses or otherwise deals in the goods of, or does business with, employer B." (H. Rept. No. 510, 80th Cong., 1st sess., 43.)

Senator Taft, who was sponsor of the bill in the Senate, discussed on the floor of the Senate the secondary boycott section in the following terms:

"Under the provisions of the Norris-La Guardia Act, it became impossible to stop a secondary boycott or any other kind of a strike, no matter how unlawful it may have been at common law. All this provision of the bill does is to reverse the effect of the law as to secondary boycotts. It has been set forth that there are good secondary boycotts and bad secondary boycotts. Our committee heard evidence for weeks and never succeeded in having anyone tell us any difference between different kinds of secondary boycotts. So we have so broadened the provision dealing with secondary boycotts as to make them an unfair labor practice." (93 CONGRESSIONAL RECORD, 4198.)

3. The language of section 8 (b) (4)

Although intended to prohibit secondary boycotts, the language of section 8 (b) (4) does not use the term. It was apparently felt that, by describing the technique normally used, the matter could be more effectively handled. Consequently, it was made unlawful for a union or its agents to induce or encourage employees to refuse to perform work where an object is to force one employer to cease doing business with another. Within this phraseology certainly falls the majority of the situations which have traditionally been regarded as secondary boycotts. It did not, as subsequent experience has painfully shown, cover all. Moreover, this fact has led those who have sought to circumvent the act to use boycott methods which deviate sufficiently from the specified activity so as to be untouched by the sanctions of the act.

4. Board and court interpretations of section 8 (b) (4)

Congressional intent to prohibit secondary boycotts has not been carried out. Board and court interpretations have made serious inroads on the statutory framework. Inadvertent omissions in the original language have also contributed to the present situation. As a result, important loopholes now exist which, when carefully used by well-advised parties, can permit the very type of activity which Congress sought to prohibit.

Some of the so-called loopholes are listed below:

(1) Threats to Employers

The present language makes unlawful only the inducement of employees to refuse to perform work. The threat of a boycott directed to an employer or its agent goes unchallenged. Particularly where small businesses are concerned, the threat of a secondary boycott directed toward a company president or a plant manager can be even more effective than the inducement of his employees. Often, the company is in no position strategically to wait and see if the union means to or has the power to carry out its threat. This fact of life has been recognized by the unions, and threats to neutral employers have been used with telling effect.

(2) Hot Cargo Clauses

Early in the administration of the Taft-Hartley Act the Board issued a decision in the now famous Conway's Express case (*Conway's Express* (87 NLRB 130, enforced, 195 F. 2d 906)) which, in effect, stated that a clause in a collective bargaining contract permitting unionized employees to refuse to

handle goods labeled as unfair or "hot" by the union would serve as a valid defense to otherwise unlawful inducement of a secondary boycott.

The Board's decision was upheld on appeal by the Second Circuit Court. Although the decision of the court may not necessarily be as complete an endorsement of the hot cargo clause as is sometimes thought, unions were quick to seize on the Conway decision as a convenient vehicle to circumvent the act. All that was needed was a clause in a collective bargaining contract permitting a secondary boycott. Given sufficient bargaining strength on the part of the union, the result was easy to foresee. Hot cargo clauses appeared all over the country. Secondary boycotts were conducted with impunity under the protective wing of such provisions.

A majority of the Board continued to follow the Conway doctrine until the McAlister case (*McAlister Transfer, Inc.*, 110 NLRB No. 224) which was decided in 1954. At that time, the Board restudied the matter. In the McAlister decision, the Board adopted the view that hot cargo clauses could not be sustained as a valid defense against otherwise unlawful conduct unless the employer acquiesced in their observance. The Board continues to follow the rule set forth in the McAlister case. See, for example, the Board's decision in *Sand Door & Plywood Co.* (113 NLRB No. 123).

It seems difficult to understand the Conway decision and the rationale behind it. In effect it espouses the principle that private parties can, by contract, set aside or circumvent an important matter of public policy embodied in a statute passed by the Congress. To my knowledge, no precedent exists for such circumvention. Even if the parties to a collective bargaining agreement containing such a clause were the only ones involved in Congressional consideration of the secondary boycott problem, there still would be no justification for a contradiction of that policy once it had been clearly set forth.

Here, of course, Congress was clearly considering interests going far beyond the primary employer and the union with which it is at the time doing business. Congress was seeking to protect neutral and third party employers, their employees, and most important, the community as a whole. Indeed, a major purpose of section 8 (b) (4) was to limit the area of industrial strife to those directly involved in the dispute. In this posture it is obvious that the hot cargo doctrine as set forth in the Conway case constitutes a flagrant attempt by an administrative agency to destroy a clear Congressional mandate.

While the present Board has adopted a more reasonable view of the matter, the problem is so important that it should not be left to the opinions of appointees to administrative office. Congress must speak once and for all in regard to the matter.

(3) Refusal to Enter Employment

In certain industries where occasional or per-job employment is the rule, unions have found that a secondary boycott can be conducted, not by inducing employees to refuse to perform work—which is unlawful—but merely by refusing to let members accept work with an employer who is alleged to be "unfair." The technique is effective where the union controls most of the skilled help in the market and where employment is on a per-job basis. The present act does not, according to Board and court decisions, reach this type of tactic, and it was so held in *Joliet Contractors Association* (99 NLRB 1291; 202 F. 2d 606).

(4) Secondary Customer Boycott

The language of section 8 (b) (4) does not prohibit secondary customer boycotts. Thus, for example, a union can apparently picket the customer entrances of a retail store which is carrying a product manufactured by a company with which the union has a primary dispute. Similarly, a union can organize a consumer or customer boycott against a soft-drink distributing company merely because that company advertises on a radio or television station with which the union has a primary dispute. These are examples of secondary customer or consumer boycotts where the secondary employer offers goods or services directly to the consuming public. Such a boycott is a potent form of economic pressure.

(5) Restricted Definitions of the Terms "Employer" and "Person"

For the general purposes of the application of the act, section 2 sets forth definitions of terms used in the act. Among the definitions included are those for the terms "employer," "employee," and "person." In applying the secondary boycott section of the act the Board has, in a number of cases, adhered strictly to these definitions, thus permitting otherwise unlawful conduct. For example, the *International Rice Milling Co., Inc.* (84 NLRB 360), the Board held that a railroad company was not an employer within the meaning of the act. Hence, its employees could be induced to refuse to perform work even though the objective was to force the railroad company to cease doing business with another person. The interpretation was reversed by the fifth circuit court in the *International Rice Milling Co., Inc.* v. *NLRB* (F. 2d 21), but the court's opinion has not been accepted by the Board. Although the case was taken to the Supreme Court, the Court was not asked to review this issue. See *Sprys Electric Co.* (104 NLRB 1128), where otherwise unlawful inducement was permitted because a governmental agency was the organization involved in the interruption of business. Also see *Chauffeurs, Helpers Local 327* v. *B & S Motor Lines* (116 NLRB No. 117); *Local 833, UAW* v. *Paper Makers Importing Co. Inc.* (116 NLRB No. 37); and *Int'l Woodworkers of America* v. *W. T. Smith Lumber Co.* (116 NLRB No. 255).

It is my opinion that the legislative history of the present act indicates an intent on the part of Congress to broadly apply the secondary boycott prohibition. As our fifth circuit court has pointed out, the need for restricted definitions of certain key words, which undoubtedly exist in connection with the application of some other parts of the act, does not exist in applying the secondary boycott provisions.

Whatever may be the correct interpretation of the present Taft-Hartley language on this particular point, it is my intention that the wording of S. 76 shall be broadly construed and shall not be limited by the restrictive definitions of the terms "employer" and "employees" used in connection with other sections of the act.

(6) Ambulatory Picketing

In an early decision of the Board (*Schultz Refrigerated Services, Inc.* (87 NLRB 92)) picketing of the trucks of a primary employer was permitted wherever those trucks stopped to pick up or deliver. Subsequent decisions in the past several years have restricted the application of the doctrine, but it should be settled once and for all. The theoretical basis of the doctrine lies in a legitimate desire to protect primary picketing at or near the premises of the primary employer.

The trucks become an extension of the premises. Hence, the following of the trucks has been permitted. The reasoning overlooks the obvious fact that picketing away from the premises of the primary employer has quite plainly the principal objective of inducing employees of the secondary employer to refuse to perform work. Consequently, in my judgment, it should be regarded as unlawful.

The above listing is not intended to cover all the loopholes that exist in the present framework of boycott protection. There are others. The proposed language is intended to cover all the indicated loopholes, but it is not intended that the construction of the proposed wording be limited to those situations covered by existing interpretation plus the loopholes. Where there is economic pressure on an employer for one of the stated objectives, the activity is intended to be unlawful, whether it fits a presently contemplated situation or not.

III. A comparison of the language of S. 76 and section 8 (B) (4) of the Taft-Hartley Act

In this section, the several parts of the proposed bill are discussed and compared with comparable wording in section 8 (b) (4) of the Taft-Hartley Act.

1. Introductory wording:

The present act makes it an unfair labor practice for a labor organization or its agents—

"(4) to engage in, or to induce or encourage the employees of any employer to engage in, a strike or a concerted refusal in the course of their employment to use, manufacture, process, transport, or otherwise handle or work on any goods, articles, materials, or commodities or to perform any service, where an object thereof is."

The comparable language in S. 76 reads as follows:

"(4) to exert, attempt to exert, or threaten to exert (regardless of the provisions in any collective bargaining or other contract) against an employer or employees of an employeer, economic or any other type of coercion, by picketing or by any other means, where an object thereof is."

The proposed wording is at once a simplification and an extension of the present statutory language. The Taft-Hartley wording in essence makes unlawful the inducement of employees to refuse to perform work. Experience has shown that there are other and equally effective forms of economic coercion against the neutral or third-party employer besides inducing his employees not to perform work. If the objective of the section is to prevent economic pressure directed toward a neutral employer, then it follows that all types of economic pressure, whether directly or indirectly applied, should be prohibited. It is true that some types of economic coercion are more common than others. The prohibition of the more common types inevitably leads to a devious resort to other techniques, less common perhaps, but no less invidious.

The proposed language references "economic or any other type of coercion" against a third-party employer. This coercion may be directed "against an employer, or the employees of an employer." Admittedly, this is a comprehensive reference. So it is intended to be. Nothing less than this is acceptable if secondary boycotts are to be prohibited. This was, of course, the intent of Congress in 1947. I believe that it is the intent of Congress today. Let us, with courage and decision, effectuate that intent.

Before discussing by way of illustration the types of economic and other coercion which are covered it should be stated that the language does not, nor is it intended to, limit or interfere with the right to conduct a primary strike. There were those who challenged the present Taft-Hartley language as prohibiting the picketing normally incidental to a primary strike on the theory that the picketing had the effect, if not the intent, of inducing employees of third-party suppliers not to cross the picket line. Whatever an overly literal reading of the present language may reveal, it is obvious that Congress in 1947 intended no such result. Nowhere in the legislative history of the act is there the

slightest indication of such intent. Indeed, there are at least general statements to the contrary. Obviously, it is a result which is not to be lightly inferred.

The proposed language does not interfere with the right to conduct a primary strike, nor with the usual picketing that normally occurs at or near the situs of a primary dispute. This statement is not intended to interpret either common situs picketing problems or ambulatory picketing problems which are discussed elsewhere in this explanation.

On the positive side the proposed language prohibits the type of inducement covered by the wording of the present act. And it goes beyond this to include all types of economic coercion whether directly applied to an employer or indirectly through his employees. Illustrative of the economic and other types of pressure intended to be covered by the language are the following:

(1) Threats of economic or other coercion directed to owners, executives, or their representatives.

(2) Threats to induce or the actual inducement of customer or consumer boycotts of the product or services of a secondary employer.

(3) Threats to refuse or the actual refusal to accept employment with secondary employers. (The refusal-to-accept-employment situations have generally involved product boycott problems. In these situations the manufacturer of the allegedly unfair product is the primary employer and the user of that product is the secondary employer. The prohibition is to be applied in this frame of reference although it is not to be limited to product boycott situations alone.)

(4) The inducement of employees to refuse to perform work.

As already stated, the above listing is illustrative and not to be regarded as covering all types of coercion which are intended to be included by the comprehensive wording of the proposed amendment.

The parenthetical inclusion in the proposed language relates to the hot-cargo clause problem. By this wording, it is intended that hot-cargo clauses shall not serve as a defense to otherwise unlawful conduct. It is further the intent of the wording that no contract language shall in any way be construed so as to bind an employer to permit or acquiesce in an otherwise unlawful refusal on the part of his employees to perform work. The declared public policy of the United States against secondary boycotts cannot be modified by private contractual agreements. I might add that, in my judgment, the insistence by a union of the inclusion of such a clause in a collective-bargaining contract should be regarded as a refusal to bargain in good faith.

The term "employer" as used in this section is not limited to the strict definition of the term as set forth in section 2 of the present act. It is specifically intended to cover any employer, whether or not he be subject to other provisions of the statute. Among others this would include railroad companies, State and Federal Governments, employers of farm labor, etc.

It may be argued by some that the comprehensive nature of the prohibition proposed makes it subject to constitutional challenge. Such an objection is unfounded. It was raised and disposed of by the courts in connection with the present language of section 8 (b) (4). (*International Brotherhood of Electrical Workers, Local 501* v. *N. L. R. B.* (341 U. S. 694).) There is no constitutional right to induce, or threaten to induce, even by peaceful means, acts which are unlawful. Congress has declared secondary boycotts to be unlawful. Their inducement, or threats thereof, is not privileged.

2. "(A) causing or attempting to cause any employer or self-employed person to join any labor or employer organization":

In this paragraph and in subsequent paragraphs designated by capital letters numbering (A) through (F) the introductory wording found in comparable sections of the Taft-Hartley Act and reading "forcing or requiring" has been changed to "causing or attempting to cause." The purpose of the change is to insure the full effectuation of the legislative intent to eliminate secondary boycotts. Once the factor of unlawful coercion has been found, the intent of Congress is not to be frustrated because it might conceivably be said that the objective of the coercion was merely to induce or cause a certain course of action rather than to force or require it. Otherwise, the language is the same as that contained in the first clause of paragraph 2 "(A)" of the Taft-Hartley Act. Although the language has received relatively little application insofar as the present law is concerned, no one will dispute the wisdom of its inclusion. It is placed in a separate paragraph here for purposes of clarification only. No change in meaning or interpretation is intended aside from that specifically referenced in the earlier part of this paragraph.

3. "(B) causing or attempting to cause an employer or other person to cease doing business with any other person."

This is the heart of the proposed amendment, just as generally similar language is the heart of section 8 (b) (4) of the present act. The only change in wording aside from the change in the introductory phrase referenced in the explanation of "2" above is the elimination of the enumeration in the present language. It is felt that the phrase "cease doing business with" covers the specific items now mentioned such as selling, using, handling, etc. The use of the phrase "cease doing business with" by itself is not intended to imply more restrictive application of the language. It is a simplification, not a restrictive application, and is proposed for purposes of clarity.

One situation has been brought to my attention involving the application of the phrase "cease doing business with." It is best explained by way of illustration. Let us assume that there is a labor dispute between a union and a manufacturer of electrical fixtures. To further its effort, the union enlists the cooperation of unions engaged in electrical construction. These unions, through their agents, advise electrical contractors that they will get into trouble if they use electrical fixtures manufactured by the employer alleged by the union to be unfair. The construction unions point out to the contractors that they don't have to cease doing business with the jobber or distributor of electrical fixtures; they merely have to order fixtures from the jobber or distributor which are not manufactured by the allegedly unfair company. Where the jobber or distributor handles more than one line of fixtures, it might be argued in some quarters that the coercion or threat thereof is not designed to force the contractor to cease doing business with the jobber or distributor. He is merely being asked to provide one brand of a product instead of another. In my judgment, this set of facts is a type of "cease doing business with" under the terms of the Taft-Hartley Act as it is now written. By putting pressure on a contractor to reject one line of products merely because of the existence of a labor dispute with the manufacturer of those products is an interference with the business relationship between the contractor and the jobber, and thus, in a very real sense, is a type of "cease doing business with." It can also be argued that by this pressure the construction unions are indirectly forcing the jobber or distributor to cease doing business with the manufacturer alleged to be unfair. In my judgment, either theory is adequate to justify the application of existing Taft-Hartley language, but, whether it is or not, such application is intended in the drafting and construction of this amendment to the Taft-Hartley Act.

4. "(C) causing or attempting to cause any other employer to recognize or bargain with a labor organization as the representative of his employees unless such labor organization has been certified as the representative of such employees under the provision of section 9."

The language here is, with the exception of the first three words, exactly the same as that now contained in section 8 (b) (4) (B) of the Taft-Hartley Act. Present interpretation of that language is regarded as satisfactory.

5. "(D) causing or attempting to cause any employer to interfere with his employees' right to join or refrain from joining a labor organization as set forth in section 7."

This language is not contained in section 8 (b) (4) of the Taft-Hartley Act. It is designed to prohibit the use of economic coercion for the purpose of forcing an employer to interfere with the right of his employees to join or refrain from joining a union. Among other things, the wording would prohibit what is now known as recognition picketing.

The cornerstone of the Wagner Act and the Taft-Hartley Act is contained in section 7. In the original law the guaranty set forth in section 7 declared as a matter of public policy the right of employees to self-organization—the right to freely select their own bargaining representative. Added to this basic right in 1947 was the corollary right to refuse to participate in union activity. Taken together, these guaranties form the basis of our national labor policy. It is a sound basis. The cornerstone is well laid.

With this as a basis, it follows necessarily that neither a company nor a union should have the right to coerce an employee in the exercise of his right to join or refuse to join a labor organization. And from this it follows that an employer should be free from economic pressure or coercion designed to force him to interfere with the rights of an employee.

Section 9 of the present act generally follows the scheme set up in the Wagner Act whereby the selection of a bargaining agent can be made by secret ballot in an election conducted by the National Labor Relations Board. This is a procedure which gives meaning to the guaranty of an uncoerced choice. The thousands of elections conducted by the Board over the past 20 years indicate beyond question the efficacy of the balloting procedure.

Today, however, a serious inroad on the right of freedom of choice has been made. It is an inroad which is not covered by present statutory language. It is recognition picketing.

In the usual situation, recognition picketing takes place where an employer has refused a demand that the union be recognized as a majority bargaining agent and thereafter a picket line is set up at or near the employer's place of business. The only way that the employer can resolve the situation is to recognize the union, regardless of the wishes of his employees, and sign up with the union. For the employer to do so is to engage in an unfair labor practice, but economic pressure of the picket line in some cases forces him to make a choice between signing up with a union and violating the law or going out of business.

The election machinery set up in the act should be used to determine majority status. Recognition picketing should be permitted only where the employer refuses to accept the choice of his employees in selecting a bargaining agent.

The overwhelming majority of State courts today have declared recognition picketing to be unlawful. These courts have realized the inconsistency between a guaranty of free choice and economic coercion which forces an employer to select a bargaining agent for his employee. Consequently, in most jurisdictions, such picketing can be enjoined. This fact does not, however, solve the problem at the Federal level. With the Supreme Court's decision in the Garner case, which emphasized the preemption by the Federal Government in certain important areas in labor-management relations, State jurisdiction in recognition picketing situations may well be now limited to those situations in which the National Labor Relations Board either does not have jurisdiction, or does not seek to exercise its jurisdiction (*Garner* v. *Teamsters, C. & C. Union* (346 U. S. 486)). A large segment of the American economy is therefore left open to this patently unfair and coercive device.

The recognition-picketing problem is included in this section of the act because it is closely allied to the secondary boycott issue. Studies have shown that a majority of secondary boycotts arise from situations in which the union is trying to organize the employees of the primary employer. Unsuccessful by direct appeal, the union seeks to pressure the employer into recognition by putting economic pressure on the secondary employer who does business with the primary employer. The language of the present act covers those situations in which the recognition is being forced through the use of pressure on a secondary employer. The proposed language would add a necessary element to the protection by prohibiting economic pressure directed toward the primary employer. While such pressure is normally in the form of picketing, the proposed wording covers all types of economic pressure which have as an object the forcing or requiring of an employer to interfere with the right of his employees to join or refrain from joining a labor organization.

There can be no question today of the constitutionality of a prohibition against recognition picketing. In *Building Services Union* v. *Gazzam* (339 U. S. 532) the United States Supreme Court upheld a lower court decision permitting an injunction against recognition picketing in the State of Washington. The public policy of that State condemned interference with the right of employees of that State to self-organization. The same treatment would undoubtedly be accorded a congressionally enunciated policy on the subject.

6. "(E) causing or attempting to cause employees to join or refuse to join a labor organization except as provided in the first proviso to section 8 (a) (3)."

The proposed language is not found in the Taft-Hartley Act. Its purpose is to prohibit the use of economic coercion against an employer where an object is the forcing or requiring of employees to join or refuse to join a labor organization. Obviously this purpose is related to that discussed in proposed paragraph (D).

In picketing situations today, where the union is seeking to become the bargaining agent, there is the much debated problem of recognition versus organizational picketing. In a few jurisdictions, particularly in New York, there is an effort to distinguish between the two types. Theoretically, this can be done. Recognition picketing involves a situation in which the union demands recognition from the employer and, failing to get it, puts up a picket line. Organizational picketing, on the other hand, embraces the situation where the union makes no demand on the employer for recognition but pickets allegedly for the purpose of organizing the employees. While a difference does exist in theory, it is open to question as to how much validity it may have in practice.

From the employer's point of view, in both cases the picket line is there. If the existence of the pickets reduces the number of customers as it often does, for example, in the case of a retail store, or induces the employees of a third-party employer to refuse to pick up or deliver at the premises of the picketed employer, the economic effect is the same. The loss is just as great whether the union has demanded recognition or whether it claims merely to be organizing the people. The solution for the employer, if he cannot stand the pressure, is to force his employees into the union and to sign up.

From the point of view of the employees of the picketed employer, the difference is also insubstantial. The economic coercion against the employer is just as real in one case is in the other. If, as a result, they feel they have to join the union, their freedom of choice is impaired, whether the picketing is said to be organizational or recognition in character.

From the union's point of view, the answer is obvious. If recognition picketing is prohibited and organizational picketing is permitted, all the union has to do is to make sure that it never overtly demands recognition and sticks to its claim that the picketing is organizational in character. The important weapon is the picket line. If it brings about the requisite degree of economic coercion, the employer and the employees will be forced to sign up.

From a legislative point of view—whether it be Federal or State—the restriction on organizational picketing raises a difficult problem. To the extent that it is an appeal to employees for support, it should be protected. To the extent that it coerces by economic pressure employees into joining a union, it should be condemned. This dual character of organizational picketing is the source of considerable confusion. My own view is that, where all the facts of the case show the picketing to be coercive—that is, to have the effect of forcing or requiring employees to join a union—it should be prohibited. Such is the intent of the language here proposed.

It is not the intent of this language to impinge upon the legitimate efforts of unions to preach the benefits of organization to employees. I would not intrude upon this right if I could. To me it is both important and necessary. On the other hand, I would not permit the use of this right as a technique to coerce employees in the exercise of their right to select or reject a union. In my judgment, organizational picketing in most contexts goes beyond an appeal to reason and becomes an instrument of coercion. Where election machinery is available, and where the law prohibits employer interference with the right of employees to select their own bargaining agent, let unions sell the benefits of organization by appeals to reason, not by the use of economic force.

The specific language used refers to "forcing or requiring employees." In my judgment, these words have nothing to do with persuasion, exhortation, or the right of free speech. Where organizational picketing has the effect of forcing or requiring employees to join or not to join a union, it should be struck down. It is at that point no longer privileged as free speech.

While the language is most importantly directed toward picketing, it also is intended to include other types of economic coercion where an object is forcing or requiring employees to join or to refuse to join a labor organization.

In some quarters there may exist a belief that the proposed language runs afoul of the constitutional guaranty of free speech. I would not propose it, nor support it, if it did. I am convinced that it does not. My conviction is supported by two significant court decisions, one by the Supreme Judicial Court of Maine and the other by the Wisconsin Supreme Court. In the Maine case (*Pappas* v. *Stacey* (116 Atl. (2d) 497)), a restaurant was picketed for the alleged purpose of organizing the employees. The issuance of an injunction was upheld on the grounds that the picketing violated a Maine statute guaranteeing freedom of self-organization. Overruled by the court was the union's contention that the injunction infringed on constitutional rights. The decision was appealed to the Supreme Court of the United States, and was there dismissed without opinion (*Pappas* v. *Stacey* (350 U. S. 870)).

The Wisconsin case (*Vogt, Inc.* v. *Teamsters Local* (Wis. Sup. Ct. (1956), 37 LRRM 2535)) also involved a typical organizational picketing situation. In an initial decision (*Vogt, Inc.* v. *Teamsters Local* (270 Wis. 315)) the court reversed on constitutional grounds a lower court decision granting an injunction. On reconsideration the original decision was reversed and the lower court judgment was affirmed.

While the Supreme Court of the United States has not directly passed on the question, I believe that these recent decisions indicate the direction of judicial thinking in those areas where it is necessary to draw a line between free speech on the one hand and the right of employees to self-organization on the other. When speech in a context of action becomes coercive it can be prohibited.

Nothing in the proposed language is intended to interfere with the otherwise legal enforcement of statutory rights accorded under section 8 (a) (3) of the Taft-Hartley Act.

7. "(F) Cause or attempt to cause any employer to assign particular work to employees in a particular labor organization or in a particular trade, craft, or class rather than to employees in another labor organization or in another trade, craft, or class, unless such employer is failing to conform to an order or certification of the Board determining the bargaining representative for employees performing such work: *Provided*, that nothing contained in subsection (b) shall be construed to make unlawful a refusal by any person to enter upon the premises of any employer (other than his own employer), if the employees of such employer are engaged in a strike ratified or approved by a representative of such employees whom such employer is required to recognize under this act."

The wording here, aside from the first three words, is exactly the same as that contained in paragraph 8 (b) (4) (D) of the Taft-Hartley Act.

The above represents an effort to set forth in detail both the reasons for the proposed changes in present language, and the intended application of the wording suggested. Obviously not all situations can be spelled out in advance. In 1947 Congress thought it was outlawing secondary boycotts. The objective has not been reached. It may be that, even with the language here proposed, loopholes will develop. It is my sincere belief that if those who are construing the language of this bill will recognize and accept the fundamental concept of the intent of Congress to do away with all secondary boycotts and organizational picketing the objective can be achieved.

Mr. CURTIS. Mr. President, last August the Reader's Digest magazine devoted a special feature article to the secondary boycott. It was entitled "Labor's Dreaded Squeeze Play: The Secondary Boycott." The story, according to the Reader's Digest, was a tale of "vicious examples of how collective bargaining is turned into collective bludgeoning."

Noting my secondary boycott bill of the last Congress, the magazine endorsed

the proposed legislation. The publication said, in part:

The curb on picketing that "organizes from the top" would go a long way toward blunting the illegal secondary boycott weapon. * * *

Our economy, like our Government, has long been safeguarded by checks and balances which prevent any one group from exercising tyrannical power. By means of the Wagner and Taft-Hartley Acts, Congress has placed the might of our Government behind the workers' right to organize, and so redressed the balance of power between employers and workers. Perhaps it is time now for a few checks which will protect our economy from tyrannical use of the secondary boycott.

Mr. Victor Riesel, the noted columnist on labor relations, who incidentally was the victim of a vicious attack resulting in blindness because he was exposing labor racketeering, has also commented on the Burt secondary boycott:

For the hassle with the sheet-metal workers is not an isolated case. It is typical of scores of other jurisdictional wars between old AFL and old CIO unions.

Mr. Riesel ended his column with the question: "Why should the public get caught in the middle of such wars?"

I ask unanimous consent to have printed at this point in the RECORD the text of the January 30, 1957, column Inside Labor, written by Mr. Riesel.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INSIDE LABOR

(By Victor Riesel)

Move over King Saud. You think you're a monarch? We really have a powerful potentate lolling around on some sand dunes of our own.

He's one of the oldest ruling American monarchs. Been in power for about 50 years. You can find him on the sands of Miami Beach, his cabana-tent flaps flying in the balmy breezes. He is Robert Byron, president of the Sheet Metal Workers Union since the very early 1900's. Now, at 76, he has a bad case of cacoëthes.

This is a sort of industrial disease—meaning to have an irresistible urge. In this specific case, it is an urge to control his entire field. This Byron is a very regal fellow.

While we all know that King Saud stayed at the Waldorf in New York, no commoner—least ways no dues paying member of the Sheet Metal Workers—is permitted to know just where Byron has been staying in Miami Beach lo these many weeks. So you can't really ask him questions about the strange case of his union's private war on other unions.

Let me tell you about this war and how it has caught one reputable firm in a crossfire which has cost the company $500,000 a year. This is an industrial war which could set a precedent and cost American businessmen hundreds of millions of dollars and give many a workingman many a headache while trying to earn his daily bread.

In Akron, Ohio, a firm called the Burt Manufacturing Co. rolls out fine ventilating equipment. It pays its people well. They like their employer. And they like their union, the United Steelworkers of America, led by David McDonald. But Byron and the Sheet Metal Workers don't like McDonald's union.

The Sheet-Metal Workers say that the Steel Workers have no right unionizing the Burt company. The law says that the Steel Workers have the right. The workers in the plant say the Steelworkers Union has the right. But the Sheet-Metal Workers say no—that the 200 Burt employees should be paying dues to their outfit and not to McDonald's.

So the Sheet Metal Workers Union for the most part has refused to install Burt Co. equipment in buildings. The Sheet Metal Workers Union told its members not to handle or erect Burt equipment. The union had warned contractors not to purchase Burt products because they will not provide skilled men to work on them.

Byron's union has even passed on word to engineers and architects warning them not to specify Burt equipment in their design or they will be asking for trouble. The Sheet Metal Workers Union told one key member in each of many plants to watch for Burt material and see to it that there's no installation. Nor did they keep their feelings secret from construction companies. The result has been the half a million dollar annual loss, charges the company. This small national union of 50,000 duespayers is in such a strategic position that it can wage war on other unions literally 25 times as large and arrogantly disregard all efforts to resolve the disputes it has created.

In January 1956, United States Secretary of Labor James Mitchell himself had to put pressure on the Sheet Metal Union to install Burt equipment in the Ford plant at Lima, Ohio. But the Burt Co. was not as lucky with its products at a Chrysler plant and at the Ohio Bell Telephone Co. These firms had to pass up purchases from Burt or have the stuff remain on the streets.

When Burt sold goods to Ohio University, then Gov. Frank Lausche had to step in and get action. All this has hit the company to the point where the steelworkers' chief David McDonald wrote to AFL-CIO President George Meany charging:

"Its effect (the refusal of the Sheet Metal Union to handle this equipment), plain to all, will ultimately be to drive the Burt Manufacturing Co. out of business unless the steelworkers who represent the employees agree, 'to put them (the workers of the Burt Co.) in our organization' (the Sheet Metal Workers)."

The import of this private war is that some unions are business-type outfits. They want the members, for the members make them strong and bring in more dues. The fact that the workers are already unionized apparently makes no difference. And that's one of the basic conflicts inside the AFL-CIO executive council meeting in Miami Beach this week. For the hassle with the Sheet Metal Workers is not an isolated case. It is typical of scores of other jurisdictional wars between old AFL and old CIO unions.

The squeeze on the Burt Co. infuriated Congressman AYRES from the Akron district. He wrote to George Meany asking, "Is there a labor merger or isn't there?" If there is, then such wars should be wiped out, said the Congressman. If there isn't, then there should be a law, he added.

He's right. Why should the public get caught in the middle of such wars?

CHICAGOLAND COMMERCE AND INDUSTRY EXPOSITION

The PRESIDING OFFICER (Mr. CLARK in the chair). The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 4803) to permit articles imported from foreign countries for the purpose of exhibition at the Chicagoland Commerce and Industry Exposition, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes.

THE HUNGARIAN REFUGEE PROGRAM

Mr. JACKSON. Mr. President, on May 15 the refugee reception center at Camp Kilmer, N. J., is to be shut down. It is an event that I view with mixed emotions—mixed emotions in that it at once fills me with pride over the magnitude of the job this country has done in aiding thousands of freedom-seeking Hungarian refugees, and chills that pride with shame that we are quitting before the job is done.

Mr. President, since that signal day last November 20 when the first American plane carried a load of refugees to the United States, our Nation has taken in more than 31,000 who fled from Communist oppression. Our Nation further has assisted in resettling another 100,000 Hungarian refugees in other countries.

There remain in Austria today only about 40,000 of the estimated 171,000 Hungarians who crossed to freedom. There are another 16,000 to 18,000 estimated Hungarian refugees who have fled to Yugoslavia in recent weeks since Austrian escape was blocked by Communist barbed wire.

Let me tell the Senate about just one of those 40,000 remaining in Austria. Her name is Agnes Rozsa—Ro-Zha. She is 17 years old.

Only a few months ago, in early December, Agnes crossed into Austria. It was a hazardous flight of 6 days and nights, mostly by foot, from her home in Debresen, Hungary. Agnes was an only child. Her father made the supreme sacrifice of insisting that she escape Hungary without him. He feared his age and health would hinder her escape. His one hope was to see Agnes gain freedom in America, to be reared by her only American relative, a first cousin. The first cousin is Mrs. Sydney Abrams, of Seattle, a constituent of mine, and herself a Hungarian immigrant.

Few members of Mrs. Abrams' immediate family survived destruction by the Nazis during World War II. The emotional tie between those who survived is as close as is humanly possible. Yet, because this bond between Agnes Rozsa and her cousin in America does not meet the technical requirements under which the refugee program now operates, they are barred from being reunited here.

Agnes' first letters to Mrs. Abrams after reaching Austria were eloquent and powerful testimonials that even children reared in Communist grade schools and gymnasiums still possess the innate understanding of, and desire for, freedom. Agnes was justifiably excited at the prospect of coming to America and of the Abrams' plans to send her to the University of Washington.

Even though she was being moved from camp to camp, awaiting the opportunity to come to America, her spirit was sustained with hope.

In January the Abrams asked me to help them bring Agnes to America. They filled out the necessary certificates of financial responsibility and met the other requirements for taking in a Hungarian refugee. On February 12 she was interviewed by the United States con-

sulate in Vienna, and told she could expect to be sent to the United States within another week or so. We heard nothing until March 6. Then we were told that due to her December entry into Austria, a processing date could not be determined immediately. Later in the month we were advised Agnes had been removed from preferred status and might be eligible for immigration in August—if then. My protest brought a reply from Ambassador Thompson in Vienna—

Since future parole operation uncertain, doubt whether refugee named can be scheduled for processing.

Now, Mr. President, there are 7,000 to 8,000 Agnes Rozsas in Austria who are desperate. That is the number of refugees reported by the New York Times April 6 as having relatives in America, but relatives too distant to qualify them for admission under the reduced refugee program.

Please do not allow Agnes Rozsa and others like her to be abandoned—

The Abrams have written me.

To us it would be a personal tragedy. To the United States it would be an even greater tragedy. Nothing could be a stronger deterrent to future uprisings against communism than American camps filled with abandoned, hopeless Agnes Rozsas.

Yet, what do we find the administration and the Congress doing? The answer is threefold:

We are letting our crash program to aid Hungarian refugees fizzle out.

We are permitting the good will created by our airlift to be dissipated in despair and distrust.

We are opening ourselves to the propaganda line that America has closed its doors to anti-Communists.

Mr. President, I assume Immigration Commissioner Swing speaks for the administration when he tells me, as he did in a letter 2 weeks ago, that the emergency has greatly decreased. As a result, he told me—and the same thing was told the press April 13—the refugee program will continue on a limited scale. Refugees will be selected on the basis of hardship—separation of spouses and minor children—and on the basis of special interest such as cases involving scientists, engineers, and the like.

The best estimate I have heard is that this limited scale program may bring in 3,000 more refugees.

We have been told, then, the program does not have room for Agnes Rozsa or any of the 7,000 or 8,000 other Agnes Rozsas still in Austria.

The emergency may be decreased, as Commissioner Swing says, but it is far from over. It will not be over until Agnes Rozsa and other Hungarians with relatives in America willing to take them are permitted to come here, and until the 40,000 remaining refugees in Austria and those in Yugoslavia are settled somewhere.

Or need I remind my colleagues of the news stories coming out of Austria early this month concerning mass hysteria and despair and the necessity for a "suicide watch" to be established over refugees after the cutback in the American refugee-assistance program was announced.

Little Austria, which before the Hungarian uprising absorbed some 245,000 refugees from Communist oppression into its own small population of 7 million, has indicated it will take at least 20,000 of the 40,000 remaining in that country. The United States, even though it has taken more than 31,000, still ranks only 16th among nations in admitting Hungarian refugees on a population-percentage basis.

Mr. President, Congress has been sitting on its hands. We have before us legislation to grant permanent status to the 25,000 so-called parolees among the more than 31,000 Hungarian refugees we have admitted. We have before us legislation to admit up to approximately 70,000 refugees from communism every year, regardless of national origin. We have other legislation before us to liberalize our immigration laws. As yet, neither the House nor the Senate has held hearings on this legislation.

The Congress is not alone to blame. The administration, in the words of a Washington Post and Times Herald editorial of April 18, "apparently has done little to press for this legislation, and it is inexcusably remiss in permitting loose and vague official talk about ending the parole admissions."

The same editorial concluded that "the President owes it to the country to set this disgraceful matter right at once with a clear statement of his intentions and a fresh call upon Congress for enactment of permanent legislation."

I fervently hope the President will exercise leadership in this matter, for indeed the refugee program has brought this administration to another brink, this time the brink of success. America has had a chance to demonstrate that it can respond to unreserved courage with unqualified generosity. The opportunity is slipping away from us, but it is not lost. If the administration cannot or will not provide the necessary leadership to carry the Hungarian refugee program through to its logical end, Congress can. We in Congress still have a chance to fulfill the promise our country held out as a haven to those who lost their homelands fighting for the ideas that keep us free.

It is well for us to remember that while there may be certain risks inherent in the admission of refugees, the contributions of those refugees who have come to America, particularly in the past 20 years, have added immeasurably to the security of this country.

And, at least as important, people who are willing to risk their lives for freedom in America certainly have demonstrated they have the ingredients that make for good American citizens.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. JACKSON. I yield to the distinguished junior Senator from New Jersey.

Mr. CASE of New Jersey. Mr. President, I wish to compliment the Senator from Washington for the fine statement he has just made, and to assure him, with many of our colleagues on both sides of the aisle, that this is not a partisan matter in any sense. We completely share his concern for the objectives.

First, I should like to ask several questions, if I may, to bring out points on which I think we are all agreed, but which ought to be emphasized. The first is, of course, that the Senator is aware that immigrants who have entered this country from Hungary, especially in recent months, have been of an extraordinarily high character, have been well trained in particular skills, have been well educated, and are above the average, indeed, as a result of which this country has greatly benefited from receiving the thirty-thousand-odd who have entered under the parole provisions of the immigration laws, as well as under the regular quota.

Mr. JACKSON. The Senator is correct. The screening process at Camp Kilmer revealed many outstanding and capable people who can contribute much to the welfare of our country, both at home and abroad.

Mr. CASE of New Jersey. I should like to make the particular point that I agree fully with the suggestion that we ought not stop here, but should continue to open our gates, certainly with respect to those Hungarians now in Austria who have relatives in this country. This is a matter not only of fairness to the individuals whose hopes have been aroused, but also a matter of the appearance this country gives, depending upon whether or not it fulfills its moral obligations and obligations to humanity in this regard. It is very important that we not stop now, before the job is done, because of the effect stopping would have upon other countries whose cooperation is necessary if the whole job is to be done and if the escapees and refugees in Austria now, as well as the great number who recently came into Yugoslavia, are to be taken care of by free countries. Our continued effort is necessary if the President's Committee for Hungarian Refugee Relief and the intergovernmental committee are to get the job done completely.

Mr. JACKSON. The Senator is quite correct. I think millions of Americans and people throughout the free world are much disturbed over the fact that apparently there was nothing we could do at the peak of the Hungarian revolt.

I should like to say to the Senate that it would seem to the junior Senator from Washington the admission of the refugees is the minimum we can do to encourage people behind the Iron Curtain to resist tyranny. If we do not make it possible for a minimum number of people to come to America should they fight their way to freedom, then there is virtually no hope that the people behind the Iron Curtain will muster the courage to resist Communist tyranny.

Mr. CASE of New Jersey. If the Senator will yield further, I agree fully with the comment he has just made, as I do with his entire statement. I should like to make one or two other points by way of questioning, in addition to the points we have discussed.

Of course, there is before the Congress and in committee a two-pronged proposal for revision both of the provisions of existing law with respect to refugees and also of the provisions of the basic act. I know the Senator shares my concern that we should act at this session on both of these great problems in regard to

refugees. Among other things, we should legalize the status of those thousands of people who are here now, whose ability to do the normal things citizens of this country can do for themselves and in aid of the country—such as service in the Armed Forces, defense work, and all the rest—is impaired. They should not be barred from that service by an uncertain status. We must take care of the present parolees, and we must provide for additional refugees, in a number which in its own judgment Congress can decide but which certainly should be sufficient to take care of similar emergencies that may arise in the future, to meet this country's obligation in this troubled time which may last for many years.

I am sure the Senator will agree there ought to be some provision not only for a proper and reasonable share of refugees from Communist tyranny, but also refugees from other tyranny in spots where it occurs throughout the world. Of course, we have in mind immediately the question of the unfortunate Jewish people in Egypt at this time.

Speaking for myself, and I am sure for many of my colleagues, I hope we will be able to act upon that matter at this time.

I should like to make one further point—and I know the Senator has indulged me for a long time—that most important of all, perhaps, is the fact that we must get this job done now. We must not leave it until the closing days and weeks of the session, as we did last year, when the result was that the meager action taken by the Senate in the closing days came to nothing, because it fell in the rush to get out and was not acted on by the House.

This and other matters in the President's program—or the program of all of us, in the field of progress in welfare and decency and humanity—we ought to get busy now, so that we will not be faced with a filibuster or a delay attendant with the rush always involved in the closing of a session.

Mr. JACKSON. I think it is very important legislation in relation to the cold war. I think it can be very effective in the cold war.

Mr. CASE of New Jersey. I wish to thank the Senator. I appreciate very much his indulgence.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. JACKSON. I now yield to my distinguished colleague, the Senator from Illinois.

Mr. DOUGLAS. I, too, wish to congratulate the Senator from Washington for bringing the matter of the remaining Hungarian refugees before the Senate. As I understand, the Senator is stating that there are now 40,000 Hungarian refugees in Austria, and that Austria can probably absorb 20,000 of these refugees, although she has already taken in a total of 245,000 of all refugees. The Senator from Washington is proposing that we take half of the remaining 20,000 refugees, or approximately 10,000, instead of the 3,000 hardship and skilled cases. That would mean, therefore, that we would bring in an additional 7,000 who now would be barred, who have relatives—but distant relatives—in this country, for whom support would be provided. Is that correct?

Mr. JACKSON. The Senator is correct. It is estimated there are about 7,000 to 8,000 in that category.

Mr. DOUGLAS. It seems to me the proposal of the Senator from Washington is a very modest and very moderate one. I hope action can be taken on his proposal.

Does the Senator from Washington not feel that one reason why no bill has been reported from the Committee on the Judiciary is the long discussion on civil rights?

Mr. JACKSON. I think there is no doubt that action has been delayed as a result of the continued hearings and discussions on proposed civil-rights legislation.

Mr. DOUGLAS. Is it not true that if the Committee on the Judiciary will act quickly on civil rights legislation, then we can take action on the Hungarian refugee problem?

Mr. JACKSON. The Senator is correct. Of course, I hope that the House committee, as least, will take prompt action, so that we will have a bill to consider in the Senate.

Mr. DOUGLAS. Yes. But we can move on our side if the civil rights bill once gets out of the Committee on the Judiciary.

Mr. JACKSON. The Senator is correct. There is no reason why the Subcommittee on Immigration and Naturalization could not proceed to hold hearings.

Mr. DOUGLAS. Yes. Does the Senator from Washington not feel that if the Senate Committee on the Judiciary does not quickly report a bill regarding civil rights, a discharge petition should be submitted to the Senate, so that if action is not taken within a reasonable period of time, the Senate will be able to act on civil-rights legislation without waiting for the Committee on the Judiciary?

Mr. JACKSON. I think it is very important that the Senate act on, and vote on, civil-rights legislation at this session of Congress. Whatever steps are necessary to be taken should be taken.

Mr. DOUGLAS. The committee has had this matter before it for consideration for almost 4 months.

Mr. JACKSON. Since the beginning of the session.

Mr. DOUGLAS. That is correct. Does the Senator not feel that if action is not taken by the middle of next month, it would be appropriate to submit a discharge petition and ask to have the Senate discharge the committee?

Mr. JACKSON. I am not familiar with the discharge petition process in the Senate, though I am familiar with it in the House. I am in favor of whatever action is necessary. If that is the only way in which legislation can be obtained, then that action should be taken.

Mr. DOUGLAS. I thank the Senator.

Mr. JAVITS rose.

Mr. JACKSON. I now yield to my distinguished colleague from New York.

Mr. JAVITS. Mr. President, I, too, would like to join my colleagues in complimenting our colleague from Washington in this body, and a former colleague of mine in the House, for his fine statement on this critical subject.

We always speak of fervently hoping—as my colleague does, with his usual eloquence—that the President will exercise leadership in this field. Ought we not fervently to hope that the leadership of the Senate and House will exercise their prerogatives? The President has exercised leadership, and I think rather brave leadership, in allowing 31,000 refugees to be admitted into this country as parolees, under a section of the act which, it is charged, was never intended for that purpose. He has continued to allow them to come into this country.

Although Congress has been in session for 3 months, it has not lifted a finger to pass the legislation which it ought to pass, in the interest of winning the cold war.

So I hope very much that my colleague will accept the suggestion which I have made. I think we have a right to be exercised about the fact that the congressional leadership has done nothing, whereas Presidential leadership has done the only thing that has been done. We say, "More leadership, Mr. President." What about a little leadership on the floor of the Senate and the floor of the House?

Mr. JACKSON. I have made it clear that the Congress and the Executive should cooperate in furthering this program. I am not saying that only one department or branch of the Government should act. I think there is need for both branches to work hard to obtain action before adjournment.

Mr. JAVITS. I debated the issue with the chairman of the subcommittee having the subject in charge in the other body. Broad assertions were made to the effect that many Communists were discovered among the Hungarian refugees. I would appreciate the comment of my colleague upon that subject, because I understand that remarkably few were discovered, and that those who were discovered were immediately sent back. I am informed that the Immigration Service has put 100 men on the job, in order to thoroughly scrape the bottom of the barrel and do an adequate job of screening in this situation. I think we have had remarkably good performance and good fortune in relation to the admission of the 31,000 refugees already admitted.

Mr. JACKSON. I am not advised as to that particular phase of the problem. I do know that refugees from Hungary have made valuable contributions to the security of this country in the past 20 years. I should like to cite, as I did, not long ago in the Senate, the names of four men from Budapest.

The first is Dr. John von Neumann, a refugee from Budapest, who unfortunately passed away recently. He was the world's greatest mathematician, according to a distinguished American scientist. His contributions to the security of our country are so numerous that it would require a long time to enumerate them.

The next refugee is Dr. Edward Teller, the father of the hydrogen bomb, who, probably more than any other individual, made it possible to win that terrible race with the Soviet Union.

The next one I should like to mention is Dr. Theodore von Karman, the world's greatest living aeronautical engineer. He also came from Budapest.

The fourth is Dr. E. P. Wigner, one of the outstanding nuclear reactor specialists in the world today.

These men all came from Budapest, within a few blocks of one another. Suppose they had walked east instead of west.

Mr. JAVITS. It would have been a very sad day for our country.

Mr. JACKSON. The Senator is correct.

Let me make one further point. The story with respect to Hungary also applies to other countries from which refugees have come to America to contribute to the betterment and security both of our country and the free world. I did not intend to limit my observations to Hungary or to the contributions of Hungarians.

Mr. JAVITS. The Senator knows that the Senator from New Jersey [Mr. CASE], the senior Senator from New York [Mr. IVES], and I, as well as other Senators, feel that refugees from the dictatorship persecution in Egypt today also deserve the attention of the Congress and of the President of the United States.

Mr. JACKSON. I agree. My reference is to tyranny, whether it be red, black, or any other color.

Mr. JAVITS. Exactly.

The Senator from New Jersey [Mr. CASE] and I were discussing the subject a moment ago, and mention was made of the name of Tracy Voorhees, chairman of the President's Committee on Refugees. He has done a fine job in respect to the refugees who have come in.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. CASE of New Jersey. I wish to join my colleague from New York in commendation of the work of Tracy Voorhees. Mention of his name recalls to my mind the fact that in my office about a week ago he commented on the question which was raised by the Senator from New York, in regard to the number of Communists who had entered the country, or attempted to enter the country, under this program in the past 7 or 8 months. As I recall, the number which he gave me was five. There was a very careful screening. That is the answer to the charge that Communists are using this program as a means of infiltrating this country. Such a charge is perfectly ridiculous.

I thank my colleague from Washington for raising this most important question on the floor. Again I express the hope that we will get to work promptly. I assure our colleague from Illinois [Mr. DOUGLAS], who raised the question of the advisability of a possible motion to discharge the committee from further consideration of the proposed legislation that I, for one, would be very glad to join in such a motion.

Mr. JACKSON. I hope we can all unite in this effort, without regard to partisanship. We are talking about freedom for millions of people abroad. I know that my distinguished colleagues, the junior Senator from New Jersey and the junior Senator from New York, feel the same way.

Mr. JAVITS. Mr. President, will the Senator further yield?

Mr. JACKSON. I yield.

Mr. JAVITS. Let me add my assertion to that of the Senator from New Jersey. I, too, will join in any motion to discharge which may be necessary in order to get action at this session upon this legislation, and upon civil rights legislation.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. WATKINS. I did not hear all the discussion about the so-called inactivity of the Judiciary Committee and the Immigration Subcommittee.

However, I point out that the Judiciary Committee of the Senate has been engaged in a civil rights contest for many weeks. If we insist upon having hearings on immigration legislation, that will displace the civil rights legislation.

Mr. JACKSON. The distinguished senior Senator from Illinois [Mr. DOUGLAS] made that point. It seems to the junior Senator from Washington that it might be possible for the Immigration Subcommittee to hold hearings.

Mr. WATKINS. That would involve at least two Members who are actively engaged in the civil rights controversy, and the effort to report a bill from that committee. The price of holding the hearings which have been suggested would probably be the sidetracking of civil rights legislation.

Mr. JACKSON. Of course, it is my hope that legislation affecting both civil rights and the refugee and immigration problem will be acted upon at this session of Congress, as requested by the President.

Mr. WATKINS. I am very much in favor of doing so. I am a cosponsor of both the proposed civil rights legislation and the immigration legislation.

Mr. JACKSON. I know how the distinguished Senator from Utah feels.

Mr. WATKINS. But I doubt whether any move at the moment to discharge the committee would succeed. I think the situation is such that it must be allowed to run its course a little longer before we can obtain action.

THE ADMINISTRATION OF OUR GOVERNMENT

Mr. SALTONSTALL. Mr. President, we are proud of our freedom of speech and of the press. Criticism is right and good. Criticism of the actions of Government is normal and is expected in free nations. At the same time, it is imperative that we be realistic.

Lately, there has been considerable criticism of the administration of our Government. If our Government takes action which may be new, imaginative and creative, there are always some who may not approve. Seldom do we as a people agree on anything 100 percent. If we did, it would not be the free country that we love.

Whenever there is honest disagreement and free discussion, it is wise to take stock of the problems we face. As I see it, there are three broad issues before us today in the Government.

The first relates to the conduct of our internal affairs and the extent to which we believe our Government should participate in providing services to our people.

Second, the maintenance of our military forces for our protection and security.

Third, we must decide what steps we should take to preserve peace in the world and offer greater security for ourselves and other freedom-loving people. Never before in our history has so much depended so vitally on what we in the United States decide to do.

In the face of such responsibilities primarily to our own people and to free people everywhere, we must be vigorous and affirmative. Unless we are willing to take steps forward along paths that we believe will lead to a more peaceful world, we may lose the confidence of our allies and friends. We may lose our own security and ultimately our way of life—that way of life which has advanced us to our present position of strength and leadership. Above all, we must be realistic.

As for the conduct of internal affairs, we must realize we are in a period of rapid growth. Our population has increased by 11 million in the last 4 years. Our economic growth has been phenomenal. The advancement of science has revolutionized our lives in many ways. Correspondingly, the responsibilities of our National Government have grown in directions unknown even when many of us here today were schoolboys. Their rapid growth has created many problems. We can differ as to how government can wisely handle these problems. We can change our minds. We can make mistakes and profit by those mistakes. In our generation, for instance, we have changed our Constitution twice in order to amend our laws with relation to prohibition. We have put on and taken off controls of our economy. We shall continue to seek new decisions for changing problems.

Our job here at home is to give our people the services we believe their Federal Government should provide.

To carry out these programs requires the decision to live within our means. We in Congress must determine what we want to do—what we are willing to go without—what we are willing to slow down or postpone. For instance, the Bureau of the Budget informs me there are 13 new authorizations for which appropriations have never been granted. Just those which have a specific termination date will require approximately $2.3 billion to carry to completion. We should examine which of these programs need be started in fiscal year 1958. That is the duty of Congress.

There will be $25.4 billion unobligated on July 1, 1957—see table 7, page A13, Budget Document, 1958. Certainly we can examine the possibility of withdrawing or cutting down the authorizations that require this money to become obligated. If we do, that portion which we repeal or reduce will help eliminate new appropriations by that amount. This again becomes the duty of Congress.

The President in his letter to Speaker RAYBURN dated April 18 pointed out how the budget can be reduced by $1.8 billion. Perhaps there can be more realistic cuts than even those the President suggests. And, I mean by realistic cuts, cuts that do not have to be put back in supplementary budgets to fulfill what are really contractual obligations.

These are some of the important issues we face in the management of our internal affairs.

Our concern for military and world affairs requires perhaps more of us as a people—bigger and more difficult decisions. We live in a world of tension; failure to recognize times as they are helps no one. We must be strong in a military way—to give confidence that if we are attacked, or any nation with whom we have an agreement is attacked, that we have the ability to retaliate swiftly and devastatingly.

In order to be strong militarily, we must continue to advance our knowledge of the intricate weapons of modern warfare. Despite assurances that there are no serious adverse affects from testing nuclear weapons, there has been much criticism recently of our continuing these tests. But, as one who has followed them and who has witnessed one of them, I cannot se how we can develop these new weapons without testing them—nor do we know how to defend against them unless we have fully studied their effects. I cannot see how we can give up these tests without foolproof safeguards that we do not now have.

Our decisions as to our military establishment are of a vital importance, not alone to us, but to the peoples of other free nations. Whatever we do in building up our defenses, we take a calculated risk, based on the best considered judgment available. No defense is ever a perfect defense. Under our system, the military leaders give advice as to what they need. The ultimate responsibility of recommending to the Congress what the military needs is that of the President. The responsibility of providing for those needs is that of the Congress. So, for instance, upon the recommendation of the President, we must decide whether there is sufficient money for research to get the best weapons. We must decide upon the number of modern airplanes we must build. We must decide upon the need of a new aircraft carrier. We must determine whether there are sufficient aircraft and vessels to keep our Army and Marine Corps mobile.

We must make these military decisions realistically. In the field of defense, much of the peace of the world depends on what we do. Unless we remain strong militarily—unless we advance constantly in new scientific weapons for defense and for retaliatory attack—we here at home in the United States are in danger of losing our security and way of life. Our friends may lose their confidence in our leadership.

To be the leader of the free nations of the world, we must not only be economically sound and militarily strong, but also courageous enough to put forward ideas and programs that we hope may lead to a greater opportunity for peace in the world and to relieve existing tensions in various sections of the world. We must continue to be affirmative and positive in the conduct of foreign affairs.

I have, since I saw the inevitability in 1940 of our being drawn into World War II, felt that the ever-increasing smallness of our world requires a greater understanding and effort on our part in events and problems that arise without our borders.

Since World War II ended, we have:

First. Helped organize the Organization of American States.

Second. Helped to organize the United Nations as an instrument to keep the peace.

Third. Built up NATO within the Charter of the United Nations, to assist in maintaining our own security and that of our allies in Europe.

Fourth. Initiated the Marshall plan to help our friends in Europe regain their economic stability.

Fifth. Adopted the Truman doctrine in the Aegean Sea.

Sixth. Assumed the leadership and carried the heavy burden of the United Nations effort in the Korean war.

Seventh. Agreed to use our forces in the Straits of Formosa and clearly stated and continue to state that we will not join in letting the Chinese Communists "shoot their way" into the United Nations.

Eighth. Stimulated SEATO, a Far Eastern organization very similar to NATO in the West.

Ninth. Given point 4 grants and loans and later mutual-security aid to nations of the world who have intense nationalistic feelings and want to improve their way of life.

Tenth. Recognized Israel as a nation and clearly demonstrated our determination that she be preserved as such.

Eleventh. More recently adopted the Eisenhower Mideast policy—an experiment that is just now getting underway.

Twelfth. Maintained a strong military potential to protect the free world from the threats of communism.

These are among the most important, of the many positive efforts that we have undertaken to do our part in restoring a more peaceful world, in defending against an idology which has clearly demonstrated its desire to stamp out our free way of life. As we examine these programs in retrospect, one thing is clear; we have tried in both the Truman and Eisenhower administrations to secure a more peaceful world—and we have taken positive, affirmative action to do it.

In some of these programs, we have wasted our money and our effort. In many we have succeeded. Whether we have attempted too much too quickly, too little too late, can always be argued.

In everything we do, we have come to realize only too clearly that Soviet Russia is opposing all our efforts. While our country, and the other free nations of the world, play by the rules and respect our obligations, the Soviet is not so restricted. This necessarily places us at a short-term disadvantage, but I have every confidence that in the long run the course which we follow will succeed.

Similarly, the Soviet is not restrained, as we are, by democratic processes. It is never necessary for the Russian leaders to go to the Russian people for approval of their actions. The Soviet, therefore, has greater flexibility. They can improvise. They can and do resort to expediency. Under our system, however, we have the glorious advantage of democracy, and I am equally confident that the democratic way will ultimately prevail.

To find out what is a sound course of action to follow in the conduct of foreign affairs often requires experiment. The United Nations was an experiment. We helped to organize the United Nations and we made the decision to stick by it, and to abide by principle, keeping our word to the rest of the world. In so doing, we have had tr make some very difficult decisions. We have had to decide against supporting England, France, and Israel in their attack on Egypt, which we believed was a violation of the fundamental principles of the United Nations. We put principle above political expediency. This same problem we faced again during the crisis in Hungary.

Whether we could have done more in Hungary in the time of its crisis than we did will always remain a question. But our Government believed that the principle of living up to our word and keeping our agreements was a sounder course to follow, even though our best emotions called out for us to take immediate action. The Soviets did not abide by these principles.

Recently we have tried out a new policy in the Middle East. Now we are discussing the experiment of loaning money to a satellite of Soviet Russia—Poland. These steps which as I see it are experiments, may turn out to be of utmost value to our security in the long run. It is a question of judgment, of policy, and it is better to do something than to do nothing if there is a possibility that positive steps will turn out favorably.

All these problems involve decisions that must be made by the administration of our Government. These are all decisions that we are free to criticize or to praise. But they are the type of decision nonetheless that must be made by the administration today when it assumes its leadership of free-world affairs.

Certainly it is better in defense and in diplomacy to be willing to make decisions and to act on those decisions than do nothing. It is only from these new ideas and new steps that we can hope to find the solutions to world problems which will ultimately offer us lasting peace and security.

When we are critical, we are exercising the inherent privileges of citizenship and legislative prerogatives. But it is much easier to criticize actions after the fact than it is to supply reason and judgment upon which decisions involving great calculated risks must be made. In exercising our prerogatives we want to make sure that we are not preventing our Government from going forward in its attempt to solve these difficult problems. We want to maintain our own confidence in our ability to act successfully. If we do, the rest of the free world will maintain its confidence in us.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield for a question.

Mr. SMITH of New Jersey. I commend the distinguished Senator from Massachusetts for his very able presentation of the issue before the Senate, and I wish to ask him a question. I appreciated his wonderful analysis of the steps being taken by our Government for the Nation's security and the things which we must do to insure our safety.

The Senator from Massachusetts and I are members of a combination of committees which is studying the future foreign-aid program of the United States. I ask the Senator whether he does not think the United States has a real part to play in satisfying the yearnings these days of the peoples of the Far East and the Middle East for a program of independence and self-determination, and whether our reasonable support of those efforts, by loans or otherwise, is not a desirable step toward helping those peoples to attain their aspirations, not by war, but by economic help, in order that they may be a part of the peaceful world, and not be pulled in behind the Iron Curtain of Soviet Russia.

Mr. SALTONSTALL. I thank the Senator from New Jersey for his comment. I agree with him. He has referred to one of the experiments to which I was alluding in my speech. In some cases it may be wise to go forward; in other cases it may be better to do nothing; in still other cases it may be wise to lend money rather than to grant aid or to send military assistance.

In other words, we must do whatever is necessary to stimulate confidence that we mean what we say, in order that we may be a leader in the effort to make the world more free and to make the nationalistic aims of the freedom-loving peoples more possible of achievement.

Mr. SMITH of New Jersey. I thank the Senator from Massachusetts for his answer, because I think the Senator agrees with me that the United States ought to indicate a sympathetic interest in having other peoples become free from outside controls and free from the slavery imposed by totalitarian Russia, so that they may become a part of the family of nations to preserve peace.

Mr. SALTONSTALL. There is no question about it; the world has grown so small that our own security may depend on such efforts.

PUBLIC WORKS PROJECTS

Mr. WATKINS. Mr. President, during the floor debate on the omnibus flood control and rivers and harbors bill, some criticism which I believe was unjustified was directed at me and others. At that time, the Senate was operating under a rule limiting debate, and I did not have time available in which to reply, so I wish to take this opportunity to set the record straight.

In the first place, such statements of criticism implied that I was opposed to the flood control and navigation programs. Such an implication is not warranted, especially in view of my record and the recent observations I had made on the floor that afternoon and evening. What I said then was that, as a member of the Senate Public Works Committee, I have long supported all forms of water resource development. I favor and have long supported sound flood control and navigation projects and other programs for water resource development. I made that statement then, and I repeat it today, so that my position will not be unjustly interpreted.

All I ask—and I insist that it is in the best interests of the flood control and navigation programs—is that these two programs should have a higher percentage of cost sharing by the beneficiaries. The people and private business firms that benefit directly from these programs should be required to help pay the costs, both for construction and operation and maintenance. This is not an unreasonable position. It has, in fact, been recommended for many years by the construction agency itself, the Army Corps of Engineers, and it has also been recommended by the major commissions created to study this area of government, including the second Hoover Commission.

I fully agree with one statement made that flood control is a "subject for which Federal expenditures can be fully justified." In fact I think no one in this body would quarrel with that as a general statement. The difference of opinion appears to be how much, if any, of the expense for such activities should be borne by the people and the local and State governments in the area directly benefited. In my amendment to the omnibus flood control bill, I proposed that the Federal Government stand only 50 percent of the costs of flood control and navigation. This itself would commit the Federal Government to expenditures of many billions of dollars over the coming years.

I also came under criticism for a statement that no estimates whatever were provided as to the total cost of the program authorized by the 1957 omnibus flood control and rivers and harbors bill.

This, I assert, is a completely accurate statement and I defy anyone to give me a concrete estimate of the total amount of Federal spending authorized in Senate bill 497.

Of course, I am aware that there was a total figure offered in the report of roughly one billion and a half in new construction authorized.

But, as I explained, there was no estimate whatever provided of the annual operation and maintenance costs that would be assumed by the Federal Government if these projects were built. I made a rough estimate, based on the costs of the past two decades, that such costs in 50 years would equal the construction expense. Hence, I suggested that an authorization of at least $3 billion would be what Congress was approving.

This estimate actually fell several billion dollars short of describing the amount of new construction and project modifications actually authorized in that bill. It would have been more accurate to describe it as a $5 billion authorization, or even a $10 billion authorization. One may take his choice, and the sky is literally the limit. The American Farm Bureau Federation has recently made an analysis of this bill; and I ask unanimous consent to have printed at this point in the RECORD, President Charles B. Shuman's letter of April 23 on the bill.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN FARM BUREAU FEDERATION,
Washington, D. C., April 23, 1957.

Hon. CHARLES A. BUCKLEY,
Chairman, House Public Works Committee, House Office Building, Washington, D. C.

DEAR CONGRESSMAN BUCKLEY: On behalf of the American Farm Bureau Federation, we would like to express our views with regard to S. 497 which authorizes rivers and harbors and flood-control projects for construction, operation, and maintenance by the Corps of Engineers. As a representative of about 1,600,000 farm families we have a major interest in such projects.

1. Presently authorized but unconstructed or partially constructed projects of the Corps of Engineers provide a backlog of work representing very substantial costs which will require many years to complete.

According to the Bureau of the Budget, authorizations totaling approximately $9 billion have been approved for Corps of Engineers projects for which money has not yet been provided.

House Committee Print No. 21, 82d Congress, 2d session, dated December 5, 1952 entitled "The Civil Functions Program of the Corps of Engineers, United States Army," reports that the total construction costs of the 182 projects under construction in 1951 increased 124 percent, or approximately 2¼ times over the original estimated cost when the projects were authorized by Congress. The total backlog of projects to be constructed by the Corps of Engineers at that time was estimated to have a final construction cost of approximately 100 percent above the estimated cost at the time of authorization.

A wide variation between the estimated project construction costs at the time of seeking congressional authorization and the final construction cost appears to be a common method of operation in the Corps of Engineers. It was not only true a few years ago but it is also true today. The costs of the St. Lawrence Seaway serve as a good example of current underestimation of project construction costs. The estimated total United States cost for the seaway has jumped from $67 million (after adjustment for Canadian construction of Point Rockway) to $133 million since 1956. Likewise, the project's annual cost is now estimated to be approximately twice the estimated cost in 1953.

Thus, it can readily be seen that a rough approximation of the total cost of completing the presently approved $9 billion of project authorizations may well be about $20 billion.

From the report of the Chief of Engineers for 1951, and the Hoover Commission report, indications are that the operation and maintenance cost of Corps of Engineers projects over a 50-year period may be about equal to the original construction cost. Thus, the presently authorized project of the Corps of Engineers will be a future commitment of the United States Government in the neighborhood of $40 billion.

2. The proposed additional project authorizations would add substantially to the backlog of unconstructed projects.

S. 497 would authorize approximately 180 additional projects at an estimated cost of approximately $1,540,000,000.

If we assume that the Corps of Engineers estimates are understated in the present instance as in the past, the total construction cost will run about $3.4 billion. The cost of operation and maintenance of these projects over a 50-year period will be another $3.4 billion. Thus, the approval of S. 497 would add to the already imposing future commitments of the United States Government, for Corps of Engineers projects, approximately an additional $7 billion. This would make a total commitment for which future appropriations would be necessary of approximately $47 billion.

3. The 180 new project proposals have not been given adequate study.

We suggest that it is not feasible for any committee of the Congress to give adequate consideration to each project in an omnibus bill containing as many individual projects as are proposed in S. 497.

It is also suggested that the experience with respect to cost and cost-benefit estimates of the Corps of Engineers does not give sufficient assurance that the projects recommended by the Corps of Engineers have been given adequate study.

In the present instance we understood that a substantial number of the projects included in S. 497 have not been given approval by either the Corps of Engineers or the Bureau of the Budget.

We are of the opinion each such project should be considered individually by the committee and by the Congress on its merits rather than to throw them all together in an omnibus bill.

4. Large backlogs of project authorizations involve risk of change in economic and other factors that may make such projects obsolete.

Between the time a project is authorized and the time money is provided to start construction a great number of economic and physical developments may occur which completely change the nature of the problem.

One example of this is that a number of upstream watershed projects may have been instituted under the watershed protection and flood prevention program which substantially affects the scope and character of downstream flood control and navigation needs. At the present time hundreds of such projects are under study by local groups all over the United States.

5. Large backlogs of project authorizations and partially completed projects are major factors in loss of administrative and congressional control of the budget.

When numerous projects have been authorized, and particularly when construction has been started, pressure for funds from local interests are generated which makes it extremely difficult to give objective consideration to budget estimates.

This is often a contributing factor to excess construction costs. Each project has an optimum rate and sequence of construction progress which, if followed, would reduce construction cost to the minimum.

However, when the Corps of Engineers start too many projects and a conflict between the need for economy in budget expenditures, and the carrying forward of such projects develops, this must either be resolved by giving the Corps of Engineers all the money they want or by reducing the rate of construction of many projects to levels that result in wasteful expenditures.

6. Large backlogs of project authorizations are a deterrent to the assumption of local and State responsibilities in water resource development.

In numerous instances, the possibility that local interests might undertake a needed improvement is eliminated by the fact that Federal authorization for such a project has been approved, often many years ago. Thus, the project may not be carried forward by local or State interest because the Federal authorization is preemptive and prevents local action. This becomes particularly acute when action is needed but the competing demands for Federal funds prevent the allocation of Federal funds for such projects for long periods of time.

7. S. 497 involves extraordinary congressional delegations of authority to the Corps of Engineers.

Paragraph (a) of section 205 provides:

"In prosecuting plans and projects for navigation, flood control, and allied purposes heretofore or hereafter authorized storage may be included in any reservoir project to be constructed by the Corps of Engineers without reimbursement to increase low flows downstream to the extent warranted at that time, or anticipated to be warranted during the economic life of the project, by widespread, general, and nonexclusive benefits from such increases in low flow. Storage may likewise be included for the same purpose and under the same conditions in any reservoir constructed by the Secretary of Interior for irrigation, hydroelectric power, municipal and industrial water supply, and allied purposes, under the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388), and acts amendatory thereof and supplementary thereto): *Provided*, That such storage be constructed and used in compliance with applicable State laws and interstate compacts: *Provided further*, That nothing herein shall be construed to amend, modify, or limit the applicability of section 8 of the Reclamation Act of 1902."

This language gives the Corps of Engineers, as well as the Bureau of Reclamation, new authority of wide latitude. It allows both agencies to provide additional storage in all projects "heretofore or hereafter authorized" at direct taxpayer's cost for the purpose of increasing low flows downstream. This additional storage may be added to the extent warranted at the time or anticipated during the life of the project. Such blanket authorization to provide additional storage in all Federal water storage projects could and undoubtedly would cost billions of dollars with the only limitation being the amount of money the Congress would appropriate for construction. This would also give the Federal agencies an opportunity to proceed with such construction without coordination and cooperation with local and State agencies. We do not mean to say that such storage may not be desirable under certain conditions. However, we believe such blanket authorizations are undesirable; and that it would be preferable if Congress were to consider each such proposal for water storage on an individual project basis.

For these reasons we believe that S. 497 should not be enacted into law. We suggest in lieu thereof that the committee select a few (and because of the present backlog of authorizations it needs to be only a few) of the most pressing projects, set them up as individual bills and give consideration to them as individual projects on their merits.

We further submit that this situation emphasizes the need for an impartial review by an independent national board of the economic and engineering features of each water resource development project as a guide to action by Congress. This proposal involves the divorce of the recommending function from the operating function. We submit that it is not feasible to expect any operating agency to make the kind of impartial analysis of projects that should be provided the Congress as a basis for their decisions.

Very sincerely yours,

CHARLES B. SHUMAN, *President*.

Mr. WATKINS. Mr. President, to support my statement, I wish to review what we authorized in Section 205 of that bill. This is what we authorized in subsection (a):

> In prosecuting plans and projects for navigation, flood control, and allied purposes heretofore or hereafter authorized, storage may be included in any reservoir project to be constructed by the Corps of Engineers without reimbursement to increase low flows downstream to the extent warranted at that time, or anticipated to be warranted at that time, or anticipated to be warranted during the economic life of the project, by widespread, general, and nonexclusive benefits from such increases in low flow. Storage may likewise be included for the same purpose and under the same conditions in any reservoir constructed by the Secretary of the Interior for irrigation, hydroelectric power, municipal and industrial water supply, and allied purposes, et cetera.

In other words, we authorized nonreimbursable storage in any flood control, navigation, and reclamation project heretofore or hereafter authorized for increasing low flows downstream. This means, I believe, an authorization of storage construction at Federal expense for the purpose of maintaining a minimum flow of any stream during summer and fall months or during periods of drought. Furthermore, this storage requirement may not only be based upon current needs, but also may be extended to the extent anticipated to be warranted and during the economic life of the project—which may be for all time.

A second major change in our water-resource-development policies was authorized in subsection (b) of this section 205. This subsection provides that storage may be included in "any reservoir project surveyed, planned, constructed or to be planned, surveyed and/or constructed by the Corps of Engineers or the Bureau of Reclamation to impound water for present or anticipated future demand or need for municipal or industrial water."

This is another broad authorization, affecting every project on the planning boards or in the project backlog for flood control, navigation, and reclamation. Inasmuch as it covers "present or anticipated future demand for municipal or industrial water," it is an authorization of tremendous size.

This authorization, however, is not specified as a nonreimbursable grant, as was the low-flow authorization just discussed. It very appropriately requires reimbursement, with interest, whenever the benefiting interests take delivery on the water. Such a requirement applies today to water storage constructed for municipal and industrial uses under the reclamation program, except that participants under the latter program must contract for the water in advance of construction. Some very tight contracts are written by the Government for that purpose, Mr. President, I can assure you from my personal legal experience.

One possible consequence of this authorization is that it will kill State and local initiative in water development, recognized as a primary need in the policy statement at the beginning of the section. If the Federal Government voluntarily builds future storage for municipal and industrial purposes in every

water-storage project it undertakes, the local and State governments will let Uncle Sam take over their water-procurement problems, and will enter into contracts for water delivery only when and if the need becomes urgent. Furthermore, it is likely that beneficiaries of such unsolicited storage may try to get the water without reimbursement when the need arises.

The section sets up no criteria or standards for reimbursement for these built-in storage contributions. The contracts will return "equitable reimbursement" as determined by the Secretary of the Army or the Secretary of the Interior. This broad delegation makes it even more difficult to estimate the future potential costs of this authorization. And if "incremental costs" only are assessed, we can be assured that many municipalities and industries are destined to get future water supplies at bargain rates.

These were the matters to which I was alluding when I made the statement previously referred to. However, I find that that statement was interpreted to mean that I was referring to cost increases which may be necessitated by price spirals for materials and labor associated with the construction industry. As a matter of fact, there was introduced into the debate a clipping to show that contract costs had exceeded estimates on one of the units of the Colorado River storage project, a water-supply project for a four-State, semidesert region. The clipping disclosed that costs for the bridge over the Colorado River below the Glen Canyon dam site had been roughly $1 million above the engineers' estimate. Inasmuch as it was announced that the clipping was being submitted to show that we did not know where we were going with respect to costs for the Colorado River storage project, I believe it only fair that I introduce into the RECORD at this point news releases and editorial comment regarding the bids on the first major contract for the Glen Canyon project. I how request unanimous consent that this material be printed at this point in the RECORD.

The PRESIDING OFFICER (Mr. JAVITS in the chair). Is there objection?

There being no objection, the release, article, and editorials were ordered to be printed in the RECORD, as follows:

[News release by the Department of the Interior, April 29, 1957]

CONTRACT AWARD AUTHORIZED FOR CONSTRUCTION OF GLEN CANYON DAM

Award of contract to the Merritt-Chapman & Scott Corp., of New York, for the construction of Glen Canyon Dam on the Colorado River in Arizona, has been authorized on a bid of $107,955,522, Assistant Secretary of the Interior Fred G. Aandahl announced today.

Commissioner of Reclamation W. A. Dexheimer said the contract, which is the largest single contract of record for construction of a dam, permits approximately 7 years for construction. Actual award of contract for the structure will be made by Assistant Commissioner and Chief Engineer L. N. McClellan at the reclamation engineering center at Denver.

Simultaneously, Secretary Aandahl advised agencies from the lower Colorado River Basin States of Arizona, California, and Nevada that gates will be installed in the left diversion tunnel which will be able to pass annually the entire flow of the river even in a high runoff year. The agencies had expressed concern that the closure plan as outlined in the specifications might be detrimental to downstream interests.

"In order that it may be entirely clear to downstream interests that a closure procedure which would prejudge actual flow conditions prior to and during the closure process has not been adopted," Secretary Aandahl said. "The Bureau of Reclamation proposes to modify the gate installations in the left tunnel plug, increasing the capacity to accommodate flow conditions greater than those normally to be expected. * * *

"The Bureau will provide for installation by the contractor of larger gates so that during the whole of the construction period the tunnel gates and the other outlet facilities available will be capable in any year of passing all of the runoff even though years of great runoff like 1907, 1909, or 1917 were to be experienced.

"Those 3 years have produced the maximum runoff at Lees Ferry during the past 60 years. The Bureau will also maintain full control over and direction of the closure process. Thereafter, the outlet facilities, including turbines, will be capable of passing the total inflow in any year."

Waters of the Colorado River are allocated between the upper and lower basin States by compact, and Glen Canyon Dam and Reservoir were authorized as a part of the Colorado River storage project. The upper basin includes Utah, Colorado, Wyoming and New Mexico. The dam is located 16 miles above the dividing point between the upper and lower basins, at Lees Ferry, and is designed as the principal control structure for the upper basin.

Glen Canyon Dam will rise 700 feet from bedrock, second only to the 726-foot Hoover Dam in height among dams in the Western Hemisphere. It will exceed Hoover's 3¼ million cubic yard volume of concrete with a total of 4,770,000 cubic yards, exceeded only by Grand Coulee Dam on the Columbia River in Washington and Shasta Dam on the Sacramento River in California.

It will be a concrete arch dam and will have eight 112,500 kilowatt capacity generators in a powerhouse at the toe of the structure. Total capacity will be 900,000 kilowatts.

The dam will create a reservoir of 28 million acre-feet capacity in a lake stretching 186 miles upstream on the Colorado River into central Utah and 71 miles up the San Juan River.

The total contract price of $107,955,522 is nearly one-eighth of the total amount authorized for construction of the Colorado River storage project. It is also $27.6 million below the engineer's estimate of the cost of construction.

The Colorado River storage project also includes the Flaming Gorge Dam and Reservoir on the Green River, the Navaho Dam on the San Juan, and the Curecanti Unit on the Gunnison River. The four authorized storage units will have about 32,000,000 acre-feet of reservoir capacity and about 1,100,000 kilowatts of installed generating capacity. Revenue from the power output will repay the entire power cost with interest and also assist in the repayment of the cost of irrigation phases of the project.

Irrigation of 360,000 acres of land is contemplated in eleven participating projects.

[From the Deseret News and Salt Lake Telegram of April 11, 1957]

NEW YORK FIRM LOW BIDDER ON GLEN CANYON DAM—FIGURE CUTS ESTIMATE BY $27 MILLION

(By Nelson B. Wadsworth)

KANAB.—A New York construction company, Merritt-Chapman & Scott Corp., Thursday submitted an apparent low bid of $107,955,122 for construction of Glen Canyon Dam and power facilities.

The dam is the most important and largest single project in the entire Colorado River development program.

Merritt-Chapman & Scott's bid was $107,955,122, $27,653,048 less than the United States Bureau of Reclamation engineering estimate of $135,608,170. It was also $10,381,354 less than the $118,336,476 bid of the next lowest bidder, Glen Canyon Construction Co., an association of 10 firms headed by Guy F. Atkinson, San Francisco.

OTHER BIDS

Two other companies submitted bids for construction of the dam, which represents the most expensive single reclamation project in American history.

Morrison-Knudson Corp., Boise, Idaho, in combination with eight other firms, with a bid of $120,178,853, was third low bidder. The bid of a fourth firm, T. Rosso, Prescott, Ariz., was incomplete and not accepted by the Bureau.

The bids were opened by L. F. Wylie, USBR construction engineer, at 10 a. m. in the new gymnasium of Kanab High School. More than 600 contractors, engineers, building materials representatives, and interested citizens crowded into the structure for the historic opening.

WYLIE ELATED

Mr. Wylie said he was elated at the outcome of the bidding.

"We had hoped we would get a good low bid but we had no idea we would get one this good and this low," he said.

William Denny, executive vice president in charge of construction for Merritt-Chapman & Scott, said his company would be "ready to kick off as soon as we get the O. K. from the Bureau of Reclamation."

Bureau officials said they hope to award the contract by May 1. Full-scale construction could get under way by the middle of May, they said.

MAJOR ITEMS

Major items of work included in the prime contract include drilling of the left diversion tunnel, lining both left and right diversion tunnels, building two cofferdams to divert river water during construction, construction of the 700-foot dam itself, powerhouse and other related structures.

More than $8,759,680 in contracts have already been let on the Glen Canyon project, which when finished will have cost an estimated $421 million. These include the right diversion tunnel, a steel arch bridge and access roads.

The New York company will have 2,500 days, nearly 7 years to complete the massive dam which will be 1,500 feet wide.

"However, I think we'll beat that date," Wylie said, indicating that the job may be finished well under the 7 years. He said at least one of the eight generators that will eventually produce 900,000 kilowatts of power may be in operation by the middle of 1962 "if everything goes well."

LARGEST IN HISTORY

The contract for the dam was the largest single construction contract in the history of the Bureau of Reclamation. Largest previous contracts were the recently awarded contract for Trinity Dam in northern California, $48,928,100, and the prime contract for Hoover Dam at $48,890,995.

More building materials will go into construction of the dam than were used by the ancient Egyptians to build the Great Pyramid. Some 5,200,000 cubic yards of concrete and 35,340 tons of steel will be used to build the dam and allied structures—also more than was used in Hoover Dam.

COST EXCEEDS ALL

The project's total cost will exceed that of Grand Coulee Dam, Hoover Dam, Shasta Dam, and all others in the United States. Preliminary work on the dam began last October.

Currently the Mountain State Construction Co. of Denver in combination with Northwood Inc., Portland, Oreg., and Theo Woods Construction Co., Salt Lake City, have bored 450 feet into solid rock on the first leg of the 2,740-foot right diversion tunnel. This project will be completed in December.

Judson Pacific-Murphy Kiewit Construction Co., Emeryville, Calif., is also working on abutments for the steel arch bridge that will span the vast gorge downstream from the dam.

The Glen Canyon Dam will exceed by more than one-half the cost of other projects included in the entire Colorado River program.

Others in the program are Flaming Gorge Dam and powerplant on the Green River in northeastern Utah, Navaho Dam on the San Juan River in northwestern New Mexico, Curecanti Dam on the Gunnison River in west central Colorado, and 11 participating irrigation projects in Utah, Wyoming, Colorado, and New Mexico.

Glen Canyon Dam will form the second largest manmade reservoir in the United States and the third largest in the world. Its reservoir will be second in size only to Lake Mead above Hoover Dam in this country. The world's largest reservoir is in India, the Waingana, with 33,300,000 acre-feet.

When the Glen Canyon Dam is filled, it will contain enough water to cover the entire State of Connecticut with 10 feet of water.

[From the Deseret News and Salt Lake Telegram of April 12, 1957]

A GOOD, LOW DAM BID

The opening of bids Thursday for construction of the Glen Canyon Dam and power facilities indicated that a New York firm's desire to go west could become a tremendously important impetus behind fulfillment of the upper Colorado River project.

The apparent low bid was submitted by Merritt-Chapman & Scott Corp. of New York. Its bid was $107,955,122. This is $27,633,048 less than the United States Bureau of Reclamation engineering estimates and $10 million less than the next highest. The bid should remove any stumbling block to obtaining the appropriations from Congress.

L. F. Wylie, Bureau engineer, summed up our feelings when he said after opening the bids: "We had hoped to get a good low bid, but we had no idea we would get one this good and this low."

Opponents of the project had been trying to force a delay by claiming the Bureau's engineering estimates were not realistic and that bids would be much higher.

Had that been true, opponents would have had some heavy ammunition to fire today. A long and costly delay might have been the result.

It is no wonder that the low bid surprised backers as well as opponents of the project. More building materials will go into construction of the dam than were used by the ancient Egyptians in building the Great Pyramid. Building costs have risen tremendously, and this added fuel to speculation that Government estimates would prove to be disastrously low.

Merritt-Chapman & Scott was apparently motivated by a desire to move west and take an active part in reclamation work here. It built the Folsom Dam across the American River in central California and is now engaged in building the Priest River Dam and power station in Washington.

A spokesman for the firm in New York said they were able to offer a bid well below estimates because they would use their own facilities to build the dam and not incorporate activities with any other company. This, he said, "stands for more efficiency and hence less cost."

Bureau officials say they hope to let the contract by May 1. This will be another blow against the project's foes. Earlier this week, Reclamation Commissioner Wilbur A. Dexheimer said there would be no delay in awarding contracts for the dam despite efforts of Arizona water officials who sought a 60-day delay for a revision of specifications.

If all goes well now, power might be generated from the dam by 1962, substantially earlier than expected. This is, indeed, good news for the upper basin States.

[From the Salt Lake Tribune of April 13, 1957]

GLEN CANYON BIDS SHOULD SILENCE CRITICS

Opening of bids on Glen Canyon Dam effectively answers those critics of the upper Colorado River project who have maintained that Bureau of Reclamation figures were unrealistic and that construction costs would run far higher than estimates.

The low bid on the dam, key unit in the Colorado project, was $107,955,122. This is more than 20 percent under the Bureau's estimate of $135,600,170. And the other two complete bids were also substantially below the estimate.

The low bid, submitted by Merritt-Chapman & Scott Corp. of New York, still has to be accepted and the contract let. But this can be done within 30 days, possibly by May 1, with actual construction starting a month later.

Thus a dream of years moves closer to fulfillment.

The upper Colorado States have worked long and earnestly to bring this about. Governor George D. Clyde, as director of the Utah Water and Power Board, played an important role. So, too, did Senators, Representatives and elected officials representing both major political parties, private citizens and such groups as the Aqualantes. And the Bureau of Reclamation and the administration in Washington gave most effective support. Very fittingly, the ceremony of opening the bids at the little community of Kanab in southern Utah Thursday came exactly 1 year to the day after the upper Colorado bill was signed by President Eisenhower.

Choice of the date may or may not have been coincidental. But the fact that only 12 months have elapsed since the project achieved legal status demonstrates how well the Bureau of Reclamation has matters in hand. This is almost as important as the fact that bids on the project were below estimates.

The builder of Glen Canyon Dam faces a mighty undertaking. The contract will be the largest in the 55-year history of the Bureau of Reclamation. And it will take nearly 7 years to complete the dam, power house and related works. Yet even so, Glen Canyon is only part of a greater project which will be of incalculable value to the Nation as a whole and to the intermountain area in particular.

This must not be forgotten. The fight for the upper Colorado project is not over. The critics and the opponents have not yet given up. But with the opening of the bids they lost their chief argument. For, as Reclamation Commissioner W. A. Dexheimer said, the bid "gives us assurance that we can build the project within our estimated cost and that the overall upper Colorado project is financially feasible."

Financially feasible—the news from Kanab is wonderful.

Mr. WATKINS. Mr. President, these reports disclose that the low bid for the Glen Canyon Dam came to only $107,955,122. Engineers' estimates for this unit were $135,608,170. This very favorable contract award, therefore, represents a saving of $27,653,048, or roughly 20 percent under the estimates.

It is significant that while this project is advancing at a 20-percent reduction in cost, at least two other large river projects are encountering increased costs. The estimated construction costs for the St. Lawrence Seaway project are reported to have increased from $105 million to $140 million, and the estimated project operation and maintenance costs have doubled. On the west coast, the Clear Creek Tunnel for the Trinity River project will cost $36,644,556, as against the engineers' estimates of $30,389,000.

In mentioning these other projects, I do not wish to criticize them for having to meet unanticipated cost increases. I recognize that engineers, like the rest of us, can make mistakes; and I also recognize that in these days it is extremely difficult to make estimates conservate enough to keep up with the price spiral, or to meet special circumstances not foreseen in planning.

The cost-shaving accomplishment at Glen Canyon is a tribute to some very able and conservative engineers, who in committee assured us that their estimates had been made with an allowance to meet anticipated cost increases in the reasonable future. Furthermore, this Colorado River storage project is perhaps the most extensively investigated water project ever to come before the Congress. Nearly a quarter of a century of engineering investigations, costing $10 million, were financed by contributions from the States involved and from power revenues allocated to the upper basin States from Hoover Dam power sales.

I may add that even if this below-estimate cost achievement can be maintained for the remaining units of this great project, resulting in ultimate power costs of less than the estimated 4.7 mills, the byproduct power produced will be sold for the announced project rate of 6 mills per kilowatt-hour. The reason for this pricing policy is that we in the four-State upper Colorado River Basin are primarily interested in water development, and will be financed with surplus power revenues from Glen Canyon.

By contrast, power from the proposed high Hells Canyon Dam, which would be produced for about the same cost, presumably would be sold at the prevailing Bonneville Power Administration system wholesale rate, which averages about 2.1 mills per kilowatt-hour.

A similar situation would prevail at the proposed Federal dam at the John Day site on the Columbia River. According to figures provided for me by the Bonneville Power Administration, the proposed John Day Dam, if built as a Federal project, would produce 6,600,000,000 kilowatt-hours of power at the dam site, at a cost of 2.99 mills a kilowatt-hour and 5,344,000,000 kilowatt-hours at a cost of 3.31 mills a kilowatt-hour. Under present pricing policies in the Northwest, this large amount of power would be sold at the system wholesale rate of 2.1 mills, resulting in a tremendous below-cost subsidy to large industries and other area power users.

In addition, the construction of John Day Dam would encroach upon the tailwater of the existing McNary Dam, with a resultant loss in generation at McNary of 194,900,000 kilowatt-hours per year. This would mean a power loss of $448,270 per year, or $22,413,500 over 50 years, at McNary Dam.

These economic factors are ignored by spokesmen for Northwest development who persistently attempt to discredit a very sound and economically defensible water resource development on the Colorado River.

Make no mistake about it: I do not ask that one standard apply in the Northwest or elsewhere in the country, and another one in the Colorado River Basin. On the contrary, I believe in the economic soundness of the project planning represented by the Colorado River storage project, where project beneficiaries meet all costs of operation and maintenance, and repay nearly 99 percent of the project costs, with interest on two-thirds of the total investment. I would like to see comparable projects in other parts of the country approach more closely these very high economic standards. If this cannot be done, then I think that the people who criticize us should either cease their unfair and unfounded criticism or urge that our river development program be placed on the same generous level as are comparable projects elsewhere.

An editorial in the Salt Lake Tribune of April 7 clearly shows that the people of the reclamation States are seriously studying the discrimination being directed against the reclamation program, which pays its own operation and maintenance expense and reimburses the Federal Government for capital costs. I hereby request unanimous consent for printing of the editorial at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SHALL WE SHARE THE COST OF PUBLIC WORKS?

The growing demands for economy in government have caused some Intermountain residents to examine both sides of the Federal spending coin.

Economy in public expenditures is agreed to be highly desirable but usually, and practically, it is applied to the other fellow's project and home State.

Fears are prevalent—not without justification—that sectional interests and traditional foes of western development will make special targets of reclamation and other projects vital to the growth and stability of the Intermounain Region.

It is sound economy and good judgment in many ways to continue work on reclamation projects which will create new taxable wealth for the Nation and make new agricultural and industrial enterprises possible. The Federal Government cannot begin to receive repayment of its "loans" for such projects until they are in operation.

One such project is under way in the Weber River Basin. It is nearing the stage when it will be of tremendous benefit to water-short north central Utah and a source of increased revenue for the Federal Government. Another is the upper Colorado River project, of which Glen Canyon and Flaming Gorge Dams are only in the beginning phase. But since they are to be under construction for years at best and time is of the essence, work should not be unnecessarily delayed.

These projects are self-liquidating for the most part. Except for the small percentage of the total cost charged to recreation and related benefits, the Federal Treasury is to be reimbursed for the money it "invests" in water and power development.

The same is not true in the case of many other public works, particularly the approximately 100 projects included in the omnibus rivers and harbors flood control bill (S. 497) now before Congress. President Eisenhower vetoed a similar bill last year on technical, rather than economy grounds. Several projects listed are controversial (some being fought by conservation groups) but because it follows the classic "pork barrel" tradition of providing something for almost every State, the measure is given a good chance to pass.

The total cost of the projects which the bill would authorize is estimated at more than $1½ billion.

Communities from New England to California (including Utah) and from Minnesota to Texas have projects included in the omnibus bill. The cost per project runs from a few thousand dollars to over $100 million. Many of the proposed works, to be paid for by all taxpayers, would benefit primarily small groups of people or areas. One for instance, calls for widening a channel for the benefit of a few thousand pleasure boat owners on a New York State bay. Another would erect bulwarks to protect a road from being damaged by waves on the shore of Lake Michigan.

Many of the projects, which the Army Corps of Engineers proposes to construct, are sound and worthy. Only in a comparatively few, however, do State, local or private interests pay a fair share of project costs.

Where local participation is required it often takes the form of additional locally financed work, acquisition of land and rights of way and assumption of damage claims.

Local contributions on public works projects generally vary from nothing to about 50 percent of the total cost, depending upon the project.

In spite of this the Senate quickly killed a suggestion made recently by Utah's Senator WATKINS to put such projects on a partial repayment, self-sustaining basis. He had suggested that an amendment be made to the rivers and harbors bill requiring a 50-50 cost sharing between State and local beneficiaries and the Federal Government.

Local cost sharing not only would make the State and local interests more acutely aware of what the programs cost but it also would contribute to needed economies, Mr. WATKINS said.

The suggestion was sound but the pork-minded Senators, who cry for economy out of one side of their mouth, would have none of it.

Some day exasperated taxpayers are likely to demand such a change, the principle of which was embodied in the Hoover Commission recommendations years ago.

Mr. WATKINS. In closing, Mr. President, I wish to point out that in my efforts to bring about a reconsideration of section 205 of the omnibus flood-control bill, I was proposing additional study of general authorizations, in spite of the fact that they would render substantial contributions in Federal subsidies to my own State and geographic region.

The authorizations for nonreimbursable low-flow storage and for anticipated future storage construction were extended by the Public Works Committee to apply to reclamation projects as well as civil works projects. This constituted perhaps the greatest single subsidy ever granted to reclamation, and it was made by the Public Works Committee, and incorporated in an omnibus bill for rivers and harbors and flood control, which also share in the new subsidy.

I proposed to strike out this section so that it could be subjected to study by the Senate Interior and Insular Affairs Committee, as well as our colleagues in the Public Works Committee, and acted upon as separate legislation, without ramming it through the Congress in an omnibus project bill. In my opinion, an omnibus bill is no place for water policy legislation of such far-reaching potential, desirable as the general objectives were.

If I had been solely interested in Federal expenditures for a program that directly benefits my area, I could have remained silent and let this section go through without attracting notice to it. But I chose to speak up, because I think that water-resource development is so vitally important, and the present and potential costs are so tremendous, that policy changes merit the most careful scrutiny and should involve consideration of adequate State-local participation and cost sharing by the beneficiaries.

Furthermore, there was a sizable Utah flood control project in the omnibus bill, and my proposal for 50–50 cost sharing would have hit that project just as well as those in other States. Thus far, I am pleased to report, I have had no complaints against my action from the community affected. Perhaps the explanation is that these people are used to paying for water development projects.

ADJOURNMENT TO WEDNESDAY

Mr. HOLLAND. Mr. President, in accordance with the order previously entered, I move that the Senate do now adjourn until noon Wednesday.

The motion was agreed to; and (at 3 o'clock and 15 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Wednesday, May 1, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 29, 1957:

DIPLOMATIC AND FOREIGN SERVICE

Llewellyn E. Thompson, of Colorado, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Union of Soviet Socialist Republics.

Don C. Bliss, of New Jersey, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ethiopia.

Walter P. McConaughy, of Alabama, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Burma.

Robert C. Hill, of New Hampshire, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Mexico.

Francis White, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Sweden.

John M. Cabot, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary

and Plenipotentiary of the United States of America to Colombia.

TAX COURT OF THE UNITED STATES

The following-named persons to be judges of the Tax Court of the United States for the remainder of the unexpired terms of 12 years from June 2, 1946:

Russell E. Train, of the District of Columbia, vice Clarence P. LeMire, retired.

Bruce M. Forrester, of Missouri, vice Luther A. Johnson, retired.

IN THE COAST GUARD

The following-named persons to be commanders in the United States Coast Guard:

Paul E. Burhorst
Walter R. Lewis

The following-named person to be a lieutenant commander in the United States Coast Guard:

Robert P. Chirnside

The following-named persons to be lieutenants in the United States Coast Guard:

William R. Jenkins
Philip R. Sherman

The following-named persons to be lieutenants (junior grade) in the United States Coast Guard:

William P. Kozlovsky	Guy W. Mizell
Mark J. Milles, Jr.	Clyde "E" Robbins
Arthur J. St. John	Verne E. Cox
Edwin L. Parker	Robert B. Bacon
Paul E. Schroeder	Philip J. Danahy
Ralph W. Judd	Terry "F" Blair
Richard V. Elms, Jr.	Joseph A. McDonough, Jr.
Francis C. Lottridge	
Raymond J. Boyd, Jr.	William C. Nolan
William T. Sheppard	Clyde T. Lusk, Jr.
John G. Schaefer, Jr.	George H. Wagner
Edward A. McGee	Billy E. Richardson
James C. Morrow	Thomas R. Tyler
William M. Sillers, Jr.	Albert C. Tingley, Jr.
James I. Doughty	James A. Wilson
Roger A. Eastman	Wayne C. Stansill
Robert C. Chanaud	Norman G. Cubberly
Crook Stewart, Jr.	Arthur H. Edmunds
Earl W. Clark, Jr.	Charles F. Hahn
Ernest J. Mayer, Jr.	John E. Moseley
Richard G. Kerr	Donald L. Stivender
James F. Culbertson	William A. Publicover
John M. Wilkinson	Albert E. Reif, Jr.
Robert R. Houvener	Addison S. Jennings
William J. Tillo	Rex R. Morgan
George W. Dick, Jr.	Lawrence D. Levine
Gerald J. Budridge	Victor R. Robillard
Dwight T. Ramsay	Arnold M. Danielsen
Paul A. Trimmer	John F. Comes
Walter E. Mason, Jr.	Donald K. Dorini
Charles L. Clark	Donald M. Thomson, Jr.
William F. Boucher	
James L. Howard	Richard C. Groepler
Francis H. Molin	Michael T. Brock
Kenneth A. Long	John P. Skillings
Richard B. Wise	Robert C. Benson
Alfred F. Bridgman, Jr.	James L. Fear
George T. Seaman	John W. Reece
John R. Kirkland	Robert L. Guibord
Henry Lohmann	Paul Totten
Milton Y. Suzich	James M. Fournier
Carlton W. Swickley	Henry J. Roehner, Jr.
Arthur E. Ladley, Jr.	Robert T. Getman
Jack E. Coulter	Louis H. Mense
Richard T. Brower	Eugene P. Baumann
Raymond J. Copin	

The following-named persons to be ensigns in the United States Coast Guard:

Matthew Joseph Ahearn
William Robert Babineau
Ernest Jacob Bader
Arnold Bruce Beran
Russell Charles Bishop, Jr.
Louis King Bragaw, Jr.
James Elro Brown, Jr.
Frederick Clemmons Bruner
Richard Buell
Robert Jean Cardinal
John Michael Cece
Richard Joseph Collins
Thomas DeWitt Combs, Jr.
Carol Eugene Conry
Everett Larry Crowell
Donald Bower Davis
Ralph Zachary DelGiorno
Robert Lawrence DeMichiell
John Richards Erickson
Harold Edward Fallon, Jr.
Thomas Wallace Finnegan
John Patrick Flaherty, Jr.
Terrill Morgan Gloege
Richard John Green
Harlan Denis Hanson
Henry John Harris, Jr.
Robert Arthur Johnson
Paul Theodor Kaufmann
John William Kime
John Brownell Lynn
Ronald George Malone
John Ignatius Maloney, Jr.
Richard Joseph Marcott
David Roes Markey
Thomas Tracy Matteson
Ronald Allen McClellan
David Joseph Meskell, Jr.
Richard Walter Michaels
John Roger Mitchell
Donald McGregor Morrison, Jr.
Charles Solomon Niederman
Thomas Patrick Nolan
James Clifford Osborn
William Carlus Parish
George Donald Pasamore
Ralph Nicholas Pennacchini
Harry Jack Reckitt
Keith Doyle Ripley
Andrew Raymond Rippel
Peter Joseph Rots
Albert Donald Super
Richard D. Thompson
Douglas Barnes Thurnher
George Paul Vance
John Carl Wirtz
Tommy Gene Woodworth

The following-named persons to be chief warrant officers, W-2, in the United States Coast Guard:

Merrill W. Allison	Peter J. Monk
Edwin H. Baird	Buford A. Morris
Donald H. Bangs	Harry W. Near
Thomas O. Cameron, Jr.	Kenneth T. Outten
	Santiago P. Quinones, Jr.
Edmond S. Cinq-Mars	
Frederick D. DuBrucq	Paul M. Seiler
Osborne Estelle	Kenneth A. Snow
Earl R. Gard	James D. Walters
Herman H. Korf	Norman M. Zeick
Henry N. Marsh	

UNITED STATES PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service subject to qualifications therefor as provided by law and regulations:

I. FOR APPOINTMENT

To be senior surgeon

Emil E. Palmquist

To be senior assistant surgeons

Ernest E. Musgrave
Aubrey F. Haynes

To be assistant dental surgeon

James W. Miller

To be senior scientist

Richard A. Ormsbee

IN THE NAVY

Having designated, in accordance with the provisions of title 10, United States Code, section 5231, Vice Adm. Maurice E. Curts, United States Navy, for commands and other duties determined by the President to be within the contemplation of said section, I nominate him to have the grade, rank, pay, and allowances of admiral while so serving.

IN THE NAVY

Clarence Fong, midshipman (Naval Academy) to be an ensign in the Navy, subject to qualifications therefor as provided by law.

John L. Funkhauser, midshipman (Naval Academy), to be an ensign (special duty only, Communications) in the Navy, subject to qualifications therefor as provided by law.

James "D" Paulk, Jr., midshipman (Naval Academy) to be an ensign in the Navy as previously nominated, to correct name, subject to qualifications therefor as provided by law.

The following-named midshipmen (Naval Academy) to be ensigns in the line of the Navy in lieu of ensigns in the Supply Corps of the Navy as previously nominated, subject to qualifications therefor as provided by law:

James C. Ballantine, Jr.	John E. Nolan
	Richard B. Nygaard
Philip C. Holmen	Gary D. Matthews

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Navy, subject to qualifications therefor as provided by law:

Charles W. Adcock	Dwight R. Ladd
Dean K. Allen	Charles H. LaFranchi
Robert C. Arnett	Kenneth W. Leiding
Daniel L. Ash	Gordon T. Longerbeam
James S. Barber	
Walter G. Beckwith	John W. Lucey
George L. Beierling, Jr.	Alton P. McKinley, Jr.
William E. Bendix	Edward A. McMerty
Burton O. Benson	James O. Machlan
Gordon M. Binder	Arnold Mangham
Robert J. Bitts	Warren L. Martin
James H. Booker	John S. Matherne
Robert E. Bowles	Ronald L. Munroe
William L. Breed	Daniel B. Newton
James D. Browning	Ralph P. Norris
Paul L. Chapdelaine	Thomas F. X. O'Rourke, Jr.
John C. Cooper	
Charles L. Cowan	Edward J. Pasternak
Francis L. Cundari	Arturo A. Pico
Gerald M. Dallas	David G. Pyle
Horace W. Diamond, Jr.	William F. Reeve
	Martin S. Roberts III
James C. Edenfield	Raymond G. Roble
Thomas H. Feron	Harland F. Romberg
John F. Ferri	Leon B. Rousseau, Jr.
Edwin L. Fields	Stephen E. Rowe
John H. Fishburn	Cary H. Rush
David G. Franz	Louis R. Salvator
Cyrus F. Freidheim	William A. Sanders
James J. Geddes	Kenneth H. Santoro
Roy N. Gillespie	Alan A. Schick
Carlos B. Greer	William W. Seaton, Jr.
Charles B. Gustafson	John A. Shaffner
Delmont C. Hadley	Wayne D. Sharbrough, Jr.
James Hanemann, Jr.	
Walter D. Harvey	Charles S. Shoemaker
Harold J. Haynes	David E. Sonon
John T. Helm III	Joseph P. Spetz
Thomas J. Henry	Charles T. Stephens
Frank S. Hill	Robert F. Stover
William W. Hill	Ronald L. Swan
Robert F. Hoerle	Kenneth R. Swimm
Glenn W. Hohman	Howard D. Thompson
Charles E. Hutchinson	William B. Truesdale
	Barry B. Walters
William W. Hymes	Leith D. Wimmer
John A. Jones	Don R. Winner
Donald J. Kazimir	John S. Worrell
Kenneth H. Keller	Ralph Zaayenga
Dennie J. Koupal	

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Supply Corps of the Navy, subject to qualifications therefor as provided by law:

Burton E. Baer	Frank F. Harding
Larry A. Beck	Jerry J. Hauter
John R. Blue	Douglas J. Hinds
Richard G. Cline	Louis C. Hines
David M. Connor, Jr.	Gerald G. Hooper
Richard H. Crain	Jack L. Jones
Raymond A. Elosua	Leland B. Jones
Harvey E. Field	Kenneth L. Lane
Thomas M. Finerty	Gerald L. Lee

Eugene A. Leeb	Frank H. Spaulding
William H. Leney	Harrison I. Steans
James H. Mayer	Matthew A. Stephenson
Richard C. Moore	
Dale R. Mummert	James B. Stoltman
John E. Nelson	Carl E. Stone
Roy B. Opitz	Charles E. Storm
Jared H. Peterson	Stanley Sulzer
Earl E. Poorbaugh	Edward R. VanPatten
David T. Savage, Jr.	Richard W. Walker
James G. Seely, Jr.	James B. Whittaker
Charles A. Smith	Samuel J. Wilder, Jr.
Donald L. Sodrel	Joseph M. Woods III

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Civil Engineer Corps of the Navy, subject to qualifications therefor as provided by law:

William J. Bardin, Jr.	James "H" Hunter III
John G. Bauer	John J. Huson
John L. Chabay	Donald E. Klingler
Wentworth H. Corley, Jr.	Richard W. Knorr
	Charles A. Lang
Jack D. Daugherty	Douglas J. Mansfield
Larry R. Dolinsky	Jimmie L. Martin
Gerald G. Fain	Eugene L. Marvin
George E. Frazier	John G. Merkle
Edward C. Frevert, Jr.	Robert L. Street
Magnus M. Gorrie	Lee W. Thomas
Charles H. Gould	Arthur J. Thompson
Hector L. Haddock	Vernon B. Watwood, Jr.
Joseph J. Hartnett	
Paul Hodges	John A. Westcott

Bertram H. Lowi (Naval Reserve Officers' Training Corps) to be an ensign in the Medical Service Corps of the Navy, subject to qualifications therefor as provided by law.

The following-named (civilian college graduates) to be lieutenants in the Medical Corps of the Navy, subject to qualifications therefor as provided by law:

Charles H. Moseley, Jr.
Martin R. Plaut.
Layton R. Sutton.

The following-named Reserve officers to be lieutenants in the Medical Corps of the Navy, subject to qualifications therefor as provided by law:

Martin G. Andersen	James H. Johnson
Nelson E. Bachus	Jack P. McDaniel
Robert E. Ball, Jr.	John A. Most
Jacob V. Brown	Willis S. Myers
Richard A. Buckwalter	James A. Rogers
Frederick G. Coester	Eustine P. Rucci
Biagio A. Conte	Erwin L. Samuelson
Herbert L. Eckert	John R. Stenger
Charles W. Emerick	David L. Stephens
Gerald D. Faulkner	Peter Sternlieb
Robert C. Garcia	Ralph E. Wallace, Jr.
William P. Gibbons	John S. Wilson
John R. Hartman	William R. Winter

The following-named women officer candidates to be ensigns in the line of the Navy, subject to qualifications therefor as provided by law:

Jeannette E. Green.
Doris M. McNabb.
Ida R. Moore.

Rufus B. Moore to be an ensign in the line of the Navy, for temporary service, for limited duty only, classification Ordnance, subject to qualifications therefor as provided by law.

The following-named United States Navy retired officers to be lieutenant commanders in the line of the Navy, for temporary service, pursuant to title 10, United States Code, section 1211, subject to qualifications therefor as provided by law:

Fredrick R. Barker.
Archibald Gibson.

The following-named (Army Reserve Officers' Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Wiley M. Clapp, Jr.	Joseph G. Mixson
George V. Ellison	John C. Sullivan
Franklin J. Kline	

WITHDRAWAL

Executive nomination withdrawn from the Senate April 29, 1957:

POSTMASTER

Carl E. Heideman, Algonquin, Ill.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 29, 1957

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. MCCORMACK.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

APRIL 29, 1957.

I hereby designate the Honorable JOHN W. MCCORMACK to act as Speaker pro tempore today.

SAM RAYBURN,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Eternal God, our Father, in obedience to Thy command and Thy holy will, we are making our supplications and petitions unto Thee although Thou art fully acquainted with all our needs and desires, our longings and aspirations.

We earnestly beseech Thee to bestow Thy grace and favor upon our Speaker and the Members of this legislative body as they again assemble in this Chamber to engage in the business of statecraft.

Grant that in our daily life we may never compromise with any pagan standards of living, but may we be single-minded in our devotion to Thee and scrupulous in our loyalty to the principles of justice and righteousness.

Show us how we may bring into reality the dreams of that glorious day when men and nations shall no longer live in dread and fear, in mistrust and suspicion, nor in the darkness of selfishness and self interest.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of Thursday, April 18, 1957, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On April 12, 1957:

H. R. 3322. An act for the relief of James L. Bostwick; and

H. R. 5866. An act to amend the Atomic Energy Act of 1954, as amended, and for other purposes.

On April 16, 1957:

H. R. 6870. An act making appropriations for the fiscal year ending June 30, 1957, and for other purposes.

On April 17, 1957:

H. R. 3046. An act for the relief of August J. Strigga.

On April 20, 1957:

H. J. Res. 279. Joint resolution authorizing the procurement of an oil portrait and marble bust of the late Chief Justice Fred M. Vinson;

H. J. Res. 312. Joint resolution making additional appropriations for the fiscal year 1957, and for other purposes;

H. R. 4271. An act to provide that the Delegate from Alaska in the House of Representatives of the United States may be a member of the Alaska International Rail and Highway Commission; and

H. R. 5520. An act to amend the Second Liberty Bond Act to increase the maximum interest rate permitted on United States savings bonds.

On April 23, 1957:

H. J. Res. 126. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the Washington State Sixth International Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes; and

H. R. 6092. An act granting the consent and approval of Congress to the Merrimack River flood control compact.

On April 25, 1957:

H. R. 71. An act to prohibit the payment of pensions to persons confined in penal institutions for periods longer than 60 days;

H. R. 2367. An act to establish a deferred grazing program as part of the relief available to drought-stricken areas under Public Law 875, 81st Congress, and for other purposes;

H. R. 3035. An act to provide a temporary extension of certain special provisions relating to State plans for aid to the blind; and

H. R. 4686. An act to continue until the close of June 30, 1958, the suspension of duties and import taxes on metal scrap, and for other purposes.

HOUSE JOINT RESOLUTION ENROLLED

Mr. BURLESON, from the Committee on House Administration, reported that that committee on April 18, 1957, had examined and found truly enrolled a joint resolution of the House of the following title:

H. J. Res. 312. Joint resolution making additional appropriations for the fiscal year 1957, and for other purposes.

SIGNING OF ENROLLED JOINT RESOLUTION

The SPEAKER pro tempore. The Chair desires to announce that pursuant to authority granted on Thursday, April 18, 1957, the Speaker did on that day sign the following enrolled joint resolution of the House: House Joint Resolution 312, making additional appropriations for the fiscal year 1957, and for other purposes.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

APRIL 29, 1957.

The honorable the SPEAKER,
House of Representatives.

SIR: A certificate of election in due form of law for the Honorable JOSEPH M. MONTOYA as a Representative-elect to the 85th Congress from the State of New Mexico, to fill the vacancy caused by the death of the Honorable Antonio M. Fernandez, has been received from the Secretary of State of New Mexico, and is on file in this office.

Respectfully yours,
RALPH R. ROBERTS,
Clerk, United States House of Representatives.

SWEARING IN OF MEMBER

Mr. MONTOYA appeared at the bar of the House and took the oath of office.

REORGANIZATION PLAN NO. 1 OF 1957—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 161)

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read and, together with accompanying papers, referred to the Committee on Government Operations and ordered to be printed:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 1 of 1957 prepared in accordance with the Reorganization Act of 1949, as amended.

The liquidation of the assets and the winding up of the affairs of the Reconstruction Finance Corporation have been proceeding for the past several years, in accordance with law. Reorganization Plan No. 2 of 1954 expedited and simplified liquidation by transferring certain functions of the Corporation to the Export-Import Bank of Washington, the Small Business Administration and the Federal National Mortgage Association. Reorganization Plan No. 1 of 1957 transfers all present functions of the Corporation to appropriate officers and abolishes the Corporation.

First, the reorganization plan transfers to the Housing and Home Finance Administrator functions of the Corporation relating to items resulting from programs which provided assistance to States, municipalities, and other public agencies in financing various public projects. Also transferred are functions relating to the liquidation of programs of financial aid for drainage and irrigation projects.

Second, the plan transfers to the Administrator of General Services functions related to the liquidation of matters arising from national defense, war, and reconversion activities conducted by the Corporation preceding, during, and subsequent to World War II. Functions relating to the liquidation of the Smaller War Plants Corporation are also transferred to the Administrator.

Third, the plan transfers to the Administrator of the Small Business Administration (1) all of the Corporation's disaster loan functions which were not transferred to the Small Business Administration by Reorganization Plan No. 2 of 1954, and (2) all matters arising out of the Corporation's financial assistance programs to business enterprises except those relating to assistance to railroads, financial institutions, and insurance companies and those listed in schedule A. The first category consists of items, such as paid loans, charged off loans and closed files, which were not embraced by Reorganization Plan No. 2 of 1954. The second category includes generally loans or other matters involving outstanding amounts under $250,000 arising under financial assistance programs to business enterprises, as well as all functions relating to paid or charged off loans, regardless of amount, under such programs.

Finally, the plan transfers to the Secretary of the Treasury all of the functions of the Corporation not otherwise transferred by the plan. Those functions relate principally to the obligations and loans listed in schedule A, which consist generally of business loans with outstanding principal balances in excess of $250,000, and to financial assistance to railroad companies, financial institutions, and insurance companies. The Secretary of the Treasury will also receive the capital stock of the War Damage Corporation, dissolution of which is expected in the near future when one remaining lawsuit is concluded.

The functions transferred by the reorganization plan are, in general, similar to, and can appropriately be administered in conjunction with, present activities of the respective transferees.

The plan also transfers the pertinent assets of the Corporation to the respective agencies, together with the related liabilities, and by operation of law substitutes the particular transferee for the Corporation with respect to all instruments of every kind and character pertaining to the transferred functions, assets and liabilities. In order to permit the transferees to administer the transferred matters with the same flexibility of operation as obtains at present, the plan transfers to each transferee those powers, authority, rights and immunities which are now available or applicable to the Corporation for carrying out the respective functions. To the extent that it becomes necessary or desirable, therefore, the transferees will be enabled, with respect to the transferred functions, to sue and be sued, to engage private attorneys in conjunction with litigation involving the transferred functions, and to avail themselves of any other authority, powers or immunities now available to the Corporation, whether under the Reconstruction Finance Corporation Act, as amended, or otherwise. In enacting the Reconstruction Finance Corporation Liquidation Act the Congress included a provision reading, "the activities engaged in by the Secretary of the Treasury as a result of the enactment of this act shall continue to be subject to the provisions of the Government Corporation Control Act." The Government Corporation Control Act will continue to be applicable to the functions transferred by the reorganization plan.

By transferring the remaining assets and liabilities of the Reconstruction Finance Corporation to officers who conduct continuing programs involving similar functions, the plan will carry out the basic purposes not only of the Reconstruction Finance Corporation Liquidation Act but also of the Reorganization Act of 1949, as amended. The size of the Corporation's portfolio has diminished to such a point that after June 30 it should not be necessary to maintain a separate agency solely for the purpose of administering the remaining assets. The plan will make possible a more economical administration of the Corporation's functions by obviating the expense incident to maintaining a separate organization. It is not, however, practicable at this time to indicate more specifically the reduction of expenditures which it is probable will be brought about by the taking effect of reorganizations contained in the plan.

Incident to the abolition of the Corporation, the reorganization plan (1) abolishes the function of making the final report provided for in section 10 of the Reconstruction Finance Corporation Act, as amended (10 U. S. C. 609), and (2) provides for a final report to the Congress by the Secretary of the Treasury which is to reflect the affairs of the Corporation up to the date of abolition of the Corporation and is to be made not later than June 30, 1959.

After investigation I have found and hereby declare that each reorganization included in the Reorganization Plan No. 1 of 1957 is necessary to accomplish one or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949, as amended.

I recommend that the Congress allow the reorganization plan to become effective.

DWIGHT D. EISENHOWER.
THE WHITE HOUSE, *April 29, 1957.*

REORGANIZATION PLAN NO. 1 OF 1957

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, April 29, 1957, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949, as amended)

ABOLITION OF THE RECONSTRUCTION FINANCE CORPORATION

SECTION 1. Definitions: As used in this reorganization plan:

(a) The term "Corporation" means the Reconstruction Finance Corporation.

(b) The term "remaining functions" means (1) all functions of the Corporation, (2) except as otherwise provided in subsections (b) and (c) of section 6 of this reorganization plan, all functions of the Secretary of the Treasury under section 10 of the Reconstruction Finance Corporation Act, as amended (15 U. S. C. 609), and (3) all functions of the Secretary of the Treasury under sections 102 and 106 (b) of the Reconstruction Finance Corporation Liquidation Act (67 Stat. 230, 231), as amended.

(c) The term "transferees" means the Housing and Home Finance Administrator, the Administrator of General Services, the Administrator of the Small Business Administration, and the Secretary of the Treasury.

SEC. 2. Transfer of functions: (a) There are hereby transferred to the Housing and Home Finance Administrator the remaining functions with respect to or arising out of (1) the securities and obligations of, loans made to, and contracts or other agreements with States, municipalities, political subdivisions thereof, public agencies, boards, commissions, or other public bodies, and (2) loans, securities, and obligations acquired in connection with programs of financial assistance for drainage and irrigation projects.

(b) There are hereby transferred to the Administrator of General Services the remaining functions with respect to or arising out of (1) the affairs of the Smaller War Plants Corporation which were transferred to the Corporation pursuant to Executive Order No. 9665 of December 27, 1945 (11 F. R. 3), and section 207 of Public Law 132, 80th Congress (61 Stat. 209), (2) the national defense, war and reconversion activities with respect to which notes of the Corporation were canceled pursuant to the provisions of title II of Public Law 860, 80th Congress (62 Stat. 1187), and (3) activities of the RFC Price Adjustment Board and the functions transferred to the Corporation by Executive Order No. 9841 of April 23, 1947 (12 F. R. 2645).

(c) Except as otherwise provided in sections 2 (d) (1) and 2 (d) (2) of this reorganization plan (relating to financial assistance to railroads, etc., and to schedule A hereto annexed), there are hereby transferred to the Administrator of the Small Business Administration the remaining functions with respect to or arising out of programs of financial assistance to business enterprises and to victims of floods or other disasters.

(d) There are hereby transferred to the Secretary of the Treasury all functions of the Corporation not otherwise transferred by the provisions of this reorganization plan, including, but not limited to, all functions of the Corporation with respect to or arising out of (1) programs of financial assistance to railroad companies, financial institutions, and insurance companies, (2) the obligations and loans listed in schedule A hereto annexed, and (3) the War Damage Corporation.

(e) The foregoing transfers include the transfer to each transferee, for use in executing his respective functions thereunder, of the powers, authority, rights, and immunities now vested in or available or applicable to the Corporation for carrying out the functions transferred to the transferee under this reorganization plan.

SEC. 3. Transfer of assets and liabilities: The loans, obligations, securities, capital stock, and other assets pertaining to the functions transferred by section 2 of this reorganization plan (including accrued interest thereon, and property acquired in connection therewith) and the liabilities, contracts, bonds, mortgages, notes, and other instruments relating thereto are hereby transferred from the Corporation to the respective transferees: *Provided, however,* That all assets, liabilities, and commitments relating to the functions transferred by section 2 (a) of this reorganization plan are hereby transferred to the revolving fund (liquidating programs) established by the Independent Offices Appropriation Act, 1955 (68 Stat. 295).

SEC. 4. Administrative property, personnel, funds and records: In addition to the transfers made by the provisions of section 3 of this reorganization plan, there shall be transferred to the Housing and Home Finance Agency, General Services Administration, Small Business Administration, and Treasury Department so much as the Director of the Bureau of the Budget shall determine to be appropriate by reason of transfers made by sections 2 and 3 of this reorganization plan of the administrative property, personnel, records, liabilities and commitments of the Corporation or of the Office of Production and Defense Lending in the Department of the Treasury and of the authorizations, allocations, and funds available or to be made available with respect to the transferred functions (including, but in no way limiting the generality of the foregoing, the authority to issue notes or other obligations to the Secretary of the Treasury, which may be purchased by the Secretary, under section 7 of the Reconstruction Finance Corporation Act, as amended (15 U. S. C. 606), and the duty of making payments on such notes or obligations issued by or transferred to the respective transferee hereunder). In allocating the administrative expense funds applicable to the functions transferred by the provisions of this reorganization plan the said Director shall allocate and transfer to the General Services Administration as a payment on behalf of the Housing and Home Finance Agency, General Services Administration, Small Business Administration, and Treasury Department such sum for rent of building space for the carrying out of the transferred functions during the fiscal year ending June 30, 1958, as the said Director shall determine. Such further measures and disposition as the Director of the Bureau of the Budget shall determine to be necessary in order to effectuate the transfers provided for in this section shall be carried out in such manner and by such agencies as the Director shall direct.

SEC. 5. Delegation of authority: Each transferee may from time to time make such provisions as he shall deem appropriate authorizing the performance by any officer, employee, agency, or administrative unit under his jurisdiction of any function transferred to him by the provisions of this reorganization plan.

SEC. 6. Abolition of the Corporation: (a) The Corporation is hereby abolished.

(b) The Secretary of the Treasury shall retire the capital stock of the Corporation and, subject to the provisions of section 4 hereof, shall pay into the Treasury, as miscellaneous receipts, all unused funds of the Corporation.

(c) Not later than June 30, 1959, the Secretary of the Treasury shall transmit a report to the Congress, which report (1) shall cover the affairs of the Corporation up to the time of the taking effect of the provisions of this reorganization plan, and (2) shall correspond to the final report required by section 10 of the Reconstruction Finance Corporation Act, as amended (15 U. S. C. 609). The function of making the final report provided for in the said section 10 is hereby abolished.

SEC. 7. Effective date: The provisions of this reorganization plan shall take effect at the time determined under the provisions of section 6 (a) of the Reorganization Act of 1949, as amended, or at the close of June 30, 1957, whichever is later.

SCHEDULE A

This schedule annexed to Reorganization Plan No. 1 of 1957 lists by name and address of the obligor or borrower the obligations and loans referred to in clause (2) of section 2 (d) of such reorganization plan:

NAME AND ADDRESS OF OBLIGOR OR BORROWER

Alaska Plywood Corp., Juneau, Alaska.
Alford Refrigerated Warehouse, Dallas, Tex.
Braun Bros. Packing Co., Troy, Ohio.
Chromcraft Corp., St. Louis, Mo.
Civic Hotel Corp., Odessa, Tex.
Deep Water Terminals, Inc., Brooklyn, N. Y.
Detroit Steel Corp., Detroit, Mich.
Hal Roach Studios, Inc., Culver City, Calif.
Hayward Woolen Co., Whittinsville, Mass.
The Horle Arms Co., Deep River, Conn.
Jack Tar of Arkansas, Inc., Hot Springs, Ark.
Landers Packing Co., Denver, Colo.
Langley Corp., San Diego, Calif.
Lawton Community Hotel, Lawton, Okla.
Lone Star Steel Co., Dallas, Tex.
Louisville Builders Supply Co., Louisville, Ky.
Lustron Corp., Columbus, Ohio.
Mayfair Extension, Inc., Washington, D. C.
New Haven Clock & Watch Co., New Haven, Conn.
Oregon Fibre Products, Inc., Pilot Rock, Oreg.
The Prudence Co., Inc., New York, N. Y.
Seidelhuber Steel Rolling Mills, Seattle, Wash.
South Water Building Corp., Rockford, Ill.
South Water Machinery Corp., Rockford, Ill.
Texas Consolidated Oils, Dallas, Tex.
Texas Frozen Foods Corp., Harlingen, Tex.
Waltham Watch Co., Waltham, Mass.
Wheland Co., Chattanooga, Tenn.

AUTHORIZING THE SPEAKER TO DECLARE RECESS ON THURSDAY, MAY 9, 1957

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Thursday, May 9, 1957, for the Speaker to declare a recess for the purpose of receiving the President of the Republic of Vietnam.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

HARD MONEY AND HIGH INTEREST—CONGRESS SHOULD ACT

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, Congress cannot longer ignore the threat to the security of our Nation by the hard money, high interest policy of the Federal Reserve Board and the present administration. It is the duty of Congress to supervise and give guidance to our money masters. The Federal Reserve Board and the Open Market Committee are our money masters, under direction of Congress. We are responsible for their actions.

DOLLAR WORTH SEVEN MILLS

Interest rates have reached heretofore unheard of levels. For instance, on 90-day Treasury bills, the purchasing power of the dollar today compared with 1939 for interest paying purposes by the Government is 7 mills compared to $1 in 1939. In other words, it requires $143 of the taxpayers' money now to pay the high interest on these Treasury bills that it required only $1 to pay in 1939 for the use of the same amount of money for the same length of time.

Areas of depression throughout our Nation are expanding, and no longer are the farmers, the home owners, and the home builders the only sufferers from this depression. It is including other classes and groups every day. Something must be done about it right away or our economy will be destroyed.

Congress should demand a reversal of the hard money, high interest policy by requiring the Open Market Committee to support Government bonds at par as the

first step toward restoring stability in the Government bond market. At present holders of bonds who bought them in good faith during and soon after the war, believing that they could always get their money back, have suffered losses aggregating billions of dollars. For the first time in all history there is no going rate for United States Government securities, the best paper on earth. The Federal Reserve is an agency of Congress. It is obligated to carry out the will of Congress, and I think that Congress should immediately demand a reversal of its policy.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

CIVIL RIGHTS LEGISLATION

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, I believe that it is the earnest wish of a large majority of the Members on both sides of the aisle that they shall have an opportunity to vote on H. R. 6127, the civil rights bill. In order that there may be a certainty of bringing H. R. 6127 before the House for a decisive vote, I am today placing a petition to discharge the Committee on Rules from further consideration of H. R. 6127. Time is running out and since the Discharge Calendar can only be called up on the second and fourth Mondays of the month, it is evident that only the latter part of May and June remain for such action.

I want to emphasize that this action is not intended as showing a lack of confidence in the Rules Committee and also that the petition becomes inoperative if the Rules Committee acts at any time prior to 7 legislative days before May 27. The petition does, however, make certain that any difficulties encountered in the Rules Committee can be overcome prior to the closing rush of the session.

As I explained to the House on April 2, 1957—CONGRESSIONAL RECORD, page 5000—this discharge petition actually is directed against House Resolution 221 which calls upon the House to resolve itself into a Committee of the Whole House on the State of the Union and which provides for 2 days of debate on H. R. 6127, equally divided, and makes provision for such amendments as Members may wish to propose. The time will be controlled by the distinguished chairman of the Committee on the Judiciary, Mr. CELLER, and distinguished ranking minority member of that committee, Mr. KEATING.

Mr. Speaker, H. R. 6127 is a good beginning to right the wrongs under which many of our fellow citizens are suffering. This bill, while not as comprehensive as the one I introduced earlier this year, places the Congress on record in favor of a national policy to protect the right of the individual to be free from discrimination on account of race, color, or religion, and protects the voting rights of all citizens. This would be implemented by the establishment of a six-man commission on civil rights, with a full-time staff director appointed by the President with the consent of the Senate, which would gather information and make reports. It provides for a larger staff in the Attorney General's office headed by an Assistant Attorney General for Civil Rights. And most importantly, this bill authorizes the Attorney General to institute civil proceedings to obtain injunctive relief in cases involving the right to vote. In addition, the Attorney General can also file civil suits against persons who attempt to harm a citizen's right to vote.

There has been a good deal of discussion concerning the enforcement of injunctions issued by Federal courts to give relief to persons being deprived of their right to vote. Opponents of civil-rights legislation claim that the present bill would deprive a man of his right to a jury trial. In a lengthy analysis—daily CONGRESSIONAL RECORD, April 17, page A3038—I believe I demonstrated that this argument is wrong in theory and wrong in fact. It is simply a move designed to encourage resistance to a valid court order. The opponents of civil rights have never been heard before to complain about their own State laws which permit judges to send defendants to jail for contempt of court without a jury trial. In *Hart Cotton Mills* v. *Abrams* (231 N. C. 431), over 70 union members were sentenced to jail or fined for contempt arising out of alleged disobedience to a temporary injunction limiting picketing of a struck textile mill. They were sentenced under the North Carolina statute which does not grant a jury trial. This case, as in others, also featured the use of affidavits and the citing for contempt of persons not a party to the suit. The decision was upheld by former Justice SAMUEL J. ERVIN, JR., of North Carolina. I see no reason why, in cases dealing with the right to vote, a court should not be able to enforce it by fine or by jail sentence as it does in many other cases of the same nature and simplicity. The addition of a jury-trial rider to this bill will be a signal to some lawless State elements and even officials to defy the Federal court's order, counting on a jury that would share the community's prejudices against Negro constitutional rights by voting to acquit regardless of clear evidence of guilt.

Mr. Speaker, the preservation of civil rights is the prime duty of every government, whether it be Federal, State, or local. Wherever law-enforcement measures and the authority of Federal, State, or local governments are inadequate to discharge this primary function of government, these measures and this authority should be strengthened and improved. The voluminous testimony before the Judiciary Committee attests to the numerous incidents of intimidation and coercion in depriving colored persons the right to vote. The constitutional guaranties of equal protection under the laws clearly place upon the Federal Government the duty to act when State and local authorities abridge these constitutional rights. We need to guarantee the same rights to every person, regardless of who he is, where he lives, or what his race, religion, or national origin may be. This is the obligation of our Government. To do less would constitute not only a lack of faith toward those of our citizens who are today being deprived of their just rights, but will also do us great harm in the eyes of the whole world. How can we assume the leadership of the free world if we remain tainted by inequality in our own land?

H. R. 6127 has been endorsed by the platforms of both political parties and has the vigorous support of the Attorney General. The time has now come when the Congress must vote and fulfill campaign promises. This bill cannot be allowed to be pigeonholed in the Rules Committee. The discharge petition, which I am about to lay on the desk of the Clerk, provides an opportunity for every Member to be placed on record in favor of a House vote on civil rights. The vast majority of us are determined that the House shall vote on civil rights in this session. I know that if the bill gets to the floor, it will pass. If we act now to get the bill on the floor promptly, there will still be ample time for action by our friends in the other body to achieve the same results that I am sure we shall obtain.

THE CHRISTIAN REFORMED CHURCH IN AMERICA

Mr. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FORD. Mr. Speaker, this year marks the 100th anniversary of the founding of the Christian Reformed Church in America. As the Representative of Kent and Ottawa Counties in Michigan, the counties where this church originated and where 89 of its present 486 congregations are located, I would like to call the attention of the House to the century of progress which this church has enjoyed.

It was in April 1857 that five small congregations of Dutch immigrants in western Michigan united to form a new denomination. The final organizational step was taken at a meeting at Graafschap, Mich.—just outside of my district in Allegan County—on April 29, 1857, when the church at that village joined with churches at Grand Rapids, Noordeloos, Polkton—now Coopersville—and Vriesland, to form a classic. From this inauspicious beginning has grown a church of approximately 204,000 members in 486 congregations served by 386 ministers.

You will note that the Christian Reformed Church is not a large church numerically. Yet it has organized congregations in 26 States, Alaska, the District of Columbia, and in 8 Canadian Provinces. The church here in Washington is located at New Hampshire Avenue and Oneida Street NE., where services are held at 11 a. m. and 7:30 p. m. each Sunday.

The Christian Reformed Church is a Calvanistic church emphasizing the sovereignty of God and accepting the Bible as the infallible Word of God. In addition to the Apostolic Creed, the church uses the Heidelberg Catechism first published in Germany in 1563, the Confession of Faith written by a Belgian preacher in 1561, and the Canons of Dort drawn up by an international assembly of Reformed churches held in the Dutch town of Dort in 1618.

In my contacts with these folks during the past 8 years I have been impressed not only with the depth and sincerity of their religious convictions but also with the constructive stability and high sense of responsibility which they contribute to our social and political life.

The Christian Reformed Church owns and operates Calvin College, a fully accredited 4-year liberal arts college at Grand Rapids, Mich. Currently the college has an enrollment of nearly 2,000 students with a faculty of 82 members. For the training of its professional leaders the church maintains on the same campus Calvin Seminary, which offers 3 or more years of theological training.

The denominational building containing church offices and a publishing house is also located in Grand Rapids. Here is published weekly the Banner, the official magazine of the church, and de Wachter, a paper for those to whom the Dutch language is more familiar.

The church carries on an active missionary program with ordained men in Japan, Ceylon, Africa, South America, and among the Indians of the Southwest.

In its radio program, according to various surveys, the Christian Reformed Church may reach as many as 3 million people weekly. Each week its 30-minute broadcast, the Back to God Hour, is heard on 350 radio stations, most of them members of the Mutual network. Here in Washington the broadcast may be heard each Sunday over station WWDC at 9 p. m. The entire program is now being expanded to include 15-minute telecasts.

This church has also been active in sponsoring displaced people, in sending emergency relief to needy around the world, and in fostering a program of mercy at home.

It sponsors and helps to support hospitals for the mentally ill or infirm, a number of homes for the aged, and rest homes and schools for the physically handicapped and the mentally retarded. It also supports some 200 Christian day schools from coast to coast.

The theme of the centennial celebration now going on throughout the country and to be climaxed at an international synodical celebration in Grand Rapids on June 12 to 14 is "God's favor is our challenge." The church realizes that any of its accomplishments are due to God's blessing and that the present membership has the privilege of accepting the challenge of the future.

I am confident that their efforts and the efforts of millions like them are having a salutary and healthy effect on the moral, spiritual, political, and social life of our country.

HON. WM. A. BLAKLEY

Mr. IKARD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. IKARD. Mr. Speaker, few men have during so short a time of service in the Congress won such widespread respect and admiration as did Senator William A. Blakley who has just completed his service as Senator from Texas. Senator Blakley is truly a great and distinguished gentleman whose service to his State and country will long be remembered. I am including here an editorial that recently appeared in the Palestine (Tex.) Herald-Press:

OUR PRESENT SENATOR

With all the hubbub going on about election of a new Texas Senator, the Texas public may not have taken much notice of the Senator we have now.

This man, William A. Blakley, of Dallas, is serving under an appointment by former Gov. Allan Shivers, and seconded by Gov. Price Daniel. Blakley, a successful oilman, took the job on a temporary basis, making known immediately that he would not be a candidate in the special election coming up.

But it appears that, although Senator Blakley has no political ambitions for the future, he is not taking his present position as a mere passing honor. He is working at the job, and thinking about it.

That became apparent when the Senator answered promptly a letter from the Anderson County Chamber of Commerce regarding member demands that the Federal budget be reduced. If Blakley had been only marking time in the Senate until his successor takes over, he might not have bothered to answer. In fact, he might not even have been in Washington.

Instead, he showed that he is interested in his job, for he answered the chamber of commerce letter almost immediately upon its receipt. The chamber of commerce letter was dated March 8, and Blakley's reply was written on the 12th.

The temporary Senator says he agrees fully that the Federal budget needs cutting and said he will do what he can to effect such cuts. "It is not enough to balance the budget," he said, "but we must also start to pay off the tremendous national debt." And, further in the letter he made a statement that every American should drill into his head:

"Heavy taxation, if long continued, will not only weaken local self-government but will also lead to serious impairment of individual initiative."

Two cheers for Blakley. The first because he believes in commonsense handling of money by the Federal Government, and the second because, even though he has no ambition to continue as Senator, he is putting in his time and his effort while holding the job.

THE LATE WILLIAM H. STAFFORD

The SPEAKER pro tempore. The gentleman from Wisconsin [Mr. REUSS] is recognized.

Mr. REUSS. Mr. Speaker, I rise to inform this House of the death on April 21 of William H. Stafford, who for 20 of the 30 years from 1903 to 1933 was a Member of this body, representing the Fifth Wisconsin District.

William H. Stafford was born in Milwaukee, Wis., on October 12, 1869. He was graduated from Harvard Law School in 1894, after attending the Milwaukee public schools. He was admitted to the bar in the same year and, except for his years in Congress, was in private practice in Milwaukee from that date until his death. He was a member of the local, State, and national bar associations and was one of the oldest members of the Wisconsin Club.

Mr. Stafford was a lifelong Republican. He was first elected to the 58th Congress in 1902 and was a member of the 58th to 61st Congresses, the 63d to 65th Congresses, and the 67th, 71st, and 72d Congresses. While a Member of this body, he served on the Appropriations and Military Affairs Committees.

William H. Stafford was a man of independence and courage. As a member of the Appropriations Committee, he was known as the "watchdog of the Treasury" and often opposed private bills for expenditures even though he said he lost friends doing so. He was one of 50 Members of the House who voted against United States entry into the First World War. His name is associated with early advocacy of independence for the Philippines, abolition of "lame duck" Congressional sessions, and modification of the Volstead prohibition law.

It was my privilege to know Mr. Stafford personally from my early boyhood. For more than 50 years he owned land adjoining that of my family in the town of Merton in Waukesha County, Wis. I knew Mr. Stafford as a lover of the outdoor world. He had a particular fondness for trees, many of which he planted on his land.

In recent years, too, as a candidate and a Member of this House myself, I was aware more than once that he had gone out of his way to speak kind words of me, even though we were of opposite political parties. He was a bachelor and ate regularly at the Wisconsin Club, and his outspoken views there frequently upset his colleagues in that citadel of political orthodoxy. Yet his very unorthodoxy won him their deep respect for his sincerity and independence.

Mr. Speaker, I shared that deep respect, and it is with a profound sense of real loss that I announce Mr. Stafford's passing.

Mr. ZABLOCKI. Mr. Speaker, I want to join with my colleagues in expressing regret at the news of the passing away of William H. Stafford, a former Member of this body from Milwaukee, Wis.

A quarter of a century has passed since the late William H. Stafford served his last term in the House of Representatives, but the image of his personality is still vivid in the memory of some of his former colleagues and contemporaries. He was a colorful, outspoken man. During his service in our national legislature he was associated with early advocacy of independence for the Philippines, abolition of "lame duck" sessions, and modification of the prohibition law.

He was among a handful of Members who voted against the entry of the United States into World War I. Eleven years later he again opposed certain of our activities in the international scene.

The late William H. Stafford lived to be 87 years of age. He is survived by a sister, Mrs. Ella Steiner, Milwaukee; a niece, Mrs. John M. Lindsay, Milwaukee, and two nephews, Fred J. Siekert, of Milwaukee, and Stafford Siekert of Apple Valley, Calif.

I wish to convey to them my sincere condolences at this time.

Mr. SMITH of Wisconsin. Mr. Speaker, the death of William H. Stafford of Milwaukee means that Wisconsin has lost one of its outstanding citizens. For 20 years he served as a Member of this body representing the people of the Fifth Congressional District of Wisconsin.

As a boy I recall the activities of Mr. Stafford as he was well known in Racine, my home city. A review of his work as a Member of this great body reveals that he was a sound legislator. He was not given to breezy demagogic orations but was content, as we say in Wisconsin, to "saw wood." He had a job to do in this body and he did it without fuss or fanfare. The fact that he was a member of the Appropriations and Military Affairs Committees, too, is evidence of the high regard which the leadership in this body considered him.

My early recollections of his activities here came as a result of his attitude and his vote against our entry into World War I. He followed the leadership of that great American, Senator Robert M. La Follette, Sr. I think it can be said, Mr. Speaker, that time has vindicated the action of Mr. Stafford on that proposition.

After leaving this body, he returned to his home city, Milwaukee, where he practiced law for many years, in fact, I believe up until the time of his death.

The Republican Party of Wisconsin can be proud of the record that Bill Stafford made as a Member of this great body.

GENERAL LEAVE TO EXTEND REMARKS

Mr. REUSS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to insert material in the RECORD in connection with this memorial to William H. Stafford.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

CIVIL RIGHTS COMMISSION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Ohio [Mr. VANIK] is recognized for 10 minutes.

Mr. VANIK. Mr. Speaker, although I regret that it should be necessary to force the consideration of vital and essential legislation such as the current civil-rights proposals by the use of a discharge petition, I was pleased to be the third Member of Congress to sign the civil-rights discharge petition which was filed today by my distinguished colleague, the gentleman from California, JAMES ROOSEVELT. It is, of course, hoped that the Rules Committee of the House of Representatives will expedite action on this vital and important legislation, action which should not be delayed a moment longer. If this legislation is to reach the Senate in time for action this year, it must clear the House of Representatives no later than the end of May. It is indeed gratifying to learn from my distinguished colleague, the gentleman from Massachusetts, JOHN W. MCCORMACK, Democratic majority leader of the House of Representatives, that he expects this legislation to pass the House by a 2 to 1 vote before the end of May.

Mr. Speaker, I wish to take this opportunity to place myself squarely in support of the civil-rights bill reported out by the Judiciary Committee, H. R. 6127. Although it only partially fulfills the need, it represents a practical approach and constructive step forward in establishing better human relations in America. The very minimum that Congress can do at this time is to provide for a bipartisan Civil Rights Commission, increase the authority of the Attorney General in civil-rights matters, protect the voting rights of all citizens, and eliminate discrimination in interstate travel. Without Federal legislation, uniform standards of human decency would not prevail in America.

This legislation represents the considered judgment of some of the best minds in this Congress—and I refer to the good minds on both sides of the aisle. Necessary legislation, such as this civil-rights bill, is the responsibility of both political parties.

The Civil Rights Commission will fill a vital need in the administration of the civil rights laws. With power to investigate, study, and collect information concerning economic, social, and legal developments which constitute a denial of equal protection of the laws, it can make a tremendous contribution to the national welfare.

It provided in this legislation that the Attorney General will be authorized to institute for the United States or in the name of the United States a civil action for preventive relief whenever a person suffers a deprivation of his civil rights under the existing law. It is also provided that the Attorney General is authorized to institute an action whenever any persons are about to engage in those acts and practices which would deprive any citizens of his civil rights under existing law. Thus, for the first time real meaning is given to the civil rights legislation upon which so many Americans are dependent for their civil and voting rights.

The representatives of the Southern States should be able to find their way to accept this legislation. It represents a delicate approach to a problem of wide magnitude. Compromise has already been prefabricated into the legislation. It is much less than enough to assure the existence of substantive freedom in America, freedom for all people.

Vast areas of civil rights in America are untouched and remain the work of a future Congress. This legislation is in the nature of a moderate step forward. Eighty-eight years have passed since the adoption of the 14th amendment and all progress in the development of civil and human rights in America since that time has been made too slowly for our American concepts of justice and equality. And yet the very moderate, temperate recommendations of this legislation appear to be the full distance that this Congress can go in achieving an honorable regard for civil and human rights. Few citizens can believe that the legislation is sufficient and yet we support it because it appears to be the best we can do at this time.

The problem of integrating American life is not a local problem. To the South, it means the breakdown of separate social systems developed over the generations. The universal dignity which will develop in the mainstream of southern life will increase productivity, develop a deeper sense of social responsibility, and preserve and protect the greatest asset with which the South is blessed, its peoples of all races, colors, and creeds. The South cannot afford the unabated loss of its citizens by movement to areas of the Nation more disposed to their social progress.

The North has an abundance of prejudice problems which will probably provide more labor than the South for the Civil Rights Commission. Prejudice can be seen to take effect at the city limits. Few areas in the new dominions of northern suburbia are feasibly and practicably available to all Americans. The migration of city dwellers into the new confused outposts of suburbia are frequently motivated by a desire for a segregated community and segregated schools. Friendly warm communities are not friendly and warm to everybody. Community clubs are designed for segregation by "clubby" covenants which blaspheme that dignified word. Their ostensible purpose is to preserve community life. Their practical purpose is to discriminate and segregate. Banks and lending institutions have had their part in isolating these communities from tolerance by a segregation loan policy.

The problems of the North are in many respects more difficult than those of the South. The difference is that the North tries where the South is inclined to despair. We of the North plead with our fellow citizens from the South to reconcile to a fuller meaning of liberty—a meaning which America needs throughout the world.

I hope that the Rules Committee will immediately report out this vital legislation so that it can be promptly acted upon by the House of Representatives.

HELLS CANYON DAM

The SPEAKER pro tempore. Under previous order of the House, the gentlewoman from Idaho [Mrs. PROST] is recognized for 30 minutes.

Mrs. PFOST. Mr. Speaker, developments of the past few days prove once again that the big power monopolies have this administration twisted around their little finger. They have only to ask for a favor—regardless of how shocking it may be—and they get it.

The latest favor asked for—and received—by the gimmie-and-get boys in the private electric utilities is a multi-million-dollar Federal tax subsidy for the Idaho Power Co. And the tragedy is

that the taxpayers of the country are going to have to dig deep into their pockets to pay for it.

The subsidy is in the form of a fast tax writeoff on two of the site-wasting dams—Brownlee and Oxbow—which the company has a license to build in the Hells Canyon stretch of the Snake River. Their construction would preclude forever the building of a high, multiple-purpose Hells Canyon Dam.

I do not need to tell you that a fast tax writeoff, in simple terms, is permission given to a company by the Government to deduct the construction costs of a new project from the company's Federal income tax.

The Office of Defense Mobilization has given the Idaho Power Co. an accelerated tax-amortization certificate which allows the company to apply a rapid tax writeoff to 65 percent of the cost of the Brownlee Dam and to 60 percent of the cost of the Oxbow Dam. In other words, the company can write off over $65 million of the cost of the 2 dams, through income-tax deductions, in 5 years.

Under normal conditions, the company would be obliged to spread its depreciation deduction over a much longer period. So the fast tax writeoff gives the company a nice little parcel of cash which they can invest at their own profit.

INTEREST-FREE LOAN

It has been estimated that in the next 5 years the Idaho Power Co. will receive an interest-free loan of $30½ million. Projected over the 50-year normal life period of these hydroelectric projects, this means the Idaho Power Co. will actually receive a total subsidy of $329.3 million.

This cash handout is more than 3 times the cost of the 2 little dams—and $21 million more than the cost of the high Federal dam. What is more—over the 50-year period, by investment and reinvestment, it could net the company some $200 million more than the entire construction costs of the 2 dams.

If you still have any lingering doubts that this love affair between the administration and the private power monopolies is a torrid one—just consider this fact. Right while ODM was announcing the vast program of Federal tax benefits for the Idaho Power Co., its chairman also was announcing that the program would be curtailed in the future. It is interesting that this program, originally intended to encourage and safeguard private investment in essential defense plants during the Korean emergency, should be curtailed only after a handsome valentine had been dispatched to a big eastern power monopoly.

SERVANT OF THE PEOPLE

Mr. Speaker, for years our Government has operated under both Republican and Democratic administrations on the theory that electric power was the servant of the people. During the last 4½ years it has become blazingly clear that the present Republican administration considers electric energy to be the servant of the monopolies—which they may use at will to extort from the people every possible dollar in return for the power they must have to light their homes, lighten their chores, and turn the wheels of their factories. If there ever was a classic example of the people be damned—this is it.

You all know well the Hells Canyon story. The issue is full development versus partial development of a great natural resource that belongs to all of the people. The high Federal dam will produce more power at about half the cost. According to best estimates, the cost of high-dam power at market would be less than 3 mills per kilowatt-hour compared to almost 7 mills per kilowatt-hour for power from the low Idaho Power Co. dams. With Bonneville power selling at 2 mills, a lot of hard-headed people have been wondering where the Idaho Power Co. was going to find a market for 7-mill power in the Pacific Northwest, except among the captive consumers of the Snake River Valley in Idaho and Oregon. Now, however, with the taxpayers building the dams for them, the power company will be on easy street, regardless of whether their rates attract new industry into the region or provide more power for essential defense plants.

All studies indicate that the high Hells Canyon Dam would produce about 400,000 kilowatts more prime power than would the puny run-of-the-river private power dams. The high dam would also add some 436,000 prime kilowatts to the 8 Federal down-river dams now in operation, under construction, or authorized. For example, Hells Canyon would add approximately 65,000 kilowatts to the Ice Harbor power production, 48,000 to McNary, 50,000 to The Dalles, and 24,000 to Bonneville. We have already put millions of our tax dollars in these dams—and it is foolhardy not to finish the job.

THE INDISPENSABLE DAM

But less power at higher cost is not the only issue in the controversy raging around Hells Canyon. The high dam is an indispensable link in the existing and future navigation, irrigation, flood control and power projects of the Federal Government in the Snake and Columbia River Basins. To remove the Hells Canyon project is to sink a dagger in the heart of the carefully considered, overall plan of the Bureau of Reclamation, and the Army Corps of Engineers for the full development of this area.

To kill the high dam is also to rob the people of untold benefits that are rightfully theirs. Only the construction of the multiple-purpose dam can make possible valuable assistance to irrigation, agriculture, mining, navigation and flood control, as well as low-cost power. To squander the site on low dams that will produce only high-cost power is to give the people half a loaf instead of a full loaf of bread, a wheelbarrow instead of a Thunderbird, fragmentary development for full development of a great natural resource.

The question of the loss of tax revenues always comes up in a private versus public power argument. The private power companies argue that while they pay taxes, a Federal project does not. They say that if the private project is not built, the counties, the States and the Nation will be denied huge tax revenues.

Mr. Speaker, we all know that no private high-cost-power single-purpose development could possibly create the expansion in taxpaying farms, in towns, in business and industry that automatically comes in the wake of a Federal multiple-purpose project.

I have a hunch, however, that we won't be hearing this loss-of-taxes argument so much now that the private utility in this case has been handed such a nice, fat tax deduction at the expense of the individual taxpayer. We Americans have a way of not liking it when a private concern is given a Federal license to dip down into our own pockets.

HIGH HELLS CANYON SELF-LIQUIDATING

And I believe citizens out across the country are going to be even more receptive to information about the financing of the Federal dam than they have in the past. They are going to be very much interested in the fact that the Hells Canyon project—like every other Federal reclamation project—is self-liquidating. The costs will be borne by the consumers of the electricity. In the case of the high dam, revenues from the abundant amounts of low-cost power it will produce will repay to the Federal Treasury all reimbursable costs, with interest, over a fifty-year period. The taxpayers will loan the money—and get their original investment back, with a nice profit.

Mr. Speaker, the American taxpayer is going to be righteously up in arms when he learns that through a fancy gimmick known as a fast tax writeoff, he is going to pay for the Idaho Power Co. dams. The magnificent Hells Canyon site is his God-given heritage. Now it becomes evident that not only is this resource being squandered by underdevelopment, and for a project which will make electricity bills in the region stratospheric high for years to come, but that his hard-earned tax dollars are going to build it to boot. And his wrath will increase when he remembers that the Idaho Power Co. has boasted again and again in its advertising that its dams would not cost the taxpayers 1 red cent. This is the stuff of which political revolutions are made—revolutions which angrily turn a party out of power and keep it out for years to come.

Mr. Speaker, those of us who are sponsoring Hells Canyon bills in the House are not waging this fight just for the people of our own congressional districts, nor of our own States, nor even of the Pacific Northwest. Building the high Hells Canyon Dam is just as important to other Members of the House, and to the people they represent, as it is to our constituents.

This past week we have all been watching anxiously the tide of events in Jordan. For months our eyes have been on the Suez Canal—and on the Middle East tinderbox. Each morning we learn how torn with strife is our tight little world, how close is conflict in one part of it or another.

LOW-COST POWER FOR DEFENSE

We cannot foresee the full impact these events will have on America, but we can well be sure that might and force are still the language that every aggressor understands. We remember what Bonneville and Grand Coulee meant to us

during World War II, and we realize that only by continuing to be the arsenal of democracy can our voice be truly effective. Huge blocks of low-cost power, such as Hells Canyon Dam would provide, could lend considerable authority to that voice.

Already the Pacific Northwest faces an electric energy shortage that is stunning. The Bonneville Power Administration, which markets the Federal wholesale power from the dams already constructed, is discouraging further expansion of rural electric systems. This power-hungry part of the country suffers periodic brownouts—and the situation becomes more serious with each passing month.

To waste the great defense and peacetime potentials of Hells Canyon would be unforgivable. Yet that is what is going to happen if Congress does not pass the Hells Canyon bill this session.

The high-handed outrage of the tax writeoffs shows the extent to which the Power Trust controls this administration. The people's interests are being shamefully violated every day. They have nowhere to turn but to the Congress. We have the opportunity of the decade to perform a public service not only for this generation but for generations to come by authorizing a high Hells Canyon Dam.

Mr. ULLMAN. Mr. Speaker, would the gentlewoman yield?

Mrs. PFOST. I am glad to yield to the distinguished gentleman from Oregon.

Mr. ULLMAN. Mr. Speaker, I should like to associate myself with the very able gentlewoman from Idaho in the remarks she is making and congratulate her on her statement. It is my privilege to represent the district adjacent to the Hills Canyon area on the Oregon side. I know the gentlewoman from Idaho represents the adjacent district on the Idaho side. I believe it is true that we both replaced Congressmen who were opposed to the high Federal dam; is it not?

Mrs. PFOST. That is true.

Mr. ULLMAN. And is it not also true that in the whole Pacific Northwest, in the last election, Hells Canyon and the full development issue were very important?

Mrs. PFOST. Very much so. I would say to my colleague from Oregon that the building of the high Hells Canyon Dam was one of the two major issues in my campaign in Idaho.

Mr. ULLMAN. And the voters made the decision on that issue, did they not?

Mrs. PFOST. That is true.

Mr. ULLMAN. I know in my district it was a natural issue, and the voters emphatically decided in favor of the high Federal dam, as they did in many, many other places in that part of the country.

Mrs. PFOST. The people of the area, in my opinion, strongly endorsed the high dam at Hells Canyon by the resounding majorities they gave high-dam advocates in the Northwest elections last fall. I thank the gentleman for his comments.

Mr. McCORMACK. Mr. Speaker, will the gentlewoman yield?

Mrs. PFOST. I yield to the majority leader, the gentleman from Massachusetts.

Mr. McCORMACK. I congratulate the gentlewoman from Idaho on the great fight she has made on this outstanding project. It is one I favor, as the gentlewoman knows. Coming from Massachusetts, I think it is a disgrace to see the great natural resources of our country going to waste. It is not a question of public and private power; it is a question of the maximum utilization of the natural resources of our country and of that great area as pinpointed by the Hell's Canyon project.

Mrs. PFOST. Indeed it is.

Mr. McCORMACK. The question of the sale of power then enters into private hands through negotiation. Private interests have a different problem. We cannot expect them to invest countless millions of dollars of their stockholders' money just to marshall natural resources that they cannot use. But it is a reckless waste on our part to permit these tremendous natural resources to go to waste. That is the reason I supported Boulder Dam, that is the reason I supported the Tennessee Valley Authority, that is the reason I supported all of these great projects, because it is in the national interest of our country to marshal those great resources in the interest of the people of our country.

Mrs. PFOST. The gentleman is so right. I appreciate his kind remarks. We have been grateful over the years for his support of the projects in the West. Certainly the development of those projects is in the interest of all of the people, as the gentleman has so ably stated. Not only the people that are immediately affected in that area but the people of the whole Nation benefit from such comprehensive development.

Mr. PORTER. Mr. Speaker, will the gentlewoman yield?

Mrs. PFOST. I yield to the gentleman from Oregon.

Mr. PORTER. I commend the gentlewoman on her very fine and forceful statement, as well as the remarks made by my colleague from Oregon and the majority leader.

I have just returned from my district, which is in southwestern Oregon. I am sorry to report that the economic situation there is very poor. As the gentlewoman well knows, we for a long time were the beneficiaries of a power program which meant inexpensive power, and we are on our way to becoming free from being a one-industry area.

Some years ago, as the gentlewoman well knows, the power policy of this Government changed. The Hells Canyon Dam is an instance of that change. As a result, in our district where there is a severe economic slump at this time because of the lumber situation, the price of lumber, we have nothing to look to. It is a desperate situation. We are not on the Snake River but we are in an area where we would profit greatly and the whole Nation would profit because of the indirect results in increased incomes in our area. So I say I have reason because of my recent trip to Oregon, from which I returned just this morning, to appreciate the gentlewoman's remarks.

Mrs. PFOST. I thank my colleague, the gentleman from Oregon.

ADMINISTRATION GIVEAWAY TO IDAHO POWER CO.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Oregon [Mr. ULLMAN] is recognized for 15 minutes.

Mr. ULLMAN. Mr. Speaker, I want every Member of this great body to remember Tea Pot Dome and to remember Dixon-Yates, for these are minor scandals compared with the giveaway at Hells Canyon.

On April 25, 1957, this tarnished Republican Administration issued an order that will, in effect, require American taxpayers to foot the bill for a large part of the cost of two private dams on the Snake River by the Idaho Power Co.

It is not enough that Sherman Adams, the power behind the throne and the protector of private power monopoly, has maneuvered to the Idaho Power Co. the Hells Canyon stretch of the Snake River.

It is not enough that a former Secretary of the Interior tore up a memorandum he had written supporting the mighty Hells Canyon Dam when it became apparent that such support violated the private power commitments of this resource-soiled administration.

It is not enough that the Federal Power Commission has been handpicked to grant the will of the private power monopoly.

It is not enough that the present Secretary of the Interior has been overruled in his feeble attempts to provide a partial restoration of the great public loss at Hells Canyon.

No, Mr. Speaker, not even the above maneuvers have been sufficient, for now it has been disclosed that this already soiled administration has bailed out the Idaho Power Co. at the expense of every single American taxpayer by providing quick tax write off certificates which will insure complete subsidization for this project.

Mr. Speaker, we from the Pacific Northwest are well acquainted with a Republican Party which has dealt from the bottom of the deck on the matter of natural resources. Apparently the National Republican administration has failed to heed the revolt against those policies as expressed in the 1956 election returns in the Pacific Northwest.

My colleagues in this House, as well as the Members of the other body, have frequently heard about the need for a high dam at Hells Canyon during the past few years. I am sure that the details concerning the need for this high dam, with its great power potential and its millions of acre-feet of storage have seemed complicated.

All that has been said about the needs of the Pacific Northwest for this power and this storage and all that has been said concerning the inadequacies of a series of small dams with limited power and token storage is true. There is no need to belabor these facts. The information is available and speaks for itself.

However, the issue before Congress today involves more than storage capacity and power potential. This is a simple question of morality.

Mr. Speaker, these rapid tax writeoff certificates are being justified as "necessary in the interest of national defense during the emergency period." As the amortization provision of the 1954 tax law, section 116, states, this is the criteria that must be met in order for the Office of Defense Mobilization to issue such certificates.

In granting these certificates, I submit that both the will of Congress and the spirit of the law have been violated. Presumably, the certificates were issued in the name of national defense, but I submit that if these low dams have any bearing whatsoever on national defense, that contribution is detrimental to the long-range interests of the Nation. The granting of these certificates is nothing more than another aspect of the flagrant giveaway on the part of this administration.

The Idaho Power Co. has estimated that the cost of the Brownlee project will be $67,100,000 and the cost of the Oxbow Dam is estimated at $35 million. The certificates issued by the Office of Defense Mobilization has approved a tax writeoff amounting to 65 percent of the cost of building Brownlee and 60 percent of the cost of constructing Oxbow. Thus, the total amount for the 2 dams of $65,200,000 has been approved for rapid tax amortization.

Normally, a company would pay Federal taxes on 52 percent of the $65,200,000 or a total tax of $30,500,000. Thus, the Idaho Power Co., by the decision of the Office of Defense Mobilization, is given an interest-free, tax-paid loan of $6,100,000 per year for 5 years. According to the best available information, if the two dams were completed according to schedule, this would mean that the Idaho Power Co. would be given complete forgiveness for all income taxes for the next several years.

Conversely, the Federal Government will lose in revenue in the area of $6,100,000 annually—an annual loss which the Federal Government must borrow and pay interest on if funds are to be available for Government operations. Continual refinancing which is thus necessitated will mean that the American taxpayer will pay $22,900,000 in interest on the interest-free loan to Idaho Power Co. I doubt if anyone will quarrel with my use of a 3-percent figure as the average cost of money to the Government during this Republican tight-money era.

As a recipient of a tax-free loan, Idaho Power Co. will be in a position to invest over $30 million at a rate of approximately 6 percent, which earnings can in turn be compounded. Over the 50-year period of its Federal license, the company will be in a position to realize a net windfall of approximately $329 million—all made possible by the biggest Government giveaway yet reported.

Mr. Speaker, I think it is high time that the American people took stock of what they can expect to receive as a result of this deal. The American people lose $30,500,000 in taxes over a period of 5 years. They must pay $22,900,000 in interest charges over a period of 50 years. Idaho Power receives a net windfall of $329 million.

And for this dubious exchange, what does the Pacific Northwest receive?

We lose 500,000 kilowatts of year-round cheap power by destroying the possibility of a high Hells Canyon Dam.

We lose 2,880,000 acre-feet of vitally needed storage for flood control and downstream power generation.

We lose the possibility of irrigating 1 million acres of upstream land through potential power revenues from a high dam at Hells Canyon.

We lose recreation and fish and wildlife facilities for millions of Americans.

We lose, at a time when the region is undergoing an economic slump, thousands of jobs and new industries that would produce more goods and pay more taxes to the Federal Government.

The Snake River Basin loses all hope of 3-mill power—but instead will hereafter be subservient to monopoly control at three times that rate. The region and the Nation will pay the cost of a high Hells Canyon Dam without any of the benefits—a dam which would be an investment and a defense asset for the American people rather than a bonanza for the Idaho Power Co. If Congress authorizes the high dam, the ratepayers will fully reimburse the cost of the project plus all interest costs incurred by the Government, and at the end of a 50-year period the people of the United States will own, free and clear, a project which will bring $25 million to $30 million annually into the Federal Treasury.

Idaho Power Co., through its representatives, loudly proclaimed that it was asking that it be permitted the privilege of constructing, solely with its own money and without one cent of cost to the taxpayers of the United States, the low dams on the Snake. Yet today, the Idaho Power Co. stands as the recipient of a $329 million bonanza and you and I and the American public are footing the bill.

I would also like to draw attention to a full-page advertisement on the Idaho Power Co. plans in the May 26, 1956, edition of the Saturday Evening Post which was paid for by the American electric ratepayers. This advertisement said, in part, "America's more than 400 independent electric light and power companies do not have to wait for an act of Congress for tax money from the Treasury," and added that the Idaho Power Co.'s construction of its three low dams on the Snake River "will save you and your fellow taxpayer $465 million." The issuance of these tax writeoff certificates proves the fraudulence of that statement. Taxpayers' dollars will be used to build the private dams. The administration through subterfuge is giving away a resource that now can be saved only through congressional action.

Mr. Speaker, the brazenness of this latest perversion of public policy cries out for an immediate investigation. The economic and political strangulation of my district and of the Pacific Northwest can no longer be permitted.

We cannot afford to stand by while the agents of this administration through conspiracy with the private utility monopoly desecrate our remaining natural resources. Congress has a right to know the reasons why this administration is subsidizing Idaho Power Co.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. KEARNEY (at the request of Mr. MARTIN) on account of illness.

To Mr. BEAMER (at the request of Mr. HARVEY) on account of illness.

To Mr. LOSER, to May 6, 1957, (at the request of Mr. COOPER) on account of illness.

To Mr. FLOOD, for balance of week, on account of official business.

To Mr. BROWN of Missouri (at the request of Mr. ROOSEVELT), for April 30 and May 1, on account of official business of the Committee on Small Business.

To Mr. ROOSEVELT, for April 30 and May 1, on account of official business of the Committee on Small Business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. VANIK, today, for 10 minutes.

Mr. PATMAN, on tomorrow; and on Thursday next, for 30 minutes, and to revise and extend his remarks and include certain extraneous matter.

Mr. ULLMAN for 15 minutes today.

Mrs. PFOST for 30 minutes today.

EXTENSION OF REMARKS

By unanimous consent, permission, to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. DAVIS of Tennessee and include a speech delivered by him at the dedication of a statue to the late Hon. Edward Hull Crump.

Mr. DORN of South Carolina and to include a speech.

Mr. CANNON and to include extraneous matter.

Mr. REED and to include related matter.

Mr. BERRY and to include related matter.

Mr. BALDWIN. and include related matter.

Mr. CELLER in two instances.

Mr. DOYLE and to include related matter.

Mr. DINGELL (at the request of Mr. McCORMACK) and to include extraneous matter.

Mr. ZELENKO (at the request of Mr. McCORMACK) in one instance and to include extraneous matter.

ADJOURNMENT

Mr. EDMONDSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 49 minutes p. m.) the House adjourned until tomorrow, Tuesday, April 30, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

761. A communication from the President of the United States, transmitting a proposed amendment to the budget for fiscal year 1958 for the Department of the Interior, involving a net reduction in the amount of $5,658,000 (H. Doc. No. 162); to the Committee on Appropriations and ordered to be printed.

762. A communication from the President of the United States, transmitting amendments to the budget for the fiscal year 1958 involving an increase in the amount of $167,000 for the legislative branch (H. Doc. No. 163); to the Committee on Appropriations and ordered to be printed.

763. A letter from the Secretary of State, transmitting a report on the international educational exchange program carried out by the Department, pursuant to Public Law 584, 79th Congress (H. Doc. No. 164); to the Committee on Government Operations and ordered to be printed.

764. A letter from the Comptroller General of the United States, transmitting a report on the audit of the abaca fiber program, as administered by the General Services Administration, for the fiscal year ended June 30, 1956, pursuant to the Government Corporation Control Act (31 U. S. C. 841) (H. Doc. No. 165); to the Committee on Government Operations and ordered to be printed.

765. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated February 1, 1957, submitting a report, together with accompanying papers and illustrations, on a review of reports on North Fork, Redbank, and Sandy Lick Creeks at Brookville, Pa., requested by a resolution of the Committee on Public Works, House of Representatives, adopted July 29, 1955 (H. Doc. No. 166); to the Committee on Public Works and ordered to be printed with three illustrations.

766. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated February 6, 1957, submitting a report, together with accompanying papers and illustrations, on a cooperative beach erosion control study of Chatham, Mass., prepared under the provisions of section 2 of the River and Harbor Act approved July 3, 1930, as amended and supplemented (H. Doc. No. 167); to the Committee on Public Works and ordered to be printed with nine illustrations.

767. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated February 27, 1957, submitting a report, together with accompanying papers and an illustration, on a review of reports on East Boat Basin, Cape Cod Canal, Mass., requested by resolutions of the Committee on Public Works, United States Senate and House of Representatives, adopted March 12, 1949, and July 6, 1949, respectively (H. Doc. No. 168); to the Committee on Public Works and ordered to be printed with one illustration.

768. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated February 5, 1957, submitting a report, together with accompanying papers and an illustration, on a review of reports on Saxon Harbor, Wis., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted November 30, 1945 (H. Doc. No. 169); to the Committee on Public Works and ordered to be printed with one illustration.

769. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated October 19, 1956, submitting a report, together with accompanying papers and illustrations, on a survey of Millwood Reservoir and alternate reservoirs, Little River, Okla., and Ark., authorized by the Flood Control Act approved May 17, 1950 (H. Doc. No. 170); to the Committee on Public Works and ordered to be printed with two illustrations.

770. A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation entitled, "A bill to amend the United States Grain Standards Act, 1916, as amended, to permit the Secretary of Agriculture to charge and collect for certain services performed and to deposit such collections to the credit of the appropriation available for administration of the act, and for other purposes"; to the Committee on Agriculture.

771. A letter from the budget officer, Federal Home Loan Bank Board transmitting 1 copy of Standard Form 143, Report of Status of Apportionments for Corporations and Enterprises, for the Period Ending March 31, 1957, for the Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation, pursuant to instructions contained in section 54C, Budget-Treasury Regulation No. 1, dated June 1952; to the Committee on Appropriations.

772. A letter from the Director, Legislative Liaison, Department of the Air Force, transmitting the quarterly report as of the end of the third quarter of fiscal year 1957 (March 31, 1957) showing the aggregate of officers assigned or detailed to the executive element of the Air Force at the seat of government, pursuant to section 8031 (c), title 10, United States Code; to the Committee on Armed Services.

773. A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation entitled, "A bill to extend the interim system for appointment of cadets to the United States Air Force Academy for an additional period of 4 years"; to the Committee on Armed Services.

774. A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation entitled, "A bill to amend the act of August 3, 1950, as amended, to continue in effect the provisions relating to the authorized personnel strengths of the Armed Forces"; to the Committee on Armed Services.

775. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled, "A bill to amend title 10, United States Code, to authorize a registrar at the United States Military Academy, and for other purposes"; to the Committee on Armed Services.

776. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled, "A bill to amend title 10, United States Code, to authorize persons from friendly nations to receive instruction at the United States Military, Naval, and Air Force Academies"; to the Committee on Armed Services.

777. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill for the relief of Col. Russell King Alspach"; to the Committee on Armed Services.

778. A letter from the Director, Office of Defense Mobilization, Executive Office of the President, transmitting the semiannual report to the Congress on the stockpiling program for the period from July 1 to December 31, 1956, pursuant to section 4 of the Strategic and Critical Materials Stock Piling Act, Public Law 520, 79th Congress; to the Committee on Armed Services.

779. A letter from the Administrator, Federal Civil Defense Administration, transmitting the quarterly report of Federal contributions for the quarter ending March 31, 1957, pursuant to subsection 201 (i) of the Federal Civil Defense Act of 1950; to the Committee on Armed Services.

780. A letter from the Assistant Secretary of Defense (Supply and Logistics), transmitting reports on Army, Navy, and Air Force prime contract procurement actions with small and large concerns for work in the United States for the first 8 months of fiscal year 1957, pursuant to Public Law 268, 84th Congress; to the Committee on Banking and Currency.

781. A letter from the Administrator, Small Business Administration, transmitting a draft of proposed legislation entitled "A bill to amend section 24 of the Federal Reserve Act"; to the Committee on Banking and Currency.

782. A letter from the Administrator, Housing and Home Finance Agency, transmitting a draft of proposed legislation entitled, "A bill to authorize the conveyance of a fee simple title to certain lands in the Territory of Alaska underlying war housing project Alaska-50083, and for other purposes"; to the Committee on Banking and Currency.

783. A letter from the Director, District Unemployment Compensation Board, government of the District of Columbia, transmitting the 21st Annual Report of the District Unemployment Compensation Board for the year 1956; to the Committee on the District of Columbia.

784. A letter from the Acting Director, Administrative Office of the United States Courts, transmitting a draft of proposed legislation entitled "A bill to amend the act regulating the business of executing bonds for compensation in criminal cases in the District of Columbia"; to the Committee on the District of Columbia.

785. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation entitled, "A bill to provide for the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, and of certain officers and members of the United States Secret Service, and for other purposes"; to the Committee on the District of Columbia.

786. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation entitled, "A bill to amend sectiones 4 (a) and 7 (a) of the Vocational Rehabilitation Act"; to the Committee on Education and Labor.

787. A letter from the Secretary of State, transmitting a draft of proposed legislation entitled, "A bill to amend the act of Congress approved August 7, 1935 (Public Law 253), concerning United States contributions to the International Council of Scientific Unions (ICSU) and certain associated unions"; to the Committee on Foreign Affairs.

788. A letter from the Director, International Cooperation Administration, transmitting an additional report (relative to a letter dated November 13, 1956, from the Department of State transmitting a report for foreign excess property disposals by the Department) dealing with the International Cooperation Administration including the activity of the predecessor agency (Foreign Operations Administration), pursuant to Public Law 152, 81st Congress; to the Committee on Government Operations.

789. A letter from the Comptroller General of the United States, transmitting the first report on the review of the Washington Aqueduct, Corps of Engineers (Civil Functions), Department of the Army, for the fiscal year ended June 30, 1956; to the Committee on Government Operations.

790. A letter from the Comptroller General of the United States, transmitting a report on significant financial aspects of the Railroad Retirement Board, December 1956, containing information and recommendations concerning the actuarial condition of the railroad retirement account; to the Committee on Government Operations.

791. A letter from the Chief Commissioner, Indian Claims Commission, transmitting a report that proceedings have been finally concluded with respect to the following claim, pursuant to (60 Stat. 1055; 25 U. S. C. 70t): *Shoshone Tribe of the Wind River Reservation, Wyoming, Petitioner, v. The United States of America, Defendant* (Docket No. 63); to the Committee on Interior and Insular Affairs.

792. A letter from the Acting Secretary of the Interior, transmitting a proposed concession contract with Lake Mohave Resort, Inc., to provide facilities and services for the public at the Katherine Wash Site of Lake Mead National Recreation Area, Nev., for a period of 20 years from January 1, 1957; to the Committee on Interior and Insular Affairs.

793. A letter from the Acting Secretary of the Interior, transmitting a report on contracts made by the Bureau of Indian Affairs for the fiscal year 1956, pursuant to section 4 of the Act of June 4, 1936 (49 Stat. 1458, 1459); to the Committee on Interior and Insular Affairs.

794. A letter from the Acting Secretary of the Interior, transmitting copies of order canceling $1,875.50 of reimbursable debts existing against certain Indian landowners on the Wind River Indian irrigation project, Wyoming, pursuant to authority in an act of Congress approved July 1, 1932 (47 Stat. 564, 25 U. S. C. 386a); to the Committee on Interior and Insular Affairs.

795. A letter from the Acting Chairman, Federal Communications Commission, transmitting a report on backlog of pending applications and hearing cases in the Federal Communications Commission as of February 28, 1957, pursuant to section 5 (e) of the Communications Act as amended by Public Law 554; to the Committee on Interstate and Foreign Commerce.

796. A letter from the Chairman, Federal Power Commission, transmitting one copy of its newly issued publication entitled, "Statistics of Electric Utilities in the United States, 1955, Publicly Owned," for the information of the House of Representatives; to the Committee on Interstate and Foreign Commerce.

797. A letter from the Acting Director, Administrative Office of the United States Courts, transmitting a draft of proposed legislation entitled, "A bill to amend title 18, United States Code, section 3651, so as to permit confinement in jail-type institutions or treatment institutions for a period not exceeding 6 months in connection with the grant of probation on a one-count indictment"; to the Committee on the Judiciary.

798. A letter from the Acting Director, Administrative Office of the United States Courts, transmitting a draft of proposed legislation entitled "A bill to amend the Federal Probation Act to make it applicable to the United States District Court for the District of Columbia"; to the Committee on the Judiciary.

799. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting a letter relative to the case of Yu Chang Hsieh, A-6986597, involving suspension of deportation under the provisions of section 244 (a) (1) of the Immigration and Nationality Act of 1952 and requesting the case to be withdrawn and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

800. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled, "A bill for the relief of the estate of Isa Hajime"; to the Committee on the Judiciary.

801. A letter from the president, National Safety Council, transmitting a report of the audit of the financial transactions of the National Safety Council for the year 1956, pursuant to Public Law 259, 83d Congress; to the Committee on the Judiciary.

802. A letter from the Secretary, Panama Canal Company, transmitting a draft of proposed legislation entitled "A bill to amend provisions of the Canal Zone Code relative to the handling of the excess funds of the Panama Canal Company, and for other purposes"; to the Committee on Merchant Marine and Fisheries.

803. A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation entitled, "A bill to clarify the application of navigation rules for the Great Lakes and their connecting and tributary waters, and for other purposes"; to the Committee on Merchant Marine and Fisheries.

804. A letter from the Deputy Postmaster General, transmitting a draft of proposed legislation entitled, "A bill to provide for the Board of Trustees of the Postal Savings System to consist of the Postmaster General and the Secretary of the Treasury"; to the Committee on Post Office and Civil Service.

805. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated March 27, 1957, submitting a report, together with accompanying papers and illustrations, on a review of reports on Criehaven Harbor and Matinicus Harbor, Maine, requested by resolutions of the Committee on Public Works, House of Representatives, adopted May 27, 1947, and April 13, 1948; to the Committee on Public Works.

806. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated October 19, 1956, submitting a report, together with accompanying papers and an illustration, on a letter report on Cypress Drainage District, Conway and Perry Counties, Ark., requested by a resolution of the Committee on Public Works, House of Representatives, adopted May 27, 1949; to the Committee on Public Works.

807. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated October 19, 1956, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Perdido Bay, Ala. and Fla., authorized by the River and Harbor Act approved March 2, 1945; to the Committee on Public Works.

808. A letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation entitled "A bill to amend the definition of the term 'State' in the Veterans' Readjustment Assistant Act and the War Orphans' Educational Assistance Act to clarify the question of whether the benefits of those acts may be afforded to persons pursuing a program of education or training in the Panama Canal Zone"; to the Committee on Veterans' Affairs.

809. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation entitled "A bill to amend the provisions of the Social Security Act to consolidate the reporting of wages by employers for income-tax withholding, and old-age, survivors, and disability insurance purposes, and for other purposes"; to the Committee on Ways and Means.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DINGELL:

H. R. 7065. A bill to increase the normal tax and surtax exemption, and the exemption for dependents, from $600 to $700, to the Committee on Ways and Means.

H. R. 7066. A bill to increase the normal tax and surtax exemption, and the exemption for dependents, from $600 to $800; to the Committee on Ways and Means.

By Mr. DOYLE:

H. R. 7067. A bill to amend the Federal Property and Administrative Services Act of 1949 to permit the donation and other disposal of property to tax-supported public recreation agencies; to the Committee on Government Operations.

By Mr. KRUEGER:

H. R. 7068. A bill to make certain provisions in connection with the construction of the Garrison diversion unit, Missouri River Basin project, by the Secretary of the Interior; to the Committee on Public Works.

By Mr. MACK of Washington:

H. R. 7069. A bill to amend the Agricultural Marketing Agreement Act of 1937, as amended, to include cranberries for canning or freezing; to the Committee on Agriculture.

By Mr. MAGNUSON:

H. R. 7070. A bill to provide for construction by the Secretary of the Interior of certain units of the Greater Wenatchee division, Chief Joseph Dam project, Washington, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. REUSS:

H. R. 7071. A bill to amend the act of May 25, 1926, to provide for the establishment of the highest possible standards of architectural design and sound decoration for Federal public buildings; to the Committee on Public Works.

By Mr. SAYLOR:

H. R. 7072. A bill to regulate the foreign commerce of the United States by establishing import quotas under specified conditions, and for other purposes; to the Committee on Ways and Means.

By Mr. WILSON of California:

H. R. 7073. A bill to amend section 1215 of title 10 of the United States Code to equalize the benefits provided for retired members of the Armed Forces; to the Committee on Armed Services.

H. R. 7074. A bill to amend section 1332 of title 10 of the United States Code to provide for crediting service as a contract dental surgeon or acting dental surgeon with the War Department toward retirement for nonregular service; to the Committee on Armed Services.

By Mr. COOLEY:

H. J. Res. 313. Joint resolution designating the week of November 22 to 28, 1957, as National Farm-City Week; to the Committee on the Judiciary.

By Mr. LESINSKI:

H. Res. 240. Resolution authorizing the printing of the manuscript, "Foreign Trade Interests in the State of Michigan" as a House document; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. LANE: Resolutions adopted by the Commonwealth of Massachusetts memorializing the Congress of the United States to enact legislation placing full responsibility for civil defense on the Federal Government; to the Committee on Government Operations.

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to enact legislation to provide for utilization of commercial marine terminal facilities by the United States; to the Committee on Merchant Marine and Fisheries.

Also, memorial of the Legislature of the State of Kansas, memorializing the President and the Congress of the United States to assure the continuance of surveys and planning in the construction of projects in the State of Kansas that are vital and necessary to the conservation of soil and water by the Bureau of Reclamation, the United States Department of Agriculture, and the Corps of

Engineers, and other Federal agencies and departments; to the Committee on Public Works.

Also, memorial of the Legislature of the State of Maine, memorializing the President and the Congress of the United States to correct governmental policies which create unreasonable competitive disadvantages for the cotton textile industry; to the Committee on Agriculture.

Also, a memorial of the Legislature of the State of Nebraska, memorializing the President and the Congress of the United States approving and supporting the decision of the United States Supreme Court in the school segregation cases; to the Committee on Education and Labor.

Also, a memorial of the Legislature of the State of New Jersey, memorializing the President and the Congress of the United States to amend the Internal Revenue Code so as to extend the "conduit theory" to regulated investment companies that hold their assets in State and local securities; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of New Mexico, memorializing the President and the Congress of the United States to enact legislation granting 10 million acres of land in trust to this State for the purpose of providing modern educational facilities in institutions of higher learning in this State; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of New York, memorializing the President and the Congress of the United States to cooperate in honoring the memory of Theodore Roosevelt and celebrating the centennial anniversary of his birthday; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States to make funds immediately available to finish the planning and start construction of the flood control and hydroelectric facilities needed at the Green Peter project; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States to enact legislation granting pension to World War I veterans, with reasonable income limitation provision, but otherwise substantially comparable to pension grants to veterans of America's wars prior to World War I; to the Committee on Veterans' Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California (by request):

H. R. 7075. A bill for the relief of Emmanuel De Leon; to the Committee on the Judiciary.

By Mr. BOGGS:

H. R. 7076. A bill for the relief of Mother Maria Teresa Ecelzabarrena, Mother Teodora Sanchez Rodriguez, and Mother Maria del Carmen Gonzalez Rodriguez; to the Committee on the Judiciary.

By Mr. DOYLE:

H. R. 7077. A bill for the relief of Kum Cha Lee; to the Committee on the Judiciary.

By Mr. FORD:

H. R. 7078. A bill for the relief of Albertine Suzanne Girard Boyko; to the Committee on the Judiciary.

By Mr. SCHWENGEL:

H. R. 7079. A bill for the relief of Vincenzo Gangemi; to the Committee on the Judiciary.

By Mr. ROBERTS:

H. R. 7080. A bill for the relief of Mr. and Mrs. Richard J. Smith; to the Committee on the Judiciary.

By Mr. VURSELL:

H. R. 7081. A bill to provide for the removal of a cloud on the title to certain real property located in the State of Illinois; to the Committee on Government Operations.

By Mr. WILSON of California:

H. R. 7082. A bill for the relief of Earl P. Garoutte; to the Committee on the Judiciary.

H. R. 7083. A bill for the relief of Jesus Garcia; to the Committee on the Judiciary.

H. R. 7084. A bill for the relief of Ofelia Magdaleno de Mendez; to the Committee on the Judiciary.

By Mr. ZABLOCKI:

H. R. 7085. A bill for the relief of Mrs. Anna Beskidniak; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

212. By Mr. BUSH: Petition of citizens of South Williamsport, Pa., urging passage of H. R. 3029 or any bill which will require compulsory humane slaughter of animals in packing and slaughter houses throughout the United States; to the Committee on Agriculture.

213. Also, additional petition of citizens of Williamsport, Pa., urging passage of H. R. 3029 or any bill which will require compulsory humane slaughter of livestock and poultry in packinghouses and slaughter shops; to the Committee on Agriculture.

214. Also, petition of District 17, Department of Pennsylvania, the American Legion, representing Legionnaires and Legion posts in several counties in central Pennsylvania, in support of legislation granting pensions to veterans over the age of 65 who are financially unable to provide for themselves and families; to the Committee on Veterans' Affairs.

215. By Mr. CANNON: Petition of employees of Globe-Union, Inc., Milwaukee, Wis., re reduction of the budget; to the Committee on Appropriations.

216. By Mr. THOMPSON of New Jersey: Resolution adopted by the members of the township committee of Ewing Township, N. J., urging the adoption of legislation providing salary increases and personnel management relations for postal employees; to the Committee on Post Office and Civil Service.

217. By the SPEAKER: Petition of Thomas W. Armitage and Malcolm W. Black, Griswold & Co., Inc., New York, N. Y., relative to submitting certain suggestions coming as a result of having attended Joint Civilian Orientation Conference No. 23; to the Committee on Armed Services.

218. Also, petition of the director, Emergency Civil Liberties Committee, New York, N. Y., relative to a grievance against the Un-American Activities Committee of the House of Representatives; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Food Fair Decision Threat to FTC

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1957

Mr. CELLER. Mr. Speaker, under leave to extend my remarks, I wish to insert in the RECORD the following statement made by me and text of a letter to Representative OREN HARRIS, chairman, Committee on Interstate and Foreign Commerce:

FOOD FAIR DECISION THREAT TO FTC

The meatpackers' exemption from surveillance by the Federal Trade Commission that was created in the Packers' and Stockyards Act of 1921 poses grave threats to the continued usefulness of the FTC and to its ability to proceed against unfair and discriminatory practices by any American company.

Under a ruling by a Federal Trade Commission hearing examiner in the Food Fair case, which involved unfair practices in the operations of a supermarket grocery chain of 238 stores, any company, no matter what its primary line of business is, simply by establishing a small meatpacking operation can oust the FTC of jurisdiction over its activities. I have written a letter to the chairman of the Interstate and Foreign Commerce Committee urging him to take early action in order to resolve the statutory ambiguity that gave rise to this condition and to affirm the FTC's jurisdiction over monopolistic practices of meatpackers.

The text of my letter to Representative OREN HARRIS, chairman, Committee on Interstate and Foreign Commerce, is as follows:

"On April 11, 1957, a hearing examiner for the Federal Trade Commission issued a ruling that underscores the urgency for early consideration by the Interstate and Foreign Commerce Committee of necessary legislation to close the loophole in the Federal Trade Commission Act created by the meatpackers' exemption. In the *Food Fair Stores, Inc.* case (FTC Docket 6458), FTC's hearing examiner ruled that Food Fair's ownership and operation of a meatpacking plant ousted the Federal Trade Commission from jurisdiction over unfair methods of competition that violate the Federal Trade Commission Act and discriminatory practices that violate the Robinson-Patman Act even though these unfair and discriminatory practices are totally unrelated to the distribution of meat and meat products, or for that matter, even to the distribution of agricultural products.

"By vesting $2,700,000 in a meatpacking plant, Food Fair has been able to remove FTC surveillance over the business of a supermarket grocery chain of 238 stores with gross sales of $475 million. This is a case where the tail wags the dog.

"Unless the Federal Trade Commission overrules its examiner, his decision leads to absurd results. Any company, no matter what its primary line is, with a minimal investment in a meat packing operation can deprive the Federal Trade Commission of jurisdiction over its activities. Under the examiner's ruling, this device could be used by tire producers, battery manufacturers, automobile manufacturers, integrated oil companies, or any other industrial giant, to eliminate antitrust enforcement by the Federal Trade Commission over monopolistic practices that result in unfair and discriminatory methods of competition.

"I hope that the hearing examiner ultimately is found to be in error. The fact that there is much to support his interpretation of the packers' exemption, however, further demonstrates the need for Congress to clarify this statute and to affirm the jurisdiction of the Federal Trade Commission over the activities of meatpackers.

"As the law now stands, the Secretary of Agriculture has jurisdiction to enforce the antitrust provisions of the Packers' and Stockyards Act of 1921. The Secretary of Agriculture, however, for more than 30 years has done nothing to enforce these antitrust provisions, even with respect to those companies whose primary lines are slaughtering, processing, and selling meat and meat products. It is obvious that the Secretary of Agriculture is neither equipped for nor qualified by experience to continue these antitrust responsibilities.

For these reasons I urgently request that you schedule early hearings on my bill, H. R. 5282, to return to the Federal Trade Commission jurisdiction to prevent monopolistic acts and practices and other unlawful restraints by persons engaged in commerce in meat and meat products."

Unofficial Visit to the Jewish Colony at Sosua in the Dominican Republic

EXTENSION OF REMARKS

OF

HON. HERBERT ZELENKO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1957

Mr. ZELENKO. Mr. Speaker, during the Easter recess, accompanied by three of my distinguished colleagues, Hon. ISIDORE DOLLINGER, of New York, Hon. EARL CHUDOFF, of Pennsylvania, and Hon. SAMUEL N. FRIEDEL, of Maryland, I made an unofficial visit to the Jewish colony at Sosua in the Dominican Republic. We were guests of the colony which was established 17 years ago to provide a haven for persons of the Jewish faith who were victims of Nazi horror and inhumanity.

We spent several days in Sosua where we worshipped in their synagog, lived in their homes, visited their farms, factories, school, and hospital.

We found a happy and prosperous people in a thriving community. Those who came there oppressed and forsaken are now proud citizens of the Dominican Republic, living in harmony with their neighbors, respected and welcomed everywhere.

The Sosua settlers told us, and we can report from personal observation, that the promises made to them by Generalissimo Trujillo in 1940 have been fulfilled. He has kept his word.

In Ciudad Trujillo, the capital of the Dominican Republic, we witnessed a history making and significant event.

Alfred Rosenzweig, who came there with the small band of Hitler's victims, was sworn in as a Congressman of the Republic. He was the first of the Jewish faith to achieve this honor. To us this was indicative of the freedom of opportunity, freedom of religious belief and worship, and the absence of discrimination of any kind, because of race, creed, or national origin in the Dominican Republic.

We were invited to meet with Generalissimo Trujillo. In the course of our discussion, we mentioned the plight of the Egyptian refugees who are now seeking a haven from communism and Nasser terrorism. We were particularly concerned because President Eisenhower and Secretary of State Dulles have refused the same preference to the Egyptian refugees as was given to the Hungarians.

Generalissimo Trujillo assured us that he would be happy to do today what he did in 1940. He said that the door of the Dominican Republic is open to all oppressed people, regardless of race, creed, or national origin and that 5,000 Jewish refugees can be admitted immediately. He further advised us that he is making available sufficient fertile land for all those who will come.

Results of Questionnaire Mailed by Hon. John F. Baldwin, of California, to Residents of the California Sixth District

EXTENSION OF REMARKS

OF

HON. JOHN F. BALDWIN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1957

Mr. BALDWIN. Mr. Speaker, early this year I mailed a questionnaire to every family of registered voters in the California Sixth Congressional District. The response to this questionnaire was the largest that I have ever received. Many constituents not only answered the questionnaire, but sent supplementary letters or wrote detailed comments on the back of the questionnaire. I have spent many hours personally reading all of these comments, and they have been most helpful. I am firmly convinced that a Congressman can better represent his constitutents if he knows the views of all of these constituents, than if he has only heard from pressure groups.

The tabulation of the questionnaire is summarized below:

1. A civil-rights bill is under consideration by Congress which would provide that any intimidation or other effort to prevent a citizen from legitimately voting in Federal elections is a Federal offense, and that the United States Attorney General be given authority to prosecute such a violation. Do you favor or oppose such a bill? Favor, 86.4 percent; oppose, 8.6 percent; undecided, 5 percent.

2. President Eisenhower has proposed that Congress authorize him to use our Armed Forces, if necessary, to protect the territorial integrity and political independence of any Middle Eastern nation requesting such aid, against overt armed aggression from any nation controlled by international communism. Do you favor or oppose such authorization? Favor, 63.6 percent; oppose, 25.5 percent; undecided, 10.9 percent.

3. The Refugee Relief Act, which permitted admission into the United States of refugees, expired on December 31, 1956. Proposals have been made that an extention of this act be passed so that additional refugees from Hungary and other countries might be admitted to this country. Do you favor or oppose such an extension? Favor, 41 percent; oppose, 48.5 percent; undecided, 10.5 percent.

4. President Eisenhower has proposed to Congress that the McCarran-Walter Immigration and Nationality Act be liberalized so that unused immigration quotas could be transferred to country whose quotas are oversubscribed. Do you favor or oppose this modification in the act? Favor, 47.4 percent; oppose, 41.7 percent; undecided, 10.9 percent.

5. The present tight-money situation has resulted primarily from Government efforts to prevent inflation. If you had your choice, which of the following would you prefer:

(a) High interest rates, with reasonable stability in prices—89.3 percent.

(b) Lower interest rates, but with higher prices for the goods you buy—10.7 percent.

6. It has been proposed that the Veterans' Administration's interest rate on veterans' home loans be increased from 4½ to 5 percent to stimulate lending agencies to make more VA home loans. Do you favor or oppose this increase in the VA interest rate? Favor, 56.6 percent; oppose, 34.3 percent; undecided, 9.1 percent.

7. It has been proposed that the veterans' preference, which gives priority to veterans over nonveterans in Federal civilian employment, should not apply after a nonveteran has a minimum of 15 years' Federal service. In other words, a nonveteran with more than 15 years of Federal civilian service could not be "bumped" (ousted from his job), in case of a reduction in force, by a veteran with less Federal civilian service. Would you favor or oppose such a limitation of the veterans' preference.

Answers from all constituents: Favor, 73.8 percent; oppose, 21.8 percent; undecided, 4.4 percent.

Answers from veterans: Favor, 68.5 percent; oppose, 27.4 percent; undecided, 4.1 percent.

Answers from nonveterans: Favor, 80.1 percent; oppose, 15.8 percent; undecided, 4.1 percent.

Answers from Federal civilian employees who are veterans: Favor, 44.6 percent; oppose, 51.6 percent; undecided, 3.8 percent.

Answers from Federal civilian employees who are nonveterans: Favor, 90.5 percent; oppose, 8.6 percent; undecided, 0.9 percent.

8. (Answered by residents of Solano County.) The Air Force has announced that it considers it essential to construct 500 additional housing units at Travis Air Force Base to provide adequately for military personnel stationed at the base, and for our national defense. In order to do this, under present law, the Air Force must first purchase the existing 900 housing units at the base which were originally built under the Wherry Act. Such purchase would remove the Wherry housing units from the tax rolls, depriving Solano County of approximately $45,000 in property tax revenue per year. With these facts in mind, do you favor or oppose the Air Force proposed construction of the 500 additional housing units? Favor, 36.8 percent; oppose, 51 percent; undecided, 12.2 percent.

I, Me, My, Mine

EXTENSION OF REMARKS

OF

HON. CLARENCE CANNON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1957

Mr. CANNON. Mr. Speaker, under leave to print I am enclosing correspondence which is self-explanatory:

NEW YORK, N. Y., *April 18, 1957.*

DEAR REPRESENTATIVE CANNON: May I respectfully register the fact that as a voter,

I agree completely with the New York Times editorial position on the irresponsibility and politically prompted motives behind your committee's actions in its un-thought-through cuts in appropriations. And may I further state my belief that the American public as a whole, having voted overwhelmingly for President Eisenhower and his program, will prove to have long memories politically on your present actions.

Sincerely,

M. McCRUM.

APRIL 22, 1957.

DEAR SIR: In response to the accompanying letter of April 18, 1957, who in the world would consider it politically expedient to deny appropriations?

I take my political life in my hands every time I vote to cut these topheavy budgets. But I have been here so long that I can afford to vote for the general welfare and the solvency of the Government notwithstanding the bludgeoning assaults from the lobbyists and special interests and self-seeking pressure groups who jam Washington and the corridors of the Capitol and fill the mail with letters like yours.

With best wishes.

Very truly yours.

CLARENCE CANNON.

Speech of Hon. Clifford Davis, of Tennessee, at the Dedication Ceremonies for the E. H. Crump Memorial, April 21, 1957

EXTENSION OF REMARKS

OF

HON. CLIFFORD DAVIS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1957

Mr. DAVIS of Tennessee. Mr. Speaker, the late Edward Hull Crump, who served as a Member of the House of Representatives in the 72d and 73d Congresses, was a dynamic political and civic leader in Memphis and the State of Tennessee for 5 decades. He was without question a man of integrity, patriotism, and great mental capacity. He was beloved by the citizens of Memphis, who recognized that he served unselfishly to build a happier and more prosperous community. He was interested in the common man. His charities and helpfulness were extended quietly. Many who were ill, discouraged, in financial distress, or with personal sorrows found ready assistance from him.

When he left this life for a greater reward, the Council of Civic Clubs decided that there should be an everlasting memorial to his long and great life. A perfectly beautiful life-sized statue was erected in Overton Park, one of our oldest and most beautiful recreation and cultural centers.

I had the very high privilege of making the address at the dedication of this memorial on the last Easter Sunday. In this speech I sought to recite some of his outstanding contributions to the life of our section of the country.

By this permission to extend my remarks, I have the honor to include that humble effort that those who knew him in Washington and others may be able to review his outstanding record.

The address follows:

SPEECH OF HON. CLIFFORD DAVIS, OF TENNESSEE, AT THE DEDICATION CEREMONIES FOR THE E. H. CRUMP MEMORIAL, APRIL 21, 1957

Mr. Chairman, Your Honor the Mayor, gentlemen of the city commission, our beloved Senator McKellar, and my friends:

It is with sincere humbleness that I have the honor and the high privilege to represent so many on this Easter Sunday when we endeavor to pay tribute to that great American, the late Edward Hull Crump, to whose memory we are dedicating this everlasting reminder.

Mr. Crump was my closest political adviser, counsellor, and friend. Countless others called him such. He gathered unto himself loyal friends in every walk of life.

Humble in victory, without rancor in defeat, he traveled far along life's road to great achievement. Service to others is the toll we pay as we travel life's highway. For every mile along his way he paid in devoted service to his fellowman.

There are many roads in life which one may follow. Some lead to quicksands of tyranny and some to freedom. Some roads lead to individual despair and others to happiness. Many roads lead to destinations unknown. Mr. Crump was always ready to use his legislative influence to erect a helpful sign for the benefit of his fellow citizens traveling along life's many highways. He never hesitated to recommend the coercion of law to prevent the stronger travelers from impeding the progress of the weak. He used his voice and his vote to help those stranded in the march of life through no fault of their own.

Mr. Crump was devoted to his mother, who created a family atmosphere in which he breathed the highest ideals and was stimulated to sustained and strenuous intellectual and moral effort in order to conform to family standards. His mother had an abiding confidence in the future of her son, which strongly influenced him to justify it.

Through three generations of this family the same could well be written. Mr. Crump had great pride in the three fine sons he and his beloved wife brought to manhood and success.

While Mr. Crump was fundamentally conservative, I cannot help but refer to him even so as a true liberal. As a review of his record will show and the people more and more realize, he believed in the most freedom possible for the individual consistent with orderly society.

For nearly a century and a half there was no memorial to Sir Christopher Wrenn, the great English mathematician, architect, and scholar in St. Paul's, the great cathedral of his building. At long last the famous epitaph was composed. That inscription known to so many of you who have visited the cathedral simply says, "Beneath lies buried the founder of this church and city, Christopher Wrenn, who lived more than 90 years, not for himself but for the public good. Reader, if you seek his monument, look around you."

If there ever were a parallel in thought, it lies in this tribute to the real builder of Memphis. How true it is that the hard work of Mr. Crump will ever live in the hearts of generations unborn when we but look around.

Though he never made a public speech, he made some of the deepest and finest utterances in meetings with public delegations and with his political supporters in the privacy of his well-appointed office. Though not admitting that he was a city planner, he was constantly working for a bigger, happier, cleaner, and more prosperous Memphis.

He was interested in the building of schools and we have but to look around to see these fine physical structures. We must be reminded that he insisted that the training of our youth be left with skilled educators. He tolerated no political influence in the election of teachers nor in the prescribed courses of study.

During Mr. Crump's administration as mayor, he established the juvenile court in the days when there were few courts of this jurisdiction in the land. This court to this day has contributed immeasurably to the happiness of our youth, in the rehabilitation of those who have faltered, and in the reestablishment of broken homes. So it is in these days when juvenile delinquency presents a problem in so many concentrated centers of population, we see but rare instances of juvenile crime in Memphis and no investigating committee can find reason to seek cause and effect here.

It was Mr. Crump who established the City Beautiful Commission. He loved the beautiful and insisted on the city's physical cleanliness. The national recognition given to the efforts of the current work of the City Beautiful Commission bears evidence of its worthiness.

Looking around further we see park after park built upon his urging. I shall never forget walking with him through Hodges Field when he envisioned another place for athletic contests. The E. H. Crump Stadium will ever stand as a monument to his interest in athletics. It has provided a great outdoor arena not only for football and track events but has accommodated great religious gatherings on many occasions.

It took courage to force some transportation companies to separate grades for safety and easy movement of traffic, but the older citizens within the hearing of my voice know that he had that courage and in many instances viaducts and subways were constructed.

One of the great monuments to his memory is the beautiful Mississippi River bridge, to which I shall always refer most naturally as the E. H. Crump Bridge. The late Mr. Thomas H. MacDonald, longtime Commissioner of Public Roads, considered this the finest and most beautiful bridge built under the many years of his administration. Mr. Crump influenced the building of the beautiful approaches and the modern lighting facilities. He it was who had the vision for this necessary gateway east and west. Senator McKELLAR was a great instrument in its successful conclusion, and in a small way I was able to work with him and local officials and citizens of Memphis and Arkansas under the constant direction of Mr. Crump.

The Memphis harbor project so important to the future of Memphis, which will add to our transportation needs and the making of more payrolls and the spread of wealth to everybody in Memphis, was a creation of his own mind. This development already so far along in its design and building is progressing steadily toward the fullest possible accomplishment.

Years ago he became interested in cleaning up the bad conditions at our front door in the Wolf River channel. An interceptor sewer was built but we found that with the rapidly growing population and the development of chemicals and industry still more had to be done. One of his last monuments, not yet completed, is the cutting of Wolf River directly into the main channel of the Mississippi on the northern limits of our city. I am pleased to advise that we are nearing success in this matter and I have dedicated my best efforts as a member of the Committee on Public Works in the House, and as chairman of the Subcommittee on Flood Control, to its earliest possible completion.

All of you know that cheap power from the Tennessee Valley Authority has added to our prosperity and has benefited our section tremendously. Mr. Crump long ago was an advocate of cheap power and he never failed for a moment in supporting the philosophy and the objectives of TVA, and it was he who builded another monument in insisting that Memphis purchase the distribution system for electricity. Today under wise management our light division is operating on-good business principles and is keeping up with the growth of Memphis most satisfactorily.

He was interested in bringing natural gas to Memphis, and all of us know the tremendous demands on our water system and the fine way in which those demands are met.

So we have another monument that will live for all time in the distribution of public utilities by a city well known throughout the country for its efficiency and its service to the people. And I should like to remind all of you that working with his long-time friend, Mr. E. W. Hale, former chairman of our county commission, he established the same unselfish interest in county affairs as he did in purely city matters, and with a recognized strong city and county government cooperating in matters of State government, we have reached a high place in the family of cities.

On many occasions Mr. Crump surprised me by his knowledge of the Bible. Undoubtedly he read it with a deep earnestness and with an amazing understanding. He had had one of the cleanest minds I have ever encountered.

An excellent conversationalist, he had in his fine brain such a wealth of general information that he could talk accurately, thoroughly, and exhaustively about any subject that could be suggested by anyone.

Mr. Crump was most highly respected as a Member of the United States House of Representatives during his two terms of service.

It must not be forgotten that he was seven times a delegate to the Democratic National Conventions, a member of the Democratic State committee for 4 years, of the Democratic National Committee for 9 years, a regent of the Smithsonian Institution, as well as a successful mortgage-loan, real-estate, and investment banker.

When I had business at the White House some years ago, President Roosevelt opened the conversation with an inquiry about Mr. Crump. He asked particularly that I urge him to come to see him. Shortly before President Roosevelt's death, he telephoned Mr. Crump and asked that he drop by to see him on a matter of some importance. Upon returning from the visit, Mr. Crump said to me, "Cliff, the President will not be with us long." In less than a fortnight, he had passed on to his reward. I have often said that to many Mr. Crump seemed to have an extraordinary ability to see far into the future and oftentimes many of us felt he could see through a stone wall.

He gave to all of us two mottoes which I have never heard used by any other man. They have been most valuable to me personally. He said, "Plan your work and work your plan." And still another was, "Observe, remember, and compare." If in every walk of life we could but observe a set of circumstances, remember them well, and compare the relationship with a problem or emergency of the moment, we could save so many mistakes in decision.

To me, this is not a sad moment. The man we honor had much too full a life for that. I must confess, however, a feeling of great loneliness and a heart filled with a longing for his counsel in these troublesome days. I like the works of the poet Edwin Markham:

"And when he fell in whirlwind, he went down
As when a kingly cedar—green with boughs—
Goes down with a great shout upon the hills
And leaves a lonesome space against the sky."

Born of a great intellect, Mr. Crump was a man of great faith, industry, and manifold experiences. He had faith in his fellow man. That faith in others led them to put their trust in him.

He had great faith in our kind of government. His life was dedicated to its preservation and its betterment. His compass was the Constitution of his country; his ultimate goal, a better life for his fellow man. To paraphrase Emerson, governments have their development in the moral integrity and character of man.

He believed in a life hereafter.

One of the imperishable yearnings of the soul of man is to live beyond the day of death. During life our departed leader created to himself an everlasting memorial. His services to his Government and, through Government, to his fellow man will go on and on. Many hereafter, because of his ennobling example, will gain inspiration to serve in the cause to which he gave his full devotion. That will be our lasting memorial in his honor.

Leadership and Responsibility

EXTENSION OF REMARKS

OF

HON. W. J. BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1957

Mr. DORN of South Carolina. Mr. Speaker and ladies and gentlemen of the House, my South Carolina colleague, the Honorable ROBERT W. HEMPHILL, is in much demand as a public speaker because of his forthrightness and keen analysis of the problems facing our country and the world today. I commend to the attention of the House the following splendid address delivered at a banquet of the Omicron Delta Kappa Leadership Society at the University of South Carolina:

LEADERSHIP AND RESPONSIBILITY

(Speech of Hon. ROBERT W. HEMPHILL, Member of Congress, before Omicron Delta Kappa Leadership Society, University of South Carolina, Columbia, S. C., April 25, 1957)

Mr. President, distinguished guests, ladies and gentlemen, some time ago I witnessed an argument between two little sisters about an office in a little club of their neighborhood. The younger of the two sisters had been elected recording secretary and the older of the two was making fun of the younger. The younger recording secretary lashed out: "You just don't understand, you see, this is the first time I have ever been elected to anything, and I am proud of it."

The little wisdom expressed here might well illustrate something so evident here as well as in the Capital of the United States where I have some responsibilities.

Leadership and recognition are treasures only a few attain. Every honor that you and I receive, such as election to this fine organization, is not only a privilege, but has far-reaching effect and responsibility. The organization of which you are a part—the school where you have attained these honors—the community from which you come—your families and their names—the church to which you belong, and even your girl friend, are now in the spotlight that your success has gained for you.

The examination of a critical world is never limited to a man or woman, regardless of age, who is in a coveted position; everything he or she touches, and everything with which he or she is surrounded, is on the block for testing. And so, we must understand, that if we are to accept the reins of leadership we can never turn them loose, nor can we escape our public and private responsibilities—and this applies to the great heroes in the world governments.

Early in 1953 there disappeared from the American scene a man who had been denied his greatest desire. His father had been President of the United States, and by right he should have been. Some felt he was cheated—others, just defeated, in his aspirations of 1952. Without rancor or bitterness he returned to his seat in the United States Senate and his responsibilities as the majority leader. He worked unceasingly for a party which had refused him, believing that he was working for a Nation that must survive. In the midst of his efforts he was stricken by cancer, but continued despite terrific physical pains and colossal discouragements. In an article about him shortly after his death, a great publication [1] carried an item entitled, "Heroic Last Days of Robert Taft." All of his colleagues knew that he lived like a leader. The world knows now that he died like a leader, and even in death he is an inspiration to great and good men everywhere.

Most of you gathered here today are leaders on an American campus. As a member of the public, a citizen, and even as a Member of Congress, I have every right to expect of you the highest type of citizenship, outstanding integrity, and highest morality in your mature life. You have what it takes—you have been recognized and honored for it and you cannot let us down now—you must not even let yourselves down.

I mentioned morality, as a delineation between right and wrong, which is more important to me than any other factor in the history of what man calls civilization. The same moralities that today are necessary in the huskings of the market are necessary among the nations of the world. If America departs from her morals, or any high Government official disregards them, we suffer. We are suffering now from the burdensome taxation from a decade of tension, from a loss of friendship among our most honored and ancient of allies, from a loss of face over the entire globe, all of which might be blamed on our departure from moral truths; everybody knows that you cannot buy a friend—that is, everybody but the United States Government.

I suppose every speaker you have had has had something to say about communism. My classification of communism is very simple. Communism is the devil's form of government, and behind the Iron Curtain there is a hell on earth. History may blame our governmental policies, our efforts to combine good and evil at the same conference table—as one of the main causes of the growth of communism in a world that wanted freedom.

Let us look at the Communist leadership for a moment. Red China is the world's biggest dope peddler.[2] The government is in the business of dope and corruption. Red China is not responsible to world opinion, to world morality, nor concerned with common decency. Let us then compare the record of Nationalist China on this evil. Before the war and before the Communists were encouraged by our diplomatic stupidity, narcotics were decreasing in China, and to those who may criticize Chiang Kai-shek and his government, I wish to point out this one fact as an evidence that the Chritianity he and his wife believe in works among the peoples of the East.

At the Geneva Conference in 1954 the Communists were present[3]—present, too,

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[1] This Week magazine.

[2] Reader's Digest, February 1955.

[3] Reader's Digest, February 1955—Distrust Thy Neighbor as Thyself.

was the climate of fear and suspicion which always prevails when Communists get together. The Russians brought their own food and their own automobiles. The Chinese Communists would not rent a house which the Russians had previously considered because of fear of hidden microphones and wiretappings. The American representatives rode about in a rented automobile; but the Communist had bulletproof cars. Which way of life will you and the world choose, and in which direction will you leave the future—in the direction of morality or otherwise?

I wish I could tell you that this lack of appreciation of morality is confined to those who do not believe in our way of life or the religions which have made this country great. Unfortunately, I cannot. On Saturday, April 13, we had no mail service. An American businessman had been given a high cabinet post and responsibility for the operation of the Post Office Department. On January 10, 1956,[4] he had made a statement about his budget as follows: "To provide the American people with an even better mail service," and "That tried and proven concepts of business management have been introduced into every phase of the Post Office Department's activities." Despite these statements we find that he had disobeyed the law known as the "antideficiency law," and this fact was confirmed by Democrats and Republicans in debate which followed.[5] Instead of applying the business methods required by law and appropriating the funds by quarters sufficient to take care of any threatened or anticipated emergency, the law was violated and the American public was alarmed, and properly disgusted, as it should be. If the Congress needed any defense because they provided the funds requested by the Budget Bureau and the Post Office Department, neither the Postmaster General, whose unbusinesslike methods were partially responsible, nor the Director of the Budget,[6] whose appalling ignorance was such that he did not even know that the Post Office revenue does not go to the Post Office, has had the morality to admit the wrong. Great Americans of the past have been quick to say, "I made a mistake." Shall we now cultivate leadership or leaders whose morality is lacking or who have neither the courage nor the patriotism to admit mistake?

The American people are quick to forgive a mistake, honestly admitted. I hope the leaders of the future will have the honor and integrity the American people deserve.

I have talked here of people, of nations, politics and morals, and of leaderships and responsibilities. The campus leaders of Omicron Delta Kappa have furnished many leaders in the maturing life of the Nation—internationally, as well as on a State and community level. I wish I could look into the magic glass and see your place tomorrow. I believe each of you will be cognizant of the responsibility you have. You must, if civilization is to flourish and continue, develop to an even greater extent than you already have your sense of morality, and your dedication to the principle that there is no substitute for honor and trust, there is no justification among men or among governments which superimposes the wrong way over the right way.

And—lest you forget—a recording secretary has an important position of leadership and responsibility.

I salute you as the patriots, the leaders, of the America of tomorrow.

Thank you for allowing me to come.

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[4] CONGRESSIONAL RECORD, April 12, 1957, p. 5583.

[5] Ibid.

[6] Bulletin—Comptroller General, United States, issued April 13, 1957.

Tax Cut for Low Income Taxpayers

EXTENSION OF REMARKS

OF

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1957

Mr. DINGELL. Mr. Speaker, today I introduced two bills to provide a tax cut for low income taxpayers, and I rise to discuss my reasons for so doing and to urge Congress to give early and favorable consideration to my bills.

During the last session of Congress I introduced a bill substantially identical to one of the bills that I introduced today.

The House has cut budget requests of some $72 billion by over $1 billion to date, with the big money bills yet to come. I insert here a table showing the amount of the various cuts by the House of Representatives in budget requests:

Summary of House action on appropriation estimates, 85th Cong., 1st sess.

Appropriation bill	Estimates	Cumulative estimates	Bill reduction	Cumulative reduction	Percent reduction	
					Bill	Cumulative
1. Regular and supplementals, 1958:						
Treasury-Post Office	$3,965,291,000		$80,364,000		2.0	
Interior	515,189,700	$4,480,480,700	60,794,000	$141,158,000	11.8	3.2
General Government matters	20,921,870	4,501,402,570	4,900,500	146,058,500	23.4	3.2
Independent Offices	5,922,195,000	10,424,597,570	537,993,300	684,051,800	9.0	6.5
Labor-Health, Education, and Welfare	2,981,277,581	13,405,875,151	134,446,000	818,497,800	4.5	6.1
District of Columbia (Federal payments only)	25,504,450	13,431,379,601	3,000,000	821,497,800	11.7	6.1
Commerce	871,513,000	14,302,892,601	217,827,940	1,039,325,740	25.0	7.2
State-Justice-Judiciary (as reported)	665,649,802	14,968,542,403	101,850,009	1,141,175,749	15.3	7.6
2. Supplementals and deficiencies, 1957:						
Urgent deficiency, 1957	382,067,500		46,977,500		12.3	
Second urgent deficiency, 1957 (as reported)	55,100,000	437,167,500	6,110,000	53,087,500	11.1	12.1
3. Total session		15,405,709,903		1,194,263,249		7.7

The President said recently that the Budget Bureau has projected a surplus of about $1.8 billion, based on figures preceding the cuts which Congress has made to date. He further indicated that another $1.8 billion can be saved through administrative economies, which would mean an estimated surplus of $3.6 billion. It does not appear either unlikely or unreasonable to expect that there will be sufficient money available for a tax cut of the kind which I propose in one of my two bills. Indeed, I have withheld introducing any tax cut legislation until this time because I was not sure that responsible fiscal policy would permit an orderly reduction of the national debt together with a reasonable amount of tax relief. The first bill which I have introduced provides for raising individual exemptions from $600 to $700. Revenue loss to the Federal Government from this proposal will be $2.8 billion. Under this proposal approximately 3.6 million people in the low-income tax group will be absolved from any tax liability whatsoever. This is a very small percentage of the number of taxpayers in this country, of which there are today about 81 million. Those who will be removed from the income-tax rolls are those who are least able to pay, and those whose income tax is most expensive to process in the Bureau of Internal Revenue. Many of those removed from the tax rolls actually pay less than the amount that it costs the Government to process their return. Slightly over half of this tax cut will go to those who earn less than $5,000 a year, and who constitute the largest class of taxpayers.

Under this particular program the average worker in my district earning the average wage of about $5,000 a year with a wife and two children would receive a tax cut of about $80 or 15.4 percent. For comparison among the various income levels I insert into the RECORD a table of reduction of taxes for various representative income groups with an average family of two children:

Married couple, 2 dependents

$3,000	$120	$40	$80	66.7
$4,000	320	240	80	25.0
$5,000	520	440	80	15.4
$8,000	1,152	1,064	88	7.6
$10,000	1,592	1,504	88	5.5
$15,000	2,900	2,780	120	4.1
$25,000	6,268	6,116	152	2.4
$50,000	18,884	18,648	236	1.2
$100,000	51,912	51,624	288	.6
$500,000	402,456	402,092	364	.1
$1,000,000	857,456	857,092	364	(1)

[1] Less than 0.05 percent.

The other bill which I have introduced offers the taxpayer an increase in the individual exemption from $600 to $800 per annum. This will be possible if the present rate of reduction in appropriations is continued by Congress. The reason I say this is that at the present rate of reduction of appropriations the House will cut the Eisenhower budget by slightly in excess of $4.7 billion. An increase in individual exemptions from $600 to $800 per year will reduce Treasury revenues by about $5 billion. It will also have the effect of eliminating about 7.2 million of the low-income bracket taxpayers.

I want to underscore this, Mr. Speaker, that independent of the economies being effected in the budget by reductions of appropriations by the House of Representatives, Mr. Eisenhower and the Bureau of the Budget have anticipated a Government surplus of about $3.6 billion. This leaves ample room for reduction of taxes along the lines of either of the 2 plans I have suggested in my 2 bills with a budget surplus of about $3.6 billion for reduction of the national debt.

This is the kind of tax cut which is most beneficial to the economy of this country. It goes principally to those who are in the lower income-tax brackets and must immediately spend the proceeds to buy their daily needs. As such, it will flow immediately into the channels of trade and create jobs and opportunity. Those in the upper brackets benefit also by a reduction in taxes. Industry and trade will have an increased volume of money moving in pursuit of goods and services. All will benefit. Such a tax cut will stimulate business and industry, and it is not inconceivable to expect that the stimulus will be such as to result in additional revenue to the Federal Government so as to reduce estimated revenue loss.

I urge early and favorable consideration on either of my two tax cut bills.

Courage and Candor

EXTENSION OF REMARKS

OF

HON. E. Y. BERRY

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1957

Mr. BERRY. Mr. Speaker, under unanimous consent, I insert in the RECORD a constructive statement regarding a man who has through the years known the inside of the State Department.

Because of certain adverse information in opposition to Bryton Barron, I present this statement covering the background of this man who knows the facts.

All students of government realize that one of the greatest obstacles to economy, efficiency, and reform in public affairs is the reluctance of men and women who possess a firsthand knowledge of particular evils to come forward and lay the facts on the line. Such reluctance arises from a natural loyalty to old associates, combined with an awareness of the fact that if one speaks up he may bring down on his head no end of calumny and abuse from those whom he may expose. The latter is a particularly menacing prospect for the lone citizen if those who would be affected by his testimony happen to have the vast resources and machinery of government at their disposal to defame their accuser and confuse the issue.

It is, therefore, appropriate that I express the admiration which some of us from South Dakota hold for a man who spent his formative years in our State and who has been forthright and vigorous in urging reform in an important area of government, namely, the State Department, which he probably knows better than most of us because he served in it here in Washington for more than a quarter of a century. I speak of Bryton Barron, the author of a recent book entitled "Inside the State Department," now in its second printing. Mr. Barron and his wife reside at 401 Waterway Drive, Falls Church, Va., but their friendship with Senators MUNDT and CASE and many other South Dakotans has extended over the years. Both Mr. and Mrs. Barron have close relatives in South Dakota, and Mrs. Barron's brother, Louis Lillibridge, of Burke, S. Dak., is a former member of the State legislature and a highly respected citizen of the State.

Bryton was reared by his pioneer grandparents on a farm near Sioux Falls. Following his graduation from the high school there in 1916 at the head of his class, he entered the local Baptist college. Soon he had captured nearly every honor on the campus, including his class presidency and captainship of an undefeated debate team as well as the editorship of the college paper. He dropped out for 1 year to earn money working on the Argus-Leader, the leading newspaper in the State, and then returned to compete for and win a Rhodes scholarship in State competition. He entered Oxford University in 1920, was awarded a diploma in economics and political science in 1922, and then in 1923 became the first South Dakotan to obtain a research degree—bachelor of literature—at Oxford.

Bryton returned to Sioux Falls with his bride in mid-1923 to become the Argus-Leader's editorial writer. Some years later the distinguished editor of the paper, the late Charles M. Day, wrote of Bryton that he was "a shark for work and a deep student of history and economics, earnest, loyal, and efficient."

In 1925 the Barrons set off for the Philippines on teaching appointments. Of Mr. Barron's record while in the Orient, the director of education in Manila wrote as follows on January 5, 1929:

> It was through Mr. Barron's effort that our division of publications was created and organized, and it was my pleasure to appoint him chief of this division. We have never had a man in the Philippine service in whom I had greater confidence. This is evidenced by the fact that he won such rapid promotion. * * * Mr. Barron is the type of man who is never satisfied unless he is doing two men's work and doing it well.

While in the Philippines, Mr. and Mrs. Barron collaborated in the preparation of a series of textbooks on grammar and phonics. Over 150,000 copies have been sold, and they are still in demand.

Mr. Barron entered the Department of State in Washington on July 11, 1929, as an editorial assistant at a salary of $2,600. Inside of 6 months he had been advanced to chief of the section and jumped 2 grades in salary. His work on the official register of the Department brought to him data regarding the records of various individuals in the service. His previous editorial experience enabled him to play a leading role in the inauguration and development of the Department's weekly publication, the Department of State Bulletin. Supervision of his staff of a score or more editors required him to follow closely the work on diplomatic correspondence compiled for publication. Important State papers, including Presidential proclamations, came across his desk in draft form for editorial attention. Further promotions followed for Mr. Barron, and he was given charge of preparing the Department's printing and binding estimates, along with control of appropriations for those purposes, and participated in hearings before the Bureau of the Budget and congressional appropriation committees. In 1940 Mr. Barron was promoted again, this time to Assistant Chief of the Division of Research and Publication, one of the largest then in the Department, and given another increase in salary along with responsibility for day-to-day administration of the Division.

In 1944 Barron was again promoted in salary and given an opportunity to rebuild the Department's treaty staff and restore treatymaking to its proper role in the conduct of foreign policy. He pursued the task with the utmost vigor, taking steps to set the records in order and to train treaty technicians so that all future commitments for the Nation would be properly drawn. In 1946 Barron was rewarded for his efforts with another grade increase in salary. In due time he initiated and obtained congressional approval of legislation designed to require prompt publication of all United States treaties and agreements. He also inaugurated a looseleaf service to provide for the maintenance of up-to-date treaty information, an innovation which was highly praised. Always a stern taskmaster, Barron eventually ran into discontent in his own staff. His fight against the abuses of executive agreements also made him enemies among those who were running the Department at that time, and finally in 1950 he was reassigned to other work. The year previous a national biographical reference service had listed Bryton Barron as 1 of the 10 outstanding men in the Department.

After 20 years of the strain of administrative responsibility, Barron welcomed the change in assignment, to historical research, to which he could bring to bear his familiarity with treaty problems, even though it involved a slight cut in salary. In this area his last and most interesting project was the compilation of papers dealing with Yalta and the betrayal of American interests at that 1945 meeting between Roosevelt, Churchill, and Stalin, with Alger Hiss in attendance.

Mr. Barron's last performance rating in the Department, signed by the Chief of the Historical Division, G. Bernard Noble, as well as by the Assistant Chief of the Division, and dated January 14, 1954, read as follows:

> Overall work performance is very competent. Research is done carefully and painstakingly; organization of material is logical; attention to technical details and security is entirely satisfactory.

The review of Mr. Barron's work for the previous year, signed by the Chief of the Policy Studies Branch along with the Assistant Chief of the Division, and dated

December 10, 1952, was to the same effect as the foregoing, with the added comment that the review by Barron of the work of others shows very good critical insight.

The picture changed a few months later when Barron officially protested suppression of controversial documents. The division chief who had praised his work in the above-quoted 1954 signed statement, but who was on record in opposition to release of the Yalta story, took steps to have Mr. Barron fired. The attention which this patriot from South Dakota focused on the attempt at suppression resulted in the Yalta papers being released in 1955, even though only in expurgated form, but Barron paid for it with his job, having been forced to retire effective February 1, 1956. In some quarters Barron was accused of insubordination in this connection. It is his comment that the insubordination, if any, was on the part of those who resisted prompt and unexpurgated publication of significant documents as requested by Congress and promised by the Department—not on the part of those like himself who pressed to fulfill the program. It may be noted in passing that the compilations of documents on Teheran and Potsdam, conferences which paralleled the one held at Yalta and on which Department historians were working when Barron was busy on Yalta, have strangely enough not yet been released to the American people.

Mr. Barron was interested in economy and a housecleaning in the Department long before he left the service. Back in 1952 Senator CASE of South Dakota, in writing to a fellow Senator, said of Mr. Barron:

> He really knows the personnel of the Department and has watched with dismay as it became infiltrated with Reds and padded with people who were not needed.

He spoke of Mr. Barron as "a career man with an excellent reputation and a good educational background." After the Republicans took office in 1953, Mr. Barron had several talks with Donald Lourie, the new Under Secretary for Administration. Speaking on behalf of several veteran employees who made it a matter of record at the time that they sought no favors for themselves but were willing to be detailed to help Mr. Lourie for a few months, Mr. Barron presented specific recommendations regarding personnel and organizational changes in line with the 50-percent reduction in the size of the Department which Secretary Dulles was said at the time to be considering. Some changes were made along the line of those suggestions, but opposition within the entrenched bureaucracy prevented any thorough housecleaning.

In line with the suggestion given, Mr. Barron himself was detailed to Scott McLeod's office on a special assignment shortly after the new security officer was appointed in early 1953. Senator MUNDT wrote the Department congratulating it on the use being made of the services of "tried, trusted, and able career men like Mr. Barron," adding:

> I know that for years Mr. Baron has been disturbed over some of the laxity which has continued in responsible positions in your Department men and women who lack the sturdy sense of dedication to our American ideals.

After this detail had been completed and Mr. Barron had returned to his regular work, the Security Chief wrote the Assistant Secretary in charge of Barron's work as follows:

> I want you to know how deeply indebted I am to you for your generous understanding of my problems in making available to me the services of Mr. Bryton Barron, who has made such a useful and practical contribution to the survey team studying the organization, direction, and administration of the Bureau of Security and Consular Affairs. I fully realize that the assignment to my office stretched out considerably longer than originally agreed upon, but the problems he faced were numerous and intricate, and it was only due to his perseverance, long hours of work, and devotion to his task that the job is completed as of this date.

The rank and file of the employees in the Department of State indicated their respect and confidence in Mr. Barron on frequent occasions and to an unusual degree. In his early years there he managed its first softball team, which had a most successful season, and he was subsequently elected manager of the basketball team. In 1935 he helped organize the employees recreation association and was elected its first president. He also helped organize an employees union, served for many years as an elected member of its board of directors, and was designated a spokesman of the employees before the Bureau of the Budget and the Civil Service Commission. It is particularly noteworthy that he helped obtain the charter for the State Department Federal Credit Union and was for 8 successive years elected to its board of directors by the members of this organization, the largest employee group in the Department. The board of directors in turn elected Mr. Barron treasurer and general manager of the union each of those years, a remarkable demonstration of the high esteem in which he was held by his fellow workers. This was again reflected in a letter which came to him from an official of the credit union just before Mr. Barron left the Department and which concluded with these words:

> Your unselfish service to this institution is so well known to the membership that it requires no repetition on my part. Nevertheless, I cannot let the opportunity pass without reminding you that as a founder, charter member, holder of No. 1 account, treasurer during many formative years, and as my colleague on the board of directors, you have exercised a powerful and wholesome influence upon the affairs of this institution which now numbers upward of 8,000 accounts with accumulated assets of more than $2 million.

In his private life, Barron demonstrated 20 years ago some of the resourcefulness of pioneer ancestors when, lacking money to buy a home, he took leave from office, borrowed to buy some materials, and then proceeded to build with his own hands an 8-room house. Much of the interior he finished off working nights and holidays. Years later, when the family moved to a new home on Lake Barcroft, the house that Barron had built 18 years before found a ready market.

The Barron family has always been a well-knit unit. Those who follow model aviation as a hobby knew the group—father, mother, daughter Bebe, and son Roger—as the Flying Barrons, winners of innumerable prizes and trophies in model contests all over America. Bebe, now grown and married, has two sons; Roger, who was graduated from Princeton with honors, is also married and doing graduate work at MIT. As an outgrowth of activity in the model hobby, Bryton was in 1952 elected national secretary-treasurer of the Academy of Model Aeronautics. Mrs. Barron, who for years operated a private school of her own in Fairfax County, has helped many of the young people in that area.

Looking back over the record, it is clear that Bryton Barron's years at the head of the Department's treaty staff, where he had to deal with policy questions and responsible officials in every area of our foreign policy, his 20 years of administrative experience in the Department at a time when that agency's prestige was at its height, his years of working in the secret archives of the Government, and the wealth of biographical and other data which he has accumulated at first hand, render him peculiarly qualified to report on conditions in the State Department.

In addition to his book, he has in recent months written magazine and newspaper articles on the subject, has been heard on both local and coast-to-coast broadcasts, has indicated his readiness to cooperate with congressional committees, and has been in wide demand as a lecturer before interested civic and patriotic groups. Commenting on his book, a writer in National Review has aptly remarked that—

> Mr. Barron is the first man to report to the American public on conditions inside the Forbidden City in Foggy Bottom.

Walter Trohan, veteran Washington correspondent of the Chicago Tribune, after commenting that the book was "packed with dynamite," went on to say that—

> No one can question Barron's experience or qualifications for writing the inside story of the State Department.

The Tablet, that stanchly patriotic weekly published in Brooklyn, has commended Mr. Barron for his courage. And the Honorable Spruille Braden, who served as an Ambassador to several Latin-American countries and as Assistant Secretary of State, has stated that he can confirm much of what Mr. Barron has written as being absolutely accurate, adding:

> Mr. Barron * * * has done a splendid patriotic job, and one that was much needed.

In arguing for economy and a housecleaning in the Department he knows so well, Bryton Barron contends that the bureaucratic setup has become so big that it is both unmanageable and a perfect cover for undesirable elements. He wants only those employees retained who by the record are wholeheartedly in support of the American way of life and our sovereignty as a nation. Personal attacks on him will not divert him from the basic issues.

Our Nation's Budgetary Affairs

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1957

Mr. REED. Mr. Speaker, on April 7, 1954, it was my privilege to speak before the Republican Women's Conference meeting in Washington, D. C. At that time I spoke on the subject of the Republican record with respect to the management of our Nation's fiscal affairs. I recently had occasion to review the remarks that I made at that time. Those remarks are germane to the present-day consideration of our Nation's budgetary affairs. For the information of my colleagues in the House, I would like to include a portion of the remarks I made on April 7, 1954, before that very wonderful meeting of Republican women held in Washington, D. C.:

ADDRESS BY THE HONORABLE DANIEL A. REED, CHAIRMAN, HOUSE COMMITTEE ON WAYS AND MEANS, BEFORE THE REPUBLICAN WOMEN'S CONFERENCE, APRIL 7, 1954

Tax reduction and reduced expenditures have been the traditional fiscal policy of the Republican Party as a formula for achieving a balanced budget and debt retirement. Under this formula, the Republican Party has dedicated itself to a high standard of living for all the people under a peaceful, free enterprise system.

It was my privilege to serve as a Member of Congress immediately after World War I. In 1919 the national debt was $26 billion. Taxes were at their highest level in the history of the United States. Six or seven million persons were idle and relied for their sustenance on soup kitchens organized in our cities. The issue confronting the American people at that time was how could the Nation's productivity and employment be stimulated.

The Republican Party's answer to that problem was not to plunge the Nation into further deficit financing nor were tax increases resorted to in an effort to foster a welfare State.

The first thing the Republican Party did was to retrench and to eliminate nonessential Federal expenditures. Next in 1919–20, personal income taxes were reduced from 12 percent to 8 percent.

Again, in 1921–23, a cut was made in individual income taxes of married persons by increasing their personal exemption from $2,000 to $2,500 and the exemption for each dependent was increased by $200 to $400. In 1924 the tax rate was reduced from 8 percent to 6 percent; also the tax for 1923 was reduced 25 percent by the 1924 act.

Again in the 1926 Revenue Act for the years 1925–27, personal income taxes were reduced from 6 percent to 5 percent. The exemption for a single person was increased from $1,000 to $1,500 and the exemption for married couples was increased from $2,500 to $3,500. In 1928, for the year 1929, the rate was reduced from 5 percent to 4 percent on personal income taxes.

Did these tax reductions result in further deficit financing and additions to the national debt? Not at all. The 6 or 7 million idle people were put to work. One billion dollars each year for 10 years was paid on the national debt. A great decade of prosperity was enjoyed by the people during this period of tax reduction. The budget was balanced each year for 10 years.

In addition to these income tax reductions of the 1920's, many excise taxes, which retarded business expansion and were such a nuisance to the consumer, were either reduced or repealed.

Thus by the reduction of Federal income taxes and war excise taxes in the post-World War I period, business was stimulated, prosperity resulted, the budget was balanced, and the national debt was reduced $10 billion in 10 years.

In the annual report of the Secretary of the Treasury, that distinguished financier and statesman, the Honorable Andrew W. Mellon, once said as follows: "The Treasury Department has always contended that in the long run the taxation of income at moderate rates would be more productive than at very high rates. The soundness of this contention appears to have been borne out by the tax returns under the law of 1926, for both the calendar years 1925 and 1926."

However, we can look to a more recent period for another demonstration of this Republican tax philosophy successfully in operation. I refer to the Republican 80th Congress. In the fall of 1945, the Bureau of the Budget estimated that the administration would have a deficit of over $30 billion for the fiscal year 1946. The economic condition of the Nation was marred by increasing unemployment and the slowing down of business activity.

The issue then was how would we accomplish our objective of providing incentives for business expansion and to increase consumer purchasing power. The answer was partially supplied by the Revenue Act of 1945, which became effective January 1, 1946. It was then estimated that the revenue effect of this legislation would result in a loss exceeding $5 billion. Congress courageously passed the measure in spite of the estimated deficit of $30 billion. Mr. Truman did not veto the bill. This legislation gave relief to both individual and corporate taxpayers. The excess profits tax was repealed for 1946 and later years, and the capital stock tax was repealed. All of this tax reduction program of 1945 was done to forestall threatened economic recession.

Let us examine what happened to the Federal revenues under the stimulating effects of this tax reduction. Our tax receipts instead of being less than the previous year increased an additional $300 million and by 1948 the Federal revenues had increased by approximately $1.7 billion over 1946. Through this tax reduction a scheduled budgetary deficit was converted into a surplus of $754 million for the fiscal year 1947. In the Revenue Act of 1948, taxes were again reduced, and a surplus of $8.4 billion resulted for fiscal year 1948.

In short, the tax record of the 80th Congress reads succinctly as follows: Taxes were reduced $5 billion per year; the budget was balanced for the first time in 17 years; $7 billion was paid on the national debt; a surplus of $8.4 billion was left in the Treasury in 1948. I need not cite the tremendous boom that occurred simultaneously in our economy.

The dynamic qualities that can be fostered in an economy by a sound tax program have been demonstrated by developments in other countries of the world. Canada, Great Britain, and in fact most of the countries of free Europe, have launched a program of tax reduction. As these countries have cast aside their unsuccessful ventures in varying forms of controlled economies and socialism they have undertaken to lend impetus to private enterprise and to restore the fiscal stability of their respective governments through tax reduction. The theory behind this trend has been ably stated by the Honorable R. A. Butler, England's distinguished Chancellor of the Exchequer, when he said, "We must banish the hopeless feeling that extra effort is not worth while."

Concern has properly been expressed that a substantial reduction in the level of Government spending may produce a depressing influence on the national economy activity. In order to offset such a trend the suggestion has been made that a commensurate reduction in Federal taxation should either precede or occur simultaneously with the cut in expenditures. In this connection the following is quoted from an article by Sumner H. Slichter appearing in the Harper's magazine of February 1953. He states the following as the seventh point in the eight-point program to combat recession, and I quote:

"(7) Cut taxes: If individuals and business concerns raise their spending for goods as fast as the Government cuts its defense spending, the total demand for goods will not drop and there will be no recession. The Government can help individuals and business concerns to spend more by taking less from them in the form of taxes. Hence it is important that cuts in defense spending be promptly matched by cuts in taxes."

This wise counsel comes from one of the leading economists in our country who is the economic adviser to some of our Nation's largest businesses.

There is the documented record of the Republican fiscal policy at work. That is the Republican record of keeping faith with the American public by providing greater incentive for productive effort and successfully enhancing the level of our national economy. The greatest beneficiaries of these Republican measures have been the people of small incomes—wage earners, salaried men, and men operating small individual business enterprises.

This Republican policy is certainly a marked departure from the philosophy prevailing during the 20 years of Democratic rule, when 14 major revenue measures were enacted into law increasing taxes. It is a long overdue departure from the New and Fair Deal programs of tax and tax, spend and spend.

Address by Hon. William F. Knowland, of California

EXTENSION OF REMARKS

OF

HON. WILLIAM F. KNOWLAND

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Monday, April 29, 1957

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address I delivered before the Association of American Physicians and Surgeons at Miami, Fla., on Friday evening, April 26, 1957.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY UNITED STATES SENATOR WILLIAM F. KNOWLAND, ASSOCIATION OF AMERICAN PHYSICIANS AND SURGEONS, MIAMI, FLA., APRIL 26, 1957

We must not take our constitutional form of government or our free-enterprise system for granted. Neither fall into the category of something that can be locked in a safe deposit box and kept forever secure. Each generation must be prepared to make the necessary sacrifices to maintain them that our Founding Fathers were prepared to make in the first instance.

Other nations have been or now are larger in land area, in population, and in natural

resources. Yet they have not been able to give to their people the freedom and the standard of living Americans have enjoyed.

As important as is the productive capacity of our Nation and its military strength, these are not the factors which alone could preserve our freedom or enable us to maintain a free world of free men. The inner strength of America has not been its great cities, its huge industrial plants, its extended transportation systems, or its variety of natural resources as important as these are.

The factor which made America an inspiration to the rest of the world grew out of our Declaration of Independence, the Constitution of the United States, and the spiritual values which the founders of our Republic recognized and by which they were guided.

We have recognized that there is a higher moral law to which governments are also accountable. We have humbly acknowledged the divine inspiration which made and preserved us as a Nation.

We have read of and been inspired by the action of George Washington in kneeling in prayer during the dark days of Valley Forge and of Lincoln doing the same during his lonely vigil in the White House during the darkest days of the Civil War.

The priceless ingredient for our people has been our constitutional form of government which guarantees our religious, personal, and economic freedom.

We must not dilute our constitutional guaranties whereby human freedom would be comprised with totalitarian tyranny in any form of world government.

The incentives furnished under our system have constantly opened new horizons.

In this atmosphere, Americans of each generation have sought to leave to their children a better land than they themselves found, not just better in a material way but in the educational and cultural developments that make for better family and community life.

New inventions in various industrial fields and the tremendous potentials of the peacetime developments of atomic power are bound to challenge us for many years into the future.

We must as a Nation build on principles rather than personalities. Individuals come and go but fundamental principles endure.

What are some of these basic principles for which we should stand.

1. Constitutional government with the division of power between the legislative, executive, and judicial branches of the Federal Government and the reservation of all power not granted to the Federal Government, under the Constitution, to the States and to the people. The longer I have been in the Senate the stronger has grown my support of States rights.

2. Maintenance of our free enterprise system under which we have grown from a small colony of 3 million people to a great world power of 170 million with the most productive economic system the world has ever known.

3. Protection by the Federal Government and the States of the people from the concentrated and arbitrary use of power by business or labor organizations against individuals and small-business enterprises. The right to earn a living as an employee or as a proprietor of a small business is a "civil right" of the first magnitude.

4. Maintenance of a soundly growing economy based on free enterprise and full employment. No business or labor organization should have the power to strangle the economic life of 170 million Americans and by so doing endanger free men everywhere. With power must also go responsibility.

5. Support of a sound fiscal structure for our Federal, State and local governments. This requires all of them to live within their means and to stop trespassing on the tax resources of the others.

Without a sound dollar and a solvent government our whole structure of local, State, and National Governments, of public and private educational facilities, of wage earners, of public social security and private pensions and retirement systems will be jeopardized.

Without a sound dollar every employee, every housewife and our people living on retirement income or social-security payments will be penalized. Inflation and debt repudiation is but another form of confiscatory taxation in the Marxist socialist pattern.

It is time for us to rededicate ourselves to a renewed faith in our free way of life.

A tax system under which the Federal Government taxes personal incomes at rates varying from 20 to 91 percent and corporate income at a 52-percent rate is simply too burdensome. It will ultimately destroy our free enterprise system.

For fiscal year 1958 President Eisenhower estimates that the Federal Government will spend almost $72 billion—an increase of more than $5 billion over the 1956 spending rate.

The budget continues in balance only because of a continuous increase in the level of our prosperity which has brought forth a steady rise in tax revenues with no increase in rates.

Few people realize that all we need to do at the present time in order to be able both to reduce our towering national debt and cut taxes is to stop increasing Federal expenditures. Had Federal outlays been held at their 1955 level we would now face the pleasant prospect of a budget surplus of almost $9 billion in the coming fiscal year. This would be sufficient for a sizable reduction both in the national debt and in taxes.

In order to have a budget surplus of almost $5 billion in the forthcoming fiscal year, all we need to do is to keep Federal expenditures from rising above their already high current level. This reduction of $3 billion can and must be achieved as a minimum. I pledge my efforts to this end.

This must not be any single shot effort. In future years we must continue to keep Federal expenditures from increasing and wherever possible, to reduce them. Only this way can our burdensome taxes and national debt be steadily reduced.

There is a prevalent school of thought which maintains that Federal expenditures must keep pace with the growth of our economy. This is a dangerous and unnecessary philosophy. For one thing, it is the economy that maintains the Federal Government and not vice versa. Further, unless we are able to reduce our tax burden, we may end up by destroying or seriously crippling that which is the source of our strength—our free enterprise economy.

We live in a perilous age. Unless we are able to reduce Federal expenditures and taxes, we will have no margin available for emergencies.

I do not deny that as the country grows, some increase in Government expenditures is necessary and even desirable. However, of one thing I am certain. During a time of peace it is not necessary for Federal expenditures to increase as fast or faster than the increase in the national income or as fast as an overburdened tax system can produce increased revenues.

The founders of this republic knew well the history of the world up to their time. They knew that where there was a concentration of power in a single agency of national government that the freedom they sought to guarantee could easily be lost.

Those of us who continue to believe firmly in this wise political philosophy instinctively know that the Federal Government cannot give anything to the States unless it first takes it away from their citizens.

It is in our best interests that the States of our Union be strengthened rather than weakened.

The 48 States should be experimental laboratories where people within limited geographical areas would have the opportunity to legislate and administer policies in conformity with the local needs and desires.

In determining those State policies all adult American citizens are entitled to vote if they meet the qualifications established by law.

Throughout the major part of the last 30 years, the Federal Government has had to use a constantly increasing portion of the Nation's taxable capacity to meet its expanding obligations. Only by calling a halt to this process can the weakened sovereignty of our States be shored up and revitalized. If the Federal system is worth retaining, our aim has to be less Federal spending and less taking on of new obligations accompanied by a reduction in Federal taxes and debt. In this way and solely through these means the States and localities will have the wherewithal to undertake the many necessary programs as society grows and becomes ever more complex.

America is still the authentic revolution. The flame of freedom which was struck at Concord and Lexington still is an inspiration to the enslaved behind the Iron Curtain.

But it is also an ageless lesson that no outsiders can win independence for a people. They must be willing to pay the price in blood and resources to gain their own freedom.

We do recognize, however, that when freedom is destroyed anywhere a bit of freedom is destroyed everywhere.

Nations can die while delegates talk. Last year the General Assembly of the United Nations passed 10 resolutions in 76 days of debate. All that while freedom was being strangled to death in Hungary. With callous indifference the Soviet Union placed itself above the higher moral law of God as well as above its obligations under the United Nations Charter.

No international organization can long endure with a double standard of international morality.

Are the obligations and the mandates of the United Nations to be applicable to the democratic nations but not to the totalitarian powers? To the law abiding but not to the outlaw nations? To the small and weak countries but not to the big and strong? What kind of justice is this? Are we building on quicksand? What kind of a foundation is this for constructing a system of international law and order based on justice.

We serve no useful purpose if we hide the facts. To the contrary by ignoring them and failing to seek remedies, we may endanger the safety of this Republic and free men everywhere.

For many decades the men in the Kremlin have preached the doctrine that the free world contains the seeds of its own destruction. It is far more likely, I believe, that the Communist world contains the seeds of its own destruction.

Hungary was but the latest in the indications that, even under totalitarian police rule and the brainwashing of a whole generation, the spark of freedom still lived and was capable of lighting a fire that endangered the whole monolithic structure of Communist tyranny.

After the Hungarian experience how much reliance can the Soviet Union place in the armed forces of the other captive nations if freedom is ever within their reach? How can they have faith in Communist indoctrination when young students were the leaders of the Hungarian rebellion?

Within the past 2 weeks the rulers in the Kremlin have sought to intimidate Norway, Denmark, Greece, and Iceland.

The Soviet Union has not changed its long-term strategic objective: The destruction of human freedom everywhere.

They will be relentless in seeking to destroy our institutions. Fortified by our faith in God, we must be determined that our way of life will be preserved.

Hungary has also taught the world that unless an independent government or revolutionary movement can function for several weeks or months it is difficult for outside friends to assist.

Had the British redcoats crushed the first American rebellion in a week and captured the leaders (as happened in Budapest) there would have been no time for France and our other friends abroad to come to our aid.

Sooner or later there will be another Hungary. Will the free world be better prepared to strike a blow for freedom? Will the United Nations be prepared to do more than talk and pass 10 resolutions?

It may come this year or next in Bulgaria, Rumania, Czechoslovakia, Eastern Germany, Albania, North Korea, China, Poland, or in Hungary again.

Indeed it may even come in the Soviet Union where the people of Russia were the first victims of the godless Communist tyranny.

During the week Nagy was the legal head of the Hungarian Government what a difference it would have made if the United Nations had sent in observers; if based on the first United Nations resolution the friends of freedom abroad had sent the Freedom Fighters bazookas and grenades rather than more resolutions of sympathy.

Or is the policy of the United Nations and the free world now to be that we will throw water on the embers of freedom and revolt against tyranny and that we will finance Communist economic and political systems so that the slaves will be more content with their masters?

There is now being negotiated in Washington grants, loans and credits of $100 million to the Communist Gomulka government of Poland.

This has the support of the executive branch despite the fact that:

1. Poland is a member of the Communist Warsaw pact and is occupied by Soviet divisions.

2. On February 27 of this year it voted for the Soviet resolution in the United Nations to condemn the United States.

3. Gomulka himself helped liquidate non-Communist Poles at the close of World War II.

4. The Soviet Union has stripped Poland of over $4 billion worth of industrial and agricultural products. By this aid we will indirectly be aiding the Soviet Union.

5. When we strengthen a Communist economic system we strengthen the Communist political system.

6. At the very time Poland was negotiating the $100 million out of the United States their delegation in Communist North Vietnam were extending loans and credits to the Communist government of Ho Chi Minh.

On April 11 a joint statement was issued in Peking by Premier Chou En-lai of Communist China and Josef Cyrankiewicz, Chairman of the Council of Ministers of Poland, which among other things said:

"The hearty welcome and warm reception accorded the Polish Government delegation by the Chinese people and the Government of the People's Republic of China demonstrated the fraternal friendship between the Chinese and Polish peoples. The visit to China of the Polish Government delegation will bring even closer the relations between China and Poland and between all the Socialist countries."

Further on the communique said: "After appraising the latest international situation, both parties point out that, although thanks to the continuous constructive efforts of the peace-loving countries and peoples who advocate a peaceful settlement of international disputes the general trend of the international situation is toward relaxation, the imperialist aggressive circles have not ceased their activities to wreck peace, but have attempted to attain their old objective by new disguised ways.

"In Europe, they are reviving the forces of West German militarism. In Asia, they are still carrying out activities to endanger the independence and neutrality of many countries in this area. In the Near and Middle East, the ruling circles of the United States are pushing forward the Eisenhower doctrine, which is aimed at supplanting Britain and France in their colonial position."

In addition, the Communist Chinese and Polish representatives said this:

"The two parties consider that the building of socialism in accordance with Marxism-Leninism constitutes the supreme interest of the two peoples, and that in their respective Socialist construction in the light of their national characteristics and specific conditions they should consistently combat all deviations, whether doctrinaire or revisionist. To do this is a sure guaranty for effectively overcoming difficulties and smashing all plots of hostile forces to sabotage the Socialist construction.

"The two parties reaffirm their support for the worker-peasant revolutionary government of the People's Republic of Hungary in their struggle to consolidate the Socialist system and eliminate the consequences of past mistakes. They will continue to help the Hungarian people overcome the difficulties they are presently facing."

Before concluding, the Polish Communists again indicated that they were giving economic assistance to another Communist country in the following words:

"The Government of the People's Republic of China expresses its thanks to the Polish People's Republic for its active support to China in its struggle to defend its sovereignty and Poland's various aids to China in the economic field and in the fields of shipping, science, and technology."

Communist Yugoslavia in the post-World War II period (July 1, 1945, to date) has received more than $1 billion in grants, loans, and credits from the United States.

During this entire period, Dictator Tito has:

1. Opposed our foreign policy of encouraging mutual-defense pacts against potential Soviet aggression.

2. Supported Communist Chinese membership in the United Nations.

3. During the whole period of the Communist aggression in Korea, the Yugoslav Government either supported the Soviet position or abstained on the resolutions condemning the aggression.

4. Abstained on the February 27 Soviet resolution condemning the United States. (Resolution was defeated by a vote of 8 yeas to 53 nays.)

In addition to the economic and military aid already given Tito's Yugoslav Communist government, there is now under consideration a proposal to turn over 215 jet planes to them.

This does not make sense to me.

We have a number of stout non-Communist friendly nations that are allied with us in mutual defense pacts. They need jet fighter planes. These nations include the Republic of Korea, Turkey, Thailand, Pakistan, Vietnam, the Republic of China on Formosa, and the Republic of the Philippines. All of these allies should have priority over Communist Yugoslavia.

I do not favor taxing the American people to support Communist economic or political systems abroad.

For several years the United Nations has discussed the freedom of colonial people in Asia and in Africa. These are and will continue to be important questions until equitable solutions have been reached.

Why, however, has there been a strange silence by the membership to discuss in the United Nations the destruction of freedom in Latvia, Lithuania, and Estonia? Here is a clear-cut prima facie case of the violation of its international treaties of friendship and nonaggression by the Soviet Union. Here is a clear case of the unilateral incorporation of three independent nations as provinces within the U. S. S. R.

Will the General Assembly take further action in the Hungarian case to back up its 10 resolutions or will an effort be made to create a zone of silence so that relations with the Soviet Union will not be embarrassed? Is justice for Hungary to be blinded and gagged as well? Is the conscience of the world that was so thoroughly aroused in October and November to be complacent and satisfied in April and May? While the Security Council is meeting on the Mid-East question this month or next will the Hungarian issue be raised or be forgotten?

These are questions which free men will be asking, and enslaved people who want to be free will be waiting for the answers.

All Americans, regardless of party, can join together in subscribing to the oath of Thomas Jefferson:

"I have sworn upon the altar of God eternal hostility to every form of tyranny over the mind of man."

Address Delivered by Secretary of State John Foster Dulles

EXTENSION OF REMARKS

OF

HON. LEVERETT SALTONSTALL

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Monday, April 29, 1957

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a very eloquent and forceful speech made by Secretary of State John Foster Dulles on Monday, April 22, in New York City, at the annual Associated Press luncheon held during the convention of the American Newspaper Publishers Association.

Secretary Dulles has well set forth the basic principles of our foreign policy.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

RUSSIAN STRATEGY UNABLE TO DIVIDE FREE WORLD—TEXT OF A SPEECH BY SECRETARY OF STATE DULLES AT THE ANNUAL ASSOCIATED PRESS LUNCHEON

I recall pleasurably your annual luncheon a year ago. It is a compliment that you have asked me to come a second time.

Since this is my first speech of the second Eisenhower term, it may be appropriate to set forth the basic concepts which guide our foreign policy. It is important that both friend and foe should know the principles by which we chart our course.

At the close of World War II, the statesmen of the world met at San Francisco to

plan a better future for a war-scourged world. They wrote the United Nations Charter; and in its first article they laid down three basic and interlocking principles.

There must be peace; there must be justice; and there must be liberty for nations and for persons.

Peace, justice, and liberty—these same concepts underlie the foreign policies of the United States.

Our task is to realize these concepts in a world of rapid and accelerating change.

Two decades ago I wrote that world peace depended, not on preserving the status quo, but on finding ways of peaceful change. Today, this requirement is more than ever imperative.

Our foreign policy accepts change as the law of life. We seek to assure that change will be benign, and not destructive, so that it will promote not merely survival but freedom and well-being.

FIRST REQUIREMENT: SHUT OUT AGGRESSION

A first requirement is that the door be firmly closed to change by violent aggression.

Of all the tasks of government the most basic is to protect its citizens against violence. Such protection can only be effective if provided by a collective effort. So, in every civilized community, the members contribute toward the maintenance of a police force as an arm of law and order.

Only the society of nations has failed to apply this rudimentary principle of civilized life.

An effort was made through the United Nations to create an armed force for use by the Security Council to maintain international order. But the Soviet Union vetoed that.

However, the member nations still had the possibility of cooperating against aggression. For the charter, with foresight, had proclaimed that all nations had the inherent right of collective self-defense.

The free nations have largely exercised that right. The United States has made collective defense treaties with 42 other nations. And the area of common defense may now be enlarged pursuant to the recent Middle East resolution.

This collective security system is subject to assaults from without, and to infirmities within.

SOVIET RULERS WANT FREE NATIONS DIVIDED

The Soviet rulers understandably prefer that the free nations should be weak and divided, as when the men in the Kremlin stole, one by one, the independence of a dozen nations. So, at each enlargement of the area of collective defense, the Soviet rulers pour out abuse against so-called militaristic groupings.

And as the free nations move to strengthen their common defense, the Soviet rulers emit threats. But we can, I think, be confident that such Soviet assaults will not disintegrate the free world.

Collective measures are here to stay.

The greater danger comes from internal hazards. A collective defense system, in which each member nation is completely sovereign, requires a high degree of voluntary cooperation and agreement.

Happily, we have that. For example, it is agreed that the primary task is to deter war. Modern weapons have such vast destructive power that there could be no real victor were general war ever to occur.

It is also agreed that the principal deterrent to aggressive war is mobile retaliatory power. This retaliatory power must be vast in terms of its potential. But the extent to which it would be used would, of course, depend on circumstances.

The essential is that a would-be aggressor should realize that he cannot make armed aggression a paying proposition.

LAND, SEA, AIR POWER ALL VITAL TO DEFENSE

It is also agreed that it would be imprudent to risk everything on one single aspect of military power. There must be land, sea, and air forces for local action and for a defense which will give mobile striking power the chance to do its work.

Thus the general design of common defense is widely agreed. Of course, its detailed application presents recurrent difficulties. Also, the sharing of the burden raises problems.

Modern weapons are extremely expensive. Immense sums must be spent in research and development and in making weapons which may become outmoded almost before they are in production.

The United States is the only free world country able to sustain the cost of developing a capacity for retaliation adequate to deter a potential aggressor who himself has great and growing aggressive power.

In addition, the United States supplies military equipment to others and, in some cases, helps to stabilize the economies of allies which cannot otherwise play their proper part in the scheme of common defense.

The President faces no more difficult task than the crucial one of deciding, in this defense field, how much to spend, where to spend it, and how to bring the cost into a budget which provides for other needed tasks and does the whole without monetary inflation or excessive taxation.

There are some who, in a zeal to economize, would slash that part of our budget which is often miscalled foreign aid—as though it did not aid us. That would not be economy, but extravagance.

If the forces and facilities which others provide were subtracted from the common defense, the United States defense budget would have to be expanded vastly from what it now is. That is the considered judgment of the President and his military advisers.

COLLECTIVE DEFENSES NOT CONSIDERED IDEAL

The free world collective defense arrangements are not ideal.

There is nothing automatic about them, and they require a continuing conscious effort by many nations to cooperate and to forego the petty selfishness and the extremes of nationalism which could poison the relationships.

But the relationship is predominantly one of good will and trust. It marks a significant step in the long-overdue progress of international society from anarchy to order.

To maintain and develop this progress is a basic principle of our foreign policy.

But we do not believe that the only way to security is through evermounting armaments. We consider that controls and reduction of arms are possible, desirable, and, in the last reckoning, indispensable.

It is not essential that controls should encompass everything at once. In fact, progress is likely to come by steps carefully measured and carefully taken.

Thus far it has not been possible to assure the inspection and other safeguards that would make it prudent for us to reduce our effective power. But we shall continue to seek that goal.

Armaments are nothing that we crave. Their possession is forced on us by the aggressive and devious designs of international communism.

An arms race is costly, sterile, and dangerous. We shall not cease our striving to bring it to a dependable end.

ANY POLICE SYSTEM ESSENTIALLY NEGATIVE

Any police system is essentially negative. It is designed to repress violence and give a sense of security. But the sense of security is illusory unless behind its shield, there is growth and development.

Military collaboration to sustain peace will collapse unless we also collaborate to spread the blessings of liberty.

Trade, from the earliest days, has been one of the great upbuilders of economic well-being. Therefore, this Government advocates trade policies which promote the interchange of goods to mutual advantage.

Also, the United States, as the most productive and prosperous Nation, assists other nations which are at an early stage of self-development.

It is sobering to recall that about two-thirds of all the people who resist Communist rule exist in a condition of stagnant poverty. Communism boasts that it could change all that, and points to industrial developments wrought in Russia at a cruel, but largely concealed, cost in terms of human slavery and human misery.

The question is whether free but undeveloped countries can end stagnation for their people, without paying such a dreadful price. Friendly nations expect that those who have abundantly found the blessings of liberty should help those who still await those blessings.

Of course, each country must itself make the principal effort to improve its lot. But others can provide an impetus and the margin between hope and despair, and perhaps between success and failure.

They can do this by showing interest and concern; by giving technical guidance; and by providing capital for development.

PRIVATE CAPITAL SHIES AT BIG RISKS

Much of this is done under private auspices, and we wish it could all be done that way. But sometimes the hazards are greater than private capital will assume. So, our Government supplies some funds for economic development purposes.

The sharing of markets and of development capital is not a giveaway operation. It assures that the free world, of which we are part, will be a vigorous, hopeful community. That corresponds to our interests and to our ideals.

Our mutual-security program can and should make our policies more clear and more stable. Two weeks ago I outlined proposals to this end before a special committee of the Senate.

With the help of the Congress, and with the support of the American people, our trade and economic development policies can serve mightily to demonstrate that the peace of free men is not the doomed peace of human stagnation, but a peace of such vitality that it will endure.

Just as our policy concerns itself with economic development, so, too, our policy concerns itself with political change.

During the past decade, there have come into being, within the free world, 19 new nations with 700 million people. In addition, many nations whose sovereignty was incomplete have had that sovereignty fully completed.

Within this brief span nearly one-third of the entire human race has had this exciting, and sometimes intoxicating, experience of gaining full independence.

PROGRESS TO GOAL OF SELF-GOVERNMENT

The United States believes that all peoples should have self-government and independence if they desire it and show the capacity to sustain it. We rejoice that there is progress toward this goal.

But liberty requires more than the mere breaking of old political ties that have become unwelcome.

Those patriots who won for us our independence knew and proclaimed that our free institutions could be sustained, and our independence made durable, only if our Nation accepted the disciplines which religion and education enjoin.

That is indispensable to assure responsible leadership able to guide a young nation through the dangers which beset it.

International communism is on the prowl to capture those nations whose leaders feel that newly acquired sovereign rights have to be displayed by flouting other independent nations. That kind of sovereignty is suicidal sovereignty.

The United States stands as the faithful and vigorous champion of the principles of our Declaration of Independence. And we want the new independence of others to be something better than a brief twilight preceding the blackout of Communist despotism.

Nowhere is the pressure for change greater than within the Soviet orbit. For there the most basic human aspirations are the most repressed.

A year ago Khrushchev boasted before the 20th Congress of the Soviet Communist Party that communism was on its way to triumph everywhere on its merits as a system of thought and government.

But in October how many Communists could be found in supposedly Communist Hungary? A few hundreds of secret policemen, hopelessly implicated in the crimes of the regime, and a handful of traitors willing to govern by grace of Soviet tanks.

COMMUNISM PROVED OPPRESSIVE DESPOT

Communism in practice has proved to be oppressive, reactionary, unimaginative. Its despotism, far from being revolutionary, is as old as history. Its subjects, in vast majority, hate the system and yearn for a free society.

The question of how the United States should deal with this matter is not easily answered. Our history, however, offers us a guide. The United States came into being when much of the world was ruled by alien despots.

That was a fact we hoped to change. We wanted our example to stimulate liberating forces throughout the world and create a climate in which despotism would shrink. In fact, we did so.

I believe that that early conception can usefully guide us now.

Let us provide an example which demonstrates the blessings of liberty. Let us spread knowledge of that around the world. Let us see to it that the divided or captive nations know that they are not forgotten; that we shall never make a political settlement at their expense; and that a heartfelt welcome and new opportunity await them as they gain more freedom.

Let us also make apparent to the Soviet rulers our real purpose. We condemn and oppose their imperialism. We seek the liberation of the captive nations.

We seek this, however, not in order to encircle Russia with hostile forces, but because peace is in jeopardy and freedom a word of mockery until the divided nations are reunited, and the captive nations are set free.

We revere and honor those who as martyrs gave their blood for freedom. But we do not ourselves incite violent revolt. Rather we encourage an evolution to freedom.

VOICE OF AMERICA SPREADS INFORMATION

The Voice of America, our information programs and cultural exchanges, spread throughout the world knowledge of what freedom is and does. When Hungary was invaded and freedom crushed, we sponsored a United Nations condemnation of the Soviet Union. And when some steps are made toward independence, as recently in the case of Poland, we show a readiness to respond with friendly acts.

Events of the past year indicate that the pressures of liberty are rising.

Within the Soviet Union there is increasing demand for greater personal security, for greater intellectual freedom, and for greater enjoyment of the fruits of labor.

International communism has become beset with doctrinal difficulties. And the cruel performance of Soviet communism in Hungary led many to desert Communist parties throughout the world.

The satellite countries no longer provide a submissive source of added Soviet strength. Indeed, Soviet strength, both military and economic, has now to be expended to repress those who openly show their revulsion against Soviet rules.

The Soviet Government pays a heavy price in terms of moral isolation.

Soviet rulers are supposed to be hard-headed. For how long, we may ask, will they expend their resources in combating historic forces for national freedom which are bound ultimately to prevail?

UNITED NATIONS PEACE WITH JUSTICE

Let me speak now of the United Nations. Its charter couples peace with justice, and provides the most significant body of international law yet known.

The United States has agreed to those principles and seeks to conform to them; and we expect other signatories to do the same. On occasions we invoke the processes of the United Nations to help to make effective the principles embodied in the charter.

We are not ashamed, as a powerful Nation, to pay the same decent respect for the opinions of mankind that we thought proper when, young and weak, we sought our independence.

That is no abdication of foreign policy. It is the exercise of foreign policy, and its exercise in the way which represents the best hope for humanity.

Our dedication to the principles of the United Nations Charter was severely tested by the recent Middle East crisis. We were then faced with a distressing and unprecedented conflict of loyalties. Historic ties would have led us to acquiesce in the forcible action that was began.

But this would have involved disloyalty to the United Nations undertaking that all members renounce the use of force except in defense against armed attack. That same pledge is also embodied in all our treaties of alliance. We decided to be loyal to that commitment.

This was a hard decision, although to those directly affected it was not an unexpected decision.

DECISION UNPOPULAR BUT IMPERATIVE

It was not, I suppose, a popular decision. Yet it was imperative if the world was not to go as it went when the League Covenant was disregarded.

But, as we have seen, the charter prescribes not merely peaceful settlement, but settlement in conformity with justice and international law.

We must, and do, seek also to advance that goal. For example, we are now striving to bring about conditions in the Middle East better than those provocative and dangerous conditions out of which the recent violence was born.

This cannot be done quickly or all at once. Where emotions run high, and a sense of grievance is deep, those most directly involved are more eager to gain partisans for their cause than to heed impartial counsel.

Wherever such situations occur, they are always worsened by Soviet intrigue. The Kremlin likes troubled waters in which to fish.

We know, in domestic affairs, that it is hard to apply just solutions when racial or class passions run high. The task is equally hard in international affairs, and sometimes war seems to offer a shortcut to the desired end. But that is an illusion.

The only durable solution is one which comes by patiently, resolutely, and resourcefully seeking justice and the rule of law. That, at least, is the faith and the dedication of your Government.

I have tried to describe principles which guide United States foreign policy. But while guiding principles are essential, they are not enough. They must be reinforced by daily action, as throughout the world, our views are sought and our influence is made felt.

This is the task sometimes called waging peace. It is a hard task.

It is seldom dramatic. The many who take part in it may never be known as heroes. Yet they make efforts, and in some cases sacrifices, like those required in war to win a war. By so doing, they spare us the infinitely greater sacrifice of war itself.

Surely the stakes justify that effort. As I am briefed on the capacity of modern weapons for destruction, I recognize the impossibility of grasping the full, and indeed awful, significance of the words and figures used.

Yet we would be reckless not to recognize that this calamity is a possibility. Indeed, history suggests that a conflict as basic as that dividing the world of freedom and the world of international communism ultimately erupts in war.

That suggestion we reject. But to reject in terms of words, or of hopes, is not enough. We must also exert ourselves to the full to prevent it. To this task, the American people must unswervingly dedicate their hearts and minds throughout the years ahead.

That is not too much to expect. Americans are a people of faith.

They have always had a sense of mission and willingness to sacrifice to achieve great goals. Surely, our Nation did not reach a new peak of power and responsibility merely to partake of the greatest, and perhaps the last, of all human disasters.

If only we are faithful to our past, we shall not have to fear our future. The cause of peace, justice, and liberty need not fail, and must not fail.

The Twin Enemies of Freedom—Communism, Like Crime, Advances and Takes Hold Because Men Ignore God—Communism Denies and Destroys Every Spiritual Value

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EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1957

Mr. DOYLE. Mr. Speaker, by reason of unanimous consent heretofore granted me so to do, I am pleased to present copies of correspondence between myself and Mr. J. Edgar Hoover in which it will be noted he granted me the privilege of including in the CONGRESSIONAL RECORD the text of his address before the 28th annual convention of the National Council of Catholic Women on November 9, 1956, in Chicago, Ill. I am sure that every Member of this great legislative body will be pleased to have the text of this important speech by this distinguished American available to full reading.

Being a member of the House Un-American Activities Committee you will naturally expect me to call your special

attention to Mr. Hoover's comments on the subject of "Communism."

The letters and address follow:

JANUARY 10, 1957.

Hon. J. EDGAR HOOVER,
Director, Federal Bureau of Investigation, Department of Justice, Washington, D. C.

DEAR FRIEND: On November 9, 1956, you delivered an address before the National Council of Catholic Women at Chicago, Ill., entitled "The Twin Enemies of Freedom."

If you have no objection I would appreciate very much having the privilege of presenting this to the House of Representatives and ask unanimous consent to have same printed in the CONGRESSIONAL RECORD.

Thanking you for your consideration of this request, I have the honor to be,

Cordially,

CLYDE DOYLE,
Member of Congress.

UNITED STATES DEPARTMENT OF JUSTICE,
FEDERAL BUREAU OF INVESTIGATION,
OFFICE OF THE DIRECTOR,
Washington, D. C., January 15, 1957.

Hon. CLYDE DOYLE,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: I have received your kind letter of January 10, 1957, and I am happy to enclose a copy of my November 9, 1956, speech before the National Council of Catholic Women which you may certainly feel free to have included in the CONGRESSIONAL RECORD.

Your interest in this regard is indeed encouraging.

Sincerely yours,

J. EDGAR HOOVER.

THE TWIN ENEMIES OF FREEDOM

(Address of J. Edgar Hoover, Director, Federal Bureau of Investigation, before the 28th annual convention of the National Council of Catholic Women, November 9, 1956, Conrad Hilton Hotel, Chicago, Ill.)

I am honored to discuss with this outstanding group of "career" women a matter of pressing urgency to every home in America. I say "career" women because I feel there are no careers so important as those of homemaker and mother.

As homemakers and mothers, you must be disturbed, as I am, with the continued advance of the twin enemies of freedom—crime and communism. These evil forces menace not only the security of our Nation but they also menace the homes of America, which are the foundations of our civilization.

Statistics show that before this year comes to an end, 1 out of every 16 homes across the land will have been blighted by sorrow and misery because of crime. Lawlessness will deprive some of these homes of their breadwinners and leave disgrace, shame, and heavy hearts, as their loved ones join the ever-expanding forces of the lawless.

Recently, newspapers carried a heart-warming report that church membership in America has now passed the 100 million mark. That is good news for all of us. But this good news was marred for me by the knowledge that nearly 11½ million persons have been arrested for serious offenses, or to bring this dreadful fact into sharper focus, 1 out of every 15 persons in our Nation has a record of arrest for a serious offense.

Those who look upon life in the abstract might hold to the view that the number of arrests is not a true yardstick for measuring the extent of lawlessness. I invite them to look at the record of convictions. This record shows that more than 5½ million persons have been convicted for one or more violations of the law, or 1 out of every 29 persons in the land.

In this age of materialism, all too frequently crime is considered merely in terms of dollar costs. It is a shocking fact that crime costs every home in America $467 a year—an estimated total of $20 billion each year.

The staggering cost of crime in dollars and cents becomes more realistic when we face the fact that for every $1 spent on education, $1.29 is spent on crime. For every $1 contributed to the churches of America crime costs $12. Our national debt could be wiped out completely in 14 years if this money were used to reduce that debt rather than to pay tribute to the lawless. But unfortunately the real cost cannot be measured in monetary terms.

Some 11½ million people in these United States have either been disgraced or have had their lives completely ruined in their attempts to live outside the law. If a person wants to throw his life away, he has that choice. But it is not a right; because the innocent suffer more than those who violate the laws. The real tragedy of crime lies in the suffering of its innocent victims. In any 24-hour period, 7,094 serious crimes are committed across our land. Every time your watch ticks off 12 seconds you can record the occurrence of a serious violation.

I believe the basic source of pressures for peace and security lies with the women of America. The fact that you have gathered here in Chicago in convention is proof that the necessity for militant action to sustain the American way of life is obvious to you. For today, a dangerous complacency threatens to blind our people to the menaces which would destroy us unless they are recognized and curbed.

Textbooks are filled with theories on crime causation. There are many contributing factors to crime, but the real cause can be stated in simple terms: crimes are committed by those who lack a sense of moral responsibility. For the most part, they commit crime knowingly and with deliberate intent. If we are to live in an America free of crime, if we are to see a better world, then we must live by and teach the Golden Rule.

Criminals are made—not born. The blame for crime must be placed where it rightly belongs—upon the adult. A new sense of responsibility must be born in the home if we are to reverse the rising trend of youth toward lawlessness. Reasonable discipline, administered with consistency, is essential in developing a stable individual.

The crime problem is basically a youth problem. In the past 4 years, while the number of 10- to 17-year-old children in this country increased 10½ percent, arrests of boys and girls in this age group increased nearly 21 percent. Youths are committing more serious crimes with increasing frequency, and this is a source of real alarm in every community in the land.

Last year 2,262,450 major offenses were committed by the Nation's crime army. A little over 42 percent of these crimes were committed by children under 18, and nearly half of these were under 15. The 10- to 17-year-olds last year were involved in 62 percent of all arrests for automobile thefts, 53 percent of all arrests for burglary, 47 percent of all arrests for larceny, and 21 percent of all arrests for robberies.

This situation, in the final analysis, is not the failure of youth but the failure of adults. The fact remains that out of every 100 boys and girls in the 10 to 17 age group, 97 live law-abiding lives. There is nothing basically wrong with the youth of the land. Youth needs only to be guided along the proper path. A youth's intelligence must be anchored in morality to give him the ability to determine right from wrong, good from bad, and the true from the false. Given discipline, young people will learn self-discipline; given training, they will learn to live useful lives. The 3 out of each 100 who annually break the law have wandered into a morass of disbelief—where they have no faith, no belief in a Supreme Being, no respect for the rights of others, no belief in the dignity of man, and finally, no belief in themselves.

There must be training for parenthood as well as a fixing of responsibility for the failure of parenthood. Too many parents allow their children to run free with no check on what they do, where or with whom they go. The result is a juvenile jungle. Too many homes breed juvenile delinquents through parental neglect. Too many children are left to shift for themselves—hungry, helpless, loveless.

When parents are not sufficiently interested to know where their children are and what they are doing, the risk for their future is grave. It is the parents who should be brought before the bar of justice to account for their stewardship when their children go astray. The parents are responsible to a great extent for the sins of their children. The parents should be held morally, legally and financially responsible.

I have studied the case histories of thousands of criminals. In almost every case, the failure to develop character is directly attributable to lack of proper influence and guidance in the home. Unfortunately, the home no longer provides the inspiration for right living. The American home must become again a center of learning how to live as well as a center of living.

Modern society is geared to a fast tempo; there are great demands on the parents to provide the material necessities for their children. Too often, the primary need for sympathetic and spiritual guidance is neglected and the child is deprived of the very element which is most essential to stabilize him emotionally and to aid him in his growth toward maturity. As a result of this thoughtless neglect, society suffers.

What is needed is to restore the home to its proper place where the lessons of the Golden Rule are translated into daily living, where the members of the family counsel and aid each other, and where each has a share in the responsibilities of home life.

What is needed is a return to the home where parents are companions of their children as well as the providers of the necessities of life, where parents share their leisure time with their children, and where children are taught the spiritual and civic responsibilities of manhood and womanhood. A child above all else needs the firm moral backing of a conscientious mother and father and the love, understanding and security that a good Christian home affords.

What is needed is greater participation by parents with their children in the programs of the church, the school and the community. What is needed is to cease being "penny-wise and pound-foolish" in providing for our churches, schools, and community facilities.

What is needed is a greater interest in and knowledge on the part of parents of the needs of local law enforcement agencies to the end that those agencies might have the support and the facilities so necessary to protect the homes of the land. Good government does not just happen—it is the result of the constantly vigilant efforts of the many who selflessly strive to build a better community, and beyond that, a better Nation and a better world.

What is needed above all is to practice the living faith of our fathers in our daily lives and a dedication to making the Kingdom of God a reality on "earth as it is in Heaven."

The neglect in the training of so many of our Nation's youth, their lack of spiritual nourishment, their ignorance of the great truths of the Bible, and the tragic void of God and prayer in their lives weaken our homes and our Nation's welfare.

Secularism is not necessarily an evil of immorality and excesses. More often it is the evil of nonmorality and indifference.

That is why I say the greatest crime is the toleration of crime.

Neglect at home and lack of discipline in the home are two of the main reasons for juvenile delinquency, it is true, but the basic cause of the present situation is that so many of our young people have no real sense of moral responsibility which comes from an intimate knowledge of God's teachings. This is essential to meet the criminal enemies of our freedoms.

It is essential in order to meet the Communist enemy of both our spiritual and physical freedoms.

Communism, like crime, advances and takes hold because men ignore God. The real danger in communism lies in the fact that it is atheistic and seeks to replace the Supreme Being. Communism is secularism on the march. It is the mortal foe of all the world's religions which acknowledge the existence of God. Either the faith of our fathers will triumph or communism will engulf us. In this land of ours the two cannot live side by side.

Nowhere among the leaders of the Communist Party in the United States, Russia, Red China, or in any other part of the world will you find one who loves and believes in God. God is truth. Communists hate truth and, therefore, they hate the church.

One of the slogans of the Communist Revolution in Russia in 1917 was: "Religion is the opium of the people."

This was first uttered by Karl Marx, the founder of communism, in 1843. Lenin, now resurrected by the Kremlin as the Communist idol and guide of the present and future, restated it in 1905. And last year, Nikita Khrushchev, the present head of the Russian Communist Party, publicly proclaimed that Communists have not changed their opinion on religion and said: "We remain the atheists that we have always been; we are doing all we can to liberate those people who are still under the spell of this religious opiate."

When Communists temporarily and passively tolerate religion, it is for the purpose of furthering communism. But time and again they have struck ruthlessly against Christians, Jews, and other faiths, torturing, imprisoning, and murdering those who hold God above the state. Those who hate God always bring misery in their wake. They are brutal, cruel, and deceitful. Communism denies and destroys every spiritual value. No church and no church member can temporize with it.

And now the American Communists would have us believe they have changed their philosophy. What a farce that is. They now even deny their allegiance to the Soviet Union. They now speak of advocating a "peaceful and constitutional road to socialism in our country." Communism in America would garb itself in new and more respectable raiment, but it is the same old conspiracy against human dignity and freedom it has always been and always will be. The Communist conspiracy is as deadly now as it was before the Geneva Conference because of its false smiles.

The "big lie" technique originated with the Communists and has been perfected by the Communists. Largely through this technique, backed with a ruthlessness which challenges the imagination, one-fourth of the world's surface and 1 out of every 3 persons, or 900 million souls, are under the influence of the Red star. The Communists never have taken over a country by a majority vote in a free election. There are only 25 million Communist Party members in some 60 countries of the world, a bare 3 percent of the people enslaved. They have attained their tyranny through infiltration and by brutal force, by seizing leadership of key organizations, popular fronts, and lulling the vigilance of patriots with propaganda, lies, and deceit.

We relax our vigil at our peril. In dealing with the Kremlin and its followers the road of appeasement is not the road to peace. It is merely surrender on the installment plan.

The American public must not be lulled into complacency by the new Communist propaganda line. It is just another Leninist tactic. Lying, twisting, and turning are their time-proven techniques to gain their ends.

The current Communist tactics do not change the basic goals of Communist conquest; they do not change the basic Communist techniques; they do not mean independence from Soviet Communist leaders; and they do not represent any change of heart or a lessened antagonism toward religion. Communists shift from violence and threats of violence to rely temporarily upon enticement, duplicity, and division. The current Communist tactics are designed to win again by deceit the influence and alliance the Communists once enjoyed with some well-meaning but unsuspecting progressive-minded persons in our Nation. These tactics are designed to develop a broadened base for the advance of Marxist socialism; and primarily they are designed to evade American justice and the relentlessness with which the Communist Party has been prosecuted by the United States Department of Justice in American courts and exposed by Congressional committees and the American press.

Communist concessions are never made with peaceful intentions, nor with honor, nor with honesty, and the Communists have proved time and again, when their false smiles will not gain their objectives, that they have no hesitation in using tanks and machine guns to achieve their purpose.

Lenin said with utter frankness, "Concessions do not mean peace with capitalism, but war on a new plane."

American Communists have not suddenly become good citizens. They are merely making war against America on a new plane.

In fact, there is nothing really new in the current Communist tactics. The American Communist Party, from the time of its inception here in Chicago in 1919 until the present, has changed its name 9 times. The constitution of the Communist Party in this country has been changed 17 times, zigging and zagging for the attainment of its diabolical ends through deception and doubletalk.

If the party runs true to form, it will change its constitution again next February, and perhaps its name, when it meets in convention in New York City. Regardless of what it does—of this you can be sure—it will be the same old crowd at the same old stand banded together for the same old purpose—to advance the Communist cause and to serve the Soviet Union. They will use the same old techniques with which they have hoodwinked so many people in the past.

The women of the Nation must make their contribution by raising their voices to preserve the American way of life and to counteract the Communist attacks against our laws which have so effectively been applied to curbing the Communist program with its criminal ends. The chief objective of Communist attacks will be to discredit acts of Congress; the courts; the prosecutions of the United States Department of Justice; and the FBI.

The strategy of the Communists to get others to front for them and do their dirty work cannot be underestimated. To illustrate, last Christmas 42 persons signed a petition to request Presidential amnesty for the Communist Party leaders convicted under the Smith Act for conspiring to teach and advocate the overthrow of the Government of the United States by force and violence. Not only did these persons ask the Government to release a group of Communist conspirators from prison to observe a Christian holiday which they would destroy, but they asked that the sentences of these atheists be commuted to the time already served. Even more shocking is the fact that half of the signers of the petition were clergymen, professors of theology, or persons who were engaged in other religious positions. Another such petition is now in preparation to again ask for the release of those who would destroy the American way of life.

This is not an isolated example. Last year a legal brief was filed with the United States Supreme Court urging that the Internal Security Act of 1950 be declared unconstitutional. This legal brief had been initiated by 18 persons. Nine of these persons, exactly one-half, were members of the clergy. Of the 360 persons who signed the brief, some 160 were clergymen.

Because they despise the church, the Communists continually attempt to infiltrate unsuspecting religious organizations. What better cloak of legitimacy can be found for their programs than to present them as the offerings of clergymen and churches?

One of the oldest Communist techniques is to use others to do their dirty work. Communism, they say, must be built with non-Communist hands. Today there are less than 20,000 Communist Party members in the United States. But the party's actual strength never can be measured in terms of members because thousands of bleeding hearts, pseudoliberals, sympathizers, and dupes always stand ready to lend their aid when their services are needed.

The record clearly establishes that Communist Parties have the power of swift and solid growth when the opportunity arises. When the Communist Party membership was at its peak in the United States a decade ago, it was stronger in number than the Soviet Communist Party when it seized power in Russia. In Italy, the Communist Party once dwindled to only 15,000 members and then increased to more than 2 million. In Red China, a small inconsequential party of less than 10,000 grew to more than 6 million.

The national chairman of the Communist Party of the United States, William Z. Foster, has correctly said: "The actual strength of the Communist movement in the United States is not something that can be accurately stated in just so many figures. It has to be measured largely by the general mass influence of the party and its program."

Our most effective defense against this conspiracy lies in our basic American faith in God, an ardent fervor for liberty under law and justice for all, and belief in the God-given rights of individuals. Morality and religious convictions stand as major obstacles in the path of Communist progress.

Even today, in the lands where Red tyranny reigns, the fires of freedom are burning as never before. Incident after incident has come to light where patriots were willing to shed their blood to feed the fires for freedom which one day will burst into a giant conflagration which even the dictators' heels of might cannot stamp out. The fact that physical and mental torture, slave labor camps and brutal murder do not stay man's selfless drive toward freedom for all mankind has baffled the Red Fascists, because they do not know God and His way.

To a people who still love freedom and who still look to a Supreme Being, their sacrifices shall not be in vain because one day the Almighty will wreak vengeance on this atheistic, terroristic tyranny. Communism runs counter to the aspirations of the human heart. The Communist way eventually will perish from this earth because it prostitutes truth, because it is heartless and cruel, because it is evil and because it denies the existence of the Omnipotent. We pray for the coming of that day.

We must strive to overcome the apathy, ignorance and guile which nourish the twin enemies of our freedom—crime and communism. Let us never forget that strength and good character, like charity, begin at home. So long as the American home is nurtured by the spirit of our Father in heaven and is a center of learning and living, America will remain secure.

The Trend Toward Monolithic Banks

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1957

Mr. CELLER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address given by me before the convention of the Independent Bankers Association, at the Golden Gate Hotel, Miami Beach, Fla., Friday, April 26, 1957:

This morning I should like to discuss with this most distinguished assemblage a matter of grave national concern. I am referring to the trend toward monolithic banks that is wiping out independent banks on a wholesale scale and concentrating control of the Nation's banking business into fewer giant financial institutions. This trend is an ominous one indeed for the future of the independent banking system; permited to continue unchecked, it could have dangerous consequences for the entire competitive economy which depends for its lifeblood upon banking credit.

Traditionally the banking system of the United States has relied for its vitality on vigorous competition by a multitude of independent banks, locally organized, locally financed, and locally managed. Unlike other countries, such as Great Britain and France, where a few mammoth institutions control nearly all the banking facilities, the American system is based on unit banking—that is, strong, growing community banks which provide a wide range of financial services to the people in the area. It is the unit banking system which has played a key role in the economic development of this country. And it is this kind of system, premised on small units effectively competing with each other, that our antitrust fabric is designed to perpetuate and preserve.

CONCENTRATION OF BANKING FACILITIES

Against this background, what are the details in respect to concentration of banking facilities? In this connection, let me refer you to the report of our House Judiciary Antitrust Subcommittee, dealing with corporate and bank mergers. Our subcommittee found that at the present time, the 100 largest banks control approximately 46 percent of the total assets of all the commercial banks in the country and more than 48 percent of the bank deposits. It found that in 10 of the 16 leading financial centers, 4 banks own more than 80 percent of all commercial bank assets; 2 banks more than 60 percent; that in each of the 16 leading financial centers, the first 2 banks own more than 40 percent of all commercial bank assets; the first 4 banks more than 60 percent.

There is yet another facet—concentration through bank holding company control. In my State of New York, for example, 14 holding companies control banks having deposits of $7.2 billion, amounting to 19.5 percent of all commercial bank deposits in the State. In Arizona, 2 holding companies control over 80 percent of all commercial bank deposits. In Minnesota, 2 holding companes hold 45 percent of the commercial deposits; in Montana, the same 2 companies control over 44 percent of the commercial deposits; in North Dakota, 29 percent; and in South Dakota, 37 percent of the commercial bank deposits. One holding company controls 42 percent of Oregon's bank deposits, and the same company in Nevada holds 78 percent of the commercial bank deposits.

PACE OF BANK MERGER ACTIVITY

Largely responsible, in my judgment, for the present degree of concentration has been a spate of mergers accomplished through acquisitions by banks and by holding companies. In fact, the rapidly accelerating trend towards mergers has been the major development in banking over the past 7 years. Thus in the period from 1950 through 1956 some 1,017 of the Nation's commercial banks have disappeared by way of mergers and consolidations. Banks so eliminated have not been, for the most part, the financially weak, unsound banks that needed rescue in the depression pattern. Nor have they been, in the main, the specialized, poorly organized, or the inefficiently managed. On the contrary, most of the banks that have disappeared have been growing, efficient, profitable, vigorously competitive banks taken over at peak earning capacity. The merger pattern is not predominantly a situation where two or more small, inadequately financed or managed banks, falling behind in the competitive race, seek by merging to form a big integrated institution, able to compete on equal terms. On the contrary, a large percentage of mergers involved one or more giant banks having assets of $100 million or more. And the absorbed banks were likewise no minnows; a large percentage of those banks having assets in excess of over $50 million.

There is yet another consideration. During the last 35 years, the number of banks has been reduced by more than half. In 1921 there were over 30,000 commercial banks serving the Nation's borrowers and creditors; by contrast, at the end of 1956 some 13,660 commercial banks remained in operation—a new low. This despite the postwar boom, the 286 percent growth in bank assets, the new high level of loans and deposits, the greatly increased use made of banking services, and the enormous growth in the number of depositors.

REMEDIAL LEGISLATION TO CURB BANK MERGERS

Particularly in light of recent experience, additional legislative action is imperative to prevent bank mergers having substantial anti-competitive effects. At the present time bank mergers are circumscribed by the provisions of the Sherman Act of 1890 which prohibits combinations in restraint of trade, attempts to monopolize, or monopolization of trade or commerce. Illegality is established by proof that the merger has actually resulted in an unreasonable lessening of competition; it is immaterial whether the merger was accomplished by stock or asset acquisitions.

Section 7 of the Clayton Act, adopted in 1914, on the other hand, deals specifically with corporate and bank mergers and bans those achieved by stock purchases where there is the mere reasonable probability of a substantial lessening of competition or a tendency to monopoly. Responsibility for enforcing the section insofar as banks are concerned was vested concurrently in the Attorney General and the Federal Reserve Board.

Section 7 was designed to stop mergers beyond the reach of the Sherman Act but its failure to include mergers accomplished by asset acquisitions resulted in a loopole which so far as nonbanking corporations are concerned was closed by passage of the Celler-Kefauver Act of 1950. However, because of revisions made in subsequent versions of antimerger bills, it became impracticable to include within the scope of this act corporations other than those subject to the jurisdiction of the Federal Trade Commission. This left assets acquisitions by banks unaffected by the new law since authority to enforce the provisions of section 7 dealing with banks is vested in the Federal Reserve Board and not in the Federal Trade Commission.

This loophole in existing law not only has no logical basis, but, more important, it has seriously hampered enforcement efforts to proceed against bank mergers injurious to competition. For this reason legislation is urgently needed which would provide enforcement agencies with the same authority to move against bank mergers accomplished by asset acquisitions as they now have to move against bank mergers achieved by stock acquisitions.

During the last session I introduced a bill, H. R. 5948, to provide such authority. This bill was approved by the House without a dissenting voice but the Senate was not given opportunity to consider the measure.

It is significant that after the House passed my bill, Mr. Ray M. Gidney, the Comptroller of the Currency, spearheaded a drive to have the Senate Banking and Currency Committee consider another bill dealing with bank mergers. This bill, drafted by Mr. Gidney's assistants, represented an obvious maneuver to head off Senate passage of H. R. 5948. It was contrary to the President's recommendations calling for revision of antitrust legislation to cover bank mergers accomplished by asset acquisitions, as envisaged by H. R. 5543.

The bill drafted by the Comptroller would amend section 18 (c) of the FDIC Act and give the Federal bank supervisory agencies sole jurisdiction to approve or disapprove a proposed merger, taking into account as one of the factors to be considered whether the transaction may lessen competition unduly or tend unduly to create a monopoly. Concomitantly, it would deprive the Attorney General of enforcement jurisdiction under the Clayton Act notwithstanding that in the more than 60 years since passage of the first antitrust law, no one had previously suggested that its provisions did not apply to banks as well as to other sectors of the American economy. According to the Department of Justice any pretense that this measure would provide protection for competion is a sham.

Notwithstanding these considerations, the Comptroller's bill was approved by the Senate during the last Congress and was again adopted by the Senate this year as section 23, chapter 5 of title III of the financial institutions bill of 1957, commonly known as the omnibus banking bill.

Let me quote what the Attorney General had to say before our Antitrust Subcommittee several weeks ago about this provision sponsored by Mr. Gidney:

"First, the proposed banking legislation prescribed for bank mergers would weaken section 7 standards. The factor of competition would be only one of numerous considerations to be taken into account by a banking agency in scanning a merger. Beyond that, the competitive considerations of section 23 specified, whether the acquisition may 'lessen competition unduly or tend unduly to create a monopoly' are completely novel and are intended simply to be less stringent than those specified by the Clayton Act, section 7, for other American business. As the result, not only does that proposal prescribe pale antitrust standards, but even that lesser standard is only one of many factors banking agencies must consider. All told, then, that proposal does little more than give lipservice to insure competitive enterprise in banking.

"Banking agencies themselves recognize inherent difficulties in construing this jerry-built standard."

What is more, the section proposed by the Comptroller would weaken the standards which he states his office now follows in respect of bank mergers. In this connection it must be remembered that under present law, approval by the Comptroller of the Currency is required in all cases of mergers between national banks or between a national bank and a State bank where the resultant institution is to be operated under a national charter. May I point out that Mr. Gidney has averred before our subcommittee that before giving his approval to any such merger, he will determine whether its effect in any section of the country may be substantially to lessen competition or tend to create a monopoly; that he will determine, in short, whether the merger is violative of the policy of the Celler-Kefauver Antimerger Act. He has stressed that he would not approve any bank merger or consolidation which he considers to be in violation of the principles of this act.

But what does the record show? It shows that up to January 1956 the Comptroller's office did not even promulgate standards embodying these principles or acquaint its examiners with this alleged policy. Indeed, it was only after our subcommittee brought this dereliction to light in December 1955 that Mr. Gidney hastily promulgated standards for considering the competitive consequences of bank mergers.

The record also shows that from April 1953 (when he assumed office) to the end of 1956, Mr. Gidney approved 424 bank mergers, with banks absorbed in such transactions having total resources of $6,977,965,576. Furthermore, from April 1953 to the end of 1954 the Comptroller approved 193 mergers involving absorbed banks with resources of $2,581,943,159. Not once during this period did he disapprove an application for competitive reasons.

After hearings before our subcommittee in May 1955, Mr. Gidney's record became a shade better. Thus in June 1955, for the first time, he informally disapproved a merger application for competitive reasons; and followed that up in November 1955 by refusing, for the same reasons, to approve certain proposed mergers in cases involving 8 banks. However, in 1955 he approved 126 bank mergers involving, in respect of banks absorbed, resources of $2,015,225,452. In 1956 Mr. Gidney approved 105 bank mergers, the banks absorbed in such transactions having total resources of $2,380,816,965. In that year he informally disapproved 10 applications for competitive reasons.

In the last analysis, the conclusion is inescapable, as the Attorney General has testified, that Mr. Gidney has tended to give little or no consideration to the question as to whether or not competition would be substantially lessened. In fact, the Comptroller apparently assumes that a merger which tends to monopoly is in the public interest. By his own admission, he is utterly unconcerned by the current wave of bank mergers—a view, I might add, that is diametrically opposite to that of the chairman of the Federal Reserve Board.

To be blunt, Mr. Gidney's normal procedure is to rubberstamp, as a matter of routine, any monopolistic proposal that may be presented. I recognize that it is not an uncommon administrative tendency for regulatory agencies to be more or less responsive to the industries which they are supposed to regulate. Mr. Gidney's case is more unique, however, since he appears to have been taken over completely by the giant banks he is supposed to regulate. His concept of the public interest is to identify the functions of his office with the private interests of the banks subject to his jurisdiction.

In light of these considerations, it is clear that to give the Federal bank supervisory agencies unfettered jurisdiction over the antitrust implications of bank mergers and to weaken the standards, all as proposed by the Comptroller, would only stimulate the tempo of present bank merger activity.

Fortunately, the bank omnibus bill, and particularly section 23, will not be considered by the House Banking and Currency Committee until the next session of Congress. I deem it imperative, in the interest of preserving the integrity and vitality of the unit banking system, to work unceasingly, to prevent passage of this section.

On the positive side, legislation is necessary to amend the antitrust laws to encompass bank mergers, however accomplished. Such legislation must insure against the Attorney General being deprived of antitrust jurisdiction in bank merger cases. It must also embody present section 7 standards. My premerger notification bill, H. R. 2143, which was recently approved by the subcommittee, originally contained a section identical with my bill of last year, applying these principles. However, in order that premerger notification not be confused with legislation amending the substantive standards of section 7 of the Clayton Act, as amended by the Celler-Kefauver Act, the bank merger section has been deleted. In the near future I will introduce a new bill dealing solely with bank mergers. While I have not yet come to a final conclusion, I am giving careful consideration to a proposal amending the antitrust laws which will (1) give the Federal bank supervisory agencies jurisdiction over bank mergers but prohibit approval of any transaction where the effect may be substantially to lessen competition or tend to create a monopoly; (2) require the agency to obtain the views of the Attorney General in respect to the antitrust implications of the proposed transaction, together with the views of the State bank supervisor in respect to banking factors, where a State bank is involved; (3) reserve to the Attorney General antitrust enforcement jurisdiction.

I hope that you will give this proposal your immediate consideration and examination.

ACTION NECESSARY TO CURB HOLDING COMPANY EXPANSION

In addition to bank merger legislation, action is equally necessary, at the Federal level, to prevent the holding company device from being used to circumvent State branch district lines drawn to safeguard against banking monopoly. In the absence of effective Federal or State legislation on the subject, these geographic limitations can be avoided by the simple expedient of forming a holding company to acquire control of banks throughout a State without regard to district lines. As one holding company candidly acknowledged when organized, it felt itself compelled to carry out its plans by this method of group banking because the laws of the State and the National Banking Act both prohibited branch banking beyond certain limits.

Such circumvention is possible notwithstanding that a holding company system is a substitute for a branch system and that there is no essential difference between branches and affiliates, or subsidiary banks. As the House Banking and Currency Committee pointed out: "Great stress has been placed on their difference in form, which everyone of course recognizes. * * * (H)owever, in a large measure they are differences without a distinction. Other than in form, what is the practical difference between a branch and a bank the stock of which is owned by a holding company that can select the bank's directors and change them at its pleasure, even holding repurchase rights to the directors' qualifying shares; that can hire and fire the bank's personnel and otherwise supervise its operations; that can make its investments, handle its insurance, buy its supplies, originate and place its advertising; can pass on its loans to local firms and individuals, usually receiving a fee for services performed?" The fact is that "as each new bank is * * * added to those already a part of the holding-company system, such bank automatically becomes in effect, though not in name, a branch of that banking system."

To my mind the conclusion is inescapable that despite all that has been said about the distinction between bank-holding company groups and branch-banking systems, both accomplish the same thing, the operation of a number of banking units under one control and management. Also inescapable is the fact that through the corporate device, holding companies still can be used to evade branch-banking laws and thus defeat the declared policies of the State regarding branch banking.

Largely through the efforts of your association, Congress in 1956 enacted the Bank Holding Company Act for the purpose of maintaining competition among banks and minimizing the dangers inherent in concentration of economic power through centralized banking control. But it is most unfortunate that the Senate deleted from the bill a key provision passed by the House prohibiting holding-company expansion of banks within a State except in accordance with the branch-banking laws of that State.

This whole issue of holding-company circumvention of branch lines came dramatically to life in New York State when the First National City Bank applied to the Federal Reserve Board for permission to form the largest bank-holding company in the Nation. Initial objective of First National City was to acquire control of the County Trust Co. of White Plains, N. Y., the dominant commercial bank in Westchester County, and thus pierce the branch line separating New York City and Westchester. In short, through the device of forming a holding company, the same management which was restricted in its operation under a bank charter to New York City, sought to acquire a unit bank in another district, operate it in the same manner a branch would be operated, and flout the expressed will of the legislative body of New York State regarding the establishment of banks. Moreover, there was every prospect that the First National City Bank plan would initiate a chain reaction until ultimately a handful of giant New York City banks, through the holding-company device, would be in control of nearly every sizable bank in the State of New York. Success of the plan would have meant that the day of independent unit and regional banking would have passed and that money and credit in New York State would be largely controlled by a few gigantic banking institutions.

For these reasons, I testified at length before the Federal Reserve Board calling attention to the alarming competitive consequences of the proposal. In addition, I testified in the early part of January 1957 before the State of New York Joint Legislative Committee To Revise the Banking Laws, and pointed out the necessity of amending the State's banking laws to prohibit any bank holding company from acquiring in the future any bank located outside the district prescribed for branch banks.

It is gratifying that Governor Harriman and the New York State Legislature recognized the threat to the State banking structure implied in the First National City plan. This was evidenced by adoption on January 29, 1957, of stopgap legislation, effective until May 1, 1957, prohibiting any bank holding company from acquiring a bank located outside the branch banking district. It was also evidenced by legislative approval of a measure extending this legislation until May 1, 1958, which I have little doubt that the Governor will sign. In these circumstances, the First National City proceeding before the Federal Reserve Board would become moot since the transaction would be barred under State law.

It is clear, of course, that this action at the State level is extremely important particularly since New York is the banking center of the Nation. Nevertheless it is my firm conviction that the effort to pierce branch district lines through the holding company

device is a matter of national import and should, therefore, be considered at the Federal level. Otherwise, action would be required in State after State, on a piecemeal basis, to obtain legislation preventing holding company attempts at banking dominance. For these reasons, I urge you immediately to undertake an all-out effort, which I will join, to pave the way for amendment of the Federal Bank Holding Company Act so as to prevent holding company expansion except in accordance with State geographic limitations applicable to branch banks. Such an amendment should be similar to a provision contained in the House-approved bill which was deleted by the Senate.

Your efforts should be concentrated toward having the amendment considered by the House Banking and Currency Committee when it begins hearings on the omnibus banking bill. Part of the effort should be directed to obtain the support of other like-minded organizations determined to stop the trend toward monolithic banking.

The consequences of banking monopoly are ominous indeed. It is my hope that with your help Congress will take prompt, effective action to insure that that condition will not come to pass.

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 30, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Most merciful and gracious God, help us during this day to live humbly and honestly, sincerely, and serenely, never proving disloyal and recreant to any of our duties but always discharging them faithfully and in the fear of the Lord.

Inspire us with a courageous and confident approach to all our problems, and may we seek to solve them with a trustful and firm reliance upon divine wisdom and strength.

Grant that we may not be timid and cowardly in maintaining our convictions and principles even though they may seem to run counter to popular practice and prejudice.

May we be true, for there are those who trust us; may we be pure, for there are those who care; may we be strong, for there is much to suffer; may we be brave, for there is much to dare.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

DESERT-LAND ENTRYMEN

Mr. MARSHALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MARSHALL. Mr. Speaker, I take this opportunity to inform Members that it is my intention to object when H. R. 3753 is called. This is a bill to extend financial assistance to desert-land entrymen to the same extent as such assistance is available to homestead entrymen.

I regret very much that it is necessary to object since a valued member of our Committee on Appropriations, the gentleman from Idaho [Mr. BUDGE], is the author of this bill. Our colleague from Idaho is a conscientious, hard-working member of our Committee on Appropriations. However, in spite of my high regard for him, I do feel that H. R. 3753 is bad legislation, particularly at this time.

It seems to me that this bill should be debated and considered in the regular manner rather than on the Consent Calendar. Are we on the one hand making an effort to remove land from production through use of the soil bank while the same Department of Agriculture is being asked on the other hand to bring land of this kind into production?

While it may be true that this will not require additional administrative money, it is certainly true that additional loan funds will be required. It is impossible to predict how much will be needed but it will, no doubt, run into a considerable sum of money. The Farmers' Home Administration will need more loan funds, since they are not available, or funds will be shifted from other needy borrowers.

Another objection to the bill is the type of security that can be given to the Government under this plan. If it is the intention of the Congress of the United States to grant loans of this type in the desert with so little security, then we certainly ought to review our loan policies so that other parts of the country with more desirable resources will also be given consideration.

While I agree that it is an intriguing idea to make the desert bloom, I feel that with agricultural production now exceeding our market demand, it ought to be the first responsibility of the Department of Agriculture and the Congress to assist in the well-established farming communities of this country where the cost-price squeeze has placed farm families in a difficult financial position.

INTERFAITH COMMITTEE

Mr. RIVERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RIVERS. Mr. Speaker, a former distinguished Member of this body, the Honorable Dewey Short, who, as you know, is now Assistant Secretary of the Army for civil and military affairs, has written me a letter asking that I read it to my colleagues with reference to a very, very important program of which he has been made chairman.

The letter is as follows:

DEPARTMENT OF THE ARMY,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, D. C., April 25, 1957.

Hon. L. MENDEL RIVERS,
House of Representatives,
Washington, D. C.

DEAR MENDEL: I am writing to you on behalf of the Interfaith Committee to which I have been appointed Government chairman. We enlist your assistance in making May 14, Washington, D. C.'s first Interfaith Day, a success. Although such a day has been an annual occasion in many cities throughout the United States, this is the first time an Interfaith Day has been sponsored in and for the Greater Washington, D. C., area. As in the case of other cities, our Washington Interfaith Committee consists of representatives of the Protestant, Catholic, and Jewish faiths through their Almas Temple Shrine, Knights of Columbus, and B'nai B'rith organizations.

While many outstanding events have been scheduled for May 14, the Interfaith Committee felt it would be quite fitting for the day's activities to close with a professional ball game played in its honor, since baseball is a living embodiment of American democracy in action. Thus, through the cooperation of the Washington Senators, the May 14 night game between the Senators and the White Sox will honor Interfaith Day.

I would greatly appreciate your presenting this matter to your colleagues and encouraging their active participation. Tickets for the game will sell for the regular price, 75 cents to $2.50. Prior to game time, awards will be made to outstanding national and local personages in public life for their contribution to better understanding among people. In addition, parades, band music, and a program of entertainment have been planned.

For the convenience of persons interested in attending the Washington Senators-Chicago White Sox ball game May 14, 1957, tickets can be obtained from any of the following:

Alton S. Bradford, Almas Temple Shrine, 1315 K Street NW.

Charles Zipperman, Jewish Community Center, 16th and Q Streets NW.

Henry G. Catucci, Knights of Columbus, 918 10th Street NW.

(Checks should be made payable to Washington Interfaith Committee.)

Your cooperation in this matter is greatly appreciated.

Sincerely yours,

DEWEY SHORT,
Assistant Secretary of the Army
(Civil-Military Affairs).

Mr. Speaker, I urge that my colleagues take note of this. They cannot do anything better for a greater cause.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Thursday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ARE GOVERNMENT DEPARTMENTS IN COLLUSION WITH LABOR RACKETEERS?

Mr. SMITH of Wisconsin. Mr. Speaker. I ask unanimous consent to address

the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, I am sure that the American people were shocked when on yesterday a Senate committee turned up some evidence which does not look good for our Government. Before the committee was businessman Earl P. Bettendorf, of Texarkana, Tex. He testified that he paid $175 a week to Scranton, Pa., teamster officials so his nonunion trucks could deliver goods under contract with the Navy at an Army Signal Corps depot at Tobyhanna, Pa.

Mr. Bettendorf said he made the payments "with the knowledge and consent of the United States Government" and said the Government adjusted his contract to pay for the added cost.

Mr. Speaker, I suggest that this House has a responsibility to look into that situation and to ascertain whether or not there was collusion between the contractor, the labor racketeers, and our own Navy officials.

Mr. Speaker, are these labor racketeers more powerful than the Government of the United States? It would seem from this instance that they are.

CONGRESS SHOULD NOT ACCEPT THE PHILOSOPHY OF ATOMIC ELECTRIC POWER AT ANY COST WHEN IT MEANS FURTHER DISPLACEMENT OF OUR ADEQUATE COAL SUPPLY

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, one of the most lucid and rational papers delivered at the recent Nuclear Congress in Philadelphia was that presented by Mr. Jack K. Busby, executive vice president of the Pennsylvania Power & Light Co., Allentown, Pa. Mr. Busby participated in a panel discussion devoted to the subject, The Latest Prospects for Economic Nuclear Power.

It first reviews briefly pertinent material developed by other speakers at the Nuclear Congress. It refers to testimony of Marling J. Ankeny, director of the Bureau of Mines; Frank Weaver, Federal Power Commission; Karl Mayer, consultant, Stanford Research Institute; W. Kenneth Davis, director, Division of Reactor Development, Atomic Energy Commission; and James H. Harlow, chief mechanical engineer, Philadelphia Electric Co.

The combined testimony of the distinguished gentlemen which Mr. Busby cites is worthy of appraisal for everyone concerned with the commercial development of the atom. When the complete minutes of the meetings are on printed form, I shall ask that they be made a part of the reference file of the Joint Atomic Energy Committee.

Mr. Speaker, from time to time I have taken the floor of the House in defense of the Atomic Energy Commission's opposition to a so-called crash program. Let me point out that AEC Chairman Lewis L. Strauss, at a press conference on April 1, explained that he opposed the Gore-Holifield bill last year because, among other reasons, it would have slowed down other developmental work on nuclear fission. He added:

"I think the same reasoning prevails [this year] and I would hope that the same people who opposed it before in the Congress would oppose it this time and perhaps with some recruits."

Mr. Speaker, I too hope that we shall have recruits for the AEC program and in opposition to expensive hit-or-miss projects. I commend the Busby statement to the attention of any Member who may be uncertain as to America's proper pursuit of the atom's potential.

Mr. Busby and Mr. Ankeny have lent emphasis to a statement which I made last month in regard to the abundance of coal reserves in the United States. To invest millions of dollars in an atomic power system merely for the satisfaction of producing electricity from this source of energy would be a betrayal of the trust invested in us by the people who would be forced to bear the cost of such a project—the general public. In addition, such an undertaking would be in violation of the inherent rights of those families who depend upon a going coal industry and a progressive railroad industry for a livelihood.

Now that it has been established without qualification that there is sufficient minable coal to satisfy the growing demands of the electric utilities industry for centuries to come, what reason would Congress have for the summary establishment of a more expensive competitive industry? For the information of Members of Congress not close to the coal industry picture, I should like to point out that, while there was a modest increase in bituminous coal production in 1956 over the previous year, unemployment in mining communities is still a most serious problem.

As for anthracite, the people of our colliery areas in northeastern Pennsylvania rightfully look upon Government-subsidized competitive fuels as an unfair body blow, for it threatens them with further deprivation and discouragement.

I wonder how many Members of Congress noticed this headline in the Journal of Commerce for March 28: "Pennsy to lay off 1,600 maintenance men." Let me say that 600 of this number were employees at car shops in Altoona, my hometown. Those unfortunate workers could not very well be expected to accept the philosophy of "atomic electric power at any cost," for further displacement of coal would only mean greater decline in rail traffic and less need for maintenance men, repair workers, and operating crews.

As explained in Mr. Busby's statement, North America—particularly the United States—is the most unattractive market in the world for high-cost nuclear power and Europe is perhaps the best market for such power. Mr. Busby's sagacious appraisal of the contrasting conditions between America and Europe are exceedingly relevant. "Rather than borrowing difficulties, it would seem wise to stand firmly on the economic advantage we do have," he explains. "We should not sacrifice these to the lure of engaging in a kilowatt race where fossil fuels are scarce and power is comparatively high cost and in short supply."

When this factor is taken into consideration, the impracticability of a crash program becomes all the more evident.

Mr. Speaker, no one could be more enthusiastic than I about the role of the atom in a peacetime economy. As a member of the Joint Committee on Atomic Energy, I am in the fortunate position of being close to the Atomic Energy Commission. I have an opportunity to talk with our leading scientists and engineers. I am constantly impressed at the progress that has taken place since our ingenious technicians first began to look into the atom to find out what it might yield for promoting the general welfare.

Unfortunately, so much glamour has attached itself to the subject that Congress, like the general public, may be inclined to automatic approval of entirely too many projects evolving around the peacetime atom, regardless of their practicability. The crash program belongs in this category. The idea of wholesale generation of electric power from fissionable material is of course an attractive proposition until, that is, the cost factor is taken into consideration. Commercial generation of atomic power is not going to be economically useful for many years to come; in support of this conclusion, I now invite you to acquaint yourselves with the opinion of an outstanding power company executive, Mr. Jack K. Busby. His statement follows:

Mr. Chairman, at the outset, permit me to disavow the kind of broad knowledge and technical familiarity with matters atomic which might be implied by my presence here on this panel in company with men whose attainments in the field are so well known.

My experience with atomic energy is indeed quite limited and stems entirely from a general acquaintance with the work of my company in association with Westinghouse in research and development on the homogeneous type of reactor. The objective of this research program is to establish the feasibility of constructing a 150,000-kilowatt nuclear powerplant on the Pennsylvania Power & Light Co. system.

Thus, I approach this question of a desirable nuclear program here in the United States primarily from the point of view of a utility executive—but, I should add, as a spokesman for no one other than myself.

The presentations you heard this morning highlight certain facts:

1. As to coal, Mr. Ankeny has made it clear that we have ample supplies of economically minable and transportable coal adequate to more than take care of power generation needs and other coal needs through the period here in question.

2. As to hydro, Mr. Weaver has reported, in effect, that the maximum amount which could be developed would have primary usefulness in carrying peak loads and would

not be sufficient in amount to affect the overall capacity situation. Thus, the hydro potential is seen to be complementary to the base load power supply and not directly competitive with either conventional steam or nuclear powerplants for the future.

3. As regards markets, Mr. Mayer neatly capsuled the matter in his statement that for the decade 1960–70, North America—particularly the United States—is the most unattractive market in the world for high-cost nuclear power—and that Europe is the best market for such power.

4. As regards nuclear-power costs, Mr. Davis' projections tie in very closely with Mr. Mayer's analysis. Mr. Davis' figures indicate that in 1970 nuclear power in the United States will begin to be low enough to be competitive in cost with conventional power.

5. As regards conventional-power costs, Mr. Harlow's paper on the characteristics to be expected of a conventional plant as of 1980 suggest a cost of about 6.1 mills per kilowatt-hour assuming 36 cents per thousand British thermal units for coal and today's levels of construction costs. Assuming 2 percent per year inflation between now and 1980, the result should be a substantially higher cost per kilowatt-hour. This again tends to confirm Mr. Davis' projections that as of 1980 nuclear power should be fully competitive.

The facts in the papers presented this morning indicate to me the reasonableness of the following general conclusions on this subject of national policy for atomic-power development.

First of all, that there is no need for a crash program of atomic-power development in the years immediately ahead in order to make up for a shortage of fossil fuels. Mr. Ankeny has made it entirely clear that we have adequate supplies of economically minable and transportable coal sufficient to cover our power generation and other needs.

Secondly, there is no need for a crash program of atomic-power development in the years directly ahead as a basis for counteracting high prices of fossil fuels. Mr. Mayer has in his turn made it entirely clear that power costs in the United States, based on fossil fuels, are lower than in other industrialized regions elsewhere in the world.

Thirdly, there is no need for a crash program because of a power shortage since no such shortage exists or is threatened here in this country. This is conceded by everyone.

These three factors of shortage of fuel, high cost of fuel, and shortage of power are the reasons for the crash programs for atomic-power development abroad. We are not confronted with these serious problems. Rather than borrowing difficulties, it would seem wise to stand firmly on the economic advantages we do have. We should not sacrifice these to the lure of engaging in a kilowatt race with nations abroad where fossil fuels are scarce, and power is comparatively high cost and in short supply. If we should do so, we would be placing a substantial extra burden on the Nation's economy at a time when we can ill afford it.

On the other hand, the fact that we should not have a crash program for atomic-power development at this time certainly does not mean that we should sit back and do nothing. Clearly there is a need for research and development as against the time in the future when we will be requiring atomic-power plants as sources of economic power.

How should such research and development proceed? It is reasonable that this be handled in two phases:

(1) Experimentation which would culminate in the construction of prototypes of reactors. This field of experimentation and prototype construction should certainly be open to industry and industry should be encouraged through research assistance which the Atomic Energy Commission is authorized to grant under the Atomic Energy Act. Also, at the same time, it would be expected that AEC would carry forward an experimentation program—nonduplicative of industry projects—to meet its responsibilities under the act to insure that all promising peaceful applications of atomic energy are being looked into and developed.

(2) For the next phase in research and development, there should be construction of full-scale atomic powerplants when the basic experimentation and prototype development show that such construction on the large scale is justified. Again, this is something that should be done by industry, with appropriate assistance by AEC as necessary and appropriate under the particular circumstances.

The difficulty that exists—and one which has led to considerable political controversy—is the making of a fair determination as to when a given reactor type should be further developed on a full-scale basis.

On the one hand, the Government should not inject itself into the situation by Government building of powerplants which are technologically premature, or which would be built by industry if industry were given the chance. Such action would be Government intervention in the business of power supply on the basis of a partisan decision to extend nontaxpaying Government power at the expense of the taxpaying utilities and other taxpayers who have to foot the bill.

On the other hand, a failure of industry to test out worthwhile reactor concepts on a full-scale basis could prejudice an orderly development and progress toward commercial and economic atomic power.

Much of the sound and fury about the Gore bill and reactor acceleration would be eliminated if we can find a fair and acceptable way to make these necessary determinations on the timing for full-scale development.

One proposal that has been made is that a national evaluation group of highly qualified persons should be formed. This group could make periodic reviews of the situation and render public reports to the Congress and the executive branch. And such reports, being prepared out of political context, might well serve to mark out an orderly process of development which reasonable people could accept.

Finally, I suggest that a crash program is not automatically justified by reference to potential foreign markets. The foreign situation—particularly the 15 million kilowatts of nuclear capacity to be in service by 1967 as spoken for by Euratom—should be scrutinized with caution. Europe has never provided much of a market for power-generation equipment. Further, the dollar shortage situation has to be taken into account as do the forces of national pride in the countries abroad. It could easily be a serious mistake for this country to disrupt a sound domestic program for the development of atomic power by adopting a crash approach when the foreign markets may prove to be nonexistent or existent only in minor degree.

All of these considerations, coupled with our favorable national situation as regards fuel and power, emphasize the wisdom of pursuing in orderly fashion an aggressive and orderly program of research and development. And as economic circumstances justify it, nuclear power will take its proper place in the field of power supply. As this evolutionary process occurs, industry should progressively stand more on its own feet and Government assistance be correspondingly curtailed.

LABOR RACKETEERS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a report.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, the statement of the gentleman from Wisconsin, our colleague [Mr. SMITH], again calls attention to a situation which shows that the Federal Government itself has either been intimidated by some of the unions, sometimes the teamsters and sometimes the CIO, or, as a matter of policy, is reluctant to take a stand. This reference is in answer to a privileged resolution which was introduced in October of 1939 by me when the Navy had a contract with a Detroit plant for the production of certain materials for the Navy and the industry was using the Navy plans, specifications, and patterns. For 24 days in one instance, 41 in another—and this is the statement of Acting Secretary of the Navy Edison—the CIO—that is Brother Reuther's organization, the fairhaired boy at the moment—held up and refused not only to proceed with production but to deliver to the Navy its own plans and specifications. Now, when a union can kick the Federal Government around, as the CIO did then and has since, it is, as suggested by the gentleman from Wisconsin, about time that the Congress take effective action.

But listen to the questions I asked and to official answers:

[No. 253]

REQUESTING CERTAIN INFORMATION FROM THE SECRETARY OF NAVY ON CERTAIN MATTERS IN CONNECTION WITH A STRIKE OF EMPLOYEES IN THE PLANTS OF THE BOHN ALUMINUM CO. AT DETROIT, MICH. (H. RES. 314). Mr. HOFFMAN

NAVY DEPARTMENT,
Washington, October 20, 1939.

The CHAIRMAN, COMMITTEE ON NAVAL AFFAIRS,
House of Representatives,
Washington, D. C.

MY DEAR MR. CHAIRMAN: The resolution (H. Res. 314) requesting information from the Secretary of the Navy on certain matters in connection with a strike of employees in the plants of the Bohn Aluminum Co. at Detroit, Mich., was referred to the Navy Department by your committee with request for report.

The questions in the resolution are set forth below, the answer to each appearing immediately thereafter:

(a) Whether the Navy Department did have a contract with said corporation.

At the time the said strike was called, the Navy Department did have a contract with the Bohn Aluminum & Brass Corp., of Detroit, Mich., for the manufacture of special bearings for aircraft engines. In addition, the corporation was also engaged in the manufacture of special bearings and castings for manufacturers with whom the Navy Department had contracts.

(b) Whether a strike which interfered, or would interfere, with the activities of the Navy Department occurred.

A strike actually occurred in the plants of the said corporation which did interfere with the activities of the Navy Department.

(c) How long such strike continued.

A strike was called at the corporation's plant No. 1, Detroit, Mich., on August 29, 1939. At the time the strike was called, plant No. 1 was engaged in the manufacture of special bearings for aircraft engines for manufacturers with whom the Navy has contracts. On September 15, 1939, a second strike was called at all of the seven plants of the corporation in the Detroit district in sympathy with the strike at plant No. 1 (bearings). At the time of calling the second strike, plant No. 2 was engaged in the manufacture of castings for airplane engines in process of manufacture at the Naval Aircraft Factory, Navy Yard, Philadelphia, Pa.; also castings for a manufacturer with whom the Navy has a contract for a special type of marine engine.

The duration of the strike in plant No. 1 (bearings) was from the 29th of August to October 8, inclusive, 41 calendar days. The duration of the strike in plant No. 2 (castings) was from September 15 to October 8, 1939, inclusive, 24 calendar days.

(d) Whether the delivery of bearings or parts which had been manufactured for the Navy, or of plans, specifications, or equipment, or any of them was delayed.

The delivery of completed castings, bearings, and parts, also those in the process of manufacture, was delayed for the duration of the strike.

The Navy Department was unable to obtain the return of the Government-owned patterns, plans, and equipment for the duration of the strike.

(e) What, if any, representations were made by the Navy Department to the corporation looking toward the ending of said strike.

No representations were made by the Navy Department to the corporation looking toward the ending of the strike.

(f) What, if any, representations were made by the Navy Department to the union or its representatives looking toward the settlement of the strike?

On September 28, 1939, the United States Navy resident inspector of naval material at Detroit, Mich., informed the regional director of the United Automobile Workers, Congress of Industrial Organizations, Detroit, Mich., of the seriousness of the delay in the delivery of the material due on contracts, also the urgent need of the shipment of patterns and requested that he instruct his representative in charge of the picket line at the corporation's plant No. 2 to allow a representative of the inspector of naval material and a truck to pass through the picket line to pick up Government-owned patterns and ship them on a Government bill of lading.

The regional director of the United Automobile Workers, Congress of Industrial Organizations, sent three representatives of union local No. 208 to discuss the removal of the patterns with the inspector of naval material. The representatives of union local No. 208 were given full access to the files on the Navy contracts and they were informed that the delay in releasing patterns for delivery was seriously jeopardizing the manufacture of airplane engines at the Naval Aircraft Factory. At the end of the discussion, the union representatives stated that as the strike situation stood at the present time, their answer was emphatically "No" and that they would not let patterns or inspected castings be removed. No further action was taken by the Navy Department to remove the patterns and castings. The Navy Department kept in touch with the strike situation at the Bohn plants through its field representatives, and through the United States Department of Labor, but took no steps looking toward the settlement of the strike.

Sincerely yours,

CHARLES EDISON,
The Acting Secretary of the Navy.

CAREER FOREIGN SERVICE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include a newspaper article.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, there is an article by James Reston of the New York Times which I include as a part of my remarks entitled "United States Envoys Are Found To Lack Languages of Assigned Capitals—Study of Eisenhower Appointments Shows Deficiency Exists Among Many High Officers—Dulles To Seek Remedy."

As the House knows well Mr. Reston is an expert on foreign affairs and the Foreign Service.

Mr. Speaker, it is very shocking to my mind that so many of the very fine career Foreign Service officers are not selected to represent our country abroad. Many of them speak various languages. A good many of our political appointees speak no foreign language. It is very vital to us, I think, particularly in these troublesome times, in the cold war, to have people speak the language of the country to which they are assigned and to understand diplomacy. Diplomacy is not learned in a day but takes years of training. Our trained Foreign Service officers know not only the language of foreign countries but they know their historical background and their past political and economic situation and national defense resources and strength. Our Foreign Service officers do not receive enough pay, and their expenses are very great. In many countries—I will not name them now—the climate is very bad for them and for their children. It works a severe hardship on them. The schools are very expensive, and they have many incidental expenses. They are our first line of defense and they are our eyes and our ears, and they need our finest encouragement.

Mr. Speaker, I hope something will be done to help them in every way possible. In helping them we help ourselves, and give America protection, greater prestige and power in the world.

The article I refer to is as follows:

[From the New York Times of April 30, 1957]

UNITED STATES ENVOYS ARE FOUND TO LACK LANGUAGES OF ASSIGNED CAPITALS—STUDY OF EISENHOWER APPOINTMENTS SHOWS DEFICIENCY EXISTS AMONG MANY HIGH OFFICERS—DULLES TO SEEK REMEDY

(By James Reston)

WASHINGTON, April 29.—A study of President Eisenhower's ambassadorial appointments indicates that foreign language deficiency is still the major flaw in the United States Embassies and Legations overseas.

This applies not only to the President's noncareer ambassadorial appointments but also to the Ambassadors appointed from the career Foreign Service. For example:

Llewellyn E. Thompson, Jr., the newly appointed Ambassador in Moscow, is the only chief of mission in a Communist country who speaks the language of the place to which he is assigned.

In the whole of the Arab world, so important in the current struggle for the Middle East, only three United States Ambassadors speak Arabic. These three are Ambassadors Raymond Hare in Egypt, George Wadsworth in Saudi Arabia, and James S. Moose in Syria. The State Department lists their knowledge of Arabic as limited.

In the North Atlantic Treaty Alliance, the United States Ambassadors do not speak the language of the country in Belgium, Denmark, France, Germany, the Netherlands, Norway, and Turkey. In other non-English-speaking countries of the alliance—Iceland, Italy, Portugal, and Greece, the Ambassadors are listed as having a limited speaking knowledge of the language. No United States Ambassador has been appointed to Luxembourg.

In Asia the Ambassadors appointed do not speak the language in Japan, China, Korea, Burma, Thailand, Vietnam, Indonesia, and the Philippines.

HANDICAP VARIES

This dramatizes and exaggerates the importance of facility in foreign languages among top representatives of the United States abroad. In some cases—Greece and Scandinavia, for example—English is so widely spoken in the capital cities that lack of knowledge of the national language is not a great handicap.

In others—the Arabic speaking countries—a knowledge of French, the second language of the countries concerned, is important and most United States Ambassadors in the area speak French.

In some countries, long diplomatic experience is more important than language facility. Thus, the appointments of Ambassador Edward C. Dowling in Korea, George V. Allen in Greece, and David Bruce in Germany have been generally approved, despite their lack of knowledge of the languages concerned.

What the facts do explain is why Secretary of State Dulles is going before the Senate Appropriations subcommittee headed by Senator LYNDON B. JOHNSON of Texas tomorrow. Secretary Dulles intends to plead for restoration of funds cut from the State Department's appropriation by the House—particularly the funds cut from the language training program.

IT HAS HAPPENED BEFORE

There is nothing new in the inability of United States Ambassadors to go out and speak the language of the countries to which they are assigned. It has happened before, as now, that the United States Ambassador in France could not speak French and the United States Ambassadors in Germany, China, and Japan could not speak the languages of those countries.

What is new is that the need to speak these languages in an era of growing United States responsibility overseas is increasing all the time and that the State Department has finally come up with its most ambitious language-training program to deal with the problem.

The State Department asked Congress for $5,100,000 to finance the Foreign Service Institute in the next fiscal year. The institute is charged with foreign language training. The House cut the request to $3,700,000.

State also asked for $646,000 in transfer allowances, which would make it easier to transfer men who acquired languages in one post to the place where it would do the Foreign Service and the country the most good.

The House cut this to $75,890 and the committee concerned said it was its "express intent" that the Department should not spend more than this amount.

MEDICAL EXPENSES DENIED

The State Department, which has great trouble getting adequate staff personnel in the areas of pestilence, also asked for funds to take care of the medical expenses of the families of men assigned to these posts. These were refused by the House, though such provision is made for United States military personnel and their families in the same embassies.

In these same areas of great heat and discomfort, the State Department requested funds for sanitary rest houses and recreation facilities. This amounted to $260,000. The House committee refused the request and commented:

"Needless to say, no funds are recommended for such purposes."

Finally, the State Department requested $1,200,000 to defray the expenses of entertaining visiting Americans and foreign government officials in all the United States Embassies of the world.

This year, State got $800,000 in representation funds to be split among more than 3,000 Foreign Service officers overseas. The House cut the request to $600,000.

YOUNG OFFICERS NEEDED

The major problems raised by the cuts, however, are in the quota of the new young men and women coming into the professional Foreign Service and in the area of more effective language training.

About 380 Foreign Service officers have been added in the present fiscal year. Loy Henderson, Deputy Under Secretary of State for Administration, estimates that it will be necessary to bring in 460 more young Foreign Service officers to make up for the deficiencies in the past. The House budget would provide for 200 new officers in the next year.

In arguing its case before Congress on the question of foreign language training, however, the administration is in a difficult position. For its recent ambassadorial appointments from the noncareer ranks have not emphasized the importance of foreign language facility.

CAREER MEN PASSED OVER

Since the election it has not appointed a single noncareer ambassador who speaks the language of the country concerned to a class I foreign language ambassadorship. And in some of the career appointments, it has passed over experienced men who had languages for vacant posts and sent to these posts career officers who could not speak the language of the country.

For example, U. Alexis Johnson, who speaks Chinese, has been appointed to Czechoslovakia, though he does not know either Czech or German, while Karl Rankin has been kept in Formosa, though he does not speak Chinese.

The record of appointments in Latin America is much better. There, the tradition of appointing career Foreign Service officers who speak Spanish is strong, and in the main experienced men with language facility have been appointed. New noncareer ambassadors, however, have been selected for Cuba and the Dominican Republic although they do not speak Spanish.

This has led to the argument in Congress that the administration could find experienced men and women who speak foreign languages if they would only recruit them more carefully from the vast and growing number of Americans who have been serving overseas since the war.

For example, there are now 88,498 United States civilians working for the Government outside the continental United States. In addition, there are 734,168 Americans serving beyond the United States frontiers in the Armed Forces.

RETIREMENT OF BRIG. GEN. LOUIS H. RENFROW

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. JONES of Missouri. Mr. Speaker, I know that many of my colleagues will be interested to know that a friend of ours, and a particularly good friend of mine, Brig. Gen. Louis Renfrow, is resigning as Deputy Director of Selective Service. His resignation is effective May 1, tomorrow. General Renfrow has rendered outstanding service in many capacities over a period of 40 years and on leaving the Government I know that he will go with the best wishes of many of us here who have had the privilege of working with him. He and his wife are residents of the district I represent in Missouri and, of course, we extend our very best wishes. I am extending my remarks in the RECORD and am including letters of commendation and appreciation, as well as an article from the monthly bulletin Selective Service.

Mr. BROOKS of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. JONES of Missouri. I am glad to yield to the gentleman from Louisiana.

Mr. BROOKS of Louisiana. Mr. Speaker, General Renfrow has been a very outstanding officer and the Nation is truly indebted to him for the fine service he has rendered over a period of many years.

Mr. JONES of Missouri. I thank the gentleman.

STRONG SENTIMENT FOR ECONOMY

Mr. JOHANSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. JOHANSEN. Mr. Speaker, in common with my colleagues I have been spending some days at home talking with my constituents. The results of conversations with scores and hundreds of constituents of the Third District of Michigan convince me that the people of that district are in earnest about the matter of economy. They are in earnest about the matter of tax reduction. Their misgivings regarding the efficacy of foreign aid and their shock over some of the startling scandals in that area are at a new peak. They want the strongest possible national defense, but they are convinced that even the defense appropriations are not immune to waste and are not immune to the application of sound principles of economy.

There is growing opposition to proposals for new and expanded Federal programs and activities within the United States, involving additional heavy costs to the taxpayers; opposition to Federal assistance to the States for school construction is an example.

There appears to be a growing, healthy skepticism of the Santa Claus role of Uncle Sam, and a growing awareness that while Santa Claus may get the credit, the taxpayers get the bill.

There appears also to be an increasing awareness that there is no longer any forgotten man so far as taxation is concerned.

There seems to be increasing recognition that the taxpayer is indivisible—that costs of mushrooming Government and governmental activities are being multiplied at Federal, State, and local levels, thereby compounding the burdens upon the taxpayer.

Finally, the major concern seems to be a fear that the situation is out of control, and the question is being asked, more and more, as to when and where it is going to end, in the sense of being brought under firm control.

I suggest that we would do well in our deliberations and decisions in the weeks ahead to bear in mind some of these reactions, reactions which I am sure are not limited to the Third District of Michigan.

Mrs. ROGERS of Massachusetts. Mr. Speaker, would the gentleman yield?

Mr. JOHANSEN. I am delighted to yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Does the gentleman not find among the people with whom he talked that most of them say, cut in general, but do not cut certain things; so that it is difficult to select sometimes the things we can cut?

Mr. JOHANSEN. Mr. Speaker, I would agree that they want discrimination and discretion used, but I suggest, also, that they are in a mood which could very easily be turned into a demand for the broadest and most sweeping sort of reductions.

ELEVENTH SEMIANNUAL REPORT, MUTUAL SECURITY PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 160)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed, with illustrations:

To the Congress of the United States:

I am transmitting herewith the 11th semiannual report on the operations of the mutual security program, for the period July 1, 1956, through December 31, 1956.

Under present world conditions, I am convinced that this program is, more than ever, essential to the security of the United States.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *April 26, 1957.*

INTEREST RATES AND THE TIGHT-MONEY POLICY

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, I expect to talk on a subject that is not too interesting to many people, but I think it is the most important subject in our country today; that is, interest rates and the tight-money policies put into effect by the Federal Reserve Board and the Open

Market Committee with the approval of the administration presently in power.

It would be well if the Members of Congress would take 30 days off from all other subjects and spend it on their constitutional duty and authority to regulate the value of money. Among the definite legislative powers written into the Constitution was that the Congress elected by the people shall have the power to regulate the value of money. The framers of the Constitution were making sure that the other branches of the Government had nothing to do with it. The judiciary has nothing to do with it. The executive branch of the Government has nothing to do with it.

There was a reason why the framers of the Constitution wanted this power left to the people. There is no other single power that affects all the people, every person, more than this one subject of regulating the value of money.

There is a particularly good reason why Congress should have this power. Congress is composed of two legislative bodies, the other body, elected one-third each 2 years, a continuing body, the body that never dies, and this body, the House of Representatives, composed of 435 Members, each of whom is elected every 2 years. That is the way it should be. We should not change it. It should always be for 2 years. That means that the people, if they were to witness a dangerous trend in our Government that the people wanted to correct, could do it easily and quickly by electing an entirely new House of Representatives, 435 Members. Then they could get Representatives who would carry out their will and their wishes. Another safeguard written into the Constitution is that certain bills including revenue and appropriation can only be introduced in this body that must be elected every 2 years.

I do not look with favor on efforts that are made to change the tenure of Members of the House from 2 to 4 years. I think it is good just as it is, for 2 years. Then the people every 2 years can change their trend in Government if they desire to do so.

The trend in the recent past has been, I think, a dangerous one in regard to hard money and high interest. I have studied this question some. I do not know as much about it as many other people; in fact, I certainly do not claim to be any expert. I know that I am not an expert. I have at least been a student and tried to learn something about it. I do not claim to know all about it, and I never will know all about it, but I know enough about it to know that there are certain wrongs and injustices that are going on today that would not be going on if the Members of Congress realized and knew it and had the time to give it the attention that it deserves.

MEMBERS NOT EQUIPPED TO DO THE JOB

I have often wondered why Members of Congress were not more interested. Members are honest, able, and they are sincere and patriotic. They have the interest of the people at heart, but there is no reason on earth why they should not give it consideration except one, and that is they are not equipped to do the job. I know that is a serious admission on my part just as a humble Member of this great body that I must admit I am not equipped to do the job. But I do admit it. You must admit it because it is true. There are three subjects that Members do not have the time to give consideration and attention to that really go to the heart of our American system of government. These three subjects are taxes, appropriations, and monetary matters. The greatest benefit that the people could possibly get from any expenditure of public funds would be to insist that every Member of Congress and every Member of this House have an administrative assistant for these three subjects of taxes, appropriations, and monetary matters. The Members do not have the time now, but if they had an economist working for them who could keep up with all the problems of government and all the functions of government and with all the different agencies so as to advise Members, they would be much better off. I do not buy this proposal to enlarge the staffs of the different committees. It is a step in the right direction, I must admit, but that is not what the Members need the most. A Member needs somebody close to him who is responsible only to him, the Member, and who will keep the Member advised and who will carry out the will and the wishes of the Member, prepare information, and so forth. That is what the Members need. If they just have a bigger committee staff, I do not believe that will necessarily get the job done. As Members we are prepared to take care of clerical matters and office correspondence, because we have adequate help provided for that purpose, although some congressional districts are so large it is almost impossible for the Members of these districts to keep up with their office work.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. HOFFMAN. Do you mean three assistants or just one?

Mr. PATMAN. No; I think one assistant could do the job for the present.

Mr. HOFFMAN. For the three subjects?

Mr. PATMAN. Yes; 1 assistant for the three subjects. I just picked these out as the most important ones. In that way we could better watch the budget. There is no time for a Member to give consideration to the budget now. We do not know much about it and we must take the word of others. We do not know anything about the tax bills that come here. We vote blindly for them or against them. They are prepared by the experts who do know what every word and punctuation mark means. We voted for a tax bill in 1954; it has already been discovered there are over 100 serious loopholes in it. If we had had 435 administrative assistants who were working on these matters involving taxes and appropriations and monetary matters not only would we, as Members, have known about these loopholes, but they would have been prevented because if you call things to the attention of the Members of this House, they will do the right thing. This House is the fairest jury on earth. Not only that, but they would have discovered ways to have helped and aided in writing up a more constructive bill. But, we were not informed. We did not have the information. We did not have the knowledge. It is really a reflection on the House to have to bring a bill in under a gag rule. I know that. I used to vote against gag rules consistently, because I just felt that it was wrong. But, I soon got used to it. We do not know too much about tax bills. Sometimes we do not know enough about them to discuss them intelligently. But, it is a reflection on us. We could equip ourselves so that we would be informed and we would have the basic information to act intelligently.

We have to be practical about these matters. We must have somebody to do it for us, so the best money we could spend in the interest of the people would be to properly equip a Member of Congress to do the job that he is elected to perform and sworn to perform. We do not hesitate to appropriate the money to properly equip every important official in the Federal agencies. We deny ourselves what we generously give executive agencies. I think that is the reason we let some of these things go on—some are just as bad as they possibly could be—that are going on in America today in open broad daylight, right before our own eyes. We see them but we cannot do anything about it. We are not equipped to properly inform other Members by preparing the necessary data and supporting information.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. HOFFMAN. Has the gentleman any idea that one assistant for each Member could keep him advised as to what is happening? For example what is in the budget, or the merits of a tax bill?

Mr. PATMAN. Well, of course these tax bills do not come up every month or every week. The appropriations come up every year; but basically and generally I think he could. Members work on different things. Some would be working on appropriations, some would be working on taxes, and some would be working on monetary affairs and on different subjects. You turn loose 435 administrative assistants and they will cover every subject that it is possible for Congress to cover.

Mr. HOFFMAN. But as I understood the gentleman's argument, it was that each Congressman should be advised, through an assistant, on these three subjects.

Mr. PATMAN. I am just giving that as an example. I mean all subjects.

Mr. HOFFMAN. All subjects?

Mr. PATMAN. Well, let us not quibble about details. I have great respect for the gentleman from Michigan, and I hope he does not try to involve me in details of that type, because I am trying to make a contribution, honestly and sincerely. Whether it is or not, I do not know, but at least I am trying to make an honest effort, and I hope the gentleman does not try to get me off the track on matters of detail. But I am stating generally that each Member should have one administrative assistant to help him

perform the duties that he cannot perform now, and I do not believe any Member of this House can honestly say he is equipped to perform the duties he is elected to perform.

Mr. HOFFMAN. I have the utmost respect for the gentleman and his opinions. I was merely inquiring for information. If the gentleman objects, I will adjourn myself and go to lunch.

Mr. PATMAN. The gentleman is always helpful and constructive and I appreciate his efforts.

DOLLAR WORTH 7 MILLS

Now, let us take the value of the money today. They talk about a dollar going down to 50 cents. For certain purposes it has gone down to 7 mills. Imagine now a dollar worth 7 mills. That is exactly right. If you measure the value of that dollar in interest that was paid by the Government in 1939 on 90-day Treasury bills, with the interest that is paid today on 90-day Treasury bills, you will discover that to be the fact. It is really astounding. It is shocking. Yesterday the newspapers even refused to carry it because they thought there was something wrong about it. There is nothing wrong about it. You pay $143 today for the interest on the same amount of money on Treasury bills, for the same length of time, that you paid only $1 for in 1939. There is the value of the dollar sinking from $1 in 1939, for the purpose of paying interest on 90-day Treasury certificates, to 7 mills in April 1957. There is an example of how the value of the dollar will go down on interest rates.

Furthermore, the value of the dollar on prime commercial paper, 4 and 6 months—this is also very disturbing—is only worth 16.3 cents. That is all it is worth for the purpose of paying interest on prime commercial paper, 4 to 6 months. It is worth about one-sixth of what it was in 1939.

WHAT WILL CONGRESS DO?

Congress knows this. Is Congress going to do anything about it? All Members of Congress have not kept up with it because they are not equipped to do the job, but I will tell you what the records show.

We cannot allow this to go on indefinitely and have a safe country; our security is involved. We cannot let the interest rates go without regard to any stability and have a stable country. Money should not be taken away from families, who need it to buy food and clothes, to pay unnecessary interest.

TREASURY SHIP WITHOUT A RUDDER

It is the first time, Mr. Speaker, in the history of the United States Government where those in charge have no idea what the going rate of interest on Government bonds is. They do not know; there is no way to determine. It is a ship without a rudder; that is what our Treasury Department is now. They do not know how much interest they are going to have to pay. I think it is the first time in all history when we have a Secretary of the Treasury, a very brilliant man, a very likeable man—I have no desire to condemn him, and I am not, except I do not like his views and his opinions about public service, who says that he does not try to keep the interest rate low on Government obligations—he does not try to keep them down. He has been encouraging the increase in interest rates. I do not agree with him.

That has been going on and this is the result. Let us see what the interest rate amounts to in this country.

There is not any one factor except interest rates that will absolutely, quickly, and immediate unbalance every budget in America. Whenever you automatically and arbitrarily increase interest rates you affect the humble household, the housewife who buys from the nearby delicatessen, or the traveling grocery store, or from the fruit stand on the corner. She will have to pay more money for what she buys for that home because of increased interest rates. It goes all through the economy immediately and quickly.

SIXTY DOLLARS PER CAPITA INCREASE IN INTEREST RATES

The result is that today we are paying $10 billion a year more money just for interest alone than we were paying 4 years ago for the same amount of money—$10 billion. It enters into this budget. That is the reason the budget is so high, but you never hear anything about cutting down interest rates. They are raising interest rates all the time and screaming about the budget. Many of the very ones who are raising the interest rates are the ones who are screaming the most about the high budget.

Let us analyze for a moment what $10 billion means in increased interest rates in the Nation. It means, if you divide $10 billion by 170 million people about $60 per capita for every man, woman, and child in America; it means about $300 increase for a family of 5 in 1957 compared to the beginning of 1953. That means that every person in America will have $60 less to spend for automobiles, washing machines, clothing, food, comforts, and the necessities of life, because that $60 will be diverted to the paying of interest, to the paying of interest, I repeat. Whether that particular person actually signs his name to a note or goes into a store he is paying interest as part of the charge. He has got to pay it. It is immaterial whether it is direct or indirect, it is in his food bill, it is in every bill for any purchase he makes; it is in all the taxes he pays—that interest of $60 per capita. In every town in America when the interest rates are raised, the telephone company, for instance, has to have an increase in their rates. The gas company, the electric light company, the water company—all utilities—increase their rates to take care of this increase in interest. It is going on all over America today. In connection with your schools, you are paying more interest on school bonds arbitrarily raised and that is in your tax bill every year. In your transportation system, in your utilities, in everything that has a price tag on it, you will find that hidden interest. It is a hidden debt that all the American people must pay and it is in the form of increased interest.

NO INFLATIONIST

If it is necessary to have this increased interest, well and good. I am against inflation. I know that I have been pictured in some newspapers as an inflationist because they want to condemn me for my views; but I will put my record up against that of any Member of the United States Congress. My record is a good one and nearly perfect against inflation. It is perfect on balancing the budget, it is perfect on keeping the budget balanced and for a stable economy and a sound dollar. No one can truthfully say a word against it. But when you talk like I am about how high interest is affecting the country, presenting the truth about the matter, people who do not like to hear it will say almost anything against you. That is why it was said by some that I am an inflationist when my record is just the opposite of being an inflationist. I have not been and I never will be an inflationist. I know what sound money means to this country.

Mr. MORRIS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Oklahoma.

Mr. MORRIS. I think the gentleman from Texas is making a very great contribution to our thinking. Certainly the things that he has brought out are food for much thought. If he will yield for a moment, I would like to call his attention to these figures that I have. I shall try to verify them. They come from a very reliable source, in my opinion, and they go, of course, to the general subject matter that the gentleman is covering in his remarks.

These figures indicate that from 1933 to 1955 the taxpayers of this country paid out $40.8 billion in the form of subsidies to manufacturers, that there were subsidies to shipping companies and airlines amounting to $5 billion in the same period from 1933 to 1955 and that during the period from 1933 to 1955 the subsidies in support of farm prices only amounted to $1.2 billion. There are $1.2 billion for the farmers of the United States as compared to $5 billion for losses and subsidies to shipping lines and airlines and $40.8 billion for manufacturers.

I am just exactly like the gentleman. I feel that the membership of this House is fair, I feel that our people generally are fair, but as the gentleman believes, I feel that we need to find a better answer than we now have so that the Members of this House and so that the people of America may better understand our economy. When you talk about taxes, about appropriations, and about monetary matters, you are talking about the very heart and soul of our economy. I want to say to the gentleman that I am listening with great interest to what he is saying. I think he is making a fine contribution to our country at this time.

FEDERAL RESERVE BANKS NOT OWNED BY BANKS

Mr. PATMAN. I thank the gentleman from Oklahoma. May I invite your attention, Mr. Speaker, to something that is right along the lines suggested by the gentleman from Oklahoma in his remarks. Many people in our country think the Federal Reserve banking system is owned by the banks. That is the general understanding of our people. There is not a word of truth in it. The banks do not own the Federal Reserve System, they do not own any part of it. It is a fallacy, it is a misrepresentation, it is a fraud to contend it. Anyone who has studied it knows that the Federal Reserve System is a Government-owned institution. The only claimed ownership that they have—and that is not a proprietary ownership—is that every bank that belongs to the system must make a deposit equal to 3 percent of its capital stock, including surplus. That 3 percent from all the banks that belong to the Federal Reserve System amounts to about $330 million now. It is called stock but it is not stock at all. They have paid that money into the Federal Reserve bank where that particular commercial bank is located. But, that money is not used for any purpose. It is not needed by the Federal Reserve bank for any purpose. It is no good at all. It could be paid back today and would not affect the System and would save the Government $20 million a year. The banks are paid 6 percent every year on the use of that money and most of it is tax exempt. They cannot sell that so-called stock. They cannot hypothecate that so-called stock. They cannot vote the so-called stock according to the amount they have invested. It serves no purpose at all except it is designed to make the banks feel like they are running the Federal Reserve System or have something to do with its control and management. And, they should not have. They gets lots of benefit from it.

COMMERCIAL BANKING SYSTEM

I believe in the commercial banking system. I think we have the finest and best system on earth. But, I am talking about independent banks. I am not talking about holding-company banks or branch banks; I am talking about our great independent banking system. And that is the way we want to keep it. We want to stop these big banks from getting control of all the little banks over the country.

FOR FEDERAL RESERVE

And, I believe in the Federal Reserve System. I think it is one of the finest and grandest systems in the world. I am not opposed to it. I just want to keep it like it was organized to do. I am against them going out of their way to favor certain big banks put on a depression when a purpose will be served for the big banks and keep raising interest at the expense of the people. That is what they are permitting.

CONGRESS SHOULD ACT

Now, here is where Congress comes in. Congress is to blame. I am to blame; all of us are to blame, because the Constitution says that Congress shall have the power to regulate money, which means fixing the interest rates. Now, what do we do? We delegate to the Federal Reserve System certain powers. That sounds all right. There are seven members appointed by the President, confirmed by the Senate, to represent the people. That sounds all right. But, one time when Congress was not watching and one time when we were more concerned about the depression than we were any other problem, certain amendments went through Congress that changed our Federal Reserve banking system. We no longer have 12 independent Federal Reserve banks in the United States with 24 branches. We have a central banking system. An Open Market Committee was set up by law which permits the big banks to influence the supply of money and the rate of interest. It came up on our blind side. It came up when we were not looking.

Now, personally, I am not opposed to a central bank. I am for a central banking system. I am for it just like other countries are, but I am for it like other countries have a central banking system that is run by public servants in the interest and for the benefit of all the people and not owned or operated or administered by the private banking interests who want to continually increase interest rates up, up, up. There is the only difference we have with all the central banking system in America today, is the fact that it is not run by the people. I mean the part about regulating the supply of money. So far as the actual banking functions are concerned, the Government should have no part other than to make sure that the bank is safely conducted to protect the depositors, and that is the only interest that the Government should have. But, when it comes to determining how much money will be put out and how much interest should be paid, that is a governmental function, except, of course, when banks, competing with one another, have interest rates up and down. I am not trying to restrict that, as the usury laws of the States will limit it. But, I am talking about the central banking system. It is all right to have a central banking system, but unlike the central banking systems of the world, we have private commercial banks sitting in on policymaking through the Open Market Committee. Right here in broad daylight in the presence of all Members of Congress they are doing it. And they are running interest rates higher and higher and higher and making the value of the dollar go down lower and lower and lower. And we are doing nothing about it.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

DIRECTING UNITED STATES COURT OF CLAIMS TO RETURN A BILL TO HOUSE OF REPRESENTATIVES

Mr. LANE. Mr. Speaker, I offer a resolution (H. Res. 241) and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That the adoption by the House of Representatives of House Resolution 174, 85th Congress, is hereby rescinded. The United States Court of Claims is hereby directed to return to the House of Representatives the bill (H. R. 2648) entitled "A bill for the relief of the MacArthur Mining Co., Inc., in receivership," together with all accompanying papers, referred to said court by said House Resolution 174.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. BOW. Mr. Speaker, reserving the right to object, has this matter been cleared with the leadership on this side?

The SPEAKER. It has been cleared with everybody, so the Chair has been informed.

Mr. BOW. I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DOMESTIC ZINC INDUSTRY

The SPEAKER. Under previous order of the House, the gentleman from Oklahoma [Mr. EDMONDSON] is recognized for 45 minutes.

Mr. EDMONDSON. Mr. Speaker, exactly 7 days ago eastern Oklahoma and several adjoining States were hit by a blockbuster in terms of a news release by one of the largest industrial concerns operating in the tri-State area of Oklahoma, Kansas, and Missouri. The Tulsa World of April 24 carried this story:

Eagle-Picher Lead and Zinc Mining Co. announced Tuesday it will close its mining and milling plants in Oklahoma, Kansas and Missouri and its smelters at Henryetta, Monday.

O. A. Rockwell, vice president and general manager of mining and milling operations, said the decision was the result of a flooded market. He said operations will "shut down for an indefinite period."

Rockwell added that each operation would be resumed as market conditions permit. He said currently the domestic zinc industry is producing at a greater pace than its products can be consumed.

The production halt will idle an estimated 500 Eagle-Picher employees in the 3-State area and more than 600 at the Henryetta plant, as well as hundreds of workers in associated industries.

HENRYETTA HARD HIT

The smelter shutdown at Henryetta, coupled with a production cutback at the Pittsburgh Plate Glass Co. and a layoff at local mines, will push the unemployment mark above 1,000 there.

I may say parenthetically that Henryetta is a town of about 8,000 population.

In Ottawa county, center of an area which produces more lead and zinc than any other comparable area in the Nation, the suspension of operations is expected to force the layoff of about 300 additional employees of 15 smaller mining companies which ship ore to Eagle-Picher.

The story that was carried in the Tulsa World was echoed in newspapers all across the State of Oklahoma. The Henryetta Daily Free-Lance of April 23, 1957, had this story by its editor, Leland Gourley:

Foreign imports claimed another battle victory over Henryetta industry Tuesday and 700 more industrial workers will be out of jobs come Monday. Eagle-Picher is shutting down for an indefinite period.

The announcement came Tuesday from O. A. Rockwell, Miami, vice president and general manager of the mining and smelting division of Eagle-Picher, who said all tri-State operations "will be shut down for an indefinite period" and "curtailment of operations" already is underway, with "all work suspended" by next Monday.

This will bring to more than 1,000 the number of men out of work here due to curtailment of Pittsburgh Glass Co., another victim of foreign imports, and the summer shutdown of coal mining.

The Okmulgee Times of April 24 carried the following headline and story:

SIX HUNDRED AND FORTY-SIX PERSONS FACE LAYOFF IN CUTBACK

Temporary shutdown of the Eagle-Picher Co.'s Henryetta zinc smeltering plant and mining and milling operations throughout the tri-State area was announced Tuesday.

The Okmulgee Times contained a quotation from Mr. Rockwell which has immediate significance to this story:

Probably the greatest factor in the present zinc market situation is due to imports of foreign concentrates and metal which have been greater than total domestic production for the several years.

The Daily Oklahoman, one of the largest metropolitan dailies of our State, carried this story on April 24 by Gene Campbell:

The economy of northeastern Oklahoma was shaken Tuesday when Eagle-Picher Co. unexpectedly announced it will shut down all of its mining and smelting activities in the State for an indefinite period beginning Monday.

Similar stories appeared in the Tulsa Tribune, the Miami News Record, and other leading periodicals of the State of Oklahoma.

On April 25, the Tulsa Tribune reported:

Miners thrown out of work by the Eagle-Picher Lead & Zinc Co.'s decision to close all its mine and mill production by Monday today began a trek to the unemployment office.

An estimated 1,400 workers in the tri-State area of Oklahoma, Kansas, and Missouri and the company's giant smelter at Henryetta, Okla., are expected to be out of work indefinitely.

Meanwhile, the State senate today adopted a resolution memorializing Congress to take certain corrective action about imports which were instrumental in causing the Eagle-Picher shutdown.

Mr. Speaker, there can be no question about the fact that we have seen in the last 3 years a continuing increase in the imports into the United States of both lead and zinc, which are the principal products mined in the tri-State area. The statistics supplied today through the Library of Congress and the Bureau of Mines show that the import of zinc ore in 1954 was 454,027 tons. In 1955 that figure had risen to 478,044 tons. In 1956 the total was up to 510,000 short tons. Zinc metal imports went up from 156,858 tons in 1954 to 195,696 tons in 1955 and on up to 222,000 tons in 1956. The total increases for both ore and metal had risen from 1954 when the total was 610,000 tons to 1956 a total of 732,000 tons.

Mr. WITHROW. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield.

Mr. WITHROW. I am very much interested in this. I have quite a few lead and zinc mines in my district.

Mr. EDMONDSON. I appreciate the interest of the gentleman.

Mr. WITHROW. I wonder if in the figures the gentleman is giving us whether all of this lead and zinc came in for domestic consumption and what proportion was stockpiled?

Mr. EDMONDSON. I think the gentleman is as aware as I am that the statistics on stockpiles are restricted in character and are not available for general information. I can tell the gentleman there are statistics which show that an increased percentage of domestic consumption is being supplied by imports, and I expect in the course of my remarks today to give some statistical information on that point. But, as to the exact percentage that is being stockpiled and the exact percentage that is going into the barter program, which is probably a more significant amount, I cannot answer the gentleman.

Mr. WITHROW. That is quite important.

Mr. EDMONDSON. I will agree that it is an important and significant point.

Mr. WITHROW. I thank the gentleman.

Mr. EDMONDSON. As to lead, the figures on increased imports are somewhat comparable. In 1954, 161,413 tons of lead ore were brought into this country. In 1955, that went up to 177,479 tons. In 1956, the figure had risen to 196,515 tons of lead ore—by far the largest figure that we have had coming into this country in lead ore since the 1940's. In lead metal, the figure went up from the figures in 1951 of 179,032 tons to 262,007 tons in 1956. Although there were some fluctuations in the intervening years between 1951 and 1956, the total combined figures for lead ore and metal show an increase from the 1954 figure of 437,699 tons to a total of 458,522 tons.

As to what has been happening with reference to domestic production, the following figures were recently supplied by representatives of the lead and zinc industry to Dr. Gabriel Hague, economic adviser for the President, in response to his direct question. The ratio of imports to domestic production of zinc in 1950 was 70 percent. In 1954 that figure stood at 1.29 to 1. In other words, imports had risen to 129 percent of domestic production. In 1955 they went up to 133 percent of domestic production. In 1956 they stood at the record figure, exceeded only once before in recent history, of 137 percent of domestic production. The complaint made by the domestic industry that they have seen a steadily rising participation in the domestic market on the part of the import industry is documented solidly by the facts and documented also by the fact that the Government has found on increased demand being made upon it for its stockpile program to take care of domestic production. I am quite sure the gentleman will agree with me that if there had been domestic markets, there would not have been a rapidly increasing demand upon the stockpile program which has been visited upon that program in the last few years by the domestic zinc producers. This is by no means a new problem, as Members are well aware. It first came to my attention when I came to Congress in 1953. At that time I think we were probably in the middle of as serious a domestic crisis in the lead and zinc industry as we have seen in many years. In looking into that problem I discovered that the number of miners working in the lead and zinc production in the tri-State area had fallen to less than half the number of miners who had been in that production only a couple of years before. On April 16, 1953, I submitted a preliminary report on the zinc industry in Oklahoma to the President of the United States. In that report I pointed out the urgency of the situation in our area; the fact that it was affecting related areas and related businesses, and the urgent necessity for some action by the Federal Government, either to curtail imports or in some way to insure a continuing fair share of the domestic industry for our domestic producers. The President answered on May 11, 1953, in these interesting words:

This preliminary report on zinc mining conditions in Oklahoma and the tri-State area contains statements that impress me with the seriousness of this situation. A strong domestic mining industry is vital to national security and to the continued prosperity of our country. I hope that the administration may find a way of relieving the depressed conditions that prevail within many mining districts.

That was the answer of the President in May 1953.

Subsequently I had occasion to submit several additional reports to the President and members of the White House family. This is the last word I have had from the President himself on this subject. In the course of the situation and its development and the urgent problem as it spread across this country, the lead and zinc industry brought a case before the Tariff Commission of the United States. Acting under laws established by this House, the lead and zinc industry established the extent of the damage to the domestic industry and the very urgent implications of that damage to the overall economy of the United States. In May 1954 the United States Tariff Commission, after extended hearings over many months, in which they heard from representatives of the industry, from representatives of the governors of a number of mining States, and from a number of the Representatives of different States who serve here in the Congress, the Tariff Commission made a series of findings and recommendations. The findings of the Commission were specific and to the point, that as a result of the Government's treatment "reflecting concessions granted thereon in the General Agreement on Tariffs and Trade, the articles described in paragraphs 391 and 392 of the Tariff Act of 1930, excepting certain specific items, are being imported into the United States in such increased quantities, both actually and relative to domestic production, as to cause serious injury to the domestic industry producing like or directly competitive products.

After a series of related findings, the Tariff Commission went on to make this specific recommendation to the President:

In view of the foregoing findings, the Tariff Commission, with Commissioner Ryder dissenting, recommends that the preferred duty concessions granted in the General Agreement on Tariffs and Trade on products described in findings 1 and 2, be modified to permit for an indefinite period an application of increased rates of duty as indicated in findings 3 and 4 above.

Those findings, 3 and 4, called for specific increases in the tariff rates on both zinc and lead brought into this country, raising those figures to 50 percent above the rate existing on January 1, 1945.

The President, after considering the findings of the Tariff Commission under the procedures set up by Congress, concluded that he would not put into effect the recommendations of the Tariff Commission for an increase on zinc and lead being imported into this country. Instead, he informed the zinc industry and the lead industry that he was going to take measures within the Interior Department and within the framework of the executive branch to help sustain the industry. Those measures since then have consisted of rather extensive stockpiling purchases of lead and zinc produced in this country and led to the expansion of barter arrangements to try to relieve our local market to some extent of the steadily increasing imports into this country.

That they have not been successful with these efforts on behalf of the President, have not done the job, is manifested not only in the tri-State area by what has been happening there, but also by the shutdown of the number of other mining companies across the country, small mining companies which not only have to have a favorable price situation but also a measure at least of protection from disastrously lower-priced, foreign-produced ores and metals.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield.

Mr. BOW. May I say to the gentleman that I sincerely hope some action will be taken which will protect the people of his State from unemployment because of importation. I think we are beginning to find out, if the gentleman will yield for this observation, that throughout the country we are finding more and more industries are being affected by imports. In my own State, Ohio, the great pottery industry has suffered. Many of the potteries have been closed; most of them are now in distress because of the lack of a quota system.

The clay pipe industry is now beginning to suffer. I think we have it throughout the country.

I wonder if the gentleman will agree with me that under the Constitution of the United States, section 8 of article 3, it is the duty of the Congress to set the duties and import taxes, and that the Congress has by the adoption of the reciprocal trade agreements, delegated its authority to the executive branch to where now in the executive branch we have these tariffs being set, the agreements being made which are affecting us, where the deal now is made on the basis of foreign affairs rather than under the Constitution, under which the Congress sets the duties and tariffs for the protection of American industry and to keep our people on their jobs. We have by delegation of the power of our constitutional authority to fix duties and tariffs lost control of the situation. Our effort now should be to regain control of the right to fix duties and rates for the protection of our own people.

Mr. EDMONDSON. I think the gentleman has stated some points that definitely are worthy of careful consideration by this Congress, and I certainly would agree with him that we have surrendered the final word on this question in a way that is very doubtful in its wisdom, in my opinion. I personally would rather see a Tariff Commission that answered directly to the Congress for the final word rather than answered directly to the President of the United States for the final word on their recommendations.

Mr. BOW. Mr. Speaker, will the gentleman yield further?

Mr. EDMONDSON. I yield to the gentleman.

Mr. BOW. The Tariff Commission, of course, is an arm, or branch of the Congress, set up under the Constitution; but we have through the reciprocal trade agreements delegated that authority to the executive branch which they have delegated to others. I do not want to get into a debate on that at this time, but may I again say to the gentleman that I hope sincerely something will be done as a result of the gentleman's fine discussion today that will result in a betterment of the situation. It is nothing less than a crime and a shame to have people out of work because of importation of foreign-made goods into this country.

Mr. EDMONDSON. I appreciate the gentleman's statement, and I am also sympathetic to the problem he has in his pottery industry and industries related to that great business in our country.

Mr. LANHAM. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Georgia.

Mr. LANHAM. I want to commend the gentleman from Oklahoma for the very splendid statement he is making. He knows of my interest in this whole matter of getting the facts to the Congress and getting power to do something about unfair competition such as is ruining the mining industry in his own State. I just hope that we are going to be able at least to prevent a further delegation of congressional power to what is called the Organization for Trade Cooperation, better known as the OTC. That is the next thing that is threatening us. If we do that then we confirm all of these agreements that have been made and which have never been confirmed by the Senate. If we pass this OTC Act we are losing forever and we have lost forever the power of the Congress to regulate trade with foreign countries and to protect our own people from unfair cutthroat competition.

The gentleman knows I have introduced a bill which would set up tariff quotas or would enable the Tariff Commission to do that. We have been having breakfasts at which we discussed this bill. All of us ought to get together and ask the gentleman from Tennessee [Mr. COOPER] to give us a hearing on that bill. We may not be able to pass it at this session but at least we can awaken the American people to the fact that Congress has given away all of its power in this field and we can at least defeat the OTC bill.

Mr. EDMONDSON. I appreciate the gentleman's statement and also his long-standing interest in this problem. I certainly will join the gentleman in urging that hearings be held on his bill. I have studied the bill and I think it is one that the committee should give careful consideration to at the earliest possible moment.

Mr. WITHROW. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Wisconsin.

Mr. WITHROW. I, too, want to commend the gentleman for the very fine statement he has made in regard to this very important question. With reference to the Tariff Commission making this recommendation to the President, I understand that that recommendation was unanimous on the part of the Tariff Commission.

Mr. EDMONDSON. I think there was one Commissioner, Commissioner Ryder, who dissented in the final recommendation that was made.

Mr. WITHROW. I was under a misapprehension then. I personally feel as though we have to have a quota system on imports in this country. I believe in it. We have had entirely too much interference on the part of the activities of the Tariff Commission by the State Department. The State Department is the Department that has blocked tariff raises in instances where we needed them sadly. I have in mind several instances in my own district, in the rubber-manufacturing field, for instance, where they have recommended time and time again very sharp increases in the tariff on rubber footwear. It has been to no avail by reason of the influence of the State Department.

Mr. EDMONDSON. The gentleman makes a very fine point there. When I spoke to representatives of the glass industry in my district who were complaining about the imports, I said, "Why do you not take your case to the Tariff Commission?" They replied, "Look at the sorry record of every industry that has gone to the Tariff Commission. Not 1 out of 10 received relief when the Tariff Commission made a recommendation."

Mr. WITHROW. The State Department has made a mere figurehead out of the Tariff Commission and rendered that Commission very ineffective.

Mr. EDMONDSON. I thank the gentleman.

Mr. GEORGE. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I am happy to yield to the gentleman from Kansas who also was active in this fight to assist the

lead and zinc industry since 1953, to my knowledge.

Mr. GEORGE. I want to commend the gentleman for bringing to the attention of the House all of the facts and information that he has introduced into the RECORD. Coming from a mining district and having this happen on top of all the other depressed conditions that we have had since World War II has concluded is almost an anticlimax in any congressional district. The unemployment in my district is tremendous and, frankly, most of it has been caused by the importation of foreign oil which affects a coal mining area in my district, also the lead and zinc industry. I do not know whether the gentleman explained to the Members of the House that during World War I this district furnished 50 percent of all the lead and zinc used in the war effort at that time. During World War II over 12 percent of the lead and zinc used in that great effort was supplied by this area. Now, closing down is a little bit more than is involved here, because if we are allowed to leave the facilities in these mines nonoperative for years, water is a tremendous operation in that field, and water is apt to come in and take over that entire area so that it cannot be recovered in case of any other emergency that might arise. Now, to me it is a short-sighted policy when this Government, or whoever is responsible for the condition that causes it to come up and exist, adopts a policy that destroys the mining facilities and the potential in case of a major attack. I do not know whether we can keep out sealanes open. I do know that under our point 4 program and under foreign aid we have taxed our people in the mining industry to expand these industries in the other countries to help put our people out of business. Now, we talk about reciprocal trade. I have seen this picture coming for a long time. Frankly, I am most happy that my vote has not contributed to the problem that we have had in our district. I have opposed reciprocal trade since 1950. I do not want to delegate the power of the Congress in any instance. I am willing to accept my own responsibility here. Our point 4 program, of course, is a nice program, but it should not be used by our State Department to put the taxpayers of the United States that are carrying on that program throughout the world out of business. So, I hope we do come back to a realistic approach to what not only the lead and zinc problems are in our area but the whole mining problem throughout the United States.

I thank the gentleman for yielding.

Mr. EDMONDSON. I thank the gentleman from Kansas, and I am also grateful to him for stressing the importance of this tri-State field. The fact of the matter is that next only to steel the most important defense metals we have are lead and zinc, and anyone who does not realize the security implications and the defense implications that result from the closing down of production and the loss of skills in this very vital mining industry is not very well aware of the overall importance of these metals in our national security.

Mr. BREEDING. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Kansas.

Mr. BREEDING. First I want to compliment the gentleman from Oklahoma on his remarks. Also I want to join my fellow Kansan [Mr. GEORGE] in his remarks, as well as my other colleagues. I come from an area that has considerable quantities of oil and gas, and I believe my colleague mentioned imports of oil. Some sections of my State mine zinc and lead which has been mentioned in this debate. Therefore I certainly want to join the gentleman from Oklahoma [Mr. EDMONDSON] in his efforts. Did the gentleman name the cities that have lead and zinc plants?

Mr. EDMONDSON. Not outside Oklahoma, but there are a large number of smelters and mills located throughout the tri-State area.

Mr. BREEDING. I speak for a lot of laboring people and manufacturing organizations that are located in the Fifth District of Kansas.

Mr. EDMONDSON. I thank the gentleman very much for his help.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Oklahoma.

Mr. ALBERT. I want to commend my colleague for the very forceful effort he is making on behalf of a situation which is really important not only to his district but to our whole State. Eastern Oklahoma has just been through the worst drought in modern history. Parts of it are now under flood. We have gone from one extreme to the other. Here we are witnessing the laying off of hundreds of miners and smelter workers who contribute substantially to important sections of our State. I want to commend the gentleman for the effort he is making in their behalf and in behalf of the people that he represents.

Mr. EDMONDSON. I thank my good friend and colleague from the Third District of Oklahoma, whose fight in behalf of his unemployed coal miners and industrial workers in the Third District is well known to all of us in the Congress.

Mr. STAGGERS. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from West Virginia.

Mr. STAGGERS. I wish to commend the gentleman from Oklahoma for his statement and join with him in trying to see if something cannot be done to alleviate the situation. I have been in this fight, too, for some time. I might say that when I first came to Congress I took a delegation to the Tariff Commission to try to straighten out the situation in the handmade-glass industry. From there we went to the Department of State and finally to the White House. We did not get anything done. When this new administration came in I followed the same procedure. I went down and saw Sherman Adams, Assistant to the President. Then we saw people in the Tariff Commission. But up to now we have not been able to do anything. I think it is high time Congress does something about it.

Mr. EDMONDSON. I thank the gentleman for his contribution. I thank him, too, for the long fight he has conducted in this field. The gentleman well knows that whenever our country is in mortal danger, is under attack, when our sealanes are cut and traffic across the seas is hindered they have to call upon the miners of coal and of lead and zinc and other metals that are needed in our war effort. They ask them to double and treble the production of our country. If we permit those mines to shut down and we permit those skills to be lost, we will not be in a position of strength and security to meet the present Red menace all over the world.

I think the gentleman has made the same plea on this floor on more than one occasion.

Mr. STAGGERS. Mr. Speaker, would the gentleman yield further?

Mr. EDMONDSON. I yield.

Mr. STAGGERS. I should like to emphasize what the gentleman said about the importance of coal. When we have a national emergency coal is so very important. The Tariff Commission and the Congress must do something about the situation of the importation of residual oils into this country.

Mr. EDMONDSON. The gentleman is correct.

Mr. DAWSON of Utah. Mr. Speaker, would the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Utah.

Mr. DAWSON of Utah. Mr. Speaker, I want to join my colleagues in commending the gentleman from Oklahoma for calling this matter to the attention of Congress. I am sorry there are not more Members on the floor to hear what has been said.

As the gentleman well knows, he and I and others have been down to the Department of State to discuss this matter. As the gentleman from West Virginia [Mr. STAGGERS] so ably said, we have been everywhere that we know of to call this matter to the attention of the people in the administrative branch of the Government. We have tried to acquaint them with the sorry plight of the lead and zinc industry in our various States.

Before coming to the floor today I took occasion to check in my State with some of the people who were responsible for the operation of the mines there and they told me that we are going to have a situation shortly out there that will parallel that which has occurred with the Eagle-Picher mine in the tri-State area. It is aggravated by the fact that there is a sense of fear presently hanging over the industry that it may not be long, perhaps just a few months, when there will be announced the end of the long-term stockpiling program. That will drive the market further down. Also we are faced with the prospect of an announcement of the termination of the barter program through the Department of Agriculture. In the event either one of those situations develops, which is quite likely, we will find the market going down still further. Even a penny drop in the price of zinc would be serious. The price of zinc is now around 13½ cents. The price of lead is about 16 cents. A drop in the market price of either one of those metals might mean that practically every lead and zinc mine in the United States is going to be closed.

So far as I can see, there is no other solution to this problem than to face up to it realistically and provide some sort of an import quota or a tariff to protect our market against the importation of foreign metals. The gentleman is well versed in this matter, and I think he agrees with me there is not any substitute for that type of a program.

Mr. EDMONDSON. Mr. Speaker, I certainly want to thank my friend from Utah, who has been one of the real leaders in this movement, for his contribution. I would agree with him that a mere extension of the stockpiling program and of the barter program will not provide a long-range answer to this situation. The fact that there is uncertainty about them today is compounding the problem. But I do not think it will be solved by a mere extension of those programs.

Mr. DAWSON of Utah. I am positive of that. I recall about a year and a half ago when the present stockpiling program was announced, as well as the barter program, we were called down to the White House and met with the President. At that time he read the statement that was later published to the effect that if this program he had in mind did not fulfill the desires of industry or at least bring the price up to the point where they could operate he would be prepared to put into operation other programs which would provide that the market would be up to the point where they could keep the mines in operation. I think that time has arrived. The very sad closing of the Eagle-Picher mine, one of the big ones in the country, in the gentleman's district, is proof of what is going to happen in other areas. I just hope the Members of this body will all read what is being said here this day and see that action is taken now, rather than wait 2 months from now when the contingencies occur to which the gentleman has referred.

Mr. EDMONDSON. I thank the gentleman for emphasizing the national character of this matter. Just the other day I talked by long-distance telephone to Salt Lake City to Mr. Otto Herres, one of the spokesmen for the industry, who was one of the principal witnesses before the Commission. He told me at that time something the gentleman from Utah has also told me, that there are a number of companies that are just hanging today on the rim of survival, and that certainly would be destroyed if we were to have a drastic curtailment of the stockpile or the barter program at this time.

Mr. DAWSON of Utah. I thank the gentleman.

Mr. BREEDING. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Kansas.

Mr. BREEDING. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

Mr. EDMONDSON. There is no question about the fact that there is authority in law today for something to be done to meet this problem. The other day Senator MONRONEY and Senator KERR joined with me in sending a telegram to the President. After outlining the situation, this request appeared in the telegram:

> Due to the grave economic crisis and the threat to national security now resulting from shutting down of mines and smelter capacity in Oklahoma and the resulting unemployment, we urge you, either on the basis of the recommendation of the Tariff Commission in 1954, or under section 7 of the Trade Agreements Extension Act of 1955, or under other authority vested in you, to immediately take such action which will result in relieving this threat to national security and this crisis of nonproduction and unemployment in Oklahoma mines and smelters.

Section 7 of the Trade Agreements Extension Act of 1955 clearly provides as follows:

> In order to further the policy and purpose of this section, whenever the Director of the Office of Defense Mobilization has reason to believe that any article is being imported into the United States in such quantities as to threaten to impair the national security, he shall so advise the President; and, if the President agrees that there is reason for such belief, the President shall cause an immediate investigation to be made to determine the facts. If, on the basis of such investigation, and the report to him of the findings and recommendations made in connection therewith, the President finds that the article is being imported into the United States in such quantities as to threaten to impair the national security, he shall take such action as he deems necessary to adjust the imports of such article to a level that will not threaten to impair the national security.

That is an absolute blank check to the President to do anything from quotas to an increase in tariffs to an absolute embargo on imports if he finds it necessary in order to alleviate this situation, and he has this authority under existing law.

There is also clearly authority for the President under the escape clause as outlined by the Tariff Commission in its 1954 report, when it reported as follows:

> If it was determined that the articles were, as a result in whole or in part of the duty reflecting the concessions, being imported in such increased quantities as to cause or threaten serious injury to the domestic industry producing like or directly competitive products, the President, acting under the escape clause, could withdraw or modify the concessions to the extent and for such time as might be necessary to prevent or remedy such injury.

These articles are being brought into this country under concessions which drastically lower the tariff rates prevailing upon them.

There is no question about the injury to the industry, there is no question about the fact that because of the character of this industry our national security could very well be impaired if it is allowed to continue. So I submit that the President clearly has the authority to take action at the present time if he elects to do so, and his decision the other day with reference to the oil situation, which I certainly commend and was glad to see made, emphasizes the fact that he does have the authority if he wants to recognize the plain facts of the situation and do something about it.

All the people of the lead and zinc industry are asking today is that the President recognize in the case of lead and zinc the defense character of these metals and the national security questions involved in lead and zinc production, just as he recognized just this past week those same facts with regard to the oil industry.

Mr. GEORGE. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield.

Mr. GEORGE. I am sure the gentleman agrees with me that we both are thinking in our own minds that the national security is definitely involved in the lack of having a substantial program to support the lead and zinc industry in this country. Is that not the gentleman's thinking?

Mr. EDMONDSON. That is true.

Mr. GEORGE. We are also thinking in the event of an all-out war that if we allow these facilities to deteriorate and allow the water to take over to the point where it will require 2 or 3 years to bail them out and require new machinery and everything to be put in to put them back into operation again, and if our sealanes are cut, where are we going to get our lead and zinc in this country?

Mr. EDMONDSON. The gentleman is exactly correct. That certainly points up the national security implications that are present in this situation.

Mr. GEORGE. We are not looking at it purely from a local and selfish standpoint but from the standpoint of the overall national interests when we ask for relief and the continuation of some type of program that will allow these mines to operate on a self-supporting basis.

Mr. EDMONDSON. The gentleman is exactly correct.

Mr. Speaker, there can be no question about the feeling of Oklahoma, in their conviction that something is wrong with a Government policy which leads to drastic shutdowns in our domestic industry while the country's consumption of the product stands at a high level.

The action of our State legislature, in calling for Washington's attention to the mounting imports of lead and zinc, is evidence of this feeling.

On April 25, 1957, Editor Ed Livermore of the Claremore Progress had this to say:

> News that Eagle-Picher is closing down its operations in Oklahoma brings to light a much-discussed problem: Is it better to continue building up foreign countries and providing markets for their goods than to take care of our own economy?
>
> Oklahoma is going to suffer as a result of the Eagle-Picher shutdown. Possibly 2,000 men will be out of work, and perhaps a fourth that many more jobs will be wiped out in service establishments, etc., in the Miami and Henryetta communities. * * * This is a very serious matter that affects more than just these two communities. * * * It affects the entire State, and similar situations affect the entire country.
>
> Foreign manufacturers can produce at a cheaper figure because of the cheaper labor overseas. True, we must always have an interest in conditions abroad, but when we damage our own economy in the process, soon we will find ourselves in no position to help anyone * * * even ourselves.
>
> Congress has been bombarded long and loud about increasing the embargo on foreign merchandise. A yardstick must be

found that will measure out unfortunate circumstances such as the Eagle-Picher situation before they occur. There is a limit to how far one can go to be a good neighbor.

On the same date, Editor C. Allan Mathews of the Tri-State Tribune had this comment:

Meanwhile with Eagle-Picher closing down for a while, which in turn forced many other companies dependent upon their milling facilities for their own "dirt," morale has dropped a peg or two in the area.

While we can never probably forgive the company for building "the big fence" in the middle of town, and after all these years, it still rankles a bit, we can still see the company's side of the present problem.

The Government is importing tariff-free zinc from many foreign countries, including Mexico, Canada, South America, Africa, and Spain, to name a few, with seemingly little concern for effect on domestic mining companies or the American miner.

Americans cannot and should not be expected to compete with the subwage standard and the subliving standards of most of these foreign laborers and companies. It is impossible to produce as cheaply in America as it is to import, under those conditions.

In recent years our Nation's major goal seemingly has been to appease and woo our foreign neighbors—to buy their friendship, regardless of the cost. We'd be the first to admit that it is important, perhaps necessary.

On the other hand, it's hardly fair to the folks at home, who are footing the bill, to be entirely neglected, ignored, or forgotten.

The Tri-State zinc and lead industry deserves protection from foreign imports—either in the form of a tariff or a subsidy.

Tri-State mines deserve an operating margin of profit and return on their investment—from the Eagle-Picher Co., down to the smallest "gouge."

Senators KERR and MONRONEY, and Representative EDMONDSON, can follow their telegrams to the President with indignant demands that our foreign policy include the interests of our own citizens.

The spirit of the people in Oklahoma, however, has not been dimmed. Editor Leland Gourley, writing in the Henryetta Daily Free-Lance, has spoken eloquently of this spirit:

Henryetta will not die on the vine. This is a sad day for Henryetta's economy with the announcement of the closing of the smelter here due to market conditions, thus making 750 more men unemployed.

Come Monday, half the breadwinners in this community of 8,000 will be unemployed.

We must not give up the ship.

Now is the time for all good men to come to the aid of their community. Let confidence, courage, harmony, and effort be the watchwords in the days ahead rather than despair, defeat, and disunity.

We must marshal our forces to keep Henryetta from being wiped off the face of the map with a giant blow.

As soon as this newspaper learned the bad news, it went to work immediately contacting every possible source that might be of some help. This action already is beginning to bear fruit. It has resulted in action in Washington and in Oklahoma City. The President received a telegram this afternoon from our representatives in Washington. Governor Gary already has pledged his support and our legislative delegation in the State capitol is at work, forsaking all other matters to place this paramount issue foremost.

This is just a sampling of the kind of thing that we must do with fervor and endurance.

Our hometown chamber of commerce must become more vigorous in its efforts to secure new industry, and in this difficult assignment every citizen must lend his support.

Our hometown unions are faced with a choice to make. We predict they will take the course of the union employees of Phillips Petroleum Corp. in Okmulgee who salvaged an industry there, rather than the course of the bitterness in Picher, Okla., that resulted in the making of a ghost town.

Our churches must call on God to guide our thinking, wisdom, and direction in the proper pathway to a solution.

Your hometown newspaper pledges to help lead the way and provide encouragement and a rallying point for leadership. But this is something that will take the best guts and brains we have and every ounce of energy the entire community can muster.

It is a problem. All problems have a solution. We will find it. We will emerge victorious.

While these editorials testify to the spirit of Oklahoma, they also reflect some of the confusion and disappointment of the people of America with administration of the trade policy of the United States.

That policy is sure to be under increasing fire, if something is not done to meet situations such as we now confront in the tri-State area.

When I testified before the House Ways and Means Committee on February 2, 1955, in support of extending our Government's reciprocal trade program, I tried to make one Congressman's position clear with these concluding remarks:

I am also hopeful that this committee will fulfill its responsibility in seeing that the spirit and meaning of reciprocal trade are not destroyed by the executive branch of our Government.

I cannot believe it was ever intended by Congress in writing this policy into law, that sound and productive American industries should be destroyed through its implementation.

I cannot believe it was ever intended that hundreds of thousands of American workers should be thrown into unemployment as a direct and immediate result of trade agreements which flood our markets with competitive products from abroad.

I cannot believe that it was intended that the escape clause should be ignored by the White House—when a case is made under it, as it was in the case of the lead and zinc industry of this Nation.

The time has come for the Congress to take positive steps in support of the reciprocal-trade program, to assure that its true meaning and objectives are continued, rather than perverted, by the Executive.

Like any other program, the reciprocal trade program must have the support of the people to survive.

We cannot undermine and destroy our Nation's mining industry, its glass industry, its petroleum industry and others, and hope to continue the popular support which is essential to reciprocal trade.

Let us, therefore, write into law the safeguards which are necessary to protect American industries essential to national security and any emergency effort which might arise—and send our reciprocal-trade program to the White House with these safeguards in it.

I am sure this committee is capable of correcting the injustice we now see in the international trade picture for great segments of American industry and of correcting that injustice by wise and effective amendment of the reciprocal-trade legislation.

In response to that request, and to similar requests by many other Members of this House, we placed in the reciprocal trade law the protective section known as section 7, which I quoted at length at an earlier point in these remarks.

Congress has therefore acted to provide protection for domestic industry when our national security is impaired by the substantial weakening or destruction of an industry, such as the lead and zinc industry.

It is now up to the President, and I earnestly hope that he will act speedily.

Every day of delay means additional suffering and distress for the unemployed miners, mill workers, and smelter workers of this great industry. Every day of delay means an additional drain upon the welfare and relief resources of Oklahoma and the Nation. Every day of delay means another day lost in the all important struggle to maintain America's full strength and preparedness in the cold war.

I am deeply grateful to the other Members of the House of Representatives who have joined with me in this appeal for prompt action on behalf of our Executive, and I hope and pray that the sun will not set on another day of needless delay.

Mr. DAWSON of Utah. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DAWSON of Utah. Mr. Speaker, in common with other domestic lead and zinc producing areas whose position has been pictured here today, Utah is feeling the ever-tightening squeeze of foreign competition and looks apprehensively at the very near future of this important segment of its mining industry.

At the moment, it is true, lead and zinc prices are holding up under artificial stimuli. But there is one catch—many of our producers are having difficulties in finding a market for their production.

The reason is easy to find: World production is at a record level, and American imports are above domestic consumption.

The domestic lead and zinc industry has been surviving because of two Federal programs—stockpiling and bartering—which were designed to provide a demand for domestic production, reduce the world surplus of these important metals, and still permit a free interchange of trade with friendly nations.

But what has happened? The minimum goal portion of the stockpiling program has long since been filled, and the Government is now working on the long-term goal, buying restricted amounts of production each month while the excess domestic production must pile up in surplus. Reliable reports say that the long-term goal will be satisfied within a few months and that will be the end of the present stockpiling program.

Under the barter program, we trade surplus agricultural commodities to other nations for strategic minerals. This was to have had the doubly beneficial effect of diminishing our farm surpluses and the world mineral surplus.

But foreign producers have not resisted the temptation to step up their production of lead and zinc to take advantage of so attractive a market. The result: a greater surplus than ever.

We have only created a vacuum which foreign production has rushed in to fill—while domestic producers stand by helplessly.

Mr. Speaker, I submit that we must do something, and do it soon, to stop the suffocation of this vital industry. We must speedily invoke a tariff or a quota system or some other plan which effectively will put our domestic lead-zinc producers on an equal footing with the foreign competition against which they are so unfairly matched. And I repeat, it must be done soon, before the market drops further and sends the industry to a ruin from which it can never recover.

NATIONAL ENERGY AND FUEL RESOURCES

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. STAGGERS] is recognized for 5 minutes.

Mr. STAGGERS. Mr. Speaker, on January 7 I announced that I would introduce a bill in Congress which would be aimed at "extending the long-range availability of energy resources." Since that time I have given careful consideration to the type and character of legislation that the Congress should consider in connection with the very essential problem of achieving a balanced fuel economy in the United States. I have refrained from presenting a bill to the Congress until such time as I had the opportunity to examine any other legislation introduced affecting the natural-gas industry.

On April 10 there was introduced in the House the "new" gas industry bill. I understand it does not have the unanimous endorsement of all segments of that industry. Although I cannot determine with any assurance whether H. R. 6790 will receive the active support of the administration, nevertheless, the President in a recent White House press conference did state that he generally approved the principles contained in the new measure. Hearings on H. R. 6790 are scheduled to begin May 7 and I am assuming that the administration will not offer a different bill for committee consideration by that time.

I make these observations because it was not my intention to introduce legislation on the subject if the much-heralded "new" gas bill included amendments which I believe necessary in the public interest if the Natural Gas Act is to be modernized to meet the challenge of the changing times and the new responsibilities inherent in the enormous growth and expansion of the natural-gas industry. I have carefully examined H. R. 6790, the new bill, and I fail to find contained therein a single proposed amendment of the Natural Gas Act that falls within the framework of the bill which I introduced in the last session of Congress. This indicates to me conclusively that the highly publicized efforts of the representatives of the natural-gas producers, pipeliners, and distributors to bring forth a bill on which all can agree represented a compromise among themselves with respect to their problems without taking into account the overall public interest or the problems of competing fuels.

In principle, I am opposed to Federal controls over the production phase of any natural resource fuel and I am a firm believer in the free competitive enterprise system. However, I do not believe in freeing the producers of gas from the burdens of regulation unless the other clearly interstate segments of that industry meet their full national obligations and responsibilities as industries subject to utility-type regulation.

I pointed out last year that there was a loophole in the Natural Gas Act which exempted direct sales of natural gas from Federal Power Commission jurisdiction notwithstanding the fact that such gas had entered into the stream of commerce, crossed State lines, and was clearly in the control of the interstate pipeline carriers who were regulated by the FPC with respect to all other phases of their operations.

This loophole represents to a large extent a needless dissipation of a very valuable natural resource under boilers and hastens the day of exhaustion of the short supply of natural gas. Moreover, this exemption represents an unfair competitive advantage for natural gas and has resulted in serious damage to the coal and, yes, oil industries because it has served as an inducement to the pipeline companies to dump valuable natural gas under boilers and displace competing fuels on a price-cutting basis, without effective regulation. If the producers of natural gas are to be freed from Federal regulation and additional volumes of gas are to be committed to natural-gas pipelines, there is all the more reason for closing the loophole which accelerates the exhaustion of the available supply of natural gas and creates an inequity for competing fuels.

Another roadblock in the way of achieving a balanced fuel economy are the widespread below-cost sales of natural gas. This practice has grown because of the contractual requirement by producers of natural gas that the pipeline companies take a fixed quantity of natural gas on a year-round basis notwithstanding the peaks and valleys in demand that result from the varying temperatures throughout the year in consuming areas. Natural gas can be controlled at the wellhead by the turn of a valve but the producers of natural gas arbitrarily require high load factors in natural gaslines in order to realize the greatest profit from their agreements to commit their product to the pipelines of the Nation. In dealing with a great industry such as the natural-gas industry, the level of profit cannot be the only standard by which approval or disapproval of their practices should be measured. While the producers of natural gas may be entitled to freedom from direct FPC controls, nevertheless there are higher considerations to weigh before doing so now. The FPC should not permit natural-gas companies to take more gas in a given period than can be distributed for the most efficient uses of this scarce national resource during the given period. It is for this reason that I believe that the Natural Gas Act should be further amended so as to empower the FPC to discourage excessive "take or pay" natural gas producer contracts by prohibiting below-cost sales of natural gas.

Natural gas is in short supply. I was not surprised to see the new reserve life index figure recently released by the American Gas Association which showed that there was only 21.8 years' supply of natural gas left based on present consumption, whereas 10 years ago—1946—there was 32.49 years' supply left. The loophole in the Natural Gas Act which I have mentioned and the practice of making below-cost sales in order to dispose of surplus natural gas are substantial contributing factors in our precipitous approach to the peril point with respect to the remaining natural gas reserves. Present consumers of natural gas are entitled to the wisest beneficial use of this fuel as are the future users thereof. Therefore, the interests of the public as a whole should be uppermost in the minds of the Congress, the FPC, and the natural gas industry when any consideration is given to amending the Natural Gas Act. If the FPC were to be given jurisdiction over direct sales, and the authority to prohibit below-cost sales, I believe it would serve well the cause of extending the beneficial use of natural gas and would contribute substantially to the achievement of a balanced fuel economy.

In the light of all of the foregoing considerations, I have prepared a bill which I believe is best calculated to meet the needs of the greatest number of the American people now and in the foreseeable future. In section 1 of my bill I have provided language which would amend the Natural Gas Act so as to give the FPC jurisdiction over direct sales and at the same time free the producers of natural gas from Federal regulation and leave this latter problem to the States of production. I do not believe that you can properly free the producers of gas from Federal regulation on the one hand without closing the jurisdictional loophole on the other.

Section 2 of my bill is a necessary technical amendment to effectuate the closing of the loophole in order to give the FPC jurisdiction over direct sales.

Section 3 of my bill is an amendment of the Natural Gas Act which would give the FPC the power to prohibit below-cost sales of natural gas.

In closing, I wish to point out that the three principles set forth in my bill fall squarely within the recommendations for changes in the Natural Gas Act made in the report of the Presidential Advisory Committee on Energy Supplies and Resources Policy issued February 26, 1955. Furthermore, on numerous occasions in the past the Federal Power Commission in its annual reports to Congress has recommended that direct sales be made subject to its jurisdiction.

Moreover, numerous decisions and expressions of opinion by the Federal Power Commission have indicated its general opposition to the sales of natural gas below cost.

I am assuming that Chairman Harris will consider all bills germane to the subject of the May 7 hearings and include consideration of my bill in addition to the two bills now pending. Certainly the Congress will give serious consideration to my bill—and the reasons which justify its enactment into law in the public interest.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. VANIK] is recognized for 10 minutes.

Mr. VANIK. Mr. Speaker, I ask unanimous consent that the special order which I had to address the House today be transferred to Thursday next.

The SPEAKER. Is there objection?

There was no objection.

PERSONAL EXPLANATION

Mr. KEATING. Mr. Speaker, on rollcall No. 52, I was absent on official business as a United States delegate attending a meeting of the Intergovernmental Committee for European Migration at Geneva. If I had been present, I would have voted "Nay."

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. EDMONDSON, today, for 45 minutes.

Mr. STAGGERS, for 5 minutes, today.

Mr. VANIK, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. COLE.

Mr. EDMONDSON and to include extraneous matter.

Mr. LONG and to include a speech he made before the Red River Valley Association in Shreveport on April 22, 1957.

Mr. PATMAN and to include a speech delivered by Hon. OVERTON BROOKS before the Red River Valley Association on April 22.

Mr. KEATING and to include extraneous matter.

Mr. BLATNIK (at the request of Mr. SIEMINSKI) and to include an editorial.

Mr. MCGREGOR.

Mrs. DWYER.

ADJOURNMENT

Mr. DOYLE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 41 minutes p. m.), under its previous order, the House adjourned until Thursday, May 2, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

810. A letter from the Administrator, General Services Administration, transmitting a report on contracts negotiated for experimental, developmental, or research work, during the 6-month period ending December 31, 1956, pursuant to Public Law 152, 81st Congress; to the Committee on Government Operations.

811. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, relative to the case of Yong Leong, A-3926776, involving the provisions of section 6 of the Refugee Relief Act of 1953, and requesting that it be withdrawn and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

812. A letter from the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, transmitting the 17th annual report, pursuant to section 201 (c) of the Social Security Act, as amended; to the Committee on Ways and Means and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ENGLE: Committee on Interior and Insular Affairs. S. 469. An act to authorize the United States to defray the cost of assisting the Klamath Tribe of Indians to prepare for termination of Federal supervision, to defer sales of tribal property, and for other purposes; with amendment (Rept. No. 379). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLATNIK:

H. R. 7086. A bill to amend title II of the Social Security Act to permit retirement by all persons in the United States at the age of 60 years with benefits that will assure full participation by elderly persons generally in prevailing national standards of living, to provide like benefits for disabled persons, and to provide benefits for certain female heads of families and for certain children; to provide for the establishment and operation of this system of social security by an equitable gross income tax; and for other purposes; to the Committee on Ways and Means.

By Mr. CHRISTOPHER:

H. R. 7087. A bill to prohibit insurance companies doing insurance business of an interstate character from issuing group health, hospitalization, and accident insurance which may be canceled after a period of 3 years for any reason other than nonpayment of premium; to the Committee on Interstate and Foreign Commerce.

H. R. 7088. A bill to authorize the Administrator of Veterans' Affairs to fix a special compensation rate for service-incurred disability in certain cases; to the Committee on Veterans' Affairs.

H. R. 7089. A bill to amend the public assistance provisions of the Social Security Act to eliminate certain equities and restrictions and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. COFFIN:

H. R. 7090. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. DAVIS of Georgia (by request):

H. R. 7091. A bill to provide for the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, and of certain officers and members of the United States Secret Service, and for other purposes; to the Committee on the District of Columbia.

By Mr. EDMONDSON:

H. R. 7092. A bill to authorize the issuance of a special series of stamps commemorative of the 200th anniversary of the birth of Maj. Jean Pierre Chouteau; to the Committee on Post Office and Civil Service.

By Mrs. GRIFFITHS:

H. R. 7093. A bill to amend the public assistance provisions of the Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. HORAN:

H. R. 7094. A bill to provide for construction by the Secretary of the Interior of certain units of the Greater Wenatchee division, Chief Joseph Dam project, Washington, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JACKSON:

H. R. 7095. A bill to amend the Tariff Act of 1930 to permit temporary free importation under bond for exportation, of articles to be repaired, altered, or otherwise processed under certain conditions and for other purposes; to the Committee on Ways and Means.

By Mr. JENKINS:

H. R. 7096. A bill to amend paragraph 1684 of the Tariff Act of 1930 with respect to istle or Tampico fiber; to the Committee on Ways and Means.

By Mr. KEOGH:

H. R. 7097. A bill to adjust the tax rates on light sparkling wines in relation to those imposed on other wines; to the Committee on Ways and Means.

By Mrs. KNUTSON:

H. R. 7098. A bill to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department; to the Committee on Post Office and Civil Service.

By Mr. MCFALL:

H. R. 7099. A bill to amend the public assistance provisions of the Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. WILLIS:

H. R. 7100. A bill to revise, codify, and enact into law, title 21 of the United States Code, entitled "Food, Drugs, and Animals," to the Committee on the Judiciary.

By Mr. MAHON (by request):

H. R. 7101. A bill to authorize the sale of certain vessels to the Government of Guatemala; to the Committee on Merchant Marine and Fisheries.

By Mr. MOORE:

H. R. 7102. A bill to increase from $600 to $1,000 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemption for a dependent, and the additional exemption for old age and blindness); to the Committee on Ways and Means.

By Mr. PORTER:

H. R. 7103. A bill to amend subsection (1)(1) of section 3679 of the Revised Statutes to extend the penalty provision of such subsection to violations of the requirement of apportionment of certain appropriations to avoid the necessity for deficiency or supplemental appropriations, and for other purposes; to the Committee on Government Operations.

By Mr. SMITH of Virginia (by request):

H. R. 7104. A bill to amend the District of Columbia Income and Franchise Tax Act of 1947 as amended, by providing an additional personal exemption for resident income-tax payers and their spouses who are blind; to the Committee on the District of Columbia.

By Mr. STAGGERS:

H. R. 7105. A bill to provide that the provisions of the Natural Gas Act shall not apply to the sale of natural gas, as an incident of its production and gathering, by an independent producer not engaged in the interstate transmission of natural gas; to bring under Federal Power Commission jurisdiction direct sales of natural gas made by natural gas companies; and to prevent below-cost sales of natural gas in interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. THOMPSON of New Jersey:

H. R. 7106. A bill to amend the act of May 25, 1926, to provide for the establishment of the highest possible standards of architectural design and sound decoration for Federal public buildings; to the Committee on Public Works.

By Mr. HYDE:

H. J. Res. 314. Joint resolution proposing an amendment to the Constitution to provide that the people of the District of Columbia shall be entitled to vote in presidential elections; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. MCINTIRE: Memorial of the Legislature of the State of Maine, memorializing the President and the Congress to correct governmental policies which create unreasonable competitive disadvantages for the cotton-textile industry; to the Committee on Agriculture.

By Mrs. ST. GEORGE: Resolution 64 of the Legislature of the State of New York entitled: "Concurrent resolution creating a joint legislative committee to cooperate with the Federal Commission in honoring the memory of Theodore Roosevelt and celebrating the centennial anniversary of his birthday and making an appropriation for its expense"; to the Committee on the Judiciary.

By the SPEAKER: Memorial of the Legislature of the State of Oklahoma, memorializing the President and the Congress of the United States not to decrease the appropriation for administrative purposes in the Department of Health, Education, and Welfare for the fiscal year ending June 30, 1957; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of Texas, memorializing the President and the Congress of the United States relative to requesting the enactment of a law giving consent to join the United States in any suit or controversy in the Supreme Court of the United States involving the Rio Grande compact to which the United States is a necessary party; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDONIZIO:

H. R. 7107. A bill for the relief of Mariano Abate; to the Committee on the Judiciary.

H. R. 7108. A bill for the relief of Mrs. Saveria Musto Di Prizio; to the Committee on the Judiciary.

By Mr. CRETELLA:

H. R. 7109. A bill for the relief of Sarah Jane McMullen; to the Committee on the Judiciary.

By Mr. CURTIN:

H. R. 7110. A bill for the relief of Lee Tai Wong; to the Committee on the Judiciary.

By Mr. DOOLEY:

H. R. 7111. A bill for the relief of Vincent Llewelyn Campbell; to the Committee on the Judiciary.

By Mr. FEIGHAN:

H. R. 7112. A bill for the relief of Bozana D. Alimpic; to the Committee on the Judiciary.

By Mr. GORDON:

H. R. 7113. A bill for the relief of Sachiko Cousins; to the Committee on the Judiciary.

By Mr. HILLINGS:

H. R. 7114. A bill for the relief of Erich and Martha Lankisch and children, Sigrid and Gabriele; to the Committee on the Judiciary.

By Mr. KEATING:

H. R. 7115. A bill for the relief of Rochester Iron & Metal Co.; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 7116. A bill for the relief of Eugene de Thassy; to the Committee on the Judiciary.

By Mr. KING:

H. R. 7117. A bill for the relief of Takemasa Okuda and Mrs. Hatsune Okuda; to the Committee on the Judiciary.

By Mr. MCCORMACK:

H. R. 7118. A bill for the relief of Generoso Schena; his wife, Philomena Schena; and their two children, Silvio and Lina Schena; to the Committee on the Judiciary.

By Mr. MCDONOUGH:

H. R. 7119. A bill for the relief of Dora Servlarian; to the Committee on the Judiciary.

By Mr. MOORE:

H. R. 7120. A bill for the relief of Nicholas Koutsouradis; to the Committee on the Judiciary.

By Mr. PELLY:

H. R. 7121. A bill for the relief of Chih-Yee Wu; to the Committee on the Judiciary.

By Mr. RAY:

H. R. 7122. A bill for the relief of John Paterson; to the Committee on the Judiciary.

By Mr. ROONEY:

H. R. 7123. A bill for the relief of Rosa Bandus Wygnanski; to the Committee on the Judiciary.

By Mr. TEWES:

H. R. 7124. A bill for the relief of Lester R. Loomis; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

219. By Mr. HORAN: Petition of Mrs. Mildred Zimmerer and 19 others of Deer Park, Wash., in favor of legislation to prohibit alcoholic beverage advertising over the air or in the channels of interstate commerce; to the Committee on Interstate and Foreign Commerce.

220. By the SPEAKER: Petition of the president, Congressional Medal of Honor Society of the United States of America, South Orange, N. J., petitioning consideration of their resolution with reference to expressing to President Eisenhower and to the Congress sincere gratitude and thanks that peace exists in our beloved country, etc.; to the Committee on Foreign Affairs.

221. Also, petition of the city clerk, Minneapolis, Minn., with reference to opposing passage of the new Harris bill, H. R. 6700, or other legislation of a similar nature, or any legislation which restricts or eliminates the present legally recognized control of the production and sale of natural gas in the field; to the Committee on Interstate and Foreign Commerce.

222. Also, petition of the city clerk, Cambridge, Mass., relative to extending the broadcast hours of WTAO; to the Committee on Interstate and Foreign Commerce.

223. Also, petition of the clerk, Township of Ewing, Trenton, N. J., requesting passage of the bills H. R. 6, H. R. 2474, S. 27, and S. 386, which provide for salary increases and personnel management relations for postal employees; to the Committee on Post Office and Civil Service.

EXTENSIONS OF REMARKS

Maj. Jean Pierre Chouteau Commemorative Stamps

EXTENSION OF REMARKS

OF

HON. ED EDMONDSON

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1957

Mr. EDMONDSON. Mr. Speaker, I have today introduced a bill which would authorize issuance of a special series of 3-cent postage stamps during the calendar year 1958 in commemoration of the 200th anniversary of the birth of Maj. Jean Pierre Chouteau, who in 1796 established the first permanent white settlement in what is now Salina, Okla.

Frequently called "the father of Oklahoma," Jean Pierre Chouteau arrived at the site of Salina in the spring of 1796 in command of a party of French traders and trappers while George Washington was still President of the United States. Major Chouteau brought his group to what is now Oklahoma from the region west of St. Louis to explore the unknown country along the Grand, Verdigris, and Arkansas Rivers and to establish a settlement and trading post to open trade with the Indians in the area.

A man of refinement and culture, Major Chouteau is reputed to have read Greek and Latin classics in the original, and to have brought many of the treasures of civilization to the area. Lawns were planted in rare shrubs, trees, and flowers; and paradise trees brought direct from France remain there today.

From Salina, business, industry, and enterprise began and spread. Fur trading became a big business, and salt manufacture became important to the region. Nearby, shipyards were built for the construction of keel boats of considerable size.

Subsequently, trading posts extended across the State, and the impact of Maj. Jean Pierre Chouteau upon the area was tremendous and unforgettable. His contributions to the history and civilization of Oklahoma are recognized by the

statewide observance of October 10, his birth-date anniversary, as Oklahoma Historical Day both by virtue of a joint resolution of the Oklahoma Legislature and by proclamation by the Governor of Oklahoma.

It would be most fitting and appropriate for the Postmaster General, in line with the bill I have introduced, to prepare for issuance, a commemorative stamp in honor of Major Chouteau, and to offer such stamps for sale to the public first at Salina, Okla., where Major Chouteau settled, and which the Governor of Oklahoma has proclaimed to be the Pioneer Capital of Oklahoma for the day.

Address by Congressman Overton Brooks, of Louisiana, Before the Red River Valley Association

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1957

Mr. PATMAN. Mr. Speaker, the 32d annual convention of the Red River Valley Association met in Shreveport, La., April 22–23, 1957. Congressman OVERTON BROOKS made a very fine address. It is filled with interesting facts, particularly about navigation of Red River. It is as follows:

In the year 1896 the last boat steaming up the Red River arrived at Shreveport and after leaving its cargo retraced its course back to the Mississippi. Since this date no river boats have arrived at Shreveport and the Red River has not been used for navigation. The question naturally arises, "Why has this stream not been used for waterborne commerce in more than 50 years?"

The answer is that the Red River over the years became unsuited for navigation. It has developed like many other streams in this Nation which have changed due to the stripping of the hillsides of timber and to the cultivation of the lands by draining them and making possible the quick removal of water from the land. The little streams throughout our countryside have often dried up and have even disappeared in many instances in the course of the development of our Nation.

Red River has suffered this fate. The banks are soft and crumble and melt away under the terrific impact of high water rushing downstream to the sea. Channels have changed in the course of time to such an extent that boundaries have disappeared and old lines have been marked out. Parts of Bossier Parish, for instance, now find themselves on the Caddo side of the river. In at least one instance we have built a great bridge over the Red River and this was in Avoyelles Parish—only to find later that the river actually bypassed the bridge and left the structure high and dry, making a several-million-dollar structure, in the course of a very short time, worthless and unusable. In another instance, in northern Bossier, within the last few years, the State was compelled to spend tens of thousands of dollars to stop the ever-moving process of a Red River-changing-channel in order to save another bridge in the course of construction in the Plain Dealing area and prevent it from being bypassed.

From the time the last river boat came to Shreveport, our people began to yearn for and to hope for the day when navigation would be restored to the river. They have seen other river ports in Louisiana and elsewhere thrive and grow and expand while our own valley, as fertile as the Garden of Eden, does not keep pace with this growth of these other areas. We have the people, the climate, the natural advantages of other localities; but we fail to provide the water transportation and water rates which they enjoy. This is the real difference between the Red River Valley cities and towns and other places.

In the years prior to 1946, we who were interested in the further development of our valley had been at work trying to restore navigation. At first we asked for navigation on the Red River itself as the answer to our traffic problems. We know that every large community must of necessity have every form of transportation—road, rail, air, pipelines, and water—and that the community that fails in any one respect does not contribute fully to its own development competitively with other more fortunate communities. After working on this matter for years, our plans were submitted to the Board of Rivers and Harbors of the Army engineers in Washington, a board composed of the best hydraulic engineers in America.

I was present when this hearing occurred in Washington in 1946. I can look back over the years and realize how important this hearing was to our people here. Claudius Dickson, of Shreveport, was president of the Red River Valley Association and headed the delegation going to Washington. John Ewing, of the Shreveport Times, a director of the Kansas City Southern Railway, came up especially and made a splendid presentation. Senator John H. Overton, my uncle, organized the meeting and presented the witnesses. Other distinguished citizens, many now gone to their rewards, made appearances on behalf of water transportation along the Red River. We all asked for navigation on the river itself.

After months of study and deliberation, the Board of Rivers and Harbors on April 19, 1946, in effect turned down our request for navigation on the Red River, but approved a plan for a waterway to be built on the south side of the river in the alluvial valley as a canal. There can be no question but that the approval of the Overton Waterway was a rejection of the use of the channel of the Red River for navigation purposes. Since this decision was rendered, year by year we have asked the Congress for money for the purpose of planning, blueprinting, and for engineering work for the lateral canal, and the Congress has granted this request; and has provided in all $515,000 for this purpose.

Why did the Board of Rivers and Harbors turn down the use of the channel of the Red River for navigation purposes but, at the same time, approve the construction of a canal along the south side of the river from Shreveport to the Atchafalaya? There were a number of reasons for this decision.

The first reason was that which I have already discussed; namely, the shifting of the channel, the caving and the disintegration of the banks of the stream, the lack of availability of an adequate supply of water in the Red; and the greater cost of providing for navigation along the channel of the Red River and the greater length of the channel of the river for transportation, for such purposes over that of the canal.

I think it is obvious that navigation on the Red River would require more water than navigation on the Overton Waterway. This is, of course, because the Red River is a flowing stream and the canal will be a slackwater course. It will require much more water to maintain a channel of a specified depth on the flowing stream than on a slackwater canal. How much more will be required depends upon the rate of the flow of the river and this will depend upon the number of obstacles placed in the path of the current.

The third reason that the use of the Red River channel for navigation purposes was discarded is that such a route must be much longer than the canal type of waterway. The Overton Waterway, as designed, is 205 miles long. On the other hand, the Red River channel is 280 miles long—75 miles longer than the proposed Overton Waterway. The Red River channel, of course, is longer because it is filled with curves, and bends. Then, too, its current will provide a serious obstacle to upstream navigation. The lack of current on the Overton Waterway, as designed, makes for much less bank wash and erosion; and provides for a greater stabilization of bank and channel.

The use of the Red River channel, if this were feasible, would require 12 locks and dams. The dams on the river of necessity would be much larger and longer than those on the canal, for from bank to bank the river is much wider and, of course, would cost much more money to construct. It is obvious also that banks above and below the locks and the dams would have to be completely stabilized for some distance to prevent what occurred in Avoyelles Parish when the Red River cut a pathway around one of the bridges which had been constructed and thereby rendered the bridge useless. This would require much money. The project to stabilize the banks of the Red 3 miles above and 3 miles below Shreveport has already cost the Government over $10 million. This will give you some idea of the cost of stabilizing the river for a distance of 280 miles.

The original estimate of the cost of the Overton Waterway was $42 million. Since this estimate was made in 1946, of course, prices have gone up considerably. The Engineers will give you a further cost estimate; but I would guess that it would certainly run under $100 million. On the other hand, the cost of building the Red River route, using the river channel for navigation, will run $300 million or better—two or three times that of the cost of the waterway.

Besides this, the Engineers say that it is not feasible to build the waterway on the Red River. Constant shifting of channels, crumbling of banks and varying elevations of water make real problems; and these, in turn, make the river itself unsuited and unusable for navigation purposes.

You may say, "Well, Congressman, who says that the river is unsuitable for navigation besides yourself?" I answer, "The United States Corps of Army Engineers."

When we are sick, we go to a doctor; when we have a toothache, we visit a dentist; and when we need to build a great canal for navigation, we look to our engineers. They have not let us down in any emergency.

This is the group of engineers which has built the program of flood control and navigation for our Nation since its inception. It is the group which was founded by the Father of our Country, George Washington, when he was President of the United States. He sent to Europe to obtain three of the very best engineers from the armies of Napoleon, and they formed what is now our Army engineers. Since that time our Corps of Engineers has rated tops in conduct, ability, and efficiency.

The Army engineers is the same organization which landed its men on the shores of Normandy in France in World War II, even before the combat troops landed; and they cut the barbed wire and removed the obstacles, preparing the way for the landing of the infantry and the artillery, the tanks and the jeeps. They won an immortal place in the hearts and minds of our people; and neither time nor distance will efface the valor of their efforts nor the impact of their achievements in the development of America. I think we can safely depend upon them in the building of the Overton Waterway.

The canal when built will begin at the confluence of the Old and Mississippi Rivers, and will continue on up to Shreveport, 206 miles to the northwest. The first 7 miles is through Old River, and the next 24 miles through the Red River, at which point it follows Coulee des Grues, Choctaw Bayou, and Chatlain Lake Canal to Alexandria. It then proceeds through land cuts to Cane River through Natchitoches, and then on to Bayou Pierre and to Shreveport. It will use 120 miles of existing waterway as compared to 86 miles of land cuts. At Shreveport a turnaround basin will be built and a basin for loading and unloading will be built at all of the large stopping points.

It is fair to say that most of the land utilized will be far removed from urban centers and will be low or swampy land not normally used for cultivation. By the same token, the number of roads to be rerouted will be reduced to a minimum.

I have heard it said that such a canal will split the countryside wide open, and that a barrier greater than anything we have experienced will be erected to prevent the free passage to and fro across the waterway. This, of course, is not true. The waterway, of course, will be no greater a barrier than is Bayou Pierre and Cane River at the present time. At this time these streams and others like them must be bridged if we are to cross them. The same will apply to the canal.

On the other hand, the canal will pass through rather low places in the countryside, and this waterway will provide means of draining these sections of central and northwest Louisiana, which they do not now have. It is estimated that flood control and drainage benefits for the area will exceed $1 million per year. Flood control is an item for which we will spend millions of dollars even though we do not build the canal. If built, the canal will help take care of this expense, and no other development presently contemplated will provide flood control and drainage benefits as indicated by the building of the canal.

Of course, this canal will cost lots of money. Any worthwhile project will cost money; and the question is whether or not it is justified. The Army engineers will settle this question, and I submit that they are better able to dispose of this question accurately than any other group of people.

The actual or total benefits from the construction of this project will be inestimable. A million and a half people have settled in this portion of the Red River Valley and they are all affected by freight rates. Every rate increase of the railroad companies and the truck carriers and the buses adds to the cost of living of our people. Those who live in the areas of Louisiana where navigation is available know the difference in the costs. A rate increase is often the difference between success and failure of business.

Throughout the length and breadth of this country, we see the great cities and towns grow up along the rivers and the harbors. Navigation has attracted the people and businesses to these spots. Cost of living is lower and business prospers in such locations. And we see the great highways terminating at the sea and at the inland ports; and even the railroads, feeling the quickening impulse of lower rates, lay double tracks, add to their equipment and personnel and begin to boom in the stimulus of the increased transportation attendant with the port and with navigation. It is largely in places where there is navigation that the communities grow and prosper. New Orleans, the crescent city; St. Louis, the hub of America; Chicago, the windy city; Pittsburgh and its golden triangle—all of these great cities are built on waterways and the backbone of their prosperity and growth lies in the development which lower freight rates and navigation have given to the community.

The Overton Waterway will open up to us, for waterborne commerce, the great ports along the Mississippi, such as Baton Rouge, New Orleans, Memphis, and St. Louis; the ports along the Atchafalaya and along the intercoastal canal, such as Lake Charles, Houston, and Beaumont. It will connect our communities directly with navigation all along the inland waterways of America—with Pittsburgh, Chicago, Minneapolis, and Sioux City. It will develop in our midst a new type of industry and bring fresh opportunity and new accomplishment to our people.

If we are going to have navigation for the Red River Valley below Shreveport, it is going to be by way of the Overton Waterway. Congress will never appropriate funds for the construction of a great project such as this if it is not approved by the Corps of Engineers. Nor will the people who must support the project by local cooperation approve it in the absence of the recommendations of the Army engineers. We can use all of the persuasion possible and apply political pressures, but I can tell you this—the Army engineers will not yield to the point of recommending a project which they feel is not worthy of the approval.

If, therefore, we reject the canal proposal, make no mistake, navigation in the Red River Valley is dead. We have no alternative. If we accept the proposal, we move forward. The way is not smooth. It is rough; filled with opposition and difficulties; but at the end of the rainbow, it offers the fulfillment of a dream of 55 years—navigation in the Red River Valley. We move forward—at times, it is true, slowly—but always forward, and ultimately over the years we leave to our children the priceless heritage of having developed our God-given resources to the best of our ability. We leave to them the basis for competitive commerce in our valley, for further development greater than otherwise would have been possible; for prosperity and for happiness.

General Aniline & Film Corp.

EXTENSION OF REMARKS

OF

HON. STERLING COLE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1957

Mr. COLE. Mr. Speaker, on April 30, 1956, I testified before the House Interstate and Foreign Commerce Committee in support of my bill, H. R. 80, 84th Congress. Subsequently, I inserted the text of my testimony the CONGRESSIONAL RECORD, volume 102, part 6, page 7721. The subject of my testimony concerned a warning that the United States should not repeat the mistakes which we committed following World War I when we returned vested enemy assets to the German Government and thereby deprived American citizens with valid claims against the German Government of a source of funds for payment of these claims. The claimants are still waiting for full payment.

I am deeply concerned with this problem of assets vested during World War II because there is located in my district the Ansco plant owned by General Aniline & Film Corp. Majority stock of GAF is held by the Alien Property Custodian and it is my hope that the Department of Justice will, in the near future, sell this stock to American citizens. My bill, H. R. 597, 85th Congress, is concerned with this subject.

In my testimony before the committee in 1956, I made a statement to the effect that I. G. Farben had ordered destroyed a nitrocellulose plant located near Afton, N. Y., and that this destruction, ordered just prior to Hitler's aggression in Europe, deprived the United States of a production potential of vital nitrocellulose.

My statement was based on testimony given by Mr. Harry L. Derby, former president of the American Cyanamide Corp. and a minority stockholder in GAF, before a subcommittee of the Senate Judiciary Committee on July 1 and 2, 1954. Mr. Derby was also Chairman of the Army and Navy Munitions Board of the Chemical Advisory Committee during World War II.

Subsequent to my testimony, Mr. D. A. Schmitz, who was president of GAF in 1936 when the plant at Afton was leveled, disputed the statement that the destruction of this plant had been carried out on orders from Germany. He stated that the action was taken because the plant had not been in use for several years and the local taxing authorities had levied on the property a tax which was uneconomical for the corporation to pay for a nonproducing unit. Mr. Schmitz believes that statements concerning destruction of this plant have cast a doubt on his loyalty as an American citizen and on the loyalty of his board of directors and subordinates during this period.

Mr. Schmitz has sent to me a photostat of a letter from Mr. H. W. Sachs, Ansco's chief engineer at the time, which gives Mr. Sachs' statements concerning the destruction of this plant:

BINGHAMTON, N. Y., *January 3, 1957.*

Mr. D. A. SCHMITZ,
Greenwich, Conn.

DEAR MR. SCHMITZ: I am in receipt of letter of December 19 written by Mrs. M. Stiegelmaier at your behest. The essential facts regarding dismantling of the Afton plant are as follows:

The cotton nitrating plant in the town of Afton, N. Y., was built approximately 1916, and I understand operations were discontinued about 1920. The plant had been idle ever since.

In the course of the years, the masonry structure of most buildings suffered from severe deterioration due to weathering as well as chemical action in those sections where acids had been used. Machinery and equipment were sold piecemeal, at suitable opportunities, or taken to the Binghamton plant. By 1936, the remaining balance had no further use value and this included much of the boilerhouse installation. Some of the buildings were used for storage of baled scrap film waiting for disposal.

Even though the plant had reached an extremely low use level the town of Afton insisted upon a tax assessment way out of proportion. Repeated attempts were made to lower the tax payments, without success; negotiations were carried on by Mr. Chris King, assistant treasurer, now deceased.

In order to remove the tax burden it was finally decided to dismantle the plant. Consequently, in the summer of 1936 all buildings were leveled to the ground and the stack was blown up. The actual work was

carried out by Levine & Sons, scrap dealers in Binghamton, under the supervision of the writer, who was Ansco's chief engineer at that time.

These are the true circumstances which led to the dismantling of the Afton plant. I do not intend to enter or participate in any controversies but the facts should speak for themselves.

I trust the above will comply with your request.

With kindest regards,

Sincerely yours,

H. W. SACHS.

Mr. Speaker, the statement concerning the nitrocellulose plant at Afton was a very minor part of my testimony.

It was not my intention to cast doubt on the loyalty of the American management of GAF and no such intention should be inferred. It is, of course, well known that I. G. Farbenindustrie was a cartel of tremendous power which aided Hitler's war machine in its early successes but Mr. Schmitz has written to me:

First, to my knowledge, the I. G. Farbenindustrie in Germany had definitely no control over the management or policies of General Aniline & Film Corporation during the period that I was president of that company, beginning in June of 1936 and until I was relieved of my position when the Alien Property Custodian seized the company in 1942.

Regarding the Afton plant, to my knowledge no order for its dismantling was ever received from any source outside the company. In the event that such a directive could have been made, it most certainly would not have been honored by my management. Certainly any such action would have required a board of directors' resolution.

I am pleased to insert Mr. Schmitz' statement and Mr. Sachs' letter so that they can be a matter of public record.

Poland's Independence Day

EXTENSION OF REMARKS

OF

HON. FLORENCE P. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1957

Mrs. DWYER. Mr. Speaker, it is only fitting that we in the Congress of the United States join this week with the courageous, freedom-loving people of Poland in the commemoration of the 166th anniversary of Polish independence.

It was on May 3, 1791, that the Polish people enacted one of the first and most progressive European democratic constitutions. It was a constitution forged by a proud and devout people from the fires of rebellion against tyranny. It was a manifestation of the unconquerable spirit of a people who sent such patriots as Pulaski and Kosciusko to aid the American colonies in their fight for freedom. And though Poland too often has felt the fury of freedom-crushing invaders, this spirit of liberty, which through the years has molded a bond of spiritual kinship between our countries, has never died.

This year there is a special significance to Poland's Independence Day which all the free world should recognize. During the past year the Posnan riots in Poland and the revolution in Hungary demonstrated dramatically the total bankruptcy of the Kremlin's policies behind the Iron Curtain.

In Poland, by raising their voices on the streets of Posnan in righteous demand for bread, freedom, and the withdrawal of the Soviet Army from their homeland, the Polish people exposed to the world the economic ruin incubated by communism.

Their demands for bread showed that Poland, under communism's collectivization experiment, was unable to feed her own people.

The demands of the Posnan workers for freedom—freedom of worship, freedom of the individual, freedom of enterprise, and freedom from fear—showed how wholeheartedly they rejected Soviet control of Poland and Communist dictatorship.

Their demands for withdrawal of Soviet troops from their soil showed that the Polish people had no desire to be a part of Moscow's military machine.

Perhaps most important, the revolt of the workers in Posnan clearly exposed the fallacy of the worldwide Communist propaganda—that communism is the rule of peasants and workers, the Utopia of the masses.

Indeed, the Posnan uprisings have brought during the past year a degree of freedom to Poland. Her people can breathe more freely. Cardinal Wyszynski, Poland's beloved anti-Communist Catholic leader, was freed from prison, and wider religious freedom was given to the people. Her pro-Moscow government was replaced by a national Communist government dedicated to Polish interests. The dreaded secret police were curbed and freedom of the press was partially restored.

The spark of rebellion against godless tyranny which flared on the streets of Posnan has, during the past year, spread to other subjugated peoples behind the Iron Curtain. Revolt exploded in Hungary. News of unrest reaches us from Czechoslovakia, Lithuania, China, and even from the Soviet Union.

In Poland, this spark of freedom has grown to a point where—for the first time since the Soviet Union took over the country—the Polish people this week will be permitted to privately commemorate, by decree of the Warsaw government, their May 3 Independence Day.

As they celebrate this day, the eyes of the Polish people are turned hopefully to the West, particularly to the United States.

This is understandable, for Poland has strong historical, cultural, and spiritual ties with the Western World. Her roots are especially deep in America, where the tide of Polish immigration through the years has served to enrich our culture in every field of human endeavor. Indeed, our 7 million Polish-Americans today can look with pride on the heritage they and their forefathers have brought to our land.

With the Polish people looking toward America for political, moral, and economic support, the Governments of Poland and the United States for several months have been seeking to negotiate some form of emergency aid.

There is no question that Poland, with its economy devastated by the years of Soviet exploitation and mismanagement, needs technical and economic assistance.

There are, however, several serious questions which must be considered in acting on such requests for assistance.

First, the Warsaw government is Communist, even though it has sought to divorce itself from Moscow control. Thus, in helping Poland at this time, would we be using our resources to strengthen Moscow and the Communist cause?

Second, would American aid to Poland at this time provoke Russian wrath against the Polish people, and lead to a ruthless stamping out by the Kremlin of the few freedoms that have been won during the past year?

These are questions which we in Congress must consider in taking action on any assistance for the Polish people.

But we also must consider, with open minds, the other side of the story; we cannot close our hearts and our minds to these facts:

Poland's 28 million people, who turn to us now in their time of need, are unshakably Catholic, proudly nationalistic and bitterly anti-Russian. They have no common bonds or sympathies with the Kremlin, nor with the 1,500,000 members of the Polish Communist Party who ruled their lives with blueprints supplied by Moscow.

They are, however, trapped by geography. Poland is encircled by the Soviet Union's military and political bloc. Successful armed rebellion is impossible. But, in the long view of history, the Communist system of government forced on Poland by the might of the Russian army is only transitory. Poland as a nation successfully rejected Russian subjugation in the past; and, with the devotion to freedom of the Polish people, she will overcome Communist oppression this time.

Already, Poland has won back certain of these freedoms. Given more time, and moral as well as material support, I believe the Polish people eventually will move farther and farther along the road to complete independence.

There is no doubt that this situation involves certain calculated risks. The Polish people, who have aroused Russian antagonism to a breaking point, already have taken a risk by turning to us for help. If we turn our backs on them, we—in turn—will be facing the risk of forcing the desperate Polish people to turn back to the Soviet orbit for help, and thus sealing off the first critical fissures in the Iron Curtain.

As I stated recently in an address before the Polish National Alliance Women's Department in Chicago, I do not believe that we can afford to be too impatient, or too demanding, as much as our hearts weep for the people of Poland. I believe, for the welfare of our own people and for the people of Poland, that we must proceed cautiously.

I believe—as President Eisenhower believes, and as he and the State Department have clearly indicated—that we should take cautious steps to strengthen Poland's independence. I believe, in weighing both the good and the bad factors, that it is essential to extend to the Polish people a judicious measure of the aid they need so desperately.

If the giving of such aid will help the Polish people pry themselves loose from the Soviet grip, and to develop a society along their own lines, it will be worth the price. If American aid assists or speeds the process of liberalization, it will be the cheapest and most effective—as well as the most humane—offensive the United States can mount in the cold war.

It is my hope that, in observing Polish Independence Day this year, the Congress not only will extend expressions of sympathy and friendship, but also will take steps toward the formulation of a policy which can bring about eventual realization of the dream of freedom that has been reborn behind the Iron Curtain.

Republican Foreign Policy

EXTENSION OF REMARKS

OF

HON. J. HARRY McGREGOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1957

Mr. McGREGOR. Mr. Speaker, under leave to extend my remarks, I am including an address given by my very capable colleague, Congressman JOHN M. VORYS, of Ohio. These remarks were given at the Arneson Institute of Practical Politics held at Ohio Wesleyan University on April 22.

This Institute of Practical Politics of Ohio Wesleyan has received worldwide recognition and speakers of both parties are annually invited to participate. I was most happy to have the privilege of being in attendance and I consider it a pleasure to incorporate the remarks of my colleagues in the RECORD:

REPUBLICAN FOREIGN POLICY

(Speech of Representative JOHN M. VORYS, of Ohio, member of the House Foreign Affairs Committee, Monday afternoon, April 22, 1957, on Republican Day at Ohio Wesleyan University, sponsored by the Arneson Institute of Practical Politics)

Our foreign policy is bipartisan on fundamentals, set forth in the platforms of both political parties, and supported by the leadership of both parties in Congress. Many people grumble about this. They want their party to have all the good, sound principles, and the other party to take all the ideas they disagree with. But neither of the great parties will accommodate such people. Both parties support the sound, patriotic ideas.

Personally, I rejoice in this demonstration of the essential unity of our people. It brings continuity to our policies, hope to a divided world, despair to the despots.

Nevertheless, there are differences between our two parties that show up in methods, in means, in performance, in results. Under our Constitution, the President has primary and paramount responsibility for conducting foreign policy. Today, and for the last 4 years, the people and the daily papers talk about the Eisenhower foreign policy, and Republican foreign policy, and the history books will say it that way.

We are in the fifth year of Republican foreign policy under President Eisenhower, a troubled, turbulent, complicated, critical period of continuing tension, controversy, and change throughout the world. Foreign policy is more than a speech, a set of principles. It involves courses of action on our part going on day and night, here and all over the world, some secret, many unnoticed, some exciting and dramatic. A day-by-day, play-by-play review now would be impossible. Regardless of the ups and downs and zigzags of each day's headlines, the heart of Republican foreign policy under President Eisenhower is simple, noble, practical; we work for peace.

President Eisenhower's first administration started with action for peace.

He had promised to end the war in Korea, and he did it.

He made his historic atoms for peace proposal in the United Nations, and the only nation that had ever dropped an A-bomb in war became known as the leader in devoting atomic energy to peace.

He electrified the world with his open skies inspection proposal at the summit meeting, as a practical, workable step toward disarmament.

We obtained a peace treaty at long last for Austria. We settled the explosive status of Trieste. The President asked for and obtained authority to use our Armed Forces in the area of Formosa, where war threatened 2 years ago; and peace has been maintained in Asia ever since.

He and our great Secretary of State, John Foster Dulles, with courage and skill have prevented war by Soviet miscalculation by letting the Reds understand clearly that we would fight if they launched aggression, but never letting them know where or when we would not fight. If this policy had been followed in earlier years, we might have avoided the last three wars under Democratic Presidents. If the Kaiser had known beforehand that we would come in, World War I might never have started. If Hitler had not heard "again and again" that we would not send our boys to fight on foreign soil, World War II might have been avoided. If the Chinese Reds had not heard that Korea was beyond our defense perimeter, they might have held off. To prevent war by miscalculation, our leaders must be courageous, but careful. Time and again in the last 4 years, we have gone to the brink of war, but we haven't gone over, because Eisenhower and Dulles took care that we didn't miscalculate, and neither did our enemies.

But peace to us means more than mere absence of war. We seek peace with justice.

When the Suez Canal was nationalized, we immediately sought peaceful settlement. Then, right in the heat of our fall campaign, Britain, France, and Israel, our old friends, launched aggression. We were put to the test, and the President said, "There cannot be one law for our friends, another for our foes," and joined in pressures in the U. N. for withdrawal. But he said, "There will be no involvement of our forces in this situation." And, although the Democrat opposition criticized him and his acts day and night during the last week of the campaign, the people reelected him with a landslide. The people were for peace with justice. And today, Britain, France, and Israel have withdrawn and our forces, as he promised, have not been involved.

Where do we stand now? President Eisenhower, in his great second inaugural address in January, said, "We live in a land of plenty, but rarely has this earth known such peril as today. * * * In too much of the earth there is want, discord, danger." He spoke of "new forces and new nations" * * * of old and great nations in time of change, of "the designs of international communism, dark in purpose, clear in practice." Then he said:

"We look upon this shaken earth, and we declare our firm and fixed purpose: the building of a peace with justice in a world where moral law prevails. The building of such a peace is a bold and solemn purpose. To proclaim it is easy. To serve it will be hard. And to attain it, we must be aware of its full meaning—and ready to pay its full price."

In this grim and deadly struggle with Godless, ruthless communism, the price of peace is high. Sixty-three percent of our budget is for our protection against Soviet aggression, subversion, and infiltration, military, economic, ideological. But the price of war is higher, not only in budgets, but in blood and tears. In past wars we paid with the priceless lives of the young, our bravest and best. In future wars all of us risk suffering and death.

While the price of peace is great, the rewards are great, even during this uneasy costly peace. We have had 4 years of the greatest prosperity, the highest standard of living, of any nation on earth in all human history. Under Republican foreign economic policy, our foreign affairs are profitable to our people. Last year our people received nearly $24 billion from exports, foreign investments, foreign investors and travelers, while our Government was spending $4.2 billion on foreign military and economic aid, but spending four-fifths of it in this country. Last year our exports, our sales abroad, amounted to $19 billion, our imports, our purchases abroad, were $14 billion, and we had 20 percent of the international trade of the whole world. That is, one-fifth of all commerce crossing international borders was sold by the United States, while in the last 4 years the cost of our own defense and our share in collective security has been an ever-dwindling fraction of our ever-rising national income. Peace is not only, as our President has so eloquently said, "our duty and our destiny." Peace is profitable to the United States of America.

We have in this country people who want the profits of peace without paying the price. They say, "If we cut out our military spending and our foreign aid, we would have even more profitable peace." Now I believe that the President and Congress should, and will, cut our military and collective security costs as low as possible, but I can assure you that, if we cut it all out, we would not have profitable peace. We would soon have war, or a peace dictated from the Kremlin, and it would not be profitable to us.

Most of us understand the need, the economy, of our own vast military machine, for maintaining peace, deterring costly war. Let's look for a moment at the economics of our collective security. Our so-called foreign aid is up for reappraisal in the White House, in Congress. I can, however, give you a few facts about Republican administration of foreign aid.

It costs about one-tenth as much as our military expenditures on our own forces. Eighty percent of this is spent in this country and goes to our own farms and factories. Foreign aid appropriations in the past 4 years have been just about one-half what they were in the 4 preceding years of Democrat administration. We have about 19 divisions in our Army, Russia has 175. We have the best Navy in the world. Russia has 400 submarines to sink our Navy; Russia has the largest Air Force; we feel ours is the best. Both countries have A- and H-bombs, guided missiles. We have one thing Russia hasn't got. We have a string of air and naval bases all around Russia; Russia has no bases around us. We have small forces on those bases, and mobile air and naval forces ready to get to them quickly, but we depend largely on the forces of the countries near where those bases are located, to defend them against sabotage, infiltration, sudden attacks. When we help those countries to defend their own soil and keep these bases ready for massive retaliation, we contribute to our mutual security. That system, as Admiral Radford says, is "part and parcel of our own defense."

It cost us last year $6,600 to maintain an American serviceman abroad, without counting his weapons. It cost us last year $789 per man in mutual security funds to help maintain an allied serviceman abroad, armed and equipped, ready for action where we want him, according to jointly made defense plans. Our so-called foreign aid helps to maintain 200 allied divisions in 44 nations, a naval force with as many vessels as our own, although not as powerful; 300 air squadrons, as many as we have, but not as well equipped. It is not our forces alone that deter Russia; it is the combination of our forces with those that surround her ready to strike from every side, that maintains peace, and gives us and the free world mutual security, collective security.

Now I am opposed to giveaways; we cannot buy friends, but if we can help arm and strengthen nations that want to stay free and are willing to raise forces larger than they can arm and support, and thus help deter Soviet aggression, at one-tenth of the cost of our own forces, we are getting a bargain in our mutual security program.

Some people say we should bring our forces home, arm to the teeth, and wait for the Soviets to come here. If we did that, it would cost more, because intercontinental planes and missiles are very expensive. I think the Soviets would try to come here, after taking over the rest of the world and cutting us off from the constantly increasing number and volume of strategic materials we need to import. I have seen war-devastated countries of Europe and Asia, where they fought at home. I prefer our policy of planning to fight our wars away from home, on friendly soil, if we have to fight, and not doing all the fighting ourselves. This is not a selfish policy. In this way we give other free nations a chance to defend their soils, while we defend ours. This policy of collective security, mutual security, has given us peace for 4 years.

I have told you that foreign aid amounts to one-tenth of our own military spending. Well, about one-tenth of that one-tenth is spent on nonmilitary technical assistance and development assistance, 80 percent in loans, and goes also to nations with which we have no military mutual security agreements. This includes some neutralist nations. We wish they would join us in mutual defense, but we cannot force them. Whatever happens, we don't want them to go Communist, or be taken over by Communists, through being forced to rely on the Reds for technical and development assistance. So we help them fight hunger, disease, and ignorance. We help them develop their economic and political independence, for that adds to our security in war, and in peace we do more business with more developed countries.

You know about our agricultural surplus problem. We use farm surpluses in the mutual security program whenever we can. Since World War II just about 30 percent of our foreign aid, $16 billion of it, has been surplus agricultural products. Thus, foreign aid has been our biggest single farm aid program, while helping to maintain peace.

You have heard much about giveaways, grants. Well, $14 billion of our post-World War II aid, about 25 percent, has been in the form of loans, and we have been repaid $5.7 billion in interest and principal of these loans. Tell that to people who say that such loans are giveaways.

In the last 4 years the legislation for these policies, involving the cost of peace, and the rewards of peace, has had bipartisan support, and bipartisan opposition, although, of course, the leadership and the execution came from the Republican administration. I believe in giving credit where credit is due. I must also report that there has been more Democrat partisanship in foreign policy in Congress in the last 3 months than I have seen in my 18 years in Congress, and it has not been good for our country. I believe in placing blame where it belongs.

You are all familiar with the President's Middle East doctrine. The law was signed March 9. It applied in the Middle East methods that had been tested and found successful in earlier acts. The aid provisions were similar to the Greek-Turkish aid law, passed by the Republican 80th Congress at the request of a Democrat President. The authority to use our Armed Forces was similar to that granted in the Formosa resolution passed in 1955 by a Democrat-controlled Congress at the request of a Republican President with but 3 no votes in the House and 3 in the Senate. No new appropriations were included. Emergency use of old appropriations winds up June 30, 1957.

You would have thought that, in view of the ominous and obvious tension and instability in the Middle East, this law would have been rushed through.

Instead, a partisan hue and cry started, saying the proposal was unprecedented, unconstitutional, a declaration of war, a blank check, and that Congress had not been consulted; this went on for over 2 months. The House acted in 25 days, in commendable bipartisan spirit, and made no crippling amendments. Now a House Member is not supposed to criticize the Senate, but somewhere, some amendments got in this bill that I feel were unnecessary, unintelligible, or undesirable. The Executive, however, considered them as merely harassing, rather than hamstringing, and the House accepted them rather than risk delay by a second filibuster—you know where.

One of these amendments involved the President's authority to use armed forces. A straight Democrat Party vote struck out the words which were copied from the Formosa resolution, "he is authorized" and inserted instead "the United States is prepared to use armed forces." It was amusing that the Democrats decided to repeal by law the charges made all through last year's campaign that the United States is unprepared to use its Armed Forces.

On this issue of bipartisan consultation, here are some facts I can give you firsthand: The President had a bipartisan Congressional meeting on foreign policy, including the Middle East doctrine, at the White House for 4 hours on New Year's Day, although Congress did not convene until January 3. Before the Presidential message on Saturday, January 5, publicly stating his policy, Secretary Dulles went over the provisions of the bill, inviting comments and suggestions, with both House and Senate committees. The text of the bill when introduced reflected the results of Congressional consultation and suggestions.

Nevertheless, some of the Democrats kept saying for 2 months that there ought to be Congressional consultation and approval before the President takes a public position on such matters, and thereby commits the country.

Now, let's see what happened next: In March the question of whether the United States should support sanctions against Israel in the United Nations was being publicly discussed by nearly everyone—except the President. He called a bipartisan meeting at the White House on March 21 to discuss the Israeli situation. Now those meetings are supposed to be off the record, but if any definite action is taken, it is announced in a press release immediately after the meeting. It is significant that no action was announced after that meeting except that the President was going on the air that night. The President then proposed a course for Israel, which I approved and which Israel followed, which kept the issue of sanctions from coming to a vote in the U. N., but there is no record that this course had the approval, or disapproval, of the Democrat Congressional leaders.

It appears that the Democrats, after insisting on being consulted, before action, declined responsibility for action. Nevertheless, the President called a bipartisan meeting to report on the Bermuda conference the day after he returned.

When you start to play politics on this business of bipartisan consultation, you can work it two ways. You can say, "The President put us on the spot by committing himself publicly without consulting us," or you can say, "He put us on the spot by consulting us in advance before committing himself publicly."

Playing politics either way on foreign policy problems is bad for the country. We will have a Republican President conducting foreign policy for nearly 4 years. We will have a Democrat Congress now and next year. Then we need a Republican Congress.

On the perplexing, complicated, controversial problems of foreign policy, there is room for honest difference of opinion, for intelligent, sincere debate. There is no room for partisan politics. We Republicans must try to keep it out. Politics should stop at the water's edge. That means partisan politics on foreign policy should stop at Capitol Hill. When the Democrats start, we must point it out, show it up, knock it down, and stop it.

For our cause working for peace is a noble one. It ought not to be "above party." It ought to be the cause of both parties. Let us be sure it is ours.

I have dwelt, perhaps overmuch, on the practical, political aspects of working for peace, the cost and the rewards. But there are higher rewards. "Blessed are the peacemakers." I conclude with these moving words from our old soldier, peacemaker President, in his second inaugural address on the price of peace:

"Before all else we seek, upon our common labor as a nation, the favor of Almighty God. And the hopes in our hearts fashion the deepest prayers of our people.

"May we pursue the right—without self-righteousness.

"May we know unity—without conformity.

"May we grow in strength—without pride of self.

"May we, in our dealings with all peoples of the earth, ever speak truth and service justice."

Improvement of the Red River

EXTENSION OF REMARKS

OF

HON. GEORGE S. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1957

Mr. LONG. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

SPEECH BY CONGRESSMAN GEORGE S. LONG AT THE ANNUAL MEETING OF THE RED RIVER VALLEY ASSOCIATION, SHREVEPORT, LA., APRIL 22, 1957, ON IMPROVEMENT OF THE RED RIVER

Mr. Chairman, I am highly honored and indeed very happy to have been invited to this splendid organizational meeting of the Red River Valley Association. The association has done outstanding work in the field of flood control, soil conservation, and in general promoting beneficial projects for the

Red River area. It is a privilege to number among my friends the men who head up this fine organization. Your president, Mr. Fairbanks, is one of my fellow townsmen and a gentleman whom I hold in the highest regard. And may I say here that Mr. Roy Mathius is one of the most energetic and capable men in this field, and I hold him in the highest regard. All of these gentlemen are earnest and sincere and accomplish much good for the people of our great State.

While it is true that I have not always agreed with all of their philosophies and plans, I have endeavored to disagree without being disagreeable. It has often been said that when two men in business alwaya agree, one of them is unnecessary.

I am offering a plan which may be considered as a supplement or an alternative to the plan which is under consideration, that is, the Overton Red River Canal. I will go into this matter in detail at a later time in my discussion.

Earlier this year I introduced a bill in the Congress of the United States, known as H. R. 3844, which has for its purpose to provide a waterway accessible to several States from Oklahoma to the Gulf of Mexico. My proposal would actually begin at Denison, Tex., and work southward deepening and widening the Red River to the Atchafalaya River and thence to the Gulf of Mexico. The waterway would be more than just a deepened channel or a canal. It would encompass features of both with the end result that the people throughout the area involved would enjoy the benefits of a fine inland water system. In my plan which would begin improvement of the river at Denison, Tex., I include the establishment of a channel through Caddo Lake to Jefferson, Tex. The Jefferson, Tex., area contains a vast and virtually untapped iron ore bed which could be worked economically if water transportation were available. The utilization of the waterway for this purpose would add a vast amount of tonnage to the year traffic. My plan would encompass parts of Red River which readily lend themselves to improvement and which are feasible as an inland water system and also encompasses canals around those portions of the river which do not lend themselves to construction improvement. The river would be straightened in places and entirely bypassed in other spots.

Let me say, here, that the plan I have in mind would effectively control the waterflow on the Red River through a system of locks and dams. These locks and dams would maintain the water level throughout the year at a depth which would enable water traffic to move. During the times of floodwaters, the locks and dams could be opened to permit the floodwater to pass on through. This plan, in addition to providing a fine inland waterway system would have interesting possibilities in the field of irrigation.

I know there are some who will immediately take the position that this sort of project is not practical. There are the criers who want to cry before they know what can be done. I seriously doubt that there has ever been a large and far-reaching project without its full share of skeptics. I have the greatest respect for General Holle and his group of Army engineers. I certainly realize that they are doing a good job in their field, but at the same time, I do not propose to let the Army engineers do my thinking for me. They have been wrong in the past, and they will be wrong again in the future. The Army engineers say there is no precedence for a project of the type I propose. It is not within my scheme of operation to follow established precedence. I think it is much better to make precedence. I have known many things in my lifetime that were labeled "impossible" that are now being used for the benefit of mankind. The things that we accept as commonplace and without which our lives would not be as easy, were, for the most part, considered impossible, impracticable, unworkable, and the idea of some crackpot. I need only to mention the automobile, the airplane, the telephone, radio, television, etc.

In my boyhood it was an established fact in the minds of many that the Ohio River could not be made navigable the year around, but I personally have lived long enough to see it done.

When I was a member of the Oklahoma State Legislature some 30 years ago, we tried to secure authorization to make the Arkansas River navigable. The report from the engineers, at that time, was that this plan was impossible. Today, my friends, improvement of the Arkansas River, together with other rivers, has been authorized and part of the work toward making these streams navigable is underway or in the preparatory stage. In a few years the Arkansas River will be navigable and will be used in commerce. I do not hesitate to say to you, my friends here today, that the time is coming and will come soon when the Red River will be navigable from Denison, Tex., to the Gulf of Mexico.

When my brother, Huey Long, was Governor of this great State, he proposed to construct a bridge across the Mississippi River at New Orleans. The Army engineers told him that this positively was an impossibility and the time would never come when such a structure could be built. But he was not discouraged by the adverse report and went to work with other engineers who told him after a preliminary survey that it could be done. Today, that wonderful bridge across the Mississippi is there to facilitate the travel of hundreds of thousands. Further, as a result of the discovery of what could be done, there is today more than just the one bridge across the Mississippi.

In my opinion, if the Army engineers would be more inclined to take a second look and not steadfastly adhere to a single plan, we would all benefit by a more enlightened approach to the matter before us. I think we are in agreement that we want a workable and fully practical waterway system without too much of a penalty being imposed upon a small segment of our population. The Overton Canal, as it is proposed, is merely a barge canal. The Red River improvement which I propose would be good for small craft and barges and make available a plentiful supply of water that is much needed and which would provide a fine inducement to industry which might wish to come to our State.

There is still another aspect to the waterway proposition. In the Overton Canal plan, it is proposed that local interests pay a part of the construction and all of the main payments of this canal. To me, that is not fair, as we are saddling a few small parishes in our State with a tremendous burden in the construction of a waterway which is intended to help all the people of the States of Texas, Arkansas, Louisiana, and even Oklahoma. Actually the parishes through which the canal would pass would not benefit as much as the terminals of the canal. I know that it is claimed that the local interest share will not run too high, not over $20 million, but, here again, I disagree. I believe you will be interested to know that I have talked in private with engineers who are employed by the Government, and they have told me almost exactly what I am telling you about my plan. Many fine engineers in this country believe that by the system I have outlined to you today, through a system of canals, and straightening and widening and deepening the river, that we will have a permanent waterway with an abundance of water.

Now, let me discuss the Overton Canal briefly. In the building of the Overton Canal there will not be much water and what water there is must be pumped out of the Red River into the canal in order to provide a sufficient depth to float barges. Now there is where I differ with some of my good friends. Regardless of what our friends in the Army engineers may say, all the reasons in the world would not make this feasible. Should we go ahead with the Overton Canal, in my opinion, we would be constructing a monstrosity which would go down in history as one of the greatest engineering mistakes in our area. I do not claim to be an engineer, but as you know, commonsense can and should be used in everything.

In my district there are three parishes through which this canal would pass. The land there is rich and to dig a canal with its bank areas and rights of way a lot of good land would be destroyed. To dig a canal through a parish would cause many landowners to find their farms divided and this, of course, creates a considerable problem. These same people are going to have to pay taxes to pay for their own farms as well as for the canal. As I stated earlier, these people are not the ones who are going to benefit by such a canal if it is built. If we are going to construct a canal or a deep waterway, I propose that we let the Federal Government build it from start to finish and thereby eliminate local charges. Then you would have no trouble after the determinations were made as to how and where the canal is to be built. There is no complete survey or determination of all the facts on the Red River. It is merely said that it will reach from the mouth to Shreveport. If the canal is intended to go to Jefferson, Tex., then we should have a survey to make determinations for all of the river from Denison, Tex., to the Gulf of Mexico and the river through Caddo Lake to Jefferson, Tex.

I believe that all of the Congressmen from the States of Louisiana, Texas, and Arkansas would go along with this line of thinking. I have talked this matter over with my friend, WRIGHT PATMAN, of Texas, and we are in agreement that local interests should not be called upon to pay for this waterway; that it should be paid for by the United States Government because it will serve the interest of all the country and not just a few small parishes in Louisiana.

It is time that we stop and look and listen. We all believe that a waterway is needed. I have strongly advocated a deep waterway from Alexandria to the Gulf of Mexico ever since I first made the race for a seat in Congress. I was ridiculed by many who said that this was impossible. I thought we might go down the Red River into the Atchafalya River, thence into the Gulf of Mexico, or we might travel into the Calcasieu River and enter the deep waterway at Lake Charles. However, I believe that deepening the Red River and traveling from there into the Gulf of Mexico is much more desirable and feasible. This would furnish our area with a fine water outlet to the entire world.

Incidentally, it is only a short distance from the waterway to Oklahoma, and by constructing some 35 miles of canal the large limestone- and cement-producing areas of Oklahoma would provide a great boost in tonnage.

If we proceed with deepening the Red River at places, it will be desirable to make lakes such as the one that is on the Sulphur River just south of Texarkana. Lakes of this type serve as reservoirs during floodtime and an invaluable asset to a water system of this type. Further, when the lakes are full, water can be released during drought periods to maintain a proper water level and also provide possible irrigation sources. In this manner the water in the Red River could be controlled and there would be no such thing as another disastrous flood. Water will be there to irrigate the land, and the

great valley of ours from Denison, Tex., to the Gulf of Mexico would become a veritable paradise, a Garden of Eden without equal anywhere. To improve our area in this manner would attract residents, and the value of land up and down the river would double and triple in value. Business would increase, industry would move in, and our lot would be vastly improved.

So, my friends, I urge you to get your great organization to go into this matter in a serious way so as to arrive at the best and most feasible way for the United States Government to build a deep waterway through this great land of ours.

In time of war, this being an area far inland, industry could be developed for the manufacture of various war materials with a ready outlet to the sea. We would have power, we would have labor, we would have raw materials, and we should have transportation. Further, a deep-water system this far inland would provide storage areas for our ships during times of repair.

To me, just to build a canal from the mouth of the Red River to Shreveport would be much less than half a loaf and would not serve the purpose for which we need a deep waterway. Let's be fair and honest and realistic. Local interests would never receive enough benefit from it to pay even a small portion of the taxes. You would ask seven small parishes to build a waterway for the benefit of big businesses such as Lone Star Steel. Also, in my opinion, it would serve as a place for our Government to manufacture war material for our national defense. Large paper mills would be able to come into the area, as they could bring their timber to the mills and their products to the rest of the world. I do not feel that it is fair to burden these seven small parishes to the tune of some $20 million, because, my friends, that is a large sum in itself. The $20-million figure is not a realistic one, because I have gone into this matter completely and I estimate, when you take into consideration the bridges, pipelines, and other items, in addition to the upkeep of the canal, the cost will exceed $50 million. I have had the pleasure of discussing these things with your president and executive vice president. I do not wish to be put in the position of opposing a waterway, but sincerely and earnestly urge you to make a change so that the expenses will be taken off the parishes of this State.

Gentlemen, it has been a privilege and a pleasure to meet with you today. I appreciate this opportunity to think out loud.

Thank you and goodby.

Address by Hon. Marion B. Folsom Before Rochester, N. Y., Rotary Club

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1957

Mr. KEATING. Mr. Speaker, it was my privilege recently to participate in ceremonies in connection with presentation of the Rochester, N. Y., Rotary Club award for public service to the distinguished Secretary of Health, Education, and Welfare, Marion B. Folsom. Secretary Folsom is a long-time resident of Rochester, where he was for many years an officer and director of the Eastman Kodak Co.

The Rotary award comes as well-deserved recognition for Secretary Folsom's contributions over many years, in and out of Government service, to help achieve a better life for his fellow Americans.

In an able and earnest address following acceptance of this award Secretary Folsom set out cold, hard figures concerning his Department and the Federal budget, which shoud be studied by all of us. It is directness and clarity like this which have won Marion Folsom respect and esteem wherever he has given of his time and talents. He is clearly one of the most competent and valuable members of this administration.

Under leave to extend my remarks, I am pleased to insert the following excerpts from Secretary Folsom's informative speech at this point in the RECORD:

The Federal Government often is called upon to undertake some programs in health, education, and economic security when the needs of the people have not been met by private effort or by local and State governments.

When Federal action is necessary, the most helpful action often is not for the Federal Government to take over the whole show. Instead, Federal activities should be designed to encourage greater initiative and enterprise by individuals, private agencies, and State and local governments. In this way, a pattern of cooperative action is brought into play—a sharing and division of responsibility designed to foster the best combination of services for all the people.

In a moment I want to tell you about some of the prudent and constructive investments the Department is making, or proposing, in health, education, and welfare. But first, because these activities need to be considered within the framework of the total Federal operation and our total economy, I would like to mention briefly a subject that is getting a lot of public discussion these days, the Federal budget as a whole.

When we talk about the size of the budget, we should remember that we are talking primarily aboutu the cost of national security. We are talking not only about the cost of protecting our homes and businesses today, but about the cost of veterans programs and interest on the debt, which are largely the result of past wars.

The fact is that these expenditures for national defense and related items amount to more than 75 percent of the whole national budget. These expenditures have increased from 4 percent of the total national income in 1940, to 11 percent in 1950, and to an estimated 15 percent in fiscal 1958. As the President has said many times, "We all wish that large defense expenditures were not necessary but certainly our country can and must afford the price of protecting our free society in this age of peril."

While the portion of our income spent for national defense necessarily has gone up, nondefense Federal activities in the proposed 1958 budget would take about the same proportion of the estimated national income—about 4.3 percent—as for the previous 2 years. Furthermore, this proportion is down substantially from the level of almost 6 percent in 1950, and more than 7 percent in 1940.

Many of the most experienced men in Government tell me that the testing and review of the budget that goes on within this administration—the search for economies and savings—are greater than they can remember. From my experience in business I would say that the budget of a business firm is not subject to anything like the exacting and painstaking review and justification required for the budget of a Government agency today.

This search for greater economy and efficiency is continuous. Only last week, the President pointed to possible savings which would reduce Federal spending somewhat in 1958 and lead to even greater economies in 1959. The fact is that total expenditures proposed for next year would take a smaller proportion of the estimated national income—about 19 percent—than in any of the 6 preceding years.

Some concern has been expressed about the effect of the budget on our total economy. And yet, in recent years, when the budget was larger in relation to the economy than it is today, business and industry have grown and prospered as never before. Almost all the indicators of economic progress—wages and profits and plant expansion and many others—set a new high record last year. And most of these indices have continued to climb so far this year.

I am just as concerned as anybody about the long-range effects of high rates of taxation—and I am anxious to see taxes cut again as soon as this can be done without injury to the national security and welfare. But in today's expanding economy there is no sound basis for picturing the 1958 budget as if it were an economic catastrophe.

In considering the administration's budget and fiscal policies, it is important to look at the whole structure of what has taken place since President Eisenhower first came into office. In January 1953, the President inherited a prospective deficit of about $11 billion in his first year. Now what has happened since then?

Well, first, we have had the most complete overhaul of our tax system in history. I am proud to have had some part in this revision. Many tax provisions which stifled the healthy growth and expansion of private business were eliminated or modified. Many inequities which placed an undue burden on old people, on working mothers, on those with heavy medical expenses, on parents with children in college were removed.

In addition to these changes, the excess-profits tax was eliminated and individual income taxes were reduced approximately 10 percent. Altogether, in 1954, taxes were reduced by $7.4 billion annually, the largest reduction in any single year in history. These tax reductions and the other tax changes have benefited, directly or indirectly, every man, woman, and child in the country. And I believe they have been important factors in the recent unparalleled growth of our economy. As an indication of this growth, business expenditures for new plants and equipment are now running at a level 43 percent above 1954.

In the second place, the President has now proposed a budget which provides a surplus for the third successive year. It has been a quarter of a century since we have had three balanced budgets in a row.

In a period when circumstances beyond our control compel large expenditures for national defense, this is a notable achievement. It is an achievement in which business and professional leaders, as all citizens, can well take pride. And yet this achievement seems to me to have been largely ignored in much of the current discussion of the size of the budget.

We should remember that the budget is related to our population and our economy as a whole. It is only natural that some budget figures should tend to increase as the Nation grows. We can hardly expect to have a big, growing, increasingly prosperous country with a budget suited to horse-and-buggy days. Since 1950, our population has increased 13 percent, and our total output of goods and services—not counting price increases—has increased about 30 percent.

In discussing the proposed budget, President Eisenhower told the story recently of his conversation with some of the heads of the biggest corporations in America. The businessmen described how their budgets were increasing, on an average, from 6 to 10 percent. The businessmen were surprised that anyone would not expect this or would question it. One by one, they said, "Why, we are a growing company."

And the President replied, "What do you think America is?"

In the Department of Health, Education, and Welfare, the programs and services we have recommended for next year would amount to about $2.8 billion—4 percent of the total Federal budget, or less than 1 percent of the national income.

It is important to understand, however, not only how much money would be spent—but in what way and why. Where we have recommended increases to Congress, we have first made a most careful study and we are deeply convinced that there is a genuine need for these programs and that they will be of real and lasting benefit to the country as a whole.

These programs are, in the best sense of the word, economical. For they are investments in human resources—in the health and vigor of the people; in their education and training for living and working in an increasingly complex world; in their protection against economic emergencies and distress and want. These are the resources which, in the final analysis, have been responsible for our expanding prosperity, our national security, our progress as a Nation. To neglect these human resources now—to slip backward in these fields—would only pile up greater costs and more acute emergencies in the long run.

And so we are placing the strongest emphasis on constructive investments which will reduce human need in the future. The value of such emphasis is well illustrated by two figures. More than $1\frac{1}{2}$ billion, or about 65 percent of the Department's proposed budget for the next fiscal year, will be required for the regular program of public assistance grants for the needy aged, dependent children, the blind, and the totally disabled.

We believe that to relieve human need is good but that to prevent it is much better. An so one of the proposals in the new budget is for $2 million for research to help find out why people become dependent upon public welfare and to help eliminate some of the basic causes of dependency. We propose to spend 2\frac{1}{2}$ million to train more professional workers to help persons receiving public assistance rebuild their lives toward financial independence. Already there have been a few demonstrations of dramatic success when trained professional workers have concentrated on providing the services that not only help people in need but help them out of need. We feel, therefore, that these two proposals are relatively small investments which will return far more than their cost by reducing the need for public assistance in the future. This is an example of constructive economy in the best sense of the word.

One of the first constructive national programs to reduce human need was started 20 years ago with the social security insurance system. This program has increased the financial security and independence of almost every family in America. Today, almost 3 out of 4 workers reaching 65 are eligible for social security benefits as a matter of right, based on their contributions and the contributions of their employers over the years. Altogether, 9.4 million persons are getting benefits now. If it were not for this program, the annual cost of public assistance would be several billion dollars higher today. In the past 6 years, for example, while the population over 65 has increased by more than 2 million, the number of older persons receiving public assistance has dropped by about 290,000. Many of those receiving public assistance today were not eligible for social security during their working years. Now that social security coverage is almost universal, the reduction in old-age assistance will be even greater in the future.

The value of a constructive approach also has been demonstrated dramatically in medical research. Funds have been increased more rapidly for this program than for any other major program in the Department. Yet there can be no doubt that sound medical research returns far more than it costs—through the sparing of human life, through reductions in the human and economic toll of disease and disability. Within the past 10 years the average life span in the United States has increased 5 years and the death rate has declined 12 percent. There have been dramatic reductions, for example, in the incidence of poliomyelitis and in deaths from influenza, tuberculosis, pneumonia, and other diseases.

Surely it would be false economy to cut back funds for research to help cure or control mental illness, cancer, heart disease, or other major killers and cripplers of our times when these diseases take such a terrible toll in human suffering and economic loss each year.

Or consider the program of vocational rehabilitation. This program provides medical care, training, and other services to disabled persons, to help restore them to productive jobs. Last year, largely because of modest budget increases in this program, the number of persons rehabilitated was increased to 66,000—a new record. Before they received these services, these people had annual earnings of about $17 million. After rehabilitation, their earnings were increased to about $127 million a year. And so the increased income taxes alone will pay for the cost of rehabilitation within a few years. Furthermore, about 13,000 of these people were receiving public assistance before they were rehabilitated. The cost of public assistance in 1 year alone would almost equal the cost of rehabilitation.

In the field of education—crucial to the future of our country—there are many problems which call for constructive action now. We know, for example, that in the next 10 to 15 years, the number of young people seeking higher education will double, perhaps even triple. And this will call for an educational expansion and adjustment beyond anything we have known before. Higher education, of course, is primarily the responsibility of the States and private institutions. We are proposing a very limited investment—grants to the States of $2.5 million a year for 3 years—to encourage planning and action within the States to meet this critical and growing need before it becomes even more acute.

Another problem of far-reaching significance is the very large number of capable students whose education is ended too soon. If current trends continue, about 40 percent of the young people who enter high school will drop out before they graduate. And of those who do graduate from high school, only half of those in the upper fourth of their class will go on to college. Only 6 out of 10 of the top 5 percent of high-school graduates receive a higher education. This is a tragic waste of human resources. Another example is in the field of mentally retarded children. Without special help, many of these children are destined to a life of dependence on others, falling far short of their real potential. Given the right kind of special attention and training, many of these children will grow up to lead happier and more useful lives. For the first time in the history of this country, the Federal Government is supporting a program of research to help solve these and other long-standing problems in education. This is a constructive investment in the future of our young people and the future of the Nation.

Another sound and prudent investment is the proposed program of emergency Federal assistance to help relieve a critical shortage of school classrooms in many communities. We have studied and restudied the classroom problem—carefully and objectively. Three conclusions are clearly evident from the facts.

First, there is a serious shortage of public-school classrooms. This shortage developed because not enough schools were built during many years of depression and war and because, more recently, we are having by far the biggest enrollment increase in our history. The problem also has been aggravated by record-breaking shifts in population.

Second, despite a great increase in school-building efforts, the States and many communities are not making enough headway in reducing this shortage.

Third, unless financially needy communities get help, the classroom shortage will persist for many years, hampering the education of our children and limiting the progress of our country.

Now I understand and respect honest differences of opinion as to whether the Federal Government should help build more schools in this emergency. It is unfortunate for the welfare of our children, however, that many of the public statements on such an important issue have been seriously misleading, and some have been clearly inaccurate.

It is contended, for example, that the classroom shortage is a myth or figment of imagination. Those who take this position offer no new or additional information of their own. They accept bits and pieces of data from the various surveys that have been made, and they quote these bits and pieces out of context or only in part. Yet the essential fact is that every responsible survey of actual conditions in the schools has reached the same clear conclusion—there is a substantial, widespread, and continuing classroom shortage.

It seems to me that the best source of information is the State and local school agencies who are closest to the situation and best able to get the facts. I have complete confidence in the integrity of these authorities. The latest survey was made last fall by the chief educational agency in each State. For the third year in a row, the States reported our schools are overflowing with about $2\frac{1}{4}$ million children above their capacity. These children are not imaginary. They are in school today, and they can be counted with reasonable accuracy. These children, and millions of their classmates, are handicapped by half-day school sessions or badly overcrowded conditions or use of makeshift facilities. The States reported 80,000 additional rooms are needed now simply to accommodate this overflow of students.

The States also reported they need 79,000 additional classrooms to replace facilities which are obsolete or unfit. I recognize that obsolescence is more difficult to measure—opinions on this will vary—but, nonetheless, it is a very real and important factor. And so the latest and best estimate by the States places the total classroom shortage at about 159,000 classrooms.

It is important to remember that we must deal not only with this backlog of shortage, but with continuing vast enrollment increases and with annual replacement needs in the future. The States indicate, for example, they will need 59,000 to 65,000 additional classrooms next fall simply to meet the new needs developing since school started last fall. Therefore, even if the States actually build this year the 69,000 classrooms they

have predicted—a record high—they would make only a small dent in the accumulated shortage.

A second major fallacy is the argument of some critics that the administration is proposing Federal assistance for classroom construction as a means to leap into Federal control of education in this country.

Let us understand what is proposed here. The Federal Government would allocate some funds to the States. The States would put in some money, too, and then the States would administer grants to the local communities which need help very badly to provide schools for their children. So even in the building of the schools the Federal connection would be pretty remote. But, even more important, by the time the first teacher or student entered the new school, when the actual education of children begins, there would no longer be any Federal involvement or connection whatsoever. How, then, could this proposal result in Federal control of education, even if we wanted it that way?

Furthermore, I don't know anybody who wants it that way. Certainly the President and we in the Department have emphasized many times we would be the last ones to want to control the instruction of the Nation's children. Certainly the State and local school authorities who are supporting this bill are most anxious to keep the Federal Government from controlling their affairs. In 1950, the late Senator Taft, after careful and objective study, sponsored a program of Federal aid for operation, as well as construction, of schools—a broader and more liberal program than is proposed today—and certainly Senator Taft was no advocate of Federal controls.

It is important to remember also that the Federal funds proposed by the administration would amount to only 15 percent of total funds for school construction in this country. These funds would be allocated only to the districts with the most acute shortages and the least resources to build needed schools. The Federal funds would amount to only about 3 percent of total funds for public schools for all purposes. It has been contended that even if this program itself would not mean Federal control, it would serve as a foot in the door and would lead to Federal domination of education in the future. The fact is that throughout our history the Federal Government has assisted the cause of education—and is doing so today—without domination or control. As far back as 1787, Congress required that public lands be set aside for educational purposes. In 1862, under the leadership of President Abraham Lincoln, the Federal Government began making financial grants to support the land-grant colleges. Only recently, by the way, the Association of Land-Grant Colleges adopted a resolution expressing appreciation that there has been no Federal control in this program. For 40 years, the Federal Government has been making grants to support vocational education. Since World War II, the Federal Government has invested $18 billion to help war veterans continue their education. For 6 years now, the National Government has provided funds to help build and operate schools in communities overburdened by Federal installations. In all these activities, over all these years, the Federal Government has helped meet national needs in education—and there is no Federal control of education today.

Furthermore, we are advocating only a temporary program. Once the backlog of shortage has been removed, with the help of emergency Federal aid, then the States and communities could meet future needs on their own, simply by continuing their current rate of construction.

Finally, the proposed legislation specifically provides, and I quote, "In the administration of this act, no department, agency, officer, or employee of the United States shall exercise any direction, supervision or control over the personnel, curriculum, or program of instruction of any school or school system." I don't see how it can be put any plainer than that.

Clearly, in the light of all these facts, the argument that we are seeking Federal control of education is simply a phony.

We believe the people of America are with us in seeking Federal assistance to help eliminate the classroom shortage. Emergency Federal assistance was strongly supported in the platforms of both political parties. Recent public-opinion polls seem to indicate that people in all walks of life, in all parts of the country, favor this program by about 4 to 1. The people know that badly overcrowded classrooms and half-day sessions are hurting the education of many children every day. They know that educational opportunities lost today may never be regained.

In all these programs in health, education, and economic security, we are proposing constructive investments in the future. Our objective is the same as yours in Rotary: service to society.

By acting now, with foresight, in community action and in national action, we may invest in our most priceless asset—the individual human being. As the individual advances in health, education, and economic security, his own life is enlarged and our whole society is enriched.

Townsend Plan Legislation

EXTENSION OF REMARKS

OF

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1957

Mr. BLATNIK. Mr. Speaker, for many years legislation embodying the principles of the Townsend plan "pay-as-you-go Federal social security for all" have been before the Congress. Last year, for instance, I joined with the gentleman from California [Mr. GUBSER] in sponsoring the Townsend plan bill in the 84th Congress.

I have today introduced the new Townsend plan bill which differs from previous Townsend bills, but not with respect to any basic principle, objective or standard. As a classification, it may generally be said that the new bill differs in terms of legislative form, in respect to technical form.

CHANGES IN 1957 TOWNSEND PLAN BILL

First. The 1957 Townsend plan bill is specially drafted as an amendment to the Social Security Act, repealing or suspending, as the applicable case may be, the various provisions of Old Age and Survivors Insurance and Federal Disability Insurance title II and instituting in place thereof the Townsend plan program.

Second. It provides for a transitional period and process whereunder it would be eased into effect, starting at a low rate of tax and benefits, these gradually increasing during the first year and a half, thereby progressively absorbing the benefits existing under the present system—without anyone being in any way dislodged or subjected to any less benefit that they are receiving. Likewise the tax system would be correspondingly brought into effect on a progressive basis, starting at 1 percent and increasing to a final maturity of 2 percent over a period of about a year and a half.

This transitional feature provides for the using of the reserve fund of OASI for precisely what it was created to be used for, namely, payment of the benefits under OASI, until the development of the Townsend program fully displaces them by way of absorbing them and progressing on to the maturity of the fully adequate benefits of the Townsend program.

Third. The 1957 Townsend plan bill specifically defines the objective it seeks. It provides that each year the Department of Commerce, under its Census Bureau work of annually surveying the distribution of money income in the United States population, report to Congress each year, specifically, what rate of tax would have been necessary during the preceding year, under the program, in order for the overall income of the aged population not to have been inferior to that of the younger adult population. This feature is designed to create a situation under which the Congress and everybody else will henceforth know, as a matter of clear record exactly what the relative position of the aged is economically. This provision would create a basis on which everybody could henceforth deal with the primary question of "just how much pensions should justly be" on a basis of fact. Up to now, this question of exactly how much pensions really ought to be has not been officially dealt with. The Townsend program is fundamentally predicated upon exactly that study and approach to the whole problem. This bill would provide, in the Social Security Act, the legal requirement that this question be authentically reported on each year, to Congress by the Department of Commerce.

Fourth. There have always been a long list of arguments, in principle academic arguments, about the workability of the gross income tax predicated in the Townsend plan. This bill provides, in its definition of "gross income" the conclusive end to this whole field of confusion, purely theoretical and academic argument and of wasted time and effort dealing with entirely unrealistic claims and counterclaims very simply: Since 1933, a genuine gross income tax has been operating with unchallenged efficiency and practicality in the State of Indiana. Correcting jurisdictional references, the precise text of the definition of gross income contained in the Indiana Gross Income Tax Act of 1933, as amended up to and including 1953, is incorporated in the 1957 Townsend plan bill.

It is specifically to be noted that this does not constitute any change in principle or departure in policy by the Townsend organization. The tax proposed in the Townsend bill has traditionally been exactly what is now proposed. However, there have always been those, in

and out of Congress, who insisted persistently that the Indiana tax really was not the same, was in reality quite different from the Townsend proposal. Actually the definition of the tax base in the Townsend plan bill is precisely identical with that in the Indiana law.

Fifth. Citations to the Internal Revenue Act, bearing upon tax procedures are converted so as to cite the Internal Revenue Code of 1954.

Sixth. The 1957 Townsend plan bill provides for old-age retirement at the age of 60 years; for full benefits to persons disabled between ages 18 through 59; for full benefits for female heads of family groups with one or more dependent children; and for proportionate benefits of one-third the full benefit rate for dependent children under 18. This last is new coverage.

Seventh. The 1957 Townsend plan bill does not require compulsory spending of benefits by beneficiaries.

Eighth. The 1957 bill does not require complete and outright, all-or-nothing retirement by beneficiaries, but encourages their participation in the Nation's productivity—but, at the same time, it provides a deterrent sufficient to prevent pensioners from selling their services so cheaply as to constitute unfair competition with other work seekers. The provision is that above the amount of $75 per month, adult beneficiaries would lose $1 of their benefit for each full $2 earned in employment or self-employment. For the secondary beneficiaries, the children, they, too, would lose $1 of their benefit for each full $2 per month in excess of $50 earned in employment or self-employment.

Ninth. The requirement of citizenship is eliminated as a condition of qualification to receive benefits. In place of it is the requirement that any person over 18 must have resided in the United States for a total of not less than 10 years in order to qualify. The reasons for this alteration are manifold; but suffice it to point out that very rare would be the citizen of the United States who would not satisfy this requirement before his childhood was over. At the same time, this residence requirement, imposed on our own citizens, would abridge the treaties we have with various nations, reciprocally agreeing that we treat each others' nationals exactly as we treat our own citizens; and it would conclusively bar persons from becoming simply retirement emigrees to the United States, as all would have to be here long enough to support the system quite significantly before being eligible to draw its benefits.

The bill exempts dependent children from this residence requirement even if the adults upon whom they depend may be barred by its residence requirement. These changes in the Townsend bill are not changes in any sense of principle, methodology, or standard. In reality, they are developments in the line of incorporating into an actual legislative instrument—a bill—provisions and definitions which more fully and, in fact, pretty completely embody and express the principles and meaning of the Townsend plan in the form of a law.

There are many reasons why this project was not feasible in former times, the most compelling, for example, being historical, namely, that the thinking of Congress has not reached the point of surrender to certain very fundamental tenets of the Townsend plan. In the 1956 amendments to social security Congress really gave in to universal coverage; they gave in the very basic principle of disability insurance; they cracked on the very severe issue of reduction of the age of eligibility for retirement. Prior to these events the Townsend movement was restricted to fighting for these fundamentals which were necessary as "breaks" in the structure of the present social-security system before the real fight toward the Townsend plan could be planned timewise.

With these changes accomplished as outlined above, the turn in the road was at hand, the opinion of Congress has changed fundamentally, and the specifics can be designed. This new bill embodies that new, final stage of evolution in the fight toward the Townsend plan. The 1957 Townsend plan bill is the first embodiment of the Townsend plan in terms of these long-fought-for and now accomplished necessary achievements in the development of the thinking of Congress on the subject of social security. It is in this very comprehensive and complex sense that this bill is new or different. It is not different in its principles, methodology, or standards.

THE NEED FOR TOWNSEND PLAN LEGISLATION

The need for this type of legislation is embodied, first, in the fact that we have a Social Security Act in the first place. This means that in 1935 Congress recognized that the social security problem existed to such a degree that the act was adopted. This realization extended to the level of the problem being recognized as, in principle at least, a national, not a local or regional problem, a problem requiring basically Federal legislative action. This legislative action in itself certified to the ruling conviction that privately the problem could not be handled. Placed on the fundamentally Federal base, it recognized that the problem was beyond the capabilities of local and even State governmental scope. The consequent actions of Congress after 1935, and up to and including 1956, certify unanswerably that this opinion as to the problem has continuously solidified and strengthened.

The system of OASI and Federal disability insurance—its latest phase—has done good as far as it has gone, or could go. When it is all summed up, however, the truth is this: We have a social security problem simply because the great majority of the American people reach old age and find themselves lacking the financial ability to command income and living standards reasonably comparable to the general standards of living prevailing around them. As a matter of fact, about 22 percent of persons aged 65 and over in the United States, as of 1955, had no money-income whatsoever from any source; they are totally dependent people.

The Townsend plan is based squarely on the belief that Americans should achieve economic sufficiency and independence as the final result of life.

In February 1954, the Social Security Bulletin carried an article by Jacob Fisher of the Social Security Administration's Division of Research and Statistics, namely, postwar changes in the income position of the aged. This report shows:

The population aged 65 and over increased 17 percent from 1947 through 1952—while the total population aged 14 and over increased only 5 percent—but their share of total personal income increased from 7 percent in 1947 to only 8 percent in 1952.

Analysis of Census Bureau data shows the share of the elderly to have been 7.3 percent in 1953, 7.7 percent in 1954, and 7.9 percent in 1955. By 1955, the aged population had increased 31.7 percent over its 1947 number—while the total population aged 14 and over increased only 8.3 percent. Thus, the average aged person's comparative income position declined, seriously, from the pitifully inferior 1947 level to an even more inferior level in 1953, 1954, and 1955. The increase of the aged as a portion of the total population continues unabated, while their total share of income remains unchanging.

This took place despite congressional action in 1950 increasing OASI benefits by 70 percent and in spite of congressional actions in 1952 and 1954. It took place in spite of the dramatic increase of private pension systems and the liberalization of just about every existing public and private retirement system as well.

Since World War II, OASI has not only failed to solve the social security problem; it has even failed to prevent it from getting worse.

Furthermore, a 1955 report from the Social Security Administration plainly warns that to establish even so modest a minimum OASI benefit as $75 a month would entail payroll tax rates so high as to endanger public support of its contributory principle, in their view.

Unabated surpluses of production dictate that we must keep buying power abreast of our ever-expanding ability to produce. Unless we stop destruction of the average American's buying power upon his reaching old age, this can never be done. This is what OASI has proven unable to do. It is exactly what the Townsend plan will do.

Added to what we authentically know the American people can do privately for their retirement, Townsend plan benefits will end poverty and dependence in old age, retiring all persons on fair economic equality with their fellow adults in general—thus amplifying buying power, the only way prosperously to absorb surpluses.

Therefore, the Townsend plan should be adopted immediately, in place of the present system of old-age and survivors insurance.

HOW THE 1957 TOWNSEND BILL WOULD WORK

This is a program that is capable of specific illustration. On the first day of

the sixth month following the enactment of this bill, the program would go into effect. For purposes of simplicity, let us assume that this effective date of the program were January 1.

Then as of January 1, the tax proposed in this bill would go into effect and the present payroll tax—the National Insurance Contributions Act—would cease under the repeal provision of the bill. For the 6-month period of January through June the gross income tax would operate at the rate of 1 percent. For the 7th, 8th and 9th months, the tax-rate would be advanced to 1¼ percent; for the 10th, 11th and 12th months—through December—the tax-rate would be advanced to 1½ percent; for the 13th, 14th and 15th months, the tax-rate would be advanced to 1¾ percent; and for 16th and all succeeding months the tax-rate would be 2 percent. Meanwhile, as of the first of the seventh month, the revenue collected from the first month, less specifically the cost of administration for that first month, would be distributed as benefits to the beneficiaries qualified as of that date to receive them. The amount of benefits would be determined by simply dividing the revenue available by the number of primary beneficiaries plus the number of secondary beneficiaries—children and others not qualified for the full primary benefit—converted into the number of primary beneficiaries the sum of their fractions represent.

As of the first of the eighth month, the revenue available from the second month would be so distributed; and, thereafter, as of the first of each month there would be distributed as benefits the revenue collected from the sixth preceding month. Thus, as the tax-rate matured and as beneficiaries qualified the program would ease into effect over a period of about a year and a half.

Statistical studies show that the first benefits under this program, as of the seventh month, would probably be between $60 and $70 per month. In each succeeding month, obviously, they would rise, generally—and starting with the 12th month—when the revenue collected under the first advance of the tax rate to 1¼ percent would come up for distribution—benefits would certainly rise then and thereafter.

The 1957 Townsend plan bill provides that benefits under OASI and disability insurance would continue to be paid to whatever extent they might be greater than the benefits being paid at any given time under the Townsend program, and to the extent that such benefits under OASI would continue to be paid, they would be paid out of the reserve funds of OASI.

However, since the average benefit under OASI—that is, the average retired worker's primary benefit—is only about $63 a month—and wives' benefits little over half of that, and widow's benefits, and so forth, about three-fourths of it—it is clear that most OASI benefits would immediately be absorbed by the benefits under this program. As this program matured under the full 2 percent rate of the gross income tax, there is no doubt whatsoever that all benefits under the present system would be absorbed. Thus, it is to be noted that a total transition from the present system to the Townsend program is provided for and spelled out in the 1957 Townsend plan bill. At no time would any beneficiary of the present program get a single penny less than the present program provides for him, but, duly, they would all receive far better benefits than are presently provided for. All benefit-obligations of the present system would be completely honored.

Beneficiaries under the Townsend program would be all persons aged 60 and over retired from gainful occupation; all persons 18 through 59 who are totally and permanently disabled; all female heads of family groups having dependent children under 18 in their family groups and all such dependent children and orphans under 18 years of age—these latter to receive benefits in the amount of one-third of the current primary benefit being paid to the foregoing. This benefit coverage of the people of the United States certainly takes account of all who could possibly expect to qualify under any of the present programs of the Social Security Act; and it takes into coverage the few elements that OASI still excludes. Any possible exceptions to the coverage of this program who might possibly be entitled to benefits under the present programs are hard to imagine, indeed, especially once the Townsend program is fully instituted under its full tax rate of 2 percent. Whatever possible cases there might be, they would obviously be so infrequent and so few that they do not constitute anything of such magnitude as to be classed as a problem. The Townsend program, once operating under the full support of the 2 percent rate of the gross income tax—as indicated by 1955 statistics on the population, the distribution of income, and the volume of business in the United States—would provide primary benefits of the order of $130 to $140 a month.

This level of benefits, under the coverage provided for in the Townsend bill, would involve a revenue of about $2.5 billion a month. The immediate question becomes this: How can so large a number of beneficiaries at these benefit levels be justified? In other words, the immediate question to be settled is that raised by those who are forever denouncing anything that is going to cost money. Obviously, this is a program the financial features of which really raise their dander. However, the answer is not difficult to set forth.

The first fact is a simple one: As of 1955, the group aged 65 and over lacked by 48 percent an equal income share as compared with the younger adults—aged 25 through 64. They endured this lack—about 22 percent of them having no income whatsoever from any source—despite all the programs presently in force under the social-security system as it is, despite all other public and private programs, despite the expanded rates of savings and investment that these times of unprecedented prosperity afford.

The nub of the matter is that less than the Townsend program will not fill the gap, will not eliminate the economic inferiority of the aged. Less will not secure the future of the younger people from the fate of economic deterioration when they reach old age, and so forth.

So, it comes down simply to this: Is the solution of the social-security problem a beneficial thing to our society or not? If it is a beneficial thing to do, then it is worth the price. The Townsend program is simply the only one ever designed and put forth actually to eliminate, fully solve this problem. If the problem is ever to be solved in any other way than through the Townsend program, it will have to be by providing the same standard of benefits for the same number and classes of people as are provided for under the 1957 Townsend plan bill. That is all there is to it, in reality. Either the problem is a valid one and should be solved or it should not.

To those who say that the financial magnitude of the problem has been overestimated, I say that economic sufficiency and independence should be the final reward in life for the people of the United States; that this requires two things: First, that people, retired people primarily in this context, not be subjected to an income level that involves poverty, insufficiency in terms of the actual general living standards of the times; and, second, that as an overall group retired people should enjoy an up-to-date share in income and living standards as compared to those enjoyed by younger adult people. Less than this constitutes inferiority, lack of freedom and independence, curtailment of the ability to participate fully in the social, economic life of the day—injustice, in short. The Townsend plan bill is calculated on the basis of those convictions and standards.

Now, if somebody feels, in their own view, that less than this is really an answer, let them state how much they believe should be the share of the aged. On this basis the whole matter can be settled; but the burden of proof is theirs. The Townsend plan bill alone is based upon the square question, "How much should an old-age pension be?" The Townsend bill provides the ways and means of providing the answer to achieving that pension—whatever it should be.

Since it is self-evident that whatever the final decision of Congress turns out to be as to what an old-age pension really ought to be, provide for, there still remains this unassailable truth—"It will require just as much money to be raised for just as many people under any other plan as under the Townsend plan." Therefore, the whole question reverts back to the primary one: Is the genuine solution of this problem of social security desirable or not?

To those who feel that it is desirable, we present the Townsend plan, embodying the defined ways and means of solving it. To those who do not wish its solution we say, "It is time you frankly said so." This is the essence of the Townsend plan bill.

SENATE

WEDNESDAY, MAY 1, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of all grace and love: Pressed and pursued by the high concerns of public service and welfare in this bewildering and demanding day of global change, we are grateful for quiet cloisters of the spirit where in moments of reverential calm at the altar of Thy forgiving grace Thou dost restore our jaded souls.

As we turn to problems taxing our best for solution, deliver us from the sophistries of cynicism and from the inclination of our own hearts to self-deceit. Guide with Thy pure wisdom those who here take counsel for this Nation and for the nations who look with hope to the flaming beacon of our liberty, that Thy kingdom may go forward till the whole earth is filled with the transforming knowledge of Thy redemptive love; and Thine shall be the power and the glory. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Monday, April 29, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

REPORT OF OPERATIONS UNDER THE INTERNATIONAL CULTURAL EXCHANGE AND TRADE FAIR PARTICIPATION ACT OF 1956—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Foreign Relations:

To the Congress of the United States:

In accordance with the provisions of section 9 of Public Law 860 of the 84th Congress, I transmit herewith for the information of the Congress the first semiannual report of operations under the International Cultural Exchange and Trade Fair Participation Act of 1956.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 1, 1957.*

REPORT OF MUTUAL SECURITY PROGRAM—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 160)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Foreign Relations:

To the Congress of the United States:

I am transmitting herewith the 11th semiannual report on the operations of the mutual-security program, for the period July 1, 1956, through December 31, 1956.

Under present world conditions, I am convinced that this program is, more than ever, essential to the security of the United States.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *April 26, 1957.*

COMMITTEE MEETINGS DURING SESSION OF THE SENATE

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committees or subcommittees were authorized to meet today during the session of the Senate:

The Committee on Interior and Insular Affairs and the Committee on Public Works, to hold a joint session.

The Committee on Foreign Relations.

The Permanent Subcommittee on Investigations of the Committee on Government Operations.

ORDER FOR ADJOURNMENT UNTIL TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until tomorrow, at 12 o'clock noon.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I wish to announce that it is our purpose to have the Senate go over from tomorrow until Monday.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

AUTHORIZATION FOR CERTAIN CONSTRUCTION AT MILITARY INSTALLATIONS

A letter from the Secretary of Defense, transmitting a draft of proposed legislation to authorize certain construction at military installations, and for other purposes (with accompanying papers); to the Committee on Armed Services.

REPORT OF BOARD OF VISITORS TO UNITED STATES NAVAL ACADEMY

A letter from the Chairman of the Board of Visitors to the United States Naval Academy, transmitting, pursuant to law, a report of that Board, for the year 1957 (with an accompanying report); to the Committee on Armed Services.

REPORT OF BOARD OF TRUSTEES OF FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND AND FEDERAL DISABILITY INSURANCE TRUST FUND

A letter from the Managing Trustee and members of the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, transmitting, pursuant to law, a report of that Board, for the fiscal year ended June 30, 1956 (with an accompanying report); to the Committee on Finance.

REPORT ON MILITARY PRIME CONTRACTS WITH BUSINESS FIRMS IN THE UNITED STATES FOR EXPERIMENTAL, DEVELOPMENTAL, AND RESEARCH WORK

A letter from the Administrator, General Services Administration, Washington, D. C., transmitting, pursuant to law, a report on military prime contracts with business firms in the United States for experimental, developmental, and research work (with an accompanying report); to the Committee on Government Operations.

REPORT OF NATIONAL SCIENCE FOUNDATION

A letter from the Director, National Science Foundation, Washington, D. C., transmitting, pursuant to law, a report of that Foundation, concerning a Geophysical Institute in the Territory of Hawaii (with an accompanying report); to the Committee on Interior and Insular Affairs.

ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS—WITHDRAWAL OF NAME

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Yong Leong from a report transmitted to the Senate on January 15, 1957, pursuant to section 6 of the Refugee Relief Act of 1953, with a view to the adjustment of his immigration status; to the Committee on the Judiciary.

AUDIT REPORT ON RAILROAD RETIREMENT BOARD

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on significant financial aspects of the Railroad Retirement Board, dated December 1956 (with an accompanying report); to the Committee on Labor and Public Welfare.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of Oregon; to the Committee on Appropriations:

"Senate Joint Memorial 6

"To the Honorable Senate and the House of Representatives of the United States of America, in Congress assembled:

"We, your memorialists, the 49th Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

"Whereas the control of floods in the Willamette River Basin has long been recognized by the Congress to be necessary and desirable; and

"Whereas certain flood-control projects have been built by the United States and are in service within the Willamette River Basin; and

"Whereas the early construction of other flood-control facilities on certain tributary streams is urgently needed to balance the operation of already existing facilities and thereby check recurring and aggravated damage to lands and property adjacent to the principal uncontrolled streams; and

"Whereas the Green Peter project on the Middle Fork of the Santiam River is among the most urgently needed to round out the Willamette River Basin program; and

"Whereas full utilization of the hydroelectric power potential of the Green Peter project would add 95,000 kilowatts of electric generating capacity at a strategic point in an area where power requirements are rapidly increasing; and

"Whereas construction at this time would alleviate unemployment in this locale and help stabilize the economy of western Oregon: Now, therefore, be it

"*Resolved by the Senate of the State of Oregon (the House of Representatives jointly concurring therein)*, That the Congress of the United States be memorialized to make funds immediately available to finish the planning and start construction of the flood-control and hydroelectric facilities needed at the Green Peter project; and be it further

"*Resolved*, That the secretary of state of the State of Oregon be and hereby is directed to send copies of this memorial to the President of the United States, to the Secretary of Defense of the United States, to the President and Chief Clerk of the Senate of the United States, to the Speaker and the Chief Clerk of the House of Representatives of the United States, and to all members of the Oregon congressional delegation.

"Adopted by senate April 1, 1957.

"ZYLPHA ZELL BURNS,
"*Chief Clerk of Senate.*

"BOYD R. OVERHULSE,
"*President of Senate.*

"Adopted by house April 5, 1957.

[SEAL]

"PAT DOOLEY,
"*Speaker of House.*"

A concurrent resolution of the Legislature of the State of Kansas, favoring Congressional action to assure continuance of surveys and planning and assure cooperation in the construction of projects in the State of Kansas that are vital and necessary for the prevention of floods, and for the conservation of soil and water; to the Committee on Public Works.

(See concurrent resolution printed in full when presented by Mr. SCHOEPPEL on April 29, 1957, pp. 6006–6007, CONGRESSIONAL RECORD.)

A resolution adopted by the San Gabriel Valley District, California Federation of Women's Clubs, favoring the enactment of legislation to implement the provisions of the second Hoover Commission report; to the Committee on Government Operations.

A resolution adopted by the executive board of the Golden Gate district, California Federation of Women's Clubs, at San Mateo, Calif., relating to contracts for the construction of the Trinity River Dam; to the Committee on Interior and Insular Affairs.

A resolution adopted by the Civic Council of the City of Minneapolis, Minn., protesting against the enactment of any legislation which restricts or eliminates the present legally recognized control of the production and sale of natural gas in the field; to the Committee on Interstate and Foreign Commerce.

A petition from the Methodist Federation for Social Action, Gresham, Oreg., signed by Lloyd F. Woorley, D. D., president, praying for a redress of grievances; to the Committee on the Judiciary.

A letter, in the nature of a petition, from the University of the Americas, Jacksonville, Fla., signed by Noel Marshall Cawthon, chancellor, relating to the appropriation of funds for the construction of that university as a Federal institution; to the Committee on Labor and Public Welfare.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nomination of Molly L. Casteel to be postmaster at Mosheim, Tenn., which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. GREEN, from the Committee on Foreign Relations:

Charles E. Bohlen, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to the Republic of the Philippines.

The VICE PRESIDENT. If there be no further reports of committees, the nominations on the calendar will be stated.

Mr. JOHNSON of Texas. Mr. President, I ask that the nominations on the calendar be stated from the beginning.

The VICE PRESIDENT. That will be done.

JUVENILE COURT FOR THE DISTRICT OF COLUMBIA

The Chief Clerk read the nomination of Orman W. Ketcham, of Maryland, to be judge of the Juvenile Court for the District of Columbia, for a term of 6 years.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to the nomination?

Mr. FREAR. Mr. President, now that this nomination is before the Senate, is there any limitation on the time available for its consideration?

Mr. JOHNSON of Texas. No. Does the Senator from Delaware care to address himself to the nomination?

Mr. FREAR. Yes, I should like very much to do so.

Mr. JOHNSON of Texas. How much time does the Senator believe he will require?

Mr. FREAR. I do not plan to speak at length, but probably what I shall say will take at least 2 minutes.

Mr. JOHNSON of Texas. The Senator from Delaware is one of the most understanding Members of this body, and certainly he is entitled to have whatever time he desires. He rarely takes a great deal of time, and I welcome the opportunity to hear him.

Mr. FREAR. I thank the distinguished majority leader.

Mr. JOHNSON of Texas. Mr. President, I yield the floor.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to the nomination?

Mr. FREAR. Mr. President——

The VICE PRESIDENT. The Senator from Delaware is recognized.

Mr. JOHNSON of Texas. Mr. President, will the Senatbr from Delaware yield, to permit the Senate to take action first on the new reports on the Executive Calendar?

Mr. FREAR. I am glad to yield.

Mr. JOHNSON of Texas. Mr. President, let me state that, following action on the new reports, it is my purpose to have the Senate consider the nomination previously passed over. I was not aware that the Senator from Delaware desired to be heard on that nomination.

Mr. FREAR. That course is perfectly acceptable, Mr. President.

The VICE PRESIDENT. Without objection, the new reports on the Executive Calendar will be stated.

UNITED STATES ATTORNEYS

The Chief Clerk proceeded to read sundry nominations of United States attorneys.

Mr. JOHNSON of Texas. Mr. President, I ask that the nominations of United States attorneys be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations of United States attorneys will be considered en bloc; and without objection, they are confirmed.

UNITED STATES MARSHALS

The Chief Clerk proceeded to read sundry nominations of United States marshals.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations of United States marshals be considered en bloc.

The VICE PRESIDENT. Without objection, these nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

JUVENILE COURT FOR THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I ask that the Senate now resume the consideration of the nomination for judge of the Juvenile Court for the District of Columbia.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate resumed the consideration of the nomination of Orman W. Ketcham, of Maryland, to be judge of the Juvenile Court for the District of Columbia, for a term of 6 years.

Mr. JOHNSON of Texas. Mr. President, I yield the floor; and I thank my friend, the Senator from Delaware [Mr. FREAR].

The VICE PRESIDENT. The question is, Will the Senate advise and consider to the nomination?

Mr. FREAR. Mr. President, as a member of the Senate Committee on the District of Columbia, I have a real interest in District affairs. The pending nomination of Mr. Orman W. Ketcham, to be judge of the Juvenile Court for the District of Columbia, causes me some concern; and I cannot refrain from calling attention to the hazards of placing on the bench of this specialized court any

person without the requisite specialized qualifications.

The Standards for Specialized Courts dealing with children, issued by the Children's Bureau of the United States Department of Health, Education, and Welfare, state, as appears on page 83:

THE JUDGE

Selection of a competent judge who can give leadership to the court specializing in children's cases is of the greatest importance, particularly in view of the wide discretion conferred on him by law.

In selecting the judge of the specialized court, certain personal attributes must be considered as well as training and experience. In order to be fully qualified for this work the judge should have been admitted to the bar in the State where he is to serve and have had some experience in the practice of law. Also he should be—

1. Deeply concerned about the rights of people.
2. Keenly interested in the problems of children and families.
3. Sufficiently aware of the findings and processes of modern psychology, psychiatry and social work that he can give due weight to the findings of these sciences and professions.
4. Able to evaluate evidence and situations objectively, uninfluenced by his own personal concepts of child care.
5. Eager to learn.
6. A good administrator, able to delegate administrative responsibility.
7. Able to conduct hearings in a kindly manner and to talk to children and adults sympathetically and on their level of understanding without loss of the essential dignity of the court.

The position of juvenile court judge is one of the most important in any community, and certainly here in the District of Columbia the selection of a person for this post is worthy of our most serious consideration. Only one qualified by background, training, and experience should be considered.

The jurisdiction of this court includes actions for support of wives and children, actions to establish paternity and to obtain support for children born out of wedlock, and actions involving delinquent and dependent children. The court's volume of work for the past fiscal year included 1,764 nonsupport actions, 869 to establish paternity, and 3,478 cases of delinquency and dependency.

As in any juvenile court, each of these cases presented peculiar problems; and the handling of them on a day-to-day basis requires a broad knowledge and understanding of the social factors involved and a sound application of appropriate corrective measures. They must of necessity be evaluated in terms of individual and community needs, as well as available resources.

Obviously, one not well grounded in experience and not equipped with a practical working knowledge cannot cope with the volume and complexity of these situations.

Some Senators, I have no doubt, can remember, as I do, a time—a few years ago—when the juvenile court was far behind in its work, and did not have either community support or public confidence. This was due to a number of circumstances, including the disabling illness of the then presiding judge.

The juvenile court has a highly specialized operation, requiring the most skilled and experienced leadership available. Thus, consideration of an appointee should be nonpartisan, and should be based solely on qualification and experience.

It is my personal opinion—and it is shared by many interested and informed persons and community groups—that, because of the specialized nature of the work, continuity in the judgeship is most desirable. Any change will inevitably result in a slowing down of procedures and less effective operation of the court for at least 1 year, and perhaps longer. Much that has been gained will be lost; individuals coming before the court and the community alike will suffer. Hence, we should exercise due care in contemplating any change.

Press reports and the published annual report attest that the court's current operations are well handled by the admittedly qualified and experienced incumbent judge. Among other achievements, the record shows that, first, the court calendar is current; second, children are detained a minimum of time in the receiving home, while awaiting court hearings; third, collections on support orders for families from husbands and fathers are at the highest level in the court's history. Three-quarters of a million dollars was collected in the fiscal year 1955–56, and the collection of $1 million is forecast for the current fiscal year.

According to a recent article in the Washington Daily News, a new and inexperienced judge will be faced with some very important and immediate problems.

Mr. President, for information, at this point I ask unanimous consent to have printed in the RECORD an article entitled "Juvenile Business as Usual," which was published in the Washington Daily News of April 4, 1957; also the Annual Report of the Juvenile Court for the District of Columbia for 1955 and 1956; also an article entitled "Juvenile Court Aid Is Studied," published in the Washington Daily News of April 24, 1957.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Is there objection?

There being no objection, the articles and report were ordered to be printed in the RECORD, as follows:

[From the Washington Daily News of Thursday, April 4, 1957]

JUVENILE BUSINESS AS USUAL—JUDGE KETCHAM HAS HIS WORK CUT OUT

(By Martha Strayer)

District Juvenile Court was as busy as usual yesterday—while the Senate District Committee was confirming Judge Edith H. Cockrill's successor, Orman W. Ketcham.

Judge Cockrill made preliminary rulings on some family problems which Judge Ketcham will have to decide finally.

What shall be done with the baby of a 16-year-old girl who was seduced by a married man who wants to give her child out for adoption?

Should a beauty parlor worker have a chance to make a home for her two pretty little girls, if she can stretch her $54 weekly pay to care for them and can get her own psychiatric problems straightened out?

Shall a father who has done nothing for his little son be forced to give him up for adoption?

Can the future of a 9-month-old illegitimate baby be trusted to her young mother, who hasn't visited her for 6 months?

Should the child of a mentally retarded Negro mother be given out for adoption or be raised by the Public Welfare Department at public expense?

What shall be done with a little boy and girl whose father wants them adopted and whose mother brought her future second husband to court, so the judge could talk to him about making a home for the children?

Can a young woman veteran of World War II, emotionally disturbed and overwhelmingly in debt, care for her two fine-looking children?

What shall be done with a 6-year-old boy whose alcoholic father has kept him in a rooming house and sent him alone to a restaurant for his meals, while the father was working?

In each case, Judge Cockrill put the child in the care of the Welfare Department and gave the parents time to see if they could work out plans or prove their good faith.

WAITING

Meanwhile Mr. Ketcham waited outside the District Committee room to hear his appointment confirmed.

Two issues, in addition to the Chevy Chase, Md., residence of the new appointee, were raised. Senators questioned if Mr. Ketcham's experience as a Justice Department lawyer qualified him for the juvenile court judgeship. They said the court should have been allowed to operate with continuity under its present judge, instead of putting it into politics.

The final vote was 7 to 2.

ANNUAL REPORT OF THE JUVENILE COURT OF THE DISTRICT OF COLUMBIA, 1955–56

The court calendar is current.

During the fiscal year ending June 30, 1956, the court received a total of 4,327 complaints of delinquency against 2,902 children from parents, police, and school officials. Complaints affecting 224 dependent children were filed by the Department of Public Welfare and other agencies. This total of 4,551 complaints represents an increase of 139 complaints from the previous year, an increase in the number of delinquent children of 67 and a decrease in the number of dependent children of 67. There were 2,594 children known for the first time to the police and/or the court during the fiscal year. The figure of 2,594 represents an unduplicated count of children known to police and/or the court as delinquents during the year. The Youth Aid Division of the Metropolitan Police Department in their screening process retained some of these cases for informal action.

After study, 1,073 delinquency complaints filed at court, involving 906 children, were closed by the juvenile section of the court without formal action or referred to social agencies within the community for continuing supervision. The remaining 3,478 complaints on 2,220 children were petitioned for formal court hearing and disposition.

The social-work staff has carried an increasing caseload and yet has maintained a high standard of casework service. The court suffers from the national shortage of trained social workers, a shortage estimated by the Children's Bureau of the Department of Health, Education, and Welfare to be approximately 50,000.

The juvenile section completed 1,875 social studies as compared with 2,078 in the previous year. The juvenile probation section had under its supervision 1,283 children, an increase of 88 from the previous year, and 324 children were dismissed from probation after making a good adjustment while receiving probation services; 186 children had their probation revoked, an increase of 16 from the previous year; 673 children were

committed to the Department of Public Welfare, 36 less than the previous year, of whom 322 were dependent, and 351 were delinquent; 116 boys were committed to National Training School for boys, 28 less than the previous year. Jurisdiction was waived in cases of juveniles charged with felonies in 34 cases to the United States district court.

The adult intake section of the court processed 3,495 cases involving support of wives and/or children. This number represents an increase of 283 from the previous year. Of the total complaints received, 2,476 were adjusted or referred to appropriate community agencies; 124 voluntary-support agreements were effected and 895 were filed for court hearing, the number filed for court hearing being 14 percent higher than in the previous year; 869 cases were filed to establish paternity and provide support for children born out of wedlock, an increase of 138 cases.

The adult probation section had under its supervision during the year 4,527 persons who were under court order for support of wives and/or minor children. This number represents an increase of 21 percent over the previous year. An additional 473 cases were carried on probation in the newly established collection unit of the court. A substantial part of this adult caseload continues from year to year, since support orders for illegitimate children are effective until the children reach 14 or 16 years of age, depending upon the statute under which paternity was determined.

A collection unit was established in March 1956, within the social work department of the court to expedite the enforcement of support orders. Clerical staff has been reassigned to augment the work of this unit, which through weekly tabulation, results in speedy court hearing for those in arrears in support cases. The collection unit does not receive payments, rather it notifies delinquent payors of payments overdue and consequent court action.

The financial office which is a section of the office of the clerk of court receives all moneys paid into court. In fiscal 1956 a total of $785,105.85 was received by this office on court orders, an increase of $185,388.64 from the previous year.

A million dollars might well be realized in collections on support orders in the coming year indicating the growing clerical needs of the court, as well as the increased caseload.

The volume of work in the clerk's office has increased in proportion to that of other sections of the court. There were 16,143 court hearings in fiscal 1956; 1,881 juvenile cases were petitioned, an increase of 124 from the previous year. Informations were filed in 1,796 adult cases, an increase of 276 cases. In the office of the clerk of the court increases in petitions and informations bring related increases in the required number of summons, warrants, dockets, and calendar entries. The clerk's office has endeavored to maintain current records, only, however, by dint of over 1,000 hours of overtime work on the part of the staff members of that section.

During the year the court had 42 jury days and 104 cases were tried by juries. Of these, 91 were to establish paternity and 11 were juvenile law violations. Of the juvenile jury trials, 7 resulted in guilty verdicts, 3 in acquittals, and 1 directed verdict of acquittal by the court. Two cases of contributing to the delinquency of a minor were tried by juries resulting in 1 guilty verdict and 1 directed verdict of acquittal.

The Child Guidance Clinic, established in 1943, is an integral part of the court and the court's budget. It is staffed by the United States Public Health Service, which appoints a psychiatrist, a clinical psychologist, and a clerk stenographer. The clinic examines children or adults who are under the jurisdiction of the court; confers with their probation officers; and interprets the clinical findings to the judge of the court. These examinations consist of psychiatric evaluations and/or psychological tests. During the fiscal year the caseload of the clinic consisted of 221 new and reopened cases. This required 454 interviews with patients, 82 interviews with relatives, and 470 psychological tests. For each case formal or informal conferences were held by the clinic staff with the probation officers involved and formulations were submitted for court hearings as required. In addition the clinic staff conferred with community agencies such as the District of Columbia General Hospital and the District of Columbia mental hygiene clinic regarding patients referred to them by the court.

As of June 30, 1956, there were 105 warrants on nonsupport cases which had not been returned by the United States marshal's office, as well as 271 warrants which had been returned as not found. With respect to juveniles, there were 7 outstanding and unserved attachments and 8 attachments had been returned as not found. The United States marshal's office in the past fiscal year has expedited the apprehension of defendants and has been most cooperative in the service required by juvenile court.

Press coverage by accredited members of local newspapers, permitted since January 1955, has developed an awareness on the part of the public of the court's needs and the community's inadequacies in the form of treatment and facilities for juveniles and other related problems. Constructive, factual, and unbiased press coverage has resulted in a sense of community responsibility for community ills.

Monthly statistics on juvenile delinquency have been made available during the fiscal year to the Board of Commissioners, the Commissioners' Youth Council, the Washington Criminal Justice Association, the Children's Bureau of the Department of Health, Education, and Welfare, United Community Services, Senate Subcommittee on Juvenile Delinquency, Metropolitan Police Department, District of Columbia Public Library, School Attendance Office, Department of Public Welfare, United States Park Police, Bureau of Rehabilitation, and to the press.

The Juvenile Court Advisory Committee, which is appointed by the judge, and consists of interested individuals, 15 in number, from civic and professional groups, has met regularly. It has given careful consideration and advice on matters referred to it by the court and has interpreted to the community the philosophy, achievements, and needs of the court. The advisory committee has proven of inestimable value as a liaison between the court and the community.

The organization of the court contains the judiciary, consisting of the judge, an administrative officer, statistical clerk, and secretarial staff; the guidance clinic, the office of the clerk of the court, and the department of social work. The department of social work includes adult intake and probation work, a collection unit which expedites support orders and a juvenile section. The office of the assistant corporation counsel functions as a part of the court, although the budget and administrative responsibility for the operation of this office rests with the Corporation Counsel of the District of Columbia.

The juvenile court of the District of Columbia was established in 1906. Thus, it was one of the earliest juvenile courts in the country. Its jurisdiction includes all children under the age of 18 years who are charged with violations of law, who are beyond parental control, who are truant from home or school, who are engaged in conduct endangering their own health, morals, or safety, or the health, morals, or safety of others, or who are without adequate parental care. In addition to its juvenile jurisdiction, the court has original and exclusive jurisdiction in matters of paternity of children born out of wedlock, adults charged with violations of the child labor and compulsory education laws and with contributing to the delinquency of minors. The court also has concurrent jurisdiction with the United States district court in cases involving support of legitimate family members.

[From the Washington Daily News of April 24, 1957]

JUVENILE COURT AID IS STUDIED

George L. Hart, Jr., chairman of the District Law Enforcement Council, today said he is trying to come up with a suitable recommendation for reducing the workload of the juvenile court judge.

He said he has been told that Judge Edith H. Cockrill, who is scheduled to be succeeded on the bench by Attorney Orman W. Ketcham, works from 9 or 9:30 a. m. until 8:30 at night.

SPARE TIME

"I feel that any juvenile court judge should have time enough to take part in various activities around town—service on committees, etc.—looking toward prevention of juvenile delinquency," Mr. Hart said.

"I also have been told by judges in other courts that when they preside from 10 a. m. until 4 p. m. they are so completely fatigued that they would not be able to render justice thereafter."

Mr. Hart, who is also chairman of the District Republican Central Committee, said he is inclined to disapprove of the idea of adding a hearing examiner or examiners, as a relief for judge. "I believe juveniles are entitled to the attention of a judge," he said.

JUDGE'S STAND

He said he understood Judge Cockrill favors appointment of a referee or hearing examiner rather than an additional judge.

Mr. Hart denied that a bill providing for an additional judge already has been drafted in the District Corporation Counsel's office.

Mr. FREAR. Mr. President, in connection with the last insertion, it will be noted that a study is being made to provide the juvenile court with an associate judge.

To me this is an admission that the incumbent judge has in the past done, and is doing, a very outstanding job. It is also an admission on the part of the District officials that there is a possibility that the workload of this court will be slowed down because of the removal of the experienced incumbent judge.

Mr. President, I should also point out that information given me within the last few days causes me to believe that this proposed study has reached the point where a bill has already been drafted to, first, provide the incumbent judge a term of 10 years; second, to provide an associate judge, also for a 10-year term.

My source of information advises that this bill may well be presented to the Congress immediately after the confirmation of the person presently being considered.

If this be true, Mr. President, why not present the bill today, in order that an experienced judge can remain on the bench of this important court, and provide an associate judge to assist, and let him be given an opportunity to qualify himself in the many involved duties of the court?

In previous statements, I have stated that I would support and vote for the present nominee as associate judge of this juvenile court.

The residence requirement prescribed by Congress in 1949 appears no longer to be considered a factor in the selection of a juvenile court judge for the District. Of course, I firmly believe that residence in the District at time of appointment still is a statutory requirement, and a desirable qualification.

Returning to the business before the Senate, there is before the Senate, for our advice and consent, the nomination of a young man of 38, with 4 children under the age of 6. Although undoubtedly a fine gentleman, the nominee is, so far as I can determine, completely lacking in background and experience essential to the juvenile judgeship, as the following indicates:

First. Doubtful eligibility under the law and Congressional policy as to residence in the District.

Second. Experience.

A. Assistant in a large law firm preparing corporate papers and antitrust cases for the senior lawyers in the firm. From his biography, this job appears to have lasted some 3 or 4 years, including the year prior to his admission to the District bar.

B. Representing local clients, none in juvenile court. Under A and B, he had a total private practice of about 4½ years, including the above.

C. A nonlegal job with Fund for the Republic from January to September 1953.

D. Government employment for a year of two with FOA.

E. Finally, some trial experience in the Department of Justice for somewhat over a year and a half.

Under D and E, he had a total of some 3½ years of Government practice.

Third. He never has tried a case in a juvenile court. In fact, he stated that he never had been in juvenile court.

Fourth. He "wants opportunity to learn." But can we afford to have him do so at the expense of our children and the community?

Fifth. Many witnesses generally had only a short acquaintance with him and had no direct knowledge of the court's operations or the requirements of the position of juvenile judge.

Sixth. His boys camp experience was not that of dealing with the problems of delinquents.

Mr. Ketcham, as an attorney, having about 7 years of private and public law practice, appears to have the qualifications, including, no doubt, the experience, necessary for a municipal judgeship. He definitely has none of the specialized qualifications requisite to the juvenile judgeship. There is a total lack of experience in that field, and no background whatsoever justifying a waiver of such lack of experience.

Will not the juvenile court's steady growth and improvement be jeopardized by placing thereon an inexperienced judge? Mr. Ketcham is not especially trained and skilled in this specialized field of law, and is not well versed in the applicable juvenile court rules of procedure. Will not his inexperience and lack of special competence cause the community and the court to suffer a serious setback? Will not his inexperience and lack of special qualifications necessarily result in a backlog of cases, a possible diminution in the revenue presently collected on support orders, and at least a temporary loss of the prestige which the court has attained under the present capable and experienced judge?

Mr. President, I also wish to add an expression to the many citizens and groups in the District of Columbia for their very fine response in support of the stand I have taken in this matter.

The letters and telegrams I have received are approximately 20 to 1 in favor of having continuity in the juvenile-court judgeship. It has been very heartening to receive such fine support.

Mr. President, in conclusion, I repeat, I have nothing personal against the nominee whose name is now before the Senate. I simply think he is unqualified for the position to which he has been nominated, namely, juvenile court judge for the District of Columbia. I sincerely hope the Members of the Senate will give further consideration to the nomination before giving its consent and approval.

Mr. BEALL. Mr. President, there are frequently numerous applicants for any desirable high position, but it is an example of the greatest possible good fortune when a man and the job are matched as perfectly as in the matter we are discussing today.

I firmly believe that the judiciary will gain immensely from the services of Mr. Orman W. Ketcham; on the other hand, I think the District of Columbia Juvenile Court will give Mr. Ketcham an excellent opportunity to utilize fully his many superior legal and sociological abilities. Although Mr. Ketcham has numerous qualifications, the foremost, perhaps, can be summed up in a phrase which was repeated time and again during the intensive study which was made of his background. He has, indeed, a judicial temperament. In addition, he has a knowledge of the problems of youth which has been gained over the years as a father and as an official at boys camps. This supplements the book knowledge he has gained through his work on committees of the bar association which concerned themselves with juvenile problems, domestic relations, and the like.

I wish to stress that the persons who have known him and have worked closely with him have given their unqualified support to his appointment as juvenile court judge. His outstanding achievements have been publicized to a large extent, but I should like to repeat several points. He is a graduate of Princeton University and the Yale Law School, and he compiled an impressive war record during his 5 years of service in the Navy during World War II. He is a member of the Bar Association of the District of Columbia, which, incidentally, supported his nomination, and he has done extensive work for that organization and the American Bar Association. He has also been a leader in various church and civic affairs, including a church discussion group on public problems for teen-agers and camps operated by the Boy Scouts of America and the Young Men's Christian Association. I feel certain that his service will bring added honor to the great traditions of our court system.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Orman W. Ketcham to be judge of the Juvenile Court for the District of Columbia?

The nomination was confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified immediately of this confirmation.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

THE BUDGET

Mr. JOHNSON of Texas. Mr. President, I have an engagement, and if I may have the attention of the Senate, I have a brief statement I should like to make.

Mr. President, during the Easter recess, most of us had a welcome opportunity to return home and visit with the people whom we represent.

I believe that most of my colleagues would agree that the attitude of our people toward events in Washington is one of bewilderment. I have a great deal of sympathy for that attitude and my sympathy increases with each passing day.

It was only a few short months ago that the Nation's highest fiscal officer touched off the greatest economy drive in our history. He told our people that their normal and understandable desire for economy in Government must be translated into action.

In fact, the Secretary of the Treasury, Mr. Humphrey, went even further than that. He warned this country that the alternative to cutting the budget was a hair-curling depression.

It is obvious that Mr. Humphrey was not speaking casually or entirely for himself. He must have had the backing of his department, because only a few days later, Under Secretary of the Treasury W. Randolph Burgess said it would be sound for Congress to cut the budget by two to three billion dollars.

The President, at first, made statements which seemed to indicate sympathy for this attitude. He invited Congress to look into the budget and find out where it could be cut.

It was only later—after Congress indicated that it was willing to follow the Treasury's advice—that the President came to the conclusion that big cuts could not be found.

Mr. President, I know of only one way to cut the President's $72 billion budget. That way is to cut the appropriations bills that come before Congress.

That process has started already. It has begun in the House and already the administration's representatives—both official and unofficial—are pleading with the Senate to restore the cuts.

Only yesterday, as chairman of a Senate Appropriations Subcommittee, I opened hearings on the State, Justice, Judiciary, and related agencies bill.

The Secretary of State was the first witness.

He appeared to ask us for the restoration of $29 million out of the $47 million which had been cut by the House.

As chairman of the subcommittee, I have not come to any final conclusion over the merits of the cut or the merits of the Secretary's plea. I shall not come to any conclusion until I have had the opportunity to examine all the facts.

But it is not difficult at this point to predict a long procession of Cabinet officers and executive officials before the committees of the Senate. Each one of them will urge us to reject Secretary Humphrey's advice—at least so far as their departments are concerned.

I have no intention of prejudging their various appeals. Each case will have to stand on its own merits.

But, Mr. President, is there not some way that we could lay down a few ground rules in this matter? Is there not some way in which we can have some consistency and some agreement among the officials who control the destiny of this Nation?

The Secretary of State tells us that unless we restore the House cuts, we will "breach gravely the front line of our defense of peace and freedom in the world."

I do not want to breach the front-line defense of peace and freedom. But neither do I want my hair curled by Secretary Humphrey's depression.

Mr. President, the American people are giving us a clear and firm mandate to cut the administration's budget. Anyone who doubts that statement can have his doubts resolved quickly by traveling through his home State.

The people were led to believe that their desire for economy had the backing of the administration—or at least its highest official fiscal officers. Now they find that each individual official wants the economy somewhere else.

We are all familiar with the story of the gambler who refused to discriminate between a crooked and an honest game. It was all right with him if the dealer took his cards off the bottom of the deck, the top, or out of the middle.

He just wanted to know the rules of the game.

Mr. President, I am not a gambling man but, like the gambler, I would like to know the rules.

Does the administration deal off the top of the deck when it tells Congress to cut the budget? And then does somebody deal off the bottom of the deck when they come along and tell the Senate that we cannot cut the individual appropriation bills?

And then is somebody dealing out of the middle of the deck when one of the Nation's most distinguished newspaper correspondents anticipates the Secretary of State's testimony in articles 2 days in advance of his appearance?

Mr. President, I know of only one way to deal. That is right off the top of the deck.

I am going to listen to the testimony. I am going to vote my convictions. And those convictions include a refusal to grant one cent that cannot be clearly justified in the interest of our Nation's peace and prosperity.

There is no intention on my part of being impressed by assertions that a cut jeopardizes the Nation's security—unless these assertions can be proved. Neither will I be stampeded by appeals to make unwise cuts.

Mr. GORE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to my friend from Tennessee.

Mr. GORE. I should like to offer for the consideration of the distinguished Senator and his subcommittee an experience which I, along with several other Members of the Senate, had last fall. In November, as a member of the Interparliamentary Union, I was on Formosa, along with other Senators, some of whom are now in the Senate Chamber, and several Representatives, who were delegates to the Interparliamentary Union. We had a conference with Ambassador Rankin in Taipeh. Prior to the conference with Ambassador Rankin, I had observed a large number of United States Government automobiles and also United States citizens on Formosa, so during the briefing and conference I inquired of Ambassador Rankin how many United States Government personnel there were on the island of Formosa.

I was astounded, and I think some of my colleagues were astounded, by the answer, which was that there were more than 4,000.

Mr. JOHNSON of Texas. Is the Senator speaking of United States employed personnel?

Mr. GORE. Yes. I then proceeded to ask the Ambassador if he thought it would be possible for him to do an adequate job of representation of the United States Government and its interests with fewer personnel than that. I was again astounded by a frank answer. He said, "Senator, I must give you a frank answer. I think I could do the job with half as many."

I submit that answer for the consideration of the Senator. I had intended to request the opportunity to appear before his subcommittee and relate the incident referred to, but I am happy to present it in this fashion.

Mr. JOHNSON of Texas. I appreciate the Senator's observation.

I would doubt that the Senator means that Ambassador Rankin has any such number of employees under his jurisdiction, but the question of the actual number of employees under his jurisdiction, and who may be included in the State-Justice appropriation bill, will certainly be scrutinized thoroughly.

Mr. GORE. Mr. President, will the Senator further yield?

Mr. JOHNSON of Texas. I yield.

Mr. GORE. I did not mean to indicate that all of the 4,000 were Department of State personnel.

Mr. JOHNSON of Texas. I understand.

Mr. GORE. Most of them were undoubtedly personnel belonging to CIA and other departments and agencies of the Government. I inquired as to the number of employees of the United States Government on the island of Formosa.

Mr. JOHNSON of Texas. Mr. President, I wish briefly to conclude.

I have not predicted any hair-curling depression, nor have I forecast a breach in the front of freedom. I am trying to do a prudent job in the interest of our people; and that prudent job includes consideration of the need for economy.

It is evident that Congress will follow Mr. Humphrey's advice and seek some material savings. However, the problem is difficult, and it is made more difficult by the lack of communication between the right and the left hands of the executive branch. This was illustrated by the testimony given yesterday before the Senate appropriations subcommittee. In order that every Senator may have the opportunity to read this testimony now, I ask unanimous consent that my statement to Secretary Dulles and the Secretary's statement to the committee be printed at this point in the RECORD as part of my remarks.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY CHAIRMAN LYNDON B. JOHNSON BEFORE SENATE APPROPRIATIONS SUBCOMMITTEE HEARING TESTIMONY ON STATE AND JUSTICE, JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS BILL APRIL 30, 1957

Mr. Secretary, it is a great pleasure to have you before this subcommittee of the Senate Appropriations Committee today. There are a number of questions which the members desire to address to you.

There appears to be some confusion as to the circumstances under which you are appearing. Up until yesterday, the subcommittee members understood that you would testify under a voluntary arrangement which was made on April 4.

But we were informed yesterday—by the President's press secretary through the New York Times—that you were directed by the President to testify today. This statement came as something of a surprise.

It will be noted that the secretary's appearance before the subcommittee has been changed as to the hour and the date. But the fact that he would testify was established 26 days ago.

We are approaching this hearing under circumstances in which we are receiving conflicting advice. The distinguished correspondent of the New York Times, Mr. James Reston, has written articles yesterday and today which I imagine, Mr. Secretary, will anticipate a considerable part of your testimony.

I ask unanimous consent that these articles be inserted in the record.

The distinguished chief of the Scripps-Howard Bureau, Mr. Walker Stone, has written a series of articles tending to demonstrate that there should be heavy cuts in USIA funds. I ask unanimous consent to insert in the record at this point one of those articles.

Another distinguished Scripps-Howard correspondent, Marshall McNeil, has outlined the problems before this subcommittee and indicated a belief that this is a good time for cuts. I ask unanimous consent that two of his articles be inserted in the RECORD.

Mr. Secretary, I do not know whether you are aware of the fact but this is your fourth anniversary—both as to the day and the hour. It was on April 30, 1953, at 2 p. m., that you appeared before this committee to explain your first budget.

Your predecessor, the Honorable Dean Acheson, had requested $151,148,590 to run the State Department for fiscal 1954. You reviewed these figures and then appeared before this committee on April 30, 1953, to request that the figures be lowered to $130,524,337.

After hearing all the facts and figures, the Republican 83d Congress decided that $107,886,676 was sufficient. The cuts voted by the Republican-led House of Representatives at first were even deeper and included a 23-percent slash in personnel—23 percent lower than your own figures.

You were questioned by this committee as to the effects of the 23-percent cut. You said that it was something that you could live with if you had time. Your qualification was that the economy moves might be made too rapidly.

Your testimony during the course of that hearing was most interesting and I believe that your thoughts had a great effect upon the American people.

You agreed absolutely with a statement that a decrease in personnel in many areas should result in more efficient operation. You said you sought to restrict the Department in size and concentrate on making high level policy.

Now—4 years, almost to the second, later—you appear before this committee and ask for an appropriation $76,000,000 greater than your predecessor, Dean Acheson. It is $97,000,000 more than you thought adequate in that year.

As I recall, Mr. Acheson had some problems on his hands. At the time he made his request, the war in Korea was still running full blast. The crisis in Southeast Asia was in the making. Formosa was a trouble spot.

Mr. Secretary, this is a responsible committee. We intend to listen to all the facts that are available before we come to a conclusion. But I would be less than frank if I did not tell you that there are many things we—and the American people—fail to understand.

Your predecessor was heavily criticized on the grounds that he had expanded State Department personnel beyond reasonable limits. You yourself set frugality and trimming the budget as one of your major goals.

This year, you are asking for nearly $44,000,000 more for fiscal 1958 than you are spending at the present time—a 24 percent increase. In order to simplify the question, I am eliminating the building funds.

These figures do not include the United States Information Agency or mutual security funds. Both will be considered in separate categories.

I understand that you do not have direct responsibility for those categories.

Mr. Secretary, it is not difficult to sum up the situation which we face. It is not prejudging the matter to point out that the American people are demanding a clear justification for every cent appropriated by our Government.

The Secretary of the Treasury has spurred on this demand by saying that the alternative to budget cuts is a hair-curling depression. The President has—at one point—issued us an open invitation to find places where cuts can be made.

Under Secretary of the Treasury W. Randolph Burgess has said that cutting the budget from $2 to $3 billion "would be a sound thing to do." This, of course, is perfectly in line with President Eisenhower's 1952 campaign pledge in St. Louis, Mo., for a businessman's administration "which knows how to practice the wiser spending of less of the people's money."

Four years ago, you yourself pointed to your Department as one which should be restricted in terms of personnel.

We would now like to hear your testimony on this subject.

STATEMENT BY THE HONORABLE JOHN FOSTER DULLES, SECRETARY OF STATE, BEFORE THE SENATE APPROPRIATIONS SUBCOMMITTEE, APRIL 30, 1957

Mr. Chairman and other members of the committee, I come here to appeal with respect to $29,228,000 of $47,331,000 which the House of Representatives would cut from the $227,714,000 appropriation that the President requested to enable the State Department to conduct our foreign relations during the coming year.

The President has said that each department would publicly state whether it could absorb cuts proposed by the Congress or whether it felt such cuts would be harmful to services rendered to people by the Federal Government. We believe that $18,103,000 of the proposed cuts can be absorbed. They represent highly desirable expenditures. But certain building operations and special events can be postponed without serious harm. With respect to $29,228,000 of the proposed cuts, there would be harm to the Nation which, in the opinion of the President and myself, would be real and grievous.

Under our Constitution the President has the primary responsibility for making and carrying out the foreign policy of the United States. It is his conviction, as it is mine, that the foreign policy required to maintain peace and freedom cannot be carried out with adequate effectiveness if this $29 million cut by the House of Representatives is maintained.

Never before in history has a nation had the degree of worldwide responsibility for the maintenance of peace that is now carried by the United States. Our responsibilities are mounting almost daily. Whether or not they can be adequately discharged depends not just upon the broad principles proclaimed by America's leaders. It depends directly upon the performance of those who, in the Department of State and in 81 countries, carry on the day-by-day task of waging peace and defending freedom.

Theirs is a hard task, one that is seldom dramatic. Their devotion in representing America, their skill and training in the task of explaining our purposes and prevailing upon others to share those purposes, their everlasting dedication to the cause of peace with justice, are all vitally important to the welfare and safety of each of us. They make efforts and sacrifices in the service of our country that have no reward except a knowledge of duty well done. And the success of those efforts is the sparing to our country of the infinitely greater costs and sacrifices that would be involved if war were to occur. But their efforts will not prevail if they are inadequate in numbers and training, and if they lack essential facilities for gathering and communicating information.

If the House cuts were to stand, they would require us:

To cut our personnel by abolishing some 700 positions when expansion is needed to meet growing responsibilities and relieve excessive strains.

To cut the use of cable communications when it is peculiarly necessary that there be intimate, prompt, and full communication between the Department of State and those in the field.

To cut our allowances to field officers for informal contacts when more than ever diplomacy depends upon such contacts.

To cut the training of our officers, notably in languages, when there is more than ever need to communicate directly with those who speak other tongues.

The total effect of these cuts would be to breach gravely the front line of our defense of peace and freedom in the world. Both the President and I believe that the disparity has never been so great between the amount to be saved and the risk to be assumed.

II

Before dealing specifically with such aspects of the problem, I should like to illustrate the upward trend of our international responsibilities.

(1) The number of nations with which we have to deal is rapidly increasing. Since 1945, there are 19 new nations and the 20th (Malaya) will proclaim its independence at the beginning of our next fiscal year. Several others have had their sovereignty made more nearly complete. The membership of the United Nations has grown from 51 in 1945 to 81 at the present time.

(2) Each of these nations has, today, its own independent importance. Once, only a few missions were really important. But today virtually every nation presents challenging problems, where failure of our diplomacy in any one could have a chain reaction.

(a) We now have collective defense relations with 42 nations, and the area of collective defense may be further increased under the recent Middle East resolution.

(b) The less developed countries of Asia, now including a dozen newly independent nations, are increasingly alert and sensitive to their opportunities and responsibilities.

(c) The Soviet bloc of countries in Europe is no longer wholly sealed off. There are growing possibilities in diplomatic relations.

(3) The government which principally challenges freedom and which principally endangers the peace, that of the Soviet Union, has been rapidly enlarging its diplomatic service. Between 1953 and 1957 it has more than doubled its officially accredited governmental representatives in Western Europe, the Middle East, and the Americas. (Western Europe from 840 to 1,998; the Middle East from 454 to 836; the Americas from 360 to 554.)

(4) An indication of our mounting responsibilities is the volume of telegraph traffic. It will total about 35 million word groups in the current fiscal year, as against 21 million word groups in fiscal year 1953.

(5) Passport applications increased by 37 percent between fiscal year 1953 and fiscal year 1957, and visas issued by the Foreign Service during the same period increased by 47 percent.

(6) An entire continent, Africa, is looming larger and larger as a vital area of the future, and international communism intensively seeks to master the awakening spirit of its people.

In the face of a threat to peace and freedom which all must admit to be grave, the United States, through historical evolution, has the primary responsibility of maintaining such voluntary cohesion in the free world that its members will not one by one be taken over by international communism. That task, as delicate and difficult as it is vital, is the high task of the Department of State and the Foreign Service.

The entire appropriation which the Department of State seeks amounts to about one-third of 1 percent of the total United States budget. But we recognize that there must be economy wherever it can be achieved. Therefore, of the $47 million of cuts voted by the House, we accept $18 million. This $18 million relating to building activities and special events, although desirable, can be postponed without impairing vital interests. But the balance of the proposed reduction, $29 million, would be a false economy, not compatible with the peace and security of the United States.

Let me now take up some of the specific items.

Salaries and expenses

The Department of State is requesting $112 million for salaries and expenses. The House has cut this amount by nearly $19 million to about the 1957 figure. The House report implies that this would leave the Department and the Foreign Service in a budgetary position no worse than in fiscal year 1957. That is not the case. If the Department is to maintain in fiscal year 1958 merely its present level of operations, approximately $6,300,000 more will be required than was appropriated for 1957. This result from such factors as increases in costs of wages and rents abroad, and the necessity to pay for a full year the salaries of those employees—if they are to be retained—who did

not draw a full year's salary during 1957 because they were recruited at various times during that year.

However, it is not good enough merely to stand still at the present level. In the face of growing responsibilities, we do not have the personnel, facilities, and, in certain instances, the skills to perform with necessary effectiveness the tasks imposed upon us.

Too many people have to work overtime in the Department of State and the Foreign Service. We do not regularly keep track of overtime. But the Bureau of Far Eastern Affairs reports a grand total of 119 years of uncompensated overtime performed in Washington in the past 2½ years and in the field in the past year and one-half. This is typical. It is bad for health and efficiency. It places excessive strains upon our staff, and that is dangerous not just for them, but for the Nation.

If the action taken by the House is accepted by the Senate, the Department will suffer from handicaps such as the following:

(1) We shall have to cut, somewhere, somehow, about 700 present positions.

(2) We shall not be able to obtain the increased coverage needed in the vital areas of the Middle East and Africa.

(3) We shall not be able to keep pace with political and economic developments in the Far East, where the Chinese Communist regime daily steps up its efforts to frighten and subject those neighboring nations which are free.

(4) We shall have to cut, rather than increase, the speed and scope of communication between Washington and our overseas missions. That need was illustrated last week in relation to Jordan. Communications to our Embassy there of highest priority involved delays of upward of 24 hours because of inadequate decoding facilities. One cable received last week from our Ambassador in Jordan contained this paraphrased language: "I learn through the Ambassador of * * * who is kept informed by his Embassy in Washington, that there is a proposal for * * *."

Such dependence of our ambassadors upon foreign embassies is frequent. It is not due to our inattention but to the need to economize in terms of cable expense. There is need for more funds to spend on cables, and for additional communication facilities to meet possible emergencies. These facilities must be provided in advance of, and not after, the emergency which calls for them.

(5) We shall not be able to meet the steadily increasing need for travel of our foreign representatives for home and regional consultations.

(6) We shall not be able to meet our responsibilities for leadership by advance planning. The complaint is sometimes made that the State Department does not do sufficient advance planning. There is more than is known. Nevertheless, I recognize that there should be still more. But we cannot do more forward, and contingent planning, when our personnel is inadequate even to meet the pressing needs of day-by-day events.

(7) We shall not be able to implement the provisions of law which would provide assistance for meeting the costs of medical expenses incurred by foreign service officers on behalf of their dependents.

(8) We shall be unable to assist in the establishment and maintenance of welfare facilities at the more isolated and unhealthful hardship posts where no suitable facilities exist.

(9) We shall not be able to provide a reasonable transfer allowance to employees for certain costs which they sustain solely because they move in the interests of the United States under government orders.

(10) We shall be unable to advance our program of recruiting into the department and the Foreign Service the best products of the colleges and universities. In 1956, there were 12,500 qualified applicants for entry into the foreign service. This compares with about 1500 a few years ago. It is immensely important that highly qualified young men and women pick the foreign service as a career. But this enthusiasm cannot be sustained if we have to close down on accepting and training new recruits.

The preceding recital is inadequate in that it deals largely with specific problems in specific areas. Much of the impact of the budget cut for salaries and expenses would not be subject to such measurements. Its impact will permeate the entire department from top to bottom, and the foreign service in every corner of the world. It will, I fear, depress the high morale of the personnel of the department and the foreign service.

These men and women for the most part are inspired by a sense of patriotism. They work not for themselves but for their country. During recent years, as I have visited upward of 40 countries, I have made it a point to meet and talk with our mission staffs. On each such occasion I have assured them that the President, the Congress and the Nation respected and appreciated their efforts for peace and freedom in the world. It is my plea that the vote of the House be not the final verdict of the Congress.

Foreign Service Institute and training for foreign service

We seek approximately $5 million or 2½ percent of the State Department's total budget for the Foreign Service Institute and our training program. Of this, about $3 million goes to paying the salaries and expenses of the trainees, and about $2 million is actual training costs.

Practically all the increase requested for actual training costs, an increase of $650,000 is to provide training in one of the so-called world languages. Today fully one-half of our officers do not have useful knowledge of French, Spanish, or German. Approximately 70 percent of the new officers entering the service do not have a useful knowledge and facility in any foreign language.

A few years ago it was found necessary to relax the language requirements for entry into the service because, generally speaking, our high school and college educational system does not produce students able to speak foreign languages. But this makes it the more imperative that we ourselves provide language facilities for those who elect to enter the foreign service.

The usefulness of officers without language skills is limited, particularly at the lower level. It is imperative that this situation be remedied.

Representation appropriation

I turn now to the matter of the representation appropriation. The department is requesting $1,200,000 for fiscal year 1958. The House has cut this request in effect to $672,800. I wonder how many recall that a decade ago, in 1947, the Congress allowed $800,000 for this item. In terms of comparative purchasing power the retrogression is even greater than the dollar figures indicate. The value of the representation dollar has declined by at least 25 percent since 1947. And there will be at least 11 more missions in 1958 than in 1947.

The debate in the House on this item gave rise to some levity. It is, I submit, no laughing matter. To an increasing degree diplomacy is conducted outside of the office, and outside of office hours. This involves receiving and returning social invitations, participating in local activities, and the like.

Today, officers without private means cannot do this adequately; and even if they do have private means, they should not have to meet these costs out of their own pockets.

I recently noted the following statement in A Century of American Diplomacy, written by my grandfather, John W. Foster, over 50 years ago:

"It may be said to the credit of the Congress (in 1782), that * * * it made liberal allowances to its diplomatic representatives abroad, considering the poverty of its treasury and the large demands upon it for the conduct of the war. The annual allowances to Dr. Franklin and Messrs. Adams and Jay were over $11,000 each—a more liberal sum than is granted to our representatives at those capitals today, if the relative cost of living is taken into consideration."

International contingencies

The House has cut our request for the international contingencies appropriation from $2.5 million to $1.5 million. This is the fund out of which the United States pays the cost of its participation in all international conferences. In the nature of the case the precise timing and duration of these conferences cannot be foreseen because they depend upon circumstances in part beyond the control of the United States. Nevertheless we do know with approximate certainty the number and character of conferences which will be held in the current fiscal year, and these alone according to our estimate will require $2,185,000 of the $2,500,000 for which we have asked, leaving only $315,000 to take care of the unforeseen emergencies which experience indicates will arise. The amount allowed by the House action is the same as that available to us for this fiscal year. This we have found to be sadly deficient, as proved by our supplemental request now pending for $450,000.

International Educational Exchange

The Department requested $30 million for the international educational exchange appropriation for 1958. This, together with local currencies growing out of Public Law 480 would have permitted an overall program of approximately $35 million. The House approved an appropriation of $17,575,000 and suggested that with local currencies this would permit a program equivalent to this year's program, which was already below the level for which we had hoped. While this is true as an overall generalization, this cut would, in practice, not permit the operation of a program similar to this year's because foreign currencies can be used in only 33 countries and dependent areas. The programs in the other 54 countries and dependent areas that depend entirely on dollars would have to be cut on an average 35 percent below the present level and 65 percent below the planned level.

International communism shows, in at least one respect, a wisdom which the democracies often seem to lack. They pay much attention to long-range programs. They think not just in terms of the immediate morrow, but also of results obtainable in a coming generation. They pay great attention to opinion-forming persons and particularly to those who teach and train the youth.

The Department's educational exchange program does not begin in its scope or cost to match the comparable programs of International communism. It does represent an indispensable minimum effort to insure a better understanding over the years ahead as between the free nations. This program is a vital one in laying a dependable foundation for the interdependence upon which an enduring peace depends.

Miscellaneous

I shall not, in this oral statement, make specific reference to other actions taken by the House with respect, for example, to the appropriation for missions to international organizations and the several international commissions. Others will discuss these and two other items of particular interest to the State Department in the President's special international program, namely, the cultural and sports presentation item and the Brussels Exhibition appropriation. I should like to make it clear, however, that in all of these I feel that it is necessary for the Senate to restore the House cuts.

I also urge that the Congress continue to give the Department the degree of flexibility which it has heretofore had in expending the funds appropriated to us. This is particularly pertinent in the salaries and expenses appropriation. Our budget processes require that we prepare our estimates from 6 to 18 months in advance of our expenditures. It is impossible for us to forecast accurately world developments to an extent that would permit us to pin-point so far ahead what our precise needs are. It is necessary, therefore, that we have reasonable flexibility in the matter of shifting funds, for example, originally intended for personnel to equipment items, and vice versa.

In conclusion, let me say this:

The world is constantly becoming more complex. Also, the danger which could result from matters going wrong is becoming infinitely great; indeed it surpasses human comprehension. It is concurrent with the development of this nuclear age that the United States must carry an increasing share of the responsibility for peace.

Each of the members of this Subcommittee is, I know, aware of the international problems that we face and the difficulty of dealing with them. I am confident that you will agree that no investment that the people make in their Government pays so high a return as the modest investment required to maintain an adequate and efficient State Department and Foreign Service. That is the best guaranty that our people will, in the words of our Constitution, enjoy in peace the blessings of liberty.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Montana.

Mr. MANSFIELD. I should like to ask the majority leader a question. Whose responsibility is it to draw up the budget?

Mr. JOHNSON of Texas. That is a responsibility which Congress has vested in the Executive. The executive department has within it a Director of the Bureau of the Budget, appointed by the President of the United States and attached to the Executive Office of the President. It is my information that that Bureau has on its payroll some 500 persons, and that they spent a year formulating the President's budget. The budget contains some 1,125 pages. It is twice as big as the Sears, Roebuck catalog; although it does not have a picture in it. It cost the taxpayers $4 million to prepare it.

Mr. MANSFIELD. Mr. President, will the Senator further yield?

Mr. JOHNSON of Texas. I yield.

Mr. MANSFIELD. Is it true that the Secretary of the Treasury, Mr. George Humphrey, stated that if the budget were not cut, it would make our hair curl?

Mr. JOHNSON of Texas. I think he indicated that unless we could effect economies and make a reduction in the budget, we would be confronted with a hair-curling depression.

I believe further that his Under Secretary Mr. Burgess, in response to questions from the able Senator from Oklahoma [Mr. KERR]—although I do not imply that the Senator from Oklahoma shared all the views of the Under Secretary—replied that he thought it would be "sound" to make at least a $2 billion or $3 billion cut. Is that correct?

Mr. KERR. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. KERR. The Senator's statement is correct. The statement referred to was made in conjunction with some questioning by the Senator from Oklahoma, who is a member of the Finance Committee, when the Secretary of the Treasury was before that committee, with respect to the cost of carrying the national debt.

The Senator from Oklahoma was greatly interested in the observation and statement of the Under Secretary that a cut was not only desirable and sound, but entirely possible. He stated that it would be entirely possible for the budget, as submitted by the President to the Congress, to be reduced by a minimum of $2 billion or $3 billion.

He also made it plain, and acknowledged, that the cost of carrying that part of the Feneral debt which had been refinanced by the present administration was $1,200,000,000 a year more than the cost of carrying the same amount of debt under the previous administration.

He also stated that, as the remainder of the public debt was refinanced—as it must necessarily be, as the outstanding obligations come due—if the same increase in interest rates were made with respect to the new obligations, whereby the present outstanding debt would be refunded, in the end the increase in the carrying charge on the public debt would amount to approximately $4 billion a year. That is to say, the people would have to pay $4 billion a year more in interest on the public debt than they were paying when the present administration took office.

The Senator from Oklahoma thought that if the President's budget could be reduced between $2 billion and $3 billion—and the Senator from Oklahoma thinks it can—had it not been for the increase in the annual cost of carrying the public debt of $1,200,000,000 a year over and above what the cost had been in the previous administration, the saving could have been between $3 billion and $4 billion, instead of between $2 billion and $3 billion.

Mr. JOHNSON of Texas. I thank the Senator.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I shall be glad to yield in just a moment.

Mr. President, I am not complaining, but I do want the country to understand the situation which confronts Congress. We have before us a budget which has taken a year to prepare. It is 1,125 pages in length. Five hundred persons have worked on it. Four million dollars has been spent to prepare it.

It came to the Congress on January 17. First the House had to consider it. Then it went to the Senate. We have fewer than 25 employees to review the work of the 500 employees in the Budget Bureau, and we have 15 appropriation bills to consider.

We made an arrangement with the Secretary of State 26 days ago to appear before our committee and present the facts. We wanted to receive him with understanding and sympathy. What happened? I am amazed at the propaganda wheels of this administration. I picked up the New York Times, and I read that the President, from Augusta, had telephoned the Secretary of State and directed him to appear before this committee—the implication being that we were not going to let him appear.

The press secretary, Mr. Hagerty, did not say that the Secretary had had an appointment for 26 days. He did not say that he appears every year. He did not say that the Senate had restored funds, as recommended last year by the subcommittee of which I was chairman, and by other subcommittees in previous years.

He did not say that the committee had always tried to keep foreign policy out of politics. He stated that the President had directed the Secretary to do something which he had agreed to do 26 days before. We had a specific appointment with him at 2 o'clock on April 30.

I suppose the purpose was to bring to the attention of the American people the power of the high office of the Presidency, and the popularity of a great President, and to let the people know that he did not want the budget cut.

I am not prepared to say at this stage that he is wrong. I am prepared to say that the first session of the 83d Congress, under the leadership of my friends who are today in the minority in the legislative branch, after hearing all the evidence of the present Secretary of State, appropriated $108 million for the Department of State.

It was 4 years ago, almost exactly to the minute, that the Secretary of State appeared before the subcommittee. It was his anniversary. We welcomed him. We welcomed him with open arms, Mr. President. We wanted to receive whatever information he had and to consider his justifications.

We remembered that we had been criticized, and that our former Secretary of State had been criticized. We had heard some of our foreign operations referred to as "globaloney."

What did Secretary Dulles bring to us? Did he bring a budget of $108 million? No. He brought a budget of $227 million.

After mature consideration, and after the House had fully considered the matter, and after every element had been reconsidered, it was decided that perhaps there was $18 million which, as the Secretary of State said, could be "absorbed." In other words, an $18 million cut could be made.

Four million dollars of it would be put into the mutual security fund and $14 million of it would be relinquished.

Perhaps that was the result of the attitude of the distinguished senior and junior Senators from Ohio.

Mr. President, the highest peacetime budget of Franklin D. Roosevelt was in effect during fiscal 1940.

That was the year when the Germans were going through the Low Countries. The budget was $9 billion. It contained funds for 900,000 employees.

The highest budget during President Truman's administration, for any peacetime year, was for fiscal 1950—10 years later. The budget jumped from $9 billion in 1940, to $39 billion in fiscal 1950.

The number of employees jumped from 900,000 to 1,900,000.

Now we have the present budget. It provides, not for 1,900,000 employees, but for 2,400,000 employees—an additional half a million employees. Not all of them, of course, were acquired under the Eisenhower administration. Some of them were acquired in fiscal 1950 and in fiscal 1952, during the Truman administration. The record should show that.

The present budget provides for 2,400,000 employees and for $71,800,000,000. That is eight times as much as the Roosevelt administration spent in its highest peacetime year.

Mr. President, I know that all of us have been spending more money than we did in 1939, and things cost considerably more. I also know that the dollar is not worth as much today as it has been worth in the past. I am aware of all those circumstances, and fairness requires that I point them out.

I am also aware that this Government operated with stature and with efficiency and that it commanded the respect of the world with 900,000 employees in its highest peacetime year during the Roosevelt administration. We now have exactly a million and a half more employees than were required then.

Like many of my colleagues on both sides of the aisle I shall apply myself to the task of scrutinizing each penny that we appropriate. I shall attempt to reduce items which I think can be reduced, and eliminate items which I think can be postponed, in the hope that Congress can still control the purse strings.

I believe Congress still has the courage and the capacity to resist the pleas of those who say out of one corner of their mouth, "You will have a hair-curling depression," and out of the other corner, "You will destroy the country's security if you do not go along with us."

I want all Senators to read the two statements I have placed in the RECORD. I invite Senators, on both sides of the aisle, to make any economy recommendations at once. Do not wait until the bills are out here in the glamor of the Senate Chamber. Do not wait until the appropriation bills have been reported and hearings have been completed and printed. Just march down to the first floor of the Capitol, where the Appropriations Committee is holding hearings daily, and give the committee the benefit of your advice.

We welcome recommendations. We seek help, and we plead with and urge every Senator to come and make suggestions.

If their constituents feel as mine do, they will be willing to see some of the items in this 1125 page budget postponed, and some even eliminated. Those items may range from guided missiles to paper clips. We will not always agree as to which items should be eliminated. However, if we dedicate ourselves to the task which Secretary Humphrey so vividly called to our attention, I have no doubt that results will be forthcoming.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. WILEY. I have listened with profit and with some amusement to the Senator from Texas. First of all, let us understand that our good friends the Democrats are in control of the committees. Action is up to them, not just talk. I am sure that we all want frugality in government. However, I should like to say that there are some facts that we must not forget. In comparison with the dollar of yesteryears, our dollar has depreciated 50 percent. We have the biggest national income in the history of America. Although we are presented with a $72 billion budget, we have today a gross national income of $338 billion. We have a gross national product of over $400 billion; and a balanced budget.

As we give further review to the budget, which is a matter of paramount concern to all of us, I should like to emphasize an economic factor which, I believe, will give us a better perspective of the budget picture.

First of all, let me say that I am for economizing wherever possible without damage to our defense and domestic economy. If we, as taxpayers, can get more for our money by streamlining operations, by eliminating unnecessary programs, by cutting unnecessary programs down to absolute essentials——

Mr. JOHNSON of Texas. I wish to interrupt the Senator at this point to commend the Senator and to welcome him to the fold. I agree with his statement that the dollar is not worth as much as it used to be. I pointed to that fact in my remarks. I am sure the Senator will wish to join with me and the Secretary of the Treasury in an attempt to cut the budget.

Mr. WILEY. On the general proposition, sir, of seeking to get a dollar's worth for every dollar invested, we can agree. On the other hand, there are some other things which I believe the Senator from Texas fails to bring to the attention of the audience in the gallery. One is, for instance, that we are facing, in this contracted world, the most serious threat that has ever confronted the life of our Nation. I am sure he does not wish to use a meat ax on appropriations which are necessary for our national defense—in this atomic and hydrogen bomb age.

Mr. JOHNSON of Texas. I yielded to the Senator from Wisconsin, and I should like to comment on the Senator's statement at this point. I do not know whether the people in the gallery heard everything I said, but obviously the Senator from Wisconsin did not. I very carefully pointed out that Secretary Dulles said yesterday, that to carry out the House reduction would endanger the peace and security of this country. I have no desire to endanger the peace and security of our country. I have not reached any conclusion as to whether the House reduction should stand.

Mr. WILEY. Then I am glad to welcome the Senator from Texas into my fold. That is the point I am making. We must be careful and not be stampeded into wrong action. I am glad we can all agree on not only the necessity of preserving this country from external violence, but also that we must think in terms of the economic health of our Nation.

There are many persons who want to abolish such benefits as social security and assistance to the aged; to do away with all internal improvements. But we in Congress simply must use our heads. We in Congress are ultimately responsible for the budget; we cannot pass the buck to the Executive. The Executive has given us the budget; it is our business now to go over that budget and consider it carefully. This we must do conscientiously, constructively, conservatively, and very carefully. We must not be penny-wise and pound-foolish. We must not become so infected by the economy fever as to blindly slash programs which are essential to the national defense and to the domestic progress.

Regrettably, the fact which is often overlooked is that the budget, which is being widely interpreted as a schedule of extraordinarily high spending, is more a result of inflation than of vastly increased expenditures, and in comparison to the national income, it is the smallest budget in years.

In the Washington Evening Star of Monday, April 29, 1957, an editorial entitled "Inflation and United States Budget," written by the distinguished columnist, David Lawrence, points up very clearly how inflation has inflated the budget. That is the point I would stress, because our letters indicate clearly that many of the persons who write to us are not familiar with what I call the changed facts of life in this changing world. I believe we could all benefit from the background facts and statistics in this excellent article; therefore, I ask unanimous consent that it be printed at this point in the RECORD.

Mr. JOHNSON of Texas. Mr. President, I have no objection to the article being printed in the RECORD provided it appears at the conclusion of my statement.

There being no objection, the article was ordered to be printed in the RECORD. (See exhibit A.)

Mr. JOHNSON of Texas. I agree with the statement of the distinguished Senator from Wisconsin that we must be prudent. I stated most of the points to which the Senator from Wisconsin has referred.

Mr. WILEY. I am glad we agree.

Mr. JOHNSON of Texas. I do not believe in the meat-ax approach. Nothing I have suggested would indicate that I favor such an approach. I am aware of the argument made by Mr. David Lawrence. I read his article with great interest.

Mr. WILEY. And with some profit, I hope.

Mr. JOHNSON of Texas. I think so. There is no question that it costs more today to run the Government. There is no question that the dollar is not worth as much today as it was in 1939. I said so previously.

But this is a factor which the Senate must remember in dealing with the entire matter: Nine hundred thousand persons ran the Government in the fiscal year 1940, a few months before the United States entered World War II.

Mr. WILEY. What was the population of the Nation then?

Mr. JOHNSON of Texas. Two million four hundred thousand persons are running the Government now. That is a million and a half more Government employees.

I do not favor cutting the social-security benefits. I voted my convictions in that regard last year. I am not prepared to say that the budget should be cut $3 billion or $5 billion.

Mr. WILEY. I am glad to hear the Senator say that.

Mr. JOHNSON of Texas. If the Senator had heard my original statement, he would have heard me say what I have just stated.

I am prepared to say, however, that it is confusing to hear the Secretary of the Treasury state that if the budget is not cut we will have a hair-curling depression, and to have the Secretary of State say that if we cut the budget we will affect the peace and security of the country. I ask my friend from Wisconsin, Which Secretary must we follow?

Mr. WILEY. I should say that the Senator from Texas must do as he has always done—follow his conscience. There is like difference of opinion in the Democratic ranks.

Mr. JOHNSON of Texas. Following his conscience is exactly what the Senator from Texas said he proposed to do. But we receive advice from the executive department, and I express the hope that we may have some consistency in that advice.

EXHIBIT A

INFLATION AND UNITED STATES BUDGET—SURVEY SHOWS REQUESTS ACTUALLY BELOW AVERAGE OF PAST 6 YEARS

A big surprise is in store for those critics who have been glibly blaming President Eisenhower for the size of the Federal budget.

For it turns out that $41.2 billion out of the $62.7 billion by which the budget has been increased since 1940 are the result of rising costs—usually called inflation.

Another way to express it is to say that the Federal Government is today spending $41.2 billion in higher prices for the same kind of goods and services it bought in 1940 at lower prices.

Actually the Eisenhower budget in terms of a stable dollar is below the level of 4 years ago and less than the average for the last 6 years.

The economic division of the magazine U. S. News & World Report, in a copyrighted article this week, has computed what all the Federal budgets for the last 6 years would be in 1940 dollars. These economists find that instead of a $72 billion budget, numerically speaking, the Federal budget on a purchasing-power basis in the coming fiscal year would about to only $30.6 billion. This calculation was made in the customary way, familiar to statisticians, by using the Commerce Department's own published index of the prices the Government has paid over the years for the goods it has bought.

The latest budget, moreover, is lower than the last two budgets of the Truman administration, measured the same way, and lower than the one for the first full fiscal year—1954—in which the Eisenhower administration was responsible for making of the Federal budget.

Turning to the family budget of the average American—and using the Government's price index for the goods the private citizen buys—the same trend is noted. A house that used to sell for $10,000 just after World War II, sells for $14,000 today. An automobile that the family bought for $1,950 in the year 1940, now costs about $2,800. According to Government figures, the average family in 1940 spent $2,009 for food, clothing, housing, and all the things that a typical home requires. But by 1947, the outlay was $4,042, or more than double that of 1940. Looking at a comparison covering the last 10 years, it will be found that the same family is now spending $5,551, or 40 percent more than in 1947 for the same things. But in terms of 1940 dollars the spending has risen only about 4 percent—from $2,659 to $2,766 in the last decade.

The critics who have jumped on President Eisenhower for the size of the current budget have ignored the steadily rising costs that have come as a consequence of labor demands each year and the price increases all along the line that have been required to meet such rises in cost.

Bernard M. Baruch, America's elder statesman, who has had long experience with the inflation problem, made a significant speech 3 years ago on this very question. He said flatly that failure to impose controls promptly by President Roosevelt when World War II occurred, and the unwillingness of President Truman to do likewise soon enough when the Korean war broke out, have placed on the American people a burden of $140 billion of unnecessary debt—more than half of the total national debt of today.

Mr. Baruch's point is that pressures by different groups of economic and political forces which prevent the opportune ordering of controls over wages and prices is much more expensive in the long run than the inconveniences to the economic system resulting immediately from such controls. For prices and wage scales that once go up cannot be readily rolled back.

Inflation, of course, works both ways. It sends income up, too. That's why there is a big surprise when the total spending of today is related to the national income of the American people. Thus, even in 1957 dollars, the spending by the Federal Government for all nondefense items, including welfare programs, now takes only 7.5 percent of the national income, whereas in 1950 it took 10 percent. Back in 1939, the nondefense category of spending was absorbing 11 percent of the national income. Yet, the erroneous impression now is widespread that nondefense spending today is out of all proportion compared to the past.

Mr. Eisenhower has not yet gone to the people, as he may do soon, with an explanation of what really has caused us to have a $72 billion budget. When he does, he can show that inflation and postwar exploitation by economic groups are together responsible for the swollen budgets of the National Government, and the State and city governments, as well as the expanded budget of the American family.

Mr. KERR. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield to my friend, the Senator from Oklahoma, who has been waiting patiently for several minutes.

Mr. KERR. The distinguished Republican columnist and propagandist, David Lawrence, has been mentioned. I have a deep affection for him. I read his column every day to learn what the newest propaganda line of the administration is.

I ask my friend from Texas if he knows a columnist who, in his judgment, has been more generously rewarded for his propagandizing than has the columnist referred to by the distinguished Senator from Wisconsin.

Mr. JOHNSON of Texas. My information in that respect is very meager. I have more columnists dealing with me now than I can handle. I should be glad to have any information which the Senator from Oklahoma has on the subject. I do not have it.

I now yield to the Senator from Wisconsin.

Mr. MARTIN of Pennsylvania. Mr. President, I should like to ask the distinguished Senator from Texas and the distinguished Senator from Wisconsin a question before the Senator yields.

Mr. JOHNSON of Texas. If the Senator from Wisconsin will indulge me, I am happy to yield to my delightful friend from Pennsylvania.

Mr. MARTIN of Pennsylvania. All of us are deeply concerned about this question, and it is worth while to have this discussion this morning. There is no question that the matter of the budget is a Congressional responsibility. The budget has been submitted to Congress.

This, however, is the question I wish to ask: It has been said that inflation has increased the cost of government. I believe there is no question that that is true. But is not the additional cost of government, and particularly the cost of borrowed money, one of the greatest reasons for inflation?

Mr. JOHNSON of Texas. Yes, I think so. I should say the cost of the money which is being borrowed now is more than the amount of the entire budget when I first came to Washington. The Government is spending more for interest on the money which is being borrowed than was spent for the entire cost of government when I first came to Washington.

I now yield to the Senator from Wisconsin for the purpose of making some insertions in the RECORD.

Mr. WILEY. I wanted to make an additional reply.

Mr. JOHNSON of Texas. Very well; the Senator merely said he wished to make some insertions.

Mr. WILEY. I desire to do both. I hope the Senator from Texas will be generous to me.

Mr. JOHNSON of Texas. Certainly, except that the Senator has a colleague on his side of the aisle who wishes to speak.

Mr. MARTIN of Pennsylvania. Mr. President, is the Senate now operating in the morning hour?

Mr. JOHNSON of Texas. Not yet.

Mr. WILEY. In 1940, I think the population of the Nation was something like 30 million less than it is today. Since then, there has been a world war with resulting aftermath costs. Today the population is 30 million greater. We now have responsibilities throughout the earth which we did not have then. Those factors also must be taken into consideration in considering the increased size of the budget together with our increased national income and production.

Mr. JOHNSON of Texas. Mr. President, the majority leader is aware of the increased population. I do not know whether there has been a 30-million increase, but I will accept the figures of the Senator from Wisconsin.

Mr. WILEY. It is approximately 30 million.

Mr. JOHNSON of Texas. What I am aware of is that the budget is eight times

the size of the budget of fiscal 1940. It is conceivable that circumstances will require this Government to spend more money before the fiscal year has ended than has been budgeted. We cannot foresee all contingencies. But what I am saying is that all Senators are welcome to come before the Appropriations Committee while the hearings take place and make any suggestions they wish to make as to how economies can be effected. I hope and trust that they will do so. Meanwhile, I hope the executive agencies will reach some agreement on policy.

I yield now to the distinguished chairman of the minority conference, my friend, the senior Senator from Massachusetts [Mr. SALTONSTALL].

Mr. SALTONSTALL. I thank the majority leader.

Mr. President, I wish to say that yesterday I was present with the majority leader when Mr. Dulles testified. I heard him make his preliminary statement to the effect that he was not going to make up his mind in advance. I agree with him entirely.

On Monday last, I tried to express myself on this general subject, in perhaps a rather theoretical discussion. I regarded it as a very important discussion, because it related to the way in which we have to work.

I am sure the majority leader agrees with me that we do not wish to do anything which will adversely affect our national security. He has said so. I am sure he will also agree with me when I say that we do not wish to do anything which will adversely affect our world leadership of the free nations.

Of course the domestic policy of the United States is for the Congress to decide; it must decide how far and how fast we shall go and where we shall stop.

Mr. JOHNSON of Texas. And the policy regarding external affairs is also one to be established by the Congress.

Mr. SALTONSTALL. Yes, in the case of external affairs, provided Congress does not jeopardize the diplomatic position of the United States.

Mr. JOHNSON of Texas. The Senator from Massachusetts knows that the Senator from Texas has urged his colleagues to vote to strengthen that field.

Mr. SALTONSTALL. Yes.

In his very able letter to Speaker RAYBURN, the President has suggested cuts of one-billion-eight-hundred - odd - million dollars. Personally, I believe that somewhat further cuts can be made. Personally, I believe that probable cuts of between $2,500,000,000 and $3 billion can be made in the budget as suggested.

Mr. JOHNSON of Texas. Mr. President, at this point I should like to interrupt the Senator from Massachusetts. The statement he has just made is one of the most heartening I have heard. The distinguished former minority whip, and the present chairman of the minority conference, expresses the opinion, out of a wealth of experience on the Appropriations Committee, that the Eisenhower budget can be trimmed between $2,500,000,000 and $3 billion. Every Member of the Senate should take note of that statement by the Senator from Massachusetts, who has served for many years on the Appropriations Committee. Will the Senator from Massachusetts state just how long he has been a member of the committee?

Mr. SALTONSTALL. For approximately 10 years.

Mr. JOHNSON of Texas. The Senator from Massachusetts has been a member of the Appropriations Committee for more than 10 years. The distinguished Senator also served as chairman of the Armed Services Committee. Preceding his service in Congress, he served as Governor of his State, and he was a very able executive. He is not one who makes statements out of the blue. He considers what he has to say. When he says this budget can be cut between $2,500,000,000 and $3 billion, I wish to state that I hope he will help show us just where the cuts can be made.

Mr. SALTONSTALL. I certainly will. I make my statement on the basis that the President himself has pointed out where the budget can be cut $1,800,000,000; and I think he and the majority leader and I and others can show where further economies can be made.

When we compare the present situation with that in 1940; and compare the number of the Government employees at this time with the number of employees in 1940; and compare present costs with the costs in 1940, and when we reflect that we are now engaged in a cold war, and when we consider the fact that more than 8,500,000 of our people are under arms and that in the Defense Establishment we have more than half a million civilian employees—just exactly how many, I cannot state accurately at this time—we realize that all that has been built up since the end of World War II and since the end of the Korean war, That is part of our security.

As the Senator from Texas knows, the cost of armaments has risen very greatly. In that connection, let me cite one example, one which is very clear to me: The great Norden bombsight, which was used on our B-29 bombers during World War II, cost $6,250. The bombsight now in use on B-52's costs $250,000.

Mr. President, I am glad the majority leader has not made up his mind about the possible cuts. I have not made up my mind about the possible cuts. I believe we should do our utmost to go through these budgets with the greatest of care. Ours is the final decision. We wish to be realistic, and we wish to have the Senate make realistic cuts, cuts which will not have to be restored later because of a failure to carry out contract obligations.

Some of the cuts which have been suggested to us are in the latter category, in my humble judgment. Such cuts must be restored, and cuts must be made elsewhere, at places where we believe cuts can properly be made—cuts which will be realistic, and which will not affect adversely our security or our world leadership.

Mr. JOHNSON of Texas. Mr. President, my friend, the Senator from Massachusetts [Mr. SALTONSTALL], is a very realistic and sincere person. I hope he will be able to help those of us on the majority side by making suggestions as to where the cuts can most properly be made.

The illustration he has given in the case of the increased cost of bombsights, relates to a matter of which the Senator from Texas is very well aware. Certainly we cannot return to the prices of 1940 or 1950.

For some time the Senator from Texas has been deeply disturbed about the contracts let by all the services within the Defense Department. He thinks that if the contractors were as cost-conscious when they are building a Government project as they are when they are handling their own personal fiscal affairs, millions of dollars could be squeezed out of the contracts which are performed for the military establishments.

As the Senator from Massachusetts knows, we have attempted to study some of those matters. But we who serve in the legislative branch have great difficulty in turning ourselves into a General Accounting Office or a contract-letting agency.

Only the night before last I talked with a very able Member of the House of Representatives, my colleague from Texas, Representative PAUL J. KILDAY. For many years he has been a member of the Armed Services Committee of the House of Representatives.

Mr. SALTONSTALL. And he is a very able gentleman.

Mr. JOHNSON of Texas. The Senator from Massachusetts knows him, and knows that he never operates in a partisan atmosphere.

Representative KILDAY said to me, "I have considered this Defense budget, which represents more than half of the recommended expenditures; and I have come to the conclusion that, regardless of how active our Appropriations Committees or our Armed Services Committees or our investigating committees may be, we on the Hill cannot control and supervise the execution of each of these contracts and of each dollar spent."

I hope the Senator from Massachusetts will follow closely what I have to say at this point, because Representative KILDAY was speaking in complimentary terms of the Senator's party.

He said, "I think it was originally a Republican suggestion, advanced perhaps by a Member of the Senate, that we give to each service—the Army, the Navy, the Air Force, the Marines—the money requested in the budget, and give to the Defense Department the money requested by the Commander in Chief, and then add a proviso to the effect that—

Provided, however, That each Secretary, in consultation with his Chief of Staff, shall set up a system of expenditure priorities, which will result in a net saving of 5 percent—

"Or 10 percent, or some such figure."

Representative KILDAY said to me, "I am convinced that any cut we make will subject us to criticism on the ground that we have adversely affected security; that we have pitted our judgment against that of the admiral or the general concerned."

The Senator from Massachusetts knows, as does the Senator from Texas, that our constituents want the services to get along with fewer mess boys, and with

fewer assistants in the administrative field, and with fewer redtape artists. But our constituents want us to provide for every bit of fighting strength that our leaders think we need. Of course, it is difficult for us to determine where the one begins and where the other ends.

Perhaps the Appropriations Committee should seriously consider—when it deals with the appropriation bill for the Department of Defense—giving to the President and to the Secretaries what they have requested, and then stating, "We direct you, as a part of the fiscal policy of the United States, for which we have a responsibility, to set up a system of priorities which will result in a saving or an economizing of a specific percentage"—perhaps 5 percent or 10 percent. That plan was suggested to me by Representative KILDAY, and I recall voting on such an amendment offered by Senator Ferguson, of Michigan.

I should like to have my friend's comments on that suggestion.

Mr. SALTONSTALL. I would say to the majority leader that subject has been discussed, as he knows, and as I know. I think the difficulty with it comes from several factors. One is that Congress did not want to grant a blanket approval of reductions wherever the department wanted them made. Secondly, there was a question whether the Appropriations Committee could do it without a change in the law. Third, the suggestion has been made to put into effect a provision whereby a 5-percent cut could be made, but not more than 10 percent in any 1 item.

Mr. JOHNSON of Texas. I did not remember how the Senator voted on the first proposal.

Mr. SALTONSTALL. I myself cannot remember.

I think the question has come up that one of the difficulties is that Congress would not be living up to its full responsibilities in following that course.

Mr. JOHNSON of Texas. Perhaps we could follow the procedure we followed in the Mideast resolution, whereby proposals would be communicated to the Congress for its information—not for its agreement, but for its information.

Mr. SALTONSTALL. That is now done in our procurement program as to all real-estate matters.

Mr. JOHNSON of Texas. And in the Mideast matter, the Senator from Texas offered such an amendment, and reports are now being made with respect to the Mideast.

Mr. SALTONSTALL. That was a very helpful amendment.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Kentucky.

Mr. COOPER. First I should like to say that I appreciate very much the spirit of the remarks of the distinguished majority leader, and I agree with many of the constructive suggestions he has made.

Mr. JOHNSON of Texas. I thank the Senator.

Mr. COOPER. All of us will always say waste should be eliminated and some reductions could be made. Nevertheless, I would also say perhaps it would be much more appropriate for our leaders on this side of the Senate to make appropriate suggestions——

Mr. JOHNSON of Texas. Which side is the Senator talking about—both sides?

Mr. COOPER. This side.

Mr. JOHNSON of Texas. The Senator is talking about his side.

Mr. COOPER. Men with much more information and experience with respect to appropriations could speak better than I could on this subject. I simply rise to say that while all of us will agree on the necessity for eliminating any waste that can be eliminated, in order to reduce expenditures, I think all of us also know this issue is being used, among other things, to attack some of the aims of the Eisenhower administration, and also to attack him personally.

Mr. JOHNSON of Texas. The Senator from Texas disclaims any responsibility in that regard. That is not his purpose.

Mr. COOPER. I will agree with that. I do not ascribe that purpose to the distinguished Senator in any way, and I think he knows that.

Mr. JOHNSON of Texas. I thank my friend for his fairness.

Mr. COOPER. But I think throughout the country there are private groups who are using the issue for that purpose. So I think the time has come when some in this body who believe in some of the aims of the President should attempt to place the budget in proper perspective.

With great deference to my friend, I think he will agree with me that the budget of 1939 cannot be compared in any way with the present budget, or even with the budget of 2, 3, or 4 years ago, or 6 years ago. My distinguished colleague from Wisconsin pointed out to him several factors which make that apparent. One factor, of course, is the depreciated value of the dollar. Another is the great cost of the debt which accrued during the war. A third is the cost of the great social program which the party of the distinguished majority leader initiated, and which he would not wish to withdraw.

I was not in Congress at the time, but was in my own small town far away, and was not in a position to have intimate knowledge of the facts. However, many of us thought that if more money had been spent on defense before World War II, we might have been in a better position.

The Senator from Texas has compared the present budget with the budget of President Truman. Again, the Senator will remember that the defense budget of the Truman years has been brought into question. Many persons have thought that if a proper amount had been spent on defense in the years following World War II, we might have avoided some of the casualties of the Korean war, and might be in a better position today. Those are matters for speculation, but they are questions which should be considered.

Also, during the administration of President Truman, other social programs were begun, for which Congress now has to appropriate money. I do not believe the party on the other side of the aisle wants to defeat or renounce those programs.

Mr. JOHNSON of Texas. There is nothing in the statement of the Senator from Texas that would indicate he desires to renounce or repeal any of those programs. The Senator from Texas has made it abundantly clear, and he wants to emphasize it now, that no one is more aware than the Senator from Texas, that we cannot go back to the fiscal 1950 or the fiscal 1940 budget. The Senator from Texas did point out a fact with which the Senate should reckon. It is that in the present State Department appropriation request there is a provision for 1,800 new employees—not for the administration of the first 4 years of the Eisenhower crusade, not for the Franklin D. Roosevelt spending administration, but for this administration.

The Secretary himself and some of his associates were critical of the $151 million requested by the preceding administration and reduced the request to $130 million. Under the leadership of the Senator's party in the Congress and in the executive, it was stated that $108 million was adequate. The Secretary said he could live with even deeper cuts if given time; that he could reduce the number of employees in the interest of efficiency. I had the record of that hearing declassified, so that anyone who desires can read it.

What has happened? Our responsibilities have grown, surely. Our problems have increased, I must admit. Our dangers are not more remote. But the fact is we have before us, not the budget of Dean Acheson, not the $108 million budget on which the Secretary said he could operate his department the first year of the Eisenhower administration, but a request for more than twice that amount. If we eliminate the amount for buildings for the State Department last year, the request was $179 million. The request this year is $223 million—again eliminating the buildings. That is an increase of $44 million, from $179 million to $223 million. Then we hear that the Senator from Tennessee was told by an Ambassador representing this country that there are 4,000 employees in one place, and he could operate efficiently with 50 percent of that number. It sounds like the testimony of the Secretary 4 years ago. Perhaps he needs those 1,800 employees. If he does, the Senator from Texas will vote for them. But the need must be clearly and unmistakably demonstrated. That is all I am saying. The Senator from Texas is not repealing any program. He is pointing out that the services have increased, that the needs of Government have increased, that today we have 2,400,000 working for the Federal Government, if this budget is approved, compared to 900,000 in fiscal 1940.

If the Senator will read the debates of the former period, he will find that some of the most illustrious Members of his party were seriously critical of the Executive at that time for having 900,000 people on the Government rolls.

We are going to pass upon the requests as they arise. I hope the Senator will read the Secretary's testimony.

The Senator has rendered distinguished service as an Ambassador. He knows of the needs of the State Department. I welcome his advice. I appreciate his social consciousness. Furthermore, I am grateful to him when he votes with us, occasionally.

Mr. COOPER. I wish to say to the Senator from Texas that I do not care to have him place me in the position of answering specifically the question of the State Department appropriation request. I was trying to discuss some of the general terms of the budget situation, and also was attempting to place the present budget request in some better perspective.

While it does not directly relate to the size of the budget, it still is a fact which ought to be remembered that the first year of the Eisenhower administration saw the start of the effort to bring the budget into balance. As large as the budget is, it is in balance. I believe if the next budget follows in the same direction, it will be the third balanced budget in a row.

Secondly, the money which pays for the demands of any budget that is adopted by the Congress will be obtained at a lower tax rate than was previously the rate, at the time when the Eisenhower administration came into power.

I think those facts have to be recognized and remembered by the people of this country. I am not attempting today to comment upon any specific issues in the budget. I simply wish to say that somebody—and I believe particularly in our own party—ought to begin to place in perspective some of the facts of the budget and the fiscal situation in this country, even if it must be a comparison with previous administrations.

Mr. JOHNSON of Texas. Mr. President, I would not disagree with the Senator on that point. I am always reluctant to offer counsel to his party.

Mr. COOPER. May I say, sir, I think perhaps one of the great results of this particular debate is that it has brought to your party, sir, a real appreciation of the necessity for fiscal stability in this country.

Mr. JOHNSON of Texas. I hope my friend will consider the main point of my discussion and the confusion that is presented to the Appropriations Committee. On the one hand, the Secretary of State is saying that if we cut this budget we will—and I quote, asking for my friend's attention—"breach gravely the frontline of our defense of peace and freedom in the world."

That is a statement which must not be ignored. That is a warning from the ranking Cabinet officer. That is an alarm sounded by the person responsible for our diplomatic service and our foreign relations throughout the world.

On the other hand, we have to consider the position of the highest fiscal officer in the Government. The Senator invites me to urge members of my party to follow a stable fiscal course. The highest fiscal authority of the Senator's party, Secretary Humphrey, a very able businessman—and I believe him to be an extremely able businessman—says that if we do not cut the budget, we will have a depression that will curl our hair.

I say to my friend from Kentucky, I do not wish to breach the frontline of defense, but I do not wish to have Secretary Humphrey curl my hair, either.

I am hopeful that we can find a course which will result in sufficient economies and avoid the Humphrey hair curling, while not endangering the peace and security of the land we all love so much. In that hope I believe I would be joined by my patriotic friend from Kentucky.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to my friend, the Senator from Kentucky.

Mr. COOPER. The Senator and I are agreed upon the general objectives he has stated. I do wish to point out that I think there are movements and groups in this country who do not use the present situation for the same purposes which actuate the distinguished Senator.

Mr. JOHNSON of Texas. The Senator can be responsible for the folks on his side of the aisle, and I will do what I can to persuade Senators on my side of the aisle. I hope none of them are using it for anything other than the good of the Nation.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to my friend, the Senator from Pennsylvania.

Mr. MARTIN of Pennsylvania. Mr. President, I think this discussion has been most helpful to our Nation.

Mr. JOHNSON of Texas. I thank my friend.

Mr. MARTIN of Pennsylvania. I do wish to point out to my colleague that in the cutting of the budget it may be possible that individual Senators will find it necessary to make concessions, because there are certain things we would like to have in our own communities.

If the Senator will indulge me, I think Secretary Humphrey had in mind that we ought to apply business principles to Government, just as we apply them to business enterprises. When there are too large expenditures in business the profits decrease, and there is a great deal of criticism of the operation of a certain corporation, let us say. I feel that in some way that is what the Secretary of the Treasury had in mind. I have great admiration for the Secretary's ability and the patriotic contribution he is making now to the stability of America.

Mr. JOHNSON of Texas. Mr. President, I appreciate the enlightening discussion of my friend, the Senator from Pennsylvania. He is one of the fiscal experts in this body. I am glad to have his evaluation of the distinguished Secretary of the Treasury, for whose ability I also have a very high regard.

I observe that it is the Senator's view that the Secretary of the Treasury was attempting to apply business principles to Government, the same as they are applied to free enterprise.

Mr. President, government is quite different from free enterprise, but I tried this morning an approach which led to a little amusing incident. I believe it will at least entertain my friend. I tried to get some folks to apply business principles to the Congress which they apply to the executive, and they would not do it.

Here is the illustration. We had a former colleague appear before us, the United States representative to the United Nations, Henry Cabot Lodge. He told us about the automobiles he had been able to cut out of his budget, and he pointed out that he did not have to buy them, but that he leased some automobiles. I was aware of this lease arrangement, because I understood the Cabinet followed the practice, and the White House followed it. Under this arrangement General Motors will not only furnish a new car to the President, Vice President and Cabinet officers, but now will also furnish them to ambassadors. That lease arrangement calls for the payment of $500 a year. The individual to whom such a car is leased furnishes the gasoline and oil, but as I understand, General Motors takes care of maintenance and repairs, the cost of tires and other expenses.

The officials I have mentioned can get a new car for $500 a year. The Speaker of the House of Representatives, the Republican leader, and the Democratic leader, have been furnished cars under authorization of Congress. The majority leader of the Senate and the minority leader of the Senate, together with the President pro tempore, are furnished cars. However, we cannot have the business practice to which I have referred applied to us—I suppose because General Motors feels that what is good for General Motors is good for the Cabinet, but is not good for Congress.

The Vice President drives a General Motors car under a $500 lease arrangement. Cabinet officers and ambassadors drive them under the same arrangement, as do members of the executive branch. But the legislative branch must trade its cars in.

I asked the financial clerk to make a study of how much it cost to trade them in. There is a slight difference between Republican trade-ins and Democratic trade-ins, and I am glad that in this particular instance the Democrats have practiced frugality. It cost us less to trade in our cars over the period studied than it cost Republicans. During that period it cost about $1,800 a year, as I recall, for the Senate to operate a car. That is the trade-in price. That does not include gas and oil. The Democratic trade-ins resulted in a figure of approximately $1,500, more than three times as much as the Government is paying for cars for ambassadors.

I appeal to my good friend to attempt to persuade the influences in the executive department and the influences in General Motors to extend to the legislative branch the same rental arrangement now extended to the executive department. This is one place where we could save a few hundred dollars.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. MARTIN of Pennsylvania. I should be glad if General Motors were to extend to me, as an individual, the same privilege.

Mr. LAUSCHE. Mr. President, will the Senator yield for a statement?

Mr. JOHNSON of Texas. I yield.

Mr. LAUSCHE. I have listened with great interest to the arguments which have been made, especially by the Senator from Kentucky and the Senator from Wisconsin, concerning the reasons why the present budget is not too high.

They ascribe the large size of the budget, first, to an increase in the population; and second, to the decreased value of the dollar.

The Senator from Wisconsin especially pointed out an article which appeared in one of the national magazines, showing the decreased value of the dollar. I submit that when the dollar decreases in value, and when the population increases, there is more than a corresponding increase in the revenues collected by the Government.

The present occupant of the chair [Mr. TALMADGE] was formerly Governor of Georgia. I was once the Governor of Ohio. The present occupant of the chair and the junior Senator from Ohio know that when the value of the dollar decreases, the quantity of revenues collected by the Government increases in greater degree.

However, there is one phase of this argument which, in my judgment, is far graver than any of the aspects mentioned in the discussion today. The Government has a debt of $275 billion. It is alleged that we are living in an era of the greatest prosperity in the history of the country. I submit to my colleagues this question: If we do not reduce the debt now, when shall we reduce it? If we say that we cannot reduce the debt, then I put this question to my colleagues: What is the plight of our country?

I do not agree that we are living within the revenues of the country. The moneys which should be applied to the payment of the debt or to the reduction of taxes are being used improperly for current governmental operations. I do not believe it can be seriously doubted that in the home of the average American citizen, when money is supposedly abundant the citizen is paying off his mortgage indebtedness. That is what our Government ought to be doing today. But instead of taking a part of the huge income and applying it to the debt, we are listening to the argument that nothing can be cut, either in one place or another. In reply to that argument, I call upon my experience as Governor of Ohio. Countless were the times when departmental heads said, "We cannot suffer a cut." Cuts were made, and the departments were operated notwithstanding the cuts.

Mr. JOHNSON of Texas. Mr. President, I have not heard anyone state on this floor that no cut could be made. I certainly hope that is not the position of any Senator.

I should like to respond very briefly to the suggestion of the Senator from Ohio with respect to applying some of our surplus—should we have a surplus—to the national debt.

Recently I asked some of my friends and associates of past years to comment on the following question: "If Congress should cut the Eisenhower budget by as much as $2 billion, for example, would you suggest that taxes be cut by a like amount, or that the money be applied to the national debt?"

Eight thousand eight hundred and ninety-five persons responded. I should like to give the Senator from Ohio this information, because it comes from patriotic, enlightened citizens of my State. Five thousand one hundred and seventy-five stated that they would like to see it applied to the debt; 3,034 said they thought they could use it in a tax reduction.

Mr. LAUSCHE. That is a fine tribute to the patriotism and wisdom of those who answered that the saving should be applied to payment on the national debt.

We may as well understand that if we reduce taxes we shall be feeding into current economic spending greater quantities of money; and with greater quantities of money being spent, the spiral of inflation will be increased.

From my standpoint politically, expediency might indicate an argument in favor of a reduction of taxes. However, if I think of my country first, I shall wish to put the fiscal affairs of the country in such condition that any emergencies which may arise in the future can be met.

I should like to allude to one further point, which has not been mentioned in this discussion. The Senator from Virginia [Mr. BYRD] has stated that the budget includes 13 new items of Federal governmental operation which historically and traditionally have been performed by State or local governments. In my judgment, the Government has grown top-heavy in Washington. That is because we feel that only Washington knows what is good for the people. The people back home, for example, say, "We do not want this program." However, we in Washington say, "You don't know what is good for you. We will send you the word out of the Capital, and we will tell you what tonics you should take."

If we adopt the 13 new recommendations, we will find ourselves in a difficult situation. Let us assume that they amount to $20 million this year. Twenty years from now they will probably amount to $2 billion. I am not willing to yield to the proposition that this budget cannot be cut. I do not imply that the Senator from Texas has so indicated.

Mr. JOHNSON of Texas. The Senator from Texas certainly has not so indicated. The Senator from Texas indicated that it could be and should be and would be cut.

Mr. LAUSCHE. The President of the United States, for whom I have great respect, about 2 months ago, implied that perhaps the Secretary of the Treasury was right. It has been only in the last 2 weeks that the fight has been made for the preservation of the budget as it was submitted.

From my standpoint, I shall apply to the budget the same spirit I applied with regard to the $5 million item which the Senator from Texas has mentioned. The junior Senator from Ohio will not ask for his State a single thing that he would not be willing to give to another State or to his country. However, the things he will be prepared to deny for himself he will vigorously insist they be denied in the budget.

I should like to conclude now by expressing my thanks to the Senator from Texas for his very lucid and effective presentation on the question today. I do feel that out of it all will emanate a clarification of the subject, to the end that the final judgment that will be adopted will inure to the preservation of our country.

VISIT TO THE SENATE BY LITTLE CHAMBER ORCHESTRA OF PORTLAND, OREG.

Mr. NEUBERGER. Mr. President, we of the State of Oregon are extremely proud of the Little Chamber Orchestra of Portland. This organization of gifted and talented young women displayed their superior musical ability in 1955 to audiences in Europe which consisted of highly discriminating people in the realm of music. Everywhere they were applauded and hailed with enthusiasm. This year, they again are on their way to Europe—once more under the gifted baton of their skillful leader, Dr. Boris Sirpo, himself an immigrant to this country from Finland, a nation of valiant people and of great musicians.

The young women of the Little Chamber Orchestra, Mr. President, are today in the Senate gallery. I appreciate the courtesy and kindness of the majority leader of the Senate in yielding to me during this important debate, so that I might have the privilege of introducing these outstanding and talented young women from our State to the Members of the United States Senate.

I should like to ask the permission of the Chair that these young women from Oregon may rise and be recognized, and to announce that they will present a concert tonight at 8 o'clock at the famous Thomas Jefferson Memorial Auditorium.

(The members of the Little Chamber Orchestra rose in their places in the gallery and were greeted with applause, Senators rising.)

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). On behalf of the entire Senate, we extend to you a cordial welcome.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I thank my friend from Ohio. I ask unanimous consent that we now have the usual morning hour, with statements limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GOLDWATER, from the Committee on Interior and Insular Affairs, with amendments:

S. 692. A bill to provide that the United States hold in trust for the Indians entitled

to the use thereof the lands described in the Executive order of December 16, 1882, and for adjudicating the conflicting claims thereto of the Navaho and Hopi Indians, and for other purposes (Rept. No. 265).

By Mr. MURRAY, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 676. An act to authorize the city of Rock Hill, S. C., to acquire certain tribal lands on the Catawba Indian Reservation, S. C. (Rept. No. 266).

By Mr. MURRAY, from the Committee on Interior and Insular Affairs, with an amendment:

S. 334. A bill to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended (30 U. S. C. 184), in order to promote the development of phosphate on the public domain (Rept. No. 269).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with amendments:

S. 1574. A bill to provide for the disposal of certain Federal property in the Coulee Dam and Grand Coulee areas, to provide assistance in the establishment of a municipality incorporated under the laws of Washington, and for other purposes (Rept. No. 267).

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs, without amendment:

S. J. Res. 79. Joint resolution permitting the Secretary of the Interior to continue to deliver water to lands in the Heart Mountain division, Shoshone Federal reclamation project, Wyoming (Rept. No. 268).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, without amendment:

S. 359. A bill to permit desert land entries on disconnected tracts of lands which, in the case of any one entryman, form a compact unit and do not exceed in the aggregate 320 acres (Rept. No. 270);

S. 1063. A bill vesting in the American Battle Monuments Commission the care and maintenance of the Surrender Tree site in Santiago, Cuba (Rept. No. 271);

S. 1274. A bill to amend the act of March 3, 1911 (36 Stat. 1077), to remove restrictions on the use of a portion of the Springfield Confederate Cemetery, Springfield, Mo., and for other purposes (Rept. No. 272);

S. 1319. A bill to renounce any right, title, and interest which the United States may have in certain lands in Montana (Rept. No. 273);

S. 1396. A bill to amend section 6 of the act approved July 10, 1890 (26 Stat. 222), relating to the admission into the Union of the State of Wyoming by providing for the use of public lands granted to said State for the purpose of construction, reconstruction, repair, renovation, furnishing, equipment, or other permanent improvement of public buildings at the capital of said State (Rept. No. 275);

H. R. 2401. An act to provide for the reconveyance of certain land to the city of Spearfish, S. Dak. (Rept. No. 277); and

H. Con. Res. 91. Concurrent resolution expressing the sense of the Congress with respect to the recognition of the Altar of the Nation, located in the Cathedral of Pines, Rindge, N. H., as a memorial to all American war dead (Rept. No. 278).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with an amendment:

S. 1568. A bill to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the Colorado River Commission of Nevada acting for the State of Nevada (Rept. No. 276).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with amendments:

S. 1352. A bill to provide for the conveyance of certain real property of the United States to the Fairview Cemetery Association, Inc., Wahpeton, N. Dak. (Rept. No. 274).

By Mr. JOHNSTON of South Carolina, from the Committee on Agriculture and Forestry, with amendments:

S. 45. A bill to authorize the Secretary of Agriculture to sell to the village of Central, State of New Mexico, certain lands administered by him formerly part of the Fort Bayard Military Reservation, N. Mex. (Rept. No. 280).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BIBLE (by request):

S. 1937. A bill to provide for the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, and of certain officers and members of the United States Secret Service, and for other purposes; to the Committee on the District of Columbia.

By Mr. MALONE:

S. 1938. A bill for the relief of John Russell Sinclair; to the Committee on the Judiciary.

By Mr. ELLENDER (by request):

S. 1939. A bill to amend the Federal Seed Act of August 9, 1939 (53 Stat. 1275), as amended; to the Committee on Agriculture and Forestry.

By Mr. RUSSELL (for himself and Mr. SALTONSTALL) (by request):

S. 1940. A bill to authorize certain construction at military installations, and for other purposes; to the Committee on Armed Services.

By Mr. McCLELLAN (by request):

S. 1941. A bill to authorize the payment by the Bureau of Public Roads of transportation and subsistence costs to temporary employees on direct Federal highway projects; to the Committee on Government Operations.

(See the remarks of Mr. McCLELLAN when he introduced the above bill, which appear under a separate heading.)

By Mr. YOUNG (for himself and Mr. LANGER):

S. 1942. A bill for the relief of Bela Kiraly; to the Committee on the Judiciary.

By Mr. SCOTT:

S. 1943. A bill for the relief of Norma Josephine Hodges Dowd; to the Committee on the Judiciary.

By Mr. DOUGLAS:

S. 1944. A bill for the relief of Ethel Auth; and

S. 1945. A bill for the relief of Jakob Liblang, Jr.; to the Committee on the Judiciary.

By Mr. MARTIN of Pennsylvania:

S. 1946. A bill for the relief of Mrs. Edmund L. Gruber; to the Committee on the Judiciary.

By Mr. DIRKSEN:

S. 1947. A bill to amend the Internal Revenue Code of 1954, to remove certain firearms from taxation and registration; to the Committee on Finance.

By Mr. BENNETT:

S. 1948. A bill to amend section 503 of the Internal Revenue Code of 1954 so as to deny exemption from income tax to labor, agricultural, or horticultural organizations and business leagues, chambers of commerce, real-estate boards, or boards of trade which engage in certain prohibited transactions; to the Committee on Finance.

By Mr. MURRAY (by request):

S. 1949. A bill to facilitate the administration of the public lands, and for other purposes; and

S. 1950. A bill to establish uniform procedures relating to the acquisition of non-Federal land for purposes of the National Park System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JACKSON (for himself, Mr. MURRAY, Mr. HILL, Mr. HUMPHREY, Mr. MANSFIELD, Mr. BEALL, Mr. NEUBERGER, Mr. MAGNUSON, Mr. MONRONEY, Mr. HENNINGS, Mr. CARROLL, and Mr. McNAMARA):

S. 1951. A bill to amend the Internal Revenue Code of 1954 so as to allow a deduction for expenses incurred by certain physically handicapped individuals for transportation to and from work, and to provide an additional exemption for a taxpayer, or his spouse or dependent, who is permanently physically or mentally incapacitated, and for other purposes; to the Committee on Finance.

By Mr. JOHNSTON of South Carolina:

S. 1952. A bill to clarify the application of section 507 of the Classification Act of 1949 with respect to the preservation of the rates of basic compensation of certain officers or employees in cases involving downgrading actions; to the Committee on Post Office and Civil Service.

By Mr. JOHNSTON of South Carolina (for himself and Mr. NEELY):

S. 1953. A bill to amend the District of Columbia Income and Franchise Tax Act of 1947 so as to provide an additional exemption of $1,000 for a taxpayer who has attained the age of 65; to the Committee on the District of Columbia.

By Mr. JOHNSTON of South Carolina (by request):

S. 1954. A bill to revise the laws relating to the handling of short paid and undeliverable mail, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. CASE of South Dakota:

S. 1955. A bill for the relief of the Clarkson-Bennett Memorial Hospital; to the Committee on the Judiciary.

By Mr. KEFAUVER:

S. 1956. A bill for the relief of Ramindra (Raymond) Singh; to the Committee on the Judiciary.

PRINTING OF ADDITIONAL COPIES OF REPORT ENTITLED "THE INTERNATIONAL PETROLEUM CARTEL"

Mr. KEFAUVER submitted the following concurrent resolution (S. Con. Res. 26) which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That there shall be printed 3,000 additional copies of the report entitled "The International Petroleum Cartel," a staff report to the Federal Trade Commission submitted to the Subcommittee on Monopoly of the Senate Committee on Small Business, which was printed as a committee print during the 82d Congress, 2d session. Such additional copies shall be for the use of the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary.

PAYMENT OF TRANSPORTATION AND SUBSISTENCE COSTS TO CERTAIN TEMPORARY EMPLOYEES

Mr. McCLELLAN. Mr. President, by request, I introduce, for appropriate reference, a bill to authorize the payment by the Bureau of Public Roads of transportation and subsistence costs to temporary employees on direct Federal highway projects.

This bill is introduced in response to a request addressed to the President of the

Senate by the Secretary of Commerce under date of April 8, 1957. The letter and accompanying draft bill were referred to the Committee on Government Operations.

I ask that a copy of the letter from the Secretary of Commerce, which sets forth the need for the proposed legislation, be included in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 1941) to authorize the payment by the Bureau of Public Roads of transportation and subsistence costs to temporary employees on direct Federal highway projects, introduced by Mr. McCLELLAN (by request), was received, read twice by its title, and referred to the Committee on Government Operations.

The letter presented by Mr. McCLELLAN is as follows:

THE SECRETARY OF COMMERCE,
Washington, April 8, 1957.

The Honorable RICHARD M. NIXON,
President of the Senate,
Washington, D. C.

DEAR MR. PRESIDENT: Submitted herewith is a draft of proposed bill to authorize the payment by the Bureau of Public Roads of transportation and subsistence costs to temporary employees.

In the conduct of direct Federal highway construction programs by this Department, a serious staffing problem occurs each spring at the beginning of the construction season. The forest highway program is primarily affected; however, other programs concerned with this problem are national park highways and parkways, forest development roads, public lands highways, defense access roads, and other highway programs administered by the Department for various Federal agencies. Since the peak of the highway construction period is during June, July, and August, it is necessary to hire students and other available persons on a temporary basis. These positions are exempt from the Classification Act of 1949, as amended (5 U. S. C. 1082 (28)), and such personnel are given temporary unclassified appointments for a period of not to exceed 180 days.

It has been the policy of the Department to pay the cost of transportation of these employees from point of hire to project location and return, as well as subsistence costs, or a per diem allowance, during the entire period of project assignment on the basis of the provisions of an employment contract with each man. However, a recent decision of the Comptroller General precludes the payment of transportation and subsistence expenses, as such, through the medium of an employment contract and holds that such allowances should be paid as wages, which wage rates are primarily for determination by the Department.

The establishment of salary rates for these temporary seasonal employees to include equivalent cost of transportation and subsistence is considered administratively undesirable for the following reasons:

(1) Variation in subsistence costs,

(2) Variation in methods of providing subsistence,

(3) Adverse effect on morale of permanent employees, and

(4) Additional cost to the Government such as that involved in paying, on an inflated base rate, overtime necessitated by a short working season.

On the other hand, the discontinuance of the payment of transportation and subsistence costs to this class of employees would result in drastic curtailment of the construction programs affected inasmuch as recruitment would be virtually impossible for temporary positions were employees required to absorb transportation and subsistence costs.

Enactment of legislation such as that proposed herein, which would specifically authorize payment of transportation, travel expenses, and subsistence for such employees, is believed to be of the greatest necessity in successful recruitment of an adequate number of personnel to carry out the direct highway construction programs for which this Department is responsible.

The Department recommends this proposed legislation for the favorable consideration of Congress.

We have been advised by the Bureau of the Budget that it would interpose no objection to the submission of the draft legislation to the Congress.

Sincerely yours,

SINCLAIR WEEKS,
Secretary of Commerce.

AMENDMENT OF SECTION 503 OF INTERNAL REVENUE CODE OF 1954, RELATING TO THE DENIAL OF CERTAIN INCOME TAX EXEMPTIONS

Mr. BENNETT. Mr. President, the early hearings being conducted by the Select Committee on Improper Activities in the Fields of Labor and Management reveal that there have been a number of shocking financial irregularities in one of our largest unions; and it is to be expected that other situations of the same kind may be revealed. This has focused great attention on the problem of effective control and supervision of union financial matters, chiefly in the field of welfare funds although there have been revelations of the alleged misuse of funds representing dues paid in by the members of the union.

At present there appears to be no effective rule or law by which the actions of persons who abuse their responsibility can be brought to light, short of the painstaking and laborious investigating process now being carried on by the McClellan committee.

I think there is a practical means of protecting these funds represented by a law already on the books, which, by slight amendment, can be made to cover such funds of unions and any other organizations of similar character now enjoying tax-exempt status.

Without dwelling further on the many excesses brought to light by the hearings, I should like to call the attention of the Senate to the fact that the 1954 Internal Revenue Code gave tax-exempt status to a number of organizations. Included in this group are labor unions, agricultural and horticultural organizations, business leagues, chambers of commerce, boards of trade, and many other groups not organized for profit and the earnings of which presumably do not inure to the benefit of any private shareholder or individual.

This tax-exempt status, under the wording of section 503, is now denied to a certain few organizations if they engage in certain prohibited transactions. The purpose of this denial is to prohibit the very sort of thing that was revealed as having happened in the case of the teamsters; namely, improper use of organization funds for personal benefit of those who are in a position to control or influence the application of the funds. If this is a sound protection under these limited circumstances and for the few organizations now included in the act, I believe the Senate may decide that it is equally sound to extend the application to other tax-exempt organizations covered by section 503 as mentioned above.

These organizations would continue to enjoy their tax-exempt status so long as they use their funds properly and do not engage in transactions which make their income or resources available to favored officers or persons on conditions which not only jeopardize the funds but also deny to the organization the use of its own money which could be employed for the legitimate, worthwhile purposes for which the organization was created.

Section 501 of the 1954 code lists the types of organizations that are exempt. Paragraph 503 (c) lists certain prohibited transactions involving certain persons which, if carried on, will cost the association its exemption. These include the following:

First. Lending any part of its income or corpus, without the receipt of adequate security and a reasonable rate of interest.

Second. Paying any compensation, in excess of a reasonable allowance for salaries or other compensation for personal services actually rendered.

Third. Making any part of its services available on a preferential basis.

Fourth. Making any substantial purchase of securities or any other property, for more than adequate consideration in money or money's worth.

Fifth. Selling any substantial part of its securities or other property, for less than an adequate consideration in money or money's worth.

Sixth. Engaging in any other transaction which results in a substantial diversion of its income or corpus.

The purpose of my bill is simply to expand the number of tax-exempt organizations which are subject to denial of their exemption if they engage in these prohibited transactions. We do this not only by adding labor unions, but also by adding agricultural or horticultural organizations, business leagues, chambers of commerce, real estate boards, and boards of trade.

These are activities which should not be countenanced by organizations of this type, enjoying the privileges they do. Certainly the transactions I have listed above are not in keeping with the worthwhile purposes of these organizations.

The legislation I am introducing today would make it possible, too, for the Internal Revenue Service to question these organizations with respect to the prohibited transactions, placing the burden upon the exempted organizations of proving that they have continued to keep faith with their memberships, and can justify a continuance of their tax-exempt status. When evidence of misuse or abuse comes to light, as in the bizarre case of buying a union leader's house for a large sum of money and then permitting him life tenancy in the property, it would be a simple matter to request that the transaction be justified.

Thus the burden is on the organization to prove its clean hands, and the now difficult task of determining the extent of the wrongful acts would be made much easier.

I have also included a provision whereby loans now in existence which would be considered prohibited transactions would have a period of approximately a year and a half in which to have their terms changed.

I want to emphasize that this legislation will not affect those organizations which are keeping faith with their memberships. It will, however, provide an adequate check on the activities of those organizations which are being operated so as to give undue advantage to selfish men who would corrupt their office for personal gain. It should also act as a great moral deterrent because it would have the effect of denying an organization's tax-free status, thus giving the leadership of any responsible organization pause before permitting any prohibited act.

Mr. President, I ask unanimous consent that the bill lie on the table until Monday next, so that those of my colleagues who wish to join me in sponsoring it may do so.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from Utah.

The bill (S. 1948) to amend section 503 of the Internal Revenue Code of 1954 so as to deny exemption from income tax to labor, agricultural, or horticultural organizations and business leagues, chambers of commerce, real-estate boards, or boards of trade which engage in certain prohibited transactions, introduced by Mr. BENNETT, was received, read twice by its title, and referred to the Committee on Finance.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. BYRD:

Address delivered by Senator TALMADGE before the Kiwanis Club of Richmond, Va., on April 29.

By Mr. GOLDWATER:

Address entitled "Labor's Responsibility to Freedom," delivered by him before the United States Chamber of Commerce, at Washington, D. C., on May 1, 1957.

By Mr. WILEY:

Statement by him relative to vital role of American women, together with list of top women appointments in the Eisenhower administration.

By Mr. O'MAHONEY:

Argument by Senator WATKINS before the Subcommittee on Antitrust and Monopoly, Senate Judiciary Committee, regarding Senate bill 1356.

By Mr. JAVITS:

Correspondence between himself and the State Department and an editorial dealing with admission of members of the United States Armed Forces to the Dhahran Airbase.

By Mr. NEUBERGER:

Editorial entitled "Who Will Rescue Oregon When Our Timber Is Gone?" published in the Oregon Labor Press of April 19, 1957.

NOTICE OF HEARING ON NOMINATION OF JOSEPH S. FARLAND TO BE AMBASSADOR AND MINISTER PLENIPOTENTIARY TO DOMINICAN REPUBLIC

Mr. GREEN. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today the nomination of Joseph S. Farland, of West Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Dominican Republic.

Notice is hereby given that this nomination will be eligible for consideration by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, the Senator from Utah [Mr. BENNETT], who desires to present a matter to the Senate, has been very patient and understanding. I must have my lunch and then preside over a hearing at 2 o'clock. I wonder if he would be willing to let me make a short statement or two at this time.

Mr. BENNETT. The Senator from Utah will be delighted to yield to the Senator from Texas.

FIRST ANNIVERSARY OF THE PASSING OF THE LATE SENATOR ALBEN W. BARKLEY

Mr. JOHNSON of Texas. Mr. President, yesterday marked the first anniversary of the passing of one of the most distinguished Members of the Senate—Alben W. Barkley.

Alben Barkley seemed to millions of Americans an enduring and permanent part of this institution. He was a statesman and a legislator of rare skill and ability. But he was also human, and had the common touch.

He brought into our language the word "Veep"—and to our people it symbolized a friend with a deep feeling for humanity.

We shall miss him through all the years to come—miss his kindly humor and his wise counsel. But in reality he will always be with us as he left his mark upon the United States Senate, and it will never be erased.

SAN JACINTO WAS ONE OF WORLD'S DECISIVE BATTLES

Mr. JOHNSON of Texas. Mr. President, during the Easter recess the people of Texas observed the 121st anniversary of the Battle of San Jacinto, the climax of Texas' fight for independence. April 21 is truly a great day for Texans.

An editorial in the Houston Post, one of the outstanding newspapers not only of the Southwest but of the Nation as well, summed up in a very moving fashion the way Texans feel about San Jacinto Day. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FACTS OF SAN JACINTO FIGHT MORE FANTASTIC THAN ANY TEXAS BRAG

This is the most memorable date in Texas history. It is the 121st anniversary of the day on which destiny put its arm around Sam Houston and his half-starved band of volunteers and decreed their victory over Santa Anna's hordes. Thus the fateful issue was resolved—whether Texas should be a vassal State, crushed under the heel of a ruthless alien tyranny, or whether it should be an independent, proud, flourishing commonwealth, joined with other States of the same basic Anglo-Saxon stock in the greatest Nation in the history of the world.

Texans have a reputation for claiming the biggest, most, best, and most marvelous of everything. Nothing of which they boast is so fantastically amazing as Sam Houston's victory at San Jacinto. No other historically significant battle is comparable. It was truly a miracle—a divine miracle, one likes to think.

Think of it: Yelling, "Remember the Alamo. Remember Goliad.", nine hundred and ten Texas colonists charged the camp of more than 1,300 trained Mexican troops, and in an 18-minute engagement completely routed them. Those 910 Texans killed 630 Mexicans and captured 730, with the incredibly small loss to themselves of 9 killed or mortally wounded.

Looking back, one may reflect what an easy victory that was. But to those looking ahead in the spring of 1836 it seemed anything but easy. Santa Anna had thousands of troops in Texas; they had massacred Travis and his one-hundred-and-eighty-odd defenders of the Alamo; they had slaughtered Fannin and his three-hundred-and-thirty odd men at Goliad; they had destroyed the lesser forces of Ward, King, Grant, and Johnson in south Texas. Who could say that Santa Anna would not do the same to General Houston's little army? Many, indeed, thought he would, and many fled to escape the Mexican scourge. The 910 who dared attack the Napoleon of the West, with these things fresh in mind, deserve all the more glory for their valor. They saved Texas from serfdom.

Besides that, what did the victory mean? Its significance is stated in an inscription on the base of the San Jacinto monument, written by the late L. W. Kemp, the highest authority on the history of the battle. It reads:

"Measured by its results, San Jacinto was one of the decisive battles of the world. The freedom of Texas from Mexico, won there, led to annexation and to the Mexican War, resulting in the acquisition by the United States of Texas, New Mexico, Arizona, Nevada, California, Utah, and parts of Colorado, Wyoming, Kansas, and Oklahoma. Almost one-third of the present area of the American Nation, nearly a million square miles of territory, changed sovereignty."

Let Texans remember, with rejoicing and gratitude, what the pioneers did for them 121 years ago today. Let Texans cherish, guard, and always be worthy of the heritage of freedom and a great country, won for them on the plain of San Jacinto.

FLOOD CONTROL IN THE SOUTHWEST

Mr. JOHNSON of Texas. Mr. President, I have just spent a few days in one

of the wettest States in the Union—the State of Texas. When I left Washington for the Easter recess, I expected to find my State as I had left it last year—just about the driest State in the Union. I knew that some rain had fallen, but I had no idea we were in for really prolonged wet weather.

Texas is, and has always been, a land of extreme weather. Nature seems to give us the ultimate in drought, until the grazing lands become deserts and the crops wither into dust. Then she gives us a month of hard rains and high winds, flooding the rivers and the reservoirs.

This is why I have always stressed the need for projects that could meet our needs in times of heavy rainfall as well as in times of drought. Projects designed to control floods may do us little good when we go 7 long years without rain, as we have just done in Texas. And irrigation projects cannot hold back the onrushing waters when the rains finally fall.

If there was ever any doubt as to the wisdom of flood-control projects in the Southwest, it has been removed by the events of the past 2 weeks. The Army Corps of Engineers' southwestern chief, Brig. Gen. L. E. Seeman, estimates that engineer-built lakes and reservoirs in the Dallas area alone have, in this period of torrential rain, saved the area $65 million in damages.

The cost of these Dallas projects was $68 million. So in 2 weeks' time these projects have almost paid for themselves in terms of disaster prevented.

General Seeman says that if the reservoirs had not been constructed, 141,000 cubic feet of water per second would have poured down the Trinity River through the city of Dallas. This is a truly disastrous rate of flow. But thanks to these Corps of Engineers projects, the rate of flow was held to 41,000 cubic feet per second.

There has been damage on the Trinity, and there will be damage in the other river basins where the rains have fallen. But on the Trinity, at least, this damage has been held to $6½ million, or about one-tenth of the damage that has been prevented.

Mr. President, there are still areas of Texas and the Southwest where the rains have not fallen. But in many places the long misery of the drought is over. There might have been another misery for Texans—the misery of flooded cities and farmlands—if vision and common sense had not combined to protect us with these reservoirs.

Sixty-five million dollars saved—and on just one river, in one area. There will be other reports soon, which I shall give to the Senate as they come to me, of other disasters prevented by flood-control projects.

Mr. President, I ask unanimous consent that there be printed in the body of the RECORD, at this point in my remarks, a news story appearing in the Dallas Morning News of Sunday, April 28, telling the story of what these projects have done for Dallas.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARMY SAYS LAKES SAVE $65 MILLION

(By Clardy McCullar)

Dallas' water-supply lakes, which held 208.6 billion gallons of water Saturday, helped save the Dallas area $65 million in flood damages, the Army Corps of Engineers estimated.

Brig. Gen. L. E. Seeman, Southwest divisional engineer, estimated actual damages at $6.5 million.

Damages would have totaled $71.5 million if it had not been for the engineer-built Benbrook, Grapevine, Garza-Little Elm, and Lavon Lakes and the Dallas and Fort Worth floodways, General Seeman said.

If the engineers' projects had not been completed, estimated the general, 141,000 cubic feet of water a second would have gushed down the Trinity at Dallas.

That is almost as much as the 184,000 cubic feet a second which swirled past Dallas during the record 1908 flood.

With engineer flood control, the water actually flooded past Dallas at 41,000 cubic feet a second, General Seeman added. The flood-control projects cost $68 million, and almost paid for themselves in their first flood, he said.

More thundershowers are predicted for Sunday morning, heralding further increases in the lakes. But dry air, moving into the city before noon, should stop the rainy spell through Monday, the United States Weather Bureau reported.

Saturday, Lake Dallas held 79.8 billion gallons of water and was pouring 6.9 feet above its spillway into Garza-Little Elm Lake, which held 94 billion gallons.

There finally was enough water in the two lakes to join them and make one lake. The road across Lake Dallas Dam was closed at each end Saturday morning, and it will never again be opened. Within a few weeks, the engineers will cut away part of the Lake Dallas Dam.

The wedge-shaped breach in the earthen part of the dam will be 200 to 300 feet wide at the bottom and extend 20 to 25 feet below the usual top of the water. Boats and fish will be able to move through the cut easily.

Dallas has the contract right to remove and salvage the outlet gates near the lake bottom in the concrete part of the dam. So fish will have another passage between the old and new lakes.

When the lakes are linked, the new lake will be about 80 feet deep at its deepest point.

When full, it will stand at 515 feet above sea level. But, like all engineers lakes, it will be able to store flood waters above that conservation pool. Top of the flood control pool is 532 feet above sea level. Lake Dallas holds water up to 525 feet, but stores no flood waters now.

Grapevine Lake held 34.7 billion gallons of water at 4 p. m. Saturday—more than the 31.8 billion gallons held by all three lakes April 1.

Grapevine was 13 feet below the top of its conservation pool (535 feet above sea level) and 38 feet below the top of its flood control pool (560 feet above sea level). It is doubtful, the engineers said, that the current runoff will fill Grapevine's conservation pool.

But when the Trinity goes down, the engineers will release water above the 515-foot mark in the new Lake Dallas-Garza-Little Elm so the lake will be able to take care of any new floodwaters. Similarly, the engineers are holding flood waters in Lavon Lake till the river goes down.

Since the first of the year, more than 192 billion gallons of water have poured into Lake Dallas-Garza-Little Elm and Grapevine.

Twenty-five billions made it in the 8 hours before 4 p. m. Saturday.

When its conservation pool is full, the new Lake Dallas-Garza-Little Elm will hold 160.4 billion gallons of water (at 4 p. m. Saturday the combined total was 173.9 billion gallons). Grapevine will hold 61.5 billion gallons with a full conservation pool. That's a combined total of 221.9 billion gallons.

Dallas has the rights to 163 billion gallons more than enough for 5 years.

Some of the rest belongs to the Park Cities, Denton, Grapevine and some other smaller communities. And there are reserves for siltation and evaporation.

THE AMERICAN WEST

Mr. BENNETT. Mr. President, the distinguished Senator from Montana [Mr. MANSFIELD], last Monday placed in the RECORD an article from the June issue of Harper's Magazine entitled "The American West: Perpetual Mirage," by Walter Prescott Webb.

As the Senator from Montana pointed out at the time, the article is an engrossing one, and suggests some new and interesting concepts about the West. I believe, however, that the article creates some wrong impressions, and I think some of the statements made therein call for a reply.

Mr. Webb calls the West a land of deficiencies, a depressed region, an area which has had little influence on the shaping of our national destiny. The reason for this alleged backwardness, he says, is the desert influence, which is felt in all 17 Western States.

No one can deny the influence of the desert in the West, which has had to find ways to adapt its farming, its industrial development, its conservation policies to the fact that water is scarce and precious. But the implication that the West has not contributed its share to the development of our Nation is certainly unwarranted.

Mr. Webb laments the fact that only 16.7 percent of the biographees in the current Who's Who are from the West, although the West has 22 percent of the Nation's population.

This figure is an unfair one. I believe it will be found that it is based on residence rather than birthplace, and it is natural that a larger proportion of outstanding men would be living in the larger metropolitan centers of the East, where we find the headquarters of the largest corporations, the most universities, the center of our National Government. But when one looks at the origin of our outstanding men, instead of their present residences, we find a different story indeed.

Dr. E. L. Thorndike, of Columbia University, made an interesting study of this subject several years ago. Using Who's Who in America and American Men of Science as a basis, Dr. Thorndike compiled a State-by-State list of the birthplaces of outstanding men, then ranked the States on the basis of their "superior birth quotient."[1] Four of the eight highest States—Utah, Idaho, Colorado, and Wyoming—are among what Dr. Webb

[1] The Origin of Superior Men, by Dr. E. L. Thorndike, the Scientific Monthly, vol. 56, p. 429, May 1943.

calls the Desert States, and a fifth, South Dakota, is what he calls a desert rim State.

I ask unanimous consent to have printed in the RECORD at this point, the table prepared by Dr. Thorndike.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

State	Superior birth quotient	Rank
Utah	170	1
Massachusetts	164	2
Connecticut	148	3
Idaho	142	4
Colorado	141	5
New Hampshire	140	6
South Dakota	139	7
Wyoming	136	8
Vermont	132	9
Maine	130	10
Rhode Island	128	11
North Dakota	118	12
Iowa	116	13
Kansas	115	14
Washington	115	15
Nebraska	115	16
Montana	114	17
Nevada	113	18
Ohio	110	19
Minnesota	108	20
Indiana	104	21
California	103	22
Wisconsin	102	23
Oregon	102	24
Michigan	99	25
New York	98	26
Illinois	97	27
Maryland	95	28
Delaware	93	29
Pennsylvania	83	30
Missouri	78	31
New Jersey	77	32
Arizona	72	33
Oklahoma	71	34
Virginia	70	35
West Virginia	67	36
South Carolina	51	37
North Carolina	51	38
Kentucky	50	39
Texas	49	40
Tennessee	46	41
Alabama	41	42
Florida	38	43
Arkansas	37	44
Mississippi	36	45
Georgia	36	46
New Mexico	35	47
Louisiana	32	48

Mr. BENNETT. Mr. President, the implication is obvious. Dr. Thorndike puts it this way:

> We may conclude that the production of superior men is surely not an accident, that it has only a slight affiliation with income, that it is closely related to the kind of person residing in New England and in the block formed by Colorado, Idaho, North Dakota, South Dakota, Utah, and Wyoming, from 1870 to 1900, and that these persons probably diverged from the average of the country toward the qualities which make persons in 1930 learn to read, graduate from high school, spend public funds on libraries rather than roads and sewers, own their own homes, avoid homicide, be free from syphilis, etc.[2]

An earlier study by Dr. Thorndike, limited to outstanding men of science, showed similar results. Utah again led the other States of the Union by a great margin, with Colorado second, followed by four New England States.[3]

From these studies it is apparent that the West contributed more than its proportional share to the leadership of this Nation, both in general fields and in the field of science.

Why do the Western States and New England excel so consistently in the number of outstanding men they produce in proportion to their population? Is it the climate? Is it the type of people who settled these two areas? Is it the similarities in the land of the two areas, both which are rugged and rocky, and not ideally suited to agriculture?

Perhaps the reasons are not the same for both regions. In the case of the West, I believe the very thing which Mr. Webb calls the West's greatest problem—the desert—is to a considerable extent responsible for the superiority of the region in the studies referred to. The West makes extraordinary demands on those who attempt to wrest a living from its soil. Agriculture in most of the West is dependent upon irrigation, and the westerner puts far more effort into the production of a bushel of wheat, corn or apples than does his counterpart in the more humid areas of the country.

This fact, during the early days of the West, served to discourage those settlers who were too lazy, too indifferent or too weak to live the hard life of a westerner, and those less hardy souls usually moved to some less demanding climate.

Aside from the number of outstanding men produced by the West, there is another criterion of the caliber of people to be found in this region, and one which is more general. This is the outstanding record of the West in the field of education.

In the number of school years completed, the Pacific and Mountain States lead all other regions of the Nation, with averages of 11.5 and 10.7 years, respectively, compared to a national average of 9.3. Utah, incidentally, leads all the States with an average of 12 years.[4]

A study of the educational achievements of the various States, prepared by Raymond M. Hughes and William H. Lancelot, rated the States on the basis of "all-around rank" in the general performance in education. Utah again led the rest of the nation, and 13 of the top 16 States were from the West.[5]

From these facts, I think it can be readily seen that far from being a "land of deficiencies" as Mr. Webb characterizes it, it is in many important respects a land of achievement.

It is true, as Mr. Webb says, that the West has had a brief and perhaps a bizarre history compared to other sections of the country. He notes that "aside from the Spanish effort, which resulted in failure, everything that happened there occurred yesterday—almost within the long life of one man." But perhaps this brevity of western history is one of the reasons why the area is more concerned with the future than with the past, and why it is today concentrating its efforts on learning to use more effectively the limited resources it has.

STEEL

Mr. MARTIN of Pennsylvania. Mr. President, in the year 1857 William Kelly, a native of the city of Pittsburgh, living in Eddyville, Ky., at the time, received a patent that made it possible to produce steel by the ton rather than the pound. This ushered in the "Age of Steel."

Although Henry Bessemer, an Englishman, had received United States patents on the same process in 1856, William Kelly proved priority of invention a year later. In 1870, Kelly's United States patents were renewed while Bessemer's were denied renewal.

Thus our steel industry's 100th birthday will be saluted throughout the land between May 1 and December 31. The Federal Government will mark the occasion by issuing a special commemorative 3-cent postage stamp. First-day sale of the stamp will be in New York City on May 22 during the 65th general meeting of the American Iron and Steel Institute.

The steel industry is intimately identified with the Commonwealth of Pennsylvania. But the Nation, and Pennsylvania, have grown mightily on the industrial progress set in motion by William Kelly's tinkering in his little-known ironworks in Eddyville.

Today the United States alone far outstrips the steel production of Russia and all her satellites combined. As of the first of this centennial year, plants in Pennsylvania had a steelmaking capacity of 35,801,910 net tons, greater than that of West Germany, Great Britain, France, or Japan. Pennsylvania's steelmaking capacity alone represents two-thirds of the total production of Russia during 1956.

There are 33 steel producing companies in Pennsylvania, with 45 plants in 38 communities. Last year an average of more than 200,000 Pennsylvanians were employed by steel companies. Their total earnings amounted to more than $1 billion.

The roster of steel companies with producing furnaces in Pennsylvania represents a Who's Who of industrial achievement and includes Armco Steel Corp.; Alan Wood Steel Co.; Allegheny Ludlum Steel Corp.; Alco Products, Inc.; Babcock & Wilcox Co.; Baldwin-Lima-Hamilton Corp.; Bethlehem Steel Co.; Braeburn Alloy Steel Corp.; A. M. Byers Co.; Carpenter Steel Co.; Colonial Steel Co.; Crucible Steel Company of America; Edgewater Steel Co.; Erie Forge & Steel Co.; Firth Sterling Inc.; Harrisburg Steel Co.; Heppenstall Co.; Jessop Steel Co.; Jones & Laughlin Steel Corp.; Latrobe Steel Co.; Lukens Steel Co.; Midvale-Heppenstall Co.; Mesta Machine Co.; National Forge & Ordnance Co.; Pittsburgh Steel Co.; Phoenix Iron and Steel Co.; Sharon Steel Corp.; Union Electric Steel Corp.; United States Steel Corp.; Universal-Cyclops Steel Corp.; Vanadium-Alloys Steel Co.; Vulcan Crucible Steel Co.; Washington Steel Co.

While Pennsylvania is justifiably proud of its predominant position in the development and present state of the steelmaking art, I would be remiss in my obligation to my colleagues if I did not concede that many other States have played, and continue to play, a vital role in this great industry.

Samuel Higley, for example, of Simsbury, Conn., is credited with producing the first steel in America, around 1725. What is believed to be the first

[2] Ibid., p. 430.

[3] The Improvement Era, February 1944, p. 77.

[4] Statistical Abstract of the United States, 1955, p. 114.

[5] Education—America's Magic, by Raymond Mollyneaux Hughes and William H. Lancelot, 1946, p. 85.

steelworks in America was established in Trenton, N. J., in 1734. The first successful ironworks in the colonies was built at Saugus, Mass., in 1646. George Washington himself was the son of a Virginia ironmaster. But the first blast furnace, to produce molten pig iron for steelmaking furnaces, was built in 1792 at the site of what was to become the great steel center of Pittsburgh.

The steel industry exerts a tremendous influence for good on the economic health of America. For example, in 1956 alone, steel companies spent $1.2 billion for expansion and modernization. In 1957 the companies plan to spend $1.7 billion. This creates thousands of jobs in many lines of work. Today, our iron and steel industry represents an investment of $12 billion and employs 675,000 men and women in jobs where wage levels are in the top 10 percent of all industrial workers.

There is now much discussion that the large steel companies are playing too much part in the steel industry. Some figures are of interest: In 1902 the United States Steel Corp. produced two-thirds of the steel in the United States. Fifty years later it produced less than 30 percent of the steel produced in the United States; 287,679 individuals own stock in the United States Steel Corp.

What of the future of the great steel industry? The industry produced 1,390 pounds of steel per capita in 1956, against 300 pounds per person in 1900. Each year Americans use more steel. By 1975 our population, now 170 million, will be close to 200 million. Steel is our cheapest metal and there is every indication that continued advances in its use and technology will advance its position as the basic material for our economic growth in the years ahead.

DEATH OF EDMUND WARREN FLYNN, CHIEF JUSTICE OF THE SUPREME COURT OF THE STATE OF RHODE ISLAND

Mr. PASTORE. Mr. President, at 4:15 last Sunday afternoon in Our Lady of Fatima Hospital, which overlooks the city of Providence, there died Edmund Warren Flynn, chief justice of the Supreme Court of the State of Rhode Island.

This passing of a great man and a great mind gives me a sense of keen personal loss. It was the passing of a friend—the passing of an idol.

It was my first day in public office—that January day of 1935—when Ed Flynn, as I have always known him, ascended to the chair of the chief justice. It was my first day in the general assembly, and my first vote was to confer that honor on my brother representative, Ed Flynn.

Our Governor of that day is my colleague of this day, the senior Senator from Rhode Island, the Honorable THEODORE FRANCIS GREEN.

My pride in my vote for Ed Flynn has increased with the years. As a youthful lawyer I looked up to the inspiration of this able jurist. As a fellow townsman I felt I knew intimately this ideal citizen who walked humbly with his neighbors. He lived his circumspect and modest life in the very circles of his youth; a humble parishioner, although his church showered him with honors, although colleges added to the degrees he had won with high scholarship.

Later, as Governor of my State, I relied heavily on the advice and counsel of my chief justice. The traditional separation of powers between the executive branch and the judiciary was meticulously observed, but there was never any separation in our respect, admiration, and affection for one another.

The life of Ed Flynn is proof of the opportunity which America offers to the able and ambitious. He served that America well—as soldier, statesman, jurist, and genial, gentle, generous neighbor.

Great causes will miss his eloquence. Individual crises will miss his wisdom. Thousands who cannot quite put their emotions into words will miss something of the stability of the security that Ed Flynn symbolized.

Many of us will miss a valued friend.

May he rest in peace.

THE CANCER STORY—A CHALLENGE TO ALL

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an outstanding article entitled "Cancer Story: Challenge to All," published in the Sunday magazine section of the Denver Post for April 21, 1957. The author of the article is Mr. Robert H. Hansen, of the staff of the Denver Post, and a former Nieman Fellow in Journalism at Harvard University in Cambridge, Mass.

Mr. Hansen has made an intimate and thorough study of the urgent need for greater research into the causes and roots of the grim riddle of malignancy in all its forms.

I am pleased that he has drawn for some of his material and arguments upon an article which I wrote on this general theme in the February 1957 issue of Eagle magazine.

I ask unanimous consent that Mr. Hansen's effective and cogent article appear in the body of the CONGRESSIONAL RECORD, along with a moving editorial entitled "Stop Cancer," also written by Mr. Robert H. Hansen, which appeared on the editorial page of the Denver Post for April 22, 1957.

These forceful presentations, by an able and outstanding journalist, become all the more urgent when we consider the fact that, not only does the huge administration budget of $72 billion contain fewer funds for the National Cancer Institute than during the present fiscal year, but that our Government spends infinitely less on cancer research than it does to outfit a superdreadnought or just one aircraft carrier.

I know of no task more urgent than to explore every possible scientific avenue leading even remotely toward an ultimate solution of the terrible riddle of cancer, and that is why I commend Mr. Hansen's article and editorial to all Members of the United States Senate.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Denver Post of April 21, 1957]

CANCER STORY: CHALLENGE TO ALL

(By Robert H. Hansen)

This is the story of cancer. It won't be easy to read, and it wasn't easy to write. But those of us who are victims have had to face these facts, and until the American public does cancer will remain the Nation's No. 2 killer.

This is the story, too, behind the army of 16,000 volunteers who this month are campaigning door to door to raise $325,000 in Colorado for the American Cancer Society. More than 1,000 scientists, using $9 million in society funds, are now seeking a cure.

Cancer really is a body of diseases. It can take many forms and many courses. Sometimes it can be diagnosed easily and early. Other times it can be most mystifying as to diagnosis, treatment, and behavior.

Cancer falls into two general categories—unicentric and multicentric.

Under the unicentric heading fall the cancers of the stomach, intestines, uterus, skin, breast, cervix, and prostate. If the cancer is localized in one area, it can be attacked by surgery or radiation.

The rate of cure ranges from up to 90 percent for some of the skin cancers to 5 to 10 percent for the cancers of the stomach and prostate. About 20 percent of the cervix cancers and 30 percent of the breast cancers can be cured.

By cure we mean complete eradication of the disease, to the point where the majority of victims will die of something other than cancer. Generally, if localized unicentric-cancer patients survive for 5 years, they are regarded as cured.

But if the original unicentric cancer has spread to other areas, such as from the lung into the spine or a lymph node of the neck, it is beyond removal, and the cure is rare.

For this kind of cancer there are two treatments. One is X-ray, which can prolong life and make living easier, if not virtually normal, for some time.

The second is known as the endocrine treatment. The idea is to break the hormone chain which links the pituitary gland in the brain to other endocrine glands, such as the thyroid, adrenals, testes, and ovaries.

The pituitary gland sends out hormones to these other endocrine glands. Cancerous organs can exist, but not thrive, without these hormones. So the chain is broken by surgery or injections of antagonistic hormones.

This won't cure cancer. But it will slow it down sometimes so sharply that it actually disappears, only to return later. Bed patients with unbearable pain from prostate cancer have been restored to an active, useful life for anywhere from months to 10 years by this treatment. Lives of breast-cancer victims have been lengthened from months to 15 years.

Despite all claims to the contrary, there simply is no such thing as effective chemotherapy (treatment by chemical agents) for unicentric cancers. This holds whether they are localized or spread.

Then there are the multicentric cancers. These are cancers which involve more than one locality and are commonly associated with the blood-forming tissues such as bone marrow, liver, spleen, thymus, and lymph nodes. Hodgkin's disease and the leukemias, both acute and chronic, are typical examples of these cancers.

For all practical purposes, there is no cure for multicentric cancers. But by their very perverse nature, some of their victims can live 20 or 30 years without treatment of any kind. Others may survive only a few days

or weeks, no matter what medical science does for them.

The 5-year-cure assumption which applies to the unicentric cancers does not hold for the multicentric variety. Recurrence can come at any time from 1 month to 20 years.

Victims of acute leukemia may die in days, usually in months. Life can be prolonged at most for a year or two. Among adults, 30 percent can obtain significant prolongation of life, up to a year or so. Results are somewhat better in children's cases.

Chronic leukemia is much slower. Life expectancy is figured in years, to tens of years. But there is little evidence that those with chronic types live any longer than they did 30 years ago, despite medical advances. However, they do live better.

There are several kinds of Hodgkin's disease. Generally, average life expectancy is 4 years, but some die in weeks while others survive for 10 and 20 years.

So while there is absolutely no such thing as a cure for multicentric cancers, victims can hope for long, normal, productive lives.

Treatment can take many forms.

For chronic types of multicentric cancers, effective results have been achieved by radiation (whether by X-ray or radioisotopes such as radioactive phosphorus), nitrogen-mustard taken by injections or orally, ACTH and cortisone, or combinations of these.

Acute types are treated with various drugs which interfere with the growth of the malignant cells, administered by shot or pill, like aminopterin and 6-mercaptopurine.

Judicious treatment of the symptoms and patient care, through close management of such complications as hemorrhages, emotional ills, infections, and anemia, can substantially prolong life and relieve discomfort.

So where do we go from here?

"What America needs today is a crash program of medical research," writes Senator RICHARD L. NEUBERGER, Democrat, of Oregon, in a recent issue of Eagle magazine.

"It should be a program proportionate to the $40 billion which we seem able to spend annually on weapons of war. What war, after all, can compare with that against cancer, heart disease, mental disturbances, and other sinister maladies wracking mankind?"

Yet NEUBERGER points out that Congress and the public still think in pygmy terms with respect to combat against disease. We spend $48 million for research at the National Cancer Institute and $10 billion on naval vessels.

In recent years, Congress has doubled cancer funds, but NEUBERGER quotes the former United States Surgeon General, Leonard A. Scheele, as saying $500 million could be spent in 1 year of research at the National Cancer Institute.

"You would be certain that you could carry on your program from year to year without delay or interruption," NEUBERGER quotes Scheele. "Your top doctors and scientists would know their continued employment, at fair and adequate pay, was assured.

"They would not be tempted to break off their work to enter lucrative private practice. In addition, you could follow every possible lead or hope, no matter how remote or elusive it might seem.

"You would not have to budget so carefully and pursue only the most promising discoveries. In a war, the military often overspends because it might be fatal to the country to underspend.

"We could do that in the area of cancer research if we had a billion dollars or even half a billion dollars at our disposal."

And why not, asks NEUBERGER.

"Americans spend over $15 billion a year on liquor and tobacco. They even spend $280 million for chewing gum and $116 million for shampoos. Why not twice as much for cancer research as for gum?"

NEUBERGER notes that Congressional reluctance to tackle cancer still prevails despite the toll it has taken in Senate ranks alone. Senators Taft, Vandenberg, and Wherry, he recalls, were fatally stricken by cancer.

"Yet the Senate will move with alacrity to vote $4 billion for B-52 bombing planes, but it can cavil over barely more than 1 percent of this for cancer research," NEUBERGER complains.

During World War II, NEUBERGER continues, cancer killed two and one-half times as many people as were killed in all its battles. In 1 year cancer killed 10 times more Americans than died in 3 years in the Korean war.

What about the private, voluntary agencies?

NEUBERGER says they can't do the job alone—it is too big, too costly. Only about 25 percent of the contributions to the American Cancer Society go to research—or about $8 million of the $30 million to be raised this year. The rest goes to education and service.

Still, more than $50 million will be spent this year on research, including Government appropriations and other donations. In 1945, only $1 million went into cancer research. However, the Department of Agriculture and Du Pont both spent more on other research last year.

Every year another 500,000 Americans are stricken by cancer. Another 250,000 die.

So NEUBERGER's demand for a crash program in public health is gaining support in Congress. One possibility receiving close study is the appropriation of $5 million to $10 million more a year, to draw private drug manufacturers into the cancer war.

"For a country spending $40 billion a year for armaments, there is no sum too high to invest in the well-being of its citizens," NEUBERGER concludes.

[From the Denver Post of April 22, 1957]

STOP CANCER

The battle against cancer has developed into mankind's greatest and costliest war on disease. The attack is being waged by thousands of scientists in hundreds of hospitals and laboratories. But there is no victory, or even a truce, in sight.

Since 1945, annual research funds have been expanded from 1 million to $50 million, including Federal aid. In those dozen years 2,500,000 Americans died of cancer, including such leaders as Senators Taft, Vandenberg, McMahon, and Wherry; Generals Vandenberg, Air Force Chief of Staff, and Vinegar Joe Stilwell, and Dr. Enrico Fermi, father of the atomic bomb.

Their deaths have not been in vain. Today, the attack on the Nation's No. 2 killer is being pressed on all fronts—causes, courses, detection, and treatment.

Progress, however slow and limited, is being made. Radiation and surgery now can cure 1 of every 3 victims. Earlier detection could cure another 75,000 patients a year, including an estimated 600 Coloradans who will die needlessly in 1957, because they weren't caught in time.

While important advances have been made in radiation and surgery, there is still no drug cure. Over 80,000 chemicals have been tried unsuccessfully. But enough promise has been shown that Congress has voted $20 million for cancer drug research this year.

Other research avenues have been neglected because funds are lacking. Viruses, environment, and immunity are three relatively unexplored approaches which might offer a cure or prevention.

Nevertheless, cancer research has entered a new era of hope and plenty. Chemotherapeutic agents are being sought in such unusual places as insect larvae, secretions of the lamprey eel, and the ovaries of the cow. A phantom man has been made of polystyrene to study X-ray penetration. Radioactive isotopes have been introduced into tumors to find some way to damage malignant cells. Studies are under way into the effect of psychological stress on malignant neoplasms. An ultrasonic microscope is being constructed to learn more about cell structure, electronically.

About $70,000 has been allocated by the American Cancer Society for research in Colorado. One of 10 ACS projects at the University of Colorado medical center has been described as of Nobel prize proportions.

But when we stop to realize that 40 million now-healthy Americans eventually will get cancer, the war on this cruel killer still seems pitifully small—particularly compared with a $40 billion peacetime defense budget.

And it is a national disgrace that Americans still spend 390 times more in liquor stores, 100 times more at racetracks, and 11 times more for chewing gum than they give to the American Cancer Society.

So when the 1957 Cancer Crusade comes to your door this month to raise $325,000 in Colorado and $30 million nationally, think of your neighbors—two of every three families in your block, and every block, will suffer the ravages of cancer.

No appeal to give generously, then, should be necessary.

PANAMA CANAL: NEW DEFENSE ROLE

Mr. MARTIN of Iowa. Mr. President, during the week of April 21–26, 1957, the Isthmus of Panama was the scene of extensive combined exercises by the Army, Navy, Marine Corps, and Air Force. Conducted on a grander scale than any peacetime maneuvers in that area since prior to World War II, they effectively demonstrated the profound changes in defense concepts concerning the defense of the Panama Canal that the development of modern weapons has caused.

Extensively reported in the press of the United States and other nations, the new concepts of defense should gain wide acceptance. Thus, it is with considerable gratification that along with former Representative Willis W. Bradley, of California, I was one of the first in the Congress to stress this transition, and to strongly express my views in regard to it. In many statements I have emphasized that the defense of the Panama Canal, like that of the other key transportation centers, is not a matter of passive measures of construction design, but a major responsibility depending upon the combined military, naval, air, and industrial might of the continental United States, coupled with statesmanlike conduct of its policies.

Among the many summaries of these maneuvers and the lessons learned I have read with special interest that by Hanson W. Baldwin, distinguished military critic, in the New York Times of April 28, 1957. Though not dealing with the fundamental problems involved in the design or operation of the Panama Canal, Mr. Baldwin emphasizes the change in Panama Canal defense concepts from pre-Pearl Harbor days to the present. He stresses that it is no longer the "strategic focus" of "defense thinking," and that its primary protection will depend on strategic reserves in the continental United States.

To make this news story more widely available for present and future reference, I ask unanimous consent to have it printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW DEFENSE ROLE FOR CANAL SHOWN—PANAMA TRAINING EXERCISE DEMONSTRATES ECONOMIC AND STRATEGIC PRIORITY

(By Hanson W. Baldwin)

FORT CLAYTON, C. Z., April 27.—The role of the Panama Canal in economics and strategy was highlighted this week by Carib-Ex, one of the largest training exercises held in the Canal Zone since the war.

The combined exercise of the Army, Navy, Marine Corps and Air Force was for psychological, political and military effect.

Delegations of defense ministers or high-ranking officers from 18 Latin-American countries watched an amphibious and helicopter landing by the Marines and a parachute drop and air landing by two Army battalions. Both were supported by Air Force and Marine aircraft.

Chile and Haiti were the only Latin-American countries that did not send delegations. Chile was represented by one officer from Washington, a member of the Inter-American Defense Board.

SOLIDARITY EMPHASIZED

The exercise was intended to promote inter-American solidarity. This objective is, in fact, the primary mission today of United States defense forces stationed in the Canal Zone. Both the Army and Air Force have operated Latin-American military schools in the Canal Zone for some time.

The Unified Carribean Command, under Lt. Gen. R. M. Montague, has a title that is misleading. Actually it has little to do with the Caribbean and no jurisdiction over water areas on either side of the Panama Canal. They are under the commanders of the Atlantic and Pacific fleets.

One of the primary purposes today of the Caribbean command is to promote hemispheric solidarity. Military aid missions in Latin-American countries come under General Montague. He and his component commanders of the Army, Navy, and Air Force spend much time traveling through Latin America.

The mobility, speeds and ranges of modern weapons have changed the defense picture so greatly that it is now agreed General Montague still has responsibility for the defense of the Panama Canal. But it is generally conceded that the Panama Canal is indefensible in an atomic-missile war.

The first line of defense of the Panama Canal in nearly any type of war lies far beyond Panama. Panama is close enough to the United States to be aided quickly by air or even by sea in an emergency, as this week's exercise showed.

SABRES SHOW STRATEGY

Supersabres twice flew the round trip nonstop with refueling in the air. It was a total of 4,000 miles from Texas to Panama. They demonstrated the capability of supersonic fighters to deliver nuclear strikes quickly from bases in the United States.

These changes in modern weapons put the Panama Canal's first line of defense far out in the Pacific and along a chain of islands that ring in the Caribbean Canal Zone defenses. In the future it will be primarily dependent upon the strategic reserve in the United States. This does not mean that the Canal Zone will be left completely without defense forces. But the Canal Zone today is low in strategic priority. To one who was here in the days when the canal was the focus of United States strategic thinking, the changes in the defense picture here are amazing.

There are virtually no naval forces here. Submarine and naval patrol plane bases are in a caretaking status. Great gun batteries that once guarded the canal against a naval attack are gone. There are only two antiaircraft battalions here and one Army infantry regiment. The latter has no field artillery.

More amazing is the fact that there is not a combat aircraft stationed permanently in the Canal Zone. France Field, once swarming with aircraft, is commanded by a second lieutenant. The Canal Zone administration may eventually take over this field and possibly Albrook Air Force Base also.

Nike antiaircraft batteries will eventually replace the present antiaircraft guns. The Canal Zone's other needs in any emergency short of a nuclear war could be supplied quickly from a central strategic reserve in the United States. The canal probably will never again occupy the same permanent strategic position it did in the days of the 1930's and in World War II.

The reason for this is clear. Then naval power was the key to the defense of the United States and we had a one-defense responsibility.

AIRPOWER CARRIES BURDEN

Today airpower has assumed many of the burdens of defense formerly shouldered by surface ships. In any case we have had since World War II a two-ocean Navy mobilized to meet any naval threat.

Moreover, none of our most modern men of war can pass through the canal. All aircraft carriers with modern canted decks are too broad in beam for the present locks.

STRATEGIC ROLE CITED

But Gov. William E. Potter, of the Canal Zone, believes that the canal is of vital defense interest to industry of the United States.

Many agree with him, particularly in referring to a cold war or in any kind of a hot war short of a nuclear war. For it is an ocean highway for more and more of the vital strategic raw materials that the United States needs in increasing amounts.

All this seems to mean that the Panama Canal will be maintained, guarded and protected not only because of its great importance to international shipping but because in the long-term view it is probably of vital or great importance to the economic welfare of the United States.

But it is no longer the strategic focus of United States defense thinking. And the canal's primary defense will not be based on the Canal Zone but on the strategic reserve in the United States.

NEGLECTED DEVELOPMENT OF COLUMBIA RIVER BASIN

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the CONGRESSIONAL RECORD an outstanding editorial entitled "Operation 'Hobble' on Mighty Columbia," published in the Denver Post of April 21, 1957.

This editorial in a newspaper devoted to the public welfare emphasizes how the present national administration has neglected and abandoned the development of America's greatest river system, so far as potential waterpower is concerned.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

OPERATION "HOBBLE" ON MIGHTY COLUMBIA

About 25 years ago the Federal Government launched a program to build large hydroelectric dams on the Columbia River and its major tributaries. Some of the dams were multipurpose, meaning they were intended not only for generation of electric power, but for reclamation, flood control and—to a lesser extent—navigational benefits, too.

That program was not undertaken through an authority as a similar one was in the Tennessee Valley. All the States and all the Federal agencies cooperated, each, undisturbed as to its statutory authority, but all held together on a single program goal by the executive branch of the Federal Government and a like-minded majority in the Congress.

Now that program has been broken up. Its disintegration started before the Republicans moved in Washington in 1953. It began to hit snags interposed by economy-minded Congressmen who saw no distinction between investment in river basin development and spending of general fund money—billions of which were paid by nonwestern taxpayers. And of course this opposition was encouraged by handsomely financed and tireless lobbyists on the payroll of private utilities who saw (and still see) Government power as a social malignancy of danger to the business managed electric power companies in the West and elsewhere.

Well, the Eisenhower administration has further slowed down the river basin development program by pulling away from dam sites where private public utilities evince an interest in exploitation, and by taking a dim view of such investments unless—as in the upper Colorado River project—something other than public power generation is a primary benefit. And the Eisenhower policy, which we assume is based in part on sincere ideological doubts about public power, has cost the GOP dearly in States drained by the Columbia River.

To anyone who understands the history of the controversy in the Pacific Northwest, the present frantic maneuvers of the administration to merchandise its partnership gimmick in the ballot bazaars of Oregon, Washington, and Idaho are funny. Even the Democrats in Congress from that region are adding to the hilarious confusion, apparently more interested in capitalizing on the political opportunities inherent in the administration's stand, than in developing their own river.

The Columbia River rises in Canada and flows westward into the Pacific. It is not our river as much as it belongs to the States through which it flows. But in another sense it is an asset that belongs to the Nation, as indeed it proved to be when the gigantic aluminum industry that sprung up from its great power wheels contributed so much to the American air armadas that helped win the war.

We regret, therefore, that the enormous value of that great river of the West is being sacrificed to the delaying tactics and obstruction of pettifogging politicians. And we can only be glad that as much work was done before the onslaught of timid men, feckless compromisers, slick special interests, and wreckers brought things to their present impasse.

SENATOR CHURCH DEFENDS THE WEST

Mr. MANSFIELD. Mr. President, on Monday of this week I had inserted in the CONGRESSIONAL RECORD an article by the noted historian, Walter Prescott Webb, entitled "The American West: Perpetual Mirage."

I found Professor Webb's article very interesting. He arrived at a number of new conclusions as to the forces which have shaped the West, namely, the desert. He points to what he considers the lack of great statesmen in the West, and suggests that western history is brief and bizarre.

Many persons may take exception to Professor Webb's thesis and his findings.

The distinguished junior Senator from Idaho [Mr. CHURCH] is one. The Senator objects to the irrelevance of a great deal of the facts and data presented, and explodes a number of Professor Webb's theories.

The junior Senator from Idaho presents his views in a letter addressed to Harper's Magazine, and so that the Senate may have the benefit of the views of this very able Representative of the West, I ask unanimous consent that the letter, dated April 25, be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
April 25, 1957.

The EDITOR, HARPER'S MAGAZINE,
Philadelphia, Pa.

DEAR SIR: Walter Prescott Webb has woven an intriguing fabric from rather insubstantial yarn. I am not critical of his thesis; it is interesting, and as valid, I suppose, as any other about the fact of geography or climate as an influence upon people or nations.

Irrelevance is the vice to which I object. Professor Webb's theory that the desert is the unifying, shaping force of the West is irrelevant to the facts he advances to show that somehow the West is a less productive region than the rest of the country in human resources, traditions, and future. If the West is desert (and I know of no thoughtful westerner who fails to recognize the fact and impact of the desert) that may explain its newness.

But the desert does not make the West a mirage, nor does it explain the absence of westerners in the biographical encyclopedias, or in the Hall of Fame. My State is younger than Professor Webb. When he was born, Idaho's population and Arizona's were each 88,000. The desert States of Wyoming and Nevada had 110,000 people between them. The same four in 1950 shared a population of 1¾ million. Between 1890 and 1950 (Mr. Webb, I am informed was born in 1838) the population of all the 11 Western States increased sixfold; the rest of the country but little over twofold. A Toynbean approach to history might persuade the eminent Texan to get a little more perspective before consigning our region to intellectual limbo. Our biographers and historians may yet have something to say.

Indeed, there is more to be said now than Professor Webb says. Chief Joseph is to me as attractive an historical personality as any Revolutionary or Civil War general, and more authentic. Brigham Young from Vermont and William E. Borah from Illinois in Mr. Webb's view do not qualify as westerners. In my view they do, and great ones.

Professor Webb's statistics are selectively presented. He mentions east Texas, Oklahoma, and the three Pacific States as having practically all the West's timber. Idaho's 96 billion board feet exceeds Texas' 26 billion feet substantially; Oklahoma has 6 billion feet. The Rocky Mountain States (all classified by Mr. Webb as desert) have 236 billion feet, Texas and Oklahoma hardly qualify to be included as big timber producers with any single Mountain State, much less with California with 360 billion feet and Washington and Oregon with 748 billion feet.

Other statistics could be piled up to refute the vacuum theory espoused by Mr. Webb. Oil, grain, beef, and myriad other contributions flow eastward to feed, enrich and make mobile the trans-Mississippi civilization. True, Mr. Webb has placed the Midwest on the desert's rim, along with his beloved Texas, but even without his designated rim States, the eight States he has indicated as the heart of the desert make monumental contributions to the remainder of the Nation.

As historian, Walter Prescott Webb spurns the impact of the West's violent and compressed history upon the Nation, and takes as a measure the hour-glass of tradition and the shadows of the Founding Fathers. Western history is brief and bizarre, but that its material is deficient is a statement so obviously incorrect that it hardly warrants comment.

The West, writes Mr. Webb, "came on the scene too late to participate in the founding of the Nation or to prevent its dissolution in the Civil War." So did Mr. Webb. My own State, before statehood, made a major contribution to the preservation of the Union during the Civil War. Idaho's gold fields poured out their yellow metal during the entire conflict, the major source of gold to purchase the sinews of war for the Federal cause.

It is true that great armies did not struggle to valiant victory or extinction upon our vast plains and mountains; but consider the accomplishments of individuals and small groups who conquered this formidable wilderness in epic odyssey. Show me a trek as adventurous as that of Lewis and Clark. It was this great exploration which gave the Nation its firm claim to the Pacific Northwest.

I have mentioned Chief Joseph of the Nez Perce Indian tribe. He outthought and outfought four ranking Civil War generals in his 1,700-mile quest for sanctuary from the white man's avarice. He was outnumbered, outgunned, and surrounded by hostile foes on every side—yet he carried his entire tribe and 3,000 head of horses across three States toward a junction with Sitting Bull, camped across the Canadian border in 1877. He lost his last battle, but his tactics have been studied from West Point to St. Cyr, and he stands in heroic stature as one of the greatest of American military geniuses. Where was the superiority of the civilization beyond the desert's rim when Joseph—Thunder Rolling in the Mountains—matched his native wits against the veterans of the 7th Cavalry?

There are other names from my own State and region that I would mark high in the halls of Valhalla. But Mr. Webb can find them by a little research beyond the Texas trees that screen his view of the Idaho forest.

Sincerely,

FRANK CHURCH,
United States Senator.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. MANSFIELD. I am glad to yield.

Mr. CHURCH. I thank the distinguished Senator from Montana for having taken note of my remarks with respect to the article written by Professor Webb, and also for the courtesy of having those remarks included in the CONGRESSIONAL RECORD. I wanted the Senator to know that I sincerely appreciate his action.

Mr. MANSFIELD. I express my thanks to the distinguished junior Senator from Idaho. I point out to him that I agree with him in his thesis that there have been some great statesmen produced in the so-called desert West. I can recall William Borah, from the Senator's great State of Idaho; Tom Walsh, from Montana; and numerous others as well.

So I am delighted that the Senator from Idaho saw fit to write the letter, for I am quite certain that the education of the good professor will be enhanced as a result of it.

Mr. CHURCH. I thank the Senator from Montana.

THE BUDGET—ADDRESS BY SENATOR BYRD

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point the text of a speech I made before the United States Chamber of Commerce earlier today.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

America is founded on the democratic principle that the will of the people shall prevail. I have served in the Senate for nearly 25 years. I have seen many citizens coming to Washington asking for appropriations, and I have received thousands of letters for the same. But I have never before witnessed anything like the present demand from the grassroots in all sections of the country for retrenchment in Federal spending. Senators and Congressmen are deluged with mail for reduced spending.

This started when the President submitted the pending budget, which I call a luxury budget on a global basis. It is a luxury budget because it increases more than 350 appropriations. It sows the seed for future spending. For example, it proposes 14 new grants to the States to be added to the 53 grants programs now existing. It is a global budget. Eighty nations are, or have been, recipients of American foreign aid.

INFLATION TAKEN INTO ACCOUNT

It is the largest peacetime budget in our history. I say with all sincerity that from a fiscal standpoint it is the most irresponsible budget submitted in my day. I document this statement by comparison with the largest peacetime budgets of the Roosevelt and Truman administrations. President Roosevelt was not noted as an economizer. His highest peacetime budget, in 1941, was $13.3 billion, and even then Europe was already at war. That was when the dollar was worth 100 cents by the 1935–1939 index. On the basis of present 50-cent dollars his 1941 budget would total $26.6 billion. The pending budget is nearly three times that amount. The highest peacetime budget of the Truman administration, in 1950, was $39.6 billion. The pending budget is nearly $30 billion higher than President Truman's peacetime peak after taking into account the drop in dollar value since 1950.

This comparison is important in any consideration of the contention that the size of the pending budget is largely due to 50-cent dollars resulting from inflation.

The American people are alarmed over consequences of continuing reckless public spending, and they have good reason to be. They have taken aggressive initiative for reduction in public spending. If our democracy means what we so often boast: Our citizens rule our Republic through their elected representatives, the President and the Congress should heed their voice.

There is a great tide of protest coming to Washington, and it must be continued with increasing vigor in order to accomplish the purpose. To comprehend this nationwide protest, we should understand that it is in culmination of excessive Federal spending over 26 years. We were at peace in 18 of these years. In this period there have been 20 deficits, 13 in peacetime years. With notable exception in fiscal years 1954 and 1955, it is what has happened to our fiscal system in the past quarter of a century that has aroused the average citizen to the peril of continued profligate spending.

The American people know fiscal solvency is the base of free government. Without it there can be no military preparedness except under totalitarian methods such as those in Russia. Without solvency, we would enter an age of international darkness. Solvency is an absolute requirement if universal confidence in our currency is to be maintained. Our free-enterprise system is the greatest deterrent in the world today to Russian aggression. This system can only exist under solvent government. While we may regard ourselves as the most powerful force in the world, it should be remembered that other nations also have been powerful and dominated much of the world in their day. But history records that many of these nations destroyed their position by assuming burdens beyond their capacity.

Reviewing our fiscal record for the past 25 years, I would say that the greatest evil resulting from the excessive spending has been inflation which has cut the purchasing power of the American dollar in half compared with its 1935–39 value.

I am aware that Federal spending is not the only factor in inflation, but as a matter of record high Federal spending reflects itself in depreciation of the dollar. There are, of course, other factors in the cause of inflation, but huge Federal spending is perhaps the greatest factor in the depreciation of our currency.

Terrible debt is another evil resulting from the fiscal record of the past 25 years. The direct debt of the Federal Government has increased from $16 billion in 1932 to the present debt of $275 billion. That is 1,600 percent. Interest in 1932 cost taxpayers $599 million. Now it is $7 billion yearly, or 10 percent of Federal revenue. Higher costs are in prospect. Interest rates on Federal bonds have been increased. If all the Federal debt were refinanced on the basis of the higher rate now being paid, interest costs would increase to approximately $9 billion.

Public debt is not like private debt. If private debt is not paid off, it can be ended by bankruptcy, hurting relatively few people. But, if the public debt is not paid off with taxes, the end is disastrous inflation or repudiation. Either would destroy our form of government.

In addition to the $275 billion direct Federal debt, the Federal Government has accumulated contingent liabilities of at least $250 billion. These are obligations the Federal Government has guaranteed and insured, such as $40 billion in Federal housing programs.

The direct Federal debt is equivalent to the full assessed value of all the land, all the buildings, machinery, livestock, and everything of tangible value in the United States. This does not include State and local public debt which totals $50 billion. Individuals and corporations owe $466 billion more, making a grand total of indebtedness of approximately $800 billion. This is an increase of one-third in 4 years.

We are mortgaged to the hilt, and it is not a pretty picture. It makes one wonder to what extent present so-called prosperity is based on new debt which must be paid or refinanced at increasing interest costs.

If we continue toward insolvency in the future as we have in the past, we will destroy the greatest free government in the history of the world. It is time to take heed, stop squandering public money, turn around and start conserving our national credit. What we spend we must pay from taxation or add to the public debt as a deficit.

Power always follows the purse and herein lies another evil of growing Federal expenditures. Vast Federal expenditures are insidiously destroying the rights of the States and local self-government. Taxes collected from the American people to pay for Government programs, projects, and activities are now estimated at approximately $110 billion. Of this total tax take, $80.6 billion is collected by the Federal Government and $30 billion by the State and local governments.

Federal expenditures were reduced to a total of $64.6 billion in fiscal year 1955. Since that date they have been increasing each year and now we have the estimate of $73.6 billion for the coming year, including Federal expenditures for public roads. The great portion of this increase has been in strictly domestic-civilian programs, projects, and activities—exclusive of all national security and foreign-aid expenditures. The domestic-civilian expenditures reached a low point in the postwar era in 1954 when they totaled $19.1 billion. Compared with the estimate of $28.9 billion for the coming year, there is an increase of $9.8 billion, or 51 percent in 4 years.

The proposed new public school-construction program is an example of the increases in the domestic-civilian area which open up vast fields for enormous Federal spending. The President says this program will be limited to an expenditure of $2 billion over a 4-year period. The record shows that Federal grants to States have grown from $250 million in 1932 to $5.4 billion proposed in the pending budget. This is an increase of 2,000 percent.

When the President says the new Federal school construction would terminate in 4 years, I invite attention to the fact that when the Marshall plan was adopted, President Truman gave solemn assurance to the American people that it was an emergency plan limited to 4 years at a cost of $15 billion, and the law then enacted so provided. The fact is that this so-called emergency foreign-aid plan has continued for 10 years, and has cost approximately $55 billion. Great effort is now being made to make foreign-aid spending permanent, and its scope has been enlarged to include more Middle East countries. Current suggestions would even eliminate annual appropriation review by Congress.

Experience is the best teacher. We must not be misled by thinking that peacetime appropriations begun in the name of emergency will not be continued in future years in the name of necessity.

The present budget is in precarious balance. A surplus of only $1.8 billion is estimated when the year ends June 30, 1958. This surplus, which amounts to about 2 percent, is based on two unpredictables. It contemplates an increase of approximately $700 million from higher postal rates, which have not yet been approved by Congress. I believe the Post Office Department should be self-sustaining, and it is my purpose to vote for proper increase in postal rates, but it should be noted that the estimated budget balance counts on postal-rate increases that have not been authorized by law.

The second unpredictable lies in the fact that the budget for fiscal year 1958 anticipates a 6-percent increase in tax revenue from existing sources. This, of course, anticipates more inflation. The Government plans in advance to spend this revenue from inflation. The fact is, however, that no one can safely predict that such revenue will develop.

Based on this slender margin, tied to two unpredictables, it is very possible that there may be a deficit in the coming year instead of a surplus.

Quotations from two eminent authorities are appropriate here. Secretary of the Treasury Humphrey, one of the most outstanding financial experts in the United States, regarding this spending budget said: "There are a lot of places in this budget that can be cut, and, if the upward trend of spending is not stopped, we will have a depression that will curl your hair."

This assumes the Federal Government has left us some hair to curl.

Now listen to a great and respected world economist, Mr. Per Jacobsson, the managing director of the billion-dollar International Monetary Fund, speaking before the Economic and Social Council of the United Nations on April 17, 1957. He warned of increasing acute dangers unless key nations, particularly the United States, curtailed Government spending.

He said, and I quote: "A stage has now been reached where a return to monetary stability is demanded with growing insistence by the public."

After expressing uneasiness in regard to recurrent increases in the cost of living, he then said: "History has shown that those countries that have safeguarded the value of their currencies have reaped the benefit of a sustained flow of savings which has enabled them to maintain a high level of investment."

There are two fields for reducing Federal expenditures. The first is elimination of waste and duplicated effort and requirement of more economical administration. This is a broad and very fertile field for reduction. For example, we have 2,392,987 regular Federal employees. Yet the Eisenhower budget proposes to increase these employees by 31,500.

In addition to these Federal employees, there are 271,578 foreign nationals employed overseas: 26,100 in France, 98,463 in Germany, 128,030 in Japan, etc.

I believe there is hardly an agency of the Government that cannot reduce its administrative or so-called overhead expenditures by 5 to 10 percent and still function effectively.

Every businessman knows how deadening is nonproductive overhead expense. The administration has signally failed to reduce overhead, notwithstanding the able Hoover Commission reports.

The second field for reduction is elimination of programs. When we consider the extent to which the Federal Government has usurped State and local activities, and the vast expansion of Federal programs into areas far afield from proper Federal activities, there should be no fear in attacking Federal programs, especially those which can be more efficiently conducted by States and localities, or by the people themselves.

There are 37 million citizens receiving Federal checks. Add to this number their dependents and you probably have a majority of the population. Let us never forget that perhaps the most fundamental principle of our democracy is that the people must support the Government and not the Government the people.

When budget reduction is under consideration it should be understood that frequently there is vast difference between annual expenditures and appropriations for the same year. This is inherent in current Federal budgetary procedure under which programs, projects and activities are funded by appropriations far in advance. Under this procedure Federal agencies, in many accounts, each year carry over huge unexpended balances in previous appropriations which continue available for expenditure in future years, usually without further consideration or action by Congress.

Federal agencies will start fiscal year 1958 on July 1 with $70 billion in unexpended balances in prior year appropriations. If the President's request for $73.3 billion in new appropriations should be granted in full, total expenditure availability would be more than $143 billion, and if highway trust fund appropriations and balances were added the total would exceed $150 billion.

Of the $73.3 billion requested in regular new appropriations and authorizations, approximately $25 billion would be for expenditure in some future year; and of the $71.8 billion expenditure estimate, more than a third would be spent from balances in prior year appropriations. In this situation it is likely that an undetermined amount of any reductions made by the Congress in pending

new appropriations may simply reduce balances to be carried over for expenditure in some subsequent year; with no effect on actual expenditures in the coming year.

In the days ahead when you see in the newspapers that this and that appropriation has been cut, don't be too jubilant until you are certain that it is a 1958 expenditure cut and not an appropriation cut for some future year, which, of course, can be restored.

Expenditure cuts require joint action of the executive branch and the Congress. The President controls the timing and the amount of Federal spending. The President can effectively control spending out of appropriations and balances.

When Mr. Eisenhower came into office in January 1953, he was confronted with a budget for fiscal year 1954 prepared by Mr. Truman as the outgoing President. This Truman Korean war budget was $79.6 billion. Mr. Eisenhower reduced it to $67.8 billion. It is fair, however, to state that about two-thirds of that reduction was due to the ending of the Korean war. In fiscal year 1955, Mr. Eisenhower did a great job. I pay tribute to him for it. He continued expenditure reductions to $64.6 billion, approaching his announced goal of a $60 billion budget. But in fiscal year 1956, there was an increase of $2 billion. In fiscal year 1957, there was another increase of $3.6 billion, and now for fiscal year 1958, the pending budget, including roads, proposes another increase of $3.5 billion. This would be $9 billion more than the low Eisenhower expenditure budget of 1955.

In 1953 inflation which, since 1940, had destroyed 48 cents of the purchasing power of the dollar, was halted coincident with the Eisenhower reduction in spending.

The dollar remained stable in 1953, 1954, and 1955, and began again to lose value in 1956 when spending increased. The reduced spending in fiscal years 1954 and 1955 not only halted inflation but had a dynamic effect on business expansion and business confidence for the future.

1955 LEVEL

Our goal now should be to return our expenditures to the Eisenhower level of $64 billion for fiscal year 1955. We got along very well in that year. We had adequate funds for all purposes, including the military. It was strictly an Eisenhower budget. It is possible that we cannot reach the 1955 level in the coming year, but we can work to that goal. Mr. Eisenhower has said that the people want the expenditure in his pending budget proposals. It is possible that when he prepares the next budget he may reach the conclusion that the people want expenditures at the 1955 level so we can pay on the public debt and provide for tax reduction. Certainly, this would be in harmony with the public will now so vigorously expressed.

I am convinced the President wants to follow the will of the people. It would be helpful to him if, in the preparation of the next budget, he had the assistance of a Director of the Budget who was dedicated to reduction of Federal expenditures not only for efficiency in government, but in amounts sufficient to allow debt and tax reduction.

Excessive Federal spending has placed burdensome taxes on the shoulders of the American people. We now have the highest peacetime tax collections in all history. As chairman of the Senate Finance Committee, I well know the hardships such taxes have imposed on all classes of our people. It is my conviction that the present tax level cannot be continued long without serious impairment of the competitive enterprise system and severe hardship to our citizens.

In the cold cash of Federal, State, and local taxes, we are taking from the American people one-third of the total national income.

DEBT AND TAX REDUCTION

If Federal expenditures were cut by $8 billion to $9 billion, reviving the Eisenhower budget level of fiscal year 1955, there could be a tax reduction which would revitalize our business activities, reduce hardships, and restore the profit incentive, which is the motor that makes the competitive enterprise system work and stimulates individual initiative.

I am now thinking aloud after consulting the able head of the staff of the Joint Committee on Internal Revenue Taxation as to how expenditure reduction could best be converted into debt and tax reduction.

In making this statement, I want it understood that these are my personal suggestions after consultation with the staff. I have no intention of interfering with the jurisdiction of the Ways and Means Committee, where revenue measures must originate.

It may be wishful thinking, but debt and tax reduction based on expenditure reduction can become a reality if the people demand it. I am thinking in terms of a 1955 expenditure level with the saving to be used as follows:

A payment on the public debt of $2 billion.

Increase in per capita exemptions from $600 to $700 for the relief of all income-tax payers and especially those in the lower brackets. This would reduce revenue $2.5 billion.

Relief to the heavily burdened taxpayers in the middle-income brackets to a total of $1 billion. This objective involves complex revision in bracket rates which is being worked on by the staff.

Reduction in the high-bracket rate from the present 91 to 65 percent. This would reduce revenue $225 million.

Reduction in corporate taxes from the present 52 percent rate to 50 percent. This would reduce revenue $830 million.

Relief to small business in the most effective manner. This also involves complex amendment, and the staff is working on this objective which would reduce revenue by approximately $500 million.

Reduction in the most burdensome excise taxes. This would reduce revenue by $1 billion.

All of this could be done if expenditures were held to the Eisenhower expenditure level of 1955.

MAY TAKE TWO BUDGETS

I want it clearly understood that these are merely suggestions for discussion, and that they depend upon expenditure reduction sufficient to assure a balanced budget.

I shall continue to oppose any tax reduction that results in a deficit to be added to the debt, and let us clearly understand that any tax reduction is completely dependent upon reduction in expenditures.

Such a program of reduction in expenditure, debt and taxes would be general, just, worthwhile, and preferable to negligible tax cuts in little nibbles. If necessary, I believe we should await further expenditure reduction under the next budget to provide for a comprehensive tax reduction program, after careful consideration, which would benefit all classes of citizens.

We should do all we can now to reach the 1955 Eisenhower budget level, and if it is not achieved continue the effort until the objective is gained.

Meanwhile, we should:

Enact appropriations in a single bill capable of being calculated on an expenditure basis and measured against estimated revenue; and

Adopt the Hoover Commission recommendations and administer them in a manner to accomplish the $5 billion savings which the Commission estimated could be accomplished. In this connection, the President would make a material contribution through a special message to Congress on the subject, and congressional hearings should follow through on such a message.

There is a long and difficult battle ahead, if we are to restore this country to a fiscally sound basis and reduce taxes to a point which will stimulate sound progress and individual initiative.

CHICAGOLAND COMMERCE AND INDUSTRY EXPOSITION

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 4803) to permit articles imported from foreign countries for the purpose of exhibition at the Chicagoland Commerce and Industry Exposition, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes.

RAPID DEPRECIATION AMORTIZATION CERTIFICATES GRANTED IDAHO POWER CO. BY OFFICE OF DEFENSE MOBILIZATION

Mr. CHURCH. Mr. President, at this time I wish to associate myself with the remarks made on the floor of the Senate on Monday, by the distinguished senior Senator from Virginia [Mr. BYRD], concerning the rapid amortization privileges for depreciation which have just been granted to the Idaho Power Co. by the Office of Defense Mobilization. After I learned of his remarks, I wrote to the Senator from Virginia, commending him on the stand he had taken. At this time I ask unanimous consent to have the text of my letter printed at this point in the RECORD, as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 29, 1957.

Hon. HARRY F. BYRD,
United States Senate,
Washington, D. C.

DEAR SENATOR BYRD: Your remarks on the floor of the Senate today concerning the fast amortization certificates granted to the Idaho Power Co. by the Office of Defense Mobilization are most timely. I agree with you that the granting of these certificates aggregating over $65 million is utterly indefensible. The documentation you adduced shows that the action was taken notwithstanding your request that it be withheld pending the completion of studies by your committee, and notwithstanding the inference in Director Flemming's reply that action would be withheld until your committee had made its report.

As you stated in your letter of December 28, 1956, these certificates amount to hidden costs for which no appropriation is required by the Congress. They make it more difficult to balance the budget or reduce the tax burden of taxpayers not receiving such a benefit.

In addition to the fact that public utilities are guaranteed their profits and therefore should not be entitled to this incentive benefit, this particular public utility has stated publicly that it did not need the fast amortization and could finance its expansion without this assistance. I associate myself with Senator MANSFIELD's suggestion that in this particular instance, there is the additional factor that the Government has added to these benefits a gift of the dam site itself.

The people of the United States are indebted to you for calling attention to this subsidy, and I commend and thank you for your action.

I pledge my support to S. 1795, a bill to eliminate this favoritism.

Sincerely,

FRANK CHURCH.

Mr. CHURCH. Mr. President, the issue raised by this shocking action of the Office of Defense Mobilization is one of special privilege. The rapid amortization provision was originally enacted at a time when the heavy demands of war for increased plant capacity made it appear prudent to attract risk capital for investment in war-plant expansion, by making rapid tax writeoffs for depreciation available. The peculiar wartime conditions which may have justified this provision for war plants have long since disappeared. Moreover, as the distinguished Senator from Virginia pointed out, these special tax writeoff privileges ought never to have been extended to public utilities, because public utilities are licensed to operate as monopolies, and are guaranteed their profits by law. Yet, despite these obvious facts, the Idaho Power Co. has just been granted a writeoff by way of rapid depreciation amortization tax certificates, on dams it proposes to build in the Hells Canyon stretch of the Snake River; in this case, aggregating $65,200,000.

It is foolish to assert that the privilege of rapid amortization does not constitute a special benefit to the favored taxpayer, and one which ordinary taxpayers do not share, or to maintain that the Government is in no worse position, revenuewise, than it would be if normal depreciation were taken. The Federal Power Commission and the staff of the Joint Committee on Internal Revenue both have said that the legal effect of this order is the granting of an interest-free loan. Who will seriously contend that an interest-free loan in these hard-money-policy times is not a substantial economic benefit? The use of what is, in effect, public credit for 5 years without payment of interest, is privilege enough; but the wrong is further compounded by the fact, as the staff of the joint committee has pointed out, that the company reports its capitalization for rate-making purposes without taking into account the special benefits deriving from the rapid writeoff privilege. Thus, the rate payers do not share the benefit that the company has gained.

Mr. President, I endeavor to maintain a temperate tone in my remarks; but I must say that a temperate attitude is difficult to maintain when the people of the United States, by administrative act, are compelled to grant a special subsidy to a private utility company on dams to be built on a river which has already been contributed by the people at large. The time has come to strike unwarranted privileges from our income-tax laws. I commend the distinguished senior Senator from Virginia on his proposal to do this, and I pledge him my wholehearted support.

THE 100TH ANNIVERSARY OF MODERN STEELMAKING IN THE UNITED STATES

Mr. KENNEDY obtained the floor.

Mr. BRICKER. Mr. President, will the Senator yield 4 or 5 minutes to me?

Mr. KENNEDY. I yield to the Senator from Ohio, with the understanding that I do not lose my right to the floor.

Mr. BRICKER. I ask unanimous consent that I may speak for about 5 minutes without the Senator from Massachusetts losing his right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Ohio may proceed.

Mr. BRICKER. Mr. President, this year marks the 100th anniversary of modern steelmaking in the United States. Our dynamic steel industry has been a pillar of national strength in peace and in war. In the Nation's steelmaking hub, Ohio and Pennsylvania, as in the 26 other States which produce ingot steel, special observances will be held between May 1 and December 31 to commemorate this milestone in human ingenuity and industrial progress.

I understand that the Post Office Department will issue a commemorative 3-cent stamp later this month to mark the occasion.

It was 1857 when William Kelly, an American ironmaster, received letters patent for a machine called a converter, which for the first time made possible the mass production of steel. Although Henry Bessemer, an Englishman, had received United States patents for the same process in 1856, Kelly proved priority of invention, and is recorded as the actual father of volume steelmaking in America.

An original Kelly converter, about the size of a concrete mixer, is on exhibit in the Smithsonian Institution here in Washington.

From that modest start in 1857, a total of 85 companies are now producing ingot steel in plants located in 119 communities dotted over the land from coast to coast and from the Great Lakes to the Gulf. Some 255 companies are finishing steel for the Nation's markets.

From the very beginning, Ohio has been a full partner in the growth of the steel industry. While Bessemer and Kelly, and their oxygen conversion process, are identified with Pennsylvania, one of the first open hearth furnaces was pioneered in Ohio. In 1873 the Lakeside Furnaces were built in Cleveland by Samuel Wellman. The open-hearth process used by Wellman became universally preferred after 1888, until today not more than 3 percent of our total steel output is by the Bessemer process.

Volume steel production has made possible such vital industries as autos, railroads, communications, and electric power. Steel is the basic material of our industrial might. It is Ohio's greatest industry.

Volume supply of high-quality steel also has made possible the development of the machine tool industry, in which Ohio is second to none. Today, over 300 member companies of the National Machine Tool Builders Association open their 3-day annual convention in Washington. In war and peace, the steel in machines has been the key factor in America's military, agricultural, and industrial strength.

Ohio's Mahoning Valley ranks behind only the Pittsburgh and Gary areas in steel output. But the industry, although concentrated to some extent in northeastern Ohio, is spread over the State.

The history of the industry in Ohio goes back almost to the very year that the Buckeye State was admitted to the Union. In 1804, Daniel Heaton built a smelting furnace on Yellow Creek, near the present site of Youngstown, and began casting household iron products such as kettles and stoves. About this time Cincinnati began producing nails. However, Ohio was primarily an agricultural State until after the close of the Civil War and the development of the Kelly-Bessemer invention. Ohio is still a great farm State, but the inventive milestone we celebrate this year shifted the emphasis of Ohio's economy from agriculture to industry.

Fourteen steel-producing companies have 20 plants in 14 Ohio cities and towns. The Ohio plants have a 1957 capacity of 26,596,280 net tons of steel. Here, in the order of their current annual capacity, are the Ohio steelmaking communities which are contributing so mightily to our military security and our economic well-being:

Community:	*Net tons annual capacity as of Jan. 1, 1957* [1]
Youngstown	6,500,000
Cleveland	4,260,000
Lorain	2,565,000
Middletown	2,249,000
Steubenville	2,200,000
Canton	2,063,000
Campbell	1,728,000
Warren	1,660,000
Portsmouth	1,500,000
Massillon	620,000
Lowellville	593,000
Mansfield	500,000
Toronto	136,000
Cincinnati	21,600

[1] Figures supplied by American Iron and Steel Institute.

We are very proud of our steel companies and of the men and women in management and labor who have contributed to their growth. The list of companies is impressive, and includes Armco Steel Corp., American Compressed Steel Corp., Copperweld Steel Co., Detroit Steel Corp., Empire Steel Corp., Industrial Forge & Steel Co., Jones & Laughlin Steel Corp., Louis Berkman Co., Republic Steel Corp., Sharon Steel Corp., Timken Roller Bearing Co., United States Steel Corp., Wheeling Steel Corp., and Youngstown Sheet & Tube Co.

In a world shadowed by Communist tyranny and blighted by numerous pockets of extreme poverty, the American steel industry is a monument of hope.

Under the conditions of modern warfare, it is not unreasonable to measure relative military strength in terms of steel-producing capacity. For the free world to dissipate its decisive advantage in this field would betray the potential

victims of Communist aggression and destroy all hope of liberation for those now oppressed.

Also, the economic underprivileged peoples of the world and their leaders may come to see in our privately owned and operated steel industry the only realistic alternative to collectivist philosophies which promise much but produce little. If the centennial observance which begins today rekindles faith in free economic choice, fair competition, and individual initiative, the world will be a far better place in which to live.

Ohio joins the other steelmaking States in marking a century of remarkable American progress. We look forward confidently, with the 27 other steel-producing States, to the opportunities of the century to come.

I am indeed happy to join with my distinguished colleague from the State of Pennsylvania in his expression in the Senate a while ago on the position of his State in this great industrial enterprise.

I thank the Senator from Massachusetts for yielding to me.

SELECTION OF SENATORS WHOSE PORTRAITS ARE TO BE PLACED IN THE SENATE RECEPTION ROOM (S. REPT. NO. 279)

Mr. MONRONEY. Mr. President, if the Senator from Massachusetts will yield to me, I should like to suggest the absence of a quorum.

Mr. KENNEDY. Very well.

Mr. MONRONEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair.) The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MONRONEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, as chairman of the Special Senate Committee on the Senate Reception Room, established by Senate Resolution 145 of the 84th Congress, as amended, I wish to report to the Senate that our committee has completed its deliberations, and its surveys of scholarly and senatorial opinion as described in the committee report, and recommends that there be placed in the 5 unfilled spaces in the Senate reception room paintings portraying the following 5 outstanding Senators of the past:

Senator Henry Clay, of Kentucky, who served in the Senate 1806–7, 1810–11, 1831–42, 1849–52. Resourceful expert in the art of the possible, his fertile mind, persuasive voice, skillful politics, and tireless energies were courageously devoted to the reconciliation of conflict between North and South, East and West, capitalism and agrarianism. A political leader who put the national good above party, a spokesman for the West whose love for the Union outweighed sectional pressures, he acquired more influence and more respect as responsible leader of the loyal but ardent opposition than many who occupied the White House. His adroit statesmanship and political finesse in times of national crisis demonstrated the values of intelligent compromise in a Federal democracy, without impairing either his convictions or his courage to stand by them.

Senator Daniel Webster, of Massachusetts, who served in the Senate 1827–41, 1845–50. Eloquent and articulate champion of "Liberty and Union, now and forever, one and inseparable," he grasped in an age of divided loyalties the full meaning of the American Constitution and of the supremacy and indissolubility of the National Government. Molding the symbols of the Union he cherished so strongly that neither secession nor war could break them, his steadfast courage and powerful leadership in two of the Senate's most historic and critical debates were brilliantly portrayed in orations attentively heard and eagerly read. Influential spokesman for industrial expansion, his dedication to Union above all personal and partisan considerations overshadowed the petty moral insensitivities which never compromised his national principles; and his splendid dignity and decorum elevated the status and prestige of the Senate.

Senator John C. Calhoun, of South Carolina, who served in the Senate 1832–43, 1845–50. Forceful logician of State sovereignty, masterful defender of the rights of a political minority against the dangers of an unchecked majority, his profoundly penetrating and original understanding of the social bases of Government has significantly influenced American political theory and practice. Sincerely devoted to the public good as he saw it, the ultimate tragedy of his final cause neither detracts from the greatness of his leadership nor tarnishes his efforts to avert bloodshed. Outspoken yet respected, intellectual yet beloved, his leadership on every major issue in that critical era of transition significantly shaped the role of the Senate and the destiny of the Nation.

Senator Robert M. LaFollette, Sr., of Wisconsin, who served in the Senate 1906–25. Ceaseless battler for the underprivileged in an age of special privilege, courageous independent in an era of partisan conformity, he fought memorably against tremendous odds and stifling inertia for social and economic reforms which ultimately proved essential to American progress in the 20th century. Determined to make law serve the rights of persons as well as property, to make Government serve the interests of great social justice as well as great political parties, his constructive pioneering efforts to promote the general welfare aroused the slumbering conscience of the Nation and made the Senate more responsive to it. The bitter antagonisms stirred by his unyielding opposition to international commitments and conflict were ultimately submerged by widespread admiration for his dedicated lifelong fight against political corruption and corporate greed.

Senator Robert A. Taft, of Ohio, who served in the Senate 1939–53. The conscience of the conservative movement, its ablest exponent and most constructive leader, his high integrity, analytical mind and sheer industry quickly won him a select spot in the councils of his party and the hearts of all his colleagues. His Senate leadership transcended partisanship; his political courage and candor put principles above ambition. Dedicated to the Constitution and the American tradition of individual rights as his keen legal mind interpreted them, he demonstrated the importance of a balanced and responsible opposition in an age of powerful governments.

These five names, it should be made clear, and I shall discuss some of the objections raised to each in a moment, are not offered as the five greatest Senators of all time. The Senate resolution under which we were deliberating instead called for simply:

> Five outstanding persons from among all persons, but not a living person, who have served as Members of the Senate since the formation of the Government.

Nevertheless, the decisions of the special committee in agreeing to these five names were unanimous. And although we recognize, with humility, the hazards of attempting to pass judgment on other Members of the Senate, when we claim for ourselves neither the detachment nor the expertness of professional historians—and although we recognize further that no other Senator or committee of Senators would have necessarily reached the same conclusions—we can take pride nevertheless in the fact that Clay, Webster, Calhoun, and LaFollette were among the top 5 receiving the most endorsements from our panel of 150 scholars; that the same 4 names were also among the top 5 receiving the most endorsements from those Senators who responded to our inquiry; and that the late Senator Taft, whose name completes the 5 recommended by our committee, was the first choice of the Senators who responded and among the first 10 in the poll of scholars.

Our committee does not, of course, attempt to say that many other Senators of the past are not deserving of recognition, or are not considered, in the minds of some, even greater, however that term may be measured. On the contrary, the excellence of so many nominations made our assignment a nearly impossible task. Speaking only for myself, I will say to the Senate that I had the most difficulty excluding from the list three other outstanding Senators of the past:

George Norris, of Nebraska, one of the most courageous, dedicated men ever to sit in the Senate, and one whose influence on the public power, agricultural, labor, and political aspects of this Nation will long endure.

Thomas Hart Benton, of Missouri, the great "Nestor of the Senate" from 1820 to 1850, who on more than one occasion took on the great triumvirate individually and collectively and bested them in the Senate itself; and

Oliver Ellsworth, of Connecticut, the outstanding figure in the first Senate, who authored the Federal Judiciary Act that will always remain a monument to his genius, and shepherded the Bill of Rights through the Senate.

Many others deserve recognition, and were the subjects of scholarly, thoughtful letters from Members of the Senate

or distinguished historians, political scientists and public figures. Sports writers choosing entrants to Baseball's Hall of Fame in Cooperstown have it easy by comparison—for them, and for those who miss, there will always be a next year. Our committee was limited to five—for all time—without a "next year," a "second team," or a list of those deserving honorable mention.

Nevertheless, in the report filed today, the committee lists in alphabetical order the following names—omitted the three I have already mentioned—which were among those most prominently mentioned in letters received by the committee from Members of the Senate, our panel of scholars, and the general public, which we list because of our regret that a selection of only five names was permitted and because of the possibility that some future committee of the Senate, meeting at some future date, will find occasion to honor additional names:

Alben W. Barkley, of Kentucky.
William Borah, of Idaho.
Stephen Douglas, of Illinois.
Carter Glass, of Virginia.
Justin Smith Morrill, of Vermont.
John Sherman, of Ohio.
Charles Sumner, of Massachusetts.
Lyman Trumbull, of Illinois.
Oscar Underwood, of Alabama.
Arthur Vandenberg, of Michigan.
Robert Wagner, of New York.
Thomas Walsh, of Montana.

The members of the special committee recognized that they faced a particular problem with respect to Senators of the 20th century. We realize that many of those nominated from this period were men with whom contemporary Senators, including members of the committee, have served, and about whom both sentiment and prejudice may still exist in sufficient quantity to influence the opinions of Senators, historians, and the general public. Nevertheless, the mandate of the Senate as contained in Senate Resolution 145 called for the selection to be made "from among all persons who have served as Members of the Senate since the formation of the Government"; and this clearly implied that, to the extent possible, the entire history of the Senate should be considered and represented in the selection process. It is important to note, moreover, that to eliminate consideration of 20th century Senators and thus to impose a cutoff date of 1900 may well have meant imposing in effect a cutoff date of approximately 1850, because of the predominance of outstanding Senators from the period of 1830 to 1850 compared with those in the latter half of the century. To have recommended five Senators who all served more than a century ago would not, we finally decided, fulfill either the mandate of the Senate resolution or our efforts to arouse public interest in the Senate, its greatness, and its role.

With this in mind, the committee has selected Senators Robert M. La Follette, Sr., of Wisconsin, and Robert A. Taft, of Ohio, as outstanding representatives of the progressive and conservative movements in the 20th century. We realize, of course, that considerable controversy and sentiment still surround each of them; that it is impossible to prove that they deserve the honor more than Norris or Vandenberg, for example, or Borah, Carter Glass, Barkley, Wagner, Walsh, Underwood, or any among a dozen others who were seriously considered; and that whatever names are chosen from the 20th century will appear to suffer in comparison with the Great Triumvirate.

Nevertheless, the committee believed La Follette and Taft to be the most appropriate choices under the terms of the resolution—particularly in view of the way in which they symbolized the progressive and conservative points of view on the great domestic issue that confronted the Senate during this century: the proper role of governmental activity in the economic and social life of this country.

But both were more than symbols. "Fighting Bob" La Follette, a great Governor of Wisconsin whose influence is still felt in that State, was the outstanding Progressive of his day; and his struggle strongly influenced the economic reforms of the Wilson and Roosevelt eras. Prof. Henry S. Commager thought him "An obvious choice for the period around the turn of the century. A man who did more to bring about progressivism than anyone who was in the Senate in his generation." An oustanding political scientist who also picked La Follette over the other great progressives of this century, Dr. E. E. Schattschneider of Wesleyan, called La Follette "The most vigorous and important exponent of liberal Republicanism in the Senate in the first quarter of the 19th century." However isolated he may have been in the Senate, and however shortsighted his views on foreign policy may seem to most of us, his impressive legislative accomplishments which are outlined in the committee report, his tireless battles to make Government serve all the people, and his deeply felt insight into social and economic forces, all combined to shape a career we rightfully honor today.

Bob Taft was also more than a symbol. All of us here who served with him would agree, even though on many occasions we may have disagreed with him, that he was a figure of many dimensions. His name offers logical balance to the name of La Follette in our group of five, just as he himself offered logical balance during the days when the role of the opposition was more difficult. The distinguished historian Alpheus T. Mason, of Princeton, ranked Taft with the great triumvirate of Clay, Calhoun, and Webster because he "succeeded in being a strong party man without being blinded by partisan considerations." Quincy Wright, along with other well-known professors including Clinton Rossiter, of Cornell, pointed out in his letter that Taft's leadership of the conservative movement was all the greater because his "conservatism was qualified by his capacity to perceive necessary reforms." The fact that he was the leading choice among Members of the Senate today is not without significance.

Nevertheless, because of the controversy still surrounding the names of Taft and La Follette, it is important to recall that Clay, Calhoun, and Webster in their own times did not always enjoy the wide recognition of their talents that posterity has given them. Listen, for example, to these words spoken about Henry Clay:

> He prefers the specious to the solid, and the plausible to the true. * * * He is a bad man, an impostor, a creator of wicked schemes.

Those words were spoken by John C. Calhoun, who ridiculed Clay's lack of education, moral conduct, and short temper. Daniel Webster said Clay was "his inferior in many respects"; and Andrew Jackson once characterized him as being as "reckless and as full of fury as a drunken man in a brothel." On the other hand, who was it that said that John C. Calhoun was a rigid, fanatic, ambitious, selfishly partisan, and sectional turncoat, with "too much genius and too little common sense," who would either die a traitor or a madman? Henry Clay, of course. When Calhcun boasted in debate that he had been Clay's political master Clay retorted, "Sir, I would not own him as a slave." Both Clay and Calhoun from time to time fought with Webster; and from the other House the articulate John Quincy Adams viewed with alarm "the gigantic intellect, the envious temper, the ravenous ambition and the rotten heart of Daniel Webster."

And yet our committee has selected Henry Clay, Daniel Webster, and John C. Calhoun—and felt it had no other choice. For over 30 years they dominated the Congress and the country, providing leadership and articulation on all the great issues of the growing Nation—the tariff, fiscal policies, foreign relations, defense, internal improvements, agriculture, industrial development, westward expansion, States' rights, and slavery. From time to time they supported and opposed each other for the Presidency that each desired but never achieved. And despite whatever bitter words passed between them, their mutual respect for each other remained high. "I don't like Henry Clay," said John Calhoun, "I would not speak to him, but, by God, I love him." Webster considered Calhoun "much the ablest man in the Senate. He could have demolished Newton, Calvin, or even John Locke as a logician. Whatever his aspirations, they were high, honorable, and noble. There was nothing groveling or low or nearly selfish that came near the head or the heart of Mr. Calhoun."

Henry Clay predicted that Calhoun's principles would "descend to posterity under the sanction of a great name." And whatever John Quincy Adams may have thought of Webster's "rotten heart," he considered his celebrated reply to Hayne to be the "most significant (act) since the founding of the Constitution."

This is not to say that objections cannot be raised to each of the three. Criticism of Henry Clay's moral conduct, scholarship, and political schemes may well be justified; and there are those who feel he carried the principle of compromise too far. It is true that Clay said "It is a rule with me, when acting either in a public or a private character to attempt nothing more than what there exists a prospect of accomplishment." And yet his spirit of compromise, in the words of Carl Schurz, "was illumined by

a grand conception of the destinies of his country, a glowing national spirit, a lofty patriotism." His greatest anxiety was the preservation of the Union; and few did more to contribute toward its salvation. Abraham Lincoln called the Great Pacificator "my beau ideal of a statesman, the man for whom I fought all my humble life." An extraordinarily gifted figure, his brilliant oratorical talents, unusual vitality and a unique gift of winning the hearts as well as the minds of his countrymen all enabled his three great compromise proposals in 1820, 1833, and 1850 to save the Union until it grew strong enough to save itself. "No other American politician," as Vernon Parrington has observed, "has been so loved by a hero-worshiping electorate—and so lovable."

Daniel Webster, it is true, portrayed, in the words of one of his intimate friends, an extraordinary "compound of strength and weakness, dust and divinity." It is true that he accepted a retainer from Nicholas Biddle of the Bank of the United States; that he accepted favors from the New England manufacturers; and that his decisions both as a Senator and as a Secretary of State appear to have been open to improper influence. Yet there is no serious evidence that his views on the bank, the tariff, and foreign policy would have been any different without these dubious connections—and on the contrary Prof. Allan Nevins has written that he demonstrated more than any other colleague real insight into the problems of public finance, moderate protectionism, and international affairs. Whatever may have been petty about his financial affairs, there was nothing petty about his moral stature in times of national crisis or in his dedication to the Union.

No list of outstanding Senators would be regarded as complete without Webster. Professor Commager wrote the committee that "Webster is so obvious a choice that it would be superfluous to attempt a justification. Indeed if a single name were to be selected, that name would be, almost by common consent, Webster." And in 1900 when balloting began for the American Hall of Fame at New York University, Webster was tied with Abraham Lincoln for second place immediately behind George Washington. Many members of our panel of scholars stated that they selected Webster for the permanent impression left by his constitutional ideas despite his faults of character. My old government professor at Harvard, Arthur N. Holcombe, wrote me:

> Though a blot on his record, these dealings were not so far out of line with the political morals of his time as they would be today. Allowance should be made for the lower standard of political ethics at the senatorial level then.

The same answer, I believe, can be given to those objecting to the views entertained and defended by John C. Calhoun. "He was wrong," Pulitzer prize-winning historian Arthur Schlesinger, Jr., wrote us, "but he was a greater man and Senator than many people who have been right." In defending the views of his State and section on the practice of slavery, abhorrent to all of us today but a constitutionally recognized practice in his time, Calhoun was yielding neither to the pressures of expediency nor immorality—nor did his opponents at the time so regard it. Calhoun was not a proponent of disunion—though he warned at the end of his career that secession might be the South's only means of achieving justice, he fought long and hard to keep the South in the Union.

Generaly judged to be the most notable political thinker ever to sit in the Senate, whose doctrine of concurrent majorities has permanently influenced our political theory and practice, John Calhoun did more than any other Senator in the 19th century, in the words of Professor Nevins "to make men think clearly and carefully on fundamental political questions. He was a model member in the purity of his public and private life, in his incessant industry and in his efforts to master completely the main issues of his day."

And thus I am among those who would regard it as inconceivable not to name Clay, Webster, and Calhoun on the list of five outstanding Senators. No other Senators have ever rivaled the unparalleled leadership and statesmanship which they gave to a growing and anxious nation during a critical era when the Senate was the Nation's most important body. Whatever objections may be raised to their views and morals, in my opinion, must be balanced against their achievements—and against the high-mindedness and dignity which moved them at their finest moments.

As I have pointed out in the committee report, which outlines their careers and achievements in more detail, the objections which can be raised to each of the five names selected—just as they can be raised against any name suggested—are outweighed in the case of these five Senators by their overall statesmanship, their service to the Nation, and their impact on the Senate, the country, and our history. They are not necessarily, as already pointed out, the five greatest Senators; nor are they necessarily the most blameless or irreproachable ones, nor models of contemporary behavior. Allowances must be made of the times, the morals, and the practices of the period in which each served; and political and policy differences should not diminish their claim to the label "outstanding."

Obviously everyone will not agree. The distinguished Yale professor, Samuel Flagg Bemis, who nominated Webster even though one of his books has been cited as an authority for Webster's laxity in financial matters, told me of an interesting precedent in this matter of portraits—a precedent which went the other way—namely, that when the Bemis book appeared, the large portrait of Webster which balanced that of John Hay suddenly and mysteriously disappeared from the anteroom of the Secretary of State in Washington, apparently relegated to a more obscure hanging in some other room. Senators, too, will disagree; and in filing this report with the Senate, I want to make clear my hope that Senators who do disagree with our conclusions will voice their objections or preferences to the Senate. Should a majority be opposed to the recommendations contained in our report, I assume under the parliamentary situation it would be possible for the Senate to reject it. Although individual Senators were asked to submit nominations, no attempt was made to clear our findings with Senators from the same home States as those proposed—and the committee will be glad to defend its choices against whatever objections may be raised.

There is always much for which a chairman is grateful in filing a report. I am grateful for the kindness and cooperation of my four colleagues on the committee—Senators BRIDGES, RUSSELL, BRICKER, and MANSFIELD—who brought to this task the wisdom and sense of responsibility it deserved. I am grateful to the distinguished historian Allan Nevins, who graciously consented to serve as chairman of our Historical Advisory Committee, and whose counsel was of particular value to me; and to all the members of our panel of scholars who responded to our inquiry with thoughtful, helpful letters. I am particularly delighted to be able to report that the committee spent less than 6 percent of its budget. Of the $10,000 allotted to the committee under the resolution, $9,465.68 has been returned.

Of the $550 that was spent, $500 was spent in the Library of Congress for research.

I conclude by stressing once again that I believe this project to have had for this body considerable value beyond the basic necessity for its creation. The Senate emphasized in the discussion preceding passage of the resolution, and the committee has attempted to emphasize during the past year, that there is considerable merit in stimulating interest among the general public and the Senate itself in the high traditions of the Senate, in the political problems faced by even our most distinguished statesmen, and in the high standards of the past which might be inspiring or emulated today. It is the committee's hope that the considerable interest evoked by this project will be of value at a time when the democratic way of life is under pressure from without and the problems and conflicting pressures involved in the political profession are frequently misunderstood within our own country. The committee has attempted in a small way to focus the Nation's attention upon the Senate and its distinguished traditions, upon the high quality of men who have served in the Senate, and upon the significant role that the Senate has played in the history of our Nation. The members of the special committee thus hope that an increasing awareness of national and senatorial history which should not be forgotten will be of benefit to the general public and to the Senate itself.

I wish at this time, Mr. President, to submit our report to the Senate, and ask that it be printed.

The PRESIDING OFFICER. The report will be received and printed.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield to the Senator from Montana, who is a member of our committee.

Mr. MANSFIELD. I wish to compliment and commend the distinguished junior Senator from Massachusetts for the fine job he has done as chairman of the committee. It was not an easy task. I think the Senate ought to know that the Senator from Massachusetts devoted a great deal of his own time and energy to this particular project. I think the Senate should know that at all times he sought to learn what the wishes of the others members of the committee were. I am very happy that we were able to submit a unanimous recommendation.

I am sure Senators are well aware of the difficulties which the Senator from Massachusetts has enunciated this afternoon. No man is perfect. If he were perfect, he would not be a human being; and if he were perfect, he certainly would not be a United States Senator.

I am delighted that the distinguished chairman of our committee has brought out the facts as they apply to each of the individuals whose records were studied. I am more than happy that in this era of high budgets and high spending, he has brought to the attention of the Senate the fact that less than 6 percent of the $10,000 appropriated for this committee has been spent, and that more than $9,000 is being returned to the Treasury of the United States.

Again I sincerely commend the distinguished Senator for the fine job he has done, and assure him that it was an honor for me to serve on the committee under him as chairman.

Mr. KENNEDY. I thank the Senator. The committee was fortunate in obtaining the services of Charles L. Clapp, formerly of the faculties of the University of California and Florida State University, who originally undertook this project while serving as a congressional fellow of the American Political Science Association, having been 1 of 5 teachers of political science selected by that organization in national competition to spend a year in Washington working with Congress, and who, at the request of the chairman, has voluntarily continued to serve the committee's staff needs during the current session.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. SALTONSTALL. I am glad that my colleague, from the Commonwealth of Massachusetts, the chairman of the committee, and his colleagues on the committee, have selected the distinguished statesman from Massachusetts, Daniel Webster. As one who spoke at the centennial of Daniel Webster's death, at his home in Marshfield a few years ago, and who had the opportunity to read his record at that time and learn what part he took in the affairs of the Senate, I am certainly happy that the junior Senator from Massachusetts, as chairman of the committee, was able to persuade the other members of the committee, without much difficulty, to include the name of Daniel Webster.

Mr. KENNEDY. I thank my senior colleague from Massachusetts.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. MORTON. First, I should like to commend the chairman of the committee, the junior Senator from Massachusetts, and the other members of the committee for an excellent job well done. I know that the task he performed for us was not an easy one.

I was happy, of course, to see that the name of Senator Henry Clay of Kentucky was included in the list, as I felt sure it would be. No doubt he received more nominations than any other, from historians, Members of this body, and others who were asked for comment.

It might be interesting to Members of the Senate to point out a few highlights in the career of that great man. He was born in Virginia in 1777, and moved to Kentucky before the turn of the 19th century, at the age of 20.

He was first elected to the Senate in 1806, when he was only 29½ years of age, under the constitutional age limit. He served in the Senate upon many different occasions, and also served in the House of Representatives. On one occasion when he was elected to the Senate it was to fill the unexpired term of Buckner Thruston, who had resigned from the Senate. He was the first Kentucky politician who was graced with a last name which is so difficult to pronounce, and his was the last name which appeared on the ballot. I have the advantage of not having such a difficult last name, I am thankful to say.

Henry Clay was in the House of Representatives for several terms, not consecutively. He had a way of being elected Speaker almost invariably the day he walked in to take his oath of office as a Member of the House of Representatives. He established a record of tenure as Speaker of the House which was not broken for many years. I happened to be serving in the House when that record was broken by the present distinguished Speaker of the House of Representatives, Hon. SAM RAYBURN, of Texas, the good friend of many of us. Many present Members of this body have had the privilege of serving under Speaker RAYBURN.

The memory of Henry Clay has been kept warm in the hearts of Kentuckians. His home there, Ashland, in Lexington, is a shrine, which is visited by thousands of Kentuckians and others annually.

I should like also to say that I am indeed happy that serious consideration was given to another great Kentuckian, and that his name was included in the list which was read by the Senator from Massachusetts. I refer to the late great Alben Barkley, whose death, significantly enough, occurred just 1 year ago today. His death was mourned by all Americans, but especially by the people of Kentucky. No man has been more beloved by the people of his State, in all the history of that State, than that of Alben W. Barkley, of Kentucky.

Mr. KENNEDY. I thank the Senator. I will say to the Senator from Kentucky that Henry Clay, among the five Senators who were chosen, was at the top of the list that we received from the Advisory Committee of Scholars from all over the country. It was the opinion of the select committee, in view of the way the reception room is arranged, with spaces for five portraits on each side of the room and one at the end, that Senator Clay's picture should be placed at the end of the room, in the dominant position, not only from the standpoint of seniority, but also because of his extraordinary talents in doing so much to bind the country together during the years before the outbreak of war in 1861.

In addition, as the Senator from Kentucky has suggested, Henry Clay certainly would be on the list of the three great Speakers of the House of Representatives. In addition, of course, he served as Secretary of State.

Daniel Webster also served as Secretary of State, as did John Calhoun. That indicates the dominant power of these men, who served in the House of Representatives in 1813 and still were dominant in 1850, at the time of the Compromise of 1850. All of which demonstrate their talent and their vitality. I appreciate what the Senator from Kentucky has said about Henry Clay, to whom President Lincoln referred as "my beau ideal of a statesman."

Mr. SMITH of New Jersey. Mr. President, I desire to express to the Senator from Massachusetts my personal deep appreciation for the work he and his committee have done.

I add to that also my commendation to the Senator from Massachusetts for the book he published recently entitled "Profiles in Courage."

He has made a great contribution to American history and a great contribution to the Senate.

Mr. KENNEDY. I thank the Senator from New Jersey.

Mr. SMITH of New Jersey. It is a great source of personal satisfaction to me that one of our recent colleagues was included in the selection. I refer to Bob Taft, whose special talents and influence justified his inclusion in the group selected.

I am more than happy to support all the selections of the committee.

Mr. KENNEDY. I thank the Senator from New Jersey.

Mr. THURMOND. Mr. President, I wish to take this opportunity to congratulate the distinguished Senator from Massachusetts and the members of his committee for the outstanding manner in which they have performed their duties and discharged their responsibility under the resolution that was adopted by the Senate to select outstanding Senators.

At this time I should like to make a few remarks about John Calhoun, of South Carolina.

Mr. President, the selection of South Carolina's beloved John C. Calhoun as 1 of the 5 outstanding Senators whose portraits are to be placed in the Senate reception room prompts me to comment on the contributions he made to the Nation. The committee charged with the responsibility of selecting five outstanding Senators, not living today, was assigned a difficult task.

No five persons selected would have pleased everybody. But that was not the assignment. It was to select outstanding men. Often outstanding men do not meet with general approval.

Nevertheless, the committee has performed the job for which it was chosen in such a manner as to prove that it sought first to do its duty, second to please.

I had the honor to nominate John C. Calhoun for this recognition which comes to him more than 100 years after his death in 1850.

Calhoun lived and made himself famous in an era of titans. He did not gain his fame by seeking the popular course of alining himself with the most popular men in public life. He was a leader, not a follower.

Had he placed public approbation ahead of personal probity, John C. Calhoun very likely would have been President.

Instead of ingratiating himself with his associates in political matters, he often chose the lonely way of advocating or defending unpopular issues. Calhoun roused the ire of opposing colleagues in the Senate, but he was a favoriate of the pages. It has been said that "he was as polite to a page as to the President of the Senate."

Nearly a half century ago, in March 1910, a statue of Calhoun was placed in Statuary Hall of this Capitol. A number of addresses were made in connection with the ceremonies. I want to quote from the address of Senator Henry Cabot Lodge, of Massachusetts, who was requested to participate in the ceremonies by Senator Tillman, of South Carolina.

This is the closing paragraph of his speech on Calhoun:

> He was the greatest man South Carolina has given to the Nation. That in itself is no slight praise, for from the days of the Laurenses, the Pinckneys, the Rutledges, from the time of Moultrie and Sumter and Marion to the present day, South Carolina has always been conspicuous in peace and war for the force, the ability, and the character of the men who have served her and given to her name its high distinction in our history. But Calhoun was much more even than this. He was one of the most remarkable men, one of the greatest minds that American public life can show. It matters not that before the last tribunal the verdict went against him, that the extreme doctrines to which his imperious logic carried him have been banned and barred, the man remains greatly placed in our history. The unyielding courage, the splendid intellect, the long devotion to the public service, the pure, unspotted private life are all there, are all here with us now, untouched and unimpaired for after ages to admire.

Those are the words of Henry Cabot Lodge, Senator from Massachusetts.

Calhoun served first in the Legislature of South Carolina, but after only 2 years his remarkable ability caused his election to the Congress where he served from 1811 to 1817.

As Calhoun entered the House of Representatives, Henry Clay was elected Speaker. Clay immediately appointed the members to committees with complete disregard for seniority. Calhoun was named to the Foreign Relations Committee. A few months later, he was elected acting chairman, when the chairman left the Congress.

At the next session, John Smilie, of Pennsylvania, was elected chairman of the committee, but, at the first meeting, Smilie moved that Calhoun be made chairman instead of himself. This was done unanimously over Calhoun's protests.

That was 1812, and England was using highhanded methods to destroy American shipping and threatening the very life of the young Nation. Calhoun and Clay were the leaders of a group in the House known as the War Hawks because they advocated war on England to stop the aggression to which this country was submitting.

President Madison strongly opposed the young leaders.

Calhoun's war report from the Foreign Relations Committee was finally presented to the House on June 3, 1812. The South Carolinian's logic and his long, hard efforts prevailed over the determined battle of President Madison and his adherents. The report was adopted by a vote of 79 to 49, and the Senate later adopted it by a margin of 19 to 13.

It had been a hard and bitter fight, but Calhoun had won his first victory on an unpopular issue—one which beneficially altered the course of this Nation's history.

In 1816 Calhoun voted for the tariff bill of that year. That vote was cited when he opposed later tariff bills to show him to be inconsistent. But 2 years before voting for the tariff of 1816, Calhoun had stated his definition of inconsistency.

In 1814 in the House he had stated:

> Men cannot go straight forward but must regard the obstacles which impede their course. Inconsistency consists in a change of conduct when there is no change of circumstances which justify it.

His service in the House and his subsequent service as Secretary of War from 1817 to 1825, in the Cabinet of President Monroe, proved Calhoun's strong feeling of nationalism. To doubt that he loved the Union, in view of his unusual contributions on behalf of expanding and strengthening it, would be almost as difficult as to doubt that he loved his native State.

When he became Secretary of War, unsettled accounts of the Department amounted to $50 million. Old officers had little taste for taking orders from a young and inexperienced Secretary. Nevertheless, Calhoun plunged into his assignment with vigor and tact.

Calhoun remembered the defeats of 1812 caused by the weaknesses of the War Department and he determined to eliminate them. It was perhaps the happiest period of his life because he made steady progress toward attaining his goal of creating an efficient department.

Calhoun took a personal interest in the development of the Military Academy at West Point. He interviewed each prospective cadet.

When Congress reduced his budget, he effected economies necessary while, at the same time, reorganizing and improving the Department in spite of the reduced funds. He left the Department with its debts nearly paid and in a vastly improved state of preparedness. Calhoun had driven himself almost to physical collapse. He had suffered several illnesses during his service as Secretary of War, but refused to limit his efforts.

In 1823, South Carolina nominated Calhoun for President, but events developing conflicts between nationalism and sectionalism relegated him to second place.

He became Vice President in 1825, when John Quincy Adams became President. Calhoun was assiduous in attendance as Presiding Officer of the Senate, although such had not been the practice.

During these years, Calhoun enjoyed great popularity, not only in the South, but also throughout the North. Perhaps his destiny was decided on the last day of February 1827, by an action which he might have avoided and which lesser men sought to persuade him to avoid.

The question was that of the wool tariff. By avoiding the issue in the Senate, he might finally have reached the White House. Calhoun disregarded the consequences and the vote he had cast for the revenue tariff of 1816.

Although his friends begged him to stay out of the chair that day, the South Carolinian resolutely faced the issue. As President of the Senate, he cast the deciding vote against the wool tariff.

During this period, Calhoun struggled with the question of nationalism versus sectionalism. The evidence is that he deplored the necessity for sectionalism. He did not seek advantages for his section or for his State at the expense of other sections or other States. Neither did he give his approval to other States profiting at the expense of his beloved South.

Again, in 1828, when Calhoun was the running mate for Jackson, who was to be the next President, the South Carolinian faced the future without regard for his own ambitions. In May of that year the so-called Tariff of Abominations was passed by the House and sent to the Senate.

It was reported that a tie was being arranged so as to force Calhoun again to cast the deciding vote, and to embarrass Jackson as well as Calhoun. The Vice President let it be known that he would vote against the bill, if a tie forced him to vote. He further stated that he would then withdraw as a candidate for the Vice Presidency so as not to injure Jackson.

The tie was not arranged, but the passage of the tariff bill greatly upset him as he saw the growing prospect of division between the States.

Although he was always a restraining force against the ardent secessionists, Calhoun labored hard with the problem while he was being criticized by some for his inaction. His authorship of the Exposition of the Constitution in 1828, in which the nullification thesis was propounded, was not known until 1831. The South Carolina Convention passed the Ordinance of Nullification in November 1832, following the action of the legislature in adopting the exposition Calhoun had drafted.

He also expressed his conception of nullification in a letter to Gov. James Hamilton on August 28, 1832.

He declared that the Constitution preserved "the ascendency of the constitution-making authority over the lawmaking—the concurring over the absolute majority."

Soon Jackson and Calhoun were moving farther and farther apart. Finally, the Vice President resigned on December 28, 1832, to accept a seat as Senator from South Carolina.

Hopes burned strong among Calhoun's friends that he would yet reach the White House, and in 1843 a biography was published for the campaign of 1844. An Alabama newspaper put Calhoun's name in its masthead, pointing out that his opinion was known on the three great issues of the day—the tariff, the annexation of Texas, and abolition.

Calhoun was a realist, however. He had written a friend as early as 1837 acknowledging that his qualities which were most admired were also the qualities which would cause the most serious objections to his candidacy.

In April, 1844, he requested that his name not be presented to the convention.

But Calhoun was to be called again to serve as a representative of the Federal Government. As early as 1836, he had stated in the Senate that he favored the eventual annexation of Texas to the United States. When Tyler became President, one of his most ardent desires was to bring about the annexation. Tyler offered the post of Secretary of State to Calhoun in 1843 for him to work toward bringing Texas into the Union, but Calhoun declined, saying the time was not propitious.

Fate had a hand in what followed. An explosion on a ship in the Potomac in 1844 killed Secretary Upshur, who had been chosen when Calhoun refused. Urged by a friend, President Tyler again called on Calhoun to take the Cabinet post. The nomination of the South Carolinian was confirmed unanimously by the Senate on March 6 without even having his name sent to a committee.

Calhoun was reluctant to return to Washington, but he could not resist the challenge of adding Texas to the Union. He viewed the annexation as a part of the manifest destiny of the young Nation, as well as a chance to strengthen the position of the South, and, in so doing, increase the likelihood of preserving the Union.

Even with Jackson helping in this project, the opposing forces were too strong. England and France fought the expansion of the United States. The slavery issue enraged the North, and even in the South the fear of war restrained support for annexation.

When Calhoun sent the treaty with Texas to the Senate for ratification, only 16 Senators voted for ratification.

In spite of becoming seriously ill in February 1845, Calhoun continued to work toward bringing Texas into the Union. Realizing that it would be impossible to secure the necessary two-thirds majority in the Senate to ratify the treaty with Texas, he set about accomplishing his objective by another method.

He had a joint resolution introduced in Congress, and it was approved on March 1, 1845. With this mandate, President Tyler secured the agreement of his Cabinet the next day. In the waning hours of the Tyler administration on March 3, 1845, the President and the Secretary of State dispatched a message to Texas, officially inviting the Lone Star Republic to join the Union.

Again Calhoun had beneficially altered the course of American history.

He went home to South Carolina, proud of the result of his fight to annex Texas and eager to take up and enjoy country life at his home at Fort Hill, now a part of the Clemson College campus.

For 6 months his life was that of a father and plantation owner. Fort Hill was the stopping place of many famous persons of the day as they sought to learn Calhoun's views or to secure his advice.

The South Carolinian had no desire to return to public life. He wrote a friend that he would never have considered going back into the Senate except that he feared there might be war with England, and hoped that he might do something to stop it. His friends still nursed the hope that he could be a presidential candidate in 1848, acceptable to all sections.

Calhoun's interests encompassed the Nation—peace, free trade, and a lower tariff for the South, raw materials out of the West for the North and new land, and railroads, good ports, and union for the West. Unfortunately, his interest in all of the sections caused each to charge him with having his interests inspired by presidential ambitions.

He opposed the war with Mexico, which raised the question of what would be the status of any new territory added as a result of the war. Although the Wilmot Proviso was defeated in the Senate, Calhoun saw that its theme of preventing the further spread of slavery had won the country.

During 1847 and 1848, in his Senate speeches, he preached the doctrines of moderatism and restraint. Bitterly he was attacked by enemies as the one responsible for the Mexican War because he had brought about the annexation of Texas.

As the champion of States rights, his appearance in those disturbed years created a sensation. Even a reference to him at a public gathering in the South would set off wild applause in an audience.

As the conflict grew over the issues of the States versus the Federal Government, the end of an era was approaching for perhaps the greatest triumvirate in American political history. Calhoun, Clay, and Webster all were growing old. As far apart as they were in their positions, they did seek a common objective: Preservation of the Union.

Calhoun's health was failing fast. One contemporary said that "he lives in his mind with no thought of the body." He collapsed on the floor of the Senate on January 18, 1849, but insisted on being present again the next day.

Finally, on March 4, 1850, his last speech was read by Senator James Mason of Virginia, because Calhoun was too weak to read. He sat for 2 hours as Mason read. The questions he asked in that speech and the answers he gave were prophetic:

> How, then, can the Union be saved?

He asked:

> The North has only to will to accomplish it—to do justice by conceding to the South an equal right in the acquired territory * * * to cease the agitation of the slavery question, and to provide * * * in the Constitution, by an amendment, which will restore to the South * * * the power she possessed of protecting herself, before the equilibrium between the sections was destroyed * * * If you who represent the stronger portion, cannot agree to settle them on the broad principle of justice and duty, say so, and let the States we both represent agree to separate and part in peace. If you are unwilling we should part in peace, tell us so, and we shall know what to do, when you reduce the question to submission or resistance.

It was his final warning. Even then he was convinced that firmness on the part of the South would solve the question, either by northern acceptance or by peaceful separation.

As the speech was finished, Webster and then Clay stepped to the side of Calhoun, to show their respect. A few days later, Calhoun forced himself from his death bed to be present when Webster delivered his 7th of March speech. Calhoun even replied briefly; but his strength was gone, and he died on March 31.

Calhoun formulated and voiced the views of his people. He led them and, at the same time, restrained them. His clarity of logic was matched only by his determination to do that which he believed he must do.

Many of his contributions to the Nation have been forgotten, or passed over lightly. That is the reason why I refer to them here. Calhoun should be remembered, first of all, for his force of character, even above intellectual power. As Senator Lodge put it: "He flinched from no conclusion."

As we today honor five of the men who have been outstanding in the history of our Nation, let me quote Calhoun's expression of faith in our political system:

> I solemnly believe that our political system is, in its purity, not only the best that was ever formed, but the best possible that can be devised for us.

The fact that our system produced the five men selected by the committee proves that Calhoun's estimate of our system was correct.

Again I wish to commend the distinguished chairman and his committee for the selections they have made.

Mr. KENNEDY. Mr. President, I wish to thank the Senator from South Carolina for his comments. I congratulate him on his very fine outline of Senator Calhoun's life.

Prof. Allen Nevins, when writing to me in April, when I told him we were going to pick Senator Calhoun—and, as Senators know, Professor Nevins is a Pulitzer prizewinner and is one of the great historians of the Nation—had the following to say about Calhoun:

> Of all the Senators in the 19th century, he did most to make men think clearly and carefully on fundamental political questions, and he made the most original and profound

contributions to constitutional theory. His doctrine that a concurrent majority is much to be preferred in government to an absolute majority, still has force. It was his great object, he said, to require the parts of American society to be just to each other by compelling them to consult the interests of one another. He wished a harmonious Union founded on this idea of mutual consideration, the North showing magnanimity to the South, and the South magnanimity to the North. No Senator in our history has brought such a keen mind to abstract political theories. He was a model Member of the Senate, too, in the purity of his public and private life, in his incessant industry, and in his efforts to master completely the main issues of his day—the tariff, the public lands, internal affairs, finance, and foreign relations.

Mr. THURMOND. I thank the Senator from Massachusetts very much.

Mr. KENNEDY. I thank the Senator from South Carolina.

Mr. COTTON. Mr. President, will the Senator from Massachusetts yield to me?

Mr. KENNEDY. I yield to the Senator from New Hampshire.

Mr. COTTON. Mr. President, I thank the distinguished Senator from Massachusetts for yielding to me for a moment at this time.

I, too, wish to join in complimenting the Senator from Massachusetts [Mr. KENNEDY] and his colleagues on the special committee for the careful, judicious, and wise decision they have made in this matter, which means so much to the Senate and to all the American people.

I appreciated having the opportunity to listen to the brief statement the distinguished Senator from Kentucky made about Henry Clay.

I greatly profited from the thrilling speech just delivered by the able Senator from South Carolina [Mr. THURMOND] about John C. Calhoun.

I believe it would be unfortunate if a word were not said for the RECORD at this point about Daniel Webster. So, Mr. President, very informally I should like to add that word, because Daniel Webster was born in the State I represent. He represented the great State of Massachusetts in the United States Senate; but New Hampshire gave Daniel Webster to Massachusetts and to the Nation.

I know that neither the distinguished Senator from Massachusetts [Mr. KENNEDY] nor my senior colleague, the distinguished senior Senator from New Hampshire [Mr. BRIDGES], who were both on the committee, would have leaned a fraction of an inch toward their own States in making their decision; but they should be justly commended for the fact that they recognized, as every son of Massachusetts and every son of New Hampshire recognizes, that Daniel Webster's name and fame will always be inextricably entwined with the traditions of the United States Senate.

His massive head, his profound mind, his thundering voice will live as long as this great Senate remains, and its traditions endure.

I should like to remind the Senate at this point that Daniel Webster was born in New Hampshire, that he represented the State of New Hampshire at the other end of the Capitol, as a Representative in the Congress of the United States, before going to Massachusetts; that, as a lawyer, in the famous Dartmouth College case, he argued and helped decide a case that laid down a principle which still lives in constitutional law and which is still taught to every law student in our schools as exemplifying a great principle of constitutional law.

I regret that there have been some statements made recently, during the controversy about the question before their special committee, that have in a sense reflected on Daniel Webster as a national and as a historical figure.

I am sure that those words were not intended as a real reflection on him, because his fame is above that kind of reproach.

Daniel Webster's greatness is unassailable, for in the supreme test of his life he put his country above self.

The distinguished Senator from South Carolina has very ably and eloquently spoken to us of those great compromises that took place in the 1840's and the 1850's, when 3 of the greatest men who ever sat in this body began to see the gathering war clouds, and were desperately striving, from their various points of view, without surrendering their own independent convictions, to prevent the splitting asunder of this Nation and to prevent all the bitterness, the bloodshed, the sorrow of the Civil War, and all the shame and stigma of reconstruction. Those 3 men, 1 from the South, 1 from the border States, and 1 from New England, with varying points of view, wrote a great chapter in American history. On the 7th day of March 1850, Daniel Webster rose in the Senate Chamber and, in my humble opinion, made the greatest speech in his life. It represented a great sacrifice, because it brought down upon his head bitterness and attack from all over the North and his own New England, because it was not the popular thing to say, but, rather, the honest and the fearless thing to say. In that famous 7th day of March speech he sought to bind the wounds of the Nation and save it from the arrogance and the fanaticism of both the North and the South. After that speech it will be remembered that a New England poet and a leader of the abolitionist movement, wrote these bitter words concerning Daniel Webster:

So fallen. So lost. The light withdrawn
Which once he wore.
The glory from his gray hairs gone forevermore.

For a time Daniel Webster was under bitter attack. No man with that point of view, no man with that grasp of our Constitution, no man with that readiness to sacrifice his own popularity and his own political career, which he had built up for many years until he was enshrined in the hearts of the Senate and until he was regarded as the champion of a great section of this country, can ever be successfully challenged as a great statesman. To his everlasting glory may it be recorded that in the end he became the champion, not of a section, but of his country.

In closing, I want to remind the Senate of something that is probably known to the fine young people who have been thronging the Capitol, because it is found in Senate Document No. 13, "Our Capitol," which many of us have distributed to high school students, who are such welcome guests these days. I would remind the Senate that under the cornerstone of the Senate wing of the Capitol, under this very Chamber, in the handwriting of Daniel Webster, is a document deposited under the cornerstone of the new Senate wing of the Capitol in 1851, when the shadows of the coming conflict were gathering. In the closing of that manuscript, which still rests under our feet, this is what Daniel Webster said:

If, therefore, it shall be hereafter the will of God that this structure shall fall from its base, that its foundation be upturned, and this deposit brought to the eyes of men, be it then known, that, on this day the Union of the United States of America stands firm, that their Constitution still exists unimpaired, and with all its original usefulness and glory; growing every day stronger and stronger in the affection of the great body of the America people, and attracting more and more the admiration of the world. And all here assembled, whether belonging to public life, or to private life, with hearts devotedly thankful to Almighty God for the preservation of the liberty and happiness of the country, unite in sincere and fervent prayers that this deposit, and the walls and arches, the domes and towers, the columns and entablatures, now to be erected over it, may endure forever.

God save the United States of America.

DANIEL WEBSTER,
Secretary of State of the United States.

I thank the Senator for yielding to me.

Several Senators addressed the Chair.

Mr. KENNEDY. I promised that I would yield to the Senator from Oregon for a question. I yield to him.

Mr. NEUBERGER. I should like to ask a question, if I may, of the distinguished Senator from Massachusetts, who has been the chairman of this special committee.

Before I ask the question, I should like to join my colleagues in commending the Senator and his associates on the committee for the great care and thought and research which have gone into the nominations that they have made.

I think it is particularly fitting that liberal attitudes, such as those expressed by the late Senator La Follette, and the conservative viewpoints, such as those epitomized by the late Senator Taft, have both been honored. Such things as character know no political line.

As a person who himself greatly admired the late Senator George W. Norris of Nebraska, I should like to ask a question of the Senator from Massachusetts. In so doing, I am aware of the very brilliant book written by the Senator from Massachusetts, the volume "Profiles in Courage," which discusses Senators of great valor and political sacrifice of the past. Among the Senators immortalized in the book is the late Senator Norris, so I am fully aware of the fact that the chairman of the special committee is just as appreciative as I am of the nobility of character and the great courage of the late Senator George W. Norris, of Nebraska.

I was disturbed some weeks ago to read an article, which I believe appeared on page 1 of the Washington Post and Times Herald, which indicated that certain Senators from some States were asking for so-called rights of political

clearance over the nomination of Senators from those States to be considered for this great distinction of having their portraits displayed in the Capitol Building, with all the significance that goes with these selections.

We today exercise certain rights of political clearance over nominations of persons from our States for various governmental positions, but I think it would be a great mistake if such a practice were extended to a veto over the immortalizing of certain deceased Senators of the past.

I know the chairman of the special committee agrees with me that indeed it would be unfortunate and distressing if political controversies among the living could be extended virtually to the grave, in order to exercise some nullification power over honor for Senators who are departed.

I should like to ask the Senator, as a result of these explanatory and prefatory remarks, if there was any truth at all to the story which appeared in the Washington Post and Times Herald that such political clearance was being asked over these nominations. If so, was any such clearance at all a factor in the circumstance that the late Senator George W. Norris, of Nebraska, was not one of the Senators selected by the committee?

Mr. KENNEDY. I will say to the Senator that the committee did receive a letter from one Senator in which it was suggested that before the committee finally made its judgment known, as a possible procedure perhaps the Senators from the States from which the Senators so honored came should be informed. Though I do not have the letter with me, the implication was that their approval should be sought.

That procedure was not followed by the committee, although the matter was brought before the committee. A decision was made that it would be much more in keeping with the purposes for which the special committee had been gathered if the special committee should make its decision and present it directly to the Senate, rather than to take the intermediate step. So the suggestion was rejected. I am not stating that there was anything beyond the suggestion which appeared in the letter we received. That was not the reason why the late Senator Norris was not chosen.

As I indicated, personally I had a great regard for the late Senator Norris. I know the Senator from Oregon wrote a book called Integrity, the story of Senator Norris, which I relied on very heavily when I wrote about Senator Norris in the book I wrote a couple of years ago.

It is a source of regret to me that Senator Norris, Senator Benton, and Senator Ellsworth, could not have been included. It was felt by the members of the special committee that it would be best to have a unanimous decision. We were a microcosm, to a degree, of the Senate, and therefore rather than having a vote of 3 to 2 or 4 to 1, it was felt it would be far better to have unanimity.

I think it is not unfair to reveal there was a decision made as between Senator Norris and Senator La Follette, and the unanimous choice of our committee was made in favor of Senator La Follette. The choice of Senator La Follette is easy to defend, even though an equally good argument could be made for Senator Norris.

I know the Senator from Oregon engaged, in his earlier years, in the procedure of picking the best left-handed hitter who ever played in the National League, and the Senator knows that these tasks are rather difficult.

I will say to the Senator that, interestingly enough, considering all the letters from the scholars we received, and all the letters from Senators, four of our choices were the top choices of both the scholars and the Senators; and Senator Taft was the top choice of the Senators, and among the first 10 chosen by the scholars. Only 1 man suggested the 5 we ultimately picked, and he is the Senator from North Dakota [Mr. YOUNG].

Mr. NEUBERGER. I thank the Senator for his observations. I am gratified to learn that the factors which have been discussed in the press did not play a part in the circumstance that Senator Norris was not chosen.

Mr. KENNEDY. Yes. Even though the letter was written, I would not suggest that the Senator who wrote it intended to try to suggest a prohibition against the choice of anyone. The Senator merely suggested a procedure, which the committee considered and rejected.

Mr. NEUBERGER. I understand fully the Senator's remarks.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, I rise to give testimony in behalf of the worthiness of the choice made by the special committee in selecting Robert A. Taft, of Ohio, as one of the five men whose portraits shall be suspended in the Senate wing of the Capitol, for the great contribution he made to the country in his official capacity as a Senator.

In all probability, there are fellow Members of the Senate who, because of their intimate contact with the late Senator Robert A. Taft, could testify in his behalf with far greater strength than I.

Robert A. Taft was a fellow Ohioan. My contacts with him as a public official, while not broad, yet were not narrow. I watched his work in the United States Senate. In campaigns, while he was a candidate on the opposing political party ticket, my pathways crossed with his. Through these contacts, and the information which I received about him, I formulated my judgment of the character and the services which he rendered for his Nation.

I cannot help thinking that standing at his side always was the spirit of courage to do that thing which he believed was best for his country. In the hours of adversity, when the irresolute heart would have abandoned the pathway of what was right, the heart of Robert Taft became more resolute. Great was his spirit in normal periods, but it was accentuated when the battle was thickest.

The senior Senator from Ohio and I campaigned in 1950. I was running for governor. Robert A. Taft was running for the Senate. I have already stated that our pathways crossed, as we worked from the shores of Lake Erie down to the banks of the Ohio River.

While I admired him for the work which he did as a public official in the Senate, my admiration for him became deepest when I saw the stalwartness with which he withstood the grief, the torment, and the ordeals of the campaign to which he was subjected in 1950. Bob Taft's economic position in life was strong. Many might believe, judging from outward appearances, that all was comfort with him; and yet I can say without any hesitation that throughout all the years of my public life I never saw any public official subjected to the cruelty of treatment that was his lot in the campaign of 1950. His meetings were picketed. His addresses were heckled by organized opposition. I went into a little town called Waynesburg, in Stark County, one afternoon. A man came up to me and said, "Governor, you will be pleased to learn what happened here yesterday, across the street in front of that bank building."

I said, "What happened?"

He said, "Senator Taft was making a talk, and just when he reached the climax of his presentation, on the white of his shirt there landed a tomato."

I said, "That does not please me. That was wrong."

Picnics were held throughout Ohio, and the portrait of Bob Taft was suspended somewhere on a tree, and baseballs were sold three for a quarter. Whoever knocked out his teeth received a prize for it.

The point I am trying to make is that in the face of all that he never winced. He never complained. He went through that campaign and took the treatment accorded him in a manner more noble than that of the most heroic soldier.

He was a great Senator. He was a great man. In my judgment, this worthy committee, of which the junior Senator from Massachusetts is chairman, did credit to itself in selecting him. In my opinion the people of Ohio, when looking upon the selection objectively, will applaud it. In my judgment, as the history of the past recedes and the passions of the time come to an end, the name of Senator Robert A. Taft will grow more glowing and more beautiful in the history of our country.

Mr. KENNEDY. I thank the Senator for a very eloquent statement, which I think summarizes well the reasons why Senator Taft was unanimously chosen by the committee.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. BUSH. I would not want this colloquy to come to an end without some comment from the desk which I occupy temporarily, that of acting minority leader.

I listened with great interest and full approval to the commendatory statements of the acting majority leader; and in the absence of our minority leader, I wish to make a few observations on behalf of my colleagues on this side of the aisle.

Let me say to the Senator from Massachusetts, as chairman of the committee,

and to the distinguished Senator from Ohio [Mr. BRICKER], who is also a member of the committee—and I am glad he is present in the Chamber—that I think it should be a matter of great satisfaction to them to be able to submit a unanimous and universally accepted report on this very delicate and sensitive question, on which there can be such a wide variety of opinion.

Some of us tried to assist the committee. There were those who, like myself, found it difficult to make a full slate of suggestions. We are particularly grateful that the committee has come forward with such fine recommendations, in which we can all take great pride, and with respect to which we can express almost united approval.

So I offer my personal—and, at the moment, official—congratulations to the distinguished chairman and the other members of the committee, including particularly the distinguished senior Senator from Ohio, who is present in the Chamber.

As a native of Ohio, and as a Senator from Connecticut, I wish to say a word about the distinguished late Senator Robert A. Taft, who, when he was last in the Senate, occupied the desk which I occupy temporarily at this moment.

I happened to have had the pleasure of knowing this man during the last 20 years of his life. My acquaintance with him in the last 10 or 12 years of his life, strangely enough, was largely in Connecticut, which State, we felt, had the second claim on him, after the great State of Ohio.

The name of Taft has been a great name in our State. William Howard Taft, the distinguished father of the late Senator Taft, and a former President of the United States and Chief Justice of the United States, was a professor at Yale University, in New Haven, Conn., following his retirement from the Presidency of the United States. I had the distinct privilege of studying under him when he was a professor at Yale University.

We have landmarks of the Taft family in various parts of our State. There is the Taft Hotel in New Haven. There is the famous Taft School in Watertown; and there are other landmarks. So we in Connecticut can join with our brothers from Ohio in taking great pride in the nomination of Robert A. Taft to be one of the five Senators whom the committee has so generously honored.

I am very grateful to the distinguished Senator from Massachusetts for permitting me to say these few words, and I am very happy that my good friend, the distinguished senior Senator from Ohio, was present, so that he might hear me express my special admiration for his beloved colleague, Robert A. Taft.

Mr. KENNEDY. I thank the Senator from Connecticut for his generous words.

As I have indicated in my statement, it was a source of considerable regret to the committee that it could not have selected Oliver Ellsworth, of Connecticut, an outstanding figure in the first Senate. George Frisbie Hoar, writing of him, stated that when he came to the Senate in 1877, the condition was that from the people, even though he was in the minority most of the time. Nevertheless, by the very virility of his attack on various problems which confronted the country at the time, he gained the respect of his fellow countrymen, even though many of them differed with him.

I am personally gratified that my former colleague, Senator Taft, was chosen. He was the unanimous choice of the committee, as the chairman has indicated. I also appreciate the fine comments of the Senator from Connecticut [Mr. BUSH], whom we in Columbus, Ohio, like to think of as the third Senator from Ohio. He grew up in our Capital City, and I knew his distinguished father.

It was my privilege to appear in the Supreme Court many times while Senator Taft's father was Chief Justice, long before I knew Senator Taft.

Then came Senator Taft's entrance into politics in Ohio, first as a candidate for the house and then the senate of the State legislature; finally as candidate for the United States Senate. Later, with the support of the Ohio delegation, he was candidate for the Republican nomination for President of the United States.

Our relationship became very close, as we acted together many times. We served together in the Senate.

Senator Taft was a man of great character and the highest integrity, and an indefatigable worker.

He had been an outstanding student in his days in school. At one time in Ohio I had the privilege of sitting on a committee of the Senate, even though he was in the minority most of the time. Never-theless, by the very virility of his attack on various problems which confronted the country at the time, he gained the respect of his fellow countrymen, even though many of them differed with him.

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Hawk War. In 1835 he moved to Springfield, Ill., where he was one of that brilliant circle—Lincoln, Douglas, Browning, Yates, and Trumbull. He defeated Lincoln for the 29th Congress in 1844. Supported Polk on his Oregon policy. When war with Mexico came, he returned from the House and raised an Illinois volunteer regiment which he led to join Gen. Z. Taylor. Came to Washington in 1846 with dispatches. Made a speech in the House in uniform, with good effect, for better equipment for the soldiers, then resigned, went to the front where he served with distinction. His regiment did not reenlist, and he resigned his commission. He went back to his law practice, ran for Congress on the Whig ticket in a Democratic district at Galena and won after living in the district only 3 weeks. Known only for eloquence in 31st Congress. Went to California in 1852 after a trip to Panama in 1851. Made a Mark Anthony oration at the funeral of California Senator Broderick in September 1859 (Broderick, by the way, was an interesting character too. He was a Democratic Senator from California from March 4, 1857, to September 16, 1859, when he was mortally wounded in a duel with David S. Terry, chief justice of the California Supreme Court). Baker went to Oregon in February 1860, at the invitation of a Republican committee organizing Oregon for statehood. Was elected United States Senator in October by a combination of Douglas Democrats and Lincoln Republicans. This victory over the Democratic candidate assured Lincoln's control at Chicago of the Oregon delegation and caused Oregon to suffer almost 90 years of Republican Senators. Sumner said that Baker's speech made in debate with Judah P. Benjamin on January 2, 1861, would pass into the permanent literature of the country and that it assured his place in the Senate. His speech on August 1, 1861, in reply to Senator Breckinridge was also a famous Union speech. He made it in uniform as a colonel of a Pennsylvania regiment known as the 1st California Regiment. Killed at Ball's Bluff October 22, 1861. Buried in San Francisco in a cemetery he had promoted. There is a small marker at Ball's Bluff—1860–61.

SOUTH CAROLINA

John C. Calhoun, the greatest of the States rights advocates, was Vice President with Andrew Jackson. He and Hayne met Webster in the famous debates. (Hayne should also be considered.) He stood up for his beliefs and had division and States rights prevailed, both would have been considered truly great. I am happy that they failed, but they should be considered—1832–43, 1845–50.

TENNESSEE

Andrew Johnson, best constitutionalist in the White House or the Senate—1857–63.

VIRGINIA

Carter Glass. As a Member of the House, he fought through the Federal Reserve Bank System. Was Secretary of the Treasury with President Wilson. The times passed him by, but as chairman of the Senate Appropriations Committee, he never attempted to block Roosevelt's recovery program—1920–46.

WISCONSIN

The two La Follettes, Sr. (1905–29) and Jr. (1925–47). Both great liberals; both definitely should be considered, although, like Joe Robinson, Bob Taft, Alben Barkley, and Carter Glass, they are too close to us for true perspective.

Mr. MONRONEY. I wish to add a few words to what has been said about the fine and excellent manner in which the chairman of the committee, the Senator from Massachusetts [Mr. KENNEDY], has performed his very important function in recognizing the five truly great Members of the Senate.

I have seen many reports and I have heard many discussions, but I have never heard anything that has approached the excellent manner in which the distinguished chairman has carried on his functions in bringing about recognition of these fine men.

Mr. KENNEDY. I thank the distinguished Senator.

Mr. WILEY. Mr. President, I wish to pay honor to those who are leading in the tribute to the five most honored Senators in our Nation's history.

I believe that the committee headed by the distinguished junior Senator from Massachusetts [Mr. KENNEDY] is to be congratulated for its most excellent and, yes, its courageous choices.

I shall comment for but one moment on the choice which is naturally closest to the hearts of the people of my State. I refer, of course, to the designation of Robert Marion La Follette, Sr., as one of the five whose portrait is to be hung in the Senate reception room.

In selecting "Fighting Bob," the committee did itself honor and it did the Senate honor.

It selected a man of lion-like courage, of incorruptible honesty, of indomitable perseverance for what he felt to be right.

It selected a man who did not flinch from every battle into which his fervent conscience took him, who fought cleanly, and who fought hard.

He made Wisconsin preeminent in the Nation in the battle for social justice, the statutory battle for the underprivileged, the underdog, the unprotected. He was a man with vision and imagination. We need such vision and imagination in the Nation. We need it in my own party, as the late Gov. Walter Goodland pointed out. We need it in both parties.

Even his bitterest opponents—and we must remember that he had many such during all the stormy years of his public service—would readily concede that "Fighting Bob" was a great Senator by every conceivable definition of that term.

We salute his memory. We salute the fine family which bears his name, including the late Bob, Jr., who served so long and so well in the Senate. And we salute his brother Phil, likewise a great son of a great father, and a great Governor of my State.

As one who literally ran against Progressive candidates in elections, as one who disagreed strongly with the Progressive Party, I say that I am proud of the committee's selection, proud of its designation of Robert M. La Follette, Sr.

WAH CHANG CORP. ZIRCONIUM PLANT AT ALBANY, OREG.

Mr. NEUBERGER. Mr. President, on April 22, 1957, there was formally dedicated in Albany, Oreg., the new zirconium plant of the Wah Chang Corp. This plant will produce zirconium sponge for fabrication into metal for use in atomic reactors.

It was my privilege to work cooperatively for many months with officials of the Atomic Energy Commission to help bring about reactivation of the original zirconium installation in Albany, where the process for producing this strategic metal was developed by scientists and engineers of the United States Bureau of Mines.

One of the world's leading metallurgists, K. C. Li, chairman of the Wah Chang Corp., gave the principal speech at the dedication on behalf of the owners of the new plant. I had the honor of delivering the main dedicatory address. Gov. Robert D. Holmes expressed the gratification of the State of Oregon for the signal event which was taking place. Ex-State Senator Orval N. Thompson, of Linn County, counsel in Albany for the Wah Chang Corp., was master of ceremonies. The invocation was movingly made by Rev. Morton L. Booth of the First Presbyterian Church of Albany.

I had the privilege of reading a special message from Adm. Lewis L. Strauss, Chairman of the Atomic Energy Commission, for which the Wah Chang Corp. at Albany will serve as a supplier of zirconium. Admiral Strauss pointed out very appropriately, in his message, that the historic submarine *Nautilus* went to sea and cruised 60,000 epoch-making miles with its charge of atomic fuel cloaked in zirconium that had been made at Albany, Oreg.

WAH CHANG PLANT BRINGS NEW EMPLOYMENT

This new facility, employing 280 people for 52 weeks a year, is the type of manufacturing plant so urgently needed by Oregon in its present economic crisis, due to a falling off in income of the crucial lumber industry.

Still more important, the Wah Chang zirconium plant will be producing a metal that can advance not only the military uses of nuclear products but the adaptation of these vital energy sources to the even greater needs of mankind at peace.

The dedication of the new Wah Chang zirconium plant was a thrilling experience for me, because it marked a new phase in the industrialization of the State of Oregon. It was a step into an era when fabrication of a new structural metal for the atomic age on a large-scale basis became a reality.

Zirconium is one of the strategic substances used in nuclear power reactors because of its special properties of high resistance to corrosion and low absorption of neutrons. This latter quality has made it a promising structural material for reactors because it helps in maintaining a chain reaction.

Zirconium is a new metal and metallurgists have told me that only a few of its commercial uses have been envisioned. Demand for this new industrial metal indicates that its processing will play an important part in expansion of manufacturing in the State of Oregon. The new Albany industry will employ about 280 persons at average wages of $5,000 annually, giving our State a new year-around payroll of the kind needed to take up the slack in the fluctuating lumber industry.

COMPANY PLANS EXPANSION

Already the management of the Wah Chang organization has announced plans for expansion of facilities. The company is exploring new techniques for production of zirconium and other new metals needed for the age of atomic and rocket propulsion. Indeed, the limits of our progress in these fields may be determined by the degree of success in developing new metals for the new requirements ahead, uses to which our present state of technology have given but a bare inkling.

New industry, such as is typified by the Wah Chang zirconium operations, is vitally needed to restore the income of Oregon citizens. In the period from 1947 through 1956 Oregon's per capita incomes have steadily and inexorably dropped with respect to their comparison to the national average. In 1947 per capita income was $202 above the national average, but by last year it had slipped to $10 below the national figure. New industry with payrolls that are maintained 52 weeks of the year are needed to reverse this trend and to restore the prosperity of my State's citizens. The opening of the Wah Chang plant for making a new metal gives rise to hopes for attainment of new horizons in our economic future.

The Wah Chang plant is an outstanding example of the product of cooperation between Government and industry. Back in 1945 the United States Bureau of Mines began studying the possibilities of developing an economical process for producing zirconium metal. The Northwest Electrodevelopment Laboratory of the Bureau, at Albany, was selected as the site for the experimentation. Metallurgists and researchers of this Government agency worked to unlock the secrets of processing zirconium ore into a ductile metal. In February of 1945 they produced 90 grams of the rare metal through a magnesium reduction process.

By February of 1947, they had developed a pilot plant capable of producing 60 pounds of zirconium metal per week. This expansion of production required an accelerated melting program and a revolutionary furnace was developed by the Government scientists to meet the challenge.

BUREAU OF MINES PERSONNEL AIDS DEVELOPMENT

From these small beginnings, the Albany plant has been expanded so that it now can produce 300,000 pounds of zirconium sponge annually.

After the initial work of development by Bureau of Mines technicians, the Federal Government decided to invite participation of private industry in the zirconium program. The Albany plant was closed temporarily, and then reactivated in 1955 when the Navy Department and Atomic Energy Commission determined that a vastly increased supply of zirconium was needed to meet defense requirements. The work of Government scientists in paving the way for private industry to enter the field of zirconium metal production cannot be overemphasized.

The opening of the Wah Chang plant was a matter of special satisfaction to me. Establishment of this industry in Oregon was a project on which I worked with Adm. Lewis L. Strauss, Chairman of the Atomic Energy Commission. I am pleased that it now has been brought into active operation. I had been deeply concerned, in May of 1955, when the decision was made to curtail operations at the Albany Bureau of Mines plant. I urged a study to determine whether the Government plant could not also be used in supplying the vital new metal. After a series of meetings and much correspondence with the Atomic Energy Commission members and its staff, a decision was reached on May 1, 1956, to reopen the Bureau of Mines plant under a contract with the Wah Chang Corp. Because of the need for greatly expanded production facilities, it was determined that the Government-owned plant would be inadequate. With the encouragement of the Atomic Energy Commission, Wah Chang started construction of its own private facilities in August of last year. The plant was brought to completion in 6 months and production has began to meet the shortage of metal required for our reactor program. I am pleased to have been able to make a contribution toward such a fruitful addition to Oregon industry.

OREGON MAY BECOME RARE-METAL CENTER

I have been informed by Mr. Stephen Yih, general manager of the zirconium division of the Wah Chang Corp., that plans are well advanced for expansion of the plant facilities. The company's decision to increase productive output so soon after the start of initial operations is an indication of the management's firm belief that the new metal has great potential. The company's investment of capital has been made at no little risk. The people of Oregon, I am sure, will view with great expectations the prospect of seeing their home State become a center for fabrication of a new industrial material.

Mr. Yih has told me that the company plans to triple its plant facilities in Albany during the current year. Next month they will break ground for one unit of a new zirconium treatment plant, of a size comparable to the present operation. By next October, Mr. Yih has advised me, a third plant is expected to be placed in operation. The new operations will concentrate on separation of new rare metals such as hafnium, tantalum, and columbium.

Each of the two new plants, I have been told, will provide employment for about the same number of persons as are now working at the zirconium operation. Nearly 300 persons are employed at the present plant. Thus, by the end of the year, the new-born rare metal industry of Oregon will employ some 900 persons. This is truly a meteoric industrial mushrooming, when we consider that the Wah Chang Corp. broke ground for its first plant only last August.

I should like to add that we in Oregon regard it as a hopeful omen that the words Wah Chang mean, in Chinese, "great development." This may be the beginning of a truly great development in our State of Oregon. Mr. Stephen Yih, an official of the Wah Chang organization, will be manager of the zirconium division of Wah Chang at Albany.

K. C. LI RECEIVES LEWIS AND CLARK MEDALLION

It also is pertinent for this report to show that I presented to Mr. Li, as a symbol of his firm's interest in the State of Oregon, an exact replica of the famous Peace and Friendship Medal presented to the Indian chiefs of the Pacific Northwest by the great explorers, Meriwether Lewis and William Clark, as they carried our flag to the Pacific's lonely shores. This Peace and Friendship Medal, ordered by Thomas Jefferson himself, is a hopeful omen—I trust—of the type of uses to which zirconium metal from the new Albany plant of Wah Chang may be put in the years ahead.

Mr. President, so that Members of the United States Senate may be informed fully as to this major occurrence in the progress of atomic expansion, I ask unanimous consent to have printed in the RECORD the address of Mr. K. C. Li at the dedication of the Albany zirconium plant; a letter to me containing the eloquent invocation by the Rev. Morton L. Booth; a complete official copy of the program on that occasion; and a summary which synthesizes my own dedicatory address to the throng of representative Oregon citizens who were assembled for the event.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS OF MR. K. C. LI ACCEPTING THE MEDAL PRESENTED BY SENATOR RICHARD L. NEUBERGER AT THE OPENING OF THE ZIRCONIUM PLANT OF WAH CHANG CORP., ALBANY, OREG., APRIL 22, 1957

With all humility, and in the name of my associates and fellow workers, whose sweat and toil in this enterprise exceed my own, I accept your generous award. It is an inspiration to us from a great statesman and distinguished Senator of a liberal State, where the Wah Chang Corp. enjoys the opportunity to grow to the full promise of its future.

The medal, I am aware, commemorates the historic expedition which completed the opening of the American continent from sea to shining sea, and provided the land bridge from the colonial past to the glorious American present. The medal inspires us, because, in a modest way, Wah Chang's coming to Oregon represents an enterprise which we hope will help provide the bridge from one industrial age to another, the prenuclear to the new atomic age.

Will my associates and fellow workers in the audience join me in the expression of our deep appreciation by rising to thank Senator NEUBERGER?

ZIRCONIUM IN OREGON

(Remarks by Mr. K. C. Li, chairman, Wah Chang Corp., at the opening ceremony of the zirconium plant of Wah Chang Corp., Albany, Oreg., April 22, 1957)

Mr. Governor, honorable Senator, honorable Congressmen, honored guests, associates and coworkers of the Wah Chang family, ladies and gentlemen, we are gathered here to open officially and to dedicate a nuclear plant, the only one of its kind in the Northwest of the United States. On behalf of my associates and my coworkers, I want to thank you for your presence here today. I know it is your deep interest in this important industry that has prompted you to make this personal sacrifice to be here on a busy Monday morning.

It may interest you to know that this plant was built from scratch, and that in 6 months' time it has been put into full production. This accomplishment was made possible only because of the splendid assistance that you, Mr. Governor, the Senators,

the Congressmen, the chamber of commerce, the Bureau of Mines, and all the community so kindly gave us, and because of the sweat and tears of my fellow coworkers, led by our brilliant engineers, who worked day and night to bring this about. Today we are not only in full production as originally planned, but we have even had to install additional furnaces. My fellow coworkers and I would very much appreciate it if the Governor, the Senator, and Representative CHARLES PORTER, of this district, will push the buttons that will start them into action.

We also have three shipments processed, packed, and ready for delivery to the Government. My associates would appreciate it if the Governor, the Senator, and the Representative of this district would officiate at the signing of the documents covering these shipments.

Wah Chang in Chinese means "great development." Our new operation here in Albany is, indeed, a great development in the sense that it represents a very important part of the nuclear industry. Wah Chang was established in the United States 45 years ago. In all these years Wah Chang has been specializing in mining, smelting, and refining of rare metals.

We at Wah Chang are very proud that our interest in the production and refining of these metals allowed us to make significant contributions to the national defense in World Wars I and II.

In the First World War, Wah Chang supplied almost 100 percent of the Government's requirement for antimony, which was used in the production of shrapnel shells so important in trench warfare, the characteristic feature of World War I.

In World War II, Wah Chang was able to meet Government needs for strategically vital supplies of tin, antimony and tungsten. Six months before Pearl Harbor, when these metals were already almost unobtainable on the world market, Wah Chang was able to supply the Government with the large tonnage which formed the nucleus of a national stockpile. Without this stockpile, high-level planners in the United States Government would not have been able to operate in an atmosphere free of panic.

After Pearl Harbor, Wah Chang became the only Government agent for the beneficiating and allocating of all tungsten purchased by the United States. We feel very proud of this contribution.

During the Korean incident, Wah Chang was called upon by the Government to contribute toward its tungsten program to free the tungsten industry—and the national defense—from dependence on foreign supplies.

Today, the United States is the largest producer of tungsten in the free world. Here, again, Wah Chang is proud that its leadership in the industry not only helped to inspire, but facilitated, this significant peacetime development.

For tungsten is still an important metal, only slowly yielding its position as the No. 1 structural metal to such newly important reactor metals as zirconium, hafnium, niobium, tantalum, etc.

Wah Chang's current history reflects this historic development. In building our plant here in Oregon this year, we committed Wah Chang's future to the future of these new and rare metals which are taking their place beside tungsten.

As you know, some of these metals are in plentiful supply; others are still rare. Their uses, however, are uncommon. The metallurgy for extraction of their ores is still in its infancy. Necessary advances can be accomplished only by huge investment.

Our Government has, as with titanium, for instance, guaranteed the necessary capital investment of private owners. Though Wah Chang began research on these rare metals of the future many years ago, and had developed a number of new processes, it was never fortunate enough to obtain any Government guaranty for its advanced work on these metals. With such guaranty, Wah Chang's pioneering would, I assure you, have been easier and faster.

Nevertheless, our contributions to the rare-metals industry have been substantial. We are well known in the industry for our contribution to the science of separating molybdenum completely from tungsten, an absolute requirement in electrical, radio, radar, and signal corps installations. The tungsten ore occurring in the United States, as most of you know, contains anywhere from 5,000 to 30,000 parts per million, whereas specifications for the above uses do not permit a content of even one part per million.

We have also developed a unique process for the smelting and refining of antimony. You will also be interested to know that the only book ever published in English on this metal was written by our director of research.

We hope to be able to announce soon the separation of tantalum from niobium, through a procedure simpler than the liquid-liquid method. It is along such lines that we conceive of Wah Chang's future great development and its contribution to the needs of the United States in the great age of jet engines which is just dawning.

However, being a private and small concern, we understand our limitations realistically. We also know where our priceless assets lie—in our young men, whose enthusiasm and creative thinking will help us to continue to find the best techniques and develop the most efficient operations for the production of the finest zirconium, hafnium, and other rare metals. Our past experiences encourage us to believe in our future success in handling these metals.

Two years ago, with the blessing of the Government, Wah Chang entered into a cooperative agreement with the Department of the Interior to operate its Bureau of Mines titanium plant in Boulder City, Nev. Under that cooperative agreement Wah Chang has produced and delivered titanium sponge, the best ever received in commercial quantities by the Government. Wah Chang has from time to time made its process public as a service to the industry and has rendered a complete report, which is to be published by the United States Bureau of Mines early next year.

At the beginning of 1956, with the encouragement of the Atomic Energy Commission, we entered an agreement with the Atomic Energy Commission to reactivate its zirconium plant at Albany to produce zirconium sponge for the Commission at no profit to our company. Even with our utmost efforts to increase production to 130 percent of utmost designed capacity, the Atomic Energy Commission is still far short of zirconium for its reactor program.

So, in August 1956, 8 months ago, again with the encouragement of the Atomic Energy Commission, Wah Chang began the construction of this new zirconium plant, which we officially dedicate in this wonderful town of North Albany, without Government financing and without a long-term contract to produce zirconium sponge to alleviate the shortage of this reactor product. We are proud of our record. The plant was completed from scratch in 6 months' time. This is second only to our war performance record in tungsten during World War II, when we were obliged to build our tungsten plant in Glen Cove, N. Y., in 5½ months' time.

This record is influenced, I am sure, by our realization that service to our country is our duty, service to industry is our business, and progress is our aim.

In spite of this wonderful performance, I am sure my associates here will agree with me that our operation is still in its infancy. Much improvement of our plant, of our techniques, of our supervision, of everything, is needed. Improvements must be part of our program. So must our research, for we are sure that zirconium and hafnium will not only be among the important nuclear materials, but also will be the structural materials of the future. They will, we feel, be important in fields which have not yet been even explored.

Being a small company, we fully realize our limitations. It is not going to be easy, but I feel confident that with your help, and with the continued support of the Governor and our distinguished Senators and Congressmen, and with the kind of enthusiasm demonstrated by my associates and coworkers in the building of this plant in a short 6 months, we will succeed regardless of how long it may take to achieve our objectives.

Oregon has been known for decades as a great supplier of lumber to the world. When I first took up mining, many years ago, the name of Oregon came to my attention practically every day. Later, when I worked as a miner and surveyor underground, in the United States and elsewhere, I saw Oregon timber as the support of every worthy mine. I hope, Mr. Governor, that my associates and fellow workers will make this industry, the zirconium industry, worthy of the name of Oregon, and will make Oregon also famous for zirconium production.

Governor Holmes, Senator Neuberger, Representatives Ullman, Norblad, Green, and Porter, we are very happy that in spite of your tremendously heavy schedule you have found time to make this opening ceremony. We welcome you and our welcome is sincere and permanent. Our aim is progress and your frequent presence here, I assure you, will always be an inspiration to our progress.

INVOCATION BY REV. MORTON L. BOOTH, D. D.

Our Father God, we thank Thee for the gifts of mind and spirit; for courage and vision combined and working together. As we build for peace or for struggle, grant unto these Thy servants a deep and lasting satisfaction with what is being done here. As we move forward together wilt Thou continue to aid us in the uncovering of Thy bounty within our land and in the uncovering of the laws of further scientific developments. May all that we begin and carry through for Thee and for our fellow men merit Thy blessing. Grant us courage and peace. And to Thee shall our glory, allegiance, and worship be, evermore. In Thy holy name. Amen.

A NOTE OF WELCOME

Most of our guests here today come at some personal sacrifice, and I want them to know I appreciate deeply their interest in our operation.

"Wah Chang" in Chinese means great development. For Wah Chang, our new development in Albany is indeed a "great development" in the sense that it represents a new direction in the development of the company and its history. We were interested, until recently, almost exclusively in tin, antimony, and tungsten.

In building our new zirconium plant in the State of Oregon, we committed Wah Chang's future to the future of the new rare metals which are taking their place beside tungsten. We are proud of our record in this new enterprise. The plant was completed from scratch in 6 months. Our delivery of zirconium from this plant to the Government began in January of this year, as scheduled.

We are most fortunate to be operating in a very friendly community which has given us so much support. The mayor, the members of the chamber of commerce, the members of the city council, the members of the Bureau of Mines, and the Oregon Metallurgical Laboratory have been wonderful to us.

I take this opportunity, in behalf of my associates and myself, to thank all for their past cooperation and to solicit their continued cooperation.

K. C. LI,
Chairman of the Board, Wah Chang Corp.

PROGRAM

Orval N. Thompson, master of ceremonies.

10 a. m.: Flag raising ceremony.

10:15 a. m.: Invocation, the Reverend Morton L. Booth, pastor, First Presbyterian Church.

10:20 a. m.: Welcome, K. C. Li, chairman of the board, Wah Chang Corp.

10:50 a. m.: Remarks, the Honorable Robert D. Holmes, Governor of the State of Oregon.

11 a. m.: Address, the Honorable RICHARD L. NEUBERGER, United States Senator from Oregon.

11:45 a. m.: Group signing shipment documents of zirconium shipment No. 10.

11:15 a. m.: Benediction, the Reverend Morton L. Booth.

2:30 p. m.: Plant open to public for tour.

GUEST LIST

The Honorable WALTER NORBLAD, House of Representatives, Washington, D. C.

The Honorable Elmo Smith, former Governor of Oregon.

The Honorable Charles Sprague, former Governor of Oregon.

The Honorable Mark Hatfield, secretary of state, State of Oregon.

The Honorable Sig Unander, State treasurer, State of Oregon.

The Honorable Warren Gill, State senator.

The Honorable Jess Savage, State house of representatives.

The Honorable Roy Fitzwater, Oregon State House of Representatives.

The Honorable E. G. Arnold, Linn County judge.

The Honorable Floyd Jenks, Linn County commissioner.

The Honorable Wayne Downing, Linn County commissioner.

The Honorable William L. Fitzpatrick, mayor, city of Albany.

Mr. William Bollman, city manager, city of Albany.

Mr. R. P. Booth, president of KVAL-TV, partner of Tillman-Booth Co., director of Booth-Kelly Lumber Co., president of Cascade Manufacturing Co., Eugene.

Mr. Hal Byer, manager, Chamber of Commerce, Albany.

Mr. Roy Collins, president, Chamber of Commerce, Albany.

Mr. Stan Czech, assistant principal, Albany Union High School.

Mr. R. W. Deweese, vice president of sales, Electric Steel Foundry Co., Portland.

Mr. Neil Duffie, manager, Western Kraft Corp., Albany.

Mr. David C. Duncan, president, Chamber of Commerce, Portland.

Mr. Wallace Eakin, managing editor, Albany Democrat-Herald.

Mr. Ken Earnest, superintendent, Pennsylvania Salt Manufacturing Co., Portland.

Mr. Dale Fischer, president, Fischer Marcola Co., Eugene.

Mr. Sam. Frager, director, Chamber of Commerce, Albany.

Dean George W. Gleeson, School of Engineering, O. S. C., Corvallis.

Mr. W. H. Gonyea, president, Clear Fir Sales Co., Springfield.

Mr. O. H. Hinsdale, president of Umpqua Navigation Co., vice president of Umpqua National Bank, Reedsport.

Mr. Francyl Howard, publisher, Greater Oregon, Albany.

Dr. J. A. Kirk, M. D., Eugene.

Mr. Percy Locey, realtor, Corvallis.

Mr. E. B. MacNaughton, chairman of the board, First National Bank of Portland.

Mr. H. A. Mason, vice president, Symington Gould Co., Depew, N. Y.

Mr. E. Stephan McClain, vice president, United States National Bank of Portland.

Mr. C. K. McCormack, owner of Beam-McCormack Insurance, Albany.

Mr. J. M. McCollough, assistant sales manager, Pennsylvania Salt Manufacturing Co., Portland.

Mr. Phillip O'Toole, O'Toole Motor Co., Corvallis.

Mr. A. H. Roberson, United States Bureau of Mines, Albany.

Mr. C. M. Rushing, treasurer, Oregon Metallurgical Corp., Albany.

Mr. W. H. Shields, president of Shields Construction Co., Eugene.

Mr. Eldon J. Sloan, supervisor of Oregon State Employment Service, Albany.

Mr. Charles Sterret, manager, Chamber of Commerce, Portland.

Mr. L. L. Stewart, president of Bohemia Lumber Co., Cottage Grove.

Mr. Orval N. Thompson, attorney, law firm of Weatherford & Thompson, Albany.

Mr. J. S. Walton, dean of chemical engineering department, O. S. C., Corvallis.

Mr. R. C. Warren, president of Cascade Manufacturing Co., Portland.

Mr. Mark L. Wright, acting regional director, region 1, United States Bureau of Mines, Albany.

ALBANY ZIRCONIUM PLANT ILLUSTRATES TYPE OF NEW INDUSTRY NEEDED BY OREGON, NEUBERGER SAYS

ALBANY, OREG.—The steady year-round employment provided by the new Wah Chang zirconium plant in Albany was praised by Senator RICHARD L. NEUBERGER as the type of payroll needed in Oregon to restore the State's lagging economic structure, when he spoke at dedication of the plant today.

"Not only will this important manufacturing establishment contribute a vital material to the defense of America and the rest of the free world," said NEUBERGER, "but it also will serve to take up the slack in jobs created by recurring unemployment in Oregon's basic lumber industry."

The 44-year-old junior Senator from Oregon, who worked closely with Adm. Lewis Strauss, of the Atomic Energy Commission, to bring about reactivation of the zirconium facility, declared that low-cost hydroelectric power had helped to make the Pacific Northwest a center of atomic development in recent years.

NEUBERGER also praised scientists and engineers of the United States Bureau of Mines, who he said had helped to make Albany a center of "basic and fundamental research into the importance of new metals to nuclear projects such as the pioneering submarine *Nautilus*." Metallic zirconium, he explained, is highly resistant to corrosion and also has properties which help to sustain a chain reaction.

Bureau of Mines metallurgists were credited by the Senator with "significant and far-reaching experiments which gave impetus to the meteoric rise of zirconium as an atomic-age metal." He pointed out that in 1945 the Bureau plant produced 90 grams of the metal, but by this year the plant's capacity had been increased to 300,000 pounds annually, making Albany an important center for zirconium production.

NEUBERGER pointed out that in May of 1955 he had protested against a decision to close the Bureau of Mines plant. "Later in the year, when it appeared that Armed Forces demand for zirconium would far outstrip the supply, I urged Admiral Strauss to consider reactivation of the Bureau of Mines laboratory," NEUBERGER said. "After conferences and considerable correspondence with Atomic Energy Commission staff members, Admiral Strauss advised me a resurvey would be made. The study of zirconium requirements which followed my representations not only resulted in reopening of the Albany plant owned by the Government but in expansion of production goals. On May 1, 1956, nearly a year after my intervention, Admiral Strauss announced a decision to reopen the plant under a contract with the Wah Chang Corp."

Senator NEUBERGER lauded K. C. Li, chairman of the Wah Chang Corp., and Stephen Yih, general manager of the zirconium division in Albany, for the speed with which the new plant was brought into production. Construction of the new zirconium sponge-fabricating unit was accomplished in about 6 months.

Mr. Li, born in China, educated in England, and a naturalized American citizen, has an extensive and impressive record of supplying strategic metals to the United States Government during times of stress, NEUBERGER added. In World War I, his company was the principal supplier of antimony to the Allied Governments, and prior to and during World War II, he was instrumental in amassing this country's stockpile of tungsten.

"Mr. Li's work is one more example of the vital part which foreign-born citizens have played in our Nation's historic development—in peace and in war," NEUBERGER said. "Would our standards have reached such levels without the energies and ingenuity of men like Andrew Carnegie, the philanthropist and industrialist of Scottish origin; Charles Steinmetz, the German-born mathematician and electrical engineer, or the English-born John Jacob Astor, the merchant whose empire speeded the course of western development? Without the talents of these adopted sons, the Nation would, indeed, have been poorer."

NEUBERGER said the zirconium process used at the Wah Chang plant for reduction of metal-bearing sands impressed on him the interrelationship of Oregon's natural assets in advancing our industrial expansion. NEUBERGER said he was surprised to learn that tons of woodchips were combined with so-called rare earths in the electroprocess treatment to produce zirconium sponge. "This is further evidence that full use of Oregon's basic assets—forest products and low-cost power—will be the basis for industrial growth open to Oregon people," NEUBERGER said.

"Atomic Energy Commission experts forecast that it will be many years, perhaps decades, before atomic power becomes competitive with conventional electrical energy," the 44-year-old Senator said. "Before atomic energy comes into its own as an industrial fuel, millions of kilowatts of electricity will be needed to create fissionable material and to produce the rare and special metals—like zirconium—needed to control and convert the atom to beneficial and humanitarian uses. In the race to maintain leadership in the atomic field, every available kilowatt may be needed. It is of utmost importance, therefore, that our Government follow water-resource policies using to the fullest the Northwest region's hydropower potential."

At the ceremony, NEUBERGER also presented a personal message on behalf of Adm. Lewis L. Strauss, Chairman of the Atomic Energy Commission. Text of Admiral Strauss' message follows:

"I am glad to have the opportunity to express through Senator NEUBERGER, my congratulations to the Wah Chang organization and to the people of Albany on this occasion.

"A major problem in this country's nuclear program has been the need to obtain materials able to stand the unusual conditions of heat and radiation which exist inside atomic reactors. Zirconium was found to have unique properties for meeting these requirements.

"The process for producing zirconium for atomic-energy uses was developed in Albany, and the first plant to produce zirconium for reactors was operated here. When the submarine *Nautilus* first went to sea over 2 years ago, its uranium fuel was clad in zirconium produced in Albany. As you may

know, the *Nautilus* steamed over 60,000 miles on this first fuel charge. It is therefore highly appropriate that this new addition to the Nation's zirconium-producing facilities should be built in this community.

"Again, may I extend congratulations to the company and to the people of Albany."

CHICAGOLAND COMMERCE AND INDUSTRY EXPOSITION

The Senate resumed the consideration of the bill (H. R. 4803) to permit articles imported from foreign countries for the purpose of exposition at the Chicagoland Commerce and Industry Exposition, to be held at Chicago, Ill., to be admitted without payment of tariff.

The PRESIDING OFFICER The bill is open to amendment.

Mr. MONRONEY. Mr. President, I do not think there is any amendment to be offered to the bill.

The purpose of H. R. 4803 is to permit the entry, free of duty, of articles imported for exhibition at the Chicagoland Commerce and Industry Exposition to be held at Chicago, Ill.

The bill follows the pattern of previous legislation enacted by the Congress in connection with various international exhibitions, expositions, and fairs held in the United States.

It has long been the policy of Congress to facilitate participation of foreign countries in international expositions held in the United States by permitting articles intended for display at these expositions to be entered free of import duties and charges under safeguarding regulations of the Secretary of the Treasury.

The Chicagoland Commerce and Industry Exposition is to be held at Chicago, Ill., from June 28, 1957, to July 14, 1957, inclusive, under the auspices of the Chicagoland Commerce and Industry Exposition, Inc. This corporation, in the interest of attracting workers to the Chicagoland area to relieve an acute shortage of personnel for business and industry, will emphasize Chicago's attractiveness as a place to locate permanently and will show its wider market for foreign products from worldwide manufacturers.

H. R. 4803, as reported, provides that the imported articles shall not be subject to marketing requirements of the general tariff laws except when such articles are withdrawn for consumption or use in the United States. Articles admitted may be lawfully sold at any time during or within 3 months after the close of the exposition, subject to such regulations for the security of the revenue and for the collection of import duties as the Secretary of the Treasury shall prescribe.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be offered, the question is on the third reading of the bill.

The bill (H. R. 4803) was ordered to a third reading, read the third time, and passed.

UNEXPENDED STATIONERY ALLOWANCE

Mr. WILLIAMS. Mr. President, the Comptroller General of the United States has just issued a decision overriding a recent ruling of the Treasury Department wherein that agency had held that a Member of Congress must either spend his full stationery allowance or be subject to Federal income tax on any unexpended portion thereof.

Under the Treasury ruling these unexpended funds would have been taxable even though they were never withdrawn from the United States Treasury.

On April 18, 1957, I incorporated in the RECORD this ruling of the Treasury Department and outlined in detail my own specific case wherein I had been unsuccessfully attempting to release to the United States Treasury $1,508.26 left over and not needed for stationery in fiscal 1956.

In the Comptroller General's ruling, the full text of which will be incorporated at a later point, he states:

> While the Commissioner of Internal Revenue in his letter of March 29, 1956, to the Honorable H. STYLES BRIDGES, a copy of which was enclosed with your letter, ruled "that any unexpended funds remaining in the stationery accounts of respective Senators at the end of the fiscal year are constructively received by each Senator on that date whether or not withdrawn, and are includible in the gross income shown on his Federal income tax return for the taxable year in which that date falls," he apparently did not consider a factual situation such as yours, where the unused balance of the stationery allowance is expressly waived and, which, by operation of law, lapses and is deposited in the general fund of the Treasury.

Referring further to the rules, the Comptroller General states:

> The quoted rule provides an improved procedure for those Senators who wish to apply the unused balances of their stationery allowances to supplement the allowance for the succeeding fiscal year. It does not, however, preclude a Senator from expressly waiving or releasing any interest he may have in such unused balance.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. LAUSCHE. Did I understand the Senator from Delaware to quote from the letter to the effect that the moneys were, when they were not claimed in the fiscal year for which they were appropriated, reverted to the Treasury of the United States without being earmarked?

Mr. WILLIAMS. That is correct; and they revert to the United States Treasury without a Senator having to go through the farce of, first, claiming the funds for stationery expenditures when he does not need them, and then endorsing a check to the United States Treasury as if in some great display of charity.

The Comptroller General has overruled that formula and has said that any Member of Congress who does not need the funds for the purpose for which they were appropriated may allow the funds to remain in the Treasury, where by operation of law they will automatically revert to the general fund.

Mr. LAUSCHE. For the purpose of my own guidance, may I ask the Senator from Delaware the reasons why he felt those funds should not be claimed by him?

Mr. WILLIAMS. When all the funds are not needed for the purpose for which they are appropriated the balance belongs to the American taxpayers. Eighteen hundred dollars was appropriated in this instance for my stationery allowance. I did not need the full amount, and I knew I would not need it next year. Therefore, as in previous years, I authorized the release of those unexpended—$1,508.26—funds to the general fund of the United States Treasury. In the preceding years, that procedure had been accepted.

However, last year the Treasury Department ruled that when the money was not spent, whether or not the funds were withdrawn the Member of Congress who failed to spend them would be subject to a penalty tax.

Under that ruling, before the end of the fiscal year I could have purchased $1,500 worth of stationery, had it delivered to my office, only later to send it to the city dump. Then there would have been no tax due, and everybody would have been happy except the taxpayers.

Had we accepted the ruling of the Treasury Department, wherein a Member of Congress was going to be liable for taxes on the unexpended portion, then we must accept the premise that the money belongs to the Member. Under that intepretation the Member would have the right to take the remaining portion, after paying his tax, to go out and buy a mink coat or a deep freeze at the expense of the taxpayers. Or he could use the funds remaining after tax and finance his political campaign. Certainly we do not intend to return to that kind of operation again.

So I refused to accept the principle that those funds belong to me when I did not need them for the purpose for which they were appropriated and had left the money in the Treasury.

Mr. LAUSCHE. How many years of allocation did the Senator from Delaware forgo?

Mr. WILLIAMS. Eight years. The first year I used all the appropriation. In the rest of the years, there were varying balances. Altogether about $6,000 was left over in the previous years.

There was never any question prior to the recent ruling but that the funds would automatically remain in the Treasury unless they were spent for the purposes for which they were originally appropriated.

Mr. LAUSCHE. Am I correct, further, in my understanding that if the interpretation adopted by the Treasury Department was carried into effect, the provisions which were declared by it would constitute an inducement to a Member of Congress not to use the funds for mailing purposes, even though the mailing should have been done in the performance of his duty?

Mr. WILLIAMS. The ruling could have had that effect. It certainly had the effect of putting a penalty on a public official simply because he was trying to administer the affairs of his office as economically as possible.

I see no reason why this particular fund should be singled out for any different ruling than that which applies

to any other fund applicable to the administration of our offices. We get a certain amount for telegrams, a certain amount for telephones, so much for airmail stamps—airmail not being included in the franking privilege—so much for special-delivery stamps, and so much for various other charges, including an allowance for clerical help. If we do not use the funds allocated for those purposes, they automatically revert to the Treasury.

But if we are to accept the ruling that the savings in a particular category belong to a Member of Congress who makes the savings, the point I raised was, Does it stop with stationery? Can a Member cash in on the unexpended portion of the other allowances he receives for his office? Is that procedure to be extended to the various Government agencies wherein they will be forced to spend their full appropriations or else be subject to a penalty of paying tax on the remainder? Certainly that is not a policy which should be adopted either for Congress, or for the executive branch, or for the judicial branch of the Government.

If Congress was asking for this special privilege the country would be aroused, and it is equally absurd to find the Treasury Department arbitrarily insisting upon such a stupid procedure.

Mr. LAUSCHE. Mr. President, let me say that to my knowledge, there was allocated for my use $7,900 for telegrams, and $1,200 for long-distance telephone calls. In my view, I would have had to indulge in an abnormal thinking spree, in order to use the $7,900 allowance for telegrams.

Let me ask the Senator from Delaware whether I am correct in understanding that although I used only $40 for telegrams during the first 3 months, if the principle about which he complains were to be carried into effect generally, the balance remaining unexpended at the end of the fiscal year would inure to my own benefit?

Mr. WILLIAMS. It would, if the principle which is applied to stationery were applied to Senators' telegram accounts, and I see no difference between the accounts. If the principle of the Treasury's ruling were extended, either the unexpended balance would accrue to the Senator's personal benefit or, if he saw fit to insist that the funds did not belong to him—and I do not believe that they do—and if he saw fit to leave them in the United States Treasury, under the Treasury ruling, he would be forced to pay a penalty tax. That proposal is about as absurd as any I have ever heard.

In my own instance, the letter I have received this year states that in the case of telegrams, I have been allotted $2,753.40 for the calendar year 1957. I used approximately $7 in January; and I have before me a report which states that in the month of February, I used $5.65 for telegrams. According to that report, if my use of telegrams continues at anywhere near the rate at which I used them during January and February 1957, approximately $2,500 or $2,600 will be the remaining unexpended balance of my telegram allowance for the calendar year. I ask, Is that my own money? Certainly not.

Mr. LAUSCHE. I should say it is not.

Mr. WILLIAMS. Certainly it is not mine. But am I to be charged a penalty because I refused to spend it? Perhaps that is the reason why we have not been able to reduce the appropriations; perhaps there is too firmly embedded in the minds of some bureaucrats the philosophy that money authorized for expenditures must be spent. Certain bureaucrats seem to be shocked when authorized funds are not spent. They do not seem to be able to cope with that problem. I believe it is about time that someone teaches them how to deal with unexpended balances.

Mr. LAUSCHE. I should like to make a statement at this point, if the Senator from Delaware will yield to me for that purpose.

Mr. WILLIAMS. Certainly.

Mr. LAUSCHE As Governor of Ohio, it was my experience that some few weeks before the end of the fiscal year, department after department became bent upon spending down to the last nickel which had been allocated to it; and the theory of the spending was that unless all the money was spent, when the department returned to the legislature, the sum allocated to it for the next year would thus be somewhat less than the amount allocated to it for the preceding year. Of course, such an application of funds is entirely wrong.

I should like to ask a further question: Is it the judgment of the Senator from Delaware that, although there is a legal provision that these funds, if unexpended, belong to him, yet in his judgment that policy or principle is not sound, and therefore he refuses to accept the funds?

Mr. WILLIAMS. That is true. I may say that that is not only my position; it is also the position of the Comptroller General, who has upheld in his ruling the contention I made in my presentation on the floor of the Senate on April 18; namely, that when I did not need all of these funds, I could and I should leave them in the Federal Treasury, and that they automatically, by operation of law—and that is the language of the Comptroller General—revert to the general fund; and no further action on my part is required. In other words, as Members of Congress, all that we need to do is simply not spend the money and let it automatically revert to the general fund—which is the position I took on April 18. If we do not spend all the money allotted, certainly we should not have to go through the farce of drawing out the remaining balance, claiming that it is needed for a purpose for which it is not needed, and then presenting it as a gift to the Treasury as a charitable contribution.

The other day I pointed out that such an arrangement would not work either in many States which have a tax on gross incomes. In my State of Delaware, for instance, we have a tax on gross incomes. In that connection, payments of Federal income taxes are not allowed as deductions for income tax purposes. Therefore, payments to the Federal Treasury would not be deductible when computing State taxes. Furthermore, neither in Delaware nor in any of the other 47 States is the United States Treasury recognized as a charitable organization. [Laughter.] To my knowledge, the Federal Treasury has never applied for recognition as an object of charity. Unless it is recognized legally as a charitable organization in each of the 48 States, then such contributions to the Federal Government, even though the Treasury Department might recognize them as charitable contributions, would not be recognized as such in the respective 48 States and thus would still be subject to tax.

The only way to clear up this fantastic ruling was to reverse the ruling of the Commissioner of Internal Revenue. The Comptroller General in his decision here has overruled that ruling of the Commissioner of Internal Revenue.

Mr. LAUSCHE. Mr. President, I thank the Senator from Delaware, and I commend him for bringing this matter to the attention of the people of the country.

Mr. WILLIAMS. I thank the Senator from Ohio.

Mr. President, I continue quoting the Comptroller General:

> The quoted rule provides an improved procedure for those Senators who wish to apply the unused balances of their stationery allowances to supplement the allowance for the succeeding fiscal year.

In other words, in case a Member has a few hundred dollars left over this year which he will not need, he can withdraw that amount and can credit it to his stationery allowance for expenditure in the following year or if he does not need the money as in my case the Comptroller General said:

> It does not, however, preclude a Senator from expressly waiving or releasing any interest he may have in such unused balance.

In regard to my particular case the Comptroller General said:

> In our report of March 12, 1957, on the audit of the accounts of the Stationery Room, United States Senate, for the period January 5, 1955, through June 30, 1956, we considered your stationery allowance. It was treated in our audit report in the same manner as similar items in prior years, that is, as a reduction of the allotted allowances under the caption "Appropriations Not Available for Further Obligation." Accordingly, any part of an allotment which expressly is waived by a Senator lapses by operation of law, and in regular course is deposited in the general fund of the Treasury.

In other words, no further action so far as we are concerned is required; we merely spend the amount we need, waive the right to the remaining amount, and it automatically reverts to the General Fund.

The concluding phrase of the Comptroller General's letter very appropriately sums up the whole situation. He states:

> Our conclusion is that if these unused balances are expressly waived by you, they revert to the general fund of the Treasury by operation of law.

Mr. LAUSCHE. Mr. President, at this point will the Senator from Delaware yield further to me?

Mr. WILLIAMS. I yield.

Mr. LAUSCHE. How did the Senator from Delaware waive the right to claim these funds? Did he do it by letter or by an oral statement?

Mr. WILLIAMS. I did it by letter. However, I understand that such waiving is implied in case it is not spent during the fiscal year for which it was appropriated.

Mr. President, in simple, layman's language, it is the decision of the Comptroller General that neither a Member of Congress nor any other public official has to go through the farce—as proposed by the Treasury Department—of first claiming such unexpended funds, and then, in a great display of charity, returning them to the United States Treasury.

Likewise, the Comptroller General rejects the implication that unexpended appropriations belong to the official achieving the economy.

Mr. President, I ask unanimous consent that the full text of the Comptroller General's ruling be incorporated in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, April 30, 1957.

Hon. JOHN J. WILLIAMS,
United States Senate.

DEAR SENATOR WILLIAMS: This refers to your letter of March 22, 1957, acknowledged March 26, concerning the unexpended or unused balance in the stationery allowance for your office.

Stationery allowances for Senators have been provided in annual appropriation acts since the year 1868. Commencing with fiscal year 1956, the Legislative Appropriation Act, 1956 (69 Stat. 503), authorizes such allowances at the rate of $1,800 per annum for each Senator. The stationery allowance allotted to each Senator may be used by withdrawal in kind from the Stationery Room. Any unused earned allowances may be withdrawn in cash at the end of each fiscal year or upon termination of office. Control of stationery allowances is maintained through individual accounts kept in the Stationery Room of the amounts allotted to each Senator. These accounts are charged on the basis of actual issues of stationery from the Stationery Room and with any unused portions of allowances paid in cash. In past years unused balances of the allowance allotments not withdrawn in cash at the end of each fiscal year were carried forward in a Senator's account for use in subsequent fiscal years. However, beginning with fiscal year 1956 a new procedure was adopted as shown from the following quoted extract from a letter dated March 26, 1956, to Mr. Felton M. Johnston, Secretary of the Senate, from the Committee on Rules and Administration, signed by Gordon F. Harrison, chief clerk of Committee on Rules and Administration, by direction of the Honorable THEODORE FRANCIS GREEN, chairman:

"Also, carryovers of stationery balances due a Senator at the end of each fiscal year, which he wishes to be applied to his stationery allowances for the next fiscal year, shall be accomplished by the endorsement of his commutation check to the Keeper of the Stationery for such purpose. These balances shall not be placed on the books of the Keeper of the Stationery without so being first withdraw and then reapplied. Such balances established in this manner shall be used first in a Senator's stationery account before any debit is made against his current year allowance."

The quoted rule provides an improved procedure for those Senators who wish to apply the unused balances of their stationery allowances to supplement the allowance for the succeeding fiscal year. It does not, however, preclude a Senator from expressly waiving or releasing any interest he may have in such unused balance.

In our report of March 12, 1957, on the audit of the accounts of the Stationery Room, United States Senate, for the period January 5, 1955, through June 30, 1956, we considered your nonacceptance of the unused balance of your stationery allowance. It was treated in our audit report in the same manner as similar items in prior years, that is, as a reduction of the allotted allowances under the caption, "Appropriations Not Available For Further Obligation." Accordingly, any part of an allotment which expressly is waived by a Senator lapses by operation of law, and in regular course is deposited in the general fund of the Treasury.

While the Commissioner of Internal Revenue in his letter of March 29, 1956, to the Honorable H. STYLES BRIDGES, a copy of which was enclosed with your letter, ruled "that any unexpended funds remaining in the stationery accounts of respective Senators at the end of the fiscal year are constructively received by each Senator on that date whether or not withdrawn, and are includible in the gross income shown on his Federal income tax return for the taxable year in which that date falls," he apparently did not consider a factual situation such as yours, where the unused balance of the stationery allowance is expressly waived and, which, by operation of law lapses and is deposited in the general fund of the Treasury.

In answer to your specific question as to whether you are correct in insisting that the unused balance of your stationery allowance or of any other allowance furnished for the administration of your office should revert to the Federal Treasury, our conclusion is that if these unused balances are expressly waived by you, they revert to the general fund of the Treasury by operation of law.

Sincerely yours,
JOSEPH CAMPBELL,
Comptroller General of the United States.

Mr. WILLIAMS. Also, in line with the colloquy with the Senator from Ohio, I ask unanimous consent that a letter dated January 12, 1957, signed by THOMAS C. HENNINGS, JR., chairman of the Committee on Rules and Administration, in regard to telegram allowance, be incorporated in the RECORD at this point. This letter shows the rules regarding how another of these funds operates.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON RULES AND ADMINISTRATION,
January 12, 1957.

Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

DEAR SENATOR: Attached are the 1957 regulations of the Committee on Rules and Administration for senatorial telegrams.

The committee desires to point out that the Department of State will transmit messages for Senators transacting official business abroad. Charges for such messages are billed to the Senate monthly, and paid by the Sergeant at Arms without cost to the Senator. Senators with foreign business to transact will find this procedure the best and most secure for their needs.

At its meeting on January 11, 1957, the Committee on Rules and Administration decided to readopt the annual telegram quotas established for Senators in 1956, as the quotas for the calendar year 1957. Under this plan, your dollar allocation for official telegrams this year will be $2,753.40.

Please note that the dollar quota allotted to you for 1957 is not cumulative, and any unspent; residual amount cannot be carried over to the next year, also that those Senators who exceed their quotas will have the excess billed to them directly by the telegraph company.

Sincerely yours,
THOMAS C. HENNINGS, JR.,
Chairman.

Mr. WILLIAMS. Mr. President, I also ask unanimous consent to have incorporated in the RECORD at this point a statement from the office of the Sergeant at Arms, dated March 30, 1957, regarding this same fund, in which he outlines the amount that has been spent from this account by my office for telegrams and the remaining balance.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

OFFICE OF THE SERGEANT AT ARMS,
UNITED STATES SENATE.

DEAR SENATOR: This will inform you as to the status of your official telegraph account for the calendar year 1957.

From February 1 to February 28, 1957:
Charge for wires during above period, $5.65.
Balance for calendar year quota, $2,747.75.

Mr. WILLIAMS. Mr. President, I put this in the RECORD because, while it is unrelated to the stationery item, it shows how these other accounts have been operated in the past and the reasons why we could not sit idly by and let this Treasury ruling stand unchallenged. If we did and if the ruling were extended into all the fields, it would be almost impossible to estimate the loss that would result to the Government.

The farfetched implications and danger behind the acceptance of the Treasury's ruling in connection with stationery expenditures were such that it had to be challenged.

In conclusion I commend the Comptroller General for the clarity with which he has stated his decision. I am confident that with this background it will only be a matter of simple procedure for the Treasury Department to correct its previous ruling.

Mr. President, as evidence of the nationwide protest expressed against this ruling when it was called to the country's attention, I ask unanimous consent to have incorporated at this point in the RECORD a series of editorials appearing in various publications throughout the country. All these editorials endorse the principle that the unexpended balances of any appropriated funds belong to the American taxpayers.

There being no objection, the editorials and articles were ordered to be printed in the RECORD, as follows:

[From the Wilmington (Del.) Morning News of April 20, 1957]

HE CAN'T RETURN IT

United States Senator JOHN J. WILLIAMS has again found that something that happened to him has significance for all of us.

It was nearly 10 years ago that his one-man crusade against corruption in the Bureau of Internal Revenue got started when he found that a tax agent in the Wilmington office was tampering with his personal income-tax returns.

Since then he has kept everlastingly at being a taxpayers' watchdog. More than any other Member of Congress, he went after corruption in the Truman administration, and he saw the Democratic Party take up the broom for its own housecleaning. Meanwhile, and constantly, he has gone after the legalized waste and inefficiency that can cost the people just as dearly as corruption. Now he comes up with a minor but amazing story of his troubles in giving back to the Government some money he didn't need to spend on office supplies.

A frugal man with his allowance for office supplies, Senator WILLIAMS found he had $1,508.26 left over from that account. From 1948 through 1955 he had no trouble turning back what he didn't spend. This time, however, he came up against a "new ruling" of the Treasury. It was that if he had a balance left he would have to pay income tax on it. He was told he couldn't even make a free gift of the money to the Government without paying a gift tax.

All that seems very strange to a man who says he regards this $1,508.26 as money that does not belong to him in the first place, but to the American people. In a way, ironically, he is hoist by his own petard. Watching Congressmen on junkets, he was the Senator who got a law passed back in 1953 to make income taxable certain expense accounts of lawmakers.

He certainly shouldn't be penalized for trying to give the money back, and certainly the people shouldn't be saddled with the purchase of a lot of unused office supplies. If Senator WILLIAMS doesn't yet know just what the answer is to this ridiculous situation, we surely don't. But we're willing to give him time. He'll figure out a way.

[From the Miami Herald of April 25, 1957]

CAN YOU SAVE $1,508 A YEAR?

A ridiculous ruling by the Treasury Department has been disclosed by Senator JOHN J. WILLIAMS, of Delaware.

Like all Senators, he gets a yearly allowance of $1,800 for office stamps and stationery.

WILLIAMS explained to the Senate that because he comes from a small State, he never uses the full $1,800, and since 1948 has returned a total of $5,786.57 to the Treasury.

He had $1,508.26 left over last year, and has made several attempts to return it. The Treasury won't let him.

"This is no longer permissible," WILLIAMS said he was told.

"The Government has now taken the position that the money must be spent, and that if a Member of the Senate does not spend his full allotment, he will be taxed on the unexpended portion even though it is left in the Federal Treasury."

What kind of foolishment is this?

Evidently, the Treasury, accustomed to handling millions of the taxpayers' dollars, has been thrown into confusion by a mere $1,508.

There's nothing "mere" about $1,508. It's more than the average income per capita for a whole year of the citizens of 15 of the 48 States.

Millions of Americans could make good use of $1,508. They have the right to expect their Treasury to be as careful of it as they would.

The Treasury might not need so many billions of dollars if everyone in Washington obeyed a saying familiar to many housewives: "Take care of the pennies, and the dollars will take care of themselves."

[From the Wall Street Journal of April 22, 1957]

ONE THOUSAND FIVE HUNDRED AND EIGHT DOLLARS AND TWENTY-SIX CENTS EQUALS SEVENTY-ONE BILLION EIGHT HUNDRED MILLION DOLLARS

Senator WILLIAMS, of Delaware, has a problem. His problem is that he has been frugal with his allowance for office stationery. Of course, the taxpayers get up the money for such office expenses for all Senators. But Mr. WILLIAMS wound up the last fiscal years, as is his custom, without all his stationery money having been spent.

So he tried to give the money back to the Treasury, figuring that even $1,508.26 might be welcome. But he has discovered he can't give it back under a new ruling, unless he is willing to pay personal income taxes on it, or perhaps a gift tax. He notes he could order the unneeded stationery and have it hauled to the city dump. And he believes he could throw the money into his campaign funds or just put it in his pocket.

"All the emphasis" of the Treasury's ruling, he says, "seems to be placed not on whether or not the money is needed for the administration of my office but rather on getting rid of it, no matter for what purpose." Over the weekend Treasury Secretary Humphrey said his agency would accept the money, but he was silent on the main point—the question of paying taxes on it.

The philosophy behind the Treasury ruling is one which is quite familiar to anyone who has observed the operation of the Federal Government's various bureaus, or put in a little time in the Armed Forces. That philosophy is that money once received must be spent no matter how—or next time the budget comes up some economy-minded legislator will get the idea it wasn't needed in the first place. And, perhaps, get a little too inquisitive for bureaucratic good.

Now $1,508.26 is not a vast sum, compared with the pending budget of $71.8 billion. But it could become a very famous sum. For it could be the sum that proves, if there was any doubt, that the $71.8 billion is riddled with spending that is needless.

And that the $71.8 billion can never be gotten down very far as long as the bureaucrats keep turning up their noses at $1,508.26.

[From the Chicago Daily Tribune of April 20, 1957]

SPEND THAT MONEY, OR ELSE

Senator WILLIAMS, Republican, of Delaware, didn't spend much of the $1,800 stationery allowance made to him by the 1956 Federal budget. On last June 30 he told the Senate's fiscal clerk to return the unspent balance, $1,508.26, to the Treasury. He had followed the same practice in previous years, during which he turned back $5,786 to the taxpayers.

But last year, he informed his Senate colleagues, he was told that he couldn't do this. By a Treasury ruling, the money had become constructively his, even though he hadn't spent it for the purpose for which it was appropriated. If he wanted to give it back to the Government he would have to withdraw it, pay personal income tax on it, and then return it, subject to any gift taxes that might arise from his year's benevolences.

The Senator suggested that the difficulty could easily have been solved by ordering stationery that he couldn't use and having it hauled to the city dump. Or, he said, he apparently could have pocketed the public funds and spent them on his political campaign. But just to let the money revert to the Treasury, on the ground that its expenditure was unnecessary, was unthinkable in bureaucratic eyes.

For a decade Senator WILLIAMS has been a vigilant sentinel against breaches of trust in the Treasury and Revenue Service. His curiosity uncovered some of the more noisome scandals of the Truman regime. But none of his disclosures has equaled this latest fantasy.

Try and imagine a similar situation in any private business in the land. If the controller of a business told a department head that he had to spend the money allotted him whether the business needed the expenditure or not, he would not be fired. His associates, mindful of his long and faithful service, would lead him away and turn him over to the men in white.

Senator WILLIAMS' experience will confirm the suspicions of millions of citizens that our national affairs are in the hands of lunatics.

[From the New York Times]

HOME TO ROOST

A former Delaware chicken farmer named Senator JOHN J. WILLIAMS has long been noted for his singleminded and sometimes lonely attack on governmental waste and extravagance. He apparently believes in economy not only for the Government but also for himself. He has now found out that economy doesn't always pay. He tried to return unspent funds in a stationery account—the regular allowance Senators get for writing paper—only to discover, he says, that according to a Treasury ruling he would have to pay taxes on the amount returned.

But if he didn't return anything, he would not have to pay anything. Does this mean that he could just pocket the money that he didn't spend on stationery? Or, as he suggests, that he should order the stationery and then throw it away, so there wouldn't be any taxable unspent funds in the account? Secretary of the Treasury Humphrey, a well-known economizer himself, said yesterday that Mr. Williams could give back the money, but didn't say anything about tax liability. Whatever the outcome, we hope that Senator WILLIAMS, former chicken farmer, doesn't give up in his quest for savings in Government, even though this time his economy-size chickens seem to have come home to roost.

[From the Philadelphia Inquirer of April 19, 1957]

ONLY SPENDING WILL DO

Having delved into a great many corners and crannies of our Government Senator JOHN J. WILLIAMS, of Delaware, has turned up many striking and some shocking instances of extravagance, waste, and dunderheaded bureaucracy.

Consequently nothing new along those lines should astonish Mr. WILLIAMS, but he does appear to be astonished now. Senator WILLIAMS gets an allowance for stationery. Last year he saved $1,508.26 from that item. He desired to return that amount to the Treasury. Both facts confirm belief that Senator WILLIAMS is an exceptional man.

But, he says, he has run head on into a new ruling that the Treasury (a) cannot accept the money; (b) that it must be spent, and (c) if it isn't the Senator will be taxed on the unexpended portion even though it is left in the Federal Treasury.

It is just not possible to comprehend the kind of reasoning—or lack of it—that could produce a formula as absurd as this. Under it Mr. WILLIAMS could purchase a lot of stationery for which he has no use. Or, it has been suggested he could claim the money and then make a gift of it to the Treasury. The Senator objects he can't give away something that didn't belong to him.

This everything-has-to-be-spent ruling, it would seem, is bound to apply to considerable sums of money, in the aggregate. It is

an injustice and an affront to American taxpayers and should be rescinded. Even if only a few officials and agencies want to practice a little economy on their own hook a bureaucratic barrier like this one is as outrageous as it is silly.

[From the Salisbury (Md.) Times of April 22, 1957]

A LITTLE COMMONSENSE

Delaware's economy-minded Senator JOHN WILLIAMS, the terror of chiselers in the Bureau of Internal Revenue, has come out on top in his latest tangle with bureaucracy.

He had $1,508.26 left over from his allotment for stationery. He was supposed to include the leftover sum as personal income and to pay taxes upon it.

He took the more straightforward way of trying to turn the unexpended sum back to Uncle Sam. Uncle was surprised. Things are not done that way. Folks spend Federal money instead of giving it back. It was suggested that he take the $1,508.26 and buy $1,508.26 worth of stationery. Uncle Sam's books would then balance. Senator WILLIAMS then wouldn't have to pay income taxes on the $1,508.26, and he could have the stationery hauled away and burned.

The Delaware Senator has a habit of taking his problems directly to the Senate, and thereby to the people. When he told of corruption in the agency that collects income taxes things happened. Collectors were indicted. The department was cleaned up.

He took his personal problem to the Senate and people across the country read about the Senator who had $1,508.26 in surplus funds and would have to pay taxes on it because the rules of the game said he couldn't give it back.

The rules apparently changed overnight. Senator WILLIAMS can give back to Uncle Sam the money he says isn't his. He doesn't have to claim it as income and pay tax on it. Nor does he have to burn it up in unneeded stationery.

He's put a little commonsense back in Government.

[From a Los Angeles, Calif., Newspaper]

WAYS OF WASHINGTON BUREAUCRACY

No one familiar with the workings of the Washington, or any other, bureaucracy will be surprised at the difficulties Senator WILLIAMS, Republican, of Delaware, is having with a balance of $1,508 remaining in his allowance for office stationery.

For several years Senator WILLIAMS has been spending considerably less than his allowance and returning the balance to the Treasury, but this year, he reports, the Treasury has a new ruling: It can't take it, and if Senator WILLIAMS doesn't spend the money he will have to pay income tax on it.

One official, according to WILLIAMS, suggested that he order $1,508 worth of stationery and have it hauled to the Washington city dump. The Senator has appealed to the Comptroller General for some way out of the impasse.

Rudyard Kipling once remarked that British shore-going institutions were founded on nonconformable strata of impervious inaccuracy. He could have said asininity with equal truth. Some of the tales Rebecca West relates of British officialdom equal the situation described by Senator WILLIAMS. Somerset Maugham tells how a site for a defense gun was sought on his Riviera villa; the negotiators tried to buy it: when he offered to present it to the French Government, a site for a gun emplacement was purchased from a neighbor: the French Government had no machinery for accepting a gift.

It may require special legislation in this case, and it may be difficult to obtain. For Senator WILLIAMS' colleagues may not be sure he is setting a good example by saving something out of his allowances.

[From the Tulsa (Okla.) Daily World]

IT'S ONLY TAX MONEY

Thanks to the nickel-nursing habits of Delaware's Senator JOHN J. WILLIAMS, the folks at the forks of the creeks are getting a bird's-eye view of how unimportant the Federal Government considers the use made of tax funds once they are appropriated.

As conscientious as any man in Washington on the uses to which tax money is put, Senator WILLIAMS has wound up with a surplus in his special appropriation for stamps, telephone calls, and telegrams. The overage, so the Senator announces, is $1,508.26—and the Treasury has refused to accept it in refund.

Instead, Senator WILLIAMS reports, Treasury told him to either spend it or pay income taxes on it. At least that is the effect of the Treasury's advice. Quite sagely, Senator WILLIAMS sums up his feelings of why this is wrong:

"The Government would be rid of the money, I would be subject to no penalty, and everybody but the taxpayers would be happy."

It is mighty poor business for the Federal Government, once it has approved the expenditure of funds, to reject their return when not needed. The Department of Agriculture has been known to ignore efforts to return crop checks from those who had taken acreage out of production but did not want to be paid for it.

Senator WILLIAMS has pinpointed a situation that needs correction. Profligate spending should not be encouraged, as the Treasury obviously is doing. Remedial legislation is needed to assure the American taxpayers that their money is not being wasted; and especially that it is not being wasted by and with the help of those in Government who control it.

[From the Bryan (Ohio) Times]

SUPERLATIVE NONSENSE

Every now and then the newspapers carry an item which is, as Robert Strom would put it, perfectly fantabulous, and such an item is that regarding Senator JOHN WILLIAMS, Delaware Republican.

Senator WILLIAMS spent only a small part of his allowance for office stationery, and so at the end of the year he was about to return the amount left, some $1,508, when the Treasury Department told him that it couldn't be done, although for 9 years he has been following that procedure. The money must be spent, the Treasury held, or he would be taxed on the unspent portion.

However, the Treasury then came up with a brilliant idea. They suggested that Senator WILLIAMS order $1,508 worth of stationery, and after it was received at his office call a truck and have it taken to the city dump.

Of course we may all be relieved later to learn that this story is from Disneyland, rather than Washington, or that it was planted by Communist agents to make the American Government look idiotic. But as of the moment it stands as a guidepost, pointing to the way in which a government can waste money in a manner that would have made Alice in Wonderland look like a sensible, economical housewife.

Looking at Washington, D. C., seriously is pretty discouraging, but viewing the whole thing as a burlesque show it becomes colorful and amusing, even though it is expensive, and the Treasury Department is to be congratulated on contributing some of the gaudiest nonsense that has been staged of late—and the competition is keen.

[From the Montana Standard of April 25, 1957]

CROOKS AND BUREAUCRATS FEAR THIS LITTLE MAN

The fact that William G. (Big Bill) Lias, West Virginia gambler and horseracing tycoon, lost a $2 million income tax case in the Supreme Court of the United States the other day may not have rung a bell in your memory. In any case, we'll fill in a few details.

Mr. Lias can attribute his bad fortune to another case which may need a bit of memory jogging. This one goes back to 1946. In that year the Internal Revenue Bureau listed one JOHN J. WILLIAMS, a chicken farmer at Bayard, Del., as a tax delinquent.

This upset Mr. WILLIAMS no end, because he had paid his income tax and he had the canceled checks to prove it. He began an investigation which disclosed that an Internal Revenue employee had embezzled his money, as well as that of other taxpayers.

But what angered him most was that although this embezzlement was known to his employers in the Internal Revenue Bureau he was still on the payroll.

Mr. WILLIAMS decided that the Internal Revenue Bureau needed a wholesale housecleaning, so he set about to do something about it. Although he had never been in politics, he ran for the United States Senate and was victorious over Senator Tunnel, a veteran Democratic New Dealer.

As soon as he took office in the United States Senate in 1947 he began a series of investigations which rocked the Justice Department and the Internal Revenue Bureau and touched off a series of grand jury investigations, trials and convictions. The investigations resulted also in the recovery of millions of dollars to the United States Treasury which otherwise would have gone into the pockets of crooks.

As a result of the disclosures of Senator WILLIAMS some 388 Government officials and employees were fired, resigned, or retired in a 3-year period. Sixty of them were tried and convicted.

And one of these was Big Bill Lias. Senator WILLIAMS exposed the fact that the Justice Department had allowed claims totaling over $2 million against Big Bill to lapse. It has taken a little time to collect this money into the United States Treasury but the Supreme Court decision just handed down just about seals up the matter.

Crooks and fumbling bureaucrats have learned to fear this little man.

Recently, when he reported a carefully documented experience of his own which indicated that once money had been taken from the United States Treasury there was no way to put it back in, a Cabinet member, Secretary of the Treasury George M. Humphrey, immediately got on the job and issued a sharply worded statement that the Delaware Senator was mistaken.

Senator WILLIAMS had reported that last year he spent only $291.74 of the $1,800 allotted to him for stationery, but that when he tried to return the excess $1,508.26 to the United States Treasury he was told that it couldn't be done. And that, moreover, Senator WILLIAMS had best account for the money in his own income tax or the agents would be after him.

The matter seems to be still pending. But Senator WILLIAMS has never been very far wrong.

The average citizen should get considerable satisfaction out of knowing that a quiet little man with an almost inaudible voice has brought fear and trembling to the hearts of crooks and bureaucrats.

Senator WILLIAMS has helped all of us retain our faith in our Republic.

[From the Worcester (Mass.) Evening Gazette of April 22, 1957]

WHEN THE GOVERNMENT DOESN'T WANT MONEY

Senator JOHN J. WILLIAMS, of Delaware, a Republican, wants to give some of his office expense money back to the Treasury Department. It is a relatively small amount—

$1,508.26—but he does not need it, he says, and perhaps the taxpayers would appreciate having it returned.

The taxpayers undoubtedly would like just that, but the Treasury can take the money back only if Senator WILLIAMS pays a personal income tax on it. This strange situation has been brought about by a Treasury ruling that any unexpended funds remaining in stationery accounts are "constructively received" by each Senator on the date of reception—whether they are withdrawn or not—and such funds are not deductible for income-tax purposes.

The fact that money received for office expenses by a United States Senator is considered personal income, hence taxable, will probably come as a surprise to many persons. The fact that the Senator cannot give the money back, even though he does not need it, without incurring tax penalties is equally surprising.

Senator WILLIAMS makes the point that the force of the ruling is directed toward getting rid of the money, thus putting pressure on each Senator to use it any way he can.

Although the amount is small, there are 96 Senators. There is an even greater number of Representatives. How many similar accounts are subject to this strange ruling of the Treasury Department is anybody's guess at the moment.

But it seems a fair assumption that this philosophy must apply over a wide field. It can hardly be considered limited to the stationery accounts of Senators.

If so, here is one small area of attack that will bear investigation in the search to find ways of cutting the national budget.

[From the St. Petersburg (Fla.) Independent of April 22, 1957]

A PREMIUM ON ECONOMY

The story Senator JOHN J. WILLIAMS, of Delaware, tells about his inability to return unused expense money to the Federal Treasury is all too indicative of a strange disease that has become prevalent in most levels of government.

Senator WILLIAMS recounts that because he comes from a small State he seldom has use but for a small portion of the $1,800 the Government allows him for office stationery and stamps. Since 1948 he has made a practice of returning the unused amount to the Treasury. But last December when he tried to return some $1,500 in unused funds, he was told this was no longer permissible.

"The Government," he declared on the floor of the Senate, "has now taken the position that the money must be spent and that if a Member of the Senate does not spend his full allotment he will be taxed on the unexpended portion even though it is left in the Federal Treasury."

While the amount of money involved in Senator WILLIAMS' case is infinitesimal compared with billions spent by the Federal Government each year, there seems to be a prevailing theory throughout Government that once funds are appropriated they must be spent during the fiscal year or penalties will result. Thus when appropriations time rolls around we find various agencies scurrying around to use up their appropriations for fear the end of the fiscal year will find them with an unspent balance.

The theory goes that if every last cent is not spent during the fiscal period, Congress will conclude that the agency is receiving too much money and will proceed to slash the agency's appropriations for the ensuing year.

Whether Congress actually works on this theory is debatable. Be that as it may, the various agencies seem to think it does, and gets rid of its unused funds accordingly. As a result untold millions are spent uselessly.

Congress is now engaged in the somewhat surprising act of attempting to reduce high-level spending. It is looking for ways and means of accomplishing the job. Perhaps one aid would be to remove any penalty—real or imagined—on economy among the agencies that do the spending.

Indeed, Congress might go so far as to place a premium on economy and reward the directors of those agencies which through the elimination of nonessential spending manage to reduce the overall operating cost of Government.

[From the Tampa (Fla.) Morning Tribune of April 20, 1957]

HE SHOULD NOT FIGHT ALONE

Government economy is the pet subject of Senator JOHN J. WILLIAMS, Republican of Delaware. He may not deliver many addresses on the floor of the Senate, but when he does speak he rips into those who waste the taxpayers' money and cares not where the chips may fall.

In his latest speech, the Republican Senator presented an extraordinary report about funds allotted for operation of his office. It is one which should do more than curl the hair of the average taxpayer. It also should make his blood boil.

Senator WILLIAMS explained that because he comes from a small State, he never uses all of the $1,800 yearly allowance he gets for office stamps and stationery. Every year since 1948, he said, he has returned some of the allowance to the Treasury.

But last December, the Senator pointed out, when he tried to give back $1,508.26, he was told "this is no longer permissible." He added: "The Government has now taken the position that the money must be spent and that if a member of the Senate does not spend his full allotment he will be taxed on the unexpended portion even though it is left in the Federal Treasury."

No wonder the Senator is hopping mad. No wonder he has appealed to the Comptroller General for a ruling as to whether he is correct in insisting upon returning unused expense money. No wonder he talks about seeking legislation to win his battle.

We suppose some Treasury bureaucrats will say Senator WILLIAMS is dealing in tremendous trifles. To be sure, the amount involved is small.

But the Senator has dramatized an important principle. For if the Treasury's ridiculous ruling is allowed to stand in his case, it also would seem to act to prevent administrative agencies from returning any unused portions of their annual appropriations. What a blow that would be to efforts to cut unnecessary spending.

Senator WILLIAMS ought not to be fighting this battle alone. The first one to join him should be none other than Secretary of the Treasury Humphrey.

[From the West Chester (Pa.) Local News of April 19, 1957]

THOSE UNSPENT BILLIONS

There is no reason why Senator JOHN J. WILLIAMS, of Delaware, shouldn't have a happy Easter. Up until late yesterday there was some doubt about it. Having advised the Senate that he was in quite a predicament regarding $1,508.26 in unused stationery funds, the Senator appeared at a loss as to what he should do with it. Seemed every approach he tried to return the money to the Government came to a dead end. He admitted he was quite concerned.

Then Secretary of the Treasury George M. Humphrey heard of the Senator's dilemma and went out of his way to advise him that he must have been misinformed when he told the Senate he had been rebuffed in his effort to hand the money over to the Treasury. Mr. Humphrey was so disturbed over the incident that he said he would be perfectly willing to accept the check in the name of the Treasury if Mr. WILLIAMS would give it to him.

The Treasury chief assured the Senator, and indirectly the taxpayers of the country, that no one but WILLIAMS himself could spend the money and that, if it went unspent, eventually it would come back to the Treasury as unexpended funds. This fact may seem rather routine to Mr. Humphrey, but to hear it stated so lucidly must be a source of comfort to a man confused as apparently was Senator WILLIAMS.

The unspent portion of Mr. WILLIAMS' funds, of course, is little more than the proverbial drop in the bucket when it is remembered that there are billions of dollars in this category in scores of Federal departments and agencies. Unspent funds have long been a part of the picture in Washington, D. C., and, as the Senator from Delaware has pointed out, represent taxpayers' money and should be carefully guarded.

It would be revealing, if not startling, to the public if every Member of the Senate and House, every department and agency, had to report exactly what appropriated but unspent funds each has at hand. The total would be staggering. It would make Mr. WILLIAMS' $1,508.26 look like peanuts. But, on second thought, it's not that at all. It's taxpayers' money—every cent of it.

The Senator from Delaware has shown he realizes the urgent need for conserving public funds, even to the extent of saving on letter paper. It's the kind of economy that has long been missing in a city where budgets grow bigger and spending is more and more the order of the day.

Some may feel that the Senator was unduly concerned. We are of the opinion this is not possible where public funds are involved.

[From the Pittsburgh (Pa.) Sun-Telegraph]

TAX ON THRIFT

Let's not waste sympathy on Senator JOHN J. WILLIAMS, Republican, of Delaware.

This fellow has been taught a lesson he deserves by trying to save the Government money. He stands exposed as an exponent of the dangerous doctrine of thrift.

Senator WILLIAMS found himself with $1,508.26 left over from his stationery account.

He tried to return the money to the Treasury. He found that under a revised Treasury ruling he could not return the money he did not use unless he paid a personal income tax on it.

There is an ugly phrase for Senator WILLIAMS' frugality.

We accuse him right here and now of trying to subvert bureaucratic extravagance.

What does he mean by hoping to save us taxpayers a few pennies.

We warn you, Senator, you have not heard the last of this, we hope.

TRANSATLANTIC FINAL MAIL RATE CASE

Mr. YOUNG. Mr. President, there has recently come to my attention an order of the Civil Aeronautics Board, No. E-11146, relating to the Transatlantic Final Mail Rate Case, involving the mail and subsidy payments made by the Government to Pan American World Airways.

Mr. President, I intend to comment only briefly on this order, but I ask unanimous consent that it be incorporated in the RECORD, so that Members may have the opportunity to read and study the full text.

There being no objection, the order was ordered to be printed in the RECORD, as follows:

ORDER NO E-1146, UNITED STATES OF AMERICA, CIVIL AERONAUTICS BOARD, WASHINGTON, D. C., ADOPTED BY THE CIVIL AERONAUTICS BOARD AT ITS OFFICE IN WASHINGTON, D. C., ON THE 20TH DAY OF MARCH, 1957—IN THE MATTER OF TRANSATLANTIC FINAL MAIL RATE CASE, DOCKET NO. 1706 ET AL.

ORDER REOPENING THE RECORD FOR FURTHER PROCEEDINGS

The Board, through a series of orders,[1] has heretofore established mail rates in the above proceeding for the transatlantic operations of Pan American World Airways, Inc. (Pan American) for the past period January 1, 1946, through December 31, 1953, and for the future period beginning January 1, 1954.[2] The rates for Pan American were established in two phases. The first, known as the Transatlantic Final Mail Rate Case, involved rates on the basis of the subsidy requirements of only the transatlantic operations, while the second, known as the Reopened Transatlantic Final Mail Rate Case, concerned the establishment of the rates on the basis of the need of the carrier as a whole, as required by the decision of the Supreme Court in *Delta* v. *Summerfield*.[3] Pan American has sought review of its mail rate order in this proceeding from the United States Court of Appeals for the District of Columbia Circuit, and its petition for review is now pending in that court.

About June 1955, the Board's staff began the first system-wide audit of Pan American's operations, and the tentative results thereof, which deal solely with the calendar year 1954, have just recently been made available to the Board. The aforesaid audit, which is not yet completed, has revealed, for the first time, many practices of Pan American which require scrutiny, involving, among other things, agreements and transactions between Pan American and other foreign and American flag carriers, the charges by and to Pan American arising out of such transactions, and related matters. To the extent that a need has been demonstrated for a comprehensive review of the relationship between Pan American and its associates and affiliates, the Board has already taken appropriate action to this end.[4] In addition, however, much of the newly developed information has most serious implications concerning the reasonableness of the mail rates established for the carrier, not only for the year 1954, but for the years 1946–1953 as well.[5] Thus, the Board has reason to believe, upon the basis of analysis of audit results now available to it, that—

(a) Pan American has failed to charge Uraba, Medellin and Central Airways (UMCA), a certificated United States carrier entirely owned by Pan American and operating in Central America, proper costs for aircraft leased to it by Pan American, contrary to the terms of an agreement filed with the Board pursuant to section 412 of the act and contrary to appropriate principles of allocation, thus resulting in apparent undercharges for aircraft rentals of $270,000 during the period 1946–1953; and

(b) Pan American has absorbed ground service costs of UMCA at Tocumen Airport, Panama, amounting to about $246,000 in the period 1950 to 1953, and $99,000 in 1954, again contrary to appropriate principles of allocation and contrary to the terms of an agreement filed with the Board by Pan American pursuant to section 412 of the act, entered into with Compania Panamena de Aviacion, S. A. (COPA) and other affiliates, including UMCA, whereby COPA bills Pan American for the ground services it performs for the affiliates, and Pan American, in turn, recovers from the affiliates the payments it makes to COPA; and

(c) Pan American has failed to bill outside companies, including affiliates, and contrary to appropriate principles of allocation and agreements therefor, with proper charges and rates for airport services it renders such companies at a number of airports in Central and South America, and thus has absorbed $4,100,000 of costs in the period 1946–1953 which should have been charged to the other companies in accordance with the said agreements; and

(d) While UMCA is entirely owned by Pan American, it has not been charged an appropriate share of the common pool of overhead costs of the Latin American division; and it is estimated that during the years 1946 to 1953 Pan American should have allocated $595,000 of such costs to UMCA; and

(e) During the period September 1950 through December 1954, Pan American overstated its operating expenses by improperly charging $280,000 of depreciation expenses, $66,000 in 1954 and $214,000 in the prior years, as related to $548,000 of flight equipment spare parts which it acquired from AOA in September 1950, but which were not given any value by AOA on its books at the time the transfer was completed; and

(f) Pan American has failed to allocate to its Miami and Brownsville overhaul bases, which perform maintenance services for other companies as well as Pan American, a portion of that part of the Pan American system general and administrative expenses charged against the carrier's Latin American division, estimated to total $1,145,000 during the period 1946–1953; and

(g) Pan American in numerous instances has deviated from the Board's uniform system of accounts or has failed to observe accepted accounting principles in the keeping of its books and records and in the reporting of the results of its operations, with possible distorting effect upon rate matters involved herein.

As a result of these various matters, it appears that Pan American's subsidy needs may have been substantially overstated, and that completion of the audit may disclose other discrepancies requiring further exploration on the Board's part.

The information that has just been developed in the current audit was not apparent from the reports filed with the Board by the carrier and, for the most part, could not have been determined from the type of audit of the carrier's books and records which the staff was then equipped to perform. The information relates not only to practices of Pan American in respect to the charging for services to affiliates but also to the actual accounting practices of the carrier as related to the Board's uniform system of accounts for air carriers and other pertinent reporting regulations. The detection of this information, therefore, required not merely an audit of broad scope but also an integrated audit of the entire Pan American system on a simultaneous basis. In past years, the rates for Pan American have been determined on a divisional basis for the reason, among others, that the magnitude of the problem of determining rates on a system basis for this carrier, with its four operating divisions and numerous affiliates, was, due to lack of staff personnel, beyond the facility of the Board adequately to perform. Because of these limitations, heretofore it has not been possible to perform audits of sufficient scope to develop information of the type now revealed concerning Pan American as an entity, and it was not until fiscal 1956, when the Board received appropriations for a substantial increase in its audit staff, that such a project could be—and was—undertaken. Under these circumstances, the Board necessarily has been required to rely in ratemaking more extensively than it preferred upon the information supplied to the Board by Pan American in accordance with the various filing and reporting requirements of the act. And apart from this, the Board, we think, was entitled to assume that the carrier's reports and filings were correct.

The Board recognizes, of course, that the information now available to it may be subject to substantial qualification. As heretofore noted, the audit to date is incomplete, and substantial further investigation and analyses are required. Also, it is possible that the questionable areas disclosed by the audit may already have been, to some extent, taken into account by disallowances made in this or other mail rate proceedings; and Pan American is yet to be heard in connection with all of these matters. On the other hand, as we have already indicated, the audit may disclose still further areas requiring exploration. In the light of the specific items of information outlined herein, which indicate that for the 1946–1953 period alone Pan American's properly recognizable expense, which was underwritten with subsidy, may have been overstated by as much as $6,500,000, we think it clearly our duty and responsibility to reexamine, in the public interest, the mail pay awarded in this proceeding. Moreover, our duty in this respect is plainly evident when it is considered that transactions between Pan American and its affiliates aggregate some $50 million annually.

In view of the foregoing, the Board finds that the public interest requires that the record in this proceeding be reopened to permit the reexamination and reevaluation, in accordance with the standards of section 406 (b) of the act, of the mail pay and rates heretofore fixed for Pan American in this proceeding, with a view to determining the changes or modifications, if any, that should be made therein in the light of the system-wide audit herein mentioned. Since the audit is not yet complete, the particular issues as to which further hearings may be necessary are not now fully known and will not be capable of delineation until the necessary audit investigations are concluded. At that time the Board will issue a further order defining the specific issues to be resolved in the reopening proceeding.

Accordingly, it is ordered:

1. That appropriate application be made to the Court of Appeals for the District of Columbia Circuit in *Pan American World Airways, Inc.* v. *Civil Aeronautics Board*, Case No. 12578, for remand or such other appropriate action by said court as may be required in order to permit the Board to proceed in accordance with the findings contained herein.

2. That, effective upon the date of any order issued by said court remanding the aforesaid appeal, or otherwise indicating or giving permission for such further proceedings, or indicating that such permission is unnecessary, the proceeding known as the *Transatlantic Final Mail Rate Case*, Docket No. 1706, et al., be reopened for the purpose and to the extent outlined herein, and the Board's prior orders in such proceeding be set aside to the extent necessary to give effect to the Board's further determinations in relation to Pan American World Airways, Inc.

By the Civil Aeronautics Board.

M. C. MULLIGAN, *Secretary*.

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[1] Order No. E-8672, Sept. 29, 1954; order No. E-8833, Dec. 20, 1954; order No. E-9282, June 7, 1955; order No. E-9530, Aug. 30, 1955; order No. E-10117, Mar. 23, 1956; and order No. E-10458, July 13, 1956.

[2] In the same proceeding the Board also fixed final mail rates for the transatlantic operations of Trans World Airlines, Inc. (TWA) and American Overseas Airlines, Inc. (AOA) which are not involved in the instant order.

[3] 347 U. S. 74 (1954).

[4] A formal investigation of such relationships was instituted by order E-11103, dated Mar. 8, 1957.

[5] These are the years involved in the Transatlantic Final Mail Rate Case. The rate for Pan American's Pacific division for 1954 is open; also the rate for the Latin American division is open for 1952. While substantial effect might be given to the matters here involved for the years 1952 and 1954 in relation to these open periods through application of the offset principle, nonetheless it is doubtful that fully adequate treatment can be accomplished on such a restricted and piecemeal basis.

Mr. YOUNG. Mr. President, all of us know that the CAB has long been handicapped by a lack of adequate field audit personnel to thoroughly analyze the situation with respect to subsidy payments to carriers. Furthermore, in the case of Pan American, which has a vast list of subsidiary foreign and domestic carriers over which it has partial or complete control, the auditors have been handicapped by their inability to examine the books of foreign subsidiaries.

In June of 1955, however, the Board's staff began its first systemwide audit of Pan American's operations. While this audit has not yet been completed, it has, in the words of the CAB order, "revealed for the first time, many practices of Pan American which require scrutiny." The newly developed information, according to the CAB, "has most serious implications" concerning the reasonableness of the mail rates established for Pan American, not only for the single open year, 1954, but for the years 1946 to 1953 as well.

The CAB asserts that it has reason to believe, on the basis of analysis of audit results now available to it, that Pan American has undercharged subsidiaries for materials and services supplied; has absorbed ground service costs of subsidiaries; has failed to assess the appropriate share of overhead costs against subsidiaries; has overstated operating expenses by improperly charging depreciation expenses, and has in numerous instances deviated from the Board's uniform system of accounts or has failed to observe accepted accounting principles in the keeping of its books and records and in the reporting of the results of its operations.

The CAB, as a result of these findings from limited audit of only part of Pan American's operations, has concluded that Pan American's subsidy need for the period 1946–53 may have been overstated by as much as $6,500,000. More important, however, CAB has concluded, on the basis of these findings, that a complete and thorough audit of the entire Pan American system for the past 10 years is necessary and desirable. With the transactions between Pan American and its affiliates aggregating about $50 million annually, the recovery by the Government could total tens of millions of dollars.

Mr. President, this raises a serious question in my mind. Pan American, under the terms of the CAB order, is under what amounts to an indictment for improper bookkeeping, which may have resulted in the collection of huge sums of money from the subsidy appropriation of this Congress. Meanwhile, Pan American continues to press before the CAB and in the White House for further extension of its near monopoly in international air transportation.

Mr. President, while the cashier is under indictment for dipping his fingers into the till, the board of directors rarely elects him president of the bank.

Similarly, while Pan American is under investigation for practices which may have defrauded the American taxpayer out of millions of dollars in subsidy payments, I do not believe it should be awarded any further extensions of its route, or any new traffic rights anywhere. Pending the outcome of this investigation, I believe Pan American should remain in status quo, and if the audit reveals the practices at which this CAB order hints, then I believe a new look should be taken by the Civil Aeronautics Board, and by the Congress, at the Pan American monopoly, with a view to reducing it to a more manageable and controllable size.

AMENDMENT OF SECTION 401 (E) OF THE CIVIL AERONAUTICS ACT, AS AMENDED

Mr. MONRONEY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 251, S. 1474, amending the Civil Aeronautics Act to provide certification of cargo air carriers.

The PRESIDING OFFICER. The bill will be stated by title, for information.

The LEGISLATIVE CLERK. A bill (S. 1474) to amend section 401 (e) of the Civil Aeronautics Act, as amended.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interstate and Foreign Commerce with amendments.

Mr. MONRONEY obtained the floor.

Mr. LAUSCHE. Mr. President, I suggest the absence of a quorum.

Mr. MONRONEY. I yield for that purpose, with the understanding that I shall maintain my right to the floor.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. LAUSCHE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CORTON in the chair). Without objection, it is so ordered.

Mr. MONRONEY. Mr. President, S. 1474 was unanimously reported by the Aviation Subcommittee of the Committee on Interstate and Foreign Commerce. Its purpose is to put real stability and permanence into what has been an 11-year effort to create and expand a reliable and efficient nationwide air cargo service.

I feel that this bill, which the Subcommittee on Aviation has unanimously reported, will be a breakthrough in giving us the widest possible use of aircraft for the transportation of goods. The present recordbreaking passenger traffic will seem rather small indeed by comparison, I feel, when this service has had the chance to grow as a permanent part of our aviation industry.

One has to look no farther than the railroads to realize that the value of the railroads for passenger service was only incidental to the usefulness of these great utilities in another direction. It was after the inauguration of the carriage of freight that the railroads found their greatest revenue, and dollars for expansion, which largely came from the freight service.

I feel certain that the same result will follow in the case of the airlines. The passenger service, which has been developed first, will give way in total revenues and in total service to the potential of air freight. I am sure these potentials are virtually unlimited. I feel that there is a market ready and waiting for full development and expansion of air freight, after the cargo carriers that we now have under temporary certificates are given some assurance of more permanent life.

It is absolutely impossible, under present conditions, for these air-cargo carriers, four of which are certificated to fly domestic all-cargo routes, to make plans ahead, to prepare, either in the matter of organization or equipment, to meet the challenge of developing the great air cargo service for which I feel the Nation is ready.

The bill before the Senate seeks to grant to the four cargo air carriers operating within the United States certificates of indefinite duration to fly, without any subsidy whatsoever, air freight and mail over routes previously awarded to them by the Civil Aeronautics Board.

The need for this bill arises from the fact that the Civil Aeronautics Board has failed to grant permanent or indefinite certificates to these lines, or to any lines, but has kept them on a temporary status each time they have filed their applications for renewal, at which time they have been given another 5-year extension. Thus they cannot plan ahead, obtain the necessary equipment, or build up the necessary organization to give the all-out air cargo service which their original certification intended.

Our hearings showed definitely the crippling effect this short-time or temporary certification was having on the development of what could become a great nationwide system. As I have said, four air cargo carriers are involved. These are AAXICO, Inc.—the American Air Export-Import Co.—the Flying Tiger Line, Inc., Riddle Airlines, Inc., and Slick Airways, Inc. Most of these airlines have been operating for many, many years. The Flying Tiger and Slick are the two oldest. They have maintained flying service since 1946. The Riddle Line has been flying since about 1950, operating under exemptions and other certifications of routes between New York City and San Juan, P. R., and from New York City to Florida areas. They have only recently been given a temporary certificate as a result of the hearings before the Civil Aeronautics Board.

May I point out that these four carriers could be given a certificate of indefinite duration. They have all been carefully examined. Hearings have been held not once, but twice, as they have been given 5-year temporary certificates

by the Civil Aeronautics Board. These companies come before the Board and lay all the facts on the table with relation to operations, revenues and operating mileage. They have been found to be competent in every way by the Civil Aeronautics Board, but the Board will give them only temporary certificates under which to operate.

While the Board in its decisions found the companies to be competent, willing, and able to handle the freight routes, the Board, as a consistent policy, has refused to grant certificates of more than temporary duration. This is the pattern that has existed since the passage of the Civil Aeronautics Act back in the 1930's.

In fact, every airline certificated today on more than a temporary basis received its permanent rights through an act of Congress, and not from the Civil Aeronautics Board.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. MONRONEY. I am happy to yield to my distinguished colleague.

Mr. LAUSCHE. Do I correctly understand the Senator from Oklahoma to state that not a single one of the presently certificated passenger air carriers received its certificate other than through an act of Congress?

Mr. MONRONEY. That is absolutely true. It was necessary, when the Congress passed the original Civil Aeronautics Act back in the thirties, to give grandfather-clause rights to the lines operating under the then existing routes. Since that time, until we had the feeder airline case of a year ago, no new airline had been given any type of indefinite or permanent certificate. They were all placed under temporary certificates of 2, 3, 4, or 5 years' duration. When the certificates terminated, these airlines, which had been flying satisfactorily, were required to expend time and money, and place a drain on manpower, in order to be certificated for another period of time.

Although the Congress, although the committee, although the people interested in aviation in the towns and cities served, had urged the Civil Aeronautics Board to provide permanent certification or indefinite certification, such action was not forthcoming. The companies were held under these temporary operating certificates, and consequently they could not grow. They could not invest their money in the necessary equipment, and they could not in many cases keep their personnel, because the people who worked for them could get jobs with permanently certificated airlines. The people who worked for them knew these lines had only had 2 or 3 years of life before they would have to go before the Board again to find out if they were going to be in business for the next few years.

Mr. LAUSCHE. Although the Senator from Oklahoma has already discussed this phase of the information, about which I wish to ask another question, may I ask for what length of time these four companies have been on a temporary operating basis?

Mr. MONRONEY. Let me say to my distinguished colleague that the two largest ones, Slick and Flying Tigers, have been on a temporary basis for some 12 years. They received their first 5-year license in the year 1949, I believe. Unfortunately, the 5-year operating approval expired in 1954. The Civil Aeronautics Board kept them without any license whatsoever to operate for 2 years, while they sought to be recertificated on a permanent basis or a temporary basis. Finally, on May 11, 1956, they were given another renewal for 5 years. Virtually the same situation applies to both Slick and Flying Tigers. Both of them were first certificated on August 12, 1949. Their service was inaugurated in October 1949. As I say, their 5-year certificate expired. They had to operate without a certificate for 2 years before the Board got around to giving them another 5-year extension.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. LAUSCHE. Is it correct to say that, on the basis of past experience, the prospects are that not one of these companies would receive a permanent franchise until the Congress took action?

Mr. MONRONEY. That has been the history of all types of certification. It is unfortunate. The Board has the power and duty, after approving them, perhaps once, on a temporary certificate basis, to give them permanent certification, so that they can go forward in a free-enterprise manner, develop their investments, their territories, their personnel, and their systems without having to go to a Government agency and be told every 2 or 3 years—or, in this case, every 5 years—whether or not they are to be allowed to remain in business.

Mr. LAUSCHE. Am I correct in my understanding that the bill does not contemplate providing subsidies for any one or more of these companies?

Mr. MONRONEY. No subsidy whatsoever is provided for in the bill. There will be only the meager protection of a route structure. The companies must fly and operate without a single red cent from the Government in any form of subsidy.

I thank the distinguished Senator for his interest.

Mr. SMATHERS. Mr. President, will the Senator yield to me?

Mr. MONRONEY. I yield to my distinguished colleague, who is coauthor of the bill.

Mr. SMATHERS. I thank the Senator for the statement he is making. As he has already stated, the bill was reported unanimously from the Aviation Subcommittee.

Is it not a fact that one of the pressing reasons for the proposed legislation is that it is impossible for the cargo carriers which have temporary certificates to expand their operations or obtain new equipment, because every time they go to the bank the bank says, "We will not make a loan to you, because we do not know that you will be recertificated at the end of 5 years." The loans must run for a period of 10 years or so, because usually it is necessary to borrow a considerable amount of money. The result is that the cargo airlines are placed in a position in which they cannot borrow money to continue operations, buy new planes, and do a better job. It was pretty well demonstrated, as the Senator from Oklahoma will agree, that these companies will not at any time operate under a subsidy. They are not on subsidy at this time. As a matter of fact, their rate of growth, profitwise as well as cargowise, has been fantastic. There is a great future ahead of them. But apparently the Civil Aeronautics Board is bogged down with other work, or is reluctant to give them permanent certificates, which makes this legislation necessary.

Mr. MONRONEY. The distinguished Senator has made a great contribution in explaining the situation. I was told—and our hearings will bear out the statement—that there is a delay of two and a half years after placing an order for a DC-6-B, a modern passenger- or cargo-carrying plane, before getting delivery. The only way to maintain successful and profitable cargo-carrying lines is to get new planes. The cargo carriers cannot fly obsolete, hand-me-down passenger planes which have been worked over into freight planes.

They must enter the field with large, modern planes where ton-mile costs come down. As I have said, there is a lead time of 2½ years. A company must place its order and wait for 2½ years to get the plane—a DC-6-B or a Super-Constellation. By that time the certification period is half over. A cargo carrier has only 2½ years more, if the bank is willing to lend the money. The bank wishes to know whether the equipment is to be depreciated over a period of 6 or 7 years. However, if the lifetime of the certificate is only 2½ years after the carrier receives the new equipment, the bank will wonder whether the carrier is to receive the proper depreciation allowances.

Slick Airways had the following difficulty: It did not wish to buy obsolete equipment, but because it could not obtain deliveries of new equipment, it had to buy 8 DC-4's, a plane built in 1940. In 1957 it bought 8 DC-4's at a price perhaps as high as the cost of the plane when it was first built in 1940. In addition, the carrier had to buy some 7 C-46's, a 2-motor plane, simply because it could not obtain the new equipment. Under the temporary certification arrangement pressed upon it by the CAB, the carrier was unable to go forward with a long-range program and obtain the new, modern type of equipment which it needed.

It will be even more important, in the years ahead, that these air cargo carriers have a more definite period of life, because the new turbo-jet-props will come in, and new jet transports. Many of the air freight operators feel that, expensive though jet transport is, it will afford opportunities for lower costs per ton-mile in operation than do many of the propeller-driven aircraft.

I should like to point out, from the report, the reasons why the committee feels that it is absolutely necessary to have this legislation. I read:

Your committee's Aviation Subcommittee recently concluded public hearings on S. 1474 at which all-cargo carrier representatives and other interested persons were heard. Their testimony regarding the need for this legislation may be summarized as follows:

(1) All-cargo carriers have earned the right to permanent status as shown by the steady growth of their services, revenues, and financial worth (see table 1, CAB Summary of Authorizations and Operating Data). Their operations history gives every indication that this type of service has in fact become firmly established as a permanent part of the air transport picture. Furthermore, this growth has been accomplished without the aid of any subsidy whatever.

(2) Operating under "temporary" certificates it is almost impossible for these carriers to obtain adequate long-term financing for the purchase of larger, more efficient, specially designed aircraft required for sound, economic development of the air cargo industry. For the same reason it is also more difficult to build up firm working relationships with surface carriers whose services are an integral part of air cargo operations.

(3) Cargo carriers are at a competitive disadvantage to permanently certificated lines in bidding for the services of topflight pilots and other airlines personnel.

(4) Lacking permanent status cargo carriers have been faced with an almost continuous round of costly and time-consuming proceedings before the CAB for certificate application and renewal. With the security offered by a permanent certificate the money and executive talent now diverted by these proceedings could be turned toward improving airline operations and management.

(5) Strengthening the all-cargo carriers' operations by placing them on a "permanent" basis would be of value to the national defense. These carriers served in both the Berlin and Korean airlifts; they now provide substantial supplementary transport services to the Armed Forces on a contract basis; and they form an important Ready Reserve of trained personnel and equipment in the event of a national emergency.

Your committee believes that in view of their fine record of past operations and the certainty of expanding public demand for the type of service offered by them, these carriers have earned and are fully entitled to the benefits of permanent certification.

Mr. President, I have an amendment to offer.

The PRESIDING OFFICER. The committee amendments must be considered first. The clerk will state the committee amendments.

The amendments of the Committee on Interstate and Foreign Commerce were, on page 1, line 4, after "(49 U. S. C.", to strike out "487" and insert "481"; on page 2, line 6, after the word "such", to strike out "fact only" and insert "fact"; in line 9, after the word "of", to strike out "unlimited duration" and insert "indefinite duration effective until suspended or revoked as hereinafter provided"; and in line 14, after the word "certificate", to insert a colon and *"Provided, however,* That any certificate of indefinite duration issued by the Civil Aeronautics Board pursuant to this subsection shall include only such points as were continuously served between the date of enactment of this subsection and the date of the carrier's application as provided in this subsection", so as to make the bill read:

Be it enacted, etc., That section 401 (e) of the act of June 23, 1938, as amended (49 U. S. C. 481 (e); 52 Stat. 987), is amended by adding the following at the end thereof:

"(5) If any applicant who makes application for a certificate within 120 days after the enactment of this paragraph shall show that, from November 15, 1956, to date of its application, it or its predecessor in interest, was an air carrier furnishing, within the limits of the United States, all-cargo service as authorized by a temporary certificate of public convenience and necessity issued by the Civil Aeronautics Board, and continuously operating as such air carrier (except as to interruptions of service over which the applicant or its predecessor in interest has no control) the Board, upon proof of such fact, shall, unless the service rendered by such applicant during the period since its last certification has been inadequate and inefficient, issue a certificate or certificates of indefinite duration effective until suspended or revoked as hereinafter provided authorizing such applicant to engage in air transportation within the limits of the United States between the same points and in the same manner and for each such class of traffic as authorized by such temporary certificate: *Provided, however,* That any certificate of indefinite duration issued by the Civil Aeronautics Board pursuant to this subsection shall include only such points as were continuously served between the date of enactment of this subsection and the date of the carrier's application as provided in this subsection: *Provided further,* That authority to engage in the transportation of mail pursuant to a certificate of unlimited duration granted hereunder shall be limited to the carriage of mail on a nonsubsidy basis with compensation restricted to a service rate."

The amendments were agreed to.

Mr. MONRONEY. Mr. President, I offer an amendment, on page 2, line 21, to strike out "unlimited" and insert in lieu thereof "indefinite." The amendment is necessary to make the bill conform to the language in the second committee amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill to amend section 401 (e) of the Civil Aeronautics Act of 1938, as amended, in order to grant permanent certification to air carriers engaged in domestic all-cargo operations without subsidy."

NATIONAL DEFENSE TRANSPORTATION DAY

Mr. MONRONEY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 234, Senate Joint Resolution 22.

The PRESIDING OFFICER. The secretary will state the joint resolution by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 22) to designate the third Friday of May of each year as National Defense Transportation Day.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma?

There being no objection, the Senate proceeded to consider the joint resolution, which had been reported from the Committee on the Judiciary with an amendment.

COMPETITION BETWEEN WHOLESALERS AND RETAILERS

Mr. KEFAUVER. Mr. President, I am convinced the one thing that makes America stand out in the world is its economic system of free enterprise. In the beginning of this country, this concept was largely an ideal in the minds of men who desired freedom from unreasonable restraints in the every day conduct of their lives and business. However, with the development and growth of our country, this ideal of a free competitive enterprise system has been the continuing objective of our Representatives in Congress and in the legislatures of our various States. In fact, much of the major efforts of our lawmakers has been to perfect and protect this system in the public interest.

The fundamental objective of this free enterprise system is to provide for all American businessmen the right to be independent, the right to make their own decisions and to determine their own actions in accordance with their own judgment and their immediate needs. For this great American economic system to live and prosper, we must see to it that not only must it include large producers but also sellers, distributors, and retailers. It must include, if it is to prosper, competition between manufacturers, producers, or sellers; it must include competition between wholesalers, distributors, or jobbers; and it must include competition between retailers. Each of these levels of competition is entitled to equal dignity and is of equal importance to our economic system.

Mr. President, I know that you, like I, believe in this competitive free enterprise economy of the United States. I suspect though, that you, like I, are beginning to be disturbed about what is happening to it. During the past 4 years, a multitude of mergers has outstripped anything of the kind since the 1920's. With these mergers, competition has been lessening. The "big" in all facets of American business are becoming constantly more powerful. We have, today, the "big" in the automobile business, the "big" in the steel business, the "big" in the oil business, the "big" in the aluminum business, the "big" in the meat industry, as well as in many other industries too numerous to mention.

Four years ago, I joined in a report of the Antitrust Subcommittee, of which I was then a member, and of which I am now chairman, pointing out that we were in the midst of the third great merger movement to sweep the United States. In the intervening 4 years, the pace has not lessened, it has instead quickened. The New York Times observed in 1954, that the "wave of mergers is now more like a floodtide, so wide and pervasive has it become." By 1955 the Wall Street Journal put it this way:

Company mergers and acquisitions are taking place at an astonishing rate.

Also 4 years ago, the House Judiciary Committee made a study. It observed:

In recent years a rising tide of industrial and bank mergers has played a significant role in hastening the reduction of competition in many areas and promoting the concentration of economic power. Many superstructures in industry have been created,

not through superior technology or natural internal growth, but through absorption of independent competitors.

The House committee pointed out that under these conditions "mergers are not indicative of a normally developing industry, but rather symptoms of the competitive avarice of certain giant corporate enterprises."

Fortune magazine estimated that mergers of important corporations are being effected at the rate of about 45 a month and that probably a score of lesser companies are absorbed daily.

On any day that we pick up a newspaper we notice the joining together of more and more corporations. Only this morning we read the account of the American Can Co. and the Dixie Cup Co. voting to merge, resulting in the concentration of this industry into fewer and fewer hands.

In recent years, some of us in Government and others in the press, have been calling attention to this very disturbing trend. Now it is 1957, and just last week we saw one of the results of this movement upon small business.

Mr. Edwin L. Covey, Chief of the Federal Courts, Bankruptcy Division, increased his present estimate of the number of bankruptcies anticipated during the year. Mr. Covey estimates that the number of cases filed during the 12 months ending next June 30 will reach a record high. He estimates that there will be 72,000 bankruptcies. Think of that. That is almost 2,000 more than the present record. And the present record was set in a year to which none of us wants to return—1932.

As if conditions were not already serious enough, we were given a glimpse of what we might expect to have happen in the future, by an article in the Wall Street Journal of March 14, reporting a speech by Mr. Roger M. Blough, chairman of United States Steel, which he made to the Economic Club of Chicago. Mr. Blough stated:

> A new business concept—giant corporations joining to form large combines for spreading their risks—may be developing on the economic scene.
>
> The future may indeed call for bigger business organizations, as man seeks to unlock the secret of the atom, penetrate outer space, and harness the rays of the sun.

Nor is this partnership of corporations idea merely a forecast of what may be necessary to handle America's tomorrow—it is already taking place.

Mr. Blough continued:

> Our biggest corporations are rapidly getting too small to do all the things that are expected of them. The development of all materials, for instance, has become too expensive, and involves such risks, that a number of steel companies have had to band together to develop faraway iron ore deposits and to establish plants and processes for the manufacturing of usable blast furnace materials out of low-grade ores.

I frankly do not like this trend. I have long believed that it is only a step from the loss of economic freedom to the loss of political freedom. Nazi Germany under Hitler and Fascist Italy under Mussolini were examples of that step. In both of these countries, statism followed the seizure of economic and industrial power by the few. Present-day Sovietism is another example. Here economic and political power also are one. In order to keep America strong, we of the legislature must forever be vigilant and seek out ways of preserving the small-business man.

In its seventh annual report, submitted to the Senate on February 1 of this year, the Senate Small Business Committee observed that "price discrimination is the food on which monopoly feeds." Since my earliest days in the Congress, I have found price discrimination to be one of the most serious diseases that saps the vigor of our free-enterprise system, reducing the role that small and independent business plays in the health of our economy.

The American economic system of free competitive enterprise is protected and maintained by our antitrust laws. These laws express the national public policy. Their enforcement provides free and open markets, equality of opportunity to all persons to compete in trade or business, and freedom of choice in the purchase and sale of all commodities.

Our antitrust laws should provide freedom of choice in trade at all levels of competition. Although this is the goal of the antitrust laws, Congress has found it necessary time and again to pass additional legislation to meet some new threat to our free competitive enterprise system which the law did not cover.

Although the battle has been hard, the American people have never hesitated to support, nor has the Congress ever failed to enact, antitrust legislation needed to protect our free competitive enterprise system. However, history teaches us that protecting this system requires constant vigilance because there are always some who for selfish reasons adopt and use unfair and destructive methods of competition, particularly price discrimination, to gain economic advantage. This advantage injures, destroys, and prevents competition. It creates monopoly, and substantially lessens the need to compete on the basis of fairness and efficiency. This practice has been most harmful and most difficult to prevent. The fight against this evil has had a long legislative history.

Our first Federal law prohibiting price discrimination was the Interstate Commerce Act of 1887. Congress enacted this law largely as the result of public resentment against the discriminatory practices of the Standard Oil Co. and other giant trusts and combines, which destroyed smaller competitors. In 1890, the Sherman Antitrust Act was passed, making illegal every contract, combination in the form of trust or otherwise, or conspiracy, in restraint of trade. This act also made it illegal to monopolize or attempt to monopolize, or combine or conspire with any other person or persons to monopolize any part of trade.

In two cases prosecuted by the United States Government, against the Standard Oil Co. and the American Tobacco Co., both decided by the Supreme Court in 1911, the evidence dramatically demonstrated that price discrimination had played a major part in bringing about monopolies in the petroleum and tobacco industries. Following these decisions, there was great concern over the monopoly problem. This concern was reflected in the presidential campaign of 1912. In the platforms of both the Democratic and Republican Parties, as well as the Independent Party, each called for legislation that would prohibit specific acts and practices, such as price discrimination, which led to monopoly rather than to wait for monopoly to grow to full flower and then attempt to break it up.

It was in response to this public demand that Congress enacted in 1914 the Clayton Antitrust Act and the Federal Trade Commission Act. Among other things the Clayton Act made unlawful and specifically prohibited price discrimination and other harmful acts and practices that substantially lessened competition and tended to create a monopoly. The Federal Trade Commission Act made unlawful and prohibited unfair methods of competition to cover all other acts and practices which had not then been defined.

In subsequent efforts to enforce the Clayton Act prohibition against price discrimination, three loopholes or weaknesses were found which practically nullified the law. The first loophole was that while the statute sought to protect competition generally from substantial injury, it was not adequate to protect an individual wholesaler or retailer competing locally in the resale of a manufacturer's goods. The second was the proviso which exempted price discrimination on account of differences in quantities sold without reference as to whether there was any saving in cost to the seller. The third loophole was the proviso which exempted price discrimination made in good faith to meet competition. Because of these loopholes or weaknesses in the Clayton Act, discriminatory practices increased and spread throughout many industries and brought about an ever-increasing public demand for corrective legislation. The prevalence of the price discrimination evil and its destructive effects upon small manufacturers, wholesalers and retailers at all levels of competition was set forth in an overwhelming mass of evidence in some 30 volumes of factual studies submitted to the Congress by the Federal Trade Commission and by the congressional committee hearings on the Robinson-Patman Act.

Mr. YARBOROUGH. Mr. President, will the Senator yield for a question?

Mr. KEFAUVER. I am very happy to yield to the distinguished junior Senator from Texas.

Mr. YARBOROUGH. Can the Senator from Tennessee tell us whether the formation of monopolies and mergers during the past 4 years has had an adverse effect on small-business men? And does the Senator have an opinion about the overall effect of such monopolies and mergers on the free-enterprise system?

Mr. KEFAUVER. I thank the Senator from Texas for his question. There have been three great merger movements in the history of our Nation. One took place in the latter part of the 19th century, and resulted, in my opinion, in the panic and depression of that time.

The second great merger movement was in the late 1920's and resulted in the depression of the early 1930's.

We are now in a period of another great merger movement in our history.

Both of the previous merger movements and the present merger movement have greatly lessened the opportunity for small business to flourish. Many small-business men feel that in order to compete, it is necessary for them to join with some corporation.

Small-business men are being denied markets, they are being denied procurement, and their income is being pushed down, simply because of the overpowering influence of the greater and greater, larger and larger corporations.

There are corporations which represent the so-called conglomerate mergers; that is, they have merged various and sundry kinds of business into one corporate empire. It is very easy for the controlling corporation to let one of its subsidiary corporations lose money in order to force some small business to sell out to the large corporation, or to limit its competition in a particular area. The controlling corporation can make up for the loss sustained by one subsidiary by the amount of the income earned by another subsidiary corporation.

So inevitably the result of what we are experiencing today, as has been the case on all previous occasions, will be a lessening of the opportunities of small business. That is evidenced by the fact that during the past few years the profits of large business have been soaring; they have been getting larger and larger all the time. But the profits of small business have been going steadily downward. One has only to go to the small towns and cities today and to speak with the small-business men in order to realize that the merger movement which is progressing so rapidly at present means the death knell for thousands of small businesses. The administration, although it has brought many antitrust cases, has really not taken sufficient initiative to checking the merger movement, and in this failure Congress also has played a part. The continuance of mergers will substantially lessen competition; the lessening of competition will mean the removal of economic opportunity and, at the same time, the removal of political freedom, as well.

Mr. YARBOROUGH. May I ask the Senator from Tennessee whether he thinks the present laws are adequate, or whether the formation of mergers and monopolies during the last 4 years has been due to a policy of laxness on the part of the Attorney General of the United States? Does the Senator from Tennessee feel that the Attorney General has fully exercised the powers conferred upon him by law to prevent the great wave of mergers?

Mr. KEFAUVER. The question asked by the Senator from Texas is definite and direct. The Sherman Antitrust Act is designed to prevent the creation of mergers. That act contains provisions devised to prevent mergers and to break up monopolies after they have been created.

The Department of Justice has stepped up some of its prosecutions under the Sherman Antitrust Act, but very few cases have been brought for the divestment or the breaking up of combines after the mergers have been created. In other words, the failure has been due to laxness in dealing with the giant monopolies after they have been created.

During the last 4 years it is my understanding that the Attorney General has instituted only one proceeding under section 2 of the Sherman Act which could lead to divestiture or dissolution. This suit against General Motors involves only its bus division which is insignificant in General Motor's overall activities.

In the early part of the present administration, the Federal Trade Commission did very little toward coping with the merger problem. I must say that in the last year, and especially in recent months, the Federal Trade Commission, under the chairmanship of Judge Gwynne, has brought an increasing number of cases. Particularly under section 7 of the Clayton Act, the so-called Celler-Kefauver amendment, a great many cases have been brought.

I think stronger enforcement is needed on the part of the Department of Justice, and the Federal Trade Commission also could do more in this respect. I think there needs to be a strengthening of the laws in a great many respects. Congress should provide heavier penalties in the antitrust laws. Many corporations will violate the antitrust laws and will pay fines as the penalty, simply as an operating expense.

Also, Congress should pass the pre-notice-of-merger bill, which I am happy to note the administration has recommended.

We also need to restore the Robinson-Patman Act to the position it held before the decision of the Supreme Court in the Standard Oil of Indiana case in 1951. Since that time, price discriminations have been rampant. Always they are indulged in on the basis of meeting competition in good faith. That is the basis on which price discriminations occurred in the days of the old Atlantic & Pacific Tea Co., which was investigated in the early 1930's.

In my opinion, we also need an investigation of the laws, in order to ascertain whether something can be done about the great power of corporations in the case of conglomerate mergers, which, in my opinion, are not adequately dealt with by means of existing laws.

So I say to my friend the Senator from Texas [Mr. YARBOROUGH] that more needs to be done at the administrative level, particularly in the Department of Justice.

I believe the departments should have increased appropriations, in order to be able to carry out the laws. They should request increased appropriations. Such appropriations are good investments.

Congress also has a responsibility in the matter. Congress must improve the antitrust laws and must plug some loopholes.

Congress also needs to take affirmative action to help small business. The Douglas bill, to set up an area-redevelopment program, which the Senate passed last year, should be enacted into law.

In many sections of the country, small businesses need equity capital. Congress should see to it that small businesses receive a larger share of the procurement contracts of the Federal Government, particularly in the case of defense procurement.

I have observed that there has been some gloating over the fact that the Reconstruction Finance Corporation is going out of business. Mr. President, the Reconstruction Finance Corporation did a fairly good job in lending money to small businesses; in fact, it did a much better job than the present Small Business Administration has done to help the small-business man in his efforts to compete.

Mr. JAVITS. Mr. President, will the Senator from Tennessee yield to me?

Mr. KEFAUVER. I yield.

Mr. JAVITS. By way of comment upon the most interesting and provocative address which is being made by my colleague, the Senator from Tennessee, let me say that I feel deeply, and I say with assurance that all of us who serve in the Congress are gravely concerned, about the extent of the merger movement in the United States. I believe it is recognized that there are deep technological reasons for it. It is also recognized that small business is the backbone of American enterprise, and that small business must have a way to exist.

Personally, I believe—and I shall appreciate having the comment of the Senator from Tennessee on this point—that small business needs two other things even more than it needs the tax relief which has so generally been discussed. Of course, I hope small business will receive tax relief, also. I shall support the granting of such relief. I believe that small business needs technical assistance, especially engineering assistance, in respect to marketing—which is another field in which big business has great advantages. I also believe that small business needs to have the Antitrust Division of the Department of Justice arrive at a new concept in the case of joint efforts on the part of small business, as the principle of restraint of competition is applied to such activities. Certainly such a new concept is needed by small business, which needs protection from what would be the uneconomic aspects of the application to it of the laws against restraint of competition in the case of big business.

I hope very much that in the course of our concentration upon the problems of small business, we shall consider that situation. Many years ago, when practicing law, I was attorney for many small business groups, especially in the NRA days and the trade association days immediately following the NRA. I found that in many cases such businesses could survive and could be prosperous and could be very helpful in the public interest if, in the application of the antitrust laws to them, some cognizance were taken of the fact that if they were ever to compete with great financial power, they, themselves, would have to have some opportunity to cooperate, although today we find that is inhibited by the antitrust laws. I wonder whether the

Senator from Tennessee will comment on that point.

Mr. KEFAUVER. Mr. President, I appreciate very much the observations the distinguished Senator from New York has made, and I think there is much to what he has said. Undoubtedly it is true that small business associations, groups, and corporations should have the benefit of studies regarding trade practices, marketing methods, manufacturing techniques, and delivery techniques which will make for greater economy on the part of small business corporations, so as to enable them to compete. Of course, there are many associations which try to help with such matters. However, my experience has shown me that most of the associations with which I am acquainted are dominated by the larger corporations, and often take positions and attitudes, in connection with governmental proposals, including congressional proposals, which are inimical to the best interests of the small corporations. I have also found that sometimes the interests of the small corporations in the marketing associations and similar groups do not receive proper recognition, by virtue of the fact that the associations may be financed and run largely by and for the larger corporations.

Rather than to try to solve this troublesome problem through legislation attempting to immunize small-business groups from the antitrust laws, which I think would be a mistake, I believe the greatest assistance can be afforded to small business through equitable adjustments in our tax burdens. I sponsored a bill, along with Representative WRIGHT PATMAN to establish a graduated corporation tax. Our bill, if enacted, would not reduce the total revenues to the Treasury, but it would enable small business to stand on its own feet. The present corporate tax laws in my opinion encourage mergers.

I believe that one thing which could and should be done in that connection, and which would be very helpful to small business, is in line with the idea we had in the case of the Smaller War Plants Corporation, during World War II. Perhaps in the case of the Small Business Administration, which Congress has established, assistance could be given to small business, first in finding out what Government procurement is available, and to assist in the presentation of brochures to enable small businesses to secure such business and to assist in the making of arrangements with other small-business groups, so they could jointly bid on some Government business.

I believe that both under the law and on a voluntary basis and in the handling of the business of the executive agencies, there are many ways by which some benefits could be given to the small-business man and some encouragement could be given along the line suggested by the Senator from New York.

However, fundamentally, I am very definitely of the opinion that we are going to have to stop the increasing concentration of economic power in various lines of endeavor in the hands of fewer and fewer people, if small business is to have a chance to survive. In that effort we need strong efforts on the part of the executive branch of the Government, and we need to have additional laws passed by Congress.

A little later in my remarks I shall refer to the one law which should be passed in order to stop monopoly, as well as discrimination.

As I was saying, loopholes were found in the Clayton Act which hurt its purpose of helping small business. The third loophole was the proviso which exempted price discrimination where it was made in good faith to meet competition, regardless of the effect upon competition or upon whether a monopoly would result. Because of these loopholes or weaknesses in the Clayton Act, discriminatory practices increased and spread throughout many industries and brought forth an ever-increasing public demand for corrective legislation.

As a result, the Congress enacted the Robinson-Patman Act in 1936, in an effort to strengthen the Clayton Act by closing the three loopholes or weaknesses previously described.

The scope of the provision prohibiting price discrimination, where the effect may be to substantially lessen competition or tend to create a monopoly in any line of commerce, was enlarged and rewritten so that price discrimination would also be prohibited where the effect may be to injure, destroy, or prevent competition with "any person who either grants or knowingly receives benefit of such discrimination, or with customers of either of them." The law was thus amended to protect competition of individual competitors, as well as competition generally, from the harmful effects of price competition. The proviso exempting price discriminations made on account of different quantities sold was eliminated, and instead it was provided that price differences would be lawful where they were based upon actual savings in cost to the seller resulting from different methods or quantities in which a commodity is sold or delivered.

The proviso of the old Clayton Act exempting price discriminations made in good faith to meet competition was considered by Congress to be one of the principal loopholes of the law and a major obstacle to its enforcement. The Robinson-Patman Act attempted to eliminate the nullifying effects of this proviso by rewriting it as a procedural provision, so that whenever a manufacturer or other seller at the primary level of competition claimed that he was justified in discriminating in price because he was meeting in good faith an equally low price of a competing manufacturer, the Federal Trade Commission would be required to prove that the actual or probable effect of price discrimination was substantially to injure competition. It was clear that where the effect of the discrimination substantially injured competition, the law was meant to prohibit this discrimination.

Speaking of these provisos, the Senate report—Senate Report No. 1502, 74th Congress, 2d session—in part stated:

> The weakness of present section 2 lies principally in the fact that: (1) It places no limit upon differentials permissible on account of differences in quantity; and (2) it permits discriminations to meet competition, and thus tends to substitute the remedies of retaliation for those of law, with destructive consequences to the central object of the bill. Liberty to meet competition, which can be met only by price cuts at the expense of customers elsewhere, is in its unmasked effect the liberty to destroy competition by selling locally below cost, a weapon progressively the more destructive in the hands of more powerful, and more deadly to the competitor of limited resources. While the bill as now reported closes these dangerous loopholes, it leaves the fields of competition free and open to the most efficient, and thus in fact protects them the more securely against inundations of mere power and size.

As drafted, one of the principal objectives of the Robinson-Patman Act was to correct the good faith proviso. Anyone who will read the legislative history of that act, I am sure, will agree with this statement. Congress gave no indications and certainly did not have in mind that a manufacturer or seller in the primary level of competition could arbitrarily discriminate in price between his customers who were competing at the wholesale level or who were competing at the retail level. It is illogical and unfounded to assume that Congress intended to give any manufacturer or seller at the primary level of competition the right to discriminate in price between competing wholesalers or between competing retailers and thereby substantially injure, destroy, or prevent competition between such wholesalers or retailers.

Even though the legislative history of the Robinson-Patman Act is fairly clear, in 1951, in the case of the *Federal Trade Commission* v. *Standard Oil Company of Indiana*—340th United States Reports, page 231—the Supreme Court of the United States, in a 5 to 3 decision, held that a manufacturer or seller at the primary level of competition may discriminate in price between competing wholesalers or between competing retailers in order to meet in good faith an equally low price of a competing manufacturer or seller, regardless of the substantial injurious effects upon competition between wholesalers at the secondary level and between retailers at the third level. In effect, the Supreme Court held that the very loophole that practically nullified the price discrimination section of the old Clayton Act, which the Congress clearly intended to close, and thought it had closed when it enacted the Robinson-Patman Act, was still open and that the good faith proviso afforded just as complete a defense under the Robinson-Patman Act as it did under the old Clayton Act.

The 1951 Supreme Court's decision in the Standard Oil case, and the Courts of Appeal decisions in *Balian Ice Cream Co.* v. *The Arden Farms* (231 F. 2d 356) and *Brown* v. *Standard Oil Co.* (238 F. 2d 54), handed down in 1955 and 1956, respectively, make it clear that section 2 (B) provides an absolute defense to all price discriminations, regardless of the seriousness of the probable effect.

As a result of these decisions, the Robinson-Patman Act has been seriously weakened. The act now affords no protection to competition between wholesalers or between retailers. The public

interest in protecting competition at all levels has been subordinated to the individual manufacturer's or seller's private interest in discriminating in price. The act has become largely a declaration of the seller's right to discriminate in price, and wholesalers and retailers who are discriminated against are deprived of their right to object, regardless of the number of businesses that are injured and destroyed. Such discriminatory pricing practice constitutes a serious threat of substantial injury and destruction to competition between wholesalers and retailers. It cannot be prevented as the law now stands unless the Robinson-Patman Act is amended to close the loophole created by the Standard Oil decision. For this reason S. 11 was introduced by me and cosponsored by 19 other Senators to amend section 2 (b) of the Robinson-Patman Act. This was done in order to secure equality of opportunity to all persons to compete in trade or business, and to preserve competition where it exists, to restore it where it is destroyed, and to permit it to spring up in new fields. Similar bills—S. 11, H. R. 11 and H. R. 1840—were considered by the Senate and House during the 84th Congress.

It is not the intent of S. 11 to legislate morals or business ethics. It seeks merely to prevent the exercise of monopolistic practices when their effects are harmful to competition. It does not seek to add anything to the basic law, that is, section 2 (a) of the Robinson-Patman Act; it merely seeks to restore to the law part of that which was taken away by the decision in the Standard Oil case. In essence, S. 11 recognizes, as a defense to a charge of price discrimination, the good faith defense, unless it can be shown affirmatively that, nevertheless, the effect of the discrimination may be to substantially lessen competition or tend to create a monopoly in any line of commerce.

Thus, in the simplest language, the primary purpose of S. 11 is to deny one of the weapons of monopoly—that is, price discrimination—to powerful buyers or sellers where the effect is to substantially lessen competition or tend to create a monopoly, even though price discrimination is practiced in the name of meeting competition. If this weapon is not denied to powerful buyers or sellers, then unfair bargaining advantage is given to them wholly unrelated to their efficiency.

The Senate Antitrust and Monopoly Subcommittee, of which I am chairman, has just completed current hearings on S. 11 and S. 1211, which is the counterpart of S. 11. The subcommittee set 13 days, hearing 115 witnesses. Exclusive of exhibits, testimony ran to 2,560 pages of transcript. This is not the first time that the equality of opportunity bill has been considered by this subcommittee. In fact, testimony already received by congressional committees on this subject totals approximately 5,000 pages of transcript, exclusive of the exhibits. During the 84th Congress, H. R. 1840, a bill similar to S. 11 passed the House of Representatives by an overwhelming vote of 393 to 3. However, a general antitrust bill incorporating the language of S. 11 was reported by the Senate Judiciary Committee on the last day of the session, and its consideration by the Senate was prevented by the failure to receive unanimous consent.

The hearings just completed have demonstrated how sharply are drawn the issues between the manufacturers, producers, and sellers at the primary level of competition who oppose the enactment of the equality of opportunity bill, and the wholesalers and retailers at the second and third levels of competition who support and advocate the passage of such legislation.

Mr. President, if we are to have a strong America, for the future, we must not only preserve competition at the primary or manufacturer's level, but we must also preserve competition at the wholesale and retail levels. It is at these second and third levels of competition that the great numbers of American labor, most of whom are small-business men. Our aim must be to assure to these levels of competition an equal and fair opportunity to exist in the sun and prosper.

In the very near future the Judiciary Committee will act upon S. 11. I trust the bill will be favorably reported and that the Senate will approve it.

ADJOURNMENT

Mr. BUSH. Mr. President, there being no Senators who desire to speak, I move that the Senate do now adjourn, in accordance with the order previously entered, until tomorrow at noon.

The motion was agreed to; and (at 5 o'clock and 19 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Thursday, May 2, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 1, 1957:

DIPLOMATIC AND FOREIGN SERVICE

Joseph S. Farland, of West Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Dominican Republic.

FEDERAL POWER COMMISSION

Jerome K. Kuykendall, of Washington, to be a member of the Federal Power Commission for the term of 5 years expiring June 22, 1962. (Reappointment.)

FEDERAL MARITIME BOARD

Ben H. Guill, of Texas, to be a member of the Federal Maritime Board for a term of 4 years expiring June 30, 1961. (Reappointment.)

CONFIRMATIONS

Executive nominations confirmed by the Senate May 1, 1957:

JUVENILE COURT FOR THE DISTRICT OF COLUMBIA

Orman W. Ketcham, of Maryland, to be judge of the Juvenile Court for the District of Columbia for a term of 6 years.

UNITED STATES ATTORNEYS

John B. Stoddard, Jr., of Illinois, to be United States attorney for the southern district of Illinois for a term of 4 years.

Clifford M. Raemer, of Illinois, to be United States attorney for the eastern district of Illinois for a term of 4 years.

Francis Everett Van Alstine, of Iowa, to be United States attorney for the northern district of Iowa for a term of 4 years.

Roy L. Stephenson, of Iowa, to be United States attorney for the southern district of Iowa for a term of 4 years.

John F. Raper, Jr., of Wyoming, to be United States attorney for the district of Wyoming for a term of 4 years.

UNITED STATES MARSHALS

William J. Littell, of Illinois, to be United States marshal for the southern district of Illinois for a term of 4 years.

Roland A. Walter, of Iowa, to be United States marshal for the southern district of Iowa for a term of 4 years.

Richard A. Simpson, of Virginia, to be United States marshal for the eastern district of Virginia for a term of 4 years.

WITHDRAWAL

Executive nomination withdrawn from the Senate May 1, 1957:

POSTMASTER

Molly L. Casteel, Mosheim, Tenn.

EXTENSIONS OF REMARKS

Address by Hon. Herman E. Talmadge, of Georgia

EXTENSION OF REMARKS

OF

HON. HARRY FLOOD BYRD

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 1, 1957

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a very fine address made by the Senator from Georgia [Mr. TALMADGE] before the Kiwanis Club of Richmond, Va., on April 29.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF UNITED STATES SENATOR HERMAN TALMADGE, OF GEORGIA, BEFORE THE KIWANIS CLUB OF RICHMOND, VA.

President Welch, distinguished guests and my friends of the Richmond, Va., Kiwanis Club, your thoughtful invitation for me to speak to you today was an unexpected honor. It is one which I accepted with pleasure and satisfaction because of the close bonds of kinship and friendship which have existed between your own Commonwealth and my home State of Georgia throughout the whole course of our history.

Since the days of my youth I have looked to the State of Virginia and the city of Richmond with admiration and respect.

Representative government was born in Virginia.

Virginia's sons wrought the first constitutional republic for this Commonwealth.

Virginians wrote the Declaration of Independence and the Constitution.

And, of fond remembrance to southern people, Richmond is revered as one of the hallowed capitals of the Confederacy.

Georgia is proud to have shared your heritage and your history.

The forebears of many of our citizens came to Georgia from Virginia.

In many ways, during the past 180 years, the governments of both States have shown remarkable parallels in their development. This similarity is particularly striking today both in organizational structure and in programs being carried forward.

On a number of important occasions, your distinguished and respected senior Senator, Hon. HARRY F. BYRD, has spoken in Georgia, and he is greatly admired by the people of my State. I, personally, have been an admirer for many years of his outstanding record as a farmer, a publisher, an administrator, a sound, honest, and courageous public official and a statesman of renown.

I should like to pay the highest tribute possible to Senator BYRD and to your able junior Senator, A. WILLIS ROBERTSON. Both of these fine gentlemen have been most kind and helpful to me in my initial service in the Senate, for which I am deeply grateful.

And, I might add, that during my service as Governor of Georgia my associations with your chief executives—Governors Tuck and Battle—were most pleasant and rewarding.

Your present Governor, Hon. Thomas B. Stanley, is highly regarded throughout the South and the Nation for his leadership, his firmness on basic issues and his steadfast adherence to constitutional processes.

I commend you on the distinction and ability of your chosen leaders.

We, in Georgia, are grateful for their help, support and counsel in the fight to preserve our form of government in this country.

Virginia today is the No. 1 target of those who would destroy home rule and local self-government in this Nation. But I am confident that the people of Virginia will stand firm and meet this challenge in the tradition of Patrick Henry, George Washington, Thomas Jefferson, James Madison, James Monroe, Robert E. Lee, Woodrow Wilson and the other great leaders this States has given to the Nation and to the world.

My friends, I want to take this opportunity of discussing with you the most deadly threat ever to confront us.

That is, the steady and vicious attacks now being waged on two broad fronts, the end objective of which is the destruction of representative government in this country.

These attacks, clever and calculated in design, are twofold.

One is aimed at destroying constitutional processes and the protective safeguards of freedom they afford.

The other is aimed at destroying the Nation through internal bankruptcy.

Should either attack succeed, it will succeed with finality.

The attack on constitutional government goes to the very heart of our existence as a Nation.

That is true because once we lose our precious rights under that instrument, we cannot defend ourselves against any other threats, either from within or from without.

What threats have been posed to constitutional government in the last few years?

We have seen the United States Supreme Court, in a series of partisan political decisions, deliberately ignore the Constitution of the United States and substitute impractical and unproved theories for established law and precedent as the basis for its rulings.

We have seen the Federal judiciary invade and seek to obliterate the reserved rights of the States in many fields of their internal activity.

The Court has sought to prohibit the 17 Southern States from operating their public school systems in the manner they determine to be in the best interests of their citizens.

The Court has sought to outlaw sedition laws in 12 States, Alaska, and Hawaii.

The Court has forced Federal regulation of natural gas production in 30 States.

The Court has sought to limit the power of States and cities to discharge employees when they plead the fifth amendment against self-incrimination.

The Court has sought to usurp State authority in cases of criminal appeals.

These decisions are unconstitutional.

They are not the law of the land, as some falsely insist.

They are the judge-made law of force and force alone.

It is not the people of the South who defy the Constitution; rather, it is they who uphold it.

When a Federal district judge, acting under this doctrine of force, issues a blanket edict under which anyone exercising his freedom of speech can be haled into court and fined for criminal contempt without a jury trial, then, I say to you, it is time for us to take stock as to where we, as a nation, are headed. It should be the signal for the restoration and reassertion of our cherished constitutional rights.

We will never submit to this unlawful and unconstitutional judicial tyranny.

We will resist its imposition with all the strength at our command.

We are not going to sit idly by while freedom of speech is destroyed and thought control is imposed on the people of this Nation.

We are not going to sit idly by while an unconstitutional, arbitrary, and illegal extension of Federal judicial power is attempted.

This is not only an attack on the rights of the States to govern their own affairs but also a gross abuse of judicial processes imperiling the civil liberties of every American citizen.

Equally dangerous to the liberties of all the people of the whole United States is the so-called omnibus civil-rights bill now pending before Congress.

This diabolical six-point program is a grave threat to our traditional concept of constitutional government.

If it is enacted, an army of Federal agents will swarm over every State, harassing and intimidating the people and usurping the functions of local law-enforcement authorities.

The so-called civil-rights commission which would be established by this legislation would have authority to summon on 24 hours' notice anyone from any part of the United States to any place it might designate to defend himself against charges of which he was totally ignorant prior to the receipt of the subpena.

Under the bill, the Attorney General of the United States would be empowered to represent private individuals and to bring legal actions and suits in their names whether they desire to go into court or not.

Still another section would write into law a provision overturning the legal doctrine of the ages requiring an exhaustion of administrative remedies as a prerequisite to judicial relief.

It is regrettable that the Congress is wasting its time and energies on such a measure.

The same effort applied along constructive lines to develop the human and natural resources of this great country; to stimulate new job opportunities; and to provide decent housing and more effective governmental services for the masses of our people—would result in the advancement of real civil rights and human security for minorities and majorities alike.

By this method, and by this method only, can we bring needed social and economic improvement.

Certainly, it is foolish to suggest that we can do it by destroying fundamental constitutional rights of every citizen.

Every fledgling lawyer knows that the real civil rights of every citizen of this country are contained in the first 10 amendments to the Constitution.

These 10 amendments have been known since the beginning of this Nation as the Bill of Rights.

They are written in plain, unmistakable language.

From them spring all the rights necessary for the preservation of life, liberty, and the pursuit of happiness.

I cannot emphasize too strongly the serious nature and far-reaching implications of this proposal.

It shall be my purpose to cooperate fully with your Senators and all those of like mind in the fight to prevent these measures from being foisted on the American people.

Another dangerous proposal is that of limiting debate in the United States Senate.

For all practical purposes there has been unlimited freedom of discussion on all issues in the United States Senate since the year 1807.

The present rule XXII, under which the imposition of cloture is permitted in the Senate, was adopted in 1917 and was revised in 1949. It provides for cutting off debate only after an affirmative vote of two-thirds of the Senators duly chosen and sworn.

This provision affords an adequate safeguard against abuse of the privilege of free speech and at the same time helps to maintain the delicate balance of powers afforded under our form of government.

The right of a Senator to present all of the facts in connection with an issue, to turn the light of truth, justice and fairness on that issue, goes to the very heart of the protection of minorities.

As long as the United States Senate remains a free and unfettered forum, as long as a vigorous and determined minority of Senators can present all of the facts concerning any measure, the rights of the people of this country will be more nearly secure.

So, we have seen, that through unconstitutional usurpation of power by the Federal courts, through proposed "force bill" legislation, through efforts to alter the longstanding rules of the United States Senate and through a myriad of similar devices, our system of government, as wrought by the Founding Fathers, is under sustained attack.

Not being able to carry their point under the system, its enemies have set out to destroy the system itself.

Of course, you and I know that if they succeed, they would not only destroy the greatest country on earth, but themselves in the process.

I am convinced, too, that the irresponsible fiscal policies being followed by our Government are a threat to our national existence.

Being such a threat, there is always the danger that a great deal of our spending may be prompted, without full justification, by those who would hasten the day of our insolvency.

Senator BYRD for many years has raised what appeared at times to be a lone voice against waste and extravagance in the Federal Establishment. Now, his legions are growing on the groundswell of a grassroots demand to cut nonessential spending.

During the last decade our Nation has shown the greatest growth of any period in its history.

Yet this growth is being imperiled by profligate spending policies.

The brave pronouncement of stabilizing the cost of living has fallen by the wayside.

During the coming fiscal year, the Federal Government expects to collect in taxes out of the people of this country the stupendous total of 75.8 billions of dollars.

This means that about one-sixth of the gross national product of the country will be paid in Federal taxes.

One wonders how long this Nation will survive such a drain on its economy.

The policy of hard money for the people and easy money for bureaucrats does not make sense to me.

There is no reason why the Federal budget should be any greater than that of 1955–56, which totaled $66.5 billion. By all economic yardsticks, it should be less.

The inflated $71.8 billion spending bill currently pending before Congress can be cut at least $5½ billion without impairing national defense or curtailing a single program of essential services affecting the masses of the people.

The only really effective way to trim Government spending—and I learned from experience as governor of a State—is through across-the-board budget reductions and refusal to inaugurate new spending programs. With the exception of defense and debt interest requirements, such a formula is needed to cope with the present Federal budgetary situation.

I favor such a cut of 6 percent which would save $1,584,000,000.

Additionally, I think the budget should be cut in four other ways. The first would be the discontinuation of all foreign economic aid—saving $1,800,000,000. The next would be the elimination of all but $1 billion of foreign military aid—saving $1,600,000,000. Thirdly, I would not enact the proposed program of Federal aid for education—saving $451,000,000. And, finally, I would reduce propaganda spending by $85,000,000—making a grand total budget cut of $5,520,000,000.

The across-the-board cuts could be absorbed almost entirely through a reduction in administrative costs, through institution of economy and more efficient practices and through streamlined methods without detriment to essential Federal services.

In fact, many agencies and departments are carrying over large amounts of money from year to year.

Tremendous defense and other savings could be realized through a continuing congressional review of all unexpended appropriations to determine their validity in the light of present conditions.

As far as the services themselves are concerned, appropriations to them should be determined in light of the latest technological advances as well as through a concerted effort to eliminate duplication and to reduce manpower through full utilization of latest developments and ideas in weapons and tactics.

In the field of foreign spending, the time has come for a thorough and sifting examination of each foreign economic aid proposal and for the same careful scrutiny of each and every military assistance project, to insure that the American taxpayer is getting his money's worth in national security.

Our government has grown so large and its activities become so extensive that no one disputes the fact that there is much waste in its operations.

My view is that the best way to eliminate this waste is through reducing appropriations.

By eliminating useless and nonessential spending, we can assure a continued balance of the Federal budget and make possible an immediate reduction in Federal income taxes of as much as 10 percent.

I am proud to associate myself with your senior Senator in his efforts to secure for the American people a sounder and more realistic Federal budget. I am optimistic that, as long last, his crusade in the interest of the oppressed taxpayer will this year be crowned with at least a measure of success.

I say with all candor that unless the present policy of Federal spending is held in check, all hope of a tax cut at any time in the future will vanish and we will be confronted with another round of Federal tax increases and more likely the imposition of additional new taxes.

I do not believe the American people will stand for this, but we are headed in that direction.

It is said that unless we in the United States scrap our archaic and outmoded conceptions of constitution law; unless we destroy trial by jury and other safeguards under the Bill of Rights; unless we adopt all manner of measures regulating human morals, racial and religious conduct; unless we discard our valued and long-established institutions; unless we scatter our wealth and resources to the four corners of the earth and unless we surrender our national pride and sovereignty, that Russia will exploit these failures or shortcomings against us.

Now, I ask, Who cares what Moscow thinks, says, or does?

It would be of little value to anyone if, in recklessly seeking to appease other countries, we destroyed our own.

If we make our policies to meet Communist criticism or propaganda, we should abolish private enterprise, representative Government, private schools, independent courts and every other institution of our society.

That brings to mind a legitimate question: Just whom are we trying to impress with our panicky and unstable policies?

By destroying our heritage, are we trying to impress some of the South American countries where military juntas preside over the life or death of every citizen?

Are we trying to impress the Communist butchers who tied the hands of American soldiers behind their backs and machine-gunned them into a common grave?

Are we trying to impress the potentates of the Middle East in whose domains slavery is still the practice and maiming of the body is punishment for a minor infraction of the law?

Are we trying to impress the tribal chieftains of Africa?

Are we trying to impress the dictator Nasser who knows no law but force?

Are we trying to impress Nehru and members of his Congress Party of India where in the most recent election the caste system, sacred cows, communalism, and astrology were the issues foremost before the people?

Now, when this Nation reaches the place that her leaders are more concerned about what a foreign Communist propaganda agency does or says than they are about preserving the internal structure of our Government, than they are about protecting the rights and liberties of our people, than they are about maintaining the solvency and sovereignty of our Nation, than they are about upholding the reserved rights of the States and the people, then, my friends, we are in bad trouble and had better assert ourselves.

For once the flame of liberty afforded under our present form of government has flickered and gone out, it will never again shed its light and warmth over this land of ours.

Then it will be too late to lament over what once was or what might have been.

In conclusion, I make this observation.

Sometimes we may be justified in feeling frustrated with the policies of our Government.

But we must never sell America short nor should we discount the loyalty, courage, honesty, ability, and sincerity of purpose of the American people.

They have demonstrated again and again their intense determination to meet and to overcome whatever challenges may confront them.

Because of this, I am confident that this Nation will survive in spite of all the mistakes of its governmental leaders may make.

I hold fealty for both my State and my Nation.

In no instance has there been any conflict or problem for me for I know, as every loyal American knows, what is best for my State also is best for the country as a whole.

Washington needs to pause for reflection and for a reevaluation to realize fully once again from whence comes all freedom, all equality, all strength, all integrity, all security, and all those other precious attributes identified with our growth as a nation.

There must be a complete return and a sincere rededication to the fundamental teachings of the Holy Writ.

There must be a renewed respect for the true meaning of the Constitution and a respect for law as it is written.

There must be a practical recognition of the fundamental laws of nature.

There must be an instillment of sound business practices into the government.

And, there must be a solid determination on the part of all public servants to keep faith with the people.

Americans must be freed of the attendant evils of bureaucracy, red tape, intimidation and tyranny so that our people may once again be masters of their own destiny.

As for me, and the future of this country, I put my faith in Almighty God and in the sound judgment of my countrymen as we work shoulder-to-shoulder for right and justice.

To this concept, I am pledged.

To this concept, I give my energy and devotion.

Admission of Members of United States Armed Forces to the Dhahran Airbase

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Wednesday, May 1, 1957

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an exchange of correspondence with the State Department on the subject of the admission of members of the United States Armed Forces to the Dhahran Airbase, in view of the restrictive provisions—with which I thoroughly disagree—on the part of the Government of Saudi Arabia; and also an editorial on the same subject published on April 25, 1957, in the New York Times.

There being no objection, the correspondence and editorial were ordered to be printed in the RECORD, as follows:

TEXT OF A LETTER DATED APRIL 17 FROM THE DEPARTMENT OF STATE TO SENATOR JACOB K. JAVITS

DEAR SENATOR JAVITS: I have received your letter of April 9, 1957, to the Acting Secretary, enclosing the statement which you made on that date before the Senate on our relations with Saudi Arabia. We appreciate the opportunity to review your remarks on this subject and, in response to your request, to provide comments on points raised.

As you point out, the various interested agencies of the Government consider the retention of the United States rights at the Dhahran Airfield of importance to our national security. The recent significant round-the-world flight of B-52 aircraft refueled, for example, over Dhahran.

Our recent discussions with Saudi Arabian representatives here were concerned with arrangements which would continue the United States rights at the airfield under the

agreement of June 18, 1951. The text of this agreement, including its recognition of the sovereignty of Saudi Arabia over the airfield and the right of that Government to require visas of all persons entering Saudi Arabia, was not at issue.

We did, however, during these discussions express our special concern over restrictions on the admission of persons of the Jewish faith into Saudi Arabia. The representatives of Saudi Arabia explained that their regulations were not intended to discriminate against citizens of another country on the basis of religion, but were related to the tensions arising from the Arab-Israel dispute. The hope was expressed that Saudi Arabia would be able, as these tensions were eased, to eliminate restrictions arising from them. The Department will continue to take every appropriate opportunity to emphasize the continuing concern of the United States over the existence of these restrictions.

We can assure you that, whenever the question of slavery arises and there is firm evidence of its practice, the United States makes known its opposition to the continuance of this practice. We do not consider, however, that complete agreement with the United States on all matters is a prerequisite for cooperation in essential areas of foreign affairs.

We also note your remarks concerning King Saud's relations with President Nasser of Egypt. It is true that Saudi Arabia has associated itself with Egypt in aspects within the framework of Arab regional policy. At the same time, King Saud has emphasized his opposition to communism and his close friendship with and support for the United States. I know that you will agree with this attitude on the part of the ruler of a key Middle Eastern country is of considerable significance.

We believe that the recent visit of King Saud to this country was successful in creating greater understanding between the two Governments. We will continue to exert efforts to resolve those areas of disagreement which may still exist between us.

Sincerely yours,

ROBERT C. HILL,
Assistant Secretary.

TEXT OF A LETTER DATED APRIL 18 FROM SENATOR JAVITS TO THE DEPARTMENT OF STATE

DEAR MR. SECRETARY: Receipt is acknowledged of the Department's letter of April 17 regarding relations with Saudi Arabia. I note the following key phrases: in respect of the barring of United States soldiers of Jewish faith from our base at Dhahran that "The Department will continue to take every appropriate opportunity to emphasize the continuing concern of the United States over the existence of these restrictions." With respect to the fact that Saudi Arabia is backing Colonel Nasser's particular brand of Mideast chauvinism with heavy overtones of Kremlin manipulation, the Department says: "It is true that Saudi Arabia has associated itself with Egypt in aspects within the framework of Arab regional policy. At the same time, King Saud has emphasized his opposition to communism and his close friendship with and support for the United States." I must dissent from the conclusion that either of these statements represents an adequate United States position. The Department should be taking much firmer steps than apparently are being taken or contemplated in respect of both of these urgent issues.

To allow the discrimination against United States soldiers—as well as United States citizens—by the Government of Saudi Arabia because of their Jewish faith is a grave retreat from the highest American traditions and principles. It is an intolerable situation which began in the previous administration in June 1952 and continues into this administration. It is contrary to the policy adopted by the United States in the early 1900's in its relation with Russia, and it is contrary to Senate Resolution 323, adopted on July 26 last, protesting such discrimination. It certainly cannot be reconciled with the Department's statement that King Saud has emphasized "his close friendship with and support for the United States."

I can see no fair reason for our Government's tolerating any connection between "the tensions arising from the Arab-Israel dispute" and the barring of United States soldiers from a United States base, contrary to American tradition and practice, and I believe that the Department should allow of no such connection.

Saudi Arabia has recently joined Egypt in seeking to bar peaceful international shipping from the Gulf of Aqaba in direct opposition to the findings of our country that these were international waters available to all for peaceful commerce. This represents far closer association in actions disruptive of United States policy and international peace than the Department apparently recognizes in his statement: "that Saudi Arabia has associated itself with Egypt in aspects within the framework of Arab regional policy."

On the contrary, considering the assumptions encouraged by both the United States and the United Nations under which a withdrawal of Israel's forces recently took place, this action on the part of Saudi Arabia can only complicate the situation for our country and again endanger international peace. This stand by Saudi Arabia is certainly not an evidence of "close friendship with and support for the United States."

I do not get the impression from the Department's letter that there will be a determined and continuous effort to undo the injustices which I have described above, with clear notice to the Government of Saudi Arabia that the actions set forth above are not tolerable within the friendship which is professed toward the United States on the part of Saudi Arabia, and cannot be continued indefinitely.

A 5-year extension of the United States right to use the Dhahran Airbase may be justified on security grounds, and in that I have the greatest respect for the judgment of our President; but to tolerate the barring of United States soldiers from the Dhahran base or Saudi Arabia's backing of Colonel Nasser and his defiance of the United Nations and the whole free world is contrary to the interests of the United States and of peace, is intolerable, and the Department's policy should not allow of it for an indefinite future.

Respectfully,

JACOB K. JAVITS.

[From the New York Times of April 25, 1957]

AMERICANS IN ARABIA

The refusal of the Saudi Arabian Government to admit American citizens of the Jewish faith extends even to American soldiers manning the airbase at Dhahran under the recently renegotiated agreement with the United States. Thus our own Government is in effect a party—however unwillingly—to an outrageous discrimination against Americans on the basis of their religious belief.

In a letter to Senator JAVITS the State Department has pointed out that it had vainly expressed special concern over the restrictions, but that the Saudi Arabians had said "their regulations were not intended to discriminate against the citizens of another country on the basis of religion, but were related to the tensions arising from the Arab-Israel dispute." We do not believe this Arabian statement to be true; but even if it were true, its implications are totally unacceptable. The Saudi Arabian Government is saying that Americans of Jewish faith must necessarily have a political allegiance to a foreign government, Israel, to which Saudi Arabia is hostile, and that therefore these Americans must be treated on the same basis as if they were Israeli citizens. This is an intolerable suggestion reflecting on the loyalty of loyal Americans; and it is even more intolerable that the State Department is willing to bow, reluctantly or not, to such a suggestion.

Secretary Dulles' additional explanation at his press conference Tuesday is equally unsatisfactory. He reports at this late date that King Saud's negative attitude toward lifting the ban against American Jews was at least partly explained by the cold shoulder Mayor Wagner had given the Monarch on his arrival in New York last January. Disgusted as we were by the mayor's rudeness to an official visitor, we think that this incident is a pretty sorry excuse for Mr. Dulles to be making on behalf of the King. The fact still remains that the United States Government is acquiescing in religious discrimination against its own nationals, contrary to the principles of a Senate resolution passed last July and contrary to the historic position of our Government in dealing with such problems in the past.

Depletion of Oregon Timber

EXTENSION OF REMARKS

OF

HON. RICHARD L. NEUBERGER

OF OREGON

IN THE SENATE OF THE UNITED STATES

Wednesday, May 1, 1957

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a cogent editorial from the Oregon Labor Press of April 19, 1957, entitled "Who Will Rescue Oregon When Our Timber Is Gone?" I also ask permission to include an interview with me by Paul Hauser which appeared in the Oregonian, of Portland, Oreg., for April 21, 1957.

This interview describes some of my views on the unfortunate economic situation which has brought Oregon's average incomes on a downhill slide during the past 10 years, in relation to the national average.

I present this material for the attention of the Senate so that other Senators can study some of the economic problems affecting a major region of the Nation—the Pacific Northwest. These problems require national solution, and they demand new policies from the Eisenhower administration; namely, an end to the hard-money program and a return to the Bonneville low-cost-power program.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Oregon Labor Press of April 19, 1957]

WHO WILL RESCUE OREGON WHEN OUR TIMBER IS GONE?

Statistics may be dull, but they can be wonderfully revealing.

A monthly statistical bulletin is issued by the Oregon State Unemployment Compensation Commission. It's full of graphs and charts and tables and percentages and averages. They're not very inspiring to read, but often they reveal vital information that can't be found anywhere else.

This month's bulletin is especially interesting because its cold statistics actually reveal why it's so tough to find a job in Oregon today and why Oregon seems to have slumped into an economic recession while other States enjoy greater prosperity.

First of all, the bulletin reveals that 48,100 Oregonians were looking for work during the first week of April, as compared with 42,200 a year ago. More alarmingly, the commission sees little indication of the usual spring gains in lumber, logging, and other seasonal occupations.

More than 40 percent of Oregon's jobless are in the lumber and logging industry. No one denies that Oregon's unemployment crisis is the direct result of the slump in the lumber and plywood market.

The Eisenhower administration decreed a policy of hard money and high interest rates. As a result, the profits of banks are at an alltime high, but home building is at its lowest level since 1949. Fewer houses mean less demand for lumber. The lumber industry is hard hit—and so is Oregon, the Nation's leading lumber State.

When lumber slumps, Oregon slumps. The dangerous and frightening degree to which Oregon's prosperity depends upon the lumber industry is revealed by these figures from the State statistical bulletin:

Almost one-quarter (24.2 percent) of all workers in Oregon are employed in lumber and wood products. No other State depends upon lumber to any such degree.

California is a close second to Oregon in the production of wood products—but less than 2 percent of all California workers are employed in this industry. Washington ranks third in lumber production but only 9.2 percent of Washington's workers depend upon lumber for their weekly paychecks.

In short, Oregon's entire economy depends to an alarming degree upon an industry that has three very serious shortcomings:

1. Employment in lumber and logging is highly seasonal, with long winter layoffs. Dependable year-around payrolls are found only in a small part of the wood-products industry.

2. Full employment in the lumber industry seems to depend upon hundreds of small mills and fringe operators who can be shut down by a small drop in price or demand for lumber or plywood.

3. Oregon's prime stands of timber soon will be gone. The lumber industry has cut its way steadily southward, starting on Puget Sound half a century ago. Now it is rapidly chewing up the last great stands of Douglas fir in southern Oregon.

What will happen when Oregon's last stands of prime timber are gone? Our neighboring State of Washington set an example of good luck or good management when her timber began to disappear. Washington's dwindling lumber jobs were replaced with year-round payrolls in aircraft at Boeing, in atomic energy at Hanford and in aluminum in many cities, large and small.

In other words, low-cost Federal power saved the payrolls of the State of Washington. For low-cost power is essential to aircraft, aluminum and atomic energy.

But will there be enough new low-cost power from Federal dams to work a similar economic transformation in Oregon? The answer is "No"—unless the Eisenhower administration's giveaway at Hells Canyon can be stopped and its antipublic power policies can be reversed.

That's why organized labor in Oregon is fighting to save Hells Canyon, fighting for full Federal development of our rivers. We're trying to save our jobs and the future of our State.

We want to make the best possible use of falling water—the only major resource we'll have left when the best timber is gone.

We want to reverse the economic trend that began in 1947, when Oregon's per capita income was $202 ahead of the national average. Last year the incomes of Oregon citizens had dropped $10 below the national average.

[From the Oregonian, Portland, Oreg., of April 21, 1957]

NEUBERGER RUES PAYROLL DECLINE, SEES CHEAP POWER AS ONLY REMEDY

(By Paul Hauser)

Senator RICHARD L. NEUBERGER is concerned that Oregon is on a downhill trip on the payroll escalator and sees buildup of an available bulk of low cost power sufficient to attract new industries as the only hope of changing direction.

NEUBERGER arrived in Portland Saturday for a week-long stay during Congress' Easter recess and met the press at his home, 1910 Southwest Clifton Street.

"I don't think I can stress enough the serious economic situation confronting Oregon," said the Senator. He pointed out that in 1947 per capita income of Oregonians was $202 above the national average and has since sunk to $13 below.

"We've been coming down the escalator for 10 years," he said.

PAYROLL NEEDS CITED

"Unless Oregon gets some new basic year-around payrolls we're going to have real difficulty maintaining the school standards, the educational standards and the welfare standards we've been accustomed to."

But NEUBERGER foresees only "some slight chance" that Congress will find any money at all in the current controversial budget for a start next year on the 1-million kilowatt John Day Dam. None was provided in the President's budget and it's 10 times as difficult to put in than to cut out.

Lack of unanimity on such major projects, the Senator said, is "the monkey on our back in the Northwest."

GOOD PROGRAMS SUFFER

"When some other part of the country is working for a Federal project you see an enormous unified effort * * * but most of the opposition to the great Federal projects in the Northwest comes from our country."

Senator NEUBERGER said he fears that many small but worthwhile programs in fields of health and school aid will suffer in the current hysteria over the budget.

He noted that funds for cancer research were cut back in the administration's budget.

"Actually they ought to be multiplied 10 times for a real crash program such as developed atomic energy."

Foreign aid, a program with "no friends," is likely to suffer as well, but NEUBERGER, who has backed up President Eisenhower's foreign-aid program as a bulwark of peace, said he would hate to think of placing the United States in a category of a country willing to be "profligate with soldiers but stingy with dollars."

DOUBLE STANDARD FEARED

NEUBERGER spoke again of his conviction that great campaign funds are leading to "a hopeless double standard of morality in Government."

"How can we say a little bureaucrat is hopelessly committed when he accepts a deep freeze, and yet allow governors and Senators to accept tens of thousands as campaign contributions?"

Senator NEUBERGER and others are working on bills which would provide Federal financing of congressional campaigns, limiting individual contributions to $100, and giving income tax credit up to $10 for individual contributions to political parties.

SYSTEM CALLED WRONG

NEUBERGER said he believes the present system of political campaign financing is leading to freezing of the Democratic Party as the party of labor and the Republican Party as the party of business. He thinks it "inherently wrong" either way.

"My whole basic belief is that a man should not enter public office obligated either to organized labor or to corporations or businesses."

NEUBERGER will discuss a set of 6 standards for labor unions at his first public appearance of 7 scheduled this week before the Portland Central Labor Council, Monday night.

Labor's Responsibility to Freedom

EXTENSION OF REMARKS

OF

HON. BARRY GOLDWATER

OF ARIZONA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 1, 1957

Mr. GOLDWATER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address I made this morning to the United States Chamber of Commerce.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

LABOR'S RESPONSIBILITY TO FREEDOM

(Address of Senator BARRY GOLDWATER before the United States Chamber of Commerce, Washington, D. C., May 1, 1957)

A reference to your program will disclose that the subject of this discussion is Labor's Responsibility to Freedom. I do not intend to adhere to that rather confined topic because I feel that all of us have responsibilities to freedom, not labor alone; and, while certain leaders of labor today are doing more, I feel, to destroy some of the tenets of our freedom, I believe that all of us should pause at this time in our history and ask ourselves, "What are we doing toward our responsibilities to freedom?"

In proceeding to discuss this topic with you today, I intend to outline not only the responsibility of the leaders of labor to freedom, but also to touch upon what I feel is the responsibility of business and professional people to this same magnificent blessing.

Who is the enemy of freedom? If freedom is our thesis what is the antithesis? A philosophy of government, or of business, or of labor? None of these segments of society are any particular menace to freedom until they make power and authority their goal.

Any group which seeks to impose its will upon a single unwilling citizen through the exercise of unrestrained power outside the law, or by the corruption of the law, is the enemy of freedom. Power itself is the enemy of freedom.

Lord Acton once said: "Power tends to corrupt and absolute power corrupts absolutely."

History reveals the greatest violence to freedom has always been done by men or institutions who made power the supreme goal of their life. Power is invariably created as a collective effort and then exercised by one or two individuals using the power of the collective to enforce their personal wills to achieve their personal ambitions and goals.

Organization into like-minded groups with a common aspiration has produced much that is good in America. Our service clubs, our trade associations, our kids on the sandlots playing little league baseball, our political parties, and our trade unions—were all organized in an effort to unite like-minded men so that a goal beyond the reach or ability of any single individual might be obtained through collective effort.

I heartily subscribe to labor's trade-union principle. Trade unions sincerely concerned with bettering working conditions, with improving the skill of artisans, with preserving

the integrity of a trade or a craft, have made a magnificent contribution to our 20th century society. In our Nation the dignity of honest labor has always been respected. No man has ever presumed to look down upon another because of his occupation, and I pray such a day will never come.

I went to school with a carpenter's son, the watchmaker's boy was my dear friend, and the captain of our football team was the son of a blacksmith. The fathers of these men were valiant servants of freedom.

They went to Cuba with Teddy Roosevelt. They built the railroads across the western plains. They harnessed the rivers and made the valleys green.

Their lifetimes of honest toil set a standard for the working man in America which is today, besmirched and tarnished and dragged in the mud by certain labor leaders who have made absolute power their only goal, who defy the law, who employ violence and brutality to enforce their will upon those free workers who dare to rebel against the all-powerful union boss.

Freedom is menaced today by those leaders of organized labor who have renounced their historic responsibility to their union members and established political power as the total objective of their organizations.

The objective of labor organizations, as recognized in the Clayton Act of 1914, and in numerous pieces of legislation since that time, is collective bargaining and attainment of better hours and better wages for the working men and women of America. With those purposes, no American can find fault. Rather, all should encourage their advancement.

Today, however, certain leaders of labor bring to the bargaining table, not only the strength of their arguments, to which they are entitled, but they are able to place by their side and at their backs the power of politics. Mr. Reuther constantly cries out against big business and against the monopoly of big business. He decries any effort other than his own to find political favor through pressure upon the political parties of America. Yet, through the use of his almost limitless millions of dollars, and his likewise almost limitless manpower, he has practically dominated one political party and, in my opinion, has ceased to be a leader of labor and has become, instead, a leader of politics.

This constitutes a usurpation of power and, as I have said before, power is dangerous in the hands of anyone, be it management or be it labor.

Let's take a look at the power that certain leaders of labor have been able to amass in the labor field.

In 1955 Mr. Walter Reuther, commenting on the merger of the AFL-CIO said: "This will make labor one of the most powerful forces in the Nation."

Mr. George Meany said: "It goes without saying that labor unity will provide a more effective instrument for political action."

President Charles Schultz, of the Wisconsion CIO, had this to say: "Most of the membership realizes that political action is the right arm of collective bargaining." And then he added: "We know that if we had a Democratic governor in Wisconsin the Kohler strike would have been won."

In the Senate of the United States the McClellan committee, of which I happen to be a member, is currently investigating alleged tieups between the leaders of organized labor and racketeers and vice. With great piety Mr. Walter Reuther has called for a cleanup inside labor. He has, by inference, condemned those leaders who have used union funds for their personal benefit.

May I emphasize that it was the misuse of union funds which produced these walls of anguish from Mr. Reuther? And may I suggest that the freedom of the individual and the safety of the individual is far more valuable than all the moneys in all the union treasuries in all the world.

In the single instance of the strike against Kohler in Wisconsin, Mr. Reuther and the UAW have done more damage and violence to freedom than was accomplished by all the peculiar financial transactions of Mr. Dave Beck.

The strike against Kohler has been given only passing attention by the liberal press of our Nation. It is perhaps hardly newsworthy because these same tactics of brutality and violence have been used so many times in the past.

If not newsworthy, the actions of the UAW against Kohler are certainly worth reporting as a typical example of the lawlessness of a power-hungry labor union determined to impose its will upon the free workers of an industrial plant.

On April 5, 1954, a group of Mr. Reuther's Automobile Worker's Union members went out on strike against the Kohler Co., of Kohler, Wis., a manufacturer of plumbing fixtures and fittings. Following a back-to-work movement the plant was reopened. Today that strike is still in progress. The issue at stake is union control of employment at the Kohler plant.

The union first asked for a strict union shop—this, despite a Wisconsin right-to-work law. It finally said it would settle for maintenance of membership clause, one which would require that union members maintain their membership in order to keep their jobs. Herbert Kohler, the company head, believes in the right to work for any man and has refused to surrender to the union.

Mr. Walter Reuther dispatched Emil Mazey, secretary-treasury of the UAW-CIO, to the Kohler plant to run the strike. Mazey took with him a collection of union thugs. One of his associates was William Paul Vinson, a 27-year-old, 6-foot, 200-pound organization expert.

William Paul Vinson slipped up behind 50-year-old, 140-pound, Willard Van Ouwerk, who, with his wife, had been shopping in Sheboygan, and struck Van Ouwerk from behind, knocked him unconscious, kicked him, and trampled him, sending him to the hospital with internal injuries, a crushed chest, a pierced right lung, and four fractured ribs.

This, may I emphasize, was an assault upon a free American who had never done any harm to William Paul Vinson or to Emil Mazey or to Mr. Walter Reuther. Mr. Van Ouwerk's great offense was that he had refused to join the union and strike the plant.

In the course of time Vinson was brought to trial before a jury of 4 women and 8 men.

Vinson was identified by five witnesses as the perpetrator of that vicious attack. The jury found him guilty and a circuit court judge of the State of Wisconsin sentenced him to serve 2 years in the State penitentiary.

The union's reaction to this orderly process of law was authorized by Mr. Emil Mazey.

Mr. Mazey castigated the judge, questioned his integrity and his ability, and then ordered union members to stay away from three small grocery stores because the judge owned a small amount of stock in these American businesses.

The strike at Kohler continues. The union under the direction of Mr. Walter Reuther, and through his lieutenant, Mr. Mazey, has used every method ever employed to win a strike. It has used violence, it has brought in goons to instill fear. More than 700 acts of violence and vandalism against nonstrikers, including brutal beatings, shotgun blasts into windows of homes, dynamiting of homes have been reported since the strike began.

And Mr. Walter Reuther's union has spent more than $12 million of union funds in an attempt to win this strike.

The issue has gone far beyond any desire to win a strike. Mr. Don Rand, international representative of the UAW and one of Mr. Reuther's boys, recently made this statement: "It seems to me it is almost sinful to have any labor dispute degenerate to the point this one has where we actually have to wreck the company—that's what we're doing, wrecking the company."

In the name of freedom, I ask you—does Mr. Reuther have to wreck the company to satisfy his lust for personal power over the employees of the Kohler plant? It is almost sinful, says Mr. Rand, to destroy an American business and the jobs of American working men because the American business will not surrender its freedom to the dictates of Mr. Walter Reuther.

And how is the union going about its efforts to destroy the Kohler Co.?

Well, they sent in goon squads to incite riots at Sheboygan, Wis., to prevent a supplier of English ceramic clay from unloading his vessel for transshipment to the Kohler plant.

Then the union used its power and influence to prevent the unloading of that vessel at Milwaukee.

In the name of freedom I ask you—is this America? Where force and violence can be used with impunity to destroy the peace, to impose the will of one man upon a community or upon a manufacturing plant.

In this strike we see the long strong arm of the political power of Mr. Reuther. Unfortunately nine governmental bodies in this free Republic have succumbed to union pressure and have enacted legislation to create a compulsory boycott of the Kohler products.

Oh, the union wasn't quite so direct as to ask these governmental bodies to enact an embargo against the purchase or installation of the Kohler products specifically. No, they are much cleverer than that. They secured the enactment of legislation to prevent the installation of products from any plant which was being struck by a union.

I ask you, how could Lincoln Park, and River Rouge, Mich., or Bristol or New Britain, Conn., or the Massachusetts House of Representatives, or Boston or Lynn or Worcester, Mass., or Los Angeles County, Calif., so desert the principal of freedom as to bow down to the will of this one man, Walter Reuther, and his ruthless, determined attempt to rule or ruin the Kohler plant?

"How?" I have asked. Political power is the answer, and power in the hands of any man is not good.

Let me cite another example, a report in the Chicago Tribune of July 29, 1955. On that day Angelo Inciso, an ex-convict and top man of local 286, of the AFL workers, served notice upon Rear Adm. Daniel V. Gallery, Chief of the Naval Air Reserve Training, that union pickets were prepared to stop all truck deliveries into Glenview Naval Air Station.

Trucks were stopped and there was no incoming traffic. Now why was this union picketing the naval station? Not because of any action taken by naval authorities or Navy suppliers, but because four sailors on permanent duty at the station hed been working nights when off duty at a small electronic shop.

Perhaps the sailors had wives and children. It's just possible that they thought they were free to earn a few extra dollars to supplement their Navy pay, to buy necessities or conveniences for their wives, their children, or themselves. But this did not suit the concept of America nourished by Angelo Inciso, union boss and ex-convict.

Who won this battle? The union won the battle, and the then Under Secretary of the Navy, personally telephoned the base to give his orders to instruct the four sailors to give up their employment.

Oh, yes, Mr. Walter Reuther believes in freedom. He and the members of his union

are quick to stand upon their rights as American citizens whenever and wherever their brutal tactics of absolute power have been questioned or criticized.

Mr. Walter Reuther also believes in freedom to spend the money collected from union members in any fashion he may desire, and Mr. Reuther insists that freedom encompasses his right to spend union dues money for political purposes at any level.

Mr. Reuther defends his spending of compulsory dues money for political purposes by saying that they do not spend this money in national elections, but use only contributed money. Mr. Reuther ignores the moral error in this practice while, at the same time, speaking from every platform about the moral rightness or wrongness of issues. I ask him, "What is morally right about spending the dues money of members of one political faith to defeat candidates of that same faith?"

It makes no difference whether this money is spent at the national level, the State level, the county level, or the local level. It is morally wrong and Mr. Reuther knows it. Yet, he continues to do it.

Why? Because money can bring him political power, particularly when this money is coupled with the thousands of men he can put in the field for political purposes. Mr. Reuther proclaims that he is a stanch protector of freedom, but Mr. Reuther denies the political freedom of his own members.

Mr. Reuther believes in the right and freedom of Mr. Emil Mazey to openly castigate a duly elected judge of the courts of the State of Wisconsin.

And Mr. Reuther undoubtedly believes in the freedom of Mr. Mazey to order a boycott on a grocery chain in order to do some injury to the judge who presided at that trial.

Mr. Reuther believes in the freedom of Jim McDevitt to appear at a banquet given in honor of four convicted union leaders in Scranton, Pa.

Mr. Reuther believes in freedom—his freedom to use political force to obtain the ordinances which have been enacted to penalize the sale of Kohler products in those nine communities.

And we can assume that Mr. Reuther would defend the freedom of his bully boy, William Paul Vinson, to assault a 150-pound peaceful nonstriker and send him to the hospital for 22 days.

And we can assume that Mr. Reuther would defend his freedom to dispatch 400 union "toughs" to the town of Clinton, a town, mind you, with only 1,600 population.

Mr. Emil Mazey took these 400 union muscle men to Clinton. Mr. Walter Reuther would defend his freedom to use political power to prevent the extradition of a unionist who was accused of an assault on a nonstriker and then fled to Michigan to escape prosecution.

Mr. Reuther speaks loudly in the name of freedom. He speaks out against big business and the dangers of their monopoly. But he carefully ignores the monopoly and the power of that monopoly in politics which he himself has created. For example, at the Democratic National Convention in 1956 there were over 200 delegates who were not just rank-and-file union members but who were leaders in the labor movement.

Now, I don't decry union members or union officials being delegates to national conventions. In fact, the Republican convention had over 60 who were rank-and-file members of the union movement. But when Mr. Reuther can dispatch over 200 delegates to a convention, I suggest to you that that is the breeding of power of the worst kind.

Mr. Walter Reuther would defend his freedom to instruct every paid employee of the UAW in Michigan to get out and work for the Democrats—and to recruit hundreds of additional workers and pay them with union funds.

Mr. Reuther would defend his freedom to ask men to leave their jobs and work for a political party, and these men are paid out of union dues—dues, mind you, that were collected from members of both parties. One thousand, five hundred and eighty men worked for an undisclosed number of days at a salary of $20 per day, plus $5 expenses, which, by my calculations, totals $37,000 a day. These men were employed to impose and enforce Mr. Reuther's political will upon the free voters of Wayne County.

Mr. Reuther urges that organized labor take the leadership in world affairs. Is he suggesting that the man at the lathe, or the man with the wrench, or the man at the drawing board, drop his tools, don striped trousers and become the leader in world affairs? Or, isn't he saying, in fact, that the labor leaders, such as himself, should assume that world leadership?

Mr. Reuther believes in the political and economic philosophy of the Americans for Democratic Action. He believes in and is a member of the Committee of the "Conference of Economic Progress," an organization that believes wholeheartedly in the Federal Government controlling our economic system.

Mr. Reuther believes in a liberal program for America. Not the kind of liberal program that the true liberals of history have espoused, but a liberal program based upon Federal control and Federal domination of our lives. Another of our great labor leaders, Mr. Meany, has echoed this belief, although it is difficult for me to believe that George Meany believes in the economic or political philosophy of Mr. Reuther. Mr. Meany said, "While the 85th Congress will not be predominantly liberal, we now have renewed hope for accomplishing that objective in 1958."

Before that, on November 25, 1955, Mr. Meany said: "It goes without saying that labor unity will provide a more effective instrument in political action. Our major objective is to elect strong, liberal majorities in Congress."

What right do Mr. Reuther or Mr. Meany have to stand up and speak for 16 million Americans, on the assumption that the labor movement will elect a liberal Congress?

I know working people. I employ people. I have worked with people all of my life, and I don't think the working people of this country want the kind of liberalism that Mr. Reuther espouses any more than they want outright socialism. But, on the other hand, what Mr. Reuther preaches is socialism.

Power is the root of evil. Power is the enemy of liberty. And here we have a most obvious example of a man's personal desire for political power being exhibited across America. Mr. Reuther said on November 30, 1955, "With the forthcoming merger of the CIO and AFL * * * will make labor one of the most powerful forces in the Nation."

Now, if he wants to use that power for collective-bargaining purposes, then he is within the limits of his constitutional and moral rights. But if he persists in using that power as he has been, to control a political party, in an effort to control the politics of America—then he is out of bounds.

You may doubt the far-reaching effects of this political power. If you do, let me read you a short sentence or two from the report of the executive council of the American Federation of Labor for the year 1953. This statement was made in connection with the recommittal to the committee of a bill which would have amended the Taft-Hartley Act in certain respects. Among those amendments was one that I had proposed which would give the States more power in settling labor disputes. Here is the long, strong arm of the union leaders reaching into the Senate of the United States, and I quote: "We, therefore, permitted the debate to continue for a couple days and then Senators X and Y presented fair labor practice amendments. This, of course, put the southerners on the spot because they were obliged to oppose this and it also did the same for the Republicans who, as a party, are supposed to favor the proposal. The A. F. of L. was opposed to a FEPC proposal being added to a labor bill. We then made arrangements with Senator Z to offer the motion to recommit before any amendments were voted on and as all factions were fearful and more or less confused, they voted to recommit the bill, 50 to 42."

Mr. Reuther believes that it is perfectly all right for labor to flex its political muscles in the Senate of the United States but he thinks, at the same time, that it is wrong for businessmen or professional men to do the same thing. I don't condone this practice. In fact, I regret that any group in America, whether it be labor or business, has the political power to go to the floor of the Senate and disturb the normal operations of that body. I mention this to you only to show you the extent to which the political power of these men has grown through their immoral use of dues money and manpower.

May I suggest that Mr. Walter Reuther is free to exercise his talents as a leader of a true trade-union movement in the United States? He is also free to enter politics and to utilize his talent for organization in either political party or form a new one.

May I suggest that Mr. Walter Reuther's present program of exploiting the labor-union movement to create a machine for personal political power is an affront to freedom and a challenge to every citizen in our Nation?

Now is the time for the working men of America to rise up against this cynical perversion of the union movement by certain labor leaders.

Now is the time for the working men and women of America to reaffirm their faith in the freedom and integrity and importance of the individual.

Now is the time for every citizen of this free Republic to renounce and condemn those who seek to fashion machines of absolute power.

Now is the time to reject and renounce that collectivist philosophy which regards man as too weak or too stupid to care for himself and proposes that man can only meet his destiny through the machinery of an all-powerful organization.

I suggest to Mr. Reuther this morning that he seriously and carefully ponder the position in which he finds himself. He can be a leader of labor and obtain for labor, through collective bargaining, those things to which they are entitled, or he can become the leader of a political movement. I suggest that he cannot be both at the same time because if he tries to do this he most certainly will destroy the very house for which he speaks in such passionate terms—the house of labor.

A political party cannot be a bargaining agent in this free country. A political party cannot dictate the terms under which labor and management will work. That is only done in Communist Russia and in Red China and in the other countries dominated by the Communist doctrine. Let Mr. Reuther remember, and forever remember, that the American people abhor power centralized in any one person or group of persons, and that they will not stand for a continuation of his trying to be, at one and the same time, a leader of labor and a leader of a political party.

The labor movement can be jeopardized—yes, seriously injured—if Mr. Reuter continues to misuse union funds for political purposes and continues to use the collective strength of these organizations to impose his

political will upon the people of this country. When organized labor takes on the appearance of an overall political party, it invites opposition where none might otherwise develop. If organized labor wants to abandon its historic role and become a political party, that is the right of its members so to decide, but it is not the right of one man to impose his will upon the Nation's political scene as representing the will of his membership.

Let me, in conclusion, touch upon what I feel is your responsibility to freedom. You, the business people of this country, have neglected your responsibility to the defense of the free enterprise system. You have done this to the extent that young people across America actually fear our profit system, instead of respecting it as the creator of much of our economic success. You have been afraid, up until reent years, to take stands on issues, issues that affect not only you, but the entire country.

You are to be commended for having changed that "head in the sand" attitude. The business people of America have a great reluctance, even today, to engage in politics with either party, preferring, as I have heard many of you say, to keep clear of politics because of business reasons.

Let me tell you something: while you pussy foot and hide, there are organized groups of people in this country who are determined to impose their Socialist views upon the minds of America. So, lose your fear of political participation and join with all Americans to the end that a healthy political climate will be maintained in this country.

Yes, all of us have a responsibility to freedom. As Benjamin Franklin told a woman on emerging from the constitutional convention when she asked, "What have you given us?"—"We have given you freedom, if you can keep it."

Fredom cannot be kept by governments only, because Governments under our concepts were created to be the servant of the people. Only you, the citizens of America, through your neglect of Government and political forces, can destroy our freedom. Only you, by pursuing the material more than the spiritual, and ignoring the latter, can destroy the freedoms of America.

Let the voice of your conscience speak out against those who would cynically employ brutality and terror to enforce their will on free men.

Now is the time for a passionate devotion to those standards of individual integrity which made this Nation great.

Now is the time when you and I must join together to give to this land we love and to all human beings, wherever they may be, a new birth of freedom, under God.

The Vital Role of American Women

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Wednesday, May 1, 1957

Mr. WILEY. Mr. President, it was my privilege yesterday to speak to a group of women before whom Mrs. Ivy Baker Priest, the able Treasurer of the United States, delivered a speech. I had the honor to introduce her. I ask unanimous consent that a statement I have prepared regarding women prominent in government in this country, together with a list of such women, be printed in the CONGRESSIONAL RECORD.

There being no objection, the statement and list were ordered to be printed in the RECORD, as follows:

THE VITAL ROLE OF AMERICAN WOMEN

On several occasions, I have commented upon the increasingly significant role played by American women throughout our entire Nation.

Americans understand and welcome this fact.

By now, it is no particular news to the American people to point out that women already own an estimated two-thirds of the national wealth, or that women already constitute one-third of America's labor force.

What may not be generally realized, however, is the welcome extent to which American women are coming into their own—in occupying positions of importance in the business, political, professional and public service life of our land.

MRS. PRIEST, GUEST OF INVEST LUNCHEON

Yesterday, I had the pleasure of being host at a luncheon of the National Invest-in-America Committee.

One of our honored guest speakers was the able Treasurer of the United States, Mrs. Ivy Baker Priest. She symbolizes, I believe, the vital role which women play in our economic life—as investors, as taxpayers and in many other financial capacities.

OUTSTANDING WOMEN LEADERS IN EXECUTIVE BRANCH

Recently, I noted an article by Josephine Ripley in the Christian Science Monitor, in which she enumerated some of the outstanding women like Mrs. Priest, who have been serving in government with high distinction.

Included among them are, of course, such excellent public servants as former Ambassador Clare Booth Luce; the former Assistant United States Treasurer, and later Assistant to the Secretary of the Treasury, Catherine B. Cleary, of Milwaukee; the former Deputy Administrator of Civil Defense, Mrs. Katherine Howard; the former Deputy Director of Foreign Operations, Mrs. Hiram C. Houghton.

And currently, we enjoy the continued services of the Director of the Women's Bureau of the Department of Labor, Mrs. Alice Leopold; the Chairman of the Subversive Activities Control Board, Mrs. Dorothy McCullough Lee; our representative on the United Nations Human Rights Commission, Mrs. Oswald B. Lord; the newly nominated Ambassador to Norway (formerly Ambassador to Switzerland) Mrs. Francis Willis. (Mrs. Willis symbolizes, in turn, the very welcome increase in the participation of women in America's Foreign Service.)

So, too, in the honored ranks of Government, are the newly confirmed Director of the Children's Bureau, Katherine Oettinger, who succeeds another outstanding woman, Dr. Martha M. Eliot.

ABLE MEMBERS IN LEGISLATIVE BRANCH

Of course, here in the Senate we are proud of the invaluable services of the senior Senator from Maine [Mrs. SMITH]. In the House of Representatives too, is a sizable contingent of able women legislators of both parties.

WOMEN SERVING AT HIGHER LEVELS

In still another article in the Monitor, in this instance, by Mary Handy, a significant fact was pointed out: In 1870, only fourtenths of 1 percent of the women working had executive-level jobs. In 1930, that proportion of higher-level workers had risen to 3 percent, and by 1956 the level had gone up to 6 percent.

APPOINTMENT OF WHITE HOUSE ASSOCIATE PRESS SECRETARY

And recently, within the past few weeks, no less a personage than the President of the United States has rightly recognized women's higher level role, by appointing Mrs. Anne Wheaton as Associate Press Secretary at the White House.

ENCOURAGE RISING FROM THE RANKS

I am pleased to comment on this general subject, because, in my judgment, every possible encouragement should be given to this trend.

This Nation needs skilled manpower and skilled womanpower. Even more important, it needs skilled brainpower—irrespective of sex—brainpower for the advancement of that Republic.

We cannot afford to squander any talent. We cannot allow individuals of great promise to be kept at lower employment levels, simply because they happen to be of the fair sex.

We learned during World War II through the WACS, the WAVES, the Women Marines, the SPARS, how we benefited as a Nation when we secured women's services, virtually alongside their fighting men.

Yes, we learned, too, through our experience with wartime factories, from Rosie the Riveter, that women are ready, willing, and eager to serve their land in ever-new capacities.

RESPONSIBILITIES AS MOTHERS

Naturally, their primary responsibilities rightly remain as mothers of the race, as guardians with their husbands of the Nation's homes. But that need not detract from their appropriate contributions elsewhere.

I send to the desk now a few brief supplementary comments, along with a long and enheartening list of top women leaders selected by the Eisenhower administration.

This list comes, incidentally, from the office of Miss Bertha Adkins, assistant chairman of the Republican National Committee, in her own right, one of our most prominent women leaders.

I ask unanimous consent that these comments and the list be printed at this point in the body of the CONGRESSIONAL RECORD.

SUPPLEMENTARY STATEMENT BY SENATOR WILEY

If each of us looked at our respective States, we could quickly find an outstanding group of women who amply represent the type of woman leader whom I am describing, and whom I am seeking to encourage.

We would find them in the General Federation of Women's Clubs, in the League of Women Voters, in the American Association of University Women, in the National Federation of Business and Professional Women's Clubs, in the American Legion Auxiliary, and in innumerable other religious, ethnic, social, professional, and other groups.

We would find them in the Republican and Democratic Party units at the grassroots. We would see them serving with and for the Nation's hospitals, schools, orphan homes, welfare institutions, underprivileged service centers, and in many other connections.

Were time and space not factors, I could cite a great many such fine ladies from my own State of Wisconsin.

A LEADING WOMAN IN THE DISTRICT OF COLUMBIA

I shall, however, set forth a few brief facts concerning one particular woman whose fine record has come to my attention from folks who highly respect her.

She is not from my State, but rather resides here in the District of Columbia where there is no Senator nor Representative to speak up in this manner for folks of merit.

And she is not in government, but rather is in private enterprise.

This particular woman has served as past president of the local Soroptimist International.

She is vice president of the Connecticut Avenue Association, and an active member of the board of directors of the Central Charge organization.

She has been prominent in the field of giving public recognition to what is well described as "juvenile decency." (I refer to the fact that most of our youngsters are fundamentally decent, and only a handful—less than 5 percent—become juvenile delinquents.)

During the past 12 years, she has been serving our veterans at Bethesda Naval Hospital, helping to rehabilitate them.

When the news of the magnificent Hungarian rebellion against Communist tyranny flashed to the world, she was one of the first here in the District area to take action. She and her employees eagerly agreed on the donation of proceeds of a portion of their business time for Hungarian relief. Similarly, she has arranged to bring several Hungarian refugees here to become self-supporting jobholders.

Her field—her business—is one which an uninformed person might not ordinarily think of in terms of a major United States business. And yet it is one, according to economists. It is that of dancing instruction.

The lady of whom I speak is the president of the Arthur Murray Studios of the metropolitan Washington area. She is also regional director of 25 studios in 8 States and the District.

Her District business is, I understand, the most successful such franchise operation out of many such successes in the Nation. And she has built it herself during less than 20 years. She has built it with the philosophy of service, the sound, spiritual philosophy of contributing to character and human development.

She herself represents the ideals she seeks to advance, for she started humbly as a clerk in the Chase National Bank at $65 per month. And she worked her way up—an enterprising, dedicated woman in a so-called man's world—a pioneering woman, who grew with what had been an unknown industry, but what is now a vast industry throughout the Nation.

Indeed, the industry is extending overseas, for she is opening up a studio in Frankfort shortly—the first such American studio on the European Continent.

The lady's name is Ethel Fistere.

I have never had the pleasure of meeting this fine lady, or even any of her associates.

I select her as an example—a worthy example—of folks whom we may not know, but whom we may well admire.

CONCLUSION—LET WORLD'S WOMEN TAKE NOTE

Known or unknown, famous or less famous, in public or in private life, in everyday matters or in unique jobs, they are rendering significant service to the Nation.

In light dancing, or in serious diplomacy, in Wall Street or Main Street, I say: "More power to our women of ability—in serving this Nation."

Let the women of the world take inspiration from the women of America—from the Helen Kellers of America who have conquered every conceivable handicap, from the Susan B. Anthonys who have championed women's equal role, from the women columnists and the women presidents of corporations and women scientists and educators and leaders in all walks of life.

TOP WOMEN APPOINTMENTS IN THE EISENHOWER ADMINISTRATION

(Listed in order of appointment)

1. Mrs. Oveta Culp Hobby,[1] Houston, Tex. (member of President's Cabinet) (resigned), Secretary, Department of Health, Education, and Welfare.
2. Mrs. Ivy Baker Priest,[1] Bountiful, Utah, Treasurer of the United States.
3. Mrs. Oswald B. Lord,[1] New York, N. Y., United States Representative on Human Rights Commission of the Economic and Social Council of the United Nations; alternate United States representative to the 8th session of U. N. General Assembly (1953); alternate United States representative to the 9th session of U. N. General Assembly (1954); alternate United States representative to the 10th session of U. N. General Assembly (1955); alternate United States representative to the 11th session of the U. N. General Assembly (1956).
4. Mrs. Daniel J. Schneider,[1] Lakewood, Colo., Superintendent of the United States Mint at Denver.
5. Mrs. Clare Boothe Luce,[1] Ridgefield, Conn., United States Ambassador to Italy.
6. Mrs. Katherine G. Howard,[1] Boston, Mass., Special Adviser to the Federal Civil Defense Administrator (served first as Deputy Administrator), member, National Civil Defense Advisory Council.
7. Mrs. Lorena B. Hahn,[1] Omaha, Nebr., United States Representative on Status of Women Commission, United Nations.
8. Mrs. Hiram C. Houghton,[1] Red Oak, Iowa, member, Public Advisory Group on Refugee Relief Program, Department of State, formerly Deputy Director for Refugees and Migration, International Cooperation Administration (also Foreign Operations Administration).
9. Miss Albina R. Cermak,[1] Cleveland, Ohio, Collector of Customs at Cleveland.
10. Miss Catherine B. Cleary,[1] Milwaukee (resigned, June 1954), Assistant Secretary of the Treasury (first named Assistant United States Treasurer).
11. Mrs. Georgia France McCoy, Oklahoma City, Okla., Assistant to the Secretary, Department of Health, Education, and Welfare.
12. Mrs. Rae V. Blester,[1] Drexel Hill, Pa., Superintendent of the United States Mint at Philadelphia.
13. Mrs. Lottie Randolph, Columbus, Ohio, Assistant to Administrator, Farmers' Home Administration, Department of Agriculture.
14. Miss Mildred E. Reeves,[1] Washington, D. C., Associate Judge, Municipal Court of the District of Columbia.
15. Mrs. Consuelo Northrop Bailey (resigned), South Burlington, Vt., member, Advisory Board, United States Post Office Department.
16. Miss Frances E. Willis,[1] Redlands, Calif., United States Ambassador to Switzerland.
17. Mrs. Elizabeth Shirley Enochs,[1] Lorton, Va., United States technical delegate on directing council of American International Institute for Protection of Childhood.
18. Dr. Bess Goodykoontz,[1] Iowa, alternate United States delegate, directing council of American International Institute for Protection of Childhood.
19. Mrs. Wendell Willkie,[1] New York City, N. Y.;
20. Mrs. Theodore Roosevelt, Jr.,[1] Oyster Bay, N. Y., members, American Battle Monuments Commission.
21. Mrs. Wilfreda J. Lytle, Wilmington, Del., Director, Women's Activities (Second Region), Federal Civil Defense Administration.
22. Dr. Beatrice Aitchison, Portland, Oreg., Director, Transportation Research, Bureau of Transportation, United States Post Office Department.
23. Mrs. Daphne Leeds,[1] Atlantic City, N. J., Assistant Commissioner of Patents, Department of Commerce.
24. Miss Roberta Church, Chicago, Ill., consultant to minority groups, Department of Labor.
25. Mrs. Dorothy McCullough Lee,[1] Portland, Oreg., formerly member, Board of Parole, Department of Justice.
26. Mrs. Frances P. Bolton,[1] Cleveland, Ohio, United States representative, eighth session, United Nations General Assembly.
27. Mrs. P. Peavey Heffelfinger,[1] Wayzata, Minn., alternate United States delegate to UNESCO (United Nations) conference in 1953, United States delegate to eighth and ninth general UNESCO conferences in Montevideo in 1954 and 1956, respectively. Also, in 1953, public member, 16th session of the Economic and Social Council of the United Nations, Geneva, 1953.
28. Miss Cleta Smith,[1] St. Louis, Mo., United States collector of customs at St. Louis.
29. Mrs. Olivia Erpenbach,[1] Minneapolis, Minn., collector of customs at Minneapolis.
30. Mrs. Helen Rogers Reid,[1] New York, N. Y., member, Government Contracts Committee.
31. Dr. Jean T. McKelvey, Ithaca, N. Y., member, advisory committee to the Secretary of Labor.
32. Mrs. Frances Lee,[1] San Mateo, N. Mex., member, Inter-American Commission of Women, Department of State.
33. Mrs. Raymond Sayre,[1] Ackworth, Iowa, member, Agricultural Advisory Commission; member, Commission on Congressional and Judicial Salaries.
34. Mrs. Alice K. Leopold,[1] Weston, Conn., Assistant to Secretary of Labor for Women's Affairs; also Director of Women's Bureau, Labor Department; public member, Commission on Intergovernmental Relations.
35. Mrs. Lovilla Lalor, Santa Rosa, Calif., Director, Women's Activities (region 7), Federal Civil Defense Administration.
36. Mrs. Ada Mucklestone, Chicago, Ill., Director, Women's Activities (fourth region), Federal Civil Defense Administration.
37. Mrs. Frances Diehl, San Francisco, Calif., Director, Reception Center, San Francisco (liaison with visiting governmental guests and exchange students for U. S. State Department).
38. Mrs. Carmel Carrington Marr, Brooklyn, N. Y., assistant to the United States Ambassador to the United Nations.
39. Mrs. Jessie Vann,[1] (term expired), Pittsburgh, Pa., member, International Development Advisory Board.
40. Mrs. Anna A. Mitchell,[1] West Hartford, Conn., United States collector of customs at Bridgeport.
41. Mrs. Jane Morrow Spaulding, Charleston, W. Va., consultant, Foreign Operations Administration.
42. Mrs. Mildred C. Ahlgren,[1] Whiting, Ind., member, Public Advisory Board, Foreign Operations Administration.
43. Mrs. Frances Nolde, Reading, Pa., consultant in Defense Air Transportation.
44. Mrs. Pearl C. Pace,[1] Burkesville, Ky., member, Foreign Claims Settlement Commission.
45. Mrs. Jessie D. Sayler,[1] Savannah, Ga., United States collector of customs at Savannah.
46. Mrs. Frances Lee,[1] San Mateo, N. Mex., only woman member, American delegation to the Inter-American Conference at Caracas (March 1954).
47. Mrs. Edna Basten Donald,[1] Grand Island, Nebr., member, National Assay Commission.
48. Mrs. Ralph D. Keeney,[1] Somersville, Conn., member, National Assay Commission.
49. Mrs. O. Blake Willcox,[1] Englewood, N. J., member, National Assay Commission.
50. Mrs. Edward A. Pool,[1] New York, N. Y., member, National Assay Commission.
51. Mrs. Philip J. Woodward, Winchester, Mass., Assistant Administrator for Education (region 1); Federal Civil Defense Administration.

[1] Indicates Presidential appointment; others are departmental or career appointments.

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52. Dr. Anna L. Rose Hawkes,[1] Vermont, member, United States Advisory Commission on Educational Exchange.
53. Mrs. Helen Chapman,[1] Jerseyville, Ill.;
54. Mrs. Percy Maxim Lee,[1] Farmington, Conn.;
55. Miss Helen G. Irwin,[1] Des Moines, Iowa;
56. Mrs. Lucille Leonard,[1] Providence, R. I.;
57. Dr. Susan Riley,[1] Nashville, Tenn., members, Foreign Operations Council, Foreign Operations Commission.
58. Mrs. Myra Glazier Kenney, Worcester, Mass.;
59. Mrs. J. B. Cooley, Minot, N. Dak., members, Council of Consultants, Small Business Administration.
60. Mrs. Gladys Forsyth, Lincoln, Nebr., Board of Field Advisers, Small Business Administration.
61. Mrs. Emmert T. Bowlus,[1] Frederick, Md., Comptroller of Customs, Port of Baltimore, Md.
62. Miss Jane H. Todd, Tarrytown, N. Y., member, Council of Consultants, Small Business Administration.
63. Mrs. Ann Louise Ferris, Allegan, Mich., Civilian Defense Officer (Evacuation), Federal Civil Defense Administration.
64. Mrs. Charles W. Weis, Jr.,[1] Rochester, N. Y., member, Federal Civil Defense Advisory Council.
65. Mrs. Jean W. Fuller, Los Angeles, Calif., National Director, Women's Activities, Federal Civil Defense Administration.
66. Miss Winifred G. Helmes, St. Paul, Minn., Assistant Director, Women's Bureau, United States Department of Labor.
67. Dr. Mary P. Holleran,[1] Hampton, Va., United States Representative on Inter-American Cultural Council of the Organization of American States.
68. Mrs. Katharine Dixon Agar,[1] Chicago, Ill., member, United States Commission for Celebration of the 200th Anniversary of the Birth of John Marshall.
69. Miss Catherine Cleary, Milwaukee, Wis., National Advisory Council on Vocational Rehabilitation, Department of Health, Education, and Welfare.
70. Miss Louise Baker, Lincoln, Nebr., National Advisory Council on Vocational Rehabilitation, Department of Health, Education, and Welfare.
71. Mrs. Howard Coffin,[1] Washington, D. C., member, Hamilton Bicentennial Commission.
72. Mrs. Margaret Patterson,[1] New York, N. Y., member, Hamilton Bicentennial Commission.
73. Mrs. J. Madison Blackwell,[1] New York, N. Y., member, 1955 Annual Assay Commission.
74. Mrs. D. Ray Murdock, Greenburg, Pa., member, 1955 Annual Assay Commission.
75. Mrs. R. Henry Norweb,[1] Cleveland, Ohio, member, 1955 Annual Assay Commission.
76. Miss Lucy M. Seiler,[1] Philadelphia, Pa., member, 1955 Annual Assay Commission.
77. Mrs. Margaret Cathcart,[1] Lake Forest, Ill., member, Soo Locks Centennial Commission.
78. Mrs. Rae C. Hooker,[1] Mount Pleasant, Mich., member, Soo Locks Centennial Commission.
79. Mrs. Charles A. Dean,[1] Jr., Grosse Pointe Farms, Mich., member, Soo Locks Centennial Commission.
80. Mrs. Julie B. Kirlin (resigned), Boston, Mass., adviser, Office of International Trade Fairs, Commerce Department.
81. Miss Jane H. Todd, Tarrytown, N. Y., consultant, Women's Bureau, United States Department of Labor.
82. Dr. Althea K. Hottel,[1] Bala Cynwd, Pa., United States Representative, Social Commission of Economic and Social Council, United Nations.

[1] Indicates Presidential appointment; others are departmental or career appointments.

83. Miss Francis Knight, Washington, D. C., Director, Passport Division, Department of State.
84. Dr. Martha M. Eliot,[1] Washington, D. C., Alternate United States Delegate, Eighth World Health Assembly, Mexico City, May 10–June 4, 1955.
85. Miss Mary H. Donlon,[1] Kinderhook, N. Y., member United States Customs Court.
86. Dr. Katherine G. Bloyley,[1] Keuka Park, N. Y., member, Board of Foreign Scholarships.
87. Mrs. W. Greg Smith, Denver, Colo., Director, Women's Activities (Sixth Region), Federal Civil Defense Administration.
88. Mrs. Pearl Wates, Thomasville, Ga., Director, Women's Activities (Region Three), Federal Civil Defense Administration.
89. Mrs. Elizabeth B. Cusack,[1] Winchester, Mass., Alternate United States Representative, United Nations Children's Fund.
90. Associate Justice Jennie Loitman Barron, Brookline, Mass., Delegate, United Nations Congress on Prevention of Crime.
91. Mrs. Robert Low Bacon,[1] Long Island, N. Y.
92. Miss Elizabeth B. Howry,[1] Jamestown, R. I.
93. Mrs. Eugene Meyer, Washington, D. C.
94. Mrs. James H. Rowe, Jr., Washington, D. C.
Members, Commission to plan civic center in Washington, D. C.
95. Mrs. Frances B. Crowninshield,[1] Boca Grande, Fla., member, Boston National Historic Sites Commission.
96. Mrs. J. Ramsay Harris,[1] Denver, Colo., member, International Development Advisory Board (2 years).
97. Mrs. Bernice B. Cronkhite,[1] Cambridge, Mass., member, Board of Foreign Scholarship (2 years).
98. Mrs. Margaret M. Conant,[1] Glen Dale, Md., member, Board of Advisers, Federal Reformatory for Women at Alderson, W. Va.
99. Mrs. Mildred E. Younger,[1] Los Angeles, Calif., member, Board of Advisers, Federal Reformatory for Women at Alderson, W. Va.
100. Mrs. Hazel H. Abel,[1] Lincoln, Neb., member, Theodore Roosevelt Centennial Commission.
101. Mrs. Sherman Post Haight,[1] New York, N. Y., member, Theodore Roosevelt Centennial Commission.
102. Mrs. Oscar A. Ahlgren, Whiting, Ind., Assistant to National Director, Savings Bonds Division, Treasury Department.
103. Mrs. Isabella J. Jones, Pittsburgh, Pa., Assistant to Assistant Secretary for Program Analysis, Department of Health, Education and Welfare.
104. Mrs. Nicholas (Alice Roosevelt) Longworth, Washington, D. C., member, United States Delegation to Inauguration of the President-elect of Brazil, January 30, 1956.
105. Mrs. William E. Martindale,[1] Harrisburg, Pa.
106. Mrs. Dorothy Young,[1] Philadelphia, Pa.
107. Miss Mamie Woodcock,[1] Salisbury, Md.
108. Mrs. Grace Bamonte Damour,[1] New York City, N. Y.
Members, 1956 Annual Assay Commission.
109. Mrs. Lorena B. Hahn,[1] Omaha, Neb., (1956) United States Representative on Status of Women Commission, United Nations.
110. Mrs. Christine Unger, Denton, Tex., Director, Women's Activities (region 5), Federal Civil Defense Administration.
111. Mrs. Dorothy D. Houghton,[1] Red Oak, Iowa, member, United States National Commission for UNESCO.
112. Mrs. Faye Hartman,[1] San Diego, Calif., director, San Diego office, Federal Housing Administration.

[1] Indicates Presidential appointment; others are departmental or career appointments.

113. Mrs. Clover Todd Dulles,[1] New York City, N. Y., member, Board of Advisers, Federal Reformatory for Women at Alderson, W. Va.
114. Mrs. Mary Dilworth Barnes,[1] Pittsburgh, Pa., member, Board of Advisers, Federal Reformatory for Women at Alderson, W. Va.
115. Mrs. Helen C. Russell,[1] San Francisco, Calif., United States delegate to the Ninth Session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization.
116. Mrs. Dorothy McCullough Lee,[1] Portland, Oreg., member, Subversive Activities Control Board.
117. Miss Corma Mowrey,[1] Charleston, W. Va., member, President's special people-to-people group to promote understanding and friendship throughout the world.
118. Miss Anna Lord Strauss,[1] New York City, N. Y., member, President's special people-to-people group to promote understanding and friendship throughout the world.
119. Mrs. William Barclay Parsons, Jr.,[1] New York City, N. Y., member, President's special people-to-people group to promote understanding and friendship throughout the world.
120. Mrs. Eva Bowring,[1] Merriman, Nebr., member, Federal Board of Parole.
121. Mrs. Grace Christian, Ocean City, N. J., Director of Women's Activities (region 1), Federal Civil Defense Administration.
122. Miss Catherine Kelly,[1] Washington, D. C., judge of municipal court, District of Columbia.
123. Dr. Katherine G. Byley,[1] Keuka Park, N. Y., reappointed, board of foreign scholarships.
124. Mrs. Katherine Neuberger, Red Bank, N. J., member of 1957 Annual Assay Commission.
125. Mrs. Charles S. Payson, New York, N. Y., member of 1957 Annual Assay Commission.
126. Mrs. Oswald B. Ford,[1] New York, N. Y., reappointment (January 1957), United States representative, Human Rights Commission, Economic and Social Council of United Nations.

[1] Indicates Presidential appointment; others are departmental or career appointments.

Jurisdiction Over Monopolistic Acts or Practices on the Part of Persons Engaged in Commerce in Meat and Meat Products

EXTENSION OF REMARKS

OF

HON. JOSEPH C. O'MAHONEY

OF WYOMING

IN THE SENATE OF THE UNITED STATES

Wednesday, May 1, 1957

Mr. O'MAHONEY. Mr. President, the Senate Subcommittee on Antitrust and Monopoly, of the Committee on the Judiciary, this morning opened hearings upon a bill introduced by the senior Senator from Utah [Mr. WATKINS] and myself to amend the Packers and Stockyards Act by transfering to the Federal Trade Commission jurisdiction over the enforcement of the antitrust features of that law.

It may be of interest to point out that the first attempt to bring about the enactment of the Packers and Stockyards

Act, for the regulation of the meat industry, was a bipartisan proposal by one of my predecessors, the late Senator John B. Kendrick, Democrat, of Wyoming, and the late Senator William S. Kenyon, Republican, of Iowa. That was more than 35 years ago. The act was finally passed early in the administration of President Harding, who signed the law in May 1921.

It is evidence of the bipartisan character of the effort of Congress to regulate commerce in the public interest that this new bill is sponsored in this session by a Democrat and a Republican. I am happy to be associated with the Senator from Utah in this effort, which has widespread support throughout the country, and concerning which the Senator from Utah gave the first testimony this morning. I ask unanimous consent that the text of his cogent and persuasive argument in support of the proposed legislation be printed in the CONGRESSIONAL RECORD.

There being no objection, the argument was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WATKINS BEFORE SUBCOMMITTEE ON ANTITRUST AND MONOPOLY, SENATE JUDICIARY COMMITTEE, ON S. 1356, CONFERRING UPON THE FTC JURISDICTION TO PREVENT MONOPOLISTIC ACTS OR PRACTICES AND OTHER UNLAWFUL RESTRAINTS IN COMMERCE BY CERTAIN PERSONS ENGAGED IN COMMERCE IN MEAT AND MEAT PRODUCTS

Mr. Chairman, in a free enterprise economy, the most effective regulator of economic activity is competition. Operating through the market forces of supply and demand, price competition is the best and most effective device for allocating resources to the production and subsequent sale of those goods or products for which demand is greatest. Also, such competition in the market for consumer preference is the best guaranty for improving product quality and maintaining prices which are fair to both producer and consumer.

As the economy has become more and more complex, so has the nature of competition. In some industries a relatively small number of firms has come to dominate economic activity. In some cases this has been due to superior management and business skill. In other cases it appears to have been the result of competitive practices which are not commensurate with the public interest. Price manipulation and unfair trade practices have been used to eliminate competition and to render neutral the forces of supply and demand.

COMPETITION A BIPARTISAN CONCERN

The public has come to expect and demand that government reinstate, where possible, and maintain by law as much price and other competition as the public interest necessitates in those areas of the economy in which it works badly or where little of it exists. This public concern is reflected in the platforms of both political parties. It is a matter of bipartisan concern.

For example, the 1956 Republican platform declares:

"The Republican Party has as a primary concern the continued advancement of the well-being of the individual. This can be attained only in an economy that, as today, is sound, free, and creative, ever building new wealth and new jobs for all the people.

"We believe in good business for all business—small, medium and large. We believe that competition in a free economy opens unrivaled opportunity and brings the greatest good to the greatest number."

Republicans also at that time pledged themselves to "a continuously vigorous enforcement of antitrust laws" (p. 7).

On the other hand, members of the Democrat Party at their 1956 Convention pledged themselves to maintaining "competitive conditions in American industry," and likewise "to the strict and impartial enforcement" of the laws "designed to prevent monopolies and other concentrations" of economic power (p. 18).

Thus both of our major political parties are committed to the objective of maintaining a free and expanding economy by fostering the growth of competition. For this reason, among others, I was happy to join with the distinguished chairman of this subcommittee in sponsoring S. 1356. This bill is designed to prevent monopolistic acts or practices, and other unlawful restraints in interstate commerce by persons engaged in processing and distributing meat and meat products. This S. 1356 does by—

1. Amending the Federal Trade Commission Act so as to return to the FTC jurisdiction over the meat packing and distributing industry, and by—

2. Amending the Packers and Stockyards Act so as to eliminate the authority the USDA has to prevent unfair trade practices under title II of that act, but which it has not effectively administered for 30-odd years.

Although S. 1356 repeals the jurisdiction of the Secretary of Agriculture over packers, as authorized in title II of the Packers and Stockyards Act, it leaves undisturbed the jurisdiction of the USDA over the operation of stockyards, which is contained in title III of that act, as well as his special jurisdiction over dealers and handlers of live poultry, which is provided for in title V.

In regard to title III, I want to point out that the Department of Agriculture has been and is doing a commendable job. This is attested to by the description of its activities in this connection which are found in its Report on Current Activities and Problems Under the Packers and Stockyards Act, issued April 4, 1957.

Although the study giving rise to this report was prompted last February by the pending introduction of S. 1356, which would transfer title II authority to regulate packers back to the FTC where it was originally, about 75 percent of this report is devoted to the embellishment of my observation concerning title III. Also, planned future expansion of packers and stockyards activities by the Department of Agriculture apparently consists entirely of title III operations. This is evidenced by the fact that the only increase in funds for fiscal 1958 requested by the USDA for Packers and Stockyards Act administration is an item of $178,000 "to provide improved supervision of stockyards posted under the Packers and Stockyards Act and to post additional yards."

On the other hand, not one dollar is requested to expand the almost nonexistent title II operations, whose transfer back to the FTC is provided by S. 1356. The 25 percent of the self-appraisal report, which refers to title II activities, makes it very plain, in my judgment, that title II administration, in effect, is practically nonexistent. These hearings, Mr. Chairman, I am sure, will amply develop this point, and, therefore, I shall not elaborate at this time.

Before discussing in detail my reasons for co-sponsoring S. 1356, I want to make a few general observations.

UNFAIR COMPETITION CONDEMNED

First, I want to make it plain that no packer, large or small, or other business firm engaged in slaughtering or processing meat products has anything to fear from the return of title II authority to the FTC, provided their business behavior and trade practices conform to the norms outlined in the antitrust laws, which are designed to maintain and foster price as well as product competition.

Likewise, my action should not be construed as an attack upon big business. Big business per se is not to be condemned. In fact, much of the comforts of everyday living which we all enjoy is made possible by economies of production which only large-sized firms can achieve. Only when big business uses its superior bargaining power and economic resources in a manner not consistent with the public interest—in this case to eliminate competition by unfair means, is it to be condemned.

By the same token, in co-sponsoring S. 1356, I do not intend to cast reflection upon any particular firm now doing business in the slaughtering or meat processing industry. Rather, I have been prompted to join Senator O'MAHONEY in sponsoring this legislation for two major reasons:

First, in light of the poor economic position in which most livestock producers find themselves, and the tremendous increase in direct buying from livestock producers, I believe it is imperative that proper scrutiny be maintained over the trade practices of firms slaughtering livestock and processing and distributing meat products so as to permit the existence of as many marketing alternatives for producers as the nature of the industry will permit. Fair competitive bidding should give producers higher prices than otherwise would be the case. And such competition can exist only where producers have marketing alternatives.

Second. I believe it is in the public interest that FTC control be extended over packers which enter into other sideline businesses—businesses which now escape such control because of USDA inaction, but whose competitors are subject to FTC control. The same need for public control applies to food firms, especially food chains, which now can acquire packing plants, or a substantial interest in one, and thus escape FTC supervision over their entire operations.

I shall discuss these two reasons in some detail at this point:

STOCKMEN NEED PROTECTION

Mr. Chairman, several million farmers, ranchers, and stockmen produce meat animals for market. With respect to cattle, the bulk of such animals are marketed during a period of a few weeks each fall. Most producers, especially in the great western range States, as you know so well, must market their animals at that time regardless of the prices offered, because they either do not raise enough feed to carry the stock until prices are more to their liking, or they cannot afford to buy feed for that purpose. A great number—essentially the small operators—must sell at that time in order to meet pressing financial obligations. As you know, most ranchers operate on a basis of "borrow it in the spring and pay it back in the fall." Still others must sell during the fall marketing season in order to meet the costs of daily living.

In recent years these forced fall marketings have been even heavier than normal, because of the effects of drought and the cost-price squeeze. High livestock numbers, caused by excessive feed-grain production on lands diverted from wheat and cotton production under the price support and acreage allotment and marketing quota programs, also have contributed to heavier marketing and low prices. These factors combined have served to virtually eliminate any bargaining power which producers might have had under more normal conditions.

Especially is this true in light of the increase in direct buying over the past 10 years from livestock producers. For example, whereas in 1946 the largest overall packer purchased directly from producers 20 percent

of the cattle it slaughtered, this figure had increased to 32.7 percent by 1956. Whereas the same firm purchased directly 37.1 percent of the calves it slaughtered in 1946; in 1955 it purchased directly from producers 52.1 percent. There has also been a marked upward trend in direct buying by the next 9 largest overall packers during the past 10 years.

Since the subcommittee will develop this point, and all its ramifications later, I shall not pursue the matter further at this time, except to call to the subcommittee's attention the fact that producer organizations are very concerned about this upward trend in direct buying and the effect it has upon the prices their members receive in light of their weak bargaining positions. An example of this concern is provided by the following resolution adopted by the Utah Cattlemen's Association at its 38th annual convention held at Salt Lake City on December 7 and 8, 1956. The resolution reads as follows:

"DIRECT SELLING

"Whereas we strongly recommend that the Utah Cattle Association members refrain from consignment selling of livestock direct to packers for slaughter; and

"Whereas consignment slaughter shortchanges the livestock producer and robs him of his rights as a seller. Consignment slaughtering thrives on a glutted market. It takes all of the gamble out of buying and gives the packer an assured profit with no investment and accomplishes nothing for the grower except to get rid of his stock and stop his feed bills. This is not buying, and it is not selling. We, therefore, condemn all three forms of consignment selling; namely, 'grade and yield,' 'price on grade,' and 'price on rail;' and

"Whereas this system takes advantage of split grading. The producer is paid on the basis of only three grades, while the meat is marketed by the packer on the basis of as many as 14 grades. Parts of the carcass can be sold at a much higher grade and price than that which the producer is credited; and

"Whereas packers also often trim carcasses before weighing and take advantage of shrink for hot weight. Direct selling to packers reduces livestock prices. A high percent of the better quality cattle move direct to packers leaving cattle of lower quality to move through markets and determine prices in the major markets of the West. In turn, these unrealistic low prices serve as the basis for pricing more direct to packer sales. Packers are also eliminated as potential buyers at our markets by these direct shipments—this reduces competition and prices at the markets: Therefore be it

"*Resolved*, That we must return to competitive bidding on cattle if producers are to get full market value for their cattle."

On the buyers' side of the market, by contrast, we find that less than 500 federally inspected plants—which for the most part are not individually owned firms, I might add—and less than 1,000 nonfederally inspected plants are engaged in slaughtering and meat processing. It also should be noted that 10 national concerns which own the bulk of these plants, slaughter approximately 50 percent of the cattle, 66 percent of the calves, 70 percent of the hogs, and 77 percent of the sheep coming under Federal inspection.

In an industry where the buyers are few in number and the sellers are great in number, it is evident that the buyers are in a position to set the prices they will pay and the sellers have only the option of "taking it or leaving it." Where all the dictating as to price is done by the buyers, it behooves us to maintain as many market outlets as possible for livestock producers, who obviously under these circumstances at best, have a very poor bargaining position. Also, in an industry where the buyers' side of the market is dominated by a few national operative concerns, this is not an easy task.

Producer organizations at the grassroots level in increasing numbers are expressing concern about this situation. For example, at the Utah Cattlemen's Association convention mentioned above, the following resolution was also adopted:

"Whereas this year has probably been the worst for cattlemen since the early 1930's, yet packer and retail profits are at an all-time high; and

"Whereas we feel our problems have been increased by the large spread between live cattle and retail prices; and

"Whereas chain stores and retail organizations have become so big that they can, undoubtedly, influence our markets: Therefore be it

"*Resolved*, That we commend the investigation being made by Senator JOSEPH C. O'MAHONEY, of Wyoming, into the possible manipulation of our markets by the large retailers and producers."

At its 50th annual convention held January 8–9, 1957, also in Salt Lake City, the Utah Wool Growers Association adopted this resolution:

"Utah woolgrowers desire to offer complete cooperation with the O'Mahoney subcommittee of the Senate in its hearing relating to the apparent collusion between packers and chainstores in the processing, sale, and merchandising of our meat products and we lend every effort to make these hearings complete and informative."

SMALL BUSINESS SUFFERS

In the present situation, it is in the public interest—which is commensurate with that of the livestock producer, the consumer, and the small independent packer—to insure that unfair trade practices do not lead to greater concentration by elimination of competition. In this connection, I point to the 1956 platform of the Republican Party, which pledged "the continuation and improvement of our drive to aid small business." "Small business," the platform added, "can look forward to * * * a continuously vigorous enforcement of antitrust laws."

Enactment of S. 1356 will clearly facilitate such enforcement which, in my opinion, is now lacking as far as prevention of unfair trade practices is concerned in the meat packing and processing industry.

Now I am well aware of the fact that this bill is favored among others, by an association representing, in the main, small independent packers who slaughter about 70 percent of the livestock in 9 Western States, including my own State of Utah. While these independent packers are concerned about the entry of the national packers—especially the big 10, which account for 77 percent of the meat animals slaughtered in the United States—into the markets of these 9 States, as cosponsor of S. 1356, I am only concerned that use of unfair-trade practices does not aid or impede such entry.

I am equally aware of the fact that another association which represents, by and large, the interests of these national packers is not only actively and openly opposed to this bill, but even used its influence to try to keep such legislation as S. 1356 from being introduced in the first place.

For these reasons, I want to make it very plain that the provisions of S. 1356 will be enforced by the FTC just as vigorously against an independent packer engaged in unfair trade practices as it will against a national packer. On the other hand, I want to reiterate that no packer, large or small, has anything to fear if this bill becomes law, unless it is engaged in unfair trade practices.

Taking the meat packing industry as a whole, my first concern is that no packer or distributor, big or small, independent or national, take unfair advantage of the already weak bargining position of the livestock producer. The marketing arrangement which economists call monopsony is characterized by few buyers and many sellers. This situation by and large is descriptive of the meat packer-producer relationship. In such a marketing situation, if all the buyers within trucking or shipping distance are owned by the same parent company, or if they are owned by but 1 or 2 such companies, the seller, perhaps as a result of a common policy in the first instance, and price leadership in the second instance, is not likely to get a price for his animals which is the result of real competitive bidding. Thus, generally speaking, the producer might just as well sell to the closest plant and take what he can get.

RESPONSIBILITY ABDICATED BY USDA

Where such a situation exists, or where there is only one packing plant or other buyer, it certainly would be in the best interests of livestock producers to insure the prevention of unfair-trade practices which could prevent the entry of competitors, or serve to eliminate or control existing competitors. The USDA in my judgment is not supplying such regulation, supervision, or enforcement today, nor has it for over 30 years. How could it, when such responsibility here in Washington is literally buried in the Trade Practices Section (staffed by three individuals) of the Packers and Stockyards Branch of the Livestock Division of the Agricultural Marketing Service?

This section not only is responsible for preventing unfair trade practices under title II, whose transfer to FTC is the purpose of S. 1356, but also under title III which deals with stockyards. By no stretch of the imagination is it reasonable to conclude that these undoubtedly capable people can prevent unfair trade practices in the food business—the largest industry in this country. Although the Packers and Stockyards Branch has 20 field offices, most of their work, as the Department's self-appraisal report indicates, is in connection with activities relating to the regulation of stockyards, or title III enforcement, which is not disturbed by S. 1356. Not one person is engaged full time in title II enforcement.

Now, this is not to be deemed criticism of the personnel of the Trade Practice Section or the Packers and Stockyards Branch itself, but it is meant to be criticism of several national administrations for the almost complete lack of action in the past to comply with the congressional mandate given the USDA in 1921 to prevent unfair trade practices in the meat-packing industry. The simple facts are that the Packers and Stockyards Branch has no enforcement staff for administration of the fair-trade practices provisions of title II of the act relating to packers. Testimony given to this subcommittee by a former head of that branch indicates that it cannot even investigate complaints, let alone take effective action. Why the Packers and Stockyards Branch does not even require packers to submit reports containing data which is most essential in the detection of unfair trade practices.

As the Department indicated in its report on the Packers and Stockyards Act:

"The annual reports of meatpackers are received by the 20 district offices that are maintained by the Packers and Stockyards Branch. * * * Information contained in these reports is primarily concerned with ownership, organization, and financial condition. * * * The annual reports of the top four packers are forwarded to the Washington office of the Branch where they are retained in a permanent file.

"Although the annual reports of packers are received, there is no tabulation or statistical analysis made of the information contained in them for the purpose of determining industry trends, problems, or conditions" (p. 14).

One might logically ask, as a result: For what purpose are these reports reviewed? Why are they not reviewed for the purpose of determining industry trends, problems, or

conditions? Why even require reports in the first place unless they are reviewed in order to carry out specific objectives of the Packers and Stockyards Act?

As concerns title II, the Department is charged with the responsibility of preventing unfair trade practices by meatpackers, yet these reports do not even require packers to show losses on their meat, nonmeat food products, and nonfood product operations. Yet such information generally is essential to determine whether a firm is absorbing losses in one area in order to eliminate competitors, but making up the loss in other areas where it already dominates the market. If none but the reports of the top four packers are sent to Washington how could the Department ever detect various market sharing arrangements which limit competition for livestock and mean lower prices to producers? The odds are that it could not make such a detection, let alone produce evidence sustainable in a court of law.

In a given situation where there were several packers, including independent firms, a livestock producer might not receive much higher prices than would be the case if only one were to bid for his animals. But this much is certain: the prices he could expect to receive would not be any lower than those he otherwise would receive if he were limited to a single buyer, and if there is really competitive bidding, there is a good chance that such prices would be higher.

Now opponents of this bill have voiced opposition on the ground that "there is no monopoly in meat packing." This is a truism Another is that "there is no use to lock the barn door after the horse is stolen." No, the problem is not one of correcting monopoly; rather, the problem is one of preventing unfair trade practices which serve to eliminate competition and thus create, or tend to create or increase monopoly control over the market. Should the latter happen, it is equally certain that livestock producers will receive lower prices than would be the case if some price competition existed.

UTAH STOCKMEN SUPPORT S. 1356

It is this concern which has led many grassroots producer organizations to support the return to FTC of the authority to prevent unfair trade practices in the meatpacking industry. In this regard, Mr. Chairman, I should like to read the following letter to me from Mr. Edward S. Crawford, executive secretary of the Utah Cattlemen's Association dated April 10, 1957. The letter reads as follows:

"This letter is to advise you that on April 6, 1957, the executive committee of the Utah Cattlemen's Association met and adopted a resolution favoring the transfer of the trade practices section of the Packers and Stockyards Act to the Federal Trade Commission, as proposed in S. 1356 and H. R. 5282." At its 50th convention in January of this year, the Utah Woolgrowers Association adopted the following resolution:

"We are in accord with the proposal to place the administration of the Packers and Stockyards Act in the hands of the Federal Trade Commission. We feel that there will be a more direct contact between the administrative authorities and the packers and stockyards."

In an explanatory letter dated March 13, 1957, Mr. James A. Hooper, Secretary-Treasurer of the Utah Woolgrowers, informed me as follows:

"We received your letter of March 1, 1957, which enclosed S. 1356 together with a statement you made at the time of the introduction of the bill. * * * Your statement is very well put, and we concur with your bill S. 1356."

I am sure the subcommittee has received many similar expressions from producer groups at the grassroots level in other States.

PACKERS AND FOOD CHAINS ESCAPE REGULATION

Mr. Chairman, transfer of control over packers from the FTC in 1921 to the USDA, and subsequent nonenforcement since then by that Department have given rise to another situation, which, in my judgment, warrants return of title II authority to the Federal Trade Commission.

Many packers sell numerous nonmeat products, and own and operate other types of business enterprises besides packing plants.

In January 1957 the FTC published an excellent study on Industrial Concentration and Products Diversification in the 1,000 Largest Manufacturing Companies: 1950. This study indicates that:

1. 6.6 percent of the total shipments made by the largest five companies principally engaged in the sale of fresh meats consisted of 14 classes of nonmeat food products such as: Butter, dairy products, shortening and salad oils and oleomargarine.

2. Eleven and six-tenths percent of the total shipments made by the largest eight companies engaged principally in the sale of fresh meats consisted of 62 classes of nonfood products such as soap and glycerine, grease and tallow, feed and fertilizer, and pharmaceuticals.

Significant for our purposes here is the observation contained in the study that:

"With * * * 2 exceptions, all of the shipments in industries other than fresh meats or prepared meats were made by the 4 largest of the 8 companies principally engaged in fresh meats. These companies carried on extensive manufacturing operations not necessarily a part of the production of fresh meats and prepared meats. * * * The 4 companies shipped varying numbers of a total of 21 classes of food products and 51 classes of nonfood products" (pp. 64–65).

Yet these packer-owned enterprises now are not subject to FTC regulations as concerns unfair trade practices, because the parent concern is a packer, although nonpacker-owned competitors are subject to such FTC control. This gives an unfair advantage to packer-owned, nonmeat-processing businesses. An example of this situation is provided in a case identified as Docket No. 6409. This is a case in which the FTC brought an action against a large national packer for alleged false advertising in connection with the sale of oleomargarine. The action had to be terminated on March 30, 1956, because the company involved was a packer, exempt from FTC jurisdiction by reason of the Packers and Stockyards Act.

This practice by packers has, in turn, led food chains and other nonpacker firms to buy a small interest in a packing plant or similar processing facility. Such action enables them to qualify as a packer and to escape FTC enforcement of unfair-trade practices carried on by their related enterprises, and through USDA nonenforcement of the Packers and Stockyards Act, the trade practices carried on by their newly acquired packing plants also escape supervision. Such a situation is well illustrated by the *United Corporation, et al.* v. *FTC*, case (110 Fed. (2d) 473). In this instance, action was brought against the corporation which then was engaged in the sale and distribution of canned meat products. After the FTC had filed its petition, the defendant corporation acquired an interest in several packing companies. It then filed a motion for dismissal of the FTC complaint on the grounds that it was a packer, and thus not subject to the jurisdiction of the FTC. In granting the defendant's petition, the court said:

"The Commission, while virtually conceding that petitioner at the time of the entry of its order came within the definition of a packer as contained in the Packers and Stockyards Act, contends that it had jurisdiction because petitioner had not acquired that status at the time of the filing of the petition before it. The facts as to this are that the petition was filed March 31, 1937. Petitioner acquired 20 percent of the stock of Montel, Inc., April 12, 1937 and 20 percent of the stock of Emmart Food Products Co., May 1, 1937. The order was not entered until August 2, 1939. As early as 1936 petitioner had entered into a contract entitling it to a one-fifth interest in the business of Montel, which was then operating as a partnership (p. 274).

"When petitioner here, by acquiring stock in Montel, Inc., and Emmart Food Products Co., became a packer within the meaning of the Packers and Stockyards Act and subject to the jurisdiction of the Secretary of Agriculture, the Trade Commission had no further power of regulation over it; and the fact that the Commission may have been considering regulation under a complaint theretofore filed is immaterial (p. 476).

"For the reasons stated, the order of the Federal Trade Commission will be set aside for lack of jurisdiction over the business of petitioner" (p. 477).

Mr. Chairman, such activity by food chains seems on the increase. The reason is obvious. If they can escape FTC control by purchasing a packing facility, and the USDA continues to maintain an inadequate enforcement agency, they will have more flexibility in their operations than otherwise would be the case. Where this happens, the result is to give them a freedom of operation their competitors cannot enjoy. But such freedom—exemption from unfair trade practice regulations—could well be destructive of our free-enterprise system, since it gives them an unfair advantage over their competitors and thus a means of eliminating publicly desired price competition.

A more recent case can be identified as FTC Docket 6458. On November 21, 1955, the Federal Trade Commission filed a complaint against Food Fair Stores, Inc., of Philadelphia, alleging that the corporation had engaged in unfair-trade practices prohibited by the FTC Act by contracting with suppliers to buy certain items for an anniversary sale at prices lower than the prices these suppliers were asking from the corporation competitors. It is to be noted that this alleged violation had nothing to do with the operation by Food Fair of a meatpacking plant it owned in New Jersey.

On March 20, 1957, Food Fair filed a motion with the FTC in which it was asked that the original complaint be dismissed on the grounds that the corporation was in the packing business and, consequently, not subject to the Federal Trade Commission Act as to its trade practices. It was argued that the corporation was subject to the Packers and Stockyards Act. In its brief filed in support of the motion to dismiss, this food chain had the temerity to cite part of the remarks I made at the time S. 1356 was introduced as evidence of the fact that FTC did not have jurisdiction in the matter. In part, the motion stated:

"Senator WATKINS, of Utah, the author of a bill (S. 1356) now pending in the Senate to confer upon the Commission jurisdiction in precisely the situation in issue here, stated the following on the floor of the Senate on February 25, 1957, in support of his bill: 'I believe it is in the public interest that FTC control be extended over packers which enter into other sideline businesses—businesses which now escape such control because of USDA inaction, but whose competitors are subject to FTC control. The same need for public control applies to food firms, especially food chains, which now can acquire packing plants, or a substantial interest in one, and thus escape FTC supervision over their entire operation.' "

On April 18, 1957, a hearing examiner of the Federal Trade Commission issued an order dismissing the complaint against Food Fair Stores, Inc., "for lack of jurisdiction," just as Food Fair Stores had contended was

the case in its motion to dismiss the complaint. This is a food chain, Mr. Chairman, operating 238 stores located along the Atlantic seacoast, which had gross sales of $475 million for the 1956 fiscal year. Yet, because it owns a packing plant in New Jersey, which by comparison during its 1956 fiscal year did only $25 million worth of business, it will, if this order is upheld, be permitted to wholly escape adequate supervision over all its operations.

The hearing examiner in dismissing the complaint summarized the present status of the law, as presented by the FTC counsel, by stating that it leads "to absurd results enabling any concern to choose at will the regulatory authority, by simply acquiring or divesting itself of a packing plant. Or, put more crassly, by the simple expedient of buying a load of chickens, wringing their necks, plucking their feathers, and selling their carcasses in commerce, any business in the Nation, even a tire or battery manufacturer, for instance, may escape regulation of its entire business by the Federal Trade Commission, whose 'expertise' in the use, for instance, of brokerage, advertising allowances, service grants, and other devious means of competitive favoritism, is widely recognized. Thus, in the instant case, alleged competitive discrimination in the use of advertising allowances to push such nonagricultural products as floor wax, chewing gum, and cleaning fluid is left exclusively to the Department of Agriculture."

As the hearing examiner further pointed out, the responsibility for removing the absurdities of the law rests with the Congress. This fact, he went on to say, is evidenced "by the recent introduction for passage by Congress of S. 1356 to confer on the Federal Trade Commission the very jurisdiction contended for here, and by the statement of its sponsor." He then went on to quote the identical remarks I made when the subcommittee chairman and I introduced S. 1356. These are the remarks I read a moment ago which Food Fair had quoted in its motion to dismiss the complaint.

RELIEF SOUGHT FROM CONSENT DECREE

Without doubt, in part at least, such action by food firms has stimulated the action taken by three national packers to seek relief from a 36-year-old consent decree they signed in 1920, which prevents them from handling some 140 other food and non-food products. Such relief is essential, they say, if, under the circumstances, they are to compete on favorable terms with food chains which have and are acquiring packing plants.

The history of the consent decree and its effect upon Federal control of unfair trade practices in the meatpacking industry is indeed interesting. In the years prior to 1921 and before passage of the Packers and Stockyards Act, the FTC's investigation of packers resulted in the filing of antitrust suits by the Justice Department against some five national packers. Apparently rather than face prosecution, these packers signed a consent decree which since then has prevented them from:

1. Dealing in 140 food and non-food products, chiefly vegetables, fruit, fish, and groceries.
2. Using their distribution facilities for the handling of any of these 140 products.
3. Owning and operating retail meat markets.
4. Dealing in fresh milk or cream.

OBJECTIONS TO S. 1356 UNFOUNDED

In 1921, when the Congress was considering passage of legislation to regulate stockyards, the five national packers, which had signed the consent decree, were able to convince Congress that prevention of unfair trade practices in that industry should be transferred from the FTC to the USDA. Materials which have been circulated in opposition to S. 1356 by the association representing these large national packers, list four reasons why a transfer was desirable then, and why such authority now should remain with the USDA. The reasons given are:

"1. Meatpacking, being at the time the country's largest single industry, was of sufficient importance to warrant establishment of a separate, specialized agency.

"2. The FTC was an investigative rather than an administrative body, and hence did not have the power nor the specialized knowledge necessary to do an effective job of administration.

"3. Inevitably, there would be overlapping of jurisdiction between the Department of Agriculture and the FTC, and much confusion thereby created.

"4. The Department of Agriculture had in existence the necessary bureaus and personnel to undertake administration of the act. Moreover, existing personnel were well equipped to undertake supervision of the complicated relationships characteristic of the livestock and meat industry."

Regardless of the merits these arguments may have had in 1921, it is evident from what I have already said that 36 years of ineffective administration or nonenforcement of title II renders them completely valueless today. Experience clearly indicates, and the USDA self-appraisal report confirms this fact, that the Congress made a mistake when it transferred authority to regulate trade practices of packers from a specialized agency handling antitrust matters to the USDA, which did not then and does not now have a separate regulatory agency. Indeed, regulatory activities of the USDA are scattered piecemeal throughout its various agencies.

Mr. Chairman, a short review of USDA experience in the administration of the Packers and Stockyards Act will make this conclusion even more obvious. Originally, the USDA did establish a separate agency to administer the act. In 1927, however, this agency was abolished and responsibility for administration was placed in the Bureau of Animal Industry—a research agency. During the 1940's it was in the Production and Marketing Administration—the price-support agency. In the fall of 1953, responsibility was transferred to the Agricultural Marketing Service.

Enforcement of the title II provisions relating to unfair trade practices today is lodged in the Trade Practices Section of the Packers and Stockyards Branch of the Livestock Division of the Agricultural Marketing Service. This section, I repeat, is staffed at the Washington level by a handful of people. The great bulk of the work of this trade practice section deals with title III activities—stockyards regulation, not prevention of unfair trade practices under title II, whose transfer to FTC is provided by S. 1356. It should be obvious to all that the odds against its being able to regulate the activities of economic giants the size of many of these national packers and food chains are many times greater than the odds David faced in his battle with Goliath. What more effective way is there to escape proper public regulation, as expressed by the antitrust planks in the 1956 platforms of our two major political parties, than to transfer such antitrust authority from an effective and specialized agency, such as the FTC, to another agency and Department and insure its burial in a section which doesn't have a single full-time employee engaged in title II activities? A handful of people, in effect, are charged with regulating the largest industry in this country—the food business.

PUBLIC INTEREST REQUIRES ENACTMENT OF S. 1356

Under such circumstances it should be very plain that if the national packers obtain relief from the consent decree, and if the FTC is not given back its original authority to prevent unfair trade practices in this industry, the result could have dire consequences for the public welfare. Small businesses in the meat packing and wholesale and retail grocery industries can, and may well fail in droves. The increase in mergers in the meat packing industry is cause for genuine concern. Livestock producers, as well as producers of other food products, could expect to see their already weak bargaining positions further destroyed. The consumer, too, would face the prospect of growing monopoly control over the higher prices he might be forced to pay.

On this latter score, it is important to note that whereas over the past 10 years—1947 to 1956—the retail cost of meat products declined only 5 percent, in spite of the greatest increase in recent slaughter history, prices received by producers declined by 29 percent. These figures are revealed in the report Food Cost Trends, published April 15, 1957, by the Consumers Study Subcommittee of the House Agriculture Committee (p. 5). For our purpose here today, it is to be regretted that the initial phase of the subcommittee's work did not include an investigation of the effect corporation mergers and the trend toward vertical integration of production, processing, and distribution activities have upon prices received by producers and paid by consumers.

Facets of the latter include the increasing trend toward direct buying and the recent action taken by three national packers to seek relief from the consent decree. The subcommittee, however, gave assurance that investigation of mergers and vertical integration as they affect the price spread between what producers get and what consumers pay will constitute the next phase of the subcommittee's activities (p. 8).

Mr. Chairman, testimony received last June 21 by the Judiciary Committee's subcommittee on monopoly and antitrust reveals a record of ineffective administration and nonenforcement of the title II provisions relating to packers contained in the Packers and Stockyards Act. One witness reported going to the Chief of the Packers and Stockyards Branch in 1953 for the purpose of filing a complaint under title II against a national packer. The head of that Branch asked him not to file the complaint so that he personally could contact the alleged violator and obtain his promise of future compliance, since he had neither the staff nor funds even to investigate the complaint, if it were formally filed. This same witness indicated that his organization had given up going to this Branch because it never took action on any complaint it had filed. The USDA self-appraisal report of Packers and Stockyards Act administration indicated that not even one formal charge has been made under title II in recent years, mainly because apparently not even a formal hearing on a complaint has been held by the Packers and Stockyards Branch.

FTC JURISDICTION NEEDED

In spite of these facts, the national packer association which opposes S. 1356, states in printed matter being circulated against this bill that "the same factors which influenced the decision in 1921 should have an important bearing on the issue today." One of these factors, as I have pointed out—which the same group in 1921 said warranted transfer of the controls to the USDA—was that the FTC "did not have the power nor the specialized knowledge necessary to do an effective job of administration." Well, this observation in reverse now dictates the return of title II authority to the FTC.

The desire of the national packers to take such authority away from the FTC and to give such control to USDA in 1921, and their desire now to keep it there seems predicated upon the common knowledge that the FTC is an effective and efficiently operated agency. Too effective FTC administration, as far as they were concerned, led to the consent decree, which led to the transfer to the USDA, and now seems to be the basis of their opposition to return that authority to the FTC. It is now amply clear, quite to the contrary of such self-interest assertions, that the USDA personnel at the time of the transfer from FTC in 1921 were not "well equipped to undertake supervision of the complicated relationships characteristic of the livestock and meat industry." In fact, such personnel hardly even exist, let alone are they well equipped today for title II enforcement.

SOUND ADMINISTRATION DEMANDS TRANSFER

On the other hand, it is certain that if the Congress is ever going to be able to get effective administration of the laws it passes, it must recognize the need to group similar functions together for administrative purposes. Sound principles of organization dictate the reasonableness of this position. We have only ourselves to blame when we establish an independent agency, such as the FTC, to carry out a specific function like the prevention of unfair trade practices, and then proceed to dismember that agency by transferring its functions to other agencies and departments not equipped nor staffed to do the job.

Now I have heard the argument that packers are a vital part of agriculture, and, as such, the USDA should be responsible for preventing unfair trade practices in that industry. If this be so, and all logic is against it, then, by parity of reasoning, every other processor of agricultural products is also a vital part of agriculture and such antitrust authority over them also should be exercised by the USDA. It likewise is difficult for me to understand why such an argument now relied upon by the Department in opposing S. 1356 also did not apply when the USDA recommended that the Farm Credit Administration be transferred out of the Department and established as an independent agency. Certainly credit is just as vital to agriculture as meat packing.

Mr. Chairman, because I believe it summarizes the problem very concisely, I should like to read a letter dated April 5, 1957, which I recently received in support of S. 1356 from Mr. Alden K. Barton, chairman of the Utah State Board of Agriculture. This State official, who is in an excellent position to evaluate title II administration in the field, writes as follows:

"DEAR SENATOR WATKINS: I have reviewed Senate bill 1356 amending the antitrust laws relating to the meat-packing industry. I am in full accord with the statements you made before Congress in relation to fair-trade practices not being enforced by the Department of Agriculture and recommending that it could be efficiently handled under the Federal Trade Commission.

"It seems to me that the Department of Agriculture has had more to do with the stockyards division than they were staffed to handle and have not had the trained personnel to properly administer the fair-trade practices of the packers. There seems to be a feeling that packers can become monopolistic as they are endeavoring to go into other business such as livestock feeding and retail business to cover up some of the practices which would eliminate them from the laws that were intended to govern such practices.

"Another important practice which you mentioned is the chain stores going into the packing business in order to be exempt from the Federal Trade Commission supervision. It is felt by many that this is a bad practice and should be controlled. * * * I know that the four large packers are opposed to your bill; that is evidence that they are fearful of having more rigid supervision from the Federal Trade Commission than they are now getting from the Department of Agriculture.

"If you would like my advice, I would certainly favor Senate bill 1356. I feel it will be beneficial to the livestock industry. I also feel that anything that can be done to help the livestock industry should be the first order of business, under this high support program for basic commodities the livestock industry has suffered. I for one would like to do anything possible to help them out of the condition they are in at the present time. I have talked to several livestock men and they feel the same way that I have expressed myself to you.

"Hoping you are successful in getting this bill through the 85th Congress.

"Yours very respectfully,

"UTAH STATE DEPARTMENT OF AGRICULTURE,
"ALDEN K. BARTON,
"*Commissioner of Agriculture.*"

But there is another basic reason why this authority to prevent unfair trade practices in the packing industry should be returned to the FTC, where Congress originally placed it. Because of 36 years of nonenforcement, title II of the Packers and Stockyards Act has never been fully litigated. The courts, therefore, have never been called upon to interpret the many and broad provisions which it contains. So from a practical standpoint, and in light of the seriousness of the situation, it might be several years before title II is fully litigated, so that effective action can be taken against alleged violators of the unfair trade practices provisions of that title.

In the meantime, if the national food chains and other food firms continue to acquire packing plants and thus escape FTC jurisdiction entirely, and the national packers concerned get out from under the consent decree, this situation would result:

1. A few large or giant firms would be able to set the prices received by producers not just of livestock products but a great many other farm products as well, and the prices paid by the consumer at the other end.

2. The same few giant concerns would be able to eliminate thousands of small businesses in all kinds of activities handling food products.

SENATE

THURSDAY, MAY 2, 1957

Dr. Bob Jones, of Bob Jones University, Greenville, S. C., offered the following prayer:

Almighty God, we thank Thee for our country, for the liberties we enjoy, for the piety that has been handed down to us from the past. Help us to hand it on to our children. Help us to realize that life is not divided into the secular and the sacred, but that all ground is holy ground, every bush a burning bush, and every place a temple.

Help us to realize that all authority is given unto God, and that we all live under His directive or permissive will. Help us to so live.

Bless our country and all who have responsible positions, and help us to be faithful to Thee and to the purposes Thou dost have for our land.

We pray in the precious name of the Lord Jesus Christ. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Wednesday, May 1, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 6304) to make permanent the existing privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad, and for other purposes.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committees or subcommittees were authorized to meet today during the session of the Senate:

The Committee on Interior and Insular Affairs, and

The Committee on Public Works, jointly; and

The Permanent Investigating Subcommittee of the Committee on Government Operations.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour, for the introduction of bills, the presentation of petitions and memorials, and the transaction of other routine business. In that connection, I ask unanimous consent that statements be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE SERVICE

Mr. JOHNSON of Texas. Mr. President, I have discussed a proposed order with the distinguished minority leader. It is agreeable to him for it to be brought up now. I ask unanimous consent for the present consideration of an order assigning my junior colleague, the Senator from Texas [Mr. YARBOROUGH], to the committees in the Senate, and ask to have the clerk state the order.

The VICE PRESIDENT. The order will be stated.

The legislative clerk read the proposed order, as follows:

Ordered, by unanimous consent, That Mr. HENNINGS be excused from further service on the Committee on Post Office and Civil Service; and

That Mr. YARBOROUGH be assigned to service on the following committees, namely: Government Operations, Interstate and Foreign Commerce, and Post Office and Civil Service.

Mr. JOHNSON of Texas. Mr. President, I hope the order may be entered now.

The VICE PRESIDENT. Without objection, the order is agreed to.

THE PRESIDENT'S BUDGET

Mr. JOHNSON of Texas. Mr. President, all the morning newspapers carried headlines informing the country that the President may appeal to the people to support his budget.

In a very real sense that appeal will be welcome. It may help to clarify some of the confusion which has been caused by the conflicting statements of the President's Cabinet officers. I cannot help but wonder, however, whether these appeals are being addressed to the proper source. Instead of appealing to the people, it might be well for the President to appeal to the members of his official family, namely, the Secretary of the Treasury, the Under Secretary of the Treasury, and the distinguished Secretary of State.

If we are to accept as gospel the statements of our officials, Congress has already been placed in an impossible position. On the one hand, we are told that if we cut the budget, we will "breach the Nation's security." On the other hand, we are told that if we do not cut the budget, we will have a hair-curling depression. Congress has been told that whatever it does—cut or not cut—Congress will hurt the country. It is about time that the administration made up its mind, so that Congress can proceed to do a prudent job, free of conflicting pressures and varieties of propaganda.

Mr. President, it is rare that I pay tribute on the floor of the Senate to public officials. However, in my 25 years of experience in Washington, I have never seen a public official who I thought had done a more effective job of press relations than that performed by the distinguished press relations secretary of the President, Mr. Hagerty. If I were consulted about who should handle the information we send abroad, I believe I would call upon Mr. Hagerty so that he could employ his talents upon the rest of the world as well as he has in this country.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

AUDIT REPORT ON FEDERAL PRISON INDUSTRIES, INC.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on Federal Prison Industries, Inc., Department of Justice, for the fiscal year ended June 30, 1956 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON BUREAU OF PUBLIC ROADS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Bureau of Public Roads, Department of Commerce, for the years 1955 and 1956 (with an accompanying report); to the Committee on Government Operations.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"House Concurrent Resolution 8

"Concurrent resolution requesting the Congress of the United States to amend the Hawaiian Organic Act so as to provide for annual regular sessions of the legislature and increase the compensation of members of the legislature

"Whereas section 41 of the Hawaiian Organic Act provides for biennial sessions of the Legislature of the Territory of Hawaii, such section having been in effect since April 30, 1900; and

"Whereas subsequent to the enactment of the Hawaiian Organic Act the population of the Territory has more than tripled and it is now necessary for the legislature to meet annually for the proper and adequate consideration of governmental problems and determination of policy for the Territory; and

"Whereas the constitution of the state of Hawaii as agreed upon by the delegates of the people of Hawaii in convention on July 22, 1950, made provision for annual regular sessions of the legislature; and

"Whereas the compensation of members of the legislature has not been adjusted by the Congress since 1921: Now, therefore, be it

"*Resolved by the House of Representatives of the 29th Legislature (the Senate concurring)*, That the Congress of the United States is hereby respectfully requested to amend the Hawaiian Organic Act to provide for annual regular sessions of the legislature as set forth in the constitution of the proposed state of Hawaii, and to increase the compensation of the members of the legislature as contemplated by section 17 of article XVI of said constitution, all as set forth in the form of bill for the enactment of which the legislature petitioned by Joint Resolution 3 of the session laws of Hawaii 1955; and be it further

"*Resolved*, That certified copies of this resolution upon its adoption shall be forwarded to the President of the United States, the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, the Secretary of the Interior and the delegate to Congress from Hawaii.

"We hereby certify that the foregoing concurrent resolution was this day adopted by the House of Representatives of the 29th Legislature of the Territory of Hawaii.

"G. VINCENT ESPOSITO,
"*Speaker, House of Representatives.*
"HERMAN P. F. LUM,
"*Clerk, House of Representatives.*

"We hereby certify that the foregoing concurrent resolution was this day adopted by the Senate of the 29th Legislature of the Territory of Hawaii.

"W. H. HEEN,
"*President of the Senate.*
"WILLIAM S. RICHARDSON,
"*Clerk of the Senate.*"

By Mr. CHAVEZ:

A joint resolution of the Legislature of the State of New Mexico; to the Committee on Interior and Insular Affairs:

"House Joint Memorial 3

"Joint memorial memorializing the United States Congress to pass legislation granting to the State of New Mexico and the other Western States all of the lands and minerals within their respective borders with the exception of lands within national parks, national monuments, national forests, and lands utilized for national defense, and for the promotion of aviation and agriculture

"Whereas the people of New Mexico recognize that the United States of America owns over 45 percent of all the lands within the borders of New Mexico; and

"Whereas the people of New Mexico recognize that the United States of America owns a large proportion of the Western States as tabulated below:

	"Percent
"Arizona	69
California	45
Colorado	37
Idaho	64
Montana	36
Nevada	84
New Mexico	45
North Dakota	6
Oklahoma	8
Oregon	52
South Dakota	17
Utah	71
Washington	35
Wyoming	51

"and

"Whereas the people of New Mexico have long been aware of the inequitable lack of sovereignty and loss of revenue from the lands aforesaid and minerals contained therein; and

"Whereas the Taylor Grazing Act of 1934 in its preamble states that its purpose is 'to promote the highest use of the public lands pending its final disposal'; and

"Whereas by the several acts of admission of the Western States enumerated above each State was admitted into the Union on an equal footing with the original States in all respects whatever, which is not the case in fact when the Federal Government owns the majority of the lands within the said Western States and the minerals contained therein; and

"Whereas the Government of the United States has from time to time taken and continues to take more of the lands and minerals in addition to those already owned by it within the Western States, and thus deprives New Mexico and its citizens, and deprives the other Western States and their citizens further from the benefits of such lands and minerals: Now, therefore, be it

"*Resolved by the Legislature of the State of New Mexico*, That the Congress of the United States of America be, and it is hereby, memorialized to promptly, diligently, and fairly consider and act upon at this session, legislation designed to grant to New Mexico and its citizens, and to the other Western States and their citizens, title to all of the lands and minerals presently owned by the Government of the United States within the borders of New Mexico and of the other Western States, with the exception of lands in use, or needed in the immediate future for use, in the discharge of governmental functions, and of lands and minerals in national parks, national monuments, national forests, and of lands for national defense and for promotion of aviation and agriculture; and be it further

"*Resolved*, That copies of this memorial be transmitted to the President and to the Vice President of the United States, to the Speaker of the House of Representatives of said Congress, and to each Senator and Representative from New Mexico in the Congress of the United States.

"DONALD D. HALLAM,
"*Speaker, House of Representatives.*
"FLOYD CROSS,
"*Chief Clerk, House of Representatives.*
"JOE M. MONTOYA,
"*President, Senate.*
"GRACE MCAFEE,
"*Chief Clerk, Senate.*

"Approved by me this 22d day of March 1957.

"E. L. MECHEM,
"*Governor, State of New Mexico.*"

A joint resolution of the Legislature of the State of New Mexico; to the Committee on Public Works:

"House Joint Memorial 17

"Joint memorial memorializing the Congressional delegation of New Mexico and Arizona to exert their efforts on behalf of the establishment and construction of a flood-control and irrigation dam on the San Francisco River at the proposed Frisco Dam site, Reserve, N. Mex.

"Whereas the establishment and construction of a flood-control and irrigation dam at the Frisco Dam site on the San Francisco River in southwestern New Mexico would serve a multifold purpose; and

"Whereas the establishment and construction of the proposed dam would prevent the recurrence of floods such as those of 1941 and 1949 that seriously damaged areas of Reserve, Alma, Glenwood, and Pleasonton in New Mexico and Clifton in Arizona, and many acres of valuable farmland along the banks of the Frisco and Gila Rivers; and

"Whereas the controlled irrigation of such areas would be of untold benefit as the Frisco River in such areas practically dries up during the late summer months when the water is needed the most; and

"Whereas if the dam is constructed at the proposed site on the Frisco River, known as the Frisco Dam site, the costs would be relatively small due to the height of the rock walls bounding the river and the narrowness of the river canyon at this point; and

"Whereas if the dam is constructed at the proposed site, the people of the State of Arizona will cooperate with and welcome such construction as it will be of untold value to many of their citizens: Now, therefore, be it

"*Resolved by the Legislature of the State of New Mexico*, That the Congressional delegation of New Mexico and Arizona be hereby memorialized earnestly to exert their efforts on behalf of the establishment and construction of a flood-control dam at the Frisco Dam site on the San Francisco River at Reserve, N. Mex.; and be it further

"*Resolved*, That copies of this memorial be transmitted to each member of the Congressional delegation of New Mexico and Arizona.

"DONALD D. HALLAM,
"*Speaker, House of Representatives.*
"FLOYD CROSS,
"*Chief Clerk, House of Representatives.*
"JOE M. MONTOYA,
"*President, Senate.*
"GRACE MCAFEE,
"*Chief Clerk, Senate.*"

WHY POLAND SHOULD BE HELPED—STATEMENT BY POLISH AMERICAN CONGRESS

Mr. JAVITS. Mr. President, I present, for appropriate reference, a statement by the Polish American Congress entitled "Why Poland Should Be Helped." On this day, 166 years ago, Poland enacted one of the first European democratic constitutions. We nations in the free world now have the opportunity to do something to assist in the attempt of freedom-loving Poles to regain the rights and liberties guaranteed by that constitution. The statement is especially fitting, for the past year saw the struggle for freedom from Communist tyranny so clearly manifested in Poznan. I ask unanimous consent to have the statement printed in the RECORD.

There being no objection, the statement was referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

WHY POLAND SHOULD BE HELPED, A STATEMENT BY THE POLISH AMERICAN CONGRESS

Since the October upheaval in Warsaw, when, in the wave of unrest and discontent of the population, Polish Communists recognized the urgency of needed economic and political reforms, American sympathy for Poland has been growing rapidly. From humanitarian and, to some extent, diplomatic views, at least 90 percent of American press and radio and television commentators favor technical and economic help for Poland. However, in this gratifying wave of sympathy for the Polish people, a sense of apprehension could be detected. One question is being frequently asked—whether, while helping Poland we would at the same time strengthen the Soviet Union and communism?

The answer to this question is an emphatic "No" for the following reasons:

1. The Polish people are painfully aware of the fact that Communist concepts of economy and industrial planning have brought them to the brink of disaster. The Communists themselves accepted this truth by retreating from such spheres of economic activities as the collectivization of farms which has been brought to a standstill, and complete socialization of small private enterprises which has been abandoned.

These two examples prove beyond doubt that the Polish people have forced Communists to a considerable retreat from stubborn entrenchment in Marxist-Leninist theories and practices. And this is only the beginning. Given more time, and moral as well as material support, the Poles will eventually go farther on the road to complete independence.

2. Polish national interests, historic evolvement as well as cultural and spiritual ties with Western civilization clash with Communist designs for world domination. Polish implacable hostility toward communism in general and toward Russian colonialism in particular is a proven fact of history.

There is no danger—that by helping Poland economically we would be strengthening communism and the Soviet Union. On the contrary, stronger and more independent Poland would mean a gradual retreat of communism in Central and East Europe and would effectively oppose Russian designs for conquest.

Another argument is being set forth even by people whose sympathy toward Poland is sincere, that there is a great risk involved in helping the Polish people now. They say that American aid for Poland would provoke Russian wrath against the Poles. They add that the Polish people have already aroused Russian antagonism to a breaking point.

Let us bear in mind, therefore, that the Poles are well aware of the risk. They are willing to take it. The very fact that they asked us for help instead of begging the Kremlin for handouts, proves beyond doubt that Poland wants to return to the Western family of nations where her national birth placed her a thousand years ago. The Poles have already taken a risk by turning to the West. It should be evaluated as a calculated risk. They are risking far more in turning to us than we are risking in granting them help.

The stakes are high and worth the chance both for Poland and for the United States. In the long view of history, the Communist system of government forced on Poland by the might of the Russian Army is only transitory. Poland as a nation successfully opposed Russification in the past and, with her boundless devotion to freedom and democracy, will emerge victorious from Communist oppression. But she needs our help and fully deserves to be helped in her hour of dire need.

Finally, some aspects of Poland's foreign policy are being used in arguments against a large scale help. We should remember that Poland's current foreign policy is not of her own choice. It has been linked to Russia with full consent and support of the Western Powers at Yalta. Poland is not yet able to follow an independent course in foreign affairs. This can develop only in accordance with the amount of material and moral help that Poland could get from the West.

CIVIL RIGHTS—RESOLUTION

Mr. JAVITS. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Eisenhower Regular Republican Club of the 14th Assembly District East, New York City, commending President Eisenhower for his concern for civil rights and firm action in seeking to abolish prejudice and urging increased and widespread support for the President's civil-rights program.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

EISENHOWER REGULAR REPUBLICAN CLUB,
New York, N. Y., April 5, 1957.

Whereas the President of the United States, Dwight D. Eisenhower, has again and again demonstrated his dedication to the cause of equality and justice for all; and

Whereas genuine democracy cannot exist unless every American is assured of his constitutional rights and of freedom of intimidation and violence in the exercise of these rights; and

Whereas courageous Negro and white citizens in some areas of our Nation have been subjected to repeated acts of intimidation and violence aimed at crushing all efforts to promote equality and understanding among our people; and

Whereas individuals have been killed and injured, and property, including churches, has been severely damaged by the enemies of decent Americans everywhere: Be it

Resolved by the members of the Eisenhower Republican Club, Inc. (Regular Organization)—

1. That we commend our President for his consistent record of concern for civil rights and his firm action in abolishing discrimination and segregation wherever Federal law has jurisdiction.

2. That we strongly endorse the President's civil-rights program and urge all Americans to support it with increased vigor against the determined opposition of most Democratic leaders.

3. That we call upon our President to encourage and strengthen the forces seeking

justice everywhere by speaking out boldly against organized violence that has afflicted parts of our land.

4. That copies of this letter be sent to the President, the Attorney General of the United States, and the Senators of the State of New York.

5. That other Republican organizations in the New York City area be urged to adopt similar resolutions.

Adopted unanimously, April 2, 1957, business meeting.

ELLEN BENN,
Executive Member.
S. B. PETERSON,
President.
ISABEL VERDEJO,
Recording Secretary.

ALEXANDER HAMILTON BICENTENNIAL—RESOLUTION

Mr. MUNDT. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Daughters of the American Revolution in the recent national congress held in this city, endorsing the purpose and program of the Alexander Hamilton Bicentennial Commission.

There being no objection, the resolution was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

ALEXANDER HAMILTON BICENTENNIAL

Whereas the President of the United States of America has issued a proclamation directing that the year 1957 bring appropriate observance by "all officials and agencies of Federal Government, and all citizens," and has urged upon the governors of the several States that they do honor to the memory of Alexander Hamilton during this bicentennial year, "with appropriate activities and ceremonies commemorative of his inspiring role in our national life": Now, therefore, be it

Resolved, That the National Society, Daughters of the American Revolution, in keeping with its historic role of honoring the memory of the heroic founders of this Nation, hereby declares its wholehearted cooperation in appropriate ceremonies commemorative of the 200th anniversary of the birth of Alexander Hamilton, the first Secretary of the Treasury of the United States of America.

RESOLUTION OF NATIONAL ASSOCIATION OF REFRIGERATED WAREHOUSES

Mr. BYRD. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted at the 66th annual meeting of the National Association of Refrigerated Warehouses, at Atlantic City, last month, relating to Federal taxation and spending.

There being no objection, the resolution was referred to the Committee on Appropriations, and ordered to be printed in the RECORD, as follows:

Whereas the proposed Federal budget continues the ruinous course established by the New Deal and Fair Deal of tremendous Federal spending and continued high level of taxes; and whereas such spending and taxing will ultimately result in destruction of America's free enterprise economic system and democratic political structure; Now, therefore, be it

Resolved, That our public refrigerated warehouse industry again warns the Nation of this great danger and prays Congress to make every effort to make reductions in the proposed Federal budget that will make possible later tax reductions without reverting to deficit spending.

ENDING THE "NO-MAN'S LAND" IN LABOR RELATIONS—LETTER AND RESOLUTION

Mr. WILEY. Mr. President, I was pleased to receive this morning a splendid letter from the secretary of the Wisconsin Employment Relations Board.

Arvid Anderson described an important meeting which had been held in Madison at the end of last month designed to cope with the problem of what has been well described as a most regrettable "no-man's land" in the field of labor relations.

I mean an area where the State employment relations agencies unfortunately may not regulate labor disputes, despite the fact that, at the Federal level, the National Labor Relations Board has declined to exercise jurisdiction over such disputes.

I have previously commented on this subject, because I regard it as extremely significant.

We must end the "no-man's land." We must enable the State agencies to handle State problems at the State level.

We must not permit confusion and uncertainty to continue in the ranks of labor, management, and among the State officials who have to do the job at the grassroots.

I am pleased that there has now been formed a permanent organization of State labor relations agencies.

I present Mr. Anderson's letter, together with a copy of a resolution which had been adopted by this organization.

I commend the resolution to my colleagues. I am not a member of the Senate Labor Committee which handles items of this nature, but I earnestly hope that the committee will consider this matter at its earliest possible convenience.

I ask unanimous consent that the letter and the resolution be printed in the RECORD at this point.

There being no objection, the letter and resolution were ordered to be printed in the RECORD, as follows:

THE STATE OF WISCONSIN,
EMPLOYMENT RELATIONS BOARD,
Madison, Wis., April 30, 1957.

Hon. ALEXANDER WILEY,
United States Senate,
Committee on the Judiciary,
Washington, D. C.

DEAR MR. WILEY: This is to advise you of the results of the April 23 and 24, 1957, conference in Madison, Wis., called for the purpose of considering the impact of the "no-man's land" decision in the field of labor relations.

At this meeting a permanent organization of State labor relations agencies was organized and the enclosed resolution was unanimously adopted. It was the viewpoint of all present that Congress should accept the invitation of the United States Supreme Court to adopt legislation designed to eliminate the no-man's land in which labor disputes arise and over which the States have no power to regulate even though the National Labor Relations Board, for budgetary and other reasons, refuses to act.

We sincerely hope that you and the other members of the Wisconsin Congressional delegation will use your best efforts to support legislation which will afford some relief from the intolerable no-man's land in which many employers and employees now find themselves.

While no specific measure was endorsed by the association, it is the viewpoint of Chairman L. E. Gooding and the board members that either the bill proposed by Senator IVES or Senator WATKINS merits support.

Sincerely yours,
ARVID ANDERSON,
Secretary, Association of State Labor Relations Agencies.

RESOLUTION ADOPTED BY THE ASSOCIATION OF STATE LABOR RELATIONS AGENCIES ON APRIL 24, 1957, IN MEETING AT MADISON, WIS.

Whereas the National Labor Relations Board, acting pursuant to powers granted to it by the Congress of the United States, has established jurisdictional standards under which it declines to exercise jurisdiction over many labor disputes affecting interstate commerce on the ground that such disputes are predominantly local in character; and

Whereas the Supreme Court of the United States on March 25, 1957, held that the States may not regulate labor disputes affecting interstate commerce, even though the National Labor Relations Board has declined to exercise jurisdiction over such disputes; and

Whereas the aforesaid decisions of the United States Supreme Court result in the creation of a vast area in which thousands of labor disputes are or will be wholly unregulated and the parties thereto deprived of any forum and remedy; and

Whereas the existence of such an area of unregulated labor relations is inimical to the health, safety, welfare, prosperity, and well-being of the several States and their citizens; and

Whereas the United States Supreme Court, in its aforesaid decisions has stated that the remedy for this situation lies with the Congress of the United States: Now, therefore, it is hereby

Resolved by the Association of State Labor Relations Agencies, That the unfortunate situation above described requires immediate and appropriate remedial action by the Congress of the United States; and it is further

Resolved, That the officers of the association be and they hereby are directed to forward copies of this resolution to the President of the United States, to the chairman and members of the Senate Committee on Labor and Public Welfare, to the chairman and members of the House Committee on Education and Labor, the Secretary of Labor, and to the Chairman of the National Labor Relations Board.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SMATHERS, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 1463. A bill to amend the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle subject to the motor carrier safety regulations of the Interstate Commerce Commission (Rept. No. 283);

S. 1491. A bill to revise the Transportation of Explosives Act, chapter 39, title 18, of the United States Code, as amended (Rept. No. 281); and

S. 1492. A bill to provide more adequate and realistic penalties for violations of certain statutes administered by the Interstate Commerce Commission (Rept. No. 282).

By Mr. SYMINGTON, from the Committee on Agriculture and Forestry, with amendments:

S. Res. 125. Resolution requesting the Secretary of Agriculture to make a study of methods of providing an overall feed program (Rept. No. 284).

(See the remarks of Mr. SYMINGTON when he reported the above resolution, which appear under a separate heading.)

By Mrs. SMITH of Maine, from the Committee on Armed Services, without amendment:

S. 1859. A bill to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Boy Scouts of America for use at the Gold Rush 1957 Jamboree of the Boy Scouts of America, and for other purposes (Rept. No. 285).

By Mr. STENNIS, from the Committee on Armed Services, without amendment:

H. R. 1544. An act to provide for the conveyance of certain real property of the United States situated in Cobb County, Ga., to the trustees of the Methodist Church, Acworth, Ga. (Rept. No. 286).

By Mr. ELLENDER, from the Committee on Agriculture and Forestry, without amendment:

S. 405. A bill to require the Bureau of the Census to develop farm income data by economic class of farm (Rept. No. 287).

STUDY OF METHODS OF PROVIDING AN OVERALL FEED PROGRAM—REPORT OF A COMMITTEE

Mr. SYMINGTON. Mr. President, from the Committee on Agriculture and Forestry, I report favorably, with amendments, the resolution (S. Res. 125) requesting the Secretary of Agriculture to make a study of methods of providing an overall feed program, and I submit a report (No. 284) thereon.

This resolution requests the Secretary of Agriculture to conduct a thorough study of possible methods of improving the feed grain program. The report, due on July 15, 1957, shall include drafts of any legislation considered necessary to carry out such recommendations.

In submitting this resolution on April 15, I expressed hope that we could study the recommendations and be ready to take any necessary action early next session.

An overall feed grain program is sorely needed. Representatives from all the major farm organizations have emphasized that it is necessary to bring the total feed grain supply into better balance with demand.

Legislation that deals with only one of the feed grains can never achieve this goal.

The USDA stocks of grains report of April 24 states:

Stocks of feed grains—corn, oats and barley—add to a total of nearly 85 million tons—the largest in the 15 years for which comparable data are available.

Should this condition continue, it can only mean disastrously low livestock prices.

Therefore, Mr. President, I urge prompt action on this resolution, so that the Department of Agriculture can immediately begin studying this problem.

The VICE PRESIDENT. The report will be received and the resolution will be placed on the calendar.

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—FEDERAL PERSONNEL AND PAY

Mr. BYRD. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit a report on Federal employment and pay for the month of March 1957. In accordance with the practice of several years' standing, I ask unanimous consent to have the report printed in the RECORD, together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD, as follows:

FEDERAL PERSONNEL IN EXECUTIVE BRANCH, MARCH 1957 AND FEBRUARY 1957, AND PAY, FEBRUARY 1957 AND JANUARY 1957

PERSONNEL AND PAY SUMMARY

Information in monthly personnel reports for March 1957 submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures is summarized as follows:

Total and major categories	Civilian personnel in executive branch			Payroll (in thousands) in executive branch		
	In March numbered—	In February numbered—	Increase (+) or decrease (−)	In February was—	In January was—	Increase (+) or decrease (−)
Total [1]	2,392,987	2,390,517	+2,470	$847,617	$989,594	−$141,977
Agencies exclusive of Department of Defense	1,224,925	1,218,303	+6,622	425,756	512,459	−86,703
Department of Defense	1,168,062	1,172,214	−4,152	421,861	477,135	−55,274
Inside continental United States	2,188,431	2,185,279	+3,152			
Outside continental United States	204,556	205,238	−682			
Industrial employment	657,303	658,000	−697			
Foreign nationals	271,578	272,516	−938	27,172	28,086	−914

[1] Exclusive of foreign nationals shown in the last line of this summary.

Table I, below, breaks down the above figures on employment and pay by agencies.

Table II, page 5, breaks down the above employment figures to show the number inside continental United States by agencies.

Table III, page 7, breaks down the above employment figures to show the number outside continental United States by agencies.

Table IV, page 8, breaks down the above employment figures to show the number in industrial-type activities by agencies.

Table V, page 9, shows foreign nationals by agencies not included in tables I, II, III, and IV.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during March 1957, and comparison with February 1957, and pay for February 1957, and comparison with January 1957*

Department or agency	Personnel				Pay (in thousands)			
	March	February	Increase	Decrease	February	January	Increase	Decrease
Executive departments (except Department of Defense):								
Agriculture	83,341	82,180	1,161		$26,650	$30,079		$3,429
Commerce [1]	48,020	47,335	685		19,706	22,565		2,859
Health, Education, and Welfare	51,288	50,569	719		19,935	[2] 20,597		639
Interior	50,263	49,649	614		18,939	21,409		2,470
Justice	30,652	30,797		145	13,916	15,823		1,907
Labor	5,942	5,929	13		2,508	2,843		335
Post Office	524,347	522,908	1,439		173,970	228,354		54,384
State [3]	33,384	33,056	328		11,620	12,912		1,292
Treasury	82,789	81,070	1,719		31,827	35,854		4,027
Executive Office of the President:								
White House Office	399	401		2	213	244		31
Bureau of the Budget	437	446		9	270	322		52
Council of Economic Advisers	28	29		1	21	29		8
Executive Mansion and Grounds	69	70		1	26	27		1
National Security Council [4]	27	26	1		17	19		2
Office of Defense Mobilization	270	263	7		167	167		
President's Advisory Committee on Government Organization	5	5			2	3		1

[1] March figure includes 274 seamen on the rolls of the Maritime Administration and their pay.

[2] Revised on the basis of later information.

[3] March figure includes 11,026 employees of the International Cooperation Administration as compared with 10,842 in February and their pay. These ICA figures include employees who are paid from foreign currencies deposited by foreign governments in a trust fund for this purpose. The March figure includes 2,642 of these trust fund employees and the February figure includes 2,585.

[4] Exclusive of personnel and pay of the Central Intelligence Agency.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during March 1957, and comparison with February 1957, and pay for February 1957, and comparison with January 1957*—Continued

Department or agency	Personnel				Pay (in thousands)			
	March	February	Increase	Decrease	February	January	Increase	Decrease
Independent agencies:								
Advisory Committee on Weather Control	14	8	6		$4	$4		
Alexander Hamilton Bicentennial Commission	11	12		1	6	7		$1
American Battle Monuments Commission	699	692	7		85	94		9
Atomic Energy Commission	6,709	6,717		8	2,281	2,734		453
Board of Governors of the Federal Reserve System	581	582		1	278	319		41
Boston National Historic Sites Commission	5	5			1	1		
Civil Aeronautics Board	597	598		1	316	364		48
Civil Service Commission	4,420	4,439		19	1,887	2,138		251
Commission of Fine Arts	4	4			2	2		
Corregidor Bataan Memorial Commission	2	2			1	2		1
District of Columbia Auditorium Commission	18	18			1	1		
Export-Import Bank of Washington	189	189			109	125		16
Farm Credit Administration	953	959		6	467	535		68
Federal Civil Defense Administration	1,177	1,167	10		585	667		82
Federal Coal Mine Safety Board of Review	7	7			5	4	$1	
Federal Communications Commission	1,161	1,160	1		565	644		79
Federal Deposit Insurance Corporation	1,122	1,143		21	531	600		69
Federal Home Loan Bank Board	721	716	5		318	356		38
Federal Mediation and Conciliation Service	336	[1] 340		4	223	246		23
Federal Power Commission	711	707	4		363	406		43
Federal Trade Commission	744	734	10		377	440		63
Foreign Claims Settlement Commission	116	116			56	61		5
General Accounting Office	5,368	5,373		5	2,310	2,671		361
General Services Administration	27,483	27,404	79		9,202	10,686		1,484
Government Contract Committee	21	21			10	10		
Government Printing Office	6,467	6,490		23	2,708	3,252		544
Housing and Home Finance Agency	9,983	9,964	19		4,458	5,107		649
Indian Claims Commission	14	14			10	11		1
Interstate Commerce Commission	2,146	2,150		4	1,013	1,148		135
Jamestown-Williamsburg-Yorktown Celebration Commission	4	4			2	3		1
National Advisory Committee for Aeronautics	7,721	7,713	8		3,571	4,109		538
National Capital Housing Authority	250	252		2	90	105		15
National Capital Planning Commission	30	36		6	16	20		4
National Gallery of Art	331	332		1	103	$115		12
National Labor Relations Board	1,130	1,137		7	595	671		76
National Mediation Board	111	111			68	84		16
National Science Foundation	308	281	27		125	148		23
National Security Training Commission	6	6			2	3		1
Panama Canal	14,101	14,133		32	3,573	3,656		83
Railroad Retirement Board	2,349	2,342	7		845	958		113
Renegotiation Board	417	431		14	254	293		39
Saint Lawrence Seaway Development Corporation	35	35			22	24		2
Securities and Exchange Commission	786	785	1		402	462		60
Selective Service System	6,996	6,969	27		1,607	1,845		238
Small Business Administration	1,049	1,024	25		495	555		60
Smithsonian Institution	771	762	9		270	314		44
Soldiers' Home	1,017	1,020		3	225	261		36
Subversive Activities Control Board	36	31	5		21	23		2
Tariff Commission	216	213	3		118	131		13
Tax Court of the United States	141	144		3	89	105		16
Tennessee Valley Authority	15,147	14,903	244		6,220	7,138		918
Theodore Roosevelt Centennial Commission	4	4			2	2		
U. S. Information Agency	11,783	11,718	65		3,057	3,467		410
Veterans' Administration	177,232	177,539		307	55,001	63,084		8,083
Woodrow Wilson Centennial Celebration Commission	4	4			1	1		
Total, excluding Department of Defense	1,224,925	1,218,303	7,248	626	425,756	512,459	$1	86,704
Net change, excluding Department of Defense			6,622				86,703	
Department of Defense:								
Office of the Secretary of Defense	1,700	1,692	8		1,070	1,095		25
Department of the Army	428,357	428,717		360	150,453	169,161		18,708
Department of the Navy	391,939	393,136		1,197	150,630	168,967		18,337
Department of the Air Force	346,066	343,669	2,603		119,708	137,912		18,204
Total, Department of Defense	1,168,062	1,172,214	8	4,160	421,861	477,135		55,274
Net decrease, Department of Defense			4,152				55,274	
Grand total, including Department of Defense	2,392,987	2,390,517	7,256	4,786	847,617	989,594	1	141,978
Net change, including Department of Defense			2,470				141,977	

TABLE II.—*Federal personnel inside continental United States employed by the executive agencies during March 1957, and comparison with February 1957*

Department or agency	March	February	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	82,023	80,991	1,032	
Commerce [1]	44,321	43,702	619	
Health, Education, and Welfare	49,459	48,737	722	
Interior	46,010	45,398	612	
Justice	30,115	30,262		147
Labor	5,827	5,810	17	
Post Office	521,868	520,433	1,435	
State [2]	8,580	8,528	52	
Treasury	81,783	80,080	1,703	
Executive Office of the President:				
White House Office	399	401		2
Bureau of the Budget	437	446		9
Council of Economic Advisors	28	29		1
Executive Mansion and Grounds	69	70		1
National Security Council [3]	27	26	1	
Office of Defense Mobilization	270	263	7	
President's Advisory Committee on Government Organization	5	5		
Independent agencies:				
Advisory Committee on Weather Control	14	8	6	
Alexander Hamilton Bicentennial Commission	11	12		1
American Battle Monuments Commission	17	18		1
Atomic Energy Commission	6,689	6,697		8
Board of Governors of the Federal Reserve System	581	582		1
Boston National Historic Sites Commission	5	5		
Civil Aeronautics Board	593	593		
Civil Service Commission	4,404	4,423		19
Commission of Fine Arts	4	4		
Corregidor Bataan Memorial Commission	2	2		
District of Columbia Auditorium Commission	18	18		
Export-Import Bank of Washington	189	189		
Farm Credit Administration	944	950		6
Federal Civil Defense Administration	1,177	1,167	10	
Federal Coal Mine Safety Board of Review	7	7		
Independent agencies—Continued				
Federal Communications Commission	1,134	1,134		
Federal Deposit Insurance Corporation	1,120	1,141		21
Federal Home Loan Bank Board	721	716	5	
Federal Mediation and Conciliation Service	336	[4] 340		4
Federal Power Commission	711	707	4	
Federal Trade Commission	744	734	10	
Foreign Claims Settlement Commission	116	116		
General Accounting Office	5,294	5,296		2
General Services Administration	27,380	27,301	79	
Government Contract Committee	21	21		
Government Printing Office	6,467	6,490		23
Housing and Home Finance Agency	9,817	9,800	17	
Indian Claims Commission	14	14		
Interstate Commerce Commission	2,146	2,150		4
Jamestown-Williamsburg-Yorktown Celebration Commission	4	4		
National Advisory Committee for Aeronautics	7,721	7,713	8	
National Capital Housing Authority	250	252		2
National Capital Planning Commission	30	36		6
National Gallery of Art	331	332		1
National Labor Relations Board	1,112	1,119		7
National Mediation Board	111	111		
National Science Foundation	308	281	27	
National Security Training Commission	6	6		
Panama Canal	422	412	10	
Railroad Retirement Board	2,349	2,342	7	
Renegotiation Board	417	431		14
Saint Lawrence Seaway Development Corporation	35	35		
Securities and Exchange Commission	786	785	1	
Selective Service System	6,801	6,776	25	

[1] March figure includes 274 seamen on the rolls of the Maritime Administration.
[2] March figure includes 1,722 employees of the International Cooperation Administration as compared with 1,727 in February.
[3] Exclusive of personnel of the Central Intelligence Agency.

TABLE II.—*Federal personnel inside continental United States employed by the executive agencies during March 1957, and comparison with February 1957*—Continued

Department or agency	March	February	Increase	Decrease
Independent agencies—Continued				
Federal Communications Commission	1,134	1,134		
Federal Deposit Insurance Corporation	1,120	1,141		21
Federal Home Loan Bank Board	721	716	5	
Federal Mediation and Conciliation Service	336	[4] 340		4
Federal Power Commission	711	707	4	
Federal Trade Commission	744	734	10	
Foreign Claims Settlement Commission	116	116		
General Accounting Office	5,294	5,296		2
General Services Administration	27,380	27,301	79	
Government Contract Committee	21	21		
Government Printing Office	6,467	6,490		23
Housing and Home Finance Agency	9,817	9,800	17	
Indian Claims Commission	14	14		
Interstate Commerce Commission	2,146	2,150		4
Jamestown-Williamsburg-Yorktown Celebration Commission	4	4		
National Advisory Committee for Aeronautics	7,721	7,713	8	
National Capital Housing Authority	250	252		2
National Capital Planning Commission	30	36		6
National Gallery of Art	331	332		1
National Labor Relations Board	1,112	1,119		7
National Mediation Board	111	111		
National Science Foundation	308	281	27	
National Security Training Commission	6	6		
Panama Canal	422	412	10	
Railroad Retirement Board	2,349	2,342	7	
Renegotiation Board	417	431		14
Saint Lawrence Seaway Development Corporation	35	35		
Securities and Exchange Commission	786	785	1	
Selective Service System	6,801	6,776	25	
Independent agencies—Continued				
Small Business Administration	1,040	1,016	24	
Smithsonian Institution	769	760	9	
Soldiers' Home	1,017	1,020		3
Subversive Activities Control Board	36	31	5	
Tariff Commission	216	213	3	
Tax Court of the United States	141	144		3
Tennessee Valley Authority	15,147	14,903	244	
Theodore Roosevelt Centennial Commission	4	4		
United States Information Agency	2,763	2,716	47	
Veterans' Administration	175,981	176,293		312
Woodrow Wilson Centennial Celebration Commission	4	4		
Total, excluding Department of Defense	1,159,698	1,153,555	6,741	598
Net increase, excluding Department of Defense			6,143	
Department of Defense:				
Office of the Secretary of Defense	1,653	1,648	5	
Department of the Army	364,990	365,194		204
Department of the Navy	358,868	360,059		1,191
Department of the Air Force	303,222	304,823		1,601
Total, Department of Defense	1,028,733	1,031,724	5	2,996
Net decrease, Department of Defense			2,991	
Grand total, including Department of Defense	2,188,431	2,185,279	6,746	3,594
Net increase, including Department of Defense			3,152	

[4] Revised on basis of later information.

TABLE III.—*Federal personnel outside continental United States employed by the executive agencies during March 1957, and comparison with February 1957*

Department or agency	March	February	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	1,318	1,189	129	
Commerce	3,099	3,033	66	
Health, Education, and Welfare	1,829	1,832		3
Interior	4,253	4,251	2	
Justice	537	535	2	
Labor	115	119		4
Post Office	2,479	2,475	4	
State [1]	24,804	24,528	276	
Treasury	1,006	990	16	
Independent agencies:				
American Battle Monuments Commission	592	584	8	
Atomic Energy Commission	20	20		
Civil Aeronautics Board	4	5		1
Civil Service Commission	16	16		
Farm Credit Administration	9	9		
Federal Communications Commission	27	26	1	
Federal Deposit Insurance Corporation	2	2		
General Accounting Office	74	77		3
General Services Administration	103	103		
Housing and Home Finance Agency	166	164	2	
National Labor Relations Board	18	18		
Panama Canal	13,679	13,721		42
Independent agencies—Continued				
Selective Service System	195	193	2	
Small Business Administration	9	8	1	
Smithsonian Institution	2	2		
United States Information Agency	9,020	9,002	18	
Veterans' Administration	1,251	1,246	5	
Total, excluding Department of Defense	65,227	64,748	532	53
Net increase, excluding Department of Defense			479	
Department of Defense:				
Office of the Secretary of Defense	47	44	3	
Department of the Army	63,367	63,523		156
Department of the Navy	33,071	33,077		6
Department of the Air Force	42,844	43,846		1,002
Total, Department of Defense	139,329	140,490	3	1,164
Net decrease, Department of Defense			1,161	
Grand total, including Department of Defense	204,556	205,238	535	1,217
Net decrease, including Department of Defense			682	

[1] March figure includes 9,304 employees of the International Cooperation Administration as compared with 9,115 in February. These ICA figures include employees who are paid from foreign currencies deposited by foreign governments in a trust fund for this purpose. The March figure includes 2,643 of these trust fund employees and the February figure includes 2,585.

TABLE IV.—*Industrial employees of the Federal Government inside and outside continental United States employed by the executive agencies during March 1957, and comparison with February 1957*

Department or agency	March	February	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	3,150	3,011	139	
Commerce	2,739	2,676	63	
Interior	8,263	8,200	63	
Treasury	5,644	5,638	6	
Independent agencies:				
Atomic Energy Commission	145	146		1
Federal Communications Commission	13	14		1
General Services Administration	1,090	1,117		27
Government Printing Office	6,467	6,490		20
National Advisory Committee for Aeronautics	7,721	7,713	8	
Panama Canal	7,272	7,262	10	
Tennessee Valley Authority	12,389	12,162	227	
Total, excluding Department of Defense	54,893	54,429	516	52
Net increase, excluding Department of Defense			464	
Department of Defense:				
Department of the Army:				
Inside continental United States	[1] 181,700	[2] 181,799		99
Outside continental United States	[1] 22,625	[2] 22,688		63
Department of the Navy:				
Inside continental United States	220,338	221,200		862
Outside continental United States	5,995	6,027		32
Department of the Air Force:				
Inside continental United States	165,117	165,265		148
Outside continental United States	5,635	5,592	43	
Total Department of Defense	602,410	603,571	43	1,204
Net decrease, Department of Defense			1,161	
Grand total, including Department of Defense	657,303	658,000	559	1,256
Net decrease, including Department of Defense			697	

[1] Subject to revision.
[2] Revised on basis of later information.

TABLE V.—*Foreign nationals working under United States agencies overseas, excluded from tables I through IV of this report, whose services are provided by contractual agreement between the United States and foreign governments, or because of the nature of their work or the source of funds from which they are paid, as of March 1957 and comparison with February 1957*

Country	Total		Army		Navy		Air Force	
	March	February	March	February	March	February	March	February
Belgium	6						6	
England	7,533	7,941			37	37	7,496	7,904
France	26,100	26,051	18,231	18,104			7,869	7,947
French Morocco	5,818	6,137	160	164	951	1,001	4,707	4,972
Germany	98,463	98,757	82,358	82,626	543	555	15,562	15,576
Japan	128,030	127,884	66,752	[1] 66,295	19,235	19,406	42,043	42,183
Korea	4,922	5,040	4,922	5,040				
Malta	90	94			90	94		
Netherlands	41	39					41	39
Norway	25	23					25	23
Trinidad	550	550			550	550		
Total	271,578	272,516	172,423	172,227	21,406	21,645	77,749	78,644

[1] Revised on the basis of later information.

NOTE.—The Germans are paid from funds provided by German Governments. The French and English reported by the Army and Air Force are paid from funds appropriated for personal services. All others are paid from funds appropriated for other contractual services.

FOREIGN NATIONALS

Table 5 segregates and accounts for certain categories of personal services rendered to the United States Government overseas which cannot be regarded as ordinary direct employment.

Generally this personal service is rendered military agencies overseas under agreements with the foreign governments. In most cases the employment is indirect. The foreign governments hire the employees. The United States military agencies in most cases administer or direct the activity.

The source of the funds for the payment of these employees varies. The Germans are employed without direct reimbursement by the United States, and by agreement payment is made from the German economy. The Japanese are employed under a master labor contract between United States agencies and the Japanese Government.

French and English are employed for the Army and Air Force under agreements with the respective Governments. Funds originally appropriated for "Personal service" are used for this purpose. The Koreans and others are paid under varying contractual agreements with funds appropriated for "Other contractual services."

Personnel hired and used under such circumstances cannot be properly considered in the same category as regular employment, but they are used and should be counted for what they are.

The Joint Committee on Reduction of Nonessential Federal Expenditures is endeavoring to identify these groups of employees and to count them along with, but separate from, the regularly reported United States employment overseas.

STATEMENT BY SENATOR BYRD

EMPLOYEES

Executive agencies of the Federal Government reported regular civilian employment in the month of March totaling 2,392,987. This was a net increase of 2,470 as compared with employment reported in the preceding month of February.

Civilian employment reported by the executive agencies of the Federal Government, by months in fiscal year 1957, which began July 1, 1956, follows:

Month	Employment	Increase	Decrease
July	2,398,673	14,250	
August	2,400,493	1,820	
September	2,388,854		11,639
October	2,396,163	7,309	
November	2,394,324		1,839
December	2,389,788		4,536
January 1957	2,387,015		2,773
February	2,390,517	3,502	
March	2,392,987	2,470	

Total civilian employment in civilian agencies during the month of March was 1,224,925, an increase of 6,622 as compared with the February total of 1,218,303. Total civilian employment in the military agencies in March was 1,168,062, a decrease of 4,152 as compared with 1,172,214 in February.

Civilian agencies reporting the major increases were Treasury Department with 1,719, Post Office Department with 1,439, Agriculture Department with 1,161, Department of Health, Education, and Welfare with 719, Department of the Interior with 614, and Department of Commerce with 685. The increases in the Departments of Agriculture, Interior, and Treasury were largely seasonal.

In the Department of Defense decreases in civilian employment were reported by the Department of the Air Force with 2,603, the Department of the Navy with 1,197, and the Department of the Army with 360.

Inside continental United States civilian employment increased 3,152 and outside continental United States civilian employment decreased 632. Industrial employment by the Federal agencies in March totaled 657,303, a decrease of 697.

These figures are from reports certified by the agencies as compiled by the Joint Committee on Reduction of Nonessential Federal Expenditures.

PAYROLL

The regular monthly Federal civilian payroll in February totaled $847,617,000. United States pay for foreign nationals working under Federal agencies abroad totaled $16,163,000. The total February payroll for agencies of the executive branch of the Federal Government was $863,780.

The total for January was $1 billion. Despite an increase in employment the February payroll was $142,514,000 less than the January total. A number of factors contribute to such a situation. For example, February was a short month.

These figures for the month were certified by executive agencies to the Joint Committee on Reduction of Nonessential Federal Expenditures. Payroll figures are on an actual basis and necessarily lag 1 month behind the personnel count.

Payroll for the first 8 months of fiscal year 1957, including United States funds for foreign nationals not on regular rolls, totaled $7.5 billion. This was a monthly average of $936 million, since the fiscal year started July 1, 1956.

These payroll figures by months follow:

[In millions of dollars]

Month	Regular payrolls	Foreign nationals not on regular rolls (United States funds)	Total
July	907	17	923
August	930	17	967
September	846	17	863
October	147	17	964
November	931	17	948
December	933	18	951
January 1957	990	17	1,006
February	848	16	864
Total (8 months)	7,351	136	7,487

FOREIGN NATIONALS

The total of 2,392,987 civilian employees certified to the committee by executive agencies in their regular monthly personnel reports includes some foreign nationals employed in United States Government activities abroad, but in addition to these there were 271,578 foreign nationals working for United States military agencies during March who were not counted in the usual personnel report. The number in February was 272,516. A breakdown of this employment for March follows:

Country	Total	Army	Navy	Air Force
Belgium	6			6
England	7,533		37	7,496
France	26,100	18,231		7,869
French Morocco	5,818	160	951	4,707
Germany	98,463	82,358	543	15,562
Japan	128,030	66,752	19,235	42,043
Korea	4,922	4,922		
Malta	90		90	
Netherlands	41			41
Norway	25			25
Trinidad	550		550	
Total	271,578	172,423	21,406	77,749

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. GREEN, from the Committee on Foreign Relations:

Henry J. Taylor, of Virginia, to be Ambassador Extraordinary and Plenipotentiary to Switzerland; and

Scott McLeod, of New Hampshire, to be Ambassador Extraordinary and Plenipotentiary to Ireland.

EXECUTIVE REPORTS OF COMMITTEE ON ARMED SERVICES

Mr. RUSSELL. Mr. President, from the Committee on Armed Services, I report favorably the nominations of three lieutenant generals in the Army to be retired and the nominations of a small group of general officers for appointment and promotion in the Army and Army Reserves. This group includes the name of Maj. Gen. Andrew Thomas McNamara for appointment as the Quartermaster General of the Army. I ask that these nominations be placed on the Executive Calendar.

The VICE PRESIDENT. Without objection, it is so ordered.

The nominations placed on the Executive Calendar are as follows:

Lt. Gen. Thomas Wade Herren, Army of the United States (major general, U. S. Army); Lt. Gen. Alonzo Patrick Fox, Army of the United States (major general, U. S. Army); and Lt. Gen. Laurin Lyman Williams, Army of the United States (major general, U. S. Army); to be placed on the retired list.

Maj. Gen. Paul Irwin Robinson, Army of the United States (brigadier general, Medical Corps, U. S. Army), and sundry other officers for appointment in the Regular Army of the United States.

Brig. Gen. Thomas North, United States Army, for temporary appointment as major general in the Army of the United States.

Mr. RUSSELL. Mr. President, in addition, from the Committee on Armed Services, I report favorably a group of approximately 4,700 nominations for appointments in the Air Force, Navy, and Marine Corps, in the grade of commander and below. These names have already appeared in the CONGRESSIONAL RECORD. In order to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Vice President's desk for the information of any Senator.

The VICE PRESIDENT. Without objection, it is so ordered.

The nominations ordered to lie on the desk are as follows:

Quincy E. Fortier, and sundry other persons for appointment in the Regular Air Force; and

William A. Abbott, and sundry other midshipmen (Naval Academy) to be ensigns in the Navy.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JAVITS:

S. 1957. A bill for the relief of Jimmy Isaac Levy and his wife, Mireille Levy;

S. 1958. A bill for the relief of Lawrence Edward Noonan; and

S. 1959. A bill for the relief of Ahamed Meah; to the Committee on the Judiciary.

By Mr. FLANDERS:

S. 1960. A bill for the relief of Emmanuel Balz Ruzic; to the Committee on the Judiciary.

By Mr. MUNDT:

S. 1961. A bill for the relief of Maria Van Arendonk; to the Committee on the Judiciary.

By Mr. BUTLER:

S. 1962. A bill to authorize the Secretary of Agriculture to convey a certain tract of land owned by the United States to the Perkins Chapel Methodist Church, Bowie, Md.; to the Committee on Agriculture and Forestry.

S. 1963. A bill to amend section 35 of title 18 of the United States Code so as to increase the punishment for knowingly giving false information concerning destruction of aircraft and motor vehicles; and

S. 1964. A bill for the relief of Juana Maria Geldrich; to the Committee on the Judiciary.

By Mr. SMITH of New Jersey:

S. 1965. A bill for the relief of Sotiris Lambiris; to the Committee on the Judiciary.

By Mr. DOUGLAS:

S. 1966. A bill for the relief of Biase Conte;

S. 1967. A bill for the relief of Maria Teresa Bongiovanni; and

S. 1968. A bill for the relief of Ambrose Pitter; to the Committee on the Judiciary.

By Mr. THYE:

S. 1969. A bill to continue availability of funds for surveys and planning under title VI of the Public Health Service Act; to the Committee on Appropriations.

S. 1970. A bill for the relief of Karl Hirofumi Eidmann; to the Committee on the Judiciary.

By Mr. SMITH of New Jersey (for himself and Mr. PURTELL):

S. 1971. A bill to amend sections 4 (a) and 7 (a) of the Vocational Rehabilitation Act; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. SMITH of New Jersey when he introduced the above bill, which appear under a separate heading.)

By Mr. KENNEDY:

S. 1972. A bill for the relief of Letizia Maria Arini; and

S. 1973. A bill for the relief of Maria Begonia Lamana Garcia; to the Committee on the Judiciary.

By Mr. CARLSON:

S. 1974. A bill for the relief of Bruce Schmedemann; to the Committee on the Judiciary.

By Mr. CASE of New Jersey:

S. 1975. A bill for the relief of Peder Strand; to the Committee on the Judiciary.

By Mr. MAGNUSON (by request):

S. 1976. A bill to clarify the application of navigation rules for the Great Lakes and their connecting and tributary waters, and for other purposes;

S. 1977. A bill to amend the Civil Aeronautics Act of 1938, as amended, to authorize the Civil Aeronautics Board to include in certificates of public convenience and necessity limitations on the type and extent of service authorized, and for other purposes; and

S. 1978. A bill to authorize the imposition of forfeitures not exceeding $100 for certain violations of the rules and regulations of the Federal Communications Commission in the common carrier and safety and special services fields; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the first two above-mentioned bills, which appear under separate headings.)

By Mr. DIRKSEN (by request):

S. 1979. A bill for the relief of Barbara Hollinger;

S. 1980. A bill for the relief of the Acme Bronze Co.; and

S. 1981. A bill to amend the Trading With the Enemy Act, as amended, so as to provide for certain payments for the relief and rehabilitation of needy victims of Nazi persecution; to the Committee on the Judiciary.

By Mr. MORSE:

S. 1982. A bill to authorize the Commissioners of the District of Columbia to issue bonds to finance a school-construction program in the District of Columbia; to the Committee on the District of Columbia.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. MORSE (for himself and Mr. NEUBERGER):

S. 1983. A bill to amend the law relating to the limitation of liability on vessels in order to provide that the owner's interest in certain insurance be included in such liability; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. ANDERSON:

S. 1984. A bill to provide for the transfer of the Civil Service Commission Building in the District of Columbia to the Smithsonian Institution to house certain art collections of the Smithsonian Institution; to the Committee on Post Office and Civil Service.

S. 1985. A bill to authorize the preparation of plans and specifications for the construction of a building for a National Air Museum for the Smithsonian Institution, and all other work incidental thereto; to the Committee on Public Works.

By Mr. COTTON (for himself, Mr. MARTIN of Pennsylvania, Mr. BRIDGES, Mr. BUSH, and Mr. BUTLER):

S. 1986. A bill to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes; to the Committee on Public Works.

(See the remarks of Mr. COTTON when he introduced the above bill, which appear under a separate heading.)

By Mr. HOLLAND:

S. 1987. A bill for the relief of Richard K. Lim and Margaret K. Lim; to the Committee on the Judiciary.

By Mr. HRUSKA:

S. 1988. A bill to extend the gratuitous insurance benefits granted by subsection 602 (d) of the National Service Life Insurance Act of 1940, as amended, to parents of certain deceased members of the Armed Forces without regard to the dependence of such parents, and for other purposes; to the Committee on Finance.

S. 1989. A bill for the relief of Mrs. Reynard R. Addleman; to the Committee on the Judiciary.

By Mr. WILEY:

S. 1990. A bill for the relief of Agnes Nina Coll; to the Committee on the Judiciary.

By Mr. COTTON (for himself, Mr. SALTONSTALL, and Mr. PAYNE):

S. J. Res. 84. Joint resolution to authorize the Secretary of Commerce to sell certain vessels to certain citizens of the Federal Republic of Germany; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. COTTON when he introduced the above joint resolution, which appear under a separate heading.)

PROPOSED JOINT COMMITTEE TO REPRESENT CONGRESS AT 350TH ANNIVERSARY OF FOUNDING OF JAMESTOWN, VA.

Mr. BYRD submitted the following concurrent resolution (S. Con. Res. 27); which was referred to the Committee on the Judiciary:

Resolved by the Senate (the House of Representatives concurring), That a joint committee consisting of 4 Senators and 5 Representatives, to be appointed by the President of the Senate and the Speaker of the House of Representatives, respectively, is authorized to represent the Congress of the United States at the ceremonies to be held at Jamestown, Va., on July 30, 1957, in commemoration of the 350th anniversary of the founding of Jamestown, the first permanent English settlement in America. The committee shall select a chairman from among its members.

Resolved further, That the necessary expenses of such committee, which shall not exceed $———, shall be paid from the contingent fund of the Senate on vouchers approved by the chairman.

PRINTING AS A SENATE DOCUMENT THE INTERIM REPORT OF THE COMMISSION ON INCREASED INDUSTRIAL USE OF AGRICULTURAL PRODUCTS

Mr. CURTIS submitted the following resolution (S. Res. 131), which was referred to the Committee on Rules and Administration:

Resolved, That the interim report of the Commission on Increased Industrial Use of Agricultural Products, submitted to the Congress April 17, 1957, pursuant to Public Law 540, 84th Congress, be printed as a Senate document.

AMENDMENT OF VOCATIONAL REHABILITATION ACT

Mr. SMITH of New Jersey. On behalf of myself, and the Senator from Connecticut [Mr. PURTELL], I introduce, for appropriate reference, a bill to amend the Vocational Rehabilitation Act. This bill is part of the legislative program of the Department of Health, Education, and Welfare, and would increase from 2 to 3 years the maximum period during which any one individual could receive assistance for training in physical medicine and rehabilitation.

Certification in physical medicine and rehabilitation requires a minimum of 3 years of specialized training beyond the doctor of medicine degree, and as a result the present limitation of 2 years in this field is hindering the progress of the traineeship program.

Mr. President, I ask unanimous consent that the text of the bill, together with the letter of transmittal, dated April 19, from the Secretary of Health, Education, and Welfare, the Honorable Marion B. Folsom, addressed to the President of the Senate, the Honorable RICHARD M. NIXON, be printed in the RECORD, at the conclusion of my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill and letter will be printed in the RECORD.

The bill (S. 1971) to amend sections 4 (a) and 7 (a) of the Vocational Rehabilitation Act, introduced by Mr. SMITH of New Jersey (for himself and Mr. PURTELL), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the second sentence of section 4 (a) of the Vocational Rehabilitation Act (29 U. S. C. 34 (a)) is amended by adding the following immediately before the period; ", except that, in the case of a course of study in physical medicine and rehabilitation, such period may not be in excess of 3 years."

SEC. 2. Clause (3) of section 7 (a) of such act (29 U. S. C. 37 (a)) is amended by striking out "for any one course of study for a period in excess of 2 years" and inserting in lieu thereof "for any one course of study, other than a course of study in physical medicine and rehabilitation, for a period in excess of 2 years, or for a course of study in physical medicine and rehabilitation for a period in excess of 3 years."

SEC. 3. The amendments made by this act shall become effective July 1, 1957.

The letter presented by Mr. SMITH of New Jersey is as follows:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
April 19, 1957.

Hon. RICHARD M. NIXON,
President of the Senate,
Washington, D. C.

DEAR MR. PRESIDENT: I am transmitting for your consideration a legislative proposal to amend sections 4 (a) and 7 (a) of the Vocational Rehabilitation Act (29 U. S. C., ch. 4) so as to extend from 2 to 3 years the maximum period during which this Department may assist in furnishing any one individual with training in physical medicine and rehabilitation. These sections of the act, which authorize Federal support of training and traineeships for rehabilitation personnel, currently provide that the Secretary shall make no grant for "furnishing to an individual any one course of study extending for a period in excess of 2 years" (sec. 4 (a)), and that the Secretary shall provide no training or instruction (or fellowship or scholarship) to "any individual for any one course of study for a period in excess of 2 years" (sec. 7 (a)).

Certification in physical medicine and rehabilitation requires a minimum of 3 years of specialized training beyond the doctor of medicine degree. No other Federal law authorizing Federal support of training in a medical specialty contains a 2-year statutory limitation on traineeships. The effect of this limitation is to hamper accomplishment of one of the key objectives of the Vocational Rehabilitation Act.

On an average day there are in the United States about 4 million noninstitutionalized persons with long-term disability. One of the greatest single obstacles to the more rapid provision of rehabilitation services to disabled people is the acute shortage of physicians trained in rehabilitation. This shortage promises to remain as a serious stumbling block unless the number of doctors receiving such training is substantially increased. The number of physicians certified by the American Specialty Board of Physical Medicine and Rehabilitation totals about 300, with an annual increment in the past few years of about 25. It is for this reason that, since 1951, the Health Resources Advisory Committee of the Office of Defense Mobilization has regularly listed physical medicine and rehabilitation as one of the medical specialties in which there are acute shortages.

The training provisions of the Vocational Rehabilitation Act were included to help promote a rapid and substantial increase in the supply of trained rehabilitation personnel. The statutory 2-year limitation on traineeships for rehabilitation training in medicine is substantially hindering the achievement of that objective, since the physiatrist (specialist in physical medicine and rehabilitation) is a key member of the professional team providing rehabilitation services to disabled persons.

As a new specialty, physical medicine and rehabilitation must compete for physicians with older medical specialties such as internal medicine, orthopedics, and neurology. Young doctors frequently decide to enter another medical specialty where support is obtainable for the complete course when they learn that only 2 of the required 3 years of training in physical medicine and rehabilitation is available for vocational rehabilitation traineeships. Doctors deciding to specialize in physical medicine and rehabilitation are faced with the special problem of finding other ways and means of financing a third year which this Department, through its Office of Vocational Rehabilitation is, under existing provisions of law, unable to support. At the present time there are six young physicians in their second year of vocational rehabilitation traineeships who require 1 more year of training after their traineeships expire on June 30, 1957. In addition, there are 17 first-year residents who, in order to complete their eligibility requirements for Board certification, will need 2 further years of training, only 1 of which can be supported by funds appropriated under the Vocational Rehabilitation Act.

This amendment will not involve any increase in costs beyond those contemplated for the normal growth of the training program. However, the contribution which these crucially needed, trained specialists will make in advancing rehabilitation programs and services to communities throughout the Nation is incalculable.

We shall appreciate it if you will be good enough to refer the enclosed draft bill to the proper committee for consideration. I urge that early consideration be given to this proposed measure.

The Bureau of the Budget advises that it perceives no objection to the submission of the proposed legislation to the Congress for its consideration.

Sincerely yours,

M. B. FOLSOM,
Secretary.

CLARIFICATION OF APPLICATION OF NAVIGATION RULES FOR THE GREAT LAKES

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to clarify the application of navigation rules for the Great Lakes and their connecting and tributary waters, and for other purposes. I ask unanimous consent to have printed in the RECORD a letter from the Secretary of the Treasury requesting the proposed legislation.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 1976) to clarify the application of navigation rules for the Great Lakes and their connecting and tributary waters, and for other purposes, introduced by Mr. MAGNUSON (by request), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The letter presented by Mr. MAGNUSON is as follows:

TREASURY DEPARTMENT,
Washington, April 25, 1957.

THE PRESIDENT OF THE SENATE,
Washington, D. C.

SIR: There is transmitted herewith a draft of a proposed bill to clarify the application of navigation rules for the Great Lakes and their connecting and tributary waters, and for other purposes.

The main purpose of the proposed legislation is to change statutory language relating to the application of rules for preventing collisions on the Great Lakes and their connecting waters in order to make it clear that such rules apply to foreign vessels navigated within the territorial waters of the United States.

The present language of the statute concerning the applicability of the Great Lakes rules states that such rules shall be followed in the navigation "of all public and private vessels of the United States" (33 U. S. C. 241), while the statutory provisions concerning the inland rules and the western rivers rules provide for their applicability to all vessels (33 U. S. C. 154, 301). Because of the difference in language, the applicability of the Great Lakes rules to foreign vessels has been questioned, despite section 4401 of the revised statutes (46 U. S. C. 364) which provides in part that all "* * * vessels navigating the Great Lakes shall be subject to the navigation rules of the United States when navigating within the jurisdiction thereof * * *." Therefore, it is considered desirable to amend the statutory language concerning the Great Lakes rules to remove any doubt that foreign vessels navigating the Great Lakes are subject to the rules while within the territorial waters of the United States.

In addition to the above change, a change is proposed in the penalty provisions of the statute, as well as a repeal of two obsolete sections of the revised statutes. A memorandum enclosed herewith analyzes in more detail the proposed changes, together with the reasons therefor.

It would be appreciated if you would lay the proposed bill before the Senate. A similar proposed bill has been transmitted to the Speaker of the House of Representatives.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this proposed legislation to the Congress.

Very truly yours,

DAVID W. KENDALL,
Acting Secretary of the Treasury.

AMENDMENT OF CIVIL AERONAUTICS ACT OF 1938, RELATING TO INCLUSION OF CERTAIN LIMITATIONS IN CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to amend the Civil Aeronautics Act of 1938, as amended, to authorize the Civil Aeronautics Board to include in certificates of public convenience and necessity limitations on the type and extent of service authorized, and for other purposes. I ask unanimous consent to have printed in the RECORD a letter from the Chairman of the Civil Aeronautics Board requesting the proposed legislation.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 1977) to amend the Civil Aeronautics Act of 1938, as amended, to authorize the Civil Aeronautics Board to include in certificates of public convenience and necessity limitations on the type and extent of service authorized, and for other purposes, introduced by Mr. MAGNUSON (by request), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The letter presented by Mr. MAGNUSON is as follows:

CIVIL AERONAUTICS BOARD,
Washington, March 29, 1957.

Hon. RICHARD M. NIXON,
President of the Senate,
United States Senate,
Washington, D. C.

DEAR MR. PRESIDENT: The Civil Aeronautics Board recommends to the Congress for its consideration the enclosed draft of a proposed bill "To amend the Civil Aeronautics Act of 1938, as amended, to authorize the Civil Aeronautics Board to include in certificates of public convenience and necessity limitations on the type and extent of service authorized, and for other purposes."

The Board has been advised by the Bureau of the Budget that there is no objection to the presentation of the draft bill to the Congress for its consideration.

JAMES R. DUFFEE,
Chairman.

ISSUANCE OF BONDS TO FINANCE SCHOOL CONSTRUCTION PROGRAM IN THE DISTRICT OF COLUMBIA

Mr. MORSE. Mr. President, I introduce a bill to authorize the Commissioners of the District of Columbia to issue bonds to finance the school-construction program of the District of Columbia, and ask that it be appropriately referred. I ask unanimous consent that the bill be printed at this point in my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1982) to authorize the Commissioners of the District of Columbia to issue bonds to finance a school-construction program in the District of Columbia, introduced by Mr. MORSE, was received, read twice by its title, referred to the Committee on the District of Columbia, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia are authorized to expend, out of any proceeds received from the sale of bonds pursuant to the provisions of section 2 of this act, such sums as may be necessary—

(1) for the planning and completion of a school-construction program in the District of Columbia, including the planning, renovation, repair, modernization, construction, and equipping of an adequate and modern school system; and

(2) for expanding the school facilities of the District of Columbia in such manner as they deem to be in the public interest, including but not limited to, the provision of adequate teacher-training facilities, post-high-school educational facilities, special facilities for the handicapped, and professional, technical, and vocational educational facilities.

SEC. 2. (a) For the purposes referred to in the first section of this act, the Commissioners of the District of Columbia are authorized from time to time to issue bonds, in a total amount not to exceed $69,210,000, for sale to the public, in such amounts, at such times, and upon such conditions as to price, interest, amortization, time for calling and otherwise, as the Commissioners shall prescribe in the notice of issuance of such bonds. Any such notice shall provide for the receipt of sealed, secret bids. The Commissioners shall accept the lowest responsible bid therefor, except that they may reserve to themselves the right to reject any and all bids.

(b) Such bonds, and the interest thereon, shall constitute a charge against all revenues coming into the hands of the District of Columbia and against any funds deposited to the credit of the District of Columbia in any banking institution or with the Treasury of the United States. Such bonds shall be guaranteed, both as to principal and interest, by the United States.

(c) The interest paid on such bonds shall be free of all Federal and District of Columbia taxes of any kind.

(d) No bonds shall be issued pursuant to this act which provide for the payment of principal and interest thereon for more than 20 years after the date of issuance.

AMENDMENT OF SHIPOWNER'S LIMITED LIABILITY LAW

Mr. MORSE. Mr. President, on behalf of myself and my colleague [Mr. NEUBERGER], I introduce, for appropriate reference, a bill to amend the law relating to limitations of liability on vessels in order to provide that the owner's interest in certain insurance be included in such liability.

Under the present law, upon the happening of a sea disaster, widows, dependent children, and injured persons are faced with a limitation of the shipowner's liability which assures them little, if anything, by way of compensation for loss.

In the United States it was established by the act of March 3, 1851—Forty-six United States Code, Annotated, pages 181–189—that each voyage of a vessel is an isolated venture, and the shipowner need not risk his personal fortune beyond the value of the ship and income earned from freight.

Obviously, this offers little help to those affected by a sea disaster when the vessel goes to the bottom of the ocean, and the freight never reaches its destination.

In 1935, after the *Morro Castle* disaster, the act of March 3, 1851, was amended so as to establish a fund for payment of personal injury or death claims, if and when established in a court of law. The fund is calculated at the rate of $60 per ton of the vessel involved. It is clear that such a fund will be inadequate in the cases of most casualties or injuries.

Mr. President, shipowners can buy insurance on vessels and liability insurance connected with their operation just as you and I can buy insurance on our own automobiles. The bill I have just introduced is a step in the direction of assuring more adequate benefits in these cases, because, if enacted into law, it would bring into the fund for widows, dependent children, and injured persons affected by a sea disaster, the proceeds of insurance covering the shipowner's insurable interest in his vessel, and his liability insurance. In other words, instead of the shipowner pocketing the proceeds of his hull insurance and liability insurance, as he may do under the present law, my bill would provide that the proceeds of such insurance would go into the fund to afford the means of compensation to those who have suffered the direct consequences of loss of life or bodily injury in a sea disaster. Such liability, as well as damages for death or bodily injury, of course, would have to be established in the usual manner, including determinations in courts of law.

Mr. President, this legislative proposal impresses me as being most meritorious, and I urge that it be given serious and prompt attention by the Senate committee to which it is referred. In view of its desirable objectives, I am sure that many of my colleagues wish to associate themselves as cosponsors. Therefore, I ask unanimous consent that the bill may be printed in the RECORD, and be held at the desk until the close of business May

13 in order that other Senators may add their names as cosponsors.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD, and held at the desk, as requested by the Senator from Oregon.

The bill (S. 1983) to amend the law relating to the limitation of liability on vessels in order to provide that the owner's interest in certain insurance be included in such liability, introduced by Mr. MORSE (for himself and Mr. NEUBERGER), was received, read twice by its title, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That subsection (a) of section 4283 of the Revised Statutes (46 U. S. C. 183 (a)) is amended by inserting after "exceed the amount or value of the interest" a comma and "including all hull insurance and liability insurance."

SALE OF CERTAIN VESSELS TO CERTAIN CITIZENS OF FEDERAL REPUBLIC OF GERMANY

Mr. COTTON. Mr. President, on behalf of myself, the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Maine [Mr. PAYNE], I introduce, for appropriate reference, a joint resolution to authorize the Secretary of Commerce to sell certain vessels to certain citizens of the Federal Republic of Germany. I ask unanimous consent that the joint resolution be held at the desk through Monday, May 6, to permit other Senators who may be interested to join as sponsors.

The VICE PRESIDENT. The joint resolution will be received and appropriately referred; and without objection, the joint resolution will lie on the desk, as requested by the Senator from New Hampshire.

The joint resolution (S. J. Res. 84) to authorize the Secretary of Commerce to sell certain vessels to certain citizens of the Federal Republic of Germany, introduced by Mr. COTTON (for himself, Mr. SALTONSTALL, and Mr. PAYNE), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

DESIGNATION OF VETERANS' ADMINISTRATION HOSPITAL, NASHVILLE, TENN., AS THE J. PERCY PRIEST VETERANS' MEMORIAL HOSPITAL—ADDITIONAL COSPONSOR OF JOINT RESOLUTION

Mr. GORE. Mr. President, the next time it is printed, I ask unanimous consent that the name of my colleague, the senior Senator from Tennessee [Mr. KEFAUVER] be added as a cosponsor of the joint resolution (S. J. Res. 82) to provide for the designation of the proposed United States Veterans' Administration Hospital at Nashville, Tenn., as the J. Percy Priest Veterans' Memorial Hospital, introduced by me on April 16, 1957.

The VICE PRESIDENT. Without objection, it is so ordered.

PRINTING OF REVIEW OF REPORT ON BRAZOS RIVER, TEX. (S. DOC. NO. 34)

Mr. CHAVEZ. Mr. President, I present a letter from the Secretary of the Army, transmitting an interim report dated January 11, 1957, from the Chief of Engineers, Department of the Army, together with accompanying papers, and illustrations, on a review of report on the Brazos River, Tex., requested by a resolution of the Committee on Public Works of August 12, 1954. I ask unanimous consent that the report be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

The VICE PRESIDENT. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. WILEY:

Address delivered by him at Labor and Industry Day dinner, Foremen's Club, Philadelphia, Pa., May 1, 1957.

By Mr. O'MAHONEY:

Statement by Representative EMANUEL CELLER on May 2, 1957, before the Senate Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary in favor of S. 1356.

NOTICE OF CONSIDERATION OF A NOMINATION BY THE COMMITTEE ON FOREIGN RELATIONS

Mr. GREEN. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today the nomination of Wilson C. Flake, of North Carolina, a Foreign Service officer of class 1, to be Ambassador of the United States to Ghana.

Notice is given that this nomination will be eligible for consideration by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. McCLELLAN. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Harold K. Wood, of Pennsylvania, to be United States attorney for the eastern district of Pennsylvania for the term of 4 years, vice W. Wilson White, resigned.

A. Pratt Kesler, of Utah, to be United States attorney for the district of Utah for a term of 4 years. He is now serving in this office under an appointment which expires May 8, 1957.

Bernard A. Boos, of South Dakota, to be United States marshal for the district of South Dakota for a term of 4 years. He is now serving in this office under an appointment which expires April 16, 1957.

Clement W. Crahan, of Iowa, to be United States marshal for the northern district of Iowa for a term of 4 years. He is now serving in this office under an appointment which expires May 21, 1957.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Thursday, May 9, 1957, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

POLISH CONSTITUTION DAY

Mr. IVES. Mr. President, tomorrow will mark the 166th anniversary of Polish Constitution Day. I have prepared a statement in this connection, which I ask unanimous consent to have printed in the body of the RECORD, following these remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR IVES

Tomorrow, May 3, is a significant date in Polish history. It was on May 3, 1791, that Poland enacted one of the first democratic, progressive constitutions in Europe. May 3 became Poland's national day.

This year May 3 is of special significance. This year, for the first time since Communism clamped its iron fist on Poland, the Poles are able to celebrate their own national day.

Heretofore, the people of Poland have been compelled by their Communist masters to confine their celebrating to July 10, the anniversary of Poland's subjugation by the Soviet Union. May 3 has still not been officially restored as Poland's national day. But the Warsaw government has been compelled, by the heroism of the Polish people, to allow them to commemorate the occasion privately.

This evidence of a liberalization on the part of the Communist regime in Poland is a direct result of the uprising in the streets of Poznan last June. Polish workers, rioting in the city, raising their hands against the Communist tyranny, demonstrated once and for all the fallacy of the theory that communism is the rule of peasants and workers.

They cried in the streets of Poznan for bread, for freedom, for withdrawal of the Red army. They showed the world how communism has brought Poland to a state of economic ruin. And as a result, in October, Poland underwent a bloodless revolution against its Soviet overlords.

The present Gomulka government is still Communist. It must tread carefully, for there are five Red army divisions in Poland, 23 in East Germany, 20 in Hungary, and 8 in Rumania and Czechoslovakia, to say nothing of the bulk of Soviet troops on the eastern border of Poland. But the striving of the Polish people for greater freedom, for absolute independence from the Soviet Government and a return to the west, and for recovery from the disastrous economics forced on them by Soviet exploitation, will not be denied.

Soviet policy has demonstrated that it will not tolerate too much liberalism in Poland nor the return of democracy to that country, if the Soviet Union can prevent it. But the heroic workers of Poznan have also demonstrated that even the world's largest army

cannot forever subjugate a people determined to breathe the air of freedom. Their courage has already borne fruit, as demonstrated by the fact that May 3 will be observed tomorrow, once more, in Poland, and by many other evidences of a Polish evolution in the direction of freedom.

I feel, Mr. President, that all Americans may well join tomorrow in an expression of friendship and sympathy for the people of Poland, of admiration for their courage, of confidence that the inevitable collapse of the Soviet satellite empire will find the people of Poland in the vanguard of the forces of freedom. And I feel also that it is incumbent upon us to do anything we can, consistent with the interests of the United States, to help our friends in Poland in speeding the day when, once again, they shall enjoy the democratic privileges symbolized in their history by the date of May the third.

Mr. FLANDERS. Mr. President, being mindful of the 3-minute rule, I ask unanimous consent that I may speak for not more than 5 minutes by the clock on the subject of the anniversary of Poland's constitution.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. FLANDERS. Mr. President, I wish to call attention to the fact that tomorrow will be the anniversary of the adoption of the Constitution of Poland in 1791, only 4 years after the adoption of our own. The Communists have not allowed the celebration of this national holiday. However, one of the concessions gained by the Polish people out of the events of last October permits private observance, but not national recognition. To take note of this date is particularly appropriate this year, as it has been an unusually eventful one for Poland and for the Soviet bloc in general. The Poznan uprising and the bloodless revolution in October have lasting significance, in that they have shattered the Soviet propaganda and theory. This fact is dramatically shown when Poland, formerly a granery of Europe, and in the face of Soviet promises for a better life for all, must beg enough food to feed her people.

Poland tried the Soviet way, and rebelled. Now there are indications that Poland would like to reject Soviet control and wishes to return to the family of Western nations. The withdrawal of Soviet troops was high among the demands of the people in October. Russia's desire for world domination holds no appeal for Poland. The people are now aware of Communist policy and what it can do to them. In the face of difficult circumstances and a vigorous rebellion, the Soviets reluctantly found it expedient, last October, to grant certain concessions. These concessions are not generally known. For instance, it is not generally known that 80 percent of the former collective farms have been returned to the peasants. A limited number of small shops have been permitted. Although the jamming stations in surrounding countries have increased their power, few people know that jamming within Poland has stopped, and the people are listening to the broadcasts of the Voice of America, the British Broadcasting Co., and Radio Free Europe. The Polish press itself has been remarkably bold in its criticism of Communist institutions. It would be difficult, indeed, for the Soviets to revoke these concessions as long as Poland averts economic collapse. Rather, it is likely that with a strengthened economy and an assurance of Western support Poland could continue to withdraw from Russian domination and again become a member of the Western family.

The Government of Poland has requested economic aid from the United States. Poland needs food, raw materials, and commodities to keep her industries going, and to prevent serious unemployment and hunger problems. Such conditions could, and very likely would, produce fertile soil for further Soviet intervention. It is notable that the request came to us rather than to the Kremlin.

Certainly there is risk involved. The Gomulka government is by no means free of Soviet influence. Here it is well to remember that Poland is surrounded on all sides by Soviet domination. Poland has already tried the patience of the Kremlin, and the presence of approximately 50 Russian military divisions in bordering satellites, as well as the U. S. S. R. itself on the east, demands restraint. Further, the Government faces a potentially disrupted economy drained of its resources by mismanagement and exploitation.

The time is here when aid to Poland could possibly break, and certainly weaken, the rule of the Kremlin in that country. In addition, if it is clear to other satellite nations that we welcome all nations who desire peace and freedom, it could change their course of action in the event conditions became ripe for modifications in their countries. It is an opportunity full of problems, but which, wisely faced, may advance the cause of freedom. We may not have such an opportunity again.

Mr. BUSH. Mr. President, commemoration of Polish Constitution Day tomorrow takes on added significance because of events of the past year which have demonstrated that the spirit of freedom still lives in that unhappy country and other nations behind the Iron Curtain.

The uprisings in Poznan, the Polish October events, and the heroic Hungarian revolution, weakened the grip of Communist Russia on those nations, and strengthened the forces working for peaceful liberation of the captive peoples.

Mr. President, I count many among the people of Polish descent in my State of Connecticut as close personal friends. They are a warmhearted, generous people, who keep alive the traditions of the land of their ancestors while yielding to none in their devotion to the American way of life. I know I speak for all the people of Connecticut in expressing the hope that the people of Poland will one day live in freedom.

Poland has requested economic aid from the United States. Representatives of the Polish Government have had conversations with our State Department, and we may expect recommendations to be made to the Congress in the near future. The decision as to whether to extend aid to Poland must rest upon facts not yet before us. While reserving final judgment, Mr. President, until those facts are in our possession, I am sympathetically inclined to the view that it would be worth some risk to give Poland a reasonable amount of aid, in the hope that such evidence of America's desire to help the Polish people, not their rulers, would strengthen the forces working for freedom.

Mr. President, I ask unanimous consent that a statement of facts pertaining to the present situation in Poland be printed in the RECORD following these remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FACTS PERTAINING TO THE PRESENT SITUATION IN POLAND

Developments in Poland are of the utmost importance to the West. With the process of de-Stalinization which followed the 20th Congress of Communist Party and when all western policies of liberation failed to materialize, Poles entirely unaided from the outside world showed the greatest possible determination to obtain maximum freedom and to restore their traditional links with the West. Last year's events in Poland and Hungary have shown the fallacy of the so-called Soviet bloc monolith.

The United States is interested in helping the Polish people who aim to attain freedom and democracy. It must be remembered that it was not Gomulka who made the Polish revolution but that under popular pressure so clearly revealed during the Poznan rising and the October events, the Communist Party in Poland was forced to make concessions and that the initiative came from the masses of the patriotic Poles.

The fact that the Communist government remains in power results from the country's geographical and political position. Poland is encircled by Soviet divisions—23 in East Germany, 20 in Hungary, approximately 8 in Rumania and Czechoslovakia, to say nothing of the bulk of Soviet troops on the eastern border of Poland. Under these conditions it is only too natural that Poland has to follow a very careful and restrained policy in order not to jeopardize the gains so far attained.

It must be noted that the Polish events and the Hungarian uprising showed that from the military point of view the Warsaw Pact has lost a great part of its importance. During the Poznan riots the Polish Army at that time under Rokossowski's command maintained a passive attitude. In the case of Hungary nearly the entire army went over to the side of the national revolutionaries. Therefore in case of conflict the Soviet Union could not trust the so-called satellite armies.

The Polish people are very much opposed to the presence of 5 Soviet divisions on Polish soil under the terms of the Warsaw Pact. The present Polish leadership is trying hard to explain that the presence of the Soviet troops in Poland is necessary owing to the lack of security with regard to the Polish western frontiers. One of the elements of Soviet pressure on Poland is the fact that Poland's western frontiers on the Oder-Neisse line are still unrecognized by western powers.

The recent compromise arrived at between Gomulka and the so-called Stalinist group of the party stems from the fact that Gomulka does not represent the absolute majority in the party. In order to obtain the upper hand in the party's leadership it is obvious that Gomulka is maneuvering toward some sort of compromise. There may also have been an ultimatum from the Soviet Union dictating such policy as one of the conditions under which Poland is allowed more independence than the other subjugated nations.

There are also certain moves which may be interpreted as strengthening the Communist rule. The Communist Party would certainly like to limit freedom of expression as far as the Polish press is concerned, as it considers that the press is going too far in its criticism of Communist institutions. Jamming of foreign broadcast has ceased and people are now listening to the Voice of America, Radio Free Europe and the B. B. C. Soviet jamming stations in Czechoslovakia and Eastern Germany have increased their interference however.

The Communist Party has also limited the hopes of the Council of Workers that it would have a larger voice in the management of factories and mines. All this goes to show that the situation in Poland is far from being or becoming stabilized. On the one hand is a stubborn patriotic and really heroic nation trying to rid itself of Communist rule, and on the other, is a divided Communist Party. One branch, the Stalinist camp, would like to return to the previous methods of governing by police and strict controls. The second camp is the group of Communist liberals which would like to introduce national communism. Between these two tendencies stands Gomulka maneuvering the situation with great difficulty from any extremities which in most cases would boil down to Soviet military intervention.

On the economic front Poland urgently needs about 500 million foreign credits and is trying to expand her foreign trade. Negotiations in Washington show that Poland needs most of all foodstuff, raw materials, and commodities with which to feed her industry. Hunger and unemployment could have disastrous consequences which in turn would bring Soviet intervention.

In the national, economic field there have been sweeping changes. Collectivization of agriculture has ceased: 80 percent of the collective farms have been dissolved and the peasants have taken back land, machines, and livestock. Craftsmen have been allowed to ply their trade again and small shops are now permissible. During the past 2 months 20,000 small shops were reopened. It would be very difficult for any Communist government in Poland to revoke these decisions and trends.

The new leadership of Poland has come to certain terms with the Catholic Church. On October 24, 1956, Cardinal Wyszynski was released after 3 years of imprisonment without court sentence. Cardinal Wyszynski in his sermons appeal to the Polish nation for patience and endurance.

The Polish nation as a whole manifested its complete sympathy with the Hungarian uprising. In every Polish town and village a committee for help to Hungary was created. Poland although herself in dire economic straits tried extensively to help the Hungarian people.

The Polish nation looks toward America for political, moral, and economic support. They realize that in this era of atomic warfare their final liberation will not come through war. They hope, however, that by maintaining constant pressure on the forces of slavery represented by the Soviet Union, the West will bring nearer the day of their liberation by peaceful means. One of these means is strengthening Poland by economic aid. American help has a tremendous psychological impact not only on Poland, but on other subjugated nations such as Czechoslovakia.

The 3d of May provides an opportunity to pay homage to the Polish people who, moved by their love of freedom, are wisely and cautiously trying to gain complete freedom and democracy and restore Poland's ties with the West. It cannot be repeated strongly enough that it was not Gomulka who brought about the changes in Poland and the bloodless revolution, but that the actual achievements were due to the popular pressure. At the time of the Poznan break, freedom, and Russians-go-home riots, Gomulka was still politically negligible.

The whole Polish situation calls for a constructive, imaginative policy for central and eastern Europe, which until now, has not been formulated.

Mr. GREEN. Mr. President, tomorrow will mark the anniversary of the enactment in 1791 of the first democratic and progressive constitution of Poland. It is symbolic of Poland's courage and unquenchable thirst for freedom that, for the first time since the Communist subjugation of Poland, private celebrations of this historic event will be allowed in Poland. Let us hope that the fight for freedom will continue to advance so that next year this anniversary may be publicly commemorated in Poland.

Events since last May 3 in Poland have been truly historic. The Polish people, through their daring struggle against their Communist masters, have won important concessions and a measure of freedom.

I know that in the years to come they will succeed in enlarging these concessions and freedom, so that the day will be hastened when an independent and democratic Poland will be restored to the community of nations.

It is my purpose, in rising today, to pay my respects to the valiant Polish patriots, and to join them in commemorating this important day in their national life.

Mr. THYE. Mr. President, 166 years ago tomorrow, on May 3, 1791, the people of Poland enacted one of the first democratic constitutions in Europe. Thus tomorrow people of Polish descent all over the world will be commemorating Poland's National Day.

It is interesting to note that this date so nearly coincides with the ratification of our own Constitution. As we think of what has transpired in this past century and a half, we in this country must indeed be grateful for the many blessings which have befallen us, in direct contrast to the multitude of misfortunes which have overtaken the Polish people.

Today, we feel a strong common bond with the Polish people when we realize that they are still fighting for the same freedoms we have enjoyed and cherished since the founding of our country.

The Polish uprisings last June showed the world that these proud people will not bow to Soviet tyranny, and that they will not be content to exist as a mere satellite in the Soviet orbit.

Since October, Poland has been, in fact, an independent nation.

We have every reason to believe that the people of this great little nation will hold fast to what they have achieved and will continue to strive for a more democratic government until they once again stand as a part of the free world.

Let us on this Polish National Day, assure the brave people of Poland, that they are not forgotten.

Mr. SALTONSTALL. Mr. President, on Friday of this week, May 3, the people of Poland will observe Poland's National Day, the anniversary of the adoption of the Polish Constitution on May 3, 1791. This was one of the first European constitutions providing a democratic type of government.

In the years which have followed since 1791 the people of Poland have suffered on many occasions from conquering armies. The latest conqueror is Soviet Russia.

Events in Poland during the past year have been momentous and indicative of the great changes which have been sweeping through many of the countries behind the Iron Curtain. The Poznan uprising in June of last year was a very significant indication of the desperate and bitter hatred of communism held by workers and peasants in Poland. I feel sure that the same feeling exists in other subjugated countries.

The Poznan uprising was a great shock to the Russian rulers. It led directly to the great events in Poland of last October when, through what really amounted in many respects to a bloodless revolution, the Soviet Government was forced to make a number of important concessions to the Polish Government and to the Polish people. While Poland does not enjoy the liberty her people so greatly desire her situation has been greatly improved.

One of the concessions made to Poland has been the granting of permission for a celebration on May 3 honoring the anniversary of the constitution. The Russians for many years have prohibited this observance, and forced the Polish people to celebrate on July 10 of each year the subjugation of Poland by the Soviet Union.

I am proud to speak of this observance in the Senate today, and to express the hope that the democratic principles set forth in the original Polish Constitution in 1791, and maintained through the years by the courage and determination of the Polish people, will once more become the basic laws of Poland.

Mr. SMITH of New Jersey. Mr. President, tomorrow marks the 166th anniversary of Polish Constitution Day. On this day in 1791, the Polish nation, in the midst of autocratic Europe, adopted a constitution eloquent with the love of liberty. The bitter struggle of this brave people to preserve the principles of that occasion has continued through the years.

This year, 1957, Poland can proudly observe its progress in this unending struggle against tyranny. The irresistible spirit of the Polish people flashed forth in the Poznan riots last June. Finally, in October, they shed reactionary Russian controls and raised up the Gomulka government. It is a leadership of Communists, to be sure, but of nationalists also who, as Poles, have reestablished the Church at the very heart of the nation to express the real yearnings of the people.

Today, Poland's existence is precarious. In the shadow of its totalitarian neighbor, it is beginning to assert the right to determine its own destiny. We are watching this magnificent effort with warm sympathy and hope, and we join with Polish people everywhere in saluting the gains which have been obtained during this historic year.

It is our fervent hope and prayer that the weakened chains may soon be burst as under the impact of the striving for liberty, and that we shall once again

proudly welcome this courageous nation into the ranks of the free.

Mr. FREAR. Mr. President, May 3, 1791, is a date remembered by Polish people everywhere because of the adoption of one of the first European democratic and progressive constitutions.

Many changes have been wrought in that country, but the anniversary of the enactment of that constitution still is close to the hearts of Polish people throughout the world.

As May 3 will mark the anniversary of Poland's national day, I ask unanimous consent that a statement I have prepared, entitled "A Tribute to the People of Poland," be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

A TRIBUTE TO THE PEOPLE OF POLAND

This year, for the first time in many years, the Polish people will be able to celebrate their national independence day, May 3. True, no public displays will be tolerated by the Government. But at least within the privacy of their homes historic events, memorable for what they have meant in terms of human freedoms, will be recalled with pride and hope.

Indeed, the happenings of the past year give some cause for hope, a hope which has its roots in the magnificent bravery, at the same time cool and reckless, of the Polish people.

Consider the circumstances in which they find themselves. They are surrounded by Soviet troops on all sides. Some twenty-odd divisions of these troops lie to their west in East Germany. A like number is in Hungary. Other divisions are in Czechoslovakia and Rumania. The armed might of the Soviet Union is entrenched within Poland itself. In addition, the subversive tentacles of Soviet-directed communism are twisted in a stranglehold around many areas of their national life.

Yet in spite of the dangers without and within the Polish people have dared to raise their voices against their Communist masters in Poland and the Soviet Union.

The result has been, not complete freedom, but what could perhaps be described as a kind of creeping freedom.

Freedom of the press is not permitted. But at least some measure of freedom of person and of speech is allowed.

Freedom of religion is not untrammeled. But at least, within the bounds of communism and dictatorship, religion is allowed to perform some part of its humble ministry.

A government of, by, and for the people is far from a reality in Poland. But at least some of the iron strictures of Stalinism have been removed and a limited choice among Communists is tolerated.

What has been accomplished in the past year in Poland in terms of the fight for human liberty has been the work of the Polish people. No assistance came, or perhaps could have come, from the outside. The Polish people have done it themselves.

For this they deserve the admiration and tribute of the free world.

Mr. JAVITS. Mr. President, on behalf of the Senator from Maryland [Mr. BEALL] I ask unanimous consent to have printed in the RECORD a statement he has prepared.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BEALL

On May 3, 1791, one of the first democratic constitutions of Europe was enacted by the freedom-loving men and women of Poland. Now it is 1957 and we are on the eve of the anniversary of that momentous occasion. Our emotions, however, are not completely joyful. We think with satisfaction of the democratic spirit of Poland, but we are horrified by the attempts which have been made to bind it with the chains of slavery. We remember the many Polish heroes who have devoted their lives to the cause of liberty, and the memory of their deeds accents the revulsion we feel when we consider the treatment suffered by their heirs at Poznan.

Yes, there is happiness in our hearts when we commemorate the great, democratic undertaking which was started in May 1791, but there is sorrow when we consider the trials which it has been forced to endure. Of the two sentiments, our joy is much the greater, however, for despite the blandishments and brutalities of would-be conquerors, Poland has preserved the spark of freedom.

When the tyrant's heel was pressed into the free soil of Poland, it failed to snuff out the love of freedom which is a vital part of the nature of that great nation. Oppressive force was unsuccessful in keeping the true patriots of Poland from publicizing their cause to the entire world.

With these thoughts in mind, we should join in commemorating the day on which the children and friends of free Poland in all parts of the world will be praying for complete deliverance of this troubled land.

Mr. WILEY. Mr. President, as you know, tomorrow is the 166th anniversary of the adoption of the Polish Constitution—one of the early democratic constitutions of Europe.

As we respectfully pay tribute to this important event in Polish history, it is, indeed, fitting that we reevaluate the changing situation in Poland today.

As we know, the courageous Polish people still strive for freedom. Although a tough Communist regime still controls the political and military machinery, it has not quelled the strong, nationalistic and freedom-loving spirit which is traditional in the people of that country. Yes, although atheists are still in the saddle, Poland's enduring devotion to God has been strengthened, not weakened.

By the uprisings at Poznan in June 1956, and the pursuant events, the Poles have strongly expressed their revulsion against Communist rule. The bloodless revolution of October, though obviously far from completely successful, gained a welcome degree of liberalization in which the people could breathe more freely.

Basically, the political climate has been improved somewhat, with the people gaining a few more liberties, some more freedom of expression, and opportunities for individual enterprise.

We are hopeful, of course, that this lays the groundwork for still wider advances toward freedom. We hope, as well, that it sets an example of an overall trend toward independence, which may well be followed by other countries under Kremlin domination.

SOVIET FAILURE OF THREE FRONTS

Thus, by their stouthearted actions, the Poles have once again made important contributions to the free world's cause.

In addition, they have contributed to Soviet failure on three fronts:

On the political front, the Poles—together with the Hungarians—have broken down the illusion of a monolithic bloc of Communists states.

On the economic front, they have tried, found wanting—and negated the Communist economic theory. For example, collective farms—having miserably failed at meeting production standards—are being dissolved and the peasants are taking back land, machines, and livestock. Too, craftsmen are being allowed to ply their trades again and small shops are reportedly permissible.

On the strategic front, the passive attitude of the Polish military toward the Poznan rioters indicated that Russian Communists cannot rely on Polish—and no doubt other dominated nations'—troops, as a Soviet-aligned fighting force.

AID TO POLAND IS IN INTEREST OF PEACE

Now, we must ask ourselves: How can we effectively and wisely take advantage of the turn of events—to further help the Polish people and the cause of the free world?

In every reasonable way possible, of course, we must encourage their effort toward greater independence and freedom.

Naturally, caution is advisable—since we do not want to expose Poland to a tragic slaughter, such as occurred in Hungary.

Consequently—as stated by President Eisenhower and Secretary Dulles—we must not attempt to encourage open revolt.

Instead, subtle pressures inside the Polish boundaries—and outside where possible—must be applied to widen the cleavage between Poland and the Kremlin, and to encourage the will to freedom, so traditionally inherent in the Polish people.

As we recognize, we must deal through Gomulka—a hard-core Communist, and leader of the Communist Party membership of 1,500,000.

Regrettably, this minority still maintains tight rein over Poland's 28 million people.

WE MUST TREAD CAREFULLY

Thus, in attempting to aid Poland, we must tread carefully.

As we recognize, the Poles are striving to maintain a balance between three points:

First. The Polish nation hungers for greater freedom and liberalization, and for absolute independence from the Soviet Government;

Second. The country's economy, in disastrous shape after so many years of Soviet exploitation and Communist mismanagement, desperately needs help to restore stability; and

Third. Soviet policy has demonstrated on many occasions that it will not tolerate too much liberalism.

In the face of these conditions, progress may be somewhat slower than we might wish.

However, we must be wise, enterprising—and, as necessary, bold—in taking full advantage of this Achilles heel in the Soviet-designed buffer zone around the Kremlin.

We know, of course, there is a great deal of controversy over the use of economic aid to Poland.

Naturally, we want to be careful to assure that our efforts in no way strengthen the Communist war machine.

SENATE'S WISE ACTION TO FEED THE HUNGRY

However, if economic aid can be utilized for strategic advantage—in strengthening Poland's efforts toward greater independence, and weakening the Soviet influence in Poland—then, that policy appears to be sufficiently justified.

That is why I am so pleased that the majority of the Senate wisely acted to authorize the constructive use of surplus United States foodstuffs for Polish aid.

Meanwhile, we must continue to assure the Poles, privately through Radio Free Europe, governmentally through the Voice of America, and every other possible public and private channel, of our desire—and intention—to continue to assist their struggle for independence.

CONCLUSION

As we commemorate the anniversary of the Polish Constitution, we pay sincerest respect to a historic advance in democratic government.

As we know, there are over 7 million Americans of Polish descent in this country.

To them, and to those in their homeland who aspire to a return to Poland to its proud democratic tradition—we pledge our relentless efforts to encourage independence, and promote peace and security in a free world.

INTERNATIONAL FISHERIES

Mr. GREEN. Mr. President, I wish to announce at this time that a subcommittee has been set up within the Foreign Relations Committee to deal with a number of agreements pending before the Senate relating to the control and conservation of international fisheries. These agreements consist of an interim convention for the conservation of the North Pacific fur seals; a protocol to the international convention for the regulation of whaling; and to a protocol with Canada with respect to the sockeye salmon fisheries in the Fraser River system.

The subcommittee, which will be under the chairmanship of the Senator from Oregon [Mr. MORSE], has not yet fixed a date for hearings on these agreements; but it is contemplated that such hearings will be held in the near future. Other members of the subcommittee are the Senator from Louisiana [Mr. LONG] and the Senator from Vermont [Mr. AIKEN].

THE KENTUCKY DERBY

Mr. MORTON. Mr. President, I know the sun will shine in Old Kentucky for the running of the Kentucky Derby this coming Saturday. Ten thousand voices will be raised, and scores of thousands will cheer the champion of champions in the sport of kings.

I invite the attention of my colleagues to the fact that our distinguished colleague from Oklahoma [Mr. KERR] has a connection in the race. His brother happens to own a horse which was foaled in Old Kentucky, called Round Table. I am not giving out any tips, but since one of our colleagues is so closely connected with a horse foaled in Old Kentucky, and now owned in Oklahoma, I wanted to bring that to the attention of my colleagues.

THE AMERICAN WEST

Mr. GOLDWATER. Mr. President, on April 29 the distinguished Senator from Montana [Mr. MANSFIELD] placed in the RECORD an article that is to appear in the June issue of Harper's Magazine, entitled "The American West: Perpetual Mirage." The article was written by the noted historian, Walter Prescott Webb.

I do not care to dwell more than a moment or two on this subject, but I do feel those of us who live in the Far West, and particularly those of us who have lived all our lives on what this man calls the American desert, should rise in defense against some of the remarks used by Dr. Webb in his article. Those who live in the desert like it. I am not in agreement with the assertion of Dr. Webb when he says that the area does not produce men or products. The fact is that we in the West are young. We have not had the time that men in the East have had. But we are proud of what we have done.

When Dr. Webb states that men are not produced in the West, I call attention to the fact that one college in Texas furnished more officers in World War II than did the Military or Naval Academies. Arizona gave Teddy Roosevelt the Rough Riders. The California 40th Infantry of the National Guard was the one that did the groundwork in Korea.

He states that the white men drove the Indians west. The Indians were there far before the white men were, in the East they are still there, and we are proud of them.

Let me only talk of my own State in answer to the doctor's charges.

With respect to population, Arizona leads the Nation in the percentage gain, having had a gain of 65 percent from 1945 to 1955. Out of the first 10 States, showing the greatest population growth, the first three are so-called desert States.

Arizona is second in the rate of income growth, showing a gain, over that same period, of 142.8 percent in the rate of income growth. Again, 4 of the top 10 States are the so-called desert States.

Arizona leads the Nation in the rate of farm income growth, with an increase of 143 percent. Here again we find Arizona, Texas, and New Mexico in the top 10 States.

Arizona is first in growth of manufacturing employment, with an increase of 192 percent. Here again we find that 5 of the top 10 States are in the desert area Dr. Webb speaks so little of.

Arizona leads the Nation in nonferrous minerals production, with an increase of 266.4 percent. Again, Arizona, Montana, Utah, and Idaho are listed among the first 10.

Arizona leads the Nation in bank capital growth, with an increase of 291.7 percent. Again, 4 of the top 10 States are in this desert area of which the doctor speaks so belittlingly.

Arizona leads the Nation in the rate of bank deposit growth, with an increase of 104.7 percent. Again we find that the first 3 of the top 10 States are in the desert area.

Arizona has the second best gain in life insurance in force, with a gain of 342 percent. Again, 5 out of the top 10 States are in the desert area.

Mr. President, I should like to have the Senators from these other so-called desert States stand up and analyze for Dr. Webb and Harper's magazine what we in the West have been able to do by having the courage to fight the problems presented by the heat and barrenness of the desert. We are proud of our region in the West. We are proud to live in the desert. We are proud we have been able to make the desert produce.

In spite of what Dr. Webb thinks, we shall continue to live there.

To close, Dr. Webb states as a fact that our area is devoid of forests. Two-thirds of my State of Arizona is covered by the largest ponderosa pine forest in the world.

I do not know where the distinguished doctor obtained his information, but I will try to help set him right. It seems to me a student of his stature should have looked into the matter a little more.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GOLDWATER. I am happy to yield.

Mr. PASTORE. As a Senator from an eastern State, I should like to make the observation that the Senators from the West do pretty well in the Senate of the United States.

Mr. GOLDWATER. I thank the Senator.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. CARLSON. I wish to say that I appreciate very much the comments made by the distinguished Senator from Arizona. I have read the article by Dr. Webb, in which he states that this area of our country out in the West does not produce any great men. I should like to ask him this: What State furnished the military leader for the Spanish-American War? He was Gen. Frederick Funston, of Kansas. What State furnished the leader for World War I? He was Gen. John J. Pershing, of Missouri. What State furnished the leader for World War II? He was Dwight D. Eisenhower, now the President of the United States.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. GOLDWATER. I am happy to yield.

Mr. ALLOTT. I have not yet had the doubtful pleasure of reading the article written by the man to whom the Senator refers as a student. I would hesitate to classify him as a true student if the conclusions he has drawn are in line with the thoughts the Senator has just expressed, and the thoughts expressed by other Senators I have heard mention him.

First of all, I do not concede that my own State is a desert State.

Mr. GOLDWATER. The doctor does consider your State a desert State.

Mr. ALLOTT. I realize that he does, which shows that he ought to travel across the United States at least sometime during his life.

I hope that in the near future I may also, on the floor of the Senate, further enlighten him as to some of the great accomplishments of the State of Colorado, and also of the other States in the West, which have contributed so much to the safety and security of this country throughout its entire growth.

Mr. GOLDWATER. I thank the Senator.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GOLDWATER. I am happy to yield.

Mr. PASTORE. I should like to add to the list of "Who's Who," furnished by my distinguished colleague the Senator from Kansas [Mr. CARLSON]. Which State produced the present Vice President of the United States? The State of California.

Mr. CARLSON. I thank the Senator.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. GOLDWATER. I am happy to yield.

Mr. YOUNG. I have not yet had an opportunity to read Dr. Webb's article, but I understand he made some derogatory remarks about the State of North Dakota.

Mr. GOLDWATER. The author does not think highly of all 17 States of the West.

Mr. YOUNG. May I say that North Dakota is proud of the great record it has established. It is a land of unlimited opportunity, rich soil, vast national resources and a spirited people.

North Dakota leads the Nation in barley and flax production. We are No. 2 in wheat production and we rank high in the production of other agriculture products.

North Dakota has an enviable record in its service to the Nation. Not only did the State rank No. 1 in war bond purchases during World War II, but its crack 164th Infantry Regiment was one of the first units of the American Army to take the offensive against the Japanese in the Pacific. Its courageous troops fought gallantly, with heavy losses, on Guadalcanal.

We furnished some of the finest and most gallant soldiers in the entire United States during both world wars, the Spanish-American War and the Korean action.

North Dakota's history is an inspiring one, and it is today one of the great States of the Union.

Mr. GOLDWATER. The doctor went on to complain that we had never had wars fought in the West. We are very happy about that, but I do believe the Texans will admit they had a pretty good battle at San Antonio, and there was a Civil War battle in the State of Arizona.

We are peaceful people. We do not like to go around shooting each other. Therefore, we have not provided spectacular wars for this doctor to record.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. GOLDWATER. I am happy to yield.

Mr. CURTIS. I gather that the article in Harper's magazine, to which the distinguished Senator is referring, was in one of the early editions of Harper's, when they first began to publish the magazine. Is that a correct statement?

Mr. GOLDWATER. It could have been translated from pictographs from one of the walls of our canyons in Arizona, but I suspect that is not so, because it is dated June of this year.

Mr. CURTIS. It was published in this day of enlightenment, when Dr. Webb could have obtained accurate information if he had wished to.

Mr. GOLDWATER. In fact, this article was inserted in the RECORD before it was even published and made available to the public.

Mr. JAVITS. Mr. President, will the Senator yield to me?

Mr. GOLDWATER. I am happy to yield to the Senator from New York.

Mr. JAVITS. I might say to the Senator that New York State has 10 percent of the population of the United States and furnishes 20 percent of the taxes. I believe I speak for my colleague [Mr. IVES] when I say we welcome very much the 17 Western States, and think they are great.

Mr. GOLDWATER. With all the land grant colleges in New York—and we are glad to give you our land—we welcome that note of welcome.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. GOLDWATER. I am happy to yield.

Mr. SMITH of New Jersey. I am glad to be able to congratulate the distinguished Senator from Arizona for the talk he has presented today. As a former resident of Colorado, although today I represent the State of New Jersey, I have the honor of being an honorary third Senator from Colorado, part of the western area which is being discussed. I know Colorado very well, and know the distinguished Senators from the State of Arizona. Anything the distinguished Senator says about Arizona is welcome to my ears. It is real music to my ears, because what the West has done for this country cannot be overstated.

If anybody delivers a calumny against the West, I wish to be in line with those who say that misstatement must be corrected. I congratulate the Senator.

Mr. GOLDWATER. In closing, Mr. President, I wish to thank the Senator from New Jersey, and tell the Senator he is also one of our ex officio Senators from Arizona, because we welcome him out there every fall for his annual rest.

Mr. CAPEHART. And Indiana, also.

CERTAIN PROVISIONS IN CONNECTION WITH CONSTRUCTION OF GARRISON DIVERSION UNIT, MISSOURI RIVER BASIN PROJECT—CHANGE OF REFERENCE

Mr. YOUNG. Mr. President, on April 29 I introduced on behalf of myself and my colleague [Mr. LANGER] Senate bill 1932, which deals with a proposed irrigation project in my State. The bill was referred to the Committee on Public Works, because it was designed to amend a flood-control act. The bill properly belongs under the jurisdiction of the Committee on Interior and Insular Affairs.

I have discussed this with the Chairman of the Committee on Public Works, the distinguished Senator from New Mexico [Mr. CHAVEZ], and he has no objection to the bill being transferred to the jurisdiction of the Committee on Interior and Insular Affairs.

Mr. President, I ask unanimous consent that the Committee on Public Works be discharged from further consideration of the bill (S. 1932) to make certain provisions in connection with the construction of the Garrison diversion unit, Missouri River Basin project, by the Secretary of the Interior and that the bill be referred to the Committee on Interior and Insular Affairs.

The PRESIDING OFFICER. Is there objection? Without objection, the Committee on Public Works will be discharged from further consideration of the bill, and it will be referred to the Committee on Interior and Insular Affairs.

PRESIDENT EISENHOWER'S ADDRESS TO NATIONAL COUNCIL OF LEAGUE OF WOMEN VOTERS

Mr. SMITH of New Jersey. Mr. President, yesterday President Eisenhower greeted some 150 members of the National Council of the League of Women Voters in the Rose Garden of the White House. In speaking to these prominent women President Eisenhower made a clear and concise statement of the importance of our economic assistance and mutual-security programs to this country's national security.

Because of the widespread sentiment which is currently calling for budget reductions, and I am in sympathy with that, I believe that it is of utmost importance to call attention to the vital importance of our so-called foreign-aid programs in our foreign policy and our own defense. There are certain worldwide conditions which we cannot ignore or wish away, no matter how great our desire for cutting back expenditures. We must approach budget reductions fully aware of our responsibilities for the peace and orderly development of the world.

As the President has accurately and forcefully placed this matter in clear perspective, I ask unanimous consent that the text of his comments yesterday to the National Council of the League of Women Voters be printed at this point in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TEXT OF PRESIDENT EISENHOWER'S REMARKS TO THE NATIONAL COUNCIL OF THE LEAGUE OF WOMEN VOTERS, MAY 1, 1957, IN THE WHITE HOUSE ROSE GARDEN

Ladies of the National Council, when you ask for comments on foreign policy and the operation of foreign policy, you in effect ask for a sort of marathon performance that can

go on here for much longer than the time you have to spare, I am sure.

First of all, I would earnestly want to commend you for your interest in this problem. The foreign problem overshadows everything else that we have as an argument at home or what we would call one of our domestic problems. It either causes that problem or certainly colors it. Our defensive arrangements, in all of their different aspects, account for about 63 percent of our budget. So all of the economies that we would like to accomplish in our tax take and in our expenditures finally come back—if we are going to make them in very large amount—to affect this foreign policy problem that we have.

Now there are a few things that I think we should understand. A foreign policy is not difficult to state. We are for peace, first, last and always, for very simple reasons. We know that it is only in a peaceful atmosphere, a peace with justice, one in which we can be confident, that America can prosper as we have known prosperity in the past. It is the only way that our people can, in the long run, be freed of great burdens and devote their substance to the constructive purposes that we have—in schools and hospitals and helping the development of our people in every way.

FROM A POSITION OF STRENGTH

We seek that peace from a position of strength. As long as there is abroad in the world a predatory force, seeking to destroy our form of government, we are going to remain strong. It is only prudence, and as a matter of fact, it is the only way to be successful. Because when you are talking to people that respect only force, you must have the ability to use force. But we recognize those constructive arrangements as negative and sterile themselves. And again, we want to get rid of that burden.

Now, as we pursue peace, we have organized—there was organized some years ago—the United Nations. The United Nations is not always effective, of course, in any particular instance, because of circumstances. But it does represent, as we see it, the greatest hope that the world has for establishing finally a forum in which differing viewpoints will be brought and argued and where arrangements may be made that will be necessary, if we finally come to the point that all of us realize we must live peacefully.

It can help, therefore, in bringing about peace and much more so in maintaining peace with justice, after we have had some kind of workable arrangement that will allow us to reduce armaments.

When a specific problem comes up, for example, the Suez argument of last fall, no one would claim that the United Nations is necessarily the most effective instrument for deciding the particular dispute. But if any nation such as ours, powerful as it is, ignores the United Nations in trying to solve these disputes, what is going to happen to this greatest hope of all mankind for peace?

You must respect it. You must work through it so far as it is possible. But the charter itself of the United Nations does not preclude the attempt to establish, prevent or restore peace through individual methods.

U. N. CHARTER CITED

As a matter of fact, the Charter says in case of dispute the first efforts should be made between the contending countries themselves. You can do it also by regional and other organized efforts that do not involve the United Nations—but if the United Nations is ignored, I think we do it at our future peril.

Another point that I think is important for all of us to remember: The strongest force abroad in the world today, particularly among those people that we call the more underdeveloped peoples, is the spirit of nationalism. This spirit is stronger than communism in these areas, and fortunately it is stronger than the spirit of any communism in all of them—in some of them, I mean. What I mean by that is this: This desire to be free, to say I am a citizen of this country or that country, to say we are independent—this is a spirit that has been growing with tremendous leaps and bounds ever since the famous pronouncement of President Wilson of the right of self-determination of small peoples. Today it is a terrific force in the world.

Now this means this: They are going to remain independent, or they believe they are going to remain independent, by whatever means they have to use.

ECONOMIC BASE NEEDED

One of the things necessary to remain independent politically is to have an economic base on which that independence can be supported. Their determination to remain independent is so strong that they will get that economic help, that economic investment money, from somebody. And if we don't supply it or do our share of the supplying it from the free world basis, the free world standpoint, others will.

We know that they will not long remain independent if they go somewhere else. But they don't.

It is astonishing how frequently we are compared, in the minds of a citizen of one of these countries that we call underdeveloped, to Russia in terms of, well which is the strongest—which is correct—which is trying to take us over—which is trying to be truculent—which is trying to start the war.

We know we are peaceful. We know we are a country that is ruled by ourselves. Government only with the consent of the governed does not start wars, because it is the people that have to fight them that make the decision.

This is not true in dictatorships but the people of other countries don't understand this. I have been asked by people very high up in some of these governments, why do I not do so and so—why do I not suppress a certain magazine—why do I not do this, that or the other thing? My explanations—although I think very convincing—are often, to them, seemingly nothing.

A man said to me, "If you were our friend, you would do so and so." They don't understand. Therefore, they do not understand that our form of government is essentially one that is stable in preserving peace, and that it is dictatorships that can undertake the reckless adventure of war.

All of these problems are the kind of things that have to be considered when we are talking about the conflicting considerations of the safety of our country and our desire to keep more of our own money at home so we can spend it for what we please and not give it to the Government to spend. And with this last desire I must say I am earnestly in sympathy and I would very much like to go out of this office someday with another even bigger tax cut than we were able to put over in 1954.

The other day, I was riding in an airplane and I had some friends with me. And they began to criticize our efforts in the foreign field and say they thought we could save a lot of money there. Let us remember, foreign aid doesn't have any pressure group in any Congressman's district. It is something that has to depend on the intelligence of the American people and not on selfish interest.

And they said, "You say you are trying to be economical and you are trying to save money, yet you will spend this money over here, when you won't even give a Texas drought-stricken man so much corn meal and this and that and the other thing."

"Well," I said, "this is what I am going to try to explain in simple terms. We are riding in this airplane and let's assume we own it. We have been looking at the operational costs and we decide we are spending too much money on it. Now we are going to save some money.

"Well, if we find we have 2 stewards on this plane. We figure that 1 can do. All right, one steward fired.

"Well, we agree we won't fly it over such long trips, we don't need so much fuel capacity, and we can save money and carry a better payload by getting rid of a tank. We won't fly in bad weather so we will get rid of an expert navigator and make the copilot double up. And we will cut down on the furniture. We will get rid of the carpets, and so on here.

"These are all the services that we have demanded up to date. But now that we find out how much it costs, we are ready to do without these services, but we are still dissatisfied with what we have saved."

So one bright fellow speaks up and says: "Well, let's just cut out one of the engines, we won't use so much gas."

Now you are talking about foreign aid. Foreign aid is one of the engines that keeps this ship of ours afloat in the world and going on a steady course. So the rest of the passengers say:

"Well, baloney—you take away that engine, then we lose one when we are out over the sea, and we have probably lost our reserves and we are down. We are now in an emergency without the preparation to meet it."

PREVENTING ISOLATION

Foreign aid, my friends, is something that is being conducted to keep the United States secure and strong. It is preventing the isolation of the United States as a prosperous, rich, powerful country. There would be isolation if the United States refused to participate in the realization by underdeveloped countries of their proper ambitions for nationalization, for national independence and for the economic base that will support that individual independence. That's all there is to it.

In my opinion, you can't take freedom and allow freedom finally to be pushed back to the shores of the United States and maintain it in the United States. It can't be done. There's too much interdependence in the world.

Now, I do not for one instant—this is getting to be a long speech, too, isn't it?—I do not for one instant maintain that every dollar put into this is wisely spent. I know there have been articles published showing where in Iran or somewhere else there were stores of supplies bought for a people and they found out later that they bought supplies for people that didn't even yet know how to use a hoe, or something like that.

Of course, there have been mistakes. There have been human people doing this. And sometimes they were trying to do it in a great hurry, or they were obsessed with the idea that money could buy friends and money could keep friends. Well, that is all untrue.

We can, though, with our attitude and with some investment, help these people. It is dangerous to make too close an analogy between our own experience and that of some of these countries.

You must remember, when we were developing and money was being invested in our country from abroad, on a loan basis properly, we had great natural resources. Those loans practically constituted a mortgage on all those great resources. We were very low in population. We have been growing up to our resources in population ever since. We have done it under conditions that have produced the greatest prosperity any nation has known.

These other countries are already far over and beyond their capacity, in some instances, of population—without a cent. How do you collect capital in those countries to do the job that needs to be done, to produce roads, railroads, communications—the things that allow people to pull themselves up by their bootstraps? That is what we are trying to get people to do because we believe in peace.

We believe in peace. And we believe that the more these people rule themselves, the more that the decision for world action lies in the hands of the people who have to fight wars, then there will be fewer wars. That's what we believe.

THESE SIMPLE TRUTHS

Now I come back to my first thought, and that is how delighted I am to see you people interested in these things. Unless the United States understands these simple truths which I have just so roughly touched upon this morning—unless our people understand them and are ready to push them through—then the future doesn't look nearly so bright as it should.

If the United States does understand them, then the sacrifice of money is not going to sound in their ears like the sacrifice of our sons on the battlefield. That is what we are trying to prevent.

So let's make all the savings we can in the carpet and the chairs and the extra personnel and all the rest of the things that we have been demanding, wherever we think it is safe and just and fair among ourselves to do it. But let's not throw away the engines of this ship of state.

Thank you very much.

CHILD HEALTH DAY

Mr. SMITH of New Jersey. Mr. President, yesterday, May 1, was Child Health Day. It is fitting that we should set aside one day each year to call attention to the health needs of our children, and to pay tribute to the many public and private agencies which perform such signal services for the protection of our children's health and thereby the future vitality of our Nation.

In addition, President Eisenhower's proclamation of Child Health Day called attention to Universal Children's Day, which commemorates the work done by United Nations agencies to assist children everywhere. The United Nations International Children's Emergency Fund has now been performing a marvelous service to the world for 10 years in their work for the improvement of the health of millions of children everywhere. By bringing medical assistance to many of the areas of the world where disease remains rampant and unchecked, UNICEF has brought protection through preventive medicine, as well as treatment, for millions of children faced with widespread incidence of yaws, tuberculosis, malaria, and other crippling diseases.

The love of children in their innocence is one which transcends geographical, political, religious, or racial differences and represents a common bond for mankind.

Mr. President, I ask unanimous consent that an editorial from the May 1 issue of the Washington Post, entitled "Health for All Children," be printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HEALTH FOR ALL CHILDREN

In today's world the health of one nation or one person becomes ever more the health of all. Therefore it is fitting that this country's traditional observance today of Child Health Day should be expanded to include Universal Children's Day, which commemorates what is being done by United Nations agencies to improve the lot of children everywhere. A "salute" to this work is called for by President Eisenhower in his Child Health Day proclamation.

This year marks the 10th anniversary of the world agency most directly concerned with the health of children, the United Nations International Children's Emergency Fund. Established just after the war to feed the emaciated and hungry children of war-devastated Europe, UNICEF has gone on to help as many as possible of children everywhere who are victims of hunger and neglect and stalked by such disease enemies as tuberculosis, yaws, malaria, trachoma, and anemia. It is providing milk, cod liver oil, medicines, and other supplies to about 45 million needy children. Last year 80 governments contributed to the agency and 95 countries received aid, matching the value of their assistance at more than $2 for each UNICEF dollar.

The health and future of American children are closely related to these activities. Seventy-five percent of the victims of malaria are children and UNICEF has been waging an offensive on this front; one of its biggest projects this year is to assist the malaria eradication campaign of our next-door neighbor, Mexico.

More healthy, productive citizens for the world of tomorrow will make that world a safer one for the American children who must function in it.

NATIONAL CEMETERY AT BIRCH COULEE, MINN.

Mr. THYE. Mr. President, there was published in the Minneapolis Sunday Tribune of April 28 an article entitled "Heroes of Birch Coulee Save State," referring to a book entitled "Birch Coulee," written by Dr. Bernard F. Ederer, a former State legislator from Stevens County, Minn.

This is in connection with a bill, S. 1417, to establish a national cemetery at Birch Coulee, which I introduced in the Senate. Representative H. CARL ANDERSEN has introduced a companion bill in the House. It is House bill 3008. The article to which I refer states reasons supporting the desirability of enactment of this legislation. I ask unanimous consent to have the article printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Minneapolis Sunday Tribune of April 28, 1957]

HEROES OF BIRCH COULEE SAVE STATE

MORTON, MINN., September 3, 1862.—SIOUX Indians under the command of Chief Gray Bird took flight today after a desperate 31-hour battle at nearby Birch Coulee in which 19 Minnesota infantrymen were killed and 44 wounded.

Only luck and the apparent unwillingness of the Indians to engage in open warfare kept the encounter from being more disastrous than it was, and Birch Coulee will go down in Minnesota history as the most spectacular battle of the Indian wars of 1862.

The battle began just before dawn yesterday, when more than 200 Indians swooped down with bloodcurdling yells on an encampment of the raw Sixth Minnesota Infantry and Renville Rangers Cavalry at the Coulee, 1½ miles north of Morton in Renville County.

Nearly all the troops' 100 horses were killed in the first half hour, and the men used the carcasses for cover until they could get their wagons turned over.

Main part of the battle lasted about an hour, but the Indians kept up desultory fire throughout the day and into the night. A few infantrymen were hit by these bullets as they left cover to aid the wounded, many of whom lay for 30 hours in burning sun and chill night without food or water before aid arrived.

Reinforcements from Fort Ridgely, many of them draftees on their way to fight in the Civil War, were heard firing cannon as they approached Birch Coulee about 2 p. m. yesterday, but they did not arrive until 11 a. m. today.

The fort is 14 miles away, an easy 5-hour march, yet it took 28 hours from the time the first Indian firing was heard to make the trip. This will go down in Minnesota history as a prime example of military stupidity.

Failure to pursue the fleeing Indians also is open to censure as an example of poor judgment.

But no one will dispute the courage and endurance of the Minnesota troops, and the halting of the Indians, even if it was due to their own fear at hearing reinforcing cannon approaching, may have been the factor which saved Minnesota for the white man.

For up until this point the Indians were winning the battle.

They massacred 644 citizens and killed 93 soldiers in battles.

The Dakota Sioux were sweeping east, Winnebagos coming north from their reservation south of Mankato, and Chippewas coming south from the upper Mississippi area in a sort of pincer movement which devastated and virtually depopulated a region 200 miles long and 50 miles wide.

In 23 counties of western and southern Minnesota nearly all homes were abandoned as citizens fled eastward.

If the Indians then had succeeded in the Birch Coulee massacre as they had in the others, they could have swept on down the Minnesota River to St. Paul and driven all the white men out of the State.

In case you're confused, this story so far is a reconstruction from various histories of the battle of Birch Coulee.

Most Minnesotans have never heard of it, nor are they aware there is a State memorial park in Renville County commemorating it—and has been since 1893.

It comes as a surprise to Minnesotans that the battle is compared by some historians to the Alamo in Texas or the Little Big Horn in Montana.

However, with Minnesota's centennial year approaching, the people out in Birch Coulee territory hope to make a little more noise about it, and they're starting Monday.

A native son who grew up on a farm located practically on the battlefield and who now has written a novel based on the histories and legends of the battle, will speak at 8 p. m. Monday in Morton high school auditorium.

He is Dr. Bernard F. Ederer, now a Del Mar, Calif., dentist. He is a former State legislator from Stevens County and a former member of the State conservation commission.

Before he's through, he'll speak at Redwood Falls, Morris, Mankato, Bird Island, Olivia and other communities, telling the story of Birch Coulee. He addressed the State legislature 6 weeks ago about it and plans to go to the east coast from Minnesota publicizing the historical battle and his book.

Ederer will be inducted into the Sioux tribe at Monday's meeting. The head of the tribe, James Leith, supposed to be a descendant of the Birch Coulee villain, Chief Little Crow, will represent the Indians.

Future plans for Birch Coulee include clearing of a tree-covered natural amphitheater in the park, in which pageants formerly were presented, and moving of monuments and markers from adjacent properties to the actual battlefield site.

[From the Minneapolis Star of April 27 1957]

THE HISTORY OF BIRCH COULIE

To the EDITOR:

Dr. Bernard F. Ederer, author of Birch Coulie, will appear at 8 p. m. Monday at the high school auditorium at Morton, Minn., to discuss the history of Birch Coulie.

This is an opportunity to draw statewide attention to a vital portion of Minnesota history which has been obscured through the years because it occurred at the same time as the Civil War. Indeed, had it not been for the implied permission of the late President Lincoln, the men who defended Birch Coulie instead would have had to join the Army to defend the North.

Birch Coulie battlefield lies in a part of a State park located a mile north of the Minnesota River and approximately 100 miles west of the Twin Cities with the nearest post office located at Morton. About three-fourths of a mile to the south, partially obscured by trees, stand the beautiful monuments of granite, erected by the will of the Minnesota Legislature of 1893. These monuments are dedicated to the brave heroes of Birch Coulie and the friendly Sioux, some of whose names appear on one shaft. For years the Birch Coulie monuments have remained almost unnoticed and unknown by the vast majority of Minnesotans. Had it not been for these brave ancestors, Minnesota as it is known today might never have been.

Mrs. ARTHUR P. KEAVENY.

MORTON, MINN.

AMENDMENT OF APPROPRIATION BILL FOR THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Mr. NEUBERGER. Mr. President, I submit today an amendment to the appropriation bill for the Department of Health, Education, and Welfare, to appropriate $500 million for the National Cancer Institute, with the stipulation that this sum remain available until totally expended. The senior Senator from Oregon [Mr. MORSE] is a cosponsor with me of this proposal.

In other words, the National Cancer Institute need not allocate the entire amount during a single fiscal year, unless such a policy is completely feasible and practical.

My purpose is to put at the disposal of the men and women in this Institute, who are engaged in probably the most vital medical research of our time, all possible financial resources for the hastening of their urgent task.

I was shocked a few months ago when I noticed that the recordbreaking budget of the national administration, despite its $72 billion size, actually would reduce by 3 percent the Federal funds appropriated for cancer research during the current fiscal year. Could any economy be more senseless and absurd than this—economy at the expense of our investigation into the causes of the most sinister disease plaguing mankind?

Last year I was informed by my friend, Dr. Leonard A. Scheele, former Surgeon General of the United States, that the National Cancer Institute might use as much as $500 million if the availability of the sum were known well in advance, and if extensive preparations might be made for the employment of skilled scientists and medical researchers far ahead of time.

Dr. Scheele pointed out, for example, that able investigators of the terrible riddle of malignancy would be assured that their salaries were no longer reliant on the uncertainties of the year-to-year Congressional appropriations, and that thus there could be avoided the inevitable temptation to these people to abandon their research and laboratories for the greater financial rewards of private medical practice.

Mr. President, we are living today in a vast welter of political oratory, editorials, and articles about governmental economy. Yet I believe that economy which sacrifices research into the causes and possible cures of cancer is not economy at all, but instead a reckless gamble with human life.

If our people can spend $15 billion on liquor and tobacco, if our Government can spend $44 billion on armaments, if we can envision a disbursement of $33 billion for roads, then we certainly can contemplate the long-range investment of at least half of $1 billion into the invaluable research and studies sponsored by the National Cancer Institute.

Therefore, I submit this amendment to appropriate $500 million now for the future work of the National Cancer Institute, which would provide that any unexpended portions of the total amount shall remain available until the doctors and scientists in charge of our cancer-research program have had a full opportunity to invest these funds appropriately.

Mr. President, I ask unanimous consent that the amendment be received and appropriately referred, and printed in the RECORD at this point.

There being no objection, the amendment was received, referred to the Committee on Appropriations, and ordered to be printed in the RECORD, as follows:

On page 26, line 24, strike out "$46,902,000." and insert in lieu thereof "$500,000,000, to remain available until expended."

Mr. NEUBERGER. Mr. President, I also ask unanimous consent to have printed in the body of the RECORD an article by me published in the Eagle magazine for February 1957.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"CRASH PROGRAM" FOR HEALTH

(By RICHARD L. NEUBERGER, United States Senator from Oregon)

"Give me health and a day, and I will make the pomp of emperors ridiculous"—*Ralph Waldo Emerson.*

With one of America's most famous female radiologists at my side, I looked through the slitlike glass window which had been niched in concrete walls 30 inches thick. Beneath a great coneshaped apparatus, a woman lay on a table. A bathrobe covered her body. The room was darkened. The tiny point of the equipment seemed to pick out her chest and throat. She was receiving radiation treatment from a "cobalt bomb" for deep-seated cancer. The mysterious roentgen rays made no sound.

Would the treatment be successful? Would it arrest the deadly march through her system of malignant cells? Would she survive?

These questions flashed across the innermost frontier of my mind. Another question lurked there, too. Would the woman on the table ever know a moment's peace or contentment again? During her entire life, be it long or short, could she ever spend a fleeting hour free of anxiety and terror? Would each twinge of pain mean that the fatal killer had returned?

The woman on the table was obviously younger than my wife or I. What if it had been one of us on that table beneath the cone—the cone from which came the unseen rays that might mean a reprieve, if only the malignancy had been detected in time? Cold drops of perspiration dotted my forehead as I harbored these thoughts.

And yet, I mused how little we actually know about the rampant behavior of cells and tissue which men call cancer. The "cobalt bomb" was not a certain cure, even though nuclear fission had made it possible. It was a hope—a faint hope, though nonetheless genuine. And as I stood outside the vault of concrete and lead where the rays from a tiny inner cylinder of plutonium were working their mission which might mean life or death, I wondered why the richest Nation on earth was not investing more of its effort, resources, and wealth toward the possible liberation of mankind from cancer. Surely few battlefronts could be more crucial.

Cancer is a threat which hangs over us all from the bassinet to the tomb; yet we spend far less attempting to solve it than we do, for example, on the fittings for one aircraft carrier of the *Forrestal* class.

As the radiologist and I peered through the narrow window at the young woman on the table, few things loomed as important as cracking the terrible riddle of cancer. All else—politics, money, personal ambition—faded into comparative insignificance.

What America needs today is a crash program of medical research. It should be a program proportionate to the $40 billion which we seem able to spend annually on weapons of war. What war, after all, can compare with that against cancer, heart disease, mental disturbances, and other sinister maladies wracking mankind?

Mike Gorman, 43-year-old executive director of the National Mental Health Committee, points out that, despite its inadequate support from governmental appropriations, medical research during the past decade has added 5 years to the life expectancy of the average American. Translated into earning capacity alone, the people whose existence has thus been prolonged have paid seven times as much into the Treasury in personal income taxes as has been invested in the United States Public Health Service. And Gorman adds this further heartening note:

"In an age when the Communists and their satellites outnumber the forces of the free world by better than 2 to 1, medical research has bolstered our manpower resources and increased our productive strength. It has reduced immeasurably the tragic toll of human suffering."

Yet we in the Congress, as well as the public at large, still think in pygmy terms with respect to combat against disease. Unhesitatingly, we will spend billions for tanks or battleships or bombing planes. By contrast, we are stingy with mere millions when sickness is the enemy, rather than a foreign foe. And when we contemplate that the United States Government is spending $46 million on the National Cancer Institute as contrasted with $10 billion on naval vessels, we must keep in mind that it takes $1 million multiplied 1,000 separate times to amount up to just $1 billion.

Nor was even the $48 million investment achieved for the onslaught against cancer without persistent and tireless effort on the part of certain Members of Congress.

When I was a candidate for the Senate in 1954, few topics held audiences more attentive than my insistence that Federal expenditures for medical research generally—and in the field of cancer in particular—should be increased many times. I even proposed an ultimate outlay of $1 billion for cancer research alone, if necessary. This statement was repeated by me at trade unions, civic clubs, Eagle aeries, Grange halls, before veterans' groups, and women's organizations. It drew almost universal support and interest, especially when people learned that we were then spending $63,980,000 on the Inter-American Highway and only $24,978,000 on cancer research. Was greater knowledge of mankind's grimmest killer a mere 38 percent as urgent as the Inter-American Highway through distant jungles?

As a newcomer to the Senate, I have served as a private in the ranks of an all-out attempt to bolster our attack against the disease which is nearly the equivalent of a death sentence to all afflicted by it. Leaders in this effort were members of both major political parties—LISTER HILL, of Alabama; WARREN G. MAGNUSON, of Washington, and WAYNE MORSE, of Oregon, Democrats; and MARGARET CHASE SMITH, of Maine, and EDWARD J. THYE, of Minnesota, Republicans. Encouragement was received from CARL HAYDEN, of Arizona, a Democrat who is chairman of the Senate Appropriations Committee and has served in Congress ever since his State was admitted to the Union in 1912.

This bipartisan undertaking brought about the doubling of Federal funds available for cancer research at the National Cancer Institute, from $24,978,000 to $46,432,000.

As we worked to achieve this goal, I thought of the fact that man has learned to conquer the air, the waters under the sea, to ascend Mount Everest, and even to influence the weather under certain circumstances. But cancer remains the inexorable assassin. Neither wealth nor fame nor power can stay its ravages. It killed valiant Babe Didrikson Zaharias; Senator Arthur H. Vandenberg; Senator Robert A. Taft; John P. Weyerhaeuser, Jr., of the vast timber corporation, and many others who still had much to contribute to American progress.

Although a crash program of medical research into the ominous roots of cancer would come too late to prolong their lives, perhaps it might help to spare the cancer victims of a later generation—in our own country and elsewhere in the world. Mercy knows no national boundaries.

MARGARET CHASE SMITH, only woman Member of the Senate, effectively emphasized the disproportionate sums which we spend on frivolities and on grappling with the most dreadful diseases plaguing the human race. Senator LISTER HILL, chairman of the Appropriations Subcommittee handling health funds, insisted that top salaries in Public Health Service laboratories be increased from $15,000 to $20,000 annually. "The productivity of any research organization depends upon the quality of the staff," said Senator HILL.

Furthermore, during our discussion of health appropriations on the Senate floor, Senator HILL assured me that the increased funds for cancer research were not a goal in and of themselves but simply part of an onward march which must continue.

Partly because of the great impetus for an all-out program in the realm of malignant diseases like cancer, research expenditures by the Government for the fiscal year of 1957 also have been vastly expanded in other fields. The National Institutes of Health, located in Bethesda, Md., are now in the midst of their most active 12-month period. Note this contrast in all major classes of appropriations:

	1956	1957
General operating expenses	$5,929,000	$11,922,000
National Cancer Institute	24,978,000	46,432,000
Mental Health Institute	18,001,000	35,197,000
National Heart Institute	18,698,000	33,396,000
Dental Health Institute	2,176,000	6,026,000
Arthritic disease activities	10,840,000	15,885,000
Microbiology activities	7,775,000	13,299,000
Neurology and blindness disease activities	9,861,000	18,650,000
Total	98,458,000	182,807,000

Thus, United States Government expenditures for medical research have been increased 85 percent in 1 year. Even teeth and gums had participated in the advance. Yet is this disbursement enough?

In Washington, D. C., our residence has been next door to that of Dr. Leonard A. Scheele, a tall 49-year-old man who recently retired as Surgeon General of the Public Health Service. One sultry evening, seated in our patio over coffee and cake, I asked my neighbor: "Leonard, what is probably the maximum amount of money which the National Cancer Institute could spend in 1 year for research and study, if given reasonable notice in advance?"

The Surgeon General pondered for a moment. "Half a billion dollars," he answered.

"What would be the usefulness of that quantity of money?" I asked.

"You would be certain that you could carry on your program from year to year without delay or interruption," Dr. Scheele replied. "Your top doctors and scientists would know their continued employment, at fair and adequate pay, was assured. They would not be tempted to break off their work to enter lucrative private practice. In addition, you could follow every possible lead or hope, no matter how remote or elusive it might seem. You would not have to budget so carefully and pursue only the most promising discoveries. In a war, the military often overspends because it might be fatal to the country to underspend. We could do that in the area of cancer research if we had a billion dollars or even half a billion dollars at our disposal.

The sums which Dr. Scheele and I discussed may loom as fantastic. But are they? Americans spend over $15 billion a year on liquor and tobacco. They even spend $280 million for chewing gum and $116 million for shampoos. Why not twice as much for cancer research as for gum?

Whenever I urge a vast increase in Federal funds for medical research, people invariably inquire about the sums raised for this purpose by voluntary agencies. "Don't they do the job?" is the perennial question.

The voluntary agencies do a magnificent job. In 1954, for example, the American Cancer Society collected $21,670,000 in private contributions and the Damon Runyan Cancer Fund an additional $1,751,000. Organizations such as the Eagles, the Veterans of Foreign Wars, the AFL–CIO, and others have helped generously toward this private total of over $23 million. Yet only $7,189,000 of the private donations were allocated for research. The rest had to go—and properly so—for the treatment of pitiful and agonizing cancer cases in families lacking sufficient financial resources for their care. It is obvious, therefore, that the Government must carry on the major responsibility in cancer research, or it will not be carried on at all.

Research into all potentially fatal diseases, and particularly cancer, is one avenue for liberating mankind from a grim fear and a painful reality. Should our Government not share in such a responsibility? We would scoff if some official in our town proposed that the fire department be entirely reliant on voluntary contributions. Yet which is the more imminent menace to the average person, fire or cancer? Ask a cancer sufferer.

Although I have been a legislator at both the State and national level, I still am unable to fathom the legislative mind when it comes to this vital human problem. Such famous Senators as Taft, Vandenberg, and Wherry have been fatally stricken by cancer. Yet the Senate will move with alacrity to vote $4 billion for B-52 bombing planes, but it can cavil over barely more than 1 percent of this for cancer research. We will appropriate limitlessly to combat the foe we can visualize, whether it be the Soviets, Nazis, or Imperial Japanese. But stinginess and hesitancy cloud the picture when the enemy is an insidious disease which strikes silently and invisibly, but nonetheless murderously.

As a member of Oregon's House of Representatives, my wife had to struggle for almost 4 months to persuade her colleagues to vote a trifling $80,000 for pilot courses aimed at rehabilitating retarded children. The lack of trained teachers and classes for these unfortunate youngsters brings heartache to thousands of families. It also dooms the children to lives of public dependency and helplessness. Skilled teaching can enable them to read, to play happily, to feed themselves, maybe even to work at a trade. Yet Mrs. Neuberger, herself a former teacher of physical education, found the legislature quicker to appropriate $150 million for roads and highways than a tiny fraction of this for retarded children.

One night during the 1953 legislative session, when her retarded-children bill languished in committee, she said to me desperately, "It's easier to get funds for inanimate objects than for human beings. It hardly seems possible that human beings do the voting on these appropriations."

Yet this mental block on the part of legislators may be waning. Under the leadership of an Eagle Congressman from Rhode Island, JOHN E. FOGARTY, Congress has just allocated over $2 million for programs aimed at rehabilitating retarded children. Another goal of the program is to try to discover why some children have congenital defects which render it difficult for them to lead normal lives. This sum is by far the most generous benefaction ever set aside for such a purpose. In his campaign for the children's funds, Representative FOGARTY had the active and fervent support of a fellow Rhode Island colleague, Congressman AIME J. FORAND. Mr. FORAND is likewise a faithful member of the Eagles.

Slowly but inevitably Americans are coming to realize that every dollar invested in medical research can be amortized in longer, happier, and healthier lives.

Some of this understanding is due to the leadership of a remarkable and attractive woman named Mary Lasker. She has used the fortune inherited from her late husband to encourage study of the ailments which cripple and kill people. The Albert and Mary Lasker Foundation gives substantial awards each year for achievements in the area of psychiatric and medical research. Writers and journalists, for example, are rewarded for outstanding contributions on these topics. Mrs. Lasker also helps to support such projects as the National Mental Health Committee and the New York Memorial Hospital for Cancer and Allied Diseases.

Each of us sees illness only as an isolated occurrence. It may happen to us or to a loved one. This is tragic, but we still do not see how it affects America as a whole. How many realize that mental sickness deprived our Armed Forces of over 2,500,000 young men

in the prime of life during World War II? Are we aware that more than half the hospital beds in the United States are required for mentally disturbed men and women, and that even these are not enough? On the Senate floor I pointed out that "almost two and one-half times as many people died of cancer during World War II as were killed in action in all our far-flung battles over the face of the world. Furthermore, in 1 year cancer killed nearly 10 times the number of Americans who were killed in action throughout 3 years of the war in Korea."

Medical research has begun to unlock some strategic doors. The Salk antipolio vaccine is a sample of what prolonged and well-financed medical research can accomplish. The vaccine is not perfect, but it provides children with 70 to 90 percent protection against the crippling havoc of infantile paralysis. We take for granted today such antibiotics as penicillin, streptomycin, terramycin, and aureomycin. All are the products of medical research. They have helped to reduce the death rate from tuberculosis 73 percent, from kidney diseases 60 percent, from pneumonia 43 percent. As a result, the life expectancy of the average American increased from an age of 60 in the year 1937 to 68.8 by 1953. Phenomenal new discoveries with respect to the fat content of diets may contribute toward cutting down fatal heart disease in the decade ahead.

These developments, it seems to me, are overwhelming arguments for vast expenditures in medical research. What can be more important than human happiness and human life? These are geared directly to good health. For a country spending $40 billion a year for armaments, there is no sum too high to invest in the well-being of its citizens. I still recall what my wife, Maurine, said to me when she was fighting for a paltry $80,000 in the Oregon Legislature, to spend in behalf of retarded little children.

"The beasts of the field on my mother's farm will do anything for their young," she said. "Can we look the next generation of human beings in the face if we have not done everything possible for them in the vital area of sound bodies and medical care?"

THE BUDGET

Mr. SYMINGTON. Mr. President, last Monday the junior Senator from Missouri placed in the RECORD an article containing recommendations of the Honorable GEORGE MAHON, chairman of the Military Subcommittee of the House Appropriations Committee, about how this annual Federal budget could be cut many billions of dollars.

The next day an editorial on this subject appeared in the St. Louis Globe Democrat.

I had no idea this editorial was in the works; but its contents are so completely true with respect to the problem at hand that I ask unanimous consent it be inserted at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the St. Louis Globe-Democrat of April 30, 1957]

HIGH COST OF DEFENSE WASTE, RIVALRIES

As the House Appropriations subcommittee on the military budget prepared this week to write the 1958 defense bill, Chairman GEORGE H. MAHON issued an urgent plea for a drive to start real unification of the armed services.

Congressman MAHON declared inordinate jealousy and rivalry among military branches are responsible for ballooning defense costs.

The current year's military budget is $35,500,000,000. For the next fiscal year a total of $38 billion is asked. Mr. MAHON predicted annual requested outlays would zoom to $50 billion in a few years unless unification is achieved.

He is not being pessimistic. Despite denials by Pentagon spokesmen, the waste because of service rivalries, extravagant competition, inefficient buying and manpower practices is a capital scandal.

Estimates are these tax dollar losses run into the billions.

Not a single American wants to lower the power of United States defenses by a single jet, bomb or needed man. We must have a military potent enough to scare off any aggressor, equal and superior to any other strategic arsenal in the world. We dare not lower our defense arm.

But that does not mean the military budget is a sacred cow that can be milked steadily by inefficient organization, by bureaucratic brass feuding for position or supremacy in the defense structure.

It does not mean the American people have to hold still for obvious extravagance and refusal to accept unification of services.

It does not mean Pentagon planners are sacrosanct. It certainly does not mean the defense allotment—soaring by the billions—cannot be reduced by simple, businesslike organization and procedures.

Ten years ago Congress passed a military unification program, designed to take the fat out of defense costs. This act has not accomplished its purpose.

There is no excuse for the failure of the military branches to coordinate fully in the matter of purchasing, use of manpower, medical care.

Congressional investigations have shown the services still buy independently, often competing with each other for scarce materials, thus raising prices the taxpayers have to shoulder. Sometimes they stockpile goods other services have in surplus. The different arms maintain separate manpower and recruiting systems.

As the Globe-Democrat pointed out previously, the Hoover Commission reported that establishment of a single Federal Catalog System, with central Government purchasing, would save the Nation $4,500,000,000 a year.

Some of the most intense and costly vying among services is in the field of missile development and aircraft pioneering. Various branches have tied up plane and missile manufacturers in an unwholesome competition for service supremacy—duplicating effort, prodigally absorbing the scarce engineering talent, often causing heavy losses.

In any huge operation, such as defense, some mistakes are bound to occur. That is true in business and industry, as well as in the military. But the systems, the jealousies and easy-handed spending of the defense setup breed enormous wastes. The generals and admirals deny this, but the evidence outweighs their protests.

President Eisenhower knows the score on military spending and waste. He probably knows it better than any individual in Washington, outside the Pentagon's inner sanctum. He has the prestige to crack down with a Commander in Chief's order for unification—real unification.

If he would do this—the task is admittedly tough—the defense budget could be pared by several billions without an iota of hazard to its effective power.

Every needed dollar for fully competent defense should be spent. But if the Nation does not cull out preventable waste from military operation, the defense budget will rocket out of hand and become a more acute danger to the Nation's economy.

Mr. SYMINGTON. Mr. President, we are now talking about saving ten or twenty or fifty million dollars annually at some particular place in the budget—and any saving of any kind is of course most desirable. But should we not face up to the place where many billions of dollars can be saved annually?

One reason given for this has been "there is no mileage in discussing military matters because the people trust the President completely on military matters."

But this is not a question of military strategy—it is a question of efficient operation; and there was nobody who believed more in more unification of the armed services a few years ago than President Eisenhower.

Only recently we had further concrete proof that great savings are available if some decisions are made. A report on defense manpower has just been made to the Secretary of Defense by the Cordiner Committee, headed by Ralph Cordiner, president of the General Electric Co. Mr. Cordiner states that if his Committee's recommendations are adopted it will save the country $5 billion annually at no sacrifice whatever to national defense.

I do not know whether Mr. Cordiner is a Democrat or a Republican, but I do know that he is an able and seasoned industrialist; and it was therefore a shock to learn that his plan for saving this money for the American taxpayer has in effect been scrapped by this administration.

Mr. President, I understand the Secretary of the Treasury now wants to "curl" all the money back that was taken from his Department by the House; that the Postmaster General wants his money back and so also does the Secretary of State. But if we really want to reduce the current tax burden on the American people, we had better stop chasing minnows and start chasing shad; else we may well tax ourselves out of the free enterprise system.

I sympathize with anyone who is reticent on the basis of the old school tie. But there is one school tie tradition all of us wear, and that is the tradition of not wanting to be taxed unnecessarily.

NATIONAL RADIO WEEK

Mr. SALTONSTALL. Mr. President, I wish to call to the attention of the Senate the observance of National Radio Week which will be held from May 5 to May 11. Radio is one of the great media of communications which are so vital to our daily lives. Radio is an important link between the people and their Government. In addition to many public services such as participation in national and community campaigns for civic improvement and vital information during times of disaster, such as floods or hurricanes, radio is a fine source of entertainment for many millions of listeners.

Radio also has an economic importance since it carries advertising which stimulates the business and industry of our country.

Some 3,000 AM radio stations and 500 FM stations, as well as the 4 nationwide networks, are taking part in the observance of National Radio Week. This observance is being sponsored by several organizations including the National Association of Radio and Television Broadcasters, the Radio Advertising Bureau, the Radio-Electronics-Television Manufacturers Association, and the National Appliance and Radio-TV Dealers Association.

As we all know, radio and television have made many alterations in our lives, particularly in the field of communications, since we were schoolboys.

Mr. WILEY. Mr. President, this coming Sunday the Nation will observe the commencement of National Radio Week, May 5–11.

This fine occasion is sponsored industrywide by the National Association of Radio & Television Broadcasters, the Radio Electronics Television Planners Association, and the National Appliance & Radio-TV Dealers Association.

I should like to take this occasion to salute the 3,000 AM radio stations and 500 FM stations, as well as the 4 national radio networks.

As we are all aware, radio has had a spectacular upsurge in the postwar era.

Although there were some misguided folks who were predicting radio's demise because of television competition, the fact is that radio today is stronger than ever, in virtually all respects.

We have more stations on the air, we have more constructive news programs, we have more good music, we have more public service programing, and more of lots of other splendid features as well.

The prosperity of the radio industry is a welcome cornerstone in a prosperous free-enterprise system.

Radio plays an indispensable role in the advertising of America's goods and services.

Of course, radio has had to compete on an increasingly diligent basis with television. While radio advertising in some respects has declined, as in the instance of half-hour network shows, spot advertising—national and local—has soared.

In any event, we can be sure that our alert radio industry will give television and other media a good run for the advertiser's dollar, and in the meanwhile, will give American listeners the sort of entertainment and information they want and need.

There is, of course, another phase to the radio story, and that is the fact that there has never been a disaster—National, State, or local—where radio has not proven itself to be the vital link in the saving of lives and property.

In war and in peace, the radio set alongside us, the console model, the small set, and now the portables in increasing numbers, are irreplaceable pieces in every home and virtually in every room.

Production of radio sets continues to mount, despite the fact that the gloomy pessimists were long predicting that the market had been so-called saturated.

The fact is that there is an even vaster market than might have been previously anticipated in this and in many other respects.

I salute, therefore, America's 3,600 stations, particularly, of course, the stations of my own State. They confront a great many problems these days. The FCC is wrestling with a good many itself, but I am hoping that there will be equitable solutions.

I know that the views which I am expressing today are shared by my colleagues. I know, too, that the people of Wisconsin would like to say a particular word of thanks to our stations, for all that the stations have meant in terms of contributions to wholesome community life—to farmer and city dweller, to housewife and student, to the well and to the bedridden, to the enthusiast of serious music and the jazz-fan of the disc jockey, to the businessman-sponsor and the workingman who buys products and services which are advertised on radio and who consumes them.

May National Radio Week prove another great success.

REASSIGNMENT OF CERTAIN TELEVISION FACILITIES

Mr. AIKEN. Mr. President, there is now pending before the Federal Communications Commission a proposal which threatens to cut off all television reception for approximately 120,000 people living in 48,000 homes along the western border of Vermont, east central New York State and western Massachusetts.

In addition, more than 100,000 other viewers in this area will have to purchase costly conversion equipment which the FCC estimates will cost up to $100 or $150 per set, if they are to receive any television service at all.

The FCC describes this proposal as a reassignment of the existing Channel 6 VHF station from WRGB, Schenectady, to a television station at Syracuse, N. Y. The FCC would then replace the Schenectady Channel 6 with a UHF television channel.

For 17 years WRGB has been a very high frequency station, and by its pioneering efforts over these years it has attracted a viewing audience of more than half a million people.

For many of these viewers this is the only television channel that is available to them.

It is only one channel, but the difference between daily television service and no television at all.

Now it is proposed to take this one channel away from these people so that viewers in other areas may have 3 channels instead of 2. The Commission describes this proposal as a "deintermixture proceeding."

From the facts that I have obtained, I cannot understand nor in any way justify this proposed change, even under such an impressive name as "deintermixture proceeding."

In recent weeks I have been receiving a steady stream of mail from constituents who face the loss of all television service if this proposal should become effective.

Some of those who have written me are shut-ins, for whom television has become their primary contact with the outside world.

In addition, there are many persons who live in such small communities as Fair Haven and Poultney, Vt.; in Granville, N. Y., and the towns of western Massachusetts, along with the farmers of this area, who feel that they have just as much right to the many pleasures of television as Americans residing in more populated areas.

The Federal Communications Commission has issued a report showing that a majority of the members of this important Federal regulatory body favor the juggling of channels which would result in this indefensible television blackout.

I recently wrote to the Federal Communications Commission to register my opposition.

In acknowledgment of my letter, Mr. George C. McConnaughey, the Federal Communications Commission Chairman, wrote a letter of explanation which describes this proposal in some detail. It seemed to me to be an extraordinary explanation.

First he said:

> Station WRGB is the only operating VHF station in the area.

Let me emphasize his use of the word "only"—the "only" VHF TV station now serving the people of western Massachusetts, east central New York State, and west central Vermont.

The Federal Communications Commission Chairman then explained that there are several UHF stations operating in the area now and numerous UHF channels assigned to this area, adding these significant words:

> As a result of action we have taken in this proceeding, other UHF stations will be activated in the area.

I do not pretend to be an expert on such a highly technical matter as a "deintermixture proceeding," but commonsense tells me that the Federal Communications Commission can keep adding UHF channels indefinitely and this action will not in any way relieve the blackout that will be caused by the removal of Channel 6 from the area.

I have learned on good authority that there are 120,000 people in 48,000 different homes who cannot receive these ultra high frequency stations.

Therefore the establishment of additional UHF stations will not help these people at all.

A bird in the hand is worth two in the bush, and one functioning VHF Channel 6 bringing television into the area is worth many promises of UHF channels to come, particularly if the programs from the UHF channels cannot be received anyway.

I am convinced from the facts, as they have been presented to me, that the FCC should review this case with the greatest of care, and refuse to issue an order which would deny adequate television service to the people of this three-State area.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. NEUBERGER in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

NATIONAL DEFENSE TRANSPORTATION DAY

Mr. O'MAHONEY. Mr. President, I understand that the unfinished business is Senate Joint Resolution 22, Calendar No. 234. This joint resolution would designate the third Friday of May in each year as National Defense Transportation Day.

The PRESIDING OFFICER. It is the understanding of the Chair that this matter will not come before the Senate automatically until 2 o'clock, and that prior to that time it must be taken up either by motion or by unanimous consent.

Mr. O'MAHONEY. It was for that reason that I was about to make a parliamentary inquiry.

I now ask unanimous consent that the Senate proceed to the consideration of the joint resolution. I make the request because I know the measure is noncontroversial and will be passed, I feel certain, without objection. It will cause no debate and will not delay the Senator from Florida [Mr. SMATHERS] or the other Senators who wish to address the Senate.

I ask unanimous consent that the Senate may now proceed to the consideration of the joint resolution.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 22) to designate the third Friday of May of each year as National Defense Transportation Day.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

Mr. CARLSON. Mr. President, reserving the right to object, may I inquire if the distinguished Senator from Wyoming has cleared the consideration of the joint resolution with the majority leader and the minority leader?

Mr. O'MAHONEY. It has been cleared on both sides of the aisle.

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 22) which had been reported from the Committee on Interstate and Foreign Commerce with an amendment on page 2, after the resolving clause, to strike out "That the third Friday of May of each year shall hereafter be designated and known as National Defense Transportation Day, and the President is authorized and requested annually to issue a proclamation calling upon the people of the United States" and insert "That the President of the United States is authorized and requested annually to issue a proclamation designating the third Friday of May of each year as National Defense Transportation Day, and urging the people of the United States," so as to make the joint resolution read:

Resolved, etc., That the President of the United States is authorized and requested annually to issue a proclamation designating the third Friday of May of each year as National Defense Transportation Day, and urging the people of the United States, including labor, management, users, and investors, in all communities served by any of the various forms of transportation by land, by sea, and by air, to observe this occasion by appropriate ceremonies which will give full recognition to the importance to each and every community and the people thereof of our transportation system and the maintenance of its facilities in the most modern state of adequacy to serve our needs in times of peace and in national defense.

Mr. O'MAHONEY. Mr. President, the joint resolution, as amended, would authorize and request the President of the United States annually to issue a proclamation designating the third Friday of May of each year as National Defense Transportation Day.

A public hearing was held on this resolution by the standing Subcommittee on Federal Charters, Holidays, and Celebrations of the Committee on the Judiciary on April 8, 1957. At that public hearing, representatives of the National Defense Transportation Association testified in favor of the proposed legislation.

This resolution, by requesting the President of the United States to set aside a day each year to be known as National Defense Transportation Day, will provide an opportunity for the transportation industry of the country to emphasize transportation preparedness for national defense. The resolution further calls on the President to urge the people of the United States in all communities served by any of the various forms of transportation by land, by sea, and by air, to observe this day by appropriate ceremonies which will give full recognition to the importance to each and every community and the people thereof of our transportation system and the maintenance of its facilities in the most modern state of adequacy to serve our needs in times of peace and in national defense.

The committee is of the opinion that this is a meritorious resolution, and that the designation of a day to be known as National Defense Transportation Day will serve to bring to the attention of our Nation the vital importance of transportation in any national emergency which might hereafter arise. Accordingly, the committee recommends favorable consideration of Senate Joint Resolution 22, as amended.

There was no objection of any kind to the joint resolution at the hearing or in the full committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BUTLER. Mr. President, I wish to associate myself with the remarks of my distinguished colleague from Wyoming. I thank him publicly for the work he has done in holding hearings on the joint resolution.

The National Defense Transportation Association is an excellent organization. Its purposes are of the highest. I am certain that when the day shall be set aside it will be of great benefit to the people of America.

Mr. O'MAHONEY. I thank the Senator from Maryland. I should say that he is the author of the joint resolution, and that it is he, not I, who deserves the commendation.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended so as to read: "Joint resolution requesting the President to designate the third Friday of May of each year as National Defense Transportation Day."

LATIN AMERICA AND THE UNITED STATES: NEW DIMENSIONS IN INTERNATIONAL COOPERATION

Mr. SMATHERS. Mr. President, for the past half-year our attention has been riveted to the turmoil in the Middle East. There Communist subversion has exploited growing economic desires and fervent nationalism to create chaos. There the eyes of the world appear to be focused, as every headline, every newscast, almost every speech dwells on the facts and prospects of the changing tides in the Middle East. While we have been concentrating on the rapid-fire developments in the Middle East, Latin America—right here in the Western Hemisphere—has been experiencing similar widespread ferment and unrest. But because it is not at the moment in the direct geographic path of the Soviets, developments in this area receive scant attention. Yet the pot boils down there.

Reports from South America, Central America, and the Caribbean have been increasingly troubling. In recent weeks the Chilean Government has had forcibly to suppress mass rioting. In Haiti, a discontented populace forced the overthrow of the president. The country is presently without a government, and several days ago police fired tear-gas bombs at demonstrating crowds in the Haitian capital. In Cuba, only 45 minutes from the United States, revolutionaries stormed the presidential palace, seeking to assassinate President Batista. Reports from Cuba of continuing revolutionary activities reach us daily. The provisional government of General Aramburu, in Argentina, which is striving to reestablish free government after a decade of Peron, is constantly plagued by Communist and Peronist plots. In northern South America, Colombia bristles with violence and insecurity. The Liberal and Conservative Parties have put aside their differences to join forces against the strong-arm methods now prevailing in the country. If the president goes ahead next month with his plan to succeed himself, contrary to Colombian tradition and constitution, some observers expect a repetition of the bloody 1948 riots of Bogotá.

The wave of internal strife sweeping Latin America is not the only problem in the Western Hemisphere. Late last week, there were reports of a Nicaraguan invasion of Honduran territory. The territory in question has been disputed for many years. Recently both countries have moved troops to the area. Some observers attribute the reawakened interest on the part of both governments to the fact that United States oil companies have been prospecting in the vicinity.

There is continued talk and speculation that our long-time friends and allies, the Panamanians, are watching with great interest Colonel Nasser's seizure of the Suez Canal, and his success at cutting himself in for a bigger "take" from the operation of this international waterway. These are festering, developing matters which should command our immediate attention.

Mr. President, we cannot be complacent with regard to Latin America on the economic front, either. The habit of lumping all 20 republics together in statistical reports can be, and is, deceptive. It is true that last year considerable capital investment flowed from both United States and European sources into Latin America. It is also true that the region's foreign trade and industrial expansion reached record levels in 1956. Latest reports indicate, moreover, that Latin America's gold and liquid dollar holdings rose during the first 9 months of 1956 by some $177 million.

A breakdown of the figures shows that not all the countries fared well in the reported progress. Mexico, Brazil, Venezuela, El Salvador, and Cuba had a prosperous year. But not all our neighbors were so fortunate. Argentina's reserves plunged by some $137 million, while Colombia's reserves dropped by one-third in less than a year. In fact, 1956 saw Colombia develop the worst economic crisis in its history. Inflation wracked the Paraguayan economy. Bolivia suffered what amounted to economic chaos last year. The boliviano, pegged at 720 to the dollar in 1953, reached 7,360 to the dollar by mid-1956.

Guatemala, the little nation in Central America where Communist infiltration was rooted out over 2 years ago, was having a hard pull to prove that democratic government and free enterprise can bring a better way of life to the underprivileged. President Castillo's reversal of the former government's land-distribution program has caused a number of difficulties. The new plan calls for the return of expropriated land to the original owners and the relocation of land-hungry peasants in new community developments on nationally owned coffee fincas and in virgin jungle territory. Unfortunately, this type of agrarian reform is handicapped by insufficient funds to build the necessary roads, drainage systems, community centers, and to clear land. The poor peons who benefited from the wholesale division of expropriated properties under the Communist-dominated regime are waiting to see what free enterprise can bring to them. In the case of the only country which has purged a Communist-infiltrated regime, the progess of Guatemala is being watched by underdeveloped countries the world over.

Mr. CHAVEZ. Mr. President, at this point will the Senator from Florida yield to me?

The PRESIDING OFFICER (Mr. JAVITS in the chair). Does the Senator from Florida yield to the Senator from New Mexico?

Mr. SMATHERS. I am happy to yield to the able Senator from New Mexico.

Mr. CHAVEZ. The Senator from Florida has mentioned Guatemala. It is all very well to speak of getting rid of a government, if the reforms referred to by my good friend, the Senator from Florida, are carried out. But does the Senator from Florida know of a single instance in which Guatemala has benefited from the so-called reforms?

Mr. SMATHERS. I agree with the Senator from New Mexico; the reforms which were instituted by the government which preceded that of President Castillo did not result, I believe, in any benefit at all to the natives of Guatemala.

Mr. CHAVEZ. I have visited Guatemala, and I think I am familiar with the situation in Latin America generally. I believe I know the reactions and the characteristics there. I know that the Grace Lines and the United Fruit Co. are doing well; but the Guatemalan woman is still walking from Amatitlan to Guatemala City.

Mr. SMATHERS. I thank the Senator from New Mexico for his contribution. I believe he will agree that that is the reason why, in connection with the vast foreign-aid appropriation bill which soon will be before us, more consideration should be given to the Guatemalans and to other peoples of the Western Hemisphere, who thus far have been rather neglected.

Mr. CHAVEZ. I agree completely. So far as international economic improvement is concerned, we have treated the peoples of Latin America—from the Mexican border to Patagonia—like a bunch of orphans. Talk about satellites. They may not be political satellites, but certainly they are economic satellites, with few exceptions.

Mr. SMATHERS. I thank the Senator from New Mexico.

Mr. CHAVEZ. I hope the Senator from Florida will emphasize the necessity of doing something for the Western Hemisphere. I do not confine my attention to Latin America; I refer to all of the Western Hemisphere, from Hudson Bay to Patagonia. We discuss aid of various sorts for the Middle East and our interest in the future of the Middle East. But after the Senator from Florida and I have gone, the future of our country will lie in the Western Hemisphere.

Mr. SMATHERS. I thank the able Senator from New Mexico. I hope that both he and I will be here for some time. However, I agree with him that even today our future lies in that area. I thank the Senator from New Mexico very much for his remarks, and I agree with him 100 percent.

Mr. President, I have just been handed an Associated Press dispatch which has just come off the wire. It further emphasizes the ferment and restlessness which are occurring. The dispatch reads as follows:

WASHINGTON.—The United States declared "grave concern" today over the clash between troops of Honduras and Nicaragua and declared its readiness to take part in an international peace commission or any other move for a settlement.

Matters of that sort can be headed off if we give to the countries in that area of the world, which have been our good neighbors, and which mean so much to us, at least some of the attention which they deserve to receive from us. If we do so in time, there will not be the disputes and clashes which, unfortunately, we read about today in the press.

Meanwhile the Communists, although busy elsewhere in the world, have not abandoned their efforts to subvert Latin America. The widespread publicity given to the brutal Communist suppression of the Hungarian revolt struck a blow to the Communist effort south of the Rio Grande. But it was only temporary, and there has been no letup in Communist endeavors to capitalize on the widespread social conflict and awakened nationalism under which many of the Latin American republics are laboring.

The combination of social transition, nationalism, and Communist intrigue is as explosive a mixture in Latin America as anywhere else on the globe. After the Guatemalan experience, there can be no grounds for belief that the Western Hemisphere is immune from Communist penetration and subversion. The conditions which made possible Communist penetration in Guatemala are duplicated in other parts of the hemisphere.

I am convinced that we have too much at stake in Latin America to trust to a benevolent destiny there. We must work harder to ease the tensions in the Americas than the Communists are working to create them.

It is well to recall that the Middle East is not the only oil-producing region in the world. Latin America produces nearly a billion barrels of oil a year, about 16 percent of the world's total, compared with 15 percent in the Middle East. Of course, in known reserves, the Middle East far outstrips the Latin American area, but to date most tracts south of the Rio Grande regarded as promising by geologists remain unexplored.

Nor is oil the whole story. Latin America is our principal supplier of many raw materials vital to defense and to peacetime industry. United States private investments in the area last year climbed to over $6.5 billion, more than in any other region of the world. Our two-way trade with the American republics ran to over $7 billion.

The emphasis which the State Department puts upon crisis spots elsewhere in the world, while letting Latin American problems slide, can lead to future disaster in Latin America. No one can predict, of course, what course Latin America's tremendous political, social, and economic upheavals may take. The United States, as the preponderant power in the Western Hemisphere and as leader of the free world, can and must help our sister republics to channel the course of their development toward constructive goals, or else be prepared to suffer the consequences.

Moreover, it is a highly precarious gamble to take international friendships for granted, as we seem wont to do with

our neighbors. The Kingdom of Jordan recently provided us with an example of how deceptive a so-called sure thing can be in international affairs. Jordan, created under British tutelage and with over half of its annual budget supplied by the British Treasury, rewarded Britain by pushing out the British commander of its armed forces and generally ripping the bonds which only a few years ago appeared to be irrevocable. If, at the moment, we are inclined to feel a degree of satisfaction with the good will and friendship existing between the Latin American republics and our country, it would be foolhardy to believe that this state of affairs can continue under any and all circumstances.

Under the circumstances—turbulence in the region, Communist activities there, and our vast stake in the political and economic progress of the area—it is difficult for me to comprehend why the administration left the key post of Assistant Secretary of State for Inter-American Affairs vacant since the resignation of Henry Holland on August 31, 1956. Only this month—8 months later—has a nomination for the position been submitted to the Senate.

I might say that Mr. Rubottom has been recommended for the post of Secretary for Inter-American Affairs. Mr. Rubottom is a Texan. He is an able man, in my opinion. He is a career diplomat, with a splendid record. I hope the Senate will shortly confirm his nomination. I believe that if Mr. Rubottom will exercise the independence which any Assistant Secretary of State for Latin American Affairs should exercise, if he will stand up and speak his piece in behalf of the Latin American countries, as I have no doubt he will, he will make a great Assistant Secretary of State, and will do a great deal toward cementing better relations between the countries of Latin America and ourselves.

Mr. President, it is hard to fathom the apparent disinterest and complacency on the part of the Department of State with regard to our relations with Latin America. I introduced last July, and the Congress passed, an appropriation for a special fund aimed at assisting our sister republics in the vital basic fields of health, education, and sanitation. It was a relatively small amount, $15 million, 75 percent of which had to go out on loan; 25 percent could go on grant. Last December I visited Central America, and was astounded to learn that none of the countries had even heard about the program. In fact, it was not until this past February or March, 1957, that a decision was reached within the Department of State as to how the program was to be administered. The machinery of operation for this program was thereafter not set up until very recently, so that for practical purposes about a year was wasted. My judgment is that this slowness of administration was due solely to the fact that the program was one the Congress had to force on the State Department and the ICA, and because they had not originally recommended it, but actually opposed it, they were at first determined to administer slow death to it. However, after visits with the new Under Secretary of State, Mr. Herter; Acting Assistant Secretary of State for Inter-American Affairs, Mr. Rubottom; ICA Administrator, Mr. Hollister; and Dr. Atwood, also of ICA, together with a very strong push from the very able and distinguished Senator from Montana [Mr. MANSFIELD], who is a member of the Senate Foreign Relations Committee, the program finally began to function.

When the Latin American countries found out about this Congressional program designed for them, they literally ran over each other to get this limited help. The applications in short order exceeded the supply. I must say that in recent weeks, Dr. Atwood and his deputy, Mr. Minot, have done effective and expeditious work in putting the program into motion and in applying it to those whose need was most immediate. For this action which we have seen in the last few weeks I think Dr. Atwood and Mr. Minot deserve commendation.

Bear in mind that the total amount of money available under this program is only $15 million. It was allocated in the following manner: Two grants totaling $2 million have been made; one was to the Organization of American States for agricultural research in the amount of $500,000, and the other to the Panamanian Sanitary Bureau in the amount of $1.5 million. The latter grant is to be used in the battle to eradicate dreaded malaria from the hemisphere. It is estimated that national expenditures by the Latin American governments in the same campaign will exceed $26 million for the year. The disappearance of malaria from the American scene would relieve some 76 million people who live in malarious areas from the severe effects of the disease in terms of human suffering and financial and economic drain. The malaria-eradication campaign is in the great tradition of inter-American cooperation against disease began by Drs. Walter Reed, United States Army, and Carlos Finlay, Cuba, in their joint battle against yellow fever, which was started many years ago.

Of special interest are the several loan agreements made under the terms of the amendment and signed earlier this week. One of the first to be signed was an agreement with Panama for a loan of $2 million for the construction of water and sewage works in the city of Panama. President Ernest de la Guardia told me last fall that the problem of sanitation and sewage disposal was of paramount concern to him. He pointed out to me that it was a problem that also affected United States citizens living in the Canal Zone, and that a solution to it was necessary for the welfare of both United States citizens as well as Panamanians living in the city of Panama. The project was engineered and planned in 1951, but action was stalled for lack of funds. Panama is now putting up $1.815 million, and has agreed to repay the loan in 20 years with 3 percent interest.

The loan being made to Costa Rica is especially heartwarming and promising. Like the Panama agreement, this is a loan, payable with interest. It is for $2 million, the money to be used to rejuvenate the children's hospital in San Jose. Presently there are about 400 children in a 200-bed hospital which has grown up over the centuries. The Costa Rican Legislature demonstrated its enthusiasm for the loan by passing enabling legislation in 3 days. Moreover, news of the loan created such local interest that the Government was able to raise a public subscription of $180,000. The Government, in the meantime, has budgeted for the hospital for the next 10 years. It is hoped, moreover, that improvements in the children's department will lead later to improved techniques in other hospital branches. A United States Embassy dispatch characterized the loan as follows:

> It is doubtful whether it would have been possible to find any other cooperative project which would create more good will than this one.

Healthy children, good will, and a thoroughly cooperative venture—what greater bargain could we hope to achieve with our foreign aid? Remember, too, that this is a loan, not a grant. It is the vital catalyst for making much-needed modernizations, while at the same time maintaining everyone's self-respect.

In Chile a series of fortuitous circumstances made the terms of the special fund uniquely suitable. There exists in Chile a core of highly trained scientists and technicians, but too few to supply the minimum needs of the country. Moreover, they lack properly trained supporting personnel. In addition, the paucity of scientific publications, journals, and properly equipped research laboratories makes it difficult for them to keep up with the latest developments in their respective specialties and to develop other technicians.

Recognizing the need to increase the number and improve the quality of adequately trained scientists and technicians, the Chilean Congress in 1954 enacted a law which created the universities' construction and research fund. The law provided that, from January 1, 1956, and for a period of 20 years, one-half of 1 percent of all government revenues shall be devoted to the fund. The money allotted to the fund is to be spent in the construction, equipment, and installation of experimental stations, laboratories, and other institutions devoted to scientific research in the seven universities. Administration of the fund is entrusted to a council of rectors composed of the rectors of the seven Chilean universities.

One of the first steps taken by the Council of Rectors was to request technical assistance from the United States mission in Chile for the planning and implementation of a scientific and technological research program. An expert from the National Research Council was sent to Chile to make a preliminary survey of the country's needs. Then Dr. Ralph Krause of the Stanford Research Institute made some followup recommendations to the Council of Rectors, a principal one being that the future of scientific and technological research in Chile depended upon intensive scientific training at the undergraduate as well as graduate levels.

There was great enthusiasm for carrying out Dr. Krause's recommendations,

But the ever present question of how improvements were to be paid for arose. At this point the Council of Rectors, unofficially and without reference to any special United States fund, approached the ICA mission in Chile on the feasibility of obtaining a loan to implement Dr. Krause's recommendations. Fortunately, at this time, the amendment to the Mutual Security Act for fiscal 1957 had been passed, and the project eminently qualified for a loan under the terms of the act.

On Monday the Chilean Government signed for a loan of $850,000. Part of the funds will go toward establishing a central library for the seven universities. About $700,000 will be expended for modern equipment, instruments, and materials for the laboratories of the seven universities. The ICA mission in Chile considers the new project, and I quote, "a brilliant opportunity of furthering good relations among Chilean institutions of higher learning, the United States Government and other agencies, thus helping to counteract the Marxist influence that has been in evidence in some of the Chilean universities." If the materials made available under the loan improve scientific training in Chile, I will consider the project of extreme importance in aiding in the long-range economic development of the country and its political and economic stability.

Mr. President, I think it could be well stated at that point that it is unbelievable to me, after their people have said these kinds of things about this program, that ICA would somehow continue to oppose this particular amendment.

Two million dollars for a very different purpose has been lent to Peru. In Peru there is grave fear that population pressures on the congested altiplano, accentuated by drought and by its accompanying hunger and despair, will lead to permanent poverty and social upheavals. Meanwhile, Peru possesses rich agricultural lands which lie fallow because they have never been penetrated by roads. The loan is to be used to open land for resettlement of thousands of Indian families. The Peruvian Government will undertake all the costs of building the settlers' housing and facilities and easing the transition period for the settlers' families until the farms become productive.

Again may I remind you that this is a loan, payable in 20 years with interest. Yet it provides the Peruvian Government the opportunity to give hope to a large, depressed segment of its population that might otherwise seek a violent solution for its otherwise hopeless status quo.

From the special fund for Latin America, Ecuador is also to receive a loan of $2 million for financing an imaginative land resettlement project, while Paraguay is the recipient of a $1 million loan for agricultural and industrial development in its exemplary Mennonite colonies.

I feel we have made a beginning on a valuable new type of assistance to our Latin American neighbors. Rather than watch from the sidelines as conditions deteriorate, we have found a mechanism for attacking some of the basic problems of our friends. In the last analysis, the United States stands to benefit enormously from the increasing prosperity and stability that will accrue from each small seed of help that we extend.

I cannot repeat too often that these are loans, not handouts. This is the type of assistance the Latin Americans have been urging for a number of years. It is the type of assistance that will help them in achieving their objective of political and economic stability. It is the type of assistance that will promote minimum standards which will create an atmosphere that will attract the investment of private capital. Until these minimum standards are achieved, private investments will not flow into these areas. No one desires to invest capital in any area where disease, pestilence and illiteracy are major factors. It is therefore highly improbable that private investments would do anything about health, education and sanitation projects, for there is no immediate and direct monetary return in promoting them. Private investment today is attracted to only those countries in Latin America where at least minimum standards have already been achieved in these fields. These are few countries indeed. As a matter of fact, over 69 percent of private investment is in five Latin American countries, namely, Brazil, Chile, Cuba, Mexico, and Venezuela. We must remember that there are 15 other Latin American countries, many of whom have not been able to develop an atmosphere which would attract private capital. Yet it is exactly in these fields that many of the Latin American countries are badly in need of temporary assistance, and where the loans provided for under the amendment which I introduced last year will be most effective. We want to rely on private capital to develop those areas but certain minimum health, education, and sanitation standards must be met before conditions are propitious for private capital. It is these minimum standards we are trying to achieve in Latin America by this amendment.

Mr. President, in connection with that, there is very little that we have thus far done, as was pointed out by the very able Senator from New Mexico.

I have here an article which appeared in the Miami Sunday News on April 28, 1957, written by an estimable columnist by the name of Bill Baggs. He points out some figures which I think would be appropriate to mention.

> To begin with, the aid in 1956 cost us $1,200,000,000.
>
> * * * * *
>
> Here are some figures, the economic aid totals in 1956 to countries in Asia:
>
> South Korea, $211,000,000.
> South Vietnam, $192,800,000.
> India $80,900,000.
> Formosa, $96,500,000.
> Pakistan, $66,300,000.
> Iran $40,000,000.
> Laos, $36,600,000.
> Cambodia, $26,200,000.
> Thailand, $24,800,000.
> Turkey, $86,900,000.
> In Europe, the three largest receivers are:
> Spain, $87,700,000.
> Greece, $45,700,000.
> Yugoslavia, $43,100,000.

And he states:

> One could argue, and many have, that these great amounts are justified in this nervous world.
>
> However * * * not yet has the writer heard an argument of any merit that this is a balanced aid program. For instance, the members of the family, so to speak, are the other 20 Republics in this hemisphere. They have been regarded as not needing aid. Indeed, they have not asked for it, but the need is immense. Our own friends and neighbors in this hemisphere need aid as much as most of the places in Asia.
>
> Yet, in 1956, typical of the aid which dribbled south, was:
>
> Mexico, $800,000.
> Cuba, $400,000.
> Colombia, $1,100,000.
> Argentina, $100,000.
> Uruguay, $200,000.
> Venezuela, $100,000.
> Brazil, $3,000,000.

He says:

> This Sunday report is neither a plea for an economic aid program nor a case against one.
>
> Rather, it is a suggestion that ours is an unbalanced economic aid program, ignoring our very best friends, the Latin Americans, who have pleaded our cause in peace and have helped to fight our battles in wars. We have no better friends. But you can find no suggestion of this friendship in the economic aid program.

Mr. President, I ask that the article be printed in the RECORD in full at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Miami Sunday News of April 28, 1957]

TOO MUCH SCRATCH FOR IKE'S ITCH?

(By Bill Baggs)

Lately Mr. Eisenhower has lost his immunity to public criticism, and among his recent lumps none has been as large as the one inspired by his economic aid program. Certainly you should be interested, if not fascinated, by his economic aid program. You are providing the scratch for this itch.

Readers frequently flee from any arithmetic report. Possibly this is a lingering rebellion from school days. For whatever reason, it is a fact, that there simply is no other road available down which one may travel to see the picture of the economic aid program.

To begin with, the aid in 1956 cost us $1,200,000,000.

After prospecting through the national budget of 1956, one finds that this money was invested in the management of foreign armies and air forces as well as foreign economies.

One of the primary impressions of the American is that a slab of this is handed over to our British cousins. This is false. Most of the foreign aid travels halfway around the world to Asia.

Here are some figures, the economic aid totals in 1956 to countries in Asia:

South Korea, $211,000,000.
South Vietnam, $192,800,000.
India, $80,900,000.
Formosa, $96,500,000.
Pakistan, $66,300,000.
Iran, $40,000,000.
Laos, $36,600,000.
Cambodia, $26,200,000.
Thailand, $24,800,000.
Turkey comes in for $86,900,000, and in Europe, the three largest receivers are:
Spain, $87,700,000.
Greece, $45,700,000.
Yugoslavia, $43,100,000.

One could argue, and many have, that these great amounts are justified in this nervous world.

However, not yet has the writer heard an argument of any merit that this is a balanced aid program. For instance, the members of the family, so to speak, are the other 20 Republics in this hemisphere. They have been regarded as not needing aid. Indeed they have not asked for it, but the need is immense. Our own friends and neighbors in this hemisphere need aid as much as most of the places in Asia.

Yet, in 1956, typical of the aid which dribbled south, was:

Mexico, $800,000.
Cuba, $400,000.
Colombia, $1,100,000.
Argentina, $100,000.
Uruguay, $200,000.
Venezuela, $100,000.
Brazil, $3,000,000.

This Sunday report is neither a plea for an economic aid program nor a case against one.

Rather, it is a suggestion that ours is an unbalanced economic aid program, ignoring our very best friends, the Latin Americans, who have pleaded our cause in peace and have helped to fight our battles in wars. We have no better friends. But you can find no suggestion of this friendship in the economic aid program.

Mr. SMATHERS. Before long Foreign Aid Appropriations will be coming before us. They need to be put into better balance: Many of us, and justly so, are in a mood to carefully examine the proposed expenditures, and cut where not fully justified. While I propose to oppose foreign aid in some instances, I am convinced that the small amounts presently being provided for Latin America, far from being in excess, barely fulfill the minimum requirements of an effective program for the Western Hemisphere. I am equally convinced that the new approach to foreign aid developed in the special fund for Latin America, which we passed last year, is a significant and worthwhile innovation. Here in the Western Hemisphere, where international cooperative procedures in economic and political matters are being tested, we have a real chance to make freedom and prosperity a true bulwark against communism. We can do this by continuing the type of assistants which I proposed last year and which the Congress adopted for Latin America. It is a program in which we can effectively assist our neighbors to help themselves in solving their difficulties. It is not a foreign-aid program in perpetuity. I am unalterably opposed to any such program. It is a specific program, developed for limited purposes and a limited time. It is a program designed to promote minimum standards which will attract the investment of private capital. It is a program with respect to which we can see the end in sight. It is a program that represents an investment by the United States, the results of which will be realized when these various Latin American countries have achieved political and economic stability.

Mr. KEFAUVER. Mr. President, will the Senator yield for a brief observation?

Mr. SMATHERS. I yield.

Mr. KEFAUVER. I wish to compliment the Senator upon his fine address and to commend him for his interest in our South American neighbors. With the existing situation in Europe, Asia, and the Middle East, I believe that too often these days we overlook programs for the nations to the south.

The Senator has been a wonderful friend of our South American neighbors. He has done much to establish better ties, and I think he has rendered fine service in presenting his address and the program which he has suggested today.

Mr. SMATHERS. I am very grateful to the able senior Senator from Tennessee for his comments. I may add that he himself has long evidenced a great interest in the part of the world to the south of the United States. I know that the people in that area count him as one of their good friends. I know that when the amendment designed to facilitate the lending of money in Latin American countries comes before the Senate the Senator from Tennessee will support it, as he did last year when that subject was considered.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. FULBRIGHT. I wish to associate myself with the remarks of the Senator from Florida and the Senator from Tennessee. The project which the Senator from Florida is promoting is very worthwhile. He has been urging action along this line for a long time, and I assure him that I think the program is very important. I shall do what I can to assist him in promoting such a program.

Mr. SMATHERS. The Senator from Arkansas is a very influential member of the Committee on Foreign Relations. In the past he has evidenced a great interest in the southern nations. With his continued support, I believe we shall be able to get at least a minimum program for our Latin American neighbors passed. Certainly his strong voice in behalf of it will mean a great deal.

THE DIRECTOR OF THE BUDGET, AND REDUCTIONS IN THE BUDGET

Mr. FULBRIGHT. Mr. President, I have noted with deep regret the attack upon Mr. Percival Brundage, the Director of the Budget, made before the chamber of commerce yesterday, in which, according to this morning's paper, his resignation was called for. I particularly regret that the attack was made by a Member of the Senate, who made it, he said, "without prejudice to President Eisenhower, for whom I have the greatest respect."

I regard Mr. Brundage as one of the most enlightened and discriminating and courageous Directors of the Budget that we have had in a long time.

It is quite evident to anyone who glances even casually at the budget that real, substantial reductions can be made only by trimming some aspect of the swollen and extravagant Defense Establishment.

It seems to me to be quite unfair to suggest that eight or nine billion dollars can be cut without reducing military appropriations.

That being so, whose responsibility is it to suggest cuts in the military budget? Especially is this so when the President and Commander in Chief is a famous general.

Why should Mr. Brundage, an enlightened and civilized man, with a deep understanding of national and international affairs, be singled out for condemnation, and the President excused from any responsibility. That on its face seems to me to be extremely unfair and unwarranted.

The implication that the President is being led around by his subordinates seems to me also unwarranted.

I deeply regret that such a personal attack has been made upon a fine public servant, the Director of the Budget.

DEVELOPMENT OF PHOSPHATE ON THE PUBLIC DOMAIN

Mr. SMATHERS. Mr. President, as acting majority leader, I move that the Senate proceed to the consideration of Calendar 269, Senate bill 334, a bill to amend section 27 of the Mineral Leasing Act of February 25, 1920.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). The clerk will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 334) to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended (30 U. S. C. 184), in order to promote the development of phosphate on the public domain.

Mr. CARLSON. Mr. President, may I inquire of the distinguished acting majority leader whether the matter has been cleared with the minority leader, the Senator from California [Mr. KNOWLAND]?

Mr. SMATHERS. I understand it has been cleared by both sides.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with an amendment.

HORATIO ALGER AWARDS

Mr. DIRKSEN. Mr. President, it has become a familiar story, in election years, of the rise of men from humble beginnings to positions of great public trust. I am proud to say that my own career has paralleled this typically American story. For my parents were immigrants who came to a new country, raised a family, and in the great American tradition, after having served in World War I as an enlisted man who was commissioned in the field, I returned to set up a small bakery with my brother. It was from this baker's bench that I came to Washington first as a Congressman, and now serve here as a United States Senator.

So I am pleased that the story of businessmen who have followed the same course should have been, at long last, recognized by the American Schools and Colleges Association by the Horatio Alger award, which is just 10 years old this year. From the many thousands of men who have risen from humble beginnings, they select each year a chosen few who best epitomize the American tradition and at the same time prove their right to such recognition by their own contributions to America and their home communities.

Next week, May 9, in New York, Dr. Norman Vincent Peale, chairman of the Horatio Alger Awards Committee, will present five such awards to men who follow in the footsteps of Herbert Hoover, Bernard Baruch, and Dr. Milton Eisenhower. Numbered among them will be two men from my own State.

The first is Louis Zahn, who began his business career helping out with the family's finances. He sold chewing gum at the age of 6, in Chicago. Then he had a newsstand. In 1932, when thousands of others were discouraged, he borrowed $225 and started a drugstore. Today he heads his own $10 million drug chain.

The second man, Dr. John J. Sheinin, is closer to my heart, for he fled from his native Russia during the Kerensky revolution, in which he was very nearly shot. Penniless and unable to speak English, he yet reached his goal and became a doctor. As head of the Chicago Medical School, he found similar problems, for the school was not recognized by the American Medical Association and the American Hospital Association. He brought the school through that stage, and today, after 25 years with the medical school, it is recognized and successful, turning out students who achievd top honors before national examining boards.

If ever two men symbolized the Horation Alger awards, certainly these two Illinoisans do. It is my proud pleasure to bring their records to the attention of my colleagues in the Congress as modern reminders of the great country in which we live, and in which opportunity still lies ahead for men of ambition and vision, no matter how humble may be their start in life.

ORDER FOR ADJOURNMENT TO MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CALL OF CALENDAR ON MONDAY NEXT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that on Monday, following the completion of the morning business and the consideration of the executive calendar, there be a call of the calendar, from the beginning, of measures to which there is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE BUDGET

Mr. JAVITS obtained the floor.

Mr. CARLSON. Mr. President, will the Senator from New York yield so that I may suggest the absence of a quorum.

Mr. JAVITS. I yield for that purpose.

Mr. CARLSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BUSH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I have waited some days before speaking to the subject to which I intend to speak today, in order to proceed with the subject very carefully, and also in the hope that perhaps it would be taken up by other Senators, as in part it already has been. I believe the time has come to marshal into perspective our present situation in respect of the administration's action on the budget, and what needs to be our action in Congress.

The battle of the budget has been joined also as the battle of the administration. Second thoughts on the budget are now due. There is no question about the deep interest of all our people in economy in Government, minimizing the effect of Government spending on inflation and reducing the tax load as far as practicable.

I think we should be cognizant of the fact that under the cover of the great public interest in budget cuts, however, may now be discerned other interests regardless of party, who seek a return to a long-outmoded isolationism in foreign policy and entrenched opposition to any Federal participation in health, housing, education, and similar programs now accepted as standard by a great majority of our people. That is perhaps best shown by the fact that a budget cut in the area of $2 billion to $3 billion is widely accepted as practicable. Indeed, the President himself in his letter to the Speaker of the House of Representatives on April 17 specified where $1,858,000,000 could be cut without endangering our country and the peace of the world. Many have spoken on the subject, including the minority leader of the Senate.

But cuts of up to $3 billion do not constitute the real issue. The real issue is made by those who could cut the budget about twice that, or from $5 billion to $9 billion, who speak in terms of "giveaways" about foreign aid, and who oppose needed Federal participation in programs for domestic wellbeing.

Even within the Republican Party there is reference to those who in substance support the President's efforts to deliver to the people what was promised in the campaign of 1956 and in the Republican Party platform as "modern Republicans." Modern Republicans are sought to be identified with the Democratic Party's New Deal and Fair Deal wing, apparently in an effort to discredit the very principles and programs on which this Republican administration was returned so overwhelmingly to office last November. I respect the sincerity and standing of those who espouse a position in fundamental disagreement with the President, but I cannot disregard my party's platform and the pledges of support for it on which I and so many of my colleagues ran and were elected.

There is no hyphenation or qualifying adjective applicable to Republicans who back President Eisenhower. He is the President of the United States and the leader of the Republican Party. He is the symbol of Republicanism today and of the people who supported his philosophy, his principles, and his programs last November. That is today's Republicanism and the Republicanism I espouse, and I deeply feel the opponents of it, not its supporters, it seems to me, need to qualify their identification with the party.

I hasten to add that those who support the President cannot expect to agree with him on every measure. But support does contemplate agreement on the President's basic political philosophy and a high percentage of support for the resulting programs. I believe that the effort to identify supporters of the President's program and the Republican Party's 1956 platform with the New Deal and Fair Deal is inaccurate, a disservice to the Republican Party and indeed I feel, does not help the American people.

A primary declaration of the 1956 Republican platform adopted in San Francisco states that—

> We are proud of and shall continue our far-reaching and sound advances in matters of basic human need—expansion of social security—broadened coverage in unemployment insurance—improved housing and better health protection for all our people. We are determined that our Government remain warmly responsive to the urgent social and economic problems of our people. To these beliefs we commit ourselves as we present this record and declare our goals for the future.

I think it is very important to note that in the 1956 campaign, the President pledged himself and the party to carrying out this platform. On the eve of election at the White House, November 5, 1956, the President stated:

> We believe that government must have a heart as well as a head. By this we mean that government must concern itself in pointing the way and leading the way to those great social security programs, to the health of our people—the education of our people—to make certain that all these are available as an average American citizen has a right to expect them.

I believe we must respect our pledges and the mandate of the American people to do our share in carrying them out.

I think it is fair to say that the Republicans who follow President Eisenhower favor Government action where it can be effective and achieve useful objectives without compromising individual liberty or the private economy. We do not believe, however, in rejecting action solely on the ground that it emanates from Government.

There are opponents of programs of foreign aid and Federal aid to school construction and similar measures in both the Republican and Democratic Parties. It is only because those who support these programs in both parties are willing to combine to vote them that they have been heretofore, or are likely again to be, enacted. Nor should we for

a moment forget the extent to which it is out of character to characterize the Democratic Party alone as the arch advocate of budget cutting. In view of the record of the previous Democratic administration, which I will outline, few will believe—or, I might say, few ought to believe—this characterization to be other than a strictly political conversion for the duration of a Republican administration only.

In practice, Republicans who follow Eisenhower consider Government, insofar as it undertakes programs affecting the individual—aside from the administration of justice, customs, defense, foreign affairs, and other functions traditionally associated with Federal sovereignty—to be useful as a coordinating and stimulating medium. I should like to give a few examples. An excellent one is Federal aid for small business development through the establishment of a Small Business Administration to assure small business its fair share of defense contracts, of technical assistance, and of direct loans where small business cannot get them through normal commercial channels and strong antitrust action to free competition. The strictures that this administration is being conducted by big business or for big business are being completely exploded, in my view, by this hard fact.

Pending in Congress right now are two bills for Federal aid to school construction—one is the administration bill, the other is the so-called Kelley bill which I believe represents the so-called New Deal-Fair Deal philosophy. The Kelley bill calls for a large per capita distribution based primarily upon numbers of pupils in the States. The administration bill calls for helping primarily those States which cannot help themselves. I happen to believe that the administration bill should be somewhat larger in amount, but the fundamental principle of the administration bill is right and represents the kind of thinking which is typified by President Eisenhower's leadership of the Republican Party.

We have another example in the health field. It will be remembered that the New Deal-Fair Deal proposal was for a great system of Government insurance, with medical service to be provided by Government-paid doctors. The Eisenhower brand of Republican thinking resisted this idea on the grounds of its devastating effects on the traditional relationship between doctor and patient. Now this national governmentally financed health program is obsolete, due to the fact that more than 100 million Americans carry some form of health insurance or participate in private voluntary health plans. What is needed now—and this is the Eisenhower approach—is help to enable these health plans to extend their range of coverage and to provide assistance for older people, the indigent, the unemployed, and others who are not valid actuarial risks. In short, the Government would be filling in the vacant places created by the private system rather than trying to replace or displace the private system.

Among other indicia of today's Republicanism is the backing of determined civil-rights action. It supports full utilization of the executive authority to achieve the fullest freedom of opportunity regardless of race, color, or creed for all our people.

Again, I sincerely commend the distinguished minority leader for his forthright leadership upon the civil-rights issue in this Chamber.

Without a change in the Senate rules, which is one of the ornaments of this body, to make it possible to end filibusters, the prospects for civil-rights action in Congress are greatly jeopardized.

Today's Republicanism backs an immigration policy consistent with the needs of the anti-Communist struggle and our free-world leadership. The President has sent his recommendations to Congress on that subject.

I am deeply convinced that the very same millions of our citizens who are interested in the most economy possible in the budget and the lowest possible taxes are at the same time equally interested in all of the things that the Government proposes to do in the budget. These include national security and defense, housing, education, health, aid to the aged, aid to needy children, aid to agriculture, development of our natural resources, and that element of our security which is inherent in the bipartisan foreign policy of which foreign military, economic, technical assistance, and exchange-of-persons programs are a vital part.

In his recent budget letter to Mr. RAYBURN, the President stated that the Federal Government "should undertake only essential activities that the people cannot sufficiently provide for themselves or obtain adequately through private voluntary action or local or State government." The President ran and was elected on this basic premise.

That letter, sent by the President to the Speaker of the House, was vitally important to me not only for what it said on reducing the budget but also for what it did not say. The President refused to abandon the Republican Party's 1956 platform, and I urge my colleagues in my party not to abandon either the principles or the programs which have been proven by popular acceptance to reflect the thinking and the aspirations of the vast majority of the American people.

Let us examine in some detail the Eisenhower administration budget, and consider what it means in terms of the national economy.

It is essential to note that in the fiscal years, 1952–55, until the Eisenhower administration could really take hold, the Federal Government ran at a deficit of $20,700,000,000, largely based on what had been accumulated from the previous administration. This was reflected in an increase in the national debt in the same years by $15 billion.

On the other hand, beginning in fiscal 1955–56—in other words, ending June 30, 1956—we have had a $5 billion reduction in the Federal debt, out of surpluses, including the estimated surplus of $1,800,000,000 for the next fiscal year, even with the current budget allowed in full. In the same period, too, there has been a remarkable stability in the cost of living and a substantial increase in living standards estimated for the American people.

Figures compiled by the Department of Labor show that the real spendable earnings of factory production workers in March 1957, were over 20 percent higher than the 1947–49 average.

The real test of the budget and expenditure is not only what we spend, but also what we earn. And the gross national product of the United States has risen from $360,700,000,000, for the full fiscal year when this administration took over, to an estimated $425 billion for fiscal 1956–57, an increase of well over $60 billion, or 18 percent.

Mr. President, it is very significant that this year the Federal budget will take a lesser percentage of the gross national product of our people than that represented by the increase in the years during which the present administration has been in power. Here are the figures: In 1953, the Federal budget amounted to 20 percent of the gross national product. In 1957, it had dropped to about 16 percent, and it is expected to remain at that figure in the fiscal year 1958, as well. In short, while we have a solid determination shared by the President, the minority leader, and many others in high authority, to cut this budget as much as it possibly can be cut—and an estimated $2 billion to $3 billion seems to be in sight—Republicans should not be intimidated, by being called "modern Republicans," into accepting a return to "1890 thinking" in our party.

In addition to the $1,850,000,000 in cuts specified by the President, it may be possible to effect a further cut in defense expenditures, although the effect on general employment by the sudden withdrawal of big orders for planes, ships, and other defense materiel and the need for maintaining defense-production facilities must both be watched, in the interests of our general economy.

Let me mention some of the places where cuts may be made: Rivers and harbors projects call for appropriations of $647 million. In fact, in the last 3 years, Congress has appropriated 4 percent or $73 million more than the President asked for. In this part of the budget, there is a lot of "pork barrel" which could and should be cut.

The Post Office estimated deficit in the budget is $651 million. The President asked for an increase in postal rates which would add $654 million a year, and would cancel the deficit, and would cut the budget by that much. But this calls for an increase in first-class-mail rates from 3 to 4 cents, and we must decide whether we wish to pay that increase in mail rates in order to save on the budget.

Also we can scrutinize carefully the number of civilian employees in the Federal Government, now about 2,500,000; and we can guard against undue increases. Of course, one of the policemen in that field is the distinguished senior Senator from Virginia [Mr. BYRD].

Two areas in alleged budget cutting, however, indicate what I have said, namely, that those with special interests are seeking, perhaps unwittingly, to lead us back to an outmoded and dangerous isolationism, in the course of the budget debate—a debate and the scrutiny it reflects which I think are both wise and proper. Those of us who feel strongly on this subject should willingly join issue on basic policy decisions on major matters involving our fundamental security, but we should not permit the questions to be decided by money alone. I speak of the slashing cuts advocated in foreign aid, and also of the cut of $35 million already made in the House of Representatives in the $140 million requested appropriation for the United States Information Agency—a cut over which the President expressed "deep concern" as damaging "a key instrument in our efforts to promote peace."

Foreign aid and the USIA should be subjected to the greatest scrutiny, of course. Indeed, the President has suggested that the military aspect of foreign aid be cut back from $2,450,000,000 to $1,950,000,000, a cut of $500 million. But this is quite different from branding the foreign-aid program generally as a giveaway, and proposing to eliminate completely economic aid, and to cut military aid drastically. These programs, of which the USIA is a vital component, are keystones of our free-world leadership for peace and freedom over communism.

Foreign aid and the USIA which are said to have no constituency in this country fighting for them, which is why they are said to be so vulnerable, I think they ought, indeed, to have the greatest constituency fighting for them of any in the United States, because they are such vital ingredients in our winning by peaceful means the historic struggle against communism.

Mr. President, we are not living in a vacuum. We are living in a grim, life-or-death, epoch-making struggle between ourselves and communism, which is the antithesis of our way of life and of everything we think worth living for. The aim of our national policy is not to resolve the struggle between freedom and communism by an atom and hydrogen war. We hope to resolve it by the excellence of our performance, our moral standards, and the force of our argument for freedom; by such means, we hope mankind will be persuaded that freedom is best. Considered in terms of our success in preserving mankind, even more depends on these elements of our foreign policy—which include foreign economic assistance and the Information Agency—than on the $38,500,000,000 budgeted for the Armed Forces, vital as they are.

Mr. President, I have said that we are living in an atmosphere of very tense competition, and indeed we are. I hear very much talk about living in a vacuum, rather than about living in the condition in which we actually live. Let us see what others are doing in this respect.

By way of comparison with our efforts, it is reported that the Soviet Union is selling its ideology with an expenditure, at the very least, of $236 million for radio propaganda and publicity for distribution abroad. In fact, figures—which are, of course, hard to obtain—nevertheless indicate that the Soviet Union for 1953—the last year for which I have been able to obtain such statistics—spent $1,657 million, and, with its satellites, an estimated $3,400 million, for propaganda and culture.

Mr. President, this morning I contacted USIA for a more up-to-date estimate of how much Russia is currently spending for her giant propaganda network. It was informed she spends somewhere between $500,000,000 and $1,000,000,000 each year—and that figure does not include the very considerable cost of Isvestia and Pravda, the Communist newspapers. It does include funds for Radio Moscow, TV, propaganda movies, leaflets and similar activities.

Obviously, Russia is not only willing to spend, but in fact already is spending some nearly 10 times the current budget for USIA, in an all out effort to sell the Communist ideology to the world.

This does not mean that the budget of the United States Information Agency should not be scrutinized with the greatest care, like that of any other agency. But I think it does mean that the United States Information Agency should not be punished by deep budget cuts.

Let us test this out on the cuts already made by the other body. We find the following situation. To maintain the work of the agency at least at the level of the current fiscal year would require $116,600,000—adding to last year's appropriation $2 million to cover mandatory Civil Service requirements, and $1,100,000 as the first installment on the Mideast radio transmitter. Instead, the Agency has been allowed $10,300,000 less. In addition to the restoration of this $10,300,000, $18,600,000 is needed for increased activity of vital importance to our country in the current phase of the cold war. Let us not forget that the Soviet Union is about to launch a new campaign under the guise of coexistence, and yet at this very moment we seem to be moving toward cutting down instead of building up our counterattack.

I think we ought to get very specific. I examined carefully the debate in the other body and the committee hearings. I have come up with some specific matters which I should like to put into the RECORD, because that is the only way in which we can be realistic. I can be just as hardheaded as anybody who wants to cut the budget to the bone.

Of the $18,600,000 requested by the Information Agency to expand its activities, half is for stepped up information work in Africa, in the Near, Middle and Far East, and in Latin America. The USIA wants to open more reading rooms, libraries, and 15 new information posts and subposts abroad—10 of them at key points on the powder-keg continent of Africa, which is a priority target for the Communists. Now, when there is a feeling of good will toward America and Americans in the newly independent nations of Africa such as Ghana, let us work not only with the Africans, but among them.

Mr. BUSH. Mr. President, will the Senator yield for a question?

Mr. JAVITS. I yield.

Mr. BUSH. The Senator took a trip around the world after the election in 1956. I wonder if the Senator had an opportunity on that trip to visit those reading rooms and libraries and information posts to which the Senator has referred in his speech.

Mr. JAVITS. I thank the Senator for that question. I did. I found them to be very fine examples of American life. I found them to be very popular in countries with teeming populations, such as India and Pakistan. I do not think we can begin to understand their hunger for reading matter, because there is very little entertainment and very little they can afford to buy along that line.

Mr. BUSH. I am glad to hear the Senator say that, because, while I have not had the advantage of world travel, I have talked to friends who have. They have made very favorable comments about the reading rooms and the libraries, which are outstanding functions of the United States Information Agency. I am glad the Senator is pointing that matter out in his address today.

Mr. JAVITS. The Agency asks another $2,300,000 to enable it to produce and distribute hundreds of hours of new programs for the greatly increasing number of television stations. I think we ought to build the stations up, not tear them down. We say our agencies should be awake. They are awake, because the march of television is forward, not back. Today, USIA sends television programs to some 200 stations abroad, but it estimates that by July 1958, 200 new television stations will exist. In Japan alone, the number of stations will more than double. In Latin America, 57 new stations will start; in the Near East, 7 more are expected; and in Europe, 109 new stations will join the 135 now operating.

Another $1 million is needed for new programs in Eastern Europe, including increased distribution of the magazine, America Illustrated, so that we cannot only continue to distribute the magazine in the U. S. S. R. for the next year, but also reach behind the Iron Curtain with an additional language version of the magazine. Anyone who has seen the slick publications put out by U. S. S. R. for distribution in our country must recognize how vital is the publication of America Illustrated.

The Agency needs nearly $1,500,000 to produce more than 7 million books in both English and translated editions to be sold primarily in the Near East, Far East, and Latin America. Designed to sell commercially through local outlets for about 10 cents each, these books about America are portable good will ambassadors which students can afford to buy, read, and then pass on to family and friends.

I might say one thing I learned when I was a member of the Foreign Affairs Committee of the House of Representatives. Foreign-language books are one of the staples of the Soviet propaganda drive which we must meet. Particularly is this true in a country like India, which, if there is any place in the world where it is true, is the focal point of the struggle between the Soviet Union and ourselves.

Foreign-language books are one of the staples of the Soviet propaganda program which we must meet, particularly

in countries like India, where books are expensive and people hunger for them. If they do not get ours, they will get those of the Soviet Union. It is high time we remember that.

Added to these items is the cost of increasing the output of motion pictures—primarily to the underdeveloped areas of the world where illiteracy is high—our overseas exhibits such as "Atoms for Peace"; and the President's "people-to-people" program, estimated to cost $500,000.

A good case is made out for the restoration of about $29 million of the House cut in the appropriation for USIA.

In terms of our own security, the evidence is that we should continue the foreign-aid program. Indeed, two such highly qualified and impartial observers as Francis Cardinal Spellman, of New York, and Harold H. Held, chairman of the Chemical Corn Exchange Bank, one of New York City's great banks, testified to the importance of our foreign-aid programs just the other day.

Cardinal Spellman reported the worldwide need for relief supplies was "appalling," in a speech before the Bishop's Fund Appeal for Oveaseas Relief. I quote the word "appalling," used by one of our great newspapers. Mr. Helm reported, as a result of a recent trip abroad, that he had become further convinced that continuation of American aid in the Far East at its present level is not only desirable, but necessary.

Many in this Chamber think our Vice President is a hardheaded fellow, too, and very recently he called marked attention to the need for economic aid in the report on his historic African tour; and in a speech before the United States Chamber of Commerce, one of the leading organizations in the country urging extensive budget cuts, the Vice President stuck by his guns.

Let us see what foreign aid we give abroad. Let us get down to the facts. Let us be as hardheaded as those who advocate deep budget cuts say they are.

Under present programs, about $600 million a year is expended for economic and technical assistance abroad by our Government, apart from expenditures for foreign military assistance and its economic element of defense support, which constitute the bulk of the $4.4-billion budget request for foreign aid. Only $600 million is left for economic aid for development, and even this $600 million is cut in half. Why? Because $300 million of the $600 million actually moves to benefit directly the great majority of the peoples of the underdeveloped countries other than countries such as Korea, Formosa, Turkey, and Vietnam. They get $300 million of this development assistance, and there even nonmilitary economic assistance is directly tied into the overall maintenance of the national security, which is so vital to our own defense, as we have shown by the way we handled those countries.

Mr. President, to meet the epochal Communist challenge seeking to exploit depressed standards of living, health, sanitation, and housing in the underdeveloped countries, we need to find a way in which our country—taking together what the Government does and what private interests do—can mount an effort of the magnitude of $5 billion a year for economic and technical assistance. I hasten to add that this sum should include a doubling of the rate of overseas private investment from the present annual amount of something under $2 billion net in the fields in which overseas private investments traditionally operate. Our aim should be to do this job mainly through the private sector of our economy, but to do it we need to continue and strengthen—not cut off—such governmental foreign economic and technical assistance as we now give.

First, because in such matters as public health, government administration, the work of private voluntary and nonprofit agencies, and the development of roads and similar public works governmental assistance must be supplied. That is the only way the objective can be reached in these overseas areas.

Second—and I know this again from my experience as chairman of the Subcommittee on Foreign Economic Policy in the other body—because business itself feels greater comfort in its own activities abroad when the Government continues its assistance. Indeed, to continue at about the present level is just about the finding of the President's advisers on the mutual-security program, under the chairmanship of one of our country's leading industrialists, Benjamin Fairless, formerly the president of the United States Steel Corp. And Secretary Dulles' proposals of $750 million in revolving loan funds for foreign aid move in the same direction.

Mr. President, let us understand two things. Many people like technical assistance and, they say, they do not like economic aid. But in practically every country, if technical assistance is to be effective, there must be economic aid. The best example is the so-called village development program, which is the greatest single contribution in India, to keep the people on the side of freedom, which has now reached 80 million people in India directly and personally in their own little homes. I visited these villages, and saw enough of a sample to state that as a fact. This is a program which is now interesting Pakistan and Burma and other areas so vital to us. They need not only technical assistance, but they need the little bit of money they receive, which represents a jeep, or a roadmaking machine, or an extra supply of seed, or a cast iron stovepipe, which revolutionizes cooking in the home and takes the odors out instead of spreading them within. That takes a little bit of economic aid each place, but when it is all added together it is $300 million, the amount I have named as actually being used for this purpose, and it goes a very short way indeed.

Mr. President, in this, too, the Russians are competing with us. Not only are they competing, but they are competing on horseback. It is estimated that they will be giving a billion dollars—not $300 million, but a billion dollars' worth of economic aid in this very fiscal year, when we are making a tremendous noise about the fact that we may be giving $300 million. They will be giving aid to Afghanistan and to Egypt and to Syria and other countries vital to our interests.

Mr. President, let us not forget that foreign aid has been continuously carried on since 1947 by overwhelming majorities in the Congress despite exactly the same assaults which are being made upon it now. I am not speaking now of the exact amount involved. We may cut a few hundred million dollars or we may not, but I am speaking of a program of the magnitude of that which is proposed to the American people for fiscal 1958. I am talking about a program of that magnitude. We might trim a bit here or trim a bit there, but I deeply feel that is the order of magnitude we need in the interest of our national security, and it needs to remain about the same. I deeply feel that our people are firmly convinced and committed upon the subject of continuance of the foreign aid program as an essential element in the security of the United States so long as the grim Communist specter stalks the free world.

Mr. President, in summary, our obligation is responsibility to the country and its security. Those who call the loudest for the deepest and the biggest budget cuts and tax cuts will condemn us the most—and I think quite rightly so—if we forfeit our responsibility for the security of the Nation, the ultimate triumph of freedom over communism, the historic effort to avoid atomic war, and the further development of domestic security and well being for the individual, commensurate with the vigor and productivity of our private economic system.

The role of our Federal Government is to help coordinate and facilitate security and well being for the individual without compromising our basic private economy and freedom. This I am convinced it can accomplish. This should be the rule for Republicans and Democrats alike. In my party, I am proud to be alined in substantial support of a President who stands for and was elected upon this political philosophy, and, Mr. President, I intend to fight for that philosophy in the councils of the Senate, no matter how sensitive the issue, including the budget.

Mr. President, I ask unanimous consent to have included as a part of my remarks an interesting editorial from an upstate journal, the Buffalo Evening News, on the USIA, entitled "Keep the Voice Effective," and a column on the same subject written by David Lawrence, appearing in many syndicated papers, entitled "Meat-Ax Budget-Cutting Methods," published April 18, 1957.

There being no objection, the editorial and the article were ordered to be printed in the RECORD, as follows:

[From the Buffalo Evening News of April 23, 1957]

KEEP THE VOICE EFFECTIVE

The methods of carrying America's message to the outside world have been disputed for years. And, whatever apparatus is employed, it will never satisfy everybody. Least of all, the Members of Congress who must vote the funds to keep it in working order.

The House has cut the United States Information Agency's budget by about 26 percent in spite of President Eisenhower's plea against drastic reductions in funds. The Senate may restore some of it, but it isn't likely the entire $144 million—the requested appropriation—will be authorized.

The usefulness of all of USIA's activities has been questioned and will be questioned again. It has been characterized as a gigantic boondoggle. The President doesn't think so and we agree wholeheartedly that it should and must be continued. As with so many other essential agencies, however, we are not at all sure that a big budget means a better operation. Certainly there have been enough stories of waste and extravagance in the USIA to warrant the hope that it can be made a more effective voice for America even if it is put on a slenderizing diet.

Mistakes have been made in the content of American propaganda to the outside world. It has been compared unfavorably to the straight-news approach of the British Broadcasting Corp. But under direction of Arthur Larson, its new chief, there is evidence that the Voice of America and affiliated agencies of the USIA will adopt a policy of less propaganda and more uncolored news in broadcasts and literature.

There is another field in which the United States can tell its story to the peoples of nations overseas—the world trade fairs that are held each year in Europe and more remote parts of the world. The House Appropriations Committee has sliced deeply into the funds which go to display our industrial supremacy overseas—reducing an $18,500,000 request by $7,600,000.

Until 3 years ago, it was a standing joke abroad when the great and powerful United States didn't have exhibits at such world trade fairs which play a large political as well as commercial role in world affairs. While we were either absent or represented by a display of negligible dimensions, the Soviet Union really spread itself in lavish and spectacular exhibits. The United States Government entered the field in 1954 and since, at every fair wherever on the globe, consistently has made the Russian entries look shabby. That this performance enhanced United States prestige cannot be questioned.

The next fair is to be held at Poznan, Poland, scene of the beginning of the Polish revolt last summer. Plans for United States participation are almost complete and there will be no skimping on our exhibit. Its importance is obvious. But, if the budget cut made by the House committee sticks, several others of equal importance will have to be skipped. We sincerely hope the Senate will find somewhere else to save this $7,600,000 instead of taking it out of as effective an instrument of American foreign policy as the trade fairs program has proved to be.

MEAT-AX BUDGET CUTTING METHODS—PRESENT CONGRESS SEEMS INDIFFERENT TO COLD WAR PROPAGANDA NEEDS

(By David Lawrence)

Billions for war, but a mere pittance for the dissemination of ideas that could influence peoples abroad, restrain capricious rulers, and prevent war. That's the curious result of the meat-ax method of cutting the budget which seems to have been adopted by the Democratic Party that controls Congress today.

The proposed cost of armament runs to $38 billion. It is a vital part of the Federal budget, because it is counted on to help deter potential enemies from attacking the United States and its allies.

But less than one-third of 1 percent of what is being spent for armament now has been appropriated by the House of Representatives for the United States Information Agency, which has the main responsibility for transmitting the American viewpoint on peace throughout the world.

A cut of $38 million just made by the House of Representatives leaves the United States Information Agency $106 million for next year. This is $7 million less than was voted for the current year. Yet the problems of the Middle East and the Far East are no less critical than they were, and the task of cementing relations with our allies in Europe has not by any means diminished in importance.

In an atomic age it is imperative that peoples everywhere should influence their governments to refrain from precipitating a world war. But peoples must have the facts and the information on which to form judgments. Anyone who has the slightest knowledge of how difficult it is to penetrate the public opinion of foreign countries realizes the enormous task that faces the United States Information Agency.

Soviet Russia spends billions where America spends a few millions in communicating with other peoples, especially in the areas of most strategic importance.

The United States is relatively new at the business of exporting ideas. Some mistakes have been made—but not as many perhaps as in the doling out of billions to foreign governments to help rehabilitate their economic structures since World War II.

The objective—to prevent the spread of international communism—is admitted everywhere in Washington to be worthwhile. But when it comes to supplying the necessary funds to carry on that phase of the cold war, Congress seems indifferent.

This is not because of partisianship alone. There are other factors. One is the lack of familiarity of Members of Congress themselves with the many influences that are operative every day in foreign lands to check American diplomacy and threaten the defeat of our efforts to win the friendship of other peoples.

The Soviet auxiliaries among the intellectuals are numerous in many countries, and the press is actually controlled by agents of Moscow in various parts of the world where the United States Information Service is trying to offset Communist propaganda. It's a battle that America cannot afford to lose, and it takes money to fight that kind of warfare.

The United States Information Agency makes available free, for instance, the texts of important American pronouncements of policy because the newspapers abroad couldn't possibly afford to pay the heavy costs of cable tolls to get those speeches transmitted. There are literally dozens of other worthwhile projects which are designed to inform the peoples abroad concerning America's peaceful intentions and her humanitarian interest in the welfare of other nations. Instead of encouraging this work, Congress is shortsightedly discouraging it.

Unfortunately, some Members of Congress set themselves up as expert judges of how the United States Information Agency should be conducted. It is, of course, a specialized field. The hearings recently held show a woeful lack of knowledge by many Members of Congress of what it is important to do to win the cold war.

It is shocking to any American who travels abroad to discover how little is known about the United States even in the English-speaking countries. Very few newspapers and periodicals are sent from America to other countries—only a few thousand here and there. The vast population of the rest of the world has a scant knowledge of America's purposes and policies. As a consequence, the distortions distributed by the Communists have to be challenged again and again. If Congress doesn't furnish the necessary money to the United States Information Agency, the growth of anti-American sentiment will go unchecked.

Ideas are transmitted in modern systems of communication in a variety of ways. The printed word is important, but so also are radio and television and motion pictures. Many millions who are illiterate may not be able to read books or newspapers, but they do look at movies. The potentialities of the various means of communication are limitless. Yet the House of Representatives has actually cut down the program of the United States Information Agency and evidently prefers to give a clear field to the Communists in this cold war. Will the Senate do likewise?

What the House has just done is a tragic development—a failure to recognize that war can be prevented only by getting peoples to reject the policies of dictators and by winning the hearts and minds of peoples. Ideas are plentiful, but money to convey them is almost as necessary as any other deterrent force.

Mr. JAVITS. Mr. President, I yield the floor.

Mr. BUSH. Mr. President, I wish to congratulate the able Senator from New York upon the superb address he has made this afternoon for the benefit of the Senate and for the people of this country. I hope they may have the advantage, throughout our States, of understanding the philosophy of the Senator's address today.

Mr. JAVITS. I thank the Senator.

Mr. BUSH. The Senator has brought to bear on this very important issue an accumulated knowledge, experience, and understanding of this budgetary question, with particular emphasis upon the foreign-affairs aspect of it. I think he has made for us one of the most penetrating addresses I have heard this year on the subject of the budget, with which we are about to deal.

I am very happy to congratulate the Senator. I wish to take advantage of this opportunity to make some further remarks myself which, in a large measure, will support the remarks of the Senator from New York.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. BUSH. I yield to the Senator from New York.

Mr. JAVITS. I thank the Senator very much for his kindness. I have a very high regard for his thinking and his patriotism. I am very grateful for his very kind words.

Mr. President, might I ask the Senator to further yield so that I may suggest the absence of a quorum?

Mr. BUSH. Mr. President, I am willing to yield briefly for that purpose.

Mr. COOPER. Mr. President, before that is done, will the Senator yield to me?

Mr. BUSH. I yield to the Senator from Kentucky, who would like to make a comment on the address of the Senator from New York.

Mr. COOPER. I should like to say that I was prevented from being here at the time of the speech of the distinguished junior Senator from New York. Very kindly he presented me with a copy of his speech earlier in the day. I had occasion to read it. I consider it a great speech, one which deals realistically with the problems of the budget which we face, and one which supports the President of the United States in his aims. I

congratulate the distinguished Senator upon his speech.

Mr. JAVITS. Mr. President——

Mr. BUSH. I yield to the Senator from New York with the understanding that I will not lose my right to the floor.

Mr. JAVITS. Mr. President, I wish to thank my colleague from Kentucky [Mr. COOPER] for his kind remarks.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CARLSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUSH. Mr. President, I desire to express my own conviction that the Republican Party must remain responsive to the needs of the American people in an expanding and dynamic economy, and in a world of tensions in which the Soviet Union still menaces freedom everywhere.

The Senator from New York [Mr. JAVITS] has gone into many phases of this question in a very thorough and brilliant fashion. As I stated earlier, I hope his remarks may have the very widest circulation, because not only has he acutely recognized some of the important problems which we face in connection with this budget discussion, but he has brought to bear on them his experience and his facility in dealing particularly with the mutual security elements of the budget. We are all very grateful to him for clarifying the issues to the extent to which he has clarified them. I know that we shall hear more from him on that subject in the days to come.

The American people are rightly concerned over the size of the proposed Federal budget for fiscal year 1958. When expressed in terms of current dollars, the total of $71.8 billion—exclusive of the highway and other trust funds—is, indeed, startling.

Reflecting the concern of the people, there has been much criticism in the Congress of the President's budget. Some has been informed and responsible; much has been reckless and partisan.

There has been criticism expressed on both sides of the aisle in this Senate.

Addressing my remarks at the present time to some of my Democratic friends, I may say that I have been somewhat amused by their belated conversion to the cause of economy. I hope that conversion is sincere, and that there will be no backsliding into the free-spending errors of their past.

But to one who examined the Democratic Party platform in 1956, perhaps some skepticism may be permitted.

If Adlai Stevenson had been elected last year, and had attempted to carry out his party's platform pledges, he would have been forced to advocate spending programs which would dwarf those of Dwight D. Eisenhower.

There was no limit but the sky on Federal spending called for in the Democratic platform.

Now it is time to put the President's budget in proper perspective.

In terms of a stable dollar, the budget is below the level of 4 years ago and less than the average for the last 6 years.

And, when we compare nondefense spending with national income, the results are startling. The 1958 budget proposes to take only 7.5 percent of the national income for nondefense programs, as compared with 10 percent in 1950 and 11 percent in 1939.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article which was published in the May 3 issue of the U. S. News & World Report, entitled "Why United States Budget and Your Own Budget Are So Big."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the U. S. News & World Report of May 3, 1957]

WHY UNITED STATES BUDGET AND YOUR OWN BUDGET ARE SO BIG

Glance behind the latest budget figures and you find this—

What's happened to the Government's budget in the last 10 years turns out to be pretty much the same thing that's happened to your own family budget.

Both have grown steadily, but inflation, rising costs, accounts for most of their growth.

Take away the effects of inflation, and Federal spending is almost unchanged from levels of recent years.

Family budgets, meanwhile, are up nearly 40 percent in the same decade, with nine-tenths of that rise the result of inflation.

The growing agitation over President Eisenhower's budget of nearly $72 billion—a record for peacetime—now is leading many people to take a fresh look at Government spending.

The facts disclosed by this closer scrutiny have come as a surprise to many.

What has happened to the big Federal budget in recent years, it is being discovered, is the same thing that has happened to the budget of an average family or of a typical business. Inflation is the key.

Prices, wages, charges for all sorts of services that the family or the Government buys have risen spectacularly in the years following World War II. Spending increases, in large part, are thus the result of price increases, not of purchasing increases.

When you take out of the usual budget picture the effects of inflation, you find this:

Government spending in terms of real dollars of equal buying power, has been unusually stable now for several years.

While spending of these real dollars will rise in the year that starts July 1, this spending will remain below the level of 4 years ago—President Eisenhower's first full year in office.

Spending of ordinary dollars of today will be up, numerically, next year to a level nearly double that of 1947. Yet real spending—or purchasing—will be only about a third larger than in 1947.

Since 1940 the rise in annual budget outlays has been a spectacular $62.7 billion. Yet only $21.5 billion of this—or about one-third—is real in terms of what Government has been able to buy. About $41.2 billion—or two-thirds of the rise—is money that is going down the inflation drain.

This view of the budget is about the same as the one a family gets when it takes a close look at the situation and learns that, with perhaps twice as much income, the family is enjoying very little more of the good things in life than it did 10 years ago.

You get, in the accompanying charts prepared by the economic unit of U. S. News & World Report, a clear picture of the effect that inflation has had on the budget of the United States Government and on the budget of the average American family in the period since World War II.

Government's budget in the year that ended in mid-1940—just before World War II—came to a total of $9.1 billion of spending.

By 1947, after spending heavily in war and then cutting back, Government was spending $39 billion. But these dollars did not have the same purchasing power as those of 1940.

In real terms of 1940 dollars Government in 1947 was spending $22.8 billion.

Budget spending, in other words, had jumped from $9.1 billion to $39 billion—up by nearly $30 billion. Yet real spending had gone up from $9.1 billion to $22.8 billion, or by $13.7 billion.

Less than half the spending rise was real. More than half was the result of higher prices.

For the year that starts July 1, Government's spending budget is estimated at $71.8 billion. This is a rise of 84 percent from 1947.

In terms of real dollars of 1940 vintage, however, spending next year will come to only $30.6 billions. This is a rise of less than 35 percent from 1947.

You find, too, that, in the period since mid-1953, Government spending of real dollars has been pretty stable. In these terms, spending is to be at about the same level—or only slightly higher—in the year that starts July 1, 1957. It will, in fact, be lower than it was in 3 of the preceding 6 years, and less than the annual average for those 6 years.

Spending, in other words, is on the rise, but only about in line with price rises that are occurring.

Ordinary families, too, have found themselves spending more and more dollars for what, in many cases, turns out to be no more of goods and services.

Take the spending of the average family—or household—in this country, as computed from reports by the United States Departments of Labor and Commerce.

In 1940 the average family spent $2,009 for all the things that a typical family wants and needs.

By 1947 the average family was spending $4,042—double the outlay in 1940.

Now look at this change in terms of real dollars of the same buying power and you get an entirely different picture.

Measured this way, the family's spending in 1947 had risen from $2,009 to $2,659—or by about one-third. A great many of the family's dollars, along with Government's, were going down the drain.

Now, after another decade or so of rising costs, even more dollars are being claimed by inflation. In the year starting July 1, the average family will spend an estimated $5,551—nearly 40 percent more than the 1947 outlay.

In terms of real dollars—in purchasing power—the family's spending has risen since 1947 from $2,659 to $2,766, or by only 4 percent.

The average family, it becomes clear, is putting out a lot more dollars numerically without getting much more prosperous.

Prices, again, are the reason. The new car that the family bought this year cost about $2,800, instead of the $1,950 or so the family paid in 1947. The home that could be bought for $10,000 right after World War II now sells for around $14,000.

Everything Government buys—or nearly everything—has gone up in price in the same way.

For an example of what has happened since a 1940 dollar bought a dollar's worth of goods or labor, look at what has befallen the Armed Forces.

In the days before World War II, the average member of the forces received pay and allowances amounting to $1,239 a year. Now,

that average is budgeted at $3,767—nearly 3 times what it was in that earlier day.

Back in 1939, the United States was buying its best fighter planes for $60,000 apiece. Now, Government is budgeted to pay $1.5 million for each fighter plane. Where a heavy bomber cost $300,000 in 1939, Government now is paying $8 million for a single bomber.

These, of course, are not the same planes that Government was buying in 1939. They are bigger, faster, far more complicated and loaded with expensive gear. Atomic weapons, electronic equipment, other things needed to fight a modern war also take more time and labor to produce than did the fighting gear of 1939.

These products of rapid technical development are adding to the cost of Government in much the same way as price increases. A businessman, in an age of automation, finds the same thing to be true of his operation. So, too, does a family that tries to stretch its income to cover all sorts of automatic equipment for home and car.

President Eisenhower's view of these trends sounds pretty much like that of any family that has taken the trouble to check its real progress toward a prosperous life.

The President put it this way at a recent news conference: "A number of my business friends have said their budgets had gone up through these past years from the average 6 to 8, 10 percent a year. And they were astonished that the Federal Government had gone up only 3½ percent, in view of the increased cost in the costly things we have to buy. * * *"

Another view of the big Federal budget was mentioned by President Eisenhower at this same news conference. This is the view that takes the national income as a rough measure of the country's ability to afford Government spending on defense and other programs.

What you see from this angle is that, in the year starting July 1, 1957, Government will spend an amount equal to 20 percent of the Nation's income.

This is about on a line with the proportion of income that Government has been spending during the last several years. Even in 1950, when the United States had shrunk its defenses to something like skeletons, Government was spending about 18 percent of national income.

Now, by contrast, Government is on a virtual war footing. Result: Spending on national security and on all of Government's relations with other nations next year will take about 12.5 percent of the Nation's income. Back in 1950, these things took only 8 percent of income.

Spending on other programs—all the regular peacetime functions of Government—has been climbing steadily these past few years. But national income has been rising, too. Result: Spending on these normal programs next year will take about 7.5 percent of national income. But in 1950, these activities took 10 percent of the Nation's income. In 1939, they took 11 percent of income.

President Eisenhower, referring to these trends, has noted that, while a rise in national income may mean the country can afford more Government spending, it does not mean that Government should necessarily do more. He sums things up in this way: "Explain it as you will, as I said when I first mentioned this budget $72 billion is still a terrific amount of money to extract from the economy, and put into purposes that are not productive of new machines or new jobs—of new facilities that make new jobs, and everybody is absolutely correct in trying to find the way that those expenses can be cut."

The President warned, however, that the budget could not be reduced substantially unless Congress cuts back on existing programs, many of which were authorized years ago.

Mr. BUSH. I should like to call attention particularly to a brief excerpt from the article:

When you take out of the usual budget picture the effects of inflation, you find this:

Government spending, in terms of "real" dollars of equal buying power—

Let me say, parenthetically, that reference is made to what we might call "constant" dollars—

has been unusually stable for several years.

While spending of these "real" dollars will rise in the year that starts July 1, this spending will remain below the level of 4 years ago—President Eisenhower's first full year in office.

Spending of "ordinary" dollars of today will be up, numerically, next year to a level nearly double that of 1947. Yet "real" spending—or purchasing—will be only about a third larger than in 1947.

Since 1940, the rise in annual budget outlays has been a spectacular $62.7 billion. Yet only $21.5 billion of this—or about one-third—is "real" in terms of what Government has been able to buy. About $41.2 billion—or two-thirds of the rise—is money that is going down the inflation drain.

That is going down the inflation rathole, Mr. President, and I charge the responsibility of that to the administrations which preceded the Eisenhower administration.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. BUSH. I yield to the Senator from New York.

Mr. JAVITS. I believe the Senator has made quite an interesting point, which has perhaps been somewhat confused in the press. Does the Senator from Connecticut feel that the people of the country should consider the increase in the cost of living, on the basis of the Bureau of Labor Statistics figures, or other figures, preceding January 1953 as vastly more alarming and a greater threat to their permanent standard of living than the increases since January 1953?

In other words, is it not a fact that in recent years there has been a small percentage of increase—I believe it is under 4 percent—although it is shown as a constantly rising figure, and in spite of the fact that it is constantly charged that the standard of living has gone up tremendously; whereas the cost of living has geen going up only fractionally in recent years as compared with the drastic increases, on which the present increases are based, which took place before January 1953?

Mr. BUSH. I thank the Senator for calling attention to that fact. It is true that when the Eisenhower administration came into office one of the first actions it took was to try to build up defenses against inflation, in order to stop this quiet stealing of the savings of a lifetime that belong to the citizens and taxpayers of our country, and to try to stop the wastage of their pensions and insurance policies and their investments, and so forth, which were being ravaged by this constant depreciation in the value of the dollar.

It is greatly to the credit of the Eisenhower administration and the Republican Party, which stood solidly on the platform of stopping inflation, that to a large extent that has been done within the last 4 years.

The Senator from New York has pointed out that the total increase in the cost of living in the last 4 years and 3 months is less than 4 percent. It will be seen from the figures I have quoted and from others that I shall quote later how that compares with prior years.

It has been the policy of the Eisenhower administration to stop inflation. Our friends across the aisle frequently talk about what they call the hard-money policy of this administration. This administration has no hard-money policy. There is no tight-money policy of this administration. The policy of the administration is to stop inflation.

Fortunately, the Federal Reserve Board has recognized the importance of that policy and has taken such steps as lie within its powers over money markets to stop inflation.

This action has been interpreted politically as a so-called hard-money policy of the Eisenhower administration. It is not that at all. It is important to draw that distinction, and to keep on drawing that distinction.

I notice that the Committee on Finance, under the very able leadership of the distinguished Senator from Virginia [Mr. BYRD], is about to hold some hearings on the question of interest rates. That subject will involve this whole question we are discussing. The committee will examine into the debt-management policies of the administration and related subjects.

I am very glad that the committee will do that, and I am sure that if it will—as I know it will, under the chairmanship of the distinguished Senator from Virginia—give the Federal Reserve Board a full opportunity to lay before the committee the actions which the Board has taken and the reasons for such actions, the country will feel very secure in the management of our fiscal affairs that lie within the authority of the Federal Reserve Board.

I am very glad that the Senator from New York has raised this question. I hope that as we get into this debate on the budget, and as we get into the question of interest rates, we shall have an opportunity to make clear to the Members of the Senate and to the people of the United States that, so far as the Eisenhower administration is concerned, there has been no hard-money policy, and that there will not be any hard-money policy. The policy is to stop inflation, so as to protect the savings and wages and earnings and insurance policies of the people of the United States, because they are entitled to that protection. It is the only honest way of dealing with fiscal matters affecting the United States Government.

I repeat, I am very grateful to the Senator from New York for raising this point. I wish to quote again from the U. S. News & World Report article, because I believe this point needs emphasis and has a very distinct bearing on the question of the budget.

The article reads, in part, as follows:

Everything Government buys—or nearly everything—has gone up in price in the same way.

For an example of what has happened since a 1940 dollar bought a dollar's worth of goods or labor, look at what has befallen the Armed Forces.

In the days before World War II, the average member of the forces received pay and allowance amounting to $1,289 a year. Now, that average is budgeted at $3,767—nearly three times what it was in that earlier day.

Back in 1939, the United States was buying its best fighter planes for $60,000 apiece. Now, Government is budgeted to pay $1.5 billion for each fighter plane.

It should be remembered, also, that today's plane is a jet plane.

I continue to quote:

Where a heavy bomber cost $300,000 in 1939, Government now is paying $8 million for a single bomber.

These, of course, are not the same planes that Government was buying in 1939. They are bigger, faster, far more complicated, and loaded with expensive gear. Atomic weapons, electronic equipment, other things needed to fight a modern war also take more time and labor to produce than did the fighting gear of 1939.

Therefore, Mr. President, we can see what the forces of inflation and technology have done to the military budget. They have presented a tremendous problem to the Federal Government.

The forces of inflation are one of the chief reasons, if not the chief reason and the most important reason, that we are faced today with a budget which is the highest expenditure budget of the Eisenhower administration.

Mr. President, on this point also I wish to quote an article which recently appeared in the Washington Evening Star. It is by David Lawrence, who, in part, writes:

The critics who have jumped on President Eisenhower for the size of the current budget have ignored the steadily rising costs that have come as a consequence of labor demands each year, and the price increases all along the line that have been required to meet such rises in cost.

Mr. President, the entire editorial has such a bearing on the question that I ask unanimous consent that it also be printed at this point in my remarks, together with certain tables which provide valuable facts relevant to discussion of the budget.

There being no objection, the editorial and tables were ordered to be printed in the RECORD, as follows:

INFLATION AND UNITED STATES BUDGET—SURVEY SHOWS REQUESTS ACTUALLY BELOW AVERAGE OF PAST 6 YEARS

(By David Lawrence)

A big surprise is in store for those critics who have been glibly blaming President Eisenhower for the size of the Federal budget.

For it turns out that $41.2 billion out of the $62.7 billion by which the budget has been increased since 1940 are the result of rising costs—usually called inflation.

Another way to express it is to say that the Federal Government is today spending $41.2 billion in higher prices for the same kind of goods and services it bought in 1940 at lower prices.

Actually the Eisenhower budget in terms of a stable dollar is below the level of 4 years ago and less than the average for the last 6 years.

The economic division of the magazine U. S. News & World Report, in a copyrighted article this week, has computed what all the Federal budgets for the last 6 years would be in 1940 dollars. These economists find that instead of a $72 billion budget, numerically speaking, the Federal budget on a purchasing-power basis in the coming fiscal year would amount to only $30.6 billion. This calculation was made in the customary way, familiar to statisticians, by using the Commerce Department's own published index of the prices the Government has paid over the years for the goods it has bought.

The latest budget, moreover, is lower than the last two budgets of the Truman administration, measured the same way, and lower than the one for the first full fiscal year—1954—in which the Eisenhower administration was responsible for the making of the Federal budget.

Turning to the family budget of the average American—and using the Government's price index for the goods the private citizen buys—the same trend is noted. A house that used to sell for $10,000 just after World War II, sells for $14,000 today. An automobile that the family bought for $1,950 in the year 1940, now costs about $2,800. According to Government figures, the average family in 1940 spent $2,009 for food, clothing, housing, and all the things that a typical home requires. But by 1947, the outlay was $4,042, or more than double that of 1940. Looking at a comparison covering the last 10 years, it will be found that the same family is now spending $5,551, or 40 percent more than in 1947 for the same things. But in terms of 1940 dollars the spending has risen only about 4 percent—from $2,659 to $2,766 in the last decade.

The critics who have jumped on President Eisenhower for the size of the current budget have ignored the steadily rising costs that have come as a consequence of labor demands each year and the price increases all along the line that have been required to meet such rises in cost.

Bernard M. Baruch, America's elder statesman, who has had long experience with the inflation problem, made a significant speech 3 years ago on this very question. He said flatly that failure to impose controls promptly by President Roosevelt when World War II occurred, and the unwillingness of President Truman to do likewise soon enough when the Korean war broke out, have placed on the American people a burden of $140 billion of unnecessary debt—more than half of the total national debt of today.

Mr. Baruch's point is that pressures by different groups of economic and political forces which prevent the opportune ordering of controls over wages and prices is much more expensive in the long run than the inconveniences to the economic system resulting immediately from such controls. For prices and wage scales that once go up cannot be readily rolled back.

Inflation, of course, works both ways. It sends income up, too. That's why there is a big surprise when the total spending of today is related to the national income of the American people. Thus, even in 1957 dollars, the spending by the Federal Government for all nondefense items, including welfare programs, now takes only 7.5 percent of the national income, whereas in 1950 it took 10 percent. Back in 1939, the nondefense category of spending was absorbing 11 percent of the national income. Yet, the erroneous impression now is widespread that nondefense spending today is out of all proportion compared to the past.

Mr. Eisenhower has not yet gone to the people, as he may do soon, with an explanation of what really has caused us to have a $72 billion budget. When he does, he can show that inflation and postwar exploitation by economic groups are together responsible for the swollen budgets of the National Government, and the State and city governments, as well as the expanded budget of the American family.

Budget expenditures as percentage of national income (fiscal years)

Fiscal years	(1) National income (billions)	(2) Budget expenditures (billions)	(3) Percentage (3)=(2)/(1)
1939	$70.2	$8.9	13(12.7)
1945	186.5	98.4	53(52.8)
1953	300.5	74.3	25(24.7)
1954	296.2	67.8	23(22.7)
1955	308.6	64.6	21(20.9)
1956	334.1	66.5	20(19.9)
1957 estimate	336.3–353.3 (350)	68.9	20(19.7)
1958 estimate	350.4–368.2 (363)	71.8	20(19.8)

Budget expenditures as a percent of gross national product, fiscal years of 1956–58

	Gross national product (billions)	Federal budget expenditures (billions)	Budget expenditures as a percent of gross national product
Fiscal year 1956 (actual)	$402.6	$66.5	16.5(2)
Fiscal year 1957:			
1st quarter (actual)	413.8		
2d quarter (actual)	423.8		
3d quarter (preliminary comm., CEA)	426.5		
4th quarter projection	430.0		
Average for year	423.5	68.9	16.3(27)
Fiscal year 1958, consistent with revenue projection and above 1957 quarters (no price rise):			
1st quarter	434–35		
2d quarter	438–40		
3d quarter	442–45		
4th quarter	446–50		
Average for year	440–442.5	71.8	16.3(2)–16.2(3)

Budget expenditures per capita in actual and constant prices (fiscal years)

Fiscal year	Actual prices	Constant prices [1]
1939	$68	$157
1945	707	1,204
1953	469	494
1954	421	442
1955	394	415
1956	399	413
1957 estimate	406	408
1958 estimate	416	416

[1] Adjusted to December 1956 wholesale prices.

BUDGET EXPENDITURES AND AVERAGE WAGES IN THE ECONOMY

1. The monthly data on labor's earnings published by the Bureau of Labor Statistics for the period July 1953 through June 1954 show that for the fiscal year ending June 1954, for production workers in manufacturing, the average hourly earnings were $1.79; weekly earnings were $71.27.

2. For December 1956, for the same groups of workers, the average hourly earnings were $2.05; weekly earnings were $84.05.

3. Thus, the percentage increase from the fiscal year 1954 to December 1956 is 14.5 percent for average hourly earnings; 17.9 percent for average weekly earnings.

4. The increase in budget expenditures is less than these percentages. Estimated fiscal year 1957 expenditures of $68,900 million are 1.7 percent above fiscal year 1954 expenditures of $67,772 million. Fiscal year

1958 expenditures are estimated at $71,807 million; 6 percent above fiscal year 1954.

Mr. BUSH. Mr. President, I wish to say one more word about those who are attacking the administration on the basis of the so-called hard-money policy and the question of interest rates. I feel that what they are really doing—and perhaps they do not realize it—is to attack absolutely the integrity of the Federal Reserve System, which is a great bulwark of defense in our whole economy, and is a great credit to the Democratic Party, under whose auspices it came into being.

I hope that in the course of the coming debate about interest rates, we can make the people of the country understand that the past attempts to make money cheap artificially resulted only in rapidly increasing the cost of living. This has had a very deleterious effect upon the savings of the people and also upon the budget submitted by the President of the United States.

Mr. GORE. Mr. President, will the Senator yield?

Mr. BUSH. I yield briefly, for a question.

Mr. GORE. What does the Senator mean by artificially increasing or decreasing interest rates?

Mr. BUSH. I mean by that the fixing by law of interest rates at a low figure, a figure which is below the normal market, below the market created for money by supply and demand, such as the fixing of an interest rate of 4½ percent on VA loans. Such a rate, at a time when demand for credit is very large, makes those loans unattractive to the investors of the country. The consequence is a shortage of supply of money for those purposes.

I consider that the artificial fixing of interest rates, as, for instance, was done in the previous administration, when Treasury bonds were pegged at par, resulted in the establishing of an artificial price level for those bonds.

Mr. GORE. Mr. President, will the Senator further yield?

Mr. BUSH. I yield.

Mr. GORE. Would the Senator from Connecticut agree that since the country is no longer on a gold standard, the currency is a managed currency?

Mr. BUSH. I agree with that statement. Yes; that is correct. We are not entirely off the gold standard. We are so far as the convertibility of the currency is concerned.

Mr. GORE. Then would not the Senator agree that a calculated action or policy deliberately adopted by the Government to push interest rates up or to push interest rate down could equally be described as artificial?

Mr. BUSH. No.

Mr. GORE. In other words, would the Senator say that anything which tended to push interest rates down would be artificial; but if interest rates went up, that was according to the law of supply and demand?

Mr. BUSH. No. I think the Senator from Tennessee realizes that the power lies within the Federal Reserve Board to make certain impressions upon the money market which may have the effect of loosening it or tightening it. Inasmuch as we do not have the control that is provided by convertibility into gold, it is necessary, therefore, that there be some other control. It is very necessary that that other control not be interfered with for political purposes.

Mr. GORE. Mr. President, will the Senator further yield?

Mr. BUSH. I yield for a question.

Mr. GORE. Which action by the Federal Reserve or the Treasury, the action to loosen or the action to tighten—to use the Senator's own terms—the availability of credit, would he describe as an artificial action?

Mr. BUSH. I do not intend to discuss the whole subject of interest rates today. I brought it into my own remarks parenthetically this afternoon. I certainly intend to make my good friend, the Senator from Tennessee, very well aware of my views in connection with the matter when I appear before the committee of which he is a member and also on the floor of the Senate, if the matter comes before the Senate. I do not wish to labor this particular argument about the budget with that side issue. So if the Senator will permit me, I shall not go into a detailed answer of his question, which I think is a perfectly fair question, but I shall answer it for him at another time.

Mr. President, I do not contend that the budget cannot and should not be reduced. I believe it is possible to achieve sound economies which will pave the way for tax cuts. But this work requires the careful use of a surgeon's scalpel, instead of a butcher's meat ax.

I commend to the attention of my colleagues a recent letter sent by President Eisenhower to the Honorable SAM RAYBURN, Speaker of the House of Representatives, in which the President pointed to a way in which an economy operation can be performed on the Federal budget without hamstringing the programs which the people have endorsed, and to which we are pledged.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the letter from the President to Speaker RAYBURN.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, April 18, 1957.

The Honorable SAM RAYBURN,
Speaker of the House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: I am sure many Members of the Congress are as gratified as I am to note the growing awareness of private citizens that the dollars spent by the Federal Government are in fact their own dollars, and that Federal benefits are not free but must be paid for out of taxes collected from the people. It is good to see this realization developing into a widespread insistence that Federal activity be held to the minimum consistent with national needs. As this sentiment grows, our country will be strengthened in many ways.

The evident responsiveness of the Congress to this attitude I find equally encouraging. I assure you and your colleagues that the executive branch will continue to cooperate fully with Members of the Congress who work for sensible control of Federal spending.

In House Resolution 190 adopted last March, I noted the assertion that the public interest requires a "substantial reduction" in the 1958 budget and also the request that I advise the House where a reduction of that magnitude could best be made.

You will recall that last January, immediately after the budget was presented to the Congress, I requested the Director of the Bureau of the Budget to resurvey the expenditures of every department and agency in an effort to find additional items that could properly be reduced. I have kept in close touch with those efforts. Some of the principal results are outlined in this letter.

You realize, of course, that the 1958 budget, as all Federal budgets, is in effect 2 budgets within 1. One consists of requests for new spending authority to enable Federal agencies to obligate themselves to make expenditures sometime in the future. The other concerns the actual expenditures of the agencies in the next fiscal year.

These expenditures will be made partly pursuant to spending authority granted in previous years and partly under new spending authority. For example, one-third of the total actual expenditures in the 1958 fiscal year will be made pursuant to spending authority granted not on the basis of the 1958 budget but on the basis of spending authority requested in earlier budgets. This problem I emphasize because of its importance in appraising the effect of cuts in new spending authority which, one might assume, will reduce the level of current spending but in fact may affect only future spending.

The House resolution, for instance, does not distinguish between these two budgetary problems, so its call for a "substantial reduction," I assume, applies to both and contemplates the reduction of both by a considerable number of billions of dollars.

There are thousands of items in the budget, each an individual fiscal plan to carry forward a new program or a program previously authorized by the Congress. The preparation of these items begins long before the Congress acts, with the result that the budgetary process places a high premium on judgment and foresight. Because departmental needs must be forecast a year or more in advance, no responsible official would realistically contend that every estimate for every item is precisely correct and could be changed only at the risk of serious public injury, or that the funds requested are certain to meet all future needs.

Nevertheless, painstaking efforts were made in preparing the budget to pare to the minimum all projected expenditures and programs, whether large or small. Estimates were substantially reduced before the budget document was submitted to the Congress, and at my request a searching reexamination by all departments and agencies has continued to go forward since that time in an effort to reduce expenditures whenever possible. I will later discuss possible reductions in new spending authority disclosed by these months of continuing review.

Before turning to budgetary specifics, however, I invite attention to certain general guidelines that, to the extent existing law permitted, were applied in formulating the 1958 budget. These may be helpful to the House in reaching its own budgetary decisions:

First, the Federal Government should undertake only essential activities that the people cannot sufficiently provide for themselves or obtain adequately through private voluntary action or local or State government. Both the Congress and the executive branch should adhere closely to this principle in the interest of sound, economical government.

Second, in times like these Government spending should be held below income in order to lead the way to further reductions in taxes and the public debt.

Third, all governmental expenditures should remain under close scrutiny in the

interest of strict economy and, in the currently prevailing prosperity, to help relieve competing demands for economic resources.

Such guidelines have proved their practical worth. Today Federal civilian employees are almost a quarter of a million fewer than in January 1953. The $7.4 billion tax cut in 1954 has already saved our people almost $25 billion in taxes. For the first time in a quarter of a century we have in prospect three balanced budgets in a row. In fiscal year 1956 the surplus was $1.6 billion. It promises this fiscal year to be about the same size, and next year perhaps as much as $1.8 billion. If we hold to this course, we should have paid in these 3 years about $5 billion on the public debt, and the annual necessity to raise the statutory debt limit should have become a thing of the past.

By adhering to the same or similar guidelines, the House can help continue the progress already made.

Regarding the House appeal for guidance on specific budgetary items, I will comment first on the actual expenditures projected for next fiscal year and will later discuss possible reductions in new spending authority.

At the outset, we need to remind ourselves that, as in every household budget, all Federal expenditures are not equally subject to control. Many Federal expenditures are rigidly prescribed by law. Others are bills that simply have to be paid. In the 1958 fiscal year such unavoidable expenditures will total about $17.6 billion, or 24 percent of all Federal expenditures. These funds must be spent for such items as veterans' pensions, public assistance, and the interest on the public debt. The substantial reduction called for by House Resolution 190 cannot be made in this part of the budget until and unless the Congress revises or repeals the governing laws.

In the second place, 63 percent of projected expenditures next fiscal year—some $45 billion—will support programs related to the protection of our country. Departmental estimates in this area were most carefully examined and prudently reduced before they were sent to the Congress. I foresee no early lessening of international tensions and dangers as would justify a significant downward revision in our defense and related programs. The fact is, as we carry forward our efforts for more peaceful world conditions, rapid technological advances in ships, aircraft, nuclear weapons, missiles, and electronics press constantly for more, not fewer, Federal dollars. I most solemnly advise the House that in these times a cut of any appreciable consequence in current expenditures for national security and related programs would endanger our country and the peace of the world.

The remaining expenditures projected in the budget approximate $9 billion, 13 percent of the total. These support the rest of the Federal Government—such activities as public health, the various housing programs, all operations of most executive departments, the civil functions of the Corps of Engineers, the nationwide functions of the General Services Administration, the worldwide operations of the Department of State. Additional savings in such widely varied activities may well be found by the executive branch and the Congress. But a multibillion-dollar reduction as evidently envisaged by the House resolution would destroy or cripple many essential programs if concentrated in this limited area of the budget.

Thus, it is clear that a "substantial reduction" in Federal expenditures next fiscal year in keeping with House Resolution 190, whether in any one or a combination of these major segments of the budget, would weaken the Nation's defenses, or cut back or eliminate programs now required by law or proposed in the public interest, or both. That forces the conclusion that a multibillion-dollar reduction in 1958 expenditures can be accomplished only at the expense of the national safety and interest.

Turning now to requests for new spending authority, as distinguished from actual expenditures, we find a more promising outlook. Budgetary reviews since last January have disclosed the feasibility of postponing certain of these requests without serious damage to program levels. A number of the following actions, which I commend to the House, I have already suggested:

First, that new spending authority for the military assistance portion of the mutual security program be reduced by $500 million. This reduction results mainly from the new management techniques through which lead-time financing has been reduced (notably for spare parts), maintenance support not justified by the rate of consumption of our allies has been eliminated, and items have been removed from grant aid which countries can now pay for themselves. If the funds previously appropriated are continued available, this reduction will not impair the operation of military forces of other countries at mutually agreed levels.

Second, that, by delaying less urgent projects, new spending authority for military public works be reduced by $200 million.

Third, that, resulting from new projections of its operating rate and related financial requirements, the new spending authority for the soil-bank program be reduced by $254 million.

Fourth, that the investment of the Federal National Mortgage Association in special assistance functions be reduced from $250 million to $200 million, a reduction in new spending authority of $50 million.

Fifth, that the college housing authorization be reduced from $175 million to $150 million, a reduction in new spending authority of $25 million.

Sixth, that resulting from adjustments of construction schedules, the new spending authority of the Corps of Engineers be reduced by $13 million.

The House may wish to give attention to an additional item of $516 million requested for Army procurement and production. The existing authority, granted by the Congress during the Korean war, plus certain reimbursements received since then have made it unnecessary to request new spending authority for this purpose in recent years. Beginning in fiscal year 1959, the Army's need for such spending authority will recur. The $516 million item is requested now to enable the Army to phase efficiently into this new period and to ease the impact of this adjustment in fiscal year 1959. At the expense of efficient programing, the sum can be withheld if the House so chooses. Such action would, of course, increase by $516 million the large amount that will have to be authorized for Army procurement and production in fiscal year 1959.

Exclusive of the Army item just mentioned but including a possible reduction of $300 million in the amount budgeted for contingent expenses, these reductions and postponements total $1,342 billion. Once again I remind the House that less than half of this reduction in new spending authority can be reflected in reductions in expenditures during the next fiscal year, and even a part of these expenditure reductions will have to be restored in the future. Such expenditure reductions as may result, however, will add to the $1.8 billion surplus already projected by the budget. Given continuation of healthy economic growth and of strict expenditure control, these figures combined will begin to lay a firm fiscal foundation for the time when we can be sufficiently assured that our income will so exceed our expenses as to justify a reasonable tax cut for every taxpayer while we continue to reduce the Government's debt.

I am, of course, aware of the cuts thus far proposed by the House. These will be absorbed wherever possible without serious injury to programs essential to the public interest. Where such cuts cannot be so absorbed, the executive branch must and will seek restoration of the needed funds. Some of the House "cuts" have involved large sums that the executive branch is compelled by law to pay. "Cuts" of that kind do not save money and must be later restored through supplemental appropriations unless the governing statutes are revised.

Aside from scrutinizing individual expenditures and reducing new spending authority as suggested above, I strongly urge the House also to improve the Federal budgetary situation by taking such steps as these, most of which I have urged before:

First, adjust postal rates as soon as possible to reduce and eventually eliminate the postal deficit.

Second, establish interest rates for Government loan programs that will induce private funds to participate in their financing and, at the least, require that such rates cover the borrowing costs of the Federal Government.

Third, provide user charges as, for instance, for the use of Federal airway facilities, that will relieve the general public of having to subsidize governmental services affording special benefits.

Fourth, require State financial participation in Federal disaster assistance programs.

Fifth, encourage State and local groups to engage in partnership with the Federal Government in major water-resources development.

Sixth, reject new projects not approved by the Board of Engineers for Rivers and Harbors and not reviewed by all interested parties, including the affected States; provide where appropriate for more local participation in approved projects; and withhold authorization and construction of all but urgently needed projects.

Seventh, enact bills approved by the administration to implement Hoover Commission recommendations, such as the authorization of appropriations on the basis of annual accrued expenditures and the extension of the Reorganization Act of 1949.

Eighth, establish procedures that will facilitate the return of surplus Federal land and other property to private, local, or State use.

Ninth, before adopting unbudgeted programs, project the costs they would impose on the Federal budget in years ahead, and reappraise the necessity for and rate of implementation of each program.

And, 10th, to help assure continuing economy on the part of the Congress as well as the executive branch, take action that will grant the President the power now held by many State governors to veto specific items in appropriations bills.

An improved budgetary situation and greater efficiency in our Government will result from prompt approval of these recommendations by the Congress. All elements of the budget, meanwhile, will remain under searching examination by the executive branch in its continuing effort to find additional savings, large or small, that are possible under existing law. Any additional reductions found possible in new spending authority will be promptly reported in the usual way to the Senate and House of Representatives.

Finally, I repeat that as this effort to hold Federal costs and activities to the minimum proceeds sensibly in the executive and legislative branches of our Federal Government, the public interest is bound to be well served.

Sincerely,

DWIGHT D. EISENHOWER.

Mr. BUSH. Mr. President, I wish to quote, for emphasis only, a brief portion of the letter, as follows:

I invite attention to certain general guidelines that, to the extent existing law permitted, were applied in formulating the 1958 budget. These may be helpful to the House in reaching its own budgetary decisions:

First, the Federal Government should undertake only essential activities that the people cannot sufficiently provide for themselves or obtain adequately through private voluntary action or local or State government. Both the Congress and the executive branch should adhere closely to this principle in the interest of sound, economical Government.

Second, in times like these Government spending should be held below income in order to lead the way to further reductions in taxes and the public debt.

Third, all governmental expenditures should remain under close scrutiny in the interest of strict economy and, in the currently prevailing prosperity, to help relieve competing demands for economic resources.

Such guidelines have proved their practical worth. Today—

And this is interesting, because one does not hear it commented on very often in the budget discussion—

Today Federal civilian employees are almost a quarter of a million fewer than in January 1953. The $7.4 billion tax cut in 1954 has already saved our people almost $25 billion in taxes. For the first time in a quarter of a century we have in prospect three balanced budgets in a row. In fiscal year 1956 the surplus was $1.6 billion. It promises this fiscal year to be about the same size, and next year perhaps as much as $1.8 billion. If we hold to this course, we should have paid in these 3 years about $5 billion on the public debt, and the annual necessity to raise the statutory debt limit should have become a thing of the past.

Mr. President, I quote now from another part of the President's letter:

At the outset, we need to remind ourselves that, as in every household budget, all Federal expenditures are not equally subject to control. Many Federal expenditures are rigidly prescribed by law. Others are bills that simply have to be paid. In the 1958 fiscal year such unavoidable expenditures will total about $17.6 billion, or 24 percent of all Federal expenditures. These funds must be spent for such items as veterans' pensions, public assistance, and the interest on the public debt. The substantial reduction called for by House Resolution 190 cannot be made in this part of the budget until and unless the Congress revises or repeals the governing laws.

In the second place, 63 percent of projected expenditures next fiscal year—some $45 billion—will support programs related to the protection of our country.

I skip to other paragraphs in the President's letter:

The remaining expenditures projected in the budget approximate $9 billion, 13 percent of the total. These support the rest of the Federal Government—such activities as public health, the various housing programs, all operations of most executive departments, the civil functions of the Corps of Engineers, the nationwide functions of the General Services Administration, the worldwide operations of the Department of State.

Additional savings in such widely varied activities may well be found by the executive branch and the Congress. But a multibillion-dollar reduction as evidently envisaged by the House resolution would destroy or cripple many essential programs if concentrated in this limited area of the budget.

Thus, it is clear that a substantial reduction in Federal expenditures next fiscal year in keeping with House Resolution 190, whether in any one or a combination of these major segments of the budget, would weaken the Nation's defenses, or cut back or eliminate programs now required by law or proposed in the public interest, or both. That forces the conclusion that a multi-billion-dollar reduction in 1958 expenditures can be accomplished only at the expense of the national safety and interest.

Mr. President, in considering those programs, let me refer for a moment to the housing program. We have concluded our committee hearings on that program, and we are now in the process of drafting a housing bill for this year. Let me point out that I observe on the part of the Democratic members of the Committee on Banking and Currency, tendencies not to cut the President's budget, but, instead, to very substantially increase it. I am very much in sympathy with such programs as the urban redevelopment program and the slum clearance program. These programs, as provided in the 1954 act, have been of substantial benefit and will be of substantial benefit to many communities in Connecticut and to all our industrialized centers. In his budget the President has made adequate provision for them, I believe. However, I do not wish to see the President's budget cut, insofar as these programs, which we are just getting under way, are concerned. I think the advocates of economy should be consistent, at least to the extent of not trying to persuade us to increase the appropriations for these items, which, according to the agency, are sufficient to keep the program going at a reasonably good pace.

Mr. President, I now wish to address myself to my Republican colleagues. President Eisenhower's overwhelming victory last year was more than a personal tribute to a great and beloved leader; it was an expression of confidence on the part of the people in the Eisenhower programs which were unanimously endorsed in the platform adopted by the Republican National Convention in California, in August 1956. I remind my Republican colleagues that the President's budget is intended to provide the funds necessary to carry out those pledges, which were made to the American people.

We are pledged to the maintenance of a strong national defense, to advancement of the cause of peace in the world, and to domestic programs which are responsive to human needs and which provide essential services in a growing national economy. The President has said that he does not intend to run away from his promises, now that the American economy is bulging at the seams, and when employment is at very high levels, and when the gross national product reached a new high in 1956, and is headed for another new high in 1957. We are not going to run away from our pledges to the people. All these economic conditions, in a general way, are helpful in connection with the Government's programs which are included in the budget. We are pledged, I have said, to the maintenance of a strong national defense and the advancement of the cause of peace in the world—so ably discussed today by the junior Senator from New York [Mr. JAVITS]—and to domestic programs which are responsive to human needs, and which provide essential services in a growing national economy.

I should like briefly to quote from the Republican platform, because I think it has a very definite bearing on the question of the budget. We said, in that platform:

Four thousand communities, studying their school populations and their physical and financial resources, encourage our Republican administration to urge a 5-year program of Federal assistance in building schools to relieve a critical classroom shortage.

The Republican Party will renew its efforts to enact a program based on sound principles of need and designed to encourage increased State and local efforts to build more classrooms.

We also said:

We have supported measures that have made more housing available than ever before in history, reduced urban slums in local-Federal partnership, stimulated record home ownership, and authorized additional low-rent public housing.

We also said:

We initiated the first flood-insurance program in history under Government sponsorship in cooperation with private enterprise.

Mr. President, I should like to say, parenthetically, that I hope the House of Representatives will vote for the necessary appropriation to put the flood-insurance program into effect. I cannot possibly understand the delay which has occurred in the House of Representatives in the case of the appropriation to implement this program, which was voted by substantial majorities in both Houses last year, with virtually no opposition at all. I hope the House of Representatives will soon vote for the necessary appropriation to get the program under way.

We also said:

We pledge close cooperation with State, local, and private agencies to reduce the ghastly toll of fatalities on the Nation's highways.

Mr. President, I am sorry the distinguished Senator from Tennessee is not on the floor at the moment, since he has been chairman of the Subcommittee on Roads, and I have worked very closely with him during the last 2 or 3 years in connection with highway legislation. But, Mr. President, I say to all my colleagues in the Senate that this is no time to abandon such a program as that for the National System of Interstate Highways. This is a time when that program should be pushed toward completion. The revenues for the program are provided especially by the gasoline tax and other highway user taxes, and are set aside in a trust fund; and I believe it would be a tragedy if the law were changed so as to require that those funds go back into the general fund of the Treasury. We need the National System of Interstate Highways; we need it for many reasons—for national defense, for improved travel for commerce, for improved travel for pleasure, and for the safety of the lives of the American families who travel on our highways. We have only to consider the mounting toll, year by year, in the case of deaths and accidents of all kinds upon our highways,

to appreciate the need for the system of interstate highways, which is financed approximately 90 percent by Federal Government funds, taken out of the increased funds coming from highway user taxes—increased funds which come largely as a result of the increased use of the highways provided under the act.

Mr. President, those who are so anxious to help us reduce the budget should also consider most seriously the situation in the Post Office Department. I see on the floor at this time the distinguished senior Republican member of the Committee on Post Office and Civil Service, the Senator from Kansas [Mr. CARLSON]. I hope we shall hear from him on this subject. I believe it is vital that those who are sincerely interested in the budget get behind a postal-rate increase, which is long, long overdue; it has been 25 years since there has been an increase in the first-class mail rate.

Despite the improvements which have been made in the postal system, under the leadership of Postmaster General Summerfield—and a great many improvements have been made—the postal system is still in need of a great deal of renovation and a great deal of improvement and a great deal of modernization. That will never be done, in my opinion, Mr. President, unless we get the postal service on a self-sustaining or nearly self-sustaining basis. Therefore, I hope the Congress will act favorably on the recommendation of the President of the United States that the postal rates be increased.

In our platform, we said this about that subject:

> We pledge to continue our efforts, blocked by the Democratic leadership of the 84th Congress, for a financially sound, more nearly self-sustaining postal service—with the users of the mails paying a greater share of the costs instead of the taxpayers bearing the burden of huge postal deficits.

Mr. President, I go to another subject. We stated in our platform the following, and this was dealt with by the distinguished Senator from New York very ably:

> We recognize that no single nation can alone defend the liberty of all nations threatened by Communist aggression or subversion. Mutual security means effective mutual cooperation. Poverty and unrest in less developed countries make them the target for international communism. We must help them achieve the economic growth and stability necessary to attain and preserve their independence.
>
> Technical and economic assistance programs are effective countermeasures to Soviet economic offensives and propaganda. They provide the best way to create the political and social stability essential to lasting peace.
>
> We will strive to bring about conditions that will end the injustices of nations divided against their will, of nations held subject to foreign domination, of peoples deprived of the right of self-government.

To that end, Mr. President, I feel that we are committed to support the budget of the President in connection with the matters heretofore mentioned. I feel we have an obligation, because of the pledges of the Republican Party platform; and I have read some of the pledges that were made when we asked the American people to reelect Dwight D. Eisenhower President of the United States and entrust the conduct of our National Government to a Republican Party administration.

I remind some of my colleagues that reckless talk of budget cuts as deep as $3 billion or $4 billion or $5 billion will create the impression that Republicans are turning their backs on their pledges.

I know the President has no intention of repudiating his promises, and the Republican Party should not permit the people even to suspect that we are less faithful to our trust than he is.

Let us remember that we are a party of principle. Let us approach the job of cutting the budget in that frame of mind.

There can be reductions in the budget. Actions can be taken in this Congress which will pave the way for tax cuts in the future. But budget cutting must be undertaken on a carefully selective basis, without injuring our national defense, without undermining our leadership in the free world, and without impairing the essential services which the people need.

In closing, Mr. President, I should like to say I always think it is unfortunate that we never seem to have a chance to come to grips with the budget as a budget. We try to handle the budget through separate appropriation bills. To my knowledge, efforts have been made by leaders in the Senate, since I have been a Member of the Senate, to bring about a single appropriation bill, so that, after all is said and done, we can look at the whole thing at once and say, "Now, is this what we really want or not?" The way we are compelled to vote upon appropriations now, piecemeal, having 12 separate appropriation bills, it is virtually impossible for a Senator, who may wish to be economy minded and who may wish to help in a reduction of the budget, to know where he stands in relationship to the whole matter. So I once more express enthusiastic approval of a single appropriation bill.

Also, I take this opportunity to say I wish we could pass an item-veto bill, so the President of the United States could veto certain items which creep into appropriation bills, without having to veto the whole bill. I think most of the States permit their governors to exercise an item-veto privilege. In the interest of economy, it seems to me we could hardly pass a bill which would be more useful than an item-veto bill, by which the President of the United States could exercise some discretion in connection with a veto.

Last year we passed an omnibus bill, but there were items amounting to six or seven hundred million dollars in that bill, representing a minority of the total, which had not been approved either by the Corps of Engineers or by the Bureau of the Budget, and were not really in good shape to be passed by the Congress; but we passed it.

The President felt compelled to veto the entire measure, because there were certain items in it which had not gone through the normal routine that had been set by the Congress previously for it to follow. If the President had had the privilege that an item veto bill would give him, and if he had had the responsibility which an item veto bill would give him, he would never have vetoed that omnibus bill, and we would have been in a much better position today to go ahead with some of the flood-protection projects that were included in the bill, and which are of vital necessity to the country, than we find ourselves in today.

I now yield the floor.

Mr. NEUBERGER. Mr. President, like all other Senators, I am sure, I have been receiving a heavy volume of mail about the President's budget for the coming fiscal year. With a few exceptions, the letters streaming into my office have attacked the size of the budget and have demanded substantial cuts, particularly in programs related to our foreign policies which President Eisenhower has described as essential to our security and our national interests.

Mr. President, it is ironic that the battle against the Eisenhower budget has been originated and led by persons and groups who have always been the hard core of the Republican Party, the President's party. The signal for the attack was given early by the President's own Secretary of the Treasury, Mr. George M. Humphrey. The cue was taken at once by groups who share Secretary Humphrey's big-business background and philosophy.

Thus, for instance, a large, expensive advertisement appeared in the Portland Oregonian last month, urging people in Portland to write to their Senators and their Congresswoman—all Democrats—to cut the President's budget. This advertisement was sponsored by a group of Oregon industrial companies, headed by the company whose president is the current president of the National Association of Manufacturers.

The advertisement prominently quotes Secretary Humphrey's statement that the President's budget might precipitate a hair-curling depression. Not only does it quote the Secretary of the Treasury against the President's budget, it even seeks to quote the President himself against it. To read this advertisement, you might wonder who prepared this budget and presented it to the Congress in the first place. Mr. President, I ask unanimous consent that the text of the advertisement be printed in the RECORD at this point.

There being no objection, the advertisement was ordered to be printed in the RECORD, as follows:

> SPEAK UP—WRITE NOW—CUT FEDERAL SPENDING—IT'S TIME THE GOVERNMENT STARTED LIVING WITHIN OUR MEANS—THE BUDGET MUST (AND CAN) BE TRIMMED—BUT IT'S UP TO YOU
>
> Most of us live within our income.
>
> It's not easy, but we do it. Sometimes we go without things we'd like to have, but we have just so much money and that's that.
>
> But look at the Federal Government.
>
> It charges ahead, taxing and spending almost without restraint. If it needs more money it just puts a bigger bite on the taxpayers. Why, right now Uncle Sam is asking for $71.8 billion of our money (yours and mine) for 1958.

> And, don't let anybody kid you: the sharp rise in Government spending is not due primarily to increased defense costs. The Government is spending less on defense than it did in 1954. The increase in Government spending comes from special programs and pet projects not concerned with defense.
>
> Senator HARRY BYRD, Democrat, of Virginia, says that the proposed budget can be cut at least $5 billion without hurting national defense or the efficiency of the Government. Many Congressmen agree. The Hoover Commission has also shown how billions can be saved.
>
> But Government spending goes higher and higher—and when anybody complains about it, Washington blames it on us, the people. Washington says it has to spend all that money because we, the people, demand it.
>
> That's just not true. The demand for these enormous increases in spending does not come from the people. It comes from pressure groups—from organizations that want something for themselves at the expense of the taxpayers.
>
> How long are we going to let pressure groups and bureaucrats dictate how much of our money the Government will tax and spend?
>
> This Government spending spree must be stopped—and there is only one way to stop it: we, the people, must take a stand.
>
> It's up to us. Only we can make Uncle Sam come to his senses and start living within the income we can afford. If all of us don't stand up and speak out for economy, nobody else will.
>
> President Eisenhower has said he hopes Congress will cut the budget wherever it can. Secretary of the Treasury George Humphrey warned that unless Federal spending is reduced we'll have a depression that "will curl your hair."
>
> Write your Congressman today. Urge a cut in Federal spending.
>
> Do it now, while Congress is debating the 1958 budget. Let them know how you feel. It's your money they're going to spend. Speak up. Write now. Or be prepared to pay the price.
>
> Write three letters today. Spend 9 cents—help save billions.
>
> WHAT THE BUDGET MEANS TO EVERY OREGONIAN
>
> As it stands now, the budget will cost each Oregonian—man, woman, and child—about $431.
>
> The original budget estimated for 1958 was $4 billion less than the $71.8 billion called for by the President. This $4 billion could have been used to cut taxes—a cut that would have saved each Oregonian about $24 and the entire State about $40 million.
>
> The Federal budget affects us all. It affects our homes, our jobs, our savings, our liberty. Let's do something about it. Write now.
>
> Here are the Congressmen to write:
>
> Senator WAYNE MORSE, Senate Office Building, Washington, D. C.
>
> Senator RICHARD NEUBERGER, Senate Office Building, Washington, D. C.
>
> Representative EDITH GREEN, House Office Building, Washington, D. C.
>
> Sponsored by: The Hyster Co., Electric Steel Foundry Co., Albina Engine & Machine Works, Inc., Cascade Manufacturing Co., Howard-Cooper Corp., and Irvington Machine Works.

Mr. NEUBERGER. Mr. President, one cannot be wholly unsympathetic with the disappointment and chagrin thus expressed about the Eisenhower budget by some people. After all, many of the sentiments set forth in this advertisement could have been taken directly from General Eisenhower's campaign speeches in his first race for the Presidency. As a candidate, the President made extensive use of the familiar arsenal of economy slogans which for so long had been his party's favorite political ammunition. Of course, that is always politically convenient; but it also means that the President cannot escape his own responsibility for its consequences in the form of the attacks on the Federal budget we see today.

Mr. President, although it might be politically tempting for a Democratic Senator to join in criticism of the budget of a Republican President, I have, by and large, defended the budget against these attacks. I have tried to point out that the budget represents Government programs; that you cannot attack appropriations without destroying the programs themselves. Of course, Mr. President, that is the real target of the attack. The people who have led the fight on the President's budget, as for example in the advertisement I have mentioned, have little sympathy for the Government's social welfare programs, for its agricultural programs, or for our overseas programs of international cooperation. The economy slogan has always served as a convenient guise for crippling attacks on the substance of governmental activities.

The mask slipped a bit, in the case of the sponsors of the advertisement in the Oregonian, when the advertisement explains that the demand for appropriations for governmental programs "does not come from the people. It comes from pressure groups." Mr. President, I suppose it all depends on the program in question. Apparently, men who want fast tax writeoffs for private-utility dams, or subsidies for new merchant ships, or a $25 billion Federal highway program—they are people. Only pressure groups want higher pay or more adequate retirement benefits for postal and civil-service employees, or Federal aid to school construction, or flood-control and flood-insurance protection for endangered persons and property—from New England to Oregon. And sometimes we are led to believe that no one at all, except possibly some anonymous bureaucrats, wants the Government to continue the mutual security program, the point 4 technical-assistance program, and the other overseas programs of our foreign policy which the President has said are essential in our national interest.

Mr. President, because the advertisement in the Oregonian urged people to write their Senators to cut the President's budget, I wrote an article for the editorial page of the Oregonian to set forth my views on this subject. This article appeared, in slightly abridged form, on April 16, 1957. I ask unanimous consent that it may be printed in the RECORD at this point:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARTICLE FOR THE OREGONIAN

(By Hon. RICHARD L. NEUBERGER, United States Senator from Oregon)

As a result of advertisements placed in the Oregonian by the Hyster Co. and other corporations, my office is inundated by letters from our State demanding huge cuts in the Federal budget. To a Democrat like me, it is politically tempting to respond to this torrent of mail by blaming the budget on President Eisenhower, who submitted this $71,800,000,000 spending program to Congress.

But the path of partisan politics is not always the path of responsibility. The budget is the problem for us all, because it determines the posture of our Government—at home and in the rest of the world.

Contrary to the advertisement, President Eisenhower has not advised the Congress to cut the budget. Indeed, on April 3, the President even defended to the last penny the most controversial item in the budget—over $4,400,000,000 in so-called foreign aid. He said this "is the program we believe is the least we can do."

As a Member of the United States Senate who must vote on the budget, I would appreciate the opportunity of posing a few questions to those who are insisting that Congress apply a meat ax to the President's budget. These are my inquiries:

1. More than 80 percent of all Federal expenditures are for past and future national security, including the Armed Forces, new weapons, veterans' programs, foreign policy programs, and interest on the national debt. To what extent should Congress pit its judgment against that of the President, the Joint Chiefs of Staff, and his other advisers, on matters of national security?

The only part of the budget where cuts could be large enough to affect our taxes one way or another is in the $43 billion military security appropriations. What would critics of the Congress say if Congress were to cut these appropriations far beyond the level we are told the Nation's safety requires?

2. The most tempting target to most of my correspondents is the budget for our overseas expenditures, generally lumped together under the unpopular label of "foreign aid." The bulk of these expenditures goes for the military needs of South Korea, Formosa, the North Atlantic Treaty Organization (NATO), and other allies of the United States. The valiant and democratic people of Norway and Denmark have just again been threatened with atomic obliteration by Russia because of their participation in NATO, and their fate is at stake in NATO's continued strength. Should we surrender these free people and strategic areas to their powerful Communist neighbors? Or undertake their defense by increasing our own armed strength, even if this means putting twice as many young Americans under arms, just to avoid the unpopular notion of "foreign aid"? Similarly, the far smaller budgeted sums for point 4 technical assistance and economic development are important programs of our foreign policy. Should Congress, in the process of making appropriations, undertake to reverse the Eisenhower administration's foreign policies?

In a number of treaties and other commitments, the American people have pledged their sons to the defense of distant lands. Surely we are not a Nation willing to be internationalist with its soldiers but isolationist with its dollars. As long as we send American troops to remote bases across the seven seas, I shall not vote to deny the President funds for policies which he says will make less likely the danger of atomic combat for these men—and that applies regardless of the political party of the President occupying the White House.

3. The elimination of Federal aid to schools is urged by many of the letters. The Secretary of Health, Education, and Welfare has said that some 35,000 essential classrooms can be built each year only through Federal aid. A nationwide survey has just revealed that 75 percent of men schoolteachers and 17 percent of women must take on extra jobs in order to feed themselves and their families. We could, of course, close our eyes to the educational needs of America's children, and let the schools of the world's richest Nation fall behind those of Soviet Russia and other, less

wealthy countries. But if we want the schools we need, they must be paid for from taxes, whether local or Federal—and at this very time, the strains on our local sources of taxation should demonstrate to people in Oregon why the Federal taxing powers are needed to help meet the heavy capital outlay for new school buildings.

4. Health and welfare is another place where budget cutting is demanded. Even the President's budget sliced cancer-research funds by 3 percent—to $46 million. Yet the retiring Surgeon General of the United States told me the Government might be able to use 10 times this sum in a "crash" program to try to get at the grim riddle of malignant diseases. Is any expenditure too large to invest in an effort to lift from over the heads of every man, woman, and child on earth the terrible sword of Damocles which we know as cancer? Could anyone buy his own cancer research with the pennies he might save by the cut in this appropriation?

5. The advertisement in the Oregonian sought to apply the recommendations of the Hoover Commission to the budget. Some of these recommendations are adverse to the continued operation of the Bonneville Power Administration, and to further Federal dams on the Columbia like McNary, The Dalles, or John Day. They would threaten such navigation benefits as the Yaquina Bay Harbor and the channel at the mouth of the Columbia River, unless so-called user charges are imposed. Surely no one with Oregon's interests at heart desires to see our water-development programs put in such straitjackets.

6. Finally, the administration's tight-money policy, by increasing interest rates on the Federal debt, has itself added to the annual Federal budget almost $1 billion in interest charges over fiscal 1955—and corresponding increases in State and local debt charges. Local school bonds, for instance, now must carry twice the interest cost of a few years ago. Thus billions in interest charges are added to our tax bills by administration fiscal policies for which we, in effect, receive nothing.

A Federal budget can be considered only in relation to the size of the country financing it. In the past 4 years, the budget actually has declined from 20 percent of the gross national product to 16 percent. I fear that reckless and indiscriminate cuts will be made at the expense of useful programs like aid to schools, health research, and self-liquidating investments such as our Northwest power dams.

This is not to say that no savings anywhere can be possible. Of course the Congressional appropriations committees are scrutinizing each agency's budget for this purpose. Congressmen pay taxes just as all citizens.

Only, let us keep in mind that cutting "the budget" means cutting programs—and attacks on programs can be disguised as meritorious demands for economy. As long as we recognize that it is programs and policies, not only an abstract budget, which are involved, perhaps we can find some which can be reduced or postponed—and perhaps there are others which should be accelerated and increased, in the national interest and in that of the people of Oregon.

Mr. NEUBERGER. In conclusion, Mr. President, I also ask that there be printed in the RECORD a cogent column by Mr. Marquis Childs, from the Washington Post and Times-Herald for May 1, 1957, on the subject of Republican opposition to the budget presented by the Republican President. This also touches on the matters I have just discussed.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STORM OVER BUDGET BREWS ON HILL

(By Marquis Childs)

Democrats returning from the Easter recess are voicing their indignation over what they heard back home from prominent Republicans. This was no less than a demand that they the Democrats, cut President Eisenhower's $72 billion budget or take the political rap for big spending.

Those Democrats who have felt obligated to support foreign aid, school construction and other measures Mr. Eisenhower has called for are beginning to ask why they should deliberately put themselves in the line of fire from the Republican rightwing. This reaction to the stop-the-spending propaganda being lavishly poured out in many parts of the country is bad news for the President's program.

In Oregon, an advertisement in newspapers denounced the spending spree, demanding that Uncle Sam come to his senses and start living within the income we can afford. The advertisement was sponsored by six corporations, including the Hyster Co. of Portland, of which Ernest Swigert, president of the National Association of Manufacturers, is the head.

The advertisement, which quotes the President as saying he hopes Congress will cut the budget wherever it can, asks voters to write to Senators WAYNE MORSE and RICHARD NEUBERGER and to Representative EDITH GREEN, all Democrats.

In other words, here were Republicans calling on Democrats to defeat the President on issues he has repeatedly said are vital. If there are to be any large budget cuts, they must come out of foreign aid or defense, and the President has said that cuts in aid will be damaging to American foreign policy.

This is a pattern that is becoming repetitious. Last year, in response to an urgent appeal from Secretary of State John Foster Dulles, who said he spoke with the authority of the President in behalf of aid for Yugoslavia, NEUBERGER voted with the administration. Yet when he went back to Oregon some Republicans accused him of being "pro-Communist" because of his vote to give economic help to Marshal Tito.

Senator WILLIAM F. KNOWLAND, the Republican leader of the Senate, and Senator STYLES BRIDGES, chairman of the Republican policy committee, both opposed the President on aid for Yugoslavia.

The pattern, NEUBERGER and other Democrats complain, is one of having your cake and eating it, too. When NEUBERGER ran for the Senate in 1954, Senators GEORGE W. MALONE, of Nevada, and HENRY C. DWORSHAK, of Idaho, went into Oregon to campaign against him on a "back Ike" appeal. Yet the Congressional Quarterly record of votes for the 1956 session of Congress shows that NEUBERGER supported the President on foreign policy on 95 percent of all rollcalls, while the record for MALONE was 27 percent and for DWORSHAK 36 percent.

Shortly before Members of Congress went on their Easter holiday the House defeated an amendment which would have cut the appropriation to support international commissions in which the United States has an important role.

Of the 166 House Members who voted for the cut, 99 were Republicans and 67 were Democrats. Of the 205 who voted against the cut, 128 were Democrats and 77 Republicans. Speaker SAM RAYBURN sputtered indignantly that once again the Democrats had to come to the rescue of the Republican President.

Democratic leaders in both the Senate and House complain that there is little or no effort on either side of the Capitol to rally support for the President among the Members of his own party. More often than not the attitude is one of indifference or private opposition to what the White House wants.

Returning from his golfing vacation at Augusta, Ga., the third play-rest-work interval since the first of the year, the President will have to face up to the revolt over the budget. In the words of one of his Congressional critics, he will have to fish or cut bait. He will, in short, have to show more effort and determination in behalf of the essentials of his program than he has demonstrated during the past 4½ years.

Mr. COOPER. Mr. President, I understand that the Senator from New Hampshire [Mr. COTTON] is prepared to deliver a speech. I have talked to the Senator, and I wonder if it is satisfactory to him to relinquish the floor to me for a short time.

Mr. COTTON. Certainly. I shall be very happy to do so.

Mr. COOPER. Mr. President, my remarks today, which will be brief, follow the same subject which has been discussed today by the distinguished Senator from New York, and only now by the distinguished Senator from Connecticut. My remarks will be general, but, as I stated yesterday on the floor, I think the time has come when Members on this side of the aisle should attempt to place in proper perspective the budget request of the President of the United States.

It is unquestioned that the President's proposals for the budget have aroused widespread interest throughout the country, and even sharp debate in the Congress of the United States. As I see it, objections to this budget have taken two principal forms. First, there has been widespread criticism of its fiscal aspects. Second, there have been bitter attacks made against the basic purposes and the specific programs of the Eisenhower administration.

The first aspect of this debate is undoubtedly a valuable one to the country. It is the searching examination and review of the expenditures which are proposed, and the policies upon which they are based. Also, there is substantial agreement in the Congress and in the country upon certain principles regarding the budget.

There is agreement that fiscal solvency and stability is the indispensable base for the growth of the country's economy. It cannot be disputed that the President and the Congress must keep expenditures in control, to hold in check, as the able Senator from Connecticut has just stated, the inflationary pressure which threatens the expansion of our economy, necessary defense measures, and the very living standards of our people. It is our duty to strike from this budget, as any budget, waste, unnecessary expenditures, and even programs which can be postponed. And I point out that this the President has recognized in his recent budget reduction suggestions to the Congress. Certainly on this side of the aisle all of us have agreed that unnecessary expenses should be eliminated. But, in the debate which has ensued since the submission of the budget, charges of fiscal irresponsibility have been made against President Eisenhower and his administration. It is right that the record of the administration should be recalled, and that the present budget be put in proper perspective.

From the close of World War II until 1953, when President Eisenhower assumed office, a balanced budget had been achieved in only 3 fiscal years. Two of them were fiscal year 1948 and fiscal year 1949. Undoubtedly the Republican 80th Congress had its influence upon the attainment of balanced budgets in those years. When President Eisenhower took office, he found the 1953 budget unbalanced by $9.4 billion, and if he had not cut drastically the 1954 budget submitted by President Truman, a deficit of $10.1 billion would have resulted.

In addition to the national debt, obligations of the Korean war, amounting to $80 billion, had not been paid and had to be absorbed in the ensuing budgets of the President's administration.

I do not criticize the administration of President Truman for those obligations, because they were obligations of the Korean war, but it is a fact that in part they had to be absorbed in the budgets of President Eisenhower.

Yet, the record establishes the truth that President Eisenhower has attained effective control of the Federal budget. The fiscal 1956 budget was balanced and returned a surplus of $1.6 billion to the Federal Treasury. The 1957 budget, with 2 months left to run, will also be balanced and will return an estimated surplus of $1.7 billion. And the budget now under study is balanced and is estimated to produce a surplus of $1.8 billion.

All of this means that more than $5 billion will have been used to reduce the national debt under President Eisenhower's leadership.

Mr. GORE. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. GORE. I wonder if the Senator would be willing to inform the Senate—and in case he does not have the information ready at his fingertips, to supply it for the RECORD—the size of the public debt at the time of President Eisenhower's inauguration and the size of the public debt today.

Mr. COOPER. I do not have the exact figures, but I understand the question which the distinguished Senator is raising. The debt has increased, but the debt has increased, as the distinguished Senator from New York [Mr. JAVITS] so well pointed out, because this administration had to pay the deficit obligations of the previous administration.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. BUSH. I should like to ask the Senator if it is not true that the first fiscal year, which ended in 1953, before the Eisenhower administration presented a budget, resulted in a deficit of approximately $9½ billion?

Mr. COOPER. I just called attention to that in my remarks.

Mr. BUSH. Which would partly give the answer to the distinguished Senator from Tennessee.

Mr. COOPER. The Senator is correct.

Mr. GORE. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. GORE. I wish to say to the distinguished Senator from Kentucky, for whom I have high regard and warm personal affection, that fancy bookkeeping indeed is required to both reduce and increase the national debt at the same time.

Mr. COOPER. I was speaking of the payments on the national debt, in calling attention to the debt reduction, and I insist it is a debt reduction.

In calling attention to this debt reduction we should also recall that a major tax reduction was voted in 1954. In its first year of operation this tax reduction saved individual and corporate taxpayers a total of $7,363,000,000. And this reduction, of course, has brought similar savings in subsequent years.

I do not believe it is possible, as some critics of this budget have tried to do, to attain comparison with the budgets of 1939, or 1940, or even 1950. The reasons are obvious. It is possible, however, to obtain a clearer picture of the proposed 1958 budget by contrasting it with the fiscal 1953 budget. In fiscal 1953 the Federal budget represented 21 percent of the gross national product. In fiscal 1958 the President has proposed a Federal budget which represents 16 percent of the gross national product. It is true, of course, that in 1953 we were fighting the Korean war, a terribly expensive proposition. It is also true, however, that in 1957 and assuredly in 1958, the United States is maintaining the most extensive and most effective system of military and economic defense relationships throughout the world, also an expensive proposition.

It can be fairly said that beginning with the sharp reduction made by this administration in the final proposed budget submitted by President Truman, President Eisenhower has succeeded in reducing expenditures and maintaining revenues to the point where the Federal Government is at long last operating in the black.

But I have not risen particularly to speak about specific items in the budget, for they will be considered as appropriation bills come before us. Nor do I join issue with those who want to exercise a searching review of expenditures in the budget, as they have done with past budgets.

There are many in this Congress and throughout the Nation who are concerned with inflation who are approaching the budget from that viewpoint.

I have risen to speak briefly today about the second aspect of the attack upon the budget, which I mentioned at the beginning of my remarks. It is the attack against the very goals which President Eisenhower has set for his administration.

President Eisenhower has stated on many occasions clearly and forcefully the overriding purposes of his administration, that is, to secure a lasting peace in the world based on justice and to enlarge the area of freedom and opportunity for all our people at home.

The platform adopted in San Francisco last summer represented a statement of these broad purposes in terms of specific programs and policies. Many here contributed to the writing of the platform, and many pledged specific support to it.

I think it could be said here that many would not be here today but for that platform and for the leader that we followed in 1956.

Mr. JAVITS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. CHURCH in the chair). Does the Senator from Kentucky yield to the Senator from New York?

Mr. COOPER. I yield.

Mr. JAVITS. I should like to state to the Senator that I campaigned the length and breadth of New York in the last election, most intensively. There were some things on which I was opposed to what the President was advocating, but I was able, I felt, to secure the great majority of support in that State because of the composite, which was the whole program, and, more than that, because of the basic philosophy which animated it, which the people felt was enlightened and truly middle of the road.

I congratulate the Senator for pointing out that what those of us who have spoken today, and others who, I hope, will speak after us, are trying to do is to state and maintain our own faith. I congratulate the Senator for making that clear.

Mr. COOPER. I thank the distinguished Senator from New York. As did the Senator from Connecticut [Mr. BUSH], I wish to mention a few of the commitments of the platform. They include:

Federal aid for public-school construction;

Extension of coverage of the minimum wage;

Expansion of the social-security program;

A Federal health reinsurance program;

An effective civil-rights program; and

Economic-aid programs to counter the Soviet economic offensive.

It is possible, of course, that all Members on our side may not agree with every one of these objectives. I myself substantially agree. However, the program represents the considered decision of my party.

While great programs were commenced in the administrations of President Roosevelt and President Truman, many voters had come to believe that those programs simply represented change, and change without direction. They turned to President Eisenhower in 1952 and again in 1956 to seek direction. They found that his purpose, as translated into specific programs, was to promote national security and progress within the limits of the Nation's fiscal ability.

The Eisenhower administration's program has been a moderate one. It has avoided extremes, both of the right and of the left. It has retained progressive

programs inherited from previous administrations. Yet it has faced the conditions which confront this country in the mid-20th century, and has focused attention on programs which would advance the cause of freedom abroad and at home.

I do not intend this afternoon to try to speak comprehensively on the aims of the President's program. There will be time for that during the discussion of the appropriation bills which come before us. I should like to point out at least some of those aims with respect to foreign policy, and with respect to our domestic program.

With respect to foreign policy, I believe two main approaches—and, I may add, successful approaches—of President Eisenhower could be placed in jeopardy by the attacks on the budget.

The Eisenhower administration has insisted that defense spending be maintained at a level which will provide security for this country. The achievement of nuclear weapons by Soviet Russia and the relative diminution in strength of our allies have cast up the United States as the only Western country possessing sufficient power to protect its own security and the security of the democratic systems of the free countries of the world. That was dramatically demonstrated a few days ago when the British Government issued its white paper saying that the security of the world today depended upon the nuclear deterrence owned by the United States.

This has required the highest peacetime defense budget in our history, but it has accomplished its purpose. We are at peace, and this program stands in successful contrast to American weakness prior to World War II and the Korean war. I say that this defense must be maintained.

The Eisenhower administration has also had the vision to realize that military measures alone will not attain national security. My distinguished colleague from New York [Mr. JAVITS] has discussed the objectives of our foreign-aid program. By that program this administration has sought to attain security in cooperation with the other free countries, by adding them to maintain their political and economic independence. In those countries—and perhaps in the uncommitted areas of the world—the future of freedom may well be decided.

I have had some opportunity to observe the importance and influence of those programs. At some later date I expect to address myself more specifically to our foreign-aid programs.

These attacks against the defense and foreign-aid budget reveal a stubborn area of isolationism in both parties. Those who represent it are a small but very vocal and powerful group. They refuse to face the facts of America's position in the world today, and some of them use the budget as a cloak behind which to protect programs and policies which the President, the administration, and the Congress have determined to be essential to achieve our security and to move toward peace. This is true even though only 6 months ago there was grave danger of our involvement in war in the Middle East, and even though this danger continues.

I shall select only one item on the domestic side of the budget for brief discussion. I wish to discuss the widespread attack on the President's proposal to furnish aid to the States for school construction.

This country is the richest in all the world. It now enjoys its greatest prosperity. Yet it is a country in which there is great disparity of educational opportunity among its various sections. Even worse, there is a deterioration in the quality of education. Surely our Government can afford to make a contribution to provide its children with an equal start in life.

I was reminded yesterday, when the distinguished junior Senator from Massachusetts [Mr. KENNEDY] submitted his report upon the selection of five great Senators whose portraits are to be hung in the reception room, that one of the five who were named was the great Senator Robert A. Taft, of Ohio.

Many have chosen him as their standard and paragon of conservatism. Yet that great Senator fought for the principle of opportunity—not security, but the principle of opportunity. He introduced bills in the Congress to that end, and fought for them. At one time he secured passage through the Senate of a bill to provide Federal aid for education, because, as he said so well, it would provide equal opportunity to the young men and young women of this country.

There are groups who attack this budget because of their open hostility to social progress. They represent a small minority, but they are well financed and extremely persistent. After 20 years they refuse to accept the social and economic reforms which have long since become a part of our American system. It is ironic that many of those people have prospered greatly under this administration; yet they would deny opportunities, even on a greatly reduced scale, to others.

It is my hope that in the budget review and budget decisions which we must make during the next few months my party and this Congress will not isolate themselves from the continuing needs of economic justice, greater political freedom and opportunity at home, and the objective of security and peace, together with the advancement of freedom in the world.

Finally, Mr. President, I would suggest that the responsibility for providing the administration with the means and with the leadership for carrying out the aims of the administration of President Eisenhower rests with the members of the Republican Party in Congress.

Like others, I have pledged myself to review carefully all budget requests and to help eliminate any waste and unnecessary programs. However, I have risen also to speak against the effort which is used by some to attack the great aims and objectives of the administration and to attack the President himself. I believe it is the duty of our party to preserve the purposes and aims of the administration.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. BUSH. Mr. President, I wish to congratulate the Senator from Kentucky upon his splendid presentation this afternoon and for his forthright contribution to this continuing debate on the budget for the next fiscal year.

The Senator is one who is well qualified to speak on the subject. He has a very thorough grasp on the importance of certain sections of the budget because of his experience. I am thinking particularly of the items in the budget which relate to our foreign policy, our foreign service, our mutual security program, and our technical assistance program. He has seen those programs as they have been applied, and he has seen them at first hand and at close range. Therefore, it is a comfort to me to have his appraisal of these items in the budget.

I congratulate him on the forthright manner in which he has stated his views today.

Mr. COOPER. I thank the Senator from Connecticut.

Mr. JAVITS. Mr. President, will the Senator yield to me briefly?

Mr. COOPER. I yield.

Mr. JAVITS. I, too, would like to join my colleague in congratulating the Senator from Kentucky on his action today. I should like to point out, too, that this argument has been going too far and too much the other way. It is high time that the voices of responsibility of our elective representatives, who have the people to depend upon, be raised in speaking to this subject. I do not believe anyone need fear telling the American people the truth.

I congratulate my colleague from Kentucky.

Mr. COOPER. I thank the Senator.

Mr. CARLSON. Mr. President, I wish to associate myself with the remarks of the distinguished Senator from Kentucky on the budget. He has made a fair and timely statement, in which he has stated, I believe, the view of all Members of the Senate, that while we must economize and cut the budget wherever we can, we must not forget the basic objectives, not only of the administration, but also of our great Nation, of which all of us are a part, when it comes to living among the nations of the world and living strong domestically from a defense standpoint and an economic standpoint.

I congratulate the Senator.

Mr. COOPER. I thank my friend, the distinguished Senator from Kansas.

AMENDMENT OF THE TENNESSEE VALLEY AUTHORITY ACT

Mr. COTTON. Mr. President, on behalf of myself and the senior Senator from Pennsylvania [Mr. MARTIN], the senior Senator from New Hampshire [Mr. BRIDGES], the senior Senator from Connecticut [Mr. BUSH], and the senior Senator from Maryland [Mr. BUTLER], I introduce for appropriate reference a bill to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes.

I ask unanimous consent that the bill be held at the desk through Monday, May 6, to permit other Senators who may be interested to join as sponsors.

The PRESIDING OFFICER (Mr. CHURCH in the chair). The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from New Hampshire.

The bill (S. 1986) to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes, introduced by Mr. COTTON (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Public Works.

Mr. COTTON. I wish briefly to acquaint the Senate with the background and the purposes of the bill to amend the Tennessee Valley Authority Act, which I have just sent to the desk. The RECORD should show as clearly as possible the reason for and the purposes of the measure, and exactly what it provides.

The Government Corporations Appropriations Act of 1948 contains the following legislative provision:

> None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power producing projects (except for replacement purposes) unless and until approved by act of Congress.

That provision of law has remained in full force since 1948, but its effect has been modified. In an opinion dated September 10, 1955, the general counsel of the Tennessee Valley Authority, Joseph C. Swidler, advised the TVA board:

> In thus prohibiting the use of revenues for construction of "new power producing projects" without prior Congressional approval, Congress clearly intended that the prohibition should apply only to new steam plants and single-purpose power dams, and not to generating units in existing plants or to transmission facilities.

The effect of that ruling is twofold. First, it casts doubt on what the law is with regard to the use of TVA's revenues; second, it tends to indicate, if we accept it as it is stated, that so long as its revenue is not used to construct complete new powerplants, as many additional units to present plants may be constructed as the Board of the Tennessee Valley Authority in its wisdom deems proper and necessary. In view of the developments in technology, it is perfectly possible in this way to increase the power producing capability of the Tennessee Valley Authority tremendously and to transmit its power over a greatly expanded territory.

The question that has risen because of this ruling came to a head last year, in 1956, in connection with a supplemental appropriation bill. At that time, the administration requested an appropriation of $3,500,000 in the second supplemental appropriation bill for fiscal year 1956, to finance construction work on additional generating units at the John Sevier steam plant.

The majority of the House Appropriations Committee denied the funds and stated:

> The committee finds that the Tennessee Valley Authority power revenues have provided it with sufficient funds for the construction of such additional units as TVA now requires, and believes that the agency should follow normal business procedure, using its revenues to the extent necessary.

A minority of the committee issued a strong statement of minority views. The views of the majority prevailed in the House of Representatives.

I might interpolate that the majority views were almost bound to prevail because, as a result of the committee's action, the supplemental appropriation bill carried no funds for this purpose; and a motion to change the legislative situation would have been ruled out of order.

When that appropriation bill reached the Senate, the Senate Committee on Appropriations took a decidedly opposite viewpoint. No question was raised, or at least very little question was raised, about the desirability or the necessity of the new units requested and required by the TVA, but the Senate committee felt that to pass the bill in the form in which it was sent over by the House would mean that Congress had, tacitly at least, and by implication, surrendered its control of the use of the revenues of the Tennessee Valley Authority, which is the creation and the child of Congress. So the Senate Committee on Appropriations placed back in the appropriation bill last year the specific appropriation for TVA for the new installations and thus denied TVA use of its power revenues with Congressional approval. The question, I repeat and wish to emphasize, was not as to the necessity or the desirability of the installations; it was whether, by passing the bill without appropriating the money for this purpose, Congress would surrender its control over the revenues and would, to that extent, place its mark of approval on the interpretation made by the general counsel of the Tennessee Valley Authority.

The Senate followed the recommendations of its own Committee on Appropriations. The matter was then thrashed out in the committee of conference. Finally, the necessity of passing the supplemental appropriation bill caused the Senate conferees to yield. So the bill was passed without the definite appropriation. Two of the conferees, my colleague, the distinguished senior Senator from New Hampshire [Mr. BRIDGES], and the distinguished senior Senator from Massachusetts [Mr. SALTONSTALL], felt so strongly about the principle involved that they refused to sign the conference report.

I call attention to the fact that the Senate went on record backing its own committee. In the course of the debate in the Senate, I recall that it was repeatedly urged that this question should be settled by a regular legislative bill, and should not be settled in a collateral way in connection with the supplemental appropriation bill. That is the reason why at this time I am introducing this measure.

Mr. GORE. Mr. President, will the Senator yield?

Mr. COTTON. Yes; I yield to my friend from Tennessee.

Mr. GORE. I recall the debate last year, to which the able Senator from New Hampshire refers. I recall, too, the joint service which the distinguished junior Senator from New Hampshire and the junior Senator from Tennessee enjoyed as members of the Committee on Appropriations of the other body. There are few men who have a more detailed and comprehensive understanding of the operations of the independent agencies of the Government than that which is enjoyed by the junior Senator from New Hampshire.

I think the able Senator has approached the pending problem in a correct way. Although I disagree with the advisability of the enactment of the bill which the able Senator is introducing, it is, in my opinion, the proper way to approach the subject rather than to attach a rider to an appropriation bill.

The able Senator from New Hampshire and I enjoy joint service on the Senate Committee on Public Works, to which the bill he is introducing will be referred. I hope the bill will receive consideration, and I shall join him in requesting consideration. It is my hope that after consideration, the committee will deem the recommendation of its enactment unwise.

If the Senator from New Hampshire will not think I am trespassing on his time——

Mr. COTTON. Not at all. I am very happy to have the contribution of the Senator from Tennessee to the matter. It is something on which we have worked together, as the Senator has mentioned, both in our service in the House of Representatives, when we were members of the Subcommittee on Independent Offices Appropriations of the Committee on Appropriations, and in the Senate on the Committee on Public Works.

While we may not see this proposal from the same point of view, it is a pleasure to discuss it with the Senator. I am glad he is on the floor, and I appreciate his contribution to the discussion. I want him to go ahead and to feel perfectly free to say whatever he desires to say about the matter. I am happy to yield to him.

Mr. GORE. Mr. President, the Senator from New Hampshire has again demonstrated the generosity, the graciousness, for which we, his colleagues, love him.

The Senator will recall that although certain citizens from the area which I have the opportunity to represent, in part, opposed such action, I, as a Member of the other body, supported the provision in the 1948 act.

Mr. COTTON. I remember that.

Mr. GORE. Furthermore, I joined with him in supporting the requirement that the TVA projects be amortized over a 40-year period, this likewise being over the opposition of some of my compatriots from the area of the country which I have the opportunity and the honor, in part, to represent.

I do not agree, however, with the interpretation of the 1948 act which the able Senator from New Hampshire now places upon it. The history of the legislation makes it very plain, I think, that the reference is to new plants. An additional generator to be installed in the dam across the Tennessee River at

Muscle Shoals should not, in my opinion, be considered as a new plant. Neither should an additional generating unit at an existing steam plant be regarded as a new plant, but rather as an additional installation in an already established plant.

Mr. COTTON. I thank the distinguished Senator from Tennessee for his statement. He has very clearly stated the points on which we can work together and the points on which we disagree. Incidentally, the Senator's knowledge, not only of the history, but also of the engineering and mechanical operations of the Tennessee Valley Authority, most of which is in his State, is exhaustive. I know he will correct me if I am in error. I believe he will agree that, whereas in the early days of the Tennessee Valley Authority and in a measure up to the present time, a steam unit generated approximately 50,000 or 75,000 kilowatts, it is now perfectly possible and feasible to install steam units which will generate 200,000 or even possibly 300,000 kilowatts of power. Thus, when units of modern type are added, it is perfectly possible to increase tremendously the power-producing potentialities of any one plant, whether it be a hydroelectric plant, a steam plant, or a combination of the two.

Mr. GORE. Mr. President, will the Senator from New Hampshire yield?

Mr. COTTON. Certainly.

Mr. GORE. I agree fully with the Senator from New Hampshire. Indeed, whereas the first steam-plant generating units constructed by the Tennessee Valley Authority were—as the able Senator from New Hampshire has said—of the order of 50,000 kilowatts capacity, and I think some in the case of the Norris Dam were of 25,000 kilowatt capacity, the newest steam plant constructed by the TVA, upon authorization by the Congress, has units of 250,000 kilowatts installed capacity, each. So the Senator from New Hampshire is entirely correct. However, that development is the result of improved technology, not the result of modification of the law, brought about by interpretation by the General Counsel of the TVA of the law.

Mr. COTTON. That is correct, and I thank the Senator from Tennessee for his statement.

At this point I wish to state—because of the point the Senator from Tennessee has raised—that I do not assert that the increased power-producing potentialities have anything to do with a change in the original meaning of the Government Corporations Appropriation Act of 1948. I mention it now to show the necessity of a very definite, clear-cut expression of Congressional control, because the increased potentialities of the new, modern units, together with the increased efficiency of transmission, mean that if the TVA is to have complete, carte blanche authority to use its revenues to build new units, it can extend its activities to a very large degree without Congressional approval. If that is what the Congress wants, the Senator from New Hampshire will, of course, yield to the will of the majority. However, I think that of itself requires an expression of Congressional intent.

At this point I wish to refer briefly to the report, last year—1956—of the Senate Committee on Appropriations. The Senate committee voted to restore the requested appropriation; and in its report the committee said:

> The committee believes it is unwise for the TVA to continue a policy whereby units can be added at existing plants without coming to the Congress for authorization and funds. The committee urges the appropriate legislative committee to act on this matter in order to clarify this situation before the next appropriation request is submitted to the Congress.

That is a formal request by the Senate Appropriations Committee that the appropriate legislative committee take such action. The reason why I have presumed to take the initiative in introducing such a bill is that the appropriate legislative committee, I assume, is the Committee on Public Works; and I expect that the Chair in his wisdom will refer the bill to that committee.

At this time I wish to quote briefly from a letter written by the Comptroller General of the United States, dated March 26, 1956, at a time when this controversy was in progress. The letter was addressed to the Honorable JOHN TABER, of the Committee on Appropriations, House of Representatives. The letter covers various subjects, but it includes the following:

> This letter is not addressed to the question of TVA's statutory authority, which has been the subject of considerable discussion and disagreement, except to recommend that the present law be amended to clearly state the intent of the Congress with respect to its control over TVA's capital expenditures for power facilities. We believe such legislation is necessary at this time because, in our opinion, (1) the present law is not clear in this respect, (2) there has been a substantial change in the nature of TVA's capital expenditures for power facilities between 1948 and 1955, and (3) the present law, as currently applied, does not give the Congress effective control over TVA's expenditures of public funds for power facilities. It is our view that the Congress can most effectively control expenditures of this character through appropriations; however, if the Congress wishes TVA to use its power revenues, or funds obtained from other sources, to construct or acquire power facilities, it should require TVA to obtain specific and prior authorization from the Congress for such facilities.

Mr. President, from the Senate Appropriations Committee, from the Comptroller General of the United States, and from many others, comes the call for clarification of this matter. Whatever may have been the original intent—and I shall not take time to argue that point at the present time with my distinguished friend, the Senator from Tennessee, and whatever may be the justice and accuracy of the interpretation by the General Counsel of the TVA, at least there is so much doubt upon this matter that Congress should have an opportunity to pass upon the question of whether it is going to surrender to the board of the TVA the discretion to use the revenues of the TVA to expand its operations, when in the course of technological development that expansion could be very considerable and, in fact, could extend for great areas and could include large cities outside the present service perimeter of the Tennessee Valley Authority.

In just a moment I shall be glad to yield further to the Senator from Tennessee; but, first, I wish to call attention briefly to some of the provisions of the bill I have introduced, in order that the Senate may understand exactly what the bill seeks to do.

In the first place, the bill, which I have just introduced, would amend the last paragraph under the subtitle "Independent Agencies and Corporations," in title II of the Government Corporations Appropriation Act, 1948, now reading as follows:

> None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power producing projects (except for replacement purposes) unless and until approved by act of Congress (16 U. S. C. 831h-2).

Section 26 of the Tennessee Valley Authority Act of 1933, as amended (16 U. S. C. 831y), contains a broad grant of power to the TVA Board over the use of power revenues or any other revenues accruing to the Corporation. The section provides that proceeds from the sale of power or any other products manufactured by the Corporation shall be paid as miscellaneous receipts of the United States Treasury at the end of each calendar year, but then contains the following:

> Save and except such part of such proceeds as in the opinion of the Board shall be necessary for the Corporation in the operation of dams and reservoirs, in conducting its business in generating, transmitting, and distributing electric energy.

Mr. President, I consider it necessary, therefore, to include in the bill the phrase "notwithstanding section 26" so that the limitations contained therein will also be a limitation on the authority to expend power revenues contained in section 26.

In other words, the bill does not affect this broad power, except it states that, notwithstanding this provision, Congress shall continue to control the use of revenues insofar as they are used for new power generating facilities.

The bill next provides that power revenues can only be expended for the "construction, or acquisition of any power producing units, installations, facilities or projects" as Congress may approve in its consideration of TVA's annual budget. This means that if TVA were to seek authority to expend power revenues for the stated purposes, the request for such authority would have to be contained in the President's budget.

The first proviso sets forth in exact detail just how Congress shall express its approval for the use of power revenues by TVA. This is important. This must be done by specific language in an appropriation bill, and would preclude the use of committee reports as a vehicle of approval. It should be made perfectly plain that the bill provides that.

I want to emphasize, and particularly to call to the attention of my good friend from Tennessee [Mr. GORE], the last

proviso in the bill, which contains the phrase "except for replacement purposes." It defines the phrase to mean:

> The repair or replacement of an existent unit, installation or facility, which replacement would not result in increasing the number of units, installations or facilities at existent plants.

That, of course, means—and I want to emphasize this—that in presenting this measure to the Senate, the Senator from New Hampshire is not seeking to stifle or hamstring the Tennessee Valley Authority. Rather, he is seeking to have Congress clearly define its continual control over its expansion. This particular provision, the last provision in the bill, makes it clear that if this bill became the law, the Tennessee Valley Authority, or its Board, could use its revenue to replace a steam unit that, at present, produces only 50,000 kilowatts with one that produces 250,000 kilowatts. It simply prohibits new, additional units without the authority of the Congress.

I wish to mention one other matter, and then I shall yield to my friend and be through. As my friend from Tennessee knows, for he has been acting as chairman of the subcommittee considering the bills, there are at present two bills being considered by the Committee on Public Works. One of them is S. 1869, introduced by the distinguished Senator from Oklahoma [Mr. KERR], on behalf of himself and Senators HILL, GORE, KEFAUVER, STENNIS, EASTLAND, and SPARKMAN. The other one is S. 1855, introduced by the distinguished Senator from Kentucky [Mr. COOPER].

Both bills are designed to permit the Tennessee Valley Authority to issue bonds, borrow money, conduct its business, build its facilities, and repair and extend its operations as any other business does, without coming back every year for appropriations from the Congress.

The bill introduced by the distinguished Senator from Oklahoma provides, in its present form, that if the Tennessee Valley Authority, exercising the power proposed to be conferred on it, is to extend its operations beyond the perimeter of its present service, it shall notify the Congress and wait 60 days for action that the Congress might take in connection thereto.

S. 1855, introduced by the Senator from Kentucky [Mr. COOPER], provides that the Tennessee Valley Authority cannot use its revenues to extend its operations beyond its present service area without coming back to the Congress for specific authorization.

If the provision concerning expansion in S. 1855 should receive the approval of the Public Works Committee and should be approved by the Congress, that would settle this question, so that the bill I am presenting today would be unnecessary. However, there are many other factors in the proposed bills of the Senator from Oklahoma [Mr. KERR] and the Senator from Kentucky [Mr. COOPER] that are controversial.

They include factors such as a limit on bonding authority, how bonds shall be floated, whether they shall be under the control of the Secretary of the Treasury as to the time and form, and provisions for repayment to the Treasury of the taxpayers' investment in the Tennessee Valley Authority. So that I think it is reasonable to say that the outcome of the bills is extremely doubtful.

Therefore, the Senator from New Hampshire has at this time presented this bill, hoping it will be referred to the Committee on Public Works and hoping there will be prompt consideration of it by the Senate, because it excludes all the other questions and simply goes to the heart of this matter, which was the subject of such sharp controversy last year. That was that in constructing new power facilities, whether they be in a plant by themselves or whether they be additional units to present plants, specific approval of the Congress should be obtained. In other words, if TVA is to extend its operations into a wider territory, and run longer distances and take in new cities and new territories, it should have the specific approval of the Congress, which it had to have until 1955, when the TVA ruling was made.

That is the purpose of my bill. I am sorry to have taken so much time of the Senate, but I wanted the RECORD to show that clearly.

I now yield to the Senator from Tennessee.

Mr. GORE. Mr. President, the able Senator and I find ourselves in disagreement as to the legislative intent and the proper interpretation of the 1948 provision. I join him, however, in the view that it is entirely proper for the Congress to review the 1948 provision, and review it in the light of the improved technology to which the able Senator has made reference. In determining whether or not it is necessary for the Congress to enact law which would be further restrictive of the management of the TVA by its Board of Directors in a businesslike way, the Senator points to bills pending now before the Senate Public Works Committee, and to the possibility that, by use of revenue, an expansion of the TVA might be possible.

The possible expansion to which the able Senator refers might be either geographic expansion or a vertical expansion, that is, an increase in the generating capacity of the TVA to serve the area presently served by the TVA.

I think the Senator will agree that the service area which the TVA now supplies, and which it has been supplying, is one where production of electricity has been rather static for 12 years now. Were the revenues of TVA not required for amortization of the projects already in being, the apprehension of the able Senator might, in the view of the junior Senator from Tennessee, have more point. But when the amortization requirement is coupled with the requirement for payments in lieu of taxes, considering the enormous demand for increased electricity in the TVA area, I just doubt that there is any ground for real apprehension of a geographic expansion of the TVA.

I agree, however, that it is a matter to which Congress can and properly should give attention.

Mr. COTTON. May I say to the Senator from Tennessee that the Senator from New Hampshire does not necessarily indicate he is apprehensive or that he necessarily objects to certain expansion of the TVA. The point that he does emphasize, and the reason for this proposed legislation, is that if there is to be such expansion it should have the full consideration of the Congress of the United States, where every State and every section, whether far away from or contiguous to the Tennessee Valley, will have an opportunity to consider the wisdom and fairness and advisability of such expansion.

Also, while I agree that the Senator from Tennessee is correct in stating that during the past few years there has not been substantial expansion or growth of TVA, there has been some. I have in mind at this moment that the city of Memphis was insistent that the Tennessee Valley Authority produce electric energy for that city some time ago.

I think the question of expansion is a very real one. I am not stating that necessarily we should say there shall be none, but it is important, I think, that we should have complete control. That is the purpose of the legislation.

I thank the Senator from Tennessee for his contribution.

I wish to apologize to the distinguished Senator from Kansas, who is about to take the floor, for the time we have consumed.

PROGRESS IN MENTAL HEALTH TREATMENT

Mr. CARLSON. Mr. President, I do not wish to have this week go by without discussing briefly some of the progress we have been making in mental health treatment.

President Eisenhower has set aside this week, beginning April 28, as National Mental Health Week, and as I regard mental health one of our most serious problems, I wish to take this opportunity to discuss some of the problems in connection with it and also report progress that is being made in the cure and control of this disease.

It is only in recent years that we have actually come to grips with this problem and are now treating patients for mental illness instead of incarcerating them in hospitals, which, in reality, became prisons for the rest of their lives.

We in Kansas have been most fortunate, in that the Menninger Foundation—which is internationally known—is located at Topeka, Kans., and has for many years conducted a program of research and carried on clinical demonstrations which prove that mental illness responds to treatment just like physical ailments.

As we observed the effectiveness of the work of the Menninger Foundation, we in Kansas became convinced that their program was good not only for Kansas, but for the Nation.

It was in 1947 that Kansas decided to do something about its mental health problem, and while I shall discuss the mental health program from a national standpoint, I also wish to discuss some

of the changes that have taken place in Kansas since 1947.

It was my privilege to serve as Governor of the State of Kansas. I not only took a personal part in the campaign which our citizens and the Kansas Legislature approved, but took steps necessary to get the program underway.

One of my first official acts was to appoint a commission composed of outstanding doctors and private citizens and charge them with the responsibility of making recommendations to the Governor and the legislature for changes in our mental health program.

Mr. GORE. Mr. President, will the Senator yield?

Mr. CARLSON. I am happy to yield to the Senator from Tennessee.

Mr. GORE. I wish to congratulate the able Senator for the success of the program which he had the honor and foresight to inaugurate in the great State of Kansas.

Mr. CARLSON. I appreciate the kind remarks of the very able Senator from Tennessee. It is not only true that we have made great progress in Kansas, but great progress has been made in many States of the Nation—most States at the present time. However, 10 or 15 years ago there was not sufficient attention paid to the mentally ill of this Nation. I am happy we are now making this progress. I know Tennessee has made progress, as well as many other great States.

Mr. GORE. May I say that under the administration of Gov. Frank Clement, of Tennessee, very great progress has been made in this field. In this activity, as in other fields in the area of human welfare, Governor Clement has taken a very keen personal interest.

Mr. CARLSON. That is very commendable.

In 1948 we were spending $1.06 per patient-day, while in 1953 we spent $3.87 and $4.73 in 1955.

I have before me a report from Dr. George W. Jackson, Director of Institutions in Kansas, for the year 1956, which states that the daily cost per patient has increased 41.2 percent, but operating expenses per patient released alive has decreased 42.2 percent.

According to Dr. Jackson, of the 1,040 first admissions—that is, people admitted to our mental hospitals—during fiscal year 1955, the following dispositions had been made within 1 year: still in hospital, 25.77 percent; discharged, 37.02 percent; on trial visit, 23.56 percent; in family care, 5 percent; deaths and otherwise absent, 8.65 percent.

That, to me, tells the story of the great progress that has been made within our State, when you realize that only one-fourth of those who were admitted during the year 1955 were in the State hospitals at the end of the year.

The fact that 37 percent were discharged as cured, about 25 percent were out on trial visit, and 5 percent in family care demonstrates that Kansas' program is paying dividends.

In Kansas during the year 1949, with more people in our mental hospitals, only 455 were released, while the number released in 1955 was 1,356.

About 80 percent of those admitted to our hospitals are released in 1 year. This 80 percent includes about 8 or 9 percent who died during their stay in the hospital.

Things have been happening in a good many States, but my responsibility, I think, is to try to tell what has happened in the State of Kansas that has materially changed our whole mental hospital situation.

I am proud of the fact that Kansas is probably the only State in the Union in which the mental hospital population has gone down in the past 5 years. It is down now more than 7 percent, in contrast to the national average, which shows roughly an increase of 15 percent. Even with our Kansas State hospitals still quite inadequately staffed, 74 percent of the folks who entered those hospitals in 1954 went home, most of them within a period of from 3 to not to exceed 6 months.

I believe that Kansas has the only system of State hospitals in the country where there is not a long waiting list and where people do not have to sit in jail for a week or a month before they can even enter a hospital where a doctor might see them a month later.

It is possible and probable, I think, that in Kansas we shall never have to build additional hospital beds if we can keep our present program going. To be sure, we shall have to build some replacements, but when we started this program, the Public Health Service told us that we needed 3,800 more beds; in very rough figures, they would have cost $38 million. That sum was not spent—and I do not believe it will need to be spent.

Thus, our experience to date suggests strongly that increased expenditures for the care and treatment of the mentally ill are good investments not only in human values, but also in terms of dollars and cents.

Under a program of custodial care only, relatively few patients are released, hospital populations build up and up, more beds must constantly be provided, at an average cost of approximately $10,000 per bed; and no solution to the problem of mental illness is ever in sight.

On the other hand, a dynamic program of psychiatric care and treatment makes possible the improvement and cure of a great many patients who can then be released as useful citizens of the community again. Turnover is much greater, more patients can be treated and discharged, and mental hospital populations may actually decline, as they have in Kansas. Thus, it may never be necessary to build the additional buildings and beds, which would otherwise be needed to provide for a constantly increasing hospital population.

Mr. President, I requested the National Committee Against Mental Illness, Inc., to furnish me some recent statistics in regard to the progress made in the treatment of mental illness during the past few years.

It is interesting to note that at the close of 1956, for the first time in history, there was a reduction under that of the previous year in the number of resident patients in State mental hospitals. This reduction amounted to approximately 7,000 under the resident patient figure at the close of 1955.

The decrease is particularly remarkable when one notes that 1956 was a record year for admissions—approximately 186,000 mental patients were admitted to hospitals in 1956, as against 178,000 in 1955, and only 115,000 in 1945.

It is also significant, when one considers that since 1945, when figures on mental hospital population were first collected on a national scale, that there had been an average increase of 9,400 patients each year in the total mental hospital load.

This progress is most encouraging to me, and furnishes proof that every State in the Union can do what the State of Kansas has done during the past decade.

Mental illness is a real and continuing national problem, when we realize that 1 out of every 10 persons will spend some part of his life in a mental hospital.

This means about 16 million people now living in the United States will be hospitalized for mental illness at one time or another unless new treatment and cures are found.

I believe it can be definitely proved that mental illness or other personality disturbances are usually significant factors in criminal behavior, delinquency, suicide, alcoholism, narcotics addiction, and very often in cases of divorce.

The statistics on the number of cases of the above-mentioned problems are appalling; and it is only in recent years that we have begun fully to understand that they are most often the result of mental disturbances.

One of the most interesting studies I have read in recent years on mental illness was a survey by the Menninger Foundation, completed in 1954, which indicates that emotional ills in industry cost this Nation billions of dollars in productivity each year.

Figures from this report reveal that as a result of mental disturbances, industry suffered a $9 billion loss because of absenteeism from work; that 80 to 90 percent of the accidents were due to psychological causes, which cost an untold sum of money.

It was interesting to note further from this report that alcoholism represents a loss to industry in excess of $1 billion. One out of every 50 workers is a problem drinker and 89 percent of these are in the 35 to 55 year range.

Financial losses may easily be determined on the basis of statistics, but no one can place an estimate on the agonies, heartaches, and the suffering of those who are close to patients suffering from mental illness. Many of the heartrending problems of the patient and those closely associated with him could be cited, however, I wish to relate a few of the experiences that came to light in our study of the hospital situation in Kansas.

Here are some of the human interest stories:

One woman who had been there for 20 years had not spoken a word over the last 8 years. Her doctor was not discouraged, however—he was a young fellow. If I had been that man, perhaps I would not have had the courage he had to try to help her.

He began spending time with her, and in the course of 2 weeks she began to talk. No one had ever tried to talk to her before that, I guess. Now she is a practical nurse in the community, after spending 22 years in the State hospital because no one ever took any interest in her.

Among the patients where cases were reviewed when the new staff took over was a hot-tempered Dane who somehow had gotten shuffled into the Topeka State Hospital 19 years previously. There was no evidence that the man was ever sick enough to have been hospitalized. He had gotten into a little difficulty with the law and was put in the State hospital. He spoke little English, and the harder he tried to prove he was not sick, the more the authorities believed he was very ill. He is back in Denmark now.

Perhaps the most tragic of these human-interest stories was that of a young woman of about 23. She was a rather pretty, sweet girl, but her hair was bedraggled and neglected. She was standing by the door one day when the doctor went up to speak to her. The doctor asked, "What are you doing here?" and her answer was, "I guess I am just waiting to get like the rest of them." She had never had a doctor talk to her at all.

We were indeed gratified to see that these good things could happen—that people in mental hospitals can be helped to get well.

These and thousands of similar cases have been treated and cured. The question now is, Where do we go from here?

First, I strongly urge that the Congress, the States, and private organizations and institutions engaged in this work vote increased funds for the type of programs that are paying dividends. We must not be niggardly with funds for the treatment of the mentally ill. We should not hesitate to vote more funds for research in this field, both from the Federal and State governments.

We need to discover cures and better methods of care and treatment. It is true, we are spending substantial sums of money in this field, but here is one place where we can be of real help.

Quite generally you hear that we should spend large sums of money for new construction and new buildings for our mental patients. With this I am in accord, but I can never forget the statement of Dr. Will Menninger when we were talking about building new mental hospital buildings in Kansas. Dr. Menninger stated at that time that new buildings were fine, but what we needed was more doctors and more trained people to care for our mentally ill. We proceeded on this basis in Kansas, and I think the results speak for themselves.

Since 1947 the people in Kansas have voted on a constitutional amendment providing funds for construction of buildings at our State institutions and this program is now well underway.

We need more funds for the training of additional psychiatrists, psychiatric social workers and nurses to take more efficient care of the increasing number of the mentally ill. Here again we can be of real assistance.

One of the new programs that needs to be encouraged and pays big dividends is the development of out-patient service. It is probably safe to say that as many as one-third of the patients who are now treated successfully in the clinics would several years ago have been regarded as suitable only for hospital treatment. Treatment in an outpatient clinic is obviously less costly than hospitalization and provides the great therapeutic advantage of allowing the healing process to take place in the same environment in which the illness originated, avoiding the violent transition from community to hospital to community again.

During the next few years, there will probably have to be an appreciable increase in State mental health budgets. While the new drugs and other therapies have led to a remarkable increase in discharge rates, they have also created the demand for thousands of additional psychiatric personnel to treat and return to the community untold numbers of mental patients, which up to now are considered hopeless.

In the long run, however, there is no doubt that increased expenditures for research and training will pay off in the reduction of the number of patients in our State mental hospitals. We have only to look at the research successes against tuberculosis, which have closed TB hospitals all over the country in the past 4 years, to realize that the same thing can be done for mental illness if we spend enough money to use present treatments, to find new ones, and to train the people to apply them.

What if we choose not to spend additional moneys for treatment, research, and training during the coming biennium? The alternative is stark and clear. The States will continue to spend approximately $350 million a year to construct additional buildings to house the ever-increasing flow of mental patients. The research which developed the new drugs has begun to cut down the resident population, but it will have to be greatly accelerated if we are to win the war against mental illness.

ADJOURNMENT TO MONDAY

The PRESIDING OFFICER. What is the pleasure of the Senate?

Mr. CARLSON. Mr. President, if there is no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in adjournment until 12 o'clock noon on Monday.

The motion was agreed to; and (at 4 o'clock and 43 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Monday, May 6, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 2, 1957:

DIPLOMATIC AND FOREIGN SERVICE

Wilson C. Flake, of North Carolina, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ghana.

PATENT OFFICE

Maurice Augustus Crews, of Pennsylvania, to be an Assistant Commissioner of Patents, vice Arthur W. Crocker, elevated.

The following-named persons to the positions indicated:

UNITED STATES ATTORNEYS

Lloyd H. Burke, of California, to be United States attorney for the northern district of California for a term of 4 years. (Reappointment.)

Frederick W. Kaess, of Michigan, to be United States attorney for the eastern district of Michigan for a term of 4 years. (Reappointment.)

John O. Henderson, of New York, to be United States attorney for the western district of New York for a term of 4 years. (Reappointment.)

UNITED STATES MARSHALS

William B. Somers, of North Carolina, to be United States marshal for the middle district of North Carolina for a term of 4 years. (Reappointment.)

Albert W. Saegert, of Texas, to be United States marshal for the western district of Texas for a term of 4 years. (Reappointment.)

George W. Beach, of New Mexico, to be United States marshal for the district of New Mexico for a term of 4 years. (Reappointment.)

Noah W. Riley, of Wyoming, to be United States marshal for the district of Wyoming for a term of 4 years. (Reappointment.)

William E. Smith, of New York, to be United States marshal for the eastern district of New York for a term of 4 years. (Reappointment.)

William Budd Parsons, of Washington, to be United States marshal for the western district of Washington for a term of 4 years. (Reappointment.)

Saul Hale Clark, of Idaho, to be United States marshal for the district of Idaho for a term of 4 years. (Reappointment.)

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 2, 1957

The House met at 12 o'clock noon.

Dr. Joseph Liberles, rabbi of Temple Ezra, Chicago, offered the following prayer:

Almighty God, at this time of the year when nature revives and Thy creation is most emphatically expressed, every living thing sings praises to Thee, O Most High. In Thy bounteous grace Thou didst crown all the work of Thy glory with the creation of man. Thou didst bestow upon him the innate love for liberty, the aspiration to be free.

From the day when Moses cried out: "Let my people go," to the moment when God commanded Israel to "proclaim liberty throughout the land and to all the inhabitants thereof," from the hour when Patrick Henry exclaimed, "Give me liberty or give me death," to the resounding of the four freedoms, men have never ceased to be free. May our passion for freedom never abate.

Bestow Thy blessings, O Lord, upon this House and upon the men who are striving to govern with justice, truth, and love. Give them insight and understanding so that their decisions for millions of people will be wise, just, and righteous.

Cast Thy spirit upon them and strengthen them in their endeavors. Gird them with steadfastness and fortitude to achieve progress and growth not only technical and physical but also and more so emotional and spiritual growth.

May life, liberty, and the pursuit of happiness be the irrevocable birthright of all men for all time. Amen.

The Journal of the proceedings of Tuesday, April 30, 1957, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 4803. An act to permit articles imported from foreign countries for the purpose of exhibition at the Chicagoland Commerce and Industry Exposition, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1474. An act to amend section 401 (e) of the Civil Aeronautics Act of 1938, as amended, in order to grant permanent certification to air carriers engaged in domestic all-cargo operations without subsidy.

THIRD DEFICIENCY BILL

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight Friday, May 3, to file a privileged report on the third deficiency bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. TABER. Mr. Speaker, I reserve all points of order against the bill.

FREE IMPORTATION OF GIFTS FROM MEMBERS OF ARMED FORCES

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6304) to make permanent the existing privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad, and for other purposes, with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 13, strike out "United States.'" and insert: "United States."

Page 2, strike out lines 14 to 17, inclusive, and insert:

"SEC. 2. This act shall be effective with respect to articles entered for consumption or withdrawn from warehouse for consumption on or after the day following the date of its enactment and before July 1, 1959."

Amend the title so as to read: "An act to extend for a period of 2 years the privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad."

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, as it passed the House of Representatives, H. R. 6304 would have made permanent the existing temporary free entry privilege relative to gifts from members of the armed services on duty abroad, except that certain further discretionary authority was provided to the Secretary of the Treasury relative to the limitation on the privilege of free entry of alcoholic beverages and tobacco. I explained when this bill passed the House that there is a limitation of $50 in value with respect to shipments under existing law and there are safeguards to assure that the articles are bona fide gifts from a member of the Armed Forces on duty outside the continental limits of the United States. As I further stated, a very definite morale factor is involved. As indicated in the House report, in view of the continued presence in many parts of the world of members of the Armed Forces, your committee believed that the free entry privilege for the specified gifts should be made permanent so as to relieve the Department of Defense from having to request, and the Congress from having to enact, periodic extensions of the free entry privilege.

The Senate has amended this bill so as to provide for only a 2-year extension of this existing privilege. The Senate committee report stated that it is important to Congress to retain control of import regulations and that Congress should review occasionally the operations of this special legislation, and for that reason the free entry privilege should not be made permanent but should be extended for merely an additional 2 years to July 1, 1959. A technical amendment was also added.

I urge the House to concur in the Senate amendments.

Mr. REED. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED. Mr. Speaker, I have joined with the distinguished chairman of the House Committee on Ways and Means in urging that the House agree to the Senate amendments to H. R. 6304.

It will be recalled by the membership of the House that H. R. 6304 in its House-passed version would have made permanent the existing privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad. The Congress has regularly been called on to enact legislation extending a temporary authority providing for the free importation privilege with respect to such gifts. Because of the favorable administrative experience that has been realized under the law, the House in its wisdom decided it would be appropriate to make this authority permanent in the realization that the granting of such permanent authority would not preclude the Congress from periodically making inquiry as to the appropriate administration of the act and in addition the granting of permanent authority would have obviated the need for the Congress to go through the time-consuming process of enacting legislation every 2 or 3 years.

The Senate amendment has the effect of changing the permanent authority provided by the House to a 2-year extension of the authority so that the privilege of free importation of gifts from the members of the Armed Forces of the United States would continue until July 1, 1959. It is important that this privilege be continued because of its important beneficial morale contribution to Armed Forces personnel overseas. In the interest of continuing this privilege without interruption I have urged my colleagues in the House to concur in the Senate amendment.

THE M-14—NEW STANDARD SHOULDER WEAPON—SPRINGFIELD ARMORY

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BOLAND. Mr. Speaker, I seize the opportunity today to salute and point with pride to the United States Army Ordnance and the Springfield, Mass., Armory. The devoted and dedicated men of the Army Ordnance and the employees of the Springfield Armory have once again demonstrated their great know-how in research, development, and production in the field of small arms. Late yesterday, the Department of the Army announced the approval of plans to adopt a new standard rifle. That rifle now designated as the M-14 is the product of the brains and skill of the Springfield Armory. The selection of the M-14 as the basic weapon of our fighting forces results from long, exhausting and highly competitive tests with other weapons. The Department of the Army's decision to adopt this weapon was based on a number of factors. Under test since 1952 and in all kinds of battlefield and climatic conditions, it measured up to the rigid requirements demanded to give our fighting soldier the best possible weapon.

Mr. Speaker, the fact that this new and wonderful weapon had its genesis at the Springfield Armory does not come as a surprise to experts in the small-arms field. Since 1795 this arsenal has been engaged in the production of and the research and development of new and better shoulder pieces. It is interesting to note that this armory owes its existence

to George Washington who, in 1794, approved Springfield as the location of a national armory. In all of the battles and wars in which our Nation has engaged since that year, the soldier who bore the brunt of ground warfare has carried a weapon produced or perfected by this great armory. The effective shoulder weapons of the great wars, the M-1903 Springfield rifle and M-1 Garand rifle were designed and developed here, and here, too, were manufactured many and varied weapons that have been used in practically all of the wars in which this country has been engaged. The history of this historic Government installation is replete with achievements of its employees. Mr. Speaker, it is a history of tradition and accomplishment unequaled in the records of any ordnance establishment.

The Nation is indebted to the long line of men and women who have manned the drafting boards and production machines; to the superintendents, commanders, and supervisors; to all who have contributed to the making of this armory as one of the best in the Nation's arsenals of defense.

Mr. Speaker, my community is proud of the part the Springfield Armory has played and will continue to play in the history of the United States. It affords me great pleasure, in the face of this most recent accomplishment, to tip the congressional hat to the Army Ordnance, the Springfield Armory, and the men and women who make it tick.

I include as part of my statement the Department of the Army release of May 1, 1957.

Secretary of the Army Wilber M. Brucker announced today the institution of a new small-arms weapons system for its combat forces with approval of plans to adopt a new standard rifle.

Adoption of this new rifle, which replaces four current United States Army shoulder weapons, rounds out a program for a new weapons system, long planned and partly consummated recently with the adoption of the M60 general purpose machinegun. Both the new rifle and the new machinegun fire the 7.62-mm. NATO cartridge, which will be common to our NATO allies.

The new system offers many advantages. It gives the modern Army a better and lighter rifle and a lighter machinegun to give forward infantry units greater firepower, while cutting the number of weapons in the small-arms system from 7 to 2 (1 machinegun and a rifle in 2 barrel versions).

It cuts field logistics loads by reducing the types of small-arms ammunition and, significantly, adopts a cartridge that will be standard also for our allies. It simplifies handling and maintenance problems and reduces training time for the combat soldier.

Known during the period of its consideration by the Army as the T44, the new rifle will eventually replace the standard M1 (Garand); the Browning automatic rifle, familiarly known since World War I as the BAR; the caliber .30 carbine; and the M3 submachinegun. The new rifle was developed by United States Army Ordnance at Springfield Armory, which also produced its predecessor, the M1 rifle. The M1 or Garand, has been the basic infantry weapons since early 1936.

A very limited quantity required for test purposes by the using arms has been manufactured to date. Request for appropriations to produce the new rifle are expected to be included in the fiscal year 1959 budget. As funds are made available, a pilot line quantity will be produced, followed with volume production and issue of the new rifle to troops beginning in 1960.

The newly adopted rifle uses the 7.62-mm. (caliber .30) NATO standard cartridge, also developed by the United States Army, and is capable of either fully automatic or semi-automatic fire.

There are two barrels for the new rifle. With the lighter of the two, the rifle, designated the M14, weighs 8.7 pounds. It does the work of the carbine, M1 rifle and submachinegun. When the new rifle is equipped with the heavier barrel and tripod, it is called the M15, weighs 13 pounds and replaces the 20 pound BAR.

The T44 rifle has been under test since 1952 in comparison with a rifle of similar characteristics and performance produced by the Belgian munitions firm, Fabrique Nationale. The Belgian rifle has been known here as the FN, popularly, and the T48, officially. Both weapons were subjected to exhaustive tests under all conditions or troop use in the Arctic and the tropical and temperate zones.

The performance of both weapons throughout the tests was superior to that of the M1 rifle, and between the two there were only marginal differences. The major factors favoring the M14 are that it is 1 pound lighter than either the M1 or the T48 and is considered better suited for American transition to both mass production and training than the Belgian design.

THE FIRE OF POLISH FREEDOM BURNS BRIGHTLY IN HEARTS OF PEOPLE DESPITE RESTRAINTS

Mr. KELLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KELLEY of Pennsylvania. Mr. Speaker, as Representative of the 21st District of Pennsylvania which includes many thousands of outstanding and patriotic Americans of Polish descent, I want to take this opportunity to speak in their behalf and in behalf of everyone in Westmoreland County who believes deeply in freedom, to salute the spirit of freedom which still burns brightly in the hearts of the Polish people.

On May 3, 1791, moved by the example of the people of the United States of America—to whose cause Poland had lent outstanding help—Polish people set up their own democratic constitution, and set about establishing the basis for real progress and forward-looking government in Central Europe.

As we all know, the Polish people have lived through a horrifying series of conquests, partitions, invasions, with destruction of their national independence and sovereignty. But never has the spirit of liberty been destroyed in Poland.

Right now, we understand that the fierce love of liberty of the Polish people has forced the Soviet masters to relax a bit some of the restraints and brutal regimentation which had previously been imposed. But let us not take from this that we can now forget about Poland and let her people look out for themselves. They are still prisoners of the Soviet system—but they will never be willing prisoners. They will never be Sovietized.

On the occasion of one of the happy days of Polish history, Constitution Day, I am happy and proud to pay tribute to the spirit which motivates the Polish people today as always—the spirit of freedom.

INCREASE IN PENSIONS OF SPANISH-AMERICAN WAR WIDOWS

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, I am taking the time of the House today only long enough to call attention to an article by Eleanor Roosevelt which appeared in her widely read syndicated column calling attention to the bill, H. R. 358, to increase the small pensions of the widows of Spanish-American War veterans. There are only a handful of these widows and they are existing today on $52 per month. This bill would increase the pension to $75 per month.

I do hope that before many days this bill will be passed by the House.

Mrs. Roosevelt's article follows:

I have a letter in my mail from William E. McCann, Jr., who is writing for the National Committee on Legislation and Its Administration, United Spanish War Veterans. He is concerned about the condition of the widows of the Spanish-American War veterans. He reminds me that these veterans, 100-percent volunteers both in the Army and Navy, and their widows are now on the average about 78 years old. More than 75 percent of them are wholly dependent on their meager pension for existence and are in dire need. It seems to me that there cannot be very many living; and, though I realize what a heavy burden paying for past war puts on the taxpayers of the United States, I feel that to care more adequately for this small group of wives of veterans is an obligation the country would gladly accept.

There is a bill in Congress, H. R. 358, to grant an increase in their pensions, and I want to draw it to the attention of my readers in the hope that they will feel as I do: that the remaining years of these poor women should be made at least possible to live in dignity and without great hardship.

THE AVA CITATION PRESENTED TO HON. JOHN E. FOGARTY

Mr. LANHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LANHAM. Mr. Speaker, on April 29, 1957, the Rhode Island Vocational Association of the North Atlantic Conference at Newport, R. I., presented to the Honorable JOHN E. FOGARTY, through Mr. R. E. Bass, president-elect of the American Vocational Association, the AVA citation in recognition of distinguished service to the cause of vocational education. I am happy to include with

my brief statement a copy of the citation, the speech of Mr. Bass, and Congressman FOGARTY's splendid response.

The Members of this House will join me in expressing approval of the presentation of this award to JOHN FOGARTY, the distinguished chairman of the Subcommittee on Appropriations for Labor, Health, Education and Welfare. The award could not have been made to a more deserving and distinguished friend of vocational education. All of us are happy to see this recognition come to the man who is acknowledged to be the outstanding leader in Congress for the promotion of the health, education, and welfare of the American people.

SPEECH BY REPRESENTATIVE JOHN E. FOGARTY AT NEWPORT, R. I., APRIL 29, 1957

Mr. Toastmaster, members of the North Atlantic Regional Conference of Supervisors and Teacher Educators of Vocational Education, members of the Rhode Island Vocational Association, and friends, this evening I would like to say something in defense—even in praise—of practicality. Things that are practical; things pertaining to or connected with the ordinary activities, business, or work of the world—they interest us almost to the exclusion of everything else, but some seem to be ashamed that they do.

There are some who would have us believe that practical things are narrow, small, provincial, and unworthy of us. I do not share this belief. Tonight let us consider practical things—practical education—without apology and without reservation. I believe that in the process of practical training for an occupation, one can develop citizenship ideals and acquire general information essential to a happy and successful life.

As you know, I have been interested for many years in practical vocational training for young people and adults. I am proud to be the product of this kind of training myself. As some of you may know, I learned to be a brick mason through apprenticeship training. So I know what it is to learn a trade slowly and exactly and to be proud and confident of my skill. Thus, through personal experience, I learned the importance and value of practical vocational training to an individual. This is one of the reasons why I have wanted to make vocational training, of which apprenticeship is a part, available to others who need it and profit by it.

I am proud to have had a part, to have taken many practical steps, if you please, in increasing the vocational opportunities of the youth and adults of our Nation.

Through my experience as a Member of National Congress, I have learned the importance of vocational education to our Nation's security and economy. For some years I have served as chairman of the House Subcommittee on Appropriations that handles appropriations for vocational education. As a result, I have listened to and questioned hundreds of witnesses dealing with this subject. From this experience I have learned of the splendid progress of the program and have become a staunch supporter of your cause.

It has long been my firm conviction that productive workers constitute our greatest resource. I am convinced, as I believe most thinking Americans are, that the security and well-being of the United States are tied inseparably to the productivity of our people. Through the years vocational education has played an important role in the preparation of youth and adults for efficient production.

The United States has become the most powerful and the most productive nation in the world today. Our people enjoy the highest standard of living of any people, anywhere, anytime.

As evidence of this, may I bring to your attention the fact that here in the United States we have only 6 percent of the world's population, but we own 70 percent of all automobiles, 50 percent of all telephones, 45 percent of all radios, 34 percent of all railroads; we use 56 percent of all silk, 53 percent of all coffee, 51 percent of all the corn, 50 percent of all the cotton, 34 percent of all the coal, 32 percent of all the copper, 30 percent of all the iron and 32 percent of all the manufacturing production.

The fact that America enjoys such a high economy is no accident. It has occurred because our people, at the local, State, and National levels have planned intelligently and have developed great training programs for both youth and adults to give them ability to produce more and thus have more.

No nation can remain strong or maintain a high standard of living unless there are adequate provisions for passing on to the oncoming generations the skills and knowledge of the productive workers of today and yesterday, and in the march of progress to acquire new knowledge and to develop new skills. It is in the light of these and other facts that we must continue to improve and expand vocational training programs in this Nation. And this is why I have worked with other Members of National Congress to prevent in recent years drastic cuts in Federal funds for vocational education and instead have helped to secure an increase in funds.

So you see, I have experienced practical training myself and I have worked for the extension of this privilege for others. I have supported its further development because I know what vocational education means to our Nation and our people.

Let us look back to the beginning of our free and independent Nation. We could compare the United States at the end of the American Revolution to a great mason fruit jar full of churning gases and discontented elements. A new Government was established and the lid was taken off. All those talents and all those abilities that had been hampered by class strata and theoretical distinctions were given the chance to develop as much as they could. There was scrambling, there was hardship, there was cruelty; but there was also the fastest and most brilliant growth of any society in history. A nation was settled. The living standard has become the highest ever known. Invention and skills have made life comfortable and pleasant. We owe much c our good fortune to our confidence in practical ability and our willingness to allow any man to use his skills and to better himself. Our productive workers have done in one century what people in some other countries have failed to do in hundreds of years.

The vigor and productivity of our people have made us the world's greatest power. Their skills must be passed on to other generations; their knowledge must be supplemented by new discoveries. And in the practical training that is passed on we may see another ideal, that of duty faithfully performed.

As we review with pride the great progress of our beloved Nation in productivity and high standards of living, let us not be unmindful of the steps being taken by Soviet Russia and her satellites to increase production and to become a real economic competitor with the free nations of the world.

From reliable reports we have learned that Russia is no longer composed of ignorant, unproductive peasants, even though she is yet far behind the United States in production per man.

The U. S. S. R. has become the second greatest industrial power on earth. This was pointed out about a year ago by Allen W. Dulles, Director of the Central Intelligence Agency, a man who probably has more information about Russia at his fingertips than any other man in our Federal Government, in an article that appeared in the Washington Sunday Star on April 29, 1956. Among other things he said:

"The Soviet Union has become the second greatest industrial power in the world. Today the gross national production of the U. S. S. R. is slightly more than one-third that of the United States; it is about three-fourths again as large as that of the United Kingdom, which ranks in third place. We still have a very great lead, but the Soviet rate of progress is rapid. * * *

"In general, this examination has led me to the conclusion that the only safe position to take is that in technical, engineering, and industrial fields the Soviets can achieve any particular objective we can achieve."

Much of Russia's increase in production has come through practical education. This is evidenced by statements by William Benton, publisher of the Encyclopedia Britannica, and former United States Senator from Connecticut, who spent several months in Russia in late 1955 studying Russia's education system. In the May 1956 issue of the National Education Journal there was an article by Mr. Benton in which he stated:

"A recent trip to the U. S. S. R. has convinced me that education has become a main theater of the cold war; that Russia's classrooms and libraries, her laboratories and teaching methods may threaten us more than her hydrogen bombs. * * *

"The Communists from the earliest days gave up butter for guns; but they gave up meat for education."

Recently, in a speech before a group in Washington, D. C., Mr. Benton said:

"The Soviets are now challenging us frontally on what have historically been two of our strongest points—technology and mass education. The present rate of Russian education advance is faster than our own. Just as is their growth-rate in industrial production surpassing ours, the gap in total performance is closing. It is closing rapidly."

The December 1956 issue of Coronet carried an article by Mr. Benton entitled "The Soviet Technikum: Ominous Threat to the West." The subtitle of the article reads:

"We have nothing to match these unique technological schools that turn out supertechnicians—without a college degree."

In this article Mr. Benton states:

"Many of these technikums turn out what might be called junior engineers. Actually these juniors are supertechnicians and specialists who fill vitally important secondary jobs, leaving graduate engineers free for more highly skilled work, and creating a surplus. And this surplus is what is helping defeat us in the cold war in Asia and Africa.

"Trained in propaganda as well as science, the Soviet engineers and technikum graduates are exported by the hundreds to underdeveloped nations thirsting for guidance and leadership in all fields of technology.

"The United States, lacking this middleman technician category, is wasting thousands of its well-trained engineers in comparatively second-rate jobs—as sales engineers, manual writers, glorified draftsmen, and trouble-shooters. Not only are we graduating little more than half the engineers that the Soviet is, but we are wasting their talents for lack of technikum counterparts."

That our security is dependent on skilled workers and technicians is pointed out in an article by Francis and Katherine Drake, "Do We Want the Second Best Air Force?", which appeared in the May 1956 issue of the Reader's Digest. The following are a few of the pertinent statements contained in the article:

"One-third of our planes are grounded for lack of sufficient skilled men to keep them flying.

"This wholesale breakdown in combat readiness is due to one main factor: The

inability of the Air Force to hang onto its skilled help.

"The critical part of these losses is that the dropout rate is highest among the men who are needed most—the skilled technicians who are the mainstay of the service."

The article quotes Secretary of the Air, Donald A. Quaries, as saying:

"I think of no invention, no new aircraft, no weapon that would increase our Air Force capability in a measure so great as would be achieved by providing a stable corps of trained personnel." In a speech by Lewis L. Strauss, chairman of the United States Atomic Energy Commission, which was carried in the bulletin Freedom's Need for the Trained Man, published by the Thomas A. Edison Foundation, Inc., there appears the following:

"If there is to be another war among the great nations of the world before the human race discovers a method of abolishing recourse to combat, that war may be survived by the country with the greatest stockpile of nuclear weapons and instruments of their delivery. But such a war will almost certainly be lost by the country with the fewest resources in trained manpower."

As we watch and study productive developments behind the Iron Curtain, let us ever keep in mind the immortal words about vocational education that were uttered by the late Congressman Dudley M. Hughes almost 41 years ago (June 16, 1916), on the floor of the United States House of Representatives while the Smith-Hughes measure was under consideration, when he said, and I quote:

"National efficiency is the sum total of efficiency of all individual citizens, and the national wealth is the sum of their wealth-producing capacity. * * * In the markets of the world we compete, not as individuals, but as a unit against other nations as units. * * * This * * * unquestionably introduces a national element into vocational education."

The American people are challenged as never before in the field of economics. Much of the future security and well-being of this Nation is tied inseparately to the skill and productivity of our people. This is a great challenge to the educators of our Nation.

We can and will prevent the Soviets from accomplishing their goals of winning the minds of men, of overtaking us in production per man, and in defeating us in an economic war. Vocational education—the development of adequate and competent manpower—is one of the important tools that can keep our Nation strong and keep us free.

PRESENTATION OF AVA CITATION TO HON. JOHN E. FOGARTY BY R. E. BASS, PRESIDENT-ELECT OF THE AMERICAN VOCATIONAL ASSOCIATION

In the course of human events there emerges from the masses comparatively few leaders of men—persons who put service to their fellowmen above self and personal gain. It is the more significant when such leaders stand out in national Congress because in our Government's lawmaking body we have many of the wisest and best statesmen in the Nation. But, thanks to our American way of life, such leaders do arise and it is such a man whom we are honoring here tonight.

And in the course of congressional events of the past years vocational education, as well as other grants-in-aid programs, has been carefully evaluated. We have no objection to the worth of vocational education being measured; because those of us in this work and the thousands of persons who benefit from it know it is good—that it makes for efficiency of production—that it raises the professional competency of America's working forces—that it contributes to the welfare of all the people—that it serves to strengthen our security and freedom, and to preserve the American way of life.

We know these things but when Congress recognizes them and champions the cause of vocational educational it inspires us to greater heights.

This great State of Rhode Island has produced a leader in the National Congress of which the Nation is justly proud. The Honorable JOHN E. FOGARTY, as chairman of the House Appropriations Subcommittee which handles appropriations for the Departments of Labor and Health, Education, and Welfare, has rendered outstanding service to his State and Nation. Among his significant contributions he has given inspired and devoted service in the cause of vocational education in the National Congress as a means of improving the lot of America's workingmen; of increasing efficiency in the production of goods and services; and the preservation of the free-enterprise system in this country. He has also proven a real humanitarian in promoting expanded public health programs throughout the Nation.

In appreciation of his contributions to the cause of vocational education, for his statesmanship and leadership; and for his distinguished services to Americans everywhere it is my pleasure, on behalf of some 30,000 members of the American Vocational Association, to present this citation to Congressman FOGARTY, of Rhode Island. It reads as follows:

"CITATION IN RECOGNITION OF DISTINGUISHED SERVICES WHICH HAVE CONTRIBUTED TO THE BENEFIT OF MANKIND, PRESENTED BY THE AMERICAN VOCATIONAL ASSOCIATION TO THE HONORABLE JOHN E. FOGARTY, STATESMAN, HUMANITARIAN, CONGRESSMAN

"For his efforts and unceasing support of humanitarian measures and programs so vital to the well-being of our Nation,

"For his devotion to those ideals which have made the United States strong and free,

"For his outstanding leadership ability and his courage to stand firm for principles and programs he believes are essential to the welfare of all the people of his beloved country,

"For his recognition of the important role vocational education plans in the growth, strength, and security of our Nation,

"For his dynamic part in making vocational education available to an ever-increasing number of Americans who, through their skill, technical and scientific knowledge, have made possible our high standard of living and productivity,

"This citation is issued under the authority of the house of delegates of the association and signed by its executive secretary and president."

WHEN POLITICS IS NOT POLITICS

Mr. MULTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, the best place for misinformation is the United States Information Agency.

Tuesday, April 30, 1957, the Director of that Agency, Arthur Larson, a Republican appointed by President Eisenhower, told the National Press Club that his political activities ceased when he took over that Agency in January 1957.

Let us look at the record.

On Tuesday night, April 16, 1957, at Honolulu he made a speech; he flew more than 200 miles to Hilo and made another speech on Friday night, April 19, 1957. He then flew another 300 miles to Lihue and made a third speech on Saturday night, April 20, 1957.

Each speech was entitled "Modern Republicanism" and urged his listeners to build up the Republican Party. Each time he spoke as the guest speaker at a Republican Party fund-raising dinner—advertised price—$100 per plate.

Obviously, the United States Information Agency is now the repository for grand old partisan misinformation.

POZNAN, POLAND

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, last June, in the city of Poznan, the Polish people rebelled against their Soviet oppressors.

This courageous demonstration by the workers set off a chain reaction of unrest throughout the Soviet empire. The Communists, to forestall a bloody uprising, were forced to make certain concessions. Although minor, they clearly reveal the confusion and fear in the Communist camp.

Poland is too big a nation to be forever shackled to a totalitarian way of life imposed by Communist Russia.

One step toward the recovery of their independence will inevitably lead to other steps until Poland is completely free again.

On this 166th anniversary of Polish Constitution Day, we not only offer words of encouragement to the liberty-loving Polish people but on this occasion we praise them for their indomitable spirit in demanding, and getting, some relief from Communist tyranny.

The people of the United States and Poland are so closely related by ties of kinship, religious faith, and devotion to the principles of freedom that the sufferings of the Polish people are of immediate concern to us.

United States policy must assert its determination to promote by every peaceful means the liberation of Poland and every other captive country whose peoples are held in bondage and are being cruelly exploited by Communist imperialism.

The pressure exerted by the Polish people has opened up a crack in the Soviet system of totalitarian controls.

That breach will widen as time goes on, as the weaknesses of communism become more apparent, and that hideous tyranny collapses in total bankruptcy.

The United States should extend technical and economic assistance to its good friend the real Poland to strengthen it for the day when it will oust the Communist tyrants and enjoy the blessings of freedom and independence.

INCREASING PERSONAL INCOME TAX EXEMPTIONS

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, today I am introducing a bill to increase personal income tax exemptions from $600 to $750 retroactive to January 1, 1957. I have noted with pleasure that a number of other Members of Congress from both parties have recently gone on record for a variety of types of tax reductions; unfortunately, however, the tendency is to set January 1, 1958, as the effective date.

In addition to fulfilling more quickly the bipartisan promises made prior to each of the last several elections, a tax cut extending from last January 1 would have the dual advantage of forcing a substantial reduction in the budget now under discussion and of serving notice that Government bureaus must in the future be considerably more respectful of the tax dollars. Heretofore Congress has demanded economy each time a money bill comes up, yet somehow the majority up here on Capitol Hill—and I am referring to the majority of the 435 and not necessarily to the majority party—invariably relents at the last minute and turns over to the bureaucrats just about everything that they request. My bill will remedy that tradition in a hurry. If we reduce income and refuse to allow a further raising of the debt ceiling, then Federal spenders will have no alternative but to economize.

A person need not be an economist, a financier, or an accountant to recognize the absurdity of the budget that Congress has been asked to accept for the coming fiscal year. It is such a monetary monstrosity that an aroused general public is calling upon Congress to oppose what amounts to one of the boldest bureaucratic swindles ever perpetrated.

It is our duty to answer this call, and let the chips fall where they may. The Bureau of the Budget has thrown the book at us—all 1,150 pages of it. Were it not for the lateness of the hour, I would suggest that we indicate our contempt by setting off an old-fashioned bookburning, with flames reaching skyward as a signal to every responsible Government official that extravagance will no longer be tolerated. The individual taxpayer cannot live high on the hog when his barn has not been paid for. I see no reason why Federal spenders should be exempt from this simple rule of economics. Nothing would be more helpful from the standpoint of good government in this country if a monetary diet were imposed for the express purpose of cutting down on the size of the bureaucratic belly.

Experience proves that reduced income is the best cure for a prolonged spending spree. Perhaps by reducing the tax bit, we will make good managers out of the wastrels. We will of course hear bleatings and wolf cries about the national security, but that is only to be expected. America must not relax its defense efforts so long as world tension persists, yet there is no reason why expenditures cannot be cut down without any slight disadvantages to our protective might.

Once Congress lays down a line of economic necessity through a reduction in income tax, then the spenders will be forced to review their programs and lop off the fat. Foreign spending is one phase of Government activity where an important start can be made. It is utterly unfair to burden the American taxpayer with devastating assessments in order that dollars may be shipped around the universe.

The needs of our own people have too long been subordinated to the demands of foreign governments. Several weeks ago, when Great Britain asked the United States Government to permit postponement of interest on one of her debts to us, the deferment was granted despite the fact that England's own budget—announced only a short time earlier—provided for substantial tax reduction. Ironically, this tax cut was made possible because the United States agreed to assume an increased part of England's defense responsibilities. In the light of these developments, I cannot conceive of how Congress could refuse a tax cut for our own people at this time.

Elsewhere on the world front, money collected from American taxpayers is being shipped abroad with reckless abandon. I am especially disappointed that our handouts are continuing to go to Yugoslavia, whose dictator is just as red as the top echelon in the Kremlin. Tito may be wearing a different uniform, but his team is in the same league as murderer's row in Moscow. You can be sure that our citizens back home are opposed to this deal that takes their money and turns it over for the promotion of a philosophy which we are supposed to be fighting.

On the subject of foreign aid, I believe that another advantage of enacting a tax reduction at this time would be to cut down on the Cook's tours which so many Federal workers are taking at taxpayers' expense. I refer to the vast sums used by employees of the International Cooperation Administration, the State Department, United States Information Agency, Defense Department, and other agencies to tour the world under the guise of necessary travel. This practice has become one of the most prevalent abuses of a vast and extensive bureaucracy.

Mr. Speaker, there are definite ways to save billions of dollars if Congress rejects lavish expenditures by reducing Federal revenue. Add to this fact the basic right of every citizen to retain a greater portion of his earnings rather than be forced to contribute it to a wasteful bureaucracy and you will understand why my bill to provide a tax reduction effective January 1 of this year merits the unanimous support of this Congress.

SIGNIFICANCE OF POLISH CONSTITUTION DAY

Mr. SEELY-BROWN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SEELY-BROWN. Mr. Speaker, I rise to call to the attention of my colleagues, and to the people of my State and of all of the States, the significance of tomorrow's date, May 3, as Polish Constitution Day, the anniversary of the day in 1791 when the government that had been forced upon Poland by Russia and Prussia was overthrown and a new constitution was adopted by the Diet.

There is an even greater significance to this commemoration than there was even a year ago, when many of us in this House took notice of the anniversary, and expressed hope and confidence that events were working inevitably for the liberation of the people of Poland from the iron grip of Soviet Russia and from the political, economic, and social atrocities of Communist imperialism. That greater significance has come from a sequence of events that erupted on June 28 of last year with the bold, brave, and freedom-seeking demonstration by workers at Poznan, Poland, which was the greatest anti-Communist demonstration in the Soviet world since the East German uprising of 2 years earlier. That sequence of events still is building, step by step.

The past year has proved to be one of the most eventual in the history of postwar Poland, and in the history of all of the people and all of the lands that are behind the Iron Curtain. The heroic Hungarian revolution must be counted in this sequence, but it began in Poland at Poznan, and during this past year the Polish people have taken the lead in demonstrating that Communist policy cannot be enforced forever upon freedom-loving and freedom-seeking people.

The aims of Communist imperialism may not have been changed, but surely the manner of striving to arrive at them has been, since the workers at Poznan dared to raise their hand against Communist tyranny, demanding bread and freedom. It is the workers who showed to the whole world, to the embarrassment and shame of the Soviet Russian rulers, the fallacy that communism is the rule of peasants and workers.

In comparing the greater significance of the observance of Polish Constitution Day this year, it is important to take notice that the Communist Warsaw government this year is permitting the people of Poland to commemorate this day privately, whereas the May 3 celebration was prohibited for years and was replaced by the day of Poland's conquest by Soviet Russia, July 10.

On this Polish Constitution Day, the eyes of the people of Poland more than ever are turned with hope toward the United States of America, as the Polish Nation, Communist though it still may be, struggles to achieve more freedom by evolution.

Political, moral, and economic support is what the people of Poland look for and hope for from the Government and the people of the United States. In this atomic age, war cannot be the instrument of the final liberation of the people of Poland, but we and the other nations of the free world can speed the day of Poland's liberation by peaceful means, by maintaining constant pressure on the forces of slavery represented by Soviet

Russia. Economic aid at this point is of the greatest importance, and American help has a tremendous impact not only on Poland, but on other nations such as Czechoslovakia and others behind the Iron Curtain who impatiently await liberation.

Poland needs and deserves our help now, and there is no danger that by helping Poland economically we would be strengthening Communist imperialism and Soviet Russia, because a stronger and more independent Poland would mean a gradual retreat of communism in Europe and would block forever Russian designs for conquest.

POLISH CONSTITUTION DAY

Mr. SEELY-BROWN. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. SADLAK] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SADLAK. Mr. Speaker, shortly after Poland was overrun by the Nazi war machine in September of 1939, Winston Churchill said:

> The heroic defense of Warsaw shows that the soul of Poland is indestructible, and that she will rise again like a rock.

Events in Poland from June of last year to the present, clearly demonstrate the truth of this remark. Perhaps no one today better realizes than the Soviet despots themselves the invincibility of the free spirit and the determination of the Polish people. The soul of Poland is indestructible. It rises again from the dust where the hobnailed boot of the oppressor desperately tramped to destroy it. Like a rock—it will endure.

Tomorrow, on May 3, over 7 million Americans of Polish descent in this country and Polish people throughout the world will observe Constitution Day. The celebration of this historic holiday has been prohibited for many years in Poland, and the date has been replaced with July 10, the day that Poland was subjugated by the Soviet Union. Though the date has not been officially restored as the national holiday, the new liberalized policy of the Warsaw Government will tomorrow permit private observance of this memorable event. This is just another of many changes made by the Polish Government in recent months. It is another sign showing which way the wind is blowing in the national life of Poland.

The measure of independence in Poland, however small it may be, has punctured the myth of Soviet power and productivity. Though large granaries exist in Poland, the communistic system is unable to feed the people. Though Russia would have us believe the satellites enjoy a sound economy, we hear in Poland the cry for bread. Though Russia boasts of the protective mantle of Communist welfare and security, we find the Polish people eager to discard it as they call for freedom. Though Russia taught the peasant and the worker the benefits of communistic living, it is the Polish peasant and the worker who raises his fist against its tyranny.

A shattering blow was dealt to the rule and theory of Soviet despotism, and the march to freedom is on.

There is no doubt that the people of Poland today breathe more freely, but the five Soviet divisions still policing the area are too close for comfort. They watch grimly Polish activities, and the Russian bear growls and smarts at the fruitful budding of a free Polish democracy.

The Gomulka government strives to maintain a balance between a 3-cornered struggle: First, Poland's desire for absolute independence and a return to the West; second, Poland's disastrous economy due to Soviet exploitation and mismanagement, and her dire need for help to restore stability; third, Russia's opposition to too much liberalism in Poland or return of democracy to that country.

As to point 1, no one who knows the history of Poland doubts that she will rise again and take her rightful place in the family of nations. The liberties guaranteed by the Polish Constitution will be treasured as they have been now for 166 years. They will be an inspiration in the fulfillment of their patriotic objective to attain absolute freedom.

It is the hope of every freedom-loving American that point 2 could be met if our aid to Poland is adequate and in time. We must supply the grain for the bread they desperately need. We must send them our food surpluses and the materials which they need to stabilize their country.

Then the 3-cornered struggle of the Gomulka government may end with the balance tipping over to the side of freedom. Communism, already potentially weakened by its own venomous seeds of destruction, will perish as the faith and rising spirit of a determined people ascends. As earlier stated, the soul of Poland is indestructible. It will live on—like a rock strong to withstand the onslaughts of all false ideologies threatening our world of free democratic countries.

The observance of this great national holiday—Polish Constitution Day—will this year add significantly to the meaning and appreciation of the rights guaranteed by a free constitution. For those who have lost freedom are best able to evaluate it; others take freedom for granted.

It is our sincere hope and prayer that the brave Polish past will be a source of constant encouragement to the Polish people, and will lead them to a brighter Polish future.

WATER POLLUTION CONTROL ACT

Mr. HIESTAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HIESTAND. Mr. Speaker, Public Law 660 of the 84th Congress, known as the Water Pollution Control Act, is on the whole a fine piece of legislation. Based upon Public Law 845 of the 80th Congress, by amplifying and revising it, the law makes illegal the pollution of water supplies, especially, of course, because many of our major rivers and streams are interstate or intercommunity and are justifiably Federal matters. The law provides penalties for violations and sets up procedures for prosecution of violators.

I suppose to this extent such a measure could go through both Houses of Congress with scarcely a dissenting vote. However, clauses 5 and 6 in Public Law 660 go further and invade the realm of Federal aid.

Federal aid itself has been called by many people a delusion. We now have some 98 measures, programs, and projects of Federal aid involving over $3,000 million annually—simply taking the taxpayers' money and redistributing it, minus, of course, an administrative or carrying charge.

Clauses 5 and 6 provide millions of dollars not only to the States and communities to survey and plan their needs but actually to finance the communities for sewer-treatment plants on a matching basis. Simultaneously, and even before the law was passed, many communities who can well afford to do their own financing, immediately swarmed around the Federal gravy train to "get theirs." Many of them are not even near streams possible of pollution.

Although only $7 million could be spent the first year for this purpose, $50 million—the limit—was just approved for the fiscal year 1958.

Mr. Speaker, I submit that Federal grants penalize those communities and agencies which have already gone ahead on their own. This program taxes them to pay for the communities which have been neglecting their own sanitary affairs and do not have sewage disposal treatment works. Other communities have ceased their own efforts and are awaiting approval of Federal grants.

Grants tend to delay local effort in the hope that Federal money will become available.

It seems reasonable to assume that if a community can finance 70 percent of their own local improvements, as required under the law, it also can afford the other 30 percent as the price of home rule and freedom from Federal control.

The Federal-grants program, if not stopped now, will grow and involve greater shares of Federal funds than local funds, leading to increasing Government control over local and State economies. Grants are not needed nor desired by many State and interstate agencies and the doling of funds to them results in misuse of taxpayers' money. Enforcement, research, and administration of Water Pollution Control Act should not require expenditure of more than $2½ million per year by the Public Health Service.

Mr. Speaker, I am today introducing legislation to repeal the Federal grant sections of Public Law 660, namely, sections 5 and 6, and hope that this measure may have immediate attention before the proper legislative committee.

ONE HUNDRED AND SIXTY-SIXTH ANNIVERSARY OF THE POLISH CONSTITUTION

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, on this Friday, May 3, the people of Poland, as well as the Americans of Polish descent, will celebrate the 166th anniversary of the Polish Constitution. Adopted in 1791, the Polish Constitution was inspired by the American Declaration of Independence. Both of these historic declarations represent great historical instruments in the march of freedom. Both of them are based upon the recognition that man is endowed with certain inalienable rights and that for the protection of these rights government is created from among those and by those who are to be governed.

Since the time when these two great documents of freedom were proclaimed well over a century and a half ago, freedom has been constantly challenged by those who would establish the laws of men over the laws of God and authoritative government over government by the consent of the people.

During these 166 years, Poland has faced many a crisis. This courageous nation has suffered many reversals. The Polish people have suffered severely from tyranny and cruel dictatorship. In these recent years, Poland suffers from the shackles of cruel and godless Russian communism. During all of this time, however, the courage of the Polish people has not faltered, even slightly. It might be said that some battles have been lost, but regardless the Polish people are certain that in the end their war for independence and freedom will be won. In the not too far distant future, I believe a virile, courageous, powerful Poland, under the direction of God, will once again be a bulwark of freedom in Eastern Europe.

Just during the past year, the great courage of the Polish people proved this was possible. Their heroic uprising in June in Poznan preceding the heroic Hungarian revolution shattered completely the theory of Communist Russia's domination over the countries of Central and Eastern Europe. Demanding freedom, demanding their independence, the workers of Poland demonstrated completely how fiercely they reject Soviet communistic control.

As one of the great countries of the world, as one of the most courageous nations of the world, and as a noble and godly people, Poland must again become an independent nation. The legions of Communist Soviet Russia must withdraw from Polish soil. Poland must be governed by the Polish people, in freedom and in independence of any foreign domination.

The first step in this achievement has been gained as a result of the October revolution. Communist Russia knew full well that retribution could not be exercised by its armies against the workers, the laboring people and all of the Polish people without a tragic defeat. By taking their destiny into their own hands, the courageous Polish people exposed completely the fallacy that communism is the rule of government for those who labor and those who call themselves workers. Because of their courage in October, the Polish people on this May 3d, their Constitution Day, have won their first step toward complete independence and breathe more easily and freely. The gospel of Marxism, Leninism, and Stalinism, like a heavy stifling gas, has been blown from the air of Poland by the wind of freedom blowing in during the October revolution.

Today, on this anniversary, Poland still languishes under the heel of Soviet communistic domination. Geographically, Poland is surrounded by the military might of Communist Russia. It is only because of this fact that a Communist government is still in control in Poland. The first blow, however, has been struck. The meaning of this is crystal clear. Communism cannot survive much longer in Poland.

On this anniversary today the American people, as well as free people everywhere, extend their hand of friendship to the people of Poland, and in doing so, congratulate the Polish people on their courageous effort in October to break the shackles of Russian communism. Because man was created to be free, because faith is stronger than the sword, and because right will triumph over evil, the destiny of Poland is the destiny of a nation in freedom. Before many more anniversaries are celebrated, Poland and its courageous people will be independent and in freedom will be marching hand in hand with the United States of America and with people in freedom everywhere. Of this fact, I am certain. God-fearing men, believing in their standing for the right, will always prevail over tyranny and evil. Poland will soon again be an independent, free nation.

In my congressional district in Massachusetts, and in my home city of Lowell, there are many American citizens of Polish ancestry. They are fine and respected and honorable people. They have achieved high positions in the learned professions. They have been honored with public office. As Americans they fought heroically in World War I and World War II, and in the Korean war against the tyranny of dictatorship. They helped their America win out over the forces of slavery and evil. They helped to preserve freedom for America. These distinguished American citizens look forward to the time when the noble country of their ancestry, courageous Poland, will again be independent and free. They look forward, as do all Americans, to the time when the destiny of Poland will again be in the hands of its own people. On this anniversary of the Polish Constitution, established 166 years ago, Polish people everywhere have cause to be proud, proud of the achievements of the Polish people against tremendous forces of evil, proud of their progress in their difficult path to liberty, proud of their courage, and proud of their faith. Of this fact they can be sure: communism can only end in failure, while the destiny of Poland is independence and freedom.

POLISH INDEPENDENCE DAY

Mr. KEATING. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, it is a pleasure this year, as always, to join in commemorating Polish Constitution Day. Often as I have participated in paying tribute to the noble Polish people, and often as I have spoken on the occasion of Poland's national day, this anniversary never loses its importance to me.

This year, May 3 holds special significance for the Polish people and for all other people of the world who cherish freedom. As a result of events in the past year, we can discern holes in the Iron Curtain—holes caused in part by the Poznan uprisings in June and the Warsaw upheaval in October.

By their brave resistance, the people of Poland have shown once again that no amount of tyranny can extinguish their will to be free. After years of cruel Communist oppression, they have begun to edge their way toward freedom and have gained at least some measure of independence.

On May 3, 1957, as we commemorate the promulgation of that great instrument of democratic ideals, the Polish Constitution, we do well to remember the present plight of the Polish people. Having gained some freedom from the men in the Kremlin, they are now attempting to solidify their position.

Whether this country feels it can give aid to Poland is, of course, a delicate matter which is being studied closely by the administration at this very moment. There is widespread sympathy for the Polish people, coupled with a determination not to give any aid or comfort to the agents of the international Communist conspiracy.

By whatever means we can realistically help, this Nation owes a duty to contribute to Poland's efforts to gain her freedom. We in America, who owe so much to our many fine citizens of Polish descent, and to those great heroes the two nations revere in common, Pulaski and Kosciusko, must never forget our friends in Poland.

As May 3 approaches, we renew our bonds of friendship with the Polish people, and we hope and pray that the day is not too far distant when they will again be free.

POLISH CONSTITUTION AND AID

Mr. MAY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MAY. Mr. Speaker, on May 3, the brave and long-suffering people of Poland observe a day of hope. They commemorate the enactment of a democratic and progressive constitution on May 3, 1791.

Today the people of Poland do not enjoy the basic freedoms which such a constitution guarantees. Poland, along with other nations of Eastern Europe, has fallen under the heel of a vicious form of colonialism—Soviet international communism, a crude philosophy designed to subjugate freedom and make slaves of men.

Freedom is an essential basic to the progress and spiritual well-being of mankind. The Polish people have long realized the value of freedom and boldly demonstrated their belief throughout a turbulent history.

We in America have read many times of the special contribution to our fight for freedom in the Revolutionary War by Gen. Casimir Pulaski and Gen. Thaddeus Kosciusko. The Polish people realized that we needed help and it was readily forthcoming.

Today Poland needs help more than at any other time in her history. The American people must accept the challenge. Communism has virtually destroyed the Polish economy. Starvation and economic dislocation are prevalent. The Polish people demonstrated in the Poznan riots that they know who the enemy is. The theme was "Russians, go home."

The Polish Government has requested a loan of $75 million to be repaid in Polish currency. The money is to be used for foodstuffs and raw materials necessary to bolster the Polish economy. This loan will not aid the Soviet masters. It will help to eliminate the economic conditions upon which communism thrives. The hunger and economic weakness rampant in Poland today are precisely the factors upon which communism depends for its growth and sustenance. American aid must be forthcoming immediately if these factors are to be eliminated. We must follow the vigorous policy of peaceful liberation. As long as people are held subjugated by the weight of the armed might of the Soviet Union, the entire free world is in grave danger. It is my fervent hope that when the Polish people observe May 3 in the years to come, they will have cause to celebrate in an atmosphere of true freedom.

FINANCIAL REPORTS OF LABOR ORGANIZATIONS

Mr. RHODES of Arizona. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. RHODES of Arizona. Mr. Speaker, in recent days there has been some controversy in the press and in the Committee on Education and Labor concerning the existence or nonexistence of power vested in the Secretary of Labor to make public financial reports of labor organizations. To set the record straight, I think it would be well to look at the legislative history of the statutes applicable to the question.

In the 83d Congress, the House Committee on Education and Labor considered certain amendments to the Taft-Hartley Act. One of the amendments in committee would have amended section 9 (g) to include the following sentence:

> The Secretary of Labor shall hold open to the public any information filed under this subsection and subsection (f).

Evidently in 1954 this committee considered that specific authorization was necessary in order for the Secretary of Labor to disclose these reports to the public.

Senator Taft, in 1947, undertook to interpret subsections (f) and (g) of the Taft-Hartley Act. Senator Taft, then chairman of the Senate Committee on Labor and Public Welfare, in describing these provisions on the floor of the Senate, on April 23, 1947, said:

> Such reports are not open to the public, any more than corporation reports are open to the public; but they are open to inspection by the members, and they are also open to proper Government officials.

Senator SMITH of New Jersey, another majority member of the committee, said:

> The information is not made public. It is filed with the Department of Labor, and it is available to members of the unions, who have a right to know these things.

The report of the Senate Committee on Labor and Public Welfare on the bill which contained the provisions which became subsection 9 (f) and (g) stated:

> The committee considered and rejected a suggestion that such information be open for public inspection.

The contemporaneous interpretation of these provisions by their principal draftsmen and proponents and later action by the Committee on Education and Labor indicate a lack of authority to make union financial reports public. The statements in the Senate committee report on the bill, and those made during debate by committee members must be given great weight in determining the intent of Congress as to how the provisions should be construed. The conference committee, in adopting the provisions of the Senate bill, did not indicate any disagreement with the legislative history previously made with respect to disclosure of the information and must be considered as also adopting that history. The conclusion is inescapable that when the Secretary of Labor asks for authority to make these records public, he knows whereof he speaks.

POLISH CONSTITUTION DAY

Mr. CANFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CANFIELD. Mr. Speaker, as I join with my colleagues of the House today, to salute the brave people of Poland on this the 166th anniversary of Polish Constitution Day, I cannot help but feel that this is a day to be set apart, not by Poles alone but by all Americans, all men who believe in liberty.

It was just 10 years ago today that I was privileged to participate in a most memorable observance of Polish Constitution Day. A group of lovely young girls from my district, the Arfa Girls Chorus of Passaic, had come to Washington on a pilgrimage to honor this day and pay homage at the shrines of freedom with which this beautiful Capital City abounds. I broke bread with them in the morning and later heard them lift their voices in song before the statue of their national hero and ours, Gen. Casimir Pulaski, that stands in the heart of downtown Washington. They sang again in the dusky vastness of the Capitol's Statuary Hall and in the White House itself, their songs of freedom, faith, and courage. It was a glorious experience and one I shall never forget, and it served to impress indelibly on my heart the understanding that American freedom and Polish freedom are closely intertwined.

It is heartening to realize that this day, for the first time since the Communist subjugation, Poles in their homeland will be openly celebrating their Constitution Day. It is a symbol and a reminder that no conqueror has been successful in the permanent subjugation of the Polish people. The role of the tyrant has always been transitory, and as in the past, Poland with her fierce devotion to freedom and democracy will emerge victorious from Communist oppression.

The past is ever prologue to the future; and Poles who have seen their country again enslaved by a ruthless conqueror will never cease to work and pray for that day when all of their bonds will be loosened, all of their people free.

Here in this House today we are commemorating Polish Constitution Day, and if we will but listen closely we may be able to hear the muted hoofbeats of Pulaski's legion pounding over the Baltimore road—the whispering echo of the general's prayer as he lay dying for the cause of American freedom:

> I have so much for which to pray; that my country will once again be free as this country surely will.

As General Pulaski forecast, we in America are free; and today in solemn reverence may we bow our heads and repeat again his prayer—that his country, too, might be free.

ANNIVERSARY OF THE ADOPTION OF THE POLISH CONSTITUTION

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, I am grateful for the privilege of once again joining with my distinguished colleagues in the annual celebration commemorating the adoption of the Polish constitution, the date of which May 3, 1791, is

one of the outstanding milestones in the evolution of democracy in Europe.

This Polish constitution closely follows our own form of representative government as initiated by our Founding Fathers. While we are still guarding the rights and privileges granted to us under our Constitution, the valiant anti-Communist Polish people have lost all rights, all privileges, all independence bestowed upon them 166 years ago, and have become an enslaved nation.

For centuries it has been the lot of the Polish people—foremost exponents of democratic ideals—to undergo bitter privation and persecution. We all know that to be the history of Poland—a history replete with constant struggle and sacrifice. The people of our great country, yours and mine, should be forever grateful to the Polish race for their many splendid contributions to liberty.

Today, in the hearts of millions of Polish people, those still behind the Iron Curtain and millions of our own Americans of Polish birth or descent, there burns the light of freedom that will some day soon bring to Poland a new independence.

I am sure that with few exceptions the people today in Poland would if they could jubilantly join us in this celebration to commemorate the adoption of the Polish constitution and renounce Soviet Russia. Even the iron heel of Soviet Russia cannot prevent the Polish people from a silent and hopeful observance of the anniversary of their great day.

The Poles have never calculated costs when their national pride and existence were at stake. They will fight when there is not an apparent chance of winning. They are the perpetual upholders of the lost but ever-glorious cause: Polish freedom. Battles in the past against Poles have been won, but the war has never been won. There has always been a Poland, even if it existed temporarily only in their hearts.

I pray that some day soon the end will come to the incessant warfare, to the oppression of the small nations, to bloodshed and pain, to intolerance and greed that have frustrated all the attempts of establishing peace and freedom in the world, and have brought tragedy to the lives of countless millions. I pray that the alien regime now in Poland will be hurled out and liberty will again be restored to these courageous people.

This observance of Polish Constitution Day should be another occasion to reassure the subjugated people of Poland that the Government and the people of the United States are dedicated to their peaceful liberation from Soviet bondage.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PROGRAM FOR NEXT WEEK

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, may I inquire of the majority leader as to the program for next week?

Mr. McCORMACK. There is no legislation up for today.

The program for next week is as follows:

On Monday there is the Consent Calendar. There will be one suspension, H. R. 358, a bill providing for an increase in pensions for widows of Spanish-American War veterans. It is my distinct recollection that that bill passed the House in the last Congress.

Thereafter on Monday there will be considered the bill H. R. 5807, the Missing Persons Act.

For Tuesday and the balance of the week the program is as follows:

The Private Calendar will be called on Tuesday.

Then there is the third supplemental appropriation bill for 1957.

Thereafter the bill H. R. 6659, the Housing Act of 1957, will be taken up.

Then H. R. 52, increasing the rates of compensation for service-connected disabilities; and following that the bill, H. R. 3658, concerning widow eligibility for Veterans' Administration benefits.

May I say also that the President of the Republic of Vietnam will address a joint meeting of the House and Senate on Thursday next.

I make the usual reservation that any further program will be announced later, and that conference reports may be brought up at any time.

Mr. MARTIN. I thank the gentleman.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield.

Mrs. ROGERS of Massachusetts. May I ask the gentleman from Massachusetts [Mr. McCORMACK] if he knows when there will be programed the bill H. R. 72, which would provide that under certain conditions the family or the estate of a man incarcerated in a mental hospital would lose the benefit of certain money? I think it is a very dangerous bill. It is confiscatory and at the hearings, more than once, the Veterans' Administration brought up the constitutionality of the bill. Under the provisions of the bill, if such a veteran dies in a mental hospital, unless his father and mother were dependent they would not get the money from his estate. There are some other very bad provisions in the bill. I voted against the bill in the Veterans' Affairs Committee and I oppose it with all my being. I should like to know when this bill will come to the floor.

Mr. McCORMACK. I have not programed that particular bill for next week. My understanding is that a rule has not been granted on it.

Mrs. ROGERS of Massachusetts. What about the bill H. R. 52?

Mr. McCORMACK. That is the bill increasing rates of compensation for service-connected disabilities?

Mrs. ROGERS of Massachusetts. Yes. That is very much like a bill that was passed last year. To my knowledge it is the first time the other body has refused to pass a bill of that type, to increase compensation for service-connected disabilities. The House passed the bill. I am going to do everything in my power to have it passed at this session in the other body as well as in the House. I know it will pass there.

Mr. McCORMACK. I recall that that bill did pass the House last year.

Mrs. ROGERS of Massachusetts. Yes, it passed the House last year, but not the Senate.

I am delighted the floor leader, the gentleman from Massachusetts, has programed the O'Hara Spanish-American War widows bill which provides increases in their pension, on Monday next under suspension of the rules. It passed the House last year but failed of passage in the other body. I congratulate the only Spanish-American War veteran, Mr. O'HARA.

THE EISENHOWER PROGRAM

Mr. CHRISTOPHER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CHRISTOPHER. Mr. Speaker, almost every time I pick up a paper I see the assertion by some editor, who offers no proof to substantiate his assertion, that the Democratic Members of Congress are gumming up the Eisenhower program and not allowing it to be enacted. I think if you will check the CONGRESSIONAL RECORD you will find that more Democrats have voted for the Eisenhower program than the men in his own party. I respectfully suggest to the President of the United States that he play a little less golf and do a little more work on the Members of his own party if he wants his program enacted.

There have been times when some people thought golfing was a waste of the President's time. Take back in 1922. James Larkin Pearson, North Carolina poet laureate, wrote this about a golfing President:

When there ain't no work for his hands and mind,
The President plays some golf;
When the work is rushing and getting behind,
The President plays some golf.
When the great and mighty affairs of state
Are vexed with problems small and great,

The word goes out that they must wait
Till the President plays some golf.
When there ain't no trouble on earth at all,
The President plays some golf;
When the world is tottering to its fall,
The President plays some golf.
When the crops are poor and the purse is flat
And there ain't no food for the hungry brat,
There's just no time to attend to that
Till the President plays some golf.
When he's awful tired and wants to rest,
The President plays some golf;
When he's fully rested and feels his best,
The President plays some golf.
If there be dark clouds or a shining sun,
A house on fire or a race to run,
There's nothing at all that can be done
Till the President plays some golf.

AMENDING RAILROAD RETIREMENT AND RAILROAD UNEMPLOYMENT INSURANCE ACT

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include therein a letter and certain statements.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, at the joint request of the Association of American Railroads and the Railway Labor Executives' Association, I am introducing a bill, prepared by the Railroad Retirement Board, to amend the Railroad Retirement Act and the Railroad Unemployment Insurance Act. This bill contains technical and administrative amendments to both acts, and, I am advised, is noncontroversial, would not add cost to the administration of the retirement and unemployment insurance systems, and would authorize several needed improvements in the administration of both systems.

As part of my remarks, I should like to include the joint letter from the Association of American Railroads and the Railway Labor Executives' Association and a general explanation of this bill.

WASHINGTON, D. C., *April 26, 1957.*

The Honorable OREN HARRIS,
Chairman, House Committee on Interstate and Foreign Commerce, House Office Building, Washington, D. C.

DEAR CONGRESSMAN HARRIS: The Railroad Retirement Board prepared the enclosed draft bill containing technical and administrative amendments to the Railroad Retirement Act and Railroad Unemployment Insurance Act and has discussed the proposed amendments with the Association of American Railroads and the Railway Labor Executives' Association. These two associations have approved the Board's proposals, and are in agreement that the bill would not add cost to the railroad retirement and unemployment insurance systems, and that it is essential to have it enacted because it would authorize several needed improvements in the administration of both.

The enclosed statement entitled "General Explanation of the 'Technical' Bill" describes briefly the several amendments which the bill would make in the Railroad Retirement Act and the Railroad Unemployment Insurance Act.

Since this is a noncontroversial proposal, jointly requested by railroad management and railroad labor, we hope that you can arrange for its early introduction and enactment.

We are writing a similar letter to the chairman of the Senate Committee on Labor and Public Welfare.

Sincerely yours,

W. T. FARICY,
President, Association of American Railroads.

G. E. LEIGHTY,
Chairman, Railway Labor Executives' Association.

GENERAL EXPLANATION OF THE TECHNICAL BILL

The bill would provide for rounding out to the next lower multiple of a dollar the average monthly compensation and the average monthly remuneration on which annuities are based, but would round to the next higher 10 cents the amount of any annuity. This change would facilitate the construction of tables for computing annuities and would have no material effect on the amount of the annuity.

The bill would transfer from the Social Security Administration to the Railroad Retirement Board the authority to make determinations for the purpose of applying section 3 (e) of the Railroad Retirement Act (the overall social-security minimum as to amounts payable under the Railroad Retirement Act), of periods of disability (within the meaning of the Social Security Act) for career railroad employees (those with 10 or more years of railroad service). This would make possible the exclusion of such periods in determining eligibility for, as well as the amount of, benefits. (At the present time the Social Security Administration makes such determinations for the Board.) This transfer of authority would facilitate administration, because, among other things, no special applications for such determinations would be required (applications for disability annuities would be deemed also applications for such determinations) and the Railroad Retirement Board would be authorized to rely for such determinations on evidence obtained in establishing disability for annuity purposes, or obtained for other purposes, such as for sickness benefits.

The bill would clarify the provisions for the payment of annuities, or other amounts due under the act, which had accrued but were unpaid at the time of the annuitant's or other beneficiary's death. If payment in any such case (or in the case of any death benefit) is to be made to a widow or widower, the living-with requirements would have to be met by such widow or widower. Further, the bill would list more specifically the persons to whom the residual benefit of section 5 (f) (2) would be payable, and would limit payment of the insurance lump sum of section 5 (f) (1) to the widow or widower of the deceased employee or, in the absence of such a survivor, to the person equitably entitled to reimbursement for paying the burial expenses of the deceased employee.

The bill would permit the payment of retirement and spouse annuities in a lump sum on a commuted-value basis, if less than $5 a month, just as is now the case of survivor annuities.

Under the bill, the maximum monthly benefits payable to the family of a deceased employee would be calculated after, instead of before, taking into account the deductions required to be made because of the employment of a member-beneficiary of the family; and deductions now required in some cases from a survivor's benefit would no longer be made.

The bill would clarify the provisions for crediting, for survivor-benefit purposes, wages covered by the Social Security Act; would simplify the calculation of the average monthly remuneration in determining the amount of survivor benefits; would consider an employee as insured for survivor-benefit purposes if he would be insured under the Social Security Act were his railroad service after 1936 deemed to be social-security employment; and would provide for the payment into the railroad-retirement account (as is provided for the railroad-unemployment-insurance account in enforcing the provisions of the Railroad Unemployment Insurance Act) of fines and penalties imposed by the courts in enforcing the provisions of the Railroad Retirement Act.

The bill would also amend the Railroad Unemployment Insurance Act in several respects. Canadian railroad employees would be treated the same as American employees with regard to their rights to unemployment, sickness, and maternity benefits. Of 2 successive days of employment for which only 1 day's remuneration is paid, the bill would consider the first of such days as a day of employment. A day on which no more than $3 is earned would be treated, under certain circumstances, as a day for which no remuneration was payable and, therefore, as a compensable day of unemployment. Finally, the bill would permit the amounts in the railroad unemployment-insurance administration fund to earn interest and would consider such amounts as part of the balance in the railroad unemployment-insurance account for purposes of fixing contribution rates.

With respect to internal administration the bill would authorize the Board to establish a certain number of grades above grade GS-15; and would authorize the payment of the tuition, expenses, and salaries of employees selected by the Board to attend certain training courses—a provision which would make inapplicable to the Board, under certain circumstances, the restriction in general law on the number of employees in the Board engaged in personnel work, was eliminated from the final draft.

AMERICA'S FIRST LINE OF DEFENSE

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and to include a newspaper article.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON. Mr. Speaker, as one who has worked with many members of our Foreign Service both in my capacity as a Member of Congress and member of the Foreign Service Advisory Committee, I have had numerous occasions to observe their vital role in the international war of ideas.

Our Nation is joined in ideological struggle with a resourceful and imaginative adversary who is served by thousands of diplomatic and clandestine agents throughout the world. Upon the shoulders of our Foreign Service officers rests the responsibility to meet this challenge. How important it is that these officers be given the moral and financial support necessary to permit them to do an effective job.

At this point, Mr. Speaker, I should like to introduce an article by Malvina Lindsay entitled "First Line Defense Gets Scant Backing," which appeared in today's Washington Post and Times Herald, and which so effectively sums up the mission of the Foreign Service.

FIRST LINE DEFENSE GETS SCANT BACKING

(By Malvina Lindsay)

One meets them everywhere, those earnest men and women who are zealously studying foreign languages and cultures, shedding home ties and possessions, and preparing with a sense of dedication to be their Nation's emissaries in far parts of the world.

They may be in the Foreign Service, or in technical assistance or other programs to better international relations. They are the soldiers of the hot peace, and they form a thin shield between a cold war and an atomic one.

Yet, unlike the American emissary who carries a gun, they get little support at home. In the current economy drive in Congress they have become the popular cats to kick. Some distinguished gentlemen of the House recently had a field day pursuing this sport when they cut the State Department's budget. Some distinguished Senators are now ready to take their turn at it.

It is assumed that GIs and their officers stationed abroad need not only adequate housing but facilities for recreation. Yet in Congressional zeal to cut appropriations of the State Department, a furor has been raised over expenditures for swimming pools, clubhouses, and such for Foreign Service personnel.

But if this Nation expects its civilian representatives to perform effectively their delicate missions in critical, and often primitive, areas of the earth, it should be vitally concerned with their physical fitness and their morale. Business corporations give much attention to measures that will insure productivity from employees sent abroad.

Representative FRANK T. BOW of Ohio reminded the House that "there are some places in this world where we owe it to those who make up our first line of defense in those areas to give them some recreational opportunities."

He told of finding "some of our people" in Laos living in native huts where water had to be brought from a river in tanks, stored in gasoline drums, "where you could see wiggly crawly things," and boiled before using.

"The people we send to those faraway places," he said, "carry great responsibility for the Nation and the free world, and I think it is a shame that in a report of this kind (the one on State Department appropriations) there is nothing but castigation of the agency."

Another Congressional attack was on entertainment allowances for American diplomatic representatives abroad. The request for this was slashed in half by the House—in face of current criticism of appointment of millionaires as ambassadors. This was accompanied by the usual potshots against diplomats including the bewhiskered cookie joke.

Representative FRANCES P. BOLTON, who in her constant, conscientious traveling to remote places has probably visited more consulates than any Member of Congress, reported she had found that many representatives of this country abroad had to put their hands into their own pockets to pay for entertainment.

She told of attending a dinner at a small consulate for herself and her colleagues, and of discovering later that the cost of the dinner for the 14 people took the whole year's dress allowance of the hostess.

Congressional baiters of the State Department were ready to counter with reports of high living abroad at Uncle Sam's expense. But while no large governmental program can be free of misfits who make mistakes for critics to seize upon, any fair appraisal of the Foreign Service and of other agencies engaged in overseas programs would show a proportion of responsible, dedicated personnel that should make Americans proud.

Because of Maginot Line thinking by some Members of Congress and much of the public, the corps that battles with ideas does not receive the consideration given to those who man strategic bases or build bombs. They are bombarded with criticism from behind, also have their weapons curtailed in the name of economy. Yet if they fail the bomb throwers take over and we get the war that will cost trillions—not millions—of dollars.

SEMIANNUAL REPORT OF THE INTERNATIONAL CULTURAL EXCHANGE AND TRADE FAIR PARTICIPATION ACT OF 1956—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs.

To the Congress of the United States:

In accordance with the provisions of section 9 of Public Law 860 of the 84th Congress, I transmit herewith for the information of the Congress the first semiannual report of operations under the International Cultural Exchange and Trade Fair Participation Act of 1956.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 1, 1957.*

ADMINISTRATION'S MONETARY POLICIES

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, we are talking a great deal about the budget, as we should. It is very important that we prevent waste and not spend any money that we do not have to spend, because the money we spend comes from the taxpayers. We should be very careful about it. There is one thing we have overlooked, and that is the force and effect of the interest rates on the budget and on our economy. The interest rates have a tremendous effect. I do not believe the Congress is giving the time and thought to the question that it deserves.

TWELVE MEN HAVE MORE POWER THAN THE UNITED STATES CONGRESS OVER OUR ECONOMIC AFFAIRS

We have today a situation that is really no compliment to the Congress of the United States, and that is that although we have 435 Members of this body—the House is very close to the people, elected every 2 years—we have 96 Members of the other body, elected one-third every 2 years—531 Members in all of the United States Congress—we have 12 men in this country who have more power over our economic affairs and have more influence over our economy than the United States Congress.

Those 12 men are creatures of the Congress. They are the Open-Market Committee. I doubt if there are 3 Members of the House who know the names of the entire 12 men who compose that Open-Market Committee, and I will embrace the other body in that statement, too, because we pay no attention to the subject, yet we have under the Constitution delegated to those 12 men more power than we reserved to ourselves.

That Open Market Committee can buy and sell Government securities. There is no limit to its sales; there is no limit to its purchases. It is a very convenient way to purchase Government securities. The Open Market Committee is in the New York Federal Reserve Bank and the manager of the account can buy a billion dollars worth of bonds right now if he wants to; he can buy $10 billion worth of bonds if he wants to.

How does he pay for those bonds? He gets the money from the Bureau of Engraving and Printing here in Washington, D. C., Federal Reserve notes.

HOW WE LET FEDERAL RESERVE GET AWAY FROM CONGRESS

What do they pay for those notes? They do not pay anything. That is one of the powers we have granted to them, the power to create money; and they use that money to buy our own Government bonds. Then they hold the bonds and continue to draw interest on those bonds. That is the reason we have let the Federal Reserve get away from Congress. The Federal Reserve System does not come back to Congress for an appropriation every year. It is the only large agency of Government that we have in our country that does not depend or rely upon Congress for anything. We have delegated to them enough power and credit where they buy our Government bonds, hold the bonds, collect about half a billion dollars a year interest on those bonds. They spend it for any purpose they desire and then turn 90 percent of it over to the Treasury at the end of the year. It is a very fine arrangement for those people. They have accumulated a large sum of money in that way.

PAY ON DEBT

There are surplus funds in the Federal Reserve banks of about three-quarters of a billion dollars that could very well be paid into the Treasury. It serves no purpose where it is, and we could reduce the debt that much and save that much interest. Private member banks hold in what they call stock $330 million in the Federal Reserve banks. It is not stock at all, it is just called stock; it is a misnomer. It is an involuntary investment by the private banks who have to keep it there while they are members of the system. They get 6 percent interest on it but they cannot vote the stock, they cannot hypothecate the stock, they cannot sell the stock. The so-called stock does not serve any purpose in the world, yet we are paying $20 million a year interest on that stock which serves no purpose. It should go back to the banks.

The main purpose for which I asked this time was to point out the power we have delegated to the Federal Reserve banking system. We are permitting them to absolutely control and run the economic affairs of our country to an extent that they have more power, as I said in the beginning, than the Congress.

Mr. Speaker, I invite attention to an article that appeared in one of my favorite magazines, Business Week. I read that magazine every week. It is a fine

magazine. I have found it reliable and dependable. The magazine is very careful about what it publishes.

In an article appearing in the April 27, 1957, issue, there is the following:

FED RENEWS FIRM GRIP ON CREDIT

The signs earlier this year that the Federal Reserve might relent in its tight money policy turn out to have been misleading. It was only marking time.

Once more, the Washington experts are convinced that an inflationary wage-price spiral threatens the United States economy—despite admitted areas of softness.

So, in hopes of encouraging business to pare prices as a stimulus to buying, the Fed now says it will keep the clamps on the Nation's supply of credit.

Notice this very significant statement contained in the article:

"And it appears quite plain that they are prepared to resist appeals for looser credit—from Congress or other quarters."

FOURTH BRANCH OF GOVERNMENT

What does that mean? It means that an agency we have created says to us that they are going to resist us. They are defying their master. The Congress created the Federal Reserve System. It is an agency, a creature, a servant of the Congress of the United States. There is no question about that at all. Nobody can dispute it. Yet we have let them get off to themselves and to become what in effect is the fourth branch of Government. They are defying the Congress, they are saying they are going to resist the Congress, they are not going to pay any attention to Congress, they will oar their own canoe and run their own affairs and our economy just like they want to run it. They will have high interest rates. They will have low Government bonds. That is what they have been doing and that is what they expect to continue to do.

That is a direct challenge to the Congress. Furthermore, it is a direct challenge to the newly created committee in the other body to investigate monetary and credit policies and interest rates. So I assume that committee will take up this challenge at once. It is a challenge to that committee, it is a challenge to the entire Congress, and that challenge should be met.

We witnessed in this House through one of its committees not so long ago a test of the power of the Federal Reserve System. One of the finest committees of this Congress, the Government Operations Committee, headed by one of the most patriotic and able men I know, the distinguished gentleman from Illinois [Mr. DAWSON], decided to have an audit of the 12 Federal Reserve banks. That committee met with resistance. The Government Operations Committee ordered the Federal Reserve banks to submit their books to the General Accounting Office, an agency of the United States Government.

Did you know that the Federal Reserve Board, through Mr. Martin, its Chairman, refused to let the committee have any one of the 12 banks audited by the General Accounting Office?

Now, you know that is defiance. That is defiance at its worst. My prediction is that they are not going to get by with it. I know Chairman DAWSON; I know something about his ability; I know something about his courage, and I know that is not the end of it. But that shows how far they have gone. They have actually defied the master, the body that created them; they have defied them and they have refused to carry out the instructions.

For your information, my friends, the Federal Reserve System is about—let me see, 1913—43 years old. Did you know that those 12 banks, not one of them has ever been audited by a Government auditor? That is a fact; not one of them. Have you ever seen an audit? No. And you cannot see it; it is secret. They have audits made by their own auditors. They do not have any Government auditor. They will not permit the General Accounting Office to audit their books.

Furthermore, did you know that the Open Market Committee in the New York Federal Reserve Bank, that is doing billions of dollars' worth of business a year buying Government bonds and selling Government bonds, has never been audited by the General Accounting Office? Do you know what has been going on over there? I do not, and nobody else does, because it is secret. You are not being told. You are not seeing any records. I know this, that any person in the money market who knows what the Federal Open Market Committee is going to do today in the Open Market Committee, as to whether they are going to buy bonds or sell bonds, can oftentimes make a fortune within 2 hours by speculating in Government bonds in the market. We all know that, and we know that there is a lot of talk around as to what they are going to do, and the people in the know can make millions a day. How many have done it? I do not know and you do not either. There has never been any investigation made. Now, that is no credit to the Members of Congress; it is no compliment to this great body that we will turn over to a group of 12 men, the Open Market Committee, such tremendous powers, one power to go to the Bureau of Engraving and Printing and by the truckload just truck off Federal Reserve notes, money, and buy United States Government bonds with that money, and then keep those bonds and collect the interest on them.

Ordinarily you would say that if you give me a check to go pay a note that you owe, and I take that check, drawn on your funds, and I pay that note that you owe, we will say for $1,000 that is drawing 6 percent interest, as your agent, I pay that note, and that would stop the interest because the note would be paid. But in this case, why, the Government permits the Open Market Committee to give a check on the Government to buy a bond and then keep the bond and continue to draw interest every year. That is exactly what has happened. That is the way that the Federal Reserve makes over $500 million a year. It is happening right here in broad daylight, folks; it is right before our very eyes. We are permitting it to go on and we are doing nothing about it. It is not right; it is wrong. The people would not permit it 10 minutes if they knew all about it, and what is going on. You would not either if you knew all about it. We do not have the time to study it; we do not have the help provided for you that would enable you to keep advised of all these things that are going on. But we know certain things are going on, and yet we do nothing about it. One of these days we are going to have a sad awakening, and I hope that we do something about it before we have that awakening.

Now, the interest rates. The budget is over a billion dollars higher this year just because of interest rates alone. All right. When we refinance the other part of the Government debt at these high rates it will be $4 billion more every year. Why are we permitting that? It is not necessary. We do not get the use of any more money. It is hurtful to the economy. It does not stop inflation; it causes inflation. Whenever you increase interest rates you increase the price of everything that is manufactured and bought, and increasing prices increases inflation. So, it is not only disturbing, it is disruptive. We know it, and yet we let it go on because we have delegated this power to these 12 great men, these powerful men. Let us see who these men are. There are seven of them, members of the Federal Reserve Board. They are selected in a fine way. The President selects them and they are confirmed by the United States Senate. That is all right. That is the customary way, the orthodox way. Nobody objects to that. We may assume they are good people, working in the public interest. But the other five represent the private bankers. So 5 of those 12 who determine our policy are sitting in there representing the private bankers. And who helps them? Well, the other presidents of the Federal Reserve banks who are not on the Open Market Committee and the advisory group representing the bankers. In other words, we have 7 public members surrounded by 24 representatives of the banks at every meeting, to fix interest rates and to determine the supply of money. That is what we have. It is legal. Congress passed it. We never looked into it. We never audit their books. They never come back to Congress to get any money and we never get to investigate them because they are away from Congress. They have become the fourth branch of our Government.

Let us see what those interest rates mean. Today we have about $25,900,000,000 worth of what are known as Treasury bills, 90-day Treasury bills. In 1939 on that much of Treasury bills we would have paid $6 million for the use of that much money for 1 year. Do you know how much we are paying on it today? We are paying at the rate of $678,600,000 a year. That is how much we are paying. We know this. We are permitting it to go on. It is unnecessary. It is harmful to the country. It is destructive. It serves no good purpose. It is bad when we do nothing about it. And that is happening right here in broad daylight, right before our very eyes. It should be stopped. It is not right. It borders on dishonesty and fraud and deceit. It should not be allowed. Congress should do something about it.

Ordinarily an agency of the Government would come up here before the

Committee on Appropriations and they would have to show what they were going to do, and Congress would have to approve it. But the Federal Reserve, when it received from Congress the power to create money itself and the power to have money printed and used as it wants to, got away from Congress. They do not come back to Congress for anything. That is the reason they are defying us and that is the reason we must take another look at the powers that we have granted to the Federal Reserve System.

I think that purchasing power among the people generally is the basis for a prosperous economy, a healthy economy. Without adequate purchasing power we do not have a satisfactory economy. We witnessed in the early thirties what lack of purchasing power would do. There was nothing wrong with our country then except lack of buying power, lack of money. That is what it was. We just would not let the money get out among the masses. We used the trickle-down system and the money did not get down; it never got down to the masses. We were told then—I was here then—we were told that there was too much production, overproduction. We know now, in looking back, that we had inadequate production. We were told we had too much production. It was not true. We just did not have enough money to buy, enough money was not created for that purpose. It was not made possible. We might just as well recognize the facts of life, that we have a capitalistic system. I believe in a capitalistic system. I believe in a commercial banking system. We have the finest and best in the world. I have no objection to it if it is operated in the public interest. That is what they are supposed to do. I have no objection to the banks making good profits. They are entitled to good profits, because we want them to serve the people well, and in order to do that they are entitled to fair profits, good profits. I want them to have them. I have no objection to that.

NEW YORK BANKERS CONTROL

The Federal Reserve System I think is the finest and best system in the world, but we have gotten away from the intent of the Federal Reserve System. We have turned it over to the influence of the New York bankers. I hate to say that the New York bankers are controlling our monetary system today but I believe it and I believe the facts will support it. They are ruining our country. They are diverting purchasing power. They are causing millions of dollars to be paid every years to the moneylenders for no service in the world, and taking that money away from the people who would like to spend it for the comforts and necessities of life and to remove the drudgery of life. It is wrong, it is cruel, it should not be allowed.

Today we are paying $10 billion a year more in interest than we were paying 4 years ago for the same amount of money. Individuals and corporations are paying it for the same amount of money that they were paying 4 years ago, $10 billion more. Take your pencil and a piece of paper and divide $10 billion by 170 million people, and you will find that that means $60 a year for every man, woman, and child in America. That means that every year, this year and succeeding years, every man, woman, and child in America will have to pay $60 for the interest alone, unearned interest. It should not be paid. It is wrong to pay it. But Congress is doing nothing about it. That means $300 a year for every family of 5. That means every year a family of 5 will have $300 less to spend for the comforts and necessities of life, because it will go into the interest channel to pay for interest to go to the moneylenders for services they did not render. It is a diversion of purchasing power that is injurious and destructive to our country. It is not necessary. It should not be allowed. But we are allowing it. We should do something about it.

The first thing they did, these money managers of ours, to whom we granted all this tremendous power, and we are not even looking over their shoulders to see how they exercise it, they denied us the privilege of auditing their books. We do not even see what they have done with the billions of dollars. All right, we made a mistake there. But we ought to correct it. We ought to take a look.

But No. 1, let us go back to this Federal Reserve Act and just take a little look at it. It is a good law. In 1913, 2 days before Christmas, it became a law. Woodrow Wilson sponsored it as President of the United States. When the bill was going through the Congress an effort was made to put bankers on the policymaking boards. Woodrow Wilson shook his finger at them and said, "We will never allow that to be done," when they came to see him in the White House. He told those bankers to their faces that we might just as well put railroad owners on the Interstate Commerce Commission to fix railroad freight and passenger rates as to put bankers on the policymaking board to determine the supply of money and the interest rates that the people shall pay. As long as Woodrow Wilson lived a banker was never on those boards, not one time. And the Federal Reserve was all right. But, in the depths of the depression when we were all looking for a way to come out of the depression and paying little attention to the effect in the future of laws we passed, we passed an act here that changed the Federal Reserve System. They were substantial changes. It took an about-face. Woodrow Wilson was against the central bank. At that time, if I had lived during that period, I would have been against the central bank, too. But times have changed. In 1935, when this revolutionary law was passed to change the Federal Reserve System, it was converted into a central bank. I do not object to that part of it. I am for a central bank now. I think we need it. We have to have it. I do not object to it at all. But what happened when we were not looking in 1935 and we did not realize what was going on? It was not even discussed here in the Congress. They set up this board to put private banker representatives on policymaking boards to determine interest rates. That is what they did and it was wrong.

Mr. BURDICK. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. BURDICK. Does not the gentleman from Texas believe that the action of the Federal Reserve Board in 1920 when they demanded a payup policy was a direct cause of the depression that followed?

Mr. PATMAN. There is no question on earth about it, for the reason that whenever you pay off debts, you cancel money. That is what they did. They ordered the debt paid. A lot of people say, "Why not pay off all the national debt?" Of course, we would like to pay the national debt. But, if you pay too much of it at one time you would put the country into a depression because you would cancel that much money. When you go to a local bank and you borrow $100 and give a note for $100, they create $100 in money to let you have the $100. That is creating money on the books of the banks. Most of the money is created that way out of thin air, as we call it, except that they have to have $1 of reserve for every $6 that they issue in that way. In 1920 that is what put our country into a terrible condition. It was by demanding that these debts be paid off. I would like to see a consistent policy of paying off the national debt. Something should be paid off every year. But, remember, as the national debt is paid, other people must go into debt an equal amount or more or the country will suffer. It requires debts to have money. It is that simple. It sounds idiotic, but the fact is that if there is no debt there is no money. That is our capitalistic system that we believe in. I believe in it and you believe in it. We might just as well recognize it, but that is it—no debt, no money. So that being true, we turned over the greatest power on earth to 12 men without supervising them in any way whatsoever. There are no audits. There is no proper accounting. There is nothing to control them. They are away from us. They have set up their own fourth branch of the Government and are now defying the Congress of the United States. When this administration came into power, one of the first things it did, which I think was a terrible error, was to force down the price of Government bonds. For 14½ years Government bonds had been above par and we had gotten along all right. That meant that people who bought those bonds, if they wanted their money, they could get their money, and they could invest it in some other way. If they wanted to finance a neighbor's home, they could do that. But, the first thing that was done 4 years ago was to cause policies to be put into effect that caused these Government bonds to go down and down and down until they reached 88. That meant if your neighbor wanted to build a home and he could not get the financing and you would like to finance it for him by selling your bonds and letting him have the money, you could not sell the bonds because they had gone down too low. So I suggest that you give consideration to this question and take some of the power away from these 12 men that we have given to them.

REDUCTION OF THE PUBLIC DEBT

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Ohio [Mr. VANIK] is recognized for 10 minutes.

Mr. VANIK. Mr. Speaker, although the pressures for budget reduction and a corresponding tax reduction are as great upon me as they are upon every other Member of Congress, I want to take this opportunity to recommend to Congress the advisability of applying any surplus accumulated this year by budget reduction upon the tremendous public debt of this country which at the present time totals in excess of $276 billion.

At the present rate of reduction in Federal expenditures it appears that some three to five billion dollars and at least $3 billion will be pared from the Eisenhower budget. This reduction of Federal expenditures, while very difficult to achieve, is only a small sum in comparison with the tremendous public debt of our Nation which was generated principally because of the high cost of World War II and the Korean war.

If this country were to declare an outright attack on its indebtedness, it seems to me that the national indebtedness of this country could be reduced with almost the same degree of acceleration with which it was generated. For example, if instead of voting a tax reduction, which would in effect bring very few dollars into the pockets of the average taxpayer, this Nation in its wisdom were to apply the $3 billion on the public debt, that sum of money removed from investment in Federal indebtedness would have to search out new fields of investment in corporation expansion, private housing, and other related fields. The supply of investment capital for which a constant cry is made would be increased by this sum of money. The presence of $3 billion added for private investment could have a very deterrent effect on the prevailing interest rate and conceivably could reduce the prevailing interest rate by perhaps one-half of 1 percent. If the prevailing interest rate were reduced by one-half of 1 percent, the Federal Government itself would be the greatest gainer as the greatest borrower in America. The interest on the Federal debt is fast approaching 10 percent of the total revenues of our Government, and if the interest rate could be reduced by one-half of 1 percent, the interest saving to the United States Government on its own indebtedness would approximate almost $1½ billion per year. In addition to this saving the repayment of public indebtedness in the sum of $3 billion would result in higher taxable income on the part of those persons or corporations receiving repayment which would increase tax collections by our Government by perhaps an additional billion dollars. So that in the aggregate, a $3 billion reduction in Federal indebtedness of the United States would actually result in savings to this country of almost double that amount.

If the reduction of Federal indebtedness by $3 billion and the return of that much money would add to the money supply of the country, the entire Nation would profit by the stabilization or the reduction of the interest rate on private debt which has in recent months moved in a more inflationary direction than any other item affecting the American cost of living. Every citizen in America would benefit by the increase in the supply of investment capital and the depressant effect which it would have on the cost of money by way of the current interest rate.

The tremendous pressure for tax reduction comes principally from corporate enterprise which for the greater part has irresponsibly dissipated reserves for depreciation in order to avoid the passage of true income to a status of taxable income and subject to the internal revenue tax collector. Under the use of quick amortization procedures and the accelerated depreciation privileges of the Internal Revenue Act of 1954, large segments of American enterprise have "enterprised" billions of dollars from the Federal Treasury by exhausting depreciation allowances. For example, in the annual report of the United States Steel Corp., management complains about the inadequate depreciation and criticizes the income-tax law which limits the total depreciation recoverable during the life of a facility to the number of dollars originally spent for it and complains about the problem of the declining value of a dollar unrecoverable under unrealistic limitations. In this annual report the management points out that "faster recovery, such as has been permitted under certificates of necessity, tend to reduce the inadequacy which would otherwise exist; but the only real basis of recovering purchasing power would be to adjust for the change in the dollar intervening between the year of capital expenditure and the year in which depreciation is taken." How can they reconcile this statement with the glorious stock split of 1955?

The United States Steel Corp. in its 1956 annual report indicates that the corporation's wear and exhaustion or depreciation record for 1956 was $278 million and that this will decline to $140 million of amortization in 1958, after which amortization will virtually disappear. Quoting further from the report of the United States Steel Corp. management we read the following sentence on page 27 of the annual report:

> As amortization will decline and virtually disappear, the depreciation deficiency will actually increase and income will seemingly increase. Since taxes will increase by over half, the declining amortization, a curious and serious situation will result: At the very time that business appears to have greater income, the cash with which to conduct it is diminished.

The report fails to show that the depreciation arbitrarily consumed taxable income which escaped the Federal tax collector.

The United States Steel Corp. management further points out that the estimated tax deductible amortization for all business amounted to $3,400,000,000 in 1956 and that if no more certificates of necessity are issued, it is estimated that this amortization will decline to about 500 million by 1961. The corporation management further points out that this may represent a tax windfall to the Treasury. And it rightfully should. The Treasury needs some windfalls.

Mr. Speaker, as a matter of fact, the only way that the American Government can recover its almost $23 billion loss of tax revenues in the grant of accelerated depreciation certificates granted by the Office of Defense Mobilization is by continuing the present levels of corporate taxation. If these levels of taxation can be continued until all of the quick depreciation certificates have been exhausted, the corporations which have used quick amortization will be generating tremendous quantities of taxable income which rightfully deserves to flow to the Federal Treasury. If current rates of corporate taxation can prevail for the next 4 or 5 fiscal years, the Government would recover substantially all of its $23 billion loss in taxes by reason of the quick amortization certificates which have been granted to this time.

It appears obvious, therefore, that if fiscal prudence were the test applied to our national affairs, the national indebtedness of this country could be reduced with almost the same degree of acceleration with which it was created. If our Nation will insist on collecting the income taxes rightfully due and owing this country, if tax loopholes under which American corporations engaged in oil production at home and abroad will be required to pay taxes which they rightfully owe this country, if the use of the quick depreciation privilege is immediately terminated, and if the American people would support their Representatives in Congress in an all-out attack on national indebtedness, the job could be done in a remarkably short period of time. The gains to the American people would far outweigh the temporary gains that might result from small tax reductions now, and if apprised of all of the facts and all of the advantages to their Nation, I believe they would support the wisdom of making our Government economically stronger.

In the final analysis the greatest bulwark of strength which our Nation possesses in the event of a contingent depression or possible war is the fiscal stability that only a reduced public indebtedness can produce. Our democracy must be economically sound to survive. Sound national credit is as important a weapon for the national security as any developed by modern research.

If Congress in its wisdom feels that distribution should be made now of accumulated surplus resulting from budget reduction, then I will support a tax reduction for the family by increasing exemptions from $600 to $700—but I will oppose corporate tax reduction until our Nation recoups its tax losses resulting from quick tax write-offs and the arrogant corporate dissipation of depreciation reserves to avoid income taxes.

COMMITTEE ON RULES

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER pro tempore (Mr. HALEY). Is there objection to the request of the gentleman from Virginia?

There was no objection.

THE 1958 BUDGET

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 25 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, at this time I want to discuss for a few moments the $72 billion budget which the President sent to the Congress in January. I believe it is perfectly clear to everyone that if substantial cuts are made in the budget without impairing the necessary services to our people that they must come from the tremendous budgets for the Department of Defense. I believe also as the gentleman from Texas, Congressman MAHON, indicated in an interview with John D. Morris, of the New York Times, on April 27, 1957, that the budget cuts for the military must be accompanied by essential organization or, as it is popularly called, unification of the services.

On October 24, 1955, I wrote to the Honorable Charles E. Wilson, Secretary of Defense, concerning the failure of his Department to enforce the so-called O'Mahoney Act, section 638 of the Department of Defense Appropriation Act of 1953, and I quote my letter in part as follows:

As I view the situation, Mr. Secretary, not only is the basic problem of constitutional government involved but many other issues of real concern to the American people. I will comment briefly on some of them. The facts are conclusive that our educational facilities—though basic to defense—need great assistance. Large sums are required for the development and conservation of basic natural resources. Billions are needed for highways and public works. Costly outlays for fundamental and applied research are a "must" if we are to keep ahead in the technological race. Our health institutions are not in the state we desire. Oppressive taxes should be reduced, especially for the low-income groups. The budget requires balancing in its turn and the ever-growing national debt reduced.

As you know, I am, and have always been, an advocate for a strong national defense upon which to support a foreign policy. It is also essential to our survival. I will not be beguiled into laxity by the palliative tactics now emanating from the Kremlin. No one dares be. I believe that our defenses and basic institutions should be strengthened in every possible way for the long pull ahead. But the evidence is conclusive that the overlapping, duplication, and waste is of such magnitude in and among the military services as to make possible enormous savings, with no loss of efficiency or military effectiveness, and thus release funds badly needed for the objectives listed above.

See CONGRESSIONAL RECORD volume 102, part 1, pages 598–99, for full text.

O'MAHONEY AMENDMENT TO DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1953

The O'Mahoney amendment followed several years of investigation by the Bonner, Hardy, Hébert subcommittees, the Senate Preparedness Committee, and other interested groups. The act reads:

(a) Notwithstanding any other provision of law and for the purpose of achieving an efficient, economical, and practical operation of an integrated supply system designed to meet the needs of the military departments without duplicating or overlapping of either operations or functions, no officer or agency in or under the Department of Defense, after the effective date of this section, shall obligate any funds for procurement, production, warehousing, distribution of supplies or equipment or related supply management functions, except in accordance with regulations issued by the Secretary of Defense.

(b) This section shall be effective 60 days after the approval of this act.

AN INTEGRATED SUPPLY SYSTEM

The intent of the act was to develop an integrated supply system. Senate Report No. 1861 on the Department of Defense appropriation bill for 1953, page 9, states in part:

The committee believes that great savings can be made by improved integration and management of the military supply system. To this end it recommends addition of section 638 to the bill, imposing a direct and specific duty on the Secretary of Defense to achieve such improvement at an early date.

When the next Congress convenes the Department of Defense should present a program, based upon regulations in effect, which will speedily eliminate the duplications and "historical accidents" that recur and exist in the present system of procurement, warehousing, and issue of supplies and equipment.

Under the new system, it should be impossible for two competing facilities to be set up (or to continue to exist) in the same area for the same purpose as determined by the Secretary of Defense. Service facilities for maintenance of equipment such as motor shops, laundries, etc., should be integrated to serve all departmental requirements in the area. Special attention should be given to the procurement, production, distribution, warehousing, maintenance, and issue of common-use items such as clothing, food, medical supplies, and building materials, to minimize stocks, handling, transportation, and related supply management activities. Wherever possible such items and the method of handling them will be made uniform throughout the Department of Defense to facilitate such integration. Where different stock levels exist in various parts of the Department, it is expected that the lowest level will be applied to the whole Department in the absence of a compelling justification for special treatment, which justification will be made to the appropriate committees of the Congress.

PROGRESS TO DATE

The progress on the development of an integrated supply system to date has been very slow. On November 15, 1952, the Secretary of Defense issued regulation 4000.8 as a step toward the fulfilment of his responsibility under the O'Mahoney amendment. This step, however, was directed more toward improvement of intradepartmental supply than interdepartmental supply or real integration as required by the statute. It was, however, a step and presumably the utmost that could be expected at the time in view of departmental hostility. However, during 1953 and 1954 this regulation was to a large extent rescinded and its effect destroyed and the O'Mahoney Act was virtually ignored in the Department of Defense despite numerous protests from Members of Congress—Government Operations Committee, food and clothing report, hearings May 1955.

The very valuable integrated medical supply test at Alameda, Calif. under the Army was abandoned in November 1954 despite the fact that it proved successfully that one service could store and distribute common items for itself and the other two services. The Alameda test was prescribed by the Secretary of Defense in July 1951, but was stalled until March 1952, and, though it proved successful in operation, a bitter service struggle caused it to be dropped rather than extended as was contemplated by those who started it. The story of the Alameda test was ably detailed to the Secretary of Defense by the gentleman from Missouri [Mr. CURTIS] in a 13-page letter in January 1955—Government Operations Committee, food and clothing report, hearings, May 1955.

Currently, the Department of Defense has under way several projects known as single-manager systems for special classes of supply items such as food, clothing, medical; petroleum, oil and lubricants. These single manager systems are not integrated, but are parceled out to the three services. However, they could become important steps.

NEED FOR AN INTEGRATED SUPPLY SYSTEM

The House Committee on Government Operations, 84th Congress, 2d session, issued a committee print entitled "Supplementary Real and Personal Property Inventory Report (Civilian and Military) of the United States Government Located in the Continental United States, in the Territories, and Overseas as of June 30, 1956." On page 55 it is shown that the personal property inventories of the Department of Defense on June 30, 1956, totaled $111,164,000,000. I repeat, over $111 billion, not million.

The breakdown by services was:

Army	$27,461,000,000
Navy (M. C.)	46,020,000,000
Air Force	37,683,000,000

SUPPLY SYSTEM INVENTORIES

On page 68 of the report it is shown that the supply system inventories of the Department of Defense total $50,974,000,000. Of this amount, the stock-fund inventories amount to $9,772,000,000. These inventories are broken down as follows:

TABLE 7.—*Supply system inventories, Department of Defense, as of June 30, 1956*

[Millions of dollars]

	Total	Stock fund inventories	Appropriated fund inventories
Department of Defense	50,974	9,772	41,202
Army	19,855	7,114	12,741
Navy	[1] 15,297	1,478	[1] 13,819
Marine Corps	1,844	406	1,438
Air Force	13,978	774	13,204

[1] Includes $774 million aircraft spare engines and $174 million of shipboard supplies not included in Navy supply system inventory data.

I have found that it is impossible to determine the total for similar categories of inventories in the supply systems of the military services on account of variation in definitions. For example, the Army carries its inventory accounts in seven categories: first, peacetime operating; second, mobilization reserve; third, economic retention; fourth, contingency retention; fifth, claimant; sixth, disposable excess; and seventh, unserviceable.

The Navy carries its inventory in five categories: first, peacetime operating; second, mobilization reserve; third, economic retention; fourth, contingency retention; and fifth, disposable excess.

The Air Force has five categories, as follows: first, operating and retention, serviceable; second, operating and retention, reparable; third, reserve; fourth, other claimants; and fifth, disposable excess.

It should be noted that the services have various types of reserves, contingencies, retention stocks, economic retention stock, and so forth. In general it may be stated that these categories are really long stocks disguised under various names other than excess. However, Army witnesses have testified that the Army warehousing bill alone is near $1 billion annually with its enormous depots bulging with these items.

STOCK FUNDS (SUPPLY CORPORATIONS)

During the past several years there has been a great increase in the use of so-called stock funds. These are essentially supply corporations. Stock funds are under stock fund managers. Each has its inventory, its cash and its receivables. This so-called corpus is to be maintained intact and one theory behind the stock funds is that no stock is to be issued unless it is paid for. So it is necessary for the using agencies to appear before the Appropriations Committees and obtain money with which to buy stock items even though in excessive supply which have already been purchased and placed in the revolving fund of the supply corporation. The corporation thus transmutes annual controllable funds into no-year relatively uncontrolable funds through the sale of what is often excess property. The stock may or may not be replaced by the corporation depending upon supply and demand. If not, Congress appropriated to the agencies for the buildup of the stock corporations.

Since the reported inventories of the various stock funds of the Army, Navy, Marines, and Air Force, amounted to approximately $10 billion as of June 30, 1956, it would be necessary for the Congress to appropriate another $10 billion if this stock were to turn over once during the fiscal year. This is a slow turnover but most stock fund inventories do not turn once a year.

DUPLICATION IN STOCK FUNDS

An analysis of the various stock fund statements in the 1958 budget shows great duplication and triplication and even quadruplication in the stock items covered by the funds. For example in the stock funds in the general stores area we find:

	Obligations 1958 estimate	Sales 1958 estimate	Inventory at June 30, 1958 estimate [1]
NAVY			
General stores	$195,600,000	$200,000,000	$305,729,311
MARINE CORPS			
General property	10,000,000	17,000,000	56,186,799
ARMY			
General quartermaster supplies	228,000,000	255,000,000	407,167,669
AIR FORCE			
General supplies	610,000,000	574,500,000	246,619,518

[1] These inventory figures cover only a part of similar stores in the supply systems.

It is further evident that many stocks are in long supply and are accounted for in the numerous types of reserves, contingencies, retentions, and so forth. It is therefore apparent that the Congress should not appropriate money to buy these long and excess stocks from the numerous stock fund corporations but should require their issuance, with proper accountability, without the transfer of funds.

I am confident that hundreds of millions of dollars can be saved through this process alone if it is vigorously pursued.

JUSTIFICATION FOR USE OF STOCK FUNDS

It is a moot question as to when stock funds should be used. The consensus is that only fast-moving common use, standard, consumable items should be included. Special and technical items should not be included since they are slow moving and encumber the cash in the stock fund. In theory, if the fast-moving, common-use items are included and furnished to multiple users there will be a fast turnover in the stock, as in a chainstore, and the fixed overhead will be reduced by spreading it over a greater volume of business—hence, economy will ensue.

In June 1949 a joint report on A Federal Inventory Control System was issued by the Bureau of the Budget, General Accounting Office, and the Treasury Department. This report indicated that the supply revolving fund appropriations were justified where funds for procurement and issue of common items are available to several appropriation units.

On October 1, 1954, the so-called Cooper committee, comprised of 12 fiscal authorities, issued a report, Financial Management in Department of Defense. This report confirms the Bureau of the Budget, General Accounting Office, and Treasury Department position and would limit the use of stock funds as follows:

The committee believes that revolving funds (i. e., stock and industrial funds) have contributed to progress in certain areas, e. g., where a buyer-seller relationship is appropriate, where there are common-use inventories, and where industrial or commercial-type installations serve a variety of customers.

PARADOX IN DEPARTMENT OF DEFENSE POSITION

Officials in the Department of Defense who are exponents of the stock funds favor them on an intradepartmental basis but not on an interdepartmental basis. Since the reimbursement procedure is the same on an intradepartmental and interdepartmental basis it would be consistent to use the stock fund arrangement on a Department of Defense-wide basis thus insuring more users, faster turnover of stock and a reduction in expense through the greater volume issued against a relatively fixed overhead.

FEDERAL CATALOGING—$150 MILLION SPENT BY DEFENSE SINCE 1949

On January 18, 1945, President Roosevelt requested the Director of the Budget to take steps to develop what has come to be known as a Federal catalog for use in all transactions requiring a description of items of real and personal property. This directive was the result of a general awareness of excessive waste during the war period caused by the lack of common supply language—among the military services particularly.

On July 15, 1946, President Truman addressed a similar directive to the Acting Director of the Budget requesting him to arrange for the organization of a central staff to assist in developing the details of a uniform cataloging system.

Since that date there have been numerous hearings and additional legislation toward the end of developing a uniform catalog in order to eliminate the excessive waste particularly in the many military supply systems. I am advised that the Department of Defense alone has spent approximately $150 million since 1949 on the catalog and as of the 1st of February 1957 had completed the identification of 3,129,000 items. This development makes it possible to utilize the catalog for all supply purposes from the development of specifications, requirements, warehousing, issuing, disposal, and so forth, in all the services. Proponents of the catalog have indicated to the Congress that billions of dollars may be saved through the full employment of the cataloging system. This again means integration in common supply as contemplated by the O'Mahoney act.

ELECTRONIC ACCOUNTING MACHINES

Electronic accounting machine systems have been developed whereby inventories of millions of supply items under common catalog numbers at numerous locations can be compiled at the frequency and place desired. In other words it is possible to determine how many of a certain kind of lead pencils, for instance, there are in the combined military supply systems and it is thus possible to know whether or not additional or similar items should be procured. It can also be done for the 3,129,000 items that have been cataloged. This is an important development and one which should be fully utilized at once since it is well known that the services are constantly buying items that are being excessed simultaneously. Recent examples of this have been furnished by the Senate Preparedness Committee. The time is ripe for the executive branch to do an effective supply management job in accordance with the requirements of the law which has been on the books

for a number of years. Huge sums will be saved in the process and greater effectiveness will surely ensue.

PRESIDENT EISENHOWER'S POSITION

President Eisenhower is well aware of this waste and has spoken of it often since 1945. On September 25, 1952, he devoted a whole speech to the subject at Baltimore, Md. He charged failure to carry out the true intent of the Unification Act of 1947, as amended, and stated:

> This brings us to the supremely important matter of unification of the Armed Forces. When I became Chief of Staff, upon my return from Europe in 1945, I felt that all our war experience had rendered obsolete the defense organization then existing. I was convinced then, as I am today, that effective coordination of the services in war requires central planning in time of peace.
>
> This is the essence of unity in the Armed Forces. But that unity must also extend to the procurement and administration of all the costly materiel and equipment of modern warfare. It was the hope of all of us who worked to achieve the passage of the National Defense Act of 1947, that this kind of unity was in the making.
>
> This has not proved to be the case. Such unity as we have achieved is too much form and too little substance. With 3 services, in place of the former 2, still going their separate ways and with an overall civilian staff frequently unable to enforce corrective action, the end result has been not to remove duplication, but to produce triplication.
>
> All this must be brought to an end.

President Eisenhower spoke feelingly of the huge waste in supply matters and of its threat to defense with fiscal solvency. He cited some examples to prove his points. He also stated what he was going to do about the "loose way of operating" as he has termed the situation. What has he actually done about it? The answer is the present budget.

CONCLUSIONS

In view of the existing budgetary crisis, it is my conclusion that—

First. All common supply items, stock fund operations, single manager systems, should be integrated under one operation. Depots and auxiliary services should be included.

Second. Funds available for procurements from the stock funds should be frozen and held by the integrated supply manager.

Third. Estimates for appropriations in the 1958 budget for purchases from stock funds should be identified and withheld.

Fourth. All common stocks should be placed in one supply-demand-control system, under uniform cataloging and under electronic machine accounting.

Fifth. Minimum stock levels should be set for the common stocks and long stocks issued without cost but with accountability.

CREATION OF A PERMANENT UNITED NATIONS POLICE FORCE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Missouri [Mr. CARNAHAN] is recognized for 60 minutes.

Mr. CARNAHAN. Mr. Speaker, I have joined the gentleman from New Jersey [Mr. FRELINGHUYSEN] and others in introducing today a resolution calling for the creation of a permanent United Nations police force similar in character to the emergency force now on duty in the Middle East.

The emergency force, created in a time of crisis by action of the General Assembly, has by its presence greatly lessened tensions in the Middle East. Composed of only 6,000 men who are not armed for combat, the emergency force nevertheless has assisted materially in preventing a renewal of fighting and has improved the prospects of a peaceful solution under which Israel and her neighbors might live in mutual trust and work together to develop the vast, potentially rich area politically and economically.

The experience of the emergency force has demonstrated that the concept of an international force is practical. Events of the past few months have indicated that a small, symbolic force of this character can be useful as an instrument in maintaining the peace and preventing the spread of fighting.

The Middle East emergency force was recruited for this one specific task, and presumably it will be disbanded when a solution to the problem has been achieved. Then, the United Nations will revert to the position of being without an arm of this type for use in future emergencies unless and until the cumbersome and time-consuming procedures of the General Assembly are followed for creating a special emergency force. The delay might well be fatal in some cases.

It is my belief that we should profit by the experience of the Middle East. For that reason, I am raising the question of a permanent United Nations force through the introduction of this resolution in order that the matter can be fully explored and debated.

Undoubtedly, many questions will be raised. No doubt the problems involved in activating an international force for permanent service will be immense. But unanswered questions and unresolved problems, to my mind, only emphasize the need for careful and earnest consideration of the proposal, not only by the Congress but by thoughtful private citizens who are actively participating in the search for peace.

It would be extremely valuable to have public hearings by appropriate congressional committees at which the opinions of experts in and out of Government could be solicited. We need to hear from the many national organizations who are seriously studying the whole problem of peace. If by introduction of this resolution individuals and groups are stimulated to think seriously about world problems and to address themselves to the task of finding answers to these difficult problems, I will feel more than amply rewarded.

It should be clearly understood just what is intended when we speak of a permanent United Nations force in this resolution. Certainly those of us supporting this resolution do not want to build up a superinternational army equipped with all the newest weapons of mass destruction.

Rather, what is envisioned is something in the nature of a police force—a relatively small group of men specially trained and equipped and ready to step into situations which threaten the peace. The force would not be expected to fight wars. It would intervene between antagonists, preserve order, clear the atmosphere of belligerency, and gain time for a just solution.

Small wars are rapidly becoming obsolete in a world relying on atomic weapons. Every conflict today, however small and isolated, threatens to erupt into worldwide hydrogen warfare. The sensible thing is to nip the potential war in the bud, and one likely way to do this is by placing a United Nations force between the parties to any controversy. Such a force would symbolize world opinion, and it is extremely doubtful that participants in such disputes would risk flouting this symbolic world force.

No doubt many situations will arise in the future when a small United Nations force, in being and ready for action, could play a decisive role in maintaining peace. It would be tragic if the United Nations is unable to act because of the lack of appropriate authority and machinery.

This resolution envisions an international force that would not be on anybody's side. It would be on the side of law and order, just as the policeman on the corner is for law and order. Such a force would exist for one purpose and one purpose only—the preservation of peace.

I do not contend that this resolution offers a solution to all the problems which confront the world in its quest for peace. By passing a resolution of this type, we will merely be putting the House and, with the concurrence of the Senate, the Congress on record in favor of the concept of a permanent United Nations force.

We cannot spell out all the details in a resolution. How shall the force be recruited, trained, equipped, and deployed? How shall it be used? What will be the role of the General Assembly and the Security Council? These are some of the unanswered questions which should be raised during hearings and public discussion.

But by seriously considering such a resolution, we can assert again the leadership of this country in world affairs. We can reemphasize our dedication to the cause of peace and justice and our determination to pursue all courses which hold out the promise of increasing the chance of peace and diminishing the dangers of war.

Perhaps some of you here today have an entirely different concept of an international force. But we can agree, I am sure, that the idea behind this resolution is worthy of serious study and consideration.

Mr. Speaker, I have the honor to serve as chairman of the House Foreign Affairs Subcommittee on International Organizations and Movements. The subcommittee is now engaged in a series of hearings throughout the country at which we solicit the views and opinions of private citizens and spokesmen for various organizations on foreign-policy matters.

Many of these people, who, incidentally, have demonstrated a surprisingly

broad grasp of foreign-policy matters, have enthusiastically endorsed the general idea of a permanent police force. They cannot wrap up in a neat package the answers to all the unanswered questions and unresolved problems which enter into the consideration of such a force. But these people feel, as do those of us sponsoring the resolution, that introduction of the proposal in legislative form will focus attention on the subject and stimulate wide public discussion.

In a government such as ours, which depends on the intelligent support of its citizens, wide public debate and discussion of this subject will be extremely valuable. And out of the debate and discussion could very well come the basis of a course of action to guide our Government when this matter is considered by the United Nations, as it surely will be in the not-too-distant future.

Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point the text of the resolution I introduced today.

The SPEAKER pro tempore (Mr. HALEY). Is there objection to the request of the gentleman from Missouri?

There was no objection.

The resolution is as follows:

> Whereas the United Nations emergency force, created pursuant to resolutions of the United Nations General Assembly, has made a significant contribution toward stability in the Middle East, and is a step toward the maintenance of international peace and security; and
>
> Whereas the need for a force of this character appears likely to continue; and
>
> Whereas a United Nations force, established on a permanent basis, could be an important instrument for the maintenance of international peace and security: Therefore be it
>
> *Resolved by the House of Representatives (the Senate concurring)*, That:
>
> (a) a force similar in character to the United Nations emergency force should be made a permanent agency of the United Nations, that it should be specially trained, armed, and equipped for such duties as observation and patrol;
>
> (b) no individuals should be accepted for membership in this force who are nationals of the permanent members of the Security Council or of states not members of the United Nations;
>
> (c) appropriations for maintenance of the force should be provided by the United Nations out of its regular budget.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I have listened with great interest to the explanation of the resolution which the gentleman from Missouri introduced today. I also introduced an identical resolution, along with a number of other Members. I trust it receives the serious consideration of Congress and that it will be widely debated, because I think there is considerable merit in the proposal which is being made.

At the outset, I feel it should be said that a surprisingly large body of public opinion appears to back up specific, practical steps whereby we may get a permanent organization of the kind we are proposing.

In this connection I wish to insert an article from the Newark Star-Ledger of February 24, 1957, entitled "U. N. Policing Idea Gains Favor in United States," by Elmo Roper and associates:

THE PUBLIC PULSE: U. N. POLICING IDEA GAINS FAVOR IN UNITED STATES

From time to time many harsh words are spoken and written about the United Nations. It has been called everything from a glorified debating society to a threat to United States sovereignty—even a propaganda mouthpiece for the Communists.

So it becomes important to record the fact that with all its alleged faults and frailties, the United Nations nevertheless enjoys a high degree of confidence among the rank and file of the American people.

A short time ago we asked a sample of public opinion a long and detailed question about the U. N.:

"Some people say the United Nations should have a permanent police force in order to enforce or put teeth into its decisions. This would be composed of troops from all the United Nations countries, including the United States. Others are against having a permanent police force because the United States could not completely control what its own troops in the police force were used for. Would you favor or oppose a permanent U. N. police force with American troops in it?"

This is a very explicit question. Moreover, one reason for a "No" answer is prominently provided for anybody who wants to seize it. The question was not asked in a time of international relaxation, but against the grim background of the Suez crisis, and of the U. N.'s first spontaneous and actual placing of such a police force in the field, so the overall answers have a great deal of significance:

	Percent
In favor of such a police force	57
Opposed	22
"Don't know" or "It depends"	21
	100

Such opposition as there is to a U. N. police force containing American troops is greatest in the South.

The Far West's vote of confidence in the police force idea is very high. The East is more restrained and the Midwest might be described as lukewarm. But even if every "Don't know" or "It depends" vote were ultimately cast against it, the idea of a police force with American troops would still gain a majority in every part of the country except the South, where the results would be only a 50–50 standoff.

Thinking in terms of an international force to keep world law and order is a new thing for the American people. Even when we were fully involved in World War II, 15 years ago, our obvious desire was to stay clear of actual ties with other countries once the war was won.

Against this background, it is remarkable that we find ourselves now taking the U. N. as much for granted as we do. It is even more remarkable that we are so ready to go along with the idea of a standing U. N. force—not one just thrown together hastily for a time of emergency, but one which would be a safeguard against emergencies arising, and ready to nip one in the bud if it did. Our old ways of thinking have been dear to us, but our survival seems to be dearer.

How much of this feeling is just a willingness to follow Eisenhower's lead? It is hard to tell. His own emphasis seems now to have shifted to more reliance on United States power and policy to prevent conflict from flaring up again. When we ask this question again some months from now, we shall be able to get some indication of how solidly grounded these attitudes are among the American people.

I might also refer to the fact that a recent poll of members of the General Federation of Women's Clubs showed support for such a plan by a ratio of 27 to 1.

I call the attention of the House to the fact that we passed the so-called Middle East resolution last March which declared that this country was willing, if necessary, to provide both economic aid and military assistance to preserve peace in the Middle East against Communist aggression. There was one provision in that resolution which I would like to quote. It was inserted by the other body. This specified that the President "should continue to furnish facilities and military assistance to the United Nations emergency force in the Middle East." I think this statement, which was adopted by both the House and Senate and signed into law by the President, demonstrates that the United Nations emergency force has played a crucial role in allaying tensions in the Middle East. Since there is every expectation that the United Nations emergency force will prove invaluable in working out any settlement in that area, we have reiterated our willingness to provide this force with adequate support.

The gentleman from Missouri has indicated that the United Nations emergency force is moderate in size, roughly 6,000 men. For the information of the House, I should like to give a breakdown of the force as it is presently constituted.

To begin with, there are 10 countries represented. Brazil presently has 537 men. Canada provides somewhat over 1,300. Colombia provides 527, Denmark, 388, Finland, 253, India, 944, Indonesia, 584, Norway, 455, Sweden, 325 and Yugoslavia 759.

Of the total of 5,800 now in Egypt approximately 3,200 are presently in the Gaza Strip.

What has the United Nations emergency force done? First of all, I should point out that of necessity it had to be set up hastily by the United Nations Assembly. Luckily this hasty improvisation proved successful. If there had been no emergency force, there would not have been the acceptance of the cease fire which did occur, and there would not have been the subsequent withdrawal of the British, French, and Israeli forces from Egypt. In other words, the force which was mobilized very hastily to meet a specific crisis has already demonstrated its value.

At this point I would like to call to the attention of the Members an article in the current issue, the April issue, of Foreign Affairs by Lester Pearson, Canada's Secretary of State for External Affairs. At the outset of his article, Mr. Pearson says:

> Now policing a peace—or an armistice—can be an essential international function, at times a dramatic one. It cannot be denied that the United Nations has been successful in this function in some important cases. However, action in this field has been largely pragmatic and ad hoc. I believe—and recent events have strengthened my belief—that the time has come when we should seek

ways to enable the United Nations to pursue this work in a more organized and permanent way.

The world's alarm last November over events in Egypt—intensified, if that were possible, by the frustrating situation in Hungary—galvanized the General Assembly into establishing a United Nations emergency force, an action which until then had not been thought practicable or probable. We must now do everything possible to insure that this action is successful in achieving the desired results. If we fail in this, a damaging blow—perhaps a fatal one—will be dealt to the whole concept of supervising the peace and avoiding hostilities through the United Nations Assembly. If we succeed, then we must build on that success so that when we are faced in the future with similarly complicated and dangerous situations we can avoid the hasty improvisations of last autumn.

I think Mr. Pearson demonstrates in a very dramatic way just what this resolution seeks to approve. He underlines the inadvisability of improvising an emergency force such as is presently in the Gaza Strip. He demonstrates that the time is now propitious for us, for our country, to take the lead in encouraging the establishment of a police force such as we are suggesting. We are not suggesting anything very radical. As the gentleman from Missouri [Mr. CARNAHAN] has pointed out, this is a very moderate proposal. It is a supervisory, an essentially noncombatant unit, that we are proposing—prepared to defend itself but not to do more than take over a certain supervisory police duty. It would be dedicated, in other words, primarily to preventing the outbreak of wars, especially accidental ones, whether they are in the Middle East or elsewhere. It would be primarily a symbol of the moral strength of the United Nations.

There is another proposal—and I regret imposing on the gentleman's time to this extent—which I myself would like to see discussed if hearings are held by the Committee on Foreign Affairs or a subcommittee thereof. I would like to see considered, if possible, the proposition that the force should be directly recruited by the United Nations rather than based upon separate national contingents. I have not included such a provision in my proposal because it is a complicated, complex problem and, perhaps, a controversial one. But it does seem to me that we might examine the possibility of making the members of such a police force directly responsible to the United Nations, as are the present employees of the U. N. Secretariat.

In conclusion, I trust that we are now going to take advantage of the experience which the present United Nations emergency force has provided us. I urge the administration to explore thoroughly with other members of the United Nations the possibility and feasibility of establishing a permanent United Nations police force. It seems unwise and undesirable that we should improvise in haste, as we have in the past, on the basis of each particular crisis.

Mr. CARNAHAN. I am happy to assure the gentleman that should the resolution come for consideration before the Committee on Foreign Affairs, the whole matter of recruitment will be given very careful consideration.

Mr. FRELINGHUYSEN. I thank the gentleman.

Mr. HAYS of Arkansas. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield.

Mr. HAYS of Arkansas. Mr. Speaker, I am very happy to hear these comments by my friend, the gentleman from Missouri, and also the statement by the gentleman from New Jersey [Mr. FRELINGHUYSEN]. I am not prepared to accept necessarily the resolution in the specific form in which it is submitted, but I am certainly able at this moment to endorse the idea of the Committee on Foreign Affairs taking a look at the problem.

I think it would be very beneficial for hearings to be held at this session; and I hope the committee will find it possible to conduct hearings and that interest will be focused upon this proposal.

I am happy that it is offered in a bipartisan spirit. I think it is in that category of issues that should be so considered. I recall asking Mr. Dulles one time his views on a United Nations police force, and he assured me that he looks with favor on a semipermanent police force; at any rate he thinks that there is great value in the experience that we are gaining in the Suez area.

Perhaps the expression "semipermanent" is to be preferred to "permanent" because we all look forward to the liquidation of armaments someday in a happier period in which there would be no threat of war. But just as we do not envisage the conduct of municipal affairs without a police force, it is not likely that we will have in any foreseeable time a condition of world stability and peace in which it would be undesirable to have at least a symbol of international law and order. So, as I interpret the statements just submitted to the House the gentleman has in mind just that kind of force and not an international army.

Mr. CARNAHAN. That is right; we are not envisioning an international army, but merely a police force.

Mr. HAYS of Arkansas. I think in that connection, if the gentleman will yield further, it might be well to point out that in addition to Mr. Dulles' general endorsement of the idea of a standing force, former President Truman stated to the committee presided over by the gentleman from Missouri in Kansas City the other day that he, too, subscribes to this idea. With support of that kind it seems to me the House should proceed to consider something in the way of a "sense" resolution that in some form would give endorsement to the maintenance of a force under the sponsorship of the United Nations that would prevent incipient wars.

The measure is preventive; it has in mind preventing outbreaks that could lead to serious global conflicts, and I congratulate the gentlemen who have offered these resolutions.

Mr. CARNAHAN. I may say to the gentleman from Arkansas that we who introduced the resolution have no feeling that the resolution in the form in which we have introduced it is final, of course; it is merely to introduce the concept for consideration and debate.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield very briefly?

Mr. CARNAHAN. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. In connection with the remarks by the gentleman from Arkansas about Mr. Dulles, I would like to point out that I suggested the establishment of such a permanent United Nations force to Ambassador Henry Cabot Lodge last January. In his reply to me, Mr. Lodge said that the proposal would receive the consideration of experts in the United Nations, and that he would notify me of their conclusions on this and other studies which they are making in this general area.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. I know that the distinguished gentleman from Missouri has made many fine contributions as chairman of the subcommittee dealing with this particular resolution, and I know his subcommittee will give this resolution the consideration which it ought to have. There have been 1 or 2 questions, however, that I wanted to be sure about because of the discussion on this floor and what the gentleman from Arkansas has said.

I visualize this resolution which has been introduced, as I read it here today, to set up an insulating force and not in effect a combat force to be thrown against, we will say, these partisans to any particular issue between two nations. Am I right?

Mr. CARNAHAN. That is the idea of we who are introducing the resolution. Would the gentleman from Arkansas care to comment on that question?

Mr. HAYS of Arkansas. I think we have reached one vital phase of the problem. The force that is already in being, the established United Nations Emergency Force in the Suez area, stands as an example of a policing arrangement of the type that the gentleman from Illinois refers to that does not project itself into formal warfare between two opposing armies.

Mr. SPRINGER. May I direct this also as an example of what we might look to in the future perhaps. If there had been this kind of a force in being at the time of the difference between North and South Korea, I take it this resolution would have anticipated that situation probably and would have suggested moving such a force between those two opposing forces as an insulating force over which, I take it, moral opinion would keep any country from rushing over the top of this insulating force?

Mr. HAYS of Arkansas. I think that is a splendid argument. However if the police force carries out its assignment there may be situations in which they would have to be on one side or the other of a conflict. Choice of sides in that case would be determined by U. N. resolutions and not by a field decision.

Mr. SPRINGER. May I recall another situation, that between China and Northern and Southern Vietnam. In that situation this force might have been able to operate as an insulating force?

Mr. HAYS of Arkansas. I certainly agree with the gentleman.

Mr. SPRINGER. There are other places in the world today that if this resolution were adopted possibly such a force could be used if it were in being and ready and available.

Mr. HAYS of Arkansas. I agree with the gentleman.

Mr. FRELINGHUYSEN. On that question I think the case of Korea demonstrates one of the problems involved. The permanent police force which we envisage would not have the military capacity required by the United Nations force developed to handle that situation. However, if prior to the outbreak of hostilities in Korea there could have been the interposition of such an insulating force, it might have helped prevent the outbreak of war.

Furthermore I think the situation that developed in Hungary last year is one where a permanent force might have been of very definite value. If there had been a force in being representing the moral force of a great many nations which could, at the request of the Hungarian Government, have been flown into Budapest, it might have served as a strong psychological deterrent to the Soviet Union. Such a step might possibly have prevented the brutal action taken by the Soviet Union, or at least have made it more difficult for her to carry out such moves.

Mr. SPRINGER. I would like to lead on to a second point. I take it, if you have the first phase of this in operation, the insulating forces, the second point you hope to develop as a result of this force is that you will then get negotiation between the two parties in accordance with the charter. That would be the second step that would come out of this kind of force. Am I correct?

Mr. CARNAHAN. That is correct.

Mr. SPRINGER. I take it that it is reasonable, may I say to the gentleman from Missouri, to believe that in the future the United Nations expects to be faced with situations which are similar to those that exist between Israel and Egypt and that that is part of the purpose of this resolution. Am I correct?

Mr. CARNAHAN. Yes; and perhaps many other situations might arise.

Mr. SPRINGER. This then is in the nature of a so-called sheriff's posse or of a police group which hopes to prevent two illegal forces at work under the United Nations Charter from doing each other harm. Is that the essence of what this thing does?

Mr. CARNAHAN. That is right.

Mr. SPRINGER. One further point. In reading paragraph B, under "Resolved," I find this language:

> No individuals should be accepted for membership in this force who are nationals of the permanent members of the Security Council or states not members of the United Nations.

Would the gentleman care to develop that a little further, as to why that particular section was included?

Mr. CARNAHAN. It is the feeling of those who introduced the resolution that there would be better feeling about it if it were made up from the nationals of the smaller countries throughout the world, those who are not permanent members of the Security Council.

Mr. SPRINGER. There is one thing further that has disturbed me just a little. Is there any feeling on the part of the gentleman as to any limitation of numbers that would be in such a force by any one country?

Mr. CARNAHAN. That is another one of the many questions that I think should be very carefully explored, and we have made no attempt in the resolution to set a definite number.

Mr. SPRINGER. Is that one of the things that the gentleman expects to develop in the hearings?

Mr. CARNAHAN. That is right.

Mr. SPRINGER. And is there a possibility that there will be a percentage limitation on what any country may contribute to this force?

Mr. CARNAHAN. Personally, I would like to see a percentage limitation on the participation of any country in the force.

Mr. SPRINGER. I thank the gentleman.

Mr. CARNAHAN. I thank the gentleman for his excellent contribution and for his kind words.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Iowa.

Mr. GROSS. There is a so-called United Nations police force in the Middle East. Why is there no United Nations police force on or near the 38th parallel in Korea?

Mr. CARNAHAN. I am sure the gentleman can answer that question as well as I could.

Mr. GROSS. I cannot understand why there is a so-called police force in the Middle East and none on the 38th parallel in Korea to relieve American boys and American taxpayers of that responsibility. The gentleman, I think, will agree that that was supposed to be a United Nations police action.

Mr. CARNAHAN. If we had a police force as suggested by the resolution, I am sure that good use could be made of such a force.

Mr. GROSS. The police force was organized in the Middle East and is there now. Why was not one organized to police the 38th parallel in Korea?

Mr. CARNAHAN. I do not have the answer to the gentleman's question. However, I think the gentleman should understand from what I tried to say that we are not proposing a force of the proportions that can fight a war.

Mr. GROSS. Well, there is no war in Korea today.

Mr. WAINWRIGHT. Mr. Speaker, if the gentleman will yield, I would like to say in answer to the question of the gentleman from Iowa that I think he presents a very good question and it is quite conceivable, as was suggested here earlier, I believe by the gentleman from Arkansas, that this is just the sort of situation such action, if taken by the United Nations, would fit.

Mr. GROSS. Mr. Speaker, will the gentleman yield further?

Mr. CARNAHAN. I yield.

Mr. GROSS. Well, I think the reason why there is no United Nations police force, nor has there been, on the 38th parallel in Korea is because the United Nations has no appetite for fighting a real war. That was clearly demonstrated when the Korean war was fought, when we provided 95 percent of the men who did the fighting and dying and all of the financing.

Mr. WAINWRIGHT. That, sir, is the gentleman's opinion, and I always respect the gentleman's opinion.

Mr. Speaker, will the gentleman yield further?

Mr. CARNAHAN. I yield.

Mr. WAINWRIGHT. I would like to join the gentleman in support of the resolution and tell him that I, too, have introduced such a resolution today. I would like to add one or two thoughts to those presented here. Yesterday the Chief of Staff of the United States Army, General Taylor, presented to a group of us the two-war theory: The ultimate war, the atomic, nuclear war, and the so-called small war or brush-fire war, adding further that a nuclear war carried out by the great powers, Russia, United States, and England, could lead to the ultimate destruction of civilization. Small wars or brush-fire wars are carried out by men, by human beings. At the present time the great powers, including the United States, are making every effort to reduce their ground forces. That was indicated by the British white paper, relying wholly on the deterrent of a full war, ultimate war. The economists of modern-day civilization call for this kind of reduction. Mankind has to rely on manpower to put out the brush wars, and the gentleman's resolution and the resolutions that have been introduced today would provide just that sort of thing.

Last month I sent out a poll to some ten thousand people within the Congressional district I represent and asked this question: "Should the United Nations be authorized to raise its own troops and have its own army to be used to stop aggression?"

That is a far stronger statement than the gentleman's resolution and much stronger, for example, than the gentleman from Arkansas indicated that he would be interested in supporting. And yet, despite the surprising strength of that question, the returns show that 72 percent of the people are in favor of such a strong resolution and such a strong proposal and 28 percent of the people are against it. I cannot think of any better way to say that the American people, if my district is at all representative, are in favor of and would support a resolution of the kind introduced by those of us today.

I want to thank the gentleman and congratulate him.

Mr. CARNAHAN. I thank the gentleman for his contribution.

Mr. REUSS. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Wisconsin.

Mr. REUSS. Mr. Speaker, I want to commend my colleagues the gentleman from Missouri [Mr. CARNAHAN] and the gentleman from New Jersey [Mr. FRELINGHUYSEN] for their constructive initiative and imagination in introducing

today the concurrent resolution favoring the creation of a permanent United Nations police force.

I heard a moment ago the observations of the gentleman from Iowa [Mr. GROSS] on the lack of appetite of the United Nations for police action. I should think the best way to whet that appetite would be for him to give his vigorous support to this splendid resolution.

It was a significant moment in world history last November when a U. N. General Assembly established the United Nations emergency force to meet the critical need for an international armed patrol in the Middle East. For the first time there came into being an independent military unit capable of giving practical expression to the collective judgment of the world community. Now it seems to me is the time to capitalize on this successful experience in the Middle East by a careful examination of the possibility of creating this permanent international police force.

The concurrent resolution just introduced suggests some of the conditions under which such a force might best operate. Wide public discussion will serve a very useful purpose, and I hope that the very introduction of this resolution will stimulate fruitful debate. I believe it is altogether appropriate that this House should take the lead in such a debate.

Mr. CARNAHAN. I thank the gentleman very much.

Mr. MERROW. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from New Hampshire.

Mr. MERROW. Mr. Speaker, I want to commend the gentleman from Missouri [Mr. CARNAHAN] for introducing this splendid resolution. I am in support of the measure and have today introduced a resolution which is identical with the one the gentleman introduced and with the similar resolutions introduced by my colleagues who have spoken here in connection with this subject.

I should like also to take the opportunity, Mr. Speaker, to commend the gentleman for the splendid work he is doing in foreign affairs. It is my privilege to sit under his chairmanship of the Subcommittee on International Organizations and Movements of the House Committee on Foreign Affairs. He is doing an excellent piece of work in conducting hearings throughout the country to determine what the feeling is in reference to the great issues of foreign policy.

I congratulate him for the introduction of this resolution. I hope it is soon acted upon and approved by a heavy majority.

Mr. CARNAHAN. I thank my friend, the gentleman from New Hampshire, for his kind words. I have worked on the Committee on International Organizations and Movements under the chairmanship of the gentleman from New Hampshire [Mr. MERROW]. He did a fine piece of constructive work while he was chairman of that subcommittee.

Mr. HASKELL. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Delaware.

Mr. HASKELL. May I ask as to the process within the United Nations regarding how and when this police force will be called upon to be used? I notice there will be hearings on this matter and the details are possibly not clear yet, but I wonder if the gentleman can give me a general idea of how there will come to pass the use of a permanent force as opposed to, for instance, the ad hoc force that is now in being.

Mr. CARNAHAN. It is thought the force would be established under the authority of the General Assembly and would be under the direction of the General Assembly after it came into being.

Mr. HASKELL. The Security Council itself would not have the decision?

Mr. CARNAHAN. That is a question that would need to be carefully explored. We had thought the force would be set up under the General Assembly.

Mr. HALE. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Maine.

Mr. HALE. I regret very much I have not been here to hear all the gentleman's speech. I came into the Chamber rather late.

I am deeply interested in the subject matter the gentleman has been discussing, and I am in full support of the resolution he has introduced. Indeed, I myself expect in a few moments to introduce a similar resolution.

I believe very strongly that some permanent police force is calculated to be of great service to the world at a time like the present. Too much, of course, should not be expected of it; the police force would not be an army. It could not carry on war such as the United Nations carried on in Korea from 1950 to 1953. Certainly, however, the present police force in the Middle East has, I think it cannot be denied, performed an immensely useful function. It may well be that a similar police force could be used to advantage in some other situations even today, and surely situations will arise in which such a force would be of great value. This year, when the present police force was created, and created very hastily, it was an ad hoc police force. I think it is extraordinary that it was possible to recruit so good a force in so short a time. I believe it has done an extraordinarily useful work. All of us should feel very grateful indeed for the services that have been performed.

I most heartily commend the gentleman for what he has done and for his able discussion of his resolution and the occasion therefor. I hope that this group of resolutions will receive early and attentive consideration in his committee.

Mr. CARNAHAN. Mr. Speaker, I want to express appreciation to all of those who have contributed to this debate and ask unanimous consent that all Members may revise and extend their remarks at this point on this subject.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BOYLE. Mr. Speaker, it is indeed a pleasure to support the concurrent resolution just introduced by my colleagues, Congressmen CARNAHAN, FRELINGHUYSEN, and RUSS, which favors the creation of a permanent United Nations police force.

Twice the United Nations has extended its authority over armed forces engaged in restoring peace—once in Korea and now in the Middle East. The latter force, in particular, is demonstrating the power and usefulness of which the U. N. can be capable if given the necessary authority and equipment. The objective of this resolution is not new or startling. A permanent U. N. police force was architected by the authors of the United Nations Charter, and was considered by them to be fundamental to the cause of lasting world peace. Attempts were made in the earliest years of the United Nations to realize this dream, but efforts by the free nations to implement the design were frustrated by the Soviet sphere.

The respect and usefulness of the United Nations emergency force in the Middle East offers the hope that world opinion will so demand its continuation on a permanent basis that Russia will at last be forced to agree.

It is altogether fitting that this Congress initiate and encourage this step. The authors of the resolution are to be congratulated on their foresight in sponsoring this resolution, which may result in a new chapter in the power and influence for peace of the United Nations.

ATOMIC ENERGY COMMISSION PROCEDURES IN LICENSING OF REACTOR FACILITIES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. PRICE] is recognized for 30 minutes.

Mr. PRICE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, for some time, I have had concern regarding the procedures which have been followed by the Atomic Energy Commission in the granting of licenses for nuclear power reactors. Recently, the staff of the Joint Committee on Atomic Energy completed a study of AEC procedures and organization in the licensing of reactor facilities. This report is available from the Joint Committee on Atomic Energy and I recommend it to those who are interested in this matter.

We have had a remarkable record in the United States in regard to the development of the atomic energy industry with a minimum of accidents and public hazards. I, for one, am determined, however much this industry changes under the impact of the amendments of the Atomic Energy Act of 1954, that we shall do everything possible to keep our record in the future at as high a standard of safety as we have had in the past. There are a number of developments, however, that concern me in this regard, not the least of which is the procedure which the AEC followed in connection

with the granting of a conditional permit to the Power Reactor Development Corporation for the construction of a fast breeder reactor in Monroe, Mich.

I can understand their desire for rapid progress in this field. I have joined with my colleagues in expressing concern about the failure to make more rapid strides under the existing program in the United States, in view of the progress which has been made in Canada, Great Britain and Soviet Russia. Nevertheless, Mr. Speaker, I do not feel that the announcement made by the Chairman of the Atomic Energy Commission early last summer at the groundbreaking ceremony at Lagoona Beach had to proceed on the first anniversary of the United Nations Atomic Energy Conference in Geneva in the face of and in contradiction of the recommendations of the Advisory Committee on Reactor Safeguards. This committee consists of an outstanding group of independent scientists and engineers who have had a historic role of importance since 1947 in providing the AEC with formal and informal expert guidance. Never before had the Atomic Energy Commission proceeded with the construction of a reactor or a nuclear facility in the face of an adverse report by the ACRS or its predecessor committees. It is unfortunate that there have been substantial changes in the role of this committee since this report was issued. Some informed people who are close to the operations of the AEC feel that the changed status of this committee is due to a desire to avoid the issuance of another report similar to the June 6 letter.

There was a strange sequence of events regarding this committee's report which was publicly referred to for the first time before the Committee on Appropriations on Friday, June 29, 1956. In the hearings on the Second Supplemental Appropriations bill, 1957, on page 225, with the full membership of the Commission before them, the committee asked about this Advisory Committee report. Commissioner Thomas E. Murray pointed out and I quote: "All reactor designs must be submitted to the Reactor Safeguard Committee to get their approval before we will grant licenses or construction permits to go ahead." He then read from portions of the committee's report. It is now clear, Mr. Speaker, that these were the pertinent portions of this report. In order that the Members of the House may see how pertinent, apart from the technical language that it contains, I include the entire body of the June 6, 1956, report of the Advisory Committee on Reactor Safeguards in the RECORD at this point in my remarks:

REPORT OF ADVISORY COMMITTEE ON REACTOR SAFEGUARDS ON PRDC APPLICATION—MADE PUBLIC BY AEC ON OCTOBER 9, 1956

JUNE 6, 1956.

Subject: Power Reactor Development Co. (Atomic Power Development Associates) Fast Power Reactor (Reports APDA 108 and 114)

Mr. K. E. FIELDS,

General Manager, United States Atomic Energy Commission, Washington, D. C.

DEAR MR. FIELDS: The present status of the reactor being proposed by the Power Reactor Development Co., associated with Atomic Power Development Associates, was reviewed by the Advisory Committee on Reactor Safeguards at its 18th meeting on June 3, 1956. This review included the design of the reactor, the state of information on the nuclear properties and the relation of the reactor to its containment and its site. The proposed PRDC reactor represents a greater step beyond the existing state of the art than any other reactor of comparable power level which has been proposed by an industrial group.

From this review the following conclusions were derived:

1. Even though there are no facts or calculations available to the committee that clearly indicate that the proposed reactor is not safe for this site, the committee believes there is insufficient information available at this time to give assurance that the PRDC reactor can be operated at this site without public hazard.

2. It appears doubtful that sufficient experimental information will be available in time to give assurance of safe operation of this reactor unless the present fast reactor program of the AEC is amplified and accelerated as detailed below.

3. It is impossible to say whether or not an accelerated program would give sufficient information to permit safe operation of this reactor at the Lagoona Beach site on the time schedule presently proposed.

The following program of investigation is suggested in order to provide information to judge the safety of the proposed operation:

(NOTE.—APDA-108: Description of Developmental Fast Neutron Breeder Power Reactor Plant, September 1, 1955. APDA-114 Location and Environmental Safety of Development Fast Breeder Power Reactor Plant. Some Supplementary Safeguard Topics Relevant to the Power Reactor Development Co. Reactor.)

1. The origin of the positive component of the temperature coefficient in EBR-I must be established. A clear demonstration must be given that a coefficient of this magnitude cannot exist in the PRDC design. The experimental program required would involve three phases:

(a) Study of the spontaneous behavior of a new EBR-I core designed with rigid fuel elements to insure against the possibility of bowing. Such a study might have to include experiments with both series and parallel flow through core and blanket.

(b) Extensive studies of oscillator experiments on the PRDC design with a simulator, using a wide variety of component temperature coefficients and associated time constants. These studies should be designed to demonstrate that oscillator tests in the startup of the PRDC reactor can produce all the temperature coefficient information required to assure safe transient properties of the reactor, i. e., a negative prompt temperature coefficient of sufficient magnitude to prevent a fuel meltdown.

(c) Further experimental work on ZPR-III to show the magnitude and size of the Doppler effect in order to verify the theory.

2. The magnitude, time constant, and sign of the various components of the temperature coefficients in the PRDC design must be evaluated together with a reasonably complete theoretical understanding of their origin in terms of the mechanical design. This program has three aspects:

(a) A demonstration by the simulator studies under 1 (b)—that the proposed startup program on PRDC can give the information required over a wide range of possible coefficients and time constants.

(b) Conduct of oscillator studies on the EBR-II reactor to show that they are feasible and capable of being interpreted to give the necessary information.

(c) Startup program on the PRDC reactor itself to obtain the final information needed before the reactor can be safely operated at full power without meteorological restrictions.

The objective of this program must be to ascertain whether the various negative coefficients are sufficient to prevent meltdown under any conceivable circumstances of control maloperation.

3. The committee as a whole was not satisfied with the evidence presented that no credible supercriticality accident resulting from meltdown could breach the container. It is felt that a more extensive theoretical and experimental program to examine all the possibilities needs to be established and pursued vigorously. The following are examples: mechanical mockup studies designed to study distortion of core on sudden melting, criticality studies in ZPR-III design to investigate maximum supercritical arrangements, detailed design studies of the reactor structure, with supporting mockup experiments, to insure subcritical distribution of melted fuel and to assure that free fall of core parts cannot reassemble a critical mass suddenly.

4. It is considered critically important that the EBR-II program be pursued more aggressively and coordinated more closely with the PRDC design than is presently the case. The EBR-II program is the only program now constituted which could provide engineering information and operating experience on a high-power-density fast reactor in advance of the scheduled date for operation of the PRDC reactor.

The nature and content of the EBR-II program which the committee considers essential depends on the outcome of investigation 3 above. If it can be shown that a supercritical accident with sufficient energy release to breach the building cannot take place, then the EBR-II program should be aimed at providing general engineering information relevant to the economical design and safe operation of the PRDC reactor.

On the other hand, if it cannot be shown that breaching of the building during a meltdown is impossible, then a much more extensive EBR-II program is required. The test reactor to be operated as EBR-II should then be a genuine prototype of the PRDC reactor. The fuel elements of the test reactor should be identical in all essentials to those proposed for the PRDC reactor, and operated at power densities at least as high as those to be used in the PRDC reactor. The static and dynamic properties of the test reactor should be fully investigated, completely understood theoretically and proved incapable of causing meltdown. These properties should be investigated both for the reactor with its initial charge of U-235 and U-238 and for the reactor with the steady-state concentration of plutonium in the core.

5. The program should not be limited to the above points but should be broadened to whatever extent may be shown necessary by the program itself.

The committee wishes to note that the experience that now exists on fast power reactors of high power density is not wholly reassuring. While the ERB-I incident is not directly relevant in this connection because the reactor was known to possess an unstable prompt power coefficient under the conditions of the terminal experiment, nevertheless the fact remains that the orgin of this unstable coefficient has not been clearly established and therefore its possible occurrence in the PRDC design cannot be definitely excluded on the basis of present experimental information. Opinions differ as to whether its absence can be completely assured in a safe way by the oscillator tests in the prestartup program proposed for the PRDC reactor in situ.

The committee considers it important that bold steps be taken to advance the development of the fast breeder reactor concept and commends the willingness of the Power Reactor Development Co. to risk its capital and prestige in advancing the development of this reactor concept. But the committee does not feel that the steps to be taken should be so bold as to risk the

health and safety of the public. It is important for the AEC to provide sufficient development facilities and experimental information that the safety aspects of the PRDC reactor can be reliably appraised in advance of operation of the reactor itself.

Sincerely yours,

C. ROGERS MCCULLOUGH,
Chairman, Advisory Committee on Reactor Safeguards.

Now, Mr. Speaker, what happened regarding this matter. At that time, the request was made to pass over this issue until a later date. Mr. Strauss said that the matter was under consideration by the Atomic Energy Commission. At one point, he said:

The Commission has taken no action.

When pressed as to why the committee had not been given full knowledge of this safety problem or why it "was not mentioned to us, Mr. Chairman"? Mr. Strauss said:

It was. It was stated that this fast breeder was the most hazardous of all the reactors (p. 239).

When the committee suspended action and requested further information, Mr. Strauss returned on July 3, 1956, and said, among other things:

The Commission has not acted upon the subject of the safety aspects of the proposed reactor and the Detroit Edison Co. and associates are waiting, as are many others interested in this business, on the action that is expected and hoped for from the Congress at this session on the bill to assist in the indemnification of third parties against the possibility of a reactor incident.

The Commission appeared in the other body just 3 days later on Friday, July 6, 1956. It is interesting to note that in the absence of Commissioner Murray, not one single mention was made to the Appropriations Committee of the other body regarding the safety problems of the fast breeder reactor.

No further report was made to Congress. We all know Congress adjourned on July 27. Five days later on Friday, August 3, the Commission met and voted for the first time to ignore its Advisory Committee on Reactor Safeguards. Several members of the Joint Committee who were informed immediately issued protests at the Atomic Energy Commission's action. The Commission has raised a real question as to whether the promotion of this new industry should be made by the same agency which regulates it. The Joint Committee will soon have to consider this question. Meanwhile, a number of members have proceeded to seek legislative action to force the Commission to comply with the procedures which have brought the high safety record we have enjoyed to date. I agree wholeheartedly with the bills which have been introduced, even though the bill which I have introduced today differs in some major respects from those which have been introduced earlier. The major differences are:

My bill not only gives legislative status to the Committee on Reactor Safeguards but sets a minimum of members to carry on this important activity as well as the maximum which is provided in the earlier bills.

To maintain the high level of performance which has been carried on by the high quality of the members in the past, I provide that the membership shall consist of outstanding scientists and engineers. It is important that men of outstanding achievement in their fields who have a sense of social responsibility constitute the membership of this important committee. We do not want to hold back the development of industry based on the nuclear sciences, but we know that these industries can be brought into being in a safe and prudent manner. Men of independent judgment and stature in their professions can make this kind of finding without challenge to their integrity or scientific judgment.

When the Commission acted on the PRDC conditional permit, the then chairman of the Joint Committee, Senator CLINTON ANDERSON, said, among other things:

From a practical standpoint, AEC might feel obligated to go on through with a bad deal with respect to public safety because they will have permitted the expenditure of huge sums under the construction permit. It is my belief that decisions on safety should be made without any examination of dollars involved but only from the standpoint of human lives.

I agree thoroughly with this statement of position and I have included "construction permits of licenses or other nuclear facilities" under the requirements of my bill so that it will be clear that safety considerations will apply to construction as well as operation of the facilities under consideration. I do not see how you can draw a distinction here, but since the AEC is insisting that they are drawing a distinction in the PRDC case, I have included construction permits under the purview of the Committee on Reactor Safeguards.

This Commission has made the ruling since the Advisory Committee report was made public that all future reports will be considered internal documents and, therefore, their publication will be forbidden. I cannot understand this action in view of Admiral Strauss' admission in a letter to the Chairman of the Joint Committee on Atomic Energy on October 9, 1956, when he said:

Reviewing the circumstances in connection with your request for this document our request that it be treated as administratively confidential was a mistake.

Yet, on October 31, 1956, the Commission transmitted its new proposed regulation on public records. In this letter, the Commission said:

This regulation adopts the philosophy that all of the records of the Commission relating to its regulatory activities are available for public inspection except in certain specified areas.

I had understood this to mean that all information regarding safety would be made public. Many people hailed this proposed regulation based on the same interpretation which I had given it. Yet, it now turns out that section 9.4c excludes from the public records interagency and intraagency communications. The very report which started this whole case which was denied to the Joint Committee except on an administratively confidential basis is now excluded from the public record. The reports of the Advisory Committee on Reactor Safeguards which had been considered intraagency communications would also be excluded. I have, therefore, provided in my bill that "upon submission of the report to the Commission, it shall be made part of the public record." I provide that it shall be published and if portions of it require security classification that it shall be published in an unclassified form. There is no reason that the safety aspects of this new industry should not have the widest circulation and discussion so that all who are interested may have knowledge and contribute to the formation of public opinion, in regard to the development of this new industry. After these reports are made public, my bill provides for notice in the Federal Register and the holding of a public hearing after 30 days, with the further requirement that no permit or license be issued until at least 60 days will have elapsed from the publication of the safeguard committee's report.

Mr. Speaker, I hope that the Congress will have an early opportunity to take action on this bill. The atomic industry is moving ahead. We must have public knowledge of the risks which are involved and the knowledge of the steps which should be taken to meet these risks so that we shall achieve public acceptance and help restore the United States to the world leadership which we had in the first decade of this new science.

A BILL TO WAIVE RECOVERY OF ERRONEOUS PAYMENTS TO MEMBERS OF THE ARMED SERVICES

Mr. WILSON of California. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WILSON of California. Mr. Speaker, I am today introducing a bill authorizing the Comptroller General to waive the recovery by the Government of erroneous payments to members of the armed services.

Many times I have had brought to my attention the problem of service personnel who have received erroneous payments from the Government. Years later discovery of the error is made and recovery is attempted by the Government. In nearly all such cases the money has been paid and received in good faith, and repayment works an unnecessary hardship on the individual. The result is that the Congress must from time to time pass special legislation for the relief of such individuals.

The bill will permit the Comptroller General to waive recovery where repayment would be "against equity and good conscience," and where the payment had been made without error on the part of the individual who received it.

Because the Comptroller General is directly responsible to the Congress, I feel that he is the logical individual to adjudicate the waiver question. I urge the passage of this legislation.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. WOLVERTON, from May 2 to June 6, 1957, inclusive, in order to attend as a Congressional adviser to the United States delegation, the World Health Conference at Geneva, Switzerland.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. CARNAHAN, today, for 1 hour.

Mr. BOYLE, for 1 hour, on Monday, May 6.

Mr. MACHROWICZ, for 1 hour, on May 6, on the occasion of Polish Constitution Day.

Mr. CHRISTOPHER, on Wednesday, May 8, for 1 hour, to commemorate the birthday of that greatest of living Americans, Harry S. Truman.

Mr. MASON, for 45 minutes, on May 13, on the subject States Rights and the Constitution Versus Civil Rights and the Supreme Court.

Mr. HARVEY, for 30 minutes, on Monday next.

Mr. KEATING, for 30 minutes, on Monday next.

Mr. PRICE, for 30 minutes, today.

Mr. PATMAN, for 30 minutes, on Monday and Thursday of next week, and to revise and extend his remarks and include extraneous matter.

Mr. BAILEY, for 30 minutes, on Monday next; and the special order granted to Mr. BAILEY for today was vacated.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. FORAND in two instances.

Mr. FISHER and to include extraneous matter.

Mr. HUDDLESTON.

Mr. RODINO.

Mr. SMITH of Wisconsin and to include extraneous matter.

Mr. BYRNE of Illinois and to include an editorial.

Mr. KEAN and to include an address by Congresswoman DWYER.

Mr. COLE.

Mr. BECKER (at the request of Mr. PILLION).

Mr. VAN ZANDT and to include extraneous matter.

Mr. HENDERSON.

Mr. DEROUNIAN and to include extraneous matter.

Mr. YATES.

Mr. FASCELL.

Mr. FARBSTEIN.

Mr. SIKES and to include extraneous matter.

Mr. ANFUSO (at the request of Mr. MCCORMACK) and to include extraneous matter.

Mr. PATTERSON (at the request of Mr. HOSMER) and include related matter.

Mr. CRETELLA and to include editorials.

Mr. BYRD.

Mr. BAILEY and to include an address by ROBERT C. BYRD.

Mr. CANFIELD (at the request of Mr. FRELINGHUYSEN) and to include extraneous matter.

Mr. GWINN and to include a speech on Federal aid to education.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1474. An act to amend section 401 (e) of the Civil Aeronautics Act of 1938, as amended, in order to grant permanent certification to air carriers engaged in domestic all-cargo operations without subsidy; to the Committee on Interstate and Foreign Commerce.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on April 18, 1957, present to the President, for his approval, a joint resolution of the House of the following title:

H. J. Res. 312. Joint resolution making additional appropriations for the fiscal year 1957, and for other purposes.

ADJOURNMENT

Mr. REUSS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 56 minutes p. m.), under its previous order, the House adjourned until Monday, May 6, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

813. A letter from the Comptroller General of the United States, transmitting a report on the audit of Federal Prison Industries, Inc., for the fiscal year ended June 30, 1956 (H. Doc. No. 171); to the Committee on Government Operations and ordered to be printed.

814. A letter from the Comptroller General of the United States, transmitting the first report on the audit of activities of the Bureau of Public Roads, Department of Commerce, for the fiscal year 1956; to the Committee on Government Operations.

815. A letter from the Secretary of Defense, transmitting a draft of proposed legislation entitled "A bill to authorize certain construction at military installations, and for other purposes"; to the Committee on Armed Services.

816. A letter from the Chairman, National Labor Relations Board, transmitting the 21st Annual Report of the National Labor Relations Board for the year ended June 30, 1956, pursuant to the Labor Management Relations Act of 1947; to the Committee on Education and Labor.

817. A letter from the Director, National Science Foundation, transmitting the report of the National Science Foundation concerning the feasibility of a geophysical institute located in the Territory of Hawaii, pursuant to Public Law 909, 84th Congress; to the Committee on Interior and Insular Affairs.

818. A letter from the Archivist of the United States, transmitting a report on lists or schedules covering records proposed for disposal by certain Government agencies, pursuant to the act approved July 6, 1945 (59 Stat. 434); to the Committee on House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PRICE: Committee on Armed Services. H. R. 1214. A bill to authorize the President to award the Medal of Honor to the unknown American who lost his life while serving overseas in the Armed Forces of the United States during the Korean conflict; without amendment (Rept. No. 381). Referred to the Committee of the Whole House on the State of the Union.

Mr. WINSTEAD: Committee on Armed Services. H. R. 6881. A bill to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Boy Scouts of America for use at the Gold Rush '57 Jamboree of the Boy Scouts of America, and for other purposes; without amendment (Rept. No. 382). Referred to the Committee of the Whole House on the State of the Union.

Mr. DELANEY: Committee on Rules. House Resolution 244. Resolution for consideration of H. R. 52, a bill to provide increases in service-connected disability compensation and to increase dependency allowances; without amendment (Rept. No. 383). Referred to the House Calendar.

Mr. THORNBERRY: Committee on Rules. House Resolution 245. Resolution for consideration of H. R. 72, a bill to amend section 21 of the World War Veterans' Act, 1924, to provide for the disposition of certain benefits which are unpaid at the death of the intended beneficiary; without amendment (Rept. No. 384). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 246. Resolution for consideration of H. R. 6659, a bill to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes; without amendment (Rept. No. 385). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KILDAY: Committee on Armed Services. S. 394. An act to waive the limitation on the time within which a Medal of Honor may be awarded to Comdr. Hugh Barr Miller, Jr., United States Navy; without amendment (Rept. No. 380). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FORAND:

H. R. 7125. A bill to make technical changes in the Federal excise tax laws, and for other purposes; to the Committee on Ways and Means.

By Mr. BYRNE of Illinois:

H. R. 7126. A bill to amend section 602 of the Federal Property and Administrative

Services Act of 1949 with respect to the utilization and disposal of excess and surplus property under the control of executive agencies; to the Committee on Government Operations.

H. R. 7127. A bill to amend the Internal Revenue Code of 1954 to increase the amount of the personal exemption to which a taxpayer is entitled with respect to a dependent who is a student and whose educational expenses are paid by such taxpayer; to the Committee on Ways and Means.

H. R. 7128. A bill to provide for improved methods of stating budget estimates and estimates for deficiency and supplemental appropriations; to the Committee on Government Operations.

H. R. 7129. A bill to establish a Federal policy concerning the termination, limitation, or establishment of business-type operations of the Government which may be conducted in competition with private enterprise, and for other purposes; to the Committee on Government Operations.

By Mr. VINSON:

H. R. 7130. A bill to authorize certain construction at military installations, and for other purposes; to the Committee on Armed Services.

By Mr. BUCKLEY:

H. R. 7131. A bill to amend an act extending the authorized taking area for public building construction under the Public Buildings Act of 1926, as amended, to exclude therefrom the area within E and F Streets and 19th Street and Virginia Avenue NW., in the District of Columbia; to the Committee on Public Works.

By Mrs. DWYER:

H. R. 7132. A bill to amend the Internal Revenue Code of 1954 so as to allow a deduction for certain expenses incurred by a taxpayer for the care of his children while his wife is physically or mentally incapable of caring for such children; to the Committee on Ways and Means.

By Mr. FISHER:

H. R. 7133. A bill to extend the interim system for appointment of cadets to the United States Air Force Academy for an additional period of 4 years; to the Committee on Armed Services.

By Mr. FORAND:

H. R. 7134. A bill to amend title II of the Social Security Act to include Rhode Island and California among the States which are permitted to divide their retirement systems into two parts so as to obtain social security coverage, under State agreement, for only those State and local employees who desire such coverage; to the Committee on Ways and Means.

By Mr. HILL:

H. R. 7135. A bill to admit free of duty a water tunnel to be imported for use at Colorado State University, Fort Collins, Colo.; to the Committee on Ways and Means.

By Mr. LAIRD:

H. R. 7136. A bill to provide a minimum initial program of tax relief for small business and for persons engaged in small business; to the Committee on Ways and Means.

By Mr. PHILBIN:

H. R. 7137. A bill to amend title 10, United States Code, to authorize persons from friendly nations to receive instruction at the United States Military, Naval, and Air Force Academies; to the Committee on Armed Services.

By Mr. PORTER:

H. R. 7138. A bill to establish a Congressional policy for the determination of postal rates and fees; to the Committee on Post Office and Civil Service.

By Mr. PRICE:

H. R. 7139. A bill to amend the Atomic Energy Act of 1954, as amended, with respect to procedures on application for facility licenses, and for other purposes; to the Joint Committee on Atomic Energy.

By Mrs. ST. GEORGE:

H. R. 7140. A bill to amend title 10, United States Code, to authorize a registrar at the United States Military Academy, and for other purposes; to the Committee on Armed Services.

H. R. 7141. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. SAYLOR:

H. R. 7142. A bill to increase from $600 to $750 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemption for a dependent, and the additional exemption for old age or blindness); to the Committee on Ways and Means.

By Mr. VINSON:

H. R. 7143. A bill to amend the act of August 3, 1950, as amended, to continue in effect the provisions relating to the authorized personnel strengths of the Armed Forces; to the Committee on Armed Services.

By Mr. WAINWRIGHT:

H. R. 7144. A bill to authorize the National Potato Grade Labeling Act, which provides quality requirements for, and the inspection, certification, and labeling of Irish potatoes; to the Committee on Agriculture.

By Mr. ABERNETHY (by request):

H. R. 7145. A bill to amend the act entitled "An act to regulate the practice of optometry in the District of Columbia"; to the Committee on the District of Columbia.

By Mr. BALDWIN:

H. R. 7146. A bill to amend the Federal Employees' Compensation Act to increase the benefits provided thereunder for paraplegics; to the Committee on Education and Labor.

By Mr. BERRY:

H. R. 7147. A bill to permit one-half of the budget surplus for any fiscal year to be applied against the public debt and to provide that one-half of such surplus shall be applied to tax credits against individual income taxes; to the Committee on Ways and Means.

By Mr. BONNER:

H. R. 7148. A bill to amend the Internal Revenue Code of 1954 to extend the period for amortization of grain-storage facilities; to the Committee on Ways and Means.

By Mr. BURNS of Hawaii:

H. R. 7149. A bill to provide for the periodic transfer to the Hawaiian home-development fund of certain excess funds in the Hawaiian home administration account; to the Committee on Interior and Insular Affairs.

By Mr. CELLER:

H. R. 7150. A bill to provide for the settlement of claims of military personnel and civilian employees of the Federal Government for damage to, or loss, destruction, capture, or abandonment of, personal property occurring incident to their service, and for other purposes; to the Committee on the Judiciary.

H. R. 7151. A bill to fix fees payable to the Patent Office and for other purposes; to the Committee on the Judiciary.

H. R. 7152. A bill to amend the act relating to the small claims and conciliation branch of the municipal court of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mrs. GREEN of Oregon:

H. R. 7153. A bill giving the consent of Congress to a compact between the State of Oregon and the State of Washington establishing a boundary between those States; to the Committee on the Judiciary.

By Mr. GUBSER:

H. R. 7154. A bill to admit free of duty a beta-ray spectrometer to be imported for use at Stanford University, Stanford, Calif.; to the Committee on Ways and Means.

By Mr. HASKELL:

H. R. 7155. A bill to amend sections 4 (a) and 7 (a) of the Vocational Rehabilitation Act; to the Committee on Education and Labor.

By Mr. HIESTAND:

H. R. 7156. A bill to repeal sections 5 and 6 of the Federal Water Pollution Control Act; to the Committee on Public Works.

By Mr. HOLMES:

H. R. 7157. A bill giving the consent of Congress to a compact between the State of Oregon and the State of Washington establishing a boundary between those States; to the Committee on the Judiciary.

By Mr. MACK of Washington:

H. R. 7158. A bill giving the consent of Congress to a compact between the State of Oregon and the State of Washington establishing a boundary between those States; to the Committee on the Judiciary.

By Mr. MERROW:

H. R. 7159. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. NORBLAD:

H. R. 7160. A bill giving the consent of Congress to a compact between the State of Oregon and the State of Washington establishing a boundary between those States; to the Committee on the Judiciary.

By Mr. PELLY:

H. R. 7161. A bill to amend section 4462 of the Revised Statutes, as amended, with respect to certain vessels carrying freight for hire on the inland waters of southeastern Alaska or between such waters and the inland waters of the State of Washington; to the Committee on Merchant Marine and Fisheries.

By Mr. SANTANGELO:

H. R. 7162. A bill to amend the Fair Labor Standards Act of 1938 to include hotel workers within its coverage; to the Committee on Education and Labor.

By Mr. TOLLEFSON:

H. R. 7163. A bill giving the consent of Congress to a compact between the State of Oregon and the State of Washington establishing a boundary between those States; to the Committee on the Judiciary.

By Mr. ULLMAN:

H. R. 7164. A bill giving the consent of Congress to a compact between the State of Oregon and the State of Washington establishing a boundary between those States; to the Committee on the Judiciary.

By Mr. AVERY:

H. R. 7165. A bill to amend section 401b of the act of July 14, 1952, to permit applications for moving costs resulting from military public works projects to be filed either 1 year from the date of acquisition or 1 year following the date of vacating of the property; to the Committee on Armed Services.

By Mr. HARRIS:

H. R. 7166. A bill to amend the Railroad Retirement Act of 1937 and the Railroad Unemployment Insurance Act; to the Committee on Interstate and Foreign Commerce.

By Mr. HOFFMAN:

H. R. 7167. A bill to amend section 1314 of the act of August 7, 1953, Public Law 207, 83d Congress (67 Stat. 418), with respect to the authority of Federal officers and agencies to withhold information and limit the availability of records; to the Committee on Appropriations.

By Mr. LANE:

H. R. 7168. A bill to prescribe policy and procedure in connection with construction contracts made by executive agencies, and for other purposes; to the Committee on the Judiciary.

By Mr. REES of Kansas:

H. R. 7169. A bill to amend the Railroad Retirement Act of 1937, the Railroad Retirement Tax Act, and the Railroad Unemployment Insurance Act, so as to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SMITH of Mississippi:

H. R. 7170. A bill to amend the Internal Revenue Code of 1954 with respect to information required from certain tax-exempt organizations; to the Committee on Ways and Means.

By Mr. WAINWRIGHT:

H. R. 7171. A bill to create a Federal Advisory Council of Health in the Executive Office of the President in accordance with the recommendations of the Commission on Organization of the Executive Branch of the Government, to evaluate and advise on reorganizing the conduct of the several medical programs in respects necessary to achieve a maximum of economy and to eliminate duplications of efforts and competition among the several departments and agencies; to the Committee on Interstate and Foreign Commerce.

By Mr. DAWSON of Illinois:

H. R. 7172. A bill to amend section 3 of chapter 324 of the act of June 11, 1946 (60 Stat. 238), to clarify and protect the right of the public to information; to the Committee on the Judiciary.

By Mr. FASCELL:

H. R. 7173. A bill to amend section 3 of chapter 324 of the act of June 11, 1946 (60 Stat. 238), to clarify and protect the right of the public to information; to the Committee on the Judiciary.

By Mr. MOSS:

H. R. 7174. A bill to amend section 3 of chapter 324 of the act of June 11, 1946 (60 Stat. 238), to clarify and protect the right of the public to information; to the Committee on the Judiciary.

By Mr. MERROW:

H. J. Res. 315. Joint resolution to authorize the Secretary of Commerce to sell certain vessels to certain citizens of the Federal Republic of Germany; to the Committee on Merchant Marine and Fisheries.

By Mr. CARNAHAN:

H. Con. Res. 165. Concurrent resolution calling for creation of a permanent United Nations police force; to the Committee on Foreign Affairs.

By Mr. FRELINGHUYSEN:

H. Con. Res. 166. Concurrent resolution favoring the creation of a permanent United Nations police force; to the Committee on Foreign Affairs.

By Mr. MERROW:

H. Con. Res. 167. Concurrent resolution calling for creation of a permanent United Nations police force; to the Committee on Foreign Affairs.

By Mr. WAINRIGHT:

H. Con. Res. 168. Concurrent resolution to create a permanent United Nations police force; to the Committee on Foreign Affairs.

By Mr. HALE:

H. Con. Res. 169. Concurrent resolution to create a permanent United Nations police force; to the Committee on Foreign Affairs.

By Mr. REUSS:

H. Con. Res. 170. Concurrent resolution to create a permanent United Nations police force; to the Committee on Foreign Affairs.

By Mr. PATMAN:

H. Res. 242. Resolution providing for the consideration of H. R. 11, a bill to reaffirm the national public policy and purpose of Congress in the laws against unlawful restraints and monopolies, and for other purposes; to the Committee on Rules.

By Mr. GUBSER:

H. Res. 243. Resolution expressing the sense of the House that the Secretary of Health, Education, and Welfare should study and investigate the Santa Cruz plan for the rehabilitation of hospitalized mental patients; to the Committee on Interstate and Foreign Commerce.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. FORAND: Memorial of the Rhode Island General Assembly memorializing Congress for the express purpose of establishing a Veterans' Administration Hospital for Mental Diseases in Rhode Island; to the Committee on Veterans' Affairs.

By the SPEAKER: Memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States relative to a compact relating to the boundary between the States of Oregon and Washington along the course of the Columbia River; and declaring an emergency; to the Committee on the Judiciary.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to amend the Hawaii Organic Act so as to provide for annual regular sessions of the legislature and increase the compensation of members of the legislature; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California (by request):

H. R. 7175. A bill for the relief of Roberta Sung, Rebecca Sung, and Mrs. Ching Fang Lee Sung; to the Committee on the Judiciary.

By Mr. ANFUSO:

H. R. 7176. A bill for the relief of Annie Manolos; to the Committee on the Judiciary.

By Mr. AUCHINCLOSS:

H. R. 7177. A bill for the relief of Edward J. Bolger; to the Committee on the Judiciary.

By Mr. AYRES:

H. R. 7178. A bill for the relief of Mr. and Mrs. Joseph D. Metzgar; to the Committee on the Judiciary.

By Mr. BENNETT of Florida:

H. R. 7179. A bill for the relief of Mrs. Serafina Fernandez Maldonado; to the Committee on the Judiciary.

By Mr. BOLLING:

H. R. 7180. A bill for the relief of Lee Wing Soon; to the Committee on the Judiciary.

By Mr. BROOMFIELD:

H. R. 7181. A bill for the relief of Mrs. Sachiko Kojima Johnson; to the Committee on the Judiciary.

By Mr. BURNS of Hawaii:

H. R. 7182. A bill for the relief of Mrs. Yuki Hamada; to the Committee on the Judiciary.

H. R. 7183. A bill for the relief of Chun Loui Kam Yip; to the Committee on the Judiciary.

H. R. 7184. A bill for the relief of Sang Hoon Lee and Sang Yuen Lee; to the Committee on the Judiciary.

H. R. 7185. A bill for the relief of Masako Yoshimura; to the Committee on the Judiciary.

H. R. 7186. A bill for the relief of the estate of Richard Anthony Nunes, Jr.; to the Committee on the Judiciary.

By Mr. CURTIS of Massachusetts:

H. R. 7187. A bill for the relief of Rosemary Ping Liang; to the Committee on the Judiciary.

By Mrs. DWYER:

H. R. 7188. A bill for the relief of Jozefa (Gorczyca) Niziolek; to the Committee on the Judiciary.

H. R. 7189. A bill for the relief of Fumiko Saito; to the Committee on the Judiciary.

By Mrs. GRANAHAN:

H. R. 7190. A bill for the relief of Giuseppe Antonio Torchi; to the Committee on the Judiciary.

By Mr. GUBSER:

H. R. 7191. A bill for the relief of Ascension Ortiz Martinez; to the Committee on the Judiciary.

By Mr. HAYS of Ohio:

H. R. 7192. A bill for the relief of Peter C. Wang and Rose Kuan Wang, M. D.; to the Committee on the Judiciary.

By Mr. HIESTAND:

H. R. 7193. A bill for the relief of Shigeko Mizuta; to the Committee on the Judiciary.

By Mr. KEARNS:

H. R. 7194. A bill for the relief of John Dean Brian; to the Committee on the Judiciary.

By Mrs. KELLY of New York:

H. R. 7195. A bill for the relief of Josefa Brzezowska; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 7196. A bill for the relief of Arjamand Ali; to the Committee on the Judiciary.

H. R. 7197. A bill for the relief of Abdul Rohim; to the Committee on the Judiciary.

By Mr. KILDAY:

H. R. 7198. A bill for the relief of Col. Russell King Alspach; to the Committee on Armed Services.

By Mr. KILGORE:

H. R. 7199. A bill for the relief of Anita Woerl; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 7200. A bill for the relief of the estate of Isa Hajime; to the Committee on the Judiciary.

By Mr. McFALL:

H. R. 7201. A bill to authorize the award of a Medal of Honor to Alfred C. Petty, United States Army; to the Committee on Armed Services.

By Mr. MILLER of California:

H. R. 7202. A bill for the relief of Paul Sevigny; to the Committee on the Judiciary.

H. R. 7203. A bill for the relief of Dwight J. Brohard; to the Committee on the Judiciary.

By Mr. MOSS:

H. R. 7204. A bill for the relief of Debra Ann Marinello; to the Committee on the Judiciary.

By Mr. RABAUT:

H. R. 7205. A bill for the relief of Domenico Spagnoletti; to the Committee on the Judiciary.

By Mr. ROONEY:

H. R. 7206. A bill for the relief of Berta Semmler; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H. R. 7207. A bill for the relief of Jelena (Helen) Polhovski; to the Committee on the Judiciary.

By Mr. SANTANGELO:

H. R. 7208. A bill for the relief of Luigi Scotto (Louis Scotto); to the Committee on the Judiciary.

By Mr. SAUND (by request):

H. R. 7209. A bill for the relief of Jose Peres-Mendosa; to the Committee on the Judiciary.

H. R. 7210. A bill for the relief of Armando Lomas-Ayala; to the Committee on the Judiciary.

H. R. 7211. A bill for the relief of Ruben Arriola-Garcia; to the Committee on the Judiciary.

H. R. 7212. A bill for the relief of Giovanni Terracina; to the Committee on the Judiciary.

By Mr. SEELY-BROWN:

H. R. 7213. A bill for the relief of Louis S. Thomas and D. Grace Thomas; to the Committee on the Judiciary.

By Mr. SISK:

H. R. 7214. A bill for the relief of Julian Avila-Carmarena; to the Committee on the Judiciary.

H. R. 7215. A bill for the relief of Salvatore Peragine (Peraggine); to the Committee on the Judiciary.

By Mr. SMITH of California:

H. R. 7216. A bill for the relief of Mrs. Magda Holdy Toma; to the Committee on the Judiciary.

By Mr. TELLER:

H. R. 7217. A bill for the relief of Victoria Pei Chiung Tcheng; to the Committee on the Judiciary.

By Mr. WAINWRIGHT:

H. R. 7218. A bill for the relief of Yvonne Pestkowski; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 7219. A bill for the relief of George John; to the Committee on the Judiciary.

H. R. 7220. A bill for the relief of Lilian Magdalena Morris; to the Committee on the Judiciary.

H. J. Res. 316. Joint resolution for the relief of certain aliens; to the Committee on the Judiciary.

H. Con. Res. 171. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

224. By Mr. CRETELLA: Resolution of Washington Poultry & Hatchery Association, requesting the Congress of the United States to investigate the financing practices in the poultry industry; to the Committee on Agriculture.

225. By Mr. FORAND: Petition of Helen A. Thomas and 280 others, in favor of the bills S. 582 and H. R. 4835; to the Committee on Interstate and Foreign Commerce.

226. By Mr. HOEVEN: Resolution of the Sioux City Chamber of Commerce waterways committee regarding the urgent need for flood protection on the Floyd River in Sioux City, Iowa; to the Committee on Public Works.

EXTENSIONS OF REMARKS

The 40th Anniversary of the National Coal Association

EXTENSION OF REMARKS

OF

HON. ROBERT C. BYRD

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. BYRD. Mr. Speaker, the National Coal Association, which was organized to deal with questions of fuel supply during World War I, will hold its 40th anniversary convention at the Shoreham Hotel in Washington, June 4–6. What takes place at the convention will be of nationwide interest, since the status of the coal industry is so closely related to the general welfare and the national security.

The National Coal Association has come a long way since its birth four decades ago. It has played a vital role in periods of war and peace.

The Honorable Tom Pickett, executive vice president of the National Coal Association and a former Member of Congress, has been good enough to supply me with the advance program of activities scheduled for the convention. I am sure that the program will have wide appeal, for—in addition to coal industry people—representatives of railroads, chemicals, and other allied industries will attend. I am pleased to note that the banquet speaker will be a learned member of the clergy for whom everyone has the greatest respect, Dr. Norman Vincent Peale, pastor of Marble Collegiate Church in New York City.

Mr. Speaker, I am proud to inform the Congress that Mr. W. W. Goldsmith, president of Elk Horn Coal Co., Charleston, W. Va., is chairman of the NCA convention committee. Another resident of the constituency which I represent is Mr. L. Newton Thomas, chief executive officer of the Carbon Fuel Co., Charleston. He is president of the National Coal Association.

I am sure that our colleagues will want to join me in congratulating this organization for the excellent contribution it has made to the development of one of the basic industries of this Nation, coal.

Polish Constitution Day

EXTENSION OF REMARKS

OF

HON. EMMET F. BYRNE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. BYRNE of Illinois. Mr. Speaker, I would like to place in the RECORD a few remarks about Poland today since the Polish people will celebrate the anniversary of their constitution of 1791 tomorrow, May 3. This constitution, as we know, was one of the first democratic and progressive constitutions in Europe.

We are all familiar with dramatic events of the last year involving postwar Poland and I believe these events have contributed greatly to an emerging awareness in the Soviet bloc that the Communist ideology cannot endure forever in the countries which are under their domination. The Soviets may control economically and militarily but activities in recent months prove that the Polish people have not permitted an inroad into their spiritual life and ideals but have held on to their belief in liberty.

It is heartening to note that it was the workers who dared to raise their hand against Communist tyranny thereby demonstrating the fallacy in the Communists claim that their philosophy is the rule of the peasants and workers.

May 3 gives Americans everywhere an opportunity to pay tribute to the Polish people who are so valiantly struggling to again have complete freedom and to restore the bonds with the West and the United States. These ties have long existed. It was Thaddeus Kosciusko, of Poland, who volunteered his services to our continental Army in the American revolution. He fought so courageously for us because he believed in the principles for which we were fighting. He was made a brigadier general in 1783 and was awarded the Order of Cincinnati which carried the privilege of citizenship and an annual pension. Kosciusko was beloved by other American officers. Shortly before he died, and many years after his return from America, he emancipated his serfs in order to manifest his belief in liberty, equality, and fraternity.

Polish Constitution Day, May 3, 1957

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. VAN ZANDT. Mr. Speaker, we pause today to celebrate the 166th anniversary of the adoption of the Polish Constitution May 3, 1791. This is an important date in the history of Poland. It marks the beginning of modern Poland with a limited monarchy, ministerial responsibility, and biennial parliaments. Much of the obstructive machinery of the old system was abolished and invidious class distinctions were done away with. Absolute religious toleration was established. No sooner was it adopted, however, than it was overthrown by the force of invading Russian armies. Since then, Poland has known little freedom except for the period between the two World Wars. Today we look forward to the time when Poland may again know true freedom.

For the last 13 years, since the Red army "liberated" Poland from the Nazi forces, the Soviet Union has dominated the Polish government. It has been a Russian satellite. Soviet planners have directed the economy, leading the nation to near bankruptcy. The Polish economy was made completely dependent on Russia, both for markets and machinery parts. Production of consumer goods was curtailed in order to build more heavy machinery for exports to Soviet Russia. The people lost all incentive to work, for the benefits of their labor helped only their Soviet overlords. Communist attempts to collectivize the farms failed. It is reported that the independent-minded Polish peasants resisted collectivization so stubbornly that some 80 percent remained individual farmers despite all the pressures applied by the government. Russian teachers shaped the educational system to teach communism and stamp out the Polish love of liberty and Christian faith. But after 13 years it is manifestly clear that the most stringent Soviet efforts have failed completely. The vast majority of the Polish people are united in their hatred for Soviet oppression and Soviet communism. We have seen testimonies to this resistance in the Poznan uprising last June and in the revolution of October 1956.

Poland now stands in a perilous and uncertain position on the road between slavery and freedom. The question of whether the "nationalist" regime headed by Mr. Gomulka will further increase the freedoms of the Polish people or be swallowed up by the Soviet Union is one which none of us can answer now. Mr. Gomulka is a Communist and could not be classed as a champion of democracy by the wildest stretch of the imagination. He is not a new embodiment of the spirit of the constitution of 1791, except that he too appears to seek the independence of his native land from Russian control. Collectivization has been stopped, religious instruction is again given in the schools to those who desire it, and the Polish people supported his government in the semifree elections held this January. But Gomulka has signed an agreement with Russia that permits the continued stationing of Red troops on Polish soil and he is not seeking to renounce the Warsaw Pact. Still, it is reported that the Soviets are seeking to oust Gomulka and replace him with a lackey similar to the Hungarian, Janos Kadar.

The question of how much freedom Gomulka will really establish in Poland and whether he can continue to resist Soviet domination is a particularly difficult one for Americans today. The Gomulka regime has requested substantial foreign aid credits from the United States. If Russia reasserted her control over Poland, our aid would really be aid to Russia. On the other hand, many are convinced that if United States loans proved effective in relieving some of the most pressing economic difficulties in Poland today, it would enable the Gomulka government to break away from Russia to an even greater extent. This would give inspiration to the peoples living under all the other satellite governments of Eastern Europe. It could show a way to peaceful liberation, by evolution, however slow it may be.

Reports in the newspapers indicate that President Eisenhower favors granting a loan to the Gomulka regime, though a much smaller one than it has requested. All of us who love freedom and who have watched from afar the past oppression of the Polish people will join in the hope that if this step is taken, it will lead toward the eventual realization of full freedom for Poland.

Address by Hon. Alexander Wiley, of Wisconsin, Before Foremen's Club of Philadelphia, Pa.

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Thursday, May 2, 1957

Mr. WILEY. Mr. President, it was my extreme good pleasure last evening to speak at the Labor and Industry Day dinner of the Foremen's Club in Philadelphia. I had a very fine time. That representative group of labor, management, and investors comprises the three elements in our society which will make for stabilization if they pull together. This was an example of a group working together and agreeing that, by and large, America needed not only their investment in material wealth, but also their realization that this is not the world we knew a few years ago, but is a world which challenges their best patriotic devotion to the American way of life.

I ask unanimous consent that my comments at the dinner be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

WE NEED MORE INVESTMENTS IN AMERICA; FURTHER BUILDING THIS COUNTRY WITH THRIFT, HARD WORK, AND UNCEASING FAITH

(Excerpts from address delivered at the Labor and Industry Day dinner, Foremen's Club, Philadelphia, by Senator ALEXANDER WILEY, Republican, of Wisconsin, senior Republican, Senate Judiciary and Foreign Relations Committees, Wednesday, May 1, 1957)

It is a real pleasure and privilege to participate in this Labor and Industry Day dinner.

I am glad to visit Philadelphia, the City of Brotherly Love, the cradle of American liberty on this May 1.

It is a most appropriate day, when we—you and I—can strengthen the foundations of liberty. Likewise, we can and should strengthen the ties of mutual respect and understanding between labor and management, and all segments of our population.

MY THEME TONIGHT: MORE INVESTMENTS

My theme tonight is very simple, and yet, I believe, it is significant and enduring.

My theme is: We need still more investments in America.

In this National Invest in America Week and in all the other 51 weeks of the year we need to invest, soundly and carefully, more savings, accumulated by means of our thrift and our hard work.

Why? So that our dynamic economy can still further expand; so that there will be higher productivity, more jobs; a higher standard of living, more comforts and conveniences for all.

ANOTHER KIND OF INVESTMENT NEEDED

But we need still another kind of investment as well besides our dollars and cents, our tangible savings.

We need the type of investment with which you foremen are especially familiar—you leaders of men.

I refer to the investment of something more intangible—our minds and souls, our faith and determination.

But an investment in what?

WHAT IS AMERICA

An investment in everything for which this Republic stands. So let us ask: Exactly what is this America of ours that we would invest in?

Is it simply the 3 million square miles of this part of the North American Continent?

Is it simply our cities and countryside, our forests and lakes and rivers, our towns and hamlets?

Is it our churches, our schools, and our homes?

Yes; but we are talking of investment in all these and more.

Is it our 170 million living souls, young and old, each with their individual personality, their economic and political and religious ideas?

Yes; and it is still more.

Is it America's history, from the days of the ringing here of the Liberty Bell; the days of Valley Forge—through all the subsequent evolution that occurred, through our expansion westward, our wars, our elections, our explorations, our progress?

Is it our businesses, large and small, our factories and our mines?

Yes; it is all this, and still more.

Is it our precious Constitution and its Bill of Rights?

Is it our dreams and our vision?

Is it our world leadership and our faith for a better tomorrow?

Yes, all these and still more.

Is it the sacrifices in blood and treasure which have been paid for this thing called the American way? The million men who have died in all of our past military conflicts, so as to keep this country free?

Is it our devotion to freedom, not simply for ourselves, but for all mankind?

Still again, we answer: All this and more.

Is it our businessmen, our laboring people, our educators, our scholars and our preachers?

It is these and more.

Is it the mothers and fathers of America, dreaming dreams of a better world for their children, and reaching out to understand more of the meaning of life, by contacting the Infinite?

Yes, my friends, it is all these and still more, that I say you and I are called to invest in.

And let me repeat, when I say "invest," I mean more than the common significance of that term.

We know that when one invests in something, something very precious, something that is a part of him, he does more than simply place his cash on the dotted line.

PRESERVING OUR GREAT FREEDOMS

When you and I think of investing in America, we should think of seeing to it that everything is done in order that America shall remain free and secure.

We mean that we invest with our spirit and our determination. Why? So that the great freedoms which mark this land—freedoms of press, speech, religion, trial by jury, and others—shall remain intact and so that we can hand them down to those who come after us.

When we invest in America, we see to it, for example, that our schools here in Philadelphia and everywhere else become still better. Why? So that our children will

grow up to be strong moral men and women who live wholesome lives.

Yes, so that our children will recognize the privilege of American citizenship and will be competent and adequate to meet all the challenges of such citizenship.

WORLD LOOKS TO US IN JORDAN AND OTHER CRISES

When we invest in America, we recognize that we are investing in the country that is the lighthouse of the world, the leader of the world.

We are the country to which the world looks for the salvation of the troubled Middle East and of South Asia and of Western Europe and of all other lands.

If the crisis in Jordan, for example, is successfully solved, as we hope and pray it will be, it will be because your country helped to solve it—your President, your State Department, and, yes, the presence nearby, of the ready Armed Forces of your flag.

Men of good will in Jordan and elsewhere look to us for leadership, just as the men you supervise look to yourselves for leadership.

We Americans are not meddlers, but neither are we shirkers.

The Middle East today may seem 5,000 long miles away; but really, it is in our own backyard because space and time have been shrunken by man's inventiveness.

So, we will not shrink from our duty and responsibility there, as we see it.

ASSURING HEALTH AT HOME BY SOLVENT ECONOMY

Meanwhile, here at home, now, how can we specifically invest in this leader country?

Obviously, through an adequate defense, a still sounder program of social justice for all, sound schooling, and making sure that our economy remains healthy.

Naturally, it is this last point to which I have referred which is especially pertinent to this Invest in America Week. An economy which is healthy is not a luxury; it is an absolute necessity.

More nations have been destroyed by inflation and/or bankruptcy than have been destroyed by wars.

You will remember that the German mark during the days between World War I and World War II became so depreciated that it eventually reached the point where a trillion marks was worth a single American dollar. The printing presses had gone wild. And soon the Weimar Republic collapsed.

That must not and will not happen here.

THE RESPONSIBILITIES OF TRUSTEES

A healthy economy is one where those who are in charge of the direction of the economy sense their responsibility as trustees.

A trustee conserves values; he does not squander them.

He adds to assets; he does not impair them.

That is why a sound dollar, a sound banking system, sound credit, a sound insurance industry, a sound securities industry, a sound home and construction industry—all these are part of an expanding, healthy economy.

EXPANSION IS KEY TO PROSPEROUS TOMORROW

I keep referring to this matter of expansion because this country must keep moving forward.

We must do so for several reasons:

(a) Because our people have rightly come to expect an ever higher standard of living.

(b) Because it has been estimated that we need to create a million new jobs every year.

That includes jobs for young people entering the labor force and it includes jobs to replace tasks that have been replaced by new-type operations.

RISK CAPITAL VITALLY NEEDED

(c) Because it has been estimated that $14,000 or $15,000 is necessary to create a new job on the average. And that money must come principally from an increasing amount of savings, wisely invested in risk capital, in the form of private stocks and bonds.

(d) Because our population is expanding. More than 4 million youngsters were born last year.

And with the extension of man's span of life there are more and more mouths to feed and clothe and more and more individuals to make comfortable.

So when we invest we invest for ourselves, for our loved ones, and for those who will follow after us.

We have in America an economic engine run on the gasoline of finance. Finance is the fuel which makes the machinery run. And that machinery not only carries its own weight, but carries others' load of work as well.

But finance is no longer for the few. It is for the many.

THE MEANING OF "PEOPLE'S CAPITALISM"

More than 8 million Americans own stocks and bonds in publicly owned corporations. And more than 13 times that number own life-insurance policies.

Add, too, the tens of millions with sound stakes in our banks, our savings and loan associations, our millions of privately owned businesses, and you get a picture of what has been aptly called people's capitalism, the capitalism of all Americans, all owners of stakes in the private-enterprise system.

To preserve and advance this people's capitalism is your task and mine.

ECONOMY COULD BE DESTROYED BY CLASS WAR

You and I know that, besides war or inflation, there are other ways by which this or any other economy could be destroyed.

It could be destroyed by class warfare, by hatred and bitterness between individuals and groups.

It could be destroyed by a failure of labor to recognize management's problems, or of management to recognize labor's problems, or both labor and management to recognize foremen's and supervisors' problems.

Each of us must learn to put ourselves in the other fellow's shoes.

If collective bargaining is to be successful, there must be mutual understanding and good will.

If foremen are to get the jobs done, they must have a team to work with, a team which recognizes the need and advisability of greater productivity.

For purposes of illustration, let us look back for just a moment to colonial times, the era of early Philadelphia.

THE EARLY AMERICAN HOME

Imagine, if you will, the early American, sitting before the fire in his own home on a wooden three-legged stool.

He had there all the elements of our early political economy.

He had his own capital, as represented by his home, his land, and his simple tools, and his wife's spinningwheel and loom.

That is—

He provided his own labor, himself and his family.

He was his own management.

He was supported by his own three elements of management, labor, and capital, as certainly as the three legs of that wooden stool supported him.

But his was a simple home and a simple economy.

COMING OF SPECIALIZATION

Since then, the industrial revolution has given us the benefit of the marvelous results of specialized production. More than 66 millions are at work today.

But, you might say that our whole modern economy still rests squarely on a three-legged stool. It is supported by the three essential legs of management, of labor, and of capital.

Obviously, a stool cannot stand on two legs.

No more can our economy stand, without all three of these supports, labor, management, and capital.

If each of these three groups always remembers its interdependence on the other two, our economy will never topple.

FIVE-FOLD OUTLETS FOR PERSONAL INVESTMENT

Now, my friends, inevitably the comment may come, "Senator WILEY, I agree with you that we should invest in America, both tangibly and intangibly, but where should we put our financial investments?"

Well, my friends, I am not a specialist in advising on finance.

If anyone has additional funds which he wants to invest, my first suggestion would be "go to your banker."

Go, as well, to other specialists, get their best judgment, and then follow through, based upon your individual needs and wants.

I personally have always considered that a well-balanced investment in things material would consist of:

1. A ready reserve of cash in your bank, in your savings and loan association.

2. Adequate insurance to protect your loved ones.

3. Your own home, if you feel the need, as more than 3 out of every 5 Americans do, to own your own residence.

4. Government bonds (on which Congress has now wisely acted to raise the interest returns).

5. Stocks and bonds in corporations whose records of earnings and growth or of potential good yield you have carefully studied.

VITAL IMPORTANCE OF "LABOR AND INDUSTRY DAY"

But as you study corporations, including your own employer, bear in mind that a corporation's success depends upon more than management, and yes, upon more than investors, as important as they are. It depends on employees, it depends on you foremen, you who provide the vital link between labor and management.

That is why I am particularly glad that this dinner is on Labor and Industry Day and that Labor and Industry Day is on May 1.

That is because May 1 in some parts of the world has come to be identified with demonstrations, conducted by Communists or under Communists' influence.

The mere fact that we do not have uprisings in the United States on May 1 or at any other time is a clear indication, it seems to me, that America provides what labor needs and wants.

America provides what all of us want, young or old.

TRIBUTE TO ORIGINATORS OF INVEST-IN-AMERICA WEEK

As I approach the conclusion of these thoughts, I want you to know that it has been a special joy to come to historic Philadelphia.

It has been a pleasure, not only for all the reasons which I have earlier mentioned, but because it is Philadelphia which originated and spearheaded this national Invest-in-America Week celebration.

As you know, I had been pleased to comment on this outstanding celebration on the floor of the United States Senate.

The spread of Invest-in-America Week demonstrates how a few individuals inspired by a need can originate a worthy idea, an idea which will grow and which will catch on like wildfire. Why? Because it is needed and because it is constructive and helpful for a great cause.

A MESSAGE TO AMERICA'S YOUNGSTERS

And speaking of great causes, perhaps the best way we can invest in America is

through our youngsters, through the children and grandchildren in our own homes.

This spring I have spoken to possibly a thousand Wisconsin high-school students who have come to Washington before and during the Easter recess.

I have stressed with them the privilege of being an American.

I have emphasized the necessity of being alert so that we don't ever become so complacent that we risk another Pearl Harbor.

Investing in America means, too, for each one of us, young and old, to recognize that this is a changing, not a static, country in a changing, not a static, world It is up to us to make those changes constructive.

Yes, my friends, we have a great job to do, and, like Nehemiah, we have to be about our Father's business.

I believe that, like the prophets of old, we cannot let the enticements or the threats of our Nation's enemies divert us from the basic job.

May we respond as Nehemiah did, "I am doing a great work; I cannot come down."

May each of us continue to advance the business which is every American's business, the business of protecting and advancing this Republic.

BUILDING THE "CATHEDRAL" OF AMERICA

I would like to conclude, my friends, by recalling the story of the workmen who, under Sir Christopher Wren's direction, were building St. Paul's Cathedral. They were asked, "What are you doing?" One workman said, "I am laying brick." Another workman said, "Oh, I am mixing mortar." But the third one replied, his eyes looking up on high, "I am helping Sir Christopher Wren build a cathedral." That is what we will all be doing when we truly invest in America—building and maintaining a great edifice—this Republic.

Polish Constitution Day

EXTENSION OF REMARKS

OF

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. RODINO. Mr. Speaker, under leave to extend my remarks I wish to join all Americans of Polish descent in the celebration of the anniversary of the Polish Constitution.

One hundred and sixty-six years ago a group of patriotic, liberal, and far-seeing Polish leaders wanted to inaugurate a new era in Poland. They felt that some basic changes in the machinery of the government were needed; and to meet this imperative need they drafted a constitution. It was adopted, promulgated, and went into force on May 3 of 1791.

Since that year May 3 has been celebrated as Constitution Day, and the event has been regarded as a great landmark in Poland's fight for liberalism and for independence. The Constitution of 1791 was a liberal, democratic document, and as such it aimed to reduce the powers of the monarch without impairing the authority of the central government. By this constitution the government became one of limited, constitutional monorachy. It did away with the old class distinctions and class privileges, and guaranteed religious freedom. In this respect it embodied some of the ideas of the American Revolution, and also of the French Revolution. The constitution of course aimed at strengthening Poland by uniting all its citizens more firmly in defense of its independence. In embracing these twin aims of liberalizing and strengthening the Polish Government, the constitution of 1791 was a major democratic instrument, and to this day it serves as a symbol to the Poles in their tireless struggle for freedom and independence. I heartily join all Americans of Polish descent in the celebration of the anniversary of this great and significant event, the Polish Constitution Day.

Polish Constitution Day

EXTENSION OF REMARKS

OF

HON. ALBERT W. CRETELLA

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. CRETELLA. Mr. Speaker, May 3 is Polish National Day. It commemorates the anniversary of the enactment of Poland's democratic constitution on May 3, 1791.

At this crucial time in history when communism dominates half of Europe, it is essential that the United States and the free Western Powers give all possible support to the Polish cause for freedom and independence.

I do not believe it is the United States policy to incite uprisings behind the Iron Curtain against the Communist governments, for such a policy by itself while demonstrating the burning spirit of the people for freedom, results in the horrible destruction and the death of fighters and innocent women and children at the hands of overwhelming Soviet manpower and armaments. Such terror was witnessed recently both in Hungary and Poland.

Rather, our policy must be to raise our voices continually against this Soviet subjugation and even to offer material and economic aid to the Poles, if we can receive the assurances that such aid will indeed reach the Polish people and they are aware of its source. A private organization, the Ford Foundation, has recently announced a grant to Poland. It will be well for our Government to heed closely the effectiveness of this assistance as a possible guide for further United States efforts.

I believe there to be some validity in the argument that the Polish people, if given the proper moral and material tools, will better equip themselves for casting off Russian domination and regaining independence.

There is no question in the minds of the Kremlin that brave Poland stands firmly in the camp of the West. For Poland to cast such a die in the face of stark adversity, gives the free world an insight into the fiber of bravery and courage possessed by these people, who, since World War II have been denied their cultural and sacred freedom.

Let us not be cajoled into imagining that the Gomulka government is the government of the Polish people. This is merely a shabby compromise instigated at the direction of Moscow as an attempt to mollify a country whose free existence has been erased and sense of nationalism offended.

Although Poland may be relatively free as a nation in captivity by the Communists, the United States should settle for nothing less than the complete return of freedom to this and other countries, so that they may govern as they choose.

Polish Constitution Day

EXTENSION OF REMARKS

OF

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. FASCELL. Mr. Speaker, tomorrow is Poland's national day, commemorating the anniversary of the adoption on May 3, 1791, of one of the first European constitutions based on democratic and progressive principles. Because of recent events in Poland and Hungary the celebration of Poland's national holiday assumes special importance this year.

Since the Poznan uprising in June and the bloodless Gomulka revoultion of last October, the whole basis of Soviet control in Poland has been challenged. When taken in conjunction with the heroic efforts of the Hungarian freedom fighters, these events assume major historical significance. Communist claims to have won the allegiance of the peoples of the subjugated nations of central and eastern Europe have been shown to be false.

For Poland, as for the other countries of eastern Europe, Communist rule has brought economic ruin; the forced collectivization of agriculture has resulted in dismal failure, and attempts to win the loyalty of the youth workers and intellectuals have been openly repudiated. It is obvious that the vast majority of Poles are wholeheartedly opposed to Soviet control of Poland's foreign policy, to Communist dictatorship as a form of government, and to the teachings of Marx, Lenin, and Stalin. The present Warsaw government has brought a certain degree of liberalization and has sought to put Poland on a more equal footing in dealing with the Soviet Union. The path to a free and democratic Poland remains a long and hazardous one, but those who know the Polish people have no doubt that this is the path which they will courageously seek to follow.

It is of more than mere symbolic significance that the Soviets for years prohibited the celebration of Poland's national day on May 3, substituting for it the hated July 10 anniversary of Poland's subjugation by the Soviet Union. This year the present Warsaw government has not dared restore May 3 as a formal national holiday, but it has declared that the Polish people may commemorate it privately. This compromise is typical of the precarious balance which the Gomulka regime must maintain in

its efforts to attain greater freedom and liberalization for Poland without provoking Russian antagonism beyond the breaking point.

Developments in Poland in this crucial period are of grave importance both for the West and for the Soviet Union. The continuing unrest and discontent in Poland indicate the demand for further reforms. Already collectivization of agriculture has ceased and 80 percent of the collective farms have been dissolved, craftsmen have been allowed to return to their private trades, and small shops under private operation are now permissible. The new leadership has also come to more satisfactory terms with the Catholic church; however, as the recently released Cardinal Wyszyski has pointed out the Polish people must show patience and endurance. Poland is still encircled by Soviet Army divisions, and the West is in no position to help the Poles achieve their aims by resort to armed force.

The Polish nation does, however, look to the West and particularly to America for political, moral and economic support. Continued interest on our part will bring nearer the long-awaited day of complete Polish liberation by peaceful means.

The Iron Curtain which has split Europe for over a decade shows clear signs of rusting away. The efforts of the Polish people to maintain constant pressure on the remaining Soviet bonds of slavery are being closely watched by the other subjugated peoples of Central and Eastern Europe. To aid these peoples in their difficult struggle for freedom the United States must follow a policy of constructive and imaginative leadership.

Rhode Island Independence Day

EXTENSION OF REMARKS

OF

HON. AIME J. FORAND

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. FORAND. Mr. Speaker, on May 4 Rhode Island will be celebrating the anniversary of its freedom. One hundred and eighty-one years ago the bells tolled for the brave people of Rhode Island, granting them their independence from their mother country, Great Britain.

In course of time, events are overlooked and personal sufferings unrelated. But, these brave colonists endured such inequities with a strong determination to shake themselves of this yoke. True to the tradition of democracy the people imposed their will upon the legislators of the time to act, and swiftly, to rid themselves of the rule of a tyrannical ancestor. It was on the 4th of May 1776, that the Rhode Island Assembly adopted the resolution renouncing allegiance to the British King. This act was the initial spark of freedom that fired the Congress of the United States to take similar action 2 months later.

Although Rhode Islanders have always been noted for their individual initiative and independence, the people of the State have stood together when they knew their cause was just. Rhode Island was the first of the 13 colonies to declare complete independence of Great Britain, and it was the last to ratify the Federal Constitution, refraining until it felt that certain inequities had been corrected.

The events which led up to these developments were hard pills to swallow by this little colony. Colonial resentment found expression in a series of incidents, many of which occurred in Rhode Island. As early as 1764 Newporters climaxed a riot with crewmen of the British schooner *St. John* by firing upon the vessel with cannons. The following year a Newport mob, angered by impressment of American seamen, seized and burned one of the boats of the British vessel *Maidstone*. Most famous in this series of incidents was the burning of the British revenue schooner *Gaspee*.

The colonial spirit of independency was the rock on which Britain's North American empire was finally wrecked. Accustomed for more than a generation to little or no taxation, and to nearly complete freedom in the management of their internal affairs, the colonists were disposed to resent every British attempt to strengthen colonial administration.

In 1774 Rhode Island gave support to the calling of the Continental Congress, naming as delegates the former political rivals Stephen Hopkins and Samuel Ward. In 1775, upon receipt of the news of Concord and Lexington, the general assembly created an army of observation—most of the troops later joined Washington's Continental Army. The same year the assembly commissioned its own navy, consisting of two units, to protect the colony's trade. Before the year was out, this force had attacked and captured a vessel of the Royal Navy. On May 4, 1776, the Rhode Island General Assembly climaxed its program of resistance by formally declaring its freedom from Britain. This action, taken 2 months before the Declaration of Independence at Philadelphia, made Rhode Island the first sovereign State established by Europeans in the New World.

Mr. Speaker, in keeping with our great past, Rhode Island will celebrate its second annual Heritage Week this year over a 10-day period, from May 3 to 12. Events honoring our historic inheritance are being scheduled and will include pageants, ceremonies, exhibits, and open-house invitations on a statewide scale, including many of our most treasured historic sites and shrines.

The heritage of Rhode Island is a continuing thing, a patrimony passed on from generation to generation. New honors, new accomplishments, new discoveries—all are based upon that devotion to liberty and integrity that was implicit in the founding of our State. The many industries that make Rhode Island renowned today had their beginnings in the humble crafts of our State's settlers. The culture of Rhode Island is the contribution of those made welcome by this State's tradition of freedom of conscience. Our schools and universities stem from the love of learning that distinguished Roger Williams and his followers.

Many illustrious names are woven into the fabric of Rhode Island history: Roger Williams, William Blackstone, John Clarke, and William Coddington, John and Moses Brown, Gen. Nathaniel Green, Stephen and Esek Hopkins, Oliver Hazard Perry, Gilbert Stuart, John Goddard, Peter Harrison, and Samuel Slater. These and many more have helped to make our Nation strong and secure and have contributed to its economy and culture.

Poland's National Day

EXTENSION OF REMARKS

OF

HON. LEONARD FARBSTEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. FARBSTEIN. Mr. Speaker, Congress has many times voiced its friendship toward and support of the Polish people on Poland's national holiday, May 3. For many years now these expressions have had to be made in terms of sympathy for a people subjected and oppressed.

This year we can look forward for the first time since the end of war with new hope for a new day in Poland. Poland is not free. But at least some of its bonds have been loosened.

In the economic sphere, several changes have taken place. It is reported that collectivization of agriculture has ceased and that 80 percent of the collective farms have been dissolved and land, machines, and livestock have been returned to the farmers. Individual enterprise on a reduced scale is apparently now permitted and in the past 2 months 20,000 small shops have been reopened.

A certain measure of religious freedom is also allowed. Catholic Cardinal Wyszenski has been released and in his sermons appeals to the Polish nation for patience and endurance.

Politically the Polish people have moved as far toward freedom as their Soviet Communist masters will allow.

This brave and determined people continue to demonstrate again and again their love of liberty and hatred of their Communist masters.

They demonstrated it in the Poznan uprisings in June in the demand for bread, freedom, and the withdrawal of Soviet troops.

They demonstrated it in the widespread expressions of sympathy for the Hungarians in their fight against their Soviet overlords. In every town and village in Poland committees were created for aid to Hungary, although the Polish people themselves have been in serious economic distress.

They demonstrated it when they turned to the West for economic succor, knowing well that such a policy would inevitably arouse the dangerous wrath of the Soviet Union.

The Polish people have dared to take such action although they are in the very nest of the Soviet Communists. Twenty-three divisions of Soviet troops are stationed in East Germany. Another 20 are in Hungary. Some eight are in Rumania and Czechoslovakia and large numbers of troops are in the eastern border of Poland itself.

In the Polish people's struggle to achieve more freedom through evolutionary means their eyes turn hopefully toward the West and especially toward the United States. They realize that in this era of the atom and hydrogen bombs a war of liberation could be a war of annihilation. They know that final freedom cannot therefore come through war. But they look to the West for that political, moral, and economic support which, with its constant pressure on the forces of oppression represented by the Soviet Union, will lead, we all hope, to a restoration of the whole range of Polish rights and liberties.

Poland's Struggle for Freedom

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. ANFUSO. Mr. Speaker, May 3 of each year marks the anniversary of the adoption of the Polish Constitution of 1791, one of the first democratic documents of its kind in Europe and one of Poland's great contributions to the development of the concept of human freedom. On this occasion it has become customary for the Members of Congress to express the friendship of the American people toward the people of Poland and to wish for them the early liberation of their country from Communist oppression.

This year the hope for their liberation seems more realistic. A series of events which have taken place during the past year afford all freedom-loving people greater hope and encouragement in the struggle for Poland's freedom. The Poznan uprising last June, the bloodless revolt led by Gomulka last October, and the heroic Hungarian revolution, have demonstrated the total bankruptcy of communism and its influence in the eastern European satellite countries.

The requests for bread, freedom, and the withdrawal of Russian troops from Poland only proved that communism has brought Poland and the other subjugated countries to a state of economic ruin and political enslavement. Of particular interest was the fact that the request for withdrawal of the Soviet Army from Polish territory emphasized in no uncertain terms that the Polish nation does not desire to be a part of the Soviet military bloc.

The events of last October have brought a certain degree of liberalization in Poland. The Gomulka government is seeking greater freedom for its people, independence from the Soviet Government, and a closer rapproachement with the West. At the same time, Russia is giving clear indications it will not tolerate a return of democracy in Poland. This perhaps may foreshadow a clash sometime in the future.

In this struggle of the Polish nation to achieve freedom, the eyes of its people are turned primarily toward America for encouragement, for friendship and for sympathetic understanding. It is, therefore, most appropriate to utilize this occasion of the anniversary of the Polish Constitution for expressing our solidarity with the people of Poland. To them and to their kinsmen in America, who have never forgotten them in their tragic plight under the yoke of communism, we send our heartfelt greetings and our best wishes that Poland will soon be truly liberated and join the family of nations as a free and independent nation.

What Alabama Makes Makes Alabama

EXTENSION OF REMARKS

OF

HON. GEORGE HUDDLESTON, JR.

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 1, 1957

Mr. HUDDLESTON. Mr. Speaker, this is Alabama Industry Week in my home State. We are celebrating it because we believe in the saying: "What Alabama Makes Makes Alabama."

As the whole Nation knows, Alabama is enjoying a tremendous industrial expansion. Entirely a rural area not long ago, our State is rapidly becoming urban with new factories and plants popping up almost daily. During 1956 at least 160 large industries were located or existing industries were materially expanded within the State. The new facilities provided 18,604 additional jobs in Alabama, which led the director of the Alabama Department of Industrial Relations, Eugene Wells, to boast with reason:

There is a job for every able-bodied man in Alabama who wants to work today.

While other Southern States are worried about a serious migratory problem in labor, Alabama is able to supply the jobs for its laborers which neighboring States are not. In fact, the creation of the 18,604 new industrial jobs in Alabama last year should show these average community gains, based upon a recent United States Chamber of Commerce report: 55,068 more persons, 20,836 more households, 19,906 more automobiles, 744 more retail stores, and 32,371 more workers employed in other industries.

Alabama industrial expansion announced in 1956 totaled $376,287,000—an all-time record in our State. This is certainly graphic proof of the confidence which industry has in Alabama. Mr. Roland L. Adams, president of the Alabama State Chamber of Commerce, calls this one of the very best selling points we have in attracting more and more industries to our great State.

So far this year, a total of 22 new plants or large expansion programs have been revealed. Mr. Pleas Looney, director of the Alabama planning and industrial development board, reports that the 1957 outlook is much brighter than it was this time in 1956 because of the development of Alabama's waterways system. Now seriously considering Alabama sites are a number of heavy type industries requiring an abundant water supply and low-cost barge transportation.

Alabama industry is truly in high gear. When the wheels of industry are humming, economic prosperity is here. The industries are happy, the workers are happy, the merchants are happy; all the State is happy.

It is thus with much pride that my State this week is celebrating Alabama Industry Days. This eighth annual observance, from April 29 through May 4, is under the sponsorship of the Associated Industries of Alabama.

Another outstanding organization which has certainly done its part in boosting local business is the Birmingham "committee of 100," which is 7½ years old today. It was organized in December 1949. During the previous 2 years, not a single new factory had located in Birmingham, the iron and coal center of the South. It was almost unbelievable but true. Overnight, 100 civic leaders set to work to woo new industry. The committee was overwhelmingly successful. It has since brought more than 100 major plants, warehouses, and district sales offices to Birmingham and Jefferson County. In 1956, 20 new plants were established in the county and 26 local companies expanded their facilities. The new industries added $74 million to the area's annual payroll.

In just 66 months, the Birmingham "committee of 100" has given the Birmingham area new and vital lifeblood. New factories mean new markets. A boon in industry is a boon to business in general.

On the occasion of Alabama Industry Week, I would like to salute the individual industries whose management has had the foresight to move to Alabama. I trust that their economic prosperity in our State will encourage other industries to follow.

In this connection, under leave heretofore granted, I am pleased to insert in the CONGRESSIONAL RECORD, an article headlined "Why Does Industry Move to the South?" which appeared in the April 28, 1957, edition of the Birmingham News, one of the fine dailies in my district:

RESOURCES, LABOR, MARKET, ETC.: WHY DOES INDUSTRY MOVE TO THE SOUTH?—HERE'S WHAT A STUDY TURNED UP

Why is industry moving to Alabama and the South?

Two members of the industrial development department of Alabama Power Co. have spent considerable time studying that question. They were W. Cooper Green, Alabama Power vice president, and head of the department, and Ed Staub.

Here's the way they described the basic things that are luring industry southward:

1. LABOR

"The labor pool is deep enough to last for many years. Because of mechanization on the farm and the transition from cotton to livestock production, more and more people are available for industrial work. Also

the modern trend by industrial management is to shift the back-breaking burden and human skill to machines. * * *

"Most of the big corporations that recently built plants in Alabama and the South were not searching primarily for cheap labor, but rather for a labor population that was young, quick to learn, and productive. Cheap labor in the South is a misnomer. * * * Industrialists have recognized that per unit of production, the workers in the South are on a par, and in many cases have proved superior to workers in other areas."

2. NATURAL RESOURCES

"In natural resources, the South has no equal and can match or excel any region in the Nation. The efficient utilization of these raw materials has barely begun.

"The South sells itself when it has this much to offer out of the Nation's storehouse:

"Seventy percent of the Nation's petroleum, 80 percent of all the natural gas, 61 percent of all navigable waterways, 35 percent of all potential waterpower east of the Rocky Mountains, 22 percent of all the coal, 75 percent of all the graphite, 40 percent of all commercial forest area, 40 percent of the phosphate rock, 100 percent of all the bauxite, and ample water supply. From this listing, it is little wonder that in the last 5 years, more than half of the Nation's new chemical plants have located south of the Mason-Dixon line."

3. MARKET

"Our area is the fastest growing market in the Nation for consumer goods. With each new factory the market grows. Someone has to supply this market, and foresighted industrialists will continue to locate branch plants at points of consumption. Per capita income in the Southeast has risen from $332 in 1940 to $1,292 in 1955, an increase of 301 percent.

"In Alabama it has risen from $268 to $1,181 during the same period, a rise of 340 percent. Balewise the South * * * offers merchants and advertisers tremendous opportunities. * * *

"As industry continues to locate and expand in Alabama and the South * * * the result will be additional increase in per capita income, and a general rise in the economic level. This will mean a demand for products that must be satisfied. * * * It is cheaper to serve this new market by branch plants than by freights."

4. CLIMATE

"The South is endowed with a uniform climate that makes for good year-around working conditions."

5. WATER SUPPLY

"Alabama and the South are blessed by a plentiful supply of both ground and surface water * * * Alabama has more than 531 square miles of inland water area and 1,091 square miles of total water area."

6. TRANSPORTATION

"Alabama is geographically located in the very center of the southern market, and is the logical hub for shipments to the various distribution centers.

"The Warrior-Tombigbee-Mobile Waterway is luring new industries to its banks at a recordbreaking speed."

7. POWER AND ENERGY RESOURCES

"In Alabama and the South there is a plentiful supply of electric power with rates less than, or comparable to any other region. * * *

"Natural gas pipelines are all over Alabama and the South.

"Energy for industry is one of the least of our worries."

7. DECENTRALIZATION

"In this age of atomic power and threats of recession, industry is looking southward. There is room to expand here.

"If the national economy deflates, the South's new factories will be the last to sag because they are among the newest and most efficient in the Nation."

8. COOPERATION FROM THE PEOPLE OF THE SOUTH

"One thing you don't mark down on the budget sheet, but does show up in the final balance sheet is the friendliness and cooperative spirit on the part of existing industries, community leaders and citizens to incoming manufacturers."

9. NOTHING SELLS LIKE SUCCESS

"For every $1 million spent in new branch plants, the southern people have overmatched that with $15 million for expansion of already established plants.

"The years 1955 and 1956 saw more than $350 million worth of capital investment allocated for new industries and expansions of existing industries, in Alabama. Industry's plans point to another recordbreaking year for 1957."

In Commemoration of Poland's Constitution Day

EXTENSION OF REMARKS

OF

HON. JAMES T. PATTERSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. PATTERSON. Mr. Speaker and distinguished colleagues, tomorrow we pause to celebrate Polish Constitution Day. It was on May 3, 1791, that a new birth of freedom occurred in Poland, and each year freedom-loving Polish people commemorate this day, even though during the past 13 years in Poland they have been forced to do so in secrecy.

Polish Constitution Day means to the American people more than just another historic date. For indeed the Polish people have, throughout the years, become so intricate a part of the American Republic that an unshakable bond of friendship exists between the two countries. Some of our finest citizens are of Polish descent and they, along with others, have worked unceasingly to elevate our Nation to a position where today we stand foremost among the world's powers.

And, Mr. Speaker, today let us also remember those heroic Polish individuals, like Casimir Pulaski and others who took so outstanding a part in the American Revolutionary War and even sacrificed their lives for the cause of liberty on this continent. When we think of those great men, we can more deeply comprehend the dauntless spirit and invincible fortitude with which the patriots of Poland seem determined to shake off the Soviet yoke, and which have commanded the admiration of the entire world, including no doubt that of the Soviet tyrants themselves.

It was 13 years ago, Mr. Speaker, that the last vestige of freedom disappeared in Poland when the Soviet Army began its oppression of the people. Since that time, Poland and other victims of Soviet tyranny have looked to the West with hope and confidence that their freedom would be an important goal of the United Nations. Unfortunately, largely through reluctance of the Soviet Union, the United Nations has failed miserably in the execution of its solemn obligation of fostering the right of national self-determination among nations, and Poland together with other captive nations remains at this very moment a victim of gross neglect of duty on the part of the United Nations.

Mr. Speaker, we in the United States wish to see our freedom-seeking friends in Poland completely free from the chains of Communist bondage. We wish to see the sacred political right of national self-determination restored in Poland. The demands made last July by the Polish people for bread and freedom from Russian oppression were only one more positive indication that national self-determination is not enjoyed in that country.

Now it is true that the bloodless revolt against the Communist regime last July in Poznan did result in liberalized policies toward the populace. Poland is more independent of Moscow today than she was 1 year ago, and certain discernible traces of democracy can be found in the country, to the dismay of the Kremlin. But Mr. Speaker, the Polish people still have a Communist government—the same form of government that has kept the people in chains now for 13 years—and just as a goose is a goose, a fox is a fox, and a snake is a snake, so is communism communism, even though some propagandist might attach the prefix national before the term in order to further hoodwink the victims. What the people of Poland want and deserve, my friends, is democracy—not communism.

Therefore, Mr. Speaker and my distinguished colleagues, as we commemorate Poland's Constitution Day, let us remember that it is not kind words, but rather concrete action that brings freedom to suppressed nations. And I believe that one of our highest tributes to Poland would be the passage of a resolution by this body that condemns the Soviet Union for its unwarranted interference in the internal affairs of Poland, and at the same time calls upon the United Nations to take concrete action designed to restore to Poland and other captive nations the right of national self-determination.

Polish National Day

EXTENSION OF REMARKS

OF

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. YATES. Mr. Speaker, on this day 166 years ago, a great progressive and democratic document was signed. On May 3, 1791, the constitution of Poland was enacted. It was a logical product of the traditional allegiance of the Polish people to the principles of liberty and self-determination. This document has remained a cherished declaration of belief in justice and free expression down through the years, despite the encroachments attempted upon it by hostile forces. It is yet a constant reminder to the Polish Nation of Poland's heritage of freedom, a heritage that cannot be denied even by the oppressive force of brutal domination.

The commemoration of National Day provides us with an opportunity to pay homage to the Polish people who, moved by their love of freedom and independence, continue to strive unceasingly to live by the precepts of their constitution, to regain complete liberty from oppression, and to restore their highly valued ties with a Western community in full concord with their aspirations.

This past year's events in Poland have shown the unswerving determination of her people to regain that traditional freedom. "For God and Country" is the national motto of Poland, and to God and their country they dedicated their very lives. In the face of a stunning display of overwhelming force, the Polish people heroically—and alone—took the lead in demonstrating the total bankruptcy of Communist policies. By demanding bread and freedom they showed that communism has brought Poland to the brink of economic ruin. By demanding the end of the Communist collectivization experiment, they showed that communism has turned a nation once called the granary of Europe into a nation unable to feed her own people. By demanding freedom and the withdrawal of the Soviet Army, they showed the hatred and contempt inspired by Russia's military and political machine.

Today the celebration of National Day in the United States takes on an added meaning, for some measure of those freedoms have been won back by the heroic people of Poland. Economic aid has been sought and gained from the West; small shops are back in business in the cities and towns; forced collectivization of agriculture has ceased, and over 80 percent of the collective farms have been dissolved; and the Catholic Church, long the victim of Soviet-imposed tryanny, has been freed of much of the restrictive pressure. Today, for the first time since the subjugation of Poland by the Soviet Union, the celebration of this date as National Day is permitted, although it may only be commemorated privately.

In the long view of history, the Communist system of government forced on Poland by the diabolical might of Russia is only transitory. Poland as a nation successfully opposed corruption of her principles of freedom in the past, and with her boundless devotion to liberty and democracy, will emerge victorious from Communist oppression. But she needs the encouragement and assistance of freedom lovers everywhere, and her history and record show that she deserves such encouragement and assistance.

When word of the Hungarian uprising reached the people of Poland, the nation as a whole manifested its complete sympathy and fullhearted assistance. In every Polish town and village a committee for "Help to Hungary" was formed. The people of Poland, though in dire economic straits themselves, thought well enough of the Hungarian battle for freedom to offer their own sorely needed food and clothing. We can hardly do less for Poland in its struggle out of enslavement.

Mr. Speaker, the United States has always championed the right of any people to choose their own system of government, for as Secretary of State Dulles has said, America must "encourage the evolution of freedom." Until the people of Poland regain their freedom, our own system of government is the less for it. The poet John Donne said it well: "Any man's death diminishes me, because I am involved in mankind."

We must pledge ourselves, on this anniversary of the Polish Constitution, to the support of any nation striving to be free of oppression; and to the brave people of Poland we must dedicate our unrelenting efforts to bring freedom from human bondage.

Polish Constitution Day

EXTENSION OF REMARKS

OF

HON. AIME J. FORAND

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. FORAND. Mr. Speaker, men and women of every nationality with faith in democratic principles join with those people of Polish ancestry in commemorating the anniversary of the Polish constitution of the 3d of May. It is fitting that we pause a moment to pay tribute to a document that stands beside our Declaration of Independence as a landmark in humanity's struggle for liberty.

Tomorrow is the 165th anniversary of the day in 1791 when the statesmen of Poland signed a constitution that inaugurated great reforms in Poland's Government. Equally impressive as the scope of the reforms was the bloodless manner in which they were carried out, indicative of the Poles as peacemakers without bloodshed rather than warmongers. This does not mean that they will turn from a fight for a cause they consider just. On the contrary, they are stouthearted people imbued with centuries of Christian doctrine, the dictate of their minds and energies.

In this generation the Polish people oppose the Communists at every turn and in every way that they can. Such opposition is to be encouraged and the people supported in their efforts to be free. The Poles cannot, of course, object in an organized way on a national level, but they can be given the comfort and assistance of the free world. The Polish-Americans of my State and of the country are their greatest source of encouragement and by their example may do much eventually to assist them in their quest for freedom. We hear reports from behind the Iron Curtain of the heroic action on the part of these people who refuse to bend to the oppressor's demands, and who refuse to accept slavery as a normal state of mankind. The process of freedom is very slow, and although today we do not hear of any violent revolutions in Poland, there are definite actions on the part of the Government of this country which are small tokens of assurance to the Polish people, and people of other nations, that are now being denied their God-given right of freedom. This tribute today I sincerely hope will reach the ears of all freedom-loving people everywhere for it is often said that the fires of freedom burn hottest among the oppressed.

In 1939 Poland made the world's first stand for liberty against the onslaughts of the Nazi might. But her strength could not avail against this great force, suplemented as it was by the Soviet stab in the back. In short, Poland suffered a new partition, and one far worse than any before. No people endured more, or resisted more defiantly than the Poles. When the circumstances of war made the Russians our allies, hope rose again in Polish hearts that Poland might yet be free. But, viewing the world since 1945 it became clear that one principal factor which frustrated the advance of the world toward peace, security, and progress is the activity of the Soviet Union. In every way Russia wantonly dissipated any hope for a world at peace and relieved of international tensions. And today they have advanced a new propaganda theme designed to conceal their real treacherous intentions, a theme entitled "Peaceful Coexistence." Try as they will the Soviet shift in policy will not divert the attention of America from its attachment to relief for the oppressed.

Mr. Speaker, in this world beset with atomic hypertension, and with the threat of global warfare let us take heart as we look to the courageousness of our Polish brethren. Let us redouble our efforts for peace in the world and the restoration of liberty and self-government to Poland and other freedom-loving nations now under Communist rule.

Poland's National Day

EXTENSION OF REMARKS

OF

HON. STEVEN B. DEROUNIAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. DEROUNIAN. Mr. Speaker, on May 3, for the first time in many years, the Polish people will celebrate the birth of the freedom they once knew and is now lost to them. May 3 will mark the anniversary of a constitution devoted to democracy, adopted by Poland in 1871.

Although for long years, this constitution, symbol of freedom, has lain lifeless, recent months have brought changes and indications that the people of Poland may yet throw off the yoke of communism and once again cloak themselves with freedom and liberty. In this, God is on their side and ultimately the victory will be theirs.

The Free World is again witnessing the course of communism: Hunger, starvation, the denial of every birthright of man, and, inevitably, the struggle of the people to free themselves from its stranglehold. Our hopes are with the Polish people. They will win their freedom, we know.

Results of Questionnaire

EXTENSION OF REMARKS

OF

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. FISHER. Mr. Speaker, I recently submitted to the people of the 21st Congressional District in Texas a poll covering 12 current issues. The response has been very gratifying. More than 12,000 returns have been received. Tabulation of the answers has now been completed. The results are as follows:

QUESTIONNAIRE

1. The Eisenhower doctrine authorizes the President, if requested by an invaded country, to use American troops to combat overt Communist aggression in the Middle East. Do you favor this? Yes, 47.6 percent; no, 43.3 percent; no opinion, 9.1 percent.

2. A bill in Congress proposes that the Federal Government contribute a substantial amount of Federal funds to help finance local school construction, subject to local compliance with Federal regulations. Do you favor this? Yes, 28.1 percent; no, 67.2 percent; no opinion, 4.7 percent.

3. For the alleged purpose of protecting the civil rights of citizens from discrimination on account of race or religion, legislation in Congress proposes:

1. That a Federal commission be empowered to subpena persons and records to investigate claims of discrimination.

2. That the Attorney General may bring lawsuits, with lawyers and court expenses paid by the taxpayers, to recover money for damages on behalf of people who claim their civil rights have been violated.

3. That citizens, under Federal court injunction, may be sentenced to prison without jury trial for violating, or being about to violate, another's civil rights.

Do you favor this legislation? Yes, 12.4 percent; no, 77.2 percent; no opinion, 10.4 percent.

4. A bill in Congress would extend the Federal minimum wage and overtime law to retail stores and service establishments. Do you favor this? Yes, 41.1 percent; no, 49.4 percent, no opinion 9.5 percent.

5. During the past year, under present laws, about 350,000 immigrants were admitted to this country. A bill in Congress would increase this number each year. Do you favor the increase? Yes, 8.4 percent; no, 83.7 percent; no opinion 7.9 percent.

6. Do you favor statehood for Hawaii and Alaska? Yes, 67.2 percent; no, 17.4 percent; no opinion 15.4 percent.

7. Last year Congress adopted a soil-bank plan (costing $1.2 billion annually), to pay farmers for taking certain farmlands out of production, thus reducing surpluses. Do you favor continuation of the soil bank? Yes, 37.6 percent; no, 46.2 percent; no opinion, 14 percent.

8. The closed shop is outlawed by the Taft-Hartley Act. A bill in Congress would legalize agreements in the construction industry under which unions could select the employees on construction jobs and require that new workers join a union within a short period after going on the job. Do you favor this? Yes, 9.2 percent; no, 82.2 percent; no opinion, 8.6 percent.

9. The President's annual budget calls for a total of $71,800,000,000. Do you favor a reduction in this amount? Yes, 79.2 percent; no, 9.7 percent; no opinion, 11.1 percent.

10. The budget calls for $4.4 billion for foreign military and economic aid ($2.6 military aid, $1.8 billion economic aid), during the next fiscal year. Do you favor this? Yes, 18.4 percent; no, 64.6 percent; no opinion, 17 percent.

11. On the subject of tax reduction, do you favor the policy of first achieving a balanced budget before undertaking tax reductions? Yes, 76.1 percent; no, 17.4 percent; no opinion, 6.5 percent

12. In the operation of the Post Office Department, there is presently an annual deficit in its operation of about $464 million. A bill in Congress would increase postal rates in order to reduce the deficit. Do you favor any increase in postal rates? Yes, 54 percent; no, 39 percent; no opinion, 7 percent.

EISENHOWER DOCTRINE

Mr. Speaker, there were so many interesting comments in regard to the various issues that I am constrained to discuss a few of the questions and perhaps clarify some of them.

Considerable interest was shown in the first question—dealing with the Eisenhower doctrine. About the time the questionnaire was sent out the Congress took final action on that issue, and it was overwhelmingly approved. So the issue is now moot, in a manner of speaking, but continues to be a lively topic before the American people.

Actually, the President already had the authority which he requested from the Congress. That authority has been held to be inherent in his constitutional authority as Commander in Chief of our Armed Forces. And it has, without any action by the Congress, been exercised many times in the past. A few examples include the action against the Barbary pirates in 1801; the second Barbary War in 1815; the American-Mexican incident between 1914 and 1917; the Boxer uprising in 1900; the almost innumerable instances of intervention in Latin America; the Dominican Republic, and Nicaragua. Then there was the Korean conflict.

The purpose of the President in asking for congressional approval for his use of troops to combat overt Communist aggression in the Middle East was obviously to obtain an expression of support for that phase of our foreign policy.

PEOPLE WANT REDUCED SPENDING, TAX RELIEF

Mr. Speaker, I have the honor of representing a fairly conservative district. The people there are good, average Americans who still believe that 2 and 2 make 4, and that all is not gold that glitters. They still cling to the belief that a man should put in a good day's work for what he earns. They are very dubious about this business of getting something for nothing. In their patriotic zeal they put the Nation's welfare and the future of our country ahead of petty political considerations. They abhor demagoguery and political chicanery. They are hardy and patient people, and because of strength and fortitude they have survived 7 years of the most devastating drought in history.

Those people are understandably concerned about the size of our public debt. They are worried about the highest peacetime budget in history. They feel the heavy burden of the present tax load. They feel that the present Federal spending velocity should be reduced substantially. They want something paid on the public debt, and they want some tax relief.

It will be noted that 79.2 percent feel the President's current budget estimates are too high. Seventy-six percent favor a balanced budget before undertaking further tax reductions.

PUBLIC SUPPORT FOR RETRENCHMENT ENCOURAGING

As one who has through the years—not just this year—fought against nonessential Federal spending, I am encouraged by the amount of public support that is this year being shown in favor of this retrenchment policy. It is a good sign and it should bear fruit, coming as it does from all over the Nation.

Thus far the House has considered $15 billion in appropriations out of the $72 billion budget. And we have whacked more than $1 billion from it. That is a good start. President Eisenhower has recently suggested another $2 billion that he believes can be trimmed. Surely we can whittle another $2 billion or $3 billion. If the Senate follows suit we should, therefore, be able to cut at least $5 billion. It all depends.

FOREIGN AID SHOULD BE CUT

Mr. Speaker, there are a number of budget items that can and should be reduced or eliminated. These include the $4.4 billion for foreign aid and the half billion for school construction assistance. The latter calls for a total outlay of $2 billion, with a half billion to be granted to local schools the first year. In my judgment we should defeat the proposed school aid measure and nip that new Federal commitment in the bud. How can we ever hope for balanced budgets and tax relief if we keep right on tallying up new expensive Federal grant programs, most of which, once started, snowball and go on for years and years?

As I see it, foreign aid should be limited in the main, except for certain loans and technical assistance, to military support for friendly and deserving countries which cannot help themselves and where it is to our selfish advantage to help keep them armed and prepared to combat Communist aggression.

FISHER VOTE ON FOREIGN AID

For the past 4 years I have personally voted against every bill for foreign aid. I have been constrained to do so because those bills have been presented in package form, all economic and military assistance lumped together, and they have included too much of what I was convinced was both wasteful and nonessential. The American taxpayers simply cannot go on and on carrying so much of the burdens of the world on their shoulders.

CUT SPENDING, CUT TAXES

We all know that tax reduction, including an increase in personal exemptions, to be really meaningful must be made at a time when the resulting loss

in revenue will not have to be replaced with borrowed money, with the borrowed money to be added to the national debt.

We all know that is not really tax relief. It is tax postponement—just passing the added amount on to our children and grandchildren to pay. It may placate certain vote-hungry politicians, but it is not a sound approach and everyone knows it.

There is a remedy if the Congress has the courage to make use of it. Let us face up to the issue. We can balance the budget. We can reduce nonessential spending. We can reduce the public debt. And at the same time, while doing these things, we can and should reduce the heavy tax burden.

HOOVER COMMISSION RECOMMENDATIONS

Mr. Speaker, in seeking ways to reduce, we are reminded of the great work done by the Hoover Commission. Sixty-five percent of all Hoover Commission proposals are in effect, including most of the major ones. The approval of some of the remaining proposals, at least, would undoubtedly help in promoting economy and efficiency in the operation of the Government.

PEOPLE FAVOR IMMIGRATION RESTRICTIONS

Mr. Speaker, the fifth question relates to immigration and the pending legislation designed to relax existing restrictions.

As indicated by the answers and comments, the people are very much alarmed about the proposed increase. It will be noted that only 8.4 percent favor an increase, and many of these answers were qualified. A total of 83.7 percent oppose any increase, and I am convinced the vast majority favor a reduction rather than an increase in the present rate of admissions.

President Eisenhower, as was true of President Truman before him, favors a drastic change in our traditional quota system. Under that proposal more than 100,000 more immigrants would be admissible yearly, above the number now being admitted. Last year more than 350,000 entered.

FISHER SUPPORTS PRESENT RESTRICTIONS

Mr. Speaker, I am unalterably opposed to any further breakdown in our quota system of orderly and restricted admissions. Our own population is increasing rapidly. At our present rate we will have more than 200 million by 1975—and that is not very far off.

If we want to preserve our standard of living we simply cannot absorb the surplus population of Europe, as pressures would have us do. We cannot afford to become the dumping ground for that surplus. And the same is true with respect to our neighbors to the South and of the entire Western Hemisphere. Let us listen to the voice of the American people and then hold the line firmly.

FLOOD PREVENTION, WATER CONSERVATION

Mr. Speaker, it is our responsibility to distinguish between what is essential and what is not essential in Federal spending. One action where money can be wisely spent with assurance of good dividends to the taxpayers on the investments is in the field of flood control and water conservation, based upon sound engineering justification.

A good example that comes to my mind is that of the Falcon Dam on the Rio Grande. In just one flood which occurred shortly after that dam was constructed the saving from damage amounted to more than the entire cost of the project.

We have been urging advancement of the proposed international project on the Rio Grande above Del Rio. And we have urged the Corps of Engineers to complete surveys on all our streams in the 21st District of Texas, including the Colorado and tributaries, the Guadalupe, the Nueces and its tributaries, and others. That is a flash-flood country, and protection is needed.

In addition, the Reclamation Bureau is presently making a comprehensive survey of the entire water situation in Texas. This may lead to location of feasible projects on our rivers and streams.

A multipurpose flood-control, irrigation, and water-conservation dam is now being proposed by the Reclamation Bureau on the Conchos above the city of San Angelo. Most of the cost will be paid back to the Government in accordance with contracts for the sale of water to the city of San Angelo and to irrigators. Because of this market for water, this project will be paid for in the main by local people and will cost the Government comparatively little.

INCREASE IN POSTAL RATES?

It will be noted that 54 percent of the people favor an increase in postal rates in order to reduce the annual deficit. That deficit is estimated at $650 million next year. If it can be reduced or eliminated it will cut the size of the budget just that much.

According to the responses I have received most of the people want substantial raises in rates on so-called junk mail. The pending bill on the subject proposes to raise first-class rates by 1 cent, and this would yield $348.5 million yearly in new revenues, including revenue from an increase by 1 cent on post cards.

Second-class zone rates on magazines and newspapers would be upped by 4 successive annual 15-percent increases to provide a total of $31 million annually in additional revenue by the end of the fourth year.

Rates on third-class mail—largely direct-mail advertising circulars—would advance to yield $128 million in additional revenue by 1960. This increase would be on piece rate under bulk mailings, from 1.5 cents to 2.5 cents by 1959.

The Postmaster General is now required by law to set parcel-post rates at a level that makes this class of mail pay its own way, and that is now the case.

In regard to congressional franked mail, it is of interest to note that since August 1953, the Department has been paid in full for handling it—approximately $1.5 million yearly—and penalty mail of Government agencies—approximating $35 million yearly—which were formerly carried free.

Mr. Speaker, because of time and space limitation I must conclude. I believe that in conclusion I will quote from a comment on a questionnaire that was sent in from Brownwood, Tex., by a constituent who, while expressing certain kind and generous indulgence toward me, expresses a basic philosophy. Here it is:

Think you are doing a good job for us but your ideas of sound government do not coincide with the "spend and elect," "court the minorities," and "never mind the debt" attitude that prevails in Washington. I think, and sincerely hope, your ideas go along the same path as mine which does not follow those paths. We are already at the danger point in taxation as we also have taxes other than Federal, remember.

The Striving of the People of Poland for Freedom

EXTENSION OF REMARKS

OF

HON. ROBERT W. KEAN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. KEAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a very comprehensive address by the very able Representative from the Sixth District of New Jersey, Mrs. FLORENCE P. DWYER, on one of the most important events in the world today—the striving of the people of Poland for freedom and relief from the yoke of international communism.

This address, made before the 50th anniversary dinner of the Polish National Alliance Women's Department in Chicago, Ill., on March 24, 1957, merits the attention of every Member of Congress.

The address follows:

I am deeply honored to have the privilege tonight of addressing this distinguished gathering. I say this in all sincerity, and in all humility, for I know of no other organization in our land that has worked so tirelessly and accomplished so much in sustaining the eternal seed of American friendship in the bleak soil behind the Iron Curtain.

Yes, I am proud to join with you tonight in the observance of the 50th anniversary of the women's department of the Polish National Alliance, for I know the wealth of contributions members of your organization have made to the educational, cultural, civic, and social welfare developments of our Nation during these years.

I am proud to be with you tonight, for I know that our great Nation was born with the devoted help of Polish patriots.

I am proud to be with you tonight, for I share with you the conviction that the people of Poland thirst for freedom; that the spark of rebellion against godless tyranny which was ignited at Poznan still holds the bright hope of salvation for all the oppressed multitudes behind the Iron Curtain who are inching, step by step, along the road to freedom.

Certainly, this dream of freedom is not new to the Polish people; it is not a vision created in desperation by the hunger, the fear, the privation, the persecution of the Kremlin's ruthless communistic colonialism. The love of freedom is deeply rooted in Poland's culture. The Polish people were one of the first in Europe to strive for this God-given right; and, though its land too often has felt the

fury of freedom-crushing invaders, this spirit of liberty has never died.

This inborn belief in freedom and human dignity, shared in common by our countries, has molded a bond of spiritual kinship between the people of Poland and America. It is a bond that has endured since the bitter days of our own struggle for freedom when Pulaski and Kosciusko left their homeland to fight for our cause.

Even beyond this spiritual kinship, Poland has deep roots in America. The tide of Polish immigration, through the years, has served to enrich our culture in every field of human endeavor. Today, our 7 million Polish Americans can look with pride on the heritage they and their forefathers have brought to our land.

I have always believed that the true hallmark of the American way of life is that, in this land of ours, it is possible for a person to be a 100-percent United States citizen and still cherish and perpetuate the best of the culture and the customs of the country of his origin.

This is important in a free nation such as ours, for we are descendants of every nation and every race on earth. And each has played its part in shaping American life. Be we of Polish descent, or Irish, or Italian, or German, or English—or of any of the other nationalities—we should be proud of our ancestral heritages, and seek to keep them alive and part of our American life.

The love of native country and the pride of customs and culture are particularly strong among our Polish-American citizens. The strength of these ties is reflected in the constant communication between you and your loved ones in Poland—a communication which even the Communists have not been able to sever.

It is important that this communication continue. The letters you write and the packages you send may not be dramatic; they may not make headlines. But they are very important, for they have comprised, in recent years, the single lifeline through which America has been able to keep alive our friendship with the Polish people. They have served to brighten the lives of those behind the Iron Curtain, and to remind them that they have not been forgotten or abandoned by the United States.

But, in the pattern of events of the past year in Poland, these questions arise:

Can this single lifeline of hope continue indefinitely to sustain the proud spirit of the Polish people?

Can hope alone sustain the determined seeking of liberty of a people whose economic and financial resources have been plundered by the forces of communism?

In searching for answers to these questions, I believe it is important to review the events in Poland which have sent shock tremors of unrest and rebellion throughout the Soviet Union's network of captive nations.

I have, just as you, vivid memories of the Poznan riots of last summer. Indeed, I was privileged—as a member of the New Jersey State Legislature last year—to introduce a resolution, which was quickly enacted, memorializing the undying love of freedom of those Polish patriots who were jailed or massacred in Poznan when they arose to demand "Bread and freedom and the right to worship God."

The defiance of the vast power and ruthlessness of the Soviet Government by a people who refused to surrender their spirits or their minds to the invader is one of the inspiring milestones in mankind's never-ending search for the light of freedom. It was, in the greatest sense, the turning point in the history of the relations between Moscow and its satellites—an inspiring example of courage and determination that turned the eyes of the world, especially behind the Iron Curtain, on Poland and the Warsaw government.

The causes of this rebellion against tyranny within Poland which has shaken the very foundations of the Kremlin's program for world conquest are many.

Basically, we all know, the Polish people through the years have faced westward because of their cultural traditions and their Roman Catholic faith. Poland's 28 million people—unshakably Catholic, proudly nationalistic and bitterly anti-Russian—have no common bonds or sympathies with the Kremlin, nor with the 1,500,000 members of the Polish Communist Party who ruled their lives with blueprints supplied by Moscow.

In addition to this vital factor, by mid-1956 there was a widespread discontent in Poland generated by a continuing economic crisis. Life in Poland was becoming more and more difficult. Living standards dropped, and prices kept climbing to higher and higher levels. The few consumer goods that could be purchased were priced far out of the reach of the average person.

In general, the Polish people were paying the price for years of poor and self-centered planning by the Communists. The entire Polish economy, under the Soviet Union's direction, had been geared to heavy industrial production without regard for the stable, balanced economic development necessary for a people's welfare. At the same time Polish trade was geared solely to satisfy Soviet interests rather than Polish interests. Historic trade patterns with the West were cut off, much to Poland's disadvantage, for Poland could not supply the legitimate needs of her people with trade with the East.

All of these factors contributed to a worsening economic crisis which, in 1956, went beyond the point of toleration.

Political elements also entered into the complex pattern of events and contributed to the general air of discontent. These elements, for the most part, had their origin in the Moscow regime's sudden switch of policy to an anti-Stalin line, in which Stalin was exposed for what he was and what he did. This act by the Soviet leaders in revealing before the eyes of the world the lie of Communist propaganda touched off immediate repercussions behind the Iron Curtain. In Poland, where anti-Russianism has a long and respected tradition, the repercussions were particularly violent. The Polish people began to seriously question past policies and past loyalties.

This mounting discontent reached a climax with the Poznan riots last June. The following 4 months brought increasing political ferment and potential danger for Poland, until—at last—the Warsaw government faced up to the responsibilities of its own misdeeds and mismanagement and returned Wladislaw Gomulka to power.

Gomulka, a Polish Communist leader who had been purged from the party and imprisoned for his anti-Stalin, nationalistic deviations, instituted a program of action that contained many concessions to the Polish people. Cardinal Wyszynski, Poland's beloved anti-Communist, anti-Soviet Catholic leader, was released from prison. Wider religious freedom was given to the people. General modifications in economic planning were proposed after a realistic reappraisal of Poland's deepening economic plight. The new Gomulka regime even responded favorably to President Eisenhower's proposal for economic aid.

In the cultural field, other concessions were made. Open criticism of the Government and Soviet Russia appeared in the public press. And, in the political field, some changes in the electoral law brought about a small degree of parliamentary reform. A tighter rein also was placed on the dreaded secret police.

Particularly dramatic in this abrupt change in leadership was the removal from office of pro-Kremlin Polish Communists who advocated slavish obedience to Russia, and the ouster of Marshal Rokossovsky, the Soviet military leader whose name had become a symbol of fear and persecution in every Polish home. All of these pro-Soviet officials were replaced by Polish Communist nationalists as Gomulka guided the Warsaw government on a new course of national communism which he maintained would be dedicated mainly to Polish interests.

The background upon which these changes took place heightened the tense air of danger in Poland. Hungary was in the grips of revolution. Soviet troops in Russia and East Germany were alerted, and in Poland the Red Army began preparations for another of the Kremlin's ill-famed maneuvers. The crisis finally subsided, at least temporarily, when the Soviet Union agreed to recognize the Gomulka government after assurances were given that Poland's relations with Moscow would not be altered substantially except for greater Polish independence.

Thus, for the moment, Gomulka's Polish "National Communist" regime has succeeded in its war of nerves with the powerful Soviet Union. But the struggle is far from over. Gomulka now must strengthen his regime, if he hopes to survive. Politically, he has been striving to do this by reshaping the party apparatus and strengthening it with his own loyal followers. However, the most critical problem facing Gomulka today is, without question, to solve Poland's economic ills. Should Gomulka fail, the prospects of the future of Poland's national communism would be dim.

During the past months, Gomulka has taken steps to remedy Poland's sick economy. For instance, pressures on the farmers have been eased. But it appears increasingly evident that Gomulka is placing his greatest hope on substantial economic aid from the United States. The Poles need farming and mining machinery; they need cotton, fats, and oils; they need many of the agricultural products which we have in surplus and which we have been using in our extensive economic aid program.

In recent weeks, a Polish delegation has been in Washington, conferring with our Department of State on means of expanding our economic relations with Poland and helping the Polish people in their hour of need.

These negotiations involve problems as complex and as fraught with significance for the entire world as almost any phase of our present-day international negotiations.

Most Americans, I am sure, agree that we should welcome any progress made in Poland—or in any other nation behind the Iron Curtain—toward a greater measure of freedom and sovereignty.

Our Government, in entering negotiations with Poland, is not urging nor trying to force upon the Polish people any economic, social, or political system or ideology. Our Government's only hope is that the Polish people eventually will be given the liberty to choose freely whatever system they want.

In general, our Government has taken a cautious attitude in these negotiations.

President Eisenhower's administration has manifested its interest in giving some form of aid to the Gomulka regime in Poland. Now, the purpose of this policy is not to aid any sort of communism. The doctrines of communism are repugnant to all free peoples, and they will remain so whether they are promulgated from Moscow, Warsaw, Belgrade, or any other capital.

No, our Government's policy is not to interfere in the internal affairs of Poland, nor to encourage the cause of communism. But our Government does have an enormous interest in extending the area of freedom from Moscow's domination as the best means of discouraging aggression and enhancing the eternal hopes for a sound and lasting world peace.

This, I firmly believe, is the objective we in the Congress must keep in mind as we view the question of aid to Poland.

I believe we should not close our minds to these negotiations. We must give the State Department our faith and our confidence as it proceeds with the delicate shaping of this policy which well may serve to ease the satellites toward a greater degree of independence from Moscow.

These negotiations take time, and patience, and confidential discussion. Once the policy has been formulated, the Congress can exercise its responsibilities under the Constitution. But, until that time—when we begin our study of such a policy in all of its implications—we should not bind ourselves with a rigid, dogmatic position which will make attempts at successful negotiation impossible.

This is most important at this time, for our policymakers are faced with many grave questions as they proceed with these negotiations.

In the first place, the Eisenhower administration is confronted with severe legal restrictions in seeking to administer some form of aid to a Communist-controlled country.

Long before last year's satellite rebellions began, Congress passed the Battle Act, which prohibits aid to Communist governments. There was a need for such restriction at the time. But now the question arises whether such restrictions should not be at least partially eased to fit the pattern of freedom-inspired unrest behind the Iron Curtain.

But, even beyond such legal questions, there is a need for great caution in aiding such satellite nations as Poland during this transitional stage between complete suppression and complete freedom. The welfare of both the people of America and the people of Poland demands such caution.

Briefly, our dilemma is this: If the United States does not aid Poland, the Poles may be compelled to turn to the Soviet Union for the assistance we were not prepared to extend. As a condition, Poland probably would be forced to include in its government more of the pro-Moscow Communists, and thus sacrifice what degree of independence it has achieved.

On the other hand, were we to grant Poland substantial aid through loans and credit, we doubtlessly would run the risk of provoking intervention by Soviet Russia. It happened in Hungary. Russia would not tolerate a Hungary which was not tied securely to the Soviet Empire. It is probable that Russia would neither tolerate a genuinely independent Poland, nor any fundamental change in the structure of the Polish state. Russia today tolerates the Gomulka regime only because it is Communist and retains a certain loyalty to Moscow.

Also, there is the argument that aid to Poland would strengthen the Communist regime and make it difficult for the evolution of any genuine democracy there. Communism, whether it be Stalinist or nationalist, is fundamentally opposed to the ideals of democracy; and it follows that if we strengthen a Communist regime, we reduce the possibilities for the gradual emergence of democracy. Perhaps, what now appears to be a short-term gain may, in the long run, prove to be a burden of oppression that would be impossible to dislodge.

On the positive side, however, there is the argument that to aid Poland is to aid the Polish people, and not the Warsaw government. It is to make life easier for the Poles; it is to ease the burden of oppression from their tired shoulders; it is to give them a chance at a measure of the necessities of life.

These are some of the problems that face our Government today as it carefully considers the question of expanded trade relations with Poland as a measure of aid to the Polish people. The concern of our Government—which for so long has been the beacon of hope to the oppressed, the hungry, the homeless of the world—is for the welfare of our own people and for the people of Poland—and not the Warsaw government. We cannot afford to be impatient, or too demanding, as much as our hearts weep for the people of Poland. We must remember that the problems involved are complex; that the situation is charged with many dangers, both for us and for the people of Poland. We must remember, no matter how loudly our instinct calls out for the relief of hardships, that headlong and ill-advised action could only serve to wipe out the flickering light of the beginnings of freedom in Poland.

I believe, however—as President Eisenhower believes, and as he and the Department of State have clearly indicated—that we should take cautious steps to strengthen Poland's independence. I believe, in weighing both the good and the bad factors, that it is vital to extend to the Polish people a judicious measure of the aid they need so desperately.

Six years of World War II cost the United States alone $390 billion. By this estimate, just 1 day of that war cost our people nearly $200 million, or less than the amount we might loan to Poland to stave off an acute food shortage.

If the giving of such aid will help the Polish people pry themselves loose from the Soviet grip, and to develop a society along their own lines, it will be worth the price. If American aid assists or speeds the process of liberalization, it will be the cheapest and most effective—as well as the most humane—offensive the United States can mount in the cold war.

Unless we take such steps, there can be no hope for eventual liberation of the captive nations of the world; there can be no real meaning to the cause of freedom we have sought to advance across the horizons of the world.

The Late Senator Robert A. Taft

EXTENSION OF REMARKS

OF

HON. JOHN E. HENDERSON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. HENDERSON. Mr. Speaker, I am confident that the people of Ohio and of the Nation are gratified to learn that the portrait of the beloved late Senator Robert A. Taft, of Ohio, is to be placed in the Senate reception room as one of the five outstanding Senators of the past.

We, of Ohio, were confident that Robert A. Taft was qualified for the honored selection. Indeed, we would have been disappointed had his name not been selected. We knew him and loved him. We rejoiced when his conservative convictions which he refused to compromise won for him the admiration of all America in the campaign of 1950.

It has always been my personal belief that Senator Robert Taft could have obtained higher office had he been willing to modify some of his convictions. But, his position in the hearts of his fellow Americans would have been lowered.

His portrait in the Senate reception room, the life he lived, and the principles for which he stood, will serve as an inspiration to those who now, and in future years, will represent his State and his country and to the youth of America who wish to enlist their services and their lives in the campaign to keep America strong, free, and American.

Monopoly in the Meatpacking Industry

EXTENSION OF REMARKS

OF

HON. JOSEPH C. O'MAHONEY

OF WYOMING

IN THE SENATE OF THE UNITED STATES

Thursday, May 2, 1957

Mr. O'MAHONEY. Mr. President, Hon. EMANUEL CELLER, chairman of the House Committee on the Judiciary, testified this morning before the Senate Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary, in favor of Senate bill 1356, which has been introduced by the distinguished senior Senator from Utah [Mr. WATKINS] and myself, to restore to the Federal Trade Commission the power of enforcement of the antitrust provisions of the Packers and Stockyards Act.

This measure is of great importance. While it deals partially with meat, it deals also with all sorts of food products and nonfood products.

Thirty-five years ago there was discovered in the United States, by reason of an investigation by the Federal Trade Commission, an amazing concentration of economic power in the hands of five meatpacking companies. So revealing and so emphatic was the story disclosed by the Federal Trade Commission investigation that the Department of Justice brought suit against the five big packers under the Sherman Act. The packers, the defendants, instead of fighting the suit, gave their consent to the entry of a decree. One of the purposes of the decree was to divest the packers of their ownership and operation of the stockyards of America. Another objective was to divest them of the power of dealing in nonfood items, such as groceries and milk, and also of the operation of retail grocery stores. Such operations were then regarded by the courts, as they are now prohibited by the Sherman Act, as a concentration of economic power against the public interest.

The measure which has been introduced in the Senate merely restores to the Federal Trade Commission the power to enforce those provisions of the Trade Commission Act, the Clayton Act, and the Packers and Stockyards Act.

The statement of Representative CELLER was so persuasive, so effective, and so simple to understand that I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY REPRESENTATIVE EMANUEL CELLER, CHAIRMAN OF THE COMMITTEE ON THE JUDICIARY, HOUSE OF REPRESENTATIVES, BEFORE THE SENATE JUDICIARY ANTITRUST AND MONOPOLY SUBCOMMITTEE IN FAVOR OF S. 1356

I welcome the opportunity of appearing before this distinguished committee to urge prompt and favorable consideration of S.

1356, jointly sponsored by Senators O'MAHONEY and WATKINS. Identical bills[1] were introduced in the House by Representatives DIXON, BERRY, MITCALF, and myself. The bipartisan sponsorship of these bills in both Houses of Congress bespeaks their nonpartisan character and highlights the urgency of their enactment in the public interest.

Prompt adoption by Congress of this legislation is needed in order to restore Federal supervision over monopolistic practices resulting from unfair methods of competition in the meatpacking industry. The meatpacking industry, although the third largest in the United States, is today the only industrial group which effectively escapes such supervision by a Federal administrative agency.

Beyond that, a recent decisional trend, which I shall discuss, highlights existence of a statutory loophole through which certain grocery chains and other major elements of the food industry can likewise escape—and are escaping—Federal supervision of practices destructive of antitrust principles, by the simple expedient of acquiring a minority interest in a packing plant.

This situation, which bids fair to exempt certain monopolistic practices in the retail as well as the wholesale food industry from effective Federal supervision, results from the Packers and Stockyards Act of 1921.[2] That act removed supervision over anticompetitive trade practices of meatpackers from the Federal Trade Commission—an agency principally concerned with implementation of Federal antitrust policies. Instead, it placed this responsibility in the Secretary of Agriculture, an official whose multifarious duties are unrelated to antitrust enforcement, who has never been either equipped or motivated to supervise restrictive competitive practices, and who has not supervised them.

To correct this situation, the bill under consideration by this committee does two things: (1) It removes from the Secretary of Agriculture responsibility for preventing unfair methods of competition and other monopolistic practices in the meatpacking industry, and (2) it returns such responsibility to the Federal Trade Commission.

My plan this morning, Mr. Chairman, and members of the committee, is to discuss three general propositions:

First, that in enacting the Packers and Stockyards Act of 1921, Congress intended to subject unfair methods of competition and other practices inconsistent with antitrust principles in the meatpacking industry to more stringent, rather than less stringent, Federal supervision;

Second, that in the past 36 years the Secretary of Agriculture has failed almost completely to enforce provisions of the Packers and Stockyards Act dealing with anticompetitive practices by packers, thereby affording the meatpacking industry what amounts to an exemption from such provisions; and

Third, that recent legal moves of the large packers, coupled with widespread entrance of grocery and market chains into the packing business, combine to create a situation in which effective antitrust enforcement and effective prevention of monopolistic practices in the food industry, as envisaged in the pending bill, become more than ever vital in the public interest.

HISTORY OF THE PACKERS AND STOCKYARDS ACT OF 1921

Turning first to the history of the enactment of the Packers and Stockyards Act of 1921, it is manifest that Congress did not intend to create the present supervisory vacuum in favor of packers and allied interests. On the contrary, Congress acted under the spur of the recent disclosures of widespread monopolistic trade and pricing practices on the part of dominant elements in the meatpacking industry and intended to subject the industry as a whole to more rigorous supervision.

Even before World War I there was widespread public concern over the Nation's system of food production and distribution, and particularly as to whether combinations and restrictive practices in this area were leading to unduly high prices. This concern increased with wartime shortages and attendant higher prices. In 1916 an unsuccessful attempt was made in Congress to order an investigation of the Big Five packers (Swift, Armour, Wilson, Cudahy, and Morris), and in 1917 President Wilson ordered the Federal Trade Commission to institute such an investigation. After a 2-year study the Commission issued a 6-volume report, finding that the Big Five had been and were using their vast power illegally to manipulate markets, restrict food supplies, control prices, defraud producers and consumers, crush effective competition, secure special privileges, and profiteer.

In 1920, as a result of this report, the Attorney General filed antitrust suits against the Big Five under the Sherman Act and the Clayton Act.[3] The complaints charged the defendants with having combined to restrain trade and to suppress competition in the purchase of livestock and the sale of dressed meats, by purchasing stock in competitive companies and in public stockyards, and by acquiring and operating retail meat markets, stockyard terminal railroads, and market newspapers. The defendants were further charged with attempting to dominate trade in products not related to the meatpacking business.

The case was never tried. The packers entered into a consent decree enjoining the further operation of the alleged combination and prohibiting the packers, among other things, from holding stock in public stockyard companies, public cold-storage plants, stockyard-terminal railroads, or market newspapers. The decree also forbade the defendants to handle or deal in commodities not related to the meatpacking business or to sell meats, fresh milk, or ice cream at retail.

It was in this climate that Congress, which had been engaged in virtually continuous consideration of packer legislation since 1918,[4] debated the packers and stockyards bill of 1921. As reported to the House by a unanimous Committee on Agriculture, and as later enacted with minor amendments, the bill contained two largely separate legislative patterns.

Title III dealt with stockyards and transactions taking place in stockyards. In addition to making it unlawful for stockyard owners, market agencies and dealers to engage in unfair and deceptive practices (sec. 312), this title provided detailed regulation of stockyards modeled on the provisions of the Interstate Commerce Act. "The procedure and language," the committee reported concerning title III, "are modeled very closely on the Interstate Commerce Act, and the Secretary of Agriculture is given substantially the same jurisdiction over stockyard matters which the Interstate Commerce Commission has over railroads, including the power, after full hearing, to establish and enforce just and reasonable rates and charges for, and practices in connection with, the furnishing of stockyard services."[5]

Title II, on the other hand, dealt exclusively with packers, as broadly defined by the act, and prohibited them from engaging in specified anti-competitive practices. Practices so prohibited closely paralleled conduct condemned by the Federal Trade Commission and conduct enjoined by the consent decree of 1920. Responsibility for investigating and preventing such practices by packers was taken away from the Federal Trade Commission and transferred to the Secretary of Agriculture. According to the House committee report, this was done in order to prevent "overlapping of authority and duplication of jurisdiction of other departments of government."[6] Enlarging on this in debate, a member of the committee told the House:

"While there was a difference of opinion among members of the committee as to the most satisfactory and most effective place to lodge the supervisory authority, some favoring the Secretary of Agriculture, some favoring the Federal Trade Commission, others favoring a special commission, and a majority favoring the Secretary of Agriculture, the Secretary of Agriculture was finally agreed upon mainly because of the fact that the Department now has in the Bureau of Markets, the Bureau of Animal Industry, and the Pure Food Inspection Department scores of employees on the ground at the several market centers who can be of material assistance to the Secretary in gathering the information needed to insure intelligent action by him in exercising his supervisory relationship. In other words it is the thought of the committee that the lodging of the supervisory power with the Secretary of Agriculture will make for both economy and efficiency."[7]

Among additional reasons advanced for placing this function in the Department of Agriculture (and now advanced for keeping it there) were that the size and importance of the meat industry warranted establishment of a single specialized agency; that the Federal Trade Commission lacked power or experience to regulate stockyards; and that to give the Federal Trade Commission and the Department of Agriculture powers in the same area of industrial activity would make for overlapping of jurisdiction and confusion.

On the other hand, it has been contended that it was the meatpacking industry that prevailed upon Congress to displace the Federal Trade Commission because of industry resentment of the Commission's report on the Big Five packers. Remarks of Senator Norris, chairman of the Senate Agricultural Committee, who opposed the shift, reflected this view. He said:

"The Federal Trade Commission which investigated the packers, Mr. President, was put on the rack, and every big business—not the packers alone, but every other big business, and every allied financial industry—jumped onto the Federal Trade Commission. They started a propaganda over this country, that has never before been equaled in any similar transaction, condemning the Federal Trade Commission. They did not come forth and deny that what the Trade Commission said was true, but they condemned the Federal Trade Commission for giving the information to the people. The people were startled when the conditions were given publicity."[8]

Regardless of the factors that may have contributed to the end result, there is no shred of evidence that Congress intended to exempt the packers from accountability for trade practices contrary to antitrust principles. Chairman Haugen, reporting for the House Committee on Agriculture, stated:

"A careful study of the bill will, I am sure, convince one that it, and existing laws, give the Secretary of Agriculture complete inquisitorial, visitorial, supervisory, and regulatory power over the packers, stockyards, and all activities connected therewith; that it is a most comprehensive measure and extends further than any previous law in the regulation of private business, in time of peace, except possibly the Interstate Commerce Act."[9]

[1] H. R. 5282, 5283, 5454, and 7038.

[2] 42 Stat. 159, as amended (7 U. S. C. sec. 181 et seq. (1952)).

[3] *United States* v. *Swift & Co.* (Equity No. 37,623, S. Ct., D. C. 1920).

[4] See House of Representatives Rept. No. 77, to accompany H. R. 6320, 67th Cong., 1st sess., May 18, 1921, p. 1.

[5] Id., p. 10.

[6] Id., p. 2.

[7] Remarks of Representative McLaughlin, of Nebraska, May 27, 1921, vol. 61, CONGRESSIONAL RECORD, p. 1878.

[8] Remarks of Senator Norris, June 13, 1921, vol. 61, CONGRESSIONAL RECORD, p. 2492.

INABILITY AND FAILURE OF THE SECRETARY OF AGRICULTURE TO SUPERVISE TRADE PRACTICES OF THE MEATPACKERS

The defect of the Packers and Stockyards Act does not lie in any lack of legal authority. The point is that the act cannot be properly enforced by the Secretary of Agriculture. It is clear that the fundamental defect of the present statutory mechanism lies in the impracticality of placing antitrust supervisory and enforcement responsibility in the Department of Agriculture—an agency that has neither the experience, the staff, nor the incentive to exercise responsibility in matters of this kind.

The past 36 years have demonstrated beyond peradventure of doubt that the experience of the Department of Agriculture in marketing, animal industry, and pure food inspection, together with its functions of regulating stockyards, have not qualified it for exercising scrutiny over monopolistic practices of meatpackers resulting from unfair methods of competition.

Moreover, the result of giving the Secretary of Agriculture antitrust enforcement responsibility is that there has been a singular paucity of cease and desist orders issued against packers under title II in the past 36 years.[10] Thus, for all practical purposes there has been created a supervisory vacuum for which not only packers qualify, but also other enterprises seeking immunity from enforcement can qualify, by donning the broad definitional habiliments of a packer.

I do not believe that Congress can continue to condone a statutory situation which has removed a segment of antitrust enforcement from an expert investigative agency—the very agency whose exhaustive investigation of the meatpacking industry disclosed the need for additional, corrective legislation—and placed such authority in an agency whose experience and interest lie in other areas.

This February, in a move described in the Wall Street Journal as "obviously designed to head off current proposals to transfer antitrust jurisdiction over packers to the FTC,"[11] the Secretary of Agriculture ordered a survey of the Department's activities and problems relating to trade practices of packers. That survey, which was released on April 4, so candidly acknowledges the facts in respect to nonenforcement that it is difficult to understand why the Department would oppose, as it apparently does, the transfer of this function to an agency qualified for antitrust investigation and enforcement.[12]

According to the Department's survey,[13] the Packers and Stockyards Act is currently administered by the Packers and Stockyards Branch of the Livestock Division of the Agricultural Marketing Service of the Department; in other words, in a branch three echelons removed from the secretarial level. The appropriations and staffing history of the branch speak eloquently of the lowly place it and its work have been accorded. Its organization was built up on the basis of 260 positions in 1923, a number stated to be sufficient not only for regulation of the stockyards but also for a substantial volume of investigative activities. However, this was cut to 130 positions in 1925, and has thereafter hovered around 100. Today the branch has 93 full-time and 5 part-time employees.

Eliminating the administrative chief and 24 full-time and 5 part-time clerical employees leaves the administration of the act to 7 Washington and 61 field specialists. This group of 68 (which includes 4 valuation engineers and 3 scale and weighing specialists) has basic responsibility for a staggering volume of duties.[13]

These duties include regulation of 375 livestock markets and 64 terminal markets posted under the act, a total expected to reach 500 during the current fiscal year. They include regulation and/or supervision of 1,300 livestock commission firms and about 2,000 livestock dealers. They include the supervision of 1,300 poultry dealers, agents and handlers, under title V of the act, added in 1935. They include the periodic testing of 2,000 scales.

Beyond this, there are 2,000 packers and 2,600 buyers who purchase for these packers that are supervised under the act, and whose trade and pricing practices are the subject of the pending bill. Included among these packers, moreover, are 14 chain stores, of which 6 have almost 11,000 retail stores. To handle this load and also unfair practices of stockyards under title III, there has been established a trade-practices section in the Packers and Stockyards Branch. This trade-practices section comprises—let me emphasize—2 market specialists and 1 stenographer.

The Department of Agriculture survey concedes that because of inadequate appropriations and a determination to make "the most effective use of rather limited funds,"[14] administration of the act has, over the years, concentrated upon regulation of stockyards and of practices there occurring. It states, however, that the last few years have seen a change of emphasis. It points to the fact that there are now pending 17 investigations (of a total of 46) that deal with meatpacker trade practices, including "some that originated as far back as 2 years ago and are at or near the stage of formal charges."[15] Based on the record there is little likelihood that trade practice enforcement dealing with packers will ever occupy a prominent place in the work of the Department of Agriculture. It must be recognized that the Packers and Stockyards Branch is only a small part of the departmental organization, its total budget a trifling part of the departmental budget, and supervision of packers' restrictive practices is only a minor part of the duties and responsibilities of the branch under the act.

It is clear that the Department has consistently for more than 30 years assigned little importance, if any, to the duty of enforcing vital antitrust provisions. The departmental survey stresses the fact that in fiscal 1956 a total of 1,704 scales were tested; that review of stockyard rates and charges saved shippers $482,000, and that investigation of an individual market stopped losses of $750,000 per year in fraudulent weight of hogs. These are functions for which the Packers and Stockyards Branch is qualified. Its efforts in this area should not be diluted by the addition of antitrust functions with which it has never been familiar. As the Department's survey states:

"Most of the cases under the act do not involve broad economic problems but are local in nature and effect and do not require long involved studies or large numbers of personnel. Investigations of alleged monopolistic practices, however, do become more involved and may require studies over an extended length of time by quite a number of personnel and entail a great deal of work by Department of Agriculture attorneys."[16]

Mr. Chairman, the Department of Agriculture should receive adequate appropriations for those functions which its Packers and Stockyards Branch is qualified to perform. Antitrust functions, however, should be promptly returned to the agency whose specialty they are. I shall quote, if I may, from the statement I made in February, when I introduced H. R. 5282. I then said: "The Secretary of Agriculture has indicated that next year he will ask Congress for an appropriation for this purpose. But even should the Department obtain necessary funds, it would be far more costly to set up a separate enforcement agency in the Department than to use the existing enforcement facilities of the Federal Trade Commission. These considerations are particularly important in light of the fact that the Federal Trade Commission has been established precisely to enforce provisions of law dealing with unfair methods of competition.

"Furthermore, it has been estimated that minimum unfair trade practice enforcement by the Department of Agriculture under the Packers and Stockyards Act would require an additional staff of 60 full-time employees. On the other hand, the Federal Trade Commission could absorb such enforcement activity with its present staff.

"In recent years the Department of Agriculture has relegated the Packers and Stockyards Branch to a commodity division in the

[9] House of Representatives Rept. No. 77, to accompany H. R. 6320, 67th Cong., 1st session, p. 2.

[10] The cease and desist orders issued by the Secretary of Agriculture under title II of the Packers and Stockyards Act are as follows:

Year	Respondent	Date	Docket No.
1957	Straub & Smith	Feb. 11	2253
1956	Machlin Meat Packing	Feb. 20	2120
1953	Valleydale	June 1	2058
1953	Flicker Packing	Feb. 18	2040
1950	Berry Packing	Oct. —	1910
1949	Quaker	Dec. 13	1838
1949	Cross	June 17	1820
1949	Victorville	do	1818
1948	Ainbinder	Apr. 20	1801
1947	Columbia	May 19	1787
1939	Home	Oct. 18	1223
1938	Schloss	July 2	1105
1938	Perlen	do	1022
1938	Schloss	Feb. 3	1019
1938	Feldman	June 30	980
1938	Brighton	May 17	948
1938	Schloss	June 8	938
1938	Swift	June 1	880
1938	Wilmington (revoked Sept. 7, 1938)	Apr. 15	477
1937	Schloss	Oct. 20	708
1937	Empire	Apr. 23	603
1936	Scala Packing	Jan. 7	581
1936	C. Swanston & Son	Nov. 11	549
1936	Armour et al.	Mar. 30	440
1936	A. and P. (revoked Dec. 28, 1938)	Dec. 29	476
1933	Truns	Oct. 25	419
1933	J. J. Felin	do	420
1922	Armour et al.	Aug. 30	1

NOTE.—Some of these orders do not deal with the prevention of monopolistic practices resulting from unfair trade practices, but with such matters as refusal to pay for livestock, etc. The order in each of these cases will be submitted for the record.

[11] Article in the Wall Street Journal for February 21, 1957.

[12] U. S. Department of Agriculture Report on Current Activities and Problems under the Packers and Stockyards Act released April 4, 1957, herein called survey.

[13] The survey makes no reference to any assistance to the Packers and Stockyards Branch by "scores of employees" in the Bureau of Markets, the Bureau of Animal Industry and the Pure Food Inspection Department referred to in the 1921 rebates in Congress. See note 7, supra.

[14] Survey, p. 8.

[15] Id., p. 9.

[16] Survey, p. 28.

agricultural service. Principal functions of this division are marketing news services and Federal meat grading—both of which depend on packer cooperation for their success. In these circumstances it is hardly to be expected that this division could, in any event, adequately enforce provisions of antitrust laws."

RECENT DEVELOPMENTS RENDERING ACTION URGENT

My final point, Mr. Chairman, involves certain recent legal and economic developments that render the effective prevention of monopolistic practices in the food industry more important than ever before.

The first of these is the motion filed late last year by three of the defendants in the 1920 antitrust suit for relaxation of the terms of the consent decree entered against them in that year. The packers contend that circumstances have changed to such an extent as to entitle them to relief. Specifically, they ask to be relieved of the injunction against entering the business of dealing in meat at retail and in nonmeat foods. Their objective is said to be to enter the supermarket field. I do not propose to discuss the merits of this motion, which was addressed to the Federal district court. I do believe, however, that if the court should find merit in the motion and should grant it, entry of the packers into the nonmeat food industry and the retail meat industry will give added reason for making sure that a competent agency shall be in the position to supervise the trade and pricing practices of the parties.

The other facet of this problem arises from the fact, as asserted by the packers and the Department of Agriculture survey, that food chains have extensively entered the field of meatpacking. In this connection, the definition of what constitutes a "packer" under the Packers and Stockyards Act creates a number of problems of statutory coverage, as between the jurisdiction of the Federal Trade Commission and the Secretary of Agriculture. The act defines the term "packer" so that it not only includes any person engaged in the business of (a) buying livestock in commerce for purposes of slaughter or (b) manufacturing or preparing meats or meat food products for sale or shipment in commerce, but also includes interests in food markets controlled by persons in either such category, as well as any person who owns as much as 20 percent of the control of an enterprise in either of the stated categories (a or b), and as much as 20 percent of the control of a food market.

Several decisions involving this broad definition of "packer" give cause for concern. The committee is doubtless familiar with the 1940 case of *United Corporation* v. *Federal Trade Commission*,[17] in which the fourth circuit held that by purchasing stock in corporate packers after the FTC had filed a complaint against it, the corporate respondent, engaged in the marketing of canned meat, had successfully become a "packer," thereby ousting the FTC of jurisdiction to make an order requiring it to cease and desist from misrepresentation and false and misleading advertising.

More recently, on April 11, 1957, a hearing examiner for the Federal Trade Commission issued a ruling that underscores the urgency of closing the loophole in the Federal Trade Commission Act that was created by the meatpackers' exemption. In the Food Fair Stores case,[18] the Commission's examiner ruled that Food Fair's ownership and operation of a meatpacking plant ousted the Federal Trade Commission from jurisdiction over respondent's practices in allegedly inducing and receiving unfair and discriminatory allowances in violation of section 2 (d) of the Robinson-Patman amendment to the Clayton Act. These practices were totally unrelated to the distribution of meats or meat products. However, by investing $2,700,000 in a meatpacking plant, Food Fair has been able to remove FTC surveillance over the business of a supermarket grocery chain of 236 stores with gross sales of $475 million annually. This is clearly a case where the tail wags the dog. Unless the FTC overrules its examiner, his decision leads to absurd results. His opinion indicates his belief that Congress intended "to have the Secretary of Agriculture regulate all phases of any business in whatever primary field, connected in any way, or operating to any degree in meatpacking." Under this view, any company no matter what its primary line, can oust the FTC of jurisdiction over its activities by making a minimal investment in a meatpacking operation.

I hope that the hearing examiner ultimately is found to be in error. The fact that there is support for his interpretation of the packers' exemption, however, emphasizes the need for Congress to clarify this situation and to reestablish the jurisdiction of the Federal Trade Commission over the activities of meatpackers.

The packers' exemption has beshrouded other aspects of the Federal Trade Commission's jurisdiction with ambiguity. In the case of Armour & Co.,[19] for example, the Commission's examiner dismissed a complaint of false advertising under the so-called oleomargarine amendment to the Federal Trade Commission Act[20] on the ground that Armour is a packer and therefore not within the Commission's jurisdiction. The Commission upheld its examiner. When similar charges were entertained by the Commission against the Blanton Co.,[21] which is not a packer, that company appealed to the eighth circuit, contending that this amendment is unconstitutional because it does not apply equally to competitors who are not packers.

Passage of the bill under consideration to restore to the Federal Trade Commission jurisdiction over packers is essential in the interest of antitrust enforcement. Conversely, failure of Congress to act, coupled with the litigation of legal problems of the kind I have described, will frustrate such enforcement in ever-growing areas for decades to come. This I know this committee will not countenance.

[17] 110 F. 2d 473 (1940).

[18] FTC Docket No. 6458 (1957).

[19] FTC Docket No. 6409 (1956).

[20] 15 U. S. C., section 55 (a) (2) (1952). This amendment prohibits representations in advertising suggesting that oleomargarine is a dairy product.

[21] FTC Docket No. 6197 (1956).

Poland's National Day

EXTENSION OF REMARKS

OF

HON. FRANK J. BECKER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. BECKER. Mr. Speaker, May 3 commemorates the anniversary of the enactment of the first democratic constitution in Poland. Yet, today finds Poland struggling valiantly against the dominating fist of Soviet Communist Russia.

Under the handicap of this terrible tragedy, the people of Poland never cease fighting for their freedom. Their courageous uprising at Poznan last June, and the Polish October events, point up the fact that the rank and file of the Polish people will not rest until they are free again.

The United States can always be proud of the people of Poland and their descendants who settled in the United States. Their help in building this country to its present greatness can hardly be estimated in terms of statistics.

The people of Poland have proven conclusively, during the past year, that they can rise again and, by their demonstrations, wholeheartedly reject Soviet control of Poland and Communist dictatorship. All peoples of the free world will join in a frevent prayer on this anniversary that freedom for the people of Poland will not be too far in the future.

The War Against Our Immigration Law

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. SMITH of Wisconsin. Mr. Speaker, the distinguished gentleman from Pennsylvania, the Honorable FRANCIS E. WALTER, has to his very great credit the enactment of the so-called Walter-McCarran Act. In recent weeks, this law has been the target of many groups who would repeal our immigration law. Mr. WALTER himself has been the recipient of many unfair attacks by these people.

Mr. Speaker, in the April 20 issue of Human Events our colleague submitted an article entitled "The War Against Our Immigration Law." He stated that this drive to repeal our immigration law was spearheaded by Communists, their fellow travelers and others. Under leave to extend my remarks, I am including the article for insertion in the RECORD as it is a very important statement by a man who helped to write the law and whose only objective, as I see it, is to protect American citizens against unlimited immigration. This law must not be repealed.

THE WAR AGAINST OUR IMMIGRATION LAW

(By Hon. FRANCIS E. WALTER, of Pennsylvania)

Spearheaded by the Communists, their fellow travelers, congressional liberals and spokesmen for the so-called ethnic minority blocs, the assault on America's immigration system is increasing in intensity every month. Attempts to amend or abolish the Immigration and Nationality Act—generally referred to as the Walter-McCarran Act—have become standard operating procedure at every session of Congress since passage of the act in 1952.

In the closing hours of the Congress last year, those who are bent on wrecking our protective immigration system came within a hair's breadth of accomplishing their job of destruction. On the very last day of the session, Senators ARTHUR WATKINS and EVERETT DIRKSEN, in an unprecedented move, appended to a routine bill a series of amendments which would have demolished the national origins quota system and opened the floodgates. These amendments were rushed through the Senate without customary hearings and without committee reports.

In fact, these amendments had not even been printed when they were passed and sent to the House of Representatives—where the wheels had been greased to slip them by in the final rush before adjournment. Amendments of this sort are invariably sent to the appropriate committee before submission to the House. In this particular case, however, the amendments were sent over after the House Judiciary Committee had held its last meeting of the session. As chairman of the Immigration Subcommittee in the House, I was able to head off adoption of these amendments only by persistent effort as the clock was ticking off the closing moments of that body.

These amendments, which have again been introduced in the present Congress, contain provisions which would open every valve the Walter-McCarran Act furnishes for controlling the number and caliber of aliens gaining admission to our shores. If the provisions of these amendments are adopted, the net result will be (1) destruction of our national origins immigration system which gears the flow of immigration for maximum assimilation and for the preservation of our cultural integrity; (2) increase of total annual immigration from around 230,000 to well in excess of 600,000; and (3) emasculation of the chief screening and security safeguards of the present law.

Moreover, unless the rank and file of patriotic citizens—at the crossroads of America—demand of their Senators and Congressmen that they vote against these weakening amendments, they are likely to be adopted in response to the mounting clamor of leftist organizations.

The Committee on Un-American Activities recently disclosed that the Communist party has created over 180 organizations for the purpose of bringing grassroots pressure on the Congress to destroy the Walter-McCarran Act. At the recent convention of the Communist party in New York City, the destruction of this law was one of the two legislative objectives on which the twenty-odd-thousand Communist agents in this country were ordered to concentrate during this year.

The Walter-McCarran Immigration Act, the result of 4½ years of painstaking research and exhaustive hearings, represents the simplification and codifying of 148 different immigration and naturalization laws. It has two chief purposes: (1) To insure that the citizens of the United States—whatever their ancestry—will form a true nation, not a hodgepodge of unassimilated ethnic minority groups; and (2) to keep from our shores criminals, Communists, and other subversives.

To understand what danger lies in the current proposals to change this law, it is necessary to understand just what the Walter-McCarran Act provides, and the principles it embodies.

The Immigration and Nationality Act (Public Law 414, 82d Cong.) became law on June 26, 1952, over the veto of President Truman. Congress overrode Truman's veto by a vote of 278 to 113 in the House, and a vote of 57 to 26 in the Senate. As those figures suggest, the passage was a "bipartisan" effort. It was a faithful concensus of national sentiment on the subject of immigration.

Until Congress stamped its decisive approval on the Walter-McCarran Act, American immigration law was a snarl of separately enacted, and in many cases conflicting, statutes. Numerous injustices, such as racial exclusion, resulted from this tangle. On the other hand, many aliens were admitted who should have been kept out. One of the gravest weaknesses in our old laws was the fact that our immigration and naturalization policy were not coordinated. The result of this failing was that ethnic blocs grew up within our country, estranged from the society about them. Such enclaves are notoriously easy pickings for unscrupulous politicians, and often prove fertile ground for the seeds of Communist agitation.

The Communist question is, in many ways, the most serious that the Walter-McCarran Act is designed to handle. Prof. Louis Budenz testified before the Senate Immigration Subcommittee that the "general world pattern pursued by the Kremlin" shows that "* * * the direct responsibility shall be in the hands of aliens in any respective country in which operations are carried on. It is the fixed design of Moscow to employ aliens in the most responsible positions in every country. This assures that nostalgia and patriotism may be reduced to the minimum. * * * The native Communist leader, therefore, is always under the control of a superior, who is an alien, or an ex-alien, the latter having received his citizenship merely in order to serve the Kremlin more effectively."

This is, obviously, a common sense measure by the Communists. While I am convinced that the vast majority of our naturalized citizens are loyal Americans, I think it is apparent that immigrants, coming to our shores with prior loyalties, can function as subversives with less emotional stress than native-born citizens. The shrewdness of the Communists in exploiting this fact is borne out by this startling information: analysis of approximately 5,000 of the more militant members of the Communist Party revealed that 91.5 percent were either of foreign birth, married to persons of foreign birth, or born of foreign parents. Over half traced their origins to Russia and the satellite countries. It is beyond question, therefore, that prior loyalties, in the form of cultural and emotional commitments, are used to advantage by the Communists.

To combat this grave danger, the Immigration and Nationality Act incorporated provisions of the Internal Security Act of 1950, enabling immigration authorities to screen out subversive elements. The immigration law now provides for deportation of alien Communists, and cancellation of the citizenship of naturalized Communists who obtained citizenship fraudulently. It also tightens up procedures for screening out criminals, prostitutes, narcotic-addicts, and the like.

The method devised for achieving maximum assimilation of aliens admitted—and minimum politicking—is called the national origins quota system. This formula was introduced in the Immigration Act of 1924, and has been retained in the present law. It provides that the annual quota for any 1 of the 85 major quota areas shall equal one-sixth of 1 percent of the number of inhabitants of the United States, computed from the 1920 census, originating in that area. The total number of quota immigrants now admissible each year is 154,657. Additionally, a substantial number of nonquota immigrants are admitted each year. These include husbands, wives, and children of American citizens and natives of independent countries of the Western Hemisphere. There is no numerical limitation on the entrance of nonquota immigrants, and their numbers swell the ranks of immigrants coming to this country to well over 225,000 annually.

In the fiscal year 1956, the United States admitted 371,625 immigrants—people who took up permanent residence in this country. Of this number, 232,315 were admitted under our regular immigration laws and 89,310 were admitted under the so-called Refugee Relief Act, which is in reality only a device for admission of more aliens into this country through the back door. These figures represent substantial increases over fiscal year 1955, and the trend indicates that the pressure upon our immigration system will increase proportionately each year.

The national origins system is vilified, in the chant of the immigration hucksters, as racist, bigoted, and reactionary. These accusations are summed up in the classic phrase of the demagog bidding for minority bloc votes: the national origins system, it is charged, makes second-class citizens of immigrants.

All of these accusations are false. The Walter-McCarran Act is, in many essential respects, the most liberal immigration law in the world. The charge of racism is especially ludicrous. The truth is that this immigration statute removed, for the first time, racial bars to immigration. The quotas for Asiatic countries are now determined by the same formula as those for European countries, i. e., according to the proportion that their group in our country bears to the total population. Congressman WALTER H. JUDD, an acknowledged authority on the Far East, has said that "this law removes, at one stroke, the remaining racial discriminations in our nationality and immigration laws which have so greatly contributed to ill feeling in many parts of the world."

The culminating charge, that the national origins system creates second-class citizens, is the most hypocritical of all. A second-class citizen we are informed, is someone who is denied opportunities open to the rest of society, and who is thereby placed on unequal footing with his fellow citizens. The national origins system produces no such results. In fact, it is the expressed purpose of that system to make sure that all new citizens, by assimilation into society, are given equal opportunities, and are placed on an equal footing with everyone else. On the other hand, it is those who thrive on manipulated ethnic votes, who want, desperately, to create second-class citizens. These vote hucksters want to build up blocs whose interests are cut off from those of the country at large. Isolated from many of the main issues that are vital to the United States, these bocs are perfect material for the political demagog.

The political impulse behind many of the attacks on the national origins system can be seen when we inspect the proposed alternatives. The chief substitute which has, from time to time, been proposed is the unified quota system. Under this system, admissions would not be decided on an automatic, mathematical basis. Rather, the power to determine admission would be vested in a commission, politically appointed. Such a change is roughly one from a government of laws to a government of men. It would instantly convert immigration from a policy conducted in the national interest to a policy directed by political greed—in which each pressure group would strive to make its particular influence felt, and in which the demagogs would attempt to jam through blocs of immigrants representing just so many captive votes. The national origins system is the only impartial method of quota allocations ever devised. In the explosive context of immigration, setting up a system free of political conniving is a major job in itself.

The national origins controversy boils down to this: Is there such a thing as the United States? Do the American people have a culture which unites them as a nation? If we are to judge by results, the answer to these questions has to be "yes." There is something about America which has made it great and strong, and which has made it and kept it free, although—in my opinion—it has nothing to do with race or superiority or inferiority. Rather, it is a matter of basic ideology, cultural attitudes, of a common heritage. That we are a nation of immigrants is indeed a part of that heritage, but the emphasis in that phrase is on the word "nation." We are immigrants who have fused into one people, with one national loyalty—to the United States of America.

This country can continue in its great traditions only if its citizens understand

and believe in them. New citizens, therefore, must be brought in by a pattern and in degrees which will allow them to become a true part of American life. Immigration which contradicts this pattern or which exceeds those degrees is a disservice to the immigrant and our society alike.

As part of the clipping away of the national origins system, it is proposed that the base year—1920—chosen for establishing the total number of admissible quota immigrants, be changed to 1950. This one amendment, if enacted, would not only increase the quotas by about 85,000 annually, but would change the entire complexion of the cultural composition of immigration to this country. Because of numerous special enactments (such as the displaced persons law and the Refugee Relief Act) and a disproportionate use of quotas by natives of certain countries, the flow of immigration during the last several years has not been patterned to maintain the cultural balance of our population.

Another pending amendment is to apply the unused portion from large quotas to the waiting lists for small quotas. By completely rearranging the apportionment of visas, this proposal would further weaken the national origins system. Current attempts to alter the quota provisions relating to the Asia-Pacific triangle—by which orientals born in Western Hemisphere countries are chargeable to oriental quotas—would have the same effect. Another attempt to destroy the "national origins" system is the proposal that dependent colonies take over the unused quotas of their mother country. All of these proposals are thinly veiled attempts to wreck the national origins quota system, which is vital to the preservation of the basic cultural composition of our society. For that reason, they must be defeated.

The onslaught on our immigration laws is not limited to the national origins system. The tactic is to strike from many directions at once, with the hope that through sheer weight of numbers, some of the amendments will get through.

Here are some of the other proposals that have been introduced in the House and Senate:

1. It is proposed that a Board of Visa Appeals be established to review consular decisions granting or withholding visas, with its decisions in turn subject to judicial review. This means that immigration to the United States would assume the status of an adjudicable right of aliens, rather than a privilege.

2. Under the present law, the consular officers may refuse to issue a visa if they have reason to believe that an alien seeks to enter the United States for purposes detrimental to the welfare or security of the country. It is proposed that the consular officers be forced to establish in court their grounds for refusal. Again, this makes immigration a right, rather than privilege. It would also force the Government, at the demand of an alien, to disclose secret security information.

3. It is urged that broad discretionary power be vested in the Attorney General to admit aliens—outside the quotas—when he deems it in the public interest, and to permit aliens who have illegally entered the country to remain here permanently. The net effect of such provisions would be to open a huge gap in our immigration laws and to put a premium on illegal entry, when there are an estimated 3 to 5 million aliens illegally in the United States already.

4. The Walter-McCarran Act provides that an alien who has received, in the United States, pardon for a crime is exempt from deportation. It is proposed that this benefit include those pardoned for crimes by other countries. Such a provision, of course, would place power over immigration to the United States, in such cases, in the hands of foreign governments.

5. The present law stipulates that naturalized citizens who return to their homeland and establish residence for 3 years, or who establish residence in some other country for 5, lose their citizenship. It is proposed that such residence abroad should not be cause for loss of citizenship. The effect of this proposal would be to confer upon aliens the benefits of American citizenship, and then to permit them to evade the duties of citizenship.

Analysis of these and literally dozens of other pending amendments reveals a common thread: they all aim to subordinate the interests of the United States to the interests of other countries and their citizens. This is, in fact, the major theme of diatribes against the Walter-McCarran Act. It is asserted that Europe, Asia, and almost every country in the world, are suffering from too many people, and too little wealth. Therefore, they say, it is the "duty" of the United States to accept the population surplus of other nations, irrespective of their assimilability or our own population problems.

This is not the philosophy by which I have been guided in my career in the Congress. I believe that the first duty of an elected representative of the American people is to serve his own country. It is quite true that the population of the world, like the population of the United States, is expanding rapidly. Europe's surplus population alone is estimated at 79 million. The Far East is a vast sea of humanity with a combined population totaling almost a billion people. To suppose that the United States, through its immigration policy, can cure the problems presented by such masses of people is sheer folly. If we should open wide the floodgates to receive humanity's surplus, we would not improve the lot of the underprivileged countries of the world. We would only succeed in dragging ourselves down closer to their level.

While other nations of the world may, through envy or misunderstanding, want us to follow such a policy, they would suffer from it as much as we. For it is only as long as the United States remains strong and free that it can hold back the tide of communism. If we go under, they will go with us.

The Honorable Barratt O'Hara's Diamond Jubilee Dinner

EXTENSION OF REMARKS

OF

HON. GORDON CANFIELD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. CANFIELD. Mr. Speaker, I wish I could have attended BARRATT O'HARA's diamond jubilee dinner in Chicago on Thursday, April 25. The warm-hearted, silver-haired gentleman from Illinois is down in my book as one of my unforgettable Congressmen and it does me no end of good to be in his company, to hear him reminisce on his adventuresome and interesting life, to absorb his wholesome philosophy whichever accentuates his concern for the less fortunate in life.

We know Mr. O'HARA in the House today as our only Member who served in the Spanish-American War. Mere mention of his name electrifies the men of 1898 and their families when they assemble in my area. I thought I had some real experience in journalism until I really looked into the history of my colleague who is now beginning to say the Spirit of '76 is invincible. And who but the other House O'HARA, Republican JOSEPH PATRICK, of Minnesota, can cause House microphones to tremble in the manner of the Illinoisan?

Barratt has been exceedingly kind to me. Somehow, I sense he has sort of an affection for me as he does all his colleagues. I like the way he treats his secretary, Marie Crowe, coauthor of a number of his books. Barratt is happy at 75 and I am happy because he is.

The Transportation Tax Law Should Be Repealed

EXTENSION OF REMARKS

OF

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. SIKES. Mr. Speaker, under unanimous consent, I insert in the CONGRESSIONAL RECORD an article which appeared in the Playground News, of Fort Walton Beach, Fla., April 18, 1957, which indicates some of the reasons why the citizens of Florida feel that the transportation tax law should be repealed.

My colleague, the Honorable A. S. HERLONG, Jr., has introduced a bill, H. R. 2867, to repeal the transportation tax law, sections 4261, 4262, 4271, 4272, and 4273, Internal Revenue Code of 1954. Some 40 bills, I am informed, have been introduced and are now awaiting action of the 85th Congress, relating to this subject.

Speaking in support of the bill, as shown in the CONGRESSIONAL RECORD of March 5, 1957, Mr. HERLONG said:

It is possible, through repeal of the taxes on transportation, to extend a measure of relief to each and every person and each and every business, without any serious loss of revenue to the Government. * * * the potential benefits to be gained by all consumers through the cumulative effect of lower prices at each stage of manufacture, wholesaling and retailing, are so great as to make any possible loss of revenue almost insignificant by comparison. * * * repeal of the taxes on transportation cannot safely be delayed, while immediate repeal would be in the best interest of all.

Another of my colleagues, the Honorable JAMES E. VAN ZANDT, author of H. R. 376, which seeks repeal of the transportation tax, in a speech in support of his bill and recorded in the CONGRESSIONAL RECORD of February 18, 1957, says:

The cost of transportation and the burden falls most heavily on those least able to afford it. * * * Transportation, more than any other factor, is part of everything this Nation uses or consumes. * * * Repeal of the transportation taxes would, therefore, benefit each and every person and the entire national economy.

The news article reads as follows:

RESOLUTION IS ADOPTED AT DESTIN MEETING—BOATSMEN ASSOCIATION SEEKS REPEAL OF TAX

At a meeting of the Florida Boatsmen Association, Inc., held at the Community

Center Building in Destin, Fla., Saturday night, a spirited discussion centered on matters relating to taxation, license fees, and regulation of the fishing industry, President J. E. Brunson said.

James H. Wise, member of the legislature from Okaloosa County met with the association members for a discussion of pending legislation relating to fishing and boating, Brunson added.

"A number of bills have been introduced and are pending action of the legislature now in session in Tallahassee," he explained.

A resolution was adopted requesting the legislature to approve a concurrent resolution urging Congress to repeal the transportation tax. This tax, according to David W. Palmer, association counsel, who presented the resolution, has been the subject of much litigation, so much that it is no longer profitable to the Government as a revenue producing measure.

"It is a war measure," he said, "enacted in 1941, to deter people from riding the trains, planes, and boats and thereby give more room for transporting military personnel and equipment.

"Some 30 bills are now before Congress seeking repeal," he added. Ten State legislatures have already taken similar action seeking repeal.

"Many court decisions have held that the tax had been illegally collected on the movement of logs, earth, oil, ice, gravel, and persons making fishing and sightseeing trips. More than 100 associations, including the Chamber of Commerce of Los Angeles and Kansas City, are supporting the repeal movement," Palmer said.

C. L. Kelly, secretary-treasurer, presented the resolution as follows:

"Whereas the Federal transportation tax is a discriminatory and unfair tax, imposed on those who in their business or profession are required to travel or transport goods, wares, and merchandise; and

"Whereas the courts have held that the tax, in a number of instances, was illegally collected and that said tax does not apply, under certain conditions, to various articles, commodities, persons and activities, such as the movement of logs, earth, oil, ice, gravel, fishing boats, etc.; and

"Whereas it appears from the remarks of Hon. ROBERT L. F. SIKES as recorded in the CONGRESSIONAL RECORD of April 13, 1955, and May 31, 1955, that said tax has not been uniformly imposed but has been collected contrary to law; and

"Whereas large sums of said tax illegally collected have been refunded pursuant to court decree; and

"Whereas in Florida, because of our location, said tax imposed an unfair and undue burden on our citizens: Now, therefore, be it

"*Resolved*, That the Florida Boatsmen Association, Inc., hereby petitions the Legislature of the State of Florida, now in session at Tallahassee, by appropriate concurrent resolution to request the Congress of the United States to repeal said transportation tax law; be it further

"*Resolved*, That said association hereby requests Members of the Congress from Florida to repeal said law; that a copy of this resolution be sent to Members of Congress from the State of Florida; be it further

"*Resolved*, That a copy hereof be released to the press to the end that due publicity be given the subject.

"Approved at Destin, Fla., this 13th day of April 1957,

"FLORIDA BOATSMEN ASSOCIATION, INC.,
"By J. E. BRUNSON,
"*President.*

"Attest:

"C. L. KELLY,
"*Secretary-Treasurer.*"

Attached to the above and foregoing resolution and transmitted to the State legislature in Tallahassee, Fla., was the following:

House Concurrent Resolution

A concurrent resolution requesting the Congress of the United States to repeal title 26 sections 3475 and 4261 of the Internal Revenue Code of the United States, which levies an excise tax on the transportation of property and persons within the United States

Whereas the Federal excise tax on transportation was for the most part levied as an emergency revenue measure for the conduct of World War II, and in the case of the tax on transportation of persons for the purpose of discouraging unnecessary civilian travel, and was not intended as a part of the permanent rate structure, and is no longer necessary because the emergency created by World War II and the problems peculiar to it have ceased to exist; and

Whereas the country's railroads, airlines, truck and bus companies and water carriers are caught between increased costs and rate competition among themselves and with unregulated and private transportation, and the transportation tax increases the prices the users of the for-hire transportation services must pay, and makes the for-hire transportation agencies involuntary collectors of a tax which drives business to private operations; and

Whereas the for-hire transportation industry is essential to the national defense and the well-being of this industry must be safeguarded from the unnecessary and disrupting influence of the transportation tax which prevents for-hire transportation agencies from being able to compete for their fair share of the available volume of traffic; and

Whereas the transportation tax is most unjust to the Nation's railroads which are especially essential to the national defense because they move the largest share of troops, equipment, and vital supplies in times of war and national emergency; and

Whereas the transportation tax is costly for the carrier to collect and administer and thus adds to the total freight bill by increasing the carrier's overall costs, putting an extra burden upon the carrier and on the shipper through high rates; and

Whereas the transportation tax, because of its nature or application tends to become discriminatory as to communities and individuals, and restricts trade areas, thereby interfering with the free flow of commerce within the United States, and the State of Florida is particularly affected because its shippers must ship their commodities for long distances to reach markets; and

Whereas the transportation tax rate is a fixed percentage of the fare or freight rate, and is substantially increased without any increase in the tax rate every time it is necessary to increase passenger and freight rates; and

Whereas the for-hire transportation agencies are especially important to the State of Florida because Florida is an importer, i. e., more goods and people come into the State and remain than go out, and this means that the transportation tax adversely affects the State of Florida to a point approximating a lack of constitutional uniformity; and

Whereas the for-hire transportation agencies are essential to the well-being of the large tourist trade in the State of Florida and the State of Florida is especially interested in protecting and developing its vacation and tourist travel and cheaper transportation costs will aid in the accomplishment of this purpose; and

Whereas transportation is in no sense a luxury but is a vital necessity and there is, therefore, sound reason for distinguishing between the transportation taxes and other excise taxes that are imposed upon luxury items; and

Whereas the benefit the public in general will derive from the repeal of the transportation tax will far outweigh the loss of revenue to the Federal Government; and

Whereas there is presently pending before the Congress of the United States legislation which would repeal the tax on transportation of property and which would repeal the tax on transportation of persons: Now, therefore, be it

Resolved by the House of Representatives of the State of Florida (the Senate concurring), That they be placed on record in favor of the repeal of the 3 percent Federal transportation tax on all commodities shipped, and the repeal of the 10 percent transportation tax on all passenger fares; and

Resolved, That this resolution be forwarded to Representative FORAND and the members of the House Subcommittee on Excise Taxes with the recommendation that serious consideration be given to supporting the repeal of excise taxes as applicable to the movement of people and goods via for-hire carriers; and

Resolved, That the members of the Florida delegation in Congress do all within their power to bring about the repeal of the Federal transportation tax, and be urged to pursue this matter as diligently as possible in order that the State of Florida might reap the benefits which would be forthcoming.

Mr. Speaker, in Florida this transportation tax has become a nuisance. Fishing boats were required to contribute an aggregate sum of about $100,000 to the United States Treasury Department as a transportation tax. After some 7 years of litigation, the courts have held that the tax was unlawfully collected and must be refunded—*Smith* v. *U. S.* (110 F. Supp. 892); *Walker et al.* v. *U. S.* (144 F. Supp. 440; affirmed 234 F. (2d) 910); *Davis* v. *U. S.* (235 F. (2d) 174); *Smith v. U. S.* (157 C. C. H. 9550 (5th Circuit), decided April 3, 1957).

As shown by my remarks in the CONGRESSIONAL RECORD of April 13, 1955, in some areas no effort was made to collect the tax. The court found that the tax varied in different localities. In some places the tax was collected at the rate of about 5 cents while under identical circumstances on other boats the tax was collected at the rate of 60 cents on a $5 fishing trip.

Because of the inherent nature of transportation, as legally defined, much travel and the movement of various commodities, goods, wares, and merchandise, have been held by the courts to be nontaxable. The unauthorized assessment and collection of the tax has resulted in considerable litigation throughout the United States with its attendant expenses to both the Government and the taxpayer. The most satisfactory solution to this problem is to repeal the transportation tax law.

The effort to expand the statute by administrative rulings to impose the tax on articles and activities not specified in the statute is not limited to fishing boats but includes such tonnage as wood—*Masonite* v. *Fly* (182 F. (2d) 934; 194 F. (2d) 257); building materials—*Earl* v. *Babier* (180 F. (2d) 1016); earth—*Ellis* v. *U. S.* (187 F. (2d) 696); stone—*Kerns* v. *U. S.* (204 F. (2d) 813); oil—*Jones* v. *Continental Oil* (141 F. (2d) 923); *Continental Oil* v. *Jones* (92 F. Supp. 927).

Now, I understand, in some places an effort is being made to collect the tax on sightseeing in disregard of a regulation

expressly excluding sightseeing from the tax.

In view of the foregoing facts, H. R. 2867, legislation to repeal the transportation tax, should receive early consideration.

Congress and the International Atom

EXTENSION OF REMARKS

OF

HON. STERLING COLE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. COLE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address which I made at the Atomic Industrial Forum Symposium on April 25, 1957, at the Plaza Hotel in New York City:

CONGRESS AND THE INTERNATINOAL ATOM

(By Hon. STERLING COLE, of New York)

Mr. Robbins, Commissioner Vance, distinguished guests, ladies, and gentlemen of the forum, the forum has been formed now for just over 4 years and during this short period the forum has had an incredible growth. Where it started with 1 or 2 meetings a year, it is now fostering meetings even on the other side of the globe. It is a great pleasure to talk with a group of people who have shown such great dedication to the cause of developing the peaceful uses of the atom.

Your day long symposium on the international legal problems of atomic energy is but another milestone that you have passed in your steady march of progress.

Many of the problems which have been included on your agenda today are problems which are proper subjects for congressional attention. While it appears that the most desirable way to protect an American manufacturer or designer against the very remote possibility of a runaway in the reactor when it is installed and operated abroad is through an international convention, there may be a proper role for legislation in this sphere. The very first agreements for cooperation paid no attention at all to this problem. At the urging of the Subcommittee on Agreements for Cooperation, the Atomic Energy Commission inserted into its agreements a clause that would hold the United States harmless for materials or services supplied to other nations. Although the Joint Committee has raised a question for some period there still has been no similar clause inserted into the agreements for cooperation which would protect the American supplier. Further persuasive efforts by the Joint Committee to have the agreements for cooperation protect the suppliers may be needed. If these efforts are not successful perhaps there should be a statutory requirement that the agreements require the cooperating nation to protect the American supplier, at least until such time as an international convention can resolve the basic problems in an overall manner.

Another problem which needs close examination by the Congress is that of foreign patents. It would seem that the Atomic Energy Commission has not been as alert to filing patents in other countries as it might have been. I do not say this in any derogatory sense since the United States Government might not have any interest in exploiting the rights abroad which arise out of inventions. Nevertheless, the failure to exploit these rights could seriously affect United States firms who want to go abroad. It is possible that this is something that can be taken care of by the Commission by straight administrative action. It is also possible that this could require legislative attention. The problem arises only with respect to those United States patents to which the Commission takes title but which the firms developing the ideas want to use abroad. The catch in the foreign patent situation is that failure to file may permit complete outsiders to file on United States-originated ideas and to block the development of United States ideas in reactors in the countries involved. I hope that any possible patent roadblock to the foreign development of atomic energy by United States firms can be quickly eliminated.

In view of the fact that all of the studies on the economics of atomic energy indicate that power from atomic energy is most likely to be economical when produced in foreign countries, the international picture plays a tremendously important part in the development of the domestic program. Even when reactors are first built abroad I doubt that they will be economic. The question, therefore, seems to me is very properly raised; namely, how do we get our reactors to be the ones which are built in other nations? Since we would be the first to obtain information which will let us know about the economics of such reactors, I would suggest that we subsidize the construction of advanced development reactors abroad. I would not have the subsidy complete but would limit the amount of subsidy to half of the additional cost of building those reactors over the cost of constructing conventional powerplants. Even then, I would suggest that we only put in funds which would be matched dollar for dollar by foreign governments. Also, I would expect the United States to have ready access to these reactors, not only for inspection and control, but for studying all of their technological and economic operations. It would be expected that the financial assistance would be given to the other nations only if the major component parts of the reactor were bought in the United States.

All of these matters are minor compared to the one great question before the Congress this session. This is the matter of the ratification of the International Atomic Energy Agency statute.

In many ways I look upon the International Agency as a close parallel to the forum. In its initial phase it is starting with about as many members on its board of governors as you had on your board of directors. It is starting out with about as many on its initial staff as were on the initial staff of the forum. In 4 years I believe the Agency will be playing as important a role in the international affairs of atomic energy as the forum is playing among the private interests in this great field.

Of course you know that the Agency received its start at President Eisenhower's famous speech to the General Assembly of the United Nations on December 8, 1953. We have all followed it anxiously since that period and I have been extremely interested in watching the idea take root and flourish.

When the Atomic Energy Act of 1954 was under discussion, the joint committee wrote into the bill provisions of law enabling the United States to enter into agreements for cooperation in the peaceful uses of atomic energy. Wanting to encourage the idea of the International Agency, we also included a section in the law which would permit the United States to enter into agreements for cooperation with the Agency once it had been approved by the Congress. I was very glad that the Congress accepted such a provision for it indicated general congressional approval of the idea of the Agency.

As the various drafts of the statute for the Agency were written, the Joint Committee received full information on the developments from the State Department. In July of 1955, just before the joint committee left to attend the International Conference on the Peaceful Uses of Atomic Energy at Geneva, Ambassador Moorehead Patterson came before us and told us about the draft as it had evolved to that point. During the 10th General Assembly of the United Nations, the 1st committee held considerable debate on the method of formation of the Agency. The United States participated in this debate but, even more important, was one of the main leaders in the debate. A resolution, approving the idea of the International Agency and recommending that there be an International Conference called to consider the final draft of the Agency, was adopted by the General Assembly without opposition.

A 12-nation drafting session was held in Washington in the spring of 1956, during which time the ideas of India, Russia, Brazil, and many of the nations who were not participating, but who had made comments, were incorporated into the statute. The statute was approved by the drafting session without objection. After the drafting session, Ambassador James J. Wadsworth came before the committee and described the work that had been performed in perfecting the statute to that point.

Last fall the Conference on the Statute of the International Agency was held at the United Nations in New York. After a month of debate, directed both to the general and to the specific provisions of the statute, and during which time many further amendments were added to the statute, the statute was approved for ratification without objection by 81 nations. By the end of the period, during which the statute was open for signature, 80 of the participants in the Conference had signed. Ratifications have begun to be deposited with the United States. Russia's ratification is one of these.

I was fortunate to be able to attend the Conference as 1 of 4 congressional advisers to Ambassador Wadsworth. The other 3 advisers designated by the Congress were Congressman KILDAY and Senators BRICKER and PASTORE.

During that Conference I had a remarkable opportunity to watch the other nations in their confidence of the future of atomic energy and of the Agency. I was amazed and delightfully surprised to find the overwhelming desire among all the nations to make the Agency a workable and sound organization for the international development and the future international control of the peaceful uses of atomic energy. More than anything else, at that Conference, I was impressed by the tremendous desire of all the nations involved to reach a common conclusion on the problems. Almost as great was the feeling that atomic energy will bring many great blessings to the peoples of the world.

Since the closing of the Conference on October 26, the Preparatory Commission has been busily at work getting ready for the First General Conference of the International Agency. In the Preparatory Commission, I am told, the same feeling has continued: the same unanimity of desire to get ahead; the same willingness to seek solution to common problems acceptable to all. It is against this background that I wish to begin discussing the future of the Atomic Energy Agency with you.

As you well know, the President, on March 22, transmitted the statute of the Agency to the Senate to be ratified as a treaty. This means that there must be 64 votes in favor of the statute. Thirty-three negative votes, or any major reservation, can kill the spirit of this Agency. I am taking this opportunity of bringing to your attention the fact that there is a very strong movement on in the Senate which would either modify or kill the statute.

For myself, I cannot agree with this movement. I believe that this Agency is a tremendous force for the future of our country, and for the future of the world.

First of all, I want very quickly to dispel the idea that this Agency will automatically be open to Red China. The 10th General Assembly limited the participation in the drafting of the Agency to the members of the United Nations and of its specialized agencies. This does not include Red China. The drafting session extended an invitation only to the National Republic of China and not to Red China, although the Soviet Union sought to change the invitations. A motion to remove the limitations in the statute requiring adherence by future members to the United Nations principles was overwhelmingly rejected by the International Conference. This motion was made primarily to permit Red China to become a member later on. The credentials of the National Republic of China were upheld on two different votes. Thus, there have been at least five separate occasions when the problem of Red China was considered. On all of them the position of the United States against the admission of Red China was maintained without any veto. A veto written into the statute would not be a desirable or satisfactory basis for the operations of this kind of an Agency.

Another complaint against the Agency is that the United States will be giving 5,000 or 20,000 kilograms of uranium enriched in uranium-233 to the Agency. So far no one has indicated that this material will be donated as a gift. Indeed, the statute contemplates that the Agency will pay for the services and materials received unless there is a special agreement to the contrary. The Atomic Energy Commission has already informed the joint committee that it does not believe that it has any statutory authority to give materials to the Agency. If, at any time in the future, it should be decided that the United States should make a gift of materials, the Commission would seek to have that authority granted to it by Congress.

A further claim is that materials given to the Agency could be diverted and made into weapons. I do not believe that this would be the case. In the first place, the International Agency has provisions in its statute for the inspection and control of projects to which the Agency gives assistance. These provisions are almost identical with the provisions which are written into the bilateral agreements of the United States. However, they carry one additional safeguard that the United States bilaterals do not have. These Agency projects would carry a contractual basis for action by the United Nations in the event any diversion should be found. This contractual basis is, of course, missing from the United States bilaterals.

In the second place, Agency projects are limited to those projects which will be designed to implement the development of atomic energy for peaceful uses. A nation which wanted to divert the materials from these projects would find it dangerous and costly since they would have to devise ways to get around the rigid inspection and control provisions and to process materials which could be highly radioactive. Any nation that wanted to embark on a weapons program of its own could do so outside of the Agency. Indeed, many nations probably will start atomic energy programs of their own. The more nations that start their programs under the International Atomic Energy Agency, the fewer will be the nations which will have atomic programs which can be turned into military uses. Let there be no mistake about this. Uranium is one of the most abundant resources in the world. The knowledge of building reactors is not limited to any one country. Other countries will be able to obtain both the materials and information on how to use atomic energy from sources other than the United States. If they desire, they can use them for the military uses of atomic energy.

We can, and should, encourage those countries which are now beginning to get into the atomic energy program to devote themselves only to the peaceful uses.

Many have asked why we should join in with the Agency when we can achieve the same results through our own bilateral programs. I do not think we can achieve the same results. It was many of the small nations that first suggested that the International Agency be established through a conference. They did not want to have the Agency statute set up by the major powers and then forced on them.

They wanted to have a voice in the formation of the Agency and in its operation. The wisdom of letting them have this voice today has been shown by the many ways in which the statute of the International Agency has been bettered by the amendments offered in the Conference last fall. Also, it is part of their national pride that their atomic energy program will be drawn not from any one nation but from all of the nations of the world. There may be many nations in the world who because of their traditionally neutral positions, may prefer to receive assistance from the Agency instead of receiving further assistance from the United States. Such nations could include Switzerland and the Scandinavian countries.

Also, I should remind you that it was a small nation, Thailand, that suggested the amendment to the statute giving the Agency the authority to take over the inspection and control functions of the national program of any single nation.

Above and beyond all that can be achieved through the distribution of materials and information on the peaceful uses of the atom, there will be one outstanding accomplishment which can be obtained from the International Agency. This will be a period of learning about all of the problems—technical legal, psychological—of international inspection and control. The Agency was suggested at a time when neither the United States nor Russia was able to agree on an inspection and control plan for themselves for disarmament purposes. The Agency's operations can produce that technology and that confidence in international control which will lead to complete international control of atomic energy at an appropriate time later on.

There has been some objection raised to the ability of the Agency to furnish materials to Iron Curtain countries. I do not fear this authority. The Agency is not going to start on large grandiose plans. It can start out, however, furnishing radioisotopes for peaceful purposes. These radioisotopes could be used to help people behind the Iron Curtain control and cure diseases. Small research reactors containing amounts of materials militarily insignificant can help people behind the Iron Curtain learn about the bases of atomic energy. Since the International Agency was proposed as a means of winning the hearts and minds of peoples of the world, certainly there should be no disagreement that these activities of the Agency can, and should be, encouraged. Remember that the Iron Curtain countries requesting assistance for projects must also agree to appropriate inspection and control features. This kind of experience can be extremely valuable to the Agency and to the world in learning how the control systems operate behind the Iron Curtain. Later on there may be countries that will want other reactors of more advanced types. In considering those projects, as in considering any initial project, the board of governors of the Agency would have to consider the adequacy of the inspection and control systems which might be required, as well as the ability of the nation to comply with these features. This means that the basic responsibility would rely upon the board of governors to make this decision. We can, and I think we should, have confidence that the board of governors would make any such decision in the light of all of the known facts surrounding the project.

Thus far I have talked about the Agency in terms of meeting the arguments against it. It seems to me, however, that there is much more to be gained by talking about the future than the Agency can make for the world. Of course it can provide a ground for the training of many scientists in many countries. Further than that, it can provide a central clearinghouse for the exchange of information. In the field of science such a clearinghouse is a great help since the thoughts of one person will frequently strike a sympathetic spark in the minds of others. The more scientists that can read and discuss the work of the leaders in other countries, the more quickly will this great potential be tapped for the good of all. In scientific fields you never know where a new and original thought will come from. Remember that the basic formula on which this field is founded came from an unknown examiner in the Swiss Patent Office. The more persons around the world who are able to study the problems of atomic energy, the sooner will this great energy be released for the benefit of all mankind.

Many of the commercial problems which will develop in this field can run into extremely complex legal situations unless there is one international agency which can help resolve the problems. I have already mentioned one of these fields. This is the problem of the manufacturer or supplier of materials or services to reactors built in foreign lands. One of the earliest tasks that the International Agency could undertake would be the calling of a convention which could draft an international treaty in which many of the difficult legal problems could be resolved to the advantage of all nations. The treaty could, indeed, give the Agency some administrative functions which the Agency cannot now undertake. This could include the administration of an indemnity fund such as the indemnity fund in the Anderson and Price bills now being considered by the joint committee. The treaty could cover extensive and difficult substantive and procedural questions in the unlikely event of such a runaway. Another natural problem for the Agency to work on would be international techniques for the disposal of waste radioactive gases and liquids in the atomic energy program. The problem of international control to radiation exposure could also be considered. I am sure that the Agency already has such projects in mind for its operation once it is established. These will be of great advantage to the United States or any nation seeking to sell its services in the international market. But above all, the great contribution that can be made by this Agency is in the development of the technology, the law, and the public acceptance of international control. This will not be achieved suddenly but gradually. The Agency cannot achieve this benefit if it has no materials at its command.

I cannot criticize those who want to study and understand the Agency thoroughly before the statute comes before the Senate for ratification action. I, too, have had a long period of studying the Agency. I do hope that once the study has been completed that the discussion of ratification will then proceed on the same high level of hope and faith for the whole world that has been evident in the discussions and international discussions of the Agency to date. President Eisenhower's proposal before the United Nations received worldwide acclaim. The negotiations on the statute have proceeded in the faith and hope that the Agency would come into being as soon as possible.

So far we have spent much effort and great sums of money in developing atomic weapons for waging war whenever we may be called on to defend our liberties and our shores. If the time ever comes when any nation should again have to fire an atomic weapon in anger, it will be a great tragedy.

In the words of Pope Pius XII:

"There will be no song of victory, only the inconsolable weeping of humanity, which in desolation will gaze upon the catastrophe brought on by its own folly."

Now is the time, while maintaining our armed strength, to devote our efforts as wholeheartedly to finding the ways in which to develop atomic energy for the peaceful benefits of all mankind. The only real way in which this can be done is under an international agency devoted to the resolution of international atomic energy problems through international law.

As we enter into the age of the international development of atomic energy, we must learn to have faith in the ideals and judgments of the free nations of the world. But we must remember that the free world—and indeed the whole world—looks to the United States for leadership in this great dilemma. To date the United States has exercised that leadership wisely and with restraint in the negotiations leading to the signing of the Statute of the International Atomic Energy Agency. As long as the United States continues to apply its ideals to this field in the same strong but reserved manner that it has, the United States will continue to supply the leadership of a foundering world. When this country shall begin to withdraw again unto itself, it will be only a nullity among the nations of the world.

Congress, after giving the statutes thorough consideration, should ratify the statute by an overwhelming vote. This will tell the other nations that we have faith in them and their peoples. This will also affirm the pledge given to the world by President Eisenhower to the General Assembly on December 8, 1953:

"The United States pledges before you—and therefore before the world—its determination to help solve the fearful atomic dilemma—to devote its entire heart and mind to find the way by which the miraculous inventiveness of man shall not be dedicated to his death, but consecrated to his life."

Vocational Rehabilitation

EXTENSION OF REMARKS

OF

HON. CLEVELAND M. BAILEY

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. BAILEY. Mr. Speaker, I believe that our colleagues will agree that no program of the Federal Government represents a sounder investment on the part of the American people than the vocational rehabilitation program. Last week at Jackson's Mill, W. Va., Region III of the National Rehabilitation Association—including West Virgina, Virginia, Maryland, North Carolina, Kentucky and Washington, D. C.—held its annual meeting. My colleague who represents the Sixth Congressional District of the "Mountain State" participated in the program. I am pleased to direct the attention of the House to the remarks made by the Honorable ROBERT C. BYRD on Saturday noon, April 30, when he addressed the regional meeting.

Representative BYRD's remarks follow:

Ladies and gentlemen, in almost all health fields, but particularly perhaps in rehabilitation, the activity and leadership coming from voluntary associations serve to keep our Federal effort free of any hint of paternalism. Furthermore, as Americans, we can take pride in knowing that quite apart from all the points we make about the national economy and security, the basic drive behind vocational rehabilitation is one of simple humanity. The work you do saves millions of tax dollars and increases our productivity and national worth. There is no question about that. On the basis of a special study of persons rehabilitated during the 1953 fiscal year who were receiving some help from public relief agencies during rehabilitation, it is estimated that 13,000 disabled persons, about 20 percent of the total rehabilitated during the 1956 fiscal year, were dependent to some extent on public assistance either at the time of acceptance or during the process of rehabilitation. It is estimated that the cost of maintaining these 13,000 persons on public assistance for one year would be about $11.1 million. The cost of operating a basic rehabilitation program is estimated at $9.6 million.

The annual rate of earnings of the group of persons rehabilitated during the 1956 fiscal year who were receiving wages was estimated at $17.5 million before rehabilitation and $127.3 million the first year after rehabilitation.

Statistics show that rehabilitated persons pay back $10 for every $1 invested in rehabilitation.

The economic facts of rehabilitation give strong support to the proposition that vocational rehabilitation is an investment in human welfare that is completely self-liquidating. No program of the Government better illustrates the principle that the expenditure of effort and money to help people become self-reliant and self-sustaining is not only proper and sound but is a prudent disbursement of public funds.

All of us, you in the field, the people in the State and Federal office of vocational rehabilitation, and Members of Congress, see the greatest rewards in terms of human lives. The true measure of your work is in terms of those children and adults who have learned to live again. That is a measure that, in the minds and hearts of all of us, transcends dollars and cents.

When we were discussing my appearance here today it was felt that the best way for me to make a contribution would be to talk about the point of view a legislator brings to bear on a subject like vocational rehabilitation. Point of view, of course, is largely a personal matter. Legislatures are made up of individuals who bring into them varied attitudes and equipment. But it is fair to think that there is such a thing as a legislative frame of mind, if I may use that phrase. In Congress, and in State legislatures, generally speaking, majority opinion evolves steadily, without many abrupt changes. In essence, this is because a legislature represents a people whose attitudes and opinions also evolve that way. As we go along, day-to-day, we hardly seem to be changing at all. But if we stop to take a backward look we will sometimes be surprised at how far we have come. In this context it might be instructive to review the situation in Congress and the Nation when the Vocational Rehabilitation Act had its rather modest birth in 1920.

At that time, or rather during the hearings held by the 65th and 66th Congress in 1918 and 1919, the plans for Federal grants-in-aid to the States for vocational rehabilitation were presented as representing "social justice on the one hand, social economy on the other." Federal participation was presented as being nothing more than stimulating to the States. There was a great deal of interest throughout the country, on the part of industry, labor, State government, and private organizations. No one was sure, exactly, how big the problem was. Everyone knew that inaction was resulting in a tragic waste of lives. We don't today, see the alternative to this program in terms of disabled people out on the streets selling shoelaces or just plain begging, but that was the way they saw it then. There was, then, very little resistance to the idea in Congress. What resistance there was—and the printed hearings bear out that it was a sincere, thoughtful, high-minded resistance, with nothing arbitrary in it—took two phases. On the one hand was this problem: Was Congress invading a territory better left to the States? What little experience there was in this respect concerned the land-grant colleges and the still new Office of Vocational Education. The proponents of the measure quite honestly expected Federal participation, in dollars, to remain small. They expected that State contributions would greatly outweigh Federal contributions. And great care was taken to see that actual administration would remain in State control.

The second type of question—I won't say objection—raised was whether or not the bill was too inclusive. The famous phrase "injured in industry or otherwise" raised a specter of a program to retain at public expense practically the whole population. One Representative, for example, wondered if this term might not be construed to include everyone who gets sick. The difficulties implicit in limiting the phraseology were illustrated by the case of an employee receiving a disabling injury while on the way to work. This was at the joint committee hearings in 1918 and it is significant to note that the Representative raising the question was not objecting to the bill. He was prepared to vote it out of committee favorably. But he was concerned with the problem of seeing it through the House and Senate, and getting it made into law. Then, as now, Congress needed facts with which to work. Proponents of the measure had the members' sympathy, but sympathy was not enough. During those hearings in 1918, the members wanted facts. They wanted some idea of the scope of vocational disability. What was the dollar value of lost productivity? How many people actually needed vocational rehabilitation? In 1918 these questions could not be answered with any statistical certainty, but the committee heard a wealth of testimony on the situation in individual industries or in particular areas. They could not get all the information they wanted, but they heard that other countries were doing more than we were, that the problem was widespread and grave, and that programs abroad, and isolated programs here, showed that handicapped persons could be helped to economic and spiritual self-sufficiency. The 65th Congress did not get to vote on the bill, but it was reintroduced in the 66th, and became law on June 2, 1920.

Passage of this act did not usher in any millenium, as we all know. It has been a long, hard pull. First you people in vocational rehabilitation had to build up your programs in the States. When you first started there was only a handful of people who knew something about the subject. You had to create a new discipline, build up a national pool of knowledge, invent new skills and then train people to use them. You also had to make friends, so to speak, or open lines of communication with various people in State and local governments, in industry and in labor. And, most importantly, you had somehow to reach the handicapped. You had to let them know you were there, and convince them that you had something worth while to offer. Over and above all this there has always been the problem of getting your program across to Congress and the State legislatures.

Generally, you have done a good job. Legislators want facts, as I said before, and a lot of them have been developed since those early days. Now you can give us the facts, facts which are pretty well irresistible on a dollar and cents basis.

In 1943, with passage of the Barden-La Follette amendments to the Vocational Rehabilitation Act, your movement closed the book on the chapter of ancient history and moved into an exciting future. It was in the succeeding decade that you were able to entertain the notion of caring for all the handicapped, no matter how severe their deficiencies.

Physical restoration: What a wonderful phrase that is. Every year saw new kinds of cares taken in hand for the first time. Counseling receded into the background as physical medicine advanced. And all parts worked together harmoniously. As physical medicine advanced, so did the science of prosthetics. At the same time there were developments of new jobs, or job skills, for the rehabilitees. The progress in physical medicine accompanied that of the rehabilitation center as a means of restoring the more severely handicapped. And the 1954 amendments will result in an even greater significance for the rehabilitation center. Sheltered workshops, too, have grown in importance, for you are restoring people now who cannot be expected to step right out into competitive employment. We can hope, and expect, that future legislation will help expand that part of the program.

Right now, the legislative pattern for the vocational rehabilitation program seems to me to be pretty adequate in its broad outlines. There are areas where it can be improved, or added to, of course. But it now seems to encompass the field, and it has about as much flexibility as legislation can have without becoming vague or indefinite. What we need now is more money for expansion, more rehabilitation centers, more sheltered workshops, and more trained personnel.

Now, in the 37 years since passage of the Vocational Rehabilitation Act, I understand there have been great changes, evolutionary ones, in your thinking. Along with this has been the development, or cultivating, of local planning and responsibility.

Some of our present-day developments were dismissed in 1918 as highly unlikely. It was felt, for example, that private organizations would by their very nature be limited to small pilot studies. No one foresaw the present day's tremendous response to fund-raising campaigns of the voluntary health agencies. Then again, it was anticipated that rehabilitation work would require no new facilities. The sponsors of the act decried the possibility. And there has been one big change that has come about so slowly most of us never think of it. Back in the early twenties everyone discussing vocational rehabilitation operated on the tacit assumption that a great many cases were hopeless. In those days they were thinking mostly of injured persons in whom one faculty was lost or impaired, but who were still mostly sound—almost the entire emphasis was on developing vocational skill with what a man had left to him when he came to the agency. When vocational opportunities were discussed, there was a lot of talk about running bee farms or raising capons. They never contemplated the day—how could they contemplate the day?—when men who had lain for 20 years on their backs would be carried into hospitals on stretchers and would walk out to face a new life 6 months later.

There are quite a few people who have never had any personal, intimate knowledge of severely handicapped persons. They have seen them in the streets, perhaps, but this problem is pretty remote and impersonal. When we talk of the inspiring history of this movement, we know that to some it is just a matter of statistics. This is not a matter of heartlessness. How, without knowledge, can you look at a man, distinguishable only by some peculiarity in his gait, and appreciate the narrow margin between his present state and a vegetative existence? One doesn't begin to comprehend this field until he knows the "before and after" status of particular individuals. There is a tendency with some people to see, or hear of, a man rotting helplessly on a cot, and to think that his case is helpless. They would rather not think about him any more. It is too painful. They drop a penny in the hat and forget about him. But here, in a coal mining State, you won't find that apathy and indifference.

To every coal miner, and to everyone who knows the mines, severely crippling injuries have been far from remote. Men so crippled they would never work or walk again have been part of everyone's experience. The fear of becoming a hopeless cripple, even more than the fear of death, has haunted every coal miner. And no matter how safe the mines have become, they are still places of great hazards.

So here, in a coal mining State, where you have the greatest awareness of what being handicapped means, you will find the greatest appreciation of rehabilitation. And it is fitting that in these areas you find the greatest development in civilian rehabilitation, the most exciting and inspiring story of all with a remarkable display of courage, ingenuity, and humanity. The United Mine Workers have launched their own drive to wipe out the backlog of so-called hopeless cases. Although the initiative has come from the mine workers, they have not of course worked alone. They have received full cooperation from State and Federal agencies, and they have found rehabilitation personnel and facilities ready to work with them.

Being a member of the Foreign Affairs Committee, I sometimes think that if we could adequately publicize this program abroad it would create a much better understanding of us among people in general over there. As a matter of fact, if we could adequately publicize it here in this country it would really wake the public up.

Judging by results, the rehabilitation program seems to operate on the assumption that no case is hopeless. The work we hear of today gives new meaning to the old phrase, "where there's life there's hope."

There has been a steadily growing tendency, reflected in legislation, to see the rehabilitative process whole; to see it as an integrated part of the entire complex of health service and facilities. The 10 beautiful hospitals built by the UMW will not be isolated centers—they are part of a new dynamic approach which aims for total health. If they are the forerunners of more and more local initiative, on the part of labor, industry, and community, the future of vocational rehabilitation may be brighter than any one of us thinks. The best thing about the initiative that comes from the base of the pyramid, rather than the tip, is that this is the best way to get new ideas into action, and to get brilliant new approaches.

At this point, I wish it were possible to predict what this Congress, and subsequent ones, are going to do about rehabilitation. Unfortunately, I do not have a crystal ball. But this much I can say: over the years Congressional support of vocational rehabilitation has strengthened as our understanding has deepened. We see great progress in techniques, we see the State programs getting stronger and more far reaching. It would seem that we are now at one of those historical points where we can launch an all-out drive to bring this program within reach of every handicapped person in the United States.

On past evidence there will be no partisanship in approach to any bills relating to vocational rehabilitation. And just as we are certain of your unselfishness and concern for the general welfare, so can you be sure of our continued interest in your great work. The future is really up to you.

The Voice of the People Against Federal Aid to Education

EXTENSION OF REMARKS

OF

HON. RALPH W. GWINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. GWINN. Mr. Speaker the great majority of the witnesses heard and statements filed in 1,300 pages of testimony before our subcommittee of the House Education Committee were against Federal aid to school construction.

Yet, the subcommittee, before the testimony was printed and before the committee had any opportunity to read it, voted out a bill providing $500 million a year for 4 years, or a total of $2 billion.

The Committee of the Whole should reject it, but it will no doubt vote out a bill for $300 million a year for 5 years, or a total of $1,500,000,000.

This means, if divided among some 60,000 school districts, that each district will get one-sixth of a schoolroom, or about 5 seats per district.

Obviously, this legislation is—as it has been charged over and over—intended by the proponents, to be nothing but a "camel's nose in the tent." It amounts to dishonesty to talk about meeting an emergency, a shortage of classrooms, by any such proposed legislation.

It shows that the people who need schoolrooms—and there is a need—could not have petitioned the Congress for such an inadequate program. Indeed, this is not the people's demand.

The Government itself is the propagandist for this Federal aid. It estimated the shortages, or guessed at them. Then it became its own publicity agent to drum up support for its own programs and to establish the idea that there was an emergency the people could not meet for themsleves. This bill is positive proof that the Government itself believes the people cannot manage their own affairs for themselves.

The United States Office of Education representatives testified that the efforts of the people for their own children were inadequate, and that they should be compelled by Government in Washington to do more. Instead of using the word "compulsion," they often substituted the words "stimulate the States by the Federal Government" to do what they should do in the judgment of Washington.

Our own Government itself has become the public fomenter of the people. It prepared this legislation and sent it by messenger to the Congress to carry out—not the people's wishes, not the Congress' measures—but its own compulsions over the people with regard to their education. And it spent the people's tax money to propagandize its own programs at the expense of the people, and at the expense of our children.

It proposes to weaken some of the districts by taking their money from them and rewarding other districts according to the Government's own formulas of favoritism in return for votes.

In this business the great overweaning, powerful, pretending Government brings its own satellites to its support. For example, there is marched into formation one of the greatest lobbies; viz., The National Education Association. It has advocated, in season and out, for at least 25 years, Federal aid to education.

Then there is the Council of Chief State School Officers. Then follow in line various groups of Government employees, beneficiaries of Government or public grants and aids, subsidies, or tax exemptions. Government maintains its power by bringing to its support those having a beneficial or natural tendency to help each other to stay on the gravy train.

There is no evidence of a rank-and-file support for this legislation. The hierarchy of the CIO–AFL officialdom, and the hierarchy of the parent-teachers association (but not the rank and file in either organization) testified for this legislation.

Aside from those above-mentioned groups, the people were all against it; that is, businessmen, doctors, farmers, bankers, taxpayers, school-board members, the American Legion, great numbers of patriotic societies from one end of the country to the other, chambers of commerce, taxpayers' associations, industrial councils, women's clubs, and the rank and file of such organizations. They reported their opposition in a great number of meetings across the country.

The statements filed also reported rank-and-file opposition at the grassroots. The character of this opposition is quoted below. Many individual school-board members testified and filed statements in opposition; so did State and county school-board members.

Fear of control by the Federal Government was general and outspoken. There was bitterness, too, that the Federal Government should try to shove Federal aid down the throats of the people whether they wanted it or not.

They insisted that they, the parents, the producers of all the wealth of the country, are taking care of their children and are building the necessary schoolrooms for an increasing population. The school taxes, they said, are very burdensome, much more burdensome than they should be because of the intolerable and inexcusable Federal taxes.

NO SCHOOL DISTRICT ASKED FOR FEDERAL AID

It should be noted that not a single school district out of some 62,969 sent a representative to plead in favor of Federal aid to education because it was too poor to meet its own need with local and State aid.

BANKER'S TESTIMONY AUGMENTED

Mr. William M. Adams, of the Investment Bankers Association of America, advised the Subcommittee on Education after his testimony that the sale of school bonds had jumped upward again. He wrote:

The sale of school bonds (i. e., bonds for the construction of public elementary and secondary schools) during the period from October 1, 1956, through March 31, 1957, have included over 1,397 issues aggregating over $1,124,245,000. If this amount is increased by the approximately 30 percent of total school construction funds ordinarily obtained from sources other than the bond financing, the school bond sales during this 6 months' period should provide school construction of about $1,606,064,000, which at the usual estimate of $30,000 per classroom would provide over 53,500 classrooms.

If the next 6 months of actual school bond sales is as good as the last 6 months, then money will be raised for 107,900 classrooms. Add that to the 69,200 classrooms financed prior to October 1, 1956, and scheduled on that date to be built during the school year 1956–57, and we have all told 176,200 classrooms, or 17,200 more classrooms than the 159,000 classrooms which the United States Office of Education itself guessed or estimated would be needed for the school year 1956–57.

The Investment Bankers Association reports that school bond sales are running nearly double those for last year, and each month shows an accelerating rate of school bond financing. If there was a schoolroom shortage last year, that is October 1, 1956, when the United States Office of Education collected its estimates or guesses, then the increased bond sales by the States themselves have far exceeded the proposed additional $300 million to be furnished by the Federal Government. This shows that the States themselves are meeting the need. The States are making the Federal Government's efforts look picayune, which they are.

THE AMERICAN LEGION OPPOSED AFTER CONSIDERATION THROUGHOUT THE STATES

Mr. Richard C. Cadwallader, a member of the National Americanism Commission of the American Legion, pointed out that—

The tremendous scope of the youth and educational activities of the American Legion in about 18 programs have given it an insight and an informed opinion based on experience with the elementary and secondary schools in each of the several States through its 17,000 posts and the American Legion Auxiliary and have earned it the right to speak authoritatively on this matter.

He went on:

One of the primary objectives of the American Legion is to teach an understanding * * * of our American philosophy of government. * * * The American Legion believes that real freedom for the individual cannot be safeguarded unless the power of government is decentralized and restrained. * * * Federal aid is not the way to get good schools * * * the respective States have the capacity to meet their educational requirements if they wish to do so * * * it would seem impossible to have Federal aid * * * without at least the minimum of Federal control * * * and it invites the danger that in time the Federal agencies will want to prescribe the curricula, textbooks, other instructional materials, teacher qualifications, methods, and standards * * * and accounting and fiscal procedures. * * * History indicates that once Federal appropriations are made for any purpose, the tendency is for the affected groups to lobby for their continuation * * * the expenditures by States and local governments for education are already the largest and most expensive of any of their activities * * * State and local activities need no stimulating.

The conclusion of the American Legion is that—

Any objective analysis of the public-school system of the local communities * * * will inevitably lead to the conclusion that the pending proposals for Federal usurpation of the prerogatives of local school districts is unnecessary, unreasonable, unsound, and dangerous to the preservation of local vitality and initiative * * * if it should pass it would represent a tragic attack on the sovereignty of the States, the welfare of our people, our freedom as a nation, and our economic stability. * * * Above all, it would represent a surrender to the basic collectivist philosophy of communism. * * * The American Legion urges the Congress to reject * * * proposals to appropriate any Federal funds to general public education in elementary or secondary schools.

THE ASSOCIATION OF AMERICAN PHYSICIANS AND SURGEONS, INC., OPPOSE

Pointing out that this program is held out to cover an emergency—to cure a temporary schoolroom shortage, the statement of the doctors showed that this is pure deception. They pointed out that last year, Dr. William G. Carr, executive secretary of the National Education Association testified before the Senate committee that—

As long as our schools are cut off from the most powerful and efficient and productive form of taxation that we have (Federal taxation, of course) so long will they fail to receive a reasonable share of the great wealth and income of our country.

Does this sound temporary? They go on to quote Dr. John K. Norton, head of the department of educational administration at Teachers College, Columbia University, who said:

Even if $500 million (a year) were voted for school building aid, it would represent only a first step toward adequate Federal participation in the financial support of education in the United States.

To the planners, the emergency is always permanent.

Once the new educational bureaucracy has established its foothold in the Federal Government, the bureaucratic employees will perpetuate themselves in their jobs by employing statistics to prove the existence of new emergencies—

To show Federal control, the doctors cited an 108-page booklet, Administration of Vocational Education, and a sentence on page 4 which reads:

Each State is required to submit a plan which must meet with the approval of the Federal Office of Education.

THE AMERICAN FARM BUREAU FEDERATION

Mr. John C. Lynn, legislative director of this largest farm organization with a

membership of 1,600,000 farm families in 48 States, said:

We recognize the problem * * * we are convinced that the people in the local counties and communities, we have farm bureaus in 2,600 of these 3,000 counties in the United States, can do this job * * * the result of intervention by the Federal Government could be to stymie initiative on the part of local people who will get the impression that if they wait long enough, the all-powerful Federal Government will come in and assist them. * * * Even though this legislation is labeled a temporary measure, we know from long experience that there is nothing so permanent as a temporary Federal program. Federal aid to education will certainly be followed by Federal intervention. * * * I cannot read pages 7, 8, 9, 10, and 11 without getting the impression that there is a tremendous amount of control there in every opportunity under the provisions of this bill for the Federal Government or Commissioner of Education to dictate who is qualified personnel.

The Virginia Farm Bureau's executive secretary, Mr. M. A. Hubbard, testified that—

Our Farm Bureau members have continued to express firm and undiminished opposition to Federal aid to education.

The Massachusetts Farm Bureau, Inc., sent its executive secretary, Mr. Carlton I. Pickett, who testified in part:

When the School Building Assistance Act expires on June 30, 1959, it is estimated that about $525 million in school construction in Massachusetts will have been approved and built * * * our century old * * * school foundation program will continue * * * the foundation is there to see that every last child in Massachusetts gets a required standard of education and the State must help any city or town to provide it * * * my group flatly holds suspect the encroachment of big Federal Government as a solution to all local problems.

NATIONAL CONFERENCE OF STATE TAXPAYERS ASSOCIATION EXECUTIVES AND OKLAHOMA PUBLIC EXPENDITURES COUNCIL

Mr. Steve Stahl, executive vice president and representative of both organizations, made the trip to Washington to tell the subcommittee that Oklahoma does not need Federal aid to education and he carried a fistful of facts. Among them was the information that underprivileged Oklahoma has increased its school revenues by 50 percent in 5 years, raised teacher salaries by one-third, increased school-bond issues more than 300 percent. The Evening World-Herald of Omaha, Nebr., March 23, commenting on Mr. Stahl's testimony in an editorial entitled "Throw the Bum Out," recounted an old familiar story:

"A man who goes to Washington to reject a handout from Uncle Sam might expect at least a courteous hearing. * * * But Mr. Stahl ran into 2 hours of heckling * * * they interrupted his prepared statement at every comma with scathing questions," wrote Allan Cromley of the Daily Oklahoman Washington bureau. * * * Mr. Stahl finally sat down, thoroughly frustrated, much of his typewritten statement unread. * * * Back home * * * he reported to his fellow Oklahomans that people who go to Washington with a tincup in their hand are welcomed royally, while those who don't want anything are given the "bum's rush." We hope Mr. Stahl is not too disheartened, and that others will be encouraged to join in his fight. The day may come when the "bum's rush" will be given to those who deserve it.

Public Affairs Research Council of Louisiana, Inc., sent Mr. Edward J. Steimel, its executive director, to testify about the financial capacity of the State of Louisiana, district by district, for meeting its school-construction needs and of the willingness of the people to do that. He summarized:

I present information to show clearly that Louisiana—one of the poorest States according to the administration bill—not only does not need Federal aid but has unused bonding capacity after meeting its needs to equal almost one-third the total 4-year appropriation in the administration bill.

Mr. Steimel read a newspaper report quoting the assistant superintendent of schools of Louisiana as saying:

Louisiana can support her schools without Federal aid * * * of course, we would take it * * * but the control issue is very much present.

Connecticut Public Expenditures Council's executive director, Mr. Carter W. Atkins, showed that Connecticut was producing "a surplus of 547 classrooms for the school year starting September 1959 and a surplus of 521 for 1960. Connecticut has been and is now taking care of its school building needs without Federal aid. There is not the slightest doubt that it can and will continue to do so."

The Southern States Industrial Council was represented by Mr. Tyre Taylor, who stated this was an organization of industrial and business concerns in 16 Southern States from Maryland to Texas, including Virginia, West Virginia, and Oklahoma:

The council opposes Federal aid to education, including Federal aid to school construction * * * because public education is a matter which should be controlled by the States and localities and not by the Central Government. We think the Federal Government is already too big * * * and that what is needed is some regard for the provision of the Constitution reserving the rights that are not delegated to the Federal Government to the States or to the people * * *. The council believes that Federal aid for schools, in whatever amount and however applied, and irrespective of the number and kind of so-called safeguards adopted, is the first step toward the nationalization of the schools * * * assuming the need * * * the States and localities are in a far better position to supply it than is the Federal Government—quoting Senator BYRD—"which is mortgaged to the hilt."

The United States Chamber of Commerce, was represented by Mr. Thomas A. Ballantine, chairman of the committee on education, and Dr. John R. Miles, manager of the education department. Mr. Ballantine testified in detail and Mr. John S. Coleman, president of the chamber of commerce, shewed in a letter that as a result of a series of legislative clinics, and discussing this Federal-aid issue with thousands of businessmen, it was the overwhelming consensus of every group that—

The States and their communities are responsible for, and able to, finance the development of the school systems required of their citizens.

The national chamber regards as unwise and unnecessary the legislation now being considered by this committee * * * neither local reports nor the research of the national chamber indicates that an emergency now exists which would justify nationwide Federal intervention in the construction of school facilities * * * our investigations indicate * * * that no critical national shortage in classrooms has been or can be demonstrated to exist.

The New Jersey Chamber of Commerce spokesman was Mr. Leonard E. Best of the education committee. He pointed out that—

New Jersey does not need Federal aid, since it is one of the highest spenders on education among the 48 States.

Indicating that New Jersey does not want Federal aid, Mr. Best said:

In fiscal year 1955 Federal funds for education cost New Jersey $2.93 for each dollar received * * *. Federal tax relinquishment would provide a permanent source of Federal aid for school construction without the danger of Federal control over education * * * and would render unnecessary the creation of a Federal unit to administer the program.

The New Jersey Taxpayers Association, Inc., said:

There is no gainsaying the fact that much of the drive for Federal school aid comes from those who think the funds will be devoted * * * to equalization between the States. Most of the funds would not be used for such equalization.

They reported:

Of the $3.3 billion distributed in Federal aid programs in fiscal 1956, only 23 percent was channeled into the stream of equalization. The rest—77 percent—merely took a roundtrip to and from Washington.

The Illinois Chamber of Commerce was represented by Mr. Joseph W. Cavataio, who described in detail the Illinois need and the school problems commission recommendations to meet the need. He summarized by saying:

Illinois plans and is able to take care of its own problems.

The Wisconsin State Chamber of Commerce general manager, Mr. Frank A. Hausheer, said:

The job can and will be completed by those who know Wisconsin's needs best—State and local governments working in concert with the citizenry * * * we do not want this assistance at the expense of our neighbors * * * may not aid be solicited next to provide funds for school maintenance and teachers' salaries?

The Sheboygan County Taxpayers Association and Sheboygan Falls Chamber of Commerce, Wisconsin, was represented by Mr. Andrew J. Houwers, vice president of the former and president of the Sheboygan Falls School Board. He left with the subcommittee a study made to refute a national study purporting to show Wisconsin deficient in its ability to finance school construction. Wisconsin amended its constitution to liberalize local school-debt limitations and "recognizes its responsibilities toward its children. I believe your function is to develop that recognition and willingness in the States that may be lagging. Handing out Federal aid will not do it," he said.

The Ohio State Chamber of Commerce research director, Mr. Arch D. Schultz, presented a 61-page booklet, Facts About Ohio Schools, by Dr. C. J. Botte, of the research department, and a legislative report, Financing Ohio's Public Schools. Both indicate that Ohio can and will solve its own school problems.

The West Virginia Chamber of Commerce managing director, Mr. H. A. Stansbury, said:

The estimates of need are grossly exaggerated * * * 42 percent of the total present enrollment are housed in schoolrooms less than a dozen years old * * * the program continues during the current school year with $3,800,000 of county bond funds in hand on July 1, 1956, with $2,066,000 of such bonds having been approved and issued subsequently, and with more than $6 million of current or special revenues budgeted for buildings all of which adds up to another $12 million being expended by the 55 county school boards for school construction during the 1956–57 school year. The people of West Virginia are fully facing up to the responsibilities * * * of building their own schools without Federal help.

The Empire—New York—State Chamber of Commerce witness was Mr. Phillip C. Wolz, chairman of their education committee. Mr. Wolz has been a commissioner of education in Rochester, N. Y., for 14 years and past president of the New York School Boards Association, Inc., so he speaks with experience and research knowledge of his subject. He points out that:

One of the bills you have under consideration proposes to make available $15.7 million of Federal funds that we do not need for school buildings that we are going to build anyway. To get the $15.7 million you propose to impose a tax of $48.1 million upon our citizens as our share of the $325 million program. * * * In order to qualify for the aid we do not need we are required to appropriate an additional $32.4 million in matching funds. * * * Last calendar year the residents of our State spent $282,569,800 which was used to build 4,660 classrooms in 366 projects. * * * The whole proposal is a political hoax as far as providing additional education facilities for New York. Under the terms of this bill we would be able to provide 309 additional classrooms, which would cost us, under the tax burden we would be called upon to assume, $155,700 per classroom. * * * Without the benefit of Federal aid we are providing classrooms at an average cost of $51,000 * * * the aid formula * * * perpetuates the fiction that through such Federal aid the States with the highest per capita income contribute heavily to the needs of other States. * * * The fact is * * * that less than one-third of these funds actually will be channeled from some States to others, while more than two-thirds just makes a round trip to Washington and back * * * and they shrink on the trip, as the cost of administration is deducted.

A supplemental statement by the department of governmental affairs of the Empire State Chamber of Commerce, in answer to specific questions of mine, showed that all New York school districts are able to meet their own needs.

The New York State Federation of Women's Clubs' president, Mrs. William S. Shary, testified that 15 States do not levy a corporation income tax and 13 of these do not levy a personal income tax either—16 other States although they tax their own industry, will grant 5- to 15-year business tax exemptions to firms in New York and elsewhere which move to or expand within their borders. She said:

If tax money is collected in New York and spent for schools in other States, it would enable those States to build their schools partly at our expense and thus keep their own taxes low. * * * They use the lure of those low taxes to induce taxpaying, job-making business and industry to move from New York State. * * * Another danger * * * it could lead to Federal control * * * as in vocational education as set forth in House Document No. 529 of the 75th Congress * * * (this) "federally supported program has to a considerable degree become a federally dictated program * * *" until it is demonstrated that other States have exerted similar effort, there is no justification for a Federal aid bill which would take millions of dollars away from the people of New York and give to other States.

The Defenders of the American Constitution, represented by Lt. Gen. Pedro DelValle, and the Constitution Party of Virginia, represented by Mr. B. M. Miller, were opposed. They feared control and felt the States were willing and able to do their own school-construction jobs.

Mrs. Edith Stafford, president of the Los Angeles School Board of Education, and Mrs. Ruth C. Cole, member of the Board of Education of Los Angeles, Calif., reported:

We have a very great building program * * * we may be taxing ourselves more than other States are doing. Is it fair to be called upon to support programs in other States?

Mr. Carruthers A. Coleman, member of the Fayette County (Ky.) Board of Education:

The Fayette County Board of Education has gone on record as opposed to any further extension of Federal aid in the common school education system of our country * * * we have a * * * problem * * * we intend to settle it in our own State in our own way. * * * We feel the State of Kentucky has the means within its boundaries to furnish the kind of education its people want * * * and the kind of education which has produced some of our country's greatest people * * * some of whom never had any schoolroom at all * * * it is not our intention to shirk * * * responsibility * * * nor is it our intention to abdicate these powers by seeking Federal aid.

Mrs. Earl Maughmer, Jr., secretary, board of education, Houston, Tex., testified:

The Texas official delegation to the White House Conference on Education went on record unanimously in opposition to Federal aid to education. * * * We in Houston have * * * been passing enough bond issues * * * for school construction.

Mr. George P. Whitman, Jr., chairman, State School Building Authority of Georgia, and Mr. John Sims, director, State school building authority, State of Georgia, said:

We have either under construction or completed at the present time 14,461 schoolrooms and our present needs are 5,340 which we estimate will cost the State of Georgia approximately $88 million beyond the $200 million program we already have financed. Now, we plan to finance that program ourselves. I speak for the State board of education and the State administration. We do not believe in Federal aid to education in Georgia * * * we believe that when we come up with our hands out to Washington * * * that who controls the pocketbook controls the operation in the end.

Mr. Louis H. Schimmel, president, board of education, Pontiac, Mich., after explaining a unique plan for financing schools by the State of Michigan, said:

I feel that every State should make the effort to demonstrate that it is doing all it can to solve its own problem, such as Michigan has done; and if they do that, they may discover, as Michigan has, that they can do the job without any outside assistance.

The only evidence we have on the hearing record from any local school boards or districts is that they do not want or need Federal aid to school construction.

It is significant that when a resolution in favor of Federal aid to school construction was presented to the National School Boards Association meeting in Atlantic City, N. J., in February 1957 it was tabled by a 4-to-1 vote. This association is made up for the most part of nonprofessionals. They are the local officials whom the people elect or appoint to manage and finance the school districts in which they found the money for classroom construction.

In addition to the witnesses who appeared in opposition, the following national organizations and individuals entered statements on the hearing record of our committee in opposition to more Federal aid to school construction:

The National Association of Manufacturers' statement said, in part:

The heart of the matter is whether the financing, direction, and control of the public-school system shall remain in State and local hands, close to the people and responsive to their wishes and needs, or shall eventually be transferred to a central government authority.

The inadequate case for Federal aid they cited as follows:

The increase of school-age population is commonly cited to justify general Federal aid. The inference is that the school-age population has far outrun the growth in economic capacity. If it were true that the population as a whole were increasing faster than the Nation's economic capacity to grow, the result would be a declining standard of living. But this is not true. Nor is it true that the recent increase of school-age population has outrun our economic growth. The following figures show the relative increase of personal income and of children aged 5 to 17 years from 1950 to 1955. For this comparison, the States are ranked according to per capita personal income:

	Personal income[1]		School-age population, 5 to 17[2]	
	Increase 1950–55	Percent increase	Increase 1950–55	Percent increase
Highest quartile	$44,296,000	38.0	3,527,000	30.0
2d quartile	15,542,000	32.0	1,394,000	21.6
3d quartile	9,573,000	30.6	957,000	19.0
Lowest quartile	9,517,000	23.8	809,000	11.2

[1] Department of Commerce, Survey of Current Business, August 1956.

[2] Bureau of Census, Current Population Reports, Series P-25 ,No. 151, Feb. 11, 1957.

Whether we take the 12 States with highest per capita incomes or the 12 States with the lowest per capita incomes, the figures show that income has increased faster than children. The 12 lowest income States have had the smallest increase of school-age population, both absolutely and relatively, and they have had next to the highest rate of increase in personal incomes. This group of States is coming ahead fast. The relatively small increase of school-age population is to be accounted for in part by the heavy migration out of these States in the preceding census decade. In the period 1940–50, the 12 States with highest per capita income in 1940 gained 4,595,000, and the 12 States with lowest per capita income in 1940 lost 3,032,000.[1] The relative shift continued to 1955. In the period 1950–55, the highest income States gained 7,308,000 and the lowest income States gained only 841,000. In the whole discussion of need and capacity there has been a confusion of two quite different things. * * *

The entire statistical case for Federal aid has been built on Circular 490 (of the United States Office of Education). The estimate of 80,000 classrooms needed to provide for excess enrollment and 79,000 rooms needed to replace unsatisfactory facilities, which has been set out in the statements of Secretary Marion Folsom to Congressional committees and the press, is based on the data in this circular. In view of the irregularities and internal inconsistencies of the figures in this basic document, it is impossible to accept them for the purpose of proving statistical magnitudes.

The National Society Daughters of the American Revolution; the American Coalition of Patriotic Societies—100; and the Thirty-first Women's Patriotic Conference on National Defense, Inc.—18, inserted their resolutions in opposition to Federal aid to school construction in the hearing record with accompanying letters.

Listed by States, the following statements in opposition to Federal aid to school construction were entered in the record:

Alabama State Chamber of Commerce, quoting State Superintendent of Education: "We do not know how many school classrooms are in use in Alabama."

Arizona Farm Bureau Federation.

Dr. George S. Benson, president, Harding College, Searcy, Ark.

California School Boards Association.

California Taxpayers Association.

Facts in Education, Inc., Pasadena, Calif.

Educational News Service, Fullerton, Calif.

C. T. Richardson, teacher, San Mateo, Calif.

California State Chamber of Commerce.

California Farm Bureau Federation.

Colorado Public Expenditures Council.

Colorado Farm Bureau, Denver.

El Paso County Republican Women's Club, Colorado Springs, Colo.

Connecticut Chamber of Commerce.

Karl E. Brandt, Wilmington, Del.

Georgia State Chamber of Commerce.

Associated Taxpayers of Idaho, Mr. Max Yost, executive manager: "the above information clearly shows Idaho does not need Federal aid for construction of * * * school facilities."

Taxpayers Federation of Illinois.

Illinois PTA Study Group.

We, the People, Mr. Harry T. Everingham, vice president, Chicago.

Association of American Physicians and Surgeons, Inc., Chicago, Ill.

Indiana Legislature, memorial of, against.

Dr. D. L. Sharp, Anderson, Ind.

Henry Weis Mfg. Co., Inc., Elkhart, Ind., Mr. Paul W. Kerr, president representing.

Indiana State and Indianapolis Chambers of Commerce.

Iowa Taxpayers Association, Mr. Lyle R. Mercer, president: "Iowa has the borrowing capacity to finance the construction of these 550 classrooms, and many more."

Sioux City Journal Tribune editorial February 13, 1957: But Either Way the Richer States Lose. Same February 14, 1957, Woodbury Co., Taxpayers Conference Against.

Kansas State Chamber of Commerce.

Associated Industries of Kentucky, Inc., Mr. Rayburn Watkins, managing director: "Here are the facts that demonstrate * * * Kentucky not only can, but * * * already has faced up to its * * * problems."

Mrs. Paul L. Young, Kentucky teacher.

Free Men Speak, Mr. Kent Courtney, editor, New Orleans, La.

Madison Parish Farm Bureau, Tallulah, La.

Public Affairs Research Council of Louisiana, Inc.

Louisiana Farm Bureau Federation.

Baton Rouge Chamber of Commerce, La.

Baltimore, Md., Association of Commerce.

Massachusetts Federation of Taxpayers Associations.

Greater Lansing Chamber of Commerce, Michigan.

Citizens Research Council of Michigan.

Detroit Board of Commerce, Michigan.

Missouri State Chamber of Commerce: "State is creating a temporary school building construction fund to demonstrate that Missouri is able, ready, and willing to take care of its own school construction shortages without any control, interference, or assistance from Washington."

Missouri Public Expenditures Survey.

Mississippi: Telegrams from Lt. Gov. Carroll Gartin; Mr. Louis Alfard, chairman, State educational finance committee; Mr. Wm. B. Neal, director of finance, State educational finance commission, Jackson, Miss.: "All districts can meet needs with State aid. * * * Federal aid not needed."

Mississippi Daughters of the American Revolution.

Mississippi Economic Council.

Clarion (Miss.) Ledger and Daily News editorial, March 17, 1957, the Folly of Federal Aid.

Montana Taxpayers Association, Mr. S. Keith Anderson, executive secretary, lists unused bonding capacity and comments: "Needs have not been great enough to put before the people for their vote."

Bozeman Chamber of Commerce, Montana.

Chamber of Commerce, North Platte, Nebr.

Hastings (Nebr.) Chamber of Commerce.

Nebraska Citizens Council, Inc.

Nevada, Ely White Pine Chamber of Commerce.

New Jersey Taxpayers Association, Inc.

Kingston Area Chamber of Commerce, Kingston, N. Y.

Glens Falls Chamber of Commerce, New York.

Citizens Public Expenditure Survey, Inc., New York.

North Carolina, Chatham Motors, Inc., Siler City.

McDaniels Lewis of McDaniels Lewis & Co., supporting Investment Bankers Association testimony, Greensboro, N. C.

Mooresville Chamber of Commerce, Inc., Mooresville, N. C.

Editorials, the Plain Dealer, January 29, 1957, Too Costly; February 7, 1957, They'd Have To Take It (Ohio).

National Federation of Independent Farm Organization, Lucas, Ohio.

Editorials, Columbus (Ohio) Dispatch, January 31, 1957, Congress Well Advised To Kill School Bill; Columbus (Ohio) Citizen, January 29, 1957, More Schools at More Cost.

Oklahoma City Times, March 5, 1957, editorial, The Federal Aiders' Sorry Case.

Pennsylvania State Chamber of Commerce.

Pennsylvania Farmers Association, Mr. G. A. Biggs, president, Lemoyne, Pa.

Editorials in Catholic Standard and Times, by Archbishop John F. O'Hara, Philadelphia.

Mr. Graham Miller, Merion, Pa.

Indiana (Pa.) Chamber of Commerce.

Associated Industries of Rhode Island, Inc.

South Carolina's Governor, George Bell Timmerman, Jr., made a strong statement against Federal aid.

Sumter (S. C.) Chamber of Commerce.

South Carolina Chamber of Commerce.

Governor Price Daniel, of Texas, a telegram and memorial of legislature against.

Angelina County Chamber of Commerce, Lufkin, Tex.

Catholic State League of Texas.

Texas Manufacturers Association.

Anderson County Chamber of Commerce, Palestine, Tex.

East Texas Chamber of Commerce.

West Texas Chamber of Commerce.

Utah Taxpayers Association, Mr. M. H. Harris, executive secretary: "Report of the Utah Conference on Education * * * and informed opinion is that Utah can and will take care of her own school building needs."

Salt Lake City Chamber of Commerce, Utah.

Virginia's Gov. Thomas B. Stanley opposed.

Virginia, Arlington School Board member, Mrs. Helen S. Lane.

Virginia teacher, Suzanne R. Dickson, Falls Church, Va.

West Virginia, Southern Coal Producers, Charleston, Mr. Walter R. Thurmond, secretary: "Disturbed by huge budget * * * (it is) outside province of Federal Government and need for school construction has been tremendously exaggerated. * * * Governor Underwood * * * said what West Virginia needed was not a tremendous building program so much as it needed improved teaching."

Wyoming, Gov. Milward L. Simpson, and a joint memorial of the State Legislature of Wyoming, against.

Casper (Wyo.) Chamber of Commerce.

In addition to these witnesses and statements of record before the Subcommittee on Education, there have come to me letters, editorials, reports, and telegrams from individuals and organizations in about 40 States in opposition to more Federal aid to school construction. I have received more than 200 letters urging reduction of the $71.8 billion budget, many of them growing out of this Federal aid controversy.

Governor Timmerman, of South Carolina, in flatly refusing Federal aid to schools is outraged by Washington which he says is possessed "with a blind prejudice against representative government, with which the moguls of centralization go left-winging along in a frenzied rush to outdo the other side of the Iron Curtain in nationalizing everything presently involving a free people's choice." Referring to the quickie questionnaire the United States Office of Education put out to prove that the generous, and most-kind Uncle Sam taxpayers' own money, should build our classrooms, he said:

The figure 1953 (classrooms needed reported on Circular 490 of the U. S. Office of

[1] Study Committee Report on Federal Responsibility in the Field of Education, p. 131.

Education) is not a statistic of a shortage that is not being met. * * * In no sense does it reflect a need for Federal aid * * * it is an estimate of a need which was being met. We in South Carolina are opposed to Federal aid for education.

His testimony describes what he calls the guess-estimate figures and how, if the questions answered by the States did not suit the United States Office of Education, it fired back the questionnaire maybe to someone who would give the United States Office the kind of answer it wanted. This is one case in point. It happened in other States. Some of these were North Carolina, South Carolina, Colorado, Michigan, West Virginia, and Oklahoma.

A copy of a letter from the superintendent of Pinal County schools, Superior, Wis., to the president of the American Association of School Administrators, March 20, 1957, confirms the suspicion that some pressure was put on school superintendents to report maximum need which would result in a panic starter:

I do know that our own State department of public instruction used its best persuasive powers to encourage local superintendents to paint as dark a picture of the school housing situation as possible here in Arizona. This was done with the avowed purpose of encouraging Federal aid for school building and at the same time establishing as high a claim as possible on any Federal funds that might be set aside for school building. * * * If the United States Chamber of Commerce has challenged the veracity of some of these statistics and of some school men by inference, perhaps you should be a bit careful calling their hand. It just could be that they could prove their position. * * * When it comes to inflating a minor fact into a mountain of fancy, our brothers in education do not have any trouble holding their own with a California real estate salesman or even Arizona dude wranglers.

GOVERNORS AND SOME LEGISLATURES HAVE SAID "NO"

Gov. James E. Folsom, of Alabama, a so-called poor State, is strictly opposed, saying:

Federal school aid would mean they'd try to control our schools.

Gov. William G. Stratton, of Illinois, publicly declared:

We do not need Federal aid for schools in Illinois.

Gov. Price Daniel, of Texas, in his message:

I shall continue to fight with all the vigor at my command against further encroachment by the Federal Government upon the rights of our State and our people.

In a telegram to me he said:

Texas is meeting the problem * * * without reliance or help from Washington.

The Texas Legislature has memorialized Congress in opposition to Federal aid to school construction.

Gov. Harold Handley, of Indiana, told the legislature that the shortage of classrooms is not as critical as the advocates of Federal aid to education have indicated:

We are providing these new classrooms twice as fast as the advocates of Federalized education say we should be building them.

The Indiana Legislature memorialized Congress against this legislation.

Gov. Milward L. Simpson, of Wyoming:

We do not need any more Federal aid to education, and memorialized their legislature against Federal aid.

Gov. Thomas B. Stanley, of Virginia, said in New York, February 2, 1957:

I am vigorously opposed to any Federal-aid program in this field under whatever guise it may be offered. The States and localities are capable of meeting their needs at much greater economy to the taxpayer without Federal aid or intervention in building and operating their public schools.

The late Congressman Lesinski, of Detroit, Mich., a former chairman of the Education and Labor Committee, said as chairman of the committee when it refused to vote out a bill:

It is impossible to draft a general Federal-aid bill which will not contain a great degree of Federal control over local school systems. * * * I am convinced, after the hard study we have put to the question, that no acceptable bill preventing Federal domination of local schools can be drawn. I reluctantly come to that conclusion, but I had to face the facts.

The weight of the evidence on the hearing record, by the citizens who must pay the bills, and the sentiment expressed in messages to me from all over this country, is against further Federal aid to school construction. It is not needed. It is not wanted.

Let us reduce the budget instead of raising it. Let the people back home, who want freedom, manage their own schools.

Those who have not testified may want to tell their Congressmen and Senators their position in this matter.

SENATE

MONDAY, MAY 6, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father, God, to whom the darkness and the light are both alike: Thou seest what is in the darkness and the mysteries that lie beyond our dust. Surely man cometh up like a flower and is soon cut down; he never remaineth in one stay.

Again our hearts are solemnized as death once more has invaded this Chamber, where the will of free people is made known. That grim messenger has taken from our midst one in the zenith of his years. We call to remembrance this day the indefatigable energy, the hatred of atheistic tyranny, the uncowed courage, which were dedicated by the one whose seat is vacant, as he sounded forth a trumpet that must never know retreat, a trumpet of warning and alarm at the peril to our national heritage, from foes in our own household who plot to subvert our dearly bought liberties. We would dedicate ourselves anew with full purpose of heart, wherever we are called to stand in this decisive hour in the global struggle between the darkness and the light. Before we depart from this mortal stage, gird us to give our all as we strike our blow for the truth of God and the freedom of man. We ask it in the name of that One who is the truth and the way and the life. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the Journal of the proceedings of Thursday, May 2, 1957, was approved, and its reading was dispensed with.

DEATH OF SENATOR McCARTHY, OF WISCONSIN

Mr. MANSFIELD. Mr. President, I am advised that the senior Senator from Wisconsin [Mr. WILEY] has a resolution to submit, and that he will request unanimous consent for its immediate consideration.

Mr. WILEY. Mr. President, it is with deep regret that I make the formal announcement to the Senate of the death on Thursday, May 2, of our colleague the junior Senator from Wisconsin [Mr. McCARTHY].

As is the custom of the Senate, sometime in the near future there will be set aside a day when all the Members of this body who will wish to speak in eulogy of our departed associate may have the opportunity to do so.

For the present, I should like simply to recall a few facts concerning his life and to make a few brief observations concerning one who was among the more prominent Members of this body.

JOSEPH R. McCARTHY was born on November 14, 1909, on a farm in Grand Chute, Outagamie County, Wis.

In 1935 he graduated from the Law School of Marquette University.

In 1939 he became a circuit judge, the youngest in Wisconsin history.

In 1942–45, he served as intelligence officer with the Marine Corps in the Pacific. He was awarded the Distinguished Flying Cross and the Air Medal with four Silver Stars.

In January 1947, he began his service in the United States Senate, after his election victory the previous November.

He was reelected for the term beginning January 1952.

He departed this life last Thursday.

These are the bare facts of his life and career. But they do not begin to tell the story of all the events that he packed into his relatively brief span of existence. Literally millions of words have been printed in the press and spoken over the radio and television, and throughout the length and breadth of this land, since the news of his untimely death came.

Today we of the Senate joined reverently in a service in his honor. We united to pay our last respects to him whom fate has removed from the stage of life long before his time.

It is always a tragedy to see someone who is relatively so young leave this mortal scene. It is a particular misfortune when someone so vigorous, with such vitality, suffers premature death, leaving behind him, as in this instance, a young wife and infant child.

It is still too early to know the place which history will, in the long run, accord to him. For the moment, suffice it to say that he made a tremendous impression on the consciousness of the American people.

Commencing in 1950, he brought to the fore, and dramatized, an issue—the serious problem of Communist subversion—in a way that had never been done before, and has not been done since. Through all the maelstrom that followed, he carried on in his anti-Communist efforts with the same vigor that attached to every aspect of his career, whether it was service as a judge, in the Marine Corps, or as a Member of the United States Senate.

There was and is a vast number of Americans who held him, as they hold him now, in deepest affection, with a fervent sense of loyalty and admiration. Today, they feel a deep sense of personal loss.

JOSEPH R. McCARTHY was a man of distinct and powerful personality. He was a man who aroused quick and fierce friendships and, admittedly, opposition, as well.

Yet, there is no one to doubt that he deeply loved this country, and would have given his life for it. He sought to serve this Republic in civilian life, as he had served it in uniform, to the best of his ability and to the utmost of his dynamic energy.

So, I join now with all those who knew him in expressing to his widow and to the other members of his family heartfelt sympathy.

Mr. President, I send to the desk resolutions and request their immediate consideration.

The VICE PRESIDENT. The resolutions will be read.

The resolutions (S. Res. 132) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. JOSEPH R. McCARTHY, late a Senator from the State of Wisconsin.

Resolved, That a committee of 24 Senators be appointed by the President of the Senate to attend the funeral of the deceased at Appleton, Wis.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

The VICE PRESIDENT, under the second resolving clause, appointed the following Senators to constitute the committee on the part of the Senate to attend the funeral of the deceased Senator: Mr. WILEY, Mr. JOHNSON of Texas, Mr. KNOWLAND, Mr. CHAVEZ, Mr. BRIDGES, Mr. EASTLAND, Mr. McCLELLAN, Mr. CAPEHART, Mr. YOUNG, Mr. JENNER, Mr. MALONE, Mr. THYE, Mr. MUNDT, Mr. SCHOEPPEL, Mr. CARLSON, Mr. BUTLER, Mr. DIRKSEN, Mr. GOLDWATER, Mr. ERVIN, Mr. HRUSKA, Mr. CURTIS, Mr. MARTIN of Iowa, Mr. REVERCOMB, and Mr. THURMOND.

Mr. MANSFIELD. Mr. President, I should like to announce that at a future time, there will be set aside a period when all Members of the Senate will have an opportunity to eulogize our late colleague.

Mr. KNOWLAND. Mr. President, as the acting majority leader has announced, there will later be set aside a day, as may be agreeable to the family of the late Senator McCARTHY, when the Members of this body will have an opportunity to eulogize him and to speak on his life and works.

Mr. President, the story of Senator JOSEPH RAYMOND McCARTHY was a typically American one.

He was born in Grand Chute, Wis., November 14, 1909; attended the Underhill country school; worked on a farm, and later started his own chicken farm; at the age of 19, moved to Manawa, and enrolled in Little Wolf High School, while working in a grocery store and ushering at a theater in the evenings, completing a 4-year course in 1 year; in 1930, entered Marquette University, at Milwaukee, Wis., to study engineering, but later transferred to the law department, and graduated in 1935; was admitted to the bar the same year, and commenced practice in Waupaca; in 1936, moved to Shawano, Wis., and continued the practice of his chosen profession; was elected circuit judge of the Tenth Judicial Circuit of Wisconsin in 1939, and, while serving in this capacity, enlisted, in 1942, as a private in the United States Marine Corps.

I think that JOE McCARTHY was as proud of his service in the Marines and of the Marine Corps as he was of anything in his life.

He was later commissioned lieutenant, serving 30 months on active duty with 19 months in the South Pacific area. He was an unsuccessful candidate for United States Senator in 1944 while in military service. He was reelected circuit judge of Wisconsin in 1945 while still in the Marine Corps. He was elected, as a Republican, to the United States Senate in 1946, and reelected in 1952.

He was a courageous American, who sought to alert what he felt was a large body of uninformed or apathetic people to the deadly danger confronting our country.

Some complain that in debate his tactics were rough. Senator McCARTHY, if he were here, would not deny this. He would point out, however, that in dealing with international communism we are confronting a system that does not hesitate to liquidate millions of non-Communists by starvation, firing squads, or a bullet in the back of the head in the cellars of the NKVD.

He was shocked when he discovered that those who had the power and bore the responsibility in several instances ignored the facts of espionage and Communist infiltration when they had documentation from the highest and most responsible investigative agency in the executive branch.

Quieter and less spectacular figures had presented facts only to have them treated as "Red herrings." They had warned of dangers abroad only to be told to "wait for the dust to settle."

JOE McCARTHY has gone. He died at 48, in the prime of life. The danger to our Nation and the free world remains. I believe he will be satisfied if we as a people do not again fall into a state of complacency or let our guards down when dealing with the most godless tyranny the world has ever known.

He, as all of us must in time do, now confronts One whose judgment is far better than that of those who over the recent years either praised or were critical of him.

Our deepest sympathy goes to his widow, Jean, to his family, and to the people of Wisconsin.

Mr. President, I now ask unanimous consent that there may be printed in the body of the RECORD the sermon delivered this morning at St. Matthew's Cathedral in eulogy of the late Senator McCARTHY by the Right Reverend John K. Cartwright at the requiem mass for the repose of his soul.

There being no objection, the sermon was ordered to be printed in the RECORD, as follows:

SERMON DELIVERED BY THE RIGHT REVEREND JOHN K. CARTWRIGHT AT THE REQUIEM MASS FOR THE REPOSE OF THE SOUL OF THE HONORABLE JOSEPH R. McCARTHY, MAY 6, 1957, ST. MATTHEW'S CATHEDRAL, WASHINGTON, D. C.

Many thoughts and emotions crowd on us today as we gather to render a last farewell to one who filled such a large part in the lives of all of us.

First there are the very human and unwelcome thoughts that come to us in the presence of death. We are in our own minds such an inseparable part of this life on earth that the termination of it for anyone else seems something wrong and terrible and repugnant, particularly when, as today, the mystery is made more dark and strange by the so-called untimeliness of death, and still more so by the contrast of death's marble sleep with the very exceptional endowment of vitality and strength that once belonged to the departed.

Next are the thoughts that come to those who were associated with the Senator in the bonds of friendship, whether that friendship rose from personal and individual contacts or whether it had its origin in labor and concern for the causes that so passionately interested him. Those bonds are now severed with the finality that death brings and that nothing disputes. Now these friends will no longer meet and work together with him. For them this day is weighted with very grievous thoughts.

Many more people who did not share the privilege of his personal friendship will feel stirrings both of gratitude and of regret at the passing of his public testimony to clear-minded citizenship.

There are millions who will never forget what he did for our country in this time of the testing of the nations.

Lastly, there are thoughts of sympathy with those who were closest to the departed, with the wife whose graciousness and affection were blended with such unusual understanding and helpfulness, with the little child who did not reach the age to know this father, but who will learn to be proud of the place that belongs to him in the annals of patriotism.

Senator McCARTHY filled in the last few years a role which will be more and more honored as history unfolds its record. It was his privilege in a time of great confusion to have a clear vision on the great political

problem of our time. Of course, everybody has become aware of the fact that communism is the greatest enemy of our society at least in its form of imperialism and aggression. Not everybody saw from the beginning, and many still do not see, that the threat of communism is domestic as well as foreign, civil as well as military. But this man saw it clearly and knew that it is an evil with which there can be no compromise. It has been the tragedy of our day that so many have been willing to deal with communism, to trade with it, to hope for the best from it, to consider it as a non-Anglo-Saxon form of democracy, or even as a variant of Christianity. Those who have come to grips with actual communism in the countries of the Iron Curtain know that it is an unmixed evil. Those who have had to fight it in Korea know that there is no good ever to come of it. The late President of the Philippines, for example, was one who saw it to its depths and his last word on his last day was to warn his people that they should use no half measures in repelling it. In spite of all such warnings there has been a strange confusion and ill-founded optimism in American political life. In such a situation no greater service could have been rendered to our country than was rendered by this watchman of the citadel who insisted upon a clear understanding by our people of the nature of this enemy and of its power not only to attack but to undermine our institutions of freedom.

But his was not only a clear mind. To be clear in the time of confusion is also to have courage, the courage fearlessly to stand in the minority until the majority shall come to understand the essence of the matter. This took no ordinary bravery. There is no one more resentful of the hero than those who do not want to be saved because they do not know that they are threatened. There were many such. Their number is much lessened now. Millions of people now see the truth which was only perceived by hundreds before this man gave his testimony. To do this required a magnificent heart of courage such as has been needed at every time for those who saw ahead. He will take his place among those colleagues of the Hall of Fame each one of whom is great in memory because at one time or another he had the fortitude to stand alone.

Such was this man's earthly achievement and such his title to enduring fame. However, the burial service of the Catholic Church is not primarily intended either as a farewell or as a eulogy of the departed. It is rather a supplication to Almighty God for the repose of a soul and as an admonition to those who stay behind that the city of man on earth is not a lasting one. It is a reminder of mortality that is common to all of us, of sin that each commits and of judgment that each one faces, of God's merciful dispensation of forgiveness, and of the calling to immortal life of all followers of the risen Christ. These great truths are transcendent to all individual considerations. Therefore the requiem and absolution are of universal application. Throughout the ages the same prayers of supplication and of warning have been said and chanted over saint and sinner, over pastor and people, over pope and king and president. The great saint Pius X was raised only lately to the honors of canonization, but when he departed this world many years ago, the same prayers were said that God might forgive his sins and that all might take a lesson from his departure and judgment that their own departure and judgment would someday come. And so the church insists at all the burials of her faithful on these solemn truths. And so she insists today and asks us to remember with her this newly departed soul that he may have a merciful judgment as he has gone forth in the faith of Christ and that he may come to God's love and to his destined home in heaven.

So let us not forget these grave lessons today as we gather around the earthly remains of Senator McCarthy. These remains rest here for awhile before God's altar that their presence may bespeak his faith in these truths. And we join in the rites and prayers so as to renew and reasseverate our confidence in the Christian outlook on the mystery of death. Just a few days ago this soul lived on earth. Earth's aims and ambitions, earth's struggles and successes and failures, earth's friendship and love and happiness all were very real to him. Now they have no longer any meaning to him except insofar as his work was good in God's sight and insofar as God's will transplants the friendships and loves he cherished into the great communion of saints in heaven. Only that part of life which God rewards and that other part which is capable of transmutation into eternal life, only those parts are now of concern to him who has been called by God to the fulfillment of his eternal destiny. And our purpose in being here at his obsequies should be, a little bit to grieve perhaps, a little bit to express our admiration and our gratitude, a little bit to shrink at death, all these in our human, natural way. But in our Christian, supernatural way we should be here to reassert our belief in immortality, to reach our hand of help to him in prayer, to take to ourselves the consolation of knowing that, whither he has gone, we also by God's grace shall come.

So we take leave in our human way of the Senator and public man, of the friend, of the beloved husband and father. But we also take leave in our Christian way of a brother Christian who has gone to God. To God we surrender, what God gave only in part to this world, a soul that was made for God and heaven. And we feel confident that in God's place under God's love there will be rest for the weary, reward for the faithful, and honor for the brave.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the proceedings held in the Senate Chamber this morning in the nature of a funeral service for the late Senator McCarthy be printed in the Record of today.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

(The matters ordered to be printed in the Record appear at the conclusion of the proceedings of the regular session of today.)

Mr. MANSFIELD. Mr. President, as acting majority leader, I should like to join the distinguished minority leader in extending condolences and sympathy to Mrs. McCarthy and their adopted child, and to the family of the Senator who reside in Wisconsin. I have faith to believe that in spite of the difficulties which have beset him on earth, he will find peace when he goes to meet his Maker.

Joe McCarthy has left us. Some of us were in disagreement with him on occasion, but all of us recognized him as a Senator from Wisconsin. It will not be too long when, in the course of events, all of us now in this Chamber will join our former colleague.

We are deeply sorry for his family. We know, of course, that in his way he did the best he possibly could to keep the affairs of this country on an even keel. We can only express the hope that at this time, as he goes to meet his Maker, his soul, and the souls of all the faithful departed, will rest in peace.

ORDER FOR ADJOURNMENT TO WEDNESDAY

Mr. MANSFIELD. Mr. President, I desire to announce that the business heretofore scheduled for today will be conducted on Wednesday. At this time I ask unanimous consent that when the Senate adjourns today, it stand adjourned until noon on Wednesday next.

The VICE PRESIDENT. Without objection, it is so ordered.

JOINT MEETING OF THE TWO HOUSES ON MAY 9, TO HEAR ADDRESS BY THE PRESIDENT OF VIETNAM

Mr. MANSFIELD. Mr. President, I wish to inform the Senate that there will be a joint meeting of the two Houses on Thursday, May 9, 12:30 p. m., in the Hall of the House of Representatives, to hear an address by the President of Vietnam, the Honorable Ngo Dinh Diem.

ADJOURNMENT TO WEDNESDAY

Mr. WILEY. Mr. President, as a further mark of respect to the memory of the deceased Senator, I move that the Senate stand in adjournment until Wednesday next at 12 o'clock noon.

The motion was unanimously agreed to; and (at 12 o'clock and 14 minutes p. m.) the Senate adjourned until Wednesday, May 8, 1957, at 12 o'clock meridian.

FUNERAL SERVICES FOR SENATOR JOSEPH R. McCARTHY, OF WISCONSIN

The proceedings of the funeral services held for Senator McCarthy, ordered to be printed in the Record, are as follows:

The Members of the Senate assembled in the Senate Chamber at 11 o'clock a. m., to attend the funeral services for Senator Joseph R. McCarthy, of Wisconsin.

The casket containing the body of the deceased Senator had been carried to the well of the Senate Chamber and placed in the area in front of the Secretary's desk.

The Vice President of the United States, Richard M. Nixon; the Speaker of the House of Representatives, Sam Rayburn; Representative Joseph W. Martin, Jr.; Representative John W. McCormack; Representative Leslie C. Arends; and I. Jack Martin, representing the President of the United States, entered the Chamber and were escorted to the seats reserved for them.

Mrs. Joseph R. McCarthy and the members of the family of the deceased were escorted to the seats reserved for them.

The Postmaster General, Arthur E. Summerfield; the Secretary of Agriculture, Ezra Taft Benson; and the Commandant of the United States Marine Corps, Gen. Randolph McC. Pate, were escorted to the seats reserved for them.

The Chaplain of the Senate, Rev. Frederick Brown Harris, D. D.; Rt. Rev. Msgr. John Keating Cartwright, S. T. D.;

and Rev. William J. Awalt, S. T. L., of St. Matthew's Cathedral, Washington, D. C., took the places assigned them on the rostrum.

Dr. HARRIS. In this memorial hour we come to think of the life and service of one now fallen, who was ever a fighter—one who with intrepid spirit in this blessed land of room enough fought his early way from obscurity to the highest halls of governance; who left all to follow his country's flag across dim leagues of infested seas, when all that flag symbolizes was assailed by ruthless foes; one who returned to front on the national scene insidious enemies of the Republic, malignant powers of darkness, who seek to destroy the moral and spiritual foundations of this last, best hope of humanity under God, and who deny and desecrate the image of God in every individual.

This hour, as the mortal body of one who here served lies in this historic Chamber, we unite in gladly acknowledging that, unscathed by all differences of judgment regarding methods adopted for attaining worthy goals, in the heart of Joseph McCarthy there burned the bright flame of patriotism, pure and undefiled. In this hour, when beyond strident, controversial voices there is the peace of a calmer appraisal, we hail his indomitable purpose, his clearly defined objective, which was to expose cunning foes who, under cowardly cover, plot the betrayal of our freedom.

Now that his sun has gone down while it was yet day, those who praised and those who blamed agree that his ruling passion was to utterly destroy the subversion, in high places and low, which threatens the survival of our free life. Now that his lips are silent, in these days of destiny, when the precious things we hold nearest our hearts are beset by subtle dangers such as have never before been faced, may the ancient admonition of God's Holy Word be heard and heeded with a new alertness by those who guard the Nation's ramparts: "If the watchmen upon the walls see the enemy advancing and give not the warning, then the blood of the people shall be required of the watchmen's hands." And so this fallen warrior, though dead, speaketh, calling a nation of freemen to be delivered from the complacency of a false security, and from regarding those who loudly sound the trumpets of vigilance and alarm as mere disturbers of the peace.

Upon our swiftly passing days, may there rest the benediction of a faith that greatly dares, as, with a vow recorded in high heaven, we pledge anew that we will never falter, never desist, never compromise, never sheathe our righteous sword, until this torn and tortured earth is made safe for decency, truth, honor, and the pledged word. Then, as ebbs out our little day—

"Suffice it, if, our good or ill unreckoned
And both forgiven through God's abounding grace,
We find ourselves by hands familiar beckoned
Unto our fitting place"—

through death's portal, into some larger room in the Father's many-mansioned house.

The service for which we are gathered will be conducted by representatives of the religious faith to which Senator McCarthy gave his loyalty and his devotion. For that purpose, I present an honored priest of that church, who will conduct the service, the Reverend Father William J. Awalt, of St. Matthew's Cathedral.

Father AWALT. In the name of the Father, and of the Son, and of the Holy Ghost. Amen.

Go forth upon thy journey, Christian soul; go forth from this world, go in the name of God, the Omnipotent Father who created thee.

Go in the name of Jesus Christ, our Lord, Son of the Living God, who bled for thee. Go in the name of the Holy Spirit, who has been poured out on thee. Go in the name of angels and archangels, in the name of thrones and dominations, in the name of princedoms and powers; of cherubim and seraphim; go forth.

Go on thy course, and may thy place today be found in peace, and may thy dwelling be the holy mount of Zion, in the name of Christ, our Lord.

Be merciful, be gracious; spare him, Lord; be merciful, be gracious, Lord; deliver him from the sins that are past. From Thy frown and Thine ire, from the perils of dying, from the nethermost fire, from all that is evil, from the power of the Devil, thy servant deliver, for once and forever.

We commend to Thee, O Lord, the soul of this, Thy servant, Joseph; and beseech Thee, O Jesus Christ, Redeemer of the world, that as in Thy love for him Thou becamest Man, so now Thou wouldst vouchsafe to admit him into the number of Thy blessed. Remember, O Lord, that he is Thy creature, not made by strange gods, but by Thee, the only true and living God; for there is no other true God but Thee, and none can work Thy wonders.

Let his soul find consolation in Thy sight, and remember not his sins; for although he has sinned, as have we all, yet he still retained a true faith in Thee, Father, Son, and Holy Ghost; he has had a zeal for Thy honor, and faithfully adored Thee, his God, and the Creator of all things.

In Christ Jesus there has dawned for us the hope of a blessed resurrection, heartening, with a promise of immortality to come, those of us who are saddened by the certainty of dying. The life of those who are faithful to Thee, O Lord, is but changed, not ended; and when this earthly dwelling place decays, an everlasting mansion stands prepared for them in heaven.

A Psalm of David:

The Lord is my Shepherd; I want for nothing; He makes me to lie in green pastures, He leads me to waters where I may rest; He restores my soul. He guides me along the right paths for His Name's sake. Although I walk in a darksome valley, I shall fear no evil, for Thou art with me.

In the rites just concluded in St. Matthew's Cathedral, the church has given the late Senator McCarthy the greatest honor she can bestow in the ceremonies and prayers of Christian burial. Of his own accord, so many times in life he had sought there, in that same church the solace and the help that he needed. Because he loved his faith and his church, he was brought there by others to his accustomed and familiar place, to be paid the last tribute that his faith could bestow.

It is only fitting that the other place which figured so largely in his life should now figure in the honors bestowed upon him. It is only fitting that one who gave so much of himself to his country should be honored now, at least briefly, in the place of his labor, the United States Senate. To him, the Senate of the United States was his life. For it, he had worked tirelessly and, we now know, to the detriment of his health, in a manner that will long be unparalleled in its dedication to country and to people.

For Senator McCarthy, his faith was his inspiration to service. A little known side of his character, which he kept hidden, but strong, was his manly devotion to his God. In his fight for the principles for which he stood, in the bravery and courage he displayed, well may he have reflected on the words of St. Paul:

"If God is for us, who is against us? He who has not spared even His own Son but has delivered Him for us all, How can He fail to grant us also all things with Him? Who shall separate us from the love of Christ? Shall tribulation, or distress, or persecution, or hunger, or nakedness, or danger, or the sword? But in all these things we overcome because of Him who has loved us. For I am sure that neither death, nor life, nor angels, nor principalities, nor things present, nor things to come, nor powers, nor height, nor depth, nor any other creature will be able to separate us from the love of God, which is in Christ Jesus our Lord!"

What was for him inspiration to service is for you, his wife and his family, consolation in this time of your sorrow. For this same Christ has said, "I am the resurrection and the life. He who believeth in Me, although he be dead, shall live; and everyone who liveth and believeth in Me shall not die forever." Religious men had hoped for immortality; Philosophers had reasoned to an after-life; but no one had given undeniable proof until Christ came. "I am the resurrection and the life," He said; and from the grave He came back to give us eternal life.

Many of us at least subconsciously adopt a curiously truncated theology. We stop short at the crucifixion, leaving the resurrection as a sort of appendix a happy ending to round off the story, after the real climax is complete. But to leave out the resurrection means that we have not really understood the nature of redemption, nor indeed the nature of God. God is a God of the living, not of the dead. He does not delight in death, destruction, and desolation. If He destroys, it is only to rebuild; if He lays

waste, it is only to plant anew; if He dies, it is only to rise again.

We are followers of Christ. We follow Him not only with the cross, not only in suffering and death. These are but the means to our end. If we die with Christ, it is to live eternally with Him. We do not believe in survival only, but in life, for Christ has promised us life, life in its fullness, in all its aspects. We are born into a family; we are born again into a family which is the Church. While there is sorrow in the passing of one we love, it is but for a short time. Time passes quickly for us. We do not sorrow as do those who have no hope. The joy, the peace, the happiness that we rightly expect of Christ are not to be had in isolation one from another, for God is a Father of a family, and Christ is the Brother of the Children of God. If, for the Christian, life is not taken away, then the love that we experience in a family now is as nothing compared with that of Heaven. It will be all the greater, because it is not only the love of an individual for God, and of God for the individual, but love shared by all those who are one in Christ. To you, his family, I say: In this is your consolation and faith, which I pray will be turned into reality.

"For the rest, brethren, whatever things are true, whatever honorable, whatever just, whatever holy, whatever lovable, whatever of good repute, if there be any virtue, if anything worthy of praise, think upon these things. And what you have learned and received and heard and seen, these things practice. And the God of Peace will be with you.

"Have no anxiety, but in every prayer and supplication with thanksgiving let your petitions be made known to God. And may the peace of God, which surpasses all understanding, guard your hearts and your minds in Christ Jesus."

Enter not into judgment with Thy servant, O Lord; for in Thy sight shall no man be justified, unless through Thee he find pardon for all his sins. Let not, therefore, we beseech Thee, the hand of Thy justice be heavy upon him whom the earnest prayer of Christian faith commendeth unto Thee, but by the help of Thy grace may he escape the judgment of vengeance; who, whilst he was living, was marked with the sign of the Holy Trinity: Who livest and reignest, world without end. Amen.

O God, to whom it belongest always to show mercy and to spare, we humbly beseech Thee for the soul of Thy servant, JOSEPH MCCARTHY, whom Thou hast called out of this world, that Thou deliver him not into the hands of the enemy, nor forget him forever; but command that he be received by Thy holy angels and taken to paradise, his true country, and that as he hath believed and hoped in Thee, he may not suffer the pains of hell, but have joy everlasting through Christ, our Lord. Amen.

Let us pray.

Grant, O Lord, this mercy to Thy servant departed, that he who in his desires did Thy will, may not receive the punishment of his misdeeds; and that, as true faith hath joined him to the company of the faithful here below, Thy mercy may make him the companion of the holy angels in heaven, Through Christ, our Lord. Amen.

O God, the Creator and Redeemer of all the faithful, hear our supplications; and through Thy infinite love and mercy graciously grant to the soul of Thy servant, departed, the remission of all his sins, by which he may have deserved the severity of Thy divine justice and punishment in the world to come. Vouchsafe to him grace and mercy before Thy divine tribunal, and let him attain to everlasting rest and happiness, through the infinite merits of Jesus Christ. Amen.

O God, great and omnipotent, judge of the living and the dead, before whom we are all to appear after this short life to render an account of our works, let our hearts, we pray Thee, be deeply moved at this sight of death; and while we consign the body of the deceased to the earth, let us be mindful of our own frailty and mortality, that walking always in Thy fear and in the ways of Thy commandments, we may after our departure from this world experience a merciful judgment and rejoice in everlasting happiness, through the same Christ, our Lord. Amen.

Grant, O Lord, we beseech Thee, that whilst we lament the departure of our brother, Thy servant, out of this life, we may bear in mind that we are most certainly to follow him. Give us grace to make ready for that last hour by a devout and holy life, and protect us against a sudden and unprovided death. Teach us how to watch and pray, that when Thy summons comes, we may go forth to meet the Christ and enter with Him into life everlasting. Through the same Christ, our Lord. Amen.

Almighty and most merciful Father, who knowest the weakness of our nature, bow down Thine ear in pity unto Thy servants upon whom Thou hast laid the heavy burden of sorrow. Take away out of their hearts the spirit of rebellion, and teach them to see Thy good and gracious purpose working in all the trials which Thou dost send upon them. Grant that they may not languish in fruitless and unavailing grief, nor sorrow as those who have no hope; but through their tears look meekly up to Thee, the God of all consolation. Through Jesus Christ our Lord. Amen.

May the angels lead thee into paradise; may the martyrs receive thee at thy coming, and take thee to Jerusalem, the Holy City. May the choirs of the angels receive thee; and mayest thou, with the once poor Lazarus, have rest everlasting.

Eternal rest grant unto him, O Lord,
And let perpetual light shine upon him.
May he rest in peace. Amen.

May his soul, and the souls of all the faithful departed, through the mercy of God, rest in peace. Amen.

In the name of the Father, and of the Son, and of the Holy Ghost. Amen.

Thereupon, at 11 o'clock and 22 minutes a. m., the casket was borne from the Senate Chamber, and the service was concluded.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 6, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou eternal and ever-blessed God, under the canopy of Thy gracious providence, we again assemble in this Chamber, lifting our souls in adoration and thanksgiving, in confession and penitence, in supplication and intercession.

Humbly we acknowledge that daily we must yield our spirits to Thy spirit if our life is to have worth and meaning, wisdom and strength.

Grant that we may begin this day and all our days with the prayer, "Lord what wilt Thou have me be and do?"

Inspire us to do Thy will more perfectly, for in the doing of Thy will is our peace.

Hear us in Christ's name. Amen.

The Journal of the proceedings of Thursday, May 2, 1957, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McBride, one of its clerks, announced that the Senate had passed a resolution, as follows:

Senate Resolution 132

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. JOSEPH R. MCCARTHY, late a Senator from the State of Wisconsin.

Resolved, That a committee of 24 Senators be appointed by the President of the Senate to attend the funeral of the deceased at Appleton, Wis.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That, as a further mark of respect to the memory of the deceased, the Senate do now adjourn until Wednesday next.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 22. Joint resolution requesting the President to designate the third Friday of May of each year as National Defense Transportation Day.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 57-10.

POLISH CONSTITUTION DAY

Mr. PRICE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, this day for the first time in many years the people of Poland are being allowed by their Government to celebrate their national day of liberation—the anniversary date of their democratic constitution in 1791.

The Polish people earned this right by their bloodless revolution of last October, by the Poznan uprising in June. They gained much when the brave Hungarian people rose in revolt against Moscow domination.

The people of Poland are not wholly free and masters of their own destiny. Premier Gomulka cannot cut loose from Moscow entirely without inviting the same kind of savage repression that the Hungarians suffered.

But much has been gained within the past year. The urge for freedom has been given new hope; the drive toward freedom has proved irresistible.

It was the workers who rose first against Kremlin domination, the workers who showed that they want no part of international communism, the workers who rejected Communist theory and practice.

This is a moment in history when a wise American foreign policy must be framed that takes account of Poland's needs and the realities of Poland's position.

We must not turn our backs on the Polish people now, or refuse them the aid they seek from us merely because they have not been able wholly to break the Kremlin's ties.

Poland's desire to be free was demonstrated when the Poznan workers demanded bread, freedom, and the withdrawal of the Soviet Army. Poland's economy has been ruined by Russian selfishness and misrule; her people are in need of food and other assistance.

At this moment the most practical way of demonstrating our sympathy with her people is to treat them generously and with wisdom. We honor them for their demonstration of courage; let us honor ourselves with wise policies toward them.

RELAXATION OF ACREAGE AND PRODUCTION RESTRICTIONS

Mr. COAD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. COAD. Mr. Speaker, in going over the recent letter and statement which the Secretary of Agriculture has filed with the Agriculture Committee of the other body, I note that the administration continues to take its stand for the total and complete destruction of the farm program. The statement was made that pulling down our surplus is a favorable development and with this I agree. But, in the very next paragraph the administration wants a relaxation of acreage and production restrictions. It is also stated that a program is needed which will permit farmers to produce without artificial restraint. And again, it is stated that, "Commercial farmers are geared to produce more than could be commercially disposed of at recent market prices." This then means only one thing—Mr. Benson wants the large, efficient commercial farmers to have complete freedom to produce at drastically lower prices.

This administration talks about family sized farms but goes right on plotting to give free rein to corporation farming interests.

We hear explained the often expressed notion that we should go back to free enterprise and that the farmer is the first who should get back on it. But, I say that now the farmer is the last vestige of our free enterprise system. Those who cry free enterprise the most want to start by junking the entire agriculture program.

Those who propose this so-called free enterprise for the farmer make happy-sounding references to efficiency farming. What is actually meant is corporation farming for it has been proven that corporation farming with all the technological devices and with the fewest possible persons is the most economical and efficient.

We have also heard much said about the fact that if there are these efficient farming operations, that food will be cheaper and the consumers have indicated that they believe this philosophy. The idea is propagated that the consumer will ultimately gain through this corporation farming through reduced food costs.

But here, Mr. Speaker, is the booby trap.

When corporations gain a stranglehold on the farm economy they will be able to do what the family farmer has been unable to do for himself. The corporation-type farms will set whatever price they want to on food. And, comparing corporation activities in other realms of business, it does not take any wild guess to know that food prices will not be cheaper.

Therefore, with Secretary of Agriculture Benson espousing that kind of philosophy to the ultimate detriment of the American people—both farmers and consumers—I again call upon President Eisenhower, as I did in a telegram to him on April 20—just a few days ago—to dispense with the services of Exra Taft Benson and appoint the Honorable Clifford Hope, former United States Representative from Kansas, in his place. Mr. Hope, through long years on the House Agriculture Committee, has displayed the fact that he knows fully the farm problems and is forthright in his actions to solve it. Mr. Hope also has that unique ability to bridge the chasm of partisan differences to effect good programs which are beneficial to the farmers and the consumers. And, for the sake of all Americans, I urge that this action be taken at once, for it is obvious that Secretary of Agriculture Benson has failed more than the farm laws have failed.

ISRAELI INDEPENDENCE

Mr. PELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, the important occasion of Israel's ninth Independence Day, May 6, 1957, should recall to all Americans that 172 years ago our infant Republic was celebrating a similar birthday.

One important difference should be noted in the establishment of Israel as against our own origin. We declared our independence and fought a desperate fight to uphold our freedom. With Israel it was the United Nations by an overwhelming majority vote which set up this new nation dedicated to democracy and individual freedom. Yet the State of Israel in spite of this international approval of its establishment has had to fight desperately for its continued existence as a sovereign republic.

It behooves the membership of the United Nations, including the United States, to end the provocation from Israel's neighbors and to guarantee her borders against attack and invasion.

On this ninth anniversary all friends of the Republic of Israel express our responsibility and determination that the people of Israel shall live in peace, and enjoy the progress that their genius and labor is sure to bring them.

I join with my colleagues in the House of Representatives in extending best wishes to Mr. David Ben-Gurion and the Israeli Parliament on this great occasion.

THE LATE HONORABLE JOSEPH R. MCCARTHY

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House briefly in tribute to the late Senator MCCARTHY.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, Senator MCCARTHY was a great American. He fought for what he believed to be right. He was troubled and concerned for the welfare of his country. The courage and loyalty he brought to this generation of our wonderful country will stand as an example for all time.

His fighting heart, his frankness, his driving determination to protect our form of government and our way of life will be greatly missed in the operations of our National Government. His friends as well as all who knew him well were completely mindful of his respect and reverence for all loyal, honorable Americans, whether or not they walked the high road or the low road. And all of his friends knew of the lack of respect and the contempt and disgust he felt toward those who sheltered themselves as Americans but who were ready, willing, and actually did do all they could to

destroy the finest government ever conceived by man and the finest country in the world, his, yours, and my America.

From the falling of Captain Parker on Lexington Common to the falling of the last American on Korean soil, many fine loyal Americans, oh so many of them, gave their lives that our priceless free way of life might continue. Senator McCarthy was determined this priceless heritage should not be destroyed from within our country by disloyal individuals pretending to be loyal. He was determined to prevent Communists in America from destroying the America so costly forged in victory won in the fury of battle.

The vigor of his fight, the force of his determination, the courage of his spirit shook and rocked the forces of communism in America to its foundation and pounded it and pounded it into the very soil it was betraying. His fearlessness shattered communism in this country and forced the Communists from their organizations into disintegration and into hiding behind the fifth amendment.

As an American I am grateful for all Senator McCarthy accomplished. I believe his greatest contribution was the alerting of the American people throughout our country to the dangers of communism within our own boundaries. Because of his mighty fight, communism will never again threaten our free way of life from within our own hallowed territory. Because of Senator McCarthy, it is no longer smart or safe to be a Communist in America.

In the making of his forceful fight against communism, he was constantly and faithfully and intelligently assisted by his lovely and charming wife. Her advice to him, I am sure, was always very helpful and very constructive. My deepest sympathy goes out to Mrs. McCarthy and to the family of the Senator.

Senator McCarthy had many friends and I am proud to say I was one of them.

His outstanding fight against communism could have saved our great country. Many disagreed with some of his methods, but no loyal American could disagree with his fervent and courageous battle to destroy communism within our national borders. All must admire and respect his loyalty to his country and to all Americans who believed in their country. He tried to do what he thought was right. He fought for those principles he thought were basic. He believed that no sacrifice was too great for the preservation of our American way of life.

Because of these profound principles and the courage of a lion, I am proud to say that in my view Senator McCarthy was a great American.

Mr. Speaker, I have just come from the Senate Chamber where I listened to the fine tributes paid to the late Senator McCarthy. One was made by Father Awalt of Senator McCarthy's own Catholic faith. The other was made by Dr. Harris, the Protestant Chaplain of the Senate. Both knew Senator McCarthy so well. I hope everyone will read them. The Right Reverend Monsignor Cartwright, who earlier delivered the stirring eulogy at St. Matthew's Cathedral, was there also.

Mr. Speaker, I was one of those who was privileged to visit all that remained of Senator McCarthy on Saturday afternoon last and I was tremendously impressed with those who visited at the same time and the long lines of those who were paying their last tribute and respect to the man who fought for God and who fought to save this country from subversive influences.

So far as I am personally concerned, I have suffered a great loss. I never went to Senator McCarthy for help that I did not receive it. Thousands of people have told me the same thing. We cannot replace him.

THE GIRARD COLLEGE CASE

Mr. MASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MASON. Mr. Speaker, the recent Supreme Court order in the Girard College case is in line with the trend of the present Supreme Court Justices to upset century-old customs and legal precedents. In this case the Supreme Court ruled that a trust set up in 1831 in Philadelphia under the will of Stephen Girard, setting aside a large sum of money in trust "for the erection, maintenance, and operation of a college for as many poor white male orphans as the said income will be adequate to maintain" violates the 14th amendment to the Constitution. The rationale of the opinion is that the present trustees are officials of the city of Philadelphia and the State of Pennsylvania; therefore, the action of the trustees in refusing college admittance to two colored boys was, in the opinion of the Court, "an act of discrimination by the State of Pennsylvania."

Mr. Speaker, the real question that the Court should have settled is, "If a trustee happens to be an official of a city or a State, when he acts as trustee is he acting as the legal agent of the maker of the trust or is he acting as the agent of the State?"

When one considers that no public funds were involved in the Girard College case; that the entire $100 million now in the fund are private funds—the result of the provisions of the Stephen Girard will—the answer to that question should be obvious, even to our present Supreme Court Justices.

According to this recent order of the Court, any trust set up under a will that meets all legal and constitutional requirements when made can be overturned, invalidated, declared null and void, with the changing whims and temperaments of the Justices.

Nothing is sacred nor permanent under our present uncontrolled Supreme Court. Century-old customs and previous Court rulings may now be overturned, destroyed, invalidated by a capricious Supreme Court, a majority of whose Justices have sociological predilections that influence or dominate their opinions.

Mr. Speaker, it is my considered opinion that in this case the Supreme Court itself has acted unconstitutionally.

[From the Richmond Times-Dispatch of May 5, 1957]

THE LAW IS STRETCHED AGAIN

When Stephen Girard died in 1831, leaving $6 million for the establishment of a college for poor, white male orphans in Philadelphia, he certainly never dreamed that the United States Supreme Court would set his will aside 126 years later. Yet that is what has happened. The Court has just ordered Girard College to admit two Negroes.

The Court did this unanimously, although the Pennsylvania State Supreme Court had been well-nigh unanimous (5-1) in holding that Stephen Girard had the right to leave his money for the education of whites only, if he wanted to. The Philadelphia Orphans' Court had been unanimous in taking the same view.

But it has now become obvious that the United States Supreme Court will seize upon just about any pretext to construe the Constitution, the statutes or a private will in favor of integration of the races.

The Pennsylvania Supreme Court, operating in a State which has an antidiscrimination statute for the protection of Negroes, and fully cognizant of the need for according our colored citizens their constitutional prerogatives, held that Girard had the sole right to name the beneficiaries under his will, since it is one of our most fundamental legal principles that an individual has a right to dispose of his own property by gift or will, as he sees fit.

But when the case reached the Nation's highest tribunal, this finding was overruled. The reason alleged was that the board operating the college is an agency of the State of Pennsylvania, and that refusal to admit Negroes consequently is State discrimination, and hence a violation of the 14th amendment.

The board of the college was held to be a State agency because the institution functions under the board of the City Trusts of Philadelphia. The Pennsylvania State Supreme Court took the view that this had nothing to do with the case but the Supreme Court of the United States held just the opposite.

The Supreme Court's reasoning in this case is ominous for the future, insofar as any religious, educational or business corporations functioning in Virginia and other States under State charters are concerned. It now appears that colleges and universities, church schools and churches, theaters and other organizations having charters from the State Corporation Commission may be ordered by the court to abandon segregation. Many educational institutions heretofore regarded as private and beyond the reach of such rulings are now in jeopardy, merely because they have charters from the State.

The Supreme Court's position should also be a warning to Virginians or other southerners who may still think the Nation's top tribunal would approve any legal device whereby the State would be superseded in the operation of the public schools by some other agency using State funds, but claiming that the schools were private.

The Court's far-fetched construction of the law in the Girard College case shows again to what lengths the Justices will go to rule in favor of any cause espoused by the NAACP.

NINTH ANNIVERSARY OF THE INDEPENDENCE OF ISRAEL

Mr. KEATING. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD in commemoration of Israel's Independence Day.

The SPEAKER. Is there objection to the request of the gentleman from New York.

There was no objection.

Mr. KEATING. Mr. Speaker, the ninth anniversary of Israel's independence is an occasion for rejoicing and sober reflection among all men who treasure freedom and liberty. It is an especially important day to all of us in the United States who have followed closely and worked for the progress of this new nation.

These 9 years have been marked by progress perhaps unequaled in the history of the world.

These 9 years have been marked by an increasing awareness throughout the world that Israel is here to stay.

These 9 years culminate today with Israel standing stalwart and strong as a bastion of democracy in the Middle East.

We in the United States, looking back with pride to our beginnings, find a remarkable degree of kinship with the people of Israel. May we in this country never forget our own heritage, steeped in the ideals of freedom, and in recalling that proud tradition, may we never forget that Israel today needs our help and support, just as the struggling American colonies not so long ago needed all the help and support they could get.

Our bonds with Israel and our obligations to Israel are sacred and strong. On this, the occasion of Israel's Independence Day, let us unite in pledging anew our devotion and dedication to the courageous people and doughty leaders of this bulwark of freedom. By their shining example they have shown all the world that the spirit of liberty is not dead, and that men will still stand and fight against the greatest of odds to preserve their God-given rights.

POLISH INDEPENDENCE DAY

Mrs. CHURCH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Illinois.

There was no objection.

Mrs. CHURCH. Mr. Speaker, 4 years following the ratification of the Constitution of the United States, the freedom-loving people of Poland, on May 3, 1791, adopted one of the first European constitutions providing a democratic type of government.

We join with Polish people everywhere in commemorating this significant occasion, and express the hope that the principles and ideals set forth in that constitution will soon again be the law of that great land. Since that day, 166 years ago, the Polish nation has repeatedly struggled to maintain its freedom and we know that today it continues this fight with magnificent effort.

I would like, in paying tribute to the historical strength and courage of the Polish people and their passion for freedom, to hail also that vast segment of our own population, Polish in origin, loyal at all times to the highest concepts and standards of this great Republic. I would emphasize today the part that they have played in building this Nation, in strengthening our own freedom, and in joining with us valiantly at all times as we have fought to protect that freedom. May this be the day when, in celebrating Poland's National Day, all Americans, whatever their native origin, join with our Polish brethren in renewed dedication to the cause of individual freedom and human dignity, which is our purpose in being and must remain the motivation of our every action.

NINTH ANNIVERSARY OF ISRAEL

Mr. KEAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. KEAN. Mr. Speaker, I salute the valiant nation of Israel on her ninth anniversary. It is a pillar of democracy in the troubled Near East. Israel should prove an example to her now hostile neighbors of what Western civilization can accomplish in that backward area for the benefit of all the people. Let us hope that a realization of those benefits may result in a diminution of the hostility whipped up largely for political reasons.

Israel is there to stay. Certainly the leaders of the hostile nations know in their hearts that this is true. Certainly if these leaders would cease their agitation the peoples of the Near East would join in working together for the benefit of all who live in the area.

Israel should have access to the coastline through the Gulf of Aqaba. Israel should be assured of cessation of hostile raids from her neighbors so that her soil may be tilled in peace. Israel should be able to make use of the waters of the Jordan. Israel must be permitted to send her shipping through the Suez Canal on an equal basis with all other nations.

In spite of all past difficulties the strength of Israel has grown. The valor and ability of her citizens has been proven on the battlefield. May the coming years bring prosperity and peace to the end that the genius of her people may bring happiness to those who have chosen to make their homes in that land.

NINTH ANNIVERSARY OF ISRAEL

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, it gives me a great deal of pleasure to add my sincere greetings on the ninth anniversary of Israel's independence. In retrospect, the remarkable history of the State of Israel stands as a symbol of the courage and tenacity of its people. Perhaps never before had so many seemingly insurmountable obstacles been placed before a young nation struggling for its security. Israel was forced to live in a hotbed of alien and hostile neighbors and philosophies; to absorb an almost unprecedented influx of immigrants representing diverse levels of cultures and tongues; to face the problem of survival with meager and undeveloped resources and with citizens not always adequately trained for the economic tasks of the new state; and, finally, Israel was obliged to fight for its very existence against an extermination policy so tragically reminiscent of what their European brothers had but recently fled from only a few short years before.

I was in Israel 2 years ago, arriving there on October 6, 1955, and I was profoundly impressed by all that I saw. Here flowed two great parallel movements: The preservation of the past and the consecration to the future. A people dispersed and landless for 20 centuries had come home to reclaim their land and to redeem themselves, but at the same time, they were determined to preserve the best of their past. This was a remarkable combination of religious fervor and national devotion.

Just 1 week before I arrived in Israel, it was announced to the world that the Communists had finally and irrevocably moved into the Near East. I was disturbed and troubled by the irresolution and the indecision of the leaders of our own great country, who were unready and unable to meet the Soviet threat.

Much has happened since that time to justify my admiration for the courage of the Israeli people and my alarm over the weakness and passivity of our own policies. At that time I believed that our Government should act immediately and firmly against Nasser. Unfortunately another viewpoint prevailed. The Department of State sought to appease him with the offer of economic aid while it denied Israel the arms and treaties she needed for her defense. The Department of State's efforts to turn Nasser away from the Russians did not work. He repaid us with arrogance and seized the Suez Canal and defied the Western World.

We have seen the events which have transpired since that time and today the threat of a new crisis hangs over the Middle East as a result of Nasser's policy.

However, "phenomenal" is the word for Israel. Blessed with a persevering, undaunted, and inspiring leadership, Israel throughout these turbulent times has remained the bastion of democracy in the Middle East. Whatever inroads communism may make into the Middle East under tyrants and dictators, we may rest assured that Israel will remain our stanch friend and communism's dedicated enemy.

Israeli history has already taught us that Israel will survive the aims of Messrs. Khrushchev and Nasser. Only when their fanatic policy of destruction of Israel is abandoned can the fruitful and creative peace which we all desire in the Middle East come into full blooming. The support of our country for the frontier democracy of Israel is a must. Thus, it is with deep sincerity that today

I extend my greetings and best wishes to the State of Israel on her ninth birthday.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar Day. The Clerk will call the first bill on the Consent Calendar.

SETTLEMENT FOR CERTAIN INEQUITABLE LOSSES IN PAY

The Clerk called the bill (H. R. 293) to authorize settlement for certain inequitable losses in pay sustained by officers of the commissioned services under the emergency economy legislation, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM of Iowa. Mr. Speaker, in view of the fact that there has been some question about this bill on previous calls and the fact that I am advised by the author of the bill that a rule has been requested, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

LOANS TO HOMESTEADERS AND DESERT-LAND ENTRYMEN

The Clerk called the bill (H. R. 3753) to enable the Secretary of Agriculture to extend financial assistance to desert-land entrymen to the same extent as such assistance is available to homestead entrymen.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MARSHALL, Mr. CHRISTOPHER, and Mr. McCARTHY objected.

PENSION FOR VETERANS SUFFERING FROM TUBERCULOSIS

The Clerk called the bill (H. R. 1264) to provide that certain veterans suffering from active pulmonary tuberculosis shall be deemed to be permanently and totally disabled for pension purposes while they are hospitalized.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That paragraph I (e) of part III of Veterans' Regulation No. 1 (a) is amended by adding at the end thereof the following: "An individual will be deemed to be permanently and totally disabled for the purposes of this part during all periods of hospitalization for active pulmonary tuberculosis."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. SHUFORD] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. SHUFORD. The bill, H. R. 1264, is identical to H. R. 9922, which passed the House during the 2d session of the 84th Congress and which failed of enactment in the Senate.

Under existing law, a veteran who is hospitalized for a non-service-connected case of tuberculosis does not receive a pension until the expiration of 6 months of hospitalization, and then only from the 1st day of the 7th month. This is a situation which is peculiar to this disease and does not apply to other diseases or disabilities.

This bill seeks to correct this situation by providing that payment of pension in such cases shall begin the first day of hospitalization, in line with that applicable to other diseases.

The Veterans' Administration is unable to furnish an estimate of cost on this measure, but it is believed to be rather small.

LIMITING PAYMENTS TO CERTAIN BENEFICIARIES OF VETERANS

The Clerk called the bill (H. R. 72) to amend section 21 of the World War Veterans' Act, 1924, to provide for the disposition of certain benefits which are unpaid at the death of the intended beneficiary.

The SPEAKER. Is there objection to the present consideration of the bill?

Mrs. ROGERS of Massachusetts. Mr. Speaker, a rule has been granted on this bill. Certain provisions of the bill are extremely bad. I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

SUSPENDING APPLICATION OF CERTAIN LAWS WITH RESPECT TO PERSONNEL EMPLOYED BY COMMITTEE ON WAYS AND MEANS

The Clerk called the joint resolution (H. J. Res. 230) to suspend the application of certain Federal laws with respect to personnel employed by the House Committee on Ways and Means in connection with the investigations ordered by House Resolution 104, 85th Congress.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. SISK. Mr. Speaker, reserving the right to object, I do this in view of some circumstances that arose last year with reference to the employment of certain people on the staff by the Committee on Ways and Means. There were certain charges of a possible conflict of interest. At this time I should like to ask any member of the Committee on Ways and Means to comment with reference to the position of the committee in the event they find that such conflict of interest may exist.

Mr. FORAND. Mr. Speaker, would the gentleman yield?

Mr. SISK. I yield to the gentleman from Rhode Island.

Mr. FORAND. Mr. Speaker, first of all I want to commend the gentleman from California [Mr. SISK] for being on his toes as usual. He always does a good job in looking after the welfare of his constituents.

In the instant case, I can assure him that the Committee on Ways and Means and also the subcommittees are mindful of the factors involved in this particular resolution. Also I can give the gentleman assurance that the matter relating to this particular resolution, or to which this particular resolution relates, has been thoroughly investigated by the chairman of the Subcommittee on Foreign Trade Policy, the gentleman from Louisiana [Mr. BOGGS], and no improper action was found.

The facts are simply these, Mr. Speaker. Due to the nature of the work involved in the investigations made by the Committee on Ways and Means on taxes and tariffs, it is most difficult to get qualified men to come work for the committee for a matter of only a few months. We must take people from the field who have a vast knowledge of the particular subject we are investigating. Naturally, they have a rather lucrative practice and dislike very much to take the chance of the conflict of interest statute depriving them of their future livelihood just for the sake of working for the committee for possibly 2 or 3 months. For that reason it is necessary for us to seek the enactment of a resolution such as this in order to protect these people and at the same time provide our committee with the type of help we need. I trust the gentleman will accept that explanation.

Mr. SISK. Mr. Speaker, I appreciate very much the explanation made by the distinguished gentleman from Rhode Island [Mr. FORAND]. I realize the need for these specialists and, of course, with his statement that conflicts of interest such as may have developed possibly in the past will not develop in the future, I withdraw my reservation of objection.

Mr. PATMAN. Reserving the right to object, Mr. Speaker, I wish the gentleman from Rhode Island would explain to me from which statutes these employees will be exempt.

Mr. FORAND. It is in the report on the resolution.

Mr. PATMAN. I had not noticed this resolution but I am very much opposed to resolutions of this type providing for exemptions from the conflict-of-interest provisions of the statutes. I just have a feeling that the committee can find people who are not engaged in the same type of business who could do this work. It looks to me a little inconsistent for the Congress to permit people who can profit from the administration of tax laws to come into the committee and help write the tax laws. That is particularly true since the tax laws are passed with the Members not knowing exactly what they mean. They do not know what these commas and semicolons and certain phrases mean. We must take the word of the committee. If the committee is going to take the word of experts who are in the business and who can profit from the administration of the laws they

help write, it occurs to me it just does not seem to be in the public interest. If we cannot get people otherwise to do this work possibly we should consider a resolution such as this, but I cannot conceive of the committee's being unable to get that type of help. Will the gentleman read to me the statutes involved?

Mr. FORAND. It is title 18 of the United States Code, sections 281, 283, and 284.

Mr. PATMAN. Just read section 281.

Mr. FORAND. Section 281 reads as follows:

Whoever, being a Member of or Delegate to Congress, or a Resident Commissioner, either before or after he has qualified, or the head of a department, or other officer or employee of the United States or any department or agency thereof, directly or indirectly, receives or agrees to receive, any compensation for any services rendered or to be rendered, either by himself or another, in relation to any proceeding, contract, claim, controversy, charge, accusation, arrest, or other matter in which the United States is a party or directly or indirectly interested, before any department, agency, court martial, officer, or any civil, military, or naval commission, shall be fined not more than $10,000 or imprisoned not more than 2 years, or both; and shall be incapable of holding any office of honor, trust, or profit under the United States.

Mr. PATMAN. That points up the objection I have. Under that statute, you permit a person who has a conflict of interest, who is representing clients against the Government, to come in here and help write the tax laws. If they were not exempt, they could not only be fined and sent to jail for 2 years but would forever hereafter be ineligible to hold any office of profit or trust under the United States Government. In other words, we are asked to do a lot here. It just looks to me as if it is just too much to ask us. If we cannot possibly get people otherwise, of course, that is a different story.

Mr. FORAND. The truth of the matter is, if you are going to take people who know the law you have to get people who are practicing in the business.

Mr. PATMAN. Why can you not use these people as witnesses? Have them appear as witnesses and find out everything they know about it and then write the bill the way you feel it should be written, without having them in the secret sessions and the executive conferences and knowing exactly what is going on, knowing the value of every word and every phrase and every paragraph, when the Members of Congress themselves do not know the value of them? They have a great advantage. Then to exempt them from the conflict-of-interest statutes it just seems to me is asking too much. I have been opposing this type of legislation all the time, because I do not agree that it should be done.

Mr. FORAND. This thing is not anything new, as the gentleman well knows. This type of resolution has come in from time to time. I can assure the gentleman, as I have assured the gentleman from California, that before we put anybody on our staff, whether permanently or temporarily, he is very, very thoroughly screened. We do not accept anybody or everybody who wants a job.

Mr. PATMAN. It is not the screening of them. The gentleman admits they are practicing law and that they are involved in cases to which the tax laws you write probably apply.

Mr. FORAND. This particular instance has reference to the tariff, not the tax laws.

Mr. PATMAN. It is the same thing. They represent clients that are interested.

Mr. FORAND. That is exactly true, they do represent clients.

Mr. PATMAN. I know, but in screening them you admit that they are practicing law and that they are involved in cases that your tax laws, as written, would probably apply to. This does not apply in this particular instance. I think our Government is falling down somewhere. We have got to get people who will not profit from the administration of these laws that they write. The proposed law just does not make sense to me.

Mr. FORAND. This only removes the 2-year limitation now existing in the law with reference to a person practicing before a Government agency.

Mr. PATMAN. I think that is a good part. I think it should be that way. People should not be able to get in a Government agency and make an interpretation and then run right out and get into a law firm and profit from it. I think there should be a restraining influence. I hope the gentleman will not insist on this bill today, and that he will ask that it be passed over for the present until I can look into it.

Mr. FORAND. I hope as a result of the gentleman from Texas making an investigation of his own that he will come to the same conclusion that we, on the committee, have come to, and that is, that it is mighty difficult to get qualified people. And, of course, if we are going to do a job, we must have qualified people.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. McCORMACK. I believe that my friend, the gentleman from Texas, fails to get the real point involved in this resolution. This resolution does not have for its purpose the waiving of conflicts of interest, but involves rather the situation where a man because of peculiar qualifications is desired by a committee, that committee may avail themselves of his services. Of course, the gentleman knows as well as I do that the real effectiveness of an investigating committee is to get the story behind the story. In order to do that they have to get people who are eminently qualified by experience as well as education in the bureau or agency work itself. This resolution, as I understand it, simply says that if they should for the purposes of a proposed investigation or proposed inquiry appoint someone who is so qualified that after their services are over with the committee or the subcommittee that the 2-year limit or prohibition will not apply as a result of their services with the committee.

Mr. PATMAN. The gentleman is, I believe, mistaken about that. Of course, that would be one of the effects. That would be one of the results which I concede. But, that is just one.

Mr. ROGERS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. ROGERS of Colorado. It is pointed out in title 18 of section 284, which prohibits any practice before any department for 2 years after employment.

Mr. PATMAN. That is correct.

Mr. ROGERS of Colorado. The only object and the only purpose of this legislation is that if an individual qualified and carrying on his business should be employed by this committee that that 2-year period should not apply to him.

Mr. PATMAN. That is not the way it is written though. That exempts everybody, whether he has been working for the Government or not, or whether he has been in a private law practice. It is an overall proposition and covers everything.

Mr. ROGERS of Colorado. But, I refer the gentleman to section 284.

Mr. PATMAN. It covers that. I concede that it covers that point, but there are other exemptions from the statutes. That is just one that is mentioned. What are the other exemptions?

Mr. ROGERS of Colorado. Of course, the existing law title 18, section 281 is what the gentleman from Rhode Island [Mr. FORAND] read to you a moment ago. The other section 283 to prohibit anybody now employed in the United States Government from pressing a claim.

Mr. PATMAN. This would exempt them from that, if they are employed by this committee.

Mr. ROGERS of Colorado. The resolution would exempt them from section 281, section 283, and section 284. That is true.

Mr. PATMAN. Will the gentleman ask that this bill be passed over without prejudice at this time so that I may have an opportunity to look into it?

Mr. ROGERS of Colorado. The point is that it was up once before and objection was made to its consideration. It went over at the request of the gentleman from California. He looked into it thoroughly. Now the gentleman comes along and makes objection. The question is, when will we take the bill up for consideration?

Mr. PATMAN. There are 435 Members of the House. Each Member I believe has the right to object. I am not suggesting that any other Member would object or ask that the bill be passed over, but I think each Member has that right.

Mr. ROGERS of Colorado. I do not deny that in the least, but the point is that if each of the 435 Members were to object we would never get legislation passed.

Mr. PATMAN. That is very true; but, of course, we know that does not happen. I remind the gentleman that many of these bills get through by unanimous consent. This is a very important bill

and it should not be on the Consent Calendar. It should be presented under a rule that would allow adequate debate and proper consideration.

Mr. Speaker, House Joint Resolution 230 that is really before the House now for consideration and which is House Calendar No. 43 is as follows:

Resolved, etc., That service or employment of any person not presently employed by the Federal Government as an attorney, accountant, expert, or professional staff member in assisting the Committee on Ways and Means of the House of Representatives, or any duly authorized subcommittee thereof, in the investigations authorized by House Resolution 104, 85th Congress, shall not be considered as service or employment bringing such person within the provisions of section 281, 283, or 284 of title 18 of the United States Code, or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States.

It will be noticed that House Joint Resolution 230 refers to House Resolution 104. That resolution is as follows:

Resolved, That, effective from January 4, 1957, the Committee on Ways and Means, acting as a whole or by subcommittee, is authorized to conduct through studies and investigations of all matters coming within the jurisdiction of such committee.

SEC. 2. For the purpose of this resolution, the committee, or any subcommittee thereof, is authorized to hold such hearings, to sit and act during the present Congress at such times and places, within the continental United States, its Territories, and possessions, as the committee may determine, whether or not the House has recessed, or has adjourned, to require the attendance of such witnesses and the production of such books, papers, and documents by subpena or otherwise, to administer such oaths, and to take such testimony, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or of any subcommittee, or by any member designated by any such chairman, and may be served by any person designated by any such chairman or member.

SEC. 3. The committee may report to the House at any time during the present Congress the results of any studies or investigations made under authority of this resolution, together with such recommendations as it deems appropriate. Any such report which is made when the House is not in session shall be filed with the Clerk of the House.

It will also be noticed that if this resolution, House Joint Resolution 230, is passed, it will allow all the personnel selected by the House Committee on Ways and Means to have the exemptions provided in the resolution. In other words, it will not be confined to one subcommittee that happens to be investigating tariff matters. The resolution will provide exemptions for all employees working for the Committee on Ways and Means or any subcommittee thereof in the investigation authorized by Resolution 104.

The committee's report clearly outlines the objective of the proposed exemption from the conflict-of-interest statutes. It is as follows:

The Committee on the Judiciary, to whom was referred the joint resolution (H. J. Res. 230) to suspend the application of certain Federal laws with respect to personnel employed by the House Committee on Ways and Means in connection with the investigations ordered by House Resolution 104, 85th Congress, having considered the same, report favorably thereon without amendment and recommend that the joint resolution do pass.

PURPOSE OF THE LEGISLATION

The purpose of this resolution is to suspend the application of certain Federal laws—the so-called conflict-of-interest statutes contained in sections 281, 283, and 284 of title 18 of the United States Code—with respect to personnel to be employed by the House Committee on Ways and Means in connection with the investigations authorized by House Resolution 104, 85th Congress.

GENERAL STATEMENT

House Resolution 104 authorized the Ways and Means Committee of the House of Representatives to conduct studies and investigations of all matters coming within the jurisdiction of that committee. In order to assist the committee in carrying out its legislative responsibility, it has been found necessary to employ experts. Understandably, it has been found increasingly difficult to induce professional men to accept such committee assignments. Under the present law, such assignments preclude persons so employed from appearing for profit before Government agencies and bureaus. Moreover, the ban would continue for 2 years after termination of such employment over matters which an individual may have handled while employed by the Government.

In the past, many resolutions similar to this have been enacted and are, therefore, precedents for the enactment of this resolution.

It should also be pointed out that these restrictions and limitations of the present law affect individuals who merely serve on a temporary basis. Unless exemptions like those embodied in this resolution are granted, the House Committee on Ways and Means will be deprived of the specific talents and ability of outstanding men and women essential to the work of the committee, since such persons will not wish to forfeit their right to practice for profit before a governmental bureau or agency.

Therefore, the Committee on the Judiciary recommends the favorable enactment of this resolution:

The following are the specific sections of title 18 of the United States Code which would be waived by the enactment of this resolution.

EXISTING LAW

"TITLE 18, UNITED STATES CODE

"§ 281. Compensation to Members of Congress, officers and others in matters affecting the Government

"Whoever, being a Member of or Delegate to Congress, or a Resident Commissioner, either before or after he has qualified, or the head of a department, or other officer or employee of the United States or any department or agency thereof, directly or indirectly, receives or agrees to receive, any compensation for any services rendered or to be rendered, either by himself or another, in relation to any proceeding, contract, claim, controversy, charge, accusation, arrest, or other matter in which the United States is a party or directly or indirectly interested, before any department, agency, court martial, officer, or any civil, military, or naval commission, shall be fined not more than $10,000 or imprisoned not more than 2 years, or both; and shall be incapable of holding any office of honor, trust, or profit under the United States.

"Retired officers of the Armed Forces of the United States, while not on active duty, shall not by reason of their status as such be subject to the provisions of this section. Nothing herein shall be construed to allow any retired officer to represent any person in the sale of anything to the Government through the department in whose service he holds a retired status.

"This section shall not apply to any person because of his membership in the National Guard of the District of Columbia nor to any person especially excepted by act of Congress.

"§ 283. Officers or employees interested in claims against the Government

"Whoever, being an officer or employee of the United States or any department or agency thereof, or of the Senate or House of Representatives, acts as an agent or attorney for prosecuting any claim against the United States, or aids or assists in the prosecution or support of any such claim otherwise than in the proper discharge of his official duties, or receives any gratuity, or any share of or interest in any such claim in consideration of assistance in the prosecution of such claim, shall be fined not more than $10,000 or imprisoned not more than 1 year, or both.

This section shall not apply to any person because of his membership in the National Guard of the District of Columbia nor to any person specially excepted by enactment of Congress.

"§ 284. Disqualifications of former officers and employees in matters connected with former duties

"Whoever, having been employed in any agency of the United States, including commissioned officers assigned to duty in such agency, within 2 years after the time when such employment or service has ceased, prosecutes or acts as counsel, attorney, or agent for prosecuting, any claims against the United States involving any subject matter directly connected with which such person was so employed or performed duty, shall be fined not more than $10,000 or imprisoned not more than 1 year, or both."

The first three lines of the language of the report are:

Suspending the application of certain Federal laws with respect to personnel employed by the House Committee on Ways and Means.

So there is no attempt to mislead anyone, and I am certainly not charging any bad faith.

I am shocked to think that the House would consider without any debate, by unanimous consent, adopt such an unusual and far-reaching bill. It should come up under a rule. When the Revenue Act of 1954 passed the House of Representatives, it was under a gag rule. We were told that it was so involved that very few Members knew what the bill contained; many of them on the committee did not know all of its provisions. We were told that it was prepared by the experts.

After this bill became law, it was discovered there were some very large loopholes in it. In fact, the Government is losing tens of millions of dollars, possibly billions of dollars a year by reason of these enormous loopholes that were never discovered, when the bill was being considered in Congress. We know that the bill is largely the work of experts. The shocking thing is that we will have experts who are actually engaged in the practice of law and who can profit the most from loopholes in tax laws to be actually allowed to help write them for the Congress.

Furthermore, we say in the resolution that even if an employee of the committee engages in a conspiracy against the Government and uses his position as an employee to feather his own nest and to allow his client great profit, that

he will not be punished because we are exempting him in advance from any law that would cause him to be punished.

It does not make sense to me. I will have to get more convincing information before agreeing to this proposal.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

RELINQUISHMENT OF OFFICE OF CHIEF JUDGE

The Clerk called the bill (H. R. 985) to provide that chief judges of circuit and district courts shall cease to serve as such upon reaching the age of 70.

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

RELEASE OF STOCKPILED LONG STAPLE COTTON

The Clerk called the resolution (H. J. Res. 172) relating to the stockpile of extra long staple cotton under the Strategic and Critical Materials Stockpiling Act.

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That notwithstanding any other provision of law, 50,000 bales of domestically grown extra long staple cotton in the stockpile (including any cotton which does not meet current stockpile specifications) established pursuant to the Strategic and Critical Materials Stockpiling Act, as amended (50 U. S. C. 98), shall be withdrawn and transferred to the Commodity Credit Corporation for sale at not less than the prices at which the Commodity Credit Corporation may sell its stocks under the minimum pricing provision of section 407 of the Agricultural Act of 1949, as amended. Proceeds from such sale, less costs incurred by Commodity Credit Corporation, including administrative expense, as determined by the Secretary of Agriculture, shall be covered into the Treasury of the United States as miscellaneous receipts.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMERGENCY FEED PROGRAM

The Clerk called the bill (H. R. 2486) to authorize Commodity Credit Corporation to grant relief with respect to claims arising out of deliveries of eligible surplus feed grains on ineligible dates in connection with purchase orders under its emergency feed program.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Commodity Credit Corporation, under such regulations as may be approved by the Secretary of Agriculture, is hereby authorized to grant relief to farmers and dealers in connection with claims arising out of early and late deliveries under purchase orders for drought relief feed issued under the 1954, 1955, and 1956 emergency feed programs, by recognizing as valid those purchases and deliveries of designated surplus feed grains and approved mixed feeds, which (a) were actually purchased by the farmer from the dealer on or after the date the Secretary declared the county, where the purchase order was issued, to be eligible for assistance under the emergency feed program, and (b) are found to have been physically delivered to the farmer not later than twelve months from the date the purchase order was issued to the farmer.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

DESIGNATION OF JIM WOODRUFF DAM AS LAKE SEMINOLE

The Clerk called the bill (H. R. 3077) providing that the lake created by the Jim Woodruff Dam on the Apalachicola River located at the confluence of the Flint and Chattahoochee Rivers be known as Lake Seminole.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the lake created by the Jim Woodruff Dam on the Apalachicola River located at the confluence of the Flint and Chattahoochee Rivers in southwest Georgia shall be known and designated as Lake Seminole in honor of the Seminole Indians whose ancestors, the Hichiti's and Apalachicola's, inhabited the general area in which this lake is located. Any law, regulation, document, or record of the United States in which such lake is referred to under any other name or designation, shall be held to refer to such lake as Lake Seminole.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ADJUSTING PENALTIES RELATING TO INJURIOUS NONMAILABLE MATTER

The Clerk called the bill (H. R. 4193) to amend section 1716 of title 18, United States Code, so as to conform to the act of July 14, 1956 (70 Stat. 538–540).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1716 of title 18, United States Code, as amended, is further amended by striking out the words "2 years" in the seventh paragraph, and by inserting in lieu thereof, the words "1 year"; by striking out the words "10 years" in the eighth paragraph and by inserting in lieu thereof the words "20 years"; and by adding a new paragraph to read as follows:

"Whoever is convicted of any crime prohibited by this section, which has resulted in the death of any person, shall be subject also to the death penalty or to imprisonment for life, if the jury shall in its discretion so direct, or, in the case of a plea of guilty, or a plea of not guilty where the defendant has waived a trial by jury, if the court in its discretion, shall so order."

Mr. KEATING. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, last year 44 persons were killed on a commercial airliner, which blew up over Colorado after a bomb had been placed aboard. This tragic occurrence led me to introduce a bill to prescribe the death penalty for such willful destruction of aircraft or motor vehicles. That bill became Public Law 709 in the 84th Congress.

In my opinion, it is as serious an offense to send a bomb through the mails as it is to place one aboard an aircraft. H. R. 4193 would, in effect, extend the provisions of Public Law 709 to cases where death or injury resulted from depositing outlawed objects in the mails with intent to kill or injure others.

The need for such legislation has been illustrated by a number of instances over the past 20 years in which innocent persons, including employees of the Post Office Department, have been killed or severely injured by explosives. At the present time the perpetrator of a crime as heinous as this is subject, under Federal law, only to a fine of not more than $10,000 or to imprisonment for not more than 10 years, or both.

Mr. Speaker, it is time we acted to prevent tragedies, such as have occurred in the past, by increasing the penalty to fit the crime.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VALIDATING OF OVERPAYMENTS WHILE AT CIVILIAN HOSPITALS

The Clerk called the bill (H. R. 3366) to validate overpayments of pay and allowances made to certain officers of the Army, Navy, Naval Reserve, and Air Force, while undergoing training at civilian hospitals, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding any other law, all payments of pay and allowances made to any commissioned officer of the Medical Corps of the Army, Navy, or the Naval Reserve, or any medical officer of the Air Force, who, while serving on active duty before July 1, 1954, as an intern or resident physician in a hospital other than a Federal hospital, received compensation from that hospital (including meals and living quarters in kind), are validated to the extent that such pay and allowances were paid.

SEC. 2. Any person covered by section 1 who has made a repayment to the United States of the amount so paid to him as pay or allowances is entitled to be paid the amount involved, if otherwise proper. Any repayment hereby authorized will be made from appropriations currently available for pay and allowances.

SEC. 3. In the audit and settlement of the accounts of any certifying or disbursing officer full credit shall be given for the amount for which liability is relieved by this act.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

INDIAN TRUST LANDS; AMENDING ACT OF JUNE 4, 1953

The Clerk called the bill (H. R. 3995) to amend the act of August 4, 1953 (67 Stat. 41), and for other purposes.

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent that the bill (S. 998) to amend the act of June 4, 1953 (67 Stat. 41), and for other purposes, be considered in lieu of the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the act of June 4, 1953 (67 Stat. 41), is amended by adding at the end thereof the following sentence: "If the grantee of such land fails for a period of 1 year to observe the provisions of the transfer agreement and the Secretary of the Interior fails to declare a forfeiture of the conveyance, the former beneficial owner, if an individual Indian or an Indian tribe, may petition the United States District Court for the district where the land is located to declare a forfeiture of the conveyance and to vest the title in the United States, in the same trust status as previously existed."

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider and the bill H. R. 3995 were laid on the table.

BRIDGE AND ROAD ACROSS CHINCOTEAGUE NATIONAL WILDLIFE REFUGE

The Clerk called the bill (H. R. 2493) to authorize the Secretary of the Interior to permit the construction of a bridge and road across Chincoteague National Wildlife Refuge, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to permit the controlled development of a portion of the seashore of the Chincoteague National Wildlife Refuge, Va., for recreational purposes, the Secretary of the Interior is authorized to grant to the appropriate agency or agencies of the State of Virginia such easements and rights as may be necessary for the construction and maintenance of a bridge across Assateague Channel and terminating on the Chincoteague National Wildlife Refuge, and also for the construction and maintenance of an access road from the terminus of such bridge to a public beach and recreation area to be developed along the southeastern shore of Assateague Island as designated by the Secretary. The grant of such easements and other rights may be without consideration but shall be subject to such terms and conditions as the Secretary deems appropriate for the adequate protection of wildlife refuge and other interests of the United States, including the right to close the road for any violation of the terms of the easement or other rights granted hereunder. The Secretary of the Interior also is authorized to enter into such agreements with State, county, or municipal agencies as he may deem necessary for the construction, maintenance, and operation by such agencies of a public beach, concession, parking areas, and other related public conveniences, which agreements also may be granted without consideration but shall contain appropriate conditions regarding the making of reasonable charges for use of the facilities by the public, taking into consideration the costs of construction, maintenance, and operation of such facilities and shall provide that all such facilities will become the property of the United States upon termination of the agreements.

With the following committee amendment:

"Beginning on line 9, page 2, strike out the balance of the sentence after the words 'United States' and insert a period after the words 'United States'."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

WATER TO HEART MOUNTAIN DIVISION, SHOSHONE, WYO.

The Clark called the resolution (H. J. Res. 287) permitting the Secretary of the Interior to continue to deliver water to lands in the Heart Mountain division, Shoshone Federal reclamation project, Wyoming.

There being no objection the Clerk read the resolution as follows:

Resolved, That pending completion of a repayment contract the Secretary of the Interior is authorized to continue to deliver water to the lands in the Heart Mount division, Shoshone Federal reclamation project, Wyoming, during the calendar years 1957 and 1958, as under the provisions of section 9, subsection (d) (1), of the Reclamation Project Act of 1939 (53 Stat. 1187, 1195, 43 U. S. C. 485h (d) but without regard to the time limitation therein specified.

The resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That concludes the call of the Consent Calendar.

INCREASING PENSION FOR SPANISH-AMERICAN WAR WIDOWS

Mr. DORN of South Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 358) to increase the monthly rates of pension payable to widows and former widows of deceased veterans of the Spanish-American War, including the Boxer Rebellion, and the Philippine Insurrection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 8 of the act of May 1, 1926, as amended by section 3 of the Act of March 1, 1944 (58 Stat. 107), as amended (38 U. S. C. 364g), is amended to read as follows:

"SEC. 8. The rates of pension payable to widows and former widows under the provisions of section 2 of this Act, as amended, are hereby increased to $75 monthly."

SEC. 2. Section 1 of the act of June 24, 1948 (62 Stat. 645; 38 U. S. C. 364l), is amended by deleting the words: "authorized by section 4 of the Act of August 7, 1946 (Public Law 611, 79th Congress), as amended by the Act of July 30, 1947 (Public Law 270, 80th Congress)," and inserting in lieu thereof the following: "prescribed by section 8 of the Act of May 1, 1926, as amended by section 3 of the Act of March 1, 1944 (58 Stat. 107), as now or hereafter amended (38 U. S. C. 364g)".

SEC. 3. The act shall be effective from the first day of the second calendar month following its enactment.

The SPEAKER. Is a second demanded?

Mrs. ROGERS of Massachusetts. Mr. Speaker, I demand a second.

Mr. DORN of South Carolina. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN of South Carolina. Mr. Speaker, this bill would increase the rate of pension payable to widows of deceased veterans of the Spanish-American War to $75 monthly, with proportionate increase for children under 16 years of age where there is no widow. At the present time these widows receive $54.18 generally, except that some receive $67.73 monthly based on the fact that they were married to the veteran at the time of his service.

There are approximately 83,000 cases involved and all but slightly over 4,000 of these were not married to the veteran during his period of service, thus the increase, generally, is from $54.18 to $75 monthly.

The present average age of Spanish-War widows is 73 years and the first year's cost is estimated at $20,139,000, which will decrease with each succeeding year, with the 5th year estimated to cost $18,111,000.

This bill is identical to H. R. 2867, which passed the House in the 2d session of the 84th Congress, but failed of enactment in the other body.

Mr. Speaker, I yield such time as he may desire to my distinguished colleague from Illinois, author of the bill [Mr. O'HARA of Illinois].

Mr. O'HARA of Illinois. Mr. Speaker, I wish to express my deep appreciation to the distinguished gentleman from South Carolina [Mr. DORN] for his devoted service to the veterans and for his graciousness in affording me the opportunity to speak on a bill that is very close to my heart. I wish, also, to express my appreciation, my very warm appreciation, to the great Speaker of this House, the gentleman from Texas [Mr. RAYBURN]; to the beloved majority leader, the gentleman from Massachusetts [Mr. MCCORMACK]; to the beloved minority leader, the former Speaker of this House, the gentleman from Massachusetts [Mr. MARTIN]; to the great chairman of the Committee on Veterans' Affairs, the gentleman from Texas [Mr. TEAGUE]; to the ranking majority Member and champion of all veteran causes, the gentlewoman from Massachusetts [Mrs. ROGERS]; and to the members of the Committee on Veterans' Affairs, one and all.

As the last Spanish-American War veteran in this body, I do have a great interest in the pending bill. I would not be human if it were otherwise. The widows of the men who in their youth served with me in a war before the breaking of this century are in dire need and are suffering for the necessities of life. Most of them are living on the $54.18 a month that they now receive as pension payments. They have no social-security benefits. Their husbands, for the most part, had no worldly goods to

leave them, and now they are alone, far on the western slope of life, miserably eking out existence on a pittance of $54.18 a month.

These are not young women. The average age is 73, and some are well in their eighties. I have here many letters. I cannot take the time to read them here, but I have read them, and when I had finished the reading my eyes were moist.

Here is a letter from a widow 82 years old. She has nothing except the $54.18 of her pension check. She is not well, and yet in the winter when the snow was deep and heavy she had to go out to shovel the snow to make a path to the humble room in which she was forced to spend these years of what should be the years of the golden age.

Here is a letter from a woman who was 19 when in 1898 President McKinley called for volunteers. The young man, also 19, to whom she was betrothed, answered the call for volunteers, went off to Cuba, and then to the Philippines, and for 3 years while he was in the service of his country, in active combat service, she kept the faith and waited for his return; then they were married. Now he is gone and she is alone, a partial invalid, with no income other than her pension of $54.18.

There are so many, many of these letters. They are written in handwriting that is not firm as it would have been in happier days when the boys who fought the war that started this beloved country of ours on the road to her destiny were in their youth. I will close my reference to these many letters with this quotation from one of them:

Please, God, may I die with a smile on my lips, maybe a painful one, remembering the lawmakers who were kind enough to award us a pension just a little bit bigger but meaning everything in the world to us.

Mr. Speaker, the bill that is so close to my heart and which is now under consideration increases the pension of Spanish War widows from $54.18 to $75 a month. That is a difference of only $20.82 but to these aged women, and there are only a handful of them, it means almost the difference between night and day.

Now on $54.18 they cannot afford to buy even the most inexpensive medicines that they so badly need. Add $20.82 a month, about $5 a week, and in these times of great inflation, and some of these aged women can have medicines to ease their pains that now they cannot afford.

Add $20.82 a month and some of these aged women who now are forced to go some days without eating will have a share of the food that every good heart would wish for them.

I commend this bill to your hearts. I speak with emotion because these are the widows of the men who when they were young were my comrades and who followed Old Glory on the seas and on the lands in the Atlantic and in the Pacific. I cannot fail these old comrades of mine who now are gone. I cannot fail their widows. Yet I cannot do anything but fail them and to leave them in the misery of their distress unless my beloved colleagues in this body, on both sides of the aisle, join with me in the passage of this bill.

This you did last year, and when Speaker RAYBURN, former Speaker MARTIN, Majority Leader MCCORMACK, Minority Leader HALLECK and every Member of this body united behind the bill and brought about its passage, I experienced one of the greatest emotions of my life. It was a proof that the heart of America is always good and warm, and that the people of this country of ours are truly represented by the men and women with hearts who serve for them as their representatives in the Congress. It proved, too, that the Spanish American War veterans and their widows are not forgotten even though that war is long since passed and has been followed by two World Wars of such great nature as to overshadow the war of 1898.

There are now serving in this body many veterans of World War I and World War II. My prayer is that when the last of these veterans is serving in this Chamber he will receive from his younger colleagues of that period the same kindness and understanding and helpfulness that you have shown to me as the last veteran in this Chamber of the war of 59 years ago.

Mr. BROOKS of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to the gentleman from Louisiana.

Mr. BROOKS of Louisiana. As I understand it, in some States, like, for instance, my own State, the old-age pension is considerably more than $54.18. In cases of that sort the widow of a Spanish-American War veteran would be in a sense better off financially if she were not the widow of a veteran of the Spanish-American War, for in that case she would actually draw in the way of an old-age pension perhaps $65 a month rather than $54.18. Is that not true?

Mr. O'HARA of Illinois. That is true, and I thank the gentleman for bringing that to the attention of the House.

Mr. BROOKS of Louisiana. This bill is simply a matter of equity?

Mr. O'HARA of Illinois. Just equity, that is all. I trust the bill will pass unanimously and that it will become law this year. These are aged women; they will not be here very long. I hope this year they will get from the graciousness of the Congress this small measure of relief that means to them so very, very much.

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. McDONOUGH. Mr. Speaker, as a coauthor of this bill, I arise to support the passage of H. R. 358. I have collaborated with my colleague [Mr. O'HARA of Illinois] for several years on this legislation and am pleased that it has been brought up for consideration today. It is vital and urgent for the widows of veterans of the Spanish-American War because of the small pension they have had to live on, amounting to $54.18.

I would like to see this amount increased to $100 a month as provided in the bill which I introduced in this Congress, but under the circumstances I will concede to the Veterans Affairs Committee report on the bill for an increase to $75. Since we are under suspension of the rules, no amendment to this bill can be offered.

We in America owe a debt of gratitude to every man who left home and family to defend his native land in answer to his country's call to arms. It is a debt that can never be discharged, for as long as our Nation lives, as long as American citizens can walk erect as freemen under the protection of Old Glory, so long will all living Americans owe that freedom and the might and prosperity of our Nation to each and every veteran of every war fought to defend and preserve the United States of America.

We as a people have tried in some measure to express our appreciation to our American veterans, to give certain privileges and care which in some measure might assist the returning veteran to reestablish his future, to guard his health, and to give him necessary hospitalization and medical care when he returns to civilian life with disability resulting from his military service.

We can look with pride to the advance we, as a nation, have made in establishing services for our veterans and their dependents to which they are fully entitled. But this was not always the case.

And it is something of a shock to realize that Americans once fought and died in a war where there were no draftees, no Government war-risk insurance, no vocational training, no hospitalization for 20 years after the war ended, and no widow's pension for 19 years after the war's end. This was the Spanish-American War, a war fought by the only 100-percent volunteer army the world has ever known.

The legislation under consideration would increase pensions for the widows of the veterans of this war, and would give to the Spanish-American War veterans the knowledge that their wives would have a substantial measure of protection for the future, as well as give to their widows a more adequate pension to supplement their income and afford some measure of security in their declining years.

Surely this is little compensation for the sacrifice made by our Spanish-American War veterans.

I am fully aware that the pension awarded to widows of our veterans is intended only to supplement other income, and not to provide complete security. And I am also aware that legislation to increase widow's pension has generally been opposed on the grounds that such increase would not be in accord with the original purpose of such pension.

I do not agree with this position.

The proposal to increase the monthly pension rate for widows of Spanish-American War veterans from $54.18 to $75 is not a proposal to grant a sustaining pension. This legislation will only increase the rate of pension so that it will actually serve the original purpose of augmenting the income these widows may already have, and to the extent established by the original legislation.

Let us take a look at the facts. The first legislation granting a pension to

widows of Spanish-American War veterans was enacted in July of 1918. This act awarded a widow the sum of $12 monthly plus $2 for each child.

This rate remained in effect until September of 1922 when Congress increased the rate of widow's pension to $20 plus $4 monthly for each child. In 1926 the widow's pension was again increased to $30. However, in 1933 the pension for widows of veterans without service-connected disability was repealed, and no pension was allowed until the act of 1926 was reenacted more than a year later in 1934 reestablishing the rate at $30 monthly.

This rate was continued until 1944 when the rate of widow's pension was increased to $40 per month. In 1947 the rate was advanced to $48 monthly, in 1952 to $51.60, and finally in 1954 to $54.18, the present pension rate for widows of Spanish-American War veterans.

During this same period from the date the first pension was granted to widows of Spanish-American War veterans in 1918, a review of the cost of living index indicates that cost of living in the United States based on 100 percent in 1918 rose to 118.1 percent in 1926, and to 177.2 percent in 1955; or an increase of 77.2 percent in cost of living.

In the face of these facts with the present high cost of living and devaluation of the dollar since the pension was originally established, and even since the $54.18 rate was granted, an increase in the pension rate to $75 monthly can only be regarded as a supplement to other income. The present rate of $54.18 is totally inadequate.

And it also must be kept in mind that most of the widows of our Spanish-American War veterans are women of advanced years with resultant decline in earning power. Many have no social-security coverage from any source, and many have very little income, and can only obtain the bare necessities of life when such income is adequately supplemented by this pension.

The increase proposed by H. R. 358 will only grant an increase in the monthly pension rate for widows of our Spanish-American War veterans which will finally furnish to a greater extent the same degree of supplementation of other income which these widows may have as did the original pension rate when the cost of living in this Nation was more than 77 percent lower than it is today.

I believe our Spanish-American War veterans are entitled to have this added protection afforded by the Government to their wives, and that the increase in the rate to $75 should be approved.

Mr. DORN of South Carolina. Mr. Speaker, I yield such time as he may desire to the gentleman from Massachusetts [Mr. LANE].

Mr. LANE. Mr. Speaker, almost 59 years have passed since the Spanish-American War.

The average age of Spanish-American War widows on the pension rolls is 73. Only 82,000 are still alive.

The purpose of H. R. 358 is to increase the current rates, in order to compensate in part for the increased cost of living, and to remove past inequities by making pensions to widows and former widows identical.

Proportionate increases are also provided for children under 16 years of age where there is no widow. It is obvious that there are very few in the latter category.

The additional cost of this bill is estimated at $20 million, with an accelerating rate of decline a certainty with each succeeding year.

The status of Spanish-American War widows is far different from those of subsequent wars. They are relatively few in number.

They have reached the advanced age where many of them are already living on borrowed time.

The cost of this pension increase is small, and will shrink toward the vanishing point within 10 to 15 years.

To be correct in the description of this bill, I must say that the totals include widows of deceased veterans of the Boxer Rebellion and the Philippine Insurrection, as well as the Spanish-American War, but their numbers are so small that it is more practical and convenient to use the term "Spanish-American War widows" as the subject of this bill which has been reported favorably by the Committee on Veterans' Affairs.

With the exception of the inconsequential number of Civil War widows, the survivors of those who fought in the Spanish-American War now constitute the oldest group.

They have reached the age when we must consider their needs, and the honor due them, without the callous ingratitude that often hides behind the slogan of "Economy."

The precedent of proving pensions for aged veterans—and their widows and minor children—is clearly established. Those pensions, in order to have some material substance, must not fall too far behind the bare minimum required for existence.

This is one situation where the standards of the countinghouse are in poor taste. These widows of Spanish-American War veterans are entitled to an increased pension, and at a uniform rate of $75 per month, as evidence of our consideration and respect.

From the cross section of opinion that I pick up in talks with my colleagues, I believe that this bill will pass without rancor, or dissent—in homage to the widows of those men who fought the war with Spain.

Mr. DORN of South Carolinia. Mr. Speaker, I yield such time as he may desire to the gentleman from Louisiana [Mr. LONG].

Mr. LONG. Mr. Speaker, I wish to associate myself with the remarks made by the gentleman from South Carolina and the gentleman from Illinois in support of this pending bill.

I think that this is good legislation and I am supporting it.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I have no requests for time. I think the feeling on our side is overwhelmingly for this bill. It passed by unanimous consent in the last session of the Congress. I pray the time will soon come that the other body will pass this measure, in order to bring a measure of relief to these dear old widows who have suffered so much and for so long. I am sure it will pass unanimously in this House.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. DORN of South Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RHODES of Pennsylvania. Mr. Speaker, I wish to associate myself with my colleagues in support of H. R. 358. This increase in the monthly rate of pension for widows of Spanish-American War veterans to $75 a month is obviously meritorious legislation.

It will mean an approximate weekly increase of $5 to these deserving persons, a sum desperately needed in many cases to buy the essential food and clothing to sustain themselves. It is a pleasure to have the opportunity of supporting this bill because of its importance to the estimated 82,000 widows who will be eligible for its increased benefits.

I hope that favorable consideration may also be given in this session to legislation to increase the pensions of widows of World War I, many of whom are in dire financial difficulties because of rising living costs, and who are finding it impossible to buy the basic necessities of life.

MISSING PERSONS ACT

Mr. TRIMBLE. Mr. Speaker, I call up House Resolution 237 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5807) to amend further and make permanent the Missing Persons Act, as amended. After general debate, which shall be confined to the bill and continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. TRIMBLE. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN] and now yield myself such time as I may require.

Mr. Speaker, as the reading of the resolution indicates, it makes in order the bill H. R. 5807 to make permanent the Missing Persons Act and give the War Department the power to review certain cases in the Philippines. I know of no objection to the rule and, for that matter, none to the legislation itself.

Mr. Speaker, I reserve the balance of my time.

Mr. BROWN of Ohio. Mr. Speaker, as the gentleman from Arkansas has so well explained, House Resolution 237 makes in order, under the 1-hour rule, the consideration of H. R. 5807, a bill reported from the House Committee on Armed Services, I believe by unanimous vote, to make certain amendments and make permanent the Missing Persons Act as previously amended.

We have no requests for time on this side of the aisle. The measure seems to be one that has very great support, almost unanimous support, I might add.

Mr. Speaker, I yield back the remainder of my time.

Mr. TRIMBLE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. BROOKS of Louisiana. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5807) to amend further and make permanent the Missing Persons Act, as amended.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5807, with Mr. WILLIS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. BROOKS of Louisiana. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill, H. R. 5807, is commonly known as the missing-persons bill. The purpose of the measure is to permit the continuation of the present authority, with certain minor modifications, to place persons in a missing-persons status; and further, to give the proper officials in the Government the authority to credit pay and allowances and make payments to the nearest relatives and the next of kin during the time when they are in a missing status.

The Missing Persons Act was originally passed in 1942. It was a temporary measure, however, to run only 5 years, so that it would have terminated under its own provisions in 1947. However, Congress felt that it should be extended and since 1947 we have extended the act year by year until the present time. The last extension was made last year and it runs out July 1 of 1957, unless it is renewed, extended, or this particular bill is passed.

This bill provides essentially that when a person is missing the departments may place that person in a missing-persons status and, as a result of this finding, the next of kin then will receive the pay and the emoluments due that person had he not been in the missing status. It also gives the proper officials the right to declare the missing status of that person terminated when he returns or to declare it at an end when, through the development of information and in the course of time, it is found that he actually died during the time since he left the service.

This bill covers all persons both in military and civilian status. It covers employees on an hourly basis, on an intermittent basis or part-time employees. It does not cover what we call indigenous employees. Employees who enter the missing status within the continental United States are covered specifically by the act. They are covered when the head of the department concerned determines that the missing status is the approximate result of their employment. This authority is not contained in the temporary act, but the extension of coverage to Federal employees in the United States is extremely important because of the possibility that such employees may enter a missing status while performing their duties as a result of aircraft accidents, submarine accidents, or while engaged in security missions.

The bill also covers members of the Reserve components who may become missing while performing inactive training duty or active duty for training. That is, if these reservists enter a missing status while performing that duty, they would receive or have credited to their accounts the same pay and allowances they would have received if performing full-time active duty. The bill also covers reservists who become missing while on inactive duty training without pay.

Authority is also provided to move household goods and personal effects to the official residence of record or residence of the dependent or the next of kin of a person who is in a missing status for a period of more than 30 days with or without the application of the next of kin or other persons having a substantial interest in the return of such effects. The temporary act provides only for shipment to a dependent upon application. This the committee changed. The military services in the past, and especially during the Korean war, have incurred serious difficulty in locating dependents to whom the household or personal effects can be shipped. This often results in unnecessary storage costs and excessive correspondence at times.

The bill also enlarges on the temporary act by providing, in emergency circumstances, for the sale of privately owned vehicles and other bulky items, the proceeds to be mailed to the owners or their dependents. This will go far to reduce unnecessary claims and excessive administration.

I may say that during the Korean war we had to set aside a full lot in the Far East because there were so many cars over there that had not been claimed, and no authority existed for the military to dispose of those cars following the placing in a missing status of the persons who had owned the vehicles.

In addition, the bill provides that entitlement to pay and allowances shall not be denied in the case of any member of the Philippine Scouts, who was captured in the Philippine Islands by the enemy during World War II, solely on the ground that such member was paroled or permitted to return to his home prior to the termination of the Japanese occupation of the Philippine Islands. I would like to discuss this latter provision at a little more length.

The authority to pay members of the Philippine Scouts was not a part of the original Department bill. It was written in by the committee and adopted by unanimous vote. It is the same language as was contained in the bill which passed the House last year.

Let me tell you something of the Philippine Scouts and why it is necessary that this legislation contain an authorization for our Government to pay its just debt to these brave soldiers.

The Philippine Scouts were formed early in this century when the Congress authorized a military component of the United States Army to be made up of qualified Filipinos and to be known as the Philippine Scouts. These Philippine Scouts were actually members of the United States Army and are not to be confused with the members of the Army of the Philippines, which was entirely different.

During the war after the surrender of Bataan and Corregidor these men became captives of the Japs. They were put out on parole during the course of the war because it served the purposes of the Jap occupation to release them on parole. After they were released on parole they were supposed to go to their homes. Then following the end of the war our people said they were not missing persons within the intent and purposes of the law and, therefore, because they had been placed on parole by the Japs, without their own consent, they were not entitled to be paid as missing persons.

This is contrary to the view taken by the Navy. It was the view of the Army that we would pay our own people under those circumstances, but when it came to the Philippine Scouts they would not recognize them as entitled to payment as missing persons. The committee thought this was an error. And because the committee felt that this was wrong, it was decided that we should insert into this bill the stipulations that we have, to consider the scouts as entitled to the benefits of the Missing Persons Act.

I want to here pay a special tribute to the Philippine Scouts. They were part of our own Army. They were sworn to support our Constitution and our flag. They were clad in our own uniforms, obeyed the orders of our own officers, ate our own rations, and were paid from our Treasury. It is true that we paid them only 18 pesos in Philippine currency which was the equivalent of $9 in our own money. Our troops were paid $15 at that time; but this difference was due to the economic differences in the two countries.

When Pearl Harbor Day struck, we had many Philippine Scouts on duty. Before the war, I had repeatedly urged that we increase the number to avoid the necessity of drafting more of our own men in the United States. We preferred, however, to select our personnel;

and in effect we selected, for the Philippine Scouts, only the cream of the manhood of those islands. As a result, the Philippine Scouts built up a morale and a prestige in the Far East which was almost fabulous.

When the Japs descended upon the Philippine Islands, they were there at their post of duty almost to a man. They stood with our own soldiers during the long and trying days of Bataan; they were there shoulder to shoulder with our men during the days preceding the fall of Corregidor. They fought heroically to the very end; and they lowered their own arms only when Old Glory came down in surrender at Corregidor; only when MacArthur and Wainwright gave the orders. They were told at the surrender to obey the orders of their captors and try to get along with them.

When the long, grueling death march following the fall of Bataan was ordered, they walked in solemn sadness along that stretch which led to their imprisonment—that is, all but those who fell by the wayside, to arise no more—and they went through the same hardships which were visited upon our own people during the days of the imprisonment.

Seventy-eight thousand of our people were captured at Bataan and more in the fall of Corregidor. The Japs were unable to take care of these prisoners. They ordered the release of the Philippine Scouts on parole—not because the Scouts asked for this treatment, but because the Japs were unable to take care of them and they were dying like flies from wretched conditions and because of undernourishment. The Japs told them to go to their homes; but most of the Scouts had been staying in barracks at American Army bases and they had no homes to go to. They went to homes of relatives or to friends; and they remained under Jap surveillance during the long course of World War II. At times they were called up for violations of their parole. They were questioned, in Jap fashion, for hours at a time; they were punished and in some cases they were executed. A representative of the American Legion—Father Duffie—told us in some detail that some of them were decapitated and their heads placed in villages or before the homes of their friends on spikes as a reminder of punishment which would come to those who violated Jap-imposed laws and regulations.

At the end of all of this the Philippine Scouts were carefully investigated by our Army officials, and these 6,000 were all given honorable discharges from the Scouts by our own people.

The Navy treated its Filipinos differently. They paid them for time on Jap parole. They gave them the same treatment which was given our own people. We want the same treatment for the Philippine Scouts.

At the end of the war the Philippine Islands were given their independence by this Government as a recognition of the courage and fidelity of their people. They established a republican form of government and elected a brave Filipino as their President. This man, Ramon Magsaysay, was a real friend of the United States. He had fought as a part of the Army of the Philippines alongside of our own troops. When the surrender came, he became a guerrilla, and, along with General Wainright's supply officer, Gyles Merrill, he fought until American troops returned to liberate the islands. Magsaysay's efforts were so destructive of the Jap overlordship that they offered a reward of $50,000 for his head.

This man, a faithful friend of the United States, recently killed in a tragic air accident, would have approved this action by our Congress. I am sorry that he is not alive today to know of the true appreciation of our Congress for the valiant and heroic devotion of the Philippine Scouts.

Mr. Chairman, this bill, as I say, covers a very small number of our own nationals. It also covers some 6,000 Philippine Scouts.

The total cost of the bill is, roughly, $2,830,000. I think it is a very worthy measure, and I think it is very important that we permanently extend the Missing Persons Act, because we are going to need it as long as the world is in such troubled times as at the present. I, therefore, urge the passage of the bill.

Mr. VAN ZANDT. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I rise to support H. R. 5807 which is designed to make the temporary Missing Persons Act a permanent statute.

This authority will allow the heads of departments to take necessary action in all cases and at any time that members of the military or civilian Government employees become missing while in the performance of their duties.

It will give added assurance to the men and women, whether in uniform or in civilian clothes, that Congress and the people of the United States are interested in their welfare at all times.

However, I would like to address myself to the provision of the bill which will provide payment of the back pay and allowances of the Philippine Scouts.

I have been interested in this problem, and the solving of this inequity, for several years and I will remind the Members that it has been more than 12 years since the members of the Philippine Scouts returned to military control after the recapture of the Philippines. All this time the members of this brave organization—a part of the United States Army—have waited patiently for our Government to pay them for the time they were prisoners of war, but in a paroled status.

I cannot understand how, in good conscience, we have turned our backs on those brave soldiers who stood shoulder to shoulder with our own boys in the defense of Bataan and Corregidor.

The Army Department would have you believe that because the Philippine Scout was paroled he is not entitled to any pay for the period he was in a paroled status. But what could the individual Scout do when ordered by his Japanese captors to go into a paroled status? I hardly believe that we expected the members of our Armed Forces to refuse a parole and thus be subject to torture and possible execution by the enemy.

When the Philippine Scout went on parole—even against his wishes—he did not, because of that act, become a civilian. His enlistment certainly did not expire. The simple fact is that he remained a soldier of the United States Army all of the time while on parole, regardless of duties performed or other acts—unless they were contrary to the interests of the United States.

A soldier's pay is not a gratuity; it is payment in terms of contractual relationship. In this respect I say that the Army has erred in refusing to pay these men. We have already heard that the Navy paid its insular forces made up of Filipinos, just like the Philippine Scouts, who were captured and later paroled. It certainly must be difficult for our friends in the Philippines to understand how one branch of our military service will pay its servicemen for the exact type of service for which another branch of our service refuses to honor.

I say to the Members of the House today that there is nothing in the Missing Persons Act now, nor has there ever been, which grants to the Army the authority to take away the vested right of a soldier, in the United States Army, to his pay and allowances, unless his acts were contrary to the articles of war. There is no charge here that any of the acts of the remaining 6,000 members of the Philippine Scouts, who want their pay, were contrary to the articles of war or the best interests of the United States. Quite on the contrary the opponents of this measure would have you believe that when a Philippine Scout was paroled he went home and led a happy life during the Japanese occupation. Army witnesses appearing before our committee would have us believe that when the Philippine Scout was paroled that he thereafter went unmolested, regained his former occupation and made a fine living for himself and his family and therefore there was no reason to pay him as a soldier of the American Army. Let me explode that myth for you. The Philippine Scouts were career soldiers, so what gainful occupation, business or profession could they return to? Even if they had a business, occupation or profession the economy of the Philippines was so controlled by the Japanese that they could not have practiced it.

No less personage that the Honorable Emmet O'Neal, a former colleague of ours and a former Ambassador to the Philippines, appeared before our committee and stated that, in his opinion, no more than 1 percent of the Philippine people were able to make more than a starvation diet during the occupation. There was no business, as we understand it, just a struggle for existence. There were legions of persons who would do almost anything to get a scrap of bread—just enough to eat for one meal; one example stated to the committee was of a woman who gave away a $3,000 bracelet for a bag of rice.

These were not normal times and there was no business except business conducted by the Japanese. There were 1 to 3 million people who died during the occupation, the exact number will never be known, a large number of whom had families, had businesses and professions but they could not practice or engage in them because the struggle was to secure the minimum amount of food for the person and his family. So how could the Philippine Scout—the paroled career soldier—return to his home and start living a life of ease.

The opponents of this bill also made a point of the fact that many of the Philippine Scouts did not join guerrilla bands. They state that if they did join the guerrillas they had already been paid for their back pay and allowances. Some of the Philippine Scouts did join the guerrillas it is true but these were mainly young men, unmarried, and with very few family obligations. This type of man could take a chance, whereas the Scouts with families could not do so. The moment they did anything contrary to the wishes of the Japanese the most revolting atrocities were visited upon their families. This left the Philippine Scout who had family responsibilities very little choice in what he could do. For the majority it meant that they must stay at home, obey the many rules and restrictions of their captors and attempt, by any means available, to eke out a bare existence for themselves and their families. We had guerrilla leaders appear before the committee who testified that much information concerning the Japanese which they received while in the hills was passed on to them by paroled members of the Philippine Scouts. The Army apparently takes no notice of this but stands by its position that these men lived at home in a life of ease. But I repeat, whatever the man did—so long as it was not contrary to the interests of the United States—he remained an enlisted man in the United States Army serving a period of service under contract with our Government and he is entitled to be paid for his services.

The provisions of the legislation concerning Philippine Scouts benefits 6,000 people living many thousands of miles from us.

We could continue to forget them. We could forget their loyalty and their service to this country when our Nation was fighting for its very existance. But if we do, I wonder if any member of this House will rest easily hereafter.

As one Member I want to be able to look citizens of the Philippine Republic in the eye and be able to tell them that our Nation has paid its just debts to their countrymen.

Mr. TRIMBLE. Mr. Chairman, I have no further requests for time.

Mr. BROOKS of Louisiana. Mr. Chairman, we have no further requests for time. I ask that the bill be read for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Missing Persons Act (56 Stat. 143), as amended, is further amended as follows:

(a) Section 1 (a) (3) is amended to read as follows:

"(3) Civilian officers and employees of the departments who are citizens or nationals of the United States, or who are aliens who have been admitted to the United States for permanent residence, except that the following categories of civilian officers and employees shall be covered only upon a determination by the head of the department concerned that such status is the proximate result of employment by the department:

"(i) persons who enter any status listed in section 2 of this act within the continental limits of the United States and

"(ii) persons who enter any status listed in section 2 of this act who are residents at or in the vicinity of their places of employment in the Territories and possessions or in foreign countries and who were not living there solely as a result of their employment."

(b) Section 2 is amended to read as follows:

"SEC. 2. (a) Any person who is in the active service, or is performing full-time training duty, other full-time duty, or inactive duty training and who is officially determined to be absent in a status of missing, missing in action, interned in a foreign country, captured by a hostile force, beleaguered by a hostile force, or besieged by a hostile force shall, for the period he is officially carried or determined to be in any such status, be entitled to receive or to have credited to his account the same basic pay, special pay, incentive pay, basic allowance for quarters, basic allowance for subsistence, and station per diem allowances for not to exceed 90 days, to which he was entitled at the beginning of such period of absence or may become entitled thereafter, except that the pay and allowances for a person who is performing full-time training duty or other full-time duty without pay, or inactive duty training with or without pay, shall be that to which he would have been entitled if he had been performing full-time active duty with pay, and entitlement to pay and allowances shall terminate upon the date of receipt by the department concerned of evidence that the person is dead or upon the date of death prescribed or determined under provisions of section 5 of this act. Such entitlement to pay and allowances shall not terminate upon the expiration of a term of service during absence and, in case of death during absence, shall not terminate earlier than the dates herein prescribed. There shall be no entitlement to pay and allowances for any period during which such person may be officially determined absent from his post of duty without authority and he shall be indebted to the Government for any payments from amounts credited to his account for such period. Persons performing full-time training duty, or inactive duty training shall be entitled to the benefits of this section only when such persons are officially determined to be absent in a status of missing, missing in action, interned in a foreign country, captured by a hostile force, beleaguered by a hostile force, or besieged by a hostile force as a result of the performance of prescribed duty ordered by competent authority:

"(b) Notwithstanding any other provision of law, such entitlement to pay and allowances shall not be denied, in the case of any member of the Philippine Scouts who was captured in the Philippine Islands by the enemy during World War II, solely on the ground that such member was paroled and permitted to return to his home and engage in civilian pursuits prior to the termination of the Japanese occupation of such islands. Claims of members of the Philippine Scouts for pay and allowances under this subsection (whether or not such claims have been presented and rejected or disallowed) may, until 3 years after the date of enactment of this subsection, be presented for consideration or reconsideration and payment under this subsection: *Provided*, That such claims shall not be approved for payment unless after an investigation a finding is made that the claimant voluntarily participated with or for the Japanese Government, Japanese nationals, or others and performed actions or duties of an active military nature hostile to the United States: *Provided further*, That except in the event of legal proceedings, any person except the authorized representative of the American Red Cross, the American Legion, the Disabled American Veterans, and the Veterans of Foreign Wars, and such other organizations as shall be approved by the Secretary of Defense, who shall, directly or indirectly, solicit, contract for, charge, or receive any fee or compensation for rendering assistance in the preparation, execution or filing of the necessary papers in any application for the pay and allowances authorized by this subsection shall be guilty of a misdemeanor, and each and every offense shall be punishable by a fine of not more than $500 or by imprisonment at hard labor for not more than 2 years, or by both such fine and imprisonment."

(c) Section 9 is amended by redesignating that section as subsection (a) and adding the following new subsection at the end thereof:

"(b) A dependent of any person in active service, as defined by this act, is a 'person' under this act for the sole purpose of determining status as provided in sections 5 and 9, and any determination under those sections by the head of the department concerned shall be conclusive on all other departments of the Government: *Provided*, That nothing in this section shall be construed as conferring upon any dependent any right to pay, allowances or other compensation to which not otherwise entitled."

(d) Section 12 is amended to read as follows:

"SEC. 12. The dependents and household and personal effects of any person in active service (without regard to pay grade) who is officially reported as dead, injured, missing for a period of 30 days or more, interned in a foreign country, or captured by a hostile force, may be moved (including packing, crating, drayage, temporary storage, and unpacking of household and personal effects) to the official residence of record for any such person or to the residence of his dependent, next of kin, or other person entitled to receive custody of the effects in accordance with regulations issued by the head of the department concerned; or, upon application by such dependent, next of kin, or other person, or upon the person's application if injured, to such other location as may be determined in advance or subsequently approved by the head of the department concerned or by such person as he may designate. When the head of the department concerned determines that an emergency exists and that such sale would be in the best interests of the Government, he may provide for the disposition of the motor vehicles and other bulky items of such household and personal effects of the person by public or private sale. Prior to any such sale, and if practicable, a reasonable effort shall be made to determine the desires of the interested persons. The net proceeds received from such sale shall be transmitted to the owner or to other persons in accordance with regulations issued by head of the department concerned; but if there be no such persons or if such persons or their addresses are not ascertainable within 1 year from the date of sale, the net proceeds may be covered into the Treasury as miscellaneous receipts. Claims for net proceeds which are covered into the Treasury under the authority of this section may be filed with the General Accounting Office by the rightful owners, their heirs or next of kin, or their legal representatives at any time prior to the expiration of 5 years from the date the proceeds are covered into the Treasury; and, if so filed, the General Accounting Office shall allow or disallow the claim. When such claim is allowed it shall be paid from the appropriation for refunding moneys erroneously received and covered. If claims are not filed prior to the expiration of 5 years from the date the proceeds are covered into the Treasury, they shall be barred from being acted on by the courts or the General Accounting Office. The provisions of this section do not amend or repeal the

Federal Tort Claims Act (60 Stat. 842-847), as amended; sections 2676, 2733, 4712, 4713, 6522, 9712, 9713, title 10, United States Code; or section 507, title 14, United States Code. The head of the department concerned is authorized to store the household and personal effects of the person until such time as proper disposition can be made. The cost of such storage and transportation, including packing, crating, drayage, temporary storage, and unpacking of household and personal effects, shall be charged against appropriations currently available. In lieu of transportation authorized by this section for dependents, the head of the department concerned may authorize the payment in money of amounts equal to such commercial transportation costs or a monetary allowance in lieu of transportation as authorized by law for the whole or such part of travel for which transportation in kind is not furnished, when such travel shall have been completed. When the person is in an 'injured' status, the movement of dependents or household and personal effects provided for herein may be authorized only in cases where the anticipated period of hospitalization or treatment will be of prolonged duration. No transportation shall be authorized pursuant to this section upon application by dependents unless a reasonable relationship exists between the condition and circumstances of the dependents and the destination to which transportation is requested. Beginning June 25, 1950, and for the purposes of this section only, the terms 'household and personal effects' and 'household effects' may include, in addition to other authorized weight allowances, not to exceed one privately owned motor vehicle, shipment of which at Government expense is authorized in those cases where the vehicle is located outside the continental limits of the United States or in Alaska."

(e) Section 15 is amended to read as follows:

"SEC. 15. This act, except sections 13, 16, and 17, is effective from September 8, 1939."

SEC. 2. Subsection 2 (b), Missing Persons Act, as added by this act, is effective from September 8, 1939. All other amendments made by this act are effective upon the date of enactment of this act.

Mr. VAN ZANDT (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that further reading of the bill may be dispensed with, that the bill be considered as read, that it be printed in the RECORD and that it be open to amendment at any point.

Mrs. ROGERS of Massachusetts. Mr. Chairman, reserving the right to object, I wish to endorse this bill most heartily. The Filipinos are the best friends we have in the world. The bill should pass.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

On page 4, line 12, delete the word "such."

On page 4, line 13, insert the word "no" before the word "claims"; delete the word "not" where it appears; delete the word "unless" and in lieu thereof insert the word "if."

On page 4, line 23, following the word "shall" insert the word "hereafter."

The committee amendments were agreed to.

The CHAIRMAN. There being no further amendments, under the rule the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WILLIS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 5807) to amend further and make permanent the Missing Persons Act, as amended, pursuant to House Resolution 237, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. BROOKS of Louisiana. Mr. Speaker, my colleague from Texas [Mr. TEAGUE] asks that he be permitted to extend his remarks in the consideration of the bill just passed today. He is unable to be present.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

A MAN

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, to those of us who knew and believed in him, JOE MCCARTHY was one of the outstanding patriots of our time.

He sensed the danger to our national security which came from the infiltration of Communists into high political policymaking positions in the Federal Government.

He sensed the grievous harm they were working because of their acceptance in the social and intellectual life of our country; the encouragement given them by high Government officials.

By the so-called liberals who dictated and expressed the policy of the press MCCARTHY was abused and vilified.

Time has vindicated his judgment, and those who then criticized not only his methods but his purpose might well hang their heads in shame.

JOE MCCARTHY had convictions. He had courage. He had determination and he knew not the meaning of surrender.

He may have lacked the flashy, evasive methods of the open field runner, who often brings an audience to its feet in wild applause. To me, he had the characteristic of the all-powerful fullback, who, seeing the necessity of a yardage gain, has his mind fixed on the scrimmage line and, regardless of consequences, crossed it; gained the necessary goal.

Whatever may be said of JOE MCCARTHY, even his worst enemies, including the cowardly ones who dared not face him, will admit the worthiness of his objectives; the fact that today the victory which he sought has, because of his efforts, been largely won.

No longer, even in Washington nor in the leftwing press, do the advocates of communism, the vocal supporters of its objectives, dare to openly challenge the attainment of the purpose which he sought.

From one of his consistent supporters, permit me to read Saturday's editorial from the Chicago Tribune:

A VALIANT FIGHTER

If Senator JOE MCCARTHY had been a Communist sympathizer or agent, given to invoking the fifth amendment, the chant would now be rising from every liberal minaret in the land that he was hounded to his death by false accusations. The cry would be heard that he was a victim of character assassination and that he was driven to death through persecution by insinuation.

We have heard these lamentations every time a Communist has dived out of a high window or jumped off a roof. When Harry Dexter White, the Communist agent in Henry Morgenthau's Treasury Department, died 4 days after he had been called before the House Committee on Un-American Activities, one liberal mouthpiece termed him the "victim of a special sort of tyranny" in the form of our modern American style inquisition.

When Laurence Duggan, former State Department official and Director of the Institute of International Education, having been named as a Communist, catapulted to death from the window of his 16th floor office, copious tears were shed on the theory that an act of desperation had been occasioned by a groundless accusation.

The U. N. General Counsel, Abraham H. Feller, like Alger Hiss, a graduate of New Deal Washington, also exited life through a 12th floor window after the Senate Internal Security Subcommittee had become interested in the number of Communists who had moved into key U. N. posts. As usual, the liberal line was that he had been put under the strain of defending his associates against indiscriminate smears or exaggerated charges.

We have heard the same outcry again recently, when E. Herbert Norman, Canadian Ambassodar to Egypt, jumped off the roof of a high building in Cairo, a few days after the same subcommittee had revived charges of his one time Communist connections. The editorial tirade of one liberal organ in New York was launched on the note, "Whether Mr. Norman was literally driven to his death by the actions of Senator EASTLAND's Internal Security Subcommittee and its chief counsel, Robert Morris, may not be susceptible of proof." But—and you can easily fill in the rest.

We do not expect to hear the death of Senator MCCARTHY bemoaned in such terms. The Senator was no Communist; hence he was no hero to the liberals. He was a patriotic American and a determined opponent of Communists. And because of that he was made the target of the greatest organized smear campaign of our day. Every liberal commentator and newspaper lost no opportunity to vilify him. The White House palace guard plotted his ruin. The President singled him out for studied insults. His political enemies ganged up on him.

The term "McCarthyism" was coined to make him appear contemptible, but no sensitive lover of Moscow was ever pilloried with such violent animosity as was Senator MCCARTHY in the public hearings that revolved around the petty issue of a promotion that never materialized for a member of his staff who was drafted into the Army as a private.

There followed the lynching bee in the Senate which reached a predetermined judgment that Senator MCCARTHY's conduct was to be condemned.

Even JOE MCCARTHY's honorable service as a marine in the Pacific war was questioned, and it was implied that somehow he was not entitled to the combat medals he had won. Insinuations were made that he was a tax evader, but when the Internal Revenue Service completed its investigation, it was found that Senator MCCARTHY had overpaid his tax and was entitled to a refund.

No man in public life was ever persecuted and maligned because of his beliefs as was Senator MCCARTHY. All of the phony martyrs of ordeal by slander lumped together never absorbed a fraction of the abuse that was visited on him. He took it all without a whimper and stuck to his guns. The Republic has lost a stalwart defender.

Proof that MCCARTHY's objective was appreciated and that he will long live in the hearts of the so-called common people was found in the effort of thousands who here in Washington sought to honor him by attendance at the services held to commemorate his passing.

AMEND MINERAL LEASING LAWS

Mr. THOMSON of Wyoming. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

Mr. THOMSON of Wyoming. Mr. Speaker, I am today introducing legislation to increase the allowable acreage of coal lands that can be held by a single lessee or permittee in any one State from 5,120 acres to 20,480 acres. This is most important legislation to the development of the public land States of the West, and I hope that it may be readily approved and enacted into law.

No group of individuals are in a better position to know the needs of these States with regard to power, and their view into the problems instant thereto than are the public service commissioners of the various States. These individuals work daily with the problem, fix rates and grant franchises within the States. The Mountain-Pacific States Conference of Public Service Commissions, comprising the regulatory bodies of the States of Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming, also the Territory of Hawaii, have adopted a resolution with regard thereto as follows:

RESOLUTION URGING CONGRESS TO AMEND MINERAL LEASING LAWS SO AS TO ENLARGE LIMITATION ON COAL LANDS

Whereas vast deposits of federally owned low-grade lignite, bituminous and subbituminous coal are scattered throughout the 11 Western States and may be produced by relatively inexpensive open-pit mining; and

Whereas such coals can be processed for industrial low temperature carbonization, tars and chemicals, char as a fuel, and are particularly suitable as a fuel for electric steam generating facilities located near the coalfields, which could be advantageously integrated with available hydroelectric generation; and

Whereas the refinement of such coal resources to produce chemicals and other byproducts as well as fuel for electric energy generation by public and private utilities is vital to the industrial and community growth and of the general economic welfare of the 11 Western States in which the coal is located and the general welfare of the Nation as well; and

Whereas in order to prevent monopoly the Mineral Leasing Act of 1920, as amended, restricts to any single lessee or permittee 5,120 acres of coal lands in any one State, but such limitation is no longer practicable and retards development of such coal deposits because of the large investment required for exploration and for the operation of modern industrial plants and electric steam generating facilities; and the need for such fuel in the operation of such plants for an average normal plant life period is fairly estimated to be not less than 20,480 acres to any one lessee or permittee in any one State; and

Whereas if sufficient acreage of such coal deposits adapted to open-pit mining is made available, the development of such industries and electric power generation using such coals for their own fuel purposes would be greatly encouraged; and

Whereas it is apparent that such permissible acreage needs to be increased to not less than 20,480 acres for such benefits: Now, therefore, be it

Resolved by the Mountain-Pacific States Conference of Public Service Commissions duly called and held at Phoenix, Ariz., April 23-26, 1957, That all means for the expansion of existing industry and development of new industries and the use of coal for the generation by public and private interests of electric energy is desirable and essential to the welfare of the region and of the United States; and be it further

Resolved, That the availability of the increased acreages of Federal coal deposits adaptable to open-pit mining to any one lessee or permittee in a single State is necessary to promote the establishment of additional industries and the construction of additional electric steam generating facilities in the region; and be it further

Resolved, That this conference recommends to the Congress that the Mineral Leasing Act of 1920, as amended, be amended to increase such permissible acreage for the exploration and mining of such coal deposits in any one State from 5,120 to 20,480 acres to a single lessee or permittee; and be it further

Resolved, That the secretary of this conference forthwith transmit a copy of this resolution to each of the Members of the Senate and of the House of Representatives in the Congress of the United States representing the 11 Western States.

STEEL INDUSTRY CENTENNIAL

Mr. CHENOWETH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. CHENOWETH. Mr. Speaker, the steel industry of the United States is this year commemorating its 100th anniversary. Since I represent a district where the production of steel is a major industry, it gives me great pleasure to congratulate the steel industry of this country on its centennial anniversary.

It is not necessary for me to set forth the importance of the steel industry to the development and growth of the United States. From a primitive beginning in 1857, the capacity of the industry has grown steadily until it now exceeds 133 million tons per year—the largest of any country in the world. Five million tons of additional capacity was added in 1956. Further expansion has been projected for 1957 and future years.

In Colorado we are very proud of the achievements of the Colorado Fuel & Iron Corp., which has contributed so much to the progress of our great State. This company has a very important steel plant located at Pueblo, our second largest city and the industrial center of Colorado.

The early history of steelmaking in Colorado and other parts of the West has been linked inseparably with such basic industries as transportation, mining, oil and gas, farms and ranches, manufacturing, and others. Since the end of World War II, the growing volume and variety of western manufacture and fabrication has been an important addition to the new industrial West. Definite progress has been made both in expanding present plants and in the establishment of new manufacturing industries. This is providing new market and production opportunities and is helping to give better balance to the economy.

Research has and will continue to be the keynote of western progress. The sciences of geology, chemistry, and metallurgy, combined with many years of experience in the manufacture of steel and the forming of finished products, have helped basic western industries to make a vital contribution to both peacetime and defense production. The West of today is still a huge research laboratory for both private and governmental explorations.

Steel production in Western States in recent years has shown substantial increases, particularly in the States of Colorado, Utah, Texas, and California. In the State of Colorado steel-producing capacity has increased over 500,000 tons in the past decade. The largest steel plant of the Colorado Fuel & Iron Corp. is located at Pueblo and the annual ingot capacity of this plant has been increased to 1,800,000 tons, starting this year. C. F. & I.'s total ingot capacity, including its plants in the eastern division, is 2,829,500 tons.

Growing out of the Nation's most colorful era of railroad building, and with the vision of those who foresaw a great future for Colorado and other Western States, this pioneer steel company set as its objectives:

The establishment and building of colonies, towns, schools; industries such as coal mining, ironmaking, and manufacturing works, canals and roads.

This was the beginning of C. F. & I., in the year 1872. From this small western beginning has grown a company that has achieved national importance with sales for the fiscal year ended June 30, 1956, exceeding $341 million, over 22,000 employees on its payrolls, and operating 13 steel plants at strategic locations in the western and eastern portions of the United States.

To keep abreast of the overall rate of expansion of the steel industry, C. F. & I. has carried on a broad program of modernization and expansion in recent years at its various plants and properties. Since a large part of the improvement program to date has been in the Colorado division, I will outline a few of the important steps that have been taken by

C. F. & I. in an effort to keep pace with western expansion.

A new and modern coal mine has been opened in southern Colorado, and improvements have been made to iron mines and quarries in order to assure an adequate source of raw materials.

The productive capacity of blast furnaces and open-hearth furnaces has been increased. A new open-hearth furnace, No. 17, with a rated capacity of 230 tons per heat, was completed in March of this year.

A new rod mill was installed at Pueblo in the latter part of 1949. This mill has been an important factor in the expansion of the wire mills at Pueblo and at the company's two California plants. Facilities to produce additional tonnages of reinforcing bars are now under construction at the rod mill.

A new seamless casing and tubing mill was formally opened in October 1953, at Pueblo, for the production of oil country tubular goods. New stretch reducing facilities were added to this seamless mill in the latter part of last year designed to increase production of tubular products for the oil and gas producing fields of the West.

The first rail was rolled at Pueblo in April 1882, and rails and fastenings for western railroads are still important C. F. & I. products. Included in the improvement program have been facilities to provide a three-way use of the rail mill—rails, billets for the rod mill, and tube rounds for the seamless pipe mill.

New steel finishing facilities have been installed in recent years and new rolled and wire products have been added for diversified industry needs.

More than a $40 million annual payroll goes into the economy of Pueblo out of the total payroll of $125 million for C. F. & I. and its subsidiaries. Further increase is expected at Pueblo as new employees are added to handle the projected increase in output of this plant.

The 8,500 employees of the Pueblo plant have helped to make possible the new developments and outstanding growth of the western division operation. Their steelmaking skills and cooperative effort will help in building the Greater West that lies ahead.

Colorado, and other western States, will again make an important contribution to the next century of steelmaking progress.

COMBATING INTERNATIONAL COMMUNISM

Mr. BROWN of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BROWN of Missouri. Mr. Speaker, we in the Ozarks area of Missouri are delighted that the President is, at last, coming to the people to explain and support his budget requests for combating international communism.

We want the facts before we cast our congressional vote on these vital matters; and we sincerely hope that the President will not try to sugar coat any bitter pills involved. We want the whole truth.

We are disturbed that most of the Nation's professional military leaders feel compelled to follow the Pentagon party line in their answers to congressional inquiries.

And we are more than a little upset over the article in Life magazine this week by Commissioner Thomas E. Murray of the Atomic Energy Commission in which he charges that, while supernuclear weapons have now reached a standoff and may be absolutely useless, the Nation's stockpile of smaller nuclear weapons is not in being but still in the development stage, 3 to 5 years away from reality.

How does this fit in with the press stories we read that new nuclear tactical weapons make it feasible for Great Britain and NATO to reduce their manpower requirements?

If trouble had erupted in Jordan or if a brush fire starts in Formosa or East Germany, are we sending American boys into battle with mythical weapons? Are we maneuvering ourselves into a position where we might have to use the superbombs and start the hydrogen holocaust that must not come?

Surely, in these times of frequent international eruptions when warships and marines are being dispatched to troubled areas, the people should have a candid, unvarnished appraisal of the Nation's capacity to fulfill the military commitments that the President and Congress have made.

If the lid is on the Pentagon, could it not be lifted long enough for a group of respected military and civilian authorities—like Generals Marshall, Ridgway, General Toey Spaatz, Robert Lovett, and others—to take a new look at our defense arsenal and report to the people any weaknesses we might have?

Surely, it is a matter where several wise heads would be better than one, even if the one is a highly respected and trusted ex-general.

The cold, hard facts of our time must indicate to even the most blissful pollyannas that these are the decisive years of our history and the need for public awareness has never been greater.

Fact No. 1 is written in the Communist Manifesto:

> The purposes of communism are changeless. Its maneuvers, its methods, its tactics may change. But the polar star of Communist policy is world domination; and that is a fixed star.

Fact No. 2 has been written so many times in so many chapters of history that it is almost axiomatic; but the Secretary of State put it into words the other night this way:

> History suggests that a conflict as basic as that dividing the world of freedom and the world of international communism ultimately erupts in war. * * * We must exert ourselves to the full to prevent it.

Fact No. 3 was, perhaps, best stated by the great philosopher Nietzsche:

> By the very act of staying constantly on guard, a man can become so weak as to be unable to defend himself.

Maintaining a defensive preparedness for a long period of time is fraught with complications and booby traps. Always, there is the danger of unbalanced inflation. Part of the economy on a wartime footing, without wartime controls. That always spells trouble for people outside the war production centers and people on fixed salaries or pensions.

Only constant vigilance and bold, courageous actions can even begin to keep these dynamic forces of conflict from crunching vast numbers of defenseless citizens in an economic vise.

The predatory threat of international communism, the constant danger of general war, and the domestic inflationary pressures inherent in a protracted defense effort are, I suggest, the three big facts of our time. They are not pleasant facts to contemplate, because these are unpleasant times. But like it or not, they are the facts we must face, boldly and squarely.

Now let us take a good look at where we stand and see how we are measuring up to this unparalleled call to greatness. How are we coming in this struggle against communism? Are we getting so much stronger than they are that we will be able to guarantee peace? Are we gaining new friends and support? Are we making a bold, courageous effort to control inflation and protect our citizens who are not participating in the war effort? Do we have a blueprint for victory that is clear, concise, and practical for the long haul that might be involved in this struggle? What is the truth of our situation?

For many, many years—long before I ever got into politics or went to Washington—I have had a feeling that one of our biggest obstacles in this struggle against communism has been that it is felt to be politically unpopular to tell the people the whole truth about the situation confronting us.

I remember during the Korean war, when for 6 months or a year, our boys didn't even have enough ammunition, much less any fancy new weapons * * * the common questions on the street corner were: "What did they do with all that money we paid in for national defense? Why were we not prepared?"

Of course, the answer came out later: Most of the money went for housekeeping expenses and nuclear weapons that we did not choose to use. But until the showdown bared the facts before God and everybody, we went blissfully along trusting in the military experts, thinking we were well prepared for almost any emergency.

Today, I fear, the truth is an even more elusive commodity in Washington than it was 7 years ago. Too often the answers you get to important questions depend on when you ask and what the administration is trying to "sell" at the time.

For instance, 6 months ago, they told us: Everything is peaceful and prosperous. There is good news from the Middle East, and we are winning the battle against inflation. The state of the Union was never better; and everybody was singing "Life Is Just a Bowl of Cherries."

Then almost overnight the good news from the Middle East turned into bad news overnight. The cost of living edged up with each monthly report.

Life was no longer a big bowl of cherries. People started asking: "Who Threw the Overalls in Mrs. Murphy's Chowder?"

One day, the experts tell us we have enough armed strength to lick the daylights out of 939 million Communists. We can relax and talk about tax cuts. Two weeks later, the word is: We are falling dangerously behind in relative strength. Everybody back to the grindstone. One day, they talk about a "peacetime" budget. Next day, it is a cold war budget. Fits and starts—hot and cold—off in one direction, then back to the opposite pole.

And the worst thing about it all is that any connection between what the President says and what this administration does is often coincidental.

The President presents a budget—says it is "carefully and intelligently prepared" to meet the minimum needs of the Nation. What happens? The Secretary of the Treasury comes over to the Congress the next week and says this document is a monstrosity. Cut it.

Who is steering the ship of state these days? Believe me, it is not the Captain. It is the crew. And every time the poor old Captain charts the course due east, the crew kicks the rudder and heads us due west. If we ever get to wherever it is the Captain thinks this ship is going, we will either back into port or we will sneak up on it from the rear.

Here, in the decisive years, the most crucial period of our history, you wonder if our leadership really has any blueprint, any bold courageous program, or vision of where we are going or what we will be called upon to do when we get there. There are few new ideas, just slight variations of the old.

In fact, the whole idea seems to be: The way to arrive at a policy is first to hire as many "important" people as you can hire, let them surround themselves with a little empire of employees, and maybe somebody will come up with something.

There are today in the executive branch of the Federal Government close to 600 top-salaried Mr. Secretaries, Mr. Administrators, and other glamour-title executives. Six years ago, there were 296.

The Department of Defense now has some 30 Mr. Secretaries, compared to only 8 in World War II. For what? To handle less armed strength than was handled by eight.

The State Department has 4,000 more employees—and lots more glamour boys—than it had 6 years ago. For what? To handle foreign relations with fewer free world allies.

The Department of Agriculture put on thousands of new employees in the last 18 months. And what did they accomplish? The lowest net farm income in our postwar history, and a budget request for 1958 totalling some $5 billion.

Employees are no substitute for ideas; and in business or in Government, leadership must come from the top. When there is a program of action that seems worthwhile, money and men are forthcoming.

But until there is a program, even good men will grow confused and bewildered; and the money will be wasted.

I make no pretense at having any miracle answers to this myriad of complicated problems; but somebody had better come up with some answers, and I have a few suggestions:

The four basic wants of all Americans are really very simple: We want to live at peace under God. We want a chance to earn a decent honest living. We want to educate our children. And spend the declining years of our lives in honorable, independent retirement. These are the basic goals we seek. These are our fundamental wants.

Now in these times of war threats and inflationary pressures, how many of these wants can we have? I think we can have them all. But we must have a clear picture of what we have to do to get them. We must have a blueprint to follow. And first, we must know exactly where we are before we can calculate where we are going.

For that reason, I have written the President today respectfully requesting that he summon a group of the Nation's most respected military and civilian authorities to give us a frank and honest evaluation of the Nation's Armed Forces, and to tell us candidly and forthrightly what is required of us in the way of men and modern weapons to preserve the peace. Not just what we need to stay slightly ahead of communism. Not just what we can do and get by. Let us hear what is required—not on order but in being—to be strong enough to ask and get Communist disarmament. What does it cost and let us see if we cannot afford it?

Is it true that most of our money and manpower are invested in strategic nuclear weapons that we must have for their deterrent effect but weapons we do not dare use? Are we wide open for "piecemeal defeat" by the Communists?

What is the mission of the Army? The Navy? The Marine Corps? And what do they need to carry out that mission?

We are cutting back on planes and counting on missiles. But some people who know say that strategic missiles are 5 to 10 years off. Is this right?

Would our chances for peace be improved if we made an all-out sacrifice to get a real "big stick" in being and demand a showdown? Or will it be safer to try to sustain a rigid preparedness for the next 20 to 50 years?

Are these troops we are paying for in some of these foreign countries really loyal, effective fighters for freedom? Or are they a new form of mercenary legion? When the chips are down, will they surrender their arms to the enemy and run? Or can we count on them to do their part?

Are our lines too thin, our outposts too far forward, in view of present Communist strength? Would we be better off to pull in our lines to the Western Hemisphere and build a superstrength, highly mobile striking force among these nations we know we can rely on?

These are some questions that must be answered before these fateful, decisive years are too far gone; and it is my honest opinion that it is impossible to get the whole truth under the gag rule now imposed on our professional military leaders.

I fear that too many of our professional people are following the Pentagon party line in a desperate effort to demonstrate unity in a department hopelessly un-unified.

Is it not time that we called in some men like General Marshall, General Bradley, General Ridgway, Bull Halsey, Toey Spaatz, Clifton Cates, Hanson Baldwin, Robert Lovett, Dean Acheson, yes, and ex-Presidents Hoover and Truman for a thorough evaluation?

If these minority reports that have leaked are not true, if we have nothing to fear from all these cutbacks in research and weapons contracts, let us hear it from these men who have no ax to grind and no compromise agreements to uphold.

Let us have it straight out and unequivocally, what the Nation's defense expenditures must be to win this struggle against communism, not just to hang on and hope.

This is a great nation with a tremendous reservoir of spiritual strength. We may not like the thought of sacrifices, but we have demonstrated many times our ability to endure them.

Much as we want lower taxes, we still want to know what is expected of us and what the situation requires. We have not grown so fat and so selfish that we ask, in the face of grave peril, "How little can we do to get by?" We can still rise to greatness, above and beyond the call of duty.

Our instincts tell us that these are the decisive years. Our forefathers had the wisdom and courage to build a great civilization, and surely we have the will to save it. But give us the whole truth, the plain unvarnished facts, and ask of us what the situation demands.

We can win this struggle against international communism, and all we ask is a clear picture of where we are going and what you want us to do when we get there.

STEEL INDUSTRY CENTENNIAL

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. MADDEN. Mr. Speaker, this year the steel industry is celebrating its centennial. In the year 1857 an Irishman by the name of William Kelly, a native of Pittsburgh, received a United States patent on a machine which made possible for the first time volume production of steel. This was the Kelly converter, similar in principle to the machine invented about the same time in England by Henry Bessemer.

Starting May 1, and running through December 31, more than 100 steel-producing communities all over the Nation will mark this anniversary with suitable ceremonies and activities.

On May 22, in New York City, Postmaster General Arthur Summerfield will place on sale the first of 120 million commemorative postage stamps. Ben Fairless, former chairman of the board of the

United States Steel Corp., and now president of the American Iron and Steel Institute, will buy the first stamp.

Coming as I do from the steel center of Gary, Ind., a city which has grown great during this first century of steel, I feel especially proud to say a few words in connection with the start of this nationwide period of celebration. Next to the Pittsburgh area, the Gary-East Chicago mills form the greatest producing community in the United States.

Gary, with 165,000 population—Indiana's second largest city—is truly a community born of steel. Only last year the city was joined by the Gary Works of United States Steel Corp. in joint celebration of their 50th birthdays. The name derives from Judge Elbert H. Gary, first chairman of the board of the corporation.

As of the start of this year, three companies in Indiana's Gary-East Chicago complex—United States Steel Corp., Inland Steel Co., and Youngstown Sheet & Tube Co.—had a combined annual steel capacity of 15,848,000 net tons. In other words, one county of my district—Lake—has a capacity larger than the total output of France during 1956, and nearly 30 percent as great as that of Russia.

A number of our major cities, such as Gary, Pittsburgh, Cleveland, and Youngstown, have grown to prominence with the steel industry. The tendency, therefore, might be to consider this centennial celebration of only regional interest. As a matter of fact, the plentiful supply of high quality steel has made possible the high standard of living which the people of the United States enjoy today. Steel is basic to every other industry.

Ingot steel is being produced in 119 communities all over America. Beside Indiana, Illinois, Ohio, and Pennsylvania, plants are located in Alabama, California, Colorado, Connecticut, Delaware, Georgia, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, New Jersey, New York, Oklahoma, Oregon, Rhode Island, Tennessee, Texas, Utah, Virginia, Washington, and West Virginia.

The steel industry, steel communities, and the Nation have had dramatic growth since the days of William Kelly, Henry Bessemer, Robert Mushet and Alexander Holley. A growing nation, hungry for things made of steel, has placed great demands upon the steel producers.

Indicative of this demand is the enormously expensive multibillion dollar expansion program now in progress throughout the industry. Five million tons were added nationally in 1956 and by the end of 1958 another 10 million tons will be added. Presently, our steel industry can turn out about 40 percent of the world's total output.

Taking as an example the city of Gary, one can readily grasp the enormity of the progress made by this industry in only the last 50 years of its incomparable first century. Truly, this industry promises to contribute as mightily to the future progress of our Nation and the world as it has in the past. We are proud of the part that Gary will play in that progress.

HOUSING LEGISLATION

Mr. TALLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. TALLE. Mr. Speaker, the legislative calendar indicates that housing legislation will be considered tomorrow.

On the day we closed for the Easter recess I introduced the bill H. R. 7024, which is in some degree a modification of the committee bill H. R. 6659.

One of the important aspects is the requirement with reference to downpayments. In order that Members may have an opportunity to examine the alternate proposals I have prepared a table which I should like to have printed in the RECORD for their examination.

Mr. Speaker, I ask unanimous consent that this table may be printed following my remarks and that I may revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

(The table referred to follows:)

Minimum downpayments for 1-family owner-occupant mortgagors based on alternative mortgage formulas assuming sale price equal to FHA value

Mortgage formula—FHA appraised value	Current FHA statute (96 percent of 1st $9,000 of appraised value and 75 percent of excess value)	Recommended by committee: Nonveteran loan (96 percent of 1st $10,000 of appraised value, 80 percent of next $6,000, and 70 percent of excess value)	Recommended by committee: Veteran loan (98 percent of 1st $10,000 of appraised value, 90 per cent of next $6,000, and 85 percent of excess value)	Recommended in Talle bill H. R. 7024 (96 percent of 1st $10,000 of appraised value, 90 percent of next $6,000, and 70 percent of excess value)
$6,000:				
Amount	$300	$240	$120	$240
Percent	5.0	4.0	2.0	4.0
$7,000:				
Amount	$350	$280	$140	$280
Percent	5.0	4.0	2.0	4.0
$8,000:				
Amount	$400	$320	$160	$320
Percent	5.0	4.0	2.0	4.0
$9,000:				
Amount	$450	$360	$180	$360
Percent	5.0	4.0	2.0	4.0
$10,000:				
Amount	$700	$400	$200	$400
Percent	7.0	4.0	2.0	4.0
$11,000:				
Amount	$950	$600	$300	$500
Percent	8.6	5.5	2.7	4.5
$12,000:				
Amount	$1,200	$800	$400	$600
Percent	10.0	6.7	3.3	5.0
$13,000:				
Amount	$1,450	$1,000	$500	$700
Percent	11.2	7.7	3.8	5.4
$14,000:				
Amount	$1,700	$1,200	$600	$800
Percent	12.1	8.6	4.3	5.7
$15,000:				
Amount	$1,950	$1,400	$700	$900
Percent	13.0	9.3	4.7	6.0
$16,000:				
Amount	$2,200	$1,600	$800	$1,000
Percent	13.8	10.0	5.0	6.3
$17,000:				
Amount	$2,450	$1,900	$950	$1,300
Percent	14.4	11.2	5.6	7.6
$18,000:				
Amount	$2,700	$2,200	$1,100	$1,600
Percent	15.0	12.2	6.1	8.9
$19,000:				
Amount	$2,950	$2,500	$1,250	$1,900
Percent	15.5	13.2	6.6	10.0
$20,000:				
Amount	$3,200	$2,800	$1,400	$2,200
Percent	16.0	14.0	7.0	11.0
$21,000:				
Amount	$3,450	$3,100	$1,550	$2,500
Percent	16.4	14.8	7.4	11.9
$22,000:				
Amount	$3,700	$3,400	[1] $2,000	$2,800
Percent	16.8	15.5	9.1	12.7
$23,000:				
Amount	$3,950	$3,700	[1] $3,000	$3,100
Percent	17.2	16.1	12.0	13.5
$24,000:				
Amount	$4,200	[1] $4,000	[1] $4,000	[1] $4,000
Percent	17.5	16.7	16.7	16.7
$25,000:				
Amount	[1] $5,000	[1] $5,000	[1] $5,000	[1] $5,000
Percent	20.0	20.0	20.0	20.0

[1] Reflects maximum insurable mortgage of $20,000.

AMERICAN FEDERATION OF MUSICIANS

Mr. LANDRUM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, revise and extend my remarks, and include the text of the report of the special subcommittee of the Committee on Education and Labor.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LANDRUM. Mr. Speaker, I am today introducing a bill which, in my own opinion, is designed to carry out the recommendations of a special subcommittee of the Committee on Education and Labor.

This special subcommittee was appointed to investigate the operations of the musicians' performance trust funds of the American Federation of Musicians. The conclusions and recommendations of the subcommittee were published in the form of a report to the full committee October 10, 1956. Inasmuch as this material is available only in the form of a committee print, I am asking unanimous consent that the text of the report be printed in the body of the RECORD at the conclusion of my remarks.

SUMMARY ANALYSIS OF BILL

Section 1: The first section of the bill would extend the existing prohibition against the payment of money by employers to labor organizations so as to prohibit all payments made by anyone as a result of collective-bargaining negotiations or contracts. This change is necessary because the practice has grown up of creating independent trustees instead of employee representatives, to receive such funds, thereby evading the original standards of the Labor-Management Relations Act to which these plans were required to conform.

Section 2: The second section of the bill would extend the existing prohibition against the receipt of money by labor organizations so as to prohibit the receipt of money by anyone as a result of collective-bargaining negotiations or contracts. The change is necessary for the same reasons outlined in connection with the first section of the bill.

Section 3: The third section of the bill changes the conditions under which payments may be made to employee benefit plans, or for any other purpose resulting from collective bargaining. The present law allows payments to employee benefit plans under certain conditions; that is, there must be a trust agreement; it must be for the benefit of the employees of the contributing employer; both management and labor must be represented on the board of trustees; it can only be used for specified purposes, and so forth. The present law has not served to protect employee benefit funds from abuse ranging from outright thievery to inept administration. Under this section of the proposed bill payments resulting from collective bargaining may be made if, and only if, the affected employees themselves sign a written authorization allowing the payments to be made. This is the same requirement now in the law governing the checkoff of union dues.

Section 4: The fourth section of the bill establishes the effective date for the proposed changes; in brief, all existing employee benefit plans will be required to conform within 180 days after enactment, unless their terms subject them to an earlier termination or renewal date.

Section 5: The fifth section of the bill protects State regulatory authority in this area. If this authority is not expressly reserved, the ever-growing preemption doctrine would undoubtedly be invoked so as to invalidate existing and future State statutes. It is not intended that this change in Federal law be the basis for disrupting whatever efforts the States may now be making to protect these funds for the benefit of their own citizens.

Section 6: The last section of the bill changes the section title to conform to the changes in the substantive law.

REPORT OF SUBCOMMITTEE ON MUSICIANS PERFORMANCE TRUST FUNDS

The special subcommittee appointed on May 10, 1956, to investigate the operations of the musicians performance trust funds of the American Federation of Musicians herewith submits its report to the chairman of the Committee on Education and Labor of the House of Representatives.

Because of the many complaints received from Local 47, American Federation of Musicians (located in Los Angeles, Calif.) regarding the method of operation and basis of contributions to the musicians performance trust funds your subcommittee held hearings in the city of Los Angeles on May 21 and 22, 1956. On October 1 and 2, 1956, the subcommittee met in executive session to consider the material presented at the hearings, additional information received since the hearings, and to arrive, if possible, at conclusions and recommendations. This report is the result.

HEARINGS

Testimony presented during the hearings contain the following principal complaints and instances of alleged abuses:

(1) Neither the individual musicians nor any local union has any voice whatsoever in the negotiation of collective-bargaining agreements by the American Federation of Musicians. Section 36, article XIII of the bylaws provides that the AFM may enter into collective-bargaining agreements "for the benefit of all members of the federation and each member is bound by the terms of such collective-bargaining agreements." It is the standard and continuing practice of the federation to negotiate and execute collective-bargaining agreements in the motion-picture, radio, television, and phonograph-recording industries, without submitting such agreements to the members affected thereby; and even after the execution of such agreements, to change and alter the terms thereof to the disadvantage of the musicians most affected without consultation with, or approval or ratification by, the musicians thus affected. During the period of negotiations, no proposals are submitted to the members concerned, and they have no voice whatever in the terms or conditions finally settled or agreed upon.

(2) In order to comply with, yet at the same time evade the intent of, the provisions of the Labor Management Relations Act of 1947 (29 U. S. C. A., sec. 186), the AFM has created, by agreements with employers, a number of so-called trust funds to which employers are required to make so-called voluntary contributions as the price of, and as a condition precedent to, the employment of musicians in the following industries: motion pictures, television film, transcribed radio, and phonograph recordings.

The result of requiring these contributions—which are actually compulsory, not voluntary—has been to create widespread unemployment throughout these industries, to encourage the importation of "canned" foreign music with the following results:

(a) Unemployment of musicians in the United States;

(b) Loss of economic and cultural benefits to the Nation which would ordinarily flow from such employment;

(c) Inferior products are forced upon employers and the public; and

(d) Indirect loss of employment in related crafts (sound engineers, sound technicians, music cutters, projectionists, sound crews, etc.).

(3) Local 47 musicians pay a tax of 1 percent upon their earnings in the motion-picture and television-film industries into the theater defense fund of the union (the aggregate of which tax comprises 87 percent of all the funds collected since 1946 for that fund), whereas other musicians who perform in theaters and dance bands pay no such tax whatever.

Further, 97 percent of the total so-called contributions paid into the trust fund from television films comes from films in which Local 47 musicians played, while musicians in theaters, dance bands, and otherwise throughout the United States and Canada perform no services from which any contributions, directly or indirectly, go to this particular trust fund. Members of more than 700 locals throughout the United States and Canada receive payments from this trust fund although they have performed no services from which any contribution has gone to the trust fund.

(4) Section 1, article 1, of the bylaws of the AFM presently provides that the president of the American Federation of Musicians "is authorized and empowered to promulgate and issue executive orders which shall be conclusive and binding upon all members and/or locals"; any such order, by its terms, "* * * (b) may annul and set aside" the constitution or bylaws "or any portion thereof * * * and substitute therefor other and different provisions of his own making." This power under article 1, section 1, has, in fact, been exercised as recently as 1954.

(5) Strike funds collected from theater musicians and motion picture recording musicians have been misused and diverted upon the order of International Executive Board of AFM (a) to establish a pension for the widow of a former president, (b) to purchase a printing plant and equipment for the use of the AFM, and (c) to establish a retirement fund for international officers and other employees of the federation.

(6) Residual property rights have been protected by collective bargaining agreements throughout the entertainment industry for the protection of artists in all fields of artistic property. The technical term is "residual performance rights." No such agreements exist at the present time to protect or enforce the residual performance rights of individual musicians. The AFM has diverted compensation for such rights from the individual musicians to the trust funds since June 1955 (although prior to that date such rights were asserted and enforced by collective bargaining agreements negotiated by the federation; such performance rights constitute a basis upon which the industry makes contributions to the trust funds).

Witnesses who made these charges requested Federal legislation to correct what they considered were abuses. Other witnesses defended the actions of the president of the American Federation of Musicians and its executive board; although some of these witnesses indicated disagreement with the decisions and activities of the president and the executive board they maintained that it was an intraunion problem which should be worked out within the union itself and that no legislation was necessary or should be considered.

FINDINGS

On the basis of the record it seems quite clear to your subcommittee that—

(1) The membership of the Los Angeles Local No. 47, American Federation of Musicians, has no voice in collective bargaining negotiations carried on at the national level, and has no effective control of its own affairs.

(2) Because of the structure of the American Federation of Musicians, its method of

selecting delegates to their national convention, and the powers conferred on the president and the executive board, it is unlikely that members of that local can ever obtain proper or adequate participation in the management of the affairs of the union.

(3) Substantial sums which would, in most industries, go toward increased wages and fees for many members of local 47 and the New York local are now being diverted into the various musicians' performance trust funds. The purposes for which these funds are used are highly objectionable to many members of local 47. Although the funds are supposed to be used to provide employment for unemployed musicians and to promote cultural development throughout the country these witnesses believe that the majority of performers benefiting from the funds are not really unemployed professional musicians who normally make their living in that profession, and also that the method of allocating the funds is a device by which the president and executive board of the AFM control an overwhelming majority of the delegates to the national convention of the union.

CONCLUSIONS AND RECOMMENDATIONS

Your subcommittee has considered the situation in terms of possible legislation and has arrived at the following conclusions:

(1) The Federal Government should not be required or authorized by legislation to interfere with or supervise day-to-day relationships between union officials and union members; such intraunion matters can and should be worked out within the structure of the labor organization itself; sooner or later in most cases the will of the members themselves will govern the conduct of the union.

The subcommittee recalls that the original House bill in 1947 contained some provisions requiring periodic elections of all union officers, voting procedures for establishing dues schedules, special assessments, engaging in strike action by secret ballot under Government auspices, etc. Such provisions were omitted in conference because they would inject the Federal Government into the internal affairs and management of labor organizations.

(2) The Federal Government should consider legislation designed to give individual employees some protection with respect to payments made by their employers that would otherwise go to them in the form of higher wages.

When the Labor Management Relations Act of 1947 was enacted there was an open question as to whether or not employers were required to bargain regarding health, welfare, pension, and other types of employee benefit plans. This question was resolved in the Inland Steel Case in 1948 (22 LLRM 2506) so as to require the employers to bargain with unions regarding such matters. The rationale of this decision was that the benefits flowing from such plans were embraced in the terms "wages, hours, and working conditions." In essence, therefore, the law today regards all sums paid by an employer as a result of collective bargaining negotiations or agreements as wages regardless of the fact that the money may go directly into a fund as in the case of the musicians performance trust funds or directly into union treasuries as in the case of dues deducted from wages. In the case of dues, however, deductions may not be legally made and paid directly to unions unless "the employer has received from each employee on whose account such deductions are made a written assignment" (sec. 302 (c) (4), LMRA).

Your subcommittee recommends that additional hearings be held to determine the feasibility of amending the Labor Management Relations Act of 1947 so as to make this same requirement with respect to payment of dues applicable to all other payments made by an employer as a result of collective bargaining negotiations or contracts. Under such legislation each employee would have a legally protected right to decide for himself if he wanted his share of "wage" increases paid to him or to the union or in any other conceivable manner.

In making this recommendation your subcommittee recognizes that such legislation might, to some extent, interfere with and perhaps slow down collective bargaining negotiations as they are presently carried on in some instances. It would, of necessity, require that union negotiators know in advance of collective bargaining sessions whether or not their members wanted their share of possible increases in the form of larger paychecks or in the form of benefits provided by the establishment or continuance of a specific employee benefit plan.

The above argument (i. e., possible complications with respect to certain phases of existing collective bargaining procedures in some cases) should be considered along with the following arguments:

(1) It would enable the individual union member to share in the benefits of collective bargaining contracts entered into by the union on his behalf, thereby preventing the kind of situation that now exists in local 47, AFM.

(2) It would encourage unions to administer employee benefit plans to the satisfaction of those members who contribute a portion of their wages (or who forego a wage increase) for such purposes.

(3) It is simple and easy to understand.

Your subcommittee has also concluded that further hearings regarding the operations of the musicians performance trust funds are not necessary when considered from the standpoint of possible Federal legislation. Hence, with this recommendation and report the subcommittee believes its assignment has been completed.

Respectfully submitted,

PHIL M. LANDRUM,
Chairman.
JAMES ROOSEVELT,
JOE HOLT.

OCTOBER 10, 1956.

REBIRTH OF BIRMINGHAM'S DOWNTOWN AREA

Mr. HUDDLESTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HUDDLESTON. Mr. Speaker, my hometown of Birmingham, Ala., is now engaged in a full-scale civic program to save its downtown area from economic suffocation.

The exodus to the suburbs has created an economic as well as a sociological problem in many of our Nation's largest cities. Birmingham, the Magic City and the iron and coal center of the South, is now caught in the grip of a similar situation. The city is expanding but the expansion is coming in the suburban areas.

Downtown merchants, who rely on a volume business to meet their high overhead, go begging for customers. On the other hand, would-be customers are stymied in their attempts to trade downtown because of a worsening downtown traffic snarl.

In 12 years, the number of automobiles in Jefferson County has more than tripled. There were 71,000 autos in 1945 and now there are 215,000. New roads and highways have been built, but not 3 times the mileage which existed in 1945. Birmingham lies in Jones Valley with Red Mountain at its southern edge. This mountain prevents the construction of a belt motorway, at any reasonable cost, which could encircle the city and divert through traffic off the crowded downtown streets.

Despite the daily traffic snarls and scarcity of parking spaces, downtown merchants now have a gleam in their eyes. They have just organized a permanent Birmingham Downtown Improvement Association.

Already, thousands of dollars have been subscribed toward the association's first annual budget of $100,000. It will go for surveys and planning. Newspaper headlines are heralding the rebirth of the downtown area. Once again, things are looking up.

The Downtown Improvement Association will investigate ways and means to give downtown Birmingham a facelifting. Uppermost on the association's agenda will be studies of more offstreet parking facilities in the central section, additional thoroughfares into the downtown area, and a freeway or belt motorway system to keep through traffic from further congesting downtown streets.

The downtown merchants know their problem and they are going about solving it themselves.

Now busy organizing the improvement association is a parent group headed by Mr. William P. Engel, a devoted civic leader who is a former president of the Birmingham Chamber of Commerce. Mr. Harold Blach, one of our outstanding merchants, is vice president of the group.

At the improvement association's initial meeting on April 16, 1957, Mr. Engel described the downtown area as presently on the defensive. "The automobile is the villain of the downtown drama," he declared. "Eight percent of the highway mileage carries two-thirds of the traffic."

Surveys on what can be done to speed the flow of downtown traffic have already been made by the Birmingham Police Department's traffic bureau, the Birmingham Transit Co., and others. Elimination of all curb parking in the central area as well as the addition of several more one-way streets are among the improvements suggested.

Seven and one-half years ago the entire city of Birmingham, including the surrounding suburbs, faced something of the same type of economic blight. For the previous 2 years not a single new factory had come to Birmingham, whose economy is built on its factories. It was an alarming situation and there again the local civic leaders decided that it was time to do something about the situation.

The Birmingham Chamber of Commerce called a special meeting and invited 100 of the city's top business executives to attend. While the South as a whole was experiencing the most dramatic industrial gain in history, Birmingham had been bypassed in this postwar boom. For a city whose phenomenal growth from a crossroads 82 years before to a population of 326,000 at that time had earned it the nickname of the Magic City, this was discouraging news.

This was the setting for the founding of the Birmingham Committee of 100 in December 1949. This committee, whose outstanding work is now a familiar story throughout the Nation, began its important task of helping shape the Birmingham district's industrial future. A 5-year advertising campaign was launched. As a result, more than 200 plants, warehouses, home and district sales offices have now been located in Birmingham. New investments totaled $200 million, some 20,000 new jobs were created, and $18 million added to the district's annual payroll.

Just as the Committee of 100 was launched at the city's darkest industrial hour the Downtown Improvement Association has now been organized to spur renewed interest in downtown businesses. With the traffic problem eased, downtown stores hope to attract more and more customers once again. With business again booming, new stores and office buildings will doubtless go up in the central section. Property values will rise once again.

It will be a healthy situation for all concerned. If downtown property values are maintained, it is to the benefit of every taxpaying citizen. The downtown property pays more than one-fourth of the county's taxes.

Just as Birmingham's Committee of 100 not only succeeded in its objective but also attracted nationwide attention in boosting Birmingham business, the Downtown Improvement Association is bound to meet with success. Economic development of a section must be planned the same as the expansion of a single factory. With civic-minded merchants, newspapers, and public officials all working toward a common goal which is for the good of all, the Downtown Improvement Association can look forward to improved downtown conditions with almost certain optimism. It will be a hard campaign, but I am confident we will soon see a real rebirth of Birmingham's downtown area.

NINTH ANNIVERSARY OF THE INDEPENDENCE OF ISRAEL

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. BOYLE] is recognized for 60 minutes.

Mr. BOYLE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks; also that all Members may have 5 legislative days in which to extend their remarks in the RECORD on Israel and that all Members may have the opportunity to extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BOYLE. Mr. Speaker, today marks the ninth anniversary of the founding of the State of Israel. On this happy occasion, I congratulate the people and leaders of the new State of Israel on this milestone in their country's brief, modern history. The people of the United States and most of the world hope that Israel will continue to be a stronghold of democracy and a bastion of the pioneer spirit in the Middle East for many years to come.

Americans everywhere take pride in the part played by the United States in the creation of the new State of Israel. President Truman's actions in 1948 will always be considered as one of the most inspired and altruistic acts in the history of American foreign policy. Through its support for Israel at that crucial time, the American public expressed its approval and admiration for those practical and spiritual goals which animate the nation of Israel today.

From the day 4,000 years ago when Israel was forced into bondage by an Egyptian tyrant, the Jews in exile kept alive the idea of their eventual liberation and return to Palestine. Through terrifying historical vicissitudes—invasions, dispersions, oppression, tortures, and martyrdom—the Jews never lost their collective identity nor their recuperative powers. They retained their language and their traditions, and that attachment to the little country of Palestine which was the focus of their inner life. They retained their hopes of national fulfillment and final liberation. Despite all obstacles and barriers placed in the way of a national Hebrew revival by inertia, and indifference and politics, the faith of Jewry triumphed over material considerations. The flag of Israel now flies proudly over that land from which it was so long absent.

The toil and labor of the citizens of Israel has transformed the desert of Palestine into a replica of the fertile acres and vineyards of ancient times. The country is once more populated with Jews, now returning from exile, and a new Hebrew culture has been created from the best elements contributed by settlers from a score of countries. New ingredients have been grafted to the image of an ancient Hebrew civilization, to create a blend of both. If the new elements of a reconstituted Jewish community find expression in technical accomplishments, in industry, in superior agricultural techniques, or in land reclamation, the old tradition is typified by a desire for liberation, tenacious patriotism, and a hatred of tyranny.

Much as the creation of a State of Israel represents a victory of the powers of the spirit, so it represents the lifting of a burden from the Western Christian conscience. After the end of the Second World War, the horrified victors saw the results of an aberration in their own civilization which had cost the lives of 6 million Jews. Even then the victors nearly failed to do justice to the survivors of European Jewry, who had pleaded for a state of their own. The creation of the State of Israel was for the nations of Europe an act of penance, an act of universal justice, and a belated recognition of the righteousness of the Hebrew cause. If the new Jewish state was to be established in Palestine—the only acceptable spot—it was only fair that the original occupants should give up a little bit of the vast area occupied by Arabs stretching from Iraq to Morocco. Would the Arabs begrudge the Jews a tiny portion of this vast region? Were the Arabs right in holding this vast region for themselves alone? Was it wrong for the Jewish people to have a tiny fragment of it? This was a problem for the Western conscience, and it was solved in the best possible way—by creating a new state. Thus these powers who had oppressed the Jews had repaid their debt in some measure to the world Jewish community by creating Israel.

After the Israeli troops defeated the combined armies of the Arab States in 1948 and 1949 the Arabs were still bitter at Israel. Instead of accepting defeat and leaving Israel alone, they carried on a vocal, vicious, and vindictive campaign against Israel, refusing to make peace with her, trying to poison the minds of all countries against her, and sending guerrillas over the frontier to attack defenseless Israeli collective farms.

Soon after the Arabs and Communists joined forces to threaten the very existence of Israel. The Soviet Union and Czechoslovakia provided arms, artillery, and aircraft for Egypt, much of which was captured by Israeli forces in their lightning campaign against Egypt across the Sinai Desert in 1956. Despite this successful campaign the Arab threat to Israel still exists, while the declared intention of Arab leaders is to overwhelm the nation with military force, massacre the population, and annihilate Israel and all its works.

If the existence of the State of Israel is a symbol of the better nature of Western civilization, we Americans are morally committed to the preservation and the support of Israel. Israel is a small nation, has few resources, and is overpopulated. Israel is an island of Western culture threatened all around. Unless we continue to grant Israel technical assistance and arms, she may eventually be submerged by a tidal wave of Arab and Communist aggression. We will not and cannot let Israel down.

The moral commitments of the West and the United States to Israel are in strange contrast to the policy of the Eisenhower administration in the Middle East. The State Department has consistently and deliberately sought to evade its commitments to Israel by favoring the Arabs on every occasion. Not only have we abdicated our responsibilities, but the faulty pro-Arab policy of the administration has created a split with our British and French allies, at a time when the threat of the U. S. S. R. to the existence of the United States is as great as ever and at a time when the U. S. S. R. is actively seeking a toehold in the Middle East. The split between the United States and her allies has greatly disturbed millions of Americans.

There are discrepancies in the administration's account of the Suez crisis of July 1956 and the Anglo-Egyptian police action against Nasser. In this dispute with the Egyptian dictator, Britain and France were doing a favor for the West; they were trying to keep the Suez Canal open for the passage of British goods and at the same time to bring down an ally of the Communists. In this they failed because of administration pressure. The administration's version of these events alleges that Britain and France committed a crime by attacking Nasser and that Britain and France at no time gave the United States

advance notice of their intentions. A recent magazine article entitled "How Our Allies Tricked Us," by Demaree Bess, details the entire administration line on this issue.

Here the administration also takes the credit in forestalling a similar attack on Egypt, supposedly planned by Churchill in 1953, and reputedly not far from the minds of the British Tory Party at any time since. Also, after his trip to Egypt—and this is the basis of the unfortunate change in our Middle Eastern policy—Secretary of State Dulles decided that our policy had become dangerously unbalanced, considering the rising tide of resentment against us and our allies. At the same time, the administration discovered that the Arabs were able to injure us by closing the Suez Canal or by halting the flow of oil. The administration now yielded to the Arabs, substituting appeasement for policy and abasement for clear thinking about the real problems of the Middle East. By appeasing the Arabs, the administration sacrificed Israel to what it wrongly considered the proper policy. Then, when Israel took advantage of the Anglo-French invasion of Egypt to strike back at Egypt in a pure defensive manner, whence the fedayeen raids had come, the administration put pressure on Israel to withdraw from Gaza and Sinai, which Israel needed for her surplus population, and from the shores of the Gulf of Aqaba, which Israel needed to control in order to build up her new port of Elath.

The administration has done less than its share in protecting Israel from Egyptain aggression and discrimination on the seas. Restrictions on Israeli shipping dated from the time of the 1948 disturbances still remain in force, and Israeli shipping has no access to the new port of Elath from Haifa or Jaffa. The cargoes of Israeli ships which attempt to pass through the canal may be confiscated, or even the ships themselves. These Egyptian restrictions represent a direct violation of the International Convention of 1888 regulating the Suez Canal, which internationalizes the waterway and declares that it must remain open to the shipping of all nations in peace and war. Thus Egypt puts herself in opposition to international law, in a fruitless attempt to exercise economic pressure on Israel. In 1951 and 1954 the Egyptian ban on Israeli shipping came before the United Nations, which recommended on both occasions that Egypt open the canal for unrestricted passage. But Egypt has refused to do this and takes refuge in technicalities, claiming that a state of war still exists between Israel and Egypt—a viewpoint which is also of use in providing a pseudo-legal basis for the continuation of the sinister Egyptian fedayeen raids on Israel.

Although the Middle East is the principal center of the world's oil production, Israel has only the little she produces herself and what she can import from the Caribbean region. Israel has no access to Iranian oil, to the oil of Kuwait, of Bahrein, or Saudi Arabia. Is it fair for the Arab States to refuse to sell their oil to Israel, particularly when Israel needs the oil and is willing to pay a good price for it? It is apparent that the Arab oil boycott must cease, and with it the distortion of Israel's foreign trade patterns. The administration could exercise pressure on the international oil cartel to deliver oil to Israel if it wished. Is there any good reason why the spiritual fulfillment and the national interests of millions of Jews must be sacrificed to the materialistic concerns of the giant oil companies?

A few months ago, the administration was ready to apply sanctions against Israel because Israel did not withdraw from Gaza, Sharm el Sheikh, and Aqaba as rapidly as the State Department wanted. The world saw the unedifying picture of the United States—a great power—threatening a little country—Israel. It seems incongruous that the United States and the United Nations have one standard of morality when dealing with the Soviet Union and another when dealing with little Israel. In this case, Israel received treatment from the hands of the State Department which that agency would never have scrupled to use with a larger state.

The Israeli withdrawal from Gaza and Aqaba was slow and deliberate. A slow retreat was natural after Israel's campaign against Egypt. Israel naturally wanted to exercise control over the bases of the fedayeen raids as long as she could. Israel's blitzkrieg was a war of self-defense. The fact that these forays have recommenced, on a small scale, shows the correctness of Israeli strategic assumptions.

Besides threatening to apply sanctions to Israel at the time of the Suez crisis, the administration cut off aid to Israel. This meant that Israel did not benefit some months from a grant-in-aid program, a technical-assistance program, or a surplus food program. At a time when Israel was still admitting large numbers of homeless Jewish refugees from Poland, Hungary, and most desperate of all, Jews who were being expelled from Egypt with nothing but the ragged clothes on their backs, the withdrawal of American aid was a serious blow. Curtailment of United States aid worked serious hardship on the refugees as well as on Israel's economy. The State Department also denied passports to Americans of Jewish faith who wanted to visit Israel for a period of some months, including the period of the Passover, an important Jewish high holy day, in April of this year. Another byproduct of the State Department's decision was to deprive Israel of an important amount of foreign exchange. Israel needs foreign exchange desperately to import goods and machinery to be used in national development.

One of the most shocking results of the State Department program for the Middle East has been our military alliance with Saudi Arabia. We have mistakenly supplied arms and aid to the feudal state, whose rulers have always been in agreement with Nasser that Israel must be wiped out, and have received American arms which may be used in an attempt to do just that. So great is the regard of the State Department for Saudi Arabia that President Eisenhower received King Ibn Saud even though he refused to receive Prime Minister Anthony Eden of Britain.

King Ibn Saud rules a large and wealthy country. He draws even greater wealth from American economic aid and oil royalties. Ibn Saud's personal income runs into billions of dollars annually; yet, Ibn Saud is a notorious slaveholder, and many of the ruling family and high Saudi dignitaries are slaveholders. So far the United States has refused to participate in the United Nations antislavery campaign because the State Department considers participation in this worthy drive as interference in the internal affairs of a foreign state. The state which is meant in this declaration is, of course, Saudi Arabia—which is the chief slaveholding nation today. Islamic missionaries are encouraged by Ibn Saud to convert the Negro population of East Africa, and many of these travel to Mecca. Somehow a large proportion of them never return to their East African villages. Slaveholding and slave trading are repugnant to all Americans. Yet the State Department has chosen to forget that it was less than a hundred years ago that this country was locked in a death struggle over this identical issue. A struggle in which thousands of Americans who felt a passionate hatred of slavery lost their lives.

In order to acquire a military airfield of questionable strategic value in Saudi Arabia the United States signed an agreement with Ibn Saud in 1951. In return Ibn Saud has been receiving tanks and other military hardware designed for use in his eventual campaign for the extermination of Israel. This arrangement was renewed at the time of Ibn Saud's recent visit to the United States. The United States-Saudi agreement provides specifically for the exclusion of undesirable military personnel, that is, persons not acceptable to Ibn Saud and his clique. This is nothing more than a legalistic device to bar American Jews—who serve in the Armed Forces along with everyone else—from visiting, living, or working for American defense in Saudi Arabia. Although this agreement was accepted, and hence endorsed by the Eisenhower administration, it represents a flagrant violation of constitutional guaranties which give Jews that same right as all other citizens. The final jurisdiction over an American airbase is a matter for Americans to decide, not Arabs. Restrictions on personnel affront American sovereignty—and even more important dilute and defile American honor—no matter where they may take place. Saudi Arabia compounds its techniques of racial discrimination with blacklisting of any American firms trading with Israel, and persecutes any Americans within range who have contributed to the United Jewish Appeal or who hold Israel bonds. American import-export firms controlled by Americans of Jewish faith are subject to various discriminatory practices.

The discrimination practiced by the Saudi Arabian Government has not passed unnoticed by the Congress. It was only on the 25th of July last year that the Senate passed a resolution condemning and deploring certain discriminatory practices against American citi-

zens on the part of foreign states. In spite of this Secretary of State Dulles could say: "We do not like to acquiesce, but we have to recognize that Saudi Arabia is our ally."

When the United States can conclude international agreements including racial discrimination clauses of this sort, intelligent, nonpartisan observers must conclude that American assurances to Israel are meaningless. It would be well if the United States would abandon its pro-Arab, anti-Israel Middle Eastern policy in favor of a more objective trend which would contribute to peace in that area and the well-being of both Jews and Arabs.

Transmitting all of the features of United States activity that smack of appeasement, we congratulate Israel on her remarkable progress disclosing great economic development under difficult circumstances.

We appreciate what Israel needs most is peace. We know that this little country will continue to strike hard for the cause of freedom since she has already won two victories for the sake of freedom and liberty.

As Israel goes forward to write her glorious history, America and the world should promise her evenhanded justice to the end that the whole area can live in an atmosphere of right, decency, and productivity.

In such a climate the thatch aggression of communism cannot prevail.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I yield to the distinguished gentleman from Pennsylvania.

Mr. FLOOD. I am sure the gentleman would like to know that in 1945 I was a member of the Committee on Foreign Affairs of this House and introduced a resolution, which was later adopted by the House, calling for the establishment of a free and sovereign state in Palestine to be known as Israel. That resolution, as I say, was adopted by the House, and I am especially happy, therefore, to be here today and see the distinguished gentleman from Illinois make these commemorative remarks on the birthday of that gallant little state in the creation of which I was so proud to play a part.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I am glad to yield to our illustrious leader.

Mr. McCORMACK. I shall make remarks following the gentleman's remarks; but also for the RECORD I want to observe that I was chairman of the Democratic committee on platforms and resolutions in 1944 when, for the first time, there was a plank put in definitely for a free and independent Jewish nation in Palestine. The resolution that my friend from Pennsylvania referred to followed that at a later date, and was adopted by the House.

Mr. BOYLE. I thank the majority leader.

Mr. SCOTT of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I am glad to yield to the gentleman from Pennsylvania.

Mr. SCOTT of Pennsylvania. Mr. Speaker, I congratulate the gentleman for calling the attention of the House at this time to this felicitous event in commemorating, as we do, the ninth anniversary of Israel, the only democracy in the Middle East, whose valiant struggle for freedom and perpetuation of the principles of liberty, which are dear to all free peoples, establishes them as leaders in bearing the standard of liberty in the forefront of the civilized world. I would also take this time to recall to the Members of the House the fact that in 1948 the first public official, among those stars of greater magnitude, to endorse the establishment of the State of Israel as a free nation was the then Governor Dewey, of New York, whose action gave a great impetus and assisted in developing the nonpartisan sentiment of this country for the creation of the State of Israel, and the action by the then administration in favoring the recognition of Israel came shortly thereafter, in response to the impetus provided by the statement of Governor Dewey.

Mr. BOYLE. I thank the gentleman from Pennsylvania.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I yield to the gentleman from California.

Mr. McDONOUGH. I want to congratulate the gentleman for bringing this commemorative anniversary to the attention of the House and congratulate the State of Israel, which has assumed great importance among the nations of the world in spite of its smallness. But, because of its strategic location and because of the position it occupies in the Middle East and the fact that the United States sponsored the State of Israel, we have a responsibility for its continued existence. This is a memorable occasion. It has weathered through some very difficult times in the past 9 years. It has stood up against great adversity, shown great courage and determination, and its continuance, in my opinion, in the Middle East as a democracy is a great asset to the United States. I am happy to join in the commemoration address of the gentleman from Illinois.

Mr. BOYLE. I thank the gentleman for his cooperation.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I yield to my distinguished colleague from Illinois.

Mr. O'HARA of Illinois. Mr. Speaker, I wish to commend my distinguished colleague from Illinois and my dear friend, Mr. BOYLE, and to join with him in his remarks. Israel has no better friend in the Congress, and the friends of Israel in this Congress are legion, than my colleague from Illinois. Congressman BOYLE is known not only in this body but throughout the Nation as a tireless champion of the cause of Israel. For that he is to be commended, and for his eloquent as well as logical presentment today I join with others in this Chamber in applauding congratulations.

Israel to me is the bright area of sunlight in a troubled area. Sometimes I think of the young Lafayette, visioning from afar the fire of liberty that was burning on the American continent, and then following the call of destiny to join his forces with those of Washington. And as he then saw America and I think visioned how that fire of liberty on the American continent was to grow until it had affected mankind everywhere, so do I vision Israel and her future.

Here in a troubled area we have in the people and the Government of Israel all the qualities and all the attributes and all the circumstances of our own forefathers when from the forests they were carving the framework of a nation that was to be the servitor of all mankind.

Mankind always is marching forward. There is no status quo in the lives of men and of nations. Israel in a troubled area represents the new order that has come with machinery, invention and science. In that region of the world, where now the average man has only ahead of him years of misery and of poverty, Israel will bring the sunshine of the new industrial order. The Arab nations that now are disturbed in mind because the status quo is threatened will in time come to call Israel blessed.

It will be the same in that area as it was in our own beloved country. Chicago is a great industrial city, and if it were not as great and as rich and needing so much in goods and in food there would not be the prosperous farming regions of Illinois. As Israel grows and expands as an industrial center so will there be need of and buying power for the broad agricultural regions occupied by the Arab nations. Israel and the Arab nations will become trusting partners in the joint adventure of opening a continent to a progress that will not cease in its advance until poverty in a world of richness has been driven from the homes even of the humblest.

I do not wonder that Rabbi Morton Berman, veteran of World War II and deeply embodied in the affection and the admiration of all the people of Chicago, is soon to depart from the site of his friends and of his fame to make his home henceforth in Israel. As Lafayette saw beckoning to him the destiny of America, and followed where he was beckoned, so is Rabbi Morton Berman following the beckoning of the destiny that he visions in the future of Israel.

The doors of Israel are open to the poor and the oppressed. Many on arriving there have no possessions, only determination and willingness to be a part in the march of progress of which Israel is the symbol. Rabbi Berman will be leaving a position of security and of high honor. All that he will be casting aside to become a part of the great movement forward for which the State of Israel stands. Many of the others coming to Israel will be leaving nothing behind, except the miseries of poverty and the pangs of discrimination. So it was with our own country, those who gave up much and those who had little to leave behind, but they all brought the same spirit, the same determination, the same devotion, all responding to the call of destiny. That is the way man always climbs from one plateau of human existence to a higher plateau. That, Mr. Speaker, I think, is the way Providence intended it to be.

I am very happy to have this opportunity of contributing these humble remarks on the glad occasion of Israel's 9th birthday. Every day that I have

been in the Congress I have been the friend of the State of Israel. In every session of the Congress of which I have been a Member I have been honored to join with members of congressional committees waiting upon the Secretary of State in Israel's behalf. In serving the cause of Israel I am serving in the very best sense the cause of my own beloved country and of the world of free government and of human dignity in which my own beloved country is the leader.

The bonds uniting Israel and the United States will never be severed.

Again I commend my dear colleague from Illinois, Mr. BOYLE, for having set aside this hour of our deliberations for a proper observance of Israel's birthday. I am thankful to him for the opportunity afforded me of speaking from my heart on a subject that is deeply embedded in my heart.

Mr. BOYLE. Mr. Speaker, I thank the gentleman very much for his remarks. I think his appraisal of my efforts and my feeling is a little too laudatory, because actually through the years there have been few individuals in the House who have displayed the gentleman's own intensity of purpose and devotion to the cause of Israel.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I yield to the distinguished majority leader.

Mr. McCORMACK. The gentleman earlier referred to the pro-Arab policy on the part of the administration. Am I correct?

Mr. BOYLE. The gentlemen is correct.

Mr. McCORMACK. I agree with the gentleman that they took a pro-Arab policy when they could expect no benefit from it, and I would go further and say that as a result of the policy in the Middle East, or in spite of it, Nasser has grown stronger and been drawn closer to the Kremlin than ever before.

The gentleman has referred to Britain and France. The rug was pulled out from under them and their whole influence in the Middle East was destroyed. The only other power in the Western World capable of filling the void that was created was the United States. So as a result of that policy we have in the Middle East we are there alone. We have not made any gains at all. Is that right?

Mr. BOYLE. That is true in every word.

Mr. McCORMACK. As to this policy, the Middle East policy, it is quite apparent that if the British and French had not had to pull out of there it would have been unnecessary for us to pass the Eisenhower resolution. We are in there now unilaterally, because when the influence of the British and French was destroyed in the Middle East the Kremlin would have taken over the whole area by default unless some great nation's influence was injected into that area again. The British and French could not go back, and you could not have any of the little countries go in there. There was only one country that could do it, and that was the United States. We are in there because they realize now, that when the void was created there by the dissipation of the influence of the British and French in that important area, that only the powerful influence of the United States in the non-Communist world could go in there and keep things in balance.

Mr. WITHROW. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I yield.

Mr. WITHROW. I have listened to the remarks of the distinguished gentleman from Massachusetts. I remind him that there is no war going on, there is no shooting, and our boys are not dying on foreign soil. I think at all times when that sort of argument is presented that we should keep that in mind.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I yield.

Mr. McCORMACK. That is a very sweet statement to make. We are on the defensive everywhere in the world. The Middle East is a capitulation, the Middle East is another Munich; that is what the Middle East situation is. Do not deceive yourself. Where are the friendships of 5 years ago? Those friends have turned neutral, or we have lost them. We had Indonesia 5 years ago; they are anti-American today. Where are our friends in other countries? They are neutral.

So I say to my friend from Wisconsin—whom I like—when he continues to think and talk that way that the defection of just one country, either France, West Germany, or Italy, should either one of them go communistic by any chance—and we hope and pray they will not—then all Europe will have difficulty in remaining out of the channels and domination of the Kremlin. That would be disastrous for us.

When the gentleman says there is no fighting, sure. We can have peace; yes; we can get down on our knees to the Communists, if you want to, but that is not the kind of peace I want.

Mr. WITHROW. I can assure the gentleman we do not either.

Mr. McCORMACK. You are pretty close to it when you talk the way you do, though.

Mr. WITHROW. I can assure the gentleman that we do not want peace if we have to get down on our knees; and we are not.

The remarks the gentleman has made in covering the globe and saying that our foreign policy is bad I think are entirely in error. I think the real test is whether or not our boys are being subjected to fire abroad.

Mr. McCORMACK. I am sure the gentleman remembers that Chamberlain thought the same way.

Mr. WITHROW. And the other references the gentleman made are entirely irrelevant. I do not believe that the gentleman is qualified at this time to cover the globe as he has.

Mr. McCORMACK. I think in the world we have today we have to be strong and firm, not weak. Only the other day the New York Times, which is not a Democratic organ, in an editorial referred to Munich. When the New York Times gets to thinking that way, the situation must be very bad.

Mr. AVERY. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I yield to the gentleman from Kansas.

Mr. AVERY. I ask the gentleman to yield so that we might bring this down to firmer terms, so far as the majority leader is concerned. I believe the gentleman said a few minutes ago that if we had had the proper policy when the French and English went into the Middle East area we would not have been faced with this critical problem today. Will the gentleman tell the House what he would have done to better stabilize our position? Would he have committed our boys abroad at that time?

Mr. McCORMACK. One thing is certain, I would not have destroyed the influence of a friendly nation. Even if I did not agree with that policy, I would not gang up with the Soviet Union, as was done in the use of the United Nations, to browbeat France and England. Does the gentleman admit that we voted with the Soviet Union in the United Nations?

Mr. AVERY. We voted with the Soviet Union in the United Nations, but I will not go along and say that we collaborated with the Soviet Union.

Mr. McCORMACK. Did I use the word "collaborate"?

Mr. AVERY. What word did the gentleman use?

Mr. McCORMACK. I ask the gentleman, Did I use the word "collaborate"? I said we voted with them, and the gentleman admits we voted with them.

Mr. AVERY. Previous to that statement the gentleman used the words "gang up" that I thought meant collaborated.

Mr. McCORMACK. The gentleman's interpretation is his own.

Mr. GROSS. Mr. Speaker, would the gentleman yield?

Mr. BOYLE. I yield to the gentleman from Iowa.

Mr. GROSS. In the case of Saudi Arabia, with its practice of slavery, which the gentleman has condemned—and I condemn slavery wherever it may be found—if Saudi Arabia should be invaded, under the so-called Eisenhower doctrine for which the gentleman voted, the United States troops could be sent in to defend that form of government, which practices slavery and other distressing things, could they not?

Mr. BOYLE. I would answer positively that they could if requested by the government in question. I voted for the resolution as I had voted for the previous Formosa resolution, when I was a barefaced freshman. The Formosa resolution drew an imaginary line along the Pescadores. I thought we should take the better of two alternatives. And I submit in the light of what has transpired, when the 6th Fleet went to the Mediterranean and Middle East recently and order was restored, it was the wise thing to do.

Mr. GROSS. Of course—if the gentleman would yield further—we did not need the Eisenhower doctrine, with all that it implies, to send our Mediterranean Fleet into the eastern Mediterranean. Such action has been taken before without any so-called Eisenhower doctrine.

Mr. BOYLE. The gentleman from Iowa [Mr. GROSS] has been very articulate and has been very helpful to the Congress in pointing out some of the possibilities. I feel we were justified in passing the Formosa resolution and also the Eisenhower doctrine because there had been so many declarations on the part of the President, on the part of the Department of State, on the part of Secretary Dulles, on the part of our admiral down there, and even on the part of Vice President NIXON, that I took it upon myself to vote, in behalf of my constituents, in favor of the Formosa resolution; and following the same line of reasoning I voted for the Eisenhower doctrine. I do not think it is the greatest piece of legislation that was ever enacted. But I do feel that in this revolutionary era we have to take a firm, solid position, and I would do it tomorrow if called upon to do so.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Mr. Speaker, Israel marks the ninth anniversary of its founding today, an occasion in which her friends throughout the world join in paying tribute to this brave little land. It was good to read in the press this weekend that tensions are momentarily lessened in the Middle East and that Israelis may observe their anniversary with lighter hearts than they have known in many months.

Although only 9 years old, Israel has known almost constant tension, uncertainties, and fears, making even more miraculous its great accomplishments. With courage, conviction, and faith, the Israelis have caused the desert to blossom like a rose, while at the same time defending their borders and holding wide open their gates to the tattered, bewildered hordes of refugees seeking escape from persecution.

To those who have stood close by and watched Israel grow, its progress has been an inspiration, and an achievement awakening admiration and respect.

As one of a group of congressional legislators, I have had a deep feeling of friendship for Israel since its first early struggles to gain statehood. In 1946 when that tiny nation was undergoing its birth throes I sought to visit its shores during a pre-Marshall plan inspection trip. My desires were thwarted by the State Department, which felt my visit inadvisable in view of the sporadic outbursts of street fighting that characterized that uneasy period. I have had some trees planted in my name on the hills of Israel, and I am hoping that someday before too long I will have the opportunity to see for myself all that has been happening in that brave Middle East bastion of democracy. I want to see the trees that in my name are making green the desert sands; I want to meet and talk with the brave men and women, and the children, too, who are tilling the soil, building the dams, and wresting from the earth the richness of the Holy Land. I salute them today, 9 years since the flag of Israel first fluttered the announcement of the birth of that new state, as they work with eyes on their shaky frontiers but hearts aflame with pride and thanksgiving, that theirs has been the destiny to deliver their people into this their promised land.

May Israel enjoy peace and happiness on this ninth anniversary, and may the future bring the fulfillment of the promise of that day, when every man shall sit under his own vine and fig tree, and none shall make him afraid.

Mr. BOYLE. I thank the gentleman for his felicitations to Israel on this glorious occasion.

Mr. McCORMACK. Mr. Speaker, many centuries ago, long before the beginning of our Christian era, there was the independent Kingdom of Judea in which the Jews lived happily in their chosen patriarchal ways, developed their mode of life, built their own political, religious, and social institutions, and created their distinct civilization, one of the oldest, not only in the ancient Near East, but in all history. Then, about 2,000 years ago, the Kingdom of Judea was overrun and came to an end. Thereby the Jewish people not only lost their national political independence but they were evicted from their ancestral homeland and eventually dispersed in all parts of the world.

Since those distant days nearly all Jews lived in what has come to be known as diaspora, that is, in dispersion. During that long period of exile from their ancient homeland the Jewish people suffered much; they endured proscriptions, discriminations, and multitudes of inequalities in many lands. But they faced their almost endless vicissitudes with exemplary fortitude. During all that time their spiritual and cultural heritage sustained their spirit of freedom and independence. Through the centuries that unique heritage was kept alive; it was carefully nurtured and jealously guarded. Finally, after long centuries of awaiting and suspense, many Jews were afforded the opportunity of returning to their ancient homeland. And in May of 1948, with the proclamation of Israel's independence, they launched once more upon an independent political existence.

That was only 9 years ago. The creation of the State of Israel was not easily or effortlessly achieved. It was the culmination of strenuous and persistent efforts toward the accomplishment of a noble, sacred task, undertaken under hazardous conditions. Today the State of Israel is the best living testimony for the persistent and tenacious efforts put forth by self-sacrificing Jews for the common welfare and safety of all. Through studied and strenuous efforts, by 1948, Palestine had become a safe refuge for homeless and destitute Jews. And on May 15 of that year, when the leaders of the Jewish people proclaimed Israel's independence, herculean work had been done toward the creation of the new state. For instance, in the course of a single generation—1922 to 1948—the Jewish population of Palestine had been increased by almost tenfold. On the eve of Israel's independence there were some 650,000 Jews in the country, and that was a good, auspicious beginning, a good start for the new small state. This was especially true because the newly arriving immigrants were dedicated to the single cause of making Israel a new center of spiritual and cultural life and a haven for persecuted Jews throughout the world. At the present time there are more than 1,600,000 Jews in Israel and the population is still increasing. A large majority of the immigrants are under 50 years of age, which means that the Israelis are a youthful people and possess youth's energy and enthusiasm.

Today Israel is a living, growing and powerful entity in the Middle East. It is a lively and dynamic state. It is a democratic and progressive state with representative governmental institutions. It is a small but strong state to be reckoned with in all phases of Middle Eastern affairs. In many respects it is a model state in that part of the world. The Israelis are known for their industry and ingenuity, and they have displayed these fine traits in the building and in the improvement of their country. They guard their newly won freedom in their ancient homeland with extraordinary vigilance and uncommon bravery. With enthusiasm and energy they are doing their utmost to turn the desert of the Negev into a fertile land, and the hills of Galilee into blossoming orchards and a land of plenty. By the skillful use of science and the technical abilities of their people, by the erection of hydroelectric power stations, by installing petrol refineries and by laying oil and water pipelines, the Israelis have transformed arid and inhospitable hills and desert plains into industrial centers and productive farmlands. In many spheres of activity the Israelis have worked near-miracles in a relatively short time.

Today on the celebration of the ninth anniversary of its independence day the State of Israel stands as a new and encouraging phenomenon in the Middle East. It is fast becoming the most industrialized urban community in the midst of underdeveloped rural communities. To some extent it is already in a position to export many finished products, even though much of the raw material needed for industry have to be imported. Economically and financially Israel is dependent on trade, but as she does not have sufficient trade to take care of her needs she is dependent on foreign aid. In this respect the response of Jewish people in the United States and throughout the world to the needs of Israel is admirable and most encouraging. They make great sacrifices to assist their relatives and friends in the new State. Of course the Government of the United States has also given funds and material aid to Israel. The Government of this country has also been carrying on a program of technical assistance to aid the Israelis in such fields as agriculture, health, industry and education. These programs of aid symbolize the respect and friendship that the American people have for the young nation.

Politically and on the broad diplomatical front, the State of Israel has had its anxious moments and parlous days. For that reason since its creation it has been turned into an armed camp, and she has done this willingly and has

shouldered its heavy financial and material expenditures. Before all else the new state has to be defended at any cost and the Israeli leaders seem to have had a realistic approach to this problem. The events of the conflict with the Arab countries, including the recent fight with Egypt, are only too familiar. Though full-scale war on all fronts has not taken place, still, the problem of peace between the State of Israel and the Arab states is far from being solved. No Arab state has as yet recognized Israel's official existence, and of course no Arab government has diplomatic intercourse with Israel. There is only a precarious and an uneasy truce. It is gratifying that Israel has persistently pressed for the amicable settlement of all outstanding issues with her Arab neighbors, and she has not been discouraged by the rebuffs and verbal repulses with which her peace overtures have been greeted.

After 9 years of uneasy but very busy existence, today Israel can proudly claim the right to be recognized as an upstanding member of the family of nations. Under most hazardous circumstances and trying conditions, harassed on nearly all sides by implacable enemies, she has moved forward and has made steady progress. Despite the multiplicity of difficulties and dilemmas, economic and financial hardships, fiscal problems and political uncertainties, the people of Israel face the future with confidence and justified pride. They continue their task of making Israel an ideally viable state with undiminished zeal and boundless zest. On this day, on the celebration of the ninth anniversary of Israel's Independence Day, I wish them peace, prosperity, and happiness, and express my ardent hope that success will reward their efforts to create a strong and stable state in their ancient homeland, a state which will endure as a force of peace in the troubled Middle East.

Mr. ZABLOCKI. Mr. Speaker, I want to join my distinguished colleagues in commemorating the ninth anniversary of the State of Israel.

It is regrettable and tragic that this anniversary finds the Middle East torn with conflict, enmity, and fear. That vital region of the world, the cradle of ancient civilizations, should enjoy a more peaceful and pleasant state. Surely there is enough room there, and a wealth of human and natural resources, to accommodate the legitimate aspirations of the people of that region. With good will toward each other, and the cooperation of the free world, the nations of the Middle East should be able to work out their destiny in peace and harmony.

As we congratulate the State of Israel upon its ninth birthday, we are all mindful, I am certain, of the grave responsibilities which rest upon its shoulders: the responsibilities of providing a constructive example of democracy at work, and of striving with vigor and perservance for a peaceful solution of the Middle East problems.

The birth of the State of Israel constituted the fulfillment of the hopes and dreams of countless persons of Jewish faith and ancestry throughout the world. Surely no state, born of such deep hopes and prayerful aspirations, can disregard its mandate by failing to live up to the faith which has been placed in it. I join with people of good will throughout the world in congratulating the State of Israel upon its ninth anniversary, and in expressing the hope that the State of Israel shall stand like a beacon of democracy, truth, and justice for many years to come.

Mr. ADDONIZIO. Mr. Speaker, I am very proud to add my congratulations today to the State of Israel on the occasion of its ninth anniversary.

The custom of annual celebrations for great moments in a nation's history has become so common that it is a temptation, generally, to observe them with a few pleasant platitudes. But today's anniversary is altogether different. Israel's existence now, in the 10th year after the United Nations officially signed her birth certificate—itself an act without precedent—is not a matter merely for great joy, but perhaps for even greater astonishment.

Israel's infanthood was one of problems. The day of her inception was the first day of a bitter war against 5 Arab neighbors with a population 5 times her own. A short time later, she received, within a brief space, 680,000 refugees, a number equal to her own population. These she had to feed, clothe, house, and fit into an economy strained drum tight. And what of her natural endowments? An arid, uninhabitable desert constitutes three-fifths of her land. The rest produces only by means of constant, backbreaking effort.

Against these odds, Israel pits her greatest asset: Her people. She schools all her children; she adjusts to their new life the refugees from Europe and the primitive people who have sought refuge from Asian and African lands; she has in her people the will, the intelligence, and the persistence to dig deep into her land and to make the most of its mineral and agricultural resources. Against the hostility that arises from primitive illiteracy and ignorance, from censor-choked dictatorship, from jealousy, she pits the complete, open democratic way of life that is symbolized by a representative Parliament, by a free press, by free elections, by equality in opportunity. Against the need for constant military preparedness, she pits the determination of her citizens to stay and to sacrifice as long as necessary. Against a world split into two camps, she dares to be independent and morally responsible.

This lustry little State has managed to achieve the impossible. She has kept her doors open to those Jews still homeless and still denied other harbors. Maintaining her honor and her dignity even though her friends in other lands are so distant from her physically, she is a strange and wonderful sight in a region whose leaders dedicate themselves to her destruction.

In the midst of the turbulence of the world situation today, whatever long and stony path must be followed to achieve a solution of Middle East problems, the starting point for the future is clear: The State of Israel is a fact, the State of Israel is here to stay.

Mr. CELLER. Mr. Speaker, the ninth anniversary of the birth of the State of Israel marks more than the occasion of promise and fulfillment—for the State of Israel is just that, both a promise and a fulfillment. This anniversary is a frame for the drama of history.

Nine years ago the term "Middle East" meant little or nothing to the peoples of the world. If it meant anything at all, it meant the exotic: camels, the hoods and robes of Moslem horsemen, desert, and drought. To the statesmen, to the geopoliticians, to the colonial powers, it meant the passageway to three continents, oil, the lifeblood of Europe—but never people.

But now, the term "Middle East" snares the headlines. The concentrated attention of all the powers has turned in that direction. The issue of war and peace is at stake.

But in these intervening years from public indifference to public anxiety, a little state was born, struggled, and grew, bringing into that region its first taste of democracy, introducing its concept of the dignity of the individual, bringing culture and science, and even water, to an area which mankind had chosen to forget. A little state of not quite 2 million people commanded the attention, through its brilliant spokesmen, of the United Nations.

In poverty and distress amid a sea of hostile neighbors, it opened its doors to the oppressed and forgotten Jews all over the world. It brought industry and shipping to the desert. It revived the soil and, withal, fed the spirit of learning and inquiry. And it had an army, an army whose secret weapon was first, its respect for human intelligence, and second, its dedication to the survival of this tiny piece of earth.

Israel is the past, the present, and the future, and its enemies those who dwell only in the past, self-deluded in that they see the future only if swallowed by the past.

It is an amazing history—a very short history—this history of a small, independent, democratic state which, with all the odds against its survival, nonetheless survives and grows. It is a monument to man's inconquerable spirit that, out of tragedy and waste, could come this kind of growth toward light, toward peace, toward the freeing of man's soul.

Four times I have traveled to Israel and on each of the four times I saw the evidence of man's endurance and his will to live. The accomplishments of Israel have the stature and strength and beauty of an epic saga.

Mrs. CHURCH. Mr. Speaker, over this past weekend, there have occurred throughout the depth and breadth of the United States happy but solemn celebrations of the ninth anniversary of the founding of the State of Israel on May 6, 1948.

It is a moment in history when those of us who love freedom and recognize the rights of peoples to self-government should give heed to the signal success of that small nation. It is a time in history when we should equally give heed to the need of free men everywhere to unite in defense of our basic freedoms and similar rights wherever they are exercised throughout this torn world.

I have expressed to all those who have faith in the importance of the survival of Israel and to all those, in fact, who hail the dreams and hopes of that small but competent nation my own desire that as quickly as possible a solution be found for those great problems which at present are preventing all countries in that area from reaching their fullest development and are preventing their people from reaching the highest level of security and well-being. I have pledged myself to make every possible effort to seek the basis for such lasting peace in the area as may make it possible indeed for Israel not only to stand as a beacon of freedom but permit her also to implement that freedom to live in peace; and through that peace to meet her highest goals and to satisfy her richest ideals. I hope indeed that the day will soon come when such peace becomes an actuality and her full achievement becomes an unhampered reality.

I would also express my appreciation to those in this country who have shared her burden so gloriously and lent their strength to her.

Mr. RODINO. Mr. Speaker, the ninth anniversary of Israel's independence is an occasion of great joy for all who have watched this small state evolve into a democracy of prominence and stability.

That Israel has achieved so much in so short a time and under such trying circumstance is a credit to the fortitude, the intelligence, and the national spirit of the Jewish people. A people with less courage, less intelligence, and less spirit would never have achieved such a marked degree of success which has been theirs.

Israel's future is endangered. It has been ever since the birth of the Republic and will undoubtedly continue to be, so long as the surrounding Arab States carry on their policies and actions of calculated hostility. That there are pressing and difficult problems outstanding between the Arab nations and the Israelis cannot be denied. These problems can be solved, however; and they can be solved in peace, but only when the Arabs recognize the fact that Israel is an independent, democratic, republic endowed with all the rights, privileges, and obligations of legitimacy. Until that fact is accepted by the Arab nations as a premise in future relations the Middle East shall in all probability continue to be a cauldron of international trouble.

One of the most ominous aspects of the Israeli-Arab conflict has been the extent to which the Communists have seized upon it as a means for furthering their own aims. Without any pretense to seek justice Soviet Russia has seized upon this conflict as an instrument for expanding Soviet influence throughout the Middle East and North Africa. The Soviets have now become the champions of the Arab cause. They have sent arms to Egypt and other Arab States, and at the height of the recent Egyptian-Israeli crisis they even suggested sending "volunteers" to aid the Egyptians.

Under a veil of Arab nationalism communism is on the march in the Middle East.

And yet, there is a strange paradox in Soviet Russia's assumption of the role of benefactor of the Arab and Moslem peoples, because the greatest oppressor of the Moslem peoples today is the Soviet Union. For four decades the Soviets have been carrying on a campaign to destroy the culture and the way of life of the 26 million Moslems living within the Soviet Union.

These are troubled times for Israel. And there are no assurances that prospects for the future will be any brighter. However great the difficulties, a people richly endowed with so many natural gifts cannot fail to succeed. For centuries the Jewish people have defied extinction; they have demonstrated a power of survival that no other nation has. In this present struggle for survival they will succeed and this they will do in a spirit of justice and in peace.

Mr. DOLLINGER. Mr. Speaker, Israel is celebrating its 9th Independence Day and this is indeed a time of rejoicing for her people and her friends throughout the world. It is a time or rejoicing because she has survived her year of greatest danger, toil, and hardship; she stood up to here enemies and exhibited such courage that she has grown in stature in the eyes of the world; she has proved that she intends to maintain her integrity and independence regardless of the threats and aggressiveness of her enemies.

However. the horizon of her future is still shadowed. Her existence is still threatened by here powerful enemies who refuse to heed her plea for peace and who may decide at any moment to carry out their determination to crush her. It is heartening that her people have remained steadfast and undaunted in the face of all the hardships and dangers which have beset them and that they continue to work and sacrifice so that Israel's freedom may be preserved.

During the recent months of crisis, Israel had to direct all her efforts toward defense, as a result of which her economy was dealt a terrible blow. She must have the help promised by the U. N. and the United States; Nasser must be made to renounce his state of belligerency against Israel, and there must be an end to raids and sea blockades and boycotts.

Those of us who are interested in saving the State of Israel, the only truly democratic state in the Middle East; must give her all possible assistance, and we must not relax our efforts in any way until her peaceful existence is assured.

Mr. FARBSTEIN. Mr. Speaker, the ninth anniversary of the establishment of the State of Israel is being celebrated on May 6. I want to congratulate the people of Israel on this happy occasion and to express my admiration for them. Their courage and determination in building a homeland for the Jewish people against tremendous obstacles by man and nature has brought them world acclaim. They have built a united nation devoted to the principles of democracy and dedicated to freedom and liberty.

Americans are proud of the part they have played in helping Israel become independent and in strengthening her economy. In the Middle East, where we need friends to block the advance of communism, Israel is one of our staunchest friends and the only democracy in the entire area. By maintaining a democratic government, responsive to the will of the people, by its free press and representative democratic institutions, Israel has set an example of democracy in action that has no parallel in the Middle East.

In these 9 years, there have been constant threats to Israel's independence, but neither political nor economic hardships have deterred its people from their course. Many of these people have lived under conditions that recall the early days on the American frontier and they have displayed the same pioneer spirit. Though they were all Jews, they came from many lands, their backgrounds showed wide contrasts, and they spoke many different languages. With courage and fortitude, under the spur of adversity and the inspiration of an ancient ideal, they developed a united nation, dedicated to freedom and democracy.

The strategic importance of Israel to the West grows with each day. Despite the threats of the Egyptian dictator armed with Communist weapons, they have not permitted themselves to be turned away from the basic task of building the economy and security of their country. Today, with the development of the southern port of Elath, they are pointing the way by which the Suez Canal can be bypassed. With the Suez Canal in the grip of the Egyptian dictator, who does not hesitate to play the Communist game, alternate means to link the Red Sea with the Mediterranean have become vitally necessary in order to assure Europe the oil it needs for its independence and defense. It is unthinkable that Europe will continue to permit Nasser to control the lifeblood of its industry and economy through his illegal seizure of the Suez Canal.

Egypt will not be in a position to strangle Europe if a new land bridge is built across Israel in order to connect the Red Sea with the Mediterranean. This bridge from Elath on the Gulf of Aqaba to Ashkelon and Haifa on the Mediterranean makes it possible to bypass the canal with security. A 32-inch pipeline between these points would deprive Nasser of his monopoly by materially reducing Europe's reliance on the Suez Canal.

In spite of the great strains on her economy, Israel is continuing to provide a refuge and opportunities for new productive life to the persecuted and the homeless. Nasser's attack upon the Egyptian Jewish community has resulted in the expulsion of more than 15,000 innocent men, women, and children and the confiscation of all their possessions by Egypt. These fleeing people are finding homes in Israel. The Hungarian revolt against Communist oppression sent thousands more from that Soviet satellite to Israel. At the same time, the Jews of Poland are escaping Communist oppression in large numbers. Altogether this year, Israel will provide shelter and new homes for 100,000 Jewish refugees without regard to the staggering cost of such an effort.

On this ninth anniversary, I wish for the people of Israel that there will be an

end to the threats against their survival and that the bonds of friendship which they have with the United States will become ever stronger. I hope that in the interests of the free world, our Government will continue to help Israel in greater measure this year, because of the immigration burden that Israel has undertaken. I hope, too, that our Government will contribute to the establishment of new communications and other transport facilities between the Port of Elath and the Mediterranean coast. The wisdom of our insistence upon the independence of Israel has been fully confirmed and we have reaped benefits of many times our investment in that young nation.

Mr. FLOOD. Mr. Speaker, it gives me a great deal of pleasure to salute the brave State of Israel on the occasion of its ninth anniversary.

It will be recalled, Mr. Speaker, that it was I who introduced a resolution, House Concurrent Resolution 113, on December 13, 1945, calling for the establishment of a homeland for the Jewish people who, as a result of the effects of the war and persecution by ruthless and implacable dictators, had been disfranchised from their respective homelands.

I said at that time that the ruthless persecution of the Jewish people in Europe has clearly demonstrated the need for a Jewish homeland as a haven for the large numbers who have become homeless as a result of this persecution.

This homeland, I am very happy to say, has been established, established on a foundation of intrepid spirit and conscientious effort.

At last, the beleagered Jews have a home of their own in which to carry on a life which they had hoped and dreamed of but, again unfortunately, they have had to face another threat to their freedom which has been well documented in today's news. I know that Israel will continue to carry on its brave fight to protect its freedom as it has so nobly done in the past.

I wish at this time to express my congratulations to that gallant little state that has come so far in so short a time. When we stop to consider the great odds against them, we are forced to admire the unflagging courage and determination with which the 20th century pioneers of Israel have tackled their problems.

Perhaps the most difficult internal task for this young nation was the absorption of the refugees. In 1948, Israel flung wide its doors and displaced Jews from Europe, many of them penniless and broken by years of Nazi oppression, were given sanctuary.

When Jews from the Middle East and Africa asked admittance, they, too, were welcomed. Since that time the population of Israel has increased tremendously. Housing and food had to be provided and work found for the enormous influx. Seven hundred thousand people, fortified by their faith and ennobled with a cooperative spirit, made room in a country about the size of the State of New Jersey, for their less fortunate brothers.

Israel is today still faced with internal difficulties. Although great strides have been made in turning barren desert wastes into flourishing farmland, the country is unable to feed its own population completely from its own resources.

It is confronted with problems related to blending the diverse elements of its population, some of whom come from large urban centers, while others have migrated from areas with nomadic and tribal traditions. Ostracized by its neighbors and surrounded by borders bristling with hostile arms, Israel must pour vital funds into military preparation to defend its independence.

On this ninth anniversary of their independence, it is my fervent hope that the Israelis will find the peace necessary to permit them to continue unmolested their progress toward establishing in the Middle East a shining example of democracy at work. This, I am confident, they will do.

Mrs. GRIFFITHS. Mr. Speaker, under leave to extend my remarks, I should like at this time to join my fellow Americans in observance of an historic occasion, the ninth anniversary of the State of Israel.

The people of Israel are to be congratulated on this ninth anniversary of their independence. The road they have traveled has not been an easy one. At times it has been most discouraging, but Israel has made great progress and will continue to do so.

The threats to Israel's survival must disappear. The continued free existence of Israel is a "must" in every consideration of the problems in the Middle East. All negotiations with opposing sides must start with this fact as a basic premise.

It must be made clear to all that Israel is here to stay. She is a state, and as such is entitled to all the rights accorded every other state. As the only truly democratic state in the Middle East, any threat to Israel's survival is a threat to all free nations. Russia's push for control of the Middle East can be stopped by restoring peace between the Arab States and Israel. A lasting peace can only result from direct peace negotiations, for direct peace negotiations offer the hope of just settlements, satisfactory to both sides, settlements which could be permanent.

The United States has a duty to make a positive move in the United Nations for a definitive settlement of the Arab-Israel question through direct negotiations by the parties themselves.

Mr. ANFUSO. Mr. Speaker, as we celebrate the ninth anniversary of the establishment of Israel as an independent and sovereign state, we think back upon that historic day in May 1948 when the Jewish state was proclaimed. Coupled with the realization of a 2,000-year-old dream was the grave anxiety in Israel and in America over the outcome of this venture and what the future held in store for it.

Nine years have now gone by. Israel has emerged as a dynamic little state, a democracy in the true sense of the word. It has made great progress in every sphere of human endeavor. It has gone far in solving some of its economic, social, and humanitarian problems, in integrating nearly a million immigrants, in developing its limited resources, its industry and agriculture, and particularly in improving the standard of living of its population.

Israel, however, is still confronted with difficult international problems, with the security of its borders, its relationship with its Arab neighbors, and the problem of attaining economic self-sufficiency. If peace could be maintained in this general area, many of these problems could be solved in time. I strongly believe in the sovereignty of Israel and the sovereignty of any lawfully constituted state. The right of people to remain free and independent is a God-given right and should not be taken away by force.

It was most unfortunate that the relations between the United States and Israel, which had been most friendly and cordial during the past 9 years, became somewhat strained last fall as a result of the Sinai action. There was no cause or reason for this. Had the United States pursued its traditional policy in this matter, had we truly realized then the full meaning of Nasserism and its Communist coconspirators, had we understood that they were really not gunning so much for Israel as for the United States and our Western allies, we could have avoided much misunderstanding and tension.

Today, we all know that Dictator Nasser is not very much different from Dictator Hitler or Dictator Stalin or Khrushchev. Their attitudes are the same, their contempt for democracy is the same, their deeds are similarly outrageous, and it is by now axiomatic that no dictator is ever satisfied no matter how much he is appeased.

It is my deep regret that the United States has in recent years failed to pursue a firmer policy in the Middle East, as befits a world power such as ours. By now we are all aware that appeasing Nasser has not achieved peace and stability in the Middle East, just as appeasing Hitler in the 1930's did not achieve world peace.

It is high time for the United States to exert its influence and prestige in world affairs in putting this would-be Hitler of the Middle East in his proper place, if we desire to safeguard the Middle East against communism and the vital interests of the free world in this area. The removal of Nasser would be the best contribution to Middle East stability and world peace.

I wish to take this opportunity to extend sincerest greetings and best wishes to Prime Minister David Ben-Gurion and to the people of Israel on this glorious occasion. May they live to see their struggling young state achieve genuine peace in the very near future, and may they be destined to enjoy their freedom and independence for a long, long time to come. I also send my greetings and good wishes to all Americans of the Jewish faith, whose moral and financial support have helped to sustain Israel in its darkest days during the past 9 years.

Mr. BENTLEY. Mr. Speaker, I understand that today, May 6, marks the ninth anniversary of Israel independence day, and I think it appropriate to join my many other colleagues in the House from both sides of the aisle in paying our tribute and extending our congratulations to the Government and people of Israel on this occasion.

If there is one thing on which I believe the great majority of the American people feel as one, it is on the assumption and belief that the Israelis have proven their right to a continued independence and existence as a free nation. Speaking personally, I hope that we will do our best to establish friendly and cordial relations with all the nations of the Middle East. The problems of that area, however, cannot be finally settled until the Arab governments admit Israel's right to existence. Once this premise is established, all other present difficulties would, I feel, more readily admit of solution.

I hope that the expressions of friendship and good will that will be made all over our country in recognition of this anniversary will go far toward convincing our Arab friends of our deep and sincere convictions on this matter. If they realize beyond any doubt of our own feelings in this respect, I believe it may contribute to a change in their own policies. That is perhaps the best contribution which we can make toward stability and peace in the Middle East at the present time.

It is a privilege and pleasure to extend my own greetings and best wishes to the Israeli Government and people on this happy occasion and to express my sincere hope that future anniversaries will bring continued progress and prosperity to them. I also hope that time will strengthen the close and friendly relations between our two countries even more than they exist today.

Mr. MULTER. Mr. Speaker, today marks the ninth anniversary of the rebirth of Israel as an independent nation.

When we observed St. Patrick's Day on this floor 2 years ago, I remarked upon the fine feeling of brotherhood that caused our colleagues to participate in the celebration of that occasion. I commented on the fact that many of our colleagues traced their ancestry to Ireland, Italy, and Israel, and ventured the hope that, in 1957, Islam would cause its adherents to join us.

Recently we were visited by a great Irishman of the Jewish faith who helped strengthen the ties of brotherhood between men of good will.

Unfortunately, the recent visit of an Arab potentate had the opposite effect.

Our country missed a great opportunity to implement the traditions and principles that made our country great.

Instead of insisting that no country may discriminate against our citizens because of race or religion, our President and his Secretary of State backed away from those great and fundamental concepts of moral government and approved the ungodly conduct of a slave master.

This is not the only instance of these men attempting to lead us down the path of international immorality.

Look at what they do as to Egyptian refugees.

We rushed forward to save the Hungarian refugees, as we should have done.

But not one thing has been said or done to permit a single Egyptian refugee to enter this country.

There is no difference between the sad plight of the helpless and penniless Hungarian forced by Communist aggressors to flee for his life and the sad plight of the helpless and penniless Egyptian driven from his homeland by Dictator Nasser because Nasser, viciously and without right, has deprived him of his Egyptian citizenship and of his property and his home and ordered him out of his country.

In one instance, we blame the Communists. In the other, we must blame the Communist stooge, Nasser, the little Hitler of the Nile.

Another instance of trampling on our morals is found in the pussyfooting about the Suez Canal.

We talk big and firm and righteous to progressive, democratic, freedom-loving and peace-seeking Israel, or at least President Eisenhower and Secretary Dulles do. And they quiver and quake and bow and scrape and fumble and bumble before backward, dictatorial, hatemongering and lawbreaking Nasser.

In extending greetings and congratulations to Israel today and wishing it Godspeed on its path to prosperity, happiness, and peace, I urge our own officials to read the Ethics of the Fathers so that they may learn how to live by the Ten Commandments in our international actions as well as in our personal ones.

Mr. CURTIS of Massachusetts. Mr. Speaker, I am happy on this ninth anniversary of the independence of Israel to join in tribute to this brave new land and to all who have sacrificed so much for it.

The achievement of independence by Israel was an historic step in the forward march of freedom. On this ninth anniversary of Israel's independence day, friends of freedom throughout the world pay tribute to the brave and perservering founders of that new country and to those who have followed in their footsteps.

Having myself visited Israel twice in recent years, I know of the hardships endured by the pioneers who settled there, and tamed the desert lands and made them green, just as American pioneers years ago conquered the forests and the wilderness of this country.

Attacked and invaded, even in its infancy, Israel overcame its enemies, and has since forged ahead in agriculture, in industry, and in the arts, despite the blockade which it has had to endure from hostile nations on every side.

Israel has provided a haven for the persecuted and oppressed of every land. Israel's action in receiving and caring for these oppressed peoples, and bringing comfort and dignity into their lives is the greatest example of international charity in the history of the world. It has been well said that in Israel we see the rebirth of a people rising phoenix-like from the ashes of persecution.

Judged by every important United States standard, Israel deserves our sympathy and support. It is a democracy believing in the dignity of man and associated with Western ideals of civilization. It is developing a rich culture and high spiritual ideals. As a sovereign nation, its integrity should be zealously guarded by all peace-loving and fair-minded individuals and nations.

America has announced that the preservation of Israel is a basic tenet of her policy. This means not just existence, but peaceful existence with opportunities for trade and commerce. Such a policy must be implemented, and America's influence used to bring about a relaxation of tensions and bona fide negotiations longing to a peaceful settlement of the Israel-Arab difficulties.

Mr. REUSS. Mr. Speaker, there is no holiday dearer to the hearts of all Americans than Independence Day. On that day, Americans of all races, creeds, and national origins join in saluting their Nation and in rededicating themselves to our traditional but ever-living ideals of freedom and justice.

It is altogether fitting therefore that as Americans we should pause today to mark the anniversary of the independence of Israel 9 years ago. Israel, like our own Nation, secured its freedom in battle. Like America, too, Israel has been a promised land for millions of oppressed peoples seeking a new life.

Surrounded still by hostile neighbors, Israel stands out as a beacon light of democracy in the troubled Middle East. I believe that the United States has a profound responsibility to continue extending a helping hand to the Israeli people as they tackle the problems of building a new nation. Our technical assistance and economic aid will strengthen ties of solidarity at a time when the United States needs the reliable friendship of responsible governments.

Mr. Speaker, I am happy to join my colleagues in this well-deserved tribute to Israel on her independence day.

Mrs. ROGERS of Massachusetts. Mr. Speaker, this day, May the 6th, 1957, is the ninth anniversary of the independence of Israel. I am proud and honored to have this opportunity to commemorate this anniversary of the birth of a gallant nation.

Since its birth 9 years ago, the valiant people of Israel have convincingly demonstrated in this short time their fundamental belief in the freedom of man and their abhorrence of tyranny by resisting almost constant aggression to its homeland and constant efforts to annihilate its people. With remarkable determination, the people of Israel are succeeding in the building of an attractive, livable, modern and happy nation. If let alone by its neighbors and if all of the time and effort could be expended upon this building and construction, the progress that would have been achieved would have been amazing, even in this day of technical and scientific miracles.

As the future of this young, free nation unfolds, the great determination and unbreakable spirit of its people during these early years will forever glow like the sunset across the great desert as day turns to evening. Perhaps no other nation in the history of the world has existed throughout its days from the very beginning in such an atmosphere of tension and strife, of brutality and cruelty. Surrounded on every side by neighbors possessing violent hatred and prejudice, the great spirit of this new

nation of Israel has sought to do the right and has won the admiration of the entire free world.

On this ninth anniversary the burning question still is, Will Israel succeed? This question is in the minds and hearts of free men in free nations all over the world. It is my view Israel must succeed and therefore will succeed. I believe this is true with all of the conviction I possess, and I will tell you why.

Enemies possessed of prejudice and hatred may destroy a country's material resources and developments, and they may destroy individuals and families with their cruelty and brutality, and they may scorch the land, but these enemies can never annihilate and destroy the spirit of determined free men. The United States of America was the leader of the free world and the United Nations which established the nation of Israel. As this brave little nation was born the United States and other free nations gave it their blessing and their protection. We took our position then and we must stand by that position now and in the future. The time has passed when this Nation or any other free nation can permit one of its members to be destroyed. It is time to make it forcefully clear that any aggression in the Middle East will not be tolerated. The United States and other free nations assumed a responsibility 9 years ago, and the faith and dependency upon that responsibility must be kept if principle and honor are to govern the conduct of American foreign policy.

Israel has won its battle for freedom. This gallant nation is here to stay. It is time for the nations of the Middle East and elsewhere to accept this fact. As a nation, Israel will cooperate to the limit with any other nation who holds out its hand in friendship. Israel desires peace and wants to live in peace with its neighbors. The solution to the entire problem of the Middle East and to the removal of a possible source of world catastrophe is this cooperation among the peoples of these ancient lands.

With the establishment of peace and cooperation, great achievements would take place for the benefit of the people of this entire area. With the cooperation of the United States of America and other great free industrial nations, miracles in this part of the world would unfold. Peace would make it possible for the great desert to bloom for the benefit of all mankind. Peace and cooperation together can make brothers out of enemies.

Because of the confidence I entertain of this possibility, I believe in the future of Israel. I believe this new nation, so strong in spirit and so determined to succeed, will not fail. Someday it will bring so much light and so many benefits to the whole Middle East that these peoples will turn to their neighbors of this ancient land but new country of Israel with the realization that in friendship and cooperation and peace there is no limit to man's progress except the limitations of man.

Israel, on this ninth anniversary I salute you. I congratulate you on the greatness of your progress and the fineness of your spirit and the strength of your courage. In the cause of right you will forever stand.

Mr. KEOGH. Mr. Speaker, we should take particular pride in saluting the Republic of Israeli on the ninth anniversary of its founding, as we had a share in that founding. The citizens of Israel are of well-tempered steel. They must be for their young nation has had a succession of trials by fire and its security remains threatened.

Israel has been built by confident families. What has been accomplished in 9 years is an achievement rare in history. What has been done is all the more notable because it has been done by families working under the threat of national and individual extinction at the hands of unreasoning enemies. But their confidence has sustained and impelled them as they have proceeded toward the realization of a dream cherished through centuries.

And if Israel has enemies, it most certainly has friends. It is appropriate—yes, imperative—that this important anniversary be marked by renewed declarations of this friendship, so that the world may know that this brave and progressive nation continues to hold the active and sincere support and encouragement of all who cherish freedom and the principle of self-determination.

The vision of a Jewish homeland has been turned into a stanch reality in Israel, but blood, sweat, and tears have been spent in the transformation. Even more severe trials may lie ahead. In the application of the moral force of the United States toward the easing of Middle East tensions, we have a great responsibility not only for the advancement of justice to all interested peoples, but also for the preservation of the independence of a free nation which has had from its inception a special claim on our friendship.

Mr. DINGELL. Mr. Speaker, the State of Israel, today celebrating its 9th anniversary of existence, is both a unique phenomenon in history and a 20th century miracle.

No other nation whose independence we Americans commemorate came into existence in quite the manner in which Israel was created.

Her people have come for a 100 years to the Holy Land, the dispersed Jewish refugees of many lands, the survivors of persecution and discrimination, the orphans of war and pillage—from Europe, from Africa. Consumed by a desire to establish, at last, a homeland for a people whose many great contributions to civilization have too often been rewarded with treachery and extermination, the early settlers made the land fertile with their sacrifice, and proved to the world that given an opportunity, they could establish, in an area considered hopelessly barren, a true nation, upright, moral, hardworking, and courageous. So this unique nation is composed of dozens of kinds of people, ranging from professors of leading universities in Europe to the primitive refugees from Yemen, from the aged survivors of the Nazi Buchenwalds to the sturdy children who are now the third generation of native Palestinians.

And all of us must agree that Israel's existence is a true miracle. The day she became a nation, by solemn resolution of the United Nations and with the immediate recognition by our own Government, was the first day of her trial by war. May 14, 1948, is not a date in history which the people of Israel remember with only pleasant memories, for it was the initiation skirmish of the endless battles which have continued, intermittently, to this very hour. And yet here is this tiny country, no larger than the State of New Jersey, with its doors standing wide open to all those Jews who have found themselves men without a country, whose people consider the individual's right to a voice in parliament more precious than the luxuries which many of us consider necessities. If ever a new-born nation had the cards stacked against it, historically speaking, that surely was Israel. Its peace disturbed by constant frontier warfare, its pockets drained by the unprecedented demands of new refugees streaming in, its commerce impeded by hostile neighbors, its hope for future economic betterment blocked by those who would otherwise share in the benefits, Israel, nevertheless, has grown stronger with every passing year, and will remain the great beacon of democracy and civilization in the Middle East.

The great Dr. Chaim Weizmann, first President of Israel, said in 1948:

> We are a small country but a big people. We are a people of vast experience, vast political and social experience, and we must not be satisfied with just having a country of our own. It must be a country where people produce things which will indicate to the world that in the Jewish people there still live the same forces which gave the world moral and even social laws which the world still preserves. I should like, therefore, to see our schools and universities become models of perfection, our social laws and our relations with other peoples pervaded by a spirit of peace and the spirit of an old nation, which after a small pause of 2,000 years, has come home.

We in America rejoice with the people of Israel in these great ideals, and hope sincerely that they may soon come closer to realization.

Mrs. KELLY of New York. Mr. Speaker, I want to take this opportunity to pay tribute to the National Israel upon the ninth anniversary of its creation.

No nation has been forced to withstand more turbulence and strife. The past year was no exception but it highlighted the gravity of the conditions existing in the Middle East. It is most unfortunate that the United States did not foresee the grave complications that would arise from the seizure by Egypt of the Suez Canal Co. The refusal of the United States to recognize this as illegal and as a complete abrogation of an international agreement is one of the policies of this administration I fail to understand. This, following inaction by the United States and the free world when Egypt received offensive arms from the U. S. S. R. in 1955 is the basic reason for the present crisis. The United States must lead now in the demand that the basic, controversial issues in this part of the world be settled at a peace conference between the nations of the Arab world and Israel. The United States policy must cease to permit nations backed by Communist Russia to rattle the sabers and achieve their objective.

The failure of the United States to have a coordinated plan toward the Middle East with our allies, has divided the free world. The failure of the United States to understand the importance of the Suez Canal as a lifeline for Europe is shocking. The economy of Europe is dependent on uninterrupted transit through the canal. The exclusion of Israel in the use of the Suez Canal is a blockade to a sovereign nation and must not be permitted to continue. The United States contribution to the rebuilding of the Suez Canal which had been destroyed by Egypt should not have been committed unless the use of the canal was guaranteed to Israel.

The Eisenhower doctrine for the Middle East does not meet the real problem of Russian infiltration in that area. It establishes a United States "go it alone" policy which is not consistent with the collective defense policy for other regions of the world. France and England must be partners of the United States in all alliances. The action of France, England, and Israel should not have drawn sanction from the United Nations, but it could have been used as a bargaining point to achieve that which was desired—a settlement of the issues which caused the unrest in the Middle East.

At a time of ferment and crisis in the Middle East, it is refreshing to pay tribute to an element of stability and progress in that area—one of the youngest nations in the world, the Republic of Israel. The 6th of May marks the ninth anniversary of the birth of Israel and the realization of a dream kept alive for over 2,000 years by the Jewish people all over the world.

Perhaps no other people, in struggling to achieve national independence, have endured more hardship and suffering and yet remained so steadfast in their objective as the people of Israel. The First World War saw the movement for a Jewish state in Palestine take shape. But, it was not until after the Second World War, during which millions of people of the Jewish faith perished, that the new Jewish state came into existence. Millions of Hebrews have now returned to Zion and have created, under adverse circumstances, a modern, democratic state. This triumph is the greatest tribute to the traditional genius of the Hebrew mind.

Since May of 1948, Israel as a national homeland for world Jewry has been a vital, going concern. Its emergence as a state has had profound impact in the Middle East and in world affairs. Guided by determined, courageous statesmen, Israel has made magnificent strides in the past 9 years. Its dynamic immigration policy, which has increased the population in Israel from 62,000 to 1,500,000 in 30 years, is ample proof of its vitality and progressive orientation.

No other state has accomplished so much with so little in so short a time. Hundreds of acres of former barren desert have been brought under cultivation. Immigrants have been successfully settled in communal villages. Their labors have increased agricultural production toward the ultimate goal of self-sufficiency in food and raw-material output. Israeli industry is developing rapidly. Cities are being expanded and modernized. A dedicated effort to develop the arts and sciences is generating a rebirth of Hebrew culture.

Today Israel represents one of the outposts of Western civilization in Asia. It is a vital democracy responsive to the will of the people. It is dedicated to their welfare. Although it is not strong in terms of area or armed might, it is one of the most vigorous advocates of those principles of democracy and freedom which bind the people of Israel with the people of the United States in the struggle against Communist tyranny. We salute Israel on this great anniversary of her birth and hope that the State of Israel will achieve in the coming year her just recognition among all the nations of the world, particularly those in the Middle East. To this, the United States must pledge her support.

Mrs. DWYER. Mr. Speaker, today I am proud to join with other Members of the Congress in paying tribute to a courageous and freedom-loving nation.

It was 9 years ago that the new nation of Israel was born.

During these years, many grave problems have faced this infant nation. The blood of her heroic sons has been the bitter price of winning her independence and protecting her borders against her enemies. The sweat and toil of her people have turned a desert land into a prosperous and progressive nation. The freedom-inspired aspirations of her patriots have made her the citadel of the free world in the troubled Middle East.

Today, the racial, religious, and economic tensions and the hostile ambitions and philosophies of some of her neighbors still threaten the peace and, indeed, the very survival of Israel. It has been made increasingly evident, by events of the past year, that much of this unrest and hostility has been stirred by the Kremlin.

That is why I believe it is most important for us in the Congress today to rededicate ourselves to that basic tenet of our foreign policy—the preservation of Israel's independence.

Israel, by voluntarily withdrawing her troops from a neighbor's soil, gave evidence to the world of her good faith and adherence to the principle of peaceful settlement of international disputes.

We can do no less than strive, as the leader of the free world, for the peaceful, neighborly cooperation which holds the best hope for lasting peace in the tension-haunted Middle East. We can do no less than support Israel's rights in the Gulf of Aqaba and the Suez, and the integrity of her boundaries.

The days ahead for Israel still are troubled. A firm and honorable peace must be cemented between Israel and the Arab world. Her self-sufficiency in agriculture and industry must be encouraged. These are the goals for which we in America must continue to work.

Today, as we face these challenges, we salute Israel's birthday and extend to her the strength of our hearts and our will as a nation. May she live forever as a proud and important member in the world family of free nations; may she stand forever as a shining symbol of a brave people's dedication to freedom and human dignity.

Mr. CUNNINGHAM of Nebraska. Mr. Speaker, I am proud to join my colleagues in paying tribute to a courageous people on the ninth anniversary of the founding of Israel. There are so many who have contributed so much to the growth of this small nation, which represents a haven for the oppressed from throughout much of the world.

Nine years ago the victors in a great World War looked with horror on the results of an aberration which had cost the lives of 6 million Jews. Americans are proud to have had a part in the founding of a haven for these persecuted people, and in the growth of this small new nation which has come so far in a short time. It is indeed a small nation by American standards, one with few resources except its people, and there are truly too many of these for the size of the land. But it has been the sweat and labor of these people which has gradually transformed the desert lands into fertile acres.

But in these 9 years the way has been hard. There have been wars and constant threats to Israel's independence. Only the strength of the people of this nation has allowed the country to stand in the face of its sworn enemies. At times the path has been hard and discouraging but the people have persevered and progressed.

The country is virtually surrounded by enemies, but I hope that the friendship of Americans has been a ray of hope and encouragement through these hard years. I think it important that this anniversary of Israel's independence be marked with renewed assurances from this country of the friendship and hopes that stream from these shores to that small nation on the Mediterranean Sea. The world should know of the admiration and support from those who love and cherish freedom for the free State of Israel.

The way ahead is not free of shadows. The sworn enemies of this new land are not content to have this country continue to grow. But the people who are now passed on and many thousands more have made Israel grow from a desert to an oasis and there are hundreds of thousands more who will work for the preservation of this courageous nation.

I join my many fellow Americans in sending greetings to Israel and to its people who have the admiration, friendship, and hopes of freedom-loving peoples around the world. May this free state continue its progress and may its people—so long persecuted and attackled—find peace and prosperity for themselves and those to follow them.

Mr. BOLAND. Mr. Speaker, yesterday Israel celebrated the ninth anniversary of its independence. May 6 is a date that truly symbolizes a great Jewish accomplishment. Within 9 years the ideal of Zionism has been transformed from dream to reality. During these 9 difficult

years of existence Israel has struggled, but she has won, thanks to the skill of her leaders and the tenacity of her population. Both the Arabs and the great powers have exerted strong pressures on Israel, but in spite of them Israel has survived and flourishes. I salute Israel on this happy anniversary.

Israel, like America, is a nation of pioneers and a people of diverse origins. Both nations are devoted to democracy and both nations oppose the impending threat of communism in the Middle East. As America's bulwark against the Soviet threat, Israel deserves and will obtain America's fullest support.

Israel is more than ever important for the defense of the United States and the West in the Middle East, since Britain has evacuated Suez and since British standing in the Middle East has declined. The United States is now assuming Britain's former role, and in order to do so it needs all the friends it can find at the eastern end of the Mediterranean. If war should break out in the Middle East, the United States must have bases and allies. Under these circumstances, Israel might turn out to be one of America's most important footholds in the Middle East.

It is therefore a clear necessity for the United States to support Israel out of strategic interest and strategic need. Also the United States has traditionally opposed aggression and supported the weaker side in international disputes. Moreover, Israel represents the only center of Western culture in an area which must be westernized. Israel is the spearhead of cultural revolution in the Middle East and when peace comes to that region Israel can serve as instructor and tutor and example to the surrounding Moslem nations.

Israel has declared for the side of the free world, for democracy, for the Western cause; the United States must not and cannot abandon Israel nor the values and accomplishments for which Israel stands.

Mr. FRIEDEL. Mr. Speaker, it gives me pleasure to be able to give the people of Israel this message of encouragement and hope, despite the present dark and threatening clouds of possible further conflict in the strategically important and oil rich Middle East. The State of Israel is here not only because Theodor Herzel and others conceived it, but because the drift of history made it inevitable.

At any rate, the State of Israel, recognized as such by President Truman within a few hours of its proclamation, admitted to the United Nations a year later, and carrying a population of about 2 million souls, is a fact. Israel began life 9 eventful years ago, fighting to survive. Today she is still fighting for her very life in one way or another, and with God's help, no force will be able to dislodge her.

The reason I have high hopes for a bright future for Israel is that she is a bastion and bulwark against the atheistic forces of evil communism and is, therefore, the natural and spiritual ally and kin of the United States, of Western democracy, and of freedom. Also, very recent events in the United States point to a better and more sympathetic understanding in the near future, of the necessity of closer cooperation between these two genuinely democratic and freedom loving nations. We must never forget that God is the source of our strength. We look with reverence to that sacred spot on Palestine's soil, remembering that from Zion went forth the Law, and the Word of God from Jerusalem. We proclaim the same divine truths today, which notwithstanding the changes of time, have remained our heritage and which no powers of persecution or tyranny by the vile and venal communistic forces can destroy.

Mr. BARRETT. Mr. Speaker, on this ninth anniversary of Israel's independence, I would like to congratulate her on the completion of another successful year.

Not only has Israel managed to maintain her frontiers intact and to repel hostile guerrilla raiders, but she has recently made great strides in the development of industry and agriculture, which are of greatest importance to her national existence. Of special interest is the continual progress Israel is making in developing her own lands.

Between 1948 and 1955 the cultivated area under irrigation has tripled. The Israeli Government has established a centralized national water authority which implements and supervises the execution of irrigation projects. Large sums from Israeli development funds and from foreign aid have been invested in irrigation projects all over Israel. The Lake Huleh power and irrigation project has opened thousands of acres for cultivation in northern Israel; the pipeline completed in 1955 to carry the waters of the Yarkon River near Tel Aviv to the arid tracts of the Negev is a great step forward. This pipeline will supply much of the Negev—a desert before the establishment of Israel—with sufficient water to enable Israeli pioneers in that region to be self-sufficient in food.

To assure most efficient use of the newly irrigated land, the Israeli Government has encouraged the growth of farmers' federations, agricultural cooperatives, producers' associations, and a citrus fruit control and marketing board. When Israel's agricultural plans are completed, she should once more merit the name of "a land of milk and honey," as it was known in Bible times.

To permit Israel to complete her agricultural planning, the United States must continue to give technical assistance to her, for economic self-sufficiency and high levels of food production will assure the survival of a brave new Middle East nation.

INDIANA PIONEERS A MOVEMENT TO REHABILITATE ALCOHOLICS

The SPEAKER pro tempore (Mr. WILLIS). Under previous order of the House, the Chair recognizes the gentleman from Indiana [Mr. HARVEY] for 30 minutes.

Mr. HARVEY. Mr. Speaker, the State of Indiana, a few years ago, decided to face up to one of the growing problems of present-day society. As a consequence of that decision, Indiana created in the fall of 1953 a commission on alcoholism, and shortly thereafter the State pioneered a program of rehabilitation for alcoholics.

By way of introduction to the subject, let me quote a gentleman who is a recognized authority. Robert D. Wolf, native Hoosier with a background of administration in United States Army hospitals, has been, since its founding, the supervisor of the Nash Rehabilitation Center. In an address last year before the University of Utah School of Alcoholic Studies, Mr. Wolf declared:

> Although some very real advances have been made in the psychiatric and medical handling of the alcoholic, there is much to be learned and accomplished concerning his rehabilitation.

Mr. Wolf, in outlining the program that Indiana feels is proving successful, continued in these words:

> We have found that the alcoholic is an ordinary man with an individual problem. It is our purpose to help him with this problem. At Nash Center, a plan is in progress which includes a controlled sort of environment; for each patient, when received, has certain needs to be supplied.
>
> These men, for the most part, have normal reactions. They work well and willingly for the personal satisfaction that any of us feel for a job well done. Also, we find that these men are capable of accepting responsibilities and team up well on given projects, establishing quickly a working fellowship in cooperative effort. They are loyal to each other, realizing they all share the same problem.

What then is the Nash Rehabilitation Center, how is it operated, and what success is it having in restoring the victims of alcoholism as useful members of society?

The center is located on the grounds of the New Castle State Hospital, a few miles from my farm home in Henry County, Ind. Let me emphasize, however, that the center is not dependent on the larger State institution except for necessary medical care of its patients.

Consisting of a 30-bed cottage-type building, the center is scheduled for expansion to 50 beds next month. Its only other facility is a building, 30 by 60 feet, housing a dining hall and kitchen. This latter structure, incidentally, was planned originally on a contract bid of $25,000, but later built by the patients themselves at an actual cost of $7,000.

Some patients at Nash Center are volunteers. They await admission either at their own request, or one submitted in their behalf by family, friends, or Alcoholics Anonymous. Most, however, are first patients of State mental institutions referred to the center when medical authorities believe occupational therapy will complete recovery.

Nash Center, I know from personal visits, is a simple, serene establishment. Its atmosphere is quiet and relaxing. Its limited staff is sympathetically dedicated to helping the patients find themselves, develop self-confidence and self-respect.

On a basis of statistical research, Indiana with a population of 4 million persons, is known to have 120,000 alcoholics. As a part of the State's widely acclaimed

program of mental health, some 2,000 victims of hard drink have been treated since Dr. Fred Lawrence was named medical director of the commission on alcoholism 3 years ago. Approximately 600 of these patients have spent time at Nash Center, and for nearly 200 returned to normal living, the stay at Nash averaged 43 days. Before citing more of the success reported by Mr. Wolf and his associates I should like to point out one paragraph in a letter recently received from him. It says:

> We have found that industry has overlooked the problem of alcoholism. Our records show that a large percentage of our patients are either skilled labor or professional men.

While Mr. Wolf did not elaborate, it is surely evident to all that when alcoholism as a sickness is allowed to progress unchallenged its toll in sum total is economic loss running into hundreds of thousands of dollars, to say nothing of broken families, shattered careers, and heartache.

To round out the picture of Indiana's rehabilitation program—and I am proud to say that it is being studied and duplicated by other States—let me repeat more fully some of Mr. Wolf's remarks before the Utah group. He said, and I quote:

> While staying at Nash patients get constructive ideas and surroundings, and situations are geared to help them advance. Also as a symbol of sincerity in their welfare we accept their ideas within reason and they are assigned to tasks which match as closely as possible their regular vocation.
>
> It is difficult to pin down what brings about improvement in the problem drinker's condition, but high importance has been given to occupational therapy. It is doubtless one of the most beneficial factors in recovery and plays a major part in overall rehabilitation.
>
> Important, too, in the operation of the center is the attitude of the staff and its relation to the patients. Without a kind and sympathetic approach from the staff, the entire program can be foiled and therefore made useless in the alcoholic's social anxieties and apprehensions.
>
> Of importance, too, is the selection of men for the patients' group. As in any type of program, one nonconformist can cause confusion and turmoil which ultimately would lead to defeating our purpose. The center attempts to make each man feel satisfied with his good deeds, his work, and his actions.

Mr. Wolf, in the course of his remarks, recounted the steps taken to change a patient's thinking from a negative to a positive attitude. Then he said:

> This teaching is not "lumped upon" the patient in 1 day or a week. It goes on in a continuing process and results eventually in removal of the critical self-awareness, guilt feeling, and anxieties common to alcoholics. This is furthered by explaining to the individual that his behavior influences other patients who are on the long road to recovery.

In conclusion, Mr. Wolf stressed that Nash Center maintains for its patients good food, clean linens, and a high standard of personal cleanliness.

The center—

He said—

> provides medical treatment, individual and group therapy, psychiatric social services, vocational guidance, and orientation. In free association with other patients and coordinators, he discusses his problems so often that he gradually becomes desensitized to them—reacting to them with less and less energy. Each reversion to bad behavior patterns is of shorter duration, while the level of normalcy remains longer in effect until the patient's new behavior pattern becomes more or less a fixed habit.

Justifiably, I am sure, Mr. Wolf says there are many changes in those who find the good way of life at the center.

Through education and constant service—

He asserts—

> there is a new day ahead and it isn't far off.

With other Hoosiers I salute Mr. Wolf and the Nash Center in the great pioneering effort that is theirs.

POLISH CONSTITUTION DAY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. MACHROWICZ] is recognized for 60 minutes.

Mr. MACHROWICZ. Mr. Speaker, I have asked for this time to call the attention of my colleagues to the fact that the 3d day of May was a great day and is a great day in the life of the Polish nation. It is Polish Constitution Day which is equivalent to our own 4th day of July, and has for the past 166 years been celebrated as the Polish National Day. It has been said in the history and the development of modern democratic government, you can usually find in the constitutions of the governments the standards and the rallying points of advanced political and economic freedom. If that be true, then the Poles everywhere can indeed point with great pride to the 3d of May constitution of 1791. It is truly one of the world's greatest documents of freedom. Under it, the Polish tradition of liberty and democracy found brilliant expression. This constitution discarded all class distinction. It abolished restriction upon the freedom of the individual and it guaranteed religious tolerance. In its own preamble, it stated and I quote: "That all powers in civil society are derived from the people."

It was the first truly democratic constitution in Europe and a milestone of development of parliamentary democracy. By basic law, it established freedom of thought and of speech. And what is very important, it was given to the people without any bloodshed whatsoever. The Polish nation did not long enjoy the freedom that it had at the time the Polish constitution was adopted. The history of Poland is a tragic one. It had been dismembered by the three neighboring powers and for over a century it suffered under foreign domain.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. MACHROWICZ. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. Mr. Speaker, I would like to have the record of these proceedings show that for many years it has been the custom and the practice on this day for this body to set aside this time to pay tribute to Polish National Day. While it is true that there have been many Members of the House of Polish ancestry and many others who have great numbers of Polish-American citizens in their districts, it is my opinion that no one in this House before this time or now is better equipped; nor is it but fitting and proper that this hour should be handled today in this tribute by the gentleman from Michigan now in charge of the time who is now speaking in the well of the House [Mr. MACHROWICZ]. Many people have paid tribute to the Poles of America on this day, but the gentleman from Michigan has matched his words with action. The gentleman from Michigan actually was a soldier fighting in the Polish Legion in World War I although he certainly does not look that old, but it happens to be so as a fact, and the gentleman also has served as a veteran of our own American Armed Forces. I had the pleasure and distinction of serving with the gentleman from Michigan as a member of the Katyn Committee, a special committee appointed by the House of Representatives to investigate the massacre of many thousands of Polish reserve officers to establish the guilt for that massacre. The gentleman from Michigan was invaluable by virtue of his ability and his help to that committee both here and abroad. He is bilingual. He speaks better Polish than I do English. So certainly on this day, since in his veins flows the proud blood of Polish ancestry, we are honored and his people are honored that he gives us the benefit of his experience and his feeling. I might say, yesterday in New York, I spoke to a great mass meeting at the 69th Regiment Armory, a meeting called and held by the Polish-American Congress for the purpose of urging complete freedom for Poland. In connection with that body, and as a result of that meeting, Mr. Speaker, I today introduced a resolution calling for this Government to extend its facilities in aid to Poland in keeping with the negotiations now taking place.

I shall later implement this resolution with necessary legislation to permit the execution of the provisions of the resolution.

Again I compliment the gentleman from Michigan upon his presentation.

Mr. MACHROWICZ. I thank the gentleman for his laudatory and generous remarks.

I want to state also, Mr. Speaker, that in the work of the special committee on the Katyn massacre, which had a very great effect upon the spirit and morale of all the people behind the Iron Curtain irrespective of party, that the gentleman from Pennsylvania was an indefatigable worker and did a tremendous amount of work on that committee.

Mr. Speaker, there has been a traditional bond of friendship between the Polish people and the American people for many, many years. In their struggles and in their fight for their freedom and independence the Poles have always looked to the United States of America as its foremost and most loyal ally. We in the United States have been loyal to the people of Poland.

The history of the past year in Poland has brought about a new situation, one which confuses many of us, one which

probably is not well understood by many in the United States.

Let us remember the situation with which the Poles were faced. They were faced with the knowledge that the Western powers would not and could not go with military aid to the Polish people. They were surrounded on one side by Soviet Russia and on the other side by Germany. Russian troops were on their soil. The situation seemed almost an impossible one, and yet with great spirit and with great ability the Poles in the past year have been able to eke out a bit of liberation, not the kind of freedom they dreamed of—they still suffer under communism—but because of the great strength of spirit they displayed the Kremlin had to concede certain rights to the Polish people. There is today a certain freedom of the press, a very limited freedom. The Voice of America is no longer jammed in Poland. The economic conditions have somewhat improved, and the Poles again are looking with a brighter soul and brighter eye toward the future; and it is at this time that we in the United States should evaluate what is going on in Poland properly and should think of ways in which we can possibly help the Polish nation in its valiant struggle for liberation.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. MACHROWICZ. I yield to the gentleman from New York.

Mr. KEATING. Right along the line the gentleman has mentioned I think it would be of interest to call the attention of the House to a recent decision of the Polish court.

A Mrs. Bozyk, of my constituency, and her husband escaped from a Nazi labor camp and came to the United States and were naturalized as citizens in 1955. They left a little girl in Poland. Mrs. Bozyk has made a number of efforts to get the child back. The child was left when it was a tender infant. She had not seen the child in many years.

Finally we were able to get a visa for Mrs. Bozyk to go to Poland. She went, and suit was instituted there against the people who held the child and who had no doubt indoctrinated her with some of the principles with which the gentleman and I are not in accord.

Frankly, I was pessimistic about the outcome of that suit, particularly when it appeared in the court proceedings that the child herself said that she hated her real parents—which, of course was perhaps not an unnatural thing after so much time had gone by. But just 2 or 3 days ago the Polish court awarded this child to the mother and father, the real mother and father, American citizens, residents here. The press carried the story that the people who are trying to keep the child have taken steps to secrete the child or to keep the child away so that the court order cannot be enforced. The court, however, has served notice on this family that they must produce this child. I am inclined to believe that that is the thing that we have come to call justice. I am gratified by the decision. I know what it means to this mother and father who have dreamed of the day when they could have their child back with them. I think the Polish court, unless there is more to it than I know about at this distance, is entitled to some commendation for deciding this case on its merits.

Mr. MACHROWICZ. I thank the gentleman. I hope it is clear that nothing I have said nor in what the gentleman from New York has said would indicate that we are at all satisfied with what the government that is now representing the Polish people in Warsaw is doing. We know very well that the elections in January of this year, though they were so-called free elections, were by no means free elections. The voters did not have an opportunity to decide between communism and democracy. If they had a choice, there is not any question what the choice of the Polish people would have been. They would have voted for democracy. They had a very limited choice. They did have a man who represented communism but a type of communism which was opposed to the Moscow type of communism, the so-called national communism, and they selected that type as the lesser of two evils.

Mr. KEATING. I agree with the gentleman's comments in that regard. He and I know, because I have many friends of Polish ancestry, among whom I count the gentleman now addressing us, that the spirit of freedom and desire for liberty and independence are, perhaps, the strongest in the Poles of any peoples in the world. I cannot believe that they will forever be kept under a tyrant's heel and I am hopeful that the things we are seeing now are a format which will develop into a complete freedom for the great Polish people.

Mr. MACHROWICZ. I thank the gentleman.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MACHROWICZ. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I know that what the gentleman has done has had an enormous effect in Poland, as well as all over the United States, and other countries that are suffering from being under the yoke of communism. We all admire the gentleman's very fine war record. The people of Poland are very lucky to have one of their descent here in this country to speak and work for them. I am tremendously proud of the people of Polish descent in my district. They are a wonderfully fine people. They have given a great deal. I am very, very proud of a young Polish boy I had the privilege to appoint to West Point. He won on a competitive examination and he is now holding a very fine position. I know what Poland has done for the United States and I am grateful to the gentleman and to all of those of Polish descent for that.

Mr. MACHROWICZ. I thank the gentlewoman from Massachusetts.

I would like to say a word on a subject matter which is rather close to my heart because we do have now in the United States a practical way of demonstrating that the policy of peaceful liberation is one that we believe in and one that we are willing to support. There are now pending negotiations between the Warsaw Government and the United States Government for a loan to purchase certain surplus commodities that we have in the United States. Unfortunately, there is great misunderstanding about these negotiations. Some consider this to be a grant but it is by no means a request for a grant. It is a loan, it is an offer to purchase for cash certain commodities.

Now, if there is anything that the Polish nation needs today to strengthen its spirit and its hope in the gallant struggle that it is now conducting, it is aid of the type that we in the United States can give it. I know that there are some in the Congress who have expressed their doubts as to the wisdom of granting such a loan. I, myself, will say that certainly there is a great risk in the step the United States is taking now.

But, let us consider the alternatives. If Poland does not obtain the loan and the ability to purchase surplus commodities from the United States of America, it will have to do the only thing that is left for it, turn back to Moscow for aid, because without this aid it can no longer exist. So, I sincerely hope that my colleagues will understand that the granting of this loan is something that is in substance a following of the policy of peaceful liberation which we are presently proclaiming and which will lead to eventual further cracks in the Iron Curtain, because what has happened in Poland in the last year is the first significance that there are such cracks in the Iron Curtain and that there may be more in the future if we do give those people the opportunity to express themselves.

Only this morning there was ominous news from Poland over the press and over the radio that there have been very serious armed revolts against the present regime and that troops have been called out to stifle these revolts. Now, all of us, of course, feel glad to know that the spirit of resistance exists in Poland, but I dread to think what may happen if these revolts spread in Poland at this time when no effective aid can be given by the Western Powers. It could lead to another disaster like in Hungary, and I am sure none of us would like to see that happen.

I think it is tremendously regrettable that the President of the United States and the Secretary of State in December of last year made statements which indicated to the people behind the Iron Curtain that there would be no aid forthcoming for them if such revolts continued. That was entirely uncalled for. For, if we do not intend to encourage these revolts, it is ridiculous for us unsolicited to give promise to the Kremlin that if such revolts occur we in the United States will not help our gallant friends behind the Iron Curtain.

So, on this Polish Constitution Day, I sincerely hope that this House, which has demonstrated in the past few years on several occasions its tremendous interest in the possibility of the liberation of these countries behind the Iron Curtain, will bear in mind that the events of the last year have indicated that the possible liberation of those countries is nearer than we thought it was and that we will give, through economic aid and through such other assistance as is possible for us, such aid as we can to the Polish nation.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MACHROWICZ. I yield to the distinguished majority leader.

Mr. McCORMACK. Mr. Speaker, the late 18th century was a revolutionary age. The American Revolution and the French Revolution had given rise to new liberal and democratic ideas, and the old mornarchical ideas were in decline. Poland was in fatal danger of annihilation by enemies on every side. Many Poles were aware of this danger, yet they could do little under the existing autocratic government. Some courageous political leaders, however, correctly sensed the seriousness of the issue, and set themselves to the task of drafting a constitution. These patriotic and liberal-minded leaders discharged their difficult task honorably and with distinction. The result was the constitution of 1791, which was adopted and promulgated on May 3 of that year.

Judged by any set of liberal and democratic standards the Polish Constitution of 1791 was a great instrument. In one sense it led the Polish governing class from the Middle Ages to the modern times. The monarch's powers were circumscribed; and a constitutional monarch with a responsible form of government came into being. Much of the powers of the central government were reduced, but its prestige and authority were enhanced. Many old privileges and class distinctions were cast aside, and complete religious freedom was guaranteed. The document was noteworthy for its liberalism and moderation; it was acclaimed by Edmund Burke as a masterpiece.

Mr. Speaker, the history of Poland, with the trying periods it has gone through, is one of the most interesting and amazing of all nations. In its darkest days its brave people, possessed of and actuated by their deep faith and their intense love of God, have never despaired in their determination to regain their independence and the liberty of their people. Poland and its brave people are now undergoing a most trying period. As their deep faith has sustained them in past periods of pain and suffering, so will that deep faith sustain them today, for the possessing of deep faith on the part of a people is the sustaining influence between victory and defeat.

Poland and its brave people have that deep faith, and with their faith and with the courage that they possess, Poland will again regain its complete sovereignty and independence and for its people liberty under law and under God.

Today the 166th anniversary of its adoption and promulgation is being celebrated. It is also another memorable day in the life of the people of Poland, and those of Polish blood everywhere for May 3 is the Feast of Our Lady of Czestochowa, the patroness of Poland. I join all Polish-Americans in this celebration and in doing so honor the memory of those who produced that memorable and great document, the Polish Constitution of 1791.

Mr. MACHROWICZ. I thank the gentleman from Massachusetts.

Mr. BENTLEY. Mr. Speaker, will the gentleman yield?

Mr. MACHROWICZ. I yield to the distinguished gentleman from Michigan who has a distinguished record in his work against communism and I know has visited Poland within the last week or two.

Mr. BENTLEY. Mr. Speaker, I thank my friend from Michigan. I should like, before making my own remarks, to pay tribute to the splendid record which he personally has achieved ever since he has been in Congress of interest in the cause of the liberation of the captive peoples not only of Poland, but of all those in Eastern Europe.

Mr. Speaker, this past Friday, May 3, marked the 166th anniversary of the Polish Constitution on May 3, 1791. It is a very real pleasure and privilege to join my Republican and Democratic colleagues of the House in recognizing the historic significance of this anniversary. It is particularly important to do so at this time which marks an important moment in postwar Polish-American relations.

It is interesting for me to recall that only 1 week ago I left the Polish capital of Warsaw after a brief but interesting visit of 2 days, during which time I discussed current conditions with more than 30 separate people, mostly Polish Government personalities, as well as officers of our own Embassy and representatives of the foreign and Polish press. Since I traveled to Poland as a member of the European Subcommittee of the House Committee on Foreign Affairs, it would not be appropriate for me at this time to make a detailed statement regarding my own observations and impressions. Those are being presented to my subcommittee and our joint recommendations will be contained in a report soon to be forthcoming.

I can say, however, that I entered Poland conscious of one very real impression indeed. Three and a half years ago, I was officially refused a visa to enter that country by the then Polish Government. The fact that this time I received a visa, and on relatively short notice, is a clear indication that some change has taken place during the intervening time.

One other outstanding impression I would like to share with my colleagues of the House on this occasion. As most of them know, the city of Warsaw was very largely destroyed during various actions of World War II. I understand that about 75 percent of the destroyed portion has been rebuilt and, to me, this is most significant, it has been rebuilt largely in accord with prewar architecture. This was my first visit to Poland but I was informed that the so-called old city looks very much as it did before the war.

Since we are today recognizing, Mr. Speaker, an outstanding moment in Polish history, it is well to call attention to the fact that the Government and people of present-day Poland do retain such an important link with their traditional past. There were other examples in the design of military uniforms, in the garb of Polish boy and girl scouts and several others, especially from a nationalistic point of view. There is, I feel, no desire to return to the political and social institution of prewar Poland but there is a very keen appreciation of those traditions and influences that made Polish history the glorious story that it is.

It is my understanding that this House will shortly be called upon to vote on legislation that may have a very important effect on present relations between our two countries. On that I will not comment further at this time. But I do want to assure the people of Poland of the great friendship and sympathy for them on the part of the American people. I am always made very conscious of this because of the large numbers of persons of Polish descent who reside in my State of Michigan and even within my own congressional district. However, these feelings are not confined to Polish-American communities but exist everywhere throughout the United States.

Regarding the subject of a future American policy toward Poland, I can only say that I, along with millions of my fellow countrymen who believe that liberty is the inalienable right of all men throughout the world, must favor and support any program that will truly help the Polish people along the road to freedom and true democracy. The important thing is not the political and economic institutions which the Polish people may choose for themselves but that those institutions be freely chosen by the people concerned and not imposed upon them by an external force.

It is a real honor for me, Mr. Speaker, to call attention to the traditional friendship between the American and Polish people on this historic anniversary and to express the hope and belief that, in the future, this occasion will come to mean even more to both countries than it has in the past.

I thank the gentleman for yielding to me.

Mr. MACHROWICZ. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may extend their remarks at this point in the RECORD on the subject of the Polish Constitution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. KEARNEY. Mr. Speaker, May 3 marked the 165th anniversary of the enactment of one of freedom's great documents, the Polish Constitution. During the past 13 years of Soviet domination the people of Poland have not been permitted any overt recognition of their national holiday. This year as yet another in the chain of reforms the Poles have obtained solely through stubborn persistence, the government declared that May 3 may be commemorated privately, although it was not declared officially a national holiday.

This was a small concession indeed, but its significance lies in the fact that the armed might of the Soviet Union has been successfully challenged once again, and by a heroic people encircled by foreign troops on their borders, despite the presence of five foreign divisions in their own land.

The much-vaunted invincibility of the Red armed machine which the Russians have used in their campaign to instill fear and a sense of hopelessness of resistance in so-called satellite nations has been proved a fiction of the Russian propaganda mills.

The Poznan riots last June were riots of Polish workers. This fact punctured yet another Communist propaganda bubble which was that the Soviet Union is the world representative of the proletariat to be considered a rallying point for dissatisfied workingmen everywhere.

The shouts of the Poznan demonstrators were for the opportunity to earn food for their families and for personal liberty, in addition to demands for withdrawal of the hated Russian troops. The fact that these workingmen were moved to violence in their declarations exploded yet another Soviet propaganda claim—that communism holds the solution to the world's economic ills, with the implied corollary that small sacrifices of personal liberty are well worth the gains in economic security.

For these demonstrations of some of the glaring failures of the Communist system, the free world is indebted to the courageous Polish people. Thirteen years suffered in the iron vise of foreign domination were not enough to strangle the spirit of a people known the world over for their independence and fierce national pride.

On the occasion of the anniversary of their national constitution we salute their enterprise and offer them our sympathy and encouragement in the days and months to come as they struggle to regain their freedom.

Mr. CUNNINGHAM of Nebraska. Mr. Speaker, I would like to join many of my colleagues in calling attention to a historic date, May 3. It was on this date in 1791 that Poland enacted the first European democratic and progressive constitution.

Although there is still far from freedom for individuals in present-day Poland, the Polish people are once again allowed to celebrate May 3 as their National Day. This celebration replaces one that must have been repugnant to the Polish people, July 10, the dark day when Poland was subjugated by the Russian Communists. May 3 is not being celebrated nationally this year, but for the first time in many years the people will be allowed to commemorate the day privately. It is my hope that the Polish people will continue to grow away from Russian communism so that this historic day will again become the symbol of free government by the people, and so that the free Polish people will be allowed to celebrate the day publicly and reflect on its meaning, so well known to all of us in America.

We in America are well aware of the valiant fight being carried on inside Poland for the return of a democratic form of government. Slowly, strides are being made within, which are hailed by free peoples everywhere. The partial removal of Russian troops was a monumental accomplishment in a nation surrounded by Soviet armed forces and unable to defend itself militarily against the might of the Russian armies.

It is the hope of Americans that Poland will be able to continue on its road to freedom. The reduction of police control and growth of individual liberty mark more steps toward removal of Russian influence. It is noteworthy that collectivization of agriculture has ceased and that 80 percent of the collective farms have been dissolved so that the peasants once more own land, machines and livestock.

The establishment of thousands of small shops is still another example of the growth of the individual inside Poland. And all Americans were gratified to learn of the release of Cardinal Wyszynski and of his messages to the Polish people.

In the months since the Hungarian revolt, the world has seen thousands of Communists abandon the party in free Western European nations. The brutal force used by the Soviets in crushing the freedom fighters has demonstrated to the world that Russian communism is not the salvation of the workers and peasants. And in Poland it has been the workers and peasants who have been heard and forced the retreat of Russian communism in Poland. We in America are hopeful that through constant pressures from the freedom-loving people of Poland, the influence of Russian communism will continue to diminish in still another part of the world.

Mr. McVEY. Mr. Speaker, last Friday, May 3, marked the 166th anniversary of the adoption of the Polish constitution, and at this time I should like to make a brief statement in commemoration of that memorable date.

The constitution of May 3, 1791, truly is one of the world's most outstanding documents. The principles embodied therein compare favorably with those in our own Declaration of Independence. Poland was the first European nation to have a written constitution proclaiming democratic rights and religious freedom for all of its people.

Poland's independence, gained through the valiant efforts of her people, was of short duration. Since the adoption of its constitution, Poland has been subjugated many times by foreign aggression, and although the bloodless revolution of last October has brought about some liberalization, her people are still striving to gain complete freedom and democracy.

The people of Poland have taken the lead in illustrating the complete bankruptcy of Communist policy. In their request for freedom, the workers of Poznan have clearly shown that they reject Soviet control and Communist dictatorship. The Polish nation does not want to be a member of the Soviet bloc's military machine, and we must remember that her policy in recent years has not been of her own making. The infamous Yalta agreement is largely responsible for the situation in which Poland has been placed, and action should be taken to correct the wrongs perpetrated on these noble people.

The events of the past year demonstrate Poland's great desire to rid herself of Communist rule. Her people know that Communist concepts of economy and industrial planning have brought them close to disaster. On this occasion, it is fitting that we reassure our Polish friends that we will continue to support them in their fight for freedom. They have opposed the Communists in every possible way, and their determination to restore freedom to their country will eventually lead them to victory over their oppressors. It is the hope and prayer of all Americans that the day will soon arrive when Poland will once more be a free and independent nation.

Mr. SHEEHAN. Mr. Speaker, with the opening words of the Polish National Anthem—"Jeszcze Polska nie zginela"—"Poland is not lost"—I wish to express our commemoration of the anniversary of Poland's Independence Day.

It was on May 3, 1791, that Poland, in a bloodless coup, adopted a constitution which provided for the sovereignty of the people in the state, a religious tolerance, and which represented a sincere effort to convert the country into a constitutional monarchy. The preamble clearly expresses the motivating force that gave birth to the document:

> Persuaded that our common fate depends entirely upon the establishing and rendering perfect a national constitution; convinced by a long train of experience of many defects in our government, and willing to profit by the present circumstances of Europe, and by the favorable moment which has restored us to ourselves; free from the disgraceful shackles of foreign influence; prizing more than life, and every personal consideration, the political existence, external independence, and internal liberty of the nation, whose care is entrusted to us; desirous, moreover, to deserve the blessing and gratitude, not only of our contemporaries, but also of future generations; for the sake of the public good, for securing our liberty, and maintaining our kingdom and our possessions; in order to exert our natural rights with zeal and firmness, we do solemnly establish the present constitution, which we declare wholly inviolable in every part, till such period as shall be prescribed by law, when the nation, if it should think fit, and deem necessary, may alter by its express will such article therein as shall be found inadequate. And this present constitution shall be the standard of all laws and statutes for the future diets.

This seems a somewhat remarkable incident and document when one recalls that it was formulated during the first partition of the country. Although the document remedied the defects of the Polish political system and character, it was never applied, for in 1793 Poland's boundaries were again despoiled. The basis for this second partition was to arrest the progress of what Russia and Prussia referred to as the "imminent and universal danger" that threatened Europe from the fatal revolution in France—an unrest which had spread into Poland. It is recognizable that the Polish Constitution was inspired by British practice, the French Declaration of the Rights of Man and the Citizen, and by the adoption of our Constitution here in the United States which occurred barely 2 years previous.

Although she has known 3 partitions, totaling 135 years of bondage, Poland has been valiant in her defense of peoples against oppression and tyranny. The annals of history indicate her position and prove her existence as a great nation. Her men have entered

the freedom movements and battles for independence the world over, and we Americans can identify several of them in our heritage.

The Poznan uprisings last June evidenced their ever-burning desire for freedom from oppression. It would almost seem that nourished by decades of resistence, the souls of the Polish people have become indelibly stamped "For your freedom and ours"—a slogan which originated during the Polish insurrection in 1830 and which still rings true today.

Therefore, to the Poles behind the Iron Curtain and throughout the world, we take this opportunity to convey our thoughts and prayers and to extend the hope of all free nations—liberty of man.

Mr. ZABLOCKI. Mr. Speaker, today, for the first time since the Soviet occupation of their land, the people of Poland will once again celebrate the anniversary of their famous constitution of May 3, 1791. This celebration, formerly prohibited by the Kremlin-imposed regime, will be subdued and private in nature. Still, it has been allowed by the new Polish Government. This, in itself, is very significant because it is indicative of the change which is going on in Poland, and generally, in the nations behind the Iron Curtain.

The bloodless Polish revolution of October 1956 marked a new, and a very promising, stage in the history of that old and brave nation. Subjugated by Soviet Communists for over a decade, Poland took her destiny into her own hands, and, with tremendous courage and dexterity, began to disengage itself from the mesh of Soviet bonds.

In 6 months the Polish nation has attained a certain degree of freedom and independence. Within the boundaries of their country the Poles are beginning to breathe more easily. The internal conditions have been somewhat liberalized. There has been a sweeping change in the economic field with the abandonment of the collectivization of agriculture, the reopening of thousands of small, private shops, and the like. All these changes, when compared to the conditions still prevailing in other Communist-dominated countries, are substantial and significant.

The road to full freedom and democracy will be long and tortuous for the Polish nation. We must remember that the Soviet Union will not tolerate too much liberalism, and that Poland is surrounded by Soviet divisions. Aside from the 5 divisions stationed in Poland, there are 23 Soviet divisions in East Germany, 20 in Hungary, approximately 8 in Rumania and Czechoslovakia, and the bulk of the Soviet forces on Poland's eastern frontier. Surrounded on all sides by this tremendous power, the Polish nation will have to move slowly and cautiously.

In this period, fraught with new dangers and new hopes, I am certain that the Polish nation is looking to its friends in the West for encouragement and assistance. If we meant what we have said about our determination to aid others in their efforts to be free, it is now incumbent upon us to embark upon a course of action which will aid the people of Poland in realizing their legitimate aspirations, and which will further the cause of peace and freedom in the world.

As we pay tribute to that historic document, the Polish Constitution of May 3, 1791, let us reaffirm our friendship for the people of Poland, who have stood over the centuries as the bulwark of Christianity and democracy in Eastern Europe; and let us pledge our encouragement and assistance to the people of that courageous nation in their struggle to achieve more freedom by means of evolution.

Mr. FLOOD. Mr. Speaker, developments in Poland are of the utmost importance to the West. With the process of de-Stalinization which followed the 20th Congress of the Communist Party and when all Western policies of liberation failed to materialize, Poles entirely unaided from the outside world showed the greatest possible determination to obtain maximum freedom and to restore their traditional links with the West. Last year's events in Poland and Hungary have shown the fallacy of the so-called Soviet bloc monolith.

The United States is interested in helping the Polish people who aim to attain freedom and democracy. It must be remembered that it was not Gomulka who made the Polish revolution but that under popular pressure so clearly revealed during the Poznan rising and the October events, the Communist Party in Poland was forced to make concessions and that the initiative came from the masses of the patriotic Poles.

The fact that the Communist government remains in power results from the country's geographical and political position. Poland is encircled by Soviet divisions—23 in East Germany, 20 in Hungary, approximately 8 in Rumania and Czechoslovakia, to say nothing of the bulk of Soviet troops on the eastern border of Poland. Under these conditions it is only too natural that Poland has to follow a very careful and restrained policy in order not to jeopardize the gains so far attained.

It must be noted that the Polish events and the Hungarian uprising showed that from the military point of view the Warsaw Pact has lost a great part of its importance. During the Poznan riots the Polish army at that time under Rokossowski's command maintained a passive attitude. In the case of Hungary nearly the entire army went over to the side of the national revolutionaries. Therefore, in case of conflict the Soviet Union could not trust the so-called satellite armies.

The Polish people are very much opposed to the presence of five Soviet divisions on Polish soil under the terms of the Warsaw Pact. The present Polish leadership is trying hard to explain that the presence of the Soviet troops in Poland is necessary owing to the lack of security with regard to the Polish western frontiers. One of the elements of Soviet pressure on Poland is the fact that Poland's western frontiers on the Oder-Neisse line are still unrecognized by Western Powers.

The recent compromise arrived at between Gomulka and the so-called Stalinist group of the party stems from the fact that Gomulka does not represent the absolute majority in the party. In order to obtain the upper hand in the party's leadership it is obvious that Gomulka is maneuvering toward some sort of compromise. There may also have been an ultimatum from the Soviet Union dictating such policy as one of the conditions under which Poland is allowed more independence than the other subjugated nations.

There are also certain moves which may be interpreted as strengthening the Communist rule. The Communist Party would certainly like to limit freedom of expression as far as the Polish press is concerned, as it considers that the press is going too far in its criticism of Communist institutions. Jamming of foreign broadcast has ceased and people are now listening to the Voice of America, Radio Free Europe, and the B. B. C. Soviet jamming stations in Czechoslovakia and Eastern Germany have increased their interference, however.

The Communist Party has also limited the hopes of the council of workers that it would have a larger voice in the management of factories and mines. All this goes to show that the situation in Poland is far from being or becoming stabilized. On the one hand is a stubborn patriotic and really heroic nation trying to rid itself of Communist rule, and on the other, is a divided Communist Party. One branch, the Stalinist camp, would like to return to the previous methods of governing by police and strict control. The second camp is the group of Communist liberals which would like to introduce national communism. Between the two tendencies stands Gomulka maneuvering the situation with great difficulty from any extremities which in most cases would boil down to Soviet military intervention.

On the economic front Poland urgently needs about 500 million foreign credits and is trying to expand her foreign trade. Negotiations in Washington show that Poland needs most of all foodstuffs, raw materials, and commodities with which to feed her industry. Hunger and unemployment could have disastrous consequences which in turn would bring Soviet intervention.

In the national, economic field there have been sweeping changes. Collectivization of agriculture has ceased; 80 percent of the collective farms have been dissolved and the peasants have taken back land, machines, and livestock. Craftsmen have been allowed to ply their trade again and small shops are now permissible. During the past 2 months 20,000 small shops were reopened. It would be very difficult for any Communist government in Poland to revoke these decisions and trends.

The new leadership of Poland has come to certain terms with the Catholic Church. On October 24, 1956, Cardinal Wyszynski was released after 3 years of imprisonment without court sentence. Cardinal Wyszynski in his sermons appeals to the Polish nation for patience and endurance.

The Polish nation as a whole manifested its complete sympathy with the Hungarian uprising. In every Polish town and village a committee for help

to Hungary was created. Poland although herself in dire economic straits tried extensively to help the Hungarian people.

The Polish nation looks toward America for political, moral, and economic support. They realize that in this era of atomic warfare their final liberation will not come through war. They hope, however, that by maintaining constant pressure on the forces of slavery represented by the Soviet Union, the West will bring nearer the day of their liberation by peaceful means. One of these means is strengthening Poland by economic aid. American help has a tremendous psychological impact not only on Poland, but on other subjugated nations such as Czechoslovakia.

The 3d of May provides an opportunity to pay homage to the Polish people who, moved by their love of freedom, are wisely and cautiously trying to gain complete freedom and democracy and restore Poland's ties with the West. It cannot be repeated strongly enough that it was not Gomulka who brought about the changes in Poland and the bloodless revolution, but that the actual achievements were due to the popular pressure. At the time of the Poznan bread, freedom and "Russians Go Home" riots, Gomulka was still politically negligible.

The whole Polish situation calls for a constructive, imaginative policy for Central and Eastern Europe, which until now, has not been formulated.

Mr. GORDON. Mr. Speaker, May 3 commemorated the anniversary of the enactment of the Polish Constitution of May 3, 1791, one of the first European democratic and progressive constitutions. By the terms of this constitution many progressive social and political reforms were introduced, making the date a memorable one in Poland's modern history. The past year has proved to be one of the most eventful in the history of post-war Poland. During the past year the Polish people have taken the lead in demonstrating the total bankruptcy of Communist policy. By requesting bread, freedom and the withdrawal of the Soviet army on the streets of Poznan they showed that communism has brought Poland and other subjugated countries to a state of economic ruin. Poland was once one of Europe's granaries. As a result of Communist collectivization experiment, Poland in unable to feed her people. The Poznan workers demonstrated how wholeheartedly they reject Communist control. The request that the Soviet army be withdrawn from Polish territory proves that the Polish nation has no desire to be a member of the Soviet bloc's military machine and that Poland's policy over recent years has not been of her own making.

The October events have brought a certain degree of liberalization. The Poles can now breathe more freely and Poland is on a more equal international footing with the Soviet Union. We are informed that the present Polish government is striving to maintain its balance between three points: (1) the Polish nation's urge for greater freedom and liberalization and absolute independence from the Soviet government and a return to the West; (2) the country's disastrous economy after so many years of Soviet exploitation and Communist mismanagement, desperately needs help to restore stability; (3) Soviet policy has demonstrated on many occasions that it will not tolerate too much liberalism in Poland nor the return of democracy to that country.

The liberalization of Poland has attained such a degree that the celebration of May 3, prohibited for years and replaced by July 10, the day of Poland's subjugation by the Soviet Union, is once more allowed. It has not been restored as a national day, but the Warsaw government has declared that people may commemorate it privately.

In the Polish nation's struggle to achieve more freedom by means of evolution, the eyes of the Polish people are turned hopefully to the West, and especially to the United States. The developments in Poland are of the utmost importance to the West. The United States has a deep and legitimate interest to help the Polish people who aim to attain freedom and democracy. It must be remembered that it was not Gomulka who made the Polish revolution but that under popular pressure so clearly revealed during the Poznan uprising and the October events, the Communist Party in Poland was forced to make concessions and the initiative came from the masses of the patriotic Poles.

The fact that the Communist government remains in power results from the country's geographical and political position. Poland is encircled by Soviet divisions—23 in East Germany, 20 in Hungary, approximately 8 in Rumania and Czechoslovakia, to say nothing of the bulk of Soviet troops on the eastern border of Poland. Under these conditions it is only too natural that Poland has to follow a very careful and restrained policy in order not to jeopardize the gains so far attained.

It must be noted that the Polish events and the Hungarian uprising showed that from the military point of view the Warsaw pact has lost a great part of its importance. During the Poznan riots the Polish army at that time under Rokossowski's command maintained a passive attitude. In the case of Hungary nearly the entire army went over to the side of the national revolutionaries. Therefore in case of conflict the Soviet Union could not trust the so-called satellite armies.

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There are also certain moves which may be interpreted as strengthening the Communist rule. The Communist Party would certainly like to limit freedom of expression as far as the Polish press is concerned, as it considers that the press is going too far in its criticism of Communist institutions. Jamming of foreign broadcasts has ceased and people are now listening to the Voice of America, Radio Free Europe and the B. B. C. Soviet jamming stations in Czechoslovakia and Eastern Germany have increased their interference however.

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On the economic front Poland urgently needs about 500 million foreign credits and is trying to expand her foreign trade. Negotiations in Washington show that Poland needs most of all foodstuff, raw materials, and commodities with which to feed her industry. Hunger and unemployment could have disastrous consequences which in turn would bring Soviet intervention.

Mr. Speaker, I also include the following statement Why Poland Should Be Helped, issued by the Polish American Congress. This statement clearly sets forth the mutual advantages to the Polish people and the United States in the extension of assistance by us. It is my hope that the current negotiations will result in the extension of adequate aid to help the Polish people in their struggle for greater freedom.

WHY POLAND SHOULD BE HELPED—A STATEMENT BY THE POLISH AMERICAN CONGRESS

Since the October upheaval in Warsaw, when, in the wave of unrest and discontent of the population, Polish Communists recognized the urgency of needed economic and political reforms, American sympathy for Poland has been growing rapidly. From humanitarian and, to some extent, diplomatic views, at least 90 percent of American press and radio and television commentators favor technical and economic help for Poland. However, in this gratifying wave of sympathy for the Polish people, a sense of apprehension could be detected. One question is being frequently asked: Whether, while helping Poland we would at the same time strengthen the Soviet Union and communism?

The answer to this question is an emphatic no for the following reasons:

1. The Polish people are painfully aware of the fact that Communist concepts of economy and industrial planning have brought them to the brink of disaster. The Communists themselves accepted this truth by retreating from such spheres of economic activities as the collectivization of farms which has been brought to a standstill, and complete socialization of small private enterprises which has been abandoned.

These two examples prove beyond doubt that the Polish people have forced Communists to a considerable retreat from stubborn entrenchment in a Marxist-Leninist theories and practices. And this is only the beginning. Given more time and moral as well as material support the Poles will eventually go farther on the road to complete independence.

2. Polish national interests, historic evolvement as well as cultural and spiritual ties with Western civilization clash with Communist designs for world domination. Polish implacable hostility toward communism in general and toward Russian colonialism in particular is a proven fact of history.

There is no danger that by helping Poland economically we would be strengthening communism and the Soviet Union. On the contrary, stronger and more independent Poland would mean a gradual retreat of communism in central and east Europe and would effectively oppose Russian designs for conquest.

Another argument is being set forth even by people whose sympathy toward Poland is sincere, that there is a great risk involved in helping the Polish people now. They say that American aid for Poland would provoke Russian wrath against the Poles. They add that the Polish people have already aroused Russian antagonism to a breaking point.

Let us bear in mind, therefore, that the Poles are well aware of the risk. They are willing to take it. The very fact that they asked us for help instead of begging the Kremlin for handouts, proves beyond doubt that Poland wants to return to the Western family of nations where her national birth placed her a thousand years ago. The Poles have already taken a risk by turning to the West. It should be evaluated as a calculated risk. They are risking far more in turning to us than we are risking in granting them help.

The stakes are high and worth the chance both for Poland and for the United States. In the long view of history the Communist system of government forced on Poland by the might of Russian Army is only transitory. Poland as a nation successfully opposed Russification in the past and, with her boundless devotion to freedom and democracy, will emerge victorious from Communist oppression. But she needs our help and fully deserves to be helped in her hour of dire need.

Finally, some aspects of Poland's foreign policy are being used in arguments against a large-scale help. We should remember that Poland's current foreign policy is not of her own choice. It has been linked to Russia with full consent and suport of the Western Powers at Yalta. Poland is not yet able to follow an independent course in foreign affairs. This can develop only in accordance with the amount of material and moral help that Poland could get from the West.

Mr. KLUCZYNSKI. Mr. Speaker, it was a long time ago when the progenitors of the Poles were driven by the Romans to the wilderness of central Europe, settling finally among the virgin forests and impenetrable morasses of the basin of the upper waters of the Oder and Vistula Rivers. Here the Lechici, as they called themselves—a name derived from the mythical patriarch Lech—seemed to have lived for centuries in loosely connected communities the simple lives of hunters, shepherds, and tillers of the good soil that made that country so rich. They dwelled there until the pressure of their neighbors compelled them to combine for mutual defense. Of this infant state, the Kingdom of Piasts emerged. From Gallus, a 12th century chronicler, we learned that Prince Ziemovit, the great grandfather of Mieszko I—962–992)—wrested from the vast Moravian Empire the Province of Chrobacia, extending from the Carpathian Mountains to the Bug River and that Christianity was first preached on the banks of the Vistula by Greek Orthodox missionary monks. It was Mieszko I who officially adopted Christianity, and his son, Boleslaw I, went a considerable step further, aiming at securing the independence of the Polish church and an additional guaranty of the independence of the Polish nation. In the year 1000, Boleslaw elevated the town of Gniezno into the metropolitan See of Poland. From then on Christianity and Poland marched hand in hand toward a road which through centuries lasted to this day.

Since then Poland had her glorious days and her dark days, and some part of that history is worthwhile to recall. In the middle of the 13th century Tatar hordes under Batu invaded the kingdom of Poland and left towns like Sandomierz and Cracow in ashes. Batu went as far as Hungary where his glory vanished as suddenly as it had appeared.

Once again Poland had to rebuild and she did so with the help of foreign settlers—Germans, Moravians—who came as immigrants and received equal rights with the Poles. Among the foreign settlers came the men of the Teutonic order, who had just been expelled from Hungary. Then came the wars fought against the order who had established itself in Poland at the beginning of the 13th century and had come there being wholeheartedly accepted by the Poles who needed manpower against the Prussian invaders. Those were crucial times in the history of the Polish nation and it took the Poles almost 200 years to defeat the order in the famous battle at Tannenberg in 1410. Once again Poland saw her great days, cementing the union with Lithuania and building up the country devastated by constant wars. Great kings emerged both under the dynasty of the Jagiellons and Vazas. The Jagiellonic period—1386 to 1572—is the history of consolidation and fusion. Two centuries of Jagiellonic rule made Poland great despite her grave external difficulties. They introduced the first liberal foundations for the original Polish constitution. Leyies for the gentry were set and for the first time the Polish Sziachta realized that they were not the ruling class of that nation, although they were the only class who met in special meetings to elect their kings.

With the election of Henry Valois, a Frenchman, the Vaza dynasty in Poland was founded. And even here another liberal step in curbing the rule of the dynasty was establish. Under the Henrican Articles which converted Poland from a limited monarchy into a republic with an elective chief magistrate, the King was to have no voice in the choice of his successor. He was to marry a wife selected for him by the Senate. He was to be neutral in all religious matters. Should the King fail to observe these articles the nation was absolved from its allegiance. Under the Vazas great kings emerged, among them Stephen Batory, and John Sobieski III, who at Vienna saved Europe from the Turkish invasion. Once again Poland saw glorious days and dark days. But somehow each time she emerged gloriously.

The period between 1548 and 1606 the Poles call their golden age. Poland was the great land of Eastern Europe, and because of universal tolerance encouraged by the Government, even Protestantism was widely spread. People like Jan Kochanowski, the prince of Polish poets, came into being. He had studied at Padua, and Paris was not unknown to him. A Jesuit priest, Rev. Piotr Skarga, the greatest of Polish orators, became famous in the days of the golden age.

Again Poland was drawn into conflict because of invasions from the Russians, Swedes, and Prussians, and each time she emerged from it more gloriously than ever before. Even though partitioned for nearly half a century, Poland regained her full independence and we can proudly say that nothing could break the backbone of that wonderful nation that has fought so hard through centuries to run their own soil and cultivate the history and traditions of that land. And it was in those dark days when the Poles on May 3, 1791, converted their country into a hereditary limited monarchy, with ministerial responsibility and duennial parliaments. The merits of this great May the 3d constitution, I discussed in detail on many previous occasions and have stressed the fact that it was one of the most liberal and most democratic constitutions known in those days.

On other occasions I have spoken on Poland's important role in the present state of affairs. I have underlined her devotion to the Western world and her

anti-Communist stand. Only last year with the Poznan uprising, that set off the revlution in Hungary, Poland once again has proven her sincerity and her great willpower to shake off the yoke of communism. If I have mentioned part of her historic past it was only to arouse once more the conscience of all my distinguished colleagues to support wholeheartedly the desires of the Polish nation, which after all her struggles, is enentiled to regain her proper place among the real democratic nations in the world.

Speaking for the millions of Americans of Polish descent, I feel that we have a great obligation to that nation which was the first to oppose Hitler's aggression and the first to oppose and fight for so long against the Communist tyranny.

On this greatest Polish national holiday, the Third of May, let me once again express my sincere sympathy to the still enslaved Poles and add thereto the hope and prayer that it will not last very long and that in the near future Poland will obtain full and complete independence.

Mr. BOLAND. Mr. Speaker, 166 years have passed since the May 3 Constitution of Poland was framed. Many forms of democracy were built into this constitution. It offered the Polish people the means by which they could achieve freedom and a genuine representative government. For its time the May 3 Constitution was a liberal, progressive document.

But the Russians destroyed any hopes the Poles might have had for the establishment of constitutional government in Poland. Not only did the Russians and their allies destroy the constitution; they also destroyed the Polish State.

Today as we commemorate the anniversary of the May 3 Constitution it is well that we remember the fate of Poland so long ago; for Poland is today in great danger from Russia.

In the course of the past year Poland has been in a state of economic and political crisis. After a decade of bad planning and terroristic methods in the national economy, the Communist regime was forced to admit that it had failed. Depressed economic conditions stirred discontent throughout the nation. Riots broke out in Poznan, but the Communists, seeing the writing on the wall, allayed further popular explosions by releasing Wladyslaw Gomulka, a purged Polish Titoist, and by placing him in control of the government.

A crisis in Polish-Soviet relations ensued but was resolved with Soviet acceptance of the Gomulka regime. Promises of more freedom, fears of Soviet intervention, removal of pro-Soviet Communist leaders from the Government, and the establishmentof a regime allegedly more dedicated to Polish interests compelled the Poles to accept the Communist government of Gomulka. There was little else they could have done without provoking severe Soviet retribution.

It is difficult to find any comfort in Poland's present situation. The regime remains Communist; freedom has been expanded but only as a means for consolidating the regime's strength among the people; the philosophy of the Polish state remains rooted in Communist ideology. Soviet agents are no doubt working assiduously for the return of the pro-Soviet Communists to leadership and the removal of the Gomulka faction. And, all the time Poland is held in a vise; it is surrounded by Soviet troops in East Germany and Russia. A strike for real freedom would be followed by an immediate death blow at the entire nation.

On this day of national dedication it is the hope of all freemen that Poland will survive her present crisis; that the spirit of the May 3 Constitution will once again prevail; and that genuine freedom will one day be Poland's to enjoy.

Mrs. GRIFFITHS. Mr. Speaker, May 3, commemorates the anniversary of the enactment of one of the first European democratic and progressive constitutions—the Polish Constitution of 1791. This constitution was adopted at a critical time in Polish history and, during decades of foreign oppression, has served the Polish people as a symbol of democracy and independence.

The courageous people of Poland have this past year again shown clearly their love for freedom and desire for self-government. Again they have demonstrated how wholeheartedly they reject Soviet control of Poland and Communist dictatorship.

The peoples of Poland have come a long way this past year toward realizing their desires for freedom and self-government at great personal sacrifice. In doing so, they have fought the cause of liberty and freedom for all mankind.

But the degree of liberalization that has been obtained in Poland this past year must be maintained and strengthened and greater freedom and liberalization and, ultimately, absolute independence finally acquired.

We people of America, who have enjoyed decades of freedom, must stand firmly behind the people of Poland, giving them every assistance we can for the cause of liberty and freedom is everyone's.

It is a great privilege to join with my colleagues in honoring this great historic occasion.

Mr. CURTIS of Massachusetts. Mr. Speaker, I rise in recognition of Poland's Constitution Day, May 3.

On September 13, 1788, 11 States had ratified the Constitution of the United States and the Continental Congress on that date passed a resolution placing the new Constitution in operation. Less than 3 years later, on May 3, 1791, the Polish Constitution was promulgated.

Each of these events marked a momentous step in the forward march of freedom. The same patriotic impulses were stirring in these two Nations at almost the same time. This is an indication of a bond of sympathy and understanding between the people of Poland and the people of the United States which has endured to the present day.

Since that far-off period, America has been enriched by the coming to its shores of many sons of Poland who have settled in America, and have prospered and made their contribution to our common life. Sons of Poland have brought to America their special talents and cultural backgrounds, and have proved themselves loyal citizens.

Forces from which the Polish people could not protect themselves have temporarily crushed freedom in Poland, which now lies behind the Iron Curtain, a victim of despotism. Lovers of freedom, however, look for the day when Poland will rise again and once more achieve the freedom which her people have cherished since May 3, 1791.

Mr. BARRETT. Mr. Speaker, the third of May marks the anniversary of a great day in the history of the Polish people and in the history of freedom-loving peoples everywhere. It was on May 3, 1791, that Poland promulgated the first democratic constitution in Europe. This great document of constitutional government responsive to the will of the people recognized Poland's traditional belief in the principles of individual liberty and political democracy. It was a true product of the Age of Enlightenment, crowning with success the long struggle of the Poles for liberty.

The new Polish constitutional state was, however, of short duration. The Poles soon fell prey to predatory neighbors who ruthlessly partitioned Poland out of existence as a sovereign entity. But the Polish nation, exemplified by the spirit of unity and the courage of the Polish people, did not die. Resistance to foreign domination and political tyranny characterized those fateful years of occupation, kept alive the Polish dream for liberation and liberty, and immortalized such great Polish heroes as Kosciusko and Pulaski.

Poland's long struggle for freedom seemed to end in 1918, when the Poles once more emerged as a free and independent nation. Events following World War II, however, proved that this was only a pause in that noble struggle. Today Poland exists as a state. But it represents a political sham foisted upon the Polish people by Soviet dictators. There is no political or religious freedom for the people of Poland. They enjoy no political democracy. Current events are recording another dark chapter in Polish history.

For the people of Poland there can be little celebration today. But in these times of darkness, they can look back with pride upon a long and noble heritage of struggling for democracy and liberty. From this heritage they can derive new strength and courage in their opposition to the Kremlin dictators. Events of last fall provide proof that the ideal of freedom and political democracy is still a potent inspiration to the Poles. We in the free world pay tribute to them on this great day, and hope that Poland may one day emerge again from tyranny and despotism to celebrate in freedom and peace this most glorious of holidays.

Mr. MADDEN. Mr. Speaker, this year, in commemorating the Constitution Day anniversary of Polish independence, we are happy that the past year has recorded important steps back to freedom and liberty.

On previous years I have reviewed Poland's long battles over the centuries to enjoy independent government. This fight for freedom will not cease until complete victory is attained.

I wish to complete my statement on this 166th anniversary of Polish independence by submitting a letter to me from Charles Burke of the Polish American Congress. Mr. Burke ably sets out important facts and recommendations which are all important to Poland in 1957.

POLISH AMERICAN CONGRESS, INC.,
Washington, D. C., April 19, 1957.

The Honorable RAY J. MADDEN,
House Office Building,
Washington, D. C.

MY DEAR MR. MADDEN: For many years the Congress of the United States has demonstrated the friendship of this country toward the Polish people on Poland's national day, May the 3d, which commemorates the anniversary of the enactment of one of the first European democratic and progressive constitutions (May 3, 1791).

The past year has proved to be one of the most eventful in the history of postwar Poland, and indeed in the history of the Soviet bloc as a whole. By the Poznan uprising in June, by the Polish October events and the heroic Hungarian revolution, the basis of Soviet theory and rule in the countries of central and eastern Europe has been shattered. During this past year the Polish people have taken the lead in demonstrating the total bankruptcy of Communist policy. By requesting bread, freedom, and the withdrawal of the Soviet Army from Poland on the streets of Poznan, they showed that communism has brought Poland and the other subjugated countries to a state of economic ruin. As a result of the Communist collectivization experiment, Poland, one of Europe's granaries, is unable to feed her own people. By requesting freedom, Poznan workers demonstrated how wholeheartedly they reject Soviet control of Poland and Communist dictatorship. The request that the Soviet Army be withdrawn from Polish territory proves that the Polish nation has no desire to be a member of the Soviet bloc's military machine and that Poland's policy over recent years has not been of her own making.

The most staggering fact to come to light during the Poznan riots, however, was the fact that it was the workers who dared to raise their hand against Communist tyranny, and the workers who showed the true worth of the fallacy that communism is the rule of peasants and workers.

By means of a bloodless revolution, the October events have brought a certain degree of liberalization; Poles can breathe more freely and Poland is on a more equal international footing with the Soviet Union. In October Poland took her destiny into her own hands. Gomulka, present leader of the Polish Communist Party, was placed at the head of the bloodless anti-Soviet revolt by the people. The government he created is striving to maintain its balance between three points: (1) the Polish nation's urge for greater freedom and liberalization and for absolute independence from the Soviet Government and a return to the West; (2) the country's disastrous economy, after so many years of Soviet exploitation and Communist mismanagement, desperately needs help to restore stability; (3) Soviet policy has demonstrated on many occasions that it will not tolerate too much liberalism in Poland nor the return of democracy to that country.

The past year has also been a year of ideological ferment within the whole Soviet bloc. News of this ideological ferment reaches us from Czechoslovakia, Lithuania, China, and even from the Soviet Union where students and the new technocratic intelligentsia demonstrate that they are no longer prepared to accept as gospel the fallacies of Marxism, Leninism, and Stalinism.

The liberalization of Poland has attained such a degree that the celebration of May 3, prohibited for years and replaced by July 10, the day of Poland's subjugation by the Soviet Union, is once more allowed. It has not been restored as a national day, but the Warsaw government has declared that people may commemorate it privately.

In the Polish nation's struggle to achieve more freedom by means of evolution, the eyes of her people are turned hopefully to the West, and especially to America. The approaching date, May 3, offers an opportunity for a proclamation to be made from the floor of not only friendship and sympathy for Poland, but also of an American policy which can help Poland along her hazardous but courageous path to freedom and democracy.

CHARLES BURKE,
Washington Representative.

Mr. O'HARA of Illinois. Mr. Speaker, today in the observance here in the House of Representatives of the Congress of the United States of the Polish Constitution Day it is with a heartening sense of happy portent for the future that I speak.

For long the noble and the courageous people of Poland have been under the iron rule of those who were alien to their aspirations and their ideals. In this Chamber during this long, dreary period of Polish enslavement never did we permit the anniversary of Polish independence to pass unnoticed. On such anniversary occasions I with others of my colleagues gave our pledge that we in the Congress of the United States would never desert free Poland. But while those were words of cheer and of encouragement, sincerely intended to hearten the people of Poland, they were words that could not of themselves and immediately rescue the people of Poland from the blackness of the night into which they had been plunged by the oppressor.

Today while liberation has not yet come to Poland there has come a change much for the better. This has come about because the spirit of freedom is part and parcel of the Polish character. Through the long years of her oppression this spirit has remained unquenchable. While the people of the United States, represented by us here in the Congress, will not be satisfied and will not cease in our efforts until Poland again is free and independent, nevertheless we take hope in the change for the better that has come.

In a few weeks or in a few months at the latest we will have our opportunity here in the Congress to show the quality of our friendship for the people of Poland by voting aid for them in their need and in their distress. This will be our way of showing our appreciation for what men and women in Poland and men and women of Polish blood in our own country have contributed by their courage and their devotion to the cause of freedom and of human dignity. I trust that when the matter comes onto the floor of this body that not one voice will be raised or one vote cast in opposition. Every dictate of the spirit of gratitude and of conscious commands that aid to the people of Poland in their year of need should be given unstintingly and from the heart.

I need not remind my colleagues that when our country was young, in need and in danger there came from Poland those who gave their service and who shed their blood that our country might be free.

I need not remind my colleagues that even in the early days of Jamestown those who were most numerous in the little band of heroes under Capt. John Smith were men who had come from Poland to lay the foundations on American shores of the nation that now is the greatest and most powerful of all the nations of the world. It is a long stretch of time from Jamestown to the Washington of today, the Washington that may be called the capital of the world. What Washington is now, and the position of world responsibility held by the United States, represent the dividends from the investment of sacrifices and of blood by the men and women in the early days of whom those of Polish blood were an important part.

It is a happy circumstance that in this year of international perils, greater perhaps than those in whichever we were enveloped, the chairman of the powerful Committee on Foreign Affairs of this House, the gentleman from Illinois, the Honorable THOMAS GORDON, is of Polish blood and one of the most distinguished leaders in the activities and the aspirations of our fellow citizens of Polish extraction.

It is a happy circumstance, too, that serving on the all-important Committee on Ways and Means, the committee that has the large responsibility of framing the legislation that from taxes derives the great sums of money needed for the discharge of our world responsibilities, is another distinguished leader among our fellow-Americans of Polish descent, the gentleman from Michigan, the Honorable THADDEUS MACHROWICZ, who now has the floor and who graciously has yielded time to me for these humble remarks. Also on the Foreign Affairs Committee serving with Chairman GORDON, and serving with an ability and an industry unsurpassed, is another son by descent of Poland, the distinguished gentleman from Wisconsin, the Honorable CLEMENT J. ZABLOCKI. Another of our colleagues of Polish descent, now serving his eighth term, and a member of the very important Committee on Armed Services, the distinguished gentleman from Wisconsin, is the Honorable ALVIN EDWARD O'KONSKI.

With our colleagues of Polish blood we rejoice today that this year Polish Constitution Day was again celebrated in Poland. The celebration for years was prohibited and for May 3 was substituted July 10, the day of Poland's subjugation to the Soviet Union. While the Polish Constitution Day has not yet been restored as a national day, this year the present Warsaw government did declare that the people of Poland might celebrate it to their hearts content but privately.

The past year indeed has proved to be one of the most eventful in the history of postwar Poland. By the Poznan uprising in July, by the Polish October events and by the Hungarian revolt the basis of Soviet theory and rule in the countries of central and eastern Europe were shattered. The Polish people have taken the lead in demonstrating

the total bankruptcy of Communist policy. By means of a bloodless revolution the October events brought a certain degree of liberation. What happened this past year is only the start. Free Poland soon again, in answer to the prayers of her people and the prayers of our own people, will be a great and powerful nation, independent of foreign rule and foreign influence, again a free Poland working side by side with the other free nations of the world to bring to mankind the blessings of liberty.

Soon in this Chamber we will have the opportunity by my words and by our votes to hasten the glad day of free Poland's liberation and meanwhile to give sustenance to her people. Let us not fail the call of gratitude and of conscience.

Mr. LESINSKI. Mr. Speaker, although Constitution Day of May 3 was not recognized officially and there were no public demonstrations in Poland, I am sure that the Polish people must have celebrated the day quietly with a prayer in their hearts. They have cause to rejoice because we in America have finally decided to extend economic assistance to Poland and are going to send them commodities such as cotton, wheat, and mining equipment which they need.

Poland in the past was an exporter of grains, but today she has to depend on imports to feed her people. The situation is a typical example of how the Communist operations have sabotaged the farms and productive capacity of the country. The Poles who throughout history have aided so gallantly the various nations that were oppressed and needed help are now seeking similar assistance from America. I am glad to note that our Government has decided to act.

There is one further point on which America will have to commit herself—that is the western boundary of Poland—the Oder Neisse Line. I am requesting that the State Department, prior to completion of negotiations on the unification of Germany, seek to establish that boundary so there will be no doubt in the minds of those participating as to how far we are willing to go. If this action is taken by the State Department, it will further cement the ties of, and enhance the respect for America from, those presently groping in the dark as to what their future will be.

One is willing to sacrifice if he knows what his objective is. Poles today are seeking to throw off the domination of Communist Russia. They are first seeking a peaceful way of achieving this, but they would be given further stimulus toward their ultimate goal if their western boundary—the Oder Neisse Line—were defined. Such determination would also dispel the propaganda, originating in Moscow and now being used by the Communists in Poland, that we in America are not concerned about the Polish nation.

I sincerely hope that we in America have courage enough to stand up for what is right, define our position, assist these gallant people in their efforts, and start the trend toward the breaking away of the subjugated nations that are presently in the orbit of the Soviet Union.

Mr. FRIEDEL. Mr. Speaker, today as we commemorate the anniversary of the May 3d constitution, Poland is in a state of severe economic depression. The Communist mechanism of centralized state control of the economy has led Poland down the road to economic disaster. Prices of goods are outrageously high. Wages have failed to keep step with the rising living costs. Consumer production is wholly inadequate. Housing is unsatisfactory. Unemploying is on the upswing.

The cause of Poland's present economic plight lies in the attempt to apply the Soviet experience to a nation ill-suited for the experiment. The forced rapid development of heavy industry, lagging development in agriculture, the failure of the supply of raw materials to match the productive capacity of industry, and the contrast between increase in quantity in some branches of production and the defective quality of the products are among the serious shortcomings. Moreover, the inability of the 6-year plan to improve living conditions has provoked disillusionment and indifference among the people, who have long been unwilling victims of compulsion and propaganda, adding to the general demoralization of the nation.

Communism has failed in Poland. After a decade of mismanagement, suppression, and tyranny Communist Poland reaps a harvest of bitterness, disillusionment, and despair.

The so-called October revolution which returned Wladyslaw Gomulka to power had its roots in Poland's economic stress. And if Gomulka expects to maintain uncontested authority, he must correct these economic problems, for the Polish Stalinists—the pro-Soviet opponents of Gomulka—whom he had displaced, seek an advantage in any of his failures.

Gomulka has taken some measures that might bring about improvement in Poland. Rigid control over agriculture has been relaxed and may permit a wider range of initiative among the farmers. A certain degree of free enterprise has been permitted in the economy. And to support his course of independence from Soviet Russia, Gomulka has turned to the United States for economic assistance. Poland needs loans and credits for agricultural equipment; she also needs agricultural products, especially grain to replenish her depleting reserves.

Negotiations between Poland and the United States, underway since January, have not yet been concluded, but it seems clear from reports in the press that the Government has decided to loan Poland $75 million. Future loans will be considered, it has been intimated, depending upon the degree of independence Poland achieves from the Soviet bloc.

At this juncture in Polish-American relations we do not know positively if American economic aid will serve the best interest of either the Polish people or the American people. There are many imponderables in the present state of affairs. Aid to Poland is a calculated risk. The Government seems willing to take it on the hope that aid will eventually mean a better life for the Polish people and also, that it will serve the interests of American foreign policy in eastern Europe.

On this anniversary of Poland's May 3d constitution, the Polish people are again at what appears to be a crossroads in history. We join with all friends of Poland in prayerful expectation that the Polish people will someday gain a wider range of political freedom and a broader basis of economic security. A people such as they deserve no less.

Mr. REUSS. Mr. Speaker, May 3 is a day which each year reminds us that the spirit of liberty can never be extinguished among freedom-loving people. On that day, 166 years ago, the people of Poland adopted a constitution based on the principles of self-government and dedicated to the rights of the individual citizen.

The partition of Poland a few years later brought the Polish people under 125 years of alien rule but during all that period the ideals of the May constitution remained alive. When eventually Poland regained its freedom it was only to see it soon vanish once again under the heel of Nazi and then Communist tyrants. Yet the people of Poland did not lose hope, and today, thanks to their valor, there is once more the prospect of a better day.

It is good to mark this anniversary because it recalls to us how deep are the roots of the Polish striving for liberty. The past year has been a momentous one for Polish patriots, and the Poznan revolt of last June and the bloodless revolution of last October are but new evidence that among the ordinary Polish people there is unrelenting antagonism against the foreign domination of Moscow.

Today Poland stands midway on the road to national independence and democracy. I for one believe that the United States should be prepared to offer enough economic assistance to end Polish dependence on the Soviet Union for the basic needs of her economy. By so doing, we can give tangible evidence of our admiration for the Polish determination to be free and at the same time encourage other enslaved nations to work as the Poles have worked for national liberation.

Mr. RABAUT. Mr. Speaker, May 3, 1957, was the 166th anniversary of the famous Polish Constitution of 1791, which transformed Poland from a despotic into a parliamentary monarchy, abridged the privileges of the nobility, and guaranteed the Polish citizen of that time relief from arbitrary exactions. Without disorder and without bloodshed, the Polish state in 1791 reformed its government and called a halt to the decline of Poland as a great power. Even at that time there were friendly ties between Poland and our country; some of those same Polish patriots who had fought against foreign tyranny on our soil drew encouragement from the successful struggle of free men in the New World to combat foreign tyrants who were then menacing Poland.

In spite of gallant resistance to the overwhelming force of Russia and Prussia, and later of Austria, Poland succumbed completely to the aggression of this trio in 1795; it seemed that Polish

national life and Polish culture were permanently extinguished.

Fortunately, this was not the case; from 1809 to 1812, in 1863, and again from 1919 to 1939 Poland enjoyed brief periods of national liberation.

In 1945, Poland was once more recreated, only to exist for more than a decade as a Soviet satellite, under the domination of brutal and omnipresent Communist soldiers, spies, and administrators. More recently there have been a number of changes in the Communist leadership of the country, including the organization of a so-called "national Communist" government under Wladislaw Gomulka. Whether these developments hold any promise for the betterment of the Polish people remains to be seen. In any case, however, we in America join in our prayers for the freedom of Poland and an easier and happier life for her people.

Mr. McDONOUGH. Mr. Speaker, the history of Poland has been the history of a people's unceasing struggle for national independence and for individual liberty. It has been a long and hard fight of a courageous people of indomitable spirit who will never admit defeat, a people who have endured oppression and tyranny but have never submitted to them.

On May 3 the people of Polish ancestry throughout the world join in spirit with the people of Poland in observing the anniversary of the adoption of the Polish Constitution which occurred on May 3, 1791, just 2 years after the adoption of the Constitution of the United States.

In spite of all the efforts of Soviet communism to dominate and subjugate the people of Poland, the Communists have been unable to root out the ideals of liberty and democracy to which the people of Poland are dedicated.

On this Polish Constitution Day, all Americans join with the people of Poland and those of Polish ancestry in a prayer for the complete independence of Poland and for liberty and for personal freedom for the Polish people.

May the struggle of the Polish people against oppression be triumphant, and may their faith in the might of right and in the destiny of their nation be justified with the reestablishment of Poland as a free and independent nation.

Mr. KEOGH. Mr. Speaker, on May 3, freedom-loving Poles everywhere marked the anniversary of their constitution of 1791. It could not be other than a solemn observance. The Polish homeland still is occupied by military forces of the U. S. S. R. The Polish Government continues to be Communist, and communism and freedom are antithetical.

There are signs of hope, however, in the assertion of a spirit of liberty, renewed in vigor, which has forced relaxation of some of the Soviet strictures. To the limits of prudence, I believe all Americans will want their Government to manifest recognition of these favorable auguries by extending practical encouragement to the aspirations of Poland for an increasing measure of independence.

It is a tragedy of history that Poland, which sent us Thaddeus Kosciusko to assist in our own first battles for freedom has been buffeted by so many cruel storms of international power politics as to have its national existence placed in repeated peril through the years. It would not have been surprising if the Polish people had lost their identity, but their oppressors have not been equal to the strong national and ethnic pride of the Pole.

In the spontaneous demonstrations of last fall, we saw that pride, angry and determined, unnerve the foreign rulers who held Poland in bondage. Small morsels of appeasement were passed out. Obviously, Poland has not succeeded in throwing off the yoke, but the reinsmen no longer are arrogant in their confidence. To preserve its stolen stake in their country, the U. S. S. R. apparently has found it necessary to bargain with the Poles.

The spirit of the Constitution of 1791 is alive and stirring in Poland. Whatever our reservations may be about the present hybrid government of that land, we shall nurture that spirit by all practicable means, out of our long friendship and admiration for the Polish people.

Mr. DINGELL. Mr. Speaker, commemoration of the May 3 constitution accurs at a critical time in the postwar history of Poland. Six months ago the Polish people were on the verge of open revolt. Soviet troops closed in along the Polish borders. Troop maneuvers in Poland were interpreted as an unmistakable threat. In Warsaw, the Stalinist leadership turned over its authority to Wladyslaw Gomulka, a Polish Communist leader purged some years ago for "Titoist deviations." Gomulka proclaimed a new regime of national communism in which Polish interests, it was said, would supersede those of Russia. After tense days of negotiations between the Soviet and Polish Communist leaders, the crisis was dissolved. The Soviets acquiesced in Polish demands for the acceptance of Gomulka's regime only upon receiving assurances that Poland would remain in the Communist camp.

Since then Gomulka, like a man on a tight rope, has been leading a precarious existence. Beset by dangers from all sides, especially from the danger of Soviet intervention, he could at any moment be toppled from his pinnacle of power. Thus, the regime has tried to placate both Soviet and anti-Soviet interests. It has made some concessions to the church, to the press, to the intellectuals, and to the farmer. The taut lines of economic control have been slackened; some free enterprise does exist. But, on the other hand, pro-Soviet Stalinist elements remain in the Gomulka government, and it does not seem that at least for some time, if at all, they will be purged. In the meantime the Stalinist faction is like the understudy waiting in the wings to assume the role of the star performer upon his collapse. Moreover, the regime has asserted its firm adherence to Communist ideology and has made it abundantly clear that Soviet-Polish friendship remains unimpaired.

The great problem facing Gomulka today is an economic one: He must take effective measures to pull Poland out of its present dismal economic depression. Years of economic mismanagement and government by force and terror have at last begun to take their toll. In one sense, Gomulka is a man living on borrowed time, because if he fails to improve Polish economic conditions, he will in all probability go down in defeat before the Polish Stalinists. Thus, the experiment of Polish "national communism," which is another term for Titoism, would then come to an end.

For the past 4 months the United States, having determined that Poland had taken a step toward independence from Moscow, has been negotiating with a Polish delegation for economic assistance, apparently hoping to aid the Polish people and hasten their independence. The Poles are anxious to get funds for the purchase of agricultural commodities and farming and mining machinery. Recent reports in the press indicate that the United States is prepared to loan $75 million. It is said that this loan is only the beginning and that further aid would depend upon the evolution of Polish independence.

American officials are approaching the problem of aid to Poland with great caution. Political conditions in Poland are still in flux. Only enlightened speculation can possibly be the basis for an estimate of the degree of independence Poland enjoys today and the duration of that independence, if indeed it does exist. Furthermore, Americans do not have a full and accurate picture of Poland's economic needs. Legal barriers also exist which might hinder future aid negotiations. Finally, the threat of Soviet intervention always looms over any Polish negotiations with the West.

Proof of Polish indomitable will to be free was displayed not only in the Poznan riots but also in the freedom riots now taking place at Jaroslaw. Freemen everywhere hopefully watch the progress of the Polish people toward the freedom which they lost at the hands of Hitler in 1939.

On this anniversary of the May 3 constitution Poland is in a state of serious danger, but not without hope. Events in that much-distracted country are not beyond the control of ourselves or other nations in the free world. By engaging in negotiations with the Polish regime the United States might well be in a position to determine the future course of Polish history. In our desire to aid the Polish people, which is one of the primary reasons for negotiating the current loan, we have accepted a grave responsibility, one which we must bear with great circumspection. Perhaps, it would be well for us, and the Polish people as well, to heed the words of Cardinal Wyszynski, the primate of Poland, in his New Year's message for 1957 when he said: "I wish all to be patient."

Mr. EBERHARTER. Mr. Speaker, it gives me great pleasure to join with my colleagues in commemoration of this the anniversary of the enactment of the Polish Constitution, which came into being on May 3, 1791.

The history of Poland's struggle for freedom has been a dramatic one indeed, and continues to be even more so to the present day. In the past year we have witnessed one of the most courageous

uprisings against dictatorship in history. This further demonstrates the lengths to which the Polish people will go to achieve their goal of democracy.

The recent developments in Poland and Hungary are of course of utmost importance to the West, for they bring forcefully to light the fact that the peoples of Eastern Europe have just as much desire for freedom as they always have had, and that they do not adhere to the false doctrines of communism, nor do they wish to be dependent on the Soviet Government. For they are very much aware of the disastrous economic results, and the lack of political freedom that have been brought about by Soviet control.

The forceful rebellion of the workers against Communist dictatorship has brought about a great liberalization in Poland and a great deal more freedom, but of course not nearly enough. Poland still must travel a distance along the road toward a full degree of democracy. Toward this end we extend to her a hand of friendship and the absolute faith that she will eventually achieve this goal.

Mr. MULTER. Mr. Speaker, this year's observance of Polish Independence Day, May 3, 1957, was an occasion for considerable gratification. For the first time since the end of World War II, Poland has been able to wrest from the repressive Soviet Government a measure of autonomy. Difficult as it is for us to observe clearly through the fog of censorship still hampering free communications from behind the Soviet front, a few facts have emerged.

The Gomulka government, with a measure of support from the Polish people in the October uprising, seems firmly established. It is being treated by the Soviet Government, at least outwardly, more as an equal than any other nation among the Soviet satellites.

From the world's point of view, several other facts have become apparent. One is that the unrelenting pressure of propaganda and the constant emphasis upon military force have not produced in the Polish people the attitude of gullibility and fear that the Soviet Government expected. Another very important point to remember if we wish to understand the whole situation in the Soviet bloc is that the very people upon whom the success of the Communist philosophy depends—the working people and the peasants—are the people who are disillusioned about communism.

The granting of permission this year to celebrate the enactment of the Polish Constitution of May 3, 1791, may seem a small gesture, but it is a significant symbol of Poland's new hope. Poland's valiant and bloody struggle, over the past century and a half, for her place among the nations of Europe, the still fresh memory of the hundreds of thousands annihilated in World War II and in the postwar Soviet despotism, and the bitter economic lessons of hunger and deprivation, all these have left the Polish people more determined than ever to achieve a destiny of self-respect and self-determination.

This anniversary was not an occasion for loud and superficial merrymaking. It was, rather, a day for serious deliberation on the problems which Poland faces in her changing role. Americans congratulate the Polish people on their first steps since the Stalin era toward a better future. People of the free nations everywhere must earnestly consider Poland's pressing political and economic problems. We must decide how best to help the Polish people on the thorny road toward their place among us.

Mr. BYRNE of Pennsylvania. Mr. Speaker, at this time we join the Polish-Americans throughout the country in celebrating the 166th anniversary of Constitution Day. We look back at the brief period of freedom which the Polish people experienced under the Constitution of 1791 and we look forward to the day when they will again know individual liberty.

A limited monarchy was established in the spring of 1791 along with a biennial parliament and religious toleration. The old class distinctions that helped make life so difficult for the poorer people of the land were abolished. It looked like the dawn of a new day for Poland when she would join the growing ranks of democracies. But that same year a Russian army marched into Poland and erased all these advances. And it was not until the end of the First World War that Poland regained true independence and again began to control her own destiny. Hitler's invasion in 1939 put an end to this. The Soviet Red Army merely replaced it with another harsh rule by a foreign dictator.

Since the workers' revolt at Poznan last summer and the October uprising, the Polish people and the entire free world have regained hope that Poland may soon be free. But our optimism over the new liberties that appear to have been extended to the people and Gomulka's attempt at Polish independence should be tempered with realism. There is still strong Soviet influence over the Polish Government that has signed an agreement permitting the continued stationing of the Red army on Polish soil. Likewise, Poland remains a member of the Soviet-dominated Warsaw Pact. Besides this, the Gomulka government is a Communist government and its ability to continue to resist Soviet pressure is not at all certain. The future of Polish independence and liberty for the individual is truly perilous. The United States should, therefore, seek to strengthen the forces of freedom in Poland in every appropriate way, in order that it may move further away from Soviet Communist control.

It is my fondest hope that May 3 will soon be celebrated in Poland with the same freedom and independence as we enjoy here in the United States of America.

Mr. CELLER. Mr. Speaker, as news reaches us of increased unrest in Poland, punctuated by reports of new rioting over this past weekend, we realize how significant a link in the chain of freedom lies in Poland.

During the past year the Polish people have demonstrated to the world the failure of Communist policy to provide for the well-being of the people held in its grip; the failure of Communist policy in developing the potential of the individual; the failure of Communist policy to govern others by the use of force and terror.

May 3 was a significant day in Polish history, commemorating, as it did, the anniversary of the enactment of one of the first of European democratic and progressive constitutions brought to life on that date in 1791. This day has never been forgotten, and it is a mark—a dramatic mark—of the deathless will to freedom of the Polish people that through their own efforts they have succeeded in loosening to a degree the yoke of Soviet domination, so much so that in this year private celebrations of the significant May 3 date were permitted.

In helping Poland now, as I believe our Government must, we are understandably taking a calculated risk, but our risk is minute indeed in comparison to the risk the Polish people themselves are taking in turning to the United States. We cannot refuse to act out of a paralysis of fear. It could be that the very help we give Poland would be one of the greatest blows struck for liberty. It could be the step toward a bloodless divorce from Soviet control, and it could demonstrate that the concern of the United States for an interest in people as people is a traditional mark of our own freedom, thus puncturing Soviet propaganda that the West cares nothing for people, only for money.

Mr. DIGGS. Mr. Speaker, on May 3, 1791, the Polish people, in freedom-loving tradition, adopted one of the first European democratic constitutions.

In their heroic struggle to maintain their freedom, we in America feel a close kindredness. This bond was early established by such men as Tadeusz Kosciuszko, the Polish general and national hero who came to America in 1777 to aid the cause of American independence. Despite its own economic plight, the Polish nation—continuing its firm alliance with the cause of freedom and democracy—extended a helping hand to Hungary in her resistance to the strangling hold of Communist oppression.

On the 166th anniversary of Polish independence, we pay humble tribute to these courageous people, and we take this opportunity, also, to salute our own loyal citizens of Polish descent. For Poland's example, democracy is eternally grateful.

Mr. VANIK. Mr. Speaker, another year has passed, and while the people of Poland have again reiterated their plea for freedom during the Poznan uprisings, which occurred last year, they remain substantially in subjugation by a government which seeks to suppress their liberties. However, due to their brave resistance, the Polish people have achieved a greater degree of self-government and freedom than they have since becoming a satellite country.

So on this anniversary of Poland's Constitution, May 3, 1957, we not only commemorate the former independence of Poland, but we watch with interest the progress she has made in attaining a greater measure of freedom after so many years in which self-government was impossible.

We must hope that during the days ahead the spirit of the Polish people will restore a complete freedom which can only be achieved through a free government.

COMMITTEE ON EDUCATION AND LABOR

Mr. BAILEY. Mr. Speaker, at the request of the gentleman from North Carolina [Mr. BARDEN], chairman of the Committee on Education and Labor, I ask unanimous consent that that committee be permitted to sit this afternoon while the House is in session.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

CIVIL RIGHTS BILL

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. KEATING] is recognized for 30 minutes.

Mr. KEATING. Mr. Speaker, I view with dismay and deep concern charges which have been leveled against the civil rights bill by its opponents both in Congress and in the press.

The battle hymn of those attacking the bill is now a familiar tune: No trial by jury. This song has been chanted so repeatedly that even men of intelligence are beginning to believe the lyrics.

The provision for injunctions in the bill has been labeled by a distinguished Member of the other body as novel and dangerous, tyrannical, because it would abolish trial by jury. A respected editor has termed the bill itself as extremist legislation which frightens and dismays the South—and should frighten and dismay the whole country.

Mr. Speaker, charges such as these frighten and dismay me. And I hope and trust that they cause concern in the hearts of others. Concern, not for the future of this particular legislation, but for the very future of the country.

Anyone familiar with our American system of government, and its development under our great Constitution, will see the attack on this measure for what it is. Clear away the smoke and fog intended to blind the less discerning and what is revealed? Nothing more nor less than an attack on the judicial power of the courts.

I deem it a privilege, Mr. Speaker, to rise today in defense of that power. Although it is with sadness that I feel constrained to speak in defense of this great and honorable institution, it is without rancor or bitterness in any degree.

I can appreciate the sincerity with which many of my friends and colleagues from the South have opposed civil rights legislation. But I do not agree that their opposition to the proposed legislation is justification for an attack upon the integrity of the courts.

The charges that have been made deserve the careful attention of every Member of Congress. If they are well founded, our whole judicial system needs overhauling. If they are without foundation, they should be labeled as such and forgotten.

To judge this issue intelligently requires, first, an awareness of the history of civil rights legislation in this country. Secondly, it requires an understanding of the nature of the right to trial by jury as it relates to the traditional power of courts to punish for contempt.

At the outset, let us review the history of civil rights legislation in this country, which began in 1865, when thousands of persons were given American citizenship overnight. The 13th, 14th, and 15th amendments were adopted to guarantee the rights of these persons as American citizens against encroachment by the several States. Among the rights so guaranteed was the right to vote.

Since the adoption of those amendments, Congress has enacted both civil and criminal laws in an effort to protect the rights of these new citizens.

Civil rights statutes enacted to date have never, however, afforded the Federal Government the means adequately to protect the constitutional rights of all American citizens. While much progress has been made in all sections of this country to insure all citizens equal treatment, there still remain instances in which Americans who can meet the qualifications to vote are being deprived of that right by reason of their color. And other incidents have occurred, both in the North and in the South, which have amounted to a denial of equal protection of the laws.

Motivated by the belief that every American citizen is entitled to the same opportunities, to the same rights and privileges, and to the same protection of the laws, and, furthermore, that it is the duty of the Federal Government to safeguard these rights from unwarranted encroachment, President Eisenhower has recommended measures to strengthen our civil rights statutes. His proposals represent a moderate, but effective, approach to the problem. They simply authorize the Federal Government to bring civil suits to protect and insure civil rights, as distinguished from criminal prosecutions to punish violations of those rights.

The statutes on the books today authorize the Federal Government to prosecute criminally, but they do not authorize it to seek injunctive relief for injured parties. Experience has shown that criminal prosecutions, in and of themselves, are not adequate in this area, where so often the act committed is not per se a crime, but is the failure or refusal on the part of a public official to perform his duty. The stigma of criminal prosecution in such a case is both inappropriate and undesirable. Criminal prosecution, moreover, fails to accomplish the desired result, which is not so much to punish the offender, as it is to insure to the party threatened the timely exercise of his rights.

The shortcomings of the present law are particularly acute in cases where citizens have been denied the right to vote—and it is precisely this situation which the proposed civil rights legislation is designed primarily to correct.

Experience in the field of civil rights has indicated a need for a grant of power to the Federal Government to sue in behalf of those unable or afraid themselves to seek the aid of the courts. The possession of this power by the Federal Government is deemed essential to proper law enforcement in the area of civil rights today.

It is the recommendation that the Federal Government be permitted to seek injunctions in civil rights cases, which has given rise of late to charges that those haled into court for violating such injunctions will be deprived of their right to trial by jury. It is interesting to note that this point was raised only briefly in the debate of the measure during the 84th Congress. In the last few weeks, however, the clamor has reached the point where bills have been introduced in both Houses which would guarantee trial by jury to anyone accused of contempt of court for acts committed outside the actual presence of the court. One bill has gone so far as to grant a jury trial in all contempt proceedings.

Since these charges have been made, and these bills introduced, we should examine the nature of the right to trial by jury as it relates to the traditional power of the courts to punish for contempt.

To begin with, there is no constitutional right to trial by jury in contempt cases.

The Constitution provides that "the judicial power of the United States shall be vested in such inferior courts as the Congress may from time to time ordain and establish."

At the time of the adoption of the Constitution there were common law courts and courts of equity. While trial by jury was available in criminal actions and in civil actions at law, in suits in equity the judge was the trier of the facts. In cases where money damages were inadequate, a court of equity had the authority to grant relief in the form of preventative or mandatory injunctions. Violations of these injunctions were punishable as contempts of court. The accused had no right to a jury trial in these contempt proceedings.

In addition to the power of courts of equity to punish as contempts violations of their decrees, all courts had then, and they have today, the inherent power to punish as contempt of their authority any act which offends the dignity of the court or which obstructs the proper administration of justice. The existence of this power has always been deemed essential to the preservation of order in all judicial proceedings, and to the enforcement of the court's decrees.

This ancient power has always been a summary power. To require trial by jury for contempts such as these would in itself be an insult to the dignity and integrity of the court. More important, it would so fetter the judiciary as to lead to the complete breakdown of the administration of justice.

The framers of the Constitution guaranteed in the 6th and 7th amendments the right to trial by jury in all criminal cases and in common law actions where the amount involved exceeded $20. By so doing, they guaranteed the accused the right to trial by jury only in those cases in which he had traditionally possessed that right.

In its first act dealing with the judiciary, the act of 1789, Congress expressly provided that all inferior courts should have the power to punish, by fine or imprisonment, at their discretion "all contempts of authority in any cause or hearing" before them.

This was a broad grant of power. In 1831 Congress determined to limit to purely judicial matters the instances in which courts should have summary power to punish for contempt. The act of that year provided that only where it was essential to insure order and decorum in the presence of the court, or the proper performance of duty by officers of the court, or obedience to the court's lawful orders, judgments and processes, were courts empowered to punish for contempt.

It should be noted that this first step taken by Congress to define the power of courts to punish for contempt went no further than to specify the cases in which courts might inflict summary punishment for contempt. Right to trial by jury was not involved.

Not until 1912 did Congress consider the extension of jury trials to contempt proceedings.

The question arose during consideration of the Clayton Act. Because violence had occurred in labor disputes, it was anticipated that acts most likely to constitute violations of labor injunctions also would constitute criminal offenses. The argument was made that the door would thus be left open for courts, under the guise of trials for contempt, to convict persons of crimes without a right to trial by jury. Therefore, a provision was included in the bill to provide that where the act which constituted the contempt was also a crime, the accused would be entitled to trial by jury.

This provision of the bill was carefully drawn, however, so as not to apply the jury trial requirement to contempts committed in the presence of the court, or so near thereto as to obstruct the administration of justice. Nor did it apply to contempts committed in disobedience of any lawful order or decree entered in any suit or action brought or prosecuted in the name of, or on behalf of, the United States.

In spite of these limitations, the novelty of extending jury trials to contempt proceedings touched off serious debate. It is important to note that the subject of debate was not whether the accused had the right in contempt proceedings to trial by jury. It was, rather, whether Congress actually had the power to grant him that right.

The Clayton Act became law, however, and in the case of *Michaelson* v. *United States* (266 U. S. 42 (1924)), the provision for jury trials in certain contempt proceedings was declared constitutional by the Supreme Court, which held that the grant of trial by jury in these limited criminal contempt cases was not an unconstitutional encroachment upon the powers of the judiciary.

The Court viewed a criminal contempt proceeding as an action independent of the original suit in equity out of which it arose. It held that to grant the right to trial by jury in that proceeding, therefore, did not violate the settled rule that a suit in equity was to be tried without a jury.

While this legislative grant of trial by jury was aimed at criminal contempts arising out of labor disputes, the law did not expressly limit it to those cases. It applied to any proceeding for criminal contempt where the act constituting the contempt also constituted a crime. But it must be remembered that this law applied only to prosecutions for criminal contempt.

Trial by jury has never been available in cases of civil contempt, and the court in the Michaelson case intimated very strongly that trial by jury could not constitutionally be guaranteed in civil contempt cases.

Since confusion has existed as to the difference between criminal and civil contempt, a brief explanation may be in order at this point. A court sitting in equity has the unique power, at the instance of a complainant, to order the performance or nonperformance of an act. A refusal to obey constitutes contempt of court. Whether the contempt is civil or criminal depends, not upon the nature of the defendant's conduct, nor upon whether he is punished for it, but upon what the punishment is designed to accomplish. The same conduct can, in fact, constitute both civil and criminal contempt. See *United States* v. *United Mine Workers* (338 U. S. 258 (1947)).

If the purpose of punishing the defendant is to secure compliance with the court's order for the benefit of the complainant, the contempt is civil. The defendant can purge himself of the contempt simply by doing the act required of him. Civil contempt proceedings are between the original parties and are instituted and tried as a part of the original action.

If, on the other hand, the purpose of punishing the defendant is not to compel compliance, but to vindicate the dignity and authority of the court, the contempt is criminal. The defendant cannot remove the contempt. He is punished for his willful defiance of the court's order. Unlike civil contempts, criminal contempt proceedings are separate and distinct from the original action and need not be between the same parties.

The situation in the so-called Clinton, Tenn., case has been misconstrued due to a lack of understanding of the basic difference between civil and criminal contempt. As has been stated, a proceeding to punish for criminal contempt is separate and distinct from the original action. It can be brought by the United States to vindicate the authority of the Federal court. The title of the original action may be Brown against Smith, but the name of any criminal contempt proceeding arising out of it will normally be United States against Smith. The original action being between private litigants, the defendant can demand trial by jury, and the fact that the Government institutes the contempt proceedings cannot deprive him of that right.

In the Clinton case, now pending in the Federal courts, several Negro students sued the Board of Education of Anderson County, Tennessee, to compel the Board to desegregate the Clinton High School. The court issued an injunction requiring the Board to desegregate the school by a specified date. A number of persons subsequently committed acts in an attempt to prevent compliance by the Board. The United States Attorney petitioned the court in the name of the United States, alleging acts by certain named persons constituting contempt of the court's order. It has been charged that the United States stepped into this proceeding solely to deprive the defendants of their rights to trial by jury.

Such a charge betrays a woeful lack of knowledge of the law. The filing of the petition by the United States Attorney in the name of the United States had no effect whatever upon the defendants' right to a jury trial. Since the original action was not instituted by, or on behalf of, the United States, the defendants are entitled to trial by jury if their acts also constituted criminal offenses. But they must demand the jury trial. In the Clinton case the defendants have now demanded a jury trial, which, of course, will be granted, since they are entitled to one. This is a rather vital development, which critics of the civil rights bill have failed to point out.

The charge has been made that the vesting of power in the Federal Government to seek injunctions in civil rights cases is a novel means of depriving those who refuse to obey court orders of their right to trial by jury. But the right of the United States to bring suit in Federal courts for injunctive relief in civil cases is no innovation in the law. The Federal Government now has that very right by the provisions of at least 28 Federal statutes. These statutes have been listed in the CONGRESSIONAL RECORD within the last few weeks. Not one of these acts makes provision for trial by jury.

There is only one instance in the history of our Federal laws in which a person accused of criminal contempt has been granted the right to a jury trial in actions brought by the United States. A provision of the Norris-LaGuardia Act granted trial by jury to those cited for criminal contempts arising out of labor disputes, regardless of whether the original action had been instituted in the name of the United States.

That act granted trial by jury only in criminal contempt proceedings, and, in actual practice, resort was had almost exclusively to civil contempt in order to compel obedience rather than to punish. In these proceedings no jury trial could be demanded.

By the enactment of the Taft-Hartley law in 1947, Congress in effect returned to its policy of excepting actions brought by the United States from provisions in the law giving the right to trial by jury in certain cases. The passage of that law has resulted in the practical elimination of criminal contempt proceedings in labor disputes, resort being had almost exclusively to civil contempt proceedings. And since the provisions of the Norris-LaGuardia Act expressly do not apply to proceedings under the Taft-Hartley Act, the jury trial provision of the former act has lost whatever importance it might once have had. In actual practice, therefore, there is no right to a jury trial today in a contempt proceeding arising out of a labor dispute, whether the original action is brought by the United States or by a private litigant.

We may conclude from this review of the law that:

First. There is no constitutional right to trial by jury in contempt proceedings.

Second. Congress has never granted the right to trial by jury in civil contempt proceedings. Such a grant, the Supreme Court has implied, would be unconstitutional.

Third. Congress has conferred the right to trial by jury only in certain defined cases of criminal contempt.

Fourth. There are many areas of law enforcement in which the United States now has the right to resort to the injunctive power of the courts to prevent violations of the law. Contemnors under these laws have never been given the right to trial by jury.

Fifth. Only in criminal contempt proceedings arising out of labor disputes under the Norris-LaGuardia Act has the defendant ever had a right to a jury trial in actions instituted by the United States. As a practical matter, Congress, by subsequent action, has nullified that provision of the Norris-La Guardia Act.

What, then, is the real issue facing us?

The issue is whether Congress will entrust the proper administration of justice in civil rights cases to the courts, or whether its opinion of the judicial branch of the Federal Government is such that it prefers to place that trust in juries.

Mr. Speaker, no one holds the right of trial by jury more fundamental to human liberty than I. It is one of those rights which the framers of the Constitution, in their infinite wisdom, saw fit to guarantee by the Bill of Rights. But it has never been a right available in all judicial proceedings. Only by Congress, acting with extreme caution, has it ever been extended to limited cases involving contempt for the authority of the courts.

There are other rights, equally important, which have been guaranteed by the Constitution. The right to vote is one of them. The right to equal protection of the laws is another. They are the cornerstones of democracy.

Unfortunately, there are American citizens today who do not enjoy all of these rights. Experience has indicated that the only way our Government can insure them the full enjoyment of their constitutional rights is through the aid of the courts in civil proceedings. Experience has also indicated that to grant trial by jury to those who violate the mandates of the court would be to render court action ineffective.

The choice, therefore, is clear: Shall we insist upon extending the right to trial by jury to cases in which it has never before been guaranteed, when to do so will preclude the enjoyment by many American citizens of rights guaranteed them by the Constitution? Or shall we place our trust in the courts, fairly and in the highest judicial tradition, to safeguard and insure the rights of our citizens?

Mr. Speaker, I encounter no difficulty in making this choice. And I am confident that my good friends and colleagues in this distinguished body, and my colleagues in the legal profession, will, upon calm appraisal, agree that, in effect, there is no choice.

Everyone of us in this chamber, and every lawyer admitted to practice before the courts, has sworn to uphold the Constitution of the United States. A vital power conferred by that instrument is the power to administer the laws of this land, which power the people of this Nation have seen fit to vest in the courts.

Every citizen of this country looks to the courts as the guardians of liberty.

Federal judges are appointed by the President, and they have been, with few exceptions, men of integrity, intelligence and compassion. It is true that wherever power is lodged it may be abused. But that has never been a valid objection to the exercise of power. If any man has reason to believe that the action of any judge has violated his constitutional rights he has the right to appeal from that action to the highest court of the land. This right of appeal is available in any proceeding.

And in those few instances in our history in which members of the judiciary have actually abused their powers, impeachment by Congress has followed swiftly. Every judge is subject to the power of Congress to impeach. It is the method by which the framers of our Constitution chose to protect the people from the possible abuse of judicial power. They did not look to juries for this protection.

Mr. Speaker, it has been proposed that we subject the exercise of judicial discretion, indeed the very power of courts to enforce their decrees, to review by juries. To do so would be to destroy the power of the judiciary and with it, the proper administration of justice in this country. I for one am confident that this can never happen in America.

It is time effectively to employ the judicial power to guarantee to American citizens freedom to exercise and enjoy their constitutional rights. I am confident that the courts, given the power to protect and enforce the rights of one citizen, will not violate those of another.

Let us treat the courts with the respect they so richly deserve, and repose our trust in their wisdom. History has proved that we need have no fear that they will betray that trust.

Mr. Speaker, under leave to revise and extend my remarks, I would like to insert in the RECORD at this point the following schedule:

STATUTES AUTHORIZING INJUNCTIVE RELIEF TO THE UNITED STATES GOVERNMENT AND AGENCIES AUTHORIZED TO SEEK THE SAME

1. Antitrust laws, restraining violations (by United States attorney under direction of Attorney General) (15 U. S. C. 4).

2. Associations engaged in catching and marketing aquatic products restrained from violating order to cease and desist monopolizing trade (by Department of Justice) (13 U. S. C. 522).

3. Association of producers of agricultural products from restraining trade (by Department of Justice) (7 U. S. C. 292).

4. Atomic Energy Act, enjoining violation of act or regulation (by Atomic Energy Commission) (42 U. S. C. 1816).

5. Atomic Energy Act, enjoining violation of act or regulation (by Attorney General) (42 U. S. C. 2280).

6. Bridges over navigable waters, injunction to enforce removal of bridge violating act as to alteration of bridges (by Attorney General) (33 U. S. C. 519).

7. Clayton Act, violation of enjoined (by United States attorney, under direction of Attorney General) (15 U. S. C. 25).

8. Electric utility companies, compliance with law enforced by injunctions (by Federal Power Commission) (16 U. S. C. 825).

9. False advertisements, dissemination enjoined (by Federal Trade Commission) (15 U. S. C. 53).

10. Freight forwarders, enforcement of laws, orders, rules, etc., by injunctions. (Interstate Commerce Commission or Attorney General) (49 U. S. C. 1017).

11. Fur Products Labeling Act, to enjoin violation (by Federal Trade Commission) (15 U. S. C. 69g).

12. Inclosure of public lands, enjoining violation (by United States attorney) (43 U. S. C. 1062).

13. Investment advisers, violations of statute, rules and regulations governing, enjoined (by Securities and Exchange Commission) (15 U. S. C. 80b–9).

14. Gross misconduct or gross abuse of trust by investment companies, enjoined (by Securities and Exchange Commission) (15 U. S. C. 80a–35).

15. Use of misleading name or title by investment company, enjoined (by Securities and Exchange Commission) (15 U. S. C. 80a–34).

16. Violation of statute governing, or rules, regulations, or orders of SEC by investment companies, enjoined (by Securities and Exchange Commission) (15 U. S. C. 80a–41).

17. Fair Labor Standards Act, enjoining of violations (by Administrator, Wage and Hour Division, Department of Labor, under direction of Attorney General; see 29 U. S. C. 204b) (29 U. S. C. 216 (c), 217).

18. Longshoremen's and Harbor Workers' Compensation Act, enforcement of order by injunction (by United States attorney; see 29 U. S. C. 921a) (33 U. S. C. 921).

19. Import trade, prevention of restraint by injunction (by United States attorney, under direction of Attorney General) (15 U. S. C. 9).

20. Wool products, enjoining violation of Labeling Act (by Federal Trade Commission) (15 U. S. C. 68e).

21. Securities Act, actions to restrain violations (by Securities and Exchange Commission) (15 U. S. C. 77t).

22. Securities Exchange Act, restraint of violations (by Securities and Exchange Commission) (15 U. S. C. 78u).

23. Stockyards, injunction to enforce order of Secretary of Agriculture (by Attorney General) (7 U. S. C. 216).

24. Submarine cables, to enjoin landing or operation (by the United States) (47 U. S. C. 36).

25. Sugar quota, to restrain violations (by U. S. attorney, under direction of Attorney General; see 7 U. S. C. 608 (7) (7 U. S. C. 608a (6)).

26. Water carriers in interstate and foreign commerce, injunctions for violations of orders of ICC (by ICC or Attorney General) (49 U. S. C. 916).

27. Flammable Fabrics Act, to enjoin violations (by Federal Trade Commission) (15 U. S. C. 1195).

28. National Housing Act, injunction against violation (by Attorney General) (12 U. S. C. 1731b).

Mr. SCOTT of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from Pennsylvania.

Mr. SCOTT of Pennsylvania. The gentleman is making an important contribution toward clarifying a prevalent miasma of confusion regarding a sudden surge of comment which has been current on the question of the so-called right to trial by jury in contempt cases. Since Members are naturally in favor of virtue, patriotism, mother love, and trial by jury, it would seem that the inclusion of the so-called right of trial by jury in contempt cases in the discussion so far taking place would be definitely misleading, and I am glad that the gentleman is bringing that out with such clarity. I would like to ask the gentleman at this point: Is it not a fact that the kind of power intended to be vested in the Federal judiciary by H. R. 6127 includes, in fact, the right to proceed as for civil contempt rather than criminal?

Mr. KEATING. I would think in almost every case that would be so; in other words, it would be the type of contempt which the defendant could purge himself of by complying with the decree in most every instance.

Mr. SCOTT of Pennsylvania. The gentleman has made reference to United States against United Mine Workers. That was a case, as the gentleman has pointed out, where there was no trial by jury; is that correct?

Mr. KEATING. That is correct. There was no trial by jury.

Mr. SCOTT of Pennsylvania. Yet that matter was of such importance as to result in the imposition by the court below of a fine of some $3.5 million, subsequently reduced by the Supreme Court, I believe, to $700,000. Is that not a fact?

Mr. KEATING. That is approximately right.

Mr. SCOTT of Pennsylvania. Now, I have been surprised at so much discussion regarding the importance of the so-called right of trial by jury in contempt cases when, as a lawyer, I have been well aware that that power never exists except where conferred by the Congress.

Mr. KEATING. That is right. And I call the gentleman's attention to the fact that in the Taft-Hartley Act, which was supported by so many who are now urging the right of trial by jury, there was no such effort made in that case to obtain any right of trial by jury, and the provisions of that act, as I will point out later, have practically done away with the only statute which exists which gives any right of trial by jury in any contempt proceeding.

Mr. SCOTT of Pennsylvania. Even though the act the gentleman has mentioned intimately and critically affected conditions of labor of all persons who came within any form of labor-union organization.

Mr. KEATING. That is right, and I think if the gentleman would let me proceed at this point, I will go into that a little further.

Mr. SCOTT of Pennsylvania. Then, I have just one other comment, and I will be happy to be further enlightened by the gentleman, and that is this: So far as I am aware, when this legislation was before this body in the previous 84th Congress, there was no reference whatever made, either in the subcommittee or the full committee or on the floor of this House, right through to the passage of the bill, concerning the fact that the bill did not contain provisions for trial by jury and furthermore, even in this 85th Congress, there was no such reference made during the hearings of the subcommittee of the Committee on the Judiciary, although I believe some mention was offered to that effect in the full committee. Is that a correct statement?

Mr. KEATING. My recollection is—and I would like, of course, to refer to the record on it—that the matter was briefly referred to in the debate last year, but it was not the subject of any particular attack. This is all a new proposition of attacking this bill on that ground. I do want to clear this up. In the discussion of the bill in our committee an amendment was offered to insert the provision for a jury trial, which was defeated in our full committee meeting.

Mr. SCOTT of Pennsylvania. And yet a substantially similar bill, H. R. 627, was introduced in the 84th Congress, debated and passed without any such amendment as this being offered, in a body whose membership consists of approximately 50 percent lawyers; and no one on the floor, in the debate in that Congress, expressed any concern over this so-called right of trial by jury in contempt cases, which has been mentioned this year; is not that right?

Mr. KEATING. Except, as I recall, in a passing sort of way. I would want to refer to the record to be sure.

Mr. WILLIS. Mr. Speaker, would the gentleman yield for a question?

Mr. KEATING. If it is on that point.

Mr. WILLIS. It is on the colloquy between the gentleman and the gentleman from Pennsylvania.

Mr. KEATING. I should like to finish my remarks, because my time will soon be up.

Mr. WILLIS. I yielded the chair because of the colloquy between the gentleman from New York [Mr. KEATING] and the gentleman from Pennsylvania [Mr. SCOTT].

The gentleman talked about the lack of the right of a trial by jury in a contempt case. Whether that right derives from the Constitution or an act of Congress, the fact of the matter is, is it not, that since 1912, the right to trial by jury in criminal contempt cases is the rule and is guaranteed, except when the Federal Government is a party to the suit. Is that not right?

Mr. KEATING. There is an express exception where the United States is a party to the action.

Mr. WILLIS. Very well. That is the exception, as the gentleman has said, an express exception. But the rule since 1912 has been that in criminal contempt cases there is the right of trial by jury, and that right is not present only when the Federal Government is a party. Of course, the other exception is that when the contempt occurs in the immediate presence of the court. But that we are not talking about.

Mr. KEATING. If there is a criminal contempt and the United States is not a party, there is a right to trial by jury.

Mr. WILLIS. So we are in agreement.

Mr. KEATING. The United States usually would be a party, or often would be a party; probably usually would be a party in such a contempt proceeding. And if it were a criminal case, as was brought out in the Clinton, Tenn., case, even though the United States came in, it would mean that the right to trial by jury was not taken away. That was one of the misconceptions of the Clinton, Tenn., case, in some of the press accounts about it.

Mr. SCOTT of Pennsylvania. If the gentleman would permit me to ask two more questions, because I think the record should not stand as it does in view of the colloquy that has taken place.

Mr. KEATING. May I inquire of the Chair if there are other special orders following mine?

Mr. WILLIS. I will say to the gentleman that I yield the chair to the gentleman from Texas [Mr. PATMAN] who is to follow the gentleman from New York [Mr. KEATING] who has the floor.

Mr. KEATING. If the gentleman from Texas has no objection to my obtaining sufficient time to complete my statement, I should be very happy to yield.

Mr. WILLIS. Three minutes would be enough.

Mr. SCOTT of Pennsylvania. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KEATING] may proceed for 3 additional minutes.

The SPEAKER pro tempore (Mr. PATMAN). Without objection, it is so ordered.

There was no objection.

Mr. WILLIS. So the gentleman and I are in agreement that by act of Congress at least since 1912, in all criminal contempt cases right to trial by jury is guaranteed except when the Federal Government is a party. We appear to be in agreement on that.

No. 2: In the civil-rights legislation under consideration, is it not true that the only action provided, the only remedy granted, the only right accorded is not a right to individuals but the right to the Federal Government to file suit? Is that not true? In other words, the Government is given the right to apply for injunctions but individuals are not given any right of action; is that not true?

Mr. KEATING. That is the essence of the legislation, that the Attorney General is given power to bring an injunction suit to restrain the harm before it takes place, instead of to punish it after it takes place.

Mr. WILLIS. Is not than an adroit way of denying trial by jury? The bill does not grant any rights to file a lawsuit by one individual against another. It only grants causes of action by the Federal Government against groups of individuals. Since all these cases will involve the presence of the Federal Government as a party, is it not still eminently and positively correct to say that by the device of the act, the general rule of right to trial by jury in a contempt case will have been done away with?

Mr. KEATING. No; just the contrary. To grant the right to trial by jury in this instance would be something new in the law. It would not be following the ordinary law because there would be no right to trial by jury in the normal case of an injunction action where the injunction was not complied with. I will bring that out.

Mr. WILLIS. But the fact remains that, if the cause of action were given to individuals instead of to the Government, jury trial would be preserved. One more question.

Mr. KEATING. I want to deal with that right here; then if the gentleman has questions, will he ask them later?

The charge has been made that the vesting of power in the Federal Government to seek injunctions in civil-rights cases is a novel means of depriving those who refuse to obey court orders of their right to trial by jury, but the right of the United States to bring suit in Federal courts for injunctive relief in civil cases, the right that is given here, is no innovation in the law whatever. The Federal Government now has that very right by the provisions of at least 28 Federal statutes. These statutes were listed in the CONGRESSIONAL RECORD within the last few weeks. Not one of these 28 acts now on our statute books makes provision for trial by jury.

There is only one instance in the history of our Federal laws in which a person accused of criminal contempt has been granted the right to a jury trial in actions brought by the United States. A provision of the Norris-La Guardia Act granted——

Mr. WILLIS. I know, and that is another separate point, but before the gentleman gets to that point may I ask this question: Is it not a fact that if the civil-rights bill permitted civil actions for injunctions by the aggrieved individuals against other private individuals there would be the right to trial by jury in criminal contempt cases?

Mr. KEATING. In criminal contempt cases, yes; if there was a criminal contempt there would be the right to trial by jury.

Mr. WILLIS. But under the device of the bill——

Mr. KEATING. It is no device. The gentleman is completely wrong, because I pointed out that there are 28 other acts similar to this which have no provision in them for jury trial. This is no device, it is simply the same time-honored legislative custom, you might say, to provide by statute that there are certain cases where the United States may bring a suit in the nature of an injunction to prevent a threatened wrong. There is nothing novel about it. It has repeatedly been done in this Congress.

Mr. WILLIS. Before the gentleman comes to the second point, along the lines of the remarks of the gentleman from Pennsylvania, I noticed the gentleman from Pennsylvania referred to the United Mine case decided by Judge Goldsborough. That same case was also referred to before the Rules Committee the other day by the chairman of the Committee on the Judiciary, Mr. CELLER, and mention was made that in that case there was no jury trial. I call the gentleman's attention to the fact, which I believe he knows, and if he will read the Supreme Court decision he will find out that jury trial was specifically waived. Is that not correct?

Mr. KEATING. I am not familiar with that.

Mr. WILLIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix at a later date and to quote the language of the Supreme Court. The fact is that Mr. John L. Lewis did waive the right to an adversary jury and permitted the judge to pass on the case. The judge ruled against him. If he had availed himself of a jury trial, the result might have been different.

The SPEAKER pro tempore (Mr. PATMAN). Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. KEATING. Probably, if it were a criminal contempt, there would be a right to a jury trial, although there would not be any in a civil contempt.

WHY CONGRESS SHOULD BE CONCERNED ABOUT THE HIGH INTEREST POLICY

The SPEAKER pro tempore (Mr. WILLIS). Under the previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, I asked for this time for the purpose of discussing why Congress should be concerned about the hard-money-high-interest policy that is now causing so much trouble, distress, and misery in our country. It is certainly causing distress among small business, and the small-business people are the backbone of this country. If the 4 million small businesses are forced out of business, or any high percentage of them, it will have a tremendous effect on our entire economy.

I believe it was Lenin who said one time when he was asked why America did not go communistic, that as long as America has a system wherein so many people are engaged in small business and have a stake in their economy the country will never go communistic. In other words, the greatest enemy of communism is small business and as long as we have small businesses encouraged in our country, each individual owner will have so much at stake that there is no danger of our country going communistic.

It is my belief that the blame and responsibility for the hard-money-high-interest policy that is causing so much distress should be placed on the Board of Governors of the Federal Reserve System, the Open Market Committee of the Federal Reserve System and the administration in power, particularly of the Treasury Department of the United States. Congress cannot escape blame because the Federal Reserve agencies are the agencies of Congress. We are responsible for what they do. Today it is almost impossible for a small-business man to get a loan. Big business has no trouble securing loans of any amount. The interest rate does not mean too much to big business because the interest rate is tax deductible and, regardless of the amount, the Government will pay about 52 percent of it because of the deduction for income tax purposes.

The farmers are in a depression. They have been suffering from a situation largely caused by tight money since 1951. They have suffered more the last 4 years than any other time. They can receive relief through a change in the hard-money-high-interest policy. The home builders are in distress and, more important than that, the people who want to build homes are unable to get the money with which to build these homes because of the hard-money-high-interest policy. This will eventually cause a shortage of housing units and an increase in rents. So we have these groups: Small business, farmers, and home builders who are really in distress at this time. They cannot be relieved until there is a change of the policy that has caused this distress. Congress can change it any time it desires.

During 2 weeks in the month of March there was a check made to determine how many homes were constructed or started in comparison with the number of starts a year before. The fact was brought out that there were 1,200 fewer homes per day being started, all of this because of tight money. The same study brought out that there were 1,800 fewer cars per day being sold because of tight money. All during this time there has been plenty of money to build luxurious hotels where they are not needed, race tracks, night clubs, and luxurious ocean liners and United States money for credit to be furnished to every country in the world except here in the United States.

We furnish a large part of the money for the World Bank, we furnish all the money for that billion-dollar concern, the Export-Import Bank, we furnish a large part of the money for the International Finance Corporation. These three great institutions are furnishing credit and money to all other countries of the world except to the people in the United States of America.

In this morning's paper I noticed in both the New York Times and New York Herald-Tribune a headline which read: "Austrian Steel Mill Gets $20 Million Loan in the United States of Export-Import Credit To Aid Modernization." I will insert in the RECORD the entire article. But here is a case where we have plenty of money to build steel mills in Austria, we have plenty of money to furnish for the building of steel mills in other countries of the world.

AUSTRIAN STEEL MILL GETS $20 MILLION LOAN IN UNITED STATES—EXPORT-IMPORT CREDIT TO AID MODERNIZATION

WASHINGTON, May 5.—The United States Export-Import Bank today announced a $20 million credit to an Austrian firm to finance purchases of steel rolling-mill equipment.

The firm is the Oesterreichisch-Alpine Montngesellschaft, which has plants at Donawitz, Kindberg, and Judenburg.

In announcing the credit, Export-Import Bank President Samuel C. Waugh said it will permit the company to carry out a program of modernization and replacement of obsolete facilities.

But there is no place in the United States for one to apply if he desires to build a steel mill some place here in the United States that will compete with big business. There is no agency that is capable or qualified to make such a loan to build a steel mill here in the United States. The big banks and insurance companies will not make such loans because of interlocking directorates with big steel companies.

CEMENT MILLS

These same agencies furnishing millions of dollars to build cement mills in all the countries of the world—and they are doing it with United States capital, United States dollars—will cause just as much inflation in this country as if we built them here. They have plenty of money for that purpose but no money to build a cement mill here in the United States, notwithstanding the fact that when the road-building program starts we will need a lot more cement than present capacity will provide us with.

There is raw material available for the purpose of manufacturing cement in thousands of places in the United States of America. There are comparatively few really good places where the very best stone is obtainable for the purpose of making the highest type of cement at the lowest manufacturing cost. It happens that one of those places is in the congressional district that I have the honor to represent, where they have a large supply of limestone. It has been analyzed; it has been tested every way in the world. We know the amount of this supply. It is enormous. It is almost inexhaustible. Notwithstanding the fact that it is right in the middle of a large area where a lot of cement is used and where a lot of cement will be needed, there is no place in the United States where the people of that community can go and make application to get the money to build a cement plant there. Although at some place over the line, over the Rio Grande River, in Mexico, the people there would be able to come to the Export-Import Bank and get the money just like the Austrian people got the money for a steel mill. So, money is available to build steel plants in Mexico; money is available to build steel plants just across the line in Canada; money is available to build cement plants all over the world, but there is no money available to build cement plants in the United States of America. Big banks and big insurance companies have on their boards of directors manufacturers of cement. They will not permit loans that would cause them to have competition.

That is something that is not right; it is wrong; it is certainly against the public interest and should not be permitted. When we had an RFC, the Reconstruction Finance Corporation, it was possible for people to get loans for the purpose of building cement plants, steel plants, or for any other purpose, but one of the first things that was done under this administration was to abolish the RFC, and since that time there has been no place where people could go to get the money to build steel plants, cement plants, or any other type of manufacturing that would be in competition with big business.

Now, the Small Business Administration was set up by the administration, but you will notice that they could only make a loan for $150,000 at first, and after it was amended can only make a loan for $250,000. So, money is available for little business to go in competition with little business, but where a lot of little businesses go in together and they want to build a steel plant or a cement plant that would compete with big business, there is no money available. So, when the RFC was abolished, the result was that no longer would people be able to borrow enough money to go into competition with big business, whether it be steel, cement, aluminum, or anything else. So, something should be done by this Congress in extending the Small Business Administration or creating a new agency, whichever is done, to set up an agency that has the power that the RFC had to make loans of any size that can be made to other people with United States dollars anywhere in the world. Particularly the agency should be allowed to buy school bonds, road bonds, bonds issued by colleges and other educational institutions at a low rate of interest and keep those bonds until the market will accept them and then sell them on the market. The RFC did this over a long period of time and not only did not lose any money but actually made a lot of money which it turned back into the Treasury. When it was finally liquidated, the RFC had the great achievement to its credit of having turned back to the Treasury a billion dollars of profit to the United States taxpayers. Part of it was made by buying school bonds, road bonds, bonds of States and local communities throughout the Nation; never losing anything and making loans only that local banks would not make. The RFC would never make loans where it was possible for the applicant to get a loan at reasonable rates in the area where he lived. That was a good rule. Nobody objected to it. But now, after RFC has been abolished, there is no place for a person to go to get an adequate loan for any manufacturing purpose, limited for any other purpose, and certainly too little to be in competition with big business of any type.

Mr. AVERY. Mr. Speaker, would the gentleman yield?

Mr. PATMAN. I yield.

Mr. AVERY. I thought I understood the gentleman to say that an investigation—he did not reveal the source of it—indicated that there were 1,200 less homes started per day in the month of March.

Mr. PATMAN. That was a survey, yes; 1,200 fewer homes.

Mr. AVERY. If my mathematical computation is correct, that would mean 4,200,000 less homes in a year, if the figure were projected on a year's basis.

Mr. PATMAN. I have not figured it out, but before the RECORD is published I shall get the survey and put the actual figure in.

Mr. AVERY. Does the gentleman not agree that in 1956 which was one of the years when more homes were constructed than almost any other, there were only about 1,500,000 homes built? If we were to eliminate 4 million homes, it seems to me we would be sliding backward pretty fast.

Mr. PATMAN. I am not very quick at figures, but I think the gentleman must be mistaken about the 1,200 per day being over 4 million.

Mr. AVERY. Those are the gentleman's own figures.

Mr. PATMAN. That is right. But 1,200 a day would be 7,200 a week, and there are 52 weeks in the year. That would not come to anything like 4 million.

Mr. AVERY. Of course, then you have 4 weeks in every month.

Mr. PATMAN. That is right, but this is just a rough calculation we are making. I shall put the exact figures in the RECORD: 1,200 a day. 7,200 a week or 374,400 for 52 weeks, which is really a low estimate.

Mr. AVERY. I thank the gentleman for yielding.

HIGHEST INTEREST RATES SINCE 1933

In the New York Times for Friday, May 3, 1957, page 37, there is a headline as follows: "United States Issues to Pay Top Rate Since 1933." It is further stated in the news item, "In any case, the market has tightened to the point where these Treasury issues carry the highest yield since the panic of 1933."

WHERE THE RATE WILL GO—NO ONE KNOWS

It is further said: "The 3⅝ percent note offers a yield near one-eighth of 1 percent more than going yields on comparable outstanding securities." It is also said, "The new issues each pay one-eighth of 1 percent more than the last comparable issues issued in February." Another statement in this article is also very interesting: "The officials themselves, however, would make no predictions about where the rates might go."

This is a deplorable situation. The Secretary of the Treasury assumes no responsibility and no obligation to try to keep interest rates low in the interest of the taxpayers. He has led the fight to increase interest rates since January 20, 1953. Now it is admitted that the Treasury is just like a ship without a rudder—it does not know what the rate will be in the future.

ONE-EIGHTH OF 1 PERCENT INCREASE CAN AMOUNT TO 1 BILLION A YEAR

There is no stability in the Government bond market. It is probably the first time in all history that the going rate for United States Government bonds to be issued is not known and cannot be estimated.

Let us see what one-eighth of 1 percent is equal to on all debts, public and private, aggregating about $800 billion. A 1-percent increase in interest clear across the board, and if this high interest rate continues, it will go clear across the board, would be $8 billion on all debts. A one-eighth of 1 percent automatic and arbitrary increase in the bonds they are now issuing will equal to $1 billion a year when the interest rates extend across the board to all debts, public and private. So the net effect of the one-eighth of 1 percent increase is a declaration by the United States Treasury that a $1 billion a year increase is approved by the United States Treasury as additional interest on existing debts.

A large part of the present $72 billion budget is caused by interest and increased interest.

Since increased interest goes into production costs, the Government as a purchaser will pay an enormous amount in the new budget just for increased interest alone.

GOVERNMENT DEPOSITS IN COMMERCIAL BANKS

I am in favor of commercial banks making good profits. I am in favor of the Government compensating the banks for any services they render. But I cannot see any good reason why the United States Treasury should keep on deposit in commercial banks from $3 to $6 billion at all times at an expense of from $90 to $180 million per year to the taxpayers.

The Treasury does not draw checks on commercial banks to pay Government bills. Checks are drawn on the Federal Reserve banks. Government deposits in commercial banks are therefore removed from Government use. Something else must be done—that is, a transfer from the commercial banks to the Federal Reserve banks—before the Government can use the funds.

More information as to how these funds are placed with the different banks, the losses to the taxpayers by reason thereof, and the unnecessary gains to the banks would be very interesting to the Members of Congress.

Every Friday, the New York Times and the New York Herald Tribune carry a clearinghouse statement of the 15 New York banks. In the May 3, 1957, edition, it is disclosed that the Treasury had on deposit May 1, in 8 New York banks, $671,972,000. The 15 New York banks had on deposit on May 1, $752,342,000; on April 10, 1957 these 15 banks had Government deposits aggregating $999,505,000. The 8 just mentioned had deposits of the Federal Government on April 10 aggregating $891 million.

ONE PROFITABLE USE OF GOVERNMENT DEPOSITS

As evidence of one use of these Government deposits, an article appearing in the New York Times, April 13, 1957, is quite interesting. It is as follows:

> Yesterday the bid for the new issue, dated February 15, and due February 14, 1958, drifted down to 99⅞. Most of the issue had been bought by commercial banks and paid for by crediting the Treasury with deposits.

We can help keep the budget down by keeping expenses down.

It is not very good business the way I see it for the United States Treasury to borrow money from the banks which it will have to pay 3 percent interest or more on and then let the banks use some of that very money to buy more Government securities paying more than 3 percent.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. RODINO (at the request of Mr. McCORMACK), for today and the balance of the week, on account of the illness of his father.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. KEATING, for 20 minutes, on Wednesday, May 15.

Mr. BAILEY, for 30 minutes, on Wednesday next.

Mr. COLLIER, for 5 minutes, today.

Mr. PATMAN, for 30 minutes, on Monday, and for 30 minutes on Thursday of next week, on each occasion to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. ALBERT and to include an address delivered by Mr. McCORMACK.

Mr. ROOSEVELT and to include related matter.

Mr. SADLAK and to include two speeches and a resolution.

Mr. McCORMACK in two instances and to include extraneous matter.

Mr. SCHWENGEL (at the request of Mr. MARTIN) and to include extraneous matter.

Mr. HARRIS and to include a release.

Mr. PATMAN and to include related matter.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that in the colloquy I had today with a member of the Ways and Means Committee and a member of the Judiciary Committee, I may be allowed to extend my remarks and include therein certain bills and resolutions.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mrs. KEE (at the request of Mr. WILLIS).

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. J. Res. 22. Joint resolution requesting the President to designate the third Friday of May of each year as National Defense Transportation Day; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 4803. An act to permit articles imported from foreign countries for the purpose of exhibition at the Chicagoland Commerce and Industry Exposition, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes.

H. R. 6304. An act to extend for a period of 2 years the privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad.

THE LATE JOSEPH R. McCARTHY

The SPEAKER. The Chair recognizes the gentleman from Wisconsin [Mr. WITHROW].

Mr. WITHROW. Mr. Speaker, I wish to announce the untimely death of the junior Senator from Wisconsin, JOSEPH R. McCARTHY.

Senator McCARTHY was a dedicated enemy of communism. He was likewise a very controversial figure. He was a hard and tenacious fighter who asked no quarter and who gave no quarter. Being that sort of individual, he made many bitter enemies and, by the same token, he made many hard and steadfast friends.

I knew Senator JOSEPH McCARTHY for a great many years. He was a very fine individual, a very religious man, a devoted husband and father. I believe Senator McCARTHY served a very useful purpose in public life.

To his wonderful wife, Jean, and the family, I extend my sincere sympathy.

Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the life and character of the late Senator McCARTHY.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BYRNE of Illinois. Mr. Speaker, I would like to insert a few remarks about Senator JOSEPH R. McCARTHY, who passed away on Thursday, May 2.

Goodby, Joe. Babe Ruth and Lou Gehrig, too, departed at the height of their careers. You were always in there swinging and taking your cuts at the ball. Mickey Mantle tries for the fences but he strikes out, too.

You may have been a controversial figure, but no one doubted your Americanism. You cannot please them all. You alerted the world to communism and today the United States and the friendly nations are fighting the cold war against the same enemy.

There has been no perfect person since Adam and Eve. When you reach the pearly gates, I am sure your batting average will measure up and please St. Peter.

Mr. HIESTAND. Mr. Speaker, I shall always consider the late JOSEPH R. McCARTHY, Senator from the State of Wisconsin, a great patriot.

Partially to offset some of the smearing editorials which have appeared since his untimely death, I include in the

RECORD an able and intimate comment by George E. Sokolsky, in the Washington Post and Times Herald, on May 4, 1957, headed "Joe."

JOE

(By George E. Sokolsky)

Much has been written and said about Senator JOE MCCARTHY during the past several days while he lay dying and when he finally went to his Maker.

I knew Joe intimately and favorably. No matter how men may differ about him, I always knew that JOE MCCARTHY had no interest other than the welfare of his country. He firmly believed that all Communists had to be traitors and he set out to find them. He was successful in some measure, but he also suffered from a sense of failure because he knew that agencies of Government and high officials protected men and women whom they should have despised. He sought for motives and often reached the conclusion that many men were fearful that their own mistakes would be exposed; he felt that fear and vanity rather than ideological positions played a great part in determining men's attitudes toward him and his work.

We often discussed the brutal force of the opposition to him and this he never understood, because he could not believe that some of his opponents wanted to protect Communists. He never understood the Army fight upon him because he held that it was the Army's first duty to protect this country from Communists and traitors. I was present at the notorious luncheon in New York when MCCARTHY, Secretary of the Army Robert Stevens and his counsel, John Adams, lunched and drank and cavorted throughout an afternoon. What came out at the McCarthy-Army hearings was never the whole story nor had the various versions of the Cohn-Schine episodes anything to do with the situation at all. And I can say, from firsthand knowledge, that Bob Stevens had little or nothing to do with the effort to destroy MCCARTHY.

This was a political maneuver to eliminate MCCARTHY's importance, to kill his influence as an American citizen, to make his name abhorrent and to frighten off any Senator, journalist, or radio commentator who chose to support him or his cause. So far as JOE MCCARTHY was concerned, the maneuver succeeded to a startling degree.

Those who engaged in it—and their names came out during the hearings—knew Joe's characteristics; they knew that he was gentle and aggressive; rough in the fight and forgiving immediately afterward; humble in his heart but giving the impression of cantankerousness. They also knew that while he appeared to be hale and even physically powerful, he was not a strong man, suffering physical pain, sometimes so much pain that he had to give way to it.

They knew all his weaknesses, for some of them had, since he came to the Senate, acted as though they were his close personal friends. They left him bitter, disillusioned, hurt. He was hounded to death by those who would not forget and could not forgive. He was a lonely man among his associates and he often wondered who were his friends.

He and Jeannie adopted a little girl and that brought Joe a happiness which he had not ever known before. There can be no question that he regarded the 1958 election as a problem because he realized the forces that would be pitted against him. He believed that he would ultimately win that election and he said that he did not fear his opponent, Walter Kohler, but there can be no question that he recognized that he would have to take on the entire Eisenhower administration, the modern Republicans, the Committee for an Effective Congress, the money that would be raised against him in New York by the mysterious Arthur Goldsmith, the Communists, their fellow-travelers, and dupes. It meant a fight—a terrific fight and his health was ebbing away.

It is often said that you can only really know a man if you live with him. I did not live with Joe under one roof, but there were times when we saw much of each other and when I was intimately concerned with his effort to drive the Communists from American life. As an American, as a Jew, as an anti-Communist, I can proudly say that JOE MCCARTHY was my friend and that I have never encountered an opponent of his who equaled him in patriotism and courage. God bless his soul and forgive those who sent him to his death.

Mr. VAN PELT. Mr. Speaker, the pages of history show that in periods of world crisis some men are mysteriously inspired to rise above the crowd and, often at great personal sacrifice, provide leadership needed to preserve the security and advance the welfare of their fellow men.

Such a man, in our times, was the late Senator JOSEPH R. MCCARTHY.

When he died May 2 he was in the prime of life. He had gained success and had every reason to anticipate years of happiness with his beloved wife and daughter. However, destiny decided otherwise. In many respects he was a man of genius, certainly a man of great personal courage, a man apart, one of those rare persons who seem to be on earth with a special, if dangerous, mission.

Fate sent him to the United States Senate at a time when our Nation was slipping into the sinister grip of a fearful force of evil—atheistic communism. Unforgivably, and to our shame, this false ideology was nourished, even helped to world power with American blood and American gold. In its most charitable light, the evil nature of communism and its masters must have been grievously misunderstood by those then in high office who elevated fellow travelers to places of prestige in our Government.

Patriots tried to sound an alarm but they were quickly crushed. But JOE MCCARTHY was an extraordinary man and he cherished an extraordinary love for America. He risked his life for this Nation in a terrible World War, and arriving on the Washington scene saw the danger, accepted the challenge, and fought with all his might. He refused to be crushed, even when stoned by persons from whom he had a right to expect assistance.

Finally, deserted by colleagues who in conscience should have shared his concern over this treasonable subversion, his spirit was broken. I can well imagine that JOE MCCARTHY died of a broken heart. Possibly, he did not realize it, but I believe his mission was accomplished; his special assignment completed. He aroused America from complacency and put us on guard. I sincerely hope that this courageous man from Wisconsin will not have died in vain.

Mrs. ST. GEORGE. Mr. Speaker, under leave to extend my remarks, I want to pay my tribute to Senator JOE MCCARTHY.

I have known the Senator, and his lovely and gallant wife, ever since I first came to Congress. I looked upon them as friends.

Whatever anyone may think of Senator MCCARTHY's methods, no one can deny his patriotism or his courage. In an age of chiselers and opportunists, he had preserved and he used the power of righteous indignation. He alerted many to the dangers in our midst and saved our country from many traitors who, fearing him, slunk into the dark recesses from where they safely spewed their venom and filth on him, but did not dare attack our country openly.

Perhaps, Mr. Speaker, the ancients who told us that we could die of a broken heart were not so wrong. Perhaps hatred can break a heart, and evil thoughts may kill as easily as mere physical ills.

Edmond Rostand, the French poet who wrote about Napoleon's son, makes his hero say this on his deathbed:

Too many people wanted my death, and I die by being killed in too many hearts.

JOE MCCARTHY is now before the Judge of us all. That Judge is just and He will understand.

Mr. WITHROW. Mr. Speaker, I offer a resolution.

The Clerk read the resolution (H. Res. 247) as follows:

Resolved, That the House has heard with profound sorrow of the death of Hon. JOSEPH R. MCCARTHY, a Senator of the United States from the State of Wisconsin.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased Senator.

Resolved, That a committee of 10 Members be appointed on the part of the House to join the committee appointed on the part of the Senate to attend the funeral.

The resolution was agreed to.

The SPEAKER. The Chair appoints as members of the funeral committee the following Members on the part of the House: Mr. SMITH of Wisconsin, Mr. O'KONSKI, Mr. BYRNES of Wisconsin, Mr. WITHROW, Mr. ZABLOCKI, Mr. VAN PELT, Mr. LAIRD, Mr. JOHNSON, Mr. REUSS, and Mr. TEWES.

The Clerk will report the remainder of the resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect to the memory of the deceased the House do now adjourn.

The resolution was agreed to.

ADJOURNMENT

Accordingly (at 3 o'clock and 29 minutes p. m.), the House adjourned until tomorrow, Tuesday, May 7, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

819. A letter from the Secretary of the the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated October 19, 1956, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of Mohawk River, N. Y., authorized by the Flood Control Act approved August 11, 1939 (H. Doc. 172); to the Committee on Public Works and ordered to be printed with 5 illustrations.

820. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated February 12, 1957, submitting a report, together with accompanying papers and an illustration, on a review of reports on Rock River and Green River, Ill., requested by resolutions of the Committees on Public Works, United States Senate and House of Representatives, adopted April 20, 1948 (H. Doc. No. 173); to the Committee on Public Works and ordered to be printed with 1 illustration.

821. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated March 12, 1957, submitting a report, together with accompanying papers and illustrations, on a cooperative beach erosion control study of the shoreline of the State of Connecticut, areas 8 and 11, Saugatuck River to Byram River, prepared under the provisions of section 2 of the River and Harbor Act approved on July 3, 1930, as amended and supplemented (H. Doc. No. 174); to the Committee on Public Works and ordered to be printed with 12 illustrations.

822. A letter from the Administrator, Federal Civil Defense Administration, transmitting the 25th Report on Property Acquisitions for the Quarter Ending March 31, 1957, pursuant to the Federal Civil Defense Act of 1950; to the Committee on Armed Services.

823. A letter from the Secretary of Health, Education, and Welfare, transmitting a report covering personal property made available for distribution to public health and educational institutions and civil defense organizations for the calendar quarter, January 1, through March 31, 1957, pursuant to the Federal Property and Administrative Services Act of 1949; to the Committee on Government Operations.

824. A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation entitled "A bill to amend section 2630 (j) of title 28 of the United States Code so as to permanently exclude claims arising out of combatant activities or warlike operations"; to the Committee on the Judiciary.

825. A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation entitled "A bill to amend the Public Buildings Act of 1949, to authorize the Administrator of General Services to name, rename, or otherwise designate any building under the custody and control of the General Services Administration"; to the Committee on Public Works.

826. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (1) of the Immigration and Nationality Act of 1952; to the Committee on the Judiciary.

827. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (5) of the Immigration and Nationality Act of 1952; to the Committee on the Judiciary.

828. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to Public Law 863, 80th Congress; to the Committee on the Judiciary.

829. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of the orders granting the applications for permanent residence filed by the subject, pursuant to section 6 of the Refugee Relief Act of 1953; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII pursuant to the order of the House of May 2, 1957, the following bill was reported on May 3, 1957:

Mr. CANNON: Committee on Appropriations. H. R. 7221. A bill making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes; without amendment (Rept. No. 386). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted May 6, 1957*]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RIVERS: Committee on Armed Services. H. R. 6952. A bill to authorize the transfer of naval vessels to friendly foreign countries; with amendment (Rept. No. 387). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. H. R. 4511. A bill to declare a certain portion of Back Cove at Portland, Maine, to be nonnavigable water of the United States; without amendment (Rept. No. 388). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, pursuant to the order of the House of May 2, 1957, the following bill was introduced on May 3, 1957:

By Mr. CANNON:

H. R. 7221. A bill making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes.

[*Introduced and referred May 6, 1957*]

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARING (by request):

H. R. 7222. A bill to provide funds to pay nationals of the United States who have war damage claims against Germany and Japan, without additional direct appropriations therefor, and to amend the Trading With the Enemy Act and the War Claims Act of 1948, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. BOGGS:

H. R. 7223. A bill to amend subsection (f) (1) of section 209 of the Highway Revenue Act of 1956 (70 Stat. 387); to the Committee on Ways and Means.

By Mr. BOLAND:

H. R. 7224. A bill to readjust postal classification on certain educational and cultural materials; to the Committee on Post Office and Civil Service.

By Mr. BONNER:

H. R. 7225. A bill to amend provisions of the Canal Zone Code relative to the handling of the excess funds of the Panama Canal Company, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H. R. 7226. A bill to clarify the application of navigation rules for the Great Lakes and their connecting and tributary waters, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. CURTIS of Massachusetts:

H. R. 7227. A bill to amend the Universal Military Training and Service Act, as amended; to the Committee on Armed Services.

By Mr. DAVIS of Georgia:

H. R. 7228. A bill to amend title II of the Social Security Act to eliminate the present ceiling on the total amount of benefits otherwise payable thereunder which may be received by members of the same family; to the Committee on Ways and Means.

By Mr. DOWDY:

H. R. 7229. A bill to provide that wages, salaries, and commissions for personal services will be exempt from attachment and garnishment in the District of Columbia; to the Committee on the District of Columbia.

By Mr. DOYLE:

H. R. 7230. A bill for the establishment of a National Outdoor Recreation Resources Review Commission to study the outdoor recreation resources of the public lands and other land and water areas of the United States, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mrs. GRIFFITHS:

H. R. 7231. A bill to amend the Civil Service Retirement Act to provide for the inclusion of certain additional types of compensation within the meaning of the term "basic salary" for the purposes of such act; to the Committee on Post Office and Civil Service.

By Mr. HIESTAND:

H. R. 7232. A bill to amend the Natural Gas Act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. HYDE:

H. R. 7233. A bill to authorize the payment from the employees' life insurance fund of expenses incurred by the Civil Service Commission in assuming and maintaining the assets and liabilities of certain beneficial associations; to the Committee on Post Office and Civil Service.

By Mr. JONES of Missouri:

H. R. 7234. A bill to fix the responsibilities of certifying officers and disbursing officer of the Library of Congress; to the Committee on House Administration.

By Mr. KEOGH:

H. R. 7235. A bill to amend the Tariff Act of 1930, as amended, so as to prevent undue relaxation of customs supervision as a safeguard against smuggling and for the protection of the revenue, and for other purposes; to the Committee on Ways and Means.

By Mr. LANDRUM:

H. R. 7236. A bill to amend the Labor Management Relations Act, 1947, to encourage increased employee participation in and control over collective bargaining negotiations and agreements, and for other purposes; to the Committee on Education and Labor.

By Mr. McCORMACK:

H. R. 7237. A bill to amend the Tariff Act of 1930, as amended, so as to prevent undue relaxation of customs supervision as a safeguard against smuggling and for the protection of the revenue, and for other purposes; to the Committee on Ways and Means.

H. R. 7238. A bill to amend the public-assistance provisions of the Social Security Act so as to provide for a more effective distribution of Federal funds for medical and other remedial care; to the Committee on Ways and Means.

By Mr. MAGNUSON:

H. R. 7239. A bill giving the consent of Congress to a compact between the State of Oregon and the State of Washington establishing a boundary between those States; to the Committee on the Judiciary.

H. R. 7240. A bill to amend title 18 of the United States Code to make it unlawful to destroy, deface, or remove certain boundary markers on Indian reservations, and to trespass on Indian reservations to hunt, fish, or trap; to the Committee on the Judiciary.

By Mr. METCALF:

H. R. 7241. A bill to amend section 6 of the act of March 3, 1921 (41 Stat. 1355), entitled "An act providing for the allotment of lands within the Fort Belknap Indian Reservation, Mont., and for other purposes"; to the Committee on Interior and Insular Affairs.

By Mr. NORRELL:

H. R. 7242. A bill to entitle members of the Army, Navy, Air Force, or Marine Corps retired after 30 years' service to retired pay

equal to 75 percent of the monthly basic pay authorized for the highest enlisted, warrant, or commissioned grade in which they served satisfactorily during World War I, and for other purposes; to the Committee on Armed Services.

By Mr. PELLY:

H. R. 7243. A bill giving the consent of Congress to a compact between the State of Oregon and the State of Washington establishing a boundary between those States; to the Committee on the Judiciary.

By Mr. POAGE:

H. R. 7244. A bill amending the Packers and Stockyards Act, 1921, to permit deductions for a self-help meat promotion program; to the Committee on Agriculture.

By Mr. RABAUT:

H. R. 7245. A bill to authorize the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force to make grants to certain educational institutions for the construction of military and naval science buildings and for other purposes; to the Committee on Armed Services.

By Mr. RHODES of Pennsylvania:

H. R. 7246. A bill to amend the public assistance provisions of the Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. SIMPSON of Pennsylvania:

H. R. 7247. A bill to encourage private United States investment in foreign countries by restricting the incidence of double taxation on taxpayers with gross income from sources outside the United States; to the Committee on Ways and Means.

By Mr. SMITH of Virginia:

H. R. 7248. A bill to amend the District of Columbia Income and Franchise Tax Act of 1947, as amended, to provide that under certain conditions officers of the executive branch of the Federal Government appointed by the President shall be exempt from such act; to the Committee on the District of Columbia.

H. R. 7249. A bill to improve and extend, through reciprocal legislation, the enforcement of duties of support in the District of Columbia; to the Committee on the District of Columbia.

By Mr. TEAGUE of California:

H. R. 7250. A bill to permit one-half of the budget surplus for any fiscal year to be applied against the public debt and to provide that one-half of such surplus shall be applied as tax credits against individual income taxes; to the Committee on Ways and Means.

By Mr. TEAGUE of Texas (by request):

H. R. 7251. A bill to amend the definition of the term, "State," in the Veterans' Readjustment Assistance Act and the War Orphans' Educational Assistance Act to clarify the question of whether the benefits of those acts may be afforded to persons pursuing a program of education or training in the Panama Canal Zone; to the Committee on Veterans' Affairs.

By Mr. THOMPSON of New Jersey:

H. R. 7252. A bill to provide for the transfer of the Civil Service Commission Building in the District of Columbia to the Regents of the Smithsonian Institution to house the National Collection of Fine Arts and a National Portrait Gallery; to the Committee on House Administration.

By Mr. THOMSON of Wyoming:

H. R. 7253. A bill to amend section 27 of the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", to increase the aggregate acreage of coal leases which may be held by one person in any one State; to the Committee on Interior and Insular Affairs.

H. R. 7254. A bill to approve the contract negotiated with the Casper-Alcova Irrigation District, to authorize its execution, to provide that the excess-land provisions of the Federal reclamation laws shall not apply to the lands of the Kendrick project, Wyoming, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 7255. A bill to amend the act of June 4, 1920, as amended, providing for allotment of lands of the Crow Tribe, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. VAN ZANDT:

H. R. 7256. A bill to provide that the Bureau of Yards and Docks in the Department of the Navy shall hereafter be known as the Bureau of Civil Engineering; to the Committee on Armed Services.

By Mr. WESTLAND:

H. R. 7257. A bill giving the consent of Congress to a compact between the State of Oregon and the State of Washington establishing a boundary between those States; to the Committee on the Judiciary.

By Mr. YATES:

H. R. 7258. A bill to prohibit the introduction, or manufacture for introduction, into interstate commerce of switchblade knives, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ABBITT:

H. R. 7259. A bill relating to marketing quotas and price supports for fire-cured, dark air-cured, and Virginia sun-cured tobacco; to the Committee on Agriculture.

By Mr. CELLER:

H. R. 7260. A bill to amend title 18, United States Code, section 3651, so as to permit confinement in jail-type institutions or treatment institutions for a period not exceeding 6 months in connection with the grant of probation on a 1-count indictment; to the Committee on the Judiciary.

H. R. 7261. A bill to amend the Federal Probation Act to make it applicable to the United States District Court for the District of Columbia; to the Committee on the Judiciary.

By Mr. MAILLIARD:

H. R. 7262. A bill to amend the Canal Zone Code to make certain changes in the fiscal obligations of the Panama Canal Company; to the Committee on Merchant Marine and Fisheries.

By Mr. POAGE:

H. R. 7263. A bill amending the Packers and Stockyards Act, 1921, to permit deductions for a self-help meat-promotion program; to the Committee on Agriculture.

By Mr. RAINS:

H. R. 7264. A bill to amend the Defense Production Act of 1950 so as to require periodic reports to the Congress concerning action taken to carry out the policy of the Congress to encourage geographical dispersal of industrial facilities; to the Committee on Banking and Currency.

By Mr. SMITH of Virginia:

H. R. 7265. A bill to amend the District of Columbia Income and Franchise Tax Act of 1947, as amended, to exclude social security benefits and to provide additional exemptions for age and blindness; to the Committee on the District of Columbia.

By Mr. ZABLOCKI:

H. R. 7266. A bill to amend the act of August 24, 1954, to extend the period of time within which certain persons may make application for patents for certain lands in Wisconsin bordering inland lakes or rivers; to the Committee on Interior and Insular Affairs.

By Mr. BATES:

H. J. Res. 317. Joint resolution to authorize the Secretary of Commerce to sell certain vessels to certain citizens of the Federal Republic of Germany; to the Committee on Merchant Marine and Fisheries.

By Mr. COLLIER:

H. J. Res. 318. Joint resolution designating the second Sunday in October of each year as National Grandmother's Day; to the Committee on the Judiciary.

By Mr. REES of Kansas:

H. J. Res. 319. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. FLOOD:

H. Res. 248. Resolution expressing the sense of the House of Representatives with respect to the steps which should be taken by the United States to assist the people of Poland in their struggle for freedom; to the Committee on Foreign Affairs.

By Mr. THOMPSON of Louisiana:

H. Res. 249. Resolution providing for consideration of H. R. 2474, a bill to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to residence housing at State colleges; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to provide for the construction of a highway from Winnemucca, Nev., to Viewland, Calif.; to the Committee on Public Works.

Also, memorial of the Legislature of the State of Indiana, memorializing the President and the Congress of the United States relative to House Enrolled Concurrent Resolutions Nos. 2, 4, 7, 8, and 9, concerning amendments to the Constitution; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States requesting immediate authorization and Federal construction of the Bully Creek Dam, Reservoir, and related facilities under existing plans and repayment requirements contained in the report of the Bureau of Reclamation of the United States Department of the Interior; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of Vermont, memorializing the President and the Congress of the United States requesting liberalization of restrictions relating to old-age and survivors insurance and old-age assistance; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States relative to working for the adoption of legislation whereby the Hawaiian people may be progressively rehabilitated in their native land with financial and proper technological assistance; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States requesting enactment of legislation providing for the admission of Hawaii to statehood; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to transfer to the Territory of Hawaii the remaining public lands and the authority to legislate in respect thereto, as set forth in Joint Resolution 4 of the Session Laws of Hawaii, 1955; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AUCHINCLOSS:

H. R. 7267. A bill for the relief of Charles J. Jennings; to the Committee on the Judiciary.

By Mr. BARDEN:

H. R. 7268. A bill for the relief of Walid Tawfiq Nassar; to the Committee on the Judiciary.

By Mr. BELCHER:

H. R. 7269. A bill for the relief of Janet Kay Smith; to the Committee on the Judiciary.

H. R. 7270. A bill for the relief of Gerassimoula Andreou Bitzer; to the Committee on the Judiciary.

H. R. 7271. A bill for the relief of Elpiniki Litson; to the Committee on the Judiciary.

H. R. 7272. A bill for the relief of Solon Askoutsis Spence; to the Committee on the Judiciary.

H. R. 7273. A bill for the relief of Kiriaki Petros; to the Committee on the Judiciary.

H. R. 7274. A bill for the relief of Evgenia Adamopoulou Freeman; to the Committee on the Judiciary.

H. R. 7275. A bill for the relief of Thomas Michael Pritzos; to the Committee on the Judiciary.

By Mr. BRAY:

H. R. 7276. A bill for the relief of Eugen Schillo; to the Committee on the Judiciary.

By Mr. BUDGE:

H. R. 7277. A bill for the relief of Marianne Elise Gertrud Brockmann; to the Committee on the Judiciary.

By Mr. BURDICK:

H. R. 7278. A bill for the relief of Earl T. Ellis, receiver of the Quantico Co., Inc., of Petersburg, Va.; to the Committee on the Judiciary.

By Mr. COLMER:

H. R. 7279. A bill to relinquish any right, title, and interest which the United States may have in and to certain land located in Stone County, Miss., in order to clear the title to such land; to the Committee on Interior and Insular Affairs.

By Mr. ENGLE (by request):

H. R. 7280. A bill to consider residence in American Samoa by Pierrette Lataste Price as residence in the United States for naturalization purposes; to the Committee on the Judiciary.

By Mr. FLYNT:

H. R. 7281. A bill for the relief of the Collier Manufacturing Co., of Barnesville, Ga.; to the Committee on the Judiciary.

By Mr. FRELINGHUYSEN:

H. R. 7282. A bill for the relief of Iwan Okopny; to the Committee on the Judiciary.

H. R. 7283. A bill for the relief of Maria Rosa Romao Pereira; to the Committee on the Judiciary.

By Mr. HEALEY:

H. R. 7284. A bill for the relief of Judith Leith Patricia Garcia; to the Committee on the Judiciary.

By Mr. HOSMER:

H. R. 7285. A bill for the relief of Petronilo D. Mupas; to the Committee on the Judiciary.

By Mr. HYDE:

H. R. 7286. A bill for the relief of Stephen Ling-Tsung Tsao and Nancy Yat-Sun Lam Tsao, his wife; to the Committee on the Judiciary.

By Mr. JARMAN:

H. R. 7287. A bill for the relief of Mrs. Christiane Heath; to the Committee on the Judiciary.

By Mr. LESINSKI:

H. R. 7288. A bill for the relief of Miodrag Kitanovich; to the Committee on the Judiciary.

By Mr. MORRISON:

H. R. 7289. A bill for the relief of Salim Hanna Sabbagh; to the Committee on the Judiciary.

By Mr. PERKINS:

H. R. 7290. A bill for the relief of Rosemarie Kahlert; to the Committee on the Judiciary.

By Mr. ROONEY:

H. R. 7291. A bill for the relief of Mrs. Ernestine Felix; to the Committee on the Judiciary.

By Mr. SIEMINSKI:

H. R. 7292. A bill for the relief of Francesco DeMarco; to the Committee on the Judiciary.

By Mr. YOUNGER:

H. R. 7293. A bill for the relief of Capt. Carl F. Dykeman; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

227. By Mr. THOMPSON of New Jersey: Resolution adopted on April 17, 1957, by the members of the Township Committee of Lawrence Township, N. J., urging the adoption of legislation providing salary increases and personnel management relations for postal employees; to the Committee on Post Office and Civil Service.

228. By the SPEAKER: Petition of the secretary, Gale Grange, No. 282, Forest Grove, Oreg., petitioning consideration of their resolution with reference to requesting that they be placed on record as favoring the construction of a high dam at Hells Canyon on the Snake River; to the Committee on Interior and Insular Affairs.

229. Also, petition of the secretary, Hillsboro Grange, No. 73, Hillsboro, Oreg., petitioning consideration of their resolution with reference to requesting that they be placed on record as being in favor of the high Hells Canyon Dam on the Snake River; to the Committee on Interior and Insular Affairs.

230. Also, petition of the secretary, Dixie Grange, Huntington, Oreg., petitioning consideration of their resolution with reference to requesting adoption of a program in support of a high Hells Canyon Dam, and full comprehensive development of the Columbia River system; to the Committee on Interior and Insular Affairs.

231. Also, petition of the resolution committee, Mud Springs Grange, No. 619, Madras, Oreg., petitioning consideration of their resolution with reference to requesting that they be placed on record as being opposed to the proposed three small dams, and being in favor of only one—a high dam at Hells Canyon; to the Committee on Interior and Insular Affairs.

232. Also, petition of the president, the Methodist Federation for Social Action, Gresham, Oreg., petitioning consideration of their resolution with reference to the conduct of the House Committee on Un-American Activities; to the Committee on Rules.

EXTENSIONS OF REMARKS

A Permanent U. N. Force

EXTENSION OF REMARKS

OF

HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 6, 1957

Mr. SCHWENGEL. Mr. Speaker, in connection with the concurrent resolution offered by my colleagues last Thursday to create a permanent U. N. force, I ask unanimous consent to have entered in the RECORD some observations on the need of such action by a constituent of mine, John B. Rockwell, of Mount Pleasant, Iowa. Mr. Rockwell is a student of government and devotes a considerable amount of time and energy to keeping peace in the world. I respectfully direct the attention of my collegaues to Mr. Rockwell's observations which concur in principle with the concurrent resolution. Mr. Rockwell's remarks follow:

It is vital that the United States at this time inaugurate the creation of a standing army by the United Nations.

A permanent force, second to none, supported by all member nations, according to their wealth and population.

To see that the will of the majority is honored by the recalcitrant few.

To see that every people has the right of unfettered self-determination as to the form of government it wishes to pursue.

To see that the will of the majority of the United Nations is carried out in all places and by all peoples.

This army should be under a supreme commander responsible only to the United Nations. He should be of the same caliber as Gen. Douglas MacArthur or Field Marshal Montgomery. The troops should be drawn evenly at so many per 1,000 population of member countries. It would be best if these troops served a 20-year or career hitch at sufficient salary to make such a career attractive and with adequate retirement pay and 30-day rotational leave per year. This United Nations army should include all the various services of modern warfare, answerable to the supreme commander.

It should be plain to anyone that such an army supported by at least 50 nations would eventually constitute a defense force per nation at a cost much below that of 50 such individual defense forces. Worldwide bases would be readily available everywhere. Short of war, such an organization might enforce its will upon

an offending nation by complete ostracism. This would include the blockade, without an exchange of ideas or trade—legal or illegal; a complete blackout and a severance of all relations by member nations. Such nation, upon indicating a desire to rejoin, should be forced to undergo a period of probation or limited privilege.

Food for Thought

EXTENSION OF REMARKS

OF

HON. ELIZABETH KEE

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 6, 1957

Mrs. KEE. Mr. Speaker, a young constitutent of mine wrote to me recently about a problem which is plaguing a good many adult minds today—the question of continuing United States economic aid to other countries. Because Mary's question, in varying forms, is repeated so frequently in my daily mail, I am publishing my answer to her letter, feeling that it may be of general interest and may serve to offset some of the misinformation being circulated as the House prepares to take up the President's foreign aid program. Here is what I wrote to Mary:

DEAR MARY: It is certainly nice to have a letter from you and I shall do my best to answer the question you asked me. You would like to know why it is that this wonderful country of ours helps other countries by giving them food for their poor people when we ourselves in the United States need food as much as the other countries do.

Well, Mary, I think I can guess at what has prompted you to ask this question. You are probably thinking that the United States should first take care of its own needy before caring for those of other lands. But this, my dear, is exactly what your country has done.

First, let me explain that we in the United States are blessed with an overabundance of food, more than we can ever possibly hope to consume. Across the Nation, our storehouses are fairly bursting with wheat and other grains, with butter, meat and pork products, and with a great many other food commodities that can be preserved and stored. These are what you hear referred to as our "surplus foods."

It is these surpluses—for which we have no domestic markets big enough to exhaust them—that force down the prices our farmers receive for what they raise and this creates hard times for our farm families. So then, you might ask, why don't we just sell these surpluses to the foreign countries and let them feed their own people?

The chief answer to this is that these nations do not have United States dollars to pay for the foodstuffs they might wish to buy, while our American producers are unwilling to accept other nations' currency because it has no purchasing power in this country. In other words, you could not spend this foreign money at the corner store as you would our own nickels, dimes, and quarters.

So to help our own farmers to receive better prices for their products; to have this surplus food serve a useful purpose instead of going to waste and having to be destroyed; to aid the hungry people of many lands, including our own, and to save underprivileged countries from the false promises of communism to which people are sometimes tempted to turn when they are desperate and starving; to accomplish all these good things, your Congress, a few years ago, set up what is called the surplus food-distribution program.

This program authorizes the President of the United States, at his discretion, to use our surpluses to relieve hunger wherever it exists in the world.

But your Congress did not stop here, Mary. Or perhaps it would be more correct to say that it didn't just begin here. Because Congress first provided that the wants of our own people must be met before any food is sent abroad.

That is why we have, today, a school-lunch program in every one of our 48 States—a program that provides hot, nourishing meals daily to millions of American schoolchildren throughout the school year. And it is also why our charitable institutions and State welfare agencies are able to distribute tons and tons of free food annually to our own needy.

It might surprise you to know that just in the first 9 months of this fiscal year, from July 1, 1956, to March 31, 1957, West Virginia has received 5,800,000 pounds of surplus food for its school-lunch program; 2,900,000 pounds have been consumed in our State charitable institutions; and 22,900,000 pounds have been distributed to our needy through our State public-assistance program.

What do these surplus foods consist of? Included in the list are: Wheat flour and cornmeal; dairy products such as butter, cheese, and dry milk; pork products such as canned ham, pork in gravy, and luncheon meat; dried beans, rice, and fresh prunes; cottonseed oil, lard, shortening, and some sweetpotatoes. People can manage to subsist fairly well on the menus this list will provide.

So you see, Mary, we must never jump to conclusions, nor always believe all that we read and hear discussed until we have taken the trouble, as you have in this instance, to find out the facts for ourselves.

This great Nation of ours does, indeed, hold out a helping hand to hungry people of other lands—as I am sure you are proud and happy to have your country do. But let us never forget that at the same time that we give this aid to others, we are also serving our own interests. For by stamping out want and suffering wherever we find it, we help to prevent war as we prove to the world that democracy really works for all people.

That is what I have written to Mary, a young person who will one day have to uphold the ideals and traditions of our Nation as we do today. There are, of course, many other vital factors which must be taken into account as we weigh the pluses and minuses of the costly programs of foreign aid we have carried on since the end of World War II.

These programs have by no means been devoid of self-interest. They have contributed immeasurably to our own security and economic advancement. We must surely realize by now that our two oceans no longer present impenetrable barriers against Communist aggression and attack; and that since we must have a world market for the things we produce—or face an even worse economic depression than the one we experienced in the 1930's—we would not long survive as a free nation surrounced by hostile Communist satellites.

These are the unhappy facts we must face as Congress takes up the foreign-aid program for fiscal 1958. Nonetheless, it would seem to me that a more modest-aid program, accompanied by a sound foreign policy, wisely and temperately administered, is in order. For the American taxpayer cannot indefinitely continue to support the tremendous burden of the foreign military and economic aid programs we are presently carrying.

As Mary might have put it: How long shall we continue to help the people of other countries when we need some of this help for ourselves?

Connecticut May 3 Observance

EXTENSION OF REMARKS

OF

HON. ANTONI N. SADLAK

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, May 6, 1957

Mr. SADLAK. Mr. Speaker, at Hartford, Conn., yesterday afternoon in the Bushnell Memorial Auditorium under the sponsorship of the Polish-American Congress, District of Connecticut, there assembled nearly 2,000 people in observance of the Polish Constitution of May 3. The diversified program was opened by Attorney Stanley Grudzinski, executive vice president, who extended greetings and made most appropriate opening remarks. This was followed by brilliant singing of our national anthem and the Polish anthem by Mr. L. J. Daum. The invocation was then intoned by Father Kukuc and then Rev. M. Karwacki, president of the Polish-American Congress addressed the large audience.

Many children, in native costumes of Poland, taught by Felician Sisters, then entranced the crowd with a stirring performance of dancing and drills. It was then my honor and privilege to address the assemblage in English and in Polish. These remarks were followed by outstanding vocal renditions by the Choir Polonia, a fine group of young ladies and young men as well as older ladies and men, all recent arrivals in the United States who, on May 19th will celebrate the fifth anniversary of their singing choir. The next action on the program was the reading of a resolution by Mr. Grudzinski, attached and made part of these remarks, which was loudly and unanimously endorsed and passed by the thousands in the hall.

For more than a half-hour movies taken in Poland during a recent visit by Mr. Joseph Alecks were shown to the appreciative audience. We were aghast at scenes of remnants of concentration camps and gas chambers where many valiant Poles were murdered. We particularly observed the obvious need of food and clothing in the pictures taken of curious crowds of youngsters and old folks who for the first time looked at an American. The primitive means of harvesting a hay crop impressed each viewer with the need of farm implements and equipment.

Mr. Speaker, during my address I stressed my opinion "that it would be the best investment of $100 million that our Government ever made if we granted economic aid to Poland to that amount

in contrast to the billions that have been given in foreign aid since Poland was first blitzed in September 1939." The subsequent showing of the movies of which I had no previous knowledge though I know Mr. Alecks and the pictures he took at random following the Poznan uprisings were not made for any propaganda purposes, these emphasized the dire need for food, clothing, medicines and better and more effective farm equipment than scythes and sickles and old hand-rakes to make and harvest hay crops. I wish it would have been possible for all the Members of this House to have viewed these authentic movies of freedom-loving and freedom-seeking and freedom-determined Poles and I am convinced that each would join in an endorsement of the resolution adopted at the 166th anniversary of the Polish Constitution of May 3, 1791. The resolution follows:

RESOLUTION

We, the people, assembled on May 5, 1957, at the Bushnell Memorial Hall in Hartford, Conn., under the sponsorship of the Polish American Congress, District of Connecticut, observing solemnly the glorious anniversary of the Polish Constitution of the 3d of May and deeply conscious of the indelible imprint of this magnificent day upon all dedicated to the belief that life without liberty demands boundless sacrifice; now therefore,

We here assembled believing in this supreme principle bow in gratitude to the heroic people of Poznan and to the magnificent resurgence of the Polish Nation and to its courage in the face of hopeless odds; we congratulate them on this great day on their bloodless revolution; we call upon the free world and in particular the United States to further solidify the gains of liberty in Poland as follows:

1. By giving maximum economic aid to Poland and the Polish people now.

2. By insisting that the aid given must reach the Polish masses.

3. By insisting upon maximum concessions from the authorities in Poland to allow economic aid in all its forms, adequately supervised, free of burdensome duties, to reach the impoverished masses.

4. By recognizing the role of the Catholic Church in Poland and Cardinal Stefan Wyszynski in the Polish struggle for freedom.

5. By recognizing that Polish territories were ravaged and plundered through the centuries; that its rightful owners were resettled with the sword, the Nazi furnace and the concentration camps; that the lands now having reverted to its rightful owners, the world must spare the spectacle of a new resettlement by war, Nazi type furnaces and concentration camps.

6. By recognizing that the moral strength of the Polish people will be supported by guaranteeing the Polish people the undisturbed possession forever of traditional Polish territories.

Unanimously adopted at Hartford, Conn., this 5th day of May 1957.

Israel Independence Day

EXTENSION OF REMARKS

OF

HON. JAMES ROOSEVELT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 6, 1957

Mr. ROOSEVELT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement commemorating Israel Independence Day:

ISRAEL INDEPENDENCE DAY

May 6 is the ninth anniversary of Israel's independence. It is a day that symbolizes Jewish achievement. Within 9 years the ideal of Zionism has been transformed from the planning stage to actuality. To create a nation and an army within such a short space of time is a near miracle. Israel has struggled against great odds, but has proved that she could survive pressures from the Arabs on the one hand and from the Great Powers on the other. I would like to congratulate Israel on this happy anniversary.

Like America, Israel is a nation of pioneers, a nation of diverse origins, held together by a common faith and belief. Politically and strategically, too, the interests of Israel and the United States run parallel. Politically, both nations are opposed to Communist infiltration in the Middle East, while their mutual interests demand strategic cooperation.

It is now more than ever necessary for the United States to close ranks with Israel. As Britain has withdrawn from Suez, and British prestige in the Middle East has diminished, it has become clear that the United States must assume Britain's former role. And keeping the region on the side of the free world will require military and political as well as ideological and economic strength. If war comes to the Middle East, America must have allies and points of support. Under such conditions, Israel may well prove to be one of America's most important assets in the Middle East.

At Munich, Chamberlain saw only the risks associated with participating in little wars and forgot that as England abandoned strong points it was more and more exposed to the danger of a world war. America must not make the same error. America must support the outposts of the West such as Israel, whose security and integrity are essential to American strategic interests and to American strategic needs. Traditionally, the United States has been on the side of the underdog. Israel is a small, democratic nation which has opted for freedom and needs American support for survival. The United States cannot afford to abandon Israel and the values and achievements which it represents.

Legislative Oversight Subcommittee Outlines Scope of Its Work

EXTENSION OF REMARKS

OF

HON. OREN HARRIS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 6, 1957

Mr. HARRIS. Mr. Speaker, I wish to advise, for the information of the Members of the Congress, an outline of the scope of the work by the Subcommittee on Legislative Oversight of the House Committee on Interstate and Foreign Commerce by the committee, Thursday, April 18, 1957.

Pursuant to our suggestion, Mr. Speaker, at the time the resolution authorizing the work of our Committee on Interstate and Foreign Commerce was being considered, I announced the appointment of a special subcommittee for this work on March 6, 1957. I am enclosing herewith a copy of the announcement in order that we may have a continuity of the development of this program and the appointment of the committee.

The special subcommittee has functions as outlined in section 136 of the Legislative Reorganization Act of 1946. Each standing legislative committee of the House was given the responsibility of exercising continuous watchfulness and appraising the administration of the laws of the agencies of Government within the jurisdiction of the committee. The work was referred to in that act as "legislative oversight." The term, according to Webster's, means "watchful care or supervision."

I named our colleague, the Honorable MORGAN M. MOULDER, as chairman of the special subcommittee. Mr. MOULDER was the next Member in seniority on our committee whom I had not designated as a chairman of an important subcommittee and with important work to do. I, therefore, want to make it perfectly clear, Mr. Speaker, that he as an able member of our committee and in whom I and other members have utmost confidence was the logical and appropriate selection for the chairmanship of this important work.

We selected eight other members of our committee, whose names are included in the attached statement, all outstanding, able and experienced members.

In addition, our colleague, Mr. WOLVERTON, the ranking minority member of the committee, and I, as chairman of the committee, are active members and who will assist in this important undertaking. On April 18 the committee met and thoroughly discussed this program and a desire to do a good and objective job.

I agreed to the scope of its work that we should undertake. I include a copy of this outline as announced by Mr. MOULDER, chairman of the subcommittee, at this time:

MARCH 6, 1957.

OREN HARRIS, Democrat, Arkansas, chairman, House Committee on Interstate and Foreign Commerce, today announced the appointment of a special subcommittee to review, study, and examine the execution of the laws by the administrative and independent agencies of the Government within the jurisdiction of the committee.

Section 136 of the Legislative Reorganization Act of 1946, which is included in the rules of the House of Representatives, provides that to assist the Congress in appraising the administration of the laws each standing committee of the House of Representatives shall exercise continuous watchfulness of the execution of the laws by the administrative agencies of the Government within the jurisdiction of the committee.

In addition, House Resolution 99, 85th Congress, authorizes the committee to investigate and study the administration and enforcement by departments and agencies of the Government of provisions of law relating to subjects which are within the jurisdiction of such committee.

In the consideration of the resolution by the House of Representatives on February 5, 1957, Speaker RAYBURN, former chairman of the committee, stated: "I trust that the gentleman will set up a subcommittee, and I think under the broad authority of this resolution he has that authority to go into the administration of each and every one of these laws to see whether or not the law as we intended it is being carried out or whether a great many of these laws are being repealed or revamped by those who administer them."

Chairman HARRIS and Mr. WOLVERTON will be ex officio members of the subcommittee, with voting privileges.

The membership of the subcommittee is as follows:

Special Subcommittee on Legislative Oversight: MORGAN M. MOULDER, Democrat, Missouri, chairman; JOHN BELL WILLIAMS, Democrat, Mississippi; PETER F. MACK, Democrat, Illinois; JOHN J. FLYNT, JR., Democrat, Georgia; JOHN E. MOSS, Democrat, California; JOSEPH P. O'HARA, Republican, Minnesota; ROBERT HALE, Republican, Maine; JOHN W. HESELTON, Republican, Massachusetts; JOHN B. BENNETT, Republican, Michigan.

APRIL 18, 1957.

Representative MORGAN M. MOULDER, chairman of the Subcommittee on Legislative Oversight of the House Committee on Interstate and Foreign Commerce, announced that in executive session today the subcommittee had adopted, with the approval of Committee Chairman OREN HARRIS, the following outline of the scope of the subcommittee's activities:

PURPOSES

To examine the execution of the laws by the administrative agencies, administering laws within the legislative jurisdiction of the committee, to see whether or not the law as Congress intended in its enactment has been and is being carried out or whether it has been and is being repealed or revamped by those who administer it.

DUAL APPROACH

1. Whether the law has been and is being faithfully executed by the agency in the public interest.

2. Whether the law and the statutory standards it contains have been and are being interpreted by rule, or internal procedures, to enlarge the area of regulation beyond that intended, and to administer it through procedures not intended by the Congress.

AGENCIES TO BE EXAMINED

1. Civil Aeronautics Administration, Civil Aeronautics Board, Federal Communications Commission, Federal Power Commission, Federal Trade Commission, Food and Drug Administration, Interstate Commerce Commission, Securities and Exchange Commission.

2. Bureau of Standards, National Institutes of Health, National Science Foundation, Weather Bureau.

3. Foreign Claims Settlement Commission, Office of Alien Property, Public Health Service, Railroad Retirement Board, and other agencies within legislative jurisdiction of the committee.

SUBJECTS TO BE CONSIDERED

1. Review and analysis of the law and amendments, and intent of the Congress when enacted.

2. Area of the field regulated by each law, changing circumstances and growth of the field since enactment.

3. Consideration of the legislative standards in the law to determine whether they can be drafted in more precise terms with the view of reducing administrative discretion.

4. Consideration of rules and regulations issued by the agency under the discretionary delegations, reconciliation with statutory standards and legislative intent, manner in which rules have been applied in practice.

5. Administrative interpretations and practices apart from formal rules and regulations, public notice of such interpretations and practices, extent to which in fact administration is by internal interpretations as distinct from published rules.

6. Judicial decisions on the administration of the law by the agency, the statutory standards, rules and regulations, and administrative interpretation; enlargement of area of regulation supported by the decisions.

7. Enforcement of statute, rules, and regulations.

8. Organization of agency.

(a) Independence and bipartisanship of Commission, as intended in its creation; identification of the regulators with the regulated.

(b) Personnel: Experience, relationship to agency policy, status under civil service.

(c) Workload, distribution of personnel as to statutory duties or on duties assumed through administrative interpretations, coordination with State and other regulatory agencies, trade or industry enforcement groups.

Educational Activities of Special Interest to the Armed Services

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 6, 1957

Mr. McCORMACK. Mr. Speaker, under leave to revise and extend my remarks I am inserting in the CONGRESSIONAL RECORD an exchange of letters between the Special Subcommittee on Donable Property of which I am chairman and the Comptroller General of the United States.

The special subcommittee has before it a number of bills which would extend the donation of surplus property to many additional groups and activities including fire-fighting organizations, community organizations, tax-supported public recreation agencies, State defense forces, publicly owned water and sewer districts, 4-H Clubs, Youth Camps, first aid crews, and so forth.

The Secretary of Defense has heretofore determined under a provision of law that a number of groups, institutions, and so forth, are "educational activities of special interest to the armed services" and has donated surplus property to them.

Since the volume of donations by the Secretary of Defense has been considerable and the possible inclusion of other donees under existing bills would greatly add to the donable program, the Special Committee on Donable Property thought it advisable to request the Comptroller General for a clarifying decision as to authority for the inclusion of existing donees and the extent to which he can include others. The letters follow:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
OFFICE OF THE MAJORITY LEADER,
Washington, D. C., February 5, 1957.

Hon. JOSEPH CAMPBELL,
Comptroller General of the United States, Washington, D. C.

DEAR MR. CAMPBELL: The attention of the Special Subcommittee on Donable Property of the Committee on Government Operations, House of Representatives, has been called to interpretations of section 203 (j) (2) of the Federal Property and Administrative Services Act, Public Law 152, 81st Congress, as now in effect, with reference to which your opinion is requested.

The following questions are respectfully submitted to you by the Special Subcommittee on Donable Property for your consideration and interpretation:

1. Are the activities listed in the directive, No. 4160.10 and amendments, of the Secretary of Defense eligible donees within the intent of the statute?

2. If not, which qualify as donees within your interpretation?

3. If so, what limitations would be applicable with respect to additional donees?

However, in construing the above Public Law the subcommittee has no intention of confining you to the above questions in requesting your interpretation.

The main purpose of this request is to have a determination as to whether or not the Department of Defense has made administrative interpretations which have included organizations that are not authorized by law or are contrary to the intent of Congress.

If not, what are the limitations to the inclusion of other similar organizations, national, regional, or local, so that they will not have to resort to legislative processes?

The following language will be noted in section 203 (j) (2), as now in effect:

"In the case of surplus property under the control of the Department of Defense, the Secretary of Defense shall determine whether such property is usable and necessary for educational activities which are of special interest to the armed services, such as maritime academies or military, naval, Air Force, or Coast Guard preparatory schools * * *."

You will also note in the same subdivision the authority of the Secretary to make certain determinations in relation to the above.

There is herewith enclosed a copy of Department of Defense Directive dated April 27, 1953, No. 4160.10; Directive Transmittal of June 23, 1954, No. 54-69; Directive Transmittal 54-77 dated July 23, 1954; Directive Transmittal No. 55-83 dated June 22, 1955; Directives System Transmittal No. 4160.10-ch. 4, dated June 18, 1956; Directives System Transmittal No. 4160.10-ch. 5, dated June 28, 1956, and Directives System Transmittal No. 4160.10-ch. 6, dated September 13, 1956.

Your attention is particularly directed to organizations such as contained in Department of Defense Directive Transmittal of June 23, 1954, No. 54-69, and Department of Defense Directive Transmittal dated September 13, 1956, No. 4160.10-ch. 6, and similar organizations, and whether or not under Public Law 152, as amended, such action can be administratively taken by the Department of Defense.

Sincerely yours,

JOHN W. MCCORMACK,
Chairman, Special Subcommittee on Donable Property of the Committee on Government Operations.

EDUCATIONAL ACTIVITIES OF SPECIAL INTEREST TO THE DEPARTMENT OF DEFENSE

Admiral Farragut Academy, Pine Beach, N. J.

Admiral Farragut Academy, St. Petersburg, Fla.

Allen Military Academy, Bryan, Tex.

Augusta Military Academy, Fort Defiance, Va.

Bolles School, Jacksonville, Fla.

Bordentown Military Institute, Bordentown, N. J.

Brown Military Academy, San Diego, Calif.

California Maritime Academy, Vallejo, Calif.

Camp Fire Girls, Inc., 16 East 48th Street, New York 17, N. Y.

Castle Heights Military Academy, Lebanon, Tenn.

Columbia Military Academy, Columbia, Tenn.

Culver Military Academy, Culver, Ind.

Fishburne Military School, Waynesboro, Va.

Fork Union Military Academy, Fork Union, Va.

Georgia Military Academy, College Park, Ga.

Georgia Military College, Milledgeville, Ga.

Gordon Military College, Barnesville, Ga.

Greenbrier Military School, Lewisburg, W. Va.

Howe Military School, Howe, Ind.

Kamehameha School for Boys, Honolulu, T. H.

Kemper Military School, Boonville, Mo.

Kentucky Military Institute, Lyndon, Ky.

LaSalle Military Academy, Oakdale, Long Island, N. Y.

Maine Maritime Academy, Castine, Maine.

Marion Institute, Marion, Ala.

Marmion Military Academy, Aurora, Ill.

Massachusetts Maritime Academy, State Pier, Buzzards Bay, Mass.

Massanutten Military Academy, Woodstock, Va.

Missouri Military Academy, Mexico, Mo.

Morgan Park Military Academy, Chicago, Ill.

National Headquarters, Civil Air Patrol, Inc., Bolling Air Force Base, Washington, D. C.

National Headquarters, Boy Scouts of America, New Brunswick, N. J.

National Headquarters, Girl Scouts of America, 155 East 44th Street, New York 17, N. Y.

New Mexico Military Institute, Roswell, N. Mex.

New York Military Academy, Cornwall-on-Hudson, N. Y.

New York State Maritime Academy, Fort Schuyler, Bronx, New York, N. Y.

Northwestern Military and Naval Academy, Walworth, Wis.

Oak Ridge Military Institute, Oak Ridge, N. C.

Oklahoma Military Academy, Claremore, Okla.

Pennsylvania Military Preparatory School, Chester, Pa.

Porter Military Academy, Charleston, S. C.

Riverside Military Academy, Gainesville, Ga.

Sewanee Military Academy, Sewanee, Tenn.

Shattuck School, Faribault, Minn.

Staunton Military Academy, Staunton, Va.

St. John's Military Academy, Delafield, Wis.

St. Joseph's College and Military Academy, Hays, Kans.

St. Thomas Military Academy, St. Paul, Minn.

Tabor Academy, Marion, Mass.

Tennessee Military Institute, Sweetwater, Tenn.

Texas Military Institute, San Antonio, Tex.

The Manlius School, Manlius, N. Y.

Valley Forge Military Academy, Wayne, Pa.

Wentworth Military Academy, Lexington, Mo.

Western Military Academy, Alton, Ill.

Boys' Clubs of America, Inc., 381 Fourth Avenue, New York 16, N. Y. (added September 13, 1956) (Department of Defense Directive No. 4160.10-Ch 6).

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, April 9, 1957.

Hon. JOHN W. MCCORMACK,
Chairman, Special Subcommittee on Donable Property,
Committee on Government Operations, House of Representatives.

DEAR MR. CHAIRMAN: This refers to your letter of February 5, 1957, and enclosures, concerning Department of Defense interpretations of section 203 (j) (2) of the Federal Property and Administrative Services Act, as amended, and requesting our opinion as to whether the administrative interpretations include as eligible donees of surplus property under control of the Department organizations that are not authorized by law or are contrary to the intent of Congress.

Subsection 203 (j) (3) of the original Federal Property and Administrative Services Act (63 Stat. 387) provided in pertinent part as follows:

"In the case of surplus property under the control of the National Military Establishment, the Secretary of Defense shall determine whether such property is usable and necessary for educational activities which are of special interest to the armed services, such as maritime academies or military, naval, Air Force, or Coast Guard preparatory schools. * * *"

This subsection was renumbered "203 (j) (2)" and the language was reenacted without change, except for the substitution of "Department of Defense" for "National Military Establishment" by the act of July 3, 1956 (70 Stat. 493). A further sentence of the section authorizes the allocation of the surplus property determined usable and necessary for such purposes for transfer by the Administrator of General Services to the appropriate State agency for distribution to such educational activities.

Designations of eligible donees are set forth in Department of Defense Directive 4160.10, a copy of which you enclosed with your letter, and our attention is directed particularly to such organizations as Camp Fire Girls, Inc., Boys' Clubs of America, Inc., and similar organizations. The similar organizations designated in the directive are national headquarters, Boy Scouts of America, and national headquarters, Girl Scouts of America. The dates of original designation of these organizations are as follows: Boy Scouts, May 12, 1951; Girl Scouts, March 6, 1952; Camp Fire Girls, June 23, 1954; and Boys' Clubs of America, September 13, 1956.

You submit the following specific questions for our consideration:

"1. Are the activities listed in the directive, No. 4160.10, and amendments, of the Secretary of Defense eligible donees within the intent of the statute?

"2. If not, which qualify as donees within your interpretation?

"3. If so, what limitations would be applicable with respect to additional donees?"

The specific illustrations enumerated in section 203 (j) (2) of the Federal Property and Administrative Services Act of 1949, as amended, gives rise to doubt as to the propriety of including, as eligible donees, organizations such as indicated above. However, the matter must now be considered in the light of the principle that a contemporaneous construction given an act of Congress, while not controlling entitled to great weight and should not be overturned except for cogent reasons. See *Brown* v. *United States* (113 U. S. 568); *Great Northern Ry. Co.* v. *United States* (315 U. S. 262). Also, it has been held that an administrative construction of a statutory provision—not required to be charged by the legislature—must be deemed to have received legislative approval by a reenactment of such provision without material change. *McCaughn* v. *Hershey Chocolate Co.* (283 U. S. 488); *Helvering* v. *Reynolds Co.* (306 U. S. 110); *National Labor Relations Board* v. *Gullett Gin Co.* (340 U. S. 361). Designations of the organizations, with the exception of the administrative designation on September 13, 1956, of Boys' Clubs of America, were a matter of record of which the Congressional committees were apprised before reenacting the legislation without material change. Thus, on pages 48 to 52 of the hearing before the Subcommittee on Reorganization of the Committee on Government Operations, United States Senate, 84th Congress on S. 3693 (S. 1527 and H. R. 7227)—the latter of which bills became the act of July 3, 1956, referred to above—the committee was advised of the designation by the Department of Defense of the Boy Scouts and Girl Scouts of America and Camp Fire Girls as eligible donees. On such pages there were incorporated into the record the listing in detail of these and other organizations designated as eligible as well as the regulations of the military departments under the involved provision of law. Also, on page 15 of Senate report 2267 on H. R. 7227, there is quoted a letter of the Department of Defense reporting that donations were being made to 46 schools and educational activities designated as being of special interest to the Department. The fact that organizations such as the Boy Scouts and Girl Scouts of America and the Camp Fire Girls were considered as eligible donees was brought to the attention of the Congress on numerous earlier occasions. See in this connection, page 16, hearing before the Committee on Government Operations, United States Senate, on H. R. 3322 and S. 1004, 84th Congress, April 21, 1955; page 321, hearings before the Special Subcommittee on Donable Property of the Committee on Government Operations, House of Representatives, on H. R. 3322, 84th Congress, February 15, 17, and 21, 1955; pages 94 and 96, of the February 1955 report to the Commission on Organization of the Executive Branch of the Government prepared by the Task Force on Use and Disposal of Federal Surplus Property; and page 224, Donable Surplus Property Program Hearings before a subcommiteee of the Committee on Government Operations, House of Representatives, 83d Congress, April 20, 21, 23, and 24, 1953. In view of the rules of statutory construction referred to above and the circumstances here involved we conclude that the designations by the Department of Defense of Boy Scouts, Girl Scouts, and Camp Fire Girls as eligible donees are within the intent of the statute as now in effect. Also, since Boys' Clubs conduct educational activities (*Boys' Club of Detroit* v. *Pakula* (69 N. W. 2d 348)), and otherwise appears to be similar in purpose to the aforementioned organizations, the designation of such organization appears proper. Accordingly, your first question is answered in the affirmative.

The second question, being based upon a negative reply to the first, does not require consideration.

Your third question concerns limitations applicable to additional donees, and the question as hereinabove quoted is restated and enlarged in your letter as "What are the limitations to the inclusion of other similar organizations, national, regional, or local, so that they will not have to resort to legislative processes?"

Inasmuch as the words of the statute "such as maritime academies or military, naval, Air Force, or Coast Guard preparatory schools" are not, for the reasons heretofore discussed, viewed as precluding noninstitutional-type organizations, the limitations to the inclusion of other similar organizations would appear to be the facts of each particular case. Thus, where the facts regarding the activities of an organization would reasonably support a conclusion that it was engaged in educational activities, and such activities are deemed by the Secretary of Defense to be of special interest to the armed services because the activities of the organization are designed to develop the minds, bodies, and character of young people in qualities that reasonably might be expected to contribute to their usefulness in the defense of the Nation, or for other reasons, an administrative designation of such organization as an eligible donee would meet the requirements of the statute. The national, regional, or local aspects of an organization, except as to administrative problems which might arise as a result thereof, would not appear to be determinative. Your third question is answered accordingly.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

Small Business Needs More Than Election Campaign Promises

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 6, 1957

Mr. PATMAN. Mr. Speaker, during the political campaigns of 1956 it was recognized that small business needed help. It was recognized that small business needed tax relief. It was recognized that small business needed help in securing credit and capital for survival and growth. Therefore, promises were made that the needed help would be forthcoming.

On May 16, 1956, I addressed the House and included in my statement on that occasion an abundance of statistics dramatizing the fact that the status of small business had been rapidly deteriorating. Some of these statistics were so shocking that many persons in responsible positions expressed concern about the situation. In fact, within 2 weeks President Eisenhower manifested a concern about the situation. On May 31, 1956, he appointed a Cabinet Committee on Small Business to investigate the economic conditions of small business enterprises and the policies of the Federal Government that could relate to the establishment and growth of small businesses. In that connection the President said that this newly established committee should keep the Federal Government "fully abreast of developments that affect small businesses. Its programs and policies aimed at assisting small business should be carefully reviewed at this time with the object of strengthening them where necessary, and of making recommendations for steps that will provide such enterprises with additional constructive assistance."

On August 7, 1956, the President's Cabinet Committee on Small Business made a report. In that period of national political campaigning that report was widely publicized. It contained statements looking with favor upon and recommending consideration of proposals providing tax relief for small business. The report contained a number of other proposals for helping small business. The President announced his favorable reaction to those proposals.

In the period of August, September, and October 1956, spokesmen for the administration of the Federal Government gave assurances that ways and means for providing tax relief and other helps to small business were under consideration and would be put forward at an early date.

I believe it is time to review and compare the administration's performances with those promises. When we do that we find that those promises have not been fulfilled. Perhaps they have been encased and stored away in the museums for safekeeping to be brought forth again in 1958 and in 1960 to be polished and held out to small business as new hopes on those occasions. However, I venture to predict that the administration and its helpers on Madison Avenue will find that the Barnum philosophy will not be successful when they attempt to apply it to small business. Small business is aware of what is happening to it. It is watching this administration. In 1958 and in 1960 it will not be fooled by the dusted-off, polished-up, promises that were used in 1956. Small business will know that those promises were not fulfilled. Indeed, "small business is up in arms these days" about the failure of this administration to live up to its promises of 1956. In that connection I refer to an article by John Harriman which was published in the Boston Daily Globe Thursday, April 18, 1957. That article is entitled "Brushoff in Washington Angers Small Business." It is as follows:

BRUSHOFF IN WASHINGTON ANGERS SMALL BUSINESS

(By John Harriman)

Small business is up in arms these days. It is bitter over the deal it has received in Washington. It is deeply concerned over its future, and worried enough about the present.

And it is more than a little sick of having to listen to political platitudes and the old malarky which, in the words of a Business Week article last summer "put small business on a pedestal along with motherhood and purity on Pennsylvania Avenue," while doing nothing to solve its problems.

PROFITS DOWN TO LESS THAN 3 PERCENT

The fears of the future of small businessmen arise from a few quite startling figures.

Last year corporations doing over $100 million in sales, showed an average net on sales of 7 percent.

Those with sales of $10 million earned 5 percent.

But companies doing less than $1 million showed only 2.7 percent, and those doing less than $250 000 earned only 2.3 percent.

It need hardly be pointed out how vulnerable these smaller companies with their low margin are to any decline. Indeed, it might be argued that the plight of these smaller concerns is a perhaps not generally recognized Achilles heel to the whole economy.

Back of this situation are several factors. The habit of big corporations in recent years of granting wage increases, and passing the cost along to the public in price boosts. Small business, selling as a rule in tight, price-competitive markets, must meet the wage increase without being able to boost its price.

The fact that smaller businesses as a rule do not have the wherewithal to put huge sums into new, laborsaving machines, which might help hold down their costs.

And because smaller businesses do not often control their own sources of raw material, and in buying raw materials must hence too often pay the big corporation piper.

HUMPHREY PLUS NAM AND CHAMBER OF COMMERCE

All during the last political campaign, small business listened to the most lovely promises. It listened, too, to a report to President Eisenhower by the Cabinet Committee on Small Business. And it read with interest the two-volume report on its problems by the Joint Economic Committee.

As a result, small business had expected that at least some of the recommendations by these various agencies would be adopted—most specifically that which would reduce the income tax rate on the first $25,000 of corporate income.

But Secretary of the Treasury Humphrey gave the coup de grace to this hope in testimony before the Senate Finance Committee last month when he asked the continuation of the present tax rate and added that the decision must be made in 10 days, leaving no time for "study" of the small business problem.

Mr. Humphrey, who works strong magic in Congress, was supported by the stand of the National Association of Manufacturers, and the United States Chamber of Commerce. These organizations took the position that they did not wish to see the rate on small business reduced until all taxes were reduced.

This, to small business, was the final straw, the most unkind cut of all. Particularly the action of the NAM. That organization has always maintained that it represented small business interests as well as that of the big corporations. But right now small-business men are saying, "maybe."

Address by Hon. John W. McCormack at the Democratic Banquet, National Guard Armory, Washington, D. C.

EXTENSION OF REMARKS

OF

HON. CARL ALBERT

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 6, 1957

Mr. ALBERT. Mr. Speaker, the distinguished majority leader, the gentleman from Massachusetts [Mr. McCORMACK], delivered an outstanding address at the Democratic banquet held at the National Guard Armory here in Washington last Saturday evening. In this address Mr. McCORMACK outlined forcibly and succinctly the real political issues of the day and he demonstrated by concrete examples the total lack of unity in the ranks of the Republican Party.

The full text of this fine speech follows:

We are honored and so glad to have with us this evening a great Democrat, a fighting Democrat, a man who steered our ship of state with vision, with firmness, with courage, a man who will go down in history as one of the great Americans of all times, our valued friend, former President Harry S. Truman.

Harry S. Truman assumed the grave responsibility of Chief Executive of our country, and the leader of the Free World on the death of another great American—the immortal Franklin Delano Roosevelt.

The great humanitarian, Franklin Delano Roosevelt, gave to our country the leadership of hope and confidence that rehabilitated our country economically, politically and idealistically, from the depths of despair of the greatest depression of all times.

He also gave to our country the vision that saw and thwarted the evil designs of Hitler and nazism. He gave to the country and to the world the leadership that brought about victory in World War II.

The Democratic Party can point with justifiable pride to Franklin Delano Roosevelt and his great contributions in time of peace and in time of war.

Upon his death, Harry S. Truman assumed the office of President, and was elected in his own right in 1948 after one of the most amazing and spectacular campaigns in the political history of America.

During his service, the world faced with the menace of atheistic communism, Harry S. Truman met and faced the problems of his period of service in stopping and containing communism, in building America internally, and with a vision and courage that marks him as one of the greatest Americans of all times.

The world knew that while he was President, Harry S. Truman made his own decisions. The Communist and non-Communist world knew that when he made a decision, Harry S. Truman meant it.

There was no shifting from day to day or week to week on his part in the foreign policy of our country. He was firm without bullying. He was definite, consistent, courageous in his leadership, and in the making of policy in our national interest and in the carrying out of that policy.

During his service as President, the one man in the world that the evil-minded men in the Kremlin respected because they feared him, was Harry S. Truman.

Like Franklin D. Roosevelt, the Democratic Party can point with justifiable pride to Harry S. Truman, the courageous President.

And Wednesday next, May 8, is his birthday anniversary.

I know I express your sentiments and those of millions of others in extending our congratulations to President Truman and in wishing him and Mrs. Truman many, many more years of continued happiness.

There are countless millions of Americans who wish we had Harry S. Truman, or one like him, in the White House today.

The 1956 campaign made political history in America. The political phenomenon was the election of a Republican President and a Democratic Congress.

Our candidate for President, Gov. Adlai Stevenson, made a great campaign, a courageous one, based on intellectual honesty. He avoided no issue. He stated his position clearly. He stuck by his position despite the political distortion of his views by the Republican campaigners. His intellectual honesty in discussing issues that others would avoid was an education to the American people of a beneficial nature. For example, his courage in stating his position on the indescribably destructive nuclear bombs, which position was distorted for votes by the opposition, was an illustration of the statesmanlike manner in which he conducted his campaign.

While he failed of election, he emerged therefrom the real victor, enjoying the respect and confidence of the American people.

For we now see his views, so courageously stated, deliberately distorted during the campaign by the Republican high command, are now being adopted by the present administration as the policy of our Government.

On a straight political level between the 2 great political parties, the results of the 1956 campaign show that the people prefer the Democratic Party over our political opposition.

We can look forward with confidence to a great Democratic victory in 1958 on the National, State, and local levels, and a complete victory in 1960 with the election of a Democratic President. There are definite signs why we can make that forecast. With a Republican President, the Democratic Congress on the national level is giving our country the visionary and constructive leadership so necessary for our national interest in the field of foreign affairs and for our best interest in the field of domestic affairs.

With Democratic Presidents of recent past—the Republican Party—even when in control of Congress, was a mere party of blind opposition.

That is not the intended and proper role of a political party under constitutional government. With a Republican President, the Democratic Party in Congress has performed its intended and proper duties—of constructively supporting when in agreement, and constructively opposing when in disagreement.

The people are aware of this leadership and approve it.

The Democratic Party is the part of progress—the party of the people. It is generally known, and growing rapidly, that big business and those who favor tight money conditions are the hidden and actual forces in control of our Government.

The economic groups and millions of Americans who are discriminated against and adversely affected by this nonelected hidden control—for example, the farmers, the small-businessmen, the homeowners, those who want our great public resources protected from selfish, private exploitation, and others—know they can only look to the Democratic Party to bring to them the consideration and the justice to which they are entitled. Before this Congress is over, under democratic leadership, legislation beneficial to them will be enacted into law.

Another sign is the evident fact that the Republican Party is sharply divided—that it is splitting into bitter groups and factions—incapable of giving the country responsible leadership so necessary in this trying period.

It is plain now that the old guard and the Republican isolationists are no longer hibernating—they are no longer underground. It is also evident that a bitter fight for control of the Republican Party machinery with a view to the next Republican National Convention is going on and that the evidenced skirmishes of today will become the bitter battles of tomorrow, and this is most unfortunate at a time when national unity is vitally important.

As the people more and more realize this fact—appreciating that with such sharp division there cannot be responsible leadership in the Republican Party—and that the Democratic Party is giving responsible leadership, they will more and more turn to the Democratic Party as the party of responsible leadership and action.

For the Democratic Party is more organically united today than it has been for years—and that organic unity will grow and grow between now and the elections of 1958 and later—the presidential election of 1960.

In connection with this we must encourage in every way possible the organization work on the precinct level, the building up of all elements of the party, and particularly the building up of the women's organization, and, of vital importance, the building up of the Young Democratic organization and the attraction to our party of the youth of America.

On the question of the split in the Republican Party and its inability to function and serve the people in a responsible manner, pertinent and powerful evidence exists in support of the same.

For the rollcall records of the House for this session to date shows that the Republican Members of Congress are not supporting the recommendations of the President of the United States, the leader of their party.

It is very evident from a number of rollcalls in the House of Representatives that on recommendations made by the President, the great majority of his party are voting against him. In other words, the President goes one way—and the majority of his party in Congress goes the other way.

On April 4, 1957, rollcall No. 38 shows $204,000 was stricken from the budget estimate of the President in relation of the Office of Solicitor in the Department of Labor. This amount was necessary to carry out organic legislation of a beneficial nature. On that vote 241 Members voted in favor of the reduction and 171 against it. A breakdown of this rollcall shows that that 88 Democrats voted for the reduction and 129 Democrats against it. On the other hand, 153 Republicans voted for the reduction and only 42 against it. A vote against the reduction was a vote to support the budget estimate of the President.

On the same day, rollcall No. 40 was a vote on reducing the President's budget estimate by $136,000 in connection with carrying out laws relating to veterans' reemployment rights. That motion to reduce was defeated by a vote of 275 to 137, but the rollcall vote is very interesting on the Republican support in the House of Representatives of the recommendation of their leader. For the rollcall vote saw that only 30 Democrats voted for the reduction and 187 against. On the other hand, 107 Republicans voted for the reduction and 88 against.

On the same day there was another rollcall vote, No. 41, involving a reduction of $442,000 from the President's budget estimate for the Bureau of Employment Security. That reduction carried by a vote of 214 to 205. The rollcall breakdown shows that 72 Democrats voted for the reduction and 150 Democrats voted against it. On the other hand, 142 Republicans voted for the reduction and against President Eisenhower's recommendation, and only 55 voted against it.

On the same day, rollcall No. 42 was an amendment to reduce grants to States for unemployment compensation by $12,186,000. That motion carried by a vote of 220 to 200. A breakdown of the voted shows that 64 Democrats voted for the reduction and 159 voted against it. There were 156 Republicans who voted for the reduction and only 41 against it.

On the same day there was rollcall No. 45 to reduce the appropriation for the Bureau of Labor Statistics by a sum of $346,000. That motion carried by a vote of 217 to 201. The breakdown shows that 83 Democrats voted for the reduction and 139 against, but 134 Republicans voted for the reduction and 62 against.

On rollcall No. 46, which was a motion to reduce by $31,000 the appropriation for the Women's Bureau in the Department of Labor, this motion was defeated by a vote of 210 to 206. Its breakdown shows 61 Democrats voted for the reduction and 161 against. The rollcall vote shows 145 Republicans voted for the reduction and only 49 against.

On the same day there was rollcall No. 47 to reduce appropriations for the Wage and Hour Division of the Department of Labor in the sum of $288,000. This is a very important activity. This motion carried by a vote of 214 to 205. The breakdown shows 72 Democrats voted for the reduction, and 150 Democrats voted against it. It shows that 142 Republicans voted for the reduction and only 55 against it.

Rollcall No. 49 was a motion to reduce in the sum of $1,482,000 appropriations for the Office of Education. If this had carried, appropriations in connection with the retarded and exceptional children of our country would have been wiped out. This motion to reduce was defeated by 1 vote, 207 to 206. The rollcall shows that 73 Democrats voted for the reduction and 146 voted against it. It also shows that 133 Republicans voted for the reduction and only 61 against it.

Rollcall No. 50 on the same day was a motion to strike out $50 million recommended by the President for grants to States in connection with the control of the pollution of our rivers and streams. This was defeated by a vote of 231 to 185. The rollcall shows that 35 Democrats voted for the reduction, but 186 Democrats voted against it. On this important rollcall 150 Republicans voted for

the reduction and against their party leader's recommendation, and only 45 Republicans voted against it.

On April 17, 1957, there was rollcall No. 64 which is a very interesting one which involves the field of foreign affairs. The bill making appropriations for the State Department was before the House. A motion was made to reduce the appropriation for contributions to international organizations in the sum of $7,039,958. That motion was defeated by a vote of 205 to 156. A breakdown of the rollcall is very interesting—showing that 68 Democrats voted for the reduction and 131 voted against it. On the other hand, 98 Republicans voted for the reduction against their party leader's recommendation, and only 74 voted against it.

These series of rollcall completely support the fact that the Republican Party is split—that the Republicans in Congress are not supporting their party leader, who is the President of the United States, and that the people cannot look to the Republican Party for responsible leadership. The evidence clearly shows that the constructive actions are on the part of the Democratic Party in Congress and that it is the party of responsibility.

We read in the papers in recent days that President Eisenhower, upon his return from his recent vacation in Georgia, was going to the country to fight for his budget recommendations. Instead of going to the country to fight for his budget recommendations, I might suggest that what the President should do, based upon actual rollcall records, is to try and gain control of his own party in Congress, and to stop members of his own cabinet from rebelling against him.

It was only a few months ago that the Republicans under the leadership of Secretary of the Treasury Humphrey, and the President remaining silent when he should have acted, that they thought they were politically smart. The trap was set for the Democrats in the President's budget but it has closed the teeth on the Republicans.

They were just too smart for their own good.

The leader of the Republican Party, as President, realizes that he must now go to the people in an effort to prevent a too sharp reduction in his budget recommendation and particularly in the field of foreign assistance. As political leader he let things drift; now as President he belatedly realizes that the situation has gotten beyond his control and he must fight to try to get back control of the situation.

But the rollcall votes in the House of Representatives clearly show that the fight is in his own party, starting with the Secretary of the Treasury, George Humphrey. It will be interesting to see how successful the President will be in having his party in the Congress follow him.

The country is witnessing a President deserted by the great majority of his own party in the Congress. The country is watching the spectacle of this desertion by his own party at the outset of the President's second term, with the rebellion in his own party started by his own Secretary of Treasury. If any member of Franklin Delano Roosevelt's or Harry S. Truman's cabinet had done that, they would not have long remained a member of their cabinets.

It is fortunate that the country has a Democratic Congress at this time.

So, with the constructive action of the Democratic Party—coupled with the fueding and the lack of unity in the Republican Party—and with the fact that despite a Republican President the people can only look to the Democratic Party for responsible leadership—the prediction can be made with confidence of a great Democratic victory in 1958—and a complete victory with the election of a Democratic President in 1960.

Customs Supervision

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 6, 1957

Mr. McCORMACK. Mr. Speaker, under permission to extend my remarks I include a memorandum in justification of the proposed bill which is designed to prevent undue relaxation of customs supervision. In my extension of remarks, I also include a copy of the bill which I have introduced. The purpose of this bill is to more effectively protect the American people against the extensive smuggling into our country that is being carried on. This has particular reference to the smuggling into our country of narcotics, with its undermining effect. The passage of the bill will also have an important effect upon increased tariffs of our Government. In other words, the purpose of this bill is (1) to prevent smuggling; and (2) to enforce the tariff laws of our country.

The memorandum follows:

MEMORANDUM IN JUSTIFICATION OF BILL I HAVE INTRODUCED TODAY WHICH PREVENTS UNDUE RELAXATION OF CUSTOMS SUPERVISION

The primary purpose of the amendment proposed is to define more clearly the scope of administrative discretion to provide customs supervision of export-import activities which are by law subject to such supervision.

The need for the amendatory definition proposed has been made apparent by the way in which the Treasury Department and the Bureau of Customs have interpreted section 22 of the Customs Simplification Act of 1953. They have assumed a discretion to curtail essential supervisory functions which the law does not give. The actions taken thus far stand as a threat to survival of traditional safeguards heretofore deemed mandatory under the law. The integrity of those safeguards must be restored.

The section in question added a new provision to the tariff laws entitled "Customs Supervision" (sec. 646 of the Tariff Act of 1930, as amended, 19 U. S. C. 1646a). It was enacted for the specific purpose of relieving the Treasury from having to change existing practice under the marking and comparable provisions of the law so as to conform to outstanding court decisions which had held such practices not in compliance with the supervision requirement.

It was made clear by both Houses that the limited purpose and intent of section 22 was to validate certain existing practices of which the Members of Congress had been informed in the course of hearings on the section. Both the House and the Senate reported the section in the same wording it contained when introduced at the instance of the Treasury Department and when subsequently enacted. The Senate Committee on Finance stated on July 6, 1953 (S. Rept. 632 on H. R. 5877, 83d Cong., at p. 16):

"Section 22 adds a new provision to the Tariff Act of 1930 to permit the Secretary of the Treasury, in his discretion, to determine the degree of supervision by customs officers over activities which are required to be carried out under customs supervision. According to Treasury experts this ratifies and confirms existing practice. In many instances it has been impossible, because of limited budget and manpower, for the Treasury to conform rigidly to the laws interpreted by the courts as requiring constant and specific supervision of certain importing processes. By allowing a more efficient distribution of manpower this provision would make possible better supervision than is presently possible."

And on July 9, 1953, the House Committee on Ways and Means reported the provision with the following statement (H. R. Rept. 760 on H. R. 5877, 83d Cong., at p. 20):

"This section ratifies and confirms existing practice. It does not authorize relaxation of any safeguards against smuggling."

It is certain therefore that the Members of Congress intended by section 22 merely to confirm and ratify by statute the existing administrative practice in providing less than continuous Customs supervision for certain types of import activities only. It is equally certain that the new provision was not intended as a partial repealer of long-standing statutory provisions requiring direct and immediate supervision and inspection by Customs of those activities most likely to involve danger of smuggling and frauds upon the revenue.

The foregoing definite statements of a legislative purpose to confirm existing practice, as disclosed by testifying "Treasury experts" to the Members of Congress, were made against a background of overt disclaimer by such experts of any thought of using the new section as authority for changes in practice with respect to customs supervision. More particularly, Treasury officials acquiesced emphatically in the stated position that section 22 was not a blanket provision to relax generally the degree of supervision required by law in connection with customs procedures. It would operate, they insisted, only to preserve such intermittent supervision as was already practiced with respect to marking and comparable activities which were directly affected by the adverse court decisions intended to be nullified by the new section. This appears most forcefully from the following colloquy on section 22 which occurred during the testimony given in 1951 hearings before the House Ways and Means Committee on the Customs Simplification Act (H. R. 1535, 82d Cong., August 8, 1951) at pages 183, 185–187:

"Mr. NICHOLS (Assistant General Counsel, Treasury Department). * * * The purpose * * * of this section is to ratify existing practice, and there is no immediate intention to effect any changes in existing practice.

* * * * *

"Mr. MILLS. Mr. Nichols, in the analysis, on page 40 you point out, 'For example, section 304 (c),' etc. I can well understand that it is not necessary or it should not be required that a man continue in supervision over the proper marking of goods after importation, but your use of the words 'For example' would lead me to believe that there are other situations where you are now required to keep a man in constant supervision of certain operations and certain acts under court decisions that you are attempting to remove here.

"Now, what are some of the other situations?

"Mr. NICHOLS. Mr. Johnson will answer that.

"Mr. JOHNSON (Assistant to the Commissioner of Customs). The only court decisions we have are these two particular ones, but the supervision situations are numerous.

"For example, there is supervision of unlading a ship, that is, the taking off of the goods. Now, we feel that the supervision of the unlading, for example, of an oil tanker is very different from the unlading of a ship carrying packaged merchandise. The tanker needs a preliminary inspection, and then occasional visits to see that the cargo is going off in the normal fashion; whereas, for a package ship a man must be there to

inspect every sling of packages that comes off the ship.

"Mr. MILLS. That is what I was getting at. You do not intend to relax the constant supervision in such a situation as the latter?

"Mr. JOHNSON. No, sir; but we do feel that adequate supervision of marking is merely such attendance of customs officers as will assure that the goods that were imported were all actually marked.

"Mr. MILLS. I can understand that.

"Mr. JOHNSON. The segregation of commingled merchandise, which we talked about earlier, is again something that does not require the constant presence of a customs officer.

"Mr. MILLS. But this relaxation would not mean that there would not be someone constantly in supervision—let me say it as we say it in Arkansas—of the unloading of a ship, where there are many and divers packages and items involved? You would still have constant supervision there?

"Mr. JOHNSON. Yes. And may I state, sir, that this does not propose any actual relaxation at all. It merely requests confirmation of the practice that has always existed, and which has been disapproved by the court in these two cases.

* * * * *

"Mr. NICHOLS. * * * I wanted to say, to clarify the question of changing existing practices, that we have no plan in mind to change existing practice with respect to the supervision required with respect to the marking requirements, or any other requirements. Obviously, we cannot see into the future and be sure that commercial practices will always remain the same, or, for that matter, that the legal requirements that we are enforcing in connection with this supervision will always remain the same.

"Mr. MILLS. Let me ask you a question right on this point, that I have been interested in for a long time.

"When shipments come from a country that engages in the legal traffic of opium and dope, and other items that are illegal in the United States, do you very carefully scrutinize the unloading and contents of such packages as may be on the ship from those countries?

"Mr. JOHNSON. We have a little informal terminology, in which we designate certain ships as 'hot' ships, and others just go without that designation.

* * * * *

"Mr. MILLS. And this section of the bill would not mean any relaxation or any letup in close supervision in those kinds of cases?

"Mr. JOHNSON. This has absolutely no relationship to enforcement work.

"Mr. MILLS. I knew in my own mind it did not, but I wanted the record to so indicate.

"Mr. COOPER. The fact is that nobody and nothing can come into this country without complying with the law of this country.

"Mr. NICHOLS. That is correct.

* * * * *

"Mr. KING. Who has the responsibility of supervising a ship's personnel when they leave the ship?

"Mr. JOHNSON. That is customs, sir. The customs mans the border. And in a big case, of course, there may be internal connections, and the customs and narcotics will then cooperate immediately on the same case."

Once the section under discussion in the foregoing passages became law, however, the Treasury Department accepted no such limited purpose in its interpretation of the authority granted by the new provision. Instead, the Department acted forthwith to make far-reaching changes in existing regulations so as to provide for relaxation generally of customs supervisory practices. The Simplification Act, which contained section 22, was enacted on August 8, 1953, effective September 7. On September 9, the Treasury Department promulgated a new general regulation which extends to every customs procedure required by law. With respect to all such procedures, the regulation authorizes supervision by customs officers to be by occasional verification whenever a principal customs field officer should so direct. The regulation reads (T. D. 53336, 18 Federal Register 5424–5425):

"PART 23—ENFORCEMENT OF CUSTOMS AND NAVIGATION LAWS

"10. In view of the addition of the new section 646 to the Tariff Act of 1930 by section 22, Customs Simplification Act of 1953, part 23 is amended by the addition at the end thereof of a new section 23.35 to read as follows:

"'Sec. 23.35. Customs Supervision: Except as otherwise prescribed in the regulations of this chapter or by instructions from the office of the Secretary of the Treasury or the Bureau in particular cases, whenever any action or thing is required by the regulations of this chapter or by any provision of the customs or navigation laws to be done or maintained under the supervision of customs officers, such supervision shall be direct and continuous or, if the principal customs field officer shall determine that less intensive supervision will assure proper enforcement of the law and protection of the revenue, by such occasional verification as such officer shall direct. Nothing in this section shall be deemed to warrant any failure to direct and furnish a required supervision or to excuse any failure of a party in interest to comply with the prescribed procedures for obtaining any required supervision (sec. 624, 46 Stat. 759, sec. 22, 67 Stat. 520; 19 U. S. C. 1624, 1646).'"

This blanket provision was only the beginning. The Treasury has since used it to justify relaxation of customs supervision in numerous separate areas. For example, there is no longer any customs supervision of the lading of bonded oil. Signing of the ship's log by a lading inspector has been dispensed with entirely, and the entire operation is handled upon documents prepared by the importers themselves.

Other examples of relaxation of customs supervision occur in passing free of duty hundreds of thousands of mail packages without any examination by customs, in the export of merchandise for benefit of drawback without supervision, in merely spot-checking of passengers' baggage in certain instances, in allowing certification of exports from carriers' records without having the exports supervised by customs officers, in eliminating supervision of unlading of duty-free bulk cargo even though there is dutiable or general cargo on board or being discharged from the same vessel, in requiring the assignment of a single customs officer to perform all customs functions in connection with a vessel, or even a number of vessels at the same pier—a requirement which precludes any kind of real supervision over the operations involved. Further examples could be taken from virtually every phase of customs activities.

Some of the practices in curtailing customs supervision just noted, as well as others of the same character, were actually put into effect by the Bureau of Customs before and during the period when Congress was considering section 22 for enactment. But the Members of Congress were not apprised of the facts in this respect and were not made aware that section 22, if enacted, might be construed as a blanket approval of such practices. The section has been so construed by the administrative department. It is being looked upon as "blank check" authority to relax to an alarming degree the essential function of supervision and inspection by customs.

Nothing is more fundamental than that the customs service was established to supervise the activities of importers and exporters and to inspect the merchandise which enters and leaves this country. Congress has long realized and articulated in the basic legislation the importance to enforcement of the tariff laws of direct and active supervision by customs officers. The remarks of the chairman of the House Ways and Means Committee in the 66th Congress, addressed to a drawback provision in the tariff laws, are highly pertinent (hearing on general tariff revision, p. 4199):

"* * * If you give discretionary power in the law, you may make this provision very ineffective, for you may get men in office who will disregard their duties, as is the case in many instances right now * * *. I do not want to see a law written that leaves these powers discretionary where they can be made mandatory and apply justly and equitably."

Congress has never indicated an intention to have the enforcement of the tariff laws depend entirely upon the supposed integrity of carriers, importers or exporters. Indeed, supervision and inspection of their activities have always been deemed essential. Even though customs officials temporarily stationed in a certain area have confidence in the reliability of personnel representing certain carriers, importing or exporting firms at that time, the law does not contemplate the relinquishment, on affirmation of good faith, of the historic duty to supervise. Personnel changes may come, both in the customs service and in the private companies subject to their inspection and supervision, but the overriding necessity for supervision remains. Congress did not intend section 22 to be a wholesale authorization to the administrative department to ignore its obligation to inspect and supervise. Yet the section has been construed, at the very worst, to supply the agency with a weapon to nullify or veto the tariff laws, and, at the very minimum, to provide the agency with a tailor-made alibi for laxity in enforcement of the law.

In addressing the House of Representatives on August 20, 1954, Congressman JOHN W. McCORMACK, of Massachusetts, expressed grave concern over the trend toward lax administration of the customs laws which had, even by then, become conspicuous:

"The Customs Bureau has, in recent years, extended the calculated-risk theory in connection with the supervision of the activities of carriers, importers, travelers, and others to an extent never contemplated by Congress when it passed the Tariff Act. Congress never planned that the barrier of customs protection should be made vulnerable by administrative relaxation of safeguards to an extent entirely out of keeping with the original intent.

"Packages arriving by mail are passed with only the briefest screening, and 95 percent of them receive no examination. Upon the arrival of vessels and aircraft only a spot-check examination is made of passengers' luggage. The physical searching of vessels and aircraft and other carriers has been lessened. The once vigorous routine of customs inspection is no longer vigorous or routine."

But with section 22 unmodified in the law, the administrative department has felt no compulsion to change the trend since Congressman McCORMACK's warning. Administrative relaxation of customs supervisory functions has continued unabated and has even accelerated in many instances.

Amendment of section 22 is imperative therefore to confine section 22 to the purposes intended by the Congress when the provision was enacted and thereby to end the dangerous policy of calculated risk now followed widely in the administration of the customs laws under color of authority granted by the section as it stands at present.

A BILL TO AMEND THE TARIFF ACT OF 1930, AS AMENDED, SO AS TO PREVENT UNDUE RELAXATION OF CUSTOMS SUPERVISION AS A SAFEGUARD AGAINST SMUGGLING AND FOR THE PROTECTION OF THE REVENUE, AND FOR OTHER PURPOSES

Be it enacted, etc., That section 646 of the Tariff Act of 1930 (U. S. C., 1956 Supp., title 19, sec. 1646a), as added by section 22 of the act of August 8, 1953 (67 Stat. 520), is amended to read as follows:

"SEC. 646. Customs supervision; restriction on administrative discretion.

"Wherever in this act any action or thing is required to be done or maintained under the supervision of customs officers, such supervision may be direct and continuous or by occasional verification as may be required by regulations of the Secretary of the Treasury, or, in the absence of such regulations for a particular case, as the principal customs officer concerned shall direct: *Provided*, That nothing contained in this section or elsewhere in this act shall be deemed to authorize regulations by the Secretary of the Treasury or directions by a principal customs officer or other administrative official which permit less than direct and continuous customs supervision of the boarding, unlading and lading of vessels, aircraft (whenever required by statute or regulation to report for customs treatment), and vehicles arriving from or departing for any foreign port or place or carrying foreign cargo; the examination of baggage and personal effects of persons (passengers and crews); the delivery of foreign cargo; the lading of in-bond oil for bunkers; and the lading, unlading and sealing of bonded stores; or which permit customs examination of fewer than 25 percent by number of the mail packages arriving in the United States from foreign ports or places; or which require any customs officer or employee to certify to the accuracy of records, reports, documents, or papers of any kind or description prepared in connection with any aspect of customs treatment of persons or goods, by entering his name and title thereon or otherwise, in any instance where his supervision of the activity subjet to customs treatment to be certified to has not been personal, direct and continuous."

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 7, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, to Thy greatness we bring our littleness, to Thy strength our weakness, and to Thy abounding grace our minds and hearts to be cleansed of all unrighteousness and to be guided in the ways of truth and goodness.

Hitherto Thou hast supported and sustained us. We beseech Thee to uphold us still. Make us trustful and triumphant. Answer our loftiest aspirations with Thy divine inspiration. Inspire us with a faith that will make us faithful.

Show us how we may meet and master the temptations and trials which beset us as we labor for a nobler social order and seek to establish upon the earth the kingdom of peace and good will.

Grant that the confusion and chaos of our times may not cause our faith to become eclipsed by the spirit of doubt and defeatism.

In the name of our blessed Lord we offer our petitions. Amen.

The Journal of the proceedings of yesterday was read and approved.

LOCATION OF HIGHWAYS

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent to extent my remarks at this point and to include certain excerpts from existing laws.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McGREGOR. Mr. Speaker, as author of one of the Federal highway laws and senior member of the majority party on the Roads Committee, I have been contacted by many of my colleagues and advised that some governors and directors of highways of some States seemingly are leaving the impression with the people that the Federal Bureau of Public Roads determines the location of Interstate Highway Systems and the intrastate highway State systems in their various States. May I quote the law?

Before any projects are approved in any State, such State, through its State highway department, shall select or designate a system of highways. (Federal Highway Act (42 Stat. 212, sec. 6.))

Further, Mr. Speaker, relative to the subject of responsibility of locations in construction, may I respectfully refer you to Regulations for the Administration of Federal Aid for Highways, effective February 21, 1957?

Page 3, paragraph 1.6, programs of proposed projects:

Each State highway department shall prepare and submit to the Administrator for approval detailed programs of proposed projects for the utilization of any apportionment of funds made to the State under the provisions of the act.

Page 3, paragraph 1.8, surveys, plans, specifications, and estimates:

(a) Surveys, plans, specifications, and estimates for all projects shall be prepared by or under the immediate direction of the State highway department and shall show in convenient form and detail the work to be performed.

Statement of Clifton W. Enfield, General Counsel, Bureau of Public Roads:

From its inception in 1916 and including the 1956 act, the philosophy of Federal-aid highway construction has remained the same. The States make the surveys, prepare the plans and specifications, acquire the right-of-way, award the contracts, supervise construction, and maintain the highways when built. The State highway departments have the primary obligations to acquire the right-of-way and the control of access that is necessary for the highway facility.

The Bureau does not propose to dictate to any State how its right-of-way division should be organized or how it should perform its land acquisition functions.

Mr. Speaker, the above references and interpretations given by the authorities of the Federal Bureau of Public Roads clearly sets forth that the initiative, the planning, and specifications and the locations of highway projects where Federal funds participate is determined by the director of highways of the various States. The Federal Bureau of Public Roads do have the veto power when it is shown to them that plans and specifications or locations are not in accordance with good engineering and of the greatest benefit to the community. When this is done the Federal Bureau of Public Roads simply refuses to accept the plans and sends them back, requesting that new plans be submitted. They do not make recommendations relative to location.

May I repeat, the Federal Bureau of Public Roads do not locate or designate the locations of the various highway projects. This is under the jurisdiction of the proper State officials.

PRIVATE CALENDAR

The SPEAKER. This is the day for the call of the Private Calendar. The Clerk will call the first bill on the calendar.

WESTERN INSTRUMENTS ASSOCIATES

The Clerk called the bill (H. R. 1700) for the relief of Western Instruments Associates.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,375 to Western Instruments Associates, of Denver, Colo., in full settlement of all claims against the United States. Such sum represents losses sustained on contract numbered GS-08S-5126 with General Services Administration, Federal Supply Service, D. O. Volkman, Purchase Division, Denver Federal Center, Denver, Colo.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALEXEI FRANK

The Clerk called the bill (H. R. 2720) for the relief of Alexei Frank.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS and Mr. MASON objected, and the bill under the rule was recommitted to the Committee on the Judiciary.

ESTATE OF HIGA KENSAI

The Clerk called the bill (H. R. 5220) for the relief of the estate of Higa Kensai.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Higa Kensai, deceased, of Naha Shi, Okinawa, the sum of $1,500, in full satisfaction of all claims against the United States for compensation for the death of Higa Kensai, sustained on March 16, 1952, as a result of a criminal assault by an enlisted man of the Army of the United States while Higa Kensai, acting in his capacity as assistant police inspector, Ryukyus Police Department, was attempting to halt a fight between that enlisted man and another member of the Army of the United States: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating any of the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A. C. ISRAEL COMMODITY CO., INC.

The Clerk called the bill (H. R. 5707) for the relief of the A. C. Israel Commodity Co., Inc.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

WAIVING CERTAIN PROVISIONS OF SECTION 212 (A) OF THE IMMIGRATION AND NATIONALITY ACT IN BEHALF OF CERTAIN ALIENS

The Clerk called the joint resolution (H. J. Res. 288) to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that this resolution be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

DONALD F. THOMPSON

The Clerk called the bill (H. R. 2264) for the relief of Donald F. Thompson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit the accounts of Donald F. Thompson, of Knoxville, Md., in the amount of $223.08. Such sum represents the overpayment of accrued leave after serving in the Armed Forces in Korea in 1951.

The SPEAKER. Is there objection to the present consideration of said bill?

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

MRS. FUSAKO TAKAI AND THOMAS TAKAI

The Clerk called the bill (H. R. 1520) for the relief of Mrs. Fusako Takai and Thomas Takai.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Mrs. Fusako Takai and Thomas Takai (the widow and the natural-born child, respectively, of Tohoru Tom Takai, late a citizen of the United States and a member of the Armed Forces) shall be held and considered to be nonquota immigrants as defined in section 101 (a) (27) (A) of the Immigration and Nationality Act.

With the following committee amendment:

Page 1, line 3, strike out all after the enacting clause, and insert "That, for the purposes of the Immigration and Nationality Act, Mrs. Fusako Takai and Thomas Takai shall be held and considered to be nonquota immigrants."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

TO WAIVE CERTAIN PROVISIONS OF SECTION 212 (A) OF THE IMMIGRATION AND NATIONALITY ACT IN BEHALF OF CERTAIN ALIENS

The Clerk called the joint resolution (H. J. Res. 308) to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

There being no objection, the Clerk read the resolution as follows:

Resolved, etc., That, in the administration of the Immigration and Nationality Act, Liesbeth Lohrie, the fiance of Maj. Larry E. Cahoon, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Liesbeth Lohrie is coming to the United States with a bona fide intention of being married to the said Maj. Larry E. Cahoon and that she is found admissible under all the provisions of the Immigration and Nationality Act other than section 212 (a) (9) thereof. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Liesbeth Lohrie, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event the marriage between the above-named persons shall occur within 3 months after the entry of the said Liesbeth Lohrie, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Liesbeth Lohrie as of the date of the payment by her of the required visa fee.

SEC. 2. Notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Alphonsus Ludovicus Rosalia Van Den Berghe and Anna Czaksjio may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act.

SEC. 3. Notwithstanding the provisions of section 212 (a) (9), (17), and (19) of the Immigration and Nationality Act, Mrs. Bronislawa Marini may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act.

SEC. 4. The exemptions provided for in this act shall apply only to grounds for exclusion of which the Department of State and the Department of Justice had knowledge prior to the enactment of this act.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ELISE T. KIRK

The Clerk called the bill (H. R. 1412) for the relief of Mrs. Elise T. Kirk.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. AVERY. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

PACIFIC CUSTOMS BROKERAGE CO.

The Clerk called the bill (H. R. 1591) for the relief of the Pacific Customs Brokerage Co., of Detroit, Mich.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Pacific Customs Brokerage Co., of Detroit, Mich., the sum of $29,502.55. The payment of such sum shall be in full settlement of all claims of the said Pacific Customs Brokerage Co., of Detroit, Mich., against the United States on account of the erroneous classification of certain baler twine, which twine was entered by the said company at the port of Detroit, Mich., during the period beginning on May 5, 1950, and ending on February 16, 1951, and was covered by 50 consumption entries: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANCES POMPA

The Clerk called the bill (H. R. 1612) for the relief of Frances Pompa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $500 to Frances Pompa, of 98 West Avenue, Stamford, Conn., in full settlement of all claims against the United States as reimbursement for bond posted for John (Giovanni) Pompa on December 10, 1949: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account

of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RACHEL NETHERY

The Clerk called the bill (H. R. 1643) for the relief of Rachel Nethery.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 15 to 20, inclusive, of the Federal Employees' Compensation Act are hereby waived in favor of Rachel Nethery, Seattle, Wash., and her claim for compensation benefits arising out of the death of her daughter, Maud L. Nethery, who was fatally injured on March 29, 1919, while employed at the United States Navy Yard, Puget Sound, Wash., shall be acted upon under the remaining provisions of such act if she files such claim with the Bureau of Employees' Compensation, Department of Labor, within the 6-month period which commences on the date of enactment of this act. No benefits shall accrue by reason of the enactment of this act for any period prior to the date of its enactment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. HERTHA L. WOHLMUTH

The Clerk called the bill (H. R. 1758) for the relief of Mrs. Hertha L. Wohlmuth.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of section 32 (a) (2) (D) of the Trading With the Enemy Act, Mrs. Hertha L. Wohlmuth of Munich, Bavaria, United States Zone, shall be held and considered to have been a United States citizen at all times since December 7, 1941, and any notice of claim filed under such act by the said Mrs. Hertha L. Wohlmuth within 6 months after the enactment of this act shall be deemed to be timely filed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BENEDICT M. KORDUS

The Clerk called the bill (H. R. 1883) for the relief of Benedict M. Kordus.

Mr. SHEEHAN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

CARL A. WILLSON

The Clerk called the bill (H. R. 2083) for the relief of Carl A. Willson.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

JOHN R. HILL

The Clerk called the bill (H. R. 3588) for the relief of John R. Hill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 15 to 20, inclusive, of the Federal Employees' Compensation Act, as amended, are hereby waived in favor of John R. Hill, Canton, Miss., and his claim for compensation for disability resulting from personal injuries alleged to have been sustained on February 4, 1947, while in the performance of his duty as a fire-prevention engineer, Department of the Army, Vienna, Austria, shall be considered and acted upon under the remaining provisions of such act in the same manner as if such claim had been timely filed, if such claim is filed within 90 days after the enactment of this act.

With the following committee amendment:

At the end of bill, strike out the period and insert a colon, and insert the following: "*Provided*, That no benefits shall accrue for any period prior to the enactment of this act except such medical expenses as may be found to be reimbursable."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CORNELIA S. ROBERTS

The Clerk called the bill (H. R. 4240) for the relief of Cornelia S. Roberts.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Cornelia S. Roberts, Bowie, Md., the sum of $3,500. The payment of such sum shall be in full settlement of all claims of Cornelia S. Roberts against the United States on account of an erroneous overpayment by her with respect to her Federal income-tax liability for the year 1945: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARTIN A. McGRORY

The Clerk called the bill (H. R. 4538) for the relief of Martin A. McGrory.

Mr. SHEEHAN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ALBERT H. RUPPAR

The Clerk called the bill (H. R. 5062) for the relief of Albert H. Ruppar.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Albert H. Ruppar of Washington, D. C., the sum of $291.45. The payment of such sum shall be in full settlement of all claims of the said Albert H. Ruppar against the United States for the cost of transporting household effects from Roslyn, N. Y., to Washington, D. C., necessitated when the said Albert H. Ruppar, an employee of the Civil Aeronautics Board, was transferred from his former official station at New York, N. Y., to Washington, D. C.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 3, strike out "in excess of 10 percent thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES F. WALSH

The Clerk called the bill (S. 120) for the relief of James F. Walsh.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That James F. Walsh, of Washington, D. C., is hereby relieved of all liability to refund to the United States the sum of $6,472.35. Such sum represents compensation received by him as an employee of the Air Materiel Command at Wright-Patterson Air Force Base, Ohio, during the period beginning October 11, 1954, and ending October 1, 1955, in violation of the dual office restriction contained in the Act of July 31, 1894, as amended (5 U. S. C. 62). In the audit and settlement of the account of any certifying or disbursing officers of the United States, full credit shall be given for the amount for which liability is relieved by this act.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said James F. Walsh, an amount equal to the aggregate of the amounts paid by him, or withheld from sums otherwise due him: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called the resolution (H. J. Res. 307) for the relief of certain aliens.

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That, for the purposes of the Immigration and Nationality Act, Felix E. Dayrit, Ciro Motti, Shee-go Chin, Isaias Antoine Elias Khoury, Mary (Marie) Khoury, Maria Arocha y Delgado de Sande, and Mrs. Nur Sami de Wejbe shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to each alien as provided for in this section of this act, if such alien was classifiable as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.

SEC. 2. For the purposes of the Immigration and Nationality Act, Jesus Marie Ambris and Mrs. Noberta Cueto shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees.

SEC. 3. For the purposes of the Immigration and Nationality Act, Irmgard Glancy, Renee M. Silver, Hildegard Elfriede Herpel, Maria G. Connolly, Ursula Gertrud Ilse Vest, and Louisa Der Hacobian Bost shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fees, and upon compliance with such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That, except in the case of beneficiaries entitled to medical care under the Dependents' Medical Care Act (70 Stat. 250), suitable and proper bonds or undertakings, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act.

SEC. 4. For the purposes of the Immigration and Nationality Act, Nemesio Ramirez Moran shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee, and upon compliance with such conditions and controls which the Attorneel General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act. Upon the granting of permanent residence to such alien as provided for in this section of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

SEC. 5. For the purposes of the Immigration and Nationality Act, Miguel Angel Guzman Nunez, Maria Sofia Wejbe, and Eleni Anastasiou shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees: *Provided*, That suitable and proper bonds or undertakings, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act.

SEC. 6. The Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bonds, which may have issued in the cases of Jose Jesus Chacon-Raya (also known as Joe Chacon), Chow Liang Ting-Wei, Maria Crocitto, and Salvatore Inga. From and after the date of the enactment of this act, the said persons shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued.

With the following committee amendments:

On page 2, line 7, strike out the name "Noberta" and substitute in lieu thereof the name "Norberta."

On page 3, line 13, after the word "That", insert the following: "unless he is eligible for benefits under Public Law 2 of the Seventy-third Congress and Public Law 10 of the Seventy-eighth Congress."

The committee amendments were agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMDR. HUGH BARR MILLER, UNITED STATES NAVY

The Clerk called the bill (S. 394) to waive the limitation on the time within which a Medal of Honor may be awarded to Comdr. Hugh Barr Miller, Jr., United States Navy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 6248 of title 10 of the United States Code, which establishes limitations of time for certain naval awards, a Medal of Honor may be awarded, at any time not later than 1 year subsequent to the date of enactment of this act, to Lt. (now commander) Hugh Barr Miller, Jr., United States Navy, for conspicuous gallantry and intrepidity in combat with the enemy at the risk of his life, above and beyond the call of duty, during World War II.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. MASON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 65]

Andresen, August H.	Fallon	Scott, Pa.
Bass, Tenn.	Flood	Shelley
Beamer	Fogarty	Sieminski
Boggs	Hébert	Smith, Wis.
Bowler	Hillings	Taylor
Buckley	Holtzman	Tewes
Byrnes, Wis.	Kearney	Thompson, La.
Chiperfield	Laird	Van Pelt
Dawson, Ill.	McIntosh	Vursell
Doyle	Meader	Walter
Durham	Minshall	Withrow
Eberharter	O'Konski	Zablocki
Edmondson	Powell	
	Rodino	

The SPEAKER. Three hundred and sixty-eight Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

THIRD SUPPLEMENTAL APPROPRIATION ACT, 1957

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes.

Pending that I ask unanimous consent that general debate be limited to 4 hours, one-half the time to be controlled by the gentleman from New York [Mr. TABER], and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. TABER. Mr. Speaker, I wonder if we could not get along on a little less time for general debate.

Mr. CANNON. Mr. Speaker, in view of the request by the gentleman from New York [Mr. TABER], I ask unanimous consent that debate be limited to 3½ hours, one-half the time to be controlled by the gentleman from New York and one-half by myself.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 7221, the Third Supplemental Appropriations Act, 1957, with Mr. IKARD in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Missouri [Mr. CANNON] will be recognized for one-half the time, and the gentleman from New York [Mr. TABER] will be recognized for one-half the time.

The Chair recognizes the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, we submit for the consideration of the House the third supplemental bill for the fiscal year 1957.

Mr. Chairman, I seldom bring an appropriation bill to the floor these days without recalling, perforce, the parson who in announcing his text one Sunday morning said, "I shall choose as my text today the 6th verse of the 24th chapter of that Good Book, Melchizedek."

Then, as if in afterthought, he raised his hand and asked, "How many here have read the rest of that chapter?"

Most of his parishoners had read the Bible pretty thoroughly, so almost without thinking they raised their hands. "Ah," he said, "you are the very people I want to talk to. I shall talk this morning about liars. There is no book of Melchizedek in the Bible."

There are many here who on numerous and sundry occasions, and especially immediately preceding a certain day last November, pledged themselves to vote on all occasions for economy. With

some of them in mind, I choose as my text this morning the 6th verse of the 24th chapter of that Good Book Melchizedek."

While this is a supplemental bill, Mr. Chairman, it differs from the last deficiency bill we considered here in the House in that the deficiency bill carried an item of $41 million in contravention of the antideficiency law.

I am glad to say that in this bill, the third supplemental bill, there is no item in contravention of the antideficiency law; they are supplementals or regular deficiencies incurred, within the framework of the law in the routine administration of the government.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman from Missouri has been speaking of deficiency and supplemental appropriation bills. Will the gentleman tell me the difference between a supplemental appropriation bill and a deficiency appropriation bill?

Mr. CANNON. As the gentleman is doubtless aware, it is, in common usage, largely a distinction without a difference; however, generally speaking, a deficiency is one in which in the administration of the law the amount provided has, unavoidably and within the exceptions permitted, been insufficient to provide for the activities which the department was instructed to perform, resulting in spending at a rate requiring additional funds for the year. A supplemental is not necessarily a deficiency in that respect but is brought in for various reasons, such as new programs, increased work, and the like. A literal deficiency occurs whenever the amount appropriated has actually been overobligated or overexpended.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. CANNON. I yield to the gentleman from New York.

Mr. TABER. Are there any new items in this bill for the starting of new programs?

Mr. CANNON. Certainly. But nothing in contravention of the antideficiency law.

And I am glad to report, Mr. Chairman, and I will include a tabulation in the CONGRESSIONAL RECORD, to that effect showing that up to this time we have disposed of 8 of the regular bills for the fiscal year 1958, covering about 23 percent of the budget estimates to be considered; that there yet remains some 77 percent undisposed of.

In those 1958 bills, which the House has passed, we have made an average saving of 7.6 percent of the budget estimates they covered. Out of budget estimates aggregating $14,968,542,403, we have saved, we have cut the budget, we have reduced the estimates $1,141,175,749.

I might say in passing that there is a wide difference in the amount we have cut from the several bills.

The lowest saving was made on the Treasury-Post Office bill which we cut 2 percent. We cut the Department of Commerce bill an aggregate of 25 percent. As between those two extremes, the smallest at 2 percent and the highest at 25 percent, we cut an average of 7.6 percent. If we can maintain that rate of saving in the bills yet to be processed, we can save enough money to bring in a tax bill this session of the Congress.

The tabulation follows:

Summary of House action on fiscal 1958 appropriation budget estimates, 85th Cong., 1st sess.

Appropriation bill	Estimates	Cumulative estimates	Bill reduction	Cumulative reduction	Percent reduction	
					Bill	Cumulative
Treasury-Post Office	$3,965,291,000		$80,364,000		2.0	
Interior	515,189,700	$4,480,480,700	60,794,000	$141,158,000	11.8	3.2
General Government matters	20,921,870	4,501,402,570	4,900,500	146,058,500	23.4	3.2
Independent offices	5,922,195,000	10,424,597,570	537,953,300	684,051,800	9.0	6.5
Labor, HEW	2,981,277,581	13,405,875,151	134,446,000	818,497,800	4.5	6.1
District of Columbia (Federal payments only)	25,504,450	13,431,379,601	3,000,000	821,497,800	11.7	6.1
Commerce	871,513,000	14,302,892,601	217,827,940	1,039,325,740	25.0	7.2
State-Justice-Judiciary	665,649,802	14,968,542,403	101,850,009	1,141,175,749	15.3	7.6

Mr. MASON. Mr. Chairman, will the gentleman yield for a question?

Mr. CANNON. I am glad to yield to the gentleman from Illinois.

Mr. MASON. The gentleman says we will save enough for a tax cut. Why not specify the amount? If we continue to save as we have it will make between five and one-half and six billion dollars.

Mr. CANNON. The gentleman is eminently correct and I am glad to have his suggestion. He speaks always with authority, with wisdom and good statesmanship—and especially whenever he corroborates what I am saying.

There is continued interest throughout the country in the 1958 budget. Some say the Congress is losing control of expenditures. Some say Congress has relinquished control of the purse strings of the Nation. And there are those in our constituencies who are beginning to insist that we retrench expenditure enough to reduce taxes.

I want to read just one letter received in this morning's mail.

DEAR SIR—

He does not say "Dear friend."

DEAR SIR: I see from the papers that you and your committee are stalling on cutting the budget. What in the hell is the matter with you fellows? Are you afraid of the lobbyists, of the bureacrats? Are you afraid of the Pentagon and pressure groups?

You have an exceptionally clear mandate from the people.

Token cuts do not mean a damned thing. You have got to cut $6.5 billion at least. The * * * income tax has got to come down and come down now.

That is a fairly typical letter. It expresses in rather forceful language the trend of sentiment back home.

Mr. Chairman, it is high time for us to start on the back trail, and I trust the committee will have your approval and cooperation and support in cutting at least 7.6 percent from the rest of this budget, if not more.

Mr. TABER. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, this bill has a total involved of $79,840,785 plus $2,787,400, which is included in an agricultural item where the budget estimate was for $28 million plus, and another item for a little over $1 million for the District of Columbia.

The controversial features of the bill do not appear in the report except in the references on page 13 where it refers to the Flood Indemnity Administration. We carried something like $500,000—I have forgotten exactly—for a Flood Indemnity Insurance Administration to study the matter and work out a plan for handling that sort of thing. The folks who have charge of it have not come in with a very clear sort of a plan that could be made operative. The cost of this flood insurance would be in the neighborhood of $1 a hundred. That means $10 a thousand. You know that in any kind of a good risk, fire insurance runs something like 70 cents a thousand. That means that the insurance would be $100 on a $10,000 house, which is the limit. But it could run into very big figures on business properties. For instance, if anybody carried $250,000 flood insurance on a business property or a business operation, the premium would be $2,500.

The law provides that if this operation gets started the Federal Government will pay 40 percent of the insurance premium. That 40 percent, as I understand it, will go to the brokers and the insurance companies who manage the distribution of the insurance. I do not know exactly how that sort of thing would work out, but the Federal Government would pay all losses. I have gotten that far; I understand it to that extent. If we had accepted the $50 million figure, the program could have been placed in full operation. Just exactly how it would work out, I do not know. But I do know that it is a tremendously involved and a tremendously dangerous thing for the Federal Government to get into.

I am not unsympathetic toward the people who have suffered from flood damage, but I do not see how this could possibly work out. I do not see how there could be enough people in marginal territory, where they very seldom have anything of that kind, to make it an attractive proposition in the slightest degree.

That was one of the main items that was refused. There was one item in the military bill that I understand the committee originally expected to be able to find the $30 million requested for military pay out of the new bill. But the delay in the consideration of that bill, because of the protracted hearings, has made it necessary for the committee to come in and

ask to have that item included. There was a budget estimate, but the committee did not consider it because they thought they could take care of it in the regular annual bill.

We have made a great number of savings in the bill as we have gone along. I do not believe there are any very substantial items that will have to be increased. I do not mean by that that they will not be increased in the other body, but I hope not. On the other hand, in the items we are going to consider from now on we are going to have enormous numbers of items in the military, in the foreign-relief picture, in the situation relating to rivers and harbors and flood control, in military construction, and in some of the agricultural items in the bills to come where those items will not be effective to draw money out of the Treasury until the following fiscal year after fiscal 1957. None of the bills we have had so far, probably with the exception of maybe $150 million, maybe less than that, will be items that will be disbursed during other than the fiscal year; in other words, the bills we have so far considered are the bills where the money goes right out in that fiscal year for which they are appropriated.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Illinois.

Mr. MASON. Would the gentleman say that if the House continues at its present rate on its economy drive the economy drive is won as far as the House is concerned, and it will be won or lost in the other body?

Mr. TABER. I would say that the House has made quite satisfactory reductions in the bills that have so far gone out, with a few exceptions.

Mr. MASON. That is right.

Mr. TABER. There were several items here where the reductions did not hold that were made in the Committee of the Whole, where the Members had a chance to hear what the thing was all about. But we are approaching a situation where as to most of the bills that will come in 60 to 70 percent of the items will not be paid out of the Treasury until the following year and maybe in some cases the three following years, especially in the military, where the contracts have to run a considerable period. This means that we will not have the Treasury in shape where we could think about a tax-reduction at this time.

We are now up against this situation: I have not seen the figures for the last 2 or 3 or 4 days, but we are not in as good a position toward balancing the budget today as we were a year ago at this time. Total receipts so far are $62,600,000,000 as against $58,600,000,000 a year ago, or $4 billion better. But there are total withdrawals, and this is to the 2d of May, of $65 billion as against $59 billion a year ago. That means that we are, just as I said, approximately $2 billion worse off than we were a year ago.

Mr. MASON. That is as a cash position.

Mr. TABER. Our cash position is that much worse off than it was a year ago, and that means we are further away from a balanced budget.

Mr. MASON. Would the gentleman yield for another question?

Mr. TABER. I yield.

Mr. MASON. Would you say I have been wrong for the past 6 weeks in predicting that the economy drive is won in the House, but that everybody in the Nation should turn their guns—their economy guns—on the other body if they want the other body to hold the line that we have established?

Mr. TABER. Well, I do not know about that.

Mr. MASON. That is what I have been doing, whether I have been wrong or not.

Mr. TABER. I would not say the gentleman has been wrong because most of the regular bills outside of those 3 or 4 that I have mentioned are in the other body and that is where they are operating on the cuts that we have made. I do not think we have made very many cuts that would not bear full and complete analysis. I do not believe we should accept too many increases from the other body.

Mr. MASON. Oh, I will agree there, but I have heard that our cuts have been fatuous and one of the Members of the other body, a very distinguished Member, told me personally he thought many of our cuts were irrational. And so from that——

Mr. TABER. I have not seen any cuts that could be so described. We have failed on some cuts where rationalization would have approved those cuts and where the factual situation would have approved the cuts. But, you have to expect differences of opinion—deep differences of opinion on such things as that before we get to the point where they really understand. I would not think we could ever expect these cuts could help us too much in achieving a balanced budget and in the direction of a tax reduction—even into the middle of next year. Perhaps, after the middle of the fiscal year 1958, we will be able to see better light. But, if the tendency is going to be that we steadily maintain a position of a couple of billion dollars worse off than we were a year ago when we had a balanced budget, it is going to be very difficult to talk about tax reduction with that kind of picture staring us in the face. I do not mean that I would not enjoy a tax reduction myself. I do not know whether there is anybody in the Chamber who would not. But, we cannot go as far as to have tax reduction unless we are in a position to still have a balanced budget. That is something that we must keep in mind.

I do not think that there is anything more I care to say at the moment. I may have something to say later on when amendments are offered, and at that time I will take the floor if I have an opportunity.

The CHAIRMAN. The gentleman from New York [Mr. TABER] has consumed 19 minutes.

The gentleman from Missouri [Mr. CANNON] consumed 14 minutes in his remarks.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. BOLAND].

Mr. BOLAND. Mr. Chairman, I take this time to inform the House that when we reach that section of the bill, on page 5, Independent Offices, I intend to offer an amendment which will insert $14 million for the Federal Flood Indemnity Administration. We are not now arguing the question as to whether the Federal Government should go into the business of providing insurance against floods. That was settled last July overwhelmingly in this House and in the other body. Bills were filed in this body and in the other body as a result of the devastating floods of August 1955. Hearings were held all over the Nation after the floods of 1955 to get an expression of public opinion on whether or not the Federal Government should go into the flood insurance business. Committees recommended to this Congress that the Federal Government should go into this field. As a result, bills were passed in both Houses.

In the second supplemental appropriations bill for 1957, this Congress appropriated $500,000 to the Housing and Home Finance Administration, specifically to its constituent agency, the Federal Flood Indemnity Administration, to make a study of the problem and to come up at this session of the Congress with its program and plan. So, the head of the Federal Flood Indemnity Administration, in conjunction with some 10 or 12 employees, has been sitting in with the private insurance industry to come up with a feasible plan for Federal flood insurance, and this is the plan that he recommends to the Congress. The Housing and Home Finance Administrator requested the Bureau of the Budget for a sum of $50 million to run the program for fiscal 1958. It is my intention to reduce that item to $14 million. This $14 million is for the express purpose of providing the operating expenses to the private insurance companies that will write the contracts, will sell the insurance, and adjust the losses.

As I said a moment ago, it is not a question of whether or not we want Federal flood insurance. That has been resolved. The people have decided we ought to have it. The Congress overwhelmingly decided we ought to have it. Because of that fact, and since we established the program itself almost a year ago, it would seem to me we have an obligation here and now to provide the money to implement that program. What the Federal Flood Indemnity Administrator has asked, $14 million, is all that will be necessary to sustain the program for fiscal year 1958. When they reach that part of the bill I hope this House will join me in supporting the $14 million request.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. CANFIELD. As I recall, last year when this bill was passed by the House it received a two-thirds vote. It had been recommended by the President of the United States and it was supported on this floor by the leadership on both sides of the aisle.

Mr. BOLAND. The gentleman is correct. This bill was recommended by the President of the United States, and

many bills were filed in the Senate and in the House. Those were the bills that ultimately were written into law.

Mr. CANFIELD. In all fairness it had been previously recommended by President Truman in 1951 and 1952.

Mr. BOLAND. Yes; Federal flood insurance is not a new problem as far as Congress is concerned; it has been under study for a great length of time. I believe there was some reference to its being a monstrosity and that if we studied it a little longer they would come up with a better program. But the Federal Flood Indemnity Administrator has said he requires no additional time to make further study of this subject, that this is the best program he can bring to the Congress at this time.

This is the best program he can come up with at this time. Any time a better plan is devised we can adopt it.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. BONNER. I want to associate myself with the position taken by the distinguished gentleman from Massachusetts on this matter of flood insurance. This whole country is interested in it, for all parts of the Nation have experienced disasters. People have endeavored to buy this type of insurance.

It is an experiment; it is admitted that we do not know just what the outcome will be, but unless we continue this step and make an effort to give at least partial security from flood damage to the citizens of America we will have to continue to carry on the disaster relief programs, and they will amount to more in dollars than any probable deficit that may result from this program. This program gives an opportunity to the American citizen to join in paying for the disaster programs across the country so as to give security to people in every segment of the country.

I hope when the gentleman's amendment is offered that there will not be strong opposition to it. We realize that there is some opposition; and I appreciate the position that the Committee on Appropriations has taken with regard to it, but, on the other hand, it must be understood that the legislative committee spent months and months on this study and had hundreds of witnesses before it. Members of the House appeared before the legislative committee. I spent an hour before the committee. I introduced a bill on the subject, which was extensively considered by the Banking and Currency Committee.

Out of all the bills that the House offered to the Banking and Currency Committee they came up with a bill that this House overwhelmingly passed. So the House has expressed itself, as the gentleman from Massachusetts says, with respect to this insurance, that not being able to get it from private industry the Federal Government should go into this field and experiment with it and find out once, last, and for always, whether it is feasible, and if it is feasible and practicable, then turn it back to private business.

I congratulate the gentleman.

Mr. BOLAND. I appreciate the gentleman's interest and kind remarks.

Mr. BONNER. The gentleman will get much support from the membership of this House and throughout the length and breadth of this country, I believe.

Mr. BOLAND. The gentleman is absolutely right in his observations. As a matter of fact this legislation is not permanent, for the authorizing legislation provided that the Federal Flood Indemnity Administrator must come back to Congress in 1961 with recommendations as to whether we should continue the program, as to whether it is feasible and practicable. If it is not feasible and practicable that is one thing, but if it is found to be so, then it might well be that private insurance companies will get into the field. It is one, as the gentleman from North Carolina had indicated, that private insurance companies have pulled away from because of the very great potential for tremendous losses in great disasters. But experience may prove that if properly handled it will be practicable and private industry may well want to assume the burden that we think it ought to assume; but until it can I think there is a responsibility on the part of the Congress to assume this burden and continue this program as laid out in the authorizing legislation.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. I congratulate the gentleman on his announcement that he will offer an amendment. Can the gentleman advise us as to why the figure of $14 million was chosen rather than the full amount?

Mr. BOLAND. The figure of $14 million instead of the full amount of $50 million was chosen because that is all that is necessary to get the program started. The administration asked for $50 million. This $14 million will be used to reimburse private insurance companies that will write the insurance, that will enter into the contracts with those who want the insurance, that will take care of the problems of adjustments and losses and that will actually run the program, with the exception of the Federal administration of the program, which will be handled by the Federal Flood Indemnity Administration. The other $36 million is for that part of the Federal subsidy which would be paid by the Federal Government into this program. That $36 million would be set up in a reserve insurance disaster fund.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. CANNON. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. BOLAND. Mr. Chairman, that $36 million will be set up in a reserve to pay losses, but under the authorizing act the Federal Flood Indemnity Administration has the borrowing authority to go to the Treasury and borrow $500 million to pay for any losses. So it is possible to get the program started without the 40 percent Federal subsidy being put into a reserve to pay for losses. That is the reason why we do not need the $36 million at this time.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from New Jersey.

Mr. CANFIELD. It is not the function of the House Committee on Appropriations to say that a bill enacted into law last year, approved by this body by a two-thirds vote, shall be null and void because we will not give this agency any money.

Mr. BOLAND. I think the gentleman makes a good point except, as was pointed out in the full committee, there is money left over and, actually, the program would not be killed. It would be extended to study a little bit longer to see if we can come up with a better program. I appreciate the sentiments of the Independent Offices Subcommittee. Seldom do I disagree with its chairman, our distinguished colleague from Texas, who is one of the very best and one of the greatest Members of this House, one of the best informed and I would say he is one who has very persuasive ability either on the floor or in the committee and with the Members of the Congress and agencies that come before the committee as any Member in the Congress. I do not like to disagree with him here. He establishes his point in the fact he thinks they can come up with a better program and well they might, but, as a matter of fact, the administration says this is the best they can offer at this time.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I want to associate myself with the gentleman from Massachusetts [Mr. BOLAND] and also with the remarks made by the gentleman from North Carolina [Mr. BONNER], chairman of the Committee on Merchant Marine and Fisheries. It would be a grave mistake, in my opinion, if we adopted the position taken by the majority of the full Committee on Appropriations. We must also bear in mind that people all over the country are intensely interested in this program. Nobody knows when floods are going to happen again or in what part of the country, or when a hurricane will hit any part of our country. Furthermore, for many years, we have been experimenting in farm legislation. The fact that this was more or less of an experimentation did not deter us from passing legislation to try to meet the problems of the agricultural life of America. It seems to me it would be a great mistake if we sent a message to the country that we were going to for all practical purposes default in this great program which is of such vital interest to all sections of the country.

Mr. BOLAND. Is it not true that the Federal Government has picked up the tab of persons who have suffered from these losses without their paying any of the cost at all?

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from North Carolina.

Mr. BONNER. The distinguished majority leader from Massachusetts, whom we all respect, and that is true of Members on both sides of the aisle, has made

reference to experimentation in the farm program. Let me say to those from the cities that this House has made experimentations in the housing program and they have proven to be very successful. This Congress went into the field of housing that private industry would not enter. All Members from the cities and all Members from the rural areas have supported the housing program. It has proved successful. So, therefore, it cannot be said in advance that this flood insurance program could be any more subject to failure than the other programs that we have experimented with and have been successful with.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield further.

Mr. BOLAND. I yield.

Mr. McCORMACK. I thoroughly agree with my friend Mr. BONNER. I picked out agriculture as an illustration, and that is dynamic democracy, to experiment.

Mr. BONNER. And the housing program is also dynamic democracy.

Mr. McCORMACK. Certainly.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield further?

Mr. BOLAND. I yield.

Mr. CANFIELD. It is my understanding that if the gentleman's amendment prevails, policies can be issued within 30 days by the Government agency.

Mr. BOLAND. The gentleman is correct. As a matter of fact, the administration is now entering into contracts with private insurance companies in anticipation of the program being implemented by this Congress. In the final analysis, the program is going to be run by private insurance companies, with the exception, as I say, of administrative costs to the Government.

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, it is not an easy task to disagree with so many Members of the House on a piece of legislation. But, as a member of the Independent Offices Committee, after hearing the testimony from the Housing and Home Finance Administration in favor of this appropriation which they sought of $50 million, we decided by a majority of the committee that it was best not to approve that amount but to allow the housing organization, Mr. Cole, the Administrator, and Mr. Meistrell, the Commissioner for Flood Indemnity Insurance, through continued study, to see if they could not bring up a plan that would be more universally patronized from the standpoint of the patrons' cost of the insurance and that would not threaten the Government with such a tremendous loss as might happen if we put the show on the road, so to speak, at this time, with the result that we did not approve this $50 million requested.

Now, I would like to say that it is true that Mr. Cole, the Administrator, and Mr. Meistrell, the Commissioner, and others in that organization came before our committee and told us that they contacted a great many hundred insurance organizations as a matter of planning and study and policy and that they felt that this was about the best they could do, at least up to the present time.

Now, my opposition to this does not stem in any way nor are my remarks to be a criticism in any way of the Federal Housing and Home Finance organization that would administer this legislation. On the contrary, I do not know where it could be placed in better hands. I think Mr. Cole, the Administrator, and Mr. Meistrell and his associates have proven themselves to be capable administrators. I think there is no question about the competency of the commissioner who is appointed from that organization to do the very best he can, but we are almost a year removed from late in one afternoon that we passed this bill, this flood-insurance bill. You will recall that there were a number of hurricanes, named after feminine names, in this country that had struck here and there throughout the Nation. They had brought a considerable amount of hysteria to the people of the Nation and sometimes I think that the Congress, as robust and forthright as it is, is affected by that hysteria. Maybe we catch a little of it ourselves.

So today I think we should take another look at this matter, in a calmer mood than when the bill was passed, with only a short debate, without a rollcall, in the other session of the Congress.

There has been something said about the $14 million they would like to put back into the bill. That $14 million will be used to pay the private insurance companies of the Nation to write this insurance, to put it on their books. With all of the study of rates that they have done in their conferences with the private insurance people they came up with what they thought would be a rate of about $3 per hundred. The fact is the estimates range from $1.50 to $12 and $13.50 a hundred. In fact, nobody knows what those rates should be. The other $36 million would be paid out for the premiums on the policies that people will take out to the extent of 40 percent of each policy. That is, 40 percent of the cost would be paid by the Federal Government. That would take some $36 million.

We felt that the premium costs would be almost prohibitive to those who would be interested in this kind of insurance even with the Government participating in the payment of the premium to the extent of 40 percent. Consequently we recommended that they take the $325,000 that was left, take another look at the problem, hold some more conferences, and see if they can come up with a plan that would receive the acceptance and the participation of the people and at the same time would not provide such a great threat to the Government going into the insurance business.

Most of the people in this Nation today are contacting the Congress about the budget. It may be said at the outset that if they are successful in writing $3 billion worth of insurance the first year, and the Government would be paying 40 percent of it, as I recall the testimony before our committee by representatives of the Housing and Home Finance Administration, that testimony indicated and in fact said there would be a loss of about $50 million. Now we propose to put the Government directly into the insurance business in a field to which the best insurance brains of this Nation have given thought for possibly over a century and decided because of the type of the insurance that they could not afford to take the risk.

I think everyone in this House has had some experience with insurance and I know they will agree with me when I say that here we propose to write insurance for policyholders only who are vulnerable to flood disasters or losses; and successful insurance companies, who have done such a great job for this country throughout the past century, have always been careful to select their risks. In other words, they would not take an abundance of bad risks. First, they try to write the best risks that they can get. They felt their way along because they knew and we knew that unless an insurance company scatters its risks so widely that it gets more premiums than it has to pay out in losses, the company will go broke. That will do the officers of the company no good and the people they insure no good.

We have faith that if given more time the Housing Administration can, and will, improve it in the field of policy and programing.

Mr. Frank J. Meistrell, who has been delegated by Administrator Cole as the Federal Flood Indemnity Commissioner, has had considerable experience as an insurance lawyer and in his work thus far is to be highly commended.

I believe it is well at this time, almost a year removed from the emotional atmosphere that pervaded sections of the country and the Congress as well, that the Congress now, in this calmer atmosphere, take another look at what we did less than a year ago, and consider the financial magnitude of this program.

We are now called upon to put the Government into the insurance business to the extent of from $3 billion to $5 billion, and maybe many billions more, at a time when many people say the Government is already too big, and are urging that the Government get out of business.

Most of the people of this Nation today are urging the Congress to adopt the Hoover reports, which, from beginning to end, urge the Congress to get the Government out of competition with private business, because private enterprise can nearly always do the job better and at less cost than can the Federal Government.

And this seems important to me: We are asking the Government to put up from $3 billion to $5 billion, or more, to be used in paying 40 percent of the premiums that will be charged and paying all the insurance losses that may be sustained; and, in addition, paying on insurance largely written on property in valleys and along the rivers and streams of this country, which are subject to property and business damage by floods. It is true, no insurance companies will handle this type of business because the risks are too great.

All insurance companies, and nearly every businessman knows that any insurance company that makes a success and is able to pay off its risks must spread its business coverage very wide

and be so conscious about the risks it writes that they will collect a total of premiums much greater than their total losses. They want the best risks, and they refuse to take the bad ones. That is why they are successful.

Yet, this bill puts the Government into the insurance business in a way that it knows the Government cannot win, and is bound to lose. The only risks and the only business the Government can get is by agreeing in advance to pay 40 percent of the premium, and all of the losses, if necessary. The reason is that the only property we can cover is along the rivers and streams and in the valleys for businessmen, farmers, and laborers who live in these areas that are often flooded. The man living on the hilltop and away from those along the rivers and in the valleys has no use for this insurance, and consequently the Government can write no safe business but can only write the business that no insurance company will have.

The Government will even write insurance on property along the lakes and along the ocean shores, and is directed to do so under this bill, and at times tidal waves do great destruction, especially when they are boosted along by the hurricanes, such as struck along the Atlantic coast last year.

Now, let me read from testimony before our committee by Mr. Frank J. Meistrell, the Federal Flood Indemnity Commissioner:

An appropriation of $50 million, to remain available until expended, is requested at this time for subsidy contributions authorized by statute under the direct insurance program, and for operating expenses under contract with private insurance organizations.

PROGRAM SUMMARY

Here is testimony from Mr. Meistrell, the Commissioner of Federal Flood Indemnity, and I quote:

Flood indemnity is a new and experimental undertaking by the Federal Government. Insurance of this type has never heretofore been generally available through any public or private agency. This fact, together with an almost complete lack of credible data on exposure to flood damage, essential to rate-making, has made program planning an extremely difficult and lengthy task.

The Flood Insurance Act of 1956 provides the basic legislative authority for indemnity protection. The act authorizes three programs designed to protect and aid potential flood victims, especially homeowners and small business.

The core of this program is direct Government insurance by which Federal Indemnity Administration protects up to prescribed amounts any person or corporation, including State and local governments, and their agencies, against property losses caused by flood, when such protection is not otherwise available on reasonable terms from any public or private sources.

The term "flood" includes any flood, tidal wave, wave wash, or other abnormally high tidal water, deluge, or the water component of any hurricane or other severe storm, or landslide due to excess moisture.

The testimony then follows:

The Federal Government assumes all the financial risk. However, the contracts will be sold and serviced by the private insurance industry. The Federal Flood Indemnity Administration is authorized to underwrite a total of $3 billion of insurance, which amount can be increased by an additional $2 billion with the approval of the President.

Continuing:

The act limits indemnity coverage to $250,000 per person, or corporation, and $10,000 on dwellings and their contents. Both real and personal property can be covered, subject to deductibles of not less than $100 plus 5 percent of the remainder of the loss.

Now, let us analyze the Government's responsibility under the above paragraph I have just read. If a wealthy person or a corporation takes out a flood-insurance policy of $250,000, the Government pays 40 percent of his policy premium, and to the extent he is damaged, if it be total, the Government pays less certain deductibles, the full amount. In addition, it pays the insurance company and the claim agents a fee for handling the business.

My first reaction is that this law should have never been written, and the Government should have never been put into this kind of business.

Since the beginning of this Nation, businessmen, farmers, and laboring people have located along the rivers and in the valleys because they offered special inducements; such as water for transportation, more fertile and productive land, and other advantages. They knew floods would occasionally come, but they also knew the advantages of the valleys, over the years, compared with the upland with less transportation and less productive farmland. They weighed the advantages and generally have prospered over 100 years, and never expected an insurance subsidy by the Federal Government.

Last year in California, due to the drought, hundreds of homes were destroyed by fire with the homeowners suffering losses of millions of dollars, but they paid for their own insurance—and bore their own losses.

Billions of dollars have already been spent by the Federal Government to protect businessmen, their buildings, and the buildings of homeowners located in all the valleys of the Nation for the past hundred years. Shall we penalize in their behalf further the taxpayers who do not live in a flood area?

The State of Florida, and other Gulf Coast States have been visited with tornadoes, with a deluge of rain on several occasions, over the past years, and have never yet had the advantage of this type of Government insurance, and I think any Representative from the State of Florida in this Congress today, and most of us who have watched the great growth of Florida will agree that without this insurance, Florida has become one of the richest States, in the shortest length of time, there is in the Nation.

Sometimes I wonder how the American people in the valleys have gotten along so well and prospered without the Federal Government paying a part of their flood hazards insurance for the past hundred years when they have helped to build this into one of the strongest nations in the world.

Further testimony given before the committee follows:

The rates may be subsidized up to 40 percent by Federal Flood Indemnity Administration in order to achieve marketability of the insurance.

After June 30, 1959, the subsidy contribution will be shared equally between the Federal Government and the State within which the property is located; no insurance may be issued after that date in States which do not agree to share the subsidy contribution."

This is the old "something for nothing" come-on with which the Congress is familiar.

On page 188 of the hearings recently held before our committee, Mr. Meistrell testified and I quote:

The statute provides that this is to be an experimental program, and there is a 5-year period under the statute. The attitude of the insurance industry traditionally has been that this is not the type of coverage that lends itself to private industry operations; however, there is no way of knowing whether they are right in that judgment or not.

In closing, let me say that if we approve the amendment, we, in fact, let the Government in on a great experiment. We embark upon a program to guarantee $3 billion of high-risk insurance in any one year plus $2 billion more if the President sees fit.

And in the testimony, it is admitted that if we write $3 billion of insurance that it will cost the Federal Government a minimum of $50 million a year out of pocket for subsidies. This raises the question, with the people demanding a reduction of the cost of government and the Hoover reports urging that the Government get out of business, can we afford to approve this bill as it is written and obligate the Government to carry forward the program, or had we better continue the study and try to work out a plan that would reduce what appears to be heavy losses in the future that could run into billions of dollars?

Mr. SHEPPARD. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. PORTER].

Mr. PORTER. Mr. Chairman, the latest figures from the Department of Labor with regard to housing starts shows that there were 850,000 starts in the month of March, the lowest figure in 9 years. The number of new housing starts which most authorities believe to be desirable is 2 million starts a year. I know we are going to take up the Housing bill as the next order of business. It is a good bill under the circumstances and doubtless will be of considerable help. However, I call the attention of the Committee to page 12 of the report on the pending bill. At the bottom of the page housing is mentioned, under the heading of Housing and Home Finance Agency, and there is the following statement:

The committee has denied the budget estimates for $170,000 for administrative expenses, and $800,000 for studies of housing design and construction, supply and demand, and the mortgage market. Such studies may be of value but the committee does not consider them to be essential at this time.

That may well be correct; however, in view of the very bad housing situation and the fact that there are thousands of families who want to get on the road to home ownership in this country, in view of the fact that the housing starts have

gone down to the lowest point in 9 years, even though our population has been increasing very rapidly and there should be a substantial upward trend in housing starts, I want to ask the able gentlemen from Texas [Mr. THOMAS], to enlarge a little on why these sums were stricken out in committee.

Mr. THOMAS. I will attempt to clarify any question my distinguished friend from Oregon has in his mind. I think the gentleman is exactly right about the new housing starts with reference to this year. It looks as though they are going to be 20 percent beneath the figure for last year, which is serious; there is no question about that.

Last year we had about 1,100,000 starts; the year before that we had 1,330,000 new housing starts; so they are going down and down. We would like to see them go up because new housing construction is one of the mainsprings of our economy.

But we know why these new starts have not materialized. Every builder in this country knows the answer. There would be plenty of new starts if they could get mortgage money without too many discount points attached to it.

So we just merely denied the funds on the theory that they were not necessary at this time. As a matter of fact we have had this appropriation for 5 consecutive years. We had it way back in 1949, 1950, 1951, 1952, and 1953, to the tune of $500,000 to $1 million a year.

If we pass this housing bill today or tomorrow it is bound to help. But we all know that the real difficulty is tight money. The builders say it is tight money. FHA knows that, Fannie May and the Administrator of Housing and Home Finance, I imagine, know it too.

Mr. PORTER. I thank the gentleman. As I understand him, the time has passed for study and the time is now at hand for action.

Mr. TABER. Mr. Chairman, I yield 20 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Illinois.

Mr. VURSELL. Mr. Chairman, it is a policy that once a year the great railroad organizations of this country name the outstanding railroad man of the year. They generally pick an elderly gentleman. I am proud to announce that the one chosen as the outstanding railroad man of this year happens to be a constituent of mine from my home county at Centralia, Ill. He and his good wife are in Washington and I just wanted you to know that we have this honored guest from my congressional district—Mr. Harry Adams and his wife—here today. He goes on the television and radio nationwide tonight and tomorrow.

Mr. GROSS. Mr. Chairman, I take this time to ask a few questions concerning this bill and I hope some Member of the full Committee on Appropriations or the subcommittees involved can enlighten me. I should like to turn first to the Fish and Wildlife Service, with an appropriation of $75,000 for the stated purpose "additional amount for administrative expenses not to exceed $75,000 to be derived by transfer" and so forth. I should like to ask some member of the committee how much of this money is going to implement the so-called reorganization of the Fish and Wildlife Service?

Mr. KIRWAN. When they came up here they asked for $239,000 for the rest of this year. The committee cut that down to $75,000. That is to be absorbed by the Department in the money they now have.

Mr. GROSS. They originally requested, as I understand it, $900,000 or more to put this reorganization into effect. Last year, when the bill was passed creating an Assistant Secretary in the Interior Department for the purpose of administering the Fish and Wildlife Service, and also for the establishment of a commissioner, we were told at that time it would take an increase of only 6 to 12 employees. Do I understand that we have previously appropriated $90,000 for this purpose?

Mr. KIRWAN. Not for this year. In the 1958 bill we allowed $94,000 for the new Assistant Secretary. But for the Fish and Wildlife Service we took all administrative funds out until we could review the request further. They were not sure what they needed and on the night of the markup of the bill they revised their original request. We took it all out and sent it over to the Senate. On an annual basis they asked for an increase of $904,000 and we cut it down to $300,000. That is $75,000 for the rest of this year and comes out of the Department appropriations they have this year.

Mr. GROSS. That is for the purpose of reorganizing?

Mr. KIRWAN. Yes; getting it set up. There is no new money in the $75,000. We also served notice on them that they could not maintain duplicate administrative staffs in Washington and in the regional offices for each bureau.

Mr. GROSS. I want to commend the gentleman from Ohio [Mr. KIRWAN] and his subcommittee, as well as the full Appropriations Committee which eventually passed on this, for holding these people down to size. It was never the intention of this Congress, I am sure, when it created an Assistant Secretary to give him $900,000 or any substantial part of that amount of money and I certainly compliment the committee.

Mr. KIRWAN. I thank the gentleman.

Mr. GROSS. Mr. Chairman, I should like to turn now to page 11 of the bill and ask what is meant by the language "for an additional amount for emergencies in the diplomatic and consular service, $725,000"? Is there anyone who can enlighten me as to what this three-quarters of a million dollars will be spent for?

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Illinois.

Mr. MASON. It has been suggested on the floor that it might be used for Haig & Haig, whatever that means.

Mr. GROSS. I would like to find out.

Mr. MASON. Certainly, someone on the committee ought to be able to answer that question so that we may know why three-quarters of a million dollars is being added to this item.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Virginia.

Mr. HARDY. I hope when the gentleman gets an answer to that question that he will find out what "International Organizations and Conferences" means also.

Mr. GROSS. That is why I asked for 15 minutes, so that I could get the answers to some of these questions.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes, I will be very happy to yield to my friend from New York.

Mr. TABER. If you turn to page 20 of the report, you will find that the State Department requested $2,200,000 under the category salaries and expenses, and of this amount $1,000,800 was requested for the payment of salary increases under Public Law 828, 84th Congress, and——

Mr. GROSS. If I may interrupt the gentleman from New York. I am addressing myself now to this $725,000 for Emergencies in the Diplomatic and Consular Service, and not to the item preceding it, which is $500,400 for salaries.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. ROONEY. The committee had before it a request in the amount of $2,200,000 under the title "Salaries and Expenses." Included in this amount was a request in the neighborhood of $1 million—it was exactly $1 million—for alleged American evacuation costs last fall from the scene of hostilities in the Middle East. This latter item of $1 million properly belongs under the category in which it has been carried in appropriation bills for many years, that is, under the appropriation title Emergencies in the Diplomatic and Consular Service. The action of the committee cut the amount of $2,200,000 requested under Salaries and Expenses, Department of State, to the extent of $1,699,600 but allowed $725,000 of the $1 million requested for the Middle East evacuation. In this regard the committee report reads as follows:

A supplemental request of $2,200,000 was contained in House Document No. 115 for "Salaries and expenses," Department of State. Of this amount, $1,000,800 was requested for the payment of salary increases authorized under Public Law 828, approved July 28, 1956; $41,880 was requested for official residence allowances for deputy chiefs of mission authorized under Public Law 828; $157,320 was requested for medical benefits for dependents also authorized under Public Law 828, and $1 million for evacuation costs from the scene of hostilities in the Middle East.

The committee has included in the bill $500,400 for the payment of salary increases authorized under Public Law 828. The Department is expected to absorb the additional cost of the salary increases. Funds for official residence allowances for deputy chiefs of mission and medical benefits for dependents have not been allowed.

The committee has approved $725,000, a reduction of $275,000 in the amount requested, for expenses incurred in the evacuation of Government employees, their dependents, or other American citizens from the scene of hostilities in the Middle East. The committee is recommending that this additional amount be included in the item "Emergencies in the diplomatic and consular services" rather than in the item "Salaries and expenses."

Mr. GROSS. Do I understand correctly, in the evacuation carried out in Egypt, that there were some 3,000 persons evacuated and of that number only about 233 were State Department employees?

Mr. ROONEY. That is approximately correct. There were 3,000 American citizens and foreign nationals and there were 233 Foreign Service employees, their wives and children. It is expected that at least $250,000 will be collected by the Department of State out of the $725,000, and returned to the Treasury.

Mr. GROSS. In other words, this covers the evacuation of a substantial number of people who were in nowise connected with the Government; is that correct?

Mr. ROONEY. That is correct.

Mr. GROSS. Yes.

Mr. ROONEY. There is authority in law for this in such a case as the Middle East crisis. In order to prevent international incidents happening in crises such as happened in the Middle East, the Department of State's first problem is to get our people out as soon as possible for their own safety. These people are required to pay back to the State Department the money or expenses which were advanced in their behalf.

Mr. GROSS. That we hope will be done but which we are pretty certain will not be done.

Mr. ROONEY. I do not agree with the gentleman.

Mr. GROSS. Would the gentleman say that was true for the evacuation in South Korea?

Mr. ROONEY. I do not have those figures at the moment. I am under the impression that the State Department made considerable recovery.

Mr. GROSS. Well, I will say to the gentleman that I had a hand in stopping the bill when it originally came in here to indemnify evacuees from South Korea to the tune of some $900,000. That amount was considerably reduced in the end.

Mr. ROONEY. I do not recall that.

Mr. GROSS. I never give up on this business, when I think there can be some money saved.

Mr. ROONEY. I too like to save money for the taxpayers. When we are confronted with a situation such as that which arose in the Middle East last fall, getting these people out under short notice, the Department of State is required to see that they pay back, if they are at all financially able to do so, the amount of money for evacuation expenses advanced in their behalf.

The committee unanimously thought that the alleged $750,000 expense in connection with the 233 people who were Foreign Service personnel, wives, and dependents was entirely out of line. This was the reason for the cut in this item from $1 million to $725,000.

Mr. GROSS. If we are going to embark upon this business of evacuating people, no matter who they may be, anywhere in the world, and we have our noses in every nook and corner of the world, when some brush fire starts somewhere, we are going to be spending the taxpayers' money to evacuate every Tom, Dick, and Harry. That will mean that we will have a big bill on our hands.

Mr. ROONEY. There is nothing new about this procedure.

Mr. GROSS. Yes, there is.

Mr. ROONEY. I do not agree with the gentleman. When we have American citizens and American personnel in a danger area overseas, I think it is the responsibility of this Government to use its resources to see that they are safely evacuated and returned to this country.

Mr. GROSS. Mr. Chairman, let me say this to the gentleman. The hearings do not show that all of these people were American citizens. But let me ask the gentleman this question. How much of this $725,000 is for the House Committee on Foreign Affairs, for travel purposes or for junketing purposes?

Mr. ROONEY. None of it.

Mr. GROSS. None of this $725,000?

Mr. ROONEY. That is correct.

Mr. GROSS. I thank the gentleman. Now let us go to this other item of $4,169,409 of which $3,333,000 shall be available for payment to the United Nations as a contribution for the United Nations emergency force. Let me ask the gentleman this question. How much has any other country in the world contributed to the maintenance of the United Nations police force presently in the Middle East?

Mr. ROONEY. The gentleman will find that set out in the printed hearings which he has.

Mr. GROSS. The hearings indicate that they have not contributed anything.

Mr. ROONEY. Commitments have been made. At the moment we are required to pay only one-third of $10 millions of the $16.5 millions budget. This is what the committee report says in this regard:

The committee was advised that the Secretary General of the United Nations was authorized to incur expenditures on behalf of an emergency international force, UNEF, for 1957 up to $16,500,000. Of that amount $10 million was to be met from assessments on member governments in accordance with the regular assessment scale, and the remaining $6,500,000 was to be met by voluntary contributions. The committee has allowed the sum of $3,333,000 as contained in House Document No. 115 to pay for the United States assessment of 33.33 percent of the initial $10 million expenditure for UNEF to secure and supervise the cessation of hostilities in the Middle East. Also included in House Document No. 115 was a request for $3,250,000 as a voluntary contribution to UNEF which is 50 percent of the total to be met in that manner. The Committee has not included funds in the bill for this requested voluntary contribution. Since this is not a regular contribution item, the Committee feels that such voluntary contribution should be made from funds available to the President.

The gentleman does not dispute the fact that it is a good idea to expend moneys for a United Nations emergency force so that we do not have to send American troops into that area?

Mr. GROSS. That is another assumption in which the gentleman is dealing; that is, if this so-called United Nations police force were not in that area American boys would be there getting killed. That is completely an assumption, and the gentleman knows it.

Mr. ROONEY. Does not the gentleman think this great Nation can afford its share of funds for the United Nations emergency force?

Mr. GROSS. I think they should pay their way. Let those countries help to pay for this United Nations police force if they insist on having them. Why saddle the whole expense on the American taxpayer?

Mr. Chairman, let me tell you what these hearings show, and what we know, anyway, without the hearings.

Mr. ROONEY. I have not had an opportunity to read the hearings in over a month. I shall do the best I can.

Mr. GROSS. I shall refresh the gentleman's memory, then.

Mr. ROONEY. Very good; perhaps I shall remember most of them.

Mr. GROSS. We have put out at least $5 million to clear the Suez Canal. We did not dump anything in the Suez Canal, but we have spent at least $5 million of our taxpayers' money to clear the Suez Canal. How much have the British, French, or Israelites contributed to the fund to clear the Suez Canal, or how much has any other country contributed? There is $4,500,000 worth of supplies that we have given to the U. N. police force. What has anybody else given by way of supplies to the U. N. police force? That makes $9,500,000.

Mr. ROONEY. At page 279 of the printed hearings will be found the testimony in this regard. It reads as follows:

SALVAGE OPERATIONS IN SUEZ CANAL

Mr. ROONEY. In addition to the $2,200,000 and the $3,300,000 and the $3,250,000, have we expended moneys with regard to salvage?

Mr. WILCOX. You mean with respect to the canal?

Mr. ROONEY. Yes.

Mr. WILCOX. No, sir. We contributed $5 million to the first amount requested by the Secretary General; and the other nations of the United Nations and the users of the canal contributed the balance up to some $11,500,000. The amount required to clear the canal, however, has been very considerably reduced below the original estimates, and I think there won't be much needed beyond $10 million.

Mr. ROONEY. When you say $10 million——

Mr. WILCOX. That money is to be reimbursed to the United States.

Mr. ROONEY. By whom?

Mr. WILCOX. The plan hasn't been worked out.

Mr. ROONEY. Has the $10 million already been expended?

Mr. WILCOX. Most of it has, sir.

Mr. ROONEY. You don't have a plan as yet for reimbursement to the United States?

Mr. WILCOX. No, sir, it hasn't been completely worked out, but it will be done through the United Nations.

SUPPLIES FURNISHED FOR U. N. EMERGENCY FORCE

Mr. ROONEY. In addition to these various amounts that the United States has been called upon to pay, has the United States Government given certain supplies in connection with this United Nations emergency force?

Mr. WILCOX. Yes, sir.

Mr. ROONEY. To what extent?

Mr. WILCOX. Always subject to reimbursement.

Mr. ROONEY. To what extent, first?

Mr. WILCOX. It is estimated that the value of all the supplies, services, and materials secured from the United States Government may approximate $4,500,000.

Mr. ROONEY. Is that to be repaid?

Mr. WILCOX. By whom?

Mr. ROONEY. By whom?

Mr. WILCOX. To be repaid through the United Nations from the contributions that have been made by the various states.

Mr. ROONEY. You mean out of the $10 million fund?

Mr. WILCOX. Yes, sir.

Mr. ROONEY. How much has been expended out of the $10 million fund up to now?

Mr. WILCOX. I don't know that I can give you that accurate figure, sir. I have the summary of expenses up to March 12. Up to March 12 the total of obligations incurred amounted to about $6,750,000.

Mr. ROONEY. Does that include any part of the amount of $4.5 million for supplies?

Mr. WILCOX. Yes, sir. The United States has been called upon to furnish supplies—always with reimbursement.

Mr. ROONEY. How much of the amount that you mentioned has been returned to the United States in connection with the $4.5 million for supplies?

Mr. WILCOX. I thought we were finished with this, and our expert on the subject is not here this afternoon, sir. I can't tell you precisely how much has been paid back. I don't know the exact nature of the accounting system, but I do know that the requests are very carefully screened, and arrangements are made for repayment by the United Nations to the United States Government.

(The following information was supplied later:)

"No repayments have actually been made thus far. The Department of Defense is now in the process of preparing bills for the full amount. These will be presented to the United Nations for full payment under the authorized budget of $16,500,000."

Mr. GROSS. Then there is $2,250,000 that we spent for an airlift for the United Nations police force. And yet there is $3,333,000 in this bill for the further support of the United Nations police force, when we have already spent nearly $12 million on this deal in the Middle East that is apparent in this record. Now I should be glad to yield to the gentleman.

Mr. ROONEY. There is a limitation against our contributions to the United Nations to the extent of 33⅓ percent. It is for that reason that we deleted $3,250,000 from this bill and said it should be paid out of the President's $200 million fund.

Mr. GROSS. All right; let me ask the gentleman this question: If our contribution to the United Nations is limited to 33⅓ percent, why do you have $666,600 in this bill for the capital fund of the United Nations? That is over and above your 33⅓ percent, is it not?

Mr. ROONEY. That is, in effect, a temporary advancement which will be returned to the United States as a credit.

Mr. GROSS. That is over and above it, is it not?

Mr. ROONEY. Not exactly.

Mr. GROSS. Yes, that is what your testimony shows here.

Mr. ROONEY. That is not exactly so, at all. The committee pointed out that the State Department and our leading diplomats, Secretary Dulles and Ambassador Lodge in New York, promised to pay not 33⅓ percent but 50 percent of the $6.5 million additional UNEF fund, if you please. The committee was asked to approve the additional 50 percent. Since the committee has had a limitation to the extent of 33⅓ percent, it said to Messrs. Dulles and Lodge "You get this money out of the President's fund."

Mr. GROSS. I commend the gentleman and his subcommittee for not allowing the $6,500,000. It would have been a 50-percent contribution. I commend the gentleman on that.

Mr. ROONEY. But this does not necessarily mean that I am against paying that additional money, because if by spending these dollars, whether they are $5 million or $10 million, we will save American boys' lives, I will spend the money.

Mr. GROSS. Let us quit dealing in these assumptions. It seems to be the fashion to come down here in the well of the House, wave the flags and say: "If you don't spend a billion here and a billion there, you are going to have American boys fighting some place." If that would stop a war; if we could buy the stopping of wars, we certainly have spent enough already to stop wars for the next century.

Mr. ROONEY. I would not now be under the gentleman's skin as far as I am if he had privately asked me the answers to these questions.

Mr. GROSS. The gentleman did not get under my skin.

Mr. ROONEY. The distinguished gentleman has a great habit of getting up on the floor and hitting one with skillful questions right out of the blue. I am just doing the best I know how. If I have gotten under the gentleman's skin, I apologize.

Mr. GROSS. The gentleman has not gotten under my skin, not at all. It is too tough for that.

Let me get back to this situation and point out to the Members again that we have spent $2,250,000. Certainly it is not a part of this bill, but we spent the money for an airlift for the so-called United Nations police force, and $5 million to clear the Suez Canal. Then there is $4,500,000 for supplies for the U. N. force. Still they want $3,333,000 from the American taxpayers through the provisions of this bill to support further the United Nations police force.

I say to you it is time to call a halt. Let the people that are supposed to be parties to this deal that voted in the United Nations General Assembly for a fund that all would contribute to, let them call upon these other nations to make good on their contributions. Let us take that out of this bill for the time being and see if they will not contribute as they are supposed to do. You have already spent approximately $12 million that shows on the record, and of course more money has been spent that we know nothing about, or at least it has not come to the surface as yet.

I should like to ask the gentleman to explain also about this $225,000 for international contingencies. That is a nice sugar-coated pair of words.

Mr. ROONEY. How would the gentleman like me to do it?

Mr. GROSS. I would like the gentleman to tell me what it is all about.

Mr. ROONEY. The International Contingencies item is to cover the costs of previously unscheduled international meetings and conferences. Secretary Dulles and President Eisenhower are always engaged in many meetings and we must be properly represented. We were asked for $450,000 for this purpose; and we halved it in two.

Mr. GROSS. That is good. If you had cut it all out, it would have been better. But do they have $240,000 still unexpended in this fund?

Mr. ROONEY. That was the testimony. If the money is not used for the purpose for which it is appropriated, it will lapse into the Treasury at midnight of June 30 coming.

Mr. GROSS. That does not happen very often; does it?

Mr. ROONEY. Every once in a while we have seen it happen, although not very often with this high-priced Republican administration.

Mr. GROSS. What happens, may I ask the gentleman, to all of those funds that are voted to the President for emergency purposes? What about the $200 million that was authorized to go along with the Eisenhower doctrine, which I voted against? I wonder how that is that is being expended. Could the gentleman provide any information as to what is happening to those funds?

Mr. ROONEY. Those funds are in another area. I have enough trouble trying to keep up with what is being done in the State Department and the USIA. I am sure the gentleman can easily get that information from the White House.

Mr. GROSS. I thought that perhaps you would go into that in the hearings on this bill and in view of that I asked the question.

Mr. ROONEY. That is not in this bill at all. That money has already been appropriated to the President. The gentleman is now asking me for an accounting of what has been done with it. I am not in a position to answer the gentleman at the present moment.

Mr. GROSS. I think if I had been on the committee, I would have been interested in what is being done with those funds in view of the fact that more money is being voted for the U. N. police force. I know of no reason why and, perhaps, the gentleman can tell me, why some part of the $200 million already appropriated, should not be spent for this U. N. police force.

Mr. ROONEY. That is exactly what the committee has recommended.

Mr. GROSS. No, no.

Mr. ROONEY. Oh, yes.

Mr. GROSS. No, you are asking the taxpayers to put up $3,330,000 of new money. You are not taking it out of the $200 million that is available to the President.

Mr. ROONEY. The gentleman misunderstands the situation.

Mr. GROSS. No, I do not misunderstand the situation.

Mr. ROONEY. If the gentleman will look at the figures on page 31 of the committee report, he will find that there

was requested the amount $7,464,384. The committee recommended $4,169,409, or a cut of $3,294,975. Of this latter amount $3,250,000 was for the UNEF additional fund and it was directed that this voluntary contribution to that additional fund should be made from funds now available to the President.

Mr. GROSS. I am talking about the $3,330,000 in this bill.

Mr. ROONEY. There the committee had no alternative but to allow the regular one-third United States share of a regular United Nations fund of $10 million. One-third of that is $3,333,000. The committee recognized the fact that we must pay our regular one-third United Nations share in, of all things, the cost of the UNEF soldiers in the Middle East.

Mr. GROSS. Yes, but nobody else seems to want to pay and nobody else seems to feel any moral obligation to pay. Why do we not adopt that course just once—just one time?

Mr. ROONEY. I may say to my distinguished friend from Iowa, I wish we did not have to pay at all.

Mr. GROSS. Let us do what they are doing and, perhaps, they will wake up and pay some of these costs just once. That is all I am asking—we cut it out just once and see whether they are willing to pay or not.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SHEPPARD. Mr. Chairman, I yield 8 minutes to the gentleman from North Carolina [Mr. LENNON].

Mr. LENNON. Mr. Chairman, I am grateful for the opportunity to speak briefly in behalf of the citizens and property owners of the coastal area of my congressional district in North Carolina, who, up until the passage of the Federal Flood Insurance Act of 1956, by the 84th Congress, could see no hope for the economic future of their area.

The explanation for their feeling of hopelessness and frustration is easily understood, and I am sure all the members of this committee would share that feeling if they had been subjected to the harrowing experiences packed into the lives of these people in a period of less than 11 months.

Hurricane Hazel struck the two coastal counties of my district on October 15, 1954. Over 1,200 homes were completely destroyed and more than 600 were heavily damaged in these 2 coastal counties alone. Losses ran into the millions of dollars in both public and private properties.

A small percentage of these losses in private property was covered by insurance, specifically under the extended coverage clause of insurance policies. But this point cannot be emphasized too strongly: The extended coverage clause of these insurance policies specifically denied and excluded any recovery for damages caused by rising water, floods, wavewash, or water driven by wind, and unless it could be shown conclusively that the damages incurred came from winds alone, and not from wind-driven water, there was no recovery or at best a small settlement.

In spite of the devastating and disastrous results of Hurricane Hazel during October 1954, our people in this area did not lose heart. After all, this was a new experience for them and most of them made their plans to build again in the fall of 1955 or early spring of 1956.

Such, however, was not the case. Again these two coastal counties in my district of North Carolina were struck by Hurricanes Connie, Diane, and Ione during the late summer of 1955. These three hurricanes did not do the physical damage that was caused by Hazel in 1954 in the coastal counties of my district, but the devastating effect of these hurricanes reached other counties and the Nation, as is well known to all the Members of this Congress.

However, this was it. The insurance companies on the expiration of their annual policy contracts canceled and moved out. They took with them what little protection that was afforded, even under the so-called extended coverage clause. Mr. Chairman, no Member of the Congress now believes that private insurance is available to anyone that will offer protection for flood damage, wavewash, tidal waves, rising water, or water driven by wind. Such insurance is not available today.

Your attention is directed to page 342 of the hearings before the House Committee on Banking and Currency on February 8, 1956, where this matter was considered. Mr. J. Victor Herd, president of the National Board of Fire Underwriters and also representing the American Insurance Association, flatly stated that private insurance companies had ruled out flood insurance, which included tidal wave, wavewash, or water driven by winds on fixed property. This covers real estate wherever it is found.

The tragedy is now, that these former homeowners and small-business people cannot rebuild. Construction and rebuilding stopped completely after the hurricanes of 1955. No banks, building and loan associations, or any other lending institutions or agencies will put a nickel in construction in this coastal area unless and until some type or kind of insurance is available that will give some measure of protection.

I hope, ladies and gentlemen of the committee, from this statement you will now understand what the passage of the Federal Flood Insurance Act of 1956 meant to these people. It was their first ray of hope—a promise of help from their Government—what they considered a firm commitment from their Congress.

From my reading of the testimony given at the hearings on this matter and from a study of the bill, I recognize that it is a new venture; but at the same time it was the will of the Congress that this program be started. As all the members of this committee know, the act provides for State participation in the payment of the insurance premiums after July 1959, and it also contains a requirement or condition that the Commissioner file an annual report, along with his opinion, supported with pertinent findings, as to the advisability of withdrawing, in whole, or in part, Federal financial support for this program.

Personally, I believe the agency charged under the act with the responsibility of developing and administering the program can and will do a good job. I subscribe to the policy announced by Mr. Frank J. Meistrell, the Commissioner of the Federal Flood Administration, that he does not intend to put on the Federal payroll a host, or any employees, to go over the country peddling insurance policies—that he will not employ full-time, or even part-time, Federal claim adjusters to sit around and wait for losses to occur.

He has announced his decision to use the facilities of the insurance industry in the sale of these insurance policies and to use the present existing private adjustment agencies and bureaus in the settlement of claims and losses. These groups have agreed to this arrangement—and are to be compensated only for their out-of-pocket cost—which does not include any profit, administrative overhead, or other expense incident to the normal conduct of their business.

Surely, ladies and gentlemen of the Committee, it should be our desire—and I am sure it is—to keep the cost of this program as low as possible, and it seems to me this is the way to proceed.

And this, we can be assured of: if, for whatever reason, rates or otherwise, no insurance policies are sold under this program, then there will be no payments, in any amounts, to insurance agents and brokers; if policies are sold and there be no losses or claims, no payments whatever will be made to private adjustment bureaus or agencies. And this is as it should be.

For my part, Mr. Chairman and members of the Committee, I cannot escape the conclusion that the decision as to whether or not this program should be tried is a matter for the determination of the full membership of the Congress.

For the people of the coastal area of my district and for the thousands throughout the country similarly affected, I respectfully request and urge the Members of this Committee to give the promised flood-insurance program a fair trial.

Mr. SHEPPARD. Mr. Chairman, I yield 9 minutes to the gentleman from New Jersey [Mr. THOMPSON].

Mr. THOMPSON of New Jersey. Mr. Chairman, I should like to associate myself with the remarks just made by my distinguished friend and colleague from North Carolina, who has done yeoman service on behalf of this legislation.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield.

Mr. HARDY. I want to comment on that also and commend the gentleman from North Carolina for his very clear discussion of the need for some Federal participation in a program of flood insurance in order that we may develop some system by which people can insure themselves against such disasters. Without Federal participation there is no way in the world by which it can be worked out under present insurance practices, and unless the Federal Government can help develop the system I am afraid it is going to be hopeless.

Mr. THOMPSON of New Jersey. I agree with the gentleman and thank him for his contribution.

Mr. Chairman, I rise in support of the amendment to restore funds to the Federal Flood Indemnity Administration.

As cosponsor with Senator Lehman of the legislation which was enacted as the Federal Flood Insurance Act of 1956 I can speak with experience on the subject now before us and with deep personal conviction.

The distinguished Committee on Appropriations, in refusing to recommend any operating money at all for the Federal Flood Indemnity Administration, is attempting to undo the work of the previous Congress which acted only after a solid year of study on this subject.

It seems hardly necessary to remind the Members of the House of the origins of the Federal Flood Insurance Act. It was created after one of the most terrible natural disasters in our Nation's history. Hurricanes throughout the fall of 1955 tore up the east coast of the country and penetrated deeply into the Northeastern States.

After the hurricanes were past—there were two that my people had to weather and a third that the Carolinas had to sustain—we were left with a $1 million shambles. New Jersey $19 million damage, New York $15 million, Pennsylvania $76 million, Massachusetts $119 million, Rhode Island $18 million, Connecticut $215 million. There is no need to go further. The west coast later that same year sustained almost as heavy damages from inland water flooding.

Who sustains the costs of these disasters? The homeowner whose house is caved in or washed downstream. The businessman whose investment disappears with the receding waters. And usually both are deeply mortgaged or otherwise in debt. Senator Lehman used to say that floods wash away many a home, but never wash away the mortgage.

But that is not all. The Federal Government pays heavily. The citizen who was lucky enough to escape material damage does not avoid a new tax burden. When the Governors of the States request aid, the President declares disaster areas and suddenly the Federal Treasury is opened. Under Public Law 875, here was the disaster relief:

	Million
North Carolina, August 1955	$3.2
Massachusetts, August 1955	1
Pennsylvania, August 1955	1
California, December 1955	9.5
Oregon, December 1955	1.3

Those are just highlights of Federal expenditures to assist flood-stricken areas. House Document No. 142, the report of activity under authority of Public Law 875 from July 1, 1954 to December 31, 1956 shows direct Federal grants of more than $34 million—most of it in flood relief.

These were only payments to communities. The figures do not suggest the heavy loss to the Treasury where individuals and businesses deducted flood losses from their Federal income taxes as losses, bad debts, or decrease of taxable income. They do not reflect the heavy unemployment payments that come in the wake of floods.

I am not suggesting that people in distress be denied relief. But wouldn't it be a lot more economical for the Federal Government—and less humiliating for the victims themselves—to have people make a financial contribution toward their own protection? This money, as in all insurance plans, would form a pool to pay those who suffer losses. And the payment of loss claims would reduce the drain sustained by the Federal Treasury in disaster relief.

Of course, the flood-indemnity program at first will not collect the full cost of this insurance. It cannot for the same reason that private insurers have never been able to offer blanket flood coverage. The premiums would be too high for most people to afford.

But the Federal Government is asking the people to contribute 60 cents for each dollar of insurance they buy. That is just 60 cents more than the Treasury gets back today from areas, like Texas, for instance, which are receiving great sums of money as outright grants.

The Federal Flood Indemnity Administration requested $50 million as a supplemental appropriation to run through the balance of this fiscal year and through the next fiscal year.

Of that sum, $36 million is for subsidy payments—the 40 cents on each dollar of premium money that the Federal Government uses to ease the burden of the buyer of insurance. Does the 40 cents go to the buyer? No. It goes into the disaster-insurance fund for loss reserves to pay claims. I understand that the Federal Flood Indemnity Administration has the authority to borrow this money from the Treasury, but has requested it as an appropriation so there would not be an additional cost of interest on borrowed money.

The balance of the money requested—$14 million—is for operating expenses—money to pay the actual out-of-pocket costs for insurance companies which will sell and service these insurance policies. This $14 million has bought the services of the entire American insurance industry at cost. This same industry, which was unable to write flood insurance on its own risk and was highly skeptical of the Government working out a satisfactory method to do it on its own, is now willing to work at cost. Frank J. Meistrell, Commissioner of the Federal Flood Indemnity Administration, tells me tomorrow he will start mailing out fiduciary agreements whereby thousands of insurance companies will contract to write these policies at no profit, no overhead, not even administrative expenses.

This brings us to the report by the Committee on Appropriations, where the distinguished members justify their elimination of this request. The committee suggests that the Federal flood-indemnity program is indefinite and unworkable.

The Federal Flood Indemnity Administration is ready to offer insurance throughout the Nation as soon as it gets an appropriation from the Congress. Allowing for the time it would take to get these policies into the hands of agents, it should take the Government from 30 to 45 days after the money is appropriated to put policies at the disposal of your constituents, right in your own communities.

On the question of workability, we must call up expert opinion. The private insurance industry—mind you, the same people who testified before Members of this House last year that they did not think the Government could create a flood insurance program—are now ready to sell these policies. These are people who spend their lives in the highly intricate business of insurance and they say publicly that the Federal flood indemnity program looks good to them. And they believe that the rates are reasonable and marketable.

For the major classes of risks, the premium rates—after application of the subsidy—will range from $1 to $2.50 per $100 of insurance where the buyer purchases insurance to cover 80 percent or more of the value of his property.

These rates should be within the reach of most property owners and still provide adequate reserves over a period of years to cover the estimated loss claims. It is reasoned that on a nationwide basis, the insurance would be spread through enough areas so that the premium payments of all buyers would be sufficient to pay the losses sustained in one or more areas.

I hesitate to challenge the judgment of the distinguished members of the Committee on Appropriations. But in this instance, I feel that the American insurance industry is better equipped than they to decide the workability of an insurance program.

Mr. Chairman, I am speaking in favor of this appropriation from deep personal conviction based on careful inspection of this program from its origins to this day. It will offer the American people a method to contribute to their own protection for the first time in history. It is a technique based on sound business practices in the face of a crying need on the part of our people. I urge the adoption of the amendment.

Mr. CANNON. Mr. Chairman, debate having been concluded, I ask that the Clerk read.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations (this act may be cited as the "Third Supplemental Appropriation Act, 1957") for the fiscal year ending June 30, 1957, and for other purposes, namely.

Mrs. CHURCH. Mr. Chairman, in accordance with the statement I made on the floor some weeks ago, I am going to raise the point of order of no quorum.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and three Members are present, a quorum.

The Clerk read as follows:

OFFICE OF THE SECRETARY

For an additional amount for "Office of the Secretary," not to exceed $23,400, to be derived by transfer from any appropriation available to the Department of Agriculture, for the fiscal year 1957, for salaries and expenses (exclusive of such appropriations which include funds for grants).

Mr. COAD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COAD: On page 3, line 3, strike out "$23,400" and insert in lieu thereof "$16,380."

Mr. COAD. Mr. Chairman, the reduction which is called for in this amendment is from $23,400 to $16,380. To assume that the $23,400 is the full amount which the Secretary of Agriculture needs to bring up his salary and expense schedule for his own office to 100 percent, the amendment calls for a cut of 30 percent. This leaves 70 percent of parity of a full salary schedule.

Mr. Benson has gone on record as favoring only 70 percent for my Iowa farmers. In fact, this last week before the Committee on Agriculture of the other body he has gone on record as being against all supports. The Iowa farmers need 100 percent of parity income and yet Mr. Benson has said many times that high price supports are detrimental to the moral fiber of our people and he has continuously asked for lower supports. Assuming that this philosophy is good for the farmer, as Mr. Benson says, then I am sure that Mr. Benson will welcome only 70 percent for his own office.

I urge the support of this amendment because of the fact that here is a place to economize and more especially because it fits in with the policy of the man who is in the office of the Secretary of Agriculture.

Mr. MARSHALL. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MARSHALL. Mr. Chairman, I rise in opposition to the amendment. I do so with a great deal of regret because I agree so wholeheartedly most of the time with the gentleman from Iowa [Mr. COAD]. The gentleman from Iowa is as concerned about price supports and the prices of farm commodities as I am. He certainly has a worthwhile objective in attempting to acquaint the Department of Agriculture with the problem. However, this is something that is a little different from that inasmuch as this item in the bill is an item about which the Secretary of Agriculture can do very little. This item in the bill was brought about because of the salary increases which we passed in the Congress.

You will note in the language of the bill we state:

For an additional amount for "Office of the Secretary," not to exceed $23,400, to be derived by transfer from any appropriation available to the Department of Agriculture.

So that this is a matter of transfer of funds within the Department. It also means that we have written this in the form of a limitation. The $23,400 may not be required because the people from the Department told us that they believe they can make some savings within the Office of the Secretary of Agriculture.

It is a very small amount. Because it is a small amount, we believe we should proceed to allow the Secretary to transfer from other funds where there have been some savings made. We do not believe there is anything to be gained by this amendment.

I should like to point out that because of the salary increases we made, an item as small as this, $23,400, is a great deal more difficult to absorb than some larger items would be because there is a certain amount of restriction on the Secretary's Office.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Washington.

Mr. HORAN. My colleague may recall that when we had Mr. Ralph Roberts, Assistant Secretary, in charge of administration, before us, he justified this quite frankly, and we felt that he had fully sustained it. We did put the limitation on this small amount of money. Certainly when we are adding more duties to the Office of the Secretary it comes with very poor taste, I think, for us to hamstring him any further.

Mr. MARSHALL. I thank my colleague on the committee.

Mr. COAD. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Iowa.

Mr. COAD. I certainly believe there is a principle here that the Secretary of Agriculture has set himself. This is a small amount. I notice there is only about one smaller amount in the whole bill. But after all, this is a policy that the Secretary of Agriculture says we need only 70 percent. We need more than 70 percent. I admit they need the full amount down here in the Office, but after all, the farmers need more than 70 percent, too. I think that if it is good for the goose it is good for the gander.

Mr. MARSHALL. I wholeheartedly agree with my colleague from Iowa, who is attempting to point out the fact that the farmers in our country are in a difficult position and that something must be done to assist them. It is difficult for me to see how this particular amendment which he offers will in any way help relieve the situation he is expressing, because as far as we are concerned this is something, I must repeat, that came about because of the action of the Congress itself. It would in no way affect the Secretary as far as he himself is concerned. No one would imagine that the Secretary of Agriculture is going to turn back any part of his salary. It does affect the operation of the Office of the Secretary of Agriculture and it certainly would not be conducive to good administration to cut down upon the salaries of the people working and leave positions open in the Secretary's Office. Therefore, I urge the Members to vote against the pending amendment.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Iowa.

Mr. GROSS. As far as I am concerned, we do not have a good Secretary of Agriculture, and I want to take this opportunity to say to my friend from Iowa [Mr. COAD] that I will support his amendment and I hope he will support my amendment to provide somewhere around 100 percent of parity for the American taxpayers in their contributions to the United Nations.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The amendment was rejected.

The Clerk read as follows:

INDEPENDENT OFFICE

Tariff Commission

Salaries and Expenses

For an additional amount for "Salaries and expenses," $25,000.

Mr. BAILEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BAILEY: Page 4, line 5, strike out "$25,000" and insert "$50,000. Of this amount the sum of $25,000 is to be used to make necessary investigations abroad to determine the wage levels, costs of production and working conditions on articles imported from abroad to assist the Commission in processing claims for injury by domestic producers under section 7 of the Reciprocal Trade Agreements Act."

Mr. PRESTON. Mr. Chairman, I reserve a point of order against the amendment.

Mr. BAILEY. Mr. Chairman, I find it necessary to offer this amendment. I have just come back to the floor of the House from an appearance before the Tariff Commission in support of the application pending by the Clothespin Producers Association of America making spring clothespins and round clothespins. It was necessary for me in presenting the case properly to the Tariff Commission to produce evidence attested to by the American Ambassador at Copenhagen, Denmark, that one of the two large exporting companies of clothespins from Denmark did not own a clothespin plant of their own, but they were buying clothespins made in the prisons of Denmark and exporting them into this country under the terms of the Reciprocal Trade Agreements Act. If that is happening in the case of clothespins, it could be happening with other articles being shipped into this country in competition with domestic producers. The Tariff Commission advises me they do not have the funds necessary to send expert investigators abroad to determine the facts connected with the cost of production and the wage levels and the working conditions under which these articles are being offered. When a domestic industry asks for a hearing before the Tariff Commission under section 7 of the Reciprocal Trade Agreements Act—you will recall that I happen to be the author of the escape clause provision written into the Trade Agreements Act of 1951—when an American producer applies to the Commission they force that American producer to lay all the details of their production costs and their net earnings and whether they have made a profit or whether they have suffered a loss, and they do not ask a single iota of information from the foreign country and from the American importers who are bringing these foreign products in.

The purpose of this amendment is to make available to the Tariff Commission

the sum of $25,000 to make needed investigations abroad to determine why it is necessary for some 140 to 150 of our small American industries to be driven out of business because of unrestricted imports. May I say to you that this is not the only instance. This is even worse than dumping foreign made products in this country. Shall we permit a situation to exist that allows articles made under prison labor conditions in Europe to displace the standard of living and the wage levels of the American working men in this country? I hope it will be the pleasure of the Committee of the Whole House to adopt this amendment.

Mr. PRESTON. Mr. Chairman, I insist on the point of order.

The CHAIRMAN. The gentleman will state the point of order.

Mr. PRESTON. Mr. Chairman, I make a point of order against the amendment on the ground that there is no authority for the Tariff Commission to make an investigation abroad into the working conditions under which foreign commodities are produced.

The CHAIRMAN. Will the gentleman from West Virginia cite to the Chair the authority for the Commission to make an investigation?

Mr. BAILEY. Mr. Chairman, the original item of $25,000 in the proposal before us now covers not only the payment of salaries but covers the payment of expenses, and I say this would be an expense on the Tariff Commission and, therefore, it is germane to the statement in the appropriations.

The CHAIRMAN. The Chair was inquiring as to the authority of the Commission to make the investigation that the amendment contemplates.

Mr. BAILEY. They have the authority to make investigations. They have no money to make it. I was trying to give them some money.

The CHAIRMAN. Do they have authority to make investigations abroad?

Mr. BAILEY. Well, why not?

The CHAIRMAN. The Chair is asking the question of the gentleman.

Mr. BAILEY. I could not advise the Chairman to that effect. But, I do not see why they should be limited to this country because apparently nobody else is. If somebody wants some information, they go abroad and get it. I think the Tariff Commission should be afforded the same opportunity. Members of the Congress, if you want to sit idly by and see the major part of your small American industry, which is the backbone of our country, driven out of business, you just ignore a proposition like this.

The CHAIRMAN (Mr. IKARD). In view of the fact that there is no authority cited for the Commission to make the investigations contemplated in the amendment, the chair sustains the point of order.

The Clerk will read.

The Clerk read as follows:

CHAPTER III

Department of Defense—military functions

Department of the Navy

Medical care

For an additional amount for "Medical care," $10 million, to be derived by transfer from the appropriation for "Construction of ships."

Servicewide supply and finance

For an additional amount for "Servicewide supply and finance," $8 million, of which $5 million shall be derived by transfer from the appropriation for "Reserve personnel, Navy," and $3 million shall be derived by transfer from the appropriation for "Military personnel, Marine Corps."

Mr. MAHON. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. MAHON: Page 4, line 19, after the item for "Servicewide supply and finance," insert an additional heading and item as follows:

"Department of the Air Force

"Military personnel

"For an additional amount for 'Military personnel,' $30,335,000, to be derived by transfer from the appropriation for 'Military construction,' Air Force."

Mr. MAHON. Mr. Chairman, this amendment provides for the transfer of $30,335,000 from military construction funds of the Air Force to pay and allowances of personnel. Reenlistments exceeded what had been budgeted for last year, and the Congress, after the budget for fiscal year 1957 was approved, passed additional legislation, the Doctors and Dentists Act, Public Law 497, approved July 30, 1956, which brings on the requirement for $6,505,000 additional funds. Then, further action by Congress increasing survivors' benefits in Public Law 881, makes necessary the additional sum of $23,830,000. The Air Force has already absorbed a considerable amount of the increased costs in the "Military personnel" appropriation, but we are advised it was not possible to absorb this additional $30 million and the Bureau of the Budget has sent us a request for the transfer of these funds in order to meet this obligation.

Originally we had planned to handle this request in another bill, but since the committee approved the supplemental appropriation bill under consideration it has developed that the committee preferred that it be handled in this bill and, therefore, at the suggestion of the committee, I have offered the amendment as read by the Clerk for the transfer of available funds within the agency to meet these additional military personnel requirements.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. WIGGLESWORTH. I simply wish to state, from the standpoint of the minority members of the subcommittee handling this bill, that we have no objection to the amendment presented, and unanimously approve the recommendation.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this amendment now close.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. MAHON].

The amendment was agreed to.

The Clerk read as follows:

CHAPTER V

Independent Offices

Civil Service Commission

Annuities, Panama Canal construction employees and Lighthouse Service widows

For an additional amount for "Annuities, Panama Canal construction employees and Lighthouse Service widows," $500,000.

Mr. HYDE. Mr. Chairman, I offer an amendment which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. HYDE: Page 5, after line 10, insert the following item:

"ADMINISTRATION EXPENSES, EMPLOYEES' LIFE INSURANCE FUND

"The limitation under this head in the Independent Offices Appropriation Act, 1957, on the amount made available from the 'Employees' life insurance fund,' for reimbursement to the Civil Service Commission for administrative expenses incurred in the administration of the Federal Employees' Group Life Insurance Act, is increased from '$117,500' to '$194,000.'

"Not to exceed $23,000 of the funds in the 'Employees' life insurance fund' shall be available for reimbursement to the Civil Service Commission during the fiscal year 1958, for administrative expenses incurred by the Commission during that fiscal year in the administration of said act, and such amount shall be in addition to any amounts otherwise made available from the fund for such expenses for the fiscal year 1958."

Mr. THOMAS. Mr. Chairman, I reserve a point of order against the amendment. I have not had an opportunity to see the amendment, but because it may be subject to a point of order I reserve it.

The CHAIRMAN. The gentleman from Texas reserves a point of order against the amendment.

The gentleman from Maryland is recognized for 5 minutes in support of his amendment.

Mr. HYDE. Mr. Chairman, this amendment would have the effect of restoring the amount of $76,500 to the Civil Service Commission for the purpose of permitting it to administer the Federal Employees' Life Insurance Fund so that it might take over the insurance under the various governmental beneficial associations.

In the last session Congress passed a bill permitting the life insurance fund to take over these beneficial associations which had been operating on a private basis in the various governmental departments. Pursuant to that a number of these associations have been taken over, but because of the limitation of funds to the Civil Service Commission there are still quite a few of these associations which have not been taken over by the Federal Government Life Insurance Fund.

The effect of this will be to deprive thousands of Government employees, both now in the service and retired, of the benefit of insurance under these beneficial associations on which policies they have been paying premiums for many, many years. It will work an unconscionable hardship on these people.

The difficulty is that these beneficial associations are no longer able to stay in business because of the Federal Government Life Insurance Fund which Congress has already provided for. The

only way these associations can exist and continue as they have been is through the continual addition of new members. Obviously, when the Federal Government's life-insurance program went into effect new members stopped coming into these beneficial associations, so the thousands of Government employees who have been in these beneficial associations for years would lose the benefit of this insurance.

All this amendment does is to restore $76,500 of administrative funds so that the Civil Service Commission can administer this program which this Congress has already legislatively approved.

Mr. BROYHILL. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield.

Mr. BROYHILL. I wish to associate myself with the remarks of the gentleman and support his amendment. As the gentleman stated, some of these associations were put out of business as a result of this Federal employees' insurance program but some were more or less saved by previous appropriations. Is that correct?

Mr. HYDE. That is correct.

Mr. BROYHILL. Actually these associations are being put out of business as a result of an act of Congress, and we recognize that as the responsibility of the Congress we have taken care of some of them. We will discriminate against those who have not been protected because of insufficiency of appropriations.

Mr. HYDE. That is right. I think there were 25 of these associations. Sixteen have been provided for, but because the Civil Service Commission ran out of administrative funds there are still nine that have not yet been taken care of.

Mr. BROYHILL. Those employees who are already retired are unable to get any other insurance.

Mr. HYDE. The gentleman is right.

Mr. BROYHILL. So they are really the unfortunate victims of an act on the part of Congress; in fact, without providing this administrative fund Congress is reneging upon its obligation and previous commitment.

Mr. DEVEREUX. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield.

Mr. DEVEREUX. I wish to associate myself with the gentleman from Maryland and his amendment.

Is it not a fact that through the action of Congress in setting up this new type of insurance we threatened the stability of these insurance associations?

Mr. HYDE. That is right.

Mr. DEVEREUX. Therefore I feel we have an obligation to take the remaining associations into the Federal Government insurance program.

Mr. HYDE. That is right, and the point is that Congress legislatively provided for taking them over. All we are here doing is to provide sufficient administrative funds that they may take them over.

Mr. DEVEREUX. And if we do not, then I think it would show bad faith on the part of the Federal Government in this particular case.

Mr. HYDE. That is exactly so.

Mr. POFF. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Virginia.

Mr. POFF. I want to associate myself with the very able gentleman from Maryland who has made a splendid presentation of the facts involved and I express the hope that the chairman of the committee will withdraw his reservation.

Mr. THOMAS. Mr. Chairman, very reluctantly I must state that the committee insists on the point of order. I notice some of my good friends from Virginia and Maryland whom I see quite a bit 4 or 5 days a week in other places than on this floor present and I am sure they will understand.

You will recall that the language, Mr. Chairman, does two things that makes the amendment subject to a point of order. It first attempts to increase the limitation, then in the next place it attempts to take part of the funds so limited and transfer them from that fund to the general administrative expense fund of the Civil Service Commission.

No. 2. This is a deficiency appropriation bill for the fiscal year 1957. The language attempts to carry the fund over and beyond and into the fiscal year 1958; therefore it is over and beyond the scope of the bill.

It is subject to a point of order on two counts.

The CHAIRMAN. Does the gentleman from Maryland wish to be heard on the point of order?

Mr. HYDE. Only to the extent of asking the very genial chairman of the committee a question. I understand that the chairman is objecting to this amendment not on its merit but on a technical basis.

Mr. THOMAS. Let us take one hurdle at a time. I am objecting now on two scores.

Mr. HYDE. Mr. Chairman, I must bow to the wisdom of the chairman. I recognize that the point of order is well taken.

The CHAIRMAN. The gentleman concedes the point of order?

Mr. HYDE. Yes.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk read as follows:

GENERAL SERVICES ADMINISTRATION

Operating expenses, public buildings service

For an additional amount for "Operating expenses, Public Buildings Service," $900,000.

Mr. GUBSER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GUBSER: On page 5, immediately after line 14, insert the following:

"NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

"For an additional amount for 'Salaries and expenses,' $575,000, for payment of increased wages to wage board employees from the date of approval of such increases in December 1956."

Mr. GUBSER. Mr. Chairman, I yield to no Member of this House in my desire to economize in Government expenditures; however, I refuse to achieve economy through broken promises or by a breach of faith on the part of the United States Government. The amendment which I offer is to prevent such a breach of faith.

It creates no new program or no new service. All it does is to allow one of our most important Government agencies, the National Advisory Committee for Aeronautics, to fulfill a contract with its employees entered into by both parties in good faith.

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from Texas.

Mr. THOMAS. May I say to my genial friend from California that he does not have to apologize for what he is doing. He is taking care of his people. He is an economizer, too. Your people will get their money. It is a debt—I think I can go that strong—that the Government will pay. There are about 375 to 425 unfilled jobs in the NACA. Certainly they should have the money to absorb this and the Bureau of the Budget told them to absorb it. I agree with the Bureau of the Budget and I commend the gentleman.

Mr. GUBSER. If the gentleman will let me proceed with my statement, I am quite sure I have an adequate answer for the point the gentleman has raised.

Mr. THOMAS. I thank the gentleman.

Mr. GUBSER. Let me describe the situation, which makes this amendment necessary. As you know, the National Advisory Committee for Aeronautics hires two types of employees, those who are subject to the Classification Act and whose salaries are determined by this Congress.

The other type of employee is the wage board employee whose salary is determined by a periodic review of wages of similar types of service in the area involved. When a person goes to work for NACA, he goes with the understanding that his salary will be constantly reviewed and revised upward or downward, if private industry pays more, or less, as the case may be, in the area involved.

On December 10, 1956, the wage board determined that a wage increase was in order. It was granted in the San Francisco Bay area alone to 30,000 Federal employees, but it was not applied to some 650 employees at the National Advisory Committee for Aeronautics' installation at Ames Laboratory. And, I might add that the same thing applies to the laboratory in Cleveland and the one in Langley Field, Va.

Now, the statement has been made, and I agree with it, that the Budget Bureau refused the NACA request for a supplemental bill on the ground that they had unfilled vacancies which would allow a diversion of funds to implement this wage board increase. But, the Budget Bureau overlooked one very, very important item, and that is that the NACA, the agency which is compiling the basic research data which keeps our planes ahead of the Russian planes, must recruit scientists every year, and their most difficult problem is the fact that they do not have scientists.

Now, to keep a good scientific organization going, you must recruit every year and keep men coming in at the bottom in order to replace those going out at the

top. Their program of recruitment for scientists is a spring program, at the time of graduation from the colleges, and if NACA would have granted this wage board increase out of the unfilled vacancies, that meant that there would have been no recruitment of scientists in the spring of this year at graduation time.

We are economy minded, but there is not a single man or woman in this House who would renege on a financial promise, made to another person, and that is just what we will do if my amendment is not passed. I urge the House to do collectively what each Member would do individually. Let us keep our word and grant this increase retroactively to December 10, 1956.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. THOMAS of Texas. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments to the paragraph close in 8 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SHELLEY].

Mr. SHELLEY. Mr. Chairman, I find myself in a peculiar position to rise to support an amendment against my friend and colleague on the Committee on Appropriations, the gentleman from Texas [Mr. THOMAS] who has handled this matter. However, this matter has been called to my attention also because Ames Laboratory is just a few miles below my own district and I know many of the employess personally.

Here is a situation where the employees to whom the Government has promised a pay raise, 640 employees, are not getting it because of a conflict between two Government departments. The chairman of the subcommittee very sincerely says, "Well, they will get it eventually." But in the meantime their families are doing without the money to which they are entitled and to whom we, the Congress, have obligated ourselves to make payment. I think it is a rather ridiculous situation when the Bureau of the Budget says one thing and the wage survey board says another. The employees are entitled to this increase. The Ames Laboratory people, the NACA, say "We will pay it, but we have not the money." The Bureau of the Budget says "You have got to take it from what you have." I think certainly it is up to the Congress to establish the integrity of the Government of the United States and not allow employees, trained scientific employees, of whom there is a great shortage today, and for whom we are competing with private industry that offers them far more than the Government offers, to be left in this position.

I think it is up to us to give them the money now, as quickly as we can, and give it to them as of the same date the other Government employees in the blue-collar class got their pay increase in the Bay area and throughout the Nation.

Mr. GUBSER. Mr. Chairman, would the gentleman yield?

Mr. SHELLEY. I yield to my colleague.

Mr. GUBSER. I thought it might be of interest at this time to point out that as of today the National Advisory Committee has announced that this wage board increase will go into effect as of June 16 which means that the time between December 10 and June 16 is stolen from the employees.

Mr. SHELLEY. That is exactly the point. The gentleman's amendment makes it retroactive to the date of the finding, and instead of taking away that to which these employees are entitled we are only doing that which justice requires.

I wonder how we, as Members of Congress, can justify our action if we deny these people their just wages, which have been set under a system Congress itself has ordered in the Classification Act and in other legislation. As a matter of fact, if the NACA employees do not get this raise until the June 16th date now set, we will be accessories with the Bureau of the Budget and NACA in taking $525,000 right out of the pockets of the rightful owners. We will be collaborating with the administration in a typically deceitful example of the way in which they practice a false "economy"—by denying the wage earner the dollars he has earned and crying "inflation" if he demands them, and at the same time contributing to real inflation by extravagant spending elsewhere and by policies encouraging big business to reap fantastic profits through higher and higher price levels.

The 6 months' pay which my colleague from California [Mr. GUBSER] and I have pointed out is being withheld from these employees does not represent the full amount of their loss by any means. The 8 cents to 39 cents per hour wage increases ordered by the wage board in December of last year for NACA blue-collar employees would only serve to bring their wages up to the level prevailing in private industry in the area before that time. The level has gone up still further since, and these people under the law will not get their next increase until the wage board conducts another lengthy survey sometime in the distant future, and they will not even get it then unless we take action now to adopt the amendment, and by doing so make it clear that Congress meant what it said when it ordered that prevailing wages be paid. The 1956 survey was instituted in August and it was not until December that wage increases were ordered. So that the system penalized all per diem employees affected to the extent of 4 months' wages right in the beginning. My contention is that the law should be changed to spell out very clearly that blue-collar employees are to get a raise from shortly after the time a survey begins and not at some dim date when the agencies concerned get around to putting it into effect. Every day of delay is taking just that much money from the workers' earnings, and we will be capping the climax today if we refuse to give the 640 wage board employees at Ames Laboratory, as well as other NACA employees, the money that is rightfully theirs.

Mr. Chairman, I am taking so vigorous a position on this matter not because I do not respect and understand the sincerity of the distinguished gentleman from Texas [Mr. THOMAS], who is chairman of the Independent Offices Subcommittee, but because I have felt very strongly for a long time that we have here a situation that must be corrected, not only as it affects NACA people but Government blue-collar workers everywhere. In fact, it is because of my high regard for the gentleman from Texas [Mr. THOMAS] that I do not want to see him make this mistake. I have a bill before the Committee on Post Office and Civil Service now, H. R. 3090, which sets a mandatory effective date for wage increases ordered by a wage board. If my bill were enacted, we would not be faced with a situation of this kind today, and I certainly hope that this debate will do something to move the committee to act.

I have a file of letters in my hand from employees at the Ames Laboratory, including a petition signed by practically every employee, which were written back in March and which point out how strongly these people felt then at having already lost about 3 months' pay at a rate of $10 per week or more in some cases. They will be perfectly justified in venting their indignation on us if we perpetuate their losses and increase them by failing to approve the Gubser amendment. Over 30,000 of their fellow workers in similar jobs in the San Francisco Bay area got the same increases in December for which these people are still waiting and for which the committee's proposal will make them wait until June 16. Let each of us imagine how we would feel in that position before we cast our vote on the pending amendment.

In conclusion I want to quote from one of the letters from an NACA employee at Ames Laboratory. He says:

> We are proud and desirous to work for the NACA, and the caliber and devotion of employees in this essential branch of the public service is the highest and finest I have personally known. But, sir, our families must be cared for, payments for housing, car, and necessities of daily living must be made, and our wages keep falling lower and lower below the level of those in private industry. We are constantly being enticed to leave the employ of Ames by offers of higher earnings, greater fringe benefits, and so forth, to be found daily in newspaper advertisements and word-of-mouth reports. Unfortunately, many valuable employees have already been lost, and others are leaving regularly.

That, I think, states very simply the nub of this whole problem and it shows clearly that not only the self-interest of the employees is involved but the interest of the Government and the country as well. I, therefore, urge that the Committee adopt the Gubser amendment.

The CHAIRMAN. The gentleman from Texas [Mr. THOMAS] is recognized for 5 minutes to close the debate.

Mr. THOMAS. Mr. Chairman, there is no disposition, of course, on the part of the committee or any member thereof to deny to anybody any increase to which they are entitled. This matter came up in the committee, and I think the Bureau

of the Budget was correct in its determination of the matter. The Bureau of the Budget told the National Advisory Committee for Aeronautics to absorb that pay increase and, frankly, I think it can absorb it.

This committee has, in the 10 years that I have served on it, nourished the NACA and has encouraged it to grow. It now has about 8,235 appropriated jobs. There are vacancies, unfilled jobs, in the number of some three or four hundred.

The Bureau of the Budget merely told the NACA to go ahead and absorb that increase which is about five or six hundred thousand dollars. It could do that very, very easily. As a matter of fact, it has an appropriation for this year for salaries and expenses of in the neighborhood of $75 million. To absorb that slight pay increase would be a very simple thing to do.

At any time in the National Advisory Committee for Aeronautics in its three big institutions in Cleveland, Ohio, in California and in Virginia, there will be vacancies in three or four hundred jobs. I think the truth of the matter is that today they have as many as 500 unfilled jobs. So there is no disposition on the part of the committee or of the Bureau of the Budget to do anything to delay the payment of this increase. It is due under the law, and they are going to get it. The NACA certainly can absorb it.

Mr. SHELLEY. Mr. Chairman, would the gentleman yield?

Mr. THOMAS. I yield to the gentleman from California.

Mr. SHELLEY. Will the gentleman admit that even though the employees get it, they will still be getting it 6 months short of the time at which they are entitled to it?

Mr. THOMAS. I do not think that for a minute.

Mr. GUBSER. Mr. Chairman, would the gentleman yield?

Mr. THOMAS. I yield to the gentleman from California.

Mr. GUBSER. In a conversation with the NACA this morning, as I stated previously, it was announced that this pay raise would be effective June 16, which I think proves conclusively the statement made by my colleague, the gentleman from California [Mr. SHELLEY], that they will lose 6 months' pay to which they are entitled.

Mr. THOMAS. That evidence was not presented to the committee. I do not think the Bureau of the Budget is going to permit anybody to be robbed of their just and due payments. They certainly have the money and they can absorb this amount, less than half a million dollars, out of an appropriation of some $76 million. My guess is they will pay it. It ought to be paid.

Mr. Chairman, this matter was thoroughly considered by the Bureau of the Budget. It was considered by the committee. As a matter of fact, there was not even a budget estimate submitted to the committee for this item.

Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The question was taken; and on a division (demanded by Mr. GUBSER) there were—ayes 19, noes 42.

So the amendment was rejected.

Mr. BOLAND. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BOLAND: On page 5, after line 14, insert:

"HOUSING AND HOME FINANCE AGENCY

"*Federal Flood Indemnity Administration*

"Payment for Flood Indemnity Operations

"For payment of compensation for services rendered by private organiaztions and persons pursuant to section 13 (a) of the Federal Flood Insurance Act of 1956 (70 Stat. 1078), for services and facilities of the Federal Reserve banks and public agencies as authorized by section 13 (b) of said act, and for payment into the disaster insurance fund in accordance with the provisions of section 7 (a) of said act, $14 million, to remain available until expended."

Mr. THOMAS. Mr. Chairman, I reserve a point of order against the amendment until I have an opportunity to look it over.

Mr. BOLAND. Mr. Chairman, the Federal Flood Indemnity Administration requested $50 million by supplemental appropriation. My amendment provides a sum of $14 million. This sum will make possible the purchase of $3 billion of insurance for the protection of property exposed to the hazards of floods.

BUDGET ITEMS

The $50 million recommended by Federal Flood Indemnity Administration comprised 2 major items: First, $36 million for the Federal portion of the subsidized premium to be paid into a loss reserve fund—disaster insurance fund—which may or may not be drawn upon to pay losses. This amount, if needed, can be borrowed from the Treasury as provided in the act. In addition to this contribution to the loss reserve, it is anticipated that $54 million representing premium income from policyholders will also be paid into the loss reserve fund.

Second, $14 million, for operating the insurance program, which amount includes commissions for agents and brokers for producing the business; expenses of the insurance carriers for issuing and servicing policies, underwriting, accounting and statistical work on behalf of the Government, and expenses to be paid loss adjusters for their services in handling settlement of claims.

My amendment preserves the $14 million.

SERVICES AND FACILITIES AT COST

The services of experienced and trained personnel in the industry and the use of their facilities have been made available to the Federal Flood Indemnity Administration on a cost basis; that is, with no element of profit, administrative overhead, or expenses normally incident to the operation of their businesses.

READY TO OPERATE

The indemnity program is ready to be put into operation and fiduciary agreements are being mailed to several thousand fire and casualty insurance companies throughout the Nation. After continuous consultation with the insurance industry various documents essential to the proper operation of the program, including the insurance application, the contract, rates, underwriting rules and regulations, loss adjustment procedures, accounting and statistical rules, and other forms have now been completed.

WORKABILITY

The indemnity program has thus been developed by the FFIA staff with the advice and assistance of the best insurance brains available in the Government and private insurance industry. All are of the opinion that the program developed is workable, urgently needed, and will make the benefits of self-protection available at reasonable rates.

Arrangements made with the insurance industry eliminate the need for the FFIA to organize a large staff, recruit, develop, and train personnel and employ a large group of claim adjusters, whose time would not be fully utilized as their services would be needed only when and if losses occur.

MARKETABLE RATES

For the major classes of risks, net rates will range from $1 to $2.50 per $100 of coverage on an 80 percent coinsurance basis. Within this range, the rates will be different in various parts of the country depending upon considerations of flood frequency and flood damage.

From available data, a separate set of rates has been established for each major river basin in the United States, and the more highly exposed areas along the Atlantic and gulf coasts. In addition, differentials have been fixed applicable to buildings only, buildings and contents or simply contents. A differential is applied between residential and commercial property, and between frame and nonframe construction. A classification—piers, wharves, and property over water—will carry a substantially higher rate. A rate differential is fixed between contents insured above and below the grade floor. Also, there is a minimum premium of $25.

These rates reflect varying degrees of exposure, and are marketable, as required by the Federal Flood Insurance Act.

These rates have been reviewed carefully by the industry, by the two Industry Advisory Committees and have their concurrence as to reasonableness and marketability. These rates are calculated to produce sufficient premium income to meet our budgeted requirements.

The rating system we have devised will, of course, be refined as we gain experience.

SAFEGUARDS

Certain safeguards are incorporated into the program to maintain proper balance between premium income and loss reserves.

These safeguards are as follows:

First. The amount of insurance which can be sold to any person or corporation is limited to $250,000 and $10,000 on a dwelling and its contents.

Second. Flood-indemnity contracts will contain a $500 deductible, plus 5 percent of the remainder of the loss. Moreover, most losses arising under these contracts will in all probability be partial losses; therefore, the total amount of insurance in force will not be the measure of the Government's liability.

Third. A spread will be obtained by selling flood-indemnity contracts nationwide. Since all exposed places will not have damaging floods at the same time, the fundamental principle of insurance will apply: namely, contributions of the many to pay for losses of the few.

CONCLUSION

There is considerable public demand nationwide for flood insurance, and a growing anxiety as to when it will become available. The flood-insurance program was authorized in the last session of the Congress on a bipartisan basis. The type of coverage proposed to be offered is not available in the private domestic insurance market. The Congress contemplated a 5-year experimental program in anticipation that with private insurance company participation it could be ultimately absorbed into the private market.

By means of this program, a measure of self-protection is available to the American people and, to the extent that it is used, it will tend to reduce the amount of direct Federal and State aid for relief, rehabilitation, and charity.

The administration has come up with a workable program, the program now before you. A failure to appropriate sufficient money to get the program started, of course, does not mean the death knell of this program, but it does mean this program will be delayed a considerable length of time. I hope that this amount will be voted by this House and by this Committee.

Mr. FORAND. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. FORAND. Mr. Chairman, I want to associate myself with the gentleman from Massachusetts on his amendment. I think there is merit to it. I believe it is about time we got this program off the ground. We have been working now since the hurricanes of 1955 trying to work up this flood-insurance bill. I know what we have is not perfect. I do not think anybody in this brief time can work up a perfect bill dealing with this problem. It is a very difficult problem, but I do realize, having lived through the floods as has my friend, and perhaps many other Members of the House, who have had the same experience—we have lived through it and we realize that something has to be done. If the Federal Government does not subsidize this type of program, then the Federal Government will be paying out a greater amount of money in relief to the people who are stricken.

Mr. BOLAND. The gentleman is absolutely right. I appreciate his remarks.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. EDMONDSON. Is it the feeling of the gentleman from Massachusetts that this program in any way supplants or takes the place of the reservoir program to control floods?

Mr. BOLAND. No, it does not take the place of that. I think it implements it and helps it along. I think the problem we face today is the implementation of the authorization act which we passed in the last session of the Congress. Let me disabuse your minds in relation to the insurance companies. I think the private insurance companies have done a magnificent job in cooperation with Federal Flood Indemnity Administration in bringing up a program that seems to be workable and feasible. There is no bonanza for the private insurance companies here. All of the money which will be paid to them as operating expenses will be paid on a cost-reimbursable basis. But, they think this is an opportunity to get the program started. The program itself, of course, will last only until the year 1961. There has to be a recommendation of the Federal Flood Administration by that year to indicate whether or not this program is to be continued. If it is a good program, they will continue it. If it is not, we will terminate it. If it is a good program, it might very well be that the private insurance companies will get into the program that will render at least some measure of protection to the small homeowner and to the small-business man who cannot get this insurance anywhere. Even though there may be some statements to the effect that it is available, it is not generally available. This kind of insurance is not generally available to people who live in areas that might be impacted by floods.

Mr. EDMONDSON. I can see the advantage of this program in that it would take care of flood damages in areas where reservoirs could not in any way meet the problem. I am very pleased to help the gentleman on his amendment.

Mr. BOLAND. I thank the gentleman very much.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mrs. ROGERS of Masachusetts. I am heartily in favor of the gentleman's amendment. I think it is most vital to the areas where the flood protection has not really been more than started, for example, in the Merrimack Valley where I live and where it is vital for the people to have this protection, and because of the lack of the signing of the contracts between New Hampshire and Massachusetts.

Mr. BOLAND. I appreciate the gentlewoman's observations and also her concern for the people of the Merrimack Valley.

Mrs. ROGERS of Massachusetts. The gentleman has done a very fine job, I would like to say.

The CHAIRMAN. Does the gentleman from Texas withdraw the point of order?

Mr. THOMAS. No, Mr. Chairman, we do not withdraw the point of order; but we are trying to look into it further.

The CHAIRMAN. Does the gentleman further reserve the point of order?

Mr. THOMAS. Yes; we reserve the point of order.

Mr. BOLAND. Mr. Chairman, I ask unanimous consent that the gentleman from Rhode Island [Mr. FOGARTY] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. FOGARTY. Mr. Chairman, I rise in support of the amendment. Almost a year has elapsed since the Congress passed authorizing legislation to provide for a system of insurance against flood loss. Now just at the time when the system is to be finally put into effect we are faced with a move by the so-called economy bloc to kill the legislation by withholding funds necessary for its operation. That in a nutshell is the ultimate effect of the committee's action on this item. Once more we see the pattern, which has been so obviously apparent in several of the appropriation bills that have previously been before us, of eliminating beneficial legislation by the simple expedient of refusing to appropriate funds for effective administration of the law's provisions.

How soon we forget. How short our memories of the horrible devastation attending flood disasters—devastation which has an unfortunate habit of concentrating on the little fellow. For it is the little man who is particularly at the mercy of flood damage—the small-home owner and the small-business man. In my State of Rhode Island I know of instances where homeowners, in limited financial circumstances, have lost their property by water damage and yet are faced with paying off the mortgage which survives as a grim reminder of their personal tragedy. Again, I have had the experience of knowing small-business men whose credit became so impaired by flood loss that they were unable to resume operations again. To extend a helping hand to persons such as these, to spread a protective mantle assuring them against repetition of the crippling blow of floodwaters is, in my opinion, a charge which this representative body is morally bound to meet. It is certainly a duty which we owe to citizens in all communities throughout the country. I do not intend to be critical when I say that many times we can be so concerned over the welfare of people in other lands and with problems in areas outside our jurisdiction that we unwittingly neglect the welfare of the people of the United States.

Think back to the situation as it existed just 10 months ago. One of the finest accomplishments of the last session of Congress was the passage of this country's first flood insurance program. Because of the dire need, because of the terrible impact of flood losses on our homeowners and small-business men as graphically proved before the standing committees, both branches of Congress quickly passed the necessary legislation and it was promptly signed by the President. Our action then had the end result of offering a ray of hope—a possibility of some economic protection—to those of our citizens who live and earn their livelihood in the flood areas.

And we must remember that these people, typical of whom are the residents of my own State of Rhode Island, have never been looking for a handout. It is not the nature of people in my part of the country, nor for that matter is it the nature of Americans generally, to be content with the mere hope that in the

event of disaster the Government will furnish relief. It is rather their nature to try to sustain their economic position through insurance against loss by paying a fair and reasonable rate for insurance protection. But what can they do when such insurance is not available through private enterprise? Now that it is apparent that private insurance companies cannot underwrite either flood or natural disaster insurance, the responsibility falls on the Federal Government to meet the need of its people by embarking on a program of its own. And in carrying out this responsibility it should not be so doing with the thought of profit in mind. Rather than hoping to make a profit the Government should think solely of its obligation to promote the general welfare of its people.

The administrator of the Flood Insurance Agency, Frank J. Meistrell, has stated that the present denial of funds would effectively block the start of the insurance program. He has however indicated that should approval be given to the $14 million provided for by this amendment he would at least be able to get the program into operation. That amount is absolutely necessary, according to the administrator, in order to cover the expenses of the private insurance industry in writing policies and adjusting claims.

Such, then, is the situation. As far as I am concerned it falls simply into a matter of being either for the flood insurance program or against it. Those who vote for the pending amendment are voting to extend to the American people that assistance which private industry cannot offer but which is so vital to their economic well-being. At the risk of being repetitious I again say let each of us stand and be counted. If we sincerely believe that the Federal Government has a responsibility to promote the general welfare, if we desire to support the recommendation of the President of the United States, and if we intend to stand behind the will of both branches of the Congress as expressed in the authorizing legislation, then the way to effectively combine all three is to vote for the pending amendment.

Mr. PHILBIN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, it would be a grievous, shortsighted omission on the part of the House not to implement the flood-insurance measure adopted by the Congress last year.

The pending amendment, which seeks merely an outlay of $14 million to put this vital program into operation, will enable the agency to go forward with ready plans to make flood insurance available.

There is nothing revolutionary about this program. It aims to protect flood-stricken people against the ravages of torrential visitations of nature which periodically throughout the country leave a sorry, tragic trail of death and desolation in their wake. One day it may be New England and the eastern seaboard, as was the case just a short while ago when a succession of fierce, tropical hurricanes poured torrents of destruction and devastation, suffering, misery, and loss of life and property over broad areas. Another day it may be in the South, or the Middle West, the Mountain States, the west coast, or the great Southwest, where just recently in the great State of Texas long-continued storms ravaged the countryside with death and disaster.

It would seem hardly necessary to have to argue the responsibility of the Federal Government to intervene with relief, reconstruction, and protection against future recurrence as well as that can be accomplished following the impact of these tremendously powerful and devastating storms. Time and time again, this Congress and this Government has moved, ofttimes with great dispatch and expeditions, to aid and assist afflicted people, communities, States, and areas. It is to our credit that existing laws not only authorize, but have set up very sizable funds to combat natural disasters and to provide flood-control projects designed to prevent, or at least to minimize, the occurrence in the time to come, of the great damage and suffering caused by ravaging floodwaters that sweep with ruthless destructiveness through settled communities and farmlands and many other places spreading catastrophe and ruin.

Congress has, to be sure, left some gaps in the overall program to cope with floods and natural disasters and some additional legislation is needed that I will not detail at this time.

It will suffice for me to state that flood insurance is a vital, urgent need, an essential, integral part of any worthwhile program to deal with the effects of major floods.

The funds sought by this amendment are modest and reasonable. But they will permit a start to be made on this necessary program so important to perhaps millions of Americans who may be from time to time tragically beset by swirling torrents of water inundating their lands, destroying their homes, and leaving their communities in a shambles of ruin and destruction.

It is not economy, my friends, to save a few million dollars at the expense of the pitiable, as yet, unidentified victims of future flood disasters. On the contrary, mindful of our duty and responsibility to the people, as we always are in the House, we are constrained to provide in a true spirit of humaneness for the terrible contingencies of fate that from time to time leave so many of our fellow citizens prostrated and helpless against the fury of nature.

Let us adopt this amendment and thus round out another imperative bulwark of our overall flood-control program. I urge your favorable consideration of this fine proposal and trust it will be adopted by the House.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. PHILBIN. I yield.

Mr. SEELY-BROWN. I wish to join in the statement and associate myself with the fine remarks made by my upstream colleague.

Mr. PHILBIN. I thank the gentleman very much. He is always very helpful.

Mr. LANE. Mr. Chairman, will the gentleman yield?

Mr. PHILBIN. I yield.

Mr. LANE. Mr. Chairman, I also support the amendment to add $14 million to this program, and associate myself with the gentleman who is now addressing the House, and also the gentleman who offered this amendment. Both of them have put in much time and effort on this flood control problem as far as Massachusetts is concerned. I know of no men who have put in so much work on this problem. They should be congratulated, and I join with them in support of this amendment.

Mr. PHILBIN. I thank the gentleman very much.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. PHILBIN. I yield.

Mr. MORANO. I wish to compliment the gentleman on the fine statement he is making on this amendment, and I am supporting the amendment offered by the gentleman from Massachusetts [Mr. BOLAND].

Mr. PHILBIN. I appreciate the gentleman's statement. He is always very helpful.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Does the gentleman from Texas still reserve the point of order?

Mr. THOMAS. Mr. Chairman, I withdraw the point of order.

Mr. MARTIN. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I do not want the membership to think that this amendment is purely a New England matter just because so many New Englanders are advocating it. In 1955 the people of this country were shocked by the floods that occurred not only in New England and upper New York State, but also in Texas, Oklahoma, California, North Carolina, Florida, and many other parts of the country. As a result of these disasters the President visited personally many of these places and reached the conclusion that the country should give the people some protection against disasters of this character.

It is impossible to secure any private insurance company to undertake the task, because there is now no experience to warrant or justify their taking the risk. The President has recommended this program as a substitute for the need of large relief appropriations, and the last Congress endorsed the proposal.

This amendment is here because of the advocacy and endorsement by the President, the administration, and by the bureau that would be in charge of the administration of the legislation.

I think we should adopt this amendment and appropriate the $14 million so that we may have an opportunity of ascertaining whether it is feasible. It is hoped that this experiment will not be too expensive, and that after a few years it will be possible to write such insurance policies in the regular normal way. We should certainly aid a program that would make it possible for the people of America to protect themselves from disasters. You and I know how we felt when we saw homes washed away, business enterprises destroyed, people's life savings and futures wiped out. We were all sympathetic but that helps very little

a ruined man. I hope this amendment will be adopted; that we will appropriate the $14 million so that the insurance companies can go ahead and determine definitely whether such insurance is practical.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent that all debate on this paragraph be limited to 22 minutes, the last 7 to be reserved to the committee.

Mr. CANNON. Mr. Chairman, reserving the right to object, I ask to be recognized for 5 minutes right now.

Mr. THOMAS. Mr. Chairman, I amend my request to make it 27 minutes, 5 minutes to be allotted to the chairman of the committee and 7 minutes to the committee itself.

Mr. BARDEN. Mr. Chairman, reserving the right to object, I just had the State of Massachusetts throw a block at me. Am I to be allowed 5 minutes?

Mr. THOMAS. Mr. Chairman, I further amend my request to make it 32 minutes, the additional 5 minutes to be given to the gentleman from North Carolina [Mr. BARDEN].

Mr. CANFIELD. Mr. Chairman, reserving the right to object, may I ask how many are standing requesting time?

The CHAIRMAN. Fourteen.

Mr. CANFIELD. The time requested was 30 minutes?

The CHAIRMAN. Thirty-five minutes, as the Chair understood the request. Is there objection to the request of the gentleman from Texas?

Mr. CANFIELD. Mr. Chairman, further reserving the right to object, what was the request for time on the part of the committee itself?

The CHAIRMAN. The Chair was going to state that. As the Chair understands it, the gentleman from Texas asks unanimous consent that debate on this amendment and all amendments thereto be concluded in 35 minutes, the last 7 minutes to be reserved to the committee, 5 minutes of the time for the Chairman of the Committee on Appropriations and 5 minutes for the gentleman from North Carolina [Mr. BARDEN].

Mr. THOMAS. May I correct that. 5 minutes to the chairman of the full committee and 5 minutes to the gentleman from North Carolina. Mr. Chairman, I modify the request and ask unanimous consent that the time be fixed at 40 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. TABER. Mr. Chairman, reserving the right to object, that means about 2 minutes apiece?

The CHAIRMAN. Yes; with the exception of the gentleman from Texas, the gentleman from North Carolina, and the gentleman from Missouri. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. BARDEN].

Mr. BARDEN. Mr. Chairman, I want the Members of the House to know that I am not interested in launching into a general Government-insurance program. I think this is an opportunity for us to do some very, very valuable research work. It is something which the Government is in a position to do and the private insurance people are not in a position to do. We do not have any history of the operation of this type of insurance that the insurance people feel would justify their entering into and offering to the general public insurance policies against losses which we seek to cover.

I remember the debate on this authorization bill, which many of you do. This is not a matter that affects one State or one small area. It reaches from Florida to Maine, including Massachusetts, Connecticut, and all points between. These disasters have resulted in destruction up and down the coast to an extent that it was most difficult for the people to even make a start to recover.

The policy of this Government has been to assist the people in distressed areas and certain other areas that were visited by such disasters as hurricanes. This cost the Government a tremendous amount of money—up into the hundreds of millions of dollars.

Mr. Chairman, in my opinion, it is the better part of wisdom for us to put this into operation in order to work out a practical setup so that the insurance companies will take it and go on.

Originally $50 million was proposed. I would not vote for $50 million, because I do not think at this time an appropriation of that size would be justified. I do not think I would vote for even half that much.

I do think that $14 million will permit the program to get in operation to the extent that we can then have a practical operating program to offer.

Now, this is not a new idea, the fact that the Government seeks to do research work. And, that is exactly what this is. There is no need to attempt to arouse emotions about the horrors of a hurricane. I think we all understand it. Heaven knows I do. I had to swim out of one at 12 o'clock at night, and I was not the only one swimming. Now, I know that this bill is not going to stop hurricanes, and you do, too, but I do say that where the people are willing to pay for the protection, as the American people are willing, if the program can be presented, a method for them to do so should be provided, and that is all I advocate. They are willing to pay the insurance premiums. What they are anxious for is a program whereby they can get protection.

I remember when the President went to Connecticut, and he did just as any of us would have done. That big heart of his said to the Chief of Engineers "Spend what money is necessary and take care of these people." They spent much more than this amendment covers in that particular area. I do not object to that. They needed it; they needed more than that up and down the coast. But, let us see if we cannot design and offer to the people a little bit better program than to say "Wait, and when it hits, then come to Congress" or send for the President, and let everybody guess at it. I think we should do something better than make just a broad guess of that kind.

Mr. Chairman, I hope the amendment will be accepted.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. CANFIELD].

Mr. BATES. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Massachusetts.

Mr. BATES. Mr. Chairman, I am in support of this amendment for the reasons enunciated by the gentleman from North Carolina [Mr. BARDEN].

After the floods which New England experienced in recent years, the insurance deficiency for such purposes was dramatically called to our attention. The question of providing for such disasters was directed toward the possibility of coinsurance or reinsurance by the Federal Government. Efforts in this area finally culminated in the enactment of the Federal Flood Insurance Act of 1956.

It is readily agreed that this field of endeavor is new and necessarily experimental. There is, however, a great need, and if this amendment is adopted and a program inaugurated, we will have an opportunity to determine its feasibility and its reception.

While it might appear that this assistance by the Federal Government might be expensive, this judgment must be weighed in recognition of the fact that the Congress has repeatedly appropriated funds for disaster areas. Unquestionably, it will continue to do so. If this program is successfully implemented, the beneficiaries will make their own contributions and the Government will not be required to pay the entire bill.

There is only one way to explore this problem and that is to adopt this amendment and put the plan into effect. I urge its adoption.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. Mr. Chairman, I rise in support of the amendment.

The Federal Flood Insurance Act which the amendment implements was enacted into law last July in the light of unprecedented floods in the cities and towns of New England in 1955, and in the light of disastrous floods in California and elsewhere.

It was enacted into law because the problem is national in scope and not confined to any one State or group of States, and because insurance against flood damage with private insurance companies is practically unobtainable at this time.

It was enacted to enable the people of the country to pool their risks and to meet losses from a common fund.

It was enacted to substitute insurance for emergency relief and charity.

The Federal Flood Indemnity Administration tells us that the program before us has been developed with the advice and assistance of the best insurance ability available in the Government and in the private insurance industry.

It tells us that all concerned are of the opinion that the program is a workable

program, urgently needed, which will make the benefits of self-protection available to homeowners and small-business men.

It adds that it is prepared to enter into contracts with several thousand insurance carriers to act as fiduciary agents for the Government, and national claims adjustment organizations for the settlement of losses under indemnity contracts.

It tells us that it cannot conclude these contracts and begin operations under the act unless and until the funds carried by this amendment are made available for expenses to be incurred.

Mr. Chairman, the President of the United States is desirous of seeing the program put into effect.

The original budget request of $50 million is reduced in the pending amendment to $14 million.

To defeat the amendment is to kill or at best to defer the desired program for an indefinite period of time.

I believe the program should be given a fair trial. I hope the amendment will be adopted.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Massachusetts.

Mr. HESELTON. Mr. Chairman, I, too, support this amendment. The argument just made by the gentleman from North Carolina [Mr. BARDEN] is powerfully persuasive of the necessity of carrying out the provisions of the law adopted by a decisive vote in the House. The President's recommendations are fully justified and should be supported by all who voted for this law and who want to attack constructively the tragic problem of enormous losses suffered by those who are the victims of these disasters. Those who wish to repeal this law should try to do so directly.

Mr. Chairman, I ask unanimous consent that the balance of my time be yielded to the gentleman from New Jersey [Mr. CANFIELD].

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PATTERSON. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Connecticut.

Mr. PATTERSON. Mr. Chairman, I, too, am in favor of this amendment and for the very same reasons the gentleman from North Carolina is supporting it.

I regret that the appropriations on independent offices did not approve a supplemental appropriation request of the Federal Flood Indemnity Administration, and that that agency will be unable to issue flood insurance policies for lack of essential operating funds. Enactment of the Federal Flood Insurance Act of 1956 was one of the proudest achievements of the 84th Congress. It would be an extraordinary neglect of legislative responsibility, to say the least, if we failed to appropriate funds to make this law operative.

In the 1955 floods, the Fifth District of Connecticut suffered damages estimated in excess of $100 million. Untold suffering was caused thousands of families and the businessmen and workers of the Naugatuck Valley who were completely without protection from this form of disaster.

With many of our colleagues in the House, I introduced flood insurance legislation as early as January 3, 1956. I supported and fought for the legislation that was subsequently enacted. This law must be made operative, and the flood indemnity program must be given a thorough trial to afford our people some measure of protection against recurring floods.

In Connecticut we are exerting every effort to install flood preventive works before the next storm strikes. But the hard fact we must not forget is that no flood protective works are ever 100 percent effective, and floods can and do occur somewhere in this country every season of the year.

Flood losses this year are already in excess of the damage caused in 1956, and we await the arrival of the hurricane season with great misgivings. Few sections of the country are completely secure from flood disaster, and it would be wrong to deny so many of our people the protection afforded by the flood indemnity program.

I have personally inquired into the steps which are being taken by the Federal Flood Indemnity Administration to make this program operative. With little experience to guide them, I believe Commissioner Frank J. Meistrell and his aids have formulated a workable program which can be put into effect as soon as operating funds are made available.

Under this program, any person can buy a Government contract on his home, farm or business property, up to prescribed amounts, at rates which may be from $1 to $2.50 per $100 of coverage. The flood indemnity contracts will be sold and serviced by the private insurance industry which up to this time has been unable to make this form of protection generally available to the people.

I can think of no more economical way to operate this program than by using the personnel and facilities of the insurance industry, now in being, on an actual cost basis. This is what the industry has agreed to and it is convincing proof of their desire to make this unique experiment in insurance a real success.

If that can be demonstrated—that flood insurance can be sold on an economic basis—the whole program can be taken over by the insurance companies, and the Government will be relieved of the costs and risks involved. There is, consequently, a limit on the length of time the Congress will have to appropriate funds for this program.

The people of my district, particularly homeowners and businessmen of modest means, need and want flood insurance. Their need is shared by thousands of people who live and work along the great river systems of our country, and the exposed coastal areas of the Atlantic Ocean and the Gulf of Mexico. It is my earnest plea that the Committee of the Whole House on the State of the Union will recognize the urgency of this need and grant the appropriation for flood insurance.

Mr. CANFIELD. Mr. Chairman, there is one thing that the Boland amendment is not. The Boland amendment is not a device to provide some degree of aid for some foreign project. The Boland amendment providing for $14 million to begin this flood insurance program is for Americans; Americans who down through the years have been suffering from the ravages of floods. It is not to build dams and it is not to build power projects in nations abroad. It is for our own people in our own 48 States.

I rise this afternoon, Mr. Chairman, to take issue with the action of my committee, the House Committee on Appropriations, in reporting the bill today without 1 cent to carry out the provisions of the law approved last year. The bill was passed by this House by a two-thirds vote and passed by a voice vote in the other body, later to be signed by the President. I do not think it is fair, considering the fact that the House Committee on Banking and Currency held weeks of hearings on this bill, for our committee today to say in effect, "We have reviewed the bill, we have gone over the law, we have held hearings, and we hold that you cannot have any money to implement this program." In other words, the House Committee on Appropriations is in effect exercising a veto over a bill enacted into law by the 84th Congress.

I was a sponsor and advocate of the Federal flood insurance bill in the last Congress. My State of New Jersey had suffered from the same disastrous floods which had ravaged the eastern seaboard and I had been convinced that some better form of assistance and protection was required by our people. Flood insurance was the best answer devised by the Congress.

The insurance industry is fully supporting this program. The services of the experienced men and women of this industry and the use of its facilities have been made available to our Government on an actual cost basis. Imagine what it would cost the Government to try to duplicate these services on its own account. It just could not be done.

Mr. Chairman, we cannot provide this protection to the people of Texas and Louisiana who are now suffering from devastating floods. They must continue to depend upon public relief and the help of such fine agencies as the Red Cross. But we can make this insurance available to the people in all of the valleys of our country and along our exposed coastlines who may be the next victims of flood disasters.

Mr. Chairman, I have had prepared the following memorandum in support of this program:

The Federal Flood Indemnity Administration has requested $50 million by supplemental appropriation. This sum will make possible the purchase of $3 billion of insurance for the protection of property exposed to the hazards of floods.

BUDGET ITEMS

The $50 million comprises two major items: Thirty-six million dollars for the Federal portion of the subsidized premium to be paid into a loss reserve fund (disaster-insurance fund), which may or may not be drawn upon to pay losses. This amount, if needed, can be borrowed from the Treasury as provided in the act. In addition to this contribution to the loss reserve, it is anticipated that $54 million, representing premium income from policyholders, will also be paid into the loss reserve fund.

Approximately $14 million projected under the Boland amendment, for operating the insurance program, which amount includes commissions for agents and brokers for producing the business—expenses of the insurance carriers for issuing and servicing policies, underwriting, accounting and statistical work on behalf of the Government, and expenses to be paid loss adjusters for their services in handling settlement of claims.

SERVICES AND FACILITIES AT COST

The services of experienced and trained personnel in the industry and the use of their facilities have been made available to the Federal Flood Indemnity Administration on a cost basis—that is, with no element of profit, administrative overhead, or expenses normally incident to the operation of their businesses.

READY TO OPERATE

The indemnity program is ready to be put into operation and fiduciary agreements are being mailed to several thousand fire and casualty insurance companies throughout the Nation. After continuous consultation with the insurance industry, various documents essential to the proper operation of the program, including the insurance application, the contract, rates, underwriting rules and regulations, loss-adjustment procedures, accounting and statistical rules, and other forms, have now been completed.

WORKABILITY

The indemnity program has thus been developed by the FFIA staff with the advice and assistance of the best insurance brains available in the Government and private insurance industry. All are of the opinion that the program developed is workable, urgently needed, and will make the benefits of self-protection available at reasonable rates.

Arrangements made with the insurance industry eliminate the need for the FFIA to organize a large staff, recruit, develop, and train personnel, and employ a large group of claim adjusters, whose time would not be fully utilized, as their services would be needed only when and if losses occur.

MARKETABLE RATES

For the major classes of risks, net rates will range from $1 to $2.50 per $100 of coverage, on an 80-percent coinsurance basis. Within this range, the rates will be different in various parts of the country, depending upon considerations of flood frequency and flood damage.

From available data, a separate set of rates has been established for each major river basin in the United States, and the more highly exposed areas along the Atlantic and gulf coasts. In addition, differentials have been fixed applicable to buildings only, buildings and contents or simply contents. A differential is applied between residential and commercial property, and between frame and nonframe construction. A classification—piers, wharves, and property over water—will carry a substantially higher rate. A rate differential is fixed between contents insured above and below the grade floor. Also, there is a minimum premium of $25.

These rates reflect varying degrees of exposure, and are marketable, as required by the Federal Flood Insurance Act.

These rates have been reviewed carefully by the industry, by the two industry advisory committees and have their concurrence as to reasonableness, and marketability. These rates are calculated to produce sufficient premium income to meet our budgeted requirements.

The rating system we have devised will, of course, be refined as we gain experience.

SAFEGUARDS

Certain safeguards are incorporated into the program to maintain proper balance between premium income and loss reserves.

These safeguards are as follows:

1. The amount of insurance which can be sold to any person or corporation is limited to $250,000 and $10,000 on a dwelling and its contents.

2. Flood indemnity contracts will contain a $500 deductible, plus 5 percent of the remainder of the loss. Moreover, most losses arising under these contracts will in all probability be partial losses; therefore, the total amount of insurance in force will not be the measure of the Government's liability.

3. A spread will be obtained by selling flood indemnity contracts nationwide. Since all exposed places will not have damaging floods at the same time, the fundamental principle of insurance will apply; namely, contributions of the many to pay for losses of the few.

CONCLUSION

There is considerable public demand nationwide for flood insurance, and a growing anxiety as to when it will become available. The flood insurance program was authorized in the last session of the Congress on a bipartisan basis. The type of coverage proposed to be offered is not available in the private domestic insurance market. The Congress contemplated a 5-year experimental program in anticipation that with private insurance company participation it could be ultimately absorbed into the private market.

By means of this program, a measure of self-protection is available to the American people and, to the extent that it is used, it will tend to reduce the amount of direct Federal and State aid for relief, rehabilitation, and charity.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. CURTIN].

Mr. CURTIN. Mr. Chairman, this is my first appearance in the well of the House, and I am fully appreciative of the high honor involved in addressing this august assembly.

I appear before you today in support of the amendment to include $14 million to implement the Federal flood indemnity insurance program. The committee has seen fit to delete the $50 million budget estimate from this supplemental appropriation bill on the ground that the proposal for flood indemnity that has been presented to the committee is too indefinite and costly.

However, I come from a district which over the years has suffered severely from floodwaters and which last suffered from raging waters in 1955, just as many other districts suffered from the hurricane-caused damage of that year. Our people living in the path of these floodwaters suffered tremendous and complete losses, due to their inability to protect themselves adequately by privately financed insurance. In anticipation of such damage, because floods are not unknown in my district, many of them had tried to secure insurance protection before the last flood, but gentlemen and gentlewomen, private insurance is just not now available for protection from flood damage and rising water.

I am heartily in favor of the economy actions of the House so far this session and feel strongly that we should practice all economies that can be effected without jeopardizing necessary governmental functions. However, when one has seen self-reliant and industrious citizens, who are the victims of floods, standing in line to secure food and to secure clothing and have visited their homes in which all of their belongings have been either washed away or completely ruined and the houses either washed from their foundations or torn apart, and when it is further known that these people have tried to protect themselves, but have been unable to do so, then some sort of help is essential. These people do not want charity; they merely want the opportunity to purchase insurance.

The Federal Flood Indemnity Administration is charged with the responsibility of administering the Federal Flood Insurance Act of 1956. This act provides for the establishment of three programs designed to protect people from flood losses—the first is a direct insurance program, the second a reinsurance program, and the third is a loan-contract program. As I understand it, the money here requested is for the direct insurance program.

I feel that under these circumstances our Government is under an obligation to assist people in helping themselves, to implement this direct insurance program so that they can purchase flood insurance. For this reason, I heartily support the amendment of the honorable gentleman from Massachusetts.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. MOSS].

Mr. MOSS. Mr. Chairman, the distinguished minority leader stated that this was not a matter of interest only to New England. I think it has been abundantly demonstrated that this is a matter of interest to every section of the United States.

I have heard no one contend that there is a lack either of need or desirability for a program of flood insurance. We have been told that we should adopt, as a so-called substitute, a program of studied procrastination, in the hope, and I think rather a vain hope, that some better program might eventually be offered.

The fact is that a good program has been offered. It will take the test of time and experience to tell us how good or how adequate it is. But be certain of this, if we fail to obtain the Boland amendment there will be no program and no progress. This is an entirely new field, one where we must test the willingness of private insurance carriers to work cooperatively with the Government to develop a program of the type which the American people demand and for which they have a crying need.

My district in the period of about 2 months, in December of 1955 and January of 1956, suffered tremendous losses from floodwaters, damage which as of this moment is not fully repaired. It is always a shocking thing to see one's property destroyed, but there is an added feeling of hopelessness when the flood victim is unable to figure a means of replenishing or rebuilding that which was destroyed.

I urge support of this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, I am taking this time because I believe the Members of the House ought to have put before them what they are voting for.

We have before us at this time a proposal to start the ball rolling on the flood-insurance proposition. The $14 million will give life to the administrative expenses in paying the fees of the people who solicit the insurance and the companies that handle the placing of it, and the other expenses incidental to it. But that opens wide the gate. Let me say to you that the law permits the borrowing of $500 million a year and more if the President shall so direct, up to a total in 6 years of $2 billion, so that you are opening the door wide for $5 billion of expenditures in the nature of borrowings out of the Treasury.

To my mind, that is a terrific program. It is one on which we ought not to embark with no more than we have been able to get so far in the nature of a program from the administration. They were given $500,000 to work with. They have so far spent about $150,000 of that and have a little over $300,000 left. Why can we not do what the committee suggests, have them try to work out some kind of a square-toed program and submit it, with the rest of the money they have available, instead of embarking on this $5 billion program?

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. BOLAND].

Mr. GREEN of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. GREEN of Pennsylvania. Mr. Chairman, I join with my many colleagues in support of this amendment. This is a matter that the people of Pennsylvania and particularly the Governor of the great Commonwealth George M. Leader, who has displayed great leadership in this fight.

Pennsylvania was hit hard by the recent floods. Just to mention two sections that were hardest hit, Bucks County, New Hope, Newtown where there was considerable damage, and the Pocono's, Scranton, Stroudsburg where much damage and considerable loss of life occurred.

We must never lose sight of the fact that when one suffers we all suffer.

I had the honor of being appointed on the flood-insurance committee appointed by Governor Leader and serving on that committee under its able chairman, Bradford Smith, Jr., and the very capable insurance commissioner, former Member of this body, Francis R. Smith.

I would like to read the report of our committee sent to the Governor on April 13, 1957:

APRIL 17, 1957.

Hon. GEORGE M. LEADER,
Governor of the Commonwealth of Pennsylvania, Harrisburg, Pa.

MY DEAR GOVERNOR: This is the second report of your flood committee (first report August 2, 1956). It is made following a meeting of your committee as a whole in Philadelphia, April 15, 1957. Mindful of your desire to explore the possibilities of working out a program of insurance to be underwritten by the private insurance industry, the committee first addressed itself to this possibility. However, it soon became abundantly clear that the vast majority of the private insurance companies believe that specific flood insurance, covering fixed location properties in areas subject to recurrent floods, cannot feasibly be written as a private venture. On the other hand, the private insurance industry asserted its willingness to cooperate with Government in this area on a nonprofit basis. Your committee applauds the offer of the insurance industry to serve its Government without profit and also recognizes the offer as a proffer of proof of the sincerity of its beliefs concerning the feasibility of flood insurance and as evidence of its keen desire not to be found wanting in its efforts to meet the public's needs.

Your committee next turned its attention to exploratory studies made by the Department of Forests and Waters under Secretary Maurice K. Goddard. As previously reported, these studies were limited to the Susquehanna River Basin because of the vast amount of detail involved and more importantly, because all of the necessary data was not available for the other river basins. Consideration of the data produced by these studies led the committee to believe that it showed promise of being useful as a basis for making flood insurance rates designed to reflect the measure of hazard in the several river basins, cities, towns, and even individual risks. However, the development of such a detailed system, designed to measure the hazard for each individual risk or even small groups of risks, would, we believe, become too costly to justify its use. A broader pattern of rates by zones or rather large areas seems much more feasible. We did not pursue these studies further because the enactment of the Federal Flood Insurance Act made them academic except to the extent that they may be used in assessing the cost to Pennsylvania and its citizens for the benefits of the Federal program.

Meanwhile, your committee has studied the numerous discussions and debates leading up to the enactment by the Federal legislature of its Flood Insurance Act of 1956, Public Law 1016. In so doing, it has become impressed with the seriousness of the problem and its many facets. Indeed the complications are such as to make it difficult to avoid overlooking some basic factors which may eventually be recognized as facts, although they are not provable at this juncture. For example, there is excellent reason to believe that even though a system of indemnity is available, only a few will buy, with the result that the Commonwealth will have the same social problem on its hands with nothing to alleviate it but the doubtful comfort of being able to chide the victims for not having purchased the available indemnity. Then there are such considerations as the following, which are quoted from a staff study made for the Committee on Banking and Currency of the United States Senate, and included in arguments against a Federal indemnity plan. They are:

1. Actuarial premiums are discouragingly high.

2. Without them, Federal subsidies are involved.

3. Those building in known flood-risk areas have probably paid little for the land.

4. Uniform charges would unwisely encourage use of floodable land.

5. Voluntary insurance would be plagued by adverse selection.

6. Excluding high-risk areas denies benefits where needed; including them induces a high premium or an unfairly distributed premium.

The foregoing is but a sample of the complexities of the problem. The more consideration we gave it, the more convinced we became of the importance of a statement made by Maj. Gen. E. C. Itschner, Assistant Chief of Engineers for Civil Works. It was made during his testimony before the Committee on Banking and Currency and appears on page 16 of the hearings before the committee. "Flood insurance is not a substitute for flood-remedial works. Flood control is positive, in that it preserves human life, reduces direct and indirect flood losses, abates the suffering, distress, and many tangible damages resulting from floods, makes possible flood-plain development for industrial and other uses, and contributes toward the development of multiple-purpose resource improvements—in other words, projects which not only take care of floods, but develop the resource for navigation, water supply, irrigation, power, and so on.

"Insurance on the other hand does not obviate or reduce damages done by floods, but only distributes the cost of flood damage over a larger number of people than actually suffer flood losses in a given time. Moreover, insurance would not provide compensation for the large indirect and secondary losses, such as losses of wages and profits from interruption of business in commercial enterprises. Compensation would be further reduced to the extent that limits are placed on the coverage of direct physical losses where basic deductible amounts are provided."

Thus your committee has reached these conclusions:

1. Private insurance in the sense of actuarially correct premiums to meet the losses is not feasible.

2. Pending more complete development of flood-remedial works, there is substantial reason to believe that the problem is essentially one of relief because of the probability that even a heavily subsidized program of insurance will fall far short of solving the problem of rehabilitating the victims.

3. Money spent for wise flood-remedial works will bring greater returns and greater economies than will the same money spent on insurance subsidies.

Regardless of the foregoing, your committee must also consider the position of the citizens of the Commonwealth in the light of the benefits of the Federal Flood Insurance Act, which are soon to be made available. The provisions of this act have been reviewed, together with a special report on its activation secured by your chairman in an interview with Commissioner Frank J. Meistrell of the Federal Flood Indemnity Administration. It is noted that in addition to bearing the cost of administration, which will be considerable, the Federal Government will also subsidize the actuarial cost of the program to the extent of 40 percent until June 1959, and 20 percent thereafter. It would, therefore, seem wise to make this program available to the citizens of our Commonwealth.

In order to be assured of participation in the program there are certain things to be done by the Commonwealth and by our local governments. First, the act provides that after June 30, 1958, no insurance, reinsurance, or loan contracts shall be issued in any geographical location unless an appropriate public body shall have adopted and shall keep in effect such flood zoning restrictions, if any, as may be deemed necessary by the Administrator to reduce within practical limits damages from floods in such location. As of this writing we are unable to forecast what flood zoning restrictions may be required by the Administrator, and indeed he has not as yet promulgated rules of this nature. Thus, we are not in a position to make specific zoning recommendations. Based on conversations with the Administrator, we are hopeful that this section of the act will be interpreted liberally and with consideration for those States and local governments making a sincere effort to comply. As a preliminary step, the Office of the Attorney General has informed the committee that legislation has been introduced in the general assembly to empower all municipalities to adopt flood-zoning regulations. Moreover, your committee is pleased to note that Pennsylvania is in a position of leadership in studying the flood plain zoning problem. The following quotation is taken from a recent speech by the secretary of forests and waters:

"As a result of discussions between State and Federal officials, a cooperative agreement has been signed by the Pennsylvania Department of Forests and Waters and the United States Geological Survey for a pilot research study concerning the flood-plain zoning problem. The study will be confined to the hydrologic aspects and will not include the actual formation of zoning ordinances. Our aim is to formulate a manual of techniques which will show those agencies responsible for preparing zoning ordinances how to evaluate and use available hydrologic data. I believe our study is the first such study to be started by the Geological Survey and I am pleased that Pennsylvania has the jump on the other States in this regard."

The second requirement of the act may be difficult to comply with. Public Law 1016 provides for a subsidy of 40 percent by the Federal Government on all insurance policies issued prior to July 1, 1959. On policies issued on or after that date, the subsidy will be divided equally by the Federal Government and the participating States. Participating States will make such contributions only on insurance policies issued by the Administrator on property within their own borders. On and after July 1, 1959, insurance policies will be issued only with respect to property in those States which participate. While we are informed that there is a strong movement on foot to eliminate that part of the act requiring participation by the States, and participation by the State is not required until June 1959, your committee urges that the attorney general study the question of what legislative or constitutional action may be necessary to enable Pennsylvania to participate by putting up its half of the subsidy.

Your committee makes these two additional recommendations:

1. The appointment of a working committee to cooperate with Federal Government officials in making the benefits of the act available to the citizens of Pennsylvania. We suggest that the committee be composed of officials from each of the departments of Government whose area of interest will be affected to the end that proper and desirable coordination will be realized at the State level. Since the majority of the problems have to do with insurance, it is further suggested that the commissioner of insurance is a logical choice for chairman of this committee.

2. That the Governor call a conference of mayors and local officials in Harrisburg for a discussion of the problem and to make plans for launching the program. It is suggested that the United States Senators and Members of the House of Representatives from Pennsylvania be especially invited to attend. Commissioner Frank J. Meistrell, of the Federal Flood Indemnity Administration has said that he would appear before such a meeting to explain the program.

Respectfully submitted,

BRADFORD SMITH, Jr.
WILLIAM J. GREEN, Jr.

I would now like to read a telegram received from Gov. George M. Leader, strongly urging and supporting this measure:

HARRISBURG, PA., *May 2, 1957.*

Hon. WILLIAM J. GREEN, Jr.,
House of Representatives, Washington, D. C.

A year ago I appointed a committee of distinguished Pennsylvanians to study the possibility of flood insurance. Recently that committee filed its second report with me.

Insurance Commissioner Francis R. Smith, a member of this committee, informs me that the House Appropriations Subcommittee recently rejected a request of the Federal Flood Indemnity Administration for $50 million with which to pay subsidies. The subcommittee voted only sufficient funds to keep the Federal flood indemnity program in being as a study group.

Since the full Appropriations Committee is slated to consider the supplemental money bill at this time, I strongly urge and recommend that the Pennsylvania delegation give this all-important matter their immediate and personal attention. This program should not be destroyed by a pennywise, pound-foolish philosophy. This, to say the least, is false economy at its worst.

GEORGE M. LEADER,
Governor of Commonwealth of Pennsylvania.

And my answer to Governor Leader:

WASHINGTON, D. C., *May 3, 1957.*

Hon. GEORGE M. LEADER,
Governor, Commonwealth of Pennsylvania, State Capitol, Harrisburg, Pa.:

The Committee on Appropriations reported out supplemental appropriation bill this morning. It carries only sufficient funds to keep Federal flood indemnity program in being as study group. Every effort will be made to amend bill to include $50 million for subsidies when the House takes up this bill on Tuesday.

WILLIAM J. GREEN, Jr.,
Member of Congress.

I hope the membership of this House will support this amendment.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. BARDEN. Mr. Chairman, I would like to make this statement. Many of us who are interested in the program conferred with the chairman of the subcommittee. I do not know when I have made a request of any chairman of a subcommittee who was more considerate. The members of the committee were most considerate. We have all approached this from the point of view of it being a very serious matter. I delight in the chairman's attitude on this floor. I like the way he transacts business. I appreciate his thoughts of economy. I do want to say this word, that this matter has been approached very cautiously and very carefully with the idea of trying to help solve this problem.

Mr. BOLAND. We all join with the gentleman in those sentiments.

Mr. DONOHUE. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. DONOHUE. Mr. Chairman, I rise in support of this amendment to provide a very reasonable amount of money to initiate the operation of the Federal flood insurance program that was authorized by this Congress in the last session.

At that time, when this body was most conscientiously concerned about the fantastic damage, not to mention the loss of life, caused by these too frequent natural disasters, we authorized the creation of a Federal flood insurance program and made practically a moral pledge to provide funds to carry out its operation.

In recognition of the terrible economic hardships that have been, are now, and will inevitably be again visited upon great numbers of American families and taxpayers, because of raging floods, and, in reliance upon the obvious intent of Congress, the President recommended an appropriation of $50 million to initiate the insurance program.

While it was admitted in previous discussions, and is admitted today, that there are indeed many difficulties in the way of creating a reasonable, workable program, these technical objections cannot sensibly justify the elimination of the program entirely.

Obviously, we will never find a commonsense and practical solution of this problem if we do not make a beginning.

It is recognized that private insurance companies cannot, at this time, undertake to assume these gigantic flood risks by themselves. However, it was reasonably expected and virtually promised that once a Government program had chartered the way, as has been done in a great many other instances of American progress, private companies would then participate in it and help to eventually work out an economically acceptable plan.

I earnestly believe that it would be an unfortunate mistake, both from the humane and economic standpoint, to let this program go by default.

It is true that all of us are determined to be as economical as we can in reducing the budget and eliminating unnecessary expenditures. Nevertheless, the fundamental basis of rigid economy is the balancing of the value received for the money spent. It seems to me, in the face of astronomical proposals for foreign assistance, that money appropriated to prevent heartsickening and soul-discouraging economic hardships from disrupting major numbers of American taxpayers and American communities by uncontrollable natural disasters is the best type of fundamentally sound economy and patriotically inspiring action.

The reduced and relatively small amount of $14 million suggested in this amendment is in keeping with our real desire to hold expenditures to a minimum and the promise of return to the American taxpayer, in spirit as well as in partial insurance reimbursement, guarantees this appropriation to be an essentially wise and sound investment. I earnestly hope this amendment will be approved as a first step in providing the American people with a reasonable and economic flood insurance program that is vitally needed.

Mr. BOLAND. Mr. Chairman, I take this time only because I recognize the fact that the final speaker on this amendment will be the very able and distinguished gentleman from Texas. And his persuasive and pleasing personality could very well sabotage and submarine this particular amendment. I do want to leave this thought with you, however. There is no danger of a $3 billion or $5 billion loss under this bill. The estimated average annual loss for the Federal Flood Indemnity Administration will be $90 million. Where do we get the $90 million? We get $36 million in direct Federal subsidy. Forty percent of the premiums that the insured pays will be paid by the Federal Government. This is no wonderment. Everybody who voted

for flood insurance last year knew of the situation.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. TABER. Is it not a fact that the Federal Government has to pay all of the losses?

Mr. BOLAND. That is the fact, but the fact also is that the losses will not occur to that extent all over the United States at any one particular time. I think commonsense dictates that answer.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. BONNER].

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield.

Mr. McCORMACK. I join with all my colleagues in supporting this amendment. It is a very important matter. It seems to me that a system of disaster insurance is of vital importance to the entire country, if we are ever going to have such a system, the Government must participate therein by taking the initiative and going through the experimental stages. I recognize my friend, the gentleman from Texas, is a very able debater. He must recognize the fact that the $14 million amendment offered by the gentleman from Massachusetts represents a $36 million reduction from the budget estimate. I hope the charm and eloquence of my friend from Texas will be resisted and that the amendment offered by the gentleman from Massachusetts will be adopted.

Mr. BONNER. Mr. Chairman, now that I am going to have a little say, I am delighted that the legislative committee, which I stated this morning, approved this program. The House has approved it. The other body has approved it. It is the law of the land. Here just a few distinguished men want to nullify the act. Able men have been called in to work out a program. The brains of the insurance business of America have been called in, and they have a program. Nobody can come here and say that there is not a program. This is a program. It is a trial program. It has not been proven, but if we will give it this opportunity, we hope it will prove successful. If it is not successful, then, we will know what to do with it. If it is successful, we will turn it over to private business. I hope the amendment is adopted.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SCUDDER].

Mr. SCUDDER. Mr. Chairman, I rise in support of the Boland amendment because I believe something must be done to cope with the flood conditions that we have periodically had in this country.

On Christmas Day 1955, I left Washington with a group of engineers for the Pacific coast to investigate the devastation that had been brought about through the flood conditions. The sight we witnessed was almost unbelievable, property destruction was terrific—losses ran into millions of dollars. I discussed the possibility of flood insurance with Gov. Val Peterson, the Administrator of FCDA at that time. I believe we should have some avenue by which we could combat such a situation.

I introduced one of the bills to provide for a cooperative plan to write flood insurance, feeling we could develop a plan where insurance companies and the Government could take care of this need. I am sorry that we did not come out with a better report, because I believe we can develop insurance that will be feasible and practical. This amendment calls for $14 million to start the program. It does not mean that we are setting up a charity program. I understand the minimum premium that has been so far developed calls for a premium of $10 per thousand. This would mean there would be a large premium income to the Federal agency. The experience could result in a reserve building up to a point where it would not be a liability. The success of such a venture would largely result from the proper management and type of policy issued.

If losses were small for 2 or 3 years we might have a surplus development and no further appropriations would be necessary. Also we will develop experience as the program operates.

I appreciate very much the remarks of my friend, Mr. CURTIN, in his statement regarding the necessity of this program, because I know they have suffered great losses in Pennsylvania as well as other parts of the United States. This program is experimental in a way, but it does not take much of a flood to make one realize we have a definite problem, if we do not come up with a reasonable insurance plan, we are going to have to pay a lot more money for disaster relief.

The CHAIRMAN. The time of the gentleman has expired.

The gentleman from New York [Mr. OSTERTAG] is recognized.

Mr. OSTERTAG. Mr. Chairman, I am sure we all recognize that a year ago we enacted a law which was experimental by its very nature and in attempting to arrive at some means by which relief could be afforded flood-stricken peoples. This law was enacted or passed without a record vote and I am sure that considerable doubt existed at the time as to whether it was a sound and practical solution. But the question arises today as to whether or not this law can be implemented and can be made to achieve its purpose. I think we ought to realize that it is not a question at this moment of whether this amendment calls for $14 million or $140 million. The point remains that the moment this money is made available, the Federal flood indemnity administration is in business, and the moment they are in business the door is automatically open for unlimited borrowing and expenditure of funds, without the use of direct appropriations on the part of Congress. The committee in its wisdom recommended a continuation of the study. I should like to call attention to the fact that the testimony before our committee proved conclusively that they have not yet arrived at any conclusion with regard to rates. Two rating systems have been advanced, but none has yet been adopted.

Secondly, we must bear in mind that these flood-stricken areas of the past are only going to be protected to the degree that they participate in the insurance itself. Rates are estimated to range from $1 to $12 per $100 although it is very doubtful that it will rest within this area. And too, the administration is authorized to underwrite $3 billion in insurance and $2 billion more if approved by the President. There are certain limitations as to coverage; however, it is important to note that those who have been studying this matter have abandoned the programs or plans for reinsurance and loan contracts.

The direct plan calls for Federal support of 40 percent of premium cost although it is a certainty that the Federal Government will be responsible for all losses.

Insurance carriers throughout the country have refused to embark on such a monstrosity and we are a long way from a solution. This could cost the taxpayers billions and billions without any idea where the program is really headed. No insurance can be issued without zoning and the areas to be covered and the law also calls for State participation. If a State fails to agree to meet its share of the subsidy contribution, then no person or property in that State can be covered after June of 1959.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair recognizes the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT of Florida. Mr. Chairman, for a great number of years Florida has experienced problems of this type. I was very happy when I realized that substantial assistance was going to come from a broader base than we have had in the past in seeking an answer to this problem. The Congress has enacted this legislation after full debate. It came to the decision that legislation of this type should be enacted, and it seems to me it would be a backward step to turn back from this now.

The problem involves many States. No one State can solve it. Admittedly, private enterprise cannot solve it. The only question is whether private enterprise and the United States Government together can solve it. I feel the investment of Federal funds will be returned many times in the stability that will be given to home ownership and industries along the coast in places where floods of this type occur or may occur.

The CHAIRMAN. The gentleman from North Carolina [Mr. FOUNTAIN] is recognized.

Mr. FOUNTAIN. Mr. Chairman, I rise in support of the Boland amendment. I think the amendment has been pretty thoroughly discussed and I would not rise to speak at all except for the fact that I was a member of the legislative committee—the House Banking and Currency Committee—during the 2d session of the 84th Congress when the basic legislation authorizing flood disaster insurance was passed by a very substantial majority both in the committee and in the House. That committee studied this matter very carefully. It heard a number of witnesses from all over the country. Many of the witnesses were experts in the insurance field and representatives from insurance companies. All of the testimony taken showed conclusively that flood insurance against damage to real property is not now generally available

from either private or public sources. We recognized the great need for this kind of insurance protection, and yet it was not available.

As a result of our hearings, we on the House Banking and Currency Committee concluded that here was a case where the people had no opportunity to provide protection for themselves—thus presenting an opportunity for the Government to undertake a pilot program which might eventually lead to the assumption by private insurance companies of responsibility for covering the risks of damages from flood. We concluded that the only way we could find out whether or not the program would be practicable and workable was to try it. We realized that the Government would be blazing the trail, that it would be embarking upon an experimental program. However, a study of all the facts and circumstances convinced us that action of some kind needed to be taken.

Of one thing we can be certain. If the program is properly implemented with adequate funds, the Commissioner of Insurance must still make a continuous study of the feasibility of turning the entire flood-insurance program over to the private insurance industry. In his annual report for the year ending December 31, 1961, he must express his opinion as to the advisability of a continuation of this program. Apparently the Appropriations Committee does not agree with the action of the 84th Congress. It seems to me that we are presented with the simple question of whether or not we are going to support the position taken by the 84th Congress, which authorized flood disaster insurance, or the position taken by the House Appropriations Committee during this the first session of the 85th Congress in refusing to provide funds necessary to implement the proposed program.

I believe I prefer to back up the 84th Congress and the position which I took as a Member thereof when the basic legislation was passed.

If a pilot run or trial test of the program shows it unworkable or too expensive, it should then be repealed, it should not be killed in the manner proposed by the Appropriations Committee.

The CHAIRMAN. The gentleman from Louisiana [Mr. BROOKS] is recognized.

Mr. BROOKS of Louisiana. Mr. Chairman, I rise in support of this amendment. I know it is experimental, I know it is just a beginning, and I know it is not a program that will take the place of a flood-control program, but I think it is worth a trial, and this will give us the trial.

In my own State at the present time we are in the throes of a serious flood. My State today is carrying the water of other States, channeling them through our State on the way to the Gulf of Mexico. My State is carrying the waters of the States of Arkansas, Oklahoma, Texas, and Colorado, carrying them down to the sea, piling them up into the waters of the gulf; and on the way down those waters are spreading out over the landscape, inundating the farms, destroying cattle, destroying property, and creating heavy damage.

It is going to take time and effort on the part of our people to repair the damage that is now being done by the floodwaters of other States that are coming through our own State of Louisiana.

I know, Mr. Chairman, that this program of insurance will not take the place of flood-control work; we are still going to have to have flood-control levees, we are going to have to have channel improvements, we are going to have to have reservoirs for the impounding of the floodwaters of other States that come down to us, but still I think the program is worth a trial and that we should support the amendment.

The CHAIRMAN. The gentleman from Missouri [Mr. CANNON] is recognized for 5 minutes.

Mr. CANNON. Mr. Chairman, of all the unjustifiable amendments that could be offered this is the most unjustifiable.

The United States is loaded with insurance people. There are insurance companies everywhere. There are insurance underwriters and insurance agents all over the country. Their advertisements are in every newspaper and magazine. Their dodgers are in every doorway and every mail that comes in brings their circulars. They will insure you or anything you have—your house, your dog, your car, your wife, or your glass eye. They will insure you against anything you might suggest—fire, hail, tornado, or twins.

They will insure you against anything in the world, except one thing. They positively will not insure you against floods. You cannot get flood insurance anywhere or under any circumstances. That is the one single exception.

Why is it that with all the multiplicity of insurance companies, so aggressive—so eager for business—they draw the line at flood insurance?

The answer is very simple. There is no money in it. But there is in it the absolute certainty of loss—high, inevitable losses. There is no alternative.

So the insurance companies will generously turn over to Uncle Sam all the losses. Uncle Sam is the goat. He holds the bag.

But who is Uncle Sam? Why, Uncle Sam is the taxpayer. Of course. Load the losses on the taxpayers. It is an old game.

That is what this amendment means. That is what this amendment does. That is what you are voting on here. Call the roll and see who is voting to shift this outrageous billion dollar burden on the already overloaded shoulders of the taxpayers.

But this amendment goes deeper than that. It strikes at another fundamental principle with which the Members of the House are much concerned.

Every Member who has spoken here today in favor of his amendment—all who are waiting impatiently for the roll-call—have shouted themselves hoarse decrying Government in business. They are fundamental believers in private initiative, in private enterprise, in taking the Government out of competition with private business.

But suddenly, and inconsistently, they have reversed themselves and they are now hot to put the Government in business—the insurance business. Gone and forgotten is the horror and dismay they have so frequently and so vociferously expressed at the idea of the Government in a profit-making business in competition with private industry.

Much has been said here about experiment and research. It is a fine mouth-filling word—"research." But this is not research. It is not an experiment. We tried this out before the Second World War.

As a member of the Subcommittee on Agriculture I reported out a crop-insurance bill years ago and we kept it and tried it out for 4 years. The reason it failed—with huge losses to the Government—was that farmers who knew their land would be inundated 4 years out of 5 would plow a little and sow a little and then let the water take it. They made more money out of the Government insurance than they made the best crop years they had on their upland where the overflow could not reach them. Of course they never insured those crops. It was only down where inundation was certain that they applied for policies. And Uncle Sam lost plenty. Just as Uncle Sam and the taxpayer will lose plenty here.

Everybody knows when and where the flood will hit. And everyone knows what areas are safe from flood. They will insure on the flood plane and they certainly will not insure where there is no danger. The insured cannot fail to win in a game like that. And Uncle Sam and the taxpayer cannot fail to lose. No game with loaded dice and a marked deck was ever a surer shot than that.

Someone mentioned charity. This is the precise word—"charity." They say houses are swept away and women and children endangered. This bill will not save a single house or a single woman or child. We will still have the floods. The only difference is that Uncle Sam and the taxpayers will supply charity. Let us keep Uncle Sam out of the charity racket. Let us keep Uncle Sam out of the insurance business. Let us keep the Government out of competition with private business. Let us stop these crazy appropriations and lower taxes.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. THOMAS].

Mr. THOMAS. Mr. Chairman, let me reason with the House for 2 or 3 minutes. I am in the same boat and maybe more recently than my friends from the New England States and from the Carolinas, because my country is flooded today. But, it is not the first time. It has been flooded hundreds of times before today, and I am sure that it will be flooded many more times in the future.

I regret that I find myself in opposition to my genial and lovable friend from Massachusetts, our colleague [Mr. BOLAND]. But, if we pass the Boland amendment for $14 million, you have put the Government in business, and as far as I am concerned, we ought to go on and do what we should do, perhaps, and increase the amount to $50 million or $100 million. The Bureau of the Budget's first whack at it was $100 million for this year. Did you know that? Then they reduced it to $50 million, and now

my friend from Massachusetts wants to let the camel get its nose under the tent for $14 million. For what? He does not even include the administrative costs for the Government in that, and you will be back 30 days later for an additional appropriation.

Now, this pays the insurance companies for doing what? For the very same thing that they have said for 100 years that they decline to do, "We have declined to go into this business because it is a losing business, and we want no part of it as far as the loss is concerned, but you pay our companies a fee"—and that is what the $14 million is for, and that will not even be a starter for them—"and we will do it for you. You pay the bill. You pay it—the taxpayers."

Now, why should we, the taxpayers, embark on a program after 100 years that these insurance companies have failed and refused to do? Why? For just one good reason. We talk about private enterprise. That is private enterprise. They say it will not work. They say "We can't stop the floods by legislation." And, when we have floods, we are going to have damage.

Now, there is $325,000 available to the Housing and Home Finance Agency to try to work out a program. Let them have that $325,000 and let them keep on working and see if they can come up with something. If they do not come up with something better than this, Lord help us all.

Here we are trying to save a few dollars. Here we are trying to get the Government out of business on the one hand, and on the other hand we push them head over heels into business. Poor old Uncle. And, what is it going to cost him? What is it going to cost all of us? If you can tell from this bill, the way it is written, I frankly admit you are much better than I am, and, frankly, I will not brag too much about you on that. I have worked recently on it to find out how much it will cost.

Now, listen to me, and if you have the bill before you, please follow it. Section 7 (a) says that the commissioner shall set rates for premiums that will pay the Government all losses. Did you know that? The man who gets the benefit is going to pay for it, so the act says. Yet, you go away down below, section 15 (e) of the act, and it says that the commissioner can run over to the Secretary of the Treasury and bypass the Congress and get $500 million. Five hundred million dollars—is that all? Read the act, section 15 (e).

"Plus"—get the "plus"—"any other amount of money that the President may authorize."

So it is unlimited. But I must be frank with you. The act is very ambiguous.

One section says that the amount of insurance that can be outstanding at any one time is a small, paltry sum of $5 billion. So I presume that any good administrator would limit the amount of Treasury borrowing to a cool $5 billion. And how often? Every 12 months. Five billion dollars every 12 months. Now, think about it.

And this is no new program. This committee and the House have studied this problem several times, the last time when we had a terrible flood in the Missouri Valley, which flooded out Kansas City. The property of all of our friends was washed away and they suffered terrible damage in the millions of dollars. The distinguished gentleman from Arkansas [Mr. NORRELL], and his committee, made a fine study of that. That was back in 1951. And they made a very able report.

May I read you just a part of that report? They had all the big insurance people present. I shall not name them here, but they are named in the report. And they said, "No, gentlemen, excuse us; we have been in this business for 100 years, but we do not want any part of it. It will not work." That was 1951. I suppose it might work now in 1957. But let us read what this report said:

In their testimony these witnesses discussed the following problems and difficulties which the committee is convinced must be resolved before any flood insurance program such as is proposed here could be carried on successfully.

Property insurance of any kind is based upon the principle that the contributions of the many take care of the losses of the few. The reason why insurance companies have not been able to write insurance to protect property owners from flood damage throughout the country is that experience has indicated that flood insurance is sought only by those who are exposed to floods. Consequently, it is not possible to spread the risk sufficiently to avoid such high premiums, if the program is to be self-sustaining, that a property owner in the danger area would prefer to take his own risk.

The average annual losses from flood damage in the United States have been estimated anywhere from $100 to $500 million, depending upon the definition of flood damage. The estimated property loss in the Kansas-Missouri flood is $2½ billion or about equal to the total value of the free assets of the stock insurance companies which write property insurance in this country. Losses of these proportions immediately raise the question of the adequacy of the $50 million requested—or even $500 million.

In other words, this flood cost $2½ billion. Think of that. Suppose this act had been in effect then. Suppose $2 billion was covered—well, let us suppose $1 billion was covered. Under the premiums of $3 a hundred they would have collected $150 million and you would have a deficit in the Treasury of this country of $900 million for that one flood.

Mr. Chairman, this amendment ought to be voted down. Let them spend the $325,000 that they have for further study. That is the sensible thing to do. The taxpayers of the country cannot stand this right now.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. BOLAND].

The question was taken; and on a division (demanded by Mr. BOLAND) there were—ayes 86, noes 127.

Mr. BOLAND. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. BOLAND and Mr. THOMAS.

The Committee again divided; and the tellers reported that there were—ayes 97, noes 127.

So the amendment was rejected.

The Clerk read as follows:

VETERANS' ADMINISTRATION

Inpatient care

Notwithstanding the last proviso under this head in the Independent Offices Appropriation Act, 1957, inpatient care and treatment may be furnished to an average of 140,100 beneficiaries during the current fiscal year without any proportionate reduction in expenditures.

Mr. HOLIFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the Committee of the Whole House has refused to adopt an amendment which would put the Government into the insurance business. I take this time to announce that very shortly you will have before you a bill to really put the Government into the indemnity insurance business on atomic reactors. Each one of these reactors will obligate the Federal Government to indemnify against accident to the tune of $500 million at a total premium of $18,000 or $36 per million dollars. One reactor, $500 million; 10 reactors, $5 billion; 100 reactors, $50 billion. I just take this time to call the attention of the membership to the fact that you will really get the chance to put the Government into the insurance business.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. GROSS. Are we going to have the same indemnity for these reactors that go to foreign countries?

Mr. HOLIFIELD. Yes, that will come later. That is not in the bill that I am referring to, but that will be the next request—to indemnify against any casualty or liability for human life and loss of property with reference to reactors which are built and exported. That will be the next request.

Mr. ROONEY Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. ROONEY. Can the gentleman inform the Members where these ideas originate?

Mr. HOLIFIELD. They originate in different committees and with different people. I am going to be against this particular excursion into the multi-billion-dollar insurance business, but I am going to be pretty lonely. I am going to be pretty lonely. No, no; you fellows will all get your orders and you will walk down the aisle. You will get your orders.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. HAYS of Ohio. As I understand, the private power companies will get the Government technical know-how and they will be allowed to make a profit, but if there is any damage or any loss, the Government gets the privilege of paying for the damage or the loss.

Mr. HOLIFIELD. That is when we get ready to pay $500 million in damages and the insurance companies will pay up to $50 million in damages.

For the $50 million the private insurance companies will charge $250,000 premium for a certain type of reactor, but when the Government takes the $500 million indemnity in addition to that, the insured will pay $18,000 for the $500 million.

Mr. GROSS. I hope the gentleman will also be against building reactors in foreign countries.

Mr. HOLIFIELD. That is right.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. JOHANSEN. I would like the record to show that I am not giving or taking any orders.

Mr. HOLIFIELD. I will wait and see how the gentleman votes. I am sure the gentleman is independent and will vote as he sees fit, but this will be thoroughly discussed and you will be surprised how many arguments will be raised to put the Government into the insurance business, not up to its knees but up to its eyes.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. COLE. Mr. Chairman, I move to strike out the last word.

In view of the fact that the gentleman from California [Mr. HOLIFIELD] has raised the red flag in the minds of those who are now thinking about Federal activities in the insurance business, I take this time only to assure you that what he says is not entirely correct. I will not undertake to explain the purpose or the terms of the atomic reactor indemnity bill, because this is not the time or the place for it. I only ask that you do not close your minds at this moment and be swayed by the impetuous appeal that has been made by the gentleman from California [Mr. HOLIFIELD]. I think it is not disclosure of confidential information to say, that while he did oppose the bill last year, he was the only Member who was opposed to the bill. This year he did not resist reporting out the bill, although he undoubtedly is still against it.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Contributions to international organizations

For an addition amount for contributions to international organizations, $4,169,409, of which $3,333,000 shall be available for payment to the United Nations as contributions for the United Nations Emergency Force.

Mr. GROSS. Mr. Chairman, I offer an amendment which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 11, line 24, strike out "$4,169,409" and insert "$172,809."

Mr. GROSS. Mr. Chairman, this amendment would strike out $3,333,000 as the United States contribution to the United Nations for the support of the so-called police force, plus $666,600 for the U. N. working fund, I believe it is called, of the United Nations, for a total of $3,999,600.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman yield?

Mr. GROSS. I yield to my friend from New York.

Mr. ROONEY. Was the gentleman's remaining figure $172,809?

Mr. GROSS. That would seem like the figure, yes, $172,809.

Mr. ROONEY. I think the gentleman is inaccurate in his mathematics. If he were to take away the $3,333,000 and the $666,600, the balance would be $169,809.

Mr. GROSS. That is close enough, that is closer than the United Nations ever comes to making a contribution to anything it ever starts.

Now for the benefit of those who were not here earlier——

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Not at this point.

For the benefit of those who were not here earlier this afternoon, I want to point out that we have already, as a result of this Middle East fiasco, put in approximately $12 million in supplies for the so-called police force, for air transportation, and cleaning out the Suez Canal.

I cannot find it of record anywhere that any other country has put up one thin dime, including Russia, to the support of this so-called police force. I am sure Britain and France have not if the hearings before the subcommitee are to be believed; the British, the French, and the Russians, nobody has put any money into this fund for the support of the United Nations police force in the Middle East except the United States.

As far as the working capital fund is concerned, I do not know what it is for, and the hearings are very incomplete and inadequate as to what this $666,600 would be used for. Perhaps it will be explained on the floor, but I do not find that anyone else knows how that contribution would be used.

I say to you that it is time we called a halt to this business of some foreign countries sitting in New York in the General Assembly of the United Nations or over in New Delhi, India, increasing the contributions that the taxpayers of the United States of America are called upon to pay to the United Nations and its various subsidiary organizations.

As for this police force, I am very much intrigued by the fact that a substantial number of Members of the House not so long ago turned thumbs down on a move to invite Tito to address the House of Representatives, or at least told the President they wanted no part of any invitation to Tito. But it appears to be perfectly all right to use American tax dollars to support Yugoslav troops in the United Nations police force. You know they are doing that; or do you? Why draw a bead on Tito and still equip and support his troops as though the peace and freedom of the world depended upon them?

It is time to call a halt to this, and I have offered this amendment to knock out the $3,333,000 in outright support for the United Nations police force and cut out $666,600 for the so-called working capital fund of the United Nations.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. HOSMER. Some money will be left. What will that be used for?

Mr. GROSS. That I do not know. It is labeled contributions to international organizations. I will give them that $169,000 or $172,000 and feel that we are getting out of this one with most of our hides if my amendment is adopted.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes, the time to be allotted to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Chairman, the pending amendment in the form in which it has been drawn appears utterly ridiculous. The amendment of the gentleman from Iowa, if adopted, would insert the following:

For an additional amount for "Contributions to international organizations," $172,809, of which $3,333,000 shall be available for payment to the United Nations as contributions to the United Nations emergency force.

You see what happens when these hastily drawn amendments are offered here on the floor in the Committee of the Whole.

With regard to the advance to the working capital fund of the U. N. of $666,600, that does not exactly represent an expenditure at all. It would result in our obtaining a credit of that amount against our future contributions to the United Nations. This is explained at page 272 of the committee hearings:

An amount of $666,600, approximately 9 percent of the total requested, is required as an advance by the United States to the United Nations working capital fund. This amount represents the United States percentage share, 33.33 percent, of an additional $2 million to raise the level of the fund from $20 million to $22 million. This increase in the working capital of the organization is deemed necessary and urgent because past experience shows that during certain months the cash position of the organization is so low as to endanger its fiscal stability.

The United States, for instance, does not pay its contribution until July, 6 months after the fiscal period of the United Nations has begun. This factor in conjunction with a higher budget level and increasing emergency expenditures necessitated the $2 million increase.

This now brings us to the $3,333,000 contribution to the UNEF, the United Nations emergency force, the U. N. military group which is now stationed in the Middle East. The money which the amendment of the gentleman from Iowa seeks to delete is the United States share of a total fund to be contributed to by 72 nations of the world. Our share of this U. N. fund amounts to $3,333,000, or one-third of $10 million.

The question is very, very simple. Are we going to expend $3,333,000 to keep our American boys and our American troops at their present locations? That is it in a nutshell.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Iowa.

Mr. GROSS. How much have the other nations contributed?

Mr. ROONEY. Probably no nation has contributed as yet.

Mr. GROSS. Of course not.

Mr. ROONEY. You will find a statement——

Mr. GROSS. I will give you the page number if you want it.

Mr. ROONEY. There is testimony at page 274 of these hearings with regard to the $5.5 million voluntary fund for UNEF in which the State Department said—and this is your State Department, your Secretary Dulles, your Secretary as well as mine—that in the United Nations subject to congressional approval it was "our intention to make such a contribution." This was with regard to the $3,250,000 which the committee recommended should be paid out of the President's fund. As to the UNEF contribution of $3,333,000 which the gentleman seeks to delete from the bill, this is a levy, a one-third contribution, to be paid by the United States of America as its share of United Nations costs.

Mr. GROSS. First of all, do not try to wrap the Secretary of State around my neck. I have disowned him long ago.

Mr. ROONEY. Excuse me.

Mr. GROSS. And in the second place, let me say to the gentleman that the $666,600 is over and above any 33½ percent.

Mr. ROONEY. Not exactly. In the future the American contribution to the U. N. will be reduced by that $666,600. That is all this amounts to.

The proposed pending amendment is an irresponsible and dangerous one. If this amendment were to be adopted here today, it would be an indication to the troops of the U. N. nations now in the Middle East that we are not interested in them or what they are doing there.

I do not see how any reasonable person could interpret the adoption of this amendment in any other wise.

I trust that the membership in its wisdom will promptly vote down the pending amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. GROSS].

The amendment was rejected.

The Clerk read as follows:

TRAVEL LIMITATION

The limitation on expenses for travel on official business under the Architect of the Capitol contained in the Legislative Branch Appropriation Act, 1957, is hereby increased by $4,500.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do so for the purpose of inquiring whether there is money tucked away in this bill some place for the further construction of buildings, such as the New House Office Building here on the Capitol Grounds. I wonder if someone could give me some information about that.

Mr. NORRELL. No. No part of the money in this bill is authorized for that purpose.

Mr. GROSS. Can the gentleman tell me what has been done about the remodeling of the Old House Office Building?

Mr. NORRELL. This is just salaries, and that is all.

Mr. GROSS. What about the remodeling of the two House Office Buildings? Was that under discussion at the hearings?

Mr. NORRELL. No part of the money in this bill is to be used for work done on the Capitol or any other building around here.

Mr. GROSS. I thank the gentleman. My curiosity was aroused when I saw the size of the hole now being dug to bury $65 million or at least part of that amount. I did not know what size hole it would take to bury that much money.

Mr. NORRELL. There was a small amount of money allowed for the wage board. We simply allowed that to be put in the bill, and that is all.

Mr. GROSS. I thank the gentleman.

The Clerk concluded the reading of the bill.

Mr. BAILEY. Mr. Chairman, I ask unanimous consent that we return in the bill to the item on page 4, line 5, to which I had previously offered an amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

Mr. PRESTON. Mr. Chairman, reserving the right to object, it is quite irregular to go back to a chapter we have already acted on; but in the light of the circumstances in this case, fairness impels me not to object.

The gentleman from West Virginia [Mr. BAILEY] offered an amendment earlier to this bill; without any advance notice that the amendment was to be offered, the committee had no opportunity to ascertain what the law was on the subject and the point of order was made against the amendment on the ground that the Tariff Commission did not have authority to make investigations abroad. Upon inquiry by the Chair of the gentleman from West Virginia as to what authority he could cite, the gentleman from West Virginia at the moment could not cite authority and the Chair had no alternative but to sustain the point of order on this as well as other grounds. Since that time the gentleman from West Virginia has established that the law does permit such an investigation overseas and he is now seeking to revert to that chapter in order to offer a different amendment not subject to a point of order. In view of these circumstances and in the interest of fairness, I shall not object. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Chairman, I appreciate the comments of the distinguished gentleman from Georgia [Mr. PRESTON]. I am only seeking for fair play and the opportunity to offer this amendment. Will the Chair instruct the Clerk to report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BAILEY: Page 4, line 5, strike out "$25,000" and insert "$50,000. Of this amount the sum of $25,000 is to be used to make necessary investigations abroad to determine the wage levels, costs of production and working conditions on articles imported from abroad to assist the Commission in processing claims for injury by domestic producers under section 7 of the Reciprocal Trade Agreements Act."

Mr. BAILEY. Mr. Chairman, I think I owe it to my colleagues in the House to make clear to them that the Tariff Commission does have authority to make investigations abroad and I shall take a part of the time allotted to me in support of this amendment to read section 704 of the basic Tariff Act of 1916. It reads as follows:

That the commission shall have power to investigate the tariff relations between the United States and foreign countries, commercial treaties, preferential provisions, economic alliances, the effect of export bounties and preferential transportation rates, the volume of importations compared with domestic production and consumption, and conditions, causes, and effects relating to competition of foreign industries with those of the United States, including dumping and cost of production.

So it is clearly evident that the Tariff Commission does have authority to make these investigations abroad. For the benefit of my colleagues who were not on the floor earlier at the time I offered the amendment, I will say that I reminded my colleagues who were then on the floor that I had just returned from an appearance before the Tariff Commission in support of a case now pending by the United States Association of Clothespin Producers.

Mr. OSTERTAG. Mr. Chairman, would the gentleman yield?

Mr. BAILEY. I yield to the gentleman from New York.

Mr. OSTERTAG. I just wanted to inquire whether the gentleman's amendment directs the Tariff Commission to investigate any specific commodity or product in foreign lands.

Mr. BAILEY. Is not the language broad enough?

Mr. OSTERTAG. It does not specify any particular commodity; is that correct?

Mr. BAILEY. It gives them a pretty free hand if they are in competition with American products. I thought it necessary to write into the record of the Tariff Commission a situation which I feel no Member of the Congress of the United States wants to tolerate any longer. I wrote into the record of the Tariff Commission, facts substantiated by the American Ambassador at Copenhagen to the effect that 1 of the 2 large Danish export companies exporting Danish-made clothespins into the United States did not own a clothespin factory. They were buying their clothespins that were made in the prisons of Denmark and shipping them into the United States under the provisions of the Reciprocal Trade Agreements Act. They even supplied me with the fact that the highest wage being paid in those prisons as a result of this work was 52 cents a day. I do not think a single Member of this House wants a situation like that to continue because if it is being done in the case of clothespins it can be done and is being done in the case of practically every other article that can be imported into this country.

Let me talk to the textile people of the South. Do you not think the Tariff Commission ought to know something about the 9- and 11-cent wage rates in the textile industry in Japan and the conditions under which they are producing those textiles in competition with American products?

Mr. Chairman, I am simply pleading for justice. We do not want the wage standards and living conditions of our American workingmen competing with prison labor on products produced abroad under the reciprocal-trade agreements. Take it and do what you want with it.

Mr. PRESTON. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PRESTON. Mr. Chairman, the gentleman from West Virginia is concerned about commodities being imported into this country made in prisons abroad. He is seeking to get $25,000 for the Tariff Commission to look into a matter that is already prohibited by law. I refer the gentleman from West Virginia to the United States Code, title XIX, section 1307, which reads as follows:

All goods, wares, articles, and merchandise mined, produced, or manufactured wholly or in part in any foreign country by convict labor or/and forced labor or/and indentured labor under penal sanctions shall not be entitled to entry at any of the ports of the United States, and the importation thereof is hereby prohibited, and the Secretary of the Treasury is authorized and directed to prescribe such regulations as may be necessary for the enforcement of this provision.

It is not even the function of the Tariff Commission to deal with this matter; it is the function of the Bureau of Customs to deal with it.

As far as the wages paid in Japan for the manufacture of textiles is concerned, that information is already available in the Bureau of Foreign Commerce in the Commerce Department. So he has made no case whatsoever to the House for this $25,000 to be placed in the hands of the Tariff Commission to carry on investigations abroad. I submit that the House should defeat this amendment until a better case can be made.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from West Virginia.

Mr. BAILEY. Wherein has the Tariff Act of 1916, that contains the section I have read, been amended to remove from the Tariff Commission that authority vested in it at the time the Commission was set up?

Mr. PRESTON. They have authority to investigate abroad. I have conceded that earlier. But why investigate prison-labor-made products when the law prohibits the importation of such products?

Mr. BAILEY. They were importing those clothespins made in prisons and they are still doing it. The State Department and the Commerce Department have not taken it upon themselves to stop it.

Mr. PRESTON. I suggest the gentleman from West Virginia call this to the attention of the Bureau of Customs. He is barking up the wrong tree. The possum is in another tree.

Mr. BAILEY. I still say it is the business of the Tariff Commission to make the investigation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia.

The amendment was rejected.

Mr. CANNON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. IKARD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. CANNON. Mr. Speaker, I move the previous question on the bill and amendment thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read a third time.

The SPEAKER. The question is on the passage of the bill.

Mr. TABER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. TABER. Yes, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. TABER moves to recommit the bill to the Committee on Appropriations.

On motion of Mr. CANNON (and by unanimous consent), the previous question was ordered on the motion to recommit.

The SPEAKER. The question is on the motion to recommit.

The motion was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

THE ACREAGE RESERVE PROGRAM

Mr. GATHINGS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. GATHINGS. Mr. Speaker, the acreage reserve provisions of the Soil Bank Act discourages industry and enterprise, which are the foundation stones of our American system. It inspires inactivity and idleness, since its theory is that you sit on the bank of the stream and expect prosperity to come to you. It is basically contrary to all American traditions of endeavor, industry, and getting ahead by hard work.

It is not aiding our ill agriculture, although its original sponsors had the best of intentions for its success. The results have been to aggravate the aches and pains of the farm communities. The program is a costly experiment in reducing agricultural surpluses. It is extravagant in benefit costs as well as administrative expense. Administration of the Soil Bank Act currently employs 15,420 people, and it is estimated that next year this number will be increased to 16,087. These employees are largely in the field. The figures include both acreage reserve and conservation reserve employees. More are required, I have learned, in the conservation reserve enforcement staff. The cost of the acreage reserve program in crop year 1957 is expected to reach $630 million. The results anticipated to be attained will be only a small percent reduction in production of basic crops. That is a lot of money to spend for obtaining a question mark in accomplishments. Cost to the American taxpayer last year was $247,398,000 for this program, with little actual results accruing.

But even greater than the cost of the program is the additional destruction to the American economy. Planned as a temporary method for reducing production, the 1956 act also contemplated aid to conservation, a most laudable undertaking. But the acreage reserve program has depleted the greatest asset of our rural economy—our farmers. The program has intensified the migration from the land of many of our farm families. And as the farm families leave the land the business economy of the area falters, declines, and falls apart. There is less work for the cotton gins. Sales of agricultural machinery and equipment drops off appreciably. Trucks and railroads reduce their operations. Implement dealers are caught in the squeeze, and every store on Main Street watches inventories gather dust as the one-time customer departs seeking the illusion of employment someplace else.

The small-business man is already reaping the results of this economic slowdown. A part of the problem of small business stems from the depletion of farm manpower and the customers who have been lost by the new concept of paying for not planting—financing for not farming—investing in idleness.

Mr. Speaker, these remarks have been confined to the acreage reserve provisions of the Soil Bank Act. The conservation reserve provisions of the program should be continued and not disturbed. The conservation reserve features embody a long-range program that promises great worth in lasting benefits and improvements. More time should

be granted the conservation reserve program to ascertain its true merit. The acreage reserve has brought disrepute and undeserved criticism which has been detrimental to our farmers' best interests.

It has already displayed that it is exorbitantly costly; that it has failed substantially to reduce production; that it carries within itself the seeds of general depression and slowdown of our economy; and that it should be stricken from the statutes.

That is the purpose of the legislation I am introducing today—repeal of the acreage reserve provisions of the Soil Bank Act. The bill is being introduced to become effective at the conclusion of the 1957 crop year. It is hoped that the provisions of the legislation will be incorporated in and made a part of all long-range programs for basic agricultural commodities.

The savings that would accrue by repealing this title of the 1956 act would aid greatly in the establishment and furtherance of a permanent program for farm crops that will recognize that acreage reduction is not the answer for the farm dilemma. Maintenance and expansion of markets is the only way the farmer can be assured of continuance in the business of farming. To do that competitive selling and assurances of stable productivity are essential.

We are now engaged in working on a long-range cotton program. In order to secure its passage and success, the heavy cost of the acreage reserve features of the soil bank program must be eliminated.

PROPOSALS TO MAKE BIG BUSINESS CARRY FAIR SHARE OF THE TAX BURDEN ARE NOT TO BE CONFUSED WITH TAX RELIEF

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, some of the best thinkers and the best-informed Members of this body are devoting themselves to the task of finding the waste and unnecessary expenses in the President's budget, so that the budget can be cut to reasonable levels and we can bring about tax relief.

In many of the discussions about possible tax relief however, some confusion has developed about the small-business tax proposals. These proposals for correcting the discriminatory burden on small business have, on occasion, been treated as being in conflict with proposals for general tax relief. In other words, many people have thought that the two types of proposals present alternative courses and that we must choose one alternative or the other.

For example, on March 25, my colleague, the gentleman from Texas [Mr. IKARD], delivered a monumental speech on the administration's budget muddle, on the administration's conflicting and inconsistent recommendations on small-business taxes, and on the subject of Congress' responsibilities in these matters. It was a most thoughtful and well-informed speech, and the gentleman is to be congratulated. I find myself in complete agreement with almost everything he said. But I believe I should add some thoughts on the question of small-business taxes which will throw a different light on this subject.

First, however, on the question of general tax relief, let me say that I agree with the argument that when tax relief, in any normal sense of the term, is granted, relief should go first to individual income taxpayers. As was said by my colleague, the gentleman from Texas [Mr. IKARD], the vast sums now being taken by Federal taxes "from the earnings of the American people have generated many inequities and hardships, and have built tremendous pressures for tax revisions and tax relief."

I believe, however, that the proposals for adjusting small-business taxes will be better understood and placed in their proper perspective, from the standpoint of the general public interest, if I explain the considerations which have motivated these proposals—at least those which have motivated the bills introduced by me.

These proposals have not been made for the reason that we feel small-business people are under greater hardships than the wage earner, or the professional man, or that the small-business man is entitled to any special consideration. To assume that the purpose is to grant "relief" to those most entitled to relief misses the whole point of these proposals. At least it misses the point of H. R. 7, which was introduced by me.

REASON FOR H. R. 7 IS NOT TAX RELIEF

H. R. 7 springs from a realization that the present tax structure—individual and corporate income taxes combined—is bringing about a rapid and fundamental change in the structure of business in the United States. And this is a change which affects quite directly, and radically, the welfare of all of our people. In brief, this tax structure is eliminating small business as any substantial competitive factor in the economic system, and is bringing about a rapid centralization of business into a few colossal, multi-billion-dollar combines. This result, as I have said, is going on at a rapid pace; and it is a result which affects our whole way of life. The question is then, not whether the small-business man, as an individual, is more deserving of tax relief than other individuals. But the question is whether we should continue a tax structure which is destroying our historic business system, or whether we should, in the interest of all economic groups, move promptly to correct a situation which is so vital to all of us.

Now much has been said about the fact—or the alleged fact—that H. R. 7 does not come directly to the relief of small unincorporated firms. Furthermore, it is true that the overwhelming majority of business firms are unincorporated. As my colleague, the gentleman from Texas [Mr. IKARD], pointed out in his speech, of all the business firms filing income-tax returns in 1953 which showed net incomes, only 5.8 percent were corporations. Consequently, if we began with the premise that the purpose of the bill I introduced is to provide tax relief, then the argument would be correct that we ought to provide the kind of relief which would benefit the largest number of people. But this premise is wrong. The purpose behind H. R. 7 has been to find the root causes of the rapid centralization of business, and correct those causes. In short, the purpose of H. R. 7 is to solve an acute problem where the problem exists, and the solution as I see it, is to correct the discriminatory impact of the present tax structure as between the large- and small-business units. To understand why the corporate income tax is the problem area, let me make two points.

H. R. 7 IS DESIGNED TO SOLVE A PUBLIC-INTEREST PROBLEM

First, the preponderance of business done today is done by corporations. While it is true that corporations accounted for only 5.8 percent of the business firms filing tax returns which showed net incomes in 1953, corporations accounted for about 70 percent of all the net income. Similarly, corporations accounted for 71 percent of all the business receipts. Furthermore, this is counting among the unincorporated businesses the receipts of professional offices, such as doctors, lawyers, dentists, accountants, and so forth, as well as educational service organizations. If we confined the comparison just to those firms engaged in business in the ordinary sense of the term, we would find that a much higher percentage of all the business done in the country is done by corporations. The question, then, is whether we wish this 70 to 80 percent of all the business of the country to come under the control of a few hundred colossal, multi-billion-dollar empires, or whether we think it is better to have this preponderance of the Nation's economic activity carried on by several hundred thousand corporations.

DOUBLE TAXATION AND TAX AVOIDANCE

My second point is this: It is the corporate income tax which raises peculiar problems. At one extreme, the corporate income tax it is charged amounts to a double taxation of some business owners. At the other extreme, the corporate form of organization, under the present tax structure, provides a means of tax avoidance.

To illustrate the situation where it is charged there is complete double taxation, take the very small firm doing business under highly competitive conditions. The owners need, and take out, the current profits of the firm for their current living expenses. In this situation the owners pay the corporate income tax, and in addition, pay the individual income tax on the same income—or what is left of it.

On the other hand, many of the bigger, quasi-monopolistic corporations do not actually bear the burden of the tax. They shift the tax onto others—either to consumers, to their trade customers, or to their suppliers, or to their employees, or in some combination among these groups.

An illustration which I have given before is the case of the big corporations in the public utilities fields. It is easy to see why such corporations are not expected to bear and do not actually bear the burden of the income tax. The reason is that when the income tax is imposed, or increased, the State utilities commissions promptly allow these corporations to raise rates sufficiently to absorb the tax.

H. R. 7 WOULD TEND TO ELIMINATE TAX AVOIDANCE

And so it is with most of the big corporations in other fields, except that they raise prices, or squeeze suppliers, without having to ask permission to do so.

This is no strange or disputed fact. It has been openly discussed in editorials by such publications as the Wall Street Journal; and it has been freely admitted to and discussed by both past and present officials of the big corporations. No later than December a year ago, two officials of General Motors—the president and chairman of the executive committee—discussed this matter with the Senate Antitrust Subcommittee, and they told the subcommittee that over the years General Motors has been able to take almost precisely the profit rate it wanted to take—after taxes.

Certainly, then, a corporation that can shift all, or substantially all of the tax, provides its owners with a means of tax avoidance. It provides a way for accumulating assets, without paying individual income tax on the receipt of these assets.

What these differing effects of the corporate income tax mean, in practical terms, is this: The big, quasi-monopolistic corporation can acquire almost unlimited funds, through retained earnings, with which to expand—either by building new plants or buying up and merging smaller companies. On the other hand, the smaller and more competitive corporations are drained of such earnings and, as I have said, in many instances the owners are actually taxed twice. Between these two extremes the situation varies in degree. Some of your medium-sized corporations can, and do, shift some portion of the tax, but cannot shift the tax completely.

H. R. 7 has been offered as a first step toward correcting this problem.

H. R. 7 DOES NOT REDUCE REVENUES

H. R. 7 is not intended to reduce revenues from the corporate income tax. On the contrary, it is computed to yield the same revenues as now. It is intended, however, to do two things: First, to reduce the burden of the tax where the burden now falls heaviest—on the small corporations. Second, it is intended to place a greater burden on the giant corporations where little or no burden now falls. But to accomplish this latter objective, the bill must impose a somewhat different rate upon corporations of different income sizes within that general size range which we normally think of as large. This different treatment of the giant and the supergiant within the same industrial field is necessary to make it difficult, and unlikely that any increase in the rates on the bigger corporations will be shifted. In short, one of the results of H. R. 7 would be that some of the bigger corporations would bear the actual burden, for the first time, of the taxes which they have been remitting.

I realize, of course, that one of the effects of H. R. 7 might be to cause some of the giant corporations to split up, so that their component parts would be subject to a lesser tax rate. This prospect seems to raise very frightening problems in the minds of some people. First, the point is made that H. R. 7, after a year or so, would yield less revenue, and then we would have the problem of adjusting the tax rates again. My answer to this observation is this: At no time when we pass a tax bill do we expect that we are passing a bill that will be perfect and permanent for all time. On the contrary, we know that we have to adjust the level of the rates from year to year, and we have to make other adjustments. For example, the rates in the present extension bill are proposed for only 15 months.

Second, some people seem to be completely horrified at the prospect that a tax bill might cause some of the giant combines to split up—that it might set in motion a tendency toward deconcentration of industry. These people seem greatly alarmed that the structure of business might be changed from what it is now. Well, the simple fact is that the business structure is not going to remain unchanged. It is changing now, and it is changing in the other direction. The present tax structure has, for many years, served to concentrate and centralize business. It has been, and is now, causing a centralization of business both by the acquisition of new assets and by a great wave of corporate mergers. Since we have been able to accept, in our minds, a tax system which has for so many years changed the business structure in one direction, I wonder if we could not adapt our minds to a set of taxes having a slight tendency to change the business structure in the other direction.

Certainly, a change in the other direction would be wholesome, and the results would be more in keeping with the economic and political system which we have traditionally valued.

UNINCORPORATED FIRMS MUST RECEIVE EQUAL ADVANTAGES OF THE TAX REDUCTION

H. R. 7 should, in addition, be of substantial direct benefit to many unincorporated firms. By reducing the tax rate on small corporations, we will make it possible for many firms now organized as partnerships or sole proprietorships, to incorporate and take advantage of whatever benefits the corporate form holds out to them.

Furthermore, we should certainly take immediate steps to learn what the obstacles may be to unincorporated firms making greater use of the election to be taxed as a corporation, which is provided for in section 1361 of the Internal Revenue Code. The point has been made—and a most serious point—that very few unincorporated firms have taken advantage of this election. Some of the reasons for this are already manifest. In the first place, although almost 3 years have passed since this provision was put into the code, the Commissioner of Internal Revenue has not yet issued regulations for its use. Yet such regulations are required by the code.

A second and related reason why this section has not been used by small, unincorporated firms is that the small-business people generally do not know of its existence. To give an example of how little known this section of the code is, I might point out that a few months ago the Internal Revenue Service, working with the Senate Small Business Committee, made a compilation of what was supposed to be all of the features of the tax code which are of particular interest to small business. This compilation was issued as a kind of handy guide, to acquaint small-business people with those provisions of the code which they should know about, and which might be of benefit to them. Yet this compilation, coming from the Internal Revenue Service itself, completely neglected to mention section 1361 of the code. When Mr. Barnes, Director of the Small Business Administration, was before the Banking and Currency Committee recently I asked him if he advised small concerns of their rights under this section 1361 and he admitted he had not.

As chairman of the Small Business Committee, I can assure the Members that the Small Business Committee will promptly look into this matter of section 1361 of the code to see why it is that regulations have not been issued for its use, and to try to determine also what obstacles may lie in this provision of the code itself. I hope, and I believe, that we can clarify this point rather quickly. And I hope, in any case, that the House will give serious consideration to passing H. R. 7.

MUSICIANS' PERFORMANCE TRUST FUNDS

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ROOSEVELT] may extend his remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, yesterday the distinguished chairman of a special subcommittee of the House Committee on Education and Labor, the gentleman from Georgia [Mr. LANDRUM], introduced a bill, H. R. 7236, to carry out the unanimous recommendations of the subcommittee appointed to investigate the operations of the musicians' performance trust funds of the American Federation of Musicians.

I am in general agreement with the purposes of Mr. LANDRUM'S bill, but I would not like, even by implication, to have it appear that I would support section 5. Section 5 is a repetition of the principles of section 14 (b) of the Taft-Hartley law under which individual States' so-called and misnamed right-to-work laws have been given legal status. I shall oppose the inclusion of section 5 in this prospective legislation.

It would also be appropriate to point out that in section 3 of the bill some modification will be necessary to enable

the majority will of each local union to prevail in order to make it workable and practicable.

I would like, at this time, to commend Chairman LANDRUM for the constructive manner in which he has conducted the hearings, and brought the work of the committee to fruition. With the exceptions noted above, I believe it will result in improved labor-management relations, rectify injustices, and provide workable legal machinery in this important field.

ROOM FOR CORRECTION

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, under leave to revise and extend my remarks in the RECORD, I insert therein a very able and provocative article from the Reader's Digest entitled "Our Foreign-Aid Program"—A Bureaucratic Nightmare" by our valued, distinguished colleague, Hon. GEORGE MEADER, of Michigan.

I think that every Member of the House should read this article, because it is very well documented, and contains specific illustrations that are most impressive on the point of our ill-advised spending in foreign lands.

The money being spent on starry-eyed foreign ventures comes in so many instances from the hard-earned dollars of American workers, farmers, and businessmen, in fact, from the pockets of every class of Americans. At the same time the Nation is rife with the baneful effects of extortionate tax rates, local, State, and Federal, which are steadily lowering our standards of living, eating up the substance of our people, threatening hardship to many families and small-business men and destroying the initiative and the spirit of free enterprise which is the bulwark of our great economic system.

There is a deadly parallel between present conditions and those which preceded the collapse of the Roman empire. It is the responsibility of Congress to put our Federal house in order, to reduce the budget, cut the taxes to provide an encouraging climate for business, to promote the employment of our citizens, and to protect our high standards of living and the value of our money.

If we do not address ourselves to these vital problems and elimination of the threatening conditions which lie behind them we will not only be failing to fulfill our plain duty, but we will be inviting further deterioration, economic, social and moral, which will propel this great Nation along the same road traveled by Rome in its mad rush for unearned benefits and easy living which no government can provide and which finally brought it into the pits of ruin.

Selective reduction of our huge Federal budget, reduction of the national debt, protection of the monetary value and purchasing power of the American dollar, tax reduction and sound efficiency in governmental affairs are most essential if we are to maintain our free way of life. The need for economy is just as urgent in foreign aid as it is in every other field. Preserve essential services we must; eliminate waste, extravagance, and lavish, ill-advised spending we should.

OUR FOREIGN-AID PROGRAM—A BUREAUCRATIC NIGHTMARE

(By GEORGE MEADER, United States Representative from Michigan)

Most of us in Congress have consistently voted for foreign aid to strengthen the underdeveloped countries so they can resist Communist aggression. We will be asked within a few weeks to appropriate additional huge sums. Investigation shows, however, that the program we are being asked to support has, in the main, degenerated into a bureaucratic nightmare, in which millions of dollars are wasted. Admittedly, some of the money spent has yielded good results. But too often we have forced projects upon countries not ready for them, with the result that we build up, not friendship, but ill will and resentment. In other instances we have scattered our money abroad with such abandon that it is hard to discern what, if any, results we have achieved.

Only a few weeks ago we 13 Republicans and 17 Democrats who make up the House Committee on Government Operations unanimously approved a 59-page report detailing the "loose, slipshod, and unbusinesslike" spending of more than a quarter billion dollars in Iran with so little regard for "basic requirements of prudent management * * * that it is now impossible with any accuracy to tell what became of the funds."[1]

Yet this case is typical of hundreds uncovered throughout the world, not just by our committee but also by other investigators including those of the House, Senate, and General Accounting Office. Here are some samples that have been brought to my attention.

In the name of foreign aid our Government has built a $128,000 cow barn in Lebanon to "demonstrate" to average farmers living on $100 or less a year the equipment they should provide themselves with in order to get ahead.

In Ethiopia we spend hundreds of thousands of dollars a year to found an agricultural college, conduct experiments looking to better crops, and train veterinarians, all of which may be good. But at last report everyone was too busy to put to use 2,000 plows and a store of tractors rusting away since UNRRA days.

And consider Afghanistan. The 12 million inhabitants live as they did a thousand years ago. Some are nomads, but most of them are simple farmers. Ninety-six percent cannot read or write, nor can they cope with the complexities of mechanized civilization. There are virtually no roads; the usual transport is over trails by camelback and packhorse. The Afghans need to be introduced to the age of the wheel and axle, and to simple hand tools, if they are to begin ascending the economic ladder. Missionaries years ago learned that there is no other way up than step by slow step. Instead, we are trying to short-cut years of such essential development.

To illustrate: the United States advanced $39,500,000 of loans to complete two dams in the most isolated part of Afghanistan. The idea was to produce industrial hydroelectricity and to pour out water to reclaim a million acres of desert on which to resettle the nomads. Today, 2 to 5 years after completion of these dams, there still is little power equipment installed and no electricity has been generated. The nomads have refused to settle down on the irrigated acres; the soil is so alkaline that some of it won't grow crops 2 years in succession. Nevertheless, every year we give further large sums to maintain the irrigation canal with our own technicians, while others strive feverishly to solve the soil problem.

The Afghans blame the United States, for haven't we led them on to expect great things? Therefore, from International Cooperation Administration headquarters in Washington, a demand goes out for "projects which will show immediate results and encourage the people." Courtney Kimler, an experienced engineer, was sent to find some of these.

"Help the Afghans to make better use of the good land they have," he advised. "Show them how to make a $5 weaving rack so the rugmakers can bring their work inside during the winter months in which they now sit idle. Above all, show them how to build carts in their own villages, and how to grade a system of farm-to-market wagon roads such as the United States had at the turn of the century. This can all be done for $10 million—and then Afghans can begin to get ahead, just as Americans did."

No one would listen. Instead of starting with wheel and axle, ICA gave $14,500,000 last year to start 5 airports and provide electronic equipment for a sixth which Russia is constructing.

"After all, this is the air age," says an ICA man. "We'll give the Afghans an airline and an agency like our Civil Aeronautics Administration to regulate air traffic. American technicians will have to stay there to run the show, of course; we'll have to teach the nation to read and write before it can begin to produce technicians to replace ours."

This isn't foreign aid as Congress conceived it, and it isn't doing the good that it should. This is bureaucracy bent on building a permanent empire. The ever-growing corps of technicians and experts which it would fasten onto a simple people will be resented by the underdeveloped countries as violently as the colonial overlords whom they have fought for years to shake off.

This is only one of the things wrong with foreign aid as it is administered. The present and previous administrations have depended on our professional foreign-aid planners in ICA and the State Department for guidance. Unfortunately for United States taxpayers, too many of these men, holdovers from an earlier share-the-wealth political era, measure the success of their programs not so much in terms of accomplishment as in cash spent.

India is an example. That country's best project is its community-development program. Started years ago by missionaries and later given impetus by the Ford Foundation, it sends small teams into the steaming mud villages to instruct the almost 300 million impoverished and ignorant rural people in reading and writing, sanitation and health care; to show them how to increase their crops; to start cottage industries; and to teach village leaders to carry on the process after the teams leave.

A House Foreign Affairs Subcommittee visited some of these villages recently. The inhabitants proudly showed what they had done, as a result of their training, to lift themselves; a road cut through the jungle to reach the outside world; a school built of concrete blocks; sanitary facilities; increased crops that meant the difference between hunger and hope. In these simple things, and in the villagers' rising spirit of pride and self-respect, was proof that men can and will help themselves when the goals are within their comprehension.

[1] See "How Not To Handle Foreign Aid," the Reader's Digest, February 1957. Copies of H. Rept. 10 (dated January 28, 1957) are available on application to the Committee on Government Operations, House of Representatives, Washington, D. C.

Nevertheless, ICA spent little on these community-development projects last year. Congressmen had to prod our officials to get them to show these villages.

The trouble is that our foreign-aid planners are trying to spend $60 million a year on India. A United States mission of more than 400 works hard at the task. But it is difficult to get rid of this much cash on the principle of showing people how to help themselves. So the mission concentrates on buying things that have nothing to do with point 4.

In 1954, after telling Congress that it intended to spend but $639,000 on all transportation and communications in the country, the mission made India an outright gift of $20,500,000 worth of new railroad equipment alone. India didn't need this as a gift; it could have borrowed any cash it needed for its railroads because its system, the fourth largest in the world, is one of the nation's strongest assets.

In June 1954, 2 weeks before their unexpended balances for the fiscal year would expire if not obligated, our foreign-aid officials in India decided to donate $1,539,000 worth of prefabricated steel for 52 easy-to-erect grain silos and warehouses to demonstrate what United States storage techniques could accomplish. Last fall ICA officials admitted that the bulk of the material was still sitting in Calcutta, untouched. Meanwhile, ICA approved a request from its office in India for an additional $4 million of United States taxpayers' money for 600 more warehouses—in spite of the fact that in 2 years the Indians hadn't got around to putting up the buildings we had already sent.

The fact is that India cannot assimilate aid as fast as we want to pass it out. Already a backlog of $135 million has piled up from past appropriations. Nevertheless, officials have proposed that we now increase our Indian assistance from $60 million to $100 million a year.

Every year all but a minor portion of our Indian-aid funds is spent in ways having little to do with inspiring self-help. Last year alone at least $66,500,000 was allocated to buy items which included industrial steel and iron, machinery, machine tools, and raw materials for manufacture. Nearly $4 million worth of motor vehicles was given away. Most of these gifts are not connected with any project or program but are just handed over to the Indian Government, which merges them into the state-owned enterprises of its 5-year plan. Official proposals for the future merely look to enlarging such gifts by $30 million a year.

G. Corson Ellis, vice president of the Association of Consulting Management Engineers, took a team to India under an ICA contract to set up a management-development program that would help new industries to operate more efficiently. He later told the House Foreign Affairs Committee that he was not permitted to serve private businesses—just Government undertakings; that he had to wait 7 months before the Indian Government would let him have any people to train; that his job was impossible because of resistance to criticism and to the idea of a free economy.

"We make a mistake preaching that what these countries need is capital," he says. "Their principal need is trained men. We must teach, not simply act as experts. Unless our program is predicated upon leaving something behind, we are going to be stuck there for 50 years."

These examples of waste of American personnel and resources could be multiplied. In Greece Marshall plan tractors rusted on the docks 2 years after arrival because the country couldn't absorb all the aid we insisted upon giving. Yet no lesson is learned from such waste. Recently, in Laos, a country of 1½ million inhabitants, Congressmen saw a depot crammed with enough expensive drugs, hypodermic needles and other medical supplies to care for much of southeast Asia.

Expensive pieces of electrical equipment, including electronic microscopes, were purchased for the Philippines when no power or personnel to operate them was available. Distilled water was ordered from the United States to be shipped to Manila, despite the fact that stills to produce such water on the scene had already been supplied.

Still, each year since 1948, the people who run foreign aid have come up with a conveniently timed emergency which has called for enlarging the scope of our operations. In the current fiscal year $1,749,000,000 was appropriated for nonmilitary assistance—an increase of $68 million over 1956, even though ICA ended the year with a backlog of nearly $2 billions it had been unable to spend.

By 1953 the foreign-aid bureaucracy had become so swollen and topheavy that Congress ordered a 10-percent cut in its 7,000 personnel. Yet today it has more employees than ever—more than 8,000. This bureaucracy has become so powerful, so cocksure, that it has defied Congress and done whatever it has wanted.

Under the law, requests for aid are supposed to originate with the host country. The United States mission is then supposed to try to find American cash for the worthiest point 4 proposals—if the benefiting nation will pay a substantial portion of the costs to show its interest. In practice, some of our missions start out with an allocation of funds, then try to prevail upon the host country to accept cash for projects drummed up by ICA. Sometimes the missions even find ways of getting around the stipulation that the host country put up earnest money. In one instance recently our committee found that a host country's "contribution" included the country's estimated loss of import duties on items which the United States gives to it.

Everywhere we are bestowing the accouterments of advancement upon people while giving insufficient heed to fundamental needs. Jordan, a poor, arid country with 1,500,000 population, has an overwhelming problem; a half million Arab refugees from Palestine. Our major cure has been to construct throughways for the country's fewer than 9,000 automobiles.

In Thailand a 200-mile asphalt road was undertaken as a 1-year $6½-million dramatic demonstration of United States efficiency in peaceful pursuits, but after 2½ years the estimated cost has skyrocketed to $18 million for just the first 100-mile stretch, with completion not due before 1958. Meantime, ICA has expanded this demonstration into a series of Thai highway projects which by June will have cost us $45 million, and no end in sight.

This project was tackled without sufficient advance planning. The American contractors' 150 employees have to be paid during the 6-month rainy season, when they can only sit. Congressional investigators have found that the boss of one team collects $27,750 a year; that 14 other engineers get $17,400 each; that machine operators make $700 to $800 a month, plus 15 percent for being overseas, plus $300 a month living expenses, plus overtime. None pays an income tax. And now 75 additional high-priced men are being sent to Thailand to join those already there. Such aid cannot be justified even as a means of insuring international cooperation.

Officials have admitted to our committee that some programs could well be taken over and paid for by the host countries—except that the latter don't think they're worth their own cash and would drop them. Meanwhile, Burma, 4 years ago, rejected further wholesale gifts from the United States. A Congressional investigator was told in Burma: "By being so aggressively friendly and insistent that we accept your money and superior knowledge in working out our destinies, you Americans insult us without meaning to." This reaction is spreading.

Is it not time to call a halt to this senseless, arrogant spending? Let's stop measuring the success of our aid by the amount of cash we can give away. Let's concentrate instead on helping people to help themselves with fundamental programs, meanwhile encouraging them to accept development by private enterprise so that their economies may grow and they may eventually stand alone instead of as dependents on an annual handout from the United States taxpayers.

What is needed is a clearer statement of Congressional policy and a Congressional committee equipped with funds and authority to investigate and combat waste in foreign-aid spending before, not after, the cash has gone down the drain. Such a Senate committee, of which I was chief counsel during the war, was able to save billions of dollars by keeping watch on the departments that spend our defense dollars. I know from experience that the same type of investigation can cut down waste in foreign aid and begin saving additional billions for the taxpayer right now.

Most Members of Congress know what I have set forth here. Most feel as I do. However, the bureaucracy has become so powerful that Congress will not act without knowing it has the support of the public. Until public opinion becomes so aroused that the people begin to insist on action by their Senators and Congressmen, the waste will continue, with little hope for better results than have been achieved thus far.

BRILLIANT LEADER—AL ALTMAN

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, under leave to revise and extend my remarks, I insert herein an excellent article from the celebrated Clinton (Mass.) Daily Item, of April 9, concerning my old and valued friend, Al Altman, eastern talent selector for Metro-Goldwyn-Mayer.

Mr. Altman, who is a native of my hometown of Clinton and a graduate of Clinton High School prior to higher professional training, and a close friend of mine, entered the moving picture business years ago with the famous Mr. Louis B. Mayer. Since that time, he has enjoyed steady advancement, until he now holds one of the most important posts in the M-G-M organization. Naturally, people of his hometown of Clinton point with pride to his noteworthy achievements. As an old friend and great admirer of his, I am certainly most proud of the significant contributions which he has made to the moving picture industry, and in turn, to the Nation.

It is men like Al Altman who have shaped and given impetus to one of America's most influential and important industries. It will be men animated by the same high ideals and high principles as Al Altman who will give this industry the guidance and direction it needs to continue its essential work, to broaden and expand the scope of its operations, and surge forward to ever-increasing levels of activity, progress and prosperity. Al Altman is this kind

of an inspiring leader destined for greater heights.

It is in the awareness of the public significance of the movies that Al Altman has made a vital contribution. We are fortunate to have such leaders as he in the great movie industy devoted to its interests and at the same time devoted to American principles and moral concepts of responsibility to the public. That is what makes Al Altman the great figure he is. That is why he is so valuable to the industry in these challenging days. And that is why his future service will be so vital.

The material follows:

AL ALTMAN—ONE OF MGM'S BUSIEST MEN

(By Allen M. Widem)

A New England native who once trudged along Bloomfield, Conn., roads as a book salesman now supervises the tremendously complex task of eastern talent selection for MGM.

Clinton, Mass., born Al Altman directs one of the film industry's largest unending quests from a modest booklined office high above Times Square.

Our hour's visit encompassed a continuing flow of telephone calls, and occasional consultations with staff aides.

"This is a constantly changing business," he admitted, "and in order to keep up with the rapid fluctuations I find that I easily put in something like 80 to 85 hours a week. The job just doesn't end at 5 o'clock, and any talent man who thinks he can easily forget office matters at dinnertime is woefully lacking in understanding."

Altman, son of a furniture dealer, was introduced to motion pictures 40 years ago when he went to work for the old Nathan Gordon-Louis B. Mayer Film Co. in Boston as an accounting assistant.

"Mayer was getting ready to enter film production," our interviewee recalled, "and he told me that when he started filming he wouldn't be content to function as merely another producer. He made up his mind to make his pictures stand head and shoulders above the competition, and the years have certainly been witness to his promise."

Mayer's consolidation of the MGM interests in Los Angeles in 1925 brought Altman's assignment to various New York posts. Several years later, he was delegated to talent duties, and he's fulfilled the responsibilities within 18-hour days.

Even a brief summary of Altman-introduced personalities reads like a continuing history of motion pictures.

Working closely with the late Irving Thalberg, studio production chief, and his successors—most recently Ben Thav and Marvin Schenck—Altman tested Joan Crawford, Spencer Tracy, Bob Hope, Henry Fonda, James Stewart, Alfred Lunt and Lynne Fontanne, Maurice Schwartz, Gene Kelly, Franchot Tone, Ava Gardner, and, in later years, Harry Belafonte, Richard Widmark, Marlon Brando and Rosemary Clooney.

"Talent," he said matter-of-factly, "is not to be contained in a simple definition. It means many things to many people, but, above all, we find something arresting, something appealing must register to the sensitive camera eye. This is known essentially as audience identification.

"Certainly, a talent man can make mistakes; he can sit through two or three 5-minute auditions, using contemporary play dialog (we rarely have talent run through the classics), and come away with incomplete appreciation. The player out front failed to project fully and the entire sequence was thrown off balance."

Altman and his staff (number ranges upward from three, dependent upon necessary viewing objectives) attend every major Broadway play opening, a large percentage of off-Broadway and summer threater attractions, and, equally important, occasionally travel to east coast college and little theater productions.

"We also find ourselves monitoring daily television and reading many of the Atlantic seaboard daily newspapers, and better-quality magazines, scanning face structure, in search of that elusive quality known as star material."

MGM, he reminded us, has built an industry reputation as "The studio with more stars than in the heavens."

The studio's talent department, on the basis of constant scouting and commentary from objective observers, looks forward to rewarding developments on an ever-precarious path.

GENERAL LEAVE TO EXTEND REMARKS

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the third supplemental appropriation bill for 1957.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ANNIVERSARY OF THE STATE OF ISRAEL

Mr. CRETELLA. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. CRETELLA. Mr. Speaker, May 6 was the ninth anniversary of the State of Israel. Israel, one of the newest and most dynamic nations in the world today, has close cultural ties with the United States. Her display of friendship and hope for peace sets a shining example for all the free nations of the world.

The people of Israel should indeed be proud of their accomplishments. After 20 centuries of being herded through the lands of Asia and Europe, they have built almost with their bare hands a homeland instilled with full political, cultural, and religious freedom, a society free from the horrors which they once experienced.

Although many words have been written and spoken on our policy in the Middle East, the policy of the United States stands for the unconditional preservation of the State of Israel. We realize, all of us, that Israel is the only democratic nation in the Middle East and one which is attempting, at great odds, to survive against bigger and more powerful neighbors who want to obliterate any trace of Israel's existence.

It has given me great pleasure, in recent years to voice my opinion, along with some of my other colleagues, to the President and Secretary of State regarding our policy toward Israel. At a time when Nasser was ordering and receiving armaments from behind the Iron Curtain for the express purpose of destroying Israel, it was my firm belief that it was our obligation to provide defensive arms to Israel as an expression of deep United States concern for the safety of this tiny country. I likewise questioned the justice of imposing U. N. sanctions on Israel while taking no such action against Russia, for example, with a long record of invasion and subjugation of once free nations.

The Eisenhower doctrine on the Middle East serves as a warning to the Communists or any nations which join with the Communists, that we have a stake in the moral, spiritual and political freedom of the people of the Mid-East countries whose freedom is challenged. This doctrine serves as one of the most forceful deterrents to Communist domination in the area. It has helped to solidify relationships with Israel which is a continual target for infiltration from Moscow.

Israel will remain an entity and one of the outstanding reasons for this is that she has great human resources from which to draw. Her people know well hardship and death and terror, and they are prepared to defend their liberty at all costs against an aggressor. So long as this spirit prevails and Israel has such patriots as Ben-Gurion, Ben-Zvi and Moshe Sharrett to lead her through perilous times, the existence of the State of Israel will never be a thing of the past.

THE PROLIFERATING PUBLIC PAYROLL

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, I want to again call attention to an article which appeared in the RECORD of April 8, setting forth the Parkinson's law. A year or two ago the London Economist invented a scientific formula for figuring out future additions to govment payrolls. The mathematical rule, capriciously labeled Parkinson's law, was based on two premises: Officials want to multiply subordinates; and these subordinates make work for each other.

Applying the Parkinson's law to our present situation of Federal employees and its increase, we find that this Parkinson's law projected into the future, by the year 2069 we will all be working for the Government.

SOCIAL SECURITY AMENDMENT

Mr. SADLAK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD on a bill I introduced today.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SADLAK. Mr. Speaker, I have today introduced a bill which would amend title II of the Social Security Act to include Connecticut among the States which are permitted to divide their retirement systems into two parts so as to obtain social-security coverage, under State agreement, for only those State and local employees who desire such coverage.

Section 218 of title II of the act as amended provides for the coverage of

State and local employees who are under public retirement systems. Under present law, employees of State and local governments may be covered under OASI through voluntary agreements between the respective States and the Department of Health, Education, and Welfare. With respect to employees who are covered under State or local retirement systems, the social-security law requires that a referendum be held by secret written ballot with a majority of eligible employees voting in favor of such coverage. Present law also requires that all members of a retirement system must be treated as a single group for purposes of coverage. The requirement that all members of a retirement system be treated as a coverage group has resulted in some hardship. To eliminate this hardship my constituents in Connecticut have expressed the desire to have the social-security law amended so as to extend to the State of Connecticut an amendment to section 218 (d) so that at its option the State of Connecticut could cover under OASI only those persons now members of a retirement system who wish to be covered, provided that all new employees are covered on a compulsory basis.

PULITZER AWARD TO CHICAGO DAILY NEWS

The SPEAKER. Under the previous order of the House, the gentleman from Illinois [Mr. SHEEHAN] is recognized for 10 minutes.

Mr. SHEEHAN. Mr. Speaker, I am very happy and proud to inform my colleagues in the House of Representatives that the Chicago Daily News, from my home State of Illinois and city of Chicago, has been awarded the 1957 Pulitzer award for meritorious public service for exposing the Hodge scandal in the State of Illinois.

The trustees of Columbia University have awarded various prizes since 1917 under the will of the late Joseph Pulitzer, publisher of the St. Louis Post-Dispatch and the old New York World.

The Pulitzer prizes are awarded annually in May by the trustees of Columbia University, acting on the recommendations of an advisory board of the Graduate School of Journalism for meritorious work of the previous year. Awards are given in the following categories: Meritorious public service, local reporting, national reporting, international reporting, correspondence, editorial writing, news photography, history, biography, autobiography, poetry, music, and allied fields of endeavor.

The Chicago Daily News was founded 81 years ago. Frank Knox, Republican vice presidential candidate in 1936 and Secretary of the Navy in World War II, acquired controlling interest in 1931. Upon his death in 1944, the executors sold the controlling interest to John S. Knight, the publisher.

The Chicago Daily News has a long record of public service and rightfully classifies itself as "Chicago's home newspaper." Under the astute guidance of its editor and publisher, Mr. John S. Knight, the staff of the Chicago Daily News, consisting of Mr. Basil Walters, executive editor; Everett Norlander, managing editor; A. T. Burch, editorial writer, and Clem Lane, city news editor, directed the newsstaff in the preparation of the Orville Hodge story.

Mr. George Thiem, the reporter principally responsible for breaking the story, was directed by the Daily News staff to put forth every bit of time and effort in running down the lead supplied to the newspaper staff. This Daily News reporter worked for 42 days before he stumbled on Hodge's secret; and for nearly 2 weeks of that time, Hodge was working frantically to cover up. Tension mounted so high before it was over that two Daily News men, both seasoned campaigners, were felled by heart attacks.

The Chicago Daily News exposé, in which 21 reporters, deskmen and rewrite men participated, resulted in the indictment and conviction of State Auditor Hodge; his assistant, Edward Epping; and Edward Hintz, president of a Chicago bank (also) involved in the fraud.

In the beginning, there wasn't the slightest suspicion that Orville Hodge was defrauding the State of Illinois of millions of dollars. Hodge fooled everyone completely and it wasn't until Reporter George Thiem caught him in several small lies, in padding his payrolls a bit, and in being too free with the State of Illinois moneys in paying personal expenses—that the real story began to dawn. Even when Mr. Thiem was notified by the Chicago Daily News staff of the possible implications of the case, he thought it was "just one of these things" which frequently occur in political life. But when the final chapters have been concluded—it might be easily said that Hodge is the man who almost stole Illinois.

The Chicago Daily News is an "old hand" at winning Pulitzer prizes. In 1925, it won the local reporting prize, the test being the quality of local news stories written under pressure of edition time. The same prize was awarded Daily News Reporter George Weller in 1943. The same honor under this category was awarded the newspaper in 1950. In the field of international reporting, the Chicago Daily News again was honored in 1929, 1933, 1936, and 1951. Ace reporters were Keyes Beech, Fred Sparks, Paul Scott Mourer and Edgar Ansel Mourer.

In 1950, Reporter Thiem was a major participant in the exposé of an Illinois State payroll scandal which won a joint Pulitzer award for the Chicago Daily News and the St. Louis Post-Dispatch. He succeeded in exposing the presence of 37 Illinois newspapermen on the State payroll.

The gold medal award to the Chicago Daily News for its feat was the second recognition of its work in the Hodge case during the past month. The Headliners Club, convening in Atlantic City, awarded a silver medal to this Midwest newspaper for outstanding coverage of a domestic news story.

As the sentinel and stalwart defender of the free press, the Chicago Daily News once more has objectively sought out the truth and has printed it fearlessly and relentlessly in the belief that public trust should not be betrayed.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. SHEEHAN, for 10 minutes, today.

Mrs. DWYER, for 10 minutes, on May 14.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. PORTER in two instances and to include extraneous matter.

Mr. HOLIFIELD and to include extraneous matter.

Mr. MILLER of California and to include extraneous matter.

Mr. RHODES of Pennsylvania and to include extraneous matter.

Mr. ABBITT (at the request of Mr. MARSHALL) and include extraneous matter.

Mr. CELLER.

Mr. POWELL in three instances (at the request of Mr. MARSHALL).

Mr. MARSHALL and include extraneous material.

Mr. ROONEY, the remarks he made today in Committee of the Whole and include extraneous matter.

Mr. MCCORMACK in two instances, in each to include related matter.

ADJOURNMENT

Mr. MCCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 21 minutes p. m.) the House adjourned until tomorrow, May 8, 1957, at 12 o'clock noon.

OATH OF OFFICE, MEMBERS AND DELEGATES

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1884 (23 Stat. 22), to be administered to Members and Delegates of the House of Representatives, the text of which is carried in section 1757 of title XIX of the Revised Statutes of the United States and being as follows:

> "I, A B, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God."

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Member of the 85th Congress, pursuant to Public Law 412 of the 80th Congress entitled "An act to amend section 30 of the Revised Statutes of the United States" (U. S. C., title 2, sec. 25), approved February 18, 1948:

NEW MEXICO

JOSEPH M. MONTOYA.

EXECUTIVE COMMUNICATIONS, ETC.

830. Under clause 2 of rule XXIV, a letter from the Assistant Secretary of Defense (Supply and Logistics), transmitting reports submitted by the Departments of the Army, Navy, and Air Force, and the Armed Services Petroleum Purchasing Agency, listing individual procurement actions negotiated in the period from July 1 to December 31, 1956, pursuant to the provisions of title 10, United States Code, section 2304 (c), was taken from the Speaker's table and referred to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLER of California: Committee on Armed Services. H. R. 7143. A bill to amend the act of August 3, 1950, as amended, to continue in effect the provisions relating to the authorized personnel strengths of the Armed Forces; without amendment (Rept. No. 390). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. H. R. 3625. A bill to amend section 214 of the Interstate Commerce Act, as amended, to prevent the use of arbitrary stock par values to evade Interstate Commerce Commission jurisdiction; with amendment (Rept. No. 391). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. H. R. 5328. A bill to amend the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle subject to the motor carrier safety regulations of the Interstate Commerce Commission; with amendment (Rept. No. 392). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HILLINGS: Committee on the Judiciary. H. R. 1848. A bill for the relief of certain aliens, without amendment (Rept. No. 389). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COAD:

H. R. 7294. A bill to amend the Internal Revenue Code of 1954 to change certain dates prescribed for making installment payments of estimated income tax by individuals so that such payments will be due at regular 3-month intervals; to the Committee on Ways and Means.

By Mr. GUBSER:

H. R. 7295. A bill to authorize the Secretary of the Interior to construct the San Luis unit of the Central Valley project, California, to enter into an agreement with the State of California with respect to the construction and operation of such unit, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HOSMER:

H. R. 7296. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mrs. KNUTSON:

H. R. 7297. A bill to amend the Federal-Aid Highway Act of 1944 to provide for an addition to the National System of Interstate Highways; to the Committee on Public Works.

By Mr. LESINSKI:

H. R. 7298. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for amounts paid toward a retirement annuity or pension; to the Committee on Ways and Means.

By Mr. McINTIRE:

H. R. 7299. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. McMILLAN:

H. R. 7300. A bill to amend section 15 of the District of Columbia Alcoholic Beverage Control Act; to the Committee on the District of Columbia.

By Mr. MACK of Illinois:

H. R. 7301. A bill to amend section 1 (6) of the Civil Aeronautics Act of 1938, so as to include flight attendants within the definition of "airman"; to the Committee on Interstate and Foreign Commerce.

By Mr. ROBERTS:

H. R. 7302. A bill to amend the Internal Revenue Code of 1954 to increase the amount which a taxpayer may deduct on account of expenses paid for the care of his or her dependents; to the Committee on Ways and Means.

By Mr. ROOSEVELT:

H. R. 7303. A bill to amend the Longshoremen's and Harbor Workers' Compensation Act, so as to provide that an injured employee shall have the right to select his own physician, and for other purposes; to the Committee on Education and Labor.

By Mr. SADLAK:

H. R. 7304. A bill to amend title II of the Social Security Act to include Connecticut among the States which are permitted to divide their retirement systems into two parts so as to obtain social-security coverage, under State agreement, for only those State and local employees who desire such coverage; to the Committee on Ways and Means.

By Mr. SMITH of Mississippi:

H. R. 7305. A bill to amend the Fair Labor Standards Act of 1938, as amended, with respect to handling of agricultural commodities, and for other purposes; to the Committee on Education and Labor.

By Mr. STEED:

H. R. 7306. A bill to amend title 28 of the United States Code to provide that notice of an action with respect to real property pending before a United States district court must be recorded in certain instances in order to provide constructive notice of such action; to the Committee on the Judiciary.

By Mr. LANKFORD:

H. R. 7307. A bill to provide for the acquisition of certain real property in Prince Georges County, Md., to be used for the site of the National Air Museum of the Smithsonian Institution; to the Committee on Public Works.

By Mr. HARRIS:

H. R. 7308. A bill to amend the act entitled "An act to promote the safety of employees and travelers upon railroads by limiting the hours of service of employees thereon," approved March 4, 1907; to the Committee on Interstate and Foreign Commerce.

By Mr. LANE:

H. R. 7309. A bill to amend section 301 of the World War Veterans' Act, 1924, to provide that certain term insurance held by World War I veterans shall be considered as fully paid when the insured reaches the age of 65; to the Committee on Veterans' Affairs.

By Mr. OSMERS:

H. R. 7310. A bill to provide for a preliminary examination and survey of certain river basins in the States of New Jersey and New York for flood control, navigation, and allied purposes; to the Committee on Public Works.

By Mr. SHELLEY:

H. R. 7311. A bill to provide that unmarried children of certain former members of the Armed Forces of the United States or of the Philippine Scouts may be admitted to the United States as nonquota immigrants, during a 2-year period, without regard to their age; to the Committee on the Judiciary.

By Mr. SISK:

H. R. 7312. A bill to amend section 22 of the Agricultural Adjustment Act (of 1933), as amended; to the Committee on Agriculture.

By Mr. WILSON of California:

H. R. 7313. A bill to authorize the Comptroller General of the United States to waive the recovery of certain erroneous payments or overpayments made to members and former members of the uniformed services and their dependents; to the Committee on the Judiciary.

By Mr. BROOMFIELD:

H. R. 7314. A bill to permit one-half of the budget surplus for any fiscal year to be applied against the public debt and to provide that one-half of such surplus shall be applied as tax credits against individual income taxes; to the Committee on Ways and Means.

By Mr. KING:

H. R. 7315. A bill to repeal the 3-cents per pound processing tax on coconut oil, and for other purposes; to the Committee on Ways and Means.

By Mr. POLK:

H. R. 7316. A bill to authorize the Secretary of Health, Education, and Welfare to provide for the production of a series of motion pictures for educational purposes showing places of national historical importance in the Nation's Capital and vicinity; to the Committee on Education and Labor.

By Mr. POWELL:

H. R. 7317. A bill to amend section 207 of the Legislative Reorganization Act of 1946, to provide that the Boards for the Correction of Military or Naval Records shall give consideration to satisfactory evidence relating to good character and conduct in civilian life after discharge or dismissal in determining whether or not to correct certain discharges and dismissals, and for other purposes; to the Committee on Armed Services.

By Mr. WAINWRIGHT:

H. R. 7318. A bill to amend the War Claims Act of 1948, as amended, to provide compensation for certain World War II losses; to the Committee on Interstate and Foreign Commerce.

By Mr. CELLER:

H. R. 7319. A bill to amend the Clayton and other antitrust acts to prevent monopolistic practices, and for other purposes; to the Committee on the Judiciary.

By Mr. GATHINGS:

H. R. 7320. A bill to amend the Soil Bank Act to provide that the acreage reserve program shall apply only with respect to 1956 and 1957 crops; to the Committee on Agriculture.

By Mr. GWINN:

H. R. 7321. A bill to permit one-half of the budget surplus for any fiscal year to be applied against the public debt and to provide that one-half of such surplus shall be applied as tax credits against individual income taxes; to the Committee on Ways and Means.

By Mrs. BLITCH:

H. J. Res. 320. Joint resolution to provide for the issuance of a special postage stamp to commemorate the establishment of Fort Frederica on St. Simons Island, Ga., and to commemorate the battle of Bloody Marsh; to the Committee on Post Office and Civil Service.

By Mr. DORN of South Carolina:

H. J. Res. 321. Joint resolution designating the period beginning July 29, 1957, and ending August 4, 1957, as National Model Aviation Week; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to the air raid warning system; to the Committee on Armed Services.

Also, memorial of the Legislature of the State of Delaware, memorializing the President and the Congress of the United States to consider favorably a Federal program to improve Delaware waterways; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLATNIK:

H. R. 7322. A bill for the relief of Mate Vukelic; to the Committee on the Judiciary.

By Mr. DINGELL:

H. R. 7323. A bill for the relief of Dragica Unkovic; to the Committee on the Judiciary.

By Mr. HUDDLESTON:

H. R. 7324. A bill for the relief of Panagiotis and Anastasios Kolkos; to the Committee on the Judiciary.

By Mr. KEAN:

H. R. 7325. A bill for the relief of Joseph T. Horni, of Newark, N. J.; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 7326. A bill for the relief of William E. Ryan, also known as William A. Ryan; to the Committee on the Judiciary.

H. R. 7327. A bill for the relief of Evgenia Asimakopoulos; to the Committee on the Judiciary.

H. R. 7328. A bill for the relief of Grigorios and Stavroula Papanikolaou; to the Committee on the Judiciary.

By Mr. LIPSCOMB:

H. R. 7329. A bill for the relief of Mrs. Hannah Bloomfield; to the Committee on the Judiciary.

By Mr. MILLER of New York:

H. R. 7330. A bill for the relief of Demetrius Daskalakis; to the Committee on the Judiciary.

H. R. 7331. A bill for the relief of Carmela LaTorre Calabrese; to the Committee on the Judiciary.

By Mr. MORRISON:

H. R. 7332. A bill for the relief of Maria Mayr; to the Committee on the Judiciary.

H. R. 7333. A bill for the relief of Berta Semmler; to the Committee on the Judiciary.

By Mr. LANHAM:

H. R. 7334. A bill for the relief of Marvin R. Ray; to the Committee on the Judiciary.

By Mr. O'NEILL:

H. R. 7335. A bill for the relief of Saverio Luccisano; to the Committee on the Judiciary.

H. R. 7336. A bill for the relief of Libero Giarrusso; to the Committee on the Judiciary.

By Mr. RAY:

H. R. 7337. A bill for the relief of James McGuire; to the Committee on the Judiciary.

By Mr. SMITH of Mississippi:

H. R. 7338. A bill for the relief of Shew Shei Lan and Chow Shong Yep; to the Committee on the Judiciary.

H. R. 7339. A bill for the relief of Yee Suey Nong; to the Committee on the Judiciary.

By Mr. TALLE:

H. R. 7340. A bill for the relief of John Thomas Kintzinger and Andrea Lyn Kintzinger; to the Committee on the Judiciary.

By Mr. TOLLEFSON:

H. R. 7341. A bill for the relief of Ingrida Ozolins; to the Committee on the Judiciary.

By Mr. WILSON of California:

H. R. 7342. A bill for the relief of Nicola Perretta; to the Committee on the Judiciary.

H. R. 7343. A bill for the relief of Miguel Hernandez-Rizo; to the Committee on the Judiciary.

By Mr. WALTER:

H. J. Res. 322. Joint resolution for the relief of certain aliens; to the Committee on the Judiciary.

H. J. Res. 323. Joint resolution to facilitate the admission into the United States of certain aliens; to the Committee on the Judiciary.

H. J. Res. 324. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

233. By Mr. CANNON: Petition of C. O. Wanvig and 1,368 other citizens and employees of Globe-Union, Inc., of Milwaukee, Wis., petitioning Congress to reduce the budget; to the Committee on Appropriations.

234. By the SPEAKER: Petition of E. Richardson and others, Grand Prairie, Tex., requesting passage of H. R. 375, relating to free marketing of newly mined gold; to the Committee on Banking and Currency.

235. Also, petition of the executive committee, Vale Grange, No. 696, Vale, Oreg., petitioning consideration of their resolution with reference to requesting favorable action on the Hells Canyon Dam site, which is urgently needed and wanted by the majority of the people, industry, and farmers of the Pacific Northwest; to the Committee on Interior and Insular Affairs.

EXTENSIONS OF REMARKS

Syria Celebrates 11th Anniversary of Evacuation Day, April 17

EXTENSION OF REMARKS

OF

HON. ADAM C. POWELL, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 7, 1957

Mr. POWELL. Mr. Speaker, when I came back from the Asian-African Conference at Bandung, Indonesia, I announced that I would address the United States Congress each time there was an anniversary of 1 of the 29 participating nations on friendly terms with the United States. April 17, 1957, marks the 11th anniversary of Evacuation Day in Syria, and I rise to felicitate that country in observance of that event.

I would like to congratulate the people of Syria, His Excellency Shukri al-Quawwatil, President of the Republic of Syria, and His Excellency Dr. Farid Zeineddine, Ambassador of Syria, upon the celebration of Evacuation Day.

Determined to have their freedom and independence, the period in Syrian history from 1920 to 1946 was that of a desperate and bitter national struggle. Making full use of the special circumstances of the Second World War, Syria succeeded in obtaining recognition of her complete independence and in achieving the evacuation of all foreign troops from the country. The death knell of imperialism was tolled when on April 17, 1946, the United Nations approved by a large majority of votes the evacuation of all foreign troops from Syria.

Syria has ably participated in international politics. The Syrian Government in 1945 joined the Allied cause. Following this she was invited to participate in the San Francisco Conference where she signed the Charter of the United Nations as one of the first members of that body, achieving thereby the status of a free and fully sovereign state.

Syria has made notable contributions to culture and civilization. In the course of many centuries, she has produced eminent poets, men of letters, jurists, historians, scientists, and journalists who made great contributions to world culture. Syria has also transmitted to the West the philosophy and sciences of the ancient world, serving thereby as a bridge over which the cultures of the ancient Greeks, Persians, Romans, and Indians passed to Europe and America.

It is to be hoped that those forces attempting to dissuade Syria from continuing to follow the ideals of democracy will not prevail and that she will once again be a strong ally of our country.

Radioactive Fallout

EXTENSION OF REMARKS

OF

HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 7, 1957

Mr. HOLIFIELD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the recent announcement regarding the forthcoming public hearings by a special subcommittee of

the Joint Committee on Atomic Energy on the question of radioactive fallout from nuclear weapons explosions and its effects on man. The hearings are scheduled for May 27–29 and June 3–7, with the possibility of going over into the week of June 10 for public witnesses.

It is my hope that these hearings will lead to a better understanding of a problem that has become the subject of serious concern to the Congress and the people of this country. Such understanding is essential, in my opinion, to the development of sound national policies and to the maintenance of good relations with our friends and allies throughout the world.

I will announce in a few days a detailed agenda describing the subject areas to be covered and a list of witnesses who have been invited to testify before the special Subcommittee on Radiation.

The announcement follows:

A special subcommittee of the Joint Committee on Atomic Energy will hold public hearings on the problem of radioactive fallout from nuclear weapons explosions beginning May 27 and extending through June 7, it was announced today. Representative CHET HOLIFIELD, Democrat, California, has been named chairman of the subcommittee.

The hearings will cover in detail the whole fallout cycle from its inception in the detonation of nuclear weapons, through its dissemination in the atmosphere and descent to the earth, and finally to its uptake and effects on human beings, animals, and vegetation. Experts from the major scientific areas involved will be invited to present testimony before the committee. The hearings will also be open to public witnesses who wish to appear or submit a statement for the record.

Among the topics of particular interest to be discussed at the hearings are the questions of how much radioactive debris is being scattered throughout the atmosphere by nuclear weapons, the genetic effects of radiation and their meaning for future generations, the relationship of strontium 90 uptake in the human body to bone cancer and leukemia, and the effects of radiation on human longevity. Discussion will include the phenomenon of radiation damage, how it is measured, and how tolerance standards are established. Following discussion of these matters, an attempt will be made to see what projections can be made of the effects of continued testing of nuclear weapons at various rates.

In commenting on the forthcoming hearings, Representative HOLIFIELD stated:

"I am hopeful that the coming hearings will serve to give us all, both Congress and the public at large, a better understanding of the fallout question and will help clear up existing confusion over the character and dimensions of the problem. The joint committee has for some months been preparing for the hearings and has been consulting with experts from the major fields affected in order to develop a useful framework for the hearings. I believe this preparation will be useful in insuring that we cover the ground thoroughly and objectively.

"One of the major problems in previous discussions," he said, "has been that the Congress and the public have been snowed under by a welter of uncoordinated information and scientific terminology without having an adequate frame of reference for their guidance. Chief purpose of the hearings," he added, "is to provide such a frame of reference through presentation of scientific information in a form which is readily understandable to the layman as well as the scientist. We also wish to determine," he said, "what research work is being done in this field by the AEC and others, and whether the present level of this research effort is adequate."

Representative HOLIFIELD concluded by stating:

"I believe the forthcoming hearings should provide a valuable basis for future discussion of associated problems involving matters of the highest national importance, including proposals for cessation or limitation of our nuclear weapon tests. The hearings should also provide excellent background information for separate hearings being planned by the joint committee on radiation injuries to workers and workmen's compensation. Once a thorough base of understanding is laid," he added, "the Congress and the public should be in a much better position to evaluate the pertinent considerations and to develop sound national policies. It is toward this objective that the hearings are directed."

Those wishing to appear before the committee or to submit a statement for the record should contact the committee staff in room F-88, the Capitol, so that the necessary arrangements may be made.

The Late Dr. Dowell J. Howard

EXTENSION OF REMARKS

OF

HON. WATKINS M. ABBITT

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 7, 1957

Mr. ABBITT. Mr. Speaker, early this year the Commonwealth of Virginia lost an outstanding, loyal, dedicated, Christian servant.

The death of Dr. Dowell J. Howard, State superintendent of public instruction in Virginia, on February 23, is mourned not only by those with whom he was closely associated in Virginia but also by educators throughout the Nation. In his passing, education has lost a beloved and esteemed leader.

Dr. Howard's entire career was in the field of education. A native of Maryland, he received his B. S. and D. Sc. degrees from the University of Maryland and his M. S. degree from Virginia Polytechnic Institute.

He came to Virginia early in his career to serve 37 years in various educational positions, as a teacher and principal in the public schools and later in administrative positions in the State department of education.

Throughout his career, Dr. Howard never lost sight of the goal to which he aspired—to spend his life and energy in the betterment of educational opportunities for all the children of all the people—not only in Virginia but in the Nation. He was a calm, straight thinking individual with a firm belief that the people of his State to whom the schools belonged would in the end have the right judgment in the determination of school policy. In his last report as superintendent of public instruction he stated his conviction that—

It is important that we avoid diversion from the fundamental purposes and progress of a sound system of education for the children of Virginia. * * * Problems will not be solved by sudden and emotional decisions but only through the exercise of reason and intelligence. * * * Whatever the crises, whatever the challenge, whenever and however met, it will be met by the people. It is our wish that they have right judgment in all things.

He possessed the rare ability to inspire devotion and steadfast loyalty in those who worked with him. His personal relationships were marked by consideration for those around him and a deep sense of the dignity and worth of the individual.

The children of Virginia bowed their heads in sorrow at the passing of this man. Their feeling is typified in the words spoken by the young vice president of the Virginia association, Future Homemakers of America, at a memorial service for Dr. Howard:

We are joined together in sincerest feelings of humility as we honor the memory of Dr. Howard who gave the utmost of sympathy, understanding, and helpfulness during his lifetime to the present and future well-being of the boys and girls of Virginia.

New York State Democratic Delegation Protests Compliance With Saudi Arabia's Religious Discrimination

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 7, 1957

Mr. CELLER. Mr. Speaker, under leave to extend my remarks, I wish to insert in the RECORD a letter addressed to the President of the United States by 15 members of the New York State Democratic delegation, protesting compliance with Saudi Arabia's religious discrimination, and the reply from Assistant Secretary Robert C. Hill, for the Secretary of State. The texts of the letters follow:

APRIL 10, 1957.

Hon. DWIGHT D. EISENHOWER,
President of the United States,
The White House, Washington, D. C.

MY DEAR MR. PRESIDENT: We, the undersigned Members of Congress, are greatly disturbed that the renewal agreement with Saudi Arabia for use of the air base at Dhahran carries with it the tacit compliance to discrimination against American citizens of varying religious faiths. For example, United States Army personnel of Jewish faith are disqualified from being stationed at the base. At the Dhahran base United States chaplains cannot wear the insignia crosses denoting their status as Christian chaplains. Such religious services as are conducted at the base are done in secrecy.

While the position could legally be defended that an alien sovereign state, as an attribute of its sovereignty, may determine when an American is persona non grata and cannot enter, is it not equally true that the United States can, if it wishes, refuse to concede to conditions which are contrary to explicit constitutional provisions, as well as contrary to its own moral standards? Our

history is replete with incidents where we, as a country, have refused to concede to intolerable conditions which other sovereigns have sought to impose upon us as a price of continued diplomatic negotiations.

In a comparable situation President Wilson argued that the price of yielding was too great. He said that "America is not a mere body of traders; it is a body of freedom" and that the greatness of America "is moral not material" and that we must "square our politics with our principles."

Again, John W. Foster, grandfather of the present Secretary of State, when American Minister to St. Petersburg, made this point unmistakably clear in writing to the acting Russian Minister of Foreign Affairs:

"The Secretary of State instructs me to state to your Excellency that in the presence of the fact that an American citizen has been ordered to leave Russia on no other ground than that he is the professor of a particular creed or the holder of certain religious views, it becomes the duty of the Government of the United States, which impartially seeks to protect all o fits citizens of whatever origin or faith * * * to protest * * * insofar as the regulations for the expulsion of foreign Jews from Russia affects America citizens, it is an unjust reflection upon American Jews as a class and a discrimination which cannot be acquiesced in by my Government."

In accepting the conditions laid down by Saudi Arabia in the name of expediency, are we not asserting that the end justifies the means and are we not placing ourselves in the position of suppliants for the favors of Saudi Arabia when we accept conditions which are contrary to American principles?

May we respectfully ask that you address yourself to this matter so that necessary diplomatic negotiations with other nations are consonant with our principles at home. We cannot in defense of our position maintain one set of principles for internal policy and another set for the conduct of our foreign policy abroad.

Sincerely yours,

EMANUEL CELLER

(FOR VICTOR L. ANFUSO, CHARLES A. BUCKLEY, JAMES J. DELANEY, ISIDORE DOLLINGER, LEONARD FARBSTEIN, JAMES C. HEALEY, LESTER HOLTZMAN, EDNA F. KELLY, EUGENE J. KEOGH, ABRAHAM J. MULTER, JOHN J. ROONEY, ALFRED E. SANTANGELO, LUDWIG TELLER, HERBERT ZELENKO).

DEPARTMENT OF STATE,
Washington, April 30, 1957.

The Honorable EMANUEL CELLER,
House of Representatives.

DEAR MR. CELLER: I am pleased to provide a further reply to your letter of April 10 to the President concerning Saudi Arabian restrictions affecting the stationing of United States personnel at the Dhahran Airfield.

The recent negotiations with Saudi Arabia were aimed at an extension of the 1951 agreement covering rights of the United States at the airfield, which are important to our worldwide defense requirements. The text of the 1951 agreement was not at issue.

The problem of the admission of persons of the Jewish faith into Saudi Arabia is one related to the visa regulations of that country. These regulations, as you mention, are an attribute of sovereignty.

The United States, of course, does not condone practices by foreign governments which discriminate among American citizens on the basis of religious faith. In previous representations and during the recent discussions with Saudi Arabian officials, we have clearly set forth our special concern over the practices of the Saudi Arabian Government to which you refer. We will continue to exert these efforts on behalf of acceptance by Saudi Arabia of American principles in matters of this nature affecting American citizens. We have not deviated, and will not deviate, from the traditional American position.

Sincerely yours,

ROBERT C. HILL,
Assistant Secretary
(For the Secretary of State).

Japan

EXTENSION OF REMARKS

OF

HON. ADAM C. POWELL, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 7, 1957

Mr. POWELL. Mr. Speaker, when I came back from the Asian-African Conference at Bandung, Indonesia, I announced that I would address the United States Congress on the occasion of the celebration of an anniversary of each of the 29 participating nations on friendly terms with the United States. April 28, 1957, marks the fifth anniversary of the signing of the peace treaties between the United States and Japan. In observance of this event, I wish to extend my sinmere felicitations to the people of Japan, Emperor Hirohito, and the Honorable Takeso Shimoda, chargé d'affaires ad interim of Japan.

Japan has made great strides along the road to freedom and democracy. In the years since the termination of the Second World War, she has adopted a new approach in the realm of government and accordingly has enacted a new democratic constitution based upon the principle of human rights. Political democracy has brought about many valuable changes.

Looking back over the years since the end of the war, Japan can take pride in her amazing recovery from the havoc wrought by that unhappy conflict. In coming to grips with her many problems and in realization of her goals, Japan recognized that stabilization of national life is indispensable to the attainment of real independence. Economically, Japan has set her feet soundly in the paths of progress and it is reasonable to expect that her economic advance will be accelerated. The Government of Japan although aware of the marked progress the nation has made in production and foreign trade, wisely urges the direction of further efforts toward raising living standards and expanding foreign trade by bringing about a balanced development of industrial activities and various fields of national life.

Japan's international position has been elevated and its responsibilities have increased as a result of the materialization of its entry into the United Nations. Acting Prime Minister and Foreign Minister Nobusuke Kishi in a speech on February 4, 1957, aptly described the significance of this event when he said:

It is now up to Japan to build up its material and moral strength to a level befitting such position and responsibilities.

In building up the nation's strength, the postwar inclination toward an attitude of depending on others must be eliminated and a spirit of independence and self-reliance must be developed.

The fundamental objective of Japan's foreign policy, agrees Mr. Kishi, "should be to contribute to world peace and prosperity, with the United Nations as the nucleus."

The avowed basis of Japan's foreign policy is cooperation with the democratic nations, and assures that "special attention will be given to the furtherance of mutual understanding and cooperation with the United States."

Japanese-American cooperation is the keynote of Japan's foreign policy—

States Mr. Kishi—

for there exists a community of interests and objectives in a large measure between the two countries regarding political and economic affairs as well as defense.

Again I salute the Japanese people at this time and wish for them continued peace and prosperity.

Interfaith Committee

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 7, 1957

Mr. McCORMACK. Mr. Speaker, I am in receipt of a letter from our friend and former colleague, Hon. Dewey Short, Assistant Secretary of the Army—Civil-Military Affairs—writing me as Government chairman of the Interfaith Committee, and in connection with making May 14, Washington, D. C.'s first Interfaith Day, a success. I am very glad to note that Assistant Secretary of the Army, Dewey Short, is the Government chairman of the Interfaith Committee this year. This activity is a great contribution toward creating and cementing understanding and unity among our people. Everyone should cooperate in every way possible toward the success of this fine activity.

In connection with the events that will take place on May 14 in relation to participation in the celebration of Interfaith Day, the day's activities will close with a professional ball game played in its honor. As Assistant Secretary Short well said in his letter, "Since baseball is a living embodiment of American democracy in action," I am pleased to note that a game will take place that evening between the Washington Senators and the White Sox; also, that this baseball game has been arranged for in honor of Interfaith Day through the cooperation of the Washington Senators.

I hope that all persons will properly celebrate Interfaith Day, which will take place May 14, and enter into its spirit; that as many persons as possible will attend the baseball game, which will take place the evening of May 14.

Publicity for the "Butcher of the Caribbean"

EXTENSION OF REMARKS

OF

HON. CHARLES O. PORTER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 7, 1957

Mr. PORTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement which I read before a press conference in Washington, D. C., this week:

Avoiding bad publicity in the United States has been the cardinal rule of Dictator Trujillo's foreign policy. I believe he deserves publicity commensurate with his activities, so I am glad to see so many distinguished journalists on hand here today and I am glad Coronet magazine published my article, The Butcher of the Caribbean, in its current issue.

I also very much appreciate the interest shown by my colleague, GEORGE LONG, of Louisiana. Although we are now far apart in our opinions about Trujillo, I feel Mr. LONG's interest may ultimately lead him to change his views once he has had an adequate opportunity to consider the facts.

In all our mail and personal interviews in connection with the Gerry Murphy case, no one has sought to excuse or defend Trujillo; no one, that is, except representatives of two anti-Communist organizations, self-proclaimed, in New York and New Orleans, and one New York editor, all of whom, we have good reason to believe, are subsidized by Trujillo.

On the other hand, it has been my experience that every expert on Trujillo, whether he is Herbert Matthews of the New York Times, a wire service reporter in Washington, or a researcher for the Library of Congress, is hotly anti-Trujillo.

Let me tell you the story of how I became involved. Gerry Murphy, 23-year-old pilot from my hometown, Eugene, Oreg., disappeared in the Dominican Republic December 3, last year. In cooperation with Senator MORSE's office we started an investigation. A State Department representative came to my office. He said, as later an FBI man said, that Gerry was mixed up in illegal activities and that an investigation was likely to cause his parents shame on top of their grief. I called his parents on the telephone and they asked me to go ahead. They had—and they have—faith in their boy and they wanted to know—and want to know—what happened to him.

After I read the Dominican explanation of Gerry's death I was convinced that it was intentionally false and that the Dominican Government itself was responsible for Gerry's disappearance. I expressed these opinions and set forth my supporting evidence in an hour's speech on the floor of the House of Representatives February 28. On March 12 I spoke along the same lines in New York. Shortly afterward the State Department sent a note to Trujillo's government stating that our investigation had proved the Dominican explanation false in three respects, the most important being that the alleged suicide note by Gerry's alleged killer was a forgery.

The current situation can be sketched under five headings:

1. Congressional investigation: Through Senator MORSE, who has been extremely helpful, I have asked the Senate Foreign Relations Committee to investigate the Gerry Murphy case and its implications for our foreign policy. I have about abandoned hope that this committee will find it possible to take on this task and within the next 2 weeks I shall make a similar request to the House Foreign Affairs Committee. If the policies which emboldened Trujillo to kidnap and probably kill Gerry Murphy are also identifying the United States with the oppressors in many South American countries, then it is high time for drastic changes.

2. Trust fund for investigation: Gerry's parents in Eugene, with whom I met during the Easter recess, are not using the $35,000 indemnity paid to them, supposedly by the De la Maza estate, but really, I am convinced, by Trujillo. They are considering whether it would help find Gerry if they devoted some of it toward the expense of a meeting of men like Ernest Gruening, Spruille Braden, Herbert Matthews, Norman Thomas, and others in Washington to consider possible courses of action to supplement the work being done by the FBI and State Department.

3. Action by the State Department: Except for their attitude at the outset, State Department officials have been cooperative and diligent in this matter. I have the highest esteem for Dick Rubottom, the Acting Assistant Secretary of State for Inter-American Affairs, whose confirmation by the Senate is expected any day. I have been pressing the State Department ever since it sent the note to follow through with action such as withdrawing our Ambassador, William T. Pheiffer, a man I believe to have been over-friendly with the dictator, and to eject Arturo Espaillat, the Consul General in New York, as persona non grata. It happens that both these gentlemen very recently announced they were leaving their posts. I applaud their departures and believe my efforts may have helped to speed them on their way. However, the circumstances are ambiguous and I believe the United States should follow up its note with action which will clearly show our opinion of a nation that, to say the least, attempts to deceive us as to the circumstances of the disappearance of one of our citizens within its borders.

I certainly protest the approval by the Department of State of this man De Moya's credentials as Ambassador to the United States from the Dominican Republic. In a vicious speech delivered before the Commonwealth Club of San Francisco on April 5 of this year, De Moya referred to what he called "Operation Galindez" and "Operation Murphy" as Communist propaganda offensives. He implied that both myself and the United States Department of State are in the position of dupes of the Communist Party in the matter of the investigation into what happened to my constituent, Gerry Murphy.

For this unwarranted attack I expect from De Moya a retraction and an apology. I have already officially notified the proper officials of the Department of State that this is in my stand.

If this speech by De Moya is an indication of his diplomatic ability, then he is not qualified to present his credentials to the President of the United States.

4. No more financial aid: Our point 4 aid to Trujillo's well-heeled country has been amounting to about $250,000 a year for the last 4 years. Our military aid last year, according to the Washington Post, was about a million dollars. The actual figures are classified, mistakenly withheld, I believe, from American citizens who would be surprised to know the monetary value we have placed on this pipsqueak dictator and his terror-ridden administration. About 2 weeks ago Adlai Stevenson said that he thinks the most effective American exports to the underdeveloped parts of the world are not our military weapons and military pacts, but our economic methods, our technology, our ideas, and our ideals. My feeling is that we should drop all military and economic aid to the Dominican Republic and see what can be done about making our ideals available for their use.

5. Visits to Latin America: The wonderful mail I have had from most Latin American countries has convinced me that the cause of peace and freedom in the world can be furthered simply by affirmation of our basic beliefs. These letters, rich in praise, would embarrass me if I did not realize that they were a tribute to the kind of country we have, not to me personally. I hope to go to Puerto Rico early in June to reaffirm our belief in government by the consent of the governed and justice according to law. At that time I will make special reference to the Murphy-Galindez case and United States policy, which I believe does not accurately reflect the opinions of the American people about dictators such as Trujillo. In time I hope to visit other Latin American countries for the same purpose. The only promise I made in the campaign last fall was that I would spend at least one-third of my time working on the problems of war and peace. Certainly these endeavors are intimately entwined with America's necessary and crucial position as the most powerful nation in the world, the Nation to whom other nations should be able to look for moral leadership, the Nation whose ideals of government by the consent of the governed and justice according to law are on the side of the oppressed, not the oppressor.

I conclude by stating the two unanswered questions at the heart of the matter under discussion:

A. Where is Gerry Murphy?

B. Where is the foreign policy of the United States with respect to dictators like Rafael Trujillo, who dares to offer us intentionally false explanations of the disappearance of one of our citizens within his borders?

Liberation Day—Ethiopia

EXTENSION OF REMARKS

OF

HON. ADAM C. POWELL, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 7, 1957

Mr. POWELL. Mr. Speaker, when I returned from the Bandung Conference, I announced that I would address from the floor of Congress each one of the participating countries, except the Communist ones, on friendly terms with the United States. On May 5, 1957, Ethiopia celebrated her 16th anniversary of Liberation Day. I wish to send greetings to the Ethiopian people, His Imperial Majesty Haile Selassie I, Emperor of Ethiopia, and His Excellency Yilma Deressa, Ambassador of Ethiopia, in honor of that occasion.

The sovereign state of Ethiopia has enjoyed independence from time immemorial. Ethiopia was a great power from the beginning of recorded history. The holocaust of tyranny and totalitarianism in the years preceding the Second World War forced the Government to take refuge outside its own territory. Italian control was never recognized by Ethiopia nor the United States.

Emperor Selassie was one of the few men of courage who read correctly the signs of those turbulent times. He cautioned the Free World to resist the advance of totalitarianism and pled with the world to rally its forces to stop unwarranted aggression. While the Free

World turned deaf ears to his cry, the forces of nazism and fascism pursued their deadly course.

Alone against a towering enemy, Ethiopia fought valiantly for its life, and for the first time in 3,000 years Ethiopia lost her independence.

On May 5, 1941, 5 years after occupation forces had taken over Addis Ababa, Emperor Selassie reentered his country. One of his first official acts was to call upon his people to follow Christian principles and forgo acts of revenge against the tens of thousands of Italians who had been trapped by the liberation forces.

In the years since liberation, Ethiopia has tenaciously bent her energies toward the reestablishment of the country and the continuation of forward-looking projects which had been interrupted by the invasion and occupation.

Ethiopia and the United States have passed the midcentury mark in the history of their diplomatic relations. Friendly and cooperative relations with the United States in full support of the principle of collective security are the bases of Ethiopia's foreign policy.

Ethiopia can look with pride upon its record. I salute this nation of stalwart people and pray for them continued peace and prosperity as they go forward into a new year of national life.

The Public Debt

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 7, 1957

Mr. McCORMACK. Mr. Speaker, I recently wrote the Director of the Legislative Reference Service of the Library of Congress requesting information as to our gross public debt, and the interest paid thereon during the past several years.

Under date of April 22, 1957, I received a memorandum from the Legislative Reference Service in connection with the public debt interest paid and computed interest rate from 1949–57, which I herewith include in my extension of remarks.

The information follows:

Gross public debt, interest paid and computed interest rate, 1949–57

[Dollar amounts in millions]

Fiscal year ending June 30, except as indicated	Total gross debt (at end of period)	Interest on public debt (during period)	Computed annual rate of interest on marketable issues (at end of period)			
			Bills	Certificates	Notes	Treasury bonds
1949	$252,770	($5,339)	1.176	1.225	1.375	2.313
1949 (January–June)		2,922				
1950	257,357	5,750	1.187	1.163	1.344	2.322
1951	255,222	5,613	1.569	1.875	1.309	2.327
1952	259,105	5,859	1.711	1.875	1.560	2.317
1952 (as of Dec. 31)	267,391	[1] 2,966	1.915	1.897	1.755	2.329
Total, January 1949–December 1952		23,110				
1953 (as of June 30)	266,071	[2] 3,542	2.258	2.319	1.754	2.342
1954	271,260	6,382	.843	1.928	1.838	2.440
1955	274,374	6,370	1.539	1.173	1.846	2.480
1956	272,751	6,787	2.654	2.625	2.075	2.485
1957 (Mar. 31)	274,999	4,011	3.261	3.320	2.380	2.482
Total, January 1953–March 1957		27,092				

[1] July–December.
[2] January–June.

Source: U. S. Treasury Department Annual Report of the Secretary of the Treasury on the State of the Finances, 1949 and 1956; Treasury Bulletin; Daily Statement of the U. S. Treasury, Mar. 29, 1957.

The Indian's Dilemma

EXTENSION OF REMARKS

OF

HON. FRED MARSHALL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 7, 1957

Mr. MARSHALL. Mr. Speaker, the so-called Indian problem is as old as the Nation and our policies have undergone many changes with the result that confusion seems to be the only consistent characteristic. The House will be interested in an article by George H. Dunne in the January 4, 1957, issue of the Commonweal, entitled "The Indian's Dilemma."

I was particularly interested in the proposals to encourage the individual initiative through Indian corporations administered by Indians to provide educational and economic opportunities for Indians. This idea parallels the provisions of H. R. 6943, my bill to provide for the establishment of a Minnesota Indian Administration for just such purposes.

Mr. Speaker, I also include a recent newsletter outlining some of the principal purposes of this bill:

THE INDIAN'S DILEMMA

(By George H. Dunne)

From time to time what is known as the "Indian problem" escapes from the prosaic and cloudy obscurity of statistical figures, Government reports, sociological analyses and impinges itself upon public consciousness with tragic and dramatic clarity in an incident like the death of Ira B. Hayes. One of the immortals of Mount Suribachi, he survived the terrors of blood-bathed Iwo Jima to die on a black night in January 1955, alone beneath the stars and desolate, on the cold desert near Phoenix, Ariz., a victim, the coroner said, of alcohol and exposure, a victim, more penetrating observers say, of the unresolved Indian problem.

After his return from war, Hayes could not find any life for himself on the reservation, any cultural pattern with which to integrate himself. There was nothing there to make life meaningful. On the other hand, he was totally unprepared to face life off the reservation. The record shows that Hayes made repeated efforts to integrate himself with the white man's off-the-reservation world and, alternately, as many efforts to discover on the reservation some form of living that had meaning. He who helped conquer Iwo Jima could not conquer frustration. Defeated, he lay down in the desert sands to die.

This is the real Indian problem which is, at the same time, a dilemma: On the one hand, the reservation does not offer a form of life with which the Indian can integrate and thus find himself; on the other hand, the Indian is almost totally unprepared to integrate himself with life off the reservation.

This is what created the problem: The white man destroyed Indian culture and failed to supply a substitute. As a result, the Indian moves in a cultural vacuum like a lost soul, condemned to wander forever in a meaningless void, at odds with the universe. Rare individuals manage to triumph over the insuperable odds which confront them; but for most it is a situation which leads to frustration and despair. It is, in point of fact, leading to the destruction of Indians on a grand scale.

What brought the Indians to this pass? All the muddled, often contradictory, policies which have characterized the Government's handling of the Indian problem over the years. First, we effectively destroyed the American Indian's way of life. Next, we isolated him on lonely reservations, making it impossible for him to integrate himself with the white man's way of life. Then, through the General Allotment Act of 1887, we authorized the division of tribal lands into individual parcels which, after a 25-year period of Government trusteeship, were patented in fee simple and made alienable. The Indian was, of course, totally unprepared for this step which by 1933 had led to the passing to white ownership of 91 million of the 138 million acres of land held by Indians in 1887. So, in 1933 we reversed our policy. Through the policies incorporated in the Indian Reorganization Act of 1934 we reinforced the reservation system, reestablished the principle of tribal ownership and sovereignty, discouraged talk of integration, and then, with a paternal smile, told the Indian he was now free to seek his own destiny. Having zagged in that direction until 1952 we are now, under the present administration, once more zigging in the opposite direction. The talk now is of withdrawal and of termination.

It is small wonder that the Indian is bewildered. Seek his own destiny where? Within the framework of his own culture which has been destroyed beyond possibility of revival? Within the framework of the paleface's culture which is not ready to accept him and which he is not prepared to accept?

The Indians once had a culture which, although primitive in character, enabled them to establish satisfactory relationships with their neighbor, with the world around them, and with the supernatural elements which, however erroneously they conceived them, they knew to be a part of the universe in which they lived. In their tribal, family, and social relations they had developed certain cultural values which enabled them satisfactorily to come to terms with their environment. The white man destroyed that environment and in the process destroyed the Indian culture related to it.

Twenty-seven years ago I heard an Indian chief describe with somber eloquence the gradual destruction of his people's culture. He was of the Coeur d'Alene tribe in Idaho. He was replying to the Catholic bishop who had just scolded the assembled members of the tribe for their failure to appreciate all that the white man's government was doing for them. His face stern as though carved in granite, his voice rich as the tones of a violincello, the chief recited the hundred years of infamous history during which extermination alternated with exploitation as a substitute for policy. With magnificent imagery he described the free way of life which had been destroyed by the white man and his government. In the end he affirmed that the only thing of value he and his people had received from the white man was his faith in the one true God, a gift brought by the Blackrobe. Now even this gift, he concluded bitterly, was being stolen out of the hearts of young Indians under the influence of the cheap bars, cheap movie houses, cheap dance halls in the white man's towns on the fringes of the reservation. When the chief had finished the bishop cleared his throat—and went home.

The other alternative proposed to the Indian, that he work out his destiny within the framework of the white man's culture, is not without its irony. Integration presupposes a readiness on the part of whites to receive the Indian into their cities, neighborhoods, schools, churches, shops, factories, laboratories. This is the key to the problem. Indians feel that whites do not want them. So again we find racial arrogance, the white man's idolatrous and degrading worship of the whiteness of his own skin at the root of another one of our pressing national problems.

On the other hand, the Indians are not themselves prepared to find a way of life within the framework of the predominant culture of the white man. A great gulf separates the ancient ways of the Indian from our culture. Some Indians have bridged that gulf, chiefly those who have had a great deal of education. But they are relatively few. It is almost impossible for the average Indian to understand the white man's attitude toward the State, society, family, taxes, property, capital, labor, work and its motivations, money, religion and other essential elements of our culture. At the moment, for example, the most popular religion on the San Carlos Apache Reservation, despite long established Catholic and Lutheran missions both boasting numerically respectable memberships, is composed of a strange and sad mixture of Catholic, Protestant, and medicine man practices and beliefs. This is symbolic of the confusion in the midst of which the Indian lives as a result of the breakdown of his own culture and our failure to give him a satisfactory substitute.

The solutions proposed for the problem vary according as their proponents are more impressed by one or the other horn of the Indian's dilemma. Some urge a policy of withdrawal in two directions. Let the Government leave the Indians strictly alone. Let the Indians, having nothing to do with the white man's government or society, turn back to their own cultural milieu and find fulfillment in the preservation of their own primitive religious values, economic order, and social organization.

But for most tribes their way of life is destroyed beyond possibility of revival. It is not a question of whether they might prefer the world of yesterday to that of today. Whether it is more delightful to shoot a buffalo or to drive a tractor is for them an academic question. The buffalo are gone. If the Indians had not sold Manhattan Island to the Dutch; if the Dutch had not been followed by the English and the English by their rebellious colonists, the Americans; if millions of white men, lured by the promise of a new world, had not left their homes across the sea; if electricity had not been discovered nor the steam and combustion engines invented; if the march of history could have been halted 200 years ago, the state of the question would be quite different. But these, and thousands of other pertinent events, did happen. These facts and the conditions of living that have resulted from them constitute the real world with which we and the Indians must cope and within which we and they must live.

It may be possible for a small tribe such as the Hopi, which has succeeded in maintaining a kind of splendid isolation from the surrounding world down through the years, to live within its past. It is not possible for the larger tribes, many of whose cultural values were to begin with less durable, to isolate themselves. Even had their own culture not been destroyed, stark economic facts would prevent isolation. The reservations are simply incapable of supporting all the members of the tribe. A Stanford research study shows, for example, that with full development of reservation resources the San Carlos Apache Reservation in Arizona would still be unable adequately to support all members of the tribe.

Another approach to the problem is that of Oliver La Farge, longtime friend of the Indians and president of the Association on American Indian Affairs. Apparently chiefly concerned with the preservation of tribal entity, he opposes any weakening of tribal sovereignty and holds in anathema any policy which appears to him to lead in the direction of Government withdrawal or termination of the reservation system. All Indians recognize La Farge's proven friendship, but not all agree with him. They say the reservation is chiefly responsible for destroying the Indian as an individual. The reservation system is one of paternalism which makes the individual utterly dependent upon the Bureau of Indian Affairs and upon the tribal council. As they function under the Indian Reorganization Act of 1934, the reservations constitute islands of state socialism in a society organized around the principle of free enterprise. The Indian owns nothing. The tribe owns everything. The habits and attitudes almost inevitably engendered by the very nature of the reservation system unfit the Indian for survival in our highly competitive society, in which, for better or for worse, the virtues of initiative, self-reliance, energy, and thrift are of paramount importance.

Those Indian leaders knew what they were doing who, like Crazy Horse, Sioux conqueror of Custer, long resisted bitterly every effort, whether of blandishment, threat, or force, to persuade them to bring their people into the shadows of the forts and surrender them to the paternal care of the Government. Before white treachery and cruelty drove the Sioux into rebellion, Crazy Horse, as a boy, had witnessed the corrosive effects upon Indian character of this mode of life. In the end he was forced by the sufferings of his harried and starving people to yield. Before he sank, an Indian Caesar, beneath the bloody knives of grinning jackals of treachery, he had already learned to regret his decision. For in the encampments assigned them outside the Army posts where Indians sat in idleness waiting Government handouts of food, clothing, tobacco, he watched the disintegration of character rapidly setting in. Crazy Horse was glad to die. Better death than decay.

If the reservation system is itself responsible for the evils which are destroying the Indian, the answer to the problem would seem obvious: abolish the reservation system. There are some who advocate such a course, among them those who would like to get their hands on mineral and land resources belonging to the tribes.

The problem is not so easily resolved. Indians, generally speaking, have over the years become so dependent upon the Indian agencies, so unaccustomed to rely upon themselves, that they cannot conceive of any other form of survival. Any suggestion of doing away with the paternalistic system fills them with terror. For much the same reason they oppose desperately any measure which seems to them to threaten tribal entity. With so much of his own culture destroyed, the Indian feels secure only to the extent that he can identify himself with his tribe. This is why he supports tribal ownership of land and all the other features of tribal sovereignty.

This is the attitude of probably the majority of Indians. They can hardly be blamed. With the buffalo gone from the plains, with hunger gnawing at their vitals, with the icy fingers of winter rattling their bones, the followers of Crazy Horse could not be blamed for begging him to give up. Surrender to paternalism had become the only means of survival. Now, however, it becomes increasingly evident that paternalism is only a more subtle form of death. It preserves the body, but destroys the soul.

An increasing number of enlightened Indian leaders realize this. They are aware that the attitude of the majority must be changed and this now deeply ingrained dependence broken down if the Indian is to solve his problem. These men are devoted to ancestral traditions and tribal ties. But they want Indians who are free to own their own homes, till their own soil on or off the reservation; and also free to move into American cities and enter fully into the business, labor, professional, and intellectual life of these communities.

Clearly this aim implies the end of the reservation system as presently constituted. The reservations must go. But they must not go until the Indians have been adequately prepared. The abandonment of paternalism must be a gradual process and must be carried out in such a way that the many legal and moral obligations which the Government has incurred, and so often violated, are scrupulously fulfilled. It is wrong to condemn out of hand every governmental policy which leads toward withdrawal, but it is right to scrutinize closely every such policy. It must be clear that the policy is not inspired by the desire to shirk responsibilities, but rather by the resolve to carry them out fully and in a way that best serves the American Indian.

If there is any one key to the problem, it is education. White communities must be educated to welcome Indians as neighbors. The Indian must be educated to the inevitability and desirability of integration. There can be no question of forcing integration upon him. He must be free to choose his own path. But persuasive efforts must be made to convince him that the present path of reservation paternalism leads but to the grave.

This educational task will not be easy. Who can blame the Indian who wants nothing to do with the paleface's culture? He has vivid memories of limitless wrongs. The scars are still livid. Can the Apache, whose people never practiced scalping, forget the bounties on Apache scalps collected by white men? Or the Sioux forget the unspeakable desecration of the bodies of their murdered wives and daughters? It will not be easy, with these memories still living, to persuade the Indian to merge with the white man's society; but, especially with the younger generation, it will not be impossible. This educational task will best be achieved by Indian leaders themselves.

Most important of all, the younger generations must be given an education that will equip them to enter fully into the mainstream of American life. They must be educated to understand and to cope with the

problems of living engendered by a society organized around the principles of political freedom, socially regulated freedom of enterprise, private property, individual initiative.

This will be the most difficult task. The difficulty does not lie in any deficiency of intelligence on the part of the Indians, but in determining what kind of education is needed. Vocational schools may equip Indians to repair automobiles, build radio sets, drive tractors. But what kind of curricula and what sort of pedagogy is required to equip the Indian to understand and to evaluate the operative principles of the dominant culture which surrounds him and to enable him to weave into the fabric of his own psychology the positive values of that culture? What type of education will enable him, while preserving whatever of positive value remains of his Indian heritage, to become an integral part of American society?

What of the reservations themselves? What should ultimately be done with them? It should be kept in mind that they belong to the Indians. More exactly, they belong to the Indian tribes. Most Indians feel that the tribal land base must be maintained, else the tribes will disappear as entities. Even those who feel that the preservation of tribal entity is less important than the preservation of the individual from decay would be slow to advocate division of the land. Indians on the whole are scarcely more prepared to assume this responsibility today than they were at the time of the Allotment Act of 1887.

A proposal that is winning constantly stronger support is that each reservation, with all of its property holdings, be incorporated, each member of the tribe becoming a shareholder. One of the most earnest advocates of this plan is Thomas Shiya. He is not himself an Indian, but he served for several years as manager of the San Carlos Apache tribal enterprises, and from this vantage point he acquired first-hand knowledge of the Indian problem. In a recent speech, Mr. Shiya described this plan:

"Let's visualize, them, a corporation, owned by Indian stockholders who elect their board of directors, who will hire qualified management to operate the corporation for the profit of the Indian. Whether the Indian continues to live on the land or moves anywhere else to live, he continues to hold his share of the corporation stock and receives his share of dividends.

"The corporation will act as any land-holding corporation in America. Its responsibilities on the land are economic. The other public responsibilities such as education, law and order, health, welfare, etc., will be delegated to Government agencies already serving the rest of the people in the country, State, and Nation. * * *

"To continue Federal responsibilities but to free Indians from Federal bureaucracy, the corporation will be responsible to three or more private citizens as trustees. These trustees, successful and experienced leaders of unimpeachable character * * * would oversee management in the operation of corporation affairs on behalf of the Indian stockholder."

In his speech Mr. Shiya outlined other details of this plan which he terms one of "trust management" and which he believes would "open the way to all the incentives, rewards, and goals that make America the leading economic nation of the world. The Indian as an individual, rather than the tribe, becomes important and foremost, the family can own its own home on its own land, public-school education can be put to use on Indian land, and, above all, Indian land becomes integrated with the Nation's economy—an asset rather than a liability."

There are many others who also believe that in this direction alone lies hope for the Indian. They admit freely that such a transformation of the reservations will involve casualties; but they argue that almost any solution of the problem would cause fewer casualties than does the reservation system itself. It is hoped that with such a transformation there will be fewer tragedies like that of Ira B. Hayes and more Indians equipped to come to terms with the world in which they live. The advocates of this trust-management idea fully realize that such a transformation will require long preparation. First must come the educational project and its implementation. This will take time. Yet, in the opinion of serious observers, there is no time to lose.

MEETING DISCUSSES INDIAN ENTERPRISES

(By Congressman FRED MARSHALL)

The recess of the Congress gave us an opportunity this week to hold a highly interesting and informative meeting with officials of the Bureau of Indian Affairs to discuss the problems of Minnesota's Indian citizens.

Discussion centered on the economic conditions which are largely responsible for many of the other problems encountered by our Indian population, Indian representatives. Bureau officials, and Members of Congress at the meeting agreed that steady family income must be the basic consideration in any program.

A bill which I introduced at the request of Minnesota Indian councils after a long period of study and consultation was discussed in some detail, since its provisions reflect the practical problems facing the Indians of our State.

The bill would create a Minnesota Indian Administration which would bring the Indians themselves into cooperation with the State and Federal Governments in promoting activities that would help them build a stable economy and provide family income.

The administration would undertake activities such as land-use planning, research on marketing of Indian products, establishment of commercial enterprises, encouragement of private investment in Indian enterprises, road building, educational assistance, and improved housing.

Most of these activities are authorized under existing law, and some programs are now in effect and making progress. However, the Bureau explained that the great demand for services in Indian areas throughout the country and the limited funds and personnel available have hampered any intensive activity.

It was admitted that remarkable progress has been made among the Indians of Minnesota and that the Minnesota Chippewas are probably among those best able to move forward more rapidly in taking over their own affairs. This is the goal desired by the Indians themselves, and they ought to be encouraged in every way possible to assume their rightful place as first-class citizens.

The paternalism which too often characterized the activities of our Government in dealing with Indian problems failed in many serious respects, and it is obviously time to help the Indians help themselves. Their resources in Minnesota are plentiful but pitifully underdeveloped.

Our primary purpose is to assist in sound development of these resources so that self-sustaining enterprises will provide year-round employment. Such employment would of itself help to meet education and housing needs just as it does in other communities.

Some progress has been made in reforestation efforts and the principle of sustained-yield management is being applied to the timber harvest. But this is only one important element in the Indian economy and the success achieved with limited funds and limited personnel is an indication of what might be done in other areas.

Trained technicians are needed among the Indian people themselves and an expanded program of vocational education to give them the skills needed in modern undertakings would be an important step forward. The Bureau outlined plans for such a program and we hope it will be carried out as promptly and effectively as possible.

Industries based on Indian arts, harvesting of wild fruits, and charcoal production are all possible but require technical and business training. The capital investment in most of these enterprises would be small but the steady employment provided in production and distribution would be an important supplement to the seasonal timber and fishing industries.

The improved highways to be built under the new program are expected to bring many more tourists into our north country and the Indians should be in a position to provide resort and motel facilities and other services travelers expect.

The important point is that we must help the Indians take advantage of the potential which is theirs so they themselves can build a self-sufficient economy based on ownership and productive effort.

The Gerry Murphy Case: In Defense of American Justice

EXTENSION OF REMARKS

OF

HON. CHARLES O. PORTER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 7, 1957

Mr. PORTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following reply to the remarks of my distinguished colleague from Louisiana, Representative GEORGE S. LONG, which appeared on page 5322 of the CONGRESSIONAL RECORD for April 17 of this year:

On April 17 my distinguished friend and colleague, Representative LONG, of Louisiana, again saw fit to address remarks to the House concerning the Gerry Murphy case. Like Mr. LONG, it was not my intention to enter into a controversy regarding the case. In fact, after the Department of State sent to the Dominican Government its biting rejection of that Government's explanation of the circumstances of Murphy's death, I did not believe there remained an issue to debate.

In unequivocal terms the Department of State branded the Dominican tale a pack of lies. It is a mystery to me why my esteemed colleague, in his lengthy remarks on the case, chose to ignore completely the damning evidence submitted by our own investigative authorities. Perhaps he, or his expert advisers, inadvertently overlooked in their research the crucial State Department note—although on April 8 I called attention to the text of the note which appears in the March 25 CONGRESSIONAL RECORD. I beg to remind him of its indisputable contents.

The State Department note states: First, that De la Maza's suicide letter was in fact not written by De la Maza; second, that information available to the United States Government, contrary to the report of the Dominican attorney general, indicates that Gerry Murphy

was well acquainted with high Dominican officials, among them Brig. Gen. Arturo R. Espaillat—who denies knowing Gerry; and, third, that Murphy's income while in the Dominican Republic must have exceeded the $350 per month salary which the Dominican attorney general states he earned as a copilot for the Dominican Aviation Co.

It was certainly the privilege of my distinguished senior colleague to doubt the contentions I held regarding the veracity of Dominican authorities when I first presented Gerry Murphy's case to the House. Assuredly the accusations I leveled at the government of a friendly nation were startling indeed. Most Americans have learned, as Mr. LONG tells us, that Communists "are not at all concerned with truth, decency, morality and justice." It comes a lot harder to accept the lamentable fact that a presumably friendly government and ally is engaging in the same contemptible un-Christian tactics we have come to associate with the Communists.

In any case, my distinguished colleague no longer need base his judgments on what he terms my intemperate remarks. He now has the expert testimony of the FBI confirming my original contention: that is, the Dominican Government fabricated, even to the point of sacrificing the life of yet another victim, the whole ridiculous story of Gerry's murder and De la Maza's suicide. The question remaining is what dark secret led the Dominican officials to resort to murder and monstrous lies in order to cover up their deeds.

Mr. LONG would have the House believe that some insidious Communist plot is behind what he calls the unprecedented smear and vilification campaign being waged against the Government of the Dominican Republic. He further suggests that I am, albeit unwittingly, serving the Communist cause. Does, then, the distinguished gentleman from Louisiana mean to imply that the FBI and the Department of State are also serving the Communist cause? I am sure he will agree that it was not in my power to persuade the FBI to declare the alleged De la Maza letter a forgery. Nor by any stretch of imagination could I have prevailed upon the Department of State to declare that evidence in its possession contradicts the Dominican attorney general's report. If we are to follow my learned colleague's reasoning to its logical conclusion, then the Department of State and the FBI are also serving the Communist cause.

We will not serve the cause of freedom by closing our eyes, in the name of anticommunism, to the treacherous machinations of the Trujillo regime. I would remind my esteemed colleague of the wisdom set forth in the Biblical admonition:

Ye shall know the truth and the truth shall make you free.

We must not be afraid to face the truth about the Trujillo dictatorship simply because Trujillo has managed to cloak his viciousness with the respectability of anticommunism. Anticommunism, while a virtue, does not bring with it the privilege of abusing every other positive virtue which gives democracy its strength and makes it worth preserving from communism.

I come now to a particularly perturbing section of my esteemed colleague's remarks. He takes young Gerry Murphy to task for the part he appears to have played in the kidnapping of Jesus de Galindez.

Mr. Murphy—or the memory of Mr. Murphy—

Says Mr. LONG,

does not come to us with clean hands. We are a law-abiding people. As such we cannot be too concerned with what did or did not happen to Mr. Gerry Murphy.

This strikes me as very strange reasoning from several angles. The gentleman from Louisiana [Mr. LONG], by condemning Gerry's character in most abusive fashion, appears to accept the theory that Gerry had a part in the abduction of Jesus de Galindez. If so, the gentleman from Louisiana [Mr. LONG], must then accept the complicity of officials of the Dominican Republic in a conspiracy to kidnap a man right in the heart of New York. That being the case, my colleague's vituperative assertions about Gerry Murphy must also be meant for the Government of the Dominican Republic, which engineered the criminal conspiracy. Why does my esteemed colleague plead the Dominican case so eloquently while mercilessly condemning a young American citizen?

On the other hand, if the gentleman from Louisiana [Mr. LONG], does not accept the thesis that Trujillo's thugs engineered a kidnaping on United States soil and Gerry played a part in it, then we are left without a key to Gerry's disappearance. In which case it becomes even more difficult to understand the gentleman from Louisiana's [Mr. LONG] advice to me to forget Murphy because he was, according to my colleague, "a wanton character" for the part he played in the kidnaping. I submit that my distinguished friend cannot have it both ways.

Whether Gerald Murphy did or did not, knowingly or unknowingly, play a role in the mysterious disappearance of Galindez is not the point. I beg to remind my esteemed colleague that both the precepts of Christianity and of our system of jurisprudence do not judge a man guilty without trial. Moreover, Gerald Murphy, as a citizen of the United States, was entitled to the protection of our laws. I submit that whatever Gerry's crimes, he was entitled to a fair trial. He was entitled to something more Christian than the jungle law apparently prevailing in the Dominican Republic. I am convinced that my friend who represents the great State of Louisana would exert all his power to secure American justice for one of his constituents should a foreign government take the law into its own hands in gangster fashion.

As for the matter of the damages paid to the parents of Gerry Murphy, ostensibly by the family of De la Maza—once again I refer my colleague to the note from the United States Department of State to the Government of the Dominican Republic. De la Maza's suicide note, it states, was not written by De la Maza. Somebody forged that note to make it appear that De la Maza had murdered Gerry. Why should the family of the man sacrificed on the altar of Trujillo's egomania pay damages to the Murphy family for a murder he never committed? Where is our sense of justice? Are we to hide it under the cloak of anticommunism?

My distinguished and learned colleague concludes his remarkable address with a plea for not meddling in the affairs of a neighboring country. He says:

What business is it of ours as to what type of government the people of the Dominican Republic have, or in which manner their government operates, so long as that government and its operations presents no danger to our own rights?

I am glad he added the qualifying phrase, "so long as that government and its operations presents no danger to our own rights." In the case of the twin disappearances of Galindez and Murphy, our investigative agencies have unearthed some startling information about Trujillo's bold and criminal operations in our country. I am certain that Mr. LONG would agree that murder of United States citizens and residents, and their kidnaping and intimidation, does constitute a danger to our rights. It is unthinkable that a foreign government carry on its brutal machinations in our peaceful country. It is equally inconceivable that we accept in a supine manner the bold-faced lies of a foreign government because it purports to be anti-Communist.

The Government of the Dominican Republic has lied to the United States Government. The Department of State has declared, and I quote:

In view of the foregoing observations and other evidence which it has developed within its domestic jurisdiction, the Government of the United States considers the case of Gerald Lester Murphy as unsolved. The Dominican Government is urgently requested to reopen and vigorously pursue its investigation of the disappearance of this citizen of the United States.

Trujillo's answer to the note was to stick by his original trumped-up nonsense. He claims the De la Maza note to be authentic on the basis of the judgment of a Spanish authority he had brought to the Dominican Republic from Spain. Whose testimony is likely to be credible, the FBI's or a handpicked Spanish expert? Trujillo clings to the story that Murphy was not acquainted with any high Dominican officials. The FBI states otherwise. Trujillo reiterates that Murphy's salary while in the Dominican Republic was $350 per month. The FBI found Murphy's income far exceeded the amount Dominican authorities will admit.

As I stated earlier in the case, I do not propose that we go in and clean the vipers out of the Dominican Government. But we can see to it that they do not make so bold as to carry on their sordid intrigues within our territory or against our citizens.

Recently a first healthy step was taken. The Department of State on May 1 sent to the Senate the nomination of Joseph F. Farland to replace Ambassador Peiffer in the Dominican Republic. Mr. Farland, I understand, besides possessing a law degree, served as an FBI agent from 1942 to 1944. In view of the present situation, I would say his experience should serve him in good stead.

A second step to strengthen our resolve to stand for justice in our dealings with the Dominican Republic has been the nomination of Dick Rubottom as Assistant Secretary of State for Inter-American Affairs. For 8 months the position was vacant. It is a good thing that someone in the Department will now be in a position to assume responsibility for events in the vital Caribbean area.

I appreciate the interest shown by the gentleman from Louisiana. His interest, I feel sure, will lead him to reconsider his position, once he has had an opportunity to learn the facts. If more Congressmen can be informed about the Gerry Murphy case, a vital change may occur in our foreign policy in Latin America: The United States may once again assume its rightful role as the champion of the oppressed and as the Nation where government by consent of the governed and justice under law are revered and held as an example for all the world.

H. R. 6771: Assistance for Schools of Public Health

EXTENSION OF REMARKS

OF

HON. GEORGE M. RHODES

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 7, 1957

Mr. RHODES of Pennsylvania. Mr. Speaker, last month I introduced H. R. 6771, a bill to amend section 314 (c) of the Public Health Service Act, so as to authorize the Surgeon General to make grants-in-aid for the support of public or nonprofit educational institutions which provide training and services in the fields of public health and in the administration of State and local public health programs.

This legislation is the outgrowth of my participation in the annual meeting of the Association of Schools of Public Health in February. Congressman BILL NEAL, of West Virginia, and I attended the meeting as representatives of the Health and Science Subcommittee of the House Interstate and Foreign Commerce Committee. In the discussions of the public health educational needs at this meeting, I was impressed by the scope and importance of this program, the difficulties with which the school administrators are faced, and by their sincere devotion to the humanitarian objectives of the public health program.

Of the 11 schools of public health, 5 are publicly owned and supported—University of California, Berkeley; University of Michigan; University of Minnesota; University of North Carolina; and University of Puerto Rico. The remaining 6 schools are private nonprofit institutions—Columbia, Harvard, Johns Hopkins, Pittsburgh, Tulane, and Yale Universities. This year's combined enrollment is 1,152 graduate students and 536 undergraduate students. The largest single group of the graduate study group consists of physicians. The undergraduates are mostly public-health nurses.

The problems of obtaining adequate financial support of these schools are extremely difficult. A large percentage of the students at the individual schools are from out-of-State or from other nations, making it difficult for publicly supported schools to secure adequate operating funds from the State legislatures. Since most of the graduates of all these schools enter the public service at Federal, State or local levels, it has been almost impossible to obtain the usual degree of financial support from alumni.

In discharging its responsibilities in the field of public health, the Federal Government relies to a considerable extent on the teaching and research activities of the schools of public health. It therefore has a direct and important interest in the adequate functioning of these schools. While the grants provided for in H. R. 6771 will not completely solve the critical financial problems facing the schools of public health, they would provide much needed assistance to permit more effective operation of the public health educational program.

Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to include the text of a letter which I addressed to the deans of the schools of public health, inviting their comments on the objectives of H. R. 6771. I would also like to include the texts of letters received from the various deans, expressing their views on this important legislation, including a copy of a letter written to the subcommittee chairman, Congressman JOHN BELL WILLIAMS, of Mississippi:

APRIL 18, 1957.

DEAR SIR: As a result of our discussions for the need of schools of public health at the meeting in San Juan and subsequent negotiations with Dr. Stebbins, of Johns Hopkins University, I have introduced the enclosed bill, H. R. 6771.

The measure would provide up to $1 million to enable the Surgeon General to make grants-in-aid for the support of public or nonprofit educational institutions, providing training, specialized consultative services, and technical assistance in the fields of public health and in the administration of State and local public health programs.

H. R. 6771 has been referred to our health and science subcommittee of the House Interstate and Foreign Commerce Committee. While the subcommittee has not yet scheduled hearings on the bill, I am hopeful that it will receive prompt consideration as soon as the views of the Public Health Service are received.

We will welcome any suggestions or comments which you may wish to make on this important matter.

Sincerely yours,

GEORGE M. RHODES.

THE JOHNS HOPKINS UNIVERSITY,
SCHOOL OF
HYGIENE AND PUBLIC HEALTH,
Baltimore, Md., April 22, 1957.

The Honorable GEORGE M. RHODES,
Congress of the United States, House of Representatives, House Office Building, Washington, D. C.

DEAR CONGRESSMAN RHODES: This will acknowledge your letter of April 18 in which you state that you are introducing a bill, H. R. 6771, incorporating the basic principles of the proposal which the Association of Schools of Public Health submitted to you.

As I stated in my previous letter, we appreciate, more than we can tell you, your real and continued interest in the problems of the schools of public health. The proposal which we submitted to you, as I pointed out in my letter of March 28, does not by any means solve all of the problems of the schools of public health, but it will go a long way, if properly implemented, in solving the immediate problems of the schools. We all feel that it is imperative that the Federal Government recognize in some way, not only the present contribution of the schools of public health, but the potential contribution of these schools in the training and development of the services so urgently needed in our country.

As we pointed out to you in our meeting in Puerto Rico, at the present time the schools of public health are, in a sense, subsidizing the Federal Government in that we accept each year hundreds of students who are being trained for public service. The schools bear the major part of the financial burden of training these students. The cost of training in schools of public health is not significantly different from the cost of training students in schools of medicine, and as in the case of the schools of medicine, the tuition charged by the schools of public health is a small fraction of the total cost of training these students, all of whom, or at least a major proportion, go into public service, many of them in the Federal Government, and the rest in State and local health services.

Under present conditions, the privately endowed schools find themselves in the position of being no longer able to bear this added expense, and as you know, the State schools are constantly threatened with the reduction in appropriations because of the small proportion of students enrolled, who are from the State in which the school is located.

My colleagues in the schools of public health join with me in expressing our very deep appreciation for your interest and your energy in forwarding the movement for aid to the schools of public health. We want to assure you of our willingness to assist you in any way in supporting the legislation which you have introduced. We have had meetings with various groups of the Association of State and Territorial Health Officers, with many groups of public and private health agencies, and, insofar as we can determine, there is universal support for this type of legislation.

If, in your opinion, there is anything that the representatives of the schools of public health could possibly do to assist you in advancing this program, please let us know. I can assure you of the availability of the deans of the schools, or of other members of the faculty to assist you in any way that you might consider appropriate in the further support of these very important measures for the improvement of public health.

Very truly yours,

ERNEST L. STEBBINS, M. D.,
Director.

UNIVERSITY OF PUERTO RICO,
SCHOOL OF MEDICINE,
SCHOOL OF TROPICAL MEDICINE,
San Juan, P. R., April 22, 1957.

Mr. GEORGE M. RHODES,
House Office Building,
Washington, D. C.

DEAR MR. RHODES: Many thanks for your letter of April 18 including copy of bill H. R. 6771 introduced by you to the Congress. I am sure all the schools of public health, as our own does, appreciate your efforts to assist them in doing their job as efficiently as it can be done.

We are already admitting students for next year's class. If financial help as proposed in

your bill becomes available, many of our worries as to how we are going to operate next year and how we are going to improve and expand our program in some areas of public health will be relieved in no small part.

Sincerely,

GUILLERMO ARBONA, M. D.,
Head of the Department of Preventive Medicine and Public Health.

UNIVERSITY OF PUERTO RICO,
SCHOOL OF MEDICINE,
SCHOOL OF TROPICAL MEDICINE,
San Juan, P. R., April 24, 1957.

Congressman GEORGE M. RHODES,
Committee on Interstate and Foreign Commerce, House Office Building, Congress of the United States, Washington, D. C.

DEAR CONGRESSMAN RHODES: I hope you can appreciate how grateful we in Puerto Rico are for your broad vision in introducing H. R. 6771. It is quite apparent that you quickly grasped the special needs of schools of public health and have proposed a simple legislative amendment which will make a modest beginning toward solving the enormous economic problems of such institutions.

Our university has been relatively generous, in comparison to its many requirements, in initiating graduate programs in public health. However, had we not received the temporary support of ICA, we would never have undertaken the curriculum leading to a master in public health. At least 50 percent of our public health students come to us from outside Puerto Rico—principally from Latin America. This is not a unique characteristic of our particular school but an indication that public health in the United States has assumed world leadership.

Your bill H. R. 6771 would provide economic assurance which would help to stabilize the development of our school. While I am confident that $1 million will not meet total requirements of all the schools of public health, it will make a noble effort and give great encouragement to university presidents who have frequently had mixed feelings in apportioning their meager funds for graduate professional education.

Again let me remind you of what a great pleasure it was to have you, Congressman NEAL, and Mr. Borchardt here in Puerto Rico for an all too brief visit.

Cordially yours,

E. HAROLD HINMAN, M. D.,
Dean.

UNIVERSITY OF CALIFORNIA,
SCHOOL OF PUBLIC HEALTH,
Berkeley, Calif., April 23, 1957.

The Honorable GEORGE M. RHODES,
Fourteenth District, Pennsylvania, House Office Building, Washington, D. C.

DEAR MR. RHODES: Thank you for your letter of April 18 informing me of your farsighted and energetic steps to aid our Nation's public health. As a member of the executive committee of our Association of Schools of Public Health, may I express our deep appreciation for your introduction of H. R. 6771. This bill clearly presents the pathway for critically necessary aid to schools of public health in their national and natural setting. They are truly meeting national (and international) public health needs in training, consultation, and technical assistance as you and your fellow committeeman, Congressman NEIL, discussed in our Puerto Rico meeting.

In order that I may seek our university's full support, would it be possible for me to have 10 copies of H. R. 6771?

With kind regards.

Very sincerely,

CHARLES E. SMITH, M. D.,
Dean.

TULANE UNIVERSITY,
SCHOOL OF MEDICINE,
New Orleans, La., April 24, 1957.

Mr. GEORGE M. RHODES,
Congress of the United States, House of Representatives, Washington, D. C.

DEAR MR. RHODES: I appreciate very much your letter of April 18, 1957, with attached copy of H. R. 6771.

We enjoyed very much our meeting with you in San Juan and appreciate your deep interest in the financial needs of schools of public health in the United States.

If I may be of any service to you, please do not hesitate to call on me.

Yours sincerely,

W. L. TREUTING, M. D.

COLUMBIA UNIVERSITY,
April 29, 1957.

Representative GEORGE M. RHODES,
House Office Building,
Washington, D. C.

DEAR REPRESENTATIVE RHODES: Thank you very much for your letter of April 18 and the attached bill H. R. 6771 regarding grants in aid to assist schools of public health. Speaking for myself and for the vice president of the university in charge of medical affairs I want to say that we are very grateful that you have taken this initiative. Schools of public health essentially produce people for public service and not for private practice and large income. As schools which occupy this rather unique position we nevertheless find ourselves in financially difficult positions to maintain the size of class or the quality of instruction we wish. Any assistance which can be forthcoming will be used constructively and will not replace money now being invested by the university. We thank you for your interest and hope that something will come of your efforts.

With kind regards,

Sincerely yours,

RAY E. TRUSSELL, M. D., M. P. H.,
Executive Officer, School of Public Health and Administrative Medicine of the Faculty of Medicine.

THE UNIVERSITY OF PITTSBURGH,
GRADUATE SCHOOL OF PUBLIC HEALTH,
Pittsburgh, Pa., May 1, 1957.

Hon. GEORGE M. RHODES,
House of Representatives,
Washington, D. C.

DEAR MR. RHODES: Please pardon my delay in not responding earlier to your kind letter of April 18 with a copy of H. R. 6771, which you were good enough to introduce.

I shall keep in close touch with Dr. Ernest L. Stebbins and shall be most anxious to do whatever I can to promote hearings by your House Subcommittee and otherwise.

I know that as a result of your discussions with the Deans of the Schools of Public Health in San Juan in February, you are keenly aware of the precarious financial situation which faces these schools. They are unique among educational institutions, both in training for public service and in rendering specialized consultative services and technical assistance to State and local health departments. Your interest in this important matter is deeply appreciated.

With personal regards, I am,

Sincerely,

THOMAS PARRAN, M. D.,
Dean.

YALE UNIVERSITY,
DEPARTMENT OF PUBLIC HEALTH,
New Haven, Conn., May 6, 1957.

The Honorable GEORGE M. RHODES,
Congress of the United States,
Washington, D. C.

DEAR CONGRESSMAN RHODES: We enjoyed your company and suggestions, and those of your associates, while we were in Puerto Rico for the annual meeting of the Schools of Public Health. Thank you for your good letter of April 18, 1957, and for the assistance of the bill H. R. 6771 which you introduced.

You have indicated by this step your recognition of the urgent needs of the schools and the importance of this great program of so much significance to so many of our people.

We will do our best with the tools at hand and we appreciate the interest and understanding of you and your committee.

Sincerely yours,

IRA V. HISCOCK,
Chairman and Past President,
American Public Health Association.

HARVARD SCHOOL OF PUBLIC HEALTH,
Boston, Mass., May 8, 1957.

The Honorable JOHN BELL WILLIAMS,
The United States House of Representatives, House of Representatives Office Building, Washington, D. C.

DEAR CONGRESSMAN WILLIAMS: As dean of 1 of the 11 accredited schools of public health in the United States, I write in behalf of H. R. 6771 which has been introduced by Congressman RHODES of Pennsylvania. It is my belief that this bill deserves the most serious consideration and active support which you and your subcommittee can give to it.

You are, of course, familiar with the data submitted by the Association of Schools of Public Health documenting (1) the shortage of public health personnel in this country; (2) the fact that the graduates of the schools of public health enter the public service in many States throughout the country; (3) the fact that the schools of public health are seriously in need of funds, particularly for teaching and for general operations.

Federal aid to schools of public health is clearly justified because the schools are in no sense regional. They provide public health personnel for the Nation as a whole. For example, 9 graduates of the Harvard School of Public Health presently serve in Mississippi. Among them are 3 division heads of the Mississippi State Board of Health.

I respectfully urge you, as Chairman of the Health and Science Subcommittee, to schedule hearings on H. R. 6771 at the earliest opportunity. I hope this important measure will have your personal support. Please let me know if members of our faculty and I can help in any way.

With best wishes,

Sincerely yours,

JOHN C. SNYDER, M. D., *Dean.*

UNIVERSITY OF MINNESOTA,
COLLEGE OF MEDICAL SCIENCES,
Minneapolis, May 11, 1957.

Hon. GEORGE M. RHODES,
Congress of the United States,
House of Representatives,
Washington, D. C.

DEAR MR. RHODES: Thank you for your recent letter with reference to House Resolve 6771, which you have introduced. I am enclosing a copy of a letter which I have sent to the chairman of the Health and Science Subcommittee of the Interstate and Foreign Commerce Committee. I sincerely hope that your proposal will meet with success.

It was a real pleasure to meet with you in Puerto Rico and to have the opportunity of presenting to you and your colleagues some of the critical needs of the schools of public health. I know that we are all greatly indebted to you for the interest that you have taken in these problems.

Very truly yours,

GAYLORD W. ANDERSON, M. D.,
Mayo Professor and Director,
School of Public Health.

Addresses Delivered by Hon. John W. McCormack, Hon. Joseph W. Martin, Jr., and Gen. Carlos P. Romulo, at Bataan-Corregidor Memorial Dinner, Washington, May 6, 1957

EXTENSION OF REMARKS
OF
HON. GEORGE P. MILLER
OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 7, 1957

Mr. MILLER of California. Mr. Speaker, last night we witnessed a great event when a memorial dinner was held at the Mayflower Hotel to commemorate the 15th anniversary of Bataan and Corregidor. The speeches delivered are food for thought. Two of our colleagues, the Honorable JOHN W. MCCORMACK, of Massachusetts, and the Honorable JOSEPH W. MARTIN, JR., also of Massachusetts, were conferred one of the highest decorations of the Philippine Government—the Philippine Legion of Honor in the degree of Commander. This shows that the Philippines does not forget its friends. It is an excellent attribute for any action to give recognition to those who have served it. This the Philippines has done and continues doing.

There is a message in General Romulo's speech that we should all heed. It is a message that will help us in the solution of national and international problems facing our Nation. At the same time, the speeches by Majority Floor Leader MCCORMACK and Minority Floor Leader MARTIN convey to the Filipino people our gratitude for their loyalty to democratic ideals and their unswerving determination to continue fighting for such ideals. Those who doubt America's abiding faith in democracy should have been at the Mayflower Hotel last night and should have witnessed that wonderful friendship between two nations of two different races. It was both uplifting and encouraging.

The following are the citations:

AWARD OF THE PHILIPPINE LEGION OF HONOR (COMMANDER)

By direction of the President, pursuant to paragraph 2e, section I, AFPR G 131-051, the Philippine Legion of Honor in the degree of Commander is hereby awarded to: Majority Floor Leader JOHN W. MCCORMACK, of the United States House of Representatives, for exceptional and distinguished service to the Republic of the Philippines as a legislator and statesman. Majority Floor Leader JOHN W. MCCORMACK, as one of the stanch champions of the cause of Philippine independence, voted for the legislation which granted first autonomy and subsequently the complete independence of the Philippines. He has consistently shown a sympathetic and abiding interest in Philippine affairs and supported such legislation as the Philippine War Damage Act and other important rehabilitation and trade measures for this country. A courageous and farsighted liberal, he sponsored the historic resolution that pledged the United States to support the freedom of colonial peoples. His assistance and counsels have always been available to Philippine representatives to the United States of America. By his invaluable service, Majority Floor Leader JOHN W. MCCORMACK affirmed himself as a true friend of the Filipino people.

By order of the Secretary of National Defense:

ALFONSO ARELLANO,
Lieutenant General, AFP,
Chief of Staff.

AWARD OF THE PHILIPPINE LEGION OF HONOR (COMMANDER)

By direction of the President, pursuant to paragraph 2e, section I, AFPR G 131-051, this headquarters, dated January 21, 1954, the Philippine Legion of Honor in the degree of Commander is hereby awarded to: Minority Floor Leader JOSEPH W. MARTIN, JR., of the United States House of Representatives, for distinguished service to the Republic of the Philippines as a legislator and statesman. Minority Floor Leader JOSEPH W. MARTIN, JR., has shown through the years consistent friendly interest in the Philippines, as the former Speaker, and as the incumbent minority floor leader of the United States House of Representatives. He showed sympathetic understanding of a people's love of freedom by voting for the legislation which ultimately granted complete independence to the Philippines. He is a friend and counselor to the Philippine representatives to the United States of America whose task he has made easier by his invaluable assistance and cooperation in the enactment of legislation for Philippine veterans, the Philippine War Damage Act, rehabilitation and trade measures, and other important legislation for the Philippines. Minority Floor Leader JOSEPH W. MARTIN's invaluable service is a manifestation of his continuing and lively interest in the welfare of the Filipino people.

By order of the Secretary of National Defense:

ALFONSO ARELLANO,
Lieutenant General, AFP, Chief of Staff.

Following is the speech of Minority Floor Leader MARTIN:

REMARKS OF JOSEPH W. MARTIN, JR., MINORITY LEADER, UNITED STATES HOUSE OF REPRESENTATIVES, UPON RECEIVING THE DECORATION CONFERRED ON HIM BY THE PHILIPPINE GOVERNMENT—LEGION OF HONOR WITH THE RANK OF COMMANDER—AT THE BATAAN-CORREGIDOR MEMORIAL DINNER, MAYFLOWER HOTEL, WASHINGTON, D. C., MAY 6, 1957

General Romulo, Mr. Justices, members of the Cabinet, my colleagues of the Senate and the House, ladies and gentlemen, I am grateful to your Government for this honor. I treasure it because it is a symbol of the friendship that links our two countries as allies united by a common ideology. I welcome it as a token of your pepole's appreciation of the collective wisdom of our Congress in passing such legislation as has shown to the world America's faith in the ability of the Filipino people to govern themselves. In all humility, I accept it with the expression of my profound gratitude to President Garcia and the Filipino people. In compliance with our Constitution, I will deposit this decoration with the State Department until Congress has passed a law authorizing its acceptance.

When we look back at Philippine-American relationship one central fact stands out. It is that we have faced together many problems, some of them apparently insoluble, a number of them affecting fundamentally the relations between our two countries. There were times when certain irritants seemed to make it impossible for us to come to a solution. There has not been one single instance, however, when after a mutual exchange of ideas, after negotiations had been conducted by the leaders of our two peoples, when we did not come to a satisfactory solution mutually accepted by both our countries without the impairment of the dignity and honor of either. We have lived together in good faith and good will.

I believe this is a lesson from which the world can profit. Where there is honesty and justice and mutual respect there is real friendship. This is what has united our two peoples. To this we owe that unforgettable Filipino loyalty shown in Bataan and Corregidor. I do not believe anything can destroy or undermine the friendship of our two countries. It was born out of mutual loyalty, your loyalty to us, and our loyalty to you. We may make mistakes. You may also makes mistakes. We are far from perfect. What counts, however, is not the errors but the sincere desire that is evinced by you and by us to admit those errors and to correct them.

We look with pride at the progress achieved by your people. A recent instance of this is the vitality of your democracy. When your great leader, the late lamented President Magsaysay suddenly died in an airplane crash, his unexpected disappearance from the Philippine scene as its head of state could have caused an upheaval similar to that which has happened in other countries when faced by a similar emergency. To the credit of your people no such upheaval took place. You followed the even tenor of your democratic ways. Your Vice President took over and it is a tribute to him and to your country that he is carrying on in a manner that shows your maturity as a nation imbued with democratic ideals.

To President Garcia who has announced his avowed policy to fight communism and neutralism and to strengthen the relationship between our two countries goes my best wishes for a successful administration. I know he can count on the same cooperation from America as his predecessor. To you, Mr. Ambassador, serving your people here in Washington in a manner that has won the admiration, the affection and respect of all of us, my deep appreciation for this award which, in behalf of your Government, you have so generously conferred on me tonight.

Perhaps nothing can characterize the effectiveness of your work as Philippine Ambassador more appropriately than to recall what the late Vice President Barkley once said when as Foreign Secretary of your Government you came to Washington in 1950. At a luncheon at the Capitol which he gave in your honor he quipped—"When Churchill or Romulo come to Washington we should double the guard at Fort Knox."

Mr. Barkley, of course, was indulging in a little humor, for which he was so famous. But it did illustrate the aggressiveness and the effectiveness of a great Ambassador's representation of a great country. General Romulo is one of the strongest forces for freedom in our world today. A hero in war, General Romulo has continued his outstanding service to his country in peace. May the good Lord spare him to serve his nation for many years to come.

Again thank you, Mr. Ambassador, for this award which will be one of my most cherished possessions as long as life shall last.

Following is the speech of Majority Floor Leader MCCORMACK:

ADDRESS DELIVERED BY THE HONORABLE JOHN W. MCCORMACK, MAJORITY FLOOR LEADER, UNITED STATES HOUSE OF REPRESENTATIVES, UPON RECEIVING THE DECORATION CONFERRED ON HIM BY THE PHILIPPINE GOVERNMENT—LEGION OF HONOR WITH THE RANK OF COMMANDER—AT THE BATAAN-CORREGIDOR MEMORIAL DINNER, MAYFLOWER HOTEL, MAY 6, 1957

General Romulo, Mr. Vice President, Mr. Justices, members of the Cabinet, my colleagues of the Senate and the House, ladies and gentlemen, I am deeply touched and honored by the citation and I only hope, in all humility, that I will continue to deserve

it. I receive the award conscious of the fact that the collective action of my colleagues in the House of Representatives made possible the legislation mentioned in the citation. I accept the award coming as it does from a people with whom I am happy to have been associated through the years both by political persuasions and by religious ties. I accept this award on behalf of my constituents without whose support this would never have been possible. They, too, share my admiration and affection for the Filipino people. Thank you, General Romulo, and please convey my appreciation to President Garcia and to the Filipino people for this honor that they have conferred upon me. I will deposit the decoration with the Department of State and will accept it when Congress gives me its approval. The honor and the decoration will always be one of my treasured possessions.

It is true that my relationship with the Filipino people has been a close and happy one. I hold them in high regard because of their loyalty to the ideals of freedom and democracy. I admire them also for their religious faith. With their representative here in Washington, Gen. Carlos P. Romulo, I am linked by close personal ties of friendship and esteem. Wherever there are men and women throughout the world who love liberty, General Romulo is deeply admired and respected. I respect him for his devoted service to his people. In the House, when he was our colleague as Resident Commissioner, he fought for the Philippine Rehabilitation Act and for the Philippine Trade Act, to get, through them, as much as he could, the best concessions for his people. The cause of the Filipino veterans he espoused with vigor and determination. He has come to me time and again to expound the side of the Philippines on matters before the House. In the United Nations, he has won world acclaim. He is a patriot and a statesman and the Philippines must be proud to have a spokesman of his character and ability.

I see in this award, Mr. Ambassador, a veritable symbol of the lasting friendship between the Filipino and American peoples. It is a friendship which has been tested time and again in fruitful collaboration since the beginning of the century. It was sealed in blood on the European battlefields of World War I, on the historic battlefields of World War II, in Bataan and Corregidor, and on the battlefields of Korea in the United Nations collective action against the Red Chinese and North Korean aggressors. It has been tested in the halls of the United Nations where, led by General Romulo in the Security Council, the Philippine fights for the cause of non-self-governing countries as well as for the cause of the underdeveloped areas of the world. This is a cause that it is the traditional American policy to follow. It was reiterated in a joint resolution which it was my privilege to sponsor on the floor of the House last year, and unanimously approved.

Against this background of friendship, we are gathered here tonight to commemorate the 15th anniversary of the fall of Bataan and Corregidor. Too much has been said about the fact that Bataan and Corregidor were a defeat. They were a defeat of the flesh, which could no longer endure the onslaught of superior arms and superior numbers. But they were, on the other hand, a victory of the unconquerable spirit of man. This man was of both East and West, fighting side by side for an ideal that he believed in, that he had hoped to pass on to his children with undiminished vigor. His action was the very heart of courage, as Walter Lippmann called it.

And we can pay tribute to his memory not by what we say here, but by what we do now and in the future to secure for the men, women, and children, who are his heirs the permanent blessings of a life with justice and a life free from want and poverty and conflict, a worldwide regime that not only passively respects but militantly fights for human rights.

This is the transcendental achievement we are called upon to do. The world has progressed immeasurably since the Middle Ages, indeed since the 19th century. But while there are parts of the world which live in peace and contentment, the rest of the world subsists in conditions of misery, squalor, and fear.

Asia and Africa are two vast continents seething with unrest and ferment. Their peoples are engaged in the historic struggle of man for liberty and political and economic freedom. Since the end of World War II, we have seen 19 of these countries emerge as free and independent states, jealous of their rights and responsibilities. They are engaged in the momentous struggle of nation building, and they will no longer be denied the fruits of the renaissance, however late in coming. It is for the Free World to see to it that they gain and share in the economic largesse of the earth, lest they fall for the blandishments of a godless communism.

Already, in September 1953, the United States announced its atoms-for-peace plan before the General Assembly of the United Nations. That was a momentous decision in this mid-20th century. It is calculated to bring, not the scourge of total destruction upon mankind, but the benefits of technology and science, to the less fortunate people and the underdeveloped areas of the world, so that they may begin to know the blessings of economic prosperity. Until this is done, our battle against hunger and poverty is not won, and Bataan and Corregidor would simply be a dim memory of the past.

Our friendship for your people we have shown in many tangible ways. Recently our Government decided to make the Philippines the nuclear research center in Asia. This decision was made in favor of your country despite the insistence of several other countries in Asia that they be favored with such a center. This was a decision that revealed not only our friendship for the Philippines but our faith in your ability and competence to undertake such a great project. This means that we have selected you for leadership in your section of the world on a subject of paramount importance to all humanity such as nuclear research. This, aside from the fact that we have entered into a bilateral agreement with you to provide you with an atomic reactor.

When we passed the Philippine Rehabilitation Act, it was in the full knowledge that the United States has never paid any war claims in the past even to our own fellow countrymen devastated by our civil war. But this we did for you as a small token of our gratitude for your loyalty. True, it is far from adequate, it is certainly not meant as a compensation, but considering that we have never done it in the past, you can understand that it was really a sincere recognition, no matter how insignificant, of what was done by those whose memory we honor tonight.

When you came to us, as President Magsaysay's special envoy, to ask for the extension of the Philippine Trade Act and later, when you appealed to us for the approval of the revised Philippine Trade Act, despite the pressure of other important legislation pending then in Congress, preferential attention was given your plea. The Philippine Trade Act was enacted by us in 1946 because we thought you needed it to cushion the economic effects of independence. When you came to us 10 years later to ask for modification that would benefit your people, Congress readily met your views. I can mention other instances wherein we Americans have consistently shown our interest in and friendship for the Philippines. I am citing these few examples out of others that I need not belabor here because tonight is also a night of remembrance and of recollection to recall Philippine loyalty to the United States and United States loyalty to the Philippines, friendship—real friendship and loyalty between our two countries. This is also explained by the fact that we worship the same God and we believe in the spiritual and moral values which an atheistic ideology such as communism rejects and proscribes. Indeed, our battle, ladies and gentlemen, is not merely a battle for the mundane and material things of the earth. It is far more than that. Our battle is really in the realm of the spirit. It is a struggle for men's minds and men's hearts. It is a pitting of ideas against the Communist ideology, the core of which is world domination and the enslavement of man. We have no doubt that our democratic ideals—that man is endowed with the inalienable right to life, liberty, and the pursuit of happiness—are the superior ones. We have no doubt that democracy, which extolls the dignity of man and the paramountcy of his well-being, and that Government is the servant and not the master, will triumph in the end against an ideology that will keep him forever shackled as a slave, a mere pawn. Because this is the heart of our belief, we must strive to give life to it without letup, and in an affirmative and dynamic manner.

The American people are committed to the defense of human rights and freedom. Such a dedication was epitomized by the grant of independence to the Philippines in 1946. And to pursue these ideals, the United States has forged an alliance with many countries of the Free World. This alliance is meant not for aggression, but for self-defense, and for self-preservation enabling nations and peoples, large or small, to attain their national objectives in accordance with their cultures under governments of law in a world of peace. We still give the enemy no reason to miscalculate.

The leaders of the Free World have shown the courage to stand and be counted with the forces of freedom. Such a leader was the late lamented Filipino patriot, Ramon Magsaysay. The Free World has lost a fearless leader dedicated to the democratic cause. His life was short, but it was a full life dedicated as it was to the service of the common man who loved him and whom he loved.

It is fortunate that his successor is a man as uncompromising in his determination to fight communism and neutralism, no less farsighted, and no less idealistic, and who quickly and effectively dispelled the fear that was expressed in some quarters after Magsaysay's tragic death, that the Philippines might go neutral or drift into the Communist orbit. President Carlos P. Garcia has taken over the duties of President under constitutional processes, bringing to his new office a wealth of experience in the service of his people. He pledged shortly after assuming the office of the presidency, "I can only tell you I shall carry out every item of the Magsaysay program to its full realization." The Free World can count on him, as it counted on Magsaysay. He is a stanch champion of freedom just as Magsaysay was. As the real friendship of our two countries continued and was strengthened, under the late president, so will it continue to strengthen under President Garcia. It can be said without contradiction that our relationship is more than friendship—that the family relationship of brothers exists between our countries and our peoples.

Men died on Bataan and Corregidor, but the cause for which they fought lives on. Magsaysay fought for such a cause; Garcia is fighting for it himself; and men who have known the blessings of liberty will forever

fight for it. I associate myself with the stirring words that:

"Bataan has fallen, but the spirit that made it stand—a beacon to all the world—cannot fail. * * * Our defeat is our victory."

Let us make that victory permanent and with an unfaltering trust in an Almighty, we cannot fail.

Following is General Romulo's speech:

ADDRESS DELIVERED BY GEN. CARLOS P. ROMULO AT THE BATAAN-CORREGIDOR MEMORIAL DINNER, MAYFLOWER HOTEL, MAY 6, 1957

We have lived through half a generation since the glory of Bataan and the martyrdom of Corregidor. We have survived a great war, and several lesser wars, and the overhanging threat of a future conflagration. We have survived victory, and we have even survived "this peace of mutual terror" that followed victory.

Tonight we meet once again to recall the inner meaning of the blood brotherhood between the American people and the Filipino people that was sealed on that little peninsula and on that little rock whose names are enshrined in the histories of both our countries.

The rhythm of these annual remembrances was broken this year by the tragedy that befell our people. A son of the Philippines, a warrior in the cause of human freedom and understanding, died suddenly at the very height of his career, before his work was done.

A few moments ago I asked you to rise with me and stand in silent tribute to the memory of a great man, Ramon Magsaysay. Many noble words have been uttered about President Magsaysay, and perhaps each of us repeated them in our hearts just now. But I would add to all of these another word of tribute, which President Magsaysay might have been proudest to hear—a tribute to my people, and to yours. And it is this:

Ours is a young Republic. We have enjoyed our independence hardly 11 years. Yet, when the duly elected President, the darling of the masses of his countrymen, met sudden death, in all the outpouring of grief and bewilderment there was never a moment of faltering in the orderly processes of our governmental machinery. The duly elected Vice President, Carlos P. Garcia, took office in keeping with the Constitution of the Philippines, and quietly and efficiently assumed the duties of Chief Magistrate of our Republic.

As a member of the diplomatic corps, it would hardly be proper for me to suggest to you the names of the many nations—some of them much larger than the Philippines, some of them much longer experienced in the ways of self-government—where such an orderly transition would not have occurred. Fortunately for my diplomatic standing, you can all name such countries for yourselves.

I need only tell you that I am proud of the way in which my countrymen in the Philippines demonstrated the vitality of their devotion to constitutional government, the maturity of their political philosophy, and the stability of their political understanding. In time of stress the true nature of a man or a nation shows itself. We have gone through such a time, our people have shown their wisdom, their restraint, and their solidity.

We have, in sum, met our national affliction just as, on occasion in the past, you have met yours in the United States. The reason for this is that, on top of our own cultural heritage as Filipinos, on top of the faith and culture we acquired from the Spaniards, we in the Philippines took to our hearts the democratic ideals, the respect for constitutional law, and the desire for orderly government, which are today the hallmarks of both the American and Philippine democracies. What we have learned from you, we have learned well.

Today, we can perhaps begin to repay our philosophical debt to America. There was a time, in the past, when we were the learners and you the teachers. Now, in our new world of nations rapidly arising from the somnolence and colonial subjugation of past centuries, we may be able to convey to you a message that can help you understand and sympathize with those whose understanding and sympathy you need to win.

So, on this anniversary of Bataan and Corregidor, I ask you to look ahead with me for the next 10 or 15 years, rather than back at the past we know so well.

The United States, as the leader of the Free World, now finds itself involved in the political turmoil and deep social and economic problems of peoples in places that had only recently been terra incognita for you. The Middle East is on your doorstep. Your sailors and marines spend their pay in Beirut because you choose to exercise the deterrent power of a show of force to maintain peace. Your newspapers shriek to the editorial skies because your diplomats cannot speak the languages of Laos, or Indonesia, or Ghana—for suddenly such countries have become important to you.

At the precise moment when the world has been shrunk to the size of an orange by the rapidity of transportation and communication, at the very time when a creeping contagion called communism spreads out over the face of this tiny globe, there has come the awakening of the sleeping giants all over the world—the peoples who have thrown off the shackles of alien rule and have chosen to master their own destinies.

Asia and Africa are afire with a new nationalism. This powerful force, which in a different incarnation gave Europe its bloodiest centuries and its most magnificent civilizations, can now do the same, one or the other, in the rich and vast continents peopled by human beings in the billions.

Your survival—and that of freedom itself—depends on your capacity to recognize what is happening in the world; and, having recognized the nature of the upheaval, on your ability to act with wisdom and imagination.

I do not tell you this in a critical mood. I talk to you as a true and loyal friend. I tell you this because I truly believe that the fate of every person who believes as you do, the fate of every nation committed to the cause of freedom, is bound up in the actions of the United States of America. If you should choose unwisely, if you should make a false move in the battle for men's minds and souls and bodies, if you should betray yourselves and your principles, if you should lose the cold war either on the battlefield or at the conference table, then the whole Free World will go tumbling down with you. We are all intertwined in our mutual responsibilities, and precisely because you carry the load of leadership you must take with good grace, and with deep thought, the friendly opinions of the rest of the Free World.

Your President traveled virtually from his sickbed to meet personally with the heads of 20 Latin American States. Your Vice President traipsed all over Africa shaking hands with tomorrow. Your Secretary of State has visited more than 40 countries in his search for peace and friendship. Your Senators and Congressmen also travel all over the world to get firsthand information about other countries and peoples. These are the signs of your recognition of the strange new ways in which America must show her leadership.

They are good signs, but they are essentially outward symbols. What the New World of new nations look for, even more than symbols, is evidence of American understanding, of American acceptance, of American recognition of their equality in the society of man.

And that is where the Philippines enters the picture, beyond the great tradition of intimate friendship that has been built up between our two peoples over the past half century. The fact that, in your one great adventure into colonialism, you retreated almost before you began, has been a powerful weapon in your arsenal of democracy. You came to the Philippines, you saw, but you did not conquer. Instead, you worked with us, and learned with us, and out of the relationship emerged your promise to help us achieve and assure our independence. That promise went through the purification of fire 15 years ago tonight. And in 1946 the promise came true.

That piece of history has been a tower of strength in your dealings with other colonial nations. For they recognized that America was different from the other western nations, different in that it had no need or desire to become an empire.

I believe this piece of history was one of the most important reasons why, during the past decade, the new and subtle imperialism of Communist Russia made no greater headway than it has so far. But we are familiar enough with the weaknesses of the human character to know that recollection of the past does not long survive. In the minds of the new peoples of the Eastern World, the test is not yesterday and not tomorrow, but today.

At this very moment, the nature and quality of American friendship with the Philippines is under test. The scrutiny exists among my own people, quite naturally, but it is even more acute among the billion human beings whose ultimate choice may determine the outcome of the struggle between freedom and democracy, on the one hand, and slavery, tyranny, and totalitarianism on the other.

They are asking the questions now. They are demanding the answers. And the very power of their numbers, the very strength of their strategic locations, requires that their questions be answered.

Since they are suspicious of all outsiders, injured as they have too often been by their contacts with foreigners in past generations, they do not take you on faith, as we of the Philippines have learned to do. They are waiting to see whether all the years of mutual loyalty between two friends from different worlds, the Americans and the Filipinos, can be marred by misunderstanding. They are waiting to see whether the United States will maintain an absolute respect for the national sovereignty and territorial integrity of the Philippines. This is fundamental. They are waiting to see whether the relationship between our two countries will continue to be that of equals or whether there will be an unwitting deterioration into a semblance of the master-slave relationship that exists between the Soviet Union and her so-called friends—whom we call, more accurately, her satellites or even her colonies.

For our part, I need not assure you that we wish nothing more and nothing less than equality. We wish this in our own behalf and in your behalf as well. The Philippines gladly chooses the title of friend and ally; it honors you as well as it honors us. We will never accept the title of colony or satellite; it would dishonor you and degrade us.

I do not believe the choice will ever have to be made. I repeat, I am confident, knowing you as I do, that no such choice will ever be made. That there are differences of opinion between us is natural and even healthy. That occasionally our tempers rise is normal. The unity of friendship, the comradeship of alliance, does not impose on you or on us the necessity to be silent, or to accept that with which we do not agree. It imposes on us—on each of us—the loyalty that comes with candor, with forthrightness, and with integrity. That is the kind of friendship

that has grown between our two peoples, and it is the only kind of friendship worth having.

The next decade will test that friendship. Because it is a strong friendship, the test will make it all the stronger. That is what I believe. I hope you believe it, too.

For I say to you that what is at stake is something even more precious than the land I love, the Philippines—and more precious than your own beloved country, the United States. What is at stake is the very future of the human race. Only if the East and the West can truly meet on an equal footing, only if you can show your respect for the national sovereignty, the aspirations, the needs, and the problems of the nations that have just been reborn, only if you can adjust to the revolution of the 20th century, can the human race hope to achieve the liberty, the prosperity, the happiness that is the dream of civilized man.

The men who died on Bataan and Corregidor offered that which was most precious to them—their own lives—on the altar of human freedom and human friendship. We who survive have an obligation to them that cries out to be repaid. We owe them the continuation of the battle. We owe them the never-ending pledge to carry on until all the peoples of the earth see the birth of a new freedom, a new brotherhood, and a new and lasting peace.

SENATE

Wednesday, May 8, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father, God, in whose merciful yet just hands are the souls of men, and whose final appraisals we who see through a glass darkly cannot discern. Help us to live and act as if each new day were the last with which we were to be entrusted, knowing that—

The busy tribes of flesh and blood
With all their cares and fears
Are carried downward by the flood
And lost in following years.

While life on this earth's stage is granted us, save us from living on a small scale in a great day, and from toying with the tiny when we ought to be lured by the titanic.

Until there comes for each of us the one clear call, above all other loyalties and fealties may the ruling passion of our hearts be to do justly, to love mercy, and to walk humbly with Thee, our God.

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Monday, May 6, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

REPORT OF OFFICE OF ALIEN PROPERTY—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on the Judiciary:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the annual report of the Office of Alien Property, Department of Justice, for the fiscal year ended June 30, 1956.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 8, 1957.*

(A similar message was sent to the House of Representatives.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, communicated to the Senate the resolutions of the House adopted as a tribute to the memory of Hon. JOSEPH R. MCCARTHY, late a Senator from the State of Wisconsin.

The message announced that the House had passed, without amendment, the following bills of the Senate:

S. 120. An act for the relief of James F. Walsh;

S. 394. An act to waive the limitation on the time within which a Medal of Honor may be awarded to Comdr. Hugh Barr Miller, Jr., United States Navy; and

S. 998. An act to amend the act of June 4, 1953 (67 Stat. 41), and for other purposes.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 358. An act to increase the monthly rates of pension payable to widows and former widows of deceased veterans of the Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection;

H. R. 1264. An act to provide that certain veterans suffering from active pulmonary tuberculosis shall be deemed to be permanently and totally disabled for pension purposes while they are hospitalized;

H. R. 1520. An act for the relief of Mrs. Fusako Takai and Thomas Takai;

H. R. 1591. An act for the relief of the Pacific Customs Brokerage Company of Detroit, Mich.;

H. R. 1612. An act for the relief of Frances Pompa;

H. R. 1648. An act for the relief of Rachel Nethery;

H. R. 1700. An act for the relief of Western Instruments Associates;

H. R. 1758. An act for the relief of Mrs. Hertha L. Wohlmuth;

H. R. 2486. An act to authorize Commodity Credit Corporation to grant relief with respect to claims arising out of deliveries of eligible surplus feed grains on ineligible dates in connection with purchase orders under its emergency feed program;

H. R. 2493. An act to authorize the Secretary of the Interior to permit the construction of a bridge and road across Chincoteague National Wildlife Refuge, and for other purposes;

H. R. 3077. An act that the lake created by the Jim Woodruff Dam on the Apalachicola River located at the confluence of the Flint and Chattahoochee Rivers be known as Lake Seminole;

H. R. 3366. An act to validate overpayments of pay and allowances made to certain officers of the Army, Navy, Naval Reserve, and Air Force, while undergoing training at civilian hospitals, and for other purposes;

H. R. 3588. An act for the relief of John R. Hill;

H. R. 4193. An act to amend section 1716 of title 18, United States Code, so as to conform to the act of July 14, 1956 (70 Stat. 538-540);

H. R. 4240. An act for the relief of Cornelia S. Roberts;

H. R. 5062. An act for the relief of Albert H. Ruppar;

H. R. 5220. An act for the relief of the estate of Higa Kensai;

H. R. 5807. An act to amend further and make permanent the Missing Persons Act, as amended;

H. R. 7221. An act making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes;

H. J. Res. 172. Joint resolution relating to the stockpile of extra long staple cotton under the Strategic and Critical Materials Stockpiling Act;

H. J. Res. 287. Joint resolution permitting the Secretary of the Interior to continue to deliver water to lands in the Heart Mountain division, Shoshone Federal reclamation project, Wyoming;

H. J. Res. 307. Joint resolution for the relief of certain aliens; and

H. J. Res. 308. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 4803. An act to permit articles imported from foreign countries for the purpose of exhibition at the Chicagoland Commerce and Industry Exposition, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes; and

H. R. 6304. An act to extend for a period of 2 years the privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED OR PLACED ON CALENDAR

The following bills and joint resolutions were severally read twice by their titles and referred or placed on the calendar, as indicated:

H. R. 358. An act to increase the monthly rates of pension payable to widows and former widows of deceased veterans of the Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection; and

H. R. 1264. An act to provide that certain veterans suffering from active pulmonary tuberculosis shall be deemed to be permanently and totally disabled for pension purposes while they are hospitalized; to the Committee on Finance.

H. R. 1520. An act for the relief of Mrs. Fusako Takai and Thomas Takai;

H. R. 1591. An act for the relief of the Pacific Customs Brokerage Co., of Detroit, Mich.;

H. R. 1612. An act for the relief of Frances Pompa;

H. R. 1648. An act for the relief of Rachel Nethery;

H. R. 1700. An act for the relief of Western Instruments Associates;

H. R. 1758. An act for the relief of Mrs. Hertha L. Wohlmuth;

H. R. 3366. An act to validate overpayments of pay and allowances made to certain officers of the Army, Navy, Naval Reserve, and Air Force, while undergoing training at civilian hospitals, and for other purposes;

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H. J. Res. 307. Joint resolution for the relief of certain aliens; and

H. J. Res. 308. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; to the Committee on the Judiciary.

H. R. 2486. An act to authorize Commodity Credit Corporation to grant relief with respect to claims arising out of deliveries of eligible surplus feed grains on ineligible dates in connection with purchase orders under its emergency feed program; and

H. J. Res. 172. Joint resolution relating to the stockpile of extra long staple cotton under the Strategic and Critical Materials Stockpiling Act; to the Committee on Agriculture and Forestry.

H. R. 2493. An act to authorize the Secretary of the Interior to permit the construction of a bridge and road across Chincoteague National Wildlife Refuge, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 3077. An act that the lake created by the Jim Woodruff Dam on the Apalachicola River located at the confluence of the Flint and Chattahoochee Rivers be known as Lake Seminole; to the Committee on Public Works.

H. R. 5807. An act to amend further and make permanent the Missing Persons Act, as amended; to the Committee on Armed Services.

H. R. 7221. An act making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes; to the Committee on Appropriations.

H. J. Res. 287. Joint resolution permitting the Secretary of the Interior to continue to deliver water to lands in the Heart Mountain division, Shoshone Federal reclamation project, Wyoming; placed on the calendar.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to make a brief announcement for the information of the Senate; and then I shall propound a unanimous-consent request pertaining to the morning hour.

First of all, following the morning hour, the calendar will be called. When the call of the calendar is completed, the Senate will proceed to the consideration of the nominations on the executive calendar, in the order in which they appear.

From time to time I have received requests that the transaction of certain public business be postponed because of the engagements of individual Senators. I wish to accommodate every Senator whom it is possible to accommodate; but, Mr. President, we cannot have the entire Senate wait on the return of some Senator. I am trying to arrange the business of the Senate in such a manner as to accommodate the maximum number of Senators.

Our friends on the minority side are to have a conference during the luncheon hour. Senators who need to be in the Senate Chamber for the call of the calendar will be here.

At the conclusion of the call of the calendar, there will be a quorum call; and then a motion will be made that the Senate proceed to the consideration of executive business.

This afternoon, the Appropriation Committee's hearings on the State-Justice-Judiciary and related agencies appropriation bill will continue, and there will be a markup of the Treasury-Post Office appropriation bill. I am informed that the committee will hear again from Postmaster General Summerfield.

Mr. President, this will be an extremely busy month for the Senate. I had hoped it would not be necessary for the Senate to be in session except on Mondays, Wednesdays, and Thursdays, so the remaining days could be devoted to committee business. However, in view of the fact that there are so many appropriation bills to be considered, and in view of the further fact that there is a difference of opinion regarding what action the Senate should take on those bills, they will require much more time than usual.

I am hopeful that the Senate will be able to proceed to the consideration of the Hells Canyon bill, perhaps the housing bill, and perhaps an immigration bill, during this month. We shall attempt to sandwich the handling of those bills between the consideration of appropriation bills.

I expect that some half a dozen or more appropriation bills will be reported during the month of May, perhaps bringing to the calendar half of the appropriation bills on which the Senate will act this year.

Mr. President, I wish now to make a unanimous consent request.

The VICE PRESIDENT. The Senator from Texas has the floor.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour for the introduction of bills and the transaction of other routine business; and in that connection I ask unanimous consent that statements be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

SELECT COMMITTEE ON IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

The VICE PRESIDENT. The Chair appoint the Senator from Nebraska (Mr. CURTIS) to fill the vacancy on the Select Committee on Improper Activities in the Labor or Management Field, caused by the death of the late Senator from Wisconsin (Mr. MCCARTHY).

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED AMENDMENTS TO THE BUDGET (S. Doc. No. 35)

A communication from the President of the United States, transmitting proposed amendments to the budget for the fiscal year 1958, involving a net increase in the amount of $812,400 (with accompanying papers); to the Committee on Appropriations, and ordered to be printed.

REPORTS OF SECRETARIES OF DEFENSE, ARMY, NAVY, AND AIR FORCE

A letter from the Secretary of Defense, transmitting, pursuant to law, his report, together with reports of the Secretaries of the Army, the Navy, and the Air Force, for the period from January 1 to June 30, 1956 (with accompanying reports); to the Committee on Armed Services.

REPORT ON CERTAIN PROCUREMENT ACTIONS

A letter from the Assistant Secretary of Defense (Supply and Logistics), transmitting, pursuant to law, confidential reports submitted by the Department of the Army, Navy, and Air Force, and the Armed Services Petroleum Purchasing Agency, listing individual procurement actions, for the period July 1 to December 31, 1956 (with accompanying reports); to the Committee on Armed Services.

REPORT ON CERTAIN PROPERTY ACQUISITIONS

A letter from Administrator, Federal Civil Defense Administration, Battle Creek, Mich., reporting, pursuant to law, on certain property acquisitions by that Administration, for the quarter ended March 31, 1957; to the Committee on Armed Services.

REPORT ON PERSONAL PROPERTY MADE AVAILABLE FOR DISTRIBUTION TO CERTAIN ORGANIZATIONS

A letter from the Secretary, Department of Health, Education, and Welfare, transmitting, pursuant to law a report covering personal property made available for distribution to public health and educational institutions and civil defense organizations, for the calendar quarter, January 1 through March 31, 1957 (with an accompanying report); to the Committee on Government Operations.

AMENDMENT OF UNITED STATES CODE, RELATING TO EXCLUSION OF CERTAIN CLAIMS

A letter from the Secretary, Department of the Air Force, transmitting a draft of proposed legislation to amend section 2680 (j) of title 28 of the United States Code so as to permanently exclude claims arising out of combatant activities or war-like operations (with an accompanying paper); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for ordering such suspensions (with accompanying papers); to the Committee on the Judiciary.

GRANTING OF APPLICATIONS FOR PERMANENT RESIDENCE FILED BY CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien,

and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

AMENDMENT OF PUBLIC BUILDINGS ACT OF 1949, RELATING TO THE NAMING OF CERTAIN PUBLIC BUILDINGS

A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation to amend the Public Buildings Act of 1949, to authorize the Administrator of General Services to name, rename, or otherwise designate any building under the custody and control of the General Services Administration (with an accompanying paper); to the Committee on Public Works.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of California; to the Committee on Armed Services:

"Assembly Joint Resolution 29

"Joint resolution relative to the air raid warning system

"Whereas on May 1, 1957, the Federal Civil Defense Administration will make effective the national warning system (NAWAS); and

"Whereas under this system the Continental Air Defense Command makes known to FCDA warning centers military conditions of 'air defense emergency' and 'air defense warning;' and

"Whereas FCDA Advisory Bulletin No. 211 indicates that FCDA does not intend to assume responsibility of deciding whether an air attack is 'probable' or 'imminent' and of directing the sounding of the appropriate 'alert' or 'take cover' signal ('yellow' or 'red'), but intends to disseminate descriptive messages and impose the responsibility of determining the appropriate signal upon local authorities; and

"Whereas such determination can be made better and more promptly at the Federal level, and the proposed procedure will result in delay, lack of uniformity and confusion, and could mean that thousands of lives might be lost that would otherwise be saved; and

"Whereas a warning signal of 'yellow' or 'red,' signifying 'alert' or 'take cover' can be disseminated more rapidly throughout the country than any descriptive message with its opportunity for being garbled every time it is repeated: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the President of the United States and the Federal Civil Defense Administration are respectfully urged to withold this proposed action until the problem can be further studied and given more consideration; and be it further

"Resolved, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Federal Civil Defense Administrator, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Governor of each State in the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Banking and Currency:

"Senate Joint Resolution 31—Relative to Residence Housing at State Colleges

"Whereas bills now pending before Congress, and particularly H. R. 6659, would provide for an increase in the interest rate on Federal loans for college residence housing from 2¾ percent to 3½ percent, and would make such increase apply retroactively to applications filed after March 15, 1957; and

"Whereas State colleges in this State were not eligible to apply for such loans until action was taken at the current legislative session, and an application could not be filed in their behalf until April of 1957; and

"Whereas the financing of the State college program was developed on the basis of the availability of Federal loans at a 2¾ percent interest rate, and any increase in the interest rate on such funds would result in a substantial curtailment of an essential program for the construction of residence housing at State colleges; and

"Whereas the projected enrollment at State colleges for the near future anticipates a tremendous growth in the student population, making it essential that residence facilities be constructed immediately: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the legislature of this State respectfully memorializes Congress, if it desires to increase the interest rate on Federal loans for college residence housing, to make such increase effective on applications filed after May 1, 1957, to permit the State colleges in this State to secure the benefit of the existing lower rate; and be it further

"Resolved, That the secretary of the senate is hereby directed to transmit suitably prepared copies of this resolution to the Vice President of the United States, the Speaker of the House of Representatives and to each Senator and Representative from this State in the Federal Congress."

A joint resolution of the Legislature of the State of California; to the Committee on Public Works:

"Senate Joint Resolution 26—Memorializing Congress To Provide for the Construction of a Highway From Winnemucca, Nev., to Viewland, Calif.

"Whereas the State of California, civil defense agencies and United States military authorities need an adequate highway system leading easterly from the central and northern portions of the State; and

"Where the construction of a highway from the vicinity of Viewland, Lassen County, Calif., on United States Highway 395 to a point on United States Highway 40 near Winnemucca, Nev., would alleviate this situation; and

"Whereas State Highway 36 is open the year around and is one of the lowest and most accessible passes over the Sierra Nevada Mountains; and

"Whereas in the event of a national emergency, the present highway system would be inadequate for transportation to and from the State of California, and a serious problem would confront the inhabitants of northern and central California as well as military and civil defense authorities; and

"Whereas the Sierra Ordnance Depot at Herlong, Lassen County, Calif., is a vital military installation, and most of the supplies shipped to such depot from the eastern part of the United States are transported through Salt Lake City, Utah; and

"Whereas the construction of this proposed highway would shorten the route into the Sierra Ordnance Depot from Salt Lake City thereby effecting a substantial savings in the money spent for transporting supplies, and also lessen the highway mileage between Salt Lake City and northern California and southern Oregon; and

"Whereas the development of northern Nevada, northern California, southern and western Oregon as a tourist and recreation area, would be enhanced by the construction of this proposed highway, by facilitating travel over United States Highway 395, United States Highway 299, State Highways 32, 36, 89, and 44, joint highway 14 and Federal Highway 92; and

"Whereas, headquarters, Sixth Army, Presidio of San Francisco, Calif., and Nevada and California civil defense agencies are on record as favoring the construction of this proposed highway: Now, therefore, be it

"Resolved by the Senate and the Assembly of the State of California, jointly, That the Congress of the United States of America enact legislation and appropriate funds for the construction of a Federal highway from Winnemucca, Humboldt County, Nev., to Viewland, Lassen County, Calif., via Gerlach and Empire, Nev.; and be it further

"Resolved, That the secretary of the senate is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of Vermont; to the Committee on Finance:

"Joint resolution requesting Congress to liberalize restrictions relating to old-age and survivors insurance and old-age assistance

"Whereas persons under 72 receiving old-age and survivors insurance are penalized if they by working earn more than $1,200 a year; and

"Whereas such restrictions encourage idleness, low subsistence living, and favor persons having private income not beset by the need of earnings; and

"Whereas many old-age assistance recipients are destitute and because of inadequacies in existing laws, live below the minimum American subsistence level; and

"Whereas under the current matching formula of the public-assistance section of the Federal Social Security Act of 1936 those States which cannot afford adequate financial assistance to its needy aged because their per capita income is low and said formula does not recognize disparities between rich and poor States: Now, therefore, be it

"Resolved by the senate and house of representatives, That the Congress of the United States be respectfully urged to liberalize the old-age and survivors insurance restrictions and allow beneficiaries to earn up to $1,800 yearly without being penalized, and to allow old-age assistance recipients to earn monthly sums of $50 for maintaining at least a minimal American standard of living and that the secretary of state be directed to transmit duly attested copies of this resolution to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, the chairman of the Senate Committee on Labor and Public Welfare, the chairman of the House Committee on Education and Labor, the chairman of the Senate and House Committees on Appropriations, and to our congressional delegation; and be it further

"Resolved, That the Congress of the United States be urged to devise a more equable, flexible, and realistic formula to correct the inequity and to be based on, and vary with, States' per capita incomes, thus providing more favorable financial consideration to less wealthy States.

"CHARLES H. BROWN,
"Speaker of the House of Representatives.

"ROBERT T. STAFFORD,
"President of the Senate.

"Approved May 1, 1957.

"JOSEPH B. JOHNSON,
"Governor."

A joint resolution of the legislature of the State of Oregon; to the Committee on Interior and Insular Affairs:

"Senate Joint Memorial 5

"To the Honorable Senate and the House of Representatives of the United States of America, in Congress Assembled:

"We, your memorialists, the 49th Legislative Assembly of the State of Oregon, in

legislative session assembled, most respectfully represent as follows:

"Whereas there is urgent need for additional irrigation water in the area served by the Vale Oregon Irrigation District; and

"Whereas it is desirable and in the best interests of the citizens of Malheur County and the State of Oregon that flood damages on Bully Creek and the Malheur River be reduced and minimized; and

"Whereas the Bureau of Reclamation of the United States Department of the Interior has investigated and filed a feasibility report on a proposed Bully Creek dam and reservoir that will serve the needs herein set forth: Now therefore, be it

Resolved by the Senate of the State of Oregon (the House of Representatives jointly concurring therein), That your memorialists earnestly petition for the immediate authorization and Federal construction of the Bully Creek Dam, Reservoir and related facilities under existing plans and repayment requirements contained in the report of the Bureau of Reclamation of the United States Department of Interior; and be it further

"Resolved, That copies of this memorial be sent to the President of the United States, the Secretary of the United States Senate, the Clerk of the United States House of Representatives, the Secretary of the Interior and to all members of the Oregon congressional delegation.

"Adopted by senate April 3, 1957.

"ZYLPHA ZELL BURNS,
"Chief Clerk of Senate.

"BOYD R. OVERHULSE,
"President of Senate.

"Adopted by house April 9, 1957.

"PAT DOOLEY,
"Speaker of House."

A resolution of the Legislature of the State of Nebraska; to the Committee on Interior and Insular Affairs:

"Legislature of Nebraska, 68th Session,
Legislative Resolution 17

"Whereas the United States of America has become the greatest power in the history of mankind because it is a united nation of equal and sovereign States and not an empire; and

"Whereas the people of the United States devised a method and program of incorporating Territories, which method, as a first step leading to the full privileges of statehood, imposes on the people of such Territories the obligations of the citizens of the several States, while withholding from such Territorial citizens, however, the basic rights of self-government and full representation in the councils of the United States; and

"Whereas Alaska and Hawaii have been incorporated as Territories of the United States for many years, and by the very act of such incorporation as United States Territories have been promised the full privileges of statehood with first-class citizenship for the peoples of Alaska and Hawaii; and

"Whereas both political parties have recognized that every consideration of fairness demands that the people of these territories be given the full privileges of American citizenship in their platforms and other policy declarations; and

"Whereas the granting of statehood to these Territories will strengthen the United States immeasurably in human resources and in its foreign relations particularly as regards the great Pacific Basin area; and

"Whereas we in the West have a particular interest in and close ties with the people of Alaska and Hawaii: Now, therefore, be it

"Resolved by the members of the Nebraska Legislature in 68th session assembled:

"1. That Alaska and Hawaii be admitted to the Union in the year 1957.

"2. That a copy of this resolution be sent to every western Senator and Congressman and that each of them are requested to make every effort to see that bills to grant statehood to Alaska and Hawaii be promptly considered and passed.

"DWIGHT W. BURNEY,
"President of the Legislature.

"I, Hugo F. Srb, hereby certify that the above is a true and correct copy of Legislative Resolution 17, which was passed by the Legislature of Nebraska in 68th regular session on the 26th day of April 1957.

"HUGO F. SRB,
"Clerk of the Legislature."

A concurrent resolution of the Legislature of the State of Delaware; to the Committee on Public Works:

"House Concurrent Resolution 5

"Memorializing the Congress of the United States to consider favorably a Federal program to improve Delaware waterways

"Whereas an oil tanker known as the U. S. N. S. *Mission San Francisco*, and a Liberian freighter known as the steamship *Elna II*, collided in the Delaware River, near New Castle, Del., on Thursday, March 7, 1957, which resulted in a great loss of life, personal injury, and much property damage; and

"Whereas there have been many other collisions and groundings of vessels in that area in recent years which clearly necessitates an immediate Federal program of improvement of Delaware waterways for the benefit of shipping; and

"Whereas the United States Senators from Delaware have expressed their intent to urge Congress to approve legislation which would improve both the Delaware River and the Chesapeake & Delaware Canal: Now, therefore, be it

"Resolved by the House of Representatives of the State of Delaware (the Senate concurring therein), That the 119th General Assembly of the State of Delaware urges and requests the Congress of the United States to enact legislation with sufficient appropriation which would make possible the necessary steps to make the Delaware River and the Chesapeake & Delaware Canal safe passageways for all ships; and be it further

"Resolved, That the Senators and Representatives of the United States from Delaware are respectfully requested to exert every effort and utilize all facilities at their disposal to further said action; and be it further

"Resolved, That copies of this resolution shall forthwith be transmitted to the Presiding Officer of each House, and to the chairmen of the proper committees in the House and Senate of the United States and to each Senator and Representative from the State of Delaware."

Five concurrent resolutions of the Legislature of the State of Indiana; to the Committee on the Judiciary:

"House Enrolled Concurrent Resolution 2

"A concurrent resolution making application to the Congress of the United States, pursuant to article V of the Constitution of the United States, for a convention proposing an amendment to the Constitution of the United States

"Be it resolved by the House of Representatives of the General Assembly of the State of Indiana (the Senate concurring)—

"SECTION 1. The General Assembly of the State of Indiana, pursuant to article V of the Constitution of the United States, hereby makes application to the Congress of the United States to call a convention for proposing the following article as an amendment to the Constitution of the United States in lieu of article V:

"'ARTICLE —

"'SECTION 1. The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution or, on the application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments; or the legislature of any State, whenever two-thirds of each house shall deem it necessary, may propose amendments to this Constitution by transmitting to the Secretary of State of the United States and to the secretary of state of each of the several States a certified copy of the resolution proposing the amendment, which shall be deemed submitted to the several States for ratification when certified copies of resolutions of the Legislature of any 12 of the several States by two-thirds of each house shall have been so transmitted concurring in the proposal of such amendment, which, in any case, shall be valid to all intents and purposes as part of this Constitution when ratified by the legislatures of three-fourths of the several States: *Provided*, That no State, without its consent, shall be deprived of its equal suffrage in the Senate.

"'SEC. 2. The act of proposal, concurrence in a proposal, or ratification of an amendment shall not be revocable.

"'SEC. 3. A proposal of an amendment by a State shall be inoperative unless it shall have been so concurred in within 7 years from the date of the proposal. A proposed amendment shall be inoperative unless it shall have been so ratified within 15 years from the date of its submission, or shorter period as may be prescribed in the resolution proposing the amendment.

"'SEC. 4. Controversies respecting the validity of an amendment shall be justifiable and shall be determined by the exercise of the judicial power of the United States.'

"SEC. 2. The State of Indiana requests that such amendment shall be valid to all intents and purposes as part of the Constitution of the United States when ratified by the legislatures of three-fourths of the several States.

"SEC. 3. For the reason that the power of the sovereign States to propose amendments to the Constitution of the United States by convention under article V has never been exercised and no precedent exists for the calling or holding of such convention, the State of Indiana hereby declares the following basic principles with respect thereto: That the power of the sovereign States to amend the Constitution of the United States under article V is absolute; that the power of the sovereign States to propose amendments to the Constitution by convention under article V is absolute; that the power of the sovereign States extends over such convention and the scope and control thereof, and that it is within their sovereign power to prescribe whether such convention shall be general or shall be limited to the proposal of a specified amendment or of amendments in a specified field; that the exercise by the sovereign States of their power to require the calling of such convention contemplates that the applications of the several States for such convention shall prescribe the scope thereof and the essential provisions for holding the same; that the scope of such convention and the provisions for holding the same are established in and by the applications therefor by the legislatures of the two-thirds majority of the several States required by article V to call the same, and that it is the duty of the Congress to call such convention in conformity therewith; that such convention is without power to transcend and the delegates to such convention are without power to act except within the limitations and provisions so prescribed.

"SEC. 4. The State of Indiana requests that such convention shall be called and held in conformity with the following limitations and provisions, and that the Congress, in the call for such convention, hereby is requested to and shall prescribe:

"1. That such convention shall be held in the city of Philadelphia, in the State of Pennsylvania, on the first Monday of the first December following transmission to the Senate and the House of Representatives of the

Congress of the United States of applications for such convention by the legislatures of two-thirds of the several States, and, in honor of the Nation's founders and for invocation, shall convene at Constitution Hall, at Independence Square, at the hour of 10 o'clock in the morning of such day, and thereupon adjourn to more commodious quarters within said city for session as the convention shall determine;

"2. That the several States shall have equal suffrage at such convention; that each of the several States shall be entitled to 3 delegates thereat and that each of such delegates shall be entitled to 1 vote; that the delegates to such convention from the several States shall be the highest officer of the senate and the highest officer of the house of representatives of their respective legislatures at the time of such convention, except that in States where the lieutenant governor is president of the senate the president of the senate pro tempore or other highest officer from the membership of the senate shall be such delegate from the senate and in States having a unicameral legislature the 2 highest officers of its legislature shall be such delegates, which 2 delegates in each of the several States shall jointly designate a citizen of such State at large who shall be the third delegate from such State to such convention; that in case of a vacancy in the office of any delegate during such convention, not otherwise filled pursuant to law or by legislative act or as herein provided, such vacancy shall be filled by the governor of such State from the senate or house of its legislature or the State at large, respectively, as the case may be; that during such vacancy and during the absence of a delegate from the floor of the convention the delegates present from such State shall be empowered to exercise the vote of the absent delegate or delegates from such State; that the legislature of any State may choose its delegates to such convention, other than hereinabove designated, in which case the delegates so chosen shall be certified to the convention by the secretary of state of such State and shall constitute the delegates of such State at such convention in lieu of the delegates otherwise hereinabove designated;

"3. That such convention shall be limited and restricted specifically to the consideration and proposal of such amendment to article V, or such other amendments as may be proposed by the several States of these United States; the choosing of officers and adoption of rules of procedure for the conduct of such convention and the maintenance of order thereat; the determination of any issue respecting the seating of delegates; adjournment from day to day and to a day certain and from place to place within said city as may be convenient, and adjournment sine die; and such convention shall not be held for any other purpose nor have any other power, and the delegates thereto shall have no power other than within the limitations herein prescribed;

"4. That a permanent record shall be made of the proceedings of such convention, which shall be certified by the secretary of the convention, the original of which shall be placed in the Library of Congress and printed copies of which shall be transmitted to the Senate and the House of Representatives of the Congress, to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States;

"5. That the powers of such convention shall be exercisable by the States represented at such convention by duly constituted delegates thereat by majority vote of the States present and voting on such proposal, and not otherwise.

"SEC. 5. The State of Indiana requests that this application shall constitute a continuing application for such convention under article V of the Constitution of the United States until the legislatures of two-thirds of the several States shall have made like applications and such convention shall have been called and held in conformity therewith, unless the Congress itself propose such amendment within the time and the manner herein provided.

"SEC. 6. The State of Indiana requests that proposal of such amendment by the Congress and its submission for ratification to the legislatures of the several States in the form of the article hereinabove specifically set forth, at any time prior to 60 days after the legislatures of two-thirds of the several States shall have made application for such convention, shall render such convention unnecessary and the same shall not be held; otherwise such convention shall be called and held in conformity with such applications.

"SEC. 7. The State of Indiana requests that, as this application under article V of the Constitution of the United States is the exercise of a fundamental power of the sovereign States under the Constitution of the United States, a receipt of this application by the Senate and the House of Representatives of the Congress of the United States be officially noted and duly entered upon their respective records, and that the full context of this resolution be published in the official publication of both the Senate and the House of Representatives of the Congress.

"SEC. 8. Certified copies of this resolution shall be transmitted forthwith to the Senate and the House of Representatives of the Congress of the United States, to each Senator and Representative in the Congress from this State, and to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States, attesting the adoption of this resolution by the legislature of this State.

"CRAWFORD F. PARKER,
"President of Senate.
"GEORGE S. DIENER,
"Speaker of House of Representatives.
Approved March 12, 1957.
"HAROLD W. HANDLEY,
"Governor of the State of Indiana.
"Filed March 12, 1957.
"FRANK A. LENNING,
"Secretary of State of Indiana."

"House Enrolled Concurrent Resolution 4

"A concurrent resolution making application to the Congress of the United States pursuant to article V of the Constitution of the United States for a convention proposing an amendment to the Constitution of the United States

"Be it resolved by the House of Representatives of the General Assembly of the State of Indiana (the Senate concurring)—

"SECTION 1. The General Assembly of the State of Indiana, pursuant to article V of the Constitution of the United States, hereby makes application to the Congress of the United States to call a convention for proposing the following article as an amendment to the Constitution of the United States:

"'ARTICLE

"'SECTION 1. A provision of a treaty or other international agreement not made in pursuance of this Constitution shall have no force or effect. This section shall not apply to treaties made prior to the effective date of this Constitution.

"'SEC. 2. A treaty or other international agreement shall have legislative effect within the United States as a law thereof only through legislation, except to the extent that the Senate shall provide affirmatively, in its resolution advising and consenting to a treaty, that the treaty shall have legislative effect.

"'SEC. 3. An international agreement other than a treaty shall have legislative effect within the United States as a law thereof only through legislation valid in the absence of such an international agreement.

"'SEC. 4. On the question of advising and consenting to a treaty, the vote shall be determined by yeas and nays, and the names of the Senators voting for and against shall be entered on the Journal of the Senate.'

"SEC. 2. The State of Indiana requests that such amendment shall be valid to all intents and purposes as part of the Constitution of the United States when ratified by the legislatures of three-fourths of the several States.

SEC. 3. For the reason that the power of the sovereign States to propose amendments to the Constitution of the United States by convention under article V has never been exercised and no precedent exists for the calling or holding of such convention, the State of Indiana hereby declares the following basic principles with respect thereto: that the power of the sovereign States to amend the Constitutions of the United States under article V is absolute; that the power of the sovereign States to propose amendments to the Constitution by convention under article V is absolute; that the power of the sovereign States extends over such convention and the scope and control thereof and that it is within their sovereign power to prescribe whether such convention shall be general or shall be limited to the proposal of a specified amendment or of amendments in a specified field; that the exercise by the sovereign States of their power to require the calling of such convention contemplates that the applications of the several States for such convention shall prescribe the scope thereof and the essential provisions for holding the same; that the scope of such convention and the provisions for holding the same are established in and by the applications therefor by the legislatures of the two-thirds majority of the several States required by article V to call the same, and that it is the duty of the Congress to call such convention in conformity therewith; that such convention is without power to transcend, and the delegates to such convention are without power to act except within, the limitations and provisions so prescribed.

"SEC. 4. The State of Indiana requests that such convention shall be called and held in conformity with the following limitations and provisions, and that the Congress, in the call for such convention, hereby is requested to and shall prescribe:

"1. That such convention shall be held in the city of Philadelphia, in the State of Pennsylvania, on the first Monday of the first December following transmission to the Senate and the House of Representatives of the Congress of the United States of applications for such convention by the legislatures of two-thirds of the several States and, in honor of the Nation's founders and for invocation, shall convene at Constitution Hall, at Independence Square, at the hour of 10:00 o'clock in the morning of such day, and thereupon adjourn to more commodious quarters within said city for session as the convention shall determine;

"2. That the several States shall have equal suffrage at such convention; that each of the several States shall be entitled to three delegates thereat and that each of such delegates shall be entitled to one vote; that the delegates to such convention from the several States shall be the highest officer of the senate and the highest officer of the house of representatives of their respective legislatures at the time of such convention, except that in States where the lieutenant governor is president of the senate, the president of the senate pro tem or other highest officer from the membership of the senate shall be such delegate from the senate and in States having a unicameral legislature the two highest officers of its legislature shall be such delegates, which two delegates in each of the several States shall jointly designate a citizen of such State at large who shall be the third

delegate from such State to such convention; that in case of a vacancy in the office of any delegate during such convention, not otherwise filled pursuant to law or by legislative act or as herein provided, such vacancy shall be filled by the governor of such State from the senate or house of its legislature or the State at large, respectively, as the case may be; that during such vacancy and during the absence of a delegate from the floor of the convention the delegates present from such State shall be empowered to exercise the vote of the absent delegate or delegates from such State; that the legislature of any State may choose its delegates to such convention, other than hereinabove designated, in which case the delegates so chosen shall be certified to the convention by the secretary of state of such State and shall constitute the delegates of such State at such convention in lieu of the delegates otherwise hereinabove designated.

"3. That such convention shall be limited and restricted specifically to the consideration and proposal of this amendment, or such other amendments as may be proposed by the several States of these United States; the choosing of officers and adoption of rules of procedure for the conduct of such convention and the maintenance of order thereat, the determination of any issue respecting the seating of delegates, adjournment from day to day and to a day certain and from place to place within said city as may be convenient, and adjournment sine die; and such convention shall not be held for any other purpose nor have any other power, and the delegates thereto shall have no power other than within the limitations herein prescribed;

"4. That a permanent record shall be made of the proceedings of such convention, which shall be certified by the secretary of the convention, the original of which shall be placed in the Library of Congress and printed copies of which shall be transmitted to the Senate and the House of Representatives of the Congress, to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States;

"5. That the powers of such convention shall be exercisable by the States, represented at such convention by duly constituted delegates thereat, by majority vote of the States present and voting on such proposal, and not otherwise.

"SEC. 5. The State of Indiana requests that this application shall constitute a continuing application for such convention under article V of the Constitution of the United States until the legislatures of two-thirds of the several States shall have made like applications and such convention shall have been called and held in conformity therewith, unless the Congress itself propose such amendment within the time and manner herein provided.

"SEC. 6. The State of Indiana requests that proposal of such amendment by the Congress and its submission for ratification to the legislatures of the several States in the form of the article hereinabove specifically set forth, at any time prior to sixty days after the legislatures of two-thirds of the several States shall have made application for such convention, shall render such convention unnecessary and the same shall not be held; otherwise such convention shall be called and held in conformity with such applications.

"SEC. 7. The State of Indiana requests that as this application under article V of the Constitution of the United States is the exercise of a fundamental power of the sovereign States under the Constitution of the United States, a receipt of this application by the Senate and the House of Representatives of the Congress of the United States be officially noted and duly entered upon their respective records, and that the full context of this resolution be published in the official publication of both the Senate and the House of Representatives of the Congress.

"SEC. 8. Certified copies of this resolution shall be transmitted forthwith to the Senate and the House of Representatives of the Congress of the United States, to each Senator and Representative in the Congress from this State, and to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States, attesting the adoption of this resolution by the legislature of this State.

"CRAWFORD F. PARKER,
"President of Senate.
"GEORGE S. DIENER,
"Speaker of House of Representatives.
"Approved March 12, 1957.
"HAROLD W. HANDLEY,
"Governor of the State of Indiana.
"Filed March 12, 1957.
"FRANK A. LENNING,
"Secretary of State of Indiana."

"House Enrolled Concurrent Resolution 7

"A concurrent resolution making application to the Congress of the United States pursuant to Article V of the Constitution of the United States for a convention proposing an amendment to the Constitution of the United States

"Be it resolved by the House of Representatives of the General Assembly of the State of Indiana (the senate concurring),

"SECTION 1. The General Assembly of the State of Indiana, pursuant to Article V of the Constitution of the United States, hereby makes application to the Congress of the United States to call a convention for proposing the following article as an amendment to the Constitution of the United States:

"'ARTICLE —

"'SECTION 1. Two of each State's electors of President and Vice President shall be elected by the people thereof; and each State's remaining electors shall be elected by the people in single-member districts established by the legislature thereof, such districts to be composed of contiguous and compact territory and containing as nearly as practicable the number of persons which entitles the State to one Representative in the Congress; and such districts when formed shall not be altered until another census has been taken. If the legislature of any State fails to establish such districts, the Congress may establish them upon petition of not less than one-fifth of the members of the legislature of such State. The electors in each State who elect electors of President and Vice President shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

"'SEC. 2. If no person voted for as President or Vice President has a majority of the whole number of electors chosen, then from the three persons having the highest numbers on the lists of those voted for as President and Vice President, the Senate and the House of Representatives, assembled and voting as one body, shall choose immediately from the respective lists the President, and then the Vice President, or either, as the case may be; a quorum for these purposes shall consist of three-fourths of the whole number of the Senators and Representatives, and the person receiving the greatest number of votes for President and for Vice President on the respective rollcalls, if such numbers are a majority of those present and voting, shall be the President and the Vice President. If additional rollcalls be necessary for either office the choice shall be between the two persons having the highest numbers on the first rollcalls for President and Vice President. But no person ineligible to the Office of President shall be eligible to the Office of Vice President.

"'SEC. 3. The Congress may by law provide for the case of the death, or inability to discharge the powers and duties of said Offices, of any of the persons from whom the Senate and the House of Representatives may choose a President or a Vice President whenever the right of choice shall have devolved upon them.'

"SEC. 2. The State of Indiana requests that such amendment shall be valid to all intents and purposes as part of the Constitution of the United States when ratified by the legislatures of three-fourths of the several States.

"SEC. 3. For the reason that the power of the sovereign States to propose amendments to the Constitution of the United States by convention under article V has never been exercised and no precedent exists for the calling or holding of such convention, the State of Indiana hereby declares the following basic principles with respect thereto: That the power of the sovereign States to amend the Constitution of the United States under article V is absolute; that the power of the sovereign States to propose amendments to the Constitution by convention under article V is absolute; that the power of the sovereign States extends over such convention and the scope and control thereof and that it is within their sovereign power to prescribe whether such convention shall be general or shall be limited to the proposal of a specified amendment or of amendments in a specified field; that the exercise by the sovereign States of their power to require the calling of such convention contemplates that the applications of the several States for such convention shall prescribe the scope thereof and the essential provisions for holding the same; that the scope of such convention and the provisions for holding the same are established in and by the applications therefor by the legislatures of the two-thirds majority of the several States required by article V to call the same, and that it is the duty of the Congress to call such convention in conformity therewith; that such convention is without power to transcend, and the delegates to such convention are without power to act except within, the limitations and provisions so prescribed.

"SEC. 4. The State of Indiana requests that such convention shall be called and held in conformity with the following limitations and provisions, and that the Congress, in the call for such convention, hereby is requested to and shall prescribe:

"1. That such convention shall be held in the city of Philadelphia, in the State of Pennsylvania, on the first Monday of the first December following transmission to the Senate and the House of Representatives of the Congress of the United States of applications for such convention by the legislatures of two-thirds of the several States and, in honor of the Nation's Founders and for invocation, shall convene at Constitution Hall, at Independence Square, at the hour of 10 o'clock in the morning of such day, and thereupon adjourn to more commodious quarters within said city for session as the convention shall determine;

"2. That the several States shall have equal suffrage at such convention; that each of the several States shall be entitled to 3 delegates thereat and that each of such delegates shall be entitled to 1 vote; that the delegates to such convention from the several States shall be the highest officer of the senate and the highest officer of the house of representatives of their respective legislatures at the time of such convention, except that in States where the lieutenant governor is president of the senate, the president of the senate pro tempore or other highest officer from the membership of the senate shall be such delegate from the senate and in States having a unicameral legislature the 2 highest officers of its legislature shall be such delegates, which 2 delegates in each of the several States shall jointly designate a citizen of such State at large who shall be the third delegate from such State to such convention; that in case

of a vacancy in the office of any delegate during such convention, not otherwise filled pursuant to law or by legislative act or as herein provided, such vacancy shall be filled by the Governor of such State from the senate or house of its legislature or the State at large, respectively, as the case may be; that during such vacancy and during the absence of a delegate from the floor of the convention the delegates present from such State shall be empowered to exercise the vote of the absent delegate or delegates from such State; that the legislature of any State may choose its delegates to such convention, other than hereinabove designated, in which case the delegates so chosen shall be certified to the convention by the secretary of state of such State and shall constitute the delegates of such State at such convention in lieu of the delegates otherwise hereinabove designated.

"3. That such convention shall be limited and restricted specifically to the consideration and proposal of this amendment or such other amendments as may be proposed by the several States of these United States; the choosing of officers and adoption of rules of procedure for the conduct of such convention and the maintenance of order thereat, the determination of any issue respecting the seating of delegates, adjournment from day to day and to a day certain and from place to place within said city as may be convenient, and adjournment sine die; and such convention shall not be held for any other purpose nor have any other power, and the delegates thereto shall have no power other than within the limitation herein prescribed;

"4. That a permanent record shall be made of the proceedings of such convention, which shall be certified by the secretary of the convention, the original of which shall be placed in the Library of Congress and printed copies of which shall be transmitted to the Senate and the House of Representatives of the Congress, to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States;

"5. That the powers of such convention shall be exercisable by the States, represented at such convention by duly constituted delegates thereat, by majority vote of the States present and voting on such proposal, and not otherwise.

"SEC. 5. The State of Indiana requests that this application shall constitute a continuing application for such convention under Article V of the Constitution of the United States until the legislatures of two-thirds of the several States shall have made like applications and such convention shall have been called and held in conformity therewith, unless the Congress itself propose such amendment within the time and the manner herein provided.

"SEC. 6. The State of Indiana requests that proposal of such amendment by the Congress and its submission for ratification to the legislatures of the several States in the form of the article hereinabove specifically set forth, at any time prior to 60 days after the legislatures of two-thirds of the several States shall have made application for such convention, shall render such convention unnecessary and the same shall not be held; otherwise such convention shall be called and held in conformity with such applications.

"SEC. 7. The State of Indiana requests that as this application under Article V of the Constitution of the United States is the exercise of a fundamental power of the sovereign States under the Constitution of the United States, a receipt of this application by the Senate and the House of Representatives of the Congress of the United States be officially noted and duly entered upon their respective records, and that the full context of this resolution be published in the official publication of both the Senate and the House of Representatives of the Congress.

"SEC. 8. Certified copies of this resolution shall be transmitted forthwith to the Senate and the House of Representatives of the Congress of the United States, to each Senator and Representative in the Congress from this State, and to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States, attesting the adoption of this resolution by the legislature of this State.

"CRAWFORD F. PARKER,
"President of Senate.
"GEORGE S. DIENER,
"Speaker of House of Representatives.
"Approved: March 12, 1957.
"HAROLD W. HANDLEY,
"Governor of the State of Indiana.
"Filed March 12, 1957.
"FRANK A. LENNING,
"Secretary of State of Indiana."

"House Enrolled Concurrent Resolution 8

"A concurrent resolution making application to the Congress of the United States pursuant to article V of the Constitution of the United States for a convention proposing an amendment to the constitution of the United States

"Be it resolved by the House of Representatives of the General Assembly of the State of Indiana (the Senate concurring)—

"SECTION 1. The General Assembly of the State of Indiana, pursuant to article V of the Constitution of the United States, hereby makes application to the Congress of the United States to call a convention for proposing the following article as an amendment to the Cohstitution of the United States:

"'ARTICLE —

"'SECTION 1. The sixteenth article of amendment to the Constitution of the United States is hereby repealed.

"'SEC. 2. The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration. The maximum top rate (a term which shall mean the aggregate of all top rates) of all taxes, duties, and excises which the Congress may lay or collect on, with respect to, or measured by, income shall not exceed 25 percent: *Provided, however,* That the Congress by a vote of three-fourths of all the Members of each house may fix such a maximum top rate in excess of 25 percent, for periods, either successive or otherwise, not exceeding 1 year each, if such rate so fixed does not exceed the lowest rate (a term which shall mean the aggregate of all lowest rates) by more than 15 percentage points. Subject to the foregoing limitations, the rates of tax applicable to the incomes of individuals may be different from the rates applicable to the incomes of corporations, which term shall include also associations, joint stock companies, and insurance companies. The determination of income subject to tax shall be by uniform rules of general application which shall not vary with the size of the income.

"'SEC. 3. The Congress shall have no power to lay or collect any tax, duty, or excise with respect to the devolution or transfer of property, or any interest therein, upon or in contemplation of or intended to take effect in possession or enjoyment at or after death, or by way of gift.

"'SEC. 4. Sections 1 and 2 shall take effect at midnight on the 31st day of December following the ratification of this article. Nothing contained in this article shall affect the power of the United States after said date to collect any tax on, with respect to, or measured by, income from any period ending on or prior to said 31st day of December, laid in accordance with the terms of any law then in effect.'

"SEC. 2. The State of Indiana requests that such amendment shall be valid to all intents and purposes as part of the Constitution of the United States when ratified by the legislatures of three-fourths of the several States.

"SEC. 3. For the reason that the power of the sovereign States to propose amendments to the Constitution of the United States by convention under article V has never been exercised and no precedent exists for the calling or holding of such convention, the State of Indiana hereby declares the following basic principles with respect thereto: That the power of the sovereign States to amend the Constitution of the United States under article V is absolute; that the power of the sovereign States to propose amendments to the Constitution by convention under article V is absolute; that the power of the sovereign States extends over such convention and the scope and control thereof and that it is within their sovereign power to prescribe whether such convention shall be general or shall be limited to the proposal of a specified amendment or of amendments in a specified field; that the exercise by the sovereign States of their power to require the calling of such convention contemplates that the applications of the several States for such convention shall prescribe the scope thereof and the essential provisions for holding the same; that the scope of such convention and the provisions for holding the same are established in and by the applications therefor by the legislatures of the two-thirds majority of the several States required by article V to call the same, and that it is the duty of the Congress to call such convention in conformity therewith; that such convention is without power to transcend, and the delegates to such convention are without power to act except within, the limitations and provisions so prescribed.

"SEC. 4. The State of Indiana requests that such convention shall be called and held in conformity with the following limitations and provisions, and that the Congress, in the call for such convention, hereby is requested to and shall prescribe:

"1. That such convention shall be held in the city of Philadelphia, in the State of Pennsylvania, on the first Monday of the first December following transmission to the Senate and the House of Representatives of the Congress of the United States of applications for such convention by the legislatures of two-thirds of the several States and, in honor of the Nation's founders and for invocation, shall convene at Constitution Hall, at Independence Square, at the hour of 10 o'clock in the morning of such day, and thereupon adjourn to more commodious quarters within said city for session as the convention shall determine;

"2. That the several States shall have equal suffrage at such convention; that each of the several States shall be entitled to three delegates thereat and that each of such delegates shall be entitled to one vote; that the delegates to such convention from the several States shall be the highest officer of the senate and the highest officer of the house of representatives of their respective legislatures at the time of such convention, except that in States where the lieutenant governor is president of the senate, the president of the senate pro tem or other highest officer from the membership of the senate shall be such delegate from the senate and in States having a unicameral legislature the two highest officers of its legislature shall be such delegates, which two delegates in each of the several States shall jointly designate a citizen of such State at large who shall be the third delegate from such State to such convention; that in case of a vacancy in the office of any delegate during such convention, not otherwise filled pursuant to law or by legislative act or as herein provided, such vacancy shall be filled

by the governor of such State from the senate or house of its legislature or the State at large, respectively, as the case may be; that during such vacancy and during the absence of a delegate from the floor of the convention the delegates present from such State shall be empowered to exercise the vote of the absent delegate or delegates from such State; that the legislature of any State may choose its delegates to such convention, other than hereinabove designated, in which case the delegates so chosen shall be certified to the convention by the secretary of state of such State and shall constitute the delegates of such State at such convention in lieu of the delegates otherwise hereinabove designated.

"3. That such convention shall be limited and restricted specifically to the consideration and proposal of this amendment or such other amendments as may be proposed by the several States of these United States; the choosing of officers and adoption of rules of procedure for the conduct of such convention and the maintenance of order thereat, the determination of any issue respecting the seating of delegates, adjournment from day to day and to a day certain and from place to place within said city as may be convenient, and adjournment sine die; and such convention shall not be held for any other purpose nor have any other power, and the delegates thereto shall have no power other than within the limitations herein prescribed;

"4. That a permanent record shall be made of the proceedings of such convention, which shall be certified by the secretary of the convention, the original of which shall be placed in the Library of Congress and printed copies of which shall be transmitted to the Senate and the House of Representatives of the Congress, to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States;

"5. That the powers of such convention shall be exercisable by the States, represented at such convention by duly constituted delegates thereat, by majority vote of the States present and voting on such proposal, and not otherwise.

"SEC. 5. The State of Indiana requests that this application shall constitute a continuing application for such convention under article V of the Constitution of the United States until the legislatures of two-thirds of the several States shall have made like applications and such convention shall have been called and held in conformity therewith, unless the Congress itself propose such amendment within the time and manner herein provided.

"SEC. 6. The State of Indiana requests that proposal of such amendment by the Congress and its submission for ratification to the legislatures of the several States in the form of the article hereinabove specifically set forth, at any time prior to 60 days after the legislatures of two-thirds of the several States shall have made application for such convention, shall render such convention unnecessary and the same shall not be held; otherwise such convention shall be called and held in conformity with such applications.

"SEC. 7. The State of Indiana requests that as this application under article V of the Constitution of the United States is the exercise of a fundamental power of the sovereign States under the Constitution of the United States, a receipt of this application by the Senate and the House of Representatives of the Congress of the United States be officially noted and duly entered upon their respective records, and that the full context of this resolution be published in the official publication of both the Senate and the House of Representatives of the Congress.

"SEC. 8. Certified copies of this resolution shall be transmitted forthwith to the Senate and the House of Representatives of the Congress of the United States, to each Senator and Representative in the Congress from this State, and to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States, attesting the adoption of this resolution by the legislature of this State.

"CRAWFORD F. PARKER,
"President of Senate.
"GEORGE S. DIENER,
"Speaker of House of Representatives.
"Approved: March 12, 1957.
"HAROLD W. HANDLEY,
"Governor of the State of Indiana.
"Filed March 12, 1957.
"FRANK A. LENNING,
"Secretary of State of Indiana."

"House Enrolled Concurrent Resolution 9

"A concurrent resolution making application to the Congress of the United States pursuant to article V of the Constitution of the United States for a convention proposing an amendment to the Constitution of the United States

"Be it resolved by the House of Representatives of the General Assembly of the State of Indiana (the Senate concurring)—

"SECTION 1. The General Assembly of the State of Indiana, pursuant to article V of the Constitution of the United States, hereby makes application to the Congress of the United States to call a convention for proposing the following article as an amendment to the Constitution of the United States:

"'ARTICLE—

"'SECTION 1. On or before the 15th day after the beginning of each regular session of the Congress, the President shall transmit to the Congress a budget which shall set forth his estimates of the receipts of the Government, other than trust funds, during the ensuing fiscal year under the laws then existing and his recommendations with respect to expenditures to be made from funds other than trust funds during such ensuing fiscal year, which shall not exceed such estimate of receipts. If the Congress shall authorize expenditures to be made during such ensuing fiscal year in excess of such estimated receipts, it shall not adjourn for more than 3 days at a time until action has been taken necessary to balance the budget for such ensuing fiscal year. In case of war or other grave national emergency, if the President shall so recommend, the Congress by a vote of three-fourths of all the Members of each House may suspend the foregoing provisions for balancing the budget for periods, either successive or otherwise, not exceeding 1 year each.

"'SEC. 2. This article shall take effect on the first day of the calendar year next following the ratification of this article.'

"SEC. 2. The State of Indiana requests that such amendment shall be valid to all intents and purposes as part of the Constitution of the United States when ratified by the legislatures of three-fourths of the several States.

"SEC. 3. For the reason that the power of the sovereign States to propose amendments to the Constitution of the United States by convention under article V has never been exercised and no precedent exists for the calling or holding of such convention, the State of Indiana hereby declares the following basic principles with respect thereto: That the power of the sovereign States to amend the Constitution of the United States under article V is absolute; that the power of the sovereign States to propose amendments to the Constitution by convention under article V is absolute; that the power of the sovereign States extends over such convention and the scope and control thereof and that it is within their sovereign power to prescribe whether such convention shall be general or shall be limited to the proposal of a specified amendment or of amendments in a specified field; that the exercise by the sovereign States of their power to require the calling of such convention contemplates that the applications of the several States for such convention shall prescribe the scope thereof and the essential provisions for holding the same; that the scope of such convention and the provisions for holding the same are established in and by the applications therefor by the legislatures of the two-thirds majority of the several States required by article V to call the same, and that it is the duty of the Congress to call such convention in conformity therewith; that such convention is without power to transcend, and the delegates to such convention are without power to act except within, the limitations and provisions so prescribed.

"SEC. 4. The State of Indiana requests that such convention shall be called and held in conformity with the following limitations and provisions, and that the Congress, in the call for such convention, hereby is requested to and shall prescribe:

"1. That such convention shall be held in the city of Philadelphia, in the State of Pennsylvania, on the first Monday of the first December following transmission to the Senate and the House of Representatives of the Congress of the United States of applications for such convention by the legislatures of two-thirds of the several States and, in honor of the Nation's founders and for invocation, shall convene at Constitution Hall, at Independence Square, at the hour of 10 o'clock in the morning of such day, and thereupon adjourn to more commodious quarters within said city for session as the convention shall determine;

"2. That the several States shall have equal suffrage at such convention; that each of the several States shall be entitled to 3 delegates thereat and that each of such delegates shall be entitled to 1 vote; that the delegates to such convention from the several States shall be the highest officer of the senate and the highest officer of the house of representatives of their respective legislatures at the time of such convention, except that in States where the lieutenant governor is president of the senate, the president of the senate pro tempore or other highest officer from the membership of the senate shall be such delegate from the senate and in States having a unicameral legislature the 2 highest officers of its legislature shall be such delegates, which 2 delegates in each of the several States shall jointly designate a citizen of such State at large who shall be the third delegate from such State to such convention; that in case of a vacancy in the office of any delegate during such convention, not otherwise filled pursuant to law or by legislative act or as herein provided, such vacancy shall be filled by the Governor of such State from the senate or house of its legislature or the State at large, respectively, as the case may be; that during such vacancy and during the absence of a delegate from the floor of the convention the delegates present from such State shall be empowered to exercise the vote of the absent delegate or delegates from such State; that the legislature of any State may choose its delegates to such convention, other than hereinabove designated, in which case the delegates so chosen shall be certified to the convention by the secretary of state of such State and shall constitute the delegates of such State at such convention in lieu of the delegates otherwise hereinabove designated;

"3. That such convention shall be limited and restricted specifically to the consideration and proposal of this amendment or such other amendments as may be proposed by the several States of these United States; the choosing of officers and adoption of rules of procedure for the conduct of such convention and the maintenance of order

thereat, the determination of any issue respecting the seating of delegates, adjournment from day to day and to a day certain and from place to place within said city as may be convenient, and adjournment sine die; and such convention shall not be held for any other purpose nor have any other power, and the delegates thereto shall have no power other than within the limitations herein prescribed;

"4. That a permanent record shall be made of the proceedings of such convention, which shall be certified by the secretary of the convention, the original of which shall be placed in the Library of Congress and printed copies of which shall be transmitted to the Senate and the House of Representatives of the Congress, to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States;

"5. That the powers of such convention shall be exercisable by the States, represented at such convention by duly constituted delegates thereat, by majority vote of the States present and voting on such proposal, and not otherwise.

"SEC. 5. The State of Indiana requests that this application shall constitute a continuing application for such convention under article V of the Constitution of the United States until the legislatures of two-thirds of the several States shall have made like applications and such convention shall have been called and held in conformity therewith, unless the Congress itself propose such amendment within the time and the manner herein provided.

"SEC. 6. The State of Indiana requests that proposal of such amendment by the Congress and its submission for ratification to the legislatures of the several States in the form of the article hereinabove specifically set forth, at any time prior to 60 days after the legislatures of two-thirds of the several States shall have made application for such convention, shall render such convention unnecessary and the same shall not be held; otherwise such convention shall be called and held in conformity with such applications.

"SEC. 7. The State of Indiana requests that as this application under article V of the Constitution of the United States is the exercise of a fundamental power of the sovereign States under the Constitution of the United States, a receipt of this application by the Senate and the House of Representatives of the Congress of the United States be officially noted and duly entered upon their respective records, and that the full context of this resolution be published in the official publication of both the Senate and the House of Representatives of the Congress.

"SEC. 8. Certified copies of this resolution shall be transmitted forthwith to the Senate and the House of Representatives of the Congress of the United States, to each Senator and Representative in the Congress from this State, and to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States, attesting the adoption of this resolution by the legislature of this State.

"CRAWFORD F. PARKER,
"President of Senate.
"GEORGE S. DIENER,
"Speaker of House of Representatives.
"Approved: March 12, 1957.
"HAROLD W. HANDLEY,
"Governor of the State of Indiana.
"Filed March 12, 1957.
"FRANK A. LENNING,
"Secretary of State of Indiana."

A concurrent resolution of the Legislature of the State of Florida; to the Committee on the Judiciary.

"House Concurrent Resolution 174

"A resolution to declare the United States Supreme Court decisions usurping the powers reserved to the States and relating to education, labor, criminal procedure, treason and subversion to be null, void, and of no effect; to declare that a contest of powers has arisen between the State of Florida and the Supreme Court of the United States; to invoke the doctrine of interposition; and for other purposes

"Be it resolved by the House of Representatives of the State of Florida (the Senate concurring), That the Legislature of Florida doth hereby unequivocally express a firm and determined resolution to maintain and defend the Constitution of the United States, and the constitution of this State against every attempt, whether foreign or domestic, to undermine and destroy the fundamental principles, embodied in our basic law, by which the liberty of the people and the sovereignty of the States, in their proper spheres, have been long protected and assured;

"That the Legislature of Florida doth explicitly and preemptorily declare that it views the powers of the Federal Government as resulting solely from the compact, to which the States are parties, as limited by the plain sense and intention of the instrument creating that compact;

"That the Legislature of Florida asserts that the powers of the Federal Government are valid only to the extent that these powers have been enumerated in the compact to which the various States assented originally and to which the States have assented in subsequent amendments validly adopted and ratified;

"That the very nature of this basic compact, apparent upon its face, is that the ratifying States, parties thereto, have agreed voluntarily to surrender certain of their sovereign rights, but only certain of these sovereign rights, to a Federal Government thus constituted; and that all powers not delegated to the United States by the Constitution, nor prohibited by it to the States, have been reserved to the States respectively, or to the people;

"That the State of Florida has at no time surrendered to the General Government its right to exercise its powers in the field of labor, criminal procedure, and public education, and to maintain racially separate public schools and other public facilities;

"That the State of Florida, in ratifying the 14th amendment to the Constitution, did not agree, nor did the other States ratifying the 14th amendment agree, that the power to regulate labor, criminal proceedings, public education, and to operate racially separate public schools and other facilities was to be prohibited to them thereby;

"And as evidence of such understanding as to the inherent power and authority of the States to regulate public education and the maintenance of racially separate public schools, the Legislature of Florida notes that the very Congress that submitted the 14th amendment for ratification established separate schools in the District of Columbia and that in more than one instance the same State legislatures that ratified the 14th amendment also provided for systems of racially separate public schools;

"That the Legislature of Florida denies that the Supreme Court of the United States had the right which it asserted in the school cases decided by it on May 17, 1954, the labor-union case decided on May 21, 1956, the cases relating to criminal proceedings decided on April 23, 1956, and January 16, 1956, the antisedition case decided on April 2, 1956, and the case relating to teacher requirements decided on April 9, 1956, to enlarge the language and meaning of the compact by the States in an effort to withdraw from the States powers reserved to them and as daily exercised by them for almost a century;

"That a question of contested power has arisen; the Supreme Court of the United States asserts, for its part, that the States did in fact prohibit unto themselves the power to regulate labor matters, criminal proceedings, and public education, and to maintain racially separate public institutions and the State of Florida, for its part, asserts that it and its sister States have never surrendered such rights;

"That these assertions upon the part of the Supreme Court of the United States, accompanied by threats of coercion and compulsion against the sovereign States of this Union, constitute a deliberate, palpable, and dangerous attempt by the Court to prohibit to the States certain rights and powers never surrendered by them;

"That the Legislature of Florida asserts that whenever the General Government attempts to engage in the deliberate, palpable, and dangerous exercise of powers not granted to it, the States who are parties to the compact have the right, and are in duty bound, to interpose for arresting the progress of the evil, and for maintaining, within their respective limits, the authorities, rights, and liberties appertaining to them;

"That failure on the part of this State thus to assert its clear rights would be construed as acquiescence in the surrender thereof; and that such submissive acquiescence to the seizure of one right would in the end lead to the surrender of all rights, and inevitably to the consolidation of the States into one sovereignty, contrary to the sacred compact by which this Union of States was created;

"That the question of contested power asserted in this resolution is not within the province of the Court to determine because the Court itself seeks to usurp the powers which have been reserved to the States, and, therefore, under these circumstances, the judgment of all of the parties to the compact must be sought to resolve the question. The Supreme Court is not a party to the compact, but a creature of the compact and the question of contested power should not be settled by the creature seeking to usurp the power, but by the parties to the compact who are the people of the respective States in whom ultimate sovereignty finally reposes;

"That the constitution of the State of Florida provides for full benefits to all its citizens with reference to educational facilities and under the laws of Florida enacted by the legislature through the minimum foundation program its citizens under States' rights, all are being educated under the same general law and all teachers are being employed under identical educational qualifications and all are certified by the State Board of Education alike, which enables the people, themselves, in Florida to provide an educational establishment serviceable and satisfactory and in keeping with the social structure of the State. The people of Florida do not consent to changing State precedents and their rights by having doctrines thrust upon them by naked force alone, as promulgated in the school cases of May 17, 1954, and May 31, 1955;

"That the doctrines of said decisions and other decisions denying to the States the right to have laws of their own dealing with subversion or espionage, and criminal proceedings, and denying the States the right to dismiss individuals from public employment who refuse to answer questions concerning their connections with communism by invoking the fifth amendment, and denying the States the right to provide for protective 'right to work' laws, should not be forced upon the citizens of this State for the Court was without jurisdiction, power or authority to interfere with the sovereign powers of the State in such spheres of activity.

"That the Court in its decisions relating to public education was without jurisdiction

because (1) the jurisdiction of the Court granted by the Constitution is limited to judicial cases in law and equity, and said cases were not of a judicial nature and character, nor did they involve controversies in law or equity, but, on the contrary, the great subjects of the controversy are of a legislative character, and not a judicial character, and are determinable only by the people themselves speaking through their legislative bodies; (2) the essential nature and effect of the proceedings relating exclusively to public schools operated by and under the authority of States, and pursuant to State laws and regulations, said cases were suits against the States, and the Supreme Court was without power or authority to try said cases, brought by individuals against States, because the Constitution forbids the Court to entertain suits by individuals against a State unless the State has consented to be sued;

"That if said Court had had jurisdiction and authority to try and determine said cases, it was powerless to interfere with the operation of the public schools of States, because the Constitution of the United States does not confer upon the General Government any power or authority over such schools or over the subject of education, jurisdiction over these matters being reserved to the States, nor did the States by the 14th amendment authorize any interference on the part of the judicial department or any other department of the Federal Government with the operation by the States of such public schools as they might in their discretion see fit to establish and operate;

"That by said cases the Court announces its power to adjudge State laws unconstitutional upon the basis of the Court's opinion of such laws as tested by rules of the inexact and speculative theories of psychological knowledge, which power and authority is beyond the jurisdiction of said Court;

"That if the Court is permitted to exercise the power to judge the nature and effect of a law by supposed principles of psychological theory, and to hold the statute or constitution of a State unconstitutional because of the opinions of the judges as to its suitability, the States will have been destroyed, and the indestructible union of indestructible States established by the Constitution of the United States will have ceased to exist, and in its stead the Court will have created, without jurisdiction or authority from the people, one Central Government of total power;

"That implementing its decision relating to public education of May 17, 1954, said Court on May 31, 1955, upon further consideration of said cases, said: 'All provisions of Federal, State, or local law * * * must yield' to said decision of May 17, 1954; said Court thereby presuming arrogantly to give orders to the State of Florida;

"That it is clear that said Court has deliberately resolved to disobey the Constitution of the United States, and to flout and defy the supreme law of the land;

"That the State of Florida, as is also true of the other sovereign States of the Union, has the right to enact laws relating to subversion or espionage, criminal proceedings, dismissing public employees who refuse to answer questions concerning their connections with communism and 'right to work' protection, and has the right to operate and maintain a public school system utilizing such educational methods therein as in her judgment are conducive to the welfare of those to be educated and the people of the State generally, this being a governmental responsibility which the State has assumed lawfully, and her rights in this respect have not in anywise been delegated to the Central Government, but, on the contrary, she and the other States have reserved such matters to themselves by the terms of the 10th amendment. Being possessed of this lawful right, the State of Florida is possessed of power to repel every unlawful interference therewith;

"That the duty and responsibility of protecting life, property and the priceless possessions of freedom rests upon the government of Florida as to all those within her territorial limits. The State alone has this responsibility. Laboring under this high obligation she is possessed of the means to effectuate it. It is the duty of the State in flagrant cases such as this to interpose its powers between its people and the effort of said Court to assert an unlawful dominion over them: Therefore be is further

"Resolved by the House of Representatives of the State of Florida (the Senate concurring)—

"SECTION 1. That said decisions and orders of the Supreme Court of the United States denying the individual sovereign States the power to enact laws relating to espionage or subversion, criminal proceedings, the dismissal of public employees for refusal to answer questions concerning their connections with communism, 'right to work' protection, and relating to separation of the races in the public institutions of a State are null, void, and of no force or effect.

"SEC. 2. That the elected representatives of the people of Florida do now seriously declare that it is the intent and duty of all officials, State and local, to observe, honorably, legally and constitutionally, all appropriate measures available to resist these illegal encroachments upon the sovereign powers of this State.

"SEC. 3. That we urge firm and deliberate efforts to check these and further encroachments on the part of the Federal Government, and on the part of said Court through judicial legislation, upon the reserved powers of all the States powers never surrendered by the remotest implication but expressly reserved and vitally essential to the separate and independent autonomy of the States in order that by united efforts the States may be preserved.

"SEC. 4. That a copy of this resolution be transmitted by His Excellency the Governor to the governor and legislature of each of the other States, to the President of the United States, to each of the Houses of Congress, to Florida's Representatives and Senators in the Congress, and to the Supreme Court of the United States for its information."

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Agriculture and Forestry:

"Joint Resolution 2

"Requesting the Secretary of Agriculture of the United States to provide for higher prices for raw sugar

"Whereas the sugar industry of the Territory of Hawaii is one of the major industries of the Territory and is a major contributing factor to the economy of the Territory; and

"Whereas there are many small independent growers of sugarcane in the Territory whose sole livelihood depends upon the prices received for raw sugar processed from their sugarcane; and

"Whereas the consumer price index has increased substantially while the yearly average price of raw sugar in the New York market has remained at approximately the same level since the year 1947, such yearly average prices being: 1947, $124.33; 1948, $111.37; 1949, $116.12; 1950, $118.65; 1951, $121.21; 1952, $125.27; 1953, $125.76; 1954, $121.80; 1955, $119.02; and 1956, $121.76; and

"Whereas during the same period of time, the cost of labor, material, and supplies necessary in the production of sugarcane and the cost of living have greatly increased; and

"Whereas the Secretary of Agriculture of the United States has authority under the Sugar Act of 1948, as amended, to provide quotas for the marketing of raw sugar which will result in higher returns to sugarcane producers in the domestic sugar industry: Now, therefore, be it

"Enacted by the Legislature of the Territory of Hawaii—

"SECTION 1. The Secretary of Agriculture of the United States is hereby respectfully requested to take such action as is authorized under the terms of the Sugar Act of 1948, as amended, as will result in substantial increases in the price of raw sugar on the New York market.

"SEC. 2. Certified copies of this joint resolution shall be sent to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, to the Secretary of Interior, to the Secretary of Agriculture, and to the Delegate to the Congress from the Territory of Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 23d day of April 1957.
"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

Two joint resolutions of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Joint Resolution 1

"Requesting the Congress to enact legislation providing for the admission of Hawaii to statehood

"Whereas Hawaii was annexed to the United States by agreement between the government of the people of Hawaii, which was then an independent Republic, and the Government of the United States; and

"Whereas under said agreement Hawaii was to become, and did become, an integral part of the United States; and

"Whereas in fulfillment of the terms of the Newlands resolution of annexation the Congress enacted the Hawaiian Organic Act, which constituted Hawaii an incorporated organized Territory; and

"Whereas every incorporated organized Territory in the history of the United States, except Alaska and Hawaii, has invariably been granted statehood upon the successful completion of a reasonable period of pupilage; and

"Whereas inherent in the public acts under which Hawaii became an integral part of the United States and was created an incorporated organized Territory, was the implied promise of ultimate statehood on an equal footing with the original States, upon the fulfillment of the traditional requirements for admission as a State established and followed in the admission of every previously incorporated organized Territory; and

"Whereas this implied promise has been repeatedly acknowledged by the executive and judicial branches of the Government of the United States, and by the Congress of the United States, especially in the reports of committees of the Congress duly adopted by the Congress relating to statehood for Hawaii; and

"Whereas the people of Hawaii have demonstrated their political maturity, their ability to govern themselves in accordance with the principles of representative government laid down by the United States Constitution, and their ability to maintain themselves as a sound economic unit; and have fully unequivocably met every historic qualification for statehood; and

"Whereas Hawaii is fully qualified for statehood, as has been found repeatedly by congressional committees holding hearings thereon; and

"Whereas Hawaii has adopted a constitution formed by a convention of duly elected delegates and ratified by the people, which constitution is republican in form, in conformity with the Constitution of the United States and the principles of the Declaration of Independence, and in every other respect meets the requirements for admission of the State; and

"Whereas the people of Hawaii are ready to elect State officers, and Senators and Representatives in Congress, as shown by the adoption of suitable legislation therefore to take effect immediately upon authorization of such elections by the Congress: Now, therefore, be it

"Enacted by the Legislature of the Territory of Hawaii—

"SECTION 1. The Congress of the United States is hereby respectfully requested to enact legislation providing for the admission of the State of Hawaii into the Union

"SEC. 2. This legislation does hereby reaffirm the desire and will of the people of Hawaii that statehood be granted them, and does hereby reassert that fulfillment of the rights of the people of Hawaii calls for enactment of statehood legislation without further delay.

"SEC. 3. Duly certified copies of this joint resolution shall be forwarded to the President of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, the chairman of the Committee on Interior and Insular Affairs of the said Senate, the chairman of the Committee on Interior and Insular Affairs of said House of Representatives, the Delegate to Congress from Hawaii, and the Secretary of the Interior.

"SEC. 4. This joint resolution shall take effect upon its approval.

"Approved this 21st day of March 1957.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

"Joint Resolution 3

"Requesting the Congress of the United States of America to amend the Hawaiian Organic Act to provide for the employment and compensation of employees of the Board of Harbor Commissioners of the Territory of Hawaii in accordance with the laws of the Territory of Hawaii

"Be it enacted by the Legislature of the Territory of Hawaii—

"SECTION 1. The Congress of the United States of America is hereby respectfully requested to amend section 106 of the Hawaiian Organic Act substantially as set forth in the following form of bill:

"'A bill to amend section 105 of the Hawaiian Organic Act

"'*Be it enacted, etc.—*

"'SECTION 1. That section 106 of the Hawaiian Organic Act be amended by amending the last sentence of the first paragraph to read as follows:

"'"The board shall likewise have power to appoint and remove clerks, wharfingers and their assistants, pilots and pilot-boat crews, and all such other employees as may be necessary, and to fix their compensation, in accordance with the laws of the Territory; to make rules and regulations pursuant to this section and not inconsistent with law; and generally shall have all powers necessary fully to carry out the provisions of this section."

"'SEC. 2. That the employees of the Board of Harbor Commissioners of the Territory of Hawaii on the effective date of this act shall continue in employment, subject to suspension, demotion and dismissal as provided in the civil service laws of the Territory of Hawaii as amended from time to time.

"'SEC. 3. This act shall take effect on and after the date of its approval.'

"SEC. 2. Certified copies of this joint resolution shall be forwarded to the President of the United States, the President of the Senate and the Speaker of the House of Representatives of the United States and the Delegate to Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 25th day of April 1957.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on the Judiciary.

"Joint Resolution 4

"Requesting the Congress of the United States to extend the provisions of section 373 of the Judicial Code to the judges of the circuit courts of the Territory of Hawaii

"Be it enacted by the Legislature of the Territory of Hawaii—

"SECTION 1.—The Congress of the United States is hereby respectfully requested to enact a bill substantially as follows:

"'A bill amending section 373 of the Judicial Code so as to extend the application thereof to the judges of the circuit courts of the Territory of Hawaii

"'*Be it enacted, etc.*, That section 373 of the Judicial Code (28 U. S. C. 373) is hereby amended by inserting after the words "any justice of the supreme court" the following: "or judge of a circuit court."

"'SEC. 2. This act shall apply to any judge of a circuit court of the Territory of Hawaii who, after the approval of this act, resigns, fails of reappointment, or is removed by the President upon the ground of mental or physical disability. Any such judge shall be credited, in the computation of the aggregate years of judicial service, with service, whether before or after the approval of this act, in any of the courts referred to in the first paragraph of section 373 of the Judicial Code, as amended by this act.

"'Any judge of the United States District Court for the District of Hawaii and any justice of the Supreme Court of the Territory of Hawaii who, after the approval of this act, resigns, fails of reappointment, or is removed by the President upon the ground of mental or physical disability, shall be credited, in the computation of aggregate years of judicial service, with his service in a circuit court of the Territory of Hawaii, whether before or after the approval of this act, as well as service in the other courts referred to in the first paragraph of section 373 of the Judicial Code.

"'SEC. 3. This bill shall take effect upon its approval.'

"SEC. 2. Certified copies of this resolution, upon its adoption, shall be forwarded to the Secretary of the Interior, the Delegate to Congress from Hawaii, the President of the Senate of the United States, and the Speaker of the House of Representatives of the United States.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 26th day of April 1957.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"House Concurrent Resolution 7

"Concurrent resolution requesting the Congress of the United States to transfer to the Territory of Hawaii the remaining public lands and the authority to legislate in respect thereto, as set forth in Joint Resolution 4 of the Session Laws of Hawaii, 1955

"Whereas by Joint Resolution 4 of the Session Laws of Hawaii, 1955, the legislature requested the Congress of the United States to enact a bill transferring to the Territory of Hawaii the remaining public lands and the authority to legislate in respect thereto, substantially as set forth in the form of bill for the enactment of which the legislature petitioned by said Joint Resolution 4 of the 1955 session; and

"Whereas the recitals contained in said joint resolution show that the period of retention by the United States of the title to and authority over the public domain of Hawaii already has been unduly protracted; and

"Whereas the laws governing the public lands of Hawaii require amendment and revision, and it repeatedly has been necessary to resort to the Congress of the United States for legislation as to matters with which the Congress should not be burdened, and which the Legislature of Hawaii is capable of handling as demonstrated by the fact that the Congress has approved the measures submitted to it by the legislature; and

"Whereas the delays incident to the necessity of obtaining congressional legislation whenever amendment or revision of the laws relating to the public domain is required, are detrimental to the economic welfare of the people of Hawaii; Now, therefore, be it

"Resolved by the house of representatives of the 29th legislature (the senate concurring), That the Congress of the United States is hereby requested to enact legislation substantially in the form set forth in Joint Resolution 4 of the Session Laws of Hawaii, 1955, entitled 'Joint resolution requesting the Congress of the United States to transfer to the Territory of Hawaii the title to the remaining public lands and other public property in Hawaii, and to enact new provisions as to the authority of the Legislature of the Territory of Hawaii in respect of such property and other lands under the jurisdiction and control of the Territory of Hawaii; and be it further

"Resolved, That certified copies of this concurrent resolution, upon its adoption, shall be forwarded to the President of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, the chairman of the Committee on Interior and Insular Affairs of the said Senate, the chairman of the Committee on Interior and Insular Affairs of said House of Representatives, the Delegate to Congress from Hawaii, and the Secretary of the Interior."

A resolution adopted by the Associated Church Press, at Philadelphia, Pa., protesting against the appointment of an ambassador to the Vatican; to the Committee on Foreign Relations.

A resolution adopted by the Mountain-Pacific States Conference of Public Service Commissions, at Phoenix, Ariz., favoring the enactment of legislation to amend the mineral-leasing laws so as to enlarge limitation on coal lands; to the Committee on Interior and Insular Affairs.

The petition of Homer Hayes, of Ironton, Ohio, relating to legislative processes in the enactment of legislation; to the Committee on the Judiciary.

A letter in the nature of a memorial from the Toledo, Ohio, Chamber of Commerce, signed by Arthur C. Kochendorfer, executive manager, remonstrating against the enactment of House bill 1, providing Federal aid for school construction, and so forth; to the Committee on Labor and Public Welfare.

A letter in the nature of a petition from Jonas Matulionis, president, Supreme Committee for Liberation of Lithuania, New York, N. Y., expressing sympathy at the death of the late Senator Joseph R. McCarthy; ordered to lie on the table.

JOINT RESOLUTION OF OREGON LEGISLATURE

Mr. NEUBERGER. Mr. President, the Oregon State Legislature has recently passed House Joint Memorial 13 calling for enactment of legislation to grant a Federal charter of incorporation to the Veterans of World War I of the United States of America.

My distinguished colleague, the senior Senator from Oregon [Mr. MORSE] and I have introduced Senate bill 1407 to grant a Federal charter of incorporation

to this deserving veterans organization, and we have been assured by the chairman [Mr. O'MAHONEY] of the Senate Judiciary Standing Subcommittee on Charters, Holidays and Celebrations, that hearings will be held on our bill.

Mr. President, the organization of Veterans of World War I of the United States of America is the only veterans organization whose membership is made up exclusively of World War I veterans. This rapidly growing veterans organization has 175,000 members, with members in all 48 States and Territories.

Of the patriotic Americans who served our Nation in the First World War 39 years ago, 2,995,000 were living on March 30, 1957. Their average age was 63 years. Twenty-four years separate the service of the veterans of World War I from the beginning of the Second World War. I feel that it is very appropriate that veterans of the first Great War should have their own veterans organization.

On behalf of my colleague [Mr. MORSE] and myself I ask unanimous consent to have printed in the RECORD, House Joint Memorial 13 of the Oregon Legislature, and that it be appropriately referred.

There being no objection, the joint resolution was referred to the Committee on the Judiciary, and, under the rule, ordered to be printed in the RECORD, as follows:

House Joint Memorial 13

To the Honorable Senate and the House of Representatives of the United States of America, in Congress Assembled:

We, your memorialists, the 49th Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

Whereas there is at present no federally chartered veterans' organization composed exclusively of veterans of America's First World War; and

Whereas there has now been organized a veterans' organization composed exclusively of World War I veterans, known as the Veterans of World War I of the United States of America, Inc.; and

Whereas the Veterans of World War I of the United States of America, Inc., has a growing membership already numbering 175,000 nationally, with members in all the 48 States and the Territories; and

Whereas the Veterans of World War I of the United States of America, Inc., have organized barracks (posts) in 45 States; and

Whereas the Veterans of World War I of the United States of America, Inc., is the only veterans' organization of national character organized to maintain and perpetuate the memories and interests of World War I, exclusively: Now, therefore, be it

Resolved by the House of Representatives of the State of Oregon (the Senate jointly concurring therein), That the Congress of the United States be memorialized to grant to the Veterans of World War I of the United States of America, Inc., a Federal charter of incorporation; and be it further

Resolved, That copies of this memorial be sent to the President of the United States and to all members of the Oregon congressional delegation.

Adopted by senate April 23, 1957.

EDITH BYNON LOW,
Chief Clerk.

BOYD R. OVERHULSE,
President of Senate.

Adopted by house April 18, 1957.

PAT DOOLEY,
Speaker of House.

By Mr. THYE:

A resolution of the House of Representatives of the State of Minnesota; to the Committee on Labor and Public Welfare:

"House Resolution Relating to Employment Problems of Workers in the 50 to 64 Age Group

"Whereas the people of the State of Minnesota and the Minnesota Legislature are becoming increasingly aware of the problems confronting older workers in their search for employment; and

"Whereas, every recent study has shown that persons in the age group 50 to 64 are acutely affected by age restrictions in hiring policies and practices; and

"Whereas the number of persons in the total labor force in the State of Minnesota has increased 8 percent since 1950 and is expected to increase 13 percent by 1960 and 42 percent by 1975; and

"Whereas the number of persons in the age group 50 to 64 in the labor force in the State of Minnesota has increased 15 percent since 1950 and is expected to increase 20 percent by 1960 and 56 percent by 1975 and is increasing more rapidly than the total labor force thus intensifying the problems of creating job opportunities for this segment of our population; and

"Whereas, the erection of unrealistic age barriers affecting persons in the age group 50 to 64 has resulted in prolonged periods of unemployment which can create economic hardships accompanied by loss of self-respect and other serious sociological problems and maladjustments associated with inactivity of the mind and body; and

"Whereas these age barriers are inconsistent with the abilities, qualifications, significant skills, and experience of these persons, thereby creating a waste within our economy because of the failure to utilize the services of these persons and to recognize the importance of their potential contribution to our economy; and

"Whereas, recent validated studies reveal that discriminatory hiring policies often are based on erroneous beliefs concerning the abilities and physical capacities of persons within this age group to perform in an employment situation: Now, therefore, be it

"Resolved by the House of Representatives of the State of Minnesota, That the government of the State of Minnesota through its factfinding, public information facilities, and the interdepartmental committee on aging should actively promote the employment of older workers within the age group 50 to 64 through promotional and educational activities among employers throughout the State in an effort to overcome unrealistic policies and practices working against the employment of these persons; be it further

"Resolved, That both the State and Federal Governments give serious thought to the development of job opportunities through the establishment of meaningful, worthwhile projects which would utilize the skills and abilities of citizens in this age group; be it further

"Resolved, That the chief clerk of the house of representatives be directed to transmit copies of this resolution to the President of the United States, the Secretary of Labor of the United States and to the Members of Congress from the State of Minnesota.

"A. I. JOHNSON,
"Speaker of the House of Representatives.

"G. H. LEAHY,
"Chief Clerk, House of Representatives."

"Approved April 24, 1957.

CONCURRENT RESOLUTION OF DELAWARE LEGISLATURE

Mr. WILLIAMS. Mr. President, I present for appropriate reference a concurrent resolution of the Legislature of the State of Delaware, urging the Congress to consider favorably a Federal program to improve Delaware waterways.

There being no objection, the concurrent resolution was referred to the Committee on Public Works, and, under the rule, ordered to be printed in the RECORD, as follows:

House Concurrent Resolution No. 5

Memorializing the Congress of the United States to consider favorably a Federal program to improve Delaware waterways

Whereas an oil tanker known as the U. S. N. S. *Mission San Francisco* and a Liberian freighter known as the steamship *Elna II* collided in the Delaware River, near New Castle, Delaware, on Thursday, March 7, 1957, which resulted in a great loss of life, personal injury and much property damage; and

Whereas there have been many other collisions and groundings of vessels in that area in recent years which clearly necessitates an immediate Federal program of improvement of Delaware waterways for the benefit of shipping; and

Whereas the United States Senators from Delaware have expressed their intent to urge Congress to approve legislation which would improve both the Delaware River and the Chesapeake & Delaware Canal: Now, therefore, be it

Resolved by the House of Representatives of the State of Delaware (the Senate concurring therein), That the 119th General Assembly of the State of Delaware urges and requests the Congress of the United States to enact legislation with sufficient appropriation which would make possible the necessary steps to make the Delaware River and the Chesapeake & Delaware Canal safe passageways for all ships, and be it further

Resolved, That the Senators and Representatives of the United States from Delaware are respectfully requested to exert every effort and utilize all facilities at their disposal to further said action; and be it further

Resolved, That copies of this resolution shall forthwith be transmitted to the presiding officer of each House, and to the chairmen of the proper committees in the House and Senate of the United States and to each Senator and Representative from the State of Delaware.

RESOLUTIONS OF WESTERN GOVERNORS CONFERENCE

Mr. BIBLE. Mr. President, on behalf of myself and my colleague, the senior Senator from Nevada [Mr. MALONE], I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, resolutions adopted by the Western Governors Conference held in Reno, Nev., April 26 and 27, of this year.

There being no objection, the resolutions were referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

RESOLUTIONS ADOPTED BY WESTERN GOVERNORS CONFERENCE HELD IN RENO, NEV., APRIL 26–27, 1957

Whereas the mining advisory council to the Western Governors Conference has devoted much time and effort to making a comprehensive presentation of problems being faced by the western minerals industry; and

Whereas the contribution of the mining advisory council has provided the governors of the Western States with a wealth of valuable data and factual information: Now, therefore, be it

Resolved, That the Western Governors Conference heartily commends the work of the mining advisory council and expresses thanks for the valuable work accomplished; and be it further

Resolved, That the governors of the Western States, while recognizing that a final decision on each specific recommendation cannot be reached at this time, pledge their continuing study of the mutual problems involved and their full support of the program to provide a comprehensive, long-range solution to the problems faced by the minerals industry, such solution to be based on sound economic principles and not on considerations of expediency.

Whereas the Western Governors Conference fully recognizes and appreciates the efforts that have been made by the Federal Government to help the minerals industry adjust to postwar conditions in a greatly changed international climate; and

Whereas the conference further recognizes the fact that many of these efforts have, of necessity, been temporary in nature and of terminal value; and

Whereas the time has now come that it is imperative that these temporary programs be replaced by sound, long-range programs that will provide a climate conducive to attaining a permanent stability in the minerals industry; and

Whereas this permanent stability can only be achieved if the industry can, with confidence, formulate and carry out long-range plans, including exploration and development and the improvement of techniques of mining, recovery and ultimate use of metals; and

Whereas a stabilized minerals industry is necessary both to a sound peacetime economy in this country and to guarantee the national security in case of war; Now, therefore, be it

Resolved, That the western governors agree that the necessary program can best be expressed in some form of protection for the domestic minerals industry against the differentials in the economic structures of various world producers of minerals; notably the differential between the wage scale in this country, which we wish to maintain, and that of many foreign areas; and that effective steps should be taken to prevent this country becoming a dumping ground for cheap foreign production, and to permit the domestic minerals industry to operate on a basis of normal supply and demand, with only the amount of protection needed to adjust the differentials previously referred to; and

Whereas the barter program was planned and implemented to reduce the surplus of domestic agricultural products through acquisition for stockpiling of free world surplus minerals and metals; and

Whereas such acquisition of surplus minerals and metals has served to stabilize the market price of minerals and metals acquired; and

Whereas the resulting price stabilization has temporarily benefited mines in the United States which produce similar products, through preventing those foreign materials from being offered as surplus in the domestic market; and

Whereas the temporary nature of the barter program makes it inadequate to provide a basis on which the domestic mining industry can justify long-range risk expenditures for exploration and development, critically related to continuity of that industry: Now, therefore, be it

Resolved, That the barter program be continued and expanded to include all minerals and metals needing such aid and suitable for stockpiling, until such time, not too long delayed, as an equitable and effective long-range minerals policy, based on reasonable and effective import control measures, can be formulated and put into effect.

Whereas the Congress of the United States, in recognition of the need for relief from such tariff reductions, made under the authority of the Trade Agreements Act, as had resulted in imports harmful to domestic industry, did, in 1951, amend the Trade Agreements Act by the addition of an escape clause; and

Whereas numerous recommendations for the relief of domestic industry from harmful foreign imports have been made under the escape clause by the United States Tariff Commission, but most of which recommendations, including a unanimous recommendation in the matter of lead-zinc, have been denied by the executive department of Government; and

Whereas the Congress is charged in the Constitution with the responsibility of regulating foreign trade and commerce: Now, therefore, be it

Resolved, That the Conference of Western Governors unanimously recommends that the legislation introduced before the 85th Congress, providing for review and action on escape-clause recommendations by the Congress rather than by the executive department of Government, be approved by the Congress; be it further

Resolved, That copies of these resolutions be forwarded to the Congress of the United States and to such branches of the executive department as may be directly concerned; be it

Resolved by the Western Governors Conference, meeting in Reno, Nev., on April 26, 1957, That, in the interest of national defense and the development of new resources within the borders of this country, the Congress of the United States is urged to grant to the oil-shale industry the same depletion allowance for Federal income-tax purposes as is now accorded oil and gas produced from wells.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURRAY, from the Committee on Interior and Insular Affairs, without amendment:

S. 1556. A bill granting the consent of Congress to the States of Montana, North Dakota, South Dakota, and Wyoming to negotiate and enter into a compact relating to their interest in, and the apportionment of, the waters of the Little Missouri River and its tributaries as they affect such States, and for related purposes (Rept. No. 292).

By Mr. MURRAY, from the Committee on Interior and Insular Affairs, with amendments:

S. Res. 78. Resolution to make a study of critical raw materials and resources of the Soviet Union and certain Eastern Hemisphere countries and its effect upon the United States (Rept. No. 288).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 2146. An act to amend the Small Reclamation Projects Act of 1956 (Rept. No. 293).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, without amendment:

S. 413. A bill to provide for transfer of title to irrigation distribution systems constructed under the Federal reclamation laws upon completion of repayment of the costs thereof (Rept. No. 291); and

S. 1794. A bill to amend section 6 of the act approved July 3, 1890 (26 Stat. 215), relating to the admission into the Union of the State of Idaho by providing for the use of public lands granted therein for the purpose of construction, reconstruction, repair, renovation, furnishings, equipment, or other permanent improvements, of public buildings at the capital (Rept. No. 289).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with an amendment:

S. 864. A bill to provide for the transfer of certain lands to the State of Minnesota (Rept. No. 295).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with amendments:

S. 999. A bill authorizing the Secretary of the Interior to convey certain land to the State of North Dakota for the use and benefit of the North Dakota State School of Science (Rept. No. 290).

By Mr. HENNINGS, from the Committee on Rules and Administration, without amendment:

S. Con. Res. 26. Concurrent resolution to print additional copies of the report entitled "The International Petroleum Cartel";

S. Res. 122. Resolution to print as a Senate document, with additional copies, certain proceedings of the Internal Security Subcommittee of the Senate Judiciary Committee containing a statement of J. Edgar Hoover relative to the Communist Party; and

S. Res. 130. Resolution authorizing the printing of additional copies of the final report of the Special Committee To Investigate Political Activities, Lobbying, and Campaign Contributions.

By Mr. HENNINGS, from the Committee on Rules and Administration, with an amendment:

S. Res. 131. Resolution authorizing the printing as a Senate document of the interim report of the Commission on Increased Industrial Use of Agricultural Products.

By Mr. HENNINGS, from the Committee on Rules and Administration, with amendments:

S. Res. 126. Resolution providing additional funds for a study of juvenile delinquency in the United States (Rept. No. 294).

LULA B. GREEN—REPORT OF A COMMITTEE

Mr. HENNINGS. Mr. President, from the Committee on Rules and Administration, I report an original resolution to pay a gratuity to Lula B. Green.

The PRESIDING OFFICER (Mr. SMATHERS in the chair). The resolution will be placed on the calendar.

The resolution (S. Res. 135) was placed on the calendar, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Lula B. Green, widow of John A. Green, an employee of the Senate at the time of his death, a sum equal to 5 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

PRINTING AS A SENATE DOCUMENT THE 59TH REPORT OF NATIONAL SOCIETY, DAUGHTERS OF THE AMERICAN REVOLUTION—REPORT OF A COMMITTEE

Mr. HENNINGS. Mr. President, from the Committee on Rules and Administration, I report an original resolution to print the 59th annual report of the National Society of the Daughters of the American Revolution for the year ended April 1, 1956, as a Senate document.

The PRESIDING OFFICER. The resolution will be placed on the calendar.

The resolution (S. Res. 136) was placed on the calendar, as follows:

Resolved, That the 59th annual report of the National Society of the Daughters of the American Revolution for the year ended April 1, 1956, be printed, with an illustration, as a Senate document.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSON of Texas:

S. 1991. A bill to provide that the United States may be joined as a defendant in certain suits or controversies in the Supreme Court of the United States involving the Rio Grande compact; to the Committee on the Judiciary.

By Mr. CLARK:

S. 1992. A bill to amend section 24 of the Federal Reserve Act; to the Committee on Banking and Currency.

S. 1993. A bill for the relief of Inge Gertraud Pursel; to the Committee on the Judiciary.

By Mr. CHAVEZ (for himself, Mr. MAGNUSON, and Mr. JACKSON):

S. 1994. A bill to authorize certain compensation to members and former members of the uniformed services who were confined as prisoners of war or who evaded capture for a period of 1 year or more, and for other purposes; to the Committee on Finance.

By Mr. DWORSHAK:

S. 1995. A bill to provide relief for domestic producers of cobalt, a strategic and critical metal indispensable in the construction of jet engines; to the Committee on Interior and Insular Affairs.

By Mr. BARRETT (for himself and Mr. O'MAHONEY):

S. 1996. A bill to approve the contract negotiated with the Casper-Alcova Irrigation District, to authorize its execution, to provide that the excess-land provisions of the Federal reclamation laws shall not apply to the lands of the Kendrick project, Wyoming, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JENNER:

S. 1997. A bill for the relief of George Edward Hayes; to the Committee on the Judiciary.

By Mr. IVES:

S. 1998. A bill for the relief of Mother Teresita de San Jose; and

S. 1999. A bill for the relief of Constantinos N. Alivantistos; to the Committee on the Judiciary.

By Mr. SPARKMAN:

S. 2000. A bill to amend the Servicemen's and Veterans' Survivors Benefits Act to provide that all retired members of the uniformed services who served not less than 25 years on active duty and who thereafter die shall be considered to have died service-connected deaths; to the Committee on Finance.

S. 2001. A bill for the relief of AlaLu Duncan Dillard; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 2002. A bill for the relief of the heirs at law of James Allan Scarborough and Anne Elizabeth Scarborough, both deceased; to the Committee on Interior and Insular Affairs.

By Mr. BENNETT:

S. 2003. A bill for the relief of Jozice Matana Koulis and Davorko Matana Koulis; to the Committee on the Judiciary.

By Mr. CASE of South Dakota:

S. 2004. A bill for the relief of George and Emma Clifford; to the Committee on the Judiciary.

By Mr. CASE of South Dakota (for himself, Mr. MARTIN of Pennsylvania, Mr. MALONE, Mr. MUNDT, Mr. BENNETT, and Mr. FLANDERS):

S. 2005. A bill to amend section 613 of the Internal Revenue Code of 1954 to change the percentage depletion allowance for gold mines; to the Committee on Finance.

By Mr. HILL:

S. 2006. A bill to relieve the Surgeons General of the Army and Navy of certain responsibilities outside the Department of Defense; to the Committee on Labor and Public Welfare.

By Mr. ELLENDER (by request):

S. 2007. A bill to amend the United States Grain Standards Act, 1916, as amended to permit the Secretary of Agriculture to charge and collect for certain services performed and to deposit such collections to the credit of the appropriation available for administration of the act, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. GOLDWATER:

S. 2008. A bill for the relief of Erdmuthe E. S. Jackman; and

S. 2009. A bill for the relief of Mrs. Jytte Starel Synodis; to the Committee on the Judiciary.

By Mr. MORSE:

S. 2010. A bill for the relief of Michelle Patricia Hill (Patricia Adachi); to the Committee on the Judiciary.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. THYE:

S. 2011. A bill for the relief of Sarah Russell Lyons;

S. 2012. A bill for the relief of Giuliana Donadel Green; and

S. 2013. A bill for the relief of Rosemary Eggebraaten; to the Committee on the Judiciary.

By Mr. SYMINGTON (for himself and Mr. GOLDWATER):

S. 2014. A bill to change the method of computing basic pay for members of the uniformed services, to provide term retention contracts for reserve officers, and for other purposes; to the Committee on Armed Services.

(See the remarks of Mr. SYMINGTON when he introduced the above bill, which appear under a separate heading.)

By My MURRAY (for himself and Mr. MANSFIELD):

S. 2015. A bill to amend the Soil Bank Act so as to limit the amount payable to any producer in any one year for participation in the acreage-reserve program and the conservation-reserve program; to the Committee on Agriculture and Forestry.

By Mr. SCOTT:

S. 2016. A bill to increase the carryover allowance for peanuts; to the Committee on Agriculture and Forestry.

S. 2017. A bill for the relief of Ahmed Hassan Homayssi; and

S. 2018. A bill for the relief of Erika Haberl Sain; to the Committee on the Judiciary.

S. 2019. A bill to extend the benefits of the act of May 29, 1944, entitled "An act to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal," to certain additional civilian officers and employees; to the Committee on Post Office and Civil Service.

By Mr. HILL (for himself and Mr. MORSE):

S. 2020. A bill to amend the Railroad Retirement Act of 1937 and the Railroad Unemployment Insurance Act; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. HILL when he introduced the above bill, which appear under a separate heading.)

By Mr. CLARK (for himself, Mr. HUMPHREY, Mr. KEFAUVER, Mr. LAUSCHE, and Mr. MORSE):

S. 2021. A bill to assist cities and States by amending section 5136 of the Revised Statutes, as amended, with respect to the authority of national banks to underwrite and deal in securities issued by State and local governments, and for other purposes; to the Committee on Banking and Currency.

(See the remarks of Mr. CLARK when he introduced the above bill, which appear under a separate heading.)

By Mr. FREAR (for himself, Mr. WILLIAMS, and Mr. BUTLER):

S. 2022. A bill to amend section 13 of the Fair Labor Standards Act of 1938, as amended, to provide an exemption from the minimum wages, maximum hours, and child labor provisions of such act with respect to homeworkers engaged in the making of natural holly, pine, cedar, or other evergreen wreaths; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. FREAR when he introduced the above bill, which appear under a separate heading.)

By Mr. CASE of New Jersey (for himself, Mr. IVES, Mr. JAVITS, Mr. COOPER, and Mr. SMITH of New Jersey):

S. 2023. A bill to amend the Immigration and Nationality Act so as to provide for the admission into the United States of certain escapees who, because of persecution, have fled from any Communist, Communist-dominated, Communist-occupied area, or from any other area; to the Committee on the Judiciary.

(See the remarks of Mr. CASE of New Jersey when he introduced the above bill, which appear under a separate heading.)

By Mr. CARROLL:

S. 2024. A bill for the relief of Wang Kwie Ding; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 2025. A bill to amend section 13 of the act of March 4, 1915 (38 Stat. 1169), as amended (U. S. C., title 46, sec. 672 (a), and secs. 5 and 302 of the act of June 29, 1936 (49 Stat. 1935 and 1992)), as amended (U. S. C., title 46, secs. 672a and 1132); to the Committee on Interstate and Foreign Commerce.

S. 2026. A bill for the relief of Avelina Montes-Cueto;

S. 2027. A bill for the relief of Vendelin Kalenda; and

S. 2028. A bill for the relief of Sherwood Lloyd Pierce; to the Committee on the Judiciary.

S. 2029. A bill to legalize maritime hiring halls; to the Committee on Labor and Public Welfare.

By Mr. MAGNUSON (by request):

S. 2030. A bill to amend section 1 (14) (a) and section 1 (15) of the Interstate Commerce Act to provide an incentive for construction and maintenance of an adequate national supply of freight cars, and to alleviate shortages of freight cars during periods of emergency or threatened emergency, and for other purposes; and

S. 2031. A bill to amend part II of the Interstate Commerce Act to provide for filing of equipment trust agreements and other documents evidencing or relating to the lease, mortgage, conditional sale, or bailment of trucks and trailers; to the Committee on Interstate and Foreign Commerce.

By Mr. CLARK (by request):

S. 2032. A bill to improve and extend, through reciprocal legislation, the enforcement of duties of support in the District of Columbia; to the Committee on the District of Columbia.

By Mr. JOHNSTON of South Carolina (by request):

S. 2033. A bill to provide for the Board of Trustees of the Postal Savings System to consist of the Postmaster General and the Secretary of the Treasury; to the Committee on Post Office and Civil Service.

By Mr. BEALL:

S. 2034. A bill to amend the Tariff Act of 1930 to transfer a noncompetitive specialty from the dutiable to the free list; to the Committee on Finance.

S. 2035. A bill for the relief of Juan Krissilas; to the Committee on the Judiciary.

By Mr. STENNIS (for himself and Mr. EASTLAND):

S. 2036. A bill to amend section 1552 of title 10 of the United States Code to provide that every applicant for correction of his military record shall be afforded an opportunity for a hearing; to require the appearance of certain members of the Armed Forces before the boards for the correction of such records; and to provide for judicial review of the decisions of such boards; to the Committee on Armed Services.

By Mr. HAYDEN (for himself and Mr. GOLDWATER):

S. 2037. A bill to amend the act of June 28, 1946, authorizing the performance of necessary protection work between the Yuma project and Boulder Dam by the Bureau of Reclamation; to the Committee on Interior and Insular Affairs.

By Mr. McNAMARA:

S. 2038. A bill to authorize the sale of 10 merchant-type vessels to citizens of Italy for use in the intercoastal trade of Italy; to the Committee on Interstate and Foreign Commerce.

By Mr. BIBLE:

S. 2039. A bill to clarify the requirements with respect to the performance of labor imposed as a condition for the holding of mining claims on Federal lands pending the issuance of patents therefor; to the Committee on Interior and Insular Affairs.

By Mr. SMATHERS:

S. 2040. A bill for the relief of Ramon Notario Boytell; to the Committee on the Judiciary.

By Mr. CASE of New Jersey:

S. 2041. A bill for the relief of Sala Weisbart; to the Committee on the Judiciary.

By Mr. JACKSON (by request):

S. 2042. A bill to authorize the conveyance of a fee simple title to certain lands in the Territory of Alaska underlying war-housing project Alaska-50083, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. GREEN (by request):

S. J. Res. 85. Joint resolution to amend the act of Congress approved August 7, 1935 (Public Law 253), concerning United States contributions to the International Council of Scientific Unions and certain associated unions; to the Committee on Foreign Relations.

(See the remarks of Mr. GREEN when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. ELLENDER (for himself and Mr. AIKEN):

S. J. Res. 86. Joint resolution designating the week of November 22-28, 1957, as National Farm-City Week; to the Committee on the Judiciary.

By Mr. DOUGLAS:

S. J. Res. 87. Joint resolution to provide for the creation of a Freedom Authority; to the Committee on Foreign Relations.

(See the remarks of Mr. DOUGLAS when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. MAGNUSON:

S. J. Res. 88. Joint resolution authorizing the Commissioner of Public Roads to designate and construct a highway system to be known as the Lewis and Clark National Tourway; to the Committee on Public Works.

PRINTING OF COMPILATION OF MATERIALS RELATING TO DEVELOPMENT OF WATER RESOURCES OF THE COLUMBIA RIVER AND ITS TRIBUTARIES

Mr. MAGNUSON (for himself and Mr. JACKSON) submitted the following concurrent resolution (S. Con. Res. 28), which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That there shall be printed as a Senate document a compilation of materials relating to legislative and administrative action of the Federal and State Governments in connection with the development of the water resources of the Columbia River and its tributaries. Such compilation shall be prepared under the direction and supervision of the Senate Committee on Interior and Insular Affairs.

SEC. 2. There shall be printed 5,000 additional copies of such Senate document, of which 1,000 copies shall be bound in cloth and 4,000 copies shall be bound in paper. One-half of such additional copies shall be for the use of the Senate Committee on Interior and Insular Affairs and one-half of such additional copies shall be for the use of the House Committee on Interior and Insular Affairs.

ESTABLISHMENT OF A CONTINUING UNITED NATIONS FORCE

Mr. FLANDERS. Mr. President, in reviewing the multitude of conflicting incidents and cross currents which have composed the still continuing crisis in the Mid-East, one fact emerges which is clear and incontestable. The United Nations emergency force, to date, has been a stabilizing agency in a highly unstable situation.

While France, Britain, and Israel may plead that they were driven to desperation by the situation which confronted them, it seemed to me from the start that the desperate means by which they sought to remedy the situation were doomed to failure. It might have been prophesied that in the event of invasion the canal would be blocked and the pipelines sabotaged. We now know that the leaders of the invading nations were warned of this retaliatory action before the invasion was undertaken. Bulganin, of course, was something more than a prophet. He was an agent as well as a prophet though he was mistaken in the third of his predictions which was that the Arab world would proclaim a holy war. This was beyond the scope of his agency.

There are differences of opinion on these matters, but may we not all arrive at the conclusion that there is no sure reliance on the active use of armed force in the modern world for bringing peace to a troubled area? The existence of that force in the background is, however, an effective factor in negotiations. Its active employment under such conditions as face the world in the Mid-East is something else.

In appearance the United Nations emergency force was an armed force but it was an army with a difference. It was not large enough to engage the Egyptian Army, the Israeli Army, or the combined invasion forces of Great Britain and France. Its intervention was significantly effective but that effectiveness did not arise from its military strength, which was indeed feeble. Its effectiveness lay in being the symbol of a worldwide will for a peace based on justice and freedom. This was animating the United Nations Assembly at the time the force was authorized.

The success to date of this emergency force makes it desirable to consider at this time whether such a force may not usefully be organized as a continuing instrument of world opinion.

Any proposal to this end raises numerous puzzling questions. Among them are: Where shall such a force be based? By what means shall its missions be formulated and assigned? What are the criteria which should determine the wisdom of assigning a mission?

These are some of the difficult questions involved, but they need our earnest study at this moment in time, since the force is in being and its useful possibilities are now evident.

It is for the purpose of bringing this matter under constructive discussion that a number of us are offering a concurrent resolution which will be sent to the desk at the conclusion of my remarks. This concurrent resolution I now read:

Whereas the United Nations emergency force, created pursuant to resolutions of the United Nations General Assembly has made a contribution to international peace and a step toward the maintenance of international peace and security; and

Whereas the need for a force of this character appears likely to continue; and

Whereas we believe that such a force could be useful in other situations now, or in the future; and

Whereas a United Nations force could be an important instrument for the maintenance of international peace and security, both in the Middle East and in other areas of the world: therefore, be it

Resolved by the Senate of the United States (the House of Representatives concurring), That—

(a) a force similar in character to the U. N. emergency force should be made a continuing agency of the United Nations, that it should be expanded and given special training in observation, patrol, guard duty and arms inspection, and that its arms and equipment be confined to what is required for these specific duties;

(b) equipment and expenses of the force should be provided by the United Nations out of its regular budget.

The nature of this concurrent resolution requires that it be referred to the Foreign Relations Committee. It is the hope of its sponsors that it will receive the serious attention of that committee, and that hearings on it will be ordered and held. These hearings are of the utmost importance in that they will bring out both the difficulties and the desirabilities of implementing the resolution.

Mr. President, I submit the concurrent resolution for appropriate reference.

The PRESIDING OFFICER. The concurrent resolution will be received and appropriately referred.

The concurrent resolution (S. Con. Res. 29) favoring the creation of a force similar to the United Nations Emergency Force for the maintenance of international peace and security, submitted by Mr. FLANDERS (for himself, Mr. SPARKMAN, Mr. SMITH of New Jersey, and Mr. WILEY), was received, and referred to the Committee on Foreign Relations, and, under the rule, ordered to be printed in the RECORD, as follows:

Resolved by the Senate (the House of Representatives concurring)—

Whereas the United Nations emergency force, created pursuant to resolutions of the United Nations General Assembly has made a contribution to international peace and a step toward the maintenance of international peace and security; and

Whereas the need for a force of this character appears likely to continue; and

Whereas we believe that such a force could be useful in other situations now, or in the future; and

Whereas a United Nations force could be an important instrument for the maintenance of international peace and security, both in the Middle East and in other areas of the world: Therefore, be it

Resolved by the Senate (the House of Representatives concurring), That—

(a) a force similar in character to the United Nations emergency force should be made a continuing agency of the United Nations, that it should be expanded and given special training in observation, patrol, guard duty, and arms inspection, and that its arms and equipment be confined to what is required for these specific duties;

(b) equipment and expenses of the force should be provided by the United Nations out of its regular budget.

Mr. FLANDERS. Mr. President, I ask unanimous consent that the resolution be appropriately referred, and that it may lie on the table until the end of the session tomorrow, so that any Senator who wishes to do so, may join in sponsoring it.

The PRESIDING OFFICER. Without objection, it is so ordered.

COSPONSORSHIP OF RESOLUTION TO EXPLORE CREATION OF A PERMANENT U. N. FORCE

Mr. WILEY. Mr. President, I am pleased to join in the cosponsorship of the draft concurrent resolution, looking toward the possible creation of a permanent U. N. force.

This concurrent resolution, which has been submitted today by the Senator from Vermont [Mr. FLANDERS], is, I believe, an important step forward in surveying a most important problem which we must meet head on, sooner later.

The world has noted with gratification the very important constructive contribution which has been made by the U. N. Emergency Force in patrolling the troubled Arab-Israeli border. The force there has not been a complete success but at least it has been a constructive element in the picture.

WHAT MIGHT HAVE BEEN DONE AT TIME OF HUNGARIAN REBELLION

A great many persons have thought out loud: "Would it not have been a wonderful thing if, too, there had been available at the time of the Hungarian rebellion a small constabulary-type U. N. force. It might have been quickly flown into Budapest on behalf of the U. N. It might have served there as a symbol of the conscience of the free world."

That historic opportunity has passed. But who knows when a similar opportunity may arise? Who knows when a U. N. Emergency Force may be needed again?

No one knows, too, what crises the Kremlin may hatch tomorrow.

But we do know that it would be a very fine thing if we could at least take the first review-type steps toward setting up a small internationally recruited police force.

MANY COMPLICATIONS FACE US

But now let me state that this is a subject fraught with difficulties and complications.

What, for example, would be our way of making sure that the Kremlin and its satellites would not attempt to misuse membership of any of their nationals in such a force? What would be the costs of the force and who would defray them and how? What type of weapons would be used?

These are but a few of literally dozens of other major policy problems.

Yet I think the very least we can do is to set up some means to analyze this question, so that we will not be caught napping in the event another crisis comes up and a force becomes needed.

RELIEVE UNITED STATES OF PART OF BURDEN

In my judgment, the availability of such a force could conceivably mean that the burden might be relieved somewhat from the United States.

In other words, instead of always having to rely upon United States forces being rushed into a trouble zone, it would be a fine thing if a small U. N. force were available—with the U. N.'s full prestige behind it because of its very nature.

I hope, therefore, that this draft resolution will be considered shortly by the Senate Foreign Relations Committee.

CONGRATULATIONS TO WOMEN'S FEDERATION

I congratulate the General Federation of Women's Clubs, which has been spearheading the effort toward this resolution. I commend, too, the other civic-minded groups which have been participating in the advance review of this problem.

As I indicated at the outset, it is imperative, in the evolutionary development of the United Nations and its charter, that this problem be given the most careful study.

At the same time, let us not lose sight of the fact that our own Armed Forces must ever be on the alert for a Pearl Harbor-like emergency. The responsibility of our defense rests now, as it will always rest, on our own shoulders.

I ask unanimous consent that there be printed in the RECORD an editorial entitled "Danger to the U. N. Force," published in the Janesville Daily Gazette of April 22, 1957, and an editorial published in the La Crosse Tribune on the same subject.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Janesville Daily Gazette of April 22, 1957]

DANGER TO THE U. N. FORCE

It is generally conceded today that the United Nations emergency force provided the means to save face for Britain, France, and Israel in withdrawing their troops from Egypt. It may also have prevented resumption of the fighting, for Russian volunteers, promised to Egypt, might have led to world war III. For this the world may be thankful.

The greatest potential value of the UNEF lies in its power to prevent wars rather than to extinguish them. To do this, however, it would have to be a permanent force, not an emergency force.

In the near future there is danger to the world in a possible withdrawal of troops from this emergency force. Today we see evidence that domestic, economic and political pressure may cause the 10 nations with troops in the present UNEF to bring the boys home in the next few months.

This would be tragic for the United States and every other nation, for the force already has proved its value. Many nations would like to give the U. N. the authority to set up a permanent force but this cannot be unless the United States State Department supports it.

It is likely that the United States would have to pay a substantial part of the cost, but that would be cheaper than maintaining our own forces in the danger zones.

The State Department will not support such a development unless the American people, through their Congress, show substantial support for the idea. Senator ALEXANDER WILEY, for example, is a member of the Senate Foreign Relations Committee and Representative LAWRENCE H. SMITH is a member of the House Foreign Affairs Committee, both of which are concerned with United States participation in the U. N.

What part shall the United States play in this matter? President Eisenhower made this explicit in his remarkable inaugural address, which expressed the deepest hopes of the American people.

"We recognize," he said, "and accept our own deep involvement in the destiny of men everywhere. We are accordingly pledged to honor and to strive to fortify the authority of the United Nations. For in that body rests the best hope of our age for the assertion of that law by which all nations may live in dignity * * *. There must be law, steadily invoked and respected by all nations, for without law, the world promises only such meager justice as the pity of the strong upon the weak."

Thus, the first and basic element of world peace is world law, for there is no alternative, in an era of atomic force, to peace. And the United Nations is the sole agent capable of administering and supporting justice for the nations under law.

[From the La Crosse Tribune]

WORLD NEED IS U. N. POLICE FORCE

Senator ALEXANDER WILEY long has been recognized as among the stanchest of our Congressional leaders supporting the United Nations in all its aspects.

Wisconsin's senior Senator has been a bulwark solidly behind President Eisenhower's foreign policy and the potential of the United Nations as the world's truest instrument for peace.

A supporter and defender of the United Nations, a leader who has spoken as vigorously as any for the concept it envisions, Senator WILEY is in high position to perform high service in its behalf.

And to perform it before Congress adjourns.

The time is at hand, indeed it is long since past, for establishment of a permanent United Nations police force.

We frankly suggest to Senator WILEY that he initiate it, sponsor it and level his best administrative efforts toward its ultimate achievement in this session of Congress.

The 10-nation emergency force presently on the line between Egypt and Israel is restive, under pressure of their homelands to take leave. A permanent force, initiated by the United States and, to be sure, paid for in part by this country, must be substituted for the current makeshift.

Such a permanent U. N. force would in nowise approximate the strength needed to stand up to full-scale Russian attack. Not that at all.

Rather, it would be a mobile contingent of token strength, ever alert to the trouble spots, and above all, to be a permanent force representing the free world against which Red aggressors would hesitate to move.

The deterrent to Russian attack would be the potential represented in the permanent force—the free nations of the world—not the emissary army itself, dispatched in mere token strength.

A permanent United Nations police force unquestionably would remove part-time, tentative peace seeking as new and ever-emerging crises arise, and establish in its place the machinery of a perpetual world

constabulary, commissioned for peace and determined for life to preserve it.

We believe in this procedure wholeheartedly. We commend it to Senator WILEY to undertake.

RESOLUTIONS

The following resolutions were submitted or reported and referred, or placed on the calendar, as indicated:

FREE ELECTIONS IN POLAND AND OTHER CAPTIVE NATIONS

Mr. JENNER. Mr. President, on May 3 the people of Poland celebrated their Constitution Day. I extend my greetings and good wishes to them. I think this is an appropriate time to resubmit my resolution calling for free elections in Poland and other captive nations in Eastern Europe. I therefore submit the resolution, and ask that it be appropriately referred.

The resolution (S. Res. 133) was referred to the Committee on Foreign Relations, as follows:

Whereas it has been the historic policy of the United States since the founding of the Republic to give all possible support and encouragement to nations seeking to preserve their independence; and

Whereas Poland and the other nations of Eastern Europe were freed from the tyranny of the National Socialist regime by the combined arms of the victorious powers; and

Whereas the nations engaged in fighting against the Nazi war of conquest pledged themselves in the Atlantic Charter, in the United Nations war declaration of January 1942, in the Yalta Conference, and in many other meetings, to restore these liberated nations to full sovereignty by means of prompt, universal, and secret ballot; and

Whereas Marshal Stalin, operating unilaterally contrary to his solemn commitments, refused to permit representatives of the Polish Government-in-exile, which had led the Polish people through the horrors of war and Nazi occupation, to return to Poland or take part in holding the elections; and

Whereas repeated protests were made by Prime Minister Churchill, President Roosevelt, President Truman, and Secretary Byrnes against this violation of a solemn pledge; and

Whereas the present leaders of the Soviet Union have themselves reported in full the cruel, tyrannical, murderous nature of the Stalin regime; and

Whereas the present leaders of the Soviet Union are now repeatedly stating their peace-loving policies, and their desire to enjoy peaceful coexistence with other nations; and

Whereas President Roosevelt said the American people regarded the restoration of full sovereignty through free elections as the test of American-Soviet relations, and President Truman reaffirmed that position, and President Eisenhower solemnly declared that we shall never abandon our pledge to restore to full sovereignty the nations freed by our arms: Now, therefore, be it

Resolved, That it is the sense of the Senate that the American people are still firmly committed to the vigorous use of American diplomacy to achieve fulfillment of our pledge of freedom for the liberated nations.

SEC. 2. The Senate hereby pledges its fullest support of all diplomatic measures undertaken by the executive branch promptly to bring about in the liberated European countries free elections, with universal secret ballot, held in the presence of diplomatic representatives of the victorious powers, and of members of the press of all nations.

FUNERAL EXPENSES OF THE LATE SENATOR JOSEPH R. McCARTHY, OF WISCONSIN

Mr. WILEY submitted the following resolution (S. Res. 134), which was referred to the Committee on Rules and Administration:

Resolved, That the Secretary of the Senate is hereby authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed to arrange for and attend the funeral of the Honorable Joseph R. McCarthy, late a Senator from the State of Wisconsin, on vouchers to be approved by the chairman of the Committee on Rules and Administration.

Mr. HENNINGS, from the Committee on Rules and Administration, reported the following resolutions, which were placed on the calendar:

S. Res. 135. Resolution to pay a gratuity to Lula B. Green; and

S. Res. 136. Resolution to print the 59th Annual Report of the National Society of the Daughters of the American Revolution for the year ended April 1, 1956, as a Senate document.

(See the above resolutions printed in full, which appear under the heading "Reports of Committees.")

MICHELLE PATRICIA HILL (PATRICIA ADACHI)

Mr. MORSE. Mr. President, I introduce, for appropriate reference, a bill for the relief of Michelle Patricia Hill (Patricia Adachi). I ask unanimous consent that the bill may be printed in the RECORD at this point.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2010) for the relief of Michelle Patricia Hill (Patricia Adachi), introduced by Mr. MORSE, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Michelle Patricia Hill (Patricia Adachi), shall be held and considered to be the natural-born alien minor child of Sgt. and Mrs. Carl L. Hill, citizens of the United States.

COMPUTATION OF BASIC PAY FOR MEMBERS OF UNIFORMED SERVICES

Mr. SYMINGTON. Mr. President, I introduce, for appropriate reference, a bill to change the method of computing basic pay for members of the uniformed services, to provide term retention contracts for Reserve officers, and for other purposes.

The bill is based upon the findings of the Defense Advisory Committee on Professional and Technical Compensation, commonly known as the Cordiner committee, because the chairman is Ralph J. Cordiner, president of the General Electric Co.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2014) to change the method of computing basic pay for members of the uniformed services, to provide term retention contracts for Reserve officers, and for other purposes, introduced by Mr. SYMINGTON, was received, read twice by its title, and referred to the Committee on Armed Services.

Mr. SYMINGTON. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an able and informed article entitled "Efforts Under Way To Rescue Cordiner Report on Military Pay," written by Brig. Gen. Thomas R. Phillips, and published in the St. Louis Post-Dispatch of May 4, 1957.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EFFORTS UNDER WAY TO RESCUE CORDINER REPORT ON MILITARY PAY—BUDGET BUREAU CHANGES IN PROPOSALS ARE CONTRARY TO STUDY GROUP'S AIMS TO MODERNIZE PAY STRUCTURE.

(By Brig. Gen. Thomas R. Phillips, U. S. Army (retired))

WASHINGTON, May 3.—In an effort to rescue the Cordiner committee's Report on Manpower Management and Compensation in the Armed Forces from the Bureau of the Budget and to get it before the Congress, John P. Henebry, president of the Air Force Association, in a statement released Tuesday, declared: "It seems a shame that the Congress will not get a chance to give the Cordiner proposals the benefit of analysis."

Secretary of Defense Charles E. Wilson pointed out, Henebry said, that in his opinion the report could stand up under searching Congressional analysis.

The Cordiner committee, named after its chairman, Ralph J. Cordiner, president of General Electric Co., has spent 10 months investigating the loss of men with critical technical skills in the Armed Forces. It has recommended far-reaching changes in the system of manpower management and compensation in the Armed Forces.

CITES POSSIBLE SAVINGS

If the committee's recommendations were adopted, Cordiner said, savings in defense costs of $5 billion a year by 1962, or earlier, would be effected.

The committee warned the Secretary of Defense, Cordiner declared in a statement March 26, that to achieve such results the Defense Department "could not content itself with simply applying a few patches to the antiquated structure of military compensation which has been inflated but not substantially changed since it was originally adapted from the British Navy in 1912."

Legislation to put the Cordiner committee recommendations into effect was prepared in the Defense Department and submitted to the Bureau of the Budget with a strong endorsement from Wilson.

He declared that the need was urgent and that if the legislation were made effective January 1, 1958, the Defense Department would absorb within its present budget any immediate additional cost.

WILSON URGES APPROVAL

Wilson informed the Bureau of the Budget that the legislative proposals had been worked out carefully after discussions and communications with the President, that it had the unanimous approval of the service Secretaries and the Chiefs of Staff and that in their opinion the proposals were an essential step toward improving the balance of personnel skills and experience in the Armed Forces.

In spite of such urgent recommendations, the Budget Bureau declared the legislation to be inflationary.

This had been answered in advance by Cordiner in his statement of March 26. He said then: "We must begin somewhere to halt and reverse the inflationary trend toward ever higher cost of government, and here, for a small initial investment, is a promising place to start * * * our recommendation contemplates savings and deflationary influence."

BUDGET BUREAU ACTION

As a result of action in the Bureau of the Budget, the legislation now to be proposed will be precisely what Cordiner warned against, namely, application of a few patches to the antiquated structure of military compensation.

Because the legislation did propose increased pay for certain critical technical skills in the armed services, with the object of stopping the 90 percent loss of personnel with such skills as their enlistments expire, it is probable that the Bureau of the Budget feared this would lead to demands for a general pay increase throughout the Government.

In the Defense Department it is felt that this action kills a hopeful business approach toward instituting a modern system of manpower management and compensation in the Armed Forces. It is hard for Defense officials to understand why the administration has disowned the recommendations of its business-oriented committee and its big-business man Secretary of Defense.

The committee was established May 10, 1956, with Cordiner as chairman and Carter L. Burgess, then Assistant Secretary of Defense for Manpower and Personnel and now president of Trans-World Airlines, as vice chairman.

Other members were Dr. John A. Hannah, president of Michigan State University; Charles R. Hook, chairman of the board of Armco Steel Corp., and H. Lee White, a member of the law firm of Cadwalader, Wickersham & Taft of New York.

The Assistant Secretaries of Manpower and Personnel of the three services also were included in the committee as well as Maj. Gen. H. R. Maddux as staff director. Four retired officers, one from each service, constituted the military members.

The committee's investigations brought out the fact that 500,000 men had to be kept constantly in training to maintain a flow of skilled men to keep intact an effective combat and support force of about 2,300,000.

REASON FOR TRAINING LOAD

The enormous training load is due to the loss of skilled personnel upon completion of the first enlistment or service period. Only 10 percent of the expensive-to-train skills reenlisted. Oddly enough, the lesser skills such as cooks, truck drivers and military police, reenlisted at a rate of about 20 percent after their first enlistment.

As a test for the difference in performance between the average unit today and a unit composed almost wholly of experienced men, the Navy staffed one carrier antisubmarine squadron with experienced personnel.

"Compared with similar squadrons," Cordiner declared, "which had the normal mixture of men at various levels of training and efficiency, the fully trained squadron turned in a performance that was rated 30 percent better. The level of aircraft availability, utilization and air crew efficiency was outstanding. This squadron had no aircraft accidents during its deployment to the Mediterranean as contrasted to nine accidents resulting in complete losses suffered by other squadrons of this same type during the same period.

COST OF ACCIDENTS

The committee noted that the Navy and Air Force calculated that accidents cost them $2 million a day in materiel alone during fiscal year 1956.

"In the Strategic Air Command," Cordiner declared, "the retention of skilled manpower now being lost would increase aircraft-in-commission rates to produce an increased capability equivalent to 6½ combat-ready B-47 wings—an increase in effectiveness of 20 percent."

Gen. Curtis LeMay, commander of SAC, has said he could get along with 10 percent fewer personnel and operate at higher efficiency if the Cordiner committee recommendations were enacted into law.

Mr. GOLDWATER. Mr. President, will the Senator from Missouri yield?

The PRESIDING OFFICER (Mr. MONRONEY in the chair). Does the Senator from Missouri yield to the Senator from Arizona?

Mr. SYMINGTON. I yield to the distinguished Senator from Arizona.

Mr. GOLDWATER. Would the Senator from Missouri mind if I joined him in sponsoring the bill he has just introduced?

Mr. SYMINGTON. I would be honored to have the able Senator from Arizona, a distinguished Reservist, join as a sponsor.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that my name be added as a cosponsor of the bill introduced by the Senator from Missouri.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF SOIL BANK ACT, RELATING TO LIMIT OF AMOUNT PAYABLE IN CERTAIN CASES

Mr. MURRAY. Mr. President, I introduce for appropriate reference a bill to amend the Soil Bank Act so as to limit to $5,000 the amount payable to any producer in any one year for participation in the acreage-reserve program, and to place a similar limit on payments made under the conservation reserve program. Maximum amount payable to any individual under these two programs would thus be $10,000.

Mr. President, let me explain briefly the need for this proposed legislation. At present, by regulation rather than by law, the amount payable to any producer in any 1 year for participation in the conservation-reserve program is limited to $5,000. There is no limitation, either by law or regulation, on the amount payable under the acreage-reserve program.

As a result, big farmers are receiving huge Government payments, while the little farmers are receiving small benefits from the program. Last year 11 recipients of soil-bank payments received, altogether, almost half a million dollars. The payments to them averaged $39,199. Here are the names of the 11 big operators and the amounts received:

Garvey Farms, Colby, Kans	$61,354.50
Adams Bros. & Co., Odebolt, Iowa	49,278.00
George G. Chance, route 4, Bryan, Tex	48,093.00
J. W. B. Farms, Liberal, Kans	45,817.77
Tom Moore, Navasota, Tex	40,793.40
J. E. Shepard, South Windsor, Conn	40,162.55
Dunward Harper, Alvin, Tex	30,737.22
Harry H. Moore, Navasota, Tex	30,282.00
Kupchunos Bros., Inc., Wapping, Conn	29,829.51
McCarthy & Hildebrand, 225 Sill Building, Bakersfield, Calif	29,723.53
W. T. Waggoner Trust Estate, Box 2130, Vernon, Tex	25,113.73

As one result of unlimited payments, nonfarmers are buying farms for the purpose of renting them to the Government.

As of March 15, the Department of Agriculture had executed 56,587 soil-bank contracts, and in about one-fifth of the cases—more than 11,000—all the eligible land on the farms under contract was put in the conservation reserve, the acreage reserve, or a combination of the two.

Complaints from Montana indicate that nonfarmers are buying some farms to put into the soil bank as an investment, while large farmers are buying farms to put into the reserves for a time, but ultimately to add to their agricultural operations.

As a byproduct of the soil bank, we are undermining the American pattern of owner-operated family farming. A reasonable limitation on soil-bank payments, whether conservation reserve or acreage reserve, would help to stop this trend. It may be necessary later to limit payments to actual farm operators if a constitutional way can be found to do so.

A limitation, however, is clearly a first step to halt the further drift of land away from family farmers resulting from the soil-bank scheme.

Mr. President, the distinguished junior Senator from Montana [Mr. MANSFIELD] joins me as a cosponsor of this proposed legislation. Our colleagues from Montana in the House of Representatives, Representatives LEE METCALF and LEROY ANDERSON, are introducing a companion measure in that body.

I ask unanimous consent to have printed in the RECORD, immediately following these remarks, an editorial entitled "Soil Bank Grab," which appeared in the April 15 issue of Western Farm Life.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the editorial will be printed in the RECORD.

The bill (S. 2015) to amend the Soil Bank Act so as to limit the amount payable to any producer in any one year for participation in the acreage reserve program and the conservation reserve program, introduced by Mr. MURRAY (for himself and Mr. MANSFIELD), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

The editorial presented by Mr. MURRAY is as follows:

SOIL BANK GRAB

A recent Washington, D. C., announcement reveals a Kansas enterprise received a check for $61,000 for placing 10,000 acres of Colorado wheatland in the soil bank. This was the largest payment made under the soil bank in 1956.

This transaction represents the basic fault of the Government program. We would like to see some Washington official try to explain how this $61,000 payment is aiding the so-called family-sized farm we heard so much about during election campaigns. The fact that the money was paid to a Kansas enterprise for Colorado wheatland is proof that the money did not go to a farm family in need; a family unable to make a living from the soil they till.

It is one thing to be taxed to give agricultural "charity" in the form of soil bank payments to a man who could not make enough money to feed his family. It is something quite different to give $61,000 worth of

"charity" to someone who isn't even living on the land.

We wonder just how long our city cousins will hold still for this sort of thing; how long will it be before the city clerk or office worker making $4,000 to $5,000 per year demands that his legislator stop voting for taxes which gave a "poor" wheat farmer $61,000.

Isn't it time for a limit on payments? Wouldn't this $61,000 have done a lot more good for agriculture in Colorado if 12 farmers had got $5,000 each instead of 1 farmer getting $61,000? Why should any farmer or anyone else be guaranteed more than the average family income, which is about $5,000? Some may even question the latter figure.

Payments to people who actually lived in Colorado ranged from a low of $20 to a high of $13,063 in 1956. The average payment was $669. The average number of acres placed in the reserve in Colorado was 140 acres.

It's time farmers and ranchers demand some system for placing a ceiling on farm payments. If farmers, ranchers, and their organizations don't do it themselves, their city cousins are going to wake up one of these days and do it for them. Whom do you think will give agriculture a better deal?

AMENDMENT OF RAILROAD RETIREMENT ACT OF 1937 AND RAILROAD UNEMPLOYMENT INSURANCE ACT

Mr. HILL. Mr. President, the bill which I am about to introduce on behalf of myself and the Senator from Oregon [Mr. MORSE] has been prepared by the Railroad Retirement Board. It contains technical and administrative amendments to the Railroad Retirement Act and Railroad Unemployment Insurance Act. The bill is being introduced at the request of the Association of American Railroads and the Railway Labor Executives Association. These two associations have approved the Board's proposals, and are in agreement that the bill will not add cost to the railroad retirement and unemployment insurance systems.

Mr. President, I introduce, for appropriate reference the bill to amend the Railroad Retirement Act of 1937 and the Railroad Unemployment Insurance Act, and I ask unanimous consent to have printed in the RECORD a letter from G. E. Leighty, chairman of the Railway Labor Executives Association, requesting the proposed legislation, together with a general explanation of the bill.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter and explanation will be printed in the RECORD.

The bill (S. 2020) to amend the Railroad Retirement Act of 1937 and the Railroad Unemployment Insurance Act, introduced by Mr. HILL (for himself and Mr. MORSE), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

The letter and explanation presented by Mr. HILL are as follows:

WASHINGTON, D. C., *April 26, 1957.*

The Honorable LISTER HILL
Chairman, Senate Committee on Labor and Public Welfare, Senate Office Building, Washington, D. C.

DEAR SENATOR HILL: The Railroad Retirement Board prepared the enclosed draft bill containing technical and administrative amendments to the Railroad Retirement Act and Railroad Unemployment Insurance Act and has discussed the proposed amendments with the Association of American Railroads and the Railway Labor Executives Association. These two associations have approved the Board's proposals and are in agreement that the bill would not add cost to the railroad retirement and unemployment insurance systems and that it is essential to have it enacted because it would authorize several needed improvements in the administration of both.

The enclosed statement entitled "General Explanation of the Technical Bill" describes briefly the several amendments which the bill would make in the Railroad Retirement Act and the Railroad Unemployment Insurance Act.

Since this is a noncontroversial proposal, jointly requested by railroad management and railroad labor we hope that you can arrange for its early introduction and enactment.

We are writing a similar letter to the chairman of the House Committee on Interstate and Foreign Commerce.

Sincerely yours,

G. E. LEIGHTY,
Chairman, Railway Labor Executives Association.

W. T. FARICY,
President, Association of American Railroads.

GENERAL EXPLANATION OF THE TECHNICAL BILL

The bill would provide for rounding out to the next lower multiple of a dollar the average monthly compensation and the average monthly remuneration on which annuities are based, but would round to the next higher 10 cents the amount of any annuity. This change would facilitate the construction of tables for computing annuities and would have no material effect on the amount of the annuity.

The bill would transfer from the Social Security Administration to the Railroad Retirement Board the authority to make determinations, for the purpose of applying section 3 (e) of the Railroad Retirement Act (the overall social-security minimum as to amounts payable under the Railroad Retirement Act), of "periods of disability" (within the meaning of the Social Security Act) for career railroad employees (those with 10 or more years of railroad service). This would make possible the exclusion of such periods in determining eligibility for, as well as the amount of, benefits. (At the present time the Social Security Administration makes such determinations for the Board.) This transfer of authority would facilitate administration because, among other things, no special applications for such determinations would be required (applications for disability annuities would be deemed also applications for such determinations) and the Railroad Retirement Board would be authorized to rely for such determinations on evidence obtained in establishing disability for annuity purposes, or obtained for other purposes, such as for sickness benefits.

The bill would clarify the provisions for the payment of annuities, or other amounts due under the act, which had accrued but were unpaid at the time of the annuitant's or other beneficiary's death. If payment in any such case (or in the case of any death benefit) is to be made to a widow or widower, the "living with" requirements would have to be met by such widow or widower. Further, the bill would list more specifically the persons to whom the "residual" benefit of section 5 (f) (2) would be payable, and would limit payment of the "insurance" lump sum of section 5 (f) (1) to the widow or widower of the deceased "employee" or, in the absence of such a survivor, to the person equitably entitled to reimbursement for paying the burial expenses of the deceased employee.

The bill would permit the payment of retirement and spouse annuities in a lump sum on a commuted value basis, if less than $5 a month, just as is now the case of survivor annuities.

Under the bill, the maximum monthly benefits payable to the family of a deceased employee would be calculated after, instead of before, taking into account the deductions required to be made because of the employment of a member-beneficiary of the family; and deductions now required in some cases from a survivor's benefit would no longer be made.

The bill would clarify the provisions for crediting, for survivor benefit purposes, wages covered by the Social Security Act; would simplify the calculation of the average monthly remuneration in determining the amount of survivor benefits; would consider an employee as insured for survivor benefit purposes if he would be insured under the Social Security Act were his railroad service after 1936 deemed to be social security employment; and would provide for the payment into the railroad retirement account (as is provided for the railroad unemployment insurance account in enforcing the provisions of the Railroad Unemployment Insurance Act) of fines and penalties imposed by the courts in enforcing the provisions of the Railroad Retirement Act.

The bill would also amend the Railroad Unemployment Insurance Act in several respects. Canadian railroad employees would be treated the same as American employees with regard to their rights to unemployment, sickness, and maternity benefits. Of 2 successive days of employment for which only 1 day's remuneration is paid, the bill would consider the first of such days as a day of employment. A day on which no more than $3 is earned would be treated, under certain circumstances, as a day for which no remuneration was payable and, therefore, as a compensable day of unemployment. Finally, the bill would permit the amounts in the railroad unemployment insurance administration fund to earn interest and would consider such amounts as part of the balance in the railroad unemployment insurance account for purposes of fixing contribution rates.

With respect to internal administration the bill would authorize the Board to establish a certain number of grades above GS-15; and would authorize the payment of the tuition, expenses, and salaries of employees selected by the Board to attend training courses.[1]

REDUCTION OF INTEREST RATES ON STATE AND MUNICIPAL REVENUE BONDS

Mr. CLARK. Mr. President, on behalf of myself, the Senator from Minnesota [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Ohio [Mr. LAUSCHE], and the Senator from Oregon [Mr. MORSE], I introduce for appropriate reference a bill to amend section 5136 of the Revised Statutes with respect to the authority of national banks to underwrite and deal in securities issued by State and local governments, and for other purposes.

The bill, it is hoped, will result in some reduction in the interest rates which States and municipalities are now having to pay on revenue bonds. At the present time, commercial banks may

[1] A provision which would make inapplicable to the Board, under certain circumstances, the restriction in general law on the number of employees in the Board engaged in personnel work, was eliminated from the final draft.

deal in general obligation bonds—that is, bonds which are secured by the general resources of the issuing State or locality—but are barred from dealing in bonds which are backed only by the earnings from governmental enterprises.

At the present time, a limited number of investment dealers have a monopoly on the underwriting of revenue bond issues. As a consequence, a large share of the capital market is not now being tapped. The bill would open up the field to wider competition by bringing in commercial banks, which have been very helpful in the marketing of general obligation bonds. The result would be lower interest rates, which are highly important to the success of public projects in this period of tight money.

The bill is backed by the American Municipal Association, the United States Conference of Mayors, and many State municipal organizations, including the Pennsylvania League of Cities.

Revenue bonds are an increasingly important share of the total of State and local government borrowings. They are being used to finance toll highways, bridges, tunnels, waterworks, sewage disposal systems, electric power systems, ferries, gas works, port development, and, most recently, school building authorities. In recent years, nongeneral obligation financing has amounted to about one-third of the total.

In the last 3 years alone, State and local governments have undertaken 438 issues of revenue bonds, amounting to $4.1 billion. Pennsylvania had the largest number of issues, with 71, amounting to $334 million. Only New York exceeded Pennsylvania in the total dollars involved.

Commercial banks would be limited in their underwriting operations to obligations which are of the same quality as those the banks are authorized, under existing law, to purchase for their own accounts. The present limitations on the amount which the banks may invest in such obligations would not be affected.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table showing the amounts of State and local government revenue bonds issued in 1954, 1955, and 1956.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the table will be printed in the RECORD.

The bill (S. 2021) to assist cities and States by amending section 5136 of the Revised Statutes, as amended, with respect to the authority of national banks to underwrite and deal in securities issued by State and local governments, and for other purposes, introduced by Mr. CLARK (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Banking and Currency.

The table presented by Mr. CLARK is as follows:

State, State agency, and local government revenue bonds issued in 1954, 1955, and 1956 which are acceptable for bank investment and would have been eligible for bank underwriting under the proposed amendment of sec. 5136

[In thousands]

	1954		1955		1956		Total	
	Number of issues	Amount	Number of issues	Amount	Number of issues	Amount	Number of issues	Amount
Alabama	3	$14,000	3	$18,250	6	$26,500	12	$58,750
Arizona	2	8,110					2	8,110
Arkansas					1	4,000	1	4,000
California	7	58,550	9	109,300	7	61,295	23	229,145
Colorado	1	10,000			2	9,100	3	19,100
Connecticut	1	100,000	1	1,200	2	154,000	4	255,200
Delaware					1	2,150	1	2,150
Florida	13	84,314	14	83,224	17	66,170	44	233,708
Georgia	5	47,462	9	58,093	6	30,975	20	136,530
Idaho								
Illinois	2	6,235	2	4,450	8	45,150	12	55,835
Indiana	9	47,006	7	20,730	4	8,670	20	76,406
Iowa	2	2,000					2	2,00
Kansas	2	5,000					2	5,000
Kentucky	4	15,425	7	16,690	5	9,425	16	41,540
Louisiana	6	14,850	2	13,900	6	34,425	14	63,170
Maine	1	1,300					1	1,305
Maryland	4	207,590	6	52,851	3	31,567	13	292,008
Massachusetts			2	4,000			2	4,000
Michigan	7	25,922	9	23,690	12	92,525	28	142,137
Minnesota								
Mississippi			1	5,159	1	1,200	2	6,359
Missouri	2	25,000	2	12,627	4	20,900	8	58,527
Montana					1	1,000	1	1,000
Nebraska	3	20,250	2	6,500	4	22,650	9	49,400
Nevada								
New Hampshire			1	2,100			1	2,100
New Jersey	2	49,200	5	84,050			7	133,250
New Mexico			2	9,879	1	5,000	3	14,879
New York [1]	5	745,000	4	79,600	6	71,050	15	895,650
North Carolina	2	2,235					2	2,235
North Dakota					1	2,100	1	2,100
Ohio	5	44,450	3	62,400	7	102,755	15	209,605
Oklahoma	2	9,200					2	9,200
Oregon								
Pennsylvania	12	98,430	22	90,377	37	145,428	71	334,235
Rhode Island			1	3,100			1	3,100
South Carolina	1	1,600			1	3,000	2	4,600
South Dakota								
Tennessee	4	12,200	4	7,500	4	171,745	12	191,445
Texas	10	69,322	12	29,665	14	46,953	36	145,940
Utah	2	7,800					2	7,800
Vermont								
Virginia	1	8,200	1	1,800	1	20,000	3	30,000
Washington	3	14,600	5	54,655	7	238,180	15	307,435
West Virginia	2	4,276			2	3,300	4	7,576
Wisconsin	1	1,250			2	5,450	3	6,700
Wyoming								
Puerto Rico	1	12,500			1	22,000	2	34,500
Hawaii					1	12,500	1	12,500
Total	127	1,773,277	136	855,790	175	1,471,163	438	4,100,230

[1] Includes Port of New York Authority:

	1954		1955		1956		Total	
	Number of issues	Amount	Number of issues	Amount	Number of issues	Amount	Number of issues	Amount
Bistate, New York and New Jersey	1	$20,000	2	$46,000	2	$55,000	5	$121,000

AMENDMENT OF FAIR LABOR STANDARDS ACT, RELATING TO CERTAIN EXEMPTIONS

Mr. FREAR. Mr. President, I introduce, on behalf of myself, the senior Senator from Delaware [Mr. WILLIAMS], and the senior Senator from Maryland [Mr. BUTLER], a bill to amend section 13 of the Fair Labor Standards Act of 1938.

In conjunction with the bill, I ask that there be printed in the RECORD a significant news article and column which appeared in the Wilmington Morning News of Monday, November 26, 1956, by William P. Frank, a columnist, that explains the background for the necessity of offering this bill.

Mr. President, this proposed legislation would exempt homeworkers engaged in the making of natural holly wreaths from the provisions of the Fair Labor Standards Act.

For the information of the Senate, I desire to point out that Representative HASKELL, of Delaware, and Representative MILLER of Maryland are today introducing identical bills in the House.

Mr. President, I ask that this proposed legislation be received and appropriately referred.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the article and column will be printed in the RECORD.

The bill (S. 2022) to amend section 13 of the Fair Labor Standards Act of 1938, as amended, to provide an exemption from the minimum wages, maximum hours, and child labor provisions of such act with respect to homeworkers engaged in the making of natural holly, pine, cedar, or other evergreen wreaths, introduced by Mr. FREAR (for himself, Mr. WILLIAMS, and Mr. BUTLER), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

The article and column are as follows:

[From the Wilmington (Del.) Morning News of November 26, 1956]

HOLLY-WREATH WORK IN SUSSEX FEARED WRECKED BY RULING

(By William P. Frank)

Washington bureaucracy has hacked away a good chunk of the traditional natural holly wreath business in Sussex County.

And at the same time, it looks like a mighty slim Christmas for about 1,000 families in the Sussex area that have depended upon the interstate holly-wreath business for the needed extra dollars around this time of the year.

The United States Department of Labor has ruled that these folks who make holly wreaths in their homes—after they themselves have gathered the holly—are subject to the $1 an hour minimum wage from the wholesale distributors who must also keep detailed and minute records of each member of each family, just as if they were crocheting infants' wear at home and selling the clothing to interstate distributors.

Leroy B. Truitt, of Bridgeville, whose family has been in the holly-wreath business for more than half a century, says that these provisions of the Fair Labor Standards Act, as applied this year to wreath making, has put him and others out of business for two principal reasons:

1. They don't feel they can pay the required $1 an hour minimum wage for holly wreaths made at home, without pricing the product out of the market.

2. It is impossible for them to keep the necessary detailed records of the hours worked by the families—and they couldn't ever swear that children in the homes didn't help in making of the wreaths.

Mr. Truitt explains:

"We had always presumed that harvesting holly in the Sussex woodlands and making Christmas wreaths came under the category of agricultural products—and thus was exempted from the wages-and-hours provision. Now we learn to our dismay that this is not agricultural but in the same category as clothing, jewelry, dolls, and so forth, made at home and sold to distributors."

Mr. Truitt already has a fat file of letters, appeals, replies, and counterreplies—all adding up to the same answer from the United States Department of Labor:

"We are sorry, but you are governed by a court decision in a home knitting industry case."

APPEALED TO PRESIDENT

Even a direct appeal to President Eisenhower, on the part of Mr. Truitt, has failed to make a dent in the Department of Labor's attitude.

"And so we are out of business," Mr. Truitt concludes.

Beaten at every turn and baffled every time he made an appeal from one official to another in the United States Department of Labor, Mr. Truitt has sent out word to the families expecting to sell him holly wreathes, that his drivers will not be picking up the wreaths this year.

However, before he did this, Mr. Truitt went to Washington 10 days ago and made a last ditch appeal in person to Newell Brown, Administrator of the Wage and Hour Division of the United States Department of Labor. He presented Mr. Brown with every imaginable alternative that might satisfy the Government and still permit him to remain in business.

But when it was all said and discussed, Mr. Truitt says he got the same answer: "We are very sorry. This phase of the Wage and Hour section of the Fair Labor Standards Act may be inequitable as far as you are concerned but there is nothing we can do now."

About 125 families in the Bridgeville area have been making and selling natural holly wreaths to Mr. Truitt for years.

Another 300 have been delivering wreaths to a neighbor of Mr. Truitt—Layton and Owens, of Bridgeville.

Also affected are another 400 families who have been making wreaths for two dealers in the nearby town of Federalsburg, Md. They are Raymond O. Dean and John N. Wright, Jr., both of whom have been handling wreaths since the early 1920's.

And it is figured that another 175 or 200 families sprinkled through Sussex and nearby Eastern Shore areas shop around from dealer to dealer, selling their homemade wreaths.

CAN'T DO BUSINESS

With Mr. Truitt as their spokesman, none of these dealers see how they can handle these homemade wreaths—keep the necessary records, pay the $1 an hour minimum wage and still make any kind of a profit for themselves.

As for the families who had been banking on the natural holly wreath business this year, it's up to them to decide what they want to do—either find some other way of earning Christmas money or try to get their product into the Delaware retail market; however, few of them know anything about distributing such products in a highly competitive market.

It is learned that 1 or 2 of the holly wreath distributors may try to set up plants in their buildings and get members of the families to come in and make the wreaths there—and thus will be solved the question of keeping records. But even then, the $1 an hour minimum presents a problem of how to get even a small profit on the wreaths.

"Our main difficulty," Mr. Truitt said on behalf of the distributors who depended on the homemade wreaths, "is that we can't ever tell how many hours the various members of the families worked, from the time they left home to gather the holly until the time our drivers picked up the finished product."

"Nor can we ever tell if any children helped with the making of the wreaths at home.

"All that we know is that we supply the artificial berries along about this time of the year, and soon after Thanksgiving Day our drivers begin picking up the wreaths at the homes."

PAY PER WREATH

"We pay the families so much per wreath and we also pay the drivers so much for collecting the wreaths.

"In turn we take care of the costs of grading, packing, and shipping. A few years ago we shipped wreaths into 36 States of the Union plus parts of Canada and Central America. Sussex County holly wreaths have always been considered the best.

"I have now canceled buying orders for shipping cartons and some other supplies, but, unfortunately, I've been caught with a lot of artificial berries on hand. I'm also informing my customers that I've been forced out of business."

Mr. Truitt joined his father, the late William Truitt, of Bridgeville, in the natural holly wreath business in 1927. His father had already been in it since 1905.

During the depression of the 1930's it was the heavy holly growth in Sussex County that kept many a family in money around Christmas time, for no matter how bad the times were, there were always people willing to spend a few nickels for natural holly wreaths.

At first the industry in Sussex depended upon the natural berry, but in the 1920's it was found that artificial berries served the purpose better.

In the early days of the industry the wreaths were shipped in wooden boxes. But during World War II it was found that heavy paper cartons would do just as well and they have been used ever since.

FAMILY PROJECT

Along about this time of the year, in preparation for the business, hundreds of the low income rural and farm families in Sussex County would begin cutting switches in the woods for 9-inch hoops, the base of the wreath.

Then they would commence gathering in the holly and often the whole family would sit around in kitchens day and night making the wreaths, according to a standard 14-inch overall size.

Some would also make special oversized wreaths of holly and wreaths of pine and cedar and what is known as crow's foot.

Late this summer Mr. Truitt put in his stock of artificial berries and was about to get his shipping cartons when, on September 10, he met a wreath competitor at a bank.

Mr. Truitt said to him casually, "I guess it'll soon be time to get going on holly wreaths."

The competitor smiled and said, "Roy, you may not know it, but I'm afraid you're out of business."

That was news to Mr. Truitt.

Gradually it was unfolded to him. He had presumed all along that natural holly came under the exemptions provided for agricultural products.

He was soon to learn how wrong he was. His competitor had learned about it from an inspector for the Wage and Hour Division of the Department of Labor.

Homemade holly wreaths, intended for interstate shipment come under the Fair Labor Standards Act of 1938, recently amended to carry with it a $1 an hour minimum.

SEES SENATOR WILLIAMS

Mr. Truitt began to make inquiries. Here is a sample of the answers he got:

From United States Senator JOHN J. WILLIAMS (whose son-in-law, Raymond Baker, Jr., of Millsboro, has also been in the wreath business and is now adversely affected by the Labor Department ruling):

"The Department of Labor has ruled that the makers of holly wreaths in the home, as well as the work done at the plant are all subject to the provisions of the Fair Labor Standards Act."

* * * * *

Senator WILLIAMS continued:

"I pointed out to the Department that it was not so much the question of cost involved as it was the almost impossibility of maintaining wage records of the makers in the homes and the impossibility for the buyer to be able to certify that no child under the age of 16 in the home had assisted in the making of the wreaths."

But Senator WILLIAMS got the same adamant position of the Department of Labor that was later to be given Mr. Truitt:

REVIEWED PROBLEM

"I have reviewed the entire subject of whether the people who enter into arrangements with dealers to make holly wreaths for them are doing this work as employees of the dealers under the Fair Labor Standards Act. I have secured the legal advice of the Solicitor of Labor on the matter.

"The conclusion is that this situation falls squarely within the broad scope of the decision of the Court of Appeals for the Second Circuit in the case of *Durkin* v. *Wagner*. The persons engaged in making holly wreaths for the dealers are therefore employes of the dealers and no minimum wage exemption under the act is available for this work.

"The dealers must be held responsible for compliance with the act with respect to all those with whom this type of arrangement is made.

"I recognize fully the difficulties that this entails for the holly wreath makers but can reach no other conclusion in the light of the facts and the legal situation under the ruling decision of the Court of Appeals."

United States Representative Harris B. McDowell, Jr., referred the case late in September to GRAHAM A. BARDEN, chairman of the House Committee on Education and Labor.

Mr. BARDEN made a strong appeal to Administrator Brown for an exception in the case of the holly wreath dealers and makers.

Congressman BARDEN wrote: "Farmers have been making holly wreaths on their farms since the time of the Pilgrims. Such policies as these (of the United States Department of Labor) are contemptuous of the clear congressional intent to exempt agriculture in all its branches from this law."

But Administrator Brown was not moved. He gave the Congressman virtually the same answer he had given Mr. Truitt and his associates in Sussex County.

In the meantime, the National Chamber of Commerce has been interested in this particular case, since it involves small business and Mr. Truitt has been getting inquiries from all parts of the country, particularly from representatives of other little businesses that claim to have been hampered by a strict construction of the Fair Labor Standards Act.

There is one hope for the holly wreath business: An amendment to the law but that couldn't come until next year—if at all.

"I suspect," Mr. Truitt said, "that the lawyers for the Department of Labor will object even though they are told by everyone that the law is operating inequitably against us."

[From the Wilmington (Del.) Morning News of November 26, 1956]

FRANKLY SPEAKING

(By Bill Frank)

A Negro woman who lives on the Laurel Road near Bridgeville, is in for a shock, that is, if she hasn't already gotten the shock.

The United States Government which she, in her own way, presumes is geared to protect her, has given her a foul blow.

And the chances are she doesn't understand what it's all about, except that she's got on hand 1,000 hoops, made of switches, which she had expected to mean extra Christmas money for her.

I use the word "extra" too loosely. I should have said just plain "money."

Details of this story are to be found on page 1 of today's Morning News. It's a story about how the redtape of Washington bureaucracy is snarling up a good portion of the Sussex County holly wreath business into a terrible mess, and the redtape, believe me, is no part of the Yuletide decorations.

When I heard this story from Leroy Truitt, of Bridgeville, I couldn't believe it.

I met him in Bridgeville about a week ago and as he unrolled his yarn I kept saying to myself:

"This is the balmiest story I've heard in my life."

But if you know Leroy Truitt, you know then that he's an extremely practical man, that he's not given to handing out balmy stories, and that when he tells you something he's dead serious about it.

It wasn't until I went through the batch of correspondence he had had from Washington and the letters he has sent out—even to President Eisenhower—that I realized that this Government interference with the holly wreath business in Sussex County and on the nearby Eastern Shore is just about the craziest thing I've ever heard of—bar nothing.

Now, how does all this affect the Negro woman on the Laurel Road?

Here's the story—a sort of a footnote to this morning's page 1 story about the withered holly wreath business:

For the past month or so, this woman has been going out into the fields and cutting switches from saplings.

Then she's been going home and, through the evenings and on weekends, has been tying them into hoops, 9 inches in diameter.

She's been expecting a driver from Mr. Truitt ever since the middle of November to deliver to her a lot of artificial berries attached to green stems.

Then, she's go out into the woods and cut a heap of holly. And she'd begin to work—either by herself or with the rest of her family—on holly wreaths for the Christmas trade.

She'd turn out scores of holly wreaths—about 14 inches overall diameter, with these artificial berries sprinkled through the leaves.

Then, along about this time, Mr. Truitt's driver would come along, pick up the wreaths, and pay her so much per wreath.

She'd make money. The driver would make some extra money.

Mr. Truitt would then ship these wreaths to all parts of the United States, into Canada, and even some sections of South America where the Sussex holly wreath is admired.

So he'd make some money.

The retailers in those far away places would make money. And so the whole gamut, all along the line—from the Negro woman on the Laurel Road to the retailer in let's say, Fort Wayne, Ind., would make money.

But all this has been killed by a ruling of the Wages and Hours Division of the United States Department of Labor.

Mr. Truitt has been informed—as you perhaps have already noted in today's story—that this Negro woman comes under the protection of the minimum hours and wages section of the Fair Labor Standards Act.

She must get a minimum of $1 an hour. She herself must keep records as to the hours she's worked on these wreaths.

Mr. Truitt must keep records. Records, and more records, and more records.

It almost seems to me that the philosophy is:

"To hell with business, as long as we keep those blasted records."

And, yes; get this, even if Mr. Truitt could keep such records, even if the Negro woman on the Laurel Road could keep records, and even if Mr. Truitt could pay her a $1 an hour minimum, even then, if someone could prove that a kid below 16 years of age so much as fixed one solitary berry to a wreath, Mr. Truitt would be in a first class pickle.

So, he's out of the wreath business this year—and it's the first time the Truitts have not been in it for half a century.

As for the Negro woman on the Laurel Road—she's either got to find some other outlet for her wreaths, with or without berries, or she's got to dump those 1,000 sapling hoops in the fire.

And, of course, no money from wreaths this Christmas.

As the page 1 story notes, this governmental redtape stems from the fact that the Washington bureaucrats say that this Negro woman and the hundreds of others in Sussex who, like her, have been making wreaths at home, are in the same category as the women who have been sewing and crocheting at home.

There seems to be a United States court of appeals decision in such a home-sewing case.

But let us suppose that Mr. Truitt would like to keep records of this Negro woman's work—how in the world is he going to do it?

Let's say that it is her man who gets the holly in from the woods. All right, he starts out in the morning and says he's going to cut some holly. While out in the woods, he hopes to get a shot at a rabbit or two.

So he hunts a while, and cuts holly for a time, and loafs a while, and then cuts more holly, etc.

You try to figure out the time he spends in collecting holly and you're all set for a top desk job in one of the top bureaus of Washington.

And then try to figure out how much time the woman spends at home making the wreaths—in between cooking, making the beds, just sitting around talking, and making more wreaths.

It's just sheer nonsense—this attitude of the United States Department of Labor.

What the Government fails to realize is this: This Negro woman—and there are hundreds of others like her—is in reality a small manufacturer.

She or her man gathers the raw material from the woods, processes the material into wreaths, and sells them to whomever she pleases. She doesn't have to sell them to Mr. Truitt—even if he has supplied the artificial berries.

She's an independent operator and a free enterpriser in a very basic sense of the word.

But that great big wonderful world called Washington, D. C., is out to "protect" her rights under the Fair Labor Standards Act—even if it means no Christmas money for her.

That's right considerate of Washington, wouldn't you say?

AMENDMENT OF IMMIGRATION AND NATIONALITY ACT, RELATING TO ADMISSION INTO THE UNITED STATES OF CERTAIN ESCAPEES

Mr. CASE of New Jersey. Mr. President, on behalf of Senators IVES, JAVITS, COOPER, SMITH of New Jersey, such other Senators as may care to join as sponsors, and myself, I introduce for appropriate reference a bill which would permit the paroling of a reasonable number of Jewish refugees from Egypt into the United States. It would accomplish this by amending the President's refugee proposals, which deal only with escapees from Communist countries, in order to permit entry of not more than 5,000 escapees who fled from areas other than Communist, Communist dominated or occupied.

The Department of State has approved this proposal, and I ask unanimous consent that a letter confirming this fact written to me by Assistant Secretary of State Robert C. Hill be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE of New Jersey. Mr. President, I applaud the Department's strong endorsement of the purposes of this bill. In part, it is to me recognition of the fact that in the world there are explosive situations which are outside the Communist sphere, and that it would be in our national interest to accept refugees from certain of these areas.

The outbreak of racial or religious persecution would always be a matter of utmost concern to Americans.

The 5,000 escapees a year who could be permitted entry under our bill would come out of the approximately 68,000 escapees from behind the Iron Curtain, including Hungarians, who would be benefited by the President's proposals.

Prior to the Mid-East hostilities last fall, there were some 50,000 Jews in Egypt, many of Egyptian nationality. Reports we have received indicate that from October 1, 1956, until April 1, 1957, 15,000 Jews left Egypt. Of this number, 8,000 have gone to Israel; the rest, chiefly to England, France, and Italy.

There are reports that some 22,000 more will leave or be driven from Egypt in the next 7 or 8 months. Of these, it is believed 13,000 will find refuge in Israel, and the remaining 9,000 in Europe. The United States, it seems to us, should do its reasonable share in holding out a measure of hope for these escapees, some of whom have close relatives here. Our legislation is, of course, not confined to Jewish deportees alone.

As the President's proposals form an immigration pool for present and future victims of Communist repression, our amendment deals in a modest way with the recognition of oppression, regardless of source.

Mr. President, I ask that the bill be printed in the RECORD following the letter from Assistant Secretary Hill, to which I have referred.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2023) to amend the Immigration and Nationality Act so as to provide for the admission into the United States of certain escapees who, because of persecution, have fled from any Communist-dominated, Communist-occupied area, or from any other area, introduced by Mr. CASE of New Jersey (for himself and other Senators), was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. CASE of New Jersey. Mr. President, I ask unanimous consent that the bill remain at the desk until midnight tomorrow, in order that any other Senators, who may wish to join as cosponsors, may do so.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter and bill are as follows:

DEPARTMENT OF STATE,
Washington, May 3, 1957.

The Honorable CLIFFORD P. CASE,
United States Senate.

DEAR SENATOR CASE: Thank you so much for your letter of April 22, signed also by Senator IRVING M. IVES and Senator JACOB K. JAVITS, and the attached copies of correspondence pertaining to refugee legislation.

Although the language in the President's proposal as embodied in S. 1006 limits help to escapees from Communist or Communist-dominated countries, I am sure we all recognize the imminent problems of escapees from dictatorship of any kind. To allow the flexibility desired by the administration, I feel your suggestion to permit admission of not more than 5,000 persons from areas other than those Communist-dominated or controlled is indeed a worthy one. The Department of State supports such a recommendation.

May I also thank you for your part in supporting much needed legislation on the problem of refugees and escapees and for your continued interest in all matters pertaining to the Department of State.

Sincerely yours,

ROBERT C. HILL,
Assistant Secretary.
(For the Secretary of State).

Be it enacted, etc., That (a) paragraph (5) of subsection (d) of section 212 of the Immigration and Nationality Act, is amended (1) by inserting "(A)" after "(5)" at the beginning of such paragraph and (2) by adding at the end thereof the following subparagraphs:

"(B) Whenever the President shall find that a situation has arisen causing the creation of a class or classes of aliens who fall within the meaning of the term escapee as defined in this paragraph and that it would be in the interests of the United States to permit the prompt entry into the United States of escapees, he may by proclamation, and within the numerical limits specified in paragraph (10) of this subsection, direct the Attorney General to parole into the United States escapees selected by the Secretary of State, who are within the limits of any country which is not Communist, Communist-dominated, or Communist-occupied and who are not nationals of the area in which they reside.

"(C) (1) As used in this paragraph, the term 'escapee' means any alien who, because of persecution or fear of persecution on account of race, religion, or political opinion has fled or shall flee (1) from any Communist, Communist-dominated, or Communist-occupied area, or (2) from any other area, and who cannot return to any such area on account of race, religion, or political opinion; except that the number of escapees who may be paroled into the United States after having fled from any area other than a Communist, Communist-dominated or Communist-occupied area shall not exceed 5,000 in any fiscal year."

(b) Subsection (d) of section 212 of such act is amended by adding at the end thereof the following new paragraphs:

"(9) (A) Notwithstanding any other provisions of this act or any other law, any alien who is or has been paroled into the United States by the Attorney General under the authority of paragraph (5) of this subsection and has not otherwise acquired permanent residence status in the United States may apply to the Attorney General for adjustment of his status to that of an alien lawfully admitted for permanent residence.

"(B) If it shall appear to the satisfaction of the Attorney General that the alien has remained in the United States for at least 2 years, is a person of good moral character, and that such action would not be contrary to the national welfare, safety, or security, the Attorney General, in his discretion, may record the alien's lawful admission for permanent residence as of the date of the alien's last arrival in the United States. A complete and detailed statement of the facts and pertinent provisions of law in the case shall be reported to the Congress with the reasons for such adjustment of status. Such reports shall be submitted on the 1st and 15th day of each calendar month in which Congress is in session. If during the session of the Congress at which a case is reported, or prior to the close of the session of Congress next following the session at which a case is reported, either the Senate or the House of Representatives passes a resolution stating in substance that it does not favor the adjustment of status of such alien, the Attorney General shall thereupon require the departure of such alien in the manner provided by law. If neither the Senate nor the House of Representatives passes such a resolution within the time above specified, the alien shall be regarded as lawfully admitted to the United States for permanent residence as of the date of the alien's last arrival in the United States.

"(10) The number of aliens who may be granted the status of aliens lawfully admitted for permanent residence pursuant to paragraph (9) of this subsection, shall not, unless otherwise specified by a joint resolution of the Congress, exceed in any fiscal year the average number of aliens authorized to be admitted to the United States for permanent residence each fiscal year since June 25, 1948, by any special acts of Congress enacted on or after that date."

PERFORMANCE OF LABOR AS A CONDITION FOR HOLDING CERTAIN MINING CLAIMS

Mr. BIBLE. Mr. President, I introduce, for appropriate reference, a bill to clarify the requirements with respect to the performance of labor imposed as a condition for the holding of mining claims on Federal lands pending the issuance of patents therefor, which proposes to amend title 30, United States Code, section 28.

This section of Federal mining laws has gone unchanged since May of 1872, when it was first enacted into law, and it now states that $100 in labor or improvements shall be required each year, on each mining claim, in order that the prospector or owner can hold title to the claim.

The word "labor" has been defined by various States and Federal courts through the years. However, a great deal of confusion exists when modern

methods of exploration, developed in recent years, have been used for this required work. The definition has, in most cases, failed to include developments or claim work which now are considered standard practice by larger mining companies and by many small operators.

The substance of my amendment is the recognition of geological, geochemical, or geophysical surveys, exploratory drilling, or other recognized means of determining the existence, extent of concentration, or accessibility of minerals on the claim, and making these forms of exploration and development applicable to the $100 yearly labor requirement of the original law.

The Canadian Government has had such a law in action for some time, and the great advances made recently by the Canadian mining industry may partially be attributed to this progressive law.

The big advantage is that it encourages the small miner to better explore his claims with what are now considered standard geological-geophysical methods, when ordinarily he cannot afford such services.

Surely this modern type of assessment work will result in more discoveries than the old method of deepening small prospect pits every year. Geological mapping and geophysical surveys will, even if no discoveries result, at least develop a more accurate picture of the deposits and will facilitate more efficient mining.

In late years, throughout the Western States, it has been the practice of many miners simply to move in a bulldozer and move earth on the claims, as a method of completing assessment work. These excavations are unsightly and tend to cause serious erosion of the area, while often accomplishing little in the way of actual determination of the ore body.

Some States have been more liberal in their determination of the Federal law as to methods used for holding claims; however, many States have not taken modern methods into consideration.

My amendment will not change the mining law in any respect, but will merely define and clarify the term "labor," so as to include methods of exploration developed since the law was enacted.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2039) to clarify the requirements with respect to the performance of labor imposed as a condition for the holding of mining claims on Federal lands pending the issuance of patents therefor, introduced by Mr. BIBLE, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

CONTRIBUTION TO INTERNATIONAL COUNCIL OF SCIENTIFIC UNIONS

Mr. GREEN. Mr. President, by request, I introduce, for appropriate reference, a joint resolution which would increase from $9,000 to $65,000 the authorization of the amount which may be appropriated to meet annual contributions of the United States to the International Council of Scientific Unions.

The PRESIDING OFFICER. The joint resolution will be received, and appropriately referred.

The joint resolution (S. J. Res. 85) to amend the act of Congress approved August 7, 1935 (Public Law 253), concerning United States contributions to the International Council of Scientific Unions and certain associated unions, introduced by Mr. GREEN, by request, was received, read twice by its title, and referred to the Committee on Foreign Relations.

Mr. GREEN. Mr. President, this increase has been requested by the Secretary of State, and I am introducing the proposed legislation in order that there may be a specific joint resolution to which the public and Members of the Senate may direct their attention and comments.

I think I should reserve my right to support or oppose this joint resolution, as well as any suggested amendments to it, when the matter is considered.

I ask unanimous consent that the joint resolution may be printed at this point in the RECORD, together with the letter from the Secretary of State to the Vice President in regard to it, and a supporting statement by the Department of State.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. GREEN. I yield.

Mr. JOHNSON of Texas. Will the Senator repeat the statement as to the amount of money required by the proposed legislation?

Mr. GREEN. $65,000.

Mr. JOHNSON of Texas. It is an increase from $9,000 to $65,000?

Mr. GREEN. The Senator is correct.

Mr. JOHNSON of Texas. It is requested by the Secretary of State?

Mr. GREEN. The Senator is correct.

Mr. JOHNSON of Texas. Is the item in the budget?

Mr. GREEN. I do not know.

Mr. JOHNSON of Texas. I hope the Senator will find out before his committee takes any action on any such increase. While we are very anxious that the State Department have all the money necessary to carry out a wise foreign policy, we are conscious of the attitude in the country to hold spending at a level. We do wish to know whether the item is in the budget or not.

Mr. GREEN. There is a supporting statement by the Department of State, which I do not have with me.

I have here the letter from the Secretary of State to the Vice President about this matter. I would be glad to read it. I do not think I can do it within the time limit. If the time is extended I should be glad to read the letter.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the chairman of the Committee on Foreign Relations, the Senator from Rhode Island [Mr. GREEN] be permitted to include the letter in the RECORD at this point.

There being no objection, the joint resolution and letter were ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 85

Resolved, etc., That Public Law 255, 74th Congress, is hereby amended by striking out the figure $9,000 in the section dealing with the International Council of Scientific Unions and inserting in lieu thereof the figure $65,000.

DEPARTMENT OF STATE,
Washington, April 23, 1957.

The Honorable RICHARD M. NIXON,
President of the Senate.

DEAR MR. VICE PRESIDENT: I submit herewith a proposed draft amendment to Public Law 253, 74th Congress, to increase to $65,000 the authorization of the amount which may be appropriated to meet annual contributions of the United States to the International Council of Scientific Unions (ICSU) and certain associated unions. A more detailed statement in support of this request is enclosed.

Since 1950, the current statutory limit of $9,000 has been insufficient to meet the increased obligations resulting from the increased activities of the International Council of Scientific Unions and the increased number of its associated unions.

At the time of the original legislation was adopted in 1935, there were only six unions affiliated with the council. Presumably the $9,000 figure was considered adequate for a foreseeable future. It did indeed prove adequate for some 15 years which, however, included the period of World War II, when the normal growth of the unions was arrested.

The United States has been a leading member of the ICSU structure. Its delegates have been numerous and active. Their scientific and policy contributions have been of high caliber. An American scientist was elected president of ICSU in 1955 for the period to 1958. Americans have built up a prestige for this country in ICSU that commands the respect of other nations. It is, I believe, in our national interest to preserve this prestige and, in the current state of international affairs, to strengthen it.

Accordingly, it is hoped that it will be possible for the Congress to take action on this request during the current session.

A similar communication is being sent to the Speaker of the House of Representatives.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this proposal to the Congress for its consideration.

Sincerely yours,

JOHN FOSTER DULLES.

(Enclosures: 1. Joint resolution; 2. Supporting statement.)

Mr. GREEN. In addition to having the letter printed in the RECORD, I am perfectly willing to have printed the statement in support of the request to increase the statutory ceiling on United States contributions to the International Council of Scientific Unions and certain associate unions. I ask unanimous consent that the statement be printed.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT IN SUPPORT OF REQUEST TO INCREASE THE STATUTORY CEILING ON UNITED STATES CONTRIBUTIONS TO THE INTERNATIONAL COUNCIL OF SCIENTIFIC UNIONS (ICSU) AND CERTAIN ASSOCIATED UNIONS

The Department of State has reached the decision to request the Congress to enact a suitable amendment to Public Law 258 (74th Cong., 1935), concerned with the payment of United States membership dues to the International Council of Scientific Unions (ICSU) and its constituent unions, in order that the ceiling provided therein be raised to a realistic level.

The National Academy of Sciences—National Research Council, as the adhering body to ICSU and its unions on behalf of

this Government and the scientists of the Nation, urges that this proposal be given favorable consideration. The Department is supported by the Academy-Research Council in requesting this legislation as the Federal agency responsible for this aspect of our international scientific relations.

Since 1935, a maximum sum of $9,000 per year has been authorized by Congress to enable the Department to pay the annual United States share of contributions to ICSU and the unions. In recent years, the United States share has turned out to be in excess of the authorized amount. Up to the present, the National Academy, which has been the American adhering member of the ICSU since 1919, has made up the difference in these amounts by appeal to private sources. It has now informed the Department, however, that it is no longer able to shoulder this burden.

At the time that the existing legislation was adopted there were only six unions affiliated with the Council. Presumably the $9,000 figure, established during a period of economic depression, was considered adequate for a foreseeable future. It did indeed prove adequate for some 15 years which, however, included the period of World War II, when the normal growth of the unions was arrested.

Since 1950, $9,000 has been inadequate to meet current needs. Recently, ICSU has assumed new and greater responsibilities. There are today more than twice as many constituent unions as there were in 1935. The sphere of their activity has been greatly expanded to meet the evergrowing need for international collaboration. New unions in such important fields as radio, biochemistry, theoretical and applied mechanics, and the physiological sciences have been established. The creation of other new unions in the future is under consideration, thus providing the possibility of added advantages to the United States through participation.

The Department is of the opinion that, similar to the procedure followed in 1935, the new legislation should make provision not only for the present but also for the known and calculable future needs, so that it would be unnecessary to request action by the Congress again in the immediate future. The known sum needed for 1957, some $26,000 is practically three times the present authorization. The anticipated needs for 1958 are higher yet ($33,000), as decisions already formulated take effect. Approximate needs for 1960 would be more than $40,000; $65,000 represents the best calculation available for 1965. The Department recommends that the new ceiling be established at this figure, i. e., $65,000, effective as of the fiscal year beginning July 1, 1957.

Percentagewise, the United States' average share of the present dues structure is approximately 11.5 percent. For some individual unions, the percentage is only 5 percent; in others as much as 19 percent. Prior to the recent increase from $196 annually to $7,800 in United States membership dues to ICSU itself, the percentage for the council was less than 1 percent. It now becomes approximately 16 percent. On the basis of studies made, the Department believes that subsequent to the institution of dues revisions and adjustments authorized and contemplated by ICSU and the unions, the United States' share of the total membership dues will probably be between 15 and 20 percent.

ICSU and its associated scientific unions together constitute a nongovernmental world organization of scientists, such as astronomers, mathematicians, physicists, geophysicists, and biologists. Their objectives are scientific and nonpolitical. Nevertheless, science develops within the framework of national traditions and social institutions, and inside the scope of intergovernmental relations. The administrative policies of ICSU and its associated unions must therefore be formulated within these limitations.

These limitations, however, are flexible. Scientific developments affect national traditions, social institutions, and intergovernmental relations; and changes in national attitudes and international policies affect the development of science.

The obvious reciprocal connection between science and foreign relations has been stressed by the Office of the Acting Science Adviser of the Department in the following terms: "Department support of the scientific unions is more imperative now than before. Scientific activities are more and more effecting our foreign relations and the conduct of our foreign relations is increasingly influencing scientific progress."

Because of this mutual connection between science and intergovernmental relations, the activities of a world scientific organization must be associated with those of governments. This fact of mutual influence was discerned even at the inception of ICSU for its constitution provided for national membership as well as scientific membership. That is, government interest as well as scientific interest was to be reflected in the formulation of its administrative policies.

Under the ICSU constitution, national membership may be assumed either by a government directly, or indirectly through an adhering body representing the interests of the government. The United States, as most other countries, has elected to exercise its membership in ICSU through the national Academy of Sciences (NAS). The NAS is a nongovernment, nonprofit body chartered by the United States Congress in 1863 to serve at once as a learned society and as a scientific counselor to the United States Government. In this quasi-governmental capacity, the NAS represents in ICSU and its associated unions the interests both of the United States Government and of United States scientists.

The United States Congress in 1935 authorized the United States to participate in ICSU and its associated unions. Because of the mutual connections between scientific activities and foreign relations, the Congress stipulated that membership dues to these organizations be paid by the Secretary of State. In order to effect this participation, the Department of State has appointed annually since 1935, on nomination by the NAS, the United States Official Delegates to the general assemblies (where administrative policies are determined), of ICSU and its associated unions and has paid as far as practicable the travel costs of these delegates.

The United States has been a leading member in the ICSU structure. Its delegates have been numerous and active. Their scientific and policy contributions have been of high caliber. An American scientist was elected President of ICSU in 1955 for the period to 1958. Americans have built up a prestige for this country in ICSU that commands the respect of other nations. It is in our national interest to preserve this prestige and, in the current stage of international affairs, to strengthen it.

Aside from the high reputation for the United States that our scientist-delegates have developed, this Government and its people derive a tangible benefit from participation in ICSU and its scientific unions. ICSU and its scientific unions engage in basic research. It is through this effort that order is brought into the technological aspects of such realism as international travel, communication, trade and health. Weathermen, navigators, radio engineers, merchants, health officials, and indeed all individuals could not carry out their normal everyday activities nor could the relationships of one government with other governments proceed in an orderly relation were it not for the basic work performed by ICSU scientists.

But there is another benefit more closely related to international affairs. The delegates appointed by the Department of State indeed have reflected the interest of the United States Government at the general assemblies. They have usually been briefed in the Department before attending the meetings. Position papers have typically been prepared by the Department for their guidance in discussing at ICSU meetings significant agenda items affecting foreign relations. They have accordingly helped in formulating ICSU policy on the International Geophysical Year, admission of new ICSU members, conduct of an international study on the effects of radiation, scientific activities on the Continental Shelf, to name a few instances. The Department has thus benefited directly through an alliance with scientific delegates in channeling particular ICSU activities along courses that help achieve the objectives of our foreign policy.

The Department has made a careful study of this entire matter and has consulted the opinion and advice of the National Academy of Sciences—National Research Council, which adheres to the International Council and its unions on behalf of the United States, so as to be in a position to make appropriate recommendations to the legislature. This procedure has been followed in accordance with the Congressional charter of the academy, which provides that the academy shall serve the Government in this fashion when so requested.

The Academy-Research Council has sought the advice of its Committee on International Scientific Unions, composed of the chairmen of the United States national committees for the 13 unions. The policy committee of the Academy's Office of International Relations was also consulted.

Both the Governing Board of the Academy-Research Council and the special committees whose opinion it has requested consider this matter as urgent and vital because of the importance of the ICSU and its unions to the United States and of the service that they render to this country and to its scientific institutions.

The Department concurs in the strong recommendations made by the President of the Academy that the present ceiling must be raised as proposed above at the earliest possible moment, so that the United States may shoulder its appropriate share of the responsibility which is inescapable.

The following is a list of the scientific unions associated with the International Scientific Council and the year in which the United States first adhered to these unions:

1919 International Astronomical Union (IAU).

1919 International Union of Geodesy and Geophysics (IUGG).

1919 International Union of Pure and Applied Chemistry (IUPAC).

1920 International Scientific Radio Union (ISRU).

1923 International Union of Pure and Applied Physics (IUPAP).

1928 International Geographical Union (IGU).

1935 International Union of Biological Sciences (IUBS).

1947 International Union of Crystallography (IUCr).

1947 International Union of Theoretical and Applied Mechanics (IUTAM).

1948 International Union of the History of Science (IUHS).

1951 International Mathematical Union (IMU).

1953 International Union of Physiological Sciences (IUPS).

1954 International Union of Biochemistry (IUB).

ESTABLISHMENT OF A FREEDOM AUTHORITY

Mr. DOUGLAS. Mr. President, I am about to introduce a joint resolution, and I ask unanimous consent that I may speak on it in excess of the 3 minutes allowed under the order which has been entered.

The PRESIDING OFFICER. Without objection, the Senator from Illinois may proceed.

Mr. DOUGLAS. Mr. President, last Friday, May 3, was Polish Constitution Day. This is an important day for the freedom-loving people of Poland, because they are justly proud that on May 3, 1791, Poland enacted one of the first truly democratic constitutions in Europe. It is an important day, too, for Americans who watch Poland in her present unhappy plight under a Communist regime which could not hold power for 24 hours without the threat of the Russian Army.

All Americans wish that Poland could again be free and independent of Moscow control. Since the birth of our Nation we have maintained the warmest bonds of friendship with the people of Poland. The destinies of the two countries have been forged in great struggles for freedom which mark their histories. The characters of the people of both countries have much in common. No Communist regime or any other tyrant can long keep the people of Poland apart from their traditional association and friendly interchange with the people of the United States.

For well on to 10 years, the Government of the United States has carried on a number of programs with the objective of ultimately bringing about a return of freedom to Poland and all the other nations enslaved behind the Iron Curtain. We have made it clear that the Russian Communists violated every understanding with the Western Powers when they annexed by force the once-independent nations of central and eastern Europe. We have taken the position that so long as Moscow continues to occupy those countries against the will of the people, a just and lasting peace is impossible. In doing this we have recognized the basic right of these peoples to self-determination, but we have also cared well for our enlightened self-interest. Even so the American people have made great sacrifices to make those programs to aid freedom possible.

In the year just past there were encouraging signs that our hard work over the past 10 years was beginning to bear fruit. At Poznan the workers rose in open revolt against the exploitation by the Communists. Moscow did not move against those workers in her usual despotic manner for fear of what the entire Polish nation might do.

Then there were other reports of similar acts of defiance against the Communist regimes in Georgia, Ukraine, and other regions of the U. S. S. R.

The rules in the Kremlin openly admitted that Stalin was guilty of a long list of crimes against humanity.

People became so restive within the Communist empire that the regime was forced to promise fundamental changes and improved living conditions. It became unmistakably evident that something had to give behind the Iron Curtain, and it was certain that it would not be the oppressed people. They had already been pressed beyond the point of human endurance.

The Hungarian Freedom Revolution was the answer of an exploited people who found life so intolerable that revolt was the only course open to them. That revolution was a mortal blow for the Communists. It served notice that love for freedom cannot be killed—it can only be temporarily contained and then only by maintaining the total police state which characterizes communism.

In the past few days new reports of riots and mutinies in Poland testify that the urge for freedom cannot be stilled.

All these events give us new hopes that freedom and independence can in various ways be restored to the many nations behind the Iron Curtain, and that a war—with its threat of total destruction—may be avoided. The opportunities immediately before us are great, perhaps the best we have had since the cold war began almost 10 years ago.

There can be little doubt that the Kremlin needs a breathing spell—and needs it badly. Only a few days ago, Mikoyan, when in Vienna, Austria, stated that the Communists had enough problems within their empire to keep them occupied for three generations. You and I know that their real problems are human ones, problems that arise from a police state attempting to impose a ruthless tyranny upon a people.

Our enlightened self-interest tells us that now is the time to press forward, now is the time to pluck the fruit of the many years of hard work and sacrifice on the part of many peoples, including our own, in support of the cause of human freedom. It is a fact of life that over 60 percent of our tax dollar goes for what are generally accepted as programs in the national defense. The threat of Communist aggression against all free nations has required us to establish and maintain these defense programs. If we ever expect to make any substantial cut in taxes, such cuts will only come when we can safely reduce the funds authorized for the national defense programs. We can only make those sharp reductions when the Communist threat against all free people is removed or reduced to a state of ineffectiveness.

There are some signs that we, as a people, may be growing tired of the heavy burdens we have carried during these past years. We may falter in taking advantage of the many new opportunities which are ours to bring peace and justice to our troubled world. If we falter, we will give the Communists the breathing spell they so desperately need. This would mean the hope of millions for freedom deferred, an increase in the prospects of war, and little chance in the foreseeable future for substantial tax reductions.

To help avoid this, I am today introducing a joint resolution to create a Freedom Authority, to be directly responsible to the President, and composed of Americans with special talents for keeping the spirit of freedom strong in those parts of the world where communism has seized control of affairs.

The joint resolution would establish the Freedom Authority as an independent agency for two very good reasons. To place in the State Department which must conduct relations with many of those enslaved nations a new operation aimed at undermining the tyranny there, might tend to confuse or embarrass the other on-going operations of that same Department. Or to avoid such confusion the new Freedom Authority, if placed under the State Department, might be placed under such restraints as to be ineffective.

The placing of the Authority under Central Intelligence seems equally inappropriate, since that is an information and not an operating agency. The independent status of the new Authority thus seems clearly to be preferred.

The joint resolution provides for the appointment of an Administrator with general overall authority, and 11 deputy administrators, each assigned to direct the work of a particular captive country or area.

Appropriations of $20 million a year are authorized.

Grants would be authorized after consultation with the Secretary of State and Director of Central Intelligence, and with the concurrence of a majority of the deputy administrators, to private, nonprofit organizations engaged in broadcasting, publishing, corresponding or otherwise acting to keep the spirit and hope of freedom alive in Communist-dominated countries.

It is not possible to foresee all of the ways in which such an authority would carry out its basic purposes. But the following are some that readily come to mind:

(a) The publication of timely information, both about the Free World and about developments in the captive countries, and the distribution of this material behind the Iron Curtain;

(b) The provision of mobile, short-wave, radio transmitters to facilitate broadcasts behind the Iron Curtain and avoid the systematic "jamming" of foreign broadcasts by the Communists;

(c) The importation into captive countries of increased numbers of small, inexpensive radio broadcast receivers;

(d) The presentation by radio of additional folk-programs for the peoples of each captive country to keep fresh the memory of historic, national traditions and the love of spiritual values, and to reveal the cultural freedom in the non-Communist world;

(e) The provision of special training opportunities for persons participating in exchange programs with captive countries, to enable them to observe and report more helpfully the conditions both in the Free World and behind the Iron Curtain;

(f) The timely arrangement and spreading of programs of noncooperation with the Communist regimes and economic slowdowns that may assist the drives for freedom;

(g) The publication in the free world of works of literature by refugee authors

and poets to help keep distinctive, national cultures alive and developing, despite efforts in the Iron Curtain countries to obliterate such cultures;

(h) The gathering and publication of eyewitness accounts of refugees from Iron Curtain countries exposing the conduct of Communist tyranny there, and so forth.

I, of course, exclude from the intended objectives or activities of such a freedom authority any premature incitements of revolts. This will take careful doing: to keep the hope and will to freedom active and ready, but to help it operate within limits that do not bring down upon it the crushing might of Soviet Russian arms and retaliation. Freedom must carry on the struggle for men's minds and hearts, but seek carefully not to provoke excessive acts that lead to the useless extermination of men's wills and bodies by tyranny. The selection of Deputy Administrators with special knowledge of each captive country and descended from those peoples, will help to make the administration of this program aware of the urgency of action for freedom and yet sensitive to the dangers to kin and friends behind the Iron Curtain.

This freedom authority would direct its efforts at keeping the Communist dictators on the defensive and the forces for freedom on the offensive. It would call into play talents among our people which to date have been too largely overlooked or ignored. In brief, such an authority would lead us to fruits of our efforts over the past 10 years and away from the tragic prospects of war.

I have chosen today as an appropriate time to introduce this measure because it is the first opportunity for legislative steps since Polish Constitution Day. The return of democratic, constitutional government to Poland and all the other enslaved nations is long overdue. It is in our interest and theirs to hasten that happy day. I believe the freedom authority which I propose will contribute materially to that objective.

I ask unanimous consent that the text of the joint resolution be printed in the RECORD at this point.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution will be printed in the RECORD.

The joint resolution (S. J. Res. 87) to provide for the creation of a Freedom Authority, introduced by Mr. DOUGLAS, was received, read twice by its title, referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

Resolved, etc., That (a) it is the declared policy of the Congress to resist the spread of communism. The issue between the free and the slave world is essentially whether freedom shall survive. The struggle to preserve freedom, however, is not to be won solely by further resistance to enslavement, but also by keeping alive in the hearts of enslaved people the spirit and hope of freedom. It is the purpose of this act to advance the cause of freedom by providing aid and support to those groups which are actively engaged in maintaining, inspiring, and instilling that spirit and hope.

(b) (1) There is hereby created an agency under the name "Freedom Authority" (hereinafter referred to as the "Authority"), which shall be under the general direction and supervision of the President and shall not be affiliated with or be a part of any other agency or department of the Federal Government. The principal office of the Authority shall be located in the District of Columbia, but the Authority may establish offices in such other places as may be determined by the Administrator of the Authority.

(2) The management of the Authority shall be vested in an Administrator (hereinafter referred to as the "Administrator") who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate. The Administrator shall receive compensation at the rate of $17,500 per annum. There shall also be appointed to the Authority, by the President, by and with the advice and consent of the Senate, 11 deputy administrators who shall each be paid at the rate of $15,000 per annum. The Deputy Administrators shall be outstanding citizens of the United States, each with special knowledge of the problems of the country to which he is assigned, 1 of whom shall be of German descent, 1 of Polish descent, 1 of Lithuanian descent, 1 of Latvian descent, 1 of Estonian descent, 1 of Czechoslovakian descent, 1 of Ukrainian descent, 1 of Hungarian descent, 1 of Bulgarian descent, 1 of Rumanian descent, and 1 without regard to national descent to deal with the problems of the other nations within the Communist empire.

(c) The Authority shall have power to adopt, alter, and use a seal which shall be judicially noticed. The Administrator is authorized, subject to the civil-service laws and the Classification Act of 1949, to select, employ, appoint, and fix the compensation of such officers and employees as are necessary to carry out the provisions of this section. The Authority, with the consent of any department or agency of the Government, may avail itself on a reimbursable basis of the services, facilities, and personnel of any such department or agency.

(d) For the purpose of carrying out its functions under this act, the Authority—

(1) may sue and be sued;

(2) may adopt, amend, and repeal rules regulations governing the manner in which its business may be conducted and its powers exercised;

(3) may make and carry out such contracts and other arrangements as are necessary or advisable in carrying out its functions;

(4) may determine the character of and the necessity for its obligations and expenditures, and the manner in which they shall be incurred, allowed, and paid subject to the provisions of the Government Corporation Control Act, as amended; and

(5) take such other action as may be necessary to carry out the purposes of this act.

(e) (1) the Administrator is authorized to make grants for specific purposes and under specified conditions to any private or semi-private nonprofit organization, committee, or group which is actively engaged in broadcasting, publishing, corresponding, or other activities designed to keep alive the spirit and hope of freedom, and the will to resist enslavement, in persons residing in Communist or Communist-dominated countries.

(2) In making any grant under this act, the Administrator shall advise and consult with the Secretary of State and the Director of Central Intelligence, and no such grant shall be made except with the concurrence of a majority of the deputy administrators of the Authority.

(f) (1) There shall be established in the Treasury Department a special fund which shall be available without fiscal-year limitation for financing the operation and expenses of the Authority. There is hereby authorized to be appropriated to such fund for each fiscal year, beginning with the fiscal year 1958, the sum of $20 million.

(2) Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, foreign currencies or credits owed to or owned by the United States shall, with the approval of the President, be made available to the Authority for the purpose of making any grant authorized by this act.

(g) The Administrator shall submit to the President for transmission to the Congress at the beginning of each regular session of the Congress an annual report of its operations under this act.

(h) Section 101 of the Government Corporation Control Act, as amended (31 U. S. C. 846), is amended by inserting after "St. Lawrence Seaway Development Corporation"; the words "Freedom Authority;".

AMENDMENT OF INTERNAL REVENUE CODE OF 1954, RELATING TO DEDUCTION OF CERTAIN TRANSPORTATION EXPENSES—ADDITIONAL COSPONSORS OF BILL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the names of the Senator from Alabama [Mr. SPARKMAN], and the Senator from Tennessee [Mr. KEFAUVER] be added as additional cosponsors of the bill (S. 1951) to amend the Internal Revenue Code of 1954 so as to allow a deduction for expenses incurred by certain physically handicapped individuals for transportation to and from work, and to provide an additional exemption for a taxpayer, or his spouse or dependent, who is permanently physically or mentally incapacitated, and for other purposes, introduced by the Senator from Washington [Mr. JACKSON], for himself and other Senators, on May 1, 1957.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORT OF BOARD OF VISITORS TO THE UNITED STATES NAVAL ACADEMY

Mr. RUSSELL. Mr. President, I ask unanimous consent that the report of the Board of Visitors to the United States Naval Academy for 1957, which was referred to the Committee on Armed Services on May 1, be printed in the RECORD. The report is unusually informative. It deals with one of the great service institutions of our country.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT OF THE BOARD OF VISITORS TO THE UNITED STATES NAVAL ACADEMY, 1957

THE BOARD OF VISITORS TO THE UNITED STATES NAVAL ACADEMY, 1957—APPOINTED BY THE PRESIDENT

Mr. Peyton Anderson, publisher, Macon Telegraph and Macon News, Macon, Ga.; Rev. Theodore M. Hesburgh, C. S. C., president, University of Notre Dame, Notre Dame, Ind.; Mr. David S. H. Howard, vice president and director, Charles Millar & Sons Co., Utica, N. Y.; Dr. Deane W. Malott, president, Cornell University, Ithaca, N. Y.; Mr. William G. Saltonstall, principal, the Phillips Exeter Academy, Exeter, N. H.; and Dr. J. E. Wallace Sterling, president, Stanford University, Stanford, Calif.

APPOINTED BY THE VICE PRESIDENT

Senator THRUSTON B. MORTON, of Kentucky; Senator CHARLES E. POTTER, of Michigan; and Senator A. WILLIS ROBERTSON, of Virginia.

APPOINTED BY THE SPEAKER OF THE HOUSE

Representative RICHARD E. LANKFORD, 5th District of Maryland; Representative JOSEPH P. O'HARA, 2d District of Minnesota; Representative HAROLD C. OSTERTAG, 39th District of New York; and Representative JOHN J. RILEY, 2d District of South Carolina.

EX OFFICIO MEMBERS OF THE BOARD [1]

Senator LEVERETT SALTONSTALL,[2] of Massachusetts, and Representative CARL T. DURHAM [3] 6th District of North Carolina.

ANNAPOLIS, MD., *March 15, 1957.*

The PRESIDENT OF THE UNITED STATES:

SIR: The Board of Visitors to the United States Naval Academy convened at Annapolis on Monday, March 11, 1957, at 10:30 a. m. It was called to order by Mr. Peyton Anderson, publisher, The Macon Telegraph and Macon News, Macon, Ga., who acted as temporary chairman for the purpose of organization. The Board elected Mr. Anderson permanent chairman, and designated Comdr. R. K. Joslin, United States Navy, as secretary, and Comdr. R. N. Adrian, United States Navy, and Dr. W. S. Shields, as assistant secretaries.

Members of the Board who signed this report were present at one or more meetings of the Board.

To facilitate the work of the Board, the members organized into four committees, whose respective membership and functions were as follows:

Committee I: Representative John J. Riley, Mr. Peyton Anderson, Representative Joseph P. O'Hara. Administration; buildings, grounds, and plant maintenance, including financial features. Midshipmen's quartering, subsistence, and budget.

Committee II: Mr. David S. H. Howard, Rev. Theodore M. Hesburgh, C. S. C. Department of Seamanship and Navigation, Department of Electrical Engineering, Department of Foreign Languages, Department of Aviation, including Naval Air Facility.

Committee III: Representative Richard E. Lankford, Dr. Deane W. Malott, Dr. J. E. Wallace Sterling. Department of Ordnance and Gunnery, Department of Marine Engineering, Department of Mathematics, Department of English, History, and Government.

Committee IV: Representative Carl T. Durham, Mr. William G. Saltonstall. Morale, Discipline, Ethics, Health, Entrance Requirements. Physical Education and Athletics. Extracurricular Activities. Department of Hygiene, Department of Physical Education, Library, and Museum.

INTRODUCTION

The Board of Visitors attempted to view everything in its visitation against the background of the Naval Academy's important and difficult mission. The Naval Academy is a very complex institution with a multitude of purposes that, at first glance, seem almost impossible of achievement in one institution during the course of 4 years. The midshipman is expected to obtain a basic professional education as a future naval officer. Moreover, he is expected to become knowledgeable in many departments of science and engineering, both from the theoretical and practical point of view. The midshipman is also exposed to the humanistic subjects that are part of the education of the whole man. He is likewise expected to be proficient in a multitude of physical endeavors, and lives under a rigorous disciplinary regime that is geared to moral development. In a word, the Naval Academy is expected to impart simultaneously several different forms of education, any one of which would in itself be considered by most educators to be a substantial task for 4 years' work.

Perhaps the greatest compliment that the Board of Visitors could pay to the superintendent, the staff, faculty, and midshipmen at the Naval Academy is to remark that in large measure these many purposes are being achieved. This is undoubtedly due to the traditional devotedness and spirit of hard work that has long characterized the staff and students at the Naval Academy. The observations and recommendations of the Board in this present report are made in a spirit of facilitating the ever more difficult task at hand, and of improving the facilities, procedures, and policies that bear upon the accomplishment of the Naval Academy's mission of producing naval officers characterized by knowledge, skill, professional competence, and character.

The Board, through its various committees, visited all of the departments of the Naval Academy and inspected all of its facilities. As a result of this inspection, and the discussions that accompanied our visit, we would like to record here a few observations. As a general policy, we have attempted to limit our recommendations, in an effort to highlight what we believe to be most important.

FACULTY

The faculty of the Naval Academy includes both officers and civilians. The Departments of Ordnance and Gunnery, Seamanship and Navigation, and Aviation are staffed entirely with officers. The other departments include a substantial or preponderant complement of civilians.

With regard to civilian faculty the Board offers the following observations and suggestions:

The sound policy of granting sabbatical leave is, in practice, likely to be inoperative unless the Bureau of Naval Personnel makes provision for filling the faculty allowance at the Naval Academy well in advance of the commencement of each academic year. This will require additional naval-officer assignments if there are shortages in the civilian faculty. The current faculty allowance of 475 is considered to be an absolute minimum for effective instruction. Measured by the standards employed in most institutions of education a faculty of 527 would be required at the Naval Academy.

The difficulty of recruiting competent faculty, particularly in the engineering departments, is intensified by the fact that recruitment is becoming more competitive among academic institutions as well as between academic institutions and industry. Funds should be made available at the Academy for the purpose of paying the expenses of selected candidates to visit the Academy, or of Academy faculty members to visit appropriate civilian institutions of higher education for purposes of recruitment.

The Board considers that the Naval Academy should conform to accepted civilian practices and urges strongly that funds be budgeted to make the sabbatical leave policy operative and to enhance the opportunity for successful recruitment of faculty.

The Board also ventures the observation that a program of recruitment for civilian faculty might be more effectively administered if this responsibility were given sharper and more precise focus, for instance by placing it more squarely on the shoulders of the educational adviser to the superintendent.

The Board would also encourage continuation of attention to the supply of travel funds whereby members of the civilian faculty may be able to attend professional meetings.

While the present salaries of civilian faculty members at the Naval Academy would be adequate on a 9-month basis, it is the opinion of the Board that on the current 12-month basis these salaries would need to be increased by 25 percent to be competitive with academic salaries generally.

CURRICULUM

The Board would like to register the fundamental conviction that the curriculum could very fruitfully be subjected to an overall evaluation in the near future. Technical developments in the field of electronics, nuclear engineering, and weaponry are developing at such a rapid rate that continual additions to the ciriculum are rendering it cumbersome and unmanageable. A current overall evaluation might be based upon the total mission of the Naval Academy from an educational point of view: what it expects to produce educationally in its graduates. An evaluation might reconsider the possibility of a basic professional, humanistic and scientific education for the future naval officer, that would leave specialization for special courses after the midshipman is commissioned.

This critical evaluation of the curriculum cannot possibly be made during the few days of annual visitation by the Board of Visitors. The Board might consider such an evaluation after it has been made by competent educators, but the evaluation itself would involve months of intelligent and critical study by the faculty of the Naval Academy and outside educational experts.

ADMISSIONS

It appears that the Naval Academy is able to be increasingly selective in its admissions. We recommend that the highest physical as well as academic standards be fully met. We urge consideration of a limited number of visits to secondary schools each year by a representative from the Naval Academy in order to attract even stronger candidates and in order to familiarize public and private schools with the Naval Academy and its requirements. Further provisions may be necessary to encourage particularly able students to come to the Naval Academy without the necessity of wasteful repetition.

LIBRARY

The shelf space is now virtually all in use, but inventory and analysis may result in the elimination of some unused books and in the acquisition of needed space. Additional microfilm equipment will help on this score. Term papers put an increasing demand on facilities and staff. Branch libraries in the new wings of Bancroft Hall may reduce some pressure. The Naval Academy has an adequate rather than excellent college library. To become excellent it needs more book funds, space, and professional personnel.

HYGIENE

Dispensary and hospital equipment appears to be excellent. The staff has sufficient freedom to attend professional meetings and share its specialized experience with others. Both outpatient and inpatient loads appear appropriate for an institution of this size. The hygiene course serves a good purpose and gives this department adequate opportunity to consult with midshipmen.

PHYSICAL EDUCATION

The Government-supported program of intramural sports, which includes about 2,400 contests a year, is considered of major importance. Every midshipman, besides his

[1] The Chairman of the Committee on Armed Services of the Senate and the Chairman of the Committee on Armed Services of the House of Representatives, or their designees, are, by law, ex officio members of the Board.

[2] Senator SALTONSTALL was designated by Senator RUSSELL to serve on this year's Board.

[3] Representative DURHAM was designated by Representative VINSON to serve on this year's Board.

curricular work in physical education, participates in intramural sports at least 3 days a week between 4 and 6:30 p. m. Coaching and refereeing are done by midshipmen except in the case of football coaching. The program of varsity sports is not supported by Government funds but by the Naval Academy Athletic Association.

Completion of new athletic and drill areas—new fields and the superb field house—will provide much needed facilities. Improved lighting for outdoor athletic fields is an absolute necessity to enable the Naval Academy to carry out a comprehensive intramural sports program.

PHYSICAL PLANT

The Board was greatly impressed with the urgent need for the construction of new facilities at the Naval Academy to fulfill its present mission. In order to educate and develop midshipmen into capable junior officers of the fleet, the Board strongly recommends expediting the new construction outlined in the master development plan of the Naval Academy totalling $68,154,000. The Board noted that $11,733,000 of that total has been or is presently being expended for new construction and represents roughly 17 percent of the overall program. The Board feels that the accomplishment of this entire program should be expedited, as these facilities are required now to meet the present-day enrollment of 3,600 midshipmen.

The Board finds that grave deficiencies still exist in the housing of midshipmen and single enlisted personnel; in academic facilities; in administrative and service facilities; and in rehabilitation of utility distribution systems.

THE MOST URGENT NEED

The most important project presently included in the fiscal year 1958 and fiscal year 1959 programs is the construction of two additional wings to Bancroft Hall in order to relieve the grossly overcrowded conditions now existing. With a designed normal capacity of 2,500 midshipmen, Bancroft Hall's facilities are stressed beyond all reasonable limits to handle today's on-board enrollment of 3,600 midshipmen, 1,100 over capacity. It is noted that in the fall of 1956 approximately 3,800 midshipmen were housed in Bancroft Hall.

With the intensity of academic work required of the midshipmen, the housing of more than two to a room is considered detrimental to normal study. If the Navy is to maintain its present average enrollment of midshipmen at the Naval Academy, Bancroft Hall should be enlarged at the earliest possible time.

It was the unanimous opinion of the Board that congressional authorization for the entire project for 2 additional wings to Bancroft Hall should be requested in the fiscal year 1958 program in the total amount of $15,171,000 and that appropriations should be requested in fiscal year 1958 and fiscal year 1959 as needed.

OTHER NEEDED FACILITIES

Academic facilities at the Naval Academy are inadequate, in many respects, to handle 3,650 midshipmen. An additional academic building is required. For example, the department of mathematics is housed at the present time in converted storage buildings. Such an arrangement can be considered satisfactory only on an interim basis.

Regarding academic equipment, it should go without saying that in such departments as engineering where scientific advances proceed rapidly, expenditures for new equipment will need continual approval. Teaching aids are in general well provided and maintained. The outstanding deficiency was noted at the naval air facility. The seaplanes in use for air indoctrination of midshipmen are antiquated, obsolete, and absolutely uninspiring for prospective naval officers in the air age. Incidentally, the absence of any up-to-date air facility might at least be presently compensated by more effective use of carriers during the summer cruise.

The housing of single enlisted personnel, attached to the Naval Academy, aboard U. S. S. *Reina Mercedes* and APL-31, is considered inadequate, unsuitable and far below the standard established by the Secretary of Defense for short-type barracks. Upon completion of the fill project, it is strongly recommended that funds be provided for the construction of suitable barracks to house these personnel ashore.

Administrative and service facilities should be improved. The present Administration Building is overcrowded, poorly arranged and should be air conditioned for summer operation. The Public Works Department has no satisfactory shops or storage facilities. Similarly, the Supply Department has inadequate storage facilities, utilizing for the most part quonset huts and other temporary structures now well past their useful life. The need for permanent and well-designed facilities for these two departments is of growing importance.

The need for major rehabilitation of the utilities systems has long been overlooked because of the requirement for items of more pressing importance. The present age and state of deterioration of the utilities systems, both outside and inside buildings, have convinced the Board of the need for prompt action on this project. The entire operation of the Naval Academy is dependent on the proper operation of these utilities systems.

MAINTENANCE

The Board reviewed in detail the facilities and personnel available at the Academy for maintenance, upkeep and repair. As pointed out previously, a need exists for adequate shop and storage facilities for the Public Works Department. The Board feels that the provision of adequate facilities, consolidated in one general working area, will greatly improve efficiency of operation and may result in a decreased requirement for maintenance personnel. However, pending the construction of adequate facilities, the Board feels that the number of maintenance personnel at the Naval Academy is inadequate to maintain this institution in a condition consonant with its importance. It is noted that the number of personnel available for maintenance purposes at the Academy is actually less than that required to meet navywide standards, as established by the Navy's work-measurement program.

The Board feels strongly that the standard for the Naval Academy should be superior to that expected of the average Navy facility. As pointed out in the report of the 1956 Board of Visitors, during the past 20 years the land area at the Naval Academy has been increased from 202 acres to 478 acres; the building area to be maintained has increased from 2,308,000 square feet to 3,464,377 square feet; and the average enrollment of midshipmen has increased from 2022 to 3684. Yet, at the same time, the number of maintenance employees has decreased from 591 to 585.

This Board finds that a complement of 700 is not only desirable, but is essential in order to maintain properly the buildings and grounds of the Naval Academy. Although strong efforts have been made to obtain additional funds to permit an increase in maintenance complement, the Board finds that the present proposed Naval Academy maintenance and operating budget for fiscal year 1958 is inadequate to permit the necessary personnel additions. This matter should be of serious concern to the Navy Department, for the examples of maintenance set at the Naval Academy for midshipmen influence their ability to measure up to the standards they will be expected to maintain as officers of the fleet. In addition, the Academy is a focal point for foreign visitors of great importance to the Nation as well as for the visiting public.

ATHLETIC FACILITIES

It is noted with pleasure that funds have been provided in the fiscal year 1957 program, and are being requested under the fiscal year 1958 program, to finance the construction of an additional 60.5 acres of land for outdoor athletic purposes. This project, plus the fieldhouse, appropriated for by Congress in the fiscal year 1955 program, will alleviate one of the Academy's major deficiencies, which is lack of indoor and outdoor area for physical development of midshipmen.

The Board was advised that the Naval Academy is presently conducting a campaign to raise funds to construct a suitable stadium from private contributions on land owned by the Naval Academy Athletic Association. This effort is commended. Pending the outcome of this campaign, the Board of Visitors offers no further observation other than to emphasize the great need for the new stadium and the necessity for the early removal of the Thompson Stadium stands.

CONCLUSION

The Board of Visitors wishes to communicate to all of the responsible members of Government the urgency of the task that we have seen in progress at the Naval Academy. As a nation our interest and support have often been directed to the dramatic results of research and development of materials in the interest of national security. However, the Naval Academy is mainly concerned with the development of men who alone can use these new material weapons of defense with intelligence and courage. In the stirring history of our country it is men who have mainly mattered, above and beyond the hardware involved in defense. The Board would, therefore, strongly urge that all legislators and departments involved with appropriations consider the needs of the Naval Academy as belonging to a special category of importance for the future of America.

The Board of Visitors wishes to express its appreciation to the superintendent, Admiral Smedberg, and his associates for their courtesies and for their excellent cooperation.

The Board expresses its appreciation also to Comdr. R. K. Joslin, United States Navy, secretary to the Board, and to the assistant secretaries, Comdr. R. N. Adrian, United States Navy, and Dr. W. S. Shields for their cooperation and assistance.

Respectfully submitted.

J. E. Wallace Sterling, John J. Riley, Deane W. Malott, William G. Saltonstall, David S. H. Howard, Theodore M. Hesburgh, Carl T. Durham, Richard E. Lankford, Peyton Anderson, A. Willis Robertson, Thruston B. Morton, Charles E. Potter, Harold C. Ostertag, Joseph P. O'Hara, R. K. Joslin, commander, United States Navy, Secretary to the Board of Visitors.

As a member of the Senate Appropriations Committee and the Senate Armed Services Committee, I wish to sign this report with the following qualifications:

I strongly believe in the wisdom of improved maintenance at the Academy and the immediate construction of two wings to Bancroft Hall. These improvements are needed due to the increased Academy enrollment. The other new construction, I believe, should be phased in, in accordance with the overall needs of the Naval Establishment, with other necessary Navy construction.

I wish to call attention to the conclusion of the report. We should certainly consider all of these projects of importance to young men who select the Navy and study for a career in it. I believe these needs are among the many important categories for national security.

LEVERETT SALTONSTALL.

UNITED STATES NAVAL ACADEMY,
Annapolis, Md., March 11, 1957.

STATEMENT TO THE BOARD OF VISITORS SUBMITTED BY THE SUPERINTENDENT OF THE UNITED STATES NAVAL ACADEMY

GENTLEMEN: It is a privilege and a pleasure to welcome you to the Naval Academy. Last spring, before reporting as Superintendent, I had the opportunity to visit the Academy while the Board of Visitors was in session. At that time it was my good fortune to meet some of the members of this year's Board and to sit in on some of the Board's discussions. As a result of that experience I look forward with particular interest to the meeting of the present Board and welcome the occasion to discuss with you the Naval Academy's program and its current and future needs.

The last day of your scheduled visit this year marks for me the completion of a challenging year, as it was on March 15, 1956, that I assumed my present duties as Superintendent of the Naval Academy. My initial enthusiasm for this assignment has increased throughout these short 12 months as I have acquired a more intimate understanding of the Naval Academy's needs and have sought solutions for them.

Some of you are thoroughly familiar with the purpose and program of the Naval Academy, having served as members of previous Boards of Visitors. Others of you may not have considered quite so closely the role of the Naval Academy and the measures employed here to carry out its mission. I am sure that the older members of the Board will bear with me as I delineate briefly the philosophy underlying our program.

The Naval Academy exists for the primary purpose of preparing young men for careers in the line of the Navy. There are other programs in the Navy for the development of various special functions likewise essential to the Navy, in medicine, in supply, in law, in theology, in specialized science and engineering, and many other fields often accomplished in cooperation with civilian universities. The Naval Academy, however, is the institution devoted solely to the education and training of young men for the responsibilities of command of ships and aircraft, the function of the line. A graduate of the Naval Academy should be of immediate usefulness as a junior officer aboard ship; he is given the background in professional subjects for development as a shipboard officer, as well as instruction in the fundamentals of naval aviation. This part of our program is accomplished in the professional courses at the Academy and also through the practical experience of the summer cruises and aviation summer, and with this background the graduate enters the school of experience as a junior officer.

The ships and planes in which our officers serve are at the forefront of our country's technological development. With their complicated machinery and equipment, including such items as electronic and atomic devices, they require a broad background of scientific and engineering knowledge. Accordingly, our curriculum includes a large segment of mathematics, the physical sciences, and engineering subjects. The scope of scientific knowledge and the rapid advance of technology are of such magnitude that anything approaching complete coverage is impossible. It is our conviction, however, that a thorough grounding in the fundamentals of such studies will prepare our graduates to understand the new and ever-changing devices they encounter in the fleet, as well as provide them with the background for postgraduate study.

The demands made upon naval officers in such areas as diplomacy, Government, economics, and human relations require that education at the Naval Academy include a substantial background in the social sciences and the humanities. An officer's need for knowledge in such fields becomes increasingly important throughout his career. The Naval Academy curriculum includes, therefore, courses in the social-humanistic area throughout all 4 years of the program.

The development of character is central to our purpose. Officers who will be responsible for the safety of our country, the lives of our citizens and the custody of Federal funds and equipment must be of unimpeachable honor. We endeavor to instill in the midshipmen the highest standards of personal conduct, honesty, integrity, responsibility, and loyalty. The traditions of the Naval Service and of the Naval Academy, the organization of the brigade, the guidance of the officers in Bancroft Hall, and the emphasis on example by all those concerned with the instruction of midshipmen contribute to the accomplishment of this purpose.

Physically, too, our graduates must be prepared for a naval career. Life in the Navy is rugged by comparison with many another profession. Physical conditioning is a necessary preparation for it. The midshipmen have instruction in physical education all 4 years, participate widely in an intramural sports program, and field teams in almost every major intercollegiate sport.

Perhaps even more important than preparing the midshipmen for their duties is the necessity for motivating them for a career in the line of the Navy. This is a vitally important matter, since we do not want to spend 4 years preparing them for such a career and then have them go into something else. For the past several years we have not been able to make our maximum, and necessary, contribution to the line of the Navy because of the requirement, by law, that 25 percent of each graduating class be allowed to accept commissions in the Air Force. This situation will change, however, with the class graduating in 1959. At that time, the percentage that may go into the Air Force or the Army will be reduced to a maximum of 12½ percent. Furthermore, such transfers will be on a basis agreeable to the Secretaries concerned. Since, for almost half a century, 80 percent of the graduates of the Naval Academy commissioned in the Navy have stayed in the Navy until normal retirement, it is apparent that the Academy has been successful in preparing career officers for the naval service. It makes sense, therefore, from the point of view of economics, specific training, and devotion to career that Naval Academy graduates should not be shunted away from the naval profession. We believe that the termination of the contribution of 25 percent of our graduates to the Air Force will enable us to do a better job of motivating the midshipmen toward a career in the Navy line and that the Naval Academy will be better able to achieve its mission of providing the Navy with more career officers.

In providing an undergraduate education as well as professional preparation for a naval career, the Naval Academy must meet the educational standards of other colleges and universities. This past year the Naval Academy was reevaluated by the Middle States Association of Colleges and Secondary Schools, in accordance with that association's policy to review the accredited status of member institutions once every 10 years. It is a pleasure to inform the board that the Naval Academy's accredited status was reaffirmed by the association's commission on institutions of higher education.

CURRICULUM

The curriculum of the Naval Academy is designed to provide a broad and sound basis for the future development of its graduates. The 4-year program is undergraduate in scope. It is characterized by the breadth of its coverage rather than by specialization in any particular branch of study. It contains what we believe to be a highly desirable program of studies for all future naval officers, regardless of what specialization may come later as a result of particular experience and postgraduate study. It reflects the concept that a common basis of understanding is an important ingredient in the preparation of career naval officers. That is one of the reasons the Naval Academy curriculum is a prescribed one for all midshipmen—the only electives being a choice of 1 of 6 foreign languages, and the opportunity to join advanced sections in some departments where they can probe deeper into certain subjects.

The curriculum has a total of 156 semester hours of college work, and leads to a bachelor of science degree. This amount of course work represents about 30 semester hours more than colleges usually require for a bachelor's degree. In addition, the midshipmen have 4 summers of indoctrination and practical instruction including a summer at the Naval Academy prior to the commencement of academic studies in their Plebe (freshman) year, 2 cruises, and 1 aviation summer. All in all, the 4-year program is an exceedingly full one extending into 11 months of each year.

The 156 semester hours of the 4 academic years are devoted to 3 major areas: 50 percent of the curriculum is allotted to the sciences, mathematics, and engineering studies; 25 percent to such fields as history, government, economics, literature and languages; and the other 25 percent is devoted to professional subjects such as ordnance, aviation, and seamanship.

The curriculum is under continuing review by the faculty and administration. Each year the Academic Board reassesses the total 4-year program to determine whether it constitutes the optimum preparation for a career in the naval profession. Such evaluation takes into account the necessity for a broad education in the liberal arts, a fundamental understanding of appropriate engineering studies, and a sound preparation in professional naval subjects. New developments in technology and in the science of warfare render necessary a continual scrutiny of courses in these areas. Within the time limitations of the 4-year program, the Academic Board must compensate for any increase in emphasis in one area of study with a corresponding reduction in emphasis elsewhere in the program.

Recent changes in the curriculum that have been approved by the Academic Board include: A reduction in the time devoted to a course in air operations; shifting the course in fluid mechanics from second class year to third class year in a course titled "Fluid Mechanics and Aerodynamics," with additional time being devoted to aerodynamics; eliminating the course in basic aviation, which was essentially a course in aerodynamics; strengthening the courses in physics and electronics by assigning additional time to them; and introducing accelerated courses in the department of mathematics for the better students in order that they can cover more advanced algebra and differenial equations.

The formal curriculum is supplemented not only by a wide range of extracurricular activities, but also by concert and lecture series. Many of the extracurricular activities, such as the Mathematics Club, the Engineering Club, and the Forensic Activity, provide the midshipmen with an opportunity to satisfy their intellectual curiosity by delving much deeper than the curriculum takes them in subjects of particular interest to them.

Outstanding musicians who participate in the annual concert series contribute significantly to the cultural development of the midshipmen.

In an annual series of lectures by visiting speakers, midshipmen of the first class are privileged to hear important presentations by outstanding officers of the armed services as well as preeminent civilians.

In support of the religious program of the Naval Academy, leading clergymen representing the major denominations are guest preachers at the Naval Academy Chapel on approximately every third Sunday. The Naval Academy Christian Association and the Newman Club, which meet on alternate Sunday evenings, provide a varied program of speakers, religious concerts, and religious films.

SUMMER PROGRAM

Immediately following June week graduation activities the new first and third classes, approximately 1,800 midshipmen, will embark in 1 battleship, 3 cruisers, and 12 destroyers and proceed to Norfolk, Va. There they will be joined by 940 NROTC students, and will participate in the International Naval Review portion of the Jamestown Festival before departing on a 2-month training cruise that will include visits to ports on the east coast of South America, as well as in the Caribbean. In the final phase of their training, gunnery practice will be conducted off Guantanamo Bay, Cuba.

The second class midshipmen will be given amphibious and aviation training. During the first 2 weeks of the summer the entire class will participate in the amphibious training exercise, TRAMID. Subsequent to this, the class will be divided into three groups. Each of these groups will be scheduled for a 10-day carrier cruise. Aviation indoctrination will be given to two of these groups at Pensacola and to the other here at Annapolis and in the Norfolk area. This indoctrination will consist of approximately 8 hours of dual flight instruction, one flight in a two-place jet airplane, a static display and fly-by of new fleet aircraft and various demonstrations designed to round out a knowledge of aviation capabilities and limitations.

The new fourth class will enter during the early part of the summer and will be given indoctrination and basic training at the Naval Academy.

BRIGADE OF MIDSHIPMEN

A sponsor program for the fourth classmen was established last fall. Each fourth classman now has an officer or a civilian professor to whom he can turn for help or advice in the friendly atmosphere of a home. It is believed that the informal relationship resulting from this program will be of value socially, educationally and psychologically, and will provide valuable guidance to the midshipmen in their first year at the Naval Academy. The program is on a trial basis this year, but the response of both the midshipmen and the sponsors, as well as the parents of the midshipmen has been generally very favorable and in all probability the program will be continued.

In an attempt to create among the midshipmen an increasing interest and pride in a higher quality of academic performance three new measures have been established. First—the superintendent's list. This corresponds in many respects to the dean's list used in many colleges, except that here the midshipmen are also required to meet certain prescribed standards in conduct and aptitude. About 15 percent of the brigade attain the superintendent's list. Secondly—academic competition has been added to the factors that determine the winner of the intra-brigade competition, the color company. The number of midshipmen that achieve the superintendent's list, and the academic average of each class group within each company form the basis for this part of the competition. Finally—standards of academic proficiency for midshipmen representing the Naval Academy on trips away from Annapolis have been established. The requirements vary with the duration and nature of the trip. If no loss in academic time is involved and the competition is not professional or academic, the midshipmen are required only to have a satisfactory current average in each subject. At the other extreme, a midshipman must have high academic grades, to substantiate his ability creditably to represent the Naval Academy, in order to qualify to make a trip in which he would participate or compete in professional or academic subjects.

As recommended by the Board of Visitors, Congress enacted legislation, effective June 25, 1956, to provide that enlistment contracts or periods of obligated service of members of the Armed Forces would not terminate by reason of appointment as a midshipman at the Naval Academy. Accordingly, any ex-enlisted midshipmen who are separated from the Naval Academy for any reason, other than medical discharge or acceptance of a commission, will revert to their previous enlisted status. The time spent at the Academy is credited toward their obligated enlisted service. Resignations from former enlisted men of the armed services have declined from 25 last year to 11 this one. It is believed that this decrease reflects, to some extent at least, the effect of the new legislation.

PUBLIC RELATIONS

During the recent Christmas season, we carried out for the second time the program called Operation Information. This is a method whereby approximately 100 selected first classmen go home on Christmas leave prepared to tell the people of their own hometown areas what their life and work is like at the Naval Academy. The midshipmen make their own arrangements and engagements to speak.

This project has been well received, many midshipmen having made appearances on radio and television, and it is anticipated that Operation Information will be carried out annually in the future.

Another program of informing the public about the Naval Academy has recently been started. This is the television series called Men of Annapolis, a series of 39 half-hour dramatic shows being presented on a nationwide basis. Filmed with the Academy as the background, the series will reach a vast audience and it is hoped that it will prove to be a most effective method of telling the Naval Academy story.

The Naval Academy continues to cooperate with secondary schools throughout the country in their college day programs. Where representatives of the Naval Academy are unable themselves to attend such programs, local naval district commandants and recruiting officers are requested to cooperate. This undertaking, too, has proved to be fruitful and the response gratifying.

ENTRANCE EXAMINATIONS

On December 21, 1956, the Navy Department approved a recommendation of the Academic Board that the Naval Academy utilize the scholastic aptitude test and certain achievement tests of the College Entrance Examination Board as its entrance examinations. These will be required in lieu of the specially prepared entrance examinations employed heretofore. The change will be effective with the class to enter in 1958 and it is in keeping with arrangements already in effect at the Military and Air Force Academies. Thus, the three major service Academies will require entrance tests that are generally recognized as the nearest approach to a national standard in the field of testing for entrance to college.

The adoption of College Entrance Examination Board examinations should prove advantageous from the points of view of:

The candidate for appointment—who could use one set of examinations for entry into any of the service Academies in the event that he had multiple appointments (as many candidates have), or for entry into a civilian college if he failed to get into a service Academy.

The Naval Academy and the Navy: Because of the advantages to the candidate outlined above and the fact that less school time would be lost in taking the examinations, there should be more candidates taking the examination and as a result greater selectivity and better students.

The general public: Which recognizes the College Entrance Examination Board tests as proven standards for college level entrance examinations.

With this change we now closely approach the recommendation made in the final report of the Military Education Panel to the Service Academy Board (Stearns-Eisenhower Board) which is quoted as follows:

"Mental examinations should be of college entrance level and should be uniform for all candidates of all academies."

FACULTY

Since the first of October the civilian faculty has been included within the provisions of the Civil Service Retirement System. This represents a considerable improvement over the separate Naval Academy retirement plan which had been in effect for the past 20 years. More flexible and more favorable retirement provisions, and greater protection for dependents are now available to the civilian faculty.

As recommended by last year's Board of Visitors, the Navy Department has granted to the Superintendent the authority to approve travel of faculty members to professional meetings. This will make possible a more expeditious handling of requests for attendance at meetings, as it eliminates the necessity of referring each individual request to the Secretary of the Navy for approval, and it will facilitate both faculty and administrative planning of such attendance throughout the academic year.

Since the meeting of last year's Board, sabbatical leaves have been approved by the Navy Department for the civilian faculty. The plan provides for sabbatical leave at half pay for a full year or at full pay for 6 months. Such leave will not be automatic for any specified period of faculty service but will be granted on the basis of projects submitted and on recomemndation of the Superintendent to the Secretary of the Navy. In its report last year, the Board of Visitors urged the establishment of a sabbatical-leave program at the Naval Academy.

As part of a reorganization of Naval Academy Standing Committees, a Committee on Civilian Faculty Affairs was created this fall. This committee, which will supplement the functions of the Committee on Pay and Promotion, will concern itself with matters relating to the prestige, dignity, morale, obligations, responsibilities, and conditions of employment of the civilian faculty, and will recommend to the Superintendent such changes as are deemed desirable in civilian faculty policies. This new committee is composed of elected representatives of departments having civilian faculty.

The Academic Council has recently completed a thorough study of the instructional and noninstructional duties of the faculty in order to determine the numbers of faculty members required for the various academic departments. The results of the council's study should prove useful in future personnel planning.

For the second consecutive year, new instructors reporting to the Academy participated in an instructor-orientation program held immediately before the opening of the fall semester. Ninety-three new instructors, almost all of them naval officers, attended this year's 2-week program, which consisted of 11 lectures and 17 hours of practice teaching under the guidance of experienced teachers. This course has been enthusiastically received and is considered to be a most worthwhile program.

In addition to the orientation program and the departmental programs for new instructors, provision has been made this year for the attendance of some 40 officers at graduate courses in direct support of their instructional duties. Such courses have been under extension arrangement or by commutation to nearby universities.

NEW PLANT FACILITIES

The comprehensive program for providing additional plant facilities at the Naval Academy to accommodate properly the present and planned enrollment of 3,650 midshipmen consists of 20 projects, totaling $58,032,000. The 2 major projects in the program, desired in the fiscal year 1959 budget, are (1) 2 additional dormitory wings for Bancroft Hall to house 1,100 midshipmen, and (2) the Naval Academy air facility. It should be noted that this entire program is based on adequately supporting 3,650 midshipmen. This is an average figure for a year. This year we commenced the academic year with 3,799 midshipmen literally stuffed into Bancroft Hall. No major increase in enrollment is expected in the immediate future.

In the fiscal year 1957 military construction program, the Academy received funds for the gain of 60 acres of land by hydraulic fill. Plans and specifications are completed and construction work will start in March 1957. Approximately 2 years will be required for completion.

In the fiscal year 1958 military construction program, now before Congress, is a project for $3,200,000 to provide funds for starting the foundation of the two wings of Bancroft Hall and necessary alterations to the powerplant. If these funds are provided in the summer of 1957, we will save about 21 months in the final completion of this essential $16,782,000 project. Advance planning has been completed, final contract plans and specifications are under preparation and the construction of two prototype rooms in the third wing of Bancroft Hall is underway.

In addition, the project for the John H. Towers Airfield, a Naval Air Station whose mission includes Naval Academy support, is contained in the fiscal year 1958 program at a cost of $4 million. The exact location of this field is still undetermined. The present request for $4 million is to support cost of preparation of plans and specifications, real estate acquisition, rights-of-way and easements.

DORMITORY FACILITIES

Bancroft Hall is designed for a maximum capacity of 2,850 midshipmen and a normal capacity of 2,500 midshipmen. There are 1,328 rooms, of which 1,149 are designed as 2-man rooms. The remainder can accommodate 1, 3, or 4 men each. With an average planned brigade strength of 3,650, it is necessary to assign additional occupants to 60 percent of the 2-, 3-, and 4-man rooms. With the addition of extra bunks, lockers, and desks, there is overcrowding with resultant interference between roommates and detrimental effect upon studies and morale.

Room assignment for academic year 1956–57 with a brigade strength of 3,754:

Type room	Total each type	Number occupied by—					
		1 man	2 men	3 men	4 men	5 men	6 men
1 man	15	5	10				
2 men	1,149		332	800	17		
3 men	115			95	20		
4 men	49				31	15	3

As stated above, the advance planning report concerning construction of the two additional wings to Bancroft Hall has been submitted and funds in the amount of $3,200,000 are being requested for fiscal year 1958 to prepare the plans, specifications, construction of foundation and modification of facilities to provide the additional utilities that will be required.

AIR FACILITY

The ability to conduct an air indoctrination program required in the education and training of career naval officers is increasingly hampered each year by the obsolescence or lack of facilities.

The principal problem is the lack of a modern airfield which can be made an integral part of the Naval Academy. Again this year the Naval Academy has requested provision of airfield facilities upon which a complete summer term and academic year aviation program can be formulated. Meanwhile, the Naval Academy is continuing a year-to-year program incorporating the use of variously available facilities during the second class summer period and the use of the N3N seaplanes during the academic year. During the summer of 1957 the support of the Naval Air Training Command facilities at Pensacola will provide a desired increase in quality and quantity of flight time and other aviation orientation projects.

The Academy has also requested replacement of the N3N aircraft with a modern propeller-type amphibian. It is understood that implementation of replacement plans will be withheld pending further information on Academy airfield plans in the fiscal year 1958 budget.

MAINTENANCE OF PLANT FACILITIES

During the past year, a major effort has been devoted to improving the maintenance, repair, and rehabilitation of structures, and utility distribution systems, most of which are over 50 years old. During the present fiscal year, work of a repair or rehabilitation nature totaling $455,000 has been accomplished. However, in spite of this major expenditure, the backlog of deferred maintenance has not been overcome because of the lack of sufficient maintenance personnel to keep abreast of day-to-day maintenance. In the utility field alone, needed major rehabilitation of distribution systems, both underground and within buildings, totals $1,768,000. The 1956 Board of Visitors recommended that the present maintenance force be increased from 585 to 664 maintenance employees, with a desirable complement of 700. Budget requests have been submitted by the Academy to the Navy Department justifying the need for 700 employees in the fiscal year 1958 budget. Navy Department approval was obtained, but the final outcome still depends on Department of Defense and Bureau of the Budget review, and action by Congress. It is very doubtful that the final action will provide for any significant improvement.

In addition to the needed increase in maintenance personnel and to the abovementioned rehabilitation projects for the utility systems, additional rehabilitation projects totalling $1,128,000 were submitted separately as special projects in the fiscal year 1958 budget for financing under maintenance and operation funds.

STADIUM

The southwest stands of the present stadium were initially constructed in 1912 with contributions from private persons. The northeast stands were added in 1924, giving a seating capacity of about 16,000. At present, parking facilities available in the vicinity of the stadium are extremely limited and entirely unsatisfactory.

The location of Thompson Stadium is such that the front of the new gymnasium will be immediately adjacent to the rear of the southwest stands. This fact would detract considerably from the appearance of the building. In addition, the long-range development plans for the Naval Academy call for the construction of two new wings to Bancroft Hall on Farragut Field. One of these wings will be in close proximity to the northeast stands of the stadium. The retention of Thompson Stadium in its present site, in view of current and contemplated new construction, will detract immeasurably from the beauty of the Naval Academy. Further, the land is required for our intramural outdoor athletic program.

In order to alleviate the above unsatisfactory conditions, a survey for the removal of the southwest stands of Thompson Stadium has recently been initiated. In addition, the Naval Academy Athletic Association plans to start construction of a new Navy-Marine Corps Memorial Stadium this spring, financed by nonappropriated funds. The proposed stadium will seat 31,000 spectators, have parking for over 8,000 cars, and will cost approximately $3,100,000. The association has title to the site, 101 acres of land which has been rough graded with storm drains installed, and has $1 million earmarked for this construction. The remaining $2,100,000 will have to be raised from Naval Academy alumni and friends of the Navy and Marine Corps. A drive for these funds was initiated in early January of this year.

RECREATIONAL FACILITIES

The previously mentioned land reclamation, through the filling in of Santee and Dewey Basins, and the additional area to be made available through the removal of the present football stands, are urgently needed to provide athletic and drill areas. The critical shortage of outdoor space for recreational purposes has been a matter of deep concern at the Naval Academy. The overcrowding of present recreational facilities has been deplored by previous Boards of Visitors.

Funding for adequate lighting facilities for presently existing athletic fields, as well as newly acquired areas, is also a necessity for an adequate physical-education program. Last year's board pointed out the seriousness of this problem.

CONCLUSION

In concluding these remarks, I should like to underline for the members of the Board of Visitors those physical needs of the Naval Academy which I consider of utmost importance to the effective accomplishment of our mission.

First, the addition of two wings to Bancroft Hall to relieve badly overcrowded dormitory facilities.

Second, provision of adequate funds and personnel to accomplish accumulated and current maintenance.

Third, acquisition of additional land for athletics, drill, and recreation through hydraulic fill and the removal of the dilapidated Thompson Stadium.

Fourth, provision of a suitable air facility for the instruction of midshipmen.

W. R. SMEDBERG, III.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. MARTIN of Iowa:

Address entitled "The Road Ahead for Business," delivered by him before the annual convention of the Junior Chambers of Commerce of Iowa at Waterloo, Iowa, on May 4.

By Mr. MARTIN of Pennsylvania:

Address delivered by him at the convention of the International Brotherhood of Boilermakers and Blacksmiths, Bellevue-Stratford Hotel, Philadelphia, on May 7, 1957.

By Mr. JAVITS:

Address delivered by him at dinner commemorating ninth anniversary of independence of Israel.

By Mr. HRUSKA:

Article entitled "Mrs. Abel, Ex-Senator, Named Mother of 1957," published in the Washington Evening Star of May 7, 1957.

JOSEPH R. McCARTHY—A GREAT AMERICAN

Mr. MALONE. Mr. President, Joe McCarthy was a great American. He believed, as I do, that any man refusing to take the oath of allegiance to the United States of America or any man who hid behind the fifth amendment when asked if he had ever been disloyal, did not belong on the public payroll.

Mr. President, the censure of Senator Joseph McCarthy by his colleagues in the absence of an allegation that he had ever violated any rule of the United States Senate, was a very dangerous precedent. It was the first tangible move to destroy the investigative power of this great body. It was accomplished under an emotional strain, comparable to a war hysteria.

The precedent could not have been established under normal conditions. It is a dangerous precedent, and if followed hereafter, any Member of this distinguished body can be censured when any other Member can be persuaded to submit a resolution looking to that end, provided the emotion and hysteria of the moment can be aroused to the point of securing the necessary majority vote on this floor.

Mr. President, the whole proceedings relating to the censure of Senator Joseph McCarthy should be expunged from the permanent RECORD; and to that end the senior Senator from Nevada will offer such a resolution, unless the sponsors of the movement in the first instance offer the resolution within a reasonable time.

DEBATE ON RESOLUTION OF CENSURE, NOVEMBER 16, 1954

Mr. President, I ask unanimous consent that the remarks I made on this floor on November 16, 1954, be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

[From the CONGRESSIONAL RECORD of November 16, 1954]

Mr. MALONE. Mr. President, I have in my hand a copy of Senate Resolution 301, which reads as follows:

"*Resolved*, That the Senator from Wisconsin [Mr. McCarthy] failed to cooperate with the Subcommittee on Privileges and Elections of the Senate Committee on Rules and Administration in clearing up matters referred to that subcommittee which concerned his conduct as a Senator and affected the honor of the Senate and, instead, repeatedly abused the subcommittee and its members who were trying to carry out assigned duties, thereby obstructing the constitutional processes of the Senate, and that this conduct of the Senator from Wisconsin [Mr. McCarthy] in failing to cooperate with a Senate committee in clearing up matters affecting the honor of the Senate is contrary to senatorial traditions and is hereby condemned.

"SEC. 2. The Senator from Wisconsin [Mr. McCarthy] in conducting a senatorial inquiry intemperately abused, and released executive hearings in which he denounced, a witness representing the executive branch of the Government, Gen. Ralph W. Zwicker, an officer of the United States Army, for refusing to criticize his superior officers and for respecting official orders and executive directives, thereby tending to destroy the good faith which must be maintained between the executive and legislative branches in our system of government; and the Senate disavows the denunciation of General Zwicker by Senator McCarthy as chairman of a Senate subcommittee and censures him for that action."

LETTER TO THE CHAIRMAN

Mr. President, on November 15, 1954, a member of the select committee to study censure charges against the junior Senator from Wisconsin addressed a letter to the chairman of the select committee, in which he said:

"UNITED STATES SENATE,
"SELECT COMMITTEE TO STUDY CENSURE CHARGES PURSUANT TO SENATE ORDER ON SENATE RESOLUTION 301,
"*November 15, 1954.*

"The Honorable ARTHUR V. WATKINS,
"*Chairman, Select Committee To Study Censure Charges, United States Senate.*

"MY DEAR MR. CHAIRMAN: The letter which Secretary Stevens wrote late Saturday, and which you delivered to me yesterday (Sunday) afternoon responding to the questions which I asked him at the conference in your office earlier Saturday afternoon, considered with the material in the two letters which he brought to your office, together with the prior evidence in the matter, convinces me that it would be wrong to censure Senator McCarthy on the second count—the Zwicker affair.

"Therefore, I shall not vote for it."

Mr. President, I ask unanimous consent that the part of the letter to the chairman from the distinguished Sentaor from South Dakota which I have marked in the margin be printed in the RECORD at this point.

There being no objection, the portion of the letter was ordered to be printed in the RECORD, as follows:

"You recall that after reading the McCarthy letter which Secretary Stevens brought in Saturday, I asked: 'When was the letter actually received?' and 'What consideration was given to it?'

"After the conference, I reread not only the testimony before our committee on the Zwicker matter but also the original Peress testimony before Senator McCarthy in New York City. That hearing ended in New York City at noon on Saturday, January 30, on a quiet and sort of incidental question by Senator McCarthy, 'You haven't been asked to resign, have you?'

"A short exchange apparently alerted both parties and then a foot race began—by Peress on Monday, February 1, to get immediate action on his discharge, by McCarthy to get a court-martial instituted before Peress got out of the jurisdiction of the Army.

"Secretary Stevens gives the first positive evidence as far as I know that Senator McCarthy's letter of February 1, was delivered to his office by messenger that same Monday, and made known 'to the responsible Army staff.'

"Further, that it was reviewed—presumably against the information which General Zwicker relayed through his immediate superior, Chief of Staff, First Army, New York, the same Monday that Peress had asked for immediate discharge instead of the previously agreed upon date.

"Mr. Stevens' reply to my second question is that the McCarthy letter was then reviewed and that 'it was concluded that there was no additional evidence to require modification of the prior determination of the Peress case * * * and that the best interests of the United States would be served by his prompt separation.'

"So, the discharge was executed and Peress was released Tuesday afternoon, February 2. Mr. Stevens arrived in Washington on his trip back from Japan late on the afternoon of February 3.

"This proof that an Army staff at the Pentagon did decide to let Peress slip out of their grasp after the issue was directly and timely raised throws into new focus a whole set of dates and events prior to the Zwicker hearing. It goes far toward explaining Senator McCarthy's conduct on February 18, when Brigadier General Zwicker, the representative supplied by the Army under wraps was unable to pinpoint the persons responsible for giving more consideration to a request from a false-swearing Communist seeking to flee from the Army's jurisdiction than to a suggestion from the chairman of a Senate investigating committee that court-martial proceeding be immediately instituted."

PROVISION FOR CENSURE OR EXPULSION

Mr. MALONE. Mr. President, the Constitution of the United States, in article I, section 5, provides that "each House may determine the rules of its procedure, punish its Members for disorderly behavior, and with the concurrence of two thirds, expel a Member."

Mr. President, that is the only reference the Senator from Nevada is able to find in the Constitution of the United States relative to the censure or expulsion of a Member.

Mr. President, other than the charge relating to the "Zwicker affair" designated by the distinguished Senator from South Dakota [Mr. CASE], there is left only the charge of abusing the subcommittee "and its members who were trying to carry out assigned duties, thereby obstructing the constitutional processes of the Senate, and that this conduct of the Senator from Wisconsin in failing to cooperate with a Senate committee in clearing up matters affecting the honor of the Senate, is contrary to senatorial traditions and is hereby condemned."

Mr. President, I find no provision in the Constitution of the United States or in the rules of the Senate for any such procedure, granting, however, that the Senate, no doubt, by the required number of votes, can do anything it decides to do to a Member.

On November 8, 1954, at the beginning of this debate, the Senator from Nevada said in the CONGRESSIONAL RECORD, volume 100, part 12, page 15848, in a debate with the majority leader of the Senate:

"The Senator to whom the censure is directed is only a whipping boy. The objective is and has been to destroy the investigative power of the Senate."

A WHIPPING BOY

Mr. President, on November 12 the Senator from Nevada further stated in a debate with the distinguished majority leader, in the CONGRESSIONAL RECORD, volume 100, part 12, page 15983:

"The senior Senator from Nevada feels that the junior Senator from Wisconsin is merely the whipping boy in this procedure. He feels that the real objective from the very beginning has been to destroy the investigative power of this body.

"ESTABLISH THE PRINCIPLE—WHO IS NEXT

"By pinning the spotlight on a personality the public can be divided. You could not so easily divide public opinion on the principle involved.

"The present procedure or the next accusation, once the principle is established, could be the chairman of the Appropriations Committee [Mr. BRIDGES] or the chairman of the Committee on Rules and Administration [Mr. JENNER] or the distinguished majority leader."

Mr. President, if we are stepping out and beyond the Constitution of the United States and the rules of the Senate to censure conduct that does not seem proper to some Member of the Senate, it will be a very wide field, I promise the President of the Senate.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD portions of the debate between the distinguished majority leader and the senior Senator from Nevada.

There being no objection, the portions of the debate were ordered to be printed in the RECORD, as follows:

"Mr. KNOWLAND. I yield.

"Mr. MALONE. I would state at this point that we are following the procedure of legislative bodies wherever dictatorships have been established.

"We are nibbling at the investigative power of the Senate by censuring any Senator who seeks to investigate any procedure or act, asking questions distasteful to a witness.

"NO ALLEGATION OF VIOLATION OF A SENATE RULE

"If the distinguished Senator from California will further yield, I will say that I have heard no accusation made on the floor of the Senate, or at the hearings, or at the time the allegations were filed, that the Senator on trial ever violated a rule of the Senate.

"I understand that the Senate is the judge of its own Members, and can decide whom it will seat in the Senate. The Senate could expel the senior Senator from California or the senior Senator from Nevada, if it so deeired, if it had the votes with which to do it, regardless of the nature of the charges.

"NO CENSURE UNLESS A SENATE RULE VIOLATED

"However, the Senate has yet—over a period of 175 years—to set a precedent of censuring a Senator unless he has violated a rule of the Senate.

"Senators have been tried and censured—and they have faced expulsion, but no Senator has ever been censured except on an allegation and conviction that he violated an established rule of the Senate.

"Therefore, if we proceed in the matter before the Senate on the theory that we will later adopt a rule which the Senator in question would have violated if it had been a rule of the Senate at the time of the commission of the alleged act, that is quite another matter.

"There will be, I may say to the distinguished majority leader, some serious debate before any such proposed rule will be adopted in any case."

OUTSIDE CONSTITUTIONAL JURISDICTION OF THE SENATE

Mr. MALONE. Mr. President, the select committee has recommended action by the Senate which, in the opinion of the senior Senator from Nevada, is clearly outside the constitutional jurisdiction of this body.

NO PUBLIC SENTIMENT IN WASHINGTON

Understand, Mr. President, that I have no feeling for or against the select committee. I believe it made a mistake, and I believe the Senate made a mistake in directing the committee by not specifying that the members of the committee should go home for a few weeks before holding hearings in Washington, because I believe, and have so stated on the Senate floor and elsewhere, that this is the most dangerous town in the United States of America to the United States of America, because there is no public opinion in Washington—there is no one here except the people who work for the Government or works for someone who works for the Government or the folks who sell something to someone who works for the Government.

So that if we are here more than three consecutive months without going home or associating with the producers of the Nation we think that what we are hearing is public sentiment.

There is no public sentiment in Washington. So that if the committee is to be censured for its action, the Senate must shoulder some of the blame for not specifying that they must go home for a few weeks and get their feet on the ground, thereby regaining their balance by association with the people who still revere and depend upon the Constitution of the United States and the Bill of Rights, and who still believe in the dignity and the integrity of the United States Senate.

Typical of the wires and mail that I am receiving from my constituents in my State of Nevada is the wire received today from Avery Stitser, publisher of the daily Humboldt Star at Winnemucca, Nev.:

"Re your letter November 13. Continue your fight for the enforcement of the cloture rule of the United States Senate. In this present debate, in my opinion, the Senate is working toward its own destruction. Am behind you in your endeavors to halt such destruction."

Mrs. Avery D. Stitser is a typical independent American editor of a newspaper in a farming, livestock, and mining area—her job is to inform the residents of Humboldt County, Nev., on local, national, and international affairs, and that she does in a very independent and thorough manner.

Avery Stitser is a typical editor of my State—she prints the news of the day, taking orders from no one.

CENSURE REPREHENSIBLE CONDUCT

The committee's conclusion in its consideration of category V, the Zwicker allegation, is that "the conduct of Senator McCARTHY toward General Zwicker was reprehensible."

It adds that "for this conduct he should be censured by the Senate."

What kind of conduct? Why, "reprehensible conduct," and reprehensible only.

Dictatorship may punish legislators for conduct which dictators consider reprehensible, but there is no provision in the Constitution of the United States that grants anyone that power.

The Constitution of the United States is specific on what ground either House may punish a Member. Article I, section 5, states that each House may punish its Members for disorderly behavior, and that is the only constitutional ground on which they can be punished by their colleagues.

NO FINDING OF DISORDERLY BEHAVIOR

The select committee made no allegation of disorderly behavior against Senator McCarthy. It made no finding of disorderly behavior. It said, on the other hand, that in its opinion, the conduct of the junior Senator from Wisconsin in the Zwicker affair was "reprehensible" and that it was "not proper."

That is the allegation from which the distinguished Senator from South Dakota has now withdrawn his support; and I would not be surprised, if he went home for a little while, with the good people of South Dakota that he might take a different view of stifling the investigative power of the United States Senate.

I said a few days ago on this floor that even if some of us fail to express ourselves properly sometimes or fail to arrive at a proper conclusion on a national or international basis, or if we do not care to exercise our power on a particular subject, we ought to preserve that power for our successors, just as it has been handed down to us over a period of 175 years. It has never been impaired. Let us not be the first to destroy it.

Mr. President, nowhere is there any charge that the junior Senator from Wisconsin was guilty of "disorderly behavior," the only constitutional ground on which this body can punish a fellow Member.

I think I should amend that statement by saying that if we have the necessary votes we can expel any Member of the Senate, even the distinguished majority leader or the distinguished minority leader.

CANNOT BE RETROACTIVE

Conceivably, if the precedent is once set, that might even be done, because I understand there is a committee working on the rules of the Senate that would make practically every Senator the judge of a breach of a personal-conduct rule by any other Senator. If we pass such a rule, and I greatly doubt we shall, because nearly everyone will go home before we come back in January and possibly rearrange his perspective—and even if we should use the poor judgment to pass such a rule, thus further destroying the investigative power of the Senate, there is nothing in the law or in the Constitution or in the rules of the Senate that would allow any such rule to be retroactive.

Mr. President, if we should set such a precedent, we shall have gone a long way toward a new concept, a Prussian concept, a Praetorian Guard concept, a totalitarian concept, in which Senators must speak softly, obsequiously, and servilely, must bootlick, if you please, any officer of high rank from whom information is sought in performance of our legislative functions.

We shall have abdicated our legislative independence to the military. I do not believe that even the great bulk of our fine military officers want that. They do not want to be coddled, either, unless the officers in the military have changed a great deal since World War I, when the senior Senator from Nevada enlisted as a private and finally was made an officer and was given men to command. We did not ask for quarter, nor did we give much. At that time, if we violated a rule, if we violated a military concept, there was prompt retribution. There was no time to do anything about it. Those were the days when a sergeant came up from the ranks because he ought to be a sergeant, because men respected him for his power or understanding of personality, not because he had passed an examination somewhere.

The report of the select committee cites testimony that General Zwicker used the expression "You s. o. b.," with reference to Senator McCarthy—and I do not think, Mr. President, from the context, that he meant Senate Office Building.

There is other evidence in the report that General Zwicker was antagonistic to the junior Senator from Wisconsin long in advance of the hearings to which he was called. The select committee does not however, find this reprehensible. Its only criticism is against Senator McCarthy.

On the basis of the select committee's own findings, there is no constitutional warrant whatsoever for censure of the junior Senator from Wisconsin, who has violated no law or rule of the Senate, and who certainly has not been guilty or charged with being guilty of disorderly behavior.

MOVE TO TABLE

Mr. President, if an agreement can be had with the majority leader that the Senate might meet on Saturday morning next, at that time, whenever the senior Senator from Nevada can obtain the floor, he will move to table Senate Resolution 301. If it is not possible to reach an agreement to have the Senate meet on Saturday morning, then at any time on Friday when the senior Senator from Nevada can obtain the floor, he will move to table Senate Resolution 301.

EDITORIALS—THE CHARACTER AND WORK OF JOE M'CARTHY

Mr. MALONE. Mr. President, I ask unanimous consent that an editorial entitled "Valiant Warrior," which was published in the New York Journal-American of May 3, 1957, be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

VALIANT WARRIOR

In the death of Senator Joseph R. McCarthy the forces of freedom in the United States have lost a fierce and valiant fighter.

He was a saber-slashing warrior. Riding the steed of dedication he sounded the alarm and pressed the battle against Communists, fellow travelers, and anti-anti-Communists wherever it led.

Neither prestige nor influence deterred Joe McCarthy, neither slander nor scorn swerved him. Where he saw his duty, he did not parry; he charged.

In this era no other man was more admired or more vilified. There were times when his saber swings were misdirected. But these few occasions were inevitable in a nature so intensely committed to the anti-Communist cause, and to a man of his burning patriotism.

His enemies coined the word "McCarthyism"—straight out of the Communist propaganda machine—as a brand name of disrepute. Joe McCarthy seized it and turned it against them.

His enemies sought to pervert and disgrace his motives. The warrior from Wisconsin had only one motive and he never deviated from it.

It was to smash the Communist conspiracy.

We on this newspaper have lost a friend. His country has lost a champion of liberty. He served it well.

Mr. MALONE. Mr. President, I ask unanimous consent that an article entitled "Senate Must Act On Joe," written by George Rothwell Brown, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATE MUST ACT ON JOE

(By George Rothwell Brown)

WASHINGTON.—The United States Senate, solemnly assembled to pay honor in death to the man it so malignantly slandered 3 short years ago, must now more calmly face the obligation to itself under which it rests of undoing the wrong it did to Joseph R. McCarthy, by expunging from its journal the resolution of condemnation it adopted in a wave of blind hysteria in 1954.

There is, in the history of the Senate itself, a shining precedent for such contrition.

The Senate may rest assured, moreover, that the friends of Joe McCarthy, the lovers of their country, and the enemies of communism, will never rest until this act of justice has been taken, this wrong has been righted.

McCarthy was "condemned"—not "censured" as had been the original intention of the Watkins committee which "tried" him—on two counts, neither of which went to the heart of the real issue in the controversy.

That issue was the Communist conspiracy against the United States, but that wasn't mentioned.

The vote of condemnation, 67 to 22, has left the Senate in an absurd position.

For here was the Senate, then as now, pouring out billions of American tax money to combat world communism everywhere on earth, while at the same time repudiating the Senator who, above all others in Congress, had done most to expose to the people the Red peril which menaced the Nation.

The methods McCarthy had used as chairman of an investigating committee had brought down upon him a storm of opprobrium from every skulking Communist in the country, from every fellow traveler, from every crackpot and nitwit, and every left-wing columnist in Washington.

But McCarthy was not fighting an honorable antagonist. He was encountering a rattlesnake, which defied the committee, defied the Congress, defied the flag. He hit the vicious reptile with everything he had.

A parade of contemptuous witnesses before the committee took the fifth amendment. Some even sunk so low they refused to say whether, in the event of war between the United States and Soviet Russia, they would fight for their own country, on the ground that their answer might tend to incriminate them.

This committee is not the only Senate committee to encounter the fifth amendment pleader. Senator MCCLELLAN, of Arkansas, who once in a huff resigned from the McCarthy committee, is now having fifth amendment troubles of his own as chairman of another investigating committee, and some of his comments to recalcitrant witnesses has been as bitter and stinging as any Joe ever made.

It is a crying pity that a majority of the Senate should have succumbed to the organized propaganda of the leftwing hatemongers who were out to get McCarthy—and who have now, to their shame, finally got him.

The precedent for expunging a Senate resolution adopted in hatred and anger is historic.

In 1833, during the memorable battle over the United States Bank, the Senate censured President Jackson for removing the Secretary of the Treasury, and appointing another in his place, as an unconstitutional act.

Four years later Senator Thomas H. Benton, of Missouri, on January 16, 1837, offered a resolution to expunge that resolution from the manuscript of the Senate's Journal, and 4 days later, after a stormy debate, it was adopted.

Solemnly the Secretary of the Senate advanced to the rostrum, took up the Journal, drew a black line around the resolution of censure, and wrote beneath it: "Expunged by order of the Senate."

The day will surely come when McCarthy's name shall be cleared in the same honorable way. It is too late to make amends to Joe. But there is time for the Senate to rehabilitate itself in its own and the public's esteem.

Mr. MALONE. Mr. President, I ask unanimous consent that an article entitled "Joe's Only Interest Was His Country," written by George E. Sokolsky, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JOE'S ONLY INTEREST WAS HIS COUNTRY

(By George E. Sokolsky)

Much has been written and said about Senator Joe McCarthy during the past several days while he lay dying and when he finally went to his Maker.

I knew Joe intimately and favorably. No matter how men may differ about him, I always knew that Joe McCarthy had no interest other than the welfare of his country. He firmly believed that all Communists had to be traitors and he set out to find them. He was successful in some measure, but he also suffered from a sense of failure because he knew that agencies of government and high officials protected men and women whom they should have despised. He sought for motives and often reached the conclusion that many men were fearful that their own mistakes would be exposed; he felt that fear and vanity rather than ideological positions played a great part in determining men's attitudes toward him and his work.

We often discussed the brutal force of the opposition to him and this he never understood, because he could not believe that some of his opponents wanted to protect Communists. He never understood the Army fight upon him because he held that it was the Army's first duty to protect this country from Communists and traitors.

FIRSTHAND KNOWLEDGE

I was present at the notorious luncheon in New York when McCarthy, Secretary of the Army Robert Stevens and his counsel, John Adams, lunched and drank and cavorted throughout an afternoon. What came out at the McCarthy-Army hearings was never the whole story nor had the various versions of the Cohn-Schine episodes anything to do with the situation at all. And I can say, from first-hand knowledge, that Bob Stevens had little or nothing to do with the effort to destroy McCarthy.

This was a political maneuver to eliminate McCarthy's importance, to kill his influence as an American citizen, to make his name abhorrent and to frighten off any Senator, journalist or radio commentator who chose to support him or his cause. So far as Joe McCarthy was concerned, the maneuver succeeded to a startling degree.

Those who engaged in it—and their names came out during the hearings—knew Joe's characteristics; they knew that he was gentle and aggressive; rough in the fight and forgiving immediately afterwards; humble in his heart but giving the impression of cantankerousness. They also knew that while he appeared to be hale and even physically powerful, he was not a strong man, suffering physical pain, sometimes so much pain that he had to give way to it.

They knew all his weaknesses, for some of them had, since he came to the Senate, acted as though they were his close personal friends. They left him bitter, disillusioned, hurt. He was hounded to death by those who would not forget and could not forgive. He was a lonely man among his associates and he often wondered who were his friends.

BELIEVED HE WOULD WIN

He and his Jeannie adopted a little girl and that brought Joe a happiness which he had not ever known before. There can be no question that he regarded the 1958 Election as a problem because he realized the forces that would be pitted against him. He believed that he would ultimately win that election and he said that he did not fear his opponent, Walter Kohler, but there can be no question that he recognized that he would have to take on the entire Eisenhower Administration, the Modern Republicans, the Committee for an Effective Congress, the money that would be raised against him in New York by the mysterious Arthur Goldsmith, the Communists, their fellow travelers and dupes. It meant a fight—a terrific fight and his health was ebbing away.

It is often said that you can only really know a man if you live with him. I did not live with Joe under one roof, but there were times when we saw much of each other and when I was intimately concerned with his effort to drive the Communists from American life. As an American, as a Jew, as an anti-Communist, I can proudly say that Joe McCarthy was my friend and that I have never encountered an opponent of his who equalled him in patriotism and courage. God bless his soul and forgive those who sent him to his death.

Mr. MALONE. Mr. President, I ask unanimous consent that an editorial entitled "Freedom's Watchman," published in the Longview (Tex.) Daily News of May 7, 1957, be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FREEDOM'S WATCHMAN

The Honorable Joseph R. McCarthy, United States Senator from Wisconsin—a fearless watchman on the ramparts of freedom—has passed to his reward. In death, as in his

busy life, he was the target of attacks and slights from both private and public figures, for there are many who seek to wreck and destroy as well as the few who strive to strengthen and secure the citadel of human freedom.

Methodist clergyman and Senate chaplain Dr. Frederick Brown Harris spoke literally for the pages of history Monday when in solemn Senate services he declared: "This fallen warrior through death speaketh, calling a nation of free men to be delivered from the complacency of a false security and from regarding those who loudly sound the trumpets of vigilance and alarm as mere disturbers of the peace."

In similar eulogy at a high pontifical funeral Mass, Msgr. John J. Cartwright spoke for the records of time when he said of Senator McCarthy and his anti-Communist role: "No greater service could have been rendered to our country than was rendered by this watchman of the citadel who insisted upon a clear understanding by our people of the nature of this enemy and of its power not only to attack but to undermine our institutions of freedom."

Senator McCarthy leaves bright pages in the undying history of freemen. In the critical postwar period after he returned from service in the Pacific, he became America's No. 1 Communist-hunter and exposer of spies and pinkos in Government, in the armed services, and in defense plants. The vigor of this vital service to the Nation aroused criticism and opposition that extended into the highest circles of officialdom. One of the sorriest pages ever written into the record was his snub by the White House, for it in effect gave aid and comfort to Joe Stalin and his ilk. We were sorry to see evidence that the old palace guard such as Hoffman and company still holds sway, for the White House had only an aid among the mourners.

While Senator McCarthy stood on the ramparts of freedom, there stood with him to plug the dikes against communism such stalwart patriots as the Mundts, Malones, Martins, Dirksens, Butlers, Magnusons, and Knowlands. But while these and a few others like them stood guard at the gates, the attack was being waged behind the scenes or openly by such as the Flanders-Tydings-Eleanor Roosevelt-Anna Rosenberg-Marshall-Acheson-Truman crowd and others of their kind. There will be less record in the pages of history for most of them.

One would have only to go into the hills of Wisconsin today to find out what the people there thought of Senator McCarthy who boldly and fearlessly battled the enemies without as well as the sympathizers within. He had the ability to recognize their stripes for the rattlesnakes they were, regardless of the cloak they sported. We confidently expect Senator WILEY, who thinks it "too early" to tell what McCarthy's place in history will be, will get the word from the folks back home on his next visit.

We had the keen personal pleasure to have known and worked with Joe McCarthy. While the writer is not a Catholic (and right here may we observe that many of his enemies were old "He Ku-Kluxers" who hated him on account of his religion) but a Protestant, we were happy to fight along with him under the same flag, for Senator McCarthy's flag was the Stars and Stripes and he never grew tired of holding it aloft to encourage free men everywhere. It was no hammer and sickle for him, and no waving of the pink bunting of sympathy for the Reds or their helpers.

As for unexpressed fears of Senator MIKE MANSFIELD, of Montana, who said he hoped the difficulties which beset McCarthy on earth "will not be there to face him when he goes to meet his maker," we can reassure you, Senator MANSFIELD; the forces of communism are the forces of anti-God and they will not be inside the gates when this gallant warrior is received. And as for the Communists, their agents, their sympathizers, and the pinkos, we predict the 400-page Alger Hiss book published Monday—nor even 4,000 pages by such as Hiss, or the Julius Rosenbergs or the Martin Sobels or the David Greenglasses and their kind—will be to no avail in covering up the dirty trails they have spread across the face of America.

As it was with Gen. Robert E. Lee, Senator McCarthy can "pass over the river and rest under the shade of the trees"—for the battle for free men is now behind him and he can rest among friends. The forces of anti-God will not be around in heaven to bark and bite. Joe is now comfortably bivouacked with his good marine buddies who earlier fell in defense of their country at Iwo Jima, Peleliu, Saipan, Tinian, Okinawa, and elsewhere.

We salute in admiring memory the Joseph McCarthy whom we knew—a true mid-20th century embodiment of Patrick Henry and Paul Revere of old and as bold a patriot and stanch a fighter for freedom and country as America has ever produced. Goodbye, Joe; may your spirit rest in peace as your name will be preserved in honor.

CARL L. ESTES.

Mr. MALONE. Mr. President, I ask unanimous permission to have inserted in the RECORD at this point a column by John O'Donnell, special writer on the New York News, as a part of my remarks.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

CAPITOL STUFF

(By John O'Donnell)

WASHINGTON, May 5.—"Judica me, Deus, et discerne causam meam de gente non sancta; "Ab homine iniquo et doloso erue me."

Thus the opening invocation of the centuries-old liturgy for the dead, which will be intoned over the remains of Wisconsin's Senator Joseph R. McCarthy in St. Matthew's Cathedral by Washington's Archbishop Patrick A. O'Boyle at the beginning of the solemn requiem Mass tomorrow morning.

"Give judgment for me, O God, and decide my cause against an unholy people.

"From unjust and deceitful men deliver me."

When the mass is over and the funeral oration has been delivered, the archbishop will utter the same Latin prayer said over every Catholic buried:

"O God, whose nature is always to have mercy and to spare, we humbly beseech you for the soul of Thy servant, Joseph McCarthy * * * that Thou wouldst not deliver him into the hands of the enemy, nor forget him forever."

And so ends, so far as national politics is concerned, five furious years of the Wisconsin Senator's turbulent warfare against communism in our National Government. His followers will remain loyal; his enemies embittered; the cowards and weaklings as usual talk out of both sides of their mouths and the sanctimonious hypocrites will piously roll their eyes and murmur something about "de mortuis, nihil nisi bonum."

It will certainly be 25 years, probably a half century, before the American people will be able to get an honest count on the McCarthy Senate war against communism. Certainly, there will come out earlier the complete story of the bleeding-heart columnists at a swanky dinner party in Georgetown who gaily pledged that they would put the epithet McCarthyism in the dictionaries as a dirty word.

It will take more time to pluck out the reasons for this panicky joy—how many of these, back in the thirties were uncomfortably close to communism or were actually card-carrying members, or had relatives or persons who later became their husbands or wives who had been card-carrying Commies and now wanted to silence the mouth that might reveal all this.

How long will it take to get the full minutes of the White House conference where it was plotted to frame McCarthy on the Major Peress promotion issue? We figure years and years. And what diaries and post mortem records do we have to wait for until the American people get the details on the White House pressure (and the pressure of Commies and frightened New Deal pinkos) to put across the Senate censure resolution only 2½ years ago?

WHO PROMOTED PERESS?

Quite a number of distinguished members of the Government must die before that story can be safely released. And by the way, who promoted Peress?

And on the issue of personal relations, what addle-pated professor of protocol in the White House sent out that message of condolence an hour after McCarthy's death to his widow, forgetting that she, alone of all the Senate wives, had been deliberately snubbed by Mrs. Eisenhower a few weeks after her husband had been pointedly ignored by the President?

Both McCarthy and later his wife were dropped—and the White House made a point of announcing it—from strictly formal and utterly impersonal White House functions paid for by taxpayers.

This was bad manners in public. But to send, hard on the heels of this evidence of dislike, expressions of sympathy to a grieving widow was an example of callous boorishness not seen in the White House in living memory. It's inconceivable that the President or Mrs. Eisenhower could be guilty of such rudeness. But just the same, it happened, the most sour note in this performance.

COLLEAGUES RELIEVED BY DEATH

Commenting on a McCarthy characteristic—his uncanny ability to bring out the worst of both friend and foe—the sagacious Chicago News correspondent Edwin A. Lahey put a significant finger on one aspect of the ceremonies in the Capitol when he spoke of "the pious hypocrisy of McCarthy's senatorial colleagues who breathed a sigh of relief when the death bulletin was flashed out of Bethesda Naval Hospital."

Aside from the personal tragedy of McCarthy—death at 48 for a man who for 5 years was the national symbol of unrelenting war against Communist-tainted Americans is a real tragedy—his departure from the political scene leaves an unclear picture of the future.

There will be a special election in Wisconsin to select a new Senator. McCarthy's successor will in all probability be a Republican. What it does mean is that the anti-Eisenhower Republicans have lost a onetime powerful warrior but one who, because of failing health for at least a year, and the studied campaign of silence imposed by the pro-pinko Capitol reporters and press, had been drained of his political power.

McCarthy belonged to the Senate group of old-line Taft Republicans, the group which still holds Senate GOP control and can defeat the so-called Eisenhower modern Republicans on any rollcall. But he was closely identified with the smaller, tough, diehard anti-White House, anti-Dulles, anti-Red, and anti-Reds disguised as New-Deal Socialists and one-worlders. This group included such Senators as JENNER of Indiana, DWORSHAK, of Idaho, MALONE, of Nevada, REVERCOMB, of West Virginia, and others whose sentiments are summed up by Idaho's former Senator Welker, who delivered the choking tribute:

"That fighting Irish marine would give the shirt off his back to anyone who needs

it—except a dirty, lying, stinking Communist. That guy he'd kill."

Mr. MALONE. Mr. President, I ask uanimous consent that an editorial entitled "The McCarthy Heritage," published on May 6, 1957, in Senator McCarthy's hometown newspaper, the Appleton Post-Crescent, be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE MCCARTHY HERITAGE

It is always difficult to assess the career of a famous man when the impact of his personality still strongly influences our thinking. Twelve years after the death of Franklin D. Roosevelt, for example, attempts to evaluate his accomplishments still spark heated debate. Without question, the same will apply for many years to discussion of the career of Senator Joseph R. McCarthy.

Yet we believe there exists ground on which both those who loved Joe McCarthy, and most of those who hated him, can meet and find agreement about the real meaning of his career. In order to find this ground it is necessary to delve beyond his fascinating and distracting personality. True, it may be as difficult to do this now as it was when he was alive; it was the force of his extraordinary personality during his lifetime that caused many people to lose sight of what he was trying to do or at least thought he was trying to do, that obscured the real issues between him and his opponents, that caused otherwise intelligent people to forget the fundamental problems of the day and concentrate instead on extreme laudation or extreme vilification of McCarthy the man or McCarthy the symbol. Indeed, it often seemed that McCarthy's personality encroached so much upon current debate as to defeat the very ends McCarthy was trying to reach.

In order to truly assess the meaning of McCarthy and what undoubtedly will come to be called the McCarthy era, it is necessary to rid ourselves so far as is possible of the influence of his personality and ask some fundamental questions. Why did McCarthy suddenly become so famous? Why did his charges about Communist infiltration cause such a tremendous uproar? Why did the people, not only in this country but abroad, become so excited about these charges, develop such passion regarding them?

The answer, we believe, is to be found in the state of the American mind in that fall of 1950 when McCarthy suddenly began making his charges that Communists had infiltrated the agencies of our Government. There was nothing really so extraordinary about these charges, nor were they new. Others had made them before, often in language more extreme than that McCarthy employed. It was, rather, a matter of timing—McCarthy's accusations broke upon the American public at a time when it was just beginning to realize the true nature of the Communist conspiracy, when the complete perfidy and ruthlessness of Communists everywhere was becoming apparent to free men, when the terrible danger under which we had been living for years was beginning to dawn on the public consciousness. The fog in which we had been living during the period of tragic self-delusion regarding world communism had lifted, and while the people were by no means unanimous on what should be done, they were extremely worried, excitable, upset; they were ready to hang on the words of anyone who discussed the problem with any show of honesty and fearlessness.

The truly important thing that took place during this "McCarthy era," therefore, is that the American people finally realized the true nature of that terrible conspiracy for world conquest that is miscalled communism. There are those who will say that McCarthy brought this realization about or at least helped mightily in giving it life; others of course will insist that it was something that was happening anyway and that McCarthy actually delayed its fruition by distracting and exciting the people. But that argument is really not important; what is important is the fact that today Americans in all walks of life—Republicans and Democrats, conservatives and liberals, workers, farmers, businessmen, students, housewives, intellectuals, and all the rest—are at last fully aware of the need to fight the Red conspiracy every day, everywhere, on every level of government, in foreign policy, in domestic agencies, in our private organizations and in our daily lives.

Even if the most extreme assertions of McCarthy's enemies were to be accepted—that his methods were outrageous, that he recklessly ruined individual reputations and even endangered freedom itself with the fervency of his onslaught—the fact remains that now that he is gone communism must still be fought, and that it is the duty of the Congress of the United States to protect the Nation from the weevils that would infest our institutions and eat away at them until they are brought tumbling down from within. This newspaper is among those who believe that there are those who can do the job better than McCarthy did, that there are methods much better than his for doing it. But the fact remains that the job must still be done, and that if it is not done history might yet come to regard McCarthy as the last sentinel to shout vain warnings from the battlements of freedom.

Mr. MALONE. Mr. President, it is the personal opinion of the senior Senator from Nevada that the work of Senator McCarthy will gain greater recognition as time goes on.

Mr. President, the record is clear throughout history that the limiting and curtailment of the investigative power of the legislative body is the first move of potential dictators. This record should not be allowed to stand.

It could well be that the late junior Senator from Wisconsin will be greater in death than in life, as has been the case so many times in the history of this Nation.

Mr. President, this statement would not be complete without the mention of one of the greatest young women whom it has been my privilege to know—Jean McCarthy. She is one of the most loyal and devoted women I have ever known. She was outstanding in her devotion to her late husband and to his work.

STEADY DETERIORATION OF THE FARM PROGRAM

Mr. SYMINGTON. Mr. President, for some time many of us on the Senate Agriculture Committee have become increasingly worried about the increasing deterioration of the farm program under this administration.

Steadily more of the taxpayers' money is being expended, with steadily less results.

In this connection, Mr. President, I ask unanimous consent that there be printed in the RECORD at the conclusion of my remarks excerpts from a letter from the presiding judge of the great county of Buchanan, Missouri.

The significance of these remarks is that Judge Fred Culver, who is one of the outstanding farm leaders of our State, was a successful engineer in business before going heavily into farming, and is known throughout Missouri for his intelligence and high character.

At the beginning of Secretary Benson's regime as head of the Department of Agriculture, Judge Culver was a supporter of most of his ideas.

There being no objection, the excerpts from the letter were ordered to be printed in the RECORD, as follows:

Of course I have been following the record very closely. Believe it or not, I read also the transcript of the hearings on drought disaster relief, corn program, and agricultural situation, and farm programs. This information, together with press and radio reports have forced me to a reluctant acceptance of the fact that never before in my experience have we had a Secretary of Agriculture who did such an abysmally poor job as does the present incumbent.

What a spectacle. The man who is charged with the duty and responsibility of looking after the interests of farmers uses the publicity mediums to hammer away at two topics; first, that farmers aren't really in bad shape, they just think they are because so many of them are going broke; and second, that our Federal Government is doing far too much for them anyway, and any assistance now given them should be curtailed. In order to bolster his arguments he distorts figures and employs every device known to the bureaucratic doubletalker. I can explain it in no other way than that the policymakers in the Department picture the ordinary farmer as a tricky mendicant who should be made to go into some honest line of work.

Surely in the last 4 years at least he has had an opportunity to meet with and talk to some ordinary farmers, the kind you and I know all over Missouri. Generally speaking, they run to calloused hands, ruddy complexions, and slowness of speech. I think they are men who are caught in an economic squeeze which warrants a lot of consideration and a great deal of assistance until such time as they are getting a return on their labor which is adequate to raise a family, say two-thirds as much as ordinary labor gets. Apparently Secretary Benson and his aids regard these friends of ours as annoying anachronisms, one-third of whom should be liquidated as soon as possible. Another year on what must be the Department's 5-year plan will see this almost accomplished.

SAVINGS IN THE MILITARY SERVICES WITHOUT AFFECTING EFFICIENCY AND EFFECTIVENESS

Mr. SYMINGTON. Mr. President, all of us are interested in savings in the military services which would not reduce the efficiency and effectiveness of our national defense. In that connection, I ask unanimous consent to have printed at this point in the RECORD excerpts from a talk I made last night in Wilkes-Barre, Pa.

There being no objection, the excerpts from the address were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM ADDRESS BY SENATOR SYMINGTON AT WILKES-BARRE, PA.

It is clear where this administration can save billions of dollars annually in the Federal budget if it is really sincere in its desire to make these reductions.

People indirectly connected with the administration believe that even under the present structural conditions of the Pentagon Building, billions can be saved by improvements in the manpower picture alone.

One of the Nation's great industrialists, Ralph Cordiner, president of the General Electric Co., who heads a committee appointed more than a years ago to analyze the manpower problems of the Department of Defense, has announced that there would be ultimate savings of up to $5 billion a year, plus a 15 percent improvement in combat capability, if the manpower recommendations of his Committee were adopted.

According to one of our outstanding military associations, the Air Force Association, the Bureau of the Budget has turned back as unsatisfactory the Defense Department's draft of legislation designed to put the Cordiner proposals into operation.

This action was taken, according to Mr. John P. Henebry, president of that association, in the face of assurances by Secretary Wilson that the proposed legislation would require no increase in the defense budget already submitted to Congress.

Further, the proposed legislation was rejected with the knowledge that it represented the unanimous opinion of the Secretary of Defense, the Secretaries of the three military departments, and the Joint Chiefs of Staff, as an essential contribution to the Nation's defense.

Let me emphasize that this is not a problem of the Air Force alone—but one which impacts equally upon the combat effectiveness of the Army, Navy, Air Force and Marines.

I for one am not averse to manpower management suggestions from one of the world's greatest industrial experts, designed to save $5 billion, with no decrease whatever in our military strength; and at this session I intend to introduce legislation to that end. In fact, I already have such legislation in draft status.

We owe it to ourselves and to the Nation to countenance no further delays in carrying out a program for maximum utilization of military manpower at minimum cost.

THE AMERICAN WEST

Mr. MANSFIELD. Mr. President, the article The American West: Perpetual Mirage, appearing in the June issue of Harper's magazine, has created considerable discussion throughout the West. Walter Prescott Webb's concept of the West, what it is and why it is, has brought many westerners to the defense of their heritage.

Several of my distinguished colleagues in the Senate have taken exception to many of Professor Webb's findings, and more recently one of Montana's most capable weekly newspaper editors, Dan Whetstone, of Cut Bank, Mont., has come forcefully to the defense of Montana in the editorial columns of the Cut Bank Pioneer Press.

Mr. Whetstone, a historian of the West in his own right, provides ample proof in his editorial columns that Montana should not be included among the desert States. He cites Montana's record as one of the Nation's top producers of the high quality grains, livestock, and enormous timber supplies, in addition to its vast natural resources.

I believe that Mr. Whetstone's concluding phrase is deserving of considerable thought in appraising the value of the Harper's article, Growth-of-the-Soil Statistics Disprove It, insofar as the Treasure State is concerned.

The May 4 issue of the Great Falls Tribune also takes Walter Prescott Webb to task for maligning the character and culture of the people of the 17 Western States.

Mr. President, I ask unanimous consent that an article entitled "The Professor Dogmatically Defines the Western Desert," published in the May 2, 1957, Cut Bank Pioneer Press, of Cut Bank, Mont., and an editorial entitled "Ridiculous Maligning of West," published in the Great Falls Tribune, of Great Falls, Mont., on May 4, 1957, be printed in the RECORD at the concluison of my remarks.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Cut Bank (Mont.) Pioneer Press of May 2, 1957]

THE PROFESSOR DOGMATICALLY DEFINES THE WESTERN DESERT

When, back in the early twenties, Garret Garrett wrote that long-to-be-remembered article, "The Pain in the Northwest," it pertained only to a portion of Montana, what's usually called the Triangle belt in northern Montana, roughly with Cut Bank-to-Havre as the base and Great Falls as the apex.

The story, appearing in the Saturday Evening Post, was hotly resented by civic and commercial bodies, newspapers within and without the area, but publications in the Midwest and East leaped upon it gleefully, as supporting their contentions that people who left these sections were tricked by slicky promotional publicity to come to this section to file on homesteads and make their homes here. Later Garrett somewhat modified his slashing appraisal of this section of the State.

In the May issue of Harper's magazine, Walter Prescott Webb, a professor of history at the University of Texas, authored an article titled "The American West, Perpetual Mirage." For savage sweep and unrelenting condemnation it makes the Garrett report of long years ago look puerile and puny and it embraces not one locale but a vast region of the plains and prairies West.

In a paragraph in reference to the article Harper's introduces the writer as "the West's leading historian." Well, maybe. The fact that I have never before heard of him may have little or no significance, but "Who's Who," a tome that supposedly prints the biographies of eminent Americans, does not include the Texas savant.

Righteous indignation is no substitute for fact and logic. Let us do a little dissecting of Webb's analyses and conclusions:

His report is accompanied by a map outlining the places he designates as the desert States: Montana, Idaho, Wyoming, Nevada, Utah, Colorado, Arizona, New Mexico, and the rim States, like North and South Dakota, Nebraska, Kansas, Oklahoma, Texas on the east of the desert, California, Oregon, and Washington on the west.

In his dogmatic detailing of dismal landscapes, relentless drought, a struggling and losing battle to realize a secure economy in the area which he treats, there's a note of hopelessness that is unrelieved; the great American desert always was and always will be and all the plans of venturesome, reckless men to change it have ended and will end in futility and disaster. Only in oases here and there on its expansive bosom will it be possible to prosper in any degree.

In several spots, I feel, his rhetoric runs away and leaves the realities far behind: "There it (the desert) lies around us in all its terror and desblate beauty, its sands shimmering in the distance, its mirages playing tricks with our vision, its mountains edged against the sky, a crosscut saw with some teeth knocked out * * * this is the best of the desert, the worst of the West." What does he mean by that closing observation?

Further on: "The West has no long background, no depth of slow development * * * it has not yet produced a great statesman; 86 people have been voted into the Hall of Fame, but not a single westerner among them * * * in Montana Charlie Russell is better than Titian and Frederick Remington is better than Michelangelo * * * Custer, who blundered to his death, taking better men with him, found a place in every saloon."

The Mormons in Utah produced a good society, says the man, "a rejected people, a bizarre religion, with their symbol, the bees, created a hivelike industry, something admirable."

The other society, that of Nevada, took a different direction; no State has less to recommend it. It is all desert, hardly enough people to maintain State government. It solved its problem by creating an oasis of iniquity; it provided a haven in the desert to which all could come who want to gamble, divorce, and have it quick and legal; it has created the most bizarre society in the Nation.

Anyone who has made his home in dust-blown Texas in recent years might be expected to suffer from a myopia (doctor's term for a distorted vision). I think the professor must be seeing deserts in his sleep.

I only agree to be counsel for the defense so far as Montana is concerned; let the other States named take on the Texas man of the cloister, but in passing I'd designate only New Mexico, Nevada, Arizona, and Utah, the areas outside its reclamation projects, as properly to be termed desert States.

From R. A. Lightman, climatologist stationed at Helena, I have been courteously supplied with some pertinent data which seems to supply ample proof that Montana ought not to be listed among the desert States. It belies the thoughtless generalities of Professor Webb, any fair and reasoning person will concede:

In 1955 Montana ranked second in the Nation in the production of wheat (other grains in comparison that year), a total of 109,350,000 bushels. Kansas was first with a production of 128 million bushels.

But this was not the biggest wheat production year in Montana: In 1953 statistics show that Montana produced 114,232,000 bushels, with a value of approximately $250 million. Incidentally, the wheat produced on Montana's dryland areas has a high protein content and is eagerly sought by the milling industry.

We are aware that east of the Continental Divide there are adverse cycles occurring around periods of 7 years. Such adverse periods occurred from 1916 to 1937, the worst being in the early twenties. New types of mechanization, strip farming, contour cultivation on the slopes to conserve rain and snowfall now makes possible fair to good harvests, in below normal moisture years, not possible in earlier years.

A brief look at livestock production: In 1955 Montana ranked 5th in sheep and lambs, 14th in cattle numbers.

As to climatic conditions: Says Webb: "The desert States barely escape the true desert mark of 10 inches." Montana records since 1895 show an overall annual rainfall for Montana of 14.59 inches in the crop-growing months—so important to successful production.

As to commercial timberlands: "Practically all the timber of consequence grows in East Texas, Oklahoma, and the three Pacific States." Wrong, again, Professor Webb. In Flathead, Lincoln and Missoula counties in western Montana are large and commercially desirable timberlands, contributing materially to our natural resources.

"The desert shortened the grass before destroying it," allows the professor. Montana's buffalo grass, short but highly nutritious, fattens Montana cattle and the beef is of blue-chip variety.

There is a western desert but Montana isn't a part of it. Growth-of-the-soil statistics disprove it.

[From the Great Falls (Mont.) Tribune of May 4, 1957]

RIDICULOUS MALIGNING OF WEST

It would be easy for westerners of an area covering 17 States to become deeply incensed over an article appearing in the current issue of Harpers magazine. It will probably create no great furor, however, because—while deeply maligning the character and culture of the people of 17 States—it attempts to tie together an assortment of elements in which the author becomes hopelessly entangled in his own combination of statistics and erudite posturing.

The title of the article is "The American West—Perpetual Mirage." Harper's bills the author, Walter Prescott Webb, as "the West's leading historian." That, we are sure, is a gross exaggeration, though Webb is by no means unknown in the literary field. He is a history professor at the University of Texas.

The theme he follows in a tortuous manner is that the desert is the major force in the American West and that as a result the vast region has produced comparatively few important men and little interesting history.

He defines the West as "that area west of a line drawn north from the southern tip of Texas."

He divides the 17 States within that region into 8 "desert States" in the center, and 9 desert rim States. In the center, Arizona, New Mexico, Nevada, Utah, Colorado, Idaho, Montana, and Wyoming. On the eastern rim, Texas, Oklahoma, Kansas, Nebraska, South Dakota, and North Dakota; on the western rim California, Oregon, and Washington.

This area he finds a place where history is brief and bizarre. Where there are few important men—where the people have developed a talent for taking something small and blowing it up to a giant size, as a photographer blows up a photograph.

This attack is ridiculous rather than disturbing. The area he has chosen for his target is too extensive, varied, and imposing in the accomplishments of its people as well as in resources to need defense from his literary popgun.

The written history of the West, we will agree, is neither as extensive nor as fully presented as it should be.

We could do with some more good western historians, with information, ability, and appreciation of the West to properly portray it. The late Joseph Kinsley Howard was such a writer.

Webb was born in the West, now lives there, and has spent considerable time in the region about which he writes. But he has apparently isolated himself from its people and their great accomplishments.

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the CONGRESSIONAL RECORD a thoughtful editorial from the Oregon Journal of Portland, of April 29, 1957, entitled "Conflicting Views on the West."

This editorial should serve to supplement the effective answers already voiced on the Senate floor by the junior Senator from Montana [Mr. MANSFIELD] and the junior Senator from Idaho [Mr. CHURCH], in replying to the article in the current issue of Harper's magazine by Walter Prescott Webb which belittles the prestige and influence of the American West.

I am pleased that the author of the Journal editorial has emphasized the fact that one of the greatest writers ever to contribute to Harper's magazine, the late Bernard DeVoto, told many times how the basic problems of the West were often due to the looting and exploiting of the West by absentee eastern capital and corporations.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CONFLICTING VIEWS ON THE WEST

Harper's magazine this month publishes an article which says the American West produces comparatively few important men, has little interesting history, and, by some standards, is a depressed region.

The author, Walter Prescott Webb, described by Harper's as the West's leading historian, says this situation results from the fact that the West has been shaped historically and economically by the great desert at its heart.

And he says everyone may as well stop trying to pretend this isn't so.

Just to keep things in proper perspective, we might suggest to historian Webb and to Harper's editors that they reread an article by the late Bernard DeVoto, a gentleman who, if we recall correctly, had something to do with Harper's magazine and, though he may not have had Harper's rating as the West's leading historian, did know something of the West.

The article to which we refer is entitled "The West Against Itself" and appeared in Harper's magazine in January 1947.

Here is the last sentence of DeVoto's opening paragraph: "Economically the West has always been a province of the East and it has always been plundered."

Later he continues in similar vein: "The East has always held a mortgage on the permanent West, channeling its wealth eastward, maintaining it in a debtor status and confining its economic function to that of a mercantilist province."

DeVoto said he lacked space to describe "the system by which the East maintains the West as an economic fief," and we do too.

But we can note, as DeVoto did, the freight rates which were devised so that the East has a favorable rate for the carrying of western raw materials, but the West pays dearly in rates on manufactured goods shipped from the East.

Or of the financial control which allowed the East, in DeVoto's words, "to dictate to it (Western business) or absolutely destroy it."

The great American desert undoubtedly has been a powerful force for the West both historically and economically, but let us not forget that forces other than nature can create an economic desert and, to use Dr. Webb's words, "everybody may as well stop trying to pretend this isn't so."

As the title of DeVoto's article suggests, he lays some of the blame for the situation on what he calls the split personality of westerners themselves, and this charge has considerable merit. Still, the victim of a confidence man, although he may have some larceny in his soul, is not as culpable as the con man himself.

In Dr. Webb's article the unkindest cut is reserved for our cowboys. He says westerners have developed a talent for taking something small and blowing it up to giant size, as a photographer blows up a photograph.

Westerners write of cowboys, says Dr. Webb, "as if they were noble knights and the cowmen kings * * *." Dr. Webb comes from Texas, so perhaps we should let him speak for his State, but there is more to the West than Texas.

There are grains of truth in Dr. Webb's article, but he takes these grains and, to use his own words, blows them up to giant size. We suspect that much of his article was written with tongue in cheek—quite a feat for a Texan, incidentally—but when DeVoto wrote of the plundering of the West, which he did not once but many times, he meant every word of it.

Mr. BIBLE subsequently said: Mr. President, on April 29, the distinguished Senator from Montana [Mr. MANSFIELD] placed in the RECORD an article entitled "The American West, Perpetual Mirage," which has appeared in a national magazine. The article was written by a purported historian, Walter Prescott Webb. Several other distinguished Senators have already made appropriate comments on the article.

While I do not wish to elaborate on the article at length, I should like to extend an open invitation to Mr. Webb to visit the great State of Nevada. I feel that in his position as a professor of history in one of our great State universities, he should continue his search for true facts; and I am sure that if Mr. Webb would accept an invitation to visit Nevada and other great Western States, he would wish to correct his article, which certainly was not one of factual reporting.

I would feel remiss if I did not extend this invitation, for certainly a person who has the responsibility of molding the minds of the youth of America today, should obtain all the knowledge he possibly can, in order that he may instruct and teach with genuine and truthful perspective.

At this time I ask unanimous consent to have printed in the RECORD, three editorials from Nevada newspapers, the Ely Daily Times, the Las Vegas Review-Journal, and the Elko Free Press, all of which include appropriate comments on Mr. Webb's recent article.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Ely Daily Times of May 1, 1957]

SHOCKER

Harper's magazine is due to come out today with its May issue containing what its editors seem to feel is a real shocker, telling the truth about "The American West—Perpetual Mirage—the one overwhelming fact which 17 States have been trying to hide for the last century."

Speaking of what is close to home here, the article says that a "talent for making the most of little has produced two strange western societies, one good and one bad. The good society is that of the Mormons in Utah, a rejected people with a bizarre religion who sought peace in the desert, took the bee as their symbol, and created by their hive-like industry something admirable.

"The other society of more recent vintage sprang up in a similar desert, but took a different direction. No State has less to recommend it than Nevada. It is all desert and, once its minerals were depleted, it had little chance of prosperity and hardly enough people to maintain a State government. It

solved its problem by creating an oasis of iniquity and license in a sea of moral inhibitions. It provided a haven in the desert to which all could come who wanted to gamble, divorce, or fornicate and have it quick and legal. Then it found it could have a monopoly only on the first two, and so substituted for the third the abolition of State income tax to attract the millionaires who make good customers at the casinos. Nevada was revolutionized, its population shortly doubled, and it has the highest income per capita of any State in the Union. Nevada is what it is today because of what it did not have yesterday. In compensating for what the desert denied it, it has created the most bizarre society in the Nation."

This is not, however, the main point of the article, which is that all the 17 States of the West are either desert or desert rim dominated by desert influences and handicaps, and that the American West produces comparatively few important men, has little interesting history, by some standards is a depressed region, and, we gather between the lines, might just as well be written off as a failure. The article is by Dr. Walter Prescott Webb, University of Texas history professor.

Reason given is that the West has been shaped, historically, and economically, by the great desert at its heart. Dr. Webb says everybody may as well stop trying to pretend it isn't so—thereby accusing westerners of deceit in that they have been trying to deny the existence of the Great American Desert ever since the name was stricken from the maps when settlement began after the Civil War. "It has hardly been mentioned in polite western society since, and never by the chambers of commerce," he adds.

It is hard to tell just what motivates Dr. Webb, for he seems to advance his idea with a certain bitterness as though the West had done something to him for which he seeks revenge. Much of what he writes is the truth, and surely few westerners would deny that we suffer from shortage of moisture, but what he is driving at beyond the facts is difficult to tell. He seems to imply that the West is not worth the trouble taken with it—hence, perhaps, the Federal Government should not spend money on reclamation in the West and should give little if any consideration to western industries, and the people in the East should ignore the West even more completely than they do now, while the people of the West should probably give up the fight and move to the East. He says:

"The farmers with the help of the wind destroyed the soil, the cattle the grass, and the miners removed an irreplaceable resource. The natural wonders, in which the West abounds, have produced annually an increased crop of tourists, whose emblem is the desert water bag. They may prove the West's most dependable asset."

We, of course, agree that tourists are of great importance in the future of the West, of Nevada, of White Pine County. But we do not agree that all else is doomed, for the fact is that western industry is growing, that mineral production is increasing, and that western agriculture is certainly far from insignificant. The more we think about the situation, the more Dr. Gerald Wendt's statement to the local Knife and Fork Club a few weeks ago makes sense to us—that the West is ideally suited for industry and the homes of the people, because of its pleasant and healthful climate, and that the Nation would be well advised to leave the thick soil and ample rainfall of the East and South for agriculture, while encouraging industry to move westward, for climatically speaking the East is best suited for farms and the West for pleasant living.

We suggest the Harper's writer put this in his pipe and smoke it for a while, and see if he can't come up with an article that makes practical sense instead of spreading sectional bitterness and trying to promote frustration.

[From the Las Vegas Review-Journal of May 1, 1957]

THE AMERICAN WEST

A man named Walter Prescott Webb, who claims to be an author and seeks to prove it in an article in Harper's magazine entitled "The American West, Perpetual Mirage," tells his readers that there is nothing whatever to recommend the West in any degree.

Webb does not disguise his dislike for anything west of the Mississippi River, which he says is just desert country, beginning with the second tier of States beyond the big river. The west coast and the border States on the east are desert rim States, Webb adds.

Nevada he holds up as a horrible example.

"No State has less to recommend it," he says. "Since its materials were depleted it had little chance of prosperity and hardly enough people to maintain a State government.

"It turned to sin to solve its problems; Nevada is what it is today because of what it did not have yesterday. In compensation for what the desert denied it, it has created the most bizarre society in the Nation."

It is quite interesting that Webb, who apparently was reared in the concrete jungles of New York City and never bothered to crack a geography book, should speak so knowingly about something of which he has not the slightest information.

Webb claims that the trouble with Nevada is that it is what it is because of what it did not have yesterday. All the so-called author would have had to do was to consult history books to determine that the State of Nevada saved the Union during the Civil War, built a couple of railroads, and laid the foundation for one of the largest corporations in Webb's own New York City. Perhaps we didn't have much in the State of Nevada yesterday, but if what we had yesterday was nothing, then New York City has less now.

He spurns the West and declares that "they make the best of what little they do have."

Perhaps Webb is correct, but we wonder if he has ever seen the sunset on a western hill, or has seen the sun breaking through the clouds just after a rainstorm, or whether he has ever breathed the good, clean air of the desert. We may have little, out here on the desert, but what we do have was built by God and is not the handiwork of man, as is Webb's New York City.

Webb says that when the West is stripped of its mountains there is nothing left. So what—strip New York City of its skyscrapers and what will you have left?

He has little but criticism of the manner in which people live in this western country, declaring that "saloons become art museums," that "cowboys are described as if they were noble knights, and the cowmen kings," and that "Boot Hill becomes a shrine for pilgrims."

We would like to ask Webb just what the history books have to say about old "Commodore" Vanderbilt, the Rockefeller clan and the Carnegie crew. We certainly will stack most of our cowboys and a majority of our cattle barons up against the best the East has to offer and give them a few handicaps, such as loaded dice and marked cards.

For Webb's information, a majority of the people living in the West would not trade their freedom or their outdoor living for all of the skyscrapers, sidewalks, and subways in New York City. The people of the West get a lot closer to God than any resident of New York City and most of the rest of the East. And, after all, that compensates for a lot of "lack" we might have here in the West.

[From the Elko Free Press of Friday, May 3, 1957]

HE SPURNS THE WEST, PARTICULARLY NEVADA

Walter Prescott Webb, writing in a national magazine, spurns the West and points a finger of scorn at Nevada saying "No State has less to recommend it than Nevada."

Scornfully he continues: "It is all desert and, once its minerals were depleted, it has little chance of prosperity and hardly enough people to maintain a State government. It solved its problems by creating an oasis of iniquity and license in a sea of moral inhibitions. It proved a haven in the desert to which all could come who wanted to gamble, divorce or fornicate and have it quick and legal.

"Then it found it could have a monopoly only on the first two, and so substituted for the third the abolition of State income tax to attract the millionaires who make good customers of casinos.

"Nevada was revolutionized, its population shortly doubled, and it has the highest income per capita of any State in the Union. Nevada is what it is today because of what it did not have yesterday. In compensating for what the desert denied it, it has created the most bizarre society in the Nation."

So speaks this self-styled historian who makes no bones about his dislike for anything west of the Mississippi. But his facts are all about as reliable as this one; where he claims the rainmakers are called in with magic, dynamite, and prayer, and later with a chemical calculated to make a dry cloud give water. Even he should know the simple fact that rainmakers claim they can only coax additional moisture from a cloud which already has moisture. But if we cannot rely upon him for simple facts, how can we hold any respect for him?

We will admit that prayer is often used to allay drought. And east of the Mississippi, it is probably turned to as the only means to stop the floods.

While spurning the West he says, "They make the best of what they do have." That we do not deny, but we have more to make the best of than this man who lives in the concrete canyons of New York City will ever know.

He says if the West was stripped of its mountains nothing would be left. And may we ask: If the skyscrapers were taken from New York what would it have?

This great historian, who probably has not been west of the Mississippi River, says nothing about the silver of Nevada which saved the Union; he says nothing about the experiments in this atomic age made upon the Nevada desert for the protection of the millions who live within the great State of New York. He has never seen a Nevada sunset in all its reverent beauty.

He knows nothing of the rugged mountains of Nevada, with their awe-inspiring sights. What he needs is to get closer to God, so he can understand some of the things which he condemns.

All is criticism. Our saloons are art museums and "cowboys are described as if they were noble knights, and the cowman king."

We have been in Webb's New York City, and we'd sooner live in Elko, Nev. Shortcomings we do have, but the filth of a New York slum shelters more misery than can be found in the entire State of Nevada. Give us the freedom of the West, where a man's own eye can see as far as he can with a telescope back East. Give us Nevada, where the people are friendly, where our ranches are great, where our highways are smooth and wide, where the accomplishments of our pioneers will always be an inspiration to the adventurous. Webb can have what he holds so dear. Too bad that he could not have taken the time to come West, into the great American desert area, and see its great growth

and industry. Too bad that he has not taken the time to learn something about the great churches which have been built here, and, most of all, it is too bad that he has not come into this great country so that he could grow in character. But the skyscrapers in New York dim a man's vision, as is readily discernible in his analysis of The American West.—C.

NATIONAL RADIO WEEK

Mr. MANSFIELD. Mr. President, this week the Nation is observing National Radio Week, saluting one of our most vital means of communication.

Those of us in public life are more aware of the great services provided by radio than any other group of people since we know it as the means of communication and information between the people and its Government. Radio is constantly on the job, informing the people.

There are 3,600 AM and FM stations serving the public, and Americans own nearly 150 million radio sets. In fact there are more radios in our homes than any other modern appliance.

Radio has grown tremendously since the first commercially licensed radio station went on the air in 1920. It operates freely under our American system, bringing to the public what it wants—music, news, religion, politics, drama, sports, or entertainment. The public is its censor.

Radio is an integral part of our system of free enterprise, principally as an advertising medium, helping to move goods and services from the producers to the consuming public. The history of radio is filled with dramatic episodes—advance warnings, evacuation bulletins, emergency announcements, pleas for help, and round-the-clock broadcasting.

Since Americans are so inclined to take for granted such things as radio—National Radio Week is set aside to pay tribute to this great medium of communication.

THE BUDGET

Mr. JOHNSON of Texas. Mr. President, with each passing day it becomes increasingly apparent that Congress is placed in a very difficult position with respect to the budget. We are being requested to act on conflicting advice, and we are being told that either course we take will injure our country.

We all remember the events at the beginning of the year. Late January there was sent to Congress a budget of $71,800,000,000, the largest peacetime spending budget in the history of the Nation.

We were then invited publicly to cut that budget, and we were told by the Secretary of the Treasury that we would have a hair-curling depression if we failed to do so.

Now we witness a parade of Cabinet officers coming to the Senate Appropriations Committee and asking that the Senate restore the cuts which have already been made by the House of Representatives. And only a few minutes ago we were told that the Postmaster General is going to have to have some extra money, and that he will ask for it during the afternoon.

I have no way of knowing whether Postmaster General Summerfield's request is justified. He has yet to specify the amount or the need. But neither do I have any way of knowing which course represents the policy of the administration.

This morning, the President, I understand, after conferring with the distinguished leaders of the minority, announced he will make 2 television appearances to defend his budget. I did not say the minority budget. I said the President's budget.

At the same time the President tells us there are no differences between him and his "hair-curling" Secretary of the Treasury.

Mr. President, I cannot avoid the feeling that this is something like the old shell game—"now you see it, now you don't." We cannot cut the budget without cutting spending, and we cannot adopt one course in January and another course in May.

The Senate, of course, will have to listen to all the facts and make its decision according to the best judgment it has. But the country should know that we are not being helped at all in this enterprise by those who are cutters when it comes to the budget but spenders when it comes to appropriations.

Although the Senate Appropriations Committee is going to be delayed perhaps for a number of days in reporting appropriation bills, I want the Senate to know that, in my opinion, this delay is justified; that the committee should not recommend one thin dime which has not been justified beyond the peradventure of a doubt; and that when an appropriation bill comes to the floor of the Senate, the chairman of the subcommittee and the ranking minority member will be able to stand up and defend it.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. MANSFIELD. This morning I happened to see on the ticker a statement which I believe was issued by the distinguished senior Senator from New Jersey [Mr. SMITH], one of the Republican leaders, to the effect that the administration was considering sending to the Congress a new mutual security proposal, which will provide for $500 million less than the $4.4 billion requested earlier this year. If the administration can cut a half billion dollars off the foreign-aid bill, it would indicate that there was something wrong in their reasoning and figuring in the beginning. I am wondering why it might not perhaps be possible to bring about a consolidation of some of the numerous Government agencies, such as the USIA and the ICA, put them in the State Department, where they belong, and in that way do away with some duplication and overlapping, and bring, under this "businessman's" administration, greater efficiency and cohesion in the administration of the affairs of the Government.

Mr. JOHNSON of Texas. I appreciate the Senator's suggestion. I hope we can effect some consolidation which will result in economy. I know nothing about the administration's new proposals in the field of foreign aid. A bipartisan meeting has been called for tomorrow. I expect an announcement in the newspapers today, something that is usually done when a bipartisan conference is called.

I say to the Senator from Montana I cannot attest to the accuracy of the report that the administration has been able to save $500 million in the foreign-aid item since it sent the budget to the Congress, but I hope the report is true. I am of the opinion the Congress is not only going to save that much in foreign aid, but may increase the reduction.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. The Senator may be recognized on his own time. The Senate is operating under limited time, and I am limited in the time I have.

PROTECTION OF HUMANITY FROM ILL EFFECTS OF RADIOACTIVE FALLOUT

Mr. WILEY. Mr. President, as all of us know, the world is confronted with crucial decisions on the matter of the effect of radiation on the human race.

As yet, far too little is known of the immediate, as well as the ultimate, effects which radiation may have.

While we are thinking about sustaining or reducing the budget, we should also be thinking in terms of whether or not humanity will be obliterated. That can be done if we cut the budget to a point where the Kremlin thinks it then is time to attack us. According to information submitted by the Army, the third world war will bring about the loss of 70 million American lives.

So great are the dangers of radioactive fallout that I believe we must stimulate authoritative research into this field.

As we recall, in 1955 the United Nations created a Scientific Committee on the Effects of Atomic Radiation. This Committee met for the first time in Geneva in April 1957, and discussed the genetic effects of radiation and measurements of radioactive fallout, particularly of strontium 90. Although the committee has not yet conducted any extensive research, it is agreed that radiation is harmful to humans. The fallout danger is especially high in countries like the United States, the United Kingdom, and Sweden, where the population has already been subjected to a considerable amount of radiation through medical practices.

As we know, hearings are scheduled by a subcommittee of the Joint Committee on Atomic Energy, to begin May 27 and to extend through June 7. The hearings are expected to cover the fallout cycle from its inception in the detonation of nuclear weapons, through its dissemination in the atmosphere and descent to the earth, and finally to its uptake and effects on human beings, animals, and vegetation.

In this highly technical field, of course, we must rely heavily upon the findings of our scientists. However, we must also attempt to correlate their conclusions and then formulate protective programs

and policies in the interests of our people.

The Sunday Star published an informative article entitled "The Debate of the Scientists," on the pros and cons—in lay language—of this vital issue.

Believing we can all benefit from this simplification of factors to be considered on the atomic issue, I request unanimous consent to have this article printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE DEBATE OF THE SCIENTISTS

ACTUAL RISK IS SMALL

(By Willard F. Libby, member, U. S. Atomic Energy Commission)

Ever since its nuclear testing activities began, the United States Atomic Energy Commission has been aware of the importance of investigating the possible effects of radioactive fallout and of determining how much fallout radioactivity has been produced by nuclear tests.

Particularly in recent years, a great amount of information has been amassed by the Commission's studies. Literally hundreds of thousands of dust samples, and thousands of samples of soil, plants, milk, other food products, and bones have been collected in this country and in other parts of the world, and have been analyzed for radioactivity.

As a result, good information is available on the amounts of radioactivity which have been deposited as fallout, the uptake of fallout radioactivity into plants, animals, and human beings, and the rate of descent of the radioactive particles from the stratosphere.

There is less certainty about the magnitude of the biological effects which might be expected from test fallout, and probably this cannot be stated in precise numerical terms at this time. Nevertheless, among those scientists who have studied the question, there is general agreement that fallout radiation exposures at the present rate of testing are far too small to result in observable effects among the population.

The two hazards

There are two possible hazards from fallout radioactivity. One is the genetic hazard due to radiation of the reproductive organs by penetrating gamma radiation. The other is the hazard to health due to irradiation of the bones by strontium 90 taken up in food and deposited in the skeleton. The magnitude of both these possible effects depends upon the amount of radiation exposure.

The conclusion that the actual risk from test fallout is small is based upon the following principal reasons:

1. The radiation exposures from test fallout are very small compared with the radiation exposures which living things receive, and always have received, from cosmic rays from outer space, and from the radioactive materials naturally present in the soil, air, water, plants, and animals, and even in our own bodies.

2. The radiation exposures from test fallout are far below the permissible amounts of radiation which have been recommended by the most authoritative scientific groups in this country and other countries for exposure of the public.

Natural radiation exposure is called the radiation background. Background levels differ from place to place. They are above normal in areas where uranium or thorium minerals are close to the surface. They also increase with altitude, because of an increased effect of cosmic rays. These differences in natural exposure from locality to locality range up to amounts 100 times greater than the exposures which have resulted from test fallout.

Some comparisons

To be more specific, present strontium-90 levels produce a dosage to new bone, such as that formed in children, about the same as the additional dosage which a resident at sea level would receive from cosmic rays if he moved from a beach to the top of a hill a few hundred feet high. The external dosages from fallout, that is, those which might cause genetic effects, have been about 0.7 to about 3 percent of the dosages from natural radiation.

In certain parts of the world, brick or concrete-block houses may contain enough radioactive material to expose residents to considerably more radiation than persons living in wooden houses. These additional dosages may range from 8 to 100 times the dosage due to test fallout.

What about future nuclear tests? Without going into detail, it can be demonstrated that, even if tests were to continue at the present rate for decades, the exposures from fallout still would be small in comparison with the exposures from natural radioactivity.

No scientist maintains that there is no risk at all from test fallout. What the data show is that the risk is extremely small compared with other risks which are a part of everyday life. We must weigh this risk against the risk to ourselves, our freedoms, and the safety of the whole free world should we abandon tests before achieving an effective system of safeguarded disarmament.

THE CAUTIOUS SIDE

(By John M. Fowler and Norman Goldberg, assistant professors of physics at Washington University (St. Louis) and the University of Pennsylvania)

The striking fact which emerges from an examination of scientific attitudes toward the hazards of fallout radiation is the widely divergent interpretations of the present meager experimental data.

This divergence of viewpoint is perhaps best illustrated by the recent conflicting statements of Dr. Albert Schweitzer and Dr. Libby.

The fact is, the divergence reflects an uncertainty on the part of the scientists. It is our opinion that an evaluation of the hazard, and decisions based on this evaluaiton, must recognize that it is not possible to measure precisely the dangers on the basis of present knowledge.

There are two general questions which must be asked, and the exactness with which these can be answered, should govern the certainty with which statements about the hazard are made: (1) "How much is safe?" and (2) "How much will we get?"

The first question is one to which radiologists have directed a great deal of attention. They have attempted to set a "best guess" as to a "maximum permissible whole body" dose.

If one looks at the history of this "maximum permissible whole body" dose, one finds that it has been reduced, in successive reevaluations, to one-twelfth of the value first set in 1931. New information has almost always shown important low intensity effects which had been overlooked before.

Fallout radiation gives rise to both genetic effects, which harm our offspring, and pathological effects, which harm the person receiving the radiation. The most hazardous fallout component, in regard to pathological effects, is strontium-90, a bone-seeking substance of long-lasting activity.

Uncertainty is the problem

The "maximum permissible concentration" for strontium-90 has the same sources of uncertainty that are found in other safe standards. It is based upon very meager experimental information, derived as it was largely from experience in less than 100 cases of radium poisoning, all of whom were adults. The extrapolation from radium to strontium-90 is also a source of uncertainty. Moreover, children are likely to be more sensitive to radiation than adults.

There is a strong possibility, based again on a few difficult experiments, that any amount of strontium-90 can cause serious damage—leukemia or bone tumors. Many scientists strongly suspect that any radiation which takes us appreciably above the existing natural level of radiation, which is due to cosmic rays, natural radioactivity in the soil, etc., is dangerous. We do not know what amount of damage is being done by these natural radiations and so cannot safely evaluate the effect of adding to them.

Attempts to answer the second question, "How much radiation will we get?" are also fraught with uncertainties.

Estimates are possible

From balloon sampling of the stratosphere, from soil samples, from sampling food, and actual human bones for strontium-90 content, we can make rather good estimates of the amount of strontium-90 the average child, growing up in this strontium-90 containing environment, will build into his bones. This figure is expected to be about 2 or 3 percent of the MPC established for the general population. This amounts to about a 5-percent increase over the world natural average level.

An increase of this amount may not cause detectable effects, but here again we are faced with uncertainties when we consider fluctuations from the average. We must ask how many people will be, for some biological, dietary, or environmental reason, unaverage and perhaps store 10 or 30 times the average amount in their system.

This then is the problem which faces us. We are applying a safe level, which varies from individual to individual, and which in itself contains sources of uncertainty, to a situation in which the accretion of radioactive material is widely variable.

If the fallout were only a possible menace to the testing nations, it would be proper for them to make a judgment about the relative risks of fallout versus cessation of bomb testing, and act accordingly. Since, in fact, the testing powers are subjecting the entire world to fallout radiation, the testing powers face heavy responsibility to err only on the cautious side.

EFFECT OF CREDIT POLICY UPON FARMERS OF IDAHO

Mr. CHURCH. Mr. President, most of us are aware that the farmers of the country are mercilessly squeezed between the declining prices received for the products they grow, and the increasing costs of the goods and services they must buy. One of these spiraling costs is credit, and no distortion of the facts can conceal from the farmer that the tight money policy being pursued by this administration is adding to the farmers' burden.

I ask unanimous consent to have printed in the body of the RECORD a letter addressed to me by a farmer, who is one of the outstanding citizens of Idaho, Mr. Howard Hechtner, president of the Nez Perce National Farm Loan Association, showing the consequences to the farmers of Idaho, in the increased cost of both long- and short-term credit, resulting from this administration's hard money policy.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF IDAHO,
STATE SENATE,
Boise, April 25, 1957.

Hon. FRANK CHURCH,
United States Senate,
Washington, D. C.

DEAR FRANK: You no doubt are aware of the increased interest rates which are having an undesirable effect on the farmers' economy. I am president of the Nez Perce National Farm Loan Association which makes and services Federal Land Bank loans in Lewis, Nez Perce, and Clearwater Counties in Idaho, and Asotin County in Washington.

On June 1, 1956, it became necessary for the Federal Land Bank of Spokane to increase our contract interest rate on loans from 4 percent to 4½ percent. Previously, the 4-percent rate had been effective since prior to 1940. On November 19, 1956, an increase to 5 percent became necessary. There is now talk that we may have to increase the rate to farmers to 5½ percent. These increases are a result of the larger interest rate that Federal farm loan bonds are bringing when being sold on the open market. Recent bonds sold for 4 percent and 3⅞ percent and a larger bond issue is coming up for sale this fall. These maturing bonds which now draw less than 2 percent will probably be refinanced at a cost exceeding 4 percent. The Federal Land Bank has over $100 million of mortgages outstanding at a 4 percent contract rate. This means that new loans at a higher rate will be the only source of income available to continue this service to the farmer, not only of this area but of the Nation as well.

Like 300 members of this association, I am a farmer and these increasing costs of money make it more difficult to successfully run a farm. You are aware that our income is down, and the costs of labor and farming equipment continually increase. This is a critical matter and I am bringing it to your attention with the hope that an investigation will be made. I feel that such an investigation will show that the increased cost of money is a result of the hard money policy which the banks and insurance companies have enjoyed during the past 4 years. I would be very happy to give you additional information regarding interest rates on long-term loans.

I am also a member of the Production Credit Association, and their interest rate on short-term loans is now 6½ percent. It is probable that this may be increased to 7 percent when new loans are made this fall. I know that you are interested in the conditions which now confront the farmer, and we would appreciate your assistance in this matter. A similar letter has been written to Representative GRACIE PFOST.

Sincerely,

HOWARD D. HECHTNER, *President.*

PULITZER PRIZE AWARD TO SENATOR KENNEDY

Mr. NEUBERGER. Mr. President, the Senate was honored recently when one of its members was awarded the 1957 Pulitzer prize for outstanding biography.

The award to the Senator from Massachusetts [Mr. KENNEDY] was recognition of the excellence of his book Profiles in Courage, published by Harpers & Bros., which tells the story of political independence and courage of great American political leaders.

The Pulitzer awards were started in 1917 under the will of the late Joseph Pulitzer, publisher of the New York World. They are made by the trustees of Columbia University, acting on the recommendations of an advisory board. The Pulitzer awards in the fields of letters and music are the outstanding awards to American authors for their cultural achievements.

Senator KENNEDY has distinguished himself as a Member of Congress, both in the House of Representatives and the Senate. We all are proud of this further recognition which has come to him.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD the biography of Senator JOHN F. KENNEDY, which appeared in the New York Times of May 7, 1957, in connection with his Pulitzer award for distinguished biography.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JOHN F. KENNEDY

JOHN FITZGERALD KENNEDY, a Representative at 29 years of age and a Senator at 36, became a Pulitzer prize author at 39.

Sandy-haired Senator KENNEDY picked off the prize for biography with his second book, Profiles in Courage. It was a study of political integrity as personified by selected American politicians, some well known, some obscure.

Senator KENNEDY, who will be 40 years old on May 29, already has achieved fame on a national level. He just missed being nominated for Vice President by the 1956 Democratic National Convention. The nomination went to Senator ESTES KEFAUVER, of Tennessee.

Mr. KENNEDY has represented Massachusetts since 1947 as a Representative from the Cambridge area until 1953, and in the Senate thereafter.

Known as "Jack" to his associates, he has poise, polish, education, and money. He is the son of Joseph P. Kennedy, former Wall Street banker and Ambassador to Great Britain. (A younger brother, Robert Kennedy, is counsel for the Senate Select Committee To Investigate Improper Activities in Labor-Management Relations.)

The Senator was born at Brookline, Mass., in 1917. He studied at the London School of Economics and received a bachelor of science cum laude from Harvard in 1940. He holds honorary doctor of laws degrees from Notre Dame University and Tufts College.

As a correspondent for International News Service, he covered the San Francisco United Nations Conference, the British election and the Potsdam meeting in 1945. He served with the Navy as a P. T. boat commander in the South Pacific.

His first book, While England Slept, published in 1940, was based on observations while with his father during the latter's period as Ambassador. Profiles in Courage was written during a year's convalescence from World War II injuries.

The Senator married the former Jacqueline Lee Bouvier in 1954.

THE BUDGET

Mr. NEUBERGER. Mr. President, evidently certain segments of the Republican Party have still in supply some of the same irresponsible arguments used against Presidents Roosevelt and Truman. Rather than throw away the blank forms, they are now being employed by Republicans against President Eisenhower. Perhaps these persons have forgotten that the White House changed hands in 1952.

I have before me a manifesto from the Douglas County Young Republican Club, of Omaha, Nebr., dated May 2, 1957. The manifesto advises me that the administration budget is appropriating "$196,713,698 per day to support a sprawling, expanding bureaucracy." I also am told by this Republican group that my home city of Portland, Oreg., is being assessed $489,452 a day to sustain this "sprawling, expanding bureaucracy."

Republicans in Omaha, let me add, have one thing in common with Republicans in Portland, Oreg. They are the ones attacking President Eisenhower's budget. Democrats seem to have a greater sense of responsibility. They are not willing to risk wholesale losses in social-welfare programs, in care for war veterans, in the defense of our country, in aid for schools, in natural resource development, in cancer and heart research—merely to score a political point against "a sprawling, expanding bureaucracy," even one under Republican leadership.

Mr. President, on March 29, 1957, I suggested that the President might take the case for the budget directly to the American people, in a series of television broadcasts. I understand that he is now contemplating such a course. But, as Adlai Stevenson said the other day, if he does, the Republicans will no doubt ask for equal time.

Mr. President, I have a suggestion for President Eisenhower. Until 1948 General Eisenhower was not certain to which political party he gave his allegiance. His authorized biographer, Robert J. Donovan, reports that at one time during his Presidency, Mr. Eisenhower actually considered organizing a new political party because of his frustration with rightwing Republicans.

I formally propose that Dwight Eisenhower shift his affiliation to the Democratic Party, because 90 percent of the attacks upon his budget come from Republicans and 90 percent of the defense comes from Democrats.

The President's budget is the instrument for financing the President's program. The two are inseparable. If the President's budget is to be cut, then his program also must be curtailed. There is growing evidence that the program of the President does not conform to views of members of the party which he heads. Furthermore, on rollcall votes in the House of Representatives, a majority of Republicans have voted to slash the President's budget while a majority of Democrats have voted to support the budget.

How long is our President going to remain affiliated with a political party which has originated, planned, and pushed the current effort to emasculate the President's budget and his program? Is Dwight Eisenhower the leader of the Republican Party or is he its No. 1 victim and target?

I ask unanimous consent that the copy of the letter sent by the Douglas County Young Republican Club of Omaha, Nebr., to the mayor of the city of Portland, a carbon copy of which was sent to me, be printed in the RECORD with my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DOUGLAS COUNTY
YOUNG REPUBLICAN CLUB,
Omaha, Nebr., May 2, 1957.

THE MAYOR,
City of Portland, Oreg.

DEAR MAYOR: The single vital organ of a Washington bureaucrat is his checkbook—one that never has to be balanced. Let's see what they are proposing to do to us this year.

A sum of $1.15 per day for every man, woman, and child in the United States is a per capita breakdown of the cost of the newly proposed Federal budget for the fiscal year beginning July 1, 1957.

The sum of $196,713,698 per day to support a sprawling, expanding bureaucracy.

In the last analysis every penny of these amounts will be paid by people—your neighbors and ours. According to the 1950 census figures, this will cost the people of your city, the home town of your United States Senator, the Honorable RICHARD LEWIS NEUBERGER, $489,452 per day for every day of the next fiscal year.

Immediately following announcement of the $71,800,000,000 budget, a shocked Nation became aroused and flooded the Washington mailbags with protests. The usual thing is now happening—the citizens' protests are drying up and the pressure groups are moving in—24 hours a day. Demands for a worldwide welfare state are overwhelming and our Senators and Congressmen need our support. Let us rekindle the fire that burned a few weeks ago, and cut out the bureaucrats' vital organ—his checkbook.

We urge you, as we are urging the mayors of the home towns of the other 95 United States Senators, to use your power and prestige to stimulate the people of your city. Urge them to become aroused and vocal on this question. Ask them—can they afford the above figure? We are sure of their answer and we will depend on you to establish a sustained letter-writing campaign on this subject.

Please do all you can, and do it now.

Sincerely,

DOUGLAS COUNTY YOUNG
REPUBLICAN CLUB.
DAN MONEN, JR., *Chairman.*

RAPID TAX AMORTIZATION

Mr. MORSE. Mr. President, there are several items which I wish to discuss during the morning hour.

This morning's press reports the Secretary of the Treasury, George Humphrey, as saying that the fast tax writeoff program "adds to inflation, gives favored companies an unfair advantage over competitors, and by holding back revenue postpones the day of tax reduction."

I shall ask to have certain material printed in the RECORD. Before doing so, let me say that I agree with the Secretary of the Treasury that accelerated tax amortization certificates give favored companies unfair advantages over competitors. However, I regret that his own personal financial records do not seem to bear out his advice to the committee.

Thanks to the senior Senator from West Virginia [Mr. NEELY] and his initiative, I can now present to the Senate information of unusual interest in connection with tax amortization and Mr. Humphrey.

The Senator from West Virginia asked the Office of Defense Mobilization to list the rapid tax writeoff certificates granted to companies with which the Secretary's M. A. Hanna Co. is associated directly or by interlocking directorates. The period listed is from the start of the program through April 11, 1957. Mr. Humphrey was a member of the ODM board 4 of these years.

This list shows that 410 certificates totaling $1,021,813,000 were granted these companies.

As the Senate will recall, Secretary Humphrey told the Finance Committee:

My securities, which I expect to retain, consist now and have always consisted almost entirely of common stocks of four companies with whose management I was associated. These are the M. A. Hanna Co., Hanna Coal & Iron Corp., National Steel Corp., and Pittsburgh Consolidation Coal Co. * * * The M. A. Hanna Co., in turn, owns substantial stock interests in National Steel, Pittsburgh Consolidation, Industrial Rayon Corp., Standard Oil of New Jersey, Phelps Dodge Corp., Seaboard Oil Co., Iron Ore Company of Canada, Durez Plastics & Chemicals, Inc., Hanna Coal & Ore Corp., and smaller interests in a few other companies.

A list of all the companies associated with M. A. Hanna interests has been compiled by the Library of Congress for the Senator from West Virginia, and I now present it for the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Necessity certificates issued from start of program in 1950 through April 11, 1957

[In thousands of dollars]

Number	Name of company	Estimated cost	Certified amount	Amortized amount
3	Pittsburgh Consolidation Coal Co.	2,653	2,539	1,629
15	Republic Aviation Corp.	13,177	12,767	8,203
14	Commercial Solvents Corp.	31,361	31,167	16,827
7	Hooker Electrochemical Co.	7,161	6,535	3,146
71	Union Carbide & Carbon Co.	551,358	517,350	305,245
8	Hanna Coal & Ore Corp.	18,722	18,484	13,779
1	North Western-Hanna Fuel Co.	400	400	200
33	American Can Co.	47,607	45,239	17,591
68	General Electric Co.	181,863	179,395	113,458
1	National Electric Coil Co.	894	864	475
3	Dravo Corp.	587	579	295
32	National Steel Corp.	165,383	163,869	77,856
1	Phelps Dodge Corp.	2,325	2,325	1,511
3	Butler Bros.	1,841	1,841	1,183
1	Douglas Mining Co.	447	398	298
4	Hanna Iron Ore Co.	4,277	4,277	2,769
1	Hanna Nickel Smelting Co.	22,000	22,000	18,700
5	Hanna Ore Mining Co.	3,318	3,076	1,839
1	Iron Ore Company of Canada	111,250	111,250	83,438
5	Mesaba-Cliffs Mining Co.	1,262	1,262	793
2	Morton Ore Co.	9,353	3,949	2,466
15	Continental Oil Co.	43,777	43,469	29,865
2	Seaboard Oil Company of Delaware	1,120	1,033	684
17	Delaware, Lackawanna & Western RR.	45,464	45,430	32,542
76	Pennsylvania RR.	434,761	432,303	265,105
13	Virginian Ry Co.	22,196	22,136	14,526
6	American Shipbuilding Co.	1,590	1,471	956

Necessity certificates issued from start of program in 1950 through April 11, 1957—Continued

[In thousands of dollars]

Number	Name of company	Estimated cost	Certified amount	Amortized amount
1	Hansand Steamship Corp.	$6,073	$5,986	$3,592
1	Industrial Rayon Corp.	4,373	4,373	2,842
410	Necessity certificates issued	1,736,643	1,685,767	1,021,813

NOTE.—29 companies issued necessity certificates.

Mr. MORSE. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter dated April 15, 1957, addressed by George B. Beitzel, Assistant Director of the Office of Defense Mobilization, to the Senator from West Virginia [Mr. NEELY].

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF
THE PRESIDENT,
OFFICE OF DEFENSE MOBILIZATION,
Washington, D. C. April 15, 1957.

Hon. MATTHEW M. NEELY,
United States Senate, Washington, D. C.

DEAR SENATOR NEELY: This is with further reference to your letter of March 28, 1957, requesting certain information as to Government aid to and purchases from a list of companies.

Attached is the information requested on necessity certificates issued for tax amortization through April 11, 1957. In total 410 necessity certificates were issued to 29 of the companies. None were issued the 56 remaining firms.

None of the 85 companies applied for a section 302 loan; hence, no certificates of essentiality have been issued nor such loans made by the Treasury to any on the list.

We are informed by the General Services Administration that the information you requested on Government purchases and contracts is being assembled but that it will take considerable time to complete the report. We will of course transmit the report to you immediately upon its completion.

Sincerely yours,

GEO. B. BEITZEL,
Assistant Director.

Mr. MORSE. Mr. President, in putting this material in the RECORD, I point out that two companies in which the Secretary has the greatest personal interest, Iron Ore Co. of Canada and National Steel, of which company the Secretary it is reported will become chairman of the board, have received substantial writeoffs. Iron Ore of Canada, for example received permission to amortize $83,438,000—and I point out that its operations are largely in Canada and not the United States—and National Steel $77,856,000.

It might be interesting to find out how many requests for tax amortization certificates by these companies are now pending. In other words the Secretary's companies showed no reluctance to apply for, and Secretary Humphrey apparently saw no danger in, rapid tax writeoffs in the period 1950 through April 11, 1957. Could it be that the

danger only occurred after these companies had received substantial benefits, which they did not want others to have?

Mr. President, I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an exhibit entitled "Interlocking Officers and Directors—Assets and Type of Business of Corporations Having Officers or Directors Who Are Also Officers or Directors of Pittsburgh Consolidation Coal Co. and the M. A. Hanna Co."

There being no objecton, the list was ordered to be printed in the RECORD, as follows:

Interlocking officers and directors, assets, and type of business of corporations having officers or directors who are also officers or directors of Pittsburgh Consolidation Coal Co. and the M. A. Hanna Co.

Type of business	Company	Name of officers or directors who are also officers or directors of Pittsburgh Consolidation Coal Co. (P) or the M. A. Hanna Co. (H)	Total assets as of Dec. 31, 1956, unless otherwise stated (in thousands of dollars)
Bituminous coal	Pittsburgh Consolidation Coal Co.	James F. Bisset, J. H. Bowen, S. M. Cassidy, C. W. Clayton, John Corcoran, G. R. Higinbotham, A. H. Hunt, James Hyslop, R. L. Ireland (H), A. A. Jenkins, Charles H. Jones, J. W. Kepler, J. M. Knowles, G. W. Kratz, Arthur B. Lawrence, George H. Love (H), A. R. Matthews, D. L. McElroy, Joseph W. Oliver, Ernest G. Otey, Joseph Pursglove, Jr., H. C. Rose, W. F. Schulten, G. A. Shoemaker, H. N. Smith, G. O. Tarleton.	$340,803.
Coal, iron ore operators	M. A. Hanna Co	Warren Bicknell, Jr., Leonard C. Hanna, Jr., Gilbert W. Humphrey, R. L. Ireland (P), George H. Love (P), W. H. Marting, W. H. Moore, Ralph Perkins, William C. Pieper, James N. Sherwin, Lawrence W. Spang, Joseph H. Thompson.	$159,559.
Aircraft	Republic Aviation Corp	William H. Moore (H)	$108,808, Dec. 31, 1955.
Banks	Bankers Trust Co. (New York)	do	$2,711,111, June 30, 1956.
	Dollar Savings Bank (Pittsburgh)	Joseph Wood Oliver (P)	$140,606, June 30, 1956.
	Farmers and Merchants National Bank of Winchester, Va.	Charles Hill Jones (P)	$15,856, June 30, 1956.
	(First National Bank Bluefield, W. Va.).	Armstrong R. Matthews (P), Ernest Glenwood Otey (P)	$31,565, June 30, 1956.
	Mellon National Bank & Trust Co. (Pittsburgh).	George Hutchinson Love (P-H)	$3,947,915, June 30, 1956.
	National City Bank of Cleveland	Gilbert Watts Humphrey (H), Joseph H. Thompson (H)	$707,744, June 30, 1956.
	Society for Savings in City of Cleveland.	Warren Bicknell, Jr. (H)	$340,549, June 30, 1956.
	Society National Bank of Cleveland.	do	$46,232, June 30, 1956.
	Union Bank of Commerce (Cleveland).	R. Livingston Ireland (P) (H)	$265,989, June 30, 1956.
	Union National Bank of Little Rock.	Jerome Holt Bowen (P)	$74,013, June 30, 1956.
Chemicals	Commercial Solvents Corp	Arthur B. Lawrence (P)	$74,580.
	Hooker Electrochemical Co	Walter A. Marting (H)	$122,870, Nov. 30, 1956.
	Union Carbide & Carbon Corp	George Hutchinson Love (P) (H)	$1,450,749.
Coal	Beaver Creek Consolidated Coal Co.	Samuel M. Cassidy	Subsidiary of National Steel Corp.
	Christopher Coal Co	Dennis Lee McElroy (P)	Subsidiary of Pittsburgh Consolidation Coal Co.
	Consolidation Coal Co	Carl W. Clayton (P), George R. Higinbotham (P)	Division of Pittsburgh Consolidation Coal Co.
	Hanna Coal Co	James Hyslop (P)	Do.
	Hanna Coal & Ore Corp	George Watts Humphrey (H), William C. Pieper (H), Joseph H. Thompson (H).	50 percent owned by M. A. Hanna Co.
	Jamison Coal & Coke Co	Dennis Lee McElroy	Subsidiary of Pittsburgh Consolidation Coal Co.
	Mathies Coal Co	George Alber Shoemaker (P)	33 percent owned by Pittsburgh Consolidation Coal Co.
	North Western	Jacob W. Kepler (P)	Subsidiary of Pittsburgh Consolidation Coal Co.
	Pocahontas Fuel Co	Charles Hill Jones (P), Arthur B. Lawrence (P), Armstrong R. Matthews (P), Ernest Glenwood Otey (P).	$70,358, Dec. 31, 1955.
	Red Jacket Coal Corp	Ernest Glenwood Otey (P)	Affiliate of W. M. Ritter Lumber Co.
	Turkey Gap Coal & Coke Co	Carl W. Clayton (P)	Not available.
Containers	American Can Co	William H. Moore (H)	$499,841.
Electrical	Consolidated Electronics Industries Corp.	Arthur B. Lawrence (P)	$15,294, Sept. 30, 1956.
	General Electric Co	George Hutchinson Love (P) (H), Gilbert Watts Humphrey (H).	$1,727,553, Dec. 31, 1955.
	National Electric Coil Co	Ernest Glenwood Otey (P)	Not available.
Food products	Hershey Creamery Co	Charles Hill Jones (P)	$3,641, Dec. 31, 1955.
Insurance	Guardian Life Insurance Company of New York, New York, N. Y.	do	$403,678, Dec. 31, 1955.
	Royal Insurance Co., Ltd. (Liverpool, England) (American branch).	William H. Moore (H)	$63,039, Dec. 31, 1955.
Investment and sales companies.	Elk Horn Coal Sales Corp	Carl W. Clayton (P), Jacob W. Kepler (P)	Subsidiary of Pittsburgh Consolidation Coal Co.
	Renton Investment Co	George Hutchinson Love (P) (H)	Subsidiary of M. A. Hanna Co.
Machinery and mine supplies.	Fairmont (W. Va.) Machinery Co.	Samuel M. Cassidy (P), George R. Higinbotham (P), James Hyslop (P), Dennis Lee McElroy (P), Joseph Wood Oliver (P), George Albert Shoemaker (P).	Subsidiary of Pittsburgh Consolidation Coal Co.
	Fairmont Supply Co	George R. Higinbotham, James Hyslop (P), Dennis Lee McElroy (P), George Albert Shoemaker (P).	Do.
	Hill Acme Co	Ralph Perkins (H)	Not available.
Metal fabricating	Dravo Corp	George Albert Shoemaker (P)	$51,683, Dec. 31, 1956.
	Hayes Industries	Arthur B. Lawrence (P)	$8,127, July 31, 1956.
	National Steel Corp	R. Livingston Ireland (P), George Hutchinson Love (P), Joseph H. Thompson (H).	$501,331, Dec. 31, 1955.
	National, U. S. Radiator Corp	Charles Hill Jones (P)	$27,771, Mar. 31, 1956.
	Phelps Dodge Corp	R. Livingston Ireland (P-H)	$457,818.
Metals and mining	Butler Bros	Gilbert Watts Humphrey (H), Joseph H. Thompson (H)	$41,343.
	Consumers Ore Co	Gilbert Watts Humphrey (H)	27.5 percent owned by Inland Steel Co.
	Douglas Mining Co	Gilbert Watts Humphrey (H)	65 percent owned by M. A. Hanna Co.
	Hanna Iron Ore Co	Gilbert Watts Humphrey (H), Joseph H. Thompson (P)	Subsidiary of National Steel Corp.
	Hanna Nickel Smelting Co	William C. Pieper (H)	Subsidiary of M. A. Hanna Co.
	Hanna Ore Mining Co	Gilbert Watts Humphrey (H), Joseph H. Thompson (H)	Subsidiary of National Steel Corp.
	Harmar Coal Co	George Albert Shoemaker (P)	75 percent owned by Wheeling Steel Corp.
	Hohannah Mines, Ltd	Walter A. Marting (H)	50 percent owned by Hollinger Consolidated Gold Mines, Ltd.
	Hollinger, Hanna, Ltd	Gilbert Watts Humphrey (H), Walter A. Marting (H)	50 percent owned by Hollinger Consolidated Gold Mines, Ltd., and 50 percent owned by M. A. Hanna Co.
	Hollinger North Shore Exploration Co., Ltd.	Walter A. Marting (H)	60 percent owned by Hollinger Consolidated Gold Mines, Ltd., M. A. Hanna Co.
	Iron Ore Co. of Canada	Gilbert Watts Humphrey, Walter A. Marting (H), William C. Pieper (H), Joseph H. Thompson (H).	Affiliate of Hollinger Consolidated Gold Mines, Ltd., and other companies.

Interlocking officers and directors, assets, and type of business of corporations having officers or directors who are also officers or directors of Pittsburgh Consolidation Coal Co. and the M. A. Hanna Co.—Continued

Type of business	Company	Name of officers or directors who are also officers or directors of Pittsburgh Consolidation Coal Co. (P) or the M. A. Hanna Co. (H)	Total assets as of Dec. 31, 1956, unless otherwise stated (in thousands of dollars)
Metals and mining—con.	Iron Ore Land Co	William C. Pieper (H)	Not available.
	Labrador Mining & Exploration Co.	Gilbert Watts Humphrey (H), Joseph H. Thompson (H)	51 percent owned by Hollinger Consolidated Gold Mines, Ltd.
	Mahoning Ore & Steel Co	Gilbert Watts Humphrey (H)	Affiliate of Youngstown Sheet & Tube Co.
	Maria Luisa Ore	do	50 percent owned by M. A. Hanna Co.
	Mesaba, Cliffs Mining Co	do	Affiliate of National Steel Corp.
	Norton Ore Co	do	50 percent owned by M. A. Hanna Co.
	National Potash Co	George Albert Shoemaker (P)	Affiliate of Pittsburgh Consolidation Coal Co. and Freeport Sulphur Co.
	Shattuck Denn Mining Corp	Warren Bicknell, Jr. (H)	$4,716, Dec. 31, 1955.
	Susquehanna Ore Co	Gilbert Watts Humphrey (H)	Affiliate of National Steel Corp.
Oil	Continental Oil Co	Arthur B. Lawrence (P)	$303,899, Dec. 31, 1955.
	Seaboard Oil Co	Walter A. Marting (H)	$97,746, Dec. 31, 1955.
Railroads	Delaware, Lackawanna & Western RR.	William H. Moore (H)	$316,884.
	Pennsylvania RR	Joseph H. Thompson (H)	$2,464,339, Dec. 31, 1955.
	Pullman Co	George Hutchinson Love (P) (H)	$214,068, Dec. 31, 1955.
	Quebec North Shore & Labrador Ry.	Gilbert Watts Humphrey (H)	Subsidiary of Iron Ore Company of Canada.
	Virginia Ry. Co	Ernest Glenwood Otey (P)	$187,689, Dec. 31, 1955.
Retail Trade	Champion Stores, Inc	Samuel M. Cassidy (P), George R. Higinbotham (P), James Hyslop (P), Dennis Lee McElroy (P), Joseph Wood Oliver (P), George Albert Shoemaker (P).	Subsidiary of Pittsburgh Consolidation Coal Co.
Shipping and Shipbuilding	American Shipbuilding Co	Joseph H. Thompson (H)	$13,085, June 30, 1956.
	Hansand Steamship Corp	Gilbert Watts Humphrey (H)	Affiliate of Wheeling Steel Corp.
	Iron Ore Transport Co., Ltd	Walter A. Marting (H), William C. Pieper (H)	36 percent owned by National Steel Corp.
	Ore Transport, Inc	Walter A. Marting (H), William C. Pieper (H)	Affiliate of National Steel Corp.
Telephone	General Telephone Co. of the Southeast.	Ernest Glenwood Otey (P)	Subsidiary of General Telephone Corp.
Textiles	Industrial Rayon Corp	Gilbert Watts Humphrey (H)	$84,958.
Miscellaneous	Cleveland Construction Co	Warren Bicknell, Jr. (H)	Not available.
	Columbia Corp	Jerome Holt Bowen (P)	Do.
	Pines Realty Co	do	Do.
	Ritter (W. M.) Lumber Co	Ernest Glenwood Otey (P)	Do.
	Scholastic Corp	Joseph Wood Oliver (P)	Do.
	Sharon Optical Co	Charles Hill Jones (P)	$8,429, Dec. 31, 1955.
	F. S. Smithers and Co	Arthur B. Lawrence (P)	Not available.

Sources: 1. Standard & Poor's Register of Directors and Executives, 1957. 2. Standard & Poor's Daily News Service. 3. Standard & Poor's Corporation Descriptions 4. Polk's Bank Directory, September 1956.

Mr. MORSE. As one Senator, I wish to express my deep appreciation to the Senator from West Virginia [Mr. NEELY] for the research he has caused to be done in connection with the subject of tax amortization, as it pertains to the Secretary of the Treasury. It shows that the companies in which Mr. Humphrey has holdings and interests have obtained unfair advantage over their competitors. I have always said that Mr. Humphrey was disqualified for the post of Secretary of the Treasury because of the well-known prohibition against holding a Cabinet position when there was involved a conflict of interest between his personal economic interests and the interests involved in the jurisdiction of the office to which the President appointed him.

RECORD OF THE SENATE WITH RESPECT TO THE LATE SENATOR JOSEPH R. McCARTHY

Mr. MORSE. Mr. President, I now turn to another subject in the morning hour. I shall be exceedingly brief.

Mr. GORE. Mr. President, will the Senator yield before proceeding?

Mr. MORSE. Please permit me to finish.

Mr. SMITH of New Jersey. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SMITH of New Jersey. Is the Senate operating under the 3-minute rule during the morning hour?

The PRESIDING OFFICER. The Chair is advised that the Senate is still operating under the morning hour, with a 3-minute limitation on statements. The Chair would appreciate it if Senators would respect the 3-minute rule.

Mr. MORSE. Mr. President, in connection with the exhibits which I have introduced into the RECORD, I could have spoken for a total of 12 minutes, if I had wished to take up each one individually. I am saving the Senate a great deal of time. I can speak later at much greater length on each of these subjects if the Senate so desires.

Mr. President, am I not entitled to 3 minutes on each of the several items to which I have referred?

The PRESIDING OFFICER. The Senator is entitled to 3 minutes on each separate subject.

Mr. MORSE. Am I in order or out of order?

The PRESIDING OFFICER. The Senator is in order at this time.

Mr. MORSE. Mr. President, with a heavy heart I turn to the last subject which I wish to discuss.

Reference has been made on the floor of the Senate today to a prospective proposal to offer a resolution to expunge from the official records of the Senate the action taken by the Senate in regard to the so-called McCarthy case.

I believe that when the hand of God is placed upon the shoulder of a colleague, we should leave him before the bar of the judgment of God. I believe that a great disservice would be performed to the history of the Senate if it were proposed to expunge from the RECORD the chapter of American history involved in the McCarthy censure resolution.

I am perfectly willing to let history be the judge of the course of action taken by the Senate in this matter. As one of the participants in that course of action, let me say that in my judgment the Senate acted in no spirit of hysteria, but judiciously, upon the record, upon the facts, and rightly. Therefore, I trust that the Senate will not be thrown into a debate over this matter when the person involved is no longer here to defend himself. He is before God; and I suggest that the Senate of the United States leave him before the throne of God.

POLISH CONSTITUTION DAY

Mr. PURTELL. Mr. President, Friday, May 3, marked the 166th anniversary of the enactment of the Polish Constitution.

Events of the past year have demonstrated that the spirit which prompted that document flourishes undiminished in the hearts of the valiant people of Poland.

Poland's refusal to accept the yoke of Soviet communism, her insistence upon clinging to and observing the precepts of her ancient religious faith, have been magnificent demonstrations of a free people's determination to regain liberty.

The Poznan uprisings signaled the beginning of the end of international communism, though this may not be glaringly discernible to many. It was the workers of Poland who raised their hands against Russian tyranny. Like their fellow citizens in every walk of life, they served notice upon their oppressors that freemen can never be conquered.

Since Poland came under the Russian boot, we in America have sustained them spiritually toward that day to which the Polish people look forward and for which they pray hourly—the day when Poland once again assumes her rightful place in full dignity in the family of free nations.

Mr. President, during my trip behind the Iron Curtain in 1955, I visited Poland and I talked with the Polish people. I

was told over and over again: "We can continue to resist, we can continue to work for freedom, if only we know we are not forgotten by the people in America."

Mr. President, they have not been, they never have been, and they never will be forgotten by the people of America who owe so much to their fellow citizens of Polish descent and to the valiant Poles who came to this country to help us fight for and win our own independence.

Our continual spiritual support of these brave people has been most important and we must continue it in every way possible.

As a result of the events of last October, Poland has achieved for itself a slight degree of liberalization. That achievement is most significant. Now we must do more. We must give to Poland economic aid in the nature of loans, private or otherwise, for the purchase of mining and farming equipment and we must dispose to the Polish people some of our surplus farm commodities by barter or purchase.

Mr. President, I believe such action will have a great psychological impact, not only upon the Poles, but upon the peoples of the other countries under Russian domination. I am certain that any reasonable step we and the free world can take in reducing the dependency of the Polish people upon Russia will be a step toward their ultimate freedom.

The fear which the Polish people have instilled in the hearts of the Russian Communists has resulted in some liberalization. The observance of May 3, prohibited for many years and replaced by July 10, the day of Poland's subjugation by the Soviet Union, is once more allowed. While it has not yet been restored as a national day, the Warsaw government declared that people may commemorate it privately.

Mr. President, we, who owe so much to this great land and its valiant people; we, who were joined by the Poles in our fight for freedom; we, whose national heritage has been the recipient of so much from the sons and daughters of Polish descent, can do no less than our utmost in helping these valiant people in every way possible by lessening their dependence upon Russia.

I join with my fellow citizens of Polish descent, not only in Connecticut, but throughout the United States and the free world, in observing the 166th anniversary of the Polish Constitution. May God speed the day when this observance can be heralded once more throughout the length and breadth of a free Poland.

THE INTERNATIONAL LABOR ORGANIZATION

Mr. SMITH of New Jersey. Mr. President, in recent months there has been much discussion about the International Labor Organization and the wisdom of further United States participation in it. This has been brought about partly by criticism by the National Association of Manufacturers and the United States Chamber of Commerce, both of which, of course, represent employer groups. On the other hand, the AFL–CIO has been urging that we continue our participation and seek to correct the apparent defects in procedures, rather than withdraw entirely. This is the attitude of the Department of Labor, the Department of Commerce, and the Department of State.

As a member of the Foreign Relations Committee and also as ranking Republican on the Labor and Public Welfare Committee, I have been concerned with various aspects of the ILO. I am one of those who have studied this activity for many years, and who feel that the continuance and strengthening of the ILO is of vital importance in the development of our foreign policy, and in the furthering of human relationships so necessary for world peace.

The International Labor Organization, the ILO, was established in 1919 as a part of the Treaty of Versailles, drawing much of it inspiration from the work of an American representative at those conferences, Samuel Gompers. This country failed to assume participating membership in the ILO until 1934, although prior to that date the United States did cooperate informally with the ILO by exchanging information and sending observers to some of the conferences.

This country has now been a member of the ILO for more than 20 years. Based upon the fundamental assumption that universal peace can only be established upon a basis of social justice, the objectives of the International Labor Organization have often been the universal development of enlightened and progressive labor-management conditions such as we have long possessed in this country.

In recent years, our participation in the ILO has become complicated, as have all our international relations, by the ramifications of the ideological struggle between Russia and the United States, and by the return of Russia to active participation in the ILO in 1954. Under the Constitution of the ILO each member country sends three distinct types of representatives: government, employer, and employee. Obviously there has been much difficulty in reconciling the Communist employer and employee delegates to the ILO with our conception of the employer and employee functions as they exist in a free-enterprise system.

The seating of these delegates from the Communist countries has brought forth criticism of the ILO and led some to conclude that it remains little more than a springboard for Communist propaganda. But, Mr. President, only 9 countries, members of the ILO, are Communist dominated among the total membership of 77 nations. In addition, the contrast between the employer-employee representatives of the Communist countries and those of our own country is a contrast easily recognized by other countries throughout the world, particularly by those striving to achieve freedom, independence, and self-determination.

In May 1956, the Departments of State, Commerce, and Labor appointed a citizens advisory committee to study "the effect of the activities and functions of the International Labor Organization in terms of United States national interest, including domestic and foreign policy aspects."

Joseph Johnson, president of the Carnegie Endowment for International Peace, was appointed chairman of the study committee, and the other members were Robert Gray, of the industrial relations section of the California Institute of Technology; Frederick H. Harbison, of the industrial relations section of Princeton University; Charles Myers, of the industrial relations section of Massachusetts Institute of Technology; and Howard Petersen, the president of the Fidelity Philadelphia Trust Co.

Having completed their report, I ask unanimous consent that excerpts from that report, as published in the Labor Department's Monthly Labor Review, March 1957 issue, be printed in the body of the RECORD at the conclusion of my remarks together with a joint statement issued by the Departments of State, Commerce, and Labor of measures to be taken up by the Departments of State, Commerce, and Labor to improve United States participation in the ILO.

I feel that these evaluations of United States participation in the ILO should be available to all the Members of the Senate, and at a later time, when proposed legislation is before the Senate relating to the ILO, I will endeavor to discuss this matter further.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

UNITED STATES PARTICIPATION IN THE INTERNATIONAL LABOR ORGANIZATION

United States policy toward and participation in the International Labor Organization must be considered primarily in terms of the goals of United States foreign policy. With such a premise, our conclusions are bound to be somewhat different from those of persons whose chief concern is a narrower interest, whether it be that of labor, of management, or of the promotion of a particular economic or social philosophy. The committee's views will likewise be different from those of persons who do not share our conviction that the United States is no longer isolated and can no longer afford to be isolationist, who, in short, do not accept the foreign-policy goals of the United States as developed over the last decade on a bipartisan basis with broad public support.

Another premise underlying the committee's conclusions and recommendations is a practical one: While it is difficult to amend any constitution, it is particularly difficult to amend the constitution of an international organization. This requires agreement by the representatives of many nations and may in turn call for an educational campaign among the citizens of those nations. The difficulty is compounded when, as is the case of the amendments to the ILO constitution that some American employers have proposed, the amendments would strike at provisions that many in the United States as well as elsewhere regard as basic.

These premises underlie the following general conclusions.

THE PURPOSES OF THE ILO

The rationale and the purposes of the International Labor Organization are set forth in the preamble to its constitution, written in 1919:

"Whereas universal and lasting peace can be established only if it is based upon social justice;

"And whereas conditions of labor exist involving such injustice, hardship, and privation to large numbers of people as to produce unrest so great that the peace and harmony of the world are imperiled; and an improvement of those conditions is urgently required: as, for example, by the regulation of the hours of work, including the establishment of a maximum working day and week, the regulation of the labor supply, the prevention of unemployment, the provision of an adequate living wage, the protection of the worker against sickness, disease, and injury arising out of his employment, the protection of children, young persons, and women, provision for old age and injury, protection of the interests of workers when employed in countries other than their own, recognition of the principle of equal remuneration for work of equal value, recognition of the principle of freedom of association, the organization of vocational and technical education and other measures;

"Whereas also the failure of any nation to adopt humane conditions of labor is an obstacle in the way of other nations which desire to improve the conditions in their own countries;

"The high contracting parties, moved by sentiments of justice and humanity as well as by the desire to secure the permanent peace of the world, and with a view to attaining the objectives set forth in this preamble, agree to the following constitution of the International Labor Organization."

The committee believes emphatically that the rationale and the purposes embodied in the preamble are consistent with and expressive of American philosophy and ideals, and that the promotion of these aims is in the national interest. The committee also considers this preamble as valid today as in 1919. No one who knows the history of the last four decades will deny that in many parts of the world, notably the United States, the older members of the British Commonwealth, and much of Western Europe, there has been a great reduction of injustice, hardship, and privation, and that there has been great improvement of the conditions of labor in many countries. But much remains to be done, especially in the underdeveloped areas. And certainly "the principle of freedom of association" is far from being accepted in the Communist world, or indeed in a number of other countries.

DISSATISFACTION WITH THE ILO

No organization is perfect, and everyone can find something to criticize in the International Labor Organization. It was only among employers, however, that we found fundamental objections to the very existence of the International Labor Organization and to continued United States participation in it.

Our inquiries among employers revealed that the dissatisfaction expressed in resolutions of the National Association of Manufacturers and the Chamber of Commerce of the United States is widespread among American employers who have had some experience with the ILO. We found, however, that the intensity of dissatisfaction varied considerably, and, most important, we learned that the dissatisfaction was not universal among employers. Employer representatives from the shipping industry, for example, have apparently found the work of the Maritime Commission generally useful, and furthermore two of the former employer delegates to the general conference are vigorous in support of the ILO and have a sophisticated understanding of the difficulties and frustrations of participations.

The first, and by far the most important, cause of dissatisfaction has been the failure of the United States Government to formulate a clear policy with respect to the Organization. The result has been that employers have not known surely what this Government's attitude toward the Organization is or how it conceives the relationship of the International Labor Organization to the advancement of American national objectives.

Until very recently governmental relations with the ILO were primarily the responsibility of the Labor Department, with the State Department showing little interest, the Department of Commerce almost none, and the White House even less. Given the relationship between the Department of Labor and organized labor, it was natural that employers should think of the Organization as being primarily concerned with the promotion of the interests of labor, and that employers should, therefore, look upon it with suspicion, a suspicion that may have been fortified by the name of the Organization, which does not accurately describe its function.

There has been a substantial change in the last year or so. Not only have there been policy statements at high levels, but there is now cooperation between the Departments of State, Labor, and Commerce, and the Department of State has upgraded its representation at the general conference.

A second, and lesser, cause of dissatisfaction has been the operation of the ILO machinery. Without going into this criticism in detail, it may be stated that it covers virtually all elements of the ILO. The annual International Labor Conference, its duration, its organization, its voting system; industrial committees; conventions and recommendations; the objectivity of the staff in the International Labor Office; all come under attack. The conditions that have been criticized by American employers existed before the reentry of the Soviet Union into the ILO. They have merely been accentuated by it.

The committee recognizes the validity of some of these criticisms, and attempts in its recommendations to suggest remedial measures. We believe, however, that the organization does not deserve the heavy charges that have been laid at its door. Some of the criticisms stem from the critics' limited experience with international organizations, and their consequent inability to put the ILO in perspective. The grounds for others can, we believe, be removed by effective action along the lines of our recommendations.

The third source of employer dissatisfaction can be briefly dealt with here and adequately taken care of by the employers themselves. It is the quick turnover in employer delegates and advisers, both to the general conferences and to industry committees. Whereas the employee delegate to the conferences and member of the governing body has served for 8 years, and succeeded one who had served for 11 years, there have been 5 employer delegates in 11 years. We believe greater continuity of delegates and advisers, with the resultant experience, would lead to greater understanding and effectiveness, provided of course that highly qualified men are chosen.

THE VALUE OF THE ILO TO THE UNITED STATES

An objective observer must in all fairness recognize that the ILO is not of great direct importance to the well-being of most American workers, or for the improvement of the conditions of labor or for the promotion of good industrial relations in domestic industries. By and large, the standards that have been attained in this country are generally higher than those proposed by the ILO.

If the ILO has no positive value internally, is it then harmful in its effect on the United States economy at home? The committee does not find that it is in any significant sense. We are satisfied that the ILO constitution and our own provide adequate safeguards against invasion by the ILO of the prerogatives of either the Federal Government or the States. The small number of ILO conventions submitted to the Senate and the few ratified (seven in all), none of which invades any American interest, are proof that the safeguards are there and are applied.

If the ILO is neither particularly beneficial nor harmful at home, it has a positive value to the United States in its foreign relations that, although not accurately measurable nor as yet fully realized, is real and recognized.

A vast differential in labor standards exists in the world today. To the extent that ILO action contributes to narrowing this differential, it improves the competitive position of American industry and serves also the interests of American labor. In the present state of our knowledge we cannot assign a rough figure to this improvement; not even in the maritime industry, where the benefits are clearest, is that possible. But neither do we believe that the ILO's contribution here is meaningless.

A more subtle, still less measurable, but in the long run more important, contribution that the ILO can make to the advancement of American interest, lies in the promotion of industrial democracy and efficiency. New trends in the ILO, notably those signified by the Cole report of 1955 and the committee of experts that considered it in 1956, can do much to reduce the pains of transition to industrialism, and thereby make it more likely that the transition will be reasonably efficient and foster the growth of democracy. The committee believes that it is in this field that the ILO has perhaps most to contribute over the longer term.

Then, there is the political value of the organization to the United States. It is a window on the United States in which we can display what we do and how we do it, what our labor-management relations are, what our free associations of employers and employees are like. It is also, and this cannot be repeated too often, an instrument in the ideological contest. It is not an excessively complicated instrument, and the committee is loath to believe that the United States lacks the skill to employ it in the interest of the freedom and dignity of all men.

To put the matter in its most negative sense, if we were to withdraw, or to participate halfheartedly or grudgingly, the damage to American interests in the larger sense, particularly to American prestige among the governments and leaders of Asia and Africa, would be severe.

SPECIFIC RECOMMENDATIONS

The committee, convinced that the International Labor Organization can play an important and useful part in furthering United States foreign policy goals, and believing that United States participation in the ILO should be viewed as an integral part of our membership in international organizations, recommends continued but more effective and vigorous participation in the ILO, and to that end makes the following specific recommendations:

"1. The committee recommends that the Department of State, as the principal agency under the President responsible for United States foreign policy, take the leadership, in collaboration with the Departments of Labor and Commerce, in a clarification and elaboration of the place of United States participation in the International Labor Organization in furthering our broad foreign policy objectives.

"2. The Committee recommends that the appropriate agencies of the Government establish formal machinery for periodic discussion and development by Government officers, employers, and labor, of policy objectives for United States participation in ILO.

"3. The Committee recommends that the United States Government take urgently specific measures to improve the organization and staff responsible for United States participation in the ILO. Three problems must be tackled.

"(a) There must be continuous high-level United States governmental representation at Geneva.

"(b) Delegations to ILO general conferences, to the Governing Body meetings, and to various committees and other ILO gatherings work under high pressure over relatively short periods of time. If United States participation in these sessions is to be effective, account must be taken of four requirements—the quality of the delegates and their advisers, continuity in representation, adequate staffing, and thorough preparation.

"(c) The third problem is that of adequate and efficient organization and staffing in Washington.

"4. The committee recommends (a) that the United States continue to work for decreased emphasis on the use of conventions and recommendations; but (b) that when, nevertheless, conventions or recommendations are under consideration by the general conference, it should be United States policy to support or oppose them on their substantive merits, and not to oppose a proposal with which the United States is in agreement on principle simply because the measure is in convention form or is thought not to be properly a subject of legislation under the American system.

"The committee recognizes the difficult problems posed for the United States Government by the forced labor convention. On the one hand, the dominant belief in our Government seems to be that this convention in its present form, if ratified by the United States, would run counter to the dictates of our Constitution. On the other hand, this country stands to suffer a major setback in terms of world public opinion if it opposes the measure on forced labor. It seems to us that the convention on forced labor differs from other conventions in its significance for the United States. For one thing, it appears to us as laymen that the 13th amendment to the United States Constitution banning involuntary servitude places the forced labor issue within the realm of Federal jurisdiction, and therefore not subject to the Federal-State disability. Also, this whole issue arose primarily as the result of action taken by the United States in the United Nations. It was we who took the lead in bringing the problem before the world, and, even though it later took the form of an ILO draft convention, we cannot without damage to our prestige ignore that fact.

"The committee believes that the United States should continue to work for redrafting of this convention so that it will not conflict with United States law. But if we are unsuccessful in this effort, we should nevertheless strongly champion it, making it clear that because of our own constitutional processes, and for that reason alone, we will be unable to ratify it.

"5. The committee recommends that the United States direct its most careful attention to the technical assistance programs, the field services, and the research and informational operations of the ILO, and that United States delegations take leadership in proposing positive suggestions for the improvement, better integration, and possible expansion of these activities.

"6. The committee recommends that the United States support maintenance of the tripartite structure of the International Labor Organization and utilize this structure to demonstrate the advantages resulting from the activities of free employers and free workers.

"The term 'tripartite,' as it is used here, refers to the unique feature of ILO whereby not only governments, but 'the employers and the workpeople of each of the members' actively participate through delegates in the Organization's meetings. The committee has studied carefully the operation and impact of the tripartite system of ILO in the light of the criticisms directed against it and the arguments advanced in its defense.

"The issue was brought to its present acute stage by American employer delegates. Some of them had already manifested a general dislike of ILO's tripartitism, stemming from experience with tripartite agencies in the United States during World War II, from frustrations caused by the need to act as representatives rather than as individuals, and from a feeling that this procedure tends to emphasize class distinctions between employers and workers. To this was now added an intense opposition to the very thought that men from Soviet Russia should be classed as employers, and particularly that Communist employers should be admitted to the councils of free employers.

"The discussion and disputes that arose from American employer attack led to the appointment by ILO of a special committee of jurists, under the chairmanship of Lord McNair, to inquire into the degrees of freedom of the nongovernmental delegates from member nations. We are encouraged by the fact that the governing body, after considering the McNair report in November 1956, decided to request the Director General to submit to its next session a report on the desirability and the practicability (a) of establishing continuing machinery which would establish the facts relating to the freedom of association in member states of the International Labor Organization and would report to the governing body and to the International Labor Conference; and (b) of improving the practical methods of working of the Conference, including the committees of the Conference.

"We hope the governing body will see fit to install this machinery and will make sure that it is allowed to function freely.

"But realistically we must recognize that this alone will not solve the problem. The preamble to the ILO constitution proclaims the need for 'recognition of the principle of freedom of association,' and article 3, section 5, provides that the representatives of employers and workers shall be 'nongovernment delegates and advisers.' Unfortunately, however, there is no specific requirement that these delegates and advisers be representative of free workers or of free employers. Furthermore, while article 4 guarantees that 'every delegate shall be entitled to vote individually,' there is no guaranty that this individual vote will be independent.

"The committee shares the view of American delegates, governmental and worker as well as employer, that the appointment of representatives of state-controlled labor associations and of state industries as nongovernmental delegates and advisers violates the spirit of the ILO constitution, but we are not convinced that the letter of the constitution is so clearly violated that these representatives can, on constitutional grounds, be denied seats.

"As a practical matter, tripartism is established in the ILO constitution and any change in this principle at the present time is unlikely. Even if this change were possible, we believe that ILO's effectiveness would be decreased by abolition of the tripartite principle.

"Since ILO seems likely, in any event, to continue to use the tripartite system, it is essential that the United States utilize this structure to the best of its ability. This cannot be accomplished by the withdrawal, as has been suggested, of American employer participation. If such a withdrawal should take place, the American worker delegate, under the ILO constitution, would be stripped of his right to vote, thus leaving the two American Government representatives as our only two voting delegates. We do not favor representation in ILO solely by governments, either for this country's delegation or as a principle to be adopted by ILO for all countries. We have stressed the need for participation by workers and employers in the solution of their problems. Of even more importance, perhaps, is our conclusion that representation only by governments would result in a loss to the United States. It does not seem likely that outstanding business or labor leaders would participate in ILO activities if they were limited to advisory roles. In addition, the United States would lose the opportunity of demonstrating before the world the fact that, under our economic and political system, it is possible for either or both the employer delegate and the worker delegate to disagree with the government, as they frequently have done in voting on ILO matters.

"One proposal which we have studied with great sympathy is to give each group in the ILO more autonomy to conduct its own affairs at the general conference. Currently, the standing orders of the ILO provide that a delegate may appeal to the conference if he is denied a seat on a conference committee. This means that, if he wins his appeal, he may be seated as a worker or employer delegate over the opposition of the majority of other workers or employers who consider him not truly representative. It has been proposed that this rule be replaced by that formerly in force, which allowed the employer and worker groups each to pass on the eligibility of its own members without appeal, as is done in the two Houses of the American Congress.

"We believe, therefore, that it should be United States policy to advocate such a change at the proper time. But the timing is of vital importance and must be determined in the light of the probable propaganda impact.

"Pending such change, the United States delegations should challenge the credentials of employer and worker delegates from Communist nations, emphasizing repeatedly that to seat such delegates violates the spirit of the ILO, and utilizing every challenge to cast in a sharp light the contrast between freedom and oppression. We believe that, even though Communist employer delegates may, despite American objections, continue to be seated in the conference and given deputy membership (without voting rights) on committees, the impact of relentless American attacks will be felt. In any case we are convinced, for reasons set forth above, that, unsatisfactory as it certainly is, this is from the viewpoint of American national interests a less deplorable state of affairs than would result from the withdrawal of the United States or the refusal of American employers to participate in the ILO.

"Tripartitism makes possible constant and eloquent testimony to the fact that freedom, as it is enjoyed in most of the Western World, is not to be found in countries controlled by Communists.

"7. The committee recommends that the United States work for a shift in the emphasis of ILO industrial committees away from deliberations leading to a vote on final action, toward an approach based on discussion and exchange of expert information; that the United States press for a policy calling for formation of industrial committees to meet specific problems rather than the present practice of perpetuating committees.

"8. The committee recommends that the United States work to improve the International Labor Office staff and to promote the highest degree of objectivity and competence of staff work.

"9. The committee recommends that the United States Government take the leadership and enlist the cooperation of American employer and employee organizations in undertaking expeditiously to formulate and to work for the adoption of proposals designed to improve the work of the general conference and its committees.

"10. Finally, the committee recommends that the United States Government make vigorous and sustained efforts to call the attention of the American people to the purposes, objectives, and activities of the International Labor Organization, emphasizing that it is the sole specialized agency of the United Nations devoted to improving management and labor standards throughout the world."

[Joint statement by the Department of State, Department of Commerce, and Department of Labor, February 28, 1957]

MEASURES TO BE TAKEN BY THE DEPARTMENTS OF STATE, COMMERCE, AND LABOR TO IMPROVE UNITED STATES PARTICIPATION IN THE ILO

I. INTRODUCTION

As part of a general review of United States participation in the International Labor Organization, the United States Departments of State, Commerce, and Labor have studied the conclusions and recommendations of the Advisory Committee headed by Mr. Joseph E. Johnson, president of the Carnegie Endowment for International Peace. Mr. Johnson's committee was asked by three Federal departments to study the effect of activities and functions of the ILO in terms of United States national interest, including domestic and foreign policy aspects. This request was stimulated by questions raised by the United States Chamber of Commerce and the National Association of Manufacturers.

The insight and objectivity of the Advisory Committee's report reflects an exhaustive effort to gather and analyze the viewpoints of many groups. Representatives of labor, management, the Government, and the general public were interviewed in great numbers. The testimony of each group has contributed depth and scope to the final report, a thoughtful and thoroughgoing document which has added much to the Government's review of the problem.

Although the three Departments do not necessarily accept all of the Advisory Committees' conclusions and recommendations, they do consider the report a valuable source of information and thought on the question of United States participation in the ILO. It is hoped that the report will receive the widest possible circulation so that it may serve to inform the public of the activities of the ILO.

The measures which the three Departments propose to implement take cognizance of most of the recommendations of the Advisory Committee. Some are left for further study.

II. BASIC CONSIDERATIONS

Proposals for improving United States participation in the ILO are based on the following considerations:

1. Participation in the ILO contributes to friendship, cooperation, and understanding between the United States and other nations.

2. The ILO is a valuable forum in which to explain the free processes of United States political, economic, and social systems and the benefits that these systems have brought to workers and employers; and to demonstrate on a factual basis the falsity of Communist claims to represent the true interest of free workers and to encourage adherence of free workers to democratic concepts and institutions. Discussion of American methods may stimulate other nations to consider them as a possible means with which to deal with their own problems.

3. The ILO can contribute to an orderly and appropriate solution of social and economic problems in many nations where there are surging demands for alleviation of these problems.

4. In brief, the ILO is principally an important means of furthering United States foreign policy objectives, which seek—in essence—the preservation of peace.

III. SPECIFIC MEASURES TO BE TAKEN

1. The United States will continue its participation and take greater advantage of the opportunities afforded by participating in the ILO to further our foreign policy objectives.

2. The United States Government will, in consultation with employers and workers, review its existing objectives for participation in the ILO. This will include clarification and elaboration of the role of United States participation in the ILO in furthering United States foreign policy objectives.

3. The State Department will continue to exercise primary responsibility for foreign policy issues in the ILO. In determining such policy the State Department will consult with the Departments of Commerce and Labor and with other appropriate Federal agencies. (This procedure was set forth about a year ago in an outline of responsibilities agreed upon by all three Departments.)

4. The three Departments will increase and improve consultation with United States workers and employers with a view to making overall United States activity in the ILO more effective in achieving United States objectives. Two new committees, the Worker Advisory Committee and the Employer Advisory Committee, will be established to work with the three Departments on ILO problems. The National Association of Manufacturers and the United States Chamber of Commerce will be asked to designate members of the employer group and the AFL-CIO to name members of the worker group. These committees will meet jointly when appropriate.

In addition to consulting on objectives, policies, activities, and on other matters as they may arise the Government will, in consultation with the workers and employers, continue to develop materials in respect to questionnaires and for other purposes in such a manner as to reflect accurately conditions in the United States, making them understandable to workers, employers, and governments whose social and economic systems are different from ours. The Government will also consult with employers and workers concerning such matters as ILO procedures, industrial committees, etc.

5. To contribute further to the effectiveness of United States representation the United States Government will endeavor to provide for a continuity of representation at ILO meetings. Government specialists on political and technical aspects of the agenda, included in the Conference delegations, will be available to non-Government as well as Government delegates. The Government will provide an opportunity for worker, employer, and Government representatives to compare the basic elements of United States and other social, economic, and political systems, so that United States delegates may present their Nation's case most effectively.

The Government will continue to provide representation at Geneva to follow ILO developments.

6. The departments will arrange for Government and non-Government delegates and advisors to become better acquainted with the special technical and foreign policy aspects of issues before the ILO, particularly those before the Conference and the governing body, and to become informed on procedures and techniques of negotiation in international bodies.

7. The Government will propose and support actions which it believes will bring about practical improvements in working and living conditions more effectively than formal international instruments and agreements. These actions would include increased technical services and assistance by the ILO to nations which require such aid; increased research and the publication of authoritative studies on labor problems; increased emphasis on exchange of experience and discussion of authoritative materials on labor problems and related subjects; and the preparation of an adequate record of discussions which would be available to interested governments, employers, and workers.

The Government will urge also that any international instruments give maximum emphasis to voluntary actions by labor and management; and a minimum role to governments. In addition, emphasis will be placed upon programs contributing to the development of concepts and management skills which enhance the dignity and uphold the value of the individual in industrial and agricultural enterprise.

8. The United States Government will make every effort to assist and promote public understanding of the purposes, objectives, and activities of the ILO.

9. The Government will continue its efforts to encourage well qualified United States citizens to accept positions at all levels in the ILO. It will maintain an active concern with the organization, staff, and operations of the ILO and will remain alert to deficiencies in any phase of its activities.

ISRAELI INDEPENDENCE DAY

Mr. SMITH of New Jersey. Mr. President, on Monday, May 6, Israel celebrated its ninth independence day. Millions of Americans, in unison with lovers of freedom from all corners of the earth, join with me in expressing warm wishes and congratulations to this brave land. Its gallant people have labored devotedly, in the few years which have elapsed since 1948, to build a nation.

These years have been arduous and wearisome, but buoyant hope has sustained the flaming faith of a free people. Determination and courage have been triumphant against adversity.

But peace is yet only a shimmering hope in the Middle East, flickering weakly in the midst of poverty and violence.

If freedom and independence are to survive, determination must be leavened with responsibility, and strength with self-restraint and law. Only then will the barriers of misunderstanding and fear crumble, to the ultimate benefit of peace.

On this anniversary, it is the sincere hope of all Americans that the peoples of the Middle East, steadied by the principles of law and justice, will strive to develop harmonious solutions to mutual problems, and, that in the years ahead, Israel will continue proudly to proclaim its freedom and independence.

Mr. IVES. Mr. President, I ask unanimous consent to have printed in the body of the RECORD following these remarks a statement I have prepared in recognition of the ninth anniversary of the founding of the State of Israel, which occurred on May 6.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR IVES

On this ninth anniversary of the independence of the State of Israel, it would be well for all Americans to pause for reflection on the ideals, the principles, and the mutuality of interest which inexorably bind the United States and Israel together.

With Israel, the United States has an overriding interest in the preservation of peace in the Middle East. With Israel, the United States joins in the struggle to defeat the sinister designs of international communism in Africa and Asia. For with Israel, the United States shares an abiding faith in the dignity of man, a faith upon which both nations are firmly built.

Since the creation of the state of Israel in 1948, it has grown through storm and stress until it is now the most progressive and stabilized country in the Middle East. Its population has been more than doubled by the influx of persecuted refugees from all over the world, particularly from Arab and Moslem countries. Those of us who were privileged to play a part, however small, in the creation and strengthening of the vibrant democracy that is Israel, have never entertained the slightest doubt as to the young nation's destiny.

Israel needs and merits the support of all freedom-loving peoples. I am, therefore, proud to be a sponsor of a Senate resolution urging our Government to support effective action, both in and outside the United Nations, which would guarantee against a resumption of border raids and blockades of vital international waterways and other activities which might erupt in new hostilities in the Middle East. As we rejoice in Israel's progress, and voice our prayers for a lasting peace in the Middle East, let us as Americans never forget the strong bonds of kinship which underlie the relationship between the United States and Israel.

EMPLOYEE WELFARE AND PENSION PLANS

Mr. DOUGLAS. Mr. President, Congress is presently considering proposed legislation to require reporting and disclosure by employee welfare and pension plans. At the same time more public attention is usually given to the exceptional cases of bad or weak management of such plans, than to the well-run funds serving hosts of members and beneficiaries.

I was therefore pleased to note an article on the front page of the New York Times for May 5, 1957, on the report of the first year's financial operations of the group hospital, surgical, and medical benefits plan for the nonoperating railroad employees. The report, furnished by the Travelers Insurance Co., was made public by the able president of the Brotherhood of Railway Clerks, Mr. George M. Harrison, and was published in the May 1, 1957, issue of the Railway Clerk magazine.

In contrast to the large commissions exposed in our investigation in 1955–56, this report reveals commissions paid in the unbelievably small amount of two-hundredths of 1 percent of premiums. Administrative costs and risk charges also seem low.

I therefore wish to congratulate the New York Times for the attention given in its news columns to this report, and the unions, employers, and insurance company that share the responsibility for the operation of this welfare plan and so evidently recognize their obligation to give a public accounting for the funds to the beneficiaries. With more of this spirit, we may hope to secure aproval of the legislation which would extend the protections of full disclosure to all such beneficiaries.

For the information of Senators, Mr. President, I ask unanimous consent to have printed at this point in the RECORD the article written by Mr. A. H. Raskin, to which I have referred, and published in the New York Times of May 5, 1957.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LABOR WELFARE FEES 0.02 PERCENT IN RAIL UNIONS, UP TO 25 PERCENT IN OTHERS

(By A. H. Raskin)

Commissions paid to insurance consultants retained by the country's railroads and unions representing a half million nonoperating employees came to only 2 cents on every $100 of premiums in the first year of a national welfare agreement.

A report made public yesterday showed that no other commissions had been paid to anyone in connection with jointly financed policies for hospital, surgical, and medical care for the members of 15 railroad unions.

The total outlay of two-hundredths of 1 percent contrasted with commissions and service fees ranging up to 25 or 30 percent in a few racket-infested welfare funds investigated in recent years by Federal and State authorities.

George M. Harrison, president of the Brotherhood of Railway Clerks and chief negotiator for the nonoperating unions, made public the detailed financial statement on the administration of $29,187,664 in insurance premiums.

NO CHANCE FOR RACKETS

The report, prepared by the Travelers Insurance Co. for the information of employer and union representatives, was distributed to union members through the medium of union publications.

Mr. Harrison is a vice president of the American Federation of Labor and Congress of Industrial Organizations and a member of its 5-man Ethical Practices Committee. He said there was no opportunity for racketeering, graft, kickbacks, or corruption in the operation of the railroad fund.

In transmitting the report, S. G. Dulaney, second vice president of the insurance company, certified that the only commissions paid had been $4,948 to consultants hired by the carriers and the brotherhoods for technical service in drawing up insurance specifications and in writing contracts.

Mr. Dulaney added that "no fee or other remuneration of any kind" had been paid, directly or indirectly, to any representative of either side in connection with the insurance policy or a special reserve account set up to supplement it.

The report covered payments in the year ended March 1, 1956. Under a national agreement signed by the unions and the railroads a year and a half earlier, each worker paid $3.40 a month into the welfare fund and his employer contributed an equal amount.

In agreements signed since that time, the railroads have undertaken to assume the full cost of the hospital, surgical and medical insurance and to extend similar protection to the workers' families.

CLAIMS TOTAL 19 MILLION

Mr. Dulaney informed the parties that the benefits paid to rail employees in the initial year, plus the estimated payments due on claims still to be settled, came to $19,625,000. This was a little more than two-thirds of the $29,187,664 in premiums collected by the railroads and turned over to the insurance company during the year.

Total expense and risk charges listed by the company amounted to $1,533,135, or 5¼ percent. Included in this list was $439,640 in taxes and $95,844 in special costs for establishing files, printing explanatory booklets for employees and other first-year outlays.

Because the total benefit and administrative cost was less than had been anticipated in the original calculations, a retroactive credit of $8,029,529 on the initial premium was made available to build up the fund's reserves.

RESERVE FUND SETUP

This money went into the special account designed to assure the workers of continued benefits if an adverse claims experience in future years made it necessary to raise the premium rate. The employers already had been paying 78.2 cents a month for each employee into this nest-egg fund.

When the retroactive credit was added to these payments, the reserve at the end of the year rose to $11,879,054. This money is earmarked for premium payments on written authorization of the union and management committees.

The railroads retained 1 percent of the original joint contribution of $6.80 a month for each employee, or 6.8 cents, to cover the direct cost to them of certifying the eligibility of workers presenting insurance claims. All the rest of the money went to Travelers Insurance Company for premiums and the special account.

MARKETING REVOLUTION IN THE AUTOMOBILE INDUSTRY

Mr. MONRONEY. Mr. President, I should like to call attention to a quiet but remarkable marketing revolution which has taken place in the gigantic automobile industry since the start of Senate committee hearings 18 months ago.

An article by Mr. Joseph M. Callahan, staff writer of the Automotive News, in the March 29 issue of that publication summarizes some 49 of the more outstanding concessions which factories have made to their dealers.

Incidentally, the Automotive News has for more than 30 years been one of the most highly respected trade publications of any industry. It is the "bible" of the automobile business, with a reputation for unerring attention to fact; and it has almost worldwide coverage and distribution.

Actually, according to reports from automobile dealers around the country, the manufacturers' concessions summarized in Mr. Callahan's article are merely the top of the iceberg. We hear that a new day of factory-dealer relations has been ushered in by voluntary

reforms in the factorys' day-to-day working attitudes toward their dealers. This is more important than any contractual change.

However, the contractual reforms are extremely gratifying to the members of my Subcommittee on Automobile Marketing Practices. Changes which no law could properly have required have been made in the franchises. We realize that all is not rosy within the industry, but I think it has made a good start toward a new day of stability and fair dealing.

Remaining dark clouds in the business are some of the "self-cannibalizing" tactics used by dealers themselves—such as bootlegging, cross-selling, false advertising and deceptive finance and insurance practices indulged in by a few dealers, to the competitive detriment of the many. We are continuing to study methods of correcting these abuses. But the first step in bringing the sale of automobiles out of the oriental bazaar and putting it back on Main Street, United States of America, was to improve the factory-dealer relationships.

The importance to our entire economy of a healthy marketing climate in this industry is evidenced by the fact that automobile dealers employ about 9.7 percent of all retail employees. Approximately 10 percent of our national income is spent for the purchase and operation of automobiles. The 42,000 locally owned, locally managed, and locally financed dealerships constitute the real backbone of our American competitive, small-business, free-enterprise system. The dealers' investment in the automobile business is approximately the same as that of the manufacturers. Only with proper relationships between automobile dealers and manufacturers can there evolve a proper relationship between automobile dealers and the public.

I ask unanimous consent that the article to which I have referred be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Automotive News of April 29, 1957]

HOW NEW FRANCHISES COMPARE

(By Joseph M. Callahan)

Which factory offers the best all-around dealer contract?

With each auto maker having offered their dealers new selling agreements since the start of Congressional hearings 18 months ago, Automotive News has just completed an analysis of the five major contracts.

Of course, to evaluate a contract fully one must also weigh the factory concessions that have been made to the dealer body since the dealer revolt began. These concessions are in conjunction with—but not separate from—the contract.

A careful study of the accompanying chart will reveal each contract's features. This chart compares the factory-dealer arrangements of each of the five corporations on 49 points—40 contracts clauses and factory concessions.

Naturally, there are numerous intangible items in a factory-dealer relationship that can affect the value of the contract, favorably or unfavorably. But they are not analyzed as franchise items as such.

Many of the 49 points are relatively unimportant to dealers, and, taken singly, have little bearing on a factory-dealer relationship. Many of these comparative points have a considerable value, but they have been offered by all the manufacturers.

To evaluate a factory-dealer relationship properly, it is necessary to compare the corporations' contracts and concessions on the basis of 15 major items—items that mean either dollars or security to the dealer.

These items are: (1) the rebate on new cars carried into a new-model year; (2) the parts obsolescence plan; (3) the 90-day parts-return plan; (4) the 30-day accessory-return plan; (5) the widow clause; (6) the latitude each factory has in terminating a dealer; the dealer termination program in regard to (7) premises.

(8) Parts, (9) accessories and (10) tools; (11) the 100-percent warranty: (12) the $100,000 life insurance offered dealers; (13) the 2-percent discount for cash payment of parts; (14) the new-car billing policy, and (15) the continuous contract.

Chrysler's contract is superior or equal to the best on 13 of these items; GM is superior or equal to the best on 12 items; Ford is superior or equal to the best on 10 items; American Motors is superior or equal to the best on 6 items, and Studebaker-Packard is superior or equal to the best on 3 items.

Ford is the only manufacturer that bills its dealers for cars when the cars arrive. Chrysler bills its dealers 2 to 5 days after shipment. All other manufacturers bill the dealers on shipment.

Chrysler and AMC widows may participate indefinitely in a dealership's operations. Wives of deceased GM dealers may participate for 5 years. Widows of Ford dealers may participate for a year. There is no provision for the participation of widows of Studebaker-Packard dealers.

Ford and Chrysler are the only manufacturers that give their dealers a 2-percent cash discount on parts. Ford offered to trade this item for the 4-percent parts obsolescence plan offered by GM, but the dealers declined.

While Chrysler does not have the 4-percent obsolescence plan, its dealers can return surplus parts periodically if the parts are on the firm's active parts list. AMC and S-P dealers are permitted to submit a list of surplus parts for possible repurchase by the factory.

Ford has no parts obsolescence plan, no 90-day parts-return plan, and no 30-day accessory-return plan.

In addition, the Ford contract is below competition on the widow clause and in the latitude the factory is given in terminating a dealer. The agreement permits termination of any dealer with a continuous contract on 120 days' notice at will.

GM, Ford, and Chrysler offer a continuous contract to their dealers, AMC offers a 1-year and a 3-year contract, with the factory having the option, depending on the caliber of dealership involved.

S-P has offered a 3-year contract, with automatic 1-year renewals. GM and Ford also give their dealers the option of a 1-year or a 5-year contract. Upward of 90 percent of these dealers have indicated they prefer the 5-year pact.

However, a careful reading of the five contracts indicate that their duration is not so important, because each agreement has a list of causes for which a dealer can be canceled immediately and a list of causes for which the dealer can be canceled on 90 days' notice.

It's also probably true that, if a factory wished to, it could cancel almost any dealer for failure to live up to the sales performance clause in each contract.

NINETY-DAY TERMINATION

The S-P contract is unique in that it permits the factory to decline to offer a dealer a new agreement if the dealer is notified of this at least 90 days before expiration of the current contract.

The American Motors arrangement with its dealers is equal to the Big Three on these five items: The 100 percent warranty, 90-day return of parts, 30-day return of accessories, the factory latitude on terminations and the factory repurchase of tools on termination.

The Studebaker-Packard arrangement is equal on the 100-percent warranty, the 5 percent rebate on new cars carried into a new-model year and the 30-day return of accessories.

In addition, S-P is almost equal to GM on its parts and accessory obsolescence plan in that dealers may exchange up to 4 percent of their purchases quarterly or annually. An S-P dealer gets other parts and a GM dealer gets cash credit.

All manufacturers have the 5 percent rebate, except American Motors which has a 4 percent rebate. A rider in the Ford and Chrysler agreement provides that the rebate will not be paid if the factory offers a cleanup bonus or rebate to its dealers.

S-P permits dealers to return any parts and accessories up to 30 days after purchase.

Many dealers feel that these parts and accessory-return plans are important, particularly in the early months of a model year when it is difficult to know what to order.

All the manufacturers have offered the 100 percent warranty. In addition, GM, Ford and Chrysler offer up to $100,000 in life insurance to their dealers at a reduced cost. AMC has offered a dealer and employee insurance policy to its dealers and their employees for a number of years.

In the matters of disposition of a terminated dealer's premises, parts, accessories and special tools, GM, Ford and Chrysler make identical provisions.

They agree to help a dealer dispose of his premises and, if necessary, will lease the premises for a year after termination. They also will repurchase all the dealer's listed parts, all accessories purchased in the previous 12 months and all special tools purchased in the previous 36 months.

American Motors will pay, if necessary, up to 75 percent of a terminated dealer's lease expense for a year, AMC will also repurchase parts bought for the current model and three previous models, all accessories bought in the previous 6 months and all special tools purchased in the previous 36 months.

BAN ON DECEPTIVE ADS

S-P has no plan for disposing of a terminated dealer's premises. The company will repurchase from a terminated dealer any parts purchased for the current and two previous model-years, any accessories purchased in the previous 6 months and any special tools purchased in the previous 12 months.

All the contracts require a dealer to agree that he will not use advertising that is misleading or deceptive.

The Chrysler contract is the only one that permits a dealer to designate what type of transportation will be used in delivering his cars, although the factory still selects the specific shipper.

Most of the other contracts say the factory will attempt to ship the cars by the type of transportation preferred by the dealer.

In summary, the new contracts and concessions reflect a remarkable advance in the status of the American auto dealer in the past 14 months.

GM led the other makers by 10 to 14 months on contract changes and concessions.

It was also GM which named the first dealer vice president and the only dealer umpire, giving dealers a direct pipeline to top management.

A comparison: Dealer contracts, factory concessions

	General Motors	Ford	Chrysler	American Motors Corp.	Studebaker-Packard
New dealer selling contract released	March 1956	April 1957	April 1957	January 1957	January 1957
Number of clauses in contract	34	34	30	34	37
CONTRACT					
1-year, 5-year or continuous contract—dealer option	X	X			
Continuous contract for all dealers			X		
1-year or 3-year contract—factory option				X	
Current contract for 3 years, automatically renewed annually thereafter					X
Rebate of 5 percent on unsold new cars carried into new-model year	X				X
Rebate of 4 percent on unsold new cars carried into new-model year				X	
Rebate of 5 percent on unsold new cars carried into new-model year, if no cleanup bonus offered		X	X		
Parts obsolescence plan, whereby 4 percent of parts may be returned annually	X				
Parts obsolescence plan, whereby listed parts may be returned periodically			X		
Obsolescence plan, whereby dealers may submit list of parts and accessories for possible repurchase by factory				X	X
Obsolescence plan, whereby 4 percent of parts and accessories may be exchanged for new parts accessories annually or quarterly					X
Permits return of parts up to 90 days after purchase	X		X	X	
Permits return of parts up to 30 days after purchase					X
Permits return of accessories up to 30 days after purchase	X		X	X	X
Permits widow of dealer to have interest in dealership indefinitely			X	X	
Permits widow of dealer to have interest in dealership for 5 years	X				
Permits widow of dealer to have interest in dealership for 1 year		X			
Improved successor clause	X	X	X	X	X
Provides for 90-day delay of termination on death or incapacity of dealer	X	X		X	X
Provides sales criteria for evaluating dealer's performance	X	X	X	X	X
Contains "opportunity to cure failure" clause		X			
Permits dealer to designate method of shipping cars to him			X		
Dealer agrees not to use any misleading or deceptive advertising	X	X	X	X	X
TERMINATION PROCEDURE					
Dealer can terminate on 30-day notice	X	X	X	X	X
Factory can terminate term contracts on 90-day notice for listed causes	X	X	X	X	X
Factory can terminate all contracts without notice for several listed causes	X	X	X	X	X
Factory can terminate continuous contracts on 120-day notice "at will"		X			
Factory can decline to offer a new contract if dealer is given a 90-day notice					X
On termination, factory will lease premises for 1 year if no other tenant found	X	X	X		
On termination, factory will pay up to 75 percent of lease charges for 1 year				X	
On termination, factory will repurchase all listed parts at wholesale price, plus 5 percent	X	X	X		
On termination, factory will repurchase at current price all parts purchased for current and 3 previous models				X	
On termination, factory will repurchase all listed parts purchased for current and 2 previous models, less 15 percent					X
On termination, factory will repurchase all accessories purchased in previous 12 months	X	X	X		
On termination, factory will repurchase all accessories purchased in previous 6 months				X	X
On termination, factory will repurchase all special tools purchased in previous 36 months	X	X	X	X	
On termination, factory will repurchase all special tools purchased in previous 12 months					X
On termination, factory will repurchase all signs at fair market value	X	X	X	X	X
FACTORY CONCESSIONS					
100 percent warranty labor charges paid by factory	X	X	X	X	X
Up to $100,000 life insurance on dealer for a nominal charge	X	X	X		
Low-cost group life and hospitalization insurance for dealer and employees				X	
2 percent discount on parts for cash payment		X	X		
Dealer-elected dealer council	X	X	X	X	X
Dealer, relations board or vice president	X	X	X		
Umpire for terminations	X				
Policy of billing dealers for cars when they arrive, rather than when shipped		X			
Policy of billing dealers for cars 2 to 5 days after shipment			X		

NOTE.—Some manufacturers cover parts and accessory programs in separate agreement.

SUPREME COURT DECISION IN THE GIRARD COLLEGE CASE

Mr. THURMOND. Mr. President, on Monday, April 29, 1957, the United States Supreme Court shifted gears again; and this time the Court threw into a mass of confusion the fairly well settled law of trusts and estates. The Court, which seems bent on its desire to strip the States and individuals of their most cherished and fundamental rights, has now taken up the hobby of rewriting wills and denying to individuals the right to dispose of their property for any purpose they may choose.

In the Girard College case, the Supreme Court, in a 1-page opinion reversed a 5 to 1 decision of the Pennsylvania Supreme Court which was backed up by a 40-page majority opinion full of legal doctrines and precedents which had been the law of the land for more than a century. The Court added a postmortem codicil to the will of Stephen Girard, who in his 1831 will, bequeathed his money for the establishment of a college for "poor white male orphans." One hundred and twenty-six years later, the Supreme Court, after twice holding the provisions of the will to be valid, has violated the expressed intent of the testator, by permitting persons excluded by the will to enter Girard College.

The Court seized upon the fact that officials of the city of Philadelphia assist as trustees in the management of Girard College. The failure of the officials to admit the persons excluded by the will was described as discrimination under the 14th amendment, which amendment was approved some 30 years after the testator's death.

A great number of prominent attorneys and newspapers have already voiced deep concern over this latest attempt by the Supreme Court to further curb the fundamental rights of the States and individuals.

I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks several editorials and comments from outstanding newspapers. One article contains a comment by the President of the American Bar Association, the Honorable David F. Maxwell, in which he said that the latest Girard College decision "hurts to the quick."

I also call attention to a splendid analysis of the decision which appeared in numerous newspapers across the country, and which has already been inserted in the RECORD of May 2, 1957. This article was writen by one of America's most outstanding columnists, Mr. David Lawrence. Another excellent editorial has also been inserted in the May 6, 1957, RECORD. It was taken from the April 30, 1957, issue of the Augusta (Ga.) Chronicle.

I urge that every Member of the Senate give most careful attention to all of these newspaper comments.

At a later date I shall have more to say about this decision.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Carolina?

There being no objection, the editorials and news articles were ordered to be printed in the RECORD, as follows:

[From the Columbia (S. C.) State, of May 7, 1957]

THE GIRARD CASE

The Girard College decision which can only lower still further the once-high standing of the United States Supreme Court is bad on several grounds, one of which is that it has applied to a will a constitutional amendment that was approved some 30 years after the death of the maker. Even if the amendment in question, the 14th, had been legally processed, it should not be applicable to an instrument drawn before it existed.

As lawyers know this is not the first time the Girard will has been before the highest court. Twice previously, it had been declared valid in toto.

Girard was a Frenchman. He died in the early 1830's and relatives in France sought unsuccessfully, though represented by none other than Daniel Webster, to have his will set aside on two grounds: (1) that a municipal corporation could not act as a trustee, and (2) that a provision in the will forbidding any Protestant, Catholic or Jewish ecclesiastic to enter the grounds rendered the whole will void. It was contended that this prohibition barred the teaching of religion.

The Supreme Court held the will valid in what is the most famous of all opinions as to whether Christianity is a part of the common law. The Court held that though Christianity in a loose sense is a part of the common law, this fact did not override protective statute or constitutional provision. Further there is nothing in the will, the Court said, that actually forbade teaching of religion, save by duly licensed religious leaders such as pastors and rabbis. Incidentally the argument lasted 10 days.

Some years later the limits of Philadelphia were extended. The Girard will said the college was to be operated for white male orphans of the city. In the meantime the State of Pennsylvania didn't like the way the municipal corporation was conducting the trust, and so its legislature enacted a statute providing for the selection of new trustees. When this was done, Girard's heirs brought another suit on grounds that Girard had meant white male orphans in the original territory of Philadelphia, and to include a larger area was to bring under the will persons not intended to be covered. The heirs asked again that the bequest for the college be set aside but the Supreme Court again upheld the will. In other words, Girard had a right to dispose of his means as he saw fit.

In its third decision, just rendered, in which it declared Negroes must be admitted, the Supreme Court voided terms the Court had twice before declared valid. But did it give the property back to the descendants of those who originally sought to break the will? It did not. It said Girard's money should be used for persons who by no measuring stick could have been in Girard's mind as beneficiaries of his will. What are we coming to?

[From the Columbia (S. C.) State of May 3, 1957]

DISAPPEARING CONSTITUTION

By its ruling Monday in the Girard College case the United States Supreme Court has destroyed the right of American citizens to dispose of their property as they see fit.

This particular case involved two Negro youths who had applied for admission to Girard College, which for 109 years has been open to "poor white male orphans" as specified in the will of the founder.

A board of directors appointed by the city trust of Philadelphia, which administered the school, was held by the Court to be an agency of the city of Philadelphia. In this case, the Court said, the two Negro youths would have to be admitted.

In this the Supreme Court of the United States brusquely shoved aside the opinion of the Pennsylvania supreme court which said:

"It is one of our most fundamental legal principles that an individual has the right to dispose of his own property by gift or will as he sees fit," and that this right is so well protected "that a testator's direction will be enforced, even though contrary to the general views of society."

In addition, the Pennsylvania court said the trustees were not acting as public officials, but merely in a fiduciary capacity with the same limits as any private individual or trust company acting as trustee. The State court also pointed out that not one cent of tax money had been involved.

Under the direction of the United States high court, Negro students must be admitted. However, if the Negro students receive an education at Girard College, the Government will have entered the will-breaking field. Girard specifically limited the use of his money—with which he established the college—to education of people who were white and orphans. Next the court could say he had no right to specify orphans.

The Supreme Court of the United States, by extending its decision of May, 1954, which was based on sociological doctrines and not law, has now impaired the right of an individual to make a will to aid any specific group. Presumably now an orphanage established for Catholic youngsters could not exclude Protestants or Jews, or vice versa. Corporations chartered by the State—which, most orphanages seem to be—could not differentiate because of religion or race on the basis of the Court's pronouncement. The decision may be hailed in some quarters as a great victory. It is a victory—but not one for freedom. For it can just as well be used against a group as for it.

What the situation amounts to is this: The Constitution of the United States now amounts to the Supreme Court and the 14th Amendment. This further means that we now have a Government of whimsey instead of law, because no one has ever been able to figure out what the troublesome, illegally-adopted Fourteenth Amendment really means. The Supreme Court itself has reversed during the past 90 years practically every decision it ever based on this provision of the Constitution—interpreting it on the basis of election returns and current frustration fads.

The Constitution in its real meaning is fast disappearing.

[From the Charleston (S. C.) News and Courier of May 4, 1957

GIRARD COLLEGE CASE REHEARING TO BE SOUGHT

PHILADELPHIA, May 3.—The directors of the Board of City Trusts voted 12 to 1 yesterday to ask the United States Supreme Court for a rehearing of the Girard College case. The high Court on Monday handed down a decision opening the college to Negroes for the first time in its more than 101-year history.

Under the terms of Stephen Girard's will enrollment was open only to "poor male white orphans."

Industrialist Girard, founder of the school, was one of the richest men and in some ways one of the most controversial figures in the earlier days of the Republic.

The lone dissenting vote was cast by Mayor Richardson Dilworth, ex-officio member of the board which administers the college under the will.

Dilworth's administration and that of Joseph S. Clark, former mayor and now United States Senator, opposed the board's stand, and sought to win the admission of two Negro boys at the all-white school. Upon that issue the case was carried to the Nation's highest Court.

The Supreme Court found that the Board of City Trusts functions as an agency of the State, and that an agency of the State has no right to exclude nonwhites from the college.

[From the Charleston (S. C.) News and Courier of May 3, 1957]

BREAKING A WILL

Until Monday, an individual's last will and testament had some real meaning. If a man or woman were of sound mind when the will was drawn, its provisions were accepted by the heirs and the public.

This is no longer true. The United States Supreme Court has, in effect, broken a will by Stephen Girard who in 1831 left $2 million to establish a school for "poor white male orphans." The High Court ruled Monday that the school had to admit two Negroes who sought entrance.

The Court seized upon the fact that officials of the city of Philadelphia assist in the management of Girard College. The failure of the officials to admit the Negroes was described as discrimination forbidden under the 14th amendment to the Constitution.

The terms of Stephen Girard's will are perfectly clear. Nonetheless, the Supreme Court has chosen to ignore them. It has shown contempt for a basic property right—the right to pass on one's possessions to those of one's own designation.

What is to prevent the Supreme Court from breaking the will of any citizen who leaves his property to persons or causes which are not favored by political court appointees? Today, there is nothing to prevent such judicial tyranny.

One day, the people of this Nation may realize how their rights are being stolen and their property diverted. They may act to reduce the powers of the Supreme Court. We hope they will not wait until it is too late.

[From the Charleston (S. C.) News and Courier of May 6, 1957]

WARNINGS NEEDED

David F. Maxwell, president of the American Bar Association, said in Greenville Friday that the Supreme Court's Girard College decision "hurt to the quick." The decision called for the admission of Negroes to a Philadelphia school established, as specified in the founder's will, for white orphans.

Mr. Maxwell, who is from the North, holds a position of national influence.

We hope that during his tenure in office he will explain to legal circles across the Nation the injuries the Supreme Court is inflicting on the American people.

[From the Charleston (S. C.) News and Courier of May 4, 1957]

BAR ASSOCIATION TOLD GIRARD CASE "HURT TO QUICK"

GREENVILLE, May 3.—The contribution that lawyers have made in area of human liberties was praised here today by David F. Maxwell of Philadelphia, president of the American Bar Association.

Maxwell, in his luncheon address, made reference to the Supreme Court's Girard College decision, which he said "hurt to the quick." He referred to South Carolina as a place "where we are sure we are going to get comfort and understanding."

(In the decision handed down recently, the court ruled out racial segregation in Philadelphia's Girard College, which has admitted only "poor white male orphans" as specified in his will by Stephen Girard, who left part of his fortune to found the school.)

Despite their contribution they have been subjected to abuse down through the ages and have become accustomed to it, Maxwell said in speaking at a luncheon attended by South Carolina Bar Assn. members and their wives at Poinsett Hotel.

He deplored a recent "rash" of magazine articles critical of lawyers and indicated that the good done by the bar is often not mentioned. Maxwell expressed the view that lawyers of the country are the persons best qualified by training and experience to defend liberties.

The 3-day convention, 63d of the association, will be concluded tomorrow. A business session tomorrow morning will include the election of officers and reports from the executive and resolutions committees. Meetings of committees are scheduled in the afternoon. A banquet tomorrow night will be the closing event.

[From the Greenville (S. C.) News of May 2, 1957]

SUPREME COURT STARTS REWRITING WILLS

Prior to the United States Supreme Court's strange preoccupation with forcing integration of the races at all costs, most competent lawyers probably would have advised a client that he could bequeath his estate for almost any purpose he might choose.

More than one eccentric has decreed in his will that the bulk of his estate should be used to maintain an animal, say a cat, in luxury. And public officials have carried out the terms of such wills, even though they must have thought it a bit strange to have to do so when widows and orphans were in need.

But the United States Supreme Court has held in a decision in a case arising in Pennsylvania that a man cannot use the wealth he has accumulated in his lifetime to found and operate a school for "white male orphans" to the exclusion of Negroes.

The Court based its decision on grounds that administration of the will was vested in a public agency, the Philadelphia City Trust, and held that since a public body was involved the "equal protection of the law" clause of the Constitution made it unlawful to exclude Negroes.

The Court did not go into the issue of whether the will limiting the school to whites was itself lawful. But the effect is about the same. No will can be lawfully administered without some public agency, the probate court to start with, entering into it.

A will that is improperly drawn can be broken. But so long as it is properly drawn, at least we thought heretofore, one could use his money as he saw fit—to establish a school for redheads exclusively, or to teach cats not to catch mice.

But from now on a will means not what the maker of the will says, but what the Supreme Court says it means.

This is but another example of the contents of the legal Pandora's Box the Supreme Court opened on May 17, 1954, when it departed from the law and the precedents to promulgate integration as a sociological principle.

There probably is yet more to come. Private colleges and other institutions which have benefited from wills may one of these days find themselves before the courts, with a demand to open their doors to all persons regardless of race, on the same sort of far-fetched pretext.

[From the Jasper County (S. C.) News of May 3, 1957]

NINE MEN TAKE AWAY ANOTHER FREEDOM

According to our daily papers, the United States Supreme Court has gone another step in setting up a dictatorship in this country. They are placing the dictatorship in their own hands. I am speaking of their decision, which opened Girard College in Philadelphia to two Negro boys.

In 1831, Steven Girard died at the age of 80. In his will he left $2 million to establish Girard College, with the provision that the trustees would set up and operate a school for poor white male orphans. This original $2 million has grown to $98 million by 1955.

The Supreme Court of the State of Pennsylvania had upheld this will, and said, "It is one of our most fundamental legal principles that an individual has the right to dispose of his property by gift or will as he sees fit." Now the United States Supreme Court has upset this will and has ruled that the two Negro boys must be admitted.

I think that the Supreme Court has gone further in this decision than in any decision to date. This decision is not a case of racial discretion but a matter of telling a person that he cannot do what he wishes to do with his own property. This is certainly not only leading our Nation into a dictatorial pattern but a communistic pattern as well.

We have fought many wars to maintain the freedom which was supposedly left to us by our Constitution. However, we are now faced with the problem that nine old, politically ambitious persons are changing our way of life and taking away the freedoms that we have cherished and fought for over the period of almost 200 years.

I think that it is now time for the States of these United States to step up and be counted. If we are going to allow the United States Supreme Court to go this far, then the next move will probably be to take away our property before we die instead of after. I hope that South Carolina will let the Nation know that we do not intend to stand for this.

[From the Orangeburg (S. C.) Times and Democrat of May 3, 1957]

ADD SUPREME COURT

The United States Supreme Court has ruled that Girard College, which for 109 years has admitted only "poor white male orphans," as specified in the will of its founder, cannot bar Negroes.

The Supreme Court, in another unanimous decision, held that the board of directors of City Trust of Philadephia, which administers the school, is actually an agency of the State of Pennsylvania. Therefore, said the Court, the board—although acting as trustee—cannot comply with the terms of the will of the late Stephen Girard, a French-born philanthropist, whose estate in Philadelphia was largely left to various municipal and educational purposes.

There is no argument over the fact that the college is a sort of semipublic institution. However, it was set up under the terms of a will which specifies that only poor children and only males and members of the white race were to be admitted.

The Court has interpreted the board's recent action in refusing to admit two Negro boys as discrimination by the State. Therefore, it is, in effect, ordering the violating of Girard's will and intention in establishing the school. While this may be construed as legally correct, it is morally wrong, and is carrying the cause of equal rights to unexpected lengths.

[From the Philadelphia Evening Bulletin of April 30, 1957]

GIRARD'S WILL UPSET

Yesterday's decision of the United States Supreme Court declaring the will of Stephen Girard invalid insofar as it restricts admission to Girard College to "poor white male orphans" may be more far reaching than appears on the surface.

The will, probated in 1831, was responsible for much of the early legislation in this country which related to the creation of trusts. It was nullified because the Board of City Trusts administers it and is by law forbidden to practice discrimination. A private administrator could continue to carry out the provisions.

The applications of two Negro boys for admission, which were rejected, brought the will case into court. When the Pennsylvania Supreme Court passed on the issue, it decided 5 to 1 to uphold the provisions of the will. Justice Musmanno dissented.

The appeal to the Supreme Court was joined by both the city and the State. Political considerations undoubtedly motivated both.

Despite the fact that the will was written before enactment of the 14th amendment to the Constitution, the Supreme Court decision yesterday held its provisions to be in violation of that amendment and consequently invalid, at least so far as the bar against nonwhites is concerned. The effect will be to permit admission of orientals as well as Negroes.

The unanimous decision of the highest court in the land was in keeping with its finding several years ago against segregation. It may fundamentally alter the program of a Philadelphia institution which has been doing outstanding work for more than a century.

THE CALENDAR

Mr. BIBLE. Mr. President, if there be no further morning business, I suggest the absence of a quorum.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIBLE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of measures on the calendar to which there is no objection.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? The Chair hears none, and the call of the calendar will be proceeded with.

RESOLUTIONS AND BILLS PASSED OVER

The concurrent resolution (S. Con. Res. 2) to create a joint congressional committee to make a full and complete study and investigation of all matters connected with the election, succession, and duties of the President and Vice President was announced as first in order.

Mr. TALMADGE. Over.

The PRESIDING OFFICER. The concurrent resolution will be passed over.

The resolution (S. Res. 24) to amend rule XIV of the Standing Rules of the Senate was announced as next in order.

Mr. TALMADGE. Over.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 913) to provide permanent authority for the Postmaster General to establish postal stations at camps, posts, or stations of the Armed Forces, and at defense or other strategic installations

and for other purposes, was announced as next in order.

Mr. CLARK. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 4815) to provide permanent authority for the Postmaster General to establish postal stations at camps, posts, or stations of the Armed Forces, and at defense or other strategic installations, and for other purposes, was announced as next in order.

Mr. CLARK. Over.

The PRESIDING OFFICER. The bill will be passed over.

The concurrent resolution (S. Con. Res. 20) authorizing an investigation by the Federal Trade Commission into the activities and practices of companies engaged in the production, distribution, or sale of newsprint in interstate commerce, was announced as next in order.

Mr. TALMADGE. Over.

NICOLA MARCELLO

The bill (H. R. 1757) for the relief of Nicola Marcello was considered, ordered to a third reading, read the third time, and passed.

Mr. CLARK. Mr. President, I ask unanimous consent that there may be printed in the RECORD at this point, in connection with the passage of House bill 1757 a letter addressed to me from Commissioner Swing, of the Department of Justice, Immigration and Naturalization Service, which will explain the reasons why this bill was held over a few weeks ago and why there is now no further objection.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES DEPARTMENT OF JUSTICE, IMMIGRATION AND NATURALIZATION SERVICE,
Washington, D. C., April 19, 1957.

Hon. JOSEPH S. CLARK,
United States Senate,
Washington, D. C.

DEAR SENATOR CLARK: Reference is had to Mr. Quigley's request for details concerning the offense for which Mr. Nicola Marcello, beneficiary of private bill H. R. 1757, was reportedly convicted as indicated in the last paragraph of the memorandum of information accompanying the Service report dated July 9, 1956, relative to this case.

It has been ascertained that the conviction actually occurred on January 1, 1936, and not during the 1940's, as reported. According to a police certificate from the authorities in Lanciano, Abruzzi, Italy, the beneficiary was fined 120 lire for a violation of article 669 of the Italian criminal code. This article regulates peddling and provides penalties for peddling without a license or without observing other provisions of the law.

Sincerely,

J. M. SWING, *Commissioner.*

BILLS PASSED OVER

The bill (S. 495) to authorize the acquisition of the remaining property in square 725 in the District of Columbia and the construction thereon of additional facilities for the United States Senate was announced as next in order.

Mr. CLARK. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 728) to authorize the acquisition of the remaining property in squares 725 and 724 in the District of Columbia for the purpose of extension of the site of the additional office building for the United States Senate was announced as next in order.

Mr. TALMADGE. Over.

The PRESIDING OFFICER. The bill will be passed over.

PRINTING OF ADDITIONAL COPIES OF INTERNAL SECURITY ANNUAL REPORT FOR 1956

The concurrent resolution (S. Con. Res. 22) to print, for the use of the Senate Committee on the Judiciary, additional copies of the Internal Security Annual Report for 1956 was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on the Judiciary 75,000 additional copies of Senate Report No. 131, 85th Congress, entitled "Internal Security Annual Report for 1956."

COL. BENJAMIN AXELROAD

The bill (S. 1008) for the relief of Col. Benjamin Axelroad was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. BARRETT. Mr. President, reserving the right to object, I wonder if we may have an explanation of the bill.

Mr. KEFAUVER. Mr. President, I shall be very happy to attempt to make an explanation.

In the latter part of the 83d Congress a bill was passed, which was approved by the Army, providing for the payment of $28,000 compensation to two persons who had been very seriously and permanently injured, and to the estate of a young lady who had been killed.

Mr. Axelroad, who was attorney for these people, had presented a claim in the House of Representatives and the United States Senate on two occasions. Unquestionably he was entitled to an attorney's fee much larger than the usual 10 percent.

In the latter part of the 83d Congress, in order to permit the passage of bills in the Senate, since objections were being made to provisions for attorneys' fees, a provision was written in the bill now pending that no part of the sum should be paid to an attorney, so Mr. Axelroad was precluded by the action of the Committee on the Judiciary from receiving any compensation. He had agreed to this action.

The committee has considered the matter. Mr. Axelroad was put to great out-of-pocket expense. In fairness to him, since he can otherwise not collect any fee, we felt he was entitled to compensation in the amount provided in the bill.

Mr. JOHNSTON of South Carolina. Mr. President, speaking on behalf of the Committee on the Judiciary, we took this matter up and looked into it thoroughly. We came to the unanimous conclusion that for the work he had done Mr. Axelroad should be paid the amount provided by the bill.

Mr. BARRETT. Mr. President, in view of the fact that the committee made a unanimous report of the bill, and in the light of the explanation of the distinguished Senator from Tennessee, I withdraw my objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 1008) for the relief of Col. Benjamin Axelroad, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Col. Benjamin Axelroad, Tullahoma, Tenn., the sum of $2,790.50, as compensation for legal services performed and expenses incurred in assisting Chester H. Tuck, Mary Elizabeth Fisher, James Thomas Harper, and Mrs. T. W. Bennett, all of Tullahoma, Tenn., in the successful prosecution of their claims against the United States. Although the efforts of the said Col. Benjamin Axelroad contributed materially to the obtaining of evidence which led to the enactment of a private law for the relief of the above-mentioned claimants (Private Law 498, 83d Cong.), such private law prevented any payment to the said Col. Benjamin Axelroad out of sums appropriated in such private law: *Provided*, That no part of the amount appropriated in this act, shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the claim of the said Col. Benjamin Axelroad for such compensation, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

RESOLUTION PASSED OVER

The resolution (S. Res. 124) citing Edward E. Hintz for contempt of the Senate, was announced as next in order.

Mr. BARRETT. Over.

The PRESIDING OFFICER. The resolution will be passed over.

GUIDO WILLIAM GRAMBERGS

The bill (S. 147) for the relief of Guido William Grambergs was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That for the purposes of the Immigration and Nationality Act, Guido William Grambergs shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MARIA PARISI

The bill (S. 239) for the relief of Maria Parisi, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Maria Parisi shall be held and considered to be the minor alien child of Antonio Parisi, a citizen of the United States.

ARISTEA VITOGIANES

The bill (S. 256) for the relief of Aristea Vitogianes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child Aristea Vitogianes shall be held and considered to be the natural-born alien child of Augustus and Maria Vitogianes, citizens of the United States.

LIVIO SENNI

The bill (S. 470) for the relief of Livio Senni was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Livio Senni may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

BLANCA G. HIDALGO

The bill (S. 616) for the relief of Blanca G. Hidalgo was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Blanca G. Hidalgo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

GEORGINA MERCEDES LLERA

The Senate proceeded to consider the bill (S. 622) for the relief of Georgina Mercedes Llera, which had been reported from the Committee on the Judiciary with an amendment in line 7, after the word "fee," to strike out "upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available," so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Georgina Mercedes Llera shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOHN EICHERL

The bill (S. 629) for the relief of John Eicherl was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond which may have been issued in the case of John Eicherl. From and after the date of enactment of this act, the said John Eicherl shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants or order have issued.

ISABELLA ABRAHAMS

The bill (S. 650) for the relief of Isabella Abrahams was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Isabella Abrahams shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

SUI-AN FUNG AND SHU-NUNG WU FUNG

The bill (S. 710) for the relief of Sui-an Fung and Shu-nung Wu Fung was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Sui-an Fung and Shu-nung Wu Fung shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

MARIA CACCOMO

The Senate proceeded to consider the bill (S. 308) for the relief of Maria Caccomo, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of sections 203 (a) (3) and 205 of the Immigration and Nationality Act, Maria Caccomo shall be held and considered to be the minor child of Salvatore Caccomo, a lawful permanent resident of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DONINI MAURIZIO DONATO

The Senate proceeded to consider the bill (S. 623) for the relief of Donini Maurizio Donato, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Donini Maurizio Donato, shall be held and considered to be the natural-born alien child of Dr. and Mrs. Lawrence L. Massa, citizens of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ELVIRA A. BELFORD

The Senate proceeded to consider the bill (S. 641) for the relief of Elvira A. Belford, which had been reported from the Committee on the Judiciary, with an amendment, in line 5, after the word "be", to insert "issued a visa and", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of paragraph 9 of section 212 (a) of the Immigration and Nationality Act, Elvira A. Belford may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act. This act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SHIGEKO KIMURA

The Senate proceeded to consider the bill (S. 776) for the relief of Shigeko Kimura, which had been reported from the Committee on the Judiciary with an amendment.

Mr. JOHNSTON of South Carolina. On April 15, 1957, the Committee on the Judiciary reported favorably the bill, S. 776, to provide for the admission to the United States of the fiance of a United States citizen serviceman, to enable them to be married. The bill also provided for the admission of the couple's child, if such child was born prior to the adult beneficiary's departure to the United States. In behalf of the adult beneficiary, the bill provided a waiver of the excluding provision of existing law relating to those afflicted with tuberculosis.

On April 17, 1957, the House of Representatives passed H. R. 2723, a similar bill, for the relief of the same beneficiaries. That bill was referred to the Committee on the Judiciary. I ask unanimous consent that the Committee on the Judiciary be discharged from the further consideration of the bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSTON of South Carolina. Inasmuch as the language of House bill 2723 is substantially the same as that of Senate bill 776, I ask unanimous consent that the Senate proceed to the consideration of H. R. 2723.

There being no objection, the Senate proceeded to consider the bill (H. R. 2723) for the relief of Shigeko Kimura and her minor child.

The bill was ordered to a third reading, read the third time, and passed.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that Senate bill 776 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

BILL PASSED OVER

The bill (S. 1164) to make the evaluation of recreational benefits resulting from the construction of any flood control, navigation, or reclamation project an integral part of project planning, and for other purposes, was announced as next in order.

Mr. BARRETT. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

PEDRO AMPO

The bill (S. 463) for the relief of Pedro Ampo was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Pedro Ampo, shall be held and considered to be the natural-born alien child of Diosdado D. Aba, a citizen of the United States.

MARIA CONCETTA DI TURI

The bill (S. 465) for the relief of Maria Concetta Di Turi was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Maria Concetta Di Turi, shall be held and considered to be the natural-born alien child of Leonardo Di Turi, a citizen of the United States.

SHAO FONG SHA

The bill (S. 730) for the relief of Shao Fong Sha was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Shao Fong Sha shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

GIUSEPPE SCIORTINO

The bill (S. 756) for the relief of Giuseppe Sciortino was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of paragraph (9) of section 212 (a) of the Immigration and Nationality Act, Giuseppe Sciortino may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such act: *Provided*, That this act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this act.

DR. CHEUNG NUNG HUANG

The bill (S. 891) for the relief of Dr. Cheung Nung Huang was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Dr. Cheung Nung Huang shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MRS. ELSBE HERMINE VAN DAM HURST

The Senate proceeded to consider the bill (S. 653) for the relief of Mrs. Elsbe Hermine van Dam Hurst, which had been reported from the Committee on the Judiciary, with an amendment, in line 7, after the word "fee", to insert a colon and "*Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Elsbe Hermine van Dam Hurst shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CORNELIS VANDER HOEK

The Senate proceeded to consider the bill (S. 874) for the relief of Cornelis Vander Hoek, which had been reported from the Committee on the Judiciary, with an amendment, in line 7, after the word "fee", to strike out "Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Cornelis Vander Hoek shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ANTOINE VELLEMAN

The Senate proceeded to consider the bill (S. 1206) for the relief of Antoine Velleman, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 11, after "1944", to insert a colon and "*Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Antoine Velleman, of Geneva, Switzerland, the sum of $526.06. The payment of such sum shall be in full satisfaction of all claims of the said Antoine Velleman against the United States for compensation for services rendered by him as an instructor for the United States Army internees at Adelboden, Switzerland, from August 1, 1944, to September 15, 1944: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

NOEMI MARIA VIDA WILLIAMS

The Senate proceeded to consider the bill (S. 307) for the relief of Noemi Maria Vida Williams, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 3, after the word "of", to strike out "section" and insert "sections"; at the beginning of line 4, to insert "(a) (9) and"; and, at the top of page 2, to insert:

SEC. 2. That, for the purposes of the Immigration and Nationality Act, Maria Loretta Vida shall be held and considered to have been lawfully admitted to the United States

for permanent residence as of the date of the enactment of this act upon payment of the required visa fee.

So as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of sections 212 (a) (9) and (12) of the Immigration and Nationality Act, Noemi Maria Vida Williams may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of Justice or the Department of State has knowledge prior to the enactment of this act.

SEC. 2. That, for the purposes of the Immigration and Nationality Act, Maria Loretta Vida shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Noemi Maria Vida Williams and Maria Loretta Vida."

CHRISTOS A. MAUROYENIS (MAVROGENIS)

The Senate proceeded to consider the bill (S. 767) for the relief of Christos A. Mauroyenis (Mavrogenis), which had been reported from the Committee on the Judiciary, with an amendment, in line 5, after the word "child", to strike out "Christos A. Mauroyenis (Mavrogenis)" and insert "Christo Pan Lycouras Mauroyenis (Maurogenis)", so as to make the bill read:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Christo Pan Lycouras Mauroyenis (Maurogenis), shall be held and considered to be the natural-born alien child of Mr. and Mrs. Anthony Mauroyenis, citizens of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Christo Pan Lycouras Mauroyenis (Maurogenis)."

GEORGE CHRISTOPOULOS, A MINOR

The Senate proceeded to consider the bill (S. 804) for the relief of George Christopoulos, a minor, which had been reported from the Committee on the Judiciary, with an amendment, at the beginning of line 5, to strike out "George Christopoulos" and insert "Georgios D. Christopoulos," so as to make the bill read:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Georgios D. Christopoulos, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Nick Christopoulos, citizens of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Georgios D. Christopoulos."

CERTAIN SPOUSES AND MINOR CHILDREN OF CITIZENS OF THE UNITED STATES

The Senate proceeded to consider the joint resolution (H. J. Res. 133) for the relief of certain spouses and minor children of citizens of the United States, which had been reported from the Committee on the Judiciary, with amendments, at the top of page 2, to strike out "That suitable and proper bonds or undertakings, approved by the Attorney General, be deposited as prescribed by section 213 of the said act:" and insert "That except in the cases of beneficiaries entitled to medical care under the Dependents' Medical Care Act (70 Stat. 250), suitable and proper bonds or undertakings, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act: *And provided further*, That the exemption granted herein shall apply only to grounds for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act."; on page 3, at the beginning of line 13, to strike out "and"; and, in the same line, after "Wong", to insert a comma and "Salvatore Adornetto, Mrs. Anni A. Anthony, Mrs. Antonietta Polintan Averitt, Mrs. Concetta Battaglini Bosio, Angelo Capitello, Mrs. Julia W. Chang, Mrs. Yu Yuk Chun, Mrs. Fukuko Kanda Deppiesse, Mrs. Yoshiko S. Estapa, Mrs. Maria Lourdes Figueras, Mrs. Olga M. Finartijs, Mrs. Virginia Montilla Gallego, Mrs. Cheng Kam Hou, Mrs. Mafalda Marchini Iacopucci, Mrs. Hiroko Nakagawa Irish, Rev. Gottfried G. Krodel, Mrs. Agnes Moreland McCall, Mrs. Edith D. McKinnis, Mr. Milenko Mijatovich, Jung Chew Ming, Lau Chung Oi, Gaetano Patrasso, Mychajlo Pawliczko, Michele Povia, Mrs. Wah Lung Price, Vittorio Quartarone, Mrs. Liliane Thurau, Mrs. Enrichetta Troncone, Mrs. Lydia Atienza Venzon, Mrs. Mitsuyo Shinbo Watanabe, and Mrs. Siv I. M. Woods."

The amendment was agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read the third time.

The joint resolution was read the third time, and passed.

BILL PASSED OVER

The bill (S. 1639) to provide for the suspension of the vesting of alien property and the liquidation of vested property, under the Trading With the Enemy Act, was announced as next in order.

Mr. CLARK. Over, Mr. President.

The PRESIDING OFFICER. The bill will be passed over.

ADJUDICATION OF CONFLICTING CLAIMS OF NAVAHO AND HOPI INDIANS

The Senate proceeded to consider the bill (S. 692) to provide that the United States hold in trust for the Indians entitled to the use thereof the lands described in Executive order of December 16, 1882, and for adjudicating the conflicting claims thereto of the Navaho and Hopi Indians, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs, with amendments on page 1, line 5, after the word "the", to strike out "Indians who are entitled to be thereon" and insert "Hopi Indians and such other Indians as heretofore have been settled thereon by the Secretary of the Interior"; on page 2, at the beginning of line 14, to insert "pursuant to such Executive order"; in line 22, after "Sec. 2.", to strike out "Any lands" and insert "Lands, if any,"; in line 25, after the word "Reservation", to strike out "Any lands" and insert "Lands, if any,"; on page 3, at the beginning of line 5, to strike out "If the court determines that the said Navaho Tribe, Hopi Tribe, including any Hopi village or clan thereof, or individual Indians have a joint or undivided interest in any part of the lands subject to section 1 of this act, the court shall determine the reservation to which such lands shall be added as in its opinion shall be fair, just, and equitable."; at the beginning of line 18, to insert "tribal or individual"; and, in line 19, after the word "Act", to insert a comma and "or to affect the liability of the United States, if any, under litigation now pending before the Indian Claims Commission"; so as to make the bill read:

Be it enacted, etc., That the lands described in the Executive order dated December 16, 1882, are hereby declared to be held by the United States in trust for the Hopi Indians and such other Indians as heretofore have been settled thereon by the Secretary of the Interior pursuant to such Executive order. The Navaho Indian Tribe and the Hopi Indian Tribe, acting through the chairmen of their respective tribal councils for and on behalf of said tribes, including all villages and clans thereof, and on behalf of any Navaho or Hopi Indians claiming an interest in the area set aside by executive order dated December 16, 1882, and the Attorney General on behalf of the United States, are each hereby authorized to commence or defend in the United States District Court for the District of Arizona an action against each other and any other tribe or Indians claiming any interest in or to the area described in such Executive order for the purpose of determining the rights and interest of said parties in and to said lands and quieting title thereto in the tribes or Indians establishing such claims pursuant to such Executive order as may be just and fair in law and equity. The action shall be heard and determined by a district court of three judges in accordance with the provisions of title 28, United States Code, section 2284, except that no judge from the State of Arizona shall serve thereon, and any party may appeal directly to the Supreme Court from the final determination by such three-judge district court.

SEC. 2. Lands, if any, in which the Navaho Indian Tribe or individual Navaho Indians are determined by the court to have the exclusive interest shall thereafter be a part of the Navaho Indian Reservation. Lands, if any, in which the Hopi Indian Tribe, including any Hopi village or clan thereof, or individual Hopi Indians are determined by the court to have the exclusive interest shall thereafter be a reservation for the Hopi Indian Tribe. The Navaho and Hopi Tribes, respectively, are authorized to sell, buy, or exchange any lands within their reservations with the approval of the Secretary of the Interior, and any such lands acquired by either tribe through purchase or exchange shall become a part of the reservation of such tribe.

SEC. 3. Nothing in this act shall be deemed to be a Congressional determination of the merits of the conflicting tribal or individual Indian claims to the lands that are subject to adjudication pursuant to this act, or to affect the liability of the United States, if any, under litigation now pending before the Indian Claims Commission.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ACQUISITION OF CERTAIN TRIBAL LANDS ON THE CATAWBA INDIAN RESERVATION, S. C.

The (H. R. 676) to authorize the city of Rock Hill, S. C., to acquire certain tribal lands on the Catawba Indian Reservation, S. C., was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1574) to provide for the disposal of certain Federal property in the Coulee Dam and Grand Coulee areas, to provide assistance in the establishment of a municipality incorporated under the laws of Washington, and for other purposes was announced as next in order.

Mr. TALMADGE. Over, Mr. President.

The PRESIDING OFFICER. The bill will be passed over.

DELIVERY OF WATER TO CERTAIN LANDS IN THE SHOSHONE FEDERAL RECLAMATION PROJECT, WYOMING

The joint resolution (S. J. Res. 79) permitting the Secretary of the Interior to continue to deliver water to lands in the Heart Mountain division, Shoshone Federal reclamation project, Wyoming, was announced as next in order.

Mr. BARRETT. Mr. President, the House passed a joint resolution identical with the Senate joint resolution just reached on the calendar. I move that the Senate proceed to the consideration of the House joint resolution, which is on the calendar.

The motion was agreed to; and the Senate proceeded to consider the joint resolution (H. J. Res. 287) permitting the Secretary of the Interior to continue to deliver water to lands in the Heart Mountain division, Shoshone Federal Reclamation project, Wyoming.

The joint resolution was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate Joint Resolution 79 is indefinitely postponed.

DEVELOPMENT OF PHOSPHATE ON THE PUBLIC DOMAIN

The Senate proceeded to consider the bill (S. 334) to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended (30 U. S. C. 184), in order to promote the development of phosphate on the public domain which had been reported from the Committee on Interior and Insular Affairs with an amendment in line 5, after the word "words," to insert "or permits," so as to make the bill read:

Be it enacted, etc., That the second sentence of section 27 of the act of February 25, 1920, as amended (30 U. S. C., 184), is amended by the deletion of the words "or permits exceeding in the aggregate 5,120 acres in any one State, and."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DESERT-LAND ENTRIES

The bill (S. 359) to permit desert-land entries on disconnected tracts of lands which, in the case of any one entryman, form a compact unit and do not exceed in the aggregate 320 acres was considered, ordered to be engrossed for a third read, read the third time, and passed, as follows:

Be it enacted, etc., That the first section of the act of March 3, 1877, entitled "An act to provide for the sale of desert lands in certain States and Territories," as amended (43 U. S. C. 321), is further amended by the deletion at the end of that section of the following words ": *Provided*, That no person shall be permitted to enter more than one tract of land and not to exceed 320 acres which shall be in compact form" and the addition of the following: "Except as provided in section 3 of the act of June 16, 1955 (69 Stat. 138), as amended, no person may make more than one entry under this act. However, in that entry one or more tracts may be included, and the tracts so entered need not be contiguous. The aggregate acreage of desert land which may be entered by any one person under this section shall not exceed 320 acres, and all the tracts entered by 1 person must form together a compact unit, as determined by rules and regulations to be issued by the Secretary of the Interior."

SEC. 2. Section 3 of the act of June 16, 1955 (69 Stat. 138), is amended to read as follows:

"SEC. 3. Any person who, prior to June 16, 1955, made a valid desert-land entry on lands subject to such act of June 22, 1910, or of July 17, 1914, may, if otherwise qualified, make 1 additional entry, as a personal privilege, not assignable, upon 1 or more tracts of desert land subject to the provisions of such acts, as hereby amended, and section 7 of the act entitled 'An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration, to provide for their orderly use, improvement, and development to stabilize the livestock industry dependent upon the public range, and for other purposes,' approved June 28, 1934, as amended (48 Stat. 1269, 1272; 43 U. S. C. 315f). The additional land entered by any person pursuant to this section shall not, together with his original entry, exceed 320 acres, and all the tracts included within the additional entry authorized by this section shall form together a compact unit, as determined by rules and regulations to be issued by the Secretary of the Interior. Additional entries authorized by this section shall be subject to all the requirements of the desert-land law."

CARE AND MAINTENANCE OF THE SURRENDER TREE SITE IN SANTIAGO, CUBA

The bill (S. 1063) vesting in the American Battle Monuments Commission the care and maintenance of the Surrender Tree site in Santiago, Cuba, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the American Battle Monuments Commission is responsible for the care and maintenance of the Surrender Tree site in Santiago, Cuba. This act takes effect on the next July 1 after the date of its enactment.

REMOVAL OF RESTRICTIONS ON USE OF PORTION OF SPRINGFIELD CONFEDERATE CEMETERY, MO.

The bill (S. 1274) to amend the act of March 3, 1911 (36 Stat. 1077), to remove restrictions on the use of a portion of the Springfield Confederate Cemetery, Springfield, Mo., and for other purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the condition contained in the first section of the act of March 3, 1911 (36 Stat. 1077), which requires that the land comprising the Confederate Cemetery at Springfield, Mo., be used only as a cemetery for the graves of men who were in the military or naval service of the Confederate States of America, is applicable only to the portion of that cemetery inside the walled enclosure where those graves are located. The portion of that cemetery outside of the walled enclosure shall be used as part of the Springfield National Cemetery.

RENOUNCEMENT OF RIGHT, TITLE, AND INTEREST IN CERTAIN LANDS IN MONTANA

The bill (S. 1319) to renounce any right, title, and interest which the United States may have in certain lands in Montana was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the United States hereby renounces any right, title, and interest to lots 5 to 12, block 25, Graves second addition, Harlowton, Wheatland County, Mont., which it may have obtained under the last will and testament of Edwin A. Patterson, of Harlowton, Mont., who died on May 12, 1954.

CONVEYANCE OF CERTAIN REAL PROPERTY TO THE FAIRVIEW CEMETERY ASSOCIATION, INC., WAHPETON, N. DAK.

The Senate proceeded to consider the bill (S. 1352) to provide for the conveyance of certain real property of the United States to the Fairview Cemetery Association, Inc., Wahpeton, N. Dak., which had been reported from the Committee on Interior and Insular Affairs with amendments, on page 1, line 7, after the word "improvements", to insert

"thereon upon payment", and, in line 8, after the word "the", to strike out "sum of $4,000" and insert "fair market value of the property as determined by the Secretary of the Interior", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior shall convey to the Fairview Cemetery Association, Inc., Wahpeton, N. Dak., all right, title, and interest of the United States in and to the real property described in section 2, together with all improvements thereon upon payment by such association to the United States of the fair market value of the property as determined by the Secretary of the Interior.

SEC. 2. The real property referred to in the first section of this act is situated in the county of Richland, State of North Dakota, and is more particularly described as follows:

North half of the southeast quarter of the southeast quarter of section 6, township 132 north, range 47 west, fifth principal meridian, comprising 20 acres.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

USE OF PUBLIC LANDS GRANTED TO THE STATE OF WYOMING

The bill (S. 1396) to amend section 6 of the act approved July 10, 1890 (26 Stat. 222), relating to the admission into the Union of the State of Wyoming by providing for the use of public lands granted to said State for the purpose of construction, reconstruction, repair, renovation, furnishing, equipment, or other permanent improvement of public buildings at the capital of said State, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 6 of the act of July 10, 1890 (26 Stat. 222, 223), providing for the admission into the Union of the State of Wyoming, is amended to read as follows:

"SEC. 6. That 50 sections of the unappropriated public lands within said State, to be selected and located in legal subdivisions as provided in section 4 of this act, shall be, and are hereby, granted to said State for the purpose of erecting public buildings at the capital of said State, including construction, reconstruction, repair, renovation, furnishing, equipment; and any other permanent improvement of such buildings, and the acquisition of necessary land for such buildings, and the payment of principal and interest on bonds issued for any of the above purposes."

SEC. 2. This act shall take effect as of July 10, 1890.

CONVEYANCE OF CERTAIN LANDS IN THE STATE OF NEVADA

The bill S. 1568 to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the Colorado River Commission of Nevada acting for the State of Nevada, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. BARRETT. Mr. President, reserving the right to object—and I shall not object—I rise merely to ask the distinguished Senator from Nevada if he will tell us whether the bill calls for any appropriations on the part of Congress.

Mr. BIBLE. No; quite to the contrary. The bill would enable the Secretary of the Interior to sell the land at the fair market value to the State of Nevada. It would require no appropriation whatever by the Congress.

Mr. BARRETT. The title of the bill indicates that the title to the land will go to the Colorado River Commission of Nevada. Is that an instrumentality of the State of Nevada?

Mr. BIBLE. The Colorado River Commission of Nevada is a State agency, set up and headed by the Governor of the State of Nevada.

Mr. BARRETT. As I understand, any improvements placed upon the land would be made at the expense of the State of Nevada.

Mr. BIBLE. Any improvements placed upon the land would be made at the expense of the State of Nevada.

Mr. BARRETT. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with an amendment, on page 3, line 19, after the word "valid", to strike out "claims against" and insert "rights pertaining", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior shall issue to the Colorado River Commission of Nevada, acting for and in behalf of the State of Nevada, upon the payment by the State of Nevada into the Treasury of the United States, not more than 5 years after the Secretary has notified the State of the purchase price, of an amount equal to the fair market value as of the date of approval of this act of the lands to be conveyed as determined by the Secretary upon the appraisal of those lands, a patent or patents to the following described lands, situated in the State of Nevada and comprising approximately 126,775 acres:

(1) All of south half, township 23 south, range 63 east, with the exception of the following areas: east half section 22; four 5-acre tracts located in section 26 and described as follows: South half southeast quarter northwest quarter northwest quarter, north half northeast quarter southwest quarter northwest quarter, north half southwest quarter northeast quarter northwest quarter and south half southwest quarter northwest quarter northwest quarter; and those portions of the northeast quarter section 23, and north half section 24, within the Lake Mead national recreation area.

(2) Fractional sections 25 and 36, township 23 south, range 63½ east.

(3) All of sections 27, 28, 29, 30, 31, 32, 33, and 34, township 23 south, range 64 east.

(4) Fractional sections 31, 32, 33, 34, and 35, township 23½ south, range 64 east.

(5) All of southeast quarter of township 24 south, range 62 east.

(6) All of township 24 south, range 63 east.

(7) All of township 24 south, range 64 east, except sections 1, 12, 13, 24, 25, and 36.

(8) All of township 25 south, range 62 east.

(9) All of township 25 south, range 63 east.

(10) All of sections 1, 2, 3, 4, 5, and 6, township 25 south, range 64 east.

(11) All of sections 1, 2, 11, 12, 13, and 14, township 26 south, range 62 east.

(12) All of northwest quarter, township 26 south, range 63 east.

All range references contained in the foregoing refer to the Mount Diablo base and meridian.

SEC. 2. The Colorado River Commission of Nevada, acting on behalf of the State of Nevada, is hereby given the option, which may be exercised at any time during the 5-year period provided in the first section of this act, of having patented to it a portion of the described area upon payment of the appraised value thereof: *Provided*, That no such purchase shall be for less than 10,000 acres.

SEC. 3. The conveyance or conveyances authorized by this act shall be made subject to any existing valid rights pertaining to the lands described in the first section of this act, and to any reservations necessary to protect continuing uses of those lands of the United States.

SEC. 4. If the State of Nevada purchases under this act any lands which are subject to a lease, permit, license, or contract issued under the Mineral Lands Leasing Act of February 25, 1920 (41 Stat. 437), as amended (30 U. S. C. 181 and the following), it shall be required to purchase all the lands subject to that lease, permit, license, or contract which are included within the boundaries of the lands described in section 1. The purchase of lands subject to a lease, permit, license, or contract shall neither affect the validity nor modify the terms of the lease, permit, license, or contract in any way, or affect any rights thereunder, except that the State shall assume the position of the United States thereunder, including any right to rentals, royalties, and other payments accruing on or after the date on which the purchase by the State becomes effective, and any right to modify terms or conditions of such leases, permits, licenses, or contracts.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RECONVEYANCE OF CERTAIN LAND TO THE CITY OF SPEARFISH, S. DAK.—BILL PASSED OVER

The bill (H. R. 2401) to provide for the reconveyance of certain land to the city of Spearfish, S. Dak., was announced as next in order.

Mr. TALMADGE. Over.

The PRESIDING OFFICER. The bill will be passed over.

CATHEDRAL OF THE PINES AT RINDGE, N. H., AS A MEMORIAL TO AMERICAN WAR DEAD

The concurrent resolution (H. Con. Res. 91) expressing the sense of Congress with respect to the recognition of the Altar of the Nation, located in the Cathedral of Pines, Rindge, N. H., as a memorial to all American war dead was considered and agreed to.

SALE OF CERTAIN LANDS TO THE VILLAGE OF CENTRAL, N. MEX.

The Senate proceeded to consider the bill (S. 45) to authorize the Secretary of Agriculture to sell to the village of Central, State of New Mexico, certain lands administered by him formerly part of Fort Bayard Military Reservation, N. Mex., which had been reported from the Committee on Agriculture and Forestry with amendments, on page 3, line 17, after the word "if", to strike out "it" and insert "any parcel or lot"; in line 18, after the word "such", to strike out

"property" and insert "parcel or lot"; and in line 23, after the word "reserve", to strike out "rights-of-way" and insert "easements", so as to make the bill read:

Be it enacted, etc., That, subject to section 2 of this act, the Secretary of Agriculture is authorized and directed to sell, at market value as determined by him, and to convey to the village of Central, in the State of New Mexico, for the purpose of residential and business development, the followng described lands, formerly part of the Fort Bayard Military Reservation, Grant County, N. Mex., comprising approximately fifty-eight and thirty-one one-hundredths acres situated in the north half of the south half of the southeast quarter of section 34, township 17 south, range 13 west, and in the north half of the south half of section 35, township 17 south, range 13 west, New Mexico principal meridian, more particularly described by metes and bounds as follows:

Beginning at a point located at the intersection of the south right-of-way line of United States Highway 260 and the south boundary of the Fort Bayard Military Reservation, from which the Fort Bayard Military Reservation 1-mile marker bears north 89 degrees 59 minutes east, 30.65 feet distant;

Thence along the south right-of-way line of United States Highway 260 as follows:

First, along a circular curve to the left, the radius being 1,332.5 feet and the long chord being 1,078.87 feet in length and bearing north 58 degrees 47 minutes west;

Thence along a transition curve to the left, the long chord being 287.83 feet in length and bearing north 86 degrees 48 minutes west;

Thence north 88 degrees 38 minutes west, 1,067.69 feet;

Thence along a circular curve to the left, the radius being 8,494.42 feet and the long chord being 2,364.46 feet in length and bearing south 83 degrees 18 minutes west;

Thence south 75 degrees 18 minutes west, 1,309.49 feet to a point of intersection of the south right-of-way line of United States Highway 260 and the south boundary of the Fort Bayard Military Reservation;

Thence leaving said right-of-way, along the south boundary of the Fort Bayard Military Reservation as follows:

North 89 degrees 17 minutes east, 654.26 feet to the Fort Bayard Military Reservation 2-mile marker;

Thence north 89 degrees 59 minutes east, 2,629.20 feet to the Fort Bayard Military Reservation 1½-mile marker;

Thence north 89 degrees 59 minutes east, 2,610.00 feet to the point of beginning.

SEC. 2. The conveyance authorized by this act (1) shall provide that the described land shall not be used in a manner incompatible with the proper and effective operation of the Veterans' Administration hospital at Fort Bayard, N. Mex., and if any parcel or lot shall ever be used in such manner, the title to such parcel or lot shall revert to the United States, which shall have the immediate right of reentry thereon, provided that such reversion shall terminate in the event the Veterans' Administration ceases operation of the hospital, (2) shall protect existing valid rights, (3) shall reserve easements for existing facilities such as roads, telephone lines, pipelines, electric power transmission lines, or other facilities or improvements in place, and shall reserve such easements for roads as the Secretary of Agriculture finds necessary to assure access to lands of the United States or to meet public needs, (4) shall reserve to the United States all mineral rights, including gas and oil, in the land so conveyed, and (5) may contain such additional terms, conditions, reservations, and restrictions as may be determined by the Secretary of Agriculture or the Administrator of Veterans' Affairs to be necessary to protect the interests of the United States.

Mr. SYMINGTON. Mr. President, this bill directs the Secretary of Agriculture to sell to the village of Central, N. Mex., a tract of about 58.31 acres desired by the village for town expansion. The village would be required to pay full market value. The land now serves as a watershed for the Veterans' Administration Hospital at Fort Bayard, N. Mex., but is not needed by the Government. The conveyance provided for by the bill would require the land to be used in a manner compatible with the proper operation of the hospital.

The committee amendments, which are of a technical nature, were suggested by the Department of Agriculture. They would make the Government's reversionary interest applicable to each parcel or lot, instead of to the entire tract, so that a violation of the condition of the deed by a single parcel or lot owner would not affect the rights of owners of other parcels or lots. The committee amendments also would change the phrase "rights-of-way" to "easements" in order to make the language of the bill consistent.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1491) to revise the Transportation of Explosives Act, chapter 39, title 18, of the United States Code, as amended, was announced as next in order.

Mr. CLARK. Over.

The PRESIDING OFFICER. The bill will be passed over.

PENALTIES FOR VIOLATION OF CERTAIN STATUTES

The Senate proceeded to consider the bill (S. 1492) to provide more adequate penalties for violation of certain statutes administered by the Interstate Commerce Commission, which had been reported from the Committee on Interstate and Foreign Commerce with amendments on page 1, line 6, after "1893", to insert "(27 Stat. 532)"; in line 8, after the word "words", to strike out "five hundred dollars" and insert "two hundred and fifty dollars"; on page 2, line 1, after "1910", to insert "(36 Stat. 299;"; in line 3, after the word "words", to strike out "five hundred dollars" and insert "two hundred and fifty dollars"; in line 8, after the word "the", to strike out "words "not less than $100 nor more than"." and insert "amount of "$100" and substituting therefore the amount of "$200"."; at the beginning of line 11, to insert "(36 Stat. 916)"; in line 13, after the word "words", to strike out "five hundred dollars" and insert "two hundred and fifty dollars"; at the beginning of line 16, to insert "(49 Stat. 564)"; in line 22, after the word "than", to strike out "$500" and insert "$200"; in line 23, after the word "than", to strike out "$2,500" and insert "$500"; on page 3, line 3, after the word "than", to strike out "$500" and insert "$200"; at the beginning of line 4, to strike out "$2,000" and insert "$500", and in the same line, after the word "than", to strike out "$1,000" and insert "$250"; and, in line 5, after the word "than", to strike out "$5,000" and insert "$2,000", so as to make the bill read:

Be it enacted etc., That the Safety Appliance Acts, as amended (45 U. S. C. 1–16), are amended as follows:

(1) By striking in the first clause of section 6 of the act of March 2, 1893 (27 Stat. 532), as amended (45 U. S. C. 6), the words "one hundred dollars" and substituting in lieu thereof the words "two hundred and fifty dollars"; and

(2) By striking in the first clause of section 4 of the act of April 14, 1910 (36 Stat. 299; 45 U. S. C. 13), the words "one hundred dollars" and substituting in lieu thereof the words "two hundred and fifty dollars."

SEC. 2. Section 3 of the Hours of Service Act (34 Stat. 1416), as amended (45 U. S. C. 63), is amended by striking in the first clause of the first sentence thereof the amount of "$100" and substituting therefor the amount of "$200."

SEC. 3. Section 9 of the Locomotive Inspection Act (36 Stat. 916), as amended (45 U. S. C. 34) is amended by striking in the first clause thereof the words "one hundred dollars" and substituting therefor the words "two hundred and fifty dollars."

SEC. 4. Section 222 of the Interstate Commerce Act (49 Stat. 564), as amended (49 U. S. C. 322), is amended as follows:

(1) By striking in the first sentence of subsection (a) thereof the words "not more than $100 for the first offense and not more than $500 for any subsequent offense.", and substituting therefor the words "not less than $100 nor more than $500 for the first offense and not less than $200 nor more than $500 for any subsequent offense.", and

(2) By striking in subsection (c) thereof the words "not more than $500 for the first offense and not more than $2,000 for any subsequent offense." and substituting therefor the words "not less than $200 nor more than $500 for the first offense and not less than $250 nor more than $2,000 for any subsequent offense.".

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill increasing penalties for violation of certain safety and other statutes administered by the Interstate Commerce Commission."

AWARDS OF MEDALS OF HONOR

The Senate proceeded to consider the bill (S. 1463) to amend the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle subject to the motor carrier safety regulations of the Interstate Commerce Commission, which had been reported from the Committee on Interstate and Foreign Commerce with amendments on page 1, line 3, after the word "Act", to strike out "(45" and insert "of February 23, 1905 (38 Stat. 743; 45"; and, in line 8, after the word "vehicle", to strike out "subject to safety regulations established by the Interstate Commerce Commission under the provision of section 204 (a) of the Interstate Commerce Act" and insert "on the public highways,

roads, or streets of the United States,", and"; so as to make the bill read:

Be it enacted, etc., That the Medals of Honor Act of February 23, 1905 (38 Stat. 743; 45 U. S. C., secs. 44–46) is amended as follows:

(1) By inserting between the word "commerce" and the colon preceding the proviso in section 1 thereof the words "or involving any motor vehicle on the public highways, roads, or streets of the United States,", and

(2) By changing section 3 thereof to read: "Appropriations for the Interstate Commerce Commission are hereby made available for carrying out the provisions of this act."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle."

OVERALL FEED PROGRAM

The Senate proceeded to consider the resolution (S. Res. 125) requesting the Secretary of Agriculture to make a study of methods of providing an overall feed program, which had been reported from the Committee on Agriculture with an amendment, to strike out all after the word *"Resolved,"* and insert "That the Secretary of Agriculture is requested to conduct a thorough study of possible methods of improving the feed grain program which can be effective, as far as possible, with the 1958 crop, and to report thereon with specific recommendations, including drafts of any legislation considered necessary to carry out such recommendations, not later than July 15, 1957."

Mr. SYMINGTON. Mr. President, this resolution requests the Secretary of Agriculture to study and report on ways to improve the feed-grain program. His report would include drafts of any proposed legislation which might be necessary to carry out his recommendations. The report would be made before July 15 of this year.

This resolution is substantially the same as section 3 of S. 1771, the corn bill, which failed to pass the Senate earlier this year. There was, however, no opposition to section 3, and the rejection of the bill resulted largely from a failure to solve the problems of other feed grains. The report called for by the pending resolution would be of assistance to Congress in working out a solution to the entire problem.

The committee amendment to the text of the resolution makes no change in the substance of the resolution.

Mr. BARRETT. Mr. President, reserving the right to object, I should like to inquire from the distinguished Senator from Missouri with reference to the report. I note from the last paragraph of the report that it is indicated that—

The committee amendment to the text of the resolution makes technical changes, to give recognition to the existence of current feed-grain programs; the fact that it may not be possible to make some of the recommendations resulting from the study effective with the 1958 crop; and the possibility that legislation may not be necessary to carry out the recommendations made.

I should like to ask the distinguished Senator whether the committee felt there was good reason that the study should be made, in view of that statement.

Mr. SYMINGTON. I will say to my good friend from Wyoming that the members of the committee from his side of the aisle did believe it to be a good idea.

Mr. BARRETT. I can see no objection to the study being made, and will therefore withdraw my objection.

Mr. SYMINGTON. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The resolution, as amended, was agreed to.

The title was amended so as to read: "Resolution requesting the Secretary of Agriculture to make a study of methods of improving the feed grain program."

LENDING OF CERTAIN ARMED SERVICES EQUIPMENT TO BOY SCOUTS OF AMERICA

The bill (S. 1859) to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Boy Scouts of America for use at the Gold Rush '57 Jamboree of the Boy Scouts of America, and for other purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That (a) the Secretary of Defense is hereby authorized under such regulations as he may prescribe, to lend to the Boy Scouts of America, a corporation created under the act of June 15, 1916, for the use and accommodation of the approximately 12,000 Scouts and officials who are to attend the Gold Rush '57 Jamboree of the Boy Scouts of America to be held beginning May 24, 1957, and ending May 26, 1957, at the Highland State recreation area in the State of Michigan, such tents, cots, blankets, commissary equipment, flags, refrigerators, and other equipment and services as may be necessary or useful to the extent that items are in stock and available and their issue will not jeopardize the national-defense program.

(b) Such equipment is authorized to be delivered at such time prior to the holding of such jamboree, and to be returned at such time after the close of such jamboree, as may be agreed upon by the Secretary of Defense and the National Council, Boy Scouts of America. No expense shall be incurred by the United States Government for the delivery, return, rehabilitation, or replacement of such equipment.

(c) The Secretary of Defense, before delivering such property, shall take from the Boy Scouts of America a good and sufficient bond for the safe return of such property in good order and condition, and the whole without expense to the United States.

CONVEYANCE OF CERTAIN REAL PROPERTY IN COBB COUNTY, GA.

The bill (H. R. 1544) to provide for the conveyance of certain real property of the United States situated in Cobb County, Ga., to the trustees of the Methodist Church, Acworth, Ga., was considered, ordered to a third reading, read the third time, and passed.

DEVELOPMENT OF FARM INCOME DATA

The bill (S. 405) to require the Bureau of the Census to develop farm income data by economic class of farm was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. CLARK. Mr. President, by request, I should like to make a brief statement with reference to the pending bill.

The bill would require the Secretary of Commerce to collect annually money and nonmoney farm-income data by economic class of farm. It is identical to S. 3145, which passed the Senate last year but failed to pass the House of Representatives. The data collected pursuant to this bill will be helpful in dealing with many of the problems of agriculture.

Passage of the bill would require the expenditure of approximately $500,000 the first year, and somewhat less thereafter.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That subchapter II of chapter 5 of title 13 of the United States Code is amended by adding at the end thereof a new section as follows:

"§147. Farm income data

"The Secretary shall collect annually money and nonmoney income data relating to per capita and family farm income by economic class of farm."

The PRESIDING OFFICER. That completes the call of the calendar.

Mr. MANSFIELD. If the call of the calendar has been concluded, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. CLARK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DISPOSAL OF CERTAIN FEDERAL PROPERTY IN THE COULEE DAM AND GRAND COULEE AREAS, WASHINGTON

Mr. CLARK. Mr. President, I ask unanimous consent that the Senate return to the calendar and proceed to the consideration of Order No. 267, S. 1574.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1574) to provide for the disposal of certain Federal property in the Coulee Dam and Grand Coulee areas, to provide assistance in the establishment of a municipality incorporated under the laws of Washington, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments on page 3, line 4, after the word "southeast", to strike out "quarter," and insert "quarter"; in line 13, after the word "northeast", to strike out "one-quarter," and insert "one-quarter"; in line 21, after the word "all", to strike out "personal and real property" and insert "lands and improvements"; on page 4, line 15, after the word "the", to insert "land and"; on page 5, at the beginning of line 6, to insert "Assignments under this paragraph shall be subject to such general rules and regulations as the Secretary may prescribe, including denial, in any instance where the Secretary in his judgment finds it proper, to the assignee concerned, or his successors, assigns, or legal representatives, of any discount in or rebate of the purchase price to which such person or persons would otherwise be entitled under this act"; on page 9, line 9, after the word "Secretary", to insert "Residential property which is not sold under the preceding provisions of this subsection shall be open to bids from the general public and shall be sold to the highest responsible bidder"; in line 13, after the word "Property", to strike out "not sold under (1) and property"; in line 16, after the word "section", to insert "and land with church or hospital improvements thereon"; in line 20, after the word "is", to strike out "zoned for residential use or that to be sold under subsection (b)" and insert "covered by subsections (b), (c) (3), and (e) (1)"; on page 10, line 8, after the word "compact", to strike out "and without non-"; in line 22, after the word "exercised", to strike out "or, if no priority or preference period is provided herein, within one year following the time when such land can be first purchased hereunder"; and, on page 13, line 11, after the word "section", to insert "or property sold to the first taker from the general public under subsection (h) of this section or by negotiated sale under subsection (c) (3) of this section"; so as to make the bill read:

Be it enacted, etc., That it is the purpose of this act, in connection with the Columbia Basin project, to authorize the disposal of certain Federal property in the unincorporated area in the State of Washington commonly known as the town of Coulee Dam in order that the United States may withdraw from the ownership and operation of the town and that the people of that area may enjoy self-government, to facilitate the establishment by them of a municipal corporation under the laws of the State of Washington, and to authorize the disposal of certain Federal property in and in the immediate vicinity of the city of Grand Coulee, Wash., in order to reduce restrictions on the growth thereof. The area herein referred to as the town area is situated in Douglas, Grant, and Okanogan Counties and comprises the following lands:

Douglas County: Township 29 north, range 30 east, Willamette meridian, section 36, lots 2, 3, 4, east half southwest quarter and southwest quarter southwest quarter.

Grant County: Township 28 north, range 30 east, Willamette meridian, section 1, lots 1 and 2.

Okanogan County: Township 28 north, range 31 east, Willamette meridian, section 6, lot 3.

Township 29 north, range 30 east, Willamette meridian, section 36, lots 5, 6, and 7.

Township 29 north, range 31 east, Willamette meridian, section 30, all those portions of the south 300 feet of lot 4 included within the area conveyed to the United States of America by warranty deed executed by Charles E. Hopkins, and others on September 11, 1946, and recorded in book 107 of deeds at pages 175 and 176 under Okanogan County auditor's file No. 346972 and by warranty deed executed by Charles E. Hopkins, and others on November 7, 1945, recorded in book 102 of deeds at pages 441 and 442 under Okanogan County auditor's file No. 339487.

Section 31, west half northeast quarter, southeast quarter northwest quarter, east half southwest quarter northwest quarter northwest quarter southeast quarter, and lots 1, 2, 3, and 4.

The area herein referred to as the Grand Coulee area is situated in Grant County and comprises the following lands:

Township 28 north, range 30 east, Willamette meridian, section 11, south one-half north one-half, north one-half southwest one-quarter, northeast one-quarter southeast one-quarter.

The term "the municipality," as used in this act, refers to any municipal corporation organized hereafter embracing any part of the town area described.

SEC. 2. Except for property, disposal of which is authorized under section 6 of this act, the Secretary of the Interior, hereinafter referred to as the Secretary, is authorized to sell all lands and improvements situated in the town and Grand Coulee areas which was acquired or built by the United States for the construction, operation, and maintenance of Grand Coulee Dam and its appurtenant works and which is not needed for Federal purposes. Such disposals shall be made in accordance with the terms and conditions set forth in section 3 of this act, but lands to be sold in the Grand Coulee area shall be sold at public sale to the highest responsible bidder.

SEC. 3. (a) All land authorized to be sold under section 2 of this act which, when offered for sale, is occupied by improvements owned by the United States shall be sold with the improvements in place.

(b) Of the property authorized to be sold under section 2 of this act, lands in the town area occupied by dwelling units shall be sold in accordance with the following terms and conditions:

(1) First priority to purchase shall be given to the tenant of the United States in the town area who occupies the land and dwelling unit to be sold. Such dwelling unit shall be offered at the appraised value as established under section 5 less any applicable discounts under this act. This right of priority shall expire unless a deposit of earnest money in an amount to be fixed by the Secretary is received by him before the expiration of 60 days after the date on which the property has been offered for sale, and the right of priority shall be deemed abandoned unless within an additional 180 days the prospective purchaser shall have signed a contract to purchase the property.

Any tenant having a priority under (1) who desires to continue to rent the property occupied by him rather than to purchase it may assign his priority to a person who has entered into a valid contract to lease the property back to him. The Secretary may permit such other assignments of priorities under (1) as he finds to be fair and equitable. Assignments under this paragraph shall be subject to such general rules and regulations as the Secretary may prescribe, including denial, in any instance where the Secretary in his judgment finds it proper, to the assignee concerned, or his successors, assigns, or legal representatives, of any discount in or rebate of the purchase price to which such person or persons would otherwise be entitled under this act.

(2) Second priority to purchase shall apply to property in the town area not purchased under (1) and shall be given to persons who are tenants of the United States in Federal housing in the town area or who would meet the requirements for eligibility to become such tenants under the most recent regulations of the Bureau of Reclamation for the assignment of persons to Federal housing in the town area. Applicants to purchase shall be placed in order of opportunity to choose pursuant to a public drawing, but spouses of such applicants shall not be entitled to apply. Sales shall be at the appraised value as established under section 5, less applicable discounts under this act. Selection of dwelling units by successful applicants, to be accompanied by a deposit of earnest money fixed as under (1), shall be concluded within limits of time established by the Secretary, and thereafter the purchase shall be concluded in the same manner as provided under (1). A purchase under (1) or (2) shall render the purchaser and any spouse of such purchaser ineligible thereafter to purchase under either (1) or (2).

(3) Property not sold under (1) or (2) shall be opened to bids from the general public and shall be sold to the highest responsible bidder.

(c) (1) Of the property authorized to be sold under section 2 of this act, land in the town area occupied by privately owned improvements shall be offered for sale to the owner of such improvements at the appraised value as established under section 5 less applicable discounts under this act. This preference right shall expire unless a deposit of earnest money in an amount to be fixed by the Secretary is received by the Secretary before the expiration of 60 days after the date on which the property has been offered for sale, and thereafter the purchase shall be concluded in the same manner as provided under subsection (b) (1) of this section.

(2) Land not purchased by the owner of the improvements (except church or hospital improvements) thereon under (1) shall be made available for sale for a period of 30 days to those eligible for purchase under subsection (f) of this section, and thereafter shall be opened to bids from the general public and sold to the highest responsible bidder.

(3) Land with church or hospital improvements thereon which has not been purchased by the owners of the improvements under (1) may be disposed of by advertising and competitive bids, or by negotiated sale or other transfer at such prices and on such other terms and conditions as the Secretary shall determine to be fair and equitable.

(d) (1) Of the property authorized to be sold under section 2 of this act, land in the town area occupied by improvements owned by the United States other than dwelling units shall be offered to the lessee of the United States in such improvements at the appraised value as established under section 5 less applicable discounts under this act: *Provided,* That where there is more than one lessee in a given improvement and the Secretary finds it impractical to offer each lessee an interest in the property, the Secretary, pursuant to such standards as he deems appropriate, shall designate an order

of priority among such lessees for acceptance of the offer of sale of such property, which shall be sold at the appraised value as established under section 5 less applicable discounts under this act and pursuant to such other terms and conditions as the Secretary deems proper. Any preference or priority right under this paragraph shall expire unless a deposit of earnest money in an amount to be fixed by the Secretary is received by the Secretary before the expiration of 60 days after the date on which the property has been offered for sale, and thereafter the purchase shall be concluded in the same manner as provided under subsection (b) (1) of this section.

(2) Property referred to in (1) which is not under lease granted by the United States or which has not been purchased under (1) shall be made available for sale for a period of 30 days to those eligible for purchase under subsection (f) of this section and thereafter may be opened to bids from the general public and sold to the highest responsible bidder.

(e) Of the property authorized to be sold under section 2 of this act, land in the town area which has not been improved or land from which the improvements have been removed shall be sold in accordance with the following terms and conditions.

(1) Residential property in the town area shall be offered for sale to persons who are tenants of the United States in Federal housing in the town area or who would meet the requirements for eligibility to become such tenants under the most recent regulations of the Bureau of Reclamation for the assignment of persons to Federal housing in the town area. Applicants to purchase shall be placed in order of opportunity to choose pursuant to a public drawing. No application shall be accepted from the spouse of any applicant or from a person, or the spouse of such person, who owns, has owned, or has contracted to buy other residential property in the town area. Sales shall be at the appraised value as established under section 5 less applicable discounts under this act, and selection and purchase under this priority by successful applicants shall be concluded within limits of time to be established by the Secretary. Residential property which is not sold under the preceding provisions of this subsection shall be open to bids from the general public and shall be sold to the highest responsible bidder.

(2) Property which at the time of sale is zoned for other than residential use, except such as is disposed of under subsection (f) of this section and land which church or hospital improvements thereon, shall be open to bids from the general public and shall be sold to the highest responsible bidder.

(f) Of the property in the town area authorized to be sold under section 2 of this act, except that which is covered by subsections (b), (c) (3), and (e) (1) of this section, land not purchased by the holders of a priority or preference under this section shall, for 30 days following the period during which holders of a priority or preference could purchase the same, be offered for sale at the appraised value as established under section 5 less applicable discounts under this act to persons leasing property in the town area from the United States for business or commercial uses. The Secretary may, in his discretion, permit more than one lot to be included in a single purchase, but only if the property to be purchased is compact contiguous areas. If two or more applicants to purchase under this subsection desire the same property, their order of opportunity to purchase shall be determined pursuant to a public drawing. A purchase under this subsection shall render the purchaser and any spouse of such purchaser ineligible either to make an additional purchase under this subsection or to purchase the business or commercial property he is renting from the United States.

(g) Any improvement owned by the United States located on lands in the town area subject to being purchased by the holder of a priority or preference right hereunder and not purchased, after being offered for sale, within 1 year following the expiration of the period within which the priority of preference right can be exercised may be opened to bids from the general public and may be sold to the highest responsible bidder.

(h) In all public sales of property under this act to the highest responsible bidder, which shall include all sales of property to be sold in the Grand Coulee area, the Secretary shall reserve the right to reject all bids; and, in the event all bids are less than the appraised value of the property as established under section 5 or in the event no bids are received, the property shall be available for sale to the first taker from the general public at not less than aforesaid appraised value until all such property has been sold.

(i) (1) Whenever the Secretary, on presentation of adequate evidence by a prospective purchaser or purchasers under subsections (b) (1) or (b) (2) of this section, shall determine that financing of purchasers on reasonable terms cannot be arranged from other sources, he is authorized to enter into contracts with such purchasers under which the purchaser would not be required to make a downpayment of more than 10 percent of the appraised value of the property as established under section 5 less applicable discounts under this act and the remainder of the repayment obligation shall be paid on terms as to amount, repayment period, installments, and interest rate not more favorable to the purchasers than those which would be available were the purchases to be financed under mortgages eligible for insurance under subsection 223 (a) of the National Housing Act, as herein amended: *Provided*, That the Secretary may increase the interest rate by additional components equal to the premium being charged (and any periodic service charge being authorized by the Federal Housing Commissioner for property of a similar character) under subsection 223 (a) of the National Housing Act, as herein amended, at the effective date of the aforesaid contracts.

(2) Whenever the Secretary, on presentation of adequate evidence by a prospective purchaser or purchasers under subsections (c) (1), (d) (1), or (f) of this section, shall determine that financing of purchases on reasonable terms cannot be arranged from other sources, he is authorized to enter into contracts with such purchasers under which the purchaser would not be required to make a downpayment of more than 10 percent of the appraised value of the property as established under section 5, less applicable discounts under this act. The remainder of the repayment obligation shall be paid with such terms as to amount, repayment period, installments, and interest rate as the Secretary shall determine to be fair and equitable.

(3) The Secretary may assign any installment contract under this section as such times and on such terms and conditions as he deems appropriate. Any such assignment made at a discount shall be defeasible if within 60 days after receipt of notification of such assignment the original obligor of the assigned contract, or his successors, assigns, or legal representative, shall cause to be received by the Secretary a tender of the amount for which such assignment was made, in which event such tender shall be accepted as full payment of the contract.

(j) Except in the case of property sold to the highest responsible bidder under this section persons purchasing property under this section or property sold to the first taker from the general public under subsection (h) of this section or by negotiated sale under subsection (c) (3) of this section, or their successors, assigns, or legal representatives, shall be entitled to a discount in the purchase price at the time they enter into a purchase contract equal to 5 percent of its appraised value as established under section 5 and, in the event of incorporation of the municipality within 4 years from the date of this act, they shall be entitled to an additional discount in the purchase price (or rebate as appropriate) equal to 10 percent of the aforesaid appraised value.

(k) In establishing rules and regulations, governing sales of property in the town area under this section, and in determining the terms and conditions of such sales other than those prescribed in this act, the Secretary shall consult with the representatives of the Coulee Dam Community as determined by him.

SEC. 4. Paragraph (3) of subsection 223 (a) of the National Housing Act, as amended, is hereby amended by inserting after the words "Tennessee Valley Authority" the words ", or of any housing under the jurisdiction of the Department of the Interior located within the town area of Coulee Dam, Wash., acquired by the United States for the construction, operation, and maintenance of Grand Coulee Dam and its appurtenant works: *Provided*, That for the purpose of the application of this title to sales by the Secretary of the Interior pursuant to subsections 3 (b) (1) and 3 (b) (2) of the Coulee Dam Community Act of 1957, the selling price of the property involved shall be deemed to be the appraised value."

SEC. 5. The appraised values referred to in section 3 of this act shall be determined from time to time for a period of 5 years after the date of this act by the Administrator of Housing and Home Finance Agency or his designee at the request of the Secretary. Thereafter, the Secretary may make such reappraisals as he deems necessary. Appraisals or reappraisals in the town area shall be made only after representatives of the Coulee Dam community, as determined by the Secretary, and of the Columbia Basin Commission, or such corresponding organization as may succeed it, have been granted an opportunity to offer advice. All appraisals and reappraisals shall be made on the basis of the properties' fair market value in the locality. In the sale of property to a tenant under subsections 3 (b) (1) and 3 (d) (1) of this act, the value of structural improvements made at such tenant's own expense shall, to the extent the appraiser or appraisers hereunder determine that such improvements actually enhance the value of the property, be deducted from what would otherwise be the appraised value of the property to be sold; and the difference shall be deemed the appraised value for the purposes of this act.

SEC. 6. The Secretary is authorized to transfer without cost out of the properties in his custody within the town and Grand Coulee areas ownership of—

(a) any federally owned municipal-type property and facilities together with rights-of-way therefor, equipment, materials, and supplies, in or serving said areas, including but not limited to the sewer, water, fire-alarm, street-lighting, electric feeder lines, and power-distribution systems, and the highways, streets, alleys, sidewalks, parks, and parking areas to the municipality or Grand Coulee if their respective areas are substantially served by such properties. Any such transfer to the municipality, however, will not be made unless the town area or a part thereof is incorporated within 4 years from the date of this act;

(b) the school buildings and grounds, athletic fields, tennis courts, and other properties currently used for educational purposes to the appropriate school district; and

(c) highway improvements in and connecting the town and Grand Coulee areas and the bridge across the Columbia River, together with the necessary rights-of-way therefore to the State of Washington.

SEC. 7. (a) There is hereby made available out of the proceeds of sales made pursuant to section 3 of this act an amount not to exceed $130,000 for expenditure, directly or through the local units of government involved, for work in connection with the disposal of sewage in the immediate vicinity of the town of Coulee Dam and the city of Grand Coulee, including betterment work on the existing open drain along the north side of the highway through the city of Grand Coulee. Of this amount the Secretary shall pay not more than $100,000 to Grand Coulee and not more than $30,000 to the municipality. Except to the extent that any expenditures have been made directly as provided in the preceding sentence, the Secretary shall, upon application, pay to Grand Coulee the amount of $10,000 and to the municipality the amount of $3,000 for engineering surveys and drafting of specifications for proposed construction and/or improvement of sewage disposal and drainage facilities. After final drawings and specifications have been approved by the Secretary and the construction contracts have been entered into, the Secretary shall pay monthly to Grand Coulee and to the municipality additional amounts equivalent to earnings under their contracts as evidenced by construction progress reports certified by their contractors and by Grand Coulee and the municipality, but not to exceed a total of $90,000 for the former and $27,000 for the latter.

(b) Subject to the provisions of subsection 9 (a) of this act, the following amounts shall be made available, out of the proceeds of sales made pursuant to section 3 of this act, to the municipality if incorporated within 4 years from the date of this act: (1) On incorporation, $44,000; (2) at the end of 1 year after incorporation, $21,000; and (3) at the end of 2 years after incorporation, $15,000.

(c) The Secretary is hereby authorized to make available as herein provided, as power and energy reserved for the operation and maintenance of the Columbia Basin project, for users in the town area and, to other communities within 3½ miles of Grand Coulee Dam which are served by municipally owned distribution systems such amount of power and energy as, in his judgment, is needed to meet load requirements for space-heating purposes existing at the time of incorporation of the municipality. Such power and energy may be made available directly to the users or indirectly through distributing agencies, for a period of 10 years from the date of this act, and may be at such special rates as the Secretary finds to be proper but at not less than cost.

SEC. 8. Property sold under any contract deferring transfer of title pending payment of the purchase price upon recordation of such contract in the county records shall be subject to the provisions of the laws of the State of Washington relating to the assessment and collection of property taxes, and to liens for such taxes and to all proceedings for the enforcement thereof, if the same manner and to the same extent as privately owned property. The United States does not assume any obligation for the amounts so assessed or taxed; and any proceedings to enforce them shall be subject to any title then remaining in the United States and to any prior lien reserved to the United States for unpaid installments under sale contracts made hereunder.

SEC. 9. (a) All proceeds from sales of property (including the assignment of contracts) authorized under section 2 of this act are hereby appropriated for expenditure by the Secretary for (1) expenses of disposal of Federal property under this act, including rebates, where appropriate, to vendees of the United States entitled to the discount provided under section 3 of this act for attainment of early incorporation of the municipality, and (2) for purposes authorized in subsection 7 (a) and (1) of subsection 7 (b) of this act: *Provided*, That amounts referred to in (2) and (3) of subsection 7 (b) of this act shall be expended only after specific appropriation has been made by Congress therefor. So much of the aforesaid proceeds as is in excess of amounts which may be necessary for expenditures referred to in this subsection shall be covered into the reclamation fund.

(b) Transfers under this act of Federal property to non-Federal ownership shall not result in any diminution of the reimbursable costs of the Columbia Basin project except to the extent that any net proceeds from sales of property under this act are credited to said project.

SEC. 10. Transfers of Federal property under this act shall not impair rights under leases granted by the United States.

SEC. 11. (a) The Secretary is authorized to perform such acts, to make such rules and regulations, and to include in any contracts and conveyances such provisions as he deems proper for the purpose of carrying out the provisions of this act, including provisions for payment for furnishing of municipal facilities and services while such facilities and services are provided by the United States and for the establishment of liens in connection therewith. There are hereby authorized to be appropriated such sums, not otherwise appropriated, as may be required to carry out the purposes of this act. Wherever in this act functions, powers, and other duties are conferred upon the Secretary, such functions, powers, and duties may be performed, exercised, or discharged by his duly authorized representatives.

(b) The Secretary is authorized to enter into contracts with the municipality whereby either party might undertake to render to the other such services in aid of the performance of activities and functions of the municipality and of the Department of the Interior within or near Coulee Dam as will, in the Secretary's judgment, contribute substantially to the efficiency or economy of the operations of the Department of the Interior.

(c) The authority conferred by this act is in addition to any authority conferred by any other law and shall not be subject to the provisions of any law inconsistent herewith.

SEC. 12. This act may be cited as the "Coulee Dam Community Act of 1957."

The amendments were agreed to.

The bill was ordered to be engrosed for a third reading, read the third time, and passed.

Mr. JACKSON. Mr. President, the pending bill, S. 1574, was reported with the unanimous agreement of the Committee on Interior and Insular Affairs. The bill provides for the disposal of Government-owned property in the towns of Grand Coulee and Coulee Dam, which lie adjacent to the $300 million structure of Grand Coulee Dam itself.

The bill makes provision for a system of priorities on behalf of the present residents of the area in obtaining the property and, in addition, a grant totaling $210,000 is included to start the new towns on their way towards incorporation. Of this amount, $130,000 is to be set aside for sewage improvements in both towns and $80,000 is to be used for assisting Coulee Dam in financing its municipal operations for the first 3 years after incorporation.

The subject has been under discussion for a period of years and the bill conforms to legislation previously enacted by Congress in connection with the disposition of the cities of Richland, Washington, and Oak Ridge, Tenn.

It is of prime importance to the Government that these communities be allowed to function as wholesome and attractive towns suitable as residences for the personnel stationed at the dam. I further submit that the grants involved represent obligations which the Government has already assumed, regarding the sewage disposal facilities. Obviously, Government money will be saved in the long run if the management of these two towns is removed from the jurisdiction of the Bureau of Reclamation. After limited allowances, provided in S. 1574, the Government will be relieved of any further financial responsibility to these two communities.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REVISION OF TRANSPORTATION OF EXPLOSIVES ACT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 280, S. 1491.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1491) to revise the Transportation of Explosive Act, chapter 39, title 18, of the United States Code, as amended.

Mr. JOHNSON of Texas. I should like to state that if the request is agreed to, it is not my purpose to ask the Senate to proceed immediately to the consideration of the bill. After a quorum call is held, I shall ask that the Senate go into executive session for the purpose of considering the Executive Calendar.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interstate and Foreign Commerce with amendments.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, I am about to suggest the absence of a quorum. I hope that the attachés of the Senate will take notice of the suggestion when it is made, and that they will notify absent Senators, because it is my purpose to move that the Senate go into executive session for consideration of the Executive Calendar.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Fulbright	Monroney
Allott	Goldwater	Morse
Anderson	Gore	Morton
Barrett	Green	Mundt
Beall	Hayden	Murray
Bennett	Hennings	Neuberger
Bible	Hickenlooper	Pastore
Bricker	Hill	Potter
Bridges	Holland	Purtell
Bush	Hruska	Revercomb
Butler	Ives	Robertson
Byrd	Jackson	Russell
Capehart	Javits	Saltonstall
Carlson	Jenner	Schoeppel
Carroll	Johnson, Tex.	Scott
Case, N. J.	Johnston, S. C.	Smathers
Case, S. Dak.	Kefauver	Smith, Maine
Chavez	Kennedy	Smith, N. J.
Church	Kerr	Sparkman
Clark	Knowland	Stennis
Cooper	Kuchel	Symington
Curtis	Magnuson	Talmadge
Dirksen	Malone	Thurmond
Douglas	Mansfield	Thye
Dworshak	Martin, Iowa	Wiley
Ellender	Martin, Pa.	Williams
Flanders	McClellan	Yarborough
Frear	McNamara	Young

Mr. MANSFIELD. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. ERVIN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Ohio [Mr. LAUSCHE], the Senator from Louisiana [Mr. LONG], the Senator from West Virginia [Mr. NEELY], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official business.

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. COTTON] is necessarily absent. The Senator from Utah [Mr. WATKINS] is absent on official business.

The Senator from North Dakota [Mr. LANGER], and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The PRESIDING OFFICER. A quorum is present.

REGULATION, CONTROL, AND ERADICATION OF PLANT PESTS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1442) to facilitate the regulation, control, and eradication of plant pests, which was to strike out all after the enacting clause and insert:

TITLE I—FEDERAL PLANT PEST ACT

SEC. 101. This title may be cited as the "Federal Plant Pest Act."

SEC. 102. As used in this act, except where the context otherwise requires:

(a) "Secretary" means the Secretary of Agriculture of the United States or any other person to whom authority may be delegated to act in his stead.

(b) "Properly identified employee of the Department of Agriculture" means an employee of that Department authorized to enforce the provisions of the Plant Quarantine Act, and wearing a suitable badge for identification, or otherwise properly identified.

(c) "Plant pest" means any living stage of: Any insects, mites, nematodes, slugs, snails, protozoa, or other invertebrate animals, bacteria, fungi, other parasitic plants or reproductive parts thereof, viruses, or any organisms similar to or allied with any of the foregoing, or any infectious substances, which can directly or indirectly injure or cause disease or damage in any plants or parts thereof, or any processed, manufactured, or other products of plants.

(d) "Living stage" includes the egg, pupal, and larval stages as well as any other living stage.

(e) "United States" means any of the States, Territories, or Districts (including possessions and the District of Columbia) of the United States.

(f) "Interstate" means from one State, Territory, or District (including possessions and the District of Columbia) of the United States into or through any other such State, Territory, or District.

(g) "Move" means ship, deposit for transmission in the mail, otherwise offer for shipment, offer for entry, import, receive for transportation, carry, or otherwise transport, or move, or allow to be moved, by mail or otherwise.

(h) "Plant Quarantine Act" means the act of August 20, 1912 (37 Stat. 315), as from time to time amended (7 U. S. C. 151 and the following).

(i) "Mexican Border Act" means the act of January 31, 1942 (56 Stat. 40), as from time to time amended (7 U. S. C. 149).

SEC. 103. (a) No person shall knowingly move any plant pest from a foreign country into or through the United States, or interstate, or knowingly accept delivery of any plant pest moving from any foreign country into or through the United States, or interstate, unless such movement is authorized under general or specific permit from the Secretary and is made in accordance with such conditions as the Secretary may prescribe in the permit and in such regulations as he may promulgate under this section to prevent the dissemination into the United States, or interstate, of plant pests.

(b) The Secretary may refuse to issue a permit for the movement of any plant pest when, in his opinion, such movement would involve a danger of dissemination of such pests. The Secretary may permit the movement of host materials otherwise barred under the Plant Quarantine Act when they must necessarily accompany the plant pest to be moved.

SEC. 104. (a) Any letter, parcel, box, or other package containing any plant pest, whether sealed as letter-rate postal matter or not, is hereby declared to be nonmailable, and will not knowingly be conveyed in the mail or delivered from any post office or by any mail carrier, except when accompanied by a copy of a permit issued under this act.

(b) Nothing in this act shall authorize any person to open any letter or other sealed matter except in accordance with the postal laws and regulations.

(c) The prohibitions of this act shall not apply to any employee of the United States in the performance of his duties in handling mail.

SEC. 105. (a) Except as provided in paragraph (c), the Secretary may, whenever he deems it necessary as an emergency measure in order to prevent the dissemination of any plant pest new to or not theretofore known to be widely prevalent or distributed within and throughout the United States, seize, quarantine, treat, apply other remedial measures to, destroy, or otherwise dispose of, in such manner as he deems appropriate, any product or article of any character whatsoever, or means of conveyance, which is moving into or through the United States, or interstate, and which he has reason to believe is infested or infected by or contains any such plant pest, or which has moved into the United States, or interstate, and which he has reason to believe was infested or infected by or contained any such plant pest at the time of such movement; and any plant pest, product, article, or means of conveyance which is moving into or through the United States, or interstate, or has moved into the United, or interstate, in violation of this act or any regulation thereunder: *Provided*, That this paragraph shall not authorize such action with respect to any product, article, means of conveyance, or plant pest subject, at the time of the proposed action, to disposal under the Plant Quarantine Act.

(b) Except as provided in paragraph (c), the Secretary may order the owner of any product, article, means of conveyance, or plant pest subject to disposal under paragraph (a), or his agent, to treat, apply other remedial measures to, destroy, or make other disposal of such product, article, means of conveyance, or plant pest, without cost to the Federal Government and in such manner as the Secretary deems appropriate. The Secretary may apply to the United States district court, or to the United States court of any Territory or possession, for the judicial district in which such person resides or transacts business or in which the product, article, means of conveyance, or plant pest is found, for enforcement of such order by injunction, mandatory or otherwise. Process in any such case may be served in any judicial district wherein the defendant resides or transacts business or may be found, and subpena for witnesses who are required to attend a court in any judicial district in such a case may run into any other judicial district.

(c) No product, article, means of conveyance, or plant pest shall be destroyed, exported, or returned to shipping point of origin, or ordered to be destroyed, exported, or so returned under this section, unless in the opinion of the Secretary there is no less drastic action which would be adequate to prevent the dissemination of plant pests new to or not theretofore known to be widely prevalent or distributed within and throughout the United States.

(d) The owner of any product, article, means of conveyance, or plant pest destroyed, or otherwise disposed of by the Secretary under this section, may bring an action against the United States in the United States District Court for the District of Columbia, within one year after such destruction or disposal, and recover just compensation for such destruction or disposal of such product, article, means of conveyance, or plant pest (not including compensation for loss due to delays incident to determining eligibility for movement into or through the United States or for interstate movement) if the owner establishes that neither this section nor the Plant Quarantine Act authorized such destruction or disposal. Any judgment rendered in favor of such owner shall be paid out of the money in the Treasury appropriated for plant disease and pest control activities of the Department of Agriculture.

SEC. 106. The Secretary may promulgate such regulations requiring inspection of products and articles of any character whatsoever and means of conveyance, specified in the regulations, as a condition of their movement into or through the United States, or interstate, and imposing other conditions upon such movement, as he deems necessary to prevent the dissemination into the United States, or interstate, of plant pests, in any situation in which such regulations are not authorized under the Plant Quarantine Act.

SEC. 107. Any properly identified employee of the Department of Agriculture shall have authority to stop and inspect, without a warrant, any persons or means of conveyance moving into the United States, and any plant pests and any products and articles of any character whatsoever carried thereby, to determine whether such persons or means of conveyance are carrying any plant pest contrary to this act and whether any such means of conveyance, products, or articles are infested or infected by or contain any plant pest or are moving in violation of any regulation under this act; to stop and inspect, without a warrant, any persons or means of conveyance moving interstate, and any plant pests and any products and articles of any character whatsoever carried thereby, upon probable cause to believe that such means of conveyance, products, or articles are infested or infected by or contain any plant pest or are moving subject to any regulation under this act, or that such persons or means of conveyance are carrying any plant pest subject to this act; and to enter, with a warrant, any premises in the United States, other than places which may be entered under section 15 of the Plant Quarantine Act, to make any inspections and seizures necessary under this act. Any judge of the United States or of a court of record of any State, Territory or possession, or a United States commissioner, may, within his respective jurisdiction, upon proper oath or affirmation showing probable cause to believe that there are on certain premises any products, articles, means of conveyance, or plant pests regulated or subject to disposal under this act, issue warrants for the entry of such premises to make any inspections or seizures under this act. Such warrants may be executed by any authorized employee of the Department of Agriculture.

SEC. 108. Any person who violates section 103 of this act, or any regulation promulgated under this act, or who forges, counterfeits, or without authority from the Secretary uses, alters, or defaces any permit or other document provided for by this act or the regulations thereunder, shall be guilty of a misdemeanor and shall be punished by a fine not exceeding $500, or by imprisonment not exceeding one year, or both.

SEC. 109. If any provision of this act or the application thereof to any person or circumstances is held invalid, the remainder of the act and the application of such provision to other persons and circumstances shall not be affected thereby.

SEC. 110. The act entitled "An act to provide for regulating, inspecting, cleaning, and, when necessary, disinfesting railway cars, other vehicles, and other materials entering the United States from Mexico," approved January 31, 1942 (56 Stat. 40; 7 U. S. C. 149) is hereby amended by deleting the provision that "the cleaning and disinfection of vehicles or materials necessary to accomplish the purpose shall be carried out by and under the direction of authorized inspectors of the Department of Agriculture," and by substituting therefor the following: "the cleaning and disinfection of vehicles or materials necessary to accomplish the purpose shall be carried out by or under the direction of authorized inspectors of the Department of Agriculture."

SEC. 111. The authority conferred by this act shall be in addition to authority conferred by other statutes not specifically repealed hereby. Nothing in this act shall amend or repeal any of the provisions of the Plant Quarantine Act. The act entitled "An act to prohibit importation or interstate transportation of insect pests, and the use of the United States mails for that purpose," approved March 3, 1905 (33 Stat. 1269; 7 U. S. C. 141–144), and the act entitled "An act to prevent the entry of certain mollusks into the United States", approved September 22, 1951 (65 Stat. 335; 7 U. S. C. 441), are hereby repealed. However, all acts amended or repealed hereby shall be deemed to continue in full force and effect for the purpose of sustaining any action or other proceeding with respect to any right that accrued, liability that was incurred, or violation that occurred prior to the effective date of this act. Nothing contained in this act shall affect the validity of any findings, regulations, or other orders, permits, or certificates, which were issued under any of the acts cited in this section prior to the effective date of this act and which are in effect on said date, but such findings, regulations, other orders, permits, and certificates shall remain in effect unless and until modified in accordance with this act.

TITLE II—ERADICATION AND CONTROL OF INSECT PESTS, PLANT DISEASES, AND NEMATODES

SEC. 201. Subsection (a) of section 102 of the Department of Agriculture Organic Act of 1944, as amended (7 U. S. C. 147a), is hereby further amended by adding after the phrase "or to prevent or retard the spread of" the word "insect pests, plant diseases, and nematodes, such as imported fire ant, soybean cyst nematode, witchweed, spotted alfalfa aphid."

Mr. ELLENDER. Mr. President, the Committee on Agriculture and Forestry took up this matter at its last meeting, and authorized me to move that the Senate concur in the amendment of the House of Representatives to Senate bill 1442.

I have consulted with the majority leader, the minority leader, and the ranking Republican member of the Committee on Agriculture and Forestry; and there is no objection to the action I am now proposing.

Mr. President, in that connection I ask unanimous consent that a short explanation of the amendments added by the House of Representatives be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

SHORT EXPLANATION OF HOUSE AMENDMENT TO S. 1442

The House amendment to S. 1442 is in the nature of a substitute.

Title II of the House amendment is identical to the bill as passed by the Senate, except that the spotted alfalfa aphid has been added to the enumerated pests covered by section 102 (a) of the Department of Agriculture Organic Act of 1944. The House report states that the spotted alfalfa aphid first appeared in this country in 1954 and is extremely destructive of growing alfalfa.

No part of title I of the House amendment was contained in the Senate bill. Title I, to be cited as the Federal Plant Pest Act would prohibit the importation, interstate movement, or mailing, of plant pests, except as authorized by the Secretary of Agriculture. The importation and interstate movement of injurious insects and of plants and plant products which may carry insect pests or plant diseases, and the interstate movement of any materials which may carry insect pests or plant diseases are regulated by existing law, but this authority does not now extend to plant diseases as such, disease-bearing organisms, mites, nematodes, protozoa, bacteria, fungi, parasitic plants and viruses injurious to plants or plant products. All of these, as well as certain other organisms and substances, would be included in the definition plant pest and covered by title I.

Title I would also (1) authorize emergency measures, such as seizure and destruction of products, articles and conveyances which may disseminate new or localized plant pests, (2) provide compensation for property destroyed or disposed of under certain circumstances, and (3) authorize the issuance of regulations controlling the inspection and movement of articles and conveyances as necessary to prevent the dissemination of plant pests in situations not covered by the Plant Quarantine Act.

Mr. JOHNSON of Texas. Mr. President, I should like to ask the Senator from Louisiana whether this measure is the same as the one he discussed with the Senator from California [Mr. KNOWLAND] before he left the Chamber.

Mr. ELLENDER. Yes; it is.

Mr. JOHNSON of Texas. As I understand, the Senator from California is agreeable to the action the Senator from Louisiana now proposes.

Mr. ELLENDER. That is correct.

Mr. President, I move that the Senate concur in the amendment of the House of Representatives to Senate bill 1442.

The motion was agreed to.

VISIT TO THE SENATE BY NATO PARLIAMENTARIANS

Mr. SPARKMAN. Mr. President, there are present in the Chamber at this time some representatives of the parliamentary bodies of five different NATO countries—Belgium, Germany, Iceland, Norway, and the United Kingdom. I take pleasure in presenting to the Senate these distinguished gentlemen, as follows:

Mr. Georges J. N. Dejardin, of Liege, Belgium, a Member of the Chamber of Representatives.

Mr. Siegfried Moerchel, of Salzgitter-Lebenstedt, Germany, a Deputy Member of the Bundestag.

Mr. Petur Petursson, of Reykjavik, Iceland, a Member of Parliament.

Mr. Arnfinn S. Roald, of Vigra, Norway, a Deputy Member of the Storting.

Lt. Comd. L. C. Maydon, of Wells, England, a Member of Parliament of the United Kingdom.

Mr. Thomas Peart, of Workington, England, a Member of Parliament of the United Kingdom.

Mr. President, I desire to state that we are delighted to have these gentlemen visit our country. It is their plan to be in the United States for approximately 30 days, during which they will tour throughout the country and will observe its functioning. We are happy to have them in the Senate on this occasion.

[Applause, Senators rising.]

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). The Chair expresses the good wishes of the Senate to these distinguished visitors who are observing our parliamentary procedure.

ACTUAL LIVING STANDARDS OF MANY UNION LEADERS

Mr. NEUBERGER. Mr. President, recent headlines about lavish spending and abuse of union funds by certain labor officials have created in the public mind lurid impressions which must reflect adversely on the leaders of all labor unions. Such an adverse reflection would be an unfortunate—even if unavoidable—consequence of the disclosures concerning the management of a few unions. Yet it seems highly inaccurate and unfair, so far as the great majority of labor's leaders are concerned.

The Wall Street Journal for May 7, 1957, carried a front-page review of the compensation and expense allowances paid to a cross section of officials of major national labor organizations. The Wall Street Journal concludes that "most live conservatively." "While far from lavish livers for the most part,"

union leaders do not believe that they should put on a studied "poor front" to dramatize their representation of working men and women, the article states; and it explains that "caught in the crossfire of hostile criticism that the charges against Mr. Beck have sparked are many unions which insist on—and get—strict accounting of spending by officials, and a host of other labor leaders who have nothing but contempt for Mr. Beck's mode of living."

Mr. President, because the national headquarters of the International Woodworkers of America is located in Portland, Oreg., near the vast forests of the Pacific Northwest, where many thousands of its members work, I was particularly interested in the references in the Wall Street Journal to Mr. Albert F. Hartung, the president of that union:

When A. F. "Al" Hartung, president of the International Woodworkers of America, picks up a dinner tab for guests, for example—

Says the Wall Street Journal—

he invariably scrawls across his union voucher the names of the people he's buying for.

It may be a fair question, Mr. President, how many corporation presidents follow this practice. I should like to read the remainder of the Wall Street Journal's references to Mr. Hartung, of the Woodworkers Union:

He draws a $9,100 a year salary and $8 a day on trips "for meals, pressing my suits, and buying papers."

Says the slow-talking, soft-toned Mr. Hartung of his personal spending: "By the time we pay our rent, put one girl through college, and Uncle Sam takes his slice, I don't know whether we live above my salary or below it, but we use it up and don't squander it."

In addition to the 2-bedroom apartment he rents in Portland ("It's not a dump," observes Mr. Hartung, "but it's not elaborate."), the Woodworkers' top man has a "little old farm" of his own on about 5 acres along the Tualatin River near Portland. He says he and his wife are trying to fix it up as a summer place.

Mr. President, I have singled out, from the Wall Street Journal article, these references to Al Hartung because I know him well, personally, and because they square exactly with what I have known about him. But I am hopeful that Al Hartung's modest scale of living and his careful accounting for the union funds expended in his limited expense account represent the rule, rather than the exception, in the leadership and management of labor unions. I think it is particularly significant that confirmation for this view should come from the Wall Street Journal, which will never be accused of being a special apologist or mouthpiece for America's organized labor and its leaders. I ask unanimous consent that the entire article from the Wall Street Journal of May 7, 1957, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LABOR LEADERS: UNLIKE BECK, MOST LIVE CONSERVATIVELY, BUT THEY SHUN POOR FRONT—STEELWORKER McDONALD PAYS A MORTGAGE—MR. REUTHER OBJECTS TO SALARY BOOST—CADILLACS AND MIAMI HOTELS

David John McDonald, urbane, silver-haired president of the 1,250,000-member United Steelworkers of America, resides in a mortgaged $30,000 seven-room house in Mount Lebanon Township, a pleasant, nicely kept community a few miles south of Pittsburgh, Pa.

"We live quite simply," says the $50,000-a-year labor leader. "I drive a Pontiac convertible and have no chauffeur, and my wife has no servants. A cleaning lady comes in once in a while but my wife does the cooking and the housekeeping, and my own boy (Dave, Jr., 17) or guys in the neighborhood cut the grass."

There's no real austerity in Mr. McDonald's life—and he doesn't try to convey the impression that there is. "I'll guarantee you," he says, "that when I'm out of town, I'm going to live the best I can." And at home, he adds, "I am not going to live in a slum with an outside toilet."

AN ECONOMIC PAR

In many ways, Mr. McDonald's philosophy about his mode of living typifies views held by a good many other top labor leaders. While far from lavish livers for the most part, they're not willing to put up a "poor front" simply because they represent a large group of working people. Indeed, there's solid conviction among some that they should live, dress, and travel on an economic par with their corporate counterparts.

The economic fortunes of union leaders are of more than casual interest today. Disclosure by Senate investigators of the high living on union-provided funds of teamsters' boss, Dave Beck, has touched off demands by officials—and rank-and-file union members as well—for closer accounting of all union money. Yesterday, in elaborating on its corruption charges against the teamsters union, the AFL-CIO Ethical Practices Committee made Mr. Beck's conduct the target of most of its accusations. And tomorrow, Mr. Beck again will be called before the Senate's Special Investigating Committee for questioning about his alleged misuse of union funds.

Caught in the crossfire of hostile criticism that the charges against Mr. Beck have sparked are many unions which insist on—and get—strict accounting of spending by officials, and a host of other labor leaders who have nothing but contempt for Mr. Beck's mode of living.

Over the past quarter of a century, of course, the economic power of unions has grown mightily. Less clearly defined perhaps, but nonetheless significant, is the growing affluence of the men who now occupy the top labor positions.

Wall Street Journal reporters talked with more than a dozen chief executives of the Nation's large international unions, the men around these union leaders and management people who deal with them. In interviews, conducted in the offices and homes of labor leaders, the newsmen found the union chiefs willing to talk quite frankly about their salaries, their expense accounts, their way of living and their spending attitudes.

SALARIES, PLUS EXPENSES

Salaries of international union leaders interviewed range from a low of $6,750 (John Clark, president of the International Union of Mine, Mill, and Smelter Workers) to a high of $50,000 a year for Mr. McDonald and John L. Lewis, the 77-year-old, grumpy-looking chief of the United Mine Workers. Dave Beck's salary is listed as $50,000 a year, too.

These salaries, of course, are supplemented by liberal expense accounts, with most leaders—by choice or by requirement—giving detailed accounting of where the money goes. When A. F. "Al" Hartung, president of the International Woodworkers of America, picks up a dinner tab for guests, for example, he invariably scrawls across his union voucher the names of the people he's buying for.

Says Lee Minton, head of the Glass Bottle Blowers Association of the United States and Canada: "My boys tell me that they don't care what it costs—within reason, of course—for me to be able to negotiate with management as an equal. They want me to be well dressed and have money in my pocket."

Generally, the homes and offices of these labor chiefs reflect fairly closely their salaries and union's status. In some cases, the price of the place a union chief lives in is below his annual salary. L. S. "Buck" Buckmaster, president of the AFL-CIO United Rubber, Cork, Linoleum and Plastic Workers of America, for example, still lives in the neat, yellow, clapboard, brown shingled house in suburban Akron that he bought in 1924 for $6,200.

"I'll bet I've paid three times that price on that cussed house," jovially confides the 62-year-old U. R. W. chief. "I got behind in payments during the depression, made my last payment 2 years ago." The house, he figures, is now worth about $12,000. Mr. Buckmaster earns $15,000 a year as head of the 170,000-member U. R. W.

THE SOCIAL LIFE

Socially, many of these labor leaders shun country clubs and similar social organizations. Aside from the obvious reason of wanting to avoid any appearance of social climbing, many spend much of their time away from home on union business and thus form few local social ties.

"With all the traveling I do," comments Mr. Minton, "my wife figures that out of the last 18 years I've spent about 8 with her and the kids."

Perhaps the stanchest advocate of quiet, simple living among labor leaders is fiery Walter P. Reuther, president of the United Auto Workers, a unionist who almost belligerently practices what he preaches.

In typical, dramatic fashion, he successfully killed a move by UAW members 4 years ago to raise his salary from the then $11,250 a year to $50,000.

"I felt then, and still feel," he declares, "that it would be a mistake to allow too great a gap to develop between the wages of the rank-and-file members and those of the people who are expected to lead them. I don't criticize others who feel differently, but that's my attitude."

AUSTERITY ON $22,000

Mr. Reuther did accept two salary boosts since that time and now makes $22,000 a year. In view of his salary, his mode of living seems austere. The popular report that Mr. Reuther squeezes oranges in his hotel room while out of town to save on breakfast costs is not true, however. Good-naturedly, the UAW chief explains that he had a small refrigerator in his hotel room in Miami early this year when he attended a union session there with his family. He bought fruit at a nearby grocery, he says, and kept it in the refrigerator. "We didn't have a squeezer," he relates. "We just ate the oranges."

In addition to his salary, Mr. Reuther is allowed transportation expenses and $13 a day for meals and incidentals, including tips, while he's on union missions. He's permitted to have a suite in which to conduct out-of-town business, but he's been known to call a hotel manager and insist on being moved after being ushered into something he considered too ostentatious.

Mr. Reuther is almost painfully conscientious about footing the additional bills when he is accompanied on one of his family trips by his wife, May—a slender, attractive woman who shares the red hair and youthful appearance of her 49-year-old husband—or their two young daughters.

"Actually, that's where a lot of his own salary goes," confides a longtime friend. "May doesn't go with him much, compared with all the traveling he does, but she does make quite a few trips and the costs mount."

A BODYGUARD DRIVER

There are few emoluments added to Mr. Reuther's pay when he's at home. The union does provide him with a rented, medium-priced car and a bodyguard driver, but the UAW does not reward him with a home or a downtown suit for entertainment purposes. Mr. Reuther, in fact, still pays his own union dues which went up—at his own recommendation—at the last convention to $3 a month from $2.50.

The UAW leader's home, the third he has ever owned, is a modest, two-story frame house in a Detroit suburb about 45 minutes' drive from his office at Solidarity House. Purchased originally in 1951 as a summer cottage for about $10,000, it since has been expanded and made into a substantial all-year dwelling. Except for a high, sturdy fence around the property and bullet-proof glass in the house's windows, all of the improvements have been paid for by Mr. Reuther. As befits a man who once earned his living as a toolmaker, the Auto Workers' chief has done some of the work himself.

The house stands on 4 acres of ground ("At least 1 acre is under water," laughs Mr. Reuther) in a hilly, heavily wooded area. The labor chief, who designed the house himself, describes it a combination of modern, Japanese, and Swiss chalet architecture." Across the property runs a stream perhaps 15 to 20 feet across, which almost totally surrounds the house.

The elaborate security measures that the UAW provides for Mr. Reuther are a result, of course, of the attack on him in 1948 by a still-undiscovered assailant who fired a shotgun blast through his kitchen window and shattered his right arm. His right hand and arm still are partially disabled.

A few years ago the union bought for Mr. Reuther's use a huge limousine fitted with bullet-proof glass and steel-plated body. But an official recalls, "Walter couldn't stand it, and after about 6 months he refused to ride in it." The Reuthers' family car, appropriately enough, is an "economy" model, an American Motors Corp. Rambler.

SUITS AT WHOLESALE

His own appearance is of no great concern to Mr. Reuther, but he dresses well in conservative but fashionably cut suits in the $100 range. Actually, he doesn't pay that price. Through his friend Jacob Potofsky, president of the Amalgamated Clothing Workers. Mr. Reuther buys them at wholesale prices, usually 3 or 4 at a time. His normal practice is to wear the batch until they're ready to discard, generally in 2 or 3 years.

Quite different from Mr. Reuther in his personal economic philosophy and spending habits is the Steelworkers' McDonald. Ranking among the higher-paid union leaders, Mr. McDonald maintains, nonetheless, that his pay is not making him rich.

"I own no stock options, and I have no money," says the steelworkers' boss. "I still have a mortgage and a pretty healthy one. There's no pension plan for my wife, and if I were to die tomorrow, Rosemary (his wife) would have to go to work."

Mr. McDonald hasn't been in the $50,000-a-year category for long. His salary was boosted to that from $40,000 last September. As secretary-treasurer of the union, Mr. McDonald made $15,000 a year until shortly before Philip Murray's death in 1952.

Mr. McDonald has an expense account, and although he doesn't use the word "unlimited" in describing it, the account has no stated limit on it, being governed by his own judgment of what is necessary. But expenses must be rigidly accounted for on a semi-monthly basis, he says:

The steelworkers' chief admits to a fondness for the better things in life. On out-of-town trips, he stays at the finest hotels, frequents the best restaurants, and indulges in one of his favorite pastimes—attending the theater. Unlike most other union bosses, he belongs to several clubs, including the South Hills Country Club, the Ancient Order of Hibernians, the Elks, Moose, and the Variety Club. Occasionally, in late afternoons on his way home, he drops into Pittsburgh's Sherwyn Hotel just around the corner from union headquarters for a couple of gentlemanly bourbons with water.

When the occasion demands it, Mr. McDonald dons a conservative business suit. But at more leisurely times, he favors sports outfits, tweeds, and bow ties. Although he's seldom seen without his pipe in public appearances, he's partial at times to a cigar—a good one, to be sure.

FOR MEANY: $35,000

As president of the AFL-CIO, George Meany receives a salary of $35,000 a year, the same pay he received as head of the AFL. In addition, he's allowed $12.50 a day in expense funds for meals, but this is raised to $15 whenever he's at high expense places. "Like everyone else," says an aid, "he turns in an expense account."

Away from home, Mr. Meany lives well but his off hours are spent in far from lavish pursuits. He enjoys himself, for example, at a place like Miami Beach—and makes no apologies for it. A gin rummy fan, he spent 8 straight hours playing the game in the sun at Miami last January while other union officials were hotly debating the Teamsters' refusal to testify before Senate investigators.

Mr. Meany, who works in Washington, lives in a suburban Maryland home in about the $30,000 class, across the road from Burning Tree Country Club, President Eisenhower's home golf course.

An associate describes Mr. Meany as conservative in his personal spending. "He's not cheap," hastily adds the confidant, "but he doesn't wave the dough around."

In explaining Mr. Meany's ways, an aid tells of a day recently when the chief suddenly disappeared. It developed the former head of the plumbers union, Mr. Meany, was at his home—fixing up some plumbing.

NEEDED: A PAINT JOB

Among the higher-paid union leaders is John L. Lewis. A widower, Mr. Lewis lives alone in large white frame house in Alexandria, Va., which seems to be in need of a coat of paint.

Mr. Lewis drives himself to work in Washington and home again in a Cadillac. At his beck and call he also has a union-provided Cadillac limousine for union business. While the shaggy-haired union chief used to be something of a lion of the embassy parties, he seldom steps out for an evening now. His principal relaxation nowadays, he says, is reading and, in warm weather, "following the shade around."

On the other end of the pay scale for union leaders is John Clark, 69, president of the International Union of Mine, Mill, and Smelter Workers, headquartered in Denver. This union, booted from the CIO in 1950 on charges that the leadership followed the Communist line, has a membership variously estimated between 60,000 and 100,000.

As head of the union, Mr. Clerk earns a salary of $6,750 a year. Sitting in a swivel chair in his large but far from lavishly furnished office in the Tabor Building in Denver, Mr. Clark says he receives $14 a day for expenses while on the road and $3 daily for incidentals while in Denver.

SAVINGS AND SPECULATING

Mr. and Mrs. Clark live in a $100-a-month, 3-room apartment in Englewood, a middle-class Denver suburb. A union member since 1908, Mr. Clark does not smoke and "only very rarely" takes a cocktail. His only investments, he says, are in United States Savings Bonds. "When I have a little money ahead," he says, "I put it in bonds."

O. A. (Jack) Knight, president of the Oil, Chemical, and Atomic Workers International Union, another Denver-headquartered union, leans to more speculative investment fare; sometimes, he says, he makes "a little" and sometimes he loses on ventures with uranium stock investments or on oil leases. On a yearly salary of $13,500, plus $5 a day for incidental expenses, Mr. Knight and his wife live quietly in a $33,000 three-bedroom ranch house in Denver.

Mr. Knight concedes that his house, bought in 1949 when the union moved its headquarters to Denver, was a little over the mean for his income but explains that he had built up savings which paid for a "substantial" part of it. He says he still owes "a few thousand" on the mortgage.

A scotch-and-soda man, Mr. Knight often keeps a bottle of bourbon on hand during his out-of-town excursions for callers with bourbon tastes. But he says he never bills the union for the bottled spirits, paying for it instead out of his salary.

An Oil, Chemical, and Atomic Workers spokesman, noting that Mr. Knight receives the same expense allowance as other lower ranked officers and staff members, expresses the union philosophy thusly:

"The general Oil, Chemical, and Atomic Workers attitude is that we don't claim to have taken a vow of poverty, but we just don't want any fat-catting or any slack practices that permit expense spending to be abused."

TIGHT WITH MONEY

A union leader considered tight with his money is 59-year-old Mr. Hartung of the 130,000-member Woodworkers Union, headquartered in Portland, Oreg. He draws a $9,100 a year salary and $8 a day on trips "for meals, pressing my suits and buying papers."

Says the slow-talking soft-toned Mr. Hartung of his personal spending: "By the time we pay our rent, put one girl through college and Uncle Sam takes his slice, I don't know whether we live above my salary or below it, but we use it up and don't squander it."

In addition to the 2-bedroom apartment he rents in Portland ("It's not a dump," observes Mr. Hartung, "but it's not elaborate."), the Woodworkers' top man has "a little old farm" of his own on about 5 acres along the Tualatin River near Portland. He says he and his wife are trying to fix it up as a summer place.

Earl Heaton, president of the Allied Industrial Workers of America, in Los Angeles, describes the society in which he moves as "working class," though he earns $15,000 a year and lives in a house in the $45,000 class (with a mortgage). His next-door neighbors in Los Angeles are a lawyer and a building contractor.

Mr. Heaton says he doesn't believe in "living up" to his salary if by that is meant spending it all, or borrowing to spend, to enhance his prestige. "I believe in saving something," says he. "You never know when you might need it."

Mr. NEUBERGER. Mr. President, on April 22, 1957, I had occasion to discuss at the Portland Central Labor Council some of the issues which recently have received extensive public attention as a result of the hearings of the special committee on alleged racketeering in the labor-management field. On this occasion, I expressed my views about the fundamental integrity and idealism of most of organized labor and its leaders, and about the relative modesty of their salaries and expenditures, which are borne out by some of the May 7 conclusions of the Wall Street Journal.

I also suggested a checklist of six standards for the internal administration of union affairs, which must be assured and protected either by union constitutions and by-laws and by the vigilance of rank and file members, or, in some instances, by legislation. These standards refer to such matters as internal union democracy, the administration of different kinds of funds handled by union officials, and the assurance of nondiscriminatory membership rules which will make participation in unionized employment open to anyone who has the skills, irrespective of his race, creed, religion, or nationality.

I ask unanimous consent that excerpts from my remarks at the Portland Labor Temple, on April 22, be printed in the RECORD at the conclusion of my remarks.

There being no objection, the excerpts from the address were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM REMARKS OF SENATOR NEUBERGER TO PORTLAND CENTRAL LABOR COUNCIL, APRIL 22, 1957

The public scrutiny which organized labor is undergoing today confronts it with undeniable dangers to future effectiveness on behalf of working men and women—but also with an opportunity for self-examination and for strengthening its position with its members and with the public.

For what is being scrutinized today is labor unionism in a new role, under new conditions of industrial organization—conditions which are very different from those of a generation ago, when labor relations were last a central object of public attention and of public policy.

In the early decades of the century, from the years around the first World War through the depression years of the thirties, I believe both the public and the labor movement itself shared the image of unionism as the struggle for organization, for recognition of working men's right to confront the life-and-death economic power of management over each of them with a comparable economic power of workers bargaining collectively for decent wages, hours, and working conditions. These were the years when organization was itself the first objective of trade unions and their leaders, when the very right to organize was the principle at issue in strikes and in legislative controversies, when union membership itself endangered a man's job, or more.

Labor leadership in those years was not all good, or all bad, any more than it is today—or than business leadership has been. But at its best, it left the Nation a memory of dedicated men, who sacrificed personal gain or comfort to the cause of all working men and women—and many of whom became martyrs in that cause.

In time, the Wagner Act and other liberal legislation of the Roosevelt years gave national recognition both to the principle of labor organization and to minimum standards of wages, hours, safety and other working conditions, at least so far as interstate commerce is concerned. That still leaves much to be accomplished, as we know. But in one major industry after another, collective bargaining and union security agreements of one form or another have become fully established. And with that, the role of unions has changed. In such industries, with the coming of the union shop, of long-term contracts, of union insurance programs and pension and welfare funds, labor leadership has new responsibilities in representing its members.

You and I know that by and large, today's labor leaders have accepted these new responsibilities with just as much understanding and integrity as their counterparts in management have shown in adapting to the new era in industrial relations. But some few of these have obviously fallen short, as is inevitable in any human activity. Their shortcomings, when faced with the possession of great power and with control over great wealth, have for the first time spotlighted for the public at large the recent growth of that power and of the funds entrusted to them.

Inevitably, the revelations of reckless handling of union funds, of instances where private dealings between labor officials and management have been substituted for collective bargaining, will result in an outcry for legislative reform. "There ought to be a law" is a common American reaction to any social problem. In this instance, the outcry is likely to include a proportion of crocodile tears. The demand for protection of the rank and file against leaders unworthy of their trust may have some substance in sound policy, but it also will be joined by those whose first interest is not that of the rank and file union member. No doubt an impetus has been furnished, for example, for the drive for State "right to work" laws directed against union-security agreements.

The response of the labor movement itself to the challenge of these demands for reform may largely determine whether or not there will be legislation enacted which will hamstring the legitimate and necessary functions of unions on behalf of their members. I am glad to be able to say that the top leadership of American labor has indicated firmly and unequivocally its intention to rid its organizations of any and all corruption and abuses, that can only result in giving all unions a black eye. Some legislation may be necessary, quite apart from the current investigations—for instance, in the field of pension and welfare funds. The fate of other possible legislation more restrictive in character may depend on the actions of the unions themselves and their effectiveness in telling their own story to the public.

I would like to suggest a checklist of six standards or objectives for labor unions which either deserve legislative protection, or which must be assured and protected by action within unions themselves if legislative and governmental controls are to be avoided. They are these:

1. Internal union democracy: Local officers should be elected at least annually by secret ballot of the membership, announced sufficiently long in advance to permit the members to consider available candidates for leadership. Perhaps nominating committees might make a practice of placing more nominees before the membership than there are offices to be filled, so as to encourage some rotation.

I also believe that national officers should be chosen under similar conditions at national conventions of elected local delegates, held not less often than every 2 years, and that the election of these national officers might well be submitted to a membership referendum throughout the locals.

2. Fair procedures for members' appeals: Many large unions already have appeal boards to hear and determine a controversy between a union member and his union or one of its officials. A sense of real confidence that such disputes will be fairly heard and adjudicated, without risk of retribution against the complaining member, is an essential element in any democratic association, and unions are no exception.

Similarly, anyone who may espouse a minority point of view in a union or at a meeting must be confident of his right to do so without fear of intimidation blacklisting, job discrimination or coercion of any kind.

3. Membership open to anyone qualified by skill: This aspect of union democracy is an indivisible Siamese twin to the union shop and other union security arrangements which limit job openings to union members. Unions cannot hope to maintain their hard-earned record of idealism and dedication to democratic values, if they establish discriminatory exclusions from membership, and thus from work opportunities, on the basis of race, religion, nationality or other arbitrary factors unrelated to skill. Unions have not always refrained from racial discrimination. This must be corrected.

4. Protection of general union funds: Members must be entitled to periodic full and correct information about the disposition of their union dues and to a voice in major decisions on their expenditure. Union financial accounts should be checked by independent outside audits at least once a year, by reliable accounting firms. Many unions today follow as a matter of course these elementary practices of responsible fiscal management; but those officials which have failed to do so have created a damaging image of financial irresponsibility for all unions. Labor's leadership must nail down firmly in the public mind its recognition that it acts as trustees, not as owners, of union members' dues.

5. Protection of welfare and pension funds: I would support legislation in the Congress to provide for the registration of welfare and pension funds, and for full disclosure of all relevant information about their administration, so as to place them under protective provisions similar to those for insurance policyholders and for investors under the SEC. Such legislation has been proposed by Senator PAUL DOUGLAS of Illinois as a result of extensive hearings on welfare and pension funds held in the 84th Congress by a committee under his chairmanship. I understand that national labor leaders favor such legislation, but that employers have been reluctant to endorse it.

General dues must be available to unions to finance their operations and to give them strength for collective bargaining, but these welfare funds are wholly trust funds in nature and can be subjected to special safeguards without weakening union functions.

6. Labor political-education funds: As long as unions receive dues from all workers in a plant or an industry under union-security arrangements, dues cannot fairly be used in political campaigns with which some union members might not agree. However, the use of voluntary funds collected among union members is quite different and is entirely proper for political purposes. Let me add here that candidates supported in part by these voluntary funds are almost always outspent overwhelmingly by opponents who are backed by the owners and managers of big business and industry.

However, I believe that candidates should not enter high office obligated either to business or to labor. That is why I am sponsoring legislation to put into effect a proposal made half a century ago by President Theodore Roosevelt, to have the Government underwrite essential costs of political campaigns—in order to liberate candidates from unwise private commitments, and to assure the public access on more nearly equal terms to the views, programs, and personalities of all parties and candidates. And I have challenged those who most loudly criticize labor political action to join me in passing this reform legislation.

Finally, I would like to add to the elements of union democracy the suggestion that business agents and other union officials should be bona fide members of the union, who have worked at the craft or in the industry which the union represents. They should never be imposed on the local union by dictation from above. This applies to the whole practice of locals being in trusteeship or receivership for any length of time, and thus under the direction of national or international representatives. Basically, some of the evils now being revealed reflect the attitude that labor is a commodity to be managed and traded, rather than the original union philosophy of human interests to be represented. As long as unions represent this true, original philosophy, they will be able to continue to claim the support of the public for their work and for their rights.

I want to see a labor movement which is law abiding, but I do not want the law used to break or shackle the labor movement. Many Americans of today may forget what occurred in our country during the 1920's, when the trade-union movement was manacled and hampered.

In this period, total labor membership fell from 5 million in 1920 to 3,400,000 in 1929. In the cotton mills of Gastonia, in 1929, grown men received $9 for a full workweek of 66 hours. Girls 14 years old stood on their feet 11 hours a day, 6 days a week, operating heavy spinning frames; they were paid $4.95 per week.

This took place in America when people were not protected by a labor movement. This took place when an illiterate immigrant laborer or some lone woman, with hungry children to support, had to bargain alone for his or her hire.

The trade-union movement ameliorated such injustice It brought about what we now regard as the American standard of living. The trade-union movement became strong because it had martyrs within its own ranks and beyond its membership lists. It had men like Andrew Furuseth, the gaunt Norseman who fought for the men who worked on the ships and the waterfront. When they came to arrest him for violating a no-strike law, Andy looked at his captors in contempt and said:

"You can put me in jail, but you cannot give me narrower quarters than as a seaman I have always had. You cannot give me coarser food than I have always eaten. You cannot make me lonelier than I have always been."

And there were men, too, like Senator George William Norris, for whom the great anti-injunction law is named, and who defied a lynch mob waiting for him with tar and feathers because he dared to be ahead of his time. Norris said, "No man can stick his legs under the tables of the idle rich every night, and be fit the next day to sit in judgment on those who toil."

That is why those who use the labor movement for personal wealth and aggrandizement have betrayed one of our Nation's richest legacies—the legacy of long-dead heroes and heroines. The labor movement has been nurtured by the blood of men and women who did not flinch at the ultimate in personal sacrifice. Against such a heritage, there is no place for corruption, slot machines, plush tropical resorts, open expense accounts and strikes that are conducted not to win better wages for men who labor but to decide who shall control the loot from punchboards or pinball machines.

I want to offer one bit of advice. If any members or leaders of labor have been detected in conduct against the public welfare, nothing will be served by denouncing those who did the detecting—whether they be in the press or in Government. Behavior inimical to the general good cannot be countenanced. Citizens who ferret out such behavior merit approval and not condemnation. After all, many in the ranks of labor have applauded—and rightly so—when Congressional investigators like Thomas J. Walsh and George Norris apprehended malefactors in the ranks of business. Labor cannot both hold with the hounds and run with the hare on this issue. A labor leader who pilfers or embezzles the funds of his dues-payers is quite as legitimate a target for investigation as any banker or corporate head who cannot distinguish between other people's money and his own.

Some of the revelations about reckless handling of dues-payers' funds in the labor movement are disturbing. Yet there is no more reason to doubt the integrity of the labor movement as a whole because of these disclosures than there is to question the validity of free enterprise, because some executives of one of the Nation's greatest business corporations were recently shown to have hired "call girls" in an effort to push merchandise more successfully. The chairman of a powerful Congressional committee went to jail some years back, but this certainly does not impugn the honesty of all Congressmen. It is always dangerous—and unfair—to reason from the particular to the general.

On the other hand, I have heard some labor officials claim, in defense of their conduct, that they have done nothing worse than what many leaders of industry have gotten away with for years. To me, that is a poor excuse. As one American, I expect higher ideals and ethics of leaders of the labor movement than the purely financial motives of business corporations and monopolies. The dedicated founders and heroes of the history of unionism would not have approved of labor being involved in gambling rackets, or of plush "open-end" expense accounts for unlimited vacations at Las Vegas and Palm Springs.

In Oregon I have visited the homes of a good many officials of organized labor. These are modest homes. They are the homes of men who do not earn so-called "big money." Whatever may be true of labor indiscretions elsewhere in the land, it is my firm opinion that the great majority of Oregon labor officials are law-abiding, ethical, honest, and the recipients of only modest salaries. Indeed, I should like to see the Oregon State Federation of Labor sponsor an audit of the pay of every labor official in this State, and then announce the result for all the world to see. I am certain that the salaries and expense accounts of most trade-union officials would be relatively small, particularly when compared with the incomes received in Oregon by many of the great captains of business and industry—if such a comparison is at all valid.

I might add that if labor statesmanship acts swiftly and decisively to reassure the public, including its rank and file members, that it retains its idealism, its integrity, its devotion to democratic values and to the welfare of working people, it need not long remain on the defensive because of the present disclosures that all has not been perfect within every union. I have suggested that labor might challenge its critics to compare the salaries and emoluments of its leaders with those paid a representative cross-section of American business and industrial managers—not to mention their income from shareholdings. I would go further and suggest that a labor movement which could show that its own house is in order might well ask for an investigation of corporate expense accounts.

At least, when union officials enjoy palatial homes, luxurious limousines, extensive vacations at plush resorts, or make valuable presents to their friends, from union funds, it is generally recognized as an exceptional situation requiring correction. That fact alone speaks for itself. For which among these identical situations is not a commonplace in the management of corporate wealth in the Nation—in the form of expense accounts for executive travel, entertainment allowances, public relations expenditures—all of which are paid half by the stockholders, and half by the Treasury, in the form of corporate tax deductions?

No one has a right to apply double-standards of morality in a free and democratic society. All of us are to be judged by the same standards. The conduct of every man and woman must be tested with the same litmus paper, by the identical yardstick.

I doubt if that has occurred in the recent investigations and probes which have centered in Portland, and in the public discussion of these events. Let me explain what I mean.

I remember the prolonged uproar because a Sheriff of Multnomah County had given a gun permit to an official of the Teamsters Union in the State. It was said this was wrong because the teamster leader had sustained a conviction in his youth. Yet there was comparative silence over the fact that the then mayor of Portland had appointed this same leader of the Teamsters Union to be 1 of 5 citizens charged with spending over $8 million of taxpayers' money for an exposition center. Why one standard for the then sheriff and another for the then mayor?

I have read Republican speeches pointing out with horror that DICK NEUBERGER, for example, was endorsed by the Teamsters Union when he ran for the Senate. I was endorsed by the entire united labor movement, which included the teamsters, and I make no apology for that fact. I have the welfare of average people at heart and so does my wife, Maurine. We would expect to receive the endorsement of labor. But I do not understand how it can be bad in Republican speeches for DICK NEUBERGER to be endorsed by the teamsters, but something which is not mentioned in polite society that, for example, Dave Beck stood on the steps of the White House last October 18 to proclaim that he was bolting the rest of the labor movement so he could support Dwight Eisenhower enthusiastically for reelection—let alone teamster support of such stalwart local Republicans as Rudie Wilhelm, Shirley Field, and Stanley Earl.

And what of legalized dog races and the fuss over pinball machines? My wife and I have consistently opposed legalized gambling all during our public careers, because we think gambling is not only basically contrary to morals but because it drains the wage-earner's pocket, to no good purpose. It neither hews wood not draws water. It feeds no children, it clothes no people.

Morals are morals, and ethics are ethics. They are indivisible. Can the State of Oregon legitimize the vast pageantry of parimutual racing—with all its millions of dollars in wagering—and thus successfully control pinball gambling? Perhaps it can be done. But there has been constant trouble over this double standard for many years. This city did not even allow an honest and upright mayor to continue in office, for it was charged that she had shut up the town too tight. Dorothy McCullough Lee enforced the law because she recognized that double standards were impossible, that once law and order broke down there was no end to the difficulties and trouble ahead. Yet she was ridiculed out of office as "Dotty-Do-Good," although Portland would have been better served—and better governed—had she stayed. It is my opinion that the prevailing anomaly of our approach to gambling cannot be disregarded as a factor in this whole unfortunate situation.

The basic fact remains that, under the laws of the State of Oregon, it is legal for a working mother with small children to take her whole paycheck and wager it on the dog races in the heart of the city of Portland—with floodlights on, bands playing, and policemen standing around to protect the proceedings. But if this mother stops on the way home and bets the 10 cents left in her purse on a pinball machine in a grocery store, she and the proprietor of the grocery store are violators of the law.

I have been opposed to both the races and the pinballs, but by what token is one right and the other wrong?

As members of the Oregon Legislature, both Mrs. Neuberger and I opposed continuation of parimutuel gambling. We felt

it was highly inconsistent for the State itself to license a vast betting orgy at stadiums and grandstands, while outlawing wagers of far smaller amounts on pinballs and other devices. Maurine and I joined with leaders of the Oregan Council of Churches in pointing out that parimutuels were an invitation to all kinds of illegal gambling to trek into an area and to take advantage of the gambling fever thus created.

Our efforts to eliminate the parimutuels were always defeated in the legislature, because the sponsors of the races had cleverly made all county fairs the beneficiary of a certain portion of racing receipts. This converted fair boards into virtual lobbyists for the races. But it did not change the moral and ethical basis of our argument, any more than legalized prostitution might be justified if a share of the income were diverted, for example, to hospitals.

No longer are Mrs. Neuberger and I members of the legislature, and the problem of the dog and horse races is outside our jurisdiction. Yet we still are struck by the absurdity of legalizing nearly $15 million worth of wagers on dog races in the Portland area, while ardent supporters of these races carry on a flaming antigambling crusade against pinballs and punchboards. The whole irony is worthy of Anatole France's famous satire entitled "Penguin Island," in which a flock of penguins occasionally behaves as foolishly and paradoxically as human beings.

Virgil W. Peterson, director of the Chicago Crime Commission, has pointed out that parimutuel gambling, while theoretically honest, is often an invitation to a hoodlum element. "It is virtually impossible," he has said, "to keep the professional racketeering element out of big-scale gambling operations." And what is the impact on the children and young people of a community who are told that gambling is wrong in principle, but who can see tens of thousands of their parents and elders betting large sums night after night on dog and horseraces in brightly lighted stadiums, surrounded by the panoply of uniformed policemen, brass bands and even an occasional Governor of Oregon to present blue ribbons and gold cups.

It is our opinion that the State should not legalize any gambling, and that once the bars are let down to a vast gambling project like parimutuel racing, the whole moral basis of strict enforcement has been imperiled.

PROTEST BY VIRGINIA SENATORS IN CONNECTION WITH ACCELERATED TAX-WRITEOFF PROGRAM FOR IDAHO POWER CO.

Mr. NEUBERGER. Mr. President, I ask unanimous consent to include in the body of the RECORD a fine editorial entitled "Virginia's Senators Protect Taxpayers," from the Northern Virginia Sun of May 2, 1957.

The editorial properly praises the action of the two distinguished Senators from Virginia [Mr. BYRD and Mr. ROBERTSON] in protesting the decision of the Office of Defense Mobilization to grant an accelerated tax writeoff totaling $65 million to the Idaho Power Co. for its private projects in the Hells Canyon reach of the Snake River.

The Northern Virginia Sun, published in the neighboring city of Arlington, has pointed out that one of the principal arguments put forward by the Idaho Power Co. in its claim to the great power site at Hells Canyon was that the Idaho Power Co. would pay taxes. Now, adds the Sun, that argument has been exploded by the company itself—for the company seeks a tax subsidy to help finance its powerplants along the Snake River.

Thus, the Idaho Power Co. not only gets America's finest hydroelectric site from the Government for nothing, but the Government advances an interest-free loan to help subsidize the company's projects. The two Senators from Virginia have been acting in the public interest when they protest such an indefensible arrangement. I am pleased to bring to the attention of the Senate this praise of Virginia's two Senators by an influential Virginia daily newspaper.

Furthermore, Mr. President, a cogent analysis of the operation of the accelerated tax writeoff for Idaho Power has been published in the Oregonian of Portland, Oreg., of May 6, 1957, under the byline of Herbert Lundy, editor of the editorial page of that newspaper. Mr. Lundy emphasizes the fact that the Idaho Power Co. actually can place the deferred tax funds in a special account to be used for dividends to stockholders—and then could make the later tax payments a justification for electric-rate increases to its customers.

I believe Mr. Lundy's explanation of the details of the writeoff scheme should likewise be published in the RECORD, for the information of Senators; and I ask unanimous consent that such permission be granted to me for that purpose.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the Arlington (Va.) Northern Virginia Sun of May 2, 1957]

VIRGINIA'S SENATORS PROTECT TAXPAYERS

Virginia's Senators BYRD and ROBERTSON have done well, we believe, to criticize the decision of the Office of Defense Mobilization to grant to the Idaho Power Co. a "fast tax writeoff" on two of its Hells Canyon Dam facilities in the Northwest.

These fast tax writeoffs deserve some explanation. In brief, they allow a company to depreciate (or write off) a given investment in 5 years instead of the normal 20. This means that they can deduct 4 times as much from their profits, during the first 5 years, before computing their taxes. Hence their profits subject to taxes are much less, and their tax bills correspondingly less.

In the case of the Idaho Power Co., the fast tax writeoff on the 2 dams will mean a saving of $65 million.

It is true that after the 5 years are up, the Idaho Power Co. will pay higher than normal taxes, and if tax rates stay the same for 20 years, theoretically their taxes will be the same as if they had not received the fast writeoff. But they have gained a great advantage in having had, during the first 5 years, the use of the $65 million that they would ordinarily have had to pay in taxes.

In short, they will have enjoyed the benefits of a $65 million interest-free loan—all courtesy of the American taxpayers.

Such a subsidy may well have been justified during World War II and during the Korean emergency (when the device was put into effect) as an incentive to companies making special investments in defense-related production facilities which have little or no civilian usefulness. But now that the height of the emergency is over, the taxpayers have a right to expect less extensive use of this subsidy, particularly for facilities, like the two dams in question, that are not special defense facilities but are designed to meet normal demands for power.

Senator BYRD's criticism of this Idaho Power decision carries particular weight because of his highly influential position as chairman of the tax-writing Senate Finance Committee. In fact, he is starting hearings today on a measure to prohibit the Government from giving any more tax benefits such as it gave to Idaho Power.

There is one other aspect of this particular case that deserves comment. The entire Hells Canyon dispute has been one of the classic struggles between public versus private power—between those who believe that the Snake River's potential can be most fully developed by a Government-built dam and those who believe that it is better to have the job done by private enterprise.

In this case, private enterprise won out, and the Idaho Power Co. is to build the dams. But the first thing that private enterprise does is to come in and ask for a Government subsidy, in the form of a fast tax writeoff.

We do not believe the Idaho Power Co. should have its cake and eat it too. If the taxpayers are going to help pay for the dams, then they ought to reap the full benefits. But if private enterprise wants to relieve the taxpayers of the cost of building the dams, let them do so, and not expect to reap a private profit from the public's investment.

[From the Portland (Oreg.) Oregonian of May 6, 1957]

IDAHO POWER TAX AID RILES CONGRESS

(By Herbert Lundy)

The accelerated tax amortization certificates granted Idaho Power Co. for two of its dams on Snake River have caused such an uproar in Congress that two results are possible: (1) Repeal or drastic revision of the 1951 act allowing such deferred tax payments on defense projects; and (2) attraction of several more Senate votes for the bill to supersede Idaho Power's dams with a high Federal dam in Hells Canyon.

Besides the Hells Canyon Dam advocates, such free-enterprise Democrats as Senators BYRD and RUSSELL have assailed the tax benefits to Idaho Power. They have not, however, said they would vote for a Federal dam. The present outlook is that Hells Canyon may pick up a few more votes than when it was defeated in the Senate last session—but probably not enough.

The original, stated purpose of accelerated depreciation of plants for tax purposes has long since been lost. This device was legitimately used in World War II to help industry meet war demands for new planes and other rush jobs—expansion which would be obsolete or unneeded after the emergency had been met. It is doubtful in the extreme if the revival in 1951, under the Korean war impact, was justified insofar as the legislation applied to such long-range projects as hydroelectric dams under 50-year amortization.

Idaho Power Co.'s application was made before the Federal Power Commission granted licenses for the three dams in the Hells Canyon reach of the Snake, and before last year's freeze on new grants. The Office of Defense Mobilization evidently felt obliged to honor the application, which had been kept alive, after the United States Supreme Court refused to intervene against FPC.

ODM permitted Idaho Power to write off in 5 years, in depreciation for Federal tax purposes, 65 percent of the cost of Brownlee Dam and 60 percent of the cost of Oxbow Dam. The way this works is that the company takes larger than normal deductions for 5 years, and smaller than normal deductions for the remaining 45 years of the license.

Statisticians say this means a tax saving for Idaho Power of about $31 million in 5 years, and that if the interest-free loan from Uncle Sam were reinvested at a rate of return of 6 percent the company could benefit to the extent of $338 million at the end of the 50th year. This would be not a bad gimmick, since the two dams would cost about $100 million. In the meantime, of course, the Government would get its money back—but not the interest.

What burns up the Government dam proponents—and may interest all taxpayers and power consumers—is this. The $6,500,000 a year withheld in taxes by the company for 5 years is collected from rate payers and put into a deferred account. Yet it can be paid to stockholders as dividends subject only to capital gains taxation, which is much lower than ordinary taxes. What happens, they ask, at the end of the accelerated depreciation period if the money has been paid to stockholders? Their answer: Probably rate increases, to pay the higher Federal tax for the next 45 years.

This tax benefit is an outright subsidy from the Treasury, an interest free loan, to private utilities qualifying under a nonexistent "defense emergency." The Government might justify it by requiring a utility to eliminate the "loan" from its rate base. But utilities need not consider it in ratemaking. And, of course if the tax saving is passed along to stockholders under the heading of capital gains, there is another tax bonanza at Government expense.

It is estimated that rapid amortization for tax purposes has deferred Federal tax revenues amounting to around $50 billion since the program started. Senator BYRD's committee should recommend repeal of the entire act.

DAVID LAWRENCE AS A PROPAGANDIST FOR THE EISENHOWER ADMINISTRATION

Mr. KERR. Mr. President, a few days ago, in colloquy on the floor of the Senate, I had occasion to refer to the columnist David Lawrence as being one of the leading propagandists for the Eisenhower administration. In that colloquy I asked a question which indicated that in my opinion Mr. Lawrence had been rather generously rewarded for his propagandizing for the Eisenhower administration.

Mr. President, in that connection I wish the Record to show that I had no purpose of casting any reflection upon the personal integrity of Mr. Lawrence. I consider him very highly in that regard. My reference to him was concerning what I conceive to be the improvement in his influence, position, and stature with the administration, by reason of his efforts in its favor, as he makes them.

MIDEAST PROBLEM NOT INSOLUBLE

Mr. FLANDERS. Mr. President, I propose to make a series of brief statements on our foreign policy, as I have done at previous sessions of the Senate. At this time, attention is invited to an analysis of the Middle East situation. This is the first of the statements.

Recent events have given us more hope for an ultimate solution of the problems raised by the seizure and nationalization by Egypt of the Suez Canal, the resulting invasion by Great Britain and France, and the simultaneous invasion of Egypt by Israel. At the height of these events, one could scarcely have imagined that any solution was possible. But the policies of our State Department and of the United Nations have been leading to a period of a temporary diminution of active conflict. The dust of that conflict has begun to settle. The primary conditions underlying possible solutions are therefore more plainly visible than they have been.

In the first place, it must be said that the United States has taken on a serious responsibility. The beginnings of that responsibility lay in our support of the Egyptian demand for the evacuation of the Canal area by British troops. We asked the British to accede to that demand. In so doing, we took on the burden of representing the interests and the conscience of the rest of the world in the operation of the Suez Canal. So far as world interests are concerned, they had been on the whole well represented by the private canal management, supported by British arms. The new responsibility we took on was that of assuring ourselves that Egyptian ownership and operation would be at least in the same degree responsive to international interests. It was not immediately apparent that we recognized that responsibility, but it has now been borne heavily in upon us by the course of events. We are faced not by theories but by facts.

Mr. President, I can find no better suggestion to make than that the whole situation be viewed as would be the case in finding solutions to conflicts between private parties. Sometimes these private conflicts come to the courts for a solution. Sometimes they are bitterly fought in appeal after appeal. This is the aspect of private conflicts as the public sees them, but it represents but a fraction of the solutions that are found by discussion, by adjustment, and by compromise, unseen by and unknown to the general public.

Unfortunately, the spirit of too much of present-day international statesmanship does not admit of adjustment and of compromise. For that reason we sometimes fail of peaceful solutions, and even of just solutions, which might have been reached had a spirit of accommodation prevailed.

In urging a recourse to this spirit of accommodation, I am not suggesting that the eternal moral principles should be disregarded or betrayed. I am suggesting that these moral principles themselves lead to peaceful and just accommodations.

In the Mid-East situation we have to seek for the solution which will have in it some advantage for all the nations concerned. Particularly must it carry with it advantages for all the peoples of the nations concerned. The people of Israel, the people of Egypt, the people of the rest of the Arab world, must find in any effective solution some benefit for themselves. The material benefits lie ultimately in provisions for food, clothing, shelter, and education. The spiritual advantages derive from the establishment of peaceful and free relations among people. These are the foundations on which a solid structure of accommodation must be raised.

Let us now turn to the consideration of one of the countries concerned.

THE SITUATION OF EGYPT

The first and most thorny problem in the Egyptian situation relates to the nationalization of the Suez Canal. This immediately struck the nations of America and Western Europe as being a high-handed and arbitrary action. It was certainly done in a high-handed and arbitrary manner; but it bears such a close resemblance to the nationalization by Great Britain of its privately owned railroads and privately owned coal mines that the parallel is embarrassing. What Nasser did was to nationalize an Egyptian company incorporated under Egyptian law, which had a concession to operate a canal running through Egyptian territory and which had been built by Egyptian labor. It will be remembered that he offered the shareholders full compensation at the price of their shares on the Paris Bourse on the day preceding the nationalization decree.

Thus far the action was parallel to that of the British private expropriation of British industry.

There are, however, some points of difference. One of them lies in the fact that the great majority of the owners of the industries seized by the British Government were themselves British. The private owners of the Suez Canal were not predominantly Egyptian. However, provided that the offer of reimbursement could have been carried out effectively, it would have answered all the requirements of substantial justice to international shareholders.

The other point of difference is more fundamental and more serious. The operation of the British railroads is primarily a matter of British interest. The operation of the British coal mines is primarily a matter of British interest. The operation of the Suez Canal, however, extends far beyond the interest of Egypt alone. It is a matter of concern to all the nations who participate in world commerce. These nations have an interest in the efficient and even-handed administration of the canal. They have a right to insist that their interest must be regarded and served.

There are also interests of the Egyptian people which must be recognized. They are among the most poverty-stricken people of the earth. Their standards of living in terms of food, clothing, shelter, and education are among the lowest of those who for generations have been in contact with the higher standards of the Western World. While Nasser's interest in the Aswan Dam doubtless had in it a political motivation, yet the motivation was one which was presumably favorable to the proper aspirations of the Egyptian people. When we suddenly, and in appearance arbitrarily, withdrew our offer of assistance in the building of the Aswan Dam, on the face of it we dealt a blow to Nasser's political power. Did we also deal a blow to the hopes of the Egyptian people for a better living? That is a question we must face.

In facing that question we may properly assume to analyze the plans for the grandiose development in terms of improvement of popular well-being. Will

this great dam and the controlled supply of water in the lower Nile result in a proportionate increase in the production of food and fiber needed by and going to the Egyptian people? On the other hand, will the benefits go exclusively to large landowners? In its present form, does the dam cost more than it is worth? Can alternative undertakings be proposed which will be more effective in terms of well-being for each million dollars spent? If we are to arrive at useful solutions to this Mid-East problem, the well-being of the people of Egypt must be taken into account as a major factor.

What is not a proper purpose is the unseating of Nasser as a prime objective in itself. We cannot hope to support in power at Cairo a nonnationalistic puppet. It will be better to negotiate with a known ruler with known abilities and interests. It is legitimate to maintain economic pressure for the sake of persuading him to accept a generally beneficial solution, but we must have the solution in mind; and we must see to it that the pressure does not fall with particular force on the undernourished people themselves.

A decision on the course to which we would urge Nasser will require that we look at the problems of Israel and of the other Arab States as well as of Egypt. This will be the subject of the next installment of these talks.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

PROTOCOL AMENDING THE INTERNATIONAL SUGAR AGREEMENT OF 1953—REMOVAL OF INJUNCTION OF SECRECY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the injunction of secrecy be removed from Executive L, 85th Congress, 1st session, a protocol amending the International Sugar Agreement of 1953, dated at London, December 1, 1956, and that the protocol, together with the President's message, be referred to the Committee on Foreign Relations, and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

The President's message is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to accession thereto on the part of the United States, I transmit herewith a certified copy of a protocol amending the International Sugar Agreement of 1953, dated at London December 1, 1956.

The purposes of the protocol are explained in the report of the Secretary of State which is transmitted herewith for the information of the Senate.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 8, 1957.*

(Enclosures: 1. Certified copy of a protocol amending the International Sugar Agreement of 1953; 2. Report of the Secretary of State.)

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on the Judiciary:

Thomas James Donegan, of New York, to be a member of the Subversive Activities Control Board.

DIPLOMATIC AND FOREIGN SERVICE

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the first nomination on the Executive Calendar.

CHARLES E. BOHLEN

The legislative clerk read the nomination of Charles E. Bohlen, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Philippines.

Mr. JOHNSON of Texas. Mr. President, it is my information that we may be able to get action on the nomination of Mr. Bohlen this afternoon. It may be necessary to carry over the nominations of Mr. McLeod and Mr. Taylor until tomorrow. We do not expect a late session today.

Before I propound a unanimous-consent request in connection with the nominations of Mr. McLeod and Mr. Taylor, I desire that all Senators be on notice that the Bohlen nomination is presently about to be acted upon and, too, that shortly a unanimous-consent request will be made in connection with the other nominations.

Therefore, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, it is my purpose to ask the Senate to proceed to the consideration of the Bohlen nomination, and then to consider the other nominations on the Executive Calendar, in the order in which they appear on the calendar.

I had anticipated that we could act on the Bohlen nomination today and discuss the McLeod nomination as late this evening as any Senator might desire. Then tomorrow, following the morning hour, we could continue to discuss the McLeod nomination, and avoid a session on Friday, if we are able to complete action.

Some Senators had made plans to be out of town today and will not be here until late this evening. They had requested me not to ask for a vote on the McLeod nomination until after 5:30 p. m. Some Senators have plans to make speeches outside the Senate Chamber tomorrow. Therefore I had anticipated making a unanimous consent request that at 2 o'clock tomorrow the Senate proceed to vote upon the question of advising and consenting to the nomination of Scott McLeod to be Ambassador to Ireland, the time between the conclusion of the morning business and said hour of 2 o'clock to be equally divided and to be controlled by the chairman of the Committee on Foreign Relations and the minority leader.

I am informed, Mr. President, that there would be objection to such a request. Therefore, I do not wish to go through the motions of making it and having it objected to. Therefore I announce that the Senate is now free to discuss these nominations and act upon them in the order in which they appear on the calendar, and to vote on them as early as may be desired.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Charles E. Bohlen to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Philippines?

The nomination was confirmed.

SCOTT M'LEOD

The PRESIDING OFFICER. The clerk will report the next nomination on the Executive Calendar.

The legislative clerk read the nomination of Scott McLeod, of New Hampshire, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ireland.

The PRESIDING OFFICER. The question is, will the Senate advise and consent to this nomination?

Mr. KNOWLAND. Mr. President, I rise in support of the nomination of Mr. Scott McLeod to be the United States Ambassador to Ireland.

For 4 years Scott McLeod has occupied an important and difficult position in the Department of State—a position which encompasses the direction not merely of one major area of operations, but of four such areas.

Mr. McLeod has been in charge not only of personnel security within the Department—a tremendous job in itself and one about which a storm has swirled during his first 2 years in office—but he has also had general overall responsibility for the Passport Office, the Visa Office, and still another division of which little is said but which is delicate and critical, namely the Office of Munitions Control. This latter office decides to whom we shall sell arms and munitions, when we shall sell them, and how much of them we shall sell.

Mr. McLeod is a modest man. He is not the kind to trumpet his own qualifications. His testimony before the Senate Foreign Relations Committee demonstrates his qualities of self-effacement and the humility with which he views the prospective honor which has been offered him of the post of Ambassador to Ireland.

But any fair-minded person must conclude from an appraisal of Mr. McLeod's accomplisments of the past 4 years that he has demonstrated not only exceptional administrative ability, but tact and diplomacy as well. His job as Administrator of the Bureau of Security and Consular Affairs was a new one created by Congress with the rank of Assistant Secretary of State. It brought together under one chief, Mr. McLeod, a number of important operations.

In 1951 many young Americans did not want to enter the Foreign Service, and only 693 applied. The number of applicants was almost 5,000 in the fiscal year 1956. This fact attests to the increased public standing of the Department of State to which Mr. McLeod's efforts have contributed.

So far as the morale of the service itself is concerned, a careful reading of the Foreign Service's own publication which carried this information shows that resignations from the service are at a record low. Employees resign when morale is bad.

In the matter of passports, 560,711 passports were issued more expeditiously in 1956 than were the far lesser number, 381,302, issued in 1952.

Despite the attacks on Mr. McLeod by some uninformed persons for his handling of immigration matters, the truth is that in fiscal 1956 no less than 332,499 persons were issued immigrant visas, a record since World War II. Moreover, 190,000 out of a possible 210,000 refugees were brought into this country under the Refugee Relief Act, and the only reason the full quota was not filled was the lack of applicants in Germany and Austria.

Mr. McLeod has served as the United States representative to the 26-nation Intergovernmental Committee for European Migration. He enjoyed the distinction of being unanimously elected chairman of this international organization during its sessions of 1956. This group has found new homes and jobs for more than 600,000 persons among Europe's surplus population. To accomplish this, great diplomatic talent has been required.

Mr. McLeod was in charge of the service of our two-hundred-and-fifty-odd consular establishments. An increasing workload was handled by employees better trained than ever before as a result of Mr. McLeod's efforts.

In his press conference on April 23, Secretary Dulles said with reference to Scott McLeod:

> I will say that Mr. McLeod, after 4 years of service in the State Department, has I think shown that he possesses the qualifications to be a good ambassador. He has grown in stature and understanding; his knowledge of world affairs is very considerable. And I believe that he is well qualified. Obviously such a belief rests upon my personal judgment, but my personal judgment is based upon very close contact with him during this period and with his growing understanding of problems. This leads me to believe that he will be a good ambassador.

Only this morning the President of the United States told me that he had full confidence in Mr. McLeod, and that he hoped his nomination as American Ambassador to Ireland would be promptly confirmed.

In connection with ambassadorial appointments, a peculiar responsibility rests upon the President of the United States. From the days of the monarchies and other types of government, the ambassador was the personal representative of the king or the sovereign. While, of course, to a great extent he represents the Nation as a nation, and the Government in its totality, to a considerable extent he still is the personal representative of the President of the United States. The President of the United States, who is charged with the responsibility under the Constitution for directing our foreign affairs, has sent to the Senate the nomination of Mr. McLeod, and has requested confirmation. This request is supported by the Secretary of State.

For several years I have been honored to serve as a member of the Foreign Relations Committee of the Senate. Although I have some heavy responsibilities and duties as a member of the Appropriations Committee and of the Joint Committee on Atomic Energy, both of which committees were meeting simultaneously, I left those meetings and attended the sessions of the Foreign Relations Committee, because I wanted to hear all the testimony. I wanted to hear Mr. McLeod's own testimony, and any facts which might be produced.

The record of the testimony has been before the Senate, and has been available to all Senators. It is my own belief, after listening to the testimony, that not one scintilla of evidence was produced which was detrimental in the slightest to Mr. McLeod's character, to his loyalty, to his integrity, or to his ability.

I think I am not violating any confidence of the committee when I say that even some who had had some doubts raised in their minds regarding the handling by Mr. LcLeod of the refugee cases themselves admitted, after the testimony had been produced and the record had been examined, that he had done an unusually fine job in handling the problem under the law and under the requirements laid down by the Congress of the United States when it enacted the law.

I had a discussion with the Senator from Utah [Mr. WATKINS], who is unavoidably absent. He is a member of the Judiciary Committee. He had a considerable hand in drafting and sponsoring the legislation which came before that committee. He stated that in his judgment, and on the basis of all the facts which had been presented to him, Mr. McLeod has done an outstanding job.

While I recognize that there are those who have an honest difference of opinion on this subject, I think the fact of the matter is that the opposition finally boils down to the fact that there is some criticism because this administration has made a number of so-called noncareer appointments. In this field there is certainly room for a difference of opinion. Perhaps, in the judgment of the Congress, it would be far better if the Congress were to lay down a rule that no one but a career employee should be appointed as an ambassador. I do not happen to agree with that point of view, but at least a plausible case might be made for it. Under that theory, regardless of what administration happened to be in power, it would have to name ambassadors from the career service. One might make a case for that point of view if he happened to believe that that would be in the best interests of the country. I do not agree with that point of view. I would not want to see the career service ignored; nor would I want to see a majority of appointments made from the noncareer service. Just what the percentage should be, I think, is a matter of judgment; and the judgment may vary from one administration to the next.

For those who wish to deal with this question in fairness and equity, not in a spirit of criticism, it should be remembered that some very able noncareer men have been appointed. There comes to mind the appointment of the distinguished Ambassador to Great Britain, Mr. Joseph Kennedy, a Democrat. He was a noncareer appointee. We also recall the appointment of the distinguished former Governor of Connecticut, Mr. Chester Bowles, another noncareer appointee. He was sent as our Ambassador to India, and many believe he performed fairly useful service in that appointment. He did not come from the career service.

Without going further into personalities—though I could name a great many more noncareer appointments—I should like to mention some percentages.

Under the administration of President Franklin D. Roosevelt, a total of 123 career appointments were made, and a total of 121 noncareer appointments were made, or a percentage of noncareer appointments of 49 percent.

When we come to the administration of President Truman, we find that a total of 145 career appointments were made and a total of 75 noncareer appointments, or a percentage of 34 percent of noncareer appointments.

In the Eisenhower administration to date there have been a total of 78 career appointments and 49 noncareer appointments, or a percentage of 39 percent of noncareer appointments. That is 5 percent more than under the Truman administration, and 10 percent less than under the Roosevelt administration.

I submit that is not a departure from the procedure which has been followed in the past.

Perhaps Mr. Roosevelt believed in having almost a 50–50 division between career and noncareer appointments. I was not in the Senate at the time he was President of the United States; however, if, in performing the duties of the President of the United States, he felt that, in appointing men who peculiarly represent the President in foreign countries, there should be a 50–50 division as between noncareer and career appointments, I would have supported him in those nominations, if I had been a Member of the Senate at the time.

In the case of Mr. Truman, who apparently believed that there should be a greater percentage of career appointments, and made a total of 34 percent noncareer appointments, if he felt, in discharging the responsibilities of the high office of President, charged under the Constitution with the primary direction of our foreign policy, that that procedure should be followed, he was entitled to follow that course of action, and I believe I supported him in it.

Certainly I would have supported such decisions by the President of the United States unless the Congress in its wisdom had said that not more than 10 percent of the appointments may be noncareer appointments. However, inasmuch as Congress has left the question open, it seems to me that we should support the decision of the President of the United States, unless my inadvertence or otherwise the President nominates a person who in the opinion of the Senate lacks the integrity or the character to hold that high position.

That has not been demonstrated in this case, and I submit that not one scintilla of evidence was presented before the committee which would indicate that the Senate should withhold its approval of the nomination of Mr. McLeod on any such basis.

I do not know what the policy of the administration will be in the future, but up to date only 39 percent of the diplomatic appointments which have been submitted for confirmation to the Senate are noncareer appointments, which is approximately the percentage of the Truman administration, and 10 percent less than that of the Roosevelt administration.

Mr. President, I do not wish to delay the Senate unduly, but I should like to mention some persons, appointed from the noncareer field, who may not be as well known as some of the other gentlemen I have mentioned.

I refer to Mr. Jack McFall, who was executive secretary to the House Appropriations Committee from 1928 to 1942 and from 1945 to 1946. He joined the State Department in 1947, was Assistant Secretary of State from 1949 to 1952, and Ambassador to Finland from 1952 to 1955.

Mr. Edward L. Roddan, who was administrative assistant to Senator McMahon, and was later appointed Ambassador to Uruguay, in 1951.

Francis O. Wilcox, who is well and favorably known to all of us, particularly those of us who have served on the Committee on Foreign Relations. He was chief of staff of the Committee on Foreign Relations from 1947 to 1955. He was made Assistant Secretary of State in Charge of United Nations Affairs in 1955.

Mr. Thurston V. Kalijarvi. He was consultant to the Senate Committee on Foreign Relations from 1947 to 1953, and later became Assistant Secretary of State.

There is nothing unusual in connection with the appointment of Mr. McLeod. He has had a distinguished career. He was born in the State of Iowa, and was a newspaper man there. Subsequently he went to the State of New Hampshire and became a member of the Federal Bureau of Investigation in that State. Then he came to the Senate as Administrative Assistant to the distinguished senior Senator from New Hampshire (Mr. BRIDGES), the ranking Republican Member of the Senate and the ranking minority member of the Committee on Appropriations.

Subsequently, Mr. McLeod was selected to perform the duties of his present position in the Department of State. He has held that position for 4 years.

The testimony of the Secretary of State, to which I have referred, clearly indicates that Mr. McLeod has done a good job. He has the confidence of the President, and he has the confidence of the Secretary of State.

The testimony before the committee is such that only the highest regard can be had for his character, his ability, and his integrity. I hope his nomination to the position of Ambassador to Ireland will be overwhelmingly confirmed.

Mr. GREEN. Mr. President, on May 2 the Committee on Foreign Relations voted 9 to 6 to report favorably to the Senate the nomination of Mr. Scott McLeod to be Ambassador to Ireland. I voted against this favorable report to the Senate, and therefore cannot speak for the majority of the Committee on Foreign Relations on this matter. However, I wish to record my individual point of view with respect to this nomination.

It may be useful to recall what the Constitution of the United States has to say about the appointment of officers of the United States. Article II, section 2, of the Constitution provides that the President "shall nominate and by and with the advice and consent of the Senate, shall appoint Ambassadors, other public Ministers and Consuls, Judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law."

The Senate has two functions to perform in connection with appointments. One function is to consent to an appointment or not to consent. The other function is to advise the President with respect to appointments.

It has not proved practical, considering the number of us in this body and the number of appointments which must be made, for the President to seek our advice in each case before he makes his nomination. The Senate, however, gives its general advice on appointments to the President in several ways.

Committees of the Senate have informal policies on nominations which are known to the executive branch. Individual Members of the Senate make speeches in connection with nominations in which they set forth their views. During hearings before Senate committees on nominations, the nature of questions asked of nominees provides additional guidance to the President. In these ways our sentiments as to the kind of nominations we expect to receive are conveyed to the executive branch.

Recently, Mr. President, as chairman of the Committee on Foreign Relations and with the concurrence of the committee, I attempted in another way to offer advice to the executive branch on the subject of the appointment of ambassadors. Some of us have been concerned for some time about the quality of ambassadorial appointments. Many of the newspapers of this country in their editorials have also been discussing this problem.

On April 2, 1957, at a regular meeting of the Committee on Foreign Relations, I raised this subject. I told the committee that I proposed to send a letter to the Secretary of State expressing my concern about the appointment of ambassadors. I read a draft of the letter to the committee and asked if the members wished to concur in it. Without any objection the committee agreed that I should send the letter to the Secretary of State, and I did so on April 3.

Since that letter sums up my views on the principles which should govern the appointment of ambassadors, I will read it now:

APRIL 3, 1957.

THE SECRETARY OF STATE,
Washington, D. C.

DEAR SECRETARY DULLES: I desire to express to you in a completely nonpartisan spirit my deep concern about ambassadorial appointments.

In view of the heavy responsibilities of the United States throughout the world and the importance to us of relations with other countries, we should have first-rate ambassadors in every post. We choose ambassadors both from the ranks of the career service and from outside the Government service, and the benefits of this practice can be readily demonstrated. We should not, however, accept the conclusion that some years of satisfactory service, either in the Foreign Service, or in some nongovernmental activity, automatically qualify a man to be a good ambassador. The test in every case should be whether a nominee for a particular post is the American who can best serve the interests of this country there.

There are special problems arising from the fact that certain posts are very expensive. I am glad to have the Department's letter of March 6, 1957, stating that a study of the matter is under way. The Committee on Foreign Relations will no doubt give sympathetic consideration to such recommendations as you may make.

It is generally known that Presidents and Secretaries of State of both political parties have been under pressure from those who feel that an ambassadorship is a reward for past service or help. In my opinion, we can no longer afford to give way to such pressure in appointment making.

The Committee on Foreign Relations has always recognized the primary responsibility of the Executive in making such appointments and has been reluctant to refuse consent to a nomination unless there is an obvious reason to do so. The committee has on occasions given the benefit of the doubt to nominees. It seems to me, however, an insufficient reason that there is no real objection to the nomination, there should also be an affirmative reason for it—namely, that the nominee has outstanding qualifications for the position. It should be obvious in each case, whether the nominee is a career man or not, that his record, his intelligence, his background, and his attitude are such that he will ably serve our country in his assignment.

I have made this letter the subject of discussion in executive session by the Committee on Foreign Relations, and it represents the consensus of the views of all the members of the committee.

Sincerely yours,

THEODORE FRANCIS GREEN,
Chairman.

This letter to the Secretary of State embodying the views of the members of the Committee on Foreign Relations was sent on April 3. One week later, the nomination of Scott McLeod was submitted to the Senate.

One week still later on April 17 the Secretary wrote a reply to my letter, in which he began:

I have read your letter of April 3 relating to ambassadorial appointments. I agree that the responsibilities of the United States throughout the world have become so heavy and our relations with other countries so important that we must have "first rate" chiefs of mission in our diplomatic posts abroad.

Mr. President, I am not opposed to the making of political appointments to ambassadorial posts. Although the Foreign Service of the United States has many able men in it, the President of the United States should not be limited to the Foreign Service in selecting his personal representatives in other countries. He should be able to go anywhere in the United States to pick the best men he can find to be our Ambassadors. As a general rule, he should look first to the Foreign Service but, as I wrote in my letter to the Secretary of State:

The test in every case should be whether a nominee for a particular post is the American who can best serve the interests of this country there.

Is Mr. McLeod the best man in the United States available to represent this country in Ireland? That is the test. In my opinion, this appointment does not serve the interests of the United States. I do not believe his service there would promote friendship and good relations between our country and Ireland.

In this connection, I will read to the Senate a letter which I received from 21 Members of the House of Representatives on the subject of this nomination:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
May 2, 1957.

The Honorable THEODORE FRANCIS GREEN,
United States Senate,
Washington, D. C.

DEAR SENATOR GREEN: We have been deeply disturbed, as we know you have, at the mediocrity of some of our recent diplomatic appointments. Basically, of course, the administration must be allowed to make and take responsibility for its own appointments. But the proposed appointment of Mr. Scott McLeod as Ambassador to the Republic of Ireland shows such a disregard for the sensibilities of the Irish people that we regret deeply that the President did not name a more representative American for this important post.

Since 1927, when we sent our first diplomatic representative to Ireland, until today, our chiefs of mission in Dublin have been men of whom Americans could be proud. These eight diplomats include:

Frederick A. Sterling, 1927, Washington, D. C., career diplomat with more than 20 years service;

William W. McDowell, 1933, Montana, former lieutenant governor, prominent rancher and copper man;

Alvin M. Owsley, 1935, Texas, attorney and American minister to Rumania;

John Cudahy, 1937–1939, Wisconsin, industrialist, lawyer, and ambassador to Poland and Belgium;

David Gray, 1940, Buffalo, N. Y., editor;

George A. Garrett, 1947, Washington, D. C., bank and civic leader;

Francis P. Matthews, 1951, Nebraska, lawyer banker, and Secretary of the Navy;

William Howard Taft III, 1953–1957, Connecticut, teacher of Gaelic at Yale University.

Mr. McLeod's 'qualifications' for this important post, as urged by his supporters, appear to be twofold—that he has been chief security officer of the State Department, and that he is anti-Communist. His methods as security chief have drawn a protest from five distinguished former United States Ambassadors as "laying the foundations of a foreign service competent to serve a totalitarian government, rather than the Government of the United States as we have known it."

As to Mr. McLeod's second qualification, we do not believe that Mr. McLeod's anti-communism constitutes any unusual distinction. Communism is happily not popular in the United States, nor, for that matter in the Republic of Ireland. The State Department's Office of Intelligence Research reports that there are presently fewer than 150 Communists among Ireland's 3 million people.

Nor is it a valid reason for confirming Mr. McLeod's proposed appointment that the Republic of Ireland would probably refrain from declaring him persona non grata. Never before in this century has a foreign country declared persona non grata a proposed United States chief diplomatic representative. It is asking too much of Ireland to take the initiative.

We are proud of the political courage you have shown in announcing your opposition to Mr. McLeod's confirmation. We hope that the President, who stated at his April 17 press conference that he nominated Mr. McLeod on Mr. Dulles' recommendation and without personal knowledge of his qualifications or lack of them, will show similar courage and withdraw his nomination.

Respectfully.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. GREEN. I yield.

Mr. KNOWLAND. Is it not a fact that, in the customary procedures in the Department of State, before the nomination of an ambassador is sent to the Senate for confirmation, the Department communicates with the government of the country to which the nominee is to be accredited, and gets an agreement from that country that the person proposed as the ambassador is acceptable to it? And is it not true that that procedure was followed in this case, as it has been in all other cases, and that the Government of Ireland was consulted before the nomination of Mr. McLeod was submitted to the Senate?

Mr. GREEN. I do not know whether the Senator would call it a consultation. I think it is the custom to submit a proposed nomination to the country concerned, in order to give it an opportunity to remonstrate, if it should care to do so. But it would be very difficult for the Republic of Ireland to remonstrate to the United States of America against anyone whose nomination the President of the United States should submit. In this case, apparently the President had little or no knowledge of the name submitted.

Mr. KNOWLAND. Mr. President, will the Senator from Rhode Island yield?

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Does the Senator from Rhode Island yield to the Senator from California?

Mr. GREEN. I yield.

Mr. KNOWLAND. I submit that that statement is not a statement of fact. Today, the President of the United States told me that he had full confidence in Mr. McLeod. The nomination was handled in the way all such nominations are handled. It was undoubtedly made on the recommendation of the Secretary of State; but the President is fully familiar with Mr. McLeod's assignment to the Department of State and the work he has done in the Department of State, and the nomination came to the Senate on the appointment by the President.

Mr. GREEN. The words I read were quoted—as the Senator from California would know if he had been paying attention—from a letter addressed to me by certain Members of the House of Representatives. I have read the text of the letter, but I have not yet read the names of those who signed it.

Mr. KNOWLAND. Mr. President, not only have I been paying attention to what the Senator from Rhode Island has been saying, but I have not left the floor, although I have received several requests to do so. Instead, I have remained during the entire presentation by the Senator from Rhode Island. I know that he is reading from a letter signed by 21 of the Members of the House of Representatives out of a total membership of 435. The letter states the particular point of view of those 21 Members.

Mr. GREEN. That is quite true.

Mr. CLARK. Mr. President, will the Senator from Rhode Island yield, so that I may ask a question of the distinguished Senator from California?

Mr. GREEN. I believe I should continue with my statement, Mr. President.

Mr. BRIDGES. Mr. President, will the Senator from Rhode Island yield to me, for a question?

Mr. GREEN. I yield.

Mr. BRIDGES. Is the distinguished Senator from Rhode Island, who is chairman of the Foreign Relations Committee, now speaking as chairman of the Foreign Relations Committee; or is he speaking as a Senator from Rhode Island, with no official connection with the Foreign Relations Committee?

Mr. GREEN. At the beginning of my remarks, I took pains to state that in the committee I was in the minority, and therefore I would not speak for the committee, but would speak as an individual Senator.

Mr. BRIDGES. Then who does speak for the committee in this instance? Who made the favorable report on the nomination?

Mr. GREEN. I think the clerk sent in the report and the result of the vote.

Mr. BRIDGES. But the chairman of the committee is not speaking for the committee in this connection, is he?

Mr. GREEN. In what I am saying now, I am not speaking for the committee.

Mr. BRIDGES. Does not the Senator from Rhode Island generally speak for the committee?

Mr. GREEN. Yes, generally. However, this case is an exceptional one. It is very seldom that the vote in the committee is not in accordance with the views of a preponderance of the members of the committee. There have been very few cases in which minority views have been submitted—as the Senator

from New Hampshire knows from his own experience.

Mr. BRIDGES. I know the distinguished Senator from Rhode Island, and my knowledge of him and my friendship for him go back many years, as he knows. I know that generally when he speaks, he speaks with the authority of the committee, or at least with the authority of a majority of its members, behind him. However, at this time he is not speaking for such a group, is he?

Mr. GREEN. No; I am speaking for a minority of the committee—6 members—as opposed to 9 on the other side. I think I began my statement with a statement to that effect.

Mr. President, I have read the letter, which is signed by the following: CHARLES A. BOYLE, EUGENE J. MCCARTHY, WAYNE L. HAYS, MARTHA W. GRIFFITHS, HENRY S. REUSS, CHARLES A. VANIK, BARRATT O'HARA, LEONOR K. SULLIVAN, EDITH GREEN, MELVIN PRICE, B. F. SISK, STEWART L. UDALL, FRANK M. KARSTEN, GEORGE S. MCGOVERN, AL ULLMAN, CHARLES O. PORTER, CHET HOLIFIELD, THOMAS LUDLOW ASHLEY, THADDEUS M. MACHROWICZ, GEORGE M. RHODES, and FRANK THOMPSON, JR.

Mr. President, the list, in the letter, of former Ambassadors to Ireland is impressive. They have been some of our finest men, and I believe this tradition should be continued.

Mr. President, it is a rare thing when nominations are reported from the Committee on Foreign Relations other than unanimously. It is a rare thing to have more than 1 or 2 negative votes on a nomination.

In one recent case, when two Members opposed a nominee to an ambassadorial post, the President withdrew the nomination. In another instance, when three Members opposed an important appointment, the committee agreed to leave the nomination before the committee without prejudice, and the nomination was not reported. Those of us who have doubts about a nominee usually resolve those doubts in favor of the President. There have been several recent appointments of men whom the committee would not have chosen, but we have not objected.

It is important that Ambassadors go out from the United States with the full backing of the Government of the United States, and that should mean with virtually the unanimous support of the Committee on Foreign Relations. The name of Mr. McLeod unfortunately comes to the floor of the Senate by a vote of 9 to 6. Six members of the Committee on Foreign Relations doubt that Mr. McLeod possesses the necessary qualifications. This is the first time in my experience that a name has been reported to the Senate by the Committee on Foreign Relations with so many votes against it.

Members of the committee questioned Mr. McLeod at hearings on April 30 and May 1. The record of those hearings is before the Senate. The committee heard one witness in opposition to Mr. McLeod. In addition, it received an unusually large number of letters in relation to Mr. McLeod—some 61 letters from persons opposed to him, as compared with 2 letters from persons favoring him.

I have also received letters from two organizations. I should like to read them into the RECORD at this point.

The first is addressed to me by the Lower Manhattan Republican Club, Inc., 90 Madison Street, New York 2, N. Y., and is dated April 27, 1957. It reads as follows:

DEAR SENATOR: The executive committee of the Lower Manhattan Republican Club unanimously voted to oppose the nomination of Scott McLeod as Ambassador to Ireland based upon a canvass of 1,000 residents in the area who voted 12 to 1 against McLeod.

The canvass taken by 20 people during the period of April 10 to 19, inclusive, posed the following question: Do you approve or disapprove the nomination by President Eisenhower, upon recommendation of Secretary Dulles, of Scott McLeod, security officer of the State Department, in charge of the refugee program, as Ambassador to Ireland?

Approve	69
Disapprove	830
Don't know	101
	1,000

The community canvassed has a mixture of all races and nationalities, with a heavy core of Irish-Americans, many of whom had strong feelings on the issue—such as—"Why stick Ireland with this guy?" Another said—"I respect President Eisenhower, but can't understand why he should accept McLeod on the recommendation of Dulles, after the mess McLeod created with the refugee program." Still another said, "I see where Dulles, who did not deny he once contemplated firing McLeod, now says McLeod has grown in stature. In my opinion, if McLeod has matured at all, he should just about have qualified for appointment as sergeant of police in Oshkosh, Wis.—with apologies to the people of Oshkosh."

The strong reaction against McLeod clearly indicates widespread grassroot opposition to the promotion of a man whose administration of the refugee program has given America a black eye throughout the Free World. Unless his appointment is rejected by your committee, the people of America and our friends abroad will think of America's diplomatic service as a shoddy political haven with the full approval of the Senate of the United States.

Respectfully yours,

JOHN J. LAMULA,
Executive Member.

The second letter is addressed to me by the Ancient Order of Hibernians in America, Providence County Board, State of Rhode Island, under date of April 13, 1957. It reads as follows:

MY DEAR SENATOR GREEN: The following resolution was unanimously adopted at a meeting of the Ancient Order of Hibernians and the Ladies Auxiliary, A. O. H. of Providence County at a meeting held at the Sheraton Biltmore Hotel, Providence, April 12, 1957:

"Whereas President Eisenhower has announced the nomination of Scott McLeod, Administrator of the State Department Bureau of Security and Consular Affairs, as Ambassador to Ireland; and

"Whereas the Irish people overseas through the Irish Times have expressed the hope that the United States Senate will block the appointment of Mr. McLeod as Ambassador to Ireland; and

"Whereas the Irish Times has stated: 'It is humiliating to find the United States Embassy in Dublin regarded as a dumping ground for a man whom his political party desires either to reward for dubious services rendered or, conceivably, to get out of the way of doing further mischief: Therefore

"We, the members of Providence County, Ancient Order of Hibernians and the Ladies Auxiliary, A. O. H., go on record that when the Senate Foreign Relations Committee meets to consider the appointment of Mr. McLeod as Ambassador to Ireland that the committee reject the appointment because of the widespread disapproval expressed by the people in Ireland; and be it further

"*Resolved*, That a copy of this resolution be sent to Senator THEODORE FRANCIS GREEN, chairman of the Senate Foreign Relations Committee and to Senator John O. Pastore."

Respectfully yours,

JAMES F. MCPHILLIPS,
County President.

SUSAN LOUGHRAN
Mrs. Thomas P. Loughran,
County President, Ladies Auxiliary.

I do not argue that Mr. McLeod has a bad record. My contention is that any ambassador should have outstanding qualifications for the job. As I said in my letter to the Secretary of State:

It should be obvious in each case, whether the nominee is a career man or not, that his record, his intelligence, his background, and his attitude are such that he will ably serve our country in his assignment.

Mr. McLeod does not have, in my opinion, outstanding qualifications to be Ambassador to Ireland. He has had no special education in the field of foreign affairs. His only experience in this field has been 4 years which he has worked in the Department of State, where his responsibilities were confined to personnel security matters and to certain immigration questions. He has had no responsibilities in the formulation of foreign policy. Mr. McLeod speaks no foreign language. He knows nothing about Ireland. When he was asked by a member of the committee about current problems between the United States and Ireland, he said that he had not yet been briefed on such problems. In short, Mr. President, Mr. McLeod lacks many of the generally agreed on prerequisites to performing the duties of an ambassador.

There is another point I should like to make. It is that if the Senate should confirm Mr. McLeod in this appointment it may be approving a permanent career for him in the diplomatic service. In reply to a question about his future plans, Mr. McLeod said: "I don't expect to retire. I am relatively young. It just seems to me to be a good place to get your feet wet in the matter of diplomacy."

It is true that if Mr. McLeod is confirmed as Ambassador to Ireland he must then make application and be accepted by the Department of State before he can become a member of the career Foreign Service. Since the Secretary of State, however, has approved his nomination in this case, it is difficult to see how, if the Senate should vote to confirm him, the Board of the Foreign Service could deny to Mr. McLeod a permanent career in the Service, and he would then be subject to assignment anywhere in the world—a tragic, or rather a pathetic, outlook.

In conclusion, I wish to point out that this nomination has often been discussed as if there were only one man available for the post in Ireland, and as if the question for the Senate were whether

Mr. McLeod would do. In my opinion, there are hundreds, perhaps thousands, of men who are better qualified to be Ambassador to Ireland. In my opinion, Ireland deserves the best. I therefore urge the Senate to give the President an opportunity to nominate someone else who is better qualified.

Mr. SMITH of New Jersey. Mr. President, as in the case of the minority leader, I had heard so much discussion about Mr. McLeod that I took special interest in his nomination, and determined to attend all the hearings in connection with it in order to form an accurate a judgment as possible.

Mr. President, in rising to support the nomination of Mr. Scott McLeod to be United States Ambassador to Ireland, I must express my deep regret that the Committee on Foreign Relations was not able to bring his nomination to the floor with unanimous support. I believe that Mr. McLeod deserved such support. But, at the same time, I recognize that in decisions of this kind each member must be guided by his own best judgment.

It seems to me that the evidence received by the committee, in 2 days of hearing Mr. McLeod, supports the judgment that the Senate should confirm his nomination as Ambassador to Ireland. The Committee on Foreign Relations voted 9 to 6 in favor of his nomination, as has already been stated.

We must remember that the men who occupy the positions of United States Ambassadors are the personal representatives abroad of the President of the United States. This means that if there are doubts about the capacity of a man to serve in this type of position, the doubts should be resolved in favor of the President.

If the Senate is to refuse to confirm a Presidential nomination, it should do so only if in the judgment of the Senate the nominee is unfit to serve in such a post. It is not a sufficient objection for Senators simply to believe that they might have chosen a different nominee. It is not the Senate's function to nominate ambassadors.

Nothing which the committee heard during its executive sessions on this nomination leads me to believe that Mr. McLeod is unfit to perform the functions of this high office. Unfortunately, as the record will show, this nominee has been the victim of innuendoes, speculative stories, and even of outright slanderous statements. The statements have been made on the basis of emotion, and are not based on fact.

For example, it has been alleged that Mr. McLeod has failed as administrator of the refugee program. The refugee program is one of the subjects nearest to my heart, as a result of the study I have made of the situation abroad, and the alleged failure of Mr. McLeod as administrator of that program is completely false. As the record shows, the refugee law passed in 1953 authorized the granting of visas to some 209,000 individuals. When the program was concluded last December the Department of State, under the direction of Mr. McLeod, had issued 190,000 such visas—only some 19,000 short of the authorized figure. I might add that most of these visas were not used only because there were not sufficient applicants in the categories to which the visas had been assigned.

As the majority leader said a few minutes ago, I have also talked to the Senator from Utah [Mr. WATKINS] with whom I have been closely associated in refugee matters, and he has assured me that one of the best jobs done in this field has been done by Mr. McLeod.

Another friend of mine, who lives in the State of New Jersey, and who a year was assigned by the Government to go to Switzerland to look into the refugee problem called me on the long-distance telephone to express the sincere hope that the Senate would confirm the nomination of Mr. McLeod, because of the magnificent job he had done on the refugee problem.

In other words, Mr. President, the statement that Mr. McLeod failed as Administrator of the refugee program has no basis in fact.

It has also been alleged that Mr. McLeod's activities in the Department and his appointment to this post will have a bad effect on the morale of the United States Foreign Service. Mr. President, in this connection, I must note that the committee did not receive any testimony to this effect. No member of the Foreign Service wrote to the committee to object to the McLeod appointment. The statement that his activities in the Department injured morale is one which cannot be supported by the evidence.

The job of seeking out persons within the Department who might be dangerous to the security of the United States is always an unpopular one. Mr. McLeod did it with great courage and effectiveness.

I believe, Mr. President, that there is nothing in the record to indicate that Mr. McLeod is not fit for this important post. Indeed, there is much in the record to indicate that he will serve faithfully and well. Mr. McLeod has had some 15 years of experience as a Government employee. He has worked in the Department of Justice, in the executive branch, and he spent a number of years in close association with the chairman and ranking minority member of the Committee on Appropriations. In that capacity he had opportunity to become familiar with many problems in the field of foreign affairs which have come before the Committee on Appropriations.

I do not believe that the only people who are qualified to serve as United States Ambassadors abroad are those who have spent their lifetimes in the Foreign Service. As a matter of fact, in many instances I believe the interests of the United States are served equally well by men who have had an intimate familiarity with American politics and business life—familiarity which cannot be obtained by service in the Foreign Service of the United States.

I have talked to members of the Foreign Service, who agree with that statement. Many career officers do not feel that only members of the Foreign Service should be appointed to ambassadorial posts.

Mr. McLeod's experience as a Government employee is, I believe, of the kind to qualify him for this position.

Finally, Mr. President, I believe that an examination of the record will show that Mr. McLeod has given unusually good evidence of his judgment. Time after time during the hearings he was asked most embarrassing questions which he handled with great good judgment. I am sure that the people of Ireland will find that Mr. McLeod will be an able representative of the United States to their country.

Mr. President, I sincerely hope this nomination will be confirmed by a large vote.

Mr. CLARK. Mr. President, in considering this nomination it is important to understand the diplomatic climate in which it is made. Never before in history have the foreign relations of the United States been of greater importance to Americans. Never before in history has it been so essential that members of the Foreign Service should be highly qualified for the offices they occupy. Never before has the morale of our Foreign Service been so important. A high morale requires, among other things, an appreciation by all of us of the dedicated and skillful performance of duties characteristic of the overwhelming majority of members of the Foreign Service. It requires adequate compensation, representation allowances, and fringe benefits similar to those offered in other comparable careers where financial gain is not a primary motivation. Perhaps most important, it requires adequate opportunities for promotion in reward for meritorious service and a feeling from the lowest to the highest grade that the philosophy and standards of the service are in accord with the finest American traditions.

Yet we find a condition today where these requirements are being only inadequately met. Too many rich men with no prior training in diplomacy are being given ambassadorial appointments of importance simply because they are rich and have made political contributions. The administration has been unwilling to recommend—and the Congress has been too niggardly to force on a reluctant administration—representation allowances adequate to permit members of the Foreign Service without private means to fill not only many of the more important ambassadorships but a number of the lesser posts as well.

So long as this condition continues, no one can blame the Secretary of State for recommending, and no one can blame the President for nominating, wealthy men with inadequate qualifications for important diplomatic posts. Frankly, they have no alternative.

Mr. President, for that reason it occurs to me that the comments made by the distinguished Senator from California [Mr. KNOWLAND] a few moments ago are irrelevant and immaterial to the issue before the Senate. Of course these nominations have to be made, until the President asks for more money and the Congress gives him more money, so that poor men will be able to fill ambassadorships of importance.

But this is not such a nomination. I should like to be scrupulously fair to Mr. McLeod and I shall try to discuss his background and alleged qualifications without bias. But I have come to the reluctant conclusion that whatever his assets and virtues may be—and I am sure they are many—he is not qualified to be our Ambassador to Ireland nor, indeed, to hold any other responsible diplomatic post.

I deem it important that the Senate should think hard about its role under the Constitution in giving its advice and consent to diplomatic appointments. Rare indeed have been the cases where the nominations of the President have been rejected. It is said, and I agree, that every presumption should be in favor of an executive nomination—for within very broad limits the President is entitled to select the agents he desires to carry out his important constitutional responsibilities in the conduct of foreign policy.

For that reason, Mr. President, I shall, somewhat reluctantly—but nonetheless I shall—vote to confirm the nomination of Mr. Taylor as Ambassador to Switzerland, giving the President the benefit of what has been a very grave doubt in my mind.

Yet the requirement of Senatorial confirmation is not—and throughout history has not been treated as—a mere formality. Diplomatic nominations have been rejected from the earliest days of the Republic. Later on, Martin Van Buren was rejected as Ambassador to England through the joint efforts of three former Members of this body—Senators Clay, Calhoun, and Webster—who have just been nominated as 3 of the 5 most outstanding Members ever to serve in the Senate of the United States. Not so long ago the nomination of Edward J. Flynn to be Ambassador to Australia was withdrawn after it became apparent the Senate would not confirm him. And even more recently, strenuous efforts were made to withhold consent to the nomination of our great Ambassador to the Soviet Union—Charles E. Bohlen.

I suggest that the test which should guide the Senate in passing on executive nominations for ambassadorships is a very simple one: Will the nomination tend to bring the United States Government into disrepute with significant and important segments of opinion at home and abroad?

It is because I have reluctantly come to believe that with respect to Mr. McLeod this question must be answered in the affirmative that I am opposed to the confirmation of his nomination.

First, let us consider Mr. McLeod's personal background. He grew up in Iowa and graduated from Grinnell College, where he was a successful athlete. He worked briefly as a newspaper reporter, and then joined the Federal Bureau of Investigation, where he served 7 years. He then became administrative assistant to the distinguished senior Senator from New Hampshire [Mr. BRIDGES]. There has been not one iota of criticism with respect to Mr. McLeod's career up to this point. But I suggest his warmest friend could not contend that this experience qualifies him to be our Ambassador to Ireland, or, indeed, anywhere else.

Mr. McLeod's qualifications must, I submit, be judged by his activities during the period from March 3, 1953, to date. During these 4 years he served as Administrator of the Bureau of Security and Consular Affairs in the Department of State. In this newly created position, he had charge of the passport office; the visa office; the security office; the office of special consular services; the office of munitions control, and the office of refugees and migrants. During the first years of his service, he also had charge of the hiring, promotion, demotion, and firing of employees of the Foreign Service and the Department of State within the limits of applicable law and under the supervision of higher authorities. He has testified before the Foreign Relations Committee:

> Roughly I would say the first year I was in office, my attention was almost wholly devoted to security problems, to reorganization of the security office, the establishment of these procedures, the drafting and printing of regulations.
>
> Then to the monumental task of investigating all the personnel of the Department, which is required under the orders—

Parenthetically, it was not required under the order to investigate all personnel—"the evaluation of those investigations and the clearances"

> From that time on, I would say that I spent very little time on security, almost wholly devoting myself to two things—the Refugee Relief Act and the elevating of the position of the consular service.

Mr. McLeod takes some pride—perhaps justifiably—in his work in connection with the consular service, which he refers to as "activity of a constructive and permanent nature to which I have devoted myself for the last 2½ years." There is no testimony in the record other than Mr. McLeod's own declarations which permits us to evaluate his performance in connection with the consular service, and I raise no question as to the validity of his own appraisal of his achievements in this field.

My opposition to confirmation of Mr. McLeod's nomination is accordingly confined to five specific points.

First, his conduct of security and personnel programs within the Department of State brought the leadership of the Department into disrepute with important segments of public opinion at home and abroad, and lowered to a significant extent the morale of members of the Department of the Foreign Service.

Second, the extent to which he engaged in partisan politics while holding an office requiring political impartiality in its conduct cast grave doubts as to the maturity of his judgment.

Third, in his administration of the Refugee Relief Act he further brought himself into disrepute by clear evidence of a lack of sympathy with the legislation he was duty bound to implement. In addition, he evidenced such a lack of administrative ability that in the end the control of the program was turned over to others who eventually saved it from the disaster, toward which it was headed while Mr. McLeod remained in charge.

Fourth, his public philosophy, as well as his conduct, have brought him into disrepute with mature public opinion at home and abroad.

Fifth, and finally, his testimony before the Foreign Relations Committee raises questions of candor and veracity which cannot satisfactorily be resolved without further testimony from those whose charges Mr. McLeod—not under oath—has expressly or by implication denied.

First, I turn to his administration of security and personnel programs. Mr. McLeod was charged by Executive Order 10450 with supervising the security clearance of employees of the Department of State and the Foreign Service holding sensitive positions, existing and prospective. As all will remember, the climate in Washington in those days was hardly conducive to fair play toward employees. At that time, there had been created a widespread, though, in my judgment, quite unfounded, belief in the minds of many people that the State Department was filled with spies, Communists, and individuals of questionable moral character. It was a time for a clear head and a sound judgment in order to accomplish the objectives of the executive order without injury to the governmental service or injustice to individuals. It was a time for remembering the spirit of the constitutional safeguards of the person, which are a cornerstone of our American freedoms.

Yet, Mr. McLeod's approach to his task is well summarized in a statement he made to a reporter from Collier's magazine on July 9, 1954, after his task of screening security risks in the Department was accomplished: "Congress wanted heads to roll and I let them roll." He promptly, and quite without justification, decided that every employee in the State Department occupied a sensitive position.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article entitled "What Price Security," written by Charlotte Knight and published in Collier's magazine of July 9, 1954.

The article appears at pages 79 and the following of the record of hearings before the Foreign Relations Committee.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHAT PRICE SECURITY?

(By Charlotte Knight)

One of the major campaign pledges which helped sweep the present administration into power in Washington was the promise that it would clean out of Government all the spies, traitors, Communists, and fellow travelers who were said to exist there in frightening numbers—free to give away top secret and confidential documents, to formulate policies harmful to the national interest, and generally to carry out any orders of a foreign power. For a year and a half now, the Republicans have been translating that promise into action.

I have just spent 2 months in Washington in a comprehensive study of the Eisenhower security program and its effect on the Government—particularly on the State Department, which for years has been under withering Republican fire as a nest of incompetents and subversives. Aware that I was treading on explosive political ground, I interviewed scores of officials and employees in every echelon of the State Department, Republicans and Democrats alike.

I met with the people administering the security program and with many of the people directly affected by it. Collier's reporters abroad rounded out the picture by checking at our embassies and ministries in Europe and Asia, and sending their findings to me.

The inescapable conclusion is that the new security program—intended to provide maximum protection for the Nation's secrets and for innocent Government workers as well—has been so often irresponsibly administered that it may have done more harm to the United States than to its enemies. Security has been tightened in certain respects—notably in the protection of classified documents—but only at tremendous cost.

Close observers of State for many years, including Democrats, agree that the Department needed a major overhaul, that there was a fair amount of deadweight among its personnel, and that the new administration could find plenty of employees who had been dragging their feet too long. Like every Government department, State had its inefficient and incompetent workers. More than most departments, it was beset by a hodgepodge of administrative practices that badly needed cleaning up. "There hasn't been good organization or discipline in the State Department since 1924, when Charles Evans Hughes was running it," one insider told me.

"But," he added, "the employees here are, by and large, devoted and hard working—even dedicated. Many of them have turned down well-paying business offers because they felt they could contribute more to the general welfare by staying in the Government. To a greater extent than in any other agency except the Armed Forces, they are careerists—people of both parties who have always looked forward to spending their lives in Government. Now * * *?"

Now, I found, a shocking proportion of them are completely fed up. Their morale is shot. Because of the way the security program has been administered, raw fear pervades all but the topmost levels—infecting even some of the security officials who created it. Hundreds of workers are disillusioned with Government service, dismayed at the trend toward conformity, discouraged and often downright disgusted with the practices employed in the name of security.

Worst of all, the handling of foreign affairs in the field has—in the opinion of some of our foremost diplomats and former diplomats—been greatly damaged.

One highly respected former ambassador told me: "We are witnessing today one of the most dangerous and un-American activities in our history. Suspicion has supplanted trust: 'You distrust me, I distrust you' has become the prevailing attitude."

He added earnestly: "Be sure you label this accurately, for this is something hideous and new in America."

The State Department is not the only agency affected, although the situation is probably at its worst there. "Today the morale of the Federal employee is at an alltime low." Senator OLIN D. JOHNSTON, Democrat, of South Carolina, told the Senate. "Employees so plagued with fear that they hesitate even to repeat their own names cannot be performing their work efficiently. It is almost impossible to ascertain the cost, the unnecessary waste of millions of dollars, created by this low morale."

How has this situation come about?

There are three basic causes for the lowering of morale in the Government, all of them—in the State Department, at least—inextricably intermixed. The first was the change of administration from Democratic to Republican, with major job shakeups for the first time in 20 years. The second was a 20-percent reduction in force (called RIF around Washington)—an across-the-board cut in personnel decreed for economy reasons. Between the two, Government workers got the jitters; many weren't sure from one day to the next whether their jobs were safe.

The third major cause of unrest was President Eisenhower's Executive Order 10450.

Executive Order 10450, which a visitor to Washington hears mentioned constantly, is the Eisenhower security directive, supplanting the loyalty check set up by President Truman in 1947. The new directive was intended to strengthen the machinery providing for the dismissal of security risks, and to protect those dismissed for talking too much or for other improprieties from being branded as disloyal. Under the old Truman program, it was felt, too many innocent individuals had suffered from the lack of such a precaution.

"They whole key to the new order," said Robert W. Minor, first assistant to the Deputy Attorney General, and the man credited with being 10450's chief architect, "is that a man can be a security risk without being disloyal; and 10450 provides the means to get rid of him as expeditiously as possible—consistent with his rights."

The intent was admirable. But, in practice, 10450 has intensified precisely the injustices it was meant to prevent.

In the State Department, all three job policies—the political shuffle, RIF, and the security program—were placed in the hands of one man, 40-year-old Robert Walter Scott McLeod, close friend of Senator Joseph R. McCarthy, and former administrative assistant to Senator STYLES BRIDGES, longtime State Department critic whose Appropriations Committee holds the Government's purse strings. Congress created a new State Department Bureau of Security and Consular Affairs—and, it is believed by many, Congress dictated the choice of BRIDGES' aide, McLeod, as its administrator. It was a powerful post—and its importance was further enhanced by the Department when Personnel was added to its functions.

McLeod, by his own word, was brought in to "clean up the mess." The first man in State Department history to be equipped with the twin clubs of personnel and security (and possibly the last; he has now been deprived of personnel). McLeod lost no time in swinging them in all directions.

"Congress wanted heads to roll," McLeod told me, "and I let 'em roll. Blood in the streets and all that," he added jokingly. "I asked the security office what cases they still had pending in their files. They gave me the names of 'untouchables,' people too high up or too prominent to fire. I said nonsense to all that, and we brought 'em back fast and got rid of 'em.

"I may have acted unwisely in some instances. Now that I've been here longer I don't think I'd again order an ambassador quickly recalled and demand his resignation, as I did, without first checking upstairs."

To many people, McLeod seemed to draw a thin, almost invisible line between "security" and "jobs" for Republicans." He made no secret of his desire to sweep out as many of "the old Acheson crowd" as possible, and he apparently made little distinction between the holders of top policy jobs, who were fair game, and the rest of the State Department's 11,000 employees, who had always thought they were nonpolitical workers protected by civil service. McLeod complained, in fact, that civil service regulations were hampering his efforts to find jobs for Republicans. In a speech before the American Legion, he said:

"Sometimes it is extremely difficult, because of the Civil Service Act, the Veterans' Preference Act, and the Foreign Service Act, to replace an individual whose viewpoint does not coincide with that of the Republican Party."

Around the Department he was heard on at least one occasion referring to those "civil-service slobs," and he applied the term of derogation, "Acheson holdover," so sweepingly that one Foreign Service officer with almost 25 years of service roared indignantly: "What does he mean, 'Acheson holdover'? Dammit, I'm a Stimson holdover."

CAREER DIPLOMAT'S REPUTATION DAMAGED

When President Eisenhower nominated career diplomat Charles E. (Chip) Bohlen to be Ambassador to the U. S. S. R., McLeod opposed the appointment so vigorously that he actually went over the heads of his State Department superiors to protest, behind the scenes, to a key White House aid. The Senate held up confirmation of Bohlen, and the word got out on Capitol Hill that there was derogatory information in Bohlen's security file. The President and Secretary of State Dulles supported Bohlen to the hilt, and the Senate finally approved him, but not before his reputation had suffered. Months later, while engaged in research for this story, I learned that security had nothing to do with McLeod's position regarding Bohlen. He had merely felt that Bohlen was so closely allied with the policies of the Truman administration that he was a "public relations hazard."

McLeod's ventures into politics reached a peak last February, when he made a series of highly partisan Lincoln Day political addresses around the country, touching off a roar of press and Congressional protest that crossed party lines and earned him, according to reports, a regular top-sergeant-style "chewing out" from Gen. Walter Bedell Smith, the Under Secretary of State. (Smith later referred wryly to that mid-February period as "McLeod Week.")

The effect of McLeod's sweeping security and personnel policies within the Department has been almost incredible, a word I do not use lightly.

For the first time on any assignment, I encountered not just a few, but literally dozens of individuals who were afraid to be seen talking to a reporter. These officials, below the top executive level, often urged me to go away and find somebody else to question. "Look," said one man, "I understand the problem, and I wish I could talk to you. I think my information would help. But I've got 10 years in the Department now, and I hope to stay in. I just don't dare take a chance."

Those who did consent to talk insisted on the safeguards of what could only be called clandestine arrangements; interviews away from the State Department, away from anyone who might be likely to report back that Mr. X was seen talking to a reporter. I discovered there was justification for such caution. One day I had lunch at my hotel with one of McLeod's severest critics. A few days later, I lunched with McLeod's confidential secretary, who said, "Oh, by the way, five different people have called to say that you have been talking to ———" and she named the man.

There seemed to be an almost pathological fear of tapped telephone wires. And although security officers will go to great lengths to tell you (even before you ask them) that telephones in State are positively not tapped, it makes little difference so long as the prevailing feeling is that they are.

The fear of wire taps extends even to State's own medical department. Just before leaving Washington, I rang a doctor to check a point in connection with one of the medical criteria in 10450. I had hoped my question could be answered by phone, but the doctor requested that I come to his office. When I arrived, he guided me to another office farther down the hall, where we were joined by one of his colleagues.

Then he explained: "It isn't safe to discuss things over the phone."

Security officers themselves sometimes become victims of their own cloak-and-dagger routine. One day I rang one such officer at his office to request a routine appointment. He was plainly irritated. "For goodness' sake," he admonished. "I thought this was a matter for some discretion. I can't possibly see you here. If you want to arrange an interview elsewhere, call me at my home. Please don't call me here."

On another occasion, I announced to one of McLeod's key aids that I would soon be returning to New York. He had been extremely cooperative, and assured me that if I needed any additional data I should feel free to ask him.

"Fine," I said. "I'll call you."

"No," he said seriously. 'Don't do that. The phones aren't safe."

"But I thought it was one of your jobs to make sure they were safe," I said.

"Long-distance is never safe. Write me a letter."

"O. K." I said, and turned to leave.

"Wait a minute," he said. "You'd better not sign your name. Let's work out something else."

So we decided on a suitable pseudonym, if and when I needed to communicate.

Most shocking, the atmosphere of fear extends even to the home. I called the wife of a State official who is now overseas and asked if I might come out and check a couple of minor facts about him for accuracy.

After I said I was writing a story, I could literally hear the fear come into her voice. I assured her that under no circumstances would I use her name, and begged again to see her for a few minutes. She reluctantly consented and I rode to her home in the suburbs outside Washington. When I arrived, I met a frightened woman. She pleaded with me to realize that her husband had been in the Department for many years, that his present position was possibly the only job a man with his experience could get, that they had several children, and wouldn't I please understand that she could not say anything to me at all?

I left at once, and started down the path. The door opened again and she suddenly ran after me. "Please," she implored, "will you please not tell anyone that you came to see me? You see, it could very well mean my husband's job."

What's everyone afraid of?

They're afraid, perhaps, that what happened to Dorsey Fisher—to cite just one example—may happen to them.

Fisher, a Foreign Service officer with 24 years' service, had been questioned and cleared in 1950 concerning allegations (some of them anonymous) involving people he had known in Mexico when he was information officer there. In March 1953, he was questioned on the same charges and—he thought—cleared. He was given a new appointment, as counselor of embassy in Jidda, Saudi Arabia, and prepared for it by taking inoculations, getting his orders, straightening out his travel tickets, and so on.

Four hours before his ship was to weigh anchor in New York, Fisher received a frantic phone call from Washington, explaining that there had been a mistake and that he hadn't been cleared after all. He was told to sit tight and await clearance.

Six nerve-wracking weeks later, Fisher was called back to Washington.

"I saw Robert Blank" (a pseudonym for one of McLeod's security officers) "for several hours. We went over the whole business again. Blank explained, and I know honestly, that cases under recent procedure are being decided very predominantly against the officers concerned, so that I could make up my mind to resign or let the case go through the full process and end in dismissal."

Fisher resigned. The quotation above is from his diary; afflicted with a long-time cardiac condition, he died of a heart attack a few months later. Today his friends are convinced that the security ordeal killed him; he had expressed fear that it would. That can never be proved one way or the other; the important fact is that people believe it, and are afraid.

They are also afraid of something else, which Fisher mentioned in a letter shortly before his death. "What took the heart out of me above all," he wrote, "was to find that everything in the way of work, devotion, and intelligence I had put into the service for 24 years, and the fact that office after office abroad had praised the job I'd done, was now regarded as completely irrelevant. They do not weigh against the most astonishing collection of rumors, allegations, and mystifications."

In addition to such disheartening personal experiences, there have been other reasons for uneasiness. The recent "numbers game" which aroused such a furor in Washington (with some Republicans claiming that all those dismissed under 10450 were subversives, when in fact only a small percentage were even remotely open to such a charge) has made it clear that the original intent of the order has been grossly distorted. The individual has received less protection from irresponsible charges than ever before. Many an employee separated from Government as a security risk simply because he has relatives behind the Iron Curtain (and could conceivably be vulnerable to Red blackmailers) has found that outside the Government the general belief is that all security risks fired from State are Communists or homosexuals, or both.

One result has been that some employees (possibly including some Democrats) who had been thinking of quitting for personal reasons have stayed on because they don't dare leave. A man with 8 years in the Department said: "I left a job with an oil company because I had a real interest in the people and customs of a certain part of Asia and I wanted to put this virtuosity at the service of my country. Now my years in State are actually held against me. Suppose I apply for a job in private industry. Resigned from the State Department? Why, they'd say, he must be a Commie, or at least a sexual deviate."

Absurd? Not at all. I heard of a man who resigned not long ago and applied for a job in a business organization. His prospective employers agreed that he was well qualified, but offered to hire him only on one condition: if the State Department would reemploy him, for just a month, to remove any onus that might be attached to his resignation.

In part, the trouble with the security program is inherent in Executive Order 10450; in part it's the result of the way the order has been administered.

Under 10450, a Government employee in a sensitive position—a term which embraces everyone in State—may be dismissed for a number of obvious security reasons with which there can be no quarrel. Originally outlined in President Truman's Executive Order 9835, the predecessor to 10450, they include such acts as sabotage, treason, espionage, Communist activity, disclosure of secret data, and so on. Where there's evidence of such activity, the investigation is handled by the FBI.

But 10450 also added a list of suitability criteria not involving subversive actions, some of them so loosely worded that almost anyone could become ensnarled in them. A man may now be fired, in the words of the order, for:

"Any behavior, activities or associations which tend to show that the individual is not reliable or trustworthy; any deliberate misrepresentations, falsifications, or omissions of material facts; any criminal, infamous, dishonest, immoral or notoriously disgraceful conduct, habitual use of intoxicants to excess, drug addiction, or sexual perversion; an adjudication of insanity, or treatment for serious mental or neurological disorder without satisfactory evidence of cure; any facts which furnish reason to believe that the individual may be subjected to coercion, influence or pressure which may cause him to act contrary to the best interests of national security."

The principle of guilt by association was thus made a part of the official standards for judging a security risk. Even the security program's loudest critics acknowledge that a lifetime of association with proved spies (or the equivalent) would be a clear indication of untrustworthiness. But, they say, the principle is carried much further than that. I heard of at least one worker whose own file was absolutely devoid of derogatory information but who had to resign anyhow—because the man who had hired him had come under suspicion.

When you ask McLeod's staff what standards they use to judge guilt by association, they have a ready answer (I heard it half a dozen times): "We don't have to prove a man is a duck. If he waddles like a duck, quacks like a duck and associates with ducks, that's enough."

MR. DULLES' DISCONCERTING DEMAND

Other areas of 10450 also are open to wide interpretation. Scott McLeod told me that, when Secretary Dulles first read 10450, he called in the security administrator and, as McLeod walked in the door, snapped: "McLeod, define 'immorality'."

"I can't, sir," said McLeod.

"Then I suggest you cut this provision out."

Since the Presidential order had already gone out to other departments, the word was permitted to remain—along with other words and phrases which all but defied definition.

"How do you decide," asked one man, "what constitutes 'excessive drinking'? At what number of drinks do you draw the line? If you forgot to list on your employment form an arrest for a minor traffic accident in 1937, who decides whether it was a 'deliberate' omission?"

In the State Department, the basic decision is made by a group of evaluators working under McLeod. They check through what Dorsey Fisher called the "rumors, allegations, and mystifications" in the individual security files and recommend suspension if the information strikes them as sufficiently damaging. Theoretically, such a recommendation is always thoroughly reviewed before being acted on—clear up to the Secretary himself. Actually, the staggering number of investigations and reinvestigations made necessary by 10450 would make it physically impossible for any one man—McLeod or Secretary Dulles or anyone else—to delve into every scrap of derogatory information read by the original evaluator. (An exception was the personal review by Dulles of the 2,000-page dossier on veteran career diplomat John Paton Davies, who has been cleared 8 times, yet has had to go through the mill again.)

Since last October, McLeod's chief security aide has been Dennis A. Flinn, a Foreign Service officer with a wide investigative and intelligence background, including 8 years as an FBI agent. Flinn assured me that evaluators' reports are carefully checked by senior evaluators and by himself, and sent back if there seems to be any question. But Flinn added a significant qualification: "If, on the other hand, it's a clear-cut case for suspension or clearance, I sign the recommendation."

Obviously, an untrained, inexperienced, overworked evaluator could easily make a clear-cut case where none actually exists. And not all Flinn's evaluators are as well trained—or as numerous—as he'd like.

One of Flinn's predecessors under McLeod, confronted with the enormous task of investigation and reinvestigation imposed by 10450, is reported to have told his staff: "If you've got any friends or acquaintances we could hire, send 'em in—even if they can just walk and talk."

"It was a bad situation," admitted one of McLeod's assistants. "How can you make a proper investigation if you've never had any training? It was the blind leading the blind—investigations and evaluations, both being made by inexperienced people."

When Flinn took over last October, he says the security office was only two-thirds staffed—and he still feels he hasn't enough qualified evaluators. He believes evaluators should have a college degree, preferably in law, and several years of investigative experience. At present, his 12 evaluators include only 7 with law degrees—plus 1 who never went to college, 2 who didn't finish, 1 who has had no previous investigative experience, and 3 who have had less than 1 year's experience in evaluation.

It was such a staff which, in the 7 months between the time 10450 went into effect and the end of last year, accounted for the separation of 193 "security risks" in State—1 of whom was a suspected, but unproved, subversive.

By all odds the most bitterly criticized aspect of the present security procedure is that it is not necessary to prove a man guilty before recommending his suspension; the Government doesn't even have to prove "reasonable doubt" exists. The entire burden of proof rests with the accused.

McLeod has defended this reversal of the time-honored tradition that under democracy any man is innocent until proved guilty. "The common error," he has said in a number of public speeches, "is to feel that there is some analogy between the security system and the judicial system." The present theory—based on statements made by several Supreme Court Justices over the years—is that "Government employment is not a right, but a privilege" and that the Government is entitled to withhold the privilege from anyone it chooses.

Very often, for economic reasons, a man cannot afford to fight for this privilege (or his reputation). There is, to be sure, an elaborate procedure designed to protect the rights of the individual. But it is so cumbersome, so time-consuming, and in the end so financially costly that very few Government workers can avail themselves of it. Consequently, the resignations are absurdly high in proportion to the number dismissed.

Take a typical example: Joe Jones suddenly finds himself suspended without pay—and without notice. If he chooses to go through the appeal routine, he is given a written statement of charges, to which he may reply within 30 days. During that month, he must try to gather enough evidence to disprove these charges—and, if he can afford it, he gets a lawyer. If he has served abroad (and many in State are Foreign Service officers), lengthy depositions must be obtained from individuals outside the United States. In one case, the cost of obtaining such depositions alone was $1,500.

If Jones' written reply doesn't satisfy security officers, he is notified that his job is to be terminated. Weeks may have elapsed since his suspension—and in the meantime Jones has had no income. But if he and his wife, after counting their savings once more, decide they can hang on a little while longer, Jones announces that he wants to appeal before the hearing board—a panel of three Government workers from other agencies, taken from civil-service rosters. Jones and his lawyer prepare their defense, which very often includes bringing character witnesses from great distances—at Jones' expense.

Months go by and Jones is still waiting for his hearing. He wants to clear his name—but finally there comes a point where this natural desire must give way before mounting necessity to earn a living. Soon Jones may reach the point where proving his innocence becomes a luxury he cannot afford.

As of the time I arrived in Washington, not one security case in State had gone through the full appeals procedure under 10450. Only in the last few weeks have any hearing boards been called; five were convened in the late spring to make recommendations to Secretary Dulles on various cases, including that of John Paton Davies.

Knowing the cards stacked against them, the long months without pay, the anxiety of prolonged waiting, the excessive costs involved where the whole burden of proof falls on the accused, most State employees charged with being security risks quietly resign at the outset.

As one Department employee after another has gone down the security chute, those who remain have become more and more frightened—and less efficient. State Department morale had already been hard hit by the security hearings held by Senator McCarthy's subcommittee just before McLeod took over (they stopped, significantly, soon afterward).

It was reported in the New York Times that during the McCarthy hearings the head of one office said his staff "was able to do only about one-half its normal output of work," and another was said to have confided to a friend, "I am engaged in an intense effort to fade into the wallpaper."

THE CASE OF THE FOREIGN SERVICE

The worst damage caused by McCarthy and the subsequent 10450 security program was done to the Foreign Service.

The Foreign Service is an independent agency within the Department. Its members are chosen under a non-civil-service set of regulations and they must meet stringent requirements—including rigorous examinations and training. The service is a small, proud, intensely fraternal corps, not unlike the Marine Corps in many respects. Its 1,285 members, diplomatic officers at the American posts and missions around the world, are jealous of their reputations; what happens to any one of them is felt throughout the entire Service, from the big European Embassies to the remotest Asian outposts.

The Bohlen incident, which occurred shortly after McLeod became Security Administrator, shocked and disheartened them. What happened next—the hasty summons from overseas posts of one Foreign Service officer after another for security interrogation in Washington, and, with rare exceptions, their subsequent failure to return—plunged those who remained into a state approaching utter despair.

"I had a long talk with the Ambassador," wrote one of Collier's correspondents from a European capital. "He said that McLeod's antics are making us look like fools to people abroad. I got the impression that a foreign diplomat talks to one of our representatives now as if he half expects him to be gone tomorrow."

Among many Foreign Service officers, the impression grew that it wasn't safe to report the truth to Washington about any foreign situation when the truth didn't jibe with the preconceived notions of the people in Washington.

"The young Foreign Service officer now is up against it," a State Department official told me. "He knows what the views are at headquarters. Suppose he comes up against information that is contrary to those views. To play it safe, he tones down what he sends in, so he can't possibly be accused of being in sympathy with the wrong side."

Another man said: "Part of our job when we go abroad is to keep in touch with the opposition party, as well as with the party in power. Sometimes, in fact, most of the time the opposition is a leftwing group. Because they are the opposition, and because it isn't wise to let local officials see you talking to them, most such meetings are handled with some secrecy, usually at night.

"Can you imagine what some inexperienced evaluator with no knowledge of foreign affairs would make of those nocturnal meetings a few years later?"

A counselor of Embassy in one overseas capital stated the situation baldly. "Some reports," he said, "are being written so as not to give an accurate picture of conditions, but rather to keep the man writing the report in the clear * * *."

The fate of Foreign Service officers who served in China jolted the rest of the Service. Almost everybody who had anything to do with China before it went Communist has now been completely discredited. Today nobody wants the same to happen to him.

One Collier's correspondent heard of a diplomat who was offered an excellent post last year in a troubled southeast Asian country. Although he was exceptionally well qualified for the job (he spoke a number of oriental languages and had spent years in the Far East, he turned it down cold. In effect, he argued this way:

"If we lose that country to the Communists, as we may, I don't want it on my record that I served there. Why should I risk my career trying to convince McLeod and McCarthy that it wasn't entirely my fault? The best I could hope for would be the fight of my life just to prove I was a loyal American, and then, oblivion. No, thanks."

When Collier's reporter was told that story, he said. "But an officer in the Army couldn't turn down a tough assignment just because victory isn't guaranteed."

"You're right," said his informant. "But that's the Army. Someone in the Foreign Service who's been connected with a losing battle against communism, whatever the odds, is lucky if he isn't charged with treason."

Even the future of the Foreign Service—whatever remedial action might be taken for present ills—seems to have been threatened. Here are two almost identical quotes from college professors: "I find it almost impossible to interest able seniors in a Foreign Service career. They prefer to go to the Central Intelligence Agency, which few considered before, because it stood up for its own people"—that is, when it was under attack by Senator McCarthy. The second quote: "It is becoming steadily more difficult to draw able men into Government service * * *. I can interest students in the CIA, which stood firm against attack, but not in the Foreign Service."

Last January 17, the sad state of the Foreign Service was suddenly exposed to light by five of its most distinguished former members, in a strongly worded letter to the New York Times. The five men—former diplomats Norman Armour, Robert Woods Bliss, Joseph C. Grew, William Phillips, and G. Howland Shaw—referred to the attacks on Foreign Service officers, then declared:

"With rare exceptions, the justification for these attacks has been so flimsy as to have no standing in a court of law or in the mind of any individual capable of differentiating repeated accusation from even a reasonable presumption of guilt. Nevertheless, these attacks have had sinister results.

"The conclusion has become inescapable, for instance, that a Foreign Service officer who reports on persons and events to the very best of his ability, and who makes recommendations which at the time he conscientiously believes to be in the best interest of the United States, may subsequently find his loyalty and integrity challenged, and may even be forced out of the service and discredited forever as a private citizen after many years of distinguished service. A premium, therefore, has been put upon reporting and upon recommendations which are

ambiguously stated or so cautiously set forth as to be deceiving. When any such tendency begins its insidious work, it is not long before accuracy and initiative have been sacrified to acceptability and conformity. The ultimate result is a threat to national security.

A QUESTION JUSTIFIED BY CIRCUMSTANCES

They added that under the circumstances it seemed fair to ask "whether we are not laying the foundations of a Foreign Service competent to serve a totalitarian government rather than the Government of the United States as we have heretofore known it."

The response to the letter came fast and hard. Letters of endorsement poured in to the five signers from Foreign Service officers (from Ambassadors down) in every corner of the world. More important, the letter to the Times— having been signed by 2 former Under Secretaries, 2 former Assistant Secretaries, and a one-time Ambassador—was read within the Department at top levels which had previously been inclined to pay little attention to reports of low morale.

Few Secretaries of State have stepped into the job at a more difficult time than John Foster Dulles did when he assumed his duties a year and a half ago. Preoccupied with a seemingly endless series of foreign problems, Dulles had little time in which either to learn about, or to be concerned with, the welfare of the people serving under him. As it was once conceded to newsmen, the very topmost officials seldom get an opportunity to talk to anyone but other top officials. As a result, many State executives seemed convinced that everything was fine at the lower levels. One consequence of this attitude was a series of public statements on morale that probably hurt morale as much as anything could.

Secretary of State Dulles has said that morale in State is high.

Gen. Walter Bedell Smith, the Under Secretary, assured me personally that morale in the Department is good.

Scott McLeod has been quoted in print as saying morale is high.

Everybody in the State Department security office, to a man, insists morale is high.

I argued the point with McLeod. How did he know morale was good? I asked.

"Well," he said, "the Secretary said it is high. What more do you want?"

Earlier, some newsmen had asked how he justified his statement about morale, in view of the letter from the five diplomats. "These guys are on the outside now," he explained. "They didn't come and ask me, or Bedell Smith, or (Under Secretary) Don Lourie about morale."

I spoke to Robert Cartwright, McLeod's very capable deputy administrator, who, like McLeod, is a former FBI agent.

"You hear a lot about fear," he said. "I have had no feeling of fear. I don't know anyone who is afraid—except possibly those who have reason to be * * * like the felon who is apprehensive about being caught. I think the whole thing is terribly overdone."

Finally, I saw George Wilson, formerly Senator WILLIAM F. KNOWLAND's right-hand man, later McLeod's Chief of Personnel. "All this fear business is simply self-induced hysteria, in my opinion," he said. "Anyway, the farther you get away from Washington, the better morale always is."

About as far from Washington as you can get, in the remote Foreign Service outposts, career diplomats were writing letters like this to colleagues in the United States:

"We have had the distinct feeling that we were not considered worth defending, and that perhaps the work of the Foreign Service is no longer thought to be as high a calling as we imagined it to be." (Foreign Service personnel, like other State Department personnel, come under the supervision of George Wilson.)

Wrote another: "Won't you please try to catch the Secretary in one of his less busy moments and convince him that his own personal intervention on behalf of his Department is now required? * * * Without mentioning my own feelings, I must say that wherever I travel these days I find a nearly unanimous feeling that there is little hope for us because the head of the family is not fighting for us * * *."

OPINIONS DIFFERED ON MORALE

Thus, while the Secretary and his immediate subordinates were insisting that morale was fine, the people whose morale was involved (including at least 185 Foreign Service officers, by actual count of letters sent to Americans from abroad and individuals interviewed overseas by Collier's reporters) were pleading to be heard on the subject of their own fear and dismay.

Last March, Secretary Dulles acted. He separated Scott McLeod's jobs, leaving him with Security and Consular Affairs, but removing personnel from his jurisdiction. Not long afterward, Dulles announced the formation of the Secretary of State's Public Committee on Personnel (called the Wriston Committee, after its chairman, Dr. Henry M. Wriston, president of Brown University) and said that one of its tasks would be to study "requirements to increase public confidence and fortify personnel morale."

McLeod frankly smarted over what he felt was a demotion. He told me:

"I didn't know anything about it until the day after Secretary Dulles left for the Inter-American Conference in Caracas. When he returned I went directly to his office and said, 'Are you mad at me? If so, I'll go quietly.' He assured me that was not the case, but now that most of the security cases had been handled, my job could be described as a change in mission; from cleanup to checkup. At least, that's the way we planned to present it at his next press conference. But nobody asked."

"Nevertheless," McLeod said, getting back to his clipped wings, "I think they should at least have shown Congress the courtesy of discussing this with the committees concerned before just bluntly coming out with an announcement."

McLeod disclosed that he had insisted on having control over personnel policies before he would consent to run the security program. "If you're going to clean up a mess," he said, "I think personnel is the big broom in the cleanup. There's a lot of mess here that isn't due to security alone. There are people who aren't sympathetic with Eisenhower's policies, for instance. Obviously, the only way you can correct that situation is to have authority over personnel."

McLeod was bitter over the press attacks which had characterized his first year in office. He spoke of an "inspired, planned campaign to 'get' me," and added: "Don't let anybody kid you. The ADA (Americans for Democratic Action) are calling the shots on this campaign."

Certainly the State Department security picture under McLeod has not been so black as a few people have painted it. Even many of his critics will admit that the security situation in State in the years preceding the present administration was long overdue for a general tightening up, and that McLeod's staff has at least accomplished that.

It is easy for a reporter to find numerous examples of bad, or careless, security practices in the past—including a secret cable that was once found on the floor of Washington's Union Station (how it got there nobody knows to this day), confidential papers left in open desks overnight, safes frequently left unlocked—and so on.

"A potential enemy in those days didn't need a high-level spy," admitted one former State official. "By giving some charwoman 10 bucks to bring him what she could find lying around loose, an agent could have made quite a haul almost any time."

Serious though these flaws were, however, they are chalked up to general administrative laxity (for years one of State's greatest overall weaknesses), and to the inherent carelessness of the average American—who, until fairly recently, has never been very espionage-conscious—rather than to a calculated attempt on the part of anybody to allow "traitors free run" (McLeod's words) in the Department.

A major handicap of previous administrations was a scarcity of trained, experienced security personnel. Low standards, poor salaries, and lack of inspired leadership did not make it easy to attract men of talent and training.

"Many really competent security officers—and there are few good ones anywhere—left to find something better," said one departee. "Ex-FBI men who ended up in State's security office nearly went 'nuts' with the slipshod way things were run. Security became a sort of waiting room for people looking for other jobs."

Said another: "Some of the goings on in security were strictly comic-opera; serious investigations conducted by telephone, evaluations made on people's cases (and whole futures) by untrained guys, some of 'em just kids who'd worked up from clerks and had no previous investigative experience. There were no training courses, no manuals, not even proper guidance."

It is to McLeod's credit that many internal ills within the security shop are being corrected as fast as time, congressional appropriations and the recruiting of veteran security personnel will permit. Tighter administration, improved filing and index systems, training and stricter disciplinary measures for infractions have resulted in a better physical security throughout all the Department's domestic and overseas installations.

In almost every public speech, McLeod is fond of citing one case in point: "We have a Marine guard system at our overseas missions," he explains. "The Marines go around at night to make sure that everything is locked up. I was astonished when I got a report from one geographic area sometime last year that there had been 233 individual security violations in that one area in 1 month. Documents left lying on the desks. Safes left unlocked.

"I wanted to know who were the people involved, how often they were involved," he continues. "Well, there was no information on that. None whatsoever. So we started a system of security-violation forms. Now a copy is attached to the personnel file of the officer * * *. After we started having a regular report on security violations, the number went down from 223 in a month to 15."

LAUNCHING A "CRASH" PROGRAM

Prodded by the White House and the Attorney General's Office to finish the initial cleanup under 10450 by June 30 of this year, State was forced to borrow 100 investigators from the Civil Service Commission this spring and launch into a "crash" program to meet the deadline—when all investigations or reinvestigations of the 11,000 employees were supposed to be completed. I asked McLeod if he could assure the President that the job was all wrapped up. He prudently replied that it was "substantially" finished. "Security is never entirely finished," he said. "The day I say it's finished, the next day we'll find a spy."

Just how well is the Government equipped to find a spy under the present security setup?

I consulted counterespionage specialists who presumably would know. They expressed serious reservations about the ability of any security program built around Executive Order 10450 to stop a really determined and expert enemy agent. More than likely, they said, 10450 would merely alert him to the obvious pitfalls.

One of McLeod's consultants, a retired FBI inspector of 30 years' experience, told me a spy wouldn't have a chance of penetrating State now. But McLeod himself gave a somewhat contrary impression in secret testimony before a House Appropriations Subcommittee last January 25. He was asked whether the Department's present investigative procedure would have turned up Alger Hiss, sent to prison for having lied about his connections with an espionage ring. He said that it would not.

There is even a certain amount of confusion over what security risks McLeod's office has turned up.

During the big numbers-game row there was talk of 534 security risks found in State, then 590. Democrats and the press clamored for a breakdown: precisely how many had been fired as subversive and how many for less significant reasons? "I don't think the people are concerned with any breakdown," said Scott McLeod. "They don't care if they were drunks, perverts, or Communists—they just want us to get rid of them."

Nevertheless, the newspapers—including Republican journals—demanded the figures, and finally Civil Service Commissioner Philip Young supplied them to the House Civil Service Committee. For State, the figure of 590 shrank to 117 security-risk separations under 10450, of whom no less than 112 had resigned.

Shortly afterward, McLeod called in his chief of security, Dennis Flinn, and said that if they were going to play the numbers game they'd better get some figures they could stick to. Flinn and his staff reviewed their files again, and came up with the latest figures: 309 security risks separated from State for all causes in 1953 (including 148 whose files contained derogatory information concerning alleged Communist associations or activities). Of the 309, 193 have been separated since 10450 went into effect, including 1 suspected subversive.

On January 25, Under Secretary Smith testified before a House committee that "no Communists had been found in the State Department and that as far as he knew there had never been any Communists there with the exception of Alger Hiss and a minor official fired long ago.

On February 10, 2 weeks later, McLeod told a Lincoln Day rally at Worland, Wyo.: "In the 20 years from 1933 to 1953, traitors had free run in high places and in low. It is not for me to tell you why—it is up to those who permitted it to tell you why. I wish they would. I wish they would stop squalling 'smear' and stand up like men and offer an explanation if they can * * *"

One month later, McLeod was asked by House Members whether he had found fewer or more people with subversive tendencies than he had expected to find when he assumed office. He conceded: "I think I have found fewer than I expected to find."

Said one Washington newsman: "Sure, many of the adverse press stories about Scotty are inspired. He inspires 'em."

As an additional indication that not only the left-wing papers have found fault with McLeod, there is the reaction met by Morehead Patterson, a prominent businessman and member of the Wriston Committee, when he held a private conference some weeks ago with 15 Washington newsmen long familiar with the internal problems of State. Patterson explained that he'd been named head of a subcommittee to concentrate on the morale problem and that he would appreciate concrete suggestions from the reporters. All 15—including representatives of so-called right-wing papers—recommended unanimously that the very first act should be to fire McLeod.

OUSTER WOULDN'T SOLVE PROBLEM

Patterson made no commitment and it is not known whether the suggestion was seriously considered. But it is probably safe to assume that before their study was completed the members of the Wriston Committee realized that although McLeod's ouster might cause rejoicing in certain quarters, it would certainly not alone solve the problem. In the end, the Wriston Committee confined its recommendations almost exclusively to administrative matters.

"In the final analysis," one State official commented, "McLeod and Executive Order 10450 and all the other aspects of the security ruckus are manifestations of a nationwide emotional phenomenon which can't be solved by a single committee of citizens, nor by the firing of one man.

"While it lasts, all we in the Department can do is try to hang on—and hope that the evaluators succeed in picking the truth out of the stuff supplied by the informers, malcontents and the paranoids suffering from persecution complex * * *"

I might have thought his last sentence was greatly exaggerated had I not come across Mrs. Sue Clegg in the course of my research in State. From time to time I kept hearing about a woman employee who had gone to the home of Secretary Dulles one weekend, rung his doorbell, and handed him a long list of Communists who were in her office—a list which she later sent to the security office.

I decided to get the facts firsthand, if possible. I phoned Mrs. Clegg, a clerk-stenographer, and asked to see her. She came to my hotel, armed with a briefcase full of typed memoranda, correspondence and photostats concerning her case, and spent the next half day trying to convince me "they" were "out to get rid of her."

Who were "they"? Her bosses, of course—all those Communists and fellow travelers who hated her for her own efforts to fight communism, and who resented her for not taking their orders. "Typical," she said, "of the sacrosanct hierarchy of Communist officials, who can say: 'I'm your boss. You're to do as I say.' "

REASONS GIVEN FOR DISMISSAL

Mrs. Clegg produced the most recent insult: official notice from the chief of the Personnel Operations Division concerning her proposed removal (which occurred some weeks later), for reasons stated in writing. The personnel officer alleged instance after instance of Mrs. Clegg's refusal to follow proper channels, of an insolent and uncooperative attitude toward her supervisors, and of many acts of clear insubordination.

"These are simply excuses to get rid of me," said Mrs. Clegg, who then went on to relate the "ill treatment" she had received from one of her former bosses. It appears that, in accordance with the standard Washington custom, he had been in the habit of asking one of the stenographers to bring him coffee from the cafeteria. Mrs. Clegg felt this chore was too time-consuming; she announced that she would no longer bring coffee to him. There followed an argument with Mrs. Clegg making so much of a fuss that the man sent a memo to her personnel supervisor, pointing out that her continued difficulty with the staff seemed to "stem from her failure to face the fact, which apparently is unpleasant to her, that her position is only that of stenographer. * * *"

Mrs. Clegg made a copy of the memo, and then decided the time had come to take action. That day, she typed a formal letter on an official State Department letterhead to Attorney General Herbert Brownell, Jr., requesting that the FBI inquire into the background of the man with whom she'd had the dispute (Mrs. Clegg gave me a copy of the letter). Later in the day, she sent a telegram to the Attorney General advising him that the situation was urgent and that she needed help.

Mrs. Clegg didn't say what the outcome had been. I guessed that there had been none.

"Can you tell me about your visit to Secretary Dulles' home?" I asked.

"Oh, yes," she said eagerly. "That was a day I shall never forget. Before I brought him the scroll, I took a day of my annual leave; I spent the whole day in our Department library, checking through the official Biographical Registers. Then I went home that night and stayed up very late copying down on a long scroll a list of names of the people I believe to be Communists."

"But why a scroll?" I asked. "Why not just regular paper?"

"I didn't have any in the house so I had to use shelf paper," she said. "I used a strip about a yard long, and when I was through I rolled it up in scroll form. It was imperative that the Secretary get it at once."

"Why?"

"Well, the Secretary was to address one of the Congressional committees on Monday morning and I felt it important that he should be warned in advance that the material on which his testimony was to be based had been prepared by these Communists in my section."

"What evidence did you have that they were Communists?" I pressed.

"Well, I suppose you'd call it evidence through deductive reasoning."

"Could you be more explicit?"

"As I told you, I spent hours looking through the Biographical Registers. I checked off all the people in my section, what years they were in State, and so on, and then I looked up the exact period that Alger Hiss had been there. Naturally, everyone who was there with, or under, Hiss was in a position to be influenced by him, so those names went down on my scroll. Besides, most of them had favored the International Trade Organization and the lowering of United States tariffs.

"I made three copies of the scrolls—one for Secretary Dulles, one for the Chief of Security, and I kept the third," continued Mrs. Clegg. "I didn't finish it the way I wanted it until 3:30 Saturday afternoon. Then I dressed in my best black suit, for I sort of hoped that Mr. Dulles might invite me in to have tea to discuss this issue with him.

"Anyway," she said, "I grabbed the first cab I could and drove over to the Secretary's house. I rang the bell. The Dulles' car was by the door and it seems they were leaving for a reception, so I gave the scroll to the butler and told him that it was urgent and that the Secretary must have it personally. No, I wasn't asked for tea.

"Then on Monday, I took annual leave again and took a cab over to the security office, and gave the names to an official there."

DIAGNOSED AS A PARANOIAC

Later, when she received the charges against her, Mrs. Clegg typed up a 24-page reply and sent it to the personnel office. She furnished me with a copy. In it she describes with astonishing frankness several examinations by the State Department's psychiatrist, Dr. James P. Scanlon, who, it seems, had diagnosed Mrs. Clegg as a paraniac. At one point, Mrs. Clegg writes:

"Dr. L——— (her own physician) told me that Dr. Scanlon's report on my condition as he diagnosed it had so alarmed him that he had telephoned my stepdaughter to help in finding my husband. * * * Dr. Scanlon had advised him that I was suffering from paranoia."

Mrs. Clegg was given sick leave for the purpose of getting treatment, and when the sick leave expired, she was returned to duty. When I talked with her in April she was still on active duty in the Department—a year after starting her personal campaign

against Communists in State. A few weeks later she was dismissed, as a result of the charges brought against her by the Personnel Operations Division.

How many Sue Cleggs are right now busily writing letters to the Attorney General, to the FBI or to security officers, naming fellow workers as Communist or fellow travelers, no one can tell. Nor can anyone outside the Department's own security office know for certain how many suspensions or resignations may have resulted from similar charges. But this much is certain: even a letter with as little foundation as Mrs. Clegg's finds its way into an individual's file which is thereafter tabbed as "containing derogatory information" and is placed at the mercy of an evaluator who must judge between fact and fancy. And it is a safe assumption that the accusers do not attach psychiatrists' official diagnosis of paranoia to the letters they write.

Was it possible that some of the "security risks" may have been separated from the State Department for reasons not entirely valid? I put the question to a key member of McLeod's staff.

"Grenades go off and sometimes hit a lot of people," he said, "maybe some they weren't intended to. But this is a war * * *."

Last year, outlining the administration's security plans in his first state of the Union message, President Eisenhower said:

"All these measures have two clear purposes. Their first purpose is to make certain that this Nation's security is not jeopardized by false servants. Their second purpose is to clear the atmosphere of that unreasoned suspicion that accepts rumor and gossip as subatitutes for evidence."

There was no mention of war—particularly a war in which many of the casualties appear to be on our own side.

Mr. CLARK. He further stated, as reported by the New York Times on May 23, 1953, that he had ordered his aids to be completely ruthless in passing on new job applicants. On July 21, 1953, he was quoted in the New York Times as stating—note this carefully—that he saw no connection between Government employment and civil liberties.

Whether the results of his activities actually did uncover a significant number of security risks in the Department of State will probably be a matter of controversy for some time to come. Mr. McLeod was one of the principal players in the numbers game designed to persuade the American people that large numbers of disloyal and untrustworthy employees had been rooted out of the Government service by the new administration. Those who disagree with the police-court methods used are of the opinion that the results, to the extent to which they were beneficial, could have been achieved by calmer methods and more private procedures within the framework of civil liberties, the fundamentals of good administration, and sound personnel management, and that the methods used brought Government service in the State Department and elsewhere, at least temporarily, into public disrepute.

This latter contention, I submit, cannot successfully be denied.

I quote from four well-informed authors and commentators, each speaking about Mr. McLeod's activities in connection with the security checks. First, I quote from that distinguished reporter of Time magazine, Mr. John Robinson Beal, latest biographer of the Secretary of State:

How many individuals were done injustice [by Mr. McLeod's methods] * * * is something known only to the men in charge of the personnel records.

Mr. Joseph Alsop said that he has "done more harm to the Foreign Service than any other man in recent memory."

Miss Doris Fleeson:

The effect on Foreign Service morale was immediate, unfortunate, and lasting.

Mr. William Harlan Hale, in the Reporter magazine, August 1954:

Today, the total price of not having done something about McLeod—and of taking him and his team in the first place—can be reckoned. Figures do not tell the story since security distorts them; the price is written down in the breakdown of the integrity of the Government's No. 1 civilian department.

Mr. William Huskey was for 12 years a trusted employee of the State Department in charge of the security of distinguished foreign guests during their visits to the United States. It was his job to protect them. In many respects his duties were not unlike those in which Mr. McLeod had theretofore been engaged.

Mr. Huskey resigned in January of 1954 telling the press that Mr. McLeod was creating "an atmosphere of fright," bullying employees under investigation, referring to Government employees as "muttonheads," going "around from office to office, looking in files and questioning people. They would get the girls crying. Employees became so frightened they would not even say hello on the elevators."

That these quotations did not reflect the idle speculations of partisan reporters and personal enemies appeared clearly from a letter published in the New York Times on January 14, 1954, signed by 5 veteran and universally respected members of the Foreign Service: Norman Armour, Robert Woods Bliss, Joseph Clark Grew, William Phillips, and G. Howland Shaw. The letter read in part——

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. CLARK. I am delighted to yield to the Senator from New Hampshire.

Mr. BRIDGES. I have just heard the Senator quote someone as saying that Mr. McLeod had thrown such a scare and such fear into employees of the State Department that girls wept and did not even dare to say hello to each other on the elevator. I realize that the Senator is quoting the statement, but I should like to ask him this question: He does not really believe it is true, does he?

Mr. CLARK. I will say to my good friend from New Hampshire, that I was not in Washington in 1953 and 1954 during what I, with all deference, call the reign of terror. I observed it only from a distance. However, the statement has been widely publicized and, although so far as I am concerned it is hearsay, I do know of my own personal knowledge that friends who were in the State Department at the time said that the conditions I have described were not very far from the truth.

I quote from the letter:

It is obvious, of course, that candidates for the Foreign Service should be carefully investigated before appointment and that their work should at all times be under the exacting scrutiny of their professional superiors. But when initial investigation attaches undue importance to such factors as even a temporary departure from conservative political and economic views, casual association with persons holding views not currently in fashion or subscription to a periodical labeled as liberal when subsequent investigation is carried to the point of delaying a promotion list for a year and routine transfers from one post to another; when investigations of individual officers must be kept up to date to within 90 days; when an easy path has been opened to even the anonymous informer; and when the results of these investigations are evaluated not by persons experienced in the Foreign Service or even acquainted at first hand with conditions abroad, but by persons of quite different experience, it is relevant to inquire whether we are not laying the foundations of a Foreign Service competent to serve a totalitarian government rather than the Government of the United States as we have heretofore known it.

This complaint from senior officers of the Foreign Service stirred Secretary Dulles to action, but only after irretrievable damage had been done. He appointed a public commission, headed by president Henry Wriston, of Brown University, to investigate and report on the management of the Foreign Service. The commission recommended in June 1954 that Mr. McLeod be stripped of his responsibilities for hiring, promotions, and inspection.

This curtailment of Mr. McLeod's duties was carried out during the following 6 months, although I must admit that the able junior Senator from Kentucky [Mr. MORTON], then Assistant Secretary of State in Charge of Congressional Liaison, is quoted as having said that Mr. McLeod's powers over personnel were not greatly reduced, although they were at a later date.

Unfortunately, Mr. McLeod's responsibilities were not curtailed until an aroused public opinion finally forced the President and the Secretary of State to repudiate his methods. But, by this time, the great damage had been done.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. CLARK. I am happy to yield to the Senator from Idaho.

Mr. CHURCH. I should like to say to the distinguished Senator from Pennsylvania that I commend him for the address he is now making. It had been my own personal feeling that the nomination of Mr. McLeod ought not to be confirmed by the Senate, because it was unwise and did not serve the best interests of my country abroad.

However, I must admit that until very recently I was inclined to vote for the confirmation, even though I personally disapproved of the nomination, upon the theory that the President had the primary responsibility of conducting our foreign policy.

However, I have come to doubt the validity of that position, and I am wondering whether the Senator from Pennsylvania would assist me in my analysis of that position by giving me his answers to the following questions:

It is true—is it not—that the Constitution of the United States gives to the Senate the power to pass upon the President's nominations for the post of ambassador, and requires the consent of the Senate.

Mr. CLARK. The Senator is correct.

Mr. CHURCH. Does it not follow that because the Senate is a collective body, consisting of 96 Members, it can express its consent or its refusal to give consent only by the collective judgment of its Members, and that, therefore, each Member must register his personal feeling by voting either for or against confirmation?

Mr. CLARK. The Senator is correct.

Mr. CHURCH. If the Senate contents itself with merely protesting the nomination, or if each individual Senator contents himself with an expression of his personal views in the form of a protest, and then votes to confirm the nomination anyway, is not such conduct an abdication of the responsibility which has been conferred upon and the authority which has been given to the Senate under the Constitution?

Mr. CLARK. That would be my view. I will say to my friend from Idaho that there is an addition I should like to make to his statement. Ordinarily those of us, such as the Senator from Idaho and I, who have come to the Senate only recently, should be reluctant to put our judgments ahead of those of our colleagues who are more senior in service; and that the reports of committees should be given the greatest weight, and even more weight by those of us who are junior than those who are in a more senior position.

I should also like to call to the attention of my friend from Idaho the fact that the four ranking members of the Committee on Foreign Relations on this side of the aisle have voted adversely to confirming the nomination of Mr. McLeod.

I desire to make it very clear that I am not being motivated by any partisan objectives in this regard. I intend to vote for the confirmation of the nomination of Mr. Taylor. However, the views of the Senator from Rhode Island [Mr. GREEN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Arkansas [Mr. FULBRIGHT] have carried great weight with me, because they heard the testimony of the witnesses. I believe that under those circumstances, the Senator from Idaho and I should be inclined to follow the position taken by those Senators.

Mr. CHURCH. I thank the Senator.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. CLARK. I am happy to yield.

Mr. BRIDGES. I notice that the Senator has referred to the position taken by the four ranking members of the Committee on Foreign Relations, and has stated that that position carries great weight with him.

Mr. CLARK. That is on the Democratic side.

Mr. BRIDGES. Yes. Had the Senator from Pennsylvania not made up his mind and expressed it publicly before those members of the committee issued their statement? Therefore their statement merely supplemented the Senator's original position. Is that not correct?

Mr. CLARK. I do not believe the Senator has quite accurately stated what I said. My recollection is that in putting into the CONGRESSIONAL RECORD some editorials adverse to the confirmation of the nomination of Mr. McLeod—and the Senator will correct me if I am misstating the fact—I said I thought the members of the Committee on Foreign Relations should give very careful consideration to the nomination before it approved it.

I am not aware of the fact that I made any final or irrevocable determination with respect to the nomination before the report of the committee was issued.

Mr. BRIDGES. I may say that only the Senator, and he alone, knows whether he had made a final determination. Certainly the impression which he gave to the public and to the Senator from New Hampshire was that he had made up his mind. However, as I say, only he could say whether he had made up his mind.

Mr. CLARK. It is a fortunate thing that we still have a little privacy in this country.

One measure of the havoc Mr. McLeod wrought is the fact that during the entire year 1953 not a single beginning grade Foreign Service officer entered the service. This is very much as though the Army, the Navy, the Air Force, and the Marine Corps did not commission a single second lieutenant or ensign during a comparable period. What such damaging action would have done to the efficiency of our armed services, Mr. McLeod's activities did actually do to the Foreign Service. It is still staggering under the blows he delivered against it in 1953 and 1954.

It is astounding, in the light of the present climate, which is so much improved, to read, as we did in the New York Times of November 8, 1954, that an American Ambassador no longer dared to report the truth because of the hysteria which then prevailed.

A few moments ago, the highely respected minority leader, the distinguished and able Senator from California [Mr. KNOWLAND] spoke of the fact that in 1956 there were almost 5,000 applicants for admission to the Foreign Service. I am happy to know that the reign of terror is over. I am happy to know that the methods which Mr. McLeod utilized in 1953 and 1954 have been rejected. I am happy indeed to know that the young men and women of our country are now prepared to apply in large numbers for the Foreign Service.

But I suggest that the test which the Senate should apply is not what the situation is now, when Mr. McLeod has been, I will not use the word repudiated, but when, let us say, a little bit of restraint has been placed upon him. That is not the test. The test is, What was the situation with respect to the morale of the Foreign Service at the time when he was in the saddle?

It is not necessary to defend in detail—and I do not intend to do so—the careers and activities of such men as John Paton Davies and Charles W. Thayer in order to support the assertion that when they were hounded out of the Service the effect on the morale of those they left behind in the Foreign Service was disastrous.

In the text of my speech as released today, I have said that they were hounded out of the Service by Mr. McLeod. I am not at all certain that I am correct about that. I am not sure that Mr. McLeod was the person responsible for forcing their resignations.

I pointed out that Mr. Davies had been cleared eight times of the charges hurled against him, and that the ninth time Mr. McLeod was in the saddle. It may be that Mr. McLeod personally had nothing whatever to do with the ninth effort to get rid of Mr. Davies, but the ninth effort was successful, and it was carried out successfully in the climate which Mr. McLeod did so much to create.

One can imagine the attitude of those over whom Mr. McLeod held sway in the light of a statement made by him about the diplomatic corps and the Foreign Service reported in the Des Moines (Iowa) Register:

It should be remade into a mold more American and less European. United States diplomats imitate the dress, accents, mannerisms, and even the thinking of foreigners.

A writer in the Reporter magazine states that he said:

They think they can make policy in a vacuum. They're happy when they get the next pay check.

He further quotes a statement to one of his own security lieutenants stationed in mid-Europe, who had reported that Foreign Service officers were growing restive about their delayed promotions. Mr. McLeod remarked:

If they don't like it, they can get the hell out.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. CLARK. I am happy to yield.

Mr. BRIDGES. A moment ago the Senator from Pennsylvania quoted a statement which, I believe, Mr. McLeod was alleged to have made, in which Mr. McLeod said, referring to the diplomatic corps:

It should be remade into a mold more American and less European. United States diplomats imitate the dress, accents, mannerisms, and even the thinking of foreigners.

I do not know whether or not Mr. McLeod said that; but, based upon my travels around the world, I wish that American diplomats were a little bit more American, a little more conscious of this country, rather than to fall into the mannerisms, the thinking, and all the other customs and practices of some of the countries to which they are accredited. That is one of the reasons why I believe American Foreign Service officers and other Americans serving overseas

should be brought back to this country and required to stay here for periods of time.

Mr. CLARK. Mr. President, I was under the impression that I had yielded to my distinguished colleague for a question. I shall be happy to yield for that purpose; but since I understand the Senator from New Hampshire intends to obtain the floor to speak at some length in his own right, I should prefer not to yield further at this time, but to yield to him when I finish my speech.

Mr. BRIDGES. Does the distinguished Senator from Pennsylvania agree with the statement attributed to Mr. McLeod, whether Mr. McLeod made it or not?

Mr. CLARK. I, too, have traveled abroad a little. I know that, as in all walks of life, there are some persons in the Foreign Service and in other branches of the State Department who do not conform to the standards of conduct which I am certain the Senator from New Hampshire and I would agree upon. I think, however, that they are in a very small minority. I believe the members of our Foreign Service, from the initial days of the Republic, have rendered valiant service in the support of their country. I am proud of them. I think any man who attempts to drag them into disrepute is not qualified to be an Ambassador.

Mr. BRIDGES. The Senator from Pennsylvania has answered my question by paying a tribute to the foreign diplomatic service in which, in general, I might join with him. But the Senator did not answer the question whether the personnel of the Foreign Service should not, in many cases, be made a little more into the mold of Americans rather than of foreigners.

Mr. CLARK. My feelings, to answer my good friend from New Hampshire, is that those who occupy positions in the Foreign Service are under considerable temptation and pressure when they are away from home. They tend to lose their contacts.

I think one of the best steps which has recently been taken by the State Department is to require that those gentlemen and their wives come home every so often to touch home base, perhaps to go to a farm in New Hampshire or Pennsylvania and have an opportunity to sit around in a country store and to see and hear what is going on. I think that is an excellent plan. I think there has been a tendency on the part of the Department some times in the past not to keep in as close touch with the personnel abroad as it should.

But I suggest to my good friend from New Hampshire that the way to remedy that situation is not by firing broadside at them with a shotgun, but by a somewhat less public method of reforming the conduct of some of those gentlemen.

Mr. BRIDGES. I am delighted to know that the Senator from Pennsylvania agrees with me and also with Mr. McLeod.

Mr. CLARK. I will make no comment on the last statement, but will, if I may, resume my remarks.

Were the effects not so serious upon the morale of the Foreign Service, the case of Mildred McAfee Horton would seem laughable. The accomplished former president of Wellesley College and the wartime commander of the Waves was recommended by Secretary Hobby, herself a distinguished young veteran of World War II, for nomination by President Eisenhower to represent the United States at sessions of the United Nations Economic and Social Council. The regulations under which Mr. McLeod was operating required him to give her security clearance. Whether deliberately or inadvertently, no one will ever know—I make no more effort to look into the mind of Mr. McLeod than does the Senator from New Hampshire, who was kind enough to say he had no intention of looking into my mind—the clearance of this patriotic American, with her splendid service in World War II, was held up by Mr. McLeod until the date of the session was so close that another person had to be appointed.

That may not be a vital matter so far as United States foreign policy is concerned; it might not be an earth-shaking thing. But I suggest that that activity on Mr. McLeod's part showed either arrogance or a lack of judgment such as would disqualify him to hold a position of high ambassadorial rank in the Foreign Service of the United States.

I, accordingly, suggest that Mr. McLeod's conduct in connection with security clearance clearly disqualifies him for the position of Ambassador to Ireland.

Second, Mr. McLeod demonstrated the lack of judgment needed in our Ambassador to Ireland when, while holding an office requiring the exercise of political impartiality, he openly engaged in political partisanship.

In February 1954, Mr. McLeod was requested by the Republican National Committee to make a series of speeches over the Lincoln Birthday weekend in support of candidates and policies of the Republican Party. A similar request was made to a substantial number of other officers and employees in the Department of State. Mr. McLeod was the only one who accepted the invitation. Before doing so, he requested the legal opinion of Mr. George M. Moore, a Republican member of the Civil Service Commission, as well as that of Herman Phleger, of the Department of State, as to whether such action on his part would violate the provisions of the Hatch Act. On January 29, 1954, in an opinion which seems most persuasive to me, as a lawyer, and which appears in the record of the hearings at pages 125 and 126, Mr. Moore advised Mr. McLeod that such activity would violate the Hatch Act. Mr. Phleger's opinion does not appear in the record. I understand it differed from that of the Civil Service Commission.

I do not raise the issue of the legality of Mr. McLeod's action or of which lawyer was right. I merely call attention to the lack of sound judgment which his conduct exhibited. Here is a man given the sober task of passing on the security of over 10,000 employees in the Foreign Service and the civil service. Here is a man given the job of inspection of the conduct of the same employees. Here is a man given substantial authority over the hiring, promotion, demotion, or dismissal of such employees. Here is a man working in a Department where bipartisanship has been the established policy for many a year. Here is a man who, alone of all his colleagues of equal rank in that Department, chose to ignore that tradition of bipartisanship, in the face of conflicting opinions regarding his right to do so.

Mr. McLeod's unseemly partisanship is further revealed in a speech he made to the American Legion Convention, at Topeka, Kans., in the summer of 1953:

> In a sense, I am a politician, in that I was appointed by the present administration to a political office.
>
> The Department must be purged of traitors, homosexuals, and bad risks, certainly, but also of Democrats.
>
> Sometimes, it is extremely difficult because of the Civil Service Act, the Veterans' Preference Act, and the Foreign Service Act, to replace an individual whose viewpoint does not coincide with that of the Republican Party.

And, Mr. President, thank goodness that it does not. Thank goodness that those acts protect our civil service against the partisan raids which this gentleman would only have been too happy to lead.

I submit that Mr. McLeod's efforts to bring political partisanship into the State Department reflects a lack of sound judgment that disqualifies him to be Ambassador to Ireland.

Mr. BRIDGES. Mr. President, will the Senator from Pennsylvania yield to me?

The PRESIDING OFFICER (Mr. SCOTT in the chair). Does the Senator from Pennsylvania yield to the Senator from New Hampshire?

Mr. CLARK. I am happy to yield to my friend, the Senator from New Hampshire.

Mr. BRIDGES. In his speech the Senator from Pennsylvania has quoted Mr. McLeod as saying:

> The Department must be purged of traitors, homosexuals, and bad risks, certainly, but also of Democrats.

I simply cannot believe that Mr. McLeod stopped there; he must have referred to Democrats about whom there was some question. I cannot believe that he mentioned Democrats in the same breath with bad risks, traitors, and homosexuals. The Senator from Pennsylvania and I are on opposite sides, politically; but certainly I have great respect for the Members of the opposing party; and I doubt that Mr. McLeod would have referred to all Democrats in the way that has been indicated. I wonder whether the Senator from Pennsylvania will state the full context, instead of stating only a part of it.

Mr. CLARK. Mr. President, let me say that the quotations included in my speech are taken almost entirely from the record made before the Foreign Relations Committee, including a number of articles which were placed in that record; and the quotation referred to comes from that record, and the quotation stops at the point I have indicated. It may well be, as the Senator from New Hampshire suggests, that the statement actually had some qualification to it. I shall be happy to investigate the matter further; and if there is a qualification which will be helpful to Mr. McLeod, I shall only be too happy to have it inserted in the RECORD.

Mr. BRIDGES. I thank the Senator from Pennsylvania. He will agree, will he not, that the Department should be purged of traitors, homosexuals, and bad risks?

Mr. CLARK. I certainly do.

Mr. BRIDGES. Very well.

I agree with the Senator from Pennsylvania that the Department should be purged of bad risks, as such. I should like to have the entire quotation presented.

Mr. CLARK. I heartily agree with the Senator from New Hampshire, and I shall be happy to obtain the entire quotation for him.

Mr. President, third, I turn to my contention that Mr. McLeod's record in his administration of the Refugee Relief Act revealed such serious shortcomings as to disqualify him to be Ambassador to Ireland. The Refugee Relief Act, signed by the President in August 1953, was under the exclusive administrative supervision of Mr. McLeod from the time of its passage until December 1, 1954. It called for the admission of some 209,000 refugees during a period of 3 years and 8 months. While the act contained restrictions which made it very difficult indeed to administer, the consensus of informed opinion is that Mr. McLeod was not anxious to see it succeed. And certainly prior to the end of 1954, the accomplishments were minimal. By that time, only 13,000 immigrants had been admitted; and of those, only 500 could actually be classed as refugees under the act. Moreover, there was an umistakable tendency on Mr. McLeod's part to play the "numbers game" with the Refugee Act, as he had done earlier with securities investigations, to which I shall refer a little later, when I discuss Mr. McLeod's veracity and candor.

It is not necessary to go into the controversy between Mr. McLeod and the distinguished public servant, Edward Corsi, in order to conclude that Mr. Corsi was filled with zeal to make the Refugee Act a success; that Mr. McLeod did not share this zeal; and that after 90 days as assistant to both Secretary Dulles and Mr. McLeod in administering the Refugee Relief Act, Mr. Corsi was fired. Mr. Corsi's side of the case is well stated in an article he wrote for the Reporter magazine on May 5, 1955, which appears on page 101 of the hearings before the Foreign Relations Committee.

I submit that a fair summary of Mr. McLeod's activities as administrator of the Refugee Act would be:

1. His preoccupation with security and his lack of skill as an administrator brought the program to the verge of failure by the end of 1954.

2. Public clamor against Mr. McLeod reached such a point that Mr. Corsi was called in as an expert, to straighten out the mess.

3. For reasons irrelevant to the present issue, Mr. Corsi was discharged, after laying the foundations for remedying Mr. McLeod's mistakes.

4. In order to carry out the Corsi recommendations, without causing Mr. McLeod to lose face, he was retained in nominal charge of the program, while actual authority was turned over, in June 1955, to an experienced and devoted administrator, Mr. Pierce J. Gerety.

Mr. President, the New York Times of June 10, 1955, stated that as of that date Mr. McLeod told reporters he had delegated complete policy and operational responsibility to Mr. Gerety, and that he—Mr. McLeod—remained in charge only technically.

For that reason, Mr. President, were the Senator from New Jersey still in the Chamber, I would ask my distinguished friend whether in speaking, as he did, so favorably of Mr. McLeod's administration of the Refugee Act—which in the end was a success—he was aware of the fact that when Mr. McLeod was removed from control of the administration, the administration of the act was on the verge of collapsing, and it was only because others were put in charge that they were able to admit before the deadline the vast majority—although not all—of the refugees who were authorized to enter the United States under the provisions of that act.

I also submit that it is fair to state that:

5. Mr. McLeod now takes credit for the final success of a program he did so much to render ineffective.

I suggest that Mr. McLeod's administration of the Refugee Act shows a lack of capacity that disqualifies him to be Ambassador to Ireland.

Fourth, Mr. President, in my opinion, Mr. McLeod's confirmation will bring our Government into disrepute at home and abroad, because he has become a symbol of a philosophy and of a method of conduct which are alien to the principles on which our Government was founded and on which it has operated for over 150 years.

No one, for a moment, questions the insidious evil of international communism or the sincerity of many Americans who, in the recent past, were so immobilized by fear of the Communist threat that they, in panic, seemed ready and willing to throw away our basic American freedoms in the effort to protect them.

Fortunately, today more and more Americans recognize how truly un-American that period of our recent history really was.

Mr. McLeod was very much a part of that recent history. He was one of the leading actors, so often on stage in front and center, that he became—whether consciously or unconsciously—the symbol of the witch hunter. Americans, and Europeans, too, despise the witch hunter.

There is an Irish proverb which goes: "What he is speaks so loud that I can't hear what he's saying." Mr. President, Mr. McLeod's past has spoken too loud for us to hear him any more.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. CLARK. I am happy to yield to my friend from Idaho.

Mr. CHURCH. Perhaps it is my own Irish blood that causes me to rise at the quotation of the old Irish proverb. I think the quotation of that proverb, "What he is speaks so loud that I can't hear what he's saying," is the capsule of the case against Scott McLeod. I do not know the man personally. I do not question his character. I do not question his motives. I say nothing personal against him. But if I may do so in preface to a question, I should like to say to the distinguished Senator from Pennsylvania that a little more than a year ago I was in Western Europe. I was in Germany and I was in France, not as a Senator but as a citizen. Perhaps there are advantages to visiting there as a citizen, because I had an opportunity to speak with a great many French and German people from all walks of life, and they asked me many questions, because they were interested in what was happening inside the United States. Their questions were of great concern to me. Many French and German people, each in his different way, asked me this kind of question: "Is it any longer possible in the United States for a citizen to express a view that is contrary to the orthodox or respectable or approved point of view on any important public issue and not be condemned for disloyalty or something even worse?"

I suggest what they were saying is that they felt, deep down inside, that something was amiss with the health of freedom in the United States, that something was wrong, something they feared, that many of them had had personal experience with in their own recent past.

I am sure the distinguished Senator from Pennsylvania will agree with me that their conception of what was going on in the United States was distorted.

Mr. CLARK. I agree.

Mr. CHURCH. I am sure he will also agree that, even though they had a distorted conception, it was caused by this period of political inquisitions, mostly politically motivated, and that the fact that they did have such a feeling toward the United States was a factor of great significance in the following of our foreign policy.

Mr. CLARK. I will say to my friend from Idaho my concern was identical with his. I had occasion, while mayor of Philadelphia, to go abroad on several trips, some on official business and some purely for fun. Whether I was in England, France, Turkey, or Italy, I found the same reaction my good friend from Idaho found. Every time the question came up I tried to correct the misconception. I said, "It is not true. We are not that kind of a government. This is a temporary period. It will come out all right."

Thank goodness, it has come out all right, but I am afraid the nominee before us has not contributed to that happy result.

Mr. CHURCH. Will the Senator agree that the success or failure of our foreign policy abroad depends to a large degree on the prestige of the United States among the free nations of the world?

Mr. CLARK. I am in complete agreement with the Senator from Idaho.

Mr. CHURCH. Will the Senator further agree that the confirmation of the

appointment of Scott McLeod as Ambassador to Ireland would give new currency to the feeling of distress and dismay abroad about the state of health of freedom in the United States?

Mr. CLARK. It is because I agree so thoroughly with my friend from Idaho that I have taken on myself the most unpleasant task, as a junior Member of this body, of arising to oppose the confirmation of this nomination.

Mr. CHURCH. It is for that reason that I must concur with the Senator from Pennsylvania, because it is my strong and abiding conviction that the appointment will be regarded as a symbol, and that the symbol can only do great damage to our prestige among the people of Western Europe and throughout the free world, and that it will work against the interests of our country in this time of ferment in the world.

Mr. CLARK. I thank the Senator from Idaho for expressing my views, which he has done far better than I could do.

Mr. President, I should like to make my fifth and final point, and that is that the testimony given by Mr. McLeod before the Foreign Relations Committee raises issues of candor and veracity—and I say this with regret—which cannot satisfactorily be resolved without further testimony from those whose charges Mr. McLeod—not under oath—has expressly or by implication denied. Let me list only a few of those questions:

1. On page 9 of the hearings before the Foreign Relations Committee, the following exchange between the Senator from Arkansas [Mr. FULBRIGHT] and Mr. McLeod is reported:

Senator FULBRIGHT. I ask you these questions to try to clear up the record. We read in the paper, I believe it is said, that you authorized the investigation of the people who read the Reporter magazine or something to that effect. Is there any truth in that?

Mr. MCLEOD. I have never been able to find out what that had reference to.

Mark that. I repeat:

I have never been able to find out what that had reference to.

I encourage people who are in positions where knowledge of whatever one's enemy is saying and thinking is useful, to acquire it wherever they can. I think that more people ought to subscribe to the Daily Worker, and so on.

Senator FULBRIGHT. You never did criticize anyone because they took the Daily Worker?

Mr. MCLEOD. No, I think if they have use for it, if they take it surreptitiously so to speak, I think it might be a factor in evaluating their security potential, but if they have use for it in their daily work, I think they ought to read it. I think all bankers ought to read the Daily Worker so they know what their enemies are saying about them.

Now, the fact of the matter, as I understand it, is that sometime late in 1953, or early in 1954, investigators from Mr. McLeod's office called, during the luncheon hour, on the secretaries of members of the policy planning staff of the State Department and inquired as to which members of that group were reading the Reporter magazine and the Daily Worker. The clear implication of the inquiry was that the reading of these magazines raised a question of security and loyalty. Members of the policy planning staff were so incensed that they protested to Mr. Robert Bowie, then and now Director of the policy planning staff. Mr. Bowie carried this protest to higher authority, and Mr. McLeod's investigators were called off.

I quote from page 141 of the latest laudatory biography of our Secretary of State, Mr. John Foster Dulles, by that able reporter from Time magazine, Mr. John R. Beal:

McLeod attacked his job with what might charitably be called an excess of zeal. His men discovered, for example, that members of the Department's policy-planning staff were receiving copies of the Communist newspaper, the Daily Worker. They questioned staff secretaries to learn what officers were represented by the initials on the list to which it was circulated. Reading Communist publications is, of course, an essential job for anyone seeking to follow the twists and flipflops of the party line, and especially so for a group charged with advising on formulation of policy to combat it. Had McLeod's men invaded the Secretary's office they would have found not only Stalin's Problems of Leninism within reach of Dulles' desk, but numerous other pertinent writings and speeches by Soviet figures. Dulles had devoted one entire chapter of his book, War or Peace, to the high importance of knowing your enemy. But Communist publications were not the only target of McLeod's underlings. When they began inquiring which members of the planning staff read the Reporter, a non-Communist liberal periodical, the staff chairman, Robert Bowie, protested to Under Secretary Walter Bedell Smith, who put a stop to it.

Mr. President, in this regard I am not speaking on the basis of hearsay, because within the past week two former members of the policy-planning staff, in whose integrity I have complete confidence, have confirmed what I have just said, and what Mr. Beal just wrote.

I believe it would be helpful if Mr. McLeod's nomination were recommitted to the Committee on Foreign Relations for further hearings, in order that Mr. Bowie, who is still in the State Department, might testify.

If the facts are as I believe them to be, I suggest that Mr. McLeod's testimony before the Committee on Foreign Relations is singularly lacking in candor.

Second. I have already referred to the extent to which Mr. McLeod engaged in the "numbers racket" with respect to both his security and refugee activities. The following are two typical examples, which I suggest indicate his lack of candor:

(a) From the Providence Journal, April 12, 1955: Corsi says less than 1,000 refugees were admitted under the act, while McLeod testified 20,000 visas issued with 14,031 persons admitted. But under pressure, McLeod admitted only 500 had been admitted as refugees with visas for 1,000 issued.

(b) In 1954, Mr. McLeod told the House Appropriations Committee that he had fired 604 "security risks and others." But under pressure in closed session, he admitted that only 11 persons had been separated under the security procedures, and 7 of these were persons against whom charges had been preferred under the prior Democratic administration. This is from the New York Herald Tribune of April 22, 1954.

I suggest that both these examples raise questions as to the candor of the nominee.

Third. On page 12 of the hearings, the questioning of Mr. McLeod by the Senator from Montana [Mr. MANSFIELD] with respect to the Bohlen nomination, is reported as follows:

Senator MANSFIELD. Mr. McLeod, there have been some allegations made. One is, did you at any time 4 years ago consider going over the head of Mr. Dulles to block the appointment of Mr. Bohlen as Ambassador to Russia?

Mr. MCLEOD. No, sir. That is a greatly misunderstood matter. I did go to the White House and talk to General Persons about this matter, but I was in the Secretary of State's office talking to him at the time General Persons called me to come over. The Secretary saw me and heard me take the call and I explained what the purpose of it was; so I don't think there was ever any question of my going over his head in the matter.

Senator MANSFIELD. You went to the White House on that occasion at the request of General Persons?

Mr. MCLEOD. I talked to him on the phone and I had a discussion with him about the matter. Then he subsequently called me to come over and talk about it, so I don't know whether it is fair to say it was at his suggestion, since I had originally called him about it. But certainly you don't go to the White House on any occasion unless somebody over there is prepared to receive you.

Yet Mr. Dulles' most recent biographer, John Beal, states that Mr. McLeod did go over the head of the Secretary of State to appeal to the White House against Mr. Bohlen's appointment.

Mr. Beal says, on page 142 of his book:

McLeod, with information which by his standards he considered derogatory to Bohlen, went over Dulles' head to the White House with his protest. He cooled off after learning from a close aide of the President's that Bohlen, who had been a golfing partner of Ike's at SHAPE headquarters in Paris, was Ike's personal selection for the job. McLeod's explanation was: "I just wanted to be sure they knew what they were doing."

McLeod's insubordination was so flagrant that Dulles spent one whole evening discussing what do about it with several advisers he called to his home. Still undecided next morning, he was skimming the papers when he ran across a story about the Bohlen case in the Washington Times Herald containing information which could only have come from McLeod. Dulles went to work feeling the proper course was to fire McLeod. The only thing that saved him was the fact that Undersecretary "Beedle" Smith dropped in to see Dulles that morning before McLeod arrived at the Department, and argued Dulles out of taking the action on the ground that it would embarrass the new administration to fire so quickly a man who in his opinion should not have been hired in the first place.

Mr. President, I suggest that before accepting the unsupported word of Mr. McLeod in this regard it would be desirable for the Committee on Foreign Relations to question the Secretary of State, to question Mr. Beal, to question General Persons, and to question the former Under Secretary of State, General Smith, as to what actually occurred, because if the allegations in that book are true this man is not only not qualified to be Ambassador to Ireland, but he has not told the truth to the Committee on Foreign Relations.

I do not wish to pass judgment in advance, Mr. President. I reserve judgment. But on the present record, I do not feel that the Members of this honorable body have sufficient information on the basis of which adequately to pass on the nomination of this gentleman, as to his veracity and candor.

Surely we do not want to send as our Ambassador to Ireland or anywhere else an individual whose candor and veracity have been so clearly brought into question, without hearing those who have raised the questions.

Mr. President, in my judgment the very least the Senate should do is to refer this nomination back to the Committee on Foreign Relations in order to take further testimony to determine whether Mr. McLeod possesses qualities of mind and heart which qualify him for high rank in our diplomatic service.

Mr. President, it is an unpleasant thing—believe me, a sincerely unpleasant thing—to stand before this body and oppose the nomination of an individual for high office in the Foreign Service of the United States. I do so only because in my considered judgment a clear question of principle is involved in this nomination. I would be the first to concede that Mr. McLeod was an able administrative assistant to the distinguished Senior Senator from New Hampshire. I have no doubt he could serve again with credit in such a position. I am confident that Mr. McLeod conducted his work as a member of the Federal Bureau of Investigation with competence. Were he to resume his employment in that distinguished organization which has done so much to protect the lives and safety of Americans, I should applaud the employment.

But, Mr. President, we are dealing with a more important and more serious question than the future of R. W. Scott McLeod. We are dealing with the quality, the morale, and the character of the Foreign Service of the United States at a time when the responsibilities of that Service have never been so crucial. We are dealing with the question of whether a man whose public record is filled with evidence of bad judgment and lack of capacity and understanding, whose conduct in the State Department has been condemned by informed persons within and outside the Department, who has been said to have done more to lower the quality and the prestige of the Foreign Service than any other living man, and whose testimony before our own committee was apparently lacking in candor, should be rewarded with a place of honor, distinction, and responsibility in the Foreign Service of our Government.

Finally, we are dealing with a moral issue. We are dealing with a clear-cut question of whether the Senate of the United States is going to turn its back on an unsavory chapter in the recent history of the United States, or whether we are going to carry forward that chapter by confirming a man whose public activities over the past 4 years have identified him with a philosophy of government which is alien to the highest ideals of the American people.

Accordingly, Mr. President, I move that the nomination of Scott McLeod to be Ambassador to Ireland be recommitted to the Committee on Foreign Relations for the purpose of taking further testimony.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. CLARK. I am happy to yield to my distinguished friend from Oregon.

Mr. BRIDGES. Mr. President, I ask for the yeas and nays on the motion of the Senator from Pennsylvania.

Mr. CLARK. Mr. President, I call for the yeas and nays.

The yeas and nays were ordered.

Mr. BRIDGES. Let me say to the distinguished Senator that I wanted the yeas and nays ordered so that there would be a record vote on the motion when the time came.

Mr. CLARK. Perhaps after the quorum call we can renew the request.

Mr. BRIDGES. The yeas and nays have already been ordered.

Mr. CARROLL. Mr. President, a point of order.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. MORSE. Mr. President, if I may have the attention of the Senator from New Hampshire for a moment, I was also about to ask for the yeas and nays on the final vote on the nomination, in case the motion of the Senator from Pennsylvania should be rejected.

Mr. BRIDGES. I am glad the Senator has not too much optimism. I agree to the request for the yeas and nays.

Mr. MORSE. I am only preparing for the future.

Mr. BRIDGES. I point out to the Senator that he is out of order.

Mr. MORSE. I think the Senator is correct. I withdraw the request, but I have made my point.

Mr. President, will the Senator from Pennsylvania further yield?

Mr. CLARK. I yield.

Mr. MORSE. A second to the Senator's motion is not required, but I want him to know that in spirit I am seconding his motion.

I commend the Senator from Pennsylvania for what I think has been a very fair, judicious, and analytical consideration of the question before the Senate. The Senator's speech commends itself to me very much. I think it is deserving of the approval of the majority of Members of the Senate, by their votes against the nomination when the vote is taken.

Mr. CLARK. I thank my friend from Oregon for his kind remarks.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Pennsylvania [Mr. CLARK] to recommit to the Committee on Foreign Relations the nomination of R. W. Scott McLeod to be Ambassador to Ireland.

Mr. MCNAMARA. Mr. President, in connection with the pending nomination the President of the United States carries a great deal of responsibility in sending ambassadors abroad to represent our country.

In theory, anyway, he should have complete and personal confidence in such individuals. I do not think it is too unreasonable to expect him to be pretty well acquainted with them and with their views before he nominates them.

In the case of Scott McLeod, however, the President stated in his press conference of April 10, as printed in the New York Times, that he is "not so well acquainted with him. He was taken on Secretary Dulles' recommendations, and I assure you again I have the utmost confidence in Secretary Dulles."

Mr. President, this would seem to damn Mr. McLeod with some very faint praise, indeed.

There is one advantage, as I see it, to Mr. McLeod's appointment as Ambassador to Ireland. It will get him out of this country.

But, Mr. President, should we do this to the Irish? I shall vote against the nomination.

Mr. BRIDGES. Mr. President, before I begin my remarks with regard to Mr. McLeod's nomination, I wish to call attention to a statement which the distinguished Senator from Pennsylvania [Mr. CLARK] made in his speech, and which bothered me. He quoted Mr. McLeod as having stated, in a speech made before the American Legion Convention at Topeka, Kans., in the summer of 1953:

The Department must be purged of traitors, homosexuals, and bad risks, certainly, but also of Democrats.

I question whether Mr. McLeod would say such a thing. Perhaps the Senator from Pennsylvania can tell us where he obtained the quotation. I do not agree with it. I agree that the Department should be purged of traitors, homosexuals, and bad risks, but I have the greatest respect for members of the opposing party.

However, I certainly do not agree with the statement quoted, and I do not believe Mr. McLeod made it. I do not believe there is any such statement in the speech of Mr. McLeod. I have asked that it be sent here by messenger. When it arrives, I will ask that it be placed in the RECORD. However, I believe that so long as the Senator from Pennsylvania has raised the question, it would be well to inquire where he obtained the quotation, because it is a pretty serious statement.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. CARROLL. I am thumbing through the speech of the Senator from Pennsylvania to find the exact phrase referred to in the colloquy between the distinguished Senator from New Hampshire and the Senator from Pennsylvania, having to do with traitors and homosexuals.

Mr. BRIDGES. It is on page 8.

Mr. CARROLL. I think the distinguished Senator from New Hampshire might wish to correct the RECORD. The Senator from New Hampshire quoted, from the speech of the Senator from

Pennsylvania, a statement attributed to Mr. McLeod, as follows:

The Department must be purged of traitors, homosexuals, and bad risks, certainly, but also of Democrats.

Was the reference to Democrats intended to identify them with the preceding categories?

Mr. BRIDGES. The Senator from New Hampshire intended to quote, and did quote, as the Senator will remember, the exact statement which bothered the Senator from New Hampshire.

Mr. CARROLL. As I understand, the Senator from New Hampshire is merely referring to the fact that all who come within the categories first mentioned should be purged, whether they be Democrats or Republicans.

Mr. BRIDGES. Certainly—whether they be Communists, Socialists, Republicans, or Democrats. If they come within the first categories, of course, they should be purged. But the mere fact that a man is a Democrat or a Republican has nothing to do with his qualifications to serve in the State Department, except as he may be in a top policy position, in which case he should be in concurrence with the policy of the administration of which he is a part. However, that does not place him in any of the other categories. Nevertheless, it involves the question of judgment of the administration upon which the responsibility for foreign policy rests.

Mr. CARROLL. I thought the Senator from New Hampshire would not permit to stand a statement which might be misconstrued.

Mr. BRIDGES. The Senator from New Hampshire never casts any reflections on members of the opposite party.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. CLARK. I have now found the reference in question. I invite the attention of the Senator to page 96 of the hearings before the Foreign Relations Committee on the nomination of Mr. McLeod. I read beginning with the last paragraph on that page, if the Senator has no objection.

Mr. BRIDGES. What is this?

Mr. CLARK. I am referring to page 96 of the hearings. This is a part of an article entitled "Big Brother in Foggy Bottom," written by William Harlan Hale. The article begins on page 92 of the record.

Mr. BRIDGES. And it was published in the Reporter magazine for August 1954.

Mr. CLARK. That is correct.

Mr. BRIDGES. The Senator from New Hampshire would be very glad to have that statement read into the RECORD. The Senator from New Hampshire may have something to say later about Mr. Hale, of the Reporter magazine, as an authority, but he is glad to have the Senator from Pennsylvania read the statement into the RECORD.

Mr. CLARK. I have not the slightest doubt that the Senator from New Hampshire will make such comments.

I quote from the article:

But what actually is the purpose of the system, as McLeod and his clan see it? "In a sense, I am a politician," he stated in his first major speech, given before the American Legion convention at Topeka a year ago, "in that I was appointed by the present administration to a political office"—which surprised those who thought he had been appointed to a security office. Then he went on to state his object clearly: The Department must be purged of traitors, homosexuals, and bad risks, certainly, but also of Democrats. "Sometimes," he lamented, "it is extremely difficult because of the Civil Service Act, the Veterans' Preference Act, and the Foreign Service Act to replace an individual whose viewpoint does not coincide with that of the Republican Party. * * * Until such time as we can reeducate those employees or replace them with proper personnel the progress which we make is sometimes very slow."

I do not deny for a moment that the published text of Mr. McLeod's statement before the American Legion convention does not contain the statement which appears here. However, I suggest that even the Senator from New Hampshire, mature though he is in the ways of politics, sometimes becomes a little enthusiastic and departs from his prepared text. I would suggest that this report is probably accurate.

Mr. BRIDGES. I would say to the Senator from Pennsylvania that I believe he wants to be fair.

Mr. CLARK. I do.

Mr. BRIDGES. I refer to the Senator's prepared speech on page 7 of the text, where he states:

Mr. McLeod's unseemly partisanship is further revealed in a speech he made to the American Legion convention at Topeka, Kans., in the summer of 1953:

"In a sense, I am a politician, in that I was appointed by the present administration to a political office. * * *

"The Department must be purged of traitors, homosexuals and bad risks, certainly, but also of Democrats."

The Senator from Pennsylvania was not quoting Mr. McLeod. He was quoting the Reporter magazine, specifically Mr. Hale of that magazine.

Mr. CLARK. Mr. President, will the Senator yield further?

Mr. BRIDGES. I am glad to yield.

Mr. CLARK. Unhappily I cannot agree with my friend from New Hampshire. I was quoting from Mr. Hale's paraphrase of Mr. McLeod's speech.

Mr. BRIDGES. Yes. However, the Senator from Pennsylvania wants to be fair and he does not want the RECORD to stand that what he quoted was from Mr. McLeod's speech. I am sure he wants it to appear that he was quoting from Mr. Hale and the Reporter magazine as to what Mr. Hale interpreted Mr. McLeod as saying, or imagined what Mr. McLeod had said.

Mr. CLARK. If the Senator will yield to me one more time, perhaps we may come to an agreement on this point. I would be happy to have the quotation marks removed from my comment about Democrats in the text of my speech. Frankly, they were not in the first draft of the speech; they got into it in typing the second draft. I should like to have the RECORD indicate that this is what Mr. Hale says, in substance, Mr. McLeod said at the American Legion convention.

Mr. BRIDGES. It is satisfactory to me to have it appear that that is what Mr. Hale said Mr. McLeod had said, because I am sure the Senator from Pennsylvania does not want the RECORD to show that he quoted Mr. McLeod.

Mr. CLARK. I thank the Senator.

Mr. BRIDGES. I should like to make one other comment. There was some colloquy during the Senator's remarks in which he said that the opinion and the report of the four ranking Members of his own party on the Committee on Foreign Relations had had a great bearing on his making his decision in this matter.

I pointed out to the distinguished Senator from Pennsylvania that he had arrived at a position against McLeod long before those four Senators had made their report.

To substantiate my statement, I quote from the hearings on the nomination of Mr. McLeod, at page 146:

THE "FIGHTING IRISH"—THE MCLEOD APPOINTMENT

(Extension of remarks of Hon. JOSEPH S. CLARK, of Pennsylvania, in the Senate of the United States, Friday, April 12, 1957)

Mr. CLARK. Mr. President, in the Washington Post and Times Herald for April 11, 1957, there appeared an editorial entitled "Fighting Irish," in which it is contended, with reference to Mr. McLeod's appointment:

"To appoint such a man to a diplomatic post is an insult to the recipient nation and a degradation of diplomacy. How can the Senate, which is at frequent pains to demonstrate its friendship for Ireland, view this as a friendly act?"

Was that the Senator's opinion?

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. CLARK. I am afraid the Senator from New Hampshire is under a very severe misconception in that regard, because if he will look again on page 146 of the committee report he will see that I was not stating my own personal opinion, but was merely reading from the editorial.

On an earlier appearance in the Senate, I had taken no position at all, except to introduce some adverse editorials, and to say that I hoped the Committee on Foreign Relations would give very careful consideration to the nomination before it was approved.

Had my good friend, the chairman of the Committee on Foreign Relations, and his colleagues unanimously reported favorably the nomination of Mr. McLeod, I, as a junior Senator, would never have had the effrontery to rise in opposition to it.

Mr. BRIDGES. I thank the distinguished Senator from Pennsylvania. I am glad to learn that he is open minded. I thought when he put such a statement in the CONGRESSIONAL RECORD he concurred in the views expressed. Naturally, I concluded that he would not put into the RECORD something with which he did not have at least some semblance of agreement.

Mr. CLARK. I thank the Senator for his kindly comments, and I again assure him that I always attempt to keep an open mind until the final vote.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. KNOWLAND. Mr. President, I regret that I had to attend a meeting of the Committee on Appropriations and have only just now returned to the Chamber. I wonder whether the Senator would permit me to place in the RECORD a very brief editorial, in view of some statements which have been made in the press relative to certain alleged opposition in Ireland to the appointment of Mr. McLeod. The editorial to which I refer appeared in the Irish Independent, of Dublin, on Monday, April 15, 1957.

First, as has been pointed out previously in debate on the floor, it is customary procedure for the State Department, in suggesting appointments of ambassadors, to sound out the government to which an ambassador is to be appointed as to whether the appointment is acceptable to that government. I am informed that this course of procedure was followed in this case, and that the Irish Government, which, after all, is the only proper spokesman for the people of Ireland, and the agency to which such an inquiry would be addressed, indicated that the appointment, if made, would be acceptable.

There has been some discussion about opposition in certain newspapers abroad to the appointment. Therefore the editorial I have in my hand becomes pertinent to the subject under discussion. The editorial reads:

THE AMBASSADOR-DESIGNATE

Some controversy has arisen in the United States concerning Mr. Eisenhower's nomination of Mr. Scott McLeod as Ambassador to Ireland. An English newspaper has taken up the subject. On Saturday last it gave some prominence to a message from its Dublin correspondent to which it put the heading, "Irish Hostile to United States Envoy." It would appear that some of the American newspapers also accept the notion that there is some feeling in this country against Mr. McLeod's nomination to Dublin.

It would be well that these ideas should be dispelled. In accordance with diplomatic usages and international courtesies, we expect that a person appointed as Ambassador to Ireland should be a man against whom Irishmen could make no objection on any reasonable grounds. If no such objection appears the choice of ambassador is entirely one for the United States; it would be wholly contrary to Irish courtesy to attempt to interfere in such choice or to seek to influence it.

As far as Ireland is concerned we are aware of no grounds on which exception could be taken to Mr. McLeod's nomination and appointment. The suggestion that there has been any outcry against it is, as the Irish public is well aware, quite unfounded. The statement in the English newspaper to which we refer that the Irish people are hostile to Mr. McLeod is equally baseless.

I thought the Senator from New Hampshire would not mind having the editorial included in the RECORD at this point.

Mr. BRIDGES. I thank the Senator.

Mr. CLARK. Mr. President, will the Senator from New Hampshire yield so that I may ask a question of the minority leader?

Mr. BRIDGES. Certainly.

Mr. CLARK. A short time ago the distinguished minority leader asked the chairman of the Committee on Foreign Relations, the distinguished Senator from Rhode Island [Mr. GREEN], to yield in the middle of his speech in order to make the point that, while this is a nomination recommended by the Secretary of State, it has behind it the full force of Presidential authority. I am wondering if the distinguished Senator from California is in a position to inform the Senate whether President Eisenhower has ever met Mr. McLeod; and if so, when?

Mr. KNOWLAND. Of my personal knowledge, I have no information in that regard. I mentioned of my personal knowledge that the President only this morning, when I was at the White House, spoke highly of Mr. McLeod, had knowledge of his record, knew of his service in the Department of State, and hoped that the nomination would be early confirmed by the Senate.

Mr. CLARK. But the Senator from California is not able, is he, to tell us whether the President and Mr. McLeod have ever met to discuss this appointment?

Mr. KNOWLAND. No; of my own recollection, I do not recall ever having been at the White House at a meeting in which Mr. McLeod was personally present at the time.

Mr. CLARK. I thank the Senator from California for his reply, and I thank the Senator from New Hampshire for yielding.

Mr. MORTON. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. MORTON. It so happened that I was in the State Department for a little more than 3 years. During 4 or 5 months of that time I was acting as the chief administrative officer of the Department and was Mr. McLeod's immediate superior. I also worked very closely with Mr. McLeod, implementing the refugee relief program. I can answer the question of the Senator from Pennsylvania.

I have been at the White House on many occasions with Mr. McLeod. I have been in the President's office with Mr. McLeod. I did not introduce them, because the President said, "Good morning, Scotty," or "Good afternoon, Scotty," when we walked in, so I thought they knew each other.

Mr. BRIDGES. I thank the Senator from Kentucky. I think that clears up the point raised by the Senator from Pennsylvania.

May I ask the Senator from Pennsylvania a question?

Mr. CLARK. Certainly.

Mr. BRIDGES. Does the Senator from Pennsylvania personally know Scott McLeod?

Mr. CLARK. No; I do not.

Mr. BRIDGES. Then the Senator from Pennsylvania has been acting wholly on hearsay and on the opinions of others.

Mr. CLARK. I think not. If the Senator from New Hampshire will permit me to say so, I do not think the record made before the Senate Committee on Foreign Relations is hearsay. I think the record is known pretty widely to the American people.

While I would be happy to meet Mr. McLeod—and I understand that if I did so, I would find him to be a most charming gentleman—I have not had that privilege.

Mr. BRIDGES. I thank the Senator from Pennsylvania.

Mr. President, the man whose nomination the Senate is being asked to confirm as Ambassador to Ireland was recommended by the Secretary of State and nominated by the President of the United States.

In 4 years of running one of the toughest jobs in the Federal Government, he has demonstrated rare administrative ability and a tact and diplomacy that can be claimed by few.

He is not from the ranks of the wealthy. His name will not be found among the contributors to the political campaigns.

He has earned his reputation the hard way in nearly 15 years of loyal and dedicated service to his country.

Scott McLeod was born in Iowa of hardy pioneer stock. He worked his way through Grinnell College. He became a newspaper reporter. He passed the exacting tests of the Federal Bureau of Investigation and spent 7 years as an agent of that organization. He worked for several years on Capitol Hill as my administrative assistant. I knew him in New Hampshire when he was an agent of the Federal Bureau of Investigation. He was an outstanding agent. He performed his service with the Federal Bureau of Investigation in such a manner that he came to my attention, and I employed him as my administrative assistant. In that capacity, he did a most competent job.

For the past 4 years he has conducted the biggest and most complicated operation of anyone with the rank of an Assistant Secretary of the Department of State. His job has been Administrator of the Bureau of Security and Consular Affairs—a post which I should like to remind the Senate was created by Congress in 1952 in order to bring order out of the chaos that reigned in that Department at that time.

Scott McLeod was handed a herculean task. He was placed in charge not merely of 1 beleaguered and baffling office, but of 4: Security, passport, visas, and munitions control.

On top of this, Congress, in an extraordinary show of confidence in the man, conferred on him a fifth duty, the dubious honor of directing the Refugee Relief Act of 1956, a piece of legislation that even some of its friends thought was unworkable.

Scott McLeod has earned an international renown as an anti-Communist, and thus he has won the everlasting hatred of the comrades and their assorted camp followers—the pinks, some self-styled liberals, the eggheads, and Soviet apologists, all over the world.

In recent weeks he has been the target of a vicious smear campaign of a type that has become all too familiar in this country.

But in a few hours before the Senate Committee on Foreign Relations last week, McLeod himself, with politeness but with devastating candor, destroyed every phony charge laid at his door and hurled it back in the teeth of its author.

I wish every American would read the record of that hearing; it would restore his faith in the integrity of public servants. But McLeod is a modest man. He did not tell the full story of his accomplishments.

What are some of the typically baseless accusations made against McLeod?

That he destroyed the morale of the Foreign Service.

But more young men applied for admission to the Foreign Service last year than has been the case for a decade. Practically none resigned. The Foreign Service itself supports his nomination as Ambassador to Ireland.

I hold in my hand a copy of the Foreign Service News Letter, which gives the official record of the increase in the number of persons who have applied for the Foreign Service. That does not look as if Scott McLeod has destroyed the morale of the Foreign Service.

The second charge is that he frustrated implementation of the Refugee Relief Act of 1956. But as Administrator of that most complicated of laws, Scott McLeod achieved virtually total success, admitting to this country over 190,000 of the 210,000 refugees authorized.

The third charge is that he is opposed to immigration. But in the fiscal year of 1956 the visa office which McLeod heads issued no less than 332,499 immigrant visas, a record since World War II.

The fourth charge is that he has hamstrung the passport operation. But the Passport Office has been completely overhauled and last year a record breaking 560,000 passports were issued promptly and efficiently in keeping with the tremendous upsurge in travel.

It is charged that he was ruthless and reckless in the implementation of the State Department security program. But in 4 years every State Department employee has undergone a full field investigation, many of them for the first time in their careers. Every case has been carefully and fairly evaluated, and the obvious result is that public confidence in the State Department is higher today than for many, many years.

What does all this add up to? It adds up to a remarkable 4-year record made by an unusually talented public servant. Cold facts prove that in his handling of security, passports, and visas, McLeod has achieved a new high in the State Department.

Why, before McLeod took office, was public confidence in the State Department so low?

The Alger Hiss case occurred before his time. So did the Amerasia case, the Lattimore case, and the whole sorry history of the sellout in China.

But in an interview in February 1954, McLeod told the U. S. News & World Report of an incident that occurred after he took office, which in my opinion helps explain the general apprehension in which the State Department was held at that time.

"I was astonished," McLeod said, "when I got a report from one geographic area that there had been 223 individual security violations in that area in 1 month."

Question. "What do you mean by 'security violations'?"

Answer. "Documents left lying on the desk, safes left unlocked—physical security. I wanted to know who were the people involved, how often they were involved in these violations, how serious they were. Well, there were no data on that whatsoever. So, we started the system of security-report-violation forms. Now there is a copy of that form designated to the personnel file. The astonishing result was that there were about 15 violations in that area about a month after we started the practice."

Mr. McLeod continued:

I use this as an example of what I feel was the basic difficulty in the Department, and that was bad administration. When people know that they are going to be held accountable for what they do, then they stop doing the wrong thing.

In the light of the situation that existed in the State Department when McLeod took over in 1953, I feel sure that Americans will take comfort in a remark which he made to the Foreign Relations Committee last week.

Mr. McLeod told the committee that investigations of all State Department employees had now been completed and that to the best of his knowledge there were no subversive elements now in the Department. He added, however, that vigilance in this regard must never cease.

SUPPORT FOR M'LEOD IS NATIONWIDE

It is characteristic of the group who have waged the smear campaign against McLeod to scream loudest when the charges are weakest. But in vain have they tried to give the impression of widespread public opposition to his appointment.

All across the country, newspapers and commentators and leading Americans in all walks of life have spoken out in behalf of McLeod. They recognize the great service which he has rendered his country. For the great majority of Americans, Scott McLeod is the type of individual they want to have representing them overseas, and they will not allow any scurrilous campaign against him to thwart their desires.

Curiously, one of the strongest endorsements has come from Ireland itself. And it has annihilated the completely phony charge which the anti-McLeod element had tried to promote that the Irish people resented his appointment.

The distinguished minority leader, the senior Senator from California [Mr. KNOWLAND], read an article from the April 29 issue of the Irish Independent, a leading newspaper of Dublin, which gave the following account of a speech made by the Honorable James Dillon, Minister of Agriculture in the former Irish Cabinet:

A favorite method employed by Communists was to attack on every possible occasion the character of anyone who had successfully challenged them in the past and recent instance of that was the case of Mr. Scott McLeod, said Mr. Dillon, T. D., national president, AOH (Ancient Order of Hibernians) at the golden jubilee dinner of St. Patrick's division 566 of the AOH, Dundalk.

Every Communist, every fellow traveler, every pink, and the Irish Times had combined to raise their hands in holy horror professing to regard Mr. McLeod as wholly unsuitable for the high position as American Ambassador in Ireland, he added.

The truth was that Mr. McLeod was a distinguished public servant who did his job and the Communists did not like it and they would now be very happy to assassinate his public reputation for all sorts of high-sounding reasons.

He was not the first and would not be the last victim of that conspiracy of slander and vituperation of which the Communists were past masters.

Previously, on April 15 last, the same newspaper carried an editorial which declared as follows:

As far as Ireland is concerned we are aware of no grounds on which exception could be taken to Mr. McLeod's nomination and appointment. The suggestion that there has been an outcry against it is, as the Irish public is well aware, quite unfounded. The statement in the English newspaper to which we refer—that the Irish people are hostile to Mr. McLeod—is equally baseless.

On April 12, the New York Daily News editorialized as follows:

SEND MCLEOD TO IRELAND

Scott McLeod has been known for years as one of the Nation's more effective anti-Communists.

As State Department security and consular administrator, he has been a mortal enemy of Reds in government, and has done his best to weed them out. Before taking that post in 1958, he was most helpful to Senators McCarthy and BRIDGES in their war on the domestic Reds.

President Eisenhower has now nominated Mr. McLeod as Ambassador to Ireland, and all of the Nation's anti-anti-Communists, Reds, fellow travelers, and phony liberals are in full bellow to get the Senate to reject the nomination.

That, we thing, is reason enough for the Senate to confirm, unanimously.

In California, the Sacramento Union had this comment:

MCLEOD APPOINTMENT

Last week, Scott McLeod was nominated to be ambassador to Ireland, upon recommendation of President Eisenhower and Secretary of State Dulles.

The leftwing papers revived the long-dead issue of "McCarthyism," and those on the extreme right hailed the appointment as an excellent one. Said the New York Times: "No one man has represented in the public mind more than Scott McLeod all the evils of McCarthyism as applied to diplomacy. * * * It would be hard to imagine a worse blow to the diplomatic corps or a worse example of playing politics with the foreign affairs of the United States."

Said the New York Daily News about the same man and the same appointment:

Scott McLeod has been known for years as one of the Nation's more effective anti-Communists. As State Department security and consular administrator, he has been a mortal enemy of Reds in government, and has done his best to weed them out. Before taking that post in 1953, he was most helpful to Senators McCarthy and BRIDGES in their war on domestic Reds. President Eisenhower has now nominated Mr. McLeod as Ambassador to Ireland, and all of the Nation's anti-anti-Communists, Reds, fellow travelers, and phony liberals are in full bellow to get the Senate to reject the nomination. That, we think, is reason enough for the Senate to confirm, unanimously.

We hope the appointment is confirmed and that McLeod is given a chance to demonstrate his ability.

Here is another editorial from the San Francisco Examiner:

MCLEOD HAS EARNED AMBASSADORSHIP

As nearly as we can gather, the opposition to the appointment of Scott McLeod as Ambassador to Ireland is that he has been tough on Communists, fellow travelers, and similar security risks. Since when has that been a mark of demerit?

When Mr. McLeod took office as security chief of the State Department he remarked he expected to be smeared. He was. He still is. The leftist press took after him chiefly because this former FBI man was scrupulously careful in screening aliens in his administration of the Refugee Relief Act.

Yet we notice that none of his detractors chose to comment on the urgency and efficiency with which Mr. McLeod moved in issuing visas to thousands of Hungarian refugees who fled to Austria from the recent Soviet butchery. Nor have his enemies acknowledge that the United States has issued more immigration visas than any other nation in the last several years.

It is unfortunate that the leftist smear treatment has rubbed off on some well-intentioned people. That is the advantage propaganda holds over fact. That fact is that Mr. McLeod was nominated by President Eisenhower on the basis of the endorsement of Secretary Dulles. Mr. McLeod should be confirmed by the Senate.

The New York Journal-American wrote, on December 10 of last year, that Scott McLeod was closing out the Refugee Relief Act in a cloud of glory.

He has managed—

This newspaper said—

to issue 6,200 American visas within 3 weeks to the heroic Hungarian refugees in Austria and is also set to take care of an expected score or more defecting Olympic Hungarian athletes as soon as they reach Manila.

Let me turn to a report from the Inter-Mountain Jewish News, of Denver, Colo., of last April 26. This newspaper quotes the distinguished jurist, Judge Charles Rosenbaum, to the effect that he found Scott McLeod a wonderful, fair-minded, capable man.

The Dublin correspondent of the Catholic newspaper, the Tablet, of Brooklyn, N. Y., wrote recently:

The sole dissenting but very vocal outburst here against Mr. McLeod's nomination and appointment has come from the Irish Times and the so-called Irish Association of Civil Liberty. Some American newspapers have erroneously interpreted this hostile action as indicative of Irish opinion generally. Such an assumption is entirely baseless.

George Sokolsky, the distinguished columnist, in an article published in the Washington Post of April 24 last, reported a conversation he had had with a so-called intellectual on the subject of McLeod. He said the intellectual complained that McLeod was responsible for having many fine men driven out of the State Department. Sokolsky added:

Who are these fine men? I asked.
Silence.

The columnist goes on to show that his interlocutor mouthed slogans, sentences, and stereotypes against McLeod, but had not actually the slightest conception of what McLeod did in the State Department or why what he did was necessary. Later I shall submit Mr. Sokolsky's column for the RECORD.

Another noted commentator, Mr. Constantine Brown, whose column appears in the Washington Star, wrote on April 16 last:

McLeod's bosses, President Eisenhower and Secretary of State Dulles, appear to have been fully satisfied with his work. Otherwise they would have fired him. He is not a "sacred cow," and there is no reason to believe that his friends in the Senate would have put up a howl if Mr. Dulles had eased him out in due course. Instead the Secretary, who has never been sympathetic to "witch hunts," recommended him for the ambassadorship. Then the Chief Executive approved this choice.

While on the subject of Secretary Dulles, I believe it particularly appropriate to quote the Secretary's own words about McLeod, given at his press conference last April 23:

I will say that Mr. McLeod, after 4 years of service in the State Department, has, I think, shown that he possesses the qualifications to be a good ambassador. He has grown in stature and understanding; his knowledge of world affairs is very considerable. And I believe that he is well qualified. Obviously such a belief rests upon my personal judgment, but my personal judgment is based upon very close contact with him during this period and with his growing understanding of problems. This leads me to believe that he will be a good ambassador.

The Secretary was asked:

Mr. Secretary, can you tell us if at any time during the past 4 years you considered firing Scott McLeod?

Secretary Dulles said, in response:

Well, there was a point at the very first days of our administration when we did not always see eye-to-eye about everything, but those days have passed; and I really think that he has done an extremely able job on important matters upon which he has been engaged—the Refugee Act, for example, and things of that sort—and I merely repeat what I said before, that I have gained very great confidence in his ability and judgment, his human understanding. I think he would be a good ambassador.

I have another article here which illustrates some of McLeod's qualities as a diplomat. An article from the New York Times of February 25, 1956, reports that he personally solicited contributions amounting to $2,400,000 from member countries of the Intergovernmental Committee on European Migration, which has enabled that organization to carry on its work in finding jobs and homes for Europe's surplus population.

It is worthy of note, in this regard, that this same organization, comprising 26 nations, unanimously chose McLeod as chairman of its council in 1956. It was recognition of the fact that 26 nations of the world, instead of having the opinion of Mr. McLeod which has been expressed by some Senators on the Senate floor, recognized his diplomatic ability. It was because of such recognition by those governments that, after 3 years of his dealing with refugee problems, McLeod was so chosen.

I have cited numerous examples of public support for McLeod from a wide variety of sources. In my opinion, however, he is his own best defender. We all know that many reckless and contrived charges have been made against him, perhaps principally in the security field.

I should like now to quote from an address he made to the American Political Association, an organization of distinguished professors and statesmen which specifically invited him to appear before them. The speech from which I quote was so popular and was accepted as being so definitive in the Government security field that 25,000 reprints were requested by the military and distributed to their security personnel. I quote:

PREMISES OF EXISTING SECURITY PROGRAM

As Administrator of the State Department's security program there are certain premises on which the program is based of which I must be cognizant.

1. There exists a clear and present danger to our society. This danger is caused by the existence of a criminal conspiracy called communism which aims to overthrow our Government and change our society by whatever means it may find available including force, violence, and subversion.

If this danger did not exist it would be difficult to justify any security program, or at least one as thorough as that which we have. That it does exist has been established by law, by Executive order and by judicial interpretation. Congressional mandates and Executive orders to combat this danger have been cited previously.

The courts have upheld this finding. In sentencing the Communist leaders convicted under the Smith Act of 1949, Judge Medina stated, "These defendants were not convicted merely for their political beliefs or ideas or for belonging to the Communist Party. I made it plain in my charge the jury could not convict for anything like that but they had to find there was specific intent to overthrow the Government by force and violence and to use words as a rule of action. * * *"

2. That Federal employment is a privilege. This premise is stated in the two whereas clauses on which the President predicated Executive Order 10450.

3. That maximum protection must be afforded the employee of the Government against unfounded accusations, rumor, gossip, and unreliable information. This premise is also stated in the whereas clause of Executive Order 10450. The two clauses embracing these two premises are as follows:

"Whereas the interests of the national security require that all persons privileged to be employed in the departments and agencies of the Government shall be reliable, trustworthy, of good conduct and character and of complete and unswerving loyalty to the United States; and

"Whereas the American tradition that all persons should receive fair, impartial and equitable treatment at the hands of the Government requires that all persons seeking the privilege of employment or privileged to be employed in the departments and agencies of the Government be adjudged by mutually consistent and no less than minimum standards and procedures among the departments and agencies governing the employment and retention in employment of persons in the Federal Service."

In recognition of these premises the State Department issued regulations, which, when they were published on July 27, 1953, had the effect of law. Our regulations were modeled in the Department of Justice. They have been tested by 2 years of use. Moreover, under the terms of Executive Order 10450 the Civil Service Commission makes a "continuing study" of the implementation of the

order and reports "deficiencies" and "tendencies" to the head of the department and the National Security Council.

Thus, unless the laws, the executive orders, or the regulations issued thereunder are changed by the duly constituted authorities they form the frame of reference for a security administrator and should not be presumed to be illegal, unreasonable, or unjust.

In the absence of change, I conclude that the security program is adequate to (1) prevent Communist penetration of our Government, and (2) protect the inherent rights of Government employees.

Yet, no one contends that this program is sacrosanct. In addition to the review provided in the order itself we find that the program is under constant scrutiny in the Congress, the courts, and the press.

As a result of this scrutiny and review many thoughtful persons have come to grips with the question of what a security program does to the rights of an individual American. It has been stated that civil rights are infringed, that legal rights are abated, that inherent rights are involved.

Every American, according to our tradition, is entitled to a square deal from his Government. I hope I can demonstrate, through discussion of our procedures, that the Government is endeavoring to insure this basic right.

It is difficult to argue that a security program, like other governmental programs based on law, does not in some instances and to some degree affect civil rights. It is evident, for example, that investigation of an individual can be to some extent an intrusion on that individual's privacy. Many of the rules of society translated into laws necessarily constrain individual tendencies or purposes which, except for the fact that people must live in close proximity to each other, would not be in themselves wrong.

Our laws and our courts have always taken cognizance of the matters of intent and degree. There is an obvious distinction between being jostled by an unruly passerby and being pushed to safety from in front of a speeding vehicle. The first act is at least bad manners and possibly disorderly conduct. The second is a normal human reaction which can be heroic.

Our Constitution and traditions are delicately balanced between the necessities of the basic responsibility of Government to achieve the greatest good for the greatest number and, at the same time, to clearly observe and respect the sovereign rights of the individual. It is this delicate position with its great potentials of dilemma that requires constant scrutiny, criticism, and evaluation of our laws, procedures, and programs, including this one under discussion today. There are three questions which, among others, must be asked. First, Is the danger real and present? Second, Do the results justify the effort? Three, Do the benefits exceed the disadvantages?

No thoughful American wants to achieve absolute security in Government at the cost of sacrificing our traditions or by adopting the very forms of totalitarian conduct which we seek to guard against.

We should discuss briefly the theory of a security program. It seeks to prevent Communist penetration of the Government. It is not designed to prosecute such penetration. It seeks to protect the public interest before and not after the commission of an overt act. Such, indeed, is one of the definitions of security.

This theory is an important consideration in assessing this problem. If a person commits an overt act of disloyalty he may be indicted, tried and convicted under our judicial procedures. Under our theory of law he is innocent until proven guilty. The burden of proof rests on the Government and the jury is instructed to resolve reasonable doubts in favor of the accused. This is a system developed through centuries to ensure fair play in establishing guilt.

A security system is not intended to establish guilt since no act against the public interest may have occurred. If such has taken place the transgressor could be prosecuted in court. The system is intended to prevent such an act. There can be no proof since future events are not susceptible of present proof. A security risk under our procedures is not necessarily guilty of any illegal act. He is a person who has been adjudged unsuitable for Federal employment.

Scott McLeod has made an outstanding record. The samplings of public opinion which I have quoted show it.

Mr. President, at this time I ask unanimous consent to have printed in the RECORD, at the conclusion of my speech, certain favorable articles with respect to Scott McLeod. I noticed that in the Foreign Relations Committee report, many unfavorable articles were used. I send these articles to the desk and ask unanimous consent to have them printed at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Without objection, it is so ordered.

(See exhibit 1.)

Mr. BRIDGES. Because it has come into question, I should like to have the speech of McLeod referred to earlier printed in the RECORD. I will say to the Senator from Pennsylvania [Mr. CLARK] that I have just had sent down from the State Department the speech which Mr. McLeod made in Topeka, Kans., to the American Legion, which has been in question. I ask to have it printed in the RECORD, at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. CLARK. Mr. President, will the Senator yield briefly?

Mr. BRIDGES. I yield.

Mr. CLARK. I thank the Senator. I believe the Senator from New Hampshire and I are in accord that the speech itself does not reveal the statement about Democrats which the Reporter article stated was made. I should like to have the RECORD also show that in my judgment, at least, there is a very good chance the statement was made during the course of the remarks. I personally am having the newspaper accounts checked to determine that, and I shall be happy at a later date to insert in the RECORD anything that may turn up.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from Oregon.

Mr. MORSE. On that particular point, does the Senator know whether or not a tape recording was taken of Mr. McLeod's actual remarks?

Mr. BRIDGES. No; I do not. If there was one, I should be glad to hear it.

Mr. MORSE. I should like to have a transcript of a tape recording, if one was taken.

Mr. BRIDGES. I do not have any record of a tape recording. I do not know whether one was taken. I was referring to the speech itself.

I do not have too much faith in the authority quoted. I pay every compliment to the distinguished Senator from Pennsylvania [Mr. CLARK] for his integrity in inserting the remarks in the RECORD, but I question his judgment as to the authority from which he quoted.

Mr. CLARK. If the Senator will yield briefly, it was not I who put the remark in the RECORD. It was a record made by the Committee on Foreign Relations from which I was merely quoting.

Mr. BRIDGES. I again point out I am not questioning the integrity of the Senator from Pennsylvania or of the Committee on Foreign Relations. I merely question the source from which they quoted.

Scott McLeod has made an outstanding record. The American people are satisfied with Scott McLeod. So is Secretary Dulles, and so is the President of the United States. Scott McLeod has run not 1 but 5 difficult offices and programs. He has represented this Government in complicated international negotiations. Throughout his career in the Department of State he has worked in the glare of public scrutiny. It is amazing to me that he has been able to accomplish his various tasks with so little criticism, and that from a quarter long since exposed and discredited.

I sincerely believe the great majority of thinking people in Ireland will consider themselves fortunate to have a man of high rank and qualification, like Scott McLeod, assigned to their country.

A cablegram was received today from the editor of the Irish Independent, Dublin, Ireland. Its contents are as follows:

Opposition McLeod negligible. Unrepresentative minority. No political party, deputy, or senator opposes. Vast majority people welcome enthusiastically.

I might say in closing, Mr. President, that I have sat in the Senate for nearly 21 years. I have seen many people confirmed as ambassadors and sent to foreign nations. I hope that in the years to come the men and women who are sent to foreign nations to represent our country will have the basic integrity, basic qualifications, the interest in and the love of this country that Scott McLeod has. I think we will in that case be well represented.

EXHIBIT 1

[From the New Hampshire Sunday News of April 21, 1957]

MCLEOD VICTIM OF DIRTY HATCHET JOB BY LEFTIST CLIQUE, BUT APPROVAL OF AMBASSADORSHIP IS EXPECTED

(By Herman Lowe)

WASHINGTON, April 20.—The dirtiest hatchet job that's been done on anyone down here in a long time is being done today to Scott McLeod, of New Hampshire, administrator of the Bureau of Security and Consular Affairs for the State Department, who has been nominated to be our next Ambassador to Ireland.

(Editor's note: President Eisenhower asked at his most recent press conference why he had nominated McLeod and whether he felt the latter could do an effective job "in view of the criticism provoked by his appointment," said: "I took—I appointed Mr. McLeod on the serious and earnest recommendation of Secretary Dulles, who is held responsible by me for the successful functioning of all our embassies. And when he recommended him and he did it, not in a perfunctory way but in a very serious, direct way, which he does all those, I approved him.)

A select crew of State Department experts, veterans at the chore of secretly leaking poison to certain newspapers to be used against those whom the clique hates, have been pouring it out in the large economy size packages.

They've accused McLeod of being the cat's paw and tool of Senator Joe McCarthy whom they hate.

They've accused McLeod of being the handpicked choice of Senator STYLES BRIDGES (whom they hate) for his present job in the State Department.

They've accused McLeod of wrecking morale in the State Department Foreign Service by his control over consular and other officials.

They've accused McLeod of leaking information about Ambassador Charles Bohlen to Senator McCarthy.

They've accused McLeod of being responsible for the information leak which was followed by the recent suicide of Canadian Ambassador Norman, in Egypt.

These stories have been printed. They've been mouthed by indignant liberals.

Let's take a look at some of these charges which are as phoney as wooden nickels.

Back in January 1953, shortly after the Eisenhower administration took over, Donald B. Lourie, then executive vice president of the Quaker Oats Co., became Under Secretary of State, in charge of administration. In 1952, Congress had voted to add a new job to the State Department, that of administrator of the Bureau of Security and Consular Affairs. Congress was up in arms about the strong leftie clique in the Department. It wanted this crowd, largely concentrated in the Far Eastern division, cleaned out.

It wanted a security officer for the State Department who would be tough, conscientious, and unable to be swayed by that influential gang of Moscow apologists.

Lourie was the man assigned by Secretary of State John Foster Dulles to find the man. Through a mutual friend from Iowa, he heard about McLeod, a native of Iowa, a former FBI agent and newspaperman, and in 1953 administrative assistant to Senator BRIDGES.

Lourie checked on McLeod, then sent for him and offered him the post.

McLeod thought it over and decided to accept. Then he told his boss, BRIDGES, about it. At about the same time, he had a talk with this Union Leader and Sunday News correspondent.

He told me the above story and when I asked whether BRIDGES had suggested him for the post, McLeod said BRIDGES hadn't known anything about it. Later, I put the question to Senator BRIDGES. He admitted frankly that, while he was delighted at the opportunity for advancement for his top aide, he had nothing to do with getting McLeod the job.

So, this correspondent can state from his personal knowledge that the stories about McLeod being put into the State Department by BRIDGES as a stooge for him and McCarthy are faked and planted merely to do McLeod harm at this time.

The Norman case broke when McLeod was in Europe. The alleged leak of information from the State Department Security Office took place when McLeod was out of the United States. He had nothing whatsoever to do with it. Yet the hatchet men in the State Department have planted the story with leading liberal newspapers that have swallowed it whole and without properly checking the facts.

The other printed whispers—that the morale of Foreign Service officers is shot and that McLeod's office has provided a leak to Senator McCarthy (who is, indeed, an old friend of McLeod)—are unproven gossip.

These stories, and others like them, are a mass of generalities. There are no specific cases, no specific proof, offered. Just the phony charges.

That reputable newspapers and broadcast correspondents have swallowed them whole and repeated them is no credit to the newsgathering business.

But the following are facts:

While some Members of the Senate may try to give McLeod and his nomination to Ireland a bad time, the Granite Stater will be approved for the post.

The friends of McLeod have a very good idea of just who in the State Department is leading the hatchet bund. And it's a long road that has no turning.

ANTI-MCLEOD DRIVE SCORED—IRISH TIMES DOES NOT REPRESENT IRELAND; CALLED BIASED

(By Eugene Goulding)

DUBLIN, Ireland.—Commenting editorially on President Eisenhower's nomination of Scott McLeod to be the United States' Ambassador to Ireland, the Irish Independent (April 15) stated: "As far as Ireland is concerned we are aware of no grounds on which exception could be taken to Mr. McLeod's nomination and appointment. The suggestion that there has been any outcry against it is, as the Irish public is well aware, quite unfounded."

On the contrary, Irish public opinion is acutely perplexed and disturbed to read the extracts in the Irish papers of the bitter campaign now being waged against Mr. McLeod by such newspapers as the Washington Post, the New York Times, the New York Post, the Baltimore Sun, the London Daily Telegraph, and others.

The sole dissenting but very vocal outburst here against Mr. McLeod's nomination and appointment has come from the Irish Times and the so-called Irish Association of Civil Liberty. Some American newspapers have erroneously interpreted this hostile reaction as indicative of Irish opinion generally. Such an assumption is entirely baseless.

The Irish Independent further stated: "It would appear that some of the American newspapers also accept the notion that there is some feeling in this country against Mr. McLeod's nomination to Dublin. It would be well that these ideas should be dispelled. In accordance with diplomatic usages and international courtesies, we expect that a person appointed as Ambassador to Ireland should be a man against whom Irishmen could make no objection on any reasonable grounds. If no such objection appears, the choice of Ambassador is entirely one for the United States; it would be wholly contrary to Irish courtesy to attempt to interfere in such choice or to seek to influence it."

SMALL BUT INFLUENTIAL

The Irish Times is a small but influential daily. It represents the somewhat frayed remnants of old-time West Britonism and is generally regarded as the mouthpiece of the Masonic Society in Ireland.

It conducts a veiled and subtle policy of anti-Catholicism and when the opportunity presents itself it does not hesitate to engage in a local form of Blanshardism.

In the last few years it has argued consistently in its columns for the admission of Communist China to the United Nations; and, despite the repeated protests of members of the Maynooth mission to China who have suffered at the hands of Chinese Communists, it has opened its columns to a smear campaign against the heroism of priests and nuns in Communist China.

This, then, is the Irish paper to which hostility against Mr. McLeod is confined. In today's issue (April 16) it charges Mr. McLeod's "unwholesome department" with the responsibility for the suicide of Herbert Norman, the late Canadian Ambassador in Cairo.

Accuracy has never been a strong point with the Irish Times, and though it likes to wear literary spats it very often betrays its real feelings by undignified and reprehensible expressions.

Today, for example, it had the following objectionable passage: "It is urged in favor of Mr. McLeod that he has done a good job, discharged a socially valuable service to his country—even if, in the process, a few innocent people may have had the bad luck to have suffered. So, in the view of many, does the hangman. But we do not welcome the hangman into our midst, and it is not customary to reward his services with an ambassadorship."

The grand alliance between the Irish Times and the Irish Association of Civil Liberty has been forged for several years and whenever the dictates of Liberal-Socialism demand it the alliance expresses itself as a noisy and clamorous duet. The nomination of Mr. McLeod has been no exception.

True to form the council of the association has asked the Government to reconsider their reported agreement to the proposed appointment of Mr. McLeod. Though it did not hesitate to make such a request, nevertheless it admits that it is in no position to pass judgment at this stage.

Let us glance, then, at this so-called Irish Association of Civil Liberty which has which has been reported in sections of the American press as opposing Mr. McLeod's nomination. It is a numerically small body composed or roughly 100 dues-paying members and its activities are conducted by less than a dozen members.

Its president is Sean O'Faolain.

[From the New York Times of February 25, 1956]

TWENTY-FIVE LANDS PLEDGE REFUGEE FUNDS ON BID THAT CASH MATCH PRAYERS—$2,400,000 TOTAL IS REACHED—MCLEOD POLLS DELEGATES AT GENEVA CONFERENCE

(By Michael L. Hoffman)

GENEVA, February 24.—In a session reminiscent of a prayer meeting 25 governments pledged enough extra funds yesterday and today to keep the Intergovernmental Committee for Migration From Europe in full operation at least through 1957.

Scott McLeod, of the United States, was chairman of the organization's council at its semiannual session, which ended today. As the official responsible for refugee and migration problems in the State Department, he was also the chief United States delegate.

Earlier in the session Mr. McLeod observed that he would expect those who "prayed" the longest and the loudest in favor of the committee's continued existence to reach the deepest into their cash boxes. By going around the table delegate by delegate he elicited a total of approximately $2,400,000 in new pledges.

THREE MILLIONS HAD BEEN SET

While this is not the $3 million figure that had been set, migration committee officials feel it will be ample to meet requirements when certain minor adjustments in expenditures are taken into account.

The committee aids people desiring to migrate from Europe to overseas countries. It furnishes transportation when necessary and money (through nongovernmental and religious agencies) and performs a large number of processing services in emigration and immigration. It is moving people at the rate of about 125,000 yearly at present.

The financial crisis, which now seems to have been overcome, arose from the fact that for 3 years the committee had been able to draw on accumulated "carryover" funds amounting to nearly $3 million yearly. These funds are exhausted.

Technically, the money now pledged will go into a "special fund." Some of this will consist of money that can be used anywhere in the committee's operations and some will be in the form of payments by governments within their own frontiers toward the cost of emigration or resettlement.

The principal pledges were those of Australia, $514,000; Italy, $285,000; the Netherlands, $250,000; Austria, $170,000; Chile, $155,000; West Germany, $120,000, and Switzerland, $120,000.

The United States, as was known in advance, stands ready to meet the contributions of other governments up to an amount equal to one-third of the total or $940,000, whichever is smaller.

The success of Mr. McLeod's pledge drive has delighted the United States delegation which believes this evidence of support from other governments will ease the task of persuading Congress to continue American participation in the organization.

TWENTY-FIVE THOUSAND ASSURED UNITED STATES ENTRY

FRANKFURT, Germany, February 24.—Plans have been announced here for resettling 25,000 persons in the United States under the United States Refugee Relief Act.

James J. Norris, European director of the Catholic Relief Service-National Catholic Welfare Conference, told a meeting of directors here that homes and jobs had been assured for all the emigrants as required under the Refugee Act, which expires December 31.

[From the New York Times of October 26, 1956]

M'LEOD SAYS UNITED STATES GIVES MOST VISAS—STATE DEPARTMENT AIDE CITES 968,000 ISSUED IN LAST 4 YEARS AS WORLD HIGH

The United States has issued more immigration visas than any other nation in the last 4 years, Scott McLeod said here yesterday. He is administrator for the State Department's Bureau of Security and Consular Affairs.

Apparently in answer to recent domestic criticism of United States immigration policies, Mr. McLeod said that this Nation had issued 968,109 immigration visas of all kinds in the 4 fiscal years ended last June 30.

As for the workings of the Refugee Relief Act, authorizing the entry of 209,000 refugees, he said that as of last week 155,000 visas had been granted. By the end of the year, when the act expires, he added, a total of 180,000 visas are expected to have been issued.

Mr. McLeod thus indicated that the expected deficit would be 29,000 immigrants and not 40,000, as critics of the act had said.

One of the main reasons for the nonfulfillment of the total authorized in the law, he said, is the fact that many prospective immigrants from Germany and Austria have been turning down visas at the last minute because of improved economic conditions in those two countries. The two countries have a quota of 90,000 under them act.

Ten of the fourteen special categories under which visas are being issued have been completely filled, Mr. McLeod reported. Immigration visas under the act, he added, are now being issued at the rate of 2,000 a week, with a higher number to be granted in the weeks to come.

Mr. McLeod returned aboard the American Export liner *Independence* after attending the annual conference of the Intergovernmental Committee for European Migration at Geneva, Switzerland.

He said the United States should adopt specific immigration provisions for escaped persons during the cold war period and should also try to make it possible for victims of tuberculosis among displaced persons to come to this country.

Also aboard the liner was Senator Walter F. George, Democrat, of Georgia, and chairman of the Senate Foreign Relations Committee. He returned from a European trip as personal representative of President Eisenhower and special ambassador on North Atlantic Treaty Organization development.

[From the Washington Star of April 16, 1957]

MORE ON THE MCLEOD APPOINTMENT—EDITORIALS IN BRITAIN'S NEWSPAPERS RANGE FROM MILD TO LESS THAN MODERATE

(By Constantine Brown)

Our good friends and distant cousins in Canada and Britain have added to the present world confusion by taking up a quarrel with the United States on purely internal American matters.

President Eisenhower has designated the State Department's security chief, Scott McLeod, as Ambassador to Ireland. This official became a controversial figure after he assumed office in 1953. He was entrusted with the job of removing a number of American diplomats who, under the law passed in 1952, represented a loyalty or security risk. He was then severely criticized at home and abroad for the dismissal or retirement of a number of career officers.

McLeod's bosses, President Eisenhower and Secretary of State Dulles, appear to have been fully satisfied with his work. Otherwise they would have fired him. He is not a "sacred cow" and there is no reason to believe that his friends in the Senate would have put up a howl if Mr. Dulles had eased him out in due course. Instead the Secretary, who has never been sympathetic to "witch hunts," recommended him for the ambassadorship. And the Chief Executive approved this choice. Yet British newspapers, including the so-called conservative press, went on a binge of indignation over the appointment.

The sedate London Daily Telegraph asked in an editorial "whether the fact that most American policemen are Irish is a good enough reason for the choice of a former FBI agent to be Ambassador to the Irish Republic." It added that "Mr. McLeod succeeded in spreading suspicion and fear throughout the ranks of the Foreign Service as well as making possible major injustices to individuals."

There were other less moderate editorials in the British press about an individual who had committed injustices not against any British personnel but against those of his own country.

The British, despite the pride they take in their police, seem to treat the FBI with scorn. They describe it as a police force and consider the appointment of a former cop as American Ambassador to the Irish Republic as a slur despite the acceptance of Mr. McLeod by the Dublin Government. Even the well-informed British editorial writers seem to ignore the fact that the FBI is a part of the Justice Department and is not a police force in the European sense of the world. Only a branch of the once famous Scotland Yard could possibly be vaguely compared with the FBI.

Similarly the Canadian Government and especially the Canadian press stirred up a hornet's nest when they attacked violently the Senate Internal Security Subcommittee over its disclosures of Communist incidents in the early life of Herbert Norman, Canadian Ambassador to Cairo. The Canadian diplomat, who committed suicide for reasons which have not yet been fully disclosed, was described as a victim of the American senatorial witch hunt.

The Internal Security Subcommittee was investigating alleged past Communist affiliation of John K. Emerson who was counselor of embassy at Beirut, Lebanon. Although the name of the Canadian diplomat had appeared a number of times during the investigation of the Institute of Pacific Relations in 1951 and 1952, Foreign Minister Lester Pearson became loudly indignant when Mr. Norman's name appeared incidentally at the recent questioning of Mr. Emerson.

Senator JAMES EASTLAND, chairman of the subcommittee, does not believe that our own or allied security can be helped by sweeping under the rug matters connected with foreign diplomats. It is recalled that when Klaus Fuchs—a British subject—arrived in the United States, the FBI did not investigate him since he had been cleared by all British security services. Yet his betrayal of A-bomb secrets to the U. S. S. R. is partially responsible for the mess in which the world finds itself now. Had it not been for Fuchs the Russians might be far behind the free world in developing nuclear weapons.

Similarly the American security agencies were told to keep hands off the two British diplomats, Donald MacLean and Guy Burgess. It was only after they fled to Moscow, where they are believed to be guiding lights in the present Soviet policy in the Middle East, that their true activities were partially revealed. Yet there are strong reasons to believe that the two men, by passing on to Moscow top-secret information obtained in their official capacities in Washington and London that we did not intend to bomb Manchuria, gave the Chinese Communists the news that they could intervene en masse in the Korean war without fear of effective aerial retaliation.

Under these conditions, the Internal Security Subcommittee feels that its investigations serve the real interests of America as well as of her allies.

[From the New York Journal and American of December 10, 1956]

IMMIGRATION ACT IN HIGH

(By David Sentner)

Scott McLeod, State Department security chief, is closing out the Refugee Relief Act in a cloud of glory.

He has managed to issue 6,500 American visas within 3 weeks to the heroic Hungarian refugees in Austria and is also set to take care of an expected score or more of defecting Olympic Hungarian athletes as soon as they reach Manila.

The former FBI agent got the full-scale smear treatment from the left-wing Americans for Democratic Action when he began to administer the refugee act in 1953.

The act runs out in a few weeks and I dropped in to see the square-rigged McLeod to hear how he thought it had worked out and what Congress could do about the gallant self-exiled Hungarian freedom fighters.

McLeod is worried about Soviet agents working on the Hungarian refugees after they are flown over here.

The new Congress should quickly do something to alter their status as parolees, an insecure position which Red agents will surely exploit, McLeod believes.

The Hungarian athletes can come to the United States under a provision of the Refugee Act, McLeod added.

From his security sources in Europe, McLeod reported that the naked-fist revolt of the Hungarians against the armored might of Red Russia was brought on to a major extent by the foolish use of Mongolian troops by Moscow.

The history-minded Hungarians were not only inflamed by the bestiality of the Mongolian troops but were reminded of the Asiatic hordes who laid waste their nation centuries ago, he said.

On the subject of his leftwing critics, McLeod declared he had told them that "we have to build a railroad, construct a track, and train the crews" before the Refugee Relief Act could work.

"It came about just as I said," remarked McLeod, "and it turned out to be a pretty

good railroad to take care of those 6,500 Hungarian refugees in 3 weeks."

The act called for 200,000 American visas to be issued, outside the regular immigration quota, to victims of Communist oppression.

With only a few weeks to go before the law is ended, 171,393 visas have been issued, McLeod said.

[From the Washington Post of April 27, 1957]

THE CRITICISM AIMED AT SCOTT MCLEOD

(By George E. Sokolsky)

I met a young fellow who does not like Scott McLeod. The reason: Scott McLeod, said the young fellow, is a friend of Joe McCarthy.

"Is that not guilt by association to which you and your professors object?" I asked.

"True, but McLeod is responsible for having many fine men driven out of the State Department."

"Who are these fine men?" I asked.

Silence.

One does not remember names, dates, places. It is only necessary to remember sentences, slogans, stereotypes. This is regarded as education. If the student remembers the professors' phrases, he gets a good mark. In time, he believes them.

I pursued the argument: "Do you know what Scott McLeod's job has been in the State Department?"

The answer was ambiguous.

"Well," I said, "his formal title has been Administrator, Bureau of Security and Consular Affairs. This has to do with screening personnel to avoid the employment of blabbermouths, homosexuals, and subversives. Blabbermouths are bad because, give them a drink or two, and they talk their heads off. Often they quote their superiors. Blabbermouths are beloved by newspapermen because while they may be wrong in detail they provide tips that can be followed up. There are more male than female blabbermouths. I know a blabbermouth who always says more than he ought to and then worries for weeks whether he has not wrecked his family. A fellow in the code room of an Embassy must not be a blabbermouth. If he prefers being the wise guy in a bar or at a cocktail party, he ought to apply for some other job than in the State Department. He could do less harm at the hardware counter of a department store.

"The homosexual, male or female, is always subject to blackmail. So is the married man who chases after other men's wives. This may be some kind of indoor sport but it is no good for the State Department. Such people have to be screened out. The subversive is obviously out of order.

"Somebody has to do the screening. If it is not one man, it will be another, and the job changes with the times. For instance, when this country was at war with Germany, those who were pro-German were dangerous for the State Department; when we were at war with Japan, anyone who was pro-Japanese became a menace. Now we are in a state of a cold war with Soviet Russia and therefore the pro-Russian and the pro-Communist are a menace. Somebody has to do the job of checking personnel in this sensitive agency and, I suppose, whoever does it will make a lot of personal enemies."

So again, I asked the young man where he heard that Scott McLeod, our new Ambassador to Ireland, is such a bad man. Well, it all came out in college. The word had gone forth to smear a public official because he did his duty, whatever his duty happened to be.

Bad thinking is involved in all this because whereas none of us are perfect and the probability is that if one searched hard enough, he would find much that is unsatisfactory in each one of us, here was a conclusion, held with vehemence and blushing anger but without any effort to get at a single fact to uphold a point of view.

It is the avoidance of facts to which I object; the repetition of sentences and phrases, of charges and conclusions spoken in classrooms and repeated everywhere. That certainly is not an intellectual approach to anything. While many of these young men refer to themselves as intellectuals, they reject the work that an intellectual must do to catalog facts, to screen out unrelated matter, to avoid subjective reactions and not to reach a conclusion based on nothing but hearsay. Since the 1930's American intellectuals have been willing to be led by stereotypes, by phrases which may apply to some things but which are not generalizations applicable to all human problems.

BON VOYAGE, MR. MCLEOD

Mr. Scott McLeod had been around, and he knew, in January of 1953, when Mr. Dulles offered him the post of chief security and personnel officer for the State Department, that he was being asked to become one of liberaldom's principal targets. He took the job nevertheless, and for 4 years he discharged his duties with conscience, humanity, intelligence, and dignity. For his pains he has been abused throughout the land. Herblock counts it a week lost when he does not portray him in some ignoble posture in the act of doing his best to render our society uninhabitable; the Alsops worked hard to cast McLeod as the prototype of a new species of administrative executioner; and the New York Times, of course, wept that he was ever born.

The President has now appointed Mr. McLeod Ambassador to Ireland. The appointment, needless to say, has evoked a deafening chorus of hisses from the little men who a few years ago were defending the nomination of Mr. Bohlen on the grounds, pure and simple, that the Constitution gives to the Chief Executive the power to appoint Ambassadors, period—and criticism of his choice is accordingly out of order.

Well, Mr. McLeod will soon be off to Ireland where, predictably, he will perform as faithfully as he has here. We will miss him at the State Department. It is regrettable he cannot be both places at once. Or, better still, a hundred places at once.

[From the Washington Star of April 15, 1957]

IRISH REACTION

It is beginning to look as though reports of hostile reaction in Ireland to the designation of Scott McLeod as Ambassador have been exaggerated.

The Irish Times has protested, primarily on the basis of accusations against Mr. McLeod which it says have been denied but not disproved. And the Irish Association of Civil Liberty, taking note of the outcry from reputable and presumably well informed newspapers, has asked the Dublin government to reconsider its reported agreement to accept the McLeod appointment.

There are indications, however, that the newspapers whose outcry has impressed the civil liberty group may not have been very well informed after all. At any rate, the Irish Independent, the country's largest daily newspaper, has been unable to detect the outraged Irish reaction reported in some English and American papers.

The Independent thinks that these reports were inaccurate and that they should be corrected. "As far as Ireland is concerned," the paper says, "we are aware of no grounds on which exception could be taken to Mr. McLeod's nomination and appointment. The suggestion that there has been an outcry against it is, as the Irish public is well aware, quite unfounded."

For our part, we continue to believe that the selection was unfortunate to the extent that it may have been designed to ease Mr. McLeod out of his controversial place in the State Department. The fact that Mr. McLeod is disliked and distrusted by some people in this country, however, does not necessarily mean that he is unacceptable to the Irish Government or that he is not competent to serve as Ambassador. On such points as these the record should be kept straight.

[From the Intermountain Jewish News (Denver, Colo.), of April 26, 1957]

JUDGE ROSENBAUM WINS CASE AT GENEVA FOR WORLD HELP TO SAVE EGYPT JEWS

(By Robert S. Gamzey)

Judge Charles Rosenbaum won the biggest case of his life at Geneva. It was a plea for world assistance to save thousands of dispossessed Egyptian Jews.

The Inter-Governmental Committee for European Migration, meeting in Switzerland, where Rosenbaum was a United States delegate, voted to finance the transportation of 12,500 Egyptian Jewish refugees from Greece and Italy to Israel. The Jewish agency brought them from Cairo and Alexandria to Greek and Italian ports with UJA-Allied Campaign Special Rescue funds now being raised throughout the country.

The story behind this life-saving decision by the 27-nation Inter-Governmental Committee, known as ICEM, is the story of how Judge Rosenbaum won his biggest case, with the help of sympathetic and understanding American delegation colleagues, and an impassioned 11th-hour speech about a second Passover Exodus from Egypt by the Israeli representative, Erin Laor.

Judge Rosenbaum accepted the United States Government appointment to the Geneva Conference under pressure from Phillip Klutznick, B'nai B'rith president, and Rabbi Herbert A. Friedman, UJA chief, who prevailed upon the noted Denver attorney and community leader to present the case for intergovernmental aid to Egyptian Jewish refugees.

He had to overcome a major technicality. The Intergovernmental Committee for European Migration was established to relieve European countries suffering from overpopulation, and was confined to European problems. Egypt was outside its legal scope.

Rosenbaum, aboard ship en route to Switzerland, convinced his fellow delegates that Egyptian Jews became eligible for ICEM assistance when they landed at Greek and Italian ports with UJA-Allied Campaign transportation money. The allied past president cited a precedent of ICEM assistance in resettling Netherlands refugees from Indonesia after they returned to overcrowded Holland.

SOLD WALTER

In Geneva, he had breakfast 3 days in succession with Representative FRANCIS WALTER, House Immigration Committee chairman, whose powerful influence would be decisive on American congressional policy. WALTER was impressed with the American Jewish Congress Black Book on Nasser's pauperization of Egyptian Jewry. On ship, he found the American delegation chief, Scott McLeod, to be "a wonderful, fair-minded, capable man."

With the cooperation of ICEM Chairman George Warren, a distinguished and revered American, Judge Rosenbaum succeeded in placing the Egyptian issue on the Intergovernmental Committee agenda. The State Department was cabled for instructions. Three days passed without reply from Washington. United States support was all-important because our country provides 40 percent of the ICEM budget.

UNITED STATES APPROVAL WON

On the final day of the Geneva Conference, the State Department informed its delegation

that the United States approved Warren's proposal for a $950,000 budget. The stage was set for the final session of the 27-nation committee.

With delegates from all parts of the world listening through their earphones to simultaneous translations in many languages, the Israeli Erin Laor took the floor.

In a dramatic appeal, the Israeli described how Nasser stripped Egyptian Jewry of all their possessions, homes, businesses, jobs, and other means of livelihood. Laor declared, "I have just received a cable from the Red Cross that the steamer Mecca has arrived in Greece with 962 Egyptian refugees. There are 262 children on the ship. There are 38 sick and maimed. Two are paralytics.

PASSOVER APPEAL

"Today is Friday. On Monday night, the Jews of the world will sit down to their ancient Passover seder. This is what the Christian world calls the Last Supper of Jesus.

"Three thousand years ago, the Jews of Egypt were led by Moses in another Exodus. Instead of eating their Passover seder in the desert, this exodus will enjoy the hospitality of the people of Greece and other havens, who themselves are overcrowded and short of funds.

"I speak on behalf of my government offering to accept all the Egyptian Jewish refugees. I hope and pray that you will enable them in this modern exodus to come to the promised land."

OFFER HAVENS

Judge Rosenbaum said the assembly room remained silent for moments after the Israeli sat down. Then the Greek delegate arose to thank him for his kind remarks about the hospitality of Greece, and offered to take downtrodden refugees from Egypt.

Next, the Netherlands delegate offered a haven despite Holland's overpopulation.

Chairman Warren climaxed the session by announcing American support of ICEM transportation of 12,500 Egyptian Jews from Greek and Italian ports to Israel. The Inter-Government Committee of 27 nations voted approval and adjourned.

FLIES TO SEDER

Judge Rosenbaum, who had laid the foundation for this mass lifesaving action, said he was so overcome with emotion that he decided then and there to abandon plans for another 2 weeks stay in Europe, and fly home for seder. He left Friday and arrived in Denver Sunday night, presiding at his seder for 30, including GI guests, who heard this dramatic story from the man who helped achieve a modern exodus for 12,500 Jews.

Judge Rosenbaum arrived in time to greet the arrival of his new grandson, Steven, son of Mr. and Mrs. Stanton Rosenbaum.

[From the Irish Independent Daily Newspaper (Dublin, Ireland) of April 29, 1957]

ATTACK ON MR. MCLEOD DEPLORED BY MR. DILLON

A favorite method employed by Communists was to attack on every possible occasion the character of any one who had successfully challenged them in the past and a recent instance of that was the case of Mr. Scott McLeod, said Mr. Dillon, T. D., national president, A. O. H., at the golden jubilee dinner of St. Patrick's Division 566 of the A. O. H., Dundalk.

Every Communist, every fellow traveler, every "Pink" and the Irish Times had combined to raise their hands in holy horror professing to regard Mr. McLeod as wholly unsuitable for the high position as American Ambassador in Ireland, he added.

The truth was that Mr. McLeod was a distinguished public servant who did his job, and the Communists did not like it, and they would now be very happy to assassinate his public reputation for all sorts of high sounding reasons.

He was not the first, and would not be the last, victim of that conspiracy of slander and vituperation of which the Communists were pastmasters.

Mr. Dillon, continuing, said he hoped the A. O. H. would always be vigilant to see that those fighting against that deadly kind of attack would always be assured of a fair and honest judgment from its members and, if necessary, of vigorous support and defense.

TECHNIQUE OF REDS

There was never a time when the influence and work of the A. O. H. was more important, as it could provide a bulwark of defense for their young people against the zealous efforts of international communism. The technique which the Communist Party ordinarily employed in a country like this was to appear in public under all sorts of high-sounding titles implying patriotism, love of freedom, and democracy, but never describing themselves as what they were—Marxian Communists. In England, they presented themselves to young Irish people as "Connolly Clubs," and published a paper called "The Irish Democrat."

Stating that the A. O. H. was carrying on the work of conciliation begun many years ago with a view to enabling Orange and Green to live and work peaceably together in a united Ireland Mr. Dillon added that so long as partition continued, full cooperation and good will could not exist between Ireland and England. He was certain that with the disappearance of partition not only could good will be firmly established but a united Ireland could play a not insignificant role in promoting what the world now needed—a new commonwealth of nations.

COMMONWEALTH LINK

Due to the fact that their people had contributed in no small measure to the creation, and maintenance of the United States, Canada, Australia, New Zealand, and many of the British colonial possessions, Ireland could form a unique link in a new Anglo-American commonwealth, comprising the United States, Canada, Australia, New Zealand, South Africa, Great Britain with her colonies, and such other free communities as choose to adhere to such a commonwealth—with free passage for men, money and goods throughout their respective territories.

Such a commonwealth would dispose of resources, human and material, so great that no other combination in the world would dare to challenge it. It would also constitute a citadel of peace inasmuch as it would not seek aggrandisement by conquest.

Senator J. G. Lennon, Armagh, National Vice President, said that if it became necessary that arms should be taken up by anybody in this country for the abolition of partition it could only be done by an Irish Army as the instrument of the Irish people. The A. O. H. had given to the bishops their complete and wholehearted loyalty. The unity of the country could only be attained by the willing cooperation and mutual understanding of all the Irish people.

Very Rev. T. F. MacDonald, Adm., Dundalk, and Messrs. G. Coburn, T. D., F. Matthews and L. Byrne also spoke.

Five founder members were presented with medallions by Mr. Dillon. They were Messrs. Robert Watters, Thomas Matthews, John Finnegan, Henry Clinton and Peter McArdle.

[From the San Francisco Examiner of April 14, 1957]

RUGGED FIGURE ENVOY CHOICE

(By Tom White)

WASHINGTON, April 13.—Granting Congressional confirmation of his appointment, a rugged, controversial, former FBI agent is soon to become the Honorable R. W. Scott McLeod, United States Ambassador to Ireland.

President Eisenhower's naming of McLeod to succeed William Howard Taft III to the post in Dublin has revived the storm of arguments that raged when McLeod provided fast and strong action following his appointment as head of the State Department's Bureau of Security and Consular Affairs in 1953.

Already old enemies are going for his scalp, but the appointment adds up the fact that the administration is rewarding McLeod for what it believes was a job well done.

The President confirmed this at a press conference when he said that McLeod's appointment had been recommended by his boss, Secretary of State Dulles, and that he (the President) had the utmost confidence in Dulles.

A 42-year-old native of Davenport, Iowa, McLeod spent his early days as a newspaper reporter, then became an FBI agent and later administrative assistant to Senator BRIDGES, Republican, of New Hampshire.

His transfer to the State Department in the role of security chief came at a time when sensational stories were breaking about subversion and disloyalty in the Government.

It was McLeod's job not only to tighten up the Federal Government's security system for its own employees but to provide tighter checks on the political background of refugees coming to this country.

In this troubleshooting role it was natural that he would be a target for liberal and left-wing groups.

When his appointment comes up before Congress his enemies will charge that he undermined confidence in the State Department and lowered morale in the Foreign Service.

The State Department, however, will argue that as a result of McLeod's regime Foreign Service morale has increased to the extent that applications for membership have now reached an alltime high.

It also will be argued that the remarkable United States handling of Hungarian refugees last year was another result of McLeod's efficiency.

In private life, chunky, crew-haired styled McLeod is an amateur trap drum player who likes to play along with Benny Goodman records. He is an ardent sports enthusiast and still has his name in the record books for a 74-yard punt he made in a college football game. McLeod says it happened because he stepped in a gopher hole while he was kicking the ball.

His attractive wife is nicknamed "Pappy" because she is the former Edna Van Pappelendam and McLeod says he refuses to call her Edna. They have 3 children, Anne, 13; Donald Van, 11; and Daniel Benton, 10.

[From the American Weekly of June 3, 1956]

SCOTT MCLEOD—JEEP-DRIVING DIPLOMAT

(By Frances Leighton)

Every weekday morning about 8:30 o'clock, a spruce, strong-faced man drives a 1947 jeep across Pennsylvania Avenue in Washington, D. C. He maneuvers the little old car among the sleek, long limousines, parks near the new State Department Building and walks briskly inside.

You might take him for an audacious visitor, intent on beginning his sightseeing early, but this jeep driver belongs in the State Department. His name is Scott McLeod and he is the crew-cut, straight-talking Security Administrator whose job is to screen the State Department men—our national salesmen—whom we, the American people, send abroad to represent us.

He's trying his best to make sure that the State Department shall not again be under fire as a hotbed of communism and misconduct.

He's an Iowan, an FBI-trained investigator, and is married to a charming young woman he calls "Pappy." They have three children and live in Bethesda, Md., outside of Washington, remote from the striped-trousered formalities of affairs of state.

When he took this job 3 years ago, almost anyone working for the State Department was in danger of being labeled "pink." Very few wanted to enter the Department's Foreign Service. He began a security check of all employees. Today 8,000 persons are waiting to take exams for Foreign Service posts.

From the start McLeod has been a storm center. He was branded as a "Fascist," a "smear artist" and a "character assassin." But this hasn't bothered him much. He's been straightforward and impartial.

"I knew I'd take a public shellacking," he says. "As an FBI agent I'd had a chance to investigate security problems. Here I saw an opportunity to correct some of them. This job was important because the prestige of the United States was being diminished and the reputations of fine people were being hurt.

"Only a small percentage of State Department employees were found to be security risks. Of those separated from their jobs, some were fired but most chose to resign. The Department now has an up-to-date appraisal of everyone working for it."

Anyone can take a State Department job now and not feel that he is among questionable associates. He can feel sure that State Department representatives command respect.

"I still can't get used to the pomp of Washington," says the jeep-driving diplomat. But he believes that he can serve his country well if he never buys a pair of striped trousers.

EXHIBIT 2

I was very pleased to receive the invitation to speak to the Kansas American Legion.

Most of you are probably not aware that I was born and raised in the neighboring State of Iowa, and that essentially I am a mid-westerner in my thoughts and actions.

I enjoy speaking to the American Legion because I feel that you understand the problems which I am attempting to work out, because I feel that we share the same desire to improve and perfect the processes of our Government.

In addition to the fun which comes when I leave my desk in Washington, D. C., my visit to Kansas brings back very vividly boyhood memories of my trips to the home of my grandmother in Rosedale, Kans. I shall never forget the stories which my grandmother and my father told me of the Kansas of another century.

It has always seemed to me that the people of the vast Middle West had a balanced philosophy which is genuinely American. It is refreshing to merely mingle with you people and to clear my mind which I must admit can easily get muddled in the day-to-day crises which take place in Washington, D. C.

Briefly and rather informally I would like to tell you about some of the problems which confront the new administration in Washington—particularly the task which has been entrusted to me and the manner in which I am trying to accomplish my assignment.

I was told not to make a political speech, and I am going to try to be very good and obey my instructions.

But, it is almost impossible for me to talk about the State Department, without talking about politics. In a sense, I am a politician in that I was appointed by the present administration to a political office. I suppose my job could be described as a rather obscure junior vice president in the biggest business on earth—your Government.

I personally object to the connotation that has been put on the word "politics" by some people. To me politics is the science of government. Our government is a political system. It was planned that way. The government can only be as good as the politicians who are elected to public office by the people.

Under this political system, the noblest ideas of man have been brought to fruition. The only "nonpolitical" government I know of is a dictatorship. So, it seems to me when we talk about government we have to talk about politics.

I suspect that I owe my present position to the fact that I had a rather extensive political education, when I served as the Administrative Assistant to Senator BRIDGES of New Hampshire.

While I worked in the United States, I was privileged to know rather intimately the very able and distinguished senior Senator from Kansas, ANDY SCHOEPPEL. To me he represents the best characteristics of the Middle West, and I hope all of you realize what an outstanding job he is doing for your State in the United States Senate.

It was my further pleasure to know Senator CARLSON, an equally distinguished gentleman. Unfortunately, for me, I never knew him quite so well as I did Senator SCHOEPPEL, partly because Senator CARLSON was not a member of the committees on which my boss served, and partly because Senator CARLSON had not been in Washington as long. Senator CARLSON is tremendously admired and certainly deserves honor and recognition for his efforts in the nomination and subsequent election of our new President Dwight Eisenhower. It seems to me the people of Kansas should be very proud of the Senators they have sent to Washington, D. C.

Almost a year ago the people of the United States voted for a change in Washington. Periodically I believe it is up to us in the Government to submit a program report as to how we are coming along in effecting the change in the management of your Government. My talk to you will be in the nature of such a report. Naturally it concerns the State Department and its problems, but I suspect that the problems which I have encountered are quite similar to those in other executive agencies.

Very frankly, I would say that the progress toward change has not been as rapid as many of us had hoped it would be. Many of us apparently had a sort of childlike belief that we could reverse the entire trend of the last 20 years overnight.

Instead, despite our efforts, the best that we have seemed to accomplish so far is a gradual beginning of a sweeping U-turn. When we measure accomplishment, therefore, in terms of anticipation, we are inclined to feel disappointed.

We had all hoped that the results of our efforts would be more perceptible. Sometimes we see fundamental changes which have been made, but we realize that to the general public as a whole the changes are imperceptible.

In securing the change which the American people voted for, the Eisenhower administration faced obstacles which have never before confronted a new team taking over the operation of our Government. For example: the last time an administration was changed in this country in 1933 there were less than 500,000 employees on the Federal payroll. When President Eisenhower took the oath of office on January 20, 1953, there were over 2½ million Government employees.

There is a great tendency to compare the first 100 days of President Eisenhower with the first 100 days of the Roosevelt administration. Such comparisons are inaccurate and unfair.

As a matter of fact, if all other conditions were exactly the same and of course they are not when President Eisenhower took over as they were when President Roosevelt took over, except for the number of Government employees, it would, in my judgment, take the Eisenhower administration 500 days in 1953 to accomplish the same results as were accomplished in 100 days in 1933.

But obviously, conditions are not the same. When the Democrats took over they completely dominated the Congress. President Eisenhower has a Congress which is almost equally split with the Republican control of the Senate now in jeopardy.

The Roosevelt administration solved its problem of bringing new people into government by simply imposing them on top of those who were already employed. They continually expanded the size of the Federal establishment during the last 20 years. The Eisenhower administration, being committed to sound Federal fiscal policies, must of necessity reduce the size of Federal employment.

A few Americans realize the importance of one of the first acts which President Eisenhower took. It was to issue a freeze order against placing new persons on the Federal payroll. This was an unprecedented move, and officially precluded the operation of any so-called spoils system. This action on the part of the President was necessary to reduce the swollen bureaucracy. Nevertheless it has made it extremely difficult to place Eisenhower's followers in responsible Government positions.

I don't think it is a politically partisan statement for me to point out to you that after 20 years of an administration by one political party, it is normal to find in the employ of the Government persons who are partisan in their views with respect to the policy of the old administration. Very frankly, if the Republicans were in power for 20 years I would expect to see most people in Government sympathetic to the Republican point of view.

We are now faced with the situation where most people in Government are holdovers from the two decades of Democratic administration. What this adds up to is that the crux of changing policy in Government is primarily to be found in changing the personnel in the top echelons. Let us examine my own situation in the State Department to illustrate the point.

The job which I have is that of Administrator of the Bureau of Security, Consular Affairs and Personnel. This position was established by a law passed by Congress just a year ago. I am responsible for the conduct of consular affairs which is chiefly the issuance of visas and passports, and the protection of Americans who are traveling abroad.

In the field of personnel, I have the responsibility for the recruiting, training, promotion, and transfer of departmental personnel. As far as security is concerned, it is my duty to supervise the physical and personnel security of the State Department and its farflung overseas operations. There are hundreds of employees under my direct supervision and most of them have been there for many years.

Sometimes it is not only extremely difficult but also downright impossible because of the Civil Service Act, the Veterans' Preference Act, and the Foreign Service Act to replace an individual whose viewpoint does not coincide with that of the Republican administration. In the second, third, and fourth echelon of employees the policy which originates at the top must be implemented. Until such time as we can reeducate those employees or replace them with proper personnel the progress which we make is sometimes very slow.

In a private business organization the decisions can be made and implemented by the executive. In many instances this is not true in Government. For example, the Bureau of the Budget determines how much money I can spend in my particular operation; basically the Congress solves the matter of finances; as the money is being spent

the General Accounting Office checks up to see if it is done properly in accordance with the expectations of Congress and the Bureau of the Budget; the Civil Service Commission exercises the final decision as to who may be employed or discharged.

As a result of the controls which are peculiar to Government on those in executive positions, there are times when one feels as though he might just as well take the afternoon off and go to the ball game, because actually the decisions which he would like to make have already been made by other agencies.

I develop this point so much because it is important for the American people to realize that in many instances the two major management problems of money and personnel are in many cases solved for a Government executive by persons outside his agency over whom he has absolutely no control.

The third management problem normally met in business operation consists of the housekeeping task and the acquisition of supplies. You would think that the average government executive could decide whether or not it was necessary to paint or to install air conditioning, or to buy new rugs, or to mop the halls at night, or to buy desks or typewriters, or other equipment. You in this audience who run businesses make these decisions every day. I assure you, however, that in government the General Services Agency handles all the decisions of maintenance, and the rules and regulations for the procurement of supplies are totally outside the purview of the Director of the Agency.

Sometimes the piling up and duplication of personnel over which you have no control becomes very complicated. One of the famous stories told around Washington concerns a dead mouse in the Pentagon. As the story goes, a colonel came to work one morning and observed a dead mouse on the floor of his office. He telephoned the custodian of the building, informed him that he had a mouse in his office, and asked that they send someone up to take care of the problem.

The party receiving the call stated that that came under the duties of the General Services Agency, and transferred the colonel's call.

The General Services Agency inquired whether the trouble with the mouse occurred during the daytime or at night. The officer explained that apparently it happened at night because the mouse was in his office when he came to work that morning. He was immediatey transferred to another extension where it was explained to him that he would have to contact the day representative of the night shift who, of course, had responsibility in such matters.

He got the new number and requested that someone be dispatched to remove a mouse from his office. Presently an amiable fellow strolled into his office and announced, "I'm the mouse man, boss; you got trouble with mice?"

The Colonel indicated the dead mouse lying on the floor and said, "Yes, there it is."

Whereupon his caller shook his head dolefully and said, "You got the wrong man, boss, I'se the live mouse man, you got to get a dead mouse man."

Perhaps conditions are not quite this bad, but I think eventually we have to reach the place where one man can handle both the live mice and the dead mice.

I have tried to explain to you the general nature of the problem, and now with your permission I would like to tell you of some of the things which I have attempted to do to carry out the wishes of the American people to the end that confidence in the integrity and security of the State Department and its employees be reestablished.

At the National Convention of the American Legion a year ago you took note of "failure to deal in a most forceful manner with the obvious determination of the Communists to continue their grim and bloody advances throughout the world—failure to recognize the Communist leanings of men within the Department of State." At your convention you demanded that the disloyal, the "political puppets," the weak, and the incompetent be replaced by "God-fearing Americans" of "character and integrity."

I took office on March 3d of this year and began immediately to move in the direction of the recommendations which the American Legion advocated. I found that most employees of the State Department were good, honest, loyal Americans. I found there was a minority of individuals within the Department which had blackened the reputation of the foreign policy branch of our Government.

Under the instructions of John Foster Dulles, the Secretary of State, General Bedell Smith, Under Secretary of State, and Mr. Don Lourie, Under Secretary of State for Administration, a policy of complete cooperation with congressional committees was instituted. The decision was made, and so far in my tenure of office has been upheld, that the executive branch of the Government will never utilize its power to shield or to suppress the facts from the Congress concerning any individual who has been engaged in subversive activities, and who should be brought to account for his conduct. For the first time in 20 years I can assure you that the House Committee on Un-American Activities under Chairman VELDE, the Senate Internal Security Subcommittee, under Senator JENNER, and the Special Investigating Subcommittee under Senator McCarthy have received the complete and unequivocal support of the State Department.

I have the greatest admiration and respect for J. Edgar Hoover, the Director of the Bureau. I am honored to be numbered among his friends, and I lean on him for counsel and guidance at all times.

When I took office, I found over 2,000 personnel cases in which there had been no investigation at all, and another 2,000 in which the check had been inadequate. Steps have been taken to rectify this situation. In the reasonably near future I hope to be able to report that a full field investigation has been made on all State Department employees.

We are not conducting a "witch hunt" at the State Department. But, we are attempting to eliminate from public service any person upon whom, after investigation, there is a reasonable doubt as to their security potential. In accordance with the instructions contained in President Eisenhower's security order, for the first time in the last 20 years, we are resolving doubt in the favor of the Government.

In addition to the problem of the security risk as a result of association with subversive organizations, I have attempted very frankly and honestly to face the issue of sexual perversion—the practice of sodomy—in the State Department.

This is an unpleasant subject, and my main purpose in mentioning it is to check exaggerations and false rumors, and to help to restore to the Department the good name and national respect to which it is entitled. We know that homosexuals are security risks. We realize that it is a condition which calls for psychiatric treatment. Since January 1, 1947, when statistics were first kept, there have been over 500 cases reported among State Department employees. In every instance to date where the allegation has been substantiated, these individuals have been removed from the Government service.

I wish to be completely honest in my discussion with you today. I cannot tell you there are no Communist agents employed in the State Department. I cannot assure you that there are no fellow-travelers still at work in the State Department. Neither can I say to you there are no homosexuals still on the payroll.

I can give you my assurance, however, that acting under the orders of the Secretary of State and the other top officials of the Department, we have investigated, or are in the process of investigating, every allegation that bears on any of these conditions. I can report to you without fear of contradiction that I have no knowledge of any single case in the above three categories where the person is still employed. If tomorrow information is developed, as the result of an investigation, which leads to a reasonable doubt, you have my word for it that that doubt will be resolved in the favor of the Government and of the people of the United States.

On a similar subject—on June 8, 1953, Mr. Norman Thomas, the nominal head of the American Socialist Party, wrote me in my capacity as personnel man to inquire: "What is your policy and the policy of the administration on the employment of Socialists in civil-service positions?" He made an astounding statement which corroborated the view held by many of us over the years, namely: "* * * there have been Socialists who have worked honorably and successfully in the State Department and in various lines of State Department activity abroad."

I did not beat around the bush with Mr. Thomas. On July 14, 1953, I wrote him in some detail, stating that "I would never knowingly employ a Socialist to fill * * * a policymaking position within the Department"; that "I simply feel it would be impossible for a Socialist to make or influence policy in a manner which would carry out the intentions of President Eisenhower and the Republican administration"; and that furthermore, "* * * I am equally opposed to retaining any Socialist who may presently hold such a job." I said to Mr. Thomas: "I must tell you that whenever I become aware that any person who occupies such a position is a Socialist, I shall use my best efforts to see that he is removed from that position."

This is my intention, and this is what I have done to date. My position has been backed up 100 percent by my superiors. I trust the views I express reflect the opinion of your organization.

In order to see that the security office of the State Department meets the standards to which the American people are entitled, I have succeeded in employing on a contract basis the services of Mr. James Egan. Mr. Egan is one of those little known but vitally important individuals whose contribution to the security of our Nation may never be fully appreciated. He was a principal inspector for Mr. J. Edgar Hoover in the FBI for over 30 years. When I challenged him with the proposal that he assist me to reorganize the security office in the Department of State, he responded like the splendid patriot he is, and readily agreed to undertake this tremendous task. It will be several months before he has completed his assignment, and when his job is done I shall put into effect those recommendations which he submits which seem most likely to strengthen the Security Office.

In the personnel field, which is under my jurisdiction, I found a situation which in some ways defies description. Some years ago the Hoover Commission on reorganization in the executive branch and the Rowe committee made specific recommendations for the correction of this administrative hodgepodge.

I have been fortunate enough to secure the services of Mr. George Wilson, formerly administrative assistant to Senator KNOWLAND, of California. He was a lieutenant colonel in charge of Major Knowland. He is young, able, and vigorous. He is tackling

the problem and, in my opinion, will lend invaluable assistance in straightening out the existing condition.

The most encouraging situation which I found in that sphere of operations for which I am responsible in the Department of State was in the consular area. Under the leadership of Mrs. Ruth Shipley, the veteran passport chief, these offices have been doing an excellent job. Mrs. Shipley is a remarkable woman whose career parallels in many respects that of Mr. J. Edgar Hoover, as one of America's devoted public servants. It is certainly reassuring to know that there are people like her who are anxious and willing to assist the new administration in carrying out the wishes of the American people.

I am fortunate to have as my superiors in the State Department such men as Mr. Donold Lourie, General Bedell Smith, and Secretary Dulles, who have given me their complete and sympathetic support in the undertaking to which I have been assigned. I am sincerely devoted to the fundamental principles of civil liberties which have been developed in this republic for the past 160 years. I realize that it is somewhat difficult to make the American people security conscious except in time of war. Traditionally and historically we have been a people who have had very little, if anything, to fear. In our daily lives most of us do not even lock our doors at night. A great many people unwisely leave the keys in their automobiles when they park their cars. These are trivial but significant indications of a fundamental lack of security consciousness of a people who have lived in the middle of a vast continent.

We are not by nature conspiratorial, and it is difficult to convince the public that espionage and intrigue are nothing but the plots of motion picture, radio, and TV plays.

It is fortunate that the American Legion for decades has recognized the menace of communism as a conspiratorial force dedicated to the overthrow of the Government of the United States by force and violence. There are many evidences that the fundamental truth of this conclusion is slowly being recognized by our people. The tremendous step which has been taken by the new administration toward solving the problem of infiltration of Communists in Government can be briefly stated.

Under the old Truman program, the issue was "loyalty." Before a person could be discharged from Government employment, it was necessary to prove before special hearing boards that the individual was "disloyal." Obviously, to prove that the person has been disloyal one must be able to prove that he has committed some overt act against the Government of the United States. In a word, "treason." If such was the case, we have statutes to take care of that. Government employment was treated as a right instead of a privilege, and the issue was beclouded by raising the phony cry of civil liberties.

With crystal clarity, the new security regulations promulgated on April 27 by President Eisenhower pointed out (1) that Government employment was a privilege and not a right, and (2) that loyalty was not the keystone upon which decisions were to be made. The program was put on a much sounder basis. It takes into account the various behavior patterns which may render an individual a "security risk." It matters little whether an American is a fool, a loose-mouthed drunkard, a good subject for blackmail, or outright disloyal, insofar as obtaining the secrets of our Government are concerned. Suitability for Government employment is now based on the sound concept that if an individual is to be trusted with secrets which vitally affect your welfare—right here in Kansas—he must measure up to standards which will justify placing faith in him.

The new security order, therefore, in my opinion, realistically protects the interests of the Government and, at the same time, provides against arbitrary or discriminatory action in connection with an individual. I believe that the new system will work. I believe it will provide the protection to which the American people are entitled. I believe it is very important that we cease to attach the stigma of disloyalty to any person who is discharged from the Government service under the new security order. It is perfectly possible that many of the people who will be adjudged "security risks" under this procedure will be loyal and devoted Americans who simply are not suitable for Federal employment in a sensitive position.

To the best of my ability, and with the backing of my superiors and the devoted assistance of my staff, I shall attempt to administer this new security program in the State Department in such a way as to advance the interests of all of the American people.

I know the task is not an easy one. I expect in the future as in the past there will be people who will be critical of the decisions which I feel, in good conscience, I must make. It will be much easier for me to do my job if I feel that I have the confidence, the support, and the advice of the many millions of our people who belong to this great organization, the American Legion.

The philosophers of all the ages have attempted without success to define the difference between right and wrong. I do not presume to answer this question, but I do know that each of us, inherently, can distinguish in the light of our own experience, our own training and background, the important difference between what is right and what is wrong. So in closing I give you a quotation from Mark Twain which seems a reasonable standard to live by, particularly for those of us who work in Washington: "Do always what is right. It will please many people. It will astonish the rest."

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. YOUNG. I should like to add a comment in favor of Scottie McLeod as Ambassador to Ireland. In many trips to various parts of the world, it has been my experience that men such as Scottie McLeod more truly represent the average American, and are better ambassadors of good will, than many career men such as "Chip" Bohlen, whose nomination the Senate confirmed earlier today. To me, he is entirely the wrong type of ambassador to any country in the world. He is a surly, cocky, unfriendly individual. To me he represents a very small minority in this country. It is that type of person who can get us into much more trouble than any other ambassador. I should like to add, however, that we have many career men who are doing fine work as ambassadors.

It is the Scottie McLeod type who will do this country a great deal of good. Unless I miss my guess, the Irish will be very fond of him once they get to know him.

Mr. BRIDGES. I thank the distinguished Senator from North Dakota. I am glad his opinion relative to Mr. McLeod is the same as mine.

I hope, Mr. President, we can reach a vote in the early future, first on the motion made by the distinguished Senator from Pennsylvania [Mr. CLARK] to recommit the nomination. When that motion fails to carry, following the suggestion of the Senator from Oregon [Mr. MORSE], who expressed his pessimism about the motion of the Senator from Pennsylvania earlier, then we shall vote on the confirmation of the nomination.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Pennsylvania [Mr. CLARK] to recommit the nomination to the Committee on Foreign Relations.

REOPENED TRANSPACIFIC CERTIFICATE RENEWAL CASE

Mr. MORSE. Mr. President, there is another matter, on an extraneous subject, which has come up, to which I must address myself for a few minutes, because I always like to clarify the record, when the record is incorrect, at the first opportunity.

This is the first opportunity I have had, in fairness to protestors, to put another point of view in the RECORD in regard to a matter I have previously discussed on the floor of the Senate.

On April 16 of this year, at pages 5758 and 5759 of the CONGRESSIONAL RECORD, I inserted in the RECORD certain information and figures and arguments with regard to the position taken by Pan American Airways, set forth in their brief to the Civil Aeronautics Board in docket 5031, reopened Trans-Pacific Certificate Renewal Case, pages 47–49.

Some of the friends of Northwest Airlines feel that the material which I inserted in the RECORD—and I made perfectly clear that I was presenting it at that time on behalf of those who held a specific point of view—did an injustice to Northwest Airlines, so in fairness I now wish to make the following statement, which I have obtained from friends of Northwest Airlines.

It is alleged that the figures which were inserted on April 18 were not developed during the hearings of the case before the Civil Aeronautics Board, but were presented by Pan American for the first time in its brief to the Civil Aeronautics Board.

It is alleged that the figures are substantially in error. Northwest Airlines filed a detailed motion with the Board on February 12, 1957, petitioning that these figures and the arguments related thereto be physically stricken from Pan American's brief in the official record. The Board has not yet ruled on this motion.

I am advised that these Pan American prepared figures were not subject to evaluation during the hearing before the CAB trial examiner. The figures are a self-serving Pan American estimate prepared by their lawyers. The figures are in conflict with the official Government records on file with the Civil Aeronautics Board.

Pan American estimated that Northwest's current international "earnings" amount to $3,577,000 annually. Actually, official CAB figures for 1956 show that Northwest's net profit after taxes was $1,342,472. Therefore, it is alleged that Pan American's self-serving arithmetic inflates Northwest's profit by more than 50 percent. Northwest's profits are indeed small when compared with

Pan America's operating profit from its Pacific division which totaled $7,955,000 in 1956, if I am correctly informed.

It is further alleged that Pan American's self-serving figures make further adjustments which that company asserts will increase Northwest's operating income to $5,600,000 annually. These include the assumption that the conversion of one weekly DC-4 flight to a DC-7C, and the assertion that the use of DC-7C's in the Trans-Pacific service will greatly reduce operating costs, and therefore will raise Northwest's actual operating profit by two and a half times over 1956. It is claimed that neither assertion is true nor justified on the basis of any facts which Pan American could produce during the official hearing before the Civil Aeronautics Board.

It is claimed that Pan American's only purpose in presenting its exaggerated and inaccurate estimate of Northwest's international earnings is to meet the direct and explicit finding of the CAB examiner that duplication of Northwest's route by Pan American would be "disastrous" and would return Northwest to subsidy.

This conclusion was based upon examiner's finding, and that of bureau counsel, that Pan American would divert revenues from Northwest ranging from $2,292,000 to $2,859,000 per year. It is clear that even on the lower figure, Northwest's entire international operating income would be wiped out.

Further, it is represented to me that Pan American also seeks to divert attention that the fact that it already is certificated on 3 Trans-Pacific routes—1 via Tokyo to Hong Kong, another via Manila to Hong Kong, and a third, which it chooses not to operate, via Midway. These routes produce for Pan American 70 percent of the United States-flag carrier revenue in the Pacific, a total of $78,539,000 in 1956, and enable Pan American to operate 13 Trans-Pacific frequencies each week, compared with 7 for Northwest. In 1956, they produced an operating income of $7,955,000—an increase of 63.8 percent over the previous year.

Northwest Airlines, meanwhile, is certificated to operate across the Pacific by a single route—the relatively thin North Pacific route—and has access to only two of the west coast terminals available to Pan American—the two which generate the least Trans-Pacific traffic. As a result, Northwest in 1956 had about 30 percent of Pacific revenue—$25,764,000.

It is further claimed that Pan American's increase in net income in 1956, over 1955, from its Pacific operations alone, actually exceeded Northwest's total net income from all of its international operations.

Yet it is said to me that Pan American still insists that it must retain its 70 percent of the Pacific revenue, and share Northwest's 30 percent, in order to compete effectively.

Actually, if any course of action with respect to Pan American is indicated, it should be a course which would tend to reduce, rather than increase, its overwhelming dominance of United States flag international air transportation. So say those who would seek to deny to Pan-American its request in this case.

It is further alleged that Pan American's very bigness, and its awesome exercise of political influence in Washington, constitute a threat to the proper development of international aviation. Moreover, opponents of Pan American position claim the evidence offered in a recent order of the CAB, indicating that Pan American has actually falsified records and improperly padded its operating expenses in order to claim subsidy to which it was not properly entitled should forfeit any claim Pan American might otherwise have had for additional route consideration.

PUBLIC INTEREST MUST BE PARAMOUNT

I am glad to have placed in the RECORD these conflicting claims of the proponents of both Pan American and Northwest Airlines. Let me say, in concluding this statement, that it seems to me sight is being lost of the real problem before us, and that is the problem of what is in the best interest of the traveling public. I wish to repeat what I said in effect on April 16, that my interest as a Senator from the State of Oregon in this question is to see to it, to the extent that I can, that the CAB gives full consideration to the interests of the traveling public of the Pacific Northwest. I do not want any favoritism for Northwest Airlines, or any favoritism for Pan-American, but I do want favoritism for the traveling public.

I wish to stress the fact that we have this conflict in our section of the country in regard to the claims of these two powerful airlines for the route in question. Whenever I find myself in that kind of contest, I seek to present to the appropriate Government agency the positions of the conflicting groups. I have sought to do so in connection with this matter.

I dismiss any further consideration of the subject, so far as my insertion in the CONGRESSIONAL RECORD is concerned, by saying that it is now up to the CAB to weigh the respective claims and proceed to a decision at an early date which will give the greatest possible protection to the best interests of the traveling public in the Pacific Northwest.

DEATH OF SENATOR JOSEPH R. McCARTHY

Mr. GOLDWATER. Mr. President, I ask that there be printed in the body of the RECORD at this point as a part of my remarks a statement which I have prepared on the passing of our late colleague, Senator Joseph R. McCarthy.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The flag above the United States Capitol is flying at half staff today.

This is not an altogether infrequent sight in Washington, but it is always a sobering one.

A Senator is dead.

It has been appropriately observed that, for every man, there is "a time to live and a time to die."

Some men, perhaps, are not really right for the age of their existence. Some, perhaps, are simply born too late or too soon, and even in death their presence is untimely.

All death, of course, even that which is rather expected for understandable causes, seems to the living to be a tragedy.

Our religious faith teaches us otherwise: that in death we pass beyond the mortal toil of this veil of tears and enter into eternal life. Some religions even accept the dogma that life is merely a preparation for death.

Certainly, to dispel the anguish of a moment of loss, this is a comforting reflection.

Joe McCarthy had his "time to live" and he lived well. Now, has come his "time to die."

The question raised by his unusual personality in life will be argued long beyond his death. Some may even not agree that he was a man well suited to meet the challenges of his day.

Yet, the fact remains that, by the very uniqueness of his career, he carved a niche in history that would never have been put there save for the courage, determination, and stamina of Joe McCarthy.

It is of no consequence whether we agree with what a man seeks to do, or how he does it. The true criterion is why a man does what he does—the convictions which motivate and inspire his efforts.

Senator McCarthy was a fervently loyal and faithful American. In that respect, he was far more to be commended than those he attacked, or even than some of his severest critics.

The foreign press calls him "vicious," "evil," and suggests that America will be a "cleaner" land now that he is gone.

It is difficult to know what such words mean. He was, first of all, a human being. Then, he was an American. Do they abuse him for that?

The foreign press also calls him an obstructionist to foreign aid. How twisted can reason and values become?

Senator McCarthy was an American. He loathed the enemies of America. He fought jealously to achieve a primary recognition for the rights of America.

In the sight of God, he will occupy a place no better—but, surely, no worse—than that which is accorded to all good men who fight for the rights they adore.

He was neither saint nor sinner, genius nor fool, martyr nor tyrant. He was an American, and a United States Senator who represented his State and the Nation as well as he knew how. If that was not good enough for some, there are certainly others to whom his service was far more desirable than that which would have been dispatched by the subversive elements whom he ferreted out of our Government.

Do not mourn Joe McCarthy. Be thankful that he lived, at the right time, and according to the talents vested in him by his Maker.

Be grateful, too, that when it came his time to die, he passed on with the full assurance that, because he lived, America is a brighter, safer, more vigilant land today.

MODERN REPUBLICANISM IS LIKE THE COWBIRD

Mr. MORSE. Mr. President, because earlier today I sent a release to the press gallery, I wish to take a moment to make a statement on another matter.

Mr. President, I do not want to appear before the Senate in the role of a prophet of gloom and doom, but there are some signs on the economic horizon which bear watching. In my own State, so dependent upon lumber for our economic well-being, we have been having a real depression. The slump in housing, brought on by the tight-money program, is one of the major contributing factors.

In March, the President, with great fanfare, announced a change in payment requirements for housing. I ask unanimous consent to insert at this point in my remarks a report from the Wall Street Journal for April 1, which says that the administration's action will not do much good.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MOST BUILDERS AND BANKERS SAY CUT IN FHA DOWNPAYMENT REQUIREMENTS WON'T SPUR BUILDING MUCH—PRESIDENT'S MOVES CALLED A STEP IN RIGHT DIRECTION—SAVINGS-LOAN RULES EASED

The Government reduced downpayment requirements on home mortgages insured by the Federal Housing Administration, but builders saw little effect from the move as long as credit stays scarce.

They noted many lending institutions currently make people put down much more cash than the minimum amount specified by the Government and lenders generally are steering away from federally insured mortgages because the allowable interest rates are below those on so-called conventional loans.

Slated for House Banking Committee action this week is a subcommittee-approved bill to lower FHA downpayment requirements still further and channel more money into the mortgage market.

President Eisenhower announced over the weekend the 2-percentage-point cut in required downpayments under the FHA program. It puts the minimums at 5 percent of the first $9,000 of appraised value and 25 percent of the amount over that figure.

In addition, the FHA announced it will redeem $22,790,850 of debentures July 1, thus providing private lenders with more funds to purchase new mortgages. The debentures were issued to lending institutions in exchange for properties or assigned mortgages when FHA mortgages were defaulted.

RELAXATION ELSEWHERE, TOO

The President also said regulations of the Federal Home Loan Bank Board will be modified immediately to let Government-insured savings and loan associations purchase a participating interest in any mortgage originated by another insured association. At least a 50 percent interest, however, must be retained by the originating institution.

The White House explained this new rule relaxes a restriction on most savings and loan associations that they invest in mortgages on homes within 50 miles of their principal offices. Mr. Eisenhower's office explained the change "should be particularly helpful in increasing the availability of home mortgage funds in rapidly growing areas where financing needs exceed local savings resources.

The President took the steps "to make credit more readily available to prospective home purchasers and to assist home building," the White House said.

The new participation program for savings and loan associations drew hearty support from Charles Wellman, executive vice president of Glendale Federal Savings & Loan Association, Glendale, Calif. "This will tend to eliminate regional differences; associations which have money but not so much demand, will have a new source of demand, namely from associations in areas like Los Angeles, where demand is high and money is tight. It's a good new source of money for us and we'll certainly make use of it," he said.

WHAT BUILDERS AND BANKERS SAY

A check of builders and bankers around the country, however, turned up the view that beyond a possible "psychological" effect—perhaps a little spur to home buyer interest through the publicity generated by the announcement—the reduction in required downpayments on FHA-insured mortgages would have little impact on their operations.

A similar view, and sharp criticism of the FHA cut, was expressed in Washington by key lawmakers who said the downpayment move would help little, if at all.

Senator SPARKMAN, Democrat, of Alabama, who heads a Senate housing subcommittee, charged the actions might do more harm than good by stimulating demand without increasing funds available for mortgages.

Senator CAPEHART of Indiana, ranking Republican member of the committee, took the same tack. Another committee member, Senator CLARK, Democrat, of Pennsylvania, termed the actions "too little and too late."

Representative RAINS, Democrat, of Alabama, chairman of a House Banking subcommittee on Housing, termed the President's action "A very minor matter that couldn't begin to solve the problem."

Bankers and builders also noted the actual reduction in a theoretical downpayment would be relatively small—for example, $240 on a $12,000 house.

"It's a step in the right direction, but it's such a mild one, it will be of no help economically," said Raymond Lapin, president of Bankers Mortgage Co., of California, in San Francisco.

"We're concerned with the lack of credit and not downpayments," sighed Morris G. Hance, first vice president of Commonwealth Investment, Inc., in Portland, Oreg.

"REALISTIC" RATES ASKED

The President's announcement "is nothing to dance in the streets about," said Walter Cowart, president of Cowart Bros., Jacksonville, Fla., builders. "It won't cause me to reshuffle my building plans," he added.

Fred Glassman, a Philadelphia builder, remarked that on GI loans there's only a 2 percent downpayment required under Veterans' Administration rules and you still can't get the (mortgage) money.

Some people, particularly in Chicago and San Francisco, however, saw the cut in downpayment requirements as a big help for builders of lower-priced homes.

Joseph R. Downs, executive vice president of the Chicago Metropolitan Home Builders Association, called the change "at least a half step in the right direction." He added: "Any program to reduce downpayments will expand the market."

A number of builders and bankers called for what they termed "realistic" interest rates on Government-backed mortgages.

"Banks generally don't want FHA loans, anyway, because their fees are frozen," said Ernest Siegler, Cleveland home builder. Interest on FHA-insured mortgages is currently limited to 5 percent, and the maximum rate on home loans made or guaranteed by the Veterans' Administration is held by law to 4½ percent. Congress has been cool to an administration request for boosting the interest ceiling on VA-backed mortgages to 5 percent.

"The mortgage money market has eased a little, but it is still tight and that is the important thing," reported an official of the Boston Federal Savings & Loan Association.

"The only change that would really stimulate home building would be an increase in the GI interest rate."

"It will definitely contribute to more business for us," remarks Wilson Brown, president of the Brown Organization, of Dallas, whose houses now under construction include 20 FHA-financed ones. "Our big market is the home from $10,000 to $15,000. Knocking $280 off the amount down for a $14,000 house will make a lot more people interested."

MONEY MARKET BETTER

Lower downpayment requirements would be just one reason, he said. The chief one, he added, is "the money market is looking better than it has been in quite a while," with lenders showing new interest.

A San Francisco builder commented: "Anything along that line would have a favorable effect. It's a step in the right direction."

The White House noted downpayment requirements were raised to 7 percent of the first $9,000 of appraised value on FHA-backed loans in July 1955, to help prevent excessive use of credit. "In view of the reduction since that time in the rate of home building and in the use of mortgage credit, the requirement is no longer needed," the announcement said.

HOUSING STARTS

Housing starts in February fell below a seasonally adjusted annual rate of 1 million units for the first time in more than 5 years.

"This action will make it easier for veterans to buy homes under the FHA program if the supply of funds for Veterans Administration-guaranteed loans should, because of the limitation on the interest rate for such loans in existing legislation, continue to decline," the White House said.

The White House statement said the latest actions "supplement" other recent measures taken by the administration to increase credit availability for home buying. It said that last December it raised to 5 percent from 4½ percent the top permissible interest rate on FHA-insured home loans. This was designed to make the loans more competitive with comparable investments, the White House said.

The statement also noted the Federal National Mortgage Association has stepped up its purchases of insured and guaranteed loans.

In addition, the White House said, it has asked Congress for several changes in housing laws designed to make more credit available for home buyers and builders.

"These administrative actions and legislative proposals," the White House statement declared, "are designed to maintain activity in the home construction field by making home mortgage credit more readily available and by broadening the market for homes."

This week, the House Banking Committee is expected to stamp speedy approval on an omnibus housing bill designed to provide substantial assistance to home builders and buyers.

As formally approved Friday by a subcommittee, the measure goes further than the Administration's housing schemes and contains several provisions vigorously opposed by Federal housing officials.

WHAT BILL WOULD DO

The bill would set up a veterans' preference program within the FHA, expand housing credit available for the Federal National Mortgage Association by $1 billion, lower minimum FHA downpayment requirements still further and channel $1 billion of the National Service Life Insurance reserve fund into purchasing GI mortgages. This last provision has brought Administration threats of a Presidential veto.

In addition, the measure provides more money for slum clearance and military housing and authorized $500,000 for a special farm housing research program.

Representative RAINS predicted Congress would pass the measure within 2 or 3 weeks.

The bill sets minimum downpayment terms for home mortgages insured by the FHA at 5 percent on the first $9,000 of appraised value and 20 percent on the value above that to $20,000, compared with the just announced rates of 5 percent on the first $9,000 and 25 percent above that.

VETERANS' MINIMUM LOWERED

However, the minimum for veterans would be only 2½ percent down on the first $9,000 of appraised value and 5 percent on the remainder. In addition, they would be exempt

from the 0.5 percent insurance premium required by the FHA.

The bill specifies that whatever downpayment terms the FHA sets for its overall program, the veteran's requirements be exactly half.

The Administration has asked Congress for standby authority to lower FHA terms to 4 percent on the first $10,000 of appraised value, 15 percent on the value between $10,000 and $16,000, and 30 percent on the value above that figure.

Subcommittee members said a less liberal downpayment schedule was approved because of the veterans' preference program. They predicted the full committee would back a move to have the new terms put into effect immediately, rather than approve standby authority.

Main reason for the veterans' preference proposal, subcommittee members said, is that Congress apparently will not approve an increase in the interest rate ceiling to 5 percent on home loans guaranteed by the Veterans' Administration.

The House Veterans' Affairs Committee is expected to take another look at this proposal tomorrow. The House in effect rejected the boost last week, but this was partly because of a technicality in that the proposal was offered as an amendment to another bill.

TERMINATION PROVIDED

The bill provides for an orderly termination of the veterans' preference program after July 1958, when the VA program for World War II veterans is scheduled to expire. After that date veterans would be eligible for the special FHA provisions for a period roughly equivalent to the years they spent in service.

FHA officials opposed the veterans' preference, contending it would be hard to operate and should be the province of the Veterans' Administration.

The bill would also require the FHA and VA to set reasonable ceilings on discounts, taking into account various regional factors.

The FNMA would get a hefty boost—to $2,600,000,000 from $1,600,000,000—in authority to conduct its regular buying and selling of Government-backed mortgages in the secondary or resale market.

The bill provides that Fannie Mae purchase at par mortgages it buys under its special assistance program for military housing and slum clearance and other programs. The agency now purchases these mortgages at 99 percent, or 1 percent below the full amount of the mortgage.

The Administration's request for $250 million additional authority for the special assistance program was adopted.

Mr. MORSE. As further proof, in the period since a golf game was interrupted for this great pronouncement there has been no real rise in the rate of home construction.

What we need—and this is the position I have maintained from the outset—is a change in the tight-money policy. High interest rates force the cost of housing up, and the benefits flow to the moneylenders. Perhaps the strong supporters of Modern Republicanism will begin to see the light as time goes on.

I also ask unanimous consent to insert in the RECORD another report from the Wall Street Journal of April 1.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BUSINESS AND FINANCE

Home building is expected to remain slow despite restoratives applied by the administration. Bankers and construction industry executives predicted the cut in downpayments on federally insured mortgages decreed by President Eisenhower over the weekend would provide little stimulus as long as credit stays scarce. Many lending institutions, they noted, make home buyers put down much more cash than the minimum specified by the Government, and lenders generally are steering away from Government-backed mortgages because allowable interest rates are below those on conventional loans.

Key Congressmen voiced similar views. The House Banking Committee is expected to give speedy approval to legislation designed to extend substantial assistance to home builders and buyers. It would lower FHA downpayment requirements still further and channel more money into the mortgage market.

Trans World Airlines disclosed it is laying off nearly 2,000 of its 19,945 employees. Carter L. Burgess, TWA's new president, recently stated a cutback in employment was necessary in the company's effort to get out of the red. Douglas Aircraft Co. announced it will drop 1,350 of its 13,000 workers at Tulsa within a month. It blamed the Air Force's cancellation of the C-132, the big turboprop transport Douglas has been working on here.

These employment cutbacks came as fresh outbreaks of layoffs hit Maytag Co., Newton, Iowa, manufacturer of washing machines, and the home appliance divisions of General Electric at Louisville and of Westinghouse Electric at Mansfield, Ohio.

Steel producers foresee a gradual decline in operations, carrying into the third quarter. But a comeback in the final 3 months of the year is counted on to keep 1957 output around the high levels of the past 2 years.

Despite the fifth consecutive weekly decline in operations last week and dimming prospects for spring improvement in automotive steel buying, steel producers generally are sticking pretty close to their turn-of-the-year optimism.

Auto makers eye current sales trends anxiously, seeking a clue to whether the traditional spring improvement will develop. General Motors' Chevrolet division is optimistic in this regard. Its dealers sold some 44,000 cars in March's second 10-day period, compared with 34,000 in the first 10 days. On a daily average basis, this was a 15 percent pickup in the sales rate.

For the industry as a whole, an indicated gain of 7 percent took place. But total sales for the first 30 days of March trailed the year-earlier pace by 9 percent, and the daily rate was even below February's. In a drive to spur demand, every auto producer except GM's Cadillac division has a sales promotion contest in the works or already operating.

Cotton fabric prices slumped to an 8-year low. The pace-setting 80-square print cloth declined to 17¾ cents a yard last week—down 1½ cents from the high reached during last autumn's buying flurry. Since then, prices have worked slowly downward. But textile merchants report signs are beginning to appear that cotton cloth inventories may be fairly well cleaned out.

Mr. MORSE. Not only is home construction down, but we are getting the collateral impact of the tight-money policy. Auto sales for March are 9 percent below last year's rate and below February's. Only Cadillac is in good shape. Steel production is off. TWA has laid off 2,000 people. Maytag, General Electric, and Westinghouse have laid people off. These things have a cumulative effect and, in my judgment, this administration is making a serious mistake in sticking to a tight-money policy.

I predict that when enough segments of big business feel the results, the Republican Party will start to hear from its major supporters. In the meantime, the Democratic Party will continue to work for the people of America. I predict that the majority leader will be able to count on more Republican votes for programs that benefit the people when the big boys find that the problems of the workers and farmers have trickled up to them and are painfully pinching profits.

One of the odd things about the trickle-down theory practiced by the tight-money boys is that when the trickle gets small enough, they thirst too. They look for ways to quench their thirst. Lo and behold, what do we find every time—the Democratic Party has a program and a policy to benefit all Americans. Then we find the Republicans working for that program and policy but with a new label.

This is Modern Republicanism in action—and it acts like a cowbird. It lays its eggs in another bird's nest, and when the cowbird chicks hatch, they try to push the other chicks out. I think the American people are coming to understand Modern Republicanism, just as they understood the old-fashioned variety.

NOMINATION OF SCOTT McLEOD

Mr. MORSE. Mr. President, I turn now to the subject matter before the Senate. I shall be very brief in my discussion of the McLeod case. I believe that each one of us has made up his mind as to how he will vote. We have studied the record, and we have had a great deal of information presented to us over the months in regard to the nomination.

However, I wish to restate the position I took as a member of the Committee on Foreign Relations. It was not so long ago that the Committee on Foreign Relations sent to the Secretary of State a letter expressing strongly our dissatisfaction with some of the appointments to diplomatic posts which we had been asked to approve. In that letter, which reflected the nonpartisan views of the entire committee, we voiced our conviction that, in the difficult international conditions which the United States faces in the world today, it is imperative for our Nation to have the very best representation abroad that it can get.

What was the reaction of the Department of State? The reply we received was a stereotyped reminder that more posts abroad are being occupied by career Foreign Service officers than ever before. The reply was anything but responsive to the issue which has disturbed this committee.

I think the appointment of Mr. McLeod is a challenge to this body. It is a typical example of what I thought we were trying to control. I think it is up to us, here and now, to show the Department of State that we were in dead earnest in what we wrote to them, or else let us stop pretending we are anxious to have qualified career men appointed to diplomatic posts. Let us simply go on confirming men for important diplomatic posts, who obviously have no qualifications for the job.

Much has been said about a presumption being in favor of a Presidential appointment to an ambassadorship. I agree with that position. However, it is not a conclusive presumption but a rebuttable one. After having weighed Mr. McLeod's qualifications, or more accurately the stated lack of qualifications, I am satisfied that the presumption has been rebutted by Mr. McLeod himself.

Throughout my 13 years in the Senate, I have always resolved doubts in favor of a Presidential appointment unless I became satisfied that the nominee failed to measure up to at least one of the historic criteria that have been followed throughout the Senate's history in giving advice and consent to a President under the advice and consent clause of the Constitution. One of those criteria pertains to the competency and qualifications of the nominee to perform the duties of the office to which he has been appointed. It is my conclusion that Mr. McLeod does not meet this criterion and, therefore, I shall vote against him.

The record is perfectly clear that in the past I have voted to support Eisenhower nominations when I felt the four historic criteria were met, and I have done the same under Democratic administrations; likewise, I have opposed nominations of both Democratic and Republican administrations when I was satisfied that one or more of those criteria had not been fulfilled by the nominee.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. MONRONEY. I should like to ask the distinguished Senator from Oregon if it is not a fact that the McLeod appointment is not what normally would be considered a political ambassadorial appointment.

As I read the testimony given at the hearings, it seems to me that confirming the nomination would not mean that Mr. McLeod would serve for a period of 4 years, perhaps, in his ambassadorial position, or until a new administration took over; but that this is a move—and it is very clearly spelled out in the hearings—to place him in the ambassadorial career service.

Mr. MORSE. He made it perfectly clear in the testimony that he is seeking this place in order to move into the career diplomatic service if two things happen in the future.

One is that he decides, after this experience, that this is what he wants to do, and what he wants his career to be. He certainly did not say that he had made up his mind irrevocably.

Second, he made it clear that there was another condition, namely, whether the Foreign Service would accept him. He want on to state—and it was a point which I had missed, and I am sure other Senators were not aware of it either—that we do have at least some sort of custom or tradition, which has developed, that places the people who seek to devote their lives to the career service in the position where they must in turn be admitted to the Service on a permanent basis.

Mr. MONRONEY. As the junior Senator from Oklahoma will recall, because of the disaster that had affected the morale of the Foreign Service, when people were not entering it, the Wriston report was made, and that report provided for the lateral transfer of career civil-service people across the line into the Foreign Service.

Mr. MORSE. That is correct.

Mr. MONRONEY. It was as a result of the disaster that had struck the State Department, with good men leaving because of dissatisfaction, or persecution—which some people felt they had been subjected to—or failure to close cases, or failure to give them a proper chance to defend themselves, that Congress had before it—and I personally held up the bill for several weeks on the call of the calendar—the plan for the lateral transfer of civil-service employees across the line to the Foreign Service. I held it up because I felt the procedure would be abused, and would mean that politics would enter the Foreign Service; also, that it would open the gates to men who, having been appointed for purely political reasons, and then acquiring civil-service status, could apply, after 3 years of probation; whereas a career Foreign Service man would have to wait 30 years or so.

Mr. MORSE. The Senator is correct.

Mr. MONRONEY. Therefore is this not going to be something far less than a blessing, and perhaps serve as a body blow to the career service? I have in mind a man who starts as a vice consul in Belem, or in some other South American city, in a hardship position, perhaps, and in a minor capacity, and struggles up through many years, step by step, on the ladder heading toward an ambassadorial post. Such a man could be forced out at the very end. The Wriston report was sold to Congress as an important way of rewarding genuine career people who possess the basic experience and the background for the Foreign Service.

Therefore, if we open the gates with the McLeod appointment, will we not strike a body blow to the whole system around the world so far as men who struggle to keep the American position foremost in diplomatic circles are concerned?

Mr. MORSE. The Senator is completely right, and what he said bears upon the objection I am raising with regard to the qualification and competency of the nominee. It buttresses my main objection to the appointment. I have said that in my 13 years in the Senate I have supported any nomination made by a President, whether Republican or Democrat, when I felt the nominee met the four criteria I have set up. Those four criteria concern themselves with character, conflict of interest, faith in our constitutional form of government, and unquestioned patriotism to that form of government.

Lastly, the nominee must have reasonable competency to perform the duties of the position involved, and that means qualifications and experience and background which would justify our believing that the nominee had the competency to perform the duties of his position.

It is on that latter criterion that I find myself unable to vote for the McLeod nomination.

I now yield to the Senator from Colorado.

Mr. CARROLL. I am very much interested in the remarks of the Senator from Oregon and in the colloquy between him and the Senator from Oklahoma. I had not really understood the full significance of this effort until I heard the exchange. For example, I did not fully comprehend the colloquy on page 5 of the hearings until I heard the matter discussed on the floor. In the hearing, the Senator from Arkansas questioned Mr. McLeod, as follows:

> Senator FULBRIGHT. What do you hope to contribute as Ambassador to Ireland, if there are no problems? Is this just a nice, easy place to retire to?
>
> Mr. McLEOD. No, sir. I don't expect to retire. I am relatively young. It just seems to me to be a good place to get your feet wet in the matter of diplomacy.
>
> Senator FULBRIGHT. Do you expect to make the diplomatic service a career?
>
> Mr. McLEOD. There is still a matter of whether the career service will accept me or not.
>
> Senator FULBRIGHT. What do you mean by that?
>
> Mr. McLEOD. Under our program you have to apply for lateral entry and be accepted under the forms and procedures.

I therefore put this question, if I may, to the Senator from Oregon and the Senator from Oklahoma: Does that mean, if Mr. McLeod's appointment shall be confirmed by the Senate and he receives ambassadorial status, that later, if he should be accepted in the career diplomatic service, he will move over to the class of the Foreign Service with persons who have dedicated their lives to that service?

Mr. MORSE. In my opinion, it will put him in a position of great favoritism.

Mr. CARROLL. I think I can understand, as has been so clearly stated by the Senator from Pennsylvania [Mr. CLARK], that there have been political appointments made by Democratic Presidents and Republican Presidents, but those appointments obviously were of persons who did not seek entry into the career Foreign Service. Perhaps they were wealthy men, or perhaps there was political motivation. But in the experience of the Senator from Oregon, can he recall a case of this nature, in which a person sought to elevate himself into the diplomatic career service in this fashion?

Mr. MORSE. I think the McLeod case is a singular case, without precedent.

Mr. CARROLL. Then, considering the question raised by the Senator from Oklahoma [Mr. MONRONEY], there is all the more reason why the nomination of Mr. McLeod merits reconsideration by the Committee on Foreign Relations, so that the matter can be studied further, because to confirm the nomination of Mr. McLeod could have a serious effect upon the morale of those in the Foreign Service. If that Service is to be an establishment of the President, where the door can be opened to this sort of political maneuvering, I think it should be brought more forcefully to the attention of the Senate.

Mr. MORSE. I agree with the Senator from Colorado.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. MORTON. I think the colloquy has left the impression that if Scott

McLeod were considered for lateral entry into the Foreign Service, if he sought it, and were approved by the Board of Foreign Service, which passes on such applications, he would therefore come in as a career ambassador. That is not true at all. He may come in as a Foreign Service officer of the second class or of other classes.

The Foreign Service is nothing new. Entry into it has happened before the time of the Wriston recommendation; it has happened since.

Mr. MORSE. At this point, would the Senator from Kentucky give us an explanation? Let us assume this hypothetical: When a person seeks to enter the career Foreign Service from an ambassadorship, who determines what the classification will be when he is admitted laterally into the Foreign Service?

Mr. MORTON. A board of review, an examining board, set up in the Foreign Service, composed of high-ranking members of the Foreign Service, first passes on the qualifications. They then recommend to the Under Secretary for Administration yea or nay, and what class it shall be.

To my knowledge—and I have not been in the Department for the last year—since Congress enacted the recommendations which were contained in the Wriston report, the recommendations of that board have been carried out.

There are many career Foreign Service officers of the first class, and even of the second class, who have served in positions as ambassadors, and they have had lateral entry. That was true in the case of a very capable Ambassador who met a most unfortunate death in Thailand, whom many Members of the Senate knew and, I think, whom they respected and admired .

Mr. MORSE. Ambassador Peurifoy.

Mr. MORTON. Jack Peurifoy. Also, my predecessor as Assistant Secretary of State, Jack McFall, has served ably as Ambassador to Finland.

Mr. CARROLL. Mr. President, will the Senator from Oregon further yield?

Mr. MORSE. I yield.

Mr. CARROLL. I read further from page 5 of the hearings on the nomination of Mr. McLeod:

Mr. MCLEOD. Under our program you have to apply for lateral entry and be accepted under the forms and procedures. The rules as they are laid down require a 3-year prior employment in the Department, and I believe on that basis I am eligible to apply, but I would rather have more experience in this particular line before making application.

That is, he wants to gain experience by being Ambassador to Ireland. The next question was asked by the Senator from Arkansas:

Senator FULBRIGHT. If you are confirmed for this position, do you not become automatically a foreign career officer?

Mr. MCLEOD. No, sir; I do not.

Senator FULBRIGHT. What further procedure must be followed, assuming you are Ambassador to Ireland?

Mr. MCLEOD. Then I would have to make an application to become a member of the career service through the lateral entry program.

Senator FULBRIGHT. Who approves that?

Mr. MCLEOD. Ultimately the Secretary on recommendation of the Board of Foreign Service.

If I correctly interpret the remarks of the Senator from Kentucky, there seems to be some doubt in his mind as to what category of the Foreign Service it would be, whether it would be the first class, the second class, or whatever classification it might be.

The question now is, If Mr. McLeod had ambassadorial status and sought to be admitted to the Foreign Service, who would determine the classification he would receive?

Mr. MORTON. As a matter of practice, since the legislation was enacted and until my resignation from the Department—I cannot speak since then—it was based on the recommendations of the Board. The Foreign Service officers who passed on one's eligibility as a Foreign Service officer made the recommendation as to his class, and that recommendation was followed.

Mr. CARROLL. If the Senator from Oregon will yield further, it seems inconceivable to me that once a person had served as an ambassador, and had later submitted his application for entry into the Foreign Service through the lateral entry procedure, the Board of Foreign Service could say to the Secretary, who had recommended ambassadorial status in the first place, that the person should be placed in the lowest category of the Foreign Service. That is beyond the realm of commonsense. Therefore, if this precedent is now to be established, we ought to examine the matter very, very carefully.

Mr. MORSE. I should like to have the attention of the Senator from Kentucky. I think we are all desirous of one thing, namely, to get the facts into the record.

I said earlier, based upon my understanding of the procedure as it was explained to us in the Committee on Foreign Relations, that this appointment would place Mr. McLeod in a position of favoritism in relation to other persons in the Foreign Service who were in the lower brackets, where they might be occupying relatively minor Foreign Service posts in relationship to ambassadorships, at least.

It is my understanding—and I wish to be corrected if I am in error—that although one may go through the procedure prescribed for lateral admission by having the so-called Advisory Board pass judgment upon the applicant, the Secretary of State has the authority to approve or reverse the action of the Advisory Board, whether it is an affirmative recommendation or a negative recommendation. I simply want to know whether I am factually correct about that, or if my interpretation of the testimony is erroneous.

Mr. MORTON. The Secretary of State has that authority, as he has had it for years, even prior to the enactment of the so-called Wriston legislation.

It is my understanding that the Secretary of State has that authority, as he has had for years, even prior to the so-called Wriston legislation. The Secretary of State has that authority to bring people laterally into the Foreign Service, in which case the nominations must be confirmed by the Senate.

Mr. MORSE. It seemed to me, as I listened to the discussion in the committee, that the Senator from Arkansas was quite correct in the opinion he expressed. It is rather difficult to believe that if the Senate confirms this nomination to be United States Ambassador to Ireland, it is not to be expected that this particular Secretary of State would turn down an application for an ambassadorship as a career position in the Foreign Service, some 2 or 3 years later.

Mr. MORTON. Mr. President, if the Senator from Oregon will yield further, let me say that I agree; I believe the Secretary of State would not turn him down as a lateral entrant into the Foreign Service. The implication I was trying to correct was that from the remarks of the Senator from Colorado, I gathered that he assumed that such a person would be in the Foreign Service as a career ambassador. I think there are only five, and certain criteria have been established; and that is also true in the case of career ministers. They are very limited.

Mr. MORSE. I am glad to have the Senator's contribution.

Mr. President, I return to my point which I believe bears on the question I have had to ask myself, namely, whether I believe the nominee has the qualifications and the competency to perform this Ambassador's job, keeping in mind—as the Senator from Oklahoma has pointed out—that the Senate also is to a certain extent helping lay the foundation, at least, for possible future promotions in the career service itself. I happen to believe that Mr. McLeod answered the question for himself, in the course of his own testimony. I believe that the record before the committee is perfectly clear in showing that I sought only to present to Mr. McLeod an opportunity to make a statement, following all the charges and criticisms which had been made against him. At the beginning of my statement I made it clear that that was what I sought to do, and I think I did so. I did not seek to adopt the role of prosecutor. I sought only to raise each point on which I thought Mr. McLeod should have an opportunity to comment. Thereafter, I wished to consider all four corners of the record made in the committee, and to judge for myself whether I believed Mr. McLeod met the criteria for appointment. After I did that, I came, regrettably, to the conclusion I am now expressing, namely, that it seems to me that, by the testimony out of his own mouth, Mr. McLeod demonstrated that he is poorly equipped for this particular appointment.

M'LEOD WANTS POST IN IRELAND AS EASY FOOTHOLD

His principal justification for seeking to be United States Ambassador to Ireland seems to be that "one must start somewhere in the Foreign Service work, and the Ambassadorship to Ireland is an easy place to begin with, because it has no problems."

Of course, Mr. President, I happen to believe that Ireland is a very important

post for an ambassador. I think we should have there one of our top men, not a neophyte. Therefore, Mr. President, I believe that, on the record, the nominee has not shown that he has either the background or the qualifications for this very important position.

I desire to point out two other things which bother me about the action of the Foreign Relations Committee in regard to this case: In recent years, the committee has withheld approval from nominees whom it felt were not worthy, from the standpoint of qualifications. The point I am raising is nothing new in the case of the actions of the Foreign Relations Committee, for in recent years a considerable number of nominees have not been approved, when it became evident that there was strong opposition in the Foreign Relations Committee.

For instance, in 1954, confirmation was withheld in the case of the nomination of Henry Byroade, to be United States Ambassador to Egypt; also in the case of the nomination of George Allen, to be Assistant Secretary of State; also in the case of the nomination of Wright F. Murrow, to be the United States representative at the United Nations General Assembly.

Furthermore, it will be recalled that at the end of 1951, confirmation was similarly withheld in the case of the nomination of a very great American, Gen. Mark Clark, to be United States Ambassador to the Vatican.

In 1951, confirmation was withheld in the case of the nomination of Philip Jessup, to be a member of the United States delegation to the United Nations General Assembly.

In 1950, confirmation was withheld in the case of the nomination of Irving Florman, to be United States Ambassador to Bolivia.

In 1953, confirmation was withheld in the case of the nomination of Willard Beaulac to be United States Ambassador to Chile; and also in the case of the nomination of Arthur Gardiner, to be United States representative at the United Nations.

I point out that the cases I have just mentioned involve nominations during the Truman administration. We also have the case of the nomination of Seymour Rubin, to be Assistant Director of the Mutual Security Administration. The nomination was made by President Truman, but was withdrawn by President Eisenhower. So this is a procedure which has been followed in various administrations.

Likewise, Mr. President, in 1948, confirmation was withheld in the case of the nomination of John J. McDonald to be United States representative on the Palestine Truce Commission.

In 1949, confirmation was withheld in the case of the nomination of Francis Biddle, to be United States representative on the Economic and Social Council of the United Nations.

I point out that the Senate has refused to act as a rubber stamp for the diplomatic selection of any administration. The committee did not vote in favor of the confirmation of either the nomination of Mr. Jessup or the nomination of Mr. Holmes, to name only two.

The question I raised in the committee, and the question which I raise here on the floor of the Senate, is this: Is Mr. McLeod better qualified to be ambassador than Prof. Philip Jessup, of the Columbia Law School, one of the outstanding international lawyers of this generation? Two years ago, the administration was compelled to withdraw the nomination of an able career officer, Brig. Gen. Julius C. Holmes, largely, I believe, because a single member of the committee disapproved of a certain business activity of Mr. Holmes at a time when he was not even in the Department of State. I question whether Mr. McLeod is better qualified than General Holmes.

Therefore, Mr. President, I believe it is up to the Senate at this time either to reassert the traditional control of the Senate in these matters, or else to recognize that the Senate has abdicated its constitutional responsibility.

NOMINEE GIVEN EVERY CHANCE TO PROVE QUALIFICATIONS

Much has been said to the effect that Mr. McLeod's testimony cleared up the charges which had been made against him. However, Mr. President, I do not think Mr. McLeod has cleared up the major charges. I desire to point out that in the committee I did not cross-examine Mr. McLeod as a prosecutor. To the contrary, in fairness to Mr. McLeod, I attempted in my questions to lay before him every criticism I had heard about him. In fairness to him, I wish to state that I believe he made a good case for himself in respect to handling the refugee problem under the restrictions which were placed upon him by the Congress itself when it passed the unfortunate Refugee Act.

However, I desire to make perfectly clear that I do not believe Mr. McLeod has in any way justified the course of conduct he followed in connection with the famous Corsi case.

In regard to other charges, Mr. President, I wish to state frankly that Mr. McLeod left me with the impression that he was an artist in the use of semantics. I found his answers evasive and anything but satisfactory clarifications of the record.

Consider, for example, his conduct in the case of the nomination of Mr. Bohlen to be United States Ambassador to Russia. From Mr. McLeod's own testimony I am satisfied that he did circumvent the Secretary of State by making representations to the White House without the knowledge of the Secretary of State. Mr. McLeod testified that a telephone call from the White House from the President's adviser, General Persons ,reached him—Mr. McLeod—while he was sitting in the Office of the Secretary of State, talking to the Secretary of State. Therefore, Mr. McLeod contended, the Secretary of State was aware of the fact that he was in communication with the White House about the Bohlen matter. Nevertheless, Mr. President, that did not justify Mr. McLeod's being in communication with the White House in regard to the Bohlen matter, when Mr. McLeod was a subordinate officer of the Secretary of State.

Further examination showed that prior to Mr. McLeod's visit to the office of the Secretary of State on that day, Mr. McLeod had had previous communications with General Persons, at the White House, regarding the Bohlen matter. In my opinion, Mr. President, the testimony shows clearly that in the Bohlen case Mr. McLeod went over the head of the Secretary of State.

Furthermore, Mr. President, I thought it was a little amusing to hear Mr. McLeod's discussion of his participation in the Bohlen case. In that connection, let me quote from the committee hearings beginning on page 40, at the bottom of the page:

Senator MORSE. That is, the comments that you raised at the White House level in regard to Ambassador Bohlen were limited to your belief that there was sufficient opposition to Bohlen on the Hill for various reasons that you thought it would be a mistake for a new administration to nominate for this post a man that would lead it into a congressional contest in the Senate over the appointment?

Mr. MCLEOD. I do not believe that is quite the context. I simply wanted to alert them to the fact that they might expect to have some opposition where there had been none previously.

My whole activity in connection with this matter, which I think has been completely distorted in newspaper discussion of it—for that reason I welcome this opportunity to set the record straight——

Senator MORSE. That is why I am giving it to you.

Mr. MCLEOD. Was because I felt I had somewhat of a unique position, having just come from the Senate, in knowing something of the sentiment up here, and I was only trying to ascertain whether or not the administration knew that there might be some difficulty in this appointment.

If they did and if they were willing to encounter the difficulty, then of course I had no objection.

Senator MORSE. But you raised no question yourself as to Ambassador Bohlen's qualifications for the post or any question as to his being or not being a security risk?

Mr. MCLEOD. Not in my own behalf.

Mr. President, note Mr. McLeod's use of the words "not in my own behalf."

I read further from the hearing:

I certainly had no basis for doing so. I did not know him. As a matter of fact, I did not even have the benefit of the information that this committee had at that time, because in reviewing the matter recently, I find that his hearing here was on March 2 and I was sworn in on March 3, so I did not even have the advantage of that much background.

Senator MORSE. In your conversations with General Persons, did you advise him that if they got into a controversy with the Hill over Ambassador Bohlen, questions as to whether or not he was a security risk would be raised by some Senators?

Mr. MCLEOD. There again I cannot be sure because, although I have tried to reconstruct this recently, I cannot tell you whether I talked to General Persons before or after the FBI report became available to the Department.

Now you may recall that the original question on this security situation arose from the fact that there never had been a full field investigation of Ambassador Bohlen even in spite of his long service. I believe the question was raised first in this committee, and the investigation had been requestd, but the results did not become available until after the hearing, the original hearing on the part of this committee, so in trying to reconstruct the before and after phase of those days, I am simply unable to tell you whether or not

I had the security material at the time I talked to General Persons.

Senator MORSE. Was the security check on Ambassador Bohlen subsequently made?

Mr. McLEOD. This committee was informed I think, at the time the Secretary testified, that the investigation had been requested and, as I recall, it was as a result of that that this committee resolved that they would not receive any nominations thereafter unless there had been a clearance based on a full field investigation.

Then the Senator from California [Mr. KNOWLAND] helpfully made this statement for the RECORD:

Senator KNOWLAND. Senator MORSE, might I interrupt at this time to, I think, correct it. My recollection is that the committee having requested, as they have done I think in other cases as well, a full field investigation, then appointed a subcommittee which, to the best of my recollection, consisted of Senator SPARKMAN and Senator Taft to go over the complete file.

Well, there is more to read that bears out the conclusion I want to state as to my opinion about McLeod and the Bohlen case, and that is that at no time, either in the hearings or anywhere else, has McLeod given Bohlen a clean bill of health. Read the language he uses. It is a master exhibit in semantics.

I wish to say further I am satisfied, on the basis of the whole record, that McLeod was responsible for a very embarrassing situation at a time when a great public servant was before the Senate for confirmation of his nomination, and that as a result of his course of action a great injustice was done to Mr. Bohlen. I was very much disappointed that Mr. McLeod did not face this matter frankly before our committee and point out what I think is an indisputable fact—that there is no question as to the great patriotism of this great Ambassador, who has just been transferred from the Moscow, Russia, post to a position of much less importance on the world scene, but nevertheless still a very important one, to the Philippines. It is just an example of one of the reasons why Mr. McLeod did not instill in me the confidence that he had the qualifications and competency that I think we ought to have in an ambassador.

I believe if a mistake has been made, a man ought to say so unequivocally, rather than use the evasive approach to this matter that I thought he used in his answers to my question.

Then, too—and I am almost through—I found his explanation of the so-called numbers game in connection with the security investigations of alleged subversives in the State Department to be completely unsatisfactory. He was unable to point out to the Committee a single Communist that he had uncovered; but there again he said we are dealing only with security risks. He talked in terms of whether someone was weak on Communists.

It is my opinion that the procedures and tactics that he used as chief security officer were not in conformity with fair processes under acceptable standards of American democratic processes. I do not think his record as security officer qualifies him in any way for the nomination of Ambassador to Ireland.

There are many more things I could say in evaluating the record, but I think each one of us has come to his own conclusions and I am ready to vote on the nomination. I shall vote against it because after weighing the entire record of Mr. McLeod as it is known to me, I do not think he possesses that competency and those qualifications that, in my judgment, justify the Senate's approving this nomination to be Ambassador to Ireland.

Mr. President, I ask unanimous consent to have inserted as a part of my remarks certain newspaper clippings, reports, and exhibits which, in my judgment, sustain my judgment.

There being no objection, the newspaper articles, reports, and exhibits were ordered to be printed in the RECORD, as follows:

MERCER ISLAND, WASH., *April 25, 1957.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Certainly I do not feel that McLeod could ever represent me ever, anywhere.

Please make every effort for peace and understanding among all peoples and nations.

EUGENIE F. JENNER.

CAMBRIDGE, MASS., *April 15, 1957.*

The Honorable WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: We are sure that you have seen the editorial entitled "The McLeod Appointment," in the New York Times of Thursday, April 11.

Its arguments against approval by the Senate of this appointment seem to us conclusive. In fact we would put the case more strongly. It seems to us that the appointment of Mr. McLeod as Ambassador would injure the essential interests of both the country he represented and the country to which he was accredited. A man whose name is a symbol of the ugliest sort of illiberalism in both the domestic and foreign policy ought not to represent the United States, anywhere.

We most earnestly hope that you agree and that you will vote against approving this nomination.

Sincerely yours,
L. H. BUTTERFIELD.
ELIZABETH E. BUTTERFIELD.

COHOES, N. Y., *April 14, 1957.*

Hon. WAYNE MORSE,
Senate Building,
Washington, D. C.

DEAR SENATOR MORSE: I hope that you will pardon me writing to you on the matter of Scott McLeod as Envoy to Eire. While it is true that I am not one of your constituents, nevertheless I am accustomed to look to you for leadership in the Senate.

The fact is I am exceedingly wroth at this latest example of the famed Eisenhower ignorance. I regard this nomination as an insult to the Irish people and to Americans, like myself, who have Irish blood in their veins.

I have written to the two Senators from my State but being of the Democratic persuasion, I am dubious whether or not my complaint will be heard or heeded.

Sincerely,
STANTON ABLETT.

PROVIDENCE FORGE, VA., *April 17, 1957.*

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.:

Hope sincerely you will vote against confirmation Scott McLeod, Minister to Ireland. Have been there. They do not need or want his kind. Expect write you when data is all in hand of an Indian Korean veteran named Oregon Wyndell Wynn. Take care yourself, the country needs you.

IDA HIMES.

LOS ANGELES, CALIF., *April 16, 1957.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I urge you to oppose the confirmation of Scott McLeod as Ambassador.

In my opinion McLeod is not suited by temperament to hold this position. He is not experienced in this field. He made a mess of the refugee program until a national furor and Eisenhower forced him to admit the refugees which the Congress had authorized. His handling of the refugee program evinced a predilection for McCarthyism which all sensitive Americans abhor.

I urge you to oppose this outrageous appointment.

Yours sincerely,
JOHN C. SASSER, Jr.

WOODSTOCK COUNTY SCHOOL,
South Woodstock, Vt., April 15, 1957.

Senator WAYNE MORSE,
United States Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: I am writing to you to express my opinion regarding the appointment of Mr. McLeod to be the United States Ambassador to Ireland.

In my opinion this appointment is very bad. It will do much to lower the dignity of the United States diplomatic corps. Mr. McLeod is a man who has acted with pettiness, and possible deceit, in his office while striving to carry out his own conception of our security and diplomatic problems. Our diplomatic corps needs men who can and will take unpopular stands on issues—this is strength of character—but these men must also be of generous impulses and have wide objective views of the problems of history.

I think only harm will come to the United States by maintaining this small man in high and honored office. I urge you to use all of your influence in the Senate to prevent Mr. McLeod from becoming Ambassador to Ireland.

Respectfully,
CHARLES B. SILLIMAN.

NEW YORK, N. Y., *April 23, 1957.*

Senator WAYNE MORSE,
United States Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: I have been shocked by the suggestion that Mr. Scott McLeod is to be sent by my country as our (yours and mine) ambassador to Ireland. In Europe his name is so interwoven, rightly or wrongly with Mr. Cohen and Mr. Schine on their destruction of the United States Foreign Services that his confirmation by the Senate is inconceivable unless they, as a body, wish to credit that disgraceful period of our life.

While I feel sure Ireland would be unhappy about the appointment, they may not be strong enough to register a direct refusal. However, some of their newspapers are rather blunt about it. They seem to want no part of him. This also was the position taken by the New York Times—when Mr. McLeod's name first came up.

Other countries of the world, who will not have to suffer Mr. McLeod's presence will no doubt register in their minds, if he is confirmed by you, who in fact is running the United States State Department.

May I please, as a citizen of this country, ask you to consider carefully the type of person it is that represents us in foreign lands—as Mr. United States.

I cannot believe that the dignity of the United States Senate would be so lowered as to allow the possible discussion in the same breath, let alone room, of Mr. Bohlen and Mr. McLeod, that fact alone reduces our great Foreign Service to a dreadful state. It has taken years to overcome Mr. Cohn and Mr. Schine. I do hope you are not going back to what they stood for.

Respectfully yours,
PETER CUSICK.

PITTSBURGH, PA., *April 11, 1957.*

Hon. WAYNE MORSE,
United States Senate,
Senate Office Building,
Washington, D. C.:

Humbly ask your support blocking McLeod ambassador Ireland. I am World War II Pacific vet.

JOSEPH DRANGA.

[From the Washington Post of April 17, 1957]

SCOTT MCLEOD TARGET OF NEW IRISH BLAST

DUBLIN, April 16.—The Irish Times today called United States Ambassador-designate Scott McLeod "The Hangman" and urged Premier Eamon de Valera to reject him.

The conservative newspaper, one of Ireland's leading publications repeatedly has criticized McLeod's appointment. The newspaper said the suicide April 4 of Canadian Ambassador E. Herbert Norman in Cairo is a "valid reason" for the government to refuse to accept McLeod's appointment.

"There is now very little cause to disbelieve that it was his unwholesome department * * * that led the American Senate's Internal Security Subcommittee to republish the disproved charges which impelled Norman to jump to his death," the newspaper said.

"We do not welcome the hangman in our midst and it is not customary to reward his services with an ambassadorship. Mr. McLeod's appointment would be indiscreet in any circumstances. In the light of Mr. Norman's suicide, it becomes intolerable."

The newspaper asserted McLeod "has gained notoriety as a systematic inquisitor of diplomatic qualifications, after a formula more reminiscent of Russia than of a western democracy."

[In Edinburgh, the independent Scotsman, Reuters reported, said in an editorial in Wednesday morning's paper, that Prime Minister De Valera's Government "cannot be happy" about McLeod's appointment.

["The egregious demagog, Senator Joseph R. McCarthy, is now in eclipse, but the harm that he did when his inquisition was in full swing has not been forgotten. And Mr. Scott McLeod as security officer in the State Department was regarded as one of McCarthy's henchmen.]

[From the Washington Post of April 11, 1957]

FIGHTING IRISH

What has Ireland done to the United States to deserve Scott McLeod? President Eisenhower was scarcely his most persuasive yesterday in explaining his nomination of Mr. McLeod as Ambassador to Ireland and of Henry J. Taylor as Ambassador to Switzerland. Neither Dublin nor Berne comes in the category of a post to which a career appointment is ruled out by expense. It is hard to see what special qualifications either a glorified gumshoe or a somewhat credulous radio broadcaster possesses to merit this sort of reward.

The President justified Mr. Taylor's appointment on grounds of personal admiration and friendship. This is at least understandable if not commendable—although Mr. Eisenhower's assertion that Mr. Taylor's views in the foreign field coincide with his own raises the question whether he has listened to Mr. Taylor's broadcasts recently. At any rate, perhaps Mr. Taylor can entertain the Swiss with tales of flying saucers, in which he advertised himself as an expert and ardent believer a few years ago.

In the case of Mr. McLeod, who has headed the State Department's Bureau of Security and Consular Affairs, the President offered no such personal justification. He acted, he said, on the recommendation of Secretary Dulles. Yet, if we are to believe John Beal's biography of Mr. Dulles, the Secretary attempted to fire Mr. McLeod for insubordination 4 years ago. Mr. Dulles' interest in promoting Mr. McLeod out of his way is obvious, but the Irish may reasonably inquire (and the Irish press has inquired): "Why at our expense?"

This is the man who acted as a stooge for Senators McCarthy and BRIDGES; who leaked "information" to the McCarthy inquisition; who attempted to frustrate confirmation of Charles E. Bohlen as Ambassador to Russia; who conducted a reign of terror among State Department employees on security charges; whose office suspected the Department Policy Planning Staff because members were assigned as a part of their jobs to read the Daily Worker and (in a totally different category) even The Reporter; who presided over the Refugee Relief Act with such severity that it became a mockery. The fact that Mr. McLeod recently has seemed to mend his ways and to keep out of the bad news by no means makes a rose of his past malodorous record.

To appoint such a man to a diplomatic post is an insult to the recipient nation and a degradation of diplomacy. How can the Senate, which is at frequent pains to demonstrate its friendship for Ireland, view this as a friendly act?

[From the New York Times]

THE MCLEOD APPOINTMENT

Scott McLeod is the symbol in the State Department of all that has happened in the last 4 years to lower morale so drastically and to drive from the diplomatic career some of the best officers we had. He entered the State Department in the security section in 1953 as the representative of Senators BRIDGES, McCarthy, and the late Senator McCarran. No one man has represented in the public mind more than Scott McLeod all the evils of McCarthyism as applied to diplomacy. On Tuesday he was nominated as Ambassador to Ireland.

Is it any wonder that a storm of criticism has arisen throughout the country over diplomatic appointments when such things can happen? It would be unjust to make a blanket condemnation, for some fine appointments were made, but there have been bad appointments, and this one comes as a climax. It would be hard to imagine a worse blow to the diplomatic corps or a worse example of playing politics with the foreign affairs of the United States. Secretary Dulles must take the blame for Mr. McLeod's unfortunate work in the field of so-called security and the refugee problems, for he, after all, is the head of the Department, and he must take the blame for this appointment.

Ireland deserved a better fate. She has been most fortunate since 1953 in having a first-rate envoy—Ambassador William Howard Taft 3d. Dublin is a post where the work is not arduous and life is wonderfully pleasant. The man who is named to Ireland is a fortunate man. If he is a career diplomat like Mr. Taft he is a lucky man. For the noncareer man it is a reward.

And now it is Scott McLeod who is going to get this reward if his nomination is ratified. Whether he gets it or doesn't is not a personal matter. He is a well-intentioned if woefully misguided young man and no one begrudges him any happiness he can get. But the damage to the State Department and the United States diplomatic corps that will result from this appointment is public business. The Senate should block it.

[From the New York Herald Tribune of April 21, 1957]

IRISH ATTACK ON MCLEOD STEPPED UP—NOW HE'S LINKED TO NORMAN CASE

(By Don Cook)

LONDON, April 20.—If the nomination of Scott McLeod as American Ambassador to Ireland is approved by the Senate, he will arrive to take up his mission in Dublin against a background of some of the harshest public criticism heard in a foreign capital against an American appointee in a long time.

Led by the Irish Times, there has been a steady and often bitter attack on the McLeod nomination since it was first hinted at last month. The suicide in Cairo of Herber Norman, Canadian Ambassador to Egypt, following the fresh airing of "Communist" charges against him by the Senate Internal Security subcommittee, brought a new wave of criticism of the McLeod appointment.

NO ACTION BY DE VALERA

So far, however, Prime Minister Eamon de Valera's government shows no signs of withdrawing its acceptance of the appointment of Mr. McLeod, who is still the State Department's security chief pending his confirmation as envoy.

The Irish Times charged it was Mr. McLeod's "unwholesome department, whether or not Mr. McLeod was the direct party responsible" which led to the fresh publication of charges against Mr. Norman and "impelled him to jump to his death." The paper continued:

"This surely is a valid reason why Mr. de Valera should revoke his agreement (to the appointment), or, if that is impossible, why the American authorities should change their minds. Mr. McLeod's appointment would be indiscreet in any circumstances. In the light of Mr. Norman's suicide it becomes intolerable."

IT IS HUMILIATING

Earlier, the Irish Times had said that "it is humiliating to find the United States Embassy in Dublin regarded as a dumping ground for a man whose political party desires either to reward for dubious services or, more conceivably, to put out of the way of doing further mischief."

It added, "We should be sorry to believe that America thinks so little of a nation which has contributed greatly to her blood and advancement as to send it an ambassador of whom such meager good has been heard and so much ill."

Not all Irish newspapers have taken so stiff a line. The Irish Press blamed the controversy on domestic political issues in the United States and remarked that "it would be premature to judge the merits of the appointment on such grounds."

The Irish Independent has carried a favorable profile article on Mr. McLeod, describing him as a sensible young fellow who is a good storyteller and gets along with all sorts of men.

In London, the Daily Telegraph has been leading the attack on the appointment here, calling it "flat-footed diplomacy" and asking, "Just because most American policemen are Irish, is this a good enough reason for appointing an American policeman as United States Ambassador in Dublin?"

[From the Washington Star of April 10, 1957]

MCLEOD'S APPOINTMENT TO IRELAND—NEW AMBASSADOR SEEN AS BRINGING DISCORD IN FOREIGN SERVICE MORALE

(By Doris Fleeson)

The nomination of Scott McLeod to be Ambassador to Ireland is a little candle throwing its beam on the extraordinary supineness of present-day Washington. That indifference to duty and to the welfare and the needs of others afflicts the Republican

administrators and Democratic Congress alike.

There is nothing secret, rare, or difficult about the McLeod matter that a little stamina would not solve. The chances are the stamina won't be forthcoming.

McLeod is the former FBI agent, assistant to Senator BRIDGES and warm ally to Senator McCarthy, whom Secretary Dulles put in charge of security in the State Department. This was in the early Eisenhower days when McCarthy was riding high and the President's orders were to get along with him.

The effect on Foreign Service morale was immediate, unfortunate and lasting. But McLeod stayed even after he publicly tried to help McCarthy stymie the President's appointment of Charles Bohlen to be Ambassador to Russia. Dulles has explained to his latest admiring Boswell that he wanted to fire McLeod then but was restrained by his then undersecretary, Bedell Smith.

With the President in his second and final term, Dulles decided to get McLeod out of the security and immigration field where he has been a constant source of friction. But Senator BRIDGES is still the senior Republican, ranking on Appropriations and Armed Services.

Dulles offered McLeod the embassies of Honduras and New Zealand. They weren't good enough. McLeod has been paid his price to go quietly—the attractive assignment to Ireland.

In itself, the matter is relatively minor. Friends of Ireland will wish that amid its many difficulties it would have a more distinguished and effective envoy. But it is not a trouble spot for this country.

Ireland has not protested the appointment formally despite a press and parliamentary attack on the selection in Ireland by liberal forces which pointed out that McLeod's friend, McCarthy, was in eclipse here.

But the Foreign Service is bitter that he should be rewarded for what they regard as his hatchet work. He is the last straw on their heavier-than-usual cross of campaign contributors who skim the cream of overseas assignments in all administrations.

With the McLeod appointment, career men are left only in the hard spots: The Soviet Union, Yugoslavia, behind the Iron Curtain, and near the Arctic Circle. Possibly the country should be grateful for small favors.

This is the readymade case for the Democratic majority which professes to believe that foreign policy is badly executed. But controversy is discouraged by the LYNDON JOHNSON leadership; the Democratic Senator who starts one is apt to find himself charging up San Juan Hill alone.

It is beginning to appear in fact that the Democrats lost the art of controversy in their 20 years amid the political fleshpots. How they could lose on this one it is hard to see. The McLeod appointment does not divide the Democrats, they are all against him.

It does divide the Republicans and would bring the anti-Eisenhower right wing rushing from its corner—if it were made an issue.

[From the Washington Post and Times Herald of April 12, 1957]

PAPERS ABROAD ASSAIL MCLEOD

LONDON, April 11.—The Conservative Daily Telegram today denounced appointment of Scott McLeod as United States Ambassador to Ireland, calling it "flat-footed diplomacy." "Just because American policemen are Irish, is this good enough reason for appointing an American policeman as United States Ambassador to Dublin?" it asked in an editorial.

"Presumably President Eisenhower thinks it is.

"For otherwise he would surely not have named Mr. Scott McLeod, former FBI agent and State Department security officer for the post.

"Mr. McLeod came to the State Department in the early days of the administration as an acknowledged partisan of the McCarthy wing of the Republican Party.

"In the words of Mr. Dulles' latest hagiographer, his appointment as security officer 'seemed to keep (Senator Joseph) McCarthy and his allies off the Department's neck.'

(A hagiographer is a writer of lives of the saints. A new biography of Dulles by John R. Beal was published last week.)

"It does seem flat-footed diplomacy in the most literal sense to elevate to ambassadorial rank a man who failed so disastrously as State Department policeman."

The Telegraph editorial then referred to the suicide in Cairo of Canadian Ambassador Herbert Norman "after repeated but wholly unfounded accusations of Communist sympathies by a Congressional committee."

"That this latest and most tragic example of damage still being done by McCarthyism should coincide with such gratuitous honor for one of McCarthy's most energic agents will disturb most Americans quite as much as it shocks friends of the United States abroad," it said.

In Dublin, the Irish Times expressed hope that the United States Senate will block the appointment of McLeod as Ambassador to Ireland.

The independent Times, which is friendly to Prime Minister Eamon De Valera's Government, said editorially:

"If we cannot fairly blame Mr. De Valera for giving his agreement to the nomination, we can only at this stage express the hope that the American Senate will refuse its consent to the appointment.

"The Department of External Affairs could hardly have been expected to foresee the wave of disapproval which has followed his (McLeod's) nomination," said the paper. "But it must have had some inkling of his reputation—enough, anyhow, to inform the Prime Minister that his appointment was unlikely to improve Irish-American relations.

"It is humiliating to find that the United States Embassy in Dublin regarded as a dumping ground for a man whom his political party desires either to reward for dubious services rendered or, conceivably, to get out of the way of doing further mischief.

"We should be sorry she (the United States) thinks so little of a nation which has contributed greatly to her blood and advancement as to send it an ambassador of whom such meager good has been heard and so much ill."

[From the Christian Science Monitor of April 12, 1957]

ENVOY CHOICES STIR CRITICISM

(By Richard L. Strout)

WASHINGTON.—The question is being raised again here whether there isn't some better way of picking America's foreign envoys.

What was good enough for the sleepy 1890's isn't good enough for the H-bomb era, it is argued.

Mr. Eisenhower promised the best brains in his appointees but the current major shift in diplomatic posts is causing journalistic questioning.

The New York Times and the Washington Post editorially assailed the appointment of Scott McLeod, State Department security official, and protege of Senator Joseph R. McCarthy, Republican, of Wisconsin, to the Republic of Ireland. "The Senate should block it," the New York Times declares.

Swiss newspapers express concern over the appointment of Henry J. Taylor, businessman and radio commentator, named to Bern. In a 1950 broadcast Mr. Taylor announced "flying saucers do exist." He said that when the Air Force tells the story "the information will be good news—wonderful news—for Americans."

Mr. Taylor in broadcasts also took a stand against the British Labor Party as socialistic and related to communism.

PARSIMONY DEPLORED

The State Department picked Amory Houghton, on leave as board chairman of the Corning Glass Works, Ambassador to Paris. He does not speak French. It named David K. E. Bruce, Ambassador to Bonn. He does not speak German. It named William S. B. Lacy, Minister to the Philippines, without previous experience in Eastern Europe, to Warsaw. In turn, Charles E. Bohlen, Ambassador to Moscow and outstanding expert on communism, is being sent to the Philippines.

Asked about diplomatic appointments at his press conference this week, Mr. Eisenhower echoed unhappiness of most observers about the Congressional parsimony in diplomatic entertainment allowances which makes it impossible for any but rich Americans to take top European posts—London, Paris, Rome, and the like.

The President observed that times have changed, government must change, too: "I happen to believe," he said, "that in this day we cannot * * * limit ourselves to the governmental processes that were applicable in 1890."

Mr. Eisenhower follows the policy of leaving selection of envoys to others though, of course, he bears ultimate responsibility.

The caliber of present American noncareer appointees to top European posts is believed to be at least as high as it was in Truman and Roosevelt administrations, and perhaps higher. Rewarding rich political supporters with these posts is an old American tradition. But is the tradition safe, it is asked, in the H-bomb era?

OPPOSITION GATHERS

Principal immediate criticism does not center on these top jobs, however, but on appointment of Mr. McLeod and Mr. Taylor. Senate confirmation is expected though opposition is developing.

The nominations have brought criticism abroad.

The Associated Press quotes the conservative Daily Telegraph of London as denouncing the McLeod appointment. The paper says Mr. McLeod, former FBI man, brought police methods to the security office of the State Department and asks whether a "policeman" should be named United States Ambassador to Dublin.

In Dublin, the Irish Times, independent, expressed hope the Senate would reject Mr. McLeod. It quotes a "wave of disapproval which has followed his [McLeod's] appointment." It calls the appointment "humiliating" to the Republic of Ireland.

Questions have been raised in Switzerland over the appointment of Mr. Taylor.

It appears that foreign critics of the United States are attempting to use the appointment as a basis for attack.

A current sympathetic biographer of Secretary of State John Foster Dulles, Jack Beal of the Luce publications, declares that Mr. McLeod made a "shambles of morale" in the State Department, where he is chief security officer. Mr. Beal praises Mr. Dulles highly. He reports that Mr. McLeod, acting independently of his chief, through conservative Senators STYLES BRIDGES, Republican, of New Hampshire, and McCarthy, leaked information attempting to block confirmation of Mr. Bohlen to Moscow. For this, Mr. Beal reports, Mr. Dulles nearly, but not quite, fired him.

TAYLOR ENDORSED

Asked about these appointees at his April 10 press conference, Mr. Eisenhower said of Mr. McLeod that he was "not so well acquainted with him (as with Mr. Taylor).

"He was taken on Secretary Dulles' recommendation, and I assure you again I have the utmost confidence in Mr. Dulles."

Mr. Taylor, chairman of the board of the Silicone Paper Co. and other business connections, describes himself as "journalist, economist." He worked for the Scripps-Howard newspapers and was sponsored over radio by General Motors.

Survey of these broadcasts shows Mr. Taylor a man of apparent strong feelings who called Communist Chinese leader Chou En-lai "a barbarian bandit, as foul a man as lives."

He declared that Mr. Chou and Indian Prime Minister Jawaharlal Nehru "cooked up" the Bandung conference "to take a solid sock at the United States." He described President Tito as "the red boss of Yugoslavia, whose own hands are as bloody as any man's in the Kremlin." He warned against the British Labor Party.

Mr. Taylor's flying-saucer broadcasts brought denials both from President Truman and the Air Force.

[From the Washington Post of April 15, 1957]

MCLEOD TOPIC OF IRISH CONTROVERSY

DUBLIN, April 14.—The Irish Association of Civil Liberty asked the Government today to "reconsider its reported agreement" to accept the appointment of Scott McLeod as United States Ambassador to Ireland.

Author Sean O'Faolain is president of the Association's Council, which referred to the "outcry from reputable and presumably well informed newspapers" against the McLeod appointment as "unprecedented."

The Civil Liberty Association said "While this association is in no position to pass judgment at this stage we are conscious of a profound uneasiness over the appointment, especially as our preliminary inquiries have tended to confirm our fears."

President Eisenhower's appointment of McLeod to succeed Ambassador William Howard Taft III has been opposed by the Irish Times, which expressed hope the United States Senate would block the choice.

"It is humiliating to find the United States Embassy in Dublin regarded as a dumping ground for a man whom his political party desires either to reward for dubious services rendered or conceivably to get out of the way of doing further mischief," the Times said.

The Irish Independent, top circulation Irish daily newspaper, said tonight the "suggestion there has been an outcry here against it (the McLeod appointment) is, as the Irish public is well aware, quite unfounded."

The Independent said it would appear that some American and English newspapers "accept the notion that there is some feeling in this country against Mr. McLeod's nomination." The paper then added:

"It would be well that these ideas should be dispelled. In accordance with diplomatic usages and international courtesies, we expect that a person appointed as Ambassador to Ireland should be a man against whom Irishmen could make no objection on any reasonable grounds.

"If no such objection appears, the choice of Ambassador is entirely one for the United States. It would be wholly contrary to Irish courtesy to attempt to interfere in such choice or to seek to influence it.

As far as Ireland is concerned, we are aware of no grounds on which exception could be taken to Mr. McLeod's nomination and appointment. The suggestion that there has been any outcry against it is, as the Irish public is well aware, quite unfounded."

The Independent said a statement in a London paper that the Irish people are hostile to McLeod is equally baseless.

Mr. O'MAHONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. CLARK in the chair). The Senator will state it.

Mr. O'MAHONEY. May I ask what is the question before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the motion of the junior Senator from Pennsylvania to recommit to the Foreign Relations Committee, for the purpose of taking additional testimony, the nomination of Scott McLeod to be Ambassador Extraordinary and Plenipotentiary of the United States to Ireland.

Mr. O'MAHONEY. I thank the Presiding Officer.

SPEAKING AT A DISADVANTAGE

I am speaking at a disadvantage this afternoon, because it was necessary for me to leave town, immediately after the services for the late Senator McCarthy in this Chamber on last Monday, in order to attend the funeral, in Cheyenne, of an old friend of mine, the wife of one of my dearest friends for more than 40 years. Before leaving, I addressed a letter to the chairman of the Foreign Relations Committee, the distinguished Senator from Rhode Island [Mr. GREEN], and made the request to the majority leader that there be no vote upon this nomination until I had returned and had an opportunity to examine the record.

I knew I would be back this afternoon. I flew to Cheyenne, and I flew back this afternoon from Chicago to which I went by train last night from my home city. I arrived scarcely 20 minutes ago and I came directly to the Capitol.

Now I am advised by the Presiding Officer that a vote is pending. I have not had the opportunity, as I say, to examine the record, but there have been called to my attention certain matters which I feel I should bring to the attention of the Senate before the vote is taken.

TIMES CALL FOR HIGH-CALIBER DIPLOMATS

The public press has been full of information, which has come to every member of our Government, and to every Member of the Senate, with respect to the critical nature of our foreign relations. No argument is necessary to prove that the United States should take the greatest care in selecting its ambassadors at this time. The best are none too good if we hope to make the world understand us.

I do not know what the feelings of the other Members of this body may be, but my feeling is that the divergence of policy between the United States of America and Soviet Russia has not been brought to anything resembling a solution. The cold war which is being waged by Soviet Russia against our country and the attempts the Communists make to stir up misunderstanding in the Middle East and elsewhere in the world put us on notice that we have not settled the conflict between dictatorship and free government, and that we have not in any way placed ourselves in a position diplomatically to make certain that the way is clear for us to win the cold war.

There should be no doubt, therefore, in our minds, when we vote upon the nomination of anybody to go abroad as an ambassador of the United States to any country in Europe, and particularly, may I say, to the capital of Eire, the city of Dublin, that we are choosing a representative to labor in the frontlines of foreign policies.

The President asks the Members of the Senate to advise and consent to the confirmation of this nomination. I cannot give my advice that this nomination should be made, and I cannot vote to confirm this nomination.

I CANNOT ADVISE AND CONSENT TO THIS NOMINATION

The reasons for my position are threefold.

In the first place, I have heard nobody as yet explain why William Howard Taft III has been requested to resign or vacate this post in Dublin.

I had the great good fortune in 1955, after a long and wearing session of Congress, to go to Ireland with my wife. It was my first visit to the land in which both my parents were born. I found it of tremendous interest and great instruction.

But I wish to tell the Senate that to my great satisfaction I discovered that William Howard Taft had been accepted by the people of Ireland as the great man he is. He had won their confidence and their respect, and he was extending all the help and advice and assistance that a diplomat could properly extend to aid the people of that nation. His selection to serve as our Ambassador was received as a high compliment by the people of Ireland.

I visited the ambassador at the Embassy. That was late one Saturday, as the Embassy was about to close. I had been in Dublin for 10 days at the time, and had been remiss in failing to pay my respects to the American Ambassador.

I went there, and I was delighted at the cordial reception I received at the hands of Mr. Taft, who might easily have been annoyed at the arrival of so late a visitor. The Ambassador's hospitality and good humor were exceptionally warm. He said to me, "Senator, how long have you been in Ireland?" I said, "Ten days." And he inquired, "What has brought you here and what can I do?" I said, "Well, Mr. Ambassador, I am here not by authority of the Senate or any of its committees, but I am here on a personal visit. I am not investigating the Embassy or the Ambassador. I am here visiting old Ireland, the home of my ancestors and my mission is only to let you know the high regard you have won among the Irish people."

We were invited to his home in Phoenix Park. There we had a luncheon with him and with Mrs. Taft and with their children. I shall never forget the little play that his children put on for our entertainment. These were little youngsters who, with the Ambassador and Mrs. Taft, had visited the Irish playhouses, and there had become well acquainted with the artistic element of the Irish capital. I observed the little Taft boys speaking with a brogue, giving the little show—"The Weather Clark" as it was called—clark for clerk.

I recite that here only as an indication of the position that Mr. Taft had won in the hearts of the people of Ireland by the gracious qualities of his whole family.

THE HIGH RESPECT AND AFFECTION THE IRISH ENTERTAIN FOR AMBASSADOR TAFT

A few days afterward the Irish Government gave a reception, or tea, in St. Patrick's Hall, which is in Dublin Castle. This tea was given for the visiting astronomers. All the astronomers of the world had been gathered there. It was their triennial session. We were invited. I could tell by the warmth of the attitude toward Ambassador Taft what a deep impression he had made upon the leaders of Government.

All of this information caused me to make inquiries wherever I went about the standing of the United States Ambassador. I found that there were sound reasons for the high respect and sincere affection the Irish people entertain for Mr. and Mrs. Taft. Of course, he is a Gaelic scholar. He taught Gaelic in Yale. But he is more than that. He is a statesman. He has inherited the great talents of the Taft family.

I speak as one who has served with his father, the late Senator Taft. I was the first chairman of the Joint Committee on the Economic Report. Senator Taft was the second chairman, when the control of this body changed. Then, when the control changed again, I resumed the chairmanship. I take pride in telling the Senate that there never was the slightest dispute between the late Senator Taft and me about the selection of the expert staff to carry on the work of that committee, and most of the staff are still working for the Joint Committee, because, under Senator Taft, that committee was guided along the line of honest and objective research into the economic situation of our country. I did my best to follow the same course of action.

So I saw in the son the reflection of the father. I had known the grandfather, the President and Chief Justice, after whom the ambassador was named. I remember hearing him speak when he was President; and, after he was President, when he was Chief Justice of the Supreme Court; and, before that, when he was on the faculty of the Yale Law School.

So I took pride in the fact that my Government was sending to little Ireland a great man who could sit in any cabinet and confer with any diplomat the world over to our honor and credit.

SEVERAL SENATORS. Vote! Vote!

Mr. O'MAHONEY. Mr. President, I have not quite finished.

The PRESIDING OFFICER. The Senate will be in order.

Mr. O'MAHONEY. I was making some comments upon the great influence of William Howard Taft III as an ambassador of this Government in the capital Eire, at Dublin, and my pride in the fact that our Government had sent a man of that caliber to represent us in the city of Dublin, to which go representatives from all the other countries in the world, particularly those of Europe. So I feel that some explanation should be given to the Senate why the President makes the change from William Howard Taft to Scott McLeod.

Mr. BUSH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Connecticut?

Mr. O'MAHONEY. I yield.

Mr. BUSH. I happened to be a Senator from Connecticut when William Howard Taft was appointed to Ambassador to Ireland. I talked with him this year, when he was back here, about the prospective change. He is very well satisfied to be relieved of his duties as Ambassador to Ireland. I think he has spent 8 of the last 11 years there, in one capacity or another, the last 4 years as Ambassador. I do not believe I am violating any confidence when I say that he felt he was due for a change, so to speak. So I think I can assure the distinguished Senator that the Ambassador incumbent harbors no resentment, but, on the other hand, has welcomed the change, so far as his relief is concerned.

I agree with all the fine things the distinguished Senator has said about Ambassador Taft. He has made a fine record, and has, indeed, endeared himself to the Irish people in a very unusual way. But I assure the Senator that he does not feel that he has been slighted in the least. On the other hand, I believe he is in entire sympathy and accord with the change which has been made, so far as he is personally concerned.

Mr. O'MAHONEY. I appreciate the remarks of the Senator from Connecticut, and I have every confidence in his own accuracy. But, as I explained when I arose, I have not had an opportunity to read the RECORD. I know of no other explanation which has been offered than that which has just been offered by the Senator from Connecticut for the dropping of Mr. Taft. There may be others. I do not know. I am told by my colleagues whom I have consulted since my return this afternoon that nothing has been said on the subject. Whatever may have been said, it was not very extensive in its content. I feel that that is one of the questions which the committee itself should examine, for apparently no offer of another appointment has been made to Mr. Taft.

I pay my compliment to him not at all in a political sense, but in a personal sense, as a sincere expression of the very favorable impression which his service among the Irish people has made upon me. I cite that as an illustration of how important it is, when we have good men, against whom no criticism can be offered, that we should be reluctant to change. Such men should be chosen always to carry the title of Ambassador of the United States.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Oregon.

Mr. MORSE. I, too, am glad to have the explanation of the Senator from Connecticut. I wonder if the Senator from Connecticut, the minority leader, the Senator from New Hampshire [Mr. BRIDGES], or any other Senator on the other side of the aisle could tell us whether or not Ambassador Taft requested that he be relieved.

Mr. KNOWLAND. Mr. President, if the Senator will yield——

Mr. O'MAHONEY. May I continue my remarks?

Mr. KNOWLAND. I understood the Senator had asked a question.

Mr. O'MAHONEY. It was the Senator from Oregon who asked the question which the Senator from California now rises to answer. I prefer to proceed, and then I shall be glad to yield for any questions which may be asked.

I have set forth, I think, a sufficient portion of the story of the appointment and the activities of Ambassador Taft to explain why I feel that his record is worthy of consideration, when there is before the Senate a motion to recommit the nomination of a successor who would step into his place, and whom, I am sure, no one would praise as one having one-tenth the qualifications of Ambassador Taft for the position of Ambassador of the United States anywhere in Europe.

DIPLOMATIC POSTS ON THE AUCTION BLOCK?

I turn to the second reason why I feel that this nomination should be recommitted. From the Washington Post of March 22, 1957, I read from the column of Mr. Joseph Alsop entitled "Diplomatic Appointments Record Called Squalid":

PARIS.—The Eisenhower administration's traffic in diplomatic appointments has now reached a stage that calls for public comment. * * *

Scott McLeod is to receive the Embassy in Dublin as his just reward for having done more harm to the American Foreign Service than anyone else in recent memory. Perhaps McLeod will not do a great deal more harm in Ireland, but why on earth should he be sent there at all at the expense of the American taxpayer?

But this is a relatively minor incident in a long and squalid story. This year most of the diplomatic posts in Europe have been crudely placed on the auction block and sold for cash on the barrelhead.

By sheer accident, some of the very rich men who have thus been named to represent the United States abroad ought to make excellent ambassadors. John Hay Whitney in London, for instance, is the sort of man who ought to receive a political appointment to a major embassy quite without regard to his Republican contributions. Then, too, the administration must be credited with at least two really admirable nonpolitical appointments, those of David K. E. Bruce in Germany and Ellsworth Bunker in India.

All the same, the overall record is really pretty unappetizing. Some recent incidents suggest, on the one hand, that the price of diplomatic appointments has now reached a level that is downright scandalous.

Joseph Alsop is a reputable columnist, who enjoys the respect of the journalistic profession and the respect of all in Government who know him. When Joe Alsop says that the traffic in ambassadorships has become scandalous, I think there is an appropriate field for inquiry by the Foreign Relations Committee in examining into the subject before any action is taken.

Let me proceed with the column:

There is the case, for example, of the present Ambassador to Denmark, the experienced, ex-Foreign Service officer, Robert Coe.

Mr. President, Robert D. Coe chose Wyoming to be his place of residence. Wyoming is the site of his citizenship. He is the son of William Robertson Coe, a very wealthy industrialist who, after he

retired from business, moved to Wyoming and established himself there on a ranch. He made many philanthropic contributions to the welfare of the State in the way of building hospitals and gifts to the State University, and the like. Robert Coe is his son. He entered the Foreign Service in 1928. He was not appointed to the ambassadorship to Denmark until, as I recall, in 1953.

Let me return to the article, which is the meat of the charge that has been made. I am quoting again from Mr. Alsop:

It is an open secret that Coe's original appointment was recognition not of his Foreign Service training but of his family's enormous contributions to the 1952 campaign fund. In the last campaign he was again approached by an old friend, who was one of the Republican Committee's money collectors, with the delicate intimation that it was once more time to cough up.

"It's going to have to be a deep bronchial cough, too," added the friend.

In total, Coe's cough reached the sum of $7,000—surely a respectable extra cough from a man who has always been a generous Republican contributor in his adopted State of Wyoming. But it was not enough, and Coe was summarily informed that his services would be dispensed with this spring. He is to be replaced by a professional diplomat, Miss Frances Willis, Minister to Switzerland, who is being moved to make room for a political appointment.

Whether that is the fact, I do not know. However, the Washington Post yesterday morning announced that Mrs. Agnes Wheaton, a new member to the publicity staff of the White House, when questioned as to who was to take the ambassadorial post in Denmark, from which Coe has resigned, said that she had not yet been advised. During my absence perhaps a nomination has been sent to the Senate. I do not know.

I pause for any Senator to rise who may know of a successor to Robert D. Coe, of Wyoming. I hear no response. Does not the silence call out for a committee investigation? Is the Senate asked to advise and consent to the nomination of Scott McLeod to be Ambassador to Ireland while these charges are published in the public press that a career man has been asked to resign because his contribution to the presidential campaign was not as ample as required?

Unless we take particular care to play our part in the advice and consent to these ambassadorial representatives of the United States, we share whatever blame may come from the inept handling of our foreign affairs that is certain to result.

Unless we throw the spotlight of clear and honest investigation upon all the facts, we cannot proudly walk around the Senate floor and say we are well represented abroad, when the charge is made that the Ambassador of the United States to Denmark was required to "cough up" $7,000 for the political campaign of 1956.

We know, and the record of the Senate committee teaches us, that the contributions in the Republican campaign of 1956 and the campaign of 1952 came from big business. I see the Senator from New Hampshire smiling at me as he comes across the aisle.

Mr. BRIDGES. I was wondering whether the Senator would tell us about some ambassadors who made large contributions to the Democratic campaigns of 1948 and 1944.

Mr. O'MAHONEY. I expected that sort of argument from the Senator from New Hampshire. That is not rising above the issue at all, is it?

Mr. BRIDGES. No, but——

Mr. O'MAHONEY. That is merely smearing and saying, "If you do it, we can do it. If we do it, you also did it." I never participated by my vote on the floor of the Senate in the confirmation of any ambassador who was called upon to contribute to a presidential campaign as a price for his selection.

Mr. BRIDGES. I should like to look at the record.

Mr. O'MAHONEY. The Senator will have to take my word for it, I will say to the Senator from New Hampshire. He does not have to look at the record. He knows he does not have to look at any record.

Mr. BRIDGES. The Senator from Wyoming says he has never voted during a Democratic administration for the confirmation of an ambassador who had made a substantial contribution to the Democratic Party. Is that correct?

Mr. O'MAHONEY. That is what I said; not in a single case where a charge was made in the open press that a scandalous contribution had been made. Does the Senator believe in scandalous contributions or does he not?

Mr. BRIDGES. What is that?

Mr. O'MAHONEY. Does the Senator from New Hampshire believe in scandalous contributions, or does he not?

Mr. BRIDGES. I do not believe in scandalous contributions.

Mr. O'MAHONEY. Does the Senator object to an investigation?

Mr. BRIDGES. I do not object, but the facts are known.

Mr. O'MAHONEY. Then I ask the Senator to vote to recommit the nomination to the committee.

Mr. BRIDGES. No.

Mr. O'MAHONEY. The Senator has had his say, and he has convicted himself.

Apparently a successor has not been chosen. Why shall not the Senate find out about the choice?

We are conducting a large scale investigation into the activities of the head of the Teamsters Union. I have heard enough of the testimony in that case to say that I applaud the members of the committee who are proceeding with that investigation. If appointments to postmasterships were being sold, the Civil Service Commission would investigate. When ambassadorships are in question, we should investigate.

We cannot afford to have scandalous corruption in any of the activities of the Government at this time, particularly in the Foreign Service, because we are leading the world, or think we are, in the preservation of honest, free government.

A THIRD REASON TO RECOMMIT

Therefore, Mr. President, for those two reasons I shall vote to recommit the nomination. I shall also vote for a third reason, and that is that in all the discussion which has taken place before the nomination of Mr. McLeod was made it was stated in the public press and upon the floor of the Senate, and in private conversations, that Mr. McLeod was being promoted upstairs, so to speak, to remove him from Washington.

He was being taken out of the State Department, where at one time it was said the Secretary of State wanted to have him discharged. We are told that as a member of the staff of the State Department he made open war against another presidential nominee for an ambassadorship, Mr. Bohlen.

Shall the Senate hold back now and refuse to look into a matter of this kind? Shall any Democrat who regards himself as in any way responsible for raising the standard of ethics and ability of our ambassadorial representatives now refuse to turn this nomination back to the committee, so that we may have the facts.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. O'MAHONEY. In a moment.

The issue is clear. I do not know how I will vote eventually if Scott McLeod can demonstrate that he has not fought his President, who is nominating him for this position; if he can demonstrate that he has not been a stumbling block in the path of the Secretary of State, if he can show by his record the capacity to serve as an ambassador in what we know is a world crisis.

If anybody, even the Senator from New Hampshire [Mr. BRIDGES] can demonstrate that Scott McLeod is a person qualified to hold such a diplomatic post, then I might be convinced. But certainly I am not ready to say "yea" now. I will say "yea" to the motion to recommit, but not on the question of the confirmation of the nomination.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BRIDGES. Did the Senator from Wyoming, on September 18, 1950, vote for the confirmation of the nomination of William O'Dwyer to be Ambassador to Mexico?

Mr. O'MAHONEY. I do not believe I was present that day; I might have been.

Mr. BRIDGES. Then the CONGRESSIONAL RECORD is wrong, if the Senator from Wyoming was not present.

Mr. O'MAHONEY. If I was recorded as present and voting, then I'm sure I voted for the confirmation of his nomination. Mr. O'Dwyer had been the mayor of the city of New York, and there was no breath of scandal at the time with respect to the action of the ambassadorships and he was not being sent to the turbulent European area where we are advised by some in authority that we stand on the brink of war.

Mr. IVES. Mr. President, will the Senator yield on that one? [Laughter.]

Mr. O'MAHONEY. Yes, I will yield on that one. Was the Senator from New York in the Senate at that time?

Mr. IVES. The Senator from New York was definitely in the Senate that day and warned the Senate of what was coming. In the face of that warning,

Mr. O'Dwyer's nomination was confirmed.

Mr. O'MAHONEY. The confirmation of the nomination of O'Dwyer, I am ready to confess upon the floor, may have been a mistake, but one which should not be cited by our Republican friends as a reason for voting now, without an investigation, to confirm the nomination of Scott McLeod in the terrible crisis involving NATO, the Middle East, and Russian threats to the free world.

I have stated the reasons why I feel this nomination should go back to the committee. I feel that the great service which William Howard Taft III has rendered is an indication of what we should strive to do. If he now feels that he must conclude his service, that, of course, is a decision for him to make. But let us send to Ireland as a successor a person who can make some pretense of standing in Mr. Taft's shoes.

Secondly, there is the charge that ambassadorial posts have been scandalously put upon the auction block. Nothing has been heard about this. Let us investigate it.

Third, the charges and the criticisms which have been voiced against the nominee in this case have been such as to indicate that his nomination is not a reward, but is a nomination to get a troublesome factor out of the State Department in Washington.

Mr. President, I shall, therefore, vote to recommit the nomination.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. Have the yeas and nays been ordered on the motion to recommit?

The PRESIDING OFFICER. They have been ordered.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. FREAR in the chair). Without objection, it is so ordered.

The question is on the motion of the Senator from Pennsylvania [Mr. CLARK] to recommit the nomination. The yeas and nays having been ordered, the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Nevada [Mr. BIBLE], the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arizona [Mr. HAYDEN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Ohio [Mr. LAUSCHE], the Senator from Louisiana [Mr. LONG], the Senator from Montana [Mr. MURRAY], and the Senator from West Virginia [Mr. NEELY] are absent on official business.

On this vote, the Senator from Mississippi [Mr. EASTLAND] is paired with the Senator from Minnesota [Mr. HUMPHREY].

If present and voting, the Senator from Mississippi would vote "nay" and the Senator from Minnesota would vote "yea."

The Senator from Tennessee [Mr. KEFAUVER] is paired with the Senator from Louisiana [Mr. LONG]. If present and voting the Senator from Tennessee would vote "yea" and the Senator from Louisiana would note "nay."

The Senator from West Virginia [Mr. NEELY] is paired with the Senator from New Hampshire [Mr. COTTON]. If present and voting the Senator from West Virginia would vote "yea" and the Senator from New Hampshire would vote "nay."

I further announce that if present and voting, the Senator from Nevada [Mr. BIBLE], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from Arizona [Mr. HAYDEN] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. COTTON] and the Senators from New Jersey [Mr. SMITH and Mr. CASE] are necessarily absent.

The Senator from Utah Mr. [WATKINS] is absent on official business.

The Senator from North Dakota [Mr. LANGER] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from North Dakota [Mr. YOUNG] is detained on official business.

If present and voting, the Senators from New Jersey [Mr. SMITH and Mr. CASE], the Senator from Maine [Mr. PAYNE], the Senator from Utah [Mr. WATKINS], and the Senator from North Dakota [Mr. YOUNG] would each vote "nay."

On this vote, the Senator from New Hampshire [Mr. COTTON] is paired with the Senator from West Virginia [Mr. NEELY]. If present and voting, the Senator from New Hampshire would vote "nay" and the Senator from West Virginia would vote "yea."

The result was announced—yeas 22, nays 54, as follows:

YEAS—22

Carroll	Hill	O'Mahoney
Church	Jackson	Pastore
Clark	Kennedy	Scott
Douglas	Magnuson	Sparkman
Ervin	McNamara	Symington
Fulbright	Monroney	Yarborough
Green	Morse	
Hennings	Neuberger	

NAYS—54

Aiken	Frear	McClellan
Allott	Goldwater	Morton
Barrett	Gore	Mundt
Beall	Hickenlooper	Potter
Bennett	Holland	Purtell
Bricker	Hruska	Revercomb
Bridges	Ives	Robertson
Bush	Javits	Russell
Butler	Jenner	Saltonstall
Capehart	Johnson, Tex.	Schoeppel
Carlson	Johnston, S. C.	Smathers
Case, S. Dak.	Kerr	Smith, Maine
Cooper	Knowland	Stennis
Curtis	Kuchel	Talmadge
Dirksen	Malone	Thurmond
Dworshak	Mansfield	Thye
Ellender	Martin, Iowa	Wiley
Flanders	Martin, Pa.	Williams

NOT VOTING—19

Anderson	Hayden	Neely
Bible	Humphrey	Payne
Byrd	Kefauver	Smith, N. J.
Case, N. J.	Langer	Watkins
Chavez	Lausche	Young
Cotton	Long	
Eastland	Murray	

So the motion to recommit was rejected.

Mr. BRIDGES. Mr. President, I move that the vote by which the motion to recommit was rejected be reconsidered.

Mr. KNOWLAND. I move to lay that motion on the table.

The PRESIDING OFFICER (Mr. FREAR in the chair). The question is on agreeing to the motion of the Senator from California to lay on the table the motion of the Senator from New Hampshire to reconsider.

The motion to lay on the table was agreed to.

REVIEW BY SENATOR MUNDT OF BOOK ENTITLED "ALGER HISS—IN THE COURT OF PUBLIC OPINION"

Mr. MUNDT. Mr. President, I have been asked by a number of my colleagues to prepare and discuss an analysis of the book entitled "Alger Hiss—In the Court of Public Opinion," which was written by Alger Hiss and was published this week.

In my opinion, the book is in the nature of a deliberate attempt to misrepresent justice.

I ask unanimous consent to have my analysis printed at this point in the RECORD, because I think it will serve the purpose of those who are interested.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

REVIEW AND ANALYSIS OF THE BOOK BY ALGER HISS ENTITLED "ALGER HISS—IN THE COURT OF PUBLIC OPINION"

(By Senator KARL E. MUNDT (Republican, South Dakota), acting chairman of House Committee on Un-American Activities during most of the Hiss hearings in 1948)

I am glad to accept the United Press invitation to review the Hiss book. As acting chairman of the House Committee on Un-American Activities during most of the Hiss hearings, I have followed every facet of the Hiss case and believe there are facts in connection with it which the public should have in evaluating the contents of this Hiss apologia.

While purporting to include new evidence, the book actually contains nothing of substance which was not presented in the two Hiss trials and in the futile petition for a new trial. In the main, the book is simply the age-old complaint voicing the views of the convict after the court has issued its verdict of "Guilty." It is largely an uninteresting rehash of well-known details of committee and court hearings involving Alger Hiss.

Like many books of this type, this volume is more noteworthy for what it does not say and for what it evades and omits rather than for what it includes. For example, it evades the basic issues of fact by failing fully or accurately to report the vital part played in the Hiss conviction by four mute but mighty "witnesses." These were the expensive rug Hiss received from Chambers; the typewriter which was identified as the Hiss machine on which the documents received by Chambers were written; the Ford car which even in his book Hiss is unable to explain away in many

monotonous pages devoted to it; and, finally, the telltale State Department notes in the handwriting of Hiss which Chambers produced for the trial.

The book improperly attributes to the House Committee on Un-American Activities a predetermination to expose and convict Hiss. As acting chairman of that committee at the time, I know that exactly the reverse was true. To a man, our committee at the outset was impressed by Hiss because of his background and appearance, and we were predisposed at the beginning to believe Hiss and to be skeptical of Chambers. As the evidence accumulated, however, and the Chambers testimony checked out with verifiable facts and documents, while the Hiss testimony grew steadily more evasive and inaccurate, we came to the conclusion that Hiss was falsifying his evidence. In a final effort to enable him to reestablish his rapidly collapsing position, we offered him an opportunity (accepted by Chambers) to take the lie-detector test which he avoided. Even so, it was the Federal grand jury and the Federal court—not our committee—which indicted and convicted Hiss of perjury on 2 counts and sentenced him to 5 years in the Federal penitentiary.

Written at times in stilted, legal phrases, the book is difficult reading. It is the attempt of a clever lawyer to build a case for himself by use of carefully selected excerpts taken out of context and by skillful omissions. It implies that Wadleigh might have been the culprit for the deeds which helped make Hiss the convict—but it offers neither evidence nor proof. In its bitter and vicious attacks upon the FBI, the American jury system, the trial judge, the prosecuting attorney, and the House committee, the book speaks in harmony with criticisms from the Communist Daily Worker, but it is as unconvincing as it is offensive and out of place. One wonders, also, at the strange solicitude Hiss shows for Harry Dexter White (pp. 80–83 and 87) whom J. Edgar Hoover referred to in a letter to the White House on February 1, 1946, "as being a valuable adjunct to an underground Soviet-espionage organization operating in Washington, D. C." However, unless one has no confidence in our jury system or in our Federal courts there is nothing in the book which changes the stern, demonstrable facts upon which the Hiss conviction was based. The book addresses itself to the credulity of Americans rather than to their conscience.

Hiss devotes much space to repeating the unsupported thesis of possible "forgery by typewriter" which his defense attorneys attempted to develop in their petition for a new trial. But he fails, entirely, to print Judge Goddard's renowned rejoinder to that petition when, in denying the new trial, the judge said, "The Hisses and their witnesses identified No. 230099 as their machine at the trial. Furthermore, this motion has not answered the handwritten documents produced by Chambers which were admittedly in Hiss' handwriting. The defense reasoning that No. 230099 was manufactured after the Hiss machine is not sustained by proof. Some of their own witnesses cannot support their theory."

When it is recalled that the Hiss defense corps spent over $7,500, and consumed more than a year in trying to duplicate the typewriter and reported they "examined thousands of Woodstocks," gathered over "2,000 pieces of type," and visited dozens of typewriter shops across the Nation in their unsuccessful attempt to fabricate a machine which could duplicate the typing of the Hiss machine only to find that their own defense experts could still identify discrepancies in their effort, the statement by Judge Goddard in denying the appeal petition takes on increased significance.

Even Hiss cannot support the necessary hypothesis that Chambers could have done all this in a few short months, without adequate funds, without technicians, and without arousing the same public attention and suspicions that Hiss admits his own efforts created. What Hiss could not do with all his aids and money in a year, it is obvious Chambers could not have done, alone, in less than 3 months.

However, since this is the thesis upon which Hiss develops his book, I wrote a letter to the FBI on May 1, this year, to inquire whether it had ever examined known specimens of typing from the Hiss typewriter. After all, it is the typing rather than the typewriter that was obtained by Chambers and which helped convict Hiss, so I wanted to doublecheck that pertinent point for this review. On May 3, J. Edgar Hoover, Director of the FBI, replied stating, "Yes, on two occasions, and FBI document-examiners concluded that the 'Baltimore documents' (typed documents produced by Chambers at the Baltimore pretrial hearing in the civil case of *Alger Hiss* v. *Whittaker Chambers*) were typed on this typewriter."

Mr. Hoover's reply continued, "The Hiss defense located the Hiss typewriter in the home of Mr. Ira Lockey, Sr., in May 1949. On May 20, 1949, the FBI laboratory concluded that the typewriter used to type the "Baltimore documents" was the same typewriter which typed an application for Federal employment dated July 26, 1947. The application was made out by the son-in-law of Lockey, Sr., and typed on the so-called Hiss typewriter." As to the second occasion, the FBI reply to me stated, "On October 21, 1949, the FBI obtained numerous typewritten specimens from the Hiss typewriter which the defense produced in the first trial; however, at no time did the FBI have possession of this typewriter and the specimens were secured while the typewriter was in the custody of the Court and in the presence of the clerk. The FBI concluded that the Hiss typewriter bearing serial No. 230099 was the typewriter used to type both the Baltimore documents and letters bearing the signature of both Mr. and Mrs. Alger Hiss. The FBI laboratory also concluded that these typed specimens were identical with the typing on the application for Federal employment typed by Lockey's son-in-law."

Efforts by Alger Hiss to explain away the typed documents which stubbornly arose to plague him were rejected by the jury; they were rejected by the Circuit Court of Appeals; and they were rejected by the United States Supreme Court, itself, two members of which appeared as character witnesses for Hiss at his first trial. After 8 of the 12 jurors voted for conviction in that trial, however, it is noteworthy that neither of these Justices of the Supreme Court appeared as witnesses for Hiss in the second and conclusive trial of Alger Hiss.

The Hiss book, finally, suggests his case now be reexamined in the court of public opinion. So be it. However, a quicker and clearer verdict could be obtained by a much more direct and courageous action by Alger Hiss. On January 9, 1953, the magazine U. S. News & World Report carried an article entitled, "I Was in a Communist Unit With Hiss," quoting verbatim the confessed Communist, Nathaniel Weyl. Weyl said he was a member with Hiss of the Communist "study group" in the Department of Agriculture disclosed earlier by Chambers. On page 24 of this interview in U. S. News & World Report, in a nonprivileged statement enjoying no immunity against court action, Weyl continues in language making him and the magazine clearly guilty of libel if his statements are untrue. On that page, Weyl is asked, "Do you know whether Hiss was a member of the Communist Party?" Weyl replied, "He was a member of the party." Later in the interview, Weyl was asked, "Could you say what phase of the Communist Party Hiss was interested in?" Weyl answered, "He was a devoted Communist therefore interested in all phases of the party work." Weyl added that he attended such Communist meetings with Hiss "perhaps 30 or 40 times."

The statements by Weyl are either true or they are cause for action in a libel suit. While they stand, the entire Hiss book falls as it entirely ignores this firsthand specific evidence from a source completely unrelated to the Chambers documents, the evidence before the court, and our committee's findings.

Recalling that it was his reluctant libel suit against Chambers in Baltimore that eventually unearthed the evidence contributing to his own conviction by the Federal court "The court of public opinion" will, I am sure, be interested to learn whether Alger Hiss, now that he is free to do so, will confirm the Weyl testimony—or whether he will start another libel suit?

After all, the Weyl report is really the only new evidence that has become available since the conviction of Hiss in Federal court. It is too bad that in a bulky volume of 424 pages, Hiss devoted only a brief footnote to Weyl and ignored entirely his magazine interview of some 4 years ago.

RECONVEYANCE OF CERTAIN LAND TO THE CITY OF SPEARFISH, S. DAK.

Mr. JOHNSON of Texas. Mr. President, by previous agreement, the Senator from South Dakota [Mr. MUNDT] desires recognition for the purpose of considering a bill which was objected to earlier in the day, but to which no objection will now be made.

If there are any Senators who care to discuss the pending nomination, it will be carried over until tomorrow. If there are none, we shall vote tonight.

First, I should like to have the Senator from South Dakota call up the bill in which he is interested, so action may be taken on it.

Mr. MUNDT. Mr. President, I ask unanimous consent that the Senate proceed to the present consideration of Calendar No. 277, House bill 2401.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 2401) to provide for the reconveyance of certain land to the city of Spearfish, S. Dak.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill as in legislative session?

There being no objection, the Senate proceeded to consider the bill.

Mr. MUNDT. Mr. President, I may say that I have discussed with the Senator from Oregon [Mr. MORSE] his objection in connection with this proposed legislation. Upon hearing the explanation, he assured me that he would withdraw his objection, and that it was perfectly satisfactory to him to have the bill passed. He is present on the floor at this time.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD my reasons for supporting the bill referred to by the Senator from South Dakota.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

H. R. 2401 would authorize the Secretary of the Interior to quitclaim to the city of Spearfish, S. Dak., a 1-acre tract

formerly used in connection with a Federal fish hatchery. The land is no longer used nor wanted by the Government.

In 1935 this tract was owned by the city of Spearfish. The city desired to assist in the enlargement of the nearby Federal fish hatchery and passed a resolution authorizing the donation of the tract, subject to a reversion for nonuse for fish-hatchery purposes.

Due to charter limitations, the land was conveyed to a third person for $1, and by him to the United States without cost, rather than by direct conveyance from the city to the Government. However, through oversight, the reversionary clause was not included in the conveyance to the United States.

Following the donation to the Government, the United States erected a small stone building on the tract which, according to the Senate report on H. R. 2401, is valued at $1,500.

The foregoing facts presented a question of the possible application on the Morse formula, and I asked that the bill go over on the call of the calendar until I had an opportunity to determine whether these facts require the payment of consideration to the United States in return for the reconveyance to the city.

Mr. President, a study of this case satisfies me that in equity and good conscience, the reconveyance, like the original conveyance to the Government, should be gratuitous. The Morse formula is inapplicable here.

The United States, speaking through the Department of the Interior, concedes that the conveyance to the United States was without consideration. The Senate report indicates that a reversionary interest was to have been retained by the city. Congress, like the courts, should do equity under those circumstances. Equity and fairness call for a recognition of the reversionary interest which the city intended to retain from the outset. The passage of H. R. 2401 will do equity.

There remains one question: Should the city reimburse the United States for the stone building constructed by the Government on the 1-acre tract? The answer is obvious. Once we concede that a reversionary interest was in fact intended by the parties, it is clear that improvements placed on land that is subject to a reversion should go to the holder of the reversionary interest—in this case, the city of Spearfish, which dealt originally through its nominal third-party grantee.

For the foregoing reasons, Mr. President, I have no objection to the passage of this bill.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill (H. R. 2401) was ordered to a third reading, read the third time, and passed.

NOMINATION OF SCOTT McLEOD

Mr. JOHNSON of Texas. Mr. President, I should like to inquire if there are any Senators who desire to discuss the McLeod nomination further.

Mr. MORSE. Mr. President——

The PRESIDING OFFICER. The Senator from Oregon.

Mr. MORSE. I have been seeking to cooperate with the leadership all afternoon with regard to this nomination. I thought the Senate would vote on the recomittal motion tonight, and vote on the nomination tomorrow. The Senator from Texas never advised me to that effect directly, but I relied on the staff associates on the floor of the Senate, who led me so to believe. Therefore, I greatly shortened my discussion of the nomination in order to cooperate with the leadership and to enable the Senate to be in a position to vote on the motion to recommit. If it is desired to proceed to a vote on the nomination tonight, I shall speak at some length. I think the nomination should go over and we should proceed on tomorrow to whatever discussion there may be. I believe that will result in a vote on this question tomorrow afternoon.

ORDER FOR ADJOURNMENT UNTIL 11 O'CLOCK A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, if the Senator from Oregon desires to discuss the nomination further, I am prepared to ask unanimous consent that when the Senate concludes its deliberations today it stand in adjournment until 11 o'clock a. m. tomorrow.

The PRESIDING OFFICER. Does the Senator make that request as in executive session?

Mr. JOHNSON of Texas. As in executive session.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I do not know how long the Senate will take on the nomination. I do not think any Member can give assurances as to when the Senate will vote on the nomination. It is the hope of the leadership the discussion will not be too prolonged and that the Senate will come to a vote sometime tomorrow. If that can be done, there will be no session on Friday. If that is not done, we shall have to be prepared for a Friday session.

MESSAGE FROM THE HOUSE— ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 120. An act for the relief of James F. Walsh;

S. 394. An act to waive the limitation on the time within which a Medal of Honor may be awarded to Comdr. Hugh Barr Miller, Jr., United States Navy; and

S. 998. An act to amend the act of June 4, 1953 (67 Stat. 41), and for other purposes.

ORDER FOR ADJOURNMENT TO TOMORROW

Mr. JOHNSON of Texas. Mr. President, I have found it will inconvenience some of my colleagues, because of arrangements previously made and because of a bipartisan conference tomorrow at the White House, to meet earlier than usual tomorrow. It would be better if we met at the usual time and, if necessary, sat later in the evening.

Therefore, I ask unanimous consent that the Senate rescind its previous order, and I now request that when the Senate concludes its deliberations today it stand in adjournment, as in executive session, until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. The Chair, of course, will put that question; but before doing so the Chair would like to ask the majority leader a question.

Mr. JOHNSON of Texas. I shall be delighted to hear it.

The PRESIDING OFFICER. There is a very important meeting in the State of Delaware tomorrow evening, which a couple of Senators would like to attend. It is almost necessary that those Senators be on the 3 o'clock train tomorrow afternoon. The Chair realizes, of course, that the majority leader cannot give definite assurance to those two Senators as to what may happen tomorrow, but can the majority leader give them any encouragement at all?

Mr. HENNINGS. Mr. President, to what State does the Senator refer?

The PRESIDING OFFICER. For the information of the Senator from Missouri, the Chair will state that the two Senators are from Massachusetts and Delaware.

Mr. JOHNSON of Texas. Mr. President, I understand the problem of my friend, and I shall cooperate to the extent of my ability in endeavoring to get him away from here before his train leaves. I do not know how many speeches there will be tomorrow, nor how long they will last. I had hoped for a vote this afternoon. Obviously, there are other Senators who prefer to vote tomorrow, and we accommodate ourselves to each other. I hope the Chair will not object to the request.

The PRESIDING OFFICER. The Chair will not object.

Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, I move that the Senate now stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 7 o'clock and 22 minutes p. m.) the Senate, in executive session, adjourned, the adjournment being, under the order previously entered, until tomorrow, Thursday, May 9, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 8, 1957:

DEPARTMENT OF THE INTERIOR

Elmer F. Bennett, of Colorado, to be solicitor for the Department of the Interior, vice J. Reuel Armstrong, resigned.

UNITED STATES MARSHAL

John F. Barr, of West Virginia, to be United States marshal for the northern district of West Virginia for a term of 4 years, vice Irl E. Thomas, deceased.

DEPARTMENT OF THE NAVY

Rear Adm. Robert E. Dixon, United States Navy, to be Chief of the Bureau of Aeronautics in the Department of the Navy for a term of 4 years in accordance with title 10, United States Code, section 5136.

Having designated, in accordance with the provisions of title 10, United State Code, section 5231, Rear Adm. James S. Russell, United States Navy, for commands and other duties determined by the President to be within the contemplation of said section, I nominate him to have the grade, rank, pay, and allowances of vice admiral while so serving.

Having designated, in accordance with the provisions of title 10, United States Code, section 5231, Rear Adm. John H. Sides, United States Navy, for commands and other duties determined by the President to be within the contemplation of said section, I nominate him to have the grade, rank, pay, and allowances of vice admiral while so serving.

IN THE ARMY

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of title 10, United States Code, section 3294, as amended by Public Law 497, 84th Congress; title 10, United States Code, section 3291, as amended by Public Law 294, 84th Congress; title 10, United States Code, section 3311; title 10, United States Code, section 3292, and Public Law 737, 84th Congress:

TO BE MAJORS

Bell, Franklin D., DC, O984151.
Dunning, Guy J., Jr., MC, O470106.
Griffin, David J., MC, O1918945.
McCurdy, Harry W., MC, O1725453.
Rush, Jack T., MC, O1941860.
Stacy, Harold G., MC, O418782.

TO BE CAPTAINS

Andrews, James L., DC, O4034174.
Armstrong, Carl L., MC, O4022721.
Baugh, Joseph H., MC, D4016516.
Baze, Wallace R., DC, O985332.
Best, Robert N., DC.
Bickley, Russell W., DC, O2051412.
Bundt, Lyle D., DC, O2104361.
Chamblin, Don W., MC.
Davis, Thomas H., DC, O1941685.
Ditmore, Harry B., Jr., MC, O4067761.
Fitzpatrick, Jack C., MC, O936702.
Glanz, Sidney, DC, O4022056.
Hagen, James R., DC, O4056066.
Hauschild, Thomas B., MC, O1787164.
Hess, Joachim L., MC, O2029548.
Hogan, Henry W., MC, O4022367.
Huycke, Edward J., MC, O4055729.
Jacoby, Philip R., MC.
Johnson, Cecil V., MC, O1887556.
Kimbrough, Edward E., III, MC, O4013285.
Mahin, Dorsey T., MC, O980760.
Maier, John G., MC, O1337977.
McClure, Jack B., MC, O1922446.
McKinley, Robert L., MC, O1919506.
Mendenhall, Max K., MC, O425291.
Miller, Claude R., Jr., DC, O1878155.
Murray, Thomas B., MC, O4022303.
Potter, Stanley E., MC.
Powers, Joseph F., MC, O4013697.
Rasmussen, Donald L., MC., O4050819.
Rockwell, Winthrop R., MC, O4016541.
Seibert, Jay S., DC, O4000947.
Smith, Daniel L., MC, AO751970.
Staats, Robert E., MC, O774798.
Townsend, Walter R., MC, O998966.
Ventimiglia, Joseph J., MC.
West, Stanley Q., Jr., MC, O1891651.
Westerfield, Frank M., MC, O1880743.
White, Arthur C., JAGC, O2204416.
Wilkinson, William H., MC.
Williams, James F., DC.

TO BE FIRST LIEUTENANTS

Abul-Haj, Suleiman K., MC.
Alderman, Kurtz E., MC.
Aldous, Richard A., MC, O2282907.
Allen, George L., MC, O1889998.
Altstatt, Leslie B., MC, O1889131.
Amos, William E., MC, O2283287.
Baker, Evaline R., ANC, N901510.
Becker, Elmore J., MC, O2282655.
Becker, Quinn H., MC, O1916454.
Benjamin, George S., MC, O2283259.
Bowers, Bruce T., MC, O2279493.
Brougher, David E., MC, O1891190.
Bryan, Paul E., MC, O1928665.
Burk, Billy D., MC, O2282913.
Burkhalter, William E., MC, O4040449.
Burkhardt, Garfield F., MC.
Collins, James R., MC.
Comer, James E., Jr., MC, O1877422.
Cooper, Everett B., MC, O4034538.
Crawford, William J., MC.
Curtis, John C., MC, O1942147.
Daine, Donn D., MC, O2277949.
Danford, Henry W., MC, O2279400.
Deffebach, Roy R., MC, O2279575.
Delano, John W., MC O1875744.
Denison, Terry R., MC, O2282911.
Driscoll, Paul J., MC, O1875721.
Edland, Robert W., MC, O2283437.
Edwards, Leon C., MC.
Ellis, Donald L., MC, O2279640.
Elton, Richard C., MC, O2282656.
Fabricant, Jerome M., MC, O2279778.
Farrelly, Robert L., MC, O2283260.
Fischer, Stanton P., MC, O2283395.
Geer, Thomas M., MC, O2283101.
Gentry, Robert P., MC, O2283401.
George Myron D., MC, O2282971.
Gillespie, James T., MC, O4013679.
Goldman, Betty R., ANC, N901964.
Goodman, Robert I., MC.
Gorczyca, Casimir A., MC.
Guevara, Santiago F., Jr., MC, O2279768.
Guiglia, Theodore N., MC, O2282892.
Harris, Thomas W., MC, O2279523.
Hopkins, Edward D., Jr., MC, O1887807.
Horan, Dennis P., MC, O2279492.
Hudson, Thomas L., MC, O4025059.
Huff, William S., JAGC.
Ikola, Roger A., MC.
Johnston, Gerald S., MC, O2279490.
Jones, Harry E., Jr., MC, O1879407.
Kendrick, Daniel L., MC, O2282851.
Ketchum, James S., MC, O2279522.
Kimmerling, Richard W., MC, O2279491.
Knochel, James P., MC, O2283399.
Kost, Harold S., MC, O2282909.
Kozak, George, MC, O2283258.
Laezman, Bernard L., MC, O2283192.
Leonard, Lawrence M., MC.
Lester, Melvin A., MC, O2282974.
Lubow, Martin, MC, O2279380.
MacMillan, Kirwan T., MC, O2283261.
MacTaggart, Lois, AMSC, M2972.
Maugus, Samuel J., MC, O2279310.
McCaleb, Morgan H., MC.
McCullough, Robert E., MC, O2279311.
McCully, John T., MC, O2282889.
McKenzie, William J., Jr., MC.
Meyer, Hobart, Jr., MC, O2279444.
Miller, Robert A., MC.
Minter, Marion L., ANC, N804243.
Mobley, Henry B., MC, O4051003.
Morton, James R., MC.
Mutz, Sterling B., MC, O2279577.
Nelson, William P., MC, O2279418.
Nussbaum, Paul S., MC.
Oakes, Francis D., MC, O2279465.
Oberlin, David W. W., MC, O2279576.
Olsson, Ray A., MC, O2279342.
Pare, Robert H., MC, O2279379.
Payne, Thomas W., MC, O2282888.
Pearce, Luther W., MC, O4069712.
Peard, William G., MC, O2279548.
Platt, Tom R., MC, O2282660.
Plunkett, Guy D., MC, O4067953.
Powers, John Y., JAGC, O2274734.
Quigley, William F., MC, O2282847.
Ray, Harold G., MC, O1942257.
Reese, Herbert E., MC, O2283404.
Rich, Richard B., MC, O2279670.
Richards, John C., MC, O2282659.
Riedel, Albert F., Jr., MC, O2282910.
Rosteing, Horace M., MC.
Sadler, Theodore R., Jr., MC, O2103497.
Sanders, Graydon C., Jr., MC, O2275426.
Sawyer, William D., MC, O4055740.
Schlegel, Robert J., MC.
Schneider, George W., Jr., MC, O2282946.
Schulz, Donald W., MC, O2283403.
Schwartz, Peter, MC, O1875469.
Searer, Wendell P., MC, O2283435.
Simsen, Donald A., MC, O2279502.
Sisk, Walter L., Jr., MC, O2279576.
Smith, John H., Jr., MC, O2282903.
Smith, Thomas J., MC, O1876035.
Smyth, Anna M., ANC, N804182.
Sodee, Donald B., MC, O1888111.
Steele, Richard A., MC.
Stockton, William J., MC, O2279290.
Tarpley, William T., MC, O1887927.
Tidwell, Owen K., MC, O2282855.
Tur-Rodriguez, Luis A., MC, O2282739.
Vittrup, John F., MC, O2277870.
Wallace, Raymond D., Jr., MC, O1651970.
Wallrich, Richard, MC, O4056233.
Wills, Theodore E., MC, O4073415.
Wright, Harold L., MC, O2279419.
Wright, Robert M., MC, O2283097.
Zalta, Edward, MC, O2279709.
Zumbo, Orazio R., MC.

TO BE SECOND LIEUTENANTS

Dubatowski, Doris T., ANC, N902625.
Knapp, Stuart E., MSC, O1928156.
Lawrence, Lucille C., AMSC, R20009.
Proctor, Jo Ann, WAC, L1010884.
Scurlock, Rose Mary T., ANC, N902528.
Shelton, Ellen J., WAC, L1010891.
Sylvester, Suzanne E., WAC, L1010900.

The following-named officers for appointment, by transfer, in the Regular Army of the United States, without specification of branch, arm, or service, in the grades specified:

TO BE CAPTAIN

Knight, Ovid L., O27601.

TO BE FIRST LIEUTENANT

Beavers, Joseph E., O70266.

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of Public Law 737, 84th Congress:

TO BE CAPTAINS

Bratton, Joseph K., O2274963.
McAlbee, Filmore W., O1294507.

TO BE FIRST LIEUTENANTS

Howard, Samuel A., O1928126.
Pringle, Edward M., O1886148.

TO BE SECOND LIEUTENANTS

Griffin, Richard E., AO3046463.
McDermott, William L., O4074300.
Morrison, Kenneth L., A4063723.
Parker, Murry E., O4063729.
Selig, Leon M.
Summers, Harry G., Jr.

The following-named distinguished military students for appointment in the Medical Service Corps, Regular Army of the United States, in the grade of second lieutenant, under the provisions of Public Law 737, 84th Congress:

Adcock, Bobby R.
Albrecht, Frederick C.
Bowen, Carl L.
Brown, Donald R.
Cohen, Sanford
Conklin, Robert D.
Fisher, George A.
Hawkins, Sanders F.
Inlow, Neely S.
Krimmer, John A.
Lemm, Jerry L.
Merten, George D.
Mills, David H.
Mills, Freddie J.
Naylor, Donald L.
Oliger, Raymond S.
Phillips, Frederick H.
Reue, David N.
Santori, Luis A.
Simnacher, Bruce D.
Starr, Jon L.
Turner, James G.
Yeats, Christopher S.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of Public Law 737, 84th Congress:

Abraham, Richard G.
Adams, James R.
Adams, Rudolph, Jr.
Addicott, Charles W.
Ady, Aard B., O4077325
Agee, Robert E.

Ainsworth, Robert L.
Alexander, John J., Jr.
Alexander, Theodore C.
Algard, Norman U., Jr.
Alston, Pontha D.
Ambrosino, Richard R.
Anderson, Curtis, E., Jr.
Andrews, Richard P.
Anglin, Richard C.
Appeldorn, Francis R.
Aquadro, Kerry J.
Arington, Richard L.
Armstrong, Raymond L
Armstrong, Robert E., III
Bachmann, Robert R.
Baeb, David E.
Bagnaschi, Albert L., Jr.
Bailey, Edward T.
Baldwin, Richard B.
Banker, Eugene O.
Banyas, Walter
Barber, Orion M.
Barker, Harold S., Jr.
Barker, James H.
Barnes, James M.
Barone, Harry N.
Barry, Joseph A., III
Bartlett, Gerald T.
Barton, Robert B.
Bates, David W.
Batson, Joseph D.
Beal, Jackie L.
Beatty, Robert C.
Beaumont, Roger A.
Beckett, Peter E.
Beckwith, Robert B.
Bedard, Richard G.
Behm, Peter S.
Beitz, Charles A., Jr.
Bell, Frederick V.
Bell, William E.
Bennett, Ferrell R.
Bergson, Richard W.
Berner, John J.
Bernsen, Ralph J.
Bernstein, Donald
Berry, Thomas L.
Best, Darrell E.
Bethke, Gerald H.
Betke, Herman R.
Betters, Richard B., Jr.
Biscomb, Donald L.
Biscomb, Gordon L.
Bishop, Edward M.
Bisping, Jack F.
Black, Calvin D.
Black, Clinton H.
Blankenship, Dan
Boes, Richard W.
Bonta, Stanley G.
Boose, Howard R., III
Borgstrom, Richard O.
Bosse, Joseph N.
Bourland, James M.
Boyanowski, John G.
Boyle, Ernest W.
Brabson, Charles M.
Bragg, Russell J.
Braxton, Paul G.
Bredehoeft, Peter R.
Breeding, Gerald L.
Breer, William T.
Breitenberg, Edward P
Brewer, John H., Jr.
Brickhouse, Willie T., Jr.
Brigham, John C.
Brill, Ronald R.
Bristol, John M., Jr.
Brittain, Richard T.
Brock, Jeffrey D.
Brooks, Charles R.
Brothers, David L.
Brown, Beauregard, III
Brown, Dennis B.
Brown, Ellwood M.
Brown, Richard W.
Brudvig, Dale K.
Brugnoni, John J.
Brunett, Allan L.
Bruno, Marshall J.
Bruns, Lawrence D.
Bryant, Walter R.
Buchan, Alan B.
Buckley, George M.
Buddo, James S., Jr.
Budrich, Dudley J.
Bunting, Roger C.
Burke, James D.
Burke, Richard A., Jr.
Burkhalter, Edward L.
Burkhart, Robert H.
Burnam, Jerry D.
Burrow, Frederic H.
Bush, Bobby K.
Bushyhead, Edward R.
Butler, Robert W.
Bynam, Holland E.
Byrd, Doxey, Jr.
Cable, Thomas H., Jr.
Cadinha, Howard E.
Cain, William H., Jr.
Camp, Dave E.
Campbell, Donald M.
Campbell, John V.
Campbell, Richard E.
Cannefax, Robert W.
Cannella, Phillip F., Jr.
Carlin, John C.
Carrier, Billy C.
Cavanaugh, Stephen E.
Chandler, Richard, Jr.
Chaney, Arlen L.
Chapman, Paul P.
Clark, Joseph E.
Clay, Clifford D.
Coats, John I.
Cobb, Edward R., Jr.
Colbat, Bruce S.
Coleman, Ronald S.
Collins, David G.
Collins, Philip J.
Combs, Carlton E., Jr.
Conger, John T.
Conger, William K.
Conkel, Ronald P.
Connors, Donald L.
Cooper, Robert A.
Copeland, John W.
Cordell, Ralph D.
Corner, Charles R.
Cortelyou, William T.
Cotter, Joseph L.
Cotter, Paul L.
Coyle, Terence M.
Cozzolino, Joseph M.
Craddock, Nicholas J., Jr.
Craig, Donald G.
Crane, George R.
Creekmore, Robert S.
Crittenden, Robert N.
Crofford, Clifford D.
Crognale, Joachim A.
Cross, John S.
Culbertson, Jerome B.
Cullins, Robert B., III
Cunniff, Roy A.
Curbow, Gerald D.
Dacey, John C.
Dahl, John F.
Daily, Stanley J.
Dalzell, Gary W.
Damme, Richard J.
D'Angelo, Anthony P.
Davenport, Theodore G.
Davis, Billy G.
Dawson, Jon C.
Dearden, Sheldon W.
Dess, Carter L.
DeBerardino Anthony
DeHertogh, August A.
Denslow, Lathrop V.
Deshler, Robert C.
DeVoe, Stephen E.
DeWitt, Edward J.
Dick, William W. III
Dickerson, Jon R.
Dingler, Doyce M.
Dink, Louis L.
Dodge, Rodney E.
Dodson, Claude C., Jr.
Doneski, Bernard J., III
Dorough, Aaron G.
Dougal, Richard K.
Dougherty, James E.
Draney, Nolan G.
Dressel, David L.
Du Bois, Donald A.
Du Bois, Donald G.
Dugas, Raymond S.
Duke, Robert G.
Duncan, Donald R.
Duncan, Wayne M.
Dupies, Donald A.
Durbin, William B.
Durham, James A.
Eckert, Frankin A.
Edge, John S.
Enfield, Norman R.
Englander, Richard M.
Enos, Edmund F., Jr.
Espin, Howard E., Jr.
English, Don C.
Evangelides, Theodore
Faas, Ronald C.
Farrar, Kendall
Farrer, Gary R.
Farwell, William H., Jr.
Fenton, Donald F.
Fentress, Harry B.
Ferguson, Lloyd D.
Ferreira, Clarence E.
Fickett, Richard K.
Fiely, Linus H.
Fingles, Douglas O.
Florino, Charles J.
Fitzpatrick, Paul F.
Flanders, Norwood S.
Fong, Joseph Y. K.
Fontanella, David A.
Ford, Alvin J.
Foster, John F.
Foster, William R., Sr.
Fouratt, Enos J., Jr.
Frangos, Stephen J.
Frank, Laurence A., Jr.
Frantz, Robert A., Jr.
Frederickson, Eugene
Freeman, Carl F.
Frey, William R.
Fugitt, Billy W.
Gabor, Andrew E.
Gaffney, James J.
Gambrell, Samuel C., Jr.
Gammell, Richard A.
Gann, Charles E.
Garabedian, Aram G.
Gardner, Robert L.
Gaustad, Peter J.
Gaw, Stephen T.
Gebhardt, William A., Jr.
George, Dannie E.
Gerety, Walter P.
Ginter, Duane L.
Gleason, James E.
Goff, Homer B., Jr.
Goforth, Gary K.
Goldberg, William
Goldman, James J.
Goldner, Robert S.
Goldsmith, Stanley I.
Gordon, Robert L.
Gorrell, Stanley L., Jr.
Grabow, Richard M.
Gradillas, Henry C.
Grant, David E.
Grant, Michael E.
Green, Ralph C.
Green, Thomas E.
Greene, Dennis S.
Greer, Wilbur K.
Griffin, Clarence M.
Griffiths, Richard E.
Griswold, Edward C.
Guida, Orlando C.
Guldner, Francis J.
Gunter, Stephen Z.
Hale, Richard E.
Hall, David W.
Hallock, Donald V.
Hallren, Thomas P.
Haloburdo, Joseph J., Jr.
Hammond, Leroy D.
Hancock, James H., Jr.
Harring, Anthony U.
Harrington, John F.
Harris, Bryan D.
Harris, Donald M.
Harris, Robert E., O4077273
Harrod, Tedford E.
Hart, Jack S.
Hartke, Harry J., III
Hartman, George E., Jr.
Haskins, David E.
Hassel, Roy A.
Hatch, John F., Jr.
Hays, Paul A.
Hefford, Robert A.
Helminiak, Thaddeus E.
Henderson, Richard H.
Hernandez, Ruben M.
Herrera, Charles D.
Herring, Bernard M., Jr
Hersey, Gordon L., O5700112.
Heverly, Charles S.
Hicks, Frederick G.
Hicks, Gerald F., Jr.
Higgins, William E.
Higman, James H.
Hilburn, Charles R.
Hill, Eugene G.
Hinds, William L.
Hiotakis, Socrates A.
Hirsch, Warner.
Hoagland, Merton B.
Hoffman, Jack B.
Hoffman, Lawrence W.
Hoffman, Robert F.
Hoke, Kay H.
Holbrook, Jack H.
Holmes, Jasper F.
Holroyd, Donald E.
Hopkins, David W., Jr.
Hopkins, Richard K.
Horne, Billie D.
Houts, Ray A.
Hovorka, Francis J., Jr.
Howell, Raymond K.
Hoyt, Edward L.
Hudson, DeWitt H., Jr.
Hughes, Frank A.
Hughes, Jimmie T.
Hughey, Billy G.
Humphrey, Raymond P.
Hunt, Gordon M.
Hurst, Thomas K.
Incremona, Richard S.
Irland, David L.
Isett, Robert L., Jr.
Istel, Yves-Andre.
Jackson, Walter W.
Jageman, George W.
Jambon, Orleans A.
James, Charles F.
Jefferis, Robert J.
Jentz, Edward M.
Johnson, Chester F.
Johnson, Jackie F.
Jones, Gilbert E., Jr.
Jones, Roger H.
Joyce, Warren C.
Julian, Charles T.
Kaeo, Peter K.
Kaine, Richard L.
Karalekas, Charles J.
Kastner, George D.
Kates, Robert J., Jr.
Kavanaugh, Paul F.
Kawabata, Kazuto
Kean, James A.
Keenan, Roy V.
Keller, Steven S.
Kelley, James F.
Kellman, Frederick W., Jr.
Kelly, James J.
Kelly, Thomas K.
Kenelpp, George E., Jr.
Keogh, John J.
Kezer, Robert B.
Kimura, Kay S.
King, Donald P.
King, Randolph S., Jr.
King, William T.
Kirby, Lewis M., Jr.
Kleintop, Donald R.
Knight, James P.
Knowles, Emanuel H.
Konstans, Constantine Jr.
Kornack, Wallace R.
Kozel, Frank A.
Krantz, George E.
Kyle, Paul G.
Laabs, James A.
Lager, John A.
Lakies, Robert J.
Lane, Ralph B.
Laningham, William O.
LaRoue, William H.
Laughery, Kenneth R.
Lawton, Johnnie, Jr.
Layton, Michael L.
Leach, John H., Jr.
Leary, Gary L.
LeBlanc, Richard A.
Lednicky, Jerome J.
Lee, Daniel D., Jr.
Leech, Earl W.
Leighow, John K.
Leitzy, John D.
Lenoci, Joseph V.
Lesh, Burton A.
Lewers, Sam
Lewis, Gene P.
L'Hommedieu, Richard F.
Lillie, Charles F.
Lindsey, Jerry N.
Lindsey, Lawrence C.
Linkhart, Bennie R.
Lippincott, Philip E.
Liu, Herbert M.
Lobdell, Alban J., Jr.
Loftus, Martin R.
Lohbauer, Robert D.
Long, James S.
Loomis, Robert W.
Lorms, John L.
Lothrop, James H.
Luby, Joseph P.
Luna, Raymundo R.
Lundquist, Ronald W.
Lusk, James A.
Machen, Bobby
Mackey, Thomas A.
MacMillan, Thomas L.
Madden, Hugh A.
Maggelet, Theodore F., Jr.
Majure, Jerry A.
Malouf, Terrence G.
Manner, Eugene L.
Manning, Albert E.
Mansfield, Herbert S.
Marriott, James M.
Marsh, Philip H.
Martin, Mason E.
Martin, Robert W.
Martin, William J., Jr.
Martin, Yancey F.
Mathis, Milton H.
Maverick, Joseph L.
Mays, Carroll G.
Mazur, Robert J.
McAdams, Michael C.
McBride, Eugene R.
McCarthy, Harold J., Jr.
McCarthy, Robert A.
McClain, James H.
McConnell, Bruce D.
McCraith, William H.
McDonald, Francis W., Jr.
McDowell, Richard L.
McGee, Milton J.
McHugh, Thomas P.
McIntyre, William T.
McKenzie, Leon C.
McKinney, Avery E.
McKinstry, Thomas I.
McKnabb, Lee O.
McLam, Alan C.
McLaughlin, Alan J,
McNulty, William B.
McPherson, David C.
McWade, Albert S.
McWhirter, Julian H.,
Mega, Thomas R.
Megna, Joseph J.
Mello, Earl S.
Meskunas, Edward F.
Messel, Albert K.
Metcalf, Robert H.
Meyer, Urban F., Jr.
Michel, Thomas E.
Mickel, Montie C.
Miller, Henry L., Jr.
Miller, Jacob W., Jr.
Miller, Warren N.
Mills, Charles S., Jr.
Mills, Peter K.
Mills, Robert M.
Mitchell, David D.
Moffat, George G.
Mondok, Robert R.
Monfalcone, Frank L.
Montgomery, Richard J.
Mora, Eugene J.
Morales, Steve G.
Morgan, Brendan
Morgan, Jerry D.
Morgan, Thomas A.
Morrison, Leo S., Jr.
Morrissey, John J., Jr.
Moser, William R.
Moses, Laurence G.
Mosher, Donald L., Jr.
Moulds, Donald G.
Muir, Glenn L.
Mullaly, James R.
Myers, John T.
Nader, Walter E.
Nagle, Robert F.
Nardino, Gaeton A.
Nash, Gene C.
Naumann, Ralph E.
Neal, Charles D.
Nelson, Theodore R., Jr.
Newell, Edward W.
Newman, Robert C.
Nicholas, Frank E.
Nichols, Richard E.
Niles, Gary W.
Nolte, Joseph H., II
Nord, Odell M.
Noznesky, Peter H.
Nuenke, William L., III
Nutt, John W.
O'Brien, James W.
O'Brien, Robert A., Jr.
O'Connell, William J.
Olson, Martin G.
Orlov, William S.
Overby, Rogers L.
Owens, Sammy L.
Owens, Sherril
Ownby, Robert G.
Pallo, Carl A.
Palmer, Arthur N.
Palmer, William T.
Panico, Lawrence J., Jr.
Parker, Joel R.
Parker, Robert S.
Patrick, Burton D.
Patterson, James T.

Patterson, Raydean H.
Patterson, Willard L.
Peach, James G.
Pearce, Gary S.
Pearce, Joseph R.
Peck, Norman L.
Peiper, Richard W.
Pepples, Ernest C., Jr.
Perry, Arthur L.
Peterson, Robert A.
Pickenheim, Paul J.
Pierre, Allan
Pierson, Richard W.
Pietro, Louis R.
Piskurich, Stephen F.
Plowman, James T.
Pluta, Russell F.
Podraza, James D.
Polansky, Barnard
Pope, Edwin K., Jr.
Porter, Royce L.
Potamos, Christ F.
Powell, William S.
Prewitt, Herbert F.
Price, Clifford B., Jr.
Price, Roy C.
Prince, Jimmy G.
Puett, Joseph F., Jr.
Pysz, Bernard F.
Quinn, Thomas M.
Quintard, Jerry L.
Rambadt, Donald C., O4062070
Ramos, Jose R.
Randle, Robert F.
Ratterman, Bernard W., Jr.
Real, John P.
Reifsnyder, Robert L.
Reilly, Wayne G.
Renkin, Herbert L.
Renzi, Gene C.
Reyburn, Dwight S.
Rhicard, Clinton P.
Rice, Hughes H., Jr.
Richards, Garth S.
Richey, Charles G.
Riedl, William H.
Riley, John G.
Ring, Taft C.
Ritchie, Thomas A.
Roberts, Birchard R.
Roberts, Franklin D. R.
Robertson, George M.
Rodenbaugh, Donald A.
Rodgers, Thurman D.
Rogers, William R.
Rogler, Francis E.
Ronco, Lawrence T.
Roquemore, Leroy C.
Rose, Gordon D., O4057792
Rose, James E.
Routh, Rob R.
Ruane, Douglas A.
Rubin, David B.
Russell, Herbert G., Jr.
Russell, Milton C.
Russo, Rocco L.
Salmon, William C.
Salmonsen, Peter C.
Salvador, Louis A.
Samsel, Clyde M.
Sanders, Milton D.
Sanders, Thomas C.
Sanford, Thomas H.
Sargent, David E.
Sargent, Norbert J.
Satterthwaite, George, II
Schooley, William R.
Schoppert, Richard C.
Schubert, John E., Jr.
Schwager, Robert S.
Schwartz, Jerome J.
Scott, John O.
Scott, Joseph W.
Scoville, Oscar G.
Seay, Michael
Sedgwick, Clyde N.
Seggel, Lawrence R.
Seiler, Jerry R.
Serna, Albert I., III
Serrin, Phillip A., II
Sess, Thomas N.
Settle, Joseph E.
Shaffer, William M.
Shamrock, Keith J.
Shands, Henry L.
Sharp, Charles W.
Shaver, Charles W., Jr.
Sheely, James R.
Shelton, James E.
Shepard, James C.
Shiner, Charles R., Jr.
Shoptaugh, Leland D.
Short, Kenneth R.
Shultz, Charles H.
Silnes, Sigvart R.
Simmons, Cecil K.
Simon, Ernest A.
Simonic, Donald F.
Simpson, George E.
Sims, Wesley N.
Sindoni, Samuel S.
Sjoholm, Gustav E.
Skaife, Stanley T.
Skillman, Charles S., Jr.
Slabikosky, Andrew J.
Slofer, Bernard P.
Slowinski, Donald J.
Smith, Edmund G.
Smith, Jimmy W.
Smith, Melford E.
Smith, Reidar H.
Smith, Tommy W.
Smith, Walter D.
Smolenyak, George C.
Smyth, Rome D.
Snooks, James P., III
Somerville, Paul F.
South, Jerry C., Jr.
Spann, James B.
Specht, John H.
Spencer, Wayne D.
Spodobalski, Anthony C.
Spring, Bradford H.
Spurgers, Roy K.
Staggs, Leon D.
Stapp, Richard E., Jr.
Steger, George F.
Stewart, Jessie E.
Stinson, Kenneth B.
Stipe, Aquila E.
Stocky, Peter D.
Stokes, John P., 3d
Stokes, Preston W.
Struck, Robert J.
Strunk, Gary D.
Sullivan, Garland W.
Sullivan, James K.
Sullivan, John H.
Swartz, Stanley R.
Sykes, Charles L.
Symons, Frederick E.
Takach, Michael A.
Takenaka, Harold H.
Taylor, John E.
Taylor, Joseph S.
Taylor, Warren L.
Tengan, James T.
Terry, Robert
Teso, William A.
Thomas, Richard K.
Thompson, Billy M.
Thompson, Chadwick C.
Tilleux, Gerald E.
Timmons, Robert W., Jr.
Tobiason, Allan R.
Tobiason, Robert G.
Todd, George K., Jr.
Towne, Larry B.
Traficante, Anthony J.
Trees, Lester W., Jr.
Trueheart, William H., Jr.
Tuck, John S.
Turk, Theodore M.
Turner, Neil B.
Tweddell, Johnny B.
Tynan, Robert E.
Urban, Eugene W.
Vail, Robert B.
Vallie, John D.
Van Ausdall, Rice L.
Van Buskirk, Kenneth C., Jr.
Vanden Boom, James R.
Vaughan, William A.
Vockery, William L.
Waite, Darrell M.
Walk, Charles W.
Walker, Costelle B.
Walker, Harry D.
Walker, Jack E.
Walsh, Fenwick A, Jr.
Walsh, Martin P.
Walton, LeRoy
Warren, John H.
Warvi, Martin M.
Waterman, William R.
Watson, Gerald G.
Weeks, Richard G.
Weems, Sands S., III
Werner, Leonard L.
West, James M.
West, Lionel M., II
Weston, Ray D.
Wexo, Richard O.
Whaley, Cole B., Jr.
Whigham, Thomas J.
White, James E.
White, Richard C.
White, Stanley Z.
Wiger, Leslie T.
Wilkinson, Byron R.
Williams, Forrest H., Jr.
Williams, Graybill E.
Williams, Samuel
Williamson, Duane E.
Williamson, James C.
Wilson, Albert H., III
Wilson, Gordon B.
Winter, John M., Jr.
Witbrodt, Donald J.
Wolff, Robert A.
Wood, Billy B.
Wood, Peter W.
Wood, Wade, III
Wooley, John E.
Wright, Samuel J.
Yaag, John W.
Yakovakis, James S.
Yankee, Richard A.
Young, Lloyd D.
Youngs, Philip C.
Yuhn, John T.
Zarb, Frank G.
Ziemba, Gerald P.
Zigmant, William J., Jr.

CONFIRMATION

Executive nomination confirmed by the Senate May 8, 1957:

DIPLOMATIC AND FOREIGN SERVICE

Charles E. Bohlen, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Philippines.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 8, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Most merciful and gracious God, grant that our beloved country, dedicated and devoted to Thy glory and the blessedness of mankind, may be defended by Thy power against all evil.

Vouchsafe to purge our minds and hearts from everything that is contrary and displeasing to Thy holy will and save us from those personal and national sins which expose us most justly to Thy righteous judgments.

May our Speaker and the Members of Congress always be wise in counsel, calm in action, and sincere in motive as they cope with the various problems and events in our national and international life.

Inspire them to legislate in the fear of the Lord, courageously striving to promote and support that which they conscientiously feel will assure the safety and honor, the temporal and spiritual welfare of our Republic.

Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries.

IS A SECOND PEARL HARBOR POSSIBLE?

Mr. PELLY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, assuming the details of an article in this morning's paper are correct, we learn that the United States aircraft carrier *Bennington*, in Sydney, Australia, was left without a guard at the top of the gangway with only a skeleton night crew aboard. As a result, 10 university students, masquerading as pirates and carrying cardboard cutlasses and a flag with skull and crossbones, were able to row out to the side of the carrier and get aboard her and work their way unnoticed to her bridge, where they startled the sleeping officers and crew by sounding the chemical warfare alarm.

Mr. Speaker, I hope the House Armed Services Committee will investigate this incident, because the news item indicates our Navy ships are not on the alert for an attack at all times. It points up that a possible second Pearl Harbor attack might succeed.

Not long ago I urged an investigation by the committee as to our west coast defenses on account of the possibility of such a sudden attack. I have stated that it appears to me there may be an undue concentration of our Pacific Fleet combat vessels based in southern California. Time and again I have urged our officials to have certain west coast naval units based in Puget Sound and other ports such as San Francisco, and thereby disperse them against attack. It seems to me without combat units based in either Oregon, Washington, or Alaska, a defense vacuum exists. The logical home port to fill this need would seem to be in the vicinity of the Puget Sound Naval Shipyard.

Meanwhile our Navy should be on the alert at all hours of the day and night. How much in the way of secret instruments or equipment could have been stolen by an enemy agent if this incident had been by other than jokesters, I do not know. But again I say the circumstances surrounding the student boarding of the aircraft carrier *Bennington* should be fully looked into by our appropriate committee as should the dispersal of fighter units on the west coast.

ANNUAL REPORT OF THE OFFICE OF ALIEN PROPERTY, DEPARTMENT OF JUSTICE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with accompanying papers, referred to the Committee on Interstate and Foreign Commerce.

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the Annual Report

of the Office of Alien Property, Department of Justice, for the fiscal year ended June 30, 1956.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 8, 1957.*

HOUSING ACT OF 1957

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 246.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes. After general debate, which shall be confined to the bill and continue not to exceed 4 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except 1 motion to recommit.

Mr. MADDEN. Mr. Speaker, House Resolution 246 provides for an open rule and 4 hours of general debate on the bill H. R. 6659. It was the sense of the committee that 1 hour of this time be given to the members of the Veterans' Affairs Committee to present their views on three provisions which they oppose.

Title I of the bill proposes lower downpayment requirements under the home mortgage insurance program of FHA. This would permit FHA insured loans up to 96 percent of the first $10,000 of value, 80 percent of the next $6,000 of value, and 70 percent of the remaining value up to a maximum mortgage of $20,000.

The second change would create a veterans' preference program under FHA. The formula proposed would mean that the veterans' minimum payment would be one-half of the downpayment required of other mortgagors.

The bill amends the sales housing program under section 203 of the National Housing Act to deny eligibility to dwellings less than a year old which have not been inspected by FHA. However, provision is made to waive this prohibition under such terms and conditions as the Commissioner of FHA may prescribe.

Title II of the bill will increase the capitalization of the Federal National Mortgage Association's regular secondary mortgage operation by $100 million. Thus, since Fannie May may borrow 10 times the amount of its stock and surplus, this would be an increase in the mortgage purchase authority of Fannie May of $1 billion, bringing the total borrowing authority to approximately $2,600,000,000. The bill would also limit the stock purchase requirements in connection with Fannie May's regular secondary mortgage operations. By regulation the present stock requirement is 2 percent of the mortgage amount. Under the bill the maximum would be 2 percent and the minimum would be 1 percent.

The bill would provide for an increase of $250 million in the authority to purchase special assistance mortgages of all categories and also authorize an additional $300 million for special assistance for the armed services' mortgage-insurance program. Further, the bill establishes as a permanent policy the principle of purchasing special assistance mortgages at not less than par.

Another provision provides authority for the Secretary of the Treasury to invest up to $1 billion of the World War II national service life insurance funds in mortgages. This is the second provision of the bill which is opposed by the Veterans' Affairs Committee.

Title III will provide for an increase of $250 million in the present $900 million capital grant contract authorization for slum clearance and urban renewal.

Title IV extends the existing program for military housing, providing a cutoff date of June 30, 1959.

Title V provides that the interest rate for college housing loans would be increased from 2⅞ percent to 3½ percent, and would increase the college housing loan authorization from $750 million to $900 million.

Another provision of this title would extend the Voluntary Home Mortgage Credit Program until July 31, 1959. A further provision of this title would establish authority for permissive discount control and require controls on the charges and fees in connection with construction financing. This is the third provision of the bill which is opposed by the Veterans' Affairs Committee.

Two studies, to be undertaken by the Housing and Home Finance Administration, are authorized—one a mortgage credit study and the other a farm-housing research study.

The committee report complies with the Ramseyer rule and I urge the House to adopt House Resolution 246 so we may proceed to the consideration of this bill for which adequate time has been provided.

I voted for the rule so the House can work its will in debate and amendments during the 5-minute period. I include with my remarks a news dispatch from Buffalo, N. Y., reflecting the opinion of the National Association of Home Builders on the present housing crisis:

NEW CRISIS IN HOUSING IS PREDICTED

BUFFALO, N. Y., May 7.—The president of the National Association of Home Builders predicted today the worst housing shortage in the country's history would develop in the 1960s if home building were not unshackled now.

Addressing the National Association of Mutual Savings Banks in convention here, George S. Goodyear said that some 1.6 million young couples married each year but fewer than 900,000 new homes to house them were being built.

"By 1965 our population will hit a new high of 193 million," he said, "and there will be no postponing of the storm."

Goodyear said it was time now for the Government, builders and bankers to get together to insure adequate housing.

"I must say bluntly that we in the home-building industry question the wisdom of a monetary policy that restricts nothing but the housing needs of the American people, that encourages Caribbean pleasure cruises on credit but denies a workingman the opportunity to decent housing for his family on terms he can afford," Goodyear said.

Mr. Speaker, I now yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I do not know of any opposition to this rule, and it is my understanding that many Members are not opposed to the amendment that will be offered by the gentleman from Iowa [Mr. TALLE], H. R. 7024. I repeat, it is my understanding that there are many on both sides of the aisle that favor that amendment.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. MILLER of Nebraska. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 66]

Andresen, August H.	Chiperfield	McIntosh
Bass, Tenn.	Dawson, Ill.	Metcalf
Beamer	Eberharter	Moss
Boggs	Fogarty	Powell
Bonner	Harvey	Prouty
Bowler	Hébert	Rodino
Bray	Hillings	Smith, Miss.
Buckley	Holifield	Steed
Carrigg	Holtzman	Walter
Celler	James	Wolverton
	Laird	

THE SPEAKER. On this rollcall 397 Members have answered to their names, a quorum.

By unanimous consent further proceedings under the call were dispensed with.

PERMISSION TO SIT DURING SESSION OF THE HOUSE

Mr. BROWN of Missouri. Mr. Speaker, I ask unanimous consent that Subcommittee No. 6 of the Committee on Small Business may be permitted to sit during general debate in the House tomorrow, should there be any.

THE SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

HOUSING ACT OF 1957

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House

on the State of the Union for the consideration of the bill (H. R. 6659) with Mr. MILLS in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

THE CHAIRMAN. Under the rule the gentleman from Kentucky [Mr. SPENCE] will be recognized for 2 hours, and the gentleman from Iowa [Mr. TALLE] will be recognized for 2 hours.

Mrs. ROGERS of Massachusetts. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentlewoman will state it.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I rise to inquire how the time will be divided. I understood that the Committee on Veterans' Affairs was to be given an hour in general debate. I have not had a chance to talk with the chairman of our committee, the gentleman from Texas [Mr. TEAGUE] in reference to this matter and I would like to ask the gentleman from Kentucky [Mr. SPENCE] how we are to receive our 1 hour, and I refer to the Committee on Veterans' Affairs.

Mr. SPENCE. We are going to yield a half hour from each side to the Veterans' Affairs Committee.

Mrs. ROGERS of Massachusetts. And at what time in general debate will the time be given to the Committee on Veterans' Affairs?

Mr. SPENCE. I do not know exactly how that will be yielded, but the Committee on Veterans' Affairs will have 1 hour, half of which will be yielded by the majority side and half by the other side.

Mrs. ROGERS of Massachusetts. The gentleman does not know what time in the general debate that hour will be given?

Mr. SPENCE. I do not know at this time. I presume as the debate continues we will yield to those who want to speak. It is up to the chairman to designate who will represent that committee in the allocation of the time.

Mrs. ROGERS of Massachusetts. I thank the gentleman.

Mr. SPENCE. Mr. Chairman, I yield 20 minutes to the gentleman from Alabama [Mr. RAINS], chairman of the subcommittee that drafted this bill.

Mr. RAINS. Mr. Chairman, the bill before us today deals in the main with mortgage credit. It is a complex subject; it is a subject, however, that is vital to the home buyers and to the home-building industry of this country. It is a subject to which, I am sure, there are no total and complete answers.

The bill before us today reported by the Committee on Banking and Currency represents the best study and the best judgment of the Subcommittee on Housing which held extensive hearings and made an exhaustive study of the matter. It represents the best judgment and the best information the Committee on Banking and Currency possesses.

The bill comes before the House by a vote, as I recall it, of 18 to 3 in the Committee on Banking and Currency. In the beginning, let me say very frankly that I was surprised when any opposition arose to the bill, because the bill which the committee presents here today can be termed a middle-of-the-road bill, a bill that will give the impetus needed to the lagging housing industry of this country and, at the same time, stay within the bounds of the inflationary problems as we face them. The toughest part of this bill—and I want to make an announcement here about it—which comes from the Committee on Banking and Currency, is a section in which I believe myself and which at some time, in my opinion, will become law, referred to as the one involving use of the national service life insurance funds. I regard it as a new innovation in an effort to get back of the GI loans additional money without affecting the budget. And, while I can present a good and adequate defense of that particular section, I am realistic; I have been here long enough to know when you can win and when you cannot win. Some of the senior members in service on the Committee on Banking and Currency have advised me that it might be in some measure an infringement on the jurisdictional rights of another committee, the esteemed Committee on Veterans' Affairs. So, I announce now that so far as I personally am concerned, when we get into the 5-minute rule on the committee bill, I shall not oppose a motion to strike that section from the bill. I am not in a position to say that I will accept an amendment, because I am not in control of the bill, but I shall not oppose it.

Now, when that is done, the Committee on Banking and Currency presents to the Congress a bill that has $500 million less FNMA obligations than the substitute which will be presented.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the gentleman from Texas.

Mr. PATMAN. I would like to understand the gentleman a little better, if he will yield for that purpose, please. Do I understand that the gentleman will be willing for that particular section to be stricken out that relates to a billion dollars of the national service life insurance funds to be used for veterans' loans?

Mr. RAINS. I will say to the gentleman that I believe in the section, but that I am realistic and that I recognized the fact that we could not pass it in the House at this time.

Mr. PATMAN. I want to state to the gentleman that I expect to fight for it. I think it is one of the best provisions in the bill, and I hope that the gentleman does not agree to strike it out, because all the Democrats voted for it in the committee.

Mr. RAINS. I am merely making the statement as to my own personal belief in the light of the situation which presents itself with the substitute bill at this time, and I do not commit anyone else beyond that. I merely make that statement.

Mr. PATMAN. Is it not a fact that the substitute bill has never been considered by the committee at all?

Mr. RAINS. Of course the substitute bill has never been considered by the committee.

Now I would like to get on with my statement, and then I will yield to any Member who desires to ask questions.

THE SIGNIFICANCE OF THE FHA

Nearly 23 years ago the Congress of the United States authorized a major undertaking in a move to improve the housing of all the American people. That undertaking succeeded beyond the fondest expectations of its sponsors. Since its inception the FHA has insured loans on about 4.4 million homes—58 percent of them newly constructed—which were purchased by typical American families. It made possible the construction of nearly 700,000 rental units and was a basic reason for our quick recovery from the postwar shelter shortage. The FHA operates in communities all over our land and has been a major factor in the economic growth of nearly every American community of any size.

In the 23 years, FHA has insured $34 billion worth of mortgage loans. It has done this at no cost to the taxpayer. FHA actually is a highly profitably insurance agency. By pooling the mortgage risk, on a scale beyond that which any private lender or group of lenders could have undertaken, it provides a very sound method of consumer financing at low downpayments, and low monthly charges, without which the average man—no matter how sound his credit-risk rating—would have difficulty in acquiring a home.

Since 1940, FHA has operated on a pay-as-you-go basis with the costs borne by the insurance premiums on the loans. It has already paid back the entire $65.5 million borrowed from the United States Treasury to help it get going, plus $21 million in interest.

In its 23 years of operation, FHA has piled up, from insurance premiums, reserves of $526 million dollars. During that time less than one-half of 1 percent of FHA-insured mortgages have been foreclosed. FHA's combined losses on its foreclosures—homes and rentals—amounted to only $37 million, about one-tenth of 1 percent of the insurance written.

Anybody who has been acquainted with the developments in home building will attest to the fact that the most important factor in the development of the industry into a modern mass production industry has been the FHA's system of mortgage insurance. It has represented the best kind of partnership between Government and business, opening new horizons for this industry which it could not conceivably have reached by itself. FHA has been a major factor in bringing home ownership within reach of the average American family. In 1940 only 40 percent of our people owned their own homes. Today that figure is close to 60 percent.

CURRENT HOME BUILDING DECLINE REFLECTS MONEY CONDITIONS

Now, I am sorry to say, we find this great housing program in serious jeopardy. The administration's tight money policy has literally brought housing to the brink of disaster.

In 1956, housing starts were down by 200,000 from 1955. The decline has continued and intensified in the early

months of this year with March starts reaching an 8-year low point at a seasonally adjusted annual rate of 880,000. Virtually the entire decline has been in FHA and VA housing.

Even more significant than the numbers is the simple fact that the loss is in primarily the more modest priced homes suited for the average family. Data presented to our committee reflected the fact that 7 out of 10 of all the houses priced under $15,000 are either FHA or VA.

HOUSING NEED AND DEMAND STILL CONTINUES STRONG

Testimony presented to our committee in exhaustive hearings clearly indicates the strength of the underlying housing need and demand in this country.

Consider for a moment these figures. Net nonfarm household formation in recent years totaled close to a million a year. In the latest year for which data are available the rate was well over 900,000. When you add to this the housing needed to replace dwellings removed from the supply because of demolition, fire and flood, the total rises well above a million. Precise figures are not available, but it is the consensus of most experts in the field, based on Labor Department studies, that removals are at about a 300,000 rate per year.

Another source of demand for new homes stems from the mobility of our people. For one thing, population shifts from one part of the country to another create new demands even though they do not affect the total household formation figures. About 30 million Americans—9 million families—move each year. Of these 1½ million families move to another State. This is more than the total volume of new home construction.

Between 1950 and 1955, while our total population grew 9 percent, Nevada gained 41 percent; Arizona increased 31 percent; Florida, 25 percent; and California, 23 percent. In these and other States, the net immigration of families is an important factor—and in some places, the most important—in the housing demand. Our population has been growing at an enormous rate. New births last year were at the 4.2 million mark. We are now at the population level of about 170 million, a point which the experts 10 years ago predicted we would not reach until 1965. Marriages in 1956 were close to 1,600,000, up 3 percent from the year before.

Our young families are also larger families. There has been a very sharp increase in second, third, and fourth births. For example, while total births between 1940 and 1954 were up only 59 percent, the birth of second children was up 75 percent, third children was up 124 percent, fourth children was up 116 percent. This, obviously, is creating a demand for additional housing space.

RISING INCOMES SUPPORT HOUSING DEMANDS

All the available data suggest continuing rise in family income. According to the 1957 Federal Reserve Board Survey of Consumer Finance, 45 percent of the spending units reported their income up from the previous year, and about the same number expected their incomes to go up again this year. This rise in income is another factor of support to the housing market.

HOME BUILDING IS LAGGING BEHIND OTHER SECTORS OF THE ECONOMY

Home building is sharply down from the peak years of 1950 and 1955 in contrast to the substantial growth in other indicators such as gross national product; income; industrial production, and population. As a matter of fact, home building starts per thousand population are in early 1957 at the lowest level in the past decade as well as below the ratio in 1924, 1925, and 1926. Thus, we are faced with the paradox that while our Nation has grown much bigger, much richer, much more productive over the past 8 years, the present trend, if allowed to continue, would mean the lowest volume of new homes in that period.

QUALITY OF THE EXISTING SUPPLY

The most recent survey of our Nation housing stock took place in 1950. At that time, according to the most conservative estimates, nearly 7 million occupied nonfarm dwelling units were considered substandard in that they were either dilapidated or lacked adequate plumbing facilities. The replacement or rehabilitation of these units is a major factor in our housing situation today.

VACANCIES

A very sensitive indicator of the health of the housing market is the vacancy ratio, and here the evidence is strong that the number of vacant dwelling units in most places is relatively small. In fact, recent reports suggest that we are again moving in the direction of housing shortages. The Bureau of the Census, in its latest quarterly survey, found that only 2.5 percent of the Nation's housing inventory was vacant and available for rent or sale. This was less than in the preceding quarter when the rate had been 2.8 percent, and only moderately above the 1950 level when it had been 1.6 percent. Moreover, vacant homes for sale amounted to only 0.4 percent of the total supply as compared to 0.6 percent in the preceding quarter and 0.5 percent back in 1950.

It is abundantly clear that our housing needs are great indeed. The villain is not lack of families wanting homes. It is primarily the mortgage credit shortage fostered by the administration's tight money policy.

In a nutshell, gentlemen, the administration's tight money policy is threatening to bring depression to our vital residential construction industry. This policy is fraught with the most serious perils.

First, a sick housing industry could spread infection to the health of our overall economy.

Second, because of the greatly reduced rate of home building we are falling behind in meeting the housing needs of our people. We will never get rid of our slums or reduce our substandard stock of housing unless we maintain a high rate of housing production.

We in the Banking and Currency Committee were one of the first to see the dangers involved. Last year in the bill reported by the Banking Committee—which I am sorry to say did not prevail—we warned of impending trouble for the housing industry unless something was done to improve the mortgage credit situation.

In reporting the 1956 housing bill, we expressed apprehension over the effects upon housing construction of the combination of a rising interest rate structure and a restrictive monetary policy. We were fearful that these forces would act to curtail seriously the flow of funds into mortgage investment and that as a consequence the rate of housing construction would fall sharply. I am sorry to say that those fears have been more than realized.

This year, recognizing that the housing situation has approached a state of near-crisis, the Subcommittee on Housing immediately undertook extensive hearings with primary attention to the mortgage credit problem. Both the Subcommittee on Housing and the full Banking and Currency Committee moved with the utmost dispatch. The omnibus housing bill now before us, H. R. 6659, was reported on April 8 by the full committee.

We think this bill will provide the needed relief in the housing field. As one of its primary purposes it would provide much-needed assistance to help restore a sound home building industry by widening the market demand for homes and by improving the flow of mortgage credit into the housing field. Other important objectives which the bill seeks to achieve are better housing generally, improvement in the present programs designed to combat slums and blight, and special assistance to deserving and important housing programs such as military housing and college housing.

The first thing the bill would do would be to maintain effective demand in the housing market. Since the Congress has demonstrated reluctance to raise the interest rate on GI loans, the need is imperative to find some other means to let veteran home buyers buy with modest downpayments.

In real measure the current dilemma was created by the action of the administration last December when it increased the FHA interest rate to 5 percent. I suppose this action could be regarded as inevitable in view of the tight money policy which has been relentlessly forcing interest rates higher and higher over the past 2 years. By that action the administration gave a mortal blow to the GI loan program.

Under present and foreseeable mortgage market conditions it seems clear that GI loans will be virtually unobtainable in most areas of the country. The significance of this in terms of market demand is demonstrated by the fact that approximately 30 percent of all housing starts in 1956 were financed under the GI program.

The withdrawal of such a sizeable group of home buyers could have serious repercussions upon the housing market and upon home building activity. Clearly, unless housing construction is to continue at a depressed and declining rate, it is of vital importance to permit veterans and other home buyers to purchase homes with only a modest down payment.

The bill would help to fill the void in housing market demand created by the contraction of the GI loan program, which because of its submarket interest rate, is rapidly losing its sustaining force in housing production. The bill would do this in two ways.

First, the bill proposes lower downpayments under the section 203 home mortgage insurance program of the Federal Housing Administration. Under present law the maximum FHA loan is limited to 95 percent of the first $9,000 of appraised value, and 75 percent of the value in excess of $9,000. The bill would raise the maximum loan to 96 percent of the first $10,000 of value, 80 percent of the next $6,000 of value, and 70 percent of the excess value above $16,000.

The second change would be to introduce within the FHA operation a veterans' preference program which would permit qualified World War II and Korean veterans to buy with a much smaller downpayment than those required of others. Under the new veterans' preference loan proposed in section 103 of the bill, the maximum loan-to-value ratios would be raised to 98 percent of the first $10,000 of value, 90 percent of the next $6,000 of value, and 85 percent of the excess value. Stated another way, the minimum downpayment for a veterans' preference loan would be 2 percent up to $10,000 of value, 10 percent on the next $6,000 of value, and 15 percent on the remainder. Mathematically this formula would mean that the veterans' minimum downpayment would be exactly one-half of the downpayment required of other mortgagors.

Perhaps the best way to illustrate what these liberalizations mean is to take a specific case. For example, take a $12,000 house. Under present statute the minimum downpayment for such a house is $1,200. Under the bill this would be reduced to $800, and in the case of a veteran home buyer the minimum downpayment would be only $400. I think these are substantial liberalizations and they should help to maintain a strong consumer demand in the housing market.

I think the bill represents the most reasonable approach to the problem. I believe that alternative proposals which would reduce downpayments to practically nothing for everybody would be most irresponsible and inflationary in the present economic setting. H. R. 6659 it seems to me represents a more statesmanlike approach. By authorizing a moderate reduction in downpayments for nonveterans and a substantial reduction in required downpayments for veterans, we believe our proposal would take up the slack created in housing demand by the lack of money for GI loans, would sustain a healthy rate of housing construction, and yet would not overinflate the housing sector of the economy.

One thing should be emphasized. The bill does not intend to interfere in any way with the operation of the GI loan program. Although GI loans may be hard to obtain at 4½ percent interest, the fact remains that it will remain in being. Thus in some areas it may be possible for a veteran to obtain a GI 4½ percent interest rate as an alternative to the FHA veterans' preference loan proposed by H. R. 6659. Also in the event of a marked change in mortgage market conditions, it is conceivable that the GI 4½ percent rate might again become marketable generally.

We have written a number of beneficial and protective features into the veterans' preference loan which would be set up under the FHA program. For one thing the maximum interest rate which could be charged on such loans would be fixed at 5 percent per annum. Also in order to keep financing costs to the veteran to a minimum, the annual ½ of 1 percent mortgage insurance premium required on FHA-insured loans would be waived for veterans' preference loans.

In drafting the bill we recognized that whenever the downpayment required of a home buyer is very small in relation to the total sales price, there may be an understandable temptation in some cases for the builder or seller to raise the price above FHA's valuation. Such an increased price would increase the downpayment correspondingly, and we were fearful that there might be a temptation to vary the price depending upon the seller's estimate as to the downpayment which a particular buyer could muster.

To guard against this possibility of price gouging of the veteran the bill would authorize the FHA Commissioner to establish the maximum sales price. This type of a protection has been signally successful under the GI loan program in protecting veterans from paying an unfair price, and we believe the same protection should be given to veterans under the FHA program. I would like to emphasize, however, that the authority is discretionary and that the FHA Commissioner would not have to exercise his authority unless actual operation under the program clearly indicated the need for such action to protect veteran home buyers.

Another provision would give the veteran the same prepayment rights which are available under the GI loan feature. He would have the right to prepay all or part of his mortgage without penalty.

The new veterans' preference feature under FHA would not continue indefinitely. The bill provides for an orderly termination of the veterans' preference loan feature. World War II veterans would be given an additional period of eligibility beyond the July 25, 1958, expiration date of the GI loan program. The veteran would receive an additional year's eligibility for each year or fraction thereof of military service, with a maximum eligibility period of 4 years beyond the July 25, 1958, date. Disabled veterans and their widows would have the same eligibility period as that now provided under the GI loan program—until February 1, 1965.

The bill proposes one additional amendment to the FHA program which would apply to new housing both for veterans and nonveterans alike, and which deserves special mention. Basically the amendment would require inspection during construction as a condition of eligibility for FHA insurance. Under present law the possibility exists for a builder to circumvent FHA inspections since the only statutory penalty he suffers if he foregoes inspection is a slightly reduced mortgage loan. Under the bill this loophole would be closed and new homes not inspected during construction would be barred completely from eligibility for a 1-year period. There would, however, be a discretionary waiver authority to prevent hardship, particularly for houses in outlying locations remote from FHA appraisal and inspection services.

MORTGAGE CREDIT SUPPORT

To recapitulate, the bill would prop up consumer demand in the housing market by substantially lowering required downpayments. This is a great step forward, but taken alone it solves only part of the problem. The other basic problem is the question of an adequate supply of mortgage credit.

Now we believe in many areas there should be an adequate supply of mortgage capital available for FHA-insured loans at their present 5 percent interest rate. But bitter experience in the past has shown us that even during periods when mortgage credit is in good supply some areas still suffer a relative lack of mortgage money. This geographic imbalance is now an accepted fact. This means that we must provide supplemental mortgage credit sources in order to promote a healthy level of home construction and home ownership.

The bill seeks to provide this supplemental credit support in several ways. It would expand greatly the mortgage purchase authority of the regular secondary market operation of the Federal National Mortgage Association. In addition to the $500 million additional borrowing authority which Congress bestowed upon FNMA earlier in the session, the bill would provide $1 billion more in borrowing authority. This backstop should provide a strong layer of support in the mortgage market, particularly for those areas which have difficulty in attracting sufficient capital to support their home-building needs.

FNMA SPECIAL ASSISTANCE PROGRAM

The bill would also provide $250 million additional for the special assistance program of the Federal National Mortgage Association. This program accomplishes the most desirable objective of giving special support to deserving types of housing, such as urban renewal housing, disaster housing, and housing for the elderly.

The overriding needs of military housing are recognized in the bill. The special $200 million revolving fund under the FNMA special assistance program to support title VIII military housing loans would be increased to $500 million. Thus the bill would provide backstop assistance of $300 million which, together with private investment in title VIII mortgages, should be sufficient to assure the continued operation of this program which plays such a vital role in national defense.

The bill would also establish as a permanent policy the principle of purchasing special assistance mortgages at not less than par. The Housing Act of 1956 required that FNMA pay not less than

99 for such mortgages, a requirement which expires under present law on August 6, 1957.

We are concerned over the fact that many of the special assistance programs are fledgling programs greatly in need of special support to put them on their feet. We believe firmly as a matter of public policy that these mortgages should not be purchased at discounts which place an additional cost burden upon the sponsors of such programs. Accordingly, the bill would direct FNMA to pay 100 cents on the dollar for all special assistance mortgages.

SLUM CLEARANCE AND URBAN RENEWAL

The bill would provide funds to continue the slum-clearance program so indispensable to our cities in their fight on slums and blighted areas. Present funds for Federal grants for urban redevelopment and renewal projects are virtually exhausted. The bill would make an additional $250 million available for such grants.

The President's budget recommended a $250 million increase per year for 2 years in the capital-grant authorization. The Housing Administrator later recommended an increase of only $175 million. However, testimony by representatives of local communities and of organizations thoroughly familiar with urban renewal needs throughout the Nation indicates that the urban-renewal program is gaining momentum and that the $175 million increase now recommended by the administration would not be adequate to permit the program to proceed steadily and smoothly. We believe that the $250 million increase is the absolute minimum needed to keep this program rolling.

MILITARY HOUSING

In addition to providing more funds for FNMA's special assistance support program to title VIII military housing loans, the bill would extend the Armed Services Mortgage Insurance program under Title VIII of the National Housing Act. It would extend the program for 1 additional year, which would extend the cutoff date of June 30, 1958, to June 30, 1959. We believe this extension is most essential in order to permit sufficient time for selection and acquisition of sites, planning and design by the military departments, and for making financial arrangements by successful bidders.

The bill also contains an important amendment to the program Congress has set up to transfer ownership of the so-called Wherry military housing to the military. It would remove an obstacle which has made it difficult for the Government and the Wherry owner to agree upon a fair sales price. We believe the amendment will help bring the Wherry acquisition program to a successful conclusion in a manner fair to the Wherry sponsor and yet in a manner which protects the Government's interest to the maximum extent possible.

COLLEGE HOUSING

The college housing loan program, which has rendered such valuable assistance in meeting the pressing college housing needs during a period of rising enrollments, would be given additional funds under the bill. The bill would increase the college housing loan authorization by $150 million—from $750 million to $900 million.

In order to induce a larger participation by private capital in the college housing loan program, and to avoid what in effect is presently an uneconomic interest rate, the bill would make an important change to the interest rate formula which governs the interest rate charged to colleges under the program. By changing the base of the formula, the rates payable would be brought more in line with the cost of money to the Treasury and yet would provide colleges with loans on extremely favorable terms. Under present market conditions, the new formula would change the college housing loan from 2⅞ to 3½ percent.

VOLUNTARY HOME MORTGAGE CREDIT PROGRAM

The bill would give continued life to the Voluntary Home Mortgage Credit Program which under present law would expire on June 30 of this year. The VHMCP is intended for builders and home buyers in small communities and rural areas where mortgage money is scarce and for minority groups in general without regard to the size of the communities in which they live. We believe that this program merits continuance. The bill proposes a 2-year extension because that period of time appears adequate to permit participating lending institutions to make relatively long-range plans, while at the same time providing for a reexamination of the program by the Congress after a reasonable period of time.

DISCOUNT CONTROL

One very important section of the bill would attempt to come to grips with the vexing discount problem which has plagued Government-guaranteed and insured loans. We on the Banking Committee have been most seriously concerned over the excessive discounts, particularly on GI loans, which have become commonplace in many sections of the country. Over the past year discounts of 5 or 6 percent have been quoted as typical in many parts of the country. Even more disturbing are the frequent accounts of even larger discounts, as much as 10 percent or higher.

Now when discounts are prevalent in excessive amounts of this kind, lenders are actually exacting yields far in excess of the contract interest rate. For example, a 5-percent discount on an FHA 20-year loan with a 5 percent interest rate would raise the yield to the lender from 5 to 5.62 percent—or even higher if prepaid before maturity.

In the case of a 10-percent discount on a GI loan—which apparently is not uncommon—the yield to the lender is nothing short of scandalous. The yield to the lender on a 4½-percent GI loan with a 20-year maturity purchased at a price of 90—that is a discount of 10 points—furnishes a yield to the lender of 5.77 percent if held to maturity. If it is prepaid in 10 years, the yield is 6.09 percent. Remember this is the yield some lenders are obtaining on an absolutely ironclad guaranteed mortgage loan. I think that unless Congress takes some action to scotch this evil practice, we have an unconscionable scandal in the making.

There has been considerable controversy as to who bears the incidence of discounts. Some have argued that they are absorbed by the builders, but other experts believe that much of the cost is passed on through higher valuations or through a reduction in the quality of construction. When we are faced with discounts ranging up to 10 percent, we in the Congress cannot condone a situation in which a veteran or other home buyer may be forced to pay an additional $1,200 to $1,500 for his home, just so the yield to the lender can be swelled to 5½ or 6 percent.

Gentlemen, the time has come to place some form of restriction upon these discounts. The Housing Subcommittee and the Banking Committee considered a proposal which would rule out discounts entirely. We are in sympathy with such a proposal but we recognize that some measure of discounting is essential for a mortgage loan which carries a relatively low fixed contract rate. We recognize that discounts and premiums are a pricing mechanism which reflects market judgment of mortgage investments. We recognize that the price fluctuates depending upon the quality of the security, the geographic area, and other factors. We do not believe, therefore, that it would be wise to attempt to prohibit discounts completely.

Under the previous authority which existed from 1950 to 1954 to control discounts, experience has shown that an attempt to rule out discounts is just not workable. In 1953 after the GI interest rate was raised from 4 to 4½ percent, the Veterans Administration issued regulations banning discounts completely. This led to an impossible situation in which GI loans were just not obtainable in some parts of the country.

But at the same time we are convinced that action must be taken to guard against excessive discounts. We believe that the bill would achieve this objective.

Section 503 would authorize and direct the Federal Housing Commissioner and the Administrator of Veterans' Affairs to fix reasonable limits on the charges, fees, and discounts imposed by the lender upon the builder, seller, or purchaser in connection with FHA-insured and VA-guaranteed loans. Such limits may vary in accordance with the terms of the mortgage involved, the geographical area in which the housing is located, and such other pertinent factors as the Commissioner or the Administrator deems advisable.

We believe that some leeway in setting reasonable limits on discounts is essential. Historically there have always been variances in the cost of mortgage money as between different geographic areas, and also as between loans of different characteristics within the same geographic area. The bill would provide the administering agencies with necessary discretion in this regard.

I am aware that the control of charges and discounts in connection with the complex mortgage financing process is a difficult one. I am aware also that the history of the control of fees and charges under section 504 of the Housing Act of 1950—which section was repealed in the Housing Act of 1954—shows that the problem of enforcement is complicated by the many possible evasionary schemes and devices. At the same time I believe that, under the provisions of the bill, the administering agencies should have sufficient authority to make discount control effective. The committee urges the FHA Commissioner and the Administrator of Veterans' Affairs to formulate their controlling regulations in a manner which will discourage any violation, direct or indirect, of the permissible fees, charges and discounts. I am convinced that the existing authority to bar participation from the FHA and VA programs to lenders and builders who knowingly seek to violate FHA or VA regulations will act as a powerful force to assure compliance.

MORTGAGE CREDIT STUDY

Your Banking Committee is deeply concerned over the problem of maintaining a health home construction industry and in furthering home ownership for American families. We are concerned over the state of our housing inventory which finds millions of dwelling units in a substandard category. If the rate of production of new homes fails to continue in high gear, we are fearful that we will lose ground in our fight on slums and blight, and that an ever-increasing percentage of our housing stock will pass into a dilapidated and substandard status.

We are concerned over the effects of restrictive monetary policy upon the housing industry. Whenever credit is tightened, home building seems to be one of the first segments of our economy to suffer.

We refuse to accept the thesis that nothing can be done to solve the problems created by the tight money dilemma. We reject the thesis that vital and socially necessary forms of endeavor such as home building must be deferred infinitely. Something is fundamentally wrong if our economy cannot be permitted to meet the basic shelter needs of our people. We believe that too little thinking has been devoted to achieving some form of solution which, without encouraging inflation, will still permit vital industries such as the home building industry to grow and expand.

Accordingly, section 504 of the bill would authorize and direct the Administrator of the Housing and Home Finance Agency to conduct a study to determine, one, the extent to which the residential building industry is able to secure the mortgage credit, manpower, and materials required for the construction of residential housing of the types and in the quantities needed to satisfy the demand for such housing; and two, the methods and policies by which such industry, without aggravating the overall proble of controlling inflation, may attract a greater share of available mortgage credit, manpower, and materials.

We urge that this study be conducted in a dispassionate manner free from preconceptions. Every possible attack on the problem should be explored and weighted. Findings of the study would be reported to the President and the Congress not later than January 31, 1958.

FARM HOUSING RESEARCH

Last but not least the bill would set up a constructive program of farm housing research with the basic objective of finding how to provide more attractive and more functional farmhouses at a lower cost. Many people fail to realize that slum conditions and inferior housing are by no means unique to our urban centers. They also plague our rural areas. If some way can be found to produce better farm housing more efficiently at a lower cost, we will have achieved a great step forward in our efforts to improve the farm housing in our Nation.

Under the bill the research would be conducted by land-grant colleges, and the costs involved would be financed by grants to such colleges by the Housing and Home Finance Administrator. These colleges have the experience and staff to proceed with the research program so that the fruits of the research can be brought to bear upon the farm housing problem with the least possible delay.

The total grants could not exceed $300,000 a year for the next 2 fiscal years. We believe that this is the minimum period and the minimum sum necessary to conduct a worthwhile and effective farm housing research program.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the gentleman from Texas.

Mr. MAHON. I should like to discuss just for a moment, with the able gentleman from Alabama, a policy problem. We have been struggling to cut the present budget as much as we safely could. We have made reductions in appropriations of $1.1 billion. In granting obligational authority above the President's budget, if we approve this bill and add to it additional increases above the budget heretofore in this session, we will have wiped out all of the reductions we have made in the President's request for new obligational authority. When the budget review statement is prepared at the end of this session, if it should be prepared after the fashion of this bill, it would show that we have not reduced the President's budget from the standpoint of obligational authority, which is the figure that will be quoted in the newspapers as compared with the budget estimates. In this bill we provide—and I do not know whether it is good or bad and I am not complaining, but I thought this very well might be explored—an increase in obligational authority of the Federal National Mortgage Association of $900 million above the request of the President. As shown in the President's budget at page 321 the amount requested was $1,700 million. In this bill, as is pointed out in your report on page 9, it is shown at $2,600 million. Last year Congress would have reduced the President's budget except for the fact that we in the Congress increased the obligational authority in areas somewhat comparable to this. We exceeded the Presidents' budget last year by about $2 billion. As a bookkeeping proposition and as a matter of protecting the economy record of the Congress, I am concerned about this problem. I would like to have a general observation, by the able gentleman from Alabama who does a wonderful job in making presentations to this House, in regard to this subject which I think will trouble all Members of the Congress.

Mr. RAINS. I will say to the gentleman from Texas first, that I am not as expert as he is on the budget and on the appropriations. But, the gentleman raises a very vital point. I would like to point out 2 or 3 things. First of all, the amount the gentleman referred to in the pending committee bill includes a $50 million authorization for FNMA which was already passed by the Congress sometime ago. I would like to say secondly, the bill which my good friend, the gentleman from Iowa, is about to offer has $250 million more—in authorizations than we have in the committee bill. I see my colleague, the gentleman from Ohio [Mr. ASHLEY], says I am speaking too fast and that it has $500 million more in view of the fact we have stated that we shall not oppose the elimination. If the gentleman will permit me, I need to go a little further. I think I made the case for housing as being necessary.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield.

Mr. SPENCE. Is not the authorization for Fanny May the authorization of an investment rather than the authorization of an expenditure?

Mr. RAINS. The gentleman from Kentucky is absolutely right, but the gentleman from Texas was inquiring of me about the obligational authority of the Government. It is not an expenditure. This involves debentures that are sold by the Federal National Mortgage Association for the purpose of buying mortgages. That is what it amounts to. It is not a direct budgetary appropriation.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield.

Mr. MAHON. The gentleman is right. This money is not a direct appropriation as our Appropriations Committee bills are. But our problem is that when it is all tallied at the end of the year, it will be tallied generally in terms of obligational authority and will show us in a bad light. I think it is unfortunate that we are wiping out through this bill, and one previous bill, all savings in obligational authority which we have made below the President's budget in action on the appropriation bills. Frankly, I wish we had some answer to it. I do not have the answer, but I wanted to present the problem for the consideration of the House.

Mr. RAINS. Of course, I understand the gentleman's question referred to obligational authority and not to a direct budget appropriation. Let me make a little further explanation, if I may.

Mr. MORRIS. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield.

Mr. MORRIS. Is it not true according to the statement that the gentleman

has already made that the actual cost to the taxpayers would be one-half of 1 percent? According to the previous statement that the gentleman has made, is not that the fact in view of the history of the loans on FHA?

Mr. RAINS. That is true of FHA. But, that does not necessarily speak of the operation of the Federal National Mortgage Association.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield.

Mr. PATMAN. Is it not also true that the testimony disclosed that if you fix the interest rate at 5 percent there is no assurance that there will be available money unless you use the National Life Insurance Company?

Mr. RAINS. I cannot say the testimony showed that. The mortgage brokers said there would be available credit at 5 percent. I doubt that. I do not mind telling the gentleman that credit at 4½ percent carries with it a terrific and vicious discount.

I would like to say that this is a bill projected to reach the need of the home building industry, to stay the inflationary impact; to help the veterans, and to have some modicum of control over the vicious discount racket.

Later on I hope I will have an opportunity to get more time so that I can yield for further questions.

The CHAIRMAN. The time of the gentleman from Alabama [Mr. RAINS] has expired.

Mr. TALLE. Mr. Chairman, I yield myself 30 minutes.

Mr. Chairman, I have always considered it a great privilege to serve in the House of Representatives, and I have always considered it a great privilege to work with capable chairmen.

When I was first assigned to serve on the Committee on Banking and Currency, the gentleman from Alabama, the late Henry B. Steagall, was chairman. I remember the first day I sat down at the end of the line. He came over to shake hands with me, and said, "What do you think about the Commodity Credit Corporation?" I said, "Mr. Chairman, I was born and reared on a farm, and I remember the days when crops were rushed to market just after harvest time and prices went down because of the flood of heavy marketing." I said further, "I think the Commodity Credit Corporation is a most useful device for orderly marketing, and I am for it." The chairman said, "You and I will get along all right." And we always did.

I am sorry that his life ended within that year, 1943. But following his service our present chairman, the gentleman from Kentucky [Mr. SPENCE], became the leader of the Committee on Banking and Currency, and I want to say that he is a worthy son of the great State of Kentucky.

Sometime when you have leisure for a little reading I suggest that you examine the speeches made by the gentleman from Kentucky, Mr. SPENCE. You will find that he uses excellent English.

I enjoyed my service, of course, as a subaltern when Congressman Jesse P. Wolcott was chairman during the 80th and 83d Congresses. Between us there sprang up a very dear friendship, and our relationship was always most pleasant.

And I want to say, Mr. Chairman, that it has been a genuine privilege to work with the gentleman from Alabama, Mr. ALBERT RAINS, not only on the committee as a whole but as a member of the subcommittee of which he is chairman. He is able, efficient, energetic, and agreeable to work with. There has never been any heat generated in our dealings in connection with any aspect of the work done by the Committee on Banking and Currency.

Now, Mr. Chairman, may I turn to the matter at hand.

A short time after this year's housing bill, H. R. 6659, was ordered reported by the committee, it became apparent that a rather sharp jurisdictional conflict would develop over three of the provisions included in the committee bill. The Veterans' Affairs Committee took official notice of these provisions and voted to oppose them on the ground that the subject matter invaded the jurisdiction of the Veterans' Affairs Committee. These provisions are, one, the provision creating a special veterans' housing program within the FHA; two, the provision permitting the transfer of a billion dollars of the veterans' life insurance fund from investment in Government bonds to investment in mortgages; and three, a provision establishing authority for discount control which the Veterans' Committee interpreted as introducing into the VA home loan program a mechanism for varying the effective interest return on GI home loans.

At the time the committee bill was reported, there were certain other changes which I personally felt it would be desirable to make in the bill and I contemplated doing so by amendment procedure. At about that time figures were released on housing starts for the month of March. These were rather disappointingly low indicating production at an annual rate of only 880,000 units. It seemed inevitable to me that this indicated low level of housing production would have an impact on floor action with respect to liberalization of FHA down payment requirements as well as the provision for Federal National Mortgage Association operations in home mortgages. Particularly would this be true when coupled with the prospect of the deletion from the bill of the special veterans program in FHA and the deletion of the authority to invest a part of the veterans life insurance fund in mortgages.

Housing legislation has become rather complicated legislation. As we have learned in other legislation an amendment which, standing alone, seems desirable may often have other impacts not anticipated. When there has been time to study the impact of the amendment in relation to other provisions in the housing laws, these unexpected impacts come to light. Accordingly, it seemed to me there was considerable merit in developing a carefully thought-out substitute measure which could be offered as a complete amendment rather than to proceed along the lines of a whole series of individual amendments. To accomplish this purpose, on April 18, I introduced a new housing bill, H. R. 7024, and in connection with my remarks in the RECORD of that date I supplied a short section-by-section statement of the provisions of that bill. These appear on pages 6024–6026 of the April 18 CONGRESSIONAL RECORD. I introduced this bill and inserted the explanation in the RECORD prior to the Easter recess in order that all Members of the House might have ample opportunity to study the measure and have available material which they could discuss with constituents at home should the occasion arise. What does the substitute do?

The substitute resolves the committee jurisdiction question by eliminating the three provisions to which the Veterans' Affairs Committee is taking exception. Recognizing that the deletion of these provisions very appropriately called for changes in other provisions of the bill, careful attention was given to that problem. A liberalized FHA downpayment schedule is provided which falls between the nonveteran proposals and the veteran proposals included in the committee bill. An increase is provided for the Federal National Mortgage Association secondary market-purchase authority, in view of the deletion of the use of a part of the national service life insurance fund for the purchase of mortgages.

The new substitute bill is patterned after the committee bill. It contains five titles as does the committee bill and in each case the subject headings of the titles are the same. The committee bill contains 27 sections; the substitute, 25 sections. Seventeen sections in the substitute consist of verbatim provisions in the committee bill. In two other sections of the substitute, the provisions are almost verbatim those contained in the committee bill except that in each case a very minor change has been made which is of a clarifying nature rather than in any way affecting the substance of the sections. That leaves six sections in the substitute in which there have been changes or partial changes made in the provisions of the committee bill. Rather than cover each provision of the substitute I think it might be helpful if at this point I would discuss the substitute title by title indicating the changes made and the points of similarity.

TITLE I—FHA INSURANCE PROGRAMS

LOWER DOWNPAYMENTS FOR SALES HOUSING

The principal sales type mortgage insuring section of the FHA is found in section 203 (b) of the National Housing Act. Under existing law the FHA may insure a mortgage under that section up to 95 percent of the first $9,000 of value plus 75 percent of the excess value up to a maximum loan of $20,000. The committee bill provides for a liberalization in these loan-to-value ratios so that for a nonveteran, a mortgage could be permitted up to 96 percent of the first $10,000 of value, 80 percent of the next $6,000 of value, and 70 percent of the excess up to a maximum mortgage amount of $20,000. In the case of a qualified veteran the provisions of the committee bill would permit the loan-to-value ratio

to be 98 percent of the first $10,000 of value, 90 percent of the next $6,000 and 85 percent of the excess value of a maximum mortgage up to $20,000. In consideration of the fact that the substitute treats nonveterans and veterans alike, a loan-to-value schedule is provided, which on houses above $10,000 in value, falls in between the limits provided in the committee bill.

Under the substitute the loan-to-value schedule provides ratios of 96 percent of the first $10,000 in value, 90 percent of the next $6,000 of value, and 70 percent of the excess value up to a maximum of $20,000.

The difference between the permitted percentage of loan to value and 100 percent, of course, represents the minimum downpayment required in the case where the sales price equals the FHA valuation. Stated in terms of minimum downpayment requirements, therefore, the committee proposal for nonveterans amounted to 4 percent of the first $10,000 of value, 20 percent of the next $6,000, and 30 percent for the excess. For veterans the downpayment proposal was 2 percent of the first $10,000 of value, 10 percent of the next $6,000 of value, and 15 percent of the excess. Under the substitute where veterans and nonveterans are treated alike, the downpayment proposal is 4 percent of the first $10,000 of value, 10 percent of the next $6,000 of value, and 30 percent of the excess. It will be noted, therefore, that the substitute retains the committee percentage—4 percent—up to the first $10,000 of value, then adopts the veterans' proposal that on the next $6,000 of value only a 10-percent downpayment be required, and finally drops back to the committee proposal for nonveterans that a 30-percent downpayment be required on the balance in excess of $16,000. The liberalization in the substitute occurs primarily within the $10,000 to $16,000 price range which is where the bulk of the housing production occurs today.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. TALLE. I yield to the gentleman from Connecticut.

Mr. MORANO. That will help me in my area, because there is where we cannot build a house under that price range. That is a very important provision as far as I am concerned.

Mr. TALLE. I thank the gentleman. That was the consideration that motivated me and others to make this change.

It might be of interest to give a few specific examples. On a $10,000 house under the committee proposal the minimum downpayment would be $400 in the case of nonveterans and $200 in the case of veterans. Under the substitute the downpayment would be $400 for veterans and nonveterans alike.

On a $12,000 house under the committee proposal the minimum downpayment for nonveterans would be $800 and for veterans $400. Under the substitute the requirement would be $600.

On a $14,000 house under the committee proposal the minimum downpayment for nonveterans is $1,200 and for veterans $600. Under the substitute the figure would be $800.

On a $16,000 house under the committee proposal the minimum downpayment for nonveterans is $1,600 and $800 for veterans. Under the substitute the requirement would be $1,000.

On a $20,000 house under the committee bill the minimum downpayment requirement for nonveterans is $2,800 and $1,400 for veterans. Under the substitute the requirement is $2,200.

On a $25,000 house a minimum downpayment of $5,000 is required by both veterans and nonveterans under the committee bill and a similar payment is required under the substitute.

Inasmuch as these downpayment requirements result from the application of different percentages to different brackets of value, it is helpful to have a table showing the resulting downpayment requirements. For the convenience of the Members, on May 6 (last Monday) I inserted in the RECORD a table showing the minimum downpayment requirements under existing law, under the committee bill, and under the substitute for houses valued from $6,000 to $25,000.

Mr. ALGER. Mr. Chairman, would the gentleman yield for a question?

Mr. TALLE. Briefly.

Mr. ALGER. I should like to ask with reference to rental units, would a 2-rental unit costing $23,000 require a $3,100 downpayment?

Mr. TALLE. I would appreciate it if the gentleman would turn to the table I inserted in the RECORD. I have so little time, and I should like to proceed with my statement. The table is in the RECORD of last Monday.

Reference to that table clearly shows that the downpayment requirements under the substitute fall between those required under the committee bill for nonveterans and for veterans. It has been stated by some who advocate the committee bill that the substitute proposal is too liberal. I find it hard to rationalize such a statement for the reason that up to the point where the maximum mortgage becomes the controlling factor in the downpayment, the substitute proposal is in no instance as liberal as that proposed for veterans under the committee bill. It is true that above the $10,000 value figure the new proposal is more liberal than that in the committee bill applicable to nonveterans. Before one would say which proposal is more liberal it would be necessary to know not only the price brackets within which the houses are built, but also the proportion of houses going to the veteran and nonveteran groups.

Since over the past 2 years there have been approximately 3 housing starts under the VA program for every 2 housing starts under the FHA program, I would suspect that it would work out on an overall basis that the substitute proposal would not be quite as liberal as that contained in the committee bill.

As previously noted the bulk of sales-type housing is insured under FHA section 203 (b). However, some sales-type housing is insured under other provisions of the act. Sales-type housing may be insured under section 203 (i) in outlying urban areas; under section 220 in urban renewal areas, and under section 222 for servicemen.

In view of the fact that liberalization is provided in FHA section 203 (b), the principal sales housing insurance section, it seemed desirable also to provide appropriate liberalizing changes in the insuring sections relating to other sales housing programs.

Sections 101 through 103 of the substitute bill contain these provisions. The committee bill in section 102 contained a provision under which the Commissioner could deny FHA insurance on any house less than 1 year old which did not have FHA approval prior to the beginning of construction. Existing law permits the insurance of such a house at a reduced loan-to-value ratio. The substitute retains the approach of existing law in that such a house cannot bear a loan-to-value ratio greater than 90 percent of the first $10,000 of value as contrasted with 96 percent applicable to new housing inspected by FHA.

Sections 104 through 110 of the committee bill amend miscellaneous provisions relating to FHA insurance programs. Identical sections appear in the substitute and I shall not bother to discuss them as the provisions are treated in the committee report.

Now, I turn to title II, the secondary mortgage market, the section that deals with FNMA.

Section 201 (a) of the substitute retains one of the provisions of the committee bill, namely, that a 2 percent top limit be placed upon the stock subscription which FNMA may require from a user of the secondary market facilities. The substitute deletes the other provision contained in that subsection of the committee bill which would prohibit FNMA from requiring a purchaser of an advance commitment under the secondary market operation to subscribe to one-half of 1 percent in FNMA stock. Should the holder of the commitment sell the mortgage to the secondary market, he would then be required to purchase only 1½ percent additional stock which places him on exactly the same basis as any other user selling a mortgage to FNMA under the secondary market operation.

Mr. BROOKS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. TALLE. I yield.

Mr. BROOKS of Louisiana. I want to ask whether there are any changes from the committee bill in the substitute in reference to the military housing provision under FNMA, and then later on under the military housing, title IV.

Mr. TALLE. No. The provisions are identical, except for a minor change which I will explain later in my statement.

The holder of a commitment, of course, has tied up a definite amount of FNMA's purchase authority. FNMA takes the position that he is in fact a "user" of the secondary market facilities and as a user he should participate in bringing private capital into the secondary market operation. As Members know, the purpose is ultimately to make FNMA a private secondary market. Good progress has been made in that direction and progress is proceeding from day to day. I think that is a sound concept, and certainly

the requirement is a most reasonable one.

Sections 201 (b) and (c) of the committee bill relate to an increase in the borrowing operations of FNMA for secondary market purposes. These subsections provide for an increase of $100 million in the Treasury subscription to FNMA preferred stock. Since FNMA may borrow 10 times its stock and surplus the effective increase in borrowing authority for secondary market operations is 10 times this amount or a total of $1 billion. Inasmuch as the substitute does not include the proposal to use a billion dollars of the national service life insurance fund for the purchase of mortgages, it was believed it would be advisable as an alternate to further expand the mortgage purchase authority of FNMA's secondary market operation. This is accomplished in section 201 (b) and (c) of the substitute by adding an additional $50 million to the amount of the authorized subscription which the Secretary of the Treasury may make to the preferred stock of FNMA.

May I interrupt myself at this point to say that FNMA is a corporation, and it has been a matter of conversation with me and the management of FNMA that stock might be entered as authorized on their books, but a distinction should be made between stock authorized and stock actually issued. I believe that accounting procedure will be put into practice.

At the 10-to-1 borrowing ratio this, of course, means that the purchase authority of FNMA under its secondary market operation would be increased by half a billion dollars more than the amount provided in the committee bill. The $1.5 billion mortgage purchase authority for FNMA contained in the substitute, therefore, compares with the $2 billion mortgage purchase authority provided in the committee bill. I recognize, of course, what the chairman of the subcommittee has said, that as an individual he is willing to delete the NSLI section, but it is still in the committee bill. This $2 billion was made up of $1 billion increase in FNMA and $1 billion use of national service life insurance funds.

Section 202 of both the committee bill and the substitute relate to FNMA backstop authority to borrow from the Treasury. The substitute contains $½ billion more of such authority than is contained in the committee bill and, of course, is a conforming change to $½ billion additional mortgage purchase authority provided by section 201 of the substitute. It is the existence of the Treasury backstop borrowing authority which in a large part enables FNMA to sell its obligations in the private market. Other than on an accommodation basis and to gear its financing operations with Treasury operations, FNMA turns to the private market for most of the borrowings used in secondary market operations.

Section 203 of the substitute retains the same amounts provided in the committee bill for increases in FNMA special assistance operations, namely, an increase of $250 million in the general special assistance authorization and of $300 million for military housing mortgages. The substitute omits subsection (a) and subsection (b) of section 203 of the committee bill which respectively would have required permanent par purchase of special assistance mortgages and placed a maximum limit of 1 percent on the fees and charges that could be made in connection with such special assistance financing. Under existing law FNMA is required to pay not less than 99 for special assistance mortgages and has freedom to set fees and charges at reasonable levels with a view to maintaining the special assistance operations on a self-sustaining basis. Mortgages purchased under the special assistance function include those for cooperative housing, urban renewal, military housing, disaster housing and housing in the Territories and possessions. Although the committee report refers to these as fledgling programs it is of interest to know the figures demonstrate these mortgages have considerable acceptance in the private market. For instance up through January of this year FHA had issued $615 million of commitments in connection with these programs. However, the commitments which FNMA had issued in connection with these mortgages only totaled $146 million. It would appear, therefore, that the private market was willing to supply $3 of financing for every dollar which FNMA was called upon to commit for these mortgages. Restricting FNMA as to the purchase price and fees and charges in connection with these programs would only mean a shift in the financing of these projects from the private market to the Government and I can see no reason, in these times particularly, why we should be deliberately throwing the additional financing burden on the Government.

Section 204 of both the substitute and the committee bill are identical provisions relating to FNMA payments in lieu of taxes.

Section 205 of the committee bill was the provision under which a billion dollars of National Service Life Insurance funds would be shifted from investment in Government securities to investment in mortgages. Minority views beginning on page 67 of the committee report No. 313, rather fully discuss the fallacies and undesirability of this proposal.

Mr. ADAIR. Mr. Chairman, will the gentleman yield?

Mr. TALLE. I yield briefly to the gentleman.

Mr. ADAIR. Then, do I understand the gentleman to say that in the proposed substitute there is no proposal for the use of NSLI funds whatsoever?

Mr. TALLE. The gentleman from Indiana is completely correct.

Mr. ADAIR. I thank the gentleman.

Mr. TALLE. I commend these views to your attention and I believe that after you have considered them you will agree it would be most unwise ever to initiate such action setting a precedent for the investment of trust funds administered by the Government in anything other than United States Government securities. That section is omitted from the substitute and I sincerely hope it will not ever reappear in any manner, shape, or form.

TITLE III—SLUM CLEARANCE AND URBAN RENEWAL

There are three sections in this title of the committee bill. The same identical three sections appear in the substitute. These provisions of course are fully discussed in the committee report and relate to, first, an increase in the urban renewal grant authorization of $250 million; second, urban renewal relocation payments; and third, a conforming amendment so that local grants-in-aid under the urban renewal program will be handled on the same basis for projects initiated prior to the Housing Act of 1954 as for those projects initiated after passage of the Housing Act of 1954.

TITLE IV—MILITARY HOUSING

This title of the committee bill contains four sections. Three of the sections included in the substitute are identical with those contained in the committee bill. In the other section the only change is a very minor one making floorspace criteria applicable to the planning stage, rather than to the construction stage of a project. These four sections which are discussed in the committee report relate to, first, extension of the military housing program to June 30, 1959; second, application of the average mortgage limitation per unit; third, conformity of floorspace limitations under the FHA military-housing program with those applicable for appropriated fund housing; and fourth, modification of the Wherry acquisition formula with respect to treatment of physical depreciation.

TITLE V—MISCELLANEOUS

COLLEGE HOUSING

Section 501 of the committee bill relates to college housing. The three subsections of that section provide for, first, a $150-million increase in lending authority; second, a change in the interest-rate formula for college housing loans under which the program will be put on a self-sustaining basis; and, third, provision for the changed interest-rate formula to become effective with respect to applications filed after March 15, 1957. In connection with this last item, it may be recalled the bill proposing the change was introduced on March 14, 1957, and became general knowledge when it became available on March 15. The substitute contains these same three subsections in identical language.

VOLUNTARY HOME-MORTGAGE CREDIT PROGRAM

Sections 502 of both the committee bill and the substitute extend the Voluntary Home Mortgage Credit Program to July 31, 1959.

DISCOUNT CONTROL

Section 503 of the committee bill sets forth authority for the Federal Housing Commissioner and the Administrator of Veterans' Affairs to control discounts at all levels on FHA and VA mortgages, respectively. Presently discounts are controlled with respect to the purchaser, but latitude exists with respect to other parties to the transaction. As previously noted, this is one of the provisions to which the Committee on Veterans' Affairs has objected on the basis that it would authorize a flexible interest return on GI home mortgages. For instance, on a 30-year 4½-percent mortgage, if a discount of 5½ points is permitted, that mortgage will actually yield 5 percent if held to maturity. This provision is not included in the substitute bill.

I full well realize this subject might become a point of considerable discussion. It is a subject upon which there could be much political flag waving if, and I emphasize the if, a person is willing to close his eyes to the economic facts of life and treat political responsibility lightly.

Discounts are as old as interest. As a matter of fact discounts are interest. The discount procedure is extensively utilized both in commercial and governmental finances. As a matter of fact, approximately $80 billion of our national debt is financed on a discount basis. I refer, of course, to Treasury bills and savings bonds where there is no coupon interest payment, the interest return consisting solely of the difference between the price at which the holder purchases the security and the price at which it is ultimately redeemed by the Government. All United States savings bonds are sold on a discount basis. The purchaser of a $100 savings bond only pays $75, a discount of 25 percent. However, in order to get that redemption value of $100 the holder must wait 8 years, 9 months. In other words this discount will be amortized over this period with the result that on redemption date the holder will have received an equivalent interest return of 3.26 percent on his investment.

When we are in a period in which the fixed rate on a Government assisted mortgage is not an effective rate, lenders insist upon discounts as a means of augmenting the interest return on that investment. When the money market eases and the fixed mortgage rate again becomes effective in attracting investment funds the discounts disappear and we, of course, have been through periods when even premiums appeared on such mortgages. In early 1955 the rate was so effective that purchasers under the GI home program not alone did not have to pay any discounts; they could even finance closing costs and moving expenses out of mortgage proceeds. This was known as the no-no-no-down payment period.

The Congress has had considerable experience with this problem. Back in 1953 the VA attempted to put into effect a tight discount control provision at all levels in the transaction. This so impeded the GI home loan program that within less than a month and a half the Congress took corrective action allowing the discount mechanism to function at other than on the purchaser level.

I think we want to be very careful in anything we attempt to do on this question. To the extent that we would be successful in ruling out discounts at all stages of the transaction, in this market, we would simply be shutting off the flow of mortgage funds. Under the guise of helping home buyers, we would actually be denying prospective purchasers the opportunity to acquire a home.

We do not look askance at the use of the discount mechanism in selling our Government savings bonds. Everyone accepts the fact that the discount performs an economic function. We should not close our eyes to the fact that discounts perform an economic function in the mortgage credit field just as they do in the savings bond investment field. This section of the committee bill is not included in the substitute.

MORTGAGE CREDIT STUDY

Section 504 of the committee bill authorizes the Housing and Home Finance Administrator to conduct a mortgage credit study. An almost identical provision appears in section 503 of the substitute, the only difference being that under the committee bill the Administrator was to submit his report on the study on or before January 31, 1958, whereas the substitute provides that such study shall be submitted on or before April 30, 1958.

FARM HOUSING RESEARCH

Section 505 of the committee bill authorizes farm housing research be carried out by land-grant colleges with modest assistance from the Federal Government. An identical section is included in the substitute and appears as section 504 of the bill.

Mr. Chairman, this completes my analysis of H. R. 7024, the substitute bill, which I will offer as an amendment at the proper time.

In conclusion, it seems appropriate to say a word about the meaning of housing to each individual and to each family in our great land. One of my favorite poet-philosophers long ago supplied the words with which I will close:

"A man's chimney is the golden milestone from which he measures every distance in the great world about him."

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Oregon [Mr. PORTER].

Mr. PORTER. Mr. Chairman, I rise to comment on the obvious need for passage by this House of H. R. 6659, the omnibus housing bill which has been prepared for our consideration by the Committee on Banking and Currency. Let me say that while this bill falls short, in my thinking, of meeting the pressing needs in the housing industry, it will bolster the sagging economy of this Nation's most dynamic industry. H. R. 6659 is the least this House can offer as aid to the lumber industry and its allied fields. I can only hope that Congress in its wisdom will take a more liberal view in future sessions.

There are portions of this proposed legislation which I feel should be emphasized.

The Housing Act of 1957, as introduced by Mr. SPENCE, my honored colleague from Kentucky, takes into consideration that the housing industry has fallen nearly 20 percent behind 1956 figures and that construction is at the lowest rate in 8 years. All of you are aware of what has taken place in the field of veterans' housing. The low-interest rate has been ignored. The money lenders have climbed aboard those lending wagons where a 5-percent interest rate or higher is offered. GI housing has come to a dismal standstill.

H. R. 6659 would allow for veterans' preference under the Federal Housing Administration's home-mortgage-insurance program. Simply the veteran would pay half the sum charged a nonveteran and both the veteran and nonveteran would pay less than current FHA required amounts. Committee members have expressed belief that such an arrangement would take up the slack created in housing demand by the lack of money for GI loans. They feel this arrangement would sustain a healthy rate of housing construction and yet would not overinflate the housing sector of the economy.

This proposed legislation does not eliminate the present GI loan program. And, if a marked change in the mortgage-market conditions occurs, that vital and well-worked-out program could, indeed, have a rebirth.

What about interest rates? The veteran would pay no more than 5 percent per annum. As you know, currently the FHA Commissioner has discretionary authority to adjust maximum interest rates up to 6 percent yearly or higher. This would not apply to veterans under H. R. 6659. Nor would the veteran have to pay an insurance premium.

My position has been and continues that it is preferable to support the GI rate at 4½ percent with the aid of a Government-loan program; however, it is evident that Congress is not so inclined, and now, as veterans must use the FHA program, I feel I can be logical in supporting this major feature of the bill.

Slum clearance, the removal of those so-called homes that no human being should ever have to live in, would be pushed by this legislation. H. R. 6659 provides for $250 million for clearance. I consider that amount to be a minimum and hope this House will approve and join with the Senate's thinking that a 4-year program of slum clearance is needed. The Senate proposes $250 million each year.

Happily, college housing loan authorization would be increased by $150 million under H. R. 6659. This is $25 million more than the administration's request. I cannot agree however that the interest rate be upped from 2⅞ to 3½ percent. This can only be passed along in the form of higher rentals.

I believe the committee should be complimented for the manner in which it has brought out language under title V which recognized the obvious need for stringent discount controls. I regret that discounts cannot be outlawed entirely.

H. R. 6659 wisely recognizes the need for assistance to the industry in the secondary mortgage market area. A major objective of title 2 of the bill is to help the flow of mortgage credit into the housing field.

Funds available for the purchase of mortgages under the Federal National Mortgage Association would be increased by $1 billion. This would increase FNMA's secondary market operation obligations to $2.6 billion.

I want to commend the committee for preparing proposed legislation which would authorize the Secretary of the Treasury to invest up to $1 billion of the World War II national service life insurance funds for investment in GI home

loans. In all honesty, I must say that H. R. 6659 does not, in my belief, go far enough in meeting the housing crisis. There are, for example, no provisions for increased public housing.

As the administration apparently does not feel inclined to recognize fully the danger of the impending crash of a great industry, it is my belief this Congress must. In my State of Oregon, 80,000 workers are employed in lumber and wood products work. My State possesses nearly 26 million acres of commercial forest lands with a timber stand in excess of 396 billion board-feet.

Oregon produces 24 percent or nearly one-fourth of all lumber manufactured in the United States. Oregon has 11.71 percent of all covered workers, those who are employed by firms subject to the Oregon Unemployment Compensation Act, in this national industry; more than any other State in the Nation. Oregon shows less diversification of industry than other leading lumber and wood-producing States.

The housing boom of 1950, coupled with the wartime economy of the Korean crisis, showed Oregon employment in the field at 87,313 covered workers. Today, sadly, that figure is badly shaved. Today, fewer than 78,500 workers are counted in the field. And this information can be verified by the Oregon State Unemployment Compensation Commission, which is concerned by the tragic height of unemployment figures. I need hardly add that the major stands of timber in Oregon are found in the Fourth Congressional District which I represent and that unemployment there, as throughout Oregon, is a major problem.

My friends, the economy of Oregon is stifled by the acts of men who need be made aware of this dire economic situation which faces not only my State—but all States. The Honorable JOHN SPARKMAN of Alabama last week inserted a most cogent message from the editors of the magazine House and Home in the CONGRESSIONAL RECORD. It dealt directly with this housing dilemma. That insert of May 1 notes that the higher priced housing market, which uses conventional financing, is booming, but that while our economy in other areas expands, home building has been cut back 40 percent from an annual rate of 1,460,000 starts in December of 1955 to 880,000 in February of this year.

It states that the money crisis hit home building at the worst possible time—when the industry was making the difficult threefold, adjustment from a sellers' market to a buyers' market, from a market of first-time buyers to a market of second-time buyers, from a market whose first need was cheaper houses for young veterans with little money to a market whose first need was better housing for families whose rising income lets them afford a more expensive home.

It points out this rich Nation is now 3 million homes short in catching up on need since 1930, that it houses its people in 6 million substandard homes and frankly concludes that America had better start facing up to the fact that there are presently also 33 million homes which will be of no use in 25 years.

Gentlemen, we are not even keeping up with the slowest horse in the race. How can we expect to win?

This giant housing industry and its allied industry totters now on the perilous brink of bankruptcy. We must not push it over. God help us and this Nation, if we do.

Mr. SEELY-BROWN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SEELY-BROWN. Mr. Chairman, I rise to discuss H. R. 6659, the Housing Act of 1957, and in doing so, I would like to say at the outset that I have two great concerns, which are in no sense incompatible. First, I would like to see every family in this country which desires to own its home be given every practicable and sound assistance which the Government and private enterprise can give to fulfill this ambition. Second, we must protect until maturity the investments which 22 million Americans made in national service life insurance, of which 5,400,000 policies now remain in force.

This proposed legislation is an omnibus bill. It is designed to meet a number of important objectives. One of its primary purposes would be to provide much-needed assistance to help restore a sound building industry by widening the market demands for homes and by improving the flow of mortgage credit into the housing field. Other objectives are equally important. This bill seeks to achieve better housing generally, to improve the present programs designed to combat slums and blight, and to provide special assistance to deserving and important specialized housing programs. I refer particularly to military housing and college housing.

Detailed discussion of the important provisions of the bill has already taken place. I wish to address myself at this time to one section of the bill to which I am particularly opposed. I refer to section 205, which would authorize the Secretary of the Treasury to invest up to $1 billion of the national service life-insurance fund in the proposed new FHA-insured veteran mortgages. I am one of the members of the committee who signed a minority report opposing this section. I sincerely hope that the House will strike out section 205 from the bill.

First, let me review a bit of legislative history. The national service life-insurance fund was created in 1940 as a result of legislative action by the Congress. This fund provided the financing mechanism for the World War II servicemen's and veterans' insurance program authorized by the 1940 act. Many of us who saw service in World War II participated in this program.

It is important to realize that this trust fund whose total assets presently amount to $5,764,000,000 will become a wasting fund. This is true because the issuance of new policies under the act was ended in 1951. Out of a total of more than 22 million policies issued under the act, only about 5.4 million now remain in force.

I would further remind you of certain basic provisions of the 1940 act. At that time Congress wisely provided that the Secretary of the Treasury, as trustee for the national service life-insurance fund should, and I quote, "Invest and reinvest such funds, or any part thereof, in interest-bearing obligations of the United States or in obligations guaranteed as to principal and interest by the United States, and to sell such obligations for the purposes of such fund."

That language remains unchanged. That investment authorization is specific. Every veteran holding a policy issued under the act has a right to expect that there will be no breaching of that commitment. Certainly every veteran policyholder has a right to expect his insurance fund will remain invested in the world's best security—a security upon which there has never been a default—the full faith and credit obligations of the United States Government.

As I have already stated, section 205 of the proposed bill—without amending the National Service Life Insurance Act of 1940—would authorize the Secretary of the Treasury to invest up to $1 billion of national service life-insurance funds in the new FHA-insured veteran mortgages. As I also stated earlier, this funding is a wasting fund. As a result, if these mortgages are to be purchased by the fund in any volume, the Secretary of the Treasury must sell United States Government obligations now in the fund to obtain the cash with which to purchase the mortgages—in contradiction to the terms of the 1940 act.

Another problem is also involved. I refer to the question of the price at which the Secretary of the Treasury would purchase these new type mortgages. The proposal gives the Secretary discretionary power or authority to purchase mortgages below par. He would then be in the position of deciding whether to prejudice the interests of over 5 million veteran national service life-insurance policyholders in order to help 100,000 veteran home purchasers.

The objections I have listed above are not only technical and complicated but also compelling reasons as to why this section should be deleted. There is in addition one more reason why I oppose this provision of the bill.

The use of the NSLI fund for purchase of mortgages would create a dangerous precedent. Today various governmental trust funds hold over $48 billion of United States Government securities. The largest of these funds is the Federal old-age and survivors insurance trust fund which presently holds over $22 billion in United States Government securities.

Once a start is made in diverting these funds to special loan activities, the pressure to tap other funds for so-called worthy purposes would become irresistible. These trust funds would end up financing all sorts of loan activities. All of us agree that no reservoir of untapped credit can be diverted to special loan programs without building up additional demands upon the credit market—or stoking even higher the flames of inflation which have driven up the cost of houses nearly 10 percent during

the past 2 years. Thus, I say to you, this provision of the bill will hurt the very groups this bill seeks to help.

In conclusion let me state that my objections to this proposed use of national service life insurance funds are not partisan in any sense of the word. The basic principles which I have outlined are reflected by the views of the Secretary of the Treasury under a Democratic administration as well as a Republican administration.

Mr. SPENCE. Mr. Chairman, I yield 30 minutes to the gentleman from Texas [Mr. TEAGUE].

Mr. TEAGUE of Texas. Mr. Chairman, the remarks I shall make will deal solely with the provisions of this bill which pertain to veterans. First, I have no apology to make to anyone for the action of the Veterans' Affairs Committee as far as veterans' housing is concerned, and I have no apology to make to anyone for the action of the Veterans' Affairs Committee staff for the work they have done as it pertains to veterans' housing. Our committee has done a good job and has worked hard on veterans' housing. Probably housing has taken up more of our time in the last few years than any other phase of the veterans' program.

This bill deals with veteran housing in three ways. First, it sets up a veterans' preference program in FHA. It provides that the national service life insurance fund will be used to help in the veterans' program, and it provides a discount control section as far as the veterans' program is concerned.

As soon as it was possible after the Congress convened, the Committee on Veterans' Affairs started hearings on veterans' housing. One of the first things we considered was national service life insurance. It is my belief that when we began those hearings probably a majorty of the committee was in favor of using national service life insurance, but after we had heard everybody that we could find who should know something about financing tell us that it was wrong, the committee finally voted national service life insurance down. The Committee on Banking and Currency decided that we did not know what we were doing, that the national service life insurance funds should be used, so they put it in their bill.

Mr. Chairman, the Committee on Veterans' Affairs for 2 or 3 years has been much concerned about discounts in the veterans' program. I introduced a bill which would prohibit discounts. Some other members of our committee introduced bills which would prohibit discounts. After we began our hearings I think every person who had been in favor of a bill prohibiting discounts changed their mind and decided that you could not prohibit discounts.

If the Members will turn today to the daily RECORD, page A3396, the last paragraph of a letter from the Federal Housing Administration says this about the discount control feature:

> I would like to also point out that the administration is opposed to the attempted control of discounts on FHA insured and veterans' guaranteed loans. Our testimony beginning on page 733 of the Housing Subcommittee hearings of March 15, 1957, clearly set forth our experience with discount controls under the Housing Act of 1950 and points out our reasons for objecting to their reenactment in legislation.

On page A3399 of the daily RECORD, the National Association of Home Builders, in the last paragraph of their letter, signed by Mr. George S. Goodyear, president, says:

> On discounts, we cannot agree that they should be controlled because we do not believe there is any feasible way to control them. The Housing Subcommittee last year recognized that discounts in some degree are unavoidable. The proposal to require FHA and VA to prescribe limits will have the effect only (1) of placing impossible administrative burdens on these agencies, and (2) making adherence to the strict letter of regulations and the law extremely difficult for the average builder and lender conscientiously trying to use these financing systems.

Certainly, the Committee on Veterans' Affairs has no objection to the Committee on Banking and Currency trying to do whatever it pleases on discounts as far as the FHA is concerned. Since our committee has met, has had hearings and voted on this, we do not think the Committee on Banking and Currency should attempt to do anything about discounts as far as the veterans' program is concerned.

The third feature in this bill, as far as I am concerned, is by far the most important. The Committee on Banking and Currency has come in here and said that it is trying to do the veterans a service, it is trying to give the veterans a break under FHA.

Well, is it not an odd situation when they come in here and say they are doing the veteran a service, yet every single veterans' organization opposes this feature; in fact, all veterans' features in the bill. So, it seems to me that if there was something in this bill that was good for the veterans, some veterans' organization or someone speaking for the veterans would be in favor of this provision in the bill, but there is not a single veterans' group that does not oppose the veterans' features in the bill. Most of those have been put in the RECORD, and we sent you blue sheets which give you excerpts.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Ohio.

Mr. ASHLEY. Do you not think, as a matter of fact, that the reason the veterans' groups take that position is because they have a special kinship for the Veterans' Administration and they do not want to see the jurisdiction of the VA encroached upon or jeopardized by the FHA? Certainly it cannot be said that under the VA program at 4½ percent interest there are going to be any homes built.

Mr. TEAGUE of Texas. Will the gentleman let me ask a question there? Why does the gentleman feel that way? I have a letter from the VA which says that there were 46,000 built in January, 35,000 in February, and 31,000 in March. Of course, we know that a great majority of those were prior commitments, but this letter tells us that there will be about 300,000 houses built if this is not changed at all, and that is the most important part in this whole thing, is the fact that 300,000 houses would be built at 4½ percent. We know discounts play a part, but still all of that will not be passed on to the veterans.

Mr. ASHLEY. It certainly will not, but that is certainly a problem. We have 8 percent discount on the west coast, and there are discounts all over the country, and it is just a question of time when the builder will not pick up the tab on that, and it is the experience of our committee that he has just about reached that point. And, when the chairman of this committee says that seasonal building is about 800,000 for the country at the present time, we are talking about a crisis in home building, and that crisis comes about as much as anything else—I am sure you will agree with this—because of the unattractiveness of the 4½ percent interest rate to those who might possibly be interested in investing in long-term mortgages. Is that not true?

Mr. TEAGUE of Texas. No; I do not think that is true. Does the gentleman know how many veterans' houses were built last year?

Mr. ASHLEY. I do know this, that the VA program in the last 5 years was responsible for almost 50 percent of the nonfarm housing starts, and this year it is just a fraction of that, and during the year I am talking about, 4½ percent was a pretty fair return. But, 4½ simply is not competitive today, and that is why your investors are finding conventional loans at 6 percent and even FHA much more attractive.

Mr. TEAGUE of Texas. Does the gentleman doubt the Veterans' Administration estimate that about 300,000 houses would be built under the present program unless they believed it and their appraisal indicated that?

Mr. ASHLEY. A good amount of this was in the nature of previous commitments.

Mr. TEAGUE of Texas. Last year there were about 475,000 veterans' houses built.

Mr. ASHLEY. Here is the point I am getting at. I am not talking about direct loans. I am talking about the fact that in Toledo, Ohio, for example, it is absolutely impossible to get a veteran's loan. The only thing that is available in Toledo, which is certainly a typical midwestern city, is the FHA.

Mr. TEAGUE of Texas. Let me give you the figures from the Cleveland office for January, February, and March. In 1956 there were 3,930 guaranteed or insured loans out of the Cleveland office. For the same 3 months in 1957, 3,279. So today you cannot say that there are no houses being built, because there are.

I would like to read four reasons the Veterans of Foreign Wars give for opposing these veteran provisions in this bill:

> The Veterans of Foreign Wars is opposed to the veterans preference provisions in the above captioned bill because (1) it covers legislative objectives that primarily come under the jurisdiction of the House Committee on Veterans' Affairs; (2) poses a threat toward the ultimate transfer of veterans' housing loans from the Veterans' Administration to the Federal Housing Administration; (3) takes a long forward step toward

increasing the interest rate on veterans' housing loans from 4½ to 5 percent; and (4) it makes available a substantial amount of the premium reserves of the national service life insurance funds for the purchase of FHA veterans preference 5 percent loans rather than the current 4½ percent veterans' loans.

The Veterans of Foreign Wars, as a matter of longstanding policy and National Encampment resolutions, is opposed to transferring jurisdiction over veterans' legislation from the House Committee on Veterans' Affairs; is opposed to the dismemberment of the Veterans' Administration by transfer of VA function to other Federal agencies; is opposed to an increase in the interest rate involving veterans' home loans; and is opposed to the use of NSLI funds for the purchase of veterans' loans other than the current 4½ percent loans.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from New York.

Mr. MULTER. The gentleman has referred to letters which were received from these national veterans' organizations. I think what the gentleman means is that these letters were written by the national officers of these organizations; is not that the fact?

Mr. TEAGUE of Texas. If the gentleman will remember, the national officers of the American Legion voted to increase the interest rate to 5 percent, but when the working people came to town, about a thousand of them, they repudiated that and voted not to increase the interest rate.

Mr. MULTER. That is right. That is the point that I want to make, that the veterans, whether they are in the American Legion or the Veterans of Foreign Wars or any of these other national organizations are opposed to the action of their national officers. Certainly the men in the city of New York are opposed to the action of their national officers as indicated by these letters. They want this legislation. But the men at the top have written to the gentleman from Texas and to other Members of Congress that they do not want it. But they are not talking for the veterans who want and who need the houses.

Mr. TEAGUE of Texas. Surely every veteran does not agree with what the national officers say, but I do not believe the gentleman can produce one iota of evidence to indicate that the veterans in the country as a whole want the legislation he is talking about.

Mr. MULTER. Mr. Chairman, will the gentleman yield further?

Mr. TEAGUE of Texas. I yield further.

Mr. MULTER. The entire division of Kings County of the American Legion, which takes in seven Congressional districts has taken the position unanimously representing the membership in Kings County, which is a large borough and a large part of the city of New York, in favor of this kind of legislation, and contrary to the action indicated by the letters of the national officers. I talked to members in other organizations in the Borough of Brooklyn—the Disabled War Veterans, the Veterans of Foreign Wars, et cetera—and they are all in favor of this kind of legislation. They say that this is the only way that they are going to continue to get any housing.

Mr. PATMAN. Mr. Chairman, would the gentleman yield?

Mr. TEAGUE of Texas. I would be glad to yield to the gentleman from Texas.

Mr. PATMAN. Mr. Chairman, I would like to know how the veterans can justify their opposition to the use of the national service life insurance fund when the law specifically says that the Treasury, as trustee for the national life insurance fund, shall "invest and reinvest such fund, or any part thereof, in interest-bearing obligations of the United States or in obligations guaranteed as to principal and interest by the United States, and to sell such obligations for the purposes of such fund."

In other words, what is proposed here is a Government bond, just as good as a Government bond that is now issued in the national life insurance fund. It is guaranteed as to principal and interest. Under the bill proposed, in the event of default, payment would be made immediately, so there would be no inconvenience, there would be no trouble. I wish the gentleman could explain anyone's reasoning, the reasoning of anyone in these veterans' organizations to show that it is good to have a United States Government bond that is issued directly by the Treasury, but it is not good to use a United States Government bond that is issued by the Treasury in some other way, not directly. One is made directly to the fund and the other is made to somebody else and later transferred to the fund. But it is guaranteed as to principal and interest by the United States Government. If the gentleman could explain that, I would appreciate that.

Mr. TEAGUE of Texas. The gentleman from Texas [Mr. PATMAN] certainly should know more about the financing operations of this country than I. As I said before, when our committee met, I think it was favorable to the bill which would use the NSLI fund. But the Secretary of the Treasury of this administration opposes it; the Secretary of the Treasury of the last administration opposed it. The Federal Reserve opposes it. The American Legion says that their rehabilitation commission, at their regular spring meeting of the national executive committee, the governing body of the American Legion, at the national convention held in Indianapolis, Ind., adopted a resolution unanimously strongly opposing the use of any further NSLI fund for mortgage purposes by either the VA or the FHA. So for sure there are a lot of people who disagree with the gentleman. I do not know enough about the finances of this country to know for sure whether there is anything wrong with this or not, but I know there are a lot of people who do think there is something wrong. I would prefer to be on the safe side and let that fund alone than take a chance on being wrong.

Mr. PATMAN. Mr. Burgess, Under Secretary of the Treasury, testified that if this fund were used for that purpose it would cause unwarranted and excessive speculation and expansion of bank credit, which would open wide the gates of inflation, and there would be no alternative; but that is not correct. Any investigation by the gentleman's committee will disclose that in the event of a threat of inflation there are several ways that are alternatives that could absolutely stop it. The Under Secretary was entirely wrong. They could increase the reserve requirements of banks, they could use the open-market operations, and they could immobilize reserves. There are a number of ways you could answer his statement. But that statement went unchallenged. I think the gentleman's committee just failed to go into it enough.

But may I say this, and I will not take any more of the gentleman's time, although he said he was not going to use it all, and I appreciate his yielding to me. No veteran can say it is wrong to use the national service life insurance fund for veterans to use their own money to help them build homes for themselves. The obligation that is put in that national service life insurance fund in the place of the obligation that is taken out is guaranteed by the same Government as to principal and interest. No one can consistently and logically argue against that, if I know anything about it at all.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. The distinguished chairman of the Committee on Veterans' Affairs, I think, has made a splendid statement of the position which his committee has taken with regard to this legislation. The gentleman well knows the interest I have had for a long time, although I am no longer a member of that committee, in the matter of meeting this problem of declining housing starts through some action to put more money into the secondary mortgage market. If this House should go along with the gentleman's position and delete from this bill the provisions which would provide national service life insurance funds for the secondary mortgage market, and if the rather optimistic predictions of the Veterans' Administration regarding this year's volume of guaranteed loans should prove to be overoptimistic, and the decline continues on through the latter part of 1957, would the gentleman be willing to reopen this question of using national service life insurance funds and take the matter up in his committee and consider it once again in the early part of the next session?

Mr. TEAGUE of Texas. As I have said before, I do not pretend to know all the answers concerning this national service life insurance fund. Our committee did have very complete hearings. I know for sure I do not have a closed mind and I do not think our committee has a closed mind, but if there is any evidence that it would be best to use this fund, and if the committee should have any desire to hold hearings again or take it up again, as chairman of the committee I will certainly do so.

Mr. EDMONDSON. I thank the gentleman.

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from California.

Mr. SISK. I should like to ask the distinguished chairman of our Veterans' Affairs Committee if it is not his understanding that the proposal in the present bill from the Banking and Currency Committee is that the national service life insurance funds be used, to be loaned at a rate of 5 percent, whereas we in our discussion and in our consideration discussed the use of those funds through the Veterans' Administration insured loan program at 4.5 percent? Would the gentleman comment on what I feel to be a very important question there, the fact that they are proposing that those funds be made available at 5 percent in preference to what we felt should be 4½-percent loans to veterans?

Mr. TEAGUE of Texas. As I remember, in our committee hearing certainly we agreed that if you are going to take the money and use it at all you should not use it at 5 percent but should use it at 4½ percent, if you use it at all.

Mr. SISK. That was the point I wanted to make. I feel it is rather important because I think actually if there are going to be uses made of national service life insurance funds they should be made through the Veterans' Administration program at the 4½ percent rate, which is still the going rate for veterans. Does the gentleman agree with me on that?

Mr. TEAGUE of Texas. I certainly do.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield.

Mr. McDONOUGH. It is interesting to find any argument to the effect that the funds should be used for only 4½ percent loans. If they can get 5 percent, it is a better investment and a bigger return. But the question that arises in the use of NSLI funds by the Treasury is the question of the security of the money. The question is whether a 5-percent loan on a mortgage on a home is any more secure than a Treasury note. Of course, there is the question of the character of the individual paying on the mortgage and the assurance that the house is going to last the length of time of the loan as compared to the Treasury note. But the question of 4½ percent against 5 percent—certainly, you want to get a greater return on your money than 4½ percent, if you can get it.

Mr. DEVEREUX. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield.

Mr. DEVEREUX. The thing that disturbs me very much should we adopt this original bill and borrow the money from the NSLI is what would happen? Would the Government then have to go out and borrow more money because the Government has already borrowed that money from these insurance funds.

Mr. TEAGUE of Texas. That was the testimony of Mr. Burgess that the Government would have to go out and borrow more money.

Mr. DEVEREUX. And that would increase our debt and increase our expenses and so on.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield.

Mr. O'HARA of Minnesota. Would it not be true that these funds which are paid into the NSLI funds are certainly in the nature of a trust fund for repayment to the veterans for life insurance and, therefore, there is certainly imposed on these funds a somewhat different character than the usual Treasury certificate which would be issued? And would it not also be true that investing these funds in long-term mortgage loans would involve a considerably different situation, if it came to the matter of the liquidation of those loans in the event of need for that money as compared to short-term Treasury certificates which might otherwise be in the fund. Is that not true?

Mr. TEAGUE of Texas. I think it is true. Of course, the NSLI fund is a fund that is diminishing. It is not increasing.

Mr. RAINS. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas.

Mr. RAINS. Was the gentleman present earlier when I was making my opening statement, when I said in the light of the opposition which has developed and in the light of the fact that I have been told by senior members of my committee that since your committee held hearings on it and that there could possibly be an infringement, I would interpose no objection to the striking of the NSLI fund?

Mr. TEAGUE of Texas. I was present and, of course, as I told the gentleman, this is by far the least important part.

Mr. RAINS. That was my next question. Would the gentleman support the committee bill if the NSLI fund was cut out?

Mr. TEAGUE of Texas. Unless the provision which sets up a veterans' preference is cut out, I intend to vote against the bill. If it is cut out, I intend to vote for the bill.

Mr. RAINS. The gentleman does not contend that the Committee on Veterans' Affairs has any jurisdiction over FHA funds; does he?

Mr. TEAGUE of Texas. Of course not.

Mr. RAINS. And the gentleman does not contend that any committee of the Congress exercising jurisdiction over subject matters that the committee is supposed to exercise jurisdiction could institute a veterans' preference; does he?

Mr. TEAGUE of Texas. Certainly, not.

Mr. RAINS. I have great admiration for the gentleman's viewpoint and I am sorry to be in disagreement with him because I know he wants to do something for the veterans. I would like to say that is exactly what I am trying to do. I believe the gentleman will agree with me—he says I am misinformed—I do not much think so—but the veterans are now eligible to obtain FHA loans; are they not?

Mr. TEAGUE of Texas. Certainly.

Mr. RAINS. They are eligible now, if they can get them?

Mr. TEAGUE of Texas. Certainly.

Mr. RAINS. But, if they can get them now, they get them just like nonveterans get them; is that not correct?

Mr. TEAGUE of Texas. That is correct.

Mr. RAINS. Since we do give the veterans a preference on so many things, what is wrong with giving the veteran a better break on FHA loans than he is now eligible to get? What is wrong with that?

Mr. TEAGUE of Texas. Does this bill provide that the veteran can get a business loan or a farm loan?

Mr. RAINS. Not at all.

Mr. TEAGUE of Texas. Does this bill provide that if a veteran gets a loan under this that he will be denied the opportunity to get a VA loan later?

Mr. RAINS. No.

Mr. TEAGUE of Texas. Does this bill provide that if the veteran gets a VA loan that he cannot get a loan under this?

Mr. RAINS. Yes, it says if he has already gotten a VA loan that is the law. He cannot get a second loan. He can still get a FHA loan without his preference.

Mr. TEAGUE of Texas. Today we have a provision in our veterans loan program if a man loses his house by condemnation, or otherwise, he will be permitted to go back and get a second loan. The truth is you are setting up a veterans preference program that will mess up our whole GI program and destroy our present program which will build 300,000 houses this year.

Mr. RAINS. It does not amend the GI bill in any way. It only amends acts under the jurisdiction of this committee. It was only done when we were told by one after another, including the representative of the American Legion, that there would be no money available at 4½ percent for GI loans. That is when we made the change in the FHA, and I hoped that we could be of benefit to veterans. The gentleman has figures from the VA Administration. Of course we have them too, in which they made certain estimates of what they had to do. I am sure the gentleman will agree that those figures are based on prior commitments. In certain instances there are 6 and 7 and 8 percent discounts. I just figured up the interest on a GI 4½ percent loan with a 10 percent discount, and it makes more than 6 percent interest. Does the gentleman think that a 5 percent FHA loan is a worse deal than a 6 percent GI loan?

Mr. TEAGUE of Texas. Of course the gentleman knows there has not been a 5 percent loan in a long time. Discount is a form of a cost of interest. You do not have 4½ percent today. You do not have 5 percent. You also know that if you increase this to 5 percent you will pay a discount.

Mr. RAINS. The gentleman showed me some figures on which they were less on 5 percent loans.

Mr. TEAGUE of Texas. Of course they would be, because 4 points discount equals ½ percent interest.

Mr. RAINS. I cannot understand how any Member can come to the conclusion that a beneficial veterans preference will harm a veteran.

Mr. TEAGUE of Texas. If the gentleman is attempting to do service to veterans, and I am sure he believes that, but is it not amusing that no member of the building industry or the veterans group will support the gentleman in what he is trying to do?

Mr. RAINS. Will the gentleman give me a little time on that? I can remember when the gentleman, for whom I have a high regard, I can remember when he stood in a place he now stands when the veterans were not favoring his stand.

Mr. TEAGUE of Texas. I do not think I have been in a place where none of them were supporting me but perhaps some of them were not.

Mr. RAINS. The gentleman who spoke for the American Legion before our committee said he favored 5 percent interest on GI loans, which your committee did not give him. When he asked for 5 percent I informed him as follows: "This committee cannot raise the interest rate. That is another committee." I said "If Congress raises the interest rate we are through with the problem for the present, but I am trying to find out whether you would be opposed to the veterans getting a better break under FHA than a nonveteran." And he said, "No."

Mr. TEAGUE of Texas. I think Mr. Collins recognizes that sooner or later this program will end, and we are going to start discharging five or six hundred thousand men a year who do not have veterans' status.

Mr. RAINS. Under the present act the VA program expires in 1958?

Mr. TEAGUE of Texas. That is right, for World War II veterans.

Mr. RAINS. Every home builder who came before our committee said that after this year, with the time lag it takes to get loans through, you could not get a VA loan through, even though the money was available, before the expiration of the loan, after August of this year.

What, then, is going to happen to the veterans' 4½ percent loan?

Mr. TEAGUE of Texas. Does the gentleman know how many veterans have entitlement to 1965?

Mr. RAINS. I am not talking about entitlement—oh, yes, the Korean veterans.

Mr. TEAGUE of Texas. How many?

Mr. RAINS. I do not know how many.

Mr. TEAGUE of Texas. There are about five or six million.

Mr. RAINS. I appreciate the gentleman's answering my question.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. TALLE. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. ADAIR].

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from Texas.

Mr. TEAGUE of Texas. One of the questions I asked the gentleman from Alabama a while ago was if it was not true that if a veteran got a loan under this provision he could not immediately go back and get a VA loan. On page 5 of the bill there is this provision:

> The Administrator of Veterans' Affairs shall not guarantee or issue any loan obtained by such individual for any of the purposes described in subsection (a).

As I understand that, it prohibits a veteran from getting a GI loan if he takes advantage of the provisions of this bill should it become law.

Mr. ADAIR. Mr. Chairman, we have heard a great deal this afternoon about the proposed use of national life-insurance funds. There are two or three observations that I think might be made in that respect.

In the first place, it is contended by some that if these funds were used it might relieve the Government of a little difficulty in borrowing funds for home-building purposes, if that were necessary. The fact of the matter is, as testimony before the Veterans' Affairs Committee indicates, that if these funds were to be used for the purposes provided in the committee bill the Government would then be put to the inconvenience and expense of going out and borrowing a billion dollars elsewhere to replace the NSLI funds.

Secondly, there is another point sometimes made that this NSLI fund is the property of veterans and, therefore, veterans should use that fund in building their own homes. The fact of the matter is that there is no assurance that those veterans who do have a stake in this NSLI fund would be the ones who would seek to borrow from this fund if that were permitted; it might be a completely different group of veterans.

Thirdly, and I think perhaps the most important point that ought to be made with respect to the proposed use of these funds, is that it is a trust fund. If we as a government fall into the habit of permitting trust funds to be used for purposes of this sort, I think we are setting a very bad example and one which is likely in the future to lead us far astray in our responsibility with respect to trust funds.

For those reasons and others I think the NSLI fund should by no means be used for the purpose of making veterans' loans. Since it and other features objectionable to veterans are excluded in the Talle bill, I would urge this House to support and adopt the Talle substitute.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield? And I may say that should he need more time I will be glad to yield him another minute.

Mr. ADAIR. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Of course, if any part of the insurance funds which today are invested in United States securities are invested in mortgages, it would require the Treasury to go on the open market and replace the money through borrowings in a market already strained, probably at a high rate of interest. For this reason I think the fund should not be used for this purpose.

I think if the gentleman from Alabama who is very much interested in the welfare of the veterans, would agree to take that out, and certain other provisions, the House would go along with the bill.

Mr. ADAIR. I thank the gentlewoman for her observations.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I thank the gentleman. I am disturbed about two changes which the Talle substitute makes in the bill which has been brought here by the committee. First is the provision that eliminates the requirement that is present in the Spence bill that FNMA must buy mortgages at par. There is another one also I would like to ask the gentleman about, but I request his defense of that because to me it has seemed a strange thing that the Federal National Mortgage Association would go out and buy Government guaranteed paper at a discount when it certainly should be in the interest of the Government, I would think, to see that guaranteed mortgages stay at par.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. TALLE. Mr. Chairman, I yield 30 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 1 minute to the gentleman from Indiana [Mr. ADAIR].

Mr. ADAIR. Because that is a question, I may say to the gentleman from Oklahoma, that pertains directly to the Committee on Banking and Currency and its policies, it seems to me that the gentleman should address his question to a member of that committee. I was addressing myself to those features of the bill which concerned primarily the views of the Committee on Veterans' Affairs with respect to this legislation.

Mr. EDMONDSON. I will direct my question to somebody else, then.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. AYRES].

Mr. AYRES. Mr. Chairman, it may be that what I propose to offer as an amendment is really so simple that it may not have the support it should have. It seems to me as though we like to complicate things and then discuss them before we decide on their merit.

The gentleman from Texas, chairman of the Committee on Veterans' Affairs—and I think you all know the high esteem in which I hold him—has made the point that the veterans' groups are against the veterans' preference, so-called in the committee bill. I cannot honestly tell you whether they are against the amendment I propose or not because I have not asked them; however, I assume in all fairness that they would not be, because it does give the veterans an opportunity to get an FHA loan at a reduced rate. It also gives a large group of our veterans who are not now covered under the VA program an opportunity to get an FHA loan at a reduced downpayment. We have at the present time thousands

of men, as you know, being discharged from the armed services, men who were drafted or who enlisted after January 1955. These men are not entitled to any GI benefits. Within another 4 months there will have been approximately 1 million men discharged from the armed services who served for 2 years. We have taken 2 years out of their lives, yet there is not one law on the books that gives them any benefits at all. Of these 1 million men who will be discharged nearly 250,000 of them will be married men with families.

With our economy as it is today, they have a job to go to. Having spent 2 years in the service, they do not have any savings, and I think we have an obligation to those men to give them an opportunity to at least get into a home with a small downpayment.

Now, one of the objections that was raised by our chairman, the gentleman from Texas [Mr. TEAGUE] was that it would disrupt the Veterans' Administration operation if we were to include a veterans' preference in the FHA. I can appreciate that that possibly could happen, and I have therefore drawn this amendment so that it will not in any way interfere with a man's right to attempt to get a GI-guaranteed loan and at the same time it will not deprive those who have used their GI-guaranteed rights from using FHA. It does not in any way touch the interest rate. The veteran would pay the identical interest; he would pay the identical insurance as the nonveteran.

Now, the simplicity of it is this: All he has to have is an honorable discharge from the Armed Forces to qualify. If he has been honorably discharged from the Armed Forces of the United States of America, he is entitled to the veterans preference under the FHA Housing Act.

Now, what does that mean to the veteran? It means that a veteran with an honorable discharge, who wants to buy a $12,000 home, could do so by paying $300 down and the closing costs. Under the Talle substitute, the nonveteran would pay $600 down. Actually, the down payment for the veteran is approximately one-half of what it is to the nonveteran. Now, I do not see how our committee and our chairman, for that matter, can object to giving the House an opportunity to give the veteran the right to buy a home at an interest rate he is willing to pay.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. AYRES. I yield to the gentleman from California.

Mr. McDONOUGH. I recall the gentleman submitted the amendment at the time we were discussing the G I loan to increase the rate of interest from 4½ to 5 percent, which was not approved. Now I understand you are proposing an amendment to the Talle bill which would provide that a veteran with an honorable discharge from the armed services, who has obtained a G I loan as a veteran, or who has never obtained a G I loan as a veteran, who is an honorably discharged veteran from the present peacetime army, would have the opportunity of purchasing a home under FHA terms in all respects except the down payment, which would be one-half the amount of the nonveteran.

Mr. AYRES. Approximately.

Mr. McDONOUGH. That would mean that under the Talle bill, which provides $400 down payment on a $10,000 loan, the veteran would obtain it for $200.

Mr. AYRES. That is right.

Mr. McDONOUGH. That is, on the first $10,000, and the next $6,000 he would be able to obtain for $100, so that he would have an opportunity thereby to receive some return for the service he rendered his country.

Mr. AYRES. That is correct. And, I will say to the gentleman from California that this House has not had an opportunity to vote as to whether or not it wanted to give the veterans of our country the opportunity to get a loan at a realistic interest rate.

Mr. YOUNGER. Mr. Chairman, will the gentleman yield?

Mr. AYRES. I yield to the gentleman from California.

Mr. YOUNGER. The gentleman said "approximately" a while ago. He will pay a different interest rate, will he not?

Mr. AYRES. He would pay the identical rate under FHA whether he was a veteran or nonveteran.

Mr. YOUNGER. What are you going to do with the rest of the rights that go to the veteran under the GI bill?

Mr. AYRES. This has no bearing at all on the existing Servicemen's Readjustment Act. This is strictly FHA. This does not deal with VA in any way, shape, or manner.

Mr. YOUNGER. You are dealing with a veteran with a discharge and giving him a preference.

Mr. AYRES. All he has to do is to have an honorable discharge to have a preference in FHA, the same as a preference in Civil Service.

Mr. YOUNGER. Whether a Spanish-American War veteran, a First World War veteran, a veteran of any war, or a veteran of any kind?

Mr. AYRES. That is correct.

Mr. YOUNGER. In other words, the gentleman is selecting veterans under our procedure of GI rights and giving one right and denying the rest of the rights to one who does not want a home?

Mr. AYRES. We are giving the opportunity to any veteran who is in the market for a home to purchase that home under FHA with a reduced down payment.

Mr. DEVEREUX. Mr. Chairman, would the gentleman yield?

Mr. AYRES. I yield to the gentleman from Maryland.

Mr. DEVEREUX. Is it not true that under the present provisions of FHA, a person in service today, whether he had had war service or not, is entitled to certain preferences. Is the gentleman familiar with that provision?

Mr. AYRES. No, they are not, under FHA, to my knowledge, I will say to the gentleman.

Mr. DEVEREUX. I should like an answer to that, because it has always been my understanding that a man in service today did have a certain preference under FHA.

Mr. AYRES. I would rather have some gentleman from the committee answer that question, let me say to the gentleman.

Mr. KILBURN. Mr. Chairman, would the gentleman yield?

Mr. AYRES. I yield to the gentleman.

Mr. KILBURN. Is the gentleman's amendment to the Talle bill or the Rains bill?

Mr. AYRES. I expect to offer my amendment to the Talle bill. If it should be adopted and the Talle bill should fail—and I hope it will not—I have conferred with the gentleman from Alabama with reference to the possibility of his offering an amendment similar to mine to his bill; because I think it overcomes many of the objections that have been raised.

Mr. AVERY. Mr. Chairman, would the gentleman yield?

Mr. AYRES. I yield to the gentleman from Kansas.

Mr. AVERY. As a matter of simplification, the effect of the gentleman's amendment would actually be to extend the guaranteed loan program, the housing program, to those veterans who entered the service after February 1, 1955; in essence, is not that about it?

Mr. AYRES. They would be eligible. But the veteran who still has his eligibility left who cannot find 4½ percent money—and I believe, as does the gentleman from Ohio [Mr. ASHLEY], that there is not any money available in many areas of the country at 4½ percent—it gives that veteran an opportunity, if he wants a home, to use the FHA and be given the advantage of a lower downpayment.

Mr. AVERY. That is right.

Mr. McDONOUGH. Mr. Chairman, would the gentleman yield further?

Mr. AYRES. I yield.

Mr. McDONOUGH. The lower downpayment of $200 would be equal to about 4½ percent interest as compared to the $400 downpayment on a $10,000 loan at 5 percent.

Mr. AYRES. The veteran is still going to pay off his loan. But we have found through experience that the big advantage to the veteran has been the low downpayment.

Mr. McDONOUGH. That is right.

Mr. AYRES. And we are giving him that opportunity under the FHA program.

Mr. McDONOUGH. Not the interest rate, but the downpayment.

Mr. AYRES. That is right, just the downpayment.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself 2 minutes.

I shall support the amendment offered by the gentleman from Iowa [Mr. TALLE], who has always taken a deep interest in veterans.

Mr. Chairman, I feel one of the worst features of this amendment of the gentleman from Alabama [Mr. RAINS] is the fact that I am absolutely positive that if it passes, veterans' preference in the FHA will merely mean increasing the interest rate of veterans' loans indirectly. It will clearly result in the GI loan program of the VA expiring before its termination date through disuse. The Committee

on Veterans' Affairs voted against increasing the interest rate to 5 percent in the hope that many veterans would continue to get GI loans at 4½ percent. If this device is used to increase the rate on veterans' loans to 5 percent, the GI loan program will grind to a complete standstill.

I think that undoubtedly is the reason the veterans' organizations are so opposed to having anything done that would kill this program in the Veterans' Administration. The committee was created to take care of the veterans and the American Legion and other organizations voted to give them an advantage.

Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Chairman, with due respect to the Committee on Banking and Currency of the House, that has brought out this bill, I have a few remarks that I should like to direct to the attention of this committee with regard to the act of 1946 which established the standing committees of the House.

In the 1946 Reorganization Act the Congress in its wisdom decided that there should be a committee of the House of Representatives to handle the affairs of veterans. The Veterans' Affairs Committee was specifically created as one of the 19 standing committees of the House. There is no comparable committee in the Senate. There have been from time to time special committees set up in the House whose aim and purpose has been to deprive the Veterans' Affairs Committee of some of its jurisdiction.

Whether you realize it or not, I believe there are forces in this country that would do away with the Veterans' Committee in the House and would do away with veterans' preference or any act which has given to the men and women who have served in the armed forces of the United States any special privilege.

I know there is a feeling in some of the committees that if they can only get a little angle of veterans' preference in a bill, it will enable them to get their bill passed.

When the distinguished chairman of our Veterans' Affairs Committee, the gentleman from Texas [Mr TEAGUE], called the Veterans' Affairs Committee together in executive session concerning this bill, the one thing that stood out in the minds of all the members of that committee was the fact that the Veterans' Affairs Committee had seriously considered what should be done with regard to veterans' housing and had turned down proposals to increase the interest rates and that another standing committee of the House had added to a housing bill, which is not basically for veterans but primarily for the banking and home-building trades, a veterans' preference provision for the purpose of making their bill more attractive and possibly getting the bill through the House.

The Veterans' Affairs Committee unanimously decided that they would oppose this bill, unless all provisions with regard to veterans were taken out of it. I may say that I would even go so far as to oppose the amendment which was offered by the gentleman from Ohio [Mr. AYRES]

Mr. Chairman, I favor the so-called Talle substitute sponsored by the gentleman from Iowa [Mr. TALLE]. I feel that the approach taken by this member of the Banking and Currency Committee is much sounder than the proposal proposed by the full committee and better for our veterans.

I take this position mainly because first, it will mean a liberalized FHA program which will give veterans of service after January 31, 1955, and who are presently ineligible for VA housing benefits the same right and chance to buy a home as any other person who has a sufficient downpayment and who meets the credit requirements. The downpayment schedule in the Talle substitute is much more realistic and, in my opinion, will be of great assistance to all home buyers, as well as providing a stimulus to the home-building industry.

Secondly, I think it is very important that the national service life-insurance trust fund be kept intact, its sanctity preserved, and that the present mode of investment be continued. The Committee on Veterans' Affairs held full and rather lengthy hearings on a number of bills which had as their main purpose the use of this trust fund for providing additional money for direct loans or providing a secondary market for guaranteed loans. The committee, after the conclusion of the hearings, met in executive session and rejected these proposals, and rightly so. Despite this fact, the Committee on Banking and Currency reported a bill with the provision therein which would permit the use of this trust fund for housing loans. This is a matter which is most important from a precedent standpoint. If $1 billion is used today for these housing loans, it will be only a short time before money is siphoned from this source, and after that some other substitute project will find it necessary to levy on the resources of the social-security fund, or the civil-service retirement fund, or some other trust fund maintained by the Federal Government. Once this dam is broken, there is no stopping place, and the Under Secretary of the Treasury is certainly correct in telling our committee and the Banking and Currency Committee that he would recommend a veto of legislation which contained such a proposal. The Talle substitute does not use national service life-insurance money, which is another reason why I am supporting it.

Tied into the matter which I have mentioned above is the matter of jurisdiction of the Committee on Veterans' Affairs. We have clear and definite authority over the loan-guaranty program of the Veterans' Administration, as well as the direct-loan operations. We also have control of the trust fund for the payment of future death payments on insurance. I would be remiss in my duties as a member of this committee if I did not resist, along with all of the other members of our committee, this invasion of our jurisdiction, and by striking from the bill as reported by the Banking and Currency Committee all reference to veterans' housing and the use of the national service life-insurance trust fund.

I have had some experience in the banking field and there has been much talk here and in the hearings about the question of discounting of mortgages. It is a practice which is universally condemned and almost universally practiced. The investigation which our committee has conducted and the experience of others in this field clearly indicates that discounting is a matter which cannot be controlled centrally here in Washington. Discounts vary greatly between areas with the highest discount activity being found on the west coast. If the Congress should enact a law prohibiting more than 2 or 3 points of discount even those loans which are not being made today subject to a discount would undoubtedly grow to the maximum discount permitted by the legislation. The mortgage money situation is improving, if we can believe the information which we read daily in economic publications. If the money market is improving there will be a lowering of the discount and in many areas a complete elimination.

The bill which the committee previously reported and which the House passed, H. R. 4602, dovetails into the proposal which I am supporting today. The bill which the House has already passed relates entirely and exclusively to direct loans granted by the Veterans' Administration in rural areas and in small towns below 30,000 in population. This is the place where the greatest need is for loans of this type, and with the liberalized Federal Housing Administration program with lower downpayments and with more money available for the operations of the Federal National Mortgage Association, the housing program as a whole will have been given a sizable boost and nearly all individuals who desire homes should be able to obtain them.

It is always pleasant to find one's self with such strong support for a position he has taken. In this instance it is gratifying to note that the Bureau of the Budget, the Federal Housing Administration, the Veterans' Administration, the four veterans' organizations, and a large section of the banking fraternity together with other lenders and home builders all oppose H. R. 6659 in the form which it was reported to the House.

The veterans' organizations have largely taken their position on the basis that the enactment of H. R. 6659 as reported would have the practical effect of destroying the sound veterans' housing program already established and being administered by the Veterans' Administration.

It is significant to note that the Bureau of the Budget, in reporting H. R. 6659, pointed out that the enactment of this bill would not be in accord with the program of the President, which is the strongest language an agency can use in reporting on a particular piece of legislation. Similar criticisms have been made by other organizations which I have indicated and I want to reiterate again that, in my opinion, the only worthwhile solution to this question is the adoption of the Talle substitute.

Before closing I would like to call to the attention of the Members the Veterans' Administration loan experience in 1957. In the month of January there were over 46,000 guaranteed loans. In the month of February, 35,706, and in the month of March more than 31,000—interest was at 4½ percent for these loans even though many of these loans represent prior commitments made before the FHA rate was raised to 5 percent. Our committee has been advised by the Veterans' Administration that the Veterans' Administration with money remaining at 4½ percent in 1957 expects to have approximate requests for 330,000 houses in 1957. Loan applications are expected to total 275,000 and I submit that while these figures do represent a decrease the fact must not be lost sight of that most World War II veterans have obtained the homes which they are going to use and that it is unlikely that there will be any large market from this single group in the future except in those instances where the families have expanded and the need for larger homes is apparent.

I do hope that the Talle substitute will be adopted.

Mrs. ROGERS of Massachusetts. Mr. Chairman, at the request of our committee chairman the gentleman from Texas [Mr. TEAGUE], I yield 5 minutes to the gentleman from California [Mr. SISK].

Mr. SISK. Mr. Chairman, I thank the gentlewoman from Massachusetts for this arrangement.

Mrs. ROGERS of Massachusetts. The gentleman has made a great study of the housing problem for veterans.

Mr. SISK. I thank the gentlewoman.

Mr. Chairman, at this time I want to pay a compliment to the gentleman from Alabama [Mr. RAINS]. I find myself, I think, for the first time since I have been a Member of the House in opposition to a bill which he has brought to the floor of the House. There are a number of provisions, that are included in the committee bill which I think are good. I am sure the intent of the committee was good in putting these provisions in.

One of these provisions, particularly that I want to call your attention to is the discount-control provision. I realize there are Members who disagree with my position on this. I am opposed to any attempt to tie down or to make completely inflexible the discount rate because, as has been very ably explained by the ranking minority member of the committee, the gentleman from Iowa [Mr. TALLE], discounts are a definite part of our monetary and banking system. But I do feel that the approach which the committee has made with reference to discount control is good, placing in the hands of the Commissioner a responsibility to determine that the fees, charges, discounts, and so forth, be reasonable. For this reason, if and when the Talle substitute is offered, I propose to offer as an amendment to that substitute the discount-control feature of the present committee bill. Also, there is one other thing which I would like to mention, which I expect to offer as a substitute either to the committee bill or to the Talle substitute, whichever is under consideration at the time that it becomes in order to do so, and that is an amendment affecting college housing. The date of the interest rate change, which in the present bill, and I believe it is also true in the proposed substitute, is March 15, 1957. To some extent that represents to me a retroactive change in the rules without the players knowing exactly what has been happening. I propose to offer an amendment changing that effective date to May 1. I feel it is equitable and justice to many of the educational institutions and colleges throughout the United States.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman from New York.

Mr. MULTER. Will the gentleman not agree that we ought not to increase the interest rate on the mortgages on college housing.

Mr. SISK. I will say to the gentleman, of course, I hesitate to see any increase in interest rates anywhere along the line. However, I will say this. In view of the fact that money at the present time is costing the Federal Government considerably above the 2.78 which I believe is now the rate for college housing that it is a little hard for us to justify a position to refuse any type of interest rate increase. But, I am particularly concerned with making the effective date either at a later time than is specified in the bill or at the date of enactment in order to be completely just and fair to colleges, as I say, throughout the country who are interested and concerned with this program.

Mr. MULTER. Will the gentleman not agree then that the better approach rather than to increase the rate at a fixed amount is, as provided in this bill, to put in a rate that would be a percentage more than the Government rates paid for its borrowing. I think we can afford to subsidize college housing to some extent.

Mr. SISK. I am not averse to the subsidization of college housing to a certain extent, because I think we all realize the need of higher education in this country; our need for engineers and scientists, and so on, which we have heard about so many times. Personally, I would support a proposal which would keep that interest rate just as low as possible within the bounds of equity for all. My particular point in presenting the amendment which I propose to offer is to make it possible for many of these colleges who have put in applications during the month of April, to qualify under the present rate of interest, 2.78 percent.

The CHAIRMAN. The time of the gentleman from California [Mr. SISK] has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield such time as she may desire to the gentlewoman from New Jersey [Mrs. DWYER].

Mrs. DWYER. Mr. Chairman, I rise to speak in opposition to the provisions of H. R. 6659, the housing bill affecting the veterans of America, which has been reported by the House Banking and Currency Committee. At the same time, I wish to join with some of my fellow members of the Veterans' Affairs Committee in support of the Talle bill, H. R. 7024.

The Veterans' Affairs Committee, as its first order of business this year, held lengthy and exhaustive hearings on the critical problem of the effect of the tight-money market on the veterans' home-loan program. There is no question that this is a complex and difficult problem, for it is tied inseparably with the economy and financial structure of our Nation.

As a member of the Veterans' Affairs Committee, my primary concern in this matter is to act in the best interests of the veterans of our Nation. I have been particularly concerned with the problem of those veterans who already have initiated home purchases under the 4½-percent provision of the GI home-loan program, but would be faced with the necessity of paying a higher interest rate if there were any boosting of the rate prior to approval of their applications.

Records indicate that there presently is approximately $150 million in such VA loan applications in the processing pipeline. Indeed, there are indications that processing of these applications has been slowed in anticipation of some such increase of the interest rate.

Under the Talle bill, these veterans now in the pipeline will be protected. This, to me, is most vital. I do not believe that these veterans, who applied for home loans in good faith at the present 4½-percent rate, should be made to pay a higher rate.

I also am in favor of the Talle bill because it eliminates the objectionable provisions of the committee bill.

I believe it is important to note, in studying the committee bill, that it has been opposed by every veterans' organization in the Nation. It has been opposed by the Veterans' Affairs Committee. It has been opposed by the Veterans' Administration. It has been opposed by the Federal Housing Administration. It has been opposed by the Bureau of the Budget and numerous national trade organizations. And it has been indicated it will receive a Presidential veto if it should pass.

This opposition is based on sound reasoning.

This committee bill, which would establish a veterans' preference program under FHA at a 5 percent interest rate, would have the basic effect of destroying the sound and long-established veterans' housing program administered by the Veterans' Administration.

The committee bill also infringes upon the authority of the Veterans' Affairs Committee, and poses a threat to that committee's future Congressional jurisdiction.

Perhaps the greatest danger inherent in this committee bill is the provision to use reserve funds of the veterans' national service life insurance program to purchase FHA veterans' preference loans.

This is a most dangerous precedent, for as the minority report of the Banking and Currency Committee noted in opposing H. R. 6659, once a start is made

in diverting these funds to special purpose loan activities, the pressure would become irresistible to tap other governmental funds for so-called worthy purposes.

The veterans of America who are the policyholders have the right to expect that this insurance fund will not be tampered with; that it will continue to be invested soundly in interest-bearing obligations of the United States, or in obligations guaranteed as to principal and interest by the United States. This bill is in direct conflict with that provision of the law.

I believe it also is important to note that the proposal by this committee bill to use $1 billion of the insurance fund would, at the most, provide for the purchase of only 100,000 of the FHA veteran preference mortgages. This would take care of only a small fraction of the estimated 15 million veterans still eligible for home-loan benefits.

I have cited these points as to what I consider to be the major weaknesses of the committee bill.

On the other hand, the Talle bill recognizes a very important factor—that the World War II portion of the GI home loan program will expire next year. The Talle bill liberalizes, beyond the extent of the committee bill, the FHA schedule.

Such liberalization, as the distinguished chairman of the Veterans' Affairs Committee [Mr. TEAGUE] has noted, is needed not only by the home-building industry but by the veterans who will be buying homes after the readjustment housing program has expired. A liberalized FHA program also will be of benefit to veterans who entered the service after January 31, 1955, for these veterans have no eligibility under the existing veterans' housing program.

I wholeheartedly join with other members of the Veterans' Affairs Committee in supporting the Talle substitute bill. It is my hope that the majority of the House, acting in the best interest of the veterans of America, will follow suit.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, it is interesting to me that all departments concerned are against this proposal in the so-called Rains amendment. I have never known an instance where every department was against a proposal.

Mr. Chairman, I reserve the balance of my time, if that is agreeable to the gentleman from Iowa.

The CHAIRMAN. The gentlewoman reserves 5 minutes.

Mr. BARRETT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BARRETT. Mr. Chairman, I rise in support of H. R. 6659. I am particularly interested in the provisions of this bill relating to slum clearance and urban renewal. The bill would provide funds to continue the slum-clearance program, which is so indispensable to our cities in their fight on slums and blighted areas.

Of the $900 million authorized by the Congress for capital grants, the Urban Renewal Administration, at the end of January 1957, had reserved some $850 million. During calendar year 1956 nearly $254 million was earmarked by the Urban Renewal Administration for projects now underway in our cities. During the first 8 months of fiscal 1957, reservations for capital grants amounted to approximately $180 million. If reservations were to continue at this rate for the remainder of fiscal 1957, a total of $270 million would be necessary to carry the program forward.

The President's budget message indicated that the administration would ask the Congress for an additional $250 million a year for the next 2 years to carry this program forward. When the Housing Administrator appeared before the Banking and Currency Committee, he recommended an increase of only $175 million, and for 1 year only. This recommendation came as a distinct surprise to every member of the Banking and Currency Committee for testimony by representatives of local communities and organizations thoroughly familiar with urban renewal needs throughout the Nation, indicated that the President's recommendations this year for $250 million would only meet the bare minimum needed to maintain the momentum now developed in renewal programs. In fact, we were urged to consider whether the best interest of this long-term program would not better be served by a more substantial increase in the capital grant contract authority. Consequently the Banking and Currency Committee, in the pending bill, provided for a $250 million increase in the capital grant contract authority for 1 year.

I personally would like to see a substantial increase over the committee amount. I would also like to see the funds set up over a period of several years to give the continuity necessary for intelligent planning. Unless sufficient operational authority is approved by the Congress many cities with expanding programs will have to curtail their renewal activities. In addition cities which are now in the process of developing initial programs will be unable to secure Federal assistance to carry their first projects beyond the application stage.

This program is most important to cities like Philadelphia and other large metropolitan areas. It is also most important to smaller cities for every city is confronted with the spread of blight brought about by the enormous changes in urban life, such as the steady increase in population as a result of the farm-to-city movement, increased family formations, unprecedented loss of housing under the displacement and demolition caused by the building of expressways, the clearance for redevelopment, the enforcement of housing code provisions; conversion of older structures for family use, rapid change in the pattern of racial characteristics of cities every year; and the continuous widening of the metropolitan area as more and more suburban communities get their start.

For these reasons I urge that the Committee of the Whole accept the Banking and Currency Committee recommendations relative to the increased authority for the slum-clearance and urban-renewal program. It is the bare minimum which must be authorized if this important program is to be of service to our cities.

Mr. Chairman, the bill before this Committee while quite comprehensive in most areas of housing is deficient in one respect, in my judgment, in that it contains no provision augmenting the public-housing program. The overall national need for public housing continues unabated, particularly in the larger metropolitan cities of this country. It is an important program and plays a very vital role in the family relocation job which must be accomplished if we are to make an effective attack on slums and blight.

I do not mean to imply, of course, that this is the only vital role that this great program plays in our national life. But I use it as an example to indicate the immediate need for this Congress to give further attention to the program. As we all know, Federal law requires that families displaced by urban renewal activities be furnished with decent, safe, and sanitary housing which they can afford. This is a basic humane requirement which has the support of everyone interested in the slum clearance and urban renewal program. Family relocation is the inevitable byproduct of any large-scale successful urban renewal program. It is an inescapable conclusion that a large-scale public housing program is indispensable in any effective attack on slums and blight, since a substantial number of families displaced are in the lowest economic group which simply cannot afford decent private housing at rents or sales prices at which such housing is currently available. It has been estimated that from 40 to 50 percent of the families displaced by urban renewal activity are in the low income bracket whose need for decent, safe and sanitary housing at a rent they can afford to pay, can now only be supplied by low-rent public housing.

Another pressing housing need which I wish were treated in the bill is the problem of providing decent low-cost housing for our elderly citizens. I think this is an area of tragic neglect in which action is long overdue.

I am hopeful that the Subcommittee on Housing and the Banking and Currency Committee can fashion hard-hitting programs for the next session which will revitalize the low-rent public housing program, provide a real housing program for elderly people, and also set up a new program for middle income housing along the lines of H. R. 5726, which I introduced earlier this session.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Chairman, I rise in support of H. R. 6659, the Housing Act of 1957.

Mr. Chairman, in my judgment this is "must" legislation which will provide vitally needed relief to our great home-building industry. The home-building industry has helped vastly to improve the housing standards of the American people and has contributed to an unprecedented growth in home ownership.

But we in the Banking and Currency Committee have the unpleasant duty to report that that once-proud industry, so indispensable to a healthy economy and to meeting the housing needs of our people, is now in a completely distressed state. From a high point in 1950 when housing starts numbered approximately 1.4 million, we have seen a steady deterioration which has been greatly accentuated in the tight money setting of the past 2 years. Housing starts fell sharply in 1956 to only about 1.1 million units.

And unfortunately, in the first quarter of this year the situation has rapidly become worse.

Last year our committee was fearful that this very thing would happen. In reporting the 1956 housing bill, we expressed concern over the effects upon housing construction of the combination of a rising interest rate structure and a restrictive monetary policy.

This year our concern is even greater. We believe that action is imperative and we think that the enactment of H. R. 6659 would go far toward maintaining a high rate of housing demand and toward encouraging an adequate flow of mortgage credit into the housing field.

The bill would in great measure help to fill the void in housing market demand created by the contraction of the GI loan program which, because of its submarket interest rate, is rapidly losing its sustaining force in housing production. The bill would do this in two ways.

First, the bill would substantially liberalize the down payments required under the FHA program. It would immediately reduce the required minimum downpayment to 4 percent on the first $10,000 of value—now 5 percent, 20 percent of the next $6,000 of value—now 25 percent, and 70 percent of the excess value above $16,000.

Second, the bill would make an even more sizable reduction in the minimum downpayments required for World War II and Korean veterans. Under the FHA veterans' preference program, which the bill would set up, the required minimum down payment for veterans would be 2 percent of the first $10,000 of value, 10 percent of the next $6,000 of value, and 15 percent of the excess value. Mathematically this formula would mean that the veterans' downpayment would be exactly one-half of the downpayment required of other mortgagors.

Thus the bill, by authorizing a moderate reduction in downpayments for nonveterans and a substantial reduction in required downpayments for veterans, would take up the slack created in housing demand by the lack of money for GI loans, would sustain a healthy rate of housing construction, and yet would not overinflate the housing sector of the economy.

I am proud to have played a role in the Banking Committee's adoption of this proposed liberalization. The bill recommended by the Subcommittee on Housing, under the leadership of the distinguished gentleman from Alabama, originated the idea of a veterans' preference and proposed a formula which would have lowered downpayments moderately for nonveterans under the FHA program, with a more substantial liberalization for veterans. The subcommittee recommended bill would have maintained the present loan-to-value ratio maximum of 95 percent on the first $9,000 of value, but would have increased the present 75 percent factor on the excess of value to 80 percent. The amendment I offered the committee which was adopted increased the 95 percent factor to 96 percent of the first $10,000 of value, which correspondingly reduced the required downpayments for veterans since their downpayment is automatically one-half of that required of others.

To keep financing costs to the veteran to a minimum, no mortgage insurance premium would be required in connection with veterans' preference loans under FHA.

Thus the two chief benefits given to veterans under the FHA veterans' preference loan feature would be, first, the ability to buy with a smaller downpayment; and second, a reduction in monthly financing costs because there would be no mortgage insurance premium to pay.

In addition to restoring effective consumer demand in the housing market, the bill contains important measures designed to improve the flow of mortgage credit into the housing field. Mortgage credit is the lifeblood of home construction and home ownership, and we believe it vital that measures be adopted to increase the availability of housing mortgage credit. For one thing the bill would provide an additional $1 billion in borrowing authority for the regular secondary market operation of the Federal National Mortgage Association.

FNMA has been rendering important assistance to the private secondary market and we believe that the $1 billion additional borrowing authority—and this is of course in addition to the $500 million increase which the Congress authorized earlier in the session—will help provide a powerful backstop to home construction and to home financing, particularly in those areas of the country where the demand for mortgage capital continues to outrun the supply.

This is an omnibus housing bill which would also meet other desirable and important objectives. The bill would provide an additional $300 million the special FNMA revolving fund to keep the title VIII military housing program rolling in high gear. I hope that private capital will participate to a greater extent in this program, but if that is not possible, we believe Congress must provide the funds to the military housing program which is so essential to our national defense.

The bill would provide an additional $150 million to enable continuance of the college-housing program which has been signally successful in helping our colleges meet the grave housing problems presented by the tremendous enrollments in our institutions of higher learning.

An important provision of the bill would provide much-needed funds for farm housing research through our land grant colleges. It is too often overlooked that slum conditions and inferior housing are not a problem confined to urban centers—they also have their counterparts in our rural areas. The basic objective of the farm housing research program would be to find ways and means to provide more attractive farmhouses at a lower cost. If some way can be found to achieve this objective, the relatively small sum of money provided will have been most wisely spent.

The bill has other desirable features as well, but I think I have covered the highlights. Mr. Chairman, it is a carefully conceived bill which comes to grips with our housing problems and needs. Its enactment is vitally needed to maintain the health of our housing industry and to meet the housing needs of our people. I urge its speedy adoption by the House.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. PATMAN].

USE NSLI FUNDS TO FINANCE HOMES

Mr. PATMAN. Mr. Chairman, I only have 10 minutes and I cannot approach this subject in the way and manner I would like to because of the limited time at my disposal. I will just have to be very frank—brutally frank—in the use of words and phrases.

Mr. Chairman, this housing bill comes from the Committee on Banking and Currency. I highly respect and regard, of course, the distinguished gentleman who is chairman of the Committee on Veterans' Affairs of the House of Representatives [Mr. TEAGUE]. I doubt that there is a Member of the United States Congress who has the outstanding war record that Tiger TEAGUE has. Not only because he has a war record of outstanding prominence, of bravery in battle and everything that goes with it, he is entitled to recognition because he is a good, honest, sincere Member of the United States Congress. We all highly respect him. In taking issue with him it is not personal at all.

The only issue I have with him is that he does not want to have an amendment that will permit the use of the national service life insurance fund. I think that is the most important provision in this bill. It is the most important. What we need in housing is available capital, and this will give us available capital. It will force capital that is now being hoarded. It will keep interest rates down to 4½ percent if the bill is properly changed.

Next is prohibiting the scandalous discounts. It is terrible, these scandalous discounts. The Talle bill does not deal with the scandalous discounts at all. It, in effect, condones them; it is all right. Well, I think it is the most disgraceful conduct that the United States Government has ever permitted, these scandalous discounts in the United States Government securities. It is terrible. So the Rains bill is much better than the Talle bill there. And on the national service life insurance fund I want to direct your attention particularly.

MONEY TRUST

As I said, in view of the shortness of time I will have to use phrases that are brutally frank, and when I say to you

that there is a Money Trust in this country I mean a Money Trust. There is a Money Trust. It is right here before us. It is right in broad daylight. We see it in operation. We know it. If the Money Trust can immobilize money that is in competition with them, they can get any amount in the way of interest that they want to require the borrower to pay. That is what they have been doing. They have been encouraging the immobilizing of this money, putting it aside to where it cannot be used. Funds that are immobilized are out of competition with the Money Trust.

We will take the E-bonds, $55½ billion in E-bonds; a very fine thing; systematic saving. I am all for it. But it is a fact that by getting the people to invest in E-bonds for 8 or 9 or 10 years and it keeps that amount of money out of competition with other investors, including the banks that create most of this money on reserves. It is helpful to the banks. That is immobilizing the money that is placed in this fund. Let us consider the $135 billion worth of marketable United States Government bonds. How are they immobilized? By running the price down to 90. A person or a corporation with a bond that is selling for 90 is helpless; it is frozen in his hands. He is going to keep it until it matures to get his money back. It is immobilized; it is put out of action; it is not in competition with the Money Trust. There is $135 billion of marketable bonds, $55 billion E-bonds, and then the $11,500,000,000 of 2¾ percent nonmarketable bonds the same way, immobilized, put out of action.

The attempt here to use the national service life insurance fund is something that the Money Trust does not like. Why? Because it will be in competition with them. They would like to keep it immobilized. They do not want it brought into competition. It is the greatest threat the Money Trust has had in a generation. It is a threat to the Money Trust. That is what it is. They do not like it.

If you will notice our friends on the other side, the Republicans, have a minority report on this bill. Get their report and read it. They did not say a word about the scandalous discounts. They did not say anything about anything except the national service life insurance fund. That is the fight here, Members of Congress. That is the fight. There is where they would do anything on earth, the money trust, in order to keep from using this money in competition with them. They do not like it. They like a seller's market. They like to be in charge. They like to charge everything that the traffic will bear, break down usury laws and everything else. And, if you bring this $5 billion or $6 billion trust fund in, by using part of it, that is challenging their plans. They do not like it. They do not want it. They have spent time and money propagandizing Congress to kill this attempt to give them competition. But, it will help the veteran; it will help the country. I do not charge that.

Now the argument has been made here that if you take bonds out of that fund, with the Secretary of the Treasury as trustee, and put some 4½ percent or 5 percent Government-guaranteed mortgages in there, that is breaking faith with the veterans' trust fund. It is absolutely idiotic according to my way of thinking. There is no other word to express it; it is absolutely idiotic in my book for a person to say that for the Secretary of the Treasury to take a $10,000 bond out of the trust fund of the National Life Insurance Fund and then put another $10,000 bond in there that is paying 4½ or 5 percent guaranteed by the same government as to principal and interest is a violation of the trust. Why, they are just talking out of their hat. They cannot be telling the truth. It is not logical, it is not reasonable. There is not any sense to it; there is no sense, common, book, or horse, to any such contention as that. It just does not exist. So that argument is no good.

Awhile ago, the gentleman made a suggestion that if these trust funds were used, the Treasury would have to go out and borrow money. That is all right. They borrow $1½ billion every week. What would a few hundred million dollars amount to in the course of a year when the Treasury is borrowing $1½ billion every week? And if they have to go out tomorrow and borrow money, they are paying today 3 percent on those trust funds and yesterday's going rate on Treasury bills was under 3 percent. So if you put it on that basis, they can go out tomorrow and borrow money at a cheaper rate than they are paying on the trust funds.

But the main thing, I insist, Mr. Chairman, is the fact that the money trust do not want you to tap this big reservoir of credit. It is in competition with them. They spent years through the use of highly paid propaganda machines cultivating sentiment among officials to get these big amounts immobilized, such as the programs on the E bonds, which are fine, as I tell you, and all right; but the money is immobilized, it is out of the way, it is not in competition. They have caused to be taken $135 billion of United States Government marketable bonds out of the competitive market by getting them forced down to 90. It took them a long time to do it. But it put these $135 billion in bonds out of competition. But to bring this National Service Life Insurance fund into competition with them would be undoing the work that they have spent years to accomplish.

This is an attack on the money trust; that is what it is. It is the most important part of this bill.

I am inserting herewith that part of the majority committee report on this bill H. R. 6659 on the use of NSLI funds. It is as follows:

INVESTMENT OF NATIONAL SERVICE LIFE INSURANCE FUND

Your committee believes that the proposed amendments to FNMA's operation should help considerably to increase the effectiveness of FNMA's support to the private mortgage market. But at the same time the committee is so greatly concerned over the vexing mortgage capital shortages and the undesirable aspects of excessive discounts, and over the possible recessionary effects of mortgage money shortages upon housing construction, that we strongly believe some additional form of Government support is vitally needed.

Your committee is hopeful that the long-term solution to the mortgage money problem can be achieved through a gradual participation in mortgage investment by the great pools of private capital now accumulating in pension and trust funds. We are encouraged over recent developments which indicate that some progress is beginning to be made along this line. Your committee is hopeful that the Subcommittee on Housing can achieve productive results by pursuing this problem further to see whether any legislation may be needed to remove present obstacles to such investment.

The widespread participation of pension funds is a hoped-for future event, however, and offers no solution to the critical and pressing problems facing the home-building and home-finance industry in the immediate present. In addition to a more effective FNMA, which we believe our recommended changes will achieve, your committee is convinced that a new program is needed to supply immediate relief, particularly to those areas hardest hit by the shortage of mortgage funds.

On several previous occasions the proposal has been advanced to use a portion of the reserves of the veterans' national service life insurance fund for investment in GI home loans. Your committee has given this proposal careful study and attention and believes that, with proper safeguards, the use of a portion of national service life insurance funds can provide immediate and direct relief to prospective veteran homeowners and, as a consequence, to the housing industry. Such a new program could well serve as a pilot project to encourage the participation of private pension funds in guaranteed and insured mortgages.

Accordingly the bill would authorize the Secretary of the Treasury to invest up to $1 billion of the World War II national service life insurance funds in commitments or purchases of section 203 (j) veterans' preference loans under the FHA program.

Your committee wishes to emphasize that the bill does not contemplate a blanket application of the funds provided on a nationwide basis. In order to ease the problem facing those areas where mortgage shortages are greatest, the bill would direct the use of such funds to geographic areas where a serious shortage for private capital for veterans' preference loans exists within the reasonable discount limits prescribed by the FHA Commissioner. A later section of the bill, section 503, would direct the Administrator of Veterans' Affairs, and the FHA Commissioner, to fix reasonable limits on discounts. This feature is treated under the discussion below of the provisions of title V of the bill.

The price to be paid for mortgages would be determined by the Secretary of the Treasury except that in no case could it exceed par. Mortgages could be purchased only from the original mortgagee. To help the fund revolve, mortgages could be sold at less than par, provided the fund would suffer no loss.

Your committee would like to emphasize that the national service life insurance reserves are not Government funds so that the proposal is not to use Government funds in a direct lending program. The funds are the property of the veteran policyholders. In this connection, your committee has exercised extra vigilance to make sure that the proposal in no way would entail any possible risk of loss to the fund.

The bill would achieve this ironclad protection to the fund by providing that in the case of an insoluble default, the Secretary of the Treasury would assign the loan to the FHA Commissioner. In return the fund would be reimbursed fully in cash. Thus

the fund would risk no loss and in the case of possible foreclosure would recover its investment in cash.

In the interest of administrative efficiency, the bill would direct the Federal National Mortgage Association to act for the Secretary of the Treasury in carrying out the mortgage purchasing and servicing functions involved. Through this means the Secretary of the Treasury would be enabled to employ the experienced personnel and existing facilities of the Federal National Mortgage Association. FNMA would also act for FHA in liquidating any defaulted loans.

Your committee would also like to point out that the net earnings of the NSLI fund would be increased by the bill. Currently the reserves of the fund are invested almost entirely in special Treasury securities yielding 3 percent. Since the mortgages to be purchased would carry an interest rate of 5 percent per annum, with an even higher net yield if the mortgages are purchased at a modest discount, the net return to the fund would be much larger than the 3 percent rate. Moreover, in order to guarantee a higher return, the bill would limit payment by the fund to the Federal National Mortgage Association for its services to three-fourths of 1 percent. This would guarantee a net return at the very minimum of 4¼ percent per annum to the national service life insurance fund. The higher earnings rate thus made possible would permit veteran policyholders to benefit either through lower premium payments or through increased dividends.

Your committee believes that the NSLI fund program will give the needed assurance that capital funds for veterans' preference loans will be generally available. Your committee is hopeful that the present FHA 5 percent interest rate is a generally acceptable market rate in most sections of the country. But we recognize that in capital-shortage areas of the country some additional support is essential to make sure that the program works. Your committee is convinced that the supplemental support of the NSLI fund will help achieve that objective.

DISCOUNTS

The committee bill—H. R. 6659—is very weak on the control of discounts. The report does set out some of the evils. The committee bill does try to more adequately deal with the evil than present law. The Talle bill does not attempt to deal with it at all. It was the Republican 83d Congress that repealed the law that was used to prohibit these scandalous discounts.

The committee report on this subject is as follows:

DISCOUNT CONTROL

Your committee is seriously concerned over the excessive discounts, particularly on GI loans, which have become commonplace in many sections of the country. Over the past year discounts of 5 or 6 percent have been quoted as typical in many parts of the country. Even more disturbing are the frequent accounts of even larger discounts, as much as 10 percent or higher.

The discount practice is a device which enables the lender to obtain an investment yield in excess of the maximum interest rate. The discounting process typically works as follows: A builder goes to a local lender seeking an advance commitment for mortgage financing. Assume he is building a house with a sales price of $15,000 to be sold with a downpayment of $1,000. The lender agrees to make the loan, but only at a 5 percent discount. The house is constructed by the builder, usually with the proceeds of a short-term construction loan which he receives from a local bank. At closing, the buyer makes his $1,000 downpayment and signs a note to the lender for $14,000. However, because of the discount, the builder receives only $13,300 from the proceeds of the loan—5 percent less than the face value of the note. The builder has thus received only $14,300 cash from the sale. On the other hand, the lender has the buyer's note for $14,000 for which he has paid only $13,300. Thus the builder in effect has paid a bonus to the lender of $700, which raises the yield to the lender substantially above the contract interest rate.

In this instance a 5 percent discount on an FHA 25-year loan with a 5 percent interest rate would raise the yield to the lender from 5 to 5.52 percent—or even higher if prepaid before maturity.

In the case of an existing home the process is substantially the same, and the seller of the existing home is required to absorb the cost of the discount.

At a time when discounts are excessive the consequences are most undesirable. If they are passed on through a higher price, their burden is borne by the home buyer. Your committee certainly cannot condone a situation in which a veteran or other home buyer is forced to pay an an additional $600 to $700 for his home.

On the other hand there is the possibility that the builder may not be able to increase his price and is consequently faced with the problem of absorbing the discount cost from his profit margin. In the case of FHA-insured loans there is no control on the selling price so the discount could be passed on to the consumer via a higher selling price. A VA-guaranteed loan, however, requires that the selling price cannot exceed the reasonable value of the property as determined by VA appraisal. Here the incidence of the discount is not always clear. Since VA appraisers are instructed not to make an allowance for discounts in arriving at reasonable value, the presumption would be that they could not be passed on by the builder. But appraising by its nature cannot be an exact science. Moreover, in a situation where discounts are heavy, builders would naturally do everything possible to justify a higher reasonable value or, failing in that, to possibly reduce quality somewhat to offset any discount which they would otherwise be required to absorb.

In any case, the consequences are bad, whoever bears the incidence of the discount. If it reflected in a higher selling price, it is the home buyer who must bear the burden. If the builder is forced to absorb excessive discounts, he may very well be forced to reduce or even abandon his plans for building additional FHA or VA projects.

Your committee believes that the time has come to place some form of restriction upon discounts charged in connection with Government-underwritten mortgage loans. Your committee considered a proposal which would rule out discounts entirely. We are in sympathy with such a proposal but we recognize that some measure of discounting is essential for a mortgage loan which carries a relatively low fixed contract rate. Your committee recognizes that discounts and premiums are a pricing mechanism which reflects market judgment of mortgage investments. We recognize that the price fluctuates depending upon the quality of the security, the geographic area, and other factors. We do not believe, therefore, that it would be wise to attempt to prohibit discounts completely.

Under the previous authority which existed from 1950 to 1954 to control discounts, experience has shown that an attempt to rule out discounts is just not workable. In 1953 after the GI interest rate was raised from 4 to 4½ percent, the Veterans' Administration issued regulations banning discounts completely. This led to an impossible situation in which GI loans were just not obtainable in some parts of the country.

But at the same time your committee is convinced that action must be taken to guard against excessive discounts. We believe that the bill would achieve this objective.

Section 503 would authorize and direct the Federal Housing Commissioner and the Administrator of Veterans' Affairs to fix reasonable limits on the charges, fees, and discounts imposed by the lender upon the builder, seller, or purchaser in connection with FHA-insured and VA-guaranteed loans. Such limits may vary in accordance with the terms of the mortgage involved, the geographical area in which the housing is located, and such other pertinent factors as the Commissioner or the Administrator deems advisable.

Your committee believes that some leeway in setting reasonable limits on discounts is essential. Historically there have always been variances in the cost of mortgage money as between different geographic areas, and also as between loans of different characteristics within the same geographic area. The bill would provide the administering agencies with necessary discretion in this regard.

The bill would also require controls on the charges, fees, and discounts in connection with conventional construction financing where the permanent loan is FHA-insured or VA-guaranteed. Failure to provide such control would seriously impede enforcement. Otherwise the lender, while limited as to the charges he can make in connection with the permanent loan, could exact whatever discount he chose from the builder in connection with the conventional construction loan.

In order to enforce compliance the bill would require the lender to certify that he has not imposed upon the builder, seller, or purchaser any charges, fees, or discounts in excess of those permitted. In addition, your committee understands that, where appropriate to insure enforcement, the administering agencies would require certification from the builder to the effect that he had not paid to either the permanent or the construction lender fees, charges, or discounts in excess of those permitted by the schedule prescribed by the FHA Commissioner or the Administrator of Veterans' Affairs.

Your committee is aware that the control of charges and discounts in connection with the complex mortgage financing process is a difficult one. We are aware also that the history of the control of fees and charges under section 504 of the Housing Act of 1950 (which section was repealed in the Housing Act of 1954), shows that the problem of enforcement is complicated by the many possible evasionary schemes and devices. At the same time your committee believes that, under the provisions of the bill, the administering agencies should have sufficient authority to make discount control effective. The committee urges the FHA Commissioner and the Administrator of Veterans' Affairs to formulate their controlling regulations in a manner which will discourage any violation, direct or indirect, of the permissible fees, charges, and discounts. Your committee is convinced that the existing authority to bar participation from the FHA or VA programs to lenders and builders who knowingly seek to violate FHA or VA regulations will act as a powerful force to assure compliance.

In the minority views of 12 of the 13 representative members it is stated:

In enacting the National Service Life Insurance Act in 1940, the Congress wisely provided that the Secretary of the Treasury, as trustee for the national service life insurance fund "invest and reinvest such fund, or any part thereof, in interest-bearing obligations of the United States or in

obligations guaranteed as to principal and interest by the United States, and to sell such obligations for the purposes of such fund." That language remains unchanged today. That investment authorization is specific. Every veteran who holds a policy issued under that act has a right to expect there will be no breaching of that commitment. Every veteran policyholder has a right to expect his insurance fund will remain invested in the world's best security, the full faith and credit obligations of the United States Government, the security upon which there has never been a default.

The minority report does not indicate that the securities that would be used to support veterans housing loans by using national service life insurance fund would not be as good as the securities now used. They meet the test set out in the original act of 1940.

In connection with the use of national service life insurance fund and other trust funds let us consider:

First. There is $5.5 billion invested in the national service life insurance trust fund, in special Treasury issues at 3 percent.

Second. Annual receipts into the national service life insurance fund are running about $600 million.

Third. Net investment by trust accounts all in public debt securities this fiscal year 1957 is estimated at close to $3 billion—$2,921,000,000 to be exact.

Fourth. A good part of the shortage of savings for investment in home mortgages may be traceable to the diversion of small savers' funds into the Treasury. For example, there are some $40 billion in small savers' funds invested in series E and H savings bonds drawing substantially less interest than these same people must pay to borrow funds to finance a new home. Last year the Treasury drew $5 billion of such savings out of the market.

In addition the Treasury borrows about $3 billion a year from various trust funds at an average rate of less than 3 percent.

Fifth. Citizens are responding to patriotic appeals and are lending their Government money at substantially less than the going rate which the banks and other investors demand in the market when they lend to the Government and to others. The Government has helped create a scarcity of loanable funds, in part through the payroll savings plan which siphons off some $5 billion a year in savings bonds and in part through the artificial restriction of bank credit. This has enabled the lending institutions to boost the rates on mortgages and other types of borrowing. It has given them a good excuse to boost the rate.

CAUSING SHORTAGE OF MORTGAGE FUNDS

In all fairness and equity to the small-income people who are voluntarily giving their savings to the Government at low interest rates, which in part is causing the shortage of mortgage funds, the Government has some responsibility to see that they are protected against exorbitant discounts and fees and that they can get mortgage funds at reasonable rates when they want to obtain shelter for their families. One way in which the Government can help these people is by making available part of the national service life insurance fund for investment in GI mortgages at the 4½-percent rate.

CORRESPONDING WITH THE TREASURY

Another way is to use parts of the social security trust funds to stabilize the mortgage market. I have here correspondence which I received from the Treasury and the Department of Health, Education, and Welfare estimating the benefits to the fund and the future effect on the contribution schedule under the old-age and survivors insurance system if the funds of the old-age and survivors insurance program were invested in Government guaranteed and insured mortgages yielding 5 percent—the present rate on FHA insured mortgages. The gross income from interest would be increased by $537 million annually. This would be reduced somewhat if the expenses of collections, inspections, and so forth, were charged to the fund.

On the assumption that the interest earnings on the trust fund were at a net rate of 5 percent instead of the present 2½ percent the current contribution rate under old age and survivors insurance could be reduced to a combined rate—employer-employee—of 3¾ percent instead of the 4½-percent rate which is being paid.

If the Government is to persist in helping the banks and other lenders boost interest rates Congress should consider whether or not the peoples' trust funds ought not to be put to use to protect them against the tight-money policy.

CONTRIBUTIONS TO TRUST FUNDS COULD BE REDUCED

The letters and statement that are inserted herewith contains information that is very material in the consideration of this subject.

THE SECRETARY OF THE TREASURY,
Washington, March 20, 1957.

Hon. WRIGHT PATMAN,
House of Representatives,
Room 1201, House Office Building,
Washington, D. C.

MY DEAR MR. PATMAN: Receipt is acknowledged of your letter of March 11, 1957, with regard to the investment of the Federal Old-Age and Survivors Insurance Trust Fund.

There is enclosed a copy of a statement of account of the Federal Old-Age and Survivors' Insurance Trust Fund, as of January 31, 1957, and a table which shows the investment holdings of the fund as of February 28, 1957. The computed average rate of interest on the investments held by the trust fund was 2.521 percent as of February 28, 1957.

The computed average rate of interest on the fund's investments at the end of each fiscal year beginning with 1952 was as follows:

	Percent
June 30, 1952	2.301
June 30, 1953	2.299
June 30, 1954	2.295
June 30, 1955	2.294
June 30, 1956	2.518

In answer to your question as to the effect of investing the funds of the old-age and survivors' insurance program in Government guaranteed and insured mortgages yielding 5 percent, the gross income from interest would be increased by $537,275,000. However, the expenses of collecting monthly payments, making the necessary bookkeeping entries, and inspecting the property periodically, as well as the problem and cost of taking steps to protect the investment in the event of default, would materially reduce the benefit from this kind of a change in investments.

Any program of purchasing mortgages for this fund would also force the Treasury into the market to raise cash to redeem the Treasury obligations now held by the fund. Such a step would take money away from many investors making mortgage loans, and perhaps force money rates higher.

The Federal Disability Insurance Trust Fund was established effective January 1, 1957, by the social security amendments enacted by the previous session of Congress. The first investment of moneys in this fund was made as of March 1, 1957.

The last two questions in your letter, Nos. 5 and 6, deal with actuarial considerations. The Treasury does not have available in its records sufficient information to enable us to reply to these questions. Accordingly, as this sort of data is maintained by the Social Security Administration, I have referred a copy of your letter to the Secretary of the Department of Health, Education, and Welfare with a request that he supply you with such pertinent information as might be available.

Very truly yours,
W. RANDOLPH BURGESS,
Acting Secretary of the Treasury.

Federal old-age and survivors insurance trust fund investments as of Feb. 28, 1957

Special issues: 2½ percent U. S. Treasury certificates of indebtedness maturing June 30, 1957		$19,067,270,000.00
Marketable:		
U. S. Treasury Bonds:		
2⅝ percent of 1958 (July 1, 1952)		500,000.00
2¼ percent of 1959–62 (June 1, 1945)		938,000.00
2¼ percent of 1959–62 (Nov. 15, 1945)		3,267,000.00
2½ percent of 1961 (Feb. 15, 1954)		4,950,000.00
2½ percent of 1962–67		58,650,000.00
2½ percent of 1963 (Dec. 15, 1954)		500,000.00
2½ percent of 1963–68		116,480,000.00
2½ percent of 1964–69 (Apr. 15, 1943)		20,752,000.00
2½ percent of 1964–69		75,252,000.00
2½ percent of 1965–70		456,547,500.00
2½ percent of 1966–71		308,077,500.00
2½ percent of 1967–72 (June 1, 1945)		2,000,000.00
2½ percent of 1967–72 (Oct. 20, 1941)		138,193,250.00
2½ percent of 1967–72 (Nov. 15, 1945)		9,800,000.00
3¼ percent of 1978–83		45,100,000.00
3 percent of 1995		68,170,000.00
Nonmarketable:		
U. S. Treasury bonds: 2¾ percent of 1975–80 investment series B		$1,081,902,000.00
Total bonds		2,391,679,250.00
Marketable:		
U. S. Treasury notes:		
2⅝ percent maturing June 15, 1958 series A of 1958		131,000,000.00
3½ percent maturing May 15, 1960		34,100,000.00
Total notes		165,100,000.00
3¼ percent U. S. Treasury certificates of indebtedness series D of 1957 maturing Oct. 1, 1957		49,000,000.00
Total		21,673,040,250.00
Unamortized premium	$3,397,363.08	
Unamortized discount	−2,922,414.04	
		674,949.04
Total investments		21,673,724,199.04

Federal old-age and survivors insurance trust fund (cumulative as of Jan. 31, 1957)

Appropriations by Congress, employment taxes	$44,633,390,928.03	
Deposits by States	624,958,896.78	
Interest and profit on investments	4,168,621,872.99	
Other (HEW)	456,996.22	
Transfers from general fund	15,386,400.00	
Transfers from railroad retirement account	33,805,000.00	
		$49,476,620,094.02
Less:		
Administrative expenses, Bureau of OASI	613,231,109.98	
Transfers to Social Security Administration	8,881,925.00	
Reimbursement for administrative expenses per sec. 201 (g) (1) of Social Security Act, as amended	409,506,573.44	
Transfers for refunding internal revenue collections per sec. 201 (g) (2) of Social Security Act, as amended	248,690,000.00	
Disbursements from advance for construction of building	537,272.50	
Benefit payments	25,922,402,115.32	
		27,203,248,996.24
Balance to be accounted for		22,273,371,097.78
FUND ASSETS		
Investments:		
U. S. Treasury bonds:		
2⅝ percent of 1958 (July 1, 1952)	$500,000.00	
2¼ percent of 1959–62 (June 1, 1945)	938,000.00	
2¼ percent of 1959–62 (Nov. 15, 1945)	3,267,000.00	
2½ percent of 1961 (Feb. 15, 1954)	4,950,000.00	
2½ percent of 1962–67	58,650,000.00	
2½ percent of 1963 (Dec. 15, 1954)	500,000.00	
2½ percent of 1963–68	116,480,000.00	
FUND ASSETS—continued		
Investments—Continued		
U. S. Treasury bonds—Continued		
2½ percent of 1964–69 (Apr. 15, 1943)	$20,752,000.00	
2½ percent of 1964–69	75,252,000.00	
2½ percent of 1965–70	456,547,500.00	
2½ percent of 1966–71	308,077,500.00	
2½ percent of 1967–72 (June 1, 1945)	2,000,000.00	
2½ percent of 1967–72 (Oct. 20, 1941)	138,193,250.00	
2½ percent of 1967–72 (Nov. 15, 1945)	9,800,000.00	
2¾ percent of 1975–80 investment series B	1,081,902,000.00	
3¼ percent of 1978–83	45,100,000.00	
3 percent of 1995 (Feb. 1, 1955)	68,170,000.00	
		$2,391,679,250.00
U. S. Treasury notes: 2⅝ percent maturing June 15, 1958, (series A)		131,000,000.00
U. S. Treasury certificates of indebtedness:		
2⅝ percent maturing Feb. 15, 1957 (series A of 1957)		34,100,000.00
3½ percent maturing Oct. 1, 1957 (series D of 1957)		49,000,000.00
Unamortized premium on investments		675,601.52
Accrued interest purchased		247,332.52
U. S. Treasury special certificates of indebtedness: 2½ percent maturing June 30, 1957 (series of 1957)		18,980,100,000.00
Total investments		21,686,902,184.04
Undisbursed balances		
Undisbursed ledgers 20X8006	$676,825,447.13	
Advance to Bureau of OASI for salaries and expenses	9,280,739.11	
Advance to Bureau of OASI for construction	462,727.50	
		686,568,913.74
Total assets		22,273,371,090.78

THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D. C., April 17, 1957.

Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D. C.

DEAR MR. PATMAN: Acting Secretary of the Treasury W. Randolph Burgess has referred your letter of March 11 to me for reply to questions Nos. 5 and 6, which deal with actuarial considerations in regard to the old-age and survivors insurance system.

You inquire as to the effect on individual benefits if the interest earnings on the trust fund were at a net rate of 5 percent instead of the present rate, which is about 2½ percent. Actually, the benefits payable to individuals are not related to the amount of contributions paid by those individuals or any interest earnings that might accrue thereon. Rather, the benefits are determined, broadly speaking, from average earnings in covered employment, and the contributions (taxes) paid by the entire covered group.

On the other hand, the Congress has determined the contribution or tax schedule for the program on the basis that, considering al lactuarial factors (including the interest rate on investments of the trust fund), the contribution income should, along with interest earnings, be sufficient to finance the benefit and administrative expense disbursements over the long-range future, according to the best available intermediate actuarial cost estimate. The interest rate used in the actuarial calculations made at the time of the 1956 amendments was 2.6 percent, or slightly above the rate of 2.52 percent prevailing for the middle of 1956. If an interest rate of 5 percent had been used in the actuarial computations, there would have been a net reduction in the cost of the program amounting to about three-fourths of 1 percent of payroll on a level-premium basis.

Under such a result, the contribution schedule could have been adjusted in several ways to achieve and maintain the principle of self-support. On one basis, the present contribution schedule for the combined employer-employee tax (which is currently 4½ percent and rises ultimately to 8½ percent in 1975 and thereafter) could be uniformly reduced by three-fourths of 1 percent (or in other words, to 3¾ percent currently and 7¾ percent ultimately). Still another basis, and one which is somewhat in line with the comments in your question 6, would be to defer some of the scheduled increases in the contribution rate. Thus, for example, under the assumption of a 5 percent net interest return on the trust fund, the self-supporting principle could be maintained if the present contribution rate of 4½ percent were continued through 1964, and the subsequent increases were then inaugurated so that there would be rises every 5 years until for 1975–79 the rate would be 7½ percent, while for 1980 and thereafter, it would be 8 percent (rather than the 8½ percent presently scheduled as the ultimate rate). Still another approach would be to maintain the present contribution schedule except to have a lower ultimate rate; under the interest assumption made, it would be possible for the rate now scheduled in 1970–74 (namely, 7½ percent) to be the maximum rate required, assuming that the earlier increases took place as now scheduled.

In regard to the above discussion, you will, of course, appreciate that the figures are being presented on the actuarial assumption of a 5 percent net interest rate, and I am not attempting to go into the matter of what gross interest rate might be required to offset the additional expenses involved (as pointed out in Mr. Burgess' letter) or even more importantly the question of whether such a manner of investment would be desirable.

Sincerely yours,
JOHN A. PERKINS,
Acting Secretary.

The CHAIRMAN. The time of the gentleman from Texas [Mr. PATMAN] has expired.

Mr. TALLE. Mr. Chairman, I yield such time as he may require to the gentleman from Ohio [Mr. BETTS].

Mr. BETTS. Mr. Chairman, there has been a great deal of discussion about the plight of housing. Sometimes it seems there has been a reaction accompanied by an abundance of intense feeling. In the interest of fairness I think it should be pointed out that this feeling has not been unanimous. Like every other matter of national interest, this question of Government assistance in home building ought to be approached in a manner of sober reflection.

We should be indebted to Mr. Everett Ashley's article in the Washington Star of Saturday, May 4, for his contribution to a sober consideration of the situation. In this article he says:

> A close study of all the available data on the factors influencing housing demand provides scant basis for extended pessimism. We are, it is true, in a period of readjustment. To borrow an expression from stock market analysts, however, the home-building industry appears to be in a period of consolidating its gains rather than one in which the underlying outlook has changed from "bullish" to "bearish."

Any discussion of this bill should include a consideration not only of the best interests of builders and lenders, but also of the entire economy. Simply because this measure deals with housing and homes is no reason why we should refrain from being cautious. And it might well be a fact that any specific advantages proposed herein would result in inflationary consequences more damaging than any present effects of so-called tight money.

It seems to me that we have an obligation not only to help home building today, but also to keep our economy sound for tomorrow. The fact that this bill is inflationary was testified to by practically every witness who appeared before the subcommittee.

It might also be interesting to note in passing that the Housing Act was first passed in 1934—during the depression. Obviously its whole purpose was to assist home building in this emergency period. But the Housing Administration has been expanding as prosperity increased, until it is larger now in prosperous times than it was during the depths of the depression. I would be among the first to vote for legislation which would pump credit into the economy to resist a depression or meet an emergency. But economists generally agree that the overall picture today is one of continued prosperity which is bound to help any lagging segment in the business world.

Recently Sumner Slichter, Harvard University economist, said:

> The position of the consumer is improving. Pay raises negotiated last year go into

effect this year, many of them concentrated in May, June, July, and September. Business too is strengthening itself. The surveys of new plant and investment plans indicate that expenditures will go up a little more in the second half than in the first. We have been bumping along the top for a long time now, and there is no room for much expansion.

Everyone also is in agreement, I admit, that housing is a lagging segment of the economy, but I do not subscribe to the philosophy that the Government should be eternally engaged in eliminating all the peaks and valleys. In a free-enterprise system, the process of correction should come to a certain extent from the operation of the system itself.

For these reasons I think we should proceed with caution in considering this bill. I support its principle in moderation—but I hope we may have the foresight to see that it is kept within the limits of moderation.

This is partially the reason why I think we should eliminate from the bill the provisions which would permit the use of national life insurance funds in the purchase of veterans' preference loans under the FHA program. At present these funds are invested in United States Government obligations and held in trust by the United States Treasury. In order to obtain cash to purchase veterans' mortgages, the Treasury would be obliged to borrow money to retire enough bonds for the purpose of purchasing mortgages. This would mean the same thing as the creation of new money—pumping more credit into the economy, which must always produce an inflationary impact.

In other words, the value of the veterans' dollars would be less, and would require more money to participate in the liberalized program. As a result, he would be no better off than at present.

Furthermore, it should be remembered that the money in national service life insurance is held in trust for the veterans. It is their money. And there is serious question whether the veterans themselves want their money invested in veterans' mortgages. At least it is not unanimous. The representative of the American Legion which appeared before the subcommittee testified that the advisory council of the order had disapproved of this procedure. I am informed that other veterans' organizations have now registered their opposition.

Finally, there is a legal complication. The present law requires the national service life insurance funds to be invested in Government obligations or obligations wholly guaranteed as to principal and interest. VA-insured mortgages are not guaranteed 100 percent, but 90 percent. The Undersecretary of the Treasury has submitted a letter appearing on page 114 of the hearings which outlines this legal situation. It is true that the bill attempts to meet this situation, but even so it seems to be changing the rules of the game.

The use of this fund might well have far-reaching implications. It could open up a whole new field for legislative consideration, namely whether or not all pension or trust funds held by the Government should be available for investment in securities of private individuals. Being a radical departure from the orthodox method of investing federally held money, it certainly deserves the consideration of exhaustive hearings. Presumably this would come within the jurisdiction of the Ways and Means Committee.

In my opinion this bill has many inflationary provisions. However, I realize that it might have been worse. I will support any move to eliminate the national service life insurance section, as well as that portion of the bill which seeks to regulate discounts. Like control of prices, rent, or wages, discounts should be controlled only in an emergency. With those provisions eliminated, the bill approaches a degree of moderation which I think the Members might well support.

Mr. TEAGUE of Texas. Mr. Chairman, would the gentleman from Iowa yield to me for a question?

Mr. TALLE. I yield to the gentleman from Texas.

Mr. TEAGUE of Texas. The gentleman from Georgia [Mr. BROWN] was quite critical of the veterans' groups because they did not testify against this bill. Also he was critical of the gentleman's bill because it had not had any hearings. Is it not true that hearings on over-all housing were held after this bill was written and there was no opportunity for the veterans' groups to appear against this specific bill in the Committee on Banking and Currency?

Mr. TALLE. I believe the gentleman is correct, Mr. Chairman.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, it has been said that the veterans organizations had no chance to appear before the Committee on Banking and Currency. May I read to the House a memorandum that I think every member of the Committee on Veterans' Affairs was supposed to receive from the American Legion regarding the views of that organization. It is as follows:

AMERICAN LEGION NATIONAL LEGISLATIVE COMMISSION

On May 1, 1957, the House Rules Committee granted an open rule with 4 hours of debate on H. R. 6659, to extend and amend laws relating to the provision and improvement of housing, and to improve the availability of mortgage credit. The bill is scheduled for consideration by the House tomorrow, May 7, or shortly thereafter.

This bill, if enacted into law, will materially alter, change or adversely affect the veterans' housing program created by legislation enacted over the years by the House Veterans' Affairs Committee. It would create a special veterans' housing program within the FHA.

The American Legion strongly opposes the transfer of any veterans' program from the Veterans' Administration to the Federal Housing Administration.

Section 205 of H. R. 6659 would authorize the use of $1 billion out of the national service life insurance fund to purchase loans under the FHA. This proposal was carefully considered by our national rehabilitation commission and at the regular spring meeting of the national executive committee, the governing body of the American Legion, between national conventions, held in Indianapolis, Ind., May 1-2, 1957, a resolution was unanimously adopted strongly opposing the use of any part of the NSLI fund for mortgage purposes by either the VA or the FHA.

Your attention is also invited to the fact that under the provisions of H. R. 6659, if the sales price is higher than the FHA's appraisal, the required downpayment would be correspondingly increased, which means, of course, the veteran will have to pay that much more in cash at the time title is closed. This does not attain under VA mortgages.

On behalf of the national organization of the American Legion I respectfully request that you vote against H. R. 6659 when it comes up for consideration and support an amendment or a substitute bill which would omit these objectionable features so adverse to veterans.

Thanking you for your favorable consideration, and with kind regards,

Sincerely,

MILES D. KENNEDY,
Director, National Legislative Commission.

MAY 6, 1957.

I find that the other veterans' organizations are equally strong in opposition to the FHA veterans amendments.

Mr. TALLE. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the distinguished gentleman from Iowa.

Mr. TALLE. Confirming what the gentlewoman from Massachusetts has just said, I, too, have a communication from the American Legion. I also have a communication from the Veterans of Foreign Wars along the same line, also a communication from the Disabled American Veterans and one from the AMVETS. All of these came to me yesterday morning. They are similar in attitude, the tenor of their opinion is the same; they are all opposed to the use of the veterans' insurance fund for the purpose stated in the committee bill.

Mr. ROGERS of Massachusetts. Yes. They have a very great fear, I find, that it is the beginning of the end of the special GI benefits under the Veterans' Administration, and they would not come under the Veterans' Affairs Committee. It would mean, I fear, that various other services in the VA would be eliminated. That committee was created for the veterans, to take care of them by legislation and to carry out insofar as possible the wishes of the veterans.

It has been stated on the floor that every Government department that I know of has objected to these provisions. I would like to express my admiration to the gentleman for his interest in the veterans. The gentleman from Alabama [Mr. RAINS] was very helpful to me while I was chairman and was very helpful on problems concerning veterans' housing legislation.

Mr. TALLE. Mr. Chairman, I have no request for time at the moment.

I reserve the balance of the time on this side.

Mr. SPENCE. Mr. Chairman, I yield such time as he may require to the gentleman from New Jersey [Mr. ADDONIZIO].

Mr. ADDONIZIO. Mr. Chairman, I rise in support of H. R. 6659, titled the Housing Act of 1957.

This is a broad-gaged housing bill designed to provide relief to homeowners and the home-building industry and

and to improve and expand many worthwhile housing programs. The bill is a product of hard work—our Subcommittee on Housing spent 2 weeks of intensive hearings and I am proud to have played a part in the making of the bill.

One major objective of the bill is to stimulate lagging demand in the housing field. Because lenders are reluctant to make GI loans at the maximum 4½ percent interest rate, thousands of veterans are finding it impossible to obtain mortgage financing on liberal terms for the purchase of a home.

Recognizing this problem, the Banking and Currency Committee proposes in the bill to liberalize the downpayments required under the FHA program.

Under current statute the minimum downpayment for an FHA loan is 5 percent of the first $9,000 of value and 25 percent of the excess. Under the bill the minimum downpayment factors would be changed to 4 percent of the first $10,000 of value, 30 percent of the next $6,000 and 70 percent of the remainder. On a $15,000 house for example, this would reduce the required downpayment from $1,950 to $1,400.

But the bill goes much further in giving a break to World War II and Korean veterans who wish to buy homes with FHA financing. For such veterans the bill would reduce the required downpayment by exactly one-half. In other words, on the $15,000 house which I cited, the minimum required downpayment would be only $700 for a veteran. Thus in those areas where veterans cannot obtain GI loans, we have provided a favorable alternative for them under the FHA program. Moreover, we have attempted to keep financing costs to a minimum for the veteran by providing the veteran will not have to pay the one-half of 1 percent annual mortgage insurance premium which is required on other FHA loans. In addition, we have put in other worthwhile features designed to protect the veteran who obtains mortgage financing under the FHA program.

I would like to emphasize one thing in the strongest possible terms. Our bill does not intend to interfere in any way with the existence of the GI loan program. While we recognize that few veterans' loans will be available under the GI loan program with its 4½-percent interest rate, nonetheless it would remain in being. Thus, it might be possible in a few areas for a veteran to obtain a GI 4½-percent interest rate as an alternative to the FHA veterans' preference loan proposed by H. R. 6659. Also in the event of a marked change in mortgage market conditions, it is conceivable that the GI 4½-percent rate might again become marketable generally.

The plain truth is that our bill would supplement and not supplant the GI loan program. In effect the veteran would have two windows to which he can go. If he can find a lender willing to make him a GI 4½-percent loan, so much the better. But if he cannot and if he needs housing, our bill would allow him to buy a home under the FHA program with a substantially lower downpayment than that required of others.

The bill also seeks to come to grips with the vexing shortage of mortgage credit which has been the inevitable outgrowth of the administration's tight-money policy. Credit is the lifeblood of the home-building industry which is so vital to the health of our overall economy and is so essential in meeting the housing needs of our people.

To inject further credit support into the housing market, the bill would expand and improve the operation of the Government's secondary mortgage market facilities of the Federal National Mortgage Association. FNMA has been rendering important assistance to the private secondary market, and the committee bill would increase substantially the funds available to FNMA for the purchase of FHA-insured and VA-guaranteed mortgages which cannot find outlet in the private capital market.

H. R. 6659 would increase by $1 billion the funds available for the purchase of FNMA secondary market operations. This sum—$500 million more than the administration recommends—should give the home building and home finance industry more assurance and confidence in planning future home building and home finance activities.

The bill would also provide additional funds for FNMA's special assistance program which uses Treasury funds to support especially deserving and worthwhile programs such as disaster housing, military housing, housing needed in connection with slum clearance and urban renewal, and cooperative housing.

Another section of the bill would assure the success of the vitally needed military housing program. It would provide $300 million additional in the FNMA special assistance program as a backstop to assure that the military housing program gets the financing it must and will have.

In the field of slum clearance, the bill provides for increased sums for Federal grants to help our cities continue in their fight upon slums and blighted areas. The bill would provide $250 million additional for matching Federal grants, which is substantially more than the $175 million recommended by the administration. Personally I would have preferred to see an even larger authorization for this vital program. I am apprehensive that the $250 million is the bedrock minimum needed for next year. I also believe strongly that the Congress should authorize substantial funds for slum clearance funds over a period of years so as to assure the continunity so necessary to permit intelligent planning.

Another worthwhile purpose of the bill is to provide additional funds for the college housing loan program. The bill provides $150 million additional which should permit the continuation of an active college housing program, geared to meet the urgent needs of the colleges with their ever-rising enrollments.

The bill also attempts to come to grips with the problem of excessive discounts which have plagued GI and FHA loans in many areas of the country. We recognize that some discounts are an inevitable part of the mortgage pricing system, but we do not think that Congress can continue to condone a situation in which you find discounts as high as 10 percent on GI loans in some sections of the country. The bill would seek to meet the problem by authorizing the VA and FHA not to prohibit discounts, but to fix reasonable limits with appropriate geographical differentials.

I think that the things proposed by the bill are most necessary and desirable. My only reservation concerns some of the things that I wish we had been able to include in the bill. While it is true that last year we authorized a 2-year program for low-rent public housing, I felt at that time and I still feel that the authorization was pitifully inadequate. We are never going to lick the slum problem and meet squarely the pressing housing needs of our lowest income groups unless we have a successful low-rent public housing program on a scale much greater than the one that is provided in the present law.

Also the bill does not include any provision for meeting what I regard as one of the most pressing housing needs of our country, namely the problem of supplying decent housing at a moderate cost for our elderly citizens.

In my capacity as member of the Subcommittee on Housing and the full Banking and Currency Committee, I plan to use every effort during our hearings later this year and during next year's session, to achieve a larger and more effective public housing program and a really worthwhile program to supply housing for the elderly. And in those hearings and deliberations, I think we should intensify our search for some solution to what is called the problem of middle income housing. The FHA and VA programs have served splendidly to meet the needs of families with better than average incomes. With an effective low-rent public housing program, we can supply the housing needs of families on the lowest rung of the income ladder. But for those families in between this group, there is no decent housing being provided at sales prices and rentals which they can afford to pay. I am most hopeful that we can find a way to solve this problem.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, I would like at this moment to try to clear the air. There has been much said about the invasion of the jurisdiction of the Committee on Veterans' Affairs. I think the problem before us is not the jurisdiction of any committee. No committee is sacrosanct. Each is made up of Members of this entire body. We should consider the merits of the particular piece of legislation and not whether it came from one committee or another.

Let me recall to you, in that connection, that when the Committee on Veterans' Affairs had a bill on this floor on March 25, 1957, and we discussed the question of whether or not that bill should be amended by using the NSLI funds for veterans' loans, the impression was given to this body by that committee, by the Committee on Veterans' Affairs, that the matter would be studied at length by the Housing Subcommittee

of the Committee of Banking and Currency, and that that committee would bring before you appropriate legislation. The Banking and Currency Committee has now done just that. You now have the bill before you. Let us meet these issues on their merits.

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. TEAGUE of Texas. I would like to quote from the rules of the House. The rules of the House say that the Committee on Veterans' Affairs shall have responsibility of life insurance issued by the Government on account of service in the Armed Forces. It seems to me that is adequate proof of jurisdiction.

Mr. MULTER. There is not any doubt that the gentleman's committee has jurisdiction. But also, there is not any doubt that this bill is in order and that every part of it is in order. If it is not, you may raise a point of order to try to strike it out. If it is in order, as a part of this bill, we should meet the issues on their merits regardless of which committee brought it before us. I say to you in all sincerity that no real argument has been offered as to why the NSLI funds should not be used in this program.

The fund belongs to the veterans. It is a trust fund which can and should be used for mortgages without impairing the fund in any way whatsoever. The fact of the matter is that if you have a life insurance policy in a mutual company or in a stock company, if you are in a pension system, whether it is private or Government, your funds are being used in large part for investment in mortgages on homes. At least 25 percent of most of those funds are placed in long-term home mortgages. There is no better investment than these long-term mortgages, especially when Government guaranteed. There is no reason why these funds, the NSLI funds, should not get a larger return than they are getting from the Government bonds in which they are now invested.

Let us not be confused that this bill in any way "messes up," as someone used the expression, the VA program. This implements the veterans' affairs program. It does not in any way impair the rights and duties of the Veterans' Administration, nor does it lessen its jurisdiction.

This supplements the right of the veteran to come in and get a mortgage and to get a mortgage on fair terms. Is there any Member of this House who will dare to stand up and say, whether you use the fancy word "discount" or the simple word "interest," or any other phrase, that when you take more than the interest rate on a mortgage from the veteral or the homeowner—a veteran or nonveteran—a sum in excess of the interest rate, that it is anything other than overreaching and overcharging and usurious?

Is there any Member of this House who will stand up and say that the Veterans' Administration should not have jurisdiction to control the discount rate and determine the reasonableness of the discounts charged to the veteran under the VA mortgage program? That is all this bill says. Yes, we also give the FHA the right to control the discount rate on FHA mortgages.

We wrote into this bill a provision that the Veterans' Administration shall also control discounts on VA mortgages. Is there any member of the Veterans' Affairs Committee who will say that his committee does not favor that kind of control but that we cannot enact such a proper provision unless the bill therefor comes to this House from his committee?

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. TEAGUE of Texas. The Veterans' Affairs Committee would rather see the builder pay the discount instead of increasing the interest rates and passing it on to the veterans. We have tried to protect the veterans. The gentleman's bill increases all the cost to the veteran himself.

Mr. MULTER. Oh, no. The gentleman is wrong. The language of this bill is that the Veterans' Administration is charged with the duty of making sure that the veteran will not be charged an unreasonable discount. That is the language of this bill.

There was one other statement made that if the veteran comes in under this bill and gets a loan he cannot get one under the VA program. That is not quite accurate. All this provides is that the veteran cannot have more than one loan at a time. Does anybody think a veteran should have two loans at the same time on a home? No Member will so contend or so vote.

This bill says that while he has an outstanding certificate he cannot get another loan. He can get his loan under the Veterans' Administration if the money is available. If not, he can come in and get it under this program. He can have one at a time, just as is provided under the VA program.

May I call attention to one other thing? When the bill was voted out of our committee, the committee report was accompanied by minority views. They are set forth in the report that is before you. Those views make no mention of a substitute bill; they make no mention that the veterans' preference provisions contained within this bill were bad or should be eliminated nor was the suggestion made that putting them into this bill was an invasion of the jurisdiction of any other committee. Every housing bill that has come before this House since I have been here, and that is 1947, has always taken care of the veterans. There were one or more specific veteran preferences in every housing bill that has ever come before this House since 1947, and probably before that, too. We are following precedent in doing it again here. The mere fact that the Committee on Veterans' Affairs thinks it should bring the bill in is no reason why we should not meet this issue head on.

The minority views took issue only with the use of part of the National Life Insurance funds for mortgages. In those views we are told that that fund is expected to increase by some $96 million this year.

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. TEAGUE of Texas. Can the discount be passed on to the purchaser under an FHA program, legally?

Mr. MULTER. Legally or illegally, it is being done, just as it is being done legally and illegally, under the Veterans' Administration program. What you are doing by this bill is to stop it being passed on to the purchaser by FHA or VA. The reason we put it in is because, whether it is a VA loan or an FHA loan—the builder includes in his appraisal and in his estimate of the cost, the discount, whether it be Veterans' Administration or FHA.

Mr. TEAGUE of Texas. Under VA or FHA?

Mr. MULTER. Both.

Mr. TEAGUE of Texas. That is not so.

Mr. MULTER. If a builder cannot get it included in his appraisal cost, then he takes it under the table in cash. But it is being paid. There is no doubt in the world that discounts are being paid in the final analysis by the home buyer, whether he is a veteran or nonveteran.

The builder is not standing that cost, nor is the banker standing that cost. The banker could not afford to operate if he did not get that money.

For example, take a mortgage of $10,000. How long do you think the bank would remain in existence if it sold that mortgage to FNMA at a 10-point discount? A $10,000 mortgage for $9,000. Neither the builder nor the banker could continue in business very long on that basis. Somebody must pay that discount, and that somebody is the homeowner, veteran and nonveteran alike.

We have heard a great deal about how the veterans' organizations are opposed to invading this NSLI fund. I have already told you that it is traditional in the mortgage lending business to use trust funds and insurance reserve funds for mortgage investments. It is one of the safest investments you can get outside of Government bonds, and when they in addition are guaranteed by your Government, as these mortgages are, they are even better than Government bonds.

The statement has been made that some of the veterans' organizations have opposed this program because it is an invasion of a veterans' trust fund; and that it would be a depletion of their insurance trust fund.

The truth of the mater is that this program will make it a better fund for the veterans. As I have already indicated to you, it will bring a greater return to the fund without affecting its safety. Where they are now getting 3 percent they will get 5 percent if this bill passes, or 4½ percent if the amendment is adopted to permit the veteran to get the benefit of the lower interest rate of 4½ percent.

When you are told that this program is an invasion of the Veterans Administration's rights and functions, you are being misled; it does no such thing. I suggest that the Talle substitute when offered be voted down and that the Rains-Spence bill be enacted.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. VANIK].

Mr. VANIK. Mr. Chairman, I urge support of the pending housing bill, H. R. 6659, as reported out by the Banking and Currency Committee.

This bill will not be a cure-all to the current slump in housing construction. It is really a not-much-housing housing bill, but it is better than no legislation at all, and it apparently represents the maximum this Congress will consider at this time on this vital and pressing problem.

In my city housing conditions are about as poor as they are anywhere in America. New construction under the GI bill is vanishing with the exhaustion of current commitments. Therefore, the substantial purchase of homes must take place from among those already built, the older homes. The application of GI loan privileges to the purchase of older homes has been practically nonexistent. FHA lending is becoming more and more uncommon as money pressures force potential home purchasers into conventional-loan practices, of which the bankers are enamored.

As a result, city slums are increasing more rapidly than our efforts to abate them. Congestion is forcing the continued doubling up of families in substandard and inadequate housing facilities. The merchants of slum housing are enojying a bonanza, and the guilt must necessarily fall upon this administration and upon this Congress.

The building of lush and luxury class homes is dominating the sluggish homebuilding activity in my community. While this kind of housing construction helps, luxury housing construction does not provide housing for the most needy and the inadequately housed. They can only be helped by a far-reaching wide-scale program stimulating the construction of low-cost housing.

In my community where GI and FHA loans are impossible or difficult for the purchase of older properties, it is common practice to finance such purchases with loans which call for interest rates very frequently between 6¾ percent and 8 percent with additional loan service charges of as much as $41 per year tacked on to an average loan. These are the good cases. The sordid and more cruel arrangements use land contracts under which a prospective purchaser of the property can rarely hope to attain home ownership. Current operations of home financing in my community have made a hoax of State statutes which define usury.

Under the glorious conventional loan system in which most of our bankers and money lenders revel, it is rapidly becoming the practice in my community for a lending institution to discount the lender and discount the seller of the real estate as well for the purchaser's mortgage—even though he is not a party to the loan contract. It is my suspicion that the real-estate broker also pays a discount to a lending institution in order to put through the deal.

In addition, a new device has come into being under the current tight money policy in which the seller of real estate is compelled to leave part of the proceeds of real-estate sale on deposit with the lending institution and pledged to secure a portion of the loan. In this way, a lending institution is using the current tight money condition as a means of bringing about a forced deposit of sale proceeds for a loan security. This forced deposit earns 2½ to 3½ percent, while it earns in excess of twice as much for the lending institution.

The current not-much-housing policy, coupled with the engineered tight money policy of this administration is good only for a very special group of people—those who rent the use of money in this rigged money market.

Mr. TALLE. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. KLUCZYNSKI].

Mr. KLUCZYNSKI. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN (Mr. RABAUT). Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. KLUCZYNSKI. Mr. Chairman, I am happy and proud to welcome to the Nation's Capitol five outstanding high school students from my district. Four of the teens enjoying the 3-day tour of Washington are winners of a high-school essay contest sponsored by the Back of the Yards Neighborhood Council as part of its youth welfare program, in which 13,000 students participated.

Writing the best papers on the topic—"If I Were the Parent of a Teen-ager" were Phyllis Marciniak 16, of 5120 South Wood Street, a junior at St. Joseph's High School; Raymond W. Petkus 17, of 4517 South Sawyer Avenue, a senior at DeLaSalle High School; Mary McInerney 17, of 6635 South Morgan Street, a senior at Visitation High School; and Larry Petri 14, of 5403 South Sayre Avenue, a sophomore at Kelly High School. Accompanying the four top essayists is Michael White 17, of 5753 South Rockwell Street, a senior at DeLaSalle High School who was selected as one of Chicago's outstanding teen-agers by the New World, Catholic archdiocesan newspaper.

The Back of the Yards delegation also includes Joseph B. Meegan, executive secretary of the Back of the Yards Council and Captain Matthew J. Murphy, director of the Back of the Yards Council Youth Welfare Program.

The future of our Nation lies in our youth and we look with great pride and confidence in our future, when we see such outstanding representatives of new America as these teen-agers. May their stay in Washington be a pleasant one and their future be rosy.

Mr. SPENCE. Mr. Chairman, I yield such time as she may desire to the gentlewoman from Missouri [Mrs. SULLIVAN].

Mrs. SULLIVAN. Mr. Chairman, as a member of the Committee on Banking and Currency for several years, and as a new member of the Subcommittee on Housing, I must truthfully say that I see no magic in this particular bill as a means of solving or ending the housing shortage.

We worked hard and long hours and heard many, many witnesses, and did a great deal of concentrated soul-searching in the subcommittee, and we know we are not proposing the most sensational housing bill of all time.

Actually, each one of us was acutely aware of the fact that the real root of the housing problem today does not lie in housing legislation. The root lies in the Department of the Treasury of the United States, and in the White House.

As long as interest rates remain so ruinously high—by official encouragement and you might say decree of the present administration—the housing problems are not going to be easily solved.

We argue over the interest rate on GI housing or on FHA housing, but we all know that the real argument is not over the FHA official rate but the under-the-counter, discounted rate. The financial institutions can turn up their noses at housing loans, no matter how much sweetening is done to make them attractive, because the Treasury is always putting out new issues of short term loans at fantastically high interest rates—and the housing market is ignored and forgotten.

We were urged to keep raising and reraising the rates on housing loans, as if that were some sort of solution. It is not. The solution lies in taking some really drastic steps in bringing down interest rates, not in raising them further.

Housing loans, fully guaranteed by the United States Government, are among the best investments which could possibly be made. They are not going to be made competitive however—no matter how high you raise rates—unless and until other interest rates come back closer to a sane normal.

The biggest blunder of this administration was in setting out deliberately to raise interest rates on Government obligations, and now the chickens are coming home to roost, not only in connection with housing, which is now almost a distress industry, but in connection with the astronomical cost of financing the national debt.

I do not know how those in our Government responsible for raising interest rates so high can sleep at night. They have set loose a monster.

One further word about this whole question of housing: We have put together what we felt was the best bill under the circumstances. It provides nothing for low-cost housing, where there is a serious need in our cities. But it is more courageous on the subject of urban redevelopment than the President has since shown himself to be, after he had first recommended a significant and effective expansion of the program. Now he has backed away from it. We on the subcommittee have not backed away. We believe in this.

It is truly amazing to me that the first place—and for a while it seemed the only place—that the President and his advisers found they could cut on this $71.8 billion budget was on this little—comparatively very little—item of urban redevelopment, which means life or death for our major cities. And the item is not

even in the budget for this year—it is a future obligation.

It is truly amazing.

I might say that the President's spokesman on housing was almost enthusiastic in reporting to Congress his great success in finding a place to cut the budget—and it was on this item he supposedly had recommended to begin with and supposedly believed in.

Those of us who see and fear the spread of blight in the centers of our cities, who see and fear the deterioration of the great cities of America while our families flee to the suburbs to become strangled in a new kind of congestion and traffic chaos, know that we must revive our cities, restore the center cities, and make them attractive again. It is a tremendous job. It is a vital job. It must be done.

We know the help of the Federal Government is absolutely essential to that purpose. And yet here we see the President joining in running out on his own program and his own proposals in this field, backing away timidly.

The committee bill's provisions on urban redevelopment are urgent and should be supported.

Mr. SPENCE. Mr. Chairman, I yield myself 10 minutes.

I do not think that the chairman of the Banking and Currency Committee should sit silent while that committee is accused of invading the jurisdiction of the Committee on Veterans' Affairs.

The Banking and Currency Committee saw fit to include in the housing bill, benefits and preferences for veterans desiring to purchase homes under FHA. FHA was created by the Banking and Currency Committee and our committee has had jurisdiction over it for more than 20 years. Having jurisdiction it had the authority to give the veteran the preferences included in the bill. These preferences have been denounced by the veterans' organizations who think it inadvisable to give the veterans a preference in mortgages for homes. However, we had no report on what the veteran himself thinks about this matter. I feel confident if we could get the sentiment of the veteran he would be enthusiastically for the reduction provision in the downpayment. There is reason why he should have this preference. Many of these young men were stationed in far-distant places from their homes and in foreign lands. Because of this fact they had no opportunities to make provisions for acquiring homes. The man who stayed at home was in a very much better position for this purpose. In addition to this, the service of the veteran to his country entitled him to special consideration and that was given him by the committee bill. In the bill there is an attempt to control discounts which is not in the substitute. While I realize that discounts may be necessary for the successful prosecution of the building program, we must see that such discounts are free from oppression and exhortation. We must do everything we can to see that these discounts are reasonable and do not result in usury. Sir Francis Bacon said, "The usurer earns his bread in the sweat of another man's brow."

I believe in committee action and in the preservation of the jurisdiction of committees of the House. It is only by that method that we can obtain well-considered legislation properly presented to the House. The committee bill comes here after great study and investigation by the subcommittee over many months. It was reported unanimously by the Subcommittee on Housing and was favorably reported by the Banking and Currency Committee by a vote of 22 to 3. No opposition was heard to it until the Veterans' Affairs Committee expressed its disapproval. I thought when it was reported it was a good bill and still think so.

There has lately been a great decrease in our home building. It has been proven through the years that favorable FHA legislation will result in an increase in home building. Homes are not only essential for the health and happiness of our people but are necessary for the general welfare and the economy of the Nation. I hope the committee bill will be passed in order to remedy the serious condition that now prevails in regard to home acquisition and home building.

Mr. TALLE. Mr. Chairman, I yield such time as he may require to the gentleman from Texas [Mr. ALGER].

Mr. ALGER. Mr. Chairman, I am most concerned with the extreme liberalizing of loans under these bills. It occurs to me that it would be possible to build and finance rental property for little if any cash expended. For example, even under the Talle bill, a 2-unit apartment estimated to cost $23,000 could be built with a $19,900 loan and $3,100 down. Take from that the profit, as in the case of a man building for himself, it might be possible to have little or no cash involved.

It seems to me we are going too far in liberalizing these loans.

Mr. TALLE. Mr. Chairman, I yield such time as he may require to the gentleman from New Jersey [Mr. WIDNALL].

Mr. WIDNALL. Mr. Chairman, I was a member of the Subcommittee on Housing that held all of the hearings preparatory to the passage of the Spence bill in the full Banking and Currency Committee. At that time I supported many of the features of the Spence bill but not the use of the National Service Life Insurance fund. I believe it is setting a precedent for the use of Government trust funds that would be most unwise for the future. I also believe that the use of those funds would mean additional Government borrowing and the raising of the interest rate on Government obligations. Under Secretary of the Treasury W. Randolph Burgess testified before our committee that the use of such funds would probably mean an increase of one-eighth of 1 percent in the interest rate on all Government obligations, this meaning a cost to the taxpayers of between $75 and $90 million per year.

I am pleased that the Talle bill continues the voluntary home mortgage credit program for 25 months. As sponsor of the original legislation it has been very gratifying to see the progress made in granting loans.

You will be interested to know then through April 1957 the following has occurred:

Number of loans	29,600
Percentage of FHA loans	14
Percentage of VA loans	86
Percentage of minority loans, both FHA and VA	16
Dollar amount of loans	$263,368,168

I believe the more liberal FHA terms in the proposed legislation will provide a new impetus to the whole program. Home purchasers in the sparsely populated areas and minority groups have greatly benefited to date.

I feel that the Talle substitute can do a job for house construction in America. Heaven knows we have to get more starts going. All the testimony points to that. There is opposition, and honest opposition, from the veterans' organizations to several features of the Spence bill. I believe the Talle substitute can do the job and, therefore, I will support it when it comes to the House for action.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentleman from New York.

Mr. MULTER. Is it not a fact there is nothing in the Talle substitute for the control of discounts either by the FHA or the Veterans' Administration?

Mr. WIDNALL. That is true.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. ASHLEY].

Mr. ASHLEY. Mr. Chairman, as the chairman of our Housing Subcommittee, Mr. RAINS, has pointed out, the housing bill, which we are presently considering, was reported out of the full Committee on Banking and Currency by a vote of 22 to 3. Unfortunately, however, this does not reflect the strength of the opposition which will be encountered today—opposition which is directed both to new ideas which are incorporated in H. R. 6659, and also to vitally needed programs which has been basic to our housing laws for a number of years.

One of the new provisions which will be subject to attack is the veterans' preference provision which is written into the FHA program. Under this provision, the downpayment required by veterans would be one-half of that required of nonveterans. For example, on a $10,000 home the nonveteran downpayment would be $400, and the veteran downpayment $200. On a $15,000 home, the nonveteran would pay down $1,400, the veterans $700. The interest rate on veterans' FHA loans, under this program, would be limited to 5 percent as distinguished from the 6 percent ceiling for other FHA loans.

The opposition to this veterans' preference provision comes from many quarters and for a variety of reasons, Mr. Chairman, one of which is the fear that it will scuttle the present loan-guaranty program.

A letter which I received this morning from the legislative director of the AMVETS reflects this concern. Referring to the veterans preference provision, the letter states that, "these measures would have the practical effect of rendering useless the present loan guaranty

program administered by the Veterans Administration. This is so because veterans would use the FHA program to the exclusion of the VA loan-guaranty program and once they had obtained an FHA loan, they would not be eligible under the GI-loan program."

The letter goes on to say that "not only would H. R. 6659 virtually destroy the loan guaranty program, but in addition, it would force veterans to purchase homes under the proposed veterans preference of the FHA program at the current rate of interest which is 5 percent. The veteran, therefore, would be forced to pay a higher interest rate in addition to losing the protection and the many additional benefits which exist under the VA home-loan program."

It is easy to understand why our veterans' organizations should feel a special kinship for the Veterans Administration, but it is remarkable indeed that anyone—and particularly a veterans organization—should be suffering under the misapprehension that the Veterans Administration home-loan program is a going concern. The fact of the matter is that the flow of homes purchased under this program has diminished to a mere trickle in the past 18 months. And the reason for this is equally clear. Lenders can't be induced to invest in a mortgage bearing 4½-percent return.

If there is any doubt on this point, I invite your attention to the discount rates which now prevail in every section of the country. VA mortgages are selling for discounts up to 8 points on the west coast, for example, and buyers are still hard to find. It may be true that the veteran is not stuck with this discount, but the fact remains that excessive discounts have to be paid if a VA mortgage is to return a yield competitive with other investments. It is all very well for veterans groups to stand steadfastly by the 4½-percent interest rate, but this position simply isn't realistic if builders who must absorb the discounts are unwilling to build and finance homes under the program.

And the latest figures on new nonfarm housing starts bear out this conclusion. Several years ago, at the height of new home construction, VA insured homes were responsible for nearly half of the new housing starts. Today, the situation is completely reversed. Housing starts are at a dangerously low level for the very reason that there is but a trickle of activity under the veterans program. We only need look at the increase in interest rates to bring the picture into clear focus.

I submit that veterans who today are unable to get VA financing will be better served under the veterans preference provision incorporated in H. R. 6659 despite the fact that they will pay a 5 percent interest rate on their homes. Actually, it is a question of getting a home at 5 percent or getting no home at 4½ percent.

I think it is also important to understand that the veteran will not lose the protection under the veterans preference section that he previously has enjoyed under the VA program. Under H. R. 6659, the FHA Commissioner has been given discretionary authority to establish a maximum sales price for FHA veterans housing if he deems it necessary to protect the veteran from gouging by home builders. A maximum sales price—the so-called certification of reasonable value—has been found necessary in the GI home loan program because there has been a strong temptation on the part of builders to capitalize the low downpayment into higher sales prices. The committee has become well aware of this practice and has taken precaution to safeguard the interest and the pocketbook of the veteran.

A second controversial provision in the housing bill presently being considered is section 205, which authorizes the use of $1 billion of the national service life insurance fund for the purchase of mortgages under the proposed FHA veterans preference program. The reason for this section is, I think I am safe in saying, the increasingly tight mortgage market which threatens to strangle the home-building industry. We simply have to face the fact that other segments of our economy are making larger and larger demands upon a limited supply of credit—with the result that an increasingly small share is available for the purchase of new homes. The earmarking of a billion dollars of NSLI funds for the purchase of FHA veterans preference mortgages is no more nor less than a forced diverting of a small fraction of total credit to an area of home building which needs it most. These NSLI funds, now invested in Government securities at approximately 3 percent would produce a greater return if invested in long-term mortgages and the funds would be exactly as safe as they are at the present time.

Before closing, Mr. Chairman, I would like to touch upon just one other difference between H. R. 6659 and the substitute bill which will be offered. This relates to the special-assistance program by which the Federal National Mortgage Association—Fannie May—uses special funds to support particular loan categories which are deemed to deserve special assistance, such as disaster housing, military housing, urban renewal and cooperative housing. The Housing Subcommittee has found that despite the priority consideration which these programs now receive, their activity has been disappointing. In order to promote and encourage the kind of activity which Congress intended when these programs were established, H. R. 6659 attempts to eliminate a number of obstacles which it has found to be at least part of the cause of the difficulty. The committee bill would require purchase at par by FNMA of all special assistance mortgages, and it would prohibit the special-assistance fund from charging more than 1 percent in purchase and commitment fees on mortgages which it buys. The substitute bill contains no such provisions.

Finally, Mr. Chairman, I urge adoption of H. R. 6659, rather than the substitute bill, as the measure which incorporates the results of exhaustive studies made by our Housing Subcommittee and the majority thinking of both the subcommittee and the full Committee on Banking and Currency. If there are sections of the bill which are in legitimate dispute, let these sections be attacked directly by amendment under the 5-minute rule. To attack one or two sections of H. R. 6659 by adoption of an entire substitute bill would be to render a verdict far more sweeping than the issues actually involved, and—also in large measure—the effect would be to discard many needed revisions embodied in H. R. 6659 without the fair hearing to which they are entitled. For these reasons I urge the adoption of the committee bill and the defeat of the Talle bill, which will be offered as a substitute.

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield.

Mr. TEAGUE of Texas. Would the gentleman tell the committee approximately how much veterans' housing has dropped this year and how much the FHA has dropped?

Mr. ASHLEY. I can answer the first part of that for my distinguished colleagues because I have here a comparison of appraisal requests received during the first quarters of 1956 and 1957 by the Veterans' Administration. These are appraisal requests and are not, I grant you, an accurate reflection of what precise number of homes have been built under the VA program. But, I invite the attention of the chairman of the Committee on Veterans' Affairs to these figures. For the first quarter of 1956, the number of appraisal requests received during that first quarter was 103,929. For the same period this year, 1957, the figure dropped to 58,602.

Mr. TEAGUE of Texas. Now, can the gentleman give us the same figures for the FHA?

Mr. ASHLEY. No; I do not have the figures here.

Mr. TEAGUE of Texas. The point I want to make is that the VA is down and the FHA is down almost exactly the same percentage. That is the point I was trying to make to the gentleman.

Mr. ASHLEY. I think the point the gentleman is making is an interesting one for this reason. If you are saying that the FHA is also down at 5 percent, then it is perfectly clear, and this is not in complete accord with what the gentleman was saying when he had the floor, that the flow of homes under the Veterans' Administration program has for all intents and purposes come to a standstill. What you are saying now is that this is also true of FHA at 5 percent.

Mr. TEAGUE of Texas. No, I am saying that both programs have slowed down considerably. But, if you will read the report, the only thing the Committee on Banking and Currency mentions is how much the GI program is going down, but they do not tell the Congress that both have gone down almost the same percentage because of a lack of money for both programs—the VA and the FHA.

Mr. ASHLEY. The testimony that has come before our committee does not bear out what the gentleman states, but unfortunately I do not have the report before me so that I can cite from it. However, I sat in on every one of those hearings and I know that mortgage

bankers and others testified one after the other that there would be home building activity if two things took place:

(a) If the interest rate on VA loans was raised to 5 percent—and, of course, they were all for that as you know, and

(b) If the present interest rate under FHA continued at 5 percent. They did not have any particular objection or concern about that. As a matter of fact, we received very little testimony suggesting that the activity under the FHA at 5 percent was in any way serious so far as homes being built under the FHA.

Mr. TEAGUE of Texas. May I ask the gentleman one more question. Did any veterans' group have a chance to testify on this bill on the specific language that is in the bill? Or were there general hearings and then the subcommittee wrote the bill, and after the bill was written and the specific language was in the bill, nobody had the chance to testify for or against it. Is that a true statement?

Mr. ASHLEY. Well, I would have to recall that. I think in all likelihood the gentleman is correct. But since the veterans' groups have all testified against the bill, your suggestion appears to be that if they had the bill before them, they might be in favor of it. I rather sense that you are right.

Mr. TEAGUE of Texas. Having been informed that the committee conducted themselves in this way, and that the bill was written after the hearings were all over, and that nobody had a chance to come in and testify, we wrote each veteran group asking them and that is the reason we have received these replies.

It seems to me you should have given the veterans' groups a chance to testify as to the specific language.

Mr. ASHLEY. There is no question but what we pinpointed the question when the veterans' groups came in, and come in they did, with respect to the particular provisions contained in the bill.

Mr. TEAGUE of Texas. I have talked to some of the representatives of the veterans' organizations and I do not think they would agree with you on that statement.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield.

Mr. MULTER. I am sure the gentleman will agree there is no doubt that before this bill was acted upon in executive session in the full committee, if any veterans' group or anyone else had asked the chairman to be heard in the full committee, they would have been given an opportunity. The fact is that no request came in to be heard after the subcommittee closed the hearings.

The CHAIRMAN. The gentleman from Kentucky [Mr. SPENCE] has 10 minutes remaining.

The gentleman from Iowa [Mr. TALLE] has 38 minutes remaining.

Mr. TALLE. Mr. Chairman, I have no further requests for time.

Mr. SANTANGELO. Mr. Chairman, I am in favor of this bill, and I ask unanimous consent to extend my remarks at this point in the proceedings.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SANTANGELO. Mr. Chairman, I am in favor of H. R. 6659, which extends and amends the laws to provide for the improvement of housing and to improve the availability of mortgage credit. I favor this bill because of the salutary features of controlling discounts and because of the provisions to make available the national service insurance funds for mortgages to veterans.

During the past 3 years, I have had a great deal of experience with mortgage loans for veterans and nonveterans in connection with private housing. For the past 3 years I have seen a gradual withering of money credit to veterans and a studied attempt by the money trusts to raise the rate of interest to nonveterans and veterans. I have seen mortgage brokers squeezed by the money trusts to pay greater service charges in order to obtain mortgage commitments for builders. I have seen veterans rejected on specious reasons, on the pretext that their credit was inadequate. I have seen builders compelled to pay additional percentages in order to obtain mortgage commitments. At the end of 3 years we find that building starts are grinding to a slow halt.

Through all this, I have discerned a plot, a plan, and a conspiracy by the financial institutions to bring Congress to its knees, to permit the money institutions to charge veterans an interest in excess of the permissible 4½ percent interest. This bill is an answer to the challenge by the money trusts to raise interest rates and accelerate the inflationary spiral.

The provision in the bill making available the national service insurance funds for mortgage loans is an answer to this challenge by the money lenders. This provision will widen the bottleneck of tight money and credit, and will permit an easy flow of money to veterans and nonveterans. The use of national service funds will act as a competitive fund which will compel the banking institutions to lend money. It is a proclamation by our Government that if capital refuses to provide the funds for a veteran to obtain a mortgage upon a home, that the Government will give the veterans assistance. It will let loose a flow of credit and a flow of money and thereby reduce the inflationary spiral.

Today when the purchasing power of the dollar has decreased, we should do all in our power to give the dollar greater worth. This bill will stop the drive of increasing interest rates and will permit an easy flow of money at 5 percent interest. I trust that this House will approve H. R. 6659.

Mr. SPENCE. Mr. Chairman, I yield the remainder of the time to the gentleman from Alabama [Mr. RAINS].

Mr. RAINS. Mr. Chairman, I hope I do not wear out my welcome here. The subcommittee of which I have the honor to be chairman has spent long and arduous weeks and months working on this bill. Even though the bill is good, because of the peculiar turns that legislation sometimes takes, it is in danger. I can still tell you that this is a good bill for veterans, for the homebuyer, for the homebuilder, for the mortgage people, for everybody interested in the housing industry.

In a little while you will have the Talle substitute running right abreast with the committee bill. I want you to keep in mind that I said I faced the realistic problem of knowing we could not pass in the committee bill, as much as I personally favored it, the NSLI, and that I would not oppose an amendment to strike it. When I say that, I say to every Member here who wants to keep this bill in the middle of the road, that this is the best bill.

Let me tell you this: We faced a strange problem in the housing subcommittee. I was a little too generous, frankly. When Mr. COLE, my esteemed personal friend, came before our committee first, he did not have authority to speak as to what the administration's bill would be, except he could speak on the FHA section.

The downpayments he talked of were much higher in the administration bill than they are in our bill, and since that the Talle substitute suddenly emerges from I do not know where. Not only is that true, but he supported, because he said he must, the cut in the President's budget request from $250 million to $175 million on slum clearance.

We put back in the committee bill $250 million for 1 year. The President had $250 million for 2 years.

I make these points to you in order to try to clarify, if I can, how we suddenly find ourselves in a situation where we find from our esteemed friends—and they are esteemed friends—a bill that goes far beyond not only the President's request, not only the statement of the Administrator of Housing, but also that of the committee.

Many of my esteemed friends who now say they are for the Talle bill opposed it in the committee, they said—not many, only three—because it was too liberal on downpayments.

So you can understand why I am in a kind of confused state of mind as I stand here in the closing moments of this debate.

Now, listen to the difference between the committee bill and the Talle bill. The present law on downpayments under FHA is 95 percent on the first $9,000 and 75 percent of the excess value.

The Talle bill would pay 96 percent of the first $10,000 and 90 percent of the next $6,000, and 70 percent of the excess, and no veterans' preference.

The committee bill would pay 96 percent on the first $10,000 of value and 80 percent of the next $5,000, and 70 percent of the remainder with the veterans having a preference under FHA only to 90 percent; in other words, you can take the figure for the nonveteran under the Talle bill and divide that by two and that is the downpayment that the veteran would make under the committee bill.

The committee bill, if you struck out the NSLI—and you heard the announcement—provides a $1 billion increase in

the borrowing power of FNMA on the secondary market. The Talle bill provides $1,500,000,000. What kind of business is this?

The committee bill prohibits FNMA from requiring users of advance commitment authority on the secondary market to purchase FNMA stock. The Talle bill does not contain any such prohibition.

I am unable to understand the attitude of the homebuilders.

The committee bill requires—listen to this, all of you who are interested in special assistance funds to cooperative housing. The committee bill requires the Federal National Mortgage Association to purchase all special assistance funds at par. They are supported at par in the committee bill. The Talle bill has no such provision.

The committee bill prohibits the special assistance fund from charging more than 1 percent in purchasing commitments on mortgages. The Talle bill has no such provision.

One of the reasons there has been no mortgage money easily available has been because it has channeled into other investments which pay higher dividends. The result has been that the Federal National Mortgage Association has been compelled to pay and support the mortgage market—and I would like my esteemed friend from Texas to hear this. He complains about there being no money. The reason there is no money for mortgage loans is because it has gone into channels where the returns are higher and Fannie May did not have the purchasing authority needed.

Under the Talle bill the Federal National Mortgage Association which must furnish the major portion of buying the portfolio of mortgages.

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the gentleman from Texas.

Mr. TEAGUE of Texas. The gentleman from Texas has not said nearly as much about the lack of money as has the gentleman from Alabama. Throughout your report, you make the same statement. You start off by saying on page 3 of your report:

> The primary purpose of title I of the bill is to maintain effective demand in the housing market. This need is particularly compelling in view of the apparent reluctance on the part of Congress to raise the interest rate on veterans' loans guaranteed by the Veterans' Administration. In the face of the very sharp increase in the interest rate structure which has occurred over the past year or more, the GI loan at 4½ percent is not an acceptable investment to lenders in view of the much higher yields obtainable from other investments. The investment appeal of the GI loan was substantially reduced when the administration acted in December 1956 to increase the FHA interest rate to 5 percent.

Will the gentleman tell the Committee how much increase there has been in FHA since the rate was increased, and whether or not it has declined the same in connection with VA as in FHA as far as starts in houses are concerned in the first 4 months of this year?

Mr. RAINS. The exact figures are not available to the gentleman or to me.

Mr. TEAGUE of Texas. That is true.

Mr. RAINS. Neither are the figures the gentleman has been quoting on VA been accepted even by the VA as anything other than an educated guess. I cannot answer exactly except to say that the builders tell us there is more activity in FHA, how much I do not know, but that there is not enough money in either at any figure. On that we agree.

Mr. TEAGUE of Texas. The gentleman's statement is exactly true. Housing starts are down in VA and FHA. May I ask one more question. Is it not true in the FHA program you have about a $500 million trust fund that could be used to help with housing if you so chose to pass legislation on that? I wonder why the Committee on Banking and Currency did not consider going into that fund. You have about $526 million in an insurance trust fund in FHA.

Mr. RAINS. You would not expect an insurance company, and FHA is an insurance company, to use up all of its resources any more than you would expect the FDIC to use up all of its resources. It is an altogether different situation from the Federal National Mortgage Association which does not have any money at all except what we gave it.

Let me get on with the differences between the two bills. The Spence bill would authorize and direct FHA and VA to fix reasonable limits on charges, fees, and discounts, which may be imposed by the lender upon the builder, seller, or purchaser in connection with FHA-insured mortgages or VA-guaranteed loans. Such limits would vary in accordance with the terms of the mortgage involved in geographical areas.

I listened with great interest to the discussion by the gentleman from Iowa [Mr. TALLE]. He is a learned and distinguished student of finances and of the particular problem before us. I agree. I am not saying you can eliminate discounts completely. But I also tell you that somebody ought to have the authority to fix reasonable limits under reasonable conditions. If we do not, the veterans are not going to be very pleased with these discounts they will pay all over the country, neither will the FHA people.

Mr. WHITENER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WHITENER. Mr. Chairman, I have just read in the public press of another high honor which has been conferred upon our distinguished colleague from North Carolina, Hon. CARL T. DURHAM.

The North Carolina Pharmaceutical Association at its annual convention held this week in Charlotte, N. C., has elected our distinguished friend to its hall of fame. Congressman DURHAM is one of the very few pharmacists from North Carolina to be so honored during the entire history of the organization.

The citation given to the gentleman from North Carolina [Mr. DURHAM] stated that it was for "distinguished services to the advancement of pharmacy in North Carolina."

I am sure that the knowledge of this further recognition of the value and worth of CARL DURHAM to his State and to the Nation will be happily received by all of his colleagues in the House. His distinguished career in the pharmaceutical profession in North Carolina is unequaled.

It is a happy privilege for me to be able to join with you in extending congratulations to this distinguished North Carolinian on his having attained membership in the Hall of Fame of the North Carolina Pharmaceutical Association.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Housing Act of 1957."

Mr. TALLE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TALLE: Strike out all after the enacting clause and insert the following: "That this act may be cited as the 'Housing Act of 1957.'

"TITLE I—FHA INSURANCE PROGRAMS

"Lower downpayments for sales housing

"SEC. 101. (a) Section 203 (b) (2) of the National Housing Act is amended to read as follows:

"'(2) Involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $20,000 in the case of property upon which there is located a dwelling designed principally (whether or not it may be intended to be rented temporarily for school purposes) for a 1- or 2-family residence; or $27,500 in the case of a 3-family residence; or $35,000 in the case of a 4-family residence; and not to exceed an amount equal to the sum of (i) 96 percent (but, in any case where the dwelling is not approved for mortgage insurance prior to the beginning of construction, unless the construction of the dwelling was completed more than 1 year prior to the application for mortgage insurance, 90 percent) of $10,000 of the appraised value of the property, as of the date the mortgage is accepted for insurance, (ii) 90 percent of such value in excess of $10,000 but not in excess of $16,000, and (iii) 70 percent of such value in excess of $16,000.'

"(b) Section 203 (b) of such act it further amended by adding the following paragraphs at the end thereof:

"'(8) In the case of a mortgagor who is not the occupant of the property, have a principal obligation not in excess of an amount equal to 85 percent of the amount computed under the provisions of paragraph (2) of this subsection.

"'(9) Be executed by a mortgagor who shall have paid on account of the property at least 4 percent, or such larger amount as the Commissioner may determine, of the Commissioner's estimate of the cost of acquisition in cash or its equivalent: *Provided*, That with respect to a mortgage executed by a mortgagor who is 60 years of age or older as of the date the mortgage is endorsed for insurance or with respect to a mortgage meeting the requirements of subsection (i) of this section, the mortgagor's payment required by this subsection may be paid by a

corporation or person other than the mortgagor under such terms and conditions as the Commissioner may prescribe.'

"(c) Section 203 (i) of such act is amended to read as follows:

"'(1) The Commissioner is authorized to insure under section 203 any mortgage meeting the requirements of subsection (b) of this section, except as modified by this subsection, which involves a principal obligation not in excess of $6,750 and not in excess of 96 per centum of the appraised value of a property located in an area where the Commissioner finds it is not practicable to obtain conformity with many of the requirements essential to the insurance of mortgages on housing in buildup urban areas, upon which there is located a dwelling designed principally for a single-family residence, and which is approved for mortgage insurance prior to the beginning of construction: *Provided*, That the Commissioner finds that the property with respect to which the mortgage is executed is an acceptable risk, giving consideration to the need for providing adequate housing for families of low and moderate income particularly in suburban and outlying areas or small communities.)'"

SEC. 102. (a) Section 220 (d) (3) of the National Housing Act is amended by striking out all thereof appearing before clause (B) and inserting in lieu thereof the following:

"'(3) The mortgage shall—

"'(A) (i) involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $20,000 in the case of property upon which there is located a dwelling designed principally for a one- or two-family residence; or $27,500 in the case of a three-family residence; or $35,000 in the case of a four-family residence; or in the case of a dwelling designed principally for residential use for more than four families (but not exceeding such additional number of family units as the Commissioner may prescribe) $35,000 plus not to exceed $7,000 for each additional family unit in excess of four located on such property; and not to exceed an amount equal to the sum of (1) 96 per centum (but, in any case where the dwelling is not approved for mortgage insurance prior to the beginning of construction, unless the construction of the dwelling was completed more than 1 year prior to the application for mortgage insurance, 90 per centum) of $10,000 of the Commissioner's estimate of replacement cost of the property, as of the date the mortgage is accepted for insurance, (2) 90 per centum of such replacement cost in excess of $10,000 but not in excess of $16,000, and (3) 70 per centum of such replacement cost in excess of $16,000: *Provided*, That in the case of properties other than new construction, the foregoing limitations upon the amount of the mortgage shall be based upon appraised value rather than upon the Commissioner's estimate of the replacement cost;

"'(ii) in the case of a mortgagor who is not the occupant of the property, have a principal obligation not in excess of an amount equal to 85 percent of the amount computed under the provisions of subsection (i); or.'

"(b) Section 220 (d) (3) of such act is further amended by striking out the phrase 'not to exceed' at the first four places it appears in clause (B) and inserting in lieu thereof at each such place the phrase 'not exceed.'

"SEC. 103. Section 222 (b) of the National Housing Act is amended to read as follows:

"'(b) To be eligible for insurance under this section a mortgage shall—

"'1. Meet the requirements of section 203 (b) of this title except as such requirements are modified by this section;

"'2. Involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $17,300;

"'3. Have a principal obligation not in excess of 96 percent of the appraised value of the property; and

"'4. Be executed by a mortgagor who at the time of application for insurance is certified as a "serviceman" and who at the time of insurance is the owner of the property and either occupies the property or certifies that his failure to do so is the result of his military assignment, or in the case of the United States Coast Guard, other assignment.'

"OTHER PROVISIONS RELATING TO FHA INSURANCE PROGRAMS

"SEC. 104. Section 2 of the National Housing Act is amended, effective with respect to payments made on and after January 1, 1958, by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"'(g) Any payment for loss made to an approved financial institution under this section shall be final and incontestable after 2 years from the date the claim was certified for payment by the Commissioner, in the absence of fraud or misrepresentation on the part of such institution.'

"SEC. 105. Section 204 of the National Housing Act is amended by adding at the end thereof the following new subsection:

"'(k) Notwithstanding any other provisions of this section or of section 604 or 904, with respect to any debentures issued pursuant to this section or section 604 or 904, the Commissioner may (1) include in such debentures reasonable payments made by the mortgagee, with the approval of the Commissioner, for the purpose of protecting, operating, or preserving the property, and taxes imposed upon any deed or other instrument by which the property was acquired by the mortgagee and transferred or conveyed to the Commissioner, and (2) terminate the mortgagee's obligation to pay mortgage insurance premiums upon receipt of an application for debentures filed by the mortgagee.'

"SEC. 106. (a) The second sentence of section 204 (d) of the National Housing Act is amended by striking out 'determined by the Commissioner, with the approval of the Secretary of the Treasury, at the time the mortgage was offered for insurance, but not to exceed 3 per centum per annum' and by inserting in lieu thereof 'established by the Commissioner pursuant to section 224.'

"(b) The second sentence of section 207 (i) of such act is amended by striking out 'determined by the Commissioner, with the approval of the Secretary of the Treasury, at the time the mortgage was insured, but not to exceed 3 per centum per annum' and by inserting in lieu thereof 'established by the Commissioner pursuant to section 224.'

"(c) The second sentence of section 803 (f) of such act is amended by striking out 'determined by the Commissioner with the approval of the Secretary of the Treasury, at the time the mortgage was accepted for insurance, but not to exceed 3 per centum per annum' and by inserting in lieu thereof 'established by the Commissioner pursuant to section 224.'

"SEC. 107. The unnumbered paragraph immediately following paragraph (3) of section 207 (c) of the National Housing Act is amended (1) by striking out '$8,100 per family unit' and inserting in lieu thereof '$8,100 per family unit (or $8,400 per family unit in the case of projects to consist of elevator-type structures)', and (2) by inserting before the period at the end thereof a comma and the following: 'and may permit single elderly persons to use and occupy such units.'

"SEC. 108. Section 207 (q) of the National Housing Act is repealed.

"SEC. 109. Section 213 (e), 220 (f) (1), 221 (g) (1), and 222 (e), of the National Housing Act are each amended by striking out 'and (h) of section 204' and inserting in lieu thereof '(h), and (j) of section 204.'

SEC. 110. Section 219 of the National Housing Act is amended by striking out "or the Section 220 Housing Insurance Fund" and inserting in lieu thereof "the Section 220 Housing Insurance Fund, the Section 221 Housing Insurance Fund, or the Servicemen's Mortgage Insurance Fund."

"TITLE II—SECONDARY MORTGAGE MARKET

"SEC. 201. (a) The first sentence of section 303 (b) of the National Housing Act is amended to read as follows: 'The Association shall accumulate funds for its capital surplus account from private sources by requiring each mortgage seller to make payments of nonrefundable capital contributions, equal to not more than 2 per centum nor less than 1 per centum of the unpaid principal amount of mortgages purchased or to be purchased by the Association from such seller under section 304, as determined from time to time by the Association, taking into consideration conditions in the mortgage market and the general economy.'

"(b) The second sentence of section 303 (d) of such act is amended by striking out '$50,000,000' and inserting in lieu thereof '$200,000,000.'

"(c) The second sentence of section 303 (e) of such act is amended by striking out '$50,000,000' and inserting in lieu thereof '$200,000,000.'

"SEC. 202. Section 304 (c) of the National Housing Act is amended by striking out '$1,350,000,000' and inserting in lieu thereof '$3,100,000,000.'

"SEC. 203. (a) Section 305 (c) of such act is amended to read as follows:

"'(c) The total amount of purchases and commitments authorized by the President pursuant to subsection (a) of this section shall not exceed $450,000,000 outstanding at any one time.'

"(b) Section 305 (f) of such act is amended by striking out '$200,000,000' and inserting in lieu thereof '$500,000,000.'

"SEC. 204. Section 309 (c) of the National Housing Act is amended by adding at the end thereof the following new sentence: 'In computing such equivalent amount, there shall be deducted from the gross income of the Association, with respect to such secondary market operations, all expenses and other deductions which would be authorized by the Federal income tax laws to be deducted if the Association were not exempt from such taxes with respect to such secondary market operations and all amounts paid to the Secretary of the Treasury as a return on his investment in the securities of the Association.'

"TITLE III—SLUM CLEARANCE AND URBAN RENEWAL

"SEC. 301. Section 103 (b) of the Housing Act of 1949 is amended by striking out '$500,000,000 which limit shall be increased by further amounts of $200,000,000 on July 1 in each of the years 1955 and 1956, respectively' and inserting in lieu thereof '$900,000,000, which limit shall be increased by $250,000,000 on July 1, 1957.'

"SEC. 302. Section 106 (f) (2) of the Housing Act of 1949 is amended by adding at the end thereof the following new sentence: 'Such rules and regulations may include provisions authorizing payment to individuals and families of fixed amounts (not to exceed $100 in any case) in lieu of their respective reasonable and necessary moving expenses.'

"SEC. 303. Section 110 (d) of the Housing Act of 1949 is amended by inserting in the second proviso after 'under this section 110 (d)' the following: 'with respect to any project covered by a Federal aid contract under this title.'

"TITLE IV—MILITARY HOUSING

"SEC. 401. Section 803 (a) of the National Housing Act is amended by striking out

'June 30, 1958' and inserting in lieu thereof 'June 30, 1959.'

"SEC. 402. Section 803 (b) (3) (B) of the National Housing Act is amended by inserting before the semicolon at the end thereof a colon and the following: '*Provided further*, That should the financing of housing to be constructed pursuant to a single invitation for bids be accomplished by two or more mortgages, the principal obligation of any single mortgage may exceed an average of $16,500 per family unit if the sum of the principal obligations of all mortgages for such housing does not exceed an average of $16,500 per family unit.'

"SEC. 403. Section 410 of the Housing Amendments of 1955 is amended to read as follows:

"'SEC. 410. In the construction of housing under the authority of this title and title VIII of the National Housing Act, as amended, the maximum limitations on net floor area for each unit shall be the same as the net floor area limitations prescribed by law (at the time plans and specifications for such construction are begun) for public quarters built with appropriated funds under military construction authority.'

"SEC. 404. Section 404 (a) of the Housing Amendments of 1955 is amended by striking out 'an appropriate allowance for physical depreciation' and inserting in lieu thereof 'an appropriate allowance representing the estimated cost of repairs and replacements immediately necessary to restore the property to sound physical condition.'

"TITLE V—MISCELLANEOUS

"College housing

"SEC. 501. (a) Section 401 (c) of the Housing Act of 1950 is amended to read as follows:

"'(c) A loan to an educational institution may be in an amount not exceeding the total development cost of the facility, as determined by the Administrator, and shall be secured in such manner and repaid within such period, not exceeding 50 years, as may be determined by him; and with respect to applications filed after March 15, 1957, the loans entered into during any calendar quarter shall bear interest at a rate equal to the total of one-fourth of 1 percent per annum plus the rate chargeable by the Secretary of the Treasury (with respect to notes and obligations issued during such quarter) under the second sentence of subsection (e) of this section.'"

"(b) Section 401 (d) of such act is amended by striking out '$750,000,000' and inserting in lieu thereof '$900,000,000.'

"(c) The second sentence of section 401 (e) of such act is amended to read as follows: 'Such notes or other obligations issued during any calendar quarter to obtain funds in excess of the aggregate amount required with respect to applications filed on or before March 15, 1957, shall bear interest at a rate determined by the Secretary of the Treasury, which shall be not more than the average yield to maturity, as estimated by the Secretary of the Treasury on the basis of daily closing market bid quotations or prices during the second month preceding such quarter, on all outstanding marketable obligations of the United States having a maturity date of 15 or more years from the first day of such second month, adjusted to the nearest one-eighth of 1 percent.'

"Voluntary home mortgage credit program

"SEC. 502. Section 610 (a) of the Housing Act of 1954 is amended by striking out 'June 30, 1957' and inserting in lieu thereof 'July 31, 1959.'

"Mortgage credit study

"SEC. 503. The Housing and Home Finance Administrator, in order to obtain information and data which will enable him to assist more effectively in the provision and improvement of residential housing, is authorized and directed to conduct a study to determine (1) the extent to which the residential building industry is able to secure the mortgage credit, manpower, and materials required for the construction of residential housing of the types and in the quantities needed to satisfy the demand for such housing, and (2) the methods and policies by which such industry, without aggravating the overall problem of controlling inflation, may attract a greater share of available mortgage credit, manpower, and materials. The Administrator shall, on or before April 30, 1958, submit to the President and the Congress a full report on such study including his findings and such recommendations as he may deem appropriate.

"Farm housing research

"SEC. 504. (a) The Housing and Home Finance Administrator is authorized and directed to undertake and carry out a program, in the manner provided in subsection (b), for the study of farm housing in the United States. Such program shall be designed to assist in the improvement of farm housing conditions in the United States by developing data and information on—

"(1) the adequacy of existing farm housing;

"(2) the nature and extent of current and prospective needs for farm housing, including the needs for financing and improved design, utility, and comfort, and the methods by which such needs might best be satisfied;

"(3) the problems faced by farmers in purchasing, constructing, improving, altering, repairing, and replacing farm dwellings;

"(4) the interrelation of farm housing problems and the problems of housing in urban and suburban areas; and

"(5) any other matters bearing upon the provision of adequate housing for the farm population of the United States.

"(b) The research, study, and analysis required to carry out the program described in subsection (a) shall be conducted by land-grant colleges established pursuant to the act of July 2, 1862 (7 U. S. C., secs. 301–308), and such research, study, and analysis shall be financed with grants made to such colleges by the Housing and Home Finance Administrator on such terms, conditions, and standards as may be specified in regulations prescribed by him.

"(c) The authority of the Housing and Home Finance Administrator to make grants under subsection (b) shall expire June 30, 1959; and the total amount of such grants shall not exceed $300,000 during either of the fiscal years ending June 30, 1958, and June 30, 1959.

"(d) There are authorized to be appropriated such sums as may be necessary to carry out this section."

Mr. TALLE (interrupting reading of the amendment). Mr. Chairman, inasmuch as my amendment is well known as H. R. 7024 and further that I made a thorough explanation of it in general debate, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. EDMONSON. Mr. Chairman, I object.

Mr. TALLE (interrupting the reading of the amendment). Mr. Chairman, I renew my unanimous-consent request that further reading of the amendment be dispensed with and that it be printed in full in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

Mr. EDMONDSON. Mr. Chairman, I respectfully object.

The Clerk concluded the reading of the amendment.

Mr. TALLE. Mr. Chairman, I do not think it is worth while at this time to make an extended statement on my amendment. However, I do want to point out some pertinent facts.

As I stated in general debate, the purpose of introducing this bill, which is now offered as an amendment, was to put in orderly array what otherwise might have been a series of amendments. This complete amendment has been thought out very carefully. It leaves out all of the elements of jurisdictional dispute which are involved in the committee bill with reference to the Veterans' Administration. It leaves out the dangerous and ill-conceived idea that the national service life insurance fund should be drawn upon for home mortgages. After all, it is a wasting fund—no new policies have been written under it since 1951. Therefore, inasmuch as there are more than 5 million policyholders and a billion dollars would not yield more than 100,000 houses at $10,000 apiece, how about all the other veterans who would never have any opportunity to make use of it? Naturally, once started it would not be stopped and finally all of the money would be found to be in home mortgages. At the end of the year, instead of having a billion dollars of cash in the Treasury, the Secretary would find that he had a billion dollars of home mortgages. Let us ponder this: That the Government trust funds in toto amount to something over $48 billion. Once started this dangerous proposal will reach every one of the trust funds. We know from experience that that is true. It is a very badly conceived idea. Therefore, I left it out of my substitute.

I also left out all proposals for discount controls because they are impracticable. I left out the price-control aspect in the committee bill. So what I attempted to do was to model my bill upon the committee bill but with objectionable features omitted. That was done. Many of the sections are identical in the two bills. But I left out all of the items that were unsatisfactory to the Committee on Veterans' Affairs and which were unsatisfactory to many other people for other reasons. I commend to you my substitute. It is a carefully drawn amendment and has wholehearted support from four veterans' organizations—the American Legion, the VFW, the DAV and the AMVETS. I have support from mortgage bankers, homebuilders, and real estate boards. I have support from many other organizations—including savings and loan associations—and individuals whose opinion I value. I submit, Mr. Chairman, that my amendment deserves to be approved.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAINS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, my distinguished colleague, the gentleman from Iowa, not being content with killing cock robin, the NSLI, keeps wanting to shoot him after he is dead. His whole speech was made about something that the committee, facing realism, are willing to take out.

Now to get down to the question of orderly procedure. I say this to my friends on the Democratic side of the aisle. It seems to me that when you examine the bill now, we come down to the basic principle of whether or not we shall kick a committee in the teeth with a substitute, instead of the ordinary amendments which are offered under the 5-minute rule, by casting aside a bill that has had months of study, much of which was given by my colleagues on my left, in favor of a substitute concocted to catch all kinds of special-interest groups.

So I am not married to every individual item in this bill. It is like any other piece of legislation, but I think, in all fairness and for orderly presentation of legislation the committee bill ought to be laid open under the 5-minute rule, subject to the usual amendments in the usual way.

It has always seemed strange to me that the parliamentary procedures were such that by a substitute you can take away from the proponent of a bill the initial presentation under the 5 minute rule. You cannot do it in a lawsuit. The State always presents its case first and closes the argument. But that is the rule here. I am not complaining. But it is anticipated that the committee in control, the party in control of the Congress, should at least have an opportunity to present its bill for the consideration of the House instead of a substitute which is a catchall of special interests. So that in fairness to the committee, in fairness to orderly procedure, the members of the Veterans' Affairs Committee ought to lay it on the line and vote against any amendment to the committee bill that they desire, but they ought to do it under the guidance of the committee which is chosen to present this legislation. I would have no objection at all if the gentleman had twenty amendments to offer, but I do object to taking away from the committee its prerogative under the rules of the House, to have its legislation considered. So that is what we are doing. I think what we should do here is to vote down the Talle substitute. Amend the bill, if you desire. The members of the committee who served with me know that I do not try to ram through legislation. I give everyone a chance to be heard.

Mr. HIESTAND. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield.

Mr. HIESTAND. The gentleman has presented a very effective case. He has shown broadmindedness in being willing to accept amendments. May I ask the gentleman whether he would agree to the elimination of the discount control clause?

Mr. RAINS. That is a good question and a very debatable one; one that has had a lot of attention by the committee and one in which I share, in some part, the gentleman's viewpoint. But I go back in my experience on this committee when we had what we called a warranty, to make the builder give the veteran a warranty on his house. The Administrator said he could not live with it. The home builders said it would not work. The mortgage bankers said we could not do it. But we put it into the law in conference between the House and Senate, and they are all proud of it today. I say you cannot completely eliminate discounts. I recognize that fact, but I do believe if you give to a good responsible authority, such as the head of the Housing and Home Finance Agency, the right to write legislation which will help control it, you can curb the excess in discounts.

Mr. HIESTAND. You insist on leaving it in there?

Mr. RAINS. I think it ought to be in, with discretionary authority for the Administrator to promulgate regulations to control unreasonable discount.

Mr. BALDWIN. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. BALDWIN to the amendment offered by Mr. TALLE: On page 13, line 5, at the end of title IV, insert the following:

"SEC. 405. Section 404 of the Housing Amendments of 1955 is amended by adding at the end thereof the following:

"'(1) (1) Where housing has been acquired from any person under this section, and the title to such housing has been held by the United States continually since such acquisition, then on each date, occurring after both the date of enactment of this subsection and the date of such acquisition, on which real or personal property taxes levied by any State or local taxing authority with respect to any period become due, the Government department which has custody and control of such housing shall pay to the appropriate State and local taxing authorities an amount equal to the amount of real and personal property taxes which would have been payable by such person with respect to such housing to each such State and local taxing authority on such date if such housing had not been so acquired. Where such housing was constructed on land owned by the United States and leased to such person, no payments shall be made under this section with respect to any period after the date on which the term of such lease was scheduled to end, determined as of the date such housing was acquired.

"'(2) As used in this subsection—

"'(A) The term "State" means each of the several States and the Territories of Alaska and Hawaii;

"'(B) The term "local taxing authority" means any county or municipality, and any subdivision of any State, county, or municipality, which is authorized by law to levy and collect taxes upon real or personal property;

"'(C) The term "real or personal property taxes" includes any special assessment; and

"'(D) The term "Government department" means any department, agency, or instrumentality of the United States.

"'(3) The failure of any Government department to make, or to make timely payment of, any payment authorized by this subsection shall not subject—

"'(A) any Government department, or any person who is a subsequent purchaser of any housing from any Government department, to the payment of any penalty or penalty interest; or

"'(B) any housing or other property or property right to any lien, attachment, foreclosure, garnishment, or other legal proceeding.

"'(4) No payment shall be made under this subsection with respect to any housing which is taxable by any State or local taxing authority under any provision of law, or with respect to which any payment in lieu of taxes is payable under any other provision of law.'"

Mr. BALDWIN. Mr. Chairman, under the housing amendment of 1955, as amended by the Housing Act of last year we set up a situation where we made it compulsory for the Federal Government to acquire part ownership of any Wherry housing at any base where the Federal Government through the Defense Department determined that additional Capehart housing units should be built.

I believe everyone knows that Wherry housing units are now subject to taxation by the local taxing authorities, communities, local school districts, and other taxing districts by a decision of the Supreme Court made a few years ago.

Under the Housing Act of 1956 we are forcing the Defense Department to go out and buy these Wherry housing units wherever they are going to build additional Capehart units. That means that although the Wherry housing units will continue to be just where they are and be occupied by the same people, except they will pay rent in lieu of quarters to the Federal Government instead of to the Wherry housing owner—we are compelled to take the housing off the local tax rolls.

It seems to me that is unfair and that we should continue to recognize that the local taxing body should be able to receive an in-lieu tax payment even though we take outright title. This is not a new theory as far as Congress is concerned.

In the 84th Congress we passed a bill which became Public Law 388. It contained a provision that where property which had previously paid taxes was transferred to any other governmental department, the Government should continue to pay in-lieu taxes to the local taxing authority in the area where this property existed.

We also recognized this principle of in-lieu tax payments when we authorized some years ago in-lieu tax payments for Lanham Act housing. So it is not a new principle. It is a principle that recognizes the fact that we do have some obligations to the local taxing districts, whether we like it or not. When we have 900 or more housing units in an area, and I cite as an example Travers Air Base in California, where there are over 900 housing units and where the Defense Department proposes to build an additional 500 Capehart units, those 900 housing units do provide and put additional obligations on the local bodies, the local county, the local school districts, and others. This would simply recognize, since those Wherry housing units have been paying taxes to the county, to the school district, and to the other local districts, the fact that by the Housing Act we forced the Government to take outright title to those Wherry housing units should not cause those local taxing districts to lose the amount of revenue they are now receiving. This bill will be limited to those cases where Wherry housing is acquired in full title by the Federal Government, and that means in those cases where Wherry housing is at a base upon which the Defense Department now proposes to build additional Capehart units. The purpose of my amendment is to protect these local taxing districts from this loss which they would otherwise suffer by change of title.

Mr. MULTER. Mr. Chairman, will the gentleman yield.

Mr. BALDWIN. I yield to the gentleman from New York.

Mr. MULTER. The purpose of the gentleman's amendment is to make sure that the local municipalities that are supplying school services and other facilities will continue to be paid for those services regardless of who owns the property?

Mr. BALDWIN. That is right.

Mr. MULTER. I think the gentleman's amendment is a good one.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN. I yield to the gentleman from Michigan.

Mr. FORD. First, let me say at the present time in federally impacted areas where you have Army, Navy, and Air Force installations under applicable laws, the school district gets certain funds to aid and assist in the carrying on of the educational programs. Under existing law they have gotten tax money from the homes that were built. Under this legislation if you make the Federal Government pay twice, which I think your proposal is aiming at, is that fair to the Federal Government?

Mr. BALDWIN. Let me answer the gentleman that we have been paid in lieu taxes for years on Lanham Act and Wherry housing. The principle is exactly the same. Let me say also that the provision of the federally impacted school district bill does not apply in any way to the county or to the other local taxing districts and, may I say further, in these Wherry housing units today taxes are being paid by the operators of these local districts. This amendment would simply provide that this change of title, which is being forced by the Congress by its action of last year, will not cause the local taxing units to suffer any loss.

Mr. FORD. It will result in this happening: First they will get taxes under the gentleman's proposal; secondly, we will continue to pay the money for the federally impacted school districts.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent (at the request of Mr. FORD) Mr. BALDWIN was allowed to proceed for 3 additional minutes.)

Mr. FORD. In the one case under existing law the people who own the facilities are paying the taxes. The Federal Government is not.

Mr. DEVEREUX. That is correct.

Mr. FORD. Under the amendment offered by the gentleman from California, the Federal Government would pay the taxes and, in addition, would make a contribution to the school district where there is a federally impacted area, therefore paying twice?

Mr. DEVEREUX. That is quite true, but not necessarily for the same services.

Mr. FORD. For a substantial part, at least, the part pertinent to the running or operation of the school.

Mr. DEVEREUX. Not at all, because you could have a Wherry housing project where you have no children whatsoever in that project.

Mr. FORD. That is unlikely.

Mr. DEVEREUX. In such cases, then, there would be no Federal money going into the district.

Mr. FORD. Is there not the likelihood that there is a possibility, in fact it is almost certain, that there would be schoolchildren residing in these housing units?

Mr. DEVEREUX. In the course of human events, I think there would be.

Mr. FORD. The records show that our Army, Navy, and Air Force are not delinquent in that regard.

Mr. DEVEREUX. With that I agree; however, there is a principle involved here and I would like to go along with the gentleman from California in this very sound amendment. It in no way changes the obligation of the Federal Government if we put up Capehart housing.

Mr. BALDWIN. It would protect the local taxing districts from any losses that might occur by this change.

Mr. PRICE. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN. I yield to the gentleman from Illinois.

Mr. PRICE. There may be something to what the gentleman is recommending, but I think it would require more time than we have to give this matter today before making a decision. Wherry housing projects, while privately operated, are private operations although they are on Government-owned property. When the Federal Government takes these projects back, it will be an entirely federally operated program. It becomes an integral part of the airbase or the Army post or the naval installation. Then, by your action here, if you adopt this amendment, you would be establishing a principle that property on which these Federal bases are operated would be subject to local taxation. I do not think you could just assess a tax for a portion of an installation. I think this is a matter that should be considered separately and not in any hurried fashion here this afternoon.

Mr. BALDWIN. May I say to the gentleman that we have recognized the principle where Federal property has previously been subject to taxation in the case of the RFC; that if title is acquired by other departments of the Government, we should continue that taxation.

Mr. PRICE. I do not think that is an analogous problem at all.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. TALLE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment offered by my good friend from California could only add confusion to one of the most complicated subjects with which we are confronted in this Congress. His amendment would seek to continue local taxation on a leasehold interest in real estate long after the Government had acquired the property located on the leasehold and paid off the outstanding debt against the property. His amendment attempts to impose local taxation on Wherry Act projects after they have been acquired by the Federal Government. Practically all of these projects are located on land owned by the Military Establishment. On many military bases the housing accommodations consist of housing constructed with appropriated funds; housing built under the Lanham Act; housing built under the Wherry Act; and now housing constructed under the Capehart Act.

There are also, of course, barracks on all Army bases. Should the gentleman's amendment prevail, the Wherry housing would be the only units in that whole group of on base housing singled out for taxation by local jurisdictions. This whole problem of what, if any, tax responsibility the Federal Government has to local jurisdictions is, of course, a tremendous one. And please note this, Mr. Chairman. Two committees of the Congress are now studying this problem. It would be unwise to take a piecemeal approach which characterizes this amendment. The amendment should be defeated.

I have here, Mr. Chairman, a letter from the Administrator of the Housing and Home Finance Agency, Mr. Albert M. Cole, which I would like to read in part:

Payments in lieu of taxes are not authorized or made under the Lanham War Housing Act with respect to housing built on a military reservation under the exclusive jurisdiction of the United States. Section 306 of the Lanham Act providing for payments in lieu of taxes with respect to property acquired and held under that act has been interpreted as not applying to property under the exclusive jurisdiction of the United States.

I wish I might accommodate my esteemed friend from California but, in the light of the facts as they are, I am obliged to oppose the amendment.

Mr. SPRINGER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is my understanding, and I believe I am correct in this, that Wherry Housing at the present time before it is taken over by the installation, is being taxed locally under a decision of the United States Supreme Court. The only effect of this amendment, is to continue in effect the United States Supreme Court decision which said that this property was taxable—after the United States has taken it over.

There is just one thing we have done in the meantime at the Chanute Air Force Base in Illinois. The Federal Government is now taking over Wherry housing on that base which has been subject to tax, because there was a leasehold there in a private operation even though the Government owned the land on which the Wherry housing was located. It would seem to me to be quite unjust at this time, after a local community has received taxes for this property legally under a decision of the Supreme Court, to take that tax away just because you have transferred the leasehold interest to the Federal Government; and no longer are going to allow the local government to receive taxes on this property.

Mr. BALDWIN. Mr. Chairman, would the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from California.

Mr. BALDWIN. Mr. Chairman, may I say that the gentleman has stated the situation exactly correctly. This is not a new principle. It is a principle that we recognized last year in having RFC property pay taxes when they were transferred to other departments. It is a principle that we recognized for years in regular Lanham Act housing.

Mr. FORD. Mr. Chairman, would the gentleman yield?

Mr. SPRINGER. I yield to the gentleman for a question.

Mr. FORD. Would the gentleman be willing, if this amendment prevails, to have these local school districts give back the share of the money that they have been getting under the legislation for federally impacted school areas?

Mr. SPRINGER. Schools are not the only service that they receive, by any means, may I say to the gentleman from Michigan.

Mr. FORD. If the housing accommodations are built on a Federal base, on federally owned land, I am sure the Federal Government pays for sewer and water and other public services which a township or a community would normally provide. So the major part of the service rendered by the local government has been the school service.

Mr. SPRINGER. Mr. Chairman, I say this. I gave an example of Wherry housing, but only a very small portion of the local impact caused by Wherry housing. I would say it is less than one-sixth; maybe it is only one-tenth. What I am saying is that the impact that has been caused has not been much as the result of Wherry housing. That has been an insignificant part. There are other services the community provides.

My point is that here you have had a decision of the Supreme Court, which has made these taxes valid and legal. Now, merely by transferring the leasehold you have denied to the local government those taxes which it has received under a Supreme Court decision. That would be the effect of it, as I take it.

Mr. FORD. Mr. Chairman, would the gentleman yield further?

Mr. SPRINGER. I yield.

Mr. FORD. It seems to me that if this amendment passes, you are bound to have the Federal Government paying twice for the education of the children of military personnel once in the taxes collected under this amendment, and secondly, through this legislation whereby Uncle Sam pays to the areas which are impacted because of the military installations. It is bound to be that way. I do not think that is fair to the Federal Government.

Mr. SPRINGER. In this instance the services that you have here are not the only ones that are supplied. For instance, the Federal Government does not supply streets, sewage, and so forth. Actually the project supplies them at its own cost. That is not a service rendered by the Federal Government. But I come back again and say to the gentleman from Michigan this tax has been declared by the Supreme Court of the United States to be legal. In my estimation it ought to be continued. When it was transferred to the Federal Government the tax ought to be binding. It has been going on, and the Supreme Court declared it to be legal when it made this decision.

Mr. PRICE. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Illinois.

Mr. PRICE. The Supreme Court decision was made on this premise. Here are Wherry housing projects on Government-owned land, but the projects are privately operated. Now the projects are being sold back to the military services and they became an actual part of the military reservation. We are asked here this afternoon to adopt a new principle making military reservations subject to local taxation. I am familiar with the Supreme Court decision the gentleman from Illinois mentions, but it is not applicable in these particular cases. These become part of the Air Force base, the naval station, or the Army fort. When the decision was made they were projects operated on Government-owned land but they were operated by private parties.

Mr. SPRINGER. I want to make this final statement. There is no difference in the operation of the Wherry housing project on any base wherever it is in this country from what it was before the transfer was made. The operation is exactly the same as far as the impact on the local community is concerned, and it was the purpose of the decision to recognize that particular thing. As far as the local community is concerned, there has not been any shift of the burden of impact whatever in that instance to the Federal Government.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. ROBSION of Kentucky. As I understand it, after the transfer is made the real estate belongs to the United States Government and the improvements belong to the United States Government. On what theory could it be taxed locally?

Mr. SPRINGER. On the theory that the land always belonged to the United States Government. There was a leasehold interest. That was all that was outstanding. It was taxable as a leasehold. The change to a fee does not change the local impact at all.

Mr. ROBSION of Kentucky. That makes a tremendous difference. It is the difference between private ownership and Government ownership.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from North Carolina.

Mr. JONAS. Will the gentleman tell me what the difference is in the situation the gentleman has described and the situation that would exist when the Federal Government acquires or purchases land? Would not that come off the tax rolls, too?

Mr. SPRINGER. No, it would not. This is one that has been recognized by the Supreme Court as being different for that very reason. That is why we are talking about this.

Mr. WIDNALL. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from New Jersey.

Mr. WIDNALL. Is it not true that the Supreme Court decision applies only to a few States, to those that make possible these leaseholds?

Mr. SPRINGER. Yes.

Mr. WIDNALL. So you are putting into effect a new rule as to the other States.

Mr. SPRINGER. I think it would be recognizing those States that had State law applicable to the Supreme Court decision. That is probably the effect of it, as I see it.

Mr. RIVERS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have the great honor to head the subcommittee of the Armed Services Committee under which this comes. We are quite familiar with the Rantoul case. That case held that the housing was subject to local taxation, and while the title was vested in the Government, the title to the housing was not in the Government.

If you adopt this amendment here today, you are going into something that has never happened in the history of this country. The Supreme Court did not hold that the Federal Government could be taxed. You could tax a barracks or anything else on which the Federal Government had property and in whom vested the title to the property.

The gentleman said the operation of the Wherry housing was the same when it was taken over by the Federal Government. That was not the case. When we take over the Wherry housing, and it is taken over by direction of our committee under a law passed by this Congress, the Federal Government, the military involved, operate this housing. Not so with the Federal Government. In the Rantoul case a private party with a contract with the Federal Government had property which was subject to local taxation. The Supreme Court held that, and I do not agree with the Supreme Court and it is seldom I ever do, but this case was perfectly sound—perfectly sound. I submit that this amendment offered by the gentleman from California is not the kind of amendment to be considered here. We cannot tax the Federal Government. These Wherry projects will be part and parcel of a military organization or a military installation and will not be subject to taxation. We are going into the subject matter to be dealt with by this amendment every day in our committee. That is the place to work this thing out, if it needs to be worked out. But, we are going to buy this property and make it part of the military installation. As the gentleman from Kentucky said a while ago, you just cannot do that. It has never been done. I ask you to consider this thing. You cannot tax the Federal Government. This is going to be for military quarters bought and paid for by the military and will be part of the military installation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. BALDWIN] to the amendment offered by the gentleman from Iowa [Mr. TALLE].

The amendment to the amendment was rejected.

Mr. WATTS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WATTS: In section 501 (a), page 13, line 15, strike out the words and figures "March 15, 1957," and insert in lieu thereof the words "May 10, 1957"; and in section 501 (c), page 14, line 4, strike out the words and figures "March 15, 1957" and insert in lieu thereof the words "May 10, 1957."

Mr. WATTS. Mr. Chairman, this amendment addresses itself to section 501—the college-housing program. Under the present law, the Federal Government makes direct loans for college housing on which the recipients of the loan pays the prevailing interest rate plus one-fourth of 1 percent. The committee in its wisdom has recommended some changes in this formula. Under their proposal, any loans made in the future would be made at the prevailing interest rate on Government obligations of 15 years or longer plus one-fourth of 1 percent. I recognize the fact that interest rates have gone up. While I may not be in a position to agree with the suggested increase, I am not quarreling about it, nor does my amendment direct itself to this phase of the matter.

However, there is an important angle of the proposal which I think this body should consider, and that is the effective date of the change. The bill makes the change retroactive to March 15, 1957. I recognize the reason for this retroactive feature. They want to avoid a stampede of applications on account of the nearness of the law. However, there are many fine institutions in this country that now have on file applications for loans under this provision of the law, and at the prevailing rate.

Numerous of these applications, due to their being filed after March 15, 1957, would, because of the retroactive features proposed, be ineligible for processing under the rate formula provided in existing law and that prevailing under law at the time the applications were filed. Certainly, under the circumstances, the applying institutions cannot be charged with laches in filing their applications. They could not know that changes in the law would be made, nor could they dream that, if such changes would be made, they would be made retroactive to a date prior to their filing.

In order to file an application of that kind, it takes a great deal of preparation. You have to have architects and you have to go into the finances of the thing. You have to see whether it is financially feasible, and so on. These applications that are now on file which were filed after March 15, 1957, would, in all probability, have to be withdrawn and restudied by the architects and completely reconsidered with respect to the financial ability of the institution to go on under the new interest rate. In many instances applications would have to be changed and the size of the buildings reduced.

It is my contention that those institutions who in good faith filed, not knowing there was going to be a change in the law, should be protected. For that reason my amendment changes the cutoff date from March 15, 1957, to May 10, 1957, which is just 2 days from now. It will not cause a rush to get in, because applications cannot be prepared, readied and filed in 2 days. At the same time, it will relieve the situation that many fine institutions find themselves in; where they have made their financial arrangements, where they have adopted their plans and filed their applications and find, if this language is permitted to remain in the bill, the applications will have to be withdrawn and reconsidered and, if they are able to go ahead, new applications will have to be filed.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. WATTS. I yield.

Mr. ROBSION of Kentucky. I think the gentleman is correct, and I would like to associate myself with his remarks.

Mr. WATTS. I thank my distinguished colleague from Kentucky. I know of his great interest in the matter and appreciate his able association. I feel that this is an amendment that this body should adopt. Certainly it will not hurt anybody and it will prevent many fine institutions being caught in a dilemma that they did not know about and could not know about.

Mr. SPENCE. Mr. Chairman, will the gentleman yield.

Mr. WATTS. I yield.

Mr. SPENCE. I think the amendment is a good one.

Mr. WATTS. I respectfully thank my honored colleague—the dean of Kentucky's delegation and chairman of the great Banking and Currency Committee of the House. With his endorsement, I am encouraged—I am privileged and honored to have his support and aid.

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. WATTS. I yield.

Mr. SISK. I join with the gentleman from Kentucky. I had originally intended to offer this amendment, although my date was May 1, but the gentleman has used May 10. I commend him for it, and I shall support his amendment.

Mr. WATTS. I appreciate very much indeed my California colleague's assistance, as well as his commendation.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. WATTS. I yield.

Mr. MULTER. The amendment is consistent with what we have done in all housing legislation down through the years. We have always tried to protect those who had applications on file, and that is all it does.

Mr. WATTS. That is all it does. It does not give anybody an opportunity to stampede at this time. I am pleased that my friend from New York, as member of this Banking and Currency Committee, has pointed to the traditional treatment accorded applications of this nature throughout the legislative history of the housing program. Certainly such observation is most pertinent and ought to be definitely persuasive. Equity demands consistency, and these applicants should be accorded treatment in conformity with the precedents that have been established by the House. I thank the gentleman for his observations.

The CHAIRMAN. The time of the gentleman from Kentucky [Mr. WATTS] has expired.

Mr. TALLE. Mr. Chairman, there are reasons why at first glance one would be disposed to vote for this amendment. I might state the reason why March 15 was selected as a date. That date appears in the committee bill. It appears in the substitute, and it appears in H. R. 6047 which I introduced on the March 14, 1957. In other words, on March 14 it became known that the policy as to the rate on college loans would be changed. It was necessary to make a change in order that there might not be hidden in the law a subsidy which we could not defend. Now, let us say that we alter that date, March 15. Certainly all borrowing institutions were on notice that the cutoff date was March 15. Suppose we choose some other date. The effect would be that there would not be a penny left in the fund. I suggest that that would be true certainly in the event that we made that date, the effective date of this bill. So, while I felt disposed to go along with this idea at the outset, I find on careful thought that it would be a mistake. I am confident that no matter what date we select there will be disappointment to some people, and that altogether the Congress and our people would be better served by sticking to the date that appears in all of these bills, namely, March 15, 1957.

I therefore must oppose the amendment.

Mr. COAD. Mr. Chairman, will the gentleman yield?

Mr. TALLE. I yield.

Mr. COAD. May I say to my friend from Iowa that I have a letter, of which I am sure he has a copy also, from David A. Dancer, secretary of the Iowa State Board of Regents, Des Moines, Iowa, in which he states:

For some time we have had an application for a Federal loan of about $3¼ million to finance additions to the Memorial Union at the State University of Iowa. All of our planning has been done on the basis of a 2⅞ percent loan. The application has been reviewed very carefully by Housing and Home Administration, and is about ready for closing. A substantial increase in interest rates could result in the abandonment of the construction of this much-needed building.

Would the March 15th date or the changing of this date to May 10, as this amendment calls for, influence this loan?

Mr. TALLE. I may say, Mr. Chairman, that I gather from the letter the gentleman from Iowa read, that the application was filed prior to the 15th of March, in which case, of course, the 2⅞ percent rate would prevail.

I may say also that I do not have a copy of the letter to which the gentleman referred.

Mr. SISK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as I suggested a moment ago when the gentleman from Kentucky yielded to me, I had proposed to offer this amendment, because I felt it was a good amendment. The reason

given by the ranking minority member of the Banking and Currency Committee for opposing this I do not believe is wholly in line with at least the statements that I heard from my home State with reference to the time that it takes to prepare these applications.

As I understand, out there the State legislature had to take certain action, and the procedure was moving along for the setting up and the preparation of plans for this college housing and the financing. The action taken by the State was predicated upon the belief that they would receive this money at 2.78 percent, and that was prior to March 15 and prior to the consideration of these bills.

But the thing is that they did not get their final applications in until sometime in April and, therefore, are going to be precluded from enjoying the type of financing on which they had theretofore worked their plans out. That is in line with the plans that they had been working on over a period of time.

I just feel that changing this date to May 10 is simply an equitable and fair way to grant to these institutions and to the States where it has to do with States, a fair and orderly way of setting up their program.

I still insist as I said a little while ago that what we are doing here is to make this retroactive, and in doing so we have upset plans that have been in preparation for months in connection with this college housing.

I certainly feel that if the Congress wishes to deal fairly with these people that we should make this date May 10, as has been proposed in the amendment. I think the gentleman from New York mentioned the fact a little while ago about whether or not I would support some subsidy with reference to this housing. So far as I am personally concerned I think that it is in line with some things that we have done here from time to time when we have given some assistance in the way of subsidies to higher education. I know there are a number of proposals with reference to assisting in the education and the training of engineers, of scientists, and of specialists in all fields; and I personally feel it might be a good proposition if we did not increase the interest rate at all, or that we grant the difference between the 2.78 and whatever the interest rate may be fixed at as a subsidy to these institutions. I think that it would be in the interest of the country and of the people, and of the boys and girls who will be educated in these schools.

But in view of the fact that most of us felt that that was not a proposition that we could get through the House at the present time I do feel in justice to these institutions that the date of May 10 is the only fair date. As I say, my own State, and I am sure this is true in other States, they have been working on these plans for a long time on the basis of 2.78 interest, and the cutoff date should not be earlier than May 10.

Mr. COAD. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Iowa.

Mr. COAD. In other words, if the date is changed to May 10 this particular loan that has already been filed will get in on the 2.78-percent rate?

Mr. SISK. That is correct as I understand it. I do not know the exact date of the filings that have occurred out there, but they were worked out before they knew what the provisions of this bill would be. It is to protect long-range planning going back many months before there was any kind of a bill proposed.

Mr. COAD. The very fact they have been filed will result in the previous date taking care of them?

Mr. SISK. Yes.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman from California.

Mr. McDONOUGH. Mr. Chairman, I support the pending amendment. I have a letter here, and I do not know whether the gentleman quoted from it in his remarks or not, from the Governor of the State of California which indicates that the change in date authorizing the increase in rate affecting a long-range plan for additional student facilities in the State colleges of California will amount to $2 million in added cost, that the student body would increase from 47,000 students to 76,000 students in 1967.

Mr. SISK. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky [Mr. WATTS] to the amendment offered by the gentleman from Iowa [Mr. TALLE].

The amendment to the amendment was agreed to.

Mr. EDMONDSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in the first place, may I say that I made objection to the request for dispensing with the reading of this amendment before all of the language of the amendment had been read because I thought it was a matter of extreme importance inasmuch as we had heard earlier in the debate that this matter had never been before the committee and passed upon by the committee. It seemed the least we could do in considering a matter of this importance was to hear the reading of the full language of the amendment.

There are two things about the so-called Talle amendment that recommend the amendment to me in the first place. One of them is the fact it does have the effect of eliminating the jurisdictional dispute which, certainly, is a desirable objective if it is at all possible to do it and still come out with a good bill.

The second is the fact that it has slightly more liberal downpayment requirements for all classes of borrowers than are provided in H. R. 6659 as it presently stands before being read for actual amendment. So in those two particulars I think the Talle substitute definitely has an appeal.

There are, however, other aspects of it which are directly inconsistent with some of the most important recommendations which this administration has made to the Congress and to the people at large in the country. We have all been hearing a great deal, for example, from administration spokesmen about the need for economy in Government, about the need for living within the present budget which we have. Right at the outset the Talle substitute flies in the teeth of that overall administration policy. It proposes that we add another $500 million of borrowing authority on top of the $1 billion borrowing authority provided in H. R. 6659. That is in face of the fact that only on March 27 of this year we added an additional one-half billion dollars new borrowing authority to the Federal National Mortgage Association.

So, on the ground, first of all, it is inconsistent with and contradictory to the economy program which has so many champions on both sides of the aisle in this House, and rightly so, I say the Talle substitute is subject to serious objection.

The second major objection and the second great inconsistency, I believe, is this: Just in the last day or so the President made headlines all over the country with a policy statement in which he called upon the leaders of business and the leaders of labor to join hands, join together, in a united effort to try to hold down this advancing level of wages and of prices in the United States. The President said it was highly important that we hold down the price of labor in industry and in business across the country and that it was highly important that we hold down the price of goods and commodities in order to stop the upward spiral in the cost of living.

I see no reason, if we are going to have efforts on behalf of the Government to hold down the upward spiral of the cost of Government and on the cost of service, why we should not also have a concerted effort to hold the the price of a very important commodity, and that is the commodity called money.

Now, we have in this bill brought out by this committee two broad provisions which would have a significant effect in that direction. First of all is the provision that Federal National Mortgage Association purchases should be at par when they buy mortgages, which would have a stabilizing effect upon the mortgage market throughout the country. Second is the provision, and a very important provision, that there should be discretionary authority in the administrators of these loans to impose reasonable restraints upon the discounts and the charges assessed against borrowers in this country. What is there unreasonable about it to put reasonable restraints on these discounts into the hands of the administration itself? Why does the Talle substitute eliminate this provision? Why does the Talle substitute eliminate the provision which says to FNMA that you shall not have regulations which require you to pay the face value of these mortgages? The Talle amendment, as it now stands, has more shortcomings and objections than good points, and must be amended on several substantial points to be desirable to this House.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. O'HARA of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'HARA of Illinois to the amendment offered by Mr. TALLE: Amend section 302 to read as follows:

"SEC. 302. Section 106-(f2) of the Housing Act of 1949 is amended (1) by striking out $2,000 and inserting in lieu thereof $3,000; and (2) by adding at the end thereof the following sentence: Such rules and regulations may include provisions authorizing the payment to individuals, families, and business concerns of fixed amounts not to exceed $100 in the case of an individual or family, or $3,000 in the case of any business concern in lieu of the respective reasonable and necessary moving expenses."

Mr. TALLE. Mr. Chairman, I find no language such as that read in my bill.

The CHAIRMAN. Is the gentleman making a point of order against the amendment?

Mr. TALLE. That is right.

The CHAIRMAN. Will the gentleman state the grounds for his point of order?

Mr. TALLE. Mr. Chairman, the point of order I make is that the amendment proposes a change in certain figures, and those figures do not appear in the bill which the amendment seeks to amend.

Mr. O'HARA of Illinois. They appear in the law as it stands now.

The CHAIRMAN. Does the gentleman from Illinois desire to be heard on the point of order?

Mr. O'HARA of Illinois. I would ask the gentleman from Iowa [Mr. TALLE] to withhold his point of order until I have presented the argument for my amendment.

Mr. TALLE. Mr. Chairman, I reserve the point of order.

The CHAIRMAN. The gentleman from Illinois [Mr. O'HARA] is recognized.

Mr. O'HARA of Illinois. Mr. Chairman, I am certain that the distinguished gentleman from Iowa [Mr. TALLE] would agree with the intention of this amendment. It happens that in the district that I represent we have in the operation of the urban-renewal program the displacement of many long-established merchants. Some have been in the locality for 20 or more years. When they have to move to new locations, the expense is large. It is not right that these small-business tenants should be forced to assume this burden when their moving is not for their own profit or convenience, but to the contrary. They certainly are entitled to the fairest of treatment. The present law calls for moving expenses up to $2,000. In some cases that is ruinously inadequate. We are asking that the amount be increased to $3,000 to be paid only in cases where the circumstances warrant; and also that there be a change in the administrative process to apply to small-business tenants in the same manner as it is intended to effect administrative relief in the case of individual tenants. I trust the gentleman from Iowa will not insist upon his point of order, and I would certainly not expect him to oppose a proposal to do the fair and honest thing by small-business tenants who are being dislocated. The conditions in my district exist in other districts, and the number of situations like that in Hyde Park will increase in the urban communities throughout the Nation. The small relief that we authorized in our housing bill of last year, I regret to report, has not been given to these dislocated small-business tenants as we in the Congress intended, and the reason has been in the administration of the law. The delay in getting started, even in the preparation of the application forms, was beyond my power of understanding. I do know how many times I telephoned to Washington from Chicago after our adjournment and always the report was that somebody would make up his mind when he could get to it or that someone at long last actually had made up his mind, but that there were still a few other minds around the office that had to go through some kind of processing to determine whether the mind that previously had got made up should remain made up or should be undone. It pretty much ended up with an administrative office tearing into shreds a good law enacted by the Congress. The dislocated Hyde Park merchants applauded the Congress for giving some measure of relief to them in their great distress, which did not come from their own doing, but as a result of their participation in the urban-renewal program. They felt appreciative and also they began to think that maybe after all there was a place for the small-business man in our legislative thinking. But after their experience with the administration of the law they began to wonder who is kidding whom. It is high time that the Congress rescue itself from the administrative kidders. I trust that my amendment will receive the vote of every Member on both sides of the aisle. If later there should be a rollcall the small-business men of this Nation, I am sure, will wish to clip it out as a guide in the future.

The CHAIRMAN. Does the gentleman from Iowa [Mr. TALLE] renew his point of order?

Mr. TALLE. Mr. Chairman, I do.

The CHAIRMAN. Does the gentleman desire to be heard further on the point of order?

Mr. TALLE. Mr. Chairman, the amendment of the gentleman from Illinois [Mr. O'HARA] is not germane to my amendment. As I understand his amendment, although I have no copy of it, it refers to basic law. His amendment, in order to be germane, would have to be germane to my amendment which is under consideration. Therefore, I contend that the gentleman's amendment is not germane.

Mr. MULTER. Mr. Chairman, may I be heard in opposition to the point of order?

The CHAIRMAN. The Chair will be glad to hear the gentleman from New York.

Mr. MULTER. Mr. Chairman, I urge that the gentleman's amendment is in order. It is addressed to the very section, section 302, on page 11 of the Talle substitute. The O'Hara amendment would change the language of section 302 as found within the Talle amendment. If the Talle amendment is in order, and apparently it is, then we have the right to change any part of that amendment. All the gentleman from Illinois seeks to do is to make section 302 much more effective than it would be as it now reads in the Talle amendment.

Mr. HALLECK. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair recognizes the gentleman from Indiana.

Mr. HALLECK. Mr. Chairman, it is quite obvious that section 302 of the pending amendment applies to section 106 (f) (2) of the Housing Act of 1949. Section 302 of the pending amendment refers to certain language that is to be changed as called for in the amendment. I insist, Mr. Chairman, that in order for the amendment of the gentleman from Illinois to be germane it must be applicable to the language contained in the pending amendment. To open up that amendment to amendment of any part of the existing law would be to violate what I think are the rules of the House.

Mr. O'HARA of Illinois. Mr. Chairman, would the gentlemen from Indiana not agree with the intention of my amendment and cooperate to the extent of withdrawing any technical objection?

The CHAIRMAN (Mr. MILLS). Unless the gentleman from Illinois desires to be heard further on the point of order, the Chair is ready to rule.

Mr. O'HARA of Illinois. Mr. Chairman, I have nothing further to say.

The CHAIRMAN. The Chair is ready to rule.

The gentleman from Illinois [Mr. O'HARA] offers an amendment to the Talle amendment, on page 11, section 302.

Section 302 is an amendment of existing law contained in section 106 (f) (2) of the Housing Act of 1949. That language presumably is germane to section 106 (f) (2). That being the case, the amendment opens the entire section of the basic law, section 106 (f) (2), to amendment, which is the purpose, in part, of the amendment offered by the gentleman from Illinois [Mr. O'HARA].

Therefore, it is the opinion of the Chair that the amendment offered by the gentleman from Illinois is germane. The Chair overrules the point of order.

The question is on the amendment.

The question was taken; and on a division (demanded by Mr. O'HARA of Illinois) there were—ayes 71, noes 118.

So the amendment was rejected.

Mr. SPENCE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MILLS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes, had come to no resolution thereon.

LEGISLATION TO AID THE NATION'S 6½ MILLION WORKING MOTHERS

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the genleman from Alabama?

There was no objection.

Mr. ROBERTS. Mr. Speaker, yesterday, I introduced legislation designed to aid the working mother. Under leave to extend my remarks, may I say that the bill which I am sponsoring would liberalize the child care expense tax deduction benefit and thus help a great many of the Nation's 6½ million working mothers.

The Internal Revenue Code states:

> There shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business.

Included under this general heading is the provision granting a deduction of a reasonable allowance for salaries or other compensation for personal services actually rendered. Certainly a general reading of this provision would lead one to assume that a working mother would be allowed to deduct the cost of her child-care expenses when computing her income tax. Indeed a working mother must have someone to take care of her young children when she leaves for work. And this expense is incurred directly as a result of her working outside the home.

I know that many of my colleagues here today are familiar with the struggle that was waged several years ago to have such tax relief included in the omnibus tax revision bill of 1954. I am pleased to say that a limited tax-deduction provision was enacted. This was a step in the right direction but it was not as great a stride toward helping the needy working mother as many of us had hoped to have approved. The purpose of my legislation today is to take another and greater step in the direction of helping the working mother receive those tax benefits to which many of us think she is entitled.

First, let me state that I feel that working mothers should be allowed to deduct child-care expenses in the same manner as a businessman is permitted to deduct a business expense. Child-care expenses are a legitimate business expense incurred in the production of income. Businessmen are permitted to deduct the cost of liquor used for entertainment purposes in their business; a lawyer is permitted to deduct a portion of his membership in a country club when that club is used for entertaining clients. How different in principle then, is the cost incurred by the working mother when she must hire someone to take care of her children so that she can go to work? In my opinion there is none. This is a business expense incurred in the production of income.

However, because I know Congress is unlikely to approve child-care expense deductions with no limiting provisions, I am offering this bill today. It contains limitations which I feel are more realistic in the light of our present economy and the Nation's needs than those now on the statute books. The bill which I am introducing would permit child-care costs up to a maximum of $1,200 a year. The present limit for child-care expenses is $600. As I know many of you are aware, in most sections of the country it would be impossible to hire a full-time domestic employee for as little as $50 a month, the amount allowed under the present law. In 1954, the median income of domestic employees was $1,104. You can see then that a nationwide limit of $1,200—$100 per month, or $25 a week—is a reasonable domestic wage.

The second provision of my bill would raise the age limitation on the children from whom this deduction could be made from the present 12 years to 16 years. We are extremely concerned, nationwide, over the tremendous increase in juvenile delinquency and yet we are not easing the burden for the working mother, who must work out of necessity, to provide adult supervision for her children. It would be better for children from 12 to 16 years of age to be supervised. I think it is probable that many hard-pressed working mothers would provide supervision for their children between 12 and 16 which they might not otherwise do, if they were afforded this tax benefit.

The question has been raised as to whether or not mothers working contributes to juvenile delinquency. On this matter may I point out that the Director of the Women's Bureau of the Department of Labor, has stated: There is no substantiation of the theory that juvenile delinquency is more prevalent among children of workingwomen than those whose mothers stay home.

The third provision of my bill would provide that such child-care expenses could be deducted by couples where the combined income of both the husband and wife is $10,000 or less. I do not feel that this is an unreasonably high salary limitation considering it is the total income of both husband and wife. While most mothers who work do so out of necessity, there are homes where the mother is trained in a profession and probably would work if she could have such a tax benefit. Many trained mothers do not work because their salary combined with that of their husbands would exceed $5,000. It simply is not worth her effort to work.

Mr. Speaker, the enactment of this legislation is of concern and interest to millions of women. At the present time there are 22 million working women, of whom approximately 6½ million are working mothers. Today women comprise over one-third of the Nation's labor force. This is the highest percentage of women workers since World War II.

Industry needs working women, including working mothers. There are certain fields such as nursing and teaching where more women are desperately needed. But once these trained women become mothers, it is simply not financially rewarding for them to work—even part time—because of our tax structure. We are denying the Nation the very services it needs because of our own shortsightedness. Many of these women would be glad to work, some part time, some full time, if it were financially rewarding. We should not penalize these mothers through taxation because they have trained talent.

The Nation needs working mothers. They contribute to the national economy and we should not handicap them anymore than our tax laws attempt to handicap the businessman in running his business.

WHAT IS MODERN REPUBLICANISM?

Mr. RADWAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. In there objection to the request of the gentleman from New York?

There was no objection.

Mr. RADWAN. Mr. Speaker, one topic which has assumed national importance in today's political life is that of modern Republicanism. Many Republicans have attempted to define it, while others maintain that it is a figment of imagination and that it does not exist.

I am one who believes that there is no easy definition for the term which President Eisenhower has created. I would like to believe that the term "modern Republicanism" can only be defined by example and by the record of the Republican administration and the Republicans in Congress.

If we quickly scan the record of the Republican Party in the past 4 years, we can begin to see that modern Republicanism is a very real thing which has won the support of the vast cross-section of our people.

This record indicates that the Republican Party has met the fast-growing needs of our expanding economy without sacrificing the principles of our free enterprise system. It has proved to be sensitive to the human needs of our Nation, and, at the same time, has maintained a fiscal stability which has allowed us to assume heights of prosperity which, 30 years ago, challenged man's imagination.

Modern Republicanism has been responsive to the human needs of our people in the area of research into diseases, extension of social security, unemployment compensation, and other related programs. The agency of Health, Education, and Welfare stands as a monument to this type of action and accomplishment. It means that our standard of living has advanced to an alltime high, that people are conscious of a commonsense approach to problems that affect them most directly, and that labor had advanced to a greater position of importance in our economy and society.

At the same time that the Republican Party has been writing this record of accomplishments, the fiscal and monetary system of the United States has been maintained at an even level. This may seem strange to you at a time when so much talk is heard on the general subject of the $71.8 billion budget for fiscal 1958. However, let us analyze the budget for a moment.

In any discussion of the budget, we must remember that 60 percent is accounted for by defense and national security expenditures. If we could eliminate this huge expenditure and just consider the domestic budget, we would find that it is sustained by an all-time high in national per capita income and national gross productive output. We must never forget that our economy is

constantly expanding and that we, as a nation, are going through a period of tremendous growth. This you can see in the cars you buy, the clothes you wear, the food processing in the supermarkets of today, the improvement in farm machinery, and the advanced methods which are now employed by business and agriculture.

Even if we include the huge outlays for national defense and security, we find that the percentage of our national income going to the Federal budget is not out of proportion compared to preceding years. For example, in 1953 the Federal budget was almost 25 percent of the national income, in 1954 it was 22.7 percent, and in the following years it has been declining percentagewise until the 1957 budget represented 19 percent of the national income. The $71.8 billion budget estimate for fiscal 1958 approximates about the same percentage of a projected estimate of the national income for next year.

I would like to see this percentage of our total national income reduced if at all possible but at the same time I realize that the 19 percent of our national income is considerably less than the 52 percent and 54 percent during the war years of 1944 and 1945. In this respect, I must emphasize the tremendous economic adjustment which has been accomplished since that time without the depression which was once predicted.

Unfortunately, as long as we must engage in the cold war with Communist Russia and her satellites, we must continue to spend much of our revenue on items of defense and national security.

We know that we must never yield our place of leadership to the Communists. To do this would be to seal the fate of freedom, peace, and our democratic way of life. So, we must always ask ourselves this question: How much shall we pay to defend our liberty, our Constitution, our God-given right? I, for one, would not attempt to place a dollar value on those basic elements of our way of life.

This does not mean that we must go blindly ahead without challenging proposed expenditures. The administration and the Republican Members of Congress realize that every expenditure must be carefully weighed and considered. A conscientious effort will be made to reduce the present budget by an amount which will not place our national security in jeopardy.

In brief, modern Republicanism is successful Republicanism.

HARRY S. TRUMAN

The SPEAKER. Under previous order of the House, the gentleman from Missouri [Mr. CHRISTOPHER] is recognized for 60 minutes.

Mr. CHRISTOPHER. Mr. Speaker, I sought this time not knowing that it would be as late as it is now, but I sought the time to pay tribute to that great and distinguished Missourian who is a friend of mine, Harry S. Truman, former President of the United States, in commemoration of this, his 73d birthday. One of the reasons I want to commemorate his birth at this time is because we usually wait until a famous man has passed on to his reward before we stand up and tell the world whether or not we like him and tell about all the things that he has done. I want to pay tribute to that man today and to his great and faithful wife, Bess, and to his distinguished daughter, Margaret. A little poem comes to my mind that illustrates exactly why I want to talk about Harry Truman while he is still living. The poet said:

> If with pleasure you are viewing any work a man is doing,
> If you love him or you like him
> Tell him now.
>
> Don't hoard up your approbation
> 'Til some parson makes oration,
> While he lies with snowy lilies on his brow,
> 'Cause no matter how you'd shout it,
> He'd not care a thing about it.
>
> He'd not know how many teardrops you might shed.
> If you think there's something due him,
> Now's the time, go slip it to him.
> 'Cause a guy can't read his tombstone
> When he's dead.

Too often in this world, we save the kind things that we would like to say until it is too late for the recipient to know that we have said them. Now, Harry Truman was a farm boy born in the little town of Lamar, Mo., not very far from where I live. I have known Harry Truman and his brother, Vivian, for many years. I admire him very much. Fate gave him a difficult role to play beginning with the death of Franklin Delano Roosevelt. When that greatest of our Presidents passed away, it fell to the lot of Harry S. Truman to step into the shoes of Franklin Delano Roosevelt, and it took a big man to fill those shoes.

Franklin Delano Roosevelt had taken over the reins of government in this country when we were at the very bottom of the depression, when 15 million unemployed walked the streets and rode empty box cars, when more than 9,000 banks in the United States had failed during the preceding 12-year period. During the 12 preceding years farm foreclosures and business failures were all over the land and people by the thousands were drinking thin soup in soup kitchens and getting their other food from breadlines, and when even the Treasury of the United States was tottering.

But in 9 years Franklin Delano Roosevelt had pulled this country out of that depression; there had been an end to bank failures; there had been practically an end to mortgage foreclosures. The farm situation had been overhauled until by the end of that 9 years we had 100 percent of parity and the annual income per capita of farmers had been raised from less than $100 to more than $500.

And Harry Truman was destined by fate to step into the shoes of that President. He carried on the programs of Roosevelt and added to them and kept them and made them successful.

Then it was up to Harry Truman to decide whether or not the atomic bomb would be dropped on Japan or whether hundreds of thousands of American lives would be sacrificed in digging the Japs out of their holes and from behind their fortifications in their homeland. It was a hard decision for anyone to make, but Harry Truman, a man of courage, made it; and I think he made the right decision.

Then the Communists undertook to bluff him at Berlin, but he put in the Berlin airlift square in their faces, and he flew everything that Berlin needed into that city in spite of the transportation that was cut off by the Russians, even flying coal into that city. Again he demonstrated his courage.

Then the Communists attacked in Korea, and he had to make the decision what to do about that. I was in this Congress when he made that decision. I think he made the right decision.

At that time I failed to hear a single Republican voice raised in opposition to the course Harry Truman took. I heard not only members of his own party but members of the opposite party come to the floor of this House and commend Harry Truman for what he did in Korea.

He has always been, and still is, a man of courage.

Now, he does have a temper. Some people have felt the lash of that temper at times. However, I admire a man for having a little temper, at least enough to stand up in the face of world opposition, stand up for the things in which he believes.

But do not get the idea that Harry Truman, despite his language on occasion, is not a praying man, because I know him well enough to know that he is; and so is his good wife. Here is a direct quotation from Harry Truman himself:

> I only ask to be a good and faithful servant to my Lord and to my people.

If a public servant can make a better prayer than that I have yet to hear it.

I want to speak of a few things that have happened in the last 4 years that I feel absolutely certain would not have happened had the man from Missouri still been in the White House out here on Pennsylvania Avenue. The national debt has risen $9.2 billion since January 1953. I called the Bureau of the Budget today and asked them for those figures and I got them. I am also told that it will take almost a billion dollars more of the taxpayers' money to pay interest on the national debt in 1957 than it did in 1952 and that almost a billion dollars is being taken from the people who need it worse and given to those who need it less. I do not believe that would have happened if the man from Missouri had still been in the White House. One other thing—the five Eisenhower budgets are $73,600,000,000 greater than Harry Truman's last 5 budgets not withstanding the fact that President Eisenhower was elected on an economy platform.

Another thing that I do not think would happen if Harry Truman had been in the White House the last 4 years is this: I do not think the power trust of the United States would have undertaken to put over the Dixon-Yates deal because they would have known it would have been wasted effort. If the man from Missouri was still in the White House we would not have three little low dams being built on the Snake River in Hell's Canyon instead of the high dam

that would generate so much electric current. The so-called Idaho Power Co. would not be reaching out its hands for more than $300 million in subsidies that will be taken from the Federal taxpayers to build their dams. The high Hell's Canyon dam would have been built. It might be yet, but if it is, it is going to be in the face of tremendous opposition. That high dam would pay for itself, it would not cost the taxpayers a cent, and at the end of 50 years the money would be back in the Federal Treasury and we would still have the dam and generators. They would belong to all the people of the United States.

Here is another thing that has happened in the last 4 years that would not have happened if the man from Missouri or a man like him had been in the White House. Government bonds would not have been permitted to sink below par.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. CHRISTOPHER. I yield to the gentleman from Texas.

Mr. PATMAN. Mr. Truman as President of the United States was the only President who ever asked the Federal Reserve Board to meet with him. He asked the Federal Reserve Board in January 1951, to meet with him, at which time he persuaded them to agree not to let Government bonds go below par. The whole Open Market Committee, composed of 12 members and the members of the Board, and 5 presidents of the Federal Reserve Banks promised him faithfully they would not permit the bonds to go below par.

I refer to the following letter that was written by President Truman to the Chairman of the Board of Governors, Federal Reserve System:

Hon. THOMAS B. MCCABE,
Chairman, Board of Governors, Federal Reserve System, Washington, D. C.

DEAR TOM: I want the members of the Federal Reserve Board and the members of the Federal Open Market Committee to know how deeply I appreciate their expression of full cooperation given to me yesterday in our meeting.

As I expressed to you, I am deeply concerned over the international situation and its implications upon our economic stability.

Your assurance that you would fully support the Treasury defense financing program, both as to refunding and new issues, is of vital importance to me. As I understand it, I have your assurance that the market on Government securities will be stabilized and maintained at present levels in order to assure the successful financing requirements and to establish in the minds of the people confidence concerning Government credit.

I wish you would convey to all members of your group my warm appreciation of their cooperative attitude.

Sincerely yours,

HARRY TRUMAN.

Notwithstanding that promise they broke it and permitted bonds to go below par. That has really upset our country. Since that time, not during his administration, the Federal Reserve System has declared their independence from the executive branch, in other words, has seceded from the Executive. They did not have the courage to go up against Mr. Truman as long as he was President, but when the present President came in in 1953 they caused bonds to go down to 88, a terrible situation, a disgraceful situation. If Mr. Truman were President that would not have happened.

Mr. CHRISTOPHER. I thank the gentleman, and I want to say the fact that Government bonds are selling today for less than par is a national disgrace.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CHRISTOPHER. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I think it is also interesting to note that the national debt of our country is pretty much the same now, about seven or eight billion dollars more under the present administration.

Mr. CHRISTOPHER. Nine point two, if I may interrupt.

Mr. McCORMACK. Nine point two billion dollars more than it was when Mr. Truman ceased to be President on December 31, 1952.

But the significant thing is that the taxpayers of our country, as the result of this tight money, high interest, hard money—anything you want to call it—policy, are now paying well over $1.6 billion a year more interest than they did only a little over 4 years ago when Mr. Truman was President of the United States.

Mr. CHRISTOPHER. I thank the gentleman for his contribution.

Another thing for which I admired the gentleman from Independence—he vetoed that natural gas bill. Of course, President Eisenhower vetoed it also, but President Eisenhower made it very plain in his veto message that he did not veto the legislation; he only vetoed the scandal that attended its passage. That was all President Eisenhower vetoed. But Harry Truman vetoed it for what it was—a half billion dollar a year steal by the producers of natural gas in the United States, engineered by our major oil companies.

Now, during the last 4 years the bank debt of the American farmer has increased $3.1 billion. They have raised the mortgage debt against their land and their homes $3.8 billion, and they have suffered an inventory loss in the value of their livestock of $8.7 billion. That would not have happened had Harry Truman, or a man like him, been in the White House, because from 9 years after the election of Roosevelt until 1953 all food and fiber produced on American farms for that entire 11-year period sold at an average of more than 100 percent of parity. Now we have 80 percent on the American farmer.

Now, in addition to the losses I have given you here, in 4 Republican years the American farmer has lost $12 billion in net income. Those are things that would not have happened had Harry Truman or a man like him been in the White House.

Here are a few more things that happened in the last 4 years. Industrial stock prices went up 62 percent. Corporate profits after taxes went up 32 percent. Stockholders' dividends went up 19 percent. Nonfarm income went up 14 percent, and farm net income went down 23 percent. Those are things that would not have happened.

Now, we had a good farm program; we had it for 20 years under both Roosevelt and Truman. At the end of that 20 years, the 31st day of January 1952, the Commodity Credit Corporation had $2.4 billion worth of food and fiber under loan in Government warehouses and in farm granaries and cribs. But, what happened in the last 4 years? On the 31st day of December 1956, the Commodity Credit Corporation had $8.2 billion worth of food and fiber in Government storage and in bins and cribs on the farms. Oh, if Harry Truman had been in the White House, or a man like him, H. R. 12 would not have been vetoed, and we would have had the same farm program that dragged us out of the depression, that kept us out of it for 11 years, that gave us better than 100 percent of parity for 11 years. We would have had that farm program. We lost it when President Eisenhower vetoed H. R. 12.

And one of my colleagues sitting there, PAUL JONES, from what we refer to as the boot heel of Missouri, was on the Committee on Agriculture and helped bring out H. R. 12 and fought for it on the floor of this House. The Republicans talk about a farm program. They have not got any. They never did have any. You can go back to 1900 and look for a farm program, but you cannot find it, except what the Democrats gave the American farmer.

What has happened to the cost of living? In the last 4 years the cost of living has risen 4.6 points. And the Bureau of Labor Statistics tell me that every time the cost of living goes up 1 point it costs the American consuming public $2.5 billion more each year to live. That being the case, it will cost the American consumers in 1957 $11.5 billion more to live than it cost them to live in 1952. And that despite the fact that in 1952 the farmer was receiving 100 percent of parity for food and fiber, and now he is receiving 80 percent of parity for food and fiber. Yet the American consumer is going to be nicked for $11.5 billion more to live in 1957 than in 1952.

Those are things that ought to be advertised from one end of this land to the other. How any man or any woman that has to earn his or her living any way except by clipping coupons can vote a Republican ticket is something that I have never been able to figure out in the whole half century of my recollection.

I know the things that Harry Truman stood for. I know the things he stands for today. I know that the Republicans said that he could not win in 1948 and there were tons and tons of papers already printed announcing his defeat. In my little town there were a thousand pounds of fireworks that had been bought to celebrate the election of Thomas E. Dewey. And maybe you think there were not some red faces about 2 o'clock in the morning when they had to lock those fireworks up instead of using them to light up the sky.

Harry Truman will go down in history as one of the greatest Presidents of these United States. And I want to say that today while he is still here.

Mr. Speaker, at this time I am glad to yield to the gentlelady from Missouri [Mrs. SULLIVAN].

Mrs. SULLIVAN. Mr. Speaker, I want to congratulate our wonderful colleague

from Missouri [Mr. CHRISTOPHER] for arranging for time this afternoon in which some of us can express our love and affection and admiration for President Truman on this occasion of his 73d birthday.

The newspapers, in covering Mr. Truman's periodic visits to Washington, or his political speeches, always refer to him in terms of "peppery" or "angry," but actually, as many of us know, the man really has a soft heart for the people of this country and a sentimental outlook which does not at all go with this picture of an angry fellow.

On the other hand, I certainly think it is true that few Presidents in our history have been as intense and as dedicated and as completely wrapped up in the day-to-day work of the office of the Presidency as Harry Truman during nearly eight extremely eventful and extremely critical years in the White House.

No wonder, then, that he gets a bit "steamed up," as he puts it, over some of the developments in Washington and in the Nation since he retired as undefeated champ in 1953. Directing the operations of the Federal Government to Mr. Truman was never a part-time job or one involving passing the responsibilities on to others to let them worry over the policies we should follow. Mr. Truman never hesitated to come forward and speak for and fight for the principles he believed in and which he thought our country should follow.

It is certainly obvious that we need more of this kind of active Presidential leadership right now. It is certainly obvious that the present administration's program is in deep and serious trouble because of a lack of the kind of leadership Mr. Truman brought to the job.

On this occasion of Mr. Truman's 73d birthday, I want to express the good wishes of so many Americans to a man I think was an outstanding President. I want to extend to Mr. and Mrs. Truman, and to their lovely daughter, my heartfelt gratitude for having the great good fortune to know them as friends whom I dearly love.

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. PRICE] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. PRICE. Mr. Speaker, I deem it an honor to join in birthday tribute to the gallant, bold and distinguished former President, Harry S. Truman of Missouri.

Harry Truman's stature seems likely to grow with the passing of the years as the historians place him in context. His stature is impressive now.

It was Harry Truman who set the pattern, tone and vigor of America's answer to postwar Soviet aggression.

Truman made the bold decision to compel the Soviets to honor their commitment to withdraw their troops from Iran—and they did it.

Truman answered the Soviet blockade of Berlin with the Berlin airlift—and he continued it, patiently but with full readiness to bear the risks involved, until the Soviets surrendered and lifted the blockade.

Truman answered the North Korean aggression of 1950 the only way it could have been answered—by sending in American forces and saving the free Republic of Korea. He had the courage to act—decisively and instantly. He showed his respect for the elected Americans serving in Congress by reporting promptly what he had been compelled to do, and he quite properly was given the approval of the Congress.

Truman launched the massive reorganization of our defenses made necessary by the Korean attack. He recommended the budget and the taxes necessary to remobilize our industrial strength, to lay the base for our present deterrent power of nuclear retaliation against an aggressor.

There is not a jet plane flying nor a guided missile in prospect today that did not have its inception in the work of the scientists and engineers and technicians set to work under Harry S. Truman.

Harry Truman warned the Chinese Communists to keep their hands off Formosa and he sent the 7th Fleet to warn them that we meant business. The 7th Fleet is still there.

Harry Truman exerted American leadership—not just membership—in the United Nations when he contributed to the creation of the democratic State of Israel. And Israel is still there—still a vital factor in the Middle East—despite the hostility and belligerency of Arab leaders trying to blackmail us with menaces that they may ally themselves with Moscow.

In his leadership at home, Truman was the people's President. He fought for the rights of labor, for the security of unions, for the well-being of the farmer and small-business man.

There was no indifference to slums, to overcrowded schools, to the people's health and well-being in his administration.

Year after year Mr. Truman asked the Congress for school aid, for health and hospital appropriations, for slum clearance, for revisions of the Taft-Hartley Act, that Congress has not yet seen fit to grant—but there was never any doubt where Truman stood. And there was never any doubt as to who was executing the full duties and powers of the President—whether he was in the White House or in some other place.

I offer felicitations to the former President on his birthday.

Mr. CHRISTOPHER. Mr. Speaker, at this time I yield to my colleague from Missouri [Mr. JONES].

Mr. JONES of Missouri. Mr. Speaker, I want to commend our colleague the gentleman from Missouri [Mr. CHRISTOPHER] for obtaining this time in which Members may pay a tribute to his most distinguished constituent and our fellow Missourian, Harry Truman, on this his 73d birthday.

I am glad to join with the gentleman from Missouri and my other colleagues in extending felicitations and best wishes to President Truman and to wish for him many more years of happiness, good fortune, and service.

It has been my good fortune to have known President Truman over a long period of years. I well remember his first visit to my hometown of Kennett, during his first campaign for the United States Senate, to which he was elected in 1934. He spent a good part of the noon hour visiting with my father at our newspaper office, and at the conclusion of that visit we were both convinced that here was a man who would devote himself to public service. From that time on he had the support of both my father and myself, as well as the newspaper which we published.

Outside of his own Jackson County, I doubt if there was any section of Missouri where Senator Truman was held in greater esteem, or where he had more close and devoted friends than in the 10th Congressional District, particularly in the extreme Bootheel section. The feeling was mutual as indicated by the fact that even after he became President, he came back to Caruthersville to attend the American Legion district fair, just as he had done each year beginning in 1934.

Harry Truman has always found time for his friends.

I have never known a man who I believed was more sincere in his desire to do those things which he believed were in the best interest of all the people. He has always taken his obligations seriously, and while I have not always concurred in his views on matters of domestic policy, I have never doubted his sincerity in attempting to implement every promise and every pledge made in the platform of the Democratic Party. For after all, Harry Truman has always been a "party" man and I believe that he felt as keenly as any individual possibly could, his obligation as the leader of the Democratic Party.

Honest, sincere, loyal, courageous, firm, direct, frank, energetic, and indefatigable, are only some of the adjectives which might be used in characterizing this man, whose name will undoubtedly go down in history as one of the great leaders of this Nation. I will always believe that Harry Truman was a man of destiny.

Many are apt to judge a man who has been active in politics solely on his political record, and I have no apologies to make on the political record which has been made by this great man who on many occasions which have been enumerated countless times, has proven himself not only an astute politician, but a statesman of the first order.

However, I think it well to go behind that record, and look into the more intimate life of the man as he has traveled along life's highway. How does he measure up as a husband and as a father? Can you recollect any man in public life who has more clearly demonstrated by his every act his concern and devotion for every member of his family, than has Harry Truman?

Throughout the years, both before, during, and after having served as President of the United States, Harry Truman

has demonstrated his reliance upon divine guidance. Church attendance has been a part of his life since childhood.

We, who are members of the Masonic fraternity appreciate his dedicated service throughout the year. Even those who are not entirely familiar with the Masonic order know that no man could have been selected by his brothers to serve as the grand master of the Grand Lodge of Missouri without having survived the closest scrutiny that is possible for man to undergo. Not only has he attained all of the honors that are conferred on Master Masons, including the coveted 33d degree, but he has served with distinction in the Masonic order since 1909.

Yes, to me, Harry Truman has measured up to every criteria that might be suggested. He is the kind of man that anyone can feel honored to call a friend in every sense of the word.

These are some of the reasons why I am most happy, for myself, and for his many other friends throughout the district which I am privileged to represent, to extend congratulations and felicitations on this day, and to wish for President Truman and his family all of God's blessings which they so richly deserve.

Mr. CHRISTOPHER. Mr. Speaker, at this time I am glad to yield to the gentleman from Missouri [Mr. CARNAHAN].

Mr. CARNAHAN. Mr. Speaker, I join the gentleman from Missouri [Mr. CHRISTOPHER], who is now former President Truman's Congressman, in expressing appreciation, admiration and every good wish to Mr. Truman on his 73d birthday.

Mr. Speaker, I want to read into the RECORD at this point a statement that I made here on the floor of this House on April 17, 1945:

Mr. Speaker, my own native State, Missouri, bows with the Nation and the world in sorrow at the loss of the late President Franklin D. Roosevelt. Missouri voted for Roosevelt four times for President and in his passing Missourians feel and fully recognize an irreplaceable loss. However, Roosevelt in death will live vividly in ideals and in spirit. America and the world are now more determined to make realities the ideals for which he lived, toiled, and died.

As we bow in the presence of divine providence and have committed a national leader to the ages, we must carry on. New hands must take up the tasks of national leadership. Missouri is honored to present to the Nation and the world the new American leader, President Harry S. Truman.

Harry Truman, born and reared on a Missouri farm, elected county judge, sent to the United States Senate, selected by President Roosevelt as a running mate, elected Vice President, and now President of the United States, is typically Missourian and typically American. What could more truly represent the American tradition and spirit than "from farm boy to President."

President Truman has made the slow ascent from humble position to eminence by merit and no eminence of station will ever cause him to forget that all of us make up America.

Mrs. Truman, Margaret, and Harry will bring to the White House another truly American family. Let us rejoice that the first family will continue to carry on and truly represent our American way.

This is the first time my beloved State, Missouri, has furnished a President. We are happy that it is Harry Truman. In sharing Truman with the Nation and the world we Missourians offer no apologies since we are convinced that apologies would not be in harmony with facts as they exist. His honesty, ability, frankness, experience, and humility fit him for the very heavy tasks which lie ahead. He is equal to the occasion. America is united for action, world order is reshaping; then let us go forward under the guidance of divine providence into the dawn of a better day.

Mr. Speaker, when history evaluates the administration of Mr. Truman, he will be recorded as one of our greatest Presidents.

Mr. CHRISTOPHER. I thank the gentleman.

Mr. RHODES of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. CHRISTOPHER. I yield.

Mr. RHODES of Pennsylvania. Mr. Speaker, I would like to join my colleague, the gentleman from Missouri [Mr. CHRISTOPHER] and other Members of the House in paying my respects to that great American and outstanding former President of the United States, Harry S. Truman on this, his 73rd birthday.

Harry Truman is a man of principle, honor and determination. His political courage in facing up to the issues of his day won for him the respect and devotion of many millions of our people. Harry Truman's long record of service to our Nation demonstrated beyond any doubt his humanitarian concern for the needs of the people. His Fair Deal legislative program advanced policies to meet these needs and helped to bring a greater share of our Nation's abundance to our less-privileged citizens.

There has been considerable misconception over the overall degree of success which President Truman's Fair Deal program achieved in the 81st Congress, following his dramatic personal triumph against long odds in the 1948 election. A careful examination of the record of the 81st Congress shows that of 149 specific legislative recommendations to Congress, 104 were enacted into law. This was a remarkable achievement, considering the negative obstructionist tactics employed by the Republican minority in Congress.

Among the significant measures enacted under his Fair Deal were rural telephone legislation, expanded hospital construction, an increase in the minimum wage, the public housing program, important liberalizing amendments to the social security law, establishment of the National Science Foundation, establishment of NATO, implemented by the Mutual Defense Assistance Act, the historic point 4 technical assistance program, and legislation strengthening the Clayton Antitrust Act.

Under the leadership of President Truman, the Free World was mobilized to successfully resist the inroads of Communist tyranny in Europe, Southeast Asia, and the Far East. His courageous and decisive action in the Korean crisis may well be viewed by historians as the turning point in the struggle against Communist aggression, marking the beginning of the decline of Soviet imperialism and the birth of the concept of a United Nations military force to preserve peace in the world.

Harry Truman is truly a man of the people. His prominent place in the history of our Nation and the world is assured.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CHRISTOPHER. I yield to the distinguished gentleman from Massachusetts.

Mr. McCORMACK. Mr. Speaker, I am so happy to send a salute to my valued friend, Harry S. Truman, on this his birthday anniversary.

It is for me a matter of great pride and honor that the friendship between Harry S. Truman and myself throws over our shoulders the cloak of history through some of the greatest world crises of our time. My pride is not predicated upon my participation as a person in these events. Rather it derives from my association with a remarkable American who, having the power of decision, added prestige, integrity, and high purpose to his story wherever it touched the United States either as a partisan Democratic leader, a Senator or as President—and today—as private citizen.

From the fateful hour in early 1945, when I stood in the little group in the White House as Harry S. Truman took the oath of office as President of the United States until this minute, I never had an instant of misgiving. Great leaders differ in their aspect, in their approach, in the chemistry of personality, but the presence to command, to accept responsibility and to act upon it, belonged as definitely to Harry S. Truman as to any President this country has ever had. What adds to the stature of this man and to his greatness is a certain humility which for centuries yet to come I know will intrigue students of history and character. Harry Truman walked with the mightiest of our time and directed the mightiest but never lost the common touch.

Of course none of us can fail to remember him as the fighting leader of his party but more, the warrior President. It is a voice and a judgment that we, who think of him as a fellow Democrat and fellow American will never cease to honor, and quite often to obey. The reason he made so great a reputation with his Truman committee to investigate the national-defense program was because it gave opportunity for that display of inner strength and resolution that led him to the White House, once by fate and the second time by choice of the American people. And few Presidents were so close to the American people and knew their problems so intimately from contact and experience as President Truman. Was ever a task so prodigious thrust upon the shoulders of any American as fell to the burden of Harry S. Truman when he took the reins from the immortal Franklin Delano Roosevelt?

The affairs of all the world, as never in the life of any leader in any age, fell right into the lap of this man from Missouri.

I remember personally courage and decision and the noblest aspects of patriotism and character on such questions as the United Nations conference in San Francisco, his magnificently firm handling of the Kremlin and Stalin, that dreadful problem of the atom bomb. At home there was unification of the Armed Forces, price controls, passage of progressive legislation, his constant fight for the people. The Truman doctrine in the Near East seems in this hour to have established a pattern for other Presidents to follow. Who more than Harry Truman deserves credit for saving Greece, Italy, perhaps France, and, through Korea, whole pieces of Far Eastern geography from falling under the domination of the Soviet Union? After persecutions that have bloodied the pages of history for 2,000 years, it was President Truman, more than any single individual in the post-war period, who created Israel as a free and independent nation.

My mind fills with a thousand historic scenes as I rise to do honor to my friend, Harry S. Truman, on his birthday anniversary. His Missouri community knows him for his kindliness and his loyalty as a husband and a father. The love of the former President and Mrs. Truman for each other, and their fine family life is an inspiration for all to follow. We who were at his side during the trying hours know him as a statesman and an outstanding American. If the former President and I live through the years to come, I know this: I shall never find myself bereft of recollections and the warmth of praise to eulogize on many forthcoming birthdays my great, good friend, Harry S. Truman, one of the foremost historic figures of this century.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. CHRISTOPHER. I yield to the gentleman from Texas.

Mr. PATMAN. Mr. Speaker, I do not recall that the gentleman mentioned Mr. Truman's sending troops into Korea. I just want to remind the gentleman and the Congress that that was the only time in history that a President ever sent troops into another country, which was tantamount to a declaration of war and waging aggressive warfare, by unanimous consent. No one objected to it. Everyone applauded what he did. It was only a month later after the casualty lists commenced to come in and people commenced to make politics out of it that he was ever criticized at all. It was one of the most courageous acts in all history.

Mr. Speaker, Harry S. Truman will be recorded in the history of the United States as one of the greatest Presidents in all history. Having served in Congress at the time when he was a member of the United States Senate, Vice President of United States and as President of the United States, I know something about the kind of service he has rendered. He demonstrated the fact that he is truly a man dedicated to the service of all the people. He always demonstrated great ability and outstanding courage. He was always a sincere, honest, and agressive servant of all the people and against special privileges of any kind or type.

It will not be many generations until references like we make now, of great Presidents in the past—for instance, Washington, Jefferson, Lincoln, and Wilson—until any such references of great President will include among the very few greatest ones the names of Franklin D. Roosevelt and Harry S. Truman. I congratulate this great statesman, one of our greatest Americans, and wish for him many, many more happy birthdays.

Mr. SCHWENGEL. Mr. Speaker, will the gentleman yield?

Mr. CHRISTOPHER. I yield.

Mr. SCHWENGEL. I should like to say to the gentleman from Missouri who has paid tribute to a past President of the United States that I want to pay tribute too. But, first, I want to say to you something that I feel deeply in my heart. It is this. I think it is time for those of us who serve in important positions, such as you and I serve in, to recognize some of the virtues in everybody. I was awfully sorry to hear you say to this body, in effect, that there is no virtue on this side of the aisle. I do not believe that. I do not believe the man you speak about believes that because many of them supported him in a critical hour, in our great decision, an important decision at the time, which made a difference in American history, I want to say to you I have some answers to some of the charges that you make, but I shall not do so at this time and I hope I will never be tempted to do so on this floor because I think the time has come when we need to stand up and talk about things that are important and good and to say something about the virtues of people rather than to stand here and to fan the differences that do not need to be fanned. It is time men of good will started getting together in this terrible age, this atomic age, this age which is so dangerous. It is time for us to think of the great challenge of this hour and to bring our forces together and to fight against the worst enemy that this world has ever known—communism—as the people in Russia know—the worst kind of slavery—physical slavery and mental slavery. But, as a Republican, and I think I would speak the minds of every Republican on this side, I want to join with you in what you have said about wishing Harry Truman Godspeed, good health, and happiness, and a long, long life. I thank the gentleman for yielding.

Mr. CHRISTOPHER. I want to thank the gentleman and compliment him for his remarks regarding former President Truman. I also want to say that he is interpreting my remarks as having said there is no virtue on the left hand side of the aisle. I will say to the gentleman, my remarks should not be so interpreted. So far as our President is concerned at the present time, he has my deepest sympathy because he goes to his own and when he asks for bread, they give him a stone; when he asks for fish, they give him a serpent. If it were not for the Democrats on this side of the aisle, he could not get any part of his program passed. The Bible says a man's enemies shall be they of his own household. If the President of the United States today has not realized that, then something very obvious has escaped his notice. I can prove the assertions that I have made about the things that have happened in the last 4 years. I am not blaming the President of the United States for them, but I have searched the pages of history in vain for one single piece of legislation that has been passed since 1900 which was passed by a Republican House and a Republican Senate and signed by a Republican President which was good for the men and women who have to earn their living with their hands or their brains. If the gentleman can put in the RECORD the number of the Public Law that was passed under those circumstances and which was good for the people who have to work, I would read it and study it with great interest.

Mr. Speaker, I ask unanimous consent that all Members be allowed to extend their remarks at this point in the RECORD on the birthday anniversary of former President Harry S. Truman.

The SPEAKER pro tempore (Mr. VANIK in the chair). Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BROWN of Missouri. Mr. Speaker, if there is one thing that characterizes a good Missourian, it is fighting courage; and President Harry S. Truman has been a living example of it. Few Presidents ever assumed the office in more difficult times, and few, if any, had as many controversial decisions to make. Harry Truman took the oath of the Presidency in humility and with many serious misgivings, I am sure. But every day he occupied the White House he grew in stature and in self-confidence.

He met the grave issues of the day head on, and though many contemporaries disagreed with his decisions, he at least made decisions and fought for them, often against great odds. In office as out of office, he has won battles and lost battles. But never has defeat deterred him in a cause. He just gets off the floor and comes back fighting.

You might not like where Harry Truman stands; but you always know where he stands. And in Government, courage to make a decision, right or wrong, is an often scarce and precious asset.

I join our fellow Missourians in this birthday salute to a fighting Missourian—the man from Independence, President Harry S. Truman.

FOREIGN DUMPING IN THE UNITED STATES MARKET

The SPEAKER pro tempore (Mr. VANIK in the chair). Under the previous order of the House, the gentleman from West Virginia [Mr. BAILEY], is recognized for 30 minutes.

Mr. BAILEY. Mr. Speaker, some days ago it was my pleasure to introduce H. R.

5102, an antidumping act. I was joined in this commendable act by a large number of my colleagues in the House on both sides of the center aisle.

It is a well established practice over the years to protect American producers from the practice of producers abroad to offer for sale in this country certain foreign-made or foreign-grown products at a price below the price charged for the same article in the country in which it was produced or grown.

It has, over the years, been the American policy to protect American markets from such unfair practices.

You will recall my protest against the customs simplification bill on the floor of the House and my charge that it would, if enacted, destroy, and nullify our existing antidumping laws. The Customs Simplification Act allows an export value instead of the current sale price value in the country of origin as a basis for fixing import duties.

In this connection, I wish to call attention to the practice of importers of Japanese products of building huge warehouses to store imports for sale in future years. This is going on on our west coast and as far east as Minneapolis. It is just another dumping operation.

Since everybody agrees that foreign dumping in the United States market is an unfair trade practice per se and contrary to our public policy expressed in our various domestic antitrust and unfair trade practice laws, we feel strongly that the requirement of showing injury as now contained in the Antidumping Act should be removed. It circumvents the retarding influence intended by the Act and has acted as an open invitation to foreign dumping, the practice of which has become widespread.

The countervailing duty law—designed to prevent or offset foreign subsidized sales in the United States—has no comparable requirement of showing injury. And, Congress has repeatedly refused the Treasury Department's requests that such injury requirement be inserted in the countervailing duty law, notwithstanding the contrary but unauthorized provision contained in The General Agreement on Tariffs and Trade. The Congress clearly does not consider this provision of GATT with respect to both subsidies and dumping of any force or effect. This factor taken together with frequent expressions of dissatisfaction with the ineffective manner in which the antidumping act has been administered and the fact that Congress has directed the Treasury Department to recommend strengthening amendments required to make the act more promptly effective, seems to us to constitute a directive that the Treasury Department give serious and careful consideration to recommending that the injury requirement be removed.

The Antidumping Act was intended to—and should be so amended and promptly and effectively administered, resolving all doubts against the advocates of dumping as to—act as a deterrent to the foreign practice of dumping in the United States market. It should be a preventative act and not primarily a remedial measure. We should not invite the illness and then go to the doctor for a remedy.

The result has been the exact reverse—foreign dumping has been encouraged and has become a common practice, as is clearly evidenced by the Treasury Department's own survey of 1954 imports, showing such a wide range of imported merchandise having an export value lower than the foreign value. The act, as it has been so laxly, rarely, and begrudgingly enforced—with its various complications and delays in determining a dumping price; and then the impossible requirement that domestic industry carry the burden of proof both as to dumping price and injury as likely to result from such dumping—has resulted in an open invitation to foreign producers and governments to engage in the practice of dumping. By the ineffective manner in which the act has been administered, we have given them the virtual assurance that they can usually dump in our market with immunity or at least until the purpose of their dumping has been accomplished.

The act should be so amended and promptly and effectively administered as to increase its deterrent effect, thus stopping the now widespread practice of dumping. The amendments to the act should be so written as to clearly and unequivocally put foreign producers and foreign governments on notice that they cannot expect to dump in this market and get away with it. They should be forcefully advised, if and when they do dump merchandise in this market, that we will promptly, forcefully and retroactively impose an antidumping duty equal to the extent of the "dumping price," in order to offset and cancel out any advantage that they may have hoped to obtain by such dumping. Such an amended act—along with prompt and effective administration—would stop most of the foreign dumping, as was the real intent of the Antidumping Act. The act was not intended as a revenue raising measure. If foreign producers and governments clearly understand that they cannot gain an advantage by dumping—that it will be fully and promptly offset by an equivalent dumping duty—they will discontinue the practice of dumping.

To accomplish this retarding and preventive purpose the bill, first, removes the injury requirement, with a provision that the duty will not be imposed when (within 30 days of the finding of a dumping price) the Tariff Commission finds and certifies that there is no existing or developing production of like, similar, or competitive merchandise in the United States; second, restores the full retroactivity of the dumping duty, when dumping is found, to all entries not finally liquidated by the Collector of Customs at the time suspected dumping is first brought to the attention of the Treasury Department by an interested party; third, provides for a prompt and mandatory "dumping price" investigation upon application of any interested party or upon notice of suspected dumping from any customs official; fourth, provides that "dumping price" investigations must be completed within 90 days, and that the findings thereof must be published in a report stating the evidence and considerations supporting such findings of "dumping" or "no dumping;" fifth, clarifies the definition of "fair" and "foreign market value" so that the foreign value can be readily determined on a basis of practical, competitive and commercial realities; and so that the intent of the act cannot be circumvented by artificial and meaningless restrictions in foreign sales or offers for sale, or by minor differences between articles sold abroad and those exported to the United States, which have been used in the past to justify the failure to find a foreign value on which a finding of dumping could be based; and sixth, provides for Court of Customs and Patent Appeals review of the findings in such dumping investigations.

The amendments to the act in H. R. 5102 are so written as to place the burden of proof—proof of no dumping—whenever dumping is reasonably suspected, upon the foreign producer or Government or the American importer or upon such other person or organization as may be advocating the unfair-trade practice of dumping. Since dumping is clearly an unfair-trade practice, there is ample justification for resolving all doubts in favor of the domestic producer and imposing the burden of proof upon the advocate of dumping in any suspected case. Otherwise the act loses its clearly intended purpose of retarding and preventing the unfair-trade practice of dumping. Also, the elements of proof as to foreign value and other elements of dumping proof are peculiarly in the hands of foreign producers and American importers—those who advocate dumping. Frequently, even in aggravated cases, factors of clear and positive proof are not available and cannot be obtained by domestic producers. Such proof as may be within the United States is in the hands of the Treasury Department, which says that it is confidential and cannot be given to American producers.

This placing of the burden of proof upon the advocate of dumping could result in no injury to the foreign producer or American importer. The advocate of imports, where dumping is suspected, can easily prove his case, if he is correct—and he is the only one who has all the facts readily available. The advocate of dumping cannot even be hurt, if he is correct. Even if the dumping duty is imposed, the suspected imports need not pay the duty; if, as the advocate of dumping claims, the imports do come in at—or above—the fair value. If the imports are coming in at fair value, the advocate should not be concerned by or fear a dumping duty because he will not be affected thereby.

Those opposed to dumping duties—the advocates of dumped imports—usually have engaged in, or contemplate engaging in, the admittedly unfair trade practice of dumping. If he is not and does not contemplate doing so, it should be easy for him to carry the burden of proving so in the event he should be falsely accused, even in a borderline case.

If his hands are entirely clean, he probably would not even oppose the imposition of a dumping duty because he would know that the duty could not affect his shipments. If an isolated, unintentional shipment did come in, by chance, at a dumped price, the duty would only equal the difference between the dumping price and the fair value. It would not be a penalty and would not retard or limit his normal, fair imports. It would constitute only a fair warning that he should comply with our law and avoid dumping in the future if he wants to do business in the American market.

There should be no hesitancy to promptly imposing antidumping duties because, even when imposed, they do not apply to or restrict fair imports which do come in at or above the fair foreign-market value. The dumping duty, in any event, is only imposed on each individual entry—standing on its own merits—and only when and to such extent as that entry was actually exported to the United States at a price less than the fair foreign-market value.

Because the elements of clear and positive proof are exclusively in the hands of the advocates of dumping—or suspected imports—all doubts should be resolved in favor of the domestic producer and in favor of imposing the dumping duty which would be harmless to any fair imports. To err in the direction of imposing the duty cannot injure the fair foreign producer or the fair American importer. No one but an advocate of unfair, dumped imports could have any legitimate objection thereto.

On the other hand, to err in the direction of only reluctantly making findings of dumping and of not imposing a dumping duty promptly, encourages and openly invites this unfair, foreign trade practice. It results in irreparable injury to domestic producers.

The only real opposition to an effectively amended Antidumping Act and its promptly effective enforcement, comes from those who have engaged in, or intend to engage in, the unfair trade practice of dumping.

The issue is really whether the unfair trade practice of dumping should be condoned or condemned in the import trade. The present law, as it has been administered, actually condones and encourages foreign dumping in our market by foreign competitors. The real issue now before Congress, is whether the Congress should ratify the widespread foreign practice of dumping, as invited and encouraged by the administration of the existing law, by inaction, or condemn it by effective amendments.

While they do not say so openly, those who oppose effective amendments to and administration of the act want it so ineffectively administered—as it has been in the past—as to be the practical equivalent of repeal.

We feel strongly that the issue should be met squarely and honestly. The act should be so amended by Congress, both in substantive and procedural provisions, as to make it an effective deterrent and absolute bar against the unfair, foreign practice of dumping—where there is production of comparable products in the United States. If Congress should decide against this course of action—in all honesty, the existing so-called Antidumping Act should be repealed.

To have an ineffective and unenforced act on the books, as we do now, can only cause misunderstanding and friction with foreign producers and foreign Governments. A clear, mandatory, and strongly enforced statute which is clearly understood abroad as definitely barring dumped imports will be readily accepted and will reduce friction abroad to a minimum.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. SCHERER from May 13 to May 17, 1957, on account of representing the Committee on Public Works at the International Roads Conference at Havana, Cuba.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mrs. ROGERS of Massachusetts for 5 minutes today.

Mr. COLLIER, for 15 minutes, on Wednesday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. MOULDER.

Mr. HARRISON of Virginia and to include extraneous matter.

Mr. JENSEN and to include a statement.

Mr. ANDERSON of Montana and to include extraneous matter.

Mr. VANIK and to include extraneous matter.

Mr. PATMAN to revise and extend the remarks he made in Committee of the Whole today and include extraneous matter.

Mr. KRUEGER and to include extraneous matter.

Mr. BERRY in three instances and to include extraneous matter.

Mrs. BOLTON.

Mr. WHITENER (at the request of Mr. MCCORMACK) and to include extraneous matter.

Mr. ROGERS of Texas.

Mr. ROOSEVELT.

Mr. CRAMER (at the request of Mr. SCHWENGEL).

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 120. An act for the relief of James F. Walsh;

S. 394. An act to waive the limitation on the time within which a Medal of Honor may be awarded to Comdr. Hugh Barr Miller, Jr., United States Navy; and

S. 998. An act to amend the act of June 4, 1953 (67 Stat. 41), and for other purposes.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 6 o'clock and 11 minutes p. m.) the House adjourned until tomorrow, Thursday, May 9, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

831. A letter from the Secretary of the Treasury, relative to joining with the Secretary of the Department of Health, Education, and Welfare in recommending legislation as proposed in executive communication No. 809 appearing in the CONGRESSIONAL RECORD of April 29, 1957; to the Committee on Ways and Means.

832. A letter from the Secretary of Defense, transmitting the Semiannual Report of the Secretary of Defense, together with the reports of the Secretaries of the Army, the Navy, and the Air Force, for the period from January 1 to June 30, 1956, pursuant to the National Security Act of 1947, as amended; to the Committee on Armed Services.

833. A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation entitled "A bill to require pilots on certain vessels navigating United States waters of the Great Lakes, and for other purposes"; to the Committee on Merchant Marine and Fisheries.

834. A letter from the Secretary of Defense, transmitting a draft of proposed legislation entitled "A bill to authorize term retention contracts for Reserve officers, and for other purposes"; to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McMILLAN: Committee on District of Columbia. H. R. 4932. A bill to amend the act of July 11, 1947, to increase the maximum rate of compensation which the director of the Metropolitan Police force band may be paid; without amendment (Rept. No. 393). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 6548. A bill to amend the Universal Military Training and Service Act, as amended, as regards persons in the medical, dental, and allied specialist categories; with amendment (Rept. No. 394). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Committee on Armed Services. H. R. 787. A bill to authorize the exchange of certain lands between the United States of America and the State of California; with amendment (Rept. No. 395). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee on Armed Services. H. R. 2515. A bill to authorize the conveyance to the State of Wyoming of about 37.75 acres of land comprising a part of Francis E. Warren Air Force Base; without

amendment (Rept. No. 396). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee on Armed Services. H. R. 5237. A bill to authorize the Secretary of the Navy to furnish supplies and services to foreign vessels and aircraft, and for other purposes; with amendment (Rept. No. 397). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee on Armed Services. H. R. 3246. A bill to authorize the exchange of lands at the United States Naval Station, San Juan, P. R., between the Commonwealth of Puerto Rico and the United States of America; without amendment (Rept. No. 398). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee on Armed Services. H. R. 6744. A bill to amend Public Law 472, 81st Congress, as amended, relative to the attendance of professional personnel of the National Advisory Committee for Aeronautics in graduate schools; without amendment (Rept. No. 399). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California:

H. R. 7344. A bill to amend title 46, United States Code, to provide for limitation of liability for vessel owners in suits by third parties based upon the warranty of seaworthiness, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. ASHLEY (by request):

H. R. 7345. A bill to provide certain increases in annuity for retired employees under the Civil Service Retirement Act of May 29, 1930, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BENTLEY:

H. R. 7346. A bill to permit one-half of the budget surplus for any fiscal year to be applied against the public debt and to provide that one-half of such surplus shall be applied as tax credits against individual income taxes; to the Committee on Ways and Means.

By Mr. DELLAY:

H. R. 7347. A bill to amend the Internal Revenue Code of 1954 to eliminate the provisions which presently restrict the deduction for medical expenses to those exceeding 3 percent of gross income, and for other purposes; to the Committee on Ways and Means.

By Mr. HOSMER:

H. R. 7348. A bill to amend the Legislative Reorganization Act of 1946 to provide for more effective evaluation of the fiscal requirements of the executive agencies of the Government of the United States; to the Committee on Rules.

By Mr. McMILLAN:

H. R. 7349. A bill to amend the act regulating the business of executing bonds for compensation in criminal cases in the District of Columbia; to the Committee on the District of Columbia.

By Mr. MILLER of Maryland:

H. R. 7350. A bill to amend section 13 of the Fair Labor Standards Act of 1938, as amended, to provide an exemption from the minimum wages, maximum hours, and child-labor provisions of such act with respect to home workers engaged in the making of natural holly, pine, cedar, or other evergreen wreaths; to the Committee on Education and Labor.

By Mr. SMITH of Kansas:

H. R. 7351. A bill to provide that income from the sale of certain livestock shall, at the election of the recipient, be included in net earnings from self-employment for purposes of social security benefits and the tax on self-employment income; to the Committee on Ways and Means.

By Mr. BURDICK:

H. R. 7352. A bill to create a council to determine the inability of a President or one acting as President to discharge the powers and duties of the Office of President; to the Committee on the Judiciary.

By Mr. DEVEREUX:

H. R. 7353. A bill to amend section 5 of the War Claims Act of 1948 to provide detention and other benefits thereunder to certain Guamanians killed or captured by the Japanese at Wake Island; to the Committee on Interstate and Foreign Commerce.

By Mr. DINGELL:

H. R. 7354. A bill to amend the Tariff Act of 1930, as amended, so as to prevent undue relaxation of customs supervision as a safeguard against smuggling and for the protection of the revenue, and for other purposes; to the Committee on Ways and Means.

By Mr. HASKELL:

H. R. 7355. A bill to amend section 13 of the Fair Labor Standards Act of 1938, as amended, to provide an exemption from the minimum wages, maximum hours, and child-labor provisions of such act with respect to home workers engaged in the making of natural holly, pine, cedar, or other evergreen wreaths; to the Committee on Education and Labor.

By Mr. METCALF:

H. R. 7356. A bill to amend the Soil Bank Act so as to limit the amount payable to any producer in any one year for participation in the acreage reserve program and the conservation reserve program; to the Committee on Agriculture.

By Mr. O'BRIEN of New York:

H. R. 7357. A bill to provide that the people of Guam and the people of the Virgin Islands shall each be represented by a Delegate in the House of Representatives of the United States; to the Committee on Interior and Insular Affairs.

H. R. 7358. A bill to amend section 4 of the War Claims Act of 1948 to provide benefits to certain contractors' employees; to the Committee on Interstate and Foreign Commerce.

H. R. 7359. A bill to amend section 5 of the War Claims Act of 1948, as amended, to provide benefits to Guamanians captured or killed at Wake Island; to the Committee on Interstate and Foreign Commerce.

H. R. 7360. A bill to amend section 207 of the Legislative Reorganization Act of 1946, to provide that the boards for the correction of military or naval records shall give consideration to satisfactory evidence relating to good character and conduct in civilian life after discharge or dismissal in determining whether or not to correct certain discharges and dismissals, and for other purposes; to the Committee on Armed Services.

By Mr. RUTHERFORD:

H. R. 7361. A bill to provide that the United States may be joined as a defendant in certain suits or controversies in the Supreme Court of the United States involving the Rio Grande compact; to the Committee on Interior and Insular Affairs.

By Mr. TRIMBLE:

H. R. 7362. A bill to amend Public Law 398, 76th Congress, to establish criteria for utilization by the Secretary of the Interior in determining the feasibility of constructing or modifying any reclamation project, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HÉBERT:

H. R. 7363. A bill to amend the Tariff Act of 1930 to reduce the import duty on eviscerated pigeons; to the Committee on Ways and Means.

By Mr. LANE:

H. R. 7364. A bill to amend section 301 of the World War Veterans' Act, 1924, to provide that certain term insurance held by World War I veterans shall be considered as fully paid when the insured reaches the age of 65; to the Committee on Veterans' Affairs.

By Mr. MORRISON:

H. R. 7365. A bill to make the Civil Service Retirement Act Amendments of 1956 applicable to certain persons who retired under the automatic separation provisions of the Civil Service Retirement Act prior to the enactment of such amendments; to the Committee on Post Office and Civil Service.

By Mr. ANDERSON of Montana:

H. R. 7366. A bill to amend the Soil Bank Act so as to limit the amount payable to any producer in any 1 year for participation in the acreage reserve program and the conservation reserve program; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALGER:

H. R. 7367. A bill for the relief of Lee MacDonald; to the Committee on the Judiciary.

By Mr. ANFUSO:

H. R. 7368. A bill for the relief of Carmelo Pallizzi; to the Committee on the Judiciary.

H. R. 7369. A bill for the relief of Salomon Mermelstein; to the Committee on the Judiciary.

By Mr. BOLAND:

H. R. 7370. A bill for the relief of Sergis Cehennemoglu; to the Committee on the Judiciary.

H. R. 7371. A bill for the relief of Annemarie Gaskins; to the Committee on the Judiciary.

By Mr. COLE:

H. R. 7372. A bill for the relief of Mrs. Franziska M. Gates; to the Committee on the Judiciary.

By Mr. CRETELLA:

H. R. 7373. A bill for the relief of Leopoldina Gomez; to the Committee on the Judiciary.

By Mr. FINO:

H. R. 7374. A bill for the relief of Angelo Sardo; to the Committee on the Judiciary.

By Mr. KNOX:

H. R. 7375. A bill for the relief of Edward J. Doyle of Manistique, Mich.; to the Committee on the Judiciary.

By Mr. MAILLIARD:

H. R. 7376. A bill for the relief of Akemi Kazari; to the Committee on the Judiciary.

By Mr. MORANO:

H. R. 7377. A bill for the relief of Pepi Bach; to the Committee on the Judiciary.

By Mr. RHODES of Pennsylvania:

H. R. 7378. A bill for the relief of Josef Pieslak and his wife, Stepien Stanislawa Pieslak; to the Committee on the Judiciary.

By Mr. ROONEY (by request):

H. R. 7379. A bill for the relief of Charlotte Thomson; to the Committee on the Judiciary.

By Mr. TUCK:

H. R. 7380. A bill for the relief of Bok Dong Choi; to the Committee on the Judiciary.

By Mr. VAN ZANDT:

H. R. 7381. A bill for the relief of Kenneth Chung, No. A-7084922; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

236. Mrs. ST. GEORGE presented a petition of Leroy Buck, Middletown, N. Y. and 71 others regarding economy in Government; to the Committee on Appropriations.

EXTENSIONS OF REMARKS

The Road Ahead for Business

EXTENSION OF REMARKS

OF

HON. THOS. E. MARTIN

OF IOWA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 8, 1957

Mr. MARTIN of Iowa. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address which I delivered before the annual convention of the Junior Chambers of Commerce of Iowa at Waterloo, Iowa, on May 4, on the subject, The Road Ahead for Business."

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE ROAD AHEAD FOR BUSINESS

(Address by THOS. E. MARTIN, Republican, Iowa, before the annual convention of the Junior Chambers of Commerce of Iowa, Waterloo, Iowa, May 4, 1957)

Mr. Chairman and my good friends of the Junior Chambers of Commerce of Iowa, it is a great pleasure to address your convention tonight. The many communities of Iowa are no different from any firm or any organization—they need the enthusiasm, the interest and the new blood of their younger members in order to stay alive. Through the junior chambers of commerce, the towns and the cities of Iowa benefit greatly from your knowledge and your services. To say you are doing an outstanding service for the areas in which you live would be a gross understatement. You are making a significant contribution, not only through the many worthwhile projects you initiate and carry through, but also by the very fact that you care enough about your community to work for it through your organization. I sincerely congratulate you on your interest and your service.

I am going to talk to you about "the road ahead for business." Since most of you participate in the business life of your community, the future road of business is of real interest.

You and I have a common meeting place for my brief remarks tonight. You participate actively in the business world of today and I am employed as one of your servants in government. Our mutual interest concerns the blending of these two forces—business and government. In the complex world of today government and business are thrown together in a variety of ways. That association generally works to the great benefit of both. Whenever the association works to the detriment of business, it behooves all of us to do what we can to improve matters and when a business group has organized a monopoly that restricts trade and the free flow of commerce, government must step in.

There are other instances where the Government has undertaken competitive business operations that are not warranted. I have had a firsthand view of some of the abuses that have occurred. When I became a Member of the Senate, I was assigned to the Government Operations Committee. One of the subcommittees of that group is the Subcommittee on Reorganization of Government. We have been holding hearings and investigating the recommendations and findings of the second Commission on Organization of the Executive Branch of Government—the Hoover Commission—headed by a truly great native Iowan, former President Hoover.

In almost 2 years of committee hearings on the report of both the first and the second Hoover Commissions, I've seen the work of the various junior chambers of commerce, all across the country. It is my impression that in many, many areas the junior chamber was one of the first—and often the very first—organization to put its weight behind the recommendations of the Hoover Commissions. For that interest and public service, I sincerely congratulate you. In turning your efforts toward one of the great tasks facing our people today—that of reorganizing certain portions of our Government—you are fulfilling one of the public services for which the junior chamber of commerce was founded.

National defense, security, and the general public interest sometimes justify active conduct of limited business operations by the Government, but in my service on the Subcommittee To Study the Findings of the Hoover Commission, I have seen a great number of instances where Government has violated its proper role in relation to business. To emphasize this point, allow me to pass on to you some of my observations.

It is impossible to make a precise estimate of the number and type of private enterprises into which Government has extended itself in the last several years. We did discover, however, that within the Department of Defense alone, the total number of commercial and industrial-type facilities that were owned by the Government exceeded 2,500. Our subcommittee was told by the Hoover Commission that on the 31st of December 1954, there were 47 categories of this type of enterprise that the Defense Department was operating. The list is far too long to enumerate now, but let me call off a few of them for you. Each of these is an instance where the Government actually owned and operated the business: A clothing manufacturing plant, a paint factory, an ice-cream plant, an eyeglass manufacturing firm, a furniture repair shop, a cement mixing plant, a tree and garden nursery, a coffee roasting business, an airline, a steamship line and a railroad. The estimates were that the total Government capital involved probably exceeded $15 billion. I believe your conclusion is the same as mine.

It is easy to see how the Government became involved in these businesses. Because of exceptional circumstances—an economic emergency or perhaps the emergency of war—the Government became involved in areas usually reserved for private enterprise. But the continuance in business by Government long after the emergency had passed is a different matter. In 1954, a subcommittee of the House Committee on Government operations found that from 1929 to 1948 public wealth had grown 287.5 percent while private wealth had increased only 78.7 percent. In 1929 the public wealth represented only 15 percent of the total national wealth, but in 1948 the public wealth amounted to 27.3 percent of the total national wealth. These figures occasioned this comment from one of the Government leaders in Washington: This is not creeping socialism—it's galloping along at a very fast pace.

There are many reasons why this is an unfortunate trend—why this trend must be stopped. In the first place it violates the basic principles of our Government. Without any question, our Constitution places protective and regulatory functions in the Federal Government rather than the right to produce goods and services. Government is not supposed to compete with private business.

Secondly, the competition that is established between private business and Government is not only a breach of principle, but it is decidedly unfair. As you very well know, one of the items that is highly important in establishing a record in business is the ability to keep production costs at a minimum. The businessman who keeps his costs below his competitors' has a better chance to establish a lower cost for his product. When business and Government are the competitors however, Government has certain advantages on its side. For example, Government business enterprises are usually relieved of many important charges private business must pay—charges like taxes, interest, depreciation, a full payroll and fringe benefits to personnel. I'm certain if your competitor were allowed to ignore these charges you would consider the competition highly one-sided, yet when Government is doing the competing, it enters the economic battle with these built-in advantages.

There are two possible reasons why Government has continued in these business activities. I have little patience with either of them. One reason is the natural resistance to change of great size and magnitude in established operations. It certainly is easier to let things ride, but we can't afford to ignore any fundamental disregard of principles. The other reason is that the advocates of Government in business sincerely believe Government can do a better job than private enterprise. Such persons haven't read their history lessons carefully enough. They don't understand the philosophy of our Constitution, our Government or our people.

I'm proud to report to you this evening that in Washington we are doing something about this breach of principle. In the last 2 years the Defense Department alone has closed down 359 Government businesses, and action by other agencies brings the total closed down to almost 500. Each of these 500 examples is an instance wherein the Government formerly operated a business—operated it in direct competition with private business—operated it to such an extent that in some cases it gained a monopoly because private business couldn't compete and had to fold up—but in each of the 500 cases the Federal Government is now out of private business and free enterprise has gained what it should not have lost. I'm proud of the job we've done in the past 5 years. It's sheer nonsense to find the Government involved in making bread, mixing cement or repairing furniture. But a great deal remains to be done. We find special pockets of resistance whenever we start to translate a recommendation into a concrete removal of Government from a specific business field. We will continue the fight to keep Government where it should be. And we welcome the support of such fine groups as the junior chambers of commerce.

I may have given you the idea that Government should never be involved with business matters. That would be a mistaken idea. There are certain areas where Government and business can work together closely, hand in hand, to the mutual benefit of both. One such area was aptly defined by President Eisenhower in his economic report for 1956. I would like to quote a few sentences from that report because the President puts his finger squarely on one of the most important segments of our economy:

"Government can strengthen competitive markets by helping small and medium sized

businesses overcome impediments to their expansion. In our modern economy with its heavy capital requirements, high taxes and emphasis on national markets, small concerns are subject to serious handicaps in many lines of endeavor. Yet the continuance of small and medium sized businesses, and their ability to prosper and grow, are vital to the Nation's welfare. * * * When the Government helps smaller concerns to overcome some of the hindrances to their growth, it is acting in the interests of the whole economy."

It is not my role this evening to make a partisan speech to you, but I would like to cite the record of the past five years in relation to the program to help the small businesses of the country. I'm certain you remember, as I do, the many charges that flew back and forth across the country last November to the effect that the small-business man has been the forgotten man. No speech on the future of business in our country can be complete without a recitation of some of the accomplishments in this field in the last five years.

The Government agency that is tied most directly with the small businesses of the country is the Small Business Administration. This agency, created in 1953, is the first agency in our country's history that is devoted exclusively to aiding the small businesses of the country. The functions of the Small Business Administration can be summarized into four categories:

1. To provide financial assistance and counseling.

2. To provide procurement assistance to small firms.

3. To secure for small business management and technical assistance.

4. To provide disaster loans for small businesses.

The SBA is most noted for the financial loans and assistance it provides for the small-business communities of our Nation. One thing that is highly significant is the procedural pattern of the Small Business Administration in this field. True to the principles we conceive to be basic to our economy, the SBA does not compete with private banks. It is not the function of this Government agency to compete directly with private banks for loans to small business. Rather, it is an auxiliary force—one that works with banks to the eventual betterment of the business climate of the country. Two-thirds of all loans made through the SBA are accomplished in cooperation with participating banks. I am particularly proud of the record in this field made in the State of Iowa. Without encumbering you with figures, I would like to cite the record to prove that in Iowa the SBA and the private banks are working together in a model pattern of private and Government cooperation. From the time the Small Business Administration was created until the 31st of March 1957 the SBA had approved a total of 173 loans for the State of Iowa, totaling $5,301,202. Of those 173 loans, only 20 of them were direct loans, made solely by the Small Business Administration; 80 loans were made whereby the banks and the SBA participated jointly immediately and another 73 loans were made whereby the bank made the loan for the first portion of the term and the Small Business Administration will come into the loan picture for the latter portion of the loan term. These figures are doubly important when you realize that years ago under the RFC approximately one-third of the loans were participating loans and the other two-thirds were made solely by the Government agency. Under the SBA, nationwide, about 70 percent of the loans are made in cooperation with banks. But in Iowa, from the time the SBA started until the 31st of March this year, 88.4 percent of the loans were participating. That means that of all the loans made under the auspices of this Government agency, 7 out of 8 of them are made in cooperation with private banks. As I indicated before, this is the model pattern of cooperation between Government and private business. In Iowa it works the way it should work.

The second function of the Small Business Administration is to assist small businesses in gaining a fair share of Government contracts. There are two reasons for this policy. In the first place, it seems axiomatic that a thriving and successful small-business community is the common denominator to a successful American economy. Our system of free enterprise depends on both small and large business. By making certain the small businesses of the country receive their proportionate share of Government contracts we are helping to assure ourselves of a healthy economy. Secondly, in the event of a national-defense emergency, it is necessary that the small businesses of the country are ready for full mobilization. History makes it abundantly clear that in the event of such an emergency the country needs the efficiency and ingenuity of the small-business man.

The third function of the Small Business Administration is to provide management and technical assistance for the small businesses of the country. The significance of this assistance is highlighted by figures from Dun & Bradstreet indicating that 86 percent of business failures are due to poor management. I'm certain you are acutely aware of one fact: today, the businessman is competing in a highly complex business world of accounting practices, cost controls, time and motion studies, and a great variety of similar business practices and studies. The SBA's program to grant technical assistance and managerial aids to small-business men puts him on a more nearly equal footing with his big brother.

The Small Business Administration operates this program in a variety of ways. Booklets and pamphlets are made available, courses are offered in conjunction with colleges and universities and a new products program is conducted by the SBA.

Of course, the effectiveness of Government in this program is decidedly limited. The Small Business Administration, and the top officials of the executive branch of Government, realize that such a program must be entirely voluntary in nature. Certainly you do not want the Government to step in and tell you how to run your business. But the SBA makes this information available if you desire it. This area is one in which the junior chambers of commerce might make a significant contribution to their business communities.

The fourth function of the SBA is one that fortunately we haven't needed to a great extent in Iowa. This is the function of providing disaster loans to small businesses. Since its inception in 1953, the small business administration has made a total of 9 disaster loans in Iowa, totaling slightly over $125,000. Of course, we are fortunate that we haven't had to request a large number of such loans—like the 1 year total of $5 million for Connecticut, but it is good to known this service exists if we do need it.

I have spent some time discussing the SBA with you. I feel this agency of government is entirely worthy of praise and consideration. I'm proud of the job it is doing. For that reason, I am one of the cosponsors of legislation currently before the Senate which would make the SBA a permanent organization. I believe that certain definite advantages would result if we could make this arm of Government permanent. For example, I believe the agency would be able to attract more competent personnel if it were permanent. Furthermore, I believe the private banks around the country would be more willing to participate with the SBA if they knew it was permanent. This confidence would spread to businessmen also. In short, the Small Business Administration is doing a splendid job and I want to see it continue its program of aiding and assisting the small businesses of the country.

The small businesses of the country, and particularly those of Iowa, are making a great contribution to the economy of the country. They have shared the burdens that accompany economic or international crises. And they have contributed significantly to the strength of the peacetime economy of our country. Small business asks no special favors from this or any administration. It asks only to be allowed to grow in an atmosphere of free economy and fair competition. With all the power at my command I shall continue to work toward this goal.

Ninth Anniversary of Independence of Israel

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Wednesday, May 8, 1957

Mr. JAVITS. Mr. President, on the occasion of the ninth anniversary of the independence of Israel, there was a commemorative dinner held in Washington by the women's division, American Jewish Congress. The gathering was addressed by the Ambassador of France to the United States, Hervi Alphand; by the Ambassador from Israel to the United States, Abba Eban, and by myself.

The occasion of the dinner of the American-Jewish Congress demonstrated three points which are so vital on this anniversary: first, that Israel has performed its mission of being a haven for oppressed Jews from everywhere, its doors being wide open to persecuted Jews from wherever they may come; second, Israel's able and heroic efforts to secure its national integrity and make the country viable; and, third, that Israel is a firm ally of the United States in the struggle of the free peoples of the world.

I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the speech which I made upon that occasion.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ADDRESS DELIVERED BEFORE THE WOMEN'S DIVISION, AMERICAN JEWISH CONGRESS, NATIONAL CONVENTION, SHOREHAM HOTEL, WASHINGTON, D. C., MAY 6

The vital question for us as a government is United States-Israel relations and their effect on the maintenance of peace and security in the Mideast. On this, the ninth anniversary of the establishment of Israel, we note that Israel has met every fundamental challenge which has been extended to her.

It preserved its existence against the aggression of the neighboring Arab States—1948-49.

It met the initial challenge of absorbing the harassed and persecuted Jews from many areas of the world—from the D. P. camps, Iraq, Yemen, North Africa, Europe, even from behind the Iron Curtain—and is still meeting that challenge today. Israel's security and integrity had to be preserved so that never again, as happened in the dreadful time of Hitler's barbarism, should Jews find that they have no place to go, suffering death and extermination because they had no refuge. There is now a refuge, and this refuge is proving equal to its mission; help is, of course, needed but the structure is there of hope, not hopelessness, as before.

United States-Israel relations are much improved. Economic aid for the fiscal year ending June 30, 1957, not yet allocated to Israel, has been under negotiation since Israel's forces evacuated Gaza and Sinai. This will, I am confident, within the next few months, result in Israel's receiving the same amount of economic aid it received in the fiscal year 1956. United States technical assistance is being restored to the level it had before the October 1956 hostilities and will continue. The program of supplying agricultural commodities under Public Law 430 is also going forward and I understand the Export-Import Bank loan mission under Lynn Stambaugh will go out in July. Finally, Representative Richards and his mission have just been in Israel on the Eisenhower doctrine but neither Israel nor our Government has as yet announced a policy.

The value of Israel's contribution to the peace and security of the free world can be seen from its policy in the recent Jordan crisis. Israel's sensible, hands-off action contributed greatly to the solution of what might have been the start of world war III. Israel made no threats and took no action to deepen the crisis. Yet the mere fact of Israel's presence on Jordan's border—and its strength—appears to have been an important factor in restraining Egypt and Syria from aggressive action there which would inevitably have involved others and put in jeopardy the survival of Jordan itself as a country.

Now, as to Israel's security and integrity—its security and integrity depend upon two factors. First, is it economically practical? And second, will it be submerged by some form of forceful attack from the outside? Now as to its economic viability, it is making great strides ahead. It still has a very serious imbalance in its foreign exchange position, but this is attributable primarily to the blockade, boycott, and other unfriendly economic actions by the Arab States which surround it and which are its natural market. It might well be pointed out that the Arab States are passing up the chance for tremendous economic boons, for Israel is a great manufacturer of inexpensive goods which could contribute greatly to enhancing their own standards of living. Some peaceful understanding with Israel—which Israel has consistently proposed—and an end to Arab intransigence would solve the Palestine-Arab refugee problem, make the Jordan River waters available for irrigation to Israel and its neighbors, relieve both of heavy military expenditures, and make available priceless technical and economic assistance for a reflowering of the Middle East.

As to military security, I think Israel has shown its capability for meeting challenges in the action which took place in the Sinai desert, and I am speaking now only of the military phases of it. I think the chances are now excellent that transit of Israeli shipping through the Gulf of Aqaba will be secured by international means and, indeed, with the support of the United States which I believe to be indispensable in that regard—and which should be forthcoming.

I think in the Suez Canal there is going to be a real struggle. But there the whole Western World has a struggle. I strongly advocate the fact that the free world take vigorous and effective measures to seek and to back our friends in seeking alternate routes for moving Mideast oil to Europe and bypassing the Suez Canal, because I think the Suez Canal is the Achilles' heel of Colonel Nasser, who represents, in my opinion, practically a stalking horse for everything that the Communists want to accomplish in the Middle East.

As for the Gaza Strip, I think the U. N. emergency forces are serving a real purpose there. Now what happened there in admitting the Egyptians to civilian control and of the joining of certain Arab police on the Gaza Strip border with Israel is not to the liking of many of us, including myself. But I think the important thing is that the UNEF is there and remains there and our determination must be to keep it there, because it does seem to be doing a fairly practical job of restraining infiltration raids across the border into Israel.

In short, I think Israel will live, survive, be successful and do its job; and I have tried to outline some of the things that we need to do in commemoration of this great anniversary in helping Israel. Beyond everything else, let us not forget that our support both financial—which includes the United States Government and individual Americans—and moral must continue to be forthcoming for considerable time to insure what we aspired to for Israel—its security and independence; its ability to perform its mission for harassed and persecuted Jews everywhere, and its continued cooperation as a strong ally of the free world.

Mrs. Hazel Abel, Former Senator From Nebraska, Named Mother of 1957

EXTENSION OF REMARKS

OF

HON. ROMAN L. HRUSKA

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 8, 1957

Mr. HRUSKA. Mr. President, a great honor has come not only to this body, but, likewise, to the State of Nebraska, in the naming, as American Mother of 1957, of Mrs. Hazel Abel, who served in the Senate in 1954.

I ask unanimous consent that an article from the Washington Evening Star of May 7, 1957, may be printed in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MRS. ABEL, EX-SENATOR, NAMED MOTHER OF 1957

NEW YORK, May 7.—Mrs. Hazel Abel of Lincoln, Nebr., 68-year-old former United States Senator and construction company president, was named American mother of 1957 today.

The announcement was made by Mrs. Daniel A. Poling, president of the American Mothers Committee, Inc., at the opening of the group's annual mothers conference.

Mrs. Abel is a widow with five children—four daughters and one son. She had six grandsons.

Mothers of the year from every State, the District of Columbia and Puerto Rico competed for the national title. A committee jury chose the winner.

"Hazel Abel's work embraces many fields—church and religious organizations, education, civic and welfare groups, and above them all stands out her work with youth," the announcement said.

"She has been awakening thousands everywhere to all the known causes of juvenile delinquency, and has been stimulating communities to study and put into effect modern ways of prevention. In her own State she is responsible for new interests in a statewide juvenile probation system, improved courts for children and recodification of Nebraska's children's laws."

Mrs. Abel was born in Plattsmouth, Nebr., and has lived in that State all her life. She met her late husband, George Abel, when the two were students at the University of Nebraska.

After graduation he started a construction company with $100 in savings. The business grew to a large firm.

When Mr. Abel died in 1937, his wife took over as company president. She ran the business for 15 years. Then she turned it over to her only son.

Mrs. Abel was elected to a short term in the United States Senate after the death of Senator Dwight Griswold in 1954, and served from November 1954, to January 1955.

Next Friday she will be honored as the American Mother of 1957 at the annual awards luncheon of the mothers committee at the Waldorf-Astoria Hotel.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield to my colleague.

Mr. CURTIS. Mr. President, I share in the expression of pride and appreciation that this honor has come to the State of Nebraska. Mrs. Hazel Abel was a distinguished Member of this body. She has been named American Mother of the Year. I wish to congratulate her and to express my feeling of pride that this honor has come to her and to our State.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield to the Senator from South Dakota.

Mr. MUNDT. I should like to associate myself, Mr. President, with the felicitations extended by the two Senators from Nebraska. Mrs. Hazel Abel is a neighbor of ours, in South Dakota. I have known her for a long time. She served with distinction as a Member of the Senate.

I was visiting with the South Dakota Mother of the Year, Mrs. Hans Sorenson, of South Dakota, in my office this week. She expressed her high regard for this outstanding American lady.

I join in congratulating our neighbors in Nebraska.

Mr. HRUSKA. I should like to thank the Senator from South Dakota.

The National Cowboy Hall of Fame

EXTENSION OF REMARKS

OF

HON. E. Y. BERRY

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1957

Mr. BERRY. Mr. Speaker, plans are well under way for construction of a National Cowboy Hall of Fame in Oklahoma City, Okla.

Young and old alike thrill with the excitement and romance of the early West. The American cowboy is not only a colorful part of American history, but he was an essential figure in the development of the frontier that has now become the heartland of this great Nation.

Rugged individualism, personal determination and initiative were qualities which, combined with good old-fashioned hard work, enabled men of vision to build the West.

The National Cowboy Hall of Fame will honor the great cattlemen and other outstanding pioneers who worked for the progress and created the tradition of the West. Honorees will include working cowboys, cattlemen, pioneers, rodeo cowboys, trailblazers, and others deemed worthy by the trustees of the national organization.

The standards established by the trustees are: Honorees must be outstanding Americans, prominent in the development of the West, or in perpetuating the traditions of the western country. They may be nominated by historical, livestock and rodeo associations and other groups, or by individuals, and must be recommended to the National Cowboy Hall of Fame and elected by its trustees.

The first five men chosen fulfill all these qualifications. They are:

Theodore Roosevelt—rancher in the Dakotas and later United States President.

Will Rogers—a man who never let the world forget that he was a cowboy.

Charles Russell—Montana artist known for his paintings of the frontier West.

Charles Goodnight—a real pioneer of Texas' range cattle industry and foremost traildriver.

Jake McClure—working cowboy of New Mexico, rodeo champion and judge.

The National Cowboy Hall of Fame has been chartered as a nonprofit corporation. National trustees have been appointed in each of the 17 Western States, including the governors as ex-officio trustees.

The site of the Hall of Fame and Museum is a triangular piece of land which combines prairie flatness and wooded hills. It is located along United States Highways 66 and 77 and is within easy reach of all traveling Americans.

A million dollars has already been subscribed so that construction of the project is assured. However, five times that amount is the goal of the trustees. The memorial must be properly symbolic of an era which has made our Nation great and provided our heritage of courage and freedom.

The inspiration of the early West must be preserved and perpetuated to coming generations of American youth. The Cowboy Hall of Fame and Museum has this very worthwhile objective. The prayer of Dr. G. Raymond Campbell, pastor, Westminster Presbyterian Church, Oklahoma City, Okla., at the site dedication on November 11, 1955, reflects the great value of this project. The prayer reads as follows:

Oh, Thou God of the open plains, who never made a man You didn't love, we pray that You will hallow this place in the memory of men of the saddle, that the best of the past can be carried into the future.

If, sometimes, someone should imagine, up here on this hill, that he has caught just a whiff of the smell of bacon frying over an open fire, or the bubble of coffee boiling over onto coals of the fire, or the creak of a tired saddle, and the evening lowing of cattle off in the distance, we'll thank You, Lord.

And if some still night when the moon is full, someone should think that he hears again the soft breath of a harmonica, or the sound of a man quietly humming to himself, then we'll believe, like those men who were riding herd 2,000 years ago, that the angels have come mighty close to earth again.

It is in the memory of the men who built this West, we ask You to dedicate this place. And, Lord, up there on the high range where the grass is always green and a man's horse never gets tired, we pray that the boys are happy with what we are doing here. Amen.

Office of Defense Mobilization

EXTENSION OF REMARKS

OF

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1957

Mr. VANIK. Mr. Speaker, three times within the last 2 weeks we have observed the Office of Defense Mobilization engage in activities and practices unrelated to the national security and contrary to the public interest. Just yesterday the Secretary of the Treasury, George M. Humphrey, criticized the fast tax writeoff program which has been made possible only through the action of the Office of Defense Mobilization. The specific grant of authority just last week to the Idaho Power Commission to enjoy quick amortization of its investment on the low-level dams to be built in Hell's Canyon was as gross an abuse of authority as has been conducted by the present administration since its inception. It also appears that the ODM and the Treasury Department—separated only by the White House grounds—fail to communicate with each other.

This independent office, apparently independent of good judgment and elementary thinking, recently declared that oil imports to the United States should be curtailed in the interest of the national security, when just exactly the opposite is true. The American national security is imperiled by the dissipation of its domestic oil reserves when abundant supplies are available in other parts of the world for delivery to the United States. As a matter of fact, the Office of Defense Mobilization has established itself as an oil tariff commission, protecting the high prices of domestic producers of oil at the cost of the American consuming public.

The latest activity of the Office of Defense Mobilization took place when that Office purportedly for the administration threw its support behind the natural gas bill to "protect the consumers against unreasonable price increases" when the proposed legislation seeks to do just exactly the opposite. The proposed legislation would limit and freeze authority of the inert Federal Power Commission to a total inertia. The only purpose of the pending legislation is to seek complete pricing freedom to raise natural-gas prices at the expense of millions of consumers, principally in northern cities.

On these three counts alone, it is quite evident that the Office of Defense Mobilization has been selected to do this administration's "dirty work." It has stretched the once sacred term of "national security" to do the bidding of the steel, private power, and the oil and gas industries. The Office should be abolished, and its functions should be placed in the Defense Department on a "standby" basis.

H. M. Baggarly, Editor and Publisher of the Tulia, Tex., Herald, Named Nation's Top Columnist

EXTENSION OF REMARKS

OF

HON. WALTER ROGERS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1957

Mr. ROGERS of Texas. Mr. Speaker, one of the outstanding weekly newspapers in our great country is published in Tulia, Swisher County, Tex., which is located in the 18th Congressional District of Texas that I have the honor to represent.

The editor and publisher of the Tulia Herald is Mr. H. M. Baggarly who has been named the Nation's top columnist in the 1957 Better Newspaper Contest. He will receive the award at the fifth annual session of the National Editorial Association in San Francisco in early June. This fine newspaper has, for 5 successive years, been recognized for editorial, column and news writing by the journalism department of Texas Technological College at Lubbock, Tex. The selection this year of Mr. Baggarly's "Town Topics" column, as the Nation's best from 1,900 entries, is distinct and warranted recognition of his journalistic ability and integrity. In every instance he approaches fearlessly and honestly the great issues of the day which confront Swisher County, the State of Texas and the United States. He further invokes his readers to the same consideration.

Mr. Baggarly is a native of Swisher County and his late parents were among the earliest Panhandle settlers. They built the first home in the community of Happy, Tex., and were instrumental in the establishment of that city. Mr. Baggarly is a gentleman of broad and varied talents and of strong character and judgment. He is a graduate of the University of Missouri and of West Texas State College in Canyon, Tex. He is an accomplished musician, a brilliant and understanding teacher, and he served with distinction as a Naval officer in World War II. His progressive outlook has been apparent in all of his undertakings and the reputation of his newspaper is firmly established as a sentinel for, and a protector of, the principles which are our democratic heritage. I take occasion to add my own congratulations to Mr. Baggarly and the Tulia Herald for this merited award, and I

commend this son of Texas to this body as an example of real Americanism in its finest sense.

Inequity Rules the Soil Bank

EXTENSION OF REMARKS

OF

HON. BURR P. HARRISON

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1957

Mr. HARRISON of Virginia. Mr. Speaker, the periodic reports of the Department of Agriculture on participation in the soil bank make startling reading. For example, a study of the figures for 1957 acreage reserve signups through April 5, 1957, and conservation reserve signups through March 15, 1957, reveals that one State, Kansas, with a population of 2,060,000, stands to receive more money for this crop year than 25 other States, having a population of over 70 million people.

Based on signups through the dates mentioned, the figure for maximum benefits for Kansas is $86,798,281. Here are the maximum payment and population figures for 25 other States:

	Payments	Population
Rhode Island	----------	845,000
New Hampshire	$4,145	557,000
Vermont	35,302	378,000
Nevada	76,037	225,000
Maine	191,719	935,000
West Virginia	273,775	2,002,000
Wyoming	843,891	306,000
Delaware	934,728	387,000
Massachusetts	967,923	5,016,000
New Jersey	1,432,993	5,420,000
Connecticut	1,619,442	2,241,000
Maryland	2,349,825	2,609,000
Florida	2,493,230	3,452,000
Utah	2,803,074	781,000
Virginia	3,330,904	3,579,000
Oregon	3,478,832	1,669,000
Pennsylvania	4,043,307	11,159,000
New York	4,352,217	16,124,000
Idaho	5,236,647	609,000
Arizona	6,256,266	890,000
Washington	6,483,135	2,570,000
Montana	9,362,452	633,000
Wisconsin	9,489,356	3,694,000
New Mexico	9,296,043	795,000
Tennessee	9,869,508	3,417,000
Total	85,136,751	70,408,000

Using the same reports, we find the following to be the 16 highest States in monetary benefits available for this crop year:

Kansas	$86,798,281
Texas	80,366,125
Nebraska	45,001,702
Iowa	34,687,663
Missouri	25,943,538
North Dakota	25,806,897
Oklahoma	25,283,976
Colorado	25,161,337
Georgia	22,351,640
South Dakota	22,043,141
Ohio	19,448,200
Illinois	19,242,740
Indiana	18,860,806
Mississippi	18,586,157
North Carolina	18,423,353
Alabama	17,642,587
Subtotal	505,648,143

As the total for the entire United States is $686,465,646, it will be seen that one-third of the States stand to receive 74 percent of the money.

Let us add eight more States:

Minnesota	$16,576,387
California	15,227,083
South Carolina	15,225,822
Arkansas	14,673,712
Michigan	12,962,615
Louisiana	11,040,579
Kentucky	9,974,554
Tennessee	9,869,508
Grand total	611,198,403

Thus, it is shown that one-half of the States are eligible for 89 percent of the benefits.

Ballistic Missiles

EXTENSION OF REMARKS

OF

HON. LeROY H. ANDERSON

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1957

Mr. ANDERSON of Montana. Mr. Speaker, last night's paper quotes the President as being opposed to the Army development of intermediate range ballistic missiles because the Army would "have to request observation of the enemy situation" and "the only way the Army could find out is from the Air Force. This puts the Army squarely into the Air Force's business."

If you don't stop to think about it, this may seem plausible. If you do stop to think, you will realize that it doesn't make sense. I am sure the President realizes that our armed services integrate their efforts in many ways and that one of these has always been in the matter of intelligence and observation. Certainly, the President must know that the Air Force has responsibility for major air reconnaissance for the Army. The Air Force provides the air photos and reconnaissance for long-range artillery fire. Yet I have never seen where this has caused the Air Force to stake out any claim to develop, control, and operate the artillery. Reconnaissance and air photos of enemy front lines and bunkers are obtained for the Army by the Air Force, but I have never seen any of their personnel operating our mortars or putting a satchel or pole charge in a bunker embrasure. The Air Force is not automatically the monarch of all it surveys.

The Army has done a splendid job in the development of the missile, Jupiter, and should not be hamstrung in their efforts to continue its development and use. I think the Congress should go into the matter very thoroughly, checking on the charge that this is a move to turn the missile development over to General Motors as was done with tanks when Chrysler contracts were canceled and General Motors given the breaks. The Congress needs to determine whether the Air Force is seeking to take advantage of the fact that it has many of its spokesmen in high places in the administration. The Congress should determine whether or not a little competition between the services and a little more free enterprise might not be a good thing in developing the best missiles that can be had, at a time when the degree of success may determine the survival of our way of life.

This is too big a question to cover in this brief discussion, as there are many questions and the right answers are needed to insure survival of our country. I am asking that you reserve your decision until the facts can be brought out. Do not be swayed by a superficial off-the-cuff statement which begs the fundamental issues.

Effect of Appropriations Cut on International Educational Exchange Activities

EXTENSION OF REMARKS

OF

HON. FRANCES P. BOLTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1957

Mrs. BOLTON. Mr. Speaker, some of us who are particularly interested in the Near East and Africa have analyzed the effect of the appropriations cut on the international educational exchange activities in that area. Into this picture has come a letter from two American surgeons who volunteer to go out to a section of Africa, where there are no surgeons available, for 4 months a year, if transportation and living expenses can be arranged. This is but one instance of which there are many.

It seems a tragedy that this infinitely valuable program of international exchange must be curtailed just when the needs of the Near East and Africa for professionals of all kinds are so great. Not only will the department be unable to expand its exchanges as planned, but it will be forced by the appropriations cut to reduce its present program in this vital area by some 26 percent.

Dollar programs in the Near East and Africa will be at 67 percent below the requested level and 26 percent below the current level. Programs in 27 of the 32 countries in this area are operated solely with dollar funds since foreign currencies are available in only 5 countries of this area. Most of the remaining 27 countries are on the African Continent. In spite of plans to double the program with Africa, where an increase is badly needed, the program will have to be cut below the current level.

Funds were requested to bring 590 influential leaders and specialists to the United States from this area. This number will have to be reduced to 222. No leaders can be brought from Uganda, Tanganyika, Somalia, Liberia, the Belgian Congo, or the African Trust Territories. Reductions in many critical countries will also be necessary. Exchanges with Ghana will be reduced from 25 to 10, the Sudan from 14 to 5, Tunisia from 23 to 6, Morocco from 28 to 9. Only 3 leaders from Israel, 5 from Jordan, 4 from Libya, and 4 from Lebanon can be financed.

As to the exchange of students, 212 fewer grants than planned can be

awarded for study in the United States. No students would be brought from Ghana, Iraq, Jordan, Lebanon, Liberia, Libya, Nigeria, Saudi Arabia, Tanganyika, Uganda, or Yemen. Only 8 can be brought from Iran, 5 from Morocco, 3 from the Sudan, 8 from Syria, and 6 from Tunisia.

One hundred and four fewer teachers and professors can be exchanged than were planned. The Department's program to assist Ghana and other newly independent countries in their educational programs must be curtailed. Leader and specialist exchanges will be similarly reduced.

Communist Effort to Discredit Dr. Schweitzer

EXTENSION OF REMARKS

OF

HON. JAMES ROOSEVELT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1957

Mr. ROOSEVELT. Mr. Speaker, I have today received a letter from Mr. Norman Cousins, editor of the Saturday Review, which, together with my reply, I would like to call to the attention of my colleagues and clear-thinking friends.

The kind of tactics disclosed in Mr. Cousin's letter need to be the subject of constant alertness on the part of all those of liberal and progressive thought.

It is equally important that fair-minded critics should not be deluded into false accusations, as has too often happened in the past.

The letter follows:

THE SATURDAY REVIEW,
New York, N. Y., May 6, 1957.

The Honorable JAMES ROOSEVELT,
House of Representatives,
Washington, D. C.

DEAR MR. ROOSEVELT: Friends of Dr. Albert Schweitzer in this country are deeply distressed at the way the Communist Daily Worker has exploited his statement about nuclear testing in an obvious effort to serve its own cause. I was shocked to learn, for example, that the Daily Worker published excerpts from the Schweitzer statement on its front page, and has sent copies of that issue to all Members of Congress.

What the Daily Worker neglected to say is that Dr. Schweitzer considers communism the greatest danger faced by the world's peoples today. It has neglected to say that he believes communism to be an unscrupulous attempt to dominate the world's peoples. And in calling upon people to send protests to President Eisenhower and Members of Congress against nuclear testing, the Daily Worker said nothing to Members of the Communist Party about writing or wiring to the Kremlin. In fact, there is not a single reference to the fact of hydrogen bomb testing by Soviet Russia, or to the fact that the Soviet leaders have resisted for themsleves the same unilateral measures which the Communists have been urging on the United States.

What is even more significant is that the Daily Worker omitted that part of the text from Dr. Schweitzer's declaration which recognizes the need for enforceable provisions if any ban on nuclear testing is to work. Dr. Schweitzer wrote that "there must be guaranties preventing the agreement from being signed by anyone intending to win important tactical advantages foreseen only by him."

So that you may see the difference between the two versions, I am taking the liberty of sending in a few days the full text of Dr. Schweitzer's statement as it will appear in the Saturday Review for May 18.

I trust you will not allow the merit of Dr. Schweitzer's statement to be diminished by the exploitation of his name by the Daily Worker. What he has to say is based on a lifetime devoted to the moral community of men.

Sincerely,

NORMAN COUSINS.

MAY 8, 1957.

Mr. NORMAN COUSINS,
Editor, the Saturday Review,
New York, N. Y.

DEAR MR. COUSINS: Thank you very much for your letter of May 6. I join with you in your dismay at the unwarranted and shameful use of Dr. Albert Schweitzer's words on the important topic of nuclear testing.

Unfortunately, this is an old Communist trick which people perhaps have forgotten. You do a great service in calling it to the public attention.

The Communists have all too frequently attempted to attach themselves to honest and liberal points of view, hoping, I suppose, to get some emotional credit from those whose idealism outruns their analytic perspective.

It is a misfortune that in many cases, otherwise wholly worth while purposes have been fatally damaged by unsolicited and unwanted Communist support. One may wonder at times whether this in itself is perhaps not done deliberately.

Very sincerely yours,

JAMES ROOSEVELT.

Much Credit Is Due Arthur Summerfield

EXTENSION OF REMARKS

OF

HON. BEN F. JENSEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1957

Mr. JENSEN. Mr. Speaker, now that your mail deliveries are back to normal, like all good Americans you like to have the facts. I believe that right now is a good time to make public the following facts and figures.

There is one outstanding fact which must be considered above all, which is that the Postmaster General has only 4.3 percent of the appropriated funds over which he has full control, the other 95.7 percent must be expended in accordance with specific directives in laws which Congress has previously passed.

Now let us ponder over these following facts and figures.

How much does the Post Office Department spend in a year? About $3,250,000,000; 78.4 percent for postal employees' salaries and fringe benefits set by Congress; 15.5 percent for transportation of mail set by Government agencies; 1.8 percent for rents, utilities, and communications set by FCC; only 4.3 percent left for controllable items over which the Department really exercises any control—use money to print stamps, buy trucks, pens for 38,000 post offices, and hundreds of other items needed to operate post offices.

Why did the Post Office Department need additional funds? To give accustomed service; none of this money to pay past bills. Three reason why it is costing more to give the American people the mail service they deserve, expect, and pay for: First, more mail than estimated by about a billion pieces. And this increased volume of mail does not provide funds to operate the Post Office Department since all revenues go directly to the Treasury Department; second, increased mail service to 1.3 million new homes; and, third, higher wages to employees by law.

All three of these reasons beyond control of the Department.

Has the Post Office Department ever asked for more money before? Yes; but only once in past 4 years. In 1956 needed and got $166 million more, of which $150 million was for pay increases under Public Law 68, effective March 1, 1955; the remaining $16 million is the only supplemental appropriation the Department has received in 4 years for additional operating expenses. However, in 2 other years spent less: In 1954 turned back $105 million; in 1955 turned back almost $50 million.

Post Office Department

Fiscal year	Supplemental appropriation for operating funds	Surplus funds returned to Treasury
1947	$93,000,000	
1948	172,700,000	
1949	140,800,000	
1950	71,400,000	
1951	29,400,000	
1952	250,000	
1953		$53,574,247
1954		108,724,572
1955		42,993,628
1956	16,000,000	
1957	41,000,000	

Are you cutting costs in the Post Office Department? Yes; now carrying 20 percent more mail with fewer employees than 6 years ago.

How many postal employees are there? In 1952, 523,757; 1955, 511,613; 1956, 508,587.

How is mail volume increasing? In 1952, 49.9 billion pieces; 1956, 56.4 billion pieces; 1957, estimated, 58.8 billion pieces; 1958, estimated, 59.7 billion pieces.

Is the Post Office Department satisfied with mail service today? Of course not; better than it was but still not good enough.

What is the Post Office Department doing to improve service? Spending over $4 million this year alone on research; set up first Office of Research and Engineering in history; working with 9 engineering firms and Bureau of Standards; developing mechanical and electronic devices to speed mail through post offices; over 1,500 obsolete post offices replaced in past 4 years with new ones built by private capital. Objective: Next day delivery of mail anywhere in the United States.

The Rural Electrification Administration

EXTENSION OF REMARKS

OF

HON. E. Y. BERRY

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1957

Mr. BERRY. Mr. Speaker, I wish to call the attention of the House to the fact that today is the 21st birthday of the Rural Electrification Administration. The act was signed into law by the President 21 years ago.

REA has truly become of age. Loans to borrowing cooperatives now exceed $3¼ billion of which borrows have actually drawn over $2.75 billion. Repayments by borrowers have exceeded $621.2 million of which $377.8 million is principal and $243.4 million interest. A total of 761 borrowers have made advanced payments of $95,870,361.

REA Administrator David A. Hamil reports that 94.2 percent of the Nation's farms are now electrified. Nine hundred and eighty energized system have been financed by REA operating over 1½ million miles of rural line and serving over 4¼ million customers.

Based on an average family of 4 people, this means that approximately 15 million people are benefiting from the Rural Electrification Administration program.

Congress passes the laws and establishes programs like REA. The successful operation of these electric cooperatives is dependent on devoted and capable leadership among the local communities in the Nation.

In South Dakota many of our leading citizens serve on boards of directors and in other similar capacities. Our REA managers put in long days to meet the problems which arise in connection with operation of an REA cooperative.

Our South Dakota situation must be exemplary of the national picture for electric cooperatives have flourished to the point where the net worth of debt-free ownership nationally is now $404.7 million.

The State of South Dakota has shared in the benefits of the REA program. Total REA loans in our State amounted to $92,524,862 to 34 different cooperatives. This total amount represents 212 separate loans, and it provided service to 75,540 consumers.

We are justifiably proud that South Dakota REA's are meeting their repayment obligations and meeting them in time. No South Dakota loans are in arrears. In fact, of the $10,846,629 which have been repaid on the principal, $3,175,182 have been paid in advance of the due date. Interest payments to date are $5,566,733.

I was interested in receiving information from the REA Administrator the other day that in 1945, just before the Rural Electrification Administration was established, only 10.9 percent of the farms in the United States were electrified and in South Dakota only 3.5 percent enjoyed the benefits of electrical service. A moment ago I mentioned that 94.2 percent of the Nation's farms are now electrified, and in South Dakota the figure is 86.7 percent. South Dakota has made a tremendous percentage increase during this 21-year period, going from 3.5 percent to 86.7 percent. It is well to note that private power companies have counted for some of this increase and have worked jointly with cooperative in making power available and otherwise assisting with the phenomenal development.

In South Dakota, as in every State, REA development has not only been of great benefit to the farmer and rancher, but has also provided great economic value for the mainstreet businessman. The consumer of REA power finds that he can increase his production or work more efficiently, which provides him with additional purchasing power. This results in an economic boost that is felt throughout the community. The REA consumer purchases appliances, plumbing, wiring, electric motors, and many other items which benefit both the farmer and the businessman.

A listing of the REA electrification loans in western South Dakota alone during recent years is an indication of how the rural electrification program is continuing to move forward. I am attaching a table listing the recent REA loans in the Second Congressional District.

West River Electric Association, Inc., Wall	$274,000
Butte Electric Cooperative, Inc., Newell	390,000
Lacreek Electric Association, Inc., Martin	750,000
Moreau-Grand Electric Cooperative, Inc., Timber Lake	390,000
Grand Electric Cooperative, Inc., Bison	975,000
Cherry-Todd Electric Cooperative, Inc., Valentine, Nebr	540,000
West Central Electric Cooperative, Inc., Murdo	340,000
Rushmore G. & T. Electric Cooperative, Inc., Rapid City	3,500,000

Peaceful Applications of Atomic Energy

EXTENSION OF REMARKS

OF

HON. BASIL L. WHITENER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1957

Mr. WHITENER. Mr. Speaker, on Monday, May 6, 1957, our colleague, Hon. CARL T. DURHAM, chairman of the Joint Committee on Atomic Energy, delivered an address to the North Carolina Pharmaceutical Association at its annual convention in Charlotte, N. C. His address was entitled "Peaceful Applications of Atomic Energy."

We are all familiar with the valuable public service of our distinguished colleague in the field of developing an atomic-energy program. It occurs to me, therefore, that the Members of this body, as well as the public generally, will find the address of Mr. DURHAM to be of great interest and value.

The address follows:

PEACEFUL APPLICATIONS OF ATOMIC ENERGY

(Remarks by the Honorable CARL T. DURHAM, chairman, Joint Committee on Atomic Energy, before the North Carolina Pharmaceutical Association, Charlotte, N. C., May 6, 1957)

It's good to be back here again with you today. I remember my last visit with great pleasure, and I am honored that you have asked me to join you once again. As an old-time pharmacist myself I might say that I couldn't feel more at home than in the present company.

There was a time when a speaker could get up and talk for a few minutes about the peaceful applications of atomic energy and sit down again with confidence that he had said all there was to say. Today this same subject has become so vast in scope that a speaker is tempted to ask himself: "Where do I begin?"

The advances which have been made in peaceful applications of atomic energy in the last few years have been nothing short of extraordinary. I think most people who aren't familiar with the atomic-energy business would be amazed at the large number and variety of ways in which the atom is being put to use to better the lives of all of us and to promote the economic well-being of this country.

This large-scale development of the peacetime atom has not happened by accident. It has been the result of much hard work and effort by thousands of scientists, engineers, and technicians working under a program of cooperation between industry and Government. I think this cooperative arrangement between Government and industry has in general worked very well in the past, and I am confident that continued cooperation of this sort will yield increasingly large dividends in the years to come.

Among the various areas of peacetime atomic development, I suppose the greatest attention in recent years has been focused on the field of atomic power and of nuclear propulsion for naval vessels. This is only natural and appropriate in view of their importance to our future economy and our relations with other countries abroad. But while the public spotlight has been directed primarily on these areas, there has been a quiet revolution going on with regard to development of other peaceful uses of atomic energy which may in the long run prove equally important. It is to these other areas of peacetime atomic development that I would like to direct a few remarks today. I would like to mention especially the growing uses of radioisotopes, the so-called byproducts of our atomic reactors.

Isotopes have been called the wonder tool of the atomic age, and well they might be. In the past several years there has been a dramatic upsurge in the number and variety of things for which they are being used. Existing applications include everything from clinical examination to oil drilling, from agricultural experiments to spot-checking welds, and the surface has just been scratched.

The annual savings to American industry through the use of isotopes is already estimated at something like a third of a billion dollars, and increased savings are confidently predicted in future years as more and more uses are developed. It is entirely possible that over the long run these savings and benefits from the use of isotopes will more than repay the huge investment we have made in our atomic-energy program.

I thought you might be interested today in hearing about a few of the things which are being done with isotopes in the field of medicine and in the pharmaceutical field. It would be hard to describe in dollars and cents just how much benefit we are getting out of our experiments in this area. You

can't very well measure in material terms the essentially priceless knowledge we are gaining on how the body functions, on earlier and better diagnosis of human ailments, and on more effective treatment of these ailments. The only certainty is that the benefits are very large in terms of relieving human suffering and of adding to the productive life of thousands of individuals. As a measure of the number of people being affected by these new techniques, it has recently been estimated by the Atomic Energy Commission that between 800,000 and 1 million persons are being diagnosed or treated with radioisotopes each year by some 1,500 hospitals and private physicians.

As pharmacists, you are, of course, particularly concerned with new procedures which are being employed in the medical and pharmaceutical fields. Many of you are probably already aware that considerable research activity is going on at the present time with drugs which have been tagged with radioactive compounds. Much of the current experimentation is of a preliminary nature and is aimed at finding out more about the distribution of the body's metabolism and its special characteristics. Of necessity, most of the experiments are being done on animals, but in some areas, at least, advances in research have made it possible to begin experiments with human volunteers. Such is the case with radioactive iodine, which is administered to thyroid patients to measure iodine uptake in the thyroid gland and to arrest excessive thyroid activity in some cases. Scientists at the Abbott Laboratory and at the Hanford atomic facility have been doing interesting research work in this area, which has resulted in a number of fundamental discoveries about thyroid metabolism. It is interesting to note in this connection that 10 years ago only one thyroid hormone was known to medical science, whereas today as a result of these experiments several additional types of hormones have been discovered.

Similar experiments are being conducted with radioactive iodine on older people whose hearts have become overburdened through overactive thyroid conditions. While study in this area is still in a preliminary phase, there is hope that through utilization of such techniques life may be prolonged for older persons who would ordinarily succumb to heart attacks occasioned by strains placed on the heart by thyroid conditions. Incidentally, such treatment is not recommended for younger persons or for young women of childbearing age in view of possible deleterious results.

Speaking about older people, interesting experiments utilizing atomic tracing techniques are being carried on with regard to the aging process or what makes people grow old. These studies are carried on in a field called geriatrics, which I find from my Webster's dictionary means old age and its diseases. It doesn't take much imagination to visualize the importance to individuals and to the Nation at large, if through these studies of the body's functions and the aging process, we can gain some clue as to how to extend the effective life of man and slow down the inevitable process of deterioration of the body which comes with old age. Of course, I always have believed in the quotation from the Bible which says "Honor thy father and thy mother that thy days may be long upon the land." But it wouldn't hurt if we knew a little more about the physical processes of the body as well.

Some firms are currently experimenting with a radioactive-labeled tranquilizer with a view to finding out more about the actions of such tranquilizers and their effect on the human system. Work is also being carried out on tagged T. B. drugs. Most of these experiments have been carried out on animals, but some experimentation is now being tried out on human beings.

At the Argonne National Laboratory outside Chicago, scientists have set up what they call an "isotope farm," which is devoted to a study of the life process of plants through means of irradiation. No attempt is being made at Argonne to develop genetic mutations in plants through successive generations. Primary emphasis is on finding how plants synthesize drugs through a study of the alkaloids which are produced as a result of plant irradiation. It is hoped that these studies may someday give us a lead on how chemical reactions in drug-producing plants come about. Once we learn this, we may be on the track of how to produce some of these drugs synthetically, which cannot be done under conventional techniques.

You are all undoubtedly familiar with the problem of sterilizing drugs for public consumption, but you may be interested to know that new techniques involving sterilization by irradiation are now being studied by several drug firms. As you know, certain drugs are most difficult to sterilize by the conventional heat process, and there is always the packaging problem to contend with. Now, using atomic accelerators, laboratories will be able to sterilize these drugs right in their containers through high-level irradiation. Although accelerators are most commonly used for this type of treatment, there is no reason why smaller, less bulky, irradiation sources developed as byproducts of our atomic reactors cannot, in some instances, be used for the same purpose.

Finally, just a word about progress which is being made on the dread disease of leukemia through utilization of atomic techniques. No one pretends that medical science has yet found the complete answer to this terrible scourge. But some success has been achieved in preliminary experiments in which patients have been given radioactive phosphorus orally. While this process has not achieved a permanent arrestation of the disease in any of the cases so far treated, it has, in some instances, resulted in temporary alleviation and the extension of the victim's life span by several years. A chief advantage of this technique is that it is much easier to administer the X-ray treatments and is a good deal cheaper as well.

It is sometimes hard to realize that just a scant few years ago only select members of the scientific community and a few outsiders were much concerned with the peacetime uses of isotopes, and then only in an abstract sort of way. Today, with the rapid advancement of atomic techniques and particularly the mass production of isotopes, people by the thousands are becoming acquainted with this area of knowledge. A typical example is our pharmaceutical laboratories where the use of isotopes is becoming almost routine and commonplace. As more private firms come into the business and as more and more uses are developed for these new techniques, we can expect to see a rapid expansion of activity. Perhaps some of you have already felt the impact of the new technology in your businesses. I think it behooves all of us to keep up with the developments in this field and to lend encouragement to an effort which holds much promise for the future of mankind.

Thank you, once again, for asking me to join you today. It has been a pleasure to be with you.

Tampa Harbor Project

EXTENSION OF REMARKS

OF

HON. WILLIAM C. CRAMER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1957

Mr. CRAMER. Mr. Speaker, it was my privilege today to represent the people of the First District and the State of Florida before the Subcommittee on Public Works of the House Appropriations Committee. Continuation of the great Tampa Harbor development project was the purpose of this appearance. I was happy to be joined by two representatives of the Hillsborough County Port Authority, Mr. Norman S. Brown, attorney, and Mr. J. B. Colbert, member of the board. It was my contention that, above all, this project had demonstrated the wise action of the committee and the Congress in first appropriations for the project. This has been ably demonstrated through growth of the harbor traffic upon beginning of the development; greatly increased local participation and investment of private capital; development by the port authority beyond commitments to this committee and a greatly increased ratio of benefit to cost over the last year. I would include my full remarks at this time for the information of the Members to be used when action is taken on the project.

The remarks follow:

REMARKS OF HON. WILLIAM C. CRAMER BEFORE THE SUBCOMMITTEE ON PUBLIC WORKS, APPROPRIATIONS COMMITTEE, HOUSE OF REPRESENTATIVES, WASHINGTON, D. C., MAY 8, 1957

Mr. Chairman, it is a pleasure to come before this committee again and represent the people of the First District of Florida. Together with Representatives of the area it is my pleasure to both report on the progress made in the development of the Tampa Harbor project and to request your continued interest in this valuable improvement and approval of the appropriation for work during fiscal 1958.

This harbor project serves a very substantial portion of the entire State of Florida. The port of Tampa is a port of increasing commercial importance. This committee evidenced its awareness of this fact last year when it appropriated in the 1957 budget $4 million for the continuation of work on this project. This amount was $1½ million more than that recommended by the President.

When I appeared with representatives of the Tampa Port Authority before the Bureau of the Budget in the fall of 1956 we requested $3½ million to be included in the 1958 budget for the continuance of work on this project. That request was founded upon advice from the Office of the Chief of Engineers, Department of the Army, that this sum could be economically utilized in fiscal year 1958 to continue work on the project at the same rate of completion as was being done in fiscal 1957. From a total economic viewpoint there would be sound reasons for continuing this plea to your committee in that amount. This sum, if included in fiscal 1958, would permit the completion of a usable segment of the project and would provide the necessary deep water for well over half of the volume of tonnage entering the port of Tampa. The Tampa Port Authority has estimated that if this sum were appropriated the direct annual savings which would become reality in the latter part of fiscal 1958 would exceed $1½ million per year. Estimates of the engineers do not vary substantially from this estimate of the port authority. However, local interests share with me the belief that requests for funds this year should be moderate in amount to the end that all of the pressing appropriation problems confronting this committee may be better solved. I, for one, have insisted every reasonable economy should be exercised in consideration of all budget items, from the national viewpoint. For that reason I am requesting this committee to include in fiscal 1958 appropriations only the sum of $2¼ million. This will permit completion during fiscal 1958 of a usable segment of the channel up to the Hooker's Point Terminal in Tampa and substantial economic benefits will be immediately realized. I am informed by the Chief of Engineers work can continue on the project without interruption during the entire fiscal year and be performed in the most economic manner.

I particularly invite the attention of the committee to the schedule of completion of the various segments of the entire project. The sum of $2,225,000 which has been requested will permit work to continue so that Hillsboro Bay channels will be completed at a total estimated cost of $1,670,000 and Egmont Bar and Mullet Key channels will be completed at a total estimated cost of $340,000. Contracts have been let and could be broken only at financial loss on this segment. Present scheduling of the Government Hopper Dredge also calls for this time schedule. Work will be commenced in the latter part of fiscal 1958 on Ybor and Sparkman channels. These latter two channels are the channels serving the upper part of the city of Tampa proper.

The development of Tampa harbor and benefits to the community are entirely dependent upon the growth of trade and the growth of the community itself. In both cases the figures of activity over the past few years have far exceeded the conservative estimates presented to you and earlier to the Bureau of the Budget. It is a matter of pride to point out the successful growth resultant, in great part, from the interest and appropriation granted by your committee and the Congress.

The port of Tampa is showing a continual steady increase in port tonnage. All previous estimates of this increase have been shown to be too conservative to accurately show the future use of the port. In 1954, the port of Tampa had a total tonnage of 9,813,000 tons. In 1955, this tonnage had increased to 10,656,000 tons. In 1956, it will be evidenced that the port tonnage has increased over 13 percent over 1955 to approximately 12,250,000 tons (exact figures have not yet been compiled). These increases are considerably in excess of the 7.6 percent annual increase upon which port tonnage was projected by the Port Authority and is far in excess of the Army Engineers' estimate made in 1948. The increase 1955 over 1954, is in excess of 8½ percent; and the increase, 1956 over 1955, is in excess of 13 percent. Using 8½ percent, although already known to be too conservative, as the annual rate of increase, the estimated port tonnage in 1959 will be 15 million tons solely from normal growth of the State of Florida and the 5 Congressional districts served by Tampa harbor.

However, at the beginning of 1956 it was known that within the next 3 years, that is, 1956–1959, there would be additional port tonnage from new industries of a total of approximately 3,500,000 tons. This would consist of approximately 2,500,000 tons of petroleum products; coal of 750,000 tons for a new electric generating plant using coal for fuel; and other products of 250,000 tons. The 1956 figures have already begun to reflect a small part of these new industries as is apparent in the increase to 13 percent over 1955. It is therefore not at all speculative to revise upward the old figures and estimate that port tonnage in 1959 may well reach 18 million to 19 million tons.

All this is indicative of the fact that the phenomenal growth of the port of Tampa shows that what at one time may have been considered unrealistic is in fact becoming a reality. Even a cursory consideration of evidence this growth is steadily increasing and that new and important industries are moving into the area served by the port of Tampa show that the estimated port tonnage in 1959 is still most conservative.

Each year the facts are substantiating this anticipated and expected growth. For example, the port of Tampa is the fifth-ranking port in the United States in coastal car unloadings (based on information compiled and furnished by the port division of the American Association of Railroads). In 1956, car unloading totaled 62,614. This was a 22-percent increase over 1955 or 11,148 cars. It is significant that this is a greater increase than the four ports having more car unloadings. Not only is the port of Tampa increasing nationally, the total car unloadings for Tampa totaled more than the combined total for Mobile, Pensacola, Miami, Port Everglades, Jacksonville, Savannah and Charleston.

The continual and steady growth of the port of Tampa is an anticipated certainty. Since the start of the harbor project in January 1955 over $9 million in new and improved port facilities, including piers, wharves, bulkheads, privately dredged channels and turning basins, bulk cargo loading, unloading and storage facilities for oil and other petroleum products, phosphate and chemical products, grain and other commodities have been developed. And, since January 1955 over $95 million in new deep water industrial construction has been started or definitely committed.

Specific industries that have taken advantage of the many growing trade and facilities features offered by port development includes:

Schlitz Brewing Co., Export Brewery under construction with a capacity of 1 million barrels per year.

Southland Petroleum Co., 30,000-barrel gasoline refinery.

Tampa Electric Co., 125,000-kilowatt generating plant.

Florida Power Corp., 125,000-kilowatt generating plant.

American Cable Co., a $5 million plant completed in 1956 now announcing a 60-percent expansion program.

New terminal facilities of the Texas Co., Pure Oil Co., Ingram Oil Co., Tampa Terminals, Inc., Illinois Grain Corp., and the Tampa Molasses Co.

Petroleum tonnage has been increasing at approximately 10 percent each year and in 1955 totaled 4,945,000 tons. Since 1950 the phosphate tonnage (and over 75 percent of phosphate produced in the world is produced within the radius of 80 miles of this port) that passed through the Port of Tampa has increased 38 percent and in 1955 totaled 3,339,000 tons. Already it has been shown that the Tampa Port tonnage for 1955 increased over 8½ percent over 1954 and the 1956 tonnage increased over 13 percent over 1955. Coupled with the increasing industrial growth and demand for products is the steadily increasing population served by the Port of Tampa.

The usage of the Port of Tampa by coastwise trade is also increasing rapidly. In the 5-year period, 1949–1954, the average annual increase in tonnage was 9.1 percent. Projecting a growth of 5 percent per year over the 1954 tonnage of 5,477,000 tons shows that there would be coastwise trade in 1959 of over 7 million tons. This again is an entirely reasonable projection of growth, and as a matter of fact, it is obviously conservative when the factors of new industry and growing population alone are taken into account. I wish to call the committee's attention again to the estimated annual port tonnage in 1959 of at least 15 million tons. The phenomenal growth of this area makes this estimate really a near certainty. Using this basis of annual tonnage of 15 million, the direct economic benefits and annual savings resulting from completion of this harbor project will be approximately $2,880,000. Using the criteria used by the Corps of Engineers in their determination of benefit-cost ratio would give the project an unusually high benefit-cost ratio of 6 to 1. This is not a bold estimate. For example, the Army Engineers in 1954 estimated the benefit-cost ratio to be 2.25 to 1—in October 1956 this was increased by the Corps of Engineers to 3.2 to 1.

The Port of Tampa is one serving 25 counties in Florida and 5 Congressional districts. The benefits of this service in this large area extend to a population estimated in excess of 1,520,000 as of July 11, 1956, an increase of 13 percent over the estimated population of July 1, 1954. The estimated population of the Tampa-St. Petersburg metropolitan area is in excess of 578,000.

At the time of authorization of this project and in previous appearances before this committee it has been pointed out that Tampa Harbor is the only sizable port between Norfolk, Va., and New Orleans, La., having a channel less than 32 feet in depth. This handicap has existed and serves to bring out the vitally important fact that at the same time the port of Tampa has more tonnage than any harbor from Norfolk to Mobile.

I respectfully submit these facts to the committee and urge that you approve the budgetary request of $2,250,000. By this appropriation, which I again point out is the least amount that can economically be utilized for orderly programing of the work now under way, continued growth of a rapidly expanding area of our country will be assured. Through the high cost-benefit ratio of the project the national interest will be served in providing a channel of project depth and width to the city of Tampa and the State of Florida.

The Sheep and Wool Industry

EXTENSION OF REMARKS

OF

HON. E. Y. BERRY

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1957

Mr. BERRY. Mr. Speaker, I wish to call to the attention of the House a few recent developments affecting the sheep and wool industry.

This week the United States Department of Agriculture announced that the Commodity Credit Corporation has negotiated a barter contract involving the exchange of $10 million worth of CCC-owned wool and other farm commodities for the strategic materials, principally chrome.

Approximately half of the barter agreement is devoted to the export of wool. This is being accomplished under the 1955 agreement between the Republic of Turkey and the United States Government. Department officials estimate that 10 million pounds of wool will be taken from CCC stocks to consummate the exchange. The total quantity of wool to be taken will depend upon the particular lots selected.

I wish to point out that the CCC inventory of wool 2 years ago was 150 million pounds. This recent barter transaction reduces these total stocks to around 22 million pounds, and with expected sales in the domestic market it is estimated CCC holdings will be down to 20 million pounds by the end of this month.

Department officials have advised me the export of 10 million pounds to Turkey places the CCC in a position where it will be possible to entirely dispose of its wool inventory by early fall.

The successful operation of the wool export program by the Department of Agriculture is of tremendous value to domestic wool producers. This excellent record of export ties in very well with the successful operation of the wool incentive program.

The incentive program which has been of so much value to the economic life of the country, particularly the wool producing regions, has assisted in rebuilding an industry that was destroyed between 1939 and 1952 by extensive importation of foreign wools at a fraction of the cost of such production domestically. That regrettable policy dropped the sheep number in the United States from about 49 million in 1939 to about 27 million in 1952.

Because of the incentive program and the domestic protective policy, the sheep and wool industry has started to climb back to recovery.

There were two principal reasons for the establishment of the incentive wool program. First, to bolster our national economy, and secondly, to build back an industry vital to national defense. There is no substitute for wool in the manufacture of wearing apparel. Should the United States again be forced to engage in a world war, it would probably be fought in a cold climate.

Wool is an absolute necessity for national defense. There must be a domestic supply of wool rather than hazard the shipment of this vital commodity 5,000 to 8,000 miles in time of war.

Sheep and wool producers throughout the Nation will be pleased to know that section 626 of H. R. 7665, the Defense appropriation bill, which was reported to the House last Tuesday, contains the so-called Berry wool amendment which requires exclusive use by the Defense Department of domestic wool in all clothing and other materials containing wool procured by any branch of the armed services.

This original amendment which has now become an established part of the Defense appropriation bill has meant millions of dollars to the domestic wool producer. It has been a great benefit both to the national economy and to national defense.

Address by Hon. Edward Martin of Pennsylvania to Convention of International Brotherhood of Boilermakers and Blacksmiths

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 8, 1957

Mr. MARTIN of Pennsylvania. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address I delivered in Philadelphia yesterday afternoon to the convention of the International Brotherhood of Boilermakers and Blacksmiths.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF UNITED STATES SENATOR EDWARD MARTIN, OF PENNSYLVANIA, AT THE CONVENTION OF THE INTERNATIONAL BROTHERHOOD OF BOILERMAKERS AND BLACKSMITHS IN THE BELLEVUE-STRATFORD HOTEL, PHILADELPHIA, MAY 7, 1957

It is an honor to greet this great organization of free Americans, meeting in the city of Philadelphia, the birthplace of our liberty and independence.

Here was established a government based upon the dignity and freedom of the individual. It is the first government in world history which derives its just power from the consent of the governed.

How long that concept of government will continue depends upon the interest we take in our Government. Eternal vigilance has been described as the price of liberty. No group in America has a greater interest in the size of government, the cost of government, and the overall fiscal problems of our Nation than those seated here in this room.

Let us look at some facts. It is well known that the great burden of taxes in our country is borne by those in the low income brackets. This includes the skilled craftsman, the tradesman, the small-business man, the professional man, and the farmer.

The fact is that out of every hundred dollars you earn you turn back to Federal, State, and local government more than $30 in taxes. Three-fourths of every Federal income tax dollar is paid by men earning less than $6,000 per year. If we took every dollar from those with income taxes of more than $50,000 per year, it would only be enough to operate the Federal Government for less than a month. That shows how much economy in government means to you and to your family.

Why has government become so expensive? Why has the cost of government, Federal, State, and local combined, jumped from $13.5 billion a year 25 years ago to the present figure of $109.5 billion, an increase of more than 700 percent? Take Federal spending alone. In 1932 the cost of operating the Federal Government was $5,125 million. The current budget calls for the expenditure of nearly $72 billion.

One reason for this great increase is that the Federal and State governments are financing a great variety of activities that formerly were the responsibility of local government, and depended upon the self-reliance and initiative of the people in their home communities.

As an example let me cite the big increase in so-called grants-in-aid from Washington to the States. In the early twenties $100 million dollars a year in Federal funds were paid in grants to the States. This has now increased to $4 billion. With each grant there goes a measure of Federal control—chipping away at the powers and functions of State and local government, and increasing centralization of authority in the Washington bureaucracy.

There are now employed by the local, State and Federal Government more than eight million people. This does not include the armed services. The number of Federal jobholders has jumped from 600,000 to about 2,400,000 in 25 years, or about 4 times. The Federal payroll is $1 billion per month. It is now greater than the combined payrolls of all our steel mills or railroads in the United States.

Here is another fact. One American out of five, men, women and children, gets a check at regular intervals from Uncle Sam.

When we established Social Security in the United States the proponents said it would entirely do away with relief rolls. What is the result? We are now in the peak of great prosperity and what do we find? Five and one-half million Americans are on relief and last year it cost over $3 billion.

Another great reason for the alarming rise in the cost of government is the constant demand from organized pressure groups for appropriations for their pet projects, for new and expanded functions of government, for sectional advantage and for every conceivable form of spending.

That same sort of pressure must now be exerted in support of economy. If we are to achieve government at lower cost we must develop a demand for economy, so strong and so insistent, that no one in the executive or legislative branches of Government will dare to ignore or oppose it.

There is no doubt in my mind that the drive for economy in government can succeed if it is supported by the power and strength of organizations like this. You men are interested in keeping our economy strong. You are interested in maintaining the American standard of living—and you know that excessive spending by Government means burdensome taxes and reduced take-home pay.

The American living standard is the highest in the world because our workers and our industry have brought productivity to the highest level in the world. In our free enterprise system, which is the pride of free men everywhere, it takes a capital investment of $12,500 in order to provide a job for an American workman. Government never created any wealth or a job for anyone—and never can. Invested capital must be put to work in productive enterprise to make jobs, and capital for investment comes from our savings.

We must be continuously mindful of increasing our national productivity in order to enjoy the fruits of our labors under our great American free enterprise system. Increased production is the strength of our Nation and the key to prosperity. We are all mindful of the fact that during the past 20 years we have increased our national productivity over 35 percent per man-hour. This has been accomplished under the free enterprise system by more efficient methods for our workers, better tools in the hands of our craftsmen, and greater know-how by management. These accomplishments require a capital investment of dollars in the hands of individuals, and not in the coffers of Government.

It has been estimated that in the next 20 years it will be necessary to provide 20 million new jobs to care for the needs of our growing population. Government cannot do this. It will have to be done by courageous and resourceful individuals, willing to risk their savings in new and expanded enterprises. That is the only way we can create increased opportunities for gainful employment.

Let us watch the dangers confronting us. One of the greatest of these dangers is inflation or the loss of the purchasing power of the dollar. The greatest causes of inflation are taxes and burdensome debt, both private and governmental. Inflation, high taxes, deficit governmental finances, big government debt, and big centralized government have destroyed more nations than invading armies. They will destroy more countries than the most horrible bomb that could be invented.

Let us bear this in mind. No nation, regardless of how rich it may be in natural resources, can live if it must pay taxes which destroy initiative and the private-enterprise plan of economy. Let us never forget that the free-enterprise economy plan has done more to advance our living standards and our cultural and spiritual attainments than all our vast natural resources.

There are many systems of government that advocate some form of socialism. Let us look at some of the results. After 40 years, the Soviet type of communism has produced a living standard only one-tenth as high as that of the United States. The so-called Swedish welfare state has produced a living standard only one-third as high as the United States. In England, where nationalization of basic industries has continued for 12 years, the living standard is about one-half what it is in the United States.

We can have a strong and prosperous America if we work for three important objectives:

1. Labor must be gainfully employed at wage scales adequate to maintain the American standard of living.

2. The farmer must have a profitable market for his product.

3. The investor in industry must have a fair return on his investment.

If these objectives are achieved, and if they are strengthened by efficiency and economy in government, I have no fear for the future of the United States. Above all, we must approach our problems in the American way, with courage, determination, and patriotism.

Address by Secretary Benson at Minot, N. Dak., May 7, 1957

EXTENSION OF REMARKS

OF

HON. OTTO KRUEGER

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1957

Mr. KRUEGER. Mr. Speaker, in no State of the Nation are the problems of agriculture of more concern than in North Dakota. None has an economy which is so dependent on the condition of its farmers. Today these farmers, and in particular the wheat farmer, face a real crisis. While the answer to their problems has not yet been advanced, the nature of them has been clearly stated. Secretary of Agriculture Ezra Taft Benson, in a speech delivered last night in Minot, N. Dak., before a gathering of the Greater North Dakota Association, summed up the problems, particularly those of the wheat farmer. Because this is something of concern to all the Members, herewith is the text of Secretary Benson's address:

ADDRESS BY SECRETARY OF AGRICULTURE EZRA TAFT BENSON BEFORE GREATER NORTH DAKOTA ASSOCIATION OF NORTH DAKOTA CHAMBER OF COMMERCE, MINOT, N. DAK., MAY 7, 1957

This opportunity to meet with you of the Greater North Dakota Association is not only a privilege. It is a challenge—and I welcome it.

I like the aims of your organization. You speak of North Dakota as a land of new frontiers. Your eyes and your hopes are fixed on the future.

It is about the future prosperity of your agriculture that I want to talk with you tonight. Of all the States, none depends more on agriculture as the source of its wealth than does North Dakota. You lead the Nation in the production of hard red spring wheat, durum wheat, barley, flaxseed, and rye. The plain fact is that North Dakota can be prosperous only when its farmers are prosperous.

With increased income from wheat, potatoes, dairy products, and other sources your realized net income per farm in 1956 was 12 percent higher than in 1955—and 41 percent higher than in 1954.

You are not out of the woods but things are looking up.

I hope in my address tonight first to impress upon you that we in the Department of Agriculture—deeply—sincerely—earnestly—want to serve you and all the farm people of this land, and secondly to share with you some thoughts about how all of us, working together, can help to develop the expanding, prosperous, and free agriculture we all seek.

We must not hesitate to talk facts frankly and honestly.

I am aware that Government actions in Washington—no matter how sound, well-intentioned, and calmly reasoned they appear to us—sometimes increase blood pressures out here in the Middle West and elsewhere.

Permit me to report a few vital facts.

Prices received by farmers have turned upward and today are 3 percent above a year ago. The high prices of the war and postwar periods were due to war and the insatiable demands of war. They were not due to price support at 90 percent of parity. Much of the time prices were above the support level.

Farm real-estate values in North Dakota are now at an alltime peak, 11 percent above the level which prevailed when the present administration came into office. Evidently a good many North Dakota farmers feel confident of the future.

Sixty percent of the much-advertised decline in the parity ratio took place before the present administration took office. Ninety percent of the decline took place while high rigid wartime price supports were in effect.

The much-publicized decline in net farm income began 10 years ago. Incomes have declined every year since then but two. One was the wartime year, 1951; the other year of peace, 1956. Last year net farm income rose 4 percent. A further modest increase is expected this year, 1957.

The peak of net farm income was reached in 1947. Gross cash farm income from marketings is higher today than it was 10 years ago. The reduction in net income is a result of higher costs, not lower gross income.

I know that farm people are in a price-cost squeeze, and I do not minimize its difficulties. I farmed myself out in Idaho during the period after World War I and I know from personal experience what it means to be squeezed by rising costs.

Some things farmers need always to remember. A Government warehouse is not a market. Once a commodity gets into a Government warehouse there are only three things you can do with it—force it into the domestic market, which lowers the price structure; get rid of it abroad, which may upset delicate international relationships; or let it spoil, which the American people will not condone.

Tonight I want to talk about the road ahead for agriculture, and primarily about wheat, which brings in 40 percent of North Dakota's farm income.

To use a well-understood phrase, "Let's get down to cases."

About 2 weeks ago, the Department of Agriculture announced the minimum national average support price for 1958-crop wheat in the 36-State commercial area at $1.78 per bushel, if quotas are approved.

Though the wheat carryover is being reduced this year by more than 100 million bushels, it is still tremendous. The wheat supply for the 1958–59 wheat-marketing year is now estimated at 41.8 percent above the normal supply. Under the law, if the total supply is more than 30 percent above the normal supply, a support level of 75 percent of parity is indicated. This figures out to be the minimum national average support of $1.78 per bushel.

Some people have asked, Why not continue price support on wheat at the $2 level applied to the 1956 and 1957 crops?

Price supports for wheat at levels which have prevailed in the past have had a trial. They have not produced conditions satisfactory to many farmers.

Support levels of the past have stimulated unneeded production. Last year, 1 out of every 3 wheat farmers in the United States considered it profitable to plant more than his wheat allotment, and did so. More than 100 million bushels of wheat were produced on farms which exceeded their allotments. In most cases this occurred on farms with small allotments, which are permitted to grow up to 15 acres without penalty. Many of these farms were in areas not naturally well adapted to wheat, where added wheat production should not be encouraged. In come cases, large producers found the price sufficiently attractive so that they deliberately overplanted their allotments and paid a penalty of $1.12 per bushel. The overplanting of allotments weakens the effectiveness of controls. Overplanting diverts wheat production to uneconomic areas. Specialized, adapted areas like North Dakota lose out. During the past quarter century, North Dakota's share of the Nation's wheat acreage has fallen from 15.3 to 12.4 percent.

Support levels of the past have encouraged continued wheat production in areas, such as parts of the western Great Plains, which normally should be in grass. These lands were plowed and seeded to wheat with the high prices and abundant moisture of the war and postwar years. High price supports have kept these areas in wheat. This has often worked to the disadvantage of the farmers themselves in these areas. Certainly it has worked to the disadvantage of wheat producers in efficient areas like North Dakota.

The level of price support has been a major incentive for overplanting allotments, for planting merely to protect existing allotments and for excessive stimulation of yields.

Support at recent levels has been very costly. Presently we are subsidizing wheat at a rate of about 80 cents a bushel in order to reach the world market. Speaking in terms of programs for supporting prices and raising farm incomes, those for wheat have been the most expensive the Department has had. The net realized cost of the wheat programs this past year were the highest in history, $530 million. This can be compared with gross receipts from wheat marketings last year of $1,742,000.

These costs undoubtedly would be accepted willingly if they were solving the problem.

For all commodities legally subject to formula pricing, supports are being set at the level indicated by the formula in the basic legislation. Wheat is not being singled out either for favorable or unfavorable treatment.

During this past year there have been times when wheat sold well above the loan. This is now true for some grades and classes in North Dakota. It may well be true again; the administration views price supports as a floor above which prices may be expected to rise, not as a ceiling which holds them down.

We set the support level at $1.78 because it was indicated by the law and because it is in the best longtime interest of wheat farmers.

North Dakota wheat farmers may be interested in prices received by their Canadian neighbors just across the border. There are several interesting comparisons. One is that the United States price runs more than half a dollar above the Canadian price. Another is that the United States wheat grower already knows the support price for the crop to be grown in 1958 while the Canadian wheat farmer does not yet know what he finally will receive for the crop he grew in 1955.

I know how well actions of the Department of Agriculture are publicized in this area when these actions are considered unfavorable to wheat farmers. Just for the

record, let me enumerate some of the actions the Department has taken with respect to wheat, beyond any requirements of law, which have been helpful to wheat farmers.

We cooperate with the North Dakota Agricultural Experiment Station in developing Langdon, Yuma, Ramsey, Towner, and Sentry, the new rust-resisting or rust-tolerant varieties of durum wheat now seeded in this area.

We liberalize the grade specifications for supporting wheat, permitting loans on wheat which would not ordinarily have qualified for the loan. This meant added dollars in the pockets of wheat farmers.

We purchased bins to make storage space available to wheat farmers, and provided low-cost credit for farmers to build their own storage. Thus more wheat farmers were given an opportunity to take advantage of the loan.

We have in operation a subsidy program for wheat exports which, for liberality, is not approached for any other commodity. This year we are exporting approximately 475 million bushels of wheat, the third highest level in history. Wheat exports are subsidized by the United States Government, a subsidy not required by law under present conditions but put into operation administratively by the Department of Agriculture.

We recommended, and the Congress enacted, Public Law 480, to dispose of surpluses. Under this law we have programed the export movement of more than 600 million bushels of wheat.

We put into effect a wheat-export program which utilizes the facilities of the private trade and has had the effect of boosting the domestic price of wheat.

We recommended and the Congress enacted a soil bank program. The acreage reserve part of the soil bank is a temporary, emergency program that was made necessary by the shortcomings of production controls. In effect, it pays wheat farmers for acreage reductions which, it was originally contemplated, would be made without compensation under the acreage allotment and price support program. The 1956 wheat acreage reserve program resulted in payments to North Dakota wheat farmers which totaled about $13 million. This year's wheat acreage reserve payments in North Dakota are expected to total about $21 million.

We permitted wheat farmers in drought areas to graze their wheat acreage reserve land, thus enabling them to maintain basic breeding herds.

If you do not hear enough about actions of the Department of Agriculture which are favorable to wheat farmers, it is not because these actions are nonexistent. It is because in the Northern Great Plains you are subjected to a barrage of carefully prepared propaganda. You hear most of what is bad and little of what is good. I grant everyone a full right to his own opinion. I ask only that the people study all the facts, not just one side of the story, before they form their opinions.

I shall lay before you as clearly as I can the economic and legislative situation as it pertains to wheat.

But first let me say that farm policy with respect to wheat is confronted with a new dimension. The new dimension is a revolution of farm technology. Since the beginning of World War II the man-hours needed to produce 100 bushels of wheat dropped from 67 to only 26. Yields per acre have increased around 25 percent. The onrush of technology has outmoded earlier ideas about production control and price policy. Effective restrictions on production are now virtually impossible with the type of controls acceptable in a democratic society.

The basic ideas in governing farm legislation were laid down before World War II before the technological revolution had reached anything like its present magnitude. The Agricultural Act of 1954 eliminated price support at 90 percent of parity as a mandatory requirement, but retained it as an objective. It retained all the machinery of acreage allotments and marketing quotas, with the intention of reducing the supply so as to achieve price supports at 90 percent of parity. The Agricultural Act of 1954 was a forward step, but not a very long step, toward a program that would relax restrictions on wheat farmers and regain market opportunities.

The Agricultural Act of 1956 defended the changes made in 1954 and added the soil bank. But the main ideas embodied in basic farm legislation are still the ones hammered out a quarter of a century ago to meet the problems of a general depression before the technological revolution had fully developed.

Let us see how this legislation works out for wheat in today's world.

First, what are the chances for increased wheat allotments? If 90 percent of parity remains the price-support goal, as it is at present, with rigid formulas as in the old law, it is impossible to foresee the time when total acreage allotments will exceed the 1957 level. This is the prospect in spite of the soil bank and in spite of surplus disposal programs.

A high price is not a satisfactory single objective for farm program. Farmers are interested in income which takes account of volume as well as price. It is income, not price, that farmers spend.

The prospective carryover of wheat at the end of the present marketing year is 906 million bushels. If we were not to harvest a single bushel of wheat in 1957, there would still be nearly enough for a full year's needs. The supply is so great that if it were not for the minimum national allotment the 1958 acreage would be forced down by the formula in the law to 23 million instead of 55 million acres.

When the 55-million-acre minimum allotment was originally enacted, it was expected that this would produce our domestic requirements. But, with acreage limited and price supports at an inducement level, farmers chose their best land and used modern technology to increase yields per acre. The 55-million-acre minimum now produces enough wheat for both our domestic and export needs, allowing very little opportunity to reduce surpluses.

Foreign nations, thinking about bread for their teeming millions, look at our high price and restrictions on production. They then expand wheat production even on rocky hillsides, while wheat production on our fertile prairies is prohibited. From 1925–29 to 1954–56, United States wheat production increased 18 percent, while production in the rest of the world increased 42 percent. And much of the United States production during 1954–56 went into storage or was exported with the assistance of Government programs.

Back in 1925–29, before the control program, wheat brought in 7.5 percent of cash farm receipts in the United States. After nearly a quarter century of controls and supports, this percentage had fallen to 6.1 percent.

Many wheat farms have too small an allotment to be efficient or to earn a satisfactory income. Advancing technology makes it possible—indeed, almost imperative—for small wheat farmers to increase their acreage. But this will be practically impossible so long as we restrict production in an effort to achieve a high level of price support.

And what are the chances of price supports being increased under governing legislation?

With modern methods, the 55-million-acre minimum national allotment can be expected to produce so much wheat, despite the soil bank and the surplus-disposal program, as to keep the support level far below 90 percent of parity for as far ahead as we can see.

That all this poses a serious problem for wheatgrowers, I am well aware. Wheat farmers are being subjected to the forces generated by the technological revolution. Their markets are burdened by surpluses which result at least in part from past wartime programs continued in peacetime. They produce a commodity which is declining in per capita consumption. They are sharply restricted in the acres of wheat they can grow. The prices they pay have gone up and the prices they receive have come down. Other countries have captured most of the growth in the world wheat market.

Farmers have the established right, in cooperation with Government, to undertake programs which increase the price of their products if they wish to do so. As much as any other group, they have the moral right to influence supply and price in what they deem to be their own interest. They are entitled to the sympathetic help of their Government in meeting their economic problems, the same as any other group. These rights have been fought for and have been won. I applaud and defend the victory.

My question is this: Is it wise to use their hard-won rights in behalf of a program which imposes irksome controls in an effort to reach what seems to be an unobtainable price objective? Particularly is this question appropriate with respect to a program which has lost markets and stimulated production in many countries abroad and in areas not well adapted to wheat at home.

In our present difficulties, all kinds of remedies will be put forward. Some of these remedies would make what are called production payments to wheat farmers from the Federal Treasury. Others would divide the domestic market from the world market.

Still others would move—to the degree that it can be accomplished—toward more freedom to produce and toward prices that are more competitive. Such a price would shift out of wheat production some of those areas which have other and better opportunities. It would open outlets for feed wheat. It would broaden markets generally. It would curb uneconomic expansion of wheat production abroad by indicating to foreign nations that we intend to produce wheat, and to sell it.

Together with revisions of the price-support and production-control machinery, we must continue and strengthen program to aid wheat exports, to bring about needed changes in land use, to provide needed credit, and to reduce the costs of production. Thus we can help lift the problems of the farmers who produce the staff of life.

Wheat farmers should ask themselves earnestly and honestly whether a program of restriction and scarcity can possibly mean as much to them in the long run as a program involving more freedom to plant and more freedom for market growth.

I have given you no slogans. I have promised no cure-all, no secret weapon. I have chartered no easy solution to the problems of wheat producers. There is none. Some paths are merely less difficult than others.

My counsel is this: As wheat farmers choose the path they propose to follow, they should take account of where the path leads as well as how pleasant they may find the first step.

Another chapter of the continuing debate on farm policy lies ahead of us. Debates on farm policy, like the old kerosene lamp, sometimes generate about as much heat as they do light. It is my hope that we can have a little more light and a little less heat.

Farm people are the salt of the earth. They have sound judgment. They can be trusted with the facts. The job is to see that they get them. It is of utmost importance that they do. May God speed the day when decision is based on sound judgment and sound judgment is based on fact.

SENATE

THURSDAY, MAY 9, 1957

The Senate met in executive session.

Rabbi Arthur Schneier, M. A., Congregation B'nai Jacob, Brooklyn, N. Y., offered the following prayer:

"This is the day that God has made, I will rejoice thereon."

Heavenly Father, on the 10th anniversary of my arrival on these blessed shores, after years of Nazi and Communist persecution, I lead Thy children in prayer for our country, these United States of America, the land dedicated to the sanctity of man, the invigorating spring of liberty where the oppressed may quench their thirst, the beacon of hope and faith of the enslaved in the world.

O Lord, bestow Thy blessings upon our President and Vice President and their families. May they guide our ship of state to safety through the perilous waters of the world. O God, bless the men of this sanctuary of deliberations who, by virtue of their integrity, zeal, and devotion, have been chosen as guardians of our American heritage. Imbue them with Thy spirit, so that they may labor unceasingly for the day when all Thy children will appreciate "how good and how pleasant it is when brethren dwell together in peace and unity." Let us say amen.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce:

Paul E. Burhorst, and sundry other persons, for appointment in the United States Coast Guard.

By Mr. BYRD, from the Committee on Finance:

William E. Dowling, of Michigan, to be a member of the United States Tariff Commission;

Russell E. Train, of the District of Columbia, to be judge of the Tax Court of the United States, vice Clarence P. LeMire, retired;

Bruce M. Forrester, of Missouri, to be judge of the Tax Court of the United States, vice Luther A. Johnson, retired; and

Elie N. Khouri, of New York, to be appraiser of merchandise in customs collection district No. 10, with headquarters at New York, N. Y., vice Alser J. Couri, resigned.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Public Lands Subcommittee of the Committee on Interior and Insular Affairs was authorized to meet during the session of the Senate today.

TRANSACTION OF ROUTINE BUSINESS—ORDER FOR RECESS

Mr. JOHNSON of Texas. Mr. President, as in legislative session, I ask unanimous consent that there be the usual morning hour, for the introduction of bills and the transaction of other routine business. In that connection, I ask unanimous consent that statements be limited to 3 minutes, until 12:15; and that at 12:15 the Senate take a recess, subject to the call of the Chair.

The VICE PRESIDENT. Without objection, it is so ordered.

As in legislative session, the following routine business was transacted:

HOTEL ACCOMMODATIONS IN LONDON DURING MONTHS OF JULY AND AUGUST

The VICE PRESIDENT laid before the Senate the following letter from the Assistant Secretary of State, which was ordered to lie on the table and to be printed in the RECORD:

DEPARTMENT OF STATE,
Washington, May 2, 1957.

The Honorable RICHARD M. NIXON,
President of the Senate.

DEAR MR. VICE PRESIDENT: I should appreciate it if you would kindly bring to the attention of the Members of the Senate who may be contemplating travel to Europe this summer the fact that there will be a critical hotel shortage in London during the months of July and August. The principal reason for this shortage is the scheduling of the American Bar Association's annual meeting from July 23 to July 30, and the reservation by the ABA of practically every first-class accommodation for that week as well as the preceding one. The meeting will attract a substantial number of visitors over and above the ABA members and their families, and concentrate other visitors in the weeks just before and after the meeting. Needless to say the London tourist season is at its height during the months of July and August.

The American Embassy at London is cooperating closely with the American Bar Association and with the travel agencies in an effort to secure the best assignment of accommodations to American visitors to London. However, the Embassy will definitely not be able to obtain any further first-class hotel accommodation for the last 2 weeks in July. It is accordingly suggested that Senators desiring hotel accommodations in London during this particular period address their requests directly to the American Bar Association at 1155 East 60th Street, Chicago 37, Illinois.

ROBERT C. HILL,
Assistant Secretary
(For the Secretary of State).

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED PROVISIONS PERTAINING TO EXISTING APPROPRIATIONS, FISCAL YEAR 1957, AND REVISION OF A PROPOSED SUPPLEMENTAL AUTHORIZATION (S. Doc. No. 36)

A communication from the President of the United States, transmitting proposed provisions pertaining to existing appropriations for the fiscal year 1957 and a revision of a proposed supplemental authorization (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

REPORT ON COOPERATION WITH MEXICO IN CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE

A letter from the Assistance Secretary of Agriculture, reporting, pursuant to law, that there have been no significant developments during the month of April relating to the cooperative program of the United States with Mexico for the control and eradication of foot-and-mouth disease; to the Committee on Agriculture and Forestry.

PROPOSED TERM RETENTION CONTRACTS FOR CERTAIN RESERVE OFFICERS

A letter from the Secretary of Defense, transmitting a draft of proposed legislation to authorize term retention contracts for Reserve officers and for other purposes (with an accompanying paper); to the Committee on Armed Services.

CONSTRUCTION PROGRAM OF NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS—PROPOSED AMENDMENTS TO H. R. 3377

A letter from the Director, National Advisory Committee for Aeronautics, Washington, D. C., transmitting proposed amendments to the bill, H. R. 3377, authorizing the NACA's construction program for the fiscal year 1958 (with an accompanying paper); to the Committee on Armed Services.

AMENDMENT OF PUBLIC LAW 565, RELATING TO PER DIEM ALLOWANCES FOR MEMBERS OF UNITED STATES NATIONAL COMMISSION FOR UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION

A letter from the Acting Secretary of State, transmitting a draft of proposed legislation to amend the act providing for membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization to provide for uniform per diem allowances, and for other purposes (with accompanying papers); to the Committee on Foreign Relations.

MESSAGE FROM PRESIDENT OF NATIONAL ASSEMBLY OF VIETNAM

A letter from the Assistant Secretary of State, transmitting a message received from the President of the National Assembly of Vietnam; to the Committee on Foreign Relations.

PROPOSED REQUIREMENT OF PILOTS ON CERTAIN VESSELS NAVIGATING WATERS OF THE GREAT LAKES

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to require pilots on certain vessels navigating United States waters of the Great Lakes, and for other purposes

(with accompanying papers); to the Committee on Interstate and Foreign Commerce.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Public Works:

"House Concurrent Resolution 47

"Concurrent resolution requesting the Congress of the United States of America to enact legislation creating the Hawaii Defense Highway System

"Whereas the Federal Aid Highway Act of 1956 has imposed on the motorists of the Territory of Hawaii new and higher taxes estimated at $2 million a year; and

"Whereas most of such new and higher taxes in the form of national highway revenues will go into the Interstate Highway System, and the various States will participate in and be eligible for such Federal highway benefits at the rate of 9 Federal dollars for every 1 local dollar; and

"Whereas the Territory, as an offshore area, has not been allotted mileage on this national network of strategic highways; and

"Whereas the Territory has no "interstate" highways as such, but it is nevertheless an important military base with highways vital to the proper defense of the United States; and

"Whereas military leaders stationed in the Territory have endorsed special Federal aid to the Territory's strategic highways; and

"Whereas a measure was introduced in the 84th Congress designed to create a Hawaii Defense Highway System, eligible for Federal aid on the same 9-to-1 matching basis; and

"Whereas the Federal Aid Highway Act of 1956 did not receive passage until the last days of the session, and the 84th Congress adjourned unfortunately without enacting the measure introduced providing for the Territory; and

"Whereas work is now in progress for the expansion and development of the Kawaihae harbor in the county of Hawaii for both military and civilian uses; and

"Whereas the highway leading from Kawaihae Harbor in west Hawaii to Hilo Harbor in east Hawaii, by way of the Saddle Road, in the county of Hawaii is a strategic defense highway in every sense of the term; and

"Whereas to secure equal and fair treatment for the Territory under the Nation's multi-million-dollar highways-for-defense program is today the Territory's biggest highway legislative problem: Now, therefore, be it

"Resolved by the House of Representatives of the 29th Legislature of the Territory of Hawaii (the Senate concurring), That the Congress of the United States of America be and it hereby is respectfully requested to enact legislation which will create a Hawaii Defense Highway System elegible for Federal aid on a 9-to-1 matching basis and to include as part of the Hawaii Defense Highway System, the construction of a defense highway from Kawaihae Harbor to Hilo Harbor, by way of the Saddle Road, in the county of Hawaii of the Territory; and be it further

"Resolved, That certified copies of this concurrent resolution, upon its adoption, be forwarded forthwith to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, to the Secretary of the Department of Interior, to the Secretary of the Department of Defense, and to the Delegate of the Territory to the Congress."

A joint resolution of the Legislature of the State of Illinois; to the Committee on Public Works:

"Senate Joint Resolution 33

"Whereas the use of the Illinois-Mississippi Canal and Lake Sinnissippi has been abandoned as a commercial waterway by the Federal Government for more than 6 years and during that time the canal has been allowed to deteriorate so that it presently is a menace to surrounding farmland; and

"Whereas the Department of Conservation of the State of Illinois was authorized by the 69th general assembly to accept title from the Federal Government to the area comprising the Illinois-Mississippi Canal and Lake Sinnissippi for the purpose of maintaining and operating the area as a State park, such authorization being created in 'An act in relation to the acquisition of the Illinois and Mississippi Canal and the use and administration thereof as a State park'; and

"Whereas proposed Federal legislation enabling the United States Corps of Engineers to rehabilitate the area and authorizing the transfer of title to the area after such rehabilitation to the State of Illinois is now included as one of several items in the so-called public works omnibus bill (S. 497); and

"Whereas several aspects of the public works omnibus bill not relating to the Illinois-Mississippi Canal and Lake Sinnissippi project are opposed by the national administration; and

"Whereas the result of opposition by the administration may be a veto of the public works omnibus bill which will cause the loss of the area to the State of Illinois; and

"Whereas several Members of Congress from Illinois have introduced bills which provide for the rehabilitation of the Illinois-Mississippi Canal and Lake Sinnissippi and the conveyance thereof to the State of Illinois independent from other projects, some of which independent bills are S. 134, H. R. 87, and H. R. 784, and there is likelihood of such an independent bill receiving approval from Congress and the administration; and

"Whereas if the area is not rehabilitated by the United States Corps of Engineers and then conveyed to this State for maintenance and operation as a State park, there will be an immessurable loss of recreational facilities to the people of this State: Therefore be it

"Resolved by the Senate of the 70th General Assembly of the State of Illinois (the House of Representatives concurring herein), That Congress is respectfully requested to pass a bill dealing solely with the Illinois-Mississippi Canal and Lake Sinnissippi project, such bill to include the following: (1) An appropriation of $2 million for the rehabilitation of the area as outlined in conversion plan 2 of the Rock Island District of the United States Army Corps of Engineers; (2) transfer of title to the area to the Department of Conservation of the State of Illinois; and be it further

"Resolved, That a suitable copy of this resolution be forwarded by the secretary of state to the following: The President of the United States Senate; the Speaker of the United States House of Representatives; Hon. Fred Seaton, Secretary of the Interior; and each Member of Congress from the State of Illinois.

"Adopted by the senate April 23, 1957.

"JOHN WM. CHAPMAN,
"President of the Senate.
"EDWARD E. FERNANDES,
"Secretary of the Senate.

"Concurred in by the house of representatives, April 25, 1957.

"WARREN L. WARD,
"Speaker of House of Representatives.
"FRED W. RUEGG,
"Clerk of House of Representatives."

A letter in the nature of a petition from Rudolf F. Kahn, of Newton Center, Mass., relating to the late Senator Joseph R. McCarthy; ordered to lie on the table.

JOINT RESOLUTION OF DELAWARE LEGISLATURE

Mr. FREAR. Mr. President, by request, I present for appropriate reference, Senate Joint Resolution 4, adopted by the 119th General Assembly of the State of Delaware, urging the Congress to repeal excise taxes presently levied on the transportation of persons and property.

There being no objection, the joint resolution was referred to the Committee on Finance, and, under the rule, ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 4

Resolution urging Congress to repeal excise taxes on transportation

Whereas for the purpose of meeting wartime emergency necessity, the Congress of the United States enacted as excise taxes a levy upon the transportation of persons and property; and

Whereas one of the principal purposes of levying such tax upon the transportation of persons was to discourage unnecessary wartime travel; and

Whereas today 11 years after the cessation of hostilities there continues a 10 percent levy on the transportation of persons and a 3 percent levy on the transportation of property; and

Whereas it is the opinion of the General Assembly of the State of Delaware that excise taxes should not impose an unfair burden on the long-distance shipper and the long-distance traveler as does the present tax on the transportation of property and persons; and

Whereas it should be a principle of Federal taxation to levy taxes in such a manner as to prevent them from falling as an unequal burden on citizens residing in different areas of the country; and

Whereas the State of Delaware is particularly interested in protecting and developing its vacation and tourist travel on an equal basis with other vacation travel areas; and

Whereas the transportation of both persons and property plays such a vital role in the economic life of this country to the extent that the costs of transportation should always be kept at the lowest possible level; and

Whereas transportation is in no sense a luxury but is a vital necessity and there is, therefore, sound reason for distinguishing between the transportation taxes and other excise taxes that are imposed upon luxury items; and

Whereas it is the opinion of the General Assembly of the State of Delaware that the best interest of the country would be served by a repeal of the transportation taxes; and

Whereas there is presently pending before the Congress of the United States legislation which would repeal the tax on transportation of property and which would repeal the tax on transportation of persons: Now, therefore, be it

Resolved by the General Assembly of the State of Delaware, That it shall be the manifest expression of this body that the discriminatory and burdensome Federal excise taxes upon the transportation of persons and property should be repealed.

By Mr. CASE of New Jersey:

A concurrent resolution of the Legislature of the State of New Jersey; to the Committee on Finance:

"Senate Concurrent Resolution 27

"A concurrent resolution memorializing the Congress of the United States to amend the Internal Revenue Code so as to extend the 'conduit theory' to regulated investment companies that hold their assets in State and local securities

"Whereas the New Jersey Legislature created pursuant to Senate Concurrent Resolution No. 2, a 6-member bipartisan legislative commission, known as the School Bond Interest Rate Study Commission, for the purpose of making recommendations as to what, if anything, can be done to assist New Jersey school districts in obtaining lower interest rates on their new issues of school construction bonds; and

"Whereas President Eisenhower in his economic report of January 23, 1957, to the Congress stated:

" 'The expenditures of State and local governments are now about half those of the Federal Government, and their recent rate of increase has been considerably higher. * * * Financial considerations * * * may require some rescheduling of proposed projects, since State and local governments with large borrowing requirements have already encountered heavy competing demands in the capital markets. Some improvement in the ability of these governmental units to finance their projects would result from an amendment of the Internal Revenue Code to extend the "conduit principle" to regulated investment companies that hold their assets in State and local securities. The amendment, which would involve no loss of revenue, would permit regulated investment companies of this type to pass through to their stockholders the tax-exempt status of the income received on State and local securities. The Congress is requested to enact legislation to accomplish this result'; and

"Whereas the aforementioned New Jersey School Bond Interest Rate Study Commission has concluded that an amendment to the Internal Revenue Code in the manner recommended by the President, would increase the demand for bonds of New Jersey school districts and then tend to reduce interest rates; and

"Whereas Congressional action in this regard is already being, or is about to be, sponsored by Members of Congress; Now, therefore, be it

"Resolved by the Senate of the State of New Jersey (the General Assembly concurring), That—

"1. The Congress of the United States is hereby memorialized to amend the Internal Revenue Code so as to permit regulated investment companies to pass through to their stockholders the tax-exempt status of the income received on State and local securities.

"2. The president of the senate is hereby directed to transmit immediately following the passage of this concurrent resolution a copy thereof, properly authenticated, to the respective Presiding Officers of the United States Senate and the House of Representatives and to each of the Senators and to all of the Representatives of the State of New Jersey in the Congress.

"I hereby certify that the above is a true and correct copy of a resolution adopted by the senate and conurred in by the general assembly.

"HENRY H. PATTERSON,
"Secretary of the Senate."

RESOLUTIONS OF IZAAK WALTON LEAGUE

Mr. WILEY. Mr. President, I have been pleased to receive from that great organization, the Izaak Walton League of America, defenders of our soil, water, woods, and wildlife, a series of resolutions which had been adopted by the league in its annual convention last month.

These resolutions bear on such vital issues as surveying our recreation resources, perpetuating our magnificent wilderness resource, battling against the pollution of air and water—an issue which I have discussed on many occasions on the Senate floor—protecting Indian land, coordinating wet-dry land uses, and improving the Water Development Coordination Act.

I know these resolutions will be of interest to my colleagues, and I hope they will result in action at the appropriate time.

I present the resolutions and ask unanimous consent that they be printed in the RECORD and appropriately referred.

There being no objection, the resolutions were received and appropriately referred, and ordered to be printed in the RECORD, as follows:

To the Committee on Agriculture and Forestry:

RESOLUTION 11, COORDINATION OF WET-DRY LAND ISSUES

Whereas the Federal Government:

1. Is with one hand encouraging wet-land drainage and with the other hand encouraging wet-land restoration, both by Federal subsidy,

2. And is with one hand encouraging withdrawal of land from agricultural production and with the other hand encouraging development of new agricultural acreage, both by Federal subsidy: Therefore be it

Resolved by the Izaak Walton League of America, Inc., in 35th annual convention assembled this 6th day of April 1957 in Washington, D. C., That the Congress of the United States be urged to bring coordination to these opposite programs; and more specifically be urged to desist from encouraging wet-land drainage and from encouraging increase in agricultural acreage.

To the Committee on Interior and Insular Affairs:

RESOLUTION 2, RECREATION RESOURCES SURVEY

Whereas outdoor recreation is a vital and integral part of our civilization and an essential component of the American way of life; and

Whereas the base upon which all outdoor recreation depends is threatened by increased pressures of population, urbanization, industrialization, and increasingly intensified development of all resources; and

Whereas sound planning for the development and perpetuation of outdoor recreational resources and opportunities requires (1) a complete and scientific inventory and evaluation of what outdoor recreation resources remain, and (2) what resources will be required to meet the recreation opportunity needs of a vastly increased population in the future; and

Whereas a distinguished and bipartisan group in the Congress of the United States has sponsored legislation initiated by the Izaak Walton League of America, Inc., to accomplish these objectives: Therefore be it

Resolved by the Izaak Walton League of America, Inc., in 35th annual convention assembled this 6th day of April 1957, in Washington, D. C., That we commend the sponsors of this legislation, who are Senators CLINTON P. ANDERSON, JAMES E. MURRAY, ARTHUR V. WATKINS, JOHN A. CARROLL, FRANK A. BARRETT, THOMAS H. KUCHEL, GORDON ALLOTT, RICHARD L. NEUBERGER, and KARL E. MUNDT, and Representatives WAYNE N. ASPINALL, JOHN P. SAYLOR, LEE METCALF, CLAIR ENGLE, JOHN J. RHODES, GRACIE PFOST, and CHARLES O. PORTER; and be it further

Resolved, That the Izaak Walton League of America, Inc., respectfully requests the favorable consideration of this legislation by the President of the United States, by the Congress, and by the executive departments, in order that prompt action may be taken to get the outdoor recreation resources review underway; and be it finally

Resolved, That the national president of the Izaak Walton League of America, Inc., appoint, within 30 days after the close of this convention, a committee to take all practical steps necessary to implement this resolution and to bring it to the attention of all persons and groups important to affirmative action upon its provisions, said committee to report at the 1958 national convention of the Izaak Walton League of America, Inc., or before, as required.

RESOLUTION 3, WILDERNESS PERPETUATION

Whereas the protection and perpetuation of wilderness was a major resource conservation principle upon which the Izaak Walton League of America, Inc., was founded; and

Whereas the Izaak Walton League, from its earliest days, has steadfastly supported programs at national, State, and local levels for the protection and perpetuation of wilderness; and

Whereas the wilderness system developed within our national forests, national parks, wildlife refuges, Indian reservations, and public domain has demonstrated its broad public value in the land management programs of the Federal Government; and

Whereas pressures are multiplied on the remaining wilderness by spiraling population, expanding urbanization, industrialization, and increasingly intensive development of all resources for commercial benefit, which inevitably will encroach upon it to its permanent detriment and loss unless wilderness preservation is adopted as an important and beneficial component of sound land management policy and programs: Therefore be it

Resolved by the Izaak Walton League of America, Inc., in 35th annual convention assembled this 6th day of April 1957, in Washington, D. C., That the Congress of the United States of America respectfully be urged to enact legislation which shall adopt as a national policy, in the interests of all people of this and succeeding generations, the protection and perpetuation of our remaining areas of wilderness as a part of the total land-management programs of executive departments administering the Federal public lands.

RESOLUTION 6, EXPLOITATION OF INDIAN LANDS

Whereas the Congress of the United States, in the exercise of its plenary powers over Indians and Indian property, has enacted legislation to terminate Federal control and responsibility over a number of Indian tribes and their property; and

Whereas this legislation was enacted without due consideration to conservation values involved and to the economic and social effects; and

Whereas such important areas of forest and recreational lands as now exist in the Menominee Indian Reservation in Wisconsin and the Klamath Indian Reservation in Oregon, and others, are now threatened with imminent exploitation which would destroy not only their value to the tribes concerned but to the surrounding communities and also the national welfare: Therefore, be it

Resolved by the Izaak Walton League of America, Inc., in 35th annual convention assembled this 6th day of April 1957, in Washington, D. C., That the President of the United States and the Congress respectfully be urged to grant sufficient time for adequate surveys and carefully considered solutions for the various economic, social, and conservation problems involved, and that H. R. 6322, deferring for a period of 2 years the effective date of termination of Federal control over the Menominee Indians be enacted, and that S. 469, deferring the sale of Klamath tribal property until the end of the next session of the Congress, as favorably reported by the Subcommittee on Indian Affairs of the House Committee on Interior and Insular Affairs, be enacted; and be it further

Resolved, That copies of this resolution be sent to the President of the United States, to the Secretary of Interior, and to the chairmen of all appropriate committees of the Congress.

To the Committee on Interstate and Foreign Commerce:

RESOLUTION 14, AMENDMENT OF WATER DEVELOPMENT COORDINATION ACT

Whereas Public Law 732, also known as the Coordination Act of August 1946, is a law which provides for protection of fish and wildlife values affected by federally licensed water-development projects; and

Whereas this law has defects which long have caused concern to the Izaak Walton League and informed conservation-minded persons; and

Whereas the Secretary of the Interior, after conferences with the Izaak Walton League, with other conservation organizations, and with various State game and fish departments, has proposed amendments to Public Law 732 which would:

1. Make provisions of the law retroactive to projects authorized prior to August 1946 when the act became effective;

2. Provide for land acquisition for recreational purposes adjacent to such projects;

3. Provide for inclusion of measures to enhance fish and wildlife potentials as well as to prevent fish and wildlife losses;

4. Provide for inclusion of plans and appropriations for fish and wildlife purposes in original project proposals, and require submission of such plans as integral features of reports to the Congress on such projects;

5. Extend coverage of the act to projects receiving Federal technical services; and

Whereas all of these aims are in accord with established policies of the Izaak Walton League: Therefore be it

Resolved, That the Izaak Walton League of America, Inc., in 35th annual convention assembled this 6th day of April 1957, in Washington, D. C., do support and endorse amendment of Public Law 732 as set forth in accordance with the explanation set forth above.

To the Committee on Public Works:

RESOLUTION 5, ATMOSPHERIC POLLUTION

Whereas air is a natural resource necessary to human existence; and

Whereas it is being demonstrated that this element is subject to pollution from such general sources as industrial, residential, and commercial gaseous wastes, and is further subject to pollution from such specific sources as chemical sprays and dusts used as pesticides and as weed and shrub inhibitors; and

Whereas such atmospheric pollution can be inimical to every form of desirable life, including human life: Therefore be it

Resolved by the Izaak Walton League of America, Inc., in 35th annual convention assembled this 6th day of April 1957, in Washington, D. C., That the governing policy of the Izaak Walton League of America, Inc., be broadened to include opposition to any and all forms of harmful atmospheric pollution.

RESOLUTION 8, POLLUTION CONTROL FUNDS

Whereas the Izaak Walton League of America, Inc., has, throughout its history, consistently supported and promoted sound anti-pollution programs and legislation at all levels of government; and

Whereas our rapidly increasing population, as well as expansion of industry and all other human activity, is aggravating the pollution problem at alarming rate, requiring accelerated rather than diminished pollution abatement efforts, and on nationwide scope; and

Whereas the Izaak Walton League of America, Inc., strongly supported the pollution control program adopted by the United States Congress in 1956 as Public Law 660; therefore be it

Resolved, That the Izaak Walton League of America, Inc., in 35th annual convention assembled this 6th day of April 1957, in Washington, D. C., strongly recommends to the Congress of the United States of America the continuance, both in function and intent, of the provisions of Public Law 660, and the provision of adequate funds to accomplish this purpose.

RESOLUTIONS OF KANSAS BAR ASSOCIATION

Mr. CARLSON. Mr. President, the Kansas Bar Association at its recent meeting in Wichita adopted the following resolutions:

First, they went on record favoring the creation of a third judgeship of the United States District Court for the State of Kansas.

Those of us who are familiar with the Federal court docket in Kansas appreciate the need for this, and I trust the Senate will soon have an opportunity to vote on a bill creating a new court.

The second resolution requests that a Kansan be considered for appointment to fill the vacancy, as a result of the resignation of the Honorable Walter A. Huxman, on the United States Court of Appeals for the 10th Circuit.

Third, the bar association of the State went on record recommending passage of the Jenkins-Keogh bill, which is now under consideration in the House Ways and Means Committee.

I ask unanimous consent that these resolutions be printed in the RECORD, and referred to the proper committees.

There being no objection, the resolutions were received, appropriately referred, and ordered to be printed in the RECORD, as follows:

To the Committee on the Judiciary:

Whereas there is now pending before Congress an act to establish a third judgeship of the United States District Court for Kansas; and

Whereas since the pendency of such legislation the work of said United States District Court has continued to increase despite the untiring work and long hours and efforts of our present two district judges: Now, therefore

The Bar Association of the State of Kansas strongly urges the immediate enactment of such legislation to the end that a third Federal judgeship will be created for the State of Kansas.

In witness whereof, I have hereunto set my hand. Done in Wichita, Kans., this 27th day of April 1957.

O. B. EDSON,
President, the Bar Association of the State of Kansas.

Attest:

JOHN W. SHUART,
Executive Secretary.

Whereas a vacancy exists on the United States Circuit Court of Appeals for the 10th circuit by reason of the retirement of the Honorable Walter A. Huxman: and

Whereas the State of Kansas contributes substantially to the business of said court: Now, therefore

The Bar Association of the State of Kansas requests and petitions the Honorable ANDREW F. SCHOEPPEL and the Honorable FRANK C. CARLSON, the United States Senators from Kansas, to use their good offices to the end that the vacancy now existing be filled or given to a resident lawyer from the State of Kansas.

In witness whereof, I have hereunto set my hand. Done in Wichita, Kans., this 27th day of April 1957.

O. B. EDSON,
President, the Bar Association of the State of Kansas.

Attest:

JOHN W. SHUART,
Executive Secretary.

To the Committee on Finance:

Be it resolved by the Bar Association of the State of Kansas, That this association recommend passage of the Jenkins-Keogh bill currently under consideration, and that appropriate notice of this resolution by the association be communicated to the Senators and Congressmen from Kansas and to the members of the Congressional committees who have the matter under consideration.

In witness whereof, I have hereunto set my hand. Done in Wichita, Kans., this 27th day of April 1957.

O. B. EDSON,
President, the Bar Association of the State of Kansas.

Attest:

JOHN W. SHUART,
Executive Secretary.

PRESERVATION OF OLD HURON CEMETERY, KANSAS CITY, KANS., AS A NATIONAL MONUMENT—RESOLUTION

Mr. CARLSON. Mr. President, I have received a copy of a resolution adopted by the United States Daughters of 1812 in their State council meeting, urging that the old Huron Cemetery in Kansas City be made a national monument.

Early in this session I introduced a bill providing that this outstanding historic site be preserved for future generations, as it is one of the old historic cemeteries in the State of Kansas.

It is important for the preservation of this cemetery that action be taken at an early date, and it is my hope that the Committee on Interior and Insular Affairs will report the bill in the very near future.

I present the resolution and ask unanimous consent that it be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

NATIONAL SOCIETY UNITED STATES DAUGHTERS OF 1812,
Wichita, Kans., April 30, 1957.

Senator FRANK CARLSON,
Washington, D. C.

DEAR SIR: The United States Daughters of 1812 in State council at Newton, Kans., March 30, 1957, adopted the following resolution:

"Whereas the United States Daughters of 1812, Kansas Society, is a patriotic organization, one of whose purposes is the preservation of the graves of the soldiers of the War of 1812; and

"Whereas it has been proposed that the old Huron Cemetery in Kansas City be made a national monument; and

"Whereas there is a grave of a soldier of the War of 1812 in this cemetery: Therefore be it

"*Resolved by the Kansas Society of the Daughters of 1812 in State council assembled at Newton, Kans., March 30, 1957*, That the Kansas representatives in Congress be requested to support the bill, and that a copy of this resolution be sent to the representatives."

Respectfully yours,

MARY M. MEARS,
(Mrs. R. B.)
State Corresponding Secretary.

AMENDMENT OF ATOMIC ENERGY ACT OF 1954, AS AMENDED—REPORT OF A COMMITTEE

Mr. ANDERSON. Mr. President, from the Joint Committee on Atomic Energy, I report an original bill, to amend the Atomic Energy Act of 1954, as amended, and for other purposes, and I submit a report (No. 296) thereon.

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar.

The bill (S. 2051) to amend the Atomic Energy Act of 1954, as amended, and for other purposes, was read twice by its title, and placed on the calendar.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GREEN:

S. 2043. A bill for the relief of Genoveffa Migliozzi; to the Committee on the Judiciary.

S. 2044. A bill to amend the Civil Service Retirement Act to increase to 2½ percent the multiplication factor for determining annuities for certain Federal employees engaged in hazardous duties; to the Committee on Post Office and Civil Service.

By Mr. WILLIAMS:

S. 2045. A bill for the relief of Filomena Ciabattoni, Francesco Ciabattoni, and Corradina Ciabattoni; to the Committee on the Judiciary.

By Mr. MARTIN of Pennsylvania:

S. 2046. A bill for the relief of Gisela S. Hopkins; to the Committee on the Judiciary.

By Mr. NEUBERGER (for himself and Mr. MORSE):

S. 2047. A bill to provide for the acquisition by the United States of all tribal lands of the Klamath Tribe of Indians; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. NEUBERGER when he introduced the above bill, which appear under a separate heading.)

By Mr. BYRD:

S. 2048. A bill for the relief of Rosanna Nannipieri Harper; to the Committee on the Judiciary.

By Mr. SMITH of New Jersey:

S. 2049. A bill for the relief of Gina Knezevic, also known as Gina Knezevic Slodojevic; to the Committee on the Judiciary.

By Mr. PURTELL:

S. 2050. A bill to provide for promotion by merit of employees in the postal service and to establish uniform procedures for examination and appointment of candidates for promotion to supervisory positions; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. PURTELL when he introduced the above bill, which appear under a separate heading.)

By Mr. ANDERSON:

S. 2051. A bill to amend the Atomic Energy Act of 1954, as amended, and for other purposes; placed on the calendar.

(See the remarks of Mr. ANDERSON when he reported the above bill, which appear under a separate heading.)

By Mr. KERR:

S. 2052. A bill for the relief of Heinz Farmer; to the Committee on the Judiciary.

By Mr. KERR (for himself and Mr. MONRONEY):

S. 2053. A bill to authorize the construction, operation, and maintenance of the Canton project, Oklahoma, by the Secretary of the Interior; to the Committee on Interior and Insular Affairs.

By Mr. COOPER:

S. 2054. A bill for the relief of Glen R. Bryant; to the Committee on the Judiciary.

By Mr. JOHNSON of Texas:

S. J. Res. 89. Joint resolution to authorize and request the President to proclaim 1 week each year as National Junior Achievement Week; to the Committee on the Judiciary.

By Mr. SMATHERS (for himself and Mr. COTTON):

S. J. Res. 90. Joint resolution to authorize the Secretary of Commerce to sell certain coal-burning vessels to certain citizens of the Federal Republic of Germany; to the Committee on Interstate and Foreign Commerce.

By Mr. COOPER:

S. J. Res. 91. Joint resolution placing certain individuals who served in the Armed Forces of the United States in the Moro Province, including Mindanao, and in the islands of Leyte, Luzon and Samar, after July 4, 1902, and their survivors, in the same status as those who served in the Armed Forces during the Philippine Insurrection and their survivors; to the Committee on Finance.

ACQUISITION OF TRIBAL LANDS OF THE KLAMATH TRIBE OF INDIANS

Mr. NEUBERGER. Mr. President, Public Law 587, 83d Congress, approved August 13, 1954, provided for the termination of Federal supervision over the property of the Klamath Tribe of Indians located in the State of Oregon and the individual members thereof. Section 5 of the law authorized the Secretary of the Interior to select and contract with qualified management specialists to perform the following duties:

First. Cause an appraisal to be made of all tribal property showing its fair market value by practical logging or other appropriate economic units.

Second. Give each adult member of the tribe an opportunity to withdraw from the tribe and have his interest in tribal property converted into money and paid to him, or to remain in the tribe and participate in a management plan.

Third. Determine and select the portion of the tribal property which, if sold at the appraised value, would provide sufficient funds to pay the members who elect to have their interests converted into money, arrange for the sale of such property, and distribute the proceeds of sale among the members entitled thereto.

Fourth. Cause a plan to be prepared in form and content satisfactory to the tribe and to the Secretary for the management of tribal property retained by those persons who remain in the tribe. This management plan would be carried on under a trustee, or by the tribe operating as a corporation or other legal entity.

The foregoing actions must be completed by March 31, 1958.

At the time the termination bill was passed, I expressed grave and serious doubts over the basic policy involved—although I was then a writer and a member of the Oregon State Senate, rather than a Member of this body. I felt that the termination legislation was too precipitate, that it had been hastily conceived, and that it gave scant forethought to the fate not only of the Indians, but of the natural resources on the reservation.

NATURAL RESOURCES MUST BE SAVED FROM DESTRUCTION

But the 83d Congress enacted the bill and President Eisenhower signed it. The bill became the law of the land. It is still the law of the land. Our task now is to try to make the best of a bad bargain, and to do what we can for the welfare of the Indians, for the economy of the Klamath Basin, and for the permanent and enduring preservation of priceless resource values. As Chairman of the Indian Affairs Subcommittee, I pledge myself and my utmost efforts to those goals.

The forests of the Klamath Reservation contain approximately 3,800 million board feet of tribally owned ponderosa and sugar pine timber growing on 590,000 acres classed as commercial timberland. This tribal forest, which has been operated under sustained-yield management for many years, represents approximately 90 percent of the assets of the Klamath Indians.

The Committee on Interior and Insular Affairs and its Subcommittee on Indian Affairs held hearings on May 21 and October 18, 1956, both in Washington, D. C., and Klamath Falls, Oreg., on the subject of the Klamath Termination Act. Testimony received from members of the Klamath Tribe, from the management specialists, from representatives of the Department of the Interior, and from interested citizens reflected great concern about the workability of the termination program. Of particular interest to the committee were the results of the studies conducted by and under the direction of the management specialists which indicate that 70 percent of the

Klamath Indians will elect to withdraw from tribal membership. In order to satisfy the claims of the withdrawees, it is estimated that the provisions of section 5 of Public Law 587 may require the sale of almost 2.7 billion board feet of sawtimber during a period of less than 1 year. These sales would undoubtedly glut the timber market in the Klamath Basin, bring greatly reduced stumpage prices to the Indians, and virtually destroy a sustained-yield forest capable of furnishing millions of board feet of timber annually.

BILL HAS PASSED SENATE TO DEFER LIQUIDATION

The damage to the watershed, to wildlife and waterfowl and to lasting forest management under such circumstances would be unthinkable.

It was obvious to the committee that an amendment to extend the final termination date was necessary and, in addition, that other corrective measures were desirable in order to carry out the termination in a manner which will safeguard the interests of the Indians and the community in which they live.

In January of this year I introduced, on behalf of my colleague, the senior Senator from Oregon [Mr. MORSE], and myself, Senate bill 469, which provided, among other things, that the sales of tribal property would be delayed until the end of the 2d session of the 85th Congress. Senate bill 469 has passed the Senate and I trust will shortly be acted upon by the House, although some House amendments to it are disturbing and inadvisable, as I see it.

By postponing the sales of Klamath timberlands, Congress will afford itself an opportunity to consider alternative means of protecting the economy and preserving good conservation practices in the Klamath River Basin. One alternative which has been suggested by the management specialists, and by many interested groups in Oregon, is that the Federal Government purchase all of the Klamath tribal property, and provide for continued sustained-yield management of the tribal forest. I may say that I, too, believe this procedure to be in the best interests of all parties concerned. Therefore, I am today introducing proposed legislation on behalf of my colleague, the senior Senator from Oregon [Mr. MORSE] and myself, designed to accomplish the following purposes:

First. Provide for purchase by the Secretary of the Interior of all Klamath tribal lands at the fair market value thereof.

Second. Establish a 3-man appraisal board to determine the fair market value of the tribal lands and report to the Interior Committees of each Chamber during the 85th Congress its findings.

Third. Transfer the timberlands, upon acquisition, to the Forest Service of the Department of Agriculture for consolidation and management by that agency, as national-forest lands.

Fourth. Provide that lands, other than timberlands, shall be sold on a competitive-bid basis with a priority right for the members of the tribe to purchase such lands.

Fifth. Provide for the administration of the 70,000-acre Klamath marsh by the Fish and Wildlife Service of the Department of the Interior, for waterfowl sanctuary and nesting purposes.

Sixth. Authorize necessary appropriations to carry out the terms of the act and provide for payment to the individual Indians, within 1 year after Federal acquisition, their pro rata share of the purchase price of the tribal property.

In view of the relatively short time remaining in the Klamath terminal program, I believe it is essential this legislation be introduced, and that the views of the administration, the Indians, and conservation groups be obtained through early hearings, so that Congress may enact a bill which will conserve the very substantial pine forests on the reservation for future generations, and, at the same time, provide fair payment to the Indians for their assets.

FAIR TREATMENT FOR INDIANS MUST BE A MAJOR GOAL

As a conservationist and as a lifelong resident of the State of Oregon, I feel that this proposed legislation is urgently necessary. To cut adrift the great Ponderosa pine forest, to say nothing of abandoning the irreplaceable marshlands, would be to default on all our obligations to future generations of people not only in Oregon, but throughout the Nation. We are merely the temporary custodians of resources such as this. They are not ours to surrender for utter destruction and exploitation. I believe the solution posed in our proposed bill will secure the maximum possible price for the Indians of the Klamath Tribe, without sacrificing to cut-out-and-get-out methods of logging these vast solitudes of pine timber. Surely, the Congress of the United States and the President of the United States cannot fail to join with us in such an objective.

Furthermore, I want to express here my full confidence that, once the Indian stumpage is added to contiguous national forests, it will be managed with ability and with faithfulness to sound conservation and marketing principles by the dedicated officials and personnel of the United States Forest Service.

Mr. President, I introduce a bill to provide for the acquisition by the United States of all tribal lands of the Klamath Tribe of Indians, with the request that the bill be printed in the RECORD following my remarks, and that it be appropriately referred.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2047) to provide for the acquisition by the United States of all tribal lands of the Klamath Tribe of Indians, introduced by Mr. NEUBERGER (for himself and Mr. MORSE), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) section 2 of the act entitled "An act to provide for the termination of Federal supervision over the property of the Klamath Tribe of Indians located in the State of Oregon and the individual members thereof, and for other purposes", approved August 13, 1954 (68 Stat. 718), is amended by striking out paragraphs (d) and (e) of such section and inserting in lieu thereof the following:

"(d) 'Tribal property' means any personal property, or any interest in personal property, that belongs to the tribe and either is held by the United States in trust for the tribe or is subject to a restriction against alienation imposed by the United States.

"(e) 'Adult' means a person who is an adult according to the law of the place of his residence.

"(f) 'Tribal lands' mean any real property, interests therein, or improvements thereon, including timber and water rights, which belong to the tribe and either is held by the United States in trust for the tribe or is subject to a restriction against alienation imposed by the United States."

(b) The first paragraph of subsection (a) of section 5 of such act is amended by striking out "by practicable logging or other appropriate economic units."

(c) Section 12 of such act is amended by striking out "transfer of title to tribal property to a trustee, corporation, or other legal entity pursuant to section 6 of this act" and inserting in lieu thereof "acquisition by the Secretary of the tribal lands referred to in this act."

(d) Such act is amended by adding at the end thereof the following new sections:

"SEC. 27. Notwithstanding any other provision of this act, the Secretary shall purchase from the Klamath Indian Tribe all tribal lands of such tribe at the fair market value thereof as determined in accordance with the provisions of section 28 of this act.

"SEC. 28. (a) There is hereby established an appraisal board to be composed of three qualified appraisers who have had wide experience in the valuation of timberlands, agricultural lands, and grazing lands, one of whom shall be appointed by the Secretary of the Interior and one of whom shall be appointed by the Secretary of Agriculture. The third member of the board shall be elected by the Klamath Tribe by popular vote of the enrolled adult members of the Klamath Tribe taken by secret ballot.

"(b) It shall be the duty of the appraisal board to determine the fair market value of all tribal lands of the Klamath Tribe, and to report to the Committee on Interior and Insular Affairs of each House of the Congress during the 85th Congress the results of such determination. Such report shall be submitted to both committees on the same day. In the event of disagreement among members of the appraisal board as to the fair market value, such value shall be determined by a majority of the board.

"(c) The appraisal provided for under this section shall become effective upon the expiration of a period of 60 calendar days of continuous session of the Congress following the date on which the appraisal board reports to such committees the results of its determination in accordance with the provisions of this section. For the purposes of this section—

"(1) continuity of session shall be considered as broken only by an adjournment of the Congress sine die; but

"(2) in the computation of the 60-day period there shall be excluded the days on which either House is not in session because of an adjournment of more than 3 days to a day certain.

"SEC. 29. (a) Any part of the tract of tribal lands acquired pursuant to section 27 of this act which consists of timberlands under sustained-yield management shall be transferred to and administered by the Forest Service of the Department of Agriculture as national forest lands. Such lands shall be administered in the same manner and to the same extent as are other national forest lands, and shall be subject to the same laws applicable to other national forest lands.

"(b) The Secretary of Agriculture is authorized and empowered, under general regulations established by him, to permit the use of rights-of-way through lands referred to in this section for beneficial purposes.

"SEC. 30. (a) Any remaining tribal lands acquired pursuant to section 27 of this act, other than lands referred to in subsection (b) of this section, shall be sold on a competitive bid basis, except that, any member enrolled under section 3 of this act who wishes to purchase any of the agricultural or grazing lands comprising such remaining tribal lands shall have a priority right to purchase any part of such lands for not less than the highest offer received by competitive bid, and to apply toward the purchase price all or any part of the sum payable to such member pursuant to section 31 of this act.

"(b) That portion of the tract of tribal lands acquired pursuant to section 27 of this act comprising approximately 70,000 acres of Klamath marshlands shall be administered by the Fish and Wildlife Service of the Department of the Interior.

"SEC. 31. Notwithstanding any other provision of this act, the Secretary shall pay, at the earliest practicable time but in no event later than 1 year after the acquisition by the United States of the tribal lands referred to in this act, to each member of the Klamath Tribe enrolled pursuant to section 3 of this act, or to his heirs, his pro rata share of the purchase price of such tribal lands.

"SEC. 32. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated such sums as may be necessary to carry out the provisions of this act."

Mr. MORSE. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr MORSE. I congratulate my colleague for the introduction of the bill, so that early hearings can be held. We are not married to any provision of it, if the hearings can show it needs to be modified in any way; but it is a sound bill in the main, and I think the junior Senator from Oregon should be congratulated on the statesmanship he has exercised in regard to this highly controversial issue in the State of Oregon.

PROMOTION BY MERIT OF CERTAIN POSTAL EMPLOYEES

Mr. PURTELL. Mr. President, I introduce, for appropriate reference, a bill to provide for promotion by merit of employees in the postal service and to establish uniform procedures for examination and appointment of candidates for promotion to supervisory positions.

This bill is substantially the same as the measure I introduced in the 83d Congress, known as S. 2244, and in the 84th Congress, known as S. 155.

This proposal, if enacted, would provide promotion by merit for regular clerks and carriers in grade 7 and above, in first- and second-class post offices. In order to qualify for promotion, each candidate must pass a regular examination designed to measure the ability of the candidate to perform the duties of the position, including the ability to lead and direct the work of others. Credit would also be given for prior service as a classified employee of the postal service.

The adoption of this proposed legislation will assure to all regular clerks and carriers in grade 7 and above the opportunity for promotion solely on the basis of demonstrated ability and length of service.

I believe the passage of this measure will do much to build morale, to stimulate and encourage clerks and carriers to advance in the service. Merit promotion, with consideration given to length of service for all qualified by examination, is only fair and just.

This measure, if enacted, will provide incentive to present and future employees to prepare for advancement with the assurance that, when otherwise qualified, length of service will be a factor in promotion.

This measure calls for a procedure that is fair and just. It provides an equitable way for advancement through the ranks of the postal service.

I am pleased to report that this is the same measure to which the Senate Post Office and Civil Service Committee gave a unanimous favorable report upon its first introduction in the 83d Congress. I trust it will be speedily considered by the committee to which it is referred.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2050) to provide for promotion by merit of employees in the postal service and to establish uniform procedures for examination and appointment of candidates for promotion to supervisory positions, introduced by Mr. PURTELL, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

AMENDMENT OF FAIR LABOR STANDARDS ACT, RELATING TO CERTAIN EXEMPTIONS—ADDITIONAL COSPONSOR OF BILL

Mr. FREAR. Mr. President, the next time it is printed, I ask unanimous consent that the name of the junior Senator from Maryland [Mr. BEALL] may be added as a cosponsor of the bill (S. 2022) to amend section 13 of the Fair Labor Standards Act of 1938, as amended, to provide an exemption from the minimum wages, maximum hours, and child labor provisions of such act with respect to homeworkers engaged in the making of natural holly, pine, cedar, or other evergreen wreaths, introduced by me, for myself, my colleague, the senior Senator from Delaware [Mr. WILLIAMS], and the senior Senator from Maryland [Mr. BUTLER] on May 8, 1957.

The VICE PRESIDENT. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. JENNER:

Address delivered by him before the Daughters of the American Revolution, April 16, 1957.

Statement prepared by him regarding the tours of Dizzy Gillespie and his jazz band.

Article entitled "How You Can Stop Big Spending," written by him, and published in Human Events for March 16, 1957.

NOTICE OF HEARINGS ON SMALL BUSINESS LEGISLATION

Mr. CLARK. Mr. President, on behalf of the Subcommittee on Small Business of the Committee on Banking and Currency, I desire to give notice that open hearings will be held on S. 55, S. 244, S. 246, S. 300, S. 545, S. 719, S. 720, S. 1762, S. 1789, S. 1992, and any other bills which may be referred subsequently to the subcommittee. These hearings will begin at 10 a. m. on Monday, June 3, 1957, in room 301, Senate Office Building, and will continue for several days thereafter.

All persons who desire to appear and testify at the hearings are requested to notify Mr. J. H. Yingling, chief clerk, Committee on Banking and Currency, room 303, Senate Office Building, telephone National 8-3120, extension 836, not later than Friday, May 24, 1957.

NOTICE OF HEARINGS ON SECURITIES MATTERS

Mr. LAUSCHE. Mr. President, the Securities Subcommittee of the Committee on Banking and Currency will begin public hearings on May 20 on the following subject matters:

First. Proxy solicitations, including S. 594—CAPEHART—and S. 1601—CAPEHART.

Second. Increase in the exemptive limit for registration of securities, including S. 810—THYE—and S. 843—SPARKMAN.

Extending SEC jurisdiction to certain securities traded over the counter, including S. 1168—FULBRIGHT.

Anyone interested in testifying before the subcommittee on any of these topics should so indicate in writing to Mr. J. H. Yingling, chief clerk, Senate Committee on Banking and Currency, 303 Senate Office Building, Washington, D. C., as soon as possible, and no later than Friday, May 24, 1957.

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. MCCLELLAN. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Maurice Augustus Crews, of Pennsylvania, to be an Assistant Commissioner of Patents, vice Arthur W. Crocker, elevated.

Lloyd H. Burke, of California, to be United States attorney for the northern district of California for a term of 4 years—reappointment.

Frederick W. Kaess, of Michigan, to be United States attorney for the eastern district of Michigan for a term of 4 years—reappointment.

William B. Somers, of North Carolina, to be United States marshal for the middle district of North Carolina for a term of 4 years—reappointment.

Albert W. Saegert, of Texas, to be United States marshal for the western district of Texas for a term of 4 years—reappointment.

George W. Beach, of New Mexico, to be United States marshal for the district

of New Mexico for a term of 4 years—reappointment.

Noah W. Riley of Wyoming, to be United States marshal for the district of Wyoming for a term of 4 years—reappointment.

William E. Smith, of New York, to be United States marshal for the eastern district of New York for a term of 4 years—reappointment.

William Budd Parsons, of Washington, to be United States marshal for the western district of Washington for a term of 4 years—reappointment.

Saul Hale Clark, of Idaho, to be United States marshal for the district of Idaho for a term of 4 years—reappointment.

John O. Henderson, of New York, to be United States attorney for the western district of New York for a term of 4 years—reappointment.

On behalf of the Committee on the Judiciary notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Friday, May 17, 1957, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

CONTINUANCE OF SCHOOL-LUNCH PAYMENTS FOR NEEDY INDIAN CHILDREN

Mr. MURRAY. Mr. President, considerable interest has been expressed in my bill, S. 1787, to amend Public Law 874, 81st Congress, in order to revise the provisions with respect to certain payments for the education of Indian children. I have prepared a brief statement explaining the purpose of this bill, which is before the Labor and Public Welfare Committee. I ask unanimous consent to have the statement printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE PURPOSE OF S. 1787

S. 1787 amends Public Law 874, the Federal impact school bill, to provide for continuance of school-lunch payments for needy Indian children under the Indian Education Act (Johnson-O'Malley Act—48 Stat. 596), even though the school district is reimbursed from Public Law 874 funds.

At present, by interpretation of the Indian Bureau, if a school district receives funds for the education of Indian children under Public Law 874, it cannot receive funds for school lunches for needy Indian children under the Johnson-O'Malley Act.

S. 1787 further eliminates the clause (sec. 10) in Public Law 874 which provides that the governor of any State must decide whether all districts concerned in his State shall be under Public Law 874, or all under Johnson-O'Malley for education of Indian children.

Some districts in certain States prefer one method, some prefer the other. The governor should not have to decide to the advantage of some, against the advantage of the others. This decision should be left to the local school boards concerned.

Mr. JOHNSON of Texas. Mr. President, if no other Senator desires to address the Senate at this time, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

RECESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Under the previous order, the Senate is to take a recess, subject to the call of the Chair, and is then to proceed to the Hall of the House of Representatives.

At 12 o'clock and 15 minutes p. m., pursuant to the order previously entered, the Senate took a recess, subject to the call of the Chair.

JOINT MEETING OF THE TWO HOUSES—ADDRESS BY PRESIDENT OF VIETNAM

Thereupon, the Senate, preceded by the Secretary (Felton M. Johnston), the Sergeant at Arms (Joseph C. Duke), the Vice President, and the President pro tempore, proceeded to the Hall of the House of Representatives for the purpose of attending the joint meeting to hear the address to be delivered by His Excellency Ngo Dinh Diem, President of Vietnam.

(For the address delivered by the President of Vietnam, see pp. 6699–6700 of the House proceedings in today's CONGRESSIONAL RECORD.)

The Senate returned to its Chamber at 1 o'clock and 4 minutes p. m., and reassembled in executive session when called to order by SPESSARD L. HOLLAND, a Senator from the State of Florida.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
Washington, D. C., May 9, 1957.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. SPESSARD L. HOLLAND, a Senator from the State of Florida, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. HOLLAND thereupon took the chair as Acting President pro tempore.

DIPLOMATIC AND FOREIGN SERVICE

The ACTING PRESIDENT pro tempore. The Senate is in executive session, and has before it the nomination of Scott McLeod, of New Hampshire, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ireland. The question is, Will the Senate advise and consent to this nomination?

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from California will state it.

Mr. KNOWLAND. Have the yeas and nays been ordered on this question?

The ACTING PRESIDENT pro tempore. The yeas and nays have not been ordered.

Mr. KNOWLAND. Mr. President, I ask that the yeas and nays be ordered on this question.

The ACTING PRESIDENT pro tempore. Is there a sufficient second?

The yeas and nays were ordered.

RESIGNATION OF CHIEF OF POLICE JOHN W. POLCYN, OF MILWAUKEE

Mr. WILEY. Mr. President, as in legislative session, I wish to take a few minutes of the time of the Senate to speak about a very humble but outstanding citizen of my State.

Last Sunday's newspapers in Milwaukee carried the news of the resignation, because of ill health, of the man who has been well described as "the foremost police chief in the country." He is Chief John W. Polcyn, who, for 11 years and 9 months, has served as the No. 1 law-enforcement officer of Wisconsin's largest city.

John W. Polcyn gave Milwaukee a police department which rightly excited the admiration of the Nation. It has won 18 awards from civic, fraternal, religious, and military organizations.

Chief Polcyn received deserved tributes from America's top investigative officer, the Honorable J. Edgar Hoover, Director of the Federal Bureau of Investigation, as well as from our United States Senate Crime Committee back in 1951.

Chief Polcyn came to Milwaukee in 1909. He joined the Marine Corps a year later, serving from July 1910 to mid-1914. His Marine Corps training helped him to develop the qualities of leadership characteristic of that great arm, as well as of the Milwaukee police force—absolute devotion to duty, a body and a soul trained for efficiency, personal courage, and a desire to accomplish tasks in the best, fastest, and cleanest possible way.

In drawing attention to Chief Polcyn, I should like to say, simultaneously, a good word for other law-enforcement officers, perhaps less well known, but who, Chief Polcyn would be the very first to agree, likewise deserve our commendation and that of public officials and citizens alike.

Mr. President, I must say that when criminals went to Milwaukee they did not remain there very long. Their prompt departure was due to the men in humble offices who have dedicated themselves to the service of their community.

In the towns and cities of my State and of the other 47 States of the Union are police chiefs, sheriffs, district attorneys, judges, and other individuals engaged in the law enforcement process who all too rarely receive the public recognition they deserve. Not only do they get little praise, but usually they receive very small salaries, as well, and participate in retirement programs which are modest, to say the least.

We know that, with 2½ million crimes committed each year this country

certainly must improve its record in the case of adult crime and juvenile crime. But we shall not succeed in doing so until, among other steps, we have accorded to our law-enforcement agents up and down the line, including the patrolmen on the beat or in the prowl car, the deputy sheriff and others, the honor and respect which each and every one deserves.

Every American youngster should hold in esteem the men who wear a badge to protect him and his family, the men who are willing to lay down their lives, if necessary, to protect public safety.

There are few finer models for our youngsters to follow than Chief John W. Polcyn.

NOMINATION OF HENRY J. TAYLOR, OF VIRGINIA, TO BE AMBASSADOR TO SWITZERLAND

Mr. BRICKER. Mr. President, following the vote on the nomination of Mr. Scott McLeod to be Ambassador to Ireland, there will come before the Senate the nomination of Henry J. Taylor to be Ambassador of the United States to Switzerland. I have before me a number of resolutions and articles, published in various newspapers—particularly an article from the Columbus, Ohio, Dispatch—in regard to Mr. Taylor. I ask unanimous consent that the editorials and articles be printed at this point in the RECORD.

There being no objection, the editorial and articles were ordered to be printed in the RECORD, as follows:

[From the Columbus (Ohio) Dispatch of April 21, 1957]

NEW ENVOY KNOWN IN COLUMBUS

Henry J. Taylor, United States Ambassador-elect to Switzerland, spent many boyhood days in Columbus and has frequently visited and lectured here.

Although a native Chicagoan, Taylor is the grandson of the late Edward L. Taylor, who formerly lived at 331 East Town Street, and maintained a Columbus law office with his brother, Henry C. Taylor. His uncle was Edward L. Taylor, Jr., former congressman from this district.

Livingston L. Taylor, 1400 East Broad Street, son of Henry C. Taylor, recalled that the new Ambassador-elect often visited at his grandfather's home here and has referred to Columbia fondly, if not quite accurately, as his "hometown."

Taylor's appointment to diplomatic service for the United States is a new role not unrelated to his other achievements as newsman, author, radio commentator, banker, and industrialist.

He is probably best known to the public for his wartime service as correspondent in a score of countries and for his longtime stint, from 1945 until just recently, on the General Motors radio program, Your Land and Mine.

Taylor is a member of the advisory board of the Chemical Bank & Trust Co., New York City, trustee of Manhattan Savings Bank, director of the Clinchfield Coal Co., and board chairman of the Silicone Paper Company of America.

He is a lifetime trustee of the development fund of his alma mater, the University of Virginia; trustee of New York Medical College and the Flower and Fifth Avenue Hospitals; a director of the Thomas Jefferson Memorial Association and American War Correspondents Association, and member of the board of directors of the Navy League.

Taylor has been awarded the Alfred I. Dupont radio award, a War Department citation for conspicuous service in combat theaters, and the Gold Medal of the Freedom Foundation.

His literary output includes five books, articles for many national magazines and contributions to economic journals in the United States, England, Switzerland, and Sweden.

[From the Cleveland (Ohio) Plain Dealer of April 7, 1957]

BREAKS THE ROUTINE

With the appointment of Henry J. Taylor, writer and radio commentator, as Ambassador to Switzerland, comes a welcome change from the routine type of recent assignment of party contributors to key posts abroad.

The post at Bern is an important one. Switzerland is no great power, but it has the distinction of maintaining a stable currency through the ups and downs of this century, being centrally located on the Continent and a center of international business.

Taylor will qualify, for besides being a political writer—he was also a war correspondent—he has written extensively on economic topics and is prominent in American banking and industrial life. He is a trustee for the Manhattan Savings Bank and chairman of the Silicone Paper Company of America.

[From the New York Daily News]

BETTER CONFIRM TAYLOR

State Attorney General Louis J. Lefkowitz uncovers a plot by Iron Curtain interests to buy voting control of various United States corporations producing materials vital to our national defense.

The deal was to be engineered through two Swiss banks alleged to be using funds from behind the curtain. Some important details are as yet undisclosed.

This is one more reason, we think, why the Senate should confirm President Eisenhower's nomination of Henry J. Taylor as our next Ambassador to Switzerland.

Switzerland, besides being one of Europe's best observation posts, is a center of worldwide banking operations, some of them shady.

Mr. Taylor is a successful businessman and a deep student of economics, has been a shrewd war correspondent and radio commentator, and has innumerable contacts throughout the world. He looks like a natural for the sensitive and highly important Swiss ambassadorship.

[From the New York Journal-American of April 16, 1957]

HENRY J. TAYLOR

President Eisenhower's appointment of Henry J. Taylor as Ambassador to Switzerland brings into our diplomatic service a man of extraordinary attainment.

In the newspaper business we know Mr. Taylor chiefly for his outstanding record as a foreign and war correspondent. He was not only a good reporter, he was—and is—a talented writer.

With these qualities it is not strange that Mr. Taylor became a lively radio commentator and the author of a number of provocative books. What is unusual in this day of specialization is that his interests and abilities led him to become a respected economist and successful businessman.

The President recently said Mr. Taylor was a man for whom he had held "considerable admiration for a long time." We have, too. We hope the Senate speedily confirms the appointment.

[From the Richmond (Va.) Times-Dispatch of April 15, 1957]

AN ABLE VIRGINIAN APPOINTED

Nomination of Henry J. Taylor as Ambassador to Switzerland brings into the diplomatic service a citizen of Virginia who is well-qualified for the post to which he has been named. Mr. Taylor is actually an authority on Switzerland and the Swiss—a too rare quality in an Ambassador. He made three separate studies of the Swiss economy over a period of some 15 years, and is highly regarded there.

A graduate of the University of Virginia who made a conspicuous success in journalism and radio, as well as in the business world, "Harry" Taylor is also a well-known writer of books. He has been a foreign correspondent in every part of the world, and he brings to the diplomatic post to which he has been named a wide knowledge of international affairs and a tough-minded regard for the interests of the United States.

Unless Mr. Taylor has changed his views of late, he is more conservative than President Eisenhower in his attitude toward the spending of American dollars for foreign aid. In his broadcasts and newspaper and magazine articles over a long period he deplored the lavish expenditure of Federal funds overseas. Since Switzerland is just about the only country in the world that isn't seeking American largesse, and never has sought it, as far as we are aware, the post at Berne is a fitting one for a man having Mr. Taylor's views.

The nominee for the Swiss ambassadorship is not a native of Virginia but he has become a citizen of the State. He has a home outside Charlottesville.

He is a Republican, not only by conviction but by inheritance. One of his grandfathers signed the petition for Abraham Lincoln to run for President in 1860 and another was a law partner of Rutherford B. Hayes.

Their grandson brings to his new task in Europe a razor sharp mind, an attractive personality, and a broad knowledge of world affairs, plus a special acquaintance with the economic, social, and political problems of the country to which he will be accredited. Mr. Eisenhower chose wisely when he gave Henry Taylor the portfolio at Berne.

[From the Kansas City Star of April 22, 1957]

TO A KEY POST IN EUROPE

For Ambassador to Switzerland, the listening post of Europe, the President made a unique selection. Henry J. Taylor is a consummate listener, a reporter, columnist, and commentator. And of special interest to Kansas Citians, this was his home through his impressionable teen-age years. He still refers to himself as a Kansas Citian.

The appointment departs from the normal procedure of appointing either State Department career men or the fat cats of the political party in power. Taylor was born to a family of industrialists and he has very substantial business interests of his own. But his life interest has been in the drama of world and national events. Ahead of World War II he was an experienced interpreter of international intrigue and gained a reputation of prophecy. He predicted not only the Nazi war intentions but the plan of battle on land and sea.

He covered the war for the North American Newspaper Alliance and had his experiences with spies, including an attack by Gestapo agents when he was in a Turkish hospital. General Eisenhower became well acquainted with his abilities when Taylor covered the Allied headquarters. He is at home anywhere.

Whatever information is going around the Swiss international listening post will be well known to the American Ambassador. Of

that we are confident. We are also confident that he will be an excellent representative of the United States in every way.

[From the Birmingham (Ala.) Post-Herald of April 15, 1957]

HENRY J. TAYLOR

The President is under fire for some of his recent political appointments to diplomatic posts. Certainly anything which weakens our diplomatic career service is to be deplored, especially when the United States has assumed such gigantic responsibilities abroad.

The test, however, is capability rather than mere membership in the State Department's professional foreign service. Though the career man usually is far better fitted for the job than the typical political appointee, who is being rewarded for party service or because the President happens to like him, there are exceptions.

Henry J. Taylor, of New York, the President's choice for Ambassador to Switzerland, is one.

Mr. Taylor has special qualifications which most political appointees—and some career diplomats, indeed—lack. He is a veteran foreign correspondent for press and radio of world experience. He is an economist and author of international standing. He is an industrialist.

The Bern post is unique. Its importance greatly exceeds the size and political power of Switzerland, because that country is a world banker, the seat of international economic organizations, and a general "listening post" of Europe.

Mr. Taylor may be inexperienced in some of the unimportant protocol aspects of diplomacy, but the Swiss will find him very much of a professional in their special fields. He will represent the United States ably.

THESE DAYS

(By George E. Sokolsky)

AMBASSADORS AND PRESS AGENTS

When the President presses for all that money for USIA, he is extolling the work of press agents who have not established their value in international relations. Had they done as well as the President seems to feel, the United States would have had more friends abroad and Soviet Russia would be buried beneath a pyre of words and pictures. Think of what would be done for Marilyn Monroe or Jayne Mansfield or any other personality by a press agent seeking friends. Uncle Sam spends the money and gets the short end of the stick.

The best jobs of representation have been done by some of our ambassadors, particularly when the President appoints one trained in newspaper work, as Mrs. Clare Luce has been. Someone may jog my memory to say that the beautiful Clare produced her best writing for the theater, but I can recall her as handling copy on the magazine "Vanity Fair," and it took considerable journalistic ingenuity to turn out that type of magazine. At any rate, her concepts of public relations paid off when as American Ambassador to Rome, she set out to give the Communists a defeat.

Now President Eisenhower is sending Henry J. Taylor, another reporter for newpapers, radio, and the magazines, to Switzerland as Ambassador. Henry Taylor possesses special gifts because he can read a balance sheet, which few career diplomats can do, and he understands the movements of money and goods. He is an economist as well as a reporter and the advantage of sending him to the world's center for lending money offers the hope, at any rate, that someone in Washington is ambitious to know something about money. Up to now our Government has only specialized in spending it. There are, of course, other purposes for money.

The relations between the United States and Switzerland have generally been good. Switzerland has three principal exports to this country: watches, chocolate, and money. Whatever questions arise over watches and chocolate can be easily settled by negotiators with good will.

But the Swiss money problem is likely to be a very serious one during the next few years. The Swiss accept anonymity as a normal process of banking. A depositor may put his money in a Swiss bank with the assurance that no one, not even the Swiss government, will be told of the account. This anonymous device, often identified only by a number, originated in the time of the Napoleonic wars when those who possessed money needed to hide it and found a haven in Switzerland. Some Swiss banks will undertake the management of such funds.

With so much raiding going on in American industry and so many phony stocks coming on the American market to swindle the American people, two committees of the Senate are looking into the problem and the SEC is defending itself and its law. Some explanation is required to know why the SEC did not use the powers it possesses to protect American interests. The testimony of SEC officials before the Lausche and Eastland committees is contradictory and on the whole, does not represent a profound study of the subject. The SEC needs not so much lawyers to head it but men familiar with money and its peculiarities in the market. But that is another subject.

Whereas to Switzerland, the anonymous ownership of money is important as a business activity, to the United States, the disclosure of the ownership of American industries is equally important. When a raid is made on a well-established industry by anonymous owners of stock who may be legitimate or not, who may be Americans enjoying a tax haven or enemies of this country, it is important for the ownership of the shares of the industry to be disclosed and known. Secrecy is intolerable in our economy.

It is not to the interest of the United States that Switzerland and our country should develop a quarrel over this question and as these investigations proceed, it will be valuable for the United States to have as its Ambassador a man who understands the economics of both countries and the forces that motivate men. Henry J. Taylor is such a man. He has been in banking, an industrialist and a journalist. Now he enters the field of diplomacy, where his particular talents will be tested under conditions more difficult than he now envisages.

ON THE LINE: A REPORTER DIPLOMAT

(By Bob Considine)

President Eisenhower's nomination of Henry J. Taylor for United States Ambassador to Switzerland is a happy choice. It seems to have occasioned surprise here and there editorially. But the only surprise in this particular breast is why Presidents so seldom get around to sending trained reporters on essentially factfinding and listening-post diplomatic jobs.

Presidents past and present have had some real lulus forced upon them as ambassadors and ministers on the ground that good old Hugo not only gave the party all that money during the campaign, but his old lady insists on it. So off goes Hugo and the old gal, in striped pants and concealed lorgnette, respectively, and they live it up in the embassy or ministry abroad until there's a change of administration or Hugo boots one too many easy rollers. It is unfair to generalize, but more often than not the real work is done by the pros in the outer office—the career people who couldn't afford to foot the extra expenses involved in such a job—and Hugo and mamma come back home with scarcely one more bit of knowledge than they took over in the first place, and that was less than legal.

WELL KNOWN TO ECONOMISTS

When Taylor is confirmed, we will send a first-rate American gentleman to a fine country we tend to ignore because it wants nothing from us. Mrs. Taylor, Henry's wife for nearly 30 years and mother of their fine reporter son, is the prototype of the perfect hostess and willing worker for charity.

Switzerland is a bank set in the midst of tension on the north, east, south, and west. Taylor is as well known to economists as he is to working reporters and radio people. He is a member of the advisory board of the Chemical Corn Exchange, National Committee for Sound Fiscal Policy, and the author of countless tracts and books in that field, including Germany's Economy of Coercion.

As a reporter, he covered probably more of World War II for NANA, for Scripps, Reader's Digest, Saturday Evening Post, Life, the Saturday Review, and other periodicals than any other war correspondent. In peace, he has covered every major conference, including the talks "at the summit," and each national political convention since 1928. In the semicold war he was nearly killed covering Algerian riots not long ago. Taylor is a man who likes to get close, the better to report.

HER ENEMIES HAILED HER

The last time Ike took a chance on a reporter, the chosen ambassador did a job that even her enemies hailed as outstanding. We mean Clare Luce. The Kremlin applauded the choice secretly, sent Alexander Bogomolov in against her—to preside over the transition of Italy to a Communist state. During their 3-year contest, the Italian Communist Party, largest in Europe, was cut in half. Bogomolov was recalled in February.

The situation is not the same in Switzerland, of course. But from here it appears that the President has come up with a man who'll do another first class job.

Through the years, it seems to me, the Nation has lost the services of many people who could have filled diplomatic jobs admirably. They were overlooked for reasons as untenable as their allegiance to another political party within this country, and for reasons even less tolerable. I think Anne O'Hare McCormick, the late great New York Times woman, would have made a fine ambassador. So would have, or would, H. V. Kaltenborn. Grantland Rice was another. So was George R. Holmes.

But it is as warped to confine this statement to newsmen as it has been, in the past, to pass them up when such jobs were available. Each field has produced good but neglected timber. I've had a sure feeling through the years that nobody, but nobody, could represent us better in a glowering contest in Moscow than John L. Lewis.

USE OF FRIENDSHIP INTERNATIONAL AIRPORT BY PAN AMERICAN WORLD AIRWAYS FLIGHTS BETWEEN NEW YORK, WASHINGTON, AND MEXICO CITY

Mr. BUTLER. Mr. President, it begins to appear that many years of perseverance on the part of Maryland and the city of Baltimore are about to pay off. You know, Mr. President, that those of us charged with the responsibility of keeping commerce of the city of Baltimore moving at a constantly accelerated pace have argued long and patiently that Friendship International Airport deserves to have equal status with the already overcrowded Washington National Airport.

Recently, Mr. President, an examiner for the Civil Aeronautics Board recommended in strong and unmistakable language that Pan American World Airways be certificated to fly nonstop between New York and Mexico City and between Washington and Mexico City. This is a most interesting recommendation, Mr. President, because Pan American, if given this certificate, which it so rightly deserves, will use Friendship International Airport as its Washington-Baltimore terminal.

The examiner's keen analysis of the trade potentials of this new service coincides exactly with the philosophy which we who have been urging the use of Friendship International Airport have constantly espoused. The examiner does not content himself with a turnabout service between Baltimore and Mexico City. Rather, he is concerned with the great importance of Pan American's ability, should the Civil Aeronautics Board grant the certificate, to provide one-carrier service between Mexico City and Europe. Peculiarly, the only such service now being provided comes from Air France, a government-owned, heavily subsidized foreign airline. Putting Pan American into the competitive field with Air France will also mean that Baltimore will be on the international routes to Europe, to the Middle East, to the Orient, and to the Pacific. This exciting new service, Mr. President, would also mean that Pan American would connect Baltimore, through Mexico City, with Central America and all of South America.

Generally, Baltimore and Friendship International Airport together have been rather rudely treated by our civil air transport authorities as unwanted stepchildren. We have been "soft-talked" too long by air carriers which promised everything, but delivered nothing. Last year, when the highly controversial New York-Florida proceedings were before the Civil Aeronautics Board, Pan American officials publicly testified that, if given the service, it would use Friendship International Airport as its local terminal. Our hopes were high, and we campaigned vigorously to help Pan American in its struggle to get that coveted certificate. The Board voted for Northeast Airlines, however; and the impact of that decision is still being heard in the halls of the Senate, where the distinguished junior Senator from Washington [Mr. JACKSON], has been conducting remarkably productive hearings on "leaks" within the Civil Aeronautics Board.

The political elements alined against Pan American Airways in the Mexico City case are once again powerful and numerous.

For some strange reason, certain of these powerful elements seem to feel that service to Mexico City from New Orleans is tied up in the New York-Baltimore-Mexico City case. Nothing could be farther from the facts. These are two separate cases. Eastern Airlines is planning on starting service between New Orleans and Mexico City on June 5. Inasmuch as Eastern already has a New York-Washington-New Orleans operation, Eastern is still giving what amounts to one-carrier service between New York and Mexico City. Keep in mind, Mr. President, that Eastern's service terminates in New York and in Mexico City, and would not have the desired effect of providing effective competition for Air France.

Mr. President, the excellent New Orleans newspaper, the Times-Picayune, on May 3 carried a most illuminating editorial entitled "Mexico City Air Situation—A Clarification." Since the editorial strikes so strongly at the case for Baltimore and Pan American, I ask unanimous consent to include it with my remarks at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MEXICO CITY AIR SITUATION—A CLARIFICATION

The status of the proposed New Orleans to Mexico City airline, it seems to us, deserves explanation in the light of several recent developments.

First of these developments was the filing by Mayor deLesseps S. Morrison of a brief with the Civil Aeronautics Board favoring Eastern Airlines over Pan American World Airways as operator of a proposed nonstop service between New York and Mexico City.

The mayor's action followed announcements from Washington that arrangements had been made with the Mexican Government under which Eastern Airlines can begin the New Orleans-Mexico City service for which it received a CAB certificate more than 11 years ago.

Following the mayor's action, an examiner for the CAB recommended that Pan American, rather than Eastern, fly the New York to Mexico City nonstop service. This, the examiner explained, would permit Pan American to compete with Air France, which already flies from Paris to New York to Mexico City.

Shortly after the examiner's report was issued, the chamber of commerce of the New Orleans area made public a telegram in which it called to the examiner's attention that it has taken no position in regard to what airline should fly the New York-Mexico City route. The examiner's report had referred to the chamber as having filed a statement in the case.

Then, on Wednesday, Senator ALLEN J. ELLENDER issued a statement protesting the proposed award to Pan American of the New York to Mexico City permit. The Senator's statement, it seems to us, contained several inaccuracies which may confuse the issue in some minds.

Among other things, Senator ELLENDER said that Eastern was authorized by the CAB to establish direct service between New York, New Orleans, and Mexico City in 1946. As we understand the situation, the certificate issued by the CAB to Eastern in 1946 named New Orleans and Mexico City as the terminal points. There was no provision in this certificate for nonstop service between New York and Mexico City.

The Senator's statement said further that "Now, the CAB wants to reward the major offender (on the argument that Pan American rather than failure to reach agreement with the Mexican Government caused delay in opening of the New Orleans to Mexico City service) with a new 2000-mile air service that would overfly 11 or 12 States the original air route was designed to serve."

This, it seems to us, may cause confusion in the minds of some residents of these 11 States. When the New Orleans to Mexico City service is started—as Eastern Air Lines has said it will be started on June 5—these 11 States will receive the service which was planned for them back in 1946.

Whether or not Pan American or Eastern flies the nonstop route from New York to Mexico City, service already is being given nonstop on that route by Air France, whose planes already are overflying the 11 or 12 States the original air route, from New Orleans to Mexico City, was designed to serve.

If Senator ELLENDER has evidence that Pan American or any other airline has been primarily instrumental in blocking air service between the United States and other countries, we believe that this evidence should be made public.

In the meantime, it seems to us that the chamber of commerce of the New Orleans area acted wisely in not taking a position as to what airline should fly from New York to Mexico City.

This attitude is in line with the consistent policy of the chamber to urge services but not to attempt to say who should be selected by the CAB to provide those services. This policy has been maintained in the present case, although several members of the chamber's aviation committee believe that advantages may accrue to New Orleans if Pan American, rather than Eastern, is finally granted the New York-Mexico City nonstop certificate.

At this point in history, it does not seem to us that New Orleans should be too concerned about how the New York to Mexico City service is awarded to an American flag carrier—considering that the route already is being flown by a foreign flag carrier.

This city should be, and is, concerned about how and when direct service between New Orleans and Mexico City will be performed.

Eastern Air Lines expects that this long-needed service will be started on June 5.

That should be a happy day.

Mr. BUTLER. Mr. President, I should like to quote briefly from the examiner's report on this important case:

Pan American has had operating facilities in Mexico City for many years. Its Houston-Mexico City sector accounts for an investment cost of approximately $350,000. Its proposed New York-Mexico nonstop service would require an estimated total additional investment of approximately $8,229,000.

Each of the applicants has advertised and actively promoted air travel between the United States and Mexico. A number of foreign flag transatlantic carriers seeking the Europe-Mexico business have been aggressively advertising and promoting Europe-Mexico travel. Pan American, as the only applicant with sales offices in principal European cities, would be in a better position to advertise and promote the Europe-Mexico market than Eastern.

The record shows that Eastern and Pan American should be able to operate the proposed nonstop service between New York-Washington-Mexico City at about the same overall cost. Eastern's costs might possibly be a little lower due to somewhat lower estimated costs in passenger service and a possibly higher equipment utilization. However, Eastern's lower quality of service afforded to passengers on its planes may adversely affect its ability to compete with the de luxe service offered by Air France and the somewhat higher equipment utilization proposed by Eastern may be attended by some inconvenience of schedules.

Mr. President, I hold no particular brief for Pan American, as opposed to Eastern Airlines. Eastern has acquired an enviable record in its many years of existence under the dynamic leadership of Capt. Eddie Rickenbacker. As a matter of fact, Eastern provides, into Friendship International Airport, service which we need and which we appreciate. But we in Baltimore are concerned with the importance of getting Baltimore on to the trade routes of the world, and it seems to me that this can best be accomplished by allowing Pan American

to serve Mexico City on a New York and Baltimore nonstop basis.

Senators have long been justifiably worried over airline subsidies. Substantial reductions in subsidies have been realized, and there is every indication that greater reductions are coming. I invite attention to the Examiner's comments on the subsidy matter:

Accordingly, it is estimated that Pan American's proposal in this proceeding would result in direct savings in subsidy costs of approximately one-half million dollars since it would be the only United States flag carrier authorized for the New York-Mexico City nonstop service. This estimate appears reasonable.

I spoke earlier of Air France's monopoly on direct service between Mexico City and New York and thence to all Europe and the whole world. The examiner had some pertinent observations on this, too; and I should like again to quote from his recommendations:

The record leaves no doubt that the public convenience and necessity require authorization of nonstop air service between New York-Washington and Mexico City. The authorization is not only needed to permit improvement in the existing American-flag service made possible by the longer-range aircraft in use in recent years, it is imperative that such service be authorized for an American-flag carrier to meet the competition of Air France between New York and Mexico City. Consideration of necessary improvements in American-flag carrier services between New York and Mexico City has been too long delayed. That delay has resulted in the incredible situation where a European carrier has in the past year won a preferential position in a market pioneered by our own industry and in a stream of traffic in which a United States flag carrier should be second to none.

Keep in mind, Mr. President, that Pan American proposes one round-trip operation a day between Baltimore and Mexico City. This is a minimum service. As soon as traffic warrants it Pan American will increase its round-trip service between Baltimore and Mexico City; and it is not unreasonable to assume that we can be optimistic enough to anticipate an increase in service once the flights become established. The examiner has left no doubt of his choice to provide this service. Again I quote from the examiner's recommendations:

Pan American is the only applicant which can effectively participate in the Europe-Mexico City market and its selection as the carrier needed for the proposed nonstop service is necessary to strengthen United States flag aviation over the North Atlantic. The selection of Pan American will contribute to a considerable reduction of mail-pay subsidy. This carrier alone has experience as an overseas competitor with the foreign-flag operator now entrenched in the New York-Mexico City market. Pan American can also effectively serve the Mexico traffic that does not proceed east of New York because it is in a position to provide high-quality service for the local New York-Mexico City travelers; it has the capacity for promoting large-scale tourist travel to Mexico; and it can provide one-carrier service to points beyond Mexico City, thus integrating tourism in the general Latin-American area with its service to Mexico City. Of the two applicants, Pan American is in the far better position eventually to exploit and promote the potentially large vacation and tourist market of Mexico City, because, in addition to the local New York-Mexico City vacation market, it will be able to exploit the Europe-Mexico tourist trade. Other countries regard a proper participation by their flag carriers in the movement of traffic between third countries as an important and legitimate goal of national policy. It is no less so for the United States.

In sum, the congressional policy is expressed in section 2 of the act as applied to the facts of record in this case requires the nonstop authorizations for Pan American. This carrier, as the only applicant able to provide all the types of public service required by the route and afford one-carrier services beyond each end of the route, can provide the most effective United States-flag competition in an area of travel now dominated by a foreign-flag operator. Pan American's certification will save the Government money in mail-pay costs and insure the proper development of a potentially strong foreign market. These vital considerations of our national interest outweigh any preference for Eastern's proposal stemming from greater optimism, initial plans for all-coach flights, route integration with domestic service, probable diversion of Eastern's revenues, and any color of right Eastern may have on the ground that its 1946 award for Mexican service failed of implementation. In other words, if the needs of the traveling public are best to be promoted and served, if full American-flag participation in the two large markets herein involved is to be recaptured and held, if we are to take advantage of integrating and solidifying our own flag services between Europe and Latin America, if a rare opportunity for reducing air-carrier subsidy is to be taken—in short, if the public interest in an economically sound, financially strong and subsidy-free air transport is paramount—the choice of carrier in this proceeding is crystal clear. The choice is Pan American.

Pan American is a long-established carrier holding certificates of public convenience and necessity and air-operating certificates. Pan American's history of successful operations and its showing on this record, leave no doubt that it is fit, willing, and able to perform the services herein found required by the public convenience and necessity.

Finally, Mr. President, the examiner concludes with this recommendation:

In view of the foregoing and all facts and contentions of record, it is concluded that the public convenience and necessity require a nonstop authorization for Pan American between New York, Washington, and Mexico City and that the public convenience and necessity require denial of the proposal of Eastern for nonstop operations on that route.

Mr. President, Baltimore's concern in this proposed service is not predicated on a liking for one carrier and an antipathy for another. Baltimore's interest is economic and impersonal. We believe that the interest of Baltimore on international trade routes would best be served by the prompt certification of Pan American Airways on the New York-Baltimore-Mexico City route. For the general good such certification will accomplish for the city of Baltimore and the State of Maryland, we accept the examiner's report.

SECOND ANNUAL AMERICANISM AWARD TO SENATOR PURTELL

Mr. BUSH. Mr. President, I desire to bring to the attention of the Senate a signal honor which has been conferred upon my distinguished colleague from Connecticut, Senator WILLIAM A. PURTELL.

Senator PURTELL has been designated to receive the second annual Americanism award of the Connecticut Department of the American Legion. This award is given annually to a citizen of Connecticut who has made outstanding contributions to the promotion of Americanism. The Honorable Raymond E. Baldwin, former United States Senator from Connecticut, now a justice of the Connecticut Supreme Court of Errors, was the recipient of the first annual award, in 1956. Nominations are made to the 9-member State Americanism Commission by the 171 American Legion posts in the department of Connecticut.

Mr. President, this award is fitting recognition of the many contributions which Senator PURTELL has made to his community, State, and Nation.

During the course of an active and successful business life, BILL PURTELL found time for much public service. He is a past director of the Greater Hartford Community Chest; the Hartford chapter of the American Red Cross; and Hillyer College, in Hartford.

He is a former member of the Connecticut Inter-Racial Commission, a former director of the Connecticut State prison, and a former member of the board of parole. He is the recipient of the most distinguished citizen award from the Hartford Jewish War Veterans Post, and has received a citation from the National Conference of Christians and Jews.

For many years, he has been active in the American Legion. He is a member of Rau-Locke Post 8, of Hartford, and is a former chaplain of the Connecticut Depart of the Legion. Mrs. Purtell, an Army nurse in World War I, is a member of the American Legion, and is a past commander of post 7, Hartford.

I know I speak for all my colleagues in the Senate in congratulating Senator PURTELL, and in congratulating the Connecticut department of the American Legion in selecting for this award a man whose career is a fine example of Americanism in action.

RUMANIAN INDEPENDENCE DAY

Mr. SMITH of New Jersey. Mr. President, although the Senate is in executive session, I ask unanimous consent that, as in legislative session, I may make a brief statement regarding Rumanian Independence Day.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SMITH of New Jersey. Mr. President, Friday, May 10, is the day which Rumanians all over the world celebrate as the anniversary of the independence of their country. In every free nation the anniversary of independence is proudly honored, and lovers of freedom take joy in saluting these moments of special significance to their fellow men. But when a nation is suffering under the weight of foreign tyranny, even deeper meaning becomes attached to the remembrance of its independence day.

For the Rumanian people, who were tragically enslaved, first by the Nazis, and then by Communist Russia, despite grandiose promises by the latter of liberty, at the end of World War II, the goal of freedom has remained only a cherished hope for far too many years. But tyranny, as all despots know, cannot survive the inevitable urge for freedom. Eastern Europe is now beginning to stir and become restive. More and more, its Communist rulers are becoming anxious and fearful, as they watch brutality reap the inevitable bitter fruits of repression.

We in America are happy to join with all freedom-loving Rumanians in honoring their former independence; and we pledge our peaceful efforts to help them in their determined yearning for freedom, independence, and real self-determination. The people of the United States will not forget their friends in Rumania, and we look forward to that day when America and Rumania will once again meet in friendship on the common ground of liberty.

Mr. McNAMARA. Mr. President, Friday, May 10, is a day which the people of Rumania, as well as our own citizens of Rumanian descent, commemorate with special pride. May 10 is the Rumanian Independence Day.

On May 10, 1866, Prince Carol was chosen to occupy the throne of Rumania, and a constitution of liberal principles was adopted. Eleven years later, on May 10, 1877, Rumania declared its independence from the Ottoman Empire; and on May 10, 1881, Rumania was recognized as a sovereign state.

These 3 days in the history of a proud people mark the beginnings of a new flowering of an ancient culture, the rebuilding of liberty amidst the turbulent currents of East European politics.

Unfortunately, the Rumanian people were not to cherish their new-found liberty for long. Following the Second World War their country was engulfed by the totalitarian forces of communism. But while the might of Soviet armor may silence the proud voice of an ancient and brave people, it will never be able to put out the flame of patriotism, of freedom, and of democracy that must burn in the heart of every Rumanian.

On this independence day of our Rumanian friends the least we can do is to pledge our friendship and support to the people of Rumania, and to express our sincere conviction that the day of their liberation from the Communist yoke is not far off.

Mr. JENNER. Mr. President, I am happy to pay honor to the Independence Day of Rumania.

No matter how far our history may unroll, or how great a responsibility our Nation may be given, on the world stage, the American people will never forget their own struggle for independence nor the importance to other nations of their freedom.

I have just introduced a resolution quoting the repeated demands by American presidents for the freeing, by Soviet Russia, of the nations liberated by the fighting men of all the allies.

This is no formal request, but a most solemn demand for Soviet adherence to the promises made by their leader when he needed the help of our arms.

I have said again and again that the Soviet system for enslavement of satellites was no mere brutal conquest, but a clever and most effective method of supporting their war machine with the food, machinery, and labor which the Socialist system was not efficient enough to produce for itself.

We know the Soviet war machine is today directed primarily at our country.

The most important single step in American defense policy is to cut the Soviet Union off from the military supplies it takes from its conquered neighbors. That policy has the same military significance to us today that cutting off American food, supplies, and munitions from the British had for the Germans in World War II, or the cutting off of Germany from its continental supplies had to the allies.

It is absurd for Americans to maintain a vast and costly Defense Establishment, while making no effort to reduce the extra military power its opponents possess through occupation and enslavement of our former allies.

To us the Rumanian nation is the people of Rumania. As Thomas Jefferson said, in the Declaration of Independence, when the legislative power of a nation is prevented from operating, by tyrants, it cannot die but returns to the people.

The sovereign power of Rumania and the other satellites remains unimpaired. It rests in the people. The American people will never forget that dismantling of the Soviet war machine of conquest is the first essential of world peace, and the restoration of freedom to nations which love their liberty is the first essential of justice.

The American people extend the hand of friendship to the Rumanian people on this anniversary of their victorious struggle for freedom.

NOMINATION OF SCOTT McLEOD TO BE AMBASSADOR TO IRELAND

Mr. JAVITS. Mr. President, the senior Senator from New York [Mr. IVES] and I will have the honor to entertain the Lord Mayor of Dublin today at luncheon, so I should like at this time to make a brief statement on the McLeod nomination, upon which the Senate will vote later, perhaps before I would have an opportunity to make a statement later.

I met Mr. McLeod in connection with the early administration of the Refugee Relief Act, following my statement on the floor of the House of Representatives, of which I was then a Member, that the early administration of the act was outrageous. I used the word very strongly. I have tried to recall the exact word I used, and I think that is the one. Subsequently, the administration of the act considerably improved, and, considering the terms of the law, which was almost unadministerable, admissions of refugees under it finally were reasonably satisfactory.

In the early days of the administration of the act I felt that Mr. McLeod had such an undue concern with security, without enough regard to other factors, as to interfere with carrying out the intent of Congress as expressed in the Refugee Relief Act, which already contained very tight security safeguards. However, I believe, from my experience with later administration of the act, and as a result of contacts thereafter with the man whose nomination we are considering, that, in his own words, he learned a great deal. He said that in the hearings.

According to the precedents, like those cited in Oppenheim on International Law and Hackworth's classic Digest of International Law, "Ambassadors are considered to be personal representatives of the heads of their states."

Mr. De Valera, Prime Minister of Ireland, says Mr. McLeod is acceptable to his Government. I would, therefore, consider a vote against confirmation, in the absence of new facts, to be a vote of no confidence in the President of the United States, whose appointee Mr. McLeod is. Upon an analysis of the whole record, I do not feel justified in casting such a vote.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. MORSE. Have the yeas and nays been ordered on the McLeod nomination?

The ACTING PRESIDENT pro tempore. The yeas and nays have been ordered on the question of confirming the McLeod nomination.

Mr. MORSE. Is that nomination the pending order of business?

The ACTING PRESIDENT pro tempore. Without objection, the Senate will proceed in executive session, and resume the consideration of the nomination of Scott McLeod to be Ambassador to Ireland.

The question is, Will the Senate advise and consent to this nomination?

Mr. MORSE. Mr. President, I shall be exceedingly brief in my remarks. I am perfectly willing to rest my objections to Mr. McLeod on the printed hearings, in which are reported the rather lengthy examination on my part of Mr. McLeod, on my own behalf and on behalf of the Senator from Minnesota [Mr. HUMPHREY], who submitted to me a list of questions which he wished to have me ask Mr. McLeod, and which I did ask.

I wish only to repeat, Mr. President, as I said yesterday, that I have decided to vote against confirming the nomination, because I think Mr. McLeod does not possess the qualifications and the competency necessary to serve as Ambassador to Ireland.

One part of Mr. McLeod's testimony is a little humorous. Senators will find it on page 42 of the hearings. When I was examining Mr. McLeod as to his position in the Bohlen case, he said, in effect, that the reason for his course of action in regard to the Bohlen case was that he thought the administration should know that if Mr. Bohlen were nominated there would be a considerable amount of opposition to him on the Hill. I think that is a very interesting position for Mr. McLeod to have taken in the Bohlen case, in view of the opposition to his own nomination. Of course, if that were a sound reason for not submitting a nomination to the Senate, it should apply

even more to the McLeod case, because I submit there is much more opposition to the McLeod nomination than there was to the Bohlen nomination.

This becomes a matter of subjective judgment. I am satisfied Mr. McLeod did not tell us the truth at all about the Bohlen case. In my opinion, having had an opportunity to observe him as a witness and to study the record of the Bohlen case, we never got the truth from Mr. McLeod about the case. I am satisfied he opposed the nomination of Mr. Bohlen on the basis of the allegations that were floating around at that time, and I am satisfied they were smear allegations, to the effect that Mr. Bohlen was a security risk.

I think it is interesting to note that in the examination of Mr. McLeod before our committee, when I finally put to him what I consider to be the key question in this matter, he gave a very interesting answer. I read from the record of the hearings, page 42, beginning with my question:

Are you satisfied, Mr. Secretary, that following the confirmation of Mr. Bohlen to the post in Russia, that he has made a record as Ambassador to the Soviet Union that would remove any doubt in your opinion as to both his qualifications, his security and his ability?

Mr. McLEOD. I have had no doubts as to this security subsequent to the Secretary's findings. If I take exception to the Secretary's position on anything, I have of course the choice to resign. I have not done that, so I think it goes without saying that I accept his security evaluation without any equivocation.

Mr. President, it is very interesting to note how this man uses the English language. The fact is the record contains no statement from him as to what his position was when Mr. Bohlen was first nominated to be Ambassador to Russia. As his own testimony shows, he carried on White House conversations with General Persons. We know there were conversations with General Persons, and there may have been conversations with others as well.

We know, of course, that some of those conversations were carried on in his capacity as Assistant Secretary prior to the time the Secretary of State became aware of the fact that one of his own subordinates was intervening with regard to a nomination at the White House level.

That action does not recommend Mr. McLeod to me. As I said yesterday, there is nothing in the record, Mr. President, that recommends him to me in respect to his participation in the so-called numbers game.

I wish to say that, in my opinion, he sought, and deliberately sought, to leave the impression with the American people that the Department of State, when this administration took over, was honeycombed with Communists. Yet he was unable to produce a single Communist—not one, Mr. President. When we sought to get a direct answer from him, by asking that question explicitly—in effect, we asked over and over again, "Did you find any Communists?"—his answer, of course, was they were investigating security risks, not Communists. The best understanding we could get, Mr. President, on the position he took with respect to whether or not they found any Communists was that when the files showed someone was weak on communism that person was considered to be a security risk.

It is a sad thing, Mr. President, that we are sending to Ireland a man who it is said—and I am satisfied the statement is true—engaged in administrative procedures in the Department of State which, in my opinion, did great wrong to many fellow Americans.

I cannot vote to confirm the nomination of such a man, because I think he has neither the competency nor the qualifications to serve in an ambassadorship.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The absence of a quorum is suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. KNOWLAND. Have the yeas and nays been ordered?

The ACTING PRESIDENT pro tempore. The yeas and nays have been ordered.

The matter before the Senate is the nomination of Scott McLeod, of New Hampshire, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ireland.

The question is, Will the Senate advise and consent to this nomination?

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Nevada [Mr. BIBLE], the Senator from Pennsylvania [Mr. CLARK], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. GORE], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from North Carolina [Mr. SCOTT], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

The Senator from Nevada [Mr. BIBLE] is paired with the Senator from Tennessee [Mr. KEFAUVER]. If present and voting, the Senator from Nevada would vote "yea" and the Senator from Tennessee would vote "nay."

The Senator from Pennsylvania [Mr. CLARK] is paired with the Senator from Utah [Mr. WATKINS]. If present and voting, the Senator from Pennsylvania would vote "nay" and the Senator from Utah would vote "yea."

The Senator from Mississippi [Mr. EASTLAND] is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from Mississippi would vote "yea" and the Senator from Minnesota would vote "nay."

The Senator from Missouri [Mr. SYMINGTON] is paired with the Senator from Kansas [Mr. SCHOEPPEL]. If present and voting, the Senator from Missouri would vote "nay" and the Senator from Kansas would vote "yea."

The Senator from North Carolina [Mr. SCOTT] is paired with the Senator from Maine [Mr. PAYNE]. If present and voting, the Senator from North Carolina would vote "nay" and the Senator from Maine would vote "yea."

I further announce that if present and voting, the Senator from West Virginia [Mr. NEELY] would vote "nay."

Mr. DIRKSEN. I announce that the Senator from Utah [Mr. WATKINS] is absent on official business.

The Senator from North Dakota [Mr. LANGER] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Kansas [Mr. SCHOEPPEL] is necessarily absent.

On this vote, the Senator from Kansas [Mr. SCHOEPPEL] is paired with the Senator from Missouri [Mr. SYMINGTON]. If present and voting, the Senator from Kansas would vote "yea" and the Senator from Missouri would vote "nay."

On this vote, the Senator from Utah [Mr. WATKINS] is paired with the Senator from Pennsylvania [Mr. CLARK]. If present and voting, the Senator from Utah would vote "yea" and the Senator from Pennsylvania would vote "nay."

On this vote, the Senator from Maine [Mr. PAYNE] is paired with the Senator from North Carolina [Mr. SCOTT]. If present and voting, the Senator from Maine would vote "yea" and the Senator from North Carolina would vote "nay."

The result was announced—yeas 60, nays 20, as follows:

YEAS—60

Aiken	Ellender	Martin, Pa.
Allott	Flanders	McClellan
Barrett	Frear	Morton
Beall	Goldwater	Mundt
Bennett	Hayden	Potter
Bricker	Hickenlooper	Purtell
Bridges	Holland	Revercomb
Bush	Hruska	Robertson
Butler	Ives	Russell
Byrd	Javits	Saltonstall
Capehart	Jenner	Smathers
Carlson	Johnson, Tex.	Smith, Maine
Case, N. J.	Johnston, S. C.	Smith, N. J.
Case, S. Dak.	Kerr	Stennis
Chavez	Knowland	Talmadge
Cooper	Kuchel	Thurmond
Cotton	Long	Thye
Curtis	Malone	Wiley
Dirksen	Mansfield	Williams
Dworshak	Martin, Iowa	Young

NAYS—20

Carroll	Hill	Morse
Church	Jackson	Neuberger
Douglas	Kennedy	O'Mahoney
Ervin	Lausche	Pastore
Fulbright	Magnuson	Sparkman
Green	McNamara	Yarborough
Hennings	Monroney	

NOT VOTING—15

Anderson	Humphrey	Payne
Bible	Kefauver	Schoeppel
Clark	Langer	Scott
Eastland	Murray	Symington
Gore	Neely	Watkins

So the nomination of Scott McLeod to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ireland was confirmed.

Mr. BRIDGES. Mr. President, I move that the Senate reconsider the vote by which the nomination was confirmed.

Mr. KNOWLAND. Mr. President, I move to lay on the table the motion to reconsider.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

DIPLOMATIC AND FOREIGN SERVICE

HENRY J. TAYLOR

The ACTING PRESIDENT pro tempore. The clerk will state the remaining nominations on the Executive Calendar.

The legislative clerk read the nomination of Henry J. Taylor, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

The ACTING PRESIDENT pro tempore. Without objection, the nominations in the Army are considered and agreed to en bloc.

SUBVERSIVE ACTIVITIES CONTROL BOARD

The legislative clerk read the nomination of Thomas James Donegan to be a member of the Board.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

SUNDRY NOMINATIONS IN THE ARMED SERVICES

The ACTING PRESIDENT pro tempore. Without objection, the nominations for appointment in the Air Force, the Navy, and the Marine Corps, heretofore placed on the Vice President's desk, referred to at the bottom of the Executive Calendar, are considered and agreed to en bloc.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be notified of all nominations confirmed today and of the confirmation of the nomination of Ambassador Bohlen yesterday.

The PRESIDING OFFICER. Without objection, the President will be so notified.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. I move that the Senate proceed to the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Wednesday, May 8, 1957, was approved, and its reading was dispensed with.

REVISION OF TRANSPORTATION OF EXPLOSIVES ACT

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Texas will state it.

Mr. JOHNSON of Texas. Is S. 1491 the pending business before the Senate at this time?

The ACTING PRESIDENT pro tempore. The Presiding Officer is informed by the Parliamentarian that that bill will not, under the rule, become the pending business before the Senate until 2 o'clock p. m. It may, however, be laid before the Senate prior to that hour, either on motion, or by unanimous consent.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Chair lay before the Senate the unfinished business.

The ACTING PRESIDENT pro tempore. Without objection, the Chair lays before the Senate the unfinished business, which the clerk will state by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1491) to revise the Transportation of Explosives Act, chapter 39, title 18, of the United States Code, as amended.

CORRECTION OF THE RECORD—RAPID TAX AMORTIZATION

Mr. MORSE. Mr. President, I wish to correct an error that appeared in yesterday's CONGRESSIONAL RECORD in my remarks on rapid tax amortization.

On page 6511 of the RECORD for May 8, 1957, in the second column, I described a list of companies in which Treasury Secretary Humphrey has either a direct or indirect interest, that have received rapid tax writeoff certificates. The total amount amortized as a result of the 410 certificates granted to various corporate holdings of the M. A. Hanna Co. in which the Secretary owns an interest, should read "$1,021,813,000." The figure appeared in the RECORD as "$1,021,813" rather than "$1,021,813,000," probably because the chart from which the total was taken and which is reproduced below this statement was in thousands of dollars, with the 3 final zeros eliminated.

In other words, the companies in which the Secretary of the Treasury has either a direct or indirect interest received much more by way of tax amortization benefits than the Senator from Oregon is reported in the CONGRESSIONAL RECORD as having alleged.

The total amortized amount as it appeared in yesterday's RECORD is only one-thousandth of the true total on which the Treasury Secretary's corporate interests have enjoyed rapid depreciation. I want it made perfectly clear that the 410 certificates for rapid tax amortization granted to companies held directly or through interlocking directorates by the M. A. Hanna Co., with whose management Mr. Humphrey was associated, total well over a billion dollars.

Mr. President, as one Member of the Senate I appreciate very much the work the 2 Senators from Virginia are doing with regard to this issue.

It is a very important issue. The American people are entitled to have it settled in their favor. The time is long past due when we should put a stop to this type of subsidy to the great corporate businesses of the country. As I have said before, the subsidy paid to the American farmers is nothing but peanuts when compared with the indirect and hidden subsidies, which American big business has been getting from the present administration.

I was rather amused to read newspaper accounts of the President's press conference, in which he was reported as having said, in effect, that he thought something ought to be done to bring to a close the accelerated tax amortization program. However, when pressed for an answer with regard to his position on the Idaho Power Company's handout, he indicated that, of course, it was within the law. No one has said it is not within the law. That is one of the things that makes it even more politically immoral. That is the trouble with this administration; it commits its acts of political immorality within the law.

I used to teach my students that I wanted them to remember that the law is not limited to the written letter; that, after all, the law is to be found in the moral principles behind the written letter of the law.

Whenever anyone uses the written letter of the law to justify an act of political immorality, his act is just as wrong as though he acted outside the written letter of the law.

Mr. President, I charge this administration with acting immorally time and time again within the law. That is exactly what the administration is doing with respect to the accelerated tax amortization program. It is a shocking thing. In my judgment it is taking out of the pockets of American taxpayers billions of dollars and giving them to American big business.

We ought to stop this giveaway.

I therefore commend the 2 Senators from Virginia for the leadership they are taking on this issue. I am very proud to be associated with them in this cause, which seeks to protect the taxpayers of the United States from the kind of political thievery the Eisenhower administration is guilty of within the law, in giving handouts to the big business forces which dominate the administration.

The ACTING PRESIDENT pro tempore. The correction of the RECORD will be made.

THE CONDITION OF ISRAEL

Mr. FLANDERS. Mr. President, in considering the problems surrounding Israel, the first thing which all nations must do is to recognize that it exists as

a nation. We may raise such questions as: Was Israel formed by immigration or invasion? Was the new nation justified in opposing United Nations judgments for the internationalization of Jerusalem? Who was responsible for the continued raids from each side of the border and the violations of the truce arranged by the United Nations? These questions are interesting. They are important. But they must not be raised in an endeavor to justify the destruction of Israel. That country remains a fact to be reckoned with.

Counterbalancing facts are the vital interests of the Arab world as a whole, which must be served. One thing of which the Arab world needs to be assured is that limits will be set on immigration into Israel. Present policies of unlimited immigration—practically speaking, of invited immigration which may be beyond the natural resources of the region—must be abandoned. There can be no peaceful relations in the Middle East so long as Israel is prepared to flood its area with a population which will inevitably exceed existing living room. A peaceful Middle East requires that by word or action this policy is seen to be abandoned.

However, a word of warning needs to be said at this point. If any adjacent country, such as Egypt, for instance, makes conditions impossible for the continued existence of long-established Jews within her borders, can that country insist that no room for them be allowed to Israel? To put the matter bluntly, if Jews are driven from Cairo, would not a request be justified for the Gaza Strip as territory to receive the population increase?

An open-ended policy of immigration is, however, the visible evidence of a more deepseated problem for the Arab world. They would like to know whether or not they can deal with the nation Israel. Are they dealing with a nation like other nations of the Mid-East, or are they dealing with some broadspread movement such as goes under the name of Zionism with its material support, and likewise its ideals and purposes, spread throughout world Judaism? For a peaceful settlement in the Mid-East the Arab nations must be convinced that they are dealing with a nation like themselves and not with some massive supernational organization.

On the other hand, the inhabitants of Israel themselves need assurance and the recognition of rights which they do not at present possess. They need the mutual assurance of a cessation of border raids whether from outward-inward or from inward-outward, as regards the surrounding Arab States. They have a right to expect friendly passage through the Suez Canal. We can properly support them in the World Court if necessary, in the privilege of friendly passage into the Gulf of Aqaba. They have reason to expect the willingness of Jordan and Syria to join in a mutually profitable development of the Jordan Valley.

Israel has a great constructive function in the Mid-East. She is showing that great region what can be done with its natural resources. These are meager as measured by our abundance. But hard work, intelligence, and capital have fulfilled the prophecy of Isaiah when he said:

> The wilderness and the solitary place shall be glad for them; and the desert shall rejoice and blossom as the rose.

Israel is indeed the great experiment station of the Middle East. What she can do with land and water, rock and soil, plants and flocks, is applicable to hundreds of thousands of square miles of undeveloped areas of the Arab world.

This Arab world faces a rebirth, for no longer is it destitute of capital. The floods of oil which flow from the lands bordering on the Persian Gulf are turned into floods of money which flow into the treasuries of their rulers. With Israel a tranquilized nation, living at peace with her Arab neighbors, she can show the means through which Arab wealth can be made profitably to flow over Arab lands, to the blessing of the inhabitants thereof.

PROBLEMS OF THE ARAB WORLD

The Arab world in what we used to call the Near East, but which the State Department now calls the Middle East, is faced with serious problems. The most important of them are Communist infiltration, Zionistic expansion of Israel, displaced refugees, low living standards, and deficient education. Let us examine each of these problems in turn and see what remedies may be found for them.

Communist infiltration is not a theory but a fact. It took the form of dangling before Nasser's eyes the hope of financing the Aswan Dam, but this prospect faded as soon as we announced that we were not prepared to outbid the Soviets in support of the project. This was the Soviet-invented trap of a bidding race designed to beggar our national resources, concerning which I have spoken before on the floor. Military assistance in the way of planes and other war materials did arrive in Egypt from Soviet sources in very large quantities, and formed an important part of the military strength Egypt has been able to develop. However, we cannot forget that the Soviet bloc also provided Israel initially with arms. In Syria the political penetration has been most serious, and is in fact the present dominating influence in the Syrian Government. It led to the almost instant sabotage of the pipelines when the Suez Canal area was invaded by the French and British forces. It supplied a certain amount of armament for the Syrian armies. It provided a strong ideological base from which furtive penetrations were made into the army and into the civilian population of Jordan.

This infiltration, if not arrested, will ultimately destroy the freedom of these Arab peoples, will tie them to the program of world conquest, which is the purpose of the Soviet Government, and will lead to the same blockade in the road toward higher living standards that has been experienced by all the western nations which have come under Soviet control. It is, therefore, a matter of the utmost importance to the Arab nations that this threat to Arab social and political institutions should be arrested.

As a defense against this Soviet invasion the Middle East has two resources. One of them is the Middle East doctrine, which promises military aid to any nation desiring assistance against military aggression occurring under Soviet sponsorship. This aid was not requested by the brave young King of Jordan in his surmounting of the recent crisis in his country. It nevertheless was available and the fact of its existence played a large part in supporting the King's intelligent and courageous action.

However, the really dangerous factor in Soviet aggression is the ideological one. That is the attack against which we must plan our heaviest defenses. Those defenses will come from the adoption and operation of an overall program which is suggested by the consideration of all the elements which are being studied in this series of brief addresses. These will be summed up in the next and last of the series.

The Zionistic expansion of Israel is the other active threat of aggression. The Arab world and the rest of the world must be assured that Israel is a nation in the sense that the rest of the free countries of the world are nations. Most unfortunately there appear overtones and undertones of Zionistic concept in the minds of the leaders of Israel, but more particularly in the written and spoken words of the leaders of the Zionist movement the world over. This Zionist ideology is as threatening to the Israeli and Arab worlds as is the communistic ideology.

But the threat is more than that of an ideology. Unrestricted immigration is invited into Israel. So long as that immigration is continuously invited and is unrestricted, it will in time result in a population too large to be supported naturally in the present boundaries and present resources of Israel. That it should continue a dependence on the resources of its peculiar international ties is no solution. A subsidized economy is a dangerous one. Overpopulation will in turn lead logically and practically toward an endeavor to take over more territory for additional living space for the teeming Jewish multitudes.

Unrestricted immigration must therefore be labeled as a menace to the Arab world. Except to care for Jews driven from Arab territory, any expansion of the present limits of Israel must be treated in the eyes of the United Nations and of the nations individually as an act of aggression. It must be so treated by our own Government. Only when this is done can the Arab nations feel any security against this menace.

The Arab refugees, and the Christian refugees, as well, displaced from Palestine when the Jews took over, constitute a continuing irritant. I am not at this time raising the question as to whether these refugees could have been permitted to remain on their lands, or would have been paid reasonable sums for their lands, had they been willing to remain and bargain; or whether, on the other hand, they were driven out by terroristic proceedings. To go into the past on this matter solves no problems. The present situation is what concerns us.

There have been suspicions that the Arab nations are not too anxious to resettle these refugees or otherwise to mitigate their sufferings. By leaving them where they are, they constitute an active, effective, political indictment, whether true or false, of the nation of Israel. Let us hope that this charge is not true. It can best be disproved by actively carrying out the total program which will make living room and living opportunities available to the whole Arab population and particularly to the refugees from Israel.

Living standards are low throughout the Arab world—lowest of all, perhaps, in Egypt. For remedy, there is not merely the hope for improvement from the Aswan Dam, or similar constructions, but there is also hope for more effective use, throughout the whole area of the Middle East, of the natural resources and human labor available.

I have already suggested that here lies the opportunity for a constructive contribution by Israel to the well-being of the area. With Israel as an experiment station, and with the wealth flowing into the Arab world from the development of its oil resources, it should be possible to do all that skill, experience, and capital can do to raise the standard of living of the citizens of whole nations.

We have a part to play in the solution of the Arab problem, particularly with reference to education. The number of schools must be greatly increased; the number of teachers must be multiplied still more. The greatest single opportunity for economic assistance lies in the field of providing schools and teachers to prepare these great populations for the social, economic, and political advance which leads them toward a future of greater well-being. The foreign assistance of our country might well be directed toward this project. Why should we not duplicate, in this age, the achievement of mass education which did so much for the people of the Philippines?

The stage is set. We have but to coordinate various elements of a great drama of human advance, for which the materials are now at hand in this area of ancient, vanished civilizations. The time has come to build up a new and happier one.

ORDER FOR ADJOURNMENT TO MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations today, it stand in adjournment until Monday next at noon.

The PRESIDING OFFICER (Mr. THURMOND in the chair). Without objection, it is so ordered.

ORDER DISPENSING WITH CALL OF THE CALENDAR ON MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the call of the calendar under rule VIII be dispensed with on next Monday.

The PRESIDING OFFICER. Without objection, it is so ordered.

REVISION OF TRANSPORTATION OF EXPLOSIVES ACT

The Senate resumed the consideration of the bill (S. 1491) to revise the Transportation of Explosives Act, chapter 39, title 18, of the United States Code, as amended, which had been reported from the Committee on Interstate and Foreign Commerce with amendments, on page 1, in the first line after line 5, after the word "and", to strike out "Combustibles" and insert "Other Dangerous Articles"; in the 4th line, after line 5, after the word "of", to strike out "dynamite, powder, and fuzes; liquid nitroglycerin, and other similarly dangerous"; in the 5th line, after line 5, after the word "explosives,", to strike out "and"; and, in the same line after the word "radioactive", to strike out "materials and" and insert "materials"; in the 6th line, after line 5, after the word "agents", to insert a comma and "and other dangerous articles"; on page 3, line 3, after the word "in", to strike out "naval or"; in line 4, after the word "the", to strike out "high explosive" and insert "explosive"; in line 6, after the word "the", to strike out "high explosive" and insert "explosive"; after line 7, to strike out:

"' 'Primers' means devices used in igniting the propelling powder charges of ammunition."

After line 13, to insert:

" 'Radioactive materials' means any materials or combination of materials that spontaneously emit ionizing radiation.

After line 16, to insert:

" 'Etiologic agents' means the causative agent of the following diseases and such others as may be prescribed from time to time by the Surgeon General of the Public Health Service: Anthrax, botulism, brucellosis, cholera, Colorado tick fever, Coxsackie diseases, diphtheria, encephalitis (arthropod-borne), glanders, leptospirosis, lymphocytic choriomeningitis, melioidosis, meningococcal meningitis, paratyphoid fever, plague, poliomyelitis, Q fever, rabies, relapsing fever, rickettsialpox, Rift Valley fever, Rocky Mountain spotted fever, schistosomiasis, scrub typhus, smallpox, tetanus, tuberculosis, tularemia, typhoid fever, typhus fever, and yellow fever.

On page 4, line 4, after the word "of", to strike out "dynamite, powder, and fuzes; liquid nitroglycerin and other similarly dangerous explosives; and" and insert "explosives"; in line 6, after the word "radioactive", to strike out "materials and" and insert "materials"; in line 7, after the word "agents", to insert a comma and "and other dangerous articles"; in line 10, after the word "any", to strike out "high" and insert "dangerous"; in line 23, after the word "the", to insert "Interstate Commerce"; on page 5, line 14, after the word "military", to strike out "or naval"; on page 6, line 3, after the word "explosives", to insert "radioactive materials, or etiologic agents"; in line 15, after the word "who", to strike out the comma and "for hire or otherwise"; in line 22, after the word "such", to strike out "for hire"; on page 7, line 18, after the word "any", to strike out "for hire"; on page 8, line 11, after the word "associations", to strike out "including the Bureau for the Safe Transportation of Explosives and Other Dangerous Articles"; in line 16, after the word "who", to insert "being aware that the Interstate Commerce Commission has formulated regulations for the safe transportation of explosives and other dangerous articles"; on page 9, line 10, after the word "and", to strike out "investigation" and insert "conduct such investigations"; on page 10, line 2, after the word "Commission", to strike out "and its authorized representatives"; in line 3, after the word "it", to strike out "and them"; at the beginning of line 7, to insert "explosives and other"; and, in line 10, after the word "of", to insert "explosives and other"; so as to make the bill read:

Be it enacted, etc., That title 18 of the United States Code, chapter 39, sections 831–835 inclusive, entitled, "Explosives and Combustibles," as amended, is hereby amended to read as follows:

"CHAPTER 39—EXPLOSIVES AND OTHER DANGEROUS ARTICLES

"Sec.
831. Definitions.
832. Transportation of explosives, radioactive materials, etiologic agents, and other dangerous articles.
833. Marking packages containing explosives.
834. Regulations by Interstate Commerce Commission.
835. Administration.

"Sec. 831. Definitions

"As used in this chapter—

" 'Carrier' means any person engaged in the transportation of passengers or property, by land, other than pipelines, including common, contract, and private carriers and freight forwarders, and officers, agents, and employees of such carriers.

" 'Person' means any individual, firm, copartnership, corporation, company, association, or joint-stock association, and includes any trustee, receiver, assignee, or personal representative thereof.

" 'For-hire carrier' includes common and contract carriers.

" 'Shipper' shall be construed to include officers, agents, and employees of shippers.

" 'Interstate and foreign commerce' means commerce between a point in one State and a point in another State, between points in the same State through another State or through a foreign country, between points in a foreign country or countries through the United States, and commerce between a point in the United States and a point in a foreign country or in a Territorial possession of the United States, but only insofar as such commerce takes place in the United States. The term 'United States' as used herein means the 48 States and the District of Columbia. For the purpose of this act, the District of Columbia shall be deemed to be a State.

" 'Detonating fuses' means fuses used in military service to detonate the explosive charges of military projectiles, mines, bombs, or torpedoes.

" 'Fuses' means devices used in igniting the explosive charges of projectiles.

" 'Fuses' means the slow-burning fuses used commercially to convey fire to an explosive combustible mass.

" 'Fusees' means the fusees ordinarily used on steamboats, railroads, and motor carriers as night signals.

" 'Radioactive materials' means any materials or combination of materials that spontaneously emit ionizing radiation.

" 'Etiologic agents' means the causative agent of the following diseases and such others as may be prescribed from time to time by the Surgeon General of the Public Health Service: Anthrax, botulism, brucellosis, cholera, Colorado tick fever, Coxsackie

diseases, diphtheria, encephalitis (arthropod-borne), glanders, leptospirosis, lymphocytic choriomeningitis, melioidosis, meningococcal meningitis, paratyphoid fever, plague, poliomyelitis, Q fever, rabies, relapsing fever, rickettsialpox, Rift Valley fever, Rocky Mountain spotted fever, schistosomiasis, scrub typhus, smallpox, tetanus, tuberculosis, tularemia, typhoid fever, typhus fever, and yellow fever.

"Sec. 832. Transportation of explosives, radioactive materials, etiologic agents, and other dangerous articles

"(a) Any person who knowingly transports, carries, or conveys within the United States, any dangerous explosives, such as and including, dynamite, blasting caps, detonating fuses, black powder, gunpowder, or other like explosive, or any radioactive materials, or etiologic agents, on or in any car or vehicle of any description operated in the transportation of passengers by any for-hire carrier engaged in interstate or foreign commerce, by land, shall be fined not more than $1,000 or imprisoned not more than 1 year, or both; and, if the death or bodily injury of any person results from a violation of this section, shall be fined not more than $10,000 or imprisoned not more than 10 years, or both: *Provided, however*, That such explosives, radioactive materials, or etiologic agents may be transported on or in such car or vehicle whenever the Interstate Commerce Commission finds that an emergency requires an expedited movement, in which case such emergency movements shall be made subject to such regulations as the Commission may deem necessary or desirable in the public interest in each instance: *Provided, further*, That under this section it shall be lawful to transport on or in any such car or vehicle, small quantities of explosives, radioactive materials, or other dangerous commodities of the kinds, in such amounts, and under such conditions as may be determined by the Interstate Commerce Commission to involve no appreciable danger to persons or property: *And provided further*, That it shall be lawful to transport on or in any such car or vehicle such fusees, torpedoes, rockets, or other signal devices as may be essential to promote safety in the operation of any such car or vehicle on or in which transported. This section shall not prevent the transportation of military forces with their accompanying munitions of war on passenger-equipment cars or vehicles.

"(b) No person shall knowingly transport, carry, or convey in interstate or foreign commerce, by land, within the United States, liquid nitroglycerin, fulminate in bulk in dry condition, or other similarly dangerous explosives, or radioactive materials, or etiologic agents, except under such rules and regulations as the Commission shall specifically prescribe with respect to the safe transportation of such commodities. The Commission shall from time to time determine and prescribe what explosives are "other similarly dangerous explosives," and may prescribe the route or routes over which such explosives, radioactive materials, or etiologic agents shall be transported. Any person who violates this provision, or any regulation prescribed thereunder by the Interstate Commerce Commission, shall be fined not more than $1,000 or imprisoned not more than 1 year, or both; and, if the death or bodily injury of any person results from a violation of this section, shall be fined not more than $10,000 or imprisoned not more than 10 years, or both.

"Sec. 833. Marking packages containing explosives

"Any person who knowingly delivers to any carrier engaged in interstate or foreign commerce by land or water, and any person who knowingly carries upon any car or vehicle operated in interstate or foreign commerce by land any explosive, or other dangerous article, specified in or designated by the Interstate Commerce Commission pursuant to section 834 of this title, under any false or deceptive marking, description, invoice, shipping order, or other declaration, or any person who so delivers any such article without informing such carrier in writing of the true character thereof, at the time such delivery is made, or without plainly marking on the outside of every package containing explosives or other dangerous articles the contents thereof, if such marking is required by regulations prescribed by the Interstate Commerce Commission, shall be fined not more than $1,000 or imprisoned not more than 1 year, or both; and, if the death or bodily injury of any persons results from a violation of this section, shall be fined not more than $10,000 or imprisoned not more than 10 years, or both.

"Sec. 834. Regulations by Interstate Commerce Commission

"(a) The Interstate Commerce Commission shall formulate regulations for the safe transportation within the United States of explosives and other dangerous articles, including radioactive materials, etiologic agents, flammable liquids, flammable solids, oxidizing materials, corrosive liquids, compressed gases, and poisonous substances, which shall be binding upon all carriers engaged in interstate or foreign commerce which transport explosives or other dangerous articles by land, and upon all shippers making shipments of explosives or other dangerous articles via any carrier engaged in interstate or foreign commerce by land or water.

"(b) The Commission, of its own motion, or upon application made by any interested party, may make changes or modifications in such regulations, made desirable by new information or altered conditions.

"(c) Such regulations shall be in accord with the best-known practicable means for securing safety in transit, covering the packing, marking, loading, handling while in transit, and the precautions necessary to determine whether the material when offered is in proper condition to transport.

"(d) Such regulations, as well as all changes or modifications thereof, shall, unless a shorter time is specified by the Commission, take effect 90 days after their formulation and publication by the Commission and shall be in effect until reversed, set aside, or modified.

"(e) In the execution of sections 831–835 of this title the Commission may utilize the services of carrier and shipper associations, and may avail itself of the advice and assistance of any department, commission, or board of the Federal Government, and of State and local governments, but no official or employee of the United States shall receive any additional compensation for such service except as now permitted by law.

"(f) Any person who, being aware that the Interstate Commerce Commission has formulated regulations for the safe transportation of explosives and other dangerous articles, violates any such regulation shall be fined not more than $1,000 or imprisoned not more than 1 year, or both; and if the death or bodily injury of any person results from such violation, shall be fined not more than $10,000 or imprisoned not more than 10 years, or both.

"Sec. 835. Administration

"(a) The Interstate Commerce Commission is authorized and directed to administer, execute, and enforce all provisions of this chapter, to make all necessary orders in connection therewith, and to prescribe rules, regulations, and procedure for such administration, and to employ such officers and employees as may be necessary to carry out these functions;

"(b) The Commission is authorized to make such studies and conduct such investigations, obtain such information, and hold such hearings as it may deem necessary or proper to assist it in exercising any authority provided in this chapter. For such purposes the Commission is authorized to administer oaths and affirmations, and by subpena to require any person to appear and testify, or to appear and produce documents, or both, at any designated place. No person shall be excused from complying with any requirement under this paragraph because of his privilege against self-incrimination, but the immunity provisions of the Compulsory Testimony Act of February 11, 1893 (49 U. S. C. 46), shall apply with respect to any individual who specifically claims such privilege. Witnesses subpenaed under this subsection shall be paid the same fees and mileage as are paid witnesses in the district courts of the United States.

"(c) In administering and enforcing the provisions of this chapter and the regulations prescribed thereunder the Commission shall have and exercise all the powers conferred upon it by the Interstate Commerce Act, including procedural, and investigative, powers and the power to examine and inspect records and properties of carriers engaged in transporting explosives and other dangerous articles in interstate or foreign commerce and the records and properties of shippers to the extent that such records and properties pertain to the packing and shipping of explosives and other dangerous articles and the nature of such commodities."

Mr. SMATHERS. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REVERCOMB. Mr. President, let me ask what the number of the bill is.

Mr. SMATHERS. It is Senate bill 1491, to revise the Transportation of Explosives Act; it is the unfinished business.

Mr. REVERCOMB. What is the calendar number of the bill?

Mr. SMATHERS. It is Calendar No. 280.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the committee, which are being considered en bloc.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1491) was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to revise title 18, chapter 39, of the United States Code, entitled 'Explosives and Combustibles'."

Mr. SMATHERS. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement in explanation of Senate bill 1491, as made by me.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SMATHERS ON SENATE BILL 1491

The purpose of this bill is to revise and bring up to date the provisions of the Transportation of Explosives Act. Public hearings were held by the Surface Transportation Subcommittee and all desiring to testify were heard.

The Transportation of Explosives Act was adopted nearly 50 years ago and while it has served its purpose well, it now needs revision in many respects. There has been a tremendous increase in the transportation of dangerous articles following the increase in the production of radioactive materials and etiologic agents. This act in its present form does not provide for regulations for the transportation of etiologic agents; neither does the act specifically cover radioactive materials. The Interstate Commerce Commission has prescribed regulations for such materials by classifying them as poisons. Etiologic agents such as live viruses, bacteria, and the like are not poisons, so there is some question as to whether the Commission has the authority to prescribe regulations on such commodities. This bill would correct the situation and would place the transportation of these articles squarely within the jurisdiction of the Commission.

In its present form the Transportation of Explosives Act applies to common carriers only and violations of its provisions are subject to maximum penalties of $10,000 or 10 years' imprisonment or both. On the other hand, the very same violations when committed by private or contract carriers are prosecuted under section 222 (a) of the Interstate Commerce Act which carries a maximum penalty of only $100. The bill would therefore remove this anomaly and would extend the provisions of the Explosives Act to include contract and private carriers.

The bill would amend present provisions of the act relating to the marking of packages to include the tendering of such articles to any carrier by land or water and to any person carrying such articles upon any interstate carrier by land, including private as well as common and contract carriers.

Prosecution for violations of the Commission's transportation of explosives regulations has been extremely difficult because of the requirement in section 835 of the act that violators must have knowledge that they violated the Commission's regulations. While the committee believes that every reasonable precaution should be taken to provide for punishing those violating a statute whose purpose is to promote safety, the creation of an absolute liability might be too stringent. These violations often do not arise from any affirmative intent but result more from neglect when the law requires care, or from inaction or indifference when the law imposes a duty to act (*Boyce Motor Lines* v. *U. S.* (342 U. S. 337 (1952)).

The committee, therefore, rather than establishing absolute liability by striking "knowingly" from section 834 (f), prefers to somewhat limit the liability by amending section 834 (f) of the bill so as to provide that any person "being aware that the Interstate Commerce Commission has formulated regulations for the safe transportation of explosives and other dangerous articles," who violates such regulations shall be subject to the penalties of fine or imprisonment as provided in the act. Thus, those who are in a position to be on notice that Interstate Commerce Commission regulations should be observed for the handling of explosives and other dangerous articles are made subject to penalties for failure to observe such regulations.

This bill would include in the definition of "person" a partnership, thus bringing a partnership within the provisions of the Commission's explosives regulations. This change is considered necessary because the Supreme Court has sustained a lower court's holding that a partnership is not a legal entity for the purpose of criminal liability under regulations of the Interstate Commerce Commission (*U. S.* v. *American Freightways Co., U. S.*, decided March 4, 1957).

VISIT TO THE SENATE BY MEMBERS OF THE SENIOR CLASS OF THE METAIRIE PARK COUNTRY DAY SCHOOL, OF NEW ORLEANS

Mr. LONG. Mr. President, we are pleased to have in the gallery of the Senate today the senior class of Metairie Park Country Day School, of New Orleans, La. I wish to welcome them to the Senate. They are studying the National Government, and are learning something about their Nation's history and traditions. I ask unanimous consent to have printed in the RECORD a list of the members of the class who are making the trip, together with the names of their escorts.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Members of senior trip Metairie Park Country Day School, New Orleans:

Mr. Roland Nelson, headmaster; Mrs. T. D. Wilson, chaperone; Sue Bayon; Barabara Breckinridge; Stella Farwell; Judy Wells; Wendy Coleman; Caroline French; Jean Lampton; Judy Sharp; David Dike; Volker Seifert; Manuel Trelles; Lonnie Watson; Keith Hammett; Craig Nelson; James Parker; Peter Thompson; Bruce Baillif.

VISIT TO THE SENATE BY THE RIGHT HONORABLE ROBERT BRISCOE, LORD MAYOR OF DUBLIN

Mr. GREEN. Mr. President, I should like to present to the Senate the Right Honorable Robert Briscoe, lord mayor of the city of Dublin, Ireland.

[Applause, Senators rising.]

The PRESIDING OFFICER (Mr. CLARK in the chair). Without objection, the Senate will stand in recess briefly, so that Members of the Senate may greet the lord mayor.

Thereupon (at 2 o'clock and 44 minutes p. m.) the Senate took a recess until 2:45 p. m.

During the recess, the lord mayor of Dublin was greeted by Members of the Senate, who were presented by Mr. GREEN.

On the expiration of the recess, the Senate reassembled, and was called to order by the Presiding Officer.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Acting President pro tempore:

H. R. 676. An act to authorize the city of Rock Hill, S. C., to acquire certain tribal lands on the Catawba Indian Reservation, S. C.;

H. R. 1544. An act to provide for the conveyance of certain real property of the United States situated in Cobb County, Ga., to the trustees of the Methodist Church, Acworth, Ga.;

H. R. 1757. An act for the relief of Nicola Marcello;

H. R. 2401. An act to provide for the reconveyance of certain land to the city of Spearfish, S. Dak.;

H. R. 2723. An act for the relief of Shigeko Kimura and her minor child; and

H. J. Res. 287. Joint resolution permitting the Secretary of the Interior to continue to deliver water to lands in the Heart Mountain division, Shoshone Federal Reclamation project, Wyoming.

THE PREVIOUS QUESTION IN THE SENATE

Mr. DOUGLAS. Mr. President, from time to time during the debate over whether the Senate should proceed to adopt new rules, it was said by the eminent Senator from Georgia [Mr. RUSSELL] that, contrary to published reports, the previous question motion, which was a part of the Senate Rules from 1789 to 1806, did not have the effect of closing or limiting debate; and that in the practice of the Senate in those years, there had been no effective rule to limit debate which could be invoked by a simple majority.

It has also been said by the Senator from Georgia and others that in those early days of the Senate, the "previous question" rule was not one whose usage was like the present usage of the "previous question" in almost every parliamentary body, the effect of which is to cut off debate, but that it was used then to postpone a matter, the effect of which was said to be to follow the usage of the British Parliament and the Continental Congress.

Mr. President, this may seem to be a highly academic matter to discuss, but since the Senate places so much emphasis upon precedents, and since the question of a substitute for unlimited debate involves the use of the previous question, and since, if we move to adopt new rules in the coming Congress, debate will take place under general parliamentary law, which includes the previous question, it is very important that we know what the precedents, so far as the use of the previous question is concerned, have been in both the United States Senate and the British Parliament, and also, let me say, in the Continental Congress.

I have had my office notify the office of the Senator from Georgia that I intended to discuss this subject this afternoon. So I have tried to comply with the usages and practices of the Senate.

My main purpose in speaking today is to examine the records and the documents and to show that, first, in the early Senate, the moving of the previous question could be used as a motion to end debate; in fact, it was moved with the intention of stopping debate; on two occasions its effect was to stop debate, and it was carried by a majority vote; and, second, while the previous question could also have the effect of postponement, that point is only half the story, for in both the British Parliament and the Continental Congress the motion was also used to stop debate.

I shall develop these points as I go along.

SAME POINTS MADE IN 1953

When the Anderson motion, that the Senate proceed to adopt its rules, was before the Senate in 1953, the same contention was made, namely, that the "previous question" had first only been

a motion to postpone consideration rather than a motion to end debate and bring a measure to a vote. In particular, the brief placed in the RECORD on behalf of those who opposed the Anderson motion to proceed to adopt the rules of the Senate, contained such statements.

That brief was printed as a Senate document, Senate Document No. 4, 83d Congress, 1st session, and the statement is on page 11 of that publication.

That brief was placed in the RECORD again this year. Various sources were quoted in that brief as saying that the motion, the previous question, which was a part of the rules of the Senate from 1789 to 1806, could not be used to end debate and bring a vote—as in fact it was used—but was a motion to postpone consideration of a bill before the Senate and that it was debatable. In particular, the brief quotes from an article written by Henry Cabot Lodge in the North American Review of November 1892, entitled "Obstruction in the Senate." This is what he wrote:

There never has been in the Senate any rule which enabled the majority to close debate or compel a vote. The previous question, which existed in the earliest years, was abandoned in 1806, was the previous question of England and not that with which everyone is familiar today in our House of Representatives. It was not in practice a of cloture and it is therefore correct to say that the power of closing debate in the modern sense has never exised in the Senate (p. 11).

This passage from what Senator Lodge wrote has been extensively used, and, as I shall later show, it is almost completely wrong.

While quoting from that brief during the 1953 debate, the late Senator Robert Taft also quoted from an article in the Congressional Digest of November 1926. That article said in part:

The previous question was provided for in the first Senate Rules found in the Annals of the First Congress from 1789 to 1791. Rules VIII, IX, and XI, related to the previous question but were rarely used. Like the precedents for the rule in the British Parliament and the Continental Congress when it was used in the early days of the Senate it did not limit debate but avoided a vote on a given subject. The previous question was debatable * * * but not on amendments. (CONGRESSIONAL RECORD, vol. 99, pt. 1, Jan. 6, 1953, p. 112.)

I shall show today, Mr. President, that both of those statements, the statement of Senator Lodge and the article in the Congressional Digest, are not accurate, and that they have misled a great many eminent students of parliamentary law and Members of the Senate.

On the opening day of this session of Congress, January 3, 1957, I received permission to place in the body of the RECORD a number of papers bearing on the power of the Senate to change its rules, and the necessity of doing so. Among these was an article written for the Washington Post and Times Herald by Irving Brant, the biographer of President Madison. It was published under the heading "Absurdities and Conflicts in Senate Rules Are Outlined," and appeared on January 2, 1957.

Ordinarily an article in a newspaper, on the subject of senatorial powers and privileges does not unduly attract the attention of any of my colleagues. This one, however, attracted the attention of one of our most distinguished members, the senior Senator from Georgia, and on January 4 he addressed himself to it in debate. His particular objection to the article was to the following sentence in a thumbnail chronology of Senate rules on debate:

From 1789 to 1806, debate on a bill could be ended instantly by a majority of Senators present, through adoption of an undebatable motion for the previous question.

This, my distinguished colleague declared, was completely incorrect.

If—

Said he—

Mr. Brant had been as zealous in his research, and in seeking and producing the facts as he was in being an advocate in this matter, he would have found that there was absolutely no relationship, except in name, between the previous-question rule which applied in the Senate in those days.

And, I presume, he meant the previous-question rule as it is employed in other bodies to put an end to debate. Concerning the early Senate rule he asserted:

That was the previous-question rule from the British Parliament, which applied in that body for many years. A motion for the previous question was in the nature of a motion to postpone consideration of a bill before the Senate. It was open to debate. It could be debated without let or hindrance of any kind. It was merely a method of disposing of a measure before the Senate without taking action on it at that time.

Further, Mr. Walter Lippmann, who repeated Mr. Brant's point in an article of his own on rule XXII, was also said by my eminent colleague to have been in error concerning the early practice of the Senate.

Late last December, before the debate on rule XXII, I asked the Library of Congress to go into this matter and to see what actually had happened in the Senate under the previous question rule in effect from 1789 to 1806. I asked them to go to the original sources—the Senate Journals and the Annals of Congress—and to send me abstracts of the proceedings as given in those historic journals. At the very time Mr. Brant's statement was being called into question the floor of the Senate, and while his academic qualifications were being rather roughly treated, I actually held in my hand the abstracts from the original Journal of the Senate, the Executive Journal, and the Annals of Congress, which showed that Mr. Brant was substantially correct. In fact at that point in the debate I asked the distinguished Senator who was speaking to yield to me. I made that request so that I might throw some light on the statements concerning the use of the previous question motion in the Senate from 1789 to 1806. My attempted interruption will be found on page 153 of the CONGRESSIONAL RECORD for January 4, 1957, which I hold in my hand.

It will be noted that because we were under very strict time limitations—which was something of a paradox, for we were debating the issue of unlimited debate in the Senate of the United States—my request to the distinguished Senator to yield was refused.

Further, Mr. President, on that very day I had a member of my staff deliver a copy of the abstracts from those early Senate debates to the Parliamentarian of the Senate.

Now, Mr. President, I desire to take up four general matters.

First, I feel obligated to discuss the qualifications of Mr. Brant and to defend what is, indeed, described as an excellent reputation for historical and scholarly work—a reputation which is in no way diminished by the article he wrote for the Washington Post.

Second, I wish to take up, one by one, the occasions on which the previous question was moved in the Senate of the United States in the years 1789–1806.

Third, I desire to discuss the issue of whether or not the motion for the previous question was, in fact, debatable "without let or hindrance."

Finally, I wish to say a few words about the historical evolution of the use and meaning of the previous question motion in the United States and in the British House of Commons.

I

Before speaking about Mr. Brant's qualifications, I wish to state that he has written to me on the subject of his article in the Washington Post and the previous question motion. He apparently welcomed the suggestion that he should devote himself with zeal to seeking and producing facts. He has done so. At the end of my remarks I shall place in the RECORD a memorandum which he has prepared on the development of cloture and the previous question in American and British practice. It includes a penetrating study of the Senate's use of the previous question, probing the motives and purposes of the Senators who invoked it and of those who opposed it. I think that the way in which he has performed this task will impress even those who might be inclined to be critical.

Along with this memorandum, Mr. Brant has written me a letter which does not take up the highly involved Senate cases, as does his memorandum, but summarizes the results of his research into the debatability of the motion for the previous question in the Senate, and the part that motion has played in the development of cloture both in the United States and England. As this letter goes briefly and directly to the main points at issue, I desire to read it to the Senate.

WASHINGTON, D. C., *January 24, 1957.*

Senator PAUL H. DOUGLAS,
Senate Office Building,
Washington, D. C.

DEAR SENATOR DOUGLAS: The article I wrote for the Washington Post and Times-Herald on the right of the present Senate to change its rules without being thwarted by a past Senate appears to have become a matter of controversy since you placed it in the CONGRESSIONAL RECORD. The senior Senator from Georgia said on the floor that I was completely in error in stating that from 1789 to 1806, "debate on a bill could be ended instantly by a majority of Senators present, through adoption of an undebatable motion calling for the previous question."

There was, said the Senator, "absolutely no relationship, except in name, to the previous-question rule which applied in the Senate in those days." The Senate rule from 1789 to 1806, he contended, "was the previous-question rule from the British Parliament, which applied in that body for many years. Such a motion, he said, "could be debated without let or hindrance. It was merely a method of disposing of a measure without taking action on it at that time."

My reference to the motion for the previous question as undebatable needed a qualification which was not given in that chronological summary of Senate practice. Under rule XVI, then in force, a filibustering debate on the motion for the previous question could be stopped at any moment by the Presiding Officer. The rule provided that "every question of order shall be decided by the President without debate." It was not until February 14, 1828, that rule XVI was amended to allow an appeal from the decision of the Chair. Instead of being debatable "without let or hindrance," the motion for the previous question was protected by so sweeping a control by the Vice President that the mere existence of the power made obstructive tactics futile.

In his reference to British and American parliamentary practice, the Georgia Senator took no account of the fact that adoption of the motion for the previous question closed debate instantly and completely, regardless of the motive for invoking it, and brought the main question to an immediate final vote. He also overlooked the interrelated development of the previous question and cloture in the two countries, and the deliberate use of the previous question in the United States to accomplish what the British achieved through cloture.

In the American Continental Congress, the motion for the previous question was so worded as to indicate the purpose of avoiding a vote, even though the effect might be to force one. The same wording is used in the House of Commons. Until recently, I shared the supposition that this early American form was based on British precedent. The truth is that in the 1880's, scores of years after the motion for the previous question had become a universal instrument of cloture in the United States, the House of Commons reached the same end by placing the label of "closure" on the familiar wording (exactly the same except for the irrelevant word "the") in which the motion for the previous question was phrased. The House of Commons then reworded the motion for the previous question by adopting the form used in our Continental Congress—a wording, wrote Clerk of the House Sir Thomas Erskine May, "which appears to be a superior form to that used in this country." Thus, England split the system in two while we use 1 motion for 2 purposes.

Where does this leave our defenders of the right to filibuster? They are compelled to appeal to the English practice of the 17th century in order to deny the propriety of an American practice which England took over from America in the 19th century.

Although the constitutional power of the Senate to make its own rules is not governed by the way that power has been exercised in the past, it is well worth while to examine the use of the previous-question rule during the period it existed in the Senate. In doing so, it is not my purpose to draft a brief but to describe each use of the motion with absolute impartiality, not merely in terms of its technical effect, but by seeking out the source, motives, and legislative consequences of the invocation. The factual material ought to be useful to both sides in the current conflict, even though the conclusions which I reach from the record may be displeasing to one group.

Enclosed is a Memorandum on the Development of Cloture and the Motion for the Previous Question in America and British Practices.

Yours sincerely,

IRVING BRANT.

I shall later ask to have the memorandum which Mr. Brant submitted printed in the RECORD.

Mr. President, since the qualifications of Mr. Brant were called into question, and since some ridicule was heaped upon him, I think it is only proper to speak about the prominence of Mr. Brant as an historian.

I have in my hand five volumes which Mr. Brant has completed on the life of James Madison, which tell the story of Madison from birth through his first term as President, to the outbreak of the War of 1812. I have read all of these volumes. I have read 2 or 3 of them several times. I can say that they rank, in the field of biography, with Dumas Malone's Life of Jefferson and with Carl Sandburg's Life of Lincoln. I have read reviews of these books in the historical journals of this country and have noted with pleasure the high praise which the eminent historians who are specialists in this field have heaped upon the work of Mr. Brant.

It so happens that Mr. Brant has specialized in the very period which is under discussion today, the period from 1789 to 1806, and then the later period in which the President of the Senate had power to close debate on his own action, that is until 1828.

Mr. Brant does not accept secondary sources. He goes back to primary sources in every case. He takes no one's word for what happens. He goes to the original documents and to the records of the Senate and the House, and of the Constitutional Convention, as well as letters of contemporaries and contemporary diaries. His work is a magnificent piece of American scholarship, and students of American history know that he really needs no defense.

I wish to make the prophecy that when his final volumes appear, it is quite probable that he will be awarded the Pulitzer Prize, although, of course, I have no power to bestow that prize on him. In any event, I think there can be no doubt about the qualifications of Mr. Brant. I am sure that when the eminent Senator from Georgia, with his characteristic sense of fairness, reviews the evidence, he will not wish to stand on the criticisms which he made of Mr. Brant's scholarship.

Mr. President, I wish to read an excerpt from a letter from one of the most eminent American historians, Henry Steele Commager, professor of history at Columbia and at Amherst College, who is one of the best known and authoritative of historians. This letter concerns Mr. Brant. I wrote him asking for his judgment as to how Mr. Brant stood in the profession. I should like to read the salient portion of the letter, which was sent to me under date of April 13, 1957:

Brant's Madison, which has now reached 5 volumes, is by universal agreement of American historians, one of the most impressive achievements of American historical writing of our generation. Thorough, critical, judicious, comprehensive, well written, it has the quality that so few biographies have, of doing the job so completely and so well that it does not have to be done over. What is perhaps most impressive about Brant's work is that it is based entirely on original research, that it takes nothing for granted but goes to the sources; that it maintains the very highest standards of rigid scholarship. Whatever may be said of Brant's interpretations—and there will always be differences of interpretation—this can be said with confidence, that Brant's historical scholarship is impeccable and unimpeachable.

II. THE PREVIOUS QUESTION MOTION AS USED IN THE SENATE OF THE UNITED STATES, 1789–1806

I now come to the subject of the previous question as it was 4 times employed in the United States Senate from 1789 to 1806.

I wish to say, as a matter of clarity, that the "previous question" in the Senate in those years was put in 2 different forms, although the rules provided that it could only be put in the affirmative.

Those 2 forms were the affirmative form and the negative form. The affirmative form, as provided in the rules, was "Shall the main question be now put"? The negative form, which was not provided for in the rules, was worded, "That the main question be not now put."

Depending upon the form and the vote, 1 of 2 results could flow from either of these motions. The result could be, first, to end debate and bring a vote on the main issue; or second, to postpone.

When the motion was put affirmatively, namely, "Shall the main question be now put?" a majority of the Senators voting "yea" could close debate and the original motion could be brought to an immediate vote. Later I shall deal with the question of whether it could be debated without let or hindrance.

When the previous question motion was put in the negative, namely, "That the main question be not now put," a majority of the Senators voting "nay" could close debate and a vote could be brought immediately on the main question.

In other words, a negative vote on the negative form meant that all the debate was shut off, and the main question was put. There was no hiatus, no interregnum.

On the other hand, when the majority voted "nay" when the motion was put in the affirmative, this had the effect of postponing consideration. Also when the majority voted "yea" when the motion was put in the negative, this had the effect of postponing consideration.

Therefore, I wish to draw the first main point. That is that every form of the previous question—affirmative or negative—could bring the main question to a vote depending upon the will or sense of the Senate. That is to say that the previous question when put affirmatively ended debate when passed in the affirmative, and when put negatively, it ended debate when passed in the negative and brought the main question to an immediate vote, without further debate.

To put it in a slightly different way, when the vote on the previous question motion corresponds directly with the form of the question, debate is closed and a vote is taken on the main issue. That is to say a "nay" vote to the negative form of the question results in closing debate and bringing the main question to a vote, and an affirmative vote on the affirmative form of the question results in closing debate and brings the main question to a vote.

Now I wish to turn to the four cases when the motion was used in the Senate. I shall not discuss them at length at this time for that should wait until Senators have had an opportunity to read the facts about them which are presented in Mr. Brant's memorandum. However, I shall give a brief summary of those cases as well as the abstracts of them from the Senate's records, and, of course, they are found in the Executive Journal of the United States Senate, and the annals of the Eighth Congress, first session, as well as the Journal of the first session of the Senate of the United States, which is still in the rare-book room in the Library of Congress.

In August of 1789, the Senate had before it a bill entitled "An act providing for the expenses which may attend negotiations or treaties with the Indian tribes." On August 17 and 18, 1789, the previous question was moved on each day and put in the form provided in the rules: Shall the main question be now put? On both occasions, which I am here using as a single case, the motion was defeated. The effect was to postpone the main question and it appears that this was the purpose of moving the motion. It is also clear that had the motion passed in the affirmative, the effect would have been to bring the matter to an immediate vote.

I ask unanimous consent that at this point in the RECORD there be printed the abstracts from the debates on August 7, 13, 14, 17, 18, 19, and 20, 1789, which are found in the Journal of the first session of the Senate of the United States.

There being no objection, the abstracts were ordered to be printed in the RECORD, as follows:

[Journal of the first session of the Senate of the United States]

ABSTRACT 1

(Friday, August 7, 1789)

A MESSAGE FROM THE PRESIDENT OF THE UNITED STATES, BY GENERAL KNOX

Gentlemen of the Senate, the business which has hitherto been under the consideration of Congress, has been of so much importance, that I was unwilling to draw their attention from it to any other subject. But the disputes which exist between some of the United States and several powerful tribes of Indians within the limits of the Union, and the hostilities which have in several instances been committed on the frontiers seem to require the immediate interposition of the general Government.

I have, therefore, directed the several statements and papers which have been submitted to me on this subject, by General Knox, to be laid before you for your information.

While the measures of Government ought to be calculated to protect its citizens from all injury and violence, a due regard should be extended to those Indian tribes, whose happiness, in the course of events so materially depends on the national justice and humanity of the United States.

If it should be the judgment of Congress that it would be most expedient to terminate all differences in the southern district, and so lay the foundation for future confidence by an amicable treaty with the Indian tribes in that quarter. I think proper to suggest the consideration of the expediency of instituting a temporary commission for that purpose, to consist of three persons, whose authority should expire with the occasion. How far such a measure, unassisted by posts, would be competent to the establishment and preservation of peace and tranquillity on the frontiers, is also a matter which merits your serious consideration.

Along with this object I am induced to suggest another, with the national importance and necessity of which I am deeply impressed; I mean some uniform and effective system for the militia of the United States. It is unnecessary to offer arguments in recommendation of a measure, on which the honor, safety, and well-being of our country so evidently and so essentially depend; but it may not be amiss to observe, that I am particularly anxious it should receive as early attention as circumstances will admit; because it is now in our power to avail ourselves of the military knowledge disseminated throughout the several States by means of the many well-instructed officers and soldiers of the late Army; a resource which is daily diminishing by death and other causes. To suffer this peculiar advantage to pass away unimproved, would be to neglect an opportunity which will never again occur, unless, unfortunately, we should again be involved in a long and arduous war.

GEO. WASHINGTON.

NEW YORK, *August 7, 1789* (pp. 89–90).

(Thursday, August 13, 1789)

A MESSAGE FROM THE HOUSE OF REPRESENTATIVES

Mr. Beckley, their Clerk, brought up a bill, entitled, "An act providing for the expenses which may attend negotiations or treaties with the Indian tribes, and the appointment of commissioners for managing the same," together with the papers referred to in the President's message of the 7th of August—and he withdrew.

The bill entitled "An act providing for the expenses which may attend negotiations or treaties with the Indian tribes, and the appointment of commissioners for managing the same," was read a first time, ordered, that tomorrow be assigned for a second reading. (Pp. 95–96.)

(Friday, August 14, 1789)

Proceeded to a second reading of the bill entitled, "An act providing for the expenses which may attend negotiations or treaties with the Indian tribes, and the appointment of commissioners for managing the same," ordered, that the bill be committed to Mr. Few, Mr. Ellsworth, Mr. King, Mr. Lee, and Mr. Butler (p. 96).

(Monday, August 17, 1789)

The committee appointed to take into consideration the bill, entitled "An act providing for the expenses which may attend negotiations or treaties with the Indian tribes, and the appointment of Commissioners for managing the same," reported that it be

"*Resolved*, That there be allowed and paid to a Superintendent of Indian Affairs in the southern department, that may be nominated by the President, and appointed by, and with the advice and consent of the Senate, the sum of ——— per day, including his expenses, for the time he may be employed in attending a treaty, proposed to be held by the Commissioners of the United States and the Creek Indians, at the Rock-Landing, in the State of Georgia, on the 15th day of September next;

"That in case the proposed treaty should fail in the desired object, of establishing peace between the citizens of the United States and the Creek Indians, Congress will make such grants of money, and pursue such other measures, as will be necessary for the protection and safety of the inhabitants of the southern frontiers, and best secure the peace of the United States":

And on motion to accept the report,

It passed in the negative.

On motion, that it be

"*Resolved*, That the President of the United States be requested to nominate a fit person for Superintendent of Indian Affairs in the southern department, in order that he may be sent forward as soon as may be, to act with the Commissioners of Indian Affairs in the southern department, appointed pursuant to a resolution of Congress, passed on the —— day of —— and aid them in carrying into effect a treaty that is proposed to be held with the Creek Nation, on the 15th day of September next, in the State of Georgia, at the Rock-Landing;

"That the sum of ——— dollars be delivered to the said Superintendent, to be appropriated for the immediate purpose of the said treaty, for which sum he shall be accountable;

"That the President of the United States be requested to instruct the said Superintendent and Commissioners, to hear and fully investigate all the complaints and grievances of the said Creek Indians, and to use all the means in their power to quiet their minds and do them ample justice, agreeably to the aforesaid resolution of Congress, and instructions heretofore given for the purpose: That if the said Indians should prove refractory, or refuse to treat and establish peace on just and reasonable terms, then and in that case, the said Superintendent and Commissioners be directed to make immediate report thereof to the President of the United States, and Congress will make such grants of money, and pursue such other measures, as will be necessary for the safety and protection of the inhabitants of the southern frontiers, and best secure the peace of the United States."

It passed in the negative.

On motion, that it be

"*Resolved*, That the President of the United States be authorized and empowered, and he is hereby authorized and empowered, should the Creek Indians decline to make peace with the State of Georgia, to take effectual measures for covering the State of Georgia from the incursions of the Indians, either by ordering some of the troops now at Fort Harmar to march to the frontiers of Georgia, or by embodying such a number of the militia as he shall think sufficient to insure to the citizens of Georgia protection, and the cultivation of their lands in peace and security, and that he be empowered to draw on the Treasury for defraying the expenses of the same."

And on motion for the previous question, to wit: "Shall the main question be now put?"

It passed in the negative.

The Senate adjourned to 11 o'clock tomorrow (pp. 96–98).

(Tuesday, August 18, 1789)

And proceeded in a second reading of the bill, entitled "An act providing for the expenses which may attend negotiations or treaties with the Indian tribes, and the appointment of Commissioners for managing the same."

On motion, to strike out "Eight Dollars," from the clause providing for the compensation to the Commissioner, and insert "$5," in line 8.

It passed in the negative.

On motion, to insert after "Eight dollars per day", "at the discretion of the President."

It passed in the negative.

On motion, upon the compensation to the commissioners, to strike out "eight dollars," and insert "six dollars."

It passed in the negative.

Ordered, That the rules of the House be so far dispensed with, as that the said bill shall have a third reading at this time.

On motion to strike out in line 3, "forty," and insert "twenty," in order thereby to limit the sum to be expended in negotiating a treaty with the Indian tribes, to $20,000 instead of $40,000.

The yeas and nays being required by one-fifth of the Senators present:

Mr. Butler, nay; Mr. Carroll, yea; Mr. Dalton, yea; Mr. Ellsworth, yea; Mr. Elmer, yea; Mr. Few, nay; Mr. Gunn, nay; Mr. Henry, yea; Mr. Johnson, yea; Mr. Izard, nay; Mr. King, yea; Mr. Langdon, yea; Mr. Lee, nay; Mr. Maclay, nay; Mr. Morris, nay; Mr. Read, yea; Mr. Schuyler, yea; Mr. Strong, yea; Mr. Wingate, yea. Yeas, 12; nays, 7.

So it passed in the affirmative.

On motion, that it be

Resolved, That Congress will make provision for the discharging of any expenses that may be incurred by such military arrangements, as the President of the United States may think proper to make, for the purpose of protecting the citizens of Georgia from the depredations of the Creek Indians, should peace not take place with them, or should they, having agreed to a peace, violate the same.

And on motion for the previous question, to wit: "Shall the main question be now put?"

It passed in the negative.

And on the question upon the bill, it was

Resolved, To concur therein with the amendment:

Ordered, That the Secretary carry the said bill to the House of Representatives for their concurrence in the amendment (pp. 98–99).

(Wednesday, August 19, 1789)

A MESSAGE FROM THE HOUSE OF REPRESENTATIVES

Mr. Beckley, their Clerk, informed the Senate, that the House had concurred in their amendments proposed to the bill, entitled "An act providing for the expenses which may attend negotiations or treaties with the Indian tribes, and the appointment of commissioners for managing the same."

And he withdrew (p. 100).

(Thursday, August 20, 1789)

A MESSAGE FROM THE HOUSE OF REPRESENTATIVES

Mr. Beckley, their Clerk, brought up the enrolled bill, entitled "An act providing for the expenses which may attend negotiations or treaties with the Indian tribes, and the appointment of commissioners for managing the same," examined by the committee of enrollment, and signed by the Speaker.

And he withdrew.

Whereupon the bill was signed by the Vice President, and by the committee of enrollment laid before the President of the United States for his approbation.

Mr. Beckley, their Clerk, informed the Senate, that the President of the United States had affixed his signature to a bill, entitled "An act providing for the expenses which may attend negotiations or treaties with the Indian tribes, and the appointment of commissioners for managing the same." And had returned it to the House of Representatives (pp. 100–101).

Mr. DOUGLAS. The second occasion on which the previous question motion was used on January 12 and 16, 1792. The Senate had before it the consideration of various Presidential nominations of United States Ministers at foreign courts; and specifically the nomination of William Short, of Virginia, to be Minister resident at the Hague. The Senate disregarded its rules and put the previous question in the negative: "That the main question be not now put." I may say that the rules provided only for the motion being put in the affirmative form. Nevertheless, it was put in the negative form.

The motion carried and this resulted in postponement. The intention to postpone is evident in the negative form of the question. There appears to be the additional purpose of preventing a debate which would have jeopardized a presidential nomination. I ask unanimous consent that there be printed at this point in the RECORD the abstract from this debate of January 12 and January 16, 1792, which appears on pages 96–98, volume I, of the Executive Journal of the Senate.

There being no objection, the abstract was ordered to be printed in the RECORD, as follows:

ABSTRACT 2

The Senate had under consideration various presidential nominations of United States Ministers at foreign courts.

(Thursday, January 12, 1792)

The Senate resumed the consideration of the message of the President of the United States, of the 22d December last, nominating Ministers Plenipotentiary at foreign courts; and

On the question to advise and consent to the appointment of Gouverneur Morris, of New York, to be Minister Plenipotentiary for the United States at Paris, the yeas and nays were required by one-fifth of the Senators present:

Mr. Bassett, yea; Mr. Bradley, yea; Mr. Burr, nay; Mr. Butler, yea; Mr. Cabot, nay; Mr. Carroll, yea; Mr. Dickinson, yea; Mr. Ellsworth, yea; Mr. Few, nay; Mr. Foster, yea; Mr. Gunn, nay; Mr. Hawkins, yea; Mr. Henry, yea; Mr. Izard, yea; Mr. Johnston, yea; Mr. King, yea; Mr. Langdon, yea; Mr. Lee, nay; Mr. Monroe, nay; Mr. Morris, yea; Mr. Read, yea; Mr. Robinson, nay; Mr. Rutherford, yea; Mr. Sherman, nay; Mr. Stanton, nay; Mr. Strong, nay; Mr. Wingate, nay. Yeas, 16, nays 11.

So it was

Resolved, That the Senate advise and consent to the appointment of Gouverneur Morris, of New York, to be Minister Plenipotentiary for the United States, at Paris, conformably to the nomination in the message last mentioned.

Resolved, That the Senate advise and consent to the appointment of Thomas Pinckney, of South Carolina, to be Minister Plenipotentiary for the United States, at London, conformably to the nomination in the message last mentioned.

On the nomination of William Short, of Virginia, to be Minister resident for the United States, at the Hague; the Committee having reported the information obtained from the Secretary of State on this subject,

A motion was made that it be

Resolved, That there is not, in the opinion of the Senate, any present occasion that a Minister should be sent to the Hague.

On this motion, the previous question was moved for, to wit: "That the main question be not now put;" and

On motion, it was agreed, that the nomination last mentioned, and the subsequent motion thereon, be postponed to Monday next.

The Senate proceeded to consider the message of the President of the United States, of the 11th of January, nominating William Carmichael and William Short, Commissioners Plenipotentiary, for negotiating and concluding a treaty concerning the navigation of the Mississippi, by the citizens of the United States; and agreed that the consideration thereof be postponed until Monday next.

A message from the President of the United States, was, by Mr. Lear, his secretary, communicated to the Vice President, and he withdrew.

UNITED STATES, *January 12, 1792*.

GENTLEMEN OF THE SENATE: I nominate Richard Peters to be district judge of the Pennsylvania district, vice William Lewis, who has resigned his appointment.

GEO. WASHINGTON.

The message was read, and ordered to lie for consideration.

(Journal of the executive proceedings of the Senate of the United States, vol. I, Washington, 1828, pp. 96–97.)

(Monday, January 16, 1792)

The Senate proceeded to the consideration of the message of the President of the United States, of the 22d of December last, and the nomination of William Short, of Virginia, now Chargé des Affaires of the United States, at Paris, to be Minister resident for the United States, at The Hague, together with the motion made thereon, to wit:

"That there is not, in the opinion of the Senate, any present occasion that a Minister should be sent to The Hague, together with the motion for the previous question, to wit: "That the main question be not now put."

And the yeas and nays being required by one-fifth of the Senators present, on the previous question:

Mr. Bassett, yea; Mr. Bradley, nay; Mr. Burr, nay; Mr. Butler, yea; Mr. Cabot, yea; Mr. Carroll, yea; Mr. Dickinson, yea; Mr. Ellsworth, yea; Mr. Few, nay; Mr. Foster, nay; Mr. Hawkins, yea; Mr. Henry, yea; Mr. Johnston, yea; Mr. Izard, nay; Mr. King, yea; Mr. Langdon, yea; Mr. Lee, nay; Mr. Monroe, nay; Mr, Morris, yea; Mr. Read, yea; Mr. Robinson, nay; Mr. Rutherford, nay; Mr. Stanton, nay; Mr. Sherman, nay; Mr. Strong, nay; Mr. Wingate, nay. Yeas, 13; nays, 13.

The numbers being equal, the previous question was by the Vice President determinated in the affirmative.

On the question to advise and consent to the appointment of William Short, of Virginia, now Chargé des Affaires of the United States, at Paris, to be Minister resident for the United States at The Hague, as nominated in the message of December 22;

The yeas and nays were required by one-fifth of the Senators present.

Mr. Bassett, yea; Mr. Bradley, nay; Mr. Burr, nay; Mr. Butler, yea; Mr. Cabot, yea; Mr. Carroll, yea; Mr. Dickinson, yea; Mr. Ellsworth, nay; Mr. Few, nay; Mr. Foster, nay; Mr. Hawkins, yea; Mr. Henry, yea; Mr. Johnston, yea; Mr. Izard, yea; Mr. King, yea; Mr. Langdon, yea; Mr. Lee, yea; Mr. Monroe, yea; Mr. Morris, yea; Mr. Read, yea; Mr. Robinson, nay; Mr. Rutherford, nay; Mr. Stanton, nay; Mr. Sherman, nay; Mr. Strong, nay; Mr. Wingate, nay. Yeas, 15; nays, 11.

So it was

Resolved, That the Senate do advise and consent to the appointment of William Short, of Virginia, now Chargé des Affaires of the United States, at Paris, to be Minister resident for the United States at The Hague.

Ordered, That the Secretary communicate this resolution to the President of the United States.

The Senate proceeded to consider the message from the President of the United States, of the 11th instant, nominating William Carmichael and William Short, Commissioners Plenipotentiary, for negotiating and concluding a treaty concerning the navigation of the Mississippi River, by the citizens of the United States; and agreed that the further consideration thereof be postponed. (Journal of the executive proceedings of the Senate of the United States, vol. I, Washington, 1828, pp. 97–98.)

Mr. DOUGLAS. Mr. President, on the third occasion when the previous question was moved, it was moved in the form prescribed by the rules. That was on February 26, 1799. The Senate had before it the nomination of the President of William Vans Murray, to be Minister of the United States to France, a message which was superseded by another message nominating several Envoys to France. The previous question motion was moved in the words "Shall the main question be now put?" On this vote the "yeas" prevailed. Debate was then stopped and the main question was put to an immediate vote.

This is a clear case of the use of the previous question in the affirmative form to stop debate.

The purpose of this motion was also to secure an immediate vote and not to postpone the subject, although in the absence of further evidence the underlying motive for the move is left open to conjecture.

I ask unanimous consent that there be printed in the RECORD at this point an abstract from this debate which is from page 318 of volume I of the Executive Journal of the Senate.

There being no objection, the abstract was ordered to be printed in the RECORD, as follows:

ABSTRACT 3

The Senate resumed consideration of the nomination by the President of William Vans Murray to be Minister of the United States to France.

(Tuesday, February 26, 1799)

The Senate resumed the consideration of the message of the President of the United States, of the 18th instant, and the nomination contained therein, of William Vans Murray to be Minister Plenipotentiary of the United States to the French Republic.

On motion, That it be

Resolved, That by the message of the President of yesterday, nominating Oliver Ellsworth, Patrick Henry, and William Vans Murray Envoys Extraordinary to the French Republic, his message of the 18th of the present month, nominating William Vans Murray as Minister Plenipotentiary to the same Republic, is superseded.

A motion was made for the previous question, to wit: Shall the main question be now put? and it was determined in the affirmative.

And, on motion to agree to the main question, it was determined in the affirmative.

The Senate proceeded to consider the message of the President of the United States, of the 25th instant, and the nominations contained therein, of Oliver Ellsworth and others to office.

Ordered, That the further consideration thereof be postponed until tomorrow. (Journal of the Executive Proceedings of the Senate of the United States, vol. I, Washington, 1828, p. 318.)

Mr. DOUGLAS. Mr. President, on March 10, 1804, while sitting as a Court of Impeachment in the trial of Judge Pickering, the previous question was moved for the last time. Here the question was worded as the rules required: "Shall the main question be now put?" And here we find written evidence in the accusing diaries of minority Senators that the majority's purpose was cloture—to cut off a tempestuous debate and force the main question to an immediate vote.

Mr. Brant goes into this matter in his memorandum in some detail and has also prepared some excerpts from the diaries of interested Senators. I shall place all of this in the RECORD at a later point but I now ask unanimous consent that there appear in the RECORD at this point an abstract of that part of the debate over Judge Pickering at the place where the previous question was moved. This abstract is from the original which appears on pages 362–363 of the Annals of Congress, 8th Congress, 1st session.

There being no objection, the abstract was ordered to be printed in the RECORD, as follows:

ABSTRACT 4

The Senate was sitting as a court of impeachment in the trial of Judge Pickering.

(Saturday, March 10, 1804)

Mr. Franklin was chosen President pro tempore.

Upon the opening of the court, Mr. White submitted the following resolution:

"*Resolved*, That this court is not at present prepared to give their final decision upon the articles of impeachment preferred by the House of Representatives against John Pickering, district judge of the district of New Hampshire, for high crimes and misdemeanors, the said John Pickering not having appeared, or been heard by himself or by counsel; and it having been suggested by the court by Jacob S. Pickering, son of the said John Pickering, that the said John Pickering, at the time of the conduct charged against him in the said articles of impeachment, as high crimes and misdemeanors, was, and yet is, insane, which suggestion has been supported by the testimony of two members of the court, and by the affidavits of sundry persons, whose integrity is unimpeached; and it being further suggested in the said petition, that at such future day as the court may appoint, the body of the said Pickering shall be produced in court, and further testimony in his behalf, which will enable the court to judge for themselves as to the insanity of the said John Pickering, and to act more understandingly in the premises; but that the said John Pickering, owing to bodily infirmity, could not be brought to court at present, at so great a distance, and at this inclement season of the year, without imminent hazard of his life."

Mr. Nicholas, Mr. Wright, and other gentlemen, objected to the resolution as not being in order.

Mr. Anderson asked if it would be in order to move an amendment to it?

Mr. Adams said, he would object to any amendment to it, as, by the rule of the court, a gentleman had a right to a vote upon any specific proposition he might please to submit, connected with the trial.

Mr. White called for the reading of the rule.

Mr. Anderson then moved that the resolution, submitted by the gentleman from Virginia yesterday, be taken up as being entitled to be acted upon first.

The President pro tempore declared that the resolution of the gentleman from Delaware was fairly before the court, and must be disposed of in some way before anything else could be taken up.

A motion for postponing the further consideration of it was then made and withdrawn.

Mr. Nichols hoped it would not be permitted to go upon the journals of the court.

Mr. Jackson moved the previous question, viz: "Shall the main question be now put?"

Mr. White hoped that whatever question should be taken on the subject, should be by yeas and nays; that his resolution, and the manner in which it might be got rid of, should be seen and understood.

Mr. Anderson then moved to amend the resolution, by striking out the word "not having been heard by himself or counsel;" and all after the words "was and yet is insane," to the end of the resolution.

On motion of Mr. Dayton, the galleries were cleared and the doors closed.

At 3 o'clock the doors were opened, and the question was taken upon the resolution as at first submitted—yeas 9, nays 19, as follows:

Yeas: Messrs. Adams, Dayton, Hillhouse, Olcott, Pickering, Plumer, Tracy, Wells, and White.

Nays: Messrs. Aderson, Armstrong, Baldwin, Breckenridge, Cocke, Ellery, Franklin, Jackson, Logan, Maclay, Nicholas, Potter, Israel Smith, John Smith of Ohio, Sam'l Smith, Sumter, Venable, Worthington, and Wright.

So it passed in the negative.

On motion of Mr. Nicholson, the resolution he had submitted the day before for notifying the House of Representatives that the court would be prepared to pronounce judgment on Monday next, was taken up and passed—yeas 20, nays 9. Those who voted in the affirmative last above, here voted in the negative, and so vice versa, except Mr. John Smith, of New York, who was not then present, and who voted here in the negative.

The court then adjourned.

(Annals of Congress, Eighth Cong., first sess., Washington, 1852, pp. 362–363.)

Mr. DOUGLAS. Mr. President, I shall come back to this Pickering case in a moment, but let me point out here that these four cases present a virtual microcosm of the development of the previous question in American practice. At the outset, in 1789, the Senate started with the positive form of the motion and on one occasion it achieved postponement. From that it went forward (though this was in violation of Senate rules) to the use of the negative form of the motion to produce negative results—a motion not to vote on the main question. In the third and fourth cases (one-half of the total) the Senate employed the affirmative form of the motion for an affirmative purpose—to cut off debate and bring the main question to an immediate vote.

If one looks at the record of the Pickering trial as published in the Annals of Congress, it has the appearance of being defective. It is recorded there that the previous question was moved by Senator Jackson of Georgia, who was one of the anti-Pickering majority. But nothing is said about the putting of the motion. Mr. Brant's memorandum reveals the reason for the omission—a most remarkable one.

The Senate was operating as a court of impeachment, with supplementary rules. All motions had to be voted on by yeas and nays in open session. But debate on motions was forbidden except in closed session. The Senate was in closed session, debating a resolution offered by Senator White of Delaware, when Jackson moved the previous question. To vote on it, it was necessary to open the doors. But opening the doors stopped the debate, and that was the purpose of moving the previous question. With the doors open, nothing remained except to take the yeas and nays

on the controversial resolution, which was thereupon defeated by the same Senators who had cut off the debate.

To eliminate all doubt concerning the intentions of the Senate majority on March 10, 1804, when the previous question was moved for the last time, I need but read a single sentence from that day's entry in the diary of John Quincy Adams, one of the defeated Senators:

The next struggle was to prevent all debate upon the resolution.

To reproduce the emotional pitch of that debate, just before it was cut off by the majority, I need but read the words set down in the diary of Senator William Plumer:

Mr. Nicholas—

That was Senator William Cary Nicholas, leader of the majority and spokesman for President Jefferson—a man so close to Jefferson that he is buried in the Jefferson family burial ground at Monticello—

Mr. Nicholas vociferated, order, order, order—I will not submit to hear our proceedings called by the degrading name of a mock trial.

To which, says the Plumer diary, Senator White replied that he would not retract his words. If this offended Mr. Nicholas, said he:

I am willing and ready to give him satisfaction at any time and place he will please to name.

In other words, they could fight a duel. The Senate has happily graduated from such juvenile delinquencies. But we have yet to realize that the Senate 150 years ago in its ability to limit debate was a more effective body than it is today. Ample power existed, both in the motion for the previous question and the unappealable authority of the Vice President, to cut off debate and bring the business of the Senate to a decision. That power was used, and used effectively, under circumstances far less provocative than a filibuster, which in that day was unknown in the Senate. It was used to suppress a 1-day debate which was merely obnoxious to the majority.

I am not arguing the merits of that action by the Senate in 1804. But the fact that it used the power is enough to prove that the power existed.

Here in parallel columns are the complete entries in the official record of the trial of Judge Pickering, and the principal and all revelant entries in the diaries of Senators Adams and Plumer. The protests against curtailment of debate, the references to closing and opening the doors of the Senate, the references to moving the previous question have been italicized; also the remarks of Nicholas about keeping the resolution out of the journals, because these are closely connected with the motion for the previous question.

From the sequence it is perfectly plain that the doors were closed much earlier than is indicated in the official account. Plumer apparently tried to correct the sequence. He copied various portions of the official account into his diary, shifting the position of them to fit his recollection, but apparently was stumped by some of the inconsistencies regarding the time of Anderson's attempt to amend the resolution.

Most of the Plumer entries are employed in this chart to emphasize the enormous omissions from the official record, and they could have been far longer.

I ask unanimous consent that the entries in the official record of the trial and of the relevant diaries be printed at this point in the RECORD.

There being no objection the entries were ordered to be printed in the RECORD as follows:

ANNALS OF CONGRESS, XIII, 362–363	DIARY OF JOHN QUINCY ADAMS, MEMOIRS, I. 302–303	WILLIAM PLUMER, MEMORANDUM OF PROCEEDINGS IN THE UNITED STATES SENATE, 1803–07 PP. 173–177
Upon the opening of the Court, Mr. White submitted the following resolution: "Resolved, That this Court is not prepared to give their final decision * * *"	Mr. White, in Senate, moved this morning a resolution declaring the Court not prepared to give judgment * * *	Mr. White then submitted the following resolution:
Mr. Nicholas, Mr. Wright, and other gentlemen, objected to the resolution as not being in order.	On this resolution it was not without the utmost difficulty that any discussion whatsoever could be obtained.	(Copies official record.)
Mr. Adams asked if it would be in order to move an amendment to it.	(Not mentioned in Adams Diary, presumably because it was covered in the official record.)	
Mr. Adams said, he would object to any amendment, as by the rule of the Court, a gentleman had a right to a vote upon any specific proposition he might be pleased to submit, connected with the trial.		(Copies official record, adding a word.)
Mr. White called for the reading of the rule.		Mr. White called for the reading of the rule—Read.
Mr. Anderson then moved that the resolution submitted by the gentleman from Virginia yesterday [to pronounce judgment on Monday next] be taken up as being entitled to be acted upon first.	Mr. Nicholas, to give it the slip, insisted upon having his resolution, offered yesterday, first taken up. On which I rose and said that if Mr. White's motion was not considered I should offer a resolution previous in its nature to that of Mr. Nicholas. I was called to order as entering into debate. I answered that I was not debating, but merely stating the purport of a resolution I should offer if that of Mr. White was not considered, and that in thus stating it I should speak until my mouth was stopped by force.	A motion was made that the galleries be closed—but the motion was lost. (Copies official record.)
The President pro tempore [Franklin, of North Carolina] declared that the resolution was fairly before the court, and must be disposed of in some way before anything else could be taken up.	I was again called to order, but the president determined that Mr. White's resolution should be taken up before that of Mr. Nicholas.	(Copies official record.)
A motion for postponing the further consideration of it was made and withdrawn.		A motion for postponing the further consideration of this was then made but withdrawn.
Mr. Nicholas hoped it would not be permitted to go upon the journals of the court.	The next struggle was to prevent all debate upon the resolution. By our rules there can be no debate on any motion in open court. A motion to close the doors for the purpose of discussing the resolution was rejected, nine members voting for it. But although we are allowed no debate, yet motions to strike out parts of a resolution proposed were admitted by the majority; and Mr. Anderson moved to strike out a great part of Mr. White's resolution, so as to get	On motion of Mr. Dayton the galleries were cleared and the doors closed.
Mr. Jackson moved the previous question, viz: "Shall the main question be now put?"		Mr. WHITE. There has been no trial—no appearance, no plea—no defense whatever on the part of the accused. Our proceedings scarcely deserve the name of a mock trial.
Mr. White hoped that whatever question should be taken on the subject, should be by yeas and nays; that his resolution and the manner in which it might be got rid of, should be seen and understood.		Mr. Nicholas vociferated, order, order, order—I will not submit to hear our proceedings called by the degrading name of a mock trial.
Mr. Anderson then moved to amend the resolution, by striking out the words, "not		

ANNALS OF CONGRESS, XIII, 362–363—Con.

having been heard by himself or counsel," and all after the words "was and yet is insane," to the end of the resolution.

On motion of Mr. Dayton, the galleries were cleared and the doors closed.

DIARY OF JOHN QUINCY ADAMS, MEMOIRS, I, 302–303—Continued

rid of all the reasons alleged in it. I objected against any motion to strike out part of an offered resolution, because such motion was itself debate, and contrary to the rule. At length Mr. John Smith, of Ohio, wanted to put a question as to the meaning of a part of Mr. White's resolution. And in order to make that inquiry, a second motion was made to clear the galleries. Smith, now voting for it, gave the casting turn, the necessary number of one-third. The galleries were cleared, and a short discussion of the resolution was had.

The extreme injustice of judging an insane man as a guilty one; of sentencing, unheard, a man who could not be present at this time without imminent hazard of his life; of precipitating decision without necessity, was urged; Mr. Anderson, and most of the members in the majority, manifesting the most extreme impatience to open the doors and stop all further debate.

At length, rather than continue the discussion, he (Anderson) waived his motion to strike out part of Mr. White's resolution, and said he was ready to meet it. But Mr. Nicholas said he should move that it might not be entered on the records.

Although the rule is that all motions shall be decided by yeas and nays in open court, Mr. Nicholas was for having the yeas and nays, without the motion upon which they were taken.

The doors were opened. The yeas and nays were taken on Mr. White's resolution—yeas 9, nays 19.

At 3 o'clock the doors were opened, and the question was taken upon the resolution as at first submitted—yeas 9, nays 19.

WILLIAM PLUMER, MEMORANDUM OF PROCEEDINGS IN THE UNITED STATES SENATE, 1803–07 pp. 173–177—Continued

Mr. WHITE. Mr. President, I am in order, sir—and while I have a seat in this body I will act and speak my opinion with freedom * * * I assure the gentleman from Virginia, Mr. Nicholas, I wish not to offend him * * * but * * * I shall not retract * * *. If in this I have offended him, I am willing and ready to give him satisfaction at any time and place he will please to name.

(Plumer followed with an extensive summary of an exchange of remarks between himself and Senator Smith, of Ohio, on the subject of Judge Pickering's intoxication.)

Mr. ADAMS. If proceedings like ours were had in a court of law, I have no hesitation in saying, it would be considered as a mere mock trial.

Mr. NICHOLAS. I hope this resolution will not be permitted to be entered even on our minutes—that it will never see the public light. It is not correct—it does not contain all the facts.

(Plumer records the remarks of Senators Venable, Wright, and Logan, then enters:)

Mr. NICHOLAS. If this resolution is not passed, I shall object to its being recorded.

Mr. Jackson moved the previous question, viz: "Shall the main question be now put."

Mr. WHITE. Whatever question is taken on this subject, I hope it will be yeas and nays; and that the resolution and the manner in which it is disposed of may be seen and understood.

Mr. Anderson then moved to amend the resolution by striking out, etc (picking up the whole entry from the official report, but adding:)

"But this motion for amendment was not seconded."

At 3 o'clock the doors were opened—and Mr Anderson moved that the resolution should lie on the table. On this question the yeas and nays were required—but the motion of Mr. Anderson was withdrawn.

The question was then taken by yeas and nays upon the resolution as at first submitted—yeas 9, nays 19—so it was negatived.

Mr. DOUGLAS. Mr. President, it therefore appears from the records of the Senate itself, that in the period 1789 to 1806, the Senate, on 4 occasions, used the previous question motion. On 2 occasions its purpose was to postpone. On 2 other occasions, its purpose was to end debate and bring a vote. Further, it will be clear from the nature of the motion that had the Senate voted differently on the first 2 occasions, the effect of that vote, in view of the British practice, could have been to limit debate and bring a vote on the main question, if that had been the will of the Senate.

COULD THE PREVIOUS QUESTION BE DEBATED WITHOUT LET OR HINDRANCE?

Now, Mr. President, I turn from what actually happened in the Senate on the 4 specific occasions when the previous question was moved to the following general questions:

First. Is it a fact that the motion for the previous question could be debated "without let or hindrance" under the rules of the Senate up to 1806? and

Second. Can it be debated without let or hindrance today, for the purposes of obstruction under general parliamentary practice. These are key questions.

With the present Vice President expressing the opinion that section 3 of the present rule XXII of the Senate is unconstitutional, the matters at issue are liable at some stage to be affected by rulings based on parliamentary procedures in general. In that event, the hope of the defenders of the filibuster is to secure a ruling that parliamentary precedents, especially in the United States Senate and in the English House of Commons, admit of no limitation of debate upon the motion to put the previous question.

It was, I suspect, these important aspects of the subject that caused my distinguished colleague to make some comments which brought into question the academic qualifications of Mr. Brant to discuss the subject—remarks which I am sure he would not have made under less controversial circumstances.

It is the importance of this matter which largely prompts my discussion of the subject today, so as to lay the basis for a future ruling by the Presiding Officer of the Senate.

Let me first point out that the Vice President, from 1789 until 1828, had the power to decide questions of order without an appeal being taken from his decision by the Senate as a whole. That power was found in rule XVI before the rules were amended by the general revision of February 14, 1828. Rule XVI read as follows:

When a Member shall be called to order, he shall sit down until the President shall have determined whether he is in order or not; but every question of order shall be decided by the President without debate: but if there be a doubt in his mind, he may call for the sense of the Senate.

In other words, there was no obligation upon him to call for the sense of the Senate, and the Vice President was to be the judge of whether he would call for the sense of the Senate.

This was a general rule, covering the disposal of all questions of order. The next rule, No. XVII, made an additional provision for personal calls to order. I quote it:

If a member be called to order for words spoken, the exceptionable words shall be immediately taken down in writing, that the President may be better enabled to judge of the matter. (The Journal of the first session of the Senate of the United States, pp. 14–15.)

These two rules were the only ones on the subject of order. Thus, both in matters of personal conduct and parliamentary procedure, the decision of the Vice President or President of the Senate was absolute and final during all the years in which the Senate had a rule for the previous question. The power of the presiding officer remained absolute until 1828, when rule XVI was amended to read: "every question of order shall be decided by the President without debate, subject to an appeal to the Senate."

It may be asked, what if the Vice President, in that day when he possessed unappealable authority, refused to rule that a filibustering debate was out of order? Well, what we are discussing is whether the power existed at that time, not whether the possessor of it was willing or unwilling to use it. But I will say that if any Vice President of the period we are talking about—John Adams, Thomas Jefferson, or Aaron Burr, whose busts are placed over the press gallery—had declined to uphold a point of order against a filibustering debate on the motion for the previous question, he would have done so in disregard of section 17 of Jefferson's Manual of parliamentary practice. I quote the relevant part of section 17:

No one is to speak impertinently or beside the question, superfluously, or tediously.

That was a rule of parliamentary practice which Thomas Jefferson laid down as a result of listening to the debates in the Senate.

I do not suppose anybody will contend that in a day when the Vice President had the power and the parliamentary duty to halt a speech that was merely tedious, he lacked either the power or the obligation to halt one that was tedious, dilatory, and deliberately obstructive. Certainly it cannot be argued that Vice President Thomas Jefferson would have refused to uphold the views which he expressed in his own manual. I expect to hear somebody argue that as soon as the Vice President lost this power, by the allowance of an appeal to the Senate, the power vanished completely.

That would be a remarkable argument, indeed, and one completely untenable. To maintain it would mean that if the Presiding Officer alone could do it, then certainly the Presiding Officer and the Senate together could do it. It would mean that the Vice President and Senate combined are incapable of enforcing a point of order which formerly could be enforced by the Presiding Officer alone.

If the Presiding Officer alone could do it, then certainly the Presiding Officer and the Senate together could do it.

It therefore appears clear that, first, from the nature and use of the previous question in the first 17 years of the history of the Senate; and second, the power of the Vice President to decide points of order without appeal, that the Senate had the power and used the power to end debate and bring matters to a vote in that early period.

I may say that the RECORD in the four cases I have read discloses, so far as I can ascertain, that there was no debate on the putting of the previous question; and once the question was put, there was no further debate on the main question itself.

That power did exist and it would still exist at the beginning of a new session of Congress if there were an attempt to filibuster a motion to proceed to the adoption of new rules of the Senate and the previous question motion.

When decisions of the Vice President were made appealable in 1828, the power to decide did not vanish. It was given a broader base in the will of the majority. If there be an appeal from that to general parliamentary practice, it must be to that parliamentary practice which makes any obstructive debate a contempt of the body.

Now I wish to devote a few minutes to the development of the American and British systems of curbing excessive debate.

HISTORICAL DEVELOPMENT OF THE PREVIOUS QUESTION IN THE UNITED STATES AND GREAT BRITAIN—THE CONTINENTAL CONGRESS

In 1778, the Continental Congress adopted the previous question in the negative form, that is, "That the main question be not now put." Its ostensible purpose was to postpone. At that time, there was no need for a cloture motion for the filibuster, and obstructive debate was unknown. The reason, of course, was that the votes of 9 of the 13 States were needed for passage of a measure, and the problem was in getting the representatives of that many States together at any one time in order to vote. Therefore, if obstruction or delay was the purpose of any group, this could have been accomplished by absences rather than by prolonged debate. In other words, the affirmative requirements of more than two-thirds majority of the States prevented the filibuster.

It should be remembered, however, that even this negative motion could and did close debate and bring a vote, for when the "nays" prevailed in 1778 the Congress adopted an interpretive ruling that they must proceed to a vote.

The matter, interestingly enough, dealt with the question whether any person holding office under the United States could promote, encourage, or attend plays. The act provided that if they did, they should be deemed unworthy to hold such office and, accordingly, should be dismissed.

On this occasion—the only one recorded in the index—the previous question motion, worded in the negative carried in the negative. A motion was made to postpone action on the substantive matter until the next day. A question was then raised if the Congress were not required to proceed to a vote when the previous question was negatived. The question was put before the Congress itself and by a 7–3 vote it decided that when the negative form of the previous question was passed in the negative, they were required to proceed to a vote on the substantive issue before them. In other words, two negatives made an affirmative.

THE SENATE FROM 1789 TO 1806

From 1789 to 1806, as we have already seen, the Senate had the affirmative form of the previous question as a part of its rules.

It also used the negative. On the 4 occasions when the previous question was used, the motion in the affirmative form was used 3 times, and the purpose of the motion on the last 2 occasions was to close debate. In other words, it evolved in purpose from a motion to postpone to a motion to stop debate, although its effect could have been to end debate on all four occasions.

HOUSE OF REPRESENTATIVES

The House of Representatives has always had the previous question motion. From 1789 to 1880, it was in the same form as that provided by the early rules of the Senate, namely, "Shall the main question be now put?" In 1880, it was decided that the Speaker, on motion, should ask for the "yeas" and "nays" on "ordering the previous question."

In the American House of Representatives, the filibuster was used as an effort to prevent a vote as early as 1811. When an obstructive crisis reached its peak, it was effectively dealt with in February of 1811, when the motion for the previous question was used 6 times in 1 night to force a crucial question to a vote.

The event which occasioned its use as a cloture motion was a bitter contest over foreign policy which preceded the War of 1812. The filibuster was being used to defeat the nonintercourse bill.

Therefore, the House followed the Senate precedents at this very early time and used the affirmative form of the previous question to obtain cloture. That is still its use—although the form has been modified—in the House of Representatives and that is its use in other parliamentary bodies—with the exception of the Senate—today.

Mr. JAVITS. Mr. President, would the Senator from Illinois mind an interruption at this point, or would he prefer that it be postponed?

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from Illinois yield to the Senator from New York?

Mr. DOUGLAS. I am glad to yield.

Mr. JAVITS. Mr. President, I should like to inform the Senator from Illinois, who has given so much time and devotion to the question of the Senate rule which permits a filibuster—a rule which has been used primarily in connection with civil rights bills—that in the Committee on Rules and Administration we are having quite a struggle with respect to the resolution of the Senator from Illinois and also the resolution sponsored by both the majority leader and the minority leader.

I should like to congratulate the Senator from Illinois for perceiving the critical importance of this issue and of the entire civil-rights issue, of which it

is a very essential corollary, if any action is to be had; and I also wish to congratulate him upon his leadership on this subject.

I urge the Senator from Illinois—and I am confident the Senator from Illinois knows me well enough to be sure that I say this with no gleam in my eye—to use his own great influence in his own party—as I am attempting to do in my own, for I believe the civil-rights issue will get nowhere unless Members of both parties who feel strongly on the subject combine their efforts—to have the Senate take action on the civil-rights issue. So I urge the Senator from Illinois to use his own very great influence in his party, and I shall do my utmost in mine, and other Members of the Senate who have been here much longer than I have will do the same, to try at one and the same time we are seeking to have the Senate act on the civil-rights bill also to seek to have the Senate act on the two resolutions.

The present situation is as follows: Upon my motion, the Committee on Rules and Administration has designated an ad hoc subcommittee for the purpose of considering this question. The subcommittee was designated about April 1.

I have done my utmost to get the subcommittee to report one of the resolutions. I have not been successful. Right now, hearings have been ordered, with an unlimited amount of time available at the hearings, insofar as Members of Congress are concerned; and with a limitation of one-half an hour in the case of each organization. How long that will extend the matter, I have not the remotest notion. But I should like to inform the Senator from Illinois that at the next meeting of the Committee on Rules and Administration, which is to occur approximately 2 weeks hence, I will again raise the issue; and I have served notice that I will raise it then.

I repeat that, without any gleam in my eye or without any idea that this situation casts reflection upon either one party or the other—for after all, both parties have their troubles—I desire to point out that the question of the Senate rule which permits a filibuster is a corollary of the civil-rights issue, and should be pressed with the same vigor.

I am delighted that the Senator from Illinois has taken the leadership in this matter. I have the honor to be a cosponsor of his resolution—and I emphasize that it is his resolution. The Senator from Illinois has taken the leadship on this issue in his own party, as I have in mine.

The PRESIDING OFFICER (Mr. CLARK in the chair). The Chair desires to associate himself with the remarks of the Senator from New York.

Mr. DOUGLAS. Mr. President, I wish to thank both Senators for their comments.

A number of Senators on this side of the aisle have tried to have action taken on the civil-rights bills and on the proposal to change rule XXII, rather than to permit the Senate to be interminably tied up with debate. I am delighted that the Senator from New York is pushing along those lines, on his side of the aisle, and I appreciate very much that in the Rules Committee he moved the adoption of my resolution to change rule XXII, of which resolution he is a cosponsor.

In times past and, as all of us know, even up to the present, Senate Members opposed to civil rights have worked, on both sides of the aisle; and there has been an alliance between sections of my party and sections of the party of the Senator from New York, both to defeat civil-rights measures and to prevent any change in the Senate rule. Some groups do it openly; others do it subtly.

I remember the poem entitled "A Modern Decalogue," by Arthur Hugh Clough, in which the commandment "Thou shalt not kill" is rendered by him in cynical form, as "Thou shalt not kill, but needst not strive officiously to keep alive."

There are many who, although they themselves will not stab civil rights to death, will furnish the dagger or other instrument or the interminable debate with which others can do the job. That has been going on for many years; and it is about time that those of us who believe in a vigorous civil-rights program and in the right of the Senate, after due debate, to proceed to vote, should work from both sides of the aisle.

So I say to the Senator from New York that there is room for all of us, and we can press on together; and the more converts we make, the better.

Mr. JAVITS. Mr. President, will the Senator from Illinois yield again to me?

Mr. DOUGLAS. Yes, indeed.

Mr. JAVITS. Mr. President, I think the Senator from Illinois has put his finger on a critical point. I should like to emphasize it, if I may—although I repeat that he is the one who made the point. It is this: In my view, there is no difference between being in favor of civil-rights measures and being in favor of a change in the rule which permits civil-rights measures to be killed in this Chamber.

Therefore I believe—and I believe it deeply—that the people of the country should hold to account every Member, on both counts equally. I believe there is some dichotomy in the thinking of some Members of this body who, for one reason or another, believe a Member can feel differently about the cloture issue than he does about the civil-rights issue. To the contrary, Mr. President, I sincerely believe that Members cannot do so. I believe there is a real majority of the Senate in favor of the enactment of civil-rights measures; and I believe that there should be, and there must be—and, if the people demand it, there will be—a real majority of the Members of this body who will be in favor of changing the cloture rule.

I thank the Senator from Illinois for yielding to me.

Mr. DOUGLAS. Mr. President, I thank the Senator from New York. Let me say that his help has been and will continue to be of great assistance; and those of us on our side of the aisle will work vigorously; and I am sure he will also work vigorously, on his side.

THE BRITISH HOUSE OF COMMONS

Mr. President, now let us turn to the development of the previous question in the House of Commons. Let us recall the quotation, from the 1953 brief against the Anderson motion, of the words of Henry Cabot Lodge that:

> The previous question which existed in the earliest years, and was abandoned in 1806, was the previous question of England and not that with which everyone is familiar today in our House of Representatives. It was not in practice a form of cloture and it is therefore correct to say that the power of closing debate in the modern sense has never existed in the Senate. (p. 11.)

That, as we have seen, is totally in error.

We recall also the quotation from the Congressional Digest of November 1926 which the proponents of the filibuster placed in the RECORD in 1953:

> Like the precedents for the (previous question) rule in the British Parliament and the Continental Congress when it was used in the early days of the Senate and it did not limit debate but avoided a vote on a given subject.

We now have seen that this statement is not correct with respect to usage in both the Continental Congress and the early Senate. The Continental Congress actually ruled that the motion closed debate on one occasion; and in the Senate, the previous question was used on two occasions to limit debate. Furthermore, the motion could always have had that effect if that had been the sense of the Senate on the other occasion when it was used.

It is also clear that the statement is not accurate concerning British precedents. Today, the House of Commons has two motions which can bring debate to a close and can bring on a vote. One is called "cloture," and the other is called the "previous question." Both are in addition to the modern guillotine.

The cloture motion is worded affirmatively, that is, "That the question be now put." If the "yeas" prevail, debate is stopped, and the main question is put to a vote. If the "nays" prevail, debate continues.

The previous question motion is now worded in the negative, that is, "That the question be not now put. If the "yeas" prevail, debate is postponed. If the "nays" prevail, debate is closed.

For something more than two centuries before the House of Commons adopted the cloture motion in 1882, it had other methods of preventing obstruction; and the motion for the previous question also could, and did produce that effect.

I wish to introduce at this point in the RECORD, a second letter from Mr. Brant. It traces the use and history of the previous question motion in the House of Commons. Mr. President, I ask unanimous consent that the letter be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 6, 1957.

Senator PAUL H. DOUGLAS,
Senate Office Building,
Washington, D. C.

DEAR SENATOR DOUGLAS: Since writing my memorandum on the previous question and cloture I have found time to examine the Journals of the English House of Commons

from 1604 to 1789—that is, from the birthyear of the motion for the previous question to the year in which it was incorporated in the rules of the United States Senate. The result is a mountain of evidence that, measured by its effects, the previous question was infinitely more important in the early period as a producer of cloture than as a method of postponing a question.

Hatsell's Precedents, published in 1781, furnished most of the early history of the previous question drawn upon in May's Law and Usage of Parliament and Jefferson's Manual. Hatsell gives the impression, perhaps without intending to, that the motion for the previous question was a rare device in the 17th century. After remarking that "On the 25th of May, 1604, is the first instance I have found of putting the previous question," he refers to only four other instances of it before 1700. May cites 1 or 2 others.

Hatsell gives the usual explanation of the British practice: a member desiring to postpone the main question moves "That this question be now put" and votes against his own motion. He also makes it clear that when the previous question is moved and carried, "the Speaker must put the main question immediately." But Hatsell gives no citations of affirmative results and the reader is left to infer that such a mischance seldom occurred.

The truth is that between A. D. 1604 and 1700, the previous question was moved 736 times in the House of Commons. It resulted in cloture 491 times, in postponement 245 times.

These figures can easily be checked for accuracy. The index to the House Journals divides the record into "Questions, previous, affirmative" and "Questions, previous, negative." Affirmative equates with cloture, negative with postponement.

This period was one of revolutionary struggle and wide swings in British Government. It embraced 37 years of Stuart supremacy over Parliament, nearly 20 years of the Puritan Revolution, close to 30 years of the Stuart Restoration and a final period of tranquility after the "glorious revolution" of 1688. For clearer understanding, the record of the previous question needs to be broken down into epochs corresponding to the political changes. Following is a tabulation of 17th century motions for the previous question and the results of the motions:

1604 to 1640, the period of Stuart supremacy: Motions, 3. Results, cloture 3.

1640 to 1658, the Puritan Revolution, embracing the Long Parliament, the Commonwealth and the Cromwellian Protectorate: Motions, 523. Results, cloture 351, postponement, 172.

1658 to 1660, period of chaos, Stuart Restoration, and retribution: Motions, 97. Results, cloture 74, postponement 23.

1661 to 1688, reign of Charles II: Motions, 81. Results, cloture 47, postponement 34.

1688 to 1700, reign of William and Mary: Motions, 32. Results, cloture 16, postponement 16.

Totals: Motions, 736. Results, cloture 491, postponement 245.

Following the Revolution of 1688, it will be observed, postponement caught up with cloture. The change grew more pronounced. Between 1700 and 1790, the previous question was moved on 163 occasions, resulting in cloture 48 times, in postponement 115 times. From 1790 until November 11, 1882, when the House of Commons adopted the modern cloture rule, the motion for the previous question was put 361 times, resulting in cloture 67 times, in postponement 294. Since 1882 it has been put only four times and not once since 1910.

So, although it cannot be found in any parliamentary treatise, this contrast comes into view:

In the 17th century of parliamentary tension, the previous question was moved far oftener than in all later centuries combined, and resulted in cloture in two-thirds of the cases.

In the 18th century of parliamentary tranquility, the previous question tapered off and resulted in postponement two-thirds of the time.

Finally, when parliamentary obstruction developed in the 19th century, the previous question was transmuted into the virtually identical cloture motion, while the motion for the previous question continued a separate existence but withered away completely. In all periods, the practice of the House of Commons was molded by the temper of the times and the necessities of legislative business.

The parliamentary records of the 17th century do not identify the movers of the previous question. One can only speculate on whether it was moved part of the time for the avowed purpose of securing a final vote, rather than moved for one purpose and seized on for another. Even if every one of the 736 motions had the ostensible purpose of postponement, the overwhelming fact is that 491 of them produced cloture, and both the affirmative wording of the motion and the rule as to its application were admirably suited to produce that effect. It likewise seems significant that the affirmative wording became more positive at the height of this positive use of the motion, shifting from "whether it be put" to "that it be put." By all the rules of logic, such a change denotes intent.

Even in later times the previous-question rule has had a tendency to produce cloture when a strong parliamentary majority was dealing with controversial issues. To illustrate the use of the motion in British practice, Sir Thomas Erskine May cited (but did not describe) three 19th-century examples from the House of Lords. Two of these motions represented the clear purpose of postponement, although in one of these the motion was offered by an advocate of immediate passage of the main question. Unable to win Prime Minister Disraeli's approval of a warning to Russia not to attack Constantinople, Lord Dorchester made the motion in order to avoid the consequences of a more direct refusal to take this action (Lords' Journal, v. 110, p. 22, Parliamentary Debates, Jan. 28, 1878). In another instance, 10 motions against the income tax were disposed of by offering and defeating 10 motions for the previous question (Lords' Journal, v. 74, p. 87.) The third example was by far the most controversial.

On August 6, 1839, Lord Brougham moved to resolve that witnesses who refused to testify in Irish sedition trials should be sent to prison. "After long debate," the Lords' Journal records, the previous question was moved and resolved in the affirmative. The motion apparently came from the opposition, which was protesting against a vote, but leading up to it in the record of the debate are such entries as these:

"[Loud cries of 'Question, question.'] * * *

"[Cries of 'Divide' and 'Question'.] * * *

"[Continued cries of 'Question' and 'divide.']"

It was under the stress of such cries, and after a warning by Lord Brougham about "the waning night and the waning patience of the House," that the previous question was moved and carried by 86 to 52. The main question then carried without a division (Mirror of Parliament, VI, 4775–4777, 4784).

In this case, cited as typical by England's foremost parliamentary authority, the motion for the previous question was in effect a surrender to the demand for an end of debate and led directly to passage of the resolution. It was a duplication by the House of Lords of the dominant aspect of the previous question in the 17th century.

The House of Commons three centuries ago had other effective ways of dealing with excessive debate and kindred obstructive devices. On April 17, 1604 (1 month before the first use of the previous question), the following entry was made in the House Journal:

"Agreed for a general rule, if any superfluous motion, or tedious speech, be offered in the House, the party is to be directed and ordered by Mr. Speaker."

Anybody who questions the force of that rule might observe how it was indexed at the time: "Speaker to stop superfluous motions, and tedious or impertinent speeches." (Com. J. General Index, I–VII, 861.)

The moment the rule was approved, the Speaker proceeded to read a letter he had just received from "one John Tey," a member who was also "the King's Aulnager [wool inspector] for London." Tey complained that on his drawing up a motion which represented the King's pleasure and express commandment, it pleased the Speaker "to distaste my motion, and * * * to clip me off." He intended to inform the King of this. On the Speaker's initiative, the House adjudged Mr. Tey's conduct "to be an error in the party, and he ordered to acknowledge his error publicly; which he presently was content to do; and so was pardoned by the House." The custom in that day was to send nonapologizing members to the Tower.

That 1604 prohibition of any tedious speech came down through Hatzell into Jefferson's Manual, written to guide procedure in the United States Senate. Jefferson as Vice President had power to enforce it, which meant power to stop a filibuster. Together with the prohibition of any superfluous motion and kindred 1604 rulings, it furnished the legal basis for the declaration of the Speaker of the House of Commons on July 25, 1877, that willful and persistent obstruction of legislation is contempt of the House. Added to that is the direct link between the British previous question, whose main effect in early days was cloture, and the British closure motion of the present day—both of these having the same wording, "That the motion be now put," and the same effect when carried.

I have said that in the House of Commons the previous question was transmuted into cloture. That is definitely revealed in the 1881 records, together with the inherent power of the House to control an obstructive minority. Faced with a prolonged filibuster against the protection of person and property (Ireland) bill, the Gladstone ministry kept the House in continuous session from 4 p. m. on Monday, January 31, until 9 a. m. Wednesday, February 2. At that hour the Speaker said that, in spite of a 5-day debate and 41 hours of continuous sitting, an important measure, declared to be urgent, was "being arrested by the action of an inconsiderable minority, the Members of which have resorted to those modes of 'obstruction,' which have been recognized by the House as a Parliamentary offense." With the legislative powers of the House thus paralyzed:

"A new and exceptional course is imperatively demanded; and I am satisfied that I shall best carry out the will of the House, and may rely upon its support, if I decline to call any more Members to speak, and at once proceed to put the question from the chair."

He proceeded to put the question and it carried, 164 to 19. Prime Minister Gladstone then arose and offered the 1881 "Urgency Rule," by which, on a 3-to-1 vote of the House that a measure was urgent, "the powers of the House for the regulation of its business" were vested completely in the Speaker. He could do whatever the House had power to do. What followed is revealed in Hansard's Parliamentary Debates for February 25, at a later stage of the person and property filibuster:

"Mr. O'Donnell: I wish to say—and I will delay the House only a very few minutes—

"Mr. Speaker: It appears to me to be the general sense of the House that the question should be now put.

"The Marquess of Hartington [a Secretary of State]: I beg to move, sir, that the question be now put."

"Motion made, and question put, 'That the question be now put.'"

The motion carried, 262 to 32, and the House then voted 261 to 36 "That this bill do pass."

This took place nearly 2 years before the word "closure" or the "closure rule" came into the House of Commons rules. What actually happened was that on the Speaker's initiative, and in fulfillment of the mandate given him to stop filibusters, the wording of the previous question was employed, deliberately and knowingly, for the specific purpose of ending debate and forcing a vote on the bill. The same thing happened 4 days later on another bill, and in each case the action was indexed in the Journal of the House of Commons as a motion for the previous question. Here are the two entries in the index to the 1881 Journal:

"Question, previous; put and agreed to, it appearing to Mr. Speaker to be the general sense of the House, That the question be now put [page] 95. Mr. Speaker having stated that he collected from the last division, that it was the general sense of the House, that the question be now put, 100."

Thus we find that after closing debate 491 times in the 17th century, through the motion for the previous question, the House of Commons deliberately resorted to the same instrument in 1881, for the purpose of ending filibusters. Back of all this is the demonstrated fact that the House of Commons, like any parliamentary body, has power to insure the orderly transaction of business according to the will of the majority, and that this power was effectually exercised by the Speaker, with the unspoken assent of the House, before he was formally clothed with this authority.

Apply these long lines of precedent to the current controversy over the senatorial filibuster, in which the previous question is likely to be invoked during the process of changing the rules. It is clearly revealed, not only that cloture was the most familiar result of moving the previous question during the first century of its use, leading logically to the American use of it for that purpose, but that British practice took the same direction when the need arose in the 1880's. And it is evident that any attempt to filibuster the putting of the motion for the previous question is contempt of the House under parliamentary practices running back to 1604.

If British precedents are to be invoked today, to curb the right of the United States Senate to change its rules through the freely expressed will of the majority, it will have to be done in defiance of English history as well as of the United States Constitution.

Yours sincerely,

IRVING BRANT.

Mr. DOUGLAS. Mr. President, Mr. Brant's findings are summarized in the following sentence of his letter:

The result is a mountain of evidence that, measured by its effect, the previous question was infinitely more important in the early period as a producer of cloture than as a method of postponing a question.

The proof of this assertion is found in the figures Mr. Brant cites on the use of the previous question motion in the British House of Commons. First, however, recall that the proponents of the filibuster have claimed that the previous question motion in the early Senate was like the rule in the British Parliament in that—they say—it did not limit debate but avoided a vote on a subject. And my distinguished colleague, the senior Senator from Georgia, referred to the previous question motion in the early Senate:

That was the previous question rule from the British Parliament, which applied in that body for many years. A motion for the previous question was in the nature of a motion to postpone consideration of a bill before the Senate.

Mr. Brant made an extraordinary study of the many occasions on which this motion was used, and has tabulated the results. It is a tremendous feat of research, and is extremely important in the study of this question.

Well, what was that motion in the British Parliament, and what effect did it have?

In the 17th century—that is, from 1604, when it was first adopted, to 1700—12 years after William and Mary ascended the throne of England—the previous question was moved on 736 occasions. Its effect was to close debate 491 times and to postpone only 245 times.

From 1700 to 1790—that is until the time when the first Senate of the United States adopted the previous question rule—the previous question was moved in the House of Commons 163 times. Its effect was to close debate 48 times, and to postpone 115 times.

Thus, in the almost 2 centuries of usage of the previous question rule in the British Parliament before it was adopted in the first Senate, we find that it was moved on 899 occasions. Its effect was to limit or close debate 539 times, and to postpone on 360 occasions.

So if the previous question motion in the early Senate was, as the proponents of the filibuster claim it was, the rule from the British Parliament, it is quite clear that it was a rule whose effect was to limit debate 60 percent of the times it was used prior to its adoption by the first Senate. Thus, its principal use was to close debate, and Mr. Brant is not in error when he states that there "is a mountain of evidence that, measured by its effect, the previous question was infinitely more important in the early period as a producer of cloture than as a method of postponing a question."

From 1790 to 1882—when the House of Commons adopted a specific cloture rule—the previous question motion actually limited debate on no less than 67 occasions. In this latter period the motion resulted in postponement on something like 294 occasions.

The form of the previous question motion in the British House of Commons evolved over the years, and the motion before 1882 was put "that that question be now put." If the "yeas" prevailed, debate was stopped and the main question voted on. When the "nays" prevailed, the main question to which it referred was postponed.

It should be noted that this motion was in the affirmative form, and the negative form of the previous question only came into use in the House of Commons in 1868.

In 1877, when the House was faced with obstructive debate over the South African bill, the Speaker ruled that—as was the tradition of the House—a Member who was willfully persistent in obstructive debate was guilty of contempt of the House. It should be emphasized that he was not announcing a new principle, but said at that time that everyone knew that obstruction was in contempt.

The House of Commons then had no cloture rule as such. The previous question had often had the effect of closing debate. The rules of Parliament, wrote Sir Thomas Erskine May (the Clerk of the House), in describing the situation, were designed to afford every legitimate opportunity of discussion. In the observance of these rules he said, "Freedom of debate has been respected with rare patience and self-denial." He then continued, and the citation is May's Law and Usage of Parliament, ninth edition, 1883, page 380:

But of late, these salutary rules have been strained and perverted, in the House of Commons, for purposes of obstruction.

It became clear that such a course, if persisted in, would frustrate the power and authority of Parliament and secure the domination of a small minority, condemned by the deliberate judgment of the House and the country. That it was unparliamentary and opposed to the principles of orderly government was manifest, and on the 25th of July, 1877, it was declared by the Speaker:

That any member willfully and persistently obstructing public business, without just and reasonable cause, is guilty of a contempt of the House, and would be liable to such punishment, whether by censure, by suspension from the service of the House, or by commitment, as the House may adjudge. (Sir T. Erskine May's Law and Usage of Parliament, 1883 edition, pp. 380-381.)

So, instead of converting the motion for the previous question into a means of cloture at that time, the Speaker asserted the power of the House, under general parliamentary practice, to stop a filibuster by suspending the participants or committing them. I ask those of my colleagues who appeal to British Parliamentary practice as a guide to decision of points of order in the United States Senate, whether they are willing to be governed by this particular Parliamentary power? Which would they prefer, to let debate be closed by moving the previous question—as is done in all other American legislative bodies—or would they rather be dealt with by a citation and punishment for contempt, which is an alternative if the general parliamentary practice of the British House of Commons is invoked.

In 1878, a select committee of the House of Commons was appointed to study the problem of obstructive debate and to make a report on that problem.

It will be recalled that the Irish leader, Isaac Butt, died in 1879 and Charles Stewart Parnell took over the leadership of the home-rule movement. As the eminent Oxford historian, Keith Feiling, put it, Parnell "set to work on two fronts: at Westminster, to make Parliament unbearable by obstruction until Ireland's claims were heard, and to bid one British party up against the other"—Keith Feiling, A History of England, London, Macmillan, 1950, page 978.

So it happened that the question of how to deal with obstructive debate came inescapably before the British House of Commons soon after the Speaker made his 1877 ruling.

The next move was the adoption of a standing order in 1880, under which any Member who was cited by the Speaker for willfully obstructing debate was suspended. Several Members were suspended, but the obstruction increased.

In February of 1881 the situation became so intolerable that I wish to quote the following from Hansard's Parliamentary Debates, third series, volume 257, column 2032, during the debate over the protection of person and property—Ireland—bill:

(9 a. m. Wednesday, February 2 [1881])

At this time Mr. Speaker returned to the House and resumed the chair; and the honorable Member for Cavan at once resumed his seat.

Mr. Speaker thereupon addressed the House as follows:

"The motion for leave to bring in the protection of person and property (Ireland) bill has now been under discussion for above 5 days. The present sitting, having commenced on Monday last at 4 o'clock, has continued until this Wednesday morning, a period of 41 hours, the House having been frequently occupied with discussions upon repeated dilatory motions for adjournment. However prolonged and tedious these discussions, the motions have been supported by small minorities, in opposition to the general sense of the House.

"A crisis has thus arisen which demands the prompt intervention of the Chair, and of the House. The usual rules have proved powerless to insure orderly and effective debate. An important measure, recommended in Her Majesty's speech nearly a month since and declared to be urgent in the interests of the State by a decisive majority, is being arrested by the action of an inconsiderable minority, the Members of which have resorted to those modes of 'obstruction' which have been recognized by the House as a parliamentary offense.

"The dignity, the credit, and the authority of this House are seriously threatened, and it is necessary that they should be vindicated. Under the operation of the accustomed rules and methods of procedure, the legislative powers of the House are paralyzed. A new and exceptional course is imperatively demanded; and I am satisfied that I shall best carry out the will of the House, and may rely upon its support, if I decline to call any more Members to speak, and at once proceed to put the question from the chair. I feel assured that the House will be prepared to exercise all its powers in giving effect to these proceedings.

"Future measures for insuring orderly debate I must leave to the judgment of the House. But I may add that it will be necessary either for the House itself to assume more effectual control over its debates or to entrust greater authority to the Chair."

Question put, "That the words proposed to be left out stand part of the question."

The House divided—ayes 164, noes 19. Majority, 145.

The Speaker then proceeded to put the main question, which was agreed to without a division.

[These proceedings cause great excitement among the Members present; and those who had voted in the minority withdrew from the House, crying, "Privilege! Privilege!"]

* * * * *

Mr. GLADSTONE. I propose to move tomorrow the following resolutions:

1. If upon notice given a motion be made that the state of public business is urgent, and if on the call of the Speaker 40 Members shall support it by rising in their places, the Speaker shall forthwith put the question [that the public business is urgent], no debate, amendment, or adjournment being allowed * * * and if the question be resolved in the affirmative by a majority of not less than three to one, the powers of the House for the regulation of its business upon the several stages of bills, and motions, and all other matters, shall be and remain with the Speaker, until the Speaker shall declare that the state of public business is no longer urgent.

This was adopted February 3, 1881, and the bill was voted to be urgent. The effect of this proposal was to affirm that the House had full authority to regulate its proceedings and to delegate this power to the Speaker to exercise at his discretion.

A few weeks later, there were two further incidents which show how effective the power of the Speaker to limit debate really was. I quote again from Hansard's Parliamentary Debates, third series, volume 258, column 1832, during the Debate over the Protection of Person and Property—Ireland—bill on February 25, 1881:

Mr. O'DONNELL. I wish to say—and I will delay the House only a very few minutes——

Mr. SPEAKER. It appears to me to be the general sense of the House that the question be now put.

In other words, he was shutting off debate.

The MARQUESS OF HARTINGTON. I beg to move, sir, that the question be now put.

[Hartington was described as "one of Her Majesty's principal Secretaries of State."]

Motion made, and question put, "That the question be now put."

[Ayes 282, noes 32. Question put, "That this bill do pass." Ayes 281, noes 36.]

And this action led to the following entry in the Index:

Question, previous; put, and agreed to, it appearing to Mr. Speaker to be the general sense of the House, that the question be now put, 96.

The second incident is found in Hansard, same volume, column 2017, March 1, 1881, on the debate over the Peace Preservation—Ireland—bill:

[Motion before the House that debate be adjourned.]

The MARQUESS OF HARTINGTON. I hope the House will not assent to this motion, but that it will determine to conclude this debate tonight. If we may judge from the tone and character of most of the speeches recently delivered, it appears to me that there is not material for another discussion.

(Journal of the House of Commons, p. 100, March 1, 1881)

[Motion to adjourn debate defeated, after midnight, 202 to 21.]

And, Mr. Speaker, having stated that he collected from the last division that it was the general sense of the House that the question be now put:

A motion was made, and the question being put, that the question be now put.

The House divided.

The yeas to the right.

The noes to the left.

[Tellers named.]

Yeas 200, noes 23.

[Main question carried by same vote, authorizing the bringing in of a bill to amend the law relative to possession of firearms in Ireland.]

And this action also led to the following entry in the Index for March 1, 1881:

Question, previous, put, and agreed to * * * Mr. Speaker having stated that he collected from the last division, that it was the general sense of the House, that question be now put, 100.

These incidents show how the Speaker exercised the power to regulate proceedings and that the official index to the debates show the incidents as examples of the previous question which, on these occasions, closed debate and was used for that specific purpose.

Following these events it was decided that a formal system of closing debate would be more effective—as certainly it would be less irritating—than punishment for contempt. Thus, in 1882, the House adopted a cloture rule. The form of the motion was "That the question be now put." As a result, the House of Commons had two motions—the previous question and a cloture motion. They were both worded in the affirmative and they differed in form only between a "that" and a "the", that is.

Previous question: "That that question be now put."

Cloture: "That the question be now put."

There was another difference between these two motions apart from the difference between a "that" and a "the." Both ended debate and brought a vote if the "yeas" prevailed, but there was a difference between them when the "nays" prevailed. If the "nays" prevailed when the previous question was put, the effect was to postpone the matter. If the "nays" prevailed when cloture was put, debate continued.

Because these differences were so subtle and because the forms of the motion were so much alike, the Speaker, in 1888, proposed a change. He proposed that the form of the "previous question" be changed to the negative form, namely, "That the question be not now put." He did this for two obvious reasons. First, because when both motions were in the affirmative, it was easy to confuse one with the other. Second, as the "previous question" was ordinarily put for the purpose of postponement, but had the effect of cloture if the "yeas" prevailed and of postponement if the "nays" prevailed, the Member moving the previous question motion for the purpose of postponement had to vote against his own motion—or "nay"—if he wished his purpose to be fulfilled.

So, what happened was that the House of Commons actually followed two American precedents. In effect, it adopted the American system of using the previous question as a means of stopping debate, but changed the name of it from the previous question to cloture. It then preserved the motion for the previous question and held it to its original purpose of postponing a vote, by adopting the wording which we in the United States employed to achieve that end during the period of our confederation. It should be recalled, however, that the effect of its use in the Continental Congress was to end debate. Do not get the impression that this was a mere coincidence. I quote the words in which Sir

Thomas Erskine May, the Clerk of the House of Commons, suggested the change. It is to be found on page 304 of the 1883 edition of his Law and Usage of Parliament:

> In 1778, the Congress of the Confederation adopted the "previous question" in a negative form, i. e., "that the main question be not now put," which appears to be a superior form to that used in this country and is still followed, though with different objects, in America.

Sir Thomas explained the difference in a footnote on the same page:

> In America, the effect of the previous question is immediately to suppress all further discussion of the main question.

So there we have it.

In the United States, direct progression from original use of the previous question as a means of postponement, to universal use of the same motion as a means of forcing a vote.

In England a similar direct progression from one purpose to the other, but with the old form of the previous question given the new name of cloture, and the old purpose of the previous question preserved by giving the motion a new form.

Yet even in the House of Commons today, where the negative form of the previous question continues to be employed, the defeat of that motion will produce the full effect of cloture just as surely as will the carrying of the affirmative motion. In other words, two negatives make an affirmative. That is made perfectly clear in the latest edition—published in 1950—of May's treatise on parliamentary practice. I quote from page 389:

> If the previous question be resolved in the negative, the original on which it was moved must be put forthwith, no amendment, debate, or motion for adjournment being allowed, because, as the House has negatived the proposal, "That that question be not now put," the question must be put at once to the vote.

It is, therefore, clear that in both the United States and England, all of the legislative bodies that have been confronted with filibusters—all of them that have been so confronted except the United States Senate—have done what was necessary to rescue the legislative process from the obstructive tactics of a small minority. Majority rule has prevailed, with the rights of the minority respected.

Now let me discuss this development to curb excessive debate. It is perfectly clear from what I have already said, that in England, the principal effect of the motion for the previous question in early years was to close debate. In later years, its principal effect was to postpone a question on which the maker of the motion did not desire an immediate vote although its effect was still to limit debate on numerous occasions. It is not less true that in England even today, the effect of putting the motion for the previous question—in case the House does not wish for a postponement—is to bring the main question to an immediate vote, without debate or amendment.

Finally, it is an unchallengeable fact that in parliamentary bodies in the United States, for about a century and a half, the previous question has been moved for the primary and explicit purpose of cutting off debate and forcing the main question to a vote.

How has this American development come about? Some will say it has come about by a perversion of the original rule. They simply complain that parliamentary bodies in the United States have converted the original British rule to postpone to a motion to limit debate.

But the truth is as we have seen that at the time the early Senate used the previous question as cloture, the British had, in fact, ended debate hundreds of times by that same method.

Others will explain this American development by saying that the motion for the previous question was the nearest instrument at hand to do what the Members of the Congress regarded as necessary to be done a hundred and fifty years ago.

I will go further and say—as must be clear from the exposition of the development of the previous question in the House of Commons—that the motion for the previous question was not merely the instrument nearest at hand, but that it was and still is far better adapted to the purpose of cloture than to the postponement of a subject. Of all the clumsy, backsided, crablike methods of securing a temporary postponement, the motion for the previous question is about the worst, when employed and worded as it was in the British House of Commons while that body was creating the alleged precedents—and I emphasize "alleged"—which are supposed to hogtie the American Senate today.

The reason is that prior to 1888, a Member of the House of Commons who did not want a question voted on made a motion that it should be voted on, now. He then voted against his own motion. If a majority did likewise—that is, if the motion was defeated—the subject was postponed to a future day. But if the motion carried, that was a vote to put the main question now, and it was put instantly, without debate and without amendment.

What was needed to convert the motion for the previous question from a method of postponement into a method of cloture? Nothing whatever was needed except that the Member who made the motion should wish it to carry, instead of wishing it to be defeated. All that was needed to make the motion effective for the purpose of cloture was that a majority should vote for it.

That is the sum total, the absolute total, of this supposed American subversion of a sacred English institution. How sacred was it? We have seen that the British in the House of Commons in the 17th century voted on the previous question 736 times. The result was "cloture" 491 times and "postponement" 245 times. Using only the logic of words, the House of Commons perverted its own rule more than two-thirds of the time. But, judging the matter both by the logic of words and the logic of results, it seems more natural to conclude that the British did not pervert their rule at all. Quite to the contrary. The utterly absurd and illogical system by which a man voted against his own motion has all the appearance of a reversal of the original process. Certainly, in the early days of America, our lawmakers merely decided that a motion to vote on a question now was a motion to vote on it now. That seemed more natural to them than to move to vote on it now in order to defeat the motion and prevent a vote on it now. I call that supposed perversion of the rule a natural, logical, and commonsense development, thoroughly typical of our countrymen at the beginning of the 19th century. Right at that time a young diplomat—secretary of a foreign legation in Washington—wrote home as follows:

> [In Congress] there are about five persons who look like gentlemen. All the rest * * * are well, indeed, if they look like farmers, but most seem apothecaries and lawyers." (Augustus Foster to his mother, Lady Elizabeth Foster. Foster papers, Library of Congress.)

I do not know about the lawyers, but it is my opinion that the farmers and apothecaries believed in putting motions that produced their desired effect by being passed, not by compelling a legislator to vote against his own motion.

V. CONCLUSION

In summary, it is clear that the United States Senate from 1789 to 1806 had a motion for the previous question. This motion was put in both affirmative and negative forms. Depending upon the will of the Senate, a vote on the motion could either postpone or it could end debate and bring the main question to an immediate vote. As it happened, on two occasions the purpose and effect of the motion was to postpone. On two other occasions the motion was moved for the purpose of closing debate and bringing a vote. On one of those two occasions that actually happened and on the other occasion the motion—though not voted on—achieved the same result.

Further, it is clear that the Senate, through the Vice President, had the power to limit or stop obstructive debate. On the one hand, the Vice President had the power to decide points of order without an appeal to the Senate. On the other, Jefferson's Manual provided that "No one is to speak impertinently or beside the question, superfluously or tediously." From the history of the Senate in those days, it appears that Senators did not use the filibuster and, therefore, it was probably not necessary to invoke this power. However, the latter point is only conjecture, because we do not know the full details of events in the Senate owing to the lack of complete reporting of debates.

Finally, it has been clearly shown that for almost 200 years in the House of Commons, the motion for the previous question served principally to close debate. Later—in the 19th century—it became an instrument of postponement, and then, in the 1880's, the words of the motion were given a new heading—the title of cloture—while the motion for the previous question was given a negative wording which coincided with the purpose of postponement. In the early days of the United States Senate, the previous question was used for the purpose of cloture. It has been so used in

the House of Representatives since 1811, and the same is true of all general parliamentary practice in this country. The evolutionary process in both the United States and England, except for the Senate of the United States, has been the same—toward the orderly use of parliamentary authority to prevent the obstruction of public business.

Broader and deeper than the form, purpose, and effect of the previous question motion in the early Senate and the power of the Vice President to preserve order is the power set forth in the Constitution—the power of the Senate to "determine the rules of its proceedings." The power to determine includes the power to change. That power cannot be taken away by law, by preexistent rules, or by precedent. It most certainly cannot be taken away by invoking the fictional tradition of a past that never was. Whenever a majority of a quorum in this body decides to cut loose from the tentacles of the filibuster, it will have the power to do so without "let or hindrance" from those who believe that democratic self-government is fulfilled in the paralysis of the legislative process.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the Memorandum on the Development of Cloture and the Previous Question in American and British Practice, by Irving Brant.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM ON THE DEVELOPMENT OF CLOTURE AND THE PREVIOUS QUESTION IN AMERICAN AND BRITISH PRACTICE

(By Irving Brant)

The motion for the previous question originated in the British Parliament at the beginning of the 17th century. It was used in the American Continental Congress late in the 18th century and appeared in the first rules of both Houses of the United States Congress in 1789, but was dropped by the Senate in 1806.

"The previous question," it is stated in Sir Thomas Erskine May's Law and Usage of Parliament, "is an ingenious method of avoiding a vote, upon any question that has been proposed." But if the majority does not wish to avoid a vote, the effect of putting the previous question is to cut off debate and force the main question to a decision at once. Thus the rule can, with equal ease, be made a method of postponement or an instrument of cloture, regardless of variations in the form of the motion or the original purpose of it.

FORMS OF PREVIOUS QUESTIONS

In the British House of Lords, the Lord Speaker puts the question, "Whether the original question be now put."

In the House of Commons the words of the motion are negative, "That that question be not now put."

In our Continental Congress, it was moved "That the main question be not now put."

In the United States Senate, from 1789 to 1806, the prescribed wording was, "Shall the main question be now put?"

In our House of Representatives, the wording duplicated the Senate version from 1789 until 1860, when it was decided that the Speaker, on motion, should ask for the yeas and nays on ordering the previous question.

One would suppose, from the origin of the previous question and the present wording in the House of Commons, that the negative form originated in the Commons and was transplanted to America. That is not the case. Until 1888 the House of Commons used the affirmative form, and the circumstances of the change throw a striking light upon the present difference between American and British practice.

ENGLAND FOLLOWS CONTINENTAL CONGRESS

In the ninth edition (1883) of May's Law and Usage of Parliament, the author (who was clerk of the House of Commons) called attention to the awkward wording of the previous-question motion then in use: "That that question be now put. To use that motion in order to postpone or get rid of the subject, May pointed out, the mover had to vote against his own motion. He then suggested a change in wording based on American precedent:

"In 1778, the Congress of the Confederation adopted the previous question in a negative form; i. e., 'that the main question be not now put,' which appears to be a superior form to that used in this country, and is still followed, though with different objects, in America" (p. 304).

AMERICAN PURPOSE IS CLOTURE

This transatlantic difference was explained in a footnote:

"In America, the effect of the previous question is immediately to suppress all further discussion of the main question. Cushing, Law and Practice of Parliamentary Assemblies, 1856, pages 553, 554."

May's statement, made at a time when the United States Senate had no previous-question rule, referred to the general American practice. That is described as follows in Hughes' American Parliamentary Guide.

"The previous question in American assemblies is used exclusively to close debate and prevent amendments. * * * [It] may not be debated. May not be amended. * * * May not be postponed." (Pp. 159, 509, 1924 edition.)

CLOTURE AND PREVIOUS QUESTION IN ENGLAND

Now, observe what was happening in England when May wrote about the differing purposes of the previous-question rule in the two countries. The year before, in 1882, the House of Commons had adopted a permanent closure rule which required an immediate vote on a motion "That the question be now put." This motion enabled a majority of members present to force an immediate vote on the main question. The closure rule was used at once, and freely, but 6 years passed before a member moved the previous question. The Speaker thereupon said (March 20, 1888):

"If I were to propose that question in the customary form, the terms of the motion would be 'That that question be now put,' words which are almost identical with the words of the motion for the closure of a debate."

They were indeed almost identical. The motion for the previous question differed from a motion for closure only by the difference between a "that" and a "the."

Previous question: "That that question be now put."

Closure: "That the question be now put."

"That" and "the" both referred to the same question. If the first was defeated, the subject was set aside but could be resumed on a future day. If the second was defeated, debate was resumed at once. But if either motion received an affirmative majority, the main question had to be put to an immediate vote, without debate or amendment.

The Speaker then proposed and the House agreed to adopt the negative form "That the question be not now put,"—the form used in the American Continental Congress.

"PREVIOUS QUESTION" ALWAYS STOPS SENATE

Thus it came about that in the House of Commons today the closure motion is worded affirmatively, the motion for the previous question is worded negatively. If the affirmative motion is defeated, the debate goes on. If the negative motion receives an affirmative majority, the subject is set aside till another day. But all debate is cut off and the main question is put to an immediate vote if the majority votes affirmatively on the motion with the affirmative wording, and the same is true if the majority votes negatively on the motion with the negative wording. This latter effect is clearly stated in the 10th (1893) edition of May's Law and Usage of Parliament:

"If the previous question be resolved in the negative, the original question must be put forthwith, no amendment, nor debate, nor motion for adjournment being allowed, because, as the House have negatived the proposal, 'That that question be not now put,' the question must accordingly be put at once to the vote."

When one considers the microscopic difference between cloture and the previous question in the original form of these British motions, and considers also that every form of the previous question establishes cloture when the majority votes that way, it becomes easy to see why the motion for the previous question has become the prevailing instrument of cloture in the United States.

USE OF MOTION IN HOUSE OF REPRESENTATIVES

In the use of this motion it is far easier to trace the course of events in the House of Representatives than in the Senate. The halting of debate in the House, through the motion for the previous question, became fully established in the bitter contest over foreign policy preceding the War of 1812. On February 27, 1811, with sine die adjournment compulsory on March 3, the climax was reached in a long filibuster which threatened defeat of the nonintercourse bill. The Democratic majority held the House in session all night. Between 2:30 in the morning and 5 o'clock, the previous question was moved and carried 6 times. Here are the entries in the Annals which describe the decisive use of the motion to force a final vote:

"Mr. P. B. Porter then said that, for the purpose of coming to a decision on the bill, and putting an end to a scene which was, to say the least of it, disreputable to the House, he moved for the previous question on engrossing the bill."

The motion carried and the bill was engrossed, and then, say the Annals, "The previous question was required on its passage, and carried in the affirmative."

SENATE WAS ONCE A FAST-ACTING BODY

Philip Mozier, British chargé d'affaires, relayed to London the slanderous report he received from Federalist Congressmen, that the bill "was passed amidst the drunken shouts of the majority" at 5 o'clock in the morning. Instead of recording statistically what happened in the Senate, when that controversial bill arrived 3 days before the demise of Congress, allow me to quote what I wrote about it in James Madison, the President:

"The sober Senate, in which filibusters were unknown, passed it in 2 days' time, and the President signed it almost before the ink was dry." (P. 263.)

This contrast in speed between House and Senate was fairly typical. The most controversial treaty in American history, prior to the struggle over the League of Nations, was the one negotiated by John Jay with England in 1794. The Senate rejected 1 article and called for renegotiation of others, yet ratified the treaty in 2 weeks. The House made a 4 months' fight against the implementation of it. New England Senators violently hated the 1803 Louisiana Purchase, and could have nullified it by 2 weeks' delay in the exchange of ratifications. Yet the treaty of cession was ratified in 2 days.

EARLY SENATE RULE ON PREVIOUS QUESTION

In appraising the powers and actions of the Senate before 1806, in regard to limitation of debate, it is necessary to hold three things in mind:

1. The absence of the filibuster during that early period.

2. The purpose and effect of the limitations actually placed on debate—whether they represented a primary purpose or an incidental effect.

3. The power of the Senate to curtail debate as a primary purpose, regardless of whether the actual curtailments were primary or incidental.

The first and third of these chiefly affect the conclusions to be drawn; the second directly involves the circumstances of the actions. Those circumstances are not easy to ascertain, because the Senate in early years held all its meetings behind closed doors. The Annals of Congress, which are mostly a compilation of unofficial stenographic reports and summaries published in newspapers, contain no record whatever of Senate debates before 1800, and the Senate Journals and Executive Journals are of course empty of them.

Senate rule VIII, adopted in 1789, made the motion for the previous question a privileged motion, and rule IX prescribed its wording and the manner of its use:

"The previous question being moved and seconded, the question from the chair shall be: 'Shall the main question be now put?' And if the nays prevail, the main question shall not then be put."

FIRST USE OF PREVIOUS QUESTION IN SENATE

This was first resorted to on August 17, 1789, when the Senate had before it a House bill authorizing an appropriation of $40,000 to pay the expenses of treaty negotiation with the hostile Creek Indians. A Senate committee reported this bill favorably, but advised a pledge in addition that if the treaty should fail to establish peace, "Congress will make such grants of money" as might be necessary to protect the frontier.

The report was rejected, whereupon its backers offered a motion empowering the President to "draw on the Treasury for defraying the expenses" of troop movements that might be made necessary by failure of the treaty. The Senate Journal next records:

"And on the motion for the previous question, to wit: 'Shall the main question be now put?' It passed in the negative. The Senate adjourned to 11 o'clock tomorrow."

On the following day, by a vote of 12 to 7, the Senate struck "$40,000" out of the House bill and inserted "$20,000." A new resolution was then offered to give the President discretionary spending power. Like its predecessor, this resolution encountered a motion for the previous question and the result was the same. "It passed in the negative," records the Senate Journal. "And on the question upon the bill, it was resolved, to concur therein with the amendment."

Since the movers of the previous question are unidentified and the yeas and nays were not taken, there is no tangible record to show whether these two motions were intended to force a vote on the two resolutions or to get them out of the way. The latter seems more probable because such a maneuver would enable the economy bloc, which enjoyed a 12-to-7 majority, to avoid an indefinite grant of spending power to the President and yet escape the odium of a vote against the defense of the frontier.

NEGATIVE FORM USED FOR POSTPONEMENT

The previous question was next moved on January 12, 1792, when the Senate was considering the nomination of William Short, then chargé d'affaires at Paris, to be Minister at The Hague. President Washington, on December 22, had submitted Short's name for the Holland post along with those of Thomas Pinckney and Gouverneur Morris for London and Paris. All three legations had been without a minister for some years.

On December 29—the fourth day of debate—a motion was offered "that, in the opinion of the Senate, it will not be for the interest of the United States to appoint ministers plenipotentiary to reside permanently at foreign courts." This was amended next day to read "that the Senate do not possess sufficient evidence to convince them that it will be for the interest," etc., and was referred to a committee to report generally thereon.

The committee reported on January 6 that from the facts communicated to them, they are of opinion that there is now a special occasion for appointing a Minister to the Court of London. Pinckney was thereupon confirmed without a rollcall. A fight was made against the report that there was a special occasion for appointing a minister to France, but it carried 19 to 7 and on the following day Morris was confirmed, 16 to 11.

PART OF AN ISOLATIONIST FIGHT

On the nomination of William Short, the committee reported the information obtained from the Secretary of State on this subject. The information unquestionably was favorable, for Secretary of State Thomas Jefferson had unbounded admiration and affection for Short, his former Secretary of Legation at Paris. The report, however, was followed by a motion "that there is not, in the opinion of the Senate, any present occasion that a Minister should be sent to The Hague." The Executive Journal continues:

"On this motion, the previous question was moved for, to wit: 'That the main question be not now put.'"

On motion, the nomination and motion of disapproval were put over till Monday, the 16th. On that day, the previous question was put to a vote which came out 13 to 13. The Executive Journal then records:

"The numbers being equal, the previous question was by the Vice President determined in the affirmative."

Since the motion was worded in the negative, this was a decision that the question be not now put. The Senate thereupon confirmed Short, 15 to 11.

DANGEROUS DEBATE IS AVOIDED

In this instance, it will be noted, the Senate disregarded the form of previous-question motion prescribed in rule IX and went back to the negative form used in the Congress of the Confederation. The reason for that is evident in the nature of the conflict. Besides wanting to get rid of all foreign legations, the Senate isolationists were rubbed raw by the fact that in Holland the United States owned an expensive, long-empty hotel which had been bought by Minister John Adams during the Revolution to impress money-lending Hollanders with the soundness of American securities. If that issue were debated in the Senate, Short would be in trouble.

Of the 13 Senators who voted for the motion not to put the motion, 12 voted immediately afterward to confirm Short. By moving the previous question, they not only got rid of a dangerous resolution, but limited the debate on confirmation to the issue of Short's fitness for the place—an issue on which he was impregnable. If any Senator undertook to speak against the mission itself, he would be subject to a ruling by Vice President John Adams that he was violating the decision on the previous question. The purpose and effect were made unmistakable by the resort to the negative wording of the motion, which conflicted with the rules of the Senate. As it was, the tie vote broken by the Vice President was taken as an omen of ultimate defeat. Secretary of State Jefferson sent orders to Holland that the legation building be sold at once and advised Short to apply for a transfer to some other post. Congress, he wrote, was likely to close the one at The Hague by refusing an appropriation for it.

SENATE FORCES VOTE BY "PREVIOUS QUESTION"

The previous question was moved on a third occasion on February 26, 1799, during a lull in the excitement which resulted from the XYZ disclosures. Following a conciliatory overture by Talleyrand to William Vans Murray, who had succeeded William Short as Minister at The Hague, President John Adams on February 18 nominated Murray to be the American Minister at Paris. Faced with a senatorial revolt, he shifted on the 25th to the nomination of Chief Justice Ellsworth, Patrick Henry and Murray as envoys extraordinary to France, with treaty-making powers. The next day a motion was offered, declaring that the new message superseded the prior nomination of Murray alone. The previous question was moved in the form prescribed in the rules: "Shall the main question be now put?" Both it and the main question, the Executive Journal reveals, were "determined in the affirmative." One can only speculate as to the circumstances which produced this motion for the previous question. It involved no hostility to Murray, who was the only one of the three special envoys to receive unanimous confirmation. The motion could have been made to prevent or cut off a politically dangerous debate—for the sending of this peace mission wrecked the Adams Cabinet and split the Federalist Party asunder. It could have been an impatient way of preventing a waste of time discussing a question that required no discussion. If nobody wanted to talk there was no reason to make the motion. The one certainty is that the previous question was moved to bring the main question to an immediate vote, not to postpone it. Thus it disproves the contention, made on the Senate floor on January 4, 1957, that the Senate before 1806 governed its practice solely by "the previous-question rule from the British Parliament, which * * * was merely a method of disposing of a measure, without taking action on it at that time."

"PREVIOUS QUESTION" IN IMPEACHMENT TRIAL

The last senatorial motion for the previous question was made on March 10, 1804, when the Senate was sitting as a court in the impeachment of Judge John Pickering. Climaxing a 3-day debate behind closed doors, Senator White, of Delaware, offered a resolution—regarded by the majority as an accusation of ex parte prosecution—"That this court is not at present prepared to give their final decision" upon the articles of impeachment. The reason: no inquiry had been made into the suggestion that the judge had failed to appear because he "was and yet is insane." The official record recounts a series of objections and out-of-order motions leading up to the following:

"Mr. Nicholas hoped it would not be permitted to go upon the journals of the court.

"Mr. Jackson moved the previous question, viz: 'Shall the main question be now put?'"

Senator White wanted the yeas and nays on whatever was done to dispose of his resolution. Then:

"On motion of Mr. Dayton, the galleries were cleared and the doors closed.

"At 3 o'clock the doors were opened, and the question was taken upon the resolution as at first submitted, yeas 9, nays 19" (Annals of Congress, Eighth Cong., first sess., pp. 362–363).

This record reveals the alinement, Jackson being a lieutenant of Nicholas, who was President Jefferson's right hand man. In other respects it's far from clear. However, the diaries of Senators John Quincy Adams and William Plumer make it evident that the Official Reporter transplanted the motion to close the doors, to the point at which they were reopened. The galleries were actually cleared (though not at the first attempt) a short time after the resolution was introduced; the previous question was moved just before the reopening. The remark by Nicholas, which preceded the motion, was made in the middle of a debate which would have been out of order in open session. Both this fact and the nature of the struggle are made clear in the diary of Senator Adams, a Pickering supporter.

MAJORITY WANTED TO PREVENT DEBATE

"On this resolution (wrote Adams) it was not without the utmost difficulty that any discussion whatsoever could be obtained."

He described an opening maneuver by Senator Nicholas, the majority leader, and then wrote:

"The next struggle was to prevent all debate upon the resolution. By our rules there can be no debate on any motion in open court. A motion to close the doors for the purpose of discussing the resolution was rejected."

Senator Smith, of Ohio, asked the meaning of part of White's resolution. The answer could not be given in public, so he reversed his position and furnished the additional vote needed to go into conclave. Thereupon, wrote Adams:

"The galleries were cleared, and a short discussion of the resolution was held * * * Mr. Anderson [of Tennessee] and most of the Members of the majority all the time manifesting the most extreme impatience to open the doors and stop all further debate."

The nature of the discussion is indicated by Senator Plumer's record of the remarks of the majority leader:

"Mr. Nicholas vociferated, order, order, order—I will not submit to hear our proceedings called by the degrading name of a mock trial."

To which White replied that he did not mean to offend the Virginia Senator, but he would not retract his words:

"If in this I have offended him, I am willing and ready to give him satisfaction at any time and place he will please to name."

It was in this atmosphere, after this offer to fight a duel, that Senator Jackson moved the previous question and White demanded the yeas and nays. That forced the issue, but at this point the special impeachment rules took over.

OPENING SENATE DOORS HAD EFFECT OF CLOTURE

Under the rules, all motions had to be voted on by yeas and nays in open court. It was necessary to open the doors in order to vote on Jackson's motion. But opening the doors would produce the precise effect desired from the motion for the previous question. It would stop all debate, because debate was forbidden in open session. It would lead at once to a final vote, because the President pro tempore had ruled that the White resolution was fairly before the court and must be disposed of before other business was taken up, while procedural objections by Adams had balked all attempts at amendment. The effect of the majority maneuver was cloture, and Adams bitterly recorded the result:

"The doors were opened. The yeas and nays were taken on Mr. White's resolution—yeas 9, nays 19." (White had walked out.) (Memoirs of John Quincy Adams, I, 302. William Plumer, Memorandum of Proceedings in the U. S. Senate, 1803–07, pp. 173–177.)

I shall now offer some observations on the factual record.

SENATE DID NOT FOLLOW EARLY BRITISH USAGE

Had the Senate been governed by the British practice of using the motion for the previous question to postpone a subject, that would have been the object in all four of the cases in which the Senate resorted to it. Instead, both in 1799 and 1804, the purpose and effect were to bring the main question to a vote, and in the 1804 instance the first objective was to halt a debate which was obnoxious to the majority.

There is no possibility that Senator Jackson moved the previous question in order to postpone the White resolution. Had that been the intention, it would have been necessary for the anti-Pickering forces to put the motion for the previous question to a vote and defeat it, thus deciding not to put the main question. Instead, they cut off debate by opening the doors, put the main question, and defeated it. They halted the debate just 2 hours after the question at issue was formally placed before the Senate.

This action was a little less ruthless than it seems, because the subject of Pickering's alleged insanity had been debated at large, behind closed doors, for the better part of 3 days. A motion to postpone a decision was beaten on March 9, 10 to 20. The repetition of it next day, with accusatory language in the resolution, did not put the majority in a mood to tolerate prolonged and uninhibited debate.

SENATE SET PRECEDENT FOR HOUSE OF REPRESENTATIVES

Observe the similarity of language employed in the debate leading up to this final moving of the previous question in the Senate, and the first use of it in the House of Representatives to stop a filibuster. "Order, order, order," shouted Senator Nicholas. "I will not submit to the degrading [accusations]." And in the House of Representatives, 7 years later, the same rule was invoked to end a debate described as "disreputable to the House." That body, instead of inventing a new form of cloture, was actually following the precedent set in the Senate.

In the sequence of motions for the previous question in the Senate there is a remarkable resemblance to the evolution of the previous question and closure in the British House of Commons. When the supporters of William Short used the "previous question" to avoid a debate and a vote that would imperil his confirmation, they emphasized their purpose by ignoring Senate rules and offering the negative form of the motion, "That the main question be not now put." But when the majority wanted to silence the Senators who were calling the Pickering procedure a mock trial, they adhered to the Senate rules and employed the words, "Shall the main question be now put?"

AMERICAN AND BRITISH PARALLELS IN CLOTURE

That shift in the resort to the two forms is analogous to what took place in the House of Commons in the 1880's, when the form of the previous question was "That that question be now put." Instead of utilizing this for closure without changing the name, the House of Commons reworded the previous question to the negative form which was used by the United States Senate in the case of William Short. The old affirmative British form of the previous question, analogous to the one used by the Senate in the Pickering case, was given the name of "closure." Under that title it is employed today in England for the precise ends which every American legislative assembly, except the United States Senate since 1806, achieves by means of the previous question. In the Senate before 1806, in the House of Representatives since 1789, and in the House of Commons since 1887 (when the original closure rule was strengthened) those three bodies demonstrated their ability to cope with every problem of obstructive procedure which they faced.

VICE PRESIDENT'S RULINGS WERE UNAPPEALABLE

Ability to halt debate in the Senate before 1806 depended on one point alone—whether Senators could talk indefinitely, without let or hindrance, on the motion to invoke the previous question. The answer to that is "No," because in that day there was no appeal from the decision of the Vice President on points of order.

This very point was raised in the Senate during a debate on filibusters in 1891, and the earlier plenary power of the presiding officer was admitted by one of the leading champions of the filibuster in his day—Senator Carlisle, of Kentucky, whose congressional career included three terms as Speaker of the House of Representatives. Carlisle had asserted that "the motion for the previous question was debatable in the English House of Commons from the time it was first established in 1604 or 1605 until the present hour." It was used there, he said, not to suppress debate but to suppress the subject itself without a direct vote on it, "and for that purpose it prevailed in this Senate until perhaps about the beginning of the present century."

Carlisle's assertion about the use of it in the Senate was erroneous though no doubt sincere. What attracted attention, however, was his seeming implication that the motion to invoke the previous question was equally debatable in the House of Commons and in the United States Senate. The following colloquy ensued:

"Mr. ALDRICH. Will the Senator allow me to interrupt him?

"Mr. CARLISLE. Certainly.

"Mr. ALDRICH. Is the Senator aware that in the Senate until 1828 the presiding officer, the Vice President, decided all questions of order without appeal and without debate?

"Mr. CARLISLE. Certainly. * * * The proposition I make is that as soon as you gave the Senate the right to pass upon an appeal, as soon as you provided by your rule that the question should come before the Senate for its decision, then it came there as every other question must come before a legislative assembly, subject to debate unless you provided to the contrary in the rules" (CONGRESSIONAL RECORD, Jan. 21, 1891, vol. 116, p. 1606).

Although he conceded that the Vice President originally possessed power to prevent a filibuster, Senator Carlisle contended that after 1828, when appeals from the decisions of the chair were sanctioned, the Senate became subject to the general parliamentary practice concerning the previous question, which, he said, had been debatable in the English House of Commons "from the time it was first established in 1604 or 1605 until the present hour." On this reasoning, a Senate minority could prolong debate forever, on the changing of a rule, by talking forever against the motion to put the previous question. That has become, in truth, the solitary parliamentary point on which today's Senate minority relies to preserve its power to paralyze the business of Congress.

DEBATE FOR OBSTRUCTION HELD TO BE CONTEMPT

But Senator Carlisle overlooked one fact. If any member of the House of Commons undertook to debate any motion for the willful and persistent purpose of obstructing legislation, he was guilty of contempt and could be suspended or sent to jail. The cloture rule was adopted in 1882, not to create a power to control debate, but to cut it off by a simple vote of the House instead of through the use of its police power. This is made crystal clear in the 1883 edition of May's Law and Usage of Parliament (p. 380):

"The rules of Parliament are designed to afford every legitimate opportunity of discussion, to ensure reasonable delays in the passing of important measures, and to guard the rights of minorities. In the observance of these rules, both houses have displayed a generous regard for the liberty of individual members, and of political parties. Freedom of debate has been respected with rare patience and self-denial. * * * But, of late, these salutary rules have been strained and

perverted, in the House of Commons, for purposes of obstruction. It became clear that such a course, if persisted in, would frustrate the power and authority of Parliament, and secure the domination of a small minority, condemned by the deliberate judgment of the house and the country. That it was unparliamentary and opposed to the principles of orderly government was manifest; and on July 25, 1877, it was declared by the Speaker, 'that any member willfully and persistently obstructing public business, without just and reasonable cause, is guilty of a contempt of the house, and would be liable to such punishment, whether by censure, by suspension from the service of the house, or by commitment, as the house may adjudge.' "

The Speaker was not setting forth a new principle but reasserting an ancient one. The quoted sentence opened with the words, "Now, the house is perfectly well aware" that any member thus obstructing public business is guilty of contempt. The antiquity of that principle can be sensed in the declaration in Jefferson's Manual that no person "is to speak impertinently, or beside the question, superfluously, or tediously." Jefferson based that statement—which clearly outlaws the filibuster—on Hatsell's Precedents, and Hatsell cited a string of prohibitions proclaimed in the spring of 1604. (2 Hatsell, 230-238, 1818 edition.)

In 1880, 3 years after the Speaker of the House of Commons invoked the rule of contempt, this was implemented by a standing order for the suspension of any member named by the Speaker "as disregarding the authority of the chair, or abusing the rules of the house by persistently and willfully obstructing the business of the house, or otherwise." Suspensions followed, says May, but obstruction continued. The house then shifted to a closure rule which controlled the filibusters without resorting to the punishment of individuals.

AMPLE POWER IN SENATE TODAY

From the whole record three things seem clear:

1. The British Parliament, on whose precedents the defenders of the filibuster chiefly rely, has always possessed power, independently of its modern closure rule, to prevent the obstruction of public business through misuse of debate.

2. The United States Senate, from 1789 to 1806, had ample power under its rules to cut off debate and bring any question to an immediate vote, by the action of a majority of Senators present, supported by an unappealable ruling of the Vice President against obstructive tactics. It used its power to this end in 1804.

3. The use of the motion for the previous question to close debate, now virtually universal in American parliamentary practice, is not a perversion of the original rule, but an evolutionary development growing out of the problems of democratic selfgovernment.

Against this arry of facts the defenders of the filibuster have no defense except the erroneous claim that under general parliamentary practice—meaning British practice—the motion to put the previous question may be debated to death. Nowhere in the world is that true and it never has been true. The motion to put the previous question is totally undebatable in the United States House of Representatives and in American State assemblies, which use it expressly for cloture. In the Senate before 1806, any attempt to turn normal discussion of that motion into a filibuster—i. e., to talk endlessly on the question whether the debate had been long enough—could be quelled instantly by the Vice President. In the British House of Commons, ancient usage and modern practice combine to make any debate, on any motion, a contempt of the House when it represents a willful and persistent attempt to obstruct public business. That covers the field.

To put an end to filibusters in the Senate today it is only necessary for a majority of Members present to uphold the Vice President in two rulings. One of these Vice President NIXON has already offered as an informal but officially recorded opinion: That a Senate rule which hampers the power of the Senate to change its rules is unconstitutional.

The other is: That if, in the process of changing the rules, the previous question is invoked under general parliamentary practice, the procedure adopted shall follow either the American rule of no debate on that motion, or the British rule of no obstructive debate on any motion. If the filibusterers wish to jump from the frying pan into the fire, they can appeal to the practice of the United States Senate before 1806, when the British rule of no obstructive debate, reinforced by the unappealable power of the Vice President, enabled the Senate to take the lead in making the previous question an effective instrument of cloture.

Mr. DOUGLAS. Mr. President, because of the widespread public interest in the effort to change the Senate rules to make possible some limitation of debate after reasonable opportunity for discussion, editorials in many leading newspapers expressed support for the move which a group of Senators made in January and for future efforts to curb the filibuster and open the road to the passage of meaningful civil rights legislation. For the information of Members of Congress, I ask unanimous consent to have printed at this point in the RECORD a series of such editorials from leading papers which have recently come to my attention.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the St. Louis Post-Dispatch of January 7, 1957]

THE FILIBUSTER UPHELD

There is only one way to describe what the Senate did Friday in preserving the filibuster rule. By this vote of 55 to 38 the minority southern Democrats once more maintained their power to obstruct civil-rights legislation by essentially physical means. And they maintained it through the active cooperation of a majority of the Republican Members, in whose hands lay the ultimate decision.

The filibuster rule was defended by some Senators on the ground that the Senate is a continuous body, and so much operate under the rules of previous sessions. This is one of those intricate, legalistic rationalizations which Senators delight in when they wish to conceal their real motives. The Senate spent its opening day Thursday electing new officers, setting up a new party organization, and receiving new bills and new resolutions—all on the assumption that this was a new 85th Senate, discontinuous from the 84th. How could it suddenly become a continuous body on Friday, solely for the purpose of adopting rules?

The filibuster rule was defended by some Senators as a sacred refuge of minority rights. This is one of those curious inversions that also find special favor on Capitol Hill. The fact is that the whole purpose and intent of the filibuster is to deny legislative protection for minority rights. It is the means by which a southern white majority withholds equality before the law from the southern Negro minority. Nationally, the southern white majority is a minority. But it imposes its will on the national majority through the filibuster rule.

If the Negro minority in the South enjoyed as much unreasonable power as the southern Democrats enjoy as a minority of the Senate, the South would be aflame with angry protest.

Again the filibuster rule has been defended as the guardian of the precious right of democratic debate. This also is so much nonsense. Senators engaged in a filibuster do not debate. They do not discuss issues. They do not explore the merits and demerits of legislation. Instead, they use speech as a means of obstructing truly democratic consideration and decision. They use speech as a method of imposing physical barriers to the transaction of Senate business until the Senate accepts their view of what legislation should be allowed to come to a vote.

For all these reasons, the filibuster rule is doomed to die in time. It might have been beaten this year if President Eisenhower had exerted his power as Republican Party leader. Because he chose to stand aside from the battle, a majority of the Republicans found it easy to vote with the southern Democrats. And, of course, the southern Democrats will be expected to return the favor by supporting the GOP on legislation in the future.

Even so, the move to curb the filibuster got 38 votes plus the support of 2 absentees—a total of 40 votes as compared with only 21 4 years ago. The Democrats increased their antifilibuster vote over 1953 from 15 to 21, and the Republicans from 5 to 17.

Though the filibuster is preserved for another session, this need not mean the end of progress on civil rights. The situation remains what it has been for years. Great strides are possible through strong and effective action of the executive branch and through courageous judicial defense of our constitutional guaranties of equal rights. There is still plenty to do in both these fields while the Nation waits for Congress to join the fight with legislation.

Someday the Senate, too, must step into the 20th century.

[From the New York Herald Tribune of January 6, 1957]

THE SURVIVAL OF THE FILIBUSTER

If the defeat of the attempt to end unlimited filibustering in the Senate was foreseen, it is no less disappointing. Yet progress has unquestionably been made, and the fight is far from over. For one thing, the antifilibuster forces have doubled in strength since the last vote was taken on this issue in 1953. For another, new attempts will be made—Senator KNOWLAND has announced he will introduce an amendment to the Senate rules designed to curb filibusters—although it must be admitted that the chief opportunity for action in this Congress has been lost. And the bold and statesmanlike opinion of Vice President NIXON, which held that the last part of rule 22 forbidding limitation of debate on the rules themselves is unconstitutional, is bound to influence the Senate's attitude, as it has the public at large.

The whole question has been unfortunately confused. There did not seem to be enough distinction made between the fight against the filibuster as a minority veto and the question of changing the rules in general. The Senate is wary of adopting new parliamentary procedures at the opening of each Congress. It justifiably regards itself as a continuing body, and one can agree with Senator LYNDON JOHNSON's argument that legislative turmoil would result if new rules were adopted wholesale to suit the temper or fashion of the moment. But the point is that in this case it was the filibuster, and only the filibuster, which was the object of attack. The question of new rules was brought up because that was the only way of rooting it out into the open where it could be amended.

Behind this struggle over rules, of course, lies the logjam of civil-rights legislation blocked by the threat of southern filibusters. But even so, advocates of this legislation

are hopeful that some of it, at least, will pass during this session. Public opinion is behind it, and the diehards may well decide to bow to the inevitable. And although the filibuster is still with us, its days may well be numbered.

[From the New York Times of January 8, 1957]

THE RULES REMAIN

As prearranged by the leadership of both parties, the Senate of the United States yesterday turned down the one and only opportunity it will have at this session to make a serious fight against the rules that give to the threat of filibuster its potency.

The parliamentary situation under which the brief debate was held and the foreordained vote taken may perhaps have been another example of Majority Leader JOHNSON's famed tactical skill in getting what he wants. But to avoid unpleasant obstacles is not to make them disappear, and to smooth away real issues is not to solve them.

The Senate vote yesterday leaves the basic problem of the filibuster just where it was; and to both Democrats and Republicans goes the discredit of helping make that result possible. Minority Leader KNOWLAND happily joined Mr. JOHNSON in the scheme to insure that there would be only a formal fight over the issue of whether or not the Senate was to go on under the same old rules that permit the filibuster to throttle democratic procedure. When the appointed time came to vote, the powerful coalition of conservative southern Democrats and right-wing Midwestern Republicans won its expected victory. But at least there is something encouraging in the fact that more than one-third of the total membership of the Senate—21 Democrats and 17 Republicans—voted against killing the Anderson motion that would have been the first step in overcoming the menance of the filibuster.

The filibuster threat ought to be removed by the Senate so that it can regain its own freedom of debate. That is reason enough; but, as everyone knows, the further purpose in fighting the filibuster is to clear the way for civil-rights legislation, which has traditionally been blocked by the threat of this antidemocratic device. However, even though the Senate rules remain unchanged and the filibuster still is potentially as strong as it ever was, there is a growing hope that some moderate civil-rights bills may actually be enacted by this Congress. Both the liberal Democrats and the administration itself have been behind such proposals. Though the more conservative element in the Senate won their victory yesterday through continuation of the outworn rules, that victory should not be consolidated by subsequent rejection of the sensible and highly desirable civil-rights proposals that will be coming up at this session.

[From the Hartford Times of January 7, 1957]

DESERVED TO PASS

The Senate rule that has permitted unlimited debate has long ago completely outlived its usefulness but once again reform has been defeated. Even a bipartisan move could not bury it. By a vote of 55 to 38, the Senate, in its first formal acts of this new session, decided to retain the outdated right to filibuster a bill to death.

Behind this struggle at this time is the civil rights issue which lined up all the Southern Senators against any change in the Senate rules. Other Senators had other reasons. Senators BUSH and PURTELL were both on the side of needed reform. Mr. BUSH has labored long and vigorously against the filibuster practice.

The challenge of the power of Senate minorities to block action on legislation by the filibuster—the tactic of dilatory debate to prevent a vote—was doomed to failure at the start.

Now that the rules fight has ended, according to word quietly passed in the cloakrooms, the leaders will start negotiations to bring forward civil rights bills that should satisfy liberal elements of the party without bringing on an unbreakable filibuster.

But for the time being, at least, advocates of a change in the filibuster rule settled for an opportunity, through a round of speeches, to stage an orderly demonstration against what they called "minority rule." In so doing, they redeemed a plank in the 1956 Democratic platform that pledged the party to make an effort to modify the filibuster rule.

The current effort stems from the fact that all past attempts to get advanced civil rights bills through the Senate have been blocked by filibustering Southerners. All moves to invoke cloture, or limitation of debate, also have failed when such legislation was at stake.

Under the present rule, 64 Senators, or two-thirds of the entire membership, must approve a cloture motion if debate is to be limited. Some Senators seeking a change favor cloture by a simple majority of those voting. Others are willing to settle for either a majority of the entire Senate—49—or a two-thirds majority of those voting.

This issue will continue to assert itself until it is settled right. There must come an end to minority dictatorship.

[From the Denver Post of January 8, 1957]

THE FIGHT GOES ON

The significance of last week's vote on the Senate filibuster can be understood only when it is compared with two other votes on the same issue in recent years.

In 1949, the filibuster rule as it now stands was approved in the Senate by a vote of 63 to 23. In 1953, the vote to table a proposed change in the rule was 70 to 21.

Last Friday, the vote to table a proposal for a rule change was 55 to 38. In other words, opposition to the filibuster which could count only 23 adherents 8 years ago and only 21 adherents 4 years ago now has 38 supporters and after Senator-elect JAVITS of New York takes his seat the count probably will be 39.

In 1953 there were 15 opponents of the filibuster rule on the Democratic side of the Senate and only 5 on the Republican side. This year there were 21 Democrats who favor a more liberal rule and 17 Republicans.

Friday's rollcall showed 12 Senators voting in opposition to the position they took in 1953. Of the 12, one was a Democrat, Senator GREEN of Rhode Island. Four years ago he voted to consider a filibuster rule change. This time he voted to table consideration of any change.

Eleven Republicans who voted in favor of the filibuster in 1953 voted this time in favor of considering a rule change. The switch of those Republican Members was largely responsible for the better showing the antifilibuster forces were able to make this time.

The 11 Republicans who have adopted a new and more liberal view on Senate rules are BUSH and PURTELL of Connecticut, COOPER of Kentucky, PAYNE and SMITH of Maine, BEALL of Maryland, POTTER of Michigan, THYE of Minnesota, SMITH of New Jersey, and AIKEN and FLANDERS of Vermont.

It is interesting to note that 19 Members of the Senate had not previously had the opportunity to vote on the filibuster question. Ten of them voted to consider a change and 9 voted to table the motion which might have led to a change. Thus, among new Senators sentiment is slightly in favor of new rules.

Friday's vote will encourage antifilibuster foes to make new assaults on phases of the complicated Senate rules. The first attack is expected to take the form of a resolution declaring that a present rule, which permits unlimited debate on a proposal to change any rule, violates the part of the Constitution which says "each House (of Congress) may determine the rules of its proceedings."

Vice President NIXON has already expressed the opinion that unlimited debate would be unconstitutional if it prevented the Senate from voting to determine its rules. Foes of the filibuster believe if they can knock out unlimited debate on rule changes they will have won an important step toward more effective limitations on the debate on bills.

In any event, they aren't giving up and even see a good chance to win.

[From the St. Louis Post-Dispatch of Jan. 8, 1957]

HOW THE STATES STOOD

Not often is a rollcall vote more in need of study than that by which the Senate tabled the resolution of 31 Senators for revising the rules so as to bring filibusters under reasonable control. For not often is analysis of performance in the Senate so illuminating.

The vote for tabling was 55 to 38 and counting in the 2 absentees favoring the change the actual division of the Senate was 55 to 40. Thus the only Senate seat not accounted for was that of Senator-elect JAVITS who is still Attorney General of New York. Had he been sworn in he undoubtedly would have raised to 41 the total in favor of restricting filibusterers.

As the vote was so much closer than the 70-to-21 division for changing the rule 4 years ago, it is important to know which States blocked progress this time. Here is how the States stood in the division last Friday:

BOTH SENATORS FOR TABLING

Southern States

Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, Oklahoma, Texas, South Carolina, and Virginia.

Northern and other States

Arizona, Delaware, Indiana, Kansas, Nebraska, Nevada, New Hampshire, North Dakota, South Dakota, and Utah.

BOTH SENATORS AGAINST TABLING

Colorado, Connecticut, Kentucky, Maine, Michigan, Minnesota, Missouri, Montana, New Jersey, New Mexico, Oregon, Vermont, and Washington.

SENATORS SPLIT ON TABLING

California, Idaho, Illinois, Iowa, Maryland, Massachusetts, Ohio, Pennsylvania, Rhode Island, Tennessee, West Virginia, Wisconsin, and Wyoming.

This breakdown by States makes it very clear that the filibuster rule would have been thrown in the ashcan had it not been for the many Republican votes that supported the Southerners. The vote of the Democratic Senators from Georgia, Mississippi, South Carolina, and Virginia, for example, is explainable if not defensible. What about the two votes cast by each of the pairs of the Republican Senators from Indiana, Kansas, Nebraska, New Hampshire, North and South Dakota, and Utah? Why should these 14 GOP votes have been cast on the side of the filibusterers?

A breakdown by parties is as instructive as the breakdown by States. Twenty-eight Republicans were for tabling and 18 were against tabling. The Democrats were more evenly divided—27 for tabling to 22 against it. Again the record shows that the rule change lacked on the GOP side the support it needed to pass.

Are these Republicans one with the Dixiecrats? Or do they not believe what many GOP leaders have been saying about civil rights? Or are they willing to deprive thousands of American citizens of equal rights in

order to embarrass the Democratic Party in Congress?

Whatever the answer, the people of Missouri can be grateful that the full force of this State spoke in the Senate, through the votes of Senators HENNINGS and SYMINGTON, on the side of reason. The Illinois delegation was one of those that divided. Senator DOUGLAS was a leader in the fight for the change. Senator DIRKSEN, who rode President Eisenhower's coattails last November, voted with the southern filibusterers.

We hope the facts behind this rollcall are told to newspaper readers all over the country.

[From the Des Moines Register of January 7, 1957]

THE FILIBUSTER SURVIVES

The attempt to liberalize the Senate's filibuster rule, through adoption of new rules at the start of the session, has failed. But it was a glorious failure which points up the great gains that have been made by those who want legislation to guarantee equal rights to the 17 million American Negroes.

The vote on the question of adopting new rules was 55 to 38. The 38 Senators who favored adopting new rules want civil-rights legislation. But not all the 55 Senators who voted against adopting new rules are in favor of segregation of Negroes or of discrimination against them. They voted as they did for a variety of reasons.

Unquestionably a majority of the Senators would vote, if a straight-out test came, for civil-rights legislation. But they won't get the chance to do this. Southern Senators won't let such legislation come to a vote. They can block a vote by filibustering—by talk, talk, talk. The Senate could limit this talk, by invoking its present cloture rule. But under this rule, it takes the vote of two-thirds of the Senators—64 out of 96 Members—to limit debate and end a filibuster. So 38 Senators can block action on civil-rights legislation.

The effort was made to change this cloture rule at the start of the session because it's almost impossible to do so later. The cloture rule cannot be invoked in any debate on changing the rules. So only a handful of Senators can filibuster to death an attempt to change the cloture rule.

Friday's vote was on whether the Senate could change its rules at the beginning of the session. If the vote had been favorable, then the Senate could have eased the cloture rule and civil-rights legislation could have been enacted. The great gain which has been made by those who feel that it is imperative to change the cloture rule is shown by comparing Friday's vote, 55 to 38, with the 70 to 21 vote on the same question in 1953. A switch of nine votes would have changed the outcome this year. We predict there will be many more switches than that in the next 2 years.

Some Senators who voted against changing the rules Friday did so because of: (1) their concept of the Senate as a continuing body for which the rules hold over from session to session; (2) their respect for tradition; or (3) a desire to support their party leaders (both Republican Leader KNOWLAND and Democrat Leader JOHNSON opposed changing the rules).

We regret that Senator BOURKE B. HICKENLOOPER, of Iowa, was one of those voting against changing the rules but recognize that this doesn't indicate any anti-civil-rights viewpoint. He voted that same way in 1953 and so did Senator Guy Gillette.

Senator TOM MARTIN of Iowa deserves praise for his vote in favor of changing the rules. We believe his vote reflects the sentiment of most Iowans.

The opinion which Vice President RICHARD NIXON gave with respect to Senate rules set a precedent which may speed victory for those advocating civil-rights legislation. His opinion seems to us to have been an enlightened and sensible one.

He held that the Senate is a continuing body under the Constitution. He also held that rules of the previous Congress remain in effect unless the new Congress decides otherwise. But he believes that the Constitution gives the Senate the right to decide otherwise—to adopt new rules or change rules at the beginning of a session.

"The Senate should not be bound by a provision in those previous rules which denies the membership of the Senate the power to exercise its constitutional right to make its own rules," said NIXON's opinion.

The Senate didn't go along with NIXON. But it was a narrow escape for the South. The handwriting is on the wall. It won't be possible much longer for a small minority, through rules and technicalities, to thwart the will of a vast majority of the people.

[From the Washington Post of January 5, 1957]

MR. NIXON'S RULING

Vice President NIXON has presented a very interesting opinion on the highly controversial rule 22 that may ultimately break the logjam over the filibuster in the Senate. Insofar as rule 22 denies a majority in the Senate the right to adopt the rules under which it desires to proceed, the Vice President concluded, it is unconstitutional. This opinion will lend powerful support to the drive to upset the existing practice of unlimited debate on any rules change, even though the liberals trying to upset rule 22 lost their fight yesterday.

Mr. NIXON's ruling stems from the fact that the Constitution gives the Senate the unqualified right to change its rules. The Vice President contends, with convincing logic, that this is a continuing right. It cannot be denied to the Senate of 1957 because the Senate of 1834 adopted standing rules which have remained in effect since that date, with various amendments. Section 3 of the amendment adopted in 1949 says that the very restrained cloture procedure set up to limit debate on legislation shall not apply to any proposal to change the standing rules of the Senate.

The effect of this, the Vice President says, is to deny a majority of the Senate the right to make new rules. It is at this point that sharp controversy arises. To be sure, the existence of rule 22 makes it impossible for a majority to adopt new rules unless they wear out a filibuster. Perhaps that makes it unconstitutional, but it is interesting to note that the situation is the same as it would be if the Senate were meeting for the first time without any rules.

A more important point is that, if rule 22 is unconstitutional, only the Senate can remove this unconstitutionality. Mr. NIXON says that the old rules will remain in effect until the Senate changes them, "with the exception that the Senate shall not be bound by any provision of those previous rules which denies the membership * * * the power to exercise its constitutional right to make its own rules." But the Senate itself has to be the judge of whether this right to make its own rules has been infringed, and if it should so decide the Senate would have to apply its own remedy. It is not to be supposed that any court will tell the Senate that it is acting unconstitutionally in an area which the Constitution leaves so completely to senatorial control.

As a practical matter, then, the Senate will soon or late have to face the issue and break a filibuster on rules unless an amicable agreement can be reached. The Vice President has not resolved the controversy; he has merely added an additional argument against rule 22—that one part of it is unconstitutional. It remains for the Senate to agree upon a reasonable amendment of the rule—such as limitation of debate on all business before the Senate (including amendment of the rules) by a two-thirds vote of those present, as this newspaper has previously suggested. The alternative would be a prolonged fight which again might prove inconclusive.

[From the St. Louis Globe Democrat of January 7, 1957]

THE FILIBUSTER: ITS DAYS NUMBERED

The filibuster rule in the Senate is still hale and hearty, but it came much closer to getting the ax than anyone expected. Before the issue came to a vote, foes of the filibuster estimated they could count on the support of only 32 Senators—at most.

But when the ballots were counted, 38 Senators voted with them. Two other Senators who were absent announced they too would have voted against the filibuster if they had been on the floor of the Senate.

This time, the antifilibuster forces went down to defeat by a vote of 55 to 38. Four years ago, a similar proposal was defeated by a vote of 70 to 21.

This shows a marked change in the Senate's attitude toward the filibuster rule. The big shift has come on the part of GOP Senators.

In 1953, under the leadership of Senator Taft, only five Republican Senators supported the move to kill the filibuster. Forty-one, including Senator Taft, voted to keep it alive. This time, 17 GOP Senators voted against the filibuster.

This big GOP switch in favor of less restrictive Senate rules undoubtedly was influenced by the stand Vice President NIXON took. By virtue of his office, NIXON presides over the Senate.

At the start of the debate, he stated that, in his opinion, the foes of the filibuster were perfectly correct in arguing that the Senate can adopt new rules at any time—by a simple majority vote. And that could include a rule making it easy to choke off unlimited debate—the filibuster.

This is the same line of reasoning that the leaders of the antifilibuster move, like Senator CLINTON ANDERSON, New Mexico Democrat, have followed. Vice President NIXON took a clear-cut stand with them.

In Missouri, both Senator HENNINGS and Senator SYMINGTON voted with the antifilibuster forces. The Illinois delegation was split, with Senator DOUGLAS, Democrat, against the filibuster. Senator DIRKSEN, Republican, voted in favor of tabling Senator ANDERSON'S motion to proceed with the consideration of new rules.

Although the filibuster rule still stays on the Senate's book, this latest vote on the issue indicates that its days are numbered.

[From the Hartford Times of January 8, 1957]

WORTH ANOTHER TEST

The effort in the Senate to curb filibustering has met one rebuff but another effort will be made to change the rules which have given a minority dictatorial power. Advocates of a change, among whom Senator BUSH has been a steadfast leader, lately joined by Senator PURTELL, see an opening for a second test of strength in this session.

The recent vote was 55 to 38 against changing the rules. Senators DOUGLAS, HUMPHREY, and KNOWLAND have each introduced a compromise motion of like import. They propose that a two-thirds majority vote of 64 be required to end debate during the first 3 weeks that a bill is under discussion but that, thereafter, a simple majority of 49 could impose closure.

The new plan was also expected to include an attempt to have Vice President

NIXON declare a section of the present Senate debate rules unconstitutional. Mr. NIXON ruled on Friday that each Senate has the constitutional right to draft its own rules. Opponents of the change, however, argued successfully that the Senate is a continuing body whose rules carry over from session to session and can be changed only by a two-thirds vote.

At issue is a section of Senate rule XXII that prohibits the limitation of debate when the Senate is debating a motion to take up a bill. The rule further provides that once a bill has been taken up, a vote of 64 of the 96 Senators is necessary to impose the limitation.

This fight on the rules issue will determine whether civil-rights legislation has a chance in this session. Heretofore, Southern Senators have been able to talk legislation to death by taking so much time that the Senate had to drop the bills and take up other matters. If a compromise or other tactic can remove this dictatorial power of a minority, the effort should be made.

[From the Des Moines Register of January 8, 1957]

THE FILIBUSTER AND MAJORITY RULE

The second round of the filibuster fight is getting under way with a proposal by Republican Minority Leader WILLIAM KNOWLAND to make it easier to limit debate in the Senate.

KNOWLAND's proposal is to require a vote of two-thirds of the Senators present and voting in order to cut off debate. The present rule requires agreement of two-thirds of the entire Senate, or 64 Members, before debate can be limited.

A Wall Street Journal editorial reprinted on this page today, which defends the present rule, notes that a two-thirds vote is commonly required in legislative proceedings. However, the two-thirds votes needed to override a veto, to impeach an officer, to propose a constitutional amendment, or to ratify a treaty are all two-thirds of those present and voting. The present two-thirds rule on limiting debate imposes a far tougher requirement.

The Knowland rule is essentially the same one that was in effect in the Senate from 1917 to 1949. There were 19 attempts to cut off debate during that time. Only 4 of the 19 attempts were successful. The Knowland rule obviously would still give the filibusterers a good deal of leeway.

Another possible approach is one backed by Senators PAUL DOUGLAS, Democrat, of Illinois, and WAYNE MORSE, Democrat, of Oregon. It would enable debate to be cut off by simple majority vote of the Senate, but only after a waiting period of 15 days, excluding Sundays and holidays, to assure full debate.

The Wall Street Journal sees a danger in majority rule, pointing out there are times when a minority speaks with greater wisdom. There is danger in majority rule, to be sure. It is present every time an election is held or a legislature meets.

But there are greater dangers in minority rule. Democracy assumes that by and large majorities will make the right decisions, or be capable of correcting the wrong decisions. The House of Representatives does not permit a willful minority to prevent majority sentiment from being expressed, nor does the British Parliament, which has effective means of dealing with filibusters.

Proponents of a meaningful antifilibuster rule do not want to prevent minority views from being expressed, nor to enforce silence. Some, like Senators MORSE and DOUGLAS, have themselves taken part in prolonged debate in which they represented the minority view. The issue is not whether the minority should be heard, but whether after it is heard, there should be opportunity for the ayes and nays to be counted.

[From the Pittsburgh Post Gazette of January 6, 1957]

FIGHTING THE FILIBUSTER

By a parliamentary and run the Senate has voted to retain the filibuster for another session, though there may still be some effort made to weaken it a little. However, the dispute between those who would stop the filibuster—which is an effort to prevent law-making by talk and other tactics of delay—and those who would continue it did produce a valuable opinion from the Chief Officer of the Senate, Vice President NIXON. The opinion establishes a favorable precedent for those who want to forbid a minority to defeat legislation desired by a majority.

The villain of the filibuster piece is Senate rule XXII, which sets almost impossible conditions for bringing debate to a close. Under this rule a determined filibuster cannot be shut off without the votes of 64 Senators. This means, for practical purposes, that civil-rights legislation can never get through the Senate because 22 Southern Senators plus 11 other Senators allied with them can frustrate the majority. And, it should be noted, a Senator who is absent, by design or debility, automatically strengthens the minority by 1 vote.

The archvillain of the filibuster piece is section 3 of rule XXII. This says that no limit of any kind can be imposed on debate when the Senate is considering a change in its rules. Thus, rule XXII, adopted in 1949, could not be revised so long as a handful of Senators—say, half a dozen—resolved to block the revision. If rule XXII puts civil-rights legislation in the coffin, section 3 nails, rivets, and welds the coffin shut.

It was on section 3 that Vice President NIXON was requested to give an opinion in the course of debate last week. He opined that the section is contrary to the Constitution, which states that each House of Congress "may determine the rules of its proceedings." Said the Vice President: "This constitutional right is lodged in the membership of the Senate and it may be exercised by a majority of the Senate at any time * * * the Senate should not be bound * * * by any rule which denies the membership of the Senate the power to exercise its constitutional right to make its own rules."

The Senate as a whole is the ultimate judge of the constitutionality at issue. Mr. NIXON's opinion, however, has encouraged opponents of the filibuster and lends hope that one day, by a decided attack on section 3, the campaign against the filibuster may drive on to victory.

[From the New York Times of January 6, 1957]

FIGHTING THE FILIBUSTER

New life to the movement to restore democracy with a small "d" to the Senate of the United States has been given by two unexpected developments in the fight against the filibuster. It now appears that there may actually be a chance to curb this weapon, the very threat of which has paralyzed senatorial freedom of action for so many years.

One hopeful factor is the astonishing size of the vote last week against killing a proposal to consider changes in the Senate rules. No fewer than 38 Senators—18 more than in 1953, when a similar motion was defeated—opposed the move of the Democratic and Republican leadership to continue with the same old rules under which it is almost impossible to shut off a filibuster. If 2 absenteees and Senator-elect JAVITS had been present, the opposition to the leadership would have numbered 41—22 Democrats and 19 Republicans. In other words, a switch of only 7 or 8 votes would have done the trick. This is too close a margin for the comfort of the reactionary southern Democratic, mid-western Republican coalition that has held sway in the Senate for so long. It spells the end of the rules protecting and nourishing the filibuster—if not at this session, then surely in the relatively near future.

The other new and encouraging factor is the opinion that Vice President NIXON gave from his chair as presiding officer of the Senate. In answer to a parliamentary inquiry, the Vice President held in a precedent-setting opinion that under the Constitution a majority of the Senate has the right to adopt new rules at any time. As we suggested on this page last month, the language of article I, section 5—"Each House may determine the rules of its proceedings"—plainly means that each Senate has the right to adopt new rules or revise the old ones if it wants to.

If this is so, then what we called the built-in filibuster machine of rule XXII, forbidding any curtailment whatsoever of debate on a motion to consider changes in the rules, is invalid. That is the way the Vice President sees it, and we think he is right. Under the special arrangements cooked up by the majority leader last week, a test of this issue did not directly arise; but it surely will when the question is debated again. The Vice President's opinion, while not necessarily binding, is of great importance in opening the way to a change in the rules, which can only mean a weakening of the heretofore unassailable bulwark of the filibuster.

[From the Minneapolis Morning Tribune of January 7, 1957]

NIXON VERSUS FILIBUSTER

Vice President NIXON has greatly improved his standing among the liberals as a result of last week's unsuccessful fight to change the Senate rules.

The fight, in essence, was a fight against the filibuster and for civil-rights legislation. Its immediate target was rule XXII, which requires a two-third vote of the entire Senate to end debate. This rule has not only effectively blocked civil-rights legislation, it has been self-perpetuating in the sense that there is no way to shut off debate on any proposed change.

Last Friday NIXON, as Presiding Officer of the upper House, admitted that the Senate was a continuing body, since two-thirds of its Members hold over from one session to another. But he expressed the opinion that "the majority of the new existing membership, under the Constitution, have the power to determine the rules under which the Senate will proceed."

This opinion did not move the Senate to adopt new rules. But it gave new strength and heart to the move to curb the filibuster power. NIXON had dealt a heavy blow at the absurd notion that the Senate, because it was a continuing body, was not entitled to revise its own rules by majority vote. He had put the weight of his influence and prestige on the side of civil-rights legislation. By doing so, he inevitably gained stature among Negro voters, many of whom had already deserted their traditional Democratic allegiance to vote Republican last November.

It is no secret that some of NIXON's enemies would have liked to see him emerge from Friday's test as an archconservative who had offended large groups of voters interested in civil rights. Instead, the Vice President entered the civil-rights arena more nearly resembling a knight in shining armor. This was not quite the case with Senator KNOWLAND, Republican minority leader, who voted against the rules-changing motion. But even KNOWLAND has promised that he will propose, and seek support for, a plan for relaxing rule XXII.

The tide of Senate opinion against this oppressive rule is rising fast, and it is a bipartisan tide. Both Senators HUMPHREY and

THYE voted for a revision of the rules Friday and NIXON's opinion is likely to have far-reaching repercussions. The Senate will someday rise up and strike off the self-imposed shackles of the filibuster. That happy day, in fact, may be just around the corner.

[From the Hartford (Conn.) Courant of November 27, 1956]

ANOTHER ASSAULT ON THE FILIBUSTER

A parliamentary body must operate under rules to achieve orderly and continuing progress in the making of laws. But rules are not always used to guide progress. They are often invoked as obstacles in the path of proposed legislation. A determined minority can find ways to avoid and obstruct the will of the majority where it is convinced the majority's purpose is undesirable. This is true the world over, whether it is demonstrated by Communists in the French Assembly or by radicals elsewhere.

One of the more aggravating examples is, of course, the filibuster in the United States Senate. Frequent attempts to strengthen civil-rights legislation in this country have run up against the last-ditch opposition of southern Senators. This has been true despite a majority plainly willing to guarantee individual rights. Some years back, in 1949, one of the almost successful assaults on this bastion was under way. The southerners received added support at the last moment when the rules were interpreted in such a way as to allow them to fight twice. This was the so-called Vandenberg ruling, upheld 46 to 41, which permitted the opposition to filibuster against taking up the measure they would normally filibuster.

A group of six northern Democrats has now proposed to attack this ruling. They will move to revise Senate rules to permit a simple majority to limit debate. This proposal is subject to unlimited debate itself. Messrs. HUBERT HUMPHREY, WAYNE MORSE, RICHARD NEUBERGER, PAUL DOUGLAS, PAT MCNAMARA, and JAMES E. MURRAY are men of strong constitutions and stamina. Mr. MORSE, in particular, has always been prone to unlimited debate, so long as he himself was talking. But they will need substantial support if they are to overturn this rule. They are appealing for such help, but are not likely to find much of it.

It is their own party that houses the most vigorous opponents of civil rights for Negroes. The Republicans, who have shown some signs in recent years of wanting to get action in this field, may be reluctant to break what they conceive as the tradition of the Senate. And all will be under strong compulsion to avoid getting involved in a fight and a filibuster lasting weeks at a time, when critical legislation may come without warning as a matter of urgency. The six men have a laudable aim, but dubious chances of success.

Yet it is a sign once again of the imperfections of parliamentary government that the Government cannot act to pass legislation to make sure that all men who are created equal are treated equally. If the issue were to be faced squarely, there is no doubt which way the vote would go. But it is concealed and mixed up in a vote on rules that confuses the general public, and allows one segment of the country willfully to block the intent of the Constitution.

[From the Christian Science Monitor of January 5, 1957]

SENATE CLOTURE WORKS ONE WAY

It is not quite accurate to say that the United States Senate has no effective way of closing debate. That it can even place rather narrow limits on discussion of certain subjects was illustrated in its disposal of the antifilibuster maneuver of civil-rights advocates.

This was a motion sponsored by northern and western Senators of both parties to provide that the Senate take up consideration of adoption of rules for itself in the 85th Congress. Had the motion been carried, the Senate might have considered revision of the cloture rule (Rule 22), which requires a two-thirds majority not merely of those present but of the Senate membership in order to limit debate.

The theory has been that the Senate is "a continuing body" since two-thirds of its Members hold over from one session to another; hence that its parliamentary rules carry over without needing to be readopted. The effect of this theory, plus the fact that Rule 22 does not apply to debate on a change of rules, is to require in practice almost unanimous consent, since any Member may undertake to talk a proposed revision to death.

On the other hand, the proponents of the revision had to work hard to obtain one afternoon of debate on their proposition. The Senate majority leader filed a motion to table it, which in most parliamentary bodies must be voted upon immediately, but an agreement was reached which allowed some 6 hours of discussion, after which came the rollcall—more favorable to their cause than 2 years ago.

Thus the Senate succeeded in applying to an important question of procedure very strict limits of debate which it in effect refuses to apply to substantive questions, such as legislation on civil rights. If the Senate persists in its theory of almost unamendable rules as a "continuing body" it may someday find itself in a very tight box.

[From the Denver Post of January 9, 1957]

THE FILIBUSTER IS HARD TO DEFEND

To hear David Lawrence tell it the Senate filibuster is an important bulwark for the defense of the Constitution and States rights against a Supreme Court which disregards law and is influenced by psychological theories instead.

The purpose of the filibuster, of course, is to stymie Senate passage by a simple majority of laws to insure that Negroes receive equal treatment with other citizens. The Constitution has always been interpreted to provide for the use of a simple majority vote in the Senate except in a few specific instances.

Unless it had been intended to have the Senate governed by majority rule in ordinary procedures there would have been no point in putting into the Constitution the provision that the Vice President shall have no vote unless the Senators are equally divided.

The Constitution specifies instances in which majority rule is not to apply: for example, a two-thirds vote to ratify treaties, two-thirds to convict in an impeachment case, two-thirds to expel a member, one-fifth to require a yea and nay tally of votes, two-thirds to pass a bill over a Presidential veto.

To this list the advocates of the filibuster would add an extraconstitutional requirement for a two-thirds vote to get any civil rights legislation before the Senate. The concern for the Constitution which they profess sounds empty and hollow when it turns out to be no more than a desire to sabotage the constitutional authority to enact legislation by majority rule.

No legitimate States rights issue exists in connection with civil rights legislation unless we are willing to assume that the 14th amendment, adopted after the Civil War, really doesn't mean anything and really didn't change anything.

Before the amendment was adopted there was some question regarding the right of the Federal Government to interfere if State laws said some people could be held in slavery, deprived of the right to vote, etc.

The 14th amendment took jurisdiction over the privileges and immunities of citizens of the United States away from the States and made the Federal Government the protector of the legal equality of all persons, white or black.

When it is argued that the filibuster is necessary to keep Congress from interfering with States rights to discriminate between blacks and whites, the 14th amendment stands in complete rebuttal.

Segregationists are, of course, particularly unhappy with the Supreme Court. Hence the attempts to drag the Court into the argument over the filibuster power in the Senate.

We are told an arbitrary majority of the Court has taken away States rights. Actually, key decisions of the Court on segregation questions have been unanimous. The majority was 9; the minority 0.

It is becoming popular to accuse the Court of arriving at its decisions on the basis of psychology. The argument runs this way: The Supreme Court decided, back in 1896, that Negroes would have equal rights in transportation with whites if they were furnished with separate but equal accommodations on trains.

That decision, so revered by segregationists, was based on a certain psychology—a belief that a Negro's privileges would be protected if he were given a place in which to ride even though his separate status would be a constant reminder to him that he must consider himself inferior and unworthy to associate with whites.

In 1954 the Supreme Court held the theory that separate facilities for Negroes providing equal treatment under law was in error; that experience had shown feelings of inferiority resulting from segregation affected the hearts and minds of Negroes in a way unlikely ever to be undone.

Because the Court upset the earlier decision, segregationists accuse it of disregarding law and precedent, although, under our system of law, courts are constantly reversing themselves when the errors of old decisions become obvious.

They also accuse it of making the new decision on the basis of psychology but they conveniently forget that a certain psychology was implicit in the 1896 decision, also.

There may be a good defense for the use of the filibuster. If so, Mr. Lawrence does not make it, in our opinion, and we can't imagine what it would be.

[From the New York Times of January 10, 1957]

CURBING THE FILIBUSTER

Joint sponsorship by Democratic Leader LYNDON B. JOHNSON and Republican Leader WILLIAM F. KNOWLAND of a resolution that would make it a little easier to curb filibusters is an indication of some progress. It is enough to show that the southern Democratic-Republican coalition protecting filibusters is on the defensive, and that there may be a real prospect of dealing a mortal blow to this evil, antidemocratic institution of forcible minority rule. But resolutions like this one have failed before.

What the majority and minority leaders are proposing to do is in effect to restore the situation to something better than its pre-1949 status. For 32 years prior to that the Senate had operated under a regulation providing that two-thirds of the Senators present and voting could shut off debate. It is this 1917 rule to which Senators JOHNSON and KNOWLAND would now return, while expressly eliminating the present prohibition on limitation of debate on a motion to change the rules.

Two-thirds of those present and voting is an attainable figure on an antifilibuster vote, while two-thirds of the membership—or 64 Senators—is not. Even so, in the 32 years that the more moderate 1917 rule was in operation it was successfully invoked only 4 times. Senator KNOWLAND himself in days past has supported a very much more drastic proposal—namely, the imposition of closure by a majority. Even such an ardent advocate of limiting debate as Senator PAUL H. DOUGLAS, of Illinois, intellectual leader of the current battle, is not now suggesting simple majority closure without strings. Senator DOUGLAS' proposal is that debate may be shut off by majority vote only after 15 days.

While in any democratic parliamentary body, the minority has to have the fullest protection and must be given every opportunity to make itself heard, there is no sensible reason why it should be allowed permanently to block legislation desired by the majority. Sometimes, in the closing days of a session, the blocking is done by a minority of one. A good statement on the subject was made some years ago: "It seems to me that * * * this power * * * to completely block the legislative processes of government is too much power for any responsible person to want and far too much power for any irresponsible person to have." The speaker was Senator WILLIAM F. KNOWLAND.

[From the Denver Post of January 13, 1957]

THE RISING AGAINST FILIBUSTERING

(By Barnet Nover)

WASHINGTON.—In politics as in boxing it is the wise man who knows when and how to roll with the punch.

On the eve of the reconvening of Congress many anticipated a knock-down, drag-out fight in the Senate between northern liberals and southern conservatives on the question of altering Senate rules to permit the curbing of filibusters. Only in that way, it was anticipated, could the existing barrier to civil rights legislation be removed.

The fight, it was predicted, would last for days and possibly weeks, split the Democratic party right down the middle, while embarrassing the GOP members of the Senate as well, and leave scars that might take years to heal.

These predictions proved to be wide of the mark.

In the first place, the debate on the Anderson motion turned out, on the whole, to be an unimpassioned and gentlemanly affair and by unanimous agreement was limited to six hours.

The final vote—55 to 38—showed the majority were unwilling to go along all the way with the contention that the Senate is not a continuing body and, like the House of Representatives, had to adopt rules of procedure each time a new Congress convened.

The vote was, in part, very deceptive.

Among the 55 who took a position in opposition to the Anderson motion were such men as Senators KNOWLAND of California, BARRETT of Wyoming and MUNDT of South Dakota who, while unwilling to go along with the contention the Senate had to adopt rules every other year, also favored (as they explained in the course of the debate or later) some limitation on filibusters.

On the other hand, some of those who subscribed to the Anderson motion—Senator ALLOTT of Colorado among them—indicated they did so in part because they felt the present system of unlimited debate needed curbing.

In view of this attitude Senate leaders on both sides of the aisle were wise not to let the matter rest with the vote on the Anderson motion. First Minority Leader KNOWLAND and subsequently Majority Leader JOHNSON made it clear they favored having rule 22 liberalized, at least to the extent of making cloture possible by a vote of two-thirds of the Senators present rather than by two-thirds of the entire Senate.

The proposal, JOHNSON said, "appeals to me as being based upon the middle ground which is the strongest to stand upon. It would permit an orderly change of the rules but would recognize that the rules are continuing and not subject to change merely because of a temporary gust of political wind."

Then demonstrating anew that he is a political scalist, JOHNSON said: "Unless the Senate takes advantage of the orderly procedures that are available, disorderly procedures will eventually prevail to the harm of the Nation and the different sections of the Nation."

His stand will not appeal to those who want a deathblow given to filibusters. Nor will it appeal to those who for special reasons of their own favor unrestricted and unlimited debate whenever it is to their interests to have such a debate in order to kill legislation they lack the votes to defeat. But it will appeal to the great majority of the Senate.

This majority includes both Eisenhower Republicans and northern Democrats. The issue involved in the effort to curb filibusters is one that transcends party lines and as the fact that the vote for a change of the rules doubled since 1953 makes clear, the tide is rising. A shift of only 8 votes would have meant victory for the Anderson motion.

What proved to be impossible in 1957 may be possible in 1959 and 1961. LYNDON JOHNSON was wise in deciding an attitude of stiff-necked hostility to any change in Senate rules was in the long run bound to prove self-defeating. He was wise in rolling with the punch.

[From the Sioux Falls Argus-Leader of November 30, 1956]

UNITED STATES SENATE MUST STOP FILIBUSTERS

If the United States Senate does not do something about filibustering, that august body will not justify the responsibility it shoulders.

Filibustering is an example of a worthwhile principle that is misused.

The thought behind it is that a Senator should have the right to say all that he might want to say about any subject under discussion. It is the privilege of unlimited discussion. The purpose of its establishment was to avoid situations where Senators could be muzzled by majorities who didn't want to hear them or were opposed to their viewpoints.

But this right has been grossly abused. Some Senators from time to time have employed it not as a means of expressing their viewpoint but of creating a delay to prevent a vote. They have gone on for hours and hours and for days and days.

Obviously no such amount of time is required for the full exposition of a Senator's viewpoint.

Certainly the United States Senate is smart enough to develop rules that would permit the full expression of viewpoints and eliminate what is termed the filibuster.

There have been tragic occurrences in the past—incidents where vital legislation was delayed and the business of the Senate virtually stymied because one Member held the floor.

[From the Sunday Denver Post of January 6, 1957]

PATIENCE WILL WIN SOONER OR LATER

The fight over the Senate filibuster rule has contained a lot of hairsplitting talk about whether the Senate is a continuing body or whether a new Senate comes into being every 2 years.

Behind this gobbledegook, which can hardly interest those of us who are not parliamentarians, is an all-important issue: Is Congress impotent to pass laws to protect civil rights, including Negro civil rights?

Obviously, present laws are inadequate to deal with those who want to keep Negroes in segregated schools, in segregated buses, in segregated housing, and those who use intimidation to keep Negroes from exercising the right to vote and the right to take their grievances to court.

What kind of laws are needed? Well, opinions differ, but the Eisenhower administration spelled out a definite program of new legislation at the last Congress and may be expected to come up with similar proposals for the 85th Congress.

For one thing, the Attorney General needs authority to seek civil injunctions to stop interference with the rights of Negroes or any other persons. Under certain conditions a person who interferes with civil rights may now be tried under criminal procedures, but getting a conviction of a white defendant by a southern jury is often hopeless.

If he were armed with civil injunction procedures, the Attorney General could go before a judge and get an order restraining interference by a defendant with civil rights. No jury would be required.

The Eisenhower program would also:

Create a bipartisan commission to study civil-rights problems.

Focus attention on civil rights by setting up a civil-rights division in the justice department.

Permit Federal prosecution for intimidating voters in elections for Federal office.

Permit aggrieved persons to go into Federal rather than State courts with their civil rights complaints.

Allow the Attorney General to file civil suits to break up conspiracies to deprive citizens of their rights.

The filibuster fight, shorn of its technical terms, is a maneuver in the main battle to pass legislation of this kind. Actually, filibuster or no filibuster, there seems to be enough civil-rights sentiment in the United States Senate to pass at least part of this program.

The cause of civil rights is not a forlorn hope, as some would have us believe. No one can talk forever. Every filibuster must end eventually.

Mr. DOUGLAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

IMPORTATION OF CRUDE OIL

Mr. O'MAHONEY. Mr. President, there has been pending before the Office of Defense Mobilization, in the Executive Office of the President, a question involving the gravity of imports of crude oil from foreign sources into the United States.

The Trade Agreements Extension Act of 1955 contains, in section 7, a proviso that if the President finds importations to be made in such quantities as to threaten to impair the national security he shall take such action as he deems necessary to adjust the imports of such article to a level that will not threaten to impair the national security.

On April 23, 1957, Mr. Gordon Gray, the Director of the Office of Defense Mobilization, sent a memorandum to the President, in which he stated that he had reason to believe the imports were now in such quantity as to threaten the national security.

I ask unanimous consent that the memorandum of the Director, Mr. Gray, be printed in the CONGRESSIONAL RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE
OF THE PRESIDENT,
OFFICE OF DEFENSE MOBILIZATION,
Washington, D. C., April 23, 1957.

MEMORANDUM FOR THE PRESIDENT

Section 7 of the Trade Agreements Extension Act of 1955 requires the Director of the Office of Defense Mobilization to advise the President whenever he has reason to believe that any article is being imported into the United States in such quantities as to threaten to impair the national security.

Under authority of this law and under authority of your assigning to a committee of Cabinet members consideration of energy supplies and resources policy, quite extensive investigation has been made of the effect upon national security of crude oil imports into the United States. The investigation clearly established that the rate of imports could reach a point at which the incentive for exploration and development in this country would be so reduced as to make us dependent upon overseas oil supplies to meet our national energy requirement. Further, the investigation gave substantial support to a finding that a significant increase in imports over the level of imports in 1954, unless accompanied by a similar increase in domestic production, would threaten this impairment in our national security. Your committee reaffirmed this finding on October 17, 1956, and my own investigation during the past month supports it.

Upon the basis of present imports and their trend over the last several years, together with forecasts of their trend in the next few months, I do hereby advise you, pursuant to section 7 of the Trade Agreements Extension Act of 1955, that I have reason to believe that crude oil is being imported into the United States in such quantities as to threaten to impair the national security.

GORDON GRAY, *Director.*

Mr. O'MAHONEY. Following that, on April 25, 1957, a memorandum, signed by the President of the United States, was sent to the Director of the Office of Defense Mobilization from the White House. In the memorandum the President directed the Office of Defense Mobilization to make some investigation to determine whether or not oil imports might effectively be limited by individual, voluntary action of the important companies.

I ask that the memorandum of the President be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
April 25, 1957.

MEMORANDUM FOR THE DIRECTOR, OFFICE OF DEFENSE MOBILIZATION

I have your memorandum dated April 23, 1957, advising that you have reason to believe that crude oil is being imported into the United States in such quantities as to threaten to impair the national security.

The problem of oil imports is one with which I am already generally familiar. As you know, my Advisory Committee on Energy Supplies and Resources Policy has reported to me on the matter from time to time.

On the basis of presently available information I agree that there is reason for the belief that crude oil is being imported in such quantities as to threaten to impair the national security. I shall, therefore, cause an investigation to be made to determine the facts as required by section 7 of the Trade Agreements Extension Act of 1955.

While this investigation is going on I request that you carefully examine into the possibility that oil imports might effectively be limited by individual voluntary action of the importing companies. It seems to me that there would be advantages in adjusting imports in that fashion if it is practicable to do so. If the finding and recommendations resulting from the investigation which I shall cause to be made result in my determining that an impairment of the national security is in fact threatened, it will be important for me to know whether an adjustment of the imports can be accomplished voluntarily, or whether other measures may be necessary.

DWIGHT D. EISENHOWER.

Mr. O'MAHONEY. Mr. President, I received a letter from Mr. Gordon Gray, in response to a letter of April 18, 1957, which I had addressed to him. I ask unanimous consent that my letter of April 18, 1957, together with a copy of the letter of Mr. Gordon Gray to me, dated April 30, 1957, be printed in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

APRIL 18, 1957.

Hon. GORDON GRAY,
Director, Office of Defense Mobilization, Washington, D. C.

MY DEAR MR. GRAY: It was a matter of regret that I had to excuse myself from the conference in Senator CARLSON'S office last week between yourself and Senators from oil-producing States, before you had an opportunity fully to explain your position. I felt justified, however, in drawing the inference from what was said that you may be considering the possibility of allowing imports of oil to be restricted on a voluntary basis by importing companies rather than by action the President may take under section 7 of the Trade Agreements Extension Act of 1955, which authorizes "such action as he deems necessary to adjust the imports" of this commodity.

As you know, the Subcommittee on Antitrust and Monopoly has been conducting an extensive study of the worldwide oil industry. During the course of this investigation it was learned that certain major oil firms operating both in this country and in the Middle East are able to take advantage of the tax laws to such an extent that little or no taxes are paid to the United States Government on foreign operations. At the same time, these firms import crude oil and products into this country in competition with domestic producers and to the detriment of the revenue position of certain public land States.

Your predecessor, Mr. Flemming, informed the subcommittee that the Office of Defense Mobilization had already held hearings on oil imports, and that, but for Suez, he would have recommended to the President that the latter invoke section 7 of the Trade Agreements Extension Act of 1955, to limit the importation of crude oil into the United States. Apparently the only action Mr. Flemming contemplated was the imposition of quantitative restrictions on the importation of crude oil from certain areas. I want to call your attention to the fact that section 7 of the above act provides that the President, if he finds the importations to be made in such quantities "as to threaten to impair the national security, he shall take such action as he deems necessary to adjust the imports of such article to a level that will not threaten to impair the national security."

What means the President will take to effect such reduction are not mentioned in the law. There is no limitation upon his action, but it is clearly provided that he "shall" take any appropriate steps satisfactory to himself if imports threaten to impair the national security.

The situation revealed at our public hearings shows not only that foreign oil may be produced at a cost far less than in the case of domestic oil, but that under the arrangements many of the producers have made, they are making no direct contribution to the revenue of the United States through income taxes on the high profits of their operations abroad. They expect the support of our Government, and they are the beneficiaries of the vast appropriations we are obliged to make for the military defense and economic rehabilitation in the areas in which they operate, but they contribute little to carrying the burden the people of the United States must bear for these expenditures.

I would appreciate your early opinion as to whether the language of section 7 quoted above is sufficiently broad to include the imposition of a suitable tariff as a device for regulating imports which threaten national security. Such a tariff need not be prohibitive but should be such as to allow a reasonable level of imports to be maintained consistent with national security requirements.

This appears to me as a perfectly appropriate method which would not only be a safeguard to domestic producers who are suffering from excessive imports, but would be a source of new revenue to our Government, and to that extent provide a remedy for the threat to our national security proceeding from the loss of tax revenue.

Moreover, at a time when the entire Government in the legislative and executive branch is doing its best to avoid a third world war, there can be no greater threat to our national security than the impairment of the production of the domestic sources of petroleum within the continental limits of the United States.

Under the pricing system historically followed by the oil industry, cheaply produced foreign oil enters the United States market at the same price as if it were produced in the United States, giving a monopoly profit to the few "majors" with foreign production and no benefit in the form of lower prices to the consumer. The pricing system for international oil as outlined before the subcommittee in the recent hearings indicates that a tariff would be absorbed by the producer. It would not increase domestic prices for oil any more than would a quantitative restriction either imposed by the President or resulting from voluntary action by the companies. Moreover, quantitative restrictions utilizing any given base period may give "the majors" with foreign oil holdings monopolistic positions and profits on the oil they will be allowed to import. Again, it must not be overlooked that quantitative restrictions may become another method of denying independent refiners inexpensive foreign oil with which to meet price competition of the majors. A tariff would place the foreign and domestic producer on a more equal footing insofar as costs of production are concerned.

I would appreciate your views on this matter as soon as possible.

Sincerely,

JOSEPH C. O'MAHONEY.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF DEFENSE MOBILIZATION,
Washington, D. C. April 30, 1957.

Hon. JOSEPH C. O'MAHONEY,
Chairman, Antitrust and Monopoly Subcommittee, Senate Committee on the Judiciary, Washington, D. C.

DEAR SENATOR O'MAHONEY: Thank you for your letter of April 18 discussing the problem of oil imports and my responsibilities under section 7 of the Trade Agreements Extension Act of 1955.

As the President announced Thursday, I have advised him, pursuant to the statute, that I have reason to believe that crude oil is being imported into the United States in such quantities as to threaten to impair the national security. You know, of course, that my statutory responsibility does not extend to determining the action which may be taken if the President finds that such a threat in fact exists. At the same time I appreciate your suggestions for dealing with the problem because it is a matter of extraordinary difficulty calling for the most careful consideration.

Your suggestion that quantitative restrictions upon the import of foreign oil be avoided and that any threat to national security arising from excessive imports be limited by the imposition of a suitable tariff has obvious attractions and advantages. I anticipate that there will be opportunity for careful examination of alternative solutions in connection with and following the investigation which the President is expected to authorize. In that connection I can assure you that your suggestions and comments will be given careful consideration.

Sincerely yours,

GORDON GRAY, *Director.*

Mr. O'MAHONEY. Mr. President, on receipt of that letter, I addressed another letter to Mr. Gray, dated May 6, 1957, in which I pointed out that in my opinion an invitation by the Government, through the President or otherwise, to the international oil companies, which are importing oil, would amount to an invitation to them to try to come to some agreement, and might easily require a grant of immunity from the antitrust laws. In this letter to Mr. Gray, the Director of the Office of Defense Mobilization, I suggested that it seemed to me to be most important that the President himself should fix the amount of imports and should not delegate the power of so fixing them to oil companies which have a pecuniary interest in the amount of oil that is imported.

I ask that the letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
Washington, D. C., May 6, 1957.

Hon. GORDON GRAY,
Director, Office of Defense Mobilization, Washington, D. C.

MY DEAR MR. GRAY: Your letter of April 30 in response to mine of April 18 shows that I apparently failed to make myself clear. I did not state "that quantitative restrictions upon the import of foreign oil be avoided," and that recourse be made only to the imposition of tariff rates. I merely suggested that in addition to the former you give consideration to the possibility of adopting the latter procedure because it would be productive of revenue which the Government does not now receive from the production of foreign oil the importing companies bring into the United States.

The publication of the President's announcement of last Thursday, directing you to investigate the possibility of obtaining a voluntary agreement upon the part of companies importing oil into the United States, makes necessary a complete public understanding of this problem, which you are justified in calling one of "extraordinary difficulty." I think the President's call for a voluntary agreement amounts to nothing more than an invitation to the importing oil companies, which constitute only a portion of the American oil industry, to determine the policy of the United States Government.

This determination of policy must be made by the Government under the Constitution and the laws. If section 7 of the Trade Agreements Extension Act of 1955 does not give the President the power to prevent a threatened impairment of the national security by placing an effective limitation upon the amount of crude oil that is being imported into the United States, you have only one recourse; namely, to ask Congress for sufficient legislation. Nowhere in the Constitution do I find any authority to the President to delegate to a portion of a great industry the formulation of Government policy with respect to the whole of that industry.

As I stated to you in my letter of April 18, section 7 of the Trade Agreements Extension Act of 1955 places no limitation upon the action of the President. It provides that if he, that is to say the President, finds the importations to be made in such quantities "as to threaten to impair the national security, he shall take such action as he deems necessary to adjust the importation of such article to a level that will not threaten to impair the national security." By this law, Congress gave to the President the power and the duty "to adjust the imports." This is a personal power which he cannot delegate away. It is a power that deals with national security, and if anyone should suggest that the importing oil companies may perform this function of the Chief Executive of the United States by their very own voluntary action, I do not hesitate to say that nothing in the law, in the hearings thereon, or in the congressional debates will support such a distorted construction.

My interpretation of the law is borne out by your own letter. You write me, "You know, of course, that my statutory responsibility does not extend to determining the action which may be taken if the President finds that such a threat in fact exists." Your statutory authority does, indeed, not extend to determining what the action may be. That is the exclusive prerogative of the President, as you have indicated.

Ever since the Trade Agreements Extensions Act of 1955 was enacted, the Office of Defense Mobilization and the President have been attempting to secure some voluntary agreement among the importing companies. This attempt has been a complete failure. There is no reason to believe that it will be any less a failure now, even if it were lawful. These companies are represented to be in competition with one another. If they are to unite in an agreed upon course of action they certainly must be granted immunity from the antitrust laws. An examination of the amendments to the Defense Production Act of 1955 dealing with the granting of such immunity from the antitrust laws indicates, in my opinion, that there is now no authority of law for the Attorney General to grant such immunity in a case of this character.

I call to your specific attention the fact that only last week the Attorney General filed a motion in the Federal District Court at Alexandria, Va., asking the presiding judge to forbid the major United States oil companies from destroying records needed by the Department of Justice in the Grand Jury investigation it is now carrying on into price fixing in this oil industry. Surely, it must be obvious that companies against whom the Department of Justice has found itself compelled to secure such an order are not to be trusted to make their own rules in this problem of imports.

That the national security is threatened by the failure of the companies to limit importations and the failure of the Government to exercise promptly the authority of section 7 of the Trade Agreements Act of 1955 is amply proven by the following facts:

Petroleum is a vital fuel for the defense of the United States. The Air Force, the Army, the Navy, and the Marine Corps could not operate without it.

During World War II German submarines were successful in sinking tanker after tanker en route to the United States refineries with foreign oil. Soviet Russia has a submarine fleet now far more efficient than that employed by Hitler. We cannot afford, therefore, to allow the importation of oil to displace the domestic crude-oil producing industry.

Crude oil within the continental boundaries of the United States is far more costly to obtain than foreign oil. Inflation has raised the costs of all the materials the wildcatter and the independent producer must buy. Drilling now must be carried on to such unusual depths that another factor of increased cost is added. If the oil which is imported from abroad by major integrated companies operating in the field of interstate and foreign commerce is not limited, independent producers may be driven from business, our reserves will be seriously impaired, and the income of the United States royalty holders, including thousands of citizens, as well as many States and public bodies which use their royalty income for the support of their schools, as well as the building of roads, may be seriously reduced.

It is essential in the interest of national defense to take immediate steps now to make certain that our domestic supply of crude oil shall not be impaired while international tensions remain as difficult as they are at the present time.

Sincerely yours,

JOSEPH C. O'MAHONEY.

FUNERAL EXPENSES OF THE LATE SENATOR McCARTHY

Mr. MORTON. Mr. President, I ask unanimous consent that the Senate Committee on Rules and Administration be discharged from the further consideration of Senate Resolution 134, which is a resolution providing for the funeral expenses of our late colleague from Wisconsin, Senator McCarthy.

Mr. HOLLAND. Mr. President, I may state, for the majority leader, that the proposals to discharge the committee and to have immediate action on the resolution have been agreed upon.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request that the Committee on Rules and Administration be discharged from further consideration of Senate Resolution 134? The Chair hears none, and it is so ordered.

Mr. MORTON. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the resolution.

The PRESIDING OFFICER. Is there objection?

There being no objection, the resolution (S. Res. 134) was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate is hereby authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed to arrange for and attend the funeral of the Honorable Joseph R. McCarthy, late a Senator from the State of Wisconsin, on vouchers to be approved by the chairman of the Committee on Rules and Administration.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORTS DURING RECESS OF THE SENATE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Committee on Appropriations have leave to file reports during the recess of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROBABLE CONSIDERATION OF APPROPRIATION BILLS NEXT WEEK

Mr. JOHNSON of Texas. Mr. President, I should like to announce—and this may be only a hope—that the Committee on Appropriations is presently meeting and considering taking action on the Treasury and Post Office Departments appropriation bill.

In the event that bill is reported today, it could be taken up by the Senate on Monday next.

The subcommittee is concluding its hearings very shortly on the State, Justice, and related agencies appropriation bill. I do not know exactly when that appropriation bill will be acted upon, but I want that bill to come before the Senate at the earliest possible date.

I should like all interested Senators to be on notice, so they may obtain copies of the hearings and reports as soon as they are available and be prepared for action when those bills come before the Senate.

STUDY OF CRITICAL RAW MATERIALS AND RESOURCES OF THE SOVIET UNION

Mr. JOHNSON of Texas. Mr. President, I now desire to make a motion.

The PRESIDING OFFICER. The Senator from Texas has the floor.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 288, Senate Resolution 78.

I do not contemplate that the Senate will act on the resolution today, but there should be some pending business before the Senate.

The PRESIDING OFFICER. The Secretary will state the resolution by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 78) to make a study of critical raw materials and resources of the Soviet Union and certain Eastern Hemisphere countries and its effect upon the United States.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the resolution, which had been reported from the Committee on Interior and Insular Affairs with an amendment.

NOTICE OF SUSPENSION OF RULE ON APPROPRIATION BILLS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order previously entered be modified so as to include the filing of notices to suspend the rule in the consideration of appropriation bills.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSIDERATION NEXT WEEK OF PROTOCOL TO INTERNATIONAL CONVENTION FOR THE NORTHWEST ATLANTIC FISHERIES

Mr. JOHNSON of Texas. Mr. President, I should like to announce, for the information of the Senate, that it is my plan to ask the Senate to consider early next week, possibly on Monday, Executive F, a protocol to the International Convention for the Northwest Atlantic Fisheries. We shall have a yea and nay vote on it, in accordance with the policy of the majority leadership with respect to all treaties and conventions.

I should like all Senators to be on notice that we expect to have a yea and nay vote on this protocol, and I ask the Senate attachés to see to it that all Senators are so advised.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, May 9, 1957, he presented to the President of the United States the following enrolled bills:

S. 120. An act for the relief of James F. Walsh;

S. 394. An act to waive the limitation on the time within which a Medal of Honor may be awarded to Comdr. Hugh Barr Miller, Jr., United States Navy; and

S. 998. An act to amend the act of June 4, 1953 (67 Stat. 41), and for other purposes.

PROGRAM FOR SESSIONS OF THE SENATE

Mr. JOHNSON of Texas. Mr. President, it is the intention of the leadership to have the Senate meet on Monday, Wednesday, and Thursday, and to reserve Tuesday, Friday, and Saturday for committee sessions. All Senators have been on notice for some time with respect to that policy. I hope we may be able to follow it. Of course, if we have appropriation bills on the calendar, it may be necessary to meet on some of the days that have been scheduled for committee hearings. However, we have no such plan at the moment, and I shall make an announcement in the event we change the schedule.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BENNETT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AWARD OF PULITZER PRIZE FOR LOCAL REPORTING TO SALT LAKE TRIBUNE

Mr. BENNETT. Mr. President, I call the attention of the Senate to the award of the Pulitzer prize for local reporting to the Salt Lake Tribune, of Salt Lake City, Utah.

The award was made for the newspaper's outstanding coverage of the world's worst commercial air disaster last summer near Grand Canyon, Ariz. The cash occurred in one of the most inaccessible places in the Nation, presenting tremendous difficulties to the news media that were covering it.

The recognition of the Tribune is well deserved. Those who live in the West have for many years recognized the Salt Lake Tribune as a great newspaper. In past years it has been the recipient of a number of top national awards, and this latest recognition—the highest award in journalism—is an indication that our esteem for this newspaper is truly justified.

The citation stressed that the performance was a "team job that surmounted great difficulties in distance, time, and terrain." I believe, however, that particular recognition should be given Tribune reporters, Frank Jensen, Robert F. Alkire, Robert C. Blair, and Richard O. Pitner, who played key roles in writing and handling the stories of the crash. The Salt Lake Tribune and its staff are to be congratulated on the winning of this great national honor.

ADJOURNMENT TO MONDAY

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The business of today's session having been concluded, the Senate, under the order previously entered, will now stand adjourned until Monday next at 12 o'clock noon.

Thereupon (at 3 o'clock and 56 minutes p. m.) the Senate adjourned, the adjournment being under the order previously entered, until Monday, May 13, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 9, 1957:

UNITED NATIONS

Harold M. Randall, of Iowa, a Foreign Service officer of class 1, to be the representative of the United States of America to the seventh session of the Economic Commission for Latin America of the Economic and Social Council of the United Nations.

DEPARTMENT OF THE INTERIOR

Roger Charles Ernst, of Arizona, to be Assistant Secretary of the Interior, vice Olin Hatfield Chilson, elevated.

TERRITORY OF ALASKA

Michael A. Stepovich, of Alaska, to be Governor of the Territory of Alaska, vice B. Frank Heintzleman, resigned.

IN THE ARMY

The following-named officers under the provisions of title 10, United States Code, section 3066 to be assigned to positions of importance and responsibility designated by the President under subsection (a) of section 3066, in rank as follows:

Maj. Gen. William Stevens Lawton, O14924, United States Army, in the rank of lieutenant general.

Maj. Gen. Paul Donal Harkins, O17625, United States Army, in the rank of lieutenant general.

The following-named officer for appointment in the Regular Army of the United States to the grade indicated, under the provisions of title 10, United States Code, sections 3284 and 3307:

To be major general

Maj. Gen. Aubrey Strode Newman, O16099, Army of the United States (brigadier general, U. S. Army).

The following named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of title 10, United States Code, sections 3442 and 3447:

To be brigadier generals

Col. James Hedges Forsee, O18265, Medical Corps, United States Army.

Col. Robert Hall McCaw, O38722, Judge Advocate General's Corps, United States Army.

The following-named cadets, United States Military Academy, for appointment in the Regular Army of the United States, effective June 4, 1957, upon their graduation, in the grade of second lieutenant, under the provisions of Public Law 737, 84th Congress, subject to physical examination required by law:

Jack Emerson Adams
Thomas Garth Adcock
Anthony Francis Albright
Robert Carothers Allen
Dwight Carl Aller
Robert Henry Aisheimer
Jack Alfonso Apperson
James Sutton Armstrong, Jr.
Robert Warren Arnold
George William Bailey 3d
Thomas Symington Bainbridge
John Harry Barbazette
Louis Barisano
Donald James Barlow
Bernard William Basse
Donald Blair Baughman
Benjamin Bowes Beasley
Joseph Anthony Beben
Robert Eugene Beckwith
Allan Arthur Bell
Raymond Earle Bell, Jr.
Lester Edsel Bennett
David Pemberton Beurket
Leon Delbert Bieri
Joseph Adrian Bishop
William McKinley Bishop
John Edgar Blanck
John Rusling Block
John Edmund Bloomfield
Robert Edgar Bodenhamer
Arcade George Boivin 2d
Jon Edward Bokovoy
Aubra Nelson Bone
Donald Johnston Bowes, Jr.
Donald Campbell Bowman
Albert Sidney Britt 3d
James Henrion Britton
Champlin Fletcher Buck III
Donald Alvin Buckner
Anthony Lawrence Bullotta
Carl Ferdinand Burgdorf II
William Myrlin Burke, Jr.
John Charles Burt
Richard Graham Caldwell
Peter Duryea Calyer
William Willson Campion
William Finch Carroll
Martin Banks Carson
Harold Morris Carter
Stanley Dale Cass
Edward Lee Chase
Gerald Warren Chase
James Arlen Chernault
Peter Jay Chittick
Eric Murray Christensen
Willard Merion Christenson
Bobby Gene Christy
Louis Joseph Circeo, Jr.
Daniel Clancy, Jr.
Donald Herbert Cline
Charles Hunter Coates, Jr.
Robert Francis Comeau
Hawkins Meador Conrad
Charles Horne Cooper

Jack Burr Cooper
James Joseph Cortez
John Frederick Crater
Freeman Grant Cross, Jr.
Roger Melvin Currier IV
Edward Joseph Cutler
Joseph Cygler
Robert Alfred Dagle
Richard Ballard Daluga
William Allen Davies
Robert Burrow Davis
Herman Eugene Day, Jr.
Daniel Joseph DeLany
Frank Paul DeSimone, Jr.
Calvin DeWitt III
Richard Calvin Dean
John Paul Dodson
Robert Leonard Drudik
John Burnham Dubbelde
Malcolm Matthew Duffek
William Austin Duncan, Jr.
James Ward Dunn
Jon Eckstorm Dunning
Harold Blair Dyson
John Leonard Easterwood, Jr.
William Echevarria
James Shepard Voorhees Edgar
Richard Iverson Edwards
John Fletcher Elder 3d
William Roderick Ellis
Richard Fredrick Emery
Allyn Bourke Ensign
Daniel Joseph Enzing
Charles Don Erb
Darrold John Erickson
Milton Donald Ewanus
Richard Anthony Fadel
Robert Wesley Faulkender
Noel Ingebrigt Fedje
Theodore Dotzler Felber
Donald Kieth Fitzpatrick
Samuel Walter Focer, Jr.
John Nathan Follansbee
Andrew Robert Foster, Jr.
Barry Perrin Fox
William Nathaniel Friend
Edward Wendell Gale
Gerald Edward Galloway, Jr.
Thomas Philip Garigan
Glaudis Pierre Gaspard, Jr.
Kermit Hoyt Gates, Jr.
George William Bruce Glen
Stephen Arthur Glick
William Lawrence Golden
Ronald Schuyler Gooding
Harry Clifford Goodson III
Walter Camp Gordon
Franklyn Wayne Gross
Thomas Steventon Gruhn
Clarence Earl Hall, Jr.
Francis Whitney Hall, Jr.
William Bryant Hall
Kenneth Edward Halloway, Jr.
James Robert Hamilton
Richard Scott Hamner
Len Martin Hanawald
Francis Lawrence Hanigan
Kendrick Harmon
Henry James Hatch
Gerald Samuel Hawley
Brian Franklin Head
James Foster Henthorne
Edward Ignatius Hickey
Thomas Reichley Hicklin
Michael Scarth Higgins
Edward Ernest Hildreth, Jr.
John Lewis Hill, Jr.
John Robert Hocker
Joseph Wayne House
George Michael Houser
Houston Parks Houser III
Richard Horton Howes
William Thomas Huckabee III
Charles Marshall Hug
Samuel Leonard Hylbert
Michael John Ilsemann
George Dudley Iverson V
Jesse Harlon James
James John Jameson, Jr.
Donald Stanley Jenis
James Roy Jenkins
Robert Newton Johns
Andrew Chase Johnson
Arthur Dale Johnson
Stanley Theodore Johnson, Jr.
Homer Johnstone, Jr.
Howell Hopson Jordan, Jr.
James Burr Kaiser
Raymond Thomas Karsian
John Leo Keefe, Jr.
Thomas Wright Keeley
Thomas Prentis Kehoe
Brian Thomas Kennedy
Ronald Dean Kennedy
Walter Hoyt Kennett, Jr.
Richard Duane Kenyon
Raymond Elliott Backley Ketchum II
Wesley Edward Kidd II
Edward Christian Kielkopf, Jr.
George Thomas Kilishek
John Cornelius Kilpatrick, Jr.
Charles Bowler King, Jr.
William Thomas King
Albert Converse Kline
William Wendell Koch II
Herman Frederick Koehler
Carter Marion Kolb, Jr.
Maxim Icaak Kovel
Albert Henry Krapf II
Robert Frederick Krueger
Robert Adam Kyasky
Charles Kenneth Kyne, Jr.
George Desire Landry, Jr.
Robert Alfred Langworthy
Justin Green La Porte
Charles E. Lea
Robert Emil Leard
Johnny Coleman Ledbetter
Peter Michael Leighton
Donald Richard Ley
William George Liakos
Tom Leo Lindholm
John Arthur Little
John Charles Loberg
Carl William Lohmann
Vincent Jerry Longo
Jacob Erwin Lustig
Ralph Allen Luther
James Fulton MacGill
Arthur Lawrence MacKusick, Jr.
Arlyn Reese Madsen
Walter Richard Magadieu
James Edward Maloney III
Richard Royer Manahan
Robin Mangum
Leonard Sebastian Marrella
Robert Francis Martin
Howard Marcus Martinez, Jr.
Franklin Delano Mastro
Church Myall Matthews, Jr.
Morris Ralph McBride
Gerald Thomas McCall
Fox McCarthy
John Michael McCarthy
Rodney David McConnell
Robert Lawrence McCoy
Thomas Dan McCrary
Cornell McCullom, Jr.
Jackson Lee McDaniel
John Martin McDonald
Thomas Benton McDonald III
Bruce Berry McDonough
Leo Dennis McEvoy
George William McGovern, Jr.
John Osborne McLaughlin
Dana George Mead
Warne David Mead
John James Patrick Meehan, Jr.
William Louis Melton
Charles Dewey Meng II
Robert Leighton Merrick
Anthony Richard Miklinski
Ralph Edward Miles
Austin Eugene Miller
Nicholas Monaco, Jr.
Marshall Lee Moore
Gordon Ryon Moreland
Phineas Kimball Morrill, Jr.
Richard Henry Morton
Charles Custis Moses
John Taynton Murchison, Jr.
John Andrew Murphy

John Eugene Murphy
William Edward Murphy III
Richard Charles Murtland
Carman Duane Negaard
Bruno John Neukamm, Jr.
Erman Milford Newman, Jr.
Joe Bob Newman
Samuel James Newsom, Jr.
Wayne Brackett Nicoll
Marvin Howard Nilsen
Jonathan David Nottingham
James Robert O'Connor
George Losere O'Grady, Jr.
Gordon Michael O'Neal
Leigh Madison Ogden
Edward Charles Olivares
Thomas Allen Olsen
Edwin Stanhope Olsmith, Jr.
Hardin Leonard Olson, Jr.
Thomas Edward Olson
Guy Joseph Palmieri
Kenneth Anthony Parker
Richard Michael Pastore
Rudolph Nicholas, Pataro, Jr.
Jerry Kranz Patterson
Theodore John Pearson, Jr.
John Howard Peckham
Newton Bernard Penrose
David Perry Perrine
John Lloyd Person, Jr.
Earl Wendell Pettibone
Richard William Pfeiffer
James Arthur Pocock
John Nicholas Politis
Donald Raymond Pope
Stanley Clarke Pore, Jr.
James Dorrance Powell
Donald Emil Press
Walter Leo Pritchard, Jr.
John Weber Purdy
Louis Stephen Quatannens
Charles Matthew Radler
John Joseph Ramsden
Russell Wilcox Ramsey
Robert Edward Rawls
James William Ray
Charles Leonard Raymond
Gene Ray Reget
Robert Martin Reynolds
Glen Lee Rhoades
George Lee Richardson
John Phillip Ritchey
Nicholas John Robinson
Thomas Wayne Roebuck
George Vaughn Rogers
Gordon Byrom Rogers, Jr.
Robin John Roller
Barnes Warland Rose, Jr.
Buel Trenton Rose
Theodore Manly Rosenberg
Morton Franklyn Roth
Jesse Holland Ruder, Jr.
Glenmore John Runnion
Thomas Earl Runyan
Joseph Stephen Russo
Clyde Donald Sadler
James Donald Salzman
John Darwin Sankey
John Edward Schaefer
Donald Ray Schafer
Richard Adrian Scholtes
David Edward Schorr
Henry Jerold Schumacher
Jerry Claude Scott
Charles Prentiss Scudder III
William Bentley Seely
Donald Eugene Seitz
Richard Walter Seward
Carroll Wade Shaddock, Jr.
E. Joe Shimek II
Thomas Kilby Shuff III
James Lawrence Siegel
Kenneth Richard Simila
David Lawrence Smith
James Donald Smith
John Franklin Smith 3d
William Lawrence Smith
John Edmund Sobraske
Anthony Maurice Solberg
Jack Manuel Solomon
William Risque Sowers, Jr.
Harry Edward Soyster
Joseph Howard Spector
Charles Robert Sprague
Donald Richard Stackhouse
Michael Kay Stein
Philip Allen Stein
Gary Alan Stemley
Richard Earl Stephenson
Francis Robert Stevens, Jr.
John Harrison Stokes III
Charles Bertody Stone IV
Bruce Finley Stout
Barry Bruce Sturgis
Wallen Michael Summers
James Arnold Swenson
Murray Glenn Swindler
Edward Szvetecz
Lester Bradshaw Tate
James Van Pelt Taylor
Willis Edward Teale, Jr.
Joseph Raymond Tedeschi
Robert Kinley Tener
David Neal Thomas
Thomas George Thompson
William Ross Thompson
Robert Charles Tilton
Kenneth Douglas Tobin
Ricardo Delfino Tonda
Jay Charles Toole
James Louis Trainor
Donald Sanborn Tribe
Bernard John Tullington, Jr.
Robert Bruce Turnbull
Alexander Aristotle Vardamis, Jr.
Veloy Jerold Varner
Norman Milton Vaughn, Jr.
Robert Vernon Vermillion
John Henry Vickers
Theodore Bassett Voorhees
Carl Edward Vuono
Carl Henry Waldenmaier
Guy Edward Wallace
Clifford Augustus Walton, Jr.
John Leonard Waters
Andrew Michael Weber, Jr.
Howard Elwyn Webster, Jr.
Donald George Wells
Robert Callan Westerfeldt
Donald Peyton Whalen
Charles William Wheatley
Lofton Hugh White
Edmund Anthony Wilhelm
John Curtis Wilkinson
Frank Wilson Willett
Charles Louis Williams, 3d
Nicholas Brown Wilson
Donald Lee Winters
Robert Edward Winters
Leonard Plumer Wishart III
John Michael Witherow
John Algerton Witmer
Clarence Edward Wittman
James Gerald Wood, Jr.
James Porter Woolnough
Stuart Ernest Wright
William Kinley Wright
William Earl Yates
Cedric Jerris Zabriskie
Durl Dale Zachgo

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Roy J. Banks, Pell City, Ala., in place of N. R. Shockley, resigned.

ALASKA

William Newman, Holy Cross, Alaska, in place of W. T. McIntyre, resigned.

ARIZONA

Ramona V. McPherson, Payson, Ariz., in place of W. D. Boardman, retired.

ARKANSAS

Alex J. Howard, Morrilton, Ark., in place of C. M. Parish, resigned.
Robert L. Nailling, Osceola, Ark., in place of L. J. Shreick, removed.

CALIFORNIA

George A. Floyd, Acampo, Calif., in place of E. R. Costello, retired.
Calvin E. Tremper, Clearlake Highlands, Calif., in place of E. E. Carpenter, retired.
Marguerite M. Brown, San Luis Rey, Calif., in place of M. E. Sager, deceased.
Naomi G. Ledbetter, Sloughhouse, Calif., in place of Gilbert Cobarubia, retired.
Boyden J. Hammond, Vista, Calif., in place of W. H. Skinner, removed.

COLORADO

Francis M. Connett, Littleton, Colo., in place of E. K. Downing, resigned.

CONNECTICUT

Alden E. Bailey, Manchester, Conn., in place of H. O. Grant, deceased.

DELAWARE

Elwood H. Webb, Ellendale, Del., in place of J. B. Derrickson, retired.
August Frederick Walz, Wilmington, Del., in place of William Berl, Jr., retired.

FLORIDA

Grace M. Davis, Alturas, Fla., in place of E. L. Grass, deceased.

GEORGIA

Doris B. Lawrence, Molena, Ga., in place of K. Q. Ward, removed.
Virginia G. Callaway, Stockbridge, Ga., in place of F. G. Owen, transferred.
Robert Green Holley, Stone Mountain, Ga., in place of M. G. White, retired.

ILLINOIS

Lawrence H. Carr, Jr., Blue Mound, Ill., in place of V. G. Huffman, retired.
Kenneth W. Tyner, Elkville, Ill., in place of W. P. Lipe, deceased.
Floyd T. Huddleston, Hurst, Ill., in place of I. M. Pratt, transferred.
Chestley E. Miller, Ludlow, Ill., in place of W. J. Thurman, resigned.
Theodore W. Fadler, Prairie du Rocher, Ill., in place of L. C. Franklin, removed.
Clarence R. Bonnell, Sidney, Ill., in place of H. M. Wolf, retired.

INDIANA

Rex F. Harris, Farmersburg, Ind., in place of Ray Dills, deceased.
S. Maurice Souder, Woodburn, Ind., in place of G. G. Souder, deceased.

IOWA

Melvin C. Boose, Elk Horn, Iowa, in place of C. E. N. Jensen, deceased.
Henry Junior Stoffer, Sheffield, Iowa, in place of C. H. Bokmeyer, retired.

KANSAS

Herbert G. Ham, Atchison, Kans., in place of F. J. Donovan, retired.
Rosalind Metzler, Carbondale, Kans., in place of B. M. Warner, retired.
Billy C. Kaltenbach, Mullinville, Kans., in place of William Campbell, deceased.
Virgil L. Smith, Pawnee Rock, Kans., in place of M. K. Converse, retired.
Glenn M. Carter, St. Paul, Kans., in place of E. J. Schoenhofer, resigned.
Eugene A. Hoppe, Syracuse, Kans., in place of Grover Miller, deceased.

KENTUCKY

Buron R. Elrod, Bowling Green, Ky., in place of B. G. Leichardt, removed.
Robert E. Latta, Clinton, Ky., in place of G. F. Hilliard, retired.
Bernice M. Combs, Lothair, Ky., in place of B. G. Combs, resigned.
Charles F. Williams, Middletown, Ky., in place of Edward Schindler, retired.
Sister Mary Kevin Egan, Nazareth, Ky., in place of Sister James Haldeman, retired.

LOUISIANA

John W. Lewis, Jr., Alexandria, La., in place of J. L. Treadway, retired.
Louise M. Gibbs, Longstreet, La., in place of Audrey Rowe, retired.
Marie T. Taliancich, Triumph, La., in place of Lena Evasovich, retired.

Robert P. Kennedy, Zachary, La., in place of M. A. McHugh, resigned.

MAINE

Donald H. Miller, Kennebunkport, Maine, in place of H. M. Martin, retired.

MARYLAND

Franklin B. Spriggs, Arnold, Md., in place of E. B. Gardner, retired.

MASSACHUSETTS

Susan G. Rowe, Bolton, Mass., in place of A. A. Hawks, retired.
Marion J. Wilson, Hathorne, Mass., in place of J. R. McLaughlin, retired.
Arthur H. Despard, Millbury, Mass., in place of W. C. Young, retired.

MICHIGAN

Albert V. Morgan, Croswell, Mich., in place of W. D. McCaughey, removed.
Ivan M. Vernon, Flushing, Mich., in place of Agnes McKerring, retired.
Loraine W. Gardner, Hartland, Mich., in place of W. W. Gardner, retired.
Donald M. Plain, Mayville, Mich., in place of E. M. Lynch, retired.
George P. Liebeck, Munith, Mich., in place of M. J. Hoffman, resigned.
Phyllis E. Simpson, North Street, Mich., in place of H. W. Sweet, resigned.
Ivan L. Groner, Sand Lake, Mich., in place of F. J. Otterbacher, retired.

MINNESOTA

Leonard W. Endreson, Montrose, Minn., in place of C. H. Ferrell, removed.
Chester L. LeSard, Rush City, Minn., in place of H. L. Sherman, deceased.

MISSISSIPPI

Philip M. Catchings, Jackson, Miss., in place of A. C. Griffin, retired.
Cecil R. Dubuisson, Long Beach, Miss., in place of M. B. Dubuisson, retired.

MISSOURI

Theodore R. Shell, De Soto, Mo., in place of H. W. Ames, transferred.

MONTANA

Howard A. Robinson, Hamilton, Mont., in place of of C. A. Smithey, retired.
Elizabeth L. Calvert, Lima, Mont., in place of O. M. Cantrell, resigned.

NEBRASKA

Norman W. Steinacher, Milligan, Nebr., in place of M. E. Krisl, retired.
LeRoy T. Sumner, Rogers, Nebr., in place of John Zimola, retired.

NEW HAMPSHIRE

George J. Martin, Andover, N. H., in place of C. S. Stone, deceased.

NEW JERSEY

Lynwood A. Harby, Bloomingdale, N. J., in place of C. J. Hansen, resigned.
William Schmidt, Jr., Cologne, N. J., in place of William Schmidt, retired.
Charles R. Allaire, Jr., Middletown, N. J., in place of Agnes Despreaux, retired.
Claude M. Larned, Sr., Pleasantville, N. J., in place of M. T. O'Brien, retired.

NEW YORK

Sherman G. Peterson, Falconer, N. Y., in place of H. E. Dickinson, resigned.
Kenneth A. Muehleck, Fort Plain, N. Y., in place of D. J. Sullivan, deceased.
Elsie C. Nolin, Ocean Beach, N. Y., in place of M. J. O'Connell, retired.
Genevieve Watkins, Richford, N. Y., in place of A. M. Smith, deceased.
Rudolph A. Sangiacomo, Savannah, N. Y., in place of Edward Fennell, retired.
Robert W. Collins, Spring Brook, N. Y., in place of F. A. Donohue, retired.

NORTH CAROLINA

Earl W. Miller, Jr., Council, N. C., in place of E. E. Meshaw, retired.
James J. Lee, Jr., Mebane, N. C., in place of W. S. Harris, retired.
Worth T. Hendricks, Mocksville, N. C., in place of Daisy Holthouser, transferred.
Marion H. Boyles, Pinnacle, N. C., in place of W. B. Lane, resigned.

OHIO

Ralph T. Stearns, Bluffton, Ohio, in place of E. R. Reichenbach, retired.
William W. Boyd, Sherrodsville, Ohio, in place of C. A. Belknap, transferred.
Walter M. Guthrie, Stryker, Ohio, in place of A. M. Goll, retired.

OKLAHOMA

Mabel C. Heidenreich, Duke, Okla., in place of H. M. Foreman, removed.
Wayne Coffman, Pauls Valley, Okla., in place of Earl Witten, deceased.

PENNSYLVANIA

Michael D. Eddy, Jr., Brave, Pa., in place of Gail Wood, retired.
John J. Lynch, Cheltenham, Pa., in place of P. T. Keenan, resigned.
Wilmer E. Hinish, Curryville, Pa., in place of L. D. Ritchey, resigned.
Altheda B. Ferdinand, Drifton, Pa., in place of N. E. Brealin, retired.
William C. Wademan, Factoryville, Pa., in place of C. E. Capwell, retired.
Thomas P. Janosky, Grassflat, Pa., in place of J. W. Conway, resigned.
Howard R. Byham, Guys Mills, Pa., in place of K. A. Bird, retired.
Alexander P. Schafhirt, Mechanicsburg, Pa., in place of G. C. Dietz, transferred.
Kenneth R. Myers, Millerstown, Pa., in place of R. E. Wagner, deceased.
Edward M. Crawford, Milton, Pa., in place of E. H. Follmer, retired.
Wilbur Ray Kline, Shadygrove, Pa., in place of H. A. Grove, retired.
Lawrence A. Moro, Smithton, Pa., in place of H. C. Johnston, removed.
Virjean C. Stuckey, Summerdale, Pa., in place of S. L. Simpson, resigned.
John S. Carrier, Summerville, Pa., in place of H. F. Eshelman, deceased.

PUERTO RICO

Eduardo Melendez Santiago, Salinas, P. R., in place of Jose Monserrate, retired.

SOUTH DAKOTA

Bernard M. Montagne, Jefferson, S. Dak., in place of H. A. Beavers, retired.

TENNESSEE

Daniel E. Porter, Adams, Tenn., in place of Lizzie Norman, retired.
Dale L. Marion, Blountville, Tenn., in place of W. D. Dulaney, transferred.
Billie J. Ross, McEwen, Tenn., in place of Fred Gentry, transferred.
Evelyn E. Roach, New Market, Tenn., in place of A. M. Daniel, transferred.

TEXAS

George D. FitzSimmons, Jr., Alice, Tex., in place of M. A. Mullen, removed.
Dodd D. Weatherly, Carrollton, Tex., in place of G. F. Isom, removed.
Willie C. Anthis, El Campo, Tex., in place of W. W. Harriss, deceased.
Jewel A. Atkinson, Goldsmith, Tex., in place of R. O. McFarland, removed.
J. Printous Smith II, Humble, Tex., in place of I. M. Horton, declined.
Neil O. Clute, Jewett, Tex., in place of A. W. Dotson, retired.
Horace W. McAdams, Muleshoe, Tex., in place of A. J. Gardner, transferred.
Kyle C. Elam, Port Arthur, Tex., in place of F. C. Toups, deceased.
Olen C. Thomas, Ralls, Tex., in place of M. G. Prewitt, retired.
John L. Pevey, Woodson, Tex., in place of O. T. Little, retired.

VERMONT

Clifford L. Greene, Pawlet, Vt., in place of G. E. Lee, retired.

VIRGINIA

Willard L. Jones, Keller, Va., in place of C. W. Bradford, deceased.
Warren P. Harris, Midlothian, Va., in place of B. L. Morrisette, retired.
Thelma E. Addington, Nickelsville, Va., in place of R. L. McConnell, retired.

WASHINGTON

Richard H. Vaughn, Mountlake Terrace, Wash. Office established July 1, 1955.

WEST VIRGINIA

Elizabeth R. Wyant, Alloy, W. Va., in place of Edwin Caperton, retired.
Michael Hando, Cassville, W. Va., in place of A. E. Adams, retired.
Martha W. Burdette, Glen Ferris, W. Va., in place of J. S. Knight, retired.
Gordon W. Spessard, Glen Jean, W. Va., in place of C. B. Smith, removed.
Conrad A. Graham, Hinton, W. Va., in place of Carl Hinton, retired.
Lacy A. Meadows, Rhodell, W. Va., in place of N. W. Meadows, resigned.
John C. Kennedy, Sr., Rupert, W. Va., in place of E. Y. Graves, removed.
Harold G. Whitt, Switzer, W. Va., in place of B. J. Osborne, removed.

WISCONSIN

Joseph A. Battalio, Clinton, Wis., in place of F. A. Hollister, resigned.
Stanley I. Andersen, Loretta, Wis., in place of Jennie Ruid, retired.
Roy H. Andrews, Sharon, Wis., in place of G. A. Peterson, transferred.

WYOMING

Rex V. Nelson, Moorcroft, Wyo., in place of F. E. Wilson, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 9, 1957:

DIPLOMATIC AND FOREIGN SERVICE

Scott McLeod, of New Hampshire, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ireland.

Henry J. Taylor, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland.

SUBVERSIVE ACTIVITIES CONTROL BOARD

Thomas James Donegan, of New York, to be a member of the Subversive Activities Control Board for the term expiring April 9, 1962.

IN THE ARMY

The following-named officers to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 3962:

Lt. Gen. Thomas Wade Herren O7430, Army of the United States (major general, U. S. Army), to be lieutenant general.

Lt. Gen. Alonzo Patrick Fox O8434, Army of the United States (major general, U. S. Army), to be lieutenant general.

Lt. Gen. Laurin Lyman Williams O8425, Army of the United States (major general, U. S. Army), to be lieutenant general.

The following-named officers for appointment in the Regular Army of the United States to the grades indicated under the provisions of title 10, United States Code, secs. 3284, 3306, and 3307:

Maj. Gen. Paul Irwin Robinson O17802, Army of the United States (brigadier general, Medical Corps, U. S. Army), to be major general, Medical Corps.

Brig. Gen. John Frederick Bohlender O17814, Army of the United States (colonel, Medical Corps, U. S. Army), to be brigadier general, Medical Corps.

Brig. Gen. Jack William Schwartz O17823, Army of the United States (colonel, Medical

Corps, U. S. Army), to be brigadier general, Medical Corps.

Brig. Gen. Clarence Price Canby O17904, Army of the United States (colonel, Dental Corps, U. S. Army), to be brigadier general, Dental Corps.

Maj. Gen. John Francis Regis Seitz O17734, Army of the United States (colonel, U. S. Army), to be brigadier general.

Maj. Gen. Ralph Copeland Cooper, O17741, Army of the United States (colonel, U. S. Army), to be brigadier general.

Maj. Gen. David Haytor Buchanan O17746, Army of the United States (colonel, U. S. Army), to be brigadier general.

Maj. Gen. Herbert John Vander Heide O17754, Army of the United States (colonel, U. S. Army), to be brigadier general.

Maj. Gen. Normando Antonio Costello O17764, Army of the United States (colonel, U. S. Army), to be brigadier general.

Brig. Gen. Lloyd Roosevelt Moses O29362, Army of the United States (colonel, U. S. Army), to be brigadier general.

Maj. Gen. Eugene Fodrea Cardwell O38662, Army of the United States (colonel, U. S. Army), to be brigadier general.

Brig. Gen. Briard Poland Johnson O29393, Army of the United States (colonel, U. S. Army), to be brigadier general.

Maj. Gen. Robert William Porter, Jr., O18048, Army of the United States (colonel, U. S. Army), to be brigadier general.

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of title 10, United States Code, sections 3442 and 3447:

Brig. Gen. Stuart Gross Smith, O16369, Medical Corps, United States Army, to be major general.

Brig. Gen. David William Traub O17110, Army of the United States (colonel, U. S. Army), to be major general.

Col. John William Cave O18388, United States Army, to be brigadier general.

Col. Alden Kingsland Sibley O18964, United States Army, to be brigadier general.

The officers named herein for promotion as Reserve commissioned officers of the Army under the provisions of the Reserve Officer Personnel Act of 1954, Public Law 773, 83d Congress:

Col. Walter Duryee Lamon, Jr., O403168, Artillery, National Guard of the United States, to be brigadier general.

Col. James Haydon Weyhenmeyer, Jr., O418260, Armor, National Guard of the United States, to be brigadier general.

Maj. Gen. Andrew Thomas McNamara O17324, Army of the United States (colonel, U. S. Army), appointment as the Quartermaster General, United States Army, and as major general in the Regular Army of the United States.

Brig. Gen. Thomas North O11879, United States Army, temporary appointment as major general in the Army of the United States.

IN THE AIR FORCE

The nominations of Quincy E. Fortier, and 1,782 other officers for appointment in the Regular Air Force, which were confirmed today, were received by the Senate on April 12, 1957, and may be found in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Quency E. Fortier, which is shown on page 5627, and ending with the name of Robert E. Witte, which is shown on page 5634.

IN THE NAVY AND IN THE MARINE CORPS

The nominations of William A. Abbott, and 2,970 other officers, which were confirmed today, were received by the Senate on April 15, 1957, and may be found in full in the Senate proceedings of the CONGRESSIONAL RECORD, for that date, under the caption "Nominations," beginning with the name of William A. Abbott, which is shown on page 5654, and ending with the name of Dwayne E. T. Wilson, which is shown on page 5660.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 9, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, who art the sovereign ruler of the universe, grant that during these days of anxiety and distress, Thy divine spirit may be our counselor and companion, our joy and strength.

May all our hopes and aspirations, our deliberations and decisions, our energies and labors be directed to redound to Thy glory and honor and the welfare of humanity.

Give us the courage that shows itself in faithfulness, the wisdom that manifests itself in simplicity, the power that reveals itself in humility, and the greatness that devotes itself in service.

We implore Thee that the manifold resources of our Nation may be used mightily and generously in defending and safeguarding our freedoms and in ministering to the poor and needy, the afflicted and oppressed.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment bills, a joint resolution, and a concurrent resolution of the House of the following titles:

H. R. 676. An act to authorize the city of Rock Hill, S. C., to acquire certain tribal lands on the Catawba Indian Reservation, S. C.;

H. R. 1544. An act to provide for the conveyance of certain real property of the United States situated in Cobb County, Ga., to the trustees of the Methodist Church, Acworth, Ga.;

H. R. 1757. An act for the relief of Nicola Marcello;

H. R. 2401. An act to provide for the reconveyance of certain land to the city of Spearfish, S. Dak.;

H. R. 2723. An act for the relief of Shigeko Kimura and her minor child;

H. J. Res. 287. Joint resolution permitting the Secretary of the Interior to continue to deliver water to lands in the Heart Mountain division, Shoshone Federal reclamation project, Wyoming; and

H. Con. Res. 91. Concurrent resolution expressing the sense of the Congress with respect to the recognition of the Altar of the Nation, located in the Cathedral of the Pines, Rindge, N. H., as a memorial to all American war dead.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 133. Joint resolution for the relief of certain spouses and minor children of citizens of the United States.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 45. An act to authorize the Secretary of Agriculture to sell to the village of Central, State of New Mexico, certain lands administered by him formerly part of the Fort Bayard Military Reservation, N. Mex.;

S. 147. An act for the relief of Guido William Grambergs;

S. 239. An act for the relief of Maria Parisi;

S. 256. An act for the relief of Aristea Vitogianes;

S. 307. An act for the relief of Noemi Maria Vida Williams and Maria Loretta Vida;

S. 308. An act for the relief of Maria Caccomo;

S. 334. An act to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended (30 U. S. C. 184), in order to promote the development of phosphate on the public domain;

S. 359. An act to permit desert land entries on disconnected tracts of lands which, in the case of any one entryman, form a compact unit and do not exceed in the aggregate 320 acres;

S. 405. An act to require the Bureau of the Census to develop farm income data by economic class of farm;

S. 463. An act for the relief of Pedro Ampo;

S. 465. An act for the relief of Maria Concetta Di Turi;

S. 470. An act for the relief of Livio Senni;

S. 616. An act for the relief of Blanca G. Hidalgo;

S. 622. An act for the relief of Georgina Mercedes Llera;

S. 623. An act for the relief of Donini Maurizio Donato;

S. 629. An act for the relief of John Eicherl;

S. 641. An act for the relief of Elvira A. Belford;

S. 650. An act for the relief of Isabella Abrahams;

S. 653. An act for the relief of Mrs. Elsbe Hermine van Dam Hurst;

S. 692. An act to provide that the United States hold in trust for the Indians entitled to the use thereof the lands described in the Executive order of December 16, 1882, and for adjudicating the conflicting claims thereto of the Navaho and Hopi Indians, and for other purposes;

S. 710. An act for the relief of Sui-an Fung and Shu-nung Wu Fung;

S. 730. An act for the relief of Shao Fong Sha;

S. 756. An act for the relief of Giuseppe Sciortino;

S. 767. An act for the relief of Christo Pan Lycouras Mauroyenis (Maurogenis);

S. 804. An act for the relief of Georgios D. Christopoulos;

S. 874. An act for the relief of Cornelis Vander Hoek;

S. 891. An act for the relief of Dr. Cheung Nung Huang;

S. 1008. An act for the relief of Col. Benjamin Axelroad;

S. 1063. An act vesting in the American Battle Monuments Commission the care and maintenance of the Surrender Tree site in Santiago, Cuba;

S. 1206. An act for the relief of Antonio Velleman;

S. 1274. An act to amend the act of March 3, 1911 (36 Stat. 1077), to remove restrictions on the use of a portion of the Springfield Confederate Cemetery, Springfield, Mo., and for other purposes;

S. 1319. An act to renounce any right, title, and interest which the United States may have in certain lands in Montana;

S. 1352. An act to provide for the conveyance of certain real property of the United States to the Fairview Cemetery Association, Inc., Wahpeton, N. Dak.;

S. 1396. An act to amend section 6 of the act approved July 10, 1890 (26 Stat. 222), relating to the admission into the Union of

the State of Wyoming by providing for the use of public lands granted to said State for the purpose of construction, reconstruction, repair, renovation, furnishing, equipment, or other permanent improvement of public buildings at the capital of said State;

S. 1463. An act to amend the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle;

S. 1492. An act increasing penalties for violation of certain safety and other statutes administered by the Interstate Commerce Commission;

S. 1568. An act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the Colorado River Commission of Nevada acting for the State of Nevada;

S. 1574. An act to provide for the diposal of certain Federal property in the Coulee Dam and Grand Coulee areas, to provide assistance in the establishment of a municipality incorporated under the laws of Washington, and for other purposes;

S. 1850. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain service to the Boy Scouts of America for use at the Gold Rush 1957 Jamboree of the Boy Scouts of America, and for other purposes; and

S. Con. Res. 22. Concurrent resolution to print for the use of the Senate Committee on the Judiciary additional copies of the Internal Security Annual Report for 1956.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1442. An act to facilitate the regulation, control, and eradication of plant pests.

ANNOUNCEMENT

The SPEAKER. The Chair thinks we will proceed as we have formerly and not have any program before our distinguished guest arrives, except the Chair desires to have read a letter from the State Department quote a message from the President of the National Assembly of Vietnam.

The Clerk read as follows:

MAY 8, 1957.

The Honorable SAM RAYBURN,
Speaker, House of Representatives.

DEAR MR. SPEAKER: At the request of the Embassy of Vietnam, I have pleasure in forwarding the following message which was received from the President of the National Assembly of Vietnam.

"On the occasion of the visit of the President of our Republic which marks a memorable date in the relations between our two countries, I am particularly happy to send you in the name of our National Assembly our fraternal greetings asking you to transmit them to the Members of your assemblies and to the American people. All the Vietnamese people are behind their president in affirming their deep friendship for the great American democracy. They are more than ever determined to fight for peace, liberty, and human dignity in complete unity of ideals and in the most confident cooperation with your nation."

Sincerely yours,

ROBERT C. HILL.

RECESS

The SPEAKER. The Chair declares a recess, subject to call.

Accordingly (at 12 o'clock and 4 minutes p. m.), the House stood in recess, subject to the call of the Chair.

JOINT MEETING OF THE TWO HOUSES OF CONGRESS TO HEAR AN ADDRESS BY HIS EXCELLENCY THE PRESIDENT OF THE REPUBLIC OF VIETNAM

The SPEAKER of the House of Representatives presided.

At 12 o'clock and 20 minutes p. m. the Doorkeeper announced the Vice President and Members of the United States Senate, who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. On the part of the House the Chair appoints as members of the committee to escort His Excellency the President of the Republic of Vietnam into the Chamber the gentleman from Massachusetts, Mr. MCCORMACK, the gentleman from Massachusetts, Mr. MARTIN, the gentleman from Illinois, Mr. GORDON, and the gentleman from Illinois, Mr. CHIPERFIELD.

The VICE PRESIDENT. On the part of the Senate the Chair appoints as members of the committee of escort the Senator from Texas, Mr. JOHNSON, the Senator from Montana, Mr. MANSFIELD, the Senator from California, Mr. KNOWLAND, and the Senator from Illinois, Mr. DIRKSEN.

The Doorkeeper announced the following guests, who entered the Hall of the House of Representatives and took the seats reserved for them:

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

The members of the President's Cabinet.

At 12 o'clock and 30 minutes p. m. the Doorkeeper announced His Excellency the President of the Republic of Vietnam.

His Excellency the President of Vietnam, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives and stood at the Clerk's desk. [Applause, the Members rising.]

The SPEAKER. Members of the Congress, I deem it a great honor and a high privilege to be able to present to you the leader of a great, a proud, a free people, and a friendly people, the President of the Republic of Vietnam. [Applause, the Members rising.]

ADDRESS OF HIS EXCELLENCY NGO DINH DIEM, PRESIDENT OF THE REPUBLIC OF VIETNAM

The PRESIDENT of the Republic of Vietnam. Mr. President, Mr. Speaker, distinguished Members of the Congress of the United States, it is a rare privilege for me to have this opportunity to address you today.

To address you in the Halls of this Congress—where there has been forged the destiny of one of the great countries of the world.

I am proud to bring to the distinguished representatives of the noble Republic of the United States—the fraternal best wishes of the Vietnamese people. I bring as well the expression of their profound gratitude for the moral and material aid given by the people of the United States. My people appreciate both its great import and its profound significance.

Since the end of the last war, when Asia broke her chains, the conscience of the world has at last awakened to a profound and inevitable development, the birth of Asian independence. This realization has brought about a condemnation in the most concrete terms of the old system of exploitation which governed, in the past, the relations between East and West. In its place firm efforts are being made to establish a new formula of international cooperation, more adapted to the real needs of the world and to the new Asian philosophy. It is the battle for independence, the growing awareness of the colonial peoples that the origin of their poverty has been the systematic withholding of technical development, coupled with the growing nationalist and social sentiment, that have combined to bring about a profound transformation in the Asian state of mind and given to its masses an irresistible dynamism.

The Asian people—long humiliated in their national aspirations, their human dignity injured—are no longer, as in the past, resigned and passive. They are impatient. They are eager to reduce their immense technical backwardness. They clamor for a rapid and immediate economic development, the only sound base for democratic political independence.

The leaders of Asia—whatever their ideologies—are all faced with the tragic urgency of the economic and social problems of their countries. Under the strong pressure of their peoples, they are compelled to adopt economic planning. Such planning is bound to cause serious political repercussions. It is for this reason that the main theme of domestic political debates in Asian countries centers around the extent of planning needed, the indispensable method required to bring urgent practical results. Should everything be planned? Or should planning be restricted to essential sectors? Should democratic or should ruthless totalitarian methods be adopted?

It is in this debate—unfortunately influenced in many countries by the false but seductive promises of fascism and communism—that the efforts being made to safeguard liberal democracy through aid given by the industrial countries of the West, play a vital role. For the honor of humanity, the United States has made the most important contribution to this end.

These, gentlemen of the Congress, in outline and general summary, are some of the problems facing the countries of Asia. These are the goals to be realized and the methods proposed. These are also the internal pressures and temptations facing Asian leaders.

In the great Asian land mass, Vietnam finds itself in the most sensitive area. Although Vietnam faces the same general problems of other Asian countries, because of her sensitive geopolitical position her problems are greatly intensified.

Placed at one of the strategic points of access for the important raw materials

of Southeast Asia, the possession of which is decisive in the world, held back in her development by 100 years of foreign domination, exhausted by 15 years of war and destruction, the northern half of her territory given to the Communists, free Vietnam is in a more menaced and critical position than other Asian countries.

At great human sacrifice—and thanks to the aid given by the generous American people—free Vietnam has succeeded, in record time, to overcome the chaos brought about by war and the Geneva accords. The national rehabilitation and stability which have been achieved, have permitted the integration of over 860,000 refugees into the economy of the other 11 million people in free Vietnam, and have permitted the adoption of important economic and political reforms.

Nevertheless, at the time all Asia is passing from one civilization to another, at the moment when all the important problems come up at once to the leaders and seem to call for immediate solution, at a time when all must be done in a climate of increasing revolutionary tension, it has become necessary for Vietnam, more than for other countries, to adopt a certain number of principles, guide lines for action, not only to protect her from the totalitarian temptations but, above all, to assist her to attain independence instead of anarchy—to safeguard peace without sacrificing independence—to attain economic progress without sacrificing essential human liberties.

It was for these reasons—basing myself on fundamental sources of Asiatic culture, and within our own Vietnamese democratic tradition—that I had the honor to define this doctrine in the message of April 17, 1956, delivered to the National Constituent Assembly of Vietnam. I take the liberty of citing from it the most significant passages, for they constitute the basis of our constitution. I quote:

> In the face of the massive forces of material and political oppression which constantly menace us, we feel, more than other people—the essential need to base our political life on a solid foundation and—rigorously to hasten the successive steps of our actions along lines which, without hesitation, will bring about the largest measure of democratic progress.
>
> [Applause.]
>
> This can only be spiritualist—that line followed by human beings in their intimate reality as in their community life—in their vocation as in the free pursuit of intellectual, moral and spiritual perfection.
>
> We affirm, therefore, our faith in the absolute value of the human being—whose dignity antedates society and whose destiny is greater than time.
>
> [Applause.]
>
> We affirm that the sole legitimate object of the state is to protect the fundamental rights of human beings to existence—to the free development of their intellectual, moral, and spiritual life.
>
> We affirm that democracy is neither material happiness nor the supremacy of numbers. Democracy is essentially a permanent effort to find the right political means in order to assure to all citizens the right of free development and of maximum initiative, responsibility, and spiritual life.
>
> [Applause.]

We are convinced that with these guiding principles as the central theme for the development of our political institutions, Vietnam will be able to make its political and economic regime—not a closed one—but an open system, broader with each passing day until it reaches the broad dimensions of man.

Mr. President, Mr. Speaker, gentlemen of the Congress, the Republic of Vietnam, the youngest Republic in Asia, soon will be 2 years old. Our Republic was born among great suffering. She is courageously facing up to economic competition with the Communists, despite heavy and difficult conditions, which become daily more complex. Vietnam nevertheless has good reason for confidence and hope. Her people are intelligent, have imagination and courage. They also draw strength from the moral and material aid they receive from the free world, particularly that given by the American people.

In the face of increased international tension and Communist pressure in southeast Asia, I could not repeat too often how much the Vietnamese people are grateful for American aid, and how much they are conscious of its importance, profound significance, and amount.

In actual fact, at any other moment of history, the conflicts between peoples have never been posed in such immediate terms of civilization as they are today. It is by having made timely contributions in sufficient quantities for the rehabilitation of our economic and technical life, which permitted a higher standard of living, that the free world, under the leadership of the United States, is assuring the success of the new system of international cooperation. This action has contributed to the defense of southeast Asia and prevented the raw materials of this area from falling into Communist hands.

Although our economy has suffered greatly from war, destruction and colonialism, the people of Vietnam are now increasing their contribution to their country. A few months ago the National Assembly voted new and higher taxes to bring in needed revenues for the national budget. A national conscription ordinance was recently promulgated, and a comprehensive declaration of policy was issued 2 months ago for the purpose of encouraging foreign private investment.

It is on this high moral plane that we pay tribute to the generous and unselfish assistance we have received from the people of the United States. It is on the same plane that the interests of Vietnam are identical with the interests of the people of the free world. [Applause.] It is on this plane that your and our fight is one and the same. We too will continue to fight communism. [Applause.]

It is in this conviction and in the ardent and always present remembrance of the strong sympathetic comprehension with which the American people and Government have followed our efforts, that I close, thanking you once again, Mr. President, Mr. Speaker, and gentlemen of the Congress, for the honor you have bestowed on me and for your kind attention. [Applause, the Members rising.]

At 12 o'clock and 50 minutes p. m., His Excellency the President of the Republic of Vietnam, accompanied by the committee of escort, retired from the Chamber.

The Doorkeeper escorted the invited guests from the Chamber in the following order:

The members of the President's Cabinet.

The Ambassadors, Ministers, Chargés d'Affaires of foreign governments.

JOINT MEETING DISSOLVED

The SPEAKER. The purposes of the joint meeting having been completed, the Chair declares the joint meeting of the two Houses now dissolved.

Thereupon (at 12 o'clock and 52 minutes p. m.) the joint meeting of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

AFTER RECESS

The recess having expired at 1 o'clock and 30 minutes p. m., the House was called to order by the Speaker.

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess of the House be printed in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

COMMITTEE ON APPROPRIATIONS—AGRICULTURAL APPROPRIATION BILL, 1958

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tomorrow night to file a report on the agricultural appropriation bill for 1958.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. VURSELL reserved all points of order on the bill.

FEDERAL HAZARDOUS SUBSTANCES LABELING

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, I have today introduced a bill to regulate the interstate distribution and sale of packages of hazardous substances intended for household use. The act may be cited as the Federal Hazardous Substances Labeling Act.

The need for legislation of this nature stems from the fact that serious difficulty has been encountered on many occasions in attempting to treat cases of accidental poisoning from household chemicals which bear no label indicating their identity or composition. Also prompting my introduction of this bill is my concern over the increasing number of reported accidents from the use of household products and the fact that many products are marketed without the informative labeling which would prevent and avoid these serious accidents.

For most household chemicals there is no Federal law requiring manufacturers to list the ingredients contained therein, though the Federal Food, Drug, and Cosmetic Act does require that the labels of foods list the ingredients, and the labels of drugs are required to show the active ingredients as well as the appropriate warnings against misuse. Also in effect is the Federal Insecticide, Fungicide, and Rodenticide Act, which requires informative labeling on certain economic poisons.

There is State legislation presently pending on this subject in Kansas, Texas, and Connecticut. There are regulations now in existence covering this type of legislation in New Jersey, New York, Oregon, and Illinois, and some limited regulations throughout the States covering the labeling of some specific chemicals.

In view of the State activity and the serious nature of this matter, I deem it necessary to have a Federal law to cover the interstate uniform requirements, which will be beneficial to physicians, users of household chemicals, and industry.

My bill, Mr. Speaker, would also repeal the Federal Caustic Poison Act, requiring informative labeling on a few caustic and corrosive substances, because my bill, by its provisions, embraces the subject matter dealt with in the Federal Caustic Poison Act.

CALL OF THE HOUSE

Mr. KILBURN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. BOYLE. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 67]

Alger	Evins	Martin
Allen, Ill.	Farbstein	Powell
Anderson, Mont.	Fogarty	Prouty
	Garmatz	Rodino
Andresen, August H.	Green, Pa.	Saund
	Gwinn	Sheehan
Bass, Tenn.	Halleck	Shelley
Beamer	Harvey	Simpson, Pa.
Blatnik	Haskell	Smith, Miss.
Boggs	Hays, Ohio	Smith, Va.
Bowler	Hébert	Steed
Buckley	Holtzman	Taylor
Chudoff	James	Utt
Coffin	Kearney	Walter
Cole	Kelley, Pa.	Willis
Dawson, Ill.	Kirwan	Wilson, Calif.
Denton	Laird	Wolverton
Eberharter	McIntosh	

The SPEAKER. On this rollcall 380 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

HOUSING ACT OF 1957

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that I may incorporate in the RECORD a letter and a telegram from the chairman of the housing committee of the AFL–CIO supporting the bill H. R. 6659.

The SPEAKER. Without objection it is so ordered.

(The matter referred to is as follows:)

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, D. C., May 3, 1957.

Hon. BRENT SPENCE,
Chairman, House Banking and Currency Committee, House Office Building, Washington, D. C.

DEAR CONGRESSMAN SPENCE: I am enclosing a copy of a telegram I have sent to Speaker SAM RAYBURN, Majority Leader JOHN MCCORMACK, Minority Leader JOSEPH MARTIN, and Congressman CHARLES A. HALLECK urging them to support H. R. 6659, the housing bill recommended by the House Banking and Currency Committee and to defeat the thoroughly inadequate so-called "compromise" H. R. 7024, introduced by Congressman TALLE.

I want to take this opportunity to express to you again our appreciation for your fine efforts against great odds to obtain adequate housing legislation in this session of Congress.

Sincerely yours,

HARRY C. BATES,
Chairman, Housing Committee, AFL–CIO.

AFL–CIO urges you to support Spence bill (H. R. 6659) when House considers housing legislation next week. While H. R. 6659, approved by House Banking and Currency Committee, does not contain all features AFL–CIO regards as necessary for adequate housing bill, it would expand the sagging new home market and increase the opportunity for home buyers, particularly veterans, to obtain moderate-priced housing. It would also improve and render more effective the operations of the Federal National Mortgage Association, particularly in its special assistance program for types of housing especially needed. The so-called "compromise" Talle bill (H. R. 7024), proposed as a substitute for H. R. 6659, lacks the most effective features of H. R. 6659 and would therefore completely fail to assist the much-needed revival of the critically depressed housing market. We ask you to do everything possible to defeat H. R. 7024 and to obtain a favorable vote for H. R. 6659.

HARRY C. BATES,
Chairman, Housing Committee of the AFL–CIO.

HOUSING ACT OF 1957

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 6659, with Mr. MILLS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday there was pending an amendment offered by the gentleman from Iowa [Mr. TALLE].

Mr. HIESTAND. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent to proceed for 5 minutes additional.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HIESTAND. Mr. Chairman, there are three very important major defects in the committee bill that are corrected in the Talle amendment, which we are now considering. They are the major reasons why the administration approves the amendment introduced by the distinguished gentleman from Iowa, Dr. TALLE.

They all have to do with inflation, perhaps the most serious problem this Nation now faces.

Section 205 of the committee bill provides for the investment of $1 billion worth of national service life insurance funds to support the secondary mortgage market. Now, what is this fund? It is nothing more nor less than an account down at the United States Treasury. The money has been put into the account, and, like all other deposits in the Treasury, it has been spent. In its place are Government bonds which are, of course, simply notes or I O U's.

Now if we take a billion dollars out of that fund, we are simply taking a billion dollars cash out of the Treasury to support the secondary-mortgage market and when the Treasury needs more money, it must either replace this billion dollars with other bonds, certificates, or bills, by borrowing the money from banks, or in the open market. The only other way the money can be replaced is by increased taxation. That, I am sure our distinguished Chairman and no Member of this House will even contemplate.

The billion dollars, drawn directly from the Treasury, is highly inflationary. It expands the money supply to that degree, whereas, the provision in the Talle bill, simply expanding the present borrowing authority of FNMA by a half a billion, in effect, simply uses a half a billion of private funds, to support the secondary market. These funds already exist in investment funds, foundations, and trusts and this procedure is not inflationary, because all of the FNMA debentures are now being bought up by private investors.

Yesterday it was asserted that this extra half billion dollars of FNMA authorization was spending, and with the Congress in an economy mood, it should not be done. The facts are exactly the opposite from those he stated—that extra half billion dollars for FNMA is simply authorization of presently existing private funds, instead of National Service Life fund drawing on the Treasury for a billion dollars new money.

There are other serious precedents established in reinvesting some of our present Treasury earmarked funds. If we start this precedent, what is to prevent our authorizing that highly inflationary measure of reinvesting all of the other funds? In other words, doubling up the money supply with already spent

social-security money, or railroad pension money. What difference does it make? It all comes out of the same pot. It is all your money—taxpayers money, and if we print twice as much of it, we will simply be further debauching the value of the dollar by 50 percent. I urge that we very carefully consider the highly inflationary aspects of that section 205 of the committee bill. I would not blame the President for vetoing any bill with such a frightful measure in it. The Talle amendment simply authorizes enough more funds to support the secondary mortgage market and we have been assured by the experts appearing before the committee that that added authorization will provide adequate revolving fund to supply the necessary money for the home building market, so desperately needed at present.

The second highly inflationary measure in the committee bill is section 203, which would peg the price paid by FNMA special consistence at the face value of the mortgage. Any measure of price fixing tends to defeat the very object for which it was designed, whether it be price controls, wage controls, or any controls. They can hold the price temporarily, but eventually they foster and breed inflation.

Fixing the price at which FNMA must pay for these mortgages takes away the market operation and guarantees that FNMA will lose money and not be self-supporting, hence becoming frozen instead of revolving. Now, there's nothing more fundamentally sound and anti-inflationary than the open-market operation. If FNMA can pay a shade less for some mortgages because they are worth a little less than others, and can sell them for whatever the market offers, it can continue to be a revolving fund. On the other hand, if FNMA must pay par, it must continue to go directly to the Treasury for added funds and FNMA, a corporation, is paying $5½ million taxes per year. Presently these mortgages, or debentures, not Government guaranteed, are sold to private investors—insurance companies, trust funds and foundations. Again, if FNMA must go to the Treasury for direct draft, it is highly inflationary. Artifically pegging the purchase price for these mortgages is thus inflationary. This price-pegging measure is not in the Talle amendment, and is another reason for our supporting the amendment.

A third inflationary measure of the committee bill is section 503, which would provide for discount control. Again, this is definitely a price-fixing measure, and I suggest that all price-fixing measures tend to be inflationary, in that they force direct borrowing from the Treasury, rather than utilizing of private funds.

Now, none of us like the discount situations of the last 12 months, but may I direct the attention of the membership to the fact that these discounts were the effects rather than the causes. They are the result of a tight-money market produced by tremendous prosperity, tremendous building, tremendous demand for funds. If the Federal Reserve had loosened up on credit, it would have simply increased the amount of dollars to chase around the existing supply of goods and services, bidding up the price and increasing the inflation. I believe the Federal Reserve was very wise in simply refraining from further expansion of the money supply until production could increase enough to catch up with demand, and that is exactly what is happening. The tight-money situation is correcting itself in a natural, rather than an artificial way. Discounts on FHA mortgages are now down to small margins. They are simply reflecting the law of supply and demand, and I am advised that discounts on VA mortgages are now much less than they were.

Furthermore, authorizing a Federal bureau to fix prices has many dangerous complications. The price of money in New York is very different from that in Amarillo, Tex., or Spokane, Wash. An arbitrary price-fixing range, as is suggested, arbitrarily fixes the top price. And who is wise enough to set a fixed price on the variable supply of money and credit in 900 areas of the United States at any given day of the 365 days of any year? The open market, Mr. Chairman, is the only sound and sure method of pricing. A pegged market stops investment instead of helping it.

Again, fixing prices simply drives the demand for mortgage money right into the United States Treasury, the taxpayers' money, instead of private investors' money.

This discount measure was tried, and tried fairly you may recall, in 1950, was discarded as a failure. It simply will not work. Adjusting interest rates to realistic figures enabled the law of supply and demand to operate and thus avoids inflation. Fixing prices is as dangerous as fixing prices on Government bonds—a highly inflationary measure.

This inflationary paragraph is not in the Talle amendment.

Mr. Chairman, if we are to fight off the inflation and endeavor to hold our cost of living even, avoiding lending the taxpayers money directly at subsidized costs, we must approve the Talle amendment, the administration amendment—and I hope this House will do so decisively. Thank you.

Mr. EDMONDSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EDMONDSON as a substitute for the amendment offered by Mr. TALLE: Strike out all after the enacting clause and insert in lieu thereof the following: "That this act may be cited as the 'Housing Act of 1957.'

"TITLE I—FHA INSURANCE PROGRAMS

"Lower downpayments for sales housing

"SEC. 101. (a) Section 203 (b) (2) of the National Housing Act is amended to read as follows:

"'(2) Involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $20,000 in the case of property upon which there is located a dwelling designed principally (whether or not it may be intended to be rented temporarily for school purposes) for a 1- or 2-family residence; or $27,500 in the case of a 3-family residence; or $35,000 in the case of a 4-family residence; and not to exceed an amount equal to the sum of (i) 97 percent (but, in any case where the dwelling is not approved for mortgage insurance prior to the beginning of construction, unless the construction of the dwelling was completed more than 1 year prior to the application for mortgage insurance, 90 percent) of the appraised value of the property, as of the date the mortgage is accepted for insurance, (ii) 85 percent of such value in excess of $10,000 but not in excess of $16,000, and (iii) 70 percent of such value in excess of $16,000.'

"(b) Section 203 (b) of such act is further amended by adding the following paragraphs at the end thereof:

"'(8) In the case of a mortgagor who is not the occupant of the property, have a principal obligation not in excess of an amount equal to 85 percent of the amount computed under the provisions of paragraph (2) of this subsection.

"'(9) Be executed by a mortgagor who shall have paid on account of the property at least 3 percent, or such larger amount as the Commissioner may determine, of the Commissioner's estimate of the cost of acquisition in cash or its equivalent: *Provided*, That with respect to a mortgage executed by a mortgagor who is 60 years of age or older as of the date the mortgage is endorsed for insurance or with respect to a mortgage meeting the requirements of subsection (i) of this section, the mortgagor's payment required by this subsection may be paid by a corporation or person other than the mortgagor under such terms and conditions as the Commissioner may prescribe.'

"(c) Section 203 (i) of such act is amended to read as follows:

"'(i) The Commissioner is authorized to insure under section 203 any mortgage meeting the requirements of subsection (b) of this section, except as modified by this subsection, which involves a principal obligation not in excess of $6,750 and not in excess of 96 percent of the appraised value of a property located in an area where the Commissioner finds it is not practicable to obtain conformity with many of the requirements essential to the insurance of mortgages on housing in built-up urban areas, upon which there is located a dwelling designed principally for a single-family residence, and which is approved for mortgage insurance prior to the beginning of construction: *Provided*, That the Commissioner finds that the property with respect to which the mortgage is executed is an acceptable risk, giving consideration to the need for providing adequate housing for families of low and moderate income particularly in suburban and outlying areas or small communities.'

"SEC. 102. (a) Section 220 (d) (3) of the National Housing Act is amended by striking out all thereof appearing before clause (B) and inserting in lieu thereof the following:

"'(3) The mortgage shall—

"'(A) (i) involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $20,000 in the case of property upon which there is located a dwelling designed principally for a 1- or 2-family residence; or $27,500 in the case of a 3-family residence; or $35,000 in the case of a 4-family residence; or in the case of a dwelling designed principally for residential use for more than 4 families (but not exceeding such additional number of family units as the Commissioner may prescribe) $35,000 plus not to exceed $7,000 for each additional family unit in excess of 4 located on such property; and not to exceed an amount equal to the sum of (1) 97 percent (but, in any case where the dwelling is not approved for mortgage insurance prior to the beginning of construction, unless the construction of the dwelling was completed more than 1 year prior to the application for mortgage insurance, 90 percent) of

$10,000 of the Commissioner's estimate of replacement cost of the property, as of the date the mortgage is accepted for insurance, (2) 85 percent of such replacement cost in excess of $10,000 but not in excess of $16,000, and (3) 70 percent of such replacement cost in excess of $16,000: *Provided*, That in the case of properties other than new construction, the foregoing limitations upon the amount of the mortgage shall be based upon appraised value rather than upon the Commissioner's estimate of the replacement cost;

"'(ii) in the case of a mortgagor who is not the occupant of the property, have a principal obligation not in excess of an amount equal to 85 percent of the amount computed under the provisions of subsection (i); or.'

"(b) Section 220 (d) (3) of such act is further amended by striking out the phrase 'not to exceed' at the first four places it appears in clause (B) and inserting in lieu thereof at each such place the phrase 'not exceed.'

"SEC. 103. Section 222 (b) of the National Housing Act is amended to read as follows:

"'(b) To be eligible for insurance under this section a mortgage shall—

"'1. Meet the requirements of section 203 (b) of this title except as such requirements are modified by this section;

"'2. Involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $17,300;

"'3. Have a principal obligation not in excess of 97 percent of the appraised value of the property; and

"'4. Be executed by a mortgagor who at the time of application for insurance is certified as a "serviceman" and who at the time of insurance is the owner of the property and either occupies the property or certifies that his failure to do so is the result of his military assignment, or in the case of the United States Coast Guard, other assignment.'

"Other provisions relating to FHA insurance programs

"SEC. 104. Section 2 of the National Housing Act is amended, effective with respect to payments made on and after January 1, 1958, by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"'(g) Any payment for loss made to an approved financial institution under this section shall be final and incontestable after 2 years from the date the claim was certified for payment by the Commissioner, in the absence of fraud or misrepresentation on the part of such institution.'

"SEC. 105. Section 204 of the National Housing Act is amended by adding at the end thereof the following new subsection:

"'(k) Notwithstanding any other provisions of this section of section 604 or 904, with respect to any debentures issued pursuant to this section or section 604 or 904, the Commissioner may (1) include in such debentures reasonable payments made by the mortgagee, with the approval of the Commissioner, for the purpose of protecting, operating, or preserving the property, and taxes imposed upon any deed or other instrument by which the property was acquired by the mortgagee and transferred or conveyed to the Commissioner, and (2) terminate the mortgagee's obligation to pay mortgage insurance premiums upon receipt of an application for debentures filed by the mortgagee.'

"SEC. 106. (a) The second sentence of section 204 (d) of the National Housing Act is amended by striking out 'determined by the Commissioner, with the approval of the Secretary of the Treasury, at the time the mortgage was offered for insurance, but not to exceed 3 per centum per annum' and by inserting in lieu thereof 'established by the Commissioner pursuant to section 224.'

"(b) The second sentence of section 207 (1) of such act is amended by striking out 'determined by the Commissioner, with the approval of the Secretary of the Treasury, at the time the mortgage was insured, but not to exceed 3 per centum per annum' and by inserting in lieu thereof 'established by the Commissioner pursuant to section 224.'

"(c) The second sentence of section 303 (f) of such act is amended by striking out 'determined by the Commissioner with the approval of the Secretary of the Treasury, at the time the mortgage was accepted for insurance, but not to exceed 3 per centum per annum' and by inserting in lieu thereof 'established by the Commissioner pursuant to section 224.'

"SEC. 107. The unnumbered paragraph immediately following paragraph (3) of section 207 (c) of the National Housing Act is amended (1) by striking out '$8,100 per family unit' and inserting in lieu thereof '$8,100 per family unit (or $8,400 per family unit in the case of projects to consist of elevator-type structures)', and (2) by inserting before the period at the end thereof a comma and the following: 'and may permit single elderly persons to use and occupy such units.'

"SEC. 108. Section 207 (q) of the National Housing Act is repealed.

"SEC. 109. Section 213 (e), 220 (f) (1), 221 (g) (1), and 222 (e) of the National Housing Act are each amended by striking out 'and (h) of section 204' and inserting in lieu thereof '(h), and (j) of section 204.'

"SEC. 110. Section 219 of the National Housing Act is amended by striking out 'or the Section 220 Housing Insurance Fund' and inserting in lieu thereof 'the Section 220 Housing Insurance Fund, the Section 221 Housing Insurance Fund, or the Servicemen's Mortgage Insurance Fund.'

"TITLE II—SECONDARY MORTGAGE MARKET

"SEC. 201. (a) The first sentence of section 303 (b) of the National Housing Act is amended to read as follows: 'The Association shall accumulate funds for its capital surplus account from private sources by requiring each mortgage seller to make payments of nonrefundable capital contributions, equal to not more than 2 per centum nor less than 1 per centum of the unpaid principal amount of mortgages purchased or to be purchased by the Association from such seller under section 304, as determined from time to time by the Association, taking into consideration conditions in the mortgage market and the general economy.'

"(b) The second sentence of section 303 (d) of such act is amended by striking out '$50,000,000' and inserting in lieu thereof '$200,000,000.'

"(c) The second sentence of section 303 (e) of such act is amended by striking out '$50,000,000' and inserting in lieu thereof '$200,000,000.'

"SEC. 202. Section 304 (c) of the National Housing Act is amended by striking out '$1,350,000,000' and inserting in lieu thereof '$2,850,000,000.'

"SEC. 203. (a) Section 305 (c) of such act is amended to read as follows:

"'(c) The total amount of purchases and commitments authorized by the President pursuant to subsection (a) of this section shall not exceed $450,000,000 outstanding at any one time.'

"(b) Section 305 (f) of such act is amended by striking out '$200,000,000' and inserting in lieu thereof '$500,000,000.'

"SEC. 204. Section 309 (c) of the National Housing Act is amended by adding at the end thereof the following new sentence: 'In computing such equivalent amount, there shall be deducted from the gross income of the Association, with respect to such secondary market operations, all expenses and other deductions which would be authorized by the Federal income tax laws to be deducted if the Association were not exempt from such taxes with respect to such secondary market operations and all amounts paid to the Secretary of the Treasury as a return on his investment in the securities of the Association.'

"SEC. 205. The second sentence of section 305 (b) of the National Housing Act is amended to read as follows: 'Notwithstanding any other provision of this section the price to be paid by the Association for mortgages purchased in its operations under this section shall be not less than the unpaid principal amount thereof at the time of purchase, with adjustments for interest and any comparable items.'

"TITLE III—SLUM CLEARANCE AND URBAN RENEWAL

"SEC. 301. Section 103 (b) of the Housing Act of 1949 is amended by striking out '$500,000,000 which limit shall be increased by further amounts of $200,000,000 on July 1 in each of the years 1955 and 1956, respectively' and inserting in lieu thereof '$900,000,000, which limit shall be increased by $250,000,000 on July 1, 1957.'"

"SEC. 302. Section 106 (f) (2) of the Housing Act of 1949 is amended by adding at the end thereof the following new sentence: 'Such rules and regulations may include provisions authorizing payment to individuals and families of fixed amounts (not to exceed $100 in any case) in lieu of their respective reasonable and necessary moving expenses.'

"SEC. 303. Section 110 (d) of the Housing Act of 1949 is amended by inserting in the second proviso after 'under this section 110 (d)' the following: 'with respect to any project covered by a Federal aid contract under this title.'

"TITLE IV—MILITARY HOUSING

"SEC. 401. Section 803 (a) of the National Housing Act is amended by striking out 'June 30, 1958' and inserting in lieu thereof 'June 30, 1959.'

"SEC. 402. Section 803 (b) (3) (B) of the National Housing Act is amended by inserting before the semicolon at the end thereof a colon and the following: '*Provided further*, That should the financing of housing to be constructed pursuant to a single invitation for bids be accomplished by two or more mortgages, the principal obligation of any single mortgage may exceed an average of $16,500 per family unit if the sum of the principal obligations of all mortgages for such housing does not exceed an average of $16,500 per family unit.'

"SEC. 403. Section 410 of the Housing Amendments of 1955 is amended to read as follows:

"'SEC. 410. In the construction of housing under the authority of this title and title VIII of the National Housing Act, as amended, the maximum limitations on net floor area for each unit shall be the same as the net floor area limitations prescribed by law (at the time plans and specifications for such construction are begun) for public quarters built with appropriated funds under military construction authority.'

"SEC. 404. Section 404 (a) of the Housing Amendments of 1955 is amended by striking out 'an appropriate allowance for physical depreciation' and inserting in lieu thereof 'an appropriate allowance representing the estimated cost of repairs and replacements immediately necessary to restore the property to sound physical condition.'

"TITLE V—MISCELLANEOUS

"College housing

"SEC. 501. (a) Section 401 (c) of the Housing Act of 1950 is amended to read as follows:

"'(c) A loan to an educational institution may be in an amount not exceeding the total development cost of the facility, as determined by the Administrator, and shall be

secured in such manner and repaid within such period, not exceeding 50 years, as may be determined by him; and with respect to applications filed after May 10, 1957, the loans entered into during any calendar quarter shall bear interest at a rate equal to the total of one-fourth of 1 percent per annum plus the rate chargeable by the Secretary of the Treasury (with respect to notes and obligations issued during such quarter) under the second sentence of subsection (c) of this section.'

"(b) Section 401 (d) of such act is amended by striking out '$750,000,000' and inserting in lieu thereof '$900,000,000.'

"(c) The second sentence of section 401 (e) of such act is amended to read as follows: 'Such notes or other obligations issued during any calendar quarter to obtain funds in excess of the aggregate amount required with respect to applications filed on or before May 10, 1957, shall bear interest at a rate determined by the Secretary of the Treasury, which shall be not more than the average yield to maturity, as estimated by the Secretary of the Treasury on the basis of daily closing market bid quotations or prices during the second month preceding such quarter, on all outstanding marketable obligations of the United States having a maturity date of 15 or more years from the first day of such second month, adjusted to the nearest one-eighth of 1 percent.'

"Voluntary home mortgage credit program

"SEC. 502. Section 610 (a) of the Housing Act of 1954 is amended by striking out 'June 30, 1957,' and inserting in lieu thereof 'July 31, 1959.'

"Mortgage credit study

"SEC. 503. The Housing and Home Finance Administrator, in order to obtain information and data which will enable him to assist more effectively in the provision and improvement of residential housing, is authorized and directed to conduct a study to determine (1) the extent to which the residential building industry is able to secure the mortgage credit, manpower, and materials required for the construction of residential housing of the types and in the quantities needed to satisfy the demand for such housing, and (2) the methods and policies by which such industry, without aggravating the overall problem of controlling inflation, may attract a greater share of available mortgage credit, manpower, and materials. The Administrator shall, on or before April 30, 1958, submit to the President and the Congress a full report on such study including his findings and such recommendations as he may deem appropriate.

"On completion of the study, the Housing and Home Finance Administrator, after consultation with the Federal Housing Commissioner, shall fix reasonable limits on the charges, fees, and discounts imposed upon the builder, seller, or purchaser in connection with the financing of the construction or sale of any housing covered by a mortgage insured under the National Housing Act, whether or not such charges, fees, and discounts are imposed in connection with the financing under such mortgage. Such limits may vary in accordance with the terms of the mortgage involved, the geographical area in which the housing is located, and such other pertinent factors as the Administrator deems advisable. As a condition of eligibility for such insurance, the lender shall certify that no charge, fee, or discount has been imposed by it in excess of the limits fixed pursuant to this section.

"Farm housing research

"SEC. 504. (a) The Housing and Home Finance Administrator is authorized and directed to undertake and carry out a program, in the manner provided in subsection (b), for the study of farm housing in the United States. Such program shall be designed to assist in the improvement of farm housing conditions in the United States by developing data and information on—

"(1) the adequacy of existing farm housing;

"(2) the nature and extent of current and prospective needs for farm housing, including the needs for financing and improved design, utility, and comfort and the methods by which such needs might best be satisfied;

"(3) the problems faced by farmers in purchasing, constructing, improving, altering, repairing, and replacing farm dwellings;

"(4) the interrelation of farm housing problems and the problems of housing in urban and suburban areas; and

"(5) any other matters bearing upon the provision of adequate housing for the farm population of the United States.

"(b) The research, study, and analysis required to carry out the program described in subsection (a) shall be conducted by land-grant colleges established pursuant to the act of July 2, 1862 (7 U. S. C., secs. 301–308), and such research, study, and analysis shall be financed with grants made to such colleges by the Housing and Home Finance Administrator on such terms, conditions, and standards as may be specified in regulations prescribed by him.

"(c) The authority of the Housing and Home Finance Administrator to make grants under subsection (b) shall expire June 30, 1959; and the total amount of such grants shall not exceed $300,000 during either of the fiscal years ending June 30, 1958, and June 30, 1959.

"(d) There are authorized to be appropriated such sums as may be necessary to carry out this section."

Mr. EDMONDSON. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Chairman, this substitute which is offered for the so-called Talle amendment is a substitute designed to meet the basic objections on the question of jurisdiction that has been advanced against the committee bill and to preserve in the Talle bill the other substantive portions of the committee bill which are deemed to be of major importance to a successful housing program.

I might say that during the 4 years I spent as a member of the Housing Subcommittee of the House Committee on Veterans' Affairs I saw some very successful years and I saw some years in which housing was not so successful. It became very obvious that unless certain things were done by the Government to back up the laws that were on the books with regard to housing many of the benefits which we seek to confer upon home builders in this country would be wiped out through failure of the Government properly to administer its program and to finance it.

This substitute contains a series of amendments that I will outline. I may say these amendments have been discussed in detail with the chairman of the Committee on Veterans' Affairs of the House of Representatives and with the chairman of the Housing Subcommittee of the Committee on Banking and Currency.

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Texas.

Mr. TEAGUE of Texas. It is my understanding that the three veteran propositions the Committee on Veterans' Affairs objected to are not in this substitute.

Mr. TALLE. Mr. Chairman, may I ask if the section on discount controls is in the proposition the gentleman offers?

Mr. EDMONDSON. The section on discount controls in part is in it and will be explained in just a moment.

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Texas.

Mr. TEAGUE of Texas. As I understand the gentleman's statement, the provision which sets up veterans preference, the provision which provides for the use of NSLI funds, and the provision with reference to veterans so far as discounts are concerned is not in the substitute.

Mr. EDMONDSON. The veteran is not treated as a separate class in any portion of the substitute as it is now being offered.

Mr. TALLE. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Iowa.

Mr. TALLE. How can the gentleman make that contention unless the section on discounts is completely out of his bill?

Mr. EDMONDSON. The section on discounts has been amended, and I will discuss it in just a moment. It was a little bit different from the way it was presented in the committee bill.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Illinois.

Mr. ARENDS. I do not question the sincerity of the gentleman or his purpose in bringing in this substitute, but the question comes to my mind, not being a member of the Committee on Banking and Currency, I wonder why the gentleman now comes out with a complete new substitute which none of us know anything about and which was not even presented to the Committee on Banking and Currency. It is something entirely new that no one has had an opportunity to study or digest.

Mr. EDMONDSON. May I say to the gentleman that this substitute which is offered is 24 hours younger than the substitute that was offered to the House yesterday by the gentleman from Iowa, Mr. TALLE.

Mr. ARENDS. Let me say to the gentleman from Oklahoma that the Talle bill has long been introduced and was available for study by every Member of the House in bill form.

Mr. EDMONDSON. May I say in answer to the gentleman on that score that a great portion of the Talle bill is preserved in this substitute; in fact, nearly 90 percent in the language which is used, but the other provisions that are offered, almost without exception, are provisions that have been before the House even longer than the Talle bill, inasmuch as they are presented in the committee bill in substantial part.

Now, there are one or two deviations which, if I may proceed without interruption, I will cover in a discussion of these amendments.

The first amendment deals with the downpayment provision. Yesterday I said in discussing the Talle bill that I thought it had the virtue not only of avoiding the jurisdictional question but also of having slightly more liberal downpayment provisions. The substitute adopts in part the downpayment provisions of the Talle substitute and in part the downpayment provisions of the committee bill. It has this additional provision, that on the first $10,000 of loan the downpayment is lowered to 3 percent, which is a more liberal figure than the downpayment provision in the Talle bill, where it is 4 percent. On the next $6,000 the downpayment provision is 15 percent, which splits the difference between the Talle bill and the committee bill. And, on the final portion of the loan, the amount above $16,000, the downpayment would be required to be at 30 percent, which is the way it stands in the Talle bill.

The next amendment, and an amendment on which I think there can be unanimity on this floor if all of us who are fighting so hard for economy in Government may unite our forces on this point, has the effect of taking the Talle substitute and its increase in borrowing authority for FNMA of $1.5 billion and reducing that by a quarter of a billion dollars to $1,250 million, which reduces the new obligational authority of this governmental agency by a quarter of a billion dollars and gives all of us in supporting this substitute an opportunity to go on record for economy as opposed to the $1.5 billion offered in the Talle substitute.

I might also say in that connection that it also has this added virtue, since the gentleman from California mentioned the inflation aspects, that this will be a quarter of a billion dollars less inflationary than the Talle bill insofar as the overall effect of the bill is concerned.

The next amendment is one which we feel is of very great significance to the committee and one which we feel should be preserved in the Talle substitute, and that is the provison which requires that the Federal National Mortgage Association in its special assistance housing programs shall purchase mortgages at their face value or at par, and in that way operate to help support the mortgage market and help to maintain and sustain the value of Government mortgages, in which today Uncle Sam has an investment of many billions. Today we have the spectacle of Fannie May going out and discounting its mortgage purchases by 8 to 10 percent, deliberately by its own procedures depreciating and depressing the value of the mortgages which the Government itself holds and in which it has an interest. This reverses the procedure on that and says that in these purchases in the future Fannie May shall pay not less than the face value of the principal amount due plus the interest on these particular obligations.

The next amendment is one which already has been adopted by the Committee of the Whole yesterday, having to do with college housing applications. It advances the date on them to the date of May 10, 1957. That already has been decided by the Committee of the Whole, so in this respect we stay with the decision of the Committee yesterday.

The final amendment I am sure is the one about which there will be more controversy than any other. That is one which also has importance and also has value in this fight against inflation about which my good friend, the gentleman from California [Mr. HIESTAND], spoke a few moments ago. It provides authority that the Housing and Home Finance Administrator, on the completion of the mortgage credit study which is authorized in the Talle substitute, after consultation with the Federal Housing Commissioner, shall fix reasonable limits on the charges, fees, and discounts imposed upon the builder, seller, or purchaser in connection with the financing or construction or sale on that housing covered by a mortgage insured under the National Housing Act whether or not such charges, fees, and discounts are imposed in connection with the financing under such mortgage. Such limitation may vary in accordance with the terms of the mortgage involved, the geographical area in which the housing is located, and such other pertinent factors as the Administrator deems advisable. And it provides that the lender is required to certify that no charge, fee, or discount has been imposed in excess of the limits fixed pursuant to this section.

That more or less covers the ground of this substitute. It preserves the important principles which were outlined in the committee bill with regard for the necessity for some action to put some reasonable restraint upon these excessive discounts. And yet I am sure that the gentlemen on the left here can have no great objection to the vesting of this authority in the Housing and Home Finance Administrator, who is appointed by the President himself and who presumably would be answerable to the President for any unreasonable discount limitations which he imposed.

Mr. TALLE. Mr. Chairman, I rise in opposition to the substitute.

Mr. Chairman, it was pointed out yesterday that the housing field is an extremely difficult field in which to legislate. It certainly is a field in which careful work is required. Even at best, it is possible to make mistakes no matter how careful a person may be in his procedure.

Now let us look at the situation which prevails at the present time. On the 18th of April I introduced my bill, H. R. 7024. Great care was employed in the writing of that bill. I had served as a member of the Subcommittee on Housing during the many months of the hearings. I have had a good many years of service as a member of the Committee on Banking and Currency and have dealt with housing legislation year after year.

As stated my bill was dropped into the hopper on the 18th of April. On that day I aasked for time to state to the House that I had done so and, in addition, I filed for the RECORD a brief section-by-section analysis of the bill. I pointed out to the Members that they might like to have a copy of the bill and a copy of the analysis for discussion with their constituents during the Easter recess.

Then upon reconvening following the recess, on Monday of this week, I filed with the House for insertion in the CONGRESSIONAL RECORD a table setting forth the downpayments in the various proposals which had been made, the current downpayments, the payments proposed in the committee bill, and the payments proposed in my bill. I also addressed the House and called the attention of Members to that table. Therefore, the greatest of care was employed in preparing that bill and in making its contents known to Members. On yesterday I made a section by section explanation of the bill to the House. Even so, it was murmured on the majority side that the procedure was inadequate.

Let us look at the current situation. It reminds me very much of an incident that occurred in the middle of the past century. Prof. Amasa Walker was one of the first professors of economics to teach that subject in our country. One day he was asked, "What do you teach, Professor Walker?" He said, "I teach economics." The fellow said, "Do you have to know anything about economics in order to teach it?" Professor Walker replied, "No; but it will help you if you do."

That is the situation here. Why, of course, we can pass any sort of bill, but it will help us and it will help the American people if we know something about the bills we pass.

I have regard for the gentleman from Oklahoma. But after all, he is serving, as I see here in this printed list of assignments on the Committee on Interior and Insular Affairs and the Committee on Public Works. He is not a member of the Committee on Banking and Currency. He has in no sense participated in our hearings or in writing the committee bill, or in writing my bill. It is not unfair to say that he is scarcely in position to propose a bill that the House of Representatives should look on with favor. So I say to my colleagues, Mr. Chairman, that this is a rather sorry situation. After all the deliberations, after all the thinking, after all the work that has been done to prepare good legislation for our consideration, then along comes a proposal from a colleague who is not even a member of the committee that has jurisdiction in the housing field. I do not have a copy of his bill, nor do I know of anyone else who has a copy.

Mr. Chairman, is that the way to legislate in the House of Representatives of the United States?

SUBSTITUTE APPROVED

Mr. PATMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the gentleman from Oklahoma is to be commended for preparing this substitute. He consulted members of the committee in its preparation. I know of several Members who were consulted who were working on the housing bill. He conferred with the gentleman from Alabama [Mr. RAINES], and the members of his committee, that

is, the Members of the majority party, and the substitute was prepared with the aid and assistance of the staff of the majority Members. When he discussed it with me yesterday afternoon I did not believe he had a chance, although I favored his proposal over the Talle amendment. Now it is realized the amendment of the gentleman from Oklahoma has a real good chance of adoption.

Mr. TALLE. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Iowa.

Mr. TALLE. May I ask the gentleman if there are printed copies of the bill available, hearings and reports, the customary documents that Members require for legislating intelligently?

Mr. PATMAN. If that is the requirement to deal intelligently with legislation, to have printed bills, printed hearings, and printed reports then the gentleman has only one-third of that requirement because the gentleman has a printed bill, but he does not have printed hearings, and he does not have a printed report.

Mr. TALLE. My bill was explained section by section in the RECORD on two occasions and copies of my bill have been available since April 18.

Mr. PATMAN. May I discuss that just briefly. In the report of the committee on this bill, the Housing Act of 1957, and I wish the Members would get it if they do not have it at hand, if they will turn to page 67, you will find the commencement of the minority views of 12 of the 13 minority members. It is several pages. In those minority views, there is only one subject mentioned. It is against using the national service life insurance fund, and they spent all their time arguing against the use of that fund. They do not say anything about anything else. That was the only issue. That was on April 8. Evidently, upon reexamination of the bill, it was discovered there was a provision which would stop these discount practices that are scandalous, and the minority members are against trying to stop these discounts. They want to get something that they would not have to go on record—probably, I am just surmising now—at least, that is what I would do if I were in their position and I did not want to go on record against scandalous discounts, and yet I wanted to vote against the amendment that would stop discounts—I would have a substitute that would do both jobs in one—to eliminate the national service life insurance fund and also the provision that would stop the discounts.

That is what the so-called Talle bill really does. It does both jobs in one. Anyone voting for that amendment will vote for it with the knowledge that one of the main provisions is that it eliminates the prohibition against these discounts. It is not a direct vote on it, but it is an indirect vote on it. It is one of the main things in the amendment. This amendment offered by the gentleman from Oklahoma [Mr. EDMONDSON] is a good amendment. It is a substitute for the Talle amendment. I think it should be adopted. It has been carefully prepared and well thought out. The same intelligent thought that was given to it that was given to the majority bill, and the same intelligent thought that was given to Dr. TALLE's bill. I know Dr. TALLE and the Members who are supporting him are sincere in their position. I do not impugn their motives, but there is a difference of opinion here. I personally believe that the national service life insurance fund should be used. We should tap that reservoir of credit. I think it is ridiculous for veterans' organizations to wire in and say that to use the national service life insurance fund for this purpose would be a violation of the trust. In other words, they are saying that the bonds that are now being used in that trust fund are printed in a size 12 inches by 12 inches, and that if the bonds to take their place are printed bonds 8 inches by 8 inches in size, that would be a violation of the trust. That is just how ridiculous it is. So it is absolutely ridiculous.

It often happens that a good thing that you want to have considered by the House is finally brought in. Of course, a point of order is made and it is claimed it is unconstitutional. Then it is claimed it is illegal and that there is no authorization in law for it. In this case, there is conflict between the 2 committees. To throw out something that is good for the country and good for the veterans because of this conflict is something that I do not see at all. The truth is that you cannot reconcile the differences between these 2 committees unless you take the one or the other. When Mr. Burgess was before the Committee on Veterans' Affairs and the committee was seriously considering putting in the national service life-insurance fund amendment, Mr. Burgess said it is inflationary. Of course, that caused the Committee on Veterans' Affairs to say, "Well, we do not want it." But, the Committee on Banking and Currency that handles matters relating to inflation, and relating to our economy as affected by inflation, were not impressed by that argument at all. They threw that argument out on the ground that it was not valid. Therefore, one committee that does not deal with inflation says, "We will knock it out." And the other committee that deals with inflation says, "It is not a valid argument." Therefore, since there are disputes like that, you will never get a bill in here to allow us to use or tap that great reservoir of credit or bring the interest rate down to 4½ percent.

They are Government mortgages. They are Government-guaranteed mortgages. They are just as good as Government bonds. Certainly they should be worth 4½ percent.

Mr. YOUNGER. Do I understand the gentleman is proposing to force FNMA to buy at par the many hundreds of millions of dollars of mortgages that have been made at these scandalous discounts?

Mr. PATMAN. That is for special assistance only. It does not include all of them.

Mr. YOUNGER. There are plenty of them that have been made.

Mr. PATMAN. It does not include the past ones. It includes from now on, and for special assistance purposes. Does not the gentleman believe the Government bonds should sell at par? Does the gentleman not believe we should get 100 cents on the dollar for Government bonds?

Mr. YOUNGER. Not necessarily.

Mr. PATMAN. Does the gentleman believe in selling bonds at 89 or 88?

Mr. YOUNGER. That is beside the question. I am talking about mortgages. Is the gentleman proposing to force FNMA to buy mortgages, that were made at these scandalous discounts, at par?

Mr. PATMAN. No. Let us not confuse the issue.

Mr. YOUNGER. That is the issue you have set up.

Mr. PATMAN. No, no. The issue is that they will buy those in the future at par under the special assistance provision only.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. MORANO. Is the gentleman opposed to the bill proposed by the committee?

Mr. PATMAN. Well, this would be a substitute for the Talle bill.

Mr. MORANO. Does the gentleman oppose the committee bill now?

Mr. PATMAN. I will cross one bridge at a time. This is one bridge. I am certainly in favor of the committee bill and will support it in preference to the Talle amendment.

The CHAIRMAN. The time of the gentleman from Texas [Mr. PATMAN] has expired.

Mr. FISHER. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. FISHER to the substitute offered by Mr. EDMONDSON: Page 11, in line 12 insert "(a)" after "sec. 302." and after line 18 insert the following:

"(b) Section 106 of such act is further amended by adding at the end thereof the following new subsection:

"'(g) No new contract, agreement, or other arrangement regarding low-rent housing provided for under section 305 of the Housing Act of 1949 shall be entered into, after the date of the enactment of the Housing Act of 1957 except with respect to low-rent housing projects to be undertaken in a community in which the local governing body certifies that such low-rent housing project is needed for the relocation of families to be displaced as a result of Federal, State, or local governmental action in such community: *And provided further*, That no such new contracts, agreements, or other arrangements shall be entered into, after the date of the enactment of the Housing Act of 1957, for additional dwelling units in excess of the total number of such units which the Housing and Home Finance Administrator determines to be needed for the relocation of families to be displaced as a result of Federal, State, or local governmental action in the communities where such units are to be located.'"

Mr. MULTER. Mr. Chairman, I make a point of order against the amendment, that it is not germane to the amendment before the House or the bill before the House or any part of the bill or the pending amendment.

The CHAIRMAN. Will the gentleman specify to the Chair in what manner the amendment is not germane?

Mr. MULTER. The amendment deals with public housing. There is no public housing in any part of this bill or in any part of the amendment to the bill.

The CHAIRMAN. The Chair understands that this amendment is to section 106 of the Housing Act of 1949.

The Chair ruled yesterday, the gentleman will recall, that an amendment to a particular section may perhaps make in order another amendment to the section.

Mr. MULTER. Yes, that is quite right; except that the section to which the amendment refers is section 106 of the act. The one that we had before us yesterday was section 103, and that section was in the bill, in the act, and in the amendment to the amendment.

The CHAIRMAN (Mr. MILLS). The Chair will agree that the amendment to the amendment yesterday was offered to section 106, not 103.

The ruling of the Chair on yesterday would apply in this instance. The Chair therefore overrules the point of order.

The gentleman from Texas is recognized for 5 minutes in support of his amendment.

Mr. FISHER. Mr. Chairman, it would seem to me that this amendment would be acceptable to both the opponents of public housing and the proponents of public housing. It does not reduce the number of units the Congress authorized the Public Housing Authority to contract for; it does not affect the existing 35,000 increment that is now in the law; it does not reduce by even one unit the 35,000 increment which begins on the first of next July.

What it does—and it speaks for itself, of course—is that it makes new public housing projects in the future, that is, after July 1, comply with the formula which has always been used by proponents as a basic justification for these projects, that is, since the very beginning of public housing, as you will find by reading the debates in the past.

It has been maintained that the Congress is justified in taxing the American people to provide places for people to live who have been dislocated from their homes as a result of slum clearance, urban renewal, and other governmental programs over which these tenants have no control. It would seem, therefore, that this amendment, since it conforms with the argument that has always been advanced by proponents of public housing as a justification for their position, should meet with the approval not only of opponents of public housing but likewise of proponents.

This amendment, I remind the Committee, has a history. It will be recalled that in 1954 section 401 of the Housing Act which we approved that year included the identical language, word for word, which is contained in my amendment offered now.

The debate on that issue in 1954 took place in this Chamber on April 2 of that year; and the language contained in my amendment now before us was proposed by the gentleman from New Jersey [Mr. WIDNALL]. It was overwhelmingly approved by the committee.

I have just read the record of the proceedings that occurred on that occasion and find that particular proposal was then represented as being in conformity with the President's program with regard to Federal public housing. The gentleman from Illinois [Mr. YATES] sitting here will, I am sure, recall that that was the case, that it was represented as the President's program at that time.

Therefore, Mr. Chairman, my amendment which is now being considered simply reinstates the law as it was, and makes it conform to the basis upon which proponents of public housing have always undertaken to justify the policy of public housing: that is, to provide a place for dislocated people who were displaced through causes beyond their control such as slum clearance, urban renewal, urban redevelopment and condemnation of lands for streets or roads, or for any other reason over which they have no control.

This amendment does that and, therefore, conforms with the basic philosophy behind this whole concept of public housing.

It will be recalled that last year Congress authorized 70,000 new public housing units in two increments of 35,000 each. The first increment was authorized for the current fiscal year. I understand, however, that only a portion of that authorization has been used. I understand that out of 35,000 authorized, there have been commitments on only 40. They say from 7 to 9 thousand tentative applications but actually only 40 out of 35,000 have gone through the contracting stage.

Of course, by a peculiar provision in there, a special proviso we will say, they have 2 years in which to make the commitment, not the 1 year that has been the case in the past. The same will apply to the 35,000 coming up next year. They have 2 years instead of the 1 year which has ordinarily been the case in the past.

Mr. Chairman, the need is more pressing right now than ever before for a clarification of the law such as is provided in this amendment. It has been reported that there are thousands of public housing units now vacant all over the country. Expensive advertising is being undertaken in many place in an attempt to get tenants to fill these vacancies that are occurring everywhere.

I hold in my hand a full-page advertisement which not long ago appeared in the St. Louis Post-Dispatch.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. FISHER. I ask unanimous consent that I be allowed to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. FISHER. Mr. Chairman, this advertisement contains large pictures of these various public housing units in St. Louis, pleading with people to please come and apply for admission to these projects to fill the vacancies that have occurred there.

Here in the District of Columbia, to illustrate and to show that we are overdoing the thing, they put out a four-color placard advertisement trying to get people to come and apply for admission to these housing projects to fill the vacancies in the public-housing units in the District of Columbia. This is a very expensive proposition, four colors, a work of art, that is all at the taxpayers' expense. I think that is some evidence of the fact that we are kind of going too fast on this thing, and that it should be trimmed to the proper pattern so that it will conform with the basic philosophy behind public housing which is the filling of actual needs that result from these dislocations that occur from time to time.

As further evidence of the lack of need for so many of the projects, there is a widespread tendency at this time on the part of local public-housing projects and their directors all over the country to attract more prosperous people as tenants. That fact was noted by the Appropriations Committee in its report on the independent offices appropriation bill, a copy of which I hold in my hand. I want to read one sentence from that report:

> Abuses have come to the attention of the committee by certain local authorities where families with excessive incomes are permitted to enjoy subsidized housing.

No proponent of public housing can for a moment condone prosperous people, so-called, living in these places with their rents subsidized by the taxpayers of the country. These people should be treated like all the other people and should be forced to seek other places in which to live as everyone else is required to do who helps pay the tax bill.

Then, in addition to that, Mr. Chairman, my attention has been called to another situation, and I give this as one example which could be multiplied many times over. I have a clipping here from a newspaper in Pittsburgh which shows that 80 percent of the occupants of a public housing unit there are employed in the steel industry, the highest paid industrial workers in that area, according to the Bureau of Labor Statistics. They get $2.40 an hour and up. I cannot see that they should have their rentals subsidized by the taxpayers. Public housing is not intended to take care of people like that. Those steelworkers are still living in that public housing project. They did not move. They were not ordered to move, as has been represented by some. They are there now and presumably will be there from now on. In fact, the Allegheny County Housing Authority met after the steelworkers got a raise in 1955 and raised the ceiling on the income they could receive and still live in the subsidized housing units. That is the record.

All of this leads to the obvious necessity for some limitation to be written into the law, such as is included in the amendment now pending before the committee. So, Mr. Chairman, I urge that the amendment be adopted. As a result, we will get along better with this public housing problem from now on. And do not forget that every time we prevent one of these public housing from being built we have saved the American taxpayers more than $20,000. Those of you who talk about economy have an opportunity to do something about it right here. This amendment alone, if adopted and kept in the law, will save the taxpayers ten of millions of dollars, and

make no mistake about that. I know what it will do.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on the Edmondson amendment and all amendments thereto conclude at 3:30.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. YATES. Mr. Chairman, I object.

Mr. SPENCE. Mr. Chairman, I move that all debate on the Edmondson substitute and all amendments thereto conclude at 3:40.

The motion was agreed to.

Mr. YATES. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. YATES. I want to speak in opposition to the amendment offered by the gentleman from Texas, and in addition to that I have an amendment of my own which I want to offer. Must I do both in the 3 minutes accorded to me?

The CHAIRMAN. Without objection, the Chair will recognize the gentleman for a minute and a half in opposition, if that is what he wants to do, on this amendment, and then a minute and a half later on his amendment.

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, it is impossible, obviously, to attempt to reply in the brief time allotted to me, to the unfortunate amendment offered by the gentleman from Texas [Mr. FISHER]. This bill, described as a compromise by the able author of the bill, the gentleman from Alabama [Mr. RAINES], is not adequate to take care of the housing needs of those who live in the large urban communities. It is designed to give life to a flagging home-building industry and most of its benefits go toward construction of small homes. In that respect, it may offer some advantages to those who live in the suburbs, but not to city dwellers. The only feature which is attractive and offers some semblance of hope is that which grants funds to FNMA for special assistance projects and requires that agency to purchase them at par.

There are no additional units of public housing authorized, the necessity for slum clearance and urban renewal is recognized only to a minimum degree, and the needs of veritable living in communities such as Chicago are almost passed over.

It had been hoped that the question of public housing would be taken up in another body where it might receive a more hospitable reception. Now, to add insult to injury, the gentleman from Texas [Mr. FISHER], who is perhaps the most dedicated opponent of public housing, suddenly offers an amendment which reaches into the meager supply of public housing units already authorized and establishes additional roadblocks to fulfillment of the program. The gentleman has made many statements, most of which are founded on opinion rather than fact. The examples of flagrant abuse of the public housing program which he cites, namely, the full-page advertising, the excess income tenants, the many colored advertising cards, are distinguished by being exceptions rather than the rule. Is it not a paltry thing when the gentleman comes forward and offers such examples as being representative of the operation of the public housing program, when they are not representative at all?

I am a member of the Independent Offices Subcommittee of the Appropriations Committee which first considered the very material which the gentleman from Texas now waves before the House. The newspaper advertisement taken out by the St. Louis Public Housing Authority is an isolated example. The gentleman called attention to this fact before when the independent offices appropriations bill was on the floor some months ago. In the interim he has not been able to find another example of any such abuse. The Public Housing Authority has already been cautioned against such expenditures.

The gentleman from Texas calls attention to the abuses existing by excess-income tenants as though this were a common fault throughout the country. It is true that many public housing tenants enjoy a significant increase in income during their tenure in projects after having qualified when they moved in. With their income rise they are required to find other housing and for many tenants, particularly those who belong to the minority races, housing is not immediately found for the asking. There is still a tremendous shortage of housing at prices people can afford to pay and pending a reasonable opportunity to find a place to move for themselves, the Public Housing Administration requires excess-income tenants to pay a graduated scale of increases, depending upon their income. This point was made very clear in the debates that took place when the independent offices bill was on the floor. Yet the matter is presented as though it were a significant discovery offered now to the House for the first time.

The gentleman speaks of only 40 units having been constructed from the 35,000 units which have been authorized. I do not know whether this is true, but I would not doubt it in view of the many roadblocks that have been placed in the way of operating the public housing program by its opponents. Restriction has followed restriction. Limitation has followed limitation. Each year a program which has survived one set of obstacles is compelled to reverse itself or to operate in slow gear until it can work through the new restrictions that are attached to the legislation. Is it any wonder that such slow progress is being made in completion of this necessary program, when its opponents reach back to trip it up?

Section 2 of the Public Housing Act of 1949 stating the national housing policy, declares:

The Congress hereby declares that the general welfare and security of the Nation and the health and living standards of its people require housing production and related community development sufficient to remedy the serious housing shortage, the elimination of substandard and other inadequate housing through the clearance of slums and blighted areas, and the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family, thus contributing to the development and redevelopment of communities and to the advancement of the growth, wealth, and security of the Nation.

This looks to the provision of housing for all Americans. It contemplates giving to the people of urban communities, destined because of their income to raise their children in dilapidated, unhealthy, un-American slums, the opportunity to bring their children into the sunshine—of giving every American family the right to decent living conditions in a good neighborhood. The amendment offered by the gentleman from Texas would destroy that objective. It guarantees the provision of housing only to those who can afford to pay. It takes away from those who cannot afford to pay for housing at today's prices, the only opportunity they have for decent living conditions.

Private industry will not suffer by this program because private industry cannot build houses at prices within the grasp of those qualified to live in public housing projects. This was long ago set forth by the late Senator Taft in his rationale for filing a bill containing a public-housing program. Nevertheless, the attacks still persist.

Mr. Chairman, this is a bad amendment. I urge the House to vote it down.

The CHAIRMAN. The question is on the Fisher amendment to the Edmondson substitute.

The question was taken; and on a division (demanded by Mr. FISHER) there were—ayes 81, noes 59.

Mr. SPENCE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. FISHER and Mr. MULTER.

The Committee again divided, and the tellers reported that there were—ayes 144, noes 78.

So the amendment to the substitute was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. MORRIS].

Mr. MORRIS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MORRIS to the substitute amendment offered by Mr. EDMONDSON: On page 9, after line 9, insert the following:

"SEC. 111. Title 11 of the National Housing Act, as amended, is amended by adding at the end thereof a new section, as follows:

"'SEC. 229. (a) Notwithstanding any other provision of this title, and in addition to mortgages insured under section 203 or 207, the Commissioner may insure and make commitments to insure any mortgage under this section which meets, except as hereinafter provided, the eligibility requirements set forth in such sections: *Provided*, That no mortgage shall be insured under this section unless the Secretary of Defense or his designee shall have certified to the Commissioner that the housing with respect to which the mortgage is issued is necessary in the interest of national defense. Such certification shall be evidence to the Commissioner of the need for such housing and that such project or property is an acceptable risk in place of any other requirement in this act that the project or property meet a requirement of economic soundness: *Provided*, That the Secretary or his designee with the approval of the Commissioner shall have determined that adequate housing is not available for personnel of the armed services at reasonable rentals within reasonable commuting distance of the installation and that the mortgaged property will not so far as can reasonably be foreseen substantially curtail occupancy in existing housing covered by mortgages insured under this act.

"'(b) Except as otherwise provided herein, the provisions of this title relating to mortgages insured under section 203 or 207, respectively, shall be applicable to mortgages insured under this section which meet the eligibility requirements of such sections.

"'(c) In the case of any mortgage insured under this section meeting the eligibility requirements of section 207, the principal obligation of such mortgage shall, notwithstanding the provisions of section 207 (c) (2), not exceed 90 percent of the estimated value of the property or project when the proposed improvements are completed.

"'(d) The Commissioner shall require that each dwelling covered by a mortgage insured under this section shall be held for rental for a period of not less than 4 years after the dwelling is made available for initial occupancy or until advised by the Secretary of Defense or his designee that the housing may be released from such rental conditions. Priority in sale or rental of dwellings covered by mortgage insured under this section shall be required and given to essential military and permanent personnel of the armed services as evidenced by certification issued by the Secretary of Defense or his designee.'"

Mr. MORRIS. Mr. Chairman, I do not see why anyone should be opposed to this amendment. The amendment is applicable to the Edmondson substitute for the Talle amendment or the Talle amendment or to the bill itself. It does not in any way affect the general tenor of the bill. It does not provide for any new funds whatsoever. It very definitely has to do with our national-defense needs. It simply provides in substance that in these isolated military installations or where they are surrounded by small towns, that if the Secretary of Defense and the Commissioner, getting together, find that our defense needs require our boys, servicemen and those working in the Army camps and so on to have more decent homes in which to live, that such homes can be built. They are for rental purposes, and for not less than 4 years. They cannot build them unless they agree to rent them for at least 4 years.

Mr. RAINS. Mr. Chairman, will the gentleman yield?

Mr. MORRIS. I yield.

Mr. RAINS. Would the gentleman inform us whether his amendment, as he now offers it, is an amendment to the Edmondson amendment?

Mr. MORRIS. Yes. It is an amendment to the Edmondson substitute. Of course, I do not know what is going to happen to these amendments so I am going to offer my amendment to every one of them as they come along, if I can do so. My amendment will not change anybody's bill, but it will give us good legislation.

Mr. RAINS. Does the gentleman have any objection to changing the wording of his amendment down near the bottom, just before the word *"Provided,"* where it says, "Such certification shall be evidenced by the Commissioner of the need for such housing," to read "That on such certification, the Commissioner may consider the economic feasibility of the housing"? What you are really doing is directing the FHA not to have anything to do with this.

Mr. MORRIS. If I agree to that, would the gentleman agree to go along with my amendment?

Mr. RAINS. I have no objection to that part of it, but I think that language ought to be changed.

Mr. MORRIS. Mr. Chairman, I hardly have had time to explain my amendment to the committee. The amendment is a good one, and I do not see any reason why it should not be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. MORRIS] to the amendment offered by the gentleman from Oklahoma [Mr. EDMONDSON].

The question was taken; and on a division (demanded by Mr. MORRIS) there were—ayes 40, noes 81.

So the amendment to the amendment was rejected.

The CHAIRMAN. The gentleman from Texas [Mr. MAHON] is recognized.

Mr. MAHON. Mr. Chairman, I wish to again raise the question which I raised yesterday. The original housing bill and these substitutes involve very heavily the battle of the budget. Thus far the House has reduced the President's appropriation budget by $1,140,000,000. We have increased the obligational authority in another bill already passed by $200 million. The committee bill would increase the President's obligational budget by $900 million. The Talle substitute would increase it by about $1.4 billion and the Edmondson substitute would increase it by about $1.25 billion. The adoption of any spending version of the housing bill would blot out all the savings in the President's obligational budget which have been thus far made this year by the House of Representatives.

I want to make myself clear. I am not saying that this would represent an increase in appropriations. In the original committee bill we have provided obligational authority above the President's budget in the sum of $900 million.

There are several ways to create obligational authority. Direct appropriation can be used. Loans like loans through the REA or other type loans or grants or guaranties can be used to create obligational authority. All new obligational authority does not necessarily mean an eventual expenditure or loss by the Government, but there must be a possibility of such loss or expenditure.

It is perfectly clear that when the fiscal year is over and in August, when the President issues his midyear budget statement, as he did last year, on the tally sheet with Congress, he will include these many obligations of the Government which Congress approves and the statement would show as of this date that we made no reductions in the President's budget with respect to obligational authority. That point cannot be challenged, in my judgment, and it is worthy of sober consideration. Of course, Congress has much work yet to do and we cannot predict the final results that will appear in August.

May I refer Members of the House to page 9 of the committee report which shows the Federal National Mortgage Association figure of $2,600,000,000. The comparable figure in the President's budget is $1,700,000,000. I refer to the language in the report as to the nature of the obligation involved. I refer to page 321 of the President's budget which has further reference to this problem. I refer to page 7 of the 1957 Federal Budget Midyear Review which was published on August 28, 1956, by the Bureau of the Budget. It will be noted on page 7 that for the fiscal year 1957 Congress last year exceeded the President's budget in new obligational authority in the sum of approximately $2 billion.

To put this whole matter in better focus, I should like to point out that last year we cut the President's appropriations budget in the sum of one-quarter billion dollars, but through obligational authority otherwise we exceeded the President's budget by a very considerable sum, making the final tally sheet look bad from the standpoint of Congress.

We have worked so hard to achieve a reduction in the President's budget this year, I regret to see us sustain such a terrific loss in the passage of this housing bill. I realize that from the standpoint of actual losses to the taxpayer there may be little as a result of our proposed action today; but from the standpoint of the table showing Congressional action with respect to new obligational authority of the Government the loss will be clear. When a summation is made at the end of this Congress of actions taken, the tally sheet will show that we have exceeded the budget in this action today by hundreds of millions of dollars, and the American people will not be supplied with the detailed explanation of all the items in the tally sheet.

I am not arguing against the housing bill. I am by no means expert in this field, and I assume that it is necessary to provide this additional obligational authority above the President's budget. However, I feel it my duty, in order to keep the record straight, to make these observations to the House of Representatives.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The Chair recognizes the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, I offer an amendment, which is at the desk, to the amendment.

The Clerk read as follows:

Amendment offered by Mr. VURSELL to the substitute offered by Mr. EDMONDSON: On page 11, line 11, delete "$250,000,000" and substitute in lieu thereof "$175,000,000."

Mr. VURSELL. Mr. Chairman, I am offering this amendment for the reason that if the Talle amendment, or substitute to the committee bill, is approved, this amendment could not then be offered. I am offering it to improve the Talle substitute now before us.

I am offering it because in the recent hearings before the Independent Offices Committee, the Housing and Home Finance Agency gave pages of testimony

before our committee in seeking funds to implement all phases of the Federal housing program, and offered pages of testimony in the interest of urban redevelopment and slum clearance, which is one of the most expansive and expensive Federal programs.

I am offering this amendment because the people generally, the chambers of commerce, and business organizations have been putting pressure upon the Congress, as never before, to achieve economy by reducing authorizations and appropriations.

Mr. Chairman, may I repeat, the purpose of my amendment is to reduce the obligational authority of the Housing and Home Finance Agency for urban renewal capital grants from $250 million for the next fiscal year to $175 million.

Mr. Chairman, now listen to this breakdown: Since 1949, the Congress has authorized $900 million in urban renewal capital grants. As of March 1, 1957, some $853,800,000 of this $900 million has been reserved for 441 local renewal projects, and 18 demonstration projects. However, of this $854 million only about $261,555 has actually been expended on completed projects. There is enough money appropriated now to last 4 years. Does this indicate that we need to authorize in this bill another $250 million today? Listen to this: Only $261,555 has been expended on completed projects, $253,264,820 has been authorized for projects in the execution stage, and $138,163,191 for projects in the final planning stage. In other words, only $391,689,566 of this $900 million has been rather firmly committed, with the balance of $461,744,385 reserved, but not committed. A good portion of this $462 million will very probably be recaptured, as projects fail, of completion, or are withdrawn for various reasons.

We, therefore, have this situation: About $462 million not firmly committed plus $47 million remaining of the $900 million authorizaiton, and an additional $100 million available to the President to use at his discretion for this same purpose. This gives you a pipeline uncommitted of grants to be handed out to the cities and municipalities of $609 million.

If the Congress were to reject the entire $250 million in the bill, the Housing Administration would still have about $607 million including the President's fund of $100 million for free grants to cities and municipalities.

Mr. Chairman, now my amendment reduces their requests for new authorization by only $75 million of the $250 million requested in this bill, which would still allow them $175 million in new obligational authority.

I want to emphasize, the Appropriations Committee has no control over this obligational authority. Once the contracts are executed, there is a contractual obligation to spend the money. This means for several years in the future the Congress will have to appropriate this $900 million which has been authorized during the past 8 years.

This program is essentially an urban program and this $854 million already reserved has been available almost without exception to every metropolitan area in the country and many smaller communities.

Now, let's keep the picture in focus. The Housing Administration now has authorized obligational authority to use $900 million plus the $100 million fund at the President's discretion—making a total of $1 billion. They use this money to pay two-thirds of the cost of urban renewal and slum clearance, and the Government will never get any of it back. These funds are grants—handouts from the Federal Treasury.

Now, if we give them the $250 million requested in the Talle substitute, and the committee bill, they will have at their disposal $1,250,000,000.

I am asking the Congress to put up a red-light warning by reducing this vast amount only $75 million.

Mr. Chairman, now I want to quote from the testimony of the Housing and Home Finance Agency Administrator, Albert Cole.

On March 15, in testifying before the Housing Subcommittee of the House Banking and Currency Committee, Mr. Cole was questioned as to why the administration had reduced its estimate for the next fiscal year from $250 million to $175 million. Mr. Cole replied as follows—page 765 of the hearings on the Housing Act of 1957 before the Housing Subcommittee of the House Committee on Banking and Currency:

Mr. COLE. You ask why, when we submitted the budget, we asked for $250 million, and then some weeks later we now ask for $175 million. This is because we have reexamined the budget in the light of the economic situation, right or wrong. We think the pressures on the economy of our country have grown materially since the Middle East situation arose, and since the need for greater military and foreign aid became apparent.

We think that it is important that we sustain a high military budget, and a budget for foreign aid, and therefore we have felt in the Housing Agency, and I think I can say on the part of the administration, although I don't speak now for the rest of the administration, just as I said a moment ago, I speak for housing, we feel that we can, and I say this to you, I can, as Administrator, conscientiously support this budget of $175 million for new obligational authorities. This we think will cause us quite frankly to reexamine some of the new applications which may come before us. We may have to decide that perhaps we cannot approve projects of the size and extent that perhaps might have been presented to us under a larger program.

On the other hand, we do believe that with $175 million in new obligational authority we can go ahead with a progressive and strong program of slum clearance and redevelopment.

Mr. Chairman, some weeks ago the House of Representatives adopted a resolution calling upon the President to advise the Congress as to where the budget might be cut. This is one item which the administration has reviewed and has concluded that the taxpayers could be spared $75 million in new obligational authority.

With almost $900 million in the pipeline and very little of this actually expended, the Congress should not feel it necessary to pump money into the program at the same rate as it has done so generously during the past years. It might be well for the Congress to hold up new authorizations until a substantial number of the projects have been completed and a substantial portion of the $900 million already authorized is actually expended.

Recently several mayors of large cities appeared before the Committees on Banking and Currency of the two Houses in opposition to the reduction of $250 million to $175 million for urban renewal capital grants.

The absent element in the pleas of these mayors was the amount of money already available to their cities which would not be affected by this reduction. Here they are:

	Million
Chicago, Ill.	76
Boston, Mass.	9
Philadelphia, Pa.	41
Nashville, Tenn.	17
New York City, N. Y.	92
New Haven, Conn.	17
Baltimore, Md.	14
Wilmington, Del.	2

We ought to heed the recommendations of the administration for this $75 million reduction in these capital grant authorizations and support my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. VURSELL] to the amendment.

The question was taken; and on a division (demanded by Mr. VURSELL) there were—ayes 48, noes 76.

So the amendment to the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YATES to the substitute offered by Mr. EDMONDSON: Page 15, line 7, after the word "materials", insert: "Such study shall be designed and made to cover the residential housing needs of all segments of the population, including those segments which are unable to obtain adequate or sufficient housing under established home financing programs."

Mr. YATES. Mr. Chairman, this is an amendment to that part of the bill which provides for a mortgage-credit study. The provision is contained in the Edmondson substitute, in the Talle bill, and in the original Rains bill. One would think that there was no need for such an amendment—that any studies and analyses made of mortgage credit would cover the housing needs of our entire population—but, unfortunately, this has not been true. There is a tremendous paucity of information regarding credit facilities offered for the consideration of minority housing. That is the purpose of my amendment—to insist that the study cover the housing needs of all segments of our population, including members of minority races.

It is as necessary in the South as it is in the North. Studies made of families displaced by slum-clearance projects indicate that approximately only one-third qualify for residence in public housing projects. The remaining two-thirds having incomes in excess of qualifying amounts must find private housing. Unfortunately for many of these people, such housing is not available, not only because of the high costs today but because of other restrictions placed in their way.

It is hoped that this study will lay the foundation for the increase of additional insurance for members of minority races by FHA. To date progress has been slow—much too slow. A tremendous need exists for FHA assistance to members of minority races, which, unfortunately, is not being adequately considered. This amendment could be the first step in making more credit available to members of minority races.

I urge passage of my amendment.

Mr. RAINS. And it does not cost any extra money.

Mr. YATES. It does not cost any extra money. It is in the Talle bill, in the original bill, and in the Edmondson amendment.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield.

Mr. EDMONDSON. I think the amendment will help the bill. I will support the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois to the Edmondson substitute.

The amendment to the substitute was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. VANIK] for 3 minutes or less.

Mr. VANIK. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SISK].

Mr. SISK. Mr. Chairman——

Mr. SHUFORD. Mr. Chairman, will the gentleman yield?

Mr. SISK. I shall be very happy to yield to my colleague from North Carolina.

Mr. SHUFORD. I appreciate very much this opportunity to speak to the House in connection with the Edmondson amendment. As chairman of the Housing Subcommittee of the Veterans' Affairs Committee I think this amendment meets the objections that we had to the original bill and to the so-called Talle amendment, and I want to associate myself with the gentleman in supporting this amendment. I thank the gentleman.

Mr. SISK. I thank my colleague from North Carolina. I took this time simply to say that very thing, that I am here to completely endorse the Edmondson amendment that has been offered. I think it does the thing all of have been most desirous of doing. It also eliminates some of the conflicts and controversies that exist over the original bill. I hope that the Edmondson amendment will be adopted.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Illinois.

Mr. YATES. I want the gentleman to know I agree with him completely. The hope of those who come from the big cities for adequate housing is included in the Edmondson amendment and is not in the Talle substitute.

Mr. SISK. I thank the gentleman. Some are concerned about the amendment that was adopted a little while ago, the amendment offered by the gentleman from Texas. I would like to ask that you do not oppose the Edmondson substitute because of that amendment. I have heard some comments to that effect. I know this is something that you experience from time to time. I would rather have had it voted down, but the other body is going to operate on this bill and maybe it can take us off the spot so far as that particular amendment is concerned.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'HARA of Illinois to the substitute offered by Mr. EDMONDSON: Amend section 302 to read as follows:

"SEC. 302. Section 106 (12) of the Housing Act of 1949 is amended (1) by striking out $2,000 and inserting in lieu thereof $3,000; and (2) by adding at the end thereof the following sentence: Such rules and regulations may include provisions authorizing the payment to individuals, families, and business concerns of fixed amounts not to exceed $100 in the case of an individual or family, or $3,000 in the case of any business concern in lieu of the respective reasonable and necessary moving expenses."

Mr. O'HARA of Illinois. Mr. Chairman, if I were able adequately to explain this amendment I do not believe a single vote would be cast against it. Briefly, all it does is to raise from $2,000 to $3,000 the permissible amount that may be paid in proper cases to a dislocated small-business tenant and to correct existing administrative inequities by providing that whenever justified by the circumstances, lump-sum payments may be made in lieu of moving expenses, exactly as we are doing in the case of individual residential tenants.

These small-business men are being dislocated, not for their own profit or convenience but to the contrary. It is part of the rebuilding of our cities that is going on. Many of them have businesses that have been established for 20 or more years. In some cases the $2,000 allowance for moving expenses is ruinously inadequate. This amendment merely provides a remedy in those cases where it is warranted. I trust that there is not a Member on either side of the aisle who would wish to do an injustice to these small-business tenants that are being dislocated. When yesterday I presented the same amendment as an amendment to the Talle amendment, I noticed that the vote was largely on party lines. I trust such will not be the case today. This is a matter of doing the decent and honest thing, and I cannot see any place for a dividing line in the area of decency and honesty.

I trust the amendment will be accepted by the author of the pending amendment and by all members of the committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. O'HARA] to the amendment offered by the gentleman from Oklahoma [Mr. EDMONDSON].

The question was taken; and on a division (demanded by Mr. O'HARA of Illinois) there were—ayes 52, noes 92.

So the amendment to the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS of Louisiana. Mr. Chairman, if I may do so in a parliamentary manner, I would like to yield to my colleague, the gentleman from Louisiana [Mr. LONG].

The CHAIRMAN. The gentleman may do so.

Mr. LONG. Mr. Chairman, I rise in support of the Edmondson substitute. I have had some experience with housing legislation in this Congress, and I think this is the best thing that has been offered.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, without in any way retracting any of the many things I said in support of the original Spence-Rains bill as reported by the committee, and against the Talle substitute, I now urge that the Edmondson substitute for the Talle amendment be adopted as the best compromise we can get under the circumstances.

May I indicate to the membership that the only objection that came from the Committee on Banking and Currency when the bill was reported was against that feature of the bill which dealt with use of the National Service Life Insurance funds. That is now out of the Edmondson substitute. As much as I would like to see it there, or even a stronger provision, it is not in the Edmondson substitute.

The Edmondson substitute omits many other good features of the committee bill, which, however, were objected to on the floor. It contains 1 or 2 items which could better be omitted.

Nevertheless, it is far superior to the Talle amendment. That being the best that can be done under the circumstances, the Edmondson substitute should prevail.

May I also indicate that I do not agree with my distinguished colleague on the other side of the aisle who serves on the Committee on Banking and Currency with us, that all of the know-how on housing legislation is vested in the members of the Committee on Banking and Currency. I believe that gentlemen, like the distinguished Representative from Oklahoma [Mr. EDMONDSON], can bring just as good thought and wisdom to bear on the subject as we can. Sometimes I think those not quite as wrapped up in the subject as we are, can do even better. I am sure that is the case, when judged by these two amendments.

I urge adoption of the Edmondson substitute.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. EDMONDSON].

Mr. EDMONDSON. Mr. Chairman, I would like to say at the outset that despite the kind words from the gentleman from Iowa, I have no great pride of authorship in this substitute. I am deeply indebted to the members of the Committee on Banking and Currency, to the staff of the Committee on Banking and Currency, and to the members of the House Committee on Veterans' Affairs for contributions to this legislation. I am also indebted to the gentleman from Iowa [Mr. TALLE] for a large portion of the language in it.

If you believe in small downpayments on low-cost housing for the lower income families, if you believe in some restraint authority in law over excessive discounts, and if you believe it is a good time to save a quarter of a billion dollars by reducing the Talle figure by $250 million, then I hope you will vote for this substitute.

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Texas.

Mr. TEAGUE of Texas. Mr. Chairman, I would like to express my appreciation to the gentleman from Oklahoma for the work he has done and I hope that his substitute will be adopted.

Mr. EDMONDSON. I thank the gentleman.

Mr. CHRISTOPHER. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Missouri.

Mr. CHRISTOPHER. I would like to say as a member of the Committee on Veterans' Affairs that I am endorsing the substitute offered by the gentleman from Oklahoma and I hope it prevails.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from New York.

Mr. SANTANGELO. I wish to tell the gentleman from Oklahoma that I think his bill is an intelligent approach to a problem which is besetting all the veterans and other people who are trying to build a home, and I shall favor his amendment with enthusiasm.

Mr. EDMONDSON. I thank the gentleman.

Let me say one further thing. This substitute is not perfection by any means, but I believe it is the best thing that we can achieve on the floor today.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I am very anxious to see some satisfactory housing legislation passed. Legislation is often the result of compromise, conciliation, and concession. The Edmondson amendment is the result of such action. It contains many of the desirable provisions of the committee bill. It has the provision with respect to control of discounts. It contains the special assistance provisions of the committee bill and the requirement that such mortgages shall be purchased at par. It reduces the amount available for FNMA and reduces the downpayments on FHA mortgages.

I think this is a satisfactory compromise. I favor the Edmondson amendment and hope and trust that it will be agreed to.

Mr. VANIK. Mr. Chairman, although this legislation has many shortcomings, it seems to represent the maximum that this Congress will consider at this time on the important problem of housing.

I cannot overemphasize the need for housing facilities in the large urban communities like my city of Cleveland. There is a tremendous market for low-cost private dwelling places and low rent private and public apartments. The vacancy rate in my community is perhaps among the lowest in the Nation. At our current rate of growth and population increase we face a severe housing dilemma.

I regret that I must vigorously oppose the amendment submitted by the gentleman from Texas, Hon. O. C. FISHER, to limit the use of new public housing facilities to only those persons necessarily relocated by action of the State, Federal, or local governments. This restricted use of public housing would deny new public housing to the tremendous numbers of family units supported entirely or in part by public and private welfare agencies. It would deny new housing accommodations to the golden age couples and the tremendous number of low-income families who have no other possibility of adequate housing. This amendment would multiply the critical housing problem with which my community is faced. It would be cruel; it would be inhumane.

If the Fisher amendment is retained in this legislation, it will make this measure unacceptable for the reason that it would create more housing problems than it would solve.

The CHAIRMAN. All time has expired.

The question is on the substitute offered by the gentleman from Oklahoma [Mr. EDMONDSON], as amended, for the amendment offered by the gentleman from Iowa [Mr. TALLE].

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. TALLE. Mr. Chairman, I ask for a division.

Mr. MARTIN. Mr. Chairman, I demand tellers.

Tellers were ordered and the Chairman appointed as tellers Mr. TALLE and Mr. EDMONDSON.

The Committee divided, and the tellers reported that there were—ayes 172, noes 142.

So the substitute for the Talle amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. TALLE], as amended by the substitute.

The amendment, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose, and the Speaker having resumed the Chair, Mr. MILLS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes, pursuant to House Resolution 246, he reported the bill back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, I take this time to congratulate my colleague, the gentleman from Oklahoma, upon the excellent job he did in working out a very fine compromise housing bill. I am proud that my colleague will have the distinction and honor of having this bill bear his name. He has done a splendid job and deserve the commendation of the House and of the people of this country.

Mr. SHELLEY. Mr. Speaker, aside from the national importance of legislation to stimulate the home-building industry, which has been discussed at great length during the debate on H. R. 6659, I want to stress the critical situation the construction industry faces in the San Francisco Bay area right at this moment as a result of the tight-money market and the inability to obtain investment money at reasonable interest rates. I am sure that the San Francisco crisis is multiplied many times over throughout the Nation, but I want to cite the experience in my own area on which I have some depressing figures.

A recent San Francisco newspaper article gives a graphic picture of the situation in its opening paragraph, using a figure of speech particularly appropriate to the local area. The article says and I quote: "Bay area home building, a mainstay of the big boom, has begun to look like a tract house hit by an earthquake." I have been watching the local home building decline from month to month for some time now, and it begins to look to me as if the recent California earthquake would have been a blessing if it had hit Washington instead and shaken the administration loose from its complacent attachment to the disastrous

tight money, high interest policy which it deliberately set in motion and which is directly responsible for the predicament home builders and buyers are now in.

March in California normally signals the beginning of a spring construction boom, even in a bad year. But this year bay area contractors started construction of fewer houses than in any March in the past decade, and this is in the face of an increasing demand for reasonably priced housing caused by our heavy population increase. According to the Department of Labor, "the normal spring upturn in the bay area was almost completely absent." As a matter of fact March 1957 building permits were 45 percent under those issued in the same month in 1956, and barely exceeded the February total which is a slow winter month.

The result of this is not only to deny new homes to people who are crying for a decent place to live, and to place contractors, particularly the smaller operators with small resources, into a very bad position financially, but to cause heavy unemployment among construction workers at a time when they normally expect to find steady work after the winter layoffs. As an example, of approximately 4,200 carpenters in the San Francisco Bay area, almost 25 percent are out of work. Unemployment insurance claims in the area for March rose 11 percent over the February total due almost entirely to the lack of home building. If we translate that from the cold figures into terms of what it means to individuals and to their families it is not a pretty story. What it amounts to is that the administration's tight money policy forces a tighten-the-belt policy on the man who cannot find work at his trade and on his wife and children. The bankers and investment interests do not complain, but then they are getting fat on high interest rates for every type of investment and don't have to depend on a weekly pay envelope for food and clothing.

I certainly favor the provisions of this proposed legislation which will liberalize down-payment requirements on FHA loans as a means of stimulating home building. I am also in favor of the provisions of the bill which will attempt to limit the outrageous discounts and service charges lenders are now demanding in order to boost their interest return far above the 5 percent permitted by the law. I am not certain, however, that H. R. 6659 as it now stands will loosen the money market sufficiently to provide the stimulation the home construction industry needs to bring the annual rate of new home building up to the 2 million per year level needed. The present rate of less than 900,000 per year is far from enough, and is directly traceable to the unwillingness of the money lenders to invest until they can force interest rates even higher than they now are. They are indulging in a form of blackmail and I strongly believe that Congress should be prepared to take action to break up the conspiracy. It seems to me that we should consider giving to the Federal Housing Authority and the Veterans' Administration increased authority to conduct a direct loan program in any area where private investment money is not made available in adequate amounts at the present legal interest rates and without excessive discounts, fees and charges. I do not believe it would be necessary to actually use this authority to any great extent, since the mere fact that it was there would, I am convinced, prove to the big banking and investment interests that we mean business. It would be accepted as evidence that the Congress does not condone nor intend to put up with the present administration's high interest tight money policies.

Mr. Speaker, such a proposal would bring back to the FHA and VA money markets the funds that are now being withheld by forcing prospective home buyers to borrow in the so-called free market where they must pay from 6 to 7 percent. It would serve effective notice on the money lenders and their policy-making friends in the administration that, although they may be in the saddle in the White House and the Treasury, we will not allow their profiteering to be saddled on the people of this country.

Under unanimous consent, I insert the article from the San Francisco Daily News of April 22, to which I have referred, in the RECORD following these remarks and submit it for that purpose:

BAY AREA'S BOOM IN HOME BUILDING NEARING COLLAPSE

(By Stephen Warshaw)

Bay area home building, a mainstay of the big boom, has begun to look like a tract house hit by an earthquake.

The housing industry has the highest unemployment and is suffering the sharpest declines of any major industry here or across the Nation.

Primary reason is shortage of mortgage money; but the bankers and other lenders blamed for tight money have begun to snap back: "It's not our fault. The market for new housing is crippled anyway. Demand is down."

Whatever the cause, the question is whether any economic force is able to put Humpty Dumpty together again. The effects of the shattered boom in housing have begun to slow up business generally:

Of the 4,200 bay area carpenters, almost 25 percent are unemployed, according to union officials.

Their contention is supported by the California Department of Employment. Bay area unemployment-insurance claims increased by 11 percent from February to March, rising to 30,300. The cause of the increase, in a month when employment normally rises, is the failing housing industry, said H. W. Stewart, department director.

Bay area contractors started fewer houses in March than in any other March of the past decade.

The number of building permits slumped to 2,261. That was 45 percent less than in 1956, and barely 3 percent higher than in February, although construction normally rises sharply when spring arrives.

"The normal spring upturn (in the bay area), said the United States Department of Labor, "was almost completely absent."

While some builders find themselves unable to build or finance houses at a rate high enough to stay in business, they're also finding it necessary to choke off a large portion of the present market; construction costs continue to rise.

The bay area council demonstrates this through a set of plans it sends out periodically for bidding. The plans are for a conventional rustic redwood house of 1,020 square feet. It has three bedrooms and one bath.

In 1951 the house could be built for $8.96 a square foot. By 1954 the price had risen to $9.27 a square foot and last year it was $9.99. Today the price has taken another big jump; it is $10.54 a square foot.

"We're not building for poorer people, without much money to put down on housing," said a top official of the District Council of Carpenters. "There isn't one tract going now. You can't get a house for less than $14,000."

At the same time, there is no end of rising production costs in sight. More than 35,000 northern California construction workers will find $7.20 more in their paychecks this week. The rise was won in a 5-year contract signed last week by the District Council of Laborers and the Associated General Contractors.

Then, too, the carpenters, among the most skilled and best-paid construction workers, will receive another increase in June. It'll come under a 3-year contract signed in 1955 and, with fringe benefits, will increase their payroll by about 10 percent.

"Not many of us are going bankrupt, if any at all," said a spokesman for the contractors.

"We just aren't building. We saved ourselves only because we all decided to lay low, beginning last fall."

The contractors say the bankers must release more mortgage money at lower interest rates, or the economy will begin its feared decline. The bankers say they are not holding enough deposits to increase mortgages, that the free market has forced interest rates higher.

It is now almost impossible to get a GI loan, although Congress has refused to raise the 4½ percent interest rate. Most conventional loans are going for from 6 to 7 percent. In addition, as the News pointed out last winter, hidden discounts in mortgages raise the price of money far higher.

Nationally, the median price of a house has climbed relentlessly from $12,300 in 1954 to $13,700 in 1955 to a probable $15,500 in 1957, say the analysts.

The entire cutback has been in the middle to low income section of the market, largely supplied by the big builder who is dependent on FHA and VA financing.

By contrast, the market for conventionally financed housing has held steady. The proportion of starts for houses over $15,000 has climbed from 27 percent in 1954 to almost 60 percent this year.

Moreover, this State's struggle with its Cal-Vet loans—which go for a low 8 percent interest to California veterans only—proves that demand continues to ride high.

In February 16,000 veterans were waiting for the loans. Now 24,000, more than 11,000 of them in the bay area, are jamming Cal-Vet offices in the search for financing.

LEGISLATIVE PROGRAM

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, I have taken this time to ask the majority leader, the gentleman from Massachusetts, for information as to the legislative program.

Mr. McCORMACK. Mr. Speaker, the House will meet tomorrow, but there will be no legislative business. The reason for that is the desire on the part of some Members that the House meet so that there will be a legislative day in connection with a discharge petition.

Mr. MARTIN. What is the discharge petition?

Mr. McCORMACK. I think that is the postal pay raise bill. There is a desire on the part of some Members that a legislative day transpire in connection with that. But, as I said, there will be no business. Members, therefore, can govern themselves accordingly with the knowledge that there will be no legislative business tomorrow.

Monday is District Day. There are three bills from the District Committee.

There is H. R. 1937, authorization for the construction of a stadium.

H. R. 6454, amending the schoolteachers' retirement bill.

H. R. 4932, a bill increasing the rate of compensation for the director of the Metropolitan Police Force Band.

Following the District Day business, there is the bill (H. R. 52) increasing the rates of compensation for service-connected disabilities. That bill was on the program this week, but it is now being scheduled for Monday.

For Tuesday and the balance of the week, the program is as follows:

On Tuesday, the Agriculture Department appropriation bill for 1958.

Thereafter, the bill (H. R. 72) relating to guardians' gratuities with reference to veterans.

If a rule is reported out, the bill, H. R. 3658, will be taken up. That is the bill dealing with widow eligibility for Veterans' Administration benefits.

There is the usual reservation, of course, that any further program will be announced later.

Conference reports may be brought up at any time.

Mr. MARTIN. I thank the gentleman.

SERVICE-CONNECTED DISABILITY COMPENSATION

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, we sometimes overlook the fact that a disabled veteran lives out the rest of his life under an economic as well as a physical handicap. He thus has two strikes against him.

Excluding Government employment—where he is given preference—he is at a disadvantage when competing with able-bodied veterans and nonveterans for jobs in private industry.

As soon as the factory physician—with an eye on the insurance rates paid by his employer—discovers that the veteran applying for a job is disabled, he decides that the veteran is not employable. Although, by every practical standard, the veteran could easily do the work that he seeks, the company will not chance it.

This is a powerful reason, on the other hand, why the United States Government, in whose defense the veteran incurred his disability, should compensate him for those disabilities that curtail his opportunities to get a job or to earn his living.

Compensation rates have been frozen for several years, while the cost of living has been edging steadily higher, month after month.

These rates were tight to begin with, but they have constricted considerably since then, due to the shrinkage in the purchasing power of the dollar.

One hundred and eighty-one dollars a month is currently paid for total disability. This is the equivalent of less than $45 a week for a man who can do no work.

Granted that there are not many veterans who are totally disabled, what about those with 60 or 40 or 20-percent disability? Oftentimes, the compensation they receive is the thin margin by which they manage to live.

Therefore, a reasonable increase in service-connected compensation is in order, if we are to fulfill our obligations to them.

As any prospects for a decline in the cost of living seem remote, at best, it is incumbent upon us to raise disability compensation rates to a realistic level to compensate for the depreciated rates and the depreciated dependency allowances.

The plain truth of the matter is that present rates of disability compensation are inadequate, and this bill represents a modest effort to correct the deficiency.

I think it would help our perspective to check back through newspaper files and back issues of the CONGRESSIONAL RECORD, to 1944 or 1952, for example.

What we said and did then to express our gratitude to the veterans, and to implement it by legislation to pay them in part for the disabilities they suffered in defending our freedoms, applies with equal if not greater force today because their disabilities become more burdensome with the passage of time.

It is also well for us to bear in mind the hundreds of thousands of young men who are becoming veterans each year.

They, too, are concerned with our attitude toward veterans' problems in general.

Service-connected disability is not a condition that fades away with public apathy or is cured by legislative neglect.

It is a fact that must be dealt with in a forthright and honorable manner.

The Veterans' Affairs Committee, after lengthy and conscientious study of the increases in service-connected disability compensation proposed by H. R. 52, has favorably reported this bill to the House.

As one among many, I shall vote to make these increases become effective and as soon as possible.

UNITED STATES TREASURY IN A TRAP

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, I am inserting herewith an article by Sylvia Porter, who writes a daily column entitled "Your Money's Worth." This particular article that I am inserting is entitled, "Treasury in a Trap." It appeared in daily newspapers throughout the country on yesterday.

It is pointed out in this article that the Treasury is not receiving the vital support of the Federal Reserve System. This is unfortunate. Our Government needs the Federal Reserve System more today than ever before in history. The Treasury is facing a fiscal crisis. At the very time the Government needs the Federal Reserve the most, it is the least cooperative.

The Federal Reserve Board declared itself independent of the executive branch of the Government on March 4, 1951. It in effect declared it would no longer provide helpful participation in the Treasury's financing of the public debt. This was unfortunate.

The Board had been on the alert since the end of the war trying to decide when the time was opportune to declare itself independent of the executive in order to break the interest rate on the war debt. The time never seemed to be ripe until just before March 4, 1951, when President Truman's difficulties arising from the conduct of Korean hostilities had been seized on by an unfriendly press to undermine his popular support. At that time it was decided the time was ripe to declare the Board's independence. It was believed President Truman would not be strong enough to resist it. It was also well known he was going out of office, and naturally carried less prestige and standing as a President by reason of that fact alone.

President Truman entered a protest against the proposed action, and after meeting with the Open Market Committee, which included the 7 members of the Federal Reserve Board and 5 Presidents of the Federal Reserve Banks, he was given positive and definite assurance on January 31, 1951, that the Federal Reserve System would not let him down and would not let the Government down. They promised to continue to support Government bonds at par.

Mr. Thomas B. McCabe of Philadelphia, a member of the Republican Party, was serving as Chairman of the Board at that time when the promise was made. When the Board went ahead nevertheless and carried out its original intention of seceding from the Executive, Chairman Thomas B. McCabe naturally resigned. There is no evidence, in fact, there is not the least sign, that Chairman McCabe tried to keep the Board from violating its promise to the Chief Executive of the Nation.

All of our monetary and high interest problems and today's fiscal crisis go back to that particular action of the Federal Reserve Open Market Committee and Federal Reserve Board. That action gave notice to the world that Government bonds would go down and interest rates would go up and that the Treasury henceforth would be at the mercy of the private bankers in control of the money market.

President Truman appointed the present chairman, Mr. William McChesney Martin, Jr., who was at that time serving

in the United States Treasury under Secretary of the Treasury John Snyder. The President naturally had a right to expect Chairman Martin to carry out his known, expressed, and insistent views to hold the line on Government bonds, keep them at par, and keep the wholesale rate of money, the going interest rates on Government bonds, low, but Mr. Martin, appointed by President Truman in this climate and atmosphere, soon took up with and became a part of the group that was determined to start the hard money, high interest policy in our country. Since that time, Chairman Martin has been one of its most insistent, most aggressive, and most vigorous friends and supporters.

It is interesting to note that in the campaign of 1956, President Eisenhower, when asked about the hard money, high interest controversy, replied that it was the responsibility of the Federal Reserve and that the Federal Reserve Board was an independent body. However, yesterday at a press conference, when he was asked about the possible resignation of Secretary of the Treasury Humphrey, he was also asked about the possibility that this would mean a change in monetary policies, to be specific, the high interest policy. The President quickly replied to the effect that the Federal Reserve policy of hard money and high interest was his policy and that no one under him would be allowed to change it.

Miss Porter's article is as follows:

YOUR MONEY'S WORTH

TREASURY IN A TRAP

(By Sylvia Porter)

In late September 1954, the Treasury borrowed $4.1 billion from the Nation's banks and big corporations. Secretary Humphrey promised to pay 1⅝ percent interest on the loan and to repay the note on May 15, 1957.

Today, 1 week before the note runs out, the Treasury is in no position to pay off any loan of any size, much less one of $4 billion. On the contrary, the Treasury is in a grinding, relentless money squeeze—the worst since 1953.

So, Mr. Humphrey is appealing to those banks and corporations to extend the I. O. U.

He is offering to pay 3½ percent interest to any holders of the maturing notes if they'll extend the I. O. U. for only 11 months.

He is offering to pay 3⅝ percent interest to any who will extend the I. O. U. for 4¾ years.

Step-up in interest

These rates represent a step-up in interest of far more than 100 percent in just these 31 months.

And mind you, these rates are being offered by the highest credit risk in the world; they are on short-term loans on which default is, of course, unthinkable; they are well above the new rates that Congress has just reluctantly authorized the Treasury to pay on savings bonds.

Nevertheless, when the offer expires at midnight tonight and Mr. Humphrey's assistants begin to count the returns, it's a certainty they'll find a large number of holders of the maturing notes have said, in effect:

"Sorry, Uncle Sam, but you can't have our cash even at these rates and even for only 11 months. We want that money for other purposes."

It's a certainty, therefore, that the Treasury will be called upon to pay out many hundreds of millions of dollars in cash on May 15 to those who have said "No." And it's a certainty that it won't have enough money in the cashbox to meet this drain.

Not in a quarter-century has the Treasury been in so rough a spot. In recent years, as the demand for money has skyrocketed and interest rates have mounted, the Treasury has been compelled to take its place in the line and compete for what it needs.

The Federal Reserve System no longer is protecting the Treasury from the competition of the market.

It would be bad enough if all the Treasury had to do was extend loans as they came due. But it's much tougher than that. For while Congress argues about next year's budget, it is ignoring what is happening to spending in this current year.

Money is pouring out much faster than original Government estimates. Defense spending already is way over what it was scheduled to be on this date and that's a direct drain on the Treasury.

Holders of savings bonds are continuing to cash them in on a heavy scale. Every month more money is demanded to redeem bonds than is taken in via new sales of bonds and that's a direct drain on the Treasury, too. And as the big periodic loans come due—such as this May 15 I O U.'s—under investors also are asking to be paid off.

At this season of the year the Treasury is supposed to be rolling in greenbacks. You and I have just handed over billions in income taxes. Corporations handed over their billions March 15.

Instead, the Treasury has been in a money trap most of the time this year. And every time it has had to borrow at today's historically high rates, the Treasury itself has helped swell the budget because these borrowings add tens of millions to the already staggering annual cost of carrying the national debt.

Being Treasury Secretary today is no picnic. And relief is not yet in sight.

RUMANIAN INDEPENDENCE DAY

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. FEIGHAN] is recognized for 30 minutes.

Mr. FEIGHAN. Mr. Speaker, May 10 is Rumanian Independence Day. Many Members of Congress have, on this occasion, expressed their hopes for the early liberation of the Rumanian nation from the yoke of Russian communism. Through the years Members of Congress have made clear their hopes that Rumania will soon be free to celebrate its historic independence day not only here in the United States, but more important even in the homeland.

Rumanian national independence was destroyed by Moscow. During and following World War II the Russian Communists occupied the Rumanian nation. Large numbers of political agents and economic exploiters were sent from Russia into Rumania for the purpose of establishing an alien form of government. The true Rumanian leaders were either exiled or imprisoned and in their stead the Russians raised up some insignificant personalities to positions of control over the Rumanian people. The only qualifications possessed by these insignificant people were that they had been trained in the intrigues of communism and were willing to carry out the orders of their Russian masters.

It is now some 13 years since the Rumanian people were robbed of their national independence by the Russian Communists. During those years of darkness, the Russians have attempted to destroy the national and political life of the Rumanian nation—a life made rich by centuries of tradition. Every conceivable outrage has been practiced upon the Rumanians by their Communist occupiers, but the efforts of the Kremlin and its many helpers have been a failure because they, the Rumanian people, only await the opportunity to overthrow the alien regime which now controls their affairs, and to rid their country of the Russian troops placed there to prop up the alien regime.

Originally the Russians claimed they needed Red army occupation in Rumania to protect their communication lines and lines of supply to Austria. Accordingly, the so-called treaty signed in Paris in 1947 contained a specific provision authorizing Russian troops to be in Rumania for that purpose and that purpose alone. Now that Austria has been relieved of all occupation troops and the Red army has been withdrawn completely from Austria, the justification no longer exists for the quartering of Russian troops in Rumania.

This raises the question as to what has been done and can be done by our Government to bring about compliance with that treaty because we, among others, were signers of that treaty. No valid claim can possibly be made for retaining Red army troops in Rumania. Steps should be taken to force their removal. The United Nations should be used as a forum to draw attention to this situation. Consideration should be given to the sponsorship of an appropriate resolution in the General Assembly of the United Nations calling for the removal of all Red army troops from Rumania.

There is no doubt in my mind that if the Red army troops can be gotten out of Rumania it will not be long before the Rumanian people will be once again in control of their internal affairs. The Hungarian people demonstrated that an entire nation, when it rises up against the Russian occupier, is capable of throwing the Communist regime out of office even when the Red army occupies their country. The Rumanian people would not wait long to exercise their will after the Red army departs from their territory.

The United States, by supporting such action, would be making a positive contribution to peace. The continued occupation of Rumania by the Red army troops constitutes an ever-ready threat to world peace. It is therefore in our best national interests that we work toward such a goal.

The Rumanian people can be confident that the day is not far off when the Russian Communist empire will collapse and the Russians, as in the days of Genghis Khan, will be forced to retreat to the borders of ethnic Russia if they are to survive as a race. That is what the future surely holds for the modern-day Russian Empire. Let us all hope that day will come without delay.

Mr. MACHROWICZ. Mr. Speaker, will the gentleman yield?

Mr. FEIGHAN. I yield.

Mr. MACHROWICZ. The gentleman from Ohio now speaking in the well has,

I know, made a very profound study of the very tense struggle of the people behind the Iron Curtain for liberation, and has made a very great contribution here in Congress through his work in connection with various special committees. May I say that I join with him in his sentiment completely and sincerely trust that the people of Rumania will soon be able to get their full freedom.

PERMISSION TO FILE SEPARATE VIEWS

Mr. PRICE. Mr. Speaker, I ask unanimous consent that my colleague, the gentleman from California [Mr. HOLIFIELD], may have until midnight tonight to file separate views to accompany the committee report on the bill H. R. 7383, the atomic indemnity bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

SURVIVORS BENEFITS ACT OF 1956

Mr. WILSON of California. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WILSON of California. Mr. Speaker, when the Survivors Benefits Act of 1956 was passed by the Congress, provision was made for the extension of social-security credits to members of the armed services. Two periods of time were designated for this service, that period between September 16, 1940, to July 24, 1947, and the second period between July 25, 1947, to December 31, 1950. Any period of time served within these time periods was susceptible to credit under the Social Security Act, with the exception of those people who used any portion of the period for retirement purposes.

The maximum number of years creditable for retirement purposes is 30 years. Thus, an individual who completed 30 years on, say September 17, 1940, was deprived of the social-security credits he might have accumulated during the balance of the period that he served during World War II.

I have today introduced a measure which will correct this injustice and which will give a social security wage credit for such years served during this period that are not otherwise utilized for retirement purposes.

GENERAL SUMMARY OF TRINITY JOINT DEVELOPMENT ADVANTAGES

Mr. UTT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. UTT. Mr. Speaker, I have this day introduced a bill to provide for the joint development of the waterpower resources of the Trinity River division, Central Valley project, California, by the United States and the Pacific Gas & Electric Co., and herewith submit a general summary of Trinity joint development advantages.

The Trinity River project was authorized for construction by the Secretary of the Interior by an act of Congress approved August 12, 1955. The act contains the following provision:

> *Provided*, That the Secretary is authorized and directed to continue to a conclusion the engineering studies and negotiations with any non-Federal agency with respect to proposals to purchase falling water and, not later than 18 months from the date of enactment of this act, report the results of such negotiations, including the terms of a proposed agreement, if any, that may be reached, together with his recommendations thereon, which agreement, if any, shall not become effective until approved by Congress.

In strict adherence to this provision, the Secretary, through the United States Bureau of Reclamation, concluded the studies and negotiated an agreement with the Pacific Gas & Electric Co. which provides that the company will build and pay for the project's powerplants and related transmission facilities and pay the Federal Government an average of $4,600,000 a year for the use of falling water developed by the project.

On February 12 this year Secretary Seaton reported this proposed agreement to the Congress and recommended that it be approved according to the provisions of the act.

Secretary Seaton and others have marked plainly the benefits to the Federal Government and to the taxpayers which are to be derived from joint development of the Trinity River project. These benefits include the following:

First. Joint development will save $56 million of Federal funds in capital outlay for construction. It will reduce the Federal expenditure for the project by a full 25 percent. The importance of this cannot be overemphasized at this time when the Federal budget must be reduced by all reasonable and prudent means. Here the Congress is presented an opportunity to save $56 million without curtailing services to citizens in any way whatsoever. Indeed, it will be shown that the greatest good for the greatest number is best accomplished by joint development.

Second. The agreement recommended by the Secretary of the Interior will bring to the Federal Treasury $165 million more net revenue from payments received for temporary use of the falling water than will be realized from all-Federal development. The payments of Pacific Gas & Electric Co. for this water will average about $5.35 per acre-foot throughout the 50-year life of the contract. That $5.35 per acre-foot compares with $3.50 an acre-foot which San Joaquin Valley farmers pay for Central Valley project water.

Secretary Seaton stated in his report to the Congress that "Substantially more funds for irrigation and multipurpose development" will be derived from joint development of the Trinity. The evidence to support this conclusion cannot be challenged. Joint development offers a net gain in project revenues of $165 million from falling water payments alone. All-Federal Trinity development can contribute nothing to the financing of additional irrigation projects. Actually, the Secretary found that an all-Federal Trinity development would require a subsidy from the Central Valley project.

Third. Joint development will cause $145 million in taxes to be paid to Federal, State and local governments during the 50-year project repayment period. The Federal Treasury alone would receive $83 million, almost 1⅔ millions every year; another 1¼ millions would go annually to State and county governments for schools, roads and other local welfare expenditures.

Summarizing these 3 factors, it becomes apparent that the financial advantages of joint development are a saving in capital outlay of $56 million and a net gain in public benefits of $310 million.

It has been claimed that all-Federal development is essential to serve preference power customers residing in central and northern California. These customers constitute only 7 percent of the power users in this region. Only 7 percent of the populace—which now totals about 6 million—would derive any benefit whatever from the power that would be generated at Federal Trinity River powerhouses. And all the rest of the taxpayers in the area—and throughout the Nation—would pay more in taxes so that this favored few could pay less for taxfree power.

All the people of this vast region would benefit from the power generated by these facilities built and operated by the Pacific Gas & Electric Co. The power will be marketed with optimum economy through an interconnected power grid which is supported by a generating system of 4½ million kilowatt capacity. It will be sold at rates established by the competent regulatory authority of the State of California. Indeed, electric power rates charged by the regulated utilities of California are fair and reasonable and they compare very favorably with those charged in other areas of the Nation.

Thus, joint development of the Trinity benefits the vast majority, with a Federal budgetary saving of $56 million and public benefits totaling $310 million. All the taxpayers of the Nation would benefit. The net gains can be used to help finance other needed water developments, or reduce the cost of project water, or reduce taxes, or all three.

Partnership on the Trinity is clearly in the public interest. Just as clearly, all-Federal development is not.

COURAGE, DETERMINATION, AND PATRIOTISM

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include several newspaper articles and other material.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, all these in surpassing degree former Senator Joseph R. McCarthy had.

Just as charity was said to be the greatest of three cardinal virtues, patriotism was the Senator's ruling characteristic.

Memory recalls no instance when even the Senator's worst enemy—and they were neither few nor charitable—questioned his devotion to country. Criticism from high places never lessened his pursuit of those he deemed to be enemies of his country.

None of his colleagues, while doing their utmost to silence him, had the temerity during the long debate to even suggest that he lacked loyalty to his country.

Nor did they "censure" him. That word was stricken from the resolution adopted by 67 of his colleagues. The resolution stated that his conduct was "contrary to senatorial traditions and is hereby condemned." A most unusual disapproval of one's associates when the CONGRESSIONAL RECORD is read.

Reading the final debate, which came on December 2, 1954—CONGRESSIONAL RECORD, volume 100, part 12, 83d Congress, 2d session, pages 16349 to 16393—one is somewhat puzzled by the apparently frantic efforts to find words which would express disapproval of the Senator's criticism of those who opposed him.

Since that fateful day the Presiding Officer of the Senate has decided[1] that that body is not a continuing one. It follows that, upon a final adjournment, those serving in one session have no further legal authority to praise or condemn Members of a previous session.

So the resolution adopted on December 2, 1954, under the subsequent rulings of the Vice President, are nothing more, from an official standpoint, than the personal opinions of those who cast their votes for its adoption; it was but an idle gesture by a body which had no legal right to adopt it.

Joe McCarthy was clear sighted. He saw the danger inherent in communism. His experience in Washington and his familiarity with the Government's activities gave him to know that there were Communists in the policymaking and executive departments of his Government who threatened its very existence; Communists in Washington who not only held top official positions in the legislative and the executive departments, but who were welcomed and were entertained in the so-called highest social circles of the city.

His deep sincerity and his frankness, coupled with his determination to combat and destroy that destructive influence, would not permit him to step aside from his course to placate those blind to the danger, complacently accepting its existence.

Hence it was that, having one clear purpose and objective—the disclosure and banishment of communism from his loved country—he ignored those things and individuals which to him delayed or hindered his purpose, to banish communism, remove its advocates from official position in our Government.

Just as many another great patriot was vilified, sought to be crucified at the bar of public opinion, he was assailed.

Many of his critics, those who criticized him when alive; those who still continue their vilifications, are completely lacking in that virtue which they assert he did not possess—charity.

They cannot overlook, they cannot forgive, the force with which he sought to show them the light. Many resented his impatience with their inactivity to a danger to the Republic which he considered imminent.

Events occurring here in Washington after his death; the multitude of people who sought to honor him when dead—not only here but in the Wisconsin city near which he was born and grew to manhood, have already demonstrated that he, not those who criticized him, will long be remembered.

To me, the one tactical error which Joe committed was in forgetting that and armed services, that is, those in high command in those services, when occupying positions of trust and honor in civilian life, just cannot forget that they do not have absolute authority, exclusive absolute knowledge; cannot realize that they can be mistaken; that some in the service can be guilty of wrongdoing.

Joe called upon the Army and upon the Commander in Chief to stand up and submit to, and be measured by, standards which governed civilians, elected officials. True, the action of which information was sought was military. But it involved the principles which governed civilian life.

The Commander in Chief, the military, as upon rare occasions does the Congress, clammed up. It refused to give the Senator information as to whether the alleged Communist activities and affiliation of an individual who had been promoted actually existed.

Taking advantage of that situation, the Communists, the leftwingers, and those who disliked the Senator for personal or other reasons, turned upon him and sought to destroy him.

Undoubtedly, the pressure brought to bear seriously affected his health, hastened his death at 48.

That his true worth was appreciated; that the service which he rendered to his country will be remembered long after the names of his traducers have been forgotten is indicated by the letters and editorials which follow, and which are fair samples of the high regard in which the people hold him.

Permit me to read:

[From the News-Palladium, Benton Harbor, Mich., of May 4, 1957]

A PATRIOT DIES

The death of Wisconsin's Senator Joseph R. McCarthy at the age of 47 years has removed from the American political scene one of the most controversial figures of the Nation's history.

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[1] The Vice President stated (CONGRESSIONAL RECORD, Jan. 4, 1957, p. 178):

"Although there is a great volume of written comment and opinion to the effect that the Senate is a continuing body with continuing rules, as well as some opinion to the contrary, the Presiding Officer of the Senate has never ruled directly on this question. Since there are no binding precedents, we must first turn to the Constitution for guidance.

"The constitutional provision under which only one-third of the Senate membership is changed by election in each Congress can only be construed to indicate the intent of the framers that the Senate should be a continuing parliamentary body for at least some purposes. By practice for 167 years the rules of the Senate have been continued from one Congress to another.

"The Constitution also provides that 'each House may determine the rules of its proceedings.' This constitutional right is lodged in the membership of the Senate and it may be exercised by a majority of the Senate at any time. When the membership of the Senate changes, as it does upon the election of each Congress, it is the Chair's opinion that there can be no question that the majority of the new existing membership of the Senate, under the Constitution, have the power to determine the rules under which the Senate will proceed.

"The question, therefore, is, 'How can these two constitutional mandates be reconciled?'

"It is the opinion of the Chair that while the rules of the Senate have been continued from one Congress to another, the right of a current majority of the Senate at the beginning of a new Congress to adopt its own rules, stemming as it does from the Constitution itself, cannot be restricted or limited by rules adopted by a majority of the Senate in a previous Congress.

"Any provision of Senate rules adopted in a previous Congress which has the expressed or practical effect of denying the majority of the Senate in a new Congress the right to adopt the rules under which it desires to proceed is, in the opinion of the Chair, unconstitutional. It is also the opinion of the Chair that section 3 of rule 22 in practice has such an effect.

"The Chair emphasizes that this is only his own opinion, because under Senate precedents, a question of constitutionality can only be decided by the Senate itself, and not by the Chair.

"At the beginning of a session in a newly elected Congress, the Senate can indicate its will in regard to its rules in one of three ways:

"First. It can proceed to conduct its business under the Senate rules which were in effect in the previous Congress and thereby indicate by acquiescence that those rules continue in effect. This has been the practice in the past.

"Second. It can vote negatively when a motion is made to adopt new rules and by such action indicate approval of the previous rules.

"Third. It can vote affirmatively to proceed with the adoption of new rules.

"Turning to the parliamentary situation in which the Senate now find itself, if the motion to table should prevail, a majority of the Senate by such action would have indicated its approval of the previous rules of the Senate, and those rules would be binding on the Senate for the remainder of this Congress unless subsequently changed under those rules.

"If, on the other hand, the motion to lay on the table shall fail, the Senate can proceed with the adoption of rules under whatever procedures the majority of the Senate approves.

"In summary, until the Senate at the initiation of a new Congress expresses its will otherwise, the rules in effect in the previous Congress in the opinion of the Chair remain in effect, with the exception that the Senate should not be bound by any provision in those previous rules which denies the membership of the Senate to exercise its constitutional right to make its own rules."

Although Senator McCarthy is dead, the debate over the man himself goes on and will continue until history allots to him his niche.

We feel that Senator McCarthy will ultimately rank in history as a great American who, though not without error or fault, proved himself a patriot in time of national crisis. He was a man of character who was bound to be controversial because he was fearless and never sought the middle of the road when principles were at stake.

Senator McCarthy was an implacable foe of communism, in or out of the United States. He crusaded against infiltration of high places by Communists and Communist sympathizers. He exposed their intrigue mercilessly. He drove them out of key positions, to which they had arrived through conspiracy or gullibility.

To the left-wingers and to well-meaning, patriotic critics, Senator McCarthy represented an untamed force for true Americanism. He was either admired or hated. He was vilified by his enemies. His death was glad news in Moscow—and elsewhere in Europe.

Nobody ever fought harder against Communist evil than Senator McCarthy. His critics cried that while his goal may have been good, his methods were crude and unfair.

"Unfair" is a strange complaint to come from Communists and Communist sympathizers. Who has ever heard of Communist tactics that weren't immoral and loathesome?

The Senate voted a resolution of censure over Senator McCarthy's tactics in his investigations as he dug the Reds out from the bushes in Government agencies. But without his energetic—and even ruthless pursuit of these termites, the American people would never know to what extent the Communists had penetrated American Government.

Senator McCarthy, despite what his detractors have said, say now and will say, was a fearless champion of American liberty and security. It was unfortunate that he broke with the White House, but he was a man who did not know compromise with what he believed a wrong principle.

It has been said Senator McCarthy's death may have been hastened by a spirit finally broken on the rack of hostility and ridicule. If this is so, his detractors will live to rue their actions.

[From the St. Joseph Herald-Press, St. Joseph, Mich., of May 4, 1957]

SENATORIAL STORM ABATES

Death, unexpectedly and early, has stilled one of the most controversial figures in American politics.

Senator Joseph McCarthy of Wisconsin is now referred to in the past tense.

To his friends, McCarthy was the symbol in America's fight against communism.

The kindest comment from his enemies labeled him as a character assassin.

We don't profess to know the full, inside story, as the saying goes, but will venture the opinion that as in most cases the truth lies somewhere between those extremes.

McCarthy defied the customary Congressional rule of thumb that newcomers should be seen but not heard for a decent period of time.

Shortly after his election to the Senate, he was pitching into the State Department. He unearthed sufficient evidence and rumors to put the Department, its Secretary, Dean Acheson, and the whole Truman administration under the stigma of being soft on communism.

It was this spadework, along with the RFC's mink coat and deepfreeze loans and the Internal Revenue's shakedowns, that paid handsome dividends for the GOP in the 1952 elections.

Following those elections, McCarthy switched his fire to the Army, charging that Reds had infiltrated into many of its high level administrative functions.

Neither side emerged with a surplus of campaign ribbons from that skirmish.

McCarthy's diggings demonstrated, as have other Congressional hearings, how creaky and inefficient the executive departments have grown. In turn the Army showed that the Senator's methods were indicating pathological twists and turns.

By a 3-to-1 margin in 1955, his colleagues censured McCarthy. Censure is a formal disapproval of the methods used by a Member of the legislature in carrying out the functions of his office. It is a step below impeachment which put a legislator's motives on trial.

Shorn of his committee privileges and standings, McCarthy declined swiftly in influence and the word "McCarthyism," fell into less frequent usage.

Death in reality, locked a door that was almost shut.

Even though his trail blazing wound up in a swamp, McCarthy alerted the Nation to the danger of Commie infiltration and to another disease that is equally bad. It is the tendency of all administrators, regardless of party label, to sweep the dust under the rug. It's human to conceal mistakes whenever possible, but in as large an operation as the Federal Government, permitting human nature to go unchecked could be disastrous.

McCarthy made the country aware of that danger. His methods, however poor, should be judged sceondarily to the principal objective.

[From the Washington Post, Washington, D. C., of May 9, 1957]

Your editorial on May 4 entitled "Joseph R. McCarthy" is undoubtedly the most viciously smug article I had ever read anywhere.

The technique used by your writer is all too familiar; the man fought evil and sought the truth. Therefore accuse him of greater evil and of the big lie, so that he might be destroyed because he stepped on too many vulnerable toes.

In this respect your paper has done a thorough job. The man is hounded to his grave, yet he must not be permitted to sleep. The true facts must be kept from the public which forgets so easily—the true offenders must be protected. What a sorry picture, indeed, for an allegedly independent paper in our free America.

The facts are written large for those who want to read. Look at the record or ask J. Edgar Hoover and ask yourselves. The only real applause you get or ever will get are from the uninformed and from the very enemies who seek to destroy us.

Aren't you aware that the socialistic state that you apparently favor and plug for constantly is not a palatable dish for any thinking American?

Apparently you value correct Emily Post conduct in a committee hearing above the effort to fight and expose the forces that seek to destroy our Nation. You value a socially correct Hiss, or a glib Oppenheimer, or a slick Silvermaster to an honest, hard-hitting Senator who gave his life so that you and I might not fall into the easy habit of avoiding the unpleasantries that the real Communist menace and conspiracy present.

Is it too much to hope that you will now pause a moment, give yourselves a bath of intellectual honesty, and return to the true, fearless journalism that we have a right to expect from the leading morning newspaper of our great Nation's Capital?

J. R. SMITH.

ALEXANDRIA, VA.

Your very excellent McCarthy editorial ignores your own culpability. You shouted his name from the roof tops. You gossiped his lies in the streets. You carried his plague to our doors.

You, too, sought an easy answer. You smelled news. You did not reason why or why not to print.

McCarthy is dead, and still sadomasochism lingers incipient in all of us.

DOUGLAS SAGER.

BETHESDA.

Your editorial had one true statement in it and that was that God will be the final judge.

I am in the Navy and 22 years old and maybe I don't know much about politics, but I think I have a right to express my opinions.

For one thing when it comes to be judged, I would much rather be in the shoes of Senator McCarthy than some of the other men we have representing this country.

Although 10 million people signed petitions against the censure of Joseph McCarthy, the big wheels went ahead with the plot because they knew he was getting too close to the rotten apple in the barrel.

Only history will tell the true story and I feel sure that when it does, Joseph McCarthy will be remembered along with Patrick Henry, Abraham Lincoln, and other great patriots who had the courage to fight the good fight.

JAMES P. CURRAN.

ANNAPOLIS, MD.

Your tribute to the late Senator McCarthy is read and appreciated. There are, however, one or two small items you forgot to mention, consistent, no doubt, with your well-known journalistic policy of never printing anything you don't think your readers ought to know.

You forgot to mention that, as a result of the Senator's work, at least a few people now know that your glorious academic freedom really means freedom to teach only the swash from a couple of distinguished brainwashers to which you give three columns on the same page with your tribute to the Senator, and to absolutely censor out anything to the opposite effect, however distinguished its sources may be.

Take a look around, today and tomorrow, for evidence to show that, as Senator McCarthy never danced to your pipe, most of the ordinary people of the country aren't dancing to it either.

You hope, no doubt, to correct this deplorable ignorance, with the assistance of distinguished brainwashers at Haverford, Harvard, Columbia, and other centers where the glorious beauties of Marx and Marxism are so thoroughly appreciated.

You consistently forget to mention, by the way, that anybody who subscribes to these noble theories, Communist or not, must be pari passu an advocate for the overthrow of the system of American constitutional democracy, which cannot live in the same dimension with Marx's powerful analytic achievement.

EDMUND A. GIBSON.

WASHINGTON.

Ordinarily I am in direct opposition to the opinions expressed in George E. Sokolsky's column. But I have just finished reading with pleasure his beautiful tribute on May 4 to Senator McCarthy.

I think many people feel as I do—approving of what Senator McCarthy was trying to do, but not the way he chose to do it.

It pleases me to read such a sincere and touching tribute to a man who had so many cruel and unjust statements and actions levied upon him. He was so truthful and undiplomatic that his fellow workers found him uncomfortable and embarrassing to have around.

Were his blunders this despicable? If only men could see the results of their actions before—instead of after they are performed.

Thank you, Mr. Sokolsky, for honoring this unfortunate victim of the unescapable will of the strong and the mighty.

M. E. POTTER.

WASHINGTON.

I trust that you listened to Fulton Lewis' eulogy of Senator McCarthy. He expressed for millions of Senator McCarthy's admirers what is in our hearts—that he was indeed "murdered" by slander.

Do you suppose the bleeding hearts will feel as indignant as they did over the "murder" of Mr. Norman?

MARIE M. GRANT.

PHILADELPHIA.

I did not especially like your editorial on the late Senator Joseph McCarthy in Saturday's issue. It rehearsed all of the old charges against the man, but it failed to mention his outstanding characteristic.

Joe McCarthy was, in my opinion, an honest man, strong in conviction, strong in his love of America and American institutions, strong in his fight against all enemies of America within our country.

He was a man of Irish descent, and a Roman Catholic, who had been trained from his earliest days to fight for what he thought was good, according to his training. His church had exercised a strong discipline over him all of his life. That he was rough in his anger and his fight to preserve America is evident. I believe he should have complete credit for his honesty.

As I turned to the next page, I read the piece by George Sokolsky, and what I read I liked much. It took some of the taste of the editorial away.

CHARLES COULTER.

WASHINGTON.

I have been a subscriber of the Washington Post and Times Herald, daily and Sunday, for the better part of 10 years.

Nothing that you can say can excuse you for printing the Drew Pearson column of May 6, Walking Alone Killed McCarthy.

I am not nor have I been a McCarthy backer but there is a limit, I think, to what people have to take and you should be ashamed.

T. H. MULLEN.

ALEXANDRIA, VA.

[From the Washington Evening Star, Washington, D. C., of May 6, 1957]

(By David Lawrence)

A LEGACY FROM MCCARTHY—SENATOR LEFT CONTROVERSIAL ISSUES IT MAY REQUIRE YEARS TO RESOLVE

Senator Joseph R. McCarthy is gone, but he has left behind a legacy of controversial issues that it may take years to resolve.

The Wisconsin Senator was a relentless fighter for what he believed to be right. He might have won the censure battle in the Senate in 1954 if, while under severe strain during the proceedings, he had not tactlessly antagonized many Senators who were disposed to be objective about the issue.

For the Senate was dealing with a delicate question, the right of free speech in Congress uninhibited by threats of punishment. Never in the history of the Senate had any Member been censured for expressing his opinions, no matter how distasteful or unpopular they were. The Senate finally abandoned the word censure, with its historical connotation of punishment and substituted the milder word condemn. Even so, the Senate resolution set a bad precedent of interference with free speech. For to condemn a man because of the opinions he expresses is what has been called "McCarthyism at its worst."

If ever a man was hounded to death because of his beliefs, it was Senator McCarthy. His health was impaired by the strain and tension arising out of the tactics and methods of his enemies. They ganged up on him from the days when they saw he was making headway with his crusade against communism in Government. The Communist newspaper, the Daily Worker, in New York, was the first to give persistent publicity to the word "McCarthyism."

There was no limit to the innuendoes, baseless charges and whispering campaigns directed against Senator McCarthy in an effort to discredit him. For it was assumed by many of his opponents that, if McCarthy, the man, were discredited, the whole drive against Communists in the Government would collapse.

Some strange chapters remain yet to be fully explained. One is the vicious spread of rumors that Senator McCarthy had cheated on his Federal income-tax returns, though it turned out in the end that the Treasury Department owed him money and sent him a refund check for overpayment of his taxes. Yet before the Internal Revenue Bureau could complete its investigation, the campaign to maneuver McCarthy into a public hearing in which his enemies would have a chance to impugn his honesty was participated in by a Senate subcommittee consisting mostly of his opponents. Although McCarthy was reelected Senator by the people of Wisconsin in November 1952 after his refusal to testify before that same committee, his opponents in 1954 nevertheless used that refusal, which had occurred in a previous term of office, as a basis for the start of censure proceedings.

Another episode, still unexplained, is the case of Paul H. Hughes, who posed as a member of McCarthy's staff and over a period of several months, collected big sums of money from various sources high up among the so-called liberals with the promise of revelations derogatory to McCarthy personally. At any moment during that long period, the fact that Hughes was not an employee of any Congressional committee could have been established through the careful inquiries of an alert newspaperman. But the record in the perjury case that followed in the courts reveals a paradoxical example of McCarthyism in reverse. So is the current persecution of Scott McLeod, once a close friend of McCarthy and a stalwart fighter against communism in the Government, who has been nominated by President Eisenhower to be Ambassador to Ireland. Vice President Nixon has also been a victim of the same kind of tactics by the so-called liberals, who in 1952 spread false accusations about him.

Senator McCarthy made many errors in judgment, sometimes lost his temper, and at times ignored the counsel of his best friends. He didn't, however, mind fair criticism. This correspondent in his dispatches at the time expressed strong disapproval of the Wisconsin Senator's attacks on General Marshall and of the ill-mannered treatment given General Zwicker at a committee hearing, and denounced McCarthy's break with President Eisenhower as a grave blunder. Looking back at all aspects of the tragic controversy, however, this writer remains convinced that it was most important to the cause of true liberalism in America to defend the right of a Senator to express himself freely rather than to see him deprived of that privilege by the coercive action of those who disagreed with his views. Principle is too often disregarded under the stress of emotion, inside as well as outside of legislative bodies.

Senator McCarthy's great contribution, of course, was to dramatize the necessity for a vigorous battle against Communist infiltration. The record shows a sad neglect by the State Department in the 1940's of the intrigue carried on there. This was repeatedly called to the Department's attention in confidential communications from Senate committees and in FBI reports long before the Wisconsin Senator in 1950 brought the fight out into the open.

Incidentally, even after death, they still vilify McCarthy in Great Britain. Yet, had there been in the British Parliament only a fraction of the alertness which was generated by the Wisconsin Senator's crusade here, the treason of Burgess and MacLean and the transmission of atomic secrets to the Soviets by Klaus Fuchs—who had been cleared for work in an American laboratory by British officials—might never have occurred. Indeed, the whole history of the cold war, with its costly budgets, might then have been different.

Time, of course, changes many things. It sometimes makes martyrs out of men who were pilloried during their lifetime. The elder Robert La Follette, Senator from Wisconsin, also refused to testify before a Senate committee. He was being investigated because of public speeches—regarded by many people as traitorous—which he made while America was engaged in World War I. The two houses of the Wisconsin Legislature—controlled by his own party—formally called on the United States Senate to expel him. But the Senate took no action. Only last week, the elder La Follete was selected by a Senate committee to be 1 of the 5 in the Senate's Hall of Fame. The lapse of time seems to furnish a different perspective on the record of Wisconsin Senators and maybe, many years hence, history will repeat itself.

Radio Moscow's tribute to Senator McCarthy is to denounce him as responsible for the preparation of new military ventures by the United States. To have helped alert America to the menace of communism is to have earned Moscow's hatred—which is the most eloquent epitaph that could be written for Joe McCarthy.

POLITICAL MANEUVER

(By George Sokolsky)

Much has been written and said about Senator Joe McCarthy during the last several days while he lay dying and when he finally went to his Maker.

I knew Joe intimately and favorably. No matter how men may differ about him, I always knew that Joe McCarthy had no interest other than the welfare of his country. He believed that all Communists had to be traitors and he set out to find them. He was successful in some measure, but he also suffered from a sense of failure because he knew that agencies of government and high officials protected men and women whom they should have despised.

He sought for motives and often reached the conclusion that many men were fearful that their own mistakes would be exposed; he felt that fear and vanity rather than ideological positions played a great part in determining men's attitudes toward him and his work.

We often discussed the brutal force of the opposition to him and this he never understood, because he could not believe that some of his opponents wanted to protect Communists. He never understood the Army fight upon him because he held that it was the Army's first duty to protect this country from Communists and traitors. I was present at the luncheon in New York when McCarthy, Secretary of the Army Stevens and his counsel, John Adams, lunched and cavorted throughout an afternoon.

What came out at the McCarthy-Army hearings was never the whole story nor had the various versions of the Cohn-Schine episodes anything to do with the situation at all. And I can say, from first-hand knowledge, that Bob Stevens had little or nothing to do with the effort to destroy McCarthy.

This was a political maneuver to eliminate McCarthy's importance, to kill his influence as an American citizen, to make his name abhorrent, and to frighten off any Senator,

journalist, or radio commentator who chose to support him or his cause. So far as Joe McCarthy was concerned, the maneuver succeeded to a startling degree.

Those who engaged in it—and their names came out during the hearings—knew Joe's characteristics; they knew he was gentle and aggressive; rough in the fight and forgiving immediately afterward; humble in his heart but giving the impression of cantankerousness. They also knew that while he appeared to be hale and even physically powerful, he was not a strong man, suffering physical pain, sometimes so much pain that he had to give way to it.

They knew all his weaknesses, for some of them had, since he came to the Senate, acted as though they were his close personal friends. They left him bitter, disillusioned, hurt. He was hounded to death by those who would not forget and could not forgive. He was a lonely man among his associates and he often wondered who were his friends.

He and his Jeannie adopted a little girl and that brought Joe a happiness which he had not ever known before. There can be no question that he regarded the 1958 election as a problem because he realized the forces that would be pitted against him. He believed he would win that election and he said that he did not fear his opponent, Walter Kohler. He recognized though he would have to take on the entire Eisenhower administration, the modern Republicans, the Committee for an Effective Congress, the money that would be raised against him in New York by the mysterious Arthur Goldsmith, the Communists, their fellow travelers, and dupes. It meant a fight—a terrific fight and his health was ebbing.

It is said that you can only really know a man if you live with him. I did not live with Joe under one roof, but there were times when we saw much of each other and when I was intimately concerned with his effort to drive the Communists from American life.

As an American, as a Jew, as an anti-Communist, I can proudly say that Joe McCarthy was my friend and that I have never encountered an opponent of his who equaled him in patriotism and courage. God bless his soul and forgive those who sent him to his death.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

Mr. ANDERSON of Montana, for May 14 to 18, inclusive, on account of Reserve military duty under orders.

Mr. FALLON (at the request of Mr. ALBERT), for 5 days, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HARRISON of Virginia, for 45 minutes, on Monday next.

Mr. FEIGHAN, for 30 minutes today, and to revise and extend his remarks.

Mrs. ROGERS of Massachusetts, for 5 minutes, today.

Mr. PATMAN, on tomorrow, for 30 minutes, and to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. HARRISON of Virginia in two instances and to include extraneous matter.

Mr. PATTERSON and to include extraneous matter.

Mr. SMITH of Wisconsin and to include extraneous matter.

Mr. MORANO and to include an editorial and an article.

Mr. DIXON in two instances and to include extraneous matter.

Mr. LANHAM.

Mr. ZABLOCKI.

Mr. YATES, the remarks he made in Committee of the Whole, and include extraneous matter.

Mr. TOLLEFSON and include extraneous matter.

Mr. CHAMBERLAIN and include the results of a questionnaire circulated in his district.

Mr. DOYLE.

Mr. HAYS of Ohio.

Mr. HOSMER and include extraneous matter.

Mr. FLOOD (at the request of Mr. ALBERT) and include extraneous matter.

Mr. BYRD and include a speech made by his colleague, Mr. BAILEY, of West Virginia.

SENATE BILLS AND CONCURRENT RESOLUTIONS REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 45. An act to authorize the Secretary of Agriculture to sell to the village of Central, State of New Mexico, certain lands administered by him formerly part of the Fort Bayard Military Reservation, New Mexico; to the Committee on Agriculture.

S. 147. An act for the relief of Guido William Grambergs; to the Committee on the Judiciary.

S. 239. An act for the relief of Maria Tarisi; to the Committee on the Judiciary.

S. 256. An act for the relief of Aristea Vitogaines; to the Committee on the Judiciary.

S. 307. An act for the relief of Noemi Maria Vida Williams and Maris Loretta Vida; to the Committee on the Judiciary.

S. 308. An act for the relief of Maria Caccomo; to the Committee on the Judiciary.

S. 334. An act to amend sction 27 of the Mineral Leasing Act of February 25, 1920, as amended (30 U. S. C., 184), in order to promote the development of phosphate on the public domain; to the Committee on Interior and Insular Affairs.

S. 359. An act to permit desert land entries on disconnected tracts of lands which, in the case of any one entryman, form a compact unit and do not exceed in the aggregate 320 acres; to the Committee on Interior and Insular Affairs.

S. 405. An act to require the Bureau of the Census to develop farm-income data by economic class of farm; to the Committee on Post Office and Civil Service.

S. 463. An act for the relief of Pedro Ampo; to the Committee on the Judiciary.

S. 465. An act for the relief of Maria Concetta Di Turi; to the Committee on the Judiciary.

S. 470. An act for the relief of Livio Senni; to the Committee on the Judiciary.

S. 616. An act for the relief of Bianca G. Hadalgo; to the Committee on the Judiciary.

S. 622. An act for the relief of Georgina Mercedes Liera; to the Committee on the Judiciary.

S. 623. An act for the relief of Donini Maurizio Donato; to the Committee on the Judiciary.

S. 629. An act for the relief of John Eicherl; to the Committee on the Judiciary.

S. 641. An act for the relief of Elvira A. Eicherl; to the Committee on the Judiciary.

S. 650. An act for the relief of Isabella Abrahams; to the Committee on the Judiciary.

S. 653. An act for the relief of Mrs. Elsbe Hermine van Dam Hurst; to the Committee on the Judiciary.

S. 692. An act to provide that the United States hold in trust for the Indians entitled to the use thereof the lands described in the executive order of December 16, 1882, and for adjudicating the conflicting claims thereto of the Navaho and Hopi Indians, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 710. An act for the relief of Sui-an Fung and Shu-nung Wu Fung; to the Committee on the Judiciary.

S. 730. An act for the relief of Shao Fong Sha; to the Committee on the Judiciary.

S. 756. An act for the relief of Giuseppe Sciortino; to the Committee on the Judiciary.

S. 767. An act for the relief of Christo Pan Lycouras Mauroyenis (Maurogenis); to the Committee on the Judiciary.

S. 804. An act for the relief of Georgios D. Christopoulos; to the Committee on the Judiciary.

S. 874. An act for the relief of Cornelis Vander Hoek; to the Committee on the Judiciary.

S. 891. An act for the relief of Dr. Cheung Nung Huang; to the Committee on the Judiciary.

S. 1008. An act for the relief of Colonel Benjamin Axelroad; to the Committee on the Judiciary.

S. 1053. An act vesting in the American Battle Monuments Commission the care and maintenance of the Surrender Tree site in Santiago, Cuba; to the Committee on Foreign Affairs.

S. 1206. An act for the relief of Antoine Vellemau; to the Committee on the Judiciary.

S. 1274. An act to amend the act of March 3, 1911 (36 Stat. 1077), to remove restrictions on the use of a portion of the Springfield Confederate Cemetery, Springfield, Mo., and for other purposes; to the Committee on Interior and Insular Affairs.

S. 1319. An act to renounce any right, title, and interest which the United States may have in certain lands in Montana; to the Committee on Interior and Insular Affairs.

S. 1352. An act to provide for the conveyance of certain real property of the United States to the Fairview Cemetery Association, Inc., Wahpeton, N. Dak.; to the Committee on Interior and Insular Affairs.

S. 1396. An act to amend section 6 of the act approved July 10, 1890 (26 Stat. 222), relating to the admission into the Union of the State of Wyoming by providing for the use of public lands granted to said State for for the purpose of construction, reconstruction, repair, renovation, furnishing, equipment, or other permanent improvement of public buildings at the capital of said State; to the Committee on Interior and Insular Affairs.

S. 1492. An act increasing penalties for violation of certain safety and other statutes administered by the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

S. 1568. An act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the Colorado River Commission of Nevada acting for the State of Nevada; to the Committee on Interior and Insular Affairs.

S. 1574. An act to provide for the disposal of certain Federal property in the Coulee Dam and Grand Coulee areas, to provide assistance in the establishment of a municipality incorporated under the laws of Washington, and for other purposes; to the Committee on Interior and Insular Affairs.

S. Con. Res. 22. Concurrent resolution to print for the use of the Senate Committee on the Judiciary additional copies of the "Internal Security Annual Report for 1956"; to the Committee on House Administration.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 676. An act to authorize the city of Rock Hill, S. C., to acquire certain tribal lands on the Catawba Indian Reservation, S. C.;

H. R. 1544. An act to provide for the conveyance of certain real property of the United States situated in Cobb County, Ga., to the trustees of the Methodist Church, Acworth, Ga.;

H. R. 1757. An act for the relief of Nicola Marcello;

H. R. 2401. An act to provide for the reconveyance of certain land to the city of Spearfish, S. Dak.;

H. R. 2723. An act for the relief of Shigeko Kimura and her minor child; and

H. J. Res. 287. Joint resolution permitting the Secretary of the Interior to continue to deliver water to lands in the Heart Mountain division, Shoshone Federal reclamation project, Wyoming.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1442. An act to facilitate the regulation, control, and eradication of plant pests.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 4803. An act to permit articles imported from foreign countries for the purpose of exhibition at the Chicagoland Commerce and Industry Exposition, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes; and

H. R. 6304. An act to extend for a period of 2 years the privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 6 minutes p. m.), the House adjourned until tomorrow, Friday, May 10, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

835. A letter from the Assistant Secretary of Agriculture, transmitting a report for the month of April relating to the cooperative program of the United States with Mexico for the control and the eradication of foot-and-mouth disease, pursuant to Public Law 8, 80th Congress; to the Committee on Agriculture.

836. A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation entitled "A bill to permit a retired officer of the Navy to be employed in a command status at Port Lyautey, Morocco"; to the Committee on Armed Services.

837. A letter from the Acting Secretary of State, transmitting a draft of proposed legislation entitled "A bill to amend the act providing for membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization to provide for uniform per diem allowances, and for other purposes"; to the Committee on Foreign Affairs.

838. A letter from the Director, the American Legion, transmitting the final financial statement of the American Legion up to and including the period ending December 31, 1956, pursuant to Public Law 47, 66th Congress; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. House Joint Resolution 185. Joint resolution to implement the convention between the United States of America and Norway which entered into force on November 9, 1948, for disposition of the claim against the Government of the United States of America asserted by the Government of Norway on behalf of Christoffer Hannevig; without amendment (Rept. No. 400). Referred to the Committee of the Whole House on the State of the Union.

Mr. BURDICK: Committee on the Judiciary. H. R. 2224. A bill providing for payment to the State of Washington by the United States for the cost of replacing and relocating a portion of secondary highway of such State which was condemned and taken by the United States; without amendment (Rept. No. 401). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 7244. A bill amending the Packers and Stockyards Act, 1921, to permit deductions for a self-help meat promotion program; without amendment (Rept. No. 431). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 6974. A bill to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes; without amendment (Rept. No. 432). Referred to the Committee of the Whole House on the State of the Union.

Mrs. ST. GEORGE: Committee on Armed Services. H. R. 1967. A bill to provide for an additional payment of $165,000 to the village of Highland Falls, N. Y., toward the cost of the water filtration plant constructed by such village; with amendment (Rept. No. 433). Referred to the Committee of the Whole House on the State of the Union.

Mr. LANE: Committee on the Judiciary. H. R. 7168. A bill to prescribe policy and procedure in connection with construction contracts made by executive agencies, and for other purposes; without amendment (Rept. No. 434). Referred to the Committee of the Whole House on the State of the Union.

Mr. PRICE: Joint Committee on Atomic Energy. H. R. 7383. A bill to amend the Atomic Energy Act of 1954, as amended, and for other purposes; without amendment (Rept. No. 435). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. S. 51. An act for the relief of Mary Barme and her two minor children Steran Barme and Dinah Barme; without amendment (Rept. No. 402). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 94. An act for the relief of Lee Chong Talk; without amendment (Rept. No. 403). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 124. An act for the relief of Josephine Suydam; without amendment (Rept. No. 404). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 162. An act for the relief of Jew Gim Gee; without amendment (Rept. No. 405). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. S. 184. An act for the relief of Mary C. Frederick; without amendment (Rept. No. 406). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. S. 189. An act for the relief of Peter V. Bosch; without amendment (Rept. No. 407). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 271. An act for the relief of Johannes Sukevainen; without amendment (Rept. No. 408). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 461. An act for the relief of Paul Yen-Hsiung Feng and his wife, Mary Stella Pao-Ching Feng, and their minor child, Joseph Shao-Ying Feng; with amendment (Rept. No. 409). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 754. An act for the relief of John (Ioannis) Legatos; without amendment (Rept. No. 410). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 799. An act for the relief of Eldur Ehs; without amendment (Rept. No. 411). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1376. A bill for the relief of Bernard L. Phipps; without amendment (Rept. No. 412). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1501. A bill for the relief of Beulah I. Reich; with amendment (Rept. No. 413). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1552. A bill for the relief of William H. Barney; without amendment (Rept. No. 414). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1682. A bill for the relief of Edward J. Moskot; with amendment (Rept. No. 415). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1885. A bill for the relief of Edwin

Matusiak; with amendment (Rept. No. 416). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 2070. A bill for the relief of Mrs. Rhea Silvers; with amendment (Rept. No. 417). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 2075. A bill for the relief of Albert A. Heinze; without amendment (Rept. No. 418). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 2340. A bill for the relief of William R. and Alice M. Reardon; without amendment (Rept. No. 419). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 4154. A bill for the relief of the legal guardian of Thomas Brainard, a minor; with amendment (Rept. No. 420). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 4851. A bill for the relief of Mrs. M. E. Shelton Pruitt, with amendment (Rept. No. 421). Referred to the Committee of the Whole House.

Mr. FORRESTER: Committee on the Judiciary. H. R. 6282. A bill for the relief of the former shareholders and debenture note holders of the Goshen Veneer Co., an Indiana corporation; with amendment (Rept. No. 422). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1417. A bill for the relief of Lien-fu Lo, also known as Luke Lo; without amendment (Rept. No. 423). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1754. A bill for the relief of Eleanor French Caldwell; without amendment (Rept. No. 424). Referred to the Committee of the Whole House.

Mr. HILLINGS: Committee on the Judiciary. H. R. 4342. A bill for the relief of Mrs. Thomas L. Davidson; with amendment (Rept. No. 425). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. House Joint Resolution 316. Joint resolution for the relief of certain aliens; without amendment (Rept. No. 426). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. House Joint Resolution 322. Joint resolution for the relief of certain aliens; without amendment (Rept. No. 427). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. House Joint Resolution 323. Joint resolution to facilitate the admission into the United States of certain aliens; without amendment (Rept. No. 428). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. House Joint Resolution 324. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; without amendment (Rept. No. 429). Referred to the Committee of the Whole House.

Mr. HILLINGS: Committee on the Judiciary. House Concurrent Resolution 171. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens; without amendment (Rept. No. 430). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. KNUTSON:

H. R. 7382. A bill to provide supplementary benefits for recipients of public assistance and benefits for others who are in need through the issuance of stamps or certificates to be used in the acquisition of surplus agricultural commodities; to provide for improved nutrition for recipients of public assistance and others eligible under the provisions of the act; to assist in maintaining fair prices and incomes to farmers by providing additional outlets for surplus agricultural products; to prevent burdening and obstructing channels of interstate commerce; to promote the full use of agricultural resources, and for other purposes; to the Committee on Agriculture.

By Mr. PRICE:

H. R. 7383. A bill to amend the Atomic Energy Act of 1954, as amended, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. ANDERSON of Montana:

H. R. 7384. A bill for the relief of the town of Medicine Lake, Mont.; to the Committee on the Judiciary.

By Mr. ANFUSO:

H. R. 7385. A bill to provide that certain Government officers and employees shall have sufficient time to vote in elections; to the Committee on Post Office and Civil Service.

By Mr. CANNON:

H. R. 7386. A bill to authorize the payment of claims resulting from sonic blasts; to the Committee on the Judiciary.

By Mr. BURLESON:

H. R. 7387. A bill to authorize purchase of a portion of the bonds issued by the Brazos River Authority, an agency of the State of Texas, to finance the early development by it of the water resources of the Brazos River Basin, Tex.; to the Committee on Public Works.

By Mr. CURTIS of Missouri:

H. R. 7388. A bill to regulate the interstate distribution and sale of packages of hazardous substances intended for household use; to the Committee on Interstate and Foreign Commerce.

By Mr. DORN of New York:

H. R. 7389. A bill to provide for the issuance of a special postage stamp in commemoration of the 175th anniversary of the birth of Capt. Samuel Chester Reid; to the Committee on Post Office and Civil Service.

By Mr. PASCELL:

H. R. 7390. A bill to amend the Administrative Expenses Act of 1946, and for other purposes; to the Committee on Government Operations.

By Mrs. GRANAHAN:

H. R. 7391. A bill to amend sections 413 and 813 of the Reserve Officer Personnel Act of 1954 to provide that Naval, Marine Corps, and Coast Guard Reserve officers initially appointed before September 2, 1948, may be retained in an active status until the 30th anniversary of their initial appointment if such anniversary will occur before their 68th birthday; to the Committee on Armed Services.

By Mrs. GREEN of Oregon:

H. R. 7392. A bill to provide supplementary benefits for recipients of public assistance and benefits for others who are in need through the issuance of stamps or certificates to be used in the acquisition of surplus agricultural commodities; to provide for improved nutrition for recipients of public assistance and others eligible under the provisions of the act; to assist in maintaining fair prices and incomes to farmers by providing additional outlets for surplus agricultural products; to prevent burdening and obstructing channels of interstate commerce; to promote the full use of agricultural resources, and for other purposes; to the Committee on Agriculture.

By Mr. HERLONG:

H. R. 7393. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. HOLMES:

H. R. 7394. A bill to amend the Atomic Energy Community Act of 1955, as amended, to avoid inequities in the sale of Government-owned housing to priority purchasers at different times; to the Joint Committee on Atomic Energy.

By Mrs. KEE:

H. R. 7395. A bill to provide supplementary benefits for recipients of public assistance and benefits for others who are in need through the issuance of stamps or certificates to be used in the acquisition of surplus agricultural commodities; to provide for improved nutrition for recipients of public assistance and others eligible under the provisions of the act; to assist in maintaining fair prices and incomes to farmers by providing additional outlets for surplus agricultural products; to prevent burdening and obstructing channels of interstate commerce; to promote the full use of agricultural resources, and for other purposes; to the Committee on Agriculture.

By Mr. LANKFORD:

H. R. 7396. A bill to amend the District of Columbia Hospital Center Act in order to extend the time and increase the authorization for appropriations for the purposes of such act, and to provide that grants under such act may be made to certain organizations organized to construct and operate hospital facilities in the District of Columbia; to the Committee on the District of Columbia.

By Mr. McCARTHY:

H.R. 7397. A bill to amend section 218 of the Social Security Act with respect to the provision of social-security coverage for certain employees of the State of Minnesota; to the Committee on Ways and Means.

By Mr. McGOVERN:

H. R. 7398. A bill to provide supplementary benefits for recipients of public assistance and benefits for others who are in need through the issuance of stamps or certificates to be used in the acquisition of surplus agricultural commodities; to provide for improved nutrition for recipients of public assistance and others eligible under the provisions of the act; to assist in maintaining fair prices and incomes to farmers by providing additional outlets for surplus agricultural products; to prevent burdening and obstructing channels of interstate commerce; to promote the full use of agricultural resources; and for other purposes; to the Committee on Agriculture.

By Mr. METCALF:

H. R. 7399. A bill to authorize assumption by the various States of civil or criminal jurisdiction over cases arising on Indian reservations with the consent of the tribe involved; to permit gradual transfer of such jurisdiction to the States; and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PATTERSON:

H. R. 7400. A bill to regulate the foreign commerce of the United States by establishing import quotas based on specified 5-year averages; to the Committee on Ways and Means.

By Mrs. ROGERS of Massachusetts:

H. R. 7401. A bill to provide for a more effective utilization of the Veterans Memorial Hospital at Manila, to strengthen the program of medical care and treatment for certain Filipino veterans who served with the Army of the United States during World War II, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. SANTANGELO:

H. R. 7402. A bill to amend the Travel Expense Act of 1949 to provide mileage allowances in certain additional cases to United States marshals and their deputies for use of their privately owned automobiles in connection with their official duties; to the Committee on Government Operations.

By Mr. SCOTT of Pennsylvania:

H. R. 7403. A bill to authorize the Secretary of the Interior to acquire certain land for the Deshler-Morris House, Independence National Historical Park; to the Committee on Interior and Insular Affairs.

By Mr. THOMSON of Wyoming:

H. R. 7404. A bill to amend the Internal Revenue Code of 1954 to reduce and eventually repeal the taxes on the transportation of property; to the Committee on Ways and Means.

By Mr. UDALL:

H. R. 7405. A bill to provide that for the purpose of disapproval by the President each provision of an appropriation bill shall be considered a separate bill; to the Committee on the Judiciary.

By Mr. UTT:

H. R. 7406. A bill to provide basic salary increases of 15 percent per annum for employees in the postal field service; to the Committee on Post Office and Civil Service.

H. R. 7407. A bill to provide for the joint development of the water power resources of the Trinity River division, Central Valley project, California, by the United States and Pacific Gas & Electric Co., to reduce expenditures of the United States, to increase revenues of the United States, to encourage the most widespread use of the power generated at the lowest possible rates to consumers consistent with sound business principles, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WILSON of California:

H. R. 7408. A bill to amend section 217 of the Social Security Act to provide that certain military or naval service not now creditable toward benefits under title II of such act may be counted toward such benefits if such service is not used in determining entitlement to, or the amount of, military retired pay; to the Committee on Ways and Means.

By Mr. GRIFFIN:

H. J. Res. 325. Joint resolution to designate the 4th day of May as Teachers Day; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. PRICE:

Memorial of the 70th General Assembly of the State of Illinois that Congress pass a bill dealing solely with the Illinois-Mississippi Canal and Lake Sinnissippi project, such bill to include the following: (1) an appropriation of $2 million for the rehabilitation of the area outlined in conversion plan No. 2 of the Rock Island District of the United States Army Corps of Engineers; (2) transfer of title to the area to the department of conservation of the State of Illinois; to the Committee on Public Works.

By the SPEAKER: Memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States to declare the United States Supreme Court decisions usurping the powers reserved to the States and relating to education, labor, criminal procedure, treason, and subversion to be null, void and of no effect, etc.; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Illinois, memorializing the President and the Congress of the United States requesting passage of a bill dealing solely with the Illinois-Mississippi Canal and Lake Sinnissippi project, etc.; to the Committee on Public Works.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to enact legislation creating the Hawaii defense highway system; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ABERNETHY (by request):

H. R. 7409. A bill to provide for the conveyance of certain real property in the District of Columbia to the Association of the Oldest Inhabitants of the District of Columbia; to the Committee on the District of Columbia.

By Mr. BERRY:

H. R. 7410. A bill for the relief of Lowe Clinic and Hospital; to the Committee on the Judiciary.

H. R. 7411. A bill for the relief of Kadoka Memorial Hospital; to the Committee on the Judiciary.

H. R. 7412. A bill for the relief of McLaughlin Community Hospital; to the Committee on the Judiciary.

By Mr. CURTIS of Missouri:

H. R. 7413. A bill for the relief of Chih-Chen Jen; to the Committee on the Judiciary.

By Mr. PASCELL (by request):

H. R. 7414. A bill for the relief of Fernando Fuentes Coba; to the Committee on the Judiciary.

By Mr. FOGARTY:

H. R. 7415. A bill for the relief of Armand Alphonse Touissaint and Leontine Touissaint; to the Committee on the Judiciary.

By Mr. HIESTAND:

H. R. 7416. A bill for the relief of Helene Brand; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 7417. A bill for the relief of Col. John T. Malloy; to the Committee on the Judiciary.

By Mr. MULTER:

H. R. 7418. A bill for the relief of Mrs. Camille Salama; to the Committee on the Judiciary.

By Mr. MUMMA:

H. R. 7419. A bill for the relief of Robert F. Gross; to the Committee on the Judiciary.

By Mr. ROBSION of Kentucky:

H. R. 7420. A bill for the relief of Mrs. Magdelena (Lena) Goerres and her daughter, Elizabeth Goerres; to the Committee on the Judiciary.

H. R. 7421. A bill for the relief of Mrs. Frank O. Taafel; to the Committee on the Judiciary.

By Mr. TAYLOR:

H. R. 7422. A bill for the relief of Tse Kwan Tsung; to the Committee on the Judiciary.

By Mr. UTT:

H. R. 7423. A bill to authorize the appointment of Sidney F. Mashbir, colonel, Army of the United States, to the permanent grade of colonel in the Regular Army, on the retired list; to the Committee on Armed Services.

By Mr. WILSON of California:

H. R. 7424. A bill for the relief of Jesus Torres Jaramillo; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

237. By Mr. FOGARTY: Petition of the Woman's Christian Temperance Union of Rhode Island, Inc., submitted by Mrs. Henry Eldridge, director of legislation, urging legislation to eliminate the advertising of alcoholic beverages; to the Committee on Interstate and Foreign Commerce.

238. By Mr. MORAN: Petition of Mrs. Dollie Rogseth and 21 citizens of Spokane, Wash., urging the Congress to pass legislation prohibiting alcoholic beverage advertising on television broadcasts; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Tours of Dizzie Gillespie and His Jazz Band

EXTENSION OF REMARKS

OF

HON. WILLIAM E. JENNER

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Thursday, May 9, 1957

Mr. JENNER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement prepared by me, which was in reply to an open letter from the editor of the Progress-Examiner of Orleans, Ind., in regard to the tours of Dizzie Gillespie and his jazz band, who were sent abroad as part of our Government's program to represent American culture.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FROM THE OFFICE OF SENATOR WILLIAM E. JENNER

Senator JENNER published some additional details of the world tour of Dizzie Gillespie and his jazz band under the American State Department for the improvement of international cultural relations. The Senator's statement was in reply to an open letter from the editor of the Progress-Examiner of Orleans, Ind., who asked Senator JENNER "why our tax money should be spent to pay a band leader more money than we pay our President to take his boys on a world tour."

Senator JENNER's letter follows:

APRIL 18, 1957.

The EDITOR, PROGRESS EXAMINER,
Orleans, Ind.

DEAR SIR: It is a great pleasure for me to give you and your readers fuller information about the tours of Dizzie Gillespie and his jazz band as part of our Government's program for the cultural enlightenment of foreign nations.

Your figure of $84,381 is not the full story of the cost. Mr. Gillespie and his band were sent on two world tours, one to the Near East and Africa, the other to Latin America. The $84,381 is the net cost of the Near East-African tour, but the tour also collected $16,400 from the sale of tickets. This income did not, like other Government receipts, go into the general fund of the Treasury to be spent only through new appropriations of Congress. It was paid directly to the project, which cost $100,838.55 for the Near East alone.

Let me give you a few of the items paid for by our Government on the Near East and African tour. We paid $511.90 for inoculations. That is $25 apiece. We paid $727.15 for passports and $367 for insurance. The booking agent was paid $5,000. We also sent with the band a lecturer, who was paid

$1,905.13. His job was to lecture to the people who had come to hear jazz bands, about jazz as an art, but he spoke only English.

Mr. Gillespie's tour to Latin Amercian cost another $40,500 net. I do not know how much should be added for receipts from ticket sales, which went to the project instead of the Treasury. Altogether the tour gave away $35,000 worth of free tickets, plus other thousands for lunches and receptions.

In Argentina, on this trip to improve cultural relations with foreign countries, Mr. Gillespie dressed as a gaucho, and rode a horse through the streets of Buenos Aires. The State Department representative did not think that behavior interfered at all with Mr. Gillespie's contribution to cultural understanding with Latin America.

Instead, the State Department representative explained, Mr. Gillespie was extremely generous with young musicians, especially in Turkey, and gave a trumpet to a leading Turkish artist.

The Middle East and African tour naturally included Yugoslavia in this program of cultural exchange.

Some of the figures are a little confusing, but the program paid $19,000 a year for a general manager.

We are getting close to the total, but we still have to add the cost of overhead in USIA, and the State Department, and the time of our Embassy staff in the countries the jazz players visited.

This money comes from what is called the President's special international program, but the State Department is in charge of its operation, through the Assistant Secretary for Public Affairs.

The fund has had $9,704,300 so far, all of which is committed. The State Department is asking for $3,100,000 for 1958. This is an increase of $795,700 so they can send cultural programs to Poland and Hungary.

Much of the entertainment sent abroad by our State Department has been jazz bands. Wilbur de Paris and his Dixieland jazz band were sent to the independence celebration at Ghana. First the Department gave the cost of his tour as $26,600, but they later changed the figure to $65,000.

Of the 4 bands sent to Latin America, 3 were Negro.

A number of American Indians were also sent abroad to represent American culture.

Among the touring theatrical companies was one giving Porgy and Bess. This did have an all-Negro cast, it is true, but I doubt if it represented American Negro culture. The play, made from a very fine book, changed the emphasis to adultery, criminality, and slums. Many Negroes were very offended, and the papers carried stories of the anger of Moscow audiences at the choice of play.

It came out that some of these Negro performers were sent abroad to offset the effect of pamphlets published by USIA commenting on the poverty and slum conditions of Negroes in America.

So far as I know, nothing has been said to suggest the large number of hard-working, prosperous, successful Negro businessmen, professional men, and wage workers in the United States.

This program for cultural exchange is an outgrowth of the Geneva Summit Conference. At the time I said I thought the Geneva Conference was a catastrophic setback to American military power. I did not know we planned to send jazz musicians in place of military aid for national independence.

We could not find any way to use the majestic power of America to give a little help to the Hungarians when they were fighting for their freedom, but now that their struggles are over, we are going to send them Dizzie Gillespie or another jazz band.

Sincerely yours,

WILLIAM E. JENNER.

Seven Hundred and Thirty-six Dollars and Forty-seven Cents for a Kansas Farm—One Dollar and Thirty-seven Cents for a New Hampshire Farm

EXTENSION OF REMARKS

OF

HON. BURR P. HARRISON

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1957

Mr. HARRISON of Virginia. Mr. Speaker, the more one studies the Department of Agriculture reports of participation in the soil bank the more one is forced to the conclusion that it is being proved an unfair and unworkable experiment.

For the information of the House, I have consolidated available data on acreage reserve and conservation reserve signups for this year. The following table is based on the Department of Agriculture report of acreage reserve contracts signed through April 5, 1957, and the May 7, 1957, report of conservation reserve contracts signed through April 15, 1957:

State	Acreage reserve maximum payments	Conservation reserve maximum payments	Total
Alabama	$16,943,347	$1,227,000	$18,170,347
Arizona	6,209,976	162,000	6,371,976
Arkansas	14,027,678	1,263,000	15,290,678
California	14,834,556	525,000	15,359,556
Colorado	22,196,696	5,097,000	27,293,696
Connecticut	1,618,688	3,000	1,621,688
Delaware	917,074	35,000	952,074
Florida	1,565,691	968,000	2,533,691
Georgia	19,225,091	4,186,000	23,411,091
Idaho	4,916,880	608,000	5,524,880
Illinois	19,058,244	439,000	19,497,244
Indiana	18,661,043	634,000	19,295,043
Iowa	34,246,487	1,168,000	35,414,487
Kansas	84,811,159	3,689,000	88,500,159
Kentucky	9,622,338	698,000	10,320,338
Louisiana	10,906,870	235,000	11,141,870
Maine		677,000	677,000
Maryland	2,168,335	307,000	2,475,335
Massachusetts	964,847	15,000	979,847
Michigan	12,214,339	1,866,000	14,080,339
Minnesota	11,947,455	8,513,000	20,460,455
Mississippi	17,992,392	1,100,000	19,092,392
Missouri	24,297,921	3,637,000	27,934,921
Montana	8,775,620	1,179,000	9,954,620
Nebraska	44,583,257	1,668,000	46,251,257
Nevada	76,037		76,037
New Hampshire	279	14,000	14,279
New Jersey	1,375,441	136,000	1,511,441
New Mexico	2,610,900	7,335,000	9,945,900
New York	3,417,454	2,223,000	5,640,454
North Carolina	17,842,584	779,000	18,621,584
North Dakota	21,333,021	7,460,000	28,793,021
Ohio	19,250,801	699,000	19,949,801
Oklahoma	22,360,361	5,645,000	28,005,361
Oregon	3,157,523	1,069,000	4,226,523
Pennsylvania	3,862,702	626,000	4,488,702
Rhode Island			
South Carolina	13,726,068	1,892,000	15,618,068
South Dakota	15,972,521	6,947,000	22,919,521
Tennessee	8,774,950	1,602,000	10,276,950
Texas	54,924,190	27,277,000	82,201,190
Utah	1,873,328	1,208,000	3,081,328
Vermont	2,099	51,000	53,099
Virginia	3,262,171	144,000	3,406,171
Washington	6,364,748	352,000	6,716,748
West Virginia	266,110	18,000	284,110
Wisconsin	7,619,951	2,670,000	10,289,951
Wyoming	689,857	371,000	1,060,857
Total	611,469,089	108,317,000	719,786,089

How much does this mean to the average farmer? By all accounts, millions of average farmers have found nothing of interest or profit in the soil bank, and have passed it by. If we allocate arbitrarily the 1957 soil bank benefit payments among all the farms of the Nation, irrespective of actual participation in the soil bank, however, we find the following sharp variations in indicated benefits:

State	Number of farms [1]	Average
Alabama	174,956	$102.68
Arizona	9,321	683.61
Arkansas	145,076	105.39
California	123,075	124.79
Colorado	40,749	669.80
Connecticut	12,753	127.16
Delaware	6,297	151.19
Florida	57,543	44.03
Georgia	165,523	141.43
Idaho	38,740	142.61
Illinois	175,543	111.06
Indiana	153,593	125.62
Iowa	192,933	183.55
Kansas	120,167	735.47
Kentucky	193,487	53.33
Louisiana	111,127	100.26
Maine	23,368	28.97
Maryland	32,500	76.16
Massachusetts	17,361	56.43
Michigan	138,922	101.35
Minnesota	165,225	123.83
Mississippi	215,915	88.42
Missouri	201,614	138.55
Montana	33,061	301.09
Nebraska	100,846	458.63
Nevada	2,857	26.61
New Hampshire	10,411	1.37
New Jersey	27,686	66.62
New Mexico	21,070	472.04
New York	105,714	53.35
North Carolina	267,906	69.50
North Dakota	61,943	464.83
Ohio	177,674	112.66
Oklahoma	118,979	235.38
Oregon	54,441	77.63
Pennsylvania	128,876	34.83
Rhode Island	2,004	
South Carolina	124,203	125.74
South Dakota	62,520	366.59
Tennessee	203,149	50.58
Texas	292,947	280.60
Utah	22,826	134.99
Vermont	15,981	3.32
Virginia	136,416	24.96
Washington	65,175	103.05
West Virginia	68,583	4.14
Wisconsin	153,558	67.01
Wyoming	11,402	93.04

[1] 1954 agriculture census.

On this basis, we might ponder the relative worth of the labors of the Kansas farmer, $736.47, and the New Hampshire farmer, $1.37.

Passing of An Artist

EXTENSION OF REMARKS

OF

HON. ALBERT P. MORANO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1957

Mr. MORANO. Mr. Speaker, one of the greatest bassos of all time passed away last night. The death of my friend, Ezio Pinza, of Stanford, Conn., is not only a great personal loss to me, it is a loss to the world of culture, to the millions he made happy by his thrilling voice, to the thousands who knew him and admired him, and most of all, a grievous loss to the devoted family who loved him.

Ezio Pinza was born an Italian. He was born with the sparkle and the fervor, the love of life and the penchant for song that so characterizes this nationality. In his singing it was easy to detect the strong character of the man. For it was not only God's gift of song that made Pinza great. Through his singing the man's whole being was expressed, his pride in his family and his adopted Nation; his strength of character and his love for humanity, especially the poor and the underprivileged.

Pinza gloried for many years as the Metropolitan Opera's leading basso. His voice and performance was never paralleled. In later years, although his voice declined with age, it never lost its resonant quality and he was soon to adapt to a new art form, and his characterization of Emile D'Beque in South Pacific transformed him into the idol of millions.

Ezio Pinza is gone. But as long as music lives, he will be remembered.

Questionnaire Results From Michigan's Sixth District

EXTENSION OF REMARKS

OF

HON. CHARLES E. CHAMBERLAIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1957

Mr. CHAMBERLAIN. Mr. Speaker, under leave to extend my remarks I would like to include the results of a questionnaire sent to more than 12,000 families in Michigan's Sixth Congressional District. A return of slightly more than 20 percent indicates, I believe, the intense interest of these citizens in their Government.

I further believe, Mr. Speaker, that Members will be interested in the response to these questions. While I recognize that this method of measuring public opinion is subject to some limitation, nevertheless, I would point out that agreement on six of the questions exceeded 70 percent.

Great interest in many of these questions was further indicated by a tremendous number of accompanying letters and comments. One of the most frequently mentioned items concerned postal rates. As the tabulation indicates, people support a general increase, but they are emphatic in their demand that third-class mail pay its proper share of postal expenses. In the area of foreign aid, though the vote is favorable to its continuance, people want intelligent and effective use of their money. Also, it was interesting to me to note the strong opposition to a tax cut that would unbalance the budget.

The general conclusion seems clear that people of Michigan's Sixth District continue to have great confidence in President Eisenhower and his administration's policies.

The results of the questionnaire are as follows:

Do you favor:

1. Reduction of the budget even if it means curtailing or eliminating worthy Federal services and projects? Yes, 58 percent; no, 38 percent; no opinion, 4 percent.

2. Reduced taxes for:

(a) Small business. Yes, 32 percent.

(b) Individuals. Yes, 31 percent.

(c) Everyone across the board. Yes, 14 percent.

(d) No one at this time. Yes, 41 percent.

3. Reduction of taxes even though it would unbalance the budget? Yes, 16 percent; no, 81 percent; no opinion, 3 percent.

4. Lowering the eligibility age for social-security benefits? Yes, 38 percent; no, 57 percent; no opinion, 5 percent.

5. Eligibility for social-security benefits regardless of income? Yes, 43 percent; no, 49 percent; no opinion, 8 percent.

6. Legislation to safeguard union welfare funds? Yes, 92 percent; no, 4 percent; no opinion, 4 percent.

7. Increasing postal rates for all classes of mail to reduce the postal deficit (now approximately $464 million annually)? Yes, 81 percent; no, 17 percent; no opinion, 2 percent.

8. Federal aid for school construction? Yes, 45 percent; no, 51 percent; no opinion, 4 percent.

9. Enactment of the President's proposed civil-rights legislation? Yes, 55 percent; no, 19 percent; no opinion, 25 percent.

10. The administration's farm policies in general? Yes, 52 percent; no, 15 percent; no opinion, 33 percent.

11. Liberalizing immigration laws? Yes, 21 percent; no, 66 percent; no opinion, 13 percent.

12. Conferences by the President with heads of unfriendly nations? Yes, 67 percent; no, 22 percent; no opinion, 11 percent.

13. Continued reliance on the U. N. in the Middle East crisis? Yes, 82 percent; no, 12 percent; no opinion, 6 percent.

14. Continuing foreign aid as a means of resisting communism? Yes, 58 percent; no, 35 percent; no opinion, 7 percent.

15. Do you approve of the manner in which the President has been handling our foreign affairs? Yes, 77 percent; no, 17 percent; no opinion, 6 percent.

16. Do you approve, in general, the domestic policies of President Eisenhower? Yes, 83 percent; no, 13 percent; no opinion, 4 percent.

President Ngo Dinh Diem, of Vietnam

EXTENSION OF REMARKS

OF

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1957

Mr. ZABLOCKI. Mr. Speaker, I want to express my personal pleasure over the visit to our Nation's Capital by President Ngo Dinh Diem, of Vietnam, and to join with my colleagues in paying tribute to the achievements of this outstanding democratic leader of southeast Asia.

In 1953 and again in 1955, I had the opportunity to study the situation in Vietnam as a member of special study missions to that country. I vividly recall the black outlook and the almost insurmountable problems which faced President Diem when he took his office.

Because I well realize the gravity of the crisis which he has weathered, I am particularly impressed by the remarkable progress achieved by Vietnam under his leadership.

Whereas just 3 years ago apathy, disorder, and depression prevailed in that land, today Vietnam is playing a vigorous and a vital role in stemming the tide of communism in southeast Asia. Inspired by the courageous leadership of President Diem, the people of Vietnam—with the constructive aid of their loyal friends in the United States—have not only managed to solve many of their pressing internal problems but they have in addition offered a brilliant example to the other peoples of Asia.

In recognizing the vital role which President Diem has played in these impressive developments, I also want to express my deep respect for President Diem whose modesty, stanch belief in the victory of the cause of truth and freedom, undaunted courage and tremendous effort have helped to write a new and a bright page in the history of his people and of his country.

Secretary Benson Praised for Surplus Disposal Abroad

EXTENSION OF REMARKS

OF

HON. HENRY ALDOUS DIXON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1957

Mr. DIXON. Mr. Speaker, 2 years ago, I heard on the floor of the House accusations against officials of the Department of Agriculture for not having disposed of more of our surpluses abroad. In the light of evidence now available, nothing but praise should be given to Secretary Benson and his Department for the monumental surplus-disposal program they have carried out abroad.

This fiscal year our farm exports will be about $4½ billion—the highest year in history. This is almost $1 billion more than last year, representing the fourth successive year of increasing farm exports.

Yesterday, at the exhibit on moving surpluses and expanding foreign markets in the patio of the Department of Agriculture, Secretary Benson made the following comments which summarize some of these surplus-disposal accomplishments:

REMARKS BY SECRETARY OF AGRICULTURE EZRA TAFT BENSON AT EXHIBIT ON MOVING SURPLUSES AND EXPANDING FOREIGN MARKETS, IN PATIO, DEPARTMENT OF AGRICULTURE, MAY 9, 1957

It gives me great pleasure to welcome our distinguished guests and all of you to the opening of this exhibit. We are especially honored to have with us Members of the Congress and friends from the diplomatic corps of other countries.

We have an interesting and gratifying story to tell. I am sure that if you were to hear of an overstocked merchant in private business who, in an oversupplied market, nevertheless succeeded in reducing his inventory without crippling his business or jeopardizing the price structure—I am sure you would say this was an accomplishment of note. What the Department of Agriculture has done in its surplus disposal operations over the past few years is equally noteworthy.

Before we tell that story, however, I want to take this opportunity to pay a warm and sincere tribute to the devoted men and women and organizations who have helped make the story possible—who have helped us distribute our excess abundance at home and abroad. To each and every one I express

the appreciation of agriculture, of Government, and of a multitude of people—especially our farmers. I feel sure you have God's blessing in this noble work.

I think it is a noteworthy fact that we have moved out of storage and into use nearly $9 billion worth of farm surpluses through special programs in the past 4 years.

It is noteworthy that we have been able to hang up the "sold out" sign for a sizable list of commodities, including cottonseed oil, cottonseed meal, hay and pasture seeds, soybeans, linseed oil, and tung oil.

It is noteworthy that stocks of grain sorghums, rice, barley, butter, dried milk, and wool have been reduced to low levels.

It is noteworthy that United States farm exports have risen to the highest level in history. In this present fiscal year the total value of our farm exports will be about $4½ billion—almost $1 billion more than in 1955–56. This is the fourth successive year of increasing farm exports.

We have "swapped" a billion dollars worth of farm surpluses for strategic foreign materials and other defense needs.

We have sold agricultural exports for foreign currencies to 31 friendly nations—because they were short of dollars. New markets have thereby been opened. Many of these should later develop into dollar sales outlets because we have created a desire for our products abroad.

We are tooled up today to promote American agricultural exports much better than ever before. We have our agricultural attachés working in principal countries of the world. We have marketing specialists going out on special foreign assignments. We have special export programs. We have our export prices down to where they are competitive. World consumers are becoming increasingly prosperous and represent a better market—and we are making our farm products known to them through trade fairs and other promotions.

Yes, all this is indeed worthy of note.

In February 1956, the Commodity Credit Corporation had an investment in farm products of about $8.9 billion. By June 30, the CCC investment is expected to be down to about $7.5 billion. But this tells only part of the story. Without our successful disposal programs, the CCC investment might now be more than twice its present total.

This reduction in CCC surplus stocks is unique in that it is being accomplished in a world buyer's market. Twice before CCC inventories were greatly reduced—during World War II and during the Korean emergency—both wartime "seller's markets." In both these periods our surplus food and fiber were an important war resource. In both periods prices were rising and markets were expanding.

Today we are liquidating our stocks when there is no such emergency demand. Though it is true that Europe has been temporarily caught with short supplies of wheat and oil crops and the stoppage of traffic in the Suez has caused some shifts in import patterns, on the whole, this has been and remains a "buyer's market."

We increased CCC disposals of all kind from $520 million in fiscal 1953 to $2,723 million in fiscal 1956. In the current fiscal year disposals will reach the staggering total of nearly $4 billion—almost 8 times as much as in fiscal 1953.

How is the job being done? We have developed special distribution programs, such as the sales for foreign currencies and barter transactions I have mentioned. But, above all, we are emphasizing more and more exports for dollars. Our dollar sales now account for approximately two-thirds of all CCC disposals. Furthermore, the Corporation is recovering about 71 cents on the dollar from its dollar sales.

We are selling nearly all of our commodities on a competitive-bid basis. We have timed our programs so they will not interfere with agricultural seasons. We have coordinated the sales policy and operations of eight Commodity Stabilization Service offices throughout the country.

The result—and I am proud of it—is this: We are moving our inventory in an orderly manner and without adverse effect on domestic or world market prices.

This, obviously, is the best way to dispose of our surpluses. But where we are not able to sell or barter we feel strongly our responsibility to make constructive use of the abundance with which we have been blessed. Food is produced to go into stomachs, not into wasteful storage. So we have given away some of our surplus—donated foods to persons both in this country and abroad who don't get these foods, or who do not get enough of them. In the past year we've found good use in this way for nearly 3 billion pounds of our surplus foods.

We've initiated a special milk program to help reduce the surplus by making more milk available to our children.

I could bring you glowing accounts from teachers about what the milk program has meant. They have told us in some cases that the health of the children has improved, absenteeism has been cut down, and classroom accomplishment has been increased. More children are learning that milk tastes good. Today's program is helping to build tomorrow's market.

This is the same sound concept on which our national school-lunch program is so firmly founded. Every day nearly 11 million children take part in this program. It has become an important aid to their health and well-being. Every year it makes a market for nearly $500 million worth of farm products—a market which will continue into the future, continuing to grow.

I repeat, we in the Department and all of us interested in agriculture owe our thanks to those who have helped make such a fine record for all these programs, the school-lunch supervisors and managers in this country, and the United States voluntary relief agencies for their magnificent work in distributing food to the needy abroad.

And surely I would be remiss if I did not pay a sincere tribute to the excellent performance of American industry in helping to expand markets for our agricultural abundance. The men and women of industry are the professional marketers of farm products. We in the Department of Agriculture have been happy to cooperate with industry. We have been glad to play the minor rather than the major role, to be the junior partner so to speak. We applaud American industry for what it has done. We say frankly that the improvement in the surplus situation is due largely to industry's accomplishments, and that the national economy is more secure because of the aggressive helpfulness with which industry has tackled its part of the job.

Finally, let me pay my sincere respects to the Members of Congress. They have provided legislation—the tools, you might say—for carrying out the great distribution job we are doing today. The surplus disposal legislation, the return of the agricultural attachés to this Department, the new opportunities being created for building bigger markets—these and the continuing programs that we administer represent the well-considered desires of Congress and the people

By means of imaginative, bold market promotion, the foundation has been laid for larger outlets for United States farm products abroad and at home. We still have far to go. But I believe we have passed the peak of our surplus difficulties.

We look forward with hope—and with the knowledge that people in a large part of the world know better the products of our land.

Address by Hon. Stuart Symington, of Missouri, at Wilkes-Barre, Pa.

EXTENSION OF REMARKS

OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1957

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address presented by the Honorable STUART SYMINGTON at the annual Greater Wilkes-Barre Chamber of Commerce dinner held in Wilkes-Barre on Tuesday evening, May 7, 1957:

It is clear where this administration can save billions of dollars annually in the Federal budget if it is really sincere in its desire to make these reductions.

In a talk on the floor of the House, last Thursday, the distinguished majority leader, the Honorable JOHN MCCORMACK, of Massachusetts, stated: "An analysis of the various stock fund statements in the 1958 budget (Department of Defense) shows great duplication and triplication and even quadruplication in the stock items covered by the funds."

Any true unification of the services would result in at least partial elimination of some of this triplication. It would, as Dr. Henry Kissinger wrote recently, reduce the claim of each service to have "capability for total war."

Let me repeat again that the amount of money this service rivalry is costing the taxpayer is almost unbelievable.

People indirectly connected with the administration believe that even under the present structural conditions of the Pentagon Building, billions can be saved by improvements in the manpower picture alone.

One of the Nation's great industrialists, Ralph Cordiner, president of the General Electric Co., who heads a Committee appointed more than a year ago to analyze the manpower problems of the Department of Defense, has announced that there would be ultimate savings of up to $5 billion a year, plus a 15 percent improvement in combat capability, if the manpower recommendations of his Committee were adopted.

Only recently those of us who believe great savings can be made in the Federal Budget received powerful support. Sunday before last, Chairman GEORGE MAHON, of the Military Affairs Subcommittee of the House Appropriations Committee, urged that President Eisenhower initiate a drive for real unification of the Armed Forces.

Representative MAHON said service rivalry "has now gotten out of hand. It's very unwholesome and very wasteful and I think something has got to be done about it."

MAHON added that legislation probably would be required and that President Eisenhower could provide the impetus, if he could find the time to take a personal interest in the problem.

I say "Amen" to this opinion from one of the most experienced and informed Members of Congress with respect to the military budget. Congressman MAHON has been on this Military Subcommittee for over 17 years.

First, on January 16, the President said, "this is a carefully balanced budget—well adapted to the needs of the present and the future."

On January 17, however, his own Secretary of the Treasury said, "There are a lot of places in this budget that can be cut."

On January 24, the President then shifted. He said: "Congress has the duty to cut the budget."

But later, on April 3, the President said there was no chance for a substantial cut such as $2 billion.

But the very same day, Assistant Secretary Burgess of the Treasury Department stated he believed the budget should be cut 2 to 3 billion dollars.

Later, the President was reported as saying the budget was right and he intended to fight for it.

But only this morning, on the radio, it was stated that a compromise was to be made; and that the administration would be willing to cut $500 million out of the foreign aid program.

Now I ask you: What is a Member of Congress to think?

Obviously the Congress is at sea as to where, and to just what extent, the President believes a particular department should be reduced.

But we do have some guidance from some of our Members. Based on Representative MCCORMACK's remarks, Congressman MAHON's position, and statements made on a telecast last night by Chairman RUSSELL, of the Senate Armed Services Committee, and above all, the conclusions of the administration's own Cordiner Manpower Committee, it is clear a tremendous amount can be saved for the American taxpayer annually if the administration will go through with those savings that can be made without any sacrifice whatever to national security.

According to one of our outstanding military associations, however, the Air Force Association, the Bureau of the Budget has turned back as unsatisfactory the Defense Departments' draft of legislation designed to put the Cordiner proposals into operation.

This action was taken, according to Mr. John P. Henebry, president of that association, in the face of assurances by Secretary Wilson that the proposed legislation would require no increase in the defense budget already submitted to Congress.

Further, the proposed legislation was rejected with the knowledge that it represented the unanimous opinion of the Secretary of Defense, the Secretaries of the three military departments, and the Joint Chiefs of Staff, as an essential contribution to the Nation's defense.

Let me emphasize that this is not a problem of the Air Force alone—but one which impacts equally upon the combat effectiveness of the Army, Navy, Air Force, and Marines.

I, for one, am not averse to manpower management suggestions from one of the world's greatest industrial experts, designed to save $5 billion, with no decrease whatever in our military strength; and at this session I intend to introduce legislation to that end. In fact, I already have such legislation in draft status.

We owe it to ourselves and to the Nation to countenance no further delays in carrying out a program for maximum utilization of military manpower at minimum cost.

More Soil-Bank Inequity

EXTENSION OF REMARKS

OF

HON. BURR P. HARRISON

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1957

Mr. HARRISON of Virginia. Mr. Speaker, the report of the Department of Agriculture, dated May 7, 1957, summarizing contract commitments for the conservation reserve of the soil bank, estimates that the 1957 obligations of the Federal Government for annual and practice payments in the conservation reserve will total $108,317,000.

When we study the figures for individual States, we find that Texas, with a population of 7,700,000 in the 1950 census, stands to receive $27,277,000—more than the estimated payments to be due 37 other States having a total population of 121 million.

Texas is understandably proud of its right, acquired on admission to the Union, to divide itself into up to five separate States, at its discretion. On this basis, it might be that Texas would expect to receive as much in cash benefits as five other States. Can it be said, though that a program is economically sound and equitable when one State acquires claim to a greater payment than the combined amounts expected to be due 37 other States?

Here are the Department of Agriculture figures for the 37 States and for Texas:

Rhode Island	----------
Nevada	Less than $500
Connecticut	3,000
New Hampshire	14,000
Massachusetts	15,000
West Virginia	18,000
Delaware	35,000
Vermont	51,000
New Jersey	136,000
Virginia	144,000
Arizona	162,000
Louisiana	235,000
Maryland	307,000
Washington	352,000
Wyoming	371,000
Illinois	439,000
California	525,000
Idaho	608,000
Pennsylvania	626,000
Indiana	634,000
Maine	677,000
Kentucky	698,000
Ohio	699,000
North Carolina	779,000
Florida	968,000
Oregon	1,069,000
Mississippi	1,100,000
Iowa	1,168,000
Montana	1,179,000
Utah	1,208,000
Alabama	1,227,000
Arkansas	1,263,000
Tennessee	1,502,000
Nebraska	1,668,000
Michigan	1,866,000
South Carolina	1,892,000
New York	2,223,000
Total	25,861,000
Texas	27,277,000

A Bill to Amend Title XI of the Merchant Marine Act of 1936

EXTENSION OF REMARKS

OF

HON. THOR C. TOLLEFSON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1957

Mr. TOLLEFSON. Mr. Speaker, under unanimous consent, I include in the CONGRESSIONAL RECORD a brief statement on the purpose of legislation which I introduced today.

The purpose of this legislation is to further clarify the authority of the Maritime Administration to insure mortgages on eligible ships under title XI of the Merchant Marine Act of 1936. Approval of this bill will enable the Maritime Administration to insure a ship mortgage, where the mortgage, instead of being executed at the time the vessel is completed, is executed sometime later and the proceeds therefrom are used to finance the building of additional ships.

Adoption of this bill will make it possible for shipowners with heavy replacement obligations to fulfill these obligations at a minimum cost to both the Government and the operators by allowing owners to take advantage of the economies of long-range and sound financial planning. With the deferred mortgage commitment the shipowner can avoid present high interest rates by using funds in his capital reserve fund to pay in full for new ships, and then when interest rates become lower he could mortgage the existing wholly owned ship to provide funds for the building of additional new vessels.

There is substantial opinion indicating that Congress intended this policy of deferred mortgage commitments but this legislation will lay at rest any questions potential lenders might have concerning this application of the mortgage insurance provisions of title XI of the Merchant Marine Act.

How To Cut the Cost of the Trinity River Project

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1957

Mr. HOSMER. Mr. Speaker, our colleague, Representative JAMES B. UTT, of California, recently reported in cogent words to his constituents just why the United States taxpayers would be better off by partnership in the Trinity River project. His words are of such force that I believe their benefit should be shared with all our colleagues by inclusion in this RECORD. His report follows:

WASHINGTON REPORT

(By Congressman JAMES B. UTT)

Last year Congress authorized the Trinity River project in California at a cost of $225 million. This project provided for the transmountain diversion of some 865,000 acre-feet from the Trinity River to the Sacramento River below the Shasta Dam. There is a total water drop of 1,500 feet. This would provide water power sufficient to generate 385,000 kilowatt-hours.

The act directed the Secretary of the Interior to proceed with negotiations for the sale of the falling water to a private utility and report the result of these negotiations with his recommendations. The negotiations could not come effective until approved by Congress. The Pacific Gas & Electric Co. was the only company which offered to negotiate such an agreement. They offered to construct the powerplants and operate them for a period of 50 years subject to renewal or recapture of the powerplants

by the Government. They agreed to make an average annual payment to the United States of $4,617,000 for the privilege of having the water pass through their turbines without any consumptive use of the water.

This payment is equal to $5.33 per acre-foot, which figure is considerably higher than the farmer will pay per acre-foot for the full consumptive use thereof. They agreed to integrate their system with that of the Central Valley project. They further agreed to provide energy on an exchange basis from the company's system to operate project pumps including those in the proposed Feather River project in order to make more commercial power available for sale by the Government to its preferred customers. This would also allow the Federal Government to use the company's transmission facilities to serve Federal and preference customers for 50 years at a charge less than the cost to the Government if it owned the facilities required for this service.

On February 12, the Secretary of the Interior transmitted the proposed agreements to the Congress and recommended joint development of Trinity water resources. If his recommendations are accepted by Congress, it would save the Federal Government a capital outlay of $55½ million for the power plants, and provide in the 50-year period total additional revenue to the Federal, State, and local governments of $310 million or $85 million more than the proposed cost of the whole Trinity River project, and the Federal Government would still have $150 million worth of water to sell to the farmers over that same period of time.

If the Federal Government generates this power, it would first have to invest an additional $55½ million in generating equipment, plus the cost of a power distributing system and would then sell the power below its true market value under the preference clause to less than 5 percent of the people of California, or less than one-third of 1 percent of the people of the United States who actually would be financing the project.

This very small group of individuals, as a class, who receive this benefit, perform no special service whatever for the Government. The advocates of public power are always saying that these great natural resources belong to all of the people and yet come up with the inconsistent demand that a very few people in the immediate area should reap all of the benefits at the expense of the rest of the country. I feel that the American taxpayer who financed this project is entitled to recover the full return of his investment and to apply any profit therefrom to additional conservation projects.

If Congress does not approve this proposed contract and decides to generate and sell the power, I shall propose an amendment that the rates to be charged shall be sufficiently high to permit the Government to pay an amount equal to what the company would have paid to State and local governments for the support of schools, churches, roads and other necessary services supplied the State of California and other local governments. This in itself would amount to over a million dollars a year.

Federal Spending

EXTENSION OF REMARKS

OF

HON. WILLIAM E. JENNER

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Thursday, May 9, 1957

Mr. JENNER. I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an article published in Human Events, of Washington, D. C., for March 16, 1957.

My purpose in writing the article was to point out that the spending oligarchy in Government uses foreign aid, as WPA used relief funds, to make a political machine or superparty, which operates in our Congressional districts above both parties, to elect or defeat candidates for Congress in accordance with their support of Government spending, and in complete disregard of whether they truly represent their constituents.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW YOU CAN STOP BIG SPENDING—CONGRESSIONAL DISTRICT THE BASTION OF LIMITED GOVERNMENT

(By Senator WILLIAM E. JENNER, Republican, of Indiana)

The American Government served the interests of the people when it was limited government, operating within restraints set by the Constitution. But the American Government does not now need to serve the national interest. It is today an unrestrained oligarchy whose ability to ignore Congress and the Constitution comes from spending your money.

Our great mistake is our naive assumption that we have the same Government today that we had from 1789 to 1932. We do not have the same Government or anything remotely like it. The American Government of today bears almost no relationship to the one we knew from 1789 to 1932.

This new American Government has one objective—to keep itself in power by spending. Its objective is the same today as it was in the days of Harry Hopkins—tax and tax, spend and spend, elect and elect.

We cannot understand the political crisis of today unless we understand how completely our Government has been transformed. The three-part Federal Government of the Constitution is still there, but something new has been added. A vast engine of political and police power has been built up, in and around and above the old Federal executive branch. The names of the old-line agencies are the familiar trusted facade behind which this new Leviathan can operate, almost invisible to Congress and the press.

The strength of this new governing machine can be measured by its resources. It controls at least one quarter of our entire national wealth. It converts at least one quarter of our earnings into political and police power over you and me. The primary aim of this monstrous growth is to secure its stream of tribute, and to keep the voters from protesting effectively.

We have wasted a great deal of precious time, denouncing Franklin Roosevelt, Harry Truman, and Dwight Eisenhower, for the growth of this Frankenstein's monster. We are not going to put an end to a political tidal wave, which has swept over five continents, merely by denouncing individuals. The trend to strong central government is worldwide, and it springs from two world wars and the lure of Socialist big government. I believe American political leaders could have resisted that trend and helped the rest of the world to erect bulkheads against the erosion of liberty. But it is not too late.

Let us now forget the reasons for bitterness and put our minds on the important question—how can Americans use their magnificent heritage of good government, and their long experience with liberty, to put their own house in order, and to offer once again a model to which the rest of the world will turn in hope?

We must start with our foreign policy.

Foreign policy has been, since the war, the most appealing way to continue big spending and to render the opposition helpless to resist the machine for which spending provides the fuel. Foreign policy is the postwar WPA of the Socialist planners, except that postwar spending is geared to the high levels we were conditioned to accept by the war propaganda.

Our foreign policy today is a series of outlets, sometimes called "ratholes," carefully planned to help the spenders keep on spending. The Republicans saw this clearly 13 years ago.

In June 1943, the State Department published the proposed text of the first gigantic postwar spending program—that for UNRRA. Senator Vandenberg read the proposal and found it was planned as an executive agreement, to bypass the Senate. He wrote to Senator McNary as follows:

"It seems to me that this draft agreement involves the broadest possible commitments for the future * * * and leaves us (as usual) to pay the bills without any adequate control over what the bills ought to be. I think this is clearly a preview of the method by which the President and the State Department intend to bypass Congress in general, and the Senate in particular, in settling every possible international war and postwar issue by the use of mere executive agreements."

A few days later Vandenberg wrote: "As it was originally drawn, this draft agreement pledged our total resources to whatever illimitable scheme for relief and rehabilitation all around the world our New Deal crystal gazers might desire to pursue * * *. The draft * * * clearly intended that there should be no interference with this worldwide prospectus as it might be conceived by Roosevelt, Lehman, Hopkins & Co., until that long last moment when Congress would be presented with a fait accompli. At that late hour it would be next to impossible for Congress to do anything except acquiesce."

Why did the spending continue if the design was so clear, nearly 14 years ago? It is all so simple. Every time one spending program became a little spotted and frayed at the edges it was closed out, and a glittering new spending program was brought forward.

These new models for waste of American money are not trotted out to impress Congress. They are trotted out to be put on the propaganda conveyor belts, leading out into every State, to the women's clubs, the churches, the colleges, the unions, the press and radio. This "show" is managed by experts in what is called "the engineering of consent," who know how to keep the viewers happy, and how to make taxpaying almost painless.

Obviously Members of Congress know their districts are being saturation-bombed by these flying squadrons. But they have no money or staff or patronage to counterattack.

The spenders in the executive branch know the Congressmen will be either converted or defeated by their mass propaganda. So why worry?

Now this adds up to one simple fact. We shall never rid ourselves of big spending or big Government by arguments that the money is wasted. The money is not wasted. Every dollar the spenders can get is spent to very good purpose from their point of view. Like WPA money, it buys political support for big spending. It builds up vested interests and the vested interests carry on the campaigns for more spending. What could be more logical than that?

Now, you will say that "foreign aid" cannot affect domestic elections. But that is where words fool you. Most of the foreign aid money is spent to buy products which are important politically—wheat, coal, radio, engineering, shipping and many others.

I have pointed out many times, that our hidden absolute Government operates independent of the legislative, executive or judicial branches set up in the Constitution.

To understand what we have to fight—we must add one more diagram showing the change in our political system.

Our two-party system has not been abolished. It has simply been enveloped by something much more powerful. The spending oligarchy in Government operates as a political superparty, by its ability to direct this constant stream of invisible propaganda into our political districts. The political parties try to operate as in the past, by vigorous local organization, all unaware of the hidden forces which pull down the constitutionalists, and push upward the men who have sold their birthright.

The only political power in the Nation stronger than this colossus on the Potomac with its $70 billion a year is the congressional district. The voters can end its power in their own congressional district any time they take the trouble.

The spenders will not cut spending of their own free will. It is your problem to organize so that no man can be nominated in your congressional district unless he has pledged himself to cut spending where it hurts—where the vested interests will punish him for taking away their easy money. But he must have protection against their wrath. Only you can give it to him.

Such an uprising will succeed if our angry people combine by congressional districts and State party organizations, to make sure party nominations go only to men who are truly devoted to the Constitution, and who are ready to fight spending in all the forms the spenders love to devise.

Members of Congress either have no power, or they have the greatest political power in the Nation. Senators and Representatives have no power of their own. Their only power is what they get from their active constituents.

When his constituents have been brainwashed by the spenders into believing foreign aid is an elixir guaranteed to cure all illnesses, a Senator or Congressman has no power and no influence. He is like an ambassador, all dressed up in uniform and gold braid, whose country has been taken over by subversion. He must go over to the enemy, or resign.

Congress is powerless, or very powerful. It will be very powerful only if the men sent to Washington as representatives are the front line of an angry, determined, well-organized, and devoted band of patriots, working together to make each district into a fortress fighting to the bitter end in defense of American liberty.

Recent Decision in the United States District Court for the District of Columbia Again Rules Congress Has Power To Investigate Communist Party and Those Who Are Members Thereof

EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1957

Mr. DOYLE. Mr. Speaker, by reason of unanimous consent heretofore granted me so to do, I am pleased to place the full text of rulings of the court in the recently decided case of United States of America against Alden Whitman.

I believe that the distinguished judge of the United States District Court for the District of Columbia, Washington, D.C., makes some interesting and indicative comments in his rulings which I am sure will be of immediate interest to every Member of this great legislative body.

As a member of the House Un-American Activities Committee, I am pleased to be able to present the full text of this recent court decision to you and all my other colleagues:

MAY 3, 1957.

Hon. EDWARD M. CURRAN,
United States District Court,
Washington, D. C.

MY DEAR JUDGE CURRAN: I would very much appreciate receiving a copy of the decision, if possible, in the case wherein Alden Whitman was convicted of contempt of Congress.

If there is any charge, please advise me.

Thank you very much.

Sincerely yours,

CLYDE DOYLE,
Member of Congress.

UNITED STATES DISTRICT COURT,
FOR THE DISTRICT OF COLUMBIA,
Washington, May 3, 1957.

Hon. CLYDE DOYLE,
United States House of Representatives,
Washington, D. C.

MY DEAR MR. CONGRESSMAN: Pursuant to the request in your letter of May 3, 1957, there is transmitted herewith copy of the court's ruling in the case of *United States v. Alden Whitman.*

With kindest regards and best wishes, I am,

Sincerely,

EDWARD M. CURRAN,
Judge.

IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA—UNITED STATES OF AMERICA *v.* ALDEN WHITMAN, DEFENDANT—CRIMINAL ACTION NO. 1213-56

WASHINGTON, D. C., *April 9, 1957.*

The above-entitled cause came on for further trial before the Honorable Edward M. Curran, District court judge, at 10 a. m.

Appearance: William Hitz, Esq., assistant United States attorney, for the Government; Thurman Arnold, Esq. and Gerhard P. Van Arkel, Esq., for the defendant.

RULING OF THE COURT

The COURT. I am ready to rule now.

The resolution, Senate Resolution 366 of the 81st Congress, 2d session, provided that the Committee on the Judiciary, or any duly authorized subcommittee thereof, was authorized and directed to make a complete and continuing study and investigation of (1) the administration, operation, and enforcement of the Internal Security Act of 1950; (2) the administration, operation, and enforcement of other laws relating to espionage, sabotage, and the protection of the internal security of the United States, and (3) the extent, nature, and effect of subversive activities in the United States, its Territories and possessions, including but not limited to espionage, sabotage, and infiltration, by persons who are or who may be under the domination of the foreign government or organizations controlling the world Communist movement or any other movement seeking to overthrow the Government of the United States by force and violence.

The Congress of the United States has the power to investigate the history of the Communist Party, and in this connection it has the power to determine who are members of the Communist Party. The committee has the power to investigate the growth or the decline of the Communist Party and its numerical strength at various times as part of an inquiry into the extent of the activities of the Communist Party and the legislative means that might be appropriate for dealing with such activities.

Inquiry as to the number of persons who are Communists and who they were between 1935 and 1948 was pertinent to such investigation. If the committee of the Senate is denied the opportunity of ascertaining the present and past membership of the Communist Party, it might well be stymied in making the proper recommendations to the Congress of the United States. This court, therefore, holds that the resolution authorized the committee to ask the questions asked the defendant in the particular context in which the committee propounded them and the questions were pertinent to a valid legislative purpose. I, therefore, find the defendant guilty. The case will be referred to the probation officer for a report, but I will defer the imposition of sentence until the Watkins case is decided.

Mr. HITZ. Would Your Honor indicate how you rule on each count?

The COURT. Guilty on all counts.

(Whereupon, at 3 p. m., the matter was concluded.)

OTC and the United Nations

EXTENSION OF REMARKS

OF

HON. HENDERSON LANHAM

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1957

Mr. LANHAM. Mr. Speaker, since the State Department signed the Articles of Agreement on the OTC—Organization for Trade Cooperation—in Geneva in 1955 and the subsequent submission of the OTC to Congress for approval, a sharp controversy has developed over the position that would be occupied by the OTC should it actually be set up. The signature of the Articles of Agreement was simply a formality and United States membership in the OTC was made subject to congressional approval.

The last Congress failed to act on the OTC but hearings were held before the House Committee on Way. and Means. The opposition contended that approval of OTC membership would in fact place great powers into the hands of the Organization—OTC—sitting in Geneva at the expense of the authority of our own Congress to regulate the foreign commerce of the United States. The United States, it was pointed out, would have only one vote. Should all present GATT members join the OTC, this country would have only 1 vote out of a total of 35.

The supporters of the OTC, on the other hand, claimed that the OTC would have no supranational powers; that in fact it would have no powers that are not now being exercised under GATT—General Agreement on Tariffs and Trade—and that OTC would merely provide GATT with an administrative arm.

On its part the opposition cited article 11 of the OTC articles of agreement as showing the real intent and direction of our proposed participation in the OTC. Article 11 provides that the OTC may be brought into relationship with the United Nations as a specialized agency. This could not be done so far as the

United States is concerned without our own consent; and the Ways and Means Committee last year amended the bill that proposed OTC membership by providing that only Congress could give the consent of the United States.

However, the position of the United States would not be the ruling consideration. The OTC could bring itself under the U. N. "by an agreement approved by the assembly"—article 11 (b) OTC articles of agreement.

What does this mean? How would the OTC make an agreement with the U. N. to become a specialized agency thereof? The answer is to be found in article 5 of the articles of agreement—that is, a clue to the answer is to be found there, not a definitive answer.

Article 5 says:

The assembly (of OTC) shall establish its own rules of procedure.

Therefore the OTC could make an agreement with the U. N. by a procedure not yet known or established and such agreement could be approved by the OTC under procedures not yet known or established.

Thus it is obvious that the OTC could become a specialized agency of the U. N. without the consent of the United States unless procedures not yet adopted and the character of which must remain unknown until they are adopted, would make this impossible. This is most unlikely.

It could, of course, be said that the United States would not be obligated to recognize the subsidiary relationship of the OTC to the U. N.; but it is not difficult to foresee the position into which this would place us.

The outcome of such issues is often determined by the atmosphere under which particular steps are taken. With the other members favorable to the U. N. link and with our own State Department strongly inclined in that direction, the leverage on Congress would be very powerful.

As a sample of the climate in this matter nothing could be more revealing than a resolution recently adopted by the United Nations. There is no indication that the American representative to the U. N. either abstained or voted against the resolution. I call attention to the third numbered paragraph. It says the General Assembly of the U. N. "looks forward to the establishment of the Organization for Trade Cooperation and urges states members of the United Nations and members of the specialized agencies to act with a view to approving the agreement establishing the Organization for Trade Cooperation."

This affords a fair idea of the real intent with respect to the OTC and the real trend toward bringing the regulation of international commerce under the sway of the United Nations.

It will take more than executive denials in the United States to overcome the impression already created and thus confirmed by this U. N. resolution as to the underlying intent of the OTC. It is one thing for the Secretary of State to come before a committee of Congress and deny what appear to be clear implications of the intent of the OTC. It is something quite different to get the unguarded revelation of what is really in the minds of the moving forces behind the OTC.

In view of the great interest in the question of what would be the real status of the OTC if it were set up, I include the U. N. resolution referred to, as follows:

UNITED NATIONS ASSEMBLY RESOLUTION ON THE DEVELOPMENT OF INTERNATIONAL ECONOMIC COOPERATION AND EXPANSION OF INTERNATIONAL TRADE

On February 20, 1957, the United Nations General Assembly adopted a resolution (55 in favor, 7 against, and 4 abstentions). The substantive part of the resolution reads as follows:

"1. Urges the governments of member states to continue their efforts to reduce existing barriers to international trade in a mutually satisfactory manner for the purpose of expanding such trade at the fastest feasible rate and, in particular:

(a) To continue to work toward this objective through the international organizations which are working successfully for the expansion of world trade, and to continue to avail themselves of services offered in the field of trade by these organizations;

"(b) To reduce or remove restrictions and/or discrimination with regard to trade and payments as soon as their balance-of-payments and reserve positions permit, having due regard to the special problems arising from the economic development needs of the less developed countries;

"(c) To conduct their trade policies with due regard to their possible harmful effects on the economies of other countries, especially countries which are dependent on exports of relatively few commodities;

"(d) To follow internal economic, monetary and fiscal policies which promote high levels of production, employment and investment, keeping in mind the relationship between such internal policies and the possibilities of expanding world trade;

"2. Endorses Economic and Social Council Resolution 614 (XXII) of August 9, 1956, and requests the council to continue to give particular attention to developments in the field of international trade;

"3. Looks forward with interest to the establishment of the Organization for Trade Cooperation and urges states members of the United Nations and members of the specialized agencies to act with a view to approving the agreement establishing the Organization for Trade Cooperation."

Source: United Nations press release GA/1450, February 20, 1957.

Edgar F. Kaiser

EXTENSION OF REMARKS

OF

HON. ROBERT C. BYRD

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1957

Mr. BYRD. Mr. Speaker, I am pleased to call attention to the address of my colleague, the gentleman from West Virginia, the Honorable CLEVELAND M. BAILEY, on the occasion of his presentation of a plaque to Mr. Edgar F. Kaiser, the adopted son of West Virginia. The presentation was made on May 4, 1957, at the Son and Daughter Banquet of the West Virginia Society of the District of Columbia, which was held in the Sheraton Park Hotel, Washington, D. C. Representative BAILEY's address follows:

ADDRESS OF THE HONORABLE CLEVELAND M. BAILEY, VICE PRESIDENT OF THE WEST VIRGINIA SOCIETY OF THE DISTRICT OF COLUMBIA ON PRESENTATION OF A PLAQUE TO EDGAR F. KAISER, ADOPTED SON OF WEST VIRGINIA, ON MAY 4, 1957

Mr. President, my colleagues in the Congress, other honored guests, officers and members of the West Virginia Society of the District of Columbia, fellow West Virginians:

The task assigned me tonight is a distinct pleasure. Knowing, as I do, the vast potentials of my State in the way of natural and human resources and of its susceptibility to industrial development, I speak for every West Virginian when I say, "We welcome with open arms" the presence in our State of the world-wide Kaiser affiliated companies.

The decision of this great concern, with its farflung network of industries to locate one of their major operations at Ravenswood, W. Va., was indeed a godsend to the lagging economy of my State which at the time was staggering under the loss of markets for its vast production of bituminous coal. Others of its industries were menaced by foreign imports. The situation in 1954 was one of gloom and despair.

Today our major industry, coal, has picked up some export business and is getting back to normal. A smile has replaced the look of despair in the face of our industrial leaders. I attribute this to the realization on the part of giant industrial concerns like this one that there are great possibilities in West Virginia. Now that the Kaiser industries has, so to speak, "broken the ice", we may well expect others to take advantage of our great resources and available labor supply.

The Kaiser aluminum organization is investing in Ravenswood, W. Va., $200 million for the construction of facilities which will include a fully integrated reduction plant, a sheet mill, and a foil rolling mill.

During the first phase of construction, they are employing 800 West Virginians. These three plants will be completed in 1958.

When the project is completed, they expect to have 6,000 West Virginia employees to operate the facility.

As of today, the total number of employees in the Kaiser aluminum is 16,000. When the 6,000 West Virginians are added next year, the total will be 24,000 persons. A fourth of their entire organization will be composed of West Virginia residents.

In 1947, when Kaiser first entered the aluminum field, their net sales were $45 million; their net earnings were $5 million. In 1956, their net sales were $300 million, with net earnings of $38 million.

When completed, this facility will burn 1,660,000 tons of West Virginia bituminous coal annually. This will greatly stabilize our coal industry, give us added purchasing power, and stimulate business generally.

The man our society seeks to honor tonight is Edgar F. Kaiser. The name, Henry J. Kaiser, is a household name throughout the Nation. Our honored guest is, as we quite often say in West Virginia, "a chip off the old block." He is one of the Nation's youngest major industrialists, possesses all of the business acumen, energy, and devotion to accomplishment that has characterized his famous father, Henry J. Kaiser.

At 48, he is responsible for the overall day-to-day operations of a billion-dollar industrial organization—the worldwide Kaiser affiliated companies.

Responsibility came to Edgar Kaiser at an early age. He was one of the "kids" of whom an Army engineer referred when he said, "Kaiser won at Bonneville because his kids were too green to know when they were licked."

The Kaiser organization, fresh from participation in the building of Hoover Dam, was warned that the raging waters of the Columbia were a different story. The native Indians had a legend that no man would ever walk across the Columbia. Government engineers were doubtful that a dam could be built. However, the "kids" plowed ahead. Twenty-five-year-old Edgar Kaiser was project manager for the construction of the main spillway. The river was diverted into half its channel in order that the dam could be built one-half at a time. Bonneville was completed in 4 years, 1 year ahead of schedule.

Edgar Kaiser's next giant step, at 34, was shipbuilding, through which the Kaiser organization gained further international renown by producing more vessels than any other shipbuilder in history—faster and cheaper than they had ever been built before. The Kaiser shipyards constructed 1,490 ships during World War II—approximately one-third of the entire United States merchant shipping—turning them out in as short a time as 4½ days from keel laying to launching. In the building of 819 Liberty ships alone, Kaiser saved more than one-third of the average time required by other Liberty shipbuilders.

The three Pacific Northwest yards in the Portland area, under the general managership of Edgar Kaiser, had the additional job of producing 50 small aircraft carriers to take the offensive against submarines and also carry the war to the Japanese-held islands in the Pacific. The carriers were launched at the phenomenal rate of one a week. Admiral Howard Vickery of the United States Maritime Commission called the Portland yard not only the finest in the United States, but in the entire world. Britain's Winston Churchill declared that the baby flattops were the most effective instrument in destroying the submarine menace.

When the Kaiser organization went into the automotive business in 1945, Edgar Kaiser, then 37, became general manager of the company's giant plant at Willow Run, Mich. He later assumed the presidency of the firm to become one of the youngest chief executives in the Nation's automobile industry.

The infant motorcar company found it virtually impossible to buy steel and other necessities on the open market and literally scoured the world for materials with which to make the 18,000 parts, which comprised their first passenger car, Mr. Kaiser recalls, and I quote:

"We pioneered the first extensive use of bartering in the auto business. For instance, a radiator firm could not obtain enough copper to supply us regularly; the copper producer was unable to increase output because he needed additional natural gas; the gas company could not deliver because it was unable to obtain steel pipe; and steel companies lacked pig iron to make the pipe because their blast furnaces were short on coke. So, we began a series of bartering transactions, first finding a supply of coke for the steel producers, then trading our way up the line, and eventually getting the radiators we needed."

In June 1955 Edgar Kaiser appeared before a Senate judiciary subcommittee investigating the vast share of the automobile industry held by General Motors, Ford, and Chrysler. Although a major producer of commercial vehicles and sole manufacturer of the world-famous Jeep, Kaiser-Willys had produced only a small percentage of the passenger cars sold in 1954. Despite this, Mr. Kaiser said, "So long as you have the competition that exists today, there is no need to limit the size of automobile manufacturing companies."

An editorial in the Times, of Toledo, Ohio, hometown of Willys Motors, commented: "* * * Mr. Kaiser was the industrial statesman, standing firmly on the American free-enterprise system, and did not cry for governmental restrictions on his competitors to give him a bigger place in the market."

Egdar Kaiser, the eldest of Henry Kaiser's 2 sons, was born July 29, 1908, at Spokane, Wash., 2 years after his father had come west. His first part-time job in the Kaiser organization, while he still was in high school at Oakland, Calif., was issuing material slips to trucks delivering sand and gravel on a paving project.

In July 1955 he returned to the sand and gravel plant at Radum, Calif., during its 25th anniversary. The local newspapers said editorially: "If the Kaiser organization needed an emissary to win friends, he was present in Edgar Kaiser. * * * His manner of speaking was earnest, sincere, with a naturalness, a magnetic power, which instantly won him acclaim, made people who had never seen him before feel they were lifelong friends. * * * It was the simplicity of his presentation which made his message so personal, so deeply convincing."

Edgar Kaiser attended the University of California, majoring in economics, but left college in 1930 just one-half year short of obtaining his degree in order to accept a position as superintendent for a natural-gas pipeline project linking Kansas to the Southwest oil fields, which was followed by a similar job on a pipeline from Cut Bank to Butte, Mont. When the Kaiser organization joined the Six Companies, Inc., in the mammoth joint venture of its time—Hoover Dam—he cut his teeth in dam building as boss of an excavation crew.

Today, among his major offices, he is president and director of Kaiser Industries Corp., Henry J. Kaiser Co. and its operating divisions—Kaiser Engineers and Sand & Gravel, Henry J. Kaiser Construction Co., Kaiser Engineers International, Inc., Henry J. Kaiser Co. (Canada), Ltd., and Willys Motors, Inc.; a vice president and director of Kaiser Aluminum & Chemical Corp. and Kaiser Steel Corp.; a vice president of Permanente Cement Co., Kaiser Gypsum Co., Inc., Glacier Sand & Gravel Co., Permanente Steamship Corp., and Kaiser Community Homes; vice chairman of the board of Kaiser Center, Inc.; a director of Industrias Kaiser Argentina, S. A., and Kaiser Aircraft & Electronics Corp.; and a trustee and president of Kaiser Foundation.

He is a director of the Automobile Manufacturers Association of Detroit, a life member of the Automobile Old Timers, New York, and the Washtenau Historical Society, Ann Arbor, Mich.; a trustee of the A. M. A. Automotive Safety Foundation, and the San Francisco Bay Area Council; the Toledo, Ohio, Museum of Art, and a member of the following clubs and associations: Arlington Club, Portland, Oreg.; American Society of Civil Engineers, New York; Big C. Society, University of California; Claremont Country Club, Oakland, Calif.; Chi Psi Fraternity; Commonwealth Club of California, San Francisco; Detroit Club, Detroit; the Recess Club, New York; the Newcomen Society of England, American branch, Automotive Engineers, New York; Society of Naval Architects and Marine Engineers, New York; and the Toledo, Ohio, Chamber of Commerce.

Mr. Kaiser was married to the former Sue Mead in Washington, D. C., in August 1932. They are the parents of six children: Carlyn (Mrs. Raymond D. Wehle, of Honolulu, T. H.); Becky Ann, a student at Stanford University, Palo Alto, Calif.; and Gretchen Fosburgh, Edgar F., Jr., Henry Mead, and Kim John, who reside at the Kaiser home at Lafayette, Calif.

The West Virginia Society of the District of Columbia wishes at this time to add just one more honor to the score or more you have already acquired in your eventful career. We wish to make you one of us. It is with this thought in mind that our society has asked me to welcome you as an adopted son of West Virginia by presenting you this plaque in appreciation of your personal achievements, and the accomplishments of the vast industrial empire you so ably administer.

May I assure you of our deep appreciation. Our thoughts and best wishes will always be for our adopted son.

American Labor and Industry Must Be Protected

EXTENSION OF REMARKS

OF

HON. JAMES T. PATTERSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1957

Mr. PATTERSON. Mr. Speaker and my other distinguished colleagues, today I introduced in the Congress a revised import-quota bill based upon an entirely new formula that is designed to provide our domestic industries, at long last, with protection from low-priced, foreign-made products that undersell our own wares and hence inflict injury upon American labor and free enterprise. This bill, which I refer to as a self-liberalizing quota bill, is the result of months and months, and even years, of intensive study, and I believe that if this body enacts the measure into law it will provide a long-sought solution for our domestic industries and the great American labor force that constantly face injury from imports.

Mr. Speaker, this self-liberalizing quota idea is unique in certain respects, and I believe that a comprehensive explanation should be made of the measure here at the outset. Therefore, I have prepared the following justification statement:

JUSTIFICATION FOR A SELF-LIBERALIZING QUOTA BILL

As opposed to free trade there are various restrictive practices which are used to curtail imports especially if excessive imports of a special type tend to injure a domestic industry producing a like commodity.

Under the trade liberalization movement initiated by the United States in cutting tariffs under the various reciprocal trade agreements acts as well as by the progressive reduction of 15 percent of tariffs as of January 1, 1955, there are certain specific safeguards in the tariff law to protect American producers of commodities imported in excess or in quantities injurious to domestic producers of similar or competitive products. These consist of the escape and injury clauses as well as the newer appeal procedure to the Office of Defense Mobilization under section 7 of the Trade Agreements Act on the grounds of defense essentiality.

Opposition to excessive imports of various commodities has been crystallized in

various proposed bills dealing with restrictions of imports. Generally these bills are of various types:

First. All products or a selected list of products are placed on an absolute quota of imports.

Second. An import is established as a percentage of United States consumption. This percentage changes according to the commodity.

Third. A variable quota is allowed, based on the relative productive cost in areas of so-called cheap labor. In other words, a quota or added tariff is added to offset the low labor cost of imports.

Fourth. Our current tariff law, with a few quota exceptions for agricultural commodities, allows for an additional tariff levy to be assessed if it can be proved that excessive imports tend to injure a domestic producer of a like or competitive product.

In general, these quota proposals go contrary to the concept of the progressive and expanding economy of the United States with its ever-increasing needs for imports. The growing gross national product here at home and abroad takes cognizance of the fact that increasing consumption and industrial expansion cause an increasing and progressive expansion of international trade. Certainly if we wish to export, and no one can gainsay that fact, we must also be prepared to import.

It is not in the area of raw materials but primarily in the field of manufactured items which we import, that injury results wherever imports of certain commodities in excess of our consuming needs tend to displace domestically produced goods of a similar or competitive nature.

In general, our import system has worked very well during the postwar years. Under the provisions of our tariff law certain specific procedures have been originated by which domestic producers can have a restriction put on imports by an increase in tariffs. Of the various appeals against injury, or applications for relief by the addition of increased tariffs, the Tariff Commission and the Office of Defense Mobilization have actually granted an increase in tariffs in a few notable cases—namely bicycles and Swiss watches. In many other cases these applications for relief have been disallowed after finding has been made, subsequent to hearings held on the subject, that imports have been such as not to injure domestic producers of like products.

The problems of excessive imports in some fields are gaining in intensity and many domestic producers are becoming alarmed at the continued tendency of imports increasing due to the progressive lowering of tariffs. Currently, quite a few of our industries are beginning to complain that excessive imports continue to injure their domestic industries. If the trend continues, the net result may be a permanent cessation of domestic production of such commodities. The continuing deleterious results are already very evident in those areas of our country producing textiles, fabricated rubber products, bicycle, woodscrews, ball bearings, firearms, watches, pins, needles, copper and brass mill products as well as wire mill products, and plywoods.

Singly, our industries are told that they are not being injured as badly as they imagine; that they should diversify or retrain their workers for other occupations. Most of this is wishful thinking. The mere fact that many qualified and trained workers leave one industry and find employment in another does not guarantee the survival of the industry driven to the wall by excessive imports. The time has come when relief must not be given when it is too late or when the factory has been closed, the workers dispersed, and the resultant blight has settled on a community. The time to give collective relief against excessive imports is when the applications for relief pour into the Tariff Commission so as to offset the continuing injury or to safeguard industry's future.

American businessmen can sense a trend long before the actual reality materializes. Our Government should be alive to these trends and actively assist our businessmen in keeping their businesses progressive and profitable by prohibiting excessive imports that could seriously dislocate domestic industry.

It seems to me that the time has come to reappraise the import situation and readjust imports not by cutting or raising tariffs, but by a realistic and positive approach, namely by studying the quantity and volume of imports over a period of years and then deciding on a definite procedure to be followed. This procedure should be one not merely to protect affected industries at present, but rather should it be a positive one that will also foresee possible injury in other areas and hence will eliminate injury or difficulties before they actually arise.

It has been proved time and again that raising tariffs is not the best method of curtailing imports. Foreign traders merely find ways of exporting either cheaper products or others on which profits can be made. The direct result is that there is a continuous round of United States industries being injured in some fashion or other by excessive imports. The trend seems to be toward a progressive increase in imports year by year with a resultant injury to an increasing list of our industries which cannot compete with commodities from so-called "low cost" areas.

In trade there is one concept which makes for stability, namely the ability to know beforehand what quantity can be imported or exported aside from considering the various imponderables of exchange difficulties, changeable tastes in commodities, labor costs and so forth. Stability is created when producers in our country can know definitely what percentage of their market can be assigned to imports. Whether this percentage of our market is large or small assist the foreign trader to lay his plans accordingly and at the same time allow the domestic producer enough time either to add new lines or to retrain workers who might be displaced by imports.

It is this aspect which is central to my bill concerning self-liberalizing quotas.

In this bill the pattern of imports is placed on the traditional basis; that is, an average is computed on a 5-year basis; this average takes into consideration the fluctuations inherent during such a period.

The recommendation of the bill is that the average for calendar years 1950, 1951, 1952, 1953, and 1954 shall be the import total for calendar year 1958; average for 1951, 1952, 1953, 1954, and 1955 shall be the import total for 1959; average for 1952, 1953, 1954, 1955, and 1956 shall be the import total for 1960. Since most imports have gradually increased over the years the import total for the new calendar year cannot be as small as the initial year or as large as the final year for which statistics are available—namely, 1956. Each year the import total rises.

Yet in every instance where a domestic producer has asked for relief from the Tariff Commission or the Office of Defense Mobilization by means of an increase in the tariff rate, so as to curtail imports, the result is achieved much more easily, because the yearly import average is now less than the total imports causing distress in our domestic production of that commodity.

Forward planning can take place because the published import figures can be used to figure import totals several years in advance. At the same time these totals show a small upward trend so that foreign trades can look forward to a slow expansion of trade.

The bill provides a method of relief in cases where shortages or sudden demand in case of a preparedness emergency create a need for additional imports or where domestic production is insufficient to take care of the increased needs.

The proof for stating that shortages actually exist is undoubtedly much easier to obtain for under this radical new procedure whenever there is an apparent need and hearings are called it will be much easier to establish whether unused productive capacity exists in this country or not. In other words, whenever an apparent need arises our businessmen will automatically be alerted or if such productive capacity does not exist either to take steps to expand or to import. Importations may be equally difficult to obtain, but certainly a much greater opportunity will be given to establish American subsidiaries or complementary industries in foreign countries.

Allow me to give a position or concrete example of the reason for this self-liberalizing quota bill, the procedural working out of its provisions and the possible end results.

Let us take a group of commodities such as brass-mill products in which categories there is currently an importation much to the detriment of American industry and out of all proportion to our needs.

In fact imports are creating havoc in many of our smaller fabricating plants, especially in seamless tubing. In this latter instance imports rose from 321,000 pounds of unalloyed tubing in 1950 to 21,374,000 pounds in 1956. In alloyed tubing the increase was from 1,629,000 pounds in 1950 to 23,884,000 pounds in 1956.

The position as it obtains for brass mill products since 1950 in 1,000 pounds is as follows:

Year	United States brass mill shipment	Imports	Percent
1950	2,553,500	30,680	1.20
1951	2,460,100	29,035	1.18
1952	2,552,197	56,099	2.19
1953	2,627,936	46,032	1.75
1954	2,067,754	50,633	2.44
1955	2,532,074	72,067	2.84
1956	2,219,860	66,513	3.00

No wonder there is alarm amongst brass mill fabricators when imports within a period of 6 years are more than 3 times the 1950 importation rate.

The ratio of imports to United States mill shipments should be carried further for the 2 major types—unalloyed and alloyed—in 1,000 pounds.

Total brass mill products—Unalloyed copper

[Copper content]

Year	United States mill shipments	Imports	Percent
1950	890,200	18,246	2.049
1951	782,100	14,046	1.911
1952	735,389	22,161	3.013
1953	719,986	12,213	1.696
1954	726,421	17,538	2.414
1955	888,209	32,840	3.696
1956	826,794	39,176	4.738

Total brass mill products—Alloyed copper

[Metal weight]

Year	United States mill shipments	Imports	Percent
1950	1,663,300	12,434	0.747
1951	1,678,000	14,089	.839
1952	1,816,817	33,938	1.867
1953	1,907,950	33,819	1.772
1954	1,341,333	33,095	2.467
1955	1,643,765	39,227	2.386
1956	1,393,066	47,337	3.398

Ordinarily, it might be said that when the overall consumption picture of copper products in the United States is considered that domestic producers of brass mill products are not hurt by imports of similar or competitive products since imports constitute rather a small percentage of United States consumption totals.

It is when the breakdown of imports concerns the manufacturers of small fabricators that the trend or pattern of injury is very apparent.

Consider seamless tubing made of unalloyed copper—copper content. In a 6-year period imports increased by 73 times. An enormous increase of this nature is bound to have repercussions in the brass-fabricating industry.

Total seamless tubing—Unalloyed copper

[Copper content in thousands of pounds]

Year	United States mill shipments	Imports	Percent
1950	466,531	321	0.068
1951	361,698	921	.254
1952	319,761	5,122	1.601
1953	340,806	1,126	.330
1954	386,068	5,097	1.32
1955	461,489	10,315	2.235
1956	429,910	21,374	4.971

Consider the comparison to United States mill shipment of seamless tubing made of alloyed copper. During the 6-year period imports have increased 15-fold with the greatest increase in the last 3 years.

Total seamless tubing—Alloyed copper

[Metal weight in thousands of pounds]

Year	United States mill shipments	Imports	Percent
1950	175,100	1,629	0.930
1951	173,500	1,883	1.085
1952	196,260	881	.448
1953	210,371	7,277	3.460
1954	144,841	15,156	10.463
1955	168,110	20,707	12.317
1956	163,479	23,884	14.609

In copper wire mill products the picture is slightly different—imports have increased only threefold over the same period of time yet the increase is within the last 2 years. It may be that the trend is toward increased importations in this category of import commodities with the resultant detriment to United States fabricators of the same product.

Copper wire mill products

[Copper content in thousands of pounds]

Year	United States mill shipments	Imports	Percent
1950	1,428,600	6,066	0.425
1951	1,371,000	4,599	.335
1952	1,370,077	5,565	.406
1953	1,394,631	1,709	.122
1954	1,275,201	3,450	.270
1955	1,555,579	10,284	.661
1956	1,620,519	19,373	1.195

It seems evident that if the trend of importations of alloyed and unalloyed brass mill products is upward in such a substantial fashion, that it may be axiomatic to assume that imports of wire will also increase with injurious results to our domestic wire mills.

Furthermore, it has been evident in the many applications filed with the Tariff Commission or with the Office of Defense Mobilization for relief from excessive imports that when foreign exporters discover that their actions may have possible injurious repercussions on some segment of American industry that before relief has been granted to the injured domestic industry the trade emphasis has been rapidly shifted to some other industry where profits can be made rapidly. It may be stated categorically that foreign exporting industries have been able to shift production in profitable categories much more readily than have their counterparts in American productive industries. This capacity for shifting production should be assessed dispassionately because it can do irreparable harm to many unsuspecting segments of our industries.

It is this competitive shifting factor that will be obviated in my self-liberalizing quota bill. The injury caused by shifting from one profitable category to another cannot take place because obvious limits to excessive imports are automatically set by law.

The method of assessing the self-liberalizing quota for each commodity will work in the following fashion. Let us take the example of the commodity in which imports tend to injure a domestic industry—namely the two types of seamless tubing in brass mill products—alloyed and unalloyed, mentioned before.

Seamless tubing—Unalloyed—Copper content

[Thousands of pounds]

Imports were:	
1950	321
1951	921
1952	5,122
1953	1,126
1954	5,097
Total	12,587

Average yearly imports for the 5-year period amount to 2,517,400 pounds. The annual import quota for calendar 1958 should be 2,517,400 pounds—this compares with the import total of 21,374,000 pounds in 1956 or 11.77 percent.

The same method of computation is used to arrive at the 1959 quota:

Imports were:	
1951	921
1952	5,122
1953	1,126
1954	5,097
1955	10,315
Total	22,581

Average yearly imports for the 5-year period amount to 4,516,200 pounds. The annual import quota for calendar 1959 should be 4,516,200 pounds—this compares with the import total of 21,376,000 pounds in 1956 or 21.12 percent—the quota increases automatically.

Similarly the 1960 quota is as follows:

Imports were:	
1952	5,122
1953	1,126
1954	5,097
1955	10,315
1956	21,374
Total	43,034

Average annual imports for the 5-year period amount to 8,606,800 pounds.

Thus the annual import quota for calendar 1960 should be 8,606,800 pounds—this compares with the import total of 21,374,000 pounds in 1956 or 40.26 percent—again a sizable increase, but one that is foreseen and planned for.

Similarly the quotas for 1961 onward can be computed with a sliding or self-liberalizing scale coming into being. The percentage rises slowly but it is a planned increase and American industry has 3 years to plan ahead. It cannot be proved conclusively, but the percentage increase might just be enough to allow our imports of any commodity to comprise a fair share of our growing needs of our expanding economy.

In the alloyed type of seamless tubing of brass mill products—metal weight—the quotas will be:

1958: 5,365,200 pounds or 22.46 percent of 1956 imports of 23,884,000 pounds.

1959: 9,180,800 pounds or 38.43 percent of 1956 imports.

1960: 13,581,000 pounds or 56.86 percent of 1956 imports.

The percentage increases year by year yet relief is granted within the next 3 years so as to help our domestic industry to adjust itself without the deleterious effects so evident in uncontrolled

imports resulting from our current free-trade concept.

Now before this revolutionary idea of a self-liberalizing quota is accepted there is bound to be a spate of opposition as to the impracticability of accounting procedures, the enormous addition of staff, the impossibility of assessing penalties against those countries deliberately exceeding their fair quota share, the tampering with American foreign economic policy set by the State Department, possible repercussion from foreign governments resulting in quotas against our exports, international difficulties created in the international balance of payments due to the inability of foreign governments to earn sufficient dollar exchange by exports to the United States, the vociferous battle cry that our present tariff system is the best in the world and works the most good for the greater majority of our people and so forth. One could take the opposing ideas 1 by 1 and disprove them but that is unnecessary since we are now establishing a more positive approach to imports. Hitherto we have had the negative accent by which injury has to be proved before our ponderous tariff administrative machinery can give relief to affected industries. Now the positive aspect will be stressed. Whenever a need for certain commodities shows that existing supplies in the United States are insufficient to satisfy demands, our domestic industry can either take care of that by adding productive capacity or a relaxation of the import quota can be announced. Administratively it is far easier to relax quotas than to make them more stringent by increasing tariffs.

As to international repercussions—most foreign countries exercise some sort of export control and could immediately enforce their own export share on their nationals without adding the burden to our Customs Bureau.

In any event the controls exercised by our Commerce Department can be worked out: they are not administratively infeasible. Surely our Tariff Commission should be able to come up with lists of import commodities that are directly competitive with domestically produced items so that the impact of this new idea and its relative effect on the economies of other nations can be assessed?

Remarks of Hon. Sam Rayburn, of Texas, at the Jefferson-Jackson Dinner in Salem, Ohio, on May 4, 1957

EXTENSION OF REMARKS

OF

HON. WAYNE L. HAYS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1957

Mr. HAYS of Ohio. Mr. Speaker, it was my very great honor to have you, the Speaker, in my district to speak to my constituents on Saturday night, May 4. I am proud and privileged to put the remarks you made at that time in the RECORD:

REMARKS OF HON. SAM RAYBURN AT JEFFERSON-JACKSON DINNER IN SALEM, OHIO, ON MAY 4, 1957

I am happy to be in the great State of Ohio again. It has been my privilege to visit Ohio many times, and I have found its people sane, sound, patriotic people. Many of the great names in our history have come out of Ohio. It is a State rich, not only in people, but in soil and industry.

I am immensely pleased that it is my privilege to be in the district represented by your very able and energetic Congressman, WAYNE HAYS. He has character, he has ability, he has industry. If the people of this district will reelect him many times in the future, he will not only be an honor to the district, but he will make such an outstanding record in the Congress that not only this district, but all of Ohio, will be proud of this son.

I am happy that you people are giving this dinner in honor of your Congressman, WAYNE HAYS. It is a testimonial richly deserved. I appointed him as a member of the United States Commission to NATO, and there he was honored by being made chairman of the conference. By word of mouth and by letter I received word of the great job he did as chairman of that most important conference. It is an honor that comes to few men, and to know that he did such a wonderful job makes me, along with you, happy to help do him this splendid honor.

We Democrats demonstrated for 20 years that we could have a program, and we knew how to put it into effect. In 20 years, under Roosevelt and Truman, we made a record of legislative accomplishments unequaled by any 20 years in American history. We demonstrated to the people of America that we were their friend and had their interests at heart.

As my friend, and the great Democratic leader in the House of Representatives, JOHN W. MCCORMACK, has so eloquently said, "The Democratic Party is the party with a heart." The Republican Party has not changed in 100 years; yea, it has not changed since Thomas Jefferson, the founder of the Democratic Party, and Alexander Hamilton, the founder of the Republican Party, struggled in the Cabinet of the great Washington.

The Jeffersonian theory was, and the Democratic theory and practice now is, that the way to make the country prosperous is to make the man at the base, the man who works with his brain and his brawn, in the stores, factories, on the farms and the marts of trade, more prosperous. If these people are reasonably prosperous and have a buying power, that prosperity goes from the bottom to the top.

We are witnessing an administration now that is true to their ancient faith. It is the day when bigness is promoted. It is the day of merger and consolidation, encouraged by everyone in the present Republican administration, from the President down.

I said that the Democratic Party is the party with a heart. To prove this, all you have to do is to look at what we have done for the aged and the poor. Social security was a Democratic product. Old-age assistance was a Democratic product. Under the expansions we have made in these laws, thousands upon thousands of American citizens are living in decency when they could not have had the bread of life if it had not been for the Democratic Party.

Let's look backward for a moment. In 1932, the last year of the Hoover administration, the total net income of all the farmers of the United States was $1,800,000,000. Under our laws, and our administrations, we raised the farm income to more than $15 billion. It has taken the Republicans 4 years to reduce the income of the farmers of the United States more than $4½ billion.

A great many Republicans want to make Ezra Taft Benson the scapegoat and not blame the head of the administration. Mr. Eisenhower appointed Mr. Benson as Secretary of Agriculture and has kept him in that place all this time, and the acts of this administration that have brought disaster, poverty, and bankruptcy to many of our farm families must be laid at the door of President Eisenhower.

During the campaign of 1952, Candidate Eisenhower pledged the American farmers 100 percent of parity in the market place, but after he became President he endorsed, advocated and pleaded for a flexible price support from 75 percent to 90 percent.

Millions were unemployed when we came into power in 1933, and before our administration closed 62½ million men and women were gainfully employed at reasonable wages and decent working conditions.

After 12 years under Harding, Coolidge and Hoover, the national income of the United States had sunk to $39 billion. We were accused of spending the country into bankruptcy, but in the 20 years we were in power, the national income rose to more than $280 billion.

Talk about spending, President Eisenhower has just presented the biggest budget ever presented in peacetime in the history of our country. There is too much fat in this budget, and I pledge you that the Democratic Congress is going to remove from it, in my opinion, somewhere from 3 to 5 billion dollars. We are not going to cut recklessly, but in a sane, sound way without hurting our country, and we are going to select carefully those parts of the budget which can be cut, and when we cut the budget these billions of dollars, we are not only going to take that load off the taxpayers of the country, but we are going to give that savings back to the people of the country in the form of tax reduction.

The Republicans went over the land railing at the foreign policy of the United States. They indicated they were going to rip the Truman-Acheson policy up by the roots and bring in a great imaginative foreign policy. They have conducted the foreign affairs of this Government in such a fashion that today, I am sad to say, I believe we have fewer friends in the world than we ever had before.

The world wanted us to be its leader. I fear that they believe now we have faltered and failed.

We cannot lay the failures of this foreign policy at the door of Mr. Dulles alone. The President of the United States, under the Constitution, is head of our foreign affairs, and any failure in this must be laid at the door of President Eisenhower.

We Democrats believe that those in places of responsibility should be able enough, and bold enough, to assume the responsibility for the acts of the Administration.

They said our program of 20 years was leading the country into socialism. They indicated they were going to rip our laws up by the roots and have a new dynamic program of their own. I have said this a great many times, and I am going to repeat it tonight. I challenge them to show where anybody in this Administration, from the President down, has advocated the repeal of a single law we passed in the 20 years we were in power. If the Democratic Party was socialistic in putting these laws on the statute books, then the Republican Administration is equally socialistic for letting them remain.

Mr. Eisenhower said that one of the reasons he was a candidate again was because the Republican Party needed rebuilding so badly. That is one statement that he had made in which, we, as Democrats, and a vast majority of the American people, are in accord.

The great phase has been coined by Mr. Eisenhower, and that is "Modern Republicanism." Modern Republicanism is such a phrase that it would sound like somebody was going to make modern antiques.

Rebuilding this Republican Party, and making it a party of the people will be a bigger undertaking than building the Aswan Dam. It will be a bigger project than damming all the streams and building the upper Colorado, Fryingpan, and Hells Canyon Dams all piled into one.

The Republican Party boasts of the prosperity of the country. When and where was the foundation laid? It was laid under a Democratic administration.

Let me repeat, we took this country in 1933, when it had a national income of $39 billion, and raised it to more than $280 billion. That is the foundation well laid by Democratic administrations, and the force and power that we gave it has carried the country on to even greater heights.

The Republican Party cannot claim the credit, therefore, for the prosperity that exists today.

So, I come back as I began. The Democratic Party is, has been, and will be, the party of the people and for all the people.

The Republican Party will remain what it is, and has been, the party of preferred privilege.

The American people are entitled to a leader in the White House who leads, and they do not want a Government administered by a staff that directs the President.

Republicans say they are the party of the future—well, if the Republican Party is to have a future they must in some way have the American people forget their past.

The Democratic Party fulfills its promises and carries out its pledges. The Republican Party makes promises and pledges and forgets them after elections.

Mr. Eisenhower carried the country by the biggest majority that any presidential candidate had ever carried it by, yet the Republican Party itself was so unpopular that they were defeated at the Congressional elections, and the Democrats now control the Senate and the House of Representatives. I predict that, with the bungling and the ineptness being shown by this administration, the 1958 Congressional elections will return a bigger majority for the Democrats in the Senate and in the House of Representatives than we have at this time.

Who Partitioned Korea?

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1957

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks I am including an article which I prepared for the June issue of the National Republic on a topic which has been quite controversial since Korea was partitioned.

The article follows:

WHO PARTITIONED KOREA?

(By Hon. LAWRENCE H. SMITH, United States Representative from Wisconsin)

Who partitioned Korea at the 38th parallel, and why? Thus far we do not know who made the decision, or exactly when. But history does reveal clearly that the partition led ultimately to the Korean war, in which the United States suffered 154,000 battle casualties between June 1950 and July 1953.

New light on the epochal partition decision comes to us in a recent book by Elizabeth Churchill Brown, a well-known New York journalist and wife of Constantine Brown, foreign editor of the Washington Star. The book is styled the Enemy at His Back.

The foreword by Senator WILLIAM F. KNOWLAND, of California, presents the theme of the work in these challenging words: "We must recognize that in dealing with the Kremlin, the road to appeasement is not the road to peace. It is only surrender on the installment plan."

Mrs. Brown's book is rich in new historical documentation on Yalta, Potsdam, Warm Springs, Los Alamos, and Hiroshima.

The partition of Korea was not, so far as we know at this point, a part of the Yalta agreement. On the other hand, Mrs. Brown explains that the partition at the historic 38th parallel came about in this way (p. xvii):

"Shortly after V-J Day a round-robin telephone conversation took place between the War Department and the White House. One of the participants in this unusual conference told me that those in the Pentagon did not know to whom they were talking in the White House—and that it was the White House parties who ordered the partition of Korea at the now infamous 38th parallel."

This shocking vignette of raw history suggests the quality and fiber of many of our pivotal postwar decisions in Washington, touching foreign relations, under President Truman and Secretary of State James F. Byrnes.

"After a study of the map of China it is easy to realize that, without Russian control of the areas demanded and obtained in the Yalta agreement, China would not have been lost to the Reds. And without Red control of China and the partition of Korea, the Korean war would never have happened."

In 1954 the Senate Internal Security Subcommittee, under the direction of Chairman WILLIAM E. JENNER, of Indiana, held extended hearings on the Korean war. In those hearings Gen. James A. Van Fleet and Gen. Mark Clark, among others, voiced the conclusion that unknown and unidentified men in our State Department forbade a decisive military victory in Korea north of the 38th parallel. Later in his book, From the Danube to the Yalu, General Clark wrote: "I could not help wondering and worrying whether we were faced with open enemies across the conference table and hidden enemies who sat with us in our most secret councils."

Woman's intuition guided Mrs. Brown to her scholarly labors in historical reconstruction, sometime after the death of President Roosevelt, on April 12, 1945.

"I determined to discover what influences in high places had perhaps inspired the decisions made by our leaders, and also to check our policies with those of the Communists, as set forth in their own publications. The similarity of these policies and the Communist aims was startling."

Through the Senate and House hearings on Communist subversion and infiltration, Mrs. Brown learned of the Kremlin's plans and program for Europe and Asia after the war.

"So it was that I learned how Soviet Russia had placed her agents in high places in our Government—agents who not only stole top secrets, but, most important of all, influenced the policymakers of this Nation. Agents, in key Government posts, I learned, also worked hand in hand with agents whose job it was to influence and condition the public mind in order that public opinion would accept the policies as they were made."

From President Roosevelt's Yalta Conference, in February 1945, to President Truman's Potsdam Conference, in July 1945, Washington was mostly free-wheeling. Between March 1 and Mr. Roosevelt's death on April 12, nobody was really tending the store. President Truman took over his new post without having experienced any continuing contact with the great issues of world affairs.

"During the time he was Vice President," Mrs. Brown notes, "he had never been invited to go to an international conference, nor even to the important conferences in Washington. He was completely uneducated in high-powered international politics."

White House Secretary Jonathan Daniels records that at Potsdam, "from the beginning Truman liked Stalin."

In a quiet moment President Truman had remarked: "Stalin is as near like Tom Pendergast as any man I know" (p. 146).

General Dwight Eisenhower, Supreme Allied Commander in Europe, journeyed to Amsterdam early in July 1945 to confer with President Truman, then en route to Potsdam. General Eisenhower emphatically warned Mr. Truman against soliciting Russian participation in the war against Japan. He urged that the war in the Pacific be ended before Russia could get in. But at Amsterdam, General Eisenhower did not know that at Yalta (in February) Roosevelt had accepted Stalin's pledge to put Russia into the Pacific war 3 months after VE-day. This made Russia's entry into the war on August 8 a certainty. However, President Truman did not know at Amsterdam that Russia already was pledged to enter the Pacific war.

On July 28, near the end of the Potsdam Conference (and 2 full weeks after the first test explosion of the atomic bomb at Alamogordo on July 16) Secretary Forrestal noted in his diaries that Secretary Byrnes said he was "anxious to get the Japanese affair over before the Russians got in" (p. 143).

At the end of the Potsdam Conference on August 1, General Eisenhower again remarked to President Truman that he hoped he had not made any concessions to get the Russians in. At the same time, Secretary Forrestal noted in his diary that "50 divisions could not have kept them out."

Secretary Byrnes paid glowing tribute to his personal advisers at Potsdam, Ben Cohen, who had been a guiding influence in State Department decisions since the early days of the Roosevelt administration in 1933; H. Freeman Matthews, and Charles E. Bohlen, of the State Department's Policy Planning Staff.

"A new Secretary of State could not have asked for a finer trio of advisers," Byrnes noted late in his book.

Admirals King, Leahy, and Nimitz assured Mr. Truman before Potsdam that Japan was crushed, as Eisenhower insisted later at Amsterdam. But the Foreign Economic Administration and the Office of War Information, where Owen Lattimore was in charge of the Far Eastern Branch, insisted Russia must come into the Pacific war. Gen. George Marshall agreed, arguing that Russia's declaration of war against Japan at the proper time "would save millions of American lives" (p. 148).

Russia's determination to get into the Pacific war was dictated by the Kremlin's demand for continued lend-lease shipments after VE-day, in May. Stalin estimated he needed 3 million tons more of lend-lease to supply his armies for the war against Japan. "By the time of Potsdam, the Russians were sufficiently equipped and stockpiled to be a major power in the Pacific—and they still weren't in the Pacific war," Mrs. Brown notes.

General MacArthur told in the Senate hearings (1951) of orders from Washington in May 1945 withdrawing 100 of his transport ships from the Luzon battle to transport Russian lend-lease supplies to Vladivostok. He protested bitterly that withdrawal of these ships would jeopardize the entire Philippine campaign. But Washington's orders stood. The ships were withdrawn from MacArthur's supply lines to carry lend-lease

to Russia—the very supplies and equipment which later enabled Russia to take over China and North Korea (p. 156).

Japan had been suing for peace since October 1944, and had announced to Stalin on July 18, 1945, that Prince Konoye would visit Moscow for conversations looking to peace arrangements. This information was not conveyed to President Truman by Stalin until near the end of the Potsdam Conference. On July 28, Stalin remarked casually to Truman that he had received a request from Japan to mediate. On that very day, he added (the 28th of July), he had received a second proposal from Tokyo—too vague to permit of an affirmative answer. But between July 18, the day of the first formal Japanese peace advance to Moscow, and July 28, the date Truman was informed of the peace feelers, the Potsdam Conference had decided to drop the first atomic bomb on Hiroshima early in August (p. 159).

The bomb was dropped August 6. Russia declared war on Japan August 8. The second bomb fell on Nagasaki August 9. And on August 10 Japan sued for peace on the Potsdam terms.

Russia, in the war for 2 whole days, now was a major factor in all the Pacific settlements. All the rich territorial awards to Russia, as initialed at Yalta in February 1945, now were due for payment.

Jonathan Daniels recorded some time later that President Truman had observed at Potsdam: "I got the impression that Stalin would stand by his agreements. * * *"

When the Japanese armistice did come, Russia was assigned the task of receiving the surrender in all of northern China and all North Korea, above the 38th parallel, the partition line drawn by an unnamed somebody in the White House in May.

Mrs. Brown concludes this amazing jigsaw with the arresting observation: "But at Yalta and again at Potsdam someone was calling the plays and giving the signals, and it is tempting to guess it was Stalin himself. Who on our team was interpreting the signals and putting them into effect?"

If woman's intuition is the vast power for good that so many claim, perhaps we should all dig around a bit for the answer to the lady's question.

New Data Needed To Help Small Farmers

EXTENSION OF REMARKS

OF

HON. HENRY ALDOUS DIXON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1957

Mr. DIXON. Mr. Speaker, whenever agricultural legislation is seriously discussed, there is talk about the plight of the small farmer. Many of our farm laws have assisted the large commercial farmers while doing little for the marginal farmers who are in desperate need of rehabilitation. This is like the case of the Swiss cheese having all the ventilation while the Limberger desperately needs it.

A major reason that the small farmer doesn't get the help we would like to see him receive is that we lack the statistical data which would identify his situation and the impact of various farm programs upon it. The real plight of the small farmer is swallowed up by "average" figures which are of little help in diagnosing specific ailments and considering remedies. Therefore, I urge support in the House of Representatives for my bill, H. R. 3828, which would require the Bureau of the Census to develop both money and nonmoney farm income data by economic class of farm.

This bill has already passed the Senate in the form of S. 405 introduced by Senator ARTHUR V. WATKINS. Senator WATKINS recently made an excellent statement on this bill to the House Post Office and Civil Service Committee. I wish to insert his statement at this point.

The statement follows:

Mr. Chairman, S. 405 and the House companion bill before you, H. R. 3828, introduced by Congressmen DIXON, would require the Department of Commerce to collect annually money and nonmoney income data by economic class of farm. These bills are identical to S. 3145 which I introduced in the last Congress, and which passed the Senate in June 1956.

On that occasion, I called the Senate's attention to the fact that: "income statistics which lump all classes of farms together are not adequate guides for the formulation of public agricultural policies. * * *

"The Congress must have at its disposal more meaningful, reliable and current agricultural income data than it now has, if it is to develop programs which effectively meet the problems of different economic classes of farms."

Agricultural economists have long recognized this problem. Consider the following observation by Ernest W. Grove in an article appearing in the April 1956 issue of Economics Research published by the United States Department of Agriculture:

"As the bulk of the farm income, both gross and net, goes to those farms that are classified commercial, the published totals are sometimes used as representative of commercial farms. * * *

"The published averages of income per farm and income per person on farms are for all farms taken together, and they cannot be assumed to represent either the commercial or the noncommercial groups of farms. On many small farms, the farmer and his family are primarily dependent for a livelihood on income from nonagricultural sources rather than on farm income. Most commercial operators, however, not only have larger total incomes but receive the bulk of their income from farming operations. Thus, the overall averages of per farm and per capita income are actually combinations of income averages for more homogeneous subgroups of farms, among which both the absolute size and the relative importance of farm and nonfarm sources of income show wide variations.

"For these reasons, a breakdown by economic class of the overall totals and averages of farm income is badly needed" (p. 51).

Although the farm price and income situation apparently improved somewhat during 1956, agriculture as a whole did not share equally in the unprecedented prosperity which produced a $412 billion gross national product and high incomes in the nonfarm sectors of the economy.

Perhaps one reason for this situation is that we have tried to apply the same farm program to different types of farm enterprises, with the hope that in some miraculous way all farmers would benefit equally. For example, many people have assumed that price-support programs benefit all farmers.

A little reflection, however, I believe will make it clear that there are certain fundamental problems in agriculture relating to size and type of farm, location, etc., which require different solutions and perhaps different types of public assistance than those generally assumed to be beneficial to agriculture as a whole.

The Census Bureau defines a farm as 3 acres or more of land if the value of the products raised on that land amounts to $150 or more; or if it comprises less than 3 acres and the value of the products sold amounts to $150. On the basis of this definition, the 1950 census of agriculture classified farms into (1) six classes of commercial farms, depending upon the market value of produce sold; and (2) several classes of other farms, including part-time and residential.

Based upon the classification of commercial farms, we had in 1949 according to the 1950 agricultural census:

1. 103,231 farms in class I. These are farms which sold produce valued at $25,000 or more.

2. 381,151 class II farms which sold between $10,000 and $24,999 worth of agricultural commodities.

3. 721,211 farms in class III selling produce valued at between $5,000 and $9,999.

4. Class IV farms numbered 882,302 and sold between $2,500 and $4,999 worth of farm and ranch products.

5. Class V farms totaled 901,316 and their owners and operators sold crops, etc., valued at between $1,200 and $2,499.

6. 717,201 farms constituted class VI and sold produce valued at between $250 and $1,199.

It is evident from this breakdown, that two-thirds of our farms contribute very little to total money net income. However, these figures tend to indicate with respect to the owners and operators of farms, especially in classes IV through VI that their total income picture is worse than is really the case. Why? Because this type of data does not include nonmoney income such as farm produce consumed on the farm as well as that from nonfarm sources. Such nonmoney income when added to money income earned from the sale of produce and from nonfarm sources results in a more favorable comparison for the operators of these farms in classes IV through VI with (1) incomes of farmers operating class I, II, and III commercial farms (which have a very small nonfarm sources component by comparison) and (2) nonfarm incomes, than does only money income comparisons.

So that I might make such comparisons in my supplemental views on the Joint Economic Committee's report 2 years ago, I asked the Department of Commerce to provide me a table showing by economic classes of farm total net farm income on a family and per capita basis. I had naturally assumed that as part of the 1950 census of agriculture, that the Department would be able to supply such data, including money and nonmoney income. To my surprise, I was told that such data did not, in fact, exist. So, I then requested the Department of Commerce to prepare me a table based upon the 1950 census which would show these data on a per capita and family basis. After much negotiating, the Department was able to give me the requested data which actually were a composite of (1) money income based upon the 1950 agricultural census, and (2) nonmoney income or value of farm products used by farm households based upon the 1945 census of agriculture (because such data were not collected as part of the 1950 census). I ask, Mr. Chairman, that this table be printed in the hearing record at this point in my remarks.

Analysis of these data by economic class of farm indicate that:

1. One million two hundred thousand of the then existing 3.7 million commercial farms, mostly family type, comprising the first 3 economic classes of such farms, and containing 209.1 million acres of harvested cropland, produced farm products sold for $5,000 or more. Expressed another way, 22 percent of the total number of farms produced 74 percent of the total value of all farm products sold, utilizing 60.5 percent of the total harvested cropland.

The average family income, including both money and nonmoney income, of the 5 million persons living on these 1.2 million farms was $5,143. By comparison, the average family income of all farm families on farms that same year was only $2,650.

The average per capita income, including both money and nonmoney income, was $1,229, nearly twice that of all people on farms, which was only $651.

2. The other 2.5 million farms in the last 3 economic classes of commercial farms, containing 118.8 million acres of harvested cropland, produced crops sold for $4,999 or less. Expressed another way, 47 percent of the total number of farms produced only 24 percent of the total value of all farm products sold, utilizing 34.5 percent of the total harvested cropland.

The average family income including both money and nonmoney income, of the 10.3 million persons living on these 2.5 million commercial family-type farms was only $1,741—$3,352 less than the average of those families operating farms in the first 3 economic classes of farms and $859 less than the average family income of all farm families.

The average per capita income, including both money and nonmoney income, was only $430—$799 less than the average per capita income of persons living on farms in the first 3 economic classes of farms—and $221 less than that of all people living on farms, which was $651.

3. In addition, there were 1.6 million part-time and residential farms. These farms, representing 31 percent of the total number of farms, produced only 2 percent of the total value of all farm products sold.

This analysis clearly indicates, I believe, that income data in agriculture by economic class of farm are essential in evaluating the effectiveness of farm programs as applied to different size and type farms. For example, in evaluating the extent to which price support programs aid farmers by raising prices and, therefore, incomes, the foregoing data make it quite obvious that two-thirds of our family-type farms produce so very little for sale that they cannot materially benefit from such programs regardless of the level of price supports be it 75, 90, or 100 percent of parity.

No wonder then that average per capita money farm income is but one-half that of nonfarm per capita income, although on the farm side this figure is somewhat lower than the total farm income on a per capita basis, since, as I have suggested, nonmoney income is not included in current published comparisons such as those found in the Economic Indicator prepared by the Council of Economic Advisers.

On the other hand, this analysis makes it evident that within agriculture there exist great ranges of income disparity as measured by economic class of farm, and that average and per capita farm income figures, derived by dividing the number of farms and farm people into a net-income figure, are of questionable value for policy determination.

In December 1956, I again asked the Department of Commerce to furnish me a similar table based upon the more recent 1954 census of agriculture. However, again to my surprise I was informed by letter of January 10, 1957, from the Director, Bureau of the Census, that "other information like that furnished you for the 1950 census is not available." Why? Director Burgess explained by saying that "figures on net income of farm operators or on the number of persons in farm operators' households were not collected in connection with the 1954 census of agriculture," and that "we do not have any data more recent than those for 1944 regarding the value of farm products consumed by families of farm operators."

It was concern over the need for finding workable solutions to the diverse problems which confront the owners and operators of different size farms and because of the lack of this type of much-needed farm income data for policy determinations which prompted me to introduce S. 3145 in the 84th Congress and S. 405 in this the 1st session of the 85th Congress. If such data, as that enactment of S. 405 would provide, were available, Congress would be in a better position, in my opinion, depending upon the annual shift in the number of farms in each class, to develop more effective and remedial agricultural programs.

With respect to the owners of the one-third of our commercial farms, 90 percent of which are family owned and operated producing over 85 percent of our annual crop value, data would help the Congress, depending upon the supply of various crops compared to their demand, to decide whether (1) more or less emphasis ought to be put on higher or lower price supports; (2) more or less marketing and production research was needed; and whether (3) more or less conservation assistance should be forthcoming. Concerning the operators of two-thirds of our farms which produce less than 15 percent of our crop value, such data should enable the Congress to better develop for most of the people living on small rural farms a noncommercial family-type farmer's program.

The present rural-development program, although in its embryonic stage, has already made plain that the economic and social solutions to the problems of the low-income farmer require different approaches or combinations of approaches for solution. The following were some which I suggested in my minority views to the 1956 report of the Joint Economic Committee:

"Many owners and operators of fifth- and sixth-class commercial family-type farms in particular can benefit from more liberal long-term credit policies coupled with intensive assistance along technical farming lines from the Federal and State extension services and other Federal and State agencies.

"More easily attainable credit would enable many such farmers to expand their farms to a size which could return to them and their families a decent level of living. For a great many other farms, lack of opportunity to acquire adjoining farmland, rather than lack of capital to purchase such lands, constitutes the 'size of farm' problem. For others the need is for credit on liberal long-time terms to be used for the purchase of equipment, buildings, livestock, and so forth. * * *

"Others will find the solution to their economic problems through a combination of part-time farming and nonfarm employment, as many have done in increasing numbers during the past few years, even if the latter provides most of their income. Evidence of this is found in the fact that the number of part-time farmers increased by 32,008 during the past 5 years, as disclosed by a comparison of the 1950 and 1954 agricultural censuses.

"Whereas in 1940, only $2.7 billion of farm income from all sources was derived from nonfarm sources, $6.1 billion was derived in 1955. In 1946, our first postwar year, 20.5 percent of farm income from all sources was derived from nonfarm sources; by 1955 this had increased to 32.2 percent.

"We have witnessed, as far as this problem is concerned at least, growing industrialization in the Southern States, where 6 of our 9 major low-income farm areas are located. Other things being equal, the South undoubtedly will continue its industrial advancement, since one of the area's most attractive features is the existence of considerable manpower which is now underemployed on small-sized and unproductive farms.

"Still other people will derive better incomes only by leaving agriculture entirely. This voluntary exodus from agriculture will attract many younger people, who because of the lack of adequate capital required to begin a successful farming operation, must look elsewhere for their livelihood. For these, 4-H Club and other educational programs provided by State extension services and other agencies for rural youth need to stress vocational training which can lead to gainful nonfarm employment.

"Older people living on marginal farms will not want to leave, in spite of the low level of living such farms provide them. Here an extension of rural social services may materially contribute to a better level of living for these people.

"And we must not lose sight of the fact that others would rather go on living the kind of lives they are, than trade them for any other, not because they are disturbed by lack of material goods and services—larger incomes, if you please—but because they like their lives as they now are. This, they too should be free to do; 'man is that he might have joy.'" (pp. 73–76).

We are indeed making progress in this policy area; it has been slow, but the future for many of these people will be made much brighter the sooner we can develop a real noncommercial family-type farmers' program. However, from what I have said, I believe it is evident that for the purpose of developing public agricultural programs there is a vital need for timely money and nonmoney income data by economic class of farm. Agricultural policies and programs based upon income averages of such diverse economic groupings of farmers as constitute American agriculture will continue to provide some farmers unnecessary financial assistance at the taxpayers' expense; and will provide little or none to those which taxpayers would be more inclined to provide public assistance.

At present, there are no continuing programs in either the Department of Agriculture or the Department of Commerce's Bureau of the Census which produce current estimates of money or nonmoney income by economic class of farm. Over the past several years, some limited attempts have been made to produce this type of information, but always in connection with other programs.

During fiscal 1956, for example, the USDA and the Department of Commerce in conjunction with a survey of farm income and expenditures, undertaken to improve overall estimates and modernize parity indexes, did obtain some national income aggregates and per-farm averages of off-farm income in 1955 for some 8 economic classes of farms. About $30,000 of the $285,000 total cost of this money might be said to have been for work on income estimates by economic class of farm. A study is now being made to determine, as originally required by S. 3145 which I introduced in the 84th Congress, whether it is feasible to collect information on farm income as part of the Bureau of the Census annual current population survey. The expenditures in connection with this project will be also in the neighborhood of $30,000.

Considering the importance of the policy implications I have previously discussed, it is to be regretted that so little attention has been given to this statistical program area, although the Congress has given continued attention to the improvement of much needed statistical data in connection with other aspects of vital agricultural as well as nonagricultural programs. This is evidenced by a comparison of (1) direct obligations for principal current Federal

statistical programs, which in fiscal 1956 amounted to $27.1 million, and which in fiscal 1957 are estimated at $30.2 million, with (2) the expenditure of $60,000 in the "income by economic class of farm" data area during the same period.

In its report upon S. 405, the USDA indicated that such data as the bill would require the Bureau of the Census to obtain "is definitely needed. At present, information on a regular basis is available only for all farmers as a group ranging from low-production farmers to those with large-scale operations. The impact of developments in agriculture has varying effects on these farmers, and it is important to know on a regular basis the trends in income for the several groups."

The Department of Commerce in its report on S. 405 confirmed the need for such data which was expressed in the USDA report. It stated in part:

"While the Department of Commerce is not directly responsible for the determination of agricultural policy, it recognizes that information about farm income is clearly important in such determination. Since the incomes of commercial and noncommercial farmers and on large and small farms may differ substantially, information about income by economic class of farm would be desirable."

Neither of these executive departments gave adverse reports upon S. 3145 a year ago. However, in its report on S. 405, the USDA indicated that "we are not in a position to make a specific recommendation regarding the bill in view of the current budgetary situation." The Department of Commerce stated likewise that "in view of the overriding budgetary considerations obtaining at this time, the Department is unable to recommend enactment of this legislation, which would make mandatory the collection of such data."

In a subsequent letter to me under date of April 29, 1957, Secretary Weeks, in response to an earlier inquiry of mine stated:

"I gather from your letter you conclude our opposition to the bill is based on a weighing of the estimated cost against the benefits anticipated to be derived from the legislation. We wish to assure you such is not the case. In our letter of May 27 to Senator ELLENDER we stated the reason for our opposition was 'overriding budgetary considerations obtaining at the time.' By this we mean that we are not now in a position to recommend adoption of this new legislation which would have the effect of increasing the immediate budget regardless of any estimated long term savings that might be anticipated therefrom. * * * We wish to make it clear that our objection to the passage of this legislation is based solely on budgetary considerations and that it does not run to the merits of the bill."

Mr. Chairman, I would suggest to the committee that there can be no doubt but that the budgetary concern expressed by the Department of Commerce was given ample consideration by the Senate Committee on Agriculture and Forestry and the Senate itself. It seems evident that the Senate and its Agriculture Committee clearly visualized long-run program savings from the immediate enactment of S. 405, which outweigh the modest costs involved even in light of the budgetary situation.

This I say for these reasons: (1) In the 84th Congress, the Senate Agriculture Committee reported S. 3145 without holding hearings. S. 3145, which is identical to S. 405, passed the Senate by unanimous consent with the membership clearly appraised of the fact that the initial cost would be in the neighborhood of $500,000 with a lesser amount required in subsequent years; (2) shortly after its introduction in this session of the 85th Congress, S. 405 was favorably reported to the Senate without hearings, and again the Senate passed it by unanimous consent, the Members again being clearly appraised of the probable but moderate costs involved.

In my judgment, passage of S. 405 will materially aid the development of more effective and beneficial farm programs at a more moderate cost to the taxpayer than is the case with respect to many of our present programs.

The Tower of Babel

EXTENSION OF REMARKS

OF

HON. WILLIAM E. JENNER

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Thursday, May 9, 1957

Mr. JENNER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address delivered by me before the Daughters of the American Revolution on April 16, 1957.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE TOWER OF BABEL

SUMMARY

The American people have erected a government within a government which bears no resemblance to that established in the Constitution.

The success of the English people in compelling their ruler to operate under law came from their insistence on imposing restraints on his spending through the Parliament which represented them.

We must do honor to these early Members of Parliament. It was not easy to tell the Kings they could not collect taxes, and spend money, as they liked, but must take only such taxes, only for such purposes, as Parliament decreed. They knew the rack, the screw, and the executioner's block were the penalty of failure.

Parliamentary resistance to the Stuart kings ended in clear establishment of two principles: Legislative control of the purse and legislative control of the sword. The Constitutional Convention made these principles the foundation of our Constitution. Congress alone was given power to set taxes, and to decide by statute for what purposes the money must be spent. Congress alone had power to raise and support armed forces, and to decide when and if they should be used in war.

Twenty-five years ago the American people and their Congress surrendered the power of the purse, to the ancient bait of an emergency. When Congress gave the executive branch money for emergencies, it in effect let the executive branch spend as it wished. All limits were off. But to abandon limits on spending, through statutory restraints, is to surrender the power of the purse. Unlimited government is here.

The growth in the national budget from $7 billion in fiscal 1934 to $72 billion for the coming year measures the growth of our Tower of Babel.

Today we face a greater danger. In the Middle East resolution, Congress gave the President a virtual blank check for use of American Armed Forces. This is surrender of the other crucial element in government by law, the power of the sword.

In addition, the President has the power, by the foreign-aid legislation, and the precedent of the Korean war, to assign American fighting men to the command of international agencies.

Will any fighting forces be left to guard America if we wish to go our own way, regardless of the majority in the United Nations?

"I am willing to devote the rest of my life to demolishing any and every attempt to destroy American sovereignty by putting American fighting men under any military command other than the United States," said Senator JENNER.

Congress and the American people working together can demolish our Tower of Babel, and make sure that government shall never again, on our soil, grow higher than the law.

TEXT

It is always a pleasure for me to speak before the Daughters of the American Revolution both here in Washington and in Indiana.

We are concerned over the same dangers to our country.

Americans love their country.

Our patriotism has, so far, been free of that cynicism which corrodes love of country when government has, for too long, been an instrument to exploit the people.

I know you were pleased, as I was, to read recently how the greatest traffic jam in the history of Washington was caused by the presence, at Haines Point, of three little sailing ships, replicas of the ships which sailed the stormy Atlantic, 350 years ago.

On the Saturday morning on which the *Susan Constant* was first open to the public, an official of the bus company called the police department and said, "You don't know what you're in for."

It seems as if everyone in Washington had started out to see these three gallant ships on which the little band of intrepid voyagers landed on the shores of Virginia to plant the seeds of the American Republic.

Americans also love their Constitution.

You would have to travel far to find a document more difficult to understand. Even the most brilliant lawyers have disputed over its meaning. The Constitution relies on no drama, emotion, rhetoric, slogans, or any attempt to win the mind by arts noble or vulgar.

It is as free from ornamentation as a Greek temple. Yet, the American people understand their Constitution, with the insight that love intuitively brings.

Last January we, in Congress, were asked to vote the President a new grant of powers called the Middle East resolution. Most of the supporting arguments dealt with talk of communism, the Arabs, oil.

But the people who wrote me were not bothered by side issues. Their letters said this measure would take control of the Armed Forces from Congress, and they were against it. They wanted Congress, and Congress alone, to make the decision on whether or not their sons were to be sent to war. A vivid awareness of the architectural form of government established in our Constitution, is deep in the minds and hearts of our people.

BUILDING OUR TOWER OF BABEL

How, then, can we explain the fact that, in the last 25 years, we have erected, on American soil, a new government—within a government, which bears no relation, whatever, to the Republic laid down in the Constitution.

The answer is simple.

A handful of people saw, in the great depression, a chance to carry out in secret their revolutionary plans to change our governmental system from American liberty to the strong, centralized executive of Continental Europe.

Under cover of relief and welfare, they built up our monstrous executive establishment. The people were too stunned to resist. Just when their hold might have been weakened by public disillusionment, the war gave the planners vast new opportunities to extend their rule. With the end of the war they turned to global welfare, as the best method of perpetuating reckless spending.

They built their power even higher on a global basis.

Like the descendants of Noah, in Genesis, they said, "Go to, let us build us a city, and a tower whose top may reach unto heaven, and let us make us a name, lest we be scattered abroad upon the face of the whole earth.

"And the Lord came down to see the city and the tower which the children of men builded.

"And the Lord said, behold the people is one and they have all one language * * * and now nothing will be restrained from them, which they have imagined to do.

"Go to, let us go down, and there confound their language, that they may not understand one another's speech.

"So the Lord scattered them abroad from thence upon the face of all the earth, and they left off to build the city.

"Therefore is the name of it called Babel, because the Lord did there confound the language of all the earth, and from thence did the Lord scatter them abroad upon the face of all the earth."

Here is the perfect model of the centralized control tower, which all ambitious self-seekers set out to erect, whenever the bonds of society are loosed. Our Tower of Babel operates behind a curtain of almost complete secrecy, but our people know well that its builders are trying to build a tower whose top may reach unto heaven.

Our people know nothing will be restrained from them which they have imagined to do, unless this Tower of Babel, like the other one, is cut down to the ground and its builders scattered abroad upon the face of the earth.

The Lord finally destroyed the earlier Tower of Babel, and confounded the language of the builders. The Bible tells us none of the details, but I am sure the Tower was not demolished until brave men appeared ready to do the work of the Lord, though the timid said, "It is too late to destroy the Tower of Babel.

"Its top has reached to heaven.

"Nothing can restrain its rulers from that which they have imagined to do."

WHAT DOES THE CONSTITUTION MEAN TO OUR TIME?

A handful of men built our present-day Tower of Babel, and a handful of men can destroy it. But we cannot destroy the Tower of Babel if we do nothing. We must gird our wills to destroy this monument to men's arrogance. We must laugh in disdain at their claims that they are "the wave of the future," that bigness is "here to stay" and so we might as well get in on the ground floor.

Those are only the incantations chanted by their medicine men, to make us afraid to use the strength with which we could destroy them.

We must have courage. But we must also have wisdom, if we are to destroy this tower in our midst. On what ground can we take our stand to dismantle our Tower of Babel? You will say, "We must take our stand on the Constitution." With that, of course, I wholly agree, but I must ask another question, "What does the Constitution mean to us today?"

It is not enough for us to chant incantations to the good old days. The Constitution comes out of the political struggles of the 17th and 18th centuries. We have been taught to understand it, in terms of Charles the First, George the Third, George Washington, and Thomas Jefferson.

But do we understand the meaning of the Constitution for the 20th century? Of course, we do not believe the nonsense that our Constitution is now outmoded, because people used to travel in stagecoaches and sailing ships, and now they travel in jet planes.

The Constitution is concerned with eternal principles. It was made for the ages. It is almost completely free from restrictions which bind it to the problems of the day. But let us not forget the law of life. Human beings are not permitted to lean on the wisdom of the past, to meet a crisis of their time. They must be willing to work as hard, to preserve that wisdom, as their forefathers worked to distill it from their own painful experience.

Americans of our generation are not going to save our Constitution and hand it on, unimpaired, to succeeding generations, unless they achieve the devotion of the men who signed the Declaration of Independence, and dedicated to their country their lives, their fortunes, and their sacred honor.

We are not going to preserve our Constitution, through the world political crisis, unless we also reach the high level of intelligence which our revolutionary leaders needed, to create out of English experience, an even more perfect instrument for liberty under law.

THE SEPARATION OF POWERS TODAY

The grand design of our Constitution rests on the principle of the separation of powers.

What does that mean today?

In civics class we learn the Federal Government is divided into three branches, legislative, executive, and judicial, and each is independent of, and coequal to, the others. Logically that is true, but logic gives us nothing of the political wisdom in that principle we call the separation of powers.

Only history can tell us why the idea is so important, how much it cost our forefathers to establish it, and in what way it is important to us today.

The executive must be stronger than any individual in the city, State, or the Nation. Only the English-speaking people found the way to bring executive power under restraint. They knew the chief executive could not be deprived of police power. So it must be deprived of some equally important power. They chose the power to tax. The English took the power to tax away from the men who controlled the armies, and set up a body, representative of the people, to study the country's needs and decide when the head of state could collect tax funds and how much. Obviously, they soon had to decide what he could and could not spend the money for.

Parliamentary control of the purse, defining, by statute, the purposes for which tax funds may be spent, established that political miracle, government under law.

THE HEROIC RESISTANCE OF PARLIAMENT

Let us never forget what we owe to those early Members of Parliament. They had to tell their King he was not going to spend money for what he wanted, but only for what the Parliament told him he could spend it for.

Henry VIII was not a docile man. Those members of Parliament who told Henry VIII, Queen Elizabeth, James I, and Charles I they were not going to do as they liked knew the rack, the screw, and the executioner's block awaited them if they failed. When the Members of the Continental Congress dedicated their lives to winning independence for the Colonies, they were not using literary phrases.

The hangman's noose was the price of failure.

Our Constitution embodied the two heroic victories of the English Parliament over their power-seeking Kings in provisions that the Congress should lay all taxes and make the laws governing how they were spent, and also that the Congress should have complete control of the money for the Armed Forces, and of the decision whether to send our men into war.

In 1795 James Madison wrote—and I quote:

"Of all the enemies to public liberty, war is, perhaps, the most to be dreaded, because it comprises and develops the germ of every other. * * *

"War is the parent of armies; from these proceed debts and taxes; and armies, debts, and taxes are the known instruments for bringing the many under the domination of the few. * * *

"The Constitution expressly and exclusively vests in the Legislature the power of declaring a state of war, * * * the power of raising armies, * * * the power of creating offices. * * *

"A delegation of such powers (to the President) would have struck not only at the fabric of our Constitution but at the foundation of all well-organized and well-checked governments.

"The separation of the power of declaring war from that of conducting it is wisely contrived to exclude the danger of its being declared for the sake of its being conducted.

"The separation of the power of raising armies from the power of commanding them is intended to prevent the raising of armies for the sake of commanding them.

"The separation of the power of creating offices from that of filling them is an essential guard against the temptation to create offices for the sake of gratifying favorites or multiplying dependence."

These are the tables of the law of American liberty.

WE THE PEOPLE SURRENDERED POWER OVER THE PURSE

From 1789 to the mid-20th century, American Presidents adhered to the letter and the spirit of our two great political safeguards—Congressional control of the purse, and Congressional control of the sword. We should stop blaming our President for the loss of our liberty. It is time to point the finger where it belongs. We, the people, through our representatives in Congress, had full power to stop it. Our power to preserve our institutions was given us in trust, in the Constitution.

We had no moral right to surrender that responsibility. But we did. What did we do? We fell victims to a simple trick. We were asked to vote large sums of money to the President for an emergency, and we swallowed the bait.

By voting emergency spending laws, Congress said to the executive branch:

"We have just voted to free you entirely from the restrictions of government under law.

"We have made the law so elastic, so shapeless and formless, that it has no limits.

"Go as far as you like."

President Roosevelt's budget for his first year, in the aftermath of the great depression, was for not quite $7 billion. Our proposed budget for fiscal 1958 is $72 billion. Every step in the growth of Government spending, from not quite $7 billion to $72 billion, is the result of that 1933 decision to surrender to the executive branch the hardwon power of the people, through their Congress, to lay down the law to their Government.

Every brick and stone in our Tower of Babel was put there with our help. We gave the builders the right to use our money as they wished, in spite of the painful efforts made by the English-speaking people over the centuries, to keep governments from spending as they liked.

Our Tower of Babel rose until its top reached the sky. It builders won the vast invisible powers that come from unlimited spending money.

DID WE SURRENDER THE POWER OF THE SWORD?

But, today, we face a new and greater danger.

Let me come back to the Middle East resolution. The resolution was called, frankly,

an undated declaration of war. It was, in my opinion, an admission by the Congress that the President's authority over our military forces is no longer limited to the executive duty to carry out policy. It is now expanded to include the most precious of all legislative responsibilities—the right to decide whether or not our country should go to war.

Now let us be honest. This means unlimited government is here.

In 1933, the executive branch was freed from legislative restraints on spending. In 1957, the executive branch was freed from legislative restrains on the use of military force.

Congress, which first surrendered the power of the purse, has now surrendered the power of the sword.

The surrender of the power to decide on war was surrender of the great achievement of the supporters of Parliament in 1688, the keystone of limited government. This achievement was embodied in our Constitution, by agreement so universal that it is hardly mentioned at all.

Still the story is not complete.

Congress, also, added to the Middle East resolution, an amendment authorizing the President of the United States to give men and money to the United Nations emergency forces. Now what does this mean in terms of the law?

It is not the business of Congress to decide a President is, or is not, trustworthy. The legislature's duty is to define limits on power which apply to all.

The law does not vary for persons.

WHAT LIMITS REMAIN ON THE POWER OF THE SWORD?

What are the limits in the expression "United Nations emergency force?"

The answer is, that there are no limits—except those which, some day, may be set by the United Nations Security Council, including—you remember—the Soviet Union.

But that is not all.

The Mutual Aid Authorization Act gives the President power to transfer members of our Armed Forces, as well as civilian officials, to serve any international agency, as he decides.

What has been going on under this provision? We do not know.

You will remember how hard your society worked to find out how the President had transferred American soil at Norfolk to NATO.

Of course, the law says the assignment of American fighting men is only for peacetime, but the fighting in Korea was not war. It was a police action, that is peace.

All the killing of our men serving under United Nations military action, will be called peace.

UNDER WHAT AUTHORITY DOES THE PRESIDENT NOW ACT?

One more point.

You remember that in 1950, the President of the United States agreed to act for the United Nations in command of the United Nations forces fighting in Korea. He then proceeded to incorporate our fighting men into the United Nations forces.

Everything about this series of actions suggests careful advance preparation. We have never had a debate in Congress over the constitutional questions involved in this series of moves.

Does the President have authority, under the Constitution, to put our fighting men into a United Nations force? What constitutional protections go with them, when they are so transferred? When the President of the United States serves as an agent of the United Nations, or, as they say, when he changes to a United Nations hat, is he still bound by the limits set by the Constitution? Or does he acquire strange new powers without any limits in law? Now, I am certain our Presidents have had no slightest intention of violating the Constitution.

But we have had some able, ruthless Machiavellian men high up in the American Government who do not always tell our Presidents where they are going, by their apparently simple moves.

For better or worse, the Korean precedent still stands.

As I read this combination of moves, the American President can now direct our Armed Forces to any end, without any constitutional limitations and, furthermore, can direct them as an agent of the United Nations where he, himself, is not bound by the Constitution.

AMERICA'S THIRD CRUSADE

Is there hidden, somewhere, in the Middle East resolution and its counterparts, a plan for America's third crusade? Are we to send American youth to serve in multinational military units all over the earth, prepared to fight, at a moment's notice, any people who resist the peace the United Nations elects for them?

We speak with indignation of the children's crusade of the Middle Ages in which the boys and girls of Europe set out for the Holy Land, to fight the infidel, but were waylaid and robbed, beaten and enslaved by greedy men, before they could reach their destination. Where are the fighting men who will bear the brunt of this third crusade under the United Nations? Today they are in our high schools, studying algebra, practicing football, cramming for examinations in current events, getting together a little money to buy records, or take their girls to a dance.

If America is embarking on another crusade, to make the world safe for the United Nations, it will be a children's crusade.

I hope the American people will insist that Congress cut Government spending to the bone, and chain it once again with the chains of the law.

WHO WILL DEFEND OUR COUNTRY?

But our security as a Nation is more precious than our prosperity. Our children are infinitely more precious than our wealth.

If an American President can order American fighting men to serve in the United Nations fighting units, where will our national defense be 10 years from now? Who will protect the United States?

Will we have fighting forces to defend us, if we choose American answers which go against the decisions of the United Nations, including Soviet Russia and its satellites?

The builders of the Tower of Babel have taken from us more wealth than was dreamed of by any conqueror of the past. But if they take our right to defend ourselves, that will be infinitely more terrible. If they take our children, and put them into United Nations forces, under a United Nations command, above our Congress and the Constitution, that will be the end.

I am willing to devote the rest of my life to demolishing any and every attempt to destroy American sovereignty by putting American fighting men under any military command other than that of the United States.

THE ISSUE IS THE SOVEREIGN POWER

Control of armed forces is the sovereign power. Our Constitution put this power in the hands of Congress, as trustees of the American people. Not one of us can rest until that power is returned. Our Tower of Babel must be razed to the ground, if we are to live again by the laws of our forefathers. If Congress and the people work together, they can restore our fundamental law.

Congress can put our Federal Government under limits again, when Members of Congress are the spokesmen for an angry and tireless people, determined to save America. They will cut down our Tower of Babel and make sure government shall never again, on our soil, grow higher than the law.

This uprising of the American people can save our earnings and accumulated wealth from being scattered to the four winds, in the name of global welfare.

But infinitely more important, Daughters of the American Revolution, it can save our sons from being left to die on some distant field of battle, in the service of ruthless power, under a United Nations flag, in the name of a so-called United Nations peace.

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 10, 1957

The House met at 12 o'clock noon.

The Reverend Alan Kenneth Magner, First Presbyterian Church, Rumson, N. J., offered the following prayer:

Almighty God, our Father in heaven, who has placed us one and all in the common bundle of life, we pray for Thy presence.

Especially today we pray in our national life for Thy help to the hard pressed—we remember those States this day in the Northeast ravished by forest fire and the State in the South threatened by flood.

In our personal living guide us that what we do may draw men together and not divide them, that what we say may cement our relationships and not separate us one from the other.

Bless those who are leaders of our land, and the multitudes of private citizens in the great cities and quiet country places that in all things we may seek Thy will to know it and knowing it have the courage to do it, through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1491. An act to revise title 18, chapter 39, of the United States Code, entitled "Explosives and Combustibles."

ADJOURNMENT OVER

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that it may be in order that Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

HOUSING ACT OF 1957

Mr. RAINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. RAINS. Mr. Speaker, yesterday in adopting the Edmondson amendment the House voted to increase the borrowing authority of FNMA for secondary market operation by $1,25 billion. However, a technical error was made in drafting the provisions, and the change was made in the Treasury backstop authority but not in the corresponding provisions on Treasury stock. The changes which I now request are conforming changes to make sure the bill carries out the intent of the House.

Mr. Speaker, I ask unanimous consent that the Clerk be directed to reengross the bill H. R. 6659 and make the following changes and corrections:

Page 9, line 24, strike out "$200,000,000" and insert in lieu thereof "$175,000,000."

Page 10, line 3, strike out "$200,000,000" and insert in lieu thereof "$175,000,000."

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. MARTIN. Mr. Speaker, reserving the right to object, and I am not going to object, because the gentleman from Iowa [Mr. TALLE] has sent word to me that this is perfectly agreeable with him. I withdraw my reservation of objection.

Mr. EDMONDSON. Mr. Speaker, further reserving the right to object, I want to take this opportunity to commend the gentleman from Alabama for the realistic statesmanship which he displayed in connection with this bill and for the actual authorship of its most substantial provisions.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

SPECIAL ELECTION IN JEFFERSON COUNTY, ALA., EXPLODES REPUBLICAN MYTH

Mr. HUDDLESTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HUDDLESTON. Mr. Speaker, as you know, my Congressional district, the Ninth of Alabama, comprises the city of Birmingham and Jefferson County. This is an industrial area and one of considerable economic activity.

Ever since the presidential election last November, the Republican Party in Jefferson County has been asserting that the results of that election showed that the party was on the ascendancy and was becoming a political factor to be contended with in the future. Predictions have even been made that they would, before long, carry many of our local elections.

These assertions were based on the fact that in the November election President Eisenhower carried the county by a vote of approximately 43,000 to 38,000, with independent electors receiving an additional 5,000.

On Tuesday, May 7, a special election was held in Jefferson County to fill a seat in the Alabama State Legislature which had become vacant through resignation of Hon. J. Paul Meeks, who had accepted the position of probate judge of the county. Candidates representing the Democratic and Republican Parties sought to fill the vacancy. The issue was properly joined since this was the only countywide office to be filled and the electorate thus had an excellent opportunity to make a studied choice between the candidates, both of whom waged intensive and aggressive campaigns.

The results of the election will be of particular interest to the Members of the House since, it appears, they indicate, first, whether, in fact, the Republican propaganda is true or false, and, second, whether, indeed, large numbers of citizens in Jefferson County have embraced Republicanism in the past few years.

The Democratic nominee, Hon. James G. Adams, Jr., an able attorney, handily defeated Republican Gordon Beene, an attractive and hardworking candidate with a well-organized group of supporters. With a light vote being cast, the margin of victory for Mr. Adams was better than 3 to 1. With only 9 boxes out of 178 unreported, unofficial returns reflect that the Democratic candidate received 21,044 votes to a total of 6,707 for his opponent, constituting a Democratic vote of 76 percent of the total.

The results of the election were conclusive. We Democrats in Jefferson County hope that our local Republicans will take stock of the situation. It is clearly evident that the people of Jefferson County, Ala., have no intention of deserting their party. Our people are not ready to swallow Republicanism. It will be a safe guess to say that Jefferson County will remain Democratic for many, many years to come.

I am sure that my Democratic colleagues rejoice with me in this indication of the strength of our party in my district.

THE 10TH OF MAY, ANNIVERSARY OF RUMANIAN INDEPENDENCE

Mr. MACHROWICZ. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MACHROWICZ. Mr. Speaker, the independence of Rumania, crushed 12 years ago by the Soviet-Communist seizure of the country, has deep roots in the history of Europe and Christendom. The Roman colonists established by Emperior Trajan in the Rumanian lands, in the second century of our era, have succeeded by their spirit of resistance and Christian faith to survive long centuries of ruthless invasions from the East. At the moment of the crusades this Latin outpost on the eastern borders of Europe made a steady contribution to the fight against the pagans. It was this role in the defense of Europe which was eventually recognized, in the full reestablishment of Rumania's independence, by the Treaty of Paris in 1856 and that of Berlin in 1878. But the existence of a free Rumania has always meant a serious obstacle in the way of the Russian imperialist drive to the West.

The Soviet Union is now trying to destroy the very thing that during centuries resisted the barbaric invasions, that is, the national and Christian spirit of the people. They are not going to succeed but given time and inaction on our part they could obscure in the minds of a new generation these spiritual values. We know that political indecision, embodied in the containment and coexistence concepts, nibbles away even at the foundations of the free world. There is no greater help for the advancement of communism than a climate of dilatory compromise and empty propaganda never substantiated by any action. As I stated at a reunion of the League of Free Romanians: "I, having been born in Poland, understand more deeply perhaps than others, the reactions of the people of Eastern Europe. The worst thing we can do is continuing to deceive them and exploit their faith in us through hypocritically playing upon words."

The only thing which today gives encouragement and hope to the enslaved millions is not the rhetoric of electoral liberation or the spreading of vague theories but a real and precise decision on the part of the United States to support through concrete action those who until now have been the objects of bargaining, in their struggle to regain the freedom they lost at the end of the war. Such a course is more indispensable than ever now, after the lamentable failure of the champions of liberation to take advantage of the exceptional opportunity offered by the gallant fight of the entire Hungarian people, in order to restore liberty and democracy in a country freed from Moscow. It is high time that we should recognize honestly our obligations toward the enslaved people and commence to redress their wrongs through positive and constructive measures.

I could not, on this day commemorating the independence of Rumania, make a better wish than that through the efforts of patriotic and courageous men the issue between freedom and Communist slavery will be decided here, at last, for the cause of freedom.

RUMANIAN INDEPENDENCE

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. MADDEN. Mr. Speaker, the 10th of May is the anniversary of national independence for Rumania. Rumania is one of the early Christian nations in world history. She has been fighting for liberty and independence over the

centuries. Historians have pointed out that the development of western civilization has been made possible through the heroism and sacrifices of the eastern European nations. Rumania is one of those nations that bore the brunt of the invasions of such tyrants as Genghis Khan, the Turks, and other aggressors over the generations past. Back in 1821, the Rumanian people, through perseverance and patriotism, inaugurated the beginning of a national revival, which although over the intervening years was difficult, it eventually led to Rumanian independence. In the First World War, Rumania fought on the side of America, France, and England which eventually brought about freedom and unity of all Rumanians. In the period from World War I to the beginning of World War II, Rumania was a member of the League of Nations and played an important part as an independent nation in eastern European development. In 1939 this valiant country was again the victim of powerful forces headed by the Nazis and Communist tyrants. The history of this period is too recent to recall because all Rumanians are familiar with the impossible odds which confronted these freedom-loving people.

I was a member of the Select Committee Investigating Communist Aggression in the 83d Congress which recorded testimony not only in this country, but in Europe, exposing the trickery, infiltration, and duplicity of the Soviet tyrants in overcoming and subjecting Rumania to the control of Russian communism. The Russian tyrants, through the unspeakable and vicious tyrant Vishinsky, in February 1945, arrogantly and through force of military power, upset the free Government of Rumania. This deplorable story was related by Rumanian leaders in testimony before our committee and revealed the horrors of this period. One of the witnesses was Princess Ileana of Rumania who testified that the Rumanian people were almost 100 percent in opposition to the takeover by the Communist tyrants. The Rumanian national life from then to the present day has been subjected to a pattern of a subjugated Soviet domination and control.

The spirit and love of the Rumanian people for freedom and self-government shines as strong today as it did back through the centuries and will continue until the Communist oppressors are driven from their homeland. Americans of Rumanian descent, as well as all other freedom-loving people in the United States, will cooperate and aid this valiant country to reattain the independence which was lost in 1945 and someday will be reestablished in Rumania.

THOMAS E. MURRAY

Mr. McCARTHY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. McCARTHY. Mr. Speaker, on March 21, a letter signed by 11 members of the Joint Congressional Committee on Atomic Energy was sent to the President of the United States. These 11 members, in their letter, recommended the reappointment of Mr. Thomas E. Murray to the Atomic Energy Commission.

Acknowledgment of the letter was received by the gentleman from North Carolina, Representative CARL T. DURHAM, by a letter of April 16, 1957, signed by Sherman Adams. There has been no word from the President as the time for reappointment or replacement draws near.

Evidently Mr. Murray has been weighed in the balance used by the administration and found wanting.

In what measure could he be found wanting?

Not in diligence and dedication to the work of the Commission on which he has served. His contributions to nuclear defense have been significant.

The letter of the 11 Members of Congress states that in 1951 Thomas Murray, with great foresight, undertook the advocacy of a greatly enlarged program of uranium-ore production and that he was the prime mover in establishing the second weapons laboratory at Livermore, from which came the impetus that resulted in the success in 1952 of the thermonuclear program.

His initiative, taken in the face of great opposition, has been acknowledged by his major associates in this effort.

Mr. Murray is credited with having played a major role in reopening the Pacific testing grounds in 1951 and in establishing the Nevada test site in the same year. He is credited also with insistent advocacy of small-weapons development, of more rapid production of nuclear material in the interests of a balanced stockpile which would give both military strength and flexibility.

He is credited by the members of the Joint Committee on Atomic Energy with initiative in the shipping port reactor project and with vigorous and farseeing efforts to keep this country in the forefront of developments in the field of industrial nuclear power.

He has supported the atoms-for-peace program and encouraged broadening the participation of private interest in the nuclear-energy program.

Has he been found wanting in personal character or qualification?

No one has so declared. On the contrary, he has been credited by church leaders of various denominations with bringing a sense of moral responsibility to the exercise of his official duties. He more than any other member of the Atomic Energy Commission has sought answers to the moral issues involved in the nuclear armament program. And he has raised these issues and discussed them in public forum and in public print.

Has he been found wanting in partisan conformity to the position of the administration?

It would seem not. His reappointment to the Commission was recommended by at least one Republican member of the Congressional Joint Committee on Atomic Energy. The committee letter credited Mr. Murray with having conducted himself so as to avoid partisanship. The administration has filed no complaint against him politically.

One can find no evidence that Mr. Murray has been found wanting in any of the important and properly applicable standards upon which the question of his reappointment or of his replacement should be decided.

One can only conclude that he has been found wanting by the President and his advisers on other grounds.

Has he been found wanting because he has sometimes opposed the position of Admiral Strauss on both policy and procedural questions?

Has he been found wanting because he stood against the proposition that the whole Commission be made subordinate to the will of its Chairman?

Has he been found wanting because he would not defend the Dixon-Yates intrusion into the field of atomic energy?

Has he been found wanting because his advocacy of small weapons, at least by implication, contradicts the massive retaliation threats once made by the administration?

Has he been found wanting because his advocacy of peacetime use of nuclear energy stands as a criticism of the administration's failure to act effectively in this field?

Has he been found wanting because he has raised the difficult moral questions relating to the development and use of thermonuclear weapons and has attempted to reach answers, while the administration has remained behind its defenses of indecision, evasion, and moral platitudes?

These are the questions which the President should be called to answer publicly if he refuses to reappoint this able, deserving, and courageous servant of the public good.

Mr. MARTIN. Mr. Speaker, would the gentleman yield?

Mr. McCARTHY. I yield to the gentleman from Massachusetts.

Mr. MARTIN. The gentleman said that the time within which the President may act has not yet expired. Does not the gentleman think that we had better wait until that time has expired before we snipe at the President?

Mr. McCARTHY. I am not sniping at the President. I am asking him to speak up on this question. The time has nearly run out.

Mr. MARTIN. Does not the gentleman think the President should be allowed the usual time?

Mr. McCARTHY. I think the members of the joint committee, the majority of them, deserve more than a letter on this important question from Mr. Sherman Adams.

ANNIVERSARY OF RUMANIAN INDEPENDENCE DAY

Mr. BENTLEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include a letter on the subject of Rumanian Independence Day.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BENTLEY. Mr. Speaker, today, May 10, marks another anniversary of freedom for a nation whose people today live under conditions from which all freedoms are totally absent. I refer to the nation and people of Rumania, one of the first eastern European countries to feel the postwar Communist aggression and enslavement. At this point in my remarks, Mr. Speaker, I would like to insert the text of a letter dated May 9 from Mihail Farcasanu, president of the League of Free Romanians. The text is as follows:

THE LEAGUE OF FREE ROMANIANS,
New York, N. Y. May 9, 1957.

The Honorable ALVIN M. BENTLEY,
United States Representative From Michigan.

DEAR MR. BENTLEY: We would be deeply grateful to you if you can say a few words on the anniversary of Rumania's Independence Day this 10th of May. This anniversary is now forbidden by the Communists in our homeland, where now is celebrated on the 9th of May the "day" of the "liberating" Red army. As you so well know, Rumania, like the other countries behind the Iron Curtain, has been politically forsaken by the free world. I could not better express the situation than by quoting what you yourself said at a 10th of May dinner given by the League of Free Romanians:

"There is another thing which I feel should be mentioned: We Americans make a point of honor not to recognize Red China under the consideration that its government is nonrepresentative. But we forget that our administrations have recognized and entertain diplomatic relations with the Communist stooge governments forcibly imposed by Moscow in eastern Europe. These totalitarian governments are as nonrepresentative as the Chinese Red government, they are agents of the Kremlin and criminal oppressors of former free nations. With these imposters we signed so-called peace treaties, thus presenting them to the free world as legitimate representatives of the people, whom they were oppressing and enslaving. I have studied the problem of the so-called peace treaty with Rumania. That treaty is not worth a scrap of paper. The worst tyranny is crushing the Rumanian people under cover of this treaty which we signed and still recognize. I, therefore, believe that if we really want to be faithful to our traditions and at the same time preserve the friendship and confidence of the subjugated peoples behind the Iron Curtain we must cease this dishonorable recognition and dealing with their torturers and exploiters."

Unfortunately, no official reversal of the Yalta policy of appeasement has been achieved or even contemplated. The tragic crushing of the Hungarian revolt, in the absence of any constructive action on the part of the West, has brought a new and terrible blow to the hopes of all the subjugated peoples. Instead of a decision in support of the enslaved, a new policy of amity toward the Communists appears to be in the making The President's suggestions for the bettering of relations between the free world and the Soviet slave empire through increased trade, travel, and cultural relations with the Communists, has no connection whatsoever with the restoration of the rights, liberties, and independence of the subjugated peoples. It is painfully obvious that so-called cultural relations with totalitarian despotism would not change the structure of that regime nor its purposes. The only foreseeable result of such policies would evidently be to consolidate Communist tyranny by advertising our cooperation with them, thereby destroying the last hopes entertained by our allies, the enslaved peoples.

It is perhaps pertinent to recall at this point a situation which is so easily glossed over, namely, that besides the moral and strategic interest we have in the subjugated area, we have also clear international obligations which we have freely assumed in respect to them. The Atlantic Charter and the ensuing American declarations of general import, fixed the United States responsibilities regarding the establishment in the liberated countries, by means of free elections, of governments responsive to the will of the people. This responsibility has been reaffirmed through direct agreements with the countries concerned. By virtue of this we have formal juridical obligations toward the nations which have been occupied by the Soviets through aggression and fraud.

It is, therefore, as well our duty as our interest, to uphold the rights of the subjugated eastern European people.

Anything you can say on this 10th of May in support of the legitimate aspirations of freedom and human rights of a nation that has been free and independent and is now enslaved will be deeply appreciated by Rumanians all over the world, both here and behind the Iron Curtain.

Please accept our warm thanks.

I remain,

Yours respectfully,
MIHAIL FARCASANU,
President.

For the past several weeks, Mr. Speaker, the Subcommittee on Europe of the House Committee on Foreign Affairs, of which I am a member, has been studying the overall question of United States policy toward the satellite governments, particularly in the light of recent events. It is our hope to issue our first report by the end of next week. I am sure that all Members will agree that our present policy in this respect calls for a thorough review and reappraisal if it is to be realistic and at the same time effective.

I would like to take this opportunity to assure the people of Rumania that their present plight is not forgotten by the people of the United States and that we firmly believe the day will come when they will be able to celebrate this anniversary again within their own country and again to enjoy the blessings of freedom and independence which are inherently the right of mankind everywhere.

MOTHER'S DAY

Mr. COLLIER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. COLLIER. Mr. Speaker, on Sunday, May 12, the people of the entire Nation will observe Mother's Day and pay tribute to motherhood in every hamlet, village, and city throughout the United States. This day and its solemn significance is a tribute to that which has remained dearest and most sacred in the national life of our country.

Mother's Day goes much deeper than simply a day to pay tribute to millions of mothers, for it embraces, too, the American home, the foundation of all that represents the love and respect of man for his fellow man, the rock upon which communities are built to form a great nation.

On Sunday next the clergy of America will pay tribute to the deeds and sacrifices of the Nation's mothers who are the very essence of the life of the Nation. On this day, too, there will be many revered memories of mothers who have fulfilled their earthly tasks and since were called to final rest.

In a world torn by two major wars since the turn of the century, there is no measure for the sacrifice of motherhood in our times, nor is there any responsibility of even the leaders of nations greater than that of the mothers of this Nation. For the love, devotion to family, and for the great contribution which American motherhood has made to the home and community in providing all that is good and fine in human resources and the progress of this Nation, we are thankful.

Let us never forget as a nation the simple tribute once paid by Abraham Lincoln who said, "All that I am or hope to be, I owe to my angel mother."

STATEMENTS CONTRARY TO FACTS

Mr. MASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MASON. Mr. Speaker, the advisory council of the Democratic National Committee in its recent attack upon the Eisenhower administration made three accusations that are untrue and ridiculous.

The first was, "The rich are getting richer and the poor are getting poorer under this administration." Government statistics do not bear out this ridiculous statement.

Sixty-nine percent of the national income in 1956 went for wages and salaries; only 9.8 percent went to those who derive their income from dividends, rent, and interest.

The man in the top tax bracket, the man with the large income, has to pay Uncle Sam 91 cents out of every $1 of income he has. How can he become richer when he has only 9 cents out of every dollar he takes in after Uncle Sam gets his cut?

In 1952 when the Eisenhower administration took over, the average hourly wage in American factories was $1.67. Today the average hourly wage in American factories is $2.05. The average weekly earnings in 1952 were $67.97. Today the average weekly earnings are $82—21 percent higher than in 1952.

Mr. Speaker, the second ridiculous and untrue accusation made was, "Under the Eisenhower administration our Federal fiscal affairs are approaching a crisis." Of course, this statement standing alone is utterly false, it must be qualified.

The Federal budget is balanced, has been balanced the past 2 years, and the prospects are for a balanced budget next year. Would our fiscal affairs be in better shape if we returned to the Truman program of unbalanced budgets, cheap money, and tax relief for only one group

of taxpayers, the group in the lowest tax bracket?

Mr. Speaker, the third assertion was that the cost of living has reached new heights under Eisenhower. When this assertion is analyzed it is also ridiculous.

True, consumer prices have gone up since 1952 by 4 points. But since 1946 consumer prices have gone up by 41 points, 37 of those points under President Truman and only 4 under President Eisenhower. In 7 years under President Truman the cost of living rose 47.5 percent. During the 4½ years under Eisenhower the cost of living has risen only 3½ percent. We should not overlook these facts when talking about the cost of living. Also, this administration has already given—in 1954—the biggest tax reduction in all history and is now planning for another tax reduction next year.

The Eisenhower administration—in the opinion of the writer—has made mistakes; it has not carried out all of its promises; it has proposed a colossal budget for next year, at least six billion more than necessary. It can and should be criticized upon its record, but it should not be attacked and criticized for things it has not done, nor for things for which it is not responsible. False accusations and innuendoes by the Democratic advisory committee must not be allowed to go unchallenged.

ALIEN PROPERTY IN THE HANDS OF THE UNITED STATES

Mr. WAINWRIGHT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WAINWRIGHT. Mr. Speaker, certain astonishing information has come to my attention. Enormous and vastly powerful corporations and combines in Germany and Japan are seeking to acquire from the American Government assets now rightfully belonging to the United States. The I. G. Farben interests, for example, spent somewhere in the neighborhood of a million dollars in legal fees alone over the past 3 years to have the cartel's property returned to Germany.

While we in America believe that no person shall be deprived of life, liberty, or property without due process of law, I do not feel that this principle can be applied with equal logic to the property of aliens whose sole attempt was to destroy the United States of America. I. G. Farben was one of Hitler's mainstays and supplied him with the sinews of war.

The United States, instead of charging the Germans and the Japanese with ridiculous reparations, agreed to keep the property acquired by the Alien Property Custodian. Both former enemy nations agreed to this. In addition, we entered into a solemn pact with 18 Allied Nations to handle reparations in this fashion. Out of this agreement came the War Claims Act of 1948.

To carry out the intent of the act, to carry out American policy, and to protect and preserve the rights of those people who suffered and were deprived of their property rights by a devastating enemy, I have introduced H. R. 7318.

The liquidated assets in the hands of the United States Treasury presently exceed $100 million, and with the sale of the stock of General Aniline Co. and other similar assets of this fund could approximate $225 million. The war with Germany has been concluded for nearly 12 years and no one has considered compensating American nationals who had property abroad which was damaged or taken as a consequence of Nazi aggression. Justice delayed is justice denied. I believe charity commences at home somewhere along the line, and I am for some means of paying damages to Americans before this source of funds is depleted.

This program would be administered by the Foreign Claims Settlement Commission of the United States and would not cost the taxpayers one cent of appropriated tax funds. Here is a painless program for American citizens—the forgotten man in postwar rehabilitation.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. RODINO (at the request of Mr. ALBERT), indefinitely, on account of death in the family.

SPECIAL ORDER GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. POWELL (at the request of Mr. ALBERT), for 1 hour, on Thursday, May 16.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. RAINS and to include an address by P. O. Davis.

Mr. NATCHER and to include an editorial.

Mr. HUDDLESTON in two instances and to include extraneous matter.

Mr. MOULDER and to include a news release.

Mr. MCCARTHY and to include an article.

Mr. REECE of Tennessee and to include extraneous matter, notwithstanding it will exceed 2 pages of the RECORD and is estimated by the Public Printer to cost $327.25.

Mr. TRAGUE of California and to include an article by Edgar Bissantz, of Carmel, Calif., in the Freeman.

Mr. LOSER and to include extraneous matter.

Mr. METCALF in three instances and to include extraneous matter.

Mr. VANIK and to include extraneous matter.

Mrs. BOLTON (at the request of Mr. MARTIN).

Mr. REUSS (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. DINGELL (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. FLOOD.

Mr. KEATING.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1491. An act to revise title 18, chapter 39, of the United States Code, entitled "Explosives and Combustibles"; to the Committee on Interstate and Foreign Commerce.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on May 9, 1957, present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 676. An act to authorize the city of Rock Hill, S. C., to acquire certain tribal lands on the Catawba Indian Reservation, S. C.;

H. R. 1544. An act to provide for the conveyance of certain real property of the United States situated in Cobb County, Ga., to the trustees of the Methodist Church, Acworth, Ga.;

H. R. 1757. An act for the relief of Nicola Marcello;

H. R. 2401. An act to provide for the reconveyance of certain land to the city of Spearfish, S. Dak.;

H. R. 2723. An act for the relief of Shigeko Kimura and her minor child; and

H. J. Res. 287. Joint resolution permitting the Secretary of the Interior to continue to deliver water to lands in the Heart Mountain division, Shoshone Federal reclamation project, Wyoming.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 13 minutes p. m.), under its previous order, the House adjourned until Monday, May 13, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

839. A letter from the Under Secretary of the Interior, transmitting one copy each of certain laws enacted by the Third Guam Legislature, 1956, pursuant to section 19 of the Organic Act of Guam; to the Committee on Interior and Insular Affairs.

840. A letter from the Deputy Postmaster General, transmitting a draft of proposed legislation entitled "A bill to amend certain provisions of law in order to provide for the reimbursement of the Post Office Department for expenses incurred in performing certain services for other agencies, and for other purposes"; to the Committee on Post Office and Civil Service.

841. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases of certain aliens who have been found admissible into the United States, pursuant to the Immigration and Nationality Act; to the Committee on the Judiciary.

842. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases where the authority contained in section 212 (d) (3) of the Immigration and Nationality Act was exercised in behalf of such aliens, pursuant to the Immigration and Nationality Act; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 5687. A bill to amend the act of March 3, 1911 (36 Stat. 1077), to remove restrictions on the use of a portion of the Springfield Confederate Cemetery, Springfield, Mo., and for other purposes; without amendment (Rept. No. 437). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTEN: Committee on Appropriations: H. R. 7441. A bill making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes; without amendment (Rept. No. 438). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 5341. A bill for the relief of John J. Farrelly; without amendment (Rept. No. 436). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BASS of New Hampshire:

H. R. 7425. A bill to facilitate the transfer of storage facilities between the military departments; to the Committee on Armed Services.

H. R. 7426. A bill to establish a Federal policy concerning the termination, limitation, or establishment of business-type operations of the Government which may be conducted in competition with private enterprise, and for other purposes; to the Committee on Government Operations.

H. R. 7427. A bill to provide for improved methods of stating budget estimates and estimates for deficiency and supplemental appropriations; to the Committee on Government Operations.

H. R. 7428. A bill to amend section 602 of the Federal Property and Administrative Services Act of 1949 with respect to the utilization and disposal of excess and surplus property under the control of executive agencies; to the Committee on Government Operations.

H. R. 7429. A bill to create a Supply and Service Administration as a department in the Department of Defense, and for other purposes; to the Committee on Armed Services.

By Mr. BURDICK:

H. R. 7430. A bill to recognize the National Cowboy Hall of Fame and Museum as a national shrine; to the Committee on Interior and Insular Affairs.

By Mr. BURNS of Hawaii:

H. R. 7431. A bill making an appropriation to the National Science Foundation to construct and equip a geophysical institute in the Territory of Hawaii; to the Committee on Appropriations.

By Mr. CANNON:

H. R. 7432. A bill authorizing issuance of a postage stamp commemorating the 50th anniversary of the first school of journalism in the world; to the Committee on Post Office and Civil Service.

By Mr. RAINS:

H. R. 7433. A bill to amend the Internal Revenue Code of 1954 to provide for the nonrecognition of taxable gain where property is involuntarily converted into other income-producing property, whether or not the new property is similar to the property so converted; to the Committee on Ways and Means.

By Mr. SIMPSON of Illinois:

H. R. 7434. A bill to provide for the construction of a waterfront channel along the east bank of the Mississippi River at Nauvoo, Ill.; to the Committee on Public Works.

By Mr. WHITTEN:

H. R. 7441. A bill making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes.

By Mr. HYDE:

H. Con. Res. 172. Concurrent resolution to establish a joint congressional committee to investigate matters pertaining to the growth and expansion of the District of Columbia and its metropolitan area; to the Committee on Rules.

By Mr. PELLY:

H. J. Res. 326. Joint resolution to amend section 189 (d) of title I (relating to changes in the rules of the Senate and House of Representatives) of the Legislative Reorganization Act of 1946, to provide for an additional study to be made by the Committees on Appropriations of both Houses of the Congress; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. MOULDER: Resolution 97 by the Senate of the General Assembly of the State of Missouri recommending immediate consideration by Congress of substantial tax and expenditure reductions; to the Committee on Ways and Means.

By the SPEAKER: Memorial of the Legislature of the State of Oklahoma memorializing the President and the Congress of the United States relating to legislation and policy designed to limit imports of glass, lead, and zinc; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURNS of Hawaii:

H. R. 7435. A bill for the relief of Mrs. Tsuji Miyakawa; to the Committee on the Judiciary.

By Mr. COUDERT:

H. R. 7436. A bill for the relief of Hu Ken Chuan, Yang Chiek Min, also known as Hu Yang Chiek Min, Hu Pei Nu, also known as Lois Wu, Hu Kuang Hua, and Hu Ying Ying; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H. R. 7437. A bill for the relief of Katalin Martz (Maerz); to the Committee on the Judiciary.

By Mr. HAGEN:

H. R. 7438. A bill for the relief of Hrepsime Sheklian (Chikhlian); to the Committee on the Judiciary.

By Mr. LIPSCOMB:

H. R. 7439. A bill for the relief of Mrs. Chi-Wen Liu (nee Hsu Dzoh-Tsung); to the Committee on the Judiciary.

By Mr. PELLY:

H. R. 7440. A bill for the relief of Etsuko Hori; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

A Tribute to Rumanians

EXTENSION OF REMARKS

OF

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1957

Mr. DINGELL. Mr. Speaker, for Rumanians May 10 is a great national holiday. On this day in the year 1866 Prince Charles arrived in Bucharest where he took the oath to the Constitution. Eleven years later on the same day Rumania proclaimed her complete independence from Turkey, and a short time thereafter heroically won that independence on the battlefield. And then, on the same date at the close of World War I, Bessarabia, Transylvania, and Bukovina were finally united with Rumania.

Americans of Rumanian origin have good reason, therefore, to commemorate the anniversary of these great landmarks in history. Unfortunately, not all Rumanians can celebrate this national holiday in freedom, for as you all know this once happy and prosperous people are now ruthlessly suppressed beneath the boot of the Communist tyrant. During this past decade, however, the Rumanians have had to adjust to this tyranny and live their lives as best they could under unnatural conditions. Recent reports from Bucharest indicate that the hardships visited upon Rumania by the Communists have been great, but nonetheless the people persist in survival.

Politically, Rumania continues to be dominated by the Soviet-imposed dictatorship of the Communist Party. Elections in February, staged in the Soviet manner, demonstrated the totality of Communist control. Dissent was impossible for the 10,600,000 voters who went to the polls.

Nor has Rumania's economy been spared the disastrous consequences of Soviet control. Fertile and oil-rich Rumania is being exhausted by her Communist masters. Savings by the people

have been repeatedly wiped out by currency devaluations. Mounting inflation has put the cost of consumer goods beyond the reach of the workers. Food costs are high, and currency is evaluated at an unrealistic rate of exchange so that the meager earnings of the worker have no sensible relationship to actual purchasing power.

And yet, despite this continuing state of general depression, Rumanians have not succumbed to despair. A recent report from Bucharest by a skilled American correspondent related that the Rumanian capital was a joy after living in Moscow. Neither Communist trappings nor thinly concealed poverty could rob Bucharest, he said, of its cosmopolitan air. Resources of personal attire are shoddy and few, he wrote, but Rumanian women dress in taste and style unknown in Moscow. He reported also that residents of Bucharest, despite their present despondency, show an animation rarely seen in the stolid faces of Moscovites.

It is a hopeful sign that Rumanians are weathering the storm of Communist oppression. They are a hardy people, long used to oppression under the Turks. Our hopes and prayers go out to them that their national spirit shall never be broken. So long as they hold fast to this spirit, the soul of the nation will live. And so long as the nation lives, there is always hope for freedom and independence.

Rumanian Independence Day

EXTENSION OF REMARKS

OF

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1957

Mr. REUSS. Mr. Speaker, fourscore years ago today—on May 10, 1877—Rumania became a fully independent state.

I draw this anniversary to the attention of this House because as Americans we cannot but feel a common bond with all peoples who are struggling to attain national freedom. The Rumanian people today are once again under the subjection of an alien power, yet the spirit of liberty burns as brightly in their hearts as it ever did.

The United States has a responsibility to work unceasingly for the liberation of Rumania and its neighbors behind the Iron Curtain. For too long we have either mouthed slogans or uttered threats. It is time for us to put forward a positive program.

The withdrawal of Soviet troops would be the best possible step toward restoration of Rumania's freedom and independence. I believe that the United States should offer to draw back its troops to the Rhine on condition that Russia withdraw its forces to its own borders and with the understanding that the entire area between the Rhine and the Soviet Union would be demilitarized. It seems to me that we have nothing to lose by such a proposal and everything to gain.

I hope, Mr. Speaker, that before another May 10 comes around, the people of Rumania will have renewed assurance that in their determination to be free they have the unwavering support of the United States.

Rumanian National Day

EXTENSION OF REMARKS

OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1957

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a statement made by me on the occasion of Rumanian National Day, which is being observed today, May 10:

RUMANIAN NATIONAL DAY

(Statement by the Honorable DANIEL J. FLOOD, of Pennsylvania)

Today, May 10, is an important day in Rumanian history, and the anniversary of Rumanian independence. It is a pleasure to record this anniversary of Rumanian independence and to hope for the speedy liberation of the Rumanian people from Soviet enslavement.

Rumanian history is a gloomy chronicle of oppression, lightened by short periods of freedom and progress. Unfortunately, Rumania is now passing through one of its darkest periods; the ordinary Rumanian citizen of the present time is suffering from as vicious tyranny as any which exploited his ancestors. One of the most oppressive and farreaching Soviet policies is that of high-speed industrialization.

Rumania has been transformed into a captive Soviet industrial colony. What this means is that individual citizens have been deprived of their capital—much of it saved with great effort over many years—by planned inflation and heavy taxation for reinvestment in industry—all for the benefit of the U. S. S. R. Such systematic tactics of pillaging one sector of the Rumanian economy have drawn off huge sums to be misused and wasted in others. The unemployment and underemployment of prewar days have been converted—with the aid of all the totalitarian techniques, and trapping—secret police, concentration camps, forced labor, daily production norms—into a specious full employment, where many work with a pistol at their heads to fulfill quotas, or attain production goals of demented 5-year plans which only result in economic dislocation or counterfeit industrial diversification. Any advantage which might be gained by employing huge numbers of serf laborers and technicians is canceled by the financial demands of a huge party bureaucracy, with its press and propaganda apparatus, and its military and police auxiliaries with their disregard for human values and, indeed, human lives. Rumanian consumers find difficulty in purchasing the simplest needs of human existence—sufficient foodstuffs, warm clothing, and adequate shelter—all because the production of Rumanian industry is constantly diverted to the Soviet Union and because faulty and dogmatic Communist economic planning insists on determining in advance—in minute detail—the allocations and uses of thousands of products, a superhuman task which results in breakdowns, bottlenecks, and every sort of economic confusion. Poor planning, reliance on outmoded and disproved economic theory, is compounded by reparations payments to the U. S. S. R., forced adherence to Soviet trade agreements which drain off consumer goods, and bestow high salaries on useless and overpaid Russian "advisers." While Soviet soldiers hold the Rumanian sheep still, Soviet technicians and administrators fleece the unfortunate animal of all it has.

Americans everywhere hope for the rebirth of Rumanian freedom and happier days in the future for Rumanian workers, craftsmen, and businessmen. We hope for a more wholesome and better life for the Rumanian people.

Rumanian Independence Day

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1957

Mr. KEATING. Mr. Speaker, it is with pleasure and pride, touched with sadness, that I join in paying tribute to Rumanian Independence Day.

I join in this occasion with pleasure because it affords me the opportunity to express my admiration and esteem for the Rumanians who have contributed so much to the making of our world today, and those who remain firm in their love for freedom though imprisoned behind the Iron Curtain.

I join in this occasion with pride based on contacts in my home city of Rochester, N. Y., with many fine American citizens of Rumanian descent. They have contributed much to the progress of this city, as they have done in many cities across the country, enriching our national life with the particular traits and attributes which mark those of Rumanian extraction.

I join in this occasion with sadness because the people of Rumania, though steadfastly clinging to their belief in liberty, are now denied any measure of that freedom which is the inherent right of every man. Yet, my confidence in the will of these people to be free is unbounded. The overlords of the international Communist conspiracy are learning this lesson well.

It is fitting, on the occasion of Rumanian Independence Day this year, that we in America look back on the many accomplishments of this Nation. But more than that, we in America are concerned with the present and future of these fine people.

To those behind the Iron Curtain we send our greetings and our fervent prayers for a brighter future. May the day be not too distant when these noble people will once more join with the United States and her friends in the family of free nations.

The 10th of May: Rumania's Independence Day

EXTENSION OF REMARKS

OF

HON. FRANCES P. BOLTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1957

Mrs. BOLTON. Mr. Speaker, today, May 10, is the national holiday of the Rumanian people. It is fitting that again this year we remember the three great events which are celebrated on that date, and pay tribute to the fortitude and courage of Rumanians everywhere.

After more than a thousand years of strife and sacrifice, national unity was attained, and freedom and independence secured. May 10 stands for that achievement, and is the day chosen for celebrating their national holiday. Today Rumanians at home are forcibly prevented from outward celebration, but their will remains unbroken.

During their long history Rumanians have always stood up against invaders and they have battled against hordes of barbarians pouring into Europe from the east. They have also fought against the forces of the Ottoman Empire.

Some 500 years ago the Turks succeeded in overcoming by their superior numbers the defenders of freedom. The same thing happened a few years ago when the dark forces of communism swallowed up the people of Rumania.

But the will of the Rumanian nation was not broken. In recognition of the people's drive for freedom, the Rumanian principalities received a special status—as autonomous states—in which the Turks could not interfere. Mircea the Elder, Vlad the Impaler, Stephen the Great, Michael the Brave, John the Fierce are names of brave Rumanian rulers who have fought in the past for independence and unity.

On May 10, 1866, the Rumanian dynasty was founded with the proclamation of Charles, Prince of Hohenzollern-Signaringen, as Prince of Rumania. This event marked the successful outcome of the nation's long struggle to acquire the right of electing as sovereign a member of one of the western nonneighboring reigning families, thus ending rivalries among native candidates to the throne. It was the beginning of a prosperous and glorious reign for Charles the First.

May 10, 1877, just 11 years later, the principality of Rumania proclaimed her independence by severing the outdated bonds which lined her with the Ottoman Empire. This independence had to be fought out on the battlefields south of the Danube, where the young Rumanian Army, as an ally of Russia, played a noteworthy part in the defeat of the Turkish forces. The Congress of Berlin of 1878 confirmed Rumania's independence and conferred Europe's official recognition, a bright page in the country's dreary history, though marred unfortunately by the loss of Bessarabia, cynically wrenched by Czar Alexander II and his Government from the ally who had helped them obtain the victory over the Turks.

And May 10, 1881, Charles I was crowned King of Rumania by the will of his people. Thus opened a prosperous era lasting over six decades for the Rumanian nation. Its apex was attained when national unity within the historical boundaries was reached after World War I. Rumania had now become a factor of peace and equilibrium in southeast Europe.

During these many years, Rumanians have cherished the 10th of May as their national holiday. This date remains the symbol of Rumanian permanence and perseverance through years of hardship to reach the end of freedom and well-being.

The consciousness of the Rumanian people, concerning their unity and independence, is the result of centuries of sacrifices. Today this consciousness remains intact. It cannot be destroyed by either brutality, lies, or oppression.

The Communist regime has attempted to tear this sacred day from Rumania's proud history. Today, in Rumania, any demonstration of independence is banned. Rumanians no longer can sing their national anthem, nor can they raise the flag on their independence day.

In order to try and alter the significance of this day, celebrations were shifted from the 10th to the 9th of May, the anniversary of a Soviet victory. Although flags are now raised on May 9, Rumanians celebrate in their hearts the following day, patiently awaiting the day when freedom is restored to them.

Through these dark years of Communist domination, the Rumanian people have kept alive their courage and their faith. They know that freedom cannot be destroyed.

The United States does not accept as permanent enslavement of eastern European peoples but looks forward with them to the day when they will again live in freedom and independence. On this historic day we join with Rumanians everywhere as we raise our hearts in prayer to Almighty God that He may hasten the day when the flag of freedom may once more fly over Rumania.

Rumanian National Independence Day

EXTENSION OF REMARKS

OF

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1957

Mr. VANIK. Mr. Speaker, today Americans everywhere join with Americans of Rumanian descent in celebrating a significant date in the annals of the history of the Rumanian people. In 3 separate years May 10 was the date on which major steps were taken to obtain greater measures of liberty for the Rumanian people. On May 10, 1866, a liberal constitution was adopted. On May 10, 1877, a convention was signed with Russia which recognized Rumania's desire for a greater degree of freedom and self-rule. On May 10, 1881, the complete sovereignty of the Rumanian people was finally established.

On this May 10, while American Rumanians may look back with justifiable pride at the freedom which their brothers in Rumania once fought for and won, they can only look ahead in the hope that freedom once attained may return to the Rumanian people now suffering oppression.

At this time it serves us well to reevaluate the plight of a people who yearn for liberty but who suffer the shackles of tyranny and to reexamine our resolve that the integrity and freedom of the Rumanian people will be returned.

SENATE

MONDAY, MAY 13, 1957

Rev. Father John Pavel, Association of Romanian Catholics of America, Canton, Ohio, offered the following prayer:

Almighty God, our Heavenly Father, we beg that our prayers may be graciously heard today. We pray not to present our petitions alone, but also to show our faith and trust in Thy holy will.

Be mindful, O God, of our country, our leaders, and particularly our Senators, who hold in their hands the destinies of multitudes of people; of all those who beyond the sinister Iron and Bamboo Curtains gave their lives for the liberation of the peoples from under the Russian Asiatic yoke.

O merciful Lord, touch the hearts of the responsible parties, so that finally injustice will end; every violence will be calmed; and all nations reconciled with each other, will find the right order, in an atmosphere of serene tranquillity; and for the same reason, remember all those who love us, those who hate us, and those who have requested our prayers.

Be Thou merciful to all men, Thou who knowest each one, his prayers, possessions, and needs.

Illuminate the minds of the leaders of this great Nation to see the light and the true path, through the spirit of Christian reconciliation and meekness. Grant them, O Lord, the power to overcome the malevolence and injuries of men. May the blessings of Heaven remain upon the Senate. Being joined together through love, may the Members of the Senate ever walk the path of the Golden Rule, and bring peace to the hearts of men everywhere, through a sense of brotherhood, justice, and love. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Thursday, May 9, 1957, was approved, and its reading was dispensed with.

REPORT OF COMMITTEE ON APPROPRIATIONS SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of May 9, 1957,

Mr. ROBERTSON, from the Committee on Appropriations, to which was referred the bill (H. R. 4897) making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes, reported it favorably, with an amendment, on May 9, 1957, and submitted a report (No. 297) thereon.

TREASURY-POST OFFICE APPROPRIATION BILL, 1958—NOTICE OF MOTION TO SUSPEND THE RULE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of May 9, 1957,

Mr. ROBERTSON, on May 11, 1957, submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4897) making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes, the following amendment, namely: On page 9, after line 7, insert a new paragraph, as follows:

"GENERAL PROVISIONS—TREASURY DEPARTMENT

"SEC. 102. Not to exceed 5 percent of any appropriation herein made to the Treasury Department for the current fiscal year, except for the appropriations made to the United States Coast Guard, may be transferred with the approval of the Bureau of the Budget, to any other appropriation of the Treasury Department, but no appropriation shall be increased by more than 5 percent by any such transfers, and any such transfers shall be reported promptly to the Committees on Appropriations of the Senate and House of Representatives."

Mr. ROBERTSON also submitted an amendment intended to be proposed by him to House bill 4897, making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes.

(For text of amendment referred to, see the foregoing notice.)

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries.

REPORT ON OPERATION OF UNIFORMED SERVICES CONTINGENCY OPTION ACT OF 1953—MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Armed Services:

To the Congress of the United States:

Pursuant to the provisions of section 8 of the Uniformed Services Contingency Option Act of 1953 (Public Law 239, 83d Cong.), I transmit herewith for the information of the Congress the Second Annual Report of the Operation of the Uniformed Services Contingency Option Act of 1953.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 13, 1957.*

(Note: A similar message was transmitted to the House of Representatives.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 1442) to facilitate the regulation, control, and eradication of plant pests, and it was signed by the President pro tempore.

HOUSE BILL REFERRED

The bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes, was read twice by its title and referred to the Committee on Banking and Currency.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following subcommittees were authorized to meet today during the session of the Senate:

The Permanent Investigations Subcommittee of the Committee on Government Operations.

The Indian Affairs Subcommittee of the Committee on Interior and Insular Affairs.

ORDER FOR CONSIDERATION OF THE STATE, JUSTICE, AND JUDICIARY APPROPRIATION BILL ON WEDNESDAY

Mr. JOHNSON of Texas. Mr. President, in the event that the hearings, report, and bill are available on Wednesday, I ask unanimous consent that it be in order for the Senate to consider on that day the State, Justice, and Judiciary appropriation bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZATION FOR APPROPRIATIONS COMMITTEE TO FILE REPORTS AND NOTICES OF MOTIONS DURING RECESS OR ADJOURNMENT OF THE SENATE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Appropriations Committee be authorized to file reports and notices of motions to suspend the rule, during the recess or adjournment of the Senate following the completion of the business of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, inasmuch as today's session follows an adjournment under the rule, there will be the usual morning hour for the introduction of bills and other routine business. In that connection, I ask unanimous consent that statements be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I desire to make a brief announcement: This week, several appropriation bills are being marked up in the Appropriations Committee. We are hopeful that it will be possible for the Senate to adhere to the scheduled meetings, as previously announced, namely, on Monday, Wednesday, and Thursday. It may be necessary to have a meeting of the Senate on Friday, if action has not been completed by then on the scheduled appropriation bills. Of course, as all Senators know, the appropriation bills take the highest priority.

We are hopeful that it will be possible for the Senate to complete action on the Treasury-Post Office appropriation bill early today. If the Senate is not able to do so, I should like to inform Senators that we expect to have the Senate remain in session until a rather late hour this evening, in an attempt to complete action on that appropriation bill. If it proves impossible to complete action on that bill today, I shall desire to confer with the minority leader, and perhaps to arrange for a session of the Senate on Tuesday.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

PROPOSED EMPLOYMENT OF A CERTAIN RETIRED NAVAL OFFICER

A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation to permit a retired officer of the Navy to be employed in a command status at Port Lyautey, Morocco (with an accompanying paper); to the Committee on Armed Services.

REPORT ON ORGANIZATIONS WHOSE PROPERTIES WERE EXEMPTED BY SPECIAL ACTS OF CONGRESS

A letter from the President, Board of Commissioners, District of Columbia, transmitting, pursuant to law, a list of the institutions or organizations whose properties were specifically exempted by special acts of Congress prior to the passage of the act of December 24, 1942, showing the purposes for which such properties were used during the calendar year 1955 (with an accompanying report); to the Committee on the District of Columbia.

REPORTS OF CERTAIN ORGANIZATIONS OWNING PROPERTY EXEMPTED FROM TAXATION BY LAW

A letter from the President, Board of Commissioners, District of Columbia, transmitting, pursuant to law, reports of every institution, organization, corporation, or association owning property exempt under provisions of section 3, Public Law 846, 77th Congress (with accompanying reports); to the Committee on the District of Columbia.

FINANCIAL STATEMENT OF THE AMERICAN LEGION

A letter from the director, the American Legion, Washington, D. C., transmitting, pursuant to law, the final financial statement of that organization, up to and including the period ended December 31, 1956 (with an accompanying statement); to the Committee on Finance.

AMENDMENT OF FOREIGN SERVICE BUILDINGS ACT OF 1926

A letter from the Secretary of State, transmitting a draft of proposed legislation to amend the Foreign Service Buildings Act of 1926 (with accompanying papers); to the Committee on Foreign Relations.

LAWS ENACTED BY THIRD GUAM LEGISLATURE

A letter from the Under Secretary of the Interior, transmitting, pursuant to law, copies of laws enacted by the Third Guam Legislature, 1956 (with accompanying papers); to the Committee on Interior and Insular Affairs.

CONSTRUCTION AND IMPROVEMENT OF CERTAIN BUILDINGS BY SECRETARY OF COMMERCE

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the act of March 3, 1901 (31 Stat. 1449), as amended, to incorporate in the Organic Act of the National Bureau of Standards the authority to acquire land for field sites, to undertake construction and improvement of buildings, and for other activities (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

PROPOSED CONTINUATION OF PROVISIONS OF TITLE II OF FIRST WAR POWERS ACT, 1941

A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941 (with an accompanying paper); to the Committee on the Judiciary.

GRANTING ADMISSION INTO THE UNITED STATES OF CERTAIN DEFECTOR ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting admission into the United States of certain defector aliens (with accompanying papers); to the Committee on the Judiciary.

TEMPORARY ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting temporary admission into the United States of certain aliens (with accompanying papers); to the Committee on the Judiciary.

AUDIT REPORT OF THE AMERICAN SOCIETY OF INTERNATIONAL LAW

A letter from the executive secretary, the American Society of International Law, Washington, D. C., transmitting, pursuant to law, the annual audit by a certified public accountant of the financial transactions of that society, for the year ended December 31, 1956 (with an accompanying report); to the Committee on the Judiciary.

AMENDMENT OF LAW RELATING TO CERTAIN EXPENSES INCURRED BY POST OFFICE DEPARTMENT

A letter from the Deputy Postmaster General, transmitting a draft of proposed legislation to amend certain provisions of law in order to provide for the reimbursement of the Post Office Department for expenses incurred in performing certain services for other agencies, and for other purposes (with an accompanying paper); to the Committee on Post Office and Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred, as indicated:

By the PRESIDENT pro tempore:

A resolution of the Senate of the State of Missouri; to the Committee on Finance:

"Senate Resolution 97

"Whereas we, the elected representatives of the people of Missouri, have carefully observed the effect of high Federal tax rates on individuals and business and we are deeply concerned over the obvious effects thereof; and

"Whereas highly progressive income-tax rates have made the accumulation of personal venture capital virtually impossible and have destroyed the incentive for individuals to invest in new and untried business ventures; and

"Whereas high Federal taxes are the basic cause of many mergers which are slowly but surely absorbing the middle-sized company with its independent management, and concentrating business and economic power in the hands of large corporations; and

"Whereas small corporations and small, individual business men and women are finding it impossible to retain sufficient profits after payment of taxes, to permit reasonable and healthy growth; and

"Whereas the Federal Government is dominating almost every field of taxation, and taking more and more away from our citizens and leaving State and local government in a most difficult financial condition; and

"Whereas the highly progressive income tax with rates ranging up to 91 percent is, in fact, confiscation of income and through high estate and gift taxes we have confiscation of property as well, which philosophy is repugnant to Americans, with the result that the equitable collection of taxes is impossible; and

"Whereas to make available venture capital, to restore the incentive to engage in new job-creating enterprises, to give small business the opportunity to prosper and grow, to stop the trend toward concentration of industry, to restore the personal right to dispose of property by gift or at death without penalty, to enable the States to assume the responsibilities which are rightfully theirs is of utmost importance to all Americans: Now, therefore, be it

"Resolved by the Senate of the General Assembly of the State of Missouri, That

"SECTION 1. We respectfully recommend for immediate consideration by Congress the following:

"1. Substantial reduction of the combined normal and surtax rates on personal income.

"2. Tax relief for small corporations to permit normal and healthy growth.

"3. Reduction of Federal estate and gift taxes.

"4. Reduction in the expenditures being made by the Federal Government.

"SEC. 2. The secretary of the senate is hereby directed to forward copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives of the Congress of the United States, and to all the Members of Congress from the State of Missouri.

"I, Joseph A. Bauer, secretary of the senate, do hereby certify the above and foregoing to be a full, true, and complete copy of Senate Resolution 97, offered into and adopted by the senate on May 2, 1957, as fully as the same appears of record in my office.

"In testimony whereof, I have hereunto set my hand and affixed the seal of the Senate of the State of Missouri this 2d day of May 1957.

"JOSEPH A. BAUER,
"Secretary of the Senate, 69th General Assembly."

A joint resolution of the Legislature of the State of California; to the Committee on Public Works:

"Senate Joint Resolution 26

"Joint resolution memorializing Congress to provide for the construction of a highway from Winnemucca, Nev., to Viewland, Calif.

"Whereas the State of California, civil defense agencies and United States military authorities need an adequate highway system leading easterly from the central and northern portions of the State; and

"Whereas the construction of a highway from the vicinity of Viewland, Lassen County, Calif., on United States Highway 395 to a point on United States Highway 40 near Winnemucca, Nev., would alleviate this situation; and

"Whereas State Highway 36 is open the year around and is one of the lowest and most accessible passes over the Sierra Nevada Mountains and

"Whereas in the event of a national emergency, the present highway system would be inadequate for transportation to and from the State of California, and a serious problem would confront the inhabitants of northern and central California as well as military and civil defense authorities; and

"Whereas the Sierra Ordnance Depot at Herlong, Lassen County, Calif., is a vital military installation, and most of the supplies shipped to such depot from the eastern part of the United States are transported through Salt Lake City, Utah; and

"Whereas the construction of this proposed highway would shorten the route into the Sierra Ordnance Depot from Salt Lake City thereby effecting a substantial savings in the money spent for transporting supplies, and also lessen the highway mileage between Salt Lake City and norther California and southern Oregon; and

"Whereas the development of northern Nevada, northern California, southern and western Oregon as a tourist and recreation area, would be enhanced by the construction of this proposed highway, by facilitating travel over United States Highway 395, United States Highway 299, State Highways 32, 36, 89, and 44, Joint Highway 14 and Federal Highway 92; and

"Whereas Headquarters, Sixth Army, Presidio of San Francisco, Calif., and Nevada and California civil-defense agencies are on record as favoring the construction of this proposed highway: Now, therefore, be it

"Resolved by the Senate and the Assembly of the State of California, jointly, That the Congress of the United States of America enact legislation and appropriate funds for the construction of a Federal highway from Winnemucca, Humboldt County, Nev., to

Viewland, Lassen County, Calif., via Gerlach and Empire, Nev.; and be it further

"*Resolved*, That the secretary of the senate is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of Oregon; to the Committee on the Judiciary:

"House Joint Memorial 16

"*To the Honorable Senate and House of Representatives of the United States of America, in Congress Assembled, and to the Oregon Members of These Legislative Bodies:*

"We, your memorialists, the 49th Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

"Whereas the collection of taxes lawfully imposed in one State may be brought in a Federal district court sitting in another State only if first reduced to judgment; and

"Whereas the collection of taxes although lawfully imposed is often limited or made impossible when the person taxed has left the State and is residing in a State which does not have statutes granting reciprocal recognition of tax liability; and

"Whereas it is in the best interest of public policy and good government that State taxes lawfully imposed should be collectible and not defeated by imperfect jurisdiction: Now, therefore, be it

"*Resolved by the House of Representatives of the State of Oregon (the Senate jointly concurring therein)*, That the Congress of the United States hereby is urged to provide legislation extending the jurisdiction of Federal district courts to entertain actions brought by a State to enforce taxes lawfully imposed on a person or property removed from the State; be it further

"*Resolved*, That the Oregon Members of the United States Senate and House of Representatives be urged to promote and support such legislation; and be it further

"*Resolved*, That copies of this memorial be sent to the Secretary of the United States Senate, the Clerk of the United States House of Representatives, and to all Members of the Oregon congressional delegation.

"Adopted by house April 17, 1957.

"Readopted by house May 2, 1957.

"EDITH BEYNON LOW,
"Chief Clerk.

"PAT DOOLEY,
"Speaker of House.

"Adopted by senate April 30, 1957.

"BOYD R. OVERHULSE,
"President of the Senate."

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Finance:

"Enrolled Senate Concurrent Resolution 23

"A concurrent resolution memorializing the President and Congress of the United States relating to legislation and policy designed to limit imports of glass, lead, and zinc

"Whereas imports of glass, lead, and zinc have caused a drastic reduction in market prices of these products; and

"Whereas imports of glass, lead, and zinc have resulted in serious injury to domestic mining operations in that such operations have been forced to be curtailed to an alarming extent due to the economic laws of supply and demand; and

"Whereas while the market prices of such products have steadfastly remained at a low level and at the same time labor costs have risen sharply, with the result that mining operations are not reasonably profitable, and especially is this true in the State of Oklahoma; and

"Whereas this injury to the mining industry is not limited to the owners and operators of the mines, but causes thousands of workers to be out of employment or, at best, to be employed on a part-time basis; and

"Whereas the injury to the industry causes great economic losses to management, labor, the railroad industry, and to communities wherein mines and smelters are situated, and to the economy of the Nation as a whole, including an impairment of the Nation's defense program; and

"Whereas the consequences of the present import program are not only being reflected in economic conditions in the State of Oklahoma, but are being felt in all areas of the Nation wherein these products are produced, and this is both a local and a national problem: Now, therefore be it

"*Resolved by the Senate of the 26th Legislature of the State of Oklahoma (the House of Representatives concurring therein)*, 1. That legislation be enacted curtailing imports of glass, lead, and zinc to such a point that domestic markets will recover to a healthy and normal condition; and/or

"2. That legislation be enacted increasing the import tariff on glass, lead, and zinc to a point 50 percent above the level of January 1, 1945; and/or

"3. That a directive be issued increasing the import tariff on glass, lead, and zinc to a point 50 percent above the level of January 1, 1945, and/or

"4. That action be taken either pursuant to the May 21, 1954, report of the tariff commission, or under section 7 of the Trade Agreements Extension Act of 1955, or under any other existing authority which will result in relieving this threat to the national security and this crisis of nonproduction and unemployment in mines, smelters, and glass manufacturing plants.

"5. It is ordered that copies of this resolution be sent to the President of the United States, the Speaker of the House of Representatives and the President of the Senate of the Congress of the United States, and to each of Oklahoma's Representatives and Senators in the Congress of the United States.

"Adopted by the senate the 25th day of April 1957.

"KEITH CARTWRIGHT,
"Acting President of the Senate.

"Adopted by the house of representatives the 25th day of April 1957.

"B. E. HARKEY,
Speaker of the House of Representatives."

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Interior and Insular Affairs:

"Enrolled Senate Concurrent Resolution 21

"A concurrent resolution memorializing the President and the Congress of the United States to grant immediate statehood to the Territories of Alaska and Hawaii

"Whereas the Territories of Alaska and Hawaii are vital to the defense of the United States; and

"Whereas said Territories have greatly contributed to the economic and cultural life of the United States; and

"Whereas the people of said Territories have demonstrated their maturity, responsibility, and willingness to accept in full, and ability to discharge, the responsibilities that accompany citizenship in one of the States of the United States; and

"Whereas not only principles of fairness, but also considerations of mutual benefit to said Territories and the States of the United States demand that said Territories be granted immediate statehood: Now, therefore, be it

"*Resolved by the Senate of the 26th Oklahoma Legislature (the house of representatives concurring therein)*, That the President of the United States and the Congress of the United States are hereby memorialized to grant immediate statehood to the Territories of Alaska and Hawaii; and

"That the President of the Senate is directed to cause copies of this resolution to be sent to the President of the United States, the Speaker of the House of Representatives of the United States, the President of the Senate of the United States, and to the Governors of Alaska and Hawaii.

"Adopted by the senate the 4th day of April 1957.

"KEITH CARTWRIGHT,
"Acting President of the Senate.

"Adopted by the house of representatives the 30th day of April 1957.

"B. E. HARKEY,
"Speaker of the House of Representatives.

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Agriculture and Forestry:

"Joint Resolution 11

"Joint resolution requesting the Congress of the United States to amend the Bankhead-Jones Farm Tenant Act (as amended) to allow the making of real estate mortgage loans on long-term leased lands, including Hawaiian home lands and the public lands of the Territory of Hawaii

"Whereas the applicants for and lessees of the Hawaiian home lands are in dire need of loans for the construction of homes and improvements of homesteads in the furtherance of the purposes of the Hawaiian Homes Commission Act of 1920 (as amended); and

"Whereas long-term agricultural lessees, of the public lands of the Territory of Hawaii, who are coffee growers in Kona in the county of Hawaii, are likewise in great need of loans for the construction of housing accommodations for their seasonal migratory coffee pickers and for other agricultural purposes; and

"Whereas such leases do not qualify for loans under the said Bankhead-Jones Farm Tenant Act because they are not, and often cannot be, fee simple owners of the land involved; and

"Whereas the security of loans under the said Bankhead-Jones Farm Tenant Act made to such lessees will not be impaired, the legal title to Hawaiian home lands being already in the United States and the title to public lands being in the Territory of Hawaii, and the leases being for a long term: Now, therefore, be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States is hereby respectfully requested to amend the pertinent provisions of the Bankhead-Jones Farm Tenant Act (as amended) to allow the making of real estate mortgage loans on long-term leased lands in the Territory of Hawaii, including Hawaiian home lands under the Hawaiian Homes Commission Act of 1920 (as amended) and public lands of the Territory of Hawaii.

"SEC. 2. Certified copies of this joint resolution shall be sent to the President of the Senate and Speaker of the House of Representatives of the Congress of the United States, to the Secretary of the United States Department of Interior, to the Administrator of the United States Department of Agriculture (Farm Home Administration) and to the Delegate to Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 3d day of May A. D. 1957.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Foreign Relations:

"Joint Resolution 13

"Joint Resolution requesting the Congress of the United States to establish an operating branch and complete facilities of the Voice of America in the Territory of Hawaii

"Whereas the Government of the United States through the operation of the Department of State did establish and is operating two 100-kilowatt shortwave transmitters on the island of Oahu in the Territory of Hawaii for transmitting Voice of America programs to the far eastern part of the world; and

"Whereas this installation and all of its facilities can be operated fully so as to permit live broadcasts to originate from the Territory of Hawaii; and

"Whereas the economic, racial, cultural, and historical backgrounds of the various peoples of the Territory are such that among them can be selected persons of outstanding achievements who can relate their records of success and self-betterment under our democratic way of life; and

"Whereas the growing number of visitors, including government and public officials from countries and nations of the Far East, have never failed to comment on the remarkable harmony and cooperation with which all the people of the various racial backgrounds live and work in this showcase of democracy in the Pacific; and

"Whereas there are adequate facilities presently available for live broadcasts to be originated from the Territory of Hawaii, such as the radio facilities presently under the command of the commander in chief, Pacific, presently used for hometown recordings and broadcasts; and

"Whereas the full utilization of existing facilities and the talents and abilities of the people of Hawaii can vastly increase the overall effectiveness of the Voice of America: Now, therefore, be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States is hereby respectfully requested to seek the cooperation of the Department of State to initiate live local broadcasts of the Voice of America to originate from the Territory of Hawaii to the end that the Secretary of State shall use all efforts to utilize all existing facilities to accomplish the objectives of this resolution.

"SEC. 2. That certified copies of this joint resolution be forwarded to the President of the United States, the President of the Senate, and the Speaker of the House of Representatives of the Congress of the United States, the Secretary of State of the United States, the Secretary of the Interior, the Delegate to Congress from Hawaii, Director of the United States Information Service, and the commander in chief, Pacific.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 3d day of May A. D. 1957.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

Six joint resolutions of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Joint Resolution 5

"Joint resolution requesting the Congress of the United States to enact legislation giving the University of Hawaii title to its lands

"Whereas under the Hawaiian Organic Act public lands in the Territory are properties of the United States but are placed under the jurisdiction of the Territory for purposes of administration and disposal only as provided therein; and

"Whereas since the board of regents of the University of Hawaii does not have title to public land devoted to the use of the university, the university has been unable to take advantage of Federal benefits provided for universities and other schools of higher learning or to otherwise secure funds for university purposes: Now, therefore be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States is hereby respectfully requested to enact legislation amending the Hawaiian Organic Act in such manner that title to all university real property shall be vested in the board of regents of the University of Hawaii for the use and benefit of the university.

"SEC. 2. Duly certified copies of this joint resolution shall be forwarded to the President of the United States, the President of the Senate, and the Speaker of the House of Representatives of the Congress of the United States, the Secretary of the Interior, and the Delegate to Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 30th day of April, A. D., 1957.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

"Joint Resolution 6

"Joint resolution requesting the Congress of the United States to enact legislation, amending the Hawaiian Organic Act and approving amendments of the Hawaiian land laws with respect to leases and other disposition of land

"*Be it enacted by the Legislature of the Territory of Hawaii:*

"SECTION 1. The Congress of the United States is hereby respectfully requested to enact a bill substantially as follows:

"'A bill amending the Hawaiian Organic Act and approving amendments of the Hawaiian land laws, with respect to leases and other dispositions of land

"'*Be it enacted, etc.*—

"'SECTION 1. Section 73 (d) of the Hawaiian Organic Act (48 U. S. C. 665) is hereby amended as follows:

"'(a) By deleting therefrom the words "fifteen years" and inserting in lieu thereof the words "sixty-five years."

"'(b) By amending the proviso, which appears at the end of the subsection, so that the same shall read as follows: "*Provided*, That the Commissioner may, with the approval of the Governor and at least two-thirds of the members of the Land Board, omit such withdrawal provision from, or limit the same in, the lease of any lands whenever he deems it advantageous to the Territory of Hawaii. Land so leased shall not be subject to such right of withdrawal, or shall be subject only to a right of withdrawal as limited in the lease."

"'SEC. 2. Section 73 (1) of the Hawaiian Organic Act (48 U. S. C. 673) is hereby amended as follows:

"'"(a) By inserting a sentence, to follow the first sentence and to read as follows: 'Leases may be made by the Commissioner of Public Lands, with the approval of two-thirds of the members of the Board of Public Lands, for the occupation of lands for general purposes, or for certain special purposes, for terms up to but not in excess of sixty-five years.'

"'"(b) By deleting from the present second sentence, now the third sentence, the words 'No lease of agricultural lands exceeding 40 acres in area, or of pastoral or waste lands exceeding 200 acres in area, shall be made without the approval of two-thirds of the Board of Public Lands, which is hereby constituted,' and inserting in lieu thereof the following: 'There shall be a Board of Public Lands.'"

"'SEC. 3. Section 91 of the Hawaiian Organic Act (48 U. S. C. 511) is hereby amended by adding thereto a new paragraph to read as follows: "The provisions of this section shall not vitiate any right vested by any lease or other disposition of property made under this act, or under the land laws of Hawaii approved by the Congress, or otherwise authorized by the Congress. If property, the title to which remains in the United States, is taken under the authority of this section for the uses and purposes of the United States, the taking nevertheless shall be subject to vested rights, or else just compensation shall be made as provided by law for the taking of those rights. Nothing in this section shall be deemed to authorize the withdrawal of property for public purposes without just compensation to the lessee or other party affected, or to require inclusion in the terms of the governing instrument of a provision for such withdrawal."

"'SEC. 4. The amendment of section 99-53 of the Revised Laws of Hawaii 1955, made by the 29th legislature, is hereby approved.

"'SEC. 5. This act shall take effect upon its approval.'"

"SEC. 2. (a) Section 99-53 of the Revised Laws of Hawaii 1955 is amended by deleting therefrom the word 'twenty-one' and inserting in lieu thereof 'sixty-five.'

"(b) This section shall take effect upon the approval by the Congress of the United States of the amendment made by this section. The Congress of the United States is hereby respectfully requested to approve the amendment.

"SEC. 3. Certified copies of this resolution, upon its adoption, shall be forwarded to the Secretary of the Interior, the Delegate to Congress from Hawaii, the President of the Senate of the United States, and the Speaker of the House of Representatives of the United States.

"SEC. 4. This joint resolution shall take effect upon its approval.

"Approved this 1st day of May A. D. 1957.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

"Joint Resolution 8

"Joint resolution requesting the Congress of the United States to enact legislation relating to lands beneath tidal waters in the Territory of Hawaii, and filled in, made or reclaimed lands in said Territory; and amending section 112-1 of the Revised Laws of Hawaii 1955 to conform to such congressional legislation effective upon the enactment thereof

"*Be it enacted by the Legislature of the Territory of Hawaii:*

"SECTION 1. The Congress of the United States is hereby respectfully requested to enact a bill substantially as follows:

"'A bill relating to lands beneath tidal waters in the Territory of Hawaii, and filled in, made or reclaimed lands in said Territory

"'*Be it enacted, etc.*—

"'SEC. 1. Insofar as the President has transferred, or hereafter shall transfer, to the Territory of Hawaii the title to lands beneath tidal waters which are suitable for reclamation, or the title to reclaimed lands which formerly were lands beneath tidal waters, the same shall be deemed to be public lands of the Territory of Hawaii and the United States shall retain only such rights therein as would exist if the Territory of Hawaii were a State. Section 106 of the Hawaiian Organic Act (48 U. S. C. 545) shall not apply to the lands which by this act are given the status of public lands unless the same are set aside under the jurisdiction of the board of harbor commissioners; provided, that no work shall

be done on lands beneath tidal waters without the consent of the board of harbor commissioners and the secretary of the military department concerned.

"'SEC. 2. In addition to the power conferred upon the President by section 91 of the Hawaiian Organic Act (48 U. S. C. 511), the President may transfer to the Territory of Hawaii the title to (a) any lands beneath tidal waters suitable for reclamation, and (b) any reclaimed lands which formerly were lands beneath tidal waters.

"'SEC. 3. Whenever, in connection with reclaimed lands or reclamation of lands beneath tidal waters, the commissioner of public lands deems it advantageous to the Territory of Hawaii in order to settle the rights (littoral or otherwise), if any, of an abutting owner, or to consolidate the holdings of public lands in the vicinity or provide public ways or access to the public lands, he may with the approval of the Governor and two-thirds of the members of the board of public lands sell, lease, or transfer by way of an exchange, to such abutting owner, or an owner whose land is needed for such consolidation of public holdings, access or ways, without public auction and without regard to any limitation of the Hawaiian Organic Act or the land laws of Hawaii in respect of the area and value of lands that may be conveyed by way of exchange, lands having the status of public lands.

"'SEC. 4. Nothing in this act shall be deemed to alter the control of the Congress over the laws of Hawaii relating to public lands, including the lands which by this act are given the status of public lands.

"'SEC. 5. As used in this act:

"'The term "lands beneath tidal waters" means all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each of the islands comprising the Territory of Hawaii.

"'The term "reclaimed lands" refers to filled in or made lands which formerly were lands beneath tidal waters, and the term "reclamation" refers to the filling in or making of land by any means.

"'SEC. 6. This act shall take effect upon its approval.'

"SEC. 2. Effective upon the enactment by Congress of legislation relating to the application of section 106 of the Hawaiian Organic Act, in respect to lands given the status of public lands, section 112-1 of the Revised Laws of Hawaii 1955 is amended to conform thereto.

"SEC. 3. Certified copies of this Joint Resolution, upon its adoption, shall be forwarded to the President of the United States, the President of the Senate and the Speaker of the House of Representatives of the United States, the Secretary of the Interior, and the Delegate to Congress from Hawaii.

"SEC. 4. This joint resolution shall take effect upon its approval.

"Approved this 2d day of May, A. D. 1957.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

"Joint Resolution 10

"Joint resolution requesting the Congress of the United States to enact legislation providing funds to pay for a second bore to Wilson Tunnel, island of Oahu, T. H.

"Whereas the Wilson Tunnel on the island of Oahu, T. H., as authorized and now under construction, consists of a single bore; and

"Whereas, the tunnel is of great value to the Department of Defense of the United States in that it provides a short, low-grade highway between installations on the leeward side of the Koolau Range (such as Pearl Harbor Navy Yard, Barbers Point Naval Air Station, Fort Shafter, and Schofield Barracks) and installations on the windward side of the Koolau Range (such as Kaneohe Marine Corps Air Station); and

"Whereas a second tunnel bore would increase considerably value of the tunnel for defense purposes; and

"Whereas a second tunnel bore would also aid the Territory of Hawaii in many ways, among them that it would provide employment in an area which, although it may soon be classified group IV (substantial labor surplus) by the United States Department of Labor, is not able to receive the assistance (such as placement of defense contracts, and receipt of accelerated tax amortization by defense plants) which the United States now seeks to give to such an area; Now, therefore—

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States is hereby respectfully requested to enact legislation providing funds to be used by the Territory of Hawaii to survey, plan and construct a second bore in connection with the Wilson Tunnel.

"SEC. 2. A certified copy of this joint resolution be sent to each of the following officers of the United States: The President of the United States, the President of the Senate, the Speaker of the House of Representatives, the Secretary of Defense, the Secretary of the Interior, and the Delegate to the Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 2d day of May, A. D. 1957.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

"Joint Resolution 12

"Joint resolution requesting the Congress of the United States to amend section 60 of the Hawaiian Organic Act to lower the voting age

"Whereas the people of Hawaii are desirous of extending to its youth a privilege of voting for their elected officials; and

"Whereas the people of Hawaii are confident that their fellow citizens who have attained the age of 20 years are fully qualified and responsible; and

"Whereas the legal voting age in many mainland jurisdictions is set at 20 years; and

"Whereas the constitution of the proposed State of Hawaii provides that any citizen of the Territory otherwise qualified who shall have attained the age of 20 years shall be entitled to vote; and

"Whereas the people of Hawaii believe that the lowering of the voting age as suggested herein is a true expression of democracy in practice: Now, therefore

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States of America is hereby requested to amend section 60 of the Organic Act to read substantially as follows:

"'A bill amending section 60 of the Hawaiian Organic Act and lowering the voting age of the citizens of the Territory of Hawaii

"'*Be it enacted, etc*—

"'SECTION 1. That section 60 of the Hawaiian Organic Act is hereby amended to read as follows:

"'"SEC. 60. Qualifications of voters for representatives. That in order to be qualified to vote for representatives, a person shall—

"'"First. Be a citizen of the United States.

"'"Second. Have resided in the Territory not less than 1 year preceding and in the representative district in which he offers to register not less than 3 months immediately preceding the time at which he offers to register.

"'"Third. Have attained the age of 20 years.

"'"Fourth. Prior to each regular election, during the time prescribed by law for registration, have caused his name to be entered on the register of voters for representatives for his district.

"'"Fifth. Be able to speak, read, and write the English or Hawaiian language.

"'"SEC. 2. This bill shall take effect upon its approval."'

"SEC. 2. Upon its approval, certified copies of this joint resolution shall be forwarded to the President of the United States, the Secretary of the Interior, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, and the Delegate to Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 3d day of May A.D. 1957.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

A resolution of the House of Representatives of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"House Resolution 125

"Resolution requesting the Congress of the United States to enact legislation to empower the Governor to grant pardons for Federal offenses

"Whereas persons who have been convicted of certain offenses are thereby deprived of certain rights and privileges accorded to citizens in the Territory of Hawaii, among these being the right to vote, the right to hold elective or appointive positions in the territorial or county governments; and

"Whereas the Governor may grant pardons for offenses against the laws of the Territory and thereby restore to citizens the right and privilege to vote in the Territory or to hold public office; and

"Whereas such territorial rights and privileges cannot be restored by a gubernatorial pardon where an offense was committed against the laws of the United States: Now, therefore, be it

"Resolved by the House of Representatives of the 29th Legislature of the Territory of Hawaii, That the Congress of the United States is hereby respectfully requested to enact legislation amending section 66 of the Hawaiian Organic Act to empower the Governor of the Territory to grant a pardon for Federal offenses for the purpose of restoring

rights and privileges of citizens of the Territory to a citizen of the Territory; and be it further

"*Resolved*, That a certified copy of this resolution be transmitted to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, to the Secretary of the Interior and to the Delegate to the Congress from Hawaii."

A resolution adopted by the Michigan Chapter of the American Institute of Planners, of Detroit, Mich., relating to urban renewal in Michigan; to the Committee on Appropriations.

A resolution adopted by the Michigan Chapter of the American Institute of Planners, Detroit, Mich., favoring the enactment of the bill (S. 1230) to authorize the Administrator of the Housing and Home Finance Agency to provide fellowships in public or private nonprofit institutions of higher education for the graduate training of qualified persons in the field of urban planning; to the Committee on Banking and Currency.

A resolution adopted by the Michigan Chapter of the American Institute of Planners, Detroit, Mich., relating to Federal regulation of billboards on the new interstate highway system; to the Committee on Public Works.

A resolution adopted by Mariemont American Legion Post 146, Mariemont, Ohio, relating to a modification of the NATO Status of Forces Treaty; to the Committee on Foreign Relations.

A resolution adopted at the annual convention of the California Federation of Women's Clubs, at Coronado, Calif., relating to a proposed contract for sale of falling water from Trinity River Dam; to the Committee on Interior and Insular Affairs.

A resolution adopted by the Los Angeles, Calif., County Council of the American Legion, expressing regret at the death of the late Senator from Wisconsin [Mr. McCarthy]; ordered to lie on the table.

JOINT RESOLUTIONS OF VERMONT LEGISLATURE

Mr. FLANDERS. Mr. President, at the appropriate place in the RECORD I wish to have printed two joint resolutions from the Vermont Legislature, signed by the secretary of state of Vermont.

One of them relates to Vermont industries, and the effect of foreign importations on them. The difficulties which the foreign importations have caused are not confined to the State of Vermont, so I feel that this resolution is of more than local interest.

The second joint resolution requests Congress to liberalize the restrictions relating to old age and survivors insurance, and old age assistance.

There being no objection, the joint resolutions were referred to the Committee on Finance, and, under the rule, ordered to be printed in the RECORD, as follows:

Joint Resolution 46

Joint resolution relating to Vermont industries

Whereas a number of Vermont industries, including hardwood plywood, textiles, spring clothespins, and manufactured wood products, are in serious financial difficulties due to the competition of low priced foreign merchandise which is being imported in increased quantities as a result of concessions in import duties granted under the Trade Agreement Act of June 12, 1934, as amended; and

Whereas the continued operation of these industries, which is highly important to the welfare of the people of the State of Vermont, is dependent upon import quotas or other regulations either under the escape clause procedure contained in the Trade Agreements Act of 1951, as amended, or by direct action of the Congress of the United States; and

Whereas the past administration of the trade agreement program, and in particular the escape clause procedure, has not given adequate consideration to the needs of domestic industries in competition with merchandise produced at a lower rate of pay by foreign labor: Now, therefore, be it

Resolved by the senate and house of representatives, That in the best interest of industry, labor, and the general prosperity of the State of Vermont, the representatives of the State of Vermont in the Senate and House of Representatives of the United States are hereby urged to support in every possible way, the efforts of Vermont industries, and in particular, hardwood plywood, textiles, spring clothespins, and manufactured wood products, to secure such import quotas or other regulations as are needed to remedy the serious situation caused by low-priced imports, either through the escape clause procedure or through act of Congress; and be it further

Resolved, That a copy of this resolution be forwarded by the secretary of state to the Representatives of the State of Vermont in the Senate and House of Representatives of the United States, and to the Chairman of the United States Tariff Commission.

Approved April 26, 1957.

Joint Resolution 49

Joint resolution requesting Congress to liberalize restrictions relating to old-age and survivors insurance and old-age assistance

Whereas persons under 72 receiving old-age and survivors insurance are penalized if they by working earn more than $1,200 a year; and

Whereas such restrictions encourage idleness, low subsistence living and favor persons having private income not beset by the need of earnings; and

Whereas many old-age assistance recipients are destitute and because of inadequacies in existing laws, live below the minimum American subsistence level; and

Whereas under the current matching formula of the public assistance section of the Federal Social Security Act of 1936 those States which cannot afford adequate financial assistance to its needy aged because their per capita income is low and said formula does not recognize disparities between rich and poor State: Now, therefore, be it

Resolved by the senate and house of representatives, That the Congress of the United States be respectfully urged to liberalize the old-age and survivors insurance restrictions and allow beneficiaries to earn up to $1,800 yearly without being penalized, and to allow old-age assistance recipients to earn monthly sums of $50 for maintaining at least a minimal American standard of living and that the Secretary of State be directed to transmit duly attested copies of this resolution to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, the chairman of the Senate Committee on Labor and Public Welfare, the chairman of the House Committee on Education and Labor, the chairman of the Senate and House Committees on Appropriations, and to our Congressional delegation; and be it further

Resolved, That the Congress of the United States be urged to devise a more equable, flexible, and realistic formula to correct the inequity and to be based on, and vary with, States' per capita incomes, thus providing more favorable financial consideration to less wealthy States.

CHARLES H. BROWN,
Speaker of the House of Representatives.

ROBERT T. STAFFORD,
President of the Senate.

Approved May 1, 1957.

JOSEPH B. JOHNSON,
Governor.

REPEAL OF CERTAIN EXCISE TAXES—JOINT RESOLUTION OF OREGON LEGISLATURE

Mr. MORSE. Mr. President, I have received a copy of a joint resolution from the Oregon State Legislature, House Joint Memorial No. 4, calling for the repeal of the excise taxes on the transportation of persons and of freight. In the joint resolution, the legislature points out that this was an emergency wartime tax, adopted during World War II, and that it is heavily weighted against a State like Oregon which ships large quantities of bulk products to markets hundreds and even thousands of miles away.

Senate bill 1591, introduced by my colleague, the junior Senator from Oregon [Mr. NEUBERGER], and me, would do just what is called for in House Joint Resolution No. 4. I ask unanimous consent that the joint resolution, together with the text of Senate bill 1591, be printed in the RECORD at this point.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution and bill will be printed in the RECORD.

The joint resolution was referred to the Committee on Finance, as follows:

House Joint Memorial 4

To the Honorable Senate and the House of Representatives of the United States of America in Congress Assembled:

We, your memorialists, the 49th Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

Where as for the purpose of meeting wartime emergency necessity, the Congress of the United States enacted as excise taxes a levy upon the transportation of persons and property; and

Whereas one of the principal purposes of levying such tax upon the transportation of persons was to discourage unnecessary wartime travel; and

Whereas today, 11 years after the cessation of hostilities, there continues a 10 percent levy on the transportation of persons and a 3-percent levy on the transportation of property; and

Whereas it is the opinion of the Legislative Assembly of the State of Oregon that excise taxes should not impose an unfair burden on the long-distance shipper and the long-distance traveler as does the present tax on the transportation of property and persons; and

Whereas it should be a principle of Federal taxation to levy taxes in such a manner as to prevent them from falling as an unequal burden on citizens residing in different areas of the country; and

Whereas the distances to, from and within the West impose an unfair burden on the western traveler and shipper; and

Whereas the present transportation tax on property is unfairly burdensome upon the State of Oregon as it adds what is in effect an additional tariff on the goods shipped from Oregon to the eastern markets, with

the result that those goods are not able to compete freely with the goods originating in more closely adjacent southern areas; and

Whereas the State of Oregon is particularly interested in preserving the eastern market as an open market in which the agricultural and forest products of Oregon, in particular, may compete freely with southern produce without the hindrance of artificial barriers such as the present transportation tax; and

Whereas the State of Oregon is particularly interested in protecting and developing its vacation and tourist travel on an equal basis with other vacation travel areas; and

Whereas the transportation of both persons and property plays such a vital role in the economic life of this country to the extent that the costs of transportation should always be kept at the lowest possible level; and

Whereas transportation is in no sense a luxury but is a vital necessity and there is, therefore, sound reason for distinguishing between the transportation taxes and other excise taxes that are imposed upon luxury items; and

Whereas it is the opinion of the Legislative Assembly of the State of Oregon that the best interest of the country and particularly the western States, who are now discriminated against by the present transportation taxes, would be served by a repeal of those taxes; and

Whereas there is presently pending before the Congress of the United States legislation which would repeal the tax on transportation of property and which would repeal the tax on transportation of persons: Now, therefore, be it

Resolved by the House of Representatives of the State of Oregon (the Senate jointly concurring therein), That the Legislative Assembly of the State of Oregon respectfully memorializes the Congress of the United States to enact legislation repealing the excise tax upon the transportation of persons and property; and be it further

Resolved, That copies of this memorial be sent by the Secretary of State to the President and Vice President of the United States and to all members of the Oregon congressional delegation.

Adopted by house February 15, 1957.
Readopted by house March 11, 1957.

EDITH BYNON LOW,
Chief Clerk.

PAT DOOLEY,
Speaker of House.

Adopted by senate March 7, 1957.

BOYD R. OVERHULSE,
President of Senate.

Senate bill 1591 is as follows:

Be it enacted, etc., That (a) parts I and II of subchapter C of chapter 33 of the Internal Revenue Code of 1954 (relating to the tax on the transportation of persons and the tax on the transportaton of property) are hereby repealed.

(b) The table of parts for such subchapter C is amended by striking out the following:

"Part I. Persons.
"Part II. Property."

SEC. 2. (a) Section 4291 of the Internal Revenue Code of 1954 (relating to cases where persons receiving payment must collect tax) is amended by striking out "Except as provided in section 4264 (a), every" and inserting in lieu thereof "Every."

(b) Section 4292 of such code (relating to State and local governmental exemption) is amended to read as follows:

"SEC. 4292. State and local governmental exemption

"Under regulations prescribed by the Secretary or his delegate, no tax shall be imposed under section 4251 on any payment received for services or facilities furnished to the government of any State, Territory of the United States, or any political subdivision of the foregoing, or the District of Columbia."

(c) Section 6415 of such code (relating to credits or refunds to persons who collected certain taxes) is amended by striking out "4261, 4271," each place it appears therein.

(d) Section 6416 (b) (2) (L) of such code (relating to credits or refunds in the case of certain taxes on sales and services) is amended—

(1) by striking out "tax-exempt passenger fare revenue" and inserting in lieu thereof "commutation fare revenue"; and

(2) by striking out "(not including the tax imposed by section 4261, relating to the tax on transportation of persons)."

(e) Section 6421 (b) of such code (relating to gasoline used for certain nonhighway purposes or by local transit systems) is amended—

(1) by striking out "not including the tax imposed by section 4261, relating to the tax on transportation of persons)" each place it appears therein, and

(2) by striking out "tax-exempt passenger fare revenue" and inserting in lieu thereof "commutation fare revenue" each place it appears therein.

(f) Section 6421 (d) (2) of such code (defining tax-exempt passenger fare revenue) is amended to read as follows:

"(2) Commutation fare revenue: The term 'commutation fare revenue' means revenue attributable to the transportation of persons and attributable to—

"(A) amounts paid for transportation which do not exceed 60 cents,

"(B) amounts paid for commutation or season tickets for single trips of less than 30 miles, or

"(C) amounts paid for commutation tickets for 1 month or less."

(g) Section 7012 of such code (relating to cross references) is amended by striking out subsection (i) and by redesignating subsection (j) as subsection (i).

(h) Section 7272 (b) of such code (relating to penalty for failure to register) is amended by striking out "4272."

SEC. 3. The amendments made by this act shall apply only with respect to amounts paid, on or after the 1st day of the 1st month which begins more than 10 days after the date of the enactment of this act, for transportation which begins on or after such first day.

JOINT AND CONCURRENT RESOLUTIONS OF MINNESOTA LEGISLATURE

Mr. THYE. Mr. President, I have received from Hon. Joseph A. Donovan, secretary of state of Minnesota, a letter transmitting resolutions passed by the Minnesota Legislature. I ask unanimous consent that the resolutions be printed in the body of the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Joint Resolution 12

Joint resolution memorializing the Congress of the United States to repeal excise taxes levied on the transportation of persons and property by common and contract carriers

Whereas certain excise taxes imposed during World War II are still in effect; and

Whereas the reason given for imposing said taxes was to discourage use by civilians of common and contract carriers of persons and property when an extraordinary demand was placed on transportation by the large increase in traffic due to World War II; and

Whereas these taxes have caused, and continue to cause, substantial diversion of traffic to private carriers, thus causing higher rates to be charged especially on the transportation of property which places a heavy burden on the farmer, the small-business man, and the small manufacturer because they do not have sufficient value to engage in the transportation of their own property and must depend on common and contract carriers for their transportation needs; and

Whereas these excise taxes are discriminatory to Minnesota products as illustrated by the fact that a shipment of Minnesota products from Minneapolis, Minn., to Northfield, Minn., wherein the cost of transportation was $10 would pay a tax of 30 cents and whereas the transportation of the same product to Chicago, Ill., for example, might have a transportation charge of $50 and the tax would be $1.50; and

Whereas the repeal of these excise taxes will result in a direct reduction in transportation costs and eliminate the tax discrimination against shippers who live a long distance from the market for commodities produced and sold, or supplies and equipment manufactured at distant locations; and

Whereas the same discriminatory situation exists where persons use common carrier passenger service; and

Whereas repeal of these excise taxes will not result in any substantial or effective diminution of tax revenue to the Federal Government since these taxes are now paid by shippers for a business purpose and are deductible as ordinary and necessary expenses and elimination of these taxes would in effect produce a greater net income taxable to the benefit of the Federal Government from said shippers and businesses who now deduct these excise taxes from their taxable revenue: Now, therefore, be it

Resolved by the Legislature of the State of Minnesota, That we respectfully memorialize the Members of the United States Senate and House of Representatives from the State of Minnesota to introduce and support legislation to repeal the excise tax of 10 percent on the transportation of persons and 3 percent on the transportation of property by rail, motor, and water common carriers; be it further

Resolved, That the secretary of state transmit copies of this resolution to United States Senator EDWARD J. THYE, United States Senator HUBERT H. HUMPHREY, Representative AUGUST H. ANDRESEN, Representative JOSEPH P. O'HARA, Representative ROY W. WIER, Representative EUGENE J. MCCARTHY, Representative WALTER H. JUDD, Representative FRED MARSHALL, Representative H. CARL ANDERSEN, Representative JOHN A. BLATNIK, Representative COYA KNUTSON, Vice President RICHARD NIXON, and Speaker SAMUEL RAYBURN.

A. I. JOHNSON,
Speaker of the House of Representatives.

KARL F. ROLVAAG,
President of the Senate.

Passed the house of representatives the 11th day of March 1957.

G. H. LEAHY,
Chief Clerk, House of Representatives.

Passed the senate the 9th day of April 1957.

H. Y. TORREY,
Secretary of the Senate.

Approved April 13, 1957.

ORVILLE L. FREEMAN,
Governor of the State of Minnesota.

Filed April 13, 1957.

JOSEPH L. DONOVAN,
Secretary of the State of Minnesota.

Resolution 10

Concurrent resolution memorializing the President, the Secretary of Agriculture, and the Congress of the United States to establish a minimum corn soil-bank program

Whereas corn is the major field crop produced in Minnesota; and

Whereas the market price of corn influences the production and price of livestock, dairy products, and feed grains; and

Whereas it is essential to hold corn production in line and, at the same time, maintain a fair level of farm income; and

Whereas under the present corn soil-bank program the acreage cut to 37 million acres is so drastic that the majority of corn farmers are unable to participate in the program: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the President of the United States, the United States Secretary of Agriculture, and the Congress of the United States be requested to enact a minimum corn soil-bank program establishing:

1. A minimum corn acreage base in the commercial area of 51 million acres;

2. A support price on corn of $1.36 for 1957; and

3. A production requirement that each producer put 15 percent of his corn acreage allotment in the acreage reserve or the conservation reserve of the soil bank as a condition of eligibility for price supports; be it further

Resolved, That the members of the Minnesota congressional delegation be commended who voted for the above minimum corn soil-bank program; be it further

Resolved, That the secretary of state be instructed to transmit copies of this resolution to the President of the United States, the Secretary of Agriculture, and to each Member of Congress from the State of Minnesota.

A. I. JOHNSON,
Speaker of the House of Representatives.

KARL F. ROLVAAG,
President of the Senate.

Passed the house of representatives the 9th day of April 1957.

G. H. LEAHY,
Chief Clerk, House of Representatives.

Passed the senate the 8th day of April 1957.

H. Y. TORREY,
Secretary of the Senate.

Approved April 12, 1957.

ORVILLE L. FREEMAN,
Governor of the State of Minnesota.

Filed April 12, 1957.

JOSEPH L. DONOVAN,
Secretary of the State of Minnesota.

Senate Resolution 14

An act memorializing the Congress of the United States to support measures amending farm disaster-emergency credit laws to permit governors of the several States to declare and designate disaster areas

Whereas under present Federal laws, a disaster area can be proclaimed only by the Secretary of Agriculture or the President of the United States, for the purposes of Federal emergency farm credit; and

Whereas the tendency has been that disaster areas have been proclaimed only when they have been relatively widespread, perhaps covering an entire State or major portion of a State; and

Whereas the opportunity to obtain loans at 3 percent interest for feed, seed, and other purposes, is important to farmers who have been hit by some natural disaster such as drought, hail, wind, or flood damage, in enabling them to reestablish their operations; and

Whereas the affected farmers do not seek charity, but rather an opportunity to help themselves back on their feet; and

Whereas in 1956 in this State there were several examples of severe hail or flood damage in limited areas of perhaps several townships or one or two counties; and

Whereas for the individual farmer who is affected, the natural disaster is just as real whether it strikes the whole State, a county, or a few townships: Now, therefore, be it

Resolved by the senate (the house of representatives concurring), That the Congress be requested to amend disaster emergency credit laws to authorize the governors of the several States to initiate a request for the designation of disaster areas for the purpose of enabling farmers to avail themselves of needed emergency credit; and be it further

Resolved, That the secretary of state of the State of Minnesota be instructed to transmit copies of this resolution to each Member of Congress from the State of Minnesota, and to each member of the Agricultural Committees of the Senate and House of Representatives.

KARL F. ROLVAAG,
President of the Senate.

A. I. JOHNSON,
Speaker of the House of Representatives.

Passed the Senate the 8th day of April 1957.

H. Y. TORREY,
Secretary of the Senate.

Passed the House of Representatives the 17th day of April 1957.

G. H. LEAHY,
Chief Clerk, House of Representatives.

Approved April 24, 1957.

ORVILLE L. FREEMAN,
Governor of the State of Minnesota.

Filed April 24, 1957.

JOSEPH L. DONOVAN,
Secretary of State.

Resolution 15

Concurrent resolution memorializing the President and the Congress of the United States to support measures authorizing the issuance of a special series of postage stamps to be known as wilderness preservation stamps

Whereas the Congress of the United States is considering a bill to provide for the issuance of a special series of postage stamps to be known as wilderness preservation stamps; and

Whereas the purpose of the bill is to acquaint the people of the United States with the beauty and unique qualities of the wilderness areas of the United States: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the President of the United States and the Congress of the United States be memorialized to enact legislation authorizing the issuance of a special series of postage stamps to be known as wilderness preservation stamps; be it further

Resolved, That the secretary of state be instructed to transmit copies of this resolution to the President of the United States and to each Member of Congress from the State of Minnesota.

A. I. JOHNSON,
Speaker of the House of Representatives.

KARL F. ROLVAAG,
President of the Senate.

Passed the house of representatives the 10th day of April 1957.

G. H. LEAHY,
Chief Clerk, House of Representatives.

Passed the senate the 20th day of April 1957.

H. Y. TORREY,
Secretary of the Senate.

Approved April 24, 1957.

ORVILLE L. FREEMAN,
Governor of the State of Minnesota.

Filed April 24, 1957.

JOSEPH L. DONOVAN,
Secretary of the State of Minnesota.

Resolution 13

Concurrent resolution memorializing the President and the Congress of the United States to support measures for a fair and equitable return in lieu of taxes to three counties in the Superior National Forest

Whereas the Superior National Forest includes over 2 million acres of Federal land in St. Louis, Lake, and Cook Counties which reduces the taxable property and employment opportunities in these counties; and

Whereas the payments in lieu of taxes made by the Superior National Forest to the counties is very inadequate and because of the small shrunken tax base requires that the counties get special aid from the State; and

Whereas the Superior National Forest contains the last important area of wilderness, lake and canoe country; contains the land of the voyageurs; is a heritage as precious as the finest national parks; offers an opportunity for wild and primitive experience; preserves a canoe country, not only for this generation but for generations to come; is a great rare and unusual region that belongs to the Nation and is within easy access of 50 million people; and

Whereas this great recreation area is so valuable to so many that it deserves maintenance and support by all of the people and in fairness should not be continued and expanded at the expense of the local citizens and communities; and

Whereas the State of Minnesota has enacted legislation providing that the State pay 15 cents per acre in lieu of taxes to the counties on game refuges, public shooting grounds and certain other conservation lands and has recognized the necessity and propriety of such payments: Now therefore, be it

Resolved by the house of representatives (the senate concurring), That the President of the United States and the Congress, urge the immediate enactment of legislation providing that Congress appropriate money to be earmarked to the Superior National Forest to provide not less than 15 cents per acre per year in lieu of taxes, proportionately to Cook, Lake, and St. Louis Counties, this amount to be computed on the basis of Government acreage in each county: Be it further

Resolved, That the secretary of state of Minnesota be instructed to transmit copies of this concurrent resolution to the President of the United States and to each Member of Congress from the State of Minnesota.

A. I. JOHNSON,
Speaker of the House of Representatives.

KARL F. ROLVAAG,
President of the Senate.

Passed the house of representatives the 8th day of April 1957.

G. H. LEAHY,
Chief Clerk, House of Representatives.

Passed the senate the 15th day of April 1957.

H. Y. TORREY,
Secretary of the Senate.

ORVILLE L. FREEMAN,
Governor of the State of Minnesota.

JOSEPH L. DONOVAN,
Secretary of the State of Minnesota.

RESOLUTION OF AMERICAN SOCIOLOGICAL SOCIETY, NEW YORK UNIVERSITY

Mr. JAVITS. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the American Sociological Society of New York University, which is my alma mater, relating to the National Science Foundation and its program of research support and graduate fellowships.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

THE AMERICAN SOCIOLOGICAL SOCIETY,
NEW YORK UNIVERSITY,
Washington Square, New York.

The following resolution was passed by the American Sociological Society at its annual meeting in Detroit last September:

"The American Sociological Society notes with satisfaction the extension of the program of the National Science Foundation to include research support and graduate fellowships in selected social-science areas, such as anthropology, demography, experimental

social psychology, sociology of science, human ecology, and related disciplines: Be it therefore

"*Resolved*, That the American Sociological Society hereby express its appreciation of the recognition and assistance extended to the social sciences, and that the Foundation be further commended for its emphasis on basic research in our field; be it further

"*Resolved*, That the American Sociological Society express its hope that the National Science Foundation's program be further broadened in the immediate future to include the social sciences proper in addition to the areas of convergence with the natural sciences."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, without amendment:

S. 534. A bill to amend section 702 of the Merchant Marine Act, 1936, in order to authorize the construction, reconditioning, or remodeling of vessels under the provisions of such section in shipyards in the continental United States (Rept. No. 298); and

S. 886. A bill to provide transportation on Canadian vessels between ports in southeastern Alaska, and between Hyder, Alaska, and other points in southeastern Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation (Rept. No. 299).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, with an amendment:

S. 1446. A bill to amend title 14, United States Code, so as to provide for retirement of certain former members of the Coast Guard Reserve (Rept. No. 301).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 1806. A bill to amend the Sockeye Salmon Fishery Act of 1947 (Rept. No. 302).

REPORT ENTITLED "FOREIGN AID" BY SPECIAL COMMITTEE TO STUDY THE FOREIGN AID PROGRAM (S. REPT. NO. 300)

Mr. GREEN. Mr. President, I herewith submit to the Senate the report of the Special Committee To Study the Foreign Aid Program. This committee was established pursuant to Senate Resolution 285, 84th Congress, and Senate Resolution 35, 85th Congress.

It is with a deep sense of pride that I present this report. It represents the fruition of many months of intensive inquiry by this committee, of which I have had the privilege of serving as chairman during the 85th Congress.

I want to take this occasion to express to the previous chairman of the committee, the distinguished Senator George, my high appreciation of the preliminary work done under his leadership. I also want to express my gratitude to the members of the special committee for their fine efforts in this endeavor. My colleagues included all members of the Committee on Foreign Relations, as well as the chairmen and ranking minority members of the Committee on Appropriations and of the Committee on Armed Services.

I believe this committee has done what the Senate directed it to do. It has studied the question of foreign aid with great thoroughness. It has isolated the faults in this program and it has made far-reaching recommendations to the Senate which, if put into practice, ought to correct those faults. May I add that in all my years in the Senate I do not recall ever having seen such an extraordinary degree of unanimity on any matter so complex as foreign aid.

I commend this report to the attention of the Senate. Members of this body ought to find it highly useful in considering the legislation on foreign aid, which will come before us in the near future.

I ask that the report be printed.

The PRESIDENT pro tempore. The report will be received and printed.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. GREEN. I yield.

Mr. MANSFIELD. I wish to take this occasion to join in the statement of the distinguished chairman of the Foreign Relations Committee and to concur wholeheartedly in what he had to say. There was unanimity. There was a meeting of the minds. It was not an easy problem for which the members of the committee had to devise a solution. I think the chairman of the committee will join me in saying we were extremely fortunate in having such a competent staff, and to say the time they spent on the problem and the work they did helped bring about this accomplishment.

Mr. GREEN. I certainly agree with the Senator from Montana, and thank him for the tribute he has paid to the committee and the staff.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BARRETT:

S. 2055. A bill to amend the Internal Revenue Code of 1954 to repeal the taxes on transportation; to the Committee on Finance.

By Mr. JOHNSON of Texas:

S. 2056. A bill to authorize purchase of a portion of the bonds issued by the Brazos River Authority, an agency of the State of Texas, to finance the early development by it of the water resources of the Brazos River Basin, Tex.; to the Committee on Public Works.

By Mr. BUTLER:

S. 2057. A bill for the relief of Diana Elain Greig; and

S. 2058. A bill to incorporate National Service Star Legion; to the Committee on the Judiciary.

By Mr. CAPEHART:

S. 2059. A bill for the relief of Chahine H. Azar; to the Committee on the Judiciary.

By Mr. EASTLAND:

S. 2060. A bill for the relief of Elizabeth Biro;

S. 2061. A bill for the relief of Katherine Lisetti;

S. 2062. A bill for the relief of Yasna Trevizan; and

S. 2063. A bill for the relief of Guy H. Davant; to the Committee on the Judiciary.

By Mr. DOUGLAS:

S. 2064. A bill for the relief of Marie Ethel Pavlovitch and her daughter, Dolly Hester Pavlovitch; and

S. 2065. A bill for the relief of Orlene Vincent Simmons; to the Committee on the Judiciary.

By Mr. MORSE:

S. 2066. A bill for the relief of Sally Ann Hobson; to the Committee on the Judiciary.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. YOUNG:

S. 2067. A bill for the relief of Einar Lahaug; to the Committee on the Judiciary.

By Mr. ROBERTSON:

S. 2068. A bill to amend the Vocational Rehabilitation Act with respect to the pilot demonstration rehabilitation center in the Washington area; to the Committee on Labor and Public Welfare.

By Mr. O'MAHONEY (for himself and Mr. BARRETT):

S. 2069. A bill to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended, in order to promote the development of coal on the public domain; and

S. 2070. A bill to authorize the Secretary of the Navy to take possession of the naval oil shale reserves and to experiment in the extraction of synthetic liquid fuels from oil shale in the interest of national security; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. O'MAHONEY when he introduced the above bills, which appear under separate headings.)

By Mr. CASE of South Dakota:

S. 2071. A bill for the relief of Bennett Memorial Hospital; to the Committee on the Judiciary.

By Mr. CASE of South Dakota (by request):

S. 2072. A bill to establish a Chiropractic Section in the Medical Service Corps of the Army; to the Committee on Armed Services.

By Mr. ALLOTT:

S. J. Res. 92. Joint resolution relative to depletion allowances on certain oil shale, coal, and other natural deposits; to the Committee on Finance.

(See the remarks of Mr. ALLOTT when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. POTTER:

S. J. Res. 93. Joint resolution to authorize the Secretary of Commerce to sell certain war-built vessels for primary utilization in servicing ports on the Great Lakes; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. POTTER when he introduced the above joint resolution, which appear under a separate heading.)

PRINTING AS A SENATE DOCUMENT COMPILATION OF STUDIES AND REPORTS ON THE FOREIGN AID PROGRAM

Mr. GREEN. Mr. President, I submit a concurrent resolution authorizing the printing of studies and reports prepared under the direction of the Special Committee To Study the Foreign Aid Program. The Committee on Foreign Relations on May 9 authorized the printing of additional copies of these studies and reports. I ask that the concurrent resolution be referred to the Committee on Rules and Administration.

The concurrent resolution (S. Con. Res. 30) was referred to the Committee on Rules and Administration, as follows:

Resolved by the Senate (the House of Representatives concurring), That there shall be printed as a Senate document a compilation of studies and reports prepared under the direction of the Special Committee To Study the Foreign Aid Program, created by Senate Resolution 285, agreed to July 1, 1956, as amended by Senate Resolution 35, agreed to January 30, 1957.

SEC. 2. There shall be printed 8,000 additional copies of such Senate document. Such additional copies shall be for the use of the Special Committee To Study the Foreign Aid Program.

SALLY ANN HOBSON

Mr. MORSE. I introduce, for appropriate reference, a bill for the relief of Sally Ann Hobson. I ask unanimous consent that the bill may be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2066) for the relief of Sally Ann Hobson, introduced by Mr. MORSE, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any funds in the Treasury not otherwise appropriated, to Sally Ann Hobson of Salem, Oregon, the sum of $15,000. The payment of such sum shall be in full satisfaction of all claims of the said Sally Ann Hobson resulting from the death of her late husband, Roger D. Probert, who was killed on March 4, 1954, when a United States military aircraft on which he was being transported as an employee of the General Electric Company crashed near Saint Etinne, France: *Provided*, That no part of the amount appropriated in this Act in excess of 10 percentum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

AMENDMENT OF MINERAL LEASING ACT, RELATING TO DEVELOPMENT OF COAL ON THE PUBLIC DOMAIN

Mr. O'MAHONEY. Mr. President, on behalf of myself, and my colleague, the senior Senator from Wyoming [Mr. BARRETT], I introduce, for appropriate reference, a bill to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended, in order to promote the development of coal on the public domain.

I may say, Mr. President, that the development of coal in the United States has been seriously retarded during recent years. Other fuels are taking its place. We have not yet found all the possibilities of using coal for the development of chemical products of various kinds. The purpose of the bill is to provide an incentive for the introduction of new enterprises to promote, by research and by practice, the use of larger amounts of coal. The United States possesses more known coal lands than any other similar area in the world.

The bill, I assume, will be referred to the Committee on Interior and Insular Affairs, where an opportunity will be granted for comments on the possibility of greater uses for coal.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2069) to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended, in order to promote the development of coal on the public domain, introduced by Mr. O'MAHONEY (for himself and Mr. BARRETT), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

POSSESSION OF NAVAL OIL SHALE RESERVES

Mr. O'MAHONEY. Mr. President, on behalf of myself, and my colleague, the distinguished senior Senator from Wyoming [Mr. BARRETT], I introduce for appropriate reference a bill to authorize the Secretary of the Navy to take possession of naval oil shale reserves, and to experiment in the extraction of the synthetic liquid fuels from oil shale in the interest of national security.

I give notice now that as soon as I can obtain the floor at the next session of the Senate, on Wednesday, I shall discuss the meaning of the proposed legislation.

I ask unanimous consent that the bill be printed in the RECORD, at this point.

The PRESIDENT pro tempore. The bill will be received and appropriately referred, and, without objection, the bill will be printed in the RECORD.

The bill (S. 2070) to authorize the Secretary of the Navy to take possession of the naval oil shale reserves and to experiment in the extraction of synthetic liquid fuels from oil shale in the interest of national security, introduced by Mr. O'MAHONEY (for himself and Mr. BARRETT), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Naval Oil Shale Reserve Act of 1957."

DECLARATION OF POLICY

SEC. 2. It is recognized by the Congress that the increasing dependence of the United States on foreign sources of supply for petroleum and petroleum products during periods of threatening world conflict and political instability within the nations controlling the sources of supply of such materials greatly endangers the present and future security of the United States. It is, therefore, declared to be the policy of the Congress that a process for extraction of shale oil from the vast resources of oil shale in the United States should be completed as rapidly as possible in order to supplement domestic petroleum supplies and to make this Nation self-sufficient in liquid fuels.

SEC. 3. Part IV of subtitle C of title 10, United States Code, is amended by inserting the following new chapter after chapter 641 thereof:

"CHAPTER 642. NAVAL OIL SHALE RESERVES

"7451. Jurisdiction and control.

"7452. Extraction of synthetic liquid fuels from oil shale.

"7453. Powers of Bureau of Mines.

"7454. Income from the oil shale reserves.

"7455. Requirements as to consultation and approval.

"7456. Annual report of operations.

"7457. Regulations.

"7458. Expenditures; appropriations chargeable.

"7459. Delegation of additional functions to Bureau of Mines.

"SEC. 7451. Jurisdiction and control

"The Secretary of the Navy shall take possession and control of all properties and improvements of every kind and character inside the naval oil shale reserves, together with all rights owned by the United States on other lands that are necessary to the operation of the experimental demonstration plant near Rifle, Colorado, and shall maintain and protect such reserves, properties, and improvements.

"SEC. 7452. Development of synthetic liquid fuels from oil shale

"The Bureau of Mines of the Department of the Interior shall conduct experimental work in the extraction of synthetic liquid fuels from oil shale: *Provided*, That the authority in this chapter to conduct experimental work shall not be considered as authorizing commercial development or operation of the naval oil-shale reserves by the Government in competition with private interests.

"SEC. 7453. Powers of Bureau of Mines

"In order to carry out its functions under this chapter, the Bureau of Mines of the Department of the Interior may—

"(1) operate and, if necessary, redesign and reconstruct the oil-shale mine, demonstration plant and auxiliary facilities located on naval oil-shale reserves numbered 1 and 3 near Rifle, Colo., which were constructed and operated by the Department of the Interior under the act of April 5, 1944 (58 Stat. 190), as amended;

"(2) conduct laboratory experimental and development work, and make careful engineering studies in order to determine the best demonstration plant designs and conditions of operation;

"(3) acquire secret processes, technical data, inventions, patent applications, patents, irrevocable nonexclusive licenses, and any other rights and licenses under patents granted by the United States or any other nation;

"(4) engage, by contract or otherwise, any persons, firms, corporations, or educational institutions which it considers necessary to carry out the purposes of this chapter; and

"(5) cooperate with any other Federal or State department, agency, or instrumentality, and with any person, firm, corporation or educational institution.

"SEC. 7454. Income from the oil-shale reserves

"All money that may accrue to the United States under this chapter from lands within the naval oil-shale reserves shall be covered into the Treasury.

"SEC. 7455. Requirements as to consultation and approval

"The Committees on Armed Services of the Senate and the House of Representatives must be consulted and the President's approval must be obtained before any of the following transactions authorized by this chapter may be effective:

"(1) Contracts with persons, firms, corporations, and private educational institutions relating to the performance of experimental work for the Government in connection with the extraction of synthetic liquid fuels from oil shale.

"(2) Acquisition of any patent or patent rights.

"(3) A contract to alienate from the United States the use, control, or possession of any part of the naval oil shale reserves (except that consultation and Presidential approval are not necessary in connection with the issuance of permits, licenses, easements, grazing and agricultural leases, and rights-of-way pertaining to the use of the surface area of the naval oil shale reserves).

"SEC. 7456. Annual report of operation

"The Secretary of the Navy shall submit annually to the Congress a report of all operations under this chapter.

"Sec. 7457. Regulations

"The Secretary of the Navy, subject to approval by the President, may prescribe regulations and take any proper action to accomplish the purposes of this chapter.

"Sec. 7458. Expenditures: appropriations chargeable

"Expenses incurred in developing synthetic liquid fuels from oil shale shall be paid from appropriations made available for that purpose.

"Sec. 7459. Delegation of additional functions to Bureau of Mines

"In addition to the functions expressly conferred upon the Bureau of Mines under this chapter, the Secretary of the Navy is authorized to delegate to the Bureau of Mines any other functions under this chapter which he determines can be more efficiently or economically performed by personnel of such Bureau."

SEC. 4. There is authorized to be appropriated to carry out the purposes of this chapter the sum of $13,500,000, which sum may be expended in such amounts as the Secretary of the Navy may deem appropriate during a period of 6 years commencing July 1, 1957, and ending July 1, 1963.

DEPLETION ALLOWANCES ON CERTAIN OIL SHALE, COAL, AND OTHER NATURAL DEPOSITS

Mr. ALLOTT. Mr. President, I introduce, for appropriate reference, a joint resolution which I ask to have printed in the RECORD, following my remarks.

The joint resolution recognizes that the consumption of petroleum and petroleum products in the United States has more than doubled in the past 15 years, and is still on the increase.

Mr. President, I recognize that since prior to the First World War, prophets of doom have been saying that the United States is running out of oil. Although it is fortunate that they have been proved wrong by an aggressive industry working under the United States system of free, competitive enterprise, yet it is evident that with our population increasing and with the consumption of petroleum and petroleum products climbing, coupled with the fact that each new well drilled today is generally deeper, costs more, and is the result of more dry holes per discovery, any further delay in the development of our oil shale and coal reserves would be foolhardy.

Let me cite an example: During the 85 years from 1860 to 1945, the total production of oil in the United States was 31.5 billion barrels. From 1945 through 1955, the United States produced 21.1 billion barrels, which is nearly two-thirds of the amount produced during the previous 85 years. The American Petroleum Institute estimates that on January 1, 1956, the proved crude oil reserves of the United States amounted to 30 billion barrels.

All the available figures indicate that the petroleum industry has done a good job in keeping ahead of the demand. However, when the average cost of a well in Colorado, for example, is more than $50,000, and when, on the average, 10 dry wildcat wells are drilled for each producing well, it seems that there is a good argument, in the interest of national safety and the consumer's pocketbook, in favor of getting on with the job of the development of oil shale.

Mr. President, the joint resolution I am introducing will result in clarification of the tax picture, will encourage private industry to redouble its efforts, and will put the development of oil shale on a par with the development of crude oil in the United States. Therefore, I believe that enactment of this joint resolution is a necessary development for the future of the United States and its sound economic development and welfare.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution will be printed in the RECORD.

The joint resolution (S. J. Res. 92) relative to depletion allowances on certain oil shale, coal, and other natural deposits, introduced by Mr. ALLOTT, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Whereas oil is approaching a production crisis in the United States; and

Whereas the domestic petroleum industry should reach its maximum production within the next decade or two and thereafter decline, resulting in the United States becoming increasingly dependent upon foreign imports to meet its rapidly growing oil requirements; and

Whereas in the United States the consumption of petroleum has doubled in the last 15 years with indications for the future of steadily increasing consumption; and

Whereas consumers and processors of petroleum products are gravely concerned by the fact that discoveries of new domestic oilfields of significant size are dwindling while at the same time the percentage of dry holes drilled, the average depth of new wells, and the cost of completing wells are increasing at an alarming rate; and

Whereas the United States and all other industrial nations today are utterly dependent upon petroleum for the energy to drive their industrial machines and to furnish light, heat, transportation, and many of the other necessities and comforts of modern living; and

Whereas the United States now imports approximately 1½ million barrels of petroleum per day to meet consumptive demand; and

Whereas recent events have demonstrated the United States and the free world must have an adequate and independent reserve of oil readily available to give them freedom from economic coercion; and

Whereas the petroleum consumers of the free world are dependent for their day-to-day needs upon areas which drive hard bargains; and

Whereas the security, economy, and welfare of the United States and the free world are intricately dependent upon the free flow of petroleum in adequate supply; and

Whereas in time of war or international emergency, oil imports would of necessity be transported through areas within the sovereignty of foreign nations, or on the open seas subject to hostile action which could halt them entirely; and

Whereas a dependable ready-to-use supply of petroleum within the United States would stabilize petroleum marketing conditions, protect friendly nations from exploitation, and become a most potent factor for world peace; and

Whereas the nation or nations having the greatest ready supply of petroleum will have a distinct advantage should war come; and

Whereas an adequate reserve of petroleum in usable form, quantity, and quality in the interior of the United States would insure our citizens military security plus sufficient fuel and energy to meet the requirements of an ever-expanding free economy and higher and still higher standards of living, at a price level based neither on governmental controls nor short supply; and

Whereas since 1944 the Federal Bureau of Mines under the direction of Congress has conducted an extensive research program in the field of producing synthetic oil from coal and oil shale and with very satisfactory results; and

Whereas currently private industry is producing experimentally a limited quantity of synthetic oil from shale equal in quality to the best crude oil obtained from the Nation's oil and gas wells; and

Whereas oil-shale beds of varying thickness and oil content are known to occur in more than half of the States, and coal beds occur in 31 States; and

Whereas in the public land States of Utah, Wyoming, and Colorado there are vast and well-defined deposits of oil shale which contain more than a trillion barrels of oil—the Federal Government being the sole owner of more than half of this enormous deposit and reserve; and

Whereas the national coal reserves are approximately 2 trillion tons, a large portion of which is located in public land States and owned by the Federal Government; and

Whereas when oil is extracted from oil shale substantial amounts of byproducts, such as coke, sulfur, liquid ammonia, and waste gas suitable for the production of power, are also produced; and

Whereas the establishment by private capital of a synthetic-fuels industry developing these deposits of oil shale and coal would lead directly to the production of huge revenues for the United States through the leasing, sale, or development of its vast holdings on the public lands; and

Whereas the Congress of the United States has undertaken the development of the upper Colorado River Basin at a substantial investment that will be returned to the Treasury manyfold as the five States immediately concerned, Wyoming, Utah, Colorado, New Mexico, and Arizona, develop their huge natural resources including oil shale and coal; and

Whereas the establishment of industries to produce oil from shale and coal would create new resources, new wealth, and new tax revenues for local, State, and Federal governments; and

Whereas the development of industries to produce oil from shale and coal will require many years for the installation of huge mining, retorting, refining, transportation, and service facilities which, in the event of a sudden national emergency, could not be made available; and

Whereas in order to extract oil and gas from oil shale and coal it is necessary to process the ore by means of retorting or other similar procedures; and

Whereas the creation by private industry of a synthetic liquid fuel from oil shale and coal requires a capital investment of hundreds of millions of dollars, to provide the necessary mining, crushing, retorting, and refining facilities; and

Whereas the ability of free enterprise to procure the necessary investment capital to produce synthetic petroleum fuel from oil shale and coal of competitive quality, rests squarely upon these prospective industries being granted identical Federal tax treatment to that accorded crude oil produced from gas and oil wells; and

Whereas the States most immediately concerned with the development of an oil-shale industry have long recognized the desirability of granting tax treatment at least as favorable as that granted producers of oil and gas from wells; and

Whereas with constructive tax treatment by Congress such an industry will commence the recovery of oil from America's huge oil-shale and coal reserves; and

Whereas strengthening the national defense, providing orderly industrial growth, and assuring adequate supplies of petroleum for our expanding national economy and for future emergencies are the avowed aims of our Government; and

Whereas converting this Nation's mountains of oil shale and its vast beds of coal into liquid energy is a challenge of the first magnitude that demands constructive action by Congress now: Now, therefore, be it

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, That, for the purpose of establishing allowances for depletion in computing net income taxable by the United States of America, the percentages accorded deposits of oil shale, coal, and other natural deposits, when any of them are processed for the extraction of synthetic liquid fuel shall be identical to that allowed to oil and gas wells; and be it further

Resolved, That, in the case of such deposits processed for the extraction of synthetic liquid fuel, for the purpose of computing gross income, gross income from mining shall, as in other cases, include ordinary treatment, processes, including mining, crushing, retorting, and other extraction procedures.

SALE OF CERTAIN WAR-BUILT VESSELS FOR PRIMARY UTILIZATION ON THE GREAT LAKES

Mr. POTTER. Mr. President, I introduce, for proper reference, a joint resolution to authorize the Secretary of Commerce to sell certain war-built vessels for primary utilization in servicing ports on the Great Lakes. Specifically, the measure would, if enacted, authorize the Secretary of Commerce to sell up to 12 C-4 type vessels, to the highest responsible bidders who are citizens of the United States, for primary employment either on the Great Lakes, including the St. Lawrence River and Gulf and their connecting waterways, or on any voyages originating or terminating at a port on the Great Lakes. No vessel shall be sold under the provisions of this joint resolution for a price which is less than the sale price of such vessel computed under the Merchant Ship Sales Act of 1946, as of January 15, 1951, depreciated on a straight-line basis for the period from January 15, 1951, to the date of execution of the contract of sale, on the basis of the portion of a 20-year useful life of such vessel remaining after January 15, 1951.

It is without question in the best interests of our Government, from the standpoints of both economy and national defense, for these vessels to be taken out of mothballs. These vessels depreciate and deteriorate less in operation than they do in reserve. In time of war, if the Government desired to call them back into service, they could be returned to war service more rapidly and cheaply than if they had to be taken out of mothballs.

When the St. Lawrence Seaway opens there will be a tremendous need for general cargo carriers, in addition to bulk carriers. The C-4 type vessel is very adaptable and it can be converted into a container ship or used for roll-on-roll-off operations. The economy of our Nation will be enhanced when these vessels are put into operation as a part of the seaway traffic. Other nations are already building ships for the seaway traffic, and it well behooves the United States to be ready to obtain its fair share of the traffic. Making these C-4 vessels available will be a positive step in this direction.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 93) to authorize the Secretary of Commerce to sell certain war-built vessels for primary utilization in servicing ports on the Great Lakes, introduced by Mr. POTTER, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

ESTABLISHMENT OF A CONTINUING UNITED NATIONS FORCE—ADDITIONAL COSPONSORS OF CONCURRENT RESOLUTION

Under authority of the order of the Senate of May 8, 1957,

The name of Mr. KENNEDY was added as an additional cosponsor of the concurrent resolution (S. Con. Res. 29) favoring the creation of a force similar to the United Nations emergency force for the maintenance of international peace and security, submitted by Mr. FLANDERS (for himself, Mr. SPARKMAN, Mr. SMITH of New Jersey, and Mr. WILEY) on May 8, 1957.

Mr. FLANDERS. Mr. President, I ask unanimous consent that the name of the Senator from New Jersey [Mr. CASE] may be added to Senate Concurrent Resolution 29, which I submitted last Wednesday. His name was left off by inadvertence.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. KNOWLAND:

Address delivered by him at American Legion Founders Day luncheon, St. Louis, Mo., May 11, 1957.

By Mr. BUTLER:

Statement prepared by him on the subject of Rumania's Independence Day.

By Mr. WILEY:

Article entitled "Students Today—Statesmen Tomorrow," written by him, and published in the United States National Student Association Student Government Bullatin.

By Mr. EASTLAND:

Address delivered by the Secretary of Agriculture before the American Cotton Shippers Association, New Orleans, La., April 26, 1957.

Mr. MARTIN of Pennsylvania:

Statement by Representative WILLARD S. CURTIN before House Appropriations Committee on May 9, 1957.

By Mr. HRUSKA:

Address delivered by him before Conference of Czechoslovak National Council, Washington, D. C., May 6, 1957.

NOTICE OF CONSIDERATION OF A NOMINATION BY THE COMMITTEE ON FOREIGN RELATIONS

Mr. GREEN. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received on May 9 the nomination of Harold M. Randall, of Iowa, a Foreign Service officer of class 1, to be the representative of the United States to the seventh session of the Economic Commission for Latin America of the Economic and Social Council of the United Nations.

Notice is given that this nomination will be eligible for consideration by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

TRIBUTE TO NGO DINH DIEM, PRESIDENT OF FREE VIETNAM

Mr. MANSFIELD. Mr. President, the city of Washington and our country have been fortunate in having as a visitor during the past several days the Honorable Ngo Dinh Diem, the President of the Republic of free Vietnam. President Diem is not only the savior of his own country, but in my opinion he is the savior of all Southeast Asia. There is no doubt that United States' financial assistance, in the form of economic and military aid, has benefited his country greatly. There is no doubt that our State Department has consistently upheld the stand of President Diem, and has proved to be a bulwark in support of his efforts. But I think the chief credit for holding back the Communist aggression not only in Vietnam, but, because of that, in Southeast Asia, as well, lies in the determination, the courage, the incorruptibility, and the integrity of President Diem, who has shown such great ability and has accomplished so much against tremendous odds. He is indeed a man of the people; a man whom the Vietnamese admire and trust; and a man in whom the United States has unbounded confidence and great faith. The American Congress and the American people wish for the President of Vietnam and the people of that country continued success in the difficult years ahead. They have earned it.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, together with my remarks, a number of newspaper statements and comments regarding President Diem and his visit to the United States.

There being no objection, the articles and editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times of May 12, 1957]

TEXT OF EISENHOWER-DIEM STATEMENT

WASHINGTON, May 11.—Following is the text of a joint statement issued today by President Eisenhower and President Ngo Dinh Diem of South Vietnam at the conclusion of their talks:

"His Excellency Ngo Dinh Diem, President of the Republic of Vietnam, and President Eisenhower have held discussions during President Ngo Dinh Diem's state visit as the guest of President Eisenhower during May 8–10.

"Their discussions have been supplemented by meetings between President Ngo

Dinh Diem and his advisers and Secretary of State Dulles and other American officials. These meetings afforded the occasion for reaffirming close mutual friendship and support between the Republic of Vietnam and the United States. The two Presidents exchanged views on the promotion of peace and stability and the development and consolidation of freedom in Vietnam and in the Far East as a whole.

"President Eisenhower complimented President Ngo Dinh Diem on the remarkable achievements of the Republic of Vietnam under the leadership of President Ngo Dinh Diem since he took office in July 1954. It was noted that in less than 3 years a chaotic situation resulting from years of war had been changed into one of progress and stability.

"Nearly 1 million refugees who had fled from Communist tyranny in North Vietnam had been cared for and resettled in free Vietnam.

"Internal security had been effectively established.

"A constitution had been promulgated and a national assembly elected.

"Plans for agrarian reform have been launched, and a constructive program developed to meet long-range economic and social problems to promote higher living standards for the Vietnamese people.

"President Ngo Dinh Diem reviewed with President Eisenhower the efforts and means of the Vietnamese Government to promote political stability and economic welfare in the Republic of Vietnam. President Eisenhower assured President Ngo Dinh Diem of the willingness of the United States to continue to offer effective assistance within the constitutional processes of the United States to meet these objectives.

"President Eisenhower and President Ngo Dinh Diem looked forward to an end of the unhappy division of the Vietnamese people and confirmed the determination of the two governments to work together to seek suitable means to bring about the peaceful unification of Vietnam in freedom in accordance with the purposes and principles of the United Nations Charter. It was noted with pleasure that the General Assembly of the United Nations by a large majority had found the Republic of Vietnam qualified for membership in the United Nations, which has been prevented by Soviet opposition.

"President Eisenhower and President Ngo Dinh Diem noted in contrast the large buildup of Vietnamese Communist military forces in North Vietnam during the past 2½ years, the harsh suppression of the revolts of the people of North Vietnam in seeking liberty, and their increasing hardships.

"While noting the apparent domination during the last 3 years of Communist-inspired hostilities in Southeast Asia except in the Kingdom of Laos. President Eisenhower and President Ngo Dinh Diem expressed concern over continuing Communist subversive capabilities in this area and elsewhere. In particular, they agreed that the continued military buildup of the Chinese Communists, their refusal to renounce the use of force, and their unwillingness to subscribe to standards of conduct of civilized nations constitute a continuing threat to the safety of all free nations in Asia. To counter this threat, President Ngo Dinh Diem indicated his strong desire and his efforts to seek closer cooperation with the free countries of Asia.

"Noting that the Republic of Vietnam is covered by article IV of the Southeast Asia Collective Defense Treaty, President Eisenhower and President Ngo Dinh Diem agreed that aggression or subversion threatening the political independence of the Republic of Vietnam would be considered as endangering peace and stability. The just settlement of problems of the area by peaceful and legitimate means within the framework of the United Nations Charter will continue to be the mutual concern of both Governments. Finally, President Eisenhower and President Ngo Dinh Diem expressed the desire and determination of the two Governments to cooperate closely together for freedom and independence in the world."

[From the Washington Post of May 13, 1957]

VIETNAM AND UNITED STATES

No major agreement came out of the visit of President Ngo Dinh Diem, of Vietnam, to Washington, but the joint communique issued at the conclusion of his talks with President Eisenhower makes it evident that the ties between the two countries have been drawn a little tighter. Mr. Diem doubtless has a better understanding of the President's problem of continuing foreign aid on a large scale, and Mr. Eisenhower is said to have a much more intimate picture of how American aid is being administered in Vietnam. The visitor's diplomatic protests as to the paternalism of the International Cooperation Administration in selecting and carrying out United States-financed projects in Vietnam should lead to an early reemphasis of this country's basic objectives in helping friendly peoples.

Though the two Presidents hope for an end to the unhappy division of the Vietnamese people and assert their purpose of working together for a unified and free Vietnam, there is no threat in their statement. They emphasize their reliance on peaceful means. Both are deeply concerned over Communist China's continued military buildup and subversive capabilities in Southeast Asia. They agree that aggression or subversion threatening the political independence of the Republic of Vietnam would endanger peace and stability. Presumably an outbreak of that sort would bring the Southeast Asia Collective Defense Treaty into effect.

The real significance of President Diem's visit, however, is that today the emphasis can be placed on the positive side. Under his skillful guidance and with substantial aid from the United States, Vietnam has attained a stability that discourages adventuring. The first interest of all the peoples of Southeast Asia is to continue this progress in an atmosphere of peace and increasing freedom.

[From the New York Herald Tribune of May 13, 1957]

COURAGE AGAINST COMMUNISM

Today New York City will welcome Ngo Dinh Diem, the courageous and devoted President of South Vietnam. In the 3 days President Diem has been in Washington for conferences with President Eisenhower and other American officials, he has brought home convincingly to the American public the heartening and sometimes overlooked fact that important sections of the Far East are determined to resist both communism and neutralism—that the United States may have more friends in that part of the world than is generally realized.

In many Western minds, Vietnam was pretty well written off as a loss after the French tragedy at Dienbienphu. The country was partitioned, and the southern, anti-Communist section was regarded as weak and likely to go under. But that was without reckoning with a man like President Diem. He himself fully realized the magnitude of his task. When he took over in 1954, as he recalled the other day in an address at the National Press Club in Washington, his country "seemed past saving." But by acting with vigor and determination, and by putting to good use the material support of the United States under the partnership program, he was able to give full play to the anti-Communist feelings of the mass of his people. "Communism isn't neutral, therefore we can't be neutral," President Diem has said, in refreshing contrast to the nervous and dangerous tightrope posturing of certain other Far Eastern leaders.

This philosophy, which reflects the thinking of millions of people in both the West and the East, has been incorporated convincingly in the joint statement just issued in Washington by President Diem and President Eisenhower. They agree that "aggression or subversion threatening the political independence of the Republic of Vietnam would be considered as endangering peace and stability." They call for the admission of Vietnam to the United Nations—a long-overdue step which continues to be blocked by the Soviet Union. They regard Communist activity in the area as a continuing threat to the safety of all free nations in Asia. And they will seek all suitable means to bring about the reunification of Vietnam peacefully.

For the people of Vietnam, the Washington declaration means a rededication to the principles that have brought about a renascence of their war-torn country. For Americans it means that, in the same spirit which motivated the Eisenhower doctrine in the Middle East, this country has warned the Soviet Union against attempting aggression against a free and independent people. For the world at large, it means that an important Far Eastern country has boldly and publicly proclaimed its distaste for the doctrines of repression and aggression represented by Soviet Russia and Red China. And for some individuals in Congress, the success of President Diem's resistance to communism should provide convincing proof of the need for the continuance and expansion of the foreign aid program—particularly in its economic aspects.

As one of the Far East's foremost spokesmen in this struggle, President Diem will be welcomed warmly in New York today. He comes here not only as a leader of a free people and a statesman, but as a friend. And New York takes its friends to its heart.

[From the Christian Science Monitor of May 11, 1957]

SOUTH VIETNAM VITAL TO ASIAN SECURITY

President Diem, of South Vietnam, who 4 years ago could hardly get to see a desk man at the State Department (while exiled here and pleading Vietnamese independence), this week received the red carpet treatment.

President Eisenhower sent his personal plane to fly President Diem to Washington; he went out to the airport to greet President Diem (something he had done only once before in more than 4 years in the White House); President Diem was put up at the President's guest house; he addressed the American Congress.

All of which means that the United States is putting a great many of its Southeast Asian eggs in the Vietnamese basket, that it is backing President Diem and South Vietnam to the hilt.

[From the Christian Science Monitor of May 10, 1957]

MR. DIEM IN WASHINGTON

Ngo Dinh Diem is the symbol of the Vietnamese people's determination to be free—not merely free of French colonial but of Communist domination.

It is little short of miraculous that the Vietnamese do have such a symbol today. For many years their only symbol in their struggle for national independence was a Communist one—the ascetic, wispy-bearded figure of "Uncle" Ho Chi Minh.

Mr. Diem was hardly known outside a small circle of passionately devoted friends and followers when he returned to Vietnam from 4 years of exile in 1954.

The Geneva settlement gave North Vietnam to the Communists, and it was expected that South Vietnam would fall to them without a fight within 2 years.

Mr. Diem tackled the French and got them to withdraw their troops by June 1956. He crushed the private armies of the feudal religious sects. He threw out ex-Emperor Bao Dai in a referendum and proclaimed South Vietnam a republic. He resettled 800,000 refugees from the north and initiated a land reform program.

In all this he had strong support from the United States, which has funneled three-quarters of a billion dollars' worth of economic aid to South Vietnam during the past 2 years.

President Diem has his critics. They accuse him of reliance on close relatives and of unwillingness to delegate power. But few would question that the President's accomplishments in the face of tremendous obstacles outweigh his shortcomings and that South Vietnam today is freer than the Communist North.

Washington's warm welcome to President Diem underscores its affection for a stalwart champion of freedom and its conviction that, in the case of South Vietnam, American dollars have been well spent.

[From the New York Times of May 13, 1957]

DIEM ON DEMOCRACY

In recent years there has been much confusion and controversy on definitions of democracy. There has been the tragic lie in the naming of so-called peoples' democracies. There has been a suggestion of the need for a "guided" democracy. There has been, often, the argument that democratic forms and democratic processes are not necessarily well adapted to some societies, especially the "underdeveloped."

Because a substantial part of these arguments has pertained to various countries in Asia it is a valuable thing to get some plain talk on democracy from an Asian leader. We have just had it in the address of Vietnamese President Diem to the United States Congress. This is not the first strong statement on democracy to come out of Asia. There is, for example, the ringing declaration in the Philippine Constitution: "Sovereignty resides in the people and all authority emanates from them." But President Diem has added a strongly spiritual, rather than political, note in his definition.

This could have ben expected from a man of deep religious bent. It is also not surprising that a firm concept of human rights should come from a man of erudition fully steeped in the French and American applications of this concept. But President Diem says, also, that he bases himself on fundamental sources of Asiatic culture and is within his own Vietnamese democratic tradition. Then he says:

"We affirm that the sole legitimate object of the state is to protect the fundamental rights of human beings to existence, to the free development of intellectual, moral, and spiritual life. We affirm that democracy is neither material happiness nor the supremacy of numbers. Democracy is essentially a permanent effort to find the right political means in order to assure to all citizens the right of free development and of maximum initiative, responsibility and spiritual life."

With such a declaration, we believe, Thomas Jefferson would have no quarrel. It is strongly reminiscent of his thesis that governments were instituted to make secure the unalienable rights of individuals to life, liberty, and the pursuit of happiness.

Later, to another audience, President Diem made it plain that this was no passive concept. He condemned the idea of "neutralism" in Asia's ideological struggles and stated that it would not be possible to meet Asia's problems in an atmosphere of leisure and tranquility. "Since communism is not neutral," he said, "we cannot be neutral."

This is straight talk from a courageous man. It is welcome here and it should be heard in some other quarters. There is no "neutralism" on human rights, and this is the basis for President Diem's stand.

[From the New York Times of May 12, 1957]

DIEM'S VISIT POINTS UP HARD UNITED STATES PROBLEMS IN ASIA

(By Russell Baker)

WASHINGTON, May 11.—President Ngo Dinh Diem, of Vietnam, leader of about one-tenth of the 140 million free Asians occupying the exotic peninsulas and archipelagos between India and the Philippines, was the guest of the United States last week. He was proudly introduced around town as the savior of a land that no one had thought salvageable.

President Diem, whose toughness of mind seemed exceeded only by his modesty, disclaimed the glory for himself. All, he said, was due to the courage of his people, fortified by $500 million from Washington in economic aid and an equal amount of military help. Whoever the hero, the happy fact was that Vietnam had in the last 30 months been transformed from a chaotic territory ripe for the Communist plucking into a going independent country with strong sympathies for the West.

FEW ASIAN VICTORIES

It is quite a story, or at least quite an opening chapter, and it explains the warmth with which President Diem was welcomed here. Since V-J Day in 1945 United States triumphs in Asia have been few.

In President Diem's area it has been confronted with a stubborn neutrality that has vitiated its attempts to erect a collective security defense against Chinese imperialism. Its attempts to isolate China as the pariah of the Asian world are being gradually frustrated by its allies' insistence that the economics of China cannot be ignored.

Except for Thailand, all the nations of southeast Asia have gained their independence from colonial rule since World War II. The central facts of their brief existence have been:

1. Geographical vulnerability to Chinese Communist expansionism, and hatred of war.

2. Detestation of colonialism and intense national pride.

These factors interlock to make difficulties for United States policy in the area. For example, fear of offending China make them wary of military alinement with the West.

QUESTION OF COLONIALISM

United States ties to the old European colonial powers reinforce the argument for nonalinement by invoking memories of a bitter past, which now attach to Washington by a sort of guilt by association.

In this extremely difficult situation United States policy has not been overly ambitious nor do the officials who administer it feel unduly pessimistic. The policy is simply to help the independent nations maintain their independence. It is conceded at the State Department that the last 5 years have produced no sign that the neutralists are moving toward alinement with the West. On the other hand, it is argued, the events of these past 5 years have strengthened their neutrality to the point where the Communists no longer enjoy special favor in most of the area.

Moreover, the march of communism that was proceeding through the area in 1950 has been halted. Internal fighting has stopped everywhere but on the northern borders of Laos. Compared to 1950, a measure of economic and political stability prevails, though admittedly uneasily.

Communist China, moreover, has abandoned for the time being her threatening warlike attitude.

In addition, Thailand has alined itself militarily with the West in the Manila Pact of 1954 and Vietnam has been brought forth as a militantly anti-Communist state. Both these events, however, are counterbalanced by the apparent failure of parliamentary democracy in Indonesia and President Sukarno's newly acquired admiration for the ways of communism.

Neither Vietnam's nor Thailand's pro-Western stand has swayed the prevailing neutralism of the area. Of much greater impact, at least in short-run terms, was the Communist peace that the Soviet Union imposed on Hungary and China's subsequent attempts to rationalize it as the correct Communist behavior.

This drew the first significantly loud protests from the neutralists, not only because the hyprocrisy was too much for reason to bear, but perhaps because the harsher realities seemed conceivable in Asia, too.

UNITED STATES SUEZ POLICY

A second event of great importance was United States opposition to Britain and France in the Suez Canal crisis, which gave Asians the first evidence in years that the United States, at least occasionally, pays more than lip service to anticolonialism.

The question of how the United States shall help the new nations keep their independence is under great debate here. The efficacy of economic aid is being sharply questioned. One report made to the Senate Foreign Relations Committee suggests, for example, that aid in the area be cut by half.

Whatever the outcome, no one here is under the illusion that President Diem's initial successes in Vietnam mean that the United States is out of the woods in Southeast Asia—or even that there are not great headaches still ahead.

[From the New York Times of May 13, 1957]

DIEM, HERE FOR VISIT, RELIVES HIS EXILE AT MARYKNOLL

(By Robert Alden)

Ngo Dinh Diem, President of a far-off land of Southeast Asia, came to New York yesterday to pay a visit. His country, Vietnam, has been cut in two by the Communists. The President made clear yesterday his hatred of communism. He also made it clear that he is a deeply religious man. Although his country is predominantly Buddhist, President Diem is a Roman Catholic. The first thing he did after his arrival from Washington was to attend high mass at St. Patrick's Cathedral. But the highlight of the day came when the President had a joyful reunion on the pleasant rolling campus of Maryknoll Seminary outside Ossining, N. Y. Mr. Diem had lived at the seminary and at Maryknoll Junior Seminary at Lakewood, N. J., when he was in self-imposed exile during the years 1951 to 1953. When he returned there yesterday for the first time the students, dressed identically in their black cassocks, gave him a rousing welcome. First they applauded as he stepped from his car and then they gave him a lusty threefold "Hip Hip Hurrah" that echoed in the sunlit hills.

President Diem, normally a somber man, was deeply moved. He looked really happy for the first time in what had been a long day of handshaking.

Mr. Diem greeted students and priests who had helped him with his English and with his first clumsy golf swings. When one resident at the seminary was asked about what Mr. Diem had done during his first stay there, he replied: "Oh, he cleaned dishes like the rest of us."

RECALLS MARYKNOLL DAYS

But the President told the students at Maryknoll: "It was in this house that I had a clear vision of my plans to bring freedom to my people. It was here that I formulated the principles that were to become the constitution of the Republic of Vietnam."

He told how much he had profited from the counsel and guidance he had received at Maryknoll and how much that counsel had helped in the struggle for my people.

In a nostalgic mood Mr. Diem once walked again through the colonnades and gothic arches of the school so far away from his own country that played such an important part in the shaping of the young Republic.

President Diem arrived for his New York visit at La Guardia Airport at 9:49 a. m. A chill mist cloaked the field and caused the Air Force plane that brought the President to miss the runway the first time.

The 56-year-old President, who stands 5 feet, 4 inches and weighs just over 140 pounds, stepped from the plane to be met by Richard C. Patterson, Jr., Commissioner of the Department of Commerce and Public Events.

Mr. Diem, wearing a gray suit and gray tie, his black hair immaculately in place, faced the cameras and microphones and said:

"I am happy to be again in New York where I had come 6 years ago in search of peace and liberty."

Then the motorcycle escort formed and President Diem sped toward St. Patrick's. The High Mass scheduled for 10 a. m. was delayed until the President arrived at 10:30.

Accompanied by the Most Reverend Joseph F. Flannelly, auxiliary bishop of New York, Mr. Diem was led down the center aisle to a place of honor in the sanctuary. Bishop Flannelly mounted the pulpit and said:

"We are delighted and we are proud to see in the sanctuary of our cathedral of New York, the President of the Republic of Vietnam, his Excellency Ngo Dinh Diem.

"The entire world acclaimed him when this God-fearing, anti-Communist and courageous statesman saved Vietnam."

ROCKEFELLER LUNCHEON GUEST

After the Mass, Mr. Diem stopped briefly at the Waldorf-Astoria Hotel, where he and his party are staying. Then, with motorcycle escort, he was driven to Tarrytown, N. Y., where a private luncheon party was given for him by John D. Rockefeller 3d.

After his stop at Maryknoll, President Diem went to South Orange, N. J., where he received an honorary degree of doctor of laws from Seton Hall University.

In its citation, the university said of Mr. Diem:

"He, more than anyone else, stopped the Communists in their hour of partial conquest of Vietnam. Had all Vietnam fallen to them, as seemed inevitable in July of 1954, the Communistic empire would have harvested huge economic, strategic and political advantages."

In accepting the degree, Mr. Diem said: "Never before in the history of the world have conflicts among people been presented more directly in terms of civilizations than at the present time.

"Formerly enemies fought on physical, material grounds. Those of today violate even the soul. Nowadays the Communists make a clean sweep wherever they go."

Today President Diem will be honored with a noontime parade up Broadway to city hall, a luncheon at the Waldorf-Astoria, a reception at 5:15 p. m. at the Council of Foreign Relations, 58 East 68th Street, and a dinner by the Friends of Vietnam and the International Rescue Committee at the Ambassador Hotel.

[From the Christian Science Monitor of May 8, 1957]

FULL HONORS FOR PRESIDENT DIEM

(By Neal Stanford)

The United States is currently host to President Ngo Dinh Diem, of Vietnam; and Washington is giving him the de luxe treatment. President Eisenhower sent his personal plane, the Columbine II, to fly him over; and when he arrives here from San Francisco the President is going out to the National Airport to greet him personally. He did that not too long ago for King Saud of Saudi Arabia—but he doesn't do it often. In one particular King Saud and President Diem might be compared: each in his own particular geographic area is America's anti-Communist hope.

Speaking relatively, President Diem's accomplishments in Vietnam in these last 3 years have been little short of sensational. He took a truncated nation, bankrupt, bled white by French and Communist warfare, overwhelmed by 800,000 refugees, and has laid the foundations of a more or less stable regime.

He received a lot of assistance, of course, from the United States; and President Diem is the first to acknowledge his nation's gratitude to the United States. In the last 2 years the United States has spent over half a billion dollars in Vietnam—mostly for paying the armed forces and helping to train and advise the military.

Resettling the eight-hundred-thousand-odd refugees who fled from the Communist areas when Indochina was partitioned was, however, the most spectacular United States operation. At a cost of $93 million, and some 200 million pounds of rice and other surplus United States agricultural commodities, the United States underwrote and engineered a mass escapee problem to a successful conclusion. Incidentally, the Gaza Strip refugees that are so confounding Arab-Israeli and all Middle East relations do not number more than were involved in this impressive exhibition of humanitarianism and political expediency.

President Diem has had a really tough time bringing some kind of order out of Vietnamese chaos. He has had the Communists to the north, led by the venerable Red leader Ho Chi Minh, who are working night and day to subvert his insecure regime. Certain jealous religious sects with private armies and adherents have done their best to destroy him. Some of the French, former masters in Indochina, have openly connived against him at times. And there have been political differences among the Vietnamese. An assassin took a shot at him not many months ago but got one of his Cabinet members instead.

President Diem is a short, stocky man with thick black hair. He is a Roman Catholic in a country where 90 percent of the people are Buddhists, his clan having been converted to Catholicism in the 17th century. Six years ago, with the French and Communists fighting to control Indochina, he went abroad, spending 2 years at the Maryknoll Junior Seminary in Lakewood, N. J. From there he went to a monastery in Belgium, and, after Dienbienphu, moved to a garret in Paris, before heading back to his homeland to become first Premier and then President.

It was, and is, no lush job that he took over. Vietnam, like Korea and Germany, are divided states. President Diem, who is something of an autocrat, runs a country of 12 million—whose per capita income is $133, and whose people are 80 percent illiterate. He is short on competent administrative help—and reluctant to delegate authority.

He has had some unusually able and earnest American advisers and technicians—ex-Army Chief of Staff Gen. J. Lawton Collins and Col. Edward Lansdale, who previously had worked so closely with that other Asian leader, Ramon Magsaysay of the Philippines.

Just recently as part of America's foreign aid program, Clement Johnston, then chairman of the board of the United States Chamber of Commerce, visited Vietnam and other Asian countries and had this to say about President Diem and Vietnam:

"I was favorably impressed by Diem's earnestness, his determination, his stubborn adherence to his aims, and his apparent dedication to the free world program. Vietnam's young government has many obvious weaknesses. But inescapable are the facts that Vietnam is the key to United States interests in southeast Asia, and that she is heavily dependent upon United States aid, support, and encouragement."

The United States is giving President Diem the full honors of a visiting chief of state. There is no man in southeast Asia on whom Washington pins such high hopes; and Diem's visit to the United States is intended to cement even closer the ties between Washington and Saigon.

[From the New York Herald Tribune of May 9, 1957]

MIRACLE MAKER FROM ASIA—DIEM OF SOUTH VIETNAM

(By Walter Briggs)

HONG KONG.—The salvaging of South Vietnam has been a miracle, and an ascetic named Ngo Dinh Diem has been the miracle maker. At the time of the Geneva conference on Indochina—July 1954—that partitioned Vietnam, few observers held out much hope for the south. Ho Chi Minh's Communist Vietminh, gloating over their massacre of the colonial French at Dienbienphu, glowered down from north of the 17th parallel.

This reporter well remembers a conversation then with a Western diplomat here who had just come up from Saigon, South Vietnam's capital. "Do you give them a 10 percent chance to pull through?" the diplomat was asked of Vietnam's non-Communist nationalists. "Well, 15 percent at best," he replied ruefully.

But out of the murk emerged a man who had become Premier only a few weeks earlier. Through the steel will of Ngo Dinh Diem, now President, South Vietnam has achieved political stability and a considerable measure of military security. Today North Vietnam, rent by peasant and other disaffections, seems far less menacing.

"The Communists are caught in a vicious circle," President Diem said in an interview a few weeks ago in the huge pink palace that once housed the French governors-general. "They must feed a large army to dominate the population. To do this, they have to levy heavy taxes by terrorism. We must continue to be firm—and internal disturbances will see to it that the regime will disintegrate."

How has Mr. Diem achieved this national recovery? First he won over the army's wavering loyalty and then proceeded to mop up big pockets of the Vietminh, to quell armed dissidents of the Hoa Hao and Cao Dai religious sects in the countryside, and to smash the gangster Binh Xuyen's military apparatus in Saigon. He deposed absent Emporer Bao Dai by an overwhelming vote in a referendum and later got himself elected President.

Meanwhile he accomplished the mammoth task of resettling more than 800,000 refugees unloaded from the north on the south's population of about 12 million. Gradually he negotiated a dissolution of the French high command and repatriation of roughly 150,000 French troops. And with extensive United States aid, he managed to bring the tottering economy under control.

In foreign relations, Mr. Diem has hauled South Vietnam up from nothing to its present recognition by or some form of relations with 44 countries—far outdoing the Communist north.

Mr. Diem's government has often been authoritarian in such matters as jailing political suspects and shackling the press, Vietnamese detractors say. Mr. Diem practices neopotism by giving such choice jobs as the control of his "inner council" and control of Central Vietnam to his several brothers, they charge. Corruption and inefficiency characterize his bureaucracy, they declare.

Most Vietnamese will grant some shortcomings but believe they can be excused when balanced against Diem's achievements—and they are diminishing.

Ngo is actually Mr. Diem's family name; to refer to him as Diem—his given name—is to follow Vietnamese usage. Fifty-six years old, Mr. Diem has been a lifelong nationalist. But he has always stood for constitutional government against "democratic dictatorship" of Communists.

The Vietminh threw Mr. Diem into jail at the end of World War II. They shot one of his brothers but released him after a few months—an uncommunist act of clemency that now surely must haunt them. As far as observers can determine, Mr. Diem is ambitious only for his country. A bachelor, his avowed personal aim as a Roman Catholic intellectual is to retire to scholasticism in a monastery. A short, stocky man, Mr. Diem chain-smoked through stubby fingers during 2½ hours of conversation—which seems to be a catharsis for him—with this reporter.

One of Vietnam's most immediate problems is largely of Mr. Diem's own making. This is the restiveness of the country's Chinese over decrees to force citizenship on all born there and otherwise to Vietnamize them. Numbering about one-tenth of the population, these Chinese handle at least two-thirds of Vietnam's trade. "If we had enough personnel to levy taxes on all their illegal profits," Mr. Diem said feelingly, "Vietnam would be rich."

Mr. Diem is immensely grateful for American aid but hopes henceforth it will be granted in terms of a 3-to-5-year economic plan. Mr. Diem foresees that American aid—which amounts to $290 million this year—can be "reduced progressively." Though Vietnam presently exports only about one-fifth as much as it imports, "we should become self-sufficient in 5 to 10 years," he said.

[From the New York Times magazine of May 5, 1957]

MAN FROM VIETNAM

(By Foster Hailey)

TOKYO.—The stocky man in the long black gown and flat black cap bent anxiously for a moment over his secretary of state for agrarian reform, who lay on a gravel walk in the fairgrounds at Banmethuot in south-central Vietnam clutching a bleeding side and left arm.

"They have shot me," murmured Do Van Cung.

There could be no doubt in the mind of President Ngo Dinh Diem last February 22 for whom the bullet had been intended. Had the assailant's automatic pistol not jammed after that one wild shot, the United States probably would not this week be greeting its distinguished Asian guest.

It was the first time since Mr. Diem became President of the Republic of Vietnam a year ago last October that an attempt had been made to assassinate him. But there was no hint in his manner that he was perturbed. He stood for a moment, reported Le Journal d'Extrême-Orient of Saigon, "watching the crowd around him with his sharp and heavy look in an attitude of the most striking impassibility." Five minutes later, in a firm voice, he began his prepared talk. "Dear compatriots * * *."

All through the remainder of the hot morning he walked through dusty compounds and buildings of the fair with no added escort, chain-smoking cigarettes and chatting amiably with booth attendants and members of his entourage.

It was not the first time Mr. Diem had shown that high degree of courage that Ernest Hemingway once defined as "grace under pressure." And not just physical courage, but spiritual and moral courage as well. When he believes a course is right for himself and for his country he will defy the world—and has.

When he was under heavy compulsion from the western powers 2 years ago to agree to implementation of the Geneva accord for elections in all of Vietnam he told a representative of his main foreign supporter—the United States Government—that he would not even go through the motions of discussing the matter with the Communists.

Washington was afraid that meant a renewal of war with the Communist North and let it be known publicly that it was displeased with his attitude. He still said "No."

Had an election been held in 1955, there is little doubt the Communists would have won. Ho Chi Minh, the Communist leader in Hanoi, was then—as he had been since 1945—the one great symbol of independence for the larger part of the people of Vietnam. Today President Diem is that symbol, the undisputed leader of one of the most promising old-young countries of southeast Asia.

President Diem has achieved that position in less than 3 years. It was only on June 26, 1954, that he returned from Paris to Vietnam after 4 years' voluntary exile—and 21 years out of public life—with a delegation from Chief of State Bao Dai of full military and civilian power.

There were few who gave Mr. Diem a chance of saving anything from the wreckage of his country. Dienbienphu had just been overrun by the Communists. The French were in full retreat. Ho Chi Minh was the national hero.

Mr. Diem had an army of 200,000 men, but it was poorly armed, only half-trained, and French-led. Saigon and the Medong River Delta were under the control of the Binh Xuyen, a gang of river bandits who controlled the opium trade and prostitution in the Vietnamese capital.

Several times during the next few months he took the field with loyal troops against the Binh Xuyen. And by May 1955 he was able to announce his victory and tell of his hopes and plans for his country. The principal one was full independence.

With the military struggle behind him, Mr. Diem proceeded to consolidate his leadership by keeping his promises to his people. He promised land reform—and instituted it. He promised to eliminate every vestige of French rule—and did.

Events have proved that what the Vietnamese needed and wanted was a leader who pledged no allegiance to anyone except themselves, one in whom they could put their trust and on whose honesty and integrity they could rely. They had followed Ho Chi Minh because, until Mr. Diem came along, they had been offered no other choice.

Almost as important, perhaps, is the fact that the President is an indefatigable traveler who has visited every part of the Republic since his assumption of office, shaking hands, mingling with the people, and speaking eloquently but simply to the crowds that turn out everywhere to greet him. Practically all of Vietnam's 12 million inhabitants must feel that they know him personally.

Mr. Diem's life would indicate that almost from the time he was old enough to think coherently leadership of an independent Vietnam had been his dream. He was born at Hue, capital of the then empire of Annam, January 3, 1901. He was the third son of Ngo Dinh Kha, Minister and counselor to Emperor Than Thai, father of Bao Dai. Annam was a protectorate in the complex of protectorates, princely states and colonies that made up French Indochina.

He entered the mandarinate (a corps of high civil servants) on graduation from the School of Administration at Hue, and at 32 was named Minister of Interior in the Annam Government. When the French blocked his attempts at reform he resigned.

Although he was out of office, his abilities were so well recognized that he received several invitations during the war and the immediate postwar years to join various governments. Bao Dai twice offered him posts, once in a puppet government under the Japanese and later under the French. Ngo Dinh Diem would have no part of either.

Ho Chi Minh—whom Mr. Diem says he has known, disliked and distrusted since 1929, also offered him a place in the government he set up after the war, after first holding Mr. Diem under arrest for 6 months. Mr. Diem spurned that offer, too.

Seeing no hope at home, with Ho Chi Minh's Vietminh ruling the countryside and Bao Dai dividing his time between big-game hunting in the highlands and bathing on the French Riviera, Ngo Dinh Diem left Vietnam in 1950 to plead his country's cause in the world's capitals.

He visited Japan and the Philippines and then went to the United States, where he lived for several months, with his headquarters at Maryknoll Seminary in Lakewood, N. J. He went on to Belgium in 1953, and then to France. When Bao Dai called him to his Riviera villa in June 1954, he was ready to accept the forlorn chance offered.

President Diem is unusual among Asian leaders. He is, first, a devout Roman Catholic. He also is a celibate. When still in his teens he considered becoming a priest, and took a vow of chastity which he renews daily by laying a spray of flowers on the shrine of the Virgin in the private chapel of Din Doch Lap (Independence Palace), where he lives.

He is also one of the hardest working government officials in the East or West, putting in a normal working day of 16 hours. He still finds time to study government, economics, and history, and to pursue his hobbies of hunting, photography, horseback riding, and rose culture.

Finally, he is one of the most western-minded of Asian leaders. Some of this trait probably is attributable to his two close American friends and advisers. One is Wolf Ladejinsky, the controversial Russian-born economist and land-reform expert, whom President Diem hired as his personal adviser when Mr. Ladejinsky finally was forced to resign from United States Government service in 1955. Many of the reforms President Diem has sponsored in the last 2 years undoubtedly had their genesis in the breakfast conferences he holds with Mr. Ladejinsky 2 or 3 times a week.

The other American closest to him is Dr. Wesley R. Fishel, a young Michigan State College professor who heads a Michigan State advisory group to Vietnam. The group is helping the Government set up a modern taxation system and institute other reforms.

Another close friend and admirer is Lt. Gen. John H. O'Daniel, former head of the United States Military Assistance Advisory Group in Vietnam. General O'Daniel was almost alone among United States officials in retaining faith through the dark days of 1954 and 1955 that President Diem could bring order out of chaos and establish a stable government.

The President is not without critics. One complaint heard frequently from his countrymen is that he relies too much on his family for advice. One of his four living brothers is gazetted as his political adviser. Another is Ambassador to London. A third is Roman Catholic Bishop of the Province of Vinh Long. An elder brother, who was a Provincial Governor under the French, was killed by guerrillas in 1945.

Other criticisms heard are that President Diem insists on handling too many affairs himself, thus delaying important decisions, and that he has not moved rapidly enough in extending democratic elections. All Provincial Governors, for instance, still are appointed as in colonial days.

But Mr. Diem is in only the second year of a 6-year term as President. His goal is a prosperous and united Vietnam by the time his term is over. He feels that the Chinese-supported Communist regime in northern Vietnam cannot survive. All information from there is that the people are restive. They know that in the south their fellows are freer and far better off. Diem has the patience to wait until the people of the north find intolerable the way of life that communism offers them.

Meanwhile he is striving with the help of about $200 million a year in United States aid and his own untiring efforts to raise the educational level of his people and give them land and a life of peace. A happy man on his own land is a poor prospect for communism, he says.

PRESIDENT DIEM AND THE FOREIGN-AID PROGRAM

Mr. JAVITS. Mr. President, I should like to join my colleague, the Senator from Montana [Mr. MANSFIELD], in his remarks about President Diem of Vietnam, who is now in the United States and who is one of the real heroes of the free world.

Mr. President, an article in the New York Herald Tribune of today, by Marguerite Higgins, points this out, and I quote from her article, as follows:

DIEM AND MEAT-AX CUTS IN FOREIGN AID

A small Asian leader of great moral stature played out a particularly pertinent drama in Washington last week. It was not just that South Vietnam's Ngo Dinh Diem forcefully broke the pattern set by recent Asian visitors and categorically brushed aside the possibility of being neutral against communism. "Communism isn't neutral, therefore we can't be neutral," he said. It was rather his public reminder that the vastly important region of Vietnam, the largest of the Indochina states, had been saved "when it seemed past saving" only by the assistance of the United States.

Diem's reminder had particular drama because it came at a time when there runs a strong undercurrent of fear both here and abroad that America may be preparing to abdicate gradually its position as a shield against communism in important parts of the world.

Those who propose to meat-ax such things as the foreign aid budget—and thereby make it impossible to give effective assistance to such countries as Vietnam—would deny ferociously that any such abdication was intended.

Isolationism is still a dirty word around Washington. The abdication of America as defender of the Free World would be done in the name of budget cutting, economy, lower taxes and the real consequences of such a pullback would be camouflaged.

But the visit here of President Diem temporarily tore away the camouflage—much of which has already been erected—and spelled out the potential disasters of any serious American retrenchment. What would have happened, asked Diem, had so-called foreign aid not been available to Vietnam at its critical hour? It would have failed.

But this is not the only country which was saved when it seemed past saving. Those who would meat-ax American assistance programs—for which, as President Eisenhower pointed out, there is no American political lobby—should plainly answer such questions as "What would have happened to Korea if America had not intervened?"

What would have happened to Formosa if America had not changed its mind and decided that it was not, after all, to be allowed to fall to the Communists?

What would have happened to Germany if Russia's attempt to conquer piecemeal had not been repelled at the first instance in Berlin by countering the Communist blockade of that city with the American airlift?

What would have happened only a few weeks ago to the turbulent Kingdom of Jordan had the United States not been prepared to extend help against Communist aggression if such help had become necessary?

Most important of all is this question: Which country stands in the long run to lose the most if Vietnam and South Korea fall and communism dominates the Far East, if Jordan, Syria, Egypt, etc., go behind the Iron Curtain, if Soviet pressure overwhelms Germany and then, inevitably, Europe?

* * * * *

The only way the great power struggle between Russia and the United States can become less expensive is for some kind of modus vivendi between America and the Communist bloc. And the truth is that despite President Eisenhower's best efforts such a modus vivendi is not yet in sight.

What then are the choices before the American people? A vital point is to demolish the myth that this country can somehow decide unilaterally to bow out of being the first team in the cold war without shattering consequences. The only way we could casually pull out of this dangerous game would be if the other side were willing to stop, too. But the Russians have proclaimed that they are in this for the duration—until the decision between communism and freedom has been decided worldwide. In the cold war, as in a hot war, if just one side stops fighting it paves the way for the other's unopposed advance.

It must also be made clear that there is no way for America to tap some other country for captain of the team. So mammoth are the costs and industrial requirements of modern war, that no one else has the capacity or the power.

In Vietnam, for instance, it is not only the Vietnamese soldiers that prevent a Communist invasion, though they are an important on-the-ground deterrent. It is the knowledge that a Communist attack would invoke American retaliation. It is not NATO alone that saves Europe—after all, Russia has the hydrogen weapons and Europe hasn't—but the shield of American power. And so on in most key areas where communism threatens free nations.

Back in World War II there was a slogan, "Help America by Aiding the Allies." It is still valid but should be extended to the entire concept of so-called foreign aid, which in effect is an arm of this country's great struggle with the Soviet bloc—a struggle designed to help ourselves.

More important, if false hopes are not to be raised and disillusion periodically to set in, President Eisenhower ought to make it plain that so long as the cold war continues the bills in support of freedom are going to get steeper and steeper. At the same time the people ought to be told of the great risks they are being asked to face in the name of meat-ax economy. The isolationists must not out of political politeness be allowed to camouflage the consequences of even a minor retreat to fortress America. The citizens of this country may dislike paying the price of the cold war. But the other way has a double indemnity. The high cost of defeat and retreat involves not just money but morale. And Americans still think of themselves as winners.

The article points out that the fate of the free world in Korea, Formosa, Berlin, and very recently—just a few days ago—in the Kingdom of Jordan hung upon the fact that the United States provided foreign aid and that foreign aid was available through the efforts of the President to be used as a weapon in the cold war, which is a very real war in terms of survival of the free world.

President Diem epitomizes the victory of freedom over communism, because we afforded his country the sinews with which to do the job, which was foreign aid.

RUMANIAN INDEPENDENCE DAY

Mr. IVES. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, following these remarks, a statement which I have prepared in commemoration of Rumanian Independence Day, which was celebrated on May 10.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

MESSAGE OF SENATOR IVES ON THE OCCASION OF RUMANIAN INDEPENDENCE DAY, MAY 10, 1957

It is indeed a privilege to join with my fellow citizens of Rumanian descent in commemoration of the anniversary of Rumanian Independence Day.

The American people look with sorrow upon the ruthless Soviet domination of Rumania. The tragic subjugation of this gallant land continues to be of deep and abiding concern.

The proclamation of Rumanian independence from Turkey in 1877 is today a symbol of that brave country's determination to resist the Communist tyranny. On this anniversary as Rumania continues her brave resistance, let us once again pledge our support in this struggle. We hope and pray that the day of liberation is near.

THE SENATE SHOULD MODERNIZE ITSELF

Mr. WILEY. Mr. President, I wish to call the attention of the Senate to an idea I have been considering for some time. Before the Senate had its most recent remodeling, I had suggested that two improvements be made:

First, I suggested that the Senate be provided with an electric voting system, such as is used in the legislature of my State, and such as has long been recommended by efficiency experts, in the interest of saving time.

Second, I recommended that Senators have available at their desks microphones so they could be sure to hear each other speak, and so the galleries as well could hear what Members of the Senate were saying.

I must say, for example, that although I sit very close to the distinguished majority leader—practically across the aisle from him—very often I cannot hear what he is saying. I know that it is not

the fault of my hearing, but, rather, because our able friend from Texas has a soft, modulated voice. And when he speaks to the Presiding Officer, he speaks in such soft, calm tones that, unfortunately, a good many of us have real difficulty in hearing him. When he wants to be heard, of course, by all of us, the fact is that we do not hear all he is saying.

I know that historically the Senate has refused to accept either of these efficiency suggestions.

The electric voting resolutions, which I and other Senators have submitted, have always piled up in the Senate Committee on Rules and Administration without any action.

I hope, however, that, at the very least, we may have a loudspeaker system installed. This is the greatest deliberative Chamber in the world. It seems very inconsistent, therefore, that the vast numbers of American citizens who come to see the Senate in action find that they literally cannot hear a major proportion of what is being said. The taxpayers come, they see, but many do not hear. And so they complain.

In our own self-interest, therefore, in the interest of the moral esteem with which we are held in the eyes of our people, we ought to see that a loudspeaker system is installed.

Each microphone at the desk could have a switch, so that if a Senator preferred, for reasons of his own, not to have the microphone on, he could simply switch it off.

Of course, in a rapid debate between Senators, it would be expected that they would have the microphones adjusted so that there would be a consistent volume.

I am hoping that before we return for the second session of the 85th Congress my colleagues will have decided to adopt at least this recommendation.

I have given a great deal of consideration to the statement which I have just made. The public is entitled to know what is going on in the Senate. More than that, however, I feel that we in the Senate are entitled to know what is going on. Many Senators speak from the back row, with soft voices, such as the majority leader has. We do not know what is going on. How can we be attentive to the business of the Senate if we do not hear what is being said, or have to wait until the next day to read in the RECORD what has happened?

Mr. JAVITS. Mr. President, first I should like to support my colleague, the Senator from Wisconsin [Mr. WILEY] in his suggestion that we ought to have a loudspeaker in this Chamber. I served in the other body across the Capitol, where loudspeakers were used, and we found the system very satisfactory.

I believe some great speeches are made here. I should like to hear them. So would others.

As a member of the Committee on Rules and Administration, I shall make inquiry into the subject, to see if perhaps we can make progress in that regard.

Much as I appreciate the devotion of this body to precedent, I think loudspeakers are now so old in use that they themselves constitute a precedent.

MAJ. CHARLES M. STEDMAN

Mr. SCOTT. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article from the Raleigh, N. C., News and Observer of March 4, 1957.

The article pertains to the late Maj. Charles Manley Stedman, a North Carolinian, who was the last veteran of the Civil War to serve in either House of Congress.

Major Stedman was on the personal staff of Gen. Robert E. Lee at the time of Appomattox. He came to Congress, as a Member of the House of Representatives, in 1911, and remained until his death in 1930, at the age of 89.

I think it particularly fitting that we call attention to the man and his career on this day, our first session since the recess on Friday, which was Confederate Memorial Day.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNDER THE DOME

WASHINGTON, March 3.—Monday, March 4, marks the 46th anniversary of the day a North Carolinian, who attained the greatest age of any man ever serving in Congress, first took his seat in the House of Representatives.

The longevity record-holding Tar Heel was the late Charles Manley Stedman, who represented the 11 counties then comprising the Fifth District from March 4, 1911, until his death September 23, 1930. Born in Pittsboro on January 29, 1841, Stedman was 70 years old when he first came to the Capitol, and 89 years 7 months 25 days of age at the time of his death.

The runner-up for the record set by the North Carolinian was a contemporary of Stedman, Representative Isaac R. Sherwood, Republican, of Ohio. Sherwood retired from the House on March 3, 1925, at the age of 89 years 7 months 21 days.

Stedman and Sherwood also had in common the fact that both were veterans of the War Between the States, though on opposite sides in that bitter conflict. Sherwood was a general in the Union Army, while Stedman, a major, served in the cause of the Confederacy. He was a member of Gen. Robert E. Lee's personal staff at the time of his surrender at Appomattox Courthouse.

Experiences: The fires of bitterness had been fanned thin by the time the two members of opposing forces met on common ground in Congress, and it was not an unusual occurrence to come upon them together in the Capitol's rotunda discussing their wartime experiences.

Stedman outlived Sherwood by 5 years, to achieve the added distinction of being the last Civil War veteran to serve in either House of Congress. Having volunteered the day before he was to receive his degree from the University of North Carolina, the North Carolinian served under General Lee throughout the war and was wounded three times in battle.

Veteran newsmen who covered the Capitol during the 1920's recall that Stedman, tall, broad shouldered, and erect, resembled Lee. He undoubtedly was a striking figure, with a white beard similar to General Lee's and frequently attired in Confederate gray, with the coat cut full and long.

At the end of the Civil War, Stedman read law and obtained a license to practice. He began his practice in Wilmington, N. C., where in 1866 he married Miss Catherine de Rossett Wright, daughter of Joshua G. Wright, of that city.

Stedman was chosen as a delegate to the Democratic National Convention in 1880, and 4 years later he was elected lieutenant governor. In 1888, however, he was defeated in his bid for the governorship by a very small margin.

Toward the turn of the century Stedman moved to Greensboro where he continued his law practice until his election to Congress. He at one time served as president of the North Carolina Bar Association.

THEODORE ROOSEVELT AND AMERICAN AGRICULTURE

Mr. MUNDT. Mr. President, as a member of the Theodore Roosevelt Centennial Commission, I ask unanimous consent to have printed at this point in the RECORD a study prepared at the request of the Commission by the Library of Congress, entitled "Theodore Roosevelt and American Agriculture."

There being no objection, the study was ordered to be printed in the RECORD, as follows:

THEODORE ROOSEVELT AND AMERICAN AGRICULTURE—IMPORTANT EVENTS THAT OCCURRED DURING HIS ADMINISTRATION AND STATEMENTS MADE BY HIM ON AGRICULTURE, FARMERS, FARMING AND FARM ORGANIZATIONS

SELECTED INFORMATION

Events

1902: The American Society of Equity, a farmers' organization devoted largely to improving marketing practices, was formed.

1902: The Farmers Union was formed.

1902: The Reclamation Act of 1902 was approved.

May 9, 1902: The Adulterated and Renovated Butter Act was passed. This act regulated the manufacture of these products, provided for the inspection of establishments manufacturing such products, and authorized the Secretary of Agriculture to promulgate any regulations that may have been required.

June 3, 1902: An act of Congress provided that the Divisions of Soils, Forestry, and Chemistry were to be bureaus. Other divisions were combined to form the Bureau of Plant Industry.

1903: A serum for hog cholera was developed.

February 1, 1905: The national forests were placed under the jurisdiction of the Secretary of Agriculture.

1905: The California Fruit Growers Exchange was formed.

March 3, 1905: Animal Quarantine Act was approved. This law sought to prevent the spread of the diseases of livestock by regulating their interstate movement from areas affected with contagious diseases.

March 3, 1905: The Insect Pest Act, as amended, was approved.

June 29, 1906: The 28-hour law was approved. This law provided for the care of animals in transit, regulated interstate transportation of animals, confinement, water, and feeding.

June 30, 1906: The Food and Drugs Act of 1906 was passed. This act was to be administered by the United States Department of Agriculture.

March 4, 1907: The Meat Inspection Act was approved. This act was to be administered by the United States Department of Agriculture.

1908: President Roosevelt organized the Country Life Commission.

May 23, 1908: The Dairy Products Exports Act was approved. This law promoted commerce with foreign countries by preventing the exportation of dairy products unless the same have been inspected and certified.

May 23, 1908: An act which provided that 25 percent of all moneys received by the national forests shall be paid to the States or Territories for the benefit of public schools

and public roads of the counties in which the national forests are situated, was approved.

Statements

Farmer and Laborer

The true welfare of the Nation is indissolubly bound up with the welfare of the farmer and the wage worker—of the man who tills the soil, and of the mechanic, the handicraftsman, the laborer. If we can insure the prosperity of these two classes we need not trouble ourselves about the prosperity of the rest, for that will follow as a matter of course. (Address, Pan-American Exposition, Buffalo, N. Y., May 20, 1901.)

Department of Agriculture

The Department of Agriculture during the past 15 years has steadily broadened its work on economic lines, and has accomplished results of real value in upbuilding domestic and foreign trade. It has gone into new fields until it is now in touch with all sections of our country and with two of the island groups that have lately come under our jurisdiction, whose people must look to agriculture as a livelihood. It is searching the world for grains, grasses, fruits, and vegetables specially fitted for introduction into localities in the several States and Territories where they may add materially to our resources. By scientific attention to soil survey and possible new crops, to breeding of new varieties of plants, to experimental shipments, to animal industry and applied chemistry, very practical aid has been given our farming and stock-growing interests. The products of the farm have taken an unprecedented place in our export trade during the year that has just closed. (First Annual Message, December 3, 1901.)

Farmer and rural free delivery routes

On November 1, 1902, 11,650 rural free delivery routes had been established and were in operation, covering about one-third of the territory of the United States available for rural delivery service. There are now awaiting the action of the Department petitions and applications for the establishment of 10,748 additional routes. This shows conclusively the want which the establishment of the service has met and the need of further extending it as rapidly as possible. It is justified both by the financial results and by the practical benefits to our rural population; it brings the men who live on the soil into close relations with the active business world; it keeps the farmer in daily touch with the markets; it is a potential educational force; it enhances the value of farm property, makes farm life far pleasanter and less isolated, and will do much to check the undesirable current from country to city.

It is to be hoped that the Congress will make liberal appropriations for the continuance of the service already established and for its further extension. (Second annual message, December 2, 1902.)

Scientific aid to farmers

In no department of governmental work in recent years has there been greater success than in that of giving scientific aid to the farming population, thereby showing them how most efficiently to help themselves. There is no need of insisting upon its importance, for the welfare of the farmer is fundamentally necessary to the welfare of the Republic as a whole. In addition to such work as quarantine against animal and vegetable plagues and warring against them when here introduced, much efficient help has been rendered to the farmer by the introduction of new plants specially fitted for cultivation under the peculiar conditions existing in different portions of the country. New cereals have been established in the semiarid West. For instance, the practicability of producing the best types of macaroni wheats in regions of an annual rainfall of only 10 inches or thereabouts has been conclusively demonstrated. Through the introduction of new rices in Louisiana and Texas, the production of rice in this country has been made to about equal the home demand. In the Southwest the possibility of regrassing overstocked rangelands has been demonstrated; in the North many new forage crops have been introduced; while in the East it has been shown that some of our choicest fruits can be stored and shipped in such a way as to find a profitable market abroad. (Second annual message, December 2, 1902.)

Department of Agriculture

The Department of Agriculture devotes its whole energy to working for the welfare of farmers and stock growers. In every section of our country it aids them in their constantly increasing search for a better agricultural education. It helps not only them, but all the Nation, in seeing that our exports of meats have clean bills of health, and that there is rigid inspection of all meats that enter into interstate commerce.

The Department of Agriculture has been helping our fruitmen to establish markets abroad by studying methods of fruit preservation through refrigeration and through methods of handling and packing.

Moreover, the Department has taken the lead in the effort to prevent the deforestation of the country. Where there are forests we seek to preserve them, and on the once treeless plains and the prairies we are doing our best to foster the habit of tree planting among our people. (Address, Sioux Falls, S. Dak., April 6, 1903.)

Improvement of farm life

Rural free delivery, taken in connection with the telephone, the bicycle, and the trolley, accomplishes much toward lessening the isolation of farm life and making it brighter and more attractive. In the immediate past the lack of just such facilities as these has driven many of the more active and restless young men and women from the farms to the cities, for they rebelled at loneliness and lack of mental companionship. It is unhealthy and undesirable for the cities to grow at the expense of the country, and rural free delivery is not only a good thing in itself, but is good because it is one of the causes which check this unwholesome tendency toward the urban concentration of our population at the expense of the country districts. It is for the same reason that we sympathize with and approve of the policy of building good roads. The movement for good roads is one fraught with the greatest benefit to the country districts. (Third annual message to the Congress, December 7, 1903.)

Agriculture and the tariff

Agriculture is now, as it always has been, the basis of civilization. The 6 million farms of the United States, operated by men who, as a class, are steadfast, single minded, and industrious, form the basis of all the other achievements of the American people, and are more fruitful than all their other resources. The men on those 6 million farms receive from the protective tariff what they most need, and that is the best of all possible markets. All other classes depend upon the farmer, but the farmer in turn depends upon the market they furnish him for his produce. * * * American farmers have prospered because the growth of their market has kept pace with the growth of their farms. The additional market continually furnished for agricultural products by domestic manufacturers has been far in excess of the outlet to other lands. An export trade in farm products is necessary to dispose of our surplus, and the export trade of our farmers, both in animal products and in plant products, has very largely increased. Without the enlarged home market to keep this surplus down, we should have to reduce production or else feed the world at less than the cost of production. (Letter accepting Republican nomination for President, September 12, 1904.)

The Department of Agriculture

The Department of Agriculture has grown into an educational institution with a faculty 2,000 specialists making research into all the sciences of production. The Congress appropriates, directly and indirectly, $6 million annually to carry on this work. It reaches every State and Territory in the Union and the islands of the sea lately come under our flag. Cooperation is had with the State experiment stations, and with many other institutions and individuals. The world is carefully searched for new varieties of grains, fruits, grasses, vegetables, trees, and shrubs, suitable to various localities in our country; and marked benefit to our producers has resulted.

The activities of our age in lines of research have reached the tillers of the soil and inspired them with ambition to know more of the principles that govern the forces of nature with which they have to deal. Nearly half of the people of this country devote their energies to growing things from the soil. Until a recent date little has been done to prepare these millions for their life work. In most lines of human activity college-trained men are the leaders. The farmer had no opportunity for special training until the Congress made provision for it 40 years ago. During these years progress has been made and teachers have been prepared. Over 5,000 students are in attendance at our State argricultural colleges. The Federal Government expends $10 million annually toward this education and for research in Washington and in the several States and Territories. The Department of Agriculture has given facilities for postgraduate work to 500 young men during the last 7 years, preparing them for advance lines of work in the Department and in the State institutions. * * * (Fourth Annual Message, December 6, 1904.

Farmers associations

Organization has become necessary in the business world; and it has accomplished much for good in the world of labor. It is no less necessary for farmers. Such a movement as the grange movement is good in itself and is capable of a well-nigh infinite further extension for good so long as it is kept to its own legitimate business. The benefits to be derived by the association of farmers for mutual advantage are partly economic and partly sociological. (Sixth Annual Message, December 3, 1906.)

Importance of the farmer

The only other persons whose welfare is as vital to the welfare of the whole country as is the welfare of the wageworkers are the tillers of the soil, the farmers. It is a mere truism to say that no growth of cities, no growth of wealth, no industrial development can atone for any falling off in the character and standing of the farming population. During the last few decades this fact has been recognized with ever-increasing clearness. There is no longer any failure to realize that farming, at least in certain branches, must become a technical and scientific profession. This means that there must be open to farmers the chance for technical and scientific training, not theoretical merely but of the most severely practical type. The farmer represents a peculiarly high type of American citizenship, and he must have the same chance to rise and develop as other American citizens have. * * * (Sixth Annual Message, December 3, 1906).

Farm population

If there is one lesson taught by history it is that the permanent greatness of any State must ultimately depend more upon the character of its country population than upon anything else. No growth of cities, no

growth of wealth can make up for a loss in either the number or the character of the farming population. In the United States more than in almost any other country we should realize this and should prize our country population. When this Nation began its independent existence it was a Nation of farmers. The towns were small and were for the most part mere seacoast trading and fishing ports. The chief industry of the country was agriculture, and the ordinary citizen was in someway connected with it. In every great crisis of the past a peculiar dependence has had to be placed upon the farming population; and this dependence was hitherto been justified. But it cannot be justified in the future if agriculture is permitted to sink in the scale as compared with other employments. We cannot afford to lose that pre-eminently typical American, the farmer who owns his own farm. (Address, Semicentennial Celebration, founding of Agricultural College, Lansing, Mich., May 31, 1907.)

New tasks for farm agencies

Hitherto agricultural research, instruction, and agitation have been directed almost exclusively toward the production of wealth from the soil. It is time to adopt in addition a new point of view. Hereafter another great task before the National Department of Agriculture and the similar agencies of the various States must be to foster agriculture for its social results, or, in other words, to assist in bringing about the best kind of life on the farm for the sake of producing the best kind of men. The Government must recognize the far-reaching importance of the study and treatment of the problem of farm life alike from the social and the economic standpoints; and the Federal and State Departments of Agriculture should cooperate, at every point. (Address, Semicentennial Celebration, founding of agricultural colleges, Lansing, Mich., May 31, 1907).

Scientific agriculture

Nothing in the way of scientific work can ever take the place of business management on a farm. We ought all of us to teach ourselves as much as possible; but we can also all of us learn from others; and the farmer can best learn how to manage his farm even better than he now does by practice, under intelligent supervision, on his own soil in such way as to increase his income.

But much has been accomplished by the growth of what is broadly designated as agricultural science * * *. Much more can be accomplished in the future * * *. It is probably one of our faults as a Nation that we are too impatient to wait a sufficient length of time to accomplish the best results; and in agriculture effective research often, although not always, involves slow and long-continued effort if the results are to be trustworthy. While applied science in agriculture as elsewhere must be judged largely from the standpoint of its actual return in dollars, yet the farmers, no more than anyone else, can afford to ignore the large results that can be enjoyed because of broader knowledge. The farmer must prepare for using the knowledge that can be obtained through agricultural colleges by insisting upon a constantly more practical curriculum in the schools in which his children are taught. He must not lose his independence, his initiative, his rugged self-sufficiency; and yet he must learn to work in the heartiest cooperation with his fellows. (Address, Semicentennial Celebration, founding of agricultural colleges, Lansing, Mich., May 31, 1907).

Farmer and laborer

It should be one of our prime objects to put both the farmer and the mechanic on a higher plane of efficiency and reward, so as to increase their effectiveness in the economic world, and therefore the dignity, the remuneration, and the power of their positions in the social world. (Seventh Annual Message to the Congress, December 3, 1907.)

Department of Agriculture

When the Department of Agriculture was founded there was much sneering as to its usefulness. No Department of the Government, however, has more emphatically vindicated its usefulness, and none save the Post Office Department comes so continually and intimately into touch with the people. (Seventh Annual Message, December 3, 1907.)

National grain inspection system

The grain producing industry of the country, one of the most important in the United States, deserves special consideration at the hands of the Congress. Our grain is sold almost exclusively by grades. To secure satisfactory results in our home markets and to facilitate our trade abroad, these grades should approximate the highest degree of uniformity and certainty. The present diverse methods of inspection and grading throughout of country under different laws and boards, result in confusion and lack of uniformity, destroying that confidence which is necessary for healthful trade. Complaints against the present methods have continued for years and they are growing in volume and intensity, not only in this country but abroad. I therefore suggest to the Congress the advisability of a national system of inspection and grading of grain entering into interstate and foreign commerce as a remedy for the present evils. (Seventh Annual Message, December 3, 1907.)

Broader problems of agriculture

Our attention has been concentrated almost exclusively on getting better farming. In the beginning this was unquestionably the right thing to do. The farmer must first of all grow good crops in order to support himself and his family. But when this has been secured, the effort for better farming should cease to stand alone, and should be accompanied by the effort for better business and better living on the farm. It is at least as important that the farmer should get the largest possible return in money, comfort, and social advantages from the crops he grows, as that he should get the largest possible return in crops from land he farms. Agriculture is not the whole of country life. The great rural interests are human interests, and good crops are of little value to the farmer unless they open the door to a good kind of life on the farm. (Letter of appointment to Country Life Commission, August, 1908.)

Improvement of farm life

We have to grapple with one fact which has made both the strength and the weakness of the American farmer, and that is, his isolation. This isolation implies a lack both of the pleasure and of the inspiration which come from closer contact between people, and from a well-developed organization for social pleasures, for religious life, for education. On the other hand, it is to this isolation more than to anything else that we owe the strength of character so typical of the American farmer, who lives under a peculiarly individualistic system in the management alike of the farm and of the farm home.

The successfully managed family farm gives to the father, the mother, and the children better opportunities for useful work and for a happy life than any other occupation. Our object must be, so far as practicable, to do away with the disadvantages which are due to the isolation of the family farm, while conserving its many and great advantages. We wish to keep at its highest point the peculiarly American quality of individual efficiency, while at the same time bringing about that cooperation which indicates capacity in the mass. Both qualities can be used to increase the industrial and ethical proficiency of our people, for there is much the individual only can do for himself, and there is much also which must be done by all combined because the individual cannot do it. Our aim must be to supplement individualism on the farm and in the home with an associated effort in those country matters that require organized working together. (Letter to Herbert Myrick, November 12, 1908.)

Importance of agriculture

To improve our system of agriculture seems to me the most urgent of the tasks which lie before us. But it cannot, in my judgment, be effected by measures which touch only the material and technical side of the subject; the whole business and life of the farmer must also be taken into account.

I warn my countrymen that the great recent progress made in city life is not a full measure of our civilization; for our civilization rests at bottom on the wholesomeness, the attractiveness, and the completeness, as well as the prosperity, of life in the country. The men and women on the farms stand for what is fundamentally best and most needed in our ability, by methods of farming requiring the highest intelligence, to continue to feed and clothe the hungry nations; to supply the city with fresh blood, clean bodies, and clear brains that can endure the terrific strain of modern life; we need the development of men in the open country, who will be in the future, as in the past, the stay and strength of the Nation in time of war, and its guiding and controlling spirit in time of peace. (Special message to Congress transmitting the report of the Country Life Commission, February 9, 1909.)

Improvement of farm life

One of the chief difficulties is the failure of country life, as it exists at present, to satisfy the higher social and intellectual aspirations of country people. Whether the constant draining away of so much of the best elements in the rural population into the towns is due chiefly to this cause or to the superior business opportunities of city life may be open to question. But no one at all familiar with farm life throughout the United States can fail to recognize the necessity for building up the life of the farm upon its social as well as upon its productive side.* * * (Special message to the Congress transmitting the report of the Country Life Commission, February 9, 1909.)

Improvement of country life

The Commission (Commission on Country Life) has tried to help the farmers to see clearly their own problem and to see it as a whole; to distinguish clearly between what the Government can do and what the farmers must do for themselves; and it wishes to bring not only the farmers but the Nation as a whole to realize that the growing of crops, though an essential part, is only a part of country life. Crop growing is the essential foundation; but it is no less essential that the farmer shall get an adequate return for what he grows; and it is no less essential—indeed it is literally vital—that he and his wife and his children shall lead the right kind of life.

For this reason, it is of the first importance that the United States Department of Agriculture, through which as prime agent the ideas the commission stands for must reach the people, should become without delay in fact a Department of Country Life, fitted to deal not only with crops, but also with all the larger aspects of life in the open country.

From all that has been done and learned three great general and immediate needs of country life stand out:

First, effective cooperation among farmers, to put them on a level with the organized interests with which they do business.

Second, a new kind of school in the country, which shall teach the children as much

outdoors as indoors and perhaps more, so that they will prepare for country life, and not, as at present, mainly for life in town.

Third, better means of communication, including good roads and a parcel post, which the country people are everywhere, and rightly, unanimous in demanding.

To these may well be added better sanitation; for easily preventable diseases hold several million country people in the slavery of continuous ill health.

The Commission points out, and I concur in the conclusion, that the most important help that the Government, whether National or State, can give is to show the people how to go about these tasks of organization, education and communication with the best and quickest results. * * * (Special message to the Congress, transmitting the report of the Commission on Country Life, February 9, 1909.)

Soil conservation

In any great country the prime physical asset—the physical asset more valuable than any other—is the fertility of the soil. All our industrial and commercial welfare, all our material development of every kind, depends in the last resort upon our preserving and increasing the fertility of the soil. This, of course, means the conservation of the soil as the great natural resource; and equally, of course, it furthermore implies the development of country life, for there cannot be a permanent improvement of the soil if the life of those who live on it, and make their living out of it, is suffered to starve and languish, to become stunted and weazened and inferior to the type of life lived elsewhere. (Article, Outlook, Aug. 27, 1910.)

Government aid to agriculture

I am glad to say that in many sections of our country there has been extraordinary revival of recent years in intelligent interest in and work for those who live in the open country. In this movement the lead must be taken by the farmers themselves; but our people as a whole, through their governmental agencies should back the farmers.

The Government must cooperate with the farmer to make the farm more productive. There must be no skinning of the soil. The farm should be left to the farmer's son in better, and not worse, condition because of its cultivation. Moreover, every invention and improvement, every discovery and economy, should be at the service of the farmer in the work of production. (Address, Progressive National Convention, Chicago, Ill., August 6, 1912.)

Needs of agriculture

The elimination of the middleman by agricultural exchanges and by the use of improved business methods generally, the development of good roads, the reclamation of arid lands and swamplands, the improvement in the productivity of farms, the encouragement of all agencies which tend to bring people back to the soil and to make country life more interesting as well as more profitable—all these movements will help not only the farmer but the man who consumes the farmer's products. (Address, Progressive National Convention, Chicago, Ill., August 6, 1912.)

Farmer and consumer

The farmer, the producer of the necessities of life, can himself live only if he raises these necessities for a profit. On the other hand, the consumer who must have that farmer's product in order to live, must be allowed to purchase it at the lowest cost that can give the farmer his profit, and everything possible must be done to eliminate any middleman whose function does not tend to increase the cheapness of distribution of the product; and, moreover, everything must be done to stop all speculating, all gambling with the breadbasket which has even the slightest deleterious effect upon the producer and consumer. There must be legislation which will bring about a closer business relationship between the farmer and the consumer. (Address, Progressive National Convention, Chicago, Ill., August 6, 1912.)

Aid to farmers

I know what the work and what the loneliness of a farmer's life too often are. I do not want to help the farmer or to help his wife in ways that will soften either, but I do want to join with both, and try to help them and help myself and help all of us, not by doing away with the need of work, but by trying to create a situation in which work will be more fruitful, and in which the work shall produce and go hand in hand with opportunities for self-development. (Outlook, Oct. 12, 1912.)

Problems of farm life

There is no problem whose successful solution is fraught with greater returns, in the line of citizenship, as well as in material results, than the problems of rural life. These include better farm methods, better rural schools, better roads, better farm financing, more economical methods of marketing, and better farm life conditions for the men, women, and children on whose welfare and success the progress and prosperity of the Nation depends. In these problems and those of social and industrial justice is also embodied no small part of the problem of the cost of living, although this will also be in part helped by our treatment of the trusts. (Address, Chicago, Ill., December 10, 1912.)

Tenant farmers

The number of tenants is rapidly growing. This is not good. Provision should be made to aid and increase the number of farm homeowners for these make for a better agriculture and a stronger Nation. (Address, Chicago, Ill., December 10, 1912.)

Government aid to farmers

We do not believe in confining governmental activity to the city. We believe that the problem of life in the open country is well nigh the gravest problem before this Nation. The eyes and thoughts of those working for social and industrial reform have been turned almost exclusively toward the great cities, and toward the solution of the questions presented by their teeming myriads of people and by the immense complexity of their life. Yet nothing is more certain than that there can be no permanent prosperity unless the men and women who live in the open country prosper. The problems of the farm, of the village, of the country church, and the country school, the problems of getting most value out of and keeping most value in the soil, and of securing healthy and happy and well-rounded lives for those who live upon it, are fundamental to our national welfare. (Century magazine, October 1913.)

Taxation of farmland

To break up the big estates it might be best to try the graduated land tax, or else to equalize taxes as between used and unused agricultural land, which would prevent farmland being held for speculative purposes. There can without question be criticism of either proposal. If any better proposal can be made and tried we can cheerfully support it and be guided in our theories by the way it turns out. But we ought to insist on something being done—not merely talked about. Everyone is agreed that we ought to get more people back to the land; but talk on the subject is utterly useless unless we put it in concrete shape and secure a service test, even although it costs some money to furnish the means for doing what we say must be done. (1917.)

Importance of agriculture

We cannot permanently shape our course right on any international issue unless we are sound on the domestic issues; and this farm movement is the fundamental social issue—the one issue which is even more basic than the relations of capitalist and workingman. The farm industry cannot stop; the world is never more than a year from starvation; this great war has immensely increased the cost of living without commensurately improving the condition of the men who produce the things on which we live. (The Farmer: The Cornerstone of Civilization. (1917.) Original publication not traced. It was probably a newspaper article.)

Tenant farmers

In 1880, 1 farmer in 4 was a tenant; and at that time the tenant was still generally a young man to whom the position of tenant was merely an intermediate step between that of farm laborer and that of a farmowner. In 1910, over 1 farmer in 3 had become a tenant; and nowadays it becomes steadily more difficult to pass from the tenant to the owner stage. If the process continues unchecked, half a century hence we shall have deliberately permitted ourselves to plunge into the situation which brought chaos in Ireland, and which in England resulted in the complete elimination of the old yeomanry, so that nearly nine-tenths of English farmers today are tenants and the consequent class division is most ominous for the future. * * *

The most important thing to do is to make the tenant farmer a farmowner. He must be financed so that he can acquire title to the land. In New Zealand the Government buys land and sells it to small holders at the price paid with a low rate of interest. Perhaps our Government could try this plan, or else could outright advance the money, charging 3½ percent interest. Default in payments—which should, of course, be on easy terms—would mean that the land reverted to the Government. (1917.)

Government loans to farmers

As regards furnishing capital to the farmer, the first need is that we shall understand that this is essential, and is recognized to be essential in most civilized lands outside of Russia and the United States, but especially in Denmark, France, and Germany. Our farmers must have working capital. The present laws for providing farm loans do not meet the most important case of all, that of the tenant farmer, and do not adequately provide for the land-owning farmer. An immense amount of new capital—an amount to be reckoned in billions of dollars is needed for the proper development of farms of the United States, in order that our farmers may pass from the position of underproduction per acre, may improve and fertilize their lands, and so stock them as both to secure satisfactory returns upon the money invested and also enormously to increase the amount of food produced, while permanently enhancing the value of the land. Lack of capital on the part of the farmer inevitably means soil exhaustion and therefore diminished production. The farmer who is to prosper must have capital; only the prosperous can really meet the needs of the consumer; and in this, as in every other kind of honest business, the only proper basis of success is benefit to both buyer and seller, producer and consumer. (1917.)

Farmer cooperatives

Whenever farmers themselves have the intelligence and energy to work through cooperative societies this is far better than having the State undertake the work. Community self-help is normally preferable to using the machinery of government for tasks to which it is unaccustomed. This applies to the ownership of granaries, slaughterhouses, and the like. There are in Europe cooperative farmers' associations which own and run at a profit many such institutions; and when this is shown to be the case, the other owners of such agencies face the accomplished fact; and it often becomes possible for the farmers then to deal with them on a satisfactory basis. * * *

A single farmer today is no match for the corporations, railroads, and business enterprises with which he must deal. Organized into cooperative associations, however, the farmers' power would be enormously increased. The principle upon which such cooperative groups are formed is very simple. The profits are divided partly in the shape of a rebate that is paid in proportion to the volume of business done for each member. The control, however, of the association does not depend upon the number of shares that a member may own but rests upon the democratic basis of one man, one vote. (1917).

Solution of the farm problem

Our object must be (1) to make the tenant-farmer a landowner; (2) to eliminate as far as possible the conditions which produce the shifting, seasonal, tramp type of labor, and to give the farm laborer a permanent status, a career as a farmer, for which his school education shall fit him, and which shall open to him the chance of in the end earning the ownership in fee of his own farm; (3) to secure cooperation among the small landowners, so that their energies shall produce the best possible results; (4) by progressive taxation or in other fashion to break up and prevent the formation of great landed estates, especially insofar as they consist of unused agricultural land; (5) to make capital available for the farmers, and thereby put them more on an equality with other men engaged in business; (6) to care for the woman on the farm as much as for the man, and to eliminate the conditions which now so often tend to make her life one of gray and sterile drudgery; (7) to do this primarily through the farmer himself, but also, when necessary, by the use of the entire collective power of the people of the country; for the welfare of the farmer is the concern of all of us. (1917).

Farmer cooperation

The welfare of the farmer stands as the bedrock welfare of the entire Commonwealth. Hitherto he has not received the full share of industrial reward and benefit to which he is entitled. He can receive it only as the result of organization and cooperation. Along certain lines the Government must itself cooperate with him; but normally most can be accomplished by cooperation among the farmers themselves, in marketing their products, in buying certain things which they particularly need, and in joint action along many lines. The States can wisely supplement such work of cooperation, but most of such work it cannot with wisdom itself undertake. (Address, Republican State Convention, Saratoga Springs, New York, July 18, 1918).

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AMERICAN AID POLICIES

Mr. MARTIN of Iowa. Mr. President, the Special Committee To Study the Foreign Aid Program has performed a great service for the Senate and for the country in printing the studies which have been prepared by scholars and experts with differing points of view on the many aspects of this problem.

I have been particularly concerned with proposals suggesting that the United States participate in the proposed Special United Nations Fund for Economic Development, popularly known as SUNFED. It is my conviction that the establishment of such a fund would not be the best means of advancing the economic development of other countries, nor would it be in the best interests of our own citizens.

I realize that the committee was confronted with a most difficult problem in choosing the experts to prepare its studies. There are many able, qualified individuals who could contribute a great deal to our understanding of this problem, but who were not specifically appointed to assist the committee. This was necessarily the case, as available funds made it necessary to attempt to cover all viewpoints without exceeding the resources we authorized for the committee's work.

One of the outstanding research groups in this field which did not participate directly is the Foreign Policy Research Institute of the University of Pennsylvania. Its director, Dr. Robert Strausz-Hupé, came to this country from Austria in 1923. Following a very successful career in the investment banking business, he became editor of Current History in 1939. He received his doctor of philosophy degree from the University of Pennsylvania in 1944, and has been associated with its faculty since 1946.

Dr. Strausz-Hupé presented a statement to the special committee on April 12. I had an opportunity to read it and found it of such great interest that I ask unanimous consent that it be printed in the body of the CONGRESSIONAL RECORD for the benefit of my colleagues.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AMERICAN AID POLICIES—A STATEMENT SUBMITTED TO THE SPECIAL COMMITTEE TO STUDY THE FOREIGN-AID PROGRAM, UNITED STATES SENATE, BY ROBERT STRAUSZ-HUPÉ, DIRECTOR, FOREIGN POLICY RESEARCH INSTITUTE, UNIVERSITY OF PENNSYLVANIA

(This statement does not necessarily reflect the views of the associates of the Foreign Policy Research Institute. It has been prepared by the staff of the institute: Alvin J. Cottrell, Keith Wheelock, James E. Dougherty, project director, Robert Strausz-Hupé, director, Foreign Policy Research Institute.)

The United States, for several years to come, will find it necessary to provide economic assistance in one form or another to a number of countries, especially in the weaker and underdeveloped areas of the world. At present, American assistance programs assume many forms: direct military assistance, technical assistance, the agricultural surplus disposal program, aid given through the international banking and currency stabilization institutions, and outright economic aid grants or loans on a government-to-government basis.

The crucial policy question confronting us is: Which types of assistance are most desirable and which least desirable from the viewpoint of the political objectives of the United States and the Free World, the economic capacity of our country, the requirements of world economic health and growth, and the interests of the nations receiving the aid?

It is the question of grant aid, of course, which constitutes the most controversial issue. This paper contains some comments on the general problem of government-to-government aid and attempts to evaluate that aid in comparison to certain other types. The paper is organized under the following headings: American Assumptions Concerning Economic Aid; the Relation of Economic Aid to Foreign Policy; the Value of Military Assistance; the Obstacles to Economic Development; the Role of Private Investment; Aid Grants Versus Technical Assistance; Possible Improvements of the United States Aid Program; and Conclusions.

AMERICAN ASSUMPTIONS CONCERNING ECONOMIC AID

Thus far, the Marshall plan represents the only total, coherent experience which we have had in the realm of foreign aid, and even this experience is not easy to assess. One reason why it is so difficult to evaluate its success is that we have not sufficiently understood the noneconomic assumptions which underlay our European recovery program. In 1947 we assumed that Europe, if left to her own devices, would inevitably fall under Communist domination. We next assumed that the only way to preserve Europe's political freedom was to grant economic aid. We took it for granted that the masses were prime carriers of the Communist idea, which they would accept or reject depending on their standard of living, and that the Communist intellectuals could be politically reoriented through the improvement of economic conditions. After we granted aid, Europe recovered. We were therefore inclined to conclude that our aid was the cause of the recovery; that it was the improved economic situation which strengthened the democratic forces in the recipient countries and enabled Western Europe to remain free; that without the Marshall plan the Communists would have won bigger electoral percentages than they actually did. Now these assumptions and conclusions may very well be correct. They deserve careful probing, however. It is just possible that Europe recovered not so much because of the Marshall plan as because of indigenous regenerative forces. Moreover, in view of the fact that the plan constituted a tempting target for Communist propaganda—infringement of the national sovereignty, American capitalistic domination, and so forth—one might just as easily conclude that in the absence of the Marshall plan the Communist vote would have been slightly smaller. We ought not to underestimate the force of other reasons, political, cultural, and spiritual, which prompted Western Europe to choose the free way over the Communist way.

Regardless of what conclusions we arrive at concerning the economic and political effectiveness of aid to Europe, it is a serious mistake to try to apply them uncritically, as the American public may be tempted to do, to the underdeveloped continents. The ERP was directed toward mature industrial economies. The European nations are characterized by relatively large numbers of skilled technicians, by the existence of a system of private property and competitive enterprise, and, in most cases, by governments which are still fundamentally committed to the

market mechanism and private initiative for the development of new economic enterprises—if not always for the regulation of the older or unprofitable ones. But the new plans of aid for Asia, Africa, and Latin America are directed toward backward agricultural societies. These societies are characterized by the lack of technical skills, often by the existence of feudal land systems and, in many cases, by governments which are committed, for utilitarian if not for ideological reasons, to the Socialist concept of a government-planned and government-directed economy.

The American public in recent years has been educated to several idealist schemes for making deserts bloom like gardens, for building up the economy of a free India so that it will compare favorably with the economy of Communist China, for substantially raising the standard of living for two-thirds of the world's population, and so forth. These, without question, are worthy goals. But we are quite right when we exercise caution. We should be careful not to be swept along by our own idealistic urges without a clear understanding of the inherent complexities of the problem. Americans, who are prone to think in big terms and to brush aside the difficulties, can easily picture themselves dispensing global aid and building huge hydroelectric dams here and there, thus permitting the underdeveloped nations to undertake irrigation and industrialization projects. We ourselves did an excellent job in the Tennessee Valley. Many Americans are now confident that this country, if it so desires, can in time develop every important river valley in the non-Communist world through a program of economic aid. The peoples of the underdeveloped countries are likewise persuaded of our economic wealth and our technological prowess. So successful have we been in our efforts to sell them on the superiority of our system that there is now a danger that the United States will be increasingly looked upon as a bottomless well from which all may draw. The primary economic problem confronting the world is the problem of regional economic growth, not American governmental aid. For two-thirds of the world, the process of economic growth is just getting started. It is essential in the early phases of this process of economic growth that the most powerful economic power on earth exercise prudence in the formulation of its philosophy of foreign aid. If it commits itself to unwise policies, the eventual adverse effects upon the international economy may prove incalculable. At this juncture, the United States should carefully assess the obstacles to economic development, the magnitude of the task, the criteria for determining who should receive what kind of aid, the conditions under which the assistance should be given, the methods of administering aid, and the long-range implications and consequences of assistance programs.

THE RELATION OF ECONOMIC AID TO FOREIGN POLICY

It should be frankly recognized that foreign economic aid programs cannot be carried out in a vacuum, separated from political considerations. True enough, in view of all the complaints uttered in certain circles about aid with political strings attached, we might be tempted to think that such a separation can and must be made. But in fact this is neither feasible nor desirable. It is possible, albeit sometimes difficult, to separate private foreign investment from foreign-policy considerations. It is patently impossible, however, to draw any firm line between a government aid program and international politics. When the United States gives massive aid to an uncommitted country, for example, the latter may be so well insulated from politics that no external influence over policy is introduced inside the receiving country. Yet at the same time, United States aid may give rise to a delicate political problem outside the receiving country by causng some of the allies of the United States to wonder whether, so far as the American bounty is concerned, it is better to be committed or to be neutral.

There are no doubt dozens of countries which would like to have an American-donated dam or steel mill immediately. Within a given appropriations year, only a very limited number of large-scale projects can be approved. Some nations are bound to feel slighted. It should not be at all surprising if countries such as Pakistan and Iraq, which were allied to the West, resented the fact that neutral Egypt was selected for a larger slice of aid for a single development project (Aswan Dam) than they had ever received. Sometimes too, we find that economic aid for a certain type of project in one country has complex regional implications. For example, it may be pointed out that Ethiopia was seriously offended when we anounced the original Aswan Dam offer to Egypt without having consulted Ethiopia in regard to her interests in the Nile Valley. Instances like these, whether we like it or not, involve political questions which have eluded not a few experts on economic aid.

The governments of some underdeveloped countries, expressing a fear of political strings, urge us to channel our aid through the United Nations, particularly through the Special United Nations Fund for Economic Development (SUNFED), instead of putting it on a government-to-government basis. This proposal gives rise to some interesting questions in connection with political strings. Precisely what political strings has the United States attached to its economic aid grants in the past? Have we asked any foreign government to fulfill conditions which contravened its own interests as the trustee of a free people? We may extend economic aid with the vague hope, mistaken or not, that it will strengthen a country and help it to remain part of the free world. Is this tantamount to attaching intolerable political conditions to our largesse? There does not seem to be much evidence that we tie our aid to specific political objectives within the receiving countries. If there were such evidence, the Arabs of north Africa would not be quite as eager as they seem to be to substitute direct aid from the United States for the aid which they now receive from the French Government. Perhaps we are really a much softer touch than we realize. In our scrupulous concern for the political freedom of States, we may be too sensitive to criticism on the score of political strings. Several years ago Paul Reynaud gently chided the United States for failing to exploit the full potential of the Marshall plan as a device for persuading Western Europe to form a genuine political union. He did not allow for the fact that the United States, as the world's oldest and most thriving anticolonial power, still labors under certain compulsive feelings which sometimes distort its political judgment and prevent it from achieving legitimate objectives.

We may ask at this point whether we are unconsciously inclined to adjudge all political conditions linked to economic aid as being evil in themselves. It certainly does not seem unreasonable to expect the government of a country which receives our aid to accord us an equitable amount of political credit for it. We should not be so naive, of course, as to think that economic aid can buy a nation's political friendship. But we cannot afford the luxury of bestowing benefits upon professedly neutral countries which persistently use the United States as a whipping boy on whom they can exercise their nationalist muscles, while blinking the defects of the Sino-Soviet system. If we give large-scale development assistance to a neutral country, we have a perfect right to expect the leaders of the government in that country to refrain from carrying on a running propaganda attack upon American military bases, American-sponsored military pacts, and similar arrangments for the strategic security of the United States and the free world. There is something fundamentally fallacious about a foreign policy which attempts on the one hand to forge an effective international security system and which on the other hand lends economic strength to governments which are bent upon dissolving that security system.

It is further questionable that the United States should channel a sizable portion of its aid through an organization like SUNFED, largely to placate certain uncommitted countries, which want to see American aid insulated from politics. A nation's total economic capacity is one of the major elements of its power. In an age when we are sorely tempted to renounce the use of force as an instrument of foreign policy, we will not be choosing the wiser course if we also forfeit our economic power as an arm of our diplomacy.

THE VALUE OF THE MILITARY ASSISTANCE

The argument is often heard that we should confine our military assistance to the more advanced countries, such as those of Europe where it can do some good, because this kind of aid does not serve a useful purpose in the less economically developed areas. If this point is well taken, it means that the United States and its NATO allies must shoulder the burden of providing security for the entire non-Communist world. But the point is not at all well taken. Many types of local Communist aggression, infiltration, and guerrilla campaigns can be effectively deterred or contained within the so-called gray areas by security forces which are composed largely of local, indigenous units, supplied by the United States or its allies. The armies of South Korea, Taiwan, Vietnam, and Pakistan, for example, are among the largest and best trained in Asia. Up until now in the protracted cold war, the Communists have not overtly attacked any country which was well prepared to meet aggreession, and they have been compelled sooner or later to cease hostilities or taper off their guerrilla activities in countries which were furnished with sufficient military assistance.

Our military assistance program helps to bring security to countries which are willing to cooperate with us for defense purposes. It is important to remember that this security, which is a prerequisite to economic stability, would be much harder to achieve without military assistance to the "rimland" nations. If the armies and constabularies of South Korea, the Philippines, Free China, South Vietnam, Pakistan, Thailand, Malaya, and Iraq were not equipped to stand guard against the Communists, then it would devolve upon the Western Powers, especially the United States, to furnish the necessary forces for on-the-spot protection of those far-flung sectors. American strategic power may deter a general global war, but it still takes locally deployed soldiers and home guard units to guarantee local security and stability. But, in the long run, it is considerably more expensive to rely on American soldiers for this task. It is not merely a question of training, equipping and paying the GI, and earmaking veteran's benefits for him. But it is also a question of abstracting a healthy young man from the American economy, where he is a producer and a taxpayer, and putting him in the military service, where he is a consumer so far as our domestic economy is concerned.

From the point of view of economic development, it is fortunate that the military groups in the underdeveloped countries form one of the most stabilizing and progressive elements within their national economies. The

army usually has an honorable tradition which, when combined with the relatively good living conditions, makes it an attractive prospect for a young man seeking employment. In several countries, the army is without any doubt the best available vehicle for imparting technical skills to large numbers of young men. Hence the military service is by no means economically unprofitable. Over the years thousands of persons become proficient in the methods of organization and administration, or in the use and maintenance of equipment. English, which is now the world's most advanced technological language, is taught under our military assistance programs. Military personnel from the underdeveloped countries are brought to the United States to study electronics and similar subjects. Thus they are fitted, upon completion of their tour of duty, to make a tangible individual contribution toward the development of their country's economy. Soldiers are given a certain discipline of mind and an orderliness of living habits which are indispensable for a custom-encrusted nation which desires to build industry.

We ourselves were the first to convert our Armed Forces into an instrument of mass technical training in peacetime. Now our military assistance program is transferring this unique concept to the underdeveloped areas, where military aid often represents the only practical form which assistance can take at the present time. A well-conceived military program, therefore, can be an extremely valuable complement to a program of technical assistance. In many of these countries, it is actually the Army which provides the social services and builds the utilities (the infrastructure) which are indispenable for economic development. Hence we would obtain a much more realistic picture of the impact of our economic-aid program if constructive functions such as these could be evaluated and prorated to economic aid, instead of being hidden under military-aid figures.

THE OBSTACLES TO ECONOMIC DEVELOPMENT

The main problem of economic development involves raising the national income through increased per capita output within the underdeveloped country. Now in fact, we know very little about the amount of capital it takes to produce an increase of output within the underdeveloped countries. The information on specific sectors of the Asian and African national economies is scant enough; it is virtually nonexistent with respect to those national economies as wholes. Here is an example: there is before the Senate Special Committee To Study the Foreign Aid program a survey which bases a proposal for the developement of underdeveloped countries upon the estimate that it would require three units of capital to produce an increase of 1 unit per year in output or a marginal capital coefficient of 0.33. This, by the way, is exactly the same assumption made by the Planning Commission of India for the first 5-year plan.[1] It happens that this estimate assumes a marginal capital-output ratio, that is, 3 to 1, that is almost identical with that found, on the basis of ample statistical material, for the United States over the period 1919–28.[2] It would seem that there is no basis for (1) generalizing an estimate for India for the economies of all underdeveloped countries, and (2) for accepting the validity of the Indian estimate since the Indian economy most certainly has not yet attained the productive level of the United States over the period 1919–28. To compound the confusion, we may cite a United Nations report on the capital needs of the underdeveloped countries which assumes a capital-output ratio of 8 to 1 or a capital coefficient of 0.125.[3] It should be clear from the foregoing that the experts appear to be divided by wide disagreements and that far more exploratory work has to be done before we can approximate the real capital needs and absorptive capacity of the underdeveloped countries.

One of the chief obstacles to formulating intelligent development programs is the dearth of accurate statistical data in the underdeveloped countries. Even for the period following the Second World War the governments of those countries can sometimes furnish no more than thoughtful guesses in lieu of accurate figures.[4] However sincere the government of the underdeveloped country may be, it often lacks the apparatus necessary to make a proper statistical analysis. Without such analysis, it is impossible to devise rational development programs. In order to arrive at estimates that can serve as reliable guides for foreign development projects, the United States needs country-by-country surveys prepared by experts on the basis of careful on-the-spot studies. In this country surveys in preparation of any major development projects, public or private, are based upon investigations requiring several years. It would be surprising if a period of, let us say, 2 or 3 years should prove excessive for the preparation of a meaningful country survey. Since the underdeveloped countries lack the qualified personnel, the United States could procure for them the services of American consulting engineers, cultural anthropologists, and area specialists who could be teamed in the making of such surveys. Perhaps one of the greatest single contributions which the Government of the United States could make to the development of the underdeveloped countries is to contract with qualified private consultants to prepare these country-by-country studies, including such items as market surveys and the optimum location of new industries.

A country may resent the allegation that it lacks competent specialists to make the surveys. The desire, however, to qualify more readily at a later date for American aid will probably prevail over any such resentment.

The other obstacles to development are almost too well known, and certainly too complex, to warrant more than the most cursory mention here. Perhaps most of them can be combined under the heading of "relatively low absorptive capacity." It can hardly be emphasized too much that the problem essentially is one of growth, not aid. An economy is, after all, an organism whose growth cannot be speeded up too much, but may on the contrary actually be stunted by the application of an excess of stimulants. In order to build a hydroelectric dam, one must lay a railroad to the site; but in order to build the railroad one first must build a steel mill to turn out the rails, and so forth. What the technical West took more than a century to accomplish, the backward countries would like to achieve within 1 or 2 decades. Many of them have not yet conquered the problems of contagious disease and basic education to the point where they can rely upon a stable working force or a sizable number of natives who can comprehend the simplest technical instructions, let alone display technical proficiency or managerial talent. Some of them are still burdened with the vestiges of a rigid caste structure and a land system which is hardly conducive to the social changes which technological innovation usually demands. Practically none of them have acquired domestic savings and investment habits. In the early phases of development, output gains are frequently offset by parallel population increases. Moreover, the importation of capital for large-scale projects which employ large numbers of workers is generally accompanied by a rise in the national propensity to consume and to import luxury goods. This dissipates the so-called multiplier effect of the imported capital and may even generate foreign-exchange imbalances.

Mention should also be made of two other indirect obstacles to the growth of the international economy, or what might be called the feedback effect of certain types of industrialization programs in the underdeveloped countries. The first is the adverse effect upon the world economy of attempting to substitute too rapidly the principle of national industrial diversification for the principle of international specialization. This is basically a problem of the relative distribution of the factors of production. A country where capital is dear and labor is abundant should begin development by stressing projects which require little capital and a large amount of manpower. Very often the optimum increase in output can best be achieved by exploiting more intensively the existing resources, facilities and specialized crafts, not by undertaking an abortive alteration of the Nation's basic economic structure.

The second feedback effect relates to the impact of a certain type of aid program on the American economy. If we wish, for example, to build hydroelectric powerplants in the underdeveloped countries, we must expect to see a rapidly rising world demand, induced by ourselves, for steel, aluminum, copper and other metals used in such construction. As the demand for industrialization rises, so will the world price. Once a long-range program for global aid really gets rolling, we may find ourselves under pressure to create another international materials board, comparable to the one which was set up during the Korean war, to fix world prices and allocate the available supply of scarce metals. The United States should certainly encourage world economic growth. But if the growth is artificially stimulated and speeded up in certain sectors through Government grants (essentially an uneconomic forceps), we can expect strains, stresses, and imbalances which will not be good for the international economy as a whole.

THE ROLE OF PRIVATE INVESTMENT

Private capital has always been more reluctant to run the risks of going to underdeveloped countries than to stay at home and enjoy the security of investment in a mature economy. Nevertheless, when the demand for capital became strong enough in the underdeveloped nations, capital has never failed to flow from the older to the younger economies. An agricultural American society imported capital from industrial England to build railroads and factories; agricultural Russia imported capital from industrial France for the same purpose. Dissimilarities as regards, religion, political institutions, and social structures did not effectively hinder the international operation

[1] First 5-year plan. A summary, Planning Commission, New Delhi, 1952, p. 4.

[2] William Fellner, the Capital-Output Ratio in Dynamic Economies, in Money Trade and Economic Growth, essays in honor of John Henry Williams, New York: Macmillan, 1951.

[3] Measures for the Ecomic Development of Underdeveloped Countries, United Nations, New York, 1951.

[4] As recently as 1956, for example, the leading Egyptian economics periodical voiced this complaint: "The statistics available in Egypt do not permit an exact assessment of the yearly accumulation of capital and its division into sectors showing the various directions into which this capital has been diverted (machinery, construction, finished or semifinished goods, transport, etc.)" Capital Formation in Egypt, in the Egyptian Economic and Political Review, special budget issue, June–July 1956, p. 35.

of the economic forces of supply and demand. Nor did the capital-importing countries feel that they were being victimized. The United States, after throwing off the colonial yoke of Great Britain, was not afraid that borrowing from British investors would lead to the restoration of imperial control. The international economy was free; above all, it was free from ideological preconceptions.

Since the end of the Second World War, the international economic situation has changed radically. Just at the time when the underdeveloped countries, many of them enjoying newly won independence, were beginning to experience the need for development capital, American economic aid policy began to make them think that there is a better way to industrialize than by attracting private foreign capital. There can be little doubt that the emphasis in our economic policy upon outright grants and low-interest Government loans has been a major factor in creating an unfavorable climate for private investment in the underdeveloped areas of the world. This is by no means to suggest that American policy has been the most important factor in transforming the assumptions of international economics. The nationalist-Socialist inclinations of the political leaders in several underdeveloped countries have been a significant factor in introducing ideological preconceptions into the international economy. Not a few of these leaders may have reasoned as follows: Private capital investment from abroad is the most expensive and the most obnoxious means of meeting our capital needs; outright economic grants without political strings attached are the cheapest and hence the most desirable capital imports; governmental loans hold a middle position, insofar as they require repayment but are cheaper to service and may allow the borrowing government to default with impunity; finally, it is preferable to induce a foreign government to channel loans and grants through an international fund, so as to preclude foreign political intervention. Admittedly, from the viewpoint of the underdeveloped countries, such an attitude is a sensible one indeed.

From the point of view of the United States, however, long-range programs of grant aid are fraught with grave disadvantages. First of all, they substitute the taxpayer's "reluctant dollar" for the investor's "willing dollar" and eventually cause venture capital to dry up. It does not help to argue that foreign aid grants will help to pave the way for a more favorable climate for private investment 10 years hence. Ten years hence, the recipient countries will expect the continuation of grant aid as a matter of course. American aid grants during the last decade, by making it less urgent for the underdeveloped countries to attract private capital, have helped to smooth the way for the nationalization of foreign assets in these countries. If the nationalization trend becomes widespread, the last threads of international economic probity binding the western nations to the underdeveloped countries will be broken; no venture capital will go out to the latter. Then the American taxpayer will be expected to sustain the process of economic growth in the underdeveloped areas of the world, or else the United States will incur the people's wrath by diminishing the aid before their economies can generate their own growth.

Furthermore, every underdeveloped country in the world can make out a valid case to demonstrate its need for a dam or a steel mill. The United States, notwithstanding its abundance is limited in its ability to meet all the demands which might be made upon it. In the prewar international economy, the forces of supply and demand determined which nations would obtain development capital. But under a long-range program of global aid, this decision is left to governmental officials, who perforce make the decision not purely on the basis of economic criteria, since they cannot escape the influence of political considerations and even personal preferences. Under this arrangement, there is no way of knowing whether we are underwriting the least efficient economies and depriving the most efficient ones of our capital resources.

AIDS GRANTS VERSUS TECHNICAL ASSISTANCE

There is in the mind of the public a somewhat confused notion as to the relationship of economic aid and technical assistance. Not infrequently, these two forms of aid are spoken of as if they were one and the same; yet, basically, they are opposites. The primary purpose of technical assistance is to elicit an economic response from a country's own resources, whereas grant aid simply seeks to fill an economic gap. Technical assistance is the most direct and the most demonstrable way of wedding American skill to the economic potentialities of the receiving country. This idea was expressed eloquently by President Eisenhower in his inaugural address last January. He said: "We must use our skills and knowledge and, at times, our substance, to help others rise from misery, however far the scene of suffering may be from our shores."

Last but not least, technical assistance is people. There is no better way for cementing cordial relationships between this country and the peoples of the underdeveloped lands than through the working partnership of American technicians and those eager natives to whom they impart their skill. In the nature of things, this relationship is a personal one, whereas Government programs are cloaked in anonymity. Compared with other types of economic aid, technical assistance is the least costly and has perhaps the greatest "multiplier effect" in the fostering of good will. It is therefore advisable that the United States not only maintain but moderately increase its allocations both to its own technical assistance program and to that of the United Nations, provided that the expansion of the latter allows for the appropriate increase of the quota of American personnel.

What, then, of the place of grant aid in a scheme of American policy? What are the sometimes when we must use our substance? Admittedly, there will be occasions when it will be desirable to extend grant aid for specific projects in the underdeveloped countries. But we should not regard grant aid as a normal form of continuing assistance, elevated to the rank of long-range programs. In our domestic practice, we recognize the need for stringent criteria governing the grant of Federal aid. Thus, for example, a small businessman in the United States who seeks Government assistance must show that he has already exhausted the possibility of obtaining funds from private lenders. This practice might have a useful international application. Evidently, requests for foreign-development aid that meet the test of sound banking practices, redound—because of economic as well as psychological reasons—to the mutual interest of borrower and lender. If such a test is not met, then both the lending and the borrowing country will still be free to enter upon the transaction. They will do so, however, without misapprehensions as regards the true nature of the arrangement.

One type of aid program, namely, agricultural trade development and assistance, merits particular attention in connection with these remarks on grant aid. Given our domestic farm-support policy, this program is a useful means of transferring our agricultural surpluses to countries which are in need of food. Under Public Law 480 as amended, transactions totaling $4 billion worth of food will have been negotiated by June 1958. These commodity sales are paid for in the currency of the recipient country. The United States may spend these foreign currencies for the purpose of meeting various expenses: for marketing studies, trade-fair exhibits, exchange visits of industrial representatives, military base construction, operation of embassies and information agencies, assistance to American-sponsored schools and libraries, and the translation, publication, and distribution of American books abroad. Almost 60 percent of the foreign-currency payments, however, is earmarked for economic development loans to the recipient governments, precisely because those local currencies are inconvertible into hard currencies. This practice, since it is tantamount to grant aid, should be discontinued or, at least, so modified as to reveal the true nature of the transaction.

POSSIBLE IMPROVEMENTS OF THE UNITED STATES AID PROGRAM

1. We should place greater emphasis on projects which filter down" to the people and less emphasis on either invisible forms of aid or long-range, large scale programs which have no apparent impact on the local population. In this connection it is obvious that technical assistance programs will pay greater dividends than economic grants for spectacular projects which are frequently designed for the purpose of enhancing the domestic popularity of the government in power. Technical assistance programs allow us to deal directly with junior civil servants and even with the people in the towns and villages, whereas under economic aid programs the contracts of the United States with the recipient country are confined to the highest levels of government. There may be times, of course, when outright economic grants are desirable. But we should be wary of huge projects which have to be carried out over a period of years. Very often such projects are oversold to the local population by the receiving government. If it then takes 3 or 4 years to complete the project and even longer for the beneficial results of the completed project to become apparent, the United States may find itself the object of impatient resentment. Meanwhile, all of the economic pinches felt in the vicinity of the construction project are also likely to be blamed upon the United States.

2. We should devise projects which are suited to the technical level and the cultural pattern of the country. If this is done, the execution of the projects will not depend upon bringing in large numbers of American engineers and other specialists. By tailoring the projects to the ability of the young native technicians, these latter can be given a stake in the development program. If we insist upon planning highly advanced industrial projects in which local technicians can participate only at the lower job levels, we may find that our economic aid programs serve not to win the good will of this important class within the society but rather to alienate it. Such an approach, by the way, will minimize the exodus of engineers from our own national economy, where they are not in abundant supply. When American technicians go abroad, it should be primarily for imparting skills to the underdeveloped countries. It is both more efficient and, in the long run, makes for better human relations, to send American scientists and engineers out for this purpose rather than to place them in competition with the native talent in the underdeveloped countries.

3. We should work constantly to improve the liaison between our information agencies and the governmental personnel in the foreign countries receiving the aid. Frequently, the latter fail to keep abreast of the development programs in progress outside of the national capital. If they were better informed, they might be more inclined to publicize the value of American assistance programs.

4. Our information agencies should devise a campaign to counter the Communist notion that the United States is compelled to send

its surplus economic goods overseas simply to avoid domestic unemployment and depression, or to solve the problem of its surplus capital. So long as we find it advisable to grant foreign economic aid, we should try to make certain that our policy will not be widely interpreted as a proof of the Marxist-Leninist theory of imperialism.

5. We should use our economic-aid policy to promote a form of regional economic development under which resources can be utilized more rationally than is possible under a pattern of economic nationalism. India, for example, possesses iron deposits which Japan could put to good use, and Japan has capital and technical skills which the countries of South and Southeast Asia need. For the Middle East, it may be advisable to establish a regional-aid program whereby assistance to the area would be funneled through an organization for middle eastern economic development. Emphasis should be placed on the coordination of interstate development projects, such as the Jordan River Valley project along the lines suggested by the Johnston plan. Industrial, social, educational, and agricultural proposals should be treated in a regional context prior to the formulation of local plans.

6. We should select certain countries of the world for development as regional show windows for the purpose of bringing American technological know-how more effectively to bear upon the population of the region. In the Far East, perhaps the time has come to stop looking upon Taiwan merely as a temporary haven for Chiang's forces or as an American-sponsored fortress poised against the mainland. The island is endowed with sufficient economic resources to allow it to be converted into a show window for Asia. The future of Formosa will have a bearing on the long-run influence of the United States in Asia, since all the key civilian officials of the country are American trained. If technically developed, Formosa would have a good chance to assume the leadership of the overseas Chinese communities which are scattered throughout Southeast Asia. It could also appeal to the governments in that region by making available to them technically trained Chinese educators, doctors, and engineers who could go abroad as emissaries of the center of free Chinese culture. In the Arab world, Libya is admirably suited for a similar experiment. It has a small population. The government is friendly to the United States. We have treaty rights in that country for the next 15 years, especially as regards the vital Wheelus Air base. Finally, Libya is situated just next door to Egypt, the political and cultural center of the Arab world. Taiwan and Libya represent only two examples or small, friendly countries where a relatively modest investment could bring considerable foreign policy dividends.

CONCLUSIONS AND RECOMMENDATIONS

1. Economic aid programs cannot be separated from the political objectives of foreign policy.

2. Military assistance, since it complements technical assistance, serves a useful economic purpose as well as a strategic one. Those military programs which contribute to the economic progress of underdeveloped countries should be prorated to economic aid, rather than hidden in military aid figures.

3. Technical assistance is the most desirable form of economic development aid. Technical assistance achieves a maximum effect at relatively low cost. It also enables the United States to reach beyond government-to-government relationships and to establish direct contacts with the peoples of the underdeveloped countries.

4. The United States should assist the underdeveloped countries to amass the necessary statistical data for rational development projects. It can best do this by contracting with private firms for the services of specialists who would undertake competent country-by-country surveys.

5. The United States should not commit itself to a long-range program of economic aid grants as a normal means of development assistance. Since aid grants are economically artificial props, they are the most costly and probably the least efficient form of aid. Since the term "grant aid" should be reserved to the financing of projects that do not satisfy sound banking criteria, such aid should be confined to special cases as political and other considerations may dictate.

6. The United States should propose an increase in the capitalization of the International Bank for Reconstruction and Development, so that economic development can be promoted and expanded in accordance with sound banking practice.

7. The United States should limit its economic assistance to specific development projects which:

(a) will strengthen and raise the standard of living of free, friendly countries;

(b) will promote the more intensive exploitation of existing resources and facilities within the underdeveloped countries;

(c) will be adapted to the technical level and cultural pattern of the local population; and

(d) will promote the more rational utilization of regional resources and market patterns.

8. The United States should help to restore a favorable climate for private international investment by devising programs which will supplement, rather than unfairly compete with, the operations of private capital in the world economy.

9. The United States should initiate studies on the problem of the eventual orderly deinvolvement of this country from various underdeveloped national economies which are now largely dependent upon American assistance.

OMISSION OF SENATOR GEORGE W. NORRIS, OF NEBRASKA, FROM LIST OF GREATEST SENATORS OF ALL TIME

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the CONGRESSIONAL RECORD an article from the Rocky Mountain News, of Denver, Colo., of March 23, 1957, entitled "List of Greatest Senators," by Henry N. Taylor of the Scripps-Howard staff.

I particularly desire that the article appear in the CONGRESSIONAL RECORD, for the information of the Members of the Senate, because it lists the two greatest United States Senators of all time as George W. Norris, of Nebraska, and Henry Clay, of Kentucky, according to a poll of more than 100 college professors in the United States. It continues to be a source of regret to me and to many others throughout the Nation that Senator George W. Norris was not included in the list of the five illustrious Senators whose portraits soon will be dedicated in the anteroom of the Senate Chamber.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Rocky Mountain News, Denver, Colo., March 23, 1957]

LIST OF GREATEST SENATORS

(By Henry N. Taylor)

WASHINGTON, March 22.—Nebraska's George Norris and Henry Clay of Kentucky were the two greatest United States Senators of all time, according to a poll of more than 100 top university professors run by a Senate committee.

Robert A. Taft, of Ohio, and Arthur Vandenberg, of Michigan, who ranked in the top five in a similar poll of Scripps-Howard newspaper readers last year, finished way down the line in the estimation of historians and political scientists.

Norris and Clay tied for first place in the scholars' poll, with 58 votes each. Daniel Webster, the wizard orator from Massachusetts, came third, with 55, followed by John C. Calhoun, of South Carolina, 40, and Robert M. La Follete, Sr., fiery Wisconsin progressive, 30.

The panel of experts named these five at the invitation of the present-day Senate, which found itself with five empty niches on its reception-room wall and decided to honor its five greatest past members by hanging their portraits there.

Senator JOHN KENNEDY, Democrat, Massachusetts, heads a subcommittee which will make the final choice. He has asked all present Senators to contribute their choices, along with the scholars and newspaper readers who have written in.

With results almost complete, the scholars list the following as runner-up choice after the top five: Stephen A. Douglas, Lincoln's rival from Illinois (23); Vandenberg (20); Thomas Hart Benton, 19th-century Missouri Democrat (15); Taft (15); and Robert F. Wagner, father of New York's present mayor (12).

Scattered votes went to more than a dozen other men, including Robert Taft's father, William Howard Taft, who served in the White House, the Supreme Court, and many other places, but not in the Senate.

Criteria for the contest state that Senators must be dead, must be "distinguished for acts of statesmanship, transcending party or State lines," and must have contributed leadership in national affairs, constitutional interpretation of legislation.

Senator JOHN BRICKER, Republican, Ohio, a member of the selection committee, expressed "great surprise" at the ranking the university men gave Senator Norris, who spent most of his 30 years in the Senate fighting as a "loner" against a conservative majority.

"Don't forget Bob Taft was a conservative at a very liberal time," said BRICKER. "He should get full credit too for his legislative record."

ANALYSIS BY SENATOR KENNEDY OF THE BOOK CITADEL

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a thoughtful book review from the New Leader of May 13, 1957, in which the junior Senator from Massachusetts [Mr. KENNEDY] has analyzed the celebrated book Citadel, by William S. White, of the New York Times staff.

Title of the review is "Inside the Upper House." Senator KENNEDY, himself the author of a best-selling volume which has recently won the Pulitzer prize for outstanding biography, sums up Mr. White's book in this fashion:

Mr. White may not love all Senators, but he loves the Senate, and this affectionate regard shines through his work.

Because of the great amount of national discussion not only of Citadel but also of Senator Kennedy's Profiles in Courage, I believe that the latter's review of Citadel should be printed in the RECORD for the information of Members of the Senate.

There being no objection, the review was ordered to be printed in the RECORD, as follows:

INSIDE THE UPPER HOUSE

(Reviewed by JOHN F. KENNEDY, United States Senator from Massachusetts)

William S. White has, in his characteristically articulate and perceptive fashion, presented to the interested a remarkably vivid description of the United States Senate. Written from Mr. White's vantage point as chief congressional correspondent for the New York Times, Citadel quickly and deftly establishes the Senate in its position in the total framework of government as the catalytic agent giving continuity, restraint, creativity, and frequently shape and direction to the operations of the two active branches of Government, the legislative and executive. Then, painstakingly, the intimate details of the Senate's operations are supplied and suddenly the skeleton has taken on flesh and becomes a living reality. It is a book to be read by those anxious to understand the frequently ununderstandable Senate as well as by present and future historians and political scientists.

Mr. White has reached several conclusions, which he documents well but which might nevertheless be open to question. For example, there is the inner club concept, namely, that the Senate is given form and direction by a group of Senators—predominantly southern—whose "decisions are in no way overtly or formally reached; it is simply that one day the perceptive onlooker will discover a kind of aura from the inner club that informs him of what the Senate is later going to do about such and such."

Undeniably, each of the 96 Senators does not have the same degree of effectiveness in formulating the decisions made by the Senate as a whole. The mechanics of Senate operation are such that committee chairmen have considerable influence over the course of action taken by their particular committees, and, of course, the majority leader exercises considerable control over the scheduling of issues for consideration. Similarly, in any group of 100 people, some—through experience, personality, or innate ability—will be looked to by others for guidance. Surely this is as true of the Senate as of any other body, but this hardly supports the idea of a mysterious, mystical inner club.

The concept of a true Senate type recurring in the book may also be overdrawn. Any group develops an organizational personality, and perhaps those individuals who most nearly approach the group characteristics can be said to be representative of the group or to be true group types. But of greater significance is the wide diversity of personalities which combine to make the whole. The southern flavor of the Senate referred to frequently by the author is due perhaps not so much to the fact that the Senate was an invention of the South in the creation of our Constitution, as suggested in the book, as to the rather practical fact that most Southern States are one-party States affording their representatives in the Senate the opportunity to acquire seniority which in any body, and in the Senate particularly, brings valuable experience, prestige, and influence in the operation of the organization.

Especially good was Mr. White's treatment of the committees of the Senate—labeled by him as the "kernel of the power." Here he has faithfully and accurately described the arena in which the great bulk of the Senate's work is performed. Here is where the facts are acquired, the majority and minority are afforded an opportunity to develop the policies generally adopted by the Senate, and where Members can specialize, bringing their experience and concentrated attention to bear on a relatively narrow field of activity with maximum results. The seniority system of selecting chairmen has been roundly blasted, but, as pointed out so effectively by Mr. White, the virtues outweigh the defects in most cases and, more important, no plausible alternative has ever been proposed.

The attention and thought Mr. White has given the Senate investigations have been fruitful; his analysis is well worth reading. He suggests—and wisely so—a distinction between inquiry to supervise and even to attempt to force policy change upon the Executive and inquiry for the connected purposes of punishing individuals and promoting senatorial publicity. The Senate may have wandered off the reservation upon occasion, and directing attention to this particular area should prove to be helpful.

One of the most difficult tasks is to know one's self and to realize how he appears to others, and yet it is advantageous to have this information. Mr. White has performed a valuable service in undertaking to describe the Senate as he sees it. Although his picture does not have the detachment of a photograph, it is so much the better for being a painting with the interpretation and flavoring that a talented and sensitive artist can bring to such work. Mr. White may not love all Senators, but he loves the Senate, and this affectionate regard shines through his work.

TIMBER SALE PLAN FOR SNOQUALMIE NATIONAL FOREST, WASH.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the body of the RECORD the proposed timber sales plan for the Snoqualmie National Forest in the State of Washington. Nineteen major sales, which will put 225 million board-feet on the market, are planned. Seven of these sales total 184 million board-feet, or 82 percent of the timber which will be offered. Three sales alone account for 58 percent of the volume to be offered.

In testimony before the Committee on Appropriations, Assistant Secretary of Agriculture Ervin L. Peterson has been forced to admit that the Forest Service budget does not contain adequate funds for access roads. This causes a tremendous concentration of sales among three parties. The budget does not reveal that the Forest Service will secure road construction in the amount of more than $45 million by a procedure which is outside the control of Congress. This will be done by making allowances to the timber-sale purchasers in setting the price of the timber for them to construct the roads. That is the reason for the 3 big sales of 40 million, 45 million, and 46 million feet, which are listed. The big sales are often sold at the appraised price, with but a single bidder being able to bid. The Government loses money, because the road estimate is generally too liberal, and there is no competition for the sale.

By its heavy reliance on timber purchaser access-road construction, the administration is reducing income which is needed to help balance the budget. It is also strangling small and medium firms in the lumber industry by not scheduling enough sales of a size on which they can bid.

In my State of Washington, I may add, the so-called gypo loggers, who are the small-business logging men of the Pacific Northwest, are gradually being forced out of business by this type of procedure.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

[From the Timber Operator of April 27, 1957]

SNOQUALMIE PLANNED TIMBER SALES ANNOUNCED FOR APPROACHING SEASON

SEATTLE.—In order to assist in company planning for proposed national forest timber sales on the Snoqualmie National Forest, listed tracts of timber to be offered for sale during 1957 are shown:

Number and name of sale	Ranger district	Location	Approximate volume M board-feet
1. Maloney Mountain	Skykomish	Secs. 1, 2, 11, and 12, T. 25 N., R. 11 E., and secs. 6, 7, and 18, T. 25 N., R. 12 E.	40,000
2. Sultan Basin	do	Sec. 24, T. 29 N., R. 9 E.	14,700
3. Deer Creek	do	Secs. 4, 8, and 9, T. 27 N., R. 10 E.	16,500
4. Evergreen Creek	do	Secs. 5 and 6, T. 27 N., R. 12 E., and secs. 31 and 32, T. 28 N., R. 12 E.	6,000
5. Jacks Pass	do	Sec. 31, T. 28 N., R. 12 E.	1,500
6. Flapjack	do	Sec. 20, T. 27 N., R. 12 E.	7,300
7. Olney No. 1	do	Sec. 31, T. 29 N., R. 9 E.	540
8. Olney No. 2	do	Sec. 31, T. 29 N., R. 9 E.	1,000
9. Camp Joy	North Bend	Secs. 9 and 10, T. 21 N., R. 10 E.	4,800
10. West Fork No. 5	White River	Sec. 8, T. 18 N., R. 9 E.	970
11. West Fork Fire Salvage	do	Secs. 18 and 19, T. 18 N., R. 9 E.	1,500
12. Flip-a-way	do	Secs. 6 and 7, T. 18 N., R. 9 E and secs. 1, 2, 11, and 12, T. 18 N., R. 8 E.	46,000
13. Oliver Creek	do	Secs. 11, 14, and 15, T. 18 N., R. 9 E.	10,000
14. Secs. 28 and 29, T. 17 N., R. 7 E.	do	Secs. 28 and 29, T. 17 N., R. 7 E.	5,000
15. Improvement Cut No. 5	Mineral	Secs. 15, 16, 21, 22, and 23, T. 14 N., R. 8 E.	600
16. Teeley Creek	do	Secs. 8, 9, 10, 15, 16, and 17, T. 18 N., R. 7 E.	12,000
17. Clear Creek	Tieton	Secs. 1, 2, 3, 4, and 5, T. 14 N., R. 13 E., and secs. 33, 34 and 35, T. 14 N., R. 14 E.	5,000
18. Case Creek	Naches	Secs. 11 and 12, T. 15 N., R. 13 E.	6,000
19. Milk Creek	do	Secs. 1, 2, 3, 10, 11 and 12, T. 17 N., R. 14 E., and sec. 36, T. 18 N., R. 14 E., and sec. 6, T. 17 N., R. 15 E.	45,000
20. Miscellaneous salvage and small sales, forestwide.			10,000+

These sales will be advertised as rapidly as sale preparation work can be completed and snow conditions will permit examination of the areas, it is stated.

FEDERAL EMPLOYEES APPRECIATION WEEK

Mr. HOLLAND. Mr. President, appropriate recognition of the efforts of Federal employees to serve the public efficiently will be given in Miami, Fla., during the week of July 7 to 13, in the second annual Federal Employee Appreciation Week.

The week-long celebration, which it is hoped by the sponsors will include a 1-day open house by Government agencies in the Miami area so that taxpayers and businessmen may visit them and learn what they do and how their activities affect the community, will culminate in the presentation of the Governor's Cup to the Federal employee whose suggestion has saved the Government the most money during the current fiscal year. The Federal agencies are also being invited to present service pins and other commendatory awards at that time.

The event is being sponsored by the United States Employees Benevolent Association, a nonprofit employee welfare organization whose president, Mr. Fred Loudis, reports that Florida is the first State in the Union to stage such a celebration pointing up the merits of the Federal employee.

Speaking for all members of the Florida congressional delegation, I commend the sponsors of this event for their efforts to show that Federal employees, who are also taxpayers, are vitally interested in efficient and economical operation of our Government.

TWO PHASES WHERE CONGRESS CAN BE PENNY-WISE AND POUND-FOOLISH: THE FOREIGN SERVICE INSTITUTE FOR LANGUAGE TRAINING AND THE EDUCATIONAL EXCHANGE SERVICE

Mr. WILEY. Mr. President, there are many places of the State Department's budget where, in my judgment, Congress may find that a drastic and arbitrary funds reduction would represent utterly misplaced economy.

In trying to save relatively small sums, Congress may later find to its regret that it has been proven penny-wise and pound-foolish.

Two of the Department's programs which can ill afford a negative decision by the Congress are: The Foreign Service Institute—especially in its language-training work—and the program for educational exchange.

Both are relatively small items out of all the many programs in the Department budget. But both are exceedingly important.

I have looked very carefully into the results which would follow in the event that the Foreign Service Institute and the exchange programs were impaired.

Accordingly, I have prepared a statement covering each of these issues. Since time is short, I shall not read the statements to my colleagues now, but I ask unanimous consent that they be printed at this point in the body of the RECORD, where I trust they may be consulted by my colleagues on the Senate Appropriations Committee.

In singling out these two particular items, which I happen to have followed closely in the past, I have not chosen them as the most important of all the vast number of Department programs; for obviously they are not.

But they are significant. They are very worthwhile. They deserve support, not rebuke. They must not be lost in the shuffle.

I ask unanimous consent that a statement prepared by me and an editorial be printed in the RECORD.

There being no objection, the statement and editorial were ordered to be printed in the RECORD, as follows:

NEED FOR LANGUAGE-TRAINING FUNDS FOR FOREIGN SERVICE INSTITUTE

As past issues of the CONGRESSIONAL RECORD will confirm, one of the challenges which I have stressed on several occasions goes to the very heart of how successful we as a nation may be in our foreign policy.

We can "sell" our foreign policy to the world, especially to uncommitted peoples, only if we can break through the mental and other barriers which separate us.

One such barrier is the language barrier. It is a crucial barrier.

SERIOUS HANDICAP IN LACK OF LANGUAGE

All things being equal, a United States Ambassador will tend to be far more successful in his work abroad if he is able to speak the language of the country to which he is accredited.

The same holds true for Foreign Service officers generally, for employees of the United States Information Agency, the International Cooperation Administration, and military advisory groups and other officials working overseas.

And so, for years, I have, very frankly, been prodding some of the Federal agencies and, yes, the committees of the Congress to try to increase the reservoir of United States language specialists, available for working abroad.

UNFORTUNATE HOUSE CUT

I was regretfully surprised, therefore, to note the other day, that, instead of moving toward this goal, our colleagues in the House of Representatives, by an ill-considered action, chose to move in exactly the opposite direction.

The House had been rightly asked to increase the budget of the Foreign Service Institute from $3.7 million to $5.1 million. The request was unfortunately denied.

It is my earnest hope that now, our associates on the Senate Appropriations Subcommittee who are considering this issue will reverse the decision of the House and will grant the full budget request.

The total amount which has been asked for is $5,183,840. Lest this sum be regarded as too sizable, I should point out that only $1,852,202 is for operating expenses. The other $3,331,638 is for the purpose of covering the salaries of trainees and related expenses.

SERIOUS LANGUAGE DEFICIENCY

Are these sums needed? Well, two facts should be borne in mind:

1. Over 65 percent of FSO-8's coming into the service do not have a useful control of any foreign language.

2. Approximately 50 percent of the remaining members of the Foreign Service, according to their own self-evaluation, do not have a useful control of either French, German, or Spanish.

SMALL SUMS COMPARED TO UNITED STATES BUDGET

From the standpoint of the overall United States budget, the sums of which I am speaking are comparatively small.

And yet, from the standpoint of the significance of these sums, they have tremendous meaning.

So far as I am concerned, I want not only Foreign Service people to be able to speak the foreign languages, but I want other key officials of the United States Government working abroad to be able to do likewise.

HUGE SOVIET LANGUAGE TRAINING PROGRAM

It may be recalled that I had previously pointed out on the Senate floor, that the Soviet Union conducts a massive language training program for its diplomats, engineers, other specialists and technicians. The Red program makes the United States language program look like the proverbial "peanuts."

It is, therefore, misplaced economy for us to send our officials abroad, and yet deny them the opportunity to overcome their language deficiency.

Conscientious Foreign Service and other United States officers do want to remedy this deficiency. They recognize full well that they must break through the language barrier in order to be successful in their missions. They recognize that they must apply themselves diligently for this purpose.

Why, then, should we deny them this chance to serve their Government and their country still more effectively?

MEAGER FUNDS TO WAGE THE PEACE

Let us not be penny-wise and pound-foolish.

Let me point out that the Foreign Service Institute's funds represent but 2½ percent of the United States State Department's budget.

And to put the latter's budget, in turn, in proper perspective, let me point out that all the State Department funds constitute but three-tenths of 1 percent of the total Federal budget.

President Eisenhower has called such funds the money needed for waging the peace.

We cannot wage the peace with mere nickels. We do not want to waste a single nickel or a dime, but neither do we want to lose the world in the process of saving a dime, so to speak.

OTHER AGENCIES NOW UTILIZING FSI

For a long time, speaking very frankly, some of the folks in various departments of the executive branch had not prepared themselves to meet this problem of language training head-on.

Yet, back in 1946, when the Congress wrote the Foreign Service Act, it authorized the Foreign Services Institute to make available its language training services to other departments of the Government, so as to avoid duplication of effort and facilities.

I understand that 6 departments or agencies are now taking advantage of this opportunity—the Central Intelligence Agency, the United States Information Agency, the International Cooperation Administration, the Department of the Army, the Department of the Navy, and the National Security Agency—and all this only within the last 2 years.

PROBLEM OF TRAINING FOREIGN MILITARY OFFICERS

Do we need more language skills also, say, in the Armed Forces? We certainly do.

Down in Fort Benning, Ga., right today, there are 506 foreign military officers being trained at the Army's fine infantry training school. Communicating with just this one single group represents a host of problems—for no less than 32 countries' nationals are involved. Obviously, the Army which is now

expanding its language training can use a lot of help.

But, turning back to the Foreign Service Institute, itself, 21 languages are being taught here and in 4 branch schools abroad.

I have referred thus far only to the FSI's language training program. But I would not conclude without referring, as well, to the other key role of the Institute—its inservice training. This phase provides career training for the many technical jobs which must be performed by the Foreign Service officer.

LET US HELP, NOT HURT, FOREIGN SERVICE

Mr. President, the Foreign Service officer is the man or woman in the frontlines of the fight for peace. No army headquarters would deny a frontline soldier whatever he needs to succeed in his mission.

As former Ambassador Clare Boothe Luce recently eloquently stated, let us give the Foreign Service our sympathetic support, our understanding help. Let there not be unwarranted abuse from any quarter, no unjustified criticism; rather, let us give it frankly—the benefit of the very best that we have within us.

Now, let me make it clear that I recognize full well that the Senate and House Appropriations committees apply themselves to their tasks with tremendous devotion to duty. They work long and hard, and often with little thanks. The fact that in this instance, as in some other instances, I happen to disagree with one of the committee conclusions, does not, in the slightest, lessen my respect for them or my appreciation of the fact that the House Members made this cut in good faith.

BALTIMORE SUN EDITORIAL URGES FUNDS

I append now a brief excerpt from an editorial entitled "Money for Diplomacy." It was carried on one of the famed editorial pages of this Nation's newspapers—that of the Baltimore Sun.

[From the Baltimore Sun of May 1, 1957]

"MONEY FOR DIPLOMACY

* * * * *

"To look at just one example of the harm that cheapness can do:

"In its budget proposals, the State Department asked for $5.1 million to finance the Foreign Service Institute in the next fiscal year. The House cut the request to $3.7 million. This is the poorest kind of economy. The Foreign Service Institute has the job of training young officers in that Service; and the need of trained young Foreign Service career officers is one of this country's great needs. It is a need, further, that grows almost daily as we assume new responsibilities throughout the world.

"As an example within an example: One job the Foreign Service Institute does is to teach foreign languages. A bad spot in our diplomatic work lies in the scarcity of diplomats who can speak the languages of the countries to which they are assigned. Right now we have a battalion of new Ambassadors who can't do it. At least they should have under them career men who can.

"This single case is enough to emphasize the need for care in approaching the State Department budget. This is one place where the budget cutters, though not to be called off entirely, should not be thoughtlessly cheered on."

THE VITAL IMPORTANCE OF THE EDUCATIONAL EXCHANGE SERVICE

Still another of the important programs which merits the support of the Congress and the American people is the International Educational Exchange Service.

My hope is that the Senate will restore the unwise cuts which were made in the 1958 budget of this service.

There follows now a statement which I have prepared on this subject:

What would be the effect of the House's slash, if it is sustained by the Senate?

The reduction would, unfortunately, represent a 44-percent cut below the 1958 request for the Smith-Mundt program. And exchanges under the Smith-Mundt program would be cut roughly one-fourth below the 1957 level.

What alarms me by the House action is the negation of two obvious needs in our own self-interest and in the interest of a better world.

1. First, the two-way flow of students, teachers, and influential leaders from other lands can rectify the misconceptions and misunderstandings, currently "icing" our relations with other nations. The cut would ignore this fact.

2. Secondly, if we can provide training and learning for foreign visitors, we can promote profreedom, pro-United States leadership, rather than simply letting Russia continue indoctrinating antifreedom, anti-United States leaders. Similarly, the cut would ignore this fact.

And just how would the House cut in the IEEC program affect these aims? A look at the revised programing gives a pretty dismal picture. Let us see what would happen to our operations in the Near East and Africa, where it is imperative we expand our diplomatic and cultural contacts.

NEAR EAST-AFRICAN PROGRAM SLASHED MORE THAN HALF

The Department of State requested funds to bring 590 influential leaders and specialists to the United States from the 32 countries and dependent territories in the Near East and Africa, where we have exchange programs. The amount allowed by the House slashes this total number to only 222—less than one-half.

No leaders at all will be brought from Uganda, Tanganyika, Somalia, Saudi Arabia, Liberia, the Belgian Congo, or the African Trust Territories. How can we rationalize this self-imposed isolation from a continent which is becoming one of the great forces in the world today? How can we account for this barrier to cultural contact, when we in the United States must come to know, to understand, and find common ground with the peoples of this continent—that is if we are to win the battle for men's minds?

Further, reductions in programs for many other critical areas will also be necessary.

For instance, instead of the 18 Syrian leaders the Department had planned on bringing to the United States, only 4 could be financed. I ask, however: Is Syria unimportant in the Congress' eyes? Are we not interested in having leading Syrians see us for what we really are, and not as Soviet agents inside Syria picture us to be? Has not the news from the Mid-East in the last few weeks confirmed a thousandfold how important it is that Syria have far greater and more constructive contact with the West than she now has?

Cutbacks would also take place in the newly independent states of Ghana, the Sudan, Tunisia, and Morocco.

Educational improvement and professional training are the two basic needs of the peoples in these countries. Not only will the reduction in the leader and specialist program retard progress toward these ends; cuts in other types of exchanges—of students, teachers, and professors—will have an equally serious effect.

REDUCED STUDY IN THIS COUNTRY

By the House allowance, grants for study in this country would be available to 212 less young people from the Near East-African areas than originally planned. No students at all would be brought from Afghanistan, Ghana, Iraq, Jordan, Lebanon, Liberia, Libya, Nigeria, Saudi Arabia, Tanganyika, Uganda, or Yemen.

One hundred and four fewer teachers and professors would be exchanged than originally planned. This will curtail our program to help Ghana with its educational programs, as well as Tunisia, Morocco, the Sudan, Nigeria, Jordan, Lebanon, and Liberia.

In five countries of this area where foreign currencies under the Fulbright Act are available, it will be possible to continue planned programs. However, the leader and specialist programs in theses countries will suffer the same severe reductions as in other countries of this area since they must be financed from dollars rather than foreign currencies.

I APPEAL FOR REVERSAL OF HOUSE DECISION

In view of these stark cutbacks in our exchange projects with the Mideast and Africa, I appeal to my colleagues on the Senate Appropriations Committee to think twice as they analyze the validity of the House action.

I say: We would only be undermining our own national interest to have the State Department's request for the Exchange Program cut so deeply.

LETTERS FROM AMBASSADORS UNIFORMLY PRAISED PROGRAM

I say that the underdeveloped peoples are looking to us more than ever before for technical training and for interchange of ideas.

I recall to my colleagues the recent series of informative letters from many Embassies which I printed in the CONGRESSIONAL RECORD. I point out how every single one of the Embassies said in effect: "The exchange-cultural programs are urgently needed and should be urgently expanded."

Yes, even—or perhaps, especially, the nations which are strongest in their stand for neutralism gladly affirmed that in their judgment, the exchange programs are invaluable for improved bilateral and multilateral relations.

So, this issue is bigger than the issue of combatting communism, as big as that issue is. Rather it is part and parcel of helping to create a better, more peaceful, more prosperous world for all—through more competent local leadership.

Teaching builds tomorrow's leaders. Let us not deprive the Free World of the chance to expand that great asset—a larger pool of able leaders.

POSITION OF THE UNITED STATES IN INTERNATIONAL LABOR ORGANIZATION ON SLAVE LABOR BAN

Mr. DOUGLAS. Mr. President, I ask unanimous consent that I may be permitted to proceed during the morning hour for more than the allotted period of time.

The PRESIDING OFFICER (Mr. KENNEDY in the chair). Is there objection? The Chair hears none, and the Senator from Illinois may proceed.

Mr. DOUGLAS. I was greatly pleased to note in this morning's New York Times the announcement that the administration had apparently changed its mind so far as the slave labor ban in the International Labor Organization is concerned.

It will be remembered that in years past this administration has opposed any ban on slave labor before the International Labor Organization. This has placed the United States Government and the American people in a very embarrassing position before the other peoples of the world, in that our failure to support this ban has been treated as an endorsement of present improper practices and opposition to any measures taken to check them.

In protest against this attitude of the State Department the junior Senator from Minnesota [Mr. HUMPHREY] submitted last year a resolution directing the State Department to reverse its position and favor a ban on slave and forced labor. I conducted hearings upon that resolution.

Despite what seemed to us to be the overwhelming weight of the evidence and of the argument, the State Department and the administration stubbornly refused to change their position, so that when our delegation went to Geneva last summer we once again were in opposition to the movement to ban slave labor.

Now, if we can believe this morning's New York Times, the administration has changed its position, and has announced that it will support the ban. If this should prove to be true, the Senator from Minnesota is entitled to a great deal of credit for the persistent work which he has done in connection with his resolution.

I think quite probably the hearings before the committee which I conducted also had a share in marshaling public opinion and indignation against the attitude of the administration. However, the greatest credit goes to the American Federation of Labor and the Congress of Industrial Organizations and their representative, Mr. George P. Delaney, who has been the American labor representative at the conferences of the ILO.

Mr. Delaney has fought in season and out against the attitude of the administration, and has demanded that the American Government take a positive stand to outlaw slave labor and forced labor. While Mr. Delaney has been in Geneva he has observed the diplomatic amenities and has not broken loose from the American delegation to denounce or to oppose the action of our Government. He has performed as a thorough and consistent American, but he has thrown his influence and his energy in the direction of having the United States line up with all the other civilized countries of the world in opposing slave labor and in trying to obtain international action to make that policy effective.

I have said that apparently the American Government has now changed its position. Last year about this same time the Secretary of Labor made an announcement to the effect that we were going to change our position, and I rose on the floor of the Senate and congratulated the administration for at last getting in line with the feelings of humanity.

In a few days, however, I discovered that there was a catch in the statement of the Secretary of Labor. The administration was not proposing to join in supporting an ILO convention to ban slave labor but merely proposing to ban international trade in the products of slave labor. This suggestion was later put forward by our Government's representatives of the 1956 ILO conference. It was a pale, unenforcible and ineffective substitute for the proposed ban on slave and forced labor.

I felt very much humiliated for having congratulated the administration for a more basic change of policy which did not occur. It is still possible that we may find, when the ILO convention meets, that there has not been a real change of attitude. However, the announcement seems to be a little more definite than that of last year, because, whereas the announcement last year came only from the Secretary of Labor, and was almost immediately nullified by the barriers which he and the Secretary of State threw around the announcement, this year the announcement comes, I am told, not only from the Labor Department, but from a meeting in which representatives of the State Department took part.

I am informed that a conference was held last Friday, at which Assistant Secretary of State Wilcox was present, and that he did not demur to the instructions given to the delegates or to the announcement which was made.

Therefore the State Department would seem at least to be committed to this proposal, so far as silence or failure to object is concerned.

I hope that this year the administration will go through with its announced purpose, because it has been a disgrace, year after year, to find the administration opposing constructive efforts to outlaw slave labor and forced labor, and protecting slavery in Saudi Arabia and forced labor in countries behind the Iron Curtain. I very much hope that the statement in this morning's New York Times is correct.

I ask unanimous consent that the article from the New York Times be printed in the RECORD at this point as a part of my remarks, together with certain other documents which I shall introduce to indicate the historical opposition of the administration to all efforts to curb forced labor.

There being no objection, the article and other documents were ordered to be printed in the RECORD, as follows:

[From the New York Times of May 13, 1957]

UNITED STATES TO SUPPORT SLAVE-LABOR BAN—ILO CONFERENCE DELEGATES TOLD GOVERNMENT WILL VOTE FOR CONVENTION

WASHINGTON, May 12.—The administration definitely has decided to support the proposed convention on forced labor at the annual conference of the International Labor Organization in Geneva next month.

At meetings held here this week preparatory to the conference, delegates representing United States employers and labor were informed of the administration's decision.

Each of the 77 member nations is represented at the annual conference by 2 Government delegates and 1 delegate each from labor and industry. The meeting this year begins June 5.

The United States labor delegate, chosen by the American Federation of Labor-Congress of Industrial Organizations, will be George P. Delaney. The employer delegate, chosen by the United States Chamber of Commerce and the National Association of Manufacturers, will be Cola G. Parker, chairman of the association.

RATIFICATION BINDS STATES

Francis O. Wilcox, Assistant Secretary of State for International Organization Affairs, will be the chief United States Government representative.

A convention is a draft treaty. After adoption 1 year, it is placed on the following year's agenda for final action. If approved by two-thirds of the delegates, member governments are required to submit it to their legislatures for ratification.

Once a nation ratifies a convention, it becomes a binding international treaty on that nation.

In Geneva last year, United States Government delegates and the industry delegate opposed the adoption of the convention forbidding member nations to use forced labor for political or economic purposes. The United States labor member voted for it.

This convention has put the Eisenhower administration in an embarrassing dilemma. It has had to make a choice between two principles, one constitutional and the other moral.

There has been a feeling in the United States that the ILO convention system involved a grant of legislative power in treaty-making that should be reserved to national legislatures. It also has been felt that the convention often involves matters reserved to the States under the United States system.

Last January, a special committee appointed by the Secretaries of State, Commerce, and Labor, said that ILO conventions were no more than recommendatory resolutions when they were not properly within the Federal jurisdiction. It added that if the United States Government delegates made clear the action the United States would take there should be no difficulty about voting for a convention if it embodied principles the Government endorsed.

OFFICIAL REPLY OF STATE DEPARTMENT IN OPPOSITION TO SENATE JOINT RESOLUTION 117, CALLING UPON THE GOVERNMENT TO EXERCISE LEADERSHIP IN DEVELOPING AND ADOPTING AN INTERNATIONAL CONVENTION WHICH WILL EFFECTIVELY OUTLAW FORCED LABOR FOR POLITICAL AND ECONOMIC PURPOSES

APRIL 11, 1956.

Hon. LISTER HILL,
Chairman, Committee on Labor and Public Welfare, United States Senate.

DEAR SENATOR HILL: This is in reply to your letter of January 16, 1956, which enclosed a copy of Senate Joint Resolution 117, and the receipt of which was acknowledged by the Department's letter of January 17, 1956. The joint resolution is directed toward general United States cooperation with other nations through the International Labor Organization to abolish forced labor. Specifically, this bill would call upon the Government to "exercise leadership in the International Labor Organization to develop and adopt an international convention which will effectively outlaw forced labor for political and economic purposes."

The question of the abolition of forced labor is one to which this Department has devoted a great deal of time and thought. Needless to say, the United States Government has always done and will continue to do everything possible to encourage and promote human rights and fundamental freedoms. The abolition of forced labor is clearly one such endeavor. As you may recall, the United States has taken the leadership, both in the United Nations and in the International Labor Organization, in promoting action to expose and eliminate the practice of forced labor wherever it may exist. The United States was a prime mover in the establishment of the joint United Nations-International Labor Organization Ad Hoc Committee on Forced Labor whose report in 1953 drew special attention to the existence in Communist countries of systems of forced labor as a means of political coercion and for economic purposes and called for the total abolition of such systems. The United States also gave strong support to the recent action by the International Labor Organization in establishing an independent Ad Hoc Committee on Forced Labor to analyze the material received by the ILO dealing with the use and extent of forced labor throughout the world.

There are, however, certain difficult problems relating to the proper and effective methods of combating forced labor and the form of action the International Labor Organization should take in this field which have been raised by Senate Joint Resolution 117.

In testimony before a subcommittee of the Judiciary Committee in 1953 and again in 1955, Secretary Dulles said: "I do not believe that treaties should, or lawfully can, be used as a device to circumvent the constitutional procedures established in relation to what are essentially matters of domestic concern and hence not to be within the traditional scope of United States treaties."

Furthermore, it is the view of this Department that a convention on forced labor would, from a practical standpoint, not be the most effective way of achieving the desired results. Experience in matters of this type indicates that in the absence of adequate enforcement machinery, good faith and sincerity of purpose will determine the extent to which countries accepting a commitment to abolish forced labor will take steps in that direction. It is interesting to note in this connection that the U. S. S. R. has embraced the idea of a convention and has called upon the International Labor Organization to "adopt as broad and radical an instrument as possible." Endorsement of the convention form by the U. S. S. R. is indicative of what might be expected from the adoption of this form of action.

The most effective method of stamping out forced labor is through exposing and publicizing such vicious practices and marshalling public and world opinion to demand their elimination. The mobilization of a worldwide body of opinion alerted to the various guises which forced labor may take could be accomplished even more dramatically through other form of action as a declaration which would strongly condemn the practice of forced labor and would pledge governments to undertake its elimination. Such a declaration would serve as a standard and rallying point for all nations devoted to the principle of freedom and would offer as much practical promise as a convention for remedial action.

The Department of State is in complete accord with the objective of Senate Joint Resolution 117 for United States leadership in the efforts to promote the abolition of forced labor wherever it is practiced. Since the resolution specifically calls for the adoption of an international convention, however, the Department does not favor passage in its present form for the reason indicated above.

The Department has been informed by the Bureau of the Budget that there is no objection to the submission of this report.

Sincerely yours,

ROBERT C. HILL,
Assistant Secretary
(For the Secretary of State).

LABOR RACKETEERING—BROADCAST BY SENATOR MORSE

Mr. MORSE. Mr. President, the reactionary press in my State continues to write highly critical editorials about my alleged silence in regard to the disclosures of the McClellan committee. As usual, the smear tactics of the press are without foundation of fact.

I ask unanimous consent to have published in the body of the RECORD, as a part of my remarks, one of my early statements with respect to alleged abuses, in the form of a radio broadcast which I gave in the State of Oregon on March 14, 1957.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WAYNE MORSE, MARCH 14, 1957

Fellow Oregonians, on this broadcast I've proposed to discuss some phases of the McClellan committee investigation of alleged racketeering and vice conditions in the State of Oregon.

If you were a Senator these days from Oregon, you would find that you're being asked a great many questions, not only by your colleagues, but a great many questions by your constituents back home, as they call me all times of the day and night on long distance to find out what, if anything, can be done in regard to the record that is being made by the McClellan committee.

On Tuesday, March 12, I made a very brief speech on the floor of the Senate, and I think for the purposes of this broadcast I will read some of the excerpts from that speech. And at the close of that reading I will summarize some of the problems that I think confront us in the State, in regard to this matter.

On March 12 I said on the floor of the Senate: "Mr. President, in regard to the problem of racketeering investigations in Oregon, I wish to say that in recent days I've been very much concerned about testimony and information based upon allegations concerning certain persons in my State, which have been made a part of the record before the McClellan committee.

"At the conclusion of the hearings held by the committee, so far as the so-called Oregon features of the hearing are concerned, I propose to make remarks on the floor of the Senate on the basis of what I think the record then warrants."

But, Mr. President, today I desire to assure my colleagues in the Senate, and, though speaking from my desk, I wish to assure the people of the United States, that the great City of Roses, Portland, Oreg., is not the mire filled, filthy city that one might be led to believe from the reading of the trial by press in the Oregon newspapers and across the Nation in regard to conditions allegedly existing in Portland.

I wish to say to the law enforcement officials of my State, that if there's any ground for criminal prosecutions based on allegations made before the McClellan committee, it is the clear duty of such officials to proceed forthwith with such prosecutions.

Mr. President, as one who for many years taught criminal procedure, I wish to say that in determining the guilt or innocence of fellow Americans there is no substitute for the judicial courtroom, where the laws of procedure which prevail will protect the innocent and will give the guilty a fair trial.

I wish to make very clear, Mr. President, that I make no criticism of the McClellan committee. It is following the established practices and customs of the Senate in conducting its investigation. However, again I raise my voice in the Senate of the United States, as I have done on more than one occasion in the past 12 years, to insist that the procedure in connection with Senate investigations needs much revision. So that when the question of the guilt or innocence of a fellow American is before a Senate committee, the precious safeguards of procedure, which are so essential to a fair trial in our country will be preserved and guaranteed in the interests of justice.

Basic among these procedural protections is the bill of particulars. In many speeches I have made during the past 12 years on behalf of reform of procedures in congressional investigations, I have stressed the importance of submitting in advance to anyone brought before a committee, a bill of particulars, setting forth the specific charges upon which he is to be investigated.

This is not asking too much, for a witness' reputation or freedom are at stake, at least indirectly.

Another recommendation which I deem of great importance, and which I repeat today, is that anyone charged of any wrongdoing involving alleged criminality shall be confronted by his accusers in open hearing, where the searchlight of full public disclosure can be brought to bear upon all the facts set forth.

By the same token, one who is accused in this fashion before a Congressional committee, should have the right to cross-examine his accusers, through counsel. This is a precious procedural right if the essence of fair trial is to be maintained in our Senate committees.

Oh, yes; I know, it is said that a Senate investigation is not a trial. However, this is but a technical distinction, because we all know that in the past several days we have read in the papers about the investigation of alleged labor racketeering in my State. There has been trial at least by the press, of various people who have been called before the committee.

Another basic procedural right we should insure is the right of the accused, with the assistance of counsel, to pursue his own defense in orderly fashion subject, of course, to the right of the committee, and of those involved in his testimony to cross-examine him upon his testimony.

Likewise I have urged and wish to stress in these remarks today, the importance of the procedural requirement that probative evidence be brought forth in support of allegations made. Whispers, rumors, hearsay and possible frameups have no standing, as we all know, in our criminal courts. The unreliability of such sources of information has been recognized from the founding of our Republic. And the safeguards against such dangers to the reputation and character of men and women should be impeccably followed in Congressional investigations.

My faith in the procedural guaranties of a fair trial in America is so abiding that I am convinced that any phase of alleged labor or employer racketeering, of labor or employer participation in vice conditions, or of labor and employer participation in any form of political corruption, can be proven or disproven beyond a question of a doubt on the record of any investigation or courtroom proceeding without resort to the use of any procedural shortcuts that deny the procedural guaranties to which I have referred.

Mr. President, I hold no brief for the people who have been called before the committee. But I do insist, as one who taught criminal law and criminal procedure for years, that the judgment of guilt or innocence should be determined by a jury of one's peers, within the provisional and procedural safeguards of an American courtroom.

That is why I have just said that I call upon the law-enforcement officials of my State to carry out their public duty, if they find that there is any basis in fact for any criminal charges against anyone involved in these hearings.

It is through such criminal prosecutions in the courtrooms of my State that the important question of guilt or innocence should be determined, and not in a Senate hearing.

I am making these remarks today as the senior Senator from Oregon, because in that capacity I have been barraged by questions from colleagues in the Senate, and from many people outside the Senate, who want to know if conditions in my State are as bad as the press paints them on the basis of this hearing.

Mr. President, no other Member of the Senate is more anxious than I am to have

cleaned up any criminality which may have woven its way either into the labor movement or into the employer movement or within the officialdom of my State. But, Mr. President, I know the great difference which exists between accusations and proof. I know that testimony by persons of questionable veracity, such as alleged prostitutes, procurers, ex-convicts or gamblers, before any legislative committee, where the precious safeguards of procedure so essential in determining the proof of guilt or innocence should prevail, may appear to be quite different when the same testimony is given by such witnesses in courtrooms on cross-examination under the procedures of a fair trial.

Therefore, Mr. President, in defense of my great State, not of individuals against whom allegations have been made, because I hold no brief for anyone who has been accused, or against whom allegations have been made, before the Senate committee, but in defense of my State I wish to say to my colleagues: reserve judgment, until in the judicial atmosphere of a fair courtroom, where these procedural guaranties are always available to those accused, judgment is finally rendered by a jury of one's peers.

Fellow Oregonians, that is what I said in essence on March 12. I will not read the rest of the speech because it was pretty much a reiteration of some of the points already made.

Well, now, I think you will be interested, in fact somewhat amused along with myself, when I tell you of some of the experiences I've had since these hearings have been conducted by the McClellan committee.

CBS and NBC called me the other day for a radio interview. And it was very interesting the questions that they asked me, and I think that I should tell you what the questions were and my answers to them.

The first question was: "Senator, were you supported in the 1956 campaign by the teamsters union of Oregon?" and I said "Yes," I was, and I was proud of it. I was supported by the union's members of the Oregon State Central Labor Council, of which the teamsters are members. I was supported by them in 1944, I was supported by them in 1950 when I was a Republican and the Republican Party was proud of it then as I'm sure the Democratic Party in this last campaign was proud of the fact that I brought to the party strong labor support.

The next question was, "Did you accept any money from the teamsters in your campaign," and I said that I hoped that the teamsters made some contributions to my campaign, because I sure needed the money. But I said as far as I knew any contributions came through the so-called Buck-for-MORSE drive, where over 18,000 individual workers in my State and elsewhere in the country made small contributions of a dollar or a few dollars to my campaign. And I said that I hoped that a good many thousand of those Buck-for-MORSE contributions came from the fine men who drive the trucks in the over-road trucking transportation industry of this country. Because, I said, when we talk about teamsters, let's talk about the men who do the work on the trucks and in the plants that are organized by the teamsters.

And it's so easy, you see, to sort of transfer to a few leaders, that may have followed a course of action that this committee will show is subject to severe criticism; it's easy to transfer to the rank and file the responsibility for the acts of those leaders.

And I said on this broadcast I was very proud that it was the rank and filers that contributed to my campaign.

And then I was asked if I spoke to the Teamsters Western Conference last spring in British Columbia, and I said, "Yes," I did, and I'd be very glad to speak to them next week if they invited me again. I said that, in fact, I'd have quite a speech to give to them if they invited me to speak to them again.

Now I said, would you like to hear what I said before the Teamsters Western Conference last spring in British Columbia? And it became perfectly clear that the interviewers didn't want that; that wasn't what they were seeking. They were seeking, of course, to see if they couldn't raise some embarrassing question, but when they discovered that the facts didn't warrant any embarrassment, they were rather pleased with the broadcast that I gave them.

Then, finally, they said, "What is your position, Mr. Senator, in regard to the investigation?" And I said it's now what it's always been. I want the fullest possible investigation of any labor racketeering, any connection on the part of labor leaders with activities that do great injustice to the cause of labor and to the cause of industry. But, I said, when it comes to a matter of charges of criminality, I want those charges taken to the courts of my State, and I want to make very clear that the courts of Oregon are open for any prosecutions where the evidence shows that people in labor or in industry or any other walk of life are guilty of criminal conduct.

I wanted to say these things on this broadcast today because I think this broadcast will help answer some of the mail I'm receiving that adds up to the question: What are you doing about the investigations of the McClellan committee?

Until next week this time, I bid you goodby.

Mr. JOHNSON of Texas. Mr. President, has morning business been concluded?

The PRESIDING OFFICER (Mr. KENNEDY in the chair). Is there further morning business? If not, morning business is concluded.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, several Members have expressed the desire to be present when the Senate votes on the treaty which it is about to consider. It has been announced that a yea-and-nay vote would be had on it. I therefore ask the cooperation of all Members of the Senate. I shall suggest the absence of a quorum. When a quorum has been established, I shall ask that the Senate go into executive session to consider the treaty. Then we shall have a yea-and-nay vote on it, as announced.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORT OF COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. MURRAY. Mr. President, from the Committee on Interior and Insular Affairs, I report, favorably, the nomination of Elmer F. Bennett, of Colorado, to be Solicitor for the Department of the Interior. I ask, Mr. President, that a letter from the junior Senator from Oregon [Mr. NEUBERGER] dealing with this nomination, be printed at this point in the RECORD.

The PRESIDENT pro tempore. The nomination will be placed on the Executive Calendar; and, without objection, the letter will be printed in the RECORD.

The letter presented by Mr. MURRAY is as follows:

UNITED STATES SENATE,
COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
May 9, 1957.

Hon. JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs, United States Senate, Washington, D. C.

DEAR MR. CHAIRMAN: I desire to be recorded against confirming the nomination of Mr. Elmer F. Bennett, of Colorado, to be Solicitor of the Department of the Interior.

This has nothing to do with Mr. Bennett personally, but because he is a symbol of present Interior Department policy which is pouring millions of dollars for costly Federal developments into the basin of the Colorado River, while not 1 penny is recommended for new Federal starts or authorizations in the Columbia River Valley.

The folly of such a policy is demonstrated by the fact that the Colorado River carries only about 17 million acre-feet of water to the sea, while the Columbia carries 180 million acre-feet of water to the ocean.

Mr. Bennett is one of the supporters of the so-called partnership power program. Under this program, the upper Colorado project has been the beneficiary of complete and even enthusiastic support from the Interior Department. This entire project will cost at least $800 million in Federal funds—perhaps far more. Already the largest single dam-construction contract in history has just been signed by the Department of the Interior for beginning the erection of Glen Canyon Dam, a sum of about $107 million. Glen Canyon is only one unit of the upper Colorado project.

By contrast, the Department has not backed a single penny in funds for commencing construction of John Day Dam on the Columbia River, a greater and more economical project which is fully planned and ready for development. In addition, the Department actually has opposed authorization of the great Hells Canyon project on the Snake River, major tributary of the Columbia. Furthermore, the Department has favored surrendering the valuable power facilities of such dam sites as John Day and Cougar to the private utility companies.

A policy of unlimited Federal benefactions for the Colorado Basin—as opposed to neglect of the Columbia Basin—can no longer be tolerated by representatives of the Columbia River Valley in Congress who are worthy of their paychecks. This policy is rank discrimination. It also is outright subservience to the private utilities, because the Colorado River sites are considered impractical for profit by the utilities whereas the far superior sites in the Columbia Basin are coveted by these utilities.

As a Senator from Oregon, I have voted for the last time to confirm appointees to the Interior Department who will work against Federal developments in the State which I help to represent—while at the same time these men strive to thrust a funnel into the Federal Treasury for vast benefactions to finance high-cost Federal developments in the basin of the Colorado.

Only this past week the Secretary of the Interior reaffirmed his faith in the partnership power policy. This is the program

which adds up to virtually unlimited bounty for the Colorado Basin but no new starts for the Columbia Basin. Indeed, Secretary Seaton, in that statement, repeated his support of the upper Colorado project, which he described as one too big for private enterprise to undertake. Evidently, the Secretary is undisturbed by the fact that private enterprise is failing to match the scope of the Federal dam at Hells Canyon which the Army engineers proposed in their 308 report. This is one more example of the double standard with which the Interior Department views the Colorado Basin as contrasted with the Columbia Basin. There are two separate sets of litmus paper for these two regions.

Mr. Bennett is not the Secretary of the Interior, but he is a close adviser of the Secretary—and he will be a still closer one if his appointment is confirmed. Furthermore, I confess that my attitude on the appointment of Secretary Seaton himself might have been vastly different had I known that he would dedicate himself to promoting nearly a billion dollars of Federal projects in a river basin with 17 million acre-feet of water, while opposing practically all new Federal projects in a river basin with more than 10 times this volume of water.

I must admit, in all candor, that the existing policy of starving the Columbia and catering to the Colorado has been encouraged by certain ill-starred, ill-advised, unrepresentative political leaders from Oregon. But I am not one of these people, and I refuse to encourage any such policy with my voice or vote.

As one of the supporters of the partnership power policy, Mr. Bennett undoubtedly will use his influential position in the Interior Department to continue what has existed for the past 5 years—namely, a policy of outright discrimination against the Pacific Northwest, where exists about 35 percent of all the potential waterpower in the whole United States.

Such a policy is against the best interests of my State, my region, and my country. I cannot vote to confirm for a high post in the Interior Department anyone who will advance or perpetuate that policy. Thus I desire to be recorded in committee against confirmation of the appointment of Mr. Bennett, and I shall seek a similar privilege on the floor of the Senate.

Let me again repeat that this involves a matter of public policy and nothing against Mr. Elmer F. Bennett personally. I want to stress the point that my objections, as voiced here, pertain solely in the field of public policy and programs and have no reference at all to the character and personal honesty of Mr. Bennett.

With high esteem, I am.

Respectfully,

RICHARD L. NEUBERGER,
United States Senator.

The PRESIDING OFFICER (Mr. KENNEDY in the chair). If there are no further reports of committees, the clerk will state the nominations on the Executive Calendar.

UNITED STATES TARIFF COMMISSION

The legislative clerk read the nomination of William E. Dowling, of Michigan, to be a member of the United States Tariff Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

TAX COURT OF THE UNITED STATES

The legislative clerk read the nomination of Russell E. Train, of the District of Columbia, to be a judge of the Tax Court of the United States for the remainder of the unexpired term of 12 years from June 2, 1946.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Bruce M. Forrester, of Missouri, to be a judge of the Tax Court of the United States for the remainder of the unexpired term of 12 years.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

APPRAISER OF MERCHANDISE

The legislative clerk read the nomination of Elie N. Khouri, of New York, to be appraiser of merchandise in customs collection district No. 10, headquarters at New York, N. Y.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES COAST GUARD

The legislative clerk proceeded to read sundry nominations in the United States Coast Guard.

Mr. JOHNSON of Texas. Mr. President, I ask that the nominations in the Coast Guard be considered and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Coast Guard will be considered en bloc, and without objection, they are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified of the nominations this day confirmed.

The PRESIDING OFFICER. The President will be notified forthwith.

PROTOCOL TO THE INTERNATIONAL CONVENTION FOR THE NORTHWEST ATLANTIC FISHERIES, SIGNED AT WASHINGTON UNDER DATE OF FEBRUARY 8, 1949

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Executive F, 85th Congress, first session, a protocol to the International Convention for the Northwest Atlantic Fisheries.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the protocol Executive F (85th Cong., 1st sess.), a protocol to the International Convention for the Northwest Atlantic Fisheries, signed at Washington under date of February 8, 1949, which protocol was signed at Washington under date of June 25, 1956, for the United States of America and nine other governments, which was read the second time, as follows:

PROTOCOL TO THE INTERNATIONAL CONVENTION FOR THE NORTHWEST ATLANTIC FISHERIES, SIGNED AT WASHINGTON UNDER DATE OF FEBRUARY 8, 1949

The Governments parties to the International Convention for the Northwest Atlantic Fisheries signed at Washington under date of February 8, 1949, which convention is hereinafter referred to as the 1949 Convention, desiring to provide for the holding of annual meetings of the Commission outside North America, agree as follows:

ARTICLE I

Paragraph 5 of article II of the 1949 Convention is amended to read as follows:

"5. The Commission shall hold a regular annual meeting at its seat or at such other place in North America or elsewhere as may be agreed upon by the Commission."

ARTICLE II

1. This protocol shall be open for signature and ratification or for adherence on behalf of any Government party to the 1949 Convention.

2. This protocol shall enter into force on the date upon which instruments of ratification have been deposited with, or written notifications of adherence have been received by, the Government of the United States of America, on behalf of all the governments parties to the 1949 Convention.

3. The Government of the United States of America shall inform all Governments signatory or adhering to the 1949 Convention of all ratifications deposited and adherences received and of the date this protocol enters into force.

ARTICLE III

1. The original of this protocol shall be deposited with the Government of the United States of America, which Government shall communicate certified copies thereof to all the governments signatory or adhering to the 1949 Convention.

2. This protocol shall bear the date on which it is opened for signature and shall remain open for signature for a period of 14 days thereafter, following which period it shall be open for adherence.

In witness whereof the undersigned, having deposited their respective full powers, have signed this protocol.

Done in Washington this 25th day of June 1956, in the English language.

Mr. GREEN. Mr. President, the purpose of the pending protocol is to amend the 1949 convention on the Northwest Atlantic Fisheries, so as to permit the Commission established by that convention to hold its annual meetings outside North America, if the parties so desire.

The following countries have ratified the 1949 convention, and are also signatories of the pending protocol: Canada, Denmark, France, Iceland, Italy, Norway, Portugal, Spain, United Kingdom, and the United States. Six of these had already deposited their ratifications for this protocol by May 11, 1957.

At the present time, article II, paragraph 5 of the convention restricts the place of meeting to North America. But, inasmuch as eight other parties to the convention are not North American countries, attendance at the regular annual meeting of the Commission has proposed a disproportionate burden and expense upon them. Their shortage of dollar exchange has aggravated the hardship.

The pending protocol would correct this inequity by amending paragraph 5 of article II so as to permit the annual meeting to be held wherever the parties might determine.

As pointed out in the report of the Commitee on Foreign Relations, the effect of the protocol will be to increase the cost of United States participation by approximately $12,000 to $14,000, whenever meetings are held outside North America. On the other hand, it is anticipated that there will be a certain amount of rotation of the conference sites, as between the North American and other countries.

The protocol will correct what is clearly an inequitable feature of the 1949 convention, and contribute to a more harmonious relationship between the parties. I therefore commend it to the Senate.

Mr. JOHNSON of Texas. Mr. President, in accordance with the procedure as to yea and nay votes previously agreed upon by the leadership in connection with treaties, I ask that the yeas and nays be ordered on the resolution of ratification.

The yeas and nays were ordered.

The PRESIDING OFFICER. The protocol is open to amendment. If there be no amendment to be proposed, the protocol will be reported to the Senate without amendment.

The protocol was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read the resolution of ratification, as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive F, 85th Congress, 1st session, a protocol to the International Convention for the Northwest Atlantic Fisheries, signed at Washington under date of February 8, 1949, which protocol was signed at Washington under date of June 25, 1956, for the United States of America and nine other organizations.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. On this question the yeas and nays have been ordered.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KENNEDY in the chair). Without objection, it is so ordered.

The question is, Will the Senate advise and consent to the resolution of ratification of Executive F, 85th Congress, 1st session, being a protocol to the International Convention for the Northwest Atlantic Fisheries.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Colorado [Mr. CARROLL], the Senator from Idaho [Mr. CHURCH], the Senator from Tennessee [Mr. GORE], the Senator from Minnesota [Mr. HUMPHREY], the Senator from West Virginia [Mr. NEELY], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

The Senator from Rhode Island [Mr. PASTORE] is absent on official business attending the Inter-American Symposium on Peaceful Uses of Atomic Energy, at Brookhaven, Long Island, N. Y.

I further announce that if present and voting, the Senator from Colorado [Mr. CARROLL], the Senator from Idaho [Mr. CHURCH], the Senator from Minnesota [Mr. HUMPHREY], the Senator from West Virginia [Mr. NEELY], the Senator from Rhode Island [Mr. PASTORE], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Missouri [Mr. SYMINGTON], would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Connecticut [Mr. BUSH] and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from North Dakota [Mr. LANGER] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

If present and voting the Senator from Connecticut [Mr. BUSH] and the Senator from Maine [Mr. PAYNE] would each vote "yea."

The yeas and nays resulted—yeas 82, nays 0, as follows:

YEAS—82

Aiken	Goldwater	Morse
Allott	Green	Morton
Anderson	Hayden	Mundt
Barrett	Hennings	Murray
Beall	Hickenlooper	Neuberger
Bennett	Hill	O'Mahoney
Bible	Holland	Potter
Bricker	Hruska	Purtell
Bridges	Ives	Revercomb
Butler	Jackson	Robertson
Capehart	Javits	Russell
Carlson	Johnson, Tex.	Saltonstall
Case, N. J.	Johnston, S. C.	Schoeppel
Case, S. Dak.	Kefauver	Scott
Chavez	Kennedy	Smathers
Clark	Kerr	Smith, Maine
Cooper	Knowland	Smith, N. J.
Cotton	Kuchel	Stennis
Curtis	Lausche	Talmadge
Dirksen	Long	Thurmond
Douglas	Magnuson	Thye
Dworshak	Malone	Watkins
Eastland	Mansfield	Wiley
Ellender	Martin, Iowa	Williams
Ervin	Martin, Pa.	Yarborough
Flanders	McClellan	Young
Frear	McNamara	
Fulbright	Monroney	

NOT VOTING—13

Bush	Humphrey	Payne
Byrd	Jenner	Sparkman
Carroll	Langer	Symington
Church	Neely	
Gore	Pastore	

The PRESIDING OFFICER. Two-thirds of the Senators present having voted in the affirmative, the resolution of ratification is agreed to.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has agreed to the resolution of ratification.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the joint resolution (S. J. Res. 22) requesting the President to designate the third Friday of May of each year as National Defense Transportation Day.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 173) requesting the return of the enrollment of H. R. 1544 by the President to the House of Representatives for the purposes of reenrollment, in which it requested the concurrence of the Senate.

TREASURY AND POST OFFICE APPROPRIATIONS, 1958

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Order No. 303, H. R. 4897, the Treasury and Post Office Department appropriation bill.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 4897) making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes, which had been reported from the Committee on Appropriations with an amendment.

THE PRESIDENT'S BUDGET

Mr. JOHNSON of Texas. Mr. President, anyone who followed the newspapers over the weekend could not fail to develop a great deal of sympathy for our President.

Tomorrow night he has scheduled an address to the entire Nation. It has been billed as a defense of his budget and his position that no substantial cuts can be made.

We are all looking forward to his statement with a great deal of anticipation. But apparently no one is looking forward with more anticipation than those members of his administration who have been assigned the task of making the administration's "economy" record.

They seem to have decided to get their final licks before that part of the administration which makes the "spending" record takes over.

The first development was a statement by a respected and honored Member of the House who has the responsibility of electing Republicans to Congress. He chided Democrats for not trying as hard as Republicans to cut the Republican President's budget.

Representative RICHARD M. SIMPSON, of Pennsylvania, chairman of the House Republican campaign committee, told a meeting in Wisconsin that Republicans were trying to cut the President's budget a lot harder than Democrats.

Then he said:

It is absolutely essential to the American people that the control of Congress be returned to the responsible leadership of the Republican Party in 1958.

The second development was a speech by the wife of the Under Secretary of the Treasury, Randolph W. Burgess—a speech which was "entirely gone over by him." She produced a formula for cutting the budget.

Do not, she said, touch Foreign Aid or the United States Information Agency. Instead, take the cuts out of farmers, veterans, college students, and slum

dwellers. Then increase postal rates—in other words, increase one of the taxes upon our people.

Finally came a statement from the official whom many would regard as the most authoritative of all—the President's chief of staff, Sherman Adams, of the State of New Hampshire. Mr. Adams—who probably has closer contact with the individual components of our Government than any other man—told us yesterday over the radio the budget could be cut. He said it could be slashed to the tune of a billion and a half to two billion dollars.

And this could be done, he said, without impairing the "quality of the services" performed by our Government.

I would like to congratulate the President's distinguished chief of staff, Sherman Adams, for his statement.

Mr. Adams followed his customary course of speaking bluntly and to the point. Despite all the furor that has been created over the President's budget, he tells us that it can be cut up to $2 billion without impairing Government services.

Mr. President, it is a pleasure to have Mr. Adams identify himself with the economy wing of this administration. It may well be that he is forecasting the shape of the President's speech tomorrow night.

It may well be that the President will call and raise. It has been only a little over a month, however, that the President said there was no chance for a substantial cut such as $2 billion.

If Mr. Adams can find $2 billion, as he did on Sunday, possibly the President can find a little more by tomorrow night.

Mr. Adams spoke with equal bluntness—but apparently with less information—on the question of the legislative program. He seems to feel that there is some sort of lag.

It is evident that he is unaware of the fact that the Senate has already passed several hundred bills and is moving into a period of even more rapid activity. It is anticipated the Appropriations Committee alone will present us with four bills this week.

Steps have also been taken to bring such measures as those involving Hells Canyon, immigration and housing, to the floor this month. We will have a full program—and it was in the works before Mr. Adams thought it necessary to step in.

About the only contribution Mr. Adams and his administration have made to the legislative procedure is to send us—with apologies—a budget that has had to be completely revised.

Possibly we will now have to make another revision to accommodate his $2 billion cut.

Mr. President, on this point I think the confusion has now been completely compounded. A review of the revolving-door philosophy of budget making indicates clearly why the American people have been so completely bewildered by the developments.

It is understandable why even the members of the President's official family are somewhat confused. After all, it was not so very long ago—the fall of 1952—that this administration promised to cut the budget "to something like $60 billion within 4 years."

This is the fifth budget that has been submitted and we are still far from that $60 billion goal.

This budget—$71,800,000,000—came to us in January. At the time, the President told us that it was a "carefully balanced budget—well adapted to the needs of the present and the future."

The next day, the President's chief fiscal officer—Secretary of the Treasury Humphrey—said there are "a lot of places in this budget that can be cut." He inferred that we would have a hair-curling depression if we did not cut it.

On January 24, the President told us that Congress "has the duty to cut the budget." But by April 3 he said there was "no chance for a substantial cut such as $2 billion." That was the same day that Assistant Secretary of the Treasury Burgess said the budget should be cut "$2 billion to $3 billion."

The President has said since then that the budget is about right and that he intends to fight for it. But he himself has recommended cuts—including $500 million in foreign aid—despite the fact that our distinguished Presiding Officer, the Vice President, has said that "not one dollar" was approved for foreign aid unless it was "in the interests of American security."

Mr. President, I am not going to criticize an administration because it missed by nearly $12 billion a goal that was set 4 years ago. I recognize that times change and customs change.

But, Mr. President, in considering the budget we are supposed to be considering administration recommendations. Just what are they?

Are we to avoid a depression with the distinguished Secretary of the Treasury? Are we to cut farmers, veterans, college students, and slum dwellers with the distinguished Assistant Secretary of the Treasury?

Are we to help Republicans elect Republicans by fighting the Republican President's budget with the chairman of the House Republican campaign committee? Or are we to stand firm on the President's budget with our distinguished Presiding Officer, the Vice President?

Mr. President, as I said at the beginning, I have a great deal of sympathy for the President of the United States. He apparently must convince not only the country but the members of his own official family. Are we to cut $500 million from the foreign-aid budget, as suggested by the President of the United States, or are we to follow the distinguished Vice President and not take a dollar from it?

It is possible to convince some of the people all of the time that this administration has an economy and a spending record. It is possible to convince all the people some of the time that this administration has an economy and a spending record. But it is not possible to convince all the people all of the time that an administration can both economize and spend at the same time. In that sense, tomorrow night may well be a night of decision.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield with pleasure to my friend from California.

Mr. KNOWLAND. In his remarks the distinguished Senator from Texas devoted a considerable amount of attention to the budget, which is an important issue, upon which people may honestly differ. In this body there are those who believe that some cuts can and should be made; and I believe they will be made in due course of the legislative consideration of the bill, since under the Constitution no funds can be voted from the Public Treasury without the approval of the Congress.

In his listing of the other bills for consideration I notice—perhaps by inadvertence—that my distinguished friend, the majority leader, had not mentioned the proposed civil-rights legislation, which is now before the Judiciary Committee. I think we are both mindful of the fact that this is a bill which is important, and with respect to which there are strong feelings. I think it should have due consideration.

We are now in the month of May. I was very hopeful that the distinguished majority leader might throw some light on the question as to when we could expect that proposed legislation on the floor. If the bill is pushed over into June or July, I am concerned because the bill may be seriously jeopardized, if the possibility of passage will not be lost entirely. I was hopeful that in the list of bills which were mentioned, the distinguished majority leader might indicate an order of priority for the civil-rights measure.

Mr. JOHNSON of Texas. Mr. President, my friend from California has asked me a question. I am not sure that he is really soliciting information, but for the record I wish to give him what information I have.

First, in my discussions with members of the Judiciary Committee within the hour, I was informed that a substantial number of members of that committee believe that some action will be taken before the end of the month.

Second, as I have informed the distinguished minority leader both privately and publicly on previous occasions—perhaps that fact slipped his memory because of the discussion relating to the budget—the House is considering the civil-rights legislation proposed by this administration, and is apparently making more progress with it than the Senator from California did in the entire 2 years of the 83d Congress, when he was majority leader, succeeding the late Senator Taft.

Third, while I was in Texas during the Easter holidays, I noted in the press a story to the effect that the distinguished minority leader was laying down ultimatums, which are rare exhibitions on his part. The story was to the effect that the minority leader had issued an ultimatum that if action were not taken by the end of the month he would make a motion to discharge the committee.

It is the view of the majority leader that the Supreme Court, in its decision, has gone further than any Member of Congress has ever dared to go in the field of civil rights, even in the introduction of a bill, much less its passage.

It is the view of the Senator from Texas that the Supreme Court has acted in connection with the education and transportation problem, and that all over the land the American people are doing their best to adjust themselves to the situation created by the Court's decision, and are attempting to evolve a workable solution in the light of that decision.

Nevertheless, the majority leader, although he does not agree with all the proposals made—and, indeed, does not agree with many of them—realizes that a substantial number of Members of both the House and the Senate wish to vote on some so-called civil-rights legislation, because to fail to do so would permit those who have no hesitancy in exploiting this political issue to continue to do so in the months ahead.

The majority leader has told the distinguished minority leader that he expects a vote this session, and that he would take no offense if the distinguished Senator from Missouri [Mr. HENNINGS], who has been very active in this field——

Mr. HENNINGS. Mr. President, I hope the Senator will yield to me at some point.

Mr. JOHNSON of Texas. I will yield as soon as I complete this statement.

As I have stated, the majority leader has told the distinguished minority leader that he would take no offense if the distinguished Senator from Missouri or the distinguished minority leader, after the committee had acted or failed to act, should make a motion to proceed to the consideration of this proposed legislation.

There is no reason why we must leave here by June 1 or even June 30. The Senator from California has indicated that he is prepared to make a motion to discharge the committee. My friend from Missouri has urged prompt action throughout the past several months——

Mr. HENNINGS. Several years.

Mr. JOHNSON of Texas. I believe this question will be acted upon.

Mr. HENNINGS. Mr. President, will the Senator yield for a correction?

Mr. JOHNSON of Texas. I yield.

Mr. HENNINGS. I have urged prompt action for several years, during the Republican 83d Congress, and during the last Congress, the 84th.

Mr. JOHNSON of Texas. I thank the Senator.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. KNOWLAND. Of course, we had 20 years of the New Deal during which promises of civil rights legislation were made and top-heavy Democratic majorities existed in the Congress, but there was no progress.

Mr. JOHNSON of Texas. Does the Senator want a question answered?

Mr. KNOWLAND. I am merely replying to my friend from Missouri.

Mr. HENNINGS. I shall comment upon that point when I reach it.

Mr. JOHNSON of Texas. There is no doubt that the Senator from Missouri, the Senator from California, or other Senators who feel that this program is very vital, and a "must" program, will see that some action is taken in this field. The Senator from Texas expects that some action will come by the early part of next month.

The Senator from Texas believes what he read in the press with respect to what the minority leader stated, namely, that the Senator from California is prepared to make a motion to discharge the committee.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. The Senator from Texas has assured the minority leader that he understood his position.

I now yield to the minority leader.

Mr. KNOWLAND. In the first place, the minority leader neither laid down nor made declaration of an ultimatum. He read the story to which reference was made. In reply to an inquiry—and the reply was in no sense an ultimatum—as to what the legislative procedure would be in the event no bill was reported from the committee, I stated that among the possible legislative procedures an amendment might be attached to some bill, or it might be possible to move to discharge the committee. A number of legislative procedures could be used. I hope that none of them will have to be used, because normally both the majority leader and the minority leader agree that the closer we can adhere to our customary legislative procedures the better the overall due process will be.

The gentleman whose story was published indicated to me that he had informed the staff on the majority side of the Hill that the article as published was not a correct interpretation of the minority leader's remarks.

Mr. JOHNSON of Texas. I think I understand the position of the minority leader. If the House acts, as it expects to do, in a very short time, and if the Senate committee does not take action after a reasonable time for deliberation, either the Senator from Missouri, the Senator from California, or some other Senator will proceed to make a motion which will result in some action. I have discussed that subject with the minority leader, and I understand his position.

I now yield to the Senator from Missouri, if he wishes to make a statement.

Mr. HENNINGS. I do not particularly care to have the Senator yield.

Mr. JOHNSON of Texas. I do not insist that the Senator make a statement.

Mr. HENNINGS. I thank the Senator for yielding. I find it devolves upon me to say something, and I propose to say it.

It is very gratifying indeed to find so many enthusiastic supporters of civil rights—or constitutional rights, as I prefer to call them. I am glad to find so many in support of such legislation during the past few weeks. I am glad to note that some gentlemen have at long last taken an interest in this subject, one which has been characterized as having been subjected to many failures during New Deal days.

The distinguished minority leader may or may not be right in that respect. However, I believe an examination of the RECORD might enlighten him and enable him to find that he is not entirely correct in that regard. I happened to be a Member of the House of Representatives during those days. I do not remember that the Senator from California was a Member of the Senate at that time. I refer to the days before the Second World War.

The Committee on the Judiciary met this morning. I am the chairman of the Subcommittee on Constitutional Rights. I have talked to the staff a number of times, and I will say to the distinguished Senator from California that I have never been advised by the counsel of the subcommittee or anyone on the staff that the Senator from California had decided to play the stellar role in this field he has now indicated he intends to play. I had not heard about it, and I am sure the Senator from Illinois will bear me out in that respect.

After considerable difficulty, and with the assistance of other Senators, following the holding of hearings on the subject, a bill was reported by the Subcommittee on Constitutional Rights. I repeat that was done with considerable difficulty and only after full and complete hearings had been held on the subject. I do not believe the Senator from California attended any of those hearings, and I do not recall especially that many other Senators appeared before the subcommittee to testify, in order to enlighten us on this very difficult and complex subject.

Mr. Brownell did mount guard and agreed to appear before us. We were delighted to have him. We found this year he was also a champion of civil rights, whereas last year when we examined him before the committee—and the cross-examination appears in the RECORD of the last day of the session—he stated that, in his opinion, action upon many matters relating to civil rights were not within the purview of the Department of Justice, or he refused to answer the subcommittee's correspondence altogether. This is a matter of record, and it happened on numerous occasions.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HENNINGS. I shall not yield at this time.

I also assume that the President of the United States expresses himself through the Attorney General. Therefore it is fair to say that no interest was taken in this matter until April of last year by the administration, although the subcommittee, of which I was chairman, had reported four constitutional rights bills, upon which the Attorney General had refused to give us any opinion whatever. It was then that the distinguished Attorney General, very late in the session, indeed, appeared before the committee.

I am very glad indeed that the distinguished Senator from California is now consulting, comforting, and aiding us. Perhaps I should say that he is giving us comfort, if not aid, in this matter.

I shall not be invidious. The Senator from Illinois will bear me out that this morning, when I moved that a time limit be set upon the discussions, and that action be taken by Thursday to vote up or vote down the proposed legislation, and to report it either favorably or unfavorably, with all substitutes and amendments in the nature of a substitute included, three Members from the Republican side were present and all

Members on the Democratic side were present.

Mr. DIRKSEN. There were five Republicans present.

Mr. HENNINGS. They may have come in and then departed. I am sure the Senator will recall that I asked, "Where are the Republicans?" The Senator from Illinois replied, "Some will be here later, and some will be here if we want them." However, I do not believe that more than three were present, including the distinguished Senator from Illinois. He will also recall that all the Democrats were present.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. Mr. President, who has the floor.

The PRESIDING OFFICER. The Senator from Texas has the floor.

Mr. DIRKSEN. Mr. President, will the Senator from Texas yield for an observation?

Mr. JOHNSON of Texas. Mr. President, will the Senator from Missouri permit me to yield to the Senator from Illinois for an observation?

Mr. HENNINGS. Certainly.

Mr. DIRKSEN. There were five Republican Members present. When it became quite certain that we were going to be entertained and enlightened by copious reading from that celebrated case, Ex Parte Milligan, and that it would settle down into its traces, I respectfully suggested that everybody stay until 12 o'clock, because we all knew that the point of order would be made. Precisely on the stroke of 12 it was made.

Mr. HENNINGS. I should like to ask the Senator who made the motion, who conducted most of the discussion, and who asked the questions relating to reporting the bill?

Mr. DIRKSEN. The Senator from Missouri certainly did his very best to get expeditious action.

Mr. HENNINGS. I did not ask the question of the Senator because I wanted any laurels or any glory. After all, this subject—so-called civil rights legislation—is not especially popular with some people in my State. I asked it only to indicate that some of us, including the distinguished Senator from Illinois, had to listen to Ex Parte Milligan, although some of us had read it many times, and even though some of us had even heard of men like Ben Wade and Thad Stevens, and——

Mr. KNOWLAND. Mr. President, will the Senator yield at that point?

Mr. JOHNSON of Texas. Will the Senator from Missouri yield so that I may yield to the Senator from California?

Mr. HENNINGS. I wish to say a little more, and I shall be very brief, as I said before, we all understand that this subject has been a political football. For many years the Republicans have charged the Democrats with not doing anything about civil rights, and the Democrats have charged the Republicans with not doing anything about them. The fact remains that nobody does anything about them. The agitation for civil rights legislation has been going on ever since I became a Member of the House of Representatives in 1935. There has been the same old hocus-pocus, and the same old claptrap, and the same old backing and filling.

I should like to say a word about the House acting first on this proposed legislation. I believe that the Committee on the Judiciary of the Senate should not abdicate its functions as a standing committee of the Senate. As a member of that committee for the past 6 years I do not for a moment concede that the House of Representatives is more capable of reporting a satisfactory and constitutional and workable and fair bill, which will not be punitive to the citizens who live in the Southland, and which will not visit reprisals upon the South. I have Confederate ancestry on both sides of my family and all of them fought in the war.

Mr. JOHNSON of Texas. Mr. President——

Mr. HENNINGS. Does the Senator of Texas wish me to go on?

Mr. JOHNSON of Texas. I merely wish to state that I do not contend that the House is any more able or that the House can do any better job than the Senate. I simply believe that the House is more likely to take action on a civil rights bill first, and that is what I have said in response to inquiries.

I do not mean to say by that that the Senate is not perfectly capable of carrying on its deliberations. The situation is similar to that in connection with other bills, when the House acts first. In view of the progress which has been made in the House, I rather suspect that my prediction will be borne out that action will be taken by the House of Representatives before the Senate finally concludes consideration of the subject. It is believed by some that the House may eliminate some of the more controversial sections of the bill and thus lighten the burdens and expedite rather than retard the work of the Senate.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I am glad to yield to the Senator from California. However, I do not want to lose sight of the budget discussion. The Senator from California is a very able and astute former member of the newspaper profession, and I know he would like to take the bloom off the budget rose by causing us to become involved in a civil rights debate.

Mr. KNOWLAND. No, I do not want to take the bloom off the budget rose. On the contrary I want to see some substantial reductions made in the budget—in the neighborhood of $3 billion, I hope.

Merely to make the RECORD clear, I may say that the Committee on the Judiciary consists of 7 Republican members and 8 Democrats. Of the 7 Republican members, 2 are in the hospital. The distinguished senior Senator from North Dakota [Mr. LANGER] has been in the hospital for some time, as I am certain all Members of the Senate know. The distinguished junior Senator from Indiana [Mr. JENNER] also is in the hospital and will be there for a short period of time. Thus, as the distinguished Senator from Illinois has reported, 5 of the 7 Republican members of the committee were present. I merely state the fact to show that the Republicans were available, as the Democrats apparently were. I did not want the RECORD to show otherwise.

Mr. JOHNSON of Texas. I do not intend to discuss who attended committee sessions and who did not; I merely wish to ask the Senator from California this question: How long did the Senator from California serve as the majority leader of the Senate?

Mr. KNOWLAND. I held the nominal position of majority leader for approximately a year. I served for a part of one session and also for one full session because I came to the office at the close of the first session of the Congress to which I was elected to the position of majority leader.

I became the first majority leader in history who did not have a majority because with the defection of the distinguished Senator from Oregon [Mr. MORSE] and the death of the able and beloved Senator Taft, of Ohio, I became charged with the responsibility of the majority leader acting in a minority position in the Senate.

Mr. JOHNSON of Texas. Would the Senator from California care to recount to the Senate and to the country what he and his illustrious predecessor did to get action from the Committee on the Judiciary?

Mr. KNOWLAND. I know that the Senator from Ohio, Mr. Taft, was concerned with the problem. I quite agree with the Senator from Missouri [Mr. HENNINGS] that unfortunately, during periods of time when the respective parties have been in control of either the executive branch of the Government or of Congress, because of circumstances which it is not necessary to relate, or as to which it is not necessary to go into detail here, there was difficulty in getting the proposed legislation reported to the Senate; and when it was reported to the Senate, it became the subject of prolonged educational discussion in the Senate.

I am certain the Senator from Missouri and the Senator from Texas, and other Senators, realize that we are now trying to have a bill reported early enough so that there can be at least an opportunity on the part of the Senate to vote it up or down or to vote on amendments. I agree that every Senator has the right to express himself. There will be different points of view as to the wisdom of certain amendments.

I say again too my friend from Missouri that I will do everything that can possibly be done on this side of the aisle to assist him in having the bill reported to the Senate and, I hope, scheduled for early action in the Senate.

I hope the record under the present distinguished majority leader will greatly better the record of either the prior Republican or the prior Democratic leaders of this body, because the record has not been too successful to date.

Mr. JOHNSON of Texas. Mr. President, I yield now to the Senator from Missouri.

Mr. HENNINGS. I thank the Senator from Texas.

If the distinguished minority leader will give me a few minutes of his time, I shall be glad to tell him how he can

assist in the civil rights matter. Issuing statements to the press is all very well, but some of us have been bearing the burden of the battle. So I think I might undertake to suggest to the Senator from California what he might do to help in the fight, if he will be so gracious as to discuss the matter with me. I shall certainly be available to him for the purpose of such a discussion at any time which will suit his convenience.

Mr. JOHNSON of Texas. I now yield to the Senator from North Carolina.

Mr. ERVIN. Mr. President, as one who represents some of the people who are sought to be made guinea pigs under the civil rights bill, I wish to make a few observations.

The civil rights bill contains many controversial provisions. I have no idea that the Senate will act on the bill until after the House has acted on its bill. It seems to me that the sensible thing for the Senate Committee on the Judiciary to do would be to postpone action on the bill until the House has passed its bill. Then the Senate committee could sit down and mark up the bill in an orderly fashion. I would have no objection to that course of procedure.

Mr. EASTLAND. Mr. President, will the Senator from Texas yield, so that I might ask a question of the Senator from North Carolina?

Mr. JOHNSON of Texas. I yield for that purpose.

Mr. EASTLAND. Did not the Senator from North Carolina make that proposal in the Committee on the Judiciary?

Mr. ERVIN. I made the proposal this morning.

Mr. EASTLAND. Who turned it down?

Mr. ERVIN. The Senators from the other side of the aisle, who had a majority.

This is a serious bill. As the distinguished minority leader has said, people have been working on this matter for a long time. They started in 1867, and they have been trying to reconstruct us since that time.

As one whose ancestors spent 7 years fighting so that this country might have freedom under a written Constitution guaranteeing the rights of States as well as the rights of individuals, I feel that I was justified in standing up for an hour and a half this morning to tell the Judiciary Committee what is in the bill.

There have been many efforts to reconstruct us in devious and peculiar ways. But this is undoubtedly the worst bill that has ever been brought before Congress to effect that purpose. It ought to be entitled: "A bill to deprive Southern States and local officials of the right to invoke for their protection, in courts of justice, the basic constitutional and legal safeguards erected by the Founding Fathers and by Congress to protect all Americans from governmental tyranny."

That is what the bill seeks to do. It proposes to take away from Southern States and local officials a right which all of us, including the proponents of the bill, wish to preserve for everyone else, including persons who may be charged in the courts with being parties to the Communist conspiracy to overthrow the Government of the United States by force.

I do not apologize and I will never apologize for standing up and opposing proposed legislation which seeks to take from the people of my State basic rights which it is proposed that Communists shall keep.

Furthermore, the bill is designed not only to rob southern State and local officials of the right to trial by jury by circumventing and evading constitutional and statutory rights; but it also undertakes to delegate to one Federal official, namely, the Attorney General of the United States—whoever he may be—the power to nullify acts passed by State legislatures in the undoubted exercise of the power reserved to the States by the 10th amendment.

This is the most damnable bill, the most indefensible bill, that has ever been laid before a legislative body in America. It proposes to reduce the States, in this field, to meaningless zeroes on the Nation's map. It proposes to rob Americans of the right to trial by jury and of other constitutional rights.

The bill proposes to confer upon the Attorney General of the United States powers which befit the office of a commissar of justice in a totalitarian state, but which are incompatible with the office of the chief law officer of a republic which enjoys a government by laws rather than a government by men.

I have been working hard in the committee. I have had to stop everything else. I have been working "under a gun," in a sense, ever since the committee started to work on the bill. It seems to me that in view of the fact that our reconstruction has already been postponed for 89 years, it might be postponed a few days beyond the first of June until the House acts on the bill. It may be that the House will lighten the Senate's work by eliminating some of the highly controversial features of the bill. Then the Senate Judiciary Committee could sit down and mark up the bill in an orderly manner.

REQUEST FOR RETURN BY THE PRESIDENT OF HOUSE BILL 1544

Mr. JOHNSON of Texas. Mr. President, I ask the Chair to lay before the Senate, House Concurrent Resolution 173.

The PRESIDING OFFICER. The Chair lays before the Senate, House Concurrent Resolution 173, requesting the return by the President to the House of Representatives of the enrolled bill H. R. 1544 for the purpose of reenrollment, which will be read for the information of the Senate.

The concurrent resolution (H. Con. Res. 173) was read as follows:

Resolved by the House of Representatives (the Senate concurring), That the President of the United States is requested to return to the House of Representatives the enrolled bill (H. R. 1544) to provide for the conveyance of certain real property of the United States situated in Cobb County, Ga., to the trustees of the Methodist Church, Acworth, Ga. If and when said bill is returned by the President, the action of the Presiding Officers of the two Houses in signing said bill shall be deemed rescinded; and the Clerk of the House is authorized and directed, in the enrollment of said bill, to make the following correction: On page 2, line 13, strike out the figure "9990.0" and insert in lieu thereof the figure "990.0."

Mr. JOHNSON of Texas. I ask unanimous consent for the present consideration of the concurrent resolution.

There being no objection, the concurrent resolution was considered and agreed to.

STUDY OF CRITICAL RAW MATERIAL AND RESOURCES OF THE SOVIET UNION

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 78) to make a study of critical raw materials and resources of the Soviet Union and certain Eastern Hemisphere countries and the effect upon the United States.

TREASURY AND POST OFFICE APPROPRIATIONS, 1958

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate resume the consideration of the Treasury and Post Office appropriation bill.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate resumed the consideration of the bill (H. R. 4897) making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, if the distinguished Senator from North Carolina [Mr. ERVIN] has concluded his remarks, I should like to yield the floor, so that any other Members who may desire to address themselves to the Treasury-Post Office appropriation bill or to any other subject may do so.

First, I wish to call attention to the fact that this is the first of the regular departmental appropriation bills to come before the Senate this year.

The distinguished chairman of the subcommittee, the very able Senator from Virginia [Mr. ROBERTSON], has worked long and hard on the bill, which covers two of the great agencies of the Government.

The action the Senate will take today on this appropriation bill will have great significance in connection with the entire budget controversy.

I hope all Members of the Senate will attend the session this afternoon and will hear the distinguished Senator from Virginia give his explanation of the deliberations of his subcommittee.

Mr. ROBERTSON obtained the floor.

Mr. FLANDERS. Mr. President, will the Senator from Virginia yield to me?

Several Senators addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Virginia yield; and if so, to whom?

Mr. ROBERTSON. For what purpose does the Senator from Vermont request that I yield?

Mr. FLANDERS. I received from the leadership some assurance that I would be the next Member to be recognized, following the morning hour.

Mr. ROBERTSON. Mr. President, I am very sorry that I am unable to yield at this time to the Senator from Vermont. I myself have foregone making a very important trip to Jamestown, in connection with the great anniversary celebration of the settlement and founding of Virginia, to which reference has been made earlier today in the Senate. I have been waiting patiently to obtain the floor. So I am very sorry that I cannot yield for speeches, following the morning hour.

After I have presented my remarks on the appropriation bill, I shall yield the floor.

Mr. FLANDERS. Mr. President, will the Senator from Virginia yield for a moment to me?

Mr. ROBERTSON. For what purpose does the Senator from Vermont request that I yield to him?

Mr. FLANDERS. I wish to say that I misunderstood the arrangement which had been made. I cheerfully shall wait until the presentation of the appropriation bill has been made.

Mr. ROBERTSON. I thank the Senator very much. I promise to be very brief in presenting the bill.

Mr. President, as I was about to say, I have been waiting, on the assumption, from what I have read in the press and otherwise, that the subject of cutting the budget and then cutting taxes is the burning issue before the American people. But, Mr. President, apparently I am greatly mistaken. Evidently the burning issue is the bill being sponsored by the NAACP, which the distinguished Senator from North Carolina [Mr. ERVIN] says has not been properly named.

Mr. President, on this day, 350 years ago, Capt. John Smith and a little band of English settlers landed at Jamestown Island.

When speaking at the dedication of the Bunker Hill Monument, Daniel Webster said that so long as the Atlantic washes Plymouth Rock and so long as the James flows by Jamestown Island, "no vigor of youth, no maturity of manhood will lead the Nation to forget the spots, where its infancy was cradled and defended."

Mr. President, it is anticipated that this year 6 million persons will go to Jamestown to prove how correct Daniel Webster was.

Of course, Mr. President, no one in the South needs to prove that Webster was correct in his statement that the settlement of Plymouth, Mass., would not be forgotten, because the settlers in that section of the country always took a somewhat "holier than thou" attitude, and soon they were called Fathers. They were not called settlers, as in the case of those who established the colony in Virginia. Instead, the settlers at Plymouth Rock were called—or called themselves—Fathers. Furthermore, the settlers in New England got a head start with public-school education and got Harvard College started at Boston before William and Mary College was started in Virginia. Likewise, the New England settlers succeeded in having great attention called to the importance of Plymouth Rock.

However, Mr. President, all those matters boil down to this: The first settlements were started in the early part of the 17th century—that at Jamestown, Va., in 1607 and the one in Massachusetts in 1620.

Those who visit Jamestown will be able to see there 1 of the 3 original copies of the Magna Carta, which was enrolled into law by the British Parliament and in it one can read the guaranty of a trial by jury by one's peers.

Mr. President, I was going to discuss the budget, but I would as soon talk about civil rights. I can begin at Jamestown, and by the time I reach a discussion of Appomattox, the remainder of today and all of the several days following will have elapsed. [Laughter.]

Mr. President, much is involved in this discussion. For instance, next Wednesday will be the 111th anniversary of the birth of Gen. John Salling, of Scott County, Va., 1 of the last 3 survivors of the War Between the States. Think what he has seen happen. Think of the sacrifices he and the others on the Confederate side made in behalf of a principle of government—States rights. Where did it start, Mr. President? It started with the first little settlement at Jamestown.

I hope to go to Jamestown. The distinguished Vice President has gone there today, to make a speech. The British Ambassador will make a speech there today. Thousands of persons will be there, today, to celebrate, on May 13, 350 years of an experiment unique in all the world.

What is the essence of that experiment, Mr. President? It is the greatest measure of personal freedom under a written instrument, which divides the rights of the Central Government from those of the States and those of the people. State and local rights are specifically reserved in the 10th amendment to that instrument.

Mr. President, when we come here, we should give thanks that we have inherited a form of government under which we can raise as much as $71,800,000,000 of taxes, or whatever will be the amount of taxes which will be raised in the United States of America this year. No other nation has ever done that. The system we have inherited is a very great one. It is a system of the rights of State sovereignty. But, Mr. President, over and above all else, it is the system which guarantees the right of trial by jury; the system which guarantees "the right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures"; the system which guarantees that one cannot be brought to trial without an indictment, and cannot be thrown into jail without having had a trial, and cannot be convicted in a kangaroo court.

Mr. President, I like to think of what the great General Bee said at the first Battle of Manassas. In fact, Mr. President, there are two things about the early part of the War Between the States that I often reflect upon. One of them I am sure the Presiding Officer, the junior Senator from Georgia [Mr. TALMADGE], has often read. It is the tribute to a Georgia volunteer who died at the Battle of McDowell, just west of Lexington, Va., where I live. The other is the statement by General Bee, at the first Battle of Manassas, when his troops were beginning to waver. Pointing to Thomas Jackson, General Bee cried, "Look at Jackson, standing like a stone wall. Rally behind the Virginians."

Mr. President, I cannot pay too high tribute to the flower of the youth of North Carolina who, in that conflict, since the battleground was chiefly in the Old Dominion, rallied around the Virginians, but received very little credit for the blood they spilled in defense of a principle of government.

I am thankful to say that so long as any breath is left to me, I shall ask the Virginians to rally around the North Carolinians, and, in particular, the senior Senator from North Carolina [Mr. ERVIN], in the fight about civil rights. Mr. President, if Senators desire to discuss civil rights, instead of the budget, I will join with the Senator from North Carolina, when the civil rights issue is brought before the Senate, to discuss it for as long as anyone wishes to have it discussed.

However, Mr. President, the majority leader asks us please to discuss the appropriation bill today. So I shall reserve the remainder of this speech—one which I had not planned to make.

Mr. HENNINGS. Mr. President——

Mr. ROBERTSON. I yield to my friend, the Senator from Missouri, for a question.

Mr. HENNINGS. I should like to ask an historical question.

I, of course, am always most interested in what the Senator from Virginia has to say about matters relating to the Confederacy, since I myself am descended from Confederates—Virginians, Georgians, and North Carolinians. In paying tribute and recalling that General Bee said, "There stands Jackson like a stone wall; rally behind the Virginians," I think it is most unfortunate that it was North Carolinian troops who committed the fatal error of shooting General Jackson as he was outside Chancellorsville, reconnoitering with his staff. To me, that was one of the great tragedies of the War Between the States.

Mr. ROBERTSON. The Senator from Virginia admits that the wounding of General Jackson was a tragedy——

Mr. HENNINGS. However, it was an accident.

Mr. ROBERTSON. But the Senator from Virginia, insists that if it was men from North Carolina who did it, they were only carrying out the order given by the general. He said, "If anyone comes here and does not halt when you say 'halt,' fire"; and they fired in the dark. No one was more distressed than were these troops when they found out they had fired at their beloved general.

As has been stated, the Senator from Virginia will have ample time later to express his views about the iniquities of the civil rights bills, which would take away the rights we have claimed from the time of the Magna Carta and the Declaration of Independence down to the present hour. The Senator from Virginia will address himself to a rather unique situation in an appropriation bill. Ordinarily this appropriation bill is a simple bill. This is not a simple bill. It has become a frustrating and irritating bill in a number of ways.

In the first place, the Senate last year proposed a little more money for the Post Office Department than the House had allowed. On a compromise, the appropriation was $15 million less than the President had recommended.

Senators, think of a budget of more than $3 billion. There is not in the world a private enterprise, one of whose units spends $3 billion a year. Take the American Telephone & Telegraph Co., a $15 billion company. That company is broken down into units and agencies. Its efficiency goes down to a much lower unit. Take General Motors, United States Steel, or any other large industry. Not one of them, in one of its operations, handles $3 billion. One would think that if an agency got within $15 million of $3 billion, it could make both ends meet.

I like the Postmaster General. Far be it from me to speak of him as a Virginia Member of the Congress spoke of a bureaucrat in 1825. Times have changed. I refer to John Randolph, of Roanoke, who said of a bureaucrat he did not like.

His mind is like the Susquehanna flats, naturally poor, made less fertile by cultivation. Never has ability so far below mediocrity been so richly rewarded since Caligula's horse was named consul.

I am not speaking of anyone in that manner, especially a man I have known; but it does upset the junior Senator from Virginia when our Postmaster General comes before the committee on the 17th of April and says, "Volume is going to be increased 1.57 percent and I need so much more," and in less than 3 weeks comes before the committee and says, "No. The volume is going to be increased more than 4 percent." How can he be right both times? How can he be right in the middle of April, when he says volume is going to increase a little more than 1½ percent, and be right on the 8th of May, when he says volume is going to be increased more than 4 percent?

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. SALTONSTALL. Is it not true—and I am speaking as a member of the full committee, and not as a member of the subcommittee—that what happened is that the committee voted for the same amount allowed by the House, without any of the $58 million the Postmaster General requested in addition, for a very practical reason? The Postmaster General requested $58 million on the information he received after the time the Senator said he appeared before the committee and stated he would need substantially more than $58 million to run the Post Office for the next fiscal year, because of the increased volume of mail. We allowed him the same amount as the House did, and left it up to the Postmaster General, the Budget Director, and the President to determine whether the Post Office Department would need all the money the Postmaster General has said he would need to run the Post Office Department and give the same service in 1958 that he is now giving. Is that not true?

Mr. ROBERTSON. I will give my distinguished colleague my wife's reaction to the situation. I told her Saturday evening the Postmaster General informed the committee he not only would have to have the $58 million which had been disallowed by the House, but another $17 or $18 million on top of that, because of the great increase in the volume of mail. She said, "Of course, there has been an increase in the volume of mail, because of protests against the President's budget. When the budget is settled, the volume of mail will drop again. I would not give him the money."

In reply to the question of the Senator from Massachusetts, I may say that we voted as we did because we did not know exactly what the increase would be. If we gave the Postmaster General all he asked for, he would probably still need $17 or 18 million. The committee decided to go along with the amount the House provided, and let requests be presented in a supplemental appropriation bill. Then we would go into the question of whether any economies could be authorized, whether Saturday deliveries could be halted, how much money was needed, and settle the question finally on the last supplemental bill.

Mr. SALTONSTALL. If the Senator will yield further, was not the committee in accord with the statements made that the amount which was finally given the Postmaster General for fiscal year 1958 would be used by him on an annual basis—in other words, budgeted on an annual basis—so he would not have to come back to Congress next April and so there would not happen again what occurred this April because he ran out of funds?

Mr. ROBERTSON. There is no doubt about that. The Postmaster General testified before the committee that he would absolutely live within the budget, whatever it was, and he would announce on July 1st what it would be, and he would stay within the amount appropriated. If we did not appropriate the money, he would announce curtailments in service.

In the meantime, the junior Senator from Virginia wrote a letter to the Comptroller General, inquiring about the Antideficiency Act and what the situation was with respect to the Post Office Department when the Postmaster General exceeded his appropriation for each quarter and then said, "I now have to have $27 million in order to complete the work or I am going to have to curtail service here, there, and yonder."

The Comptroller General informed me that the Department violated the Antideficiency Act.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the letter which the Comptroller General wrote to me.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, May 9, 1957.

Hon. A. WILLIS ROBERTSON,
United States Senate.

DEAR SENATOR ROBERTSON: Your letter of April 17, 1957, acknowledged April 18, enclosed an editorial from the Richmond Times-Dispatch which predicts that the action of Congress in voting a $41 million supplemental bill for the Post Office Department may set an embarrassing precedent concerning the violations of our antideficiency law. You request a letter stating just what the law is, how it is supposed to be enforced, and whether or not we think any additional legislation on the subject is needed.

The act, commonly referred to as the Antideficiency Act, is section 3679, Revised Statutes, as amended, 31 U. S. C. 665. The entire act was reenacted by an amendment contained in section 1211 of the General Appropriation Act, 1951, approved September 6, 1950, 64 Stat. 765. The primary reason for rewriting the act at that time was (1) to prevent the incurring of obligations at a rate which will lead to deficiency or supplemental appropriations or the curtailment of necessary activities if such appropriations are not made; and (2) to fix responsibility on those officers of the Government who incur deficiencies or obligate appropriations without proper authorization or at an excessive rate. The act prohibits:

(1) The making or authorization of an expenditure from or the creation or authorization of an obligation under any appropriation or fund in excess of the amount available therefor (subsec. (a));

(2) The involving of the Government in a contract or other obligation for the payment of money for any purpose in advance of appropriations made for such purpose, unless such contract or obligation is authorized by law (subsec. (b));

(3) The acceptance of voluntary service for the United States or the employment of personal services in excess of that authorized by law, except in cases of emergency involving the safety of human life or the protection of property (subsec. (b)); and

(4) The authorization or creation of an obligation or the making of an expenditure in excess of either (a) an apportionment or reapportionment or (b) the amount permitted by regulations prescribed by the agency and approved by the Director of the Bureau of the Budget (subsec. (h)).

Any officer or employee of the United States who violates subsections (a), (b), or (h), referred to above in items (1) through (4), is subject to administrative discipline and, if knowingly and willfully done, he is subject, upon conviction, to a fine not more than $5,000 or imprisonment for not more than 2 years, or both (subsec. (i) (1)).

The Antideficiency Act also provides that all appropriations or funds, with certain exceptions, shall be apportioned by the Director of the Bureau of the Budget so as to prevent obligation or expenditure thereof in a manner which would indicate a necessity for deficiency or supplemental appropriations (subsections (c) (1) and (d) (2)). The apportionments or reapportionments may be divided and subdivided administratively, and the head of each agency, subject to the approval of the Director of the Bureau of the Budget, is required to prescribe, by regulation, a system of administrative control "which shall be designed to (A) restrict

obligations or expenditures against each appropriation to the amount of apportionments or reapportionments made for each such appropriation, and (B) enable such officer or agency head to fix responsibility for the creation of any obligation or the making of any expenditure in excess of an apportionment or reapportionment [subsec. (g)]."

In order to carry out the foregoing provisions of the act, regulations have been issued by the Bureau of the Budget and the Treasury Department, and concurred in by the General Accounting Office, as sections 11 through 15 of the Budget-Treasury Regulation No. 1. These regulations, among other things, require periodic (usually monthly) detailed reports to be submitted to the Bureau of the Budget on the status of each appropriation account. Also, each agency has prescribed regulations for the administrative control of the funds under its control which have been approved by the Director of the Bureau of the Budget. In addition to these regulations and reports are the regular budgetary review and internal control processes of each agency, including in many cases internal audits, which aid in the enforcement of the act.

Moreover, our audits made at the site of agency operations include a review of the procedures, practices, form of organization and system of reporting, review, and inspection as well as other elements of internal control to determine, among other things, whether they assure reasonable compliance with the requirements of all applicable laws, regulations, and decisions. Any violation of the Antideficiency Act noted during our regular auditing processes that has not been reported to the Congress through the mechanism provided by that act is brought to the attention of the Congress through our audit reports. Also, the annual reports of all agencies on the obligations incurred under each appropriation or fund under their control, required by section 1311 (b) of the Supplemental Appropriation Act, 1955, 68 Stat. 800, 830, are reviewed by the General Accounting Office. While our audits and reviews generally would reveal any violation of the act, we want to emphasize that such audits and reviews are made only on an after-the-facts basis and would rarely, if ever, disclose an excessive rate of incurring obligations prior to the creation of a need for a deficiency or supplemental appropriation or the curtailment of activities.

It thus is clear that the Antideficiency Act prohibits the obligation and expenditure of appropriations or funds made available for a definite period of time in such a manner as to create a need for a deficiency or supplemental appropriation for such period, as existed in the Post Office Department this fiscal year (B-131361, April 12, 1957, 36 Comp. Gen. —). We do not believe that the deficiency in the appropriation for operations of the Post Office Department resulted from a weakness in the Antideficiency Act but rather from noncompliance with subdivision (c) (1) of the act.

The effectiveness and enforcement of the Antideficiency Act was studied by a temporary subcommittee of the House Committee on Appropriations during the 1st session of the 84th Congress, which issued an interim report to the committee on June 30, 1955. The subcommittee concluded that, with certain exceptions, the basic objectives of the Antideficiency Act were being achieved. One of the exceptions, however, related to the activities of the Post Office Department. We reviewed the effectiveness of the act at that time and advised the chairman of the Temporary Subcommittee To Investigate Effectiveness and Enforcement of the Antideficiency Act and Other Federal Fiscal Legislation by letter of June 26, 1956, B-123914, that we did not believe that amendment of the Antideficiency Act was required at that time.

This one instance where a deficiency appropriation was required for the Post Office Department does not, in our opinion, warrant any change in the law. Neither do we believe that this instance will set a dangerous precedent which will encourage the Post Office Department or other Government agencies to create deficiencies and thereby attempt to force the Congress to appropriate additional funds. In fact, the Post Office Department is in a unique position in that the curtailment of any of its activities affects such a large portion of the public. However, in cases of violations of the Antideficiency Act, such as that involved in the Post Office Department, it is our belief that public opinion, alone, is a more effective deterrent than any legislative changes which we could suggest.

We therefore have no suggestions for additional legislation on the subject at this time.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

Mr. ROBERTSON. The Postmaster General testified before our committee, and in that hearing we had printed the letter from the Comptroller General. It was said positively that next year there would not be any overspending in any quarter.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. SALTONSTALL. So the committee was perfectly clear that it would first consider a supplemental budget, if one were presented. If one were not presented, then the committee had to determine if Congress should provide additional money on its own responsibility. If it did not so determine, then the question was whether the Postmaster General should curtail postal services so that he could live within the amount appropriated to July 1.

Mr. ROBERTSON. The Senator is correct. The subcommittee felt it was acting under something in the nature of a mandate from the Congress.

Just before he went into the last quarter, the Postmaster General announced the Department was not going to handle any third-class mail, that there would be no mail delivery on Saturday, and that the money-order service and other services would be curtailed.

Congress quickly went to work on the supplemental bill. The Congress did not grant him $47 million, but they did grant him $41 million. That $41 million bill, so far as the junior Senator from Virginia knows, passed this body without a single vote against it, which would seem to indicate that at that time Congress wished to have delivery of mail on Saturday.

We should all bear in mind that since some time in the 1860's, there have been two mail deliveries a day in the residential areas of our towns and cities. During World War II that service had to be cut back, at the instance of certain postmasters, to one delivery. Now that is permanent; there is only one mail delivery a day.

Mr. DOUGLAS. Mr. President, will the Senator yield for a correction?

Mr. ROBERTSON. I have yielded to my colleague, the Senator from Massachusetts. I shall yield to other Senators in a moment.

Mr. SALTONSTALL. Were we not told that the present volume of mail was approximately 58 billion pieces, and that the research effort brought out a new estimated total of 61 billion pieces for the next fiscal year?

Mr. ROBERTSON. We were told that, but, as the Senator from Virginia has indicated, just 3 weeks before we had been given a very much smaller figure than we were furnished in May. It is quite disturbing to find that all of a sudden the postal authorities discover they have made a serious error in the estimate as to what the volume is and how many pieces of mail there will be.

It is true beyond any question that if the volume of mail goes up between 4 and 5 percent, as the Postmaster General now anticipates, he will not be able to handle that such a volume of mail with the amount of money which is provided in the pending bill, because so much of the money in this bill is for fixed allowances, such as salaries, payments to railroads, airplane companies, and truck operators for transportation, money for pensions, and items like that.

Mr. SALTONSTALL. And the Postmaster General could not conduct the Post Office Department as it should be conducted, even if we should give him the $58 million.

Mr. ROBERTSON. He said he could not do it.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield to the Senator from Illinois.

Mr. DOUGLAS. Mr. President, the Senator from Virginia made the statement that when the Postmaster General was given $41 million for the current fiscal year in the deficiency appropriation there was no objection. I am sure the Senator from Virginia believed that was an accurate statement, but since I was in the Chamber at the time the action was taken I think I should say that on the voice vote I voted against the appropriation of the $41 million, and I shall vote against any other attempt by the Postmaster General to present a loaded pistol at the head of the Congress of the United States to compel us to do his bidding.

Mr. ROBERTSON. The Senator from Virginia, of course, stands corrected. I am sure the distinguished Senator from Illinois would not hold the Senator from Virginia responsible for not hearing every voice vote and not knowing how every Senator voted on every vote that is not recorded.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield to the chairman of the Committee on Post Office and Civil Service. I am going to quote the Senator later on some items.

Mr. JOHNSTON of South Carolina. Is it not true that in January 1956, the Postmaster General came before the committee and said that the service would handle 58.3 billion pieces of mail, but that he found, in January of this year, it was not going to handle that much mail? Is it not true he found himself some 300 million pieces of mail short of handling the 58.3 billion pieces; yet still at that time he came and asked

the Congress for an additional $41 million? In fact, he asked for $47 million.

Mr. MORSE. Mr. President, will the Senator from Virginia yield?

Mr. ROBERTSON. I yield to the Senator from Oregon.

Mr. MORSE. Let me say to the Senator from Virginia that I congratulate him on the fight he is putting up on this appropriation bill. I am proud to stand with him.

I share completely the views just expressed by the Senator from Illinois [Mr. DOUGLAS]. I do not intend to respond to a so-called threatening demand from the Postmaster General. I certainly think we ought to give him our response by supporting the Senator from Virginia in this matter.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. CAPEHART. I wish to ask the able Senator from Virginia a question about the appropriation bill. I am not a member of the Appropriations Committee. If I were a member of that committee I am sure I would know the answer to the question I am about to ask.

Regardless of who is to blame for the post office situation, if the Department is not given sufficient money who is going to suffer? Will the employees of the Post Office Department suffer, or will the mail delivery suffer? Who is going to suffer? Whose responsibility is it going to be then; the responsibility of the Postmaster General or of the Congress of the United States?

Mr. ROBERTSON. The distinguished Senator has asked me a rather broad question.

Mr. CAPEHART. Does the Senator not think it is pertinent to the issue?

Mr. ROBERTSON. In the first place let me answer as to who has the responsibility.

Mr. CAPEHART. I asked, regardless of who is responsible, who will suffer?

Mr. ROBERTSON. Since 1953 the Congress of the United States has increased salaries of post-office workers by $1,350,000,000, and during that period of time the post-office revenues have not been increased by any significant amount. We still have a 3-cent first-class postage rate, which we have had for many years, and there have been only nominal increases in the rates on the other classes of mail matter. In answer to the Senator's question as to who would suffer, the bill before us, without another dollar, will, in the opinion of the chairman of the subcommittee, enable the Department to pay all of the regular workers their regular salaries. However, it is rather significant to note that during the course of the hearings I asked the Postmaster General this question:

House Report 1741 of the Committee on Post Office and Civil Service on page 16 says:

"Under the new reorganization on July 1, 1955, there were 1,530 officers and employees in the Department and 4,162 in the regional and district offices, a total of 5,692 people. This is an increase of 1,446 as of July 1, 1955, as compared to 4,246 people in 1953 under the old plan."

Now, Senator MAGNUSON and others are going to complain that your efficiency has been greatly lowered by this decentralization, but here we are talking now about the increased cost of it and the increased personnel. That is in the House Report 1741.

Mr. SUMMERFIELD. Can I just make this comment: In 1952 there were 523,757 persons on the post-office payroll. In 1956, Mr. Chairman, there was 508,587. I think the record speaks for itself.

This is a part of the record which was not introduced, and therefore does not speak for itself: There are two columns relating to personnel. One is headed "Positions at the Close of the Year." In 1952 there were 523,779; in 1956, 508,000.

Then there is the right-hand column, headed "Man-Years." That is what we pay for. That figure represents the amount of work being done.

How many man-years were there in 1952? There were 489,992. How many man-years of average jobs were there in 1956? There were 517,612. How many man-years is the Postmaster General asking for fiscal year 1958? He is asking for 536,509, an increase of 46,517 over the time when he took over this job.

There are two ways of computing the costs involved. However, the payroll must be measured in terms of man-years. I believe that what we are providing in the bill would be enough for the scheduled personnel, but not enough for the man-years involved. The Postmaster General would have to cut the number of man-years. He could not put substitutes on the roll at Christmas. He could not expand facilities in rapidly developing areas, and so forth.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. CAPEHART. Do the man-years take into consideration overtime?

Mr. ROBERTSON. Yes.

Mr. CAPEHART. Those figures include both regular and overtime?

Mr. ROBERTSON. They include regular time, overtime, Christmas jams, extensions, and all that.

Mr. CAPEHART. I am not a member of the Appropriations Committee. The point is this: What will the Postmaster General have to do if he does not get this money? Will he lay off employees? Will he reduce overtime? Where will he cut, and who will suffer?

Mr. ROBERTSON. He will lay off temporary employees; he will reduce overtime; he will cut here, there, and yonder, or else go to jail; and he told us that he did not propose to go to jail. He will curtail the services.

The Senator asks who will suffer. Of course the American people will suffer in the end. Some of the temporary jobs will be affected. Some of the overtime will not be paid. The regular postmasters will receive their salaries. Rural carriers who do not go over their routes on Saturday will not receive equipment allowances for the mileage they do not travel. That will reduce their compensation. The salaried employees will be cut, because the $58 million below the budget estimate represents a cut of 1.78 percent. That is not enough to prevent the payment of regular employees. However, the Department will not be able to paint mail boxes red, white, and blue. There will be no new lighting systems installed in post offices. There will be no quick sorting machines installed. There will be no Saturday delivery. Money orders might be eliminated, which would effect a saving of $8 million a year. Many items will be reduced. How can we tell what items will be reduced? There are 450 men in the Budget Bureau studying these figures. I said, "Give me a breakdown showing how much the Postmaster General overspent in 3 quarters." The answer was, "The figure is so vast that we could not begin to tell how the money was spent." We brought witnesses before the committee and they said, "We cannot tell." So there we are.

Mr. CAPEHART. Mr. President, will the Senator further yield?

Mr. ROBERTSON. I yield.

Mr. CAPEHART. Will Congress have to take the responsibility for reduced service, and for laying off certain employees, or will the Postmaster General accept it?

Mr. ROBERTSON. Let me read some suggestions from the Committee on Post Office and Civil Service, bearing on the question of whether or not Congress must assume the responsibility. This is what the committee says:

First, take a look at the activities of regional and district offices which are reputed to have increased postal costs by over $15 million a year.

I do not know whether that has been done or not. The committee says, "Take a look at the activities." If the increased cost is $15 million a year, going back to the old system would account for $15 million of the $18 million.

Total cumulative cost of operation of regional and district offices from November 24, 1953, to November 16, 1956, was $51.6 million.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. JOHNSTON of South Carolina. I invite the attention of Senators to the fact that the Postmaster General came before the Committees on Post Office and Civil Service of the House and Senate, and asked that legislation be enacted giving him permission to establish district offices. The committees and the Congress refused to give the Postmaster General this permission. Later he went ahead and established the system anyway, regardless of the action of Congress.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield to my distinguished colleague. He served on the subcommittee with us. He knows our problem.

Mr. DIRKSEN. We pursued the subject of regional costs before the subcommittee. I believe that the table on page 82 of the printed hearings is quite expressive and enlightening. It shows that after compensating for employees reduced at the departmental and other levels, there was a saving of nearly $172 million by reason of the creation of district and regional offices. That is the record. Anyone who cares to examine the record can look at the figures.

Mr. ROBERTSON. That was the testimony before our committee; but also

In that connection the chairman called attention to the other table, which was later submitted to us, showing the number of man-years, which means average positions. The request is for an estimated 536,509 man-years for 1958. That is the workload.

The chairman of the Committee on Post Office and Civil Service also had this to say:

For 1958 the Department requested $33,-166,000, an increase of $2,775,000 over 1957, for salaries, travel and related expenses of the 15 regional organizations. On page 81 of the Senate hearings Mr. Stans said they were studying the question of the whole regional structure and may reduce to some extent the number of district offices that they have under the regions.

That is one thing the Committee on Post Office and Civil Service said it would look into, before we can reach any final conclusion as to how much the Department needs, and what it can get in the year to come, as well as the question of who will take the responsibility for what is not done. We have no way of answering the question at this time.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. CAPEHART. I am sure that the question of an increase in postal rates comes under the jurisdiction of the Committee on Post Office and Civil Service.

Mr. ROBERTSON. We looked into that question. The President took credit for $500 million in his budget. There was involved an increase in airmail rates, as well as other increases. The proposed 4-cent rate for first-class mail would produce $450 million.

Mr. CAPEHART. Mr. President, will the Senator yield, in order that I may ask the chairman of the Committee on Post Office and Civil Service if there is any likelihood that his committee will report favorably a bill to increase postal rates? Is there that possibility?

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the Senator from Virginia ask unanimous consent to yield for that purpose?

Mr. ROBERTSON. I ask unanimous consent to yield in order that the Senator from Indiana may ask this collateral, but pertinent, question of the chairman of the Committee on Post Office and Civil Service, which has under consideration the legislation referred to.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. CAPEHART. My question is this: Is there a possibility that the Committee on Post Office and Civil Service will report favorably to the Senate this year a bill providing for an increase in postal rates, in time for the bill to be passed by the Congress and signed by the President?

Mr. JOHNSTON of South Carolina. We have taken the position in committee, both when the Republicans were in charge of the committee and when the Democrats were in charge of the committee, that this is a revenue matter, and that when the House acts on the subject the Senate committee will immediately act on it thereafter.

Mr. CAPEHART. The answer is that the Senate committee will take no action until the House acts; is that correct?

Mr. JOHNSTON of South Carolina. We will take up the bill for consideration after the House has acted.

Mr. CAPEHART. But the Senate committee will take no initiative to report a bill to the floor of the Senate until the House acts first?

Mr. JOHNSTON of South Carolina. That is the position of the committee, and that has been its position heretofore.

Mr. CAPEHART. I do not know whether the Senator can answer this question. However, is it the Senator's best judgement that the House will report a bill at this session to increase the postal rates?

Mr. JOHNSTON of South Carolina. For the information of the Senator from Indiana, I should like to say that the House is progressing at the present time along that line. Its committee has already passed on certain sections of the bill, as I understand.

Mr. ROBERTSON. That is correct.

Mr. JOHNSTON of South Carolina. It looks as if the committee will report a bill to the House within the next few days.

Mr. CAPEHART. If the House committee does not report a bill favorably to the House, and the House fails to pass a bill, the Senate committee will not consider any increase in postal rates. Is that correct? In other words, does that mean that if we pass the pending appropriation bill in its present form, and no deficiency bill is passed later, it will be necessary to curtail postal services and to lay off some people in the Post Office Department?

Mr. JOHNSTON of South Carolina. I should like to have the Senator from Indiana understand that laying off employees does not depend entirely on the revenue of the Department. All the postal receipts go into the Treasury, of course.

Mr. CAPEHART. Yes; I understand that. In fairness to the chairman of the Committee on Post Office and Civil Service, I should say that he is correct in that regard. My point is that if an increase in the postal rates were provided, we might then be able to maintain the present postal services.

Mr. JOHNSTON of South Carolina. That would not affect this matter at all, for the simple reason that the additional amounts thus obtained would go only to cut down the deficit in the Post Office Department.

Mr. ROBERTSON. As I understand, the chairman of the Committee on Post Office and Civil Service has stated that since the House committee has already acted on the most controversial part of the postal rate increase bill, namely, that relating to the 4-cent first class postage, there is very good reason to believe that the Senate will pass a postal rate increase bill also. However, as he has pointed out, that will not amount to more than $450 million, and the deficit without any increase in the postal rate, is estimated to be $650 million.

If the $58 million is restored, and if the $7 million is restored, the deficit, without any increase in postage rates, will be in excess of $700 million.

The pending bill carries $166,660,000 more than was provided for the current year. That is not a small sum. It will take care of a great many functions. As the Senator from South Carolina has stated, we do not know whether it will be sufficient to provide full Saturday deliveries, or everything that is needed for Christmas deliveries, or to take care of the rapid expansion in urban areas, where, as soon as an additional 3,000 homes have been built and streets provided, everyone wants immediate mail delivery.

The committee takes the position that we will ask the Post Office Department to look into every phase of economy that can be developed.

I am sure Postmaster General Summerfield wants to cooperate with us. I do not think he wants to be nasty and mean and say, "Oh, well, no matter what you do about it, you must give me more money, or I will curtail postal services where it will hurt the most."

I think he will look into all ways of economizing.

Even if we were to put back into the bill all the money the House has stricken from it, he says it still will not be enough.

Since we must have a supplemental bill anyway, why not let us consider it all at one time? Therefore, we should go ahead and pass the pending bill for both the Treasury and Post Office Departments, exactly as the bill came from the House; then we can look further into the matter if, as, and when the President sends to the House—because the House must act first—a supplemental estimate, which will be in the neighborhood of $132 million, I believe.

Mr. CAPEHART. Are we to understand, then, from the able Senator that if we pass the pending bill as is and it can be proven later that the Post Office Department needs additional money, it will be provided in a deficiency appropriation bill?

Mr. ROBERTSON. The decision will then be made. If the Department will then need more money to give the kind of service it is giving now, we will have an opportunity to vote for that service or vote to curtail it and take the responsibility, if we do so.

Mr. CAPEHART. I should like to ask one further question.

Mr. ROBERTSON. The Senator does not have to vote for more money.

Mr. CAPEHART. The Congress will then be faced with the decision of appropriating, in a deficiency appropriation bill, more money, or saying that we want postal services to be curtailed.

Mr. ROBERTSON. That is according to the testimony, of course. We will ask the Postmaster General if more economies cannot be effected.

I appreciate the courtesy and patience of my two distinguished colleagues, the Senator from New Jersey [Mr. SMITH] and the Senator from Vermont [Mr. FLANDERS]. I have spoken much longer than I had intended to.

At this time I ask unanimous consent to have printed in the RECORD at this point some suggestions that have come to me from the distinguished chairman of the Commitee on Post Office and Civil Service.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JOHNSTON OF SOUTH CAROLINA

First, Post Office should take a look at the activities of regional and district offices which are reputed to have increased postal costs by over $15 million a year. On page 81 of Senate hearings Mr. Stans said they were studying the question of the whole regional structure and may reduce to some extent the number of district offices that they have under the regions.

Second, Post Office Department should examine transportation methods to find out just how many empty or half-empty cars are carrying the mails at other than peak periods.

Third, it should go over its transportation costs and negotiate new contracts.

Fourth, reduce or abolish "public relations" activities unconnected with keeping the public informed on mail services.

Fifth, eliminate the "red, white, and blue" paint program.

Sixth, eliminate "public opinion" polls to find out reaction to rate increases.

Seventh, check over postal inspectors to find out how many are merely looking for ways to create vacancies to be filled by apostles of the great crusade.

Eighth, reschedule the workloads to permit handling deferred types of mail during slack periods and eliminate much overtime and substitute employment.

(Of the $2,385,212,465 requested for 1958 for total personal services, $1,714,656,985 is for basic salaries for regular employees. $555,691,903 is for basic salaries for substitute employees and $42,094,164 for overtime, $36,-916,223 for nightwork differential.)

Mr. ROBERTSON. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a summary of the pending bill.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF THE BILL

Titles I, II, and III of the accompanying bill contain a total of $3,884,927,000 for regular annual appropriation items. This is the same amount recommended by the House, an increase of $209,652,150 over the 1957 appropriations and $80,364,000 under the estimates for 1958. Approximately $191.1 million of the increase results from statutory requirements, principally the contribution to the retirement-fund requirement which totals to approximately $154.6 million. This is required by Public Law 854, 84th Congress. This item does not represent a new item insofar as the total expenditures of the Federal Government are concerned, since an appropriation covering the aggregate contribution for Federal employees was included in 1957 in the Independent Offices Appropriations Act.

For the Treasury Department, the committee recommends concurrence in the action of the House and the bill recommends an appropriation of $691,467,000, a decrease of $22,-364,000 under the budget estimates for 1958 of $713,831,000 and an increase of $42,897,150 over the 1957 appropriation. Of the increase approximately $23 million are required for contribution to the retirement fund.

For the Post Office Department, the bill recommends an appropriation of $3,192 million, the same amount as recommended by the House and a decrease of $58 million under the budget estimates for 1958 of $3,250,-000,000. The amount recommended is $166,-660,000 over the appropriation for 1957. Approximately $131,482,059 are required for contribution to retirement fund.

For the Tax Court of the United States, the bill recommends an appropriation of $1,460,000, the budget estimate for 1958, and the amount recommended by the House. The increase of $95,000 over the 1957 appropriation is primarily to cover the contribution to retirement fund.

Mr. ROBERTSON. Mr. President, I yield the floor.

Mr. MANSFIELD. Mr. President——

The PRESIDING OFFICER. The Senator from Vermont has sought recognition for some time. The Chair recognizes the Senator from Vermont.

Mr. MANSFIELD. I have an amendment to offer to the pending bill.

Mr. FLANDERS. If the Senator from Montana wishes to make a speech on his amendment, I would appreciate it if he would wait until I have finished my very brief talk. I wish to express my gratitude to the Senator from Virginia [Mr. ROBERTSON] for yielding the floor when he did.

The PRESIDING OFFICER. The Senator from Vermont has the floor.

A MIDDLE EAST PROGRAM

Mr. FLANDERS. Mr. President, I have adopted the title of "Middle East" program to head the manuscript of this talk. I have used this title so as to conform to the terminology of the "Middle East" doctrine, but this has been done in some bewilderment. What has become of the old and familiar geographical area known so long as the "Near East"? Has this territory sunk without trace? Where does the Middle East begin? Where does it end? What are the limits of the Far East? It is clear that we live in a period of rapid and confusing change.

But after all, these questions are unimportant. What is important is that confusion and conflict is rife in an area comprising Egypt, Israel and the Arab world, no matter by what name we choose to call this area. We have given this area a doctrine. It needs more than this. It needs a program. A program requires that the area, its governments, and its people be looked at as a whole. That we have not been doing. We have been looking at crisis after crisis, and have sought limited solutions for each crisis as it has arisen. Is it not far better to examine the lesions which produce the crises? If we can mitigate and control the lesions perhaps the crises will diminish.

The elements of a suggested program have already been set forth in the two preceding talks. It will be remembered that they are based on the long-range self-interest of governments, races, and particularly of the peoples of the area. Only on the basis of such long-range self-interest is there any hope of constructive solutions.

For Egypt and its people there are proposed the following benefits:

First. Recognition of the fact that the Nasser government is the government of Egypt.

Second. World acceptance of the nationalization of the Suez Canal, based on a recognition by Egypt of the commercial world's stake in its efficient and evenhanded administration.

Third. Assurance of a steady income from operation of the canal, on terms acceptable to the commercial world and therefore promoting maximum use.

Fourth. A reopening of the Aswan Dam project or consideration of an alternative project to find the most efficient means of increasing the agricultural production of the Nile Valley, such project to have our support.

Fifth. Use of our influence to assure the flow of an enlarged agricultural production to the increasing of the living standards of the people of Egypt.

Sixth. Offer of our hearty support of the expansion of education as part of a general program for the Arab world.

Seventh. Promotion of peaceful relations with Israel so that the attention of the Egyptian government may be focused on raising the well-being of its citizens.

For Israel and the Israelis there are proposed the following benefits:

First. Recognition of Israel as a sovereign nation, dwelling within fixed and known boundaries.

Second. Support for Israel in negotiating for the Gaza Strip as new area required for settling Jews newly displaced from adjoining territory.

Third. Stabilization which will end raids and counterraids over established borders.

Fourth. Opening the Suez Canal to the passage of Israeli shipping.

Fifth. Support of the United States for internationalization of the Gulf of Aqaba and its approaches.

Sixth. Improved prospects for the joint development of the Jordan Valley.

Seventh. A recognized place for Israel among the nations of the Middle East, by virtue of its technical leadership in the development of Middle East natural resources.

For the whole Arab world there are proposed the following benefits:

First. Assurance that the recognized boundaries of Israel are established and that population increase in the future will be supported by technical improvements in the use of natural resources.

Second. The status of Israel made clear as a nation among nations, not motivated by ideologies unacceptable to mankind in general.

Third. A general release of tensions permitting successful negotiations for the development of the Jordan Valley to the benefit of Jordan and Syria.

Fourth. The pioneer technology in the Israeli use of Middle East resources made available throughout the area.

Fifth. Encouragement for the regional use of the great capital resources flowing from the oil wells, so that the Middle East may become economically independent.

Sixth. An expanded economy resulting from the application of new technology and new capital, furnishing opportunities for the profitable resettlement of present refugees.

Seventh. Our assistance in supporting education to benefit the whole population.

Eighth. All the preceding elements, combined, definitely to check Communist infiltration which, if it were successful, could only result in a stagnation in production and the destruction of desirable social and political institutions.

To the whole family of nations the following advantages would accrue:

First. The world interest in the Suez Canal would be recognized, and established. Unrestricted transit would be assured.

Second. Compensation for nationalization would be reinstituted.

Third. Negotiations for adding the Gulf of Aqaba and its approaches to the list of international waterways, as an alternative route between the Red Sea and the Mediterranean.

Fourth. Stabilizing of a large and threatening area of conflict.

Fifth. Specifically for Great Britain the status of the Suez Canal, assured by international agreement with Egypt, makes the maintenance of Cyprus as an armed camp no longer necessary. She can be relieved of the great expense and the political problems with which she has hitherto been burdened.

Mr. President, this is a program. It is not a loose assemblage of separate projects. While some specific elements of the total program might successfully be negotiated, the usefulness of such a partial procedure is very limited.

Therefore this program, or some similarly inclusive one, should be announced by the United States. It should be supported officially by the United Nations. Negotiations should then proceed vigorously as to details on all fronts, with all elements viewed in the light of the whole undertaking.

Mr. SMITH of New Jersey. Mr. President, I commend the distinguished Senator from Vermont for his very interesting presentation concerning the situation in the Middle East.

Mr. FLANDERS. I thank the Senator from New Jersey.

THE BUDGET

Mr. SMITH of New Jersey. Mr. President, I shall try to restore some of the bloom of the "budget rose," which is so dear to the heart of the majority leader; in other words, for a few minutes I wish to discuss the budget.

During the past few weeks, there has been a rather insistent clamor from all over the country for a reduction in Federal expenditures and an appeal from many quarters for a lowering of taxes. This public demand has arisen primarily from statements by some that the administration has submitted the "largest peacetime budget in history," and from rumors that there are differences within the administration as to whether or not the budget can be cut—differences primarily between the President and the Secretary of the Treasury.

The size of the administration's budget has concerned us all, and the administration has been subject to sharp and critical attacks by the Democratic majority and suggestions from both sides of the Senate aisle for drastic appropriations cuts. Cuts which have been imposed upon appropriations by the House have received understanding consideration by the Senate Appropriations Committee.

On the other hand, a few days ago the Senator from New York [Mr. JAVITS], the Senator from Connecticut [Mr. BUSH], the Senator from Kentucky [Mr. COOPER], and various other Senators came to the defense of the Administration and the budget submitted this year. I commend my colleagues for their fine presentation of the issues and shall add a word of explanation of this fiscal situation as I visualize it.

As a part of his remarks, the Senator from Connecticut [Mr. BUSH] incorporated in the CONGRESSIONAL RECORD, on page 6283, the text of the letter sent by President Eisenhower to Mr. SAM RAYBURN, the Speaker of the House. It is not my purpose to quote this letter in full, but I do wish to reemphasize its content.

PRESIDENT EISENHOWER'S LETTER TO SPEAKER RAYBURN

In his letter to Speaker RAYBURN, the President divided the estimated expenditures for the coming fiscal year into three categories. The first consists of legally prescribed expenditures which total $17.6 billion, or 24 percent of the total expenditures. The second and largest portion of the estimated expenditures for the coming year is in direct support of our national defense, some $45 billion, or 63 percent of the total. The remainder constitutes only 13 percent of the budget and only $9 billion.

Mr. President, legally prescribed expenditures, such as interest on the debt, public assistance, veterans' pensions, and similar items, must be paid unless Congress decides to repeal the laws requiring those payments. Failure to appropriate adequate funds for these obligations now will merely necessitate supplemental appropriations at a later date.

As to that large portion of the budget which is devoted to our national defense and security, President Eisenhower in his letter warned that "a cut of any appreciable consequence in current expenditures for national security and related programs would endanger our country and the peace of the world." It is the President's judgment that there is no foreseeable "early lessening of international tensions and dangers as would justify a significant downward revision in our defense and related programs."

Thus with legally fixed costs and national defense expenditures totaling 87 percent of the proposed budget, any large-scale reduction in the 1958 budget must be made at the expense of the $9 billion which provides for all the other activities of the Government. The activities in this area of the budget, as described by the President, are "such activities as public health, the various housing programs, all operations of most executive departments, the civil functions of the Corps of Engineers, the nationwide functions of the General Services Administration, the worldwide functions of the Department of State," and others. As the President stated, "a multibillion-dollar reduction would destroy or cripple many essential programs if concentrated in this limited area of the budget."

The President concluded, concerning the expenditures for fiscal 1958:

> It is clear that a "substantial reduction" in Federal expenditures next fiscal year * * * whether in any one or a combination of these major segments of the budget, would weaken the Nation's defenses, or cut back or eliminate programs now required by law or proposed in the public interest, or both. That forces the conclusion that a multibillion-dollar reduction in 1958 expenditures can be accomplished only at the expense of the national safety and interest.

In the same letter, however, the President did propose a number of items of new spending authority which he felt Congress could reduce. He recommended that a total of $1.8 billion of new spending authorizations could be eliminated or postponed without serious detrimental effect. Included in the President's proposals were reductions of $500 million in the military assistance program of the mutual security program, $200 million in military public works, and a $516 million possible reduction in Army procurement and production.

I should emphasize that these reductions proposed by the President are in future spending authority. They will not all reflect reductions in actual expenditures during fiscal 1958. Yet they will materially assist in alleviating budgetary expenditures in future years.

SECRETARY HUMPHREY SUPPORTS THE PRESIDENT

Mr. President, there has been some discussion about a difference between President Eisenhower and Secretary Humphrey. The Secretary of the Treasury, Mr. Humphrey, is in complete accord with President Eisenhower's approach to this budget.

On the same day when President Eisenhower sent his letter to Speaker RAYBURN, Secretary Humphrey addressed the National Industrial Conference Board in New York, and stated:

> The President's letter of this morning puts into proper perspective the problems about the budget which have been the subject of discussion since the budget was sent to the Congress in January.

While confirming the proposed reductions which the President proposed in future spending authority, Secretary Humphrey continued:

> The President * * * stated that actual spending in the coming fiscal year cannot be cut by multi-billion-dollar amounts without danger to the national safety or interest, or the modification of some of the existing programs now authorized or required by law.

Then said Secretary Humphrey—and I emphasize these words:

> I urge every citizen to earnestly consider and support the President's direct and simple analysis of the principles involved in our budget problems. The President's position not only guards the Nation against ill-considered or dangerous slashing of the budget, but it also points the way to well-considered steps toward holding future Federal spending down. Controlling the upward march of total Government spending is of greatest importance to us all.

Mr. President, in that connection I may say that I have talked personally with Secretary Humphrey about this matter, and I can state that he is glad to have me emphasize this point. What he is driving at is future spending and the enactment of programs which require ever-increasing appropriations.

Mr. DOUGLAS. Mr. President, will the Senator from New Jersey yield?

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the Senator from New Jersey yield to the Senator from Illinois?

Mr. SMITH of New Jersey. I am glad to yield.

Mr. DOUGLAS. Then do I correctly understand that Secretary Humphrey is opposed to any significant economies in the President's budget?

Mr. SMITH of New Jersey. No. I shall come to that point later in my remarks.

Mr. DOUGLAS. Is the Secretary of the Treasury opposed to any significant economies, or is he in favor of them?

Mr. SMITH of New Jersey. The Secretary of the Treasury is supporting the President's position.

Mr. DOUGLAS. And what is the President's position?

Mr. SMITH of New Jersey. Mr. President, I would rather not yield further and get into an involved discussion. I wish to make my presentation with continuity. I am sorry, but I must defer the Senator's question for the present.

Mr. President, I fail to see any difference of opinion between the President and Secretary Humphrey over the present budget.

As a further illustration of the misunderstanding throughout the country of Secretary Humphrey's position and what he actually said with regard to the budget, I ask unanimous consent to have printed at this time in the RECORD, as a part of my remarks, an article entitled "The Distorted Hair Curling Issue." The article was written by David Lawrence, and was published in the Washington Evening Star last Friday, May 10. The article explains clearly what Secretary Humphrey meant by his now famous "hair curling" remarks.

The PRESIDING OFFICER (Mr. THURMOND in the chair). Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE DISTORTED HAIR CURLING ISSUE—RECORD QUOTED TO SHOW THAT HUMPHREY DID NOT USE PHRASE ON 1958 BUDGET

Secretary of the Treasury George Humphrey has been bearing the brunt of a good deal of criticism lately throughout the country. Some accuse him of attacking the President's budget. Others say he predicted a depression that will curl your hair unless the 1958 budget recommended by the President is cut by many billions of dollars. Partisans on Capitol Hill have been twitting the administration and seeking to exploit the alleged contradictions.

But, if ever a man in public life was misquoted or quoted out of context, misunderstood and misrepresented, it is the present Secretary of the Treasury in relation to his comments at a press conference of January 16 last.

Fortunately, a stenographic record was kept and was issued to the press that same day.

This correspondent has just completed a study of what was distributed by the various wire services and what was printed in most of the newspapers immediately after the press conference of January 16. The only conclusion that can be reached is that the text of what the Secretary really said and the impression conveyed by some of the wire services is considerably different. Here is the exact text of the question that drew the response about hair curling:

"Mr. Secretary, isn't nearly all the talk here today about cutting spending and cutting taxes largely academic, as long as the world situation remains what it is? Looking at this budget, I find that the lion's share of the increased expenditures is for mutual security and defense. Is there any hope anywhere in the world situation that you can do any cutting in defense spending in the next few years?"

It is to be noted that the questioner inquired about "any hope anywhere in the world situation" and referred specifically to the "increased expenditures for mutual security and defense." Here is the exact text of Humphrey's answer:

"I think there is—yes, I do . I think there is some hope you can reduce expenditures all along the line, I would certainly deplore the day that we thought we couldn't ever reduce expenditures of this terrific amount, the terrific tax take we are taking out of this country. If we don't over a long period of time, I will predict that you will have a depression that will curl your hair, because we are just taking too much money out of this economy that we need to make the jobs that you have to have as time goes on."

Humphrey spoke not of this year's budget but of what has to be done over a long period of time. He was talking directly about reducing expenses for armament. So are Prime Minister Macmillan and Premier Mollet and Chancellor Adenauer. All over the world statesmen are talking of the back-breaking burdens of armament.

None of the dispatches written on January 16 that this correspondent saw emphasized sufficiently the difference between Humphrey's comments on the long-range prospects due to the armament burden arising out of the world situation and the particular budget submitted that week by the President.

The public didn't get the impression at all that Humphrey was really supporting the existing budget, but that he was differing with the President. Yet in the text of the transcript occurs the following comment by the Secretary:

"I think this budget as now drawn has been prepared with the very greatest care, and I think it is the best that we can possibly do right now. Now, my whole point is this: That it is 18 months before we get through living under this budget, and I think there are a lot of economies and a lot of savings that we ought to be able to make if we pay strict attention to our business and work at them hard enough during the next 18 months. I don't think there is anything in sight at the moment that can be done better than is now proposed in this budget, but I think we ought to improve it as time goes on."

Asked whether the Secretary and the President differed about the budget, Humphrey said in that same press conference:

"There is no division or difficulty in the administration at all on this subject. This is a thing that we all are in accord on. This budget was made up, as I say, with the very greatest care and a great deal of time spent on it, and this is apparently the best we can do at the present time. But I just believe that over 18 months we ought to keep doing better."

The improvement process has already been begun. The agitation has, therefore, in some respects been salutary, but some of the talk and criticism is going to extremes and could harm the effectiveness of America's international influence in a critical period in history if appropriations for necessary programs are curtailed or abandoned through mistaken acts of Congress.

Partisans have been able to distort and twist what Humphrey did say. A complicated subject, such as the budget really is, has been made a football of politics. Unless corrected by an informed public opinion, the momentum of the entire economy can be slowed down and a recession precipitated.

PUBLIC CONCERN OVER THE BUDGET

Mr. SMITH of New Jersey. Yet, Mr. President, there exists, and it is gratifying to me, a widespread public concern over the expenditures of Government; and I share the feelings of those who desire to see the budget reduced. It is confusing, however, to discover the degree of public misunderstanding which surrounds the budget and the belief that it can be painlessly reduced by many billions of dollars.

The budget should be of vital concern to all of us who have a deep interest in the level of governmental services provided for the people, the cost of such services, and the ability of the economy to progress, as well as to support the necessary expenditures of Government. However, we must never lose sight of the vital fact that the budget is not merely a sum of money to be extracted from the taxpayers and devoured by the Federal Government. To view only the total number of dollars contained in the budget is to overlook the vital consideration that these dollars represent the implementation of programs and policies.

INFLATION SINCE 1939

An alarmed emphasis has been placed upon the total of estimated expenditures under the fiscal year 1958 budget—$71.8 billion. It has erroneously and unfavorably been compared with the highest prewar budget of $9 billion in 1939, as evidence of the outlandish extravagance included in the President's proposals. But such comparisons are misleading at best. Such comparisons fail to take into consideration the effect of inflation, the rapid expansion of our economy, with a resultant rapid advancement in our gross national product and our national income, and the vastly different situation of the United States in relation to that of the rest of the world.

All of us are aware of what inflation has done to our cost of living. The same is true of the Government's cost of operation. To compare the budgets of 1939 and 1958, it is necessary to attribute over $41 billion of the present budget to the subtle operation of intervening inflation. This means that in terms of 1939 dollars, the budget of the fiscal year 1958 would total $30.6 billion, and not the $71.8 billion we have been discussing.

GROSS NATIONAL PRODUCT AND NATIONAL INCOME

We should also realize that the proposed budget does not represent any increase in the proportion of our gross national product or national income which is devoted to Federal expenditures. In fact, the $71.8 billion expenditures included in the budget represent only about 16.2 percent of our gross national product, as compared with 16.5 percent expended during fiscal year 1956, and 16.3 percent estimated to be expended during fiscal year 1957. In relation to the national income, the 1958 budget represents only 19.8 percent of our total national income, as compared with 24.7 percent expended during the fiscal year 1953, 22.7 percent in the fiscal year 1954, and 20.9 percent in the fiscal year 1955. With the advancing level of prosperity and expansion in this country, the Federal budget represents a smaller burden upon the Nation's wealth than those of recent years. The creation of wealth within this country is advancing at such a fast rate that a stable level of taxation returns more than sufficient revenues to meet our national expenditures.

BALANCED BUDGET AND SURPLUSES

Mr. President, this is the third consecutive budget President Eisenhower has presented to the Congress and the people which is based on an estimated surplus of income over outgo. For the first time in 25 years, the country is in the financially sound position of managing governmental expenditures on a balanced budget for 3 years in a row. In spite of the fact that during the Eisenhower administration there has been the largest general reduction of taxation in the country's history, an anticipated surplus of $5 billion has been predicted as a result of the budgets for the fiscal years 1956, 1957, and 1958. None of the burden of the present budget will be placed upon the shoulders of our children, for future payment. The Government is paying its way as it goes. At the same time, the national debt is being reduced.

DUTY OF CONGRESS TO REDUCE BUDGET

Mr. President, as I stated earlier, I am in favor of reducing the budget, where possible. Congress has the responsibility to eliminate waste, inefficiency, duplication, and fat of any kind, wherever it is found. However, such paring of the budget must be done carefully, responsibly, and without panic. We must not lose sight of the fact that this is a cold-war budget, not a so-called peacetime budget. We must not endanger our national security or the peace of the world for the sake of a temporary financial benefit. If it were not necessary for this country to maintain its present Military Establishment against the Communist threat to our independence, the budget could be drastically reduced. However, the persistent threat of Communist aggression is a fact, and we cannot ignore it.

As to the nonmilitary, or nonsecurity, portion of the budget, we must recognize that we in the Congress have saddled future budgets with expenditures which we are committed to pay. We have written into law provisions which require that certain financial benefits be paid to various groups of our people. The expansion of our public-assistance programs necessarily means higher future expenditures of our national Government. The various agricultural-support programs necessarily mean substantial expenditures for our farm community. Expansions of medical service and care benefits for our veterans necessarily mean that the costs of our veterans programs will be increased in future years. We must face the fact that we cannot consistently expand benefits and programs when legislation is before us, and then balk at paying the price of the programs. The Secretary of the Treasury has been emphasizing this point when he has stated that the Congress must reduce, eliminate, or halt expansion of governmentally financed programs before it can expect the future trend of Government expenditures to turn downward.

Secretary Humphrey has been taking that position right along.

We must reconsider policy determinations which require many of these benefits if we wish to make substantial reductions in the total budget, particularly since the absolute necessity of defense preparedness and technological advance requires enormous, continuing expenditures for our own national security.

Mr. President, the Congress is now considering the appropriations bills, and will be proceeding with them during the coming months. I urge my colleagues to achieve whatever reductions can be prudently accomplished and I shall join them in it—but I also urge them to realize the limitations which are inherent in dealing with appropriations as a means of altering policies established by law. I urge them to consider President Eisenhower's letter to Speaker RAYBURN and the fact that substantial cuts can only be applied to 13 percent of the total budget, when legally prescribed expenditures and national security items are excluded. To take a meat ax to that $9 billion portion of the budget will have disastrous effects.

MUTUAL SECURITY PROGRAM

Some members of this body have suggested that there are substantial reductions which can be made in the mutual security program. I am particularly interested in that program.

The President has already revised his authorization request downward, from $4.4 billion to $3.9 billion. I sincerely hope that my colleagues will not seize upon the mutual security program and make it the "whipping boy" in a relentless drive for budgetary reductions. We cannot afford drastically to undercut these relatively small expenditures upon which we rely for the long range peaceful development of the world. While maintaining our military national defense, we cannot afford to eliminate those programs, which are working for the benefit of this country, and other countries throughout the world, for a peaceful international situation.

Mr. President, in this connection, I ask unanimous consent to have printed in the RECORD an editorial by David Lawrence in the April 26 edition of the U. S. News & World Report. This thoughtful editorial is entitled "Penny Wise and Pound Foolish."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the U. S. News & World Report of April 26, 1957]

PENNY WISE AND POUND FOOLISH

(By David Lawrence)

For centuries, back to the days when we still used the English pound instead of the dollar, the expression quoted in the headline above has been used to warn against economizing unwisely.

From one end of the country to the other in recent weeks there has arisen a proper demand that government spending be curtailed lest it get out of hand in future years. This demand is in itself a warning against the dangers of a loss of public confidence in the dollar—a possible forerunner of an inflation panic.

But the other extreme can be equally dangerous. We must not ruin the effectiveness of the dollar we are spending by slashing the budget recklessly. It has often been said that any building can be toppled over if one is permitted to select and tear out just 10 percent of the bricks anywhere in the structure.

Many citizens, eager to see their taxes reduced, are joining a chorus which, in effect, says, "Let's cut the budget, irrespective of the consequences."

Other citizens, urged on by well-intentioned associations and organizations seeking early tax reduction, denounce as wasteful certain categories of expenditure, such as "foreign aid," or blandly classify as "boondoggling" many an item with whose purpose they are unfamiliar. There are also those who, without examining all the facts, just call the whole spending program a reversion to "new dealism."

There must soon be a turn to common sense and realism. The agitation for a reduced budget is, of course, salutary. It is one of the healthiest symptoms of public interest in a complex subject that has been manifested in a long time. But we must nevertheless proceed on the basis of facts and not just wishful thinking.

How many newspapers will give the necessary space to print the full text of the letter on this subject just written by President Eisenhower to Speaker RAYBURN of the House of Representatives?

Without a knowledge of the viewpoint and the facts contained in that letter, no citizen can argue intelligently about the cuts that ought to be made in the Federal budget. The readers of this magazine will find the letter on pages 91–94.

The President wants to cut the budget. But it cannot be done with a hatchet, as Congress is doing. For this will prove far more costly in the long run than the sums allegedly saved now.

Take, for instance, the unwise cut made by the House of Representatives last week in the $144 million requested by the President for the use of the United States Information Agency. The amount was reduced to $106 million. That's a reduction of almost one-third. Isn't it obvious that what the House really did was to disapprove a policy?

The projects recommended originally were the result of months of study of how America might combat Communist propaganda in different parts of the world. Men expert in the field of transmitting ideas to peoples in various countries worked out the plan but, in a few hours, a majority of the Members of the House, who could not possibly be familiar with the specific conditions abroad in which America is fighting the spread of international communism, slashed the program with a meat ax. An information agency of the Government which seeks to prevent war by reaching the hearts and minds of other peoples was frustrated. Yet its cost represents only one-third of 1 percent of what we have to spend for armament.

If we do not win the cold war we will find ourselves in the midst of a hot war. And who will have to fight that war, and what will it cost? Not only will our sons be drafted and the lives of many of them sacrificed, but in a nuclear war the civilian population will be decimated—and the budget will skyrocket.

The American people cannot afford meat-ax cutting of the budget. Federal spending, as the President says in his letter to the Speaker of the House, can be reduced and he points the way. But, with $45 billion for armament and national protection and $17.6 billion for fixed items like veterans' pensions and interest on the public debt, only $9 billion remains for all the other activities of the Government. Hence, the President says, "a multibillion-dollar reduction as evidently envisaged by the House resolution would destroy or cripple many essential programs if concentrated in this limited area of the budget." He declares that a substantial reduction in 1958 expenditures can be accomplished only at the expense of the national safety and interest.

The President is right. His letter is supported in its entirety by Secretary of the Treasury Humphrey. Certain cuts in spending authority for future years are recommended by Mr. Eisenhower, together with a sensible procedure to achieve a system of economical spending.

This is not a time to play politics. It is a time for commonsense. We must not be penny wise and pound foolish.

CONCLUSION

Mr. SMITH of New Jersey. Mr. President, in our legitimate desire to see that the expenditures of the Government are reduced insofar as is possible, we must not let our eyes be clouded to the extent that we neglect the inescapable facts of our world situation. If we could forget the threat of international communism to our freedom and independence; if we could ignore the necessity of developing and maintaining close understanding relationships with the other free countries of the world, and especially with those additional peoples who are yearning for freedom, independence, and self-determination; if we could ignore these aspects of developing peace in the world, I would be in the vanguard of those who would, and could, reasonably achieve gigantic reductions in Federal expenditures. However, Mr. President, we lose sight of these facts only at the peril of our freedom and independence. We cannot risk the sacrifice of our priceless heritage for the sake of meat-ax economy.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. CASE of New Jersey. I wish to commend my senior colleague from New Jersey for the splendid address which he has just delivered to the Senate. It is a real contribution toward clarification of a situation which many persons, for partisan and unworthy purposes, have attempted to cloud. It is directly in line with the President's straightforward and clear exposition in his letter to the Speaker of the House. I am confident it will be directly in line with what the President will say when he addresses the country on the subject, as he expects to do tomorrow night, I think, and again next week.

I desire to associate myself completely with my senior colleague from New Jersey. I know he represents the views of the people of our State in regard both to their desire not to have any unnecessary expenditures, and to provide all the expenditures that are necessary in regard to defense, in regard to our foreign policy, and in regard to our domestic programs.

I join with the Senator, and wish again to commend him for the splendid statement he has made.

Mr. SMITH of New Jersey. I thank my colleague.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. BUTLER. With the exception of the foreign-aid program, has the administration made any definite recommendation as to where cuts can be made?

Mr. SMITH of New Jersey. I should have to look at the President's letter for the details. In that letter mention was made of a cut in foreign aid of $500 million. The total reduction came to a total of approximately $1,800,000,000.

Mr. BUTLER. This morning's Times quotes Presidential Assistant Sherman Adams as saying the budget could be cut as much as $2 billion without interfering with the quality of the services by the Government. Have recommendations to that extent been made?

Mr. SMITH of New Jersey. That is the figure I arrived at.

Mr. BUTLER. In other words, there is a spending budget of $71.8 billion and a proposed budget of new programs amounting to $73 billion plus. Is it in the latter area in which the cuts would be made by the President?

Mr. SMITH of New Jersey. I am hoping the President, in his message to the country tomorrow night, will cover those details again, because they have been the subject of considerable discussion.

Mr. BUTLER. The reason I call this to the Senator's attention is that confusion has arisen in reference to this matter. I am confused. One Cabinet officer says one thing, and another says another thing.

Mr. CASE of New Jersey. Mr. President, will the senior Senator from New Jersey yield to me so that I may reply to the Senator from Maryland?

Mr. SMITH of New Jersey. I yield.

Mr. CASE of New Jersey. In the letter which the President wrote to Speaker RAYBURN, the President suggested a total of $1.8 billion might be eliminated from the present budget, or postponed. I think the Senator has the same thought in his mind. That is practically the same as what the assistant to the President mentioned in his television remarks over the weekend. There is no inconsistency at all about it. They seem to me completely in line with each other.

Mr. BUTLER. Mr. President, will the Senator yield further for a question?

Mr. SMITH of New Jersey. I yield.

Mr. BUTLER. In other words, the administration is prepared at this time to forego any new spending and cut back the foreign-aid program to the extent of $500 million. Is that correct?

Mr. SMITH of New Jersey. I think that is correct. When the Senator says "any new items," I do not know what he means.

Mr. BUTLER. The difference between the spending budget and the requested budget.

Mr. SMITH of New Jersey. The cut for foreign aid would amount to $500 million.

Mr. BUTLER. But the administration would forgo at this time any additional expenditures on programs in which we have not spent money before.

Mr. CASE of New Jersey. If the Senator will yield so I may answer, I think that is not quite correct. The budget totalling $71.8 billion includes certain programs recommended, but not yet adopted. It includes funds for the proposed school-construction bill. The President does not, in his letter to the Speaker, suggest eliminating that item from his program. Items included in the $1.8 billion cut include approximately $500 million in so-called foreign aid, but I point out that is in the military-assistance item and not the economic-assistance item. There is another figure of $200 million for military construction. There is another figure of about $500 million from the defense budget. The others are rather small items.

Mr. SMITH of New Jersey. I will say to the Senator from Maryland that what I have been trying to do is analyze this matter and to reduce the existing confusion. There is much misunderstanding in the popular mind.

Mr. BUTLER. I do not know whether my mind is of the popular variety or not, but I have been confused by the seemingly different statements of administration officials.

Mr. SMITH of New Jersey. The Senator's mind is just the same as my mind. I have been trying to analyze this problem in order to reduce confusion and misunderstanding. I hope what I have said will be helpful.

Mr. President, I yield the floor.

TREASURY AND POST OFFICE APPROPRIATIONS, 1958

The Senate resumed the consideration of the bill (H. R. 4397) making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes.

The PRESIDING OFFICER. The committee amendment will be stated.

The amendment of the Committee on Appropriations was, under the heading "Title I—Treasury Department," on page 9, after line 7, to insert:

GENERAL PROVISIONS—TREASURY DEPARTMENT

SEC. 102. Not to exceed 5 percent of any appropriation herein made to the Treasury Department for the current fiscal year, except for the appropriations made to the United States Coast Guard, may be transferred with the approval of the Bureau of the Budget, to any other appropriation of the Treasury Department, but no appropriation shall be increased by more than 5 percent by any such transfers, and any such transfers shall be reported promptly to the Committees on Appropriations of the Senate and House of Representatives.

Mr. ROBERTSON. Mr. President, I ask concurrence in the committee amendment. It will facilitate the action of the Treasury Department in adjusting itself to some of the cuts proposed in this bill.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. DOUGLAS. I wish to compliment the Senator from Virginia for his work on this bill. I should like to ask the Senator from Virginia whether it is true that some $3 billion which the Treasury has on deposit with the banks of the country draws no interest?

Mr. ROBERTSON. The Senator is correct.

Mr. DOUGLAS. That is, no interest is paid by the banks upon the deposits which the Federal Government has with them, most of them being classified as demand deposits.

Mr. ROBERTSON. Of course, under the law, national banks cannot pay interest on those accounts.

Mr. DOUGLAS. I understand.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. MANSFIELD. Mr. President, I feel like a lonely man this afternoon, because it is difficult to offer to an economy minded Congress an amendment which seeks to raise the appropriation reported by the Appropriations Committee. However, while I approve of the feeling of the Congress, I consider it is my duty at this time to invite the attention of the Senate to a situation which exists in the State of Montana relative to the customs buildings on the American side of the Canadian-American frontier.

Mr. President, the Treasury and Post Office Departments appropriations bill the Senate is considering today is substantially the same as that passed by the House. Considering the economy mood which now prevails, I feel that the funds contained in this bill are generally adequate. However, I wish to take exception on one item.

The bill does not provide construction funds under the Treasury Department aporopriation for the construction of 16 new customs-immigration stations along the Mexican and Canadian borders. The budget request of $450,000 has been disallowed by both the House and the Senate Appropriations Committees. The funds would have allowed the Customs Bureau to pay its share of the cost of construction of these small stations, in cooperation with the Justice Department. Among those stations scheduled to be constructed were four Montana stations—Del Bonito, Opheim, Turner, and Morgan.

Normally I might say that this work could be postponed until next year, but the conditions at these stations in Montana are deplorable. The Bureau and the Immigration Service have inspected the stations, and have recognized the need for extensive buildings to replace antiquated structures and to provide enlarged facilities at places where there has been a considerable increase in vehicular and passenger traffic. As we all know, the amount of travel and commerce between northern States and our Canadian neighbors is ever-increasing.

At the Turner station two trailers are being installed as a temporary expedient. Budgetary economies are understandable but not to the point that necessary facilities such as these customs stations are ignored.

Mr. President, I hold in my hand a newspaper clipping from the Glasgow Courier, Glasgow, Mont., showing photographs of the Canadian and American Customs Buildings at Turner, Mont. The American station consists of two trailers equipped to be used on the Mexican border. Drinking water must be brought in and there are no modern sanitary facilities.

As a matter of fact, the picture I hold in my hand shows the trailer, as well as the outside toilet, on the American side, used by the American Customs Service, whereas on the Canadian side is shown the luxurious building which will be used by the Canadian customs officers. There are 14,000 crossings made annually at this border station.

In contrast, the Canadian customs office represents an investment of around $100,000. It is designed for 24-hour service, and is complete with all modern conveniences.

It has come to my attention that the House granted over $2 million in construction funds for 5 border stations to house customs and immigration facilities in California; Texas, 2; Maine; and New York. Yet, we refuse to grant $900,000 for 16 smaller border stations, including those in Montana. Four hundred and fifty thousand dollars of these funds was originally requested by Treasury in the budget requests considered in this bill.

I am sure there is great need for the larger units, but I am distressed at the prospect of denying funds for the smaller units, all in the name of economy.

Mr. President, I ask that a letter dated May 8, 1957, which I have written to the Administrator of the General Services Administration be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

See exhibit 1.

Mr. MANSFIELD. The other customs stations which are included in the $900,000 program are located in the States of North Dakota, 5; New Hampshire; Minnesota, 3; California; Arizona; and Idaho.

I am sure that the conditions at these stations are no better than at those in Montana.

EXHIBIT 1

MAY 8, 1957.

Mr. FRANKLIN G. FLOETE,
Administrator, General Services Administration, General Services Building, Washington, D. C.

DEAR MR. FLOETE: It has come to my attention that GSA has been granted construction funds by the House in the independent offices appropriation bill, which would provide five border stations to house customs and immigration facilities in California, Texas (2), Maine and New York. Your budget request was reduced by $375,000 and is now pending before the Senate Appropriations Committee.

I am very interested in the improvement and construction of customs facilities throughout the country but as you may know the $900,000 request for 16 smaller border stations was rejected by the House—several of these in my State of Montana. As you can understand I am very desirous of having these smaller stations constructed, especially in view of the extremely poor conditions that now exist on the American side of the Canadian border.

My purpose in writing to you is to ask for a statement explaining why GSA does not have the jurisdiction over the construction of the smaller customs stations, as well as the larger units.

Thanking you for your courtesy, and with best personal wishes, I am

Sincerely yours,

MIKE MANSFIELD.

Mr. MANSFIELD. Mr. President, I have sent to the desk an amendment to H. R. 4897, which will restore $450,000 to the appropriation for the Treasury Department. I ask that it be read.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 3, line 10, it is proposed to strike out "$48 million" and insert in lieu thereof "$48,450,000."

Mr. ROBERTSON. Mr. President, the subcommittee and the full committee are sympathetic to the request for the 16 additional immigration customs stations. Fourteen of them, as the Senator from Montana said, are requested for the Canadian border, and two are requested for the Mexican border. Of the latter two, one would be in Arizona and one would be in California.

The Treasury Department recommended these stations, and the Bureau of the Budget recommended them to the House. However, when the Secretary of the Treasury came before us, after these items had been stricken out, he said, "I am asking for no restoration."

The committee was very sympathetic, because there is merit in this proposition, but the committee felt that if we opened up this bill for this item, we would have to consider an item of $8,205,000 for more airplanes, an item for shrimp boats, and a number of other requests. The committee said, "We will have an austere program. We will have to defer some of these items."

I hope very much our distinguished colleague will realize the situation in which the committee was placed, and in which the Senate is now placed, and take my assurance that next year, if there is any chance for a reconsideration of this matter, the project for the customs stations in Montana, will be very fully considered.

Mr. MANSFIELD. Mr. President, I am very happy to have the assurance of the distinguished chairman of the subcommittee, the junior Senator from Virginia. I hope that there is a possibility it can be considered next year. I know if it is, it will be consdered sympathetically, because the chairman and his subcommittee have been generous in both their time and understanding. I express the hope that if there comes before the Congress this year a supplemental appropriation bill, in connection with which there is a possibility that these border stations may be considered, appropriate consideration will be given at that time.

Mr. President, on the basis of the assurances given by the distinguished Senator from Virginia, I will withdraw my amendment. I should like, at the same time, to ask that the article to which I have referred, from the Glasgow Courier, be printed as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CANADIAN, AMERICAN CUSTOMS BUILDINGS PROVIDE CONTRAST

View shows the American customs and immigration office 12 miles north of Opheim in the top photo. The two trailers were placed in position in November 1956. The offices had been in Opheim since 1925.

In contrast are the modern Canadian facilities at the border, shown in the lower photo. Funds are being sought for new American buildings, but fate of the appropriation in Congress is uncertain.

The American location is on a 60-foot public reserve paralleling the international boundary. Negotiations are under way to acquire land next to the new State road being built from Opheim to the border.

The trailers are equipped with 1-ton electric air conditioners and were intended for use on the Mexican border. Oversize propane heating equipment has been installed to make the trailers comfortable. Drinking water must be brought in. There are no modern sanitary facilities, but there is a reasonable facsimile of the two-hole WPA buildings of the 1930's.

Hours are 9 a. m. to 6 p. m. daily, including Sunday. Men who staff the offices live in Opheim. Unofficial sources estimate that 14,000 crossings of the border are made annually.

The American flag being flown is a nylon test. Ordinarily flags are blown to shreds in about 30 days in the prevailing northwest wind.

The Canadian West Poplar River customs office was established in 1916. The plant represents an outlay of around $100,000. It is one of the best along the 750-mile Montana border and is designed for 24-hour service.

Nearest is the administration building, about 24 by 36 feet, with full basement and living quarters above the offices. The other two buildings are residences for the staff. All have modern plumbing and heating equipment. There is an ample supply of good well water. Hours are the same as the American offices. There are also two substantial garages.

Electricity is furnished by the Northern Electric Cooperative at Opheim to plants of both countries and telephone service is provided by the Rural Telephone Cooperative of the United States.

Canada's No. 2 highway leads from Prince Albert National Park through Watrous, Moosejaw, and Rock Glen, Saskatchewan, to West Poplar port of entry. The northern terminus is near a primitive area in the Lac LaRonge district, a popular fishing resort. Canadian road officials are pleased to see the Americans improving roads at the southern terminals of their important and most popular routes.

Mr. MANSFIELD. I am only sorry that the pictures portrayed here, which show the disparity between the trailers and outside toilets on the American side and the facilities on the Canadian side, cannot be printed, so that the contrast with what are, in comparison, luxurious Canadian customs and immigration buildings could be depicted.

I thank the Senator from Virginia.

Mr. ROBERTSON obtained the floor.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield, with pleasure.

Mr. HOLLAND. Mr. President, I wish to say to the distinguished Senator from Virginia that I compliment and congratulate him upon the manner in which he has approached this bill. I think his approach is highly realistic and I think it is highly responsible. I noticed in one of the newspapers over the weekend a rather perfervid editorial suggesting that the approach was irresponsible. I call attention to a few figures which, at least in my judgment, show conclusively that the approach is reasonable, responsible, and cautious, and should be highly commended.

Speaking of the Post Office Department only, the appropriation for fiscal year 1957, the year which is about to end, was $3,025,000,000 plus, and that includes the $41 million of extra appropriations made only a few weeks ago in the deficiency bill. That $3,025,000,000 plus, the total of the appropriations for 1957, when compared with the amount of the bill reported and now under debate, namely, $3,192,000,000, shows an increase of $166 million plus, according to the committee report, which represents a 5½ percent increase over the entire budget for the current year 1957. I call attention to the fact that that is not only a very substantial increase, but that it is a greater increase than the percentage of increase in the amount of mail to be handled, according to the Postmaster General.

Let us look at another part of the picture. The budget request was for $58 million more than the committee report and recommendation. In addition, the Postmaster General has stated publicly that he will require an additional amount, in the nature of a supplement, of somewhere between $70 million and $90 million. That amount, added to the $58 million, which would be denied under this action, would bring the total request for an increase to about 10 percent, or a little more, as contrasted with the 1957 budget.

I think the Senator from Virginia is to be congratulated, first, for his courage in coming forth with a request for a reasonable increase. Everyone knows that the volume of mail has increased.

Second, he is to be commended most for his refusal to allow the Senate to be drawn at this time into a discussion of the request for an additional $58 million, plus the additional $70 million to $90 million, with respect to which we are placed on notice that in a few days we shall be confronted with it.

I think the Senator from Virginia displayed excellent judgment in insisting that the question of the additional $58 million, plus the additional $70 million to $90 million, should be discussed at one time, in connection with a single supplemental bill, so that we may know, first, what the definite amount is—and it has not been definitized yet.

Second, there is the question of what decrease in services, if any, would be involved by reason of our failure to grant the additional amount requested.

In closing, I invite attention to the fact that the bill, as reported, with an increase of 5½ percent, or $166 million plus, will allow for each quarter of 1958 more than $41 million over and above the average per quarter for this year, even after including the increased amount which we granted for the fourth quarter.

I think the Senator from Virginia has exhibited great responsibility, great reason, and every possible generosity. I commend him for his insistence that we shall know what we are considering in the way of a total increase, and know just how the public will be affected by it before we allow this question to become the subject of a great debate either on the floor of the Senate, the floor of the House, or in conference, or in all three of those places.

The Senator from Virginia has done a fine piece of work, for which I commend him warmly.

Mr. ROBERTSON. Mr. President, I very much appreciate the complimentary remarks of my distinguished colleague from Florida. As he has stated, our subcommittee thought that we should add enough to the House bill to enable the Department, on the basis of an estimated increase of 1½ percent in volume, to continue the same type of service we are now receiving.

I told the Postmaster General, 2 days before we marked up the bill, just what I would recommend. On the day we were marking up the bill he asked for the opportunity to come before us to give us some "after-discovered evidence," as we lawyers call it, to the effect that there would be an increase in volume not of 1½ percent, but nearer 5 percent, and that he would still need from $70 million to $90 million more.

As the distinguished Senator from Florida has said, the logical thing for us to do is to go along with the House bill, and consider requests for additional funds in connection with a supplemental bill, assuming that the Budget Bureau will approve them. The Budget Bureau has 450 men to look into the subject. Our committee has no such staff. The President will send the request to us, and the great debate will begin in the other House. After the House has completed action, we will take another look at the subject.

Mr. POTTER. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. POTTER. I wish to commend the distinguished Senator from Virginia for his leadership in bringing to the floor, for the first time in my memory, an appropriation bill with respect to which the Senate committee did not restore at least a portion of the reductions made by the House of Representatives. This is the first appropriation bill reported to the Senate at this session. It is one in which restorations have not been made. I hope it will serve as a warning to our colleagues on the other side of the Capitol that when they make drastic cuts in

the budget they cannot expect the Senate to make restoration of the cuts made by the House. I think it is a healthy sign, and I hope the same principle will be followed in connection with other appropriation bills.

First, I wish to commend the Secretary of the Treasury, after reductions were made in the House in the appropriations for his Department, for coming before our committee and stating that he would not ask for any restoration of the funds. There was a polite reference by the Treasury Department relative to a proposed increase of about $3 million plus for airplanes for the Coast Guard, but the request was not formally presented to the committee. Knowing the temper of the committee, the Secretary did not stress the request.

I sincerely hope that the Secretary of the Treasury will not come forward with a supplemental request for $3 million for airplanes for the Coast Guard, or any other item which was not recommended in connection with the regular appropriation bill.

So far as the Post Office Department is concerned, the Postmaster General has done a businesslike job with a greatly expanding Department. I am sure the chairman of our subcommittee feels as I do. It is difficult for any member of the subcommittee, on the basis of the evidence presented, to place his finger at any point and say, "You can cut here," or "You can cut there."

As the Senator has stated, this is the largest Department in the Government. It is the largest agency of its kind in the world. Our committee—and probably the same is true of the corresponding committee on the other side of the Capitol—spends a few days reviewing the appropriations with representatives of the Department, in an effort to determine where cuts can be made.

When reductions are made, if they are to be effective, they require a dedicated effort on the part of the administrator in charge to bring about economies in Government. We can do all the cutting we wish, but what is required is dedication on the part of the administrator in charge in order to place economies into full effect.

I sincerely hope that all concerned will recognize the temper of the Congress and the temper of the country, and see that substantial reductions are made in the budget.

I commend the distinguished Senator from Virginia for a job well done.

Mr. ROBERTSON. The Senator from Virginia appreciates very much the kind remarks of the Senator from Michigan. It is only fair for him to say that on this bill, as in true of all other bills at this session of Congress, when it comes to cutting the budget, it will be necessary to draw very liberally on our friends for glass eyes, and that if any sympathy shows up, it will be coming out of those glass eyes. [Laughter.]

Mr. CARLSON. Mr. President, I shall speak on another subject, but first I wish to say that I commend the chairman of the Subcommittee on Appropriations which handled the appropriation bill dealing with the Treasury and Post Office Departments.

Under the Reorganization Act, the chairman and the ranking minority member of the Committee on Post Office and Civil Service have an opportunity to sit on the Committee on Appropriations when it considers this bill. In this instance such an opportunity was afforded, and so, as ranking minority member, I sat with the committee. I know some of the problems involved in recommending this appropriation. The distinguished chairman, the Senator from Virginia [Mr. ROBERTSON], has handled the bill very well.

There is no question in my mind that it will be necessary to pass a deficiency appropriation bill for the Post Office Department. When that bill comes before the Senate the committee will again have an opportunity to determine how much money is needed, and we ourselves will have an opportunity to determine how much service we want. When those questions are taken care of, I am sure we will reach an agreement under which the work of the Department will continue and the funds it needs will be provided.

I repeat that the Senator from Virginia has done a splendid job in connection with this bill.

Mr. ROBERTSON. The chairman of the subcommittee wishes to express his appreciation and to say that the distinguished Senator from Kansas was very helpful in the work of the subcommittee.

ERROR IN TRINITY PROPOSAL

Mr. KUCHEL. Mr. President, earlier this year the Secretary of the Interior recommended legislation amending the Trinity project law so as to permit the Pacific Gas & Electric Co., for the next 50 years, to produce and market the electricity to be generated by that project. Last week, the Secretary announced that there was error in his Department's data upon which he made his recommendation. Accordingly, he has asked Congress to delay all consideration of his proposal until he has had an opportunity to rectify the error and restudy his position in the matter.

A portion of the error in the Secretary's recommendation is disclosed by a Congressional staff study which I requested. This study shows that the Department substantially underestimated the increased costs which Federal and other public agencies would be compelled to pay for their power from the company during the recommended half-century proposal. Instead of an estimated $86 million additional cost, the staff study indicates that this figure should be revised upward to more than double this amount, or to an additional cost in excess of $200 million.

Exclusive of power used by the Central Valley project for pumping water through its system, Federal agencies—military bases and atomic energy and missile installations—presently purchase more than one-third of CVP power used by public agencies. On this ratio, a third or more of increased power costs would be borne by the Federal Treasury during the period of the proposed partnership contract. This would amount to increased annual Congressional appropriations to these Federal agencies of considerably more than $55 million; indeed, the increased costs for their power could well exceed $70 million. One of the allegations made by the Secretary in his original recommendation is that a $55 million saving to the Government would be obtained if the company were to install the generating equipment. This saving is thus illusory. What the Government would allegedly save in one pocket it would certainly pay—and more—from another pocket. And at the end of the contract period, the Government, to obtain the generating equipment, would be compelled to appropriate money to buy it from the company, at whatever value would then be placed on it.

This situation is demonstrated now in the request to Congress for additional appropriations for the Ames Laboratory of the National Advisory Committee for Aeronautics in California. This agency deals in research for guided missiles. Testimony demonstrated that this laboratory has previously received all its electric power from the Central Valley project at about 5 mills per kilowatt-hour. Expansion of the Ames Laboratory defense research requires additional electric power that cannot now be supplied by the project and will have to be secured from the Pacific Gas & Electric Co. at about 13 mills. In the case of this one installation, company service will cost the Federal Treasury about $1,720,000 more per year than equivalent service from CVP, of which Trinity, under present law, would be an integrated part. Congress this year will add that amount to the budget for this one agency for the next fiscal year. Other Federal defense agencies will be faced with exactly the same problem.

Why should Congress turn over to a private company the hydroelectric capacity of a publicly built Trinity Dam and then appropriate millions of additional dollars to California defense bases to pay for resulting increased power bills? Why should the Congress authorize a private utility to generate power on a publicly developed public reservoir only to purchase at a premium electricity its own agencies require?

RECIPROCITY IN FOREIGN TRADE

Mr. CARLSON. Mr. President, last year when the Senate was considering a bill to amend and extend the Sugar Act of 1948, I discussed the importance of the principle of reciprocity in connection with such legislation. I said then, and I repeat it today, "If reciprocity is to have a real meaning in our foreign trade, it must be a two-way proposition."

There are few, if any, of my distinguished colleagues here today who would not agree with that statement, I am sure. It seems so basic and almost elementary that it is hard to realize it does not appear to be accepted so generally as we might expect.

The reason why I mentioned this matter last year and am bringing it up again today is to make the record quite clear

and to sound a note of warning for those foreign countries who are interested in the United States as a market for their products, especially agricultural, such as sugar. All sovereign countries, of course, are quite free to take any domestic action they might wish to take in the interest of their national welfare. If action is taken, however, which is directed at United States imports, particularly of basic agricultural commodities, or which hurts such trade, especially in those commodities which have had a long background of trade in the country and in trade agreements developed on a reciprocal basis, then I believe Congress should make corresponding adjustments in United States import quotas or should adopt other measures to reduce access of such countries to the United States market.

Let me give a specific example of what I have in mind. Cuba, our good neighbor to the south, has been a traditional supplier of sugar to the United States. In turn, Cuba has been a major market for wheat flour from the United States. Both commodities have been included in the preferential trade treaties negotiated between the two countries over a long period of time, and they provide the type of reciprocity in trade which I have already mentioned. Each commodity represents an industry which is basic to the country and for which it has many natural advantages for production and export.

Our sugar legislation has clearly recognized that there are certain limits which should be placed upon the uneconomic production of sugar in the United States, even though technically we might be able to become a self-sufficient producer of sugar, especially with our island territories. Accordingly, we have developed a carefully balanced supply situation involving a limited share of domestic production, with the balance of United States requirements being imported under special quotas assigned to foreign suppliers. The system has worked quite well, and it has provided a guaranteed market for most of the countries exporting to the United States—something quite unusual in these days of a buyer's market for most commodities.

Apparently some businessmen in Cuba now believe that they can have their cake and also eat it at the same time. They are proposing to build a big flour mill in Santiago, Cuba, under special concessions and protection which they hope to receive from the Cuban Government. Another group, not to be outdone, are proposing a mill at Cienfuegos. If approval and special assistance shall be granted for these flour mills by the Cuban Government, United States flour exports to that country, as we have known them in the past will come to an end. This will mean a permanent loss of much of the Cuban market for United States wheat as well as flour, because the record clearly shows that when a flour mill is built in a foreign country, imports of United States flour are not automatically replaced with United States wheat.

So then what happens? We all know the story well. United States farmers are asked to reduce their acreage of wheat a little more, and we provide soil banks, special disposal legislation, and so forth, costing hundreds of millions or even billions of dollars. In my great State of Kansas in 1952, for example, the farmers harvested 14.6 million acres of wheat with a crop out turn of over 307 million bushels. This acreage and production even exceeded that of most foreign countries, including such well-known exporters as Australia and Argentina, and was almost equal to the average out turn in Canada. In 1956 only 9.2 million acres of wheat were harvested, with a crop of 143 million bushels, and further reductions in acreage and production are in prospect for this year.

Why have millions of United States farmers been forced to curtail their production of wheat, and why have flour millers had to close their mills in recent years after being called upon three times in my generation to go all out to save the world with food? It is primarily because as soon as the emergency is over, the countries that called so loudly for United States supplies of wheat and flour to meet their bread rations, raise import barriers, and try to produce wheat or flour themselves. At the same time, of course, they want to continue to send their products to the United States.

I say there should be a limit to how far the United States will continue to grant access to its large and expanding market for a commodity, like sugar, to countries which in turn impose quota limitations and other restrictions on imports of a United States basic commodity, such as wheat flour. I know of no case in which local mills have been built or wheat production has been encouraged so that the consumers of that country have received any benefits in the form of lower bread prices or better quality products. On the contrary, every report that has come to my attention shows that it is the large mass of consumers who pay the bill with higher prices or taxes to offset the concessions granted, and usually with poorer quality products.

I was quite impressed during the sugar hearings last year with the number of foreign countries which wanted to participate in the United States sugar market. The list seems to grow steadily. Most of these countries are also markets for products which the United States produces in surplus, notably basic food items such as wheat and flour, for which we have unusual natural advantages and which our farmers and millers want to supply.

When the Sugar act or other similar legislation comes before our committee and the Congress again for renewal and amendment or other action, I propose to find out how each foreign supplying country has been treating United States exports, and what sort of reciprocity of trade we are actually getting. If more countries realize that access to the United States market also means some obligations on their part not to adopt measures that will hurt or restrict the market for United States commodities, especially those which have been included in trade agreement negotiations, we will be making some progress, I believe, toward a real reciprocity of trade.

AUTHORIZATION TO SIGN BILLS, ETC.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Vice President or the President pro tempore be authorized to sign, during the adjournment of the Senate, bills and joint resolutions examined and found to be truly enrolled.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Without objection, it is so ordered.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATIONS, 1958

The Senate resumed the consideration of the bill (H. R. 4897) making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes.

Mr. DOUGLAS. Mr. President, I wish to discuss the Treasury and Post Office appropriation bill, which is now under consideration.

I think the House and Senate committees have done well by cutting the combined budget for the two departments of the Treasury and the Post Office by a little more than $80 million, or by a little more than 2 percent, but I believe the Senate can do still better, because the appropriations which are here presented to us are still $250 million, or almost 7 percent more than the amount which was appropriated last year.

As the discussion this afternoon has shown, $58 million of the $80 million reduction is being made in the Post Office Department appropriation. It has developed that the Postmaster General has already stated that not only will he demand a restoration of this amount in a few days, when he submits a supplementary appropriation request, but that he will probably ask for from $70 million to $90 million more. So we shall be confronted in a few days with a requested appropriation of from $128 million to $148 million.

The Postmaster General got away with such tactics a few weeks ago, when his appropriation had been cut by $47 million. By threatening to curtail postal services, he clubbed the House and Senate into restoring $41 million of this amount.

We can be certain that—having tasted blood once—he is out for more. Unless we stiffen our resistance to the big spenders in this administration, we shall wake up to find that either we have made only nominal reductions in the Treasury budget, or that we will have actually appropriated more for the two departments than the administration originally requested. That is the situation which faces us today.

Mr. President, I think we should do better than that. In a series of amendments which I shall offer—and I hope that at that time there will be a larger attendance of Members than is here at the moment—I shall propose further cuts of approximately $162 million—$12 million from the Treasury and $150 million from the Post Office. I shall develop

these points as I go along by a series of amendments.

Suffice it to say that, in the main, these changes would be effected by a reduction in the amounts paid out by the Treasury and Post Office Departments in huge hidden subsidies. They could be carried out without the slightest decrease in services; and they would be of great benefit to the taxpayers.

Added to the cuts already made, and which should be held, they would permit total savings of approximately $242 million—or a reduction of a little over 6 percent from the budget as submitted by the Eisenhower administration.

Mr. President, I send to the desk the first of these amendments and ask that it be stated.

The PRESIDING OFFICER. The amendment of the Senator from Illinois will be stated.

The LEGISLATIVE CLERK. On page 2, in line 9, it is proposed to strike out "$3,038,000" and to insert in lieu thereof "$2,988,000."

Mr. DOUGLAS. Mr. President, this is a proposal to cut the appropriation for the Office of the Secretary of the Treasury by an additional $100,000.

Mr. President, much has been made of the fact that the House of Representatives voted to cut the appropriation for the Office of the Secretary of the Treasury by $36,000, as compared to the original amount requested for that Office, and that the Secretary of the Treasury did not ask for the reinstatement of the larger sum. Mr. President, this would seem at first sight to be very generous, until we review the past appropriations for that Office, and then we see how large is the increase the Secretary of the Treasury requested, in terms of the past record, and how great an increase the approved amount would still be.

Let us use the appropriation for that Office for the year 1955 as a base. In that year, the appropriation for that Office for expenditure for salaries was $2,648,463. For the fiscal year 1958, the Secretary of the Treasury requested, for the same Office, $3,124,000, which is approximately $475,000 more than the appropriation for 1955, or approximately 19 percent more than the appropriation for 1955, and 7 percent above the amount allowed last year, which was $2,900,000.

Mr. President, the well-known statement of the Secretary of the Treasury has been quoted many times; I refer to the statement made by him at his press conference on Tuesday, January 15, 1957, which he held to announce the fiscal year 1958 budget. Secretary Humphrey said that "governmental expenditures and the number of Government employees are now increasing. This trend should promptly be stopped."

Later, he complained that expenditures have "been creeping up ever since," the budget of 3 years ago. "It just kept creeping up on us" was his plaintive cry. He finally stated that, "If we don't"—cut expenditures—"I will predict that you will have a depression that will curl your hair."

My purpose in rising today is to help keep Secretary Humphrey's hair from curling. And there is no better place to do that than right in his own office—the Office of the Secretary of the Treasury.

Personally, I shall be very happy to help Mr. Humphrey "stop this trend." I want to keep it from "creeping up."

Perhaps, Mr. President, I should offer an amendment to cut back to the 1957 figure of $2,900,000. However, I wish to be fair and to be generous.

My amendment would allow him $88,000 more than the amount allowed for this purpose last year, or approximately 2 percent more.

I am aware of the fact that in regard to the proposed increase, there is advanced the justification that $157,000 will be required for the added benefits under the Civil Service Retirement Benefit Fund, as required by Public Law 854 of the 84th Congress. I also realize that included is an additional $10,000 for the 261st working day in 1958, and also an additional $12,000 for the increased cost of steam heat which the General Services Administration is expected to charge the Treasury Department. Furthermore, I realize that $9,800 additional is included for a program of the replacement of office equipment.

I am proposing that some of that total amount be allowed, but not all of it.

In the first place, as salaries have increased and as efficiencies have gone into effect, there should have been some general gain in productivity in the Secretary's Office. Unless people work more efficiently as time goes on and produce more, there is no real economic justification for higher salaries and wages. It is interesting to note that with 71 fewer people in the Secretary's Office since 1955, the cost of salaries and expenses has increased from $2.64 million to $3.06 million, or by almost $440,000, or by over 16 percent, or over 5 percent per year. Surely, at least 3 percent of this yearly 5-percent increase could be absorbed by the Office in increased productivity. Three percent of last year's appropriation is approximately $87,000, and that amount should be assumed and absorbed by the Department in increased productivity of its higher salaried employees.

The same is true, Mr. President, of the 261st working day. Should not this item of $10,000—which is equal to less than four-tenths of 1 percent of the expenses involved in the entire year for salaries and other expenses because of the extra working day—be absorbed by an efficient and competent office under the jurisdiction of a man who is determined to stop this trend of increasing Government expenditures? These efficiencies, when added to the $87,000, should save a total of $97,000.

Furthermore, Mr. President, during the hearings in both House and Senate, much was made of the fact that the Treasury Department had made big savings owing to carrying out certain recommendations, following a survey of this office. The savings were said to have amounted to $8 million initially, and $6 million on an annual basis which will continue.

Mr. President, the total Treasury budget is $691.4 million. The Secretary's office is receiving $3,063,000, or approximately one-half of 1 percent of the total. One-half of 1 percent of the $6 million savings, which the Secretary of the Treasury has said he has made would be $30,000, which, if applied equally, should be the amount the Secretary's office should save under these departmental efficiencies. That, added to the 3-percent productivity increase, plus the absorption of another four-tenths of 1 percent in the figure for an extra working day, would bring to $127,000 the total savings which would be made by a person as able and as determined to save money as the Secretary is alleged to be.

My amendment calls for a reduction in the Secretary's budget for his office of only $100,000, which leaves ample room for any miscalculations. That would still give his office nearly $90,000 more than the amount allowed last year.

Surely he should be prepared to take such a small cut under existing circumstances, and it would seem to be a very small contribution which the Secretary could make to the general cause of efficiency and economy.

Mr. ROBERTSON. Mr. President, I wish very much that I were in a position to agree with the views of the distinguished Senator from Illinois, because the junior Senator from Virginia is just as much dedicated to economy as is the Senator from Illinois, and would welcome a chance to reduce appropriations, if they appeared to be larger than necessary.

However, Mr. President, the actual fact is that in this particular office, six jobs have already been eliminated. The actual fact is that when the House of Representatives cut this particular item $36,000, it did not leave one penny for any increase in pay. The actual fact is that although $188,000 more than was allowed last year will be allowed this year, all of it—except for a very nominal sum for office equipment—will be required for mandatory increases which the Secretary of the Treasury cannot avoid. One is the retirement fund. That is $157,200. The next one is the $10,000 cost for the 261st working day in fiscal year 1958.

Another item is $12,000 for more steam. I do not know why they are running out of steam, but General Services Administration says it will need $12,000 for more steam. How can we say they do not need more steam or that it is going to cost less than $12,000?

These are mandatory increases, and if the Senate adopts an amendment to cut $100,000 from an item of $188,000, all mandatory, the Department cannot absorb what it does not have. That is the unfortunate situation about this amendment.

If there were involved an item of $6,000 or $7,000 for furniture, the suggestion could be made to use the same tables and chairs they now have, and that no new furniture should be bought; that they should patch up their old sofas, or whatever other furniture is in need of repair. We might go along with such a suggestion, but the proposal is to cut the heart out of increases over which the Secretary of the Treasury has no control.

Therefore, I hope the amendment will not be adopted.

Mr. DOUGLAS. Mr. President, I am quite well aware of the mandatory provisions which were passed by the Congress in the last year and specifically referred to them. But what I was trying to say was that the Secretary of the Treasury, if he would only increase the efficiency of the operations of his office, could economize and absorb the major portion of the mandated increases. We are merely asking that the Secretary of the Treasury should practice some of the efficiencies which he is forever demanding others to practice. Thus, he could keep down the cost of his office to the American taxpayers. That is all we are proposing.

If we believe that George M. Humphrey is not capable of achieving what the average working man of this country has achieved, namely, increase productivity by 3 percent a year, then we should vote for the requested amount, and vote down my amendment; but I have greater confidence in him than that. I think his abilities are at least up to those of the average working man, and that he can absorb a 3-percent reduction. It would mean that he would have to effect a 3 percent a year increase in productivity, and hence there could be a reduction in the budget which he has submitted amounting to that much. So I think we should give to Mr. Humphrey an opportunity to exercise what he preaches, instead of having him criticize others all the time, and we should give him the chance to save money on the operations of his own office.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

Mr. DOUGLAS. Mr. President, I send another amendment to the desk, and ask to have it stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed, on page 6, line 10, to strike out the numeral "$7,795,000" and insert in lieu thereof the numeral "$5,795,000."

Mr. DOUGLAS. Mr. President, this is a proposal to reduce the appropriation for the Coast Guard, under the heading "Acquisition, construction, and improvements," by $2 million.

Although it appears that great savings have been made by reducing the Coast Guard estimates by $8.2 million, it also appears that Congress will probably replace some or all of this money in a future supplemental appropriation, when the Coast Guard submits its study of its aircraft situation. At least, this appears to be so from the language in the House report.

The figures in the report of this year, however, do not tell the whole story as to what the Coast Guard is expected to spend in 1958. We must look at the detailed tables in the House hearings to find the true picture. From the figures introduced there, it appears that, although we may appropriate only $7.79 million, the Coast Guard is expecting to spend over $15 million—or almost double the amount of the appropriation. This is due to the backlog and carryover from previous years to be spent in fiscal 1958, which amounts to $10,653,684. On the other hand, of course, all the money that is obligated under this appropriation will not be spent in fiscal year 1958. From the figures in the House hearings, at page 301, it would appear that only $4,991,000 of the $7,795,000 which we shall obligate this year will be spent in fiscal 1958.

Therefore, the figures in the appropriations bill and the figures given to us in the budget do not reflect what actual spending will be. The spending will be in the order of $15 million—or the costs to be incurred from previous authorizations, $10.6 million, plus that portion of this appropriation which is to be spent in fiscal 1958, $4,991,000, or a total of $15.6 million.

I ask unanimous consent that two tables which I have prepared analyzing the Coast Guard appropriations for equipment be printed at this point in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE I.—*Carryover from previous years to be spent in 1958*

Item:	*Amount*
Vessels	$465,756
Aviation facilities	9,236,595
Shore stations and navigational aids	938,675
Repair and supply facilities	12,458
Total carryover (to be spent in fiscal year 1958)	10,653,684

TABLE II.—*1958 obligations which will not be spent in fiscal year 1958*

Item	1958 obligation not to be entirely spent	Amount to be spent in 1958	Not to be spent
Construction of 10 95-foot boats to replace 83-foot overaged boats	$4,000,000	$1,500,000	$2,500,000
Miscellaneous aids to navigation	500,000	280,000	200,000
Selected aids to navigation projects	623,000	594,000	29,000
Replace portion of bulkhead depot, St. Petersburg, Fla	133,000	78,000	55,000
Total	5,256,000	2,452,000	2,804,000

Source: House hearings, p. 301.

Mr. DOUGLAS. Mr. President, it is said that this is a time of inflation. Certainly that is true in selected parts of our economy. The administration continues to claim that we are in the greatest prosperity we have ever known.

Surely, we can all agree that in times of great prosperity we should have a balanced budget and a surplus, and that we should either lower our public debt or grant tax reductions, or a combination of both. We should save our public works construction for times of recession. In times of great prosperity and at the peak of the business cycle we should cut back on public works.

If we do not save money in times of peak prosperity and apply some of those savings to the public debt, when will we ever do so? If we believe in so-called "compensatory fiscal policies," we must be willing to have a surplus in times of peak prosperity. The policy should not work only one way—to spend for public works in times of recession—and then spend again for public works in times of great prosperity.

Mr. President, I believe that of the $8 billion in both military and civilian public works in the budget this year—and there is yet another $12 billion for direct military needs such as planes, tanks, guns, and military hardware—we should cut back by at least one-quarter, or a total of $2 billion. I am not proposing to cut back on vital military equipment, but I am proposing that military public works, not directly affecting our military supplies—such as navigation aids, bulkhead depots, warehouses and so forth—should be among the items to be postponed or cut this year.

The Coast Guard in fiscal 1958 will spend—even though the item for procurement of aircraft has been knocked out of this appropriation—approximately $15.6 million this year. That will be the actual spending.

The appropriation for fiscal 1958 in this bill is $7.79 million for acquisition, construction, and improvement of Coast Guard facilities. I believe we should cut that back and postpone some of these items, and I therefore am moving to cut this item by $2 million or by approximately one-quarter.

In asking that $2 million be cut from this year's appropriation, I believe I am being overly generous. As I have pointed out, $15.6 million is the amount to be spent by the Coast Guard. Of the $7.79 million we are actually appropriating, some $2.8 million will not actually be spent in fiscal 1958, but will be carried over. Therefore, I think we should cut the appropriation by $2 million, with the understanding that the Coast Guard cut their actual spending by a like amount, and have another look at these items next year when inflationary pressures may not be so great.

Mr. President, we cannot have and should not expect to have everything we want at the same time. Even if the Congress cuts the President's budget by a considerable amount, almost every Department will actually be spending more money than last year.

Even though we have held the amounts to be spent in this bill to that appropriated by the House, we are still appropriating some $250 million more than in fiscal 1957, of which the Treasury gets an increase of $42.9 million, the Post Office an increase of $207.6 million, and the Tax Court an increase of $95,000.

As the Secretary of the Treasury, Mr. Humphrey, has said, these items just keep creeping up on us, year by year. My amendment would cut back on those items, relating to public works, which are most inflationary, and some of which should be postponed.

Even if this should be done, we would not be hurting or cutting the Coast Guard or any other agency to the bone, for they would still be spending more than they spent last year, and more than should be spent if we are to make a sizable dent in the huge Federal budget.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am happy to yield.

Mr. LAUSCHE. Is the Senator from Illinois declaring the principle that in order to fight the inflationary spiral it is incumbent upon us, in dealing with the projects he is discussing, to begin dispensing with those public works projects which are not absolutely essential for the day; and that that is the theory under which the amendment is offered?

Mr. DOUGLAS. The Senator is correct. The inflation which has occurred has been primarily in the field of capital goods, particularly in those commodities which enter into the building program, such as lumber, cement, steel, electrical equipment, and so on. It has been because of the rush of investment into those fields that the prices have been driven up.

The most effective way of dampening down the inflation which has occurred is to reduce the rate of spending on public works, and to hold ourselves ready, if a recession should come—which we hope will not occur—to accelerate construction during that period.

I think this reduction should be carried out not only in this small item now before the Senate, but in the big items, such as highways, military public works, rivers and harbors projects, and so on. In this way we can effect a reduction of at least $2 billion in the budget without hurting anybody.

It is perhaps unfortunate that we have such an unattractive item as this on which to first lay down the principle of a 25-percent cut, but it is the first item that comes before us.

Mr. LAUSCHE. Will the Senator yield further, for a statement?

Mr. DOUGLAS. I yield.

Mr. LAUSCHE. I should like to point out that while I was mayor of the city of Cleveland there was established the Cleveland Postwar Planning Council. That council had its origin in the fear that following the war there might be large-scale unemployment. We called in economists to advise us what to do. Practically everyone who appeared before the council advised that in the period of scarcity of labor and material plans and specifications ought to be prepared for public works to be constructed when the scarcity of labor and material disappeared. That policy was adopted generally by the council.

Regrettably, however, the advice which was given was completely disregarded in the period of prosperity. I think that has been generally true throughout the Nation.

As a Senator from Ohio, I wish to subscribe to the principle enunciated by the junior Senator from Illinois. What we have here is a principle. The fact that the Senator's recommendation involves a saving of only $2 million is inconsequential. I wish to declare today that I shall subscribe to this principle, as we proceed with the consideration of the various appropriation bills which will come before the Senate.

Mr. DOUGLAS. I thank the Senator from Ohio. I wish to say that when he was mayor of Cleveland, five times a governor of Ohio, he gave a distinguished administration. He was noted for being extremely careful with the people's money, and he did not spend money in periods of prosperity if such expenditure could be deferred to a period of recession.

I believe in spending more money in a period of recession. I believe public-works projects should be speeded up in a period of recession. But the corollary of this is that such projects should be slowed down in a period of prosperity. They should not be speeded up at both times. If we are to use public works as a balance and a compensatory policy, we have to accept a slowdown in a period of prosperity as well as a speedup in a period of recession. That is the principle behind the amendment which I offer.

I thank the Senator from Ohio for what he has said. We have fought side by side thus far in this session. I look forward with great pleasure to continuing to fight side by side with him.

Mr. ROBERTSON. Mr. President, I concede the truth of the theory of my distinguished friend from Ohio that $2 million is a small item, but that a reduction of $2 million involves an important principle. I agree with that.

I agree with my friend from Illinois that from the standpoint of those who live in the Great Plains the Coast Guard is inconsequential, but for those who have to travel up and down the Atlantic coast it is a very essential agency of our Government. I agree with that.

I am sure a man starting from here to Chicago could reach Chicago without the help of the Coast Guard; but if he went by boat from Baltimore to Norfolk, and the Coast Guard did not restore the light on the lighthouse station, which recently burned down, on the coast of Virginia, he might not get back to Baltimore.

Considering all the cuts which were made, amounting to $22 million, $12 million of them were taken from this small agency. Let us consider what was cut. Operating expenses were cut $3 million. Acquisition and control funds were cut $8,205,000. Reserve training funds were cut $1 million. That is $12,205,000 from the funds for this small agency.

The Senator from Illinois referred to what they may spend. We have no control over what they may spend next year. There have been appropriated and accumulated $70 billion-plus which are available for expenditure if the President wishes to turn them loose. We cannot control that.

We can control, however, what is considered to be necessary for a continuing program of the very necessary service of the Coast Guard. That budget was carefully prepared. When it came to us, it had been very severely cut. As I said, of the $22 million, $12,205,000, far more than half, was taken out of this one little agency.

I never did find out why that was done. This agency ought to be in the Navy, I assume. Anyway, it is under the Treasury Department because it helps enforce the laws against smuggling and rum running and other illegal activities. The Coast Guard is also engaged in protecting those at sea. They have boats and they have some airplanes. They have boats, as my friend from Florida [Mr. HOLLAND] knows, to protect American fishermen on the Gulf of Mexico engaged in shrimp fishing.

We on the coast of Virginia know how valuable the Coast Guard is. Everybody who lives on the coast of the United States knows how valuable it is.

Several Members of the House told us, "We think we have a good bill, which we have sent over to you, but we may have cut the Coast Guard too much."

Then, again, when they heard that the Treasury Department had asked that we permit the Department to take from and add to the accounts as much as 5 percent, they told me, "If you come back into conference with a permission for the Treasury Department to cut the Coast Guard as much as 5 percent, we will never agree to it."

That is the reason we exempted the Coast Guard from the 5 percent provision, because the House had told us they would never agree to it.

What else happened? Much praise has gone to the Secretary of the Treasury for saying he did not ask for restoration of the funds, but he did ask for restoration. He wrote me a letter and said that he asked very earnestly that we restore $8,205,000 for an airplane replacement program which he thought was very vital and necessary.

Our committee took the position that, as we had not taken any testimony on this report, which was later available, the proper thing to do would be to tell the distinguished Secretary of the Treasury to ask for a supplemental appropriation and request hearings on the House side on the report, showing that the Coast Guard absolutely needed $8,205,000 as a start on an airplane replacement program.

So, while I am imbued with the theory of economy, and wish to make reductions wherever it is practicable, I think it would be utterly impracticable to cut the Coast Guard appropriation, unless I were to move out to Illinois, or some other Great Plains State, and then it would not make so much difference.

I hope the amendment will be defeated.

Mr. DOUGLAS. Mr. President, the distinguished Senator from Virginia was very gentlemanly in not making the direct charge that it was the desire of the Senator from Illinois to cut the Coast Guard appropriations by $2 million, because the fact that the Coast Guard does not operate on routes between Washington and Chicago.

There are Coast Guard stations on the Great Lakes. I frequently took walks in the shadow of the Coast Guard station on the shores of Lake Michigan. I frequently wondered if there was any real purpose in its being there.

When appropriations for public works come up for my State of Illinois, I shall be perfectly willing to have the same standard applied to them that I am now seeking to apply to the Coast Guard appropriations. I ask for no special

treatment nor have I every asked for any such treatment.

It so happens that the immediate item is the Coast Guard appropriation. That happens to be the one that is before us when it is sought to establish a precedent. Whenever any appropriation for highways through the Midwest, or through my State, or other forms of public construction which affect my State, is under consideration, I shall be perfectly willing to have the same cut applied as I am now seeking.

So my good friend from Virginia can make his remarks as strong as he wishes.

Let the galled jade wince,
Our withers are unwrung.

Mr. ROBERTSON. Mr. President, I wish to point out to my distinguished friend that so far as concerns the Virginia Coast Guard station which burned down, it is being rebuilt with current funds. If it were not rebuilt, there would be left unprotected 25 miles along the Atlantic Coast We shall get our Coast Guard station restored from existing money. We should like to see others who need the same facilities get them.

The amount proposed is far below what the Bureau of the Budget recommended. It is below what the Treasury Department recommended, and said should be done.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. DOUGLAS. Let me say to my good friend from Virginia that even with the $2 million cut there would still be $5.9 million appropriated, so that in all probability, if the need for that lighthouse is as great as has been stated, it would still be included. I also take the liberty of reminding him of something which I am sure he knows quite well, namely, that it was the intention of the Coast Guard and the Treasury Department to use only some $4.9 million of this appropriation during the coming year, and not use $2.8 million of the appropriation. So I am merely reducing the backlog by $2 million, which would not have the effect of cutting down the amounts actually spent by the Treasury.

Mr. ROBERTSON. Mr. President, I ask for a vote on the pending amendment.

Mr. POTTER. Mr. President, does the distinguished Senator from Virginia agree with me that one thing of which we cannot accuse the Coast Guard is the extravagant use of appropriations? I have cited an example in the State of Michigan, namely, the Coast Guard barracks at Sault Ste. Marie. Many of the Coast Guard men refuse to remain in the service because their parents see the conditions under which those men live in the barracks, and they will not allow them to remain in the service.

I will go along with the distinguished Senator from Illinois in opposing an air wing for the Coast Guard. Every branch of the service seems to want an air wing. I will support the Senator from Illinois in opposing the Coast Guard's modernizing its air fleet. I think the evidence will show that long-distance off-shore sea rescues are practically nil.

But when it comes to public works, I know that there have been many projects in connection with which representatives of the Army or the Navy have camped at the doors of Congress. The Coast Guard has never done that. If there is one place in our Government where we could spend some money wisely, not only for morale, but as a matter of decent treatment of the men we ask to serve, it is in connection with housing facilities for members of the Coast Guard. I regret to say that if the amendment of the distinguished Senator from Illinois should prevail, it would further intensify the present situation.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

Mr. DOUGLAS. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Illinois will be stated.

The LEGISLATIVE CLERK. On page 14, following line 22, and preceding the words "passed the House of Representatives February 20, 1957,", it is proposed to insert a new title IV, as follows:

TITLE IV

INTEREST ON GOVERNMENT DEPOSITS

The total amounts of the remaining indefinite appropriations of the Treasury Department for fiscal year 1958 are hereby reduced by the amount collected by the Treasury Department for interest on deposits of Federal moneys in the commercial banks throughout the United States, not to be less than $10 million.

Mr. DOUGLAS. Mr. President, this is one of the most important issues which can be discussed in conjunction with the pending bill. The amendment which I have offered would reduce, and lay the basis for the ultimate elimination of, a hidden subsidy which the Treasury now pays to banks by making huge deposits of public funds without receiving any interest payment in return. These are, in effect, interest-free loans made to the banks of the country.

The amounts of the funds which are thus deposited by the Treasury in the banks of the country are, indeed, huge. During the past 4 years they have constituted very large sums. I should like to read the amounts.

In December 1953 public-demand deposits with all the insured commercial banks amounted to $4,116,000,000; in June 1954, $5,562,000,000; in December 1954, $4,154,000,000; in June 1955, $5,064,000,000; in December 1955, $3,697,000,000; in June 1956, $5,221,000,000; in December 1956, $3,292,000,000.

I am informed that the most recent report, for the week of March 27, 1957, indicated total Treasury deposits of $3,469,000,000, although the latter figure includes some time deposits, which usually represent only about 7 percent of the total.

I ask unanimous consent that a table on this matter be included at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

United States Government demand deposits
(total for all insured commercial banks)

Date	Millions of dollars
December 1953	[1] $4,116
June 1954	[2] 5,562
December 1954	[2] 4,154
June 1955	[2] 5,064
December 1955	[2] 3,697
June 1956	[2] 5,221
December 1956	[3] 3,292

Source:

[1] Federal Reserve Bulletin, December 1955, p. 1343.

[2] Federal Reserve Bulletin, December 1956, p. 1331.

[3] Member bank call report No. 142, p. 12.

Most recent call (Mar. 27, 1957) indicated total Treasury deposits of $3,469,000,000 (including time and demand).

Mr. DOUGLAS. It was established in hearings before the Joint Economic Committee some years ago, and by discussion on the floor of the Senate, notably led by the senior Senator from Virginia [Mr. BYRD], that no interest is paid on such deposits. The able junior Senator from Virginia [Mr. ROBERTSON] stated at the outset of the debate on the pending bill that this is still the case.

Yet there is no doubt that banks make large sums of money from the deposit of these public funds. They can lend the major portion on short-time notes to private commercial interests and they can also buy short-time Treasury notes and bills which yield a good return.

I hold in my hand a Wall Street Journal for this morning. I quote from page 19, column 3, of that issue, on money rates, as follows:

MONEY RATES

NEW YORK.—Banker acceptance rates on 30-90-day bills were quoted at 3⅝ percent to 3¼ percent, 120-day bills are 3½ percent to 3⅜ percent and 180-day bills 3⅜ percent at 3½ percent.

Federal funds bid at 3 percent.

Call money lent dealers on bills and Treasurys was quoted at 3½ percent to 3¾ percent.

Call money on stock-exchange collateral was 4¼ percent to 4½ percent.

Commercial paper sold through dealers 4 to 6 months' maturity was 3⅝ percent to 4 percent.

Commercial paper placed directly by the major finance companies 1 to 9 months' maturity was 3¼ percent to 3¾ percent.

In effect, this means that the Treasury is furnishing enormous sums of money to the private bankers, which the private bankers can then invest in short-time securities. They do not have to keep this money in cash. They can keep a small portion of the money in cash, but they can invest the remainder in short-time securities, upon which they can get a good return.

It seems to me that, at the most conservative figure, banks are able to increase their earnings at a minimum of approximately $100 million a year by these interest-free deposits, and that in years past they have made net earnings of approximately $150 million a year.

I have been collecting figures on these deposits for some time. It should be

noted that the overall figures for the country as a whole are contained in the quarterly member bank call reports published by the Federal Reserve System, and in the Federal Reserve Bulletin, and in the material which I am inserting in the RECORD.

Furthermore, the New York Times publishes every Thursday a clearinghouse statement which, in addition to giving the total demand deposits for all the main New York banks, also gives the United States demand deposits. Some of those figures for individual banks are quite striking.

I ask unanimous consent that tables which I have prepared for years in the past, from January 1, 1953, to the present time, by weeks, be inserted in the RECORD at the conclusion of my remarks on this amendment.

There being no objection, the tables were ordered to be printed in the RECORD.

Mr. DOUGLAS. Mr. President, in order that it may be clear that I am not intending to pillory any individual bank, instead of giving the actual names of the banks I shall do the same thing I did in conjunction with the tax avoidance policies of the oil companies, and shall designate the banks by letters, beginning with "A."

Let us take one New York City bank, which we will call "C."

On April 3d the Government had on deposit with that bank $234,991,000. On May 8—that is last week—it had on deposit $152,854,000.

Let us take bank "B." Last September 5 the Government had deposits with that bank of $251,077,000. On May 8, 1957, it had deposits with that bank "B" of $155,988,000.

Let us take bank "E." On April 3, 1957, the Treasury had deposits with this bank of $173,612,000. On May 8 it had deposits of $104,648,000.

Let us take bank "D." In the week ending September 5, 1956, it had Federal deposits of $134,116,000. On April 3 of this year it had deposits of $175,339,000. On May 8, 1957, it had Federal deposits of $95,376,000.

To indicate the huge sums into which these deposits run, let me take the latest figures of some other banks in New York. Here is a bank which on May 8 had Government deposits of $8,023,000. Bank "D" had Federal deposits of $95,376,000. Bank "F" had Government deposits of $59,776,000.

Another bank had Government deposits of $66,949,000.

Another bank had Federal deposits of $58,503,000.

Still another bank had Federal deposits of $81,111,000.

Another bank had deposits of $14,894,000.

Another had $30,132,000.

Then we come to a famous firm of private bankers, whose name I shall not give, because it might be recognized if I were to give the name, that had Federal deposits of $35,688,000. A small bank had only $267,000.

Another bank had $2,745,000. Still another bank had deposits of $3,613,000.

The total deposits in the New York banks—and limited to a small number of banks at that—for last Wednesday were $870,622,000 interest free.

Compared with this, the interest free loans we have heard so much about in committee meetings recently are small potatoes indeed.

Let me point out that these demand deposits credited to the Government are very different from the demand deposits credited to individuals and to corporations. In the case of demand deposits credited to the account of individuals and corporations, we find that in the vast majority of instances they arise from previous loans made by the bank.

What happens is that the banks and the banking system create credit. They make the loan in the form of a deposit, which they set up to the account of the individual or the corporate borrower. In other words, such loans and the demand deposits which flow from them are not made out of savings; they are made out of borrowings. Bank credit created by the bank and by the banking system is borrowed.

The demand deposits credited to the account of the Government are a very different thing. They are amounts collected in taxes from individuals and corporations, thereby diminishing the income of the taxpayers, and in that way cutting down their capacity to buy, and then deposited by telegraph on order of the Treasury in the particular banks.

In the case of demand deposits placed in the banks by the Treasury, the withholding taxes on income and on the forced savings of individuals and corportations come first and create the deposit. In the case of private demand deposits and corporate demand deposits, the loan of the created bank credit comes first and creates the deposit.

Those of us who know anything about State and local governments—and I think that would include virtually every Senator in the Chamber—also know of the enormous sums of money which are deposited by municipal, county, and State governments in the banks; and about the fact that although the subject is unexplored, and indeed almost never mentioned, a very large proportion of such funds are interest free.

We have had some experience with that situation in my own State of Illinois in the last year. There have been some very unpleasant revelations, but they have thrown a shaft of light upon a practice which is not confined to my State. Anyone who has been mayor of a city, governor of a State, member of a county board of supervisors, or treasurer of a city, a State, or a county, knows how widespread the practice is.

The banks make large amounts of money on the interest-free deposits. I do not know how much the local and State governments deposit, but certainly the amount runs into the billions of dollars. We have seen Federal figures of more than $3 billion in demand deposits, and at times in past years more than $5 billion.

We know also that this practice offers the opportunity for political abuse. We know that upon occasion the local and State politicians who have the power to sway the deposit of these funds will shake down the bankers, either politely or directly. We know also that upon occasion some of the banks which are anxious to have deposits will contribute directly or indirectly to the campaign funds of the politicians or the parties which the politicians represent. This is one of the cesspools of politics into which the prying mind is not supposed to peek, but which is a common source of contamination.

Let me make it clear that I make no such charges in connection with the deposit of Federal funds. As of the present moment, I know of no evidence to support any such charge. But I do say that the deposit of huge amounts of Federal funds, interest free, in gigantic sums to individual banks and in lesser sums to smaller banks, offers the possibility of abuse, and it is a waste of public funds which needs to be checked.

I shall not go into the question whether public funds should be deposited in private banks at all, or whether they should be kept in the Federal Reserve banks, checks upon which are already issued for the payment of Government obligations. There has been a long, historic debate on that question from the time of Andrew Jackson, but I shall not go into it. That would stir up too many hornets' nests.

Believing myself to be a mild-mannered man, and wishing to take one step at a time, I shall not for the moment question whether these funds should be deposited in private banks, although I would be less than frank if I did not say that I have a serious doubt in my mind as to the extent to which these deposits should be made in such banks.

Admittedly, this practice was carried on during the war and during the period after the war. That is true. During the war there were two excuses offered for it which I think had a good deal of validity. The first was that the banks were performing a large volume of unpaid services to the Treasury in connection with the sale of war bonds. Many other people were performing unpaid services for the Government. The banks did very well. They created tens of billions of monetary purchasing points. This was profitable for them. It might be argued in addition that it would be a sort of rough justice; that if the banks did a certain amount of unpaid service for the Government, the Government would give them this privilege in return. But I should prefer that a balance be struck, and that the costs which the banks were not willing to assume be charged to the Government, and the interest rate be paid to the Government.

It was also said that the interest rate was very low; that short-term Government bonds were yielding no more than 1½ percent interest. In some cases, I believe, the effective interest rate went down to less than 1 percent on short-term Government notes and bills and therefore the sums realized did not amount to very much. But with the great decrease in the unpaid services

performed by the banks, and the fact that the big issues of long-time securities are diminishing and that only refunding operations remain in which the banks, in general, seem to be only too willing to participate, this excuse no longer operates to anywhere near the same extent as before.

Furthermore, the interest rate has risen well above 3 percent on short-time Governments, so that the earnings which the banks are able to make are much greater than they would have been when the interest rate was only seven-eighths of 1 percent on short-time Governments, or even 1½ percent.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LAUSCHE. How did the discussion arise in which excuses were given for the nonpayment of interest on Government deposits? Were those discussions in connection with a bill which was introduced? Would the Senator mind discussing that question?

Mr. DOUGLAS. I came to the Senate only in 1949, so I am not able to give at first hand the discussion prior to that time. I think it was in 1954 that Representative PATMAN raised this question in the course of an examination of the Secretary of the Treasury, Mr. Humphrey, before the Joint Committee on the Economic Report, and he stressed this point. I then took up the subject and asked further questions. Then the senior Senator from Virginia [Mr. BYRD] discussed the matter in a very able speech on the floor of the Senate.

It was said, I think, during the course of the discussion that this practice had been in effect for some time, and that these had been the excuses offered for it in the past.

What I am trying to say at this moment in my speech is that these excuses may have been partially valid 15 years ago, when the Nation was in the midst of a great war, but they do not seem to me to be valid now, when the unpaid services of the banks to the Treasury are not great, and when the earnings which the banks can make from the investment of these funds in short-term borrowings either by the Government or by private borrowers are so much higher than they were then.

There is a very ironical feature connected with this fact. Suppose the Treasury deposits in a given bank $100 million, interest free. The bank, in effect, knows that the Treasury will not call for the cash, and that the checks deposited in the bank by persons who have claims against the Government will not exhaust the cash balance. So the bank invests $90 million in short-term Governments and draws 3¼ percent. This is a really ridiculous situation. The Government lends to the bank money which the bank then gives back to the Government, and gets 3¼ percent for giving the Government its own money. That is the ironical feature of the whole transaction. It may seem funny but I think it is tragic.

Let me make it clear that I am not indicting the banks. This is a system which simply developed; but the banks receive what amounts to a hidden subsidy. Now, when we are being forced by the pressure of events to economize, this is a good place to begin—a very good place indeed.

Personally, if I wished to be rigid in my position about the matter, I could insist that virtually all this money be deposited on time, and that the time rate of interest be paid to the Government. I believe that at present this is approxmately 2½ percent.

However, Mr. President, I wish to be very mild in my suggestions; I try to be as mild and as gentle as possible. I have studied the recent statements of the New York banks, and I have found that the smallest amount deposited by the Government in the New York banks during any period in the past 4 years—the very smallest amount, the bedrock minimum, in the case of the New York banks—when added together has been approximately $134 million. Such deposits in the New York banks tend to be approximately 27 percent of all such deposits in banks throughout the country as a whole. So I am proposing that at least $500 million of this amount shall be switched from demand deposits to time deposits; and that the Government shall receive 2 percent a year upon that amount. This would net the Government $10 million a year. This is a bedrock minimum. Personally, I think probably the Government should be paid a larger amount. But this will be a beginning. After we do this, then, on the basis of the figures collected and the evidence which develops, in later years we can feel our way to a more just settlement, if there be one.

In any event, Mr. President, if we begin on the economy game, we should move without fear or favor. I do not believe in cutting the attempts to meet vital human needs. I believe that such human needs are not postponable, although I believe that material needs are postponable. I believe that subsidies, particularly those to the wealthy, should be discontinued, or at the very least should be reduced.

This item represents a tremendous hidden subsidy, amounting to a minimum of $100 million a year, and in some years it may possibly amount to $150 million to groups which are already doing very well indeed. I am proposing that the Government get back merely $10 million.

Mr. President, as Warren Hastings once remarked in another connection, I am astonished at my own moderation.

Weekly statistics on United States deposits in selected New York banks, January 1953 to August 1955

[In thousands]

Date	A	B	C	D	E	F	G	H	I	J	K
1953											
Jan. 7	$17,260	$29,493	$149,462	$77,732	$112,322	$58,239	$63,318	$16,229	$39,341	$61,773	$149,028
14	14,186	23,891	102,605	61,697	69,924	47,604	36,205	14,376	23,851	45,512	95,849
21	12,384	21,775	94,539	53,886	61,126	49,241	34,485	13,723	20,376	39,692	83,029
28	12,344	21,745	94,861	52,292	59,619	53,005	34,659	14,116	20,681	38,808	83,562
Feb. 4	12,621	23,971	97,201	59,198	73,121	57,231	36,678	15,674	26,648	43,455	101,239
11	12,881	25,328	97,321	61,631	77,695	60,223	37,989	16,914	27,999	45,866	109,775
18	13,826	33,592	109,788	68,952	97,165	71,053	45,102	21,615	32,293	51,309	130,649
25	13,098	35,113	110,037	67,135	95,443	73,069	49,635	22,412	31,071	49,671	130,096
Mar. 4	11,038	31,569	100,068	59,562	82,609	72,574	43,584	20,940	26,599	43,488	115,522
11	7,900	23,762	81,252	43,781	58,113	58,408	31,101	16,649	18,268	32,061	84,674
18	7,072	23,937	108,007	47,056	67,243	53,397	42,849	17,144	21,228	35,184	98,719
25	11,260	32,788	243,508	89,650	139,206	81,981	111,981	22,150	47,772	65,506	216,051
Apr. 1	9,876	35,715	220,306	96,616	123,705	79,645	94,679	21,395	45,049	58,350	205,363
8	7,994	30,271	150,410	76,727	85,745	65,509	64,141	18,704	31,292	42,307	153,982
15	6,010	24,177	104,271	49,373	56,133	53,859	40,008	18,250	18,859	29,813	105,019
22	4,625	18,437	79,900	30,855	37,641	51,589	31,179	16,684	11,454	21,106	71,693
29	3,106	12,458	59,283	20,748	25,561	38,138	21,914	11,256	8,477	14,309	52,517
May 6	15,322	18,149	94,982	53,761	83,335	40,528	30,484	11,681	25,992	22,377	107,177
13	15,439	17,026	90,563	49,392	79,401	34,405	24,315	10,014	22,672	19,691	98,975
20	9,336	20,078	80,118	42,167	65,338	42,023	24,143	12,234	27,429	20,718	107,477
27	6,373	18,526	69,560	36,381	49,510	39,997	25,151	11,804	26,651	17,535	94,313
June 3	6,649	11,275	60,795	23,155	25,179	33,135	14,311	8,047	18,704	10,576	61,592
10	18,610	----------	90,852	14,100	13,159	43,416	8,579	5,595	27,032	6,012	64,602
17	9,418	15,832	79,977	26,657	24,077	33,190	15,302	8,352	20,819	12,749	57,457
24	7,326	24,857	134,057	50,231	70,847	50,987	46,002	13,009	44,927	29,962	115,736
July 1	8,919	27,122	155,528	63,912	99,763	62,871	68,854	13,525	41,605	38,409	143,778
8	5,853	22,998	110,753	49,666	58,105	49,451	40,460	12,045	23,138	25,871	91,993
15	11,360	29,546	139,206	48,040	79,450	52,349	39,828	13,206	69,311	30,558	117,476
22	40,049	83,654	378,434	109,753	267,421	125,578	126,972	25,991	214,199	137,657	357,741
29	35,845	75,225	342,872	98,942	239,434	117,459	114,869	23,977	193,471	124,200	327,733
Aug. 5	32,402	71,109	316,553	98,041	229,371	110,037	107,376	22,833	179,116	117,213	317,460
12	28,035	63,163	277,951	92,720	207,298	100,269	94,604	21,970	154,903	103,153	283,885
19	24,763	61,554	261,248	98,048	206,560	107,028	92,537	24,155	137,490	96,965	281,882
26	23,445	61,170	252,694	104,736	206,428	106,377	95,648	24,942	128,853	100,425	281,479

Weekly statistics on United States deposits in selected New York banks, January 1953 to August 1955—Continued

[In thousands]

Date	A	B	C	D	E	F	G	H	I	J	K
1955											
Sept. 22	$20,575	$56,193	$252,548	$171,138	$201,303	$99,387	$90,995	$24,019	$118,767	$163,299	$248,403
29	38,380	61,465	238,280	182,846	188,386	82,646	76,613	20,250	108,022	88,797	225,711
Oct. 6	12,378	39,467	204,227	91,709	144,934	74,778	44,864	19,821	97,121	77,635	208,619
13	12,065	40,126	201,907	92,112	173,102	81,341	83,930	21,067	88,114	75,901	222,088
20	12,167	43,980	336,374	107,848	209,637	82,627	92,647	20,181	93,767	78,499	232,437
27	14,246	61,686	314,541	105,624	213,770	76,648	82,816	24,020	84,117	68,240	220,032
Nov. 4	7,710	21,008	245,131	82,069	459,787	59,774	60,714	19,566	59,702	51,835	204,392
11	9,434	25,601	208,425	67,983	149,916	46,931	52,967	18,484	58,361	27,726	192,306
18	7,877	20,770	201,861	66,258	128,377	41,734	46,285	12,924	45,699	29,622	162,457
25	5,771	19,496	151,420	77,394	126,856	40,643	46,239	12,609	48,128	31,778	155,140
Dec. 2	19,735	31,993	168,788	87,737	136,510	58,355	58,746	18,854	64,470	45,072	191,360
9	28,486	34,720	207,475	108,270	175,834	77,189	74,850	21,218	61,320	64,257	244,879
16	25,694	43,955	195,267	96,441	159,812	79,280	72,217	21,945	73,472	60,709	223,978
23	18,579	32,512	185,341	65,228	76,644	62,245	32,493	16,051	43,501	37,050	144,067
30	8,562	24,478	115,258	46,988	67,460	54,492	32,355	14,169	20,898	29,137	104,411
1954											
Jan. 6	8,056	27,472	115,650	50,726	65,784	50,963	42,664	16,742	29,772	31,944	104,793
13	8,268	27,698	120,633	51,610	65,633	61,796	44,306	17,814	29,414	32,196	107,670
20	7,438	24,662	125,234	50,300	63,784	55,947	41,621	16,205	26,368	27,455	100,899
27	4,758	18,829	96,983	35,866	62,654	36,438	38,251	14,618	16,407	27,672	68,357
Feb. 3	4,642	16,865	95,796	34,942	42,228	44,658	30,042	12,513	16,262	27,915	67,442
10	4,370	17,081	95,904	34,748	41,558	45,680	31,999	13,037	17,667	27,921	66,806
17	5,384	18,628	103,698	46,303	54,194	46,825	32,989	13,121	22,698	35,085	68,868
24	5,048	18,273	97,176	46,866	56,124	44,294	32,420	12,861	24,357	34,685	88,226
Mar. 3	5,501	23,945	107,188	55,207	62,940	45,311	38,189	16,546	28,745	40,645	107,615
10	7,954	26,678	112,352	57,124	66,023	63,781	44,712	18,320	29,929	42,032	112,867
17	6,196	24,320	127,611	60,457	68,799	68,870	46,234	21,336	28,224	38,391	104,476
24	4,120	17,218	93,544	46,264	48,372	49,344	33,492	17,520	19,096	27,191	71,749
31	5,430	21,751	100,678	54,565	60,123	56,479	36,894	19,242	21,368	32,227	80,199
Apr. 7	9,902	34,110	137,923	82,188	103,627	76,655	92,080	25,132	36,812	48,399	174,201
14	14,445	26,737	167,856	87,942	114,205	74,962	96,202	24,952	35,974	55,821	187,453
21	8,779	30,778	173,673	91,855	110,382	78,972	87,210	24,778	34,945	50,985	178,727
28	8,941	19,180	92,532	76,581	43,569	51,111	33,145	14,570	22,806	31,592	108,266
May 5	12,695	34,982	94,789	112,994	62,948	41,784	36,691	16,129	26,725	25,884	83,719
12	6,342	8,466	78,827	73,713	46,284	25,871	24,294	12,253	28,731	20,146	59,377
19	20,388	29,837	128,502	92,254	56,454	52,474	42,202	20,825	60,085	45,668	96,167
26	28,018	41,385	158,288	99,306	128,537	72,933	54,992	23,477	69,456	56,027	175,881
June 2	23,637	37,600	138,825	98,825	133,719	71,109	53,878	21,140	66,540	56,188	160,712
9	14,849	26,931	128,202	67,215	88,872	56,467	39,390	16,352	41,931	45,348	118,863
16	9,490	20,356	106,653	47,917	58,805	42,905	36,153	13,940	26,739	38,946	93,028
23	7,087	23,643	123,639	51,381	74,057	47,447	57,674	12,940	24,131	32,949	111,083
30	8,121	28,434	196,304	68,629	187,242	78,990	90,924	17,918	47,831	50,454	197,477
July 7	10,277	35,721	216,451	94,891	145,540	73,535	93,526	20,365	50,885	54,998	208,387
14	8,348	30,630	170,660	72,274	98,530	68,985	64,683	19,573	37,022	54,275	176,806
21	6,928	24,776	133,547	54,477	67,049	52,246	48,356	17,222	26,742	38,490	100,495
28	5,538	20,148	115,647	44,562	51,914	44,296	41,293	14,516	22,324	28,274	82,211
Aug. 4	10,845	29,630	176,494	74,905	124,695	58,788	68,950	18,691	47,140	51,425	167,507
11	13,594	34,157	196,174	86,731	165,285	66,428	76,949	15,888	58,080	61,878	212,491
18	14,984	37,627	197,377	86,853	167,660	73,269	61,857	19,425	56,476	54,008	210,760
25	13,106	37,858	182,044	83,442	138,941	72,839	62,160	21,082	51,647	59,496	198,882
Sept. 1	13,280	34,574	168,168	76,815	137,208	76,839	58,342	20,426	45,402	34,982	172,616
8	9,233	29,905	154,660	64,895	117,488	70,240	54,173	18,124	38,477	32,214	147,853
15	6,900	23,342	128,282	52,542	85,403	56,059	38,799	15,417	28,572	40,683	110,708
22	7,946	25,877	128,537	58,759	70,342	61,361	43,579	17,601	29,964	40,285	110,906
29	7,978	26,739	132,700	58,936	98,474	63,665	44,905	19,027	29,405	41,108	113,679
Oct. 6	22,221	51,230	247,408	119,322	186,475	90,239	78,985	26,042	73,731	72,745	210,419
13	30,470	79,698	298,188	142,699	259,115	98,290	92,744	27,957	95,083	83,647	268,621
20	27,986	70,731	261,580	148,638	207,535	86,838	82,851	82,779	72,413	216,573	167,805
27	24,807	62,377	295,588	131,257	173,757	77,615	75,192	72,468	63,467	192,697	146,580
Nov. 3	21,822	58,113	225,601	131,371	172,277	72,845	69,331	(5)	72,242	60,785	186,970
10	20,275	55,444	212,470	128,723	166,223	70,731	67,269	.....	70,659	58,711	181,675
17	27,343	58,773	238,404	134,442	179,174	79,132	66,310	.....	82,679	68,252	191,365
24	29,124	57,686	229,230	126,885	205,998	78,309	64,992	.....	78,685	68,417	184,258
Dec. 1	26,222	52,758	214,258	122,009	150,051	77,010	62,165	.....	71,028	64,725	173,183
8	21,673	45,844	193,649	110,386	129,575	71,743	55,618	.....	60,398	61,942	156,629
15	47,678	68,490	166,450	94,881	165,018	68,308	44,906	.....	46,940	64,430	120,861
22	13,970	36,151	146,209	88,008	88,441	59,450	45,317	.....	40,560	46,456	118,187
29	11,812	31,909	126,125	77,995	74,239	54,433	41,807	.....	33,800	40,774	104,009
1955											
Jan. 5	9,928	28,721	132,681	75,524	67,995	49,925	42,345	.....	27,841	34,638	91,042
12	6,606	18,087	103,670	54,385	47,134	36,896	30,446	.....	18,197	24,919	63,005
19	4,960	13,763	85,828	39,063	33,025	29,349	23,548	.....	12,139	16,365	46,396
26	8,789	14,658	95,612	42,335	60,204	34,839	27,112	.....	22,991	28,594	61,476
Feb. 2	8,667	17,790	111,839	52,013	78,985	37,769	32,539	.....	29,088	32,214	82,284
9	7,992	18,221	115,639	55,965	82,983	38,571	35,096	.....	31,494	33,160	89,634
16	6,130	21,853	123,174	62,436	83,311	44,286	35,563	.....	32,948	34,680	97,690
23	8,407	25,290	128,184	71,680	80,277	49,628	42,867	.....	30,713	37,548	103,073
Mar. 2	7,268	26,915	128,656	72,329	78,672	51,456	42,679	.....	29,249	40,056	103,323
9	6,365	19,597	119,467	66,878	64,272	47,980	35,159	.....	24,760	34,614	86,401
16	4,491	19,326	104,818	61,249	50,318	46,647	29,674	.....	22,714	34,743	66,241
23	6,640	31,953	157,678	80,342	74,676	58,346	48,945	.....	30,013	46,313	126,127
30	8,282	27,330	154,059	80,281	63,387	48,971	42,995	.....	29,253	113,268	43,633
Apr. 6	12,551	(4)	323,107	142,995	109,439	86,811	48,080	.....	38,090	138,610	302,162
13	32,280	.....	314,838	130,361	197,743	77,685	82,366	.....	35,089	153,024	277,837
20	16,378	.....	261,624	105,588	157,040	64,164	70,339	.....	(4)	128,420	224,745
27	9,850	.....	246,127	101,065	144,081	61,490	69,330	.....	.....	64,354	212,675
May 4	11,361	.....	202,795	113,562	103,623	67,215	72,975	.....	.....	71,542	233,159
11	10,640	.....	246,325	109,448	135,329	65,446	78,783	.....	.....	67,867	223,117
18	18,329	.....	232,658	104,095	135,369	68,370	75,628	.....	.....	57,667	202,923
25	17,536	.....	213,607	100,482	138,375	67,314	67,760	.....	.....	44,264	221,250
June 1	15,098	.....	198,817	95,405	139,040	66,300	60,065	.....	.....	44,765	208,617
8	10,924	.....	174,037	80,779	105,941	59,195	56,613	.....	.....	41,418	222,741
15	6,276	.....	194,685	80,089	67,068	45,782	34,564	.....	.....	31,082	142,669
22	5,953	.....	131,084	72,421	75,988	51,980	41,177	.....	.....	35,583	148,147
29	7,267	.....	128,804	82,571	104,514	38,292	61,221	.....	.....	45,407	200,633
July 6	6,040	.....	223,660	98,958	116,158	66,985	65,578	.....	.....	54,602	203,707
13	5,803	.....	169,204	76,765	78,125	63,207	48,156	.....	.....	39,363	136,504
20	4,317	.....	227,778	96,786	122,615	63,263	50,985	.....	.....	48,180	208,846
27	14,082	.....	233,695	105,874	164,047	70,757	101,910	.....	.....	38,393	333,922
Aug. 3	11,871	.....	208,798	107,168	155,373	68,202	90,545	.....	.....	54,512	299,612
10	6,862	.....	222,208	98,070	130,289	62,867	75,629	.....	.....	46,404	241,911

[1] No listing was made for the week due to newspaper strike.
[2] Merged with bank D.
[3] Merged with bank K.
[4] Merged with bank C.
[5] Merged with bank H.

Source: New York Times.

Weekly statistics on United States deposits in selected New York banks, Aug. 17, 1955, through Sept. 5, 1956

[In thousands]

Date	A	C	D	E	F	G	J	K	L	M	N	O	P	Q	R	Total
1955																
Aug. 17	$8,798	$203,322	$92,222	$120,242	$56,574	$66,581	$45,623	$225,177	$102,999	$17,532	$35,614	$71,227	$4,858	$5,303	$3,834	$1,059,906
24	8,558	186,584	90,008	107,297	57,869	63,165	43,486	210,197	96,291	16,877	36,056	57,540	3,789	4,606	2,982	985,305
31	8,259	180,910	88,702	103,127	59,415	61,659	44,538	202,180	92,907	17,670	34,283	54,370	3,568	4,389	2,957	959,024
Sept. 7	6,937	174,493	81,805	94,554	57,687	59,210	47,290	180,015	80,966	16,229	28,117	50,797	2,814	3,488	2,508	887,106
14	4,876	133,452	59,281	64,419	44,829	40,916	36,180	126,677	56,188	12,455	18,614	35,003	1,783	2,679	1,652	639,009
21	4,053	112,026	55,068	51,507	41,264	33,742	30,717	101,521	48,439	12,273	17,629	17,462	1,213	2,375	872	520,161
28	4,393	130,042	67,164	64,247	50,994	45,061	37,649	130,477	60,271	12,563	21,609	22,562	1,202	2,445	855	651,554
Oct. 5	4,286	152,699	84,558	72,129	57,386	53,116	40,144	146,469	66,500	13,213	22,135	29,469	1,105	2,253	857	746,319
11	7,663	167,616	83,017	80,770	54,106	57,656	38,372	146,602	74,855	14,179	24,878	45,014	3,569	3,396	2,571	804,264
18	13,414	259,348	114,781	147,542	71,213	94,733	55,765	230,475	134,715	25,114	49,962	100,758	11,469	8,227	8,128	1,325,644
26	11,562	222,682	96,152	124,284	59,312	89,289	45,785	195,264	113,534	21,607	45,675	85,322	9,863	7,094	6,988	1,127,434
Nov. 2	9,927	209,751	92,667	121,685	57,457	72,136	46,834	183,520	107,908	19,634	41,321	77,238	7,998	5,859	5,664	1,059,710
9	7,866	185,882	84,205	109,276	50,340	60,415	41,180	159,267	94,769	16,046	33,669	64,424	5,771	4,454	4,063	921,627
16	7,441	184,428	83,515	104,829	55,466	53,869	41,945	161,943	92,373	16,547	33,531	58,206	4,467	4,359	3,243	906,162
22	8,582	186,954	88,261	104,466	60,797	58,853	44,229	168,074	94,125	17,326	34,613	54,675	4,103	4,271	2,838	932,167
30	7,785	172,306	81,844	92,227	58,044	54,419	42,007	153,840	84,251	16,005	30,745	47,109	3,540	3,873	2,407	850,402
Dec. 7	5,521	152,818	75,259	69,058	51,950	45,127	39,674	129,763	63,156	12,022	24,505	35,511	2,224	3,164	1,480	711,262
14	3,410	114,882	54,352	40,756	39,721	26,904	27,666	85,493	37,869	7,767	15,591	19,528	1,049	2,309	635	477,932
21	33,199	159,411	52,586	165,833	42,922	22,221	36,881	86,106	31,618	23,766	15,858	50,786	995	4,466	3,268	729,816
28	31,050	150,806	53,679	154,894	43,304	25,400	36,005	87,355	33,073	22,113	15,767	46,870	888	4,168	2,948	708,320
1956																
Jan. 4	22,713	156,116	63,427	147,143	44,315	31,363	36,859	95,915	38,532	16,968	14,956	45,579	650	3,205	2,141	719,382
11	12,231	113,659	46,389	75,378	28,447	23,792	21,414	64,236	26,662	9,695	7,200	26,515	410	1,787	1,133	459,248
18	3,278	78,923	28,538	32,361	20,417	17,290	12,104	42,908	17,606	3,550	3,534	12,998	169	505	238	274,419
25	1,941	62,845	23,620	21,444	17,580	17,040	9,715	36,538	13,210	2,679	2,637	8,194	119	295	96	217,953
Feb. 1	2,597	73,719	35,088	33,212	21,698	21,562	15,273	57,427	22,249	4,073	4,316	13,526	544	586	172	306,012
8	2,952	86,439	42,874	46,178	25,268	24,386	19,370	70,301	30,122	5,165	6,906	19,941	1,209	1,078	257	382,446
15	2,523	81,990	40,756	40,344	29,159	17,911	17,524	68,994	32,237	6,165	9,641	15,706	1,026	1,807	180	365,062
21	3,996	101,344	60,582	52,659	45,374	31,807	27,535	101,817	50,530	9,122	17,808	18,338	687	2,341	110	524,070
29	3,881	114,949	67,791	57,948	51,078	36,617	32,153	112,292	54,870	9,062	19,696	21,643	598	2,193	400	585,191
Mar. 7	2,985	123,295	69,290	57,572	51,392	35,316	37,616	108,150	56,124	8,209	18,928	24,741	461	1,840	536	596,455
14	3,783	90,022	45,731	32,554	38,751	19,375	26,278	69,477	36,337	6,088	12,000	14,798	229	1,755	283	397,461
21	8,602	89,768	88,949	89,560	68,009	68,676	58,358	165,168	96,013	14,869	34,201	34,273	446	3,037	232	910,161
28	10,692	275,236	121,762	138,917	85,977	92,685	85,868	264,696	152,383	19,521	50,894	58,135	632	3,460	201	1,361,040
Apr. 4	9,433	263,848	116,514	126,492	87,572	73,064	74,827	250,668	134,173	19,035	44,909	61,484	563	3,753	321	1,266,674
11	6,289	194,415	83,839	87,030	50,458	61,861	50,938	170,926	89,379	12,983	28,528	45,510	414	2,652	285	885,507
18	5,585	168,113	71,910	72,117	43,764	53,007	44,080	142,220	74,516	11,135	22,647	37,997	345	2,159	239	749,834
25	6,050	166,357	73,316	73,551	44,996	57,600	43,772	144,415	73,938	11,591	22,728	37,155	346	2,572	239	758,626
May 2	7,204	211,848	99,153	109,888	56,640	75,034	59,772	194,246	96,953	16,435	30,489	54,011	356	3,295	252	1,015,566
9	7,146	211,294	100,860	114,211	56,933	75,763	60,125	197,276	97,757	17,894	30,318	57,162	337	3,235	299	1,030,600
16	37,490	203,094	104,211	113,642	64,015	71,099	59,523	204,163	97,997	19,455	32,770	51,815	319	3,948	184	1,033,725
23	8,570	206,321	115,909	120,624	73,041	78,471	62,511	218,948	105,442	20,706	37,624	48,409	298	4,306	167	1,101,347
29	7,995	207,349	116,518	119,627	74,607	78,833	62,041	220,463	107,361	19,208	37,375	47,498	268	3,966	149	1,103,258
June 6	8,168	180,388	98,781	93,456	63,606	59,686	54,076	175,610	85,480	18,210	27,286	40,844	248	3,364	121	909,324
13	6,770	128,071	66,861	58,886	46,169	36,538	36,560	113,646	56,826	13,756	16,676	26,065	227	2,673	75	609,797
20	6,889	120,657	68,744	58,130	47,740	42,372	36,403	116,417	57,941	14,617	19,159	18,455	533	3,062	55	611,124
27	7,917	201,316	92,350	105,265	61,007	97,284	45,765	195,264	113,534	21,607	45,675	85,322	9,863	7,094	6,988	1,036,327
July 3	10,724	236,989	106,906	122,041	69,568	102,008	73,534	221,850	108,566	16,602	37,240	44,514	2,003	2,807	34	1,155,476
11	8,602	190,865	87,071	96,338	55,033	72,908	56,337	170,335	82,876	12,099	28,095	42,349	1,717	1,981	23	906,629
18	7,588	155,342	69,361	75,901	46,559	58,942	43,649	135,209	63,850	10,358	21,402	32,464	1,440	1,576	17	728,658
Aug. 1	5,829	111,421	58,435	55,994	30,603	33,260	29,513	95,259	41,481	8,005	14,758	24,692	1,610	1,425	130	512,415
8	7,910	146,816	75,563	73,641	47,076	35,070	36,944	136,484	57,851	11,391	22,624	33,481	3,825	3,325	547	692,548
22	23,209	286,716	161,845	166,797	103,963	83,405	74,835	319,142	140,098	27,101	57,460	83,025	13,485	8,649	2,371	1,552,101
29	21,243	258,563	145,795	147,887	94,545	75,470	66,202	285,691	125,029	25,035	51,314	72,892	12,074	7,813	2,127	1,392,010
Sept. 5	17,583	233,303	134,116	134,137	86,956	70,473	66,503	251,077	110,894	24,266	44,172	65,811	9,771	6,376	1,720	1,257,158

Source: New York Times.

Weekly statistics on United States deposits in selected New York banks, Sept. 5, 1956, through May 1, 1957

[In thousands]

Date	A	K	C	D	E	F	G	H	L	M	N	O	P	Q	R	Total
1956																
Sept. 5	$17,583	$251,077	$233,303	$134,116	$134,137	$86,956	$70,473	$66,503	$110,894	$24,266	$44,172	$65,811	$9,771	$6,376	$1,720	$1,257,158
12	10,494	167,275	166,614	90,939	90,306	62,514	49,424	50,753	73,242	16,624	27,913	43,891	5,724	4,240	999	860,952
19	8,912	145,134	145,577	79,411	72,308	61,607	41,172	45,354	63,555	16,684	27,087	28,639	3,789	4,425	662	744,316
26	9,389	171,917	163,659	95,262	85,486	70,869	51,837	52,467	74,927	17,710	32,357	31,261	3,536	4,828	639	866,144
Oct. 3	8,950	195,223	183,042	112,628	95,375	76,783	62,621	57,947	83,977	17,728	36,123	37,802	3,329	4,569	601	978,698
10	6,305	144,241	144,966	83,838	70,093	56,816	49,460	42,854	62,700	13,255	25,298	29,687	2,284	3,136	407	735,340
17	9,027	100,986	108,924	86,923	47,520	41,206	45,378	65,925	42,603	10,922	26,489	26,834	6,551	2,209	282	622,109
24	22,866	65,772	76,436	114,149	30,558	27,965	62,899	148,071	27,877	9,539	43,649	36,729	30,104	1,473	186	[1] 718,273
31	17,348	64,800	78,323	127,772	32,871	26,967	55,123	126,396	26,336	7,815	37,706	31,815	14,568	1,628	115	651,583
Nov. 7	13,825	72,999	90,622	105,594	47,007	27,412	44,252	95,333	38,354	9,944	31,170	31,001	9,894	2,935	76	620,418
14	9,813	63,705	82,526	74,102	38,417	26,594	29,230	61,309	35,685	9,988	21,851	22,015	6,209	3,118	47	484,609
20	15,774	97,500	96,338	130,629	50,098	56,961	38,441	163,387	114,531	36,487	62,419	60,925	4,038	3,612	30	931,190
28	15,698	90,360	83,124	134,367	42,528	58,872	39,434	176,308	125,315	40,224	66,383	66,168	2,580	2,938	20	944,339
Dec. 5	10,695	93,481	88,098	111,579	43,007	31,199	37,005	123,504	92,092	27,944	49,340	46,648	1,511	2,098	12	735,213
12	4,437	64,106	69,614	63,735	25,911	32,285	22,186	55,141	41,387	11,200	21,186	20,821	564	1,082	15	433,670
19	30,064	71,339	149,027	47,366	88,771	34,271	18,814	25,146	30,327	18,757	57,715	7,473	122	1,574	13	580,779
26	48,826	86,695	214,364	52,544	142,235	39,361	24,796	23,754	35,940	25,494	94,706	6,992	68	1,842	12	797,629
1957																
Jan. 2	39,308	79,388	186,778	53,908	116,322	36,740	23,748	24,736	37,187	21,962	74,466	10,668	69	1,742	10	707,032
9	19,626	53,038	124,568	42,778	63,442	24,534	16,401	17,118	27,009	11,694	33,900	12,321	65	1,079	7	447,880
16	3,448	30,071	68,842	24,851	21,649	14,652	8,801	8,801	14,358	2,757	6,700	8,278	99	381	2	213,690
23	1,211	20,691	51,203	12,371	11,600	10,718	9,828	5,241	8,838	1,916	5,362	3,689	102	378	1	143,149
30	1,175	25,813	50,063	14,522	10,690	12,764	8,387	6,396	7,319	1,919	6,335	3,031	130	813	1	149,358
Feb. 6	2,079	54,868	76,771	34,011	37,488	19,030	15,984	27,723	23,353	6,262	10,494	17,067	2,629	1,793	1	329,553
13	2,102	27,721	55,125	18,775	16,306	14,287	6,702	13,200	13,633	6,465	4,271	7,239	2,401	1,442	1	189,670
20	3,239	62,620	71,223	41,732	32,033	31,671	15,403	21,288	32,439	8,799	15,038	6,955	2,574	2,613	1	347,628
27	3,423	69,243	71,048	45,458	35,745	33,364	21,840	21,223	37,039	8,021	15,894	6,898	2,291	2,307	1	373,795
Mar. 6	3,422	76,454	89,808	51,376	41,408	32,491	27,715	30,754	36,689	6,375	11,546	15,921	1,346	1,403	1	426,709
13	2,522	49,127	68,570	32,396	23,997	23,384	15,862	20,433	20,599	3,382	5,178	11,335	325	632

Mr. ROBERTSON. Mr. President, the distinguished Senator from Illinois has been discussing a subject in which I am very much interested. However, I would have enjoyed his presentation more if I had not had to wait until the end of his remarks, in order to have the Senate complete its action on the pending appropriation bill.

Mr. President, I am sure the Senate Finance Committee will take note of the presentation the Senator from Illinois has made; and unquestionably it will look into the ideas which have so cogently been advanced by the Senator from Illinois, who has stated that there should be a law requiring the banks to pay as much as 2 percent or some other percentage on the deposits of Federal Government funds.

I know the Secretary of the Treasury is embarrassed by the necessity of refunding a large amount of the Government loans in what is called the tight money market. However, that situation is not a new one. The other day I was preparing a speech to be made last Friday before bankers in North Carolina. I found that in 1861, when Lincoln called for volunteers, he also called for additional funds; he wanted the Federal Government to borrow $10 million. He asked the banks to make bids in that connection. I wonder whether the distinguished Senator from Illinois would hazard a guess as to the lowest interest rates the banks would offer. It was 12 percent, and the bids went from that percentage up to 35 percent, for 9 months net. The Government took all the 12 percent money it could obtain from the banks, but was able to sell only $3 million of the $10 million desired.

Then President Lincoln had to have Congress pass a bill authorizing the issuance of greenbacks. By the time the War Between the States had ended, the greenbacks had fallen in value 45 cents on the dollar. There was great agitation to have them redeemed. Later, Bryan called for the use of silver at a ratio of 16 to 1; and in 1896, Bob Ingersoll said "I want every greenback to be able to stand on end and say, 'I know that my redeemer liveth.'"

Although today the Government is supposed to have a gold fund as a basis for the currency of the United States, that is a fiction; the Government is still using greenbacks.

Mr. President, these are matters to be considered by the Finance Committee, if we are to deal with these policy questions.

Therefore, I make the point of order that the amendment of the Senator from Illinois is out of order, first, because it is legislation on an appropriation bill; and, second, because it proposes that a reduction of $10 million be made in the appropriation on the contingency that the Senate passes the bill and that the deposits referred to are made, and that 2 percent be paid on the deposits. So the amendment is legislation subject to a contingency, and such an amendment is prohibited by the rules of the Senate.

Mr. DOUGLAS. Mr. President, will the Senator from Virginia yield to me?

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Does the Senator from Virginia yield to the Senator from Illinois?

Mr. ROBERTSON. I yield.

Mr. DOUGLAS. If my amendment is out of order as an amendment to this appropriation bill, in connection with what appropriation bill would the amendment be in order?

Mr. ROBERTSON. The amendment would not be in order as an amendment to any appropriation bill. The amendment would have to be offered to a bill reported by the Finance Committee, a bill requiring the Treasury Department to deposit some of the money of the Federal Government in the form of time deposits, rather than as demand deposits, deposits subject to a checking account. In that connection, the banks in which the funds were to be deposited could be specified.

Let me point out that the North Carolina law requires that the treasury of North Carolina receive from the State banks in North Carolina, in the case of North Carolina funds deposited therein, the equivalent of the interest rate on short-term notes. When the interest on short-term notes went higher than the 3 percent the State banks were authorized to pay, the treasurer of North Carolina took $93 million of State funds out of the State banks and put them into short-term notes. Then there was passed in North Carolina a law requiring the treasurer of the State to leave the funds in the State banks, unless the interest on short-term notes exceeded 9¾ percent.

Mr. DOUGLAS. Mr. President, will the Senator from Virginia yield for a further question?

Mr. ROBERTSON. I yield.

Mr. DOUGLAS. On page 16 of the House committee report, there is a table which gives a comparative statement of the appropriations for 1957 and the estimates for 1958. The heading is "Permanent Indefinite Appropriations"; and at that point there is listed the interest on the public debt; and the estimate for 1958 is $7,300,000,000. The total of other items brings all of these permanent indefinite appropriations to $8,085,923,970. Is it the contention of the Senator from Virginia that these items are beyond the control of Congress?

The corresponding figures appear in the Senate committee report on page 8.

Mr. ROBERTSON. I do not contend that they are beyond the control of Congress. But they are not covered by this appropriation bill.

Mr. DOUGLAS. By what appropriation bill would they be covered, if not by the pending appropriation bill?

Mr. ROBERTSON. On page 3 of the report accompanying House bill 4897, the Senate committee states:

> Permanent indefinite appropriations are not carried in the bill. The 1958 estimates of the Treasury Department in this category are $8,085,923,970. This is an increase of $88,635,452 from the 1957 estimate of $7,997,288,518.

Most of that is interest on the national debt, but that is not included in the bill. The law fixes the debt limit, and the Treasury issues the necessary bonds. The bonds are purchased by the people, and the bonds pay a certain rate of interest. At the present time, the interest on the national debt amounts to almost twice the total annual expeditures of the Government in 1932, when the junior Senator from Virginia was elected to Congress. The interest alone on the national debt amounts to nearly $8 billion.

Mr. DOUGLAS. That is correct.

Mr. ROBERTSON. But what can we do about it?

Mr. DOUGLAS. I propose that the Government obtain a return on the money the Government deposits in private banks, in view of the fact that at the present time such deposits are interest free. My amendment would save the Government $10 million. I hope the Senator from Virginia will not persist in his point of order.

Mr. ROBERTSON. I am bound to operate under the rules of the Senate. I do not challenge the statement of the Senator from Illinois that perhaps it would be a good thing to require that the banks in which such funds are deposited pay interest to the Government. I do not challenge the statement of the Senator from Illinois that it might be a good thing to have legislation requiring the Treasury to deposit some of the Government's money as long-term deposits.

I only say that the distinguished Senator from Illinois should introduce such a bill, and should have it referred to the appropriate committee, and hearings should be held on the bill, and the matter should be handled in the orderly way.

On the spur of the moment we cannot bring up fiscal legislation of this kind and call it an appropriation. The amendment of the Senator from Illinois is legislation on an appropriation bill, and such an amendment is contrary to the Senate rule. It is legislation on an appropriation bill. It is against the rule of the Senate, and the distinguished Senator from Illinois knows that as well as does anybody else. He made a fine speech, and the Senator from Virginia withheld his objection—although he was becoming very impatient to complete action on the bill—until the Senator from Illinois had concluded his remarks. Now he must insist on his objection.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Is it permissible for the Senator from Illinois to request that his amendment be read, before a ruling is given, and is it permissible for the Senator from Illinois to discuss the question prior to the ruling by the Chair?

The PRESIDING OFFICER. Without objection, the amendment will be read. The Chair will hear the Senator briefly on the point of order.

Mr. ROBERTSON. I am glad the Chair made that statement, because I would have objected to any monetary speeches.

The LEGISLATIVE CLERK. It is proposed, on page 14, following line 22 and preceding the words "Passed the House of Representatives February 20, 1957," to insert a new title IV, as follows:

TITLE IV

INTEREST ON GOVERNMENT DEPOSITS

The total amounts of the permanent indefinite appropriations of the Treasury Department for fiscal year 1958 are hereby reduced by the amount collected by the Treasury for interest on deposits of Federal moneys in the commercial banks throughout the United States, not to be less than $10 million.

Mr. DOUGLAS. Mr. President, I shall speak briefly on this question. The amendment which the Senator from Illinois is proposing is an amendment to an appropriation bill which diminishes the total amount appropriated by $10 million. It does not give to the Secretary of the Treasury a mandate to shift any stated proportion of the demand deposits to time deposits, but it may be frankly said that by requiring him to get $10 million from interest, it does put fiscal pressure upon him to do that, within his discretion; but it does it by amendment to an appropriation bill rather than through a direct legal mandate to the Secretary of the Treasury.

The PRESIDING OFFICER. The Chair desires to ask a question of the Senator from Virginia, for information, before ruling. Is there any authority of law for collecting interest on Federal moneys deposited in commercial banks at this time, or would this proposed amendment change the law?

Mr. ROBERTSON. There is no law of which the Senator from Virginia knows that requires commercial banks, or even permits commercial banks, to pay interest on demand deposits. There is a law—and we discussed it when my bill to codify the banking laws was under consideration—about which there was a difference of opinion between the FDIC and the Federal Reserve System as to what constituted payment of interest on a checking account. The question was thoroughly discussed, and the Senator from Illinois, as a member of the Committee on Banking and Currency, knows this as well as I do. There was not any proposal to change the law that prohibits national banks and members of the Federal Reserve System from paying interest on checking accounts. The funds deposited by the Secretary of the Treasury in a bank are in a checking account. The banks are prohibited by law from paying interest on them. Therefore, the Senator from Virginia made the point that the amendment represented legislation.

There is another objection. The amendment contemplates a contingency, and the Treasury Department would never know, until another law was enacted, how much money it would have at the end of the year, even though the year was divided into quarters. We are prohibited from making appropriations which are subject to contingency in the future.

Mr. DOUGLAS. Mr. President——

The PRESIDING OFFICER. For what purpose does the Senator from Illinois address the Chair?

Mr. DOUGLAS. I rise briefly to discuss the parliamentary ruling.

My good friend from Virginia did not observe the same restraint concerning the brevity of the discussion which both he and the Chair enjoined upon the Senator from Illinois; but again I reiterate, this is not new legislation. It is an amendment to an appropriation bill which can be effected by a change in the deposit policies of the Treasury Department in shifting deposits from demand to time deposits, but without requiring any specific amount to be so shifted. Further, although there may be no law requiring the Treasury to receive interest on its demand deposits, I know of no law preventing it from doing so.

The PRESIDING OFFICER. The Chair sustains the point of order made by the Senator from Virginia.

The bill is open to further amendment.

Mr. ROBERTSON. Mr. President, if there are no more amendments——

Mr. DOUGLAS. Mr. President, I have another amendment, which I send to the desk. I may have two more amendments and I ask to have this one stated.

The PRESIDING OFFICER. The amendment proposed by the Senator from Illinois will be stated.

The CHIEF CLERK. It is proposed, on page 12, in line 12, to strike out "$648,000,000" and insert in lieu thereof "$548,000,000."

Mr. DOUGLAS. Mr. President, this is an amendment to reduce the funds for transportation of the mails by $100 million.

I should like to point out that the Postmaster General has always said that he was unable to effect economy because, as he said, the pay scales are fixed by Congress and the transportation rates are fixed by the Interstate Commerce Commission. "Therefore," he has said, in effect, "I am helpless, and if you do not give me the money that I ask I will cut down on service," knowing full well that if services should be reduced patrons of the post office would come to Members of the House of Representatives and the Senate and demand that the appropriation be restored.

Mr. President, that has worked once. It will be attempted again. But what the Postmaster General ignores is the fact that he can effect operating economies, and he can also, as I shall show, take steps, within the letter of the law, to reduce the amounts given to the railways for transporting the mails, both fourth class, on the one hand, and first, second, and third class, on the other.

Mr. President, the Postmaster General ignores the operating economies which he could make without any added legislation. I do not like to point too much attention to economies which I have suggested in the past, but I hope I may be permitted to point these out briefly for the RECORD. In past years I have urged motorization of letter carrier routes with motor scooters, so that letter carriers could take larger loads, and hence the Department could reduce the number of letter carriers. This could be done by not replacing some of those who die or retire. It would permit heavier mail loads and larger routes, covered in a shorter time, with less stress and strain upon the carriers themselves.

I have read in the newspapers recently that the Department is experimenting with motor scooters. It should have been an accomplished fact by now.

For years I have urged the use of mail-sorting machines. An employee of the Chicago Post Office, Mr. Sestak, developed one of the most efficient mail-sorting machines I have ever seen, which enormously reduces the amount of work in the big metropolitan offices, and yet does the work accurately.

The Department is still experimenting with this.

For years I have urged the consolidation of rural routes laid out in the horse and buggy days. Mr. President, the rural free delivery was established, I believe, in the administration of Grover Cleveland. That was a horse and buggy period, and the roads were muddy and the mail routes were short.

Two things have happened. The automobile has come in and roads have become hard roads. So now a rural mail carrier, in one-quarter or one-half of the time, can cover the same route that was covered in 1890.

There have been some consolidations of routes, I know, but not anywhere near as much as could be done. I know mail carriers who finish work in 2 to 2½ hours, and then act either as farmers or businessmen or insurance agents. One of them I know has become one of the most cultivated, able men in the State of Illinois. He knows all the great books. He has done his studying in the 6 to 7 hours a day that he does not have to use to cover the rural mail route. All this could be done by not filling all the vacancies.

The Department is still dragging its feet on the consolidation of these rural routes. The Post Office also uses trucks with different truck bed heights, although obviously they should be standardized with the height of the loading platforms. Thus does the Post Office continue to lag behind the entire Nation, as our private enterprises develop increased efficiency and productivity. It will never get on its toes so long as we in Congress sit by supinely permitting the Postmaster General to trample over us as he pleases and resist internal economies. Let us cut his budget, and hold to it.

All the information I can get is that the service under the Post Office is now extremely inefficient. Business and professional men in Chicago have told me that it takes longer for them to send an airmail letter to New York and have it delivered than it takes to send an airmail letter to Paris and have it delivered. And an airmail letter to Paris will be delivered at its destination before an airmail letter from Washington to Chicago. These men are reputable men, and I do not think they would make loose or wild statements.

Mr. President, the amendment which I propose, is, as I have said, to reduce the Post Office appropriation for the transportation of mails by $100 million. I am offering this amendment because such savings can easily be made, and they are not now made because of the failure of the Post Office Department

and the Interstate Commerce Commission to carry out the clear intent of the law as provided in title 39, United States Code, section 557. That section provides:

The Postmaster General shall, from time to time, request information from the Interstate Commerce Commission as to the revenue received by railroad companies from express companies for services rendered in the transportation of express matter, and may—

Now, note these words—

may, in his discretion, arrange for the transportation of mail matter other than of the first class at rates not exceeding those so ascertained and reported to him, and it shall be the duty of the railroad companies to carry such mail matter at such rates fixed by the Postmaster General.

Mr. President, this clear and unquestioned provision of law has remained unenforced. There is an abundanec of evidence that if it were enforced, it would result in a saving of at least $100 million a year in transportation costs. In fact, that is a reasonable estimate of the amount of money which the Federal Government pays to the railroads for parcel post in excess of the amount of revenues the railroads charge themselves for the exactly comparable service of the Railway Express Agency.

I shall cite a few supporting sources of this estimate of $100 million in a few moments, although that figure and the failure to apply the law are not in contention.

The effect of this, Mr. President, is a direct, although hidden, subsidy to the railroads, which was not only not intended, but in fact expressly forbidden by law. There is no justification for this unwarranted subsidy, and Mr. Summerfield and the Post Office Department, if my amendment is passed, would be required to act to stop it in fiscal 1958. In view of Mr. Summerfield's numerous complaints about the lack of money, his failure to act in this field at this time makes his protestations of lack of funds appear feeble indeed.

Mr. President, although this failure to enforce the law, as well as the amount of subsidy involved, are not in contention, I nonetheless wish to present some facts about these two aspects before getting to the heart of the argument.

First of all, Mr. President, the law has never been repealed and is still on the books. It is still a basic part of the Railway Mail Pay Act of 1916, and to my knowledge no one denies that. The basic principle involved is that the Government should not be required to pay more for a particular kind or class of service than was charged to a private firm or individual for the same or comparable class of service.

Second, Mr. President, the Post Office Department itself does not deny that it is paying more to the railroads for parcel post than the railroads charge themselves for comparable service of the Railway Express. This is not denied to my knowledge, and is emphasized by the fact that in an ancillary proceeding to the Railway Mail Pay, 1951, page 283, ICC 503, which began in 1947, the Postmaster General requested the information from the ICC, which section 557 imposes a duty on the ICC to furnish.

Now, Mr. President, a bit of historical comment is needed here. This action was instituted in 1949 when Robert Hannegan was Postmaster General. Mr. Hannegan has been attacked on many grounds, and I am not here to defend every act of his during his life. I do wish to say in this instance Mr. Hannegan was extremely brave in pushing the case before the Interstate Commerce Commission. A great deal of credit is due to him, and also to the Solicitor of the Post Office Department at that time and for some years thereafter, Mr. Frank J. Delany, who devoted himself with great efficiency, energy, and courage—and it required courage—to pushing this case.

The Postmaster General requested this information from the ICC, which section 557 imposes on the ICC a duty to furnish. Failing to get it, the Postmaster General requested the information again in October 1948. At that time I believed Mr. Hannegan was still Postmaster General.

The present Postmaster General requested the information again in 1954; and again in the Railway Mail case, 1956. ICC Docket 9200, which is still pending before the Commission.

Thus there is no question that the Postmaster General believes he is entitled to the information which the ICC is required to furnish under section 557, 39th United States Code. Thus the Post Office Department itself, by its many actions, sustains the view that this section is not now being enforced.

Third, the amount involved is estimated to be at least $100 million a year. On page 36 of the Report of the Citizens' Advisory Council of the Committee on Post Office and Civil Service, which our very esteemed colleague, the Senator from South Carolina [Mr. JOHNSTON] set up as chairman of the Senate Committee on Post Office and Civil Service, the Council estimates the "subsidy" at $100 million a year.

In a statement by Roy C. Frank, former Associate Solicitor of the Post Office Department, before the Postal Policy Subcommittee of the Senate Committee on Post Office and Civil Service, a figure of $100 million was submitted as the estimate of the subsidy because of the failure to enforce section 557.

Further proof is given in the original transcript of the proceedings before the Senate Committee on Post Office and Civil Service, by the testimony of the Deputy Postmaster General of the United States, Maurice H. Stans, which appears on pages 60 and 61 of the transcript, which I hold in my hand and from which I now read. Mr. Stans was being questioned by Mr. Brawley, the very efficient Executive Director of the Committee over which the Senator from South Carolina so ably presides. Mr. Brawley asked:

Do you believe after working at this thing for 4 years that there is any substance of facts in this statement that they—

And "they" means the railways—

probably are overcharging the Post Office Department if you compare it to the charges they make to the railway express agencies?

Mr. STANS. I would like to answer in this way, that they are obviously getting more from us for carrying the mails.

I may point out here that this shows that section 557 is not being enforced, for under section 557 the Postmaster General is to arrange for the carrying of parcel post "at rates not exceeding those" charged to the express companies.

The questioning continued. I ask Senators to listen to this colloquy:

Mr. BRAWLEY. If the Interstate Commerce Commission would grant petition how much do you think it would save the Post Office Department currently?

Mr. STANS. It would be considerable. I would have to make some computations, but it would be a very considerable amount of money.

Mr. BRAWLEY. Apparently close to the hundred million?

Mr. STANS. I would not be surprised (p. 61).

Thus, Mr. President, there is no doubt that section 557 remains unenforced. This is proven by the numerous requests of the Post Office Department to the ICC for the information by which section 557 could be enforced, as well as the testimony of those who are close to this matter.

Further, there is little question that the amount is in the neighborhood of $100 million, that according to the Citizen's Advisory Committee the Post Office pays the railroads approximately 60 percent more for this service than the railroads charge to comparable customers—in violation of law—and that this is a pure subsidy to the railroads which is unreasonable and unconscionable, and expressly forbidden by law.

Finally, the Post Office Department's Cost Ascertainment Report of 1955—page 97, table 70, account 321—shows that the Post Office Department paid the railroads $242,083,899 in that fiscal year for carrying non-first-class mail. It appears that in that year, without making adjustments for slight differences in service, the Post Office Department overpaid the railroads by some $121,041,950. If adjustments are made for variations in service, and so forth, it would appear from the facts that the estimate of $100 million made by the Citizen's Advisory Council and substantially concurred in by the Deputy Postmaster General, is as reasonably accurate and correct as can be estimated without specific figures from the ICC.

Thus, Mr. President, there is no question that section 557 is not being carried out and that the cost to the Government in terms of a subsidy to the railroads—a subsidy not provided by law and apparently expressly forbidden by law—is approximately $100 million per year.

Now, Mr. President, no one, I believe, will deny the facts which I have presented thus far. I now wish to deal with two questions: First, why has section 557 not been enforced, and second, what can be done to see that it is enforced?

Basically, there are two reasons why section 557 has not been enforced. The first is the absolute unwillingness of the ICC to furnish the required information under section 557. Further, their refusal appears to be based on the flimsiest

of reasoning and is unwarranted in the light of section 557's clear language. Perhaps behind this basic reason is the fact, as we all know only too well, that the Commissions which we have set up from time to time to regulate a particular industry have come more and more to disregard the public interest and to actively and aggressively represent the very interests of those they were designed to regulate. This has been done in particular by packing the regulatory commissions with individuals from the industries they are supposed to regulate. It has also been done by a variety of other means, some of which are unethical and others of which come very close, to if they do not violate, the law. Among these are private representations to the Members of the Commissions by groups with cases before them; social activities by the industries for and on behalf of Commission members, and the temptation to highly placed or key employees of the commissions of lucrative positions with the regulated industries. Mr. President, I merely state this for the RECORD. I know of numerous instances in which such events have occurred, but as my main objective today is to argue the facts, I shall not dwell on these related matters.

Nonetheless, the first reason why section 557 has not been enforced is the abject refusal of the ICC to provide information. When compared with the statute, their reasoning is as flimsy as any could possibly be and, in my opinion, could not stand the test of judicial review.

Let me be specific.

The basic refusal of the ICC to give the Postmaster General the information required by title 39, United States Code, section 557, was given in "Railroad Rates on Express Matter, 1949 (274 ICC 683, 687)." This was a ruling which grew out of the 1947 petition of the Postmaster General and which was finally completed in 1951. In that petition the Postmaster General requested the ICC to furnish information as to the revenues received by the railroads from the express companies. This was to be stated in units of service common to the carriage of express and mail matter—excluding first class—and the information was to be given with adjustments to reflect the differences in services which were performed.

The ICC denied this request. It wrongfully and mistakenly claimed that section 557 did not impose any duty on the Commission to make an investigation and study of the operation of the railroads and the Railway Express Agency in connection with the transportation of express matters, and the revenues received therefrom, for the purpose of formulating rates, when the law, which I have read, specifically so provides. The Commission claimed, secondly, that since express matter is not performed under rates or a system of rates, any investigation of and determination made by the Commission would be for a given period of time in the past and would have no prospective effect or application.

Mr. President, how absurd can one get? What the Commission said was that since the railroads get their express revenues from the Railway Express Agency under operating agreements based on the variable net earnings of the express agency, rather than on a formal system of rates, the ICC will not provide information as to the revenue received by railroad companies for services rendered in the transportation of express matter—section 557.

In other words, the law prescribes that the ICC furnish information as to the revenues received so that the Postmaster General can arrange for the transportation of parcel post "at rates not exceeding those so ascertained and reported to him."

The ICC, in denying the information, says:

First. The law does not impose any duty on us to make a study and investigation.

Second. They then beg the point by stating that it does not impose the duty in connection with the transportation of express matter, and the revenues received therefrom, for the purpose of formulating rates; and

Third. They say that because the railroads do not perform their service for Railway Express by a system of rates, but rather by a system under which the railroads receive their revenues under operating agreements based on "variable net earnings," the ICC will not provide the revenue information or the comparable rates.

That, Mr. President, is a clear refusal of the ICC to grant information and it gives the law a meaning it does not have on any clear reading of it. On the face of it it is absurd. At best it shows an inability of the Commission to read; at worst it shows the Commission as a willing servant of the railroad industry.

In fact, under this interpretation, if the railroads had been receiving revenues from the railway express under a rate structure, all they would have needed to do to avoid the clear provisions of section 557 and to gain a substantial subsidy would have been to shift from a rate structure to a charge based on railway express net earnings.

I wish to repeat, Mr. President, that the refusal of the Commission would not stand the test in a court of law.

Now let me turn to the second reason why section 557 has not been enforced. This flows from the fact that the Post Office Department, in the face of the absurd ruling of the ICC, has been willing to roll over and play dead. The Postmaster General has merely accepted this ruling. He has done nothing to test its legality. He has accepted it and has used it as an excuse to perpetuate this unwarranted and unconscionable subsidy to the railroads in violation of the law.

In testifying before the Senate committee on March 21, Mr. Stans of the Post Office Department criticized the contention of the Citizens' Advisory Committee that $100 million in subsidies was being paid the railroads because section 557 was not being enforced on the following grounds; and I quote Mr. Stans' brief:

Here the council, apparently confused regarding the contractual agreement between the railroads and the Railway Express Agency, believes that the Department is subsidizing the railroads by $100 million by paying rates that are double those paid by that agency. The council intimates that it is the Department's fault that United States Code 39, section 557, passed in 1916, has never been enforced.

Mr. Stans then continues by citing the various petitions of the Postmaster General to the ICC and the ICC rulings, and concludes:

Under the law the ICC prescribes the rates of compensation to be paid the railroads. It has ruled twice that the contention adopted by the council on page 36 is not valid.

Mr. President, there is proof again that the Post Office Department merely rolls over and plays dead in light of the ICC ruling. Of course, it is the Department's fault as well as the fault of the ICC for the Department has failed to take legal action.

Of course, the ICC prescribes rates to be paid the railroads. What is wanted in this instance are the revenues which the railroads receive from the Railway Express Agency and the comparable equivalent rates which the ICC and the ICC alone is able to determine.

Here is another example of how the Post Office passes the buck to the ICC. There is no question that the ICC has refused to provide information which, by law, it is required to give. There is no question, further, that, notwithstanding its reasons, the ICC is quite capable of determining the revenues the railroads receive and what the equivalent rates would be for parcel post. As Mr. Frank, the former associate solicitor of the Post Office Department, pointed out:

Despite the fact that the railroads do not charge the Railway Express Agency a fixed rate for the transportation of express matter, revenues attributable to the different units of comparable service of mail and express matter can be determined by the Commission's apportionment technique which it exercises regularly.

The method by which this can be done was stated very simply in the brief in support of the 1949 petition by the Solicitor of the Post Office Department. This is what it said—Railroad Rates on Express, 1949, 274 ICC 68, pages 21–22:

The result will be a determination of (1) the service furnished to express which is also furnished mail:

That, Mr. President, should be quite simple for the ICC, with its staff and experience, to do, and—

(2) The revenues received by the carriers for such service.

That, Mr. President, is equally simple and some, if not all, of that information is available in published sources. The statement continues:

These two determinations, placed together, will constitute a ratio of revenue to service, i. e., a rate for service. It will be a rate capable of application to non-first-class mail, being in terms of a unit of service common to both.

Mr. President, the more I look at the ICC refusal to give the information which the Department has requested, and which section 557 imposes on the

ICC, a duty to give, the more I believe the ICC is saying something like this:

Sir, the information you request would require two simple calculations. We have not made those calculations. Therefore, we will not give you the information.

Of course, the ICC has to do some work to establish a comparable rate. They do this day in and day out. How else do they establish initial rates except to take the kind of service which is performed and fix a rate based on that service?

But what seems even more absurd than the ICC refusal is the willingness of the Post Office Department to accept this refusal and their rulings without a fight. I believe they are remiss in that and I shall now propose what can be done and what should have been done several years ago.

The Post Office Department should renew its petition immediately. As there is a rate case pending and as the information was requested there, it may be that the request does not have to be renewed—1956, ICC Docket No. 9200, Railway Mail Pay.

But if it does have to be renewed, the Post Office could act within a matter of hours. Their previous briefs have been adequate and have stated the case. They must do so again, and it could be done quickly—this week if they really wish to do so.

Then, Mr. President, as we all know the Supreme Court has decided that rulings and decisions on petitions before the ICC are retroactive to the date of their filing. Thus, if successful, the savings of $100 million could be made retroactive to the 1956 filing or the filing which could occur in a few days.

In the meantime, Mr. President, the Postmaster General should withhold from the railroads the $100 million subsidy which his own deputy agrees is paid to the railroads. That would give a basis for a test in the Court of Claims.

The Post Office Department has had, in the past, exactly the same problem with the CAB over airline mail subsidies as it is now having with the ICC over railroad subsidies. The Post Office, failing to breach the industry-dominated CAB, has gone to court. They have claimed savings of literally millions of dollars by court action. From time to time they take credit for the airmail savings brought about by court action. Yet, Mr. President, when faced with an absurd ruling of the ICC, instead of going to court, as they should have gone years ago, and as in all probability they would have done had Bob Hannegan remained as Postmaster General, or instead of seeking the active aid of the Comptroller General, they throw up their hands and say nothing can be done.

The ICC and the Postmaster General have both said, in effect, that title 39, United States Code, section 557, is without meaning or effect. Now, who is the ICC to say that? Are they a court of law? Are they not required to carry out the statutes as passed by the Congress?

And who is the Postmaster General or his deputy to say that when the clear meaning of the law is not enforced by an independent agency, that the post office is required to sit back, roll over, play dead, and just take it?

Mr. President, I believe we should pass my amendment to cut out this subsidy for a variety of reasons.

In the first place, it would bring action by the post office in the courts, action which is far too long overdue. This would be done by withholding the $100 million subsidy from the railroads.

Second. It would show both of these agencies that laws of the Congress are meant to be enforced and carried out. And since there is no question either about the intent or the meaning of the law, this should not take long to bring about.

Third. As we have seen on numerous other occasions, some quasijudicial, administrative, or independent agency, such as the CAB, has overpaid carriers in violation of the law. When this has happened, millions have been recaptured in the public interest by court cases.

Fourth. The present situation gives a windfall profit, expressly forbidden by law, to the railroads. This is against the public interest, in violation of the law, and is special-interest administration at its very worst.

Fifth. The $100 million which my amendment would cut out is not needed now and if, by some stretch of the imagination or because the post office failed to prepare its case adequately in the courts, a test case was lost, the Congress could then make up these sums, if necessary, at a later date.

Mr. President, when one views these outright abuses of the law on the part of independent agencies and departments of the Government, one is often moved to cynicism. This is a test of whether power and wealth are going to remain in the saddle, or whether Government activity is to be carried on in the interest of the public at large who now pay these absurd and illegal overcharges through excessive mail rates or through taxes.

Mr. ROBERTSON. Mr. President, the amendment offered by the Senator from Illinois [Mr. DOUGLAS], although technically different from the previous amendment, is actually the same. The amendment would cut $100 million from the overall amount for transportation. What is transportation? That is what we pay the railroads, the airlines, the trucks, and the rural carriers. It is assumed by the distinguished Senator from Illinois that we can make the railroads carry their part of the burden for $100 million less. Suppose they refuse to do it? I hope the Senator from Illinois will be fair enough to pull down all the rural routes in Illinois before he pulls them down in Virginia.

What are the facts? We are giving the Post Office Department for this transportation item $2 million less than it is actually spending this year. We are giving them $9,737,000, which is less than they said would be necessary, and irrespective of the latest testimony that, instead of there being a 1½-percent increase in volume, there will be an increase of between 4 and 5 percent.

The greater the volume, the heavier the weight, and the more the railroads and the airlines and the other carriers will charge.

The Senator has a fine theory that someone can tell the ICC, "Quit being the tool of the railroads. We don't like it." That is a fine theory to be able to say to the ICC, "Come on, now; give us an enforcement of this section, and we will save $100 million that the railroads are overcharging us."

What are the facts? The facts, testified to by the Department, are that pending right now are applications from the eastern and southern railroads for a rate increase of approximately 63 percent. It would amount to $103 million more than is being paid now. That fact is not taken into consideration at all in any of the figures contained in the bill. We are giving the Department for this item, which it may not be able to control at all, $2 million less than it is spending this year.

We are giving the Department $9,737,000, without considering any further increase in volume. Yet the amendment proposes to say, "Let's cut them $100 million."

In order to save the rural routes in Illinois and in Virginia, I ask that the amendment be defeated.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

Mr. O'MAHONEY. Mr. President, before the amendment is acted upon, I wish to ask the chairman of the subcommittee a question, which may have nothing to do with the pending amendment. I do not believe it has anything to do with it, but I wish to get this question into the RECORD.

I have been watching some of the activities of the Post Office Department, and I am not at all adverse to the request of the Postmaster General that there should be an increase in postal rates. I know that some reforms which are needed are not being carried out.

However, I became aware that the Post Office Department has undertaken the policy of transshipping by air 3-cent mail in large quantities. In other words, mail for the transportation of which the letter writer has paid 3 cents was placed upon airplanes and carried by the airplanes, thus giving it a preference over the mail for which the writers had purchased 6-cent stamps. This amounted to a preference right for the airplanes over the railroads for the transportation of this type of mail, and a defeat of the promise which the 6-cent airmail stamp makes to the person who buys it for the purpose of securing more rapid transportation.

I noticed on page 55 of the House hearings on the Treasury-Post Office Department appropriation bill for 1958 that Mr. GARY, the chairman, when Mr. Stans was testifying, asked this question:

What is the current status of the carrying of 3-cent mail by air?

Mr. STANS. Mr. Siedle?

Apparently Mr. Siedle is one of the Post Office employees.

Mr. ROBERTSON. He is the transportation man.

Mr. O'MAHONEY.——

It is the same, Mr. Chairman, as it was last year. We have not extended the operation. We continue to just about break even on it from a cost standpoint, when compared with the previous method of moving it by surface transportation.

That is all I find on this subject in the hearings in the House. I do not know whether anything was developed in the Senate hearings or not.

Mr. ROBERTSON. Nothing was brought out on that subject in the Senate hearings. We understood that such movement was an experiment and was in connection with a recommendation of the Post Office Department that the first class mail rate be set at 5 cents, and that such mail then would be carried either by plane or by train, whichever was quicker.

But the Department abandoned the proposal for 5 cents and went back to 4 cents for first class mail, and proposed to set the air mail rate at 7 cents.

This was to be a limited experiment, to determine whether it would be very much more expensive, and to ascertain whether or not a great volume of mail would be carried at 5 cents.

In Great Britain and in Canada such mail is carried for 5 cents, and it is sent by the quickest means of transportation.

Mr. O'MAHONEY. Does the Senator from Virginia know what charge is made by the airlines for transporting 3-cent mail by plane?

Mr. ROBERTSON. As I recall, that figure is not broken down. The Government subsidizes the airlines. The chairman of the subcommittee, in his statement today, which was placed in the RECORD, included one of the things which he asked the Department to look into, namely, the charge which was made by the Committee on Post Office and Civil Service that the post office hires mail cars, dispatches them only half full, or a third full, or sometimes not filled at all, but pays the full rate on them, and in that way pays the railroads far more than the railroads are entitled to receive. We want the Post Office Department to investigate that matter. We cannot guess at what is happening. We cannot simply cut the budget by $100 million and say, "You are getting $100 million too much."

Mr. O'MAHONEY. The question I should like to have the Department answer is how much the Department is paying the airlines, in subsidies or otherwise, for the transportation of 3-cent mail by airplane, while on the same plane there are being transported hundreds of pounds of mail bearing the 6-cent airmail stamps, as against the ordinary 3-cent first-class postage stamps.

Mr. ROBERTSON. The first time I met my distinguished colleague he was an Assistant Postmaster General, and was doing a good job.

Mr. O'MAHONEY. The Senator from Virginia is very kind.

Mr. ROBERTSON. Someone said to me the other day, "I cannot recall when we had as good a Postmaster General as Jim Farley." The Senator from Wyoming worked with Mr. Farley, I believe.

Mr. O'MAHONEY. I did.

Mr. ROBERTSON. Mr. Farley had excellent morale in his Department, but he did not have some of the present-day problems. The pay of postal employees has increased, and the volume of mail has increased. Many other things have occurred.

If the distinguished Senator from Wyoming will submit his request in the form of a letter, the chairman of the subcommittee will do all he can to get the information and will place it in the RECORD.

Mr. O'MAHONEY. I shall be glad to comply with the Senator's request, and I hope we shall get an answer from the Department.

Mr. ROBERTSON. I hope so, too, but I cannot guarantee that we will.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

PUBLIC HEARING ON OIL INVESTIGATION REPORT

Mr. O'MAHONEY. Mr. President, the press has been asking me in various way for some indication as to when a report will be available concerning the oil study which was made while I was the acting chairman of the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary.

The subcommittee held 18 days of hearings upon that matter. A great volume of testimony was taken. There is available much more information which perhaps we should get, but it is important that a report should be prepared and submitted to Congress and the country. I have taken up this matter with the subcommittee, by whose authorization I made this statement this morning:

An open, public hearing on the preparation of the report on the oil investigation recently held by the Senate Judiciary Subcommittee on Antitrust and Monopoly will be called before the end of this month.

I am deferring the fixing of the date until it can be determined what is the most convenient time for the members of the staff, who are engaged in the preparation of their presentation. I have called upon certain members of the staff who handled the study to prepare summaries of the factual information which was gathered. My hope is to have a factual, constructive report made by the staff members, who will present to the members of the subcommittee the facts which were obtained in the 18 days of hearings. This will be done in an open, public session.

I shall take pleasure in inviting to attend the session the representatives of the various oil companies that carried on the European oil lift and that cooperated with the committee in answering the questions which we propounded. I shall ask the representatives of the Government agencies to attend, and I shall notify also all witnesses who appeared before the committee that they will be welcome to be present while the facts are being presented to the subcommittee and the full committee by the staff. This will be done because with the great welter of information which comes to all the different committees of Congress, Members of the Senate frequently have very little time available to read the reports which are afterward written. The method I am proposing will, I think, result in giving greater publicity not only to the facts which were presented in the open public hearings which were held, but also to the answers which were submitted to the inquiries which the committee made by sending staff members to visit certain companies, and by getting certain information and answers to questionnaires from certain companies.

The subject matter revealed at the hearings, and secured from Government sources and from the oil companies concerned, constitutes, in my opinion, one of the most important subjects before the country today. As long ago as February 5, in opening this matter, I stated that the oil problem is as close to the people of the United States as the nearest filling station; as close as the nearest draft board; because the oil problem deals with matters which are at the basis of the international controversies which are now disturbing the whole world.

It is of the utmost importance, therefore, not only that the report upon these hearings shall be factual and constructive, but that the facts be made speedily and broadly available to Congress and the country.

I know of no better way to handle public business than to handle it in public, and not behind closed doors.

I thank the Senator from Illinois for yielding to me at this point.

TREASURY AND POST OFFICE APPROPRIATIONS, 1958

The Senate resumed the consideration of the bill (H. R. 4897) making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes.

Mr. DOUGLAS. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 12, in line 12, it is proposed to strike out "$648,000,000" and to insert in lieu thereof "$598,000,000."

Mr. DOUGLAS. Mr. President, this amendment is directed to the same clause of the appropriation bill as the preceding amendment, but is based on a different set of economies. It proposes to effect some of the economies by shifting transportation from rail to trucks in a larger percentage of the cases.

We just had a discussion indicating that, at least in part, the Post Office Department has been shifting the transportation of mail from railroads to the airlines. To the degree that that has occurred, of course a higher rate has been involved, and hence there has been a greater cost to the Post Office Department. There is very clear evidence of which I shall shortly produce, the fact

that at the present time the Department is carrying by rail a very large volume of mail which could better be carried by truck, and therefore at lower cost. So apparently the slogan of the Post Office Department is "Use the method of transportation which is most costly to the Government."

The Citizens' Advisory Council, to which I have previously referred, and which was appointed by the distinguished Chairman of the Senate Committee on Post Office and Civil Service, whom I see on the floor at the present time, and which had as its staff director the clerk and expert for the Senate committee, Mr. Brawley, estimates that a yearly saving of $85 million could be made by diverting to trucks much of the mail moving within a 300-mile radius and now carried by rail. The council estimates that at the present time approximately 90 percent of the mail is still moved by rail, and only 10 percent thereof is moved by truck. Figures which have been presented show that the ordinary commercial business uses trucks for approximately 25 percent of its transportation operations. This means that the Post Office Department has been reluctant to shift from a system set up before trucks became a major factor in our economy, and has continued to use the railroads because its system was originally established around the railroads, and has continued on that basis.

Mr. President, I know that this claim has been disputed by the Deputy Postmaster General. He states that only 75 percent of the mail is moved by rail, and that 25 percent moves by truck or by other methods. I am not quite certain what the statistical basis for that statement is. On the whole, I prefer the analysis made by the Citizens' Advisory Council. Nevertheless, I am more than willing to give some effect to Mr. Stans' testimony before the Post Office and Civil Service Committee. I suggest that we call for a saving of half of the $85 million estimated by the Citizens' Advisory Council as a fair one. That will mean a saving of $42,500,000 in the case of that item alone.

ROUND-TRIP PROVISIONS

Mr. President, there are a number of other transportation practices of the Post Office Department in regard to which the Department could make definite savings, if it had any real desire to reduce the transportation costs. One of them would be in the complete elimination of the round-trip provisions. I thought we had done away with the scandalous situation whereby the Post Office Department was paying many millions of dollars for unused space. I have before me a print of the Senate committee report on this subject, issued in 1950. It includes the report of the General Accounting Office and the Comptroller General. We thought this practice had virtually been done away with. We know how scandalous it was, for in a study made by the House Post Office Committee in 1948—Report No. 1242—it was shown that in April 1946 a little less than 20 percent of the deadhead movements on railway cars was unoccupied. Thus, the total cost of unoccupied space in that month was in excess of $1.5 million, and for both the initial movement and deadhead movement, approximately 22.82 percent of the space paid for was not actually used.

While it is true that the worst of these practices have probably been diminished, yet they still exist to some extent, because of the laxness of the Interstate Commerce Commission, in the absence of more positive action by the Post Office Department. That situation has been clearly demonstrated. For example, in Railway Mail Pay Docket 9200, which was decided on December 4, 1950, and is the prevailing situation, the Commission states, on the one hand, that "in the proposed rate structure all provisions with respect to payment for service in storage cars and lesser storage units on a round-trip basis will be eliminated;" but then it continues, on the other hand, by stating, "The rates will apply only for loaded movements, and include compensation for empty return movements." In other words, the Government was not charged directly for the empty return movements. However, the loaded-car movements were to have applied to them an additional rate loading for the empty return movements. So the Government paid for them just the same. Thus, what the Commission took away with one hand it largely gave back with the other hand.

So, Mr. President, although as a result of the ruling of the Interstate Commerce Commission, some of the worst practices in this respect have been done away with, many of them still prevail; and, of course, this situation increases costs and is against the public interest.

FEATHERBEDDING PRACTICES

Mr. President, at this point I wish to refer to numerous practices in the Post Office Department which can only be called featherbedding. They increase by many millions of dollars the amounts paid by the Post Office Department to the railroads.

Let me be specific. First, there is the same unit rule. This rule is still in effect at least in the eastern and southern divisions, and may, in fact, be incorporated in the rate for the western division, even though it is not included in the agreements with these railroads.

Stated simply, it is a "peak load rule." It requires that the same unit of closed pouch and storage space be authorized every day of the week in which any one unit is required. Thus, if on a regular run from Washington, D. C., to New York City, 15 feet of space is authorized on 1 day of the week, the same amount is authorized on all other days of the week, even though as little as 3 feet may be used on some other day, or on all other days of the week.

As the Comptroller General has said:

> The peak day of the week determines the service. Except in closed-pouch service, these rules apply to the (authorized) returned empty space as well as the going loaded movements and necessarily increase the payments for deadhead service.

Thus, if service is used only one way, and if it is based on the peak day of the week, resulting in excessive authorized initial service, the extra space authorized, but not used on the initial service, is paid for, as well as the deadhead space based on this excessive authorization, which is returned.

Let us take an example from personal life. Let us suppose that a man and his wife and their five children take a trip by rail from Washington to New York. Even though he and his wife and the five children make the trip to New York, and only the man and wife return from New York, he is obligated to buy space to and from New York for his entire family.

Then, if he were to make the trip every day of the week, but if he left his family at home on all but one day of the week, he would be required to pay for 7 tickets to New York and 7 tickets back from New York on the days when he traveled alone and left his family at home. That is what this "peak load" authorization system means.

Second, Mr. President, there is the "more than 50 percent rule." Under this rule, the Postmaster General authorizes and pays for, in the current month, the quantity of space—whether needed or not—which was inherited from the previous month.

The quantity of space inherited from the previous month is based on the 50 percent rule. That means that in estimating the next month's needs, the Department figures as an average unit of space what will accommodate the mail authorized on the high 50 percent of the days in the preceding month.

Inasmuch as the amount authorized in any month is based on the "same unit" or "peak load" rule—which, of course, "beefs" up the space paid for, even though unused—and inasmuch as the next month's needs must be based on the mail "authorized" on the high 50 percent of the days in the previous month, there is a pyramiding of unused space which is paid for.

In other words, the "peak load" system means that the authorized space for a week is the largest amount of space used in any one day. Then the figure for the month is based on the highest 15 days—or, really, the highest 2 weeks. So, on the basis of 2 days' high peaks, which establish the rule for the 2 weeks, the authorized space for those highest 2 days could become the authorized space for the next month.

Thus, if our family of man and wife and five children are charged in excess for 1 week—because he must pay for in every day of the week what he actually uses on only 1 or 2 days of the week—and if he then finds that in the next month he must pay for the amount based on the high 15 days of the preceding month, we can get some idea of the "featherbedding" involved.

Not only that, Mr. President, but if by chance the Post Office authorizes too little space for the next month—under the more than 50 percent rule—it must pay for the extra space used. But if the Department authorizes too much space, then it gets no rebate or return from the excess space not used.

Thus, the system pyramids on itself, and the Post Office is charged excessive amounts for its transportation by rail.

Mr. President, this situation need not continue. It continues because the ICC has allowed it to continue, and by the assertion of its jurisdiction takes into account these items when fixing the rates at which mail is paid for.

The Post Office has acted as though its hands were tied on this subject and that it had no recourse except to accept the ICC decision or to try again before the ICC to have it changed.

This is not true. The Postmaster General, in this case as in the section 557 situation should make the economies and if they are upset by the ICC he should take this matter to the courts.

He has a very strong case as well, for he has the Comptroller General behind him on this situation.

For in a Comptroller General's report of April 28, 1950, the General Accounting Office had this to say about the relative jurisdictions of the Postmaster General and the ICC. I hold that report in my hand and I shall read from pages 17 and 18.

I may say that was when a great American, Mr. Lindsay Warren, the distinguished statesman from North Carolina, was Comptroller General. He was one of the most honorable men in the Government, and one of the greatest fighters for the public interest. He served both in the House of Representatives and as Comptroller General.

Listen to what Mr. Lindsay Warren had to say on this point:

> Congress has established two necessary standards for the payment of railway mail service:
>
> 1. The service must be prescribed by the Postmaster General (39 U. S. C. 545).
>
> 2. The service is to be increased, reduced, or discontinued (necessarily by the Postmaster General) with pro rata reductions as the needs of the postal service required (39 U. S. C. 564.)

Then the Comptroller General discusses several items—the "round trip" provisions, the more than 50-percent rule, and the same unit rule, and he states, as follows:

> These rules cause service to be rendered and paid for, not as actually needed by the postal service but in excess of the actual needs of the Department.

On the one hand the Comptroller General has said that the service is to be prescribed by the Postmaster General based on the needs of the postal service. On the other hand he has said that these practices cause service to be paid for which is not needed. What could be clearer.

Therefore, it is no excuse, under this opinion, for the Post Office to say that the ICC ties its hands. The ICC sets rate, but it is clear that the Postmaster General has full authority to determine the particular service he requires, or the needs of his office, without interference from the ICC.

I wish to emphasize again that this matter has not been taken to the courts. Given the law, the Comptroller General's opinion, and the outrageous practices for which the Post Office pays for services not actually rendered—which private business does not pay—there is little question that he could win in the courts.

To help him do this, I believe we should cut this appropriation by this amount, so that the Postmaster General can get busy and make an effort to support the public interest.

Mr. ROBERTSON. Mr. President, when the Appropriations Committee reported the bill to the Senate, the committee decided to allow for transportation, because of an anticipated increase in mail in fiscal 1958, $2 million more than had heretofore been provided. The committee went on record as stating that if economies could be effected, that should be done. The testimony of officials of the Post Office Department was that they could not economize that much. The testimony was that even on the basis of a 1½-percent increase in volume, transportation costs would be increased by $10 million. But the committee was desirous of bringing about some economy and stated, "Let us see if we cannot squeeze here and there. Let us see if we cannot handle mail in 1958 for a little less than it cost in 1957. Let us try $2 million."

The pending amendment in effect states that $2 million is not enough, and that it should be made $52 million. It proposes to add $50 million to the cut. On the basis of any known facts, that is not a realistic approach.

I must ask that the amendment be voted down.

The PRESIDING OFFICER (Mr. CLARK in the chair). The question is on agreeing to the amendment of the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

The PRESIDING OFFICER. If there is no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question is on the final passage of the bill.

Mr. DIRKSEN. Mr. President, I am mindful of the admonition in Scripture, "Let your communication be Yea, yea; Nay, nay: for whatsoever is more than these cometh of evil." I shall speak very briefly in behalf of the Postmaster General. I think he is the fairest, the most vigilant, and the most efficient businessman we have had as Postmaster General in a long time.

I believe his record speaks for itself. I note that in the 5 years he has been Postmaster General, 5 million homes have been built in America and have been serviced by the mail carriers. In the 5 years Arthur Summerfield has been Postmaster General there has been an 18-percent increase in the mail volume. In the 5 years he has been Postmaster General the number of personnel in the Post Office Department has remained what it was in 1952. So notwithstanding the mail increase and the serving of 5 million additional homes, the same number of personnel has given that service. I think that is a record of efficiency in the Post Office Department that has been unequaled by any of his predecessors.

I might say further that the deficit in the Post Office Department was actually brought down to $363 million. For fiscal 1958 it is estimated it will be $651 million; and if the southern and eastern rail carriers secure rate increases from the ICC, the deficit for the Post Office Department in fiscal 1958 will be, in round figures, three-quarters of a billion dollars.

That is pretty difficult to swallow. Yet that is the kind of problem with which the Postmaster General has wrestled. In my judgment, he has done a phenomenally good job. Congress has not helped him in the revenue situation. The postal pay increases have made his job a little more difficult. The pay increases since he has been Postmaster General aggregate nearly $1,200,000,000, either in actual pay increases or fringe benefits.

I rise in defense of the Postmaster General and to assert his cause, because I think he is right, and I think too often Congress has been wrong.

I did not go along in the subcommittee with the cut of $58 million. The reason I did not go along with it is that I know what is going to happen on the day this fiscal year is over, or when Congress reconvenes in January.

I am willing to lay all the cards on the table. This is a service institution, employing in excess of a half million persons, who service nearly every home and business establishment in the United States. When the Postmaster General needs funds in order to carry on that operation, I am willing to put them in a package which the whole world can see, and not take refuge in a supplemental or deficiency appropriation when the heat is off and the publicity is no longer operating.

I concurred with the distinguished chairman in restoring $32 million, but the full Appropriations Committee had other ideas. Frankly, I do not quarrel about that, because the additional funds will have to be added, in my judgment, to a supplemental appropriation that must be considered before this Congress leaves Washington, if we are going to maintain the kind of service we have at the present time.

On the fiscal 1957 bill, the distinguished chairman of the subcommittee will bear me out. He and I fought with the House conferees. We told them, in effect, when they cut the bill, that they were inviting a deficiency, that they were inviting the necessity for a supplemental appropriation bill. That is precisely what happened. Early in the year there came from the Bureau of the Budget a supplemental request for $47 million for the Post Office Department.

It was said that the Postmaster General first tasted blood and that probably it made him rather heady. I know of no more gracious person, I know of no more humble person, and I know of no person high in the councils of Government who tries harder to avoid disagreeable and distasteful things which sometimes happen because of the little frictions between the executive and legislative branches.

But in that case he was absolutely right, and the Congress was, in my judgment, absolutely wrong. I think the

time has come for the Congress to embrace fully its responsibility.

The Congress created the Post Office Department and made provision for the Postmaster General; indeed this whole sprawling service into every section of the country is the creature of Congress. If we do not give the Postmaster General the money to maintain the service, all we have to do is tell him to "cut your service." But we should accept the responsibility for it, so he can say to the country, "Go to Capitol Hill. The Congress took away the money I thought I ought to have, so lay your protest and lodge your complaint at the door of Congress where it properly belongs."

That is the issue here today, it seems to me. We have under consideration a $58 million cut by the House, and we in the Senate committee have concurred, although I did not concur. I presume now this action will be approved, but I wish to remind the Senate that there will have to be a supplemental appropriation bill, or otherwise, in all honesty, in all fairness, in all decency and in all courage we simply must say to the Postmaster General, "This is all you will get. Do the best kind of job you can with it."

When that time comes, let us not throw any dead cats and hatchets at him. If he has to put numerous post offices out of business, if he has to close up post offices in little towns or do something about rural free delivery, or cut service in one class or another, there will be plenty of complaint and protest from the country when the time comes.

The real problem confronting the Post Office Department is a problem of volume, and we have not appreciated it. From 1952 to 1953 there was an increase of 1 billion pieces of mail. From 1953 to 1954 the increase was 1.3 billion pieces. That increase alone is equal to the whole mail volume of the Republic of France for a period of 7 months. From 1954 to 1955 the increase was 3 billion pieces of mail. From 1955 to 1956 there was an increase of 1.2 billion pieces. From 1956 to 1957 the increase is 2.4 billion pieces of mail. From 1957 to 1958 it is anticipated that the increase will be 2.3 billion pieces of mail.

So since 1952 the volume of mail has gone from 49.9 billion pieces of mail per annum to 61.1 billion pieces. How is it going to be delivered? We cannot let it lie in railroad stations and airports. We cannot throw it in the Senate Post Office or elsewhere and leave it there. There would be a rebellion in the country if we did that, because this is a service that is utilized by all the people. Either we must mechanize, or we must give the Postmaster General the personnel. We must do those things that are necessary.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. HOLLAND. The Senator will note, by looking at page 2 of the report, that the amount allowed in the bill as reported is $166,660,000 more than the entire appropriation for 1957, including the deficiency appropriation, which represents an increase of 5½ percent. Does the Senator not believe that is a substantial increase, and one which is greater than the increase in the reported volume of mail?

Mr. DIRKSEN. Yes, Mr. President, but we must consider what is involved. All the increasses under the Classification Act, and the mandatory increases under Public Law 68 have not been straightened out. There is a question of uniforms, for which they must be reimbursed. There is a question of supplies, a question of facilities, and a question of extensions. In addition to that, there is $163 million in this appropriation for the retirement fund, under the new program in which every Department takes care of its own contribution to the retirement fund.

I simply point out that the Post Office Department is a growth institution and there is no way of stopping it. Our population increases at the net rate of four million a year.

Houses go up at the rate of one million a year. They must be served.

Either we must give the Postmaster General the money which is necessary or we must say to him in language he can understand, "Here is the limit beyond which Congress will not go so far as appropriations are concerned; do the best you can with it."

When he has done his best, let us not shunt the responsibility onto him. Let us accept our full share, because in all truth it is "our baby."

There is one other thing I wish to say, and then, since the hour is getting late, I shall bring my remarks to an end.

The Postmaster General has done an efficient job. The mail handling cost was 5.14 cents per mail piece back in 1952. That has been reduced, up to last year, to 4.66 cents per mail piece. The amount of mail that is handled by the handlers and the clerks has increased from 238,000 pieces a year to 279,000 pieces a year. I think they have done a good job.

But they need no particular defense from me. I simply say, "Let us lay all the cards upon the table so that we do not have to go through this thing again." If the mail increase meets the expectations of the Post Office Department—and the last 4 weeks indicate that the mail increase is now running at the rate of 4.9 percent—then there can be no question that a supplemental appropriation will be required if we are going to keep the mail service at the level which now pertains.

If we wish to let the mail service drop, and if service is to be curtailed, well and good; then let us say so. Let us embrace the responsibility. Let us say to the Postmaster General, "It is your baby; you do the best you can." And I am confident he will do so.

But as I look back on the operations of the Department during the last 4 years-plus, I think in all fairness it must be said that Art Summerfield has assembled an excellent business staff. He has done a perfectly superb, honorable job, and I think he deserves a pat on the back not only for the job he has done but for his intense desire not to incur a deficiency, and, secondly, to operate the Post Office Department within the guidelines established by the Congress.

Mr. JOHNSON of Texas. Mr. President, this is the first of the departmental appropriation bills that the Senate has considered this year. Therefore, our decision on its merits has considerable significance in terms of the whole budget.

This measure covers two of the great agencies of our Government—the Post Office and the Treasury. There are no other agencies which have such a direct impact upon the daily lives of our citizens.

The Appropriations Committee considered this measure very carefully. After due deliberation, it was decided to go along with the figures approved by the House.

I was author of the motion in the full committee to reduce the subcommittee bill to the House figure. I am perfectly willing to give the Postmaster General a pat on the back. But I want the pat to come after he has carefully considered the recommendations of the Committee on Post Office and Civil Service and the Committee on Appropriations, and after he has reviewed some possible ways of effecting savings.

First, I should like to pat the Postmaster General on the back after he takes a look at the activities of his regional and district offices which are reputed to have increased postal costs by over $15 million a year.

In other words, under this efficient management, and under the so-called regionalization, the cost to the taxpayers allegedly has been increased approximately $15 million a year.

Second, I should like to have the Postmaster General examine transportation methods to find out just how many empty or half-empty cars are carrying the mails at other than peak periods.

I hope it will not be necessary for individual Members of the Senate to come to the Senate Chamber, as the Senator from Illinois [Mr. DOUGLAS] attempted to do today, and try to write in amendments to get the Postmaster General to do his duty.

Third, I should like to see the Postmaster General go over his transportation costs and negotiate new contracts to effect possible savings in the taxpayer's dollar.

Fourth, I should like to see him reduce or abolish "public relations" activities unconnected with keeping the public informed on mail services.

Fifth, I should like to see him eliminate the "red-white-and-blue" paint program.

Sixth, he could eliminate "public opinion" polls to find out reaction to rate increases.

Seventh, he could check over his postal inspectors to find out how many are merely looking for ways to create vacancies to be filled by this administration.

Eighth, he could reschedule the workloads to permit handling of deferred types of mail during slack periods and eliminate much overtime and substitute employment.

The distinguished senior Senator from Georgia [Mr. RUSSELL] made a suggestion in the committee the other day which I think may be worth pursuing.

He suggested that the Postmaster General give consideration to opening post offices, particularly in certain areas, 15 or 30 minutes later in the morning, and closing them 15 or 30 minutes earlier in the afternoon, in the hope that something could be saved in connection with the substitute payroll, and that economies could be effected in the operation of the building, utility bills, and so forth.

Mr. President, the reductions made in the bill are a relatively modest step in the direction of economy. The principal controversy involves an economy of 1.8 percent of the total Post Office budget.

It is difficult to believe that a competent, efficient businessman's administration cannot absorb a cut of that size in its budget. The task should be made easier by the fact that the House figures represent a 5.5 percent increase over the amount of the Post Office budget for the current year.

There are many areas that could be examined by the Postmaster General before he makes any decision to curtail services. These areas have been outlined by the junior Senator from Virginia.

Mr. President, I would concede that the economies outlined by the junior Senator from Virginia might be impossible if this Government were run by impractical dreamers or visionaries. But we have been assured time and time again that this is not the case.

We all recall how in Birmingham, Ala., in September 1952, we were promised—

> The best kind of business management that the business brains of this community, this Nation, can produce.

We all recall how a few weeks later, in St. Louis, Mo., were were told that—

> The people who pay the taxes will know where we are going. They will know that we are on our way toward a balanced budget, toward reduction in the national debt, toward lower taxes.

The men who head the agencies involved in this bill are the outcome of the promises made in Birmingham and in St. Louis in 1952. They assuredly must represent "the best kind of business management," as the distinguished Senator from Illinois [Mr. DIRKSEN] has just testified in behalf of the Postmaster General. They are the original members of the "businessman's team." I believe we can entrust to them the task of finding ways and means of absorbing reductions in a businesslike manner by achieving greater efficiency without curtailing adequate services and by achieving economies that will result in a 1.8 percent saving.

We can help in the march toward economy and efficiency by giving these businessmen the incentive to do the job. I hope the Senator will stand by the figures of the House and the figures of its committee. I think the only difference will be a minor amendment which will allow a 5-percent adjustment from one appropriation to the other. I am extremely hopeful that this will be one of the few occasions in history when it will not be necessary even to send this appropriation bill to conference.

I remind my colleagues that the Postmaster General has already made it clear that he intends to ask for extra appropriations at a later date. I hope that before he appeals either to the Budget Bureau or the House of Representatives, he will have made a careful review of the suggestions which came from the committee headed by the able Senator from South Carolina [Mr. JOHNSON] and the subcommittee headed by the able Senator from Virginia [Mr. ROBERTSON].

For many years the junior Senator from Virginia has been bringing to the floor early in the session a thoroughly thought out, well-prepared bill, with prudent recommendations. I congratulate him on the outstanding job he has done again this year. We have been a little later than usual, because of the great confusion which has existed. But I am hopeful that when we pass the bill the House can accept the minor amendment to it, that it can then go to the President, and that we can expect that example to be followed in connection with other appropriation bills.

Mr. President, it is our hope that on Wednesday we can have another appropriation bill ready for consideration by the Senate, and possibly another on Thursday.

If there are no further speeches to be made, I hope the Senate can take action on the bill, after which I shall be prepared to ask that the Senate adjourn until Wednesday.

Mr. DIRKSEN. Mr. President, I should like to make a final observation. When we speak of a cut of 1.8 percent in a bill of this magnitude, that seems like a very small amount of money. Offhand, I suppose anyone would feel that in a budget of more than $3 billion, such a reduction could be easily absorbed. But when we analyze the Post Office Department budget, the case is entirely different. In the first place, the items of personnel services, including salaries, travel, post office clerks, retirement, insurance, and contributions to social security, add up to 78.4 percent of the budget. That percentage is uncontrollable. It is mandatory. It is established in the law. The Postmaster General has not an iota of control over 78.4 percent of his own budget, because it was the Congress which wrote it into law and made it mandatory. All he can do is to administer the law.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. JOHNSON of Texas. There is nothing in the law which makes it mandatory that he employ all the substitutes he has working. There is nothing in the law to prevent him from effecting efficiencies which would result in a reduction of personnel.

Mr. DIRKSEN. We are talking about the pay of those who work in the Post Office Department.

Mr. JOHNSON of Texas. Yes; and if they do not work they are not paid.

Mr. DIRKSEN. He has reduced the payroll in the Post Office Department by 14,000 employees.

Mr. JOHNSON of Texas. He has done such a good job that we want him to reduce a little further, and absorb a reduction of 1.8 percent.

Mr. DIRKSEN. As I pointed out, in that time there was an 18 percent increase in mail volume. There comes a point when the two sides come together, and there are no further opportunities for economies.

With respect to rents, utilities, and communications, they represent 1.8 percent of this budget. The Postmaster General has no control over such items. They include leases, contracts with the Western Union, and with telephone companies, and all that sort of thing.

With respect to transportation, rates are fixed by the Interstate Commerce Commission.

Included, of course, are rural carriers, the special-delivery allowance, and the contract vehicle hire. That takes up to 15½ percent of his budget.

What is left for the Postmaster General? How much of his budget is under his control? One hundred and thirty-nine and nine-tenths million dollars. That is 4.3 percent. If we take out $58 million, he has, roughly, about $80 million under his control, for expenditure for supplies, and so forth.

We speak about 1.8 percent. It is a big item, indeed, when there is only a little more than 4 percent that the Postmaster General can spend and which he can direct as a controllable item. Therefore, in cold print, 1.8 percent in a budget of $3 billion does not look very great. However, when we put aside all the mandatory items, and consider what the Postmaster General has control over, then it becomes as big as the moon that comes up over Rockaway Beach.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I am glad to yield.

Mr. LAUSCHE. This morning figures were given which showed that there was a reduction in the number of men working in the Post Office Department, accompanied with the statement that that is not a correct reflection of the number of man-years for which the Post Office Department had to pay compensation.

The junior Senator from Virginia pointed out that the man-years worked have gone up enormously, while the number of employees has gone down. For purposes of information, is it not a fact that while the number of workers is less, the number of man-years worked is tremendous?

Mr. DIRKSEN. It could be. There are lapses, and not all the positions are always filled. Sometimes they are not annualized. Therefore, how to harmonize a huge Department like this becomes a real responsibility.

There is one other point I should like to make. My distinguished and agreeable friend, the majority leader, mentioned the regionalization of the Post Office Department, and what it costs. Sometimes I have a little difficulty reading with my bifocals, but on page 82 of the hearings there is inserted a table which shows what the cost of regionalization was, and the accumulated savings that resulted. Instead of a lack of economy, it shows an economy of $17.4 million. It will take something more than the purchase of red, white, and blue paint in order to balance this budget in the Post Office Department and get it on good solid ground.

Mr. JOHNSON of Texas. Mr. President, I agree with the Senator in that respect. It will require a desire and determination on the part of the Postmaster General to attempt to absorb this very small reduction. The distinguished Senator from Illinois is always very prudent in his recommendation to the Senate, and he has associated with him some very able men under the leadership on his side of the aisle.

I wish to be helpful to them in their obtaining their objective to reduce the budget by some 4 or 5 percent under what the President has recommended. I believe the distinguished minority leader has recommended that the budget be cut by at least $3 billion. I know that the distinguished chairman of the minority policy committee has recommended a reduction of some $3,300 million.

If we attain that goal we will have to apply an average cut of approximately 4 percent to the entire budget. Of course, there will be some items which will be cut more and some which will be cut less. I know that we cannot cut the interest on the public debt under present policies. The interest is going up every day. However, if we can effect a 1.8 percent reduction in the Post Office Department budget, it may be that we can effect a 6 or 7 percent cut somewhere else.

I appeal to the Postmaster General and to his able advocate, the distinguished and delightful Senator from Illinois [Mr. DIRKSEN], to provide the incentive in trying to come within the bounds of the appropriations that Congress provides.

The House heard the Postmaster General's case. The House gave thorough consideration to his case. The House has acted. The Senate committee has held its hearings, and the committee has acted. The full committee, by unanimous vote, recommended that the bill be reported to the Senate in its present form. That was done in the hope that some of the suggestions made by our Appropriations Committee would be brought to the attention of the Postmaster General, and in the hope that it would encourage, not discourage, him to absorb the relatively small amount he is being asked to absorb.

Mr. DIRKSEN. Mr. President, I concur in the sentiments expressed by the majority leader. I am simply trying to make the point that it is so easy to throw a lot of hammer handles and dead cats at an administrative officer in the executive department of the Government, and to get the RECORD all clobbered up with misinformation.

There was a colloquy on the floor of the Senate this afternoon on the question of sending first-class mail by plane. The fact of the matter is that that mail went by plane only on a space-available basis. In most cases the cost was below the contract cost.

It is such things that can cause this whole situation to become confused. I say for the Postmaster General, let Congress give him guidelines. We have set up the agency, but we make it difficult for him at times. We should give him a little encouragement, and say, "This is what you get. You make it do." Then let us not squawk when complaints come to us from the people because there has been a curtailment in postal service.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The question is on the passage of the bill.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask for a division on the final passage of the bill.

On a division, the bill (H. R. 4897) was passed.

Mr. DOUGLAS. Mr. President, I should like the RECORD to show that I voted against the final passage of the Treasury and Post Office appropriation bill. I did so because I thought that further economies should be made. I am very glad that the Committee on Appropriations stood fast and did not increase the House appropriations. I think the committee deserves a high degree of appreciation for its efforts.

But, as I showed in the amendments which I offered, it would have been possible to effect further economies of at least $12 million in the operations of the Treasury Department and of at least $150 million in the transportation items of the Post Office Department. All this could have been done without affecting the service, and, in the main, by reducing the huge hidden subsidies which are now paid by those Departments to the banks and the railroads, respectively.

I believe, although I am not quite certain, that I was the only Member of the Senate to vote against the passage of the bill. I make no reflection on my colleagues. I merely say that I am not despondent or ashamed of the fact that I was in opposition. I hope to renew the fight on another occasion.

STUDY OF CRITICAL RAW MATERIALS AND RESOURCES OF THE SOVIET UNION

The PRESIDING OFFICER (Mr. CLARK in the chair). The Chair lays before the Senate the unfinished business, which will be stated.

The CHIEF CLERK. A resolution (S. Res. 78) to make a study of critical raw materials and resources of the Soviet Union and certain Eastern Hemisphere countries and the effect upon the United States.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, March 13, 1957, he presented to the President of the United States the enrolled bill (S. 1442) to facilitate the regulation, control, and eradication of plant pests.

ADJOURNMENT TO WEDNESDAY

Mr. JOHNSON of Texas. Mr. President, I move that the Senate stand adjourned until Wednesday next at 12 o'clock noon.

I should like the RECORD to show that the State, Justice, Judiciary, and related agencies appropriation bill are to be before the Senate for consideration on Wednesday.

The motion was agreed to; and (at 6 o'clock and 57 minutes p. m.) the Senate adjourned until Wednesday, May 15, 1957, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 13, 1957:

UNITED STATES TARIFF COMMISSION

William E. Dowling, of Michigan, to be a member of the United States Tariff Commission; term expiring June 16, 1963.

TAX COURT OF THE UNITED STATES

The following-named persons to be judges for the remainder of the unexpired term of 12 years, from June 2, 1946.

Russell E. Train, of the District of Columbia.

Bruce M. Forrester, of Missouri.

APPRAISER OF MERCHANDISE

Elie N. Khouri, of New York, to be appraiser of merchandise in customs collection district No. 10, headquarters at New York, N. Y.

IN THE COAST GUARD

The following-named persons to be commanders in the United States Coast Guard:

Paul E. Burhorst
Walter R. Lewis

The following-named person to be a lieutenant commander in the United States Coast Guard:

Robert P. Chirnside

The following-named persons to be lieutenants in the United States Coast Guard:

William R. Jenkins
Philip R. Sherman

The following-named persons to be lieutenants (junior grade) in the United States Coast Guard:

William P. Kozlovsky	William F. Boucher
Mark J. Millea, Jr.	James L. Howard
Arthur J. St. John	Francis H. Molin
Edwin L. Parker	Kenneth A. Long
Paul E. Schroeder	Richard B. Wise
Ralph W. Judd	Alfred F. Bridgman, Jr.
Richard V. Elms, Jr.	George T. Seaman
Francis C. Lottridge	John R. Kirkland
Raymond J. Boyd, Jr.	Henry Lohmann
William T. Sheppard	Milton Y. Suzich
John G. Schaefer, Jr.	Carlton W. Swickley
Edward A. McGee	Arthur E. Ladley, Jr.
James C. Morrow	Jack E. Coulter
William M. Sillers, Jr.	Richard T. Brower
James I. Doughty	Raymond J. Copin
Roger A. Eastman	Guy W. Mizell
Robert C. Chanaud	Clyde "E" Robbins
Crook Stewart, Jr.	Verne E. Cox
Earl W. Clark, Jr.	Robert B. Bacon
Ernest J. Mayer, Jr.	Philip J. Danahy
Richard G. Kerr	Terry "F" Blair
James F. Culbertson	Joseph A. McDonough, Jr.
John M. Wilkinson	
Robert R. Houvener	William C. Nolan
William J. Tillo	Clyde T. Lusk, Jr.
George W. Dick, Jr.	George H. Wagner
Gerald J. Budridge	Billy E. Richardson
Dwight T. Ramsay	Thomas R. Tyler
Paul A. Trimmer	Albert C. Tingley, Jr.
Walter E. Mason, Jr.	James A. Wilson
Charles L. Clark	Wayne C. Stansill

Norman G. Cubberly	Richard C. Graepler
Arthur H. Edmunds	Michael T. Brock
Charles F. Hahn	John F. Skillings
John E. Moseley	Robert C. Benson
Donald L. Stivender	James L. Fear
William A. Publicover	John W. Reese
Albert E. Reif, Jr.	Robert L. Guibord
Addison B. Jennings	Paul Totten
Rex B. Morgan	James M. Fournier
Lawrence D. Levine	Henry J. Roehner, Jr.
Victor R. Robillard	Robert T. Getman
Arnold M. Dauffelben	Louis H. Mense
John F. Comes	Eugene P. Baumann
Donald E. Dorhi	
Donald M. Thomson, Jr.	

The following-named persons to be ensigns in the United States Coast Guard:

Matthew Joseph Ahearn
William Robert Babineau
Ernest Jacob Bader
Arnold Bruce Beran
Russell Charles Bishop, Jr.
Louis King Bragaw, Jr.
James Elro Brown, Jr.
Frederick Clemmons Bruner
Richard Buell
Robert Jean Cardinal
John Michael Cece
Richard Joseph Collins
Thomas DeWitt Combs, Jr.
Carol Eugene Canry
Everett Larry Crowell
Donald Bower Davis
Ralph Zachary DeGiorno
Robert Lawrence DeMichiell
John Richards Erickson
Harold Edward Fallon, Jr.
Thomas Wallace Finnegan
John Patrick Flaherty, Jr.
Terrill Morgan Gioege
Richard John Green
Harlan Denis Hanson
Henry John Harris, Jr.
Robert Arthur Johnson
Paul Theodor Kaufmann
John William Kime
John Brownell Lynn
Ronald George Malone
John Ignatius Maloney, Jr.
Richard Joseph Marcott
David Ross Markey
Thomas Tracy Matteson
Ronald Allen McClellan
David Joseph Meskell, Jr.
Richard Walter Michaels
John Roger Mitchell
Donald McGregor Morrison, Jr.
Charles Solomon Niederman
Thomas Patrick Nolan
James Clifford Osborn
William Carlus Parish
George Donald Passmore
Ralph Nicholas Pezanoschini
Harry Jack Reckitt
Keith Dogle Ripley
Andrew Raymond Rippel
Peter Joseph Rotz
Albert Donald Super
Richard D. Thompson
Douglas Barnes Thurnher
George Paul Vance
John Carl Wirtz
Tommy Gene Woodworth

The following-named persons to be chief warrant officers, W-2, in the United States Coast Guard:

Merrill W. Allison	Peter J. Monk
Edward H. Baird	Buford A. Morris
Donald H. Bangs	Harry W. Near
Thomas O. Cameron, Jr.	Kenneth T. Outten
Edmond S. Cinq-Mars	Santiago P. Quinones, Jr.
Frederick D. DuBrucq	Paul M. Seiler
Osborne Estelle	Kenneth A. Snow
Earl R. Gard	James D. Walters
Herman H. Korf	Norman M. Zelck
Henry N. Marsh	

HOUSE OF REPRESENTATIVES

MONDAY, MAY 13, 1957

The House met at 12 o'clock noon.

Rev. Thomas B. Ogden, Downingtown Methodist Church, Downingtown, Pa., offered the following prayer:

O God, our Heavenly Father, we give humble thanks for the privilege of prayer in this Nation's House of Representatives.

Cleanse, we pray Thee, the minds, the hearts, and the very souls of these who are now assembled, that they may dedicate themselves anew to the high calling and duty which this country and its people have with honor bestowed upon them. Cause them to be true to their convictions and to those whom they represent, and yet unfailing in their willingness to be led by Thy spirit into action that points out Thy will for all men as revealed in Jesus Christ. We ask this for our country and for our world: That Thy purpose in Thy Son, Jesus Christ, as Saviour and Lord for all men, will be brought one step nearer to that day when Thou shalt see fit to send Him again to establish His kingdom of perfect peace. In His name do we pray it. Amen.

The Journal of the proceedings of Friday, May 10, 1957, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries.

CONVEYANCE OF REAL PROPERTY OF THE UNITED STATES IN COBB COUNTY, GA.

Mr. VINSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (H. Con. Res. 173) requesting the return of the enrollment of H. R. 1544 by the President to the House of Representatives for the purpose of reenrollment.

The Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the President of the United States is requested to return to the House of Representatives the enrolled bill (H. R. 1544) to provide for the conveyance of certain real property of the United States situated in Cobb County, Ga., to the trustees of the Methodist Church, Acworth, Ga. If and when said bill is returned by the President, the action of the Presiding Officers of the two Houses in signing said bill shall be deemed rescinded, and the Clerk of the House is authorized and directed, in the reenrollment of said bill, to make the following correction: On page 2, line 13, strike out the figure "$890.0" and insert in lieu thereof the figure "$90.0".

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

MACARTHUR MINING CO., INC.

The SPEAKER. The Chair lays before the House the following communication from the Clerk of the House:

MAY 13, 1957.

The honorable the SPEAKER,
House of Representatives.

SIR: I have the honor to transmit herewith bill for the relief of the MacArthur Mining Co., Inc., in receivership, received on Friday, May 10, 1957, from the Court of Claims of the United States in obedience to House Resolution 244 of the 85th Congress, adopted by the House of Representatives on April 30, 1957.

Respectfully yours,
RALPH R. ROBERTS,
Clerk, United States House of Representatives.

The communication and accompanying papers were referred to the Committee on the Judiciary.

A STUDY OF ELIMINATING FEDERAL GRANTS-IN-AID

Mr. PELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, I take this means of calling my colleagues' attention to House Joint Resolution 326, which I introduced last Friday, May 10, 1957.

This resolution would amend section 139 (d) of title 1—relating to changes in the rules of the Senate and House of Representatives—of the Legislative Reorganization Act of 1946. Its purpose is to authorize and direct the Appropriations Committees of both Houses to study the possibility of the Federal Government relinquishing to each of the several States of the United States the power to levy and collect taxes now levied and collected by the Federal Government to the extent that the respective States can assume complete responsibility for financing and managing projects and programs receiving Federal grants-in-aid which properly should be the responsibility of State and local governments.

Mr. Speaker, as House Joint Resolution 326 sets forth, the Federal Government over an extended period of years and during eras of world crisis and war and in the interest of peace and national defense, has become increasingly dominant in the field of taxation and the collection of revenue from the American taxpayer.

As a result of this trend, the States have become dependent upon Federal aid to finance projects which under the Constitution and historically were local responsibilities. The mounting billions annually of these Federal grants carry with them management and a degree of standards and control which are costly

and likewise emasculate the functions and importance of political subdivisions and government closest to the people.

I trust, therefore, Mr. Speaker, that the Rules Committee will schedule an early hearing on House Joint Resolution 326. Federal grants-in-aid in the fiscal 1958 budget amount to $5.5 billion, which is $1 billion over the previous year. Since it costs approximately one quarter of the amount returned to the States to federally collect and administer the program, it is obvious that great economy can be effected if the States could collect the funds themselves and manage their own projects. House Joint Resolution 326 will not reduce this year's budget, but if the Congress is going to cut Federal spending and reduce taxes in the future, the policies which directly influence the size of future budgets must be established now. The fact that this year's budget for fiscal 1958 is so huge is because previous Congresses failed to allow emergency legislation to lapse, but rather from year to year have encouraged the aid programs both as to their number and amount of money.

Mr. Speaker, I know of no greater achievement the 85th Congress could accomplish than to enact a measure looking toward reversal of the trend away from concentration of financial and bureaucratic control on the national level.

AMERICANS IN THE UNITED STATES

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a newspaper article from the Boston Globe.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, Lord Mayor Briscoe, of Ireland, is reported to have been amazed at how few Americans there are in the United States. He has been pretty much all over the country since his arrival here. He said he had found that there were "Irishmen, Germans, Jews, Poles, Franchmen, and so forth, but very few Americans. In Ireland everybody is Irish." He said it in passing jest, but it gives us food for thought. People of almost every national strain have had a great deal to do in making up America. They have made great contributions to this country.

We are shortly going to consider a veterans' compensation bill. When war is at stake they are all Americans. Men and women of every national strain fought and died for this country and were wounded and badly disabled.

We will show our deep gratitude to these brave veterans by voting for the bill unanimously.

The editorial is as follows:

Lord Mayor Briscoe is reported to be amazed at how few Americans there are in the United States. He has been pretty much all over the country since his arrival here. The other day he flew into New York in the morning from Miami, Fla., and took off in a plane early that afternoon for Texas. The lord mayor is quoted as having said that he has met ever so many Irishmen, Germans, Jews, Italians, Poles, Frenchmen, etc., but very few Americans. In Ireland, he added, everyone is Irish.

Bob Considine, nationally known sportswriter and famous war correspondent, said at the Catholic, Protestant, and Jewish dinner, where he received one of the awards, that he was an Irish Catholic who was educated at a masonic college and once narrowly escaped being shot as a Jew.

"If that isn't brotherhood," he added, "I'll eat it."

THE VALUABLE CONSEQUENCES OF DEEPENING OF GOWANUS CREEK CHANNEL

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, the United States Army Engineer Division, North Atlantic, has recently prepared a report concerning the water-resources development activities of the Army Corps of Engineers in the State of New York.

Of particular interest not only to the people of Brooklyn but to the people of the country should be the Gowanus Creek Channel project which has been completed.

Gowanus Creek is a tidal waterway on the east side of upper New York Bay, in the Borough of Brooklyn, in the Congressional District I have the honor to represent, about 4 miles by water southeast of the Battery, New York City. It extends 1.8 miles northeasterly from the north end of Bay Ridge Channel in Gowanus Bay and includes the 1-mile upper portion known as Gowanus Canal.

This highly important project was authorized by Public Law 551 of the 82d Congress following the passage of a bill bearing my name which was enacted into law through the cooperation of my distinguished colleague from New York, Representative CHARLES A. BUCKLEY, present chairman of the House Public Works Committee. Congressman BUCKLEY was chairman at the time this legislation was approved by his committee and passed by the House and Senate and approved by former President Truman.

As a member of the House Appropriations Committee, I introduced an amendment from the floor of the House in the 83d Congress to obtain the necessary funds for deepening this channel after the Subcommittee and the full House Committee on Appropriations had refused to approve the requested expenditure. The argument was that President Eisenhower had not submitted a budget estimate. But with the cooperation and support of the Members of Congress from the Borough of Brooklyn the amendment was adopted.

Gowanus Creek Channel had been a vital artery in Brooklyn's commercial and industrial life for many years. But prior to the approval of the legislation and appropriation for the project it was a bottleneck for modern shipping. The Army engineers' deepening of the waterway remedied a situation which restricted waterborne commerce along this waterway.

It should be interesting to now note that the average annual amount of commerce transported over this 1.8-mile waterway during the 10-year period prior to this improvement amounted to 4,342,800 tons. Following the improvement and during calendar year 1955, the transported tonnage amounted to 5,596,300 tons. This represents a tremendous increase, highly important to the longshoremen, the steamship companies, the teamsters, the maritime employees, and the economic life of Brooklyn. It is a genuine satisfaction to have had the opportunity to play a part in securing this long-needed improvement. Gowanus Creek Channel is not only important to Brooklyn, but also to the whole port of New York, as well as to our national defense. I express the thanks of the citizenry of Brooklyn to all those Members who voted for this improvement.

UNIFORMED SERVICES CONTINGENCY OPTION ACT OF 1953—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with accompanying papers, referred to the Committee on Armed Services:

To the Congress of the United States:

Pursuant to the provisions of section 8 of the Uniformed Services Contingency Option Act of 1953 (Public Law 239, 83d Cong.), I transmit herewith for the information of the Congress the second annual report of the operation of the Uniformed Services Contingency Option Act of 1953.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 13, 1957.*

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. ALBERT. Mr. Speaker, at the request of Mr. HARRIS, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may sit during debate the balance of this week.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. This is District Day.

CALL OF THE HOUSE

Mr. DAVIS of Georgia. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 68]

Anderson, Mont.	Barrett	Broyhill
Anfuso	Bass, N. H.	Buckley
Ashley	Beamer	Chudoff
Ayres	Boland	Coffin
Barden	Bow	Cole
	Bowler	Cooley
Corbett	Hays, Ohio	Murray
Coudert	Healey	Nimtz
Curtis, Mass.	Hébert	O'Brien, N. Y.
Dawson, Ill.	Holland	Patterson
Dempsey	Holt	Philbin
Derounian	Holtzman	Powell
Diggs	Horan	Prouty
Dingell	James	Rivers
Dollinger	Kearney	Rodino
Donohue	Kelley, Pa.	Roosevelt
Durham	Kelly, N. Y.	Sadlak
Eberharter	Keogh	Santangelo
Elliott	Kilburn	St. George
Evins	King	Scherer
Fallon	Kluczynski	Selden
Farbstein	Landrum	Sheppard
Fino	Lane	Sieminski
Fogarty	Lennon	Stauffer
Frelinghuysen	Lesinski	Teague, Tex.
Fulton	McConnell	Tuck
Garmatz	McCormack	Utt
Gary	Magnuson	Watts
Granahan	May	Wharton
Green, Pa.	Michel	Williams, Miss.
Griffin	Morano	Wilson, Calif.
Gubser	Morgan	Wolverton
Gwinn	Morrison	Yates
Harden	Multer	Zelenko
Harris	Mumma	

The SPEAKER. On this rollcall 330 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

RETIREMENT OF PUBLIC SCHOOL TEACHERS IN THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 6454) to amend the act for the retirement of public-school teachers in the District of Columbia, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An Act for the retirement of public school teachers in the District of Columbia," approved August 7, 1946 (60 Stat. 875, ch. 779), as amended, is amended as follows:

Section 1, as amended, is amended by striking the first sentence thereof and inserting in lieu thereof "Beginning on the first day of the second month following the enactment of this Act, there shall be deducted and withheld from the annual salary of each teacher in the public schools of the District of Columbia an amount equal to 6½ percent of the teacher's annual salary."

Section 3, as amended, is amended by striking from subsection (a) thereof the word "fifteen" and inserting in lieu thereof the word "five"; by striking from subsection (b) thereof the word "one-fourth" and inserting in lieu thereof the word "one-twelfth"; by striking from the last sentence of subsection (c) thereof the word "ten" and inserting in lieu thereof the word "five"; by adding at the end of the section, the following paragraph:

"(d) Any teacher who completes 25 years of service or who attains the age of 50 years and completes 20 years of service shall upon involuntary separation from the service, not by removal for cause on charges of misconduct or delinquency, be paid a reduced annuity computed as provided in section 5 (a) of this Act reduced by one-twelfth of 1 percent for each full month not in excess of 60 and by one-sixth of 1 percent for each full month in excess of 60 such teacher is under the age of 60 years at date of separation."

Section 4, as amended, is amended by striking from the first sentence thereof the word "ten" and inserting in lieu thereof the word "five."

Section 5, as amended, is amended by striking the first sentence of subsection (a) thereof and inserting in lieu thereof, "Except as otherwise provided in this Act, every teacher who shall be retired under the provisions of section 3 or section 4 of this Act shall receive an annuity composed of (1) the larger of (A) 1½ percent of the average salary as defined in section 13 of this act, multiplied by so much of the total service as does not exceed 5 years, or (B) 1 percent of the average salary, plus $25, multiplied by so much of the total service as does not exceed 5 years, plus (2) the larger of (A) 1¾ percent of the average salary multiplied by so much of the total service as exceeds 5 years but does not exceed 10 years, or (B) 1 percent of the average salary, plus $25, multiplied by so much of the total service as exceeds 5 years but does not exceed 10 years, plus (3) the larger of (A) 2 percent of the average salary multiplied by so much of the total service as exceeds 10 years, or (B) 1 percent of the average salary, plus $25, multiplied by so much of the total service as exceeds 10 years"; by striking the second sentence of paragraph (1) of subsection (b) thereof and inserting in lieu thereof, "The life annuity of the teacher making such election, excluding any increase because of retirement under section 4 of this Act, shall be reduced by 21 percent of so much thereof as does not exceed $2,400 and by 10 percent of so much thereof as exceeds $2,400."

Section 6, as amended, is amended to read as follows: "The annuity of a teacher retiring under section 4 shall be at least (1) 40 percent of the average salary of (2) the sum obtained under section 5 after increasing his total service by the period elapsing between the date of separation and the date he attains the age of 60 years, whichever is the lesser."

Section 8, as amended, is amended by striking item (d) from the second sentence thereof and inserting in lieu thereof, "(d) periods of honorable active service in the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States (but not the National Guard except when ordered to active duty in the service of the United States) prior to the date of the separation upon which title to annuity is based; except that, if a teacher is awarded retired pay on account of military service, his military service shall not be included, unless such retired pay is awarded on account of a service-connected disability (1) incurred in combat with an enemy of the United States or (2) caused by an instrumentality of war and incurred in line of duty during an enlistment or employment as provided in Veterans Regulation No. 1 (a), part 1, paragraph 1, or is awarded under title III of Public Law 810, 80th Congress."; by striking from the fourth proviso thereof the words "in time of war"; by adding at the end of section 8 the following paragraphs:

"A teacher who during the period of any war, or of any national emergency as proclaimed by the President or declared by the Congress, has left or leaves his position to enter the military service, as defined in this section, shall not be considered, for the purposes of this Act, as separated from his teaching position by reason of such military service, unless he shall apply for and receive a lump-sum benefit under this Act, except that such teacher shall not be considered as retaining his teaching position beyond 6 months after the date of the approval of this Act or the expiration of 5 years of such military service, whichever is later.

"Nothing in this Act shall affect the right of a teacher to retired pay, pension, or compensation in addition to the annuity herein provided."

Section 9, as amended, is amended by striking from the first sentence of subsection (a) the word "ten" and inserting in lieu thereof the word "five"; by inserting after the word "widow" wherever it appears in subsection (b) paragraphs (1) and (2), the words "or dependent widower"; by striking from the first sentence of subsection (b), paragraph (1) thereof the phrase "or following the widow's attainment of age 50, whichever is the latter" and adding at the end of such subsection the phrase "or upon the widower's becoming capable to self-support."; by striking the last 2 sentences of subsection (b), paragraph (2) thereof; by striking paragraphs (3) and (4) of subsection (b) thereof and inserting in lieu thereof the following paragraph:

"(3) If any teacher to whom this Act applies shall die after completing 5 years of service in the public schools of the District of Columbia or after having retired under the provisions of section 3 or section 4 of this Act and is survived by a wife or husband, each surviving child who received more than one-half of his support from the teacher shall be paid an annuity equal to the smallest of (a) 40 percent of the teacher's average salary divided by the number of children, (b) $600, or (c) $1,800 divided by the number of children. If such teacher is not survived by a wife or husband, each surviving child shall be paid an annuity equal to the smallest of (a) 50 percent of the teacher's average salary divided by the number of children, (b) $720, or (c) $2,160 divided by the number of children. The child's annuity shall begin on the first day of the month after the teacher dies and such annuity or any right thereto shall terminate upon (a) his attaining age 18 unless incapable of self-support after age 18, (b) his becoming capable of self-support after age 18, (c) his marriage, or (d) his death. Upon the death of the surviving wife or husband or termination of the annuity of the child, the annuity of any other child or children shall be recomputed and paid as though such wife, husband, or child had not survived the teacher.";

Section 9 is further amended by changing the number of paragraph (5) of subsection (b) thereof to (4), striking from such paragraph the phrase "by a widow, widow and children, or children" and inserting in lieu thereof the phrase "by a widow, a dependent widower, and or children."; and by changing the number of paragraph (5) of subsection (c) thereof to (6) and inserting the following new paragraph:

"(5) The term 'widower' means the surviving husband of a teacher who was married to such teacher for at least 2 years immediately preceding her death or is the father of issue by such marriage. The term 'dependent widower' means a 'widower' who is incapable of self-support by reason of mental or physical disability, and who received more than one-half of his support from such teacher."

Section 13 is amended by adding at the end of the section "The term 'average salary' shall mean the largest annual rate resulting from averaging, over any period of 5 consecutive years of creditable service in the public schools of the District of Columbia, a teacher's rates of annual salary in effect during such period, with each rate weighted by the time it was in effect."

The effective date of this act shall be October 1, 1956.

With the following committee amendments:

Page 2, line 2, immediately before the period, insert the following: "and by inserting the following immediately before the period at the end of the second sentence: ": *Provided,* That such interest shall not be credited after December 31, 1956, except that in the case of a teacher separated before

he has completed five years of teaching service interest shall be credited to the date of separation'."

Page 3, line 23, strike the figures "21" and insert in lieu thereof "2½."

Page 4, line 3, strike the word "of" and insert in lieu thereof "or."

Page 4, line 24, immediately before the word "by" insert the following: "by inserting the words 'Air Force' after the word 'Navy' in item (e) of the second sentence of section 8, and."

Page 5, line 22, strike the word "latter" and insert in lieu thereof "later."

Page 7, strike line 25 and insert in lieu thereof the following:

"SEC. 2. The amendments made by this Act shall not apply in the case of teachers retired or otherwise separated prior to its effective date, and the rights of such persons and their survivors shall continue in the same manner and to the same extent as if this act had not been enacted.

"SEC. 3. No person retiring subsequent to the effective date of this act and pursuant to its provisions shall be entitled to any benefits accruing by reason of the provisions of Public Law 648, 84th Congress, approved July 2, 1956 (70 Stat. 487).

"SEC. 4. The effective date of this act shall be October 1, 1956."

The committee amendments were agreed to.

Mr. McMILLAN. Mr. Speaker, the purpose of the bill is to give to teachers and supervisory personnel under the Board of Education of the District of Columbia substantially the same benefits to which employees of the Federal and District Governments are entitled under the Civil Service Retirement Act, as amended by Public Law 854, 84th Congress, approved July 31, 1956.

The bill increases annuities for school employees and for widows of such employees on the average approximately 25 percent and for surviving children approximately 150 percent.

PRINCIPAL PROVISIONS OF THE BILL

(a) The rate of contribution by employees is increased from 6 to 6½ percent.

(b) Optional retirement is permitted at age 62 after 5 years of service instead of after 15 years.

(c) The reduction factor for retirement before reaching age 60 is changed from 3 percent to 1 percent for each year the retiring employee is under age 60 and 2 percent for each year he is under age 55.

(d) The present requirement that an employee have at least 10 years of service to be eligible to retire for disability or for other reasons is changed to 5 years of service.

(e) An immediate annuity is granted upon involuntary separation from the service after attaining the age of 50 years with 20 years of service, or upon involuntary separation after 25 years of service, regardless of age.

(f) Under present law annuities are based upon 1½ percent of the highest average annual salary over a period of 5 consecutive years times the total years of service or 1 percent plus $25 whichever is greater. The bill changes the formula so that the annuity will be based upon 1½ percent for the first 5 years of service, 1¾ percent for the next 5 years of service, and 2 percent for the remainder, multiplied by the years of service—or 1 percent plus $25 in each case, whichever gives the greater annuity.

The annuity of an employee electing a survivor's annuity would be reduced by 2½ percent of the first $2,400 and 10 percent of the balance. At present the reduction is 5 percent of the first $1,500 and 10 percent of the balance.

(g) Disability benefits are liberalized by providing a minimum of 40 percent of the average salary or the annuity computed under the general formula after adding the years elapsing between the date of separation and attainment of age 60, whichever is the larger. An annuity larger than the minimum is payable if earned by the retiring employee.

(h) Present law credits honorable military service in time of actual war only. The bill allows credit for all honorable active military service if the employee is not receiving retirement pay based on such service. The bill also allows credit for military service if the employee is receiving retirement pay for military service if such retired pay is first, based on a service-connected disability incurred in combat with an enemy or caused by an instrument of war, or, second, awarded under title III of Public Law 810, 80th Congress.

(i) Under existing law, if an employee, after rendering 5 years of service, dies, an automatic annuity, equal to 50 percent of the employee's earned annuity is payable to the widow. The bill extends similar benefits to dependent widowers.

(j) The bill increases benefits for children of deceased employees as follows:

First. If a wife or husband survives, each child's benefit would be the smallest of, first, 40 percent of the employee's average salary divided by the number of children; second, $600; or, third, $1,800 divided by the number of children.

Second. If no wife or husband survives, each child would receive the smallest of, first, 50 percent of the employee's average salary divided by the number of children; second, $720; or, third, $2,160 divided by the number of children.

Under present law, if a widow survives, each child receives the smallest of, first, one-fourth of the employee's earned annuity; second, $900 divided by the number of children; or third, $360.

Under present law, if no widow survives, each child receives the smaller of, first, one-half of the employee's earned annuity; second, $1,200 divided by the number of children; or, third, $480.

EFFECTIVE DATE

The benefit provisions take effect October 1, 1956. The provision for increasing contributions by the employees would be effective on the first day of the second month following the enactment of the bill.

COST

The additional cost to the District government for the first few years would be negligible. However, section 6 of the present Teachers Retirement Act requires that a level financial reserve be maintained through adequate annual appropriations—in addition to the employees' contribution. The benefits provided by this bill would require an additional annual appropriation of $867,200 to provide such a level reserve. This additional amount would have to be appropriated annually beginning with the fiscal year 1959. This amount would have to be appropriated in addition to the present cost to the District which, for the fiscal year 1957, is $2,655,000.

AMENDMENTS

Amendment (a), designed to provide a cutoff date for the granting of interest on deposits of employees, is inserted to make the Teachers Retirement Act consistent in this respect with the Civil Service Retirement Act.

Amendment (f), inserting the new section 2 in the bill, is designed to make clear that the bill does not affect employees retired prior to the effective date of the bill.

The insertion of new section 3 is designed to prevent the possibility that employees retiring after the effective date of the bill—October 1, 1956—and before December 31, 1957, from becoming entitled to an increase in their annuities over and above the annuity to which the employees would be entitled under the bill. Such a possibility might otherwise exist by reason of the operation of Public Law 648, 84th Congress, which granted certain increases in annuities for the period ending December 31, 1957.

Mr. McMILLAN. Mr. Speaker, I ask uannimous consent to insert in the RECORD during the consideration of each bill from the Committee on the District of Columbia today a statement explaining that bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The bill was ordered to be engrossed and read the third time, was read the third time and passed.

The title was amended so as to read: "A bill to amend the act for the retirement of public-school teachers in the District of Columbia, and for other purposes."

A motion to reconsider was laid on the table.

METROPOLITAN POLICE FORCE BAND

Mr. McMILLAN. Mr. Speaker, I call up the bill (H. R. 4932) to amend the act of July 11, 1947, to increase the maximum rate of compensation which the director of the Metropolitan Police force band may be paid, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the last sentence of the first section of the act entitled "An act to authorize the establishment of a band in the Metropolitan Police force," approved July 11, 1947 (D. C. Code 4–182), is amended by striking out "lieutenant" and inserting in lieu thereof "captain."

Mr. McMILLAN. Mr. Speaker, I move to strike out the last word for the purpose of explaining the bill.

The purpose of this bill is to increase the compensation of the present director of the band of the Metropolitan Police Department from a salary of a lieutenant in the Metropolitan Police Department to that of captain in the Department.

The salary of a lieutenant is $6,460 and that of a captain is $7,085. The present director of the Metropolitan Police band retired from the United States Navy in January 1942 as director of the Navy Band. He organized the band of the Metropolitan Police Department in May of 1943 and served without compensation from 1943 until the latter part of 1947. In July of 1947 the Congress authorized the establishment of a Metropolitan Police Department band and authorized the Commissioners of the District of Columbia to employ, without reference to the civil-service laws, a director of such band to receive compensation to which a lieutenant in the Metropolitan Police Department was entitled. The present director has served in this capacity since this time.

This legislation has the approval of the chief of the Metropolitan Police Department and the Board of Commissioners for the District of Columbia.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA STADIUM

Mr. McMILLAN. Mr. Speaker, I call up the bill (H. R. 1937) to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That this act may be cited as the "District of Columbia Stadium Act of 1957."

SEC. 2. In order to provide the people of the District of Columbia with a stadium suitable for holding athletic events and other activities and events of a nature requiring such a facility, the Armory Board (hereinafter referred to as the "Board"), created by section 2 of the Act entitled "An Act to establish a District of Columbia Armory Board, and for other purposes," approved June 4, 1948 (D. C. Code, sec. 2–1702), is hereby authorized to construct, maintain, and operate a stadium (including necessary motor vehicle parking areas) with a seating capacity of not to exceed 50,000, on a site in the District of Columbia determined in accordance with provisions of section 3 of this act. The cost of constructing such stadium shall not exceed $6 million, and such amount shall be deemed to include interest during the construction of the stadium and for 12 months thereafter and all engineering, legal, financial, architectural, and other expenses incident to the construction of the stadium.

SEC. 3. The Secretary of the Interior is authorized and directed to acquire by gift, purchase, condemnation, or otherwise, all real property within the boundaries of the East Capitol Street site, as established in the first paragraph under the heading "(2) East Capitol Street Site" contained in the National Capital Planning Commission report entitled "Preliminary Report on Sites for National Memorial Stadium" dated November 8, 1956, and thereafter upon the request of the Board, the Secretary of the Interior shall transfer to the Board, all right, title, and interest of the United States in and to all real property within the boundaries of such East Capitol Street site.

SEC. 4. (a) The Board is hereby authorized to provide for the payment of the cost of such stadium by an issue or issues of negotiable bonds of the Board, bearing interest, payable semiannually, at the rate of not more than 6 percent per annum, the principal and interest of such bonds shall be payable solely from the funds provided in accordance with this act, and such payments may be further secured by mortgage of the stadium. All such bonds may be registered as to principal alone or both principal and interest, shall be payable as to principal within not to exceed 30 years from the date thereof, shall be in such denominations, shall be executed in such manner, and shall be payable in such medium and at such place or places as the Board may determine, and the face amount thereof shall be so calculated as to produce, at the price of their sale, the cost of the stadium constructed pursuant to this act, but such cost shall not exceed $6 million. The Board may reserve the right to redeem any or all of the bonds before maturity in such manner and at such price or prices not exceeding 105 percent of the face value and accrued interest as may be fixed by the Board prior to the issuance of the bonds. The Board when it deems advisable may issue refunding bonds to refinance any outstanding bonds at maturity or before maturity when called for redemption, except that such refunding bonds shall mature within not to exceed 30 years from the date thereof, or not to exceed 50 years from the date of enactment of this act, whichever shall first occur, and shall not exceed in principal amount the principal amount of outstanding bonds replaced by such refunding bonds. The Board may enter into an agreement with any bank or trust company in the United States as trustee having the power to make such agreement, setting forth the duties of the Board with respect to acquisition, construction, maintenance, operation, repair, and insurance of the stadium, the conservation and application of all funds, the security for the payment of the bonds, safeguarding of money on hand or on deposit, and the rights and remedies of such trustee and the holders of the bonds, restricting the individual right of action on the bondholders as is customary in trust agreements respecting bonds of corporations. Such trust agreement may contain such provisions for protecting and enforcing the rights and remedies of the trustee and the bondholders as may be reasonable and proper.

(b) The bonds may be sold at not less than par. If the proceeds of the bonds shall exceed the cost, the excess shall be placed in the fund created by section 6 for the payment of the principal and interest of such bonds. Prior to the preparation of definitive bonds the Board may, under like restrictions, issue temporary bonds, or may, under like restrictions, issue temporary bonds or interim certificates without coupons, of any denomination whatsoever, exchangeable for definitive bonds when such bonds that have been executed are available for delivery.

(c) All bonds, or other obligations, issued by the Board under authority of this act, shall be exempt both as to principal and interest, from all taxation (except estate and inheritance taxes) now or hereafter imposed by the United States, or by the District of Columbia.

SEC. 5. In order to carry out the purposes of this act, the Board is hereby authorized, without regard to any other provision of law—

(1) to determine all questions concerning the use of the stadium for the purposes of this act;

(2) to enter into contracts and agreements with the District of Columbia and the Federal departments, bureaus, establishments, and offices, and the act of March 4, 1915, as amended (31 U. S. C. 686), is hereby made applicable to such contracts;

(3) to acquire by purchase or lease, equipment, appliances, facilities, and property of any kind necessary or desirable to carry out the purposes of this Act, and to sell or dispose of any such property so acquired when in its judgment it shall be advantageous to do so, except that no contract for more than $3,000 shall be entered into for the purpose of this paragraph without competitive bidding;

(4) to make such structural and other changes in the stadium as it may deem necessary or desirable for carrying out the purposes of this Act;

(5) to prepare, maintain, light, and operate motor-vehicle parking lots on such land as is provided for that purpose by the Secretary of the Interior under section 3 of this Act;

(6) to operate or contract for the operation of such concessions, including the checking of clothing and the sale of nonalcoholic beverages and food as the Board may deem appropriate to the purposes for which the stadium may be rented or leased;

(7) to furnish such services to renters, lessees, and other occupants of the stadium as in its judgment are necessary or suitable for carrying out the purposes of this Act;

(8) to rent or lease from time to time for any of the purposes of this Act, all or any part or parts of the stadium including any or all structures, equipment, or facilities of the stadium, at such rental values and for such periods of time as the Board shall determine;

(9) to carry public-liability insurance protecting the Board, and the members, officers, and employees thereof engaged in operating and maintaining the stadium; and to require tenants or lessees of the stadium to carry public-liability insurance protecting the interests of such tenants or lessees;

(10) to accept the gratuitous services of such persons as may volunteer to aid in the conduct of its activities.

SEC. 6. (a) The Board shall place into a fund all receipts derived from the exercise by the Board of the powers granted by this Act. This fund shall be used for operating, maintaining, and repairing the stadium and to pay the principal and interest of bonds issued under authority of section 4 of this act as they fall due and the redemption or repurchase price of all or any thereof redeemed or repurchased before maturity as provided in section 4 of this Act. All revenues and receipts from the rental or lease of the stadium are hereby pledged to such uses and to the application thereof as hereinafter in this section required. After payment or provision for payment therefrom of all cost of maintenance, repair, and operation and the reservation of an amount of money estimated to be sufficient for the same purpose during the ensuing period of not more than 6 months, the remainder of receipts received from rental or lease of the stadium shall be placed in a fund to be used to pay the principal and interest of the bonds. An accurate record of the cost of the stadium, the expenditure for maintaining and operating it, and of rentals and lease receipts shall be kept and shall be available for the information of all interested persons.

(b) Within a reasonable time after the construction of the stadium, the Board shall file with Congress and the Board of Commissioners of the District of Columbia a sworn itemized statement showing the cost

of constructing the stadium, and the amount of bonds, debentures, or other evidences of indebtedness issued in connection with the construction of such stadium.

SEC. 7. After payment of the bonds and interest or after a sinking fund sufficient for such purpose shall have been provided and shall be held solely for that purpose, but in any event not later than 50 years from the date of enactment of this Act, the Board shall deliver deeds or other suitable instruments of conveyance of the interest of the Board in and to the stadium to the Board of Commissioners of the District of Columbia, for the District of Columbia and the stadium shall thereafter be properly operated, maintained, and repaired by the District of Columbia.

SEC. 8. (a) The Board is authorized to employ and fix compensation of such personnel as may be necessary to carry out the purposes of this Act, without regard to the provisions of the civil-service laws and the Classification Act of 1949, as amended.

(b) Under the direction of the Board and with the written authorization signed by the members thereof, an employee of the Board may exercise such of the powers vested in the Board by section 5 of this Act as the Board shall determine.

SEC. 9. Nothing contained in this act shall be construed to authorize or permit the Board or any member thereof to create any obligation or incur any liability other than such obligations and liabilities as are dischargeable solely from funds contemplated to be provided by this Act. No obligation created or liability incurred pursuant to this Act shall be a personal obligation or liability of any member or members of the Board but shall be chargeable solely to the funds contemplated to be provided by this Act. No indebtedness created pursuant to this Act shall be an indebtedness of the District of Columbia or the United States.

SEC. 10. The Board shall file with the Congress in January of each year a financial statement certified as to the accuracy by the auditor of the District of Columbia, a report of the activities and business at the stadium during the preceding fiscal year and recommendations to Congress as to future control and use of the stadium.

Mr. McMILLAN. Mr. Speaker, I move to strike out the last word for the purpose of explaining the bill.

The purpose of this legislation is to authorize the District of Columbia Armory Board to construct, maintain, and operate a 50,000-seat stadium, including parking facilities, in the District of Columbia suitable for holding athletic and other events. The overall cost including interest, engineering, legal, architectural, and other incidental expenses shall not exceed $6 million. The bill directs the Secretary of the Department of Interior to acquire and transfer to the Board all the real property within the boundary of the East Capital Street site contained in the National Capital Planning Commission report entitled "Preliminary Report on National Memorial Stadium," dated November 8, 1956.

The National Capital Planning Commission was requested to comment on 4 available sites within the District of Columbia and of the 4 the site recommended in the bill, H. R. 1937, is one of the two which received favorable consideration in this report.

The bill authorizes the Board to issue 6-percent, 30-year bonds secured by a mortgage on the stadium on conditions determined by the Board calculated to produce the cost of the stadium, that is, $6 million. Such bonds may be redeemed before maturity at not to exceed 105 percent of face value and accrued interest or may be refinanced by the issue of refunding bonds limited to 30 years but in no case more than 50 years from date of enactment of this act. The bill authorizes the Board to enter into a trust agreement with any bank or trust company covering the financial arrangements for constructing, maintaining, and operating the stadium with the usual types of provisions protecting the rights and remedies of bondholders.

The bill also provides that bonds are to be sold at not less than par. If the proceeds realized exceed the cost, the excess shall be placed in a fund created by section 6 hereof for payment of the principal and interest on such bonds. The bill authorizes the issuance of temporary bonds and interim certificates exchangeable for definitive bonds when such bonds are executed and available.

The bill provides that all such bonds and other obligations shall be exempt from all taxation now or hereafter imposed by the United States or the District of Columbia.

The bill authorizes the Board, without regard to any other provision of law—

First, to determine all questions concerning use of the stadium;

Second, to enter into contract with the District of Columbia and the Federal departments, bureaus, and so forth, under title 31, United States Code, section 686, which regulates the purchase or manufacture of stores or material or the performance of services by one Federal bureau or department for another bureau or department;

Third, to purchase or lease the necessary equipment and facilities and to sell the same but negotiated contracts regarding the same shall be limited to $3,000 or less;

Fourth, to make structural and other changes when deemed necessary for the purposes of this act;

Fifth, to prepare, maintain, and operate parking lots on the land provided by the Secretary;

Sixth, to operate or contract for the operation of concessions deemed appropriate;

Seventh, to furnish suitable services to renters, lessees and other occupants of the stadium;

Eighth, to rent or lease from time to time all or part of the stadium for such rentals and for such periods as shall be determined by the Board;

Ninth, to carry public-liability insurance on the stadium and to require tenants and lessees to do the same; and

Tenth, to accept gratuitous services from volunteers to aid in the conduct of its activities.

This legislation requires the Board to place all receipts from its activities under this act in a fund to be used for operating, maintaining, and repairing the stadium and the payment of the principal and interest on the bonds issued under section 4 hereof. The costs of maintenance, repair, and operation and the establishment of a 6 months' reserve shall be paid out of the fund first. The remainder of the fund shall be used to pay the principal and interest on the bonds.

The bill requires that within a reasonable time after construction the Board shall file with the Congress and the District of Columbia Commissioners a sworn statement of the cost of construction and the amount of bonds issued.

The bill requires that after payment of the bonds or establishment of a sinking fund for that sole purpose, but in any event not later than 50 years from date of enactment of this act the Board shall convey the stadium to the District of Columbia Commissioners and the stadium shall thereafter be operated, maintained, and repaired by the District of Columbia.

The Board is authorized by this legislation to employ the necessary personnel without regard to the civil-service laws and the Classification Act of 1949, as amended.

The bill provides that under the direction of the Board and with a written authorization signed by its members, an employee of the Board may exercise the powers vested in the Board by section 5 of this act.

The bill provides that the liabilities created by the Board and its members shall be restricted to those chargeable solely to the funds contemplated by this act. No indebtedness created pursuant to this act shall be an indebtedness of the District of Columbia or of the United States.

The bill further provides that in January of each year the Board shall file with the Congress, a financial statement certified by the District of Columbia Auditor, a report of activities and business at the stadium for the preceding fiscal year, and recommendations respecting future control and use of the stadium.

Mr. SIMPSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. SIMPSON of Illinois. Mr. Speaker, the gentleman from Arkansas [Mr. HARRIS] has put in a great deal of time and much hard work on this Stadium Commission bill, and is entitled to the support of the House.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. GROSS. Can the gentleman tell me what the provision on page 2, section 3, means? Let me read the language of that section to the gentleman:

SEC. 3. The Secretary of the Interior is authorized and directed to acquire by gift, purchase, condemnation, or otherwise all real property within the boundaries of the East Capitol Street site, as established in the first paragraph under the heading "(2) East Capitol Street Site" contained in the National Capital Planning Commission report entitled "Preliminary Report on Sites for National Memorial Stadium," dated November 8, 1956, and thereafter, upon the request of the Board, the Secretary of the Interior shall transfer to the Board all right, title, and interest of the United States in and to all real property within the boundaries of such East Capitol Street site.

May I ask the gentleman this question? Is the Government now about to

buy land to provide a site for this stadium?

Mr. McMILLAN. They have approximately 192 acres of park land which is proposed to be used in connection with the armory. This stadium is supposed to use the same parking space that the Army has at the present time. If any additional land is required, I imagine it is supposed to come out of this $6 million issue of bonds.

Mr. GROSS. But the bill does not provide that.

Mr. McMILLAN. It provides $1 million here for the purpose of purchasing 4 acres of land. That is all.

Mr. GROSS. Let me ask this. Is the Government to be reimbursed for the land that will become the site for the stadium?

Mr. McMILLAN. I do not see any place in the bill where there is any reimbursement.

Mr. SIMPSON of Illinois. They are to issue bonds for a period of 50 years. The Government can be repaid out of the earnings from the stadium during that time.

Mr. GROSS. If they are never paid for, what would be the answer?

Mr. SIMPSON of Illinois. I cannot answer 50 years from now.

Mr. McMILLAN. Would the gentleman from Iowa like to offer an amendment?

Mr. GROSS. I have an amendment prepared. I am trying to find out whether the Government is to be reimbursed.

Mr. McMILLAN. I do not know where it is to be recompensed unless it is from these bonds.

Mr. KEARNS. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. KEARNS. The gentleman understands the Washington Baseball Club and the Redskin Football Club will pay rent for the use of this facility, and we hope to get it much sooner than 50 years. Now the National Capital will have a stadium that will be a compliment to the Nation's Capital.

Mr. LANKFORD. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. LANKFORD. This stadium will be placed on land which is now occupied by temporary Government buildings which are slated to be torn down. This is a part of the overall plan that has been created for the East Capitol Street site. It is true there are some few—I do not know the exact number—dwellings in this block that have to be purchased. Otherwise the land is there, occupied presently by temporary buildings which are slated for demolition, and there is no other use slated for this land.

Mr. MARTIN. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. MARTIN. Just how valuable is this land that the United States Government is going to give?

Mr. McMILLAN. I do not know the value in dollars.

Mr. KEARNS. The armory site is there at present.

Mr. MARTIN. Following up the question of the gentleman from Iowa [Mr. GROSS], it looks to me like a good idea, but where does the United States Government get in? Is there any chance to get any compensation for this land that we donate?

Mr. KEARNS. I think the revenue from the stadium will compensate the Federal Government for their privilege to build a stadium there in the overall picture.

Mr. MARTIN. We do not get any taxes.

Mr. KEARNS. No.

Mr. MARTIN. Where will we get it?

Mr. KEARNS. The land is not producing any revenue at the present time.

Mr. MARTIN. It is not doing any harm because we do not pay taxes on it.

Mr. McMILLAN. This land was purchased for a stadium site under the late Bilbo provision several years ago. The late Senator Bilbo was very active during the time he was chairman of the Senate Stadium Committee and District of Columbia Committee.

Mr. MARTIN. We bought it for that purpose?

Mr. McMILLAN. That is the information I have.

Mr. MARTIN. How much did we pay for it?

Mr. McMILLAN. I do not know.

Mr. KEARNS. I think about $25,000.

Mr. CELLER. Will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. CELLER. Do I understand that in this stadium professional baseball and football will be played?

Mr. McMILLAN. Yes. They propose to rent the stadium for that purpose.

Mr. CELLER. For instance, the Washington American League Senators will play there?

Mr. McMILLAN. That is correct.

Mr. CELLER. Do I understand that the bonds to be issued are tax exempt?

Mr. McMILLAN. That is correct.

Mr. CELLER. Do I understand further that the interest on the bonds is at 6 percent?

Mr. McMILLAN. That is what the bill proposes.

Mr. CELLER. In other words, we have the Commission issuing tax-exempt bonds bearing interest at 6 percent.

Mr. McMILLAN. For the purpose of paying for this stadium.

Mr. CELLER. Has that ever been done before; namely, Congress approving the issuance of tax-exempt bonds bearing 6 percent interest?

Mr. McMILLAN. I do not know.

Mr. CELLER. I doubt very much whether we have ever done that before. That is a very high rate of interest, a high yield on a tax-exempt bond.

At what rate are these bonds redeemable?

Mr. McMILLAN. 105 is par.

Mr. CELLER. In addition to bearing 6 percent, in addition to being tax exempt, they are redeemable at 105.

Mr. McMILLAN. Yes, sir.

Mr. CELLER. That also is an advantage which I doubt very much we have ever granted to the holder of any bonds issued by the Government or with the Government's approval.

Mr. McMILLAN. I do not know, but I would say to the gentleman that almost every day we grant the District some privilege that we do not grant to any of the States.

Mr. CELLER. But we do not grant power to issue bonds that are tax exempt bearing that rate of interest and redeemable at 105. I doubt that very much. And then think of the great advantage I am sure brokerage houses will take of this matter; they will make a very nice killing on this. I do not object to having brokerage houses make commissions, but here it strikes me we are going very far on this matter in order to get a stadium.

Mr. McMILLAN. I realize that we will have to go pretty far and grant many concessions in order to get a stadium here.

Mr. SIMPSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. SIMPSON of Illinois. I will say to the gentleman from New York that there have been no contracts entered into with any Washington ball club or football club, but authority will be granted the Commission to make these contracts, if this legislation is passed.

Mr. CELLER. It is undoubtedly within the realm of probability that the Senators will play in this stadium as well as the teams of the American League.

Mr. SIMPSON of Illinois. But the contracts have yet to be let.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. COLMER. I am interested in pursuing the line of questioning started by the distinguished gentleman from Massachusetts [Mr. MARTIN]. Where does the Federal Government come into this? Does this bill merely authorize the transfer of this land to the Stadium Commission?

Mr. McMILLAN. To the Armory Board.

Mr. COLMER. I am not sure I understand.

Mr. McMILLAN. The District Armory Board controls the District Armory. This proposed stadium is to be operated in connection with the District Armory by the same Board.

Mr. COLMER. How many acres of land are involved?

Mr. McMILLAN. I think the land purchased by the late Senator Bilbo Stadium Commission was 192 acres.

Mr. COLMER. Do I understand that the Federal Government purchased land for this purpose?

Mr. McMILLAN. This is part of the parks system at this time. However, I understand it was originally purchased for a stadium site.

Mr. COLMER. Then the so-called Bilbo Commission was not set up for the purpose of starting the stadium?

Mr. McMILLAN. Senator Bilbo was chairman of the commission to select a site for a stadium.

Mr. COLMER. If it was purchased for this purpose why do you need legislation?

Mr. McMILLAN. This is legislation to give the Armory Board authority to get the stadium started.

Mr. COLMER. As to these bonds that will probably be issued, as brought out by the gentleman from New York [Mr. CELLER] does the Federal Government have any liability in connection with them?

Mr. McMILLAN. No, it does not.

Mr. COLMER. In other words, the bonds are not underwritten by the Federal Government.

Mr. McMILLAN. That is correct.

Mr. COLMER. And the cost to the taxpayers of this country would be the 192 acres of land?

Mr. McMILLAN. The Armory is using that land at the present time or the part that is not covered with old tempo buildings, you know. The baseball park patrons would use the same parking space that the Armory is using in addition to the idle land there at the present time.

Mr. COLMER. The Armory uses it now?

Mr. McMILLAN. Yes.

Mr. COLMER. Will the Armory continue to use it?

Mr. McMILLAN. Absolutely, when they need it.

Mr. COLMER. When they need it.

Is that safeguarded in the legislation?

Mr. McMILLAN. The Armory Board is administering both, so I suppose they would certainly take care of the Armory.

Mr. COLMER. Do I understand from that the Armory Board would have authority to displace the Armory if it so decided to expand this stadium?

Mr. McMILLAN. I do not think the site selected by the Stadium Commission would reach over into adjoining territory to interfere with the functions of the Armory.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from New York.

Mr. CELLER. What is the Armory Board, what constitutes the Armory Board?

Mr. McMILLAN. They have 3 members on the Armory Board. They are not paid members. They are appointed, one by the President, one by the Commissioners and one by the Congress of the United States.

Mr. CELLER. In answer to a question propounded by the gentleman from Mississippi, I believe the gentleman said there was no obligation on the part of the Federal Government with reference to the issuance of these bonds?

Mr. McMILLAN. That is my information.

Mr. CELLER. So that the primary obligator is the Armory Board?

Mr. McMILLAN. Yes, sir.

Mr. CELLER. No Federal agency has any obligation with reference to liquidation or payment of interest or principle on these bonds?

Mr. McMILLAN. No, sir.

Mr. CELLER. Does the gentleman feel that the bonds need to be tax exempt to enable them to be sold since they yield a rate of 6 percent?

Mr. McMILLAN. The Commission who wrote this bill seemed to think so. I did not write the bill.

Mr. CELLER. I do not want to press the gentleman, but I think we are entitled to have some information as to whether or not it is necessary in order to induce the sale of these bonds to make the bonds tax exempt.

Mr. KEARNS. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from Pennsylvania.

Mr. KEARNS. The gentleman from Texas [Mr. TEAGUE] is a member of the Commission; so am I. We feel it would work like the stadium in Cleveland where the Cleveland Indians use the stadium. It is used by football and baseball. The Nation's Capital does not have a stadium today, and I think we have to have some incentive to build it. We have Government free land here that was bought at a nominal fee, at an almost negligible amount so far as dollars and cents are concerned. We have the highways leading to the Armory where we can bring in the avenues of traffic there. It is an ideal situation so far as site and everything else is concerned. The Commission only brings its findings to the Congress with its recommendation as to evaluation of the whole Armory project. The gentleman brings up the 6-percent bond matter which is a very fine issue because we could build schoolhouses in America with 6-percent bonds tax free and we would not have to have any school-construction bill. We are going to let private industry do it.

Mr. CELLER. I welcome the idea that private industry shall do it, but I question whether or not it is essential to offer all of these inducements in order to get these bonds sold. If we pass a bill such as this, in many of the cities that have baseball parks, they are going to make a track to the door of Congress or some other Federal agency and say: "Look here, the Armory Board was authorized by the Congress to issue bonds which are tax exempt and are to be redeemed at 105, and bearing 6 percent interest. We want to have the same privilege. We do not want you to make fish of one and fowl of the other."

I assure you that within 30 days after we pass a bill of this character you are going to have all kinds of agitation to have this type of bond issue by some sort of authority in these various cities so that they can have new baseball parks and so forth. I am for a new baseball park; I am not opposed to that. I believe that in many cities, like the city of Brooklyn from whence I come, the baseball parks are inadequate. There may be other cities in a similar situation. But I wonder whether we are on the right road when we allow some entity, public or private, quasi public or private, to issue these bonds and we say that they shall be tax exempt. That is a very serious thing, and I think we should think twice before we leap at this matter.

The SPEAKER. The time of the gentleman from South Carolina has expired.

Mr. KEARNS. Mr. Speaker, I rise in opposition to the pro forma amendment.

Mr. Speaker, we are not trying to bring in anything new here. We are trying to build a stadium. You can very well imagine if you were serving on this Commission, you would be groping for many angles on the stadium, with the many sites presented and so forth. The Senator from Missouri, Hon. Mr. STENNIS, chairman of the Commission, of which I happen to be secretary, and I have asked the Congress to go along with this proposal so that we can go to the conferees and consider it intelligently. I do not say we will insist on 6-percent bonds, but let us build the stadium. Then, I think, if we can rent out the stadium to the Redskins and to the Senators and give them the privilege of playing there, that we are going to reduce those bonds quickly. And, the site is eventually returned to the Federal Government. They own the land now.

Mr. CELLER. Mr. Speaker, if the gentleman will yield further, your report on the first page says that the bill authorizes the board to issue 6 percent, 30-year bonds secured by a mortgage on the stadium on conditions determined by the board calculated to produce the cost of the stadium; that is, $6 million. Now, if you have an authorization like that, that is intended to establish that you are going to sell these bonds bearing 6-percent interest. There is no question about that. They will never be less.

Mr. KEARNS. We have a Commission and we have the District Committees of the Senate and the House, and we are trying to work out a problem. I think the bonds are a good investment.

Mr. CELLER. Why do you not have your bill read that it shall be in accordance with some sort of an agreement worked out between the two groups?

Mr. KEARNS. Would the gentleman agree to try to work it out in conference, sir?

Mr. CELLER. I did not hear the last.

Mr. KEARNS. I know the chairman of the District Committee will agree that we will try to work out those questions in conference before we bring it back.

Mr. CELLER. Oh, I think we have a right to act here for ourselves independently of the other body. If we feel it is improper to do it this way, we should say so and not leave it to the conferees.

Mr. CHELF. Mr. Speaker, will the gentleman yield?

Mr. KEARNS. I yield to the gentleman from Kentucky.

Mr. CHELF. What I would like to ask, is there not some way that you can offer an amendment, a slight perfecting amendment, and say "not to exceed 6 percent." At least, set some ceiling wherein and whereby the Congress shall set the prevailing rate. I would like to go on record now, so far as one Member of the House, and say that this shall not in anywise be considered as a precedent for any other town or hamlet throughout the country. I feel that the committee is trying its best to confine this to the Nation's capital, as I understand it.

Mr. KEARNS. Would the gentleman from New York agree to that?

Mr. MULTER. I have just presented to the desk an amendment which will strike out the words "not more than 6 percent" and insert in lieu thereof "to be approved by the Secretary of the Treasury."

Mr. CHELF. In other words, the then going interest rate.

Mr. MULTER. I am sure whoever the Secretary will be he will not approve a rate higher than the going rate.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. KEARNS. I yield to the gentleman from Maryland.

Mr. HYDE. These bonds are not going to be guaranteed in any way, shape, or form by the Federal Government. The Federal Government will not be in it at all. So why should the Secretary of the Treasury be in it?

Mr. MULTER. There is no doubt that any time we authorize the issuance of bonds, to be guaranteed by the Government or otherwise, particularly where they are tax free or tax exempt, as these bonds will be, they have an impact upon the entire monetary policy of the Government and certainly have an impact upon the rate that the Government will have to pay on any Government obligations. Certainly the Secretary of the Treasury should be consulted on a problem so important as this.

Mr. KEARNS. Would the gentleman be willing to leave that to the jurisdiction of our counsel and also the conferees of the Senate and the House, sir? I think we will do a very fine job.

Mr. McMILLAN. I will take the responsibility for accepting the amendment.

The SPEAKER. Is the gentleman from New York offering his amendment now?

Mr. MULTER. I offer an amendment, Mr. Speaker.

The Clerk read as follows:

Amendment offered by Mr. MULTER: On page 3, lines 3 and 4, strike out "6 per centum per annum" and insert "to be approved by the Secretary of the Treasury."

Mr. KEARNS. Mr. Speaker, may I speak to the amendment, please?

The SPEAKER. Does the gentleman rise in opposition to the amendment?

Mr. KEARNS. No. Would you be willing to amend your amendment to read "at the acceptance of the Secretary of the Treasury to consider this."

Mr. MULTER. Mr. Speaker, will the gentleman yield to me?

Mr. KEARNS. I yield to the gentleman.

Mr. MULTER. Mr. Speaker, I cannot understand the distinction the gentleman draws between the suggestion that this be acceptable to the Secretary of the Treasury and the language I have offered, that he approve the rate. I think we are talking about the same thing.

Mr. KEARNS. Mr. Speaker, for our side, we accept the amendment and hope to iron it out in conference.

The SPEAKER. The question is on the amendment offered by the gentleman from New York [Mr. MULTER].

The amendment was agreed to.

Mr. GROSS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 3, line 1, after the word "stadium", insert a comma and the following "including the land upon which said stadium is located."

Mr. GROSS. Mr. Speaker, I am very much interested in the land features of this proposal. I have not had a good answer to my question as to the amount of the land, and the value of the land that is to be turned over to the Board. According to the language in the bill on page 2, lines 20 through 24, the Federal Government apparently surrenders all right, title, and interest in a substantial amount of land and with no reimbursement to the Government.

My amendment provides for payment for the land presently owned or which may be acquired by the Government as a site for this stadium.

Mr. McMILLAN. Mr. Speaker, the committee agrees to the gentleman's amendment.

Mr. GROSS. I thank the gentleman.

The SPEAKER. The question is on the amendment offered by the gentleman from Iowa.

The amendment was agreed to.

The SPEAKER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

NATIONAL DEFENSE TRANSPORTATION

Mr. FRAZIER. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 22.

The Clerk read as follows:

Whereas the United States of America has the greatest transportation system ever developed and maintained anywhere in the world, and it is of the greatest importance that it be so recognized and maintained; and

Whereas the growth and development of all of the areas of the United States, the expansion of our commerce, trade, and cultural relations among the various sections of our country and with the nations of the world, are directly attributable to and their continuance dependent upon the transportation mobility of our people and the products of our farms and factories, serving adequately and effectively all our people; and

Whereas this great transportation system, by land, by sea, and in the air, has been so expansive and comprehensive as to become somewhat commonplace in its acceptability, and the true importance and significance of this great transportation system in the community life and security of all our people, and as a bulwark in support of the Armed Forces in a national emergency or preparedness in the defense of our country, is not given the full recognition to which this national development is entitled; and

Whereas without effective transportation, all logistic effort collapses, and without effective logistics, all defense collapses: Now, therefore, be it

Resolved, etc., That the President of the United States is authorized and requested annually to issue a proclamation designating the third Friday of May of each year as National Defense Transportation Day, and urging the people of the United States, including labor, management, users, and investors, in all communities served by any of the various forms of transportation by land, by sea, and by air, to observe this occasion by appropriate ceremonies which will give full recognition to the importance to each and every community and the people thereof of our transportation system and the maintenance of its facilities in the most modern state of adequacy to serve our needs in times of peace and in national defense.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. KEATING. Mr. Speaker, reserving the right to object, may I ask the gentleman from Tennessee if it is not a fact that this joint resolution was unanimously approved by the Committee on the Judiciary?

Mr. FRAZIER. That is correct; and it was passed unanimously by the Senate.

Mr. KEATING. As I understand it, it is approved by the armed services as being desirable?

Mr. FRAZIER. I understand that all transportation people, representing the railroads, the airlines, and the steamship companies, as well as the Department of Defense, approve the resolution.

Mr. KEATING. Mr. Speaker, I think it is a desirable resolution.

I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The joint resolution was read a third time and passed, and a motion to reconsider was laid on the table.

INCREASING RATES OF COMPENSATION FOR SERVICE-CONNECTED DISABILITIES

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 244 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 52) to provide increases in service-connected disability compensation and to increase dependency allowances. After general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Veterans' Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. DIES. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. DELANEY. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 69]

Anderson, Mont.	Fogarty	Morano
Anfuso	Fountain	Morgan
Ashley	Frelinghuysen	Morrison
Ayres	Fulton	Mumma
Bass, N. H.	Garmatz	Murray
Beamer	Gary	Nimtz
Boland	Granahan	O'Brien, N. Y.
Bow	Green, Pa.	Patterson
Bowler	Griffin	Philbin
Broyhill	Gubser	Powell
Buckley	Gwinn	Prouty
Carnahan	Harden	Reed
Chudoff	Harris	Rivers
Cole	Hays, Ohio	Robeson, Va.
Corbett	Healey	Rodino
Coudert	Holland	Roosevelt
Cunningham, Nebr.	Holtzman	Sadlak
Curtis, Mass.	James	Santangelo
Dawson, Ill.	Kearney	St. George
Derounian	Kelley, Pa.	Scherer
Diggs	Keogh	Selden
Dollinger	Kilburn	Sieminski
Donohue	Kluczynski	Stauffer
Dooley	Landrum	Teller
Durham	Lane	Tuck
Eberharter	Lennon	Utt
Elliott	Lesinski	Vursell
Engle	McCarthy	Watts
Evins	McConnell	Wharton
Fallon	McCormack	Whitten
Farbstein	Magnuson	Williams, Miss.
Fascell	May	Wilson, Calif.
Fino	Michel	Wolverton
	Miller, Nebr.	Yates
	Montoya	Zelenko

The SPEAKER. On this rollcall 321 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

INCREASING RATES OF COMPENSATION FOR SERVICE-CONNECTED DISABILITIES

Mr. DELANEY. Mr. Speaker, I yield one-half of my time to the gentleman from Massachusetts [Mr. MARTIN], and at this time yield myself such time as I may use.

Mr. Speaker, House Resolution 244 makes in order consideration of the bill, H. R. 52, which was unanimously reported by the Committee on Veterans' Affairs. An identical bill passed the House in the 84th Congress but died in the Senate.

This Resolution 244 provides for an open rule and 1 hour of general debate. I understand that last year the bill passed without a single vote being cast against it.

Mr. Speaker, there is no further time requested on the rule.

Mr. MARTIN. Mr. Speaker, there are no requests for time on this side of the aisle. We are in favor of the rule.

Mr. DELANEY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. TEAGUE of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 52) to provide increases in service-connected disability compensation and to increased dependency allowances.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H. R. 52, with Mr. MACK of Illinois in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. TEAGUE of Texas. Mr. Chairman, I yield myself such time as I may use.

Mr. Chairman, the bill which we are considering today relates entirely and exclusively to compensation for service-connected disabled veterans. It is identical to the bill (H. R. 12038) which was approved by the House on July 12, 1956, by a record vote of 391 to 0, 1 Member voting present.

The bill, last year, unfortunately was not passed by the other body for reasons not necessary to discuss at this time.

The bill generally increases all rates of compensation below 100 percent by 10 percent, rounded to the nearest dollar. For example, the present 10 percent disability is paid at the rate of $17 per month. The bill would increase this to $19.

In the case of a man totally disabled, the rate is increased from $181 to $225. This was done because the President's Commission—the Bradley Commission—found that the men totally disabled constituted the one group which was not receiving as much compensation as they should be receiving based on the amount other veterans, suffering from service-connected disabilities, were receiving. The bill also increases the rates for the more severely disabled by $30 in each different category to make the ceiling on all disability compensation $450 a month rather than $420 as exists today.

The so-called statutory award rate of $47, which are in addition to the rates of percentage disability, are not increased, nor is the minimum rate for arrested tuberculosis of $67. All those veterans receiving a percentage disability payment today would receive an increase under this bill.

Section 2 of the bill applies this same sort of increase to World War I veterans who are rated on the 1925 schedule for rating disability and involve so-called protected award cases. This is a limited group of veterans who are unable to meet the criteria set forth in the 1945 rating schedule.

Section 3 increases the rates provided in Public Law 877 of the 80th Congress, which authorized additional compensation for veterans 50 percent or more disabled and who have dependents. For example, a veteran today rated 100 percent or more disabled receives $181 monthly. If he has a wife, she would receive $21 additional. Under this bill that amount would be increased by 10 percent to make it $23. If the veteran is rated 50 percent disabled, for example, he would receive 50 percent of $23. This provision does not apply to those rated less than 50 percent disabled.

The first year's cost of this bill is estimated to be $169,707,000 and would decrease slightly in the fifth year to $164,586,000. Unlike the pension estimates, compensation cost generally will decrease as the years advance.

	Law [1]	H. R. 52
(a) 10 percent disability	$17.00	*$19.00*
(b) 20 percent disability	33.00	*36.00*
(c) 30 percent disability	50.00	*55.00*
(d) 40 percent disability	66.00	*73.00*
(e) 50 percent disability	91.00	*100.00*
(f) 60 percent disability	109.00	*120.00*
(g) 70 percent disability	127.00	*140.00*
(h) 80 percent disability	145.00	*160.00*
(i) 90 percent disability	163.00	*179.00*
(j) Total disability	181.00	*225.00*
(k) Anatomical loss, or loss of use of a creative organ, or 1 foot, or 1 hand, or blindness of 1 eye, having only light perception, rates (a) to (j) increased monthly by	47.00	*47.00*
Anatomical loss, or loss of use of a creative organ, or 1 foot, or 1 hand, or blindness of 1 eye, having only light perception, in addition to requirement for any of rates in (l) to (n), rate increased monthly for each loss or loss of use by	47.00	[2] *47.00*
(l) Anatomical loss, or loss of use of both hands, or both feet, or 1 hand and 1 foot, or blind, both eyes, with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, monthly compensation	279.00	*309.00*
(m) Anatomical loss, or loss of use of 2 extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, or suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, monthly compensation	329.00	*359.00*
(n) Anatomical loss of 2 extremities so near shoulder or hip as to prevent use of prosthetic appliance, or suffered anatomical loss of both eyes, monthly compensation	371.00	*401.00*
(o) Suffered disability under conditions which would entitle him to 2 or more rates in (l) to (n), no condition being considered twice, or suffered total deafness in combination with total blindness with 5/200 visual acuity or less, monthly compensation	420.00	*450.00*
(p) In event disabled person's service-incurred disabilities exceed requirements for any of rates prescribed, Administrator, in his discretion, may allow next higher rate, or intermediate rate, but in no event in excess of	420.00	*450.00*
(q) Minimum rate for arrested tuberculosis	67.00	*67.00*

[1] Peacetime rates are 80 percent of wartime rates.
[2] But in no event to exceed $450.

Additional disability compensation because of dependents [1]

	Wife, no child	Wife, 1 child	Wife, 2 children	Wife, 3 or more children	No wife, 1 child	No wife, 2 children	No wife, 3 or more children	Dependent parent or parents
Service on or after June 27, 1950; World War II; World War I; Spanish-American War, Philippine Insurrection, Boxer Rebellion; Civil War; Indian wars; Peacetime service (under combat or extrahazardous conditions)	$21.00 *23.00*	$35.00 *39.00*	$45.50 *50.00*	$56.00 *62.00*	$14.00 *15.00*	$24.50 *27.00*	$35.00 *39.00*	$17.50 (1) *19.00*; 35.00 (2) *38.00*
Regular peacetime service	16.80 *18.00*	28.00 *31.00*	36.40 *40.00*	44.80 *50.00*	11.20 *12.00*	19.60 *22.00*	26.00 *31.00*	14.00 (1) *15.00*; 23.00 (2) *30.00*

[1] Above rates are for 100-percent disability. If and while rated partially disabled, but not less than 50 percent, additional compensation is authorized in an amount having the same ratio to the amount specified in the applicable table, above, as the degree of disability bears to the total disability; e. g., war service-connected disability of 50 percent, compensation rate, $100. If veteran has a wife, his compensation is increased as follows: $100+$11.55=$111.55.

NOTE.—Rates in italics as in H. R. 52.

Mr. GRAY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GRAY. Mr. Chairman, I want to take this opportunity to congratulate the distinguished chairman of the Veterans Affairs Committee, the gentleman from Texas, [Mr. TEAGUE] and the members of his committee for reporting out H. R. 52.

Out of the hundreds of letters I receive weekly, a score of them are from sick and disabled veterans and their families who are experiencing undue hardships. A 10 percent increase in service-connected disability compensation will not mean a considerable amount of money. However, I can assure you that it is genuinely appreciated and sorely needed in most instances. I could not help but notice the Veterans' Administration request to defer action on this bill until the President's report had been submitted to Congress. In my opinion this is just another stall and I for one appreciate the committee going ahead and doing its duty in behalf of the needy veterans and their families.

The report accompanying this bill estimates the cost for the first year at $169,707,000 with each succeeding year seeing a reduction. Mr. Chairman, if we would stop our foreign aid give-away program this expenditure could be made to our veterans and scarcely be missed. I am hopeful that the other body will take prompt and favorable action on this bill so that some of the human suffering can be alleviated by those who have given so much.

Again, I want to congratulate the chairman and the committee on their efforts in reporting out H. R. 52.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I have no requests for time. This bill passed the House unanimously in the last session of the Congress, but the other body did not act upon it. The sooner we get it through, the better off the disabled veterans will be. I think the Members would be interested to know that this is in part the recommendation of the Bradley Commission. I am delighted because I have long felt some of the ratings were too low. I still believe some should be raised. For instance the single amputees.

H. R. 52 would increase, by 10 percent in most cases, the rates of compensation payable to veterans for service-connected disabilities and the rates of additional allowances for dependents which are payable to veterans whose disabilities are rated 50 percent or more. The bill would provide a greater percentage increase in the basic rate payable for totally disabled cases. Such rate would be increased from $181 to $225 monthly. This greater increase is consistent with one of the findings of the Bradley Commission which indicated that there is a greater inadequacy in the present rate for total disability than in the other basic rates. The bill would also increase the so-called statutory awards for certain specific disabilities, with the maximum rate payable for combinations of the most severe disabilities increased from $420 to $450 per month. The specific amounts that I have mentioned are those payable in wartime cases. Peacetime disability cases are paid 80 percent of the wartime rates, and the bill would similarly increase the former rates.

As previously mentioned, the bill provides a 10-percent increase in the additional allowances for dependents. The original law on this subject required a disability rating in the case of 60 percent or more. This requirement was reduced to 50 percent in 1949 by Public Law 339, 81st Congress. However, the latter law was not a direct amendment of the original law. The amendment proposed by section 3 (c) of H. R. 52 is, therefore, merely a technical one and would have no substantive effect.

The Congress has long recognized that our primary obligation in the field of veterans' benefits is with respect to those with disabilities that were incurred in or aggravated by military, naval, or air service, and this obligation has been recognized in the form of a monetary benefit called compensation. The rates of such compensation have not been increased since 1954. In August of that year the Congress granted a 5-percent increase by Public Law 695, 83d Congress. The rates of additional allowances for dependents have not been increased since they were originally established in 1948. There can be no question but that the rates of compensation authorized to meet our obligation to the service-disabled veterans must be reasonably adequate. I believe the increases proposed by H. R. 52 are fully justified and strongly urge its approval by the House.

The CHAIRMAN. If there are no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That (a) all monthly wartime rates of compensation payable under public laws administered by the Veterans' Administration for disability less than total (not including special awards and allowances, dependency allowances, or subsistence allowances), are hereby increased by 10 percent.

(b) All rates of compensation increased by subsection (a) shall be further adjusted upward or downward to the nearest dollar, counting 50 cents and over as a whole dollar.

(c) In adjusting the rates of peacetime disability compensation under part II of Veterans Regulation No. 1 (a) because of the increases provided in subsection (a) and the adjustments provided in subsection (b), such rates shall be further adjusted upward or downward to the nearest dollar, counting 50 cents and over as a whole dollar.

(d) Paragraph II (j) of part I of Veterans Regulation No. 1 (a) is amended to read as follows:

"(j) If and while the disability is rated as total the monthly compensation shall be $225."

(e) The maximum rates of compensation set forth in paragraph II (k), II (o), and II (p) of such part I are increased to $450 per month.

(f) The rate of compensation payable under paragraph II (l) of such part I is increased to $309.

(g) The rate of compensation payable under paragraph II (m) of such part I is increased to $359.

(h) The rate of compensation payable under paragraph II (n) of such part I is increased to $401.

SEC. 2. (a) The basic rate of compensation provided by section 202 of the World War Veterans' Act, 1924, as amended, for any disability rated as total is hereby increased to $225 per month.

(b) The rate of compensation payable under section 202 (3) of the World War Veterans' Act, 1924, as amended, for the loss of the use of both eyes is hereby increased to $309; the rate payable under that section for the loss of use of both eyes and one or more limbs is hereby increased to $401; the rate payable under that section for double total permanent disability is hereby increased to $401: *Provided*, That in no event shall the rate of compensation received hereunder plus the amounts payable under any other provision of the World War Veterans' Act, 1924, as amended, exceed $450 per month in any case.

SEC. 3. (a) Paragraph (1) of the first section of the act entitled "An act to provide increases of compensation for certain veterans with service-connected disabilities who have dependents," approved July 2, 1948 (38 U. S. C., sec. 740), is amended to read as follows:

"(1) If and while rated totally disabled and—

"(A) has a wife but no child living, $23;

"(B) has a wife and one child living, $39;

"(C) has a wife and two children living, $50;

"(D) has a wife and three or more children living, $62;

"(E) has no wife but one child living, $15;

"(F) has no wife but two children living, $27;

"(G) has no wife but three or more children living, $39;

"(H) has a mother or father, either or both dependent upon him for support, then, in addition to the above amounts, $19 for each parent so dependent."

(b) Paragraph (1) of section 2 of such act (38 U. S. C., sec. 741), is amended to read as follows:

"(1) If and while rated totally disabled and—

"(A) has a wife but no child living, $18;

"(B) has a wife and one child living, $31;

"(C) has a wife and two children living, $40;

"(D) has a wife and three or more children living, $50;

"(E) has no wife but one child living, $12;

"(F) has no wife but two children living, $22;

"(G) has no wife but three or more children living, $31;

"(H) has a mother or father, either or both dependent upon him for support, then, in addition to the above amounts, $15 for each parent so dependent."

(c) Such act is further amended by striking out "60 percent" wherever it occurs and inserting "50 percent."

SEC. 4. This act shall take effect on the first day of the second calendar month which begins after the date of its enactment.

The CHAIRMAN. Are there any amendments? If not, under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. COOPER] having assumed the chair, the gentleman from Illinois [Mr. MACK], Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 52) to provide increases in service-connected disability compensation and to increased dependency allowances, pursuant to House Resolution 244, he reported the bill back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 3 legislative days to extend their remarks in the body of the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and that all other Members may extend their remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mr. SHUFORD. Mr. Speaker, I am very much in favor of the provisions of H. R. 52, which was the first bill reported by the Committee on Veterans' Affairs during the first session of the 85th Congress. It is indeed appropriate, in my opinion, that this should be the first action of our committee because it deals entirely and exclusively with service-connected compensation.

The bill before us today provides, generally, a 10-percent increase in the basic rate of compensation for our veterans who have received disabilities in the service of our country. The only higher rate is the one applicable for those who have become totally disabled, and in line with the findings of the President's Commission, the so-called Bradley Commission, we have increased this group to $225 monthly, or a 24-percent increase over the existing rate.

It is encouraging to know that this bill is supported by all our veterans organizations, and in view of the action of the House in the 84th Congress in approving this legislation unanimously on a record vote, I hope that we will have no difficulty in speedily enacting this legislation into law.

Mr. FASCELL. Mr. Speaker, I would like to take this opportunity to emphasize my wholehearted and enthusiastic approval of the bill just approved by the membership to increase service-connected disability compensation and dependency allowances. I was proud to cosponsor this proposal last year and again this year. Approval of this increase is long overdue and I hope the measure will receive the prompt and favorable action of the other body.

Mr. EDMONDSON. Mr. Speaker, I am very pleased to see House action on this much-needed legislation at this early point in the session of the 85th Congress.

This increase in compensation for our disabled veterans and their dependents has been urgently needed for many months, and each increase in the cost of living has increased the urgency of the problem confronting many deserving American families dependent upon these payments for their daily bread.

Mr. Speaker, I hope the House will soon follow the precedent set by this bill to make appropriate adjustments in other fields, where the impact of the cost of living rise is being felt just as painfully by deserving citizens.

Mr. WHITENER. Mr. Speaker, I commend the distinguished chairman of the Veterans' Affairs Committee for the leadership which he has given in both the 84th and 85th Congresses in the consideration of legislation to provide increases in service-connected disability compensation and in increasing dependency allowances for dependents of service-connected disabled veterans.

I strongly urge the passage of H. R. 52 which we now have before us. An identical act was passed by the House on July 12, 1956, under the designation H. R. 12038. Unfortunately, the other body did not act upon H. R. 12038 during the 84th Congress.

H. R. 52 deals entirely and exclusively with the subject of compensation for service-connected disabled veterans. Generally, it increases all rates of compensation below 100 percent by 10 percent, rounded to the nearest dollar. The increase for those totally disabled amounts to a 24 percent increase.

The need for a revision and increase of compensation rates for these partially and totally disabled veterans and their dependents is indicated by the commonly recognized increase in cost of living. The modest increases provided in H. R. 52 will not, in my opinion, be commensurate with the accelerated expenses of existence which confront our disabled veterans, but at least it will show to them that the people of this Nation are still aware of the great sacrifice which these disabled men made for their country in time of international crisis.

I want to impress upon the Members of the House that this bill is a very conservative piece of legislation. It has been thoroughly considered by our Veterans' Affairs Committee. It is worthy of the support of every Member of this body.

EXEMPTION FOR DEPENDENTS

Mr. CHELF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. CHELF. Mr. Speaker, on January 18, 1954, I introduced a bill to increase the yearly income tax exemptions of a dependent from $600 to $1,200. Later on, or about March 20, 1955, I introduced H. R. 2569, which changed this exemption from $1,200 to $1,000. On January 3, 1957, I introduced H. R. 590, which again sought to allow at least a $1,000 tax credit to our hard-pressed taxpayers. Today, Mr. Speaker, I am introducing legislation to change the $1,000 to $900. Here is why I have been so persistent in my fight to reduce Federal taxes. A person earning less than $1,200 a year, or $100 a month, has absolutely no business whatsoever of paying any income tax, either to the Federal Government, State government, or the District of Columbia. A person just simply cannot live on $1,200 a year, especially since inflation has cut the dollar to 50 percent of its former purchasing power. Then why have I offered legislation today to give the taxpayers a $900 exemption instead of the $1,200 that I sought for them under my first bill? I am realistic enough to know that in order to secure any help at all at this session for the taxpayer,

especially the little taxpayer, I will just simply have to accept that which can be actually obtained. In other words, I had hoped to get an exemption of $1,200. That having failed, I introduced legislation seeking a $1,000 exemption. When I became convinced that the $1,000 exemption request was getting nowhere, I decided to introduce this bill authorizing an exemption of $900 instead of the $600 income tax exemption allowed to dependents under existing law. In my previous bills I also sought an $1,800 a year tax exemption for each dependent child under 21 years of age who was attending any recognized college, university, or other legitimate institution of learning. Upon realizing that this amount was likewise making no headway, I have changed it to $1,200 exemption. Since I cannot get a whole loaf for the taxpayer, I am willing to accept a half, or even a quarter loaf, which is far better than nothing at all.

I am sure there are those who will argue that it is impossible to cut taxes in view of the $72 billion budget the President has submitted to the Congress. Frankly, if no reduction were made in the budget, this would make good sense. However, the House of Representatives has already, this year, cut the first seven appropriation bills for the coming fiscal year by more than $1 billion, or 7.3 percent of the amount requested by the President. Now even the President agrees we can safely cut the budget by nearly $2 billion. I shall vote to cut wherever it is possible without impairing our national defenses. I have vigorously supported most of the reductions already made and I have every reason to believe that when the final cuts in the budget by the 85th Congress have been totaled, a sufficient amount will have been reduced so as to allow a reasonable income tax reduction. One of the most comforting signs that this 85th Congress will reduce the budget, and thereby cut taxes, is the action taken on May 9, 1957, by a Senate committee in supporting previous House cuts. This is most heartening. It is indeed a good omen. If we keep on trimming the President's all-time high peacetime budget—not by the meat-ax approach but in an orderly manner—it can and will be cut without danger to our defenses and a reasonable tax cut voted for our people. I repeat, we must act carefully and prudently in this matter. We must be wise budgeteers and not foolish bludgeoneers.

It is my sincere belief that if we can wisely cut the budget, and we can, the savings passed on to our people in the form of tax reduction would strengthen our entire economic structure. It will enable the little fellow, the laboring man, to pay his debts and to spend more, all of which would put more money in circulation, create more buying power, more jobs, give a shot in the arm to little business, help our farmers who are hanging on the ropes financially, and actually return more money into the Treasury through the medium of excise taxes in lieu of income taxes. This would help us to cut the national debt and help us to reduce our vast stocks of surplus food and other commodities as well. A tax reduction would also restore incentive and act as an inducement to all business and industry—even to private individuals.

To make a long, sad story short, if we will only reduce the budget and with it the Federal spending, we can reduce not only the income tax but most of these wartime taxes that are still on the books. This would greatly help to balance the budget of the average taxpayer. Once he is balanced on his feet and not on his head, the Federal budget can be balanced with far more ease, and payments made on the national debt.

FARM POLICIES

Mr. HILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. HILL. Mr. Speaker, I have noted with increasing interest the remarks of my colleague across the aisle, the gentleman from Iowa [Mr. COAD], who seems to be taking a belated interest in the farm situation by attacking the Secretary of Agriculture every other day or so.

Last Monday, for example, the gentleman from Iowa [Mr. COAD] attacked the administration's farm policies and called for the resignation of Secretary Benson. Mr. COAD took issue mainly with Mr. Benson's proposal to overhaul the Nation's basic farm laws which the Secretary believes are obsolete and unworkable. More specifically, Mr. COAD disagreed with the Secretary's request for greater discretion in fixing price supports than is presently provided by law.

Mr. Speaker, when a Secretary of Agriculture, who incidentally has been a farmer most of his life, calls some 25 years and nearly $12 billion worth of Federal farm programs a flop, I believe it is time for the Congress to sit up and listen. Mr. Benson said, in effect, that these vast expenditures have made "little or no contribution to the problem of the low-income farmers" and he served notice that unless Congress begins to take a more realistic attitude toward agriculture, the problems will get bigger rather than smaller.

Although his views on farm policies are considerably misguided, I am nonetheless happy to see that the gentleman from Iowa is finally waking up to the fact that something must be done for the farmers. He offers no solution other than firing Secretary Benson. If Mr. COAD had awakened early in this session to the farm problem, perhaps he would not have opposed, and helped to defeat the Republican sponsored emergency corn legislation which was designed to assist the farmers in the corn producing areas of his district. That legislation would have increased corn acreages this year from 37.3 million acres to 51 million acres and enabled corn farmers to place acreages equal to 15 percent of their allotment in the soil bank.

In my judgment, the gentleman voted against the best interests of his farmers by supporting the so-called Cooley bill. A bill which would have opened the soil bank to growers of basic crops as well as feed grains, cost $1 billion a year and would have destroyed the soil-bank program. He knew that President Eisenhower would veto the Cooley bill even if the Congress passed it. In short, the gentleman from Iowa talks a lot about helping the farmers of his district but votes against them.

AN ACCELERATED DOMESTIC ATOMIC POWER PROGRAM

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, the Joint Committee on Atomic Energy has recently concluded hearings required by section 202 of the Atomic Energy Act of 1954, and also on bills calling for Federal indemnification for atomic energy users. We have listened with a great deal of interest to honest and sincere persons from the Atomic Energy Commission, industry, labor, universities, and many others, giving us their opinions concerning the development and state of the atomic art and possible ways to encourage greater utilization of this vast new energy for the betterment of all our fellowmen.

Throughout these hearings, there were many suggestions that we should further accelerate the development of atomic power demonstration facilities in the United States. Let us look briefly at these suggestions; but, while doing so we must keep the picture in proper focus and not lose perspective of the economics involved in reactor development. It must be emphasized and reemphasized that the United States, at the present time, is not in critical need of additional electric generating capacity.

There is no immediate shortage of conventional fuels to supply steam for electric generating equipment. This I know because I have the privilege of representing an important coal-producing area of the country. The situation could conceivably change in decades to come. It is possible that the chemical properties of fossil fuels may be so valuable that it will be relatively uneconomic to continue burning them up simply as a source of heat.

In spite of the fact our electric energy requirements have been doubling each decade for almost half a century, our Nation's electric companies have had no substantial difficulty in meeting this need. I might say, by way of parenthesis, it is interesting to note the only areas in this country where there has been a recurring shortage of power are those served primarily by a couple of well-known Federal power programs.

Atomic electric power is not yet competitive on an economic basis with conventional power in this country. In various other parts of the world, however, atomic power is already competitive, or very close to it because of the high cost of conventional fuels. One of my colleagues

on the joint committee, the gentleman from New York [Mr. COLE], recently introduced H. R. 5694, part of which would encourage construction of reactors by American firms in these foreign areas. Such foreign construction would supply valuable information as to improvements in reactor concept and design that would more quickly lead to economically competitive atomic powerplants in this country.

As beneficial as this section of H. R. 5694 would be, there may be a need for reactors to be constructed in the United States. Domestic reactors would serve as large-scale laboratories to supply information as to our own particular technical requirements. They would also serve as training grounds for the future scientists and engineers which we so desperately need.

There should be little doubt that the atomic power demonstration program now being undertaken by the Atomic Energy Commission and the various private development activities will lead to our desired goal of economic atomic power on a time scale dictated by normal industrial needs.

On the other hand, for noneconomic reasons of national prestige in the eyes of the world there is a need for us to maintain and extend our world leadership in atomic affairs. Such leadership would not be particularly meaningful, though, if measured solely in terms of installed kilowatts. The leadership of this Nation should be measured in terms of broad and varied technological development and application. To use the kilowatt measurement would be like saying that, if Russia produced more model T Ford's today than the United States produces 1957 models, then America is falling behind in the automotive race.

We must not be stampeded into a crash program of Federal reactor construction to meet the grandiose claims of other nations. Rather, let us approach this question with the same foresight and considered determination which has proved so helpful in meeting other production problems in the past. The economic history of this country as compared with other countries of the world should be proof enough that the American system of free enterprise is the best method of getting the job done.

Let me site a graphic example of how another facet of the atomic business has benefited by the Government's encouragement of private enterprise. The exploration, discovery and mining of uranium ore has been accomplished by private enterprise with only minimum interference, but maximum encouragement by the Government. This progressive policy has resulted in a uranium mining and processing industry which is second to none in the world today. We can rightfully expect a similar program of encouraging the development of civilian atomic power reactors by private enterprise to produce the same beneficial results.

Mr. Speaker, for this reason, I introduced a bill designed to further encourage the development of civilian atomic power reactors by industrial firms, electric companies, and local agencies. This proposal will in no way conflict with H. R. 5694. I sincerely believe the gentleman from New York and I are in agreement on the methods which we feel should be utilized to meet the challenge which atomic energy represents. The challenge which is also stated in section 1 of the Atomic Energy Act of 1954 that the development, use and control of atomic energy shall be directed so as to promote world peace, improve the general welfare, increase the standard of living, and strengthen free competition in private enterprise.

Last year the House considered a bill—H. R. 12061, 84th Congress—to accelerate the atomic-power program, and, after debate, and after certain amendments had been adopted, I introduced a motion to recommit the bill to committee, which carried. I stated then that I was not satisfied with the bill in its form at that time, and that I believed it needed further study.

Since then I have listened to considerable testimony on this subject, and have given the matter considerable thought and study. Today I introduced a bill which I believe provides the proper basis for authorizing an accelerated civilian atomic-power program.

I have prepared a digest of this bill which I would like to have printed in the RECORD at this point:

Section 1 states that the act may be cited as the "Accelerated Civilian Atomic Power Act of 1957."

Section 2 adds a new definition to the Atomic Energy Act of 1954. It defines the term "incremental cost" as the difference between the estimated capital cost of the construction of an electric-power-generating plant using fossil fuels and the estimated capital cost of one using atomic fuels of the same thermal capacity in the same locality.

Section 3 (a) amends the Atomic Energy Act by inserting a new chapter 19 entitled "Accelerated Civilian Atomic Power Program," which contains sections 241, 242, and 243, with appropriate redesignations of certain chapter and section numbers.

Section 241 states the purpose and policy of the chapter.

Subsection 242 (a) provides for research and development assistance to the civilian power-reactor program. This subsection gives additional statutory authorization for the Commission to enter into contracts with persons for the conduct of research and development activities required in the construction of prototype power-reactor facilities and is intended to accelerate Commission efforts and assistance under the AEC power demonstration reactor program. The bill provides for private ownership of such facilities, unless the expenditure of funds by the Commission for research and development activities on the facility exceeds the expenditure made by the contracting person.

Subsection 242 (b) provides that the expenditure of Commission funds for assistance to projects initiated under subsection (a) shall not exceed the incremental cost of the facility, as defined in section 2 of this bill.

Subsection 242 (c) authorizes the Commission to proceed with an advanced design and development program for construction of reactor facilities to be capable of producing not more than 50,000 kilowatts of electricity. The facilities authorized by this subsection shall be constructed at AEC production sites, and the electric energy generated shall be used by the Commission. The bill authorizes to be appropriated $100 million to carry out the provisions and purposes of this subsection.

Subsection 242 (d) authorizes the Commission to construct any supporting facilities, such as reprocessing facilities, necessary for the program.

Subsection 242 (e) provides that information as to the amount of financial assistance provided by the Commission for research and development activities under this program shall be disclosed and made public.

Section 243 (a) provides that this chapter shall not operate to impair or interfere with the atomic weapons production program or the AEC reactor demonstration program.

Section 243 (b) provides that the facilities authorized under section 242 (c) shall be sold to the highest responsible bidder after they have been in operation for a period of 15 years.

Section 3 (b) amends the table of contents to the Atomic Energy Act to reflect the amendments of section 3 (a) of the bill.

Section 4 amends the Internal Revenue Code to include atomic power reactor demonstration facilities constructed under section 104 or under this chapter in the definition of "emergency facilities" and thus eligible for possible tax amortization deductions. The Atomic Energy Commission is designated as the certifying authority, and the adjusted basis is limited to the amount certified by the Commission as being necessary to achieve the purposes and policies of this bill.

I would also like to add a few words about the philosophy and the purpose behind my bill.

This bill is intended to provide for a civilian atomic power acceleration program in a manner which will not discourage private enterprise and initiative in this field. The bill does not provide authorization for construction of large-scale power reactors, because I believe that this is the proper province for private enterprise. But the bill does provide for research and development assistance to the civilian power reactor program. This is intended to reinforce the Commission's authority to continue and accelerate its efforts under the AEC power demonstration program.

The bill also authorizes the Commission to proceed with an advanced reactor design and development program by constructing comparatively small-scale reactors capable of producing not more than 50,000 kilowatts of electricity, to be constructed at AEC production sites. The bill authorizes an appropriation of $100 million for this purpose.

Therefore, my bill is somewhat similar to the bill considered by the Congress during the last session—H. R. 12061, 84th Congress—providing for a civilian atomic power acceleration program with the following significant differences:

First. It authorizes construction only of advanced design and development facilities, and not large-scale facilities.

Second. It authorizes and encourages the Commission to continue and redouble its efforts under the power reactor demonstration program to assist private industry in the development of both small- and large-scale atomic power reactor facilities.

Third. It authorizes the appropriation of $100 million rather than $400 million. It is contemplated that the appropriations would be spread over a 5-year period, or at the average rate of $20 million per year.

Fourth. It contains certain protective amendments adopted by the House of Representatives during the debate on the

bill last year. However, it does not require that the AEC obtain proposals from private industry before undertaking construction of advanced design and development facilities, because it is not contemplated that the Government-sponsored advanced design small-scale construction program will conflict with the private industry program, but rather will assist it by exploring new fields.

In addition, the bill provides for an amendment to the Internal Revenue Code to include atomic power reactor demonstration facilities in the definition of "emergency facilities" and thus eligible for possible tax amortization deductions. This amendment to the Internal Revenue Code is of a limited nature and applies only to the facilities qualifying under this program. Since the evidence before our committee has demonstrated conclusively that construction of atomic power reactors is unprofitable and uneconomical at this stage, and since the national interest requires accelerated effort in this field, it seems clear to me that this limited tax relief is justifiable and in the public interest.

In conclusion, I would like to emphasize again that my bill is intended to provide for acceleration of the atomic-power program without, at the same time, discouraging efforts by private enterprise in this field. It provides for increased assistance to private enterprise, and authorizes Government construction of reactor facilities of advanced design and their development.

The bill which I have introduced today meets, I believe, the objections to last year's bill and will, I hope, provide the basis for sound compromise in this field. It does not authorize a "crash" program involving expensive large-scale governmental construction which is not necessary in this country at this time, but it does provide for a more long-range program with a definite part to play by both private industry and Government. My bill is intended, as I stated earlier, to supplement the bill introduced by my colleague from New York [Mr. COLE], H. R. 5694, which provides assistance for construction of reactors for installation abroad. My bill provides for similar assistance and encouragement to an accelerated domestic atomic power program.

I hope that this bill will provide a basis for compromise and agreement among the many different views of the many distinguished Members of the Congress who have given thought and study to these problems. I believe it sufficiently protects the interests of the coal industry, the private and public utility groups, that it should aid the private reactor manufacturers, and that it is clearly in the national interest by authorizing a balanced, long-range program for the development of atomic power, with resulting benefits to all our citizens and the peoples of the free world.

THE JENKINS-KEOGH BILL

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENKINS. Mr. Speaker, I am sure that practically all Members have been receiving messages of some kind with reference to the Jenkins-Keogh bill. I want to say that in spite of the name the Jenkins-Keogh bill is a very good bill, and personally I hope Members will give it their best attention.

As proof that it is a good bill, on yesterday I received 300 telegrams in favor of the bill, so it seems to be very popular. These telegrams were signed by doctors, lawyers, and influential businessmen.

I have received hundreds of letters and telegrams. I am advised that the membership of the House and Senate have received thousands of messages. Most of the messages come from business and professional men and women.

These bills are identical in language and seek to bring social security to employers.

The present social-security law brings security to the employees of the country and the Jenkins-Keogh bills seek to bring security to the self-employers.

The following is an analysis of H. R. 9 and 10, and I shall insert this in the RECORD as a part of my remarks:

ANALYSIS OF H. R. 9 AND 10, THE SO-CALLED JENKINS-KEOGH BILL

GENERAL STATEMENT

The purpose of the bill is to encourage the establishment of voluntary pension plans by self-employed individuals. This would be accomplished by affording such individuals a tax deferment on a limited portion of their income set aside for their retirement. Under existing law such tax deferment is afforded to employed persons whose employers have established so-called employee pension plans meeting certain statutory requirements. However, since self-employed individuals cannot be their own employees, they cannot qualify under existing legislation.

It will be recalled that the Social Security Act, which sets up a compulsory system of old-age pensions, originally only applied to employed persons, but was later extended to most self-employed persons. H. R. 9 and 10 would give self-employed persons a measure of equality with employed persons so far as supplemental private pensions are concerned.

SUMMARY OF BILL

Generally speaking, the bill would allow self-employed persons a deduction for Federal income-tax purposes for amounts set aside for their retirement, with a proviso that the annual deduction could not exceed the lesser of 10 percent of self-employment income or $5,000. However, a special rule would be provided in the case of persons now 50 years of age or over who would have only a few years in which to build up a retirement fund. In their case the allowable deduction would be increased one-tenth for each year of age over 50 and not over 70. To the extent that allowable deductions were not used in any year they would serve to increase the allowable deduction during the following 5 years until exhausted, except that a maximum annual ceiling of $5,000 would still apply. A self-employed individual could not deduct over his lifetime more than 20 times the maximum annual contribution under the general rule.

The definition of a self-employed individual is the same as under the self-employment provisions of the Social Security Act, except that it also includes those not presently covered under such provisions, such as physicians, ministers, etc. Self-employed persons who also are employed during the year are not disqualified unless they are currently a member of, or are receiving payments under, a governmental or private pension or profit-sharing plan, or have received a distribution of, their interest in such a pension or profit-sharing plan.

The allowable deduction is in terms of amounts paid as so-called retirement deposits, which are defined as amounts paid into a restricted retirement fund or as premiums under a restricted retirement policy.

A restricted retirement fund is defined as a trust or custodian account established under a retirement plan for self-employed individuals. Funds held in a restricted retirement fund could be invested only in Federal, State, and municipal securities, corporate stock or securities listed on a recognized exchange (other than stock or securities in a corporation in which a member of the plan owns more than 10 pe rcent of voting stock), and stock in a so-called regulated investment company meeting the requirements of section 851 of the Internal Revenue Code. Earnings realized by a restricted retirement fund would not be taxable until distributed to the participants.

"Restricted retirement policies" would include life insurance or annuity contracts except term insurance, but in the case of life-insurance policies no deduction would be allowed for the portion of the premium attributable to the cost of life-insurance protection. Restricted retirement policies would include both newly issued annuity, endowment, and life-insurance contracts and existing policies, except that in order to use existing policies as a funding medium the insurance company would first have to be notified of the taxpayer's intention and make the necessary endorsement on the policy.

The bill contemplates generally that retirement funds will not be payable until age 65. They would be subject to income tax in the hands of the participants at the time distributed. Lump-sum distributions after age 65 would be taxed under a special formula to avoid having the retirement funds largely dissipated by being taxed in 1 year under the higher surtax brackets. In lieu of the rates otherwise applicable, the lump-sum distribution would be assessed at five times the rate applicable to one-fifth of the amount. The same treatment would be given payments on the death of the participant.

Withdrawal of the retirement fund prior to age 65 is permitted, subject to the payment of a penalty. In such case, it is provided that the tax shall be 110 percent of the amount which would have been payable had the distribution been included in the individual's gross income ratably over the taxable year and the 4 taxable years immediately preceding (or such lesser number of immediately preceding taxable years in which retirement deposits were made).

The foregoing tax provisions would apply equally to distributions from a restricted retirement fund and under a restricted retirement policy.

STATE RIGHTS AND THE CONSTITUTION VERSUS CIVIL RIGHTS AND THE SUPREME COURT

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. MASON] is recognized for 45 minutes.

Mr. LONG. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently no quorum is present.

Mr. WILLIS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 70]

Anderson, Mont.	Gary	Norrell
Anfuso	Granahan	Patterson
Avery	Green, Pa.	Philbin
Ayres	Griffin	Powell
Barden	Gubser	Prouty
Barrett	Gwinn	Reed
Bass, N. H.	Harden	Rivers
Beamer	Harris	Robeson, Va.
Boland	Hays, Ohio	Rodino
Bow	Healey	Roosevelt
Bowler	Holland	Sadlak
Broyhill	Holtzman	Santangelo
Buckley	James	St. George
Carnahan	Kearney	Scherer
Chudoff	Kelley, Pa.	Selden
Cole	Keogh	Shelley
Corbett	Kilburn	Sieminski
Coudert	Kluczynski	Simpson, Pa.
Curtis, Mass.	Landrum	Stauffer
Dawson, Ill.	Lane	Steed
Derounian	Lennon	Teller
Diggs	Lesinski	Thomson, Wyo.
Dollinger	McCarthy	Tuck
Donohue	McConnell	Utt
Durham	McCormack	Vursell
Eberharter	McFall	Wainwright
Elliott	Magnuson	Watts
Evins	May	Wharton
Fallon	Michel	Wigglesworth
Farbstein	Morano	Williams, Miss.
Fascell	Morgan	Wilson, Calif.
Fino	Morrison	Wolverton
Fogarty	Moss	Yates
Fulton	Mumma	Zelenko
Garmatz	Murray	
	Nimtz	

The SPEAKER pro tempore. On this rollcall 326 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. MASON] is recognized.

Mr. MASON. Mr. Speaker, for over 150 years the American people lived with and under the Federal Constitution and its provisions—as drafted by the Founding Fathers. During that time they were a happy, contented, and a prosperous people. Both the Government and the people prospered and developed as no other government or people has prospered or developed since civilization began.

Then came our New Dealers, our Fair Dealers, and our Modern Republicans with ideas and proposals to change our constitutional form of government into a welfare state, a centralized Socialist-Labor government, with our sovereign States relegated to a subservient position, exercising only those powers and duties that might be assigned them by an all-powerful, arrogant, dictatorial, centralized Federal Government—divorced from those powers, duties, and privileges guaranteed to the State by our Federal Constitution.

Mr. Speaker, in order to bring about this government transformation, it became necessary to first take away from the States all the rights, powers, and privileges that were guaranteed them by the Constitution. And in order that this first step might be taken we had to have a Supreme Court that would be sympathetic to the proposed government changeover.

President Franklin D. Roosevelt actually proposed setting up just such a court early in 1937 when he tried to pack the Supreme Court with Justices that would be socially, economically, and politically minded instead of being legally experienced and judicially inclined. Roosevelt made no secret of the fact that he wanted to implement his own social and economic objectives regardless of the constitutionality of those objectives. Failing in his attempt to pack the Court, he proceeded to begin the process of stacking the Court by appointing to every vacancy that occurred persons who had social, political, and economic beliefs similar to his own—liberal ideologists with little or no experience in either legal or constitutional problems.

President Roosevelt's example was followed by President Truman and also by President Eisenhower, especially when he appointed Earl Warren as Chief Justice. So today a majority of the Supreme Court Justices are men that are socially, economically, and politically minded rather than men legally experienced and judicially inclined. Therefore, most of the recent Supreme Court decisions are based upon the social, economic, and political convictions or predilections of the Justices rather than upon legal precedents or constitutional grounds. Because this situation exists today within the Supreme Court, we have such decisions as the following:

First. The Pennsylvania sedition case: Where Steve Nelson, a Communist convicted and sentenced under the sedition law of Pennsylvania, was—so the Court held—illegally convicted because the Smith Sedition Act passed by Congress preempted the field of sedition and deprived the States of all jurisdiction in that field. This decision affected 32 States, nullifying their laws on sedition.

Second. The New York Slochower case: Where the Supreme Court ruled that Dr. Harry Slochower had been fired from his teaching position illegally by the Brooklyn City College board because the due process of law had not been followed in his case.

Third. The Michigan "dirty book" case: Where the Supreme Court declared invalid a Michigan State law forbidding the sale of books, magazines, or publications "tending to incite minors to violent, depraved, or immoral acts." According to this ruling a State may use its police powers to protect a minor from physical harm but it cannot use those same police powers to protect a minor from mental or moral harm.

Fourth. The bus segregation case: Where the Court ruled that no State or city has the right to require segregation on local buses. Yet the Constitution clearly shows that the jurisdiction over intrastate transportation—transportation entirely within the State—is left absolutely to the States.

Fifth. The school segregation case: Where the present Supreme Court ignored a Supreme Court's decision of 60 years' standing, overthrew a century of custom and practice, and required integration in the public schools, causing chaos and confusion in at least 12 States as a result.

Sixth. The Girard College case: The most recent Supreme Court action was the issuance of an order in the Girard College case in which the Court ruled that a trust set up in 1831 in Philadelphia under the will of Stephen Girard setting aside a sum of money in trust "for the erection, maintenance, and operation of a college for as many poor white male orphans as the said income shall be adequate to maintain," violates the 14th amendment to the Constitution because the present trustees are officials of the city of Philadelphia and the State of Pennsylvania. Therefore their action in refusing admittance to two colored orphan boys was "an act of discrimination by the State of Pennsylvania."

The real question, of course, is, "If a trustee happens to be an official of a city or a State, when he acts as a trustee is he acting as the agent of the maker of the trust or is he acting as the agent of the State?" When one considers that no public funds were involved in the Girard College case, but the entire $100 million now in the fund are private funds, the result of the Stephen Girard will, the answer to the question should be obvious—even to our present Supreme Court Justices.

According to this recent order of the Court any trust set up under a will that meets all the legal and constitutional requirements at the time it is established can be overturned, invalidated, declared null and void with the changing times and the changing Court decisions.

Nothing is sacred nor permanent under the present uncontrolled Supreme Court. Century-old customs and previous Court rulings may now be overturned by a capricious Supreme Court, a majority of whose Justices have sociological predilections that influence or dominate their opinions.

Mr. Speaker, Thomas Marshall, of Corpus Christi, Tex., an authority on constitutional law and a worthy namesake of a former clebrated Chief Justice, says:

> An uncontrolled Supreme Court is the road to tyranny.

I say that under the present Supreme Court we have been traveling on the road to tyranny for 20 years, and we are rapidly approaching a situation that properly can be called a centralized Federal tyranny.

The Founding Fathers and the makers of the Constitution agreed that an uncontrolled Supreme Court meant despotism, and must be guarded against. We now have such a Court. Under it the loss of our constitutional rights and privileges is a constant menace. This menace should haunt the thoughts of every citizen who believes in constitutional government. Congress must establish some form of control over the Supreme Court so that our guaranteed personal rights and privileges cannot be usurped by an uncontrolled, capricious Supreme Court. That is the task Congress must face up to and must accomplish before it is too late.

Now, Mr. Speaker, what about H. R. 6127, the so-called civil-rights bill?

We have all heard the saying, "The remedy is worse than the disease." That

saying certainly applies to H. R. 6127. In that bill we are asked to exchange our God-given human rights and our guaranteed States rights for a civil rights program; to exchange real blessings we now enjoy for the fictitious blessings claimed as a part of the mirage known as civil rights.

Mr. Speaker, habits, customs, and obligations are much more effective than any civil rights program implemented by Federal laws. Custom is much more effective than any law because it polices itself. Laws are not particularly efficient. A law has little chance of being enforced if it does not have the approval and support of the majority of the people affected.

Prohibition was once the law of the land; it was a part of our written Constitution. However, because it did not reflect the conscience of the majority of our people, it was not enforcible from a practical standpoint; and it had to be repealed.

Today the 85th Congress under President Eisenhower is facing practically the same civil rights proposal that the 81st Congress faced under President Truman. At that time President Truman gave the following as his civil rights objectives:

> 1. We believe that all men are created equal under law and that they have the right to equal justice under law.
>
> 2. We believe that all men have the right to freedom of thought and of expression and the right to worship as they please.
>
> 3. We believe that all men are entitled to equal opportunities for jobs, for homes, for good health, and for education.
>
> 4. We believe that all men should have a voice in their government and that government should protect, not usurp, the rights of the people.

President Truman further stated:

> These are the basic civil rights which are the source and the support of our democracy.

I say these are all worthy objectives. No decent, law-abiding citizens would question these objectives nor oppose them. But—President Truman's program for bringing about these objectives was questioned. His methods were opposed. Today President Eisenhower wants the 85th Congress to enact through legislation about the same civil rights program that President Truman wanted the 81st Congress to enact.

Mr. Speaker, I want to call your attention and the attention of the Nation to the fact that each and every one of these objectives is a State function, a State responsibility, a State obligation. They come within the police powers of the various States, and were definitely left to the States by the Constitution. Why then should the Federal Government violate States rights by assuming functions that belong to the States? That would be going contrary to the Constitution.

In 1952, speaking at Des Moines as a candidate for the Presidency, General Eisenhower said:

> The Federal Government did not create the States of this Republic. The States created the Federal Government. The creation should not supersede the creator. For if the States lose their meaning our entire system of government loses its meaning and the next step is the rise of the centralized national state in which the seeds of autocracy can take root and grow.

At the Conference of Governors in Seattle early in 1953 President Eisenhower declared:

> I am here because of my indestructible conviction that unless we preserve in this country the place of State government with the power of authority, the responsibilities, and the revenues necessary to discharge those responsibilities, then we are not going to have America as we have known it. We will have some other form of government.

In the words of President Eisenhower himself, therefore, the destruction of constitutional States rights will sow the "seeds of autocracy," bring about in America "some other form of government," and force us to establish a "dictatorship."

Yet in the face of his own words the President proceeded to ask Congress to create a new Cabinet office to supervise the Nation's health, education, and welfare—and Congress was foolish enough to do so. Under the 10th article of the Bill of Rights, protection of the people's health, education, and welfare is reserved to the respective States of the Union. Therefore, the President's actions in that instance did not coincide with his words.

And if that is not enough to convince anyone that the President's actions do not always conform to his words, take the report of the Commission on Intergovernmental Relations on Federal Aid for Schools. A 15-man study committee on education submitted a 200-page report on that subject which stated:

> We have been unable to find a single State that cannot afford to make more money available to its schools or that is economically unable to support an adequate school system.

Yet the former Secretary of the new Cabinet post, Mrs. Oveta Culp Hobby—who was also a member of the Commission on Intergovernmental Relations—and President Eisenhower both ignored that report and presented to the 84th Congress a Federal school aid program that would cost $2 billion. Again I ask, do the President's actions coincide with his own words? His present recommendations for Federal school aid are the exact opposite to the recommendations of his own Commission on Intergovernmental Relations.

Mr. Speaker, I had the good fortune to serve on the Commission on Intergovernmental Relations under the chairmanship of Dean Manion, one of the greatest constitutional lawyers in America. The one great principle he emphasized was that the purpose of the American Government is to preserve and protect our God-given rights; that the American Government is simply a mechanism for the protection of human rights; that civil rights are rights provided by law that definitely come under the jurisdiction of the States, not under the jurisdiction of the Federal Government; and that whenever the Federal Government undertakes to establish or set up a program of civil rights, it must of necessity encroach upon States rights and upon God-given human rights. I subscribe to that principle enunciated by Dean Manion 100 percent.

Mr. Speaker, there are many reasons why the Federal Government should not enter the field of civil rights legislation but rather should leave that field entirely to the States where it properly belongs under our Constitution. I have already cited our disastrous experience under the Volstead Act. We had just such a disastrous experience with Federal civil rights legislation following the Civil War. That era became known as the carpetbag era. It was an experience that neither North nor South can look back upon with satisfaction. Military occupation, martial law, suspension of the writ of habeas corpus, summary judgments, suspension of the rules of evidence and the right of trial by jury, unspeakable corruption on every side—these were the order of the day during the carpetbag era, all in the name of civil rights, all to protect and insure civil rights.

So much for civil rights in general. Now, Mr. Speaker, let us be specific about the pending civil rights bill, H. R. 6127.

This bill denies certain fundamental rights guaranteed by the Constitution to both majority and minority groups—the right to own, manage, and enjoy property; the right of trial by jury; the right to be presumed innocent until proven guilty; the right of appeal; and the rights reserved to the States or the people thereof under the 9th and 10th amendments.

Heretofore in America a defendant came to the bar of justice as an innocent man accused of a crime. Under H. R. 6127 he will come to the bar presumed guilty under a prima facie finding, and he will remain guilty unless and until he can prove himself innocent.

In substance, Mr. Speaker, the provisions of H. R. 6127 constitute nothing more nor less than government by Federal injunction. How organized labor or so-called management can support Government by injunction is more than I can understand. Yet I am told that some labor leaders and some management representatives do support the so-called civil rights bill. I wonder if those labor leaders who support H. R. 6127 ever read the testimony of the grand old man of organized labor, Sam Gompers, before a Senate Labor Committee when he said:

> If ever the time shall come—and let us hope and work that it never shall come—when government by dynamite shall be attempted, it will have as its main cause the theory and policy upon which is based government by injunction—a personal government foisted upon our people instead of a government by law.

Those words were historic words, prophetic words. Now, at this late date comes a modern Republican administration proposing government by injunction under the guise of civil rights.

Mr. Speaker, the present tendency of the Supreme Court to encroach upon States rights; the present proposal to substitute a so-called civil rights program for our God-given human rights and our constitutional States rights; the present attempt by our New Deal liberals to bypass our Constitution and set up a welfare Socialist-Labor government,

do not constitute problems for the South, for the North, for the East, or for the West. They constitute problems for our entire Nation. They are problems that affect every State in the Union and every individual within each State—laborer, employer, taxpayer, citizen, and property owner alike. We are all in the same boat, and we must all sink or swim together.

That being so, our first and primary responsibility as Members of Congress—whether we call ourselves Democrats or Republicans—is to protect and preserve our Federal Constitution; to insist upon States rights; to do all we can to curb and control our uncontrolled Supreme Court; and to pass on to our children the constitutional form of government that we inherited from our farseeing Founding Fathers. Our oath of office pledges us to do just that. Let us live up to that oath.

Mr. DAVIS of Georgia. Mr. Speaker, will the gentleman yield?

Mr. MASON. I yield to the gentleman from Georgia.

Mr. DAVIS of Georgia. Mr. Speaker, I have learned that when the gentleman from Illinois [Mr. MASON] obtains a special order to address the House, usually it will be upon a subject to which he has devoted thought and study, and which really concerns the welfare of the United States and its people. I am glad that I knew he was to speak to the House today and that I have been here to listen to his address. I want to say to the gentleman from Illinois that he has sounded a warning which it would be well for every good American to heed. He has called our attention to a state of facts which threaten the permanence of our free institutions, constitutional government, and States rights. I concur in what the gentleman has said. I commend him for his statesmanship in preparing and delivering this address.

Mr. MASON. I thank the gentleman from Georgia.

Mrs. BLITCH. Mr. Speaker, will the gentleman yield?

Mr. MASON. I yield to the gentlewoman from Georgia.

Mrs. BLITCH. I want to highly commend the gentleman for his splendid address. I want to say further that I think the dangers he has pointed out to the permanence of our Constitution are a great deal more serious than the dangers from without the country. We have made expenditures of billions and billions of dollars and thousands and thousands of lives in casualties to preserve this country from outside danger. But the gentleman has struck at the very core of the real danger that threatens our country today, and I cannot commend the gentleman too highly for the service he has performed in this respect.

Would the gentleman permit me to ask a question

Mr. MASON. Yes, indeed.

Mrs. BLITCH. I am very much impressed with what the gentleman has to say about the responsibility of Congress to exercise some control over the Supreme Court. That is the question that has been worrying me a great deal. It does seem to me that there should be some method by which the Supreme Court should be investigated, that we could find out what are the motivations of the Court, what agents of the Court besides the Justices themselves, for instance, are propounding this theory of centralized government through bootleg decisions by the Court, that can eventually lead to nothing but dictatorship.

I wonder if the gentleman could give me some idea as to what procedure the Congress might follow, whether it should conduct an investigation or if there is some other method he would endorse.

Mr. MASON. I would say that under our Constitution each of the three departments of government are absolutely separate and distinct, and independent of each other. But the Congress has the power, at least one branch of the Congress, to approve the various Justices as they have been recommended to them for approval, and that branch of government has certainly failed in its duty to screen these appointees on the basis of their judicial experience, their judicial qualifications, and they have approved men they knew did not have the proper qualifications but men who had simply the predilections, sociological predilections that would definitely influence them in their decisions. That type of man should never have gotten on the Court, and it is the responsibility of the Senate to see to it that they do not.

Mrs. BLITCH. I agree with the gentleman heartily, but we are faced now with the situation of a Supreme Court that is already there, and decisions contrary to the Constitution keep coming from it. What is there that we as the House of Representatives or the Congress as a whole can do?

Mr. MASON. That, I may say to my colleague, is something I would like to be able to answer, but when the President, President Roosevelt, found he was facing a condition, a situation that was not to his liking because he could not implement his own economic and sociological ideas with that type of Court, he started in to pack that Court, and he was finally successful.

All we can do, as I see it now, is to start to see to it that the future appointments to the Court will be of the right type and will be guided by the Constitution and its provisions.

Mrs. BLITCH. Would the gentleman say yes or no? Or would he rather not take a stand on that? The question perhaps is one that cannot be answered yes or no at this time: Whether or not the Congress could investigate some of the decisions of the Court or the Supreme Court itself, or its personnel?

Mr. MASON. There is nothing to stop the Congress from bringing an impeachment resolution. Should an impeachment resolution be adopted it would bring about a thoroughgoing investigation.

Mrs. BLITCH. But without an impeachment the gentleman doubts that we could.

Mr. MASON. I doubt that we would have the authority to do it.

Mrs. BLITCH. I thank the gentleman.

Mr. DORN of South Carolina. Mr. Speaker, will the gentleman yield?

Mr. MASON. I yield to the gentleman from South Carolina.

Mr. DORN of South Carolina. I want to add my commendation to that of the others here for the distinguished and able thought-provoking address the gentleman has delivered to us today.

STATES RIGHTS

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, I sought and obtained this time for a different purpose, but I want to congratulate and commend the gentleman from Illinois [Mr. MASON] for some very fine statements he made concerning States rights and other of his statements. I would like to comment briefly on some of them.

For instance, let us take this selection of judges of the United States Supreme Court. I want to commend President Eisenhower for the precedent he set recently in selecting lower court judges to be on the Supreme Court of the United States. The last two appointments he made he selected from the lower courts. I think that is a fine way to select judges. If President Eisenhower will continue that policy and it becomes a real precedent and if other Presidents who succeed him will also continue that policy, we will always have a good United States Supreme Court. I am not criticizing the appointment of any judge on the Court now who was not selected in this way. I am not saying that this method will get better judges than we have on the Court now who were not selected that way. I just like the method used.

Mr. ANDREWS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Alabama.

Mr. ANDREWS. At least he is putting lawyers on the bench.

Mr. PATMAN. He is putting lawyers on the bench who are tried and proven. Although, I repeat, it is not the only way to get tried and proven judges. It is one way and I approve it.

Mr. ANDREWS. I have been disturbed about the Supreme Court for many years. For instance, it spoiled our school system in many parts of the country. The members of that Court have also destroyed States rights. But one of the worst decisions they have rendered was the one that they announced last Monday—as a matter of fact, there were two of them—in which the Supreme Court of the United States denied to the bar associations of the States of New Mexico and California and to the courts of the States of New Mexico and California the right to say who can and who cannot practice law in those States. They have destroyed the integrity of the bar association and the legal profession of America. There are enough Members in this House who are lawyers with great professional ability who will become concerned about those decisions. In some way there should be some kind of an investigation to find out what influences are being brought to

bear on that Court. The gentleman is familiar with those cases.

One of them concerned a man who had applied for a license to practice law in New Mexico. He was examined by the board of examiners for the bar association. He was asked the question if he was a member of the Communist Party and he refused to answer. The bar association of New Mexico then denied him the right to stand examination to practice law. That holding was upheld by the Supreme Court of New Mexico. Yet in the light of that testimony, this Court in Washington said to the State of New Mexico: You must let this man practice law.

Mr. PATMAN. I will say to the gentleman that I am not familiar with the cases sufficiently to comment on them except to say that I do not want Communists practicing law in the courts of the United States. I do not want them practicing law here and I do not think we should allow it.

GOVERNMENT BY INJUNCTION

The distinguished gentleman from Illinois [Mr. MASON] brought out another point about Government by injunction. I do not care how strong anyone feels about civil rights, I do not see how a person can be in favor of enforcing a law by injunction. That is tyranny in my book. It is bad any time you permit any one of the United States judges to say to a person: "You are in contempt of this court and by reason of that I am going to put you in jail," and he can keep on putting him in jail. He can put him in jail for life. That is giving a judge the right to impose a life sentence on a citizen without a trial by jury. I do not think that was ever intended and I do not think the Congress will ever permit a law to be enforced solely by injunction.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from West Virginia.

Mr. BAILEY. There is a provision in the so-called Taft-Hartley law that permits that very thing.

Mr. PATMAN. It should be stricken. I do not care where it is it should not be allowed. It is not the American way. The American way is trial by jury. I do not think this Congress will ever pass a law that will destroy the right of trial by jury.

The gentleman suggested ways of reaching the Supreme Court which I would like to comment on briefly. In 1937 we were celebrating the sesquicentennial of the United States, and the Chief Justice of the United States, Mr. Hughes, was making a speech here in this Chamber to a joint session of the United States Congress. In that speech I well remember that Chief Justice Hughes told the Congress that any time the Supreme Court was doing anything that the Congress did not like, the Congress had control over the purse strings.

We have separation of powers, and we should continue to have separation of powers. It is not right for one to infringe upon the other. At the same time, the legislative branch of the Government is closest to the people. It is first in the Constitution, incidentally, too, what the Congress shall do and in the legislative provisions the Congress shall make appropriations. Only Congress can make appropriations, and our Founding Fathers wanted to make doubly sure that the people would not be forsaken for long. So, they wrote into the Constitution that bills to raise revenue and to make appropriations in particular must originate in the House of Representatives only. They cannot originate in the other body. Why? Because this body is close to the people, and every 2 years every Member of this body must be reelected. It is a new House of Representatives every 2 years. That is the way it should be. We should never have a 4-year term. We should never have it any other way except 2 years. Let the people pass upon this Congress every 2 years by passing upon the House of Representatives, so, the body that is so close to the people has charge of the purse strings. And, if we, the Congress, the House of Representatives, want to look into the Supreme Court, we are privileged to do so. The Supreme Court, the judiciary, must seek and obtain the money that it receives for carrying on its work from the United States Congress. Any power to make appropriations carries with it the power to investigate and determine how the money will be spent or how it has been spent in the past. So, we have the power not only of passing upon these appointees through the other body through confirmation, but we have the power every year to determine how every dollar, the money that the judicial system is asking for, is going to be spent and to tie strings to it and say it shall not be spent in any other way. So, we have tremendous power here in the legislative branch.

We have the same power over the executive. Every dollar that the executive branch of our Government seeks and obtains to run its part of the Government, that separate branch, it must receive it through this body, the House of Representatives, and any investigation this body wants to make of how that money has been spent in the past or how it is expected to be spent in future, it will be perfectly all right for this body to make it. So, we do have the power over the purse, as the Chief Justice of the United States, Hughes, told us here in 1937.

Now, on this question of packing the Supreme Court, sometimes the charges have been made that the Court has been packed and the effort is made to unpack it. Other people say an effort is made to pack the Supreme Court. Why, it is just a question of how you look at it. But, we have a chance now, if this policy of President Eisenhower's is carried out, to select judges in a way that there will never be any criticism, those who are tried and proven by their selection from one of the lower courts.

Mr. Speaker, I will now discuss what I really reserved the time to discuss.

THE TREASURY FACES A FISCAL CRISIS

On Friday, May 10, 1957, the Treasury reported that the rate of cash payout on its $4,155,000,000 refinancing operation was 28 percent, the highest rate since the end of the war.

Despite the fact that the Treasury had offered the highest interest rates paid on a short-term note since 1923, 3⅝ percent, and 3½ percent on an 8-month certificate, holders of the maturing securities preferred to hold out for higher rates and took cash to the extent of $1,167,000,000. There is no case in the postwar period where the Treasury has experienced a failure of this magnitude on a refinancing.

The implications of this financing failure are far reaching. About $1.5 billion of series F- and G-bonds are due to mature soon. What is the Treasury going to do about refinancing this sum? Is it going to offer a long-term bond? If so, what will it have to pay? Four and one-half percent? Five? Who knows? The Treasury doesn't know. The fact is that since the Federal Reserve seceded from the Government, there has been no market for United States Government securities. The Government market is like a ship without a rudder. The Treasury is at the mercy of a tight little banker monopoly.

The report issued by the Treasury last Friday revealing a record rate of attrition on its short-term refinancing in the face of the highest rates offered since the 1920's means in effect that the United States Treasury has been priced out of the short-term financing market. And this has occurred at a time when the Treasury has the highest floating debt in recent years.

The inescapable conclusion is that an administration which took office with a pledge to improve the management of the public debt has instead so mismanaged that debt as to create a serious fiscal crisis.

This is not due to any accident. This crisis could have been foreseen. When there is a public debt amounting to $275 billion, as we have, that debt must be managed. And if the Treasury and the monetary authorities abdicate their responsibility to manage that debt in the public interest, then it should come as no surprise that private interests are dictating the terms on which the Government of the United States shall do its financing. Mr. Speaker, the crisis that confronts us is not confined to debt management alone. It is evident in the fiscal affairs of Government, too. The Treasury is now engaged in all sorts of fiscal legerdemain, operating programs outside of the public debt in order to conserve a fast-diminishing budget surplus. A prime example is Treasury's order to the Federal National Mortgage Corporation to borrow needed funds to support the secondary mortgage market directly, instead of borrowing from the Treasury whose borrowing costs would have been cheaper. This has "saved" the Government $700 million for the current fiscal year, or so the Treasury would have us believe. However, it has sharply raised costs to Fannie May and in turn caused scandalous discounts to be demanded in purchasing home mortgages under the VA or FHA programs. Fannie May has

bought over $1 billion worth of mortgages this year, and borrowed substantial amounts on its own notes, but the budget will show that Fannie May operations resulted in a net receipt of funds to the Treasury of $100 million. That is the kind of budget bookkeeping that the fiscal crisis has brought this administration to.

That is just one example. The tight-money policy has caused original Treasury estimates of profits and income to be too high and consequently tax receipts are running lower than expected. On the other hand, defense expenditures previously cut dangerously close to the peril point are now running much higher than originally estimated. Result—probably no surplus where one was confidently predicted for this year. And what of next fiscal year? If the present tight-money policies continue, revenue for fiscal 1958 will fall far short of what has been estimated. Fiscal 1958 estimates have been based on a forecast of personal income of $340 billion and corporate profits of $44 billion, in calendar 1957. But projections of income and profits for calendar 1957 based on expected money supply and interest rates under the tight-money policy suggest that personal income may be overstated by 3 percent and profits 10 percent. In other words, we may be short some $12 billion in personal income and corporate profits in 1957 compared to what the Treasury is basing its receipts estimates on. Such a shortfall may cause tax receipts to be about $2 billion to $3 billion lower than the Treasury has estimated and will convert an expected surplus to a deficit.

These are some of the consequences of the administration's so-called sound money policy. But these are not all the consequences. The financing difficulties that the Treasury is now encountering may be expected to increase as the Federal Reserve stands aside. As the Treasury goes to the market to borrow, it will find each time that the lenders will become more and more demanding. The ultimate consequence could be that the lenders may tell the Treasury that it must alter its expenditure policy. In other words, the day may arrive when programs authorized by the Congress of the United States may be vetoed by a handful of private bankers, who, by reason of the abdication of the Federal Reserve, will be in a position to dictate public policy. When that day arrives, the bankers will have accomplished what they set out to do when they forced the 1951 "accord" on the Government in a time of grave emergency.

THE SOIL BANK

The SPEAKER pro tempore (Mr. HAYS of Arkansas). Under previous order of the House, the gentleman from Virginia [Mr. HARRISON] is recognized for 45 minutes.

Mr. HARRISON of Virginia. Mr. Speaker, I have taken this time to ask the indulgence of the House to talk about the soil bank, with the view of considering whether or not in the appropriation bill that we shall have before us beginning tomorrow this experiment should be continued. I might say that in preparing the remarks I shall make today I did not have the benefit of a report that I saw today for the first time, issued by the Whitten subcommittee, known as part 6 of the hearings before the subcommittee of the Committee on Appropriations of the House of Representatives which discusses and analyses the soil bank with great objectivity and is a devastating report which I earnestly commend to the consideration of the House.

The Committee on Appropriations has recognized the extravagance, the abuses and the inequities of the soil bank. It has reduced the acreage reserve for fiscal year 1958 by approximately $101 million, and it has placed a limitation of $500 million on next year's acreage reserve and $250,0000,000 on the conservation reserve program. This would represent a step in the right direction, but hardly a long enough step. The record of non-performance of the soil bank indicates strongly the need for a rapid termination of this program. This should be done by providing funds sufficient only to discharge the obligations of the Government to farmers who have signed contracts prior to the enactment of the appropriation bill.

In 1953 the net cash income of the American farmer was $14.3 billion and the cost of farm programs to the United States Treasury was $2.9 billion. This situation was considered disgraceful and one which the taxpayer would no longer stand for and which the farmer could no longer stand.

Today, 4 years later, the net cash income of farmers has dropped from $14.3 billion to $11.8 billion and the cost of the farm programs to the Treasury has risen from $2.9 billion to $5 billion. Based on an average value of $20,000 a farm, Assistant Secretary of Agriculture Butz has estimated the cost of the agriculture program to the taxpayer at $1,000 a farm. Thus, the farmer whose land and buildings are worth $20,000 on the average is receiving from the Government $1,000 a year. If his farm is worth $40,000, he is receiving $2,000 a year. For every 1 dollar that a farmer makes, the Government is paying 42 cents.

The farmers in my Virginia district are not getting their share. The farmers in my Virginia district and the taxpayers there are getting it in the neck as a result of the Government's farm policies.

The Government this year has allocated $108 million under the conservation reserve of the soil bank in order to get land out of production which is now in production. The Government this year will spend approximately $250 million on projects involving desert reclamation and irrigation in the West in order to get land into production which now is out of production. The Government this year wants to spend about $1 billion in the soil bank to encourage farmers not to produce surplus crops and, at the same time, the Government this year will spend $2.5 billion in parity payments to encourage farmers to produce surplus crops.

All of these enormous expenditures are for the benefit of the basic crops: corn, cotton, wheat, rice, peanuts and tobacco, and none of these programs inures in any way to the benefit of the great army of farmers engaged in production of livestock, such as cattle and poultry, or the production of fruits and vegetables. The basic crops, the sole beneficiaries of this huge Government largesse, amount to but 23 percent of the cash receipts of farmers. The other farmers who account for 77 percent of the industry are not only not helped by any of these programs but actually are injured by all of them. The poultry farmers who alone accounts for one-third of the income to American agriculture, not only receives nothing from these programs but is injured by the increased price of feed grains which he must buy and by diversion of the activities of basic crop farmers who transfer their production into other lines.

Last year the Congress enacted the soil bank. To emphasize that this venture was being launched on an experimental basis, its operation was restricted to 4 years.

At the end of 1 year it has become obvious that the soil-bank experiment is a failure; that it has fallen down in accomplishing its purposes; that in practice, it has proved to be an expensive, boondoggling adventure of enormous cost to the taxpayer operating with great injustice to the farmer and resulting in many instances in windfall profits to persons not entitled thereto.

First, the soil bank was intended as a substitute for high-price supports. It has not been such. We now have both. It is only necessary to read Secretary Benson's letter last week to Senator ELLENDER to see clearly that the problem in the wake of the price-support problem will never be solved by the soil bank.

The soil bank was designed to curtail the production of surplus basic crops. It has failed to do so. In his letter to Senator ELLENDER, Secretary Benson developed very fully that over-all production under the price-support program cannot be controlled by curtailed productivity per acre. As the Secretary pointed out, by the selection of poorest acres for curtailed production and by intensified cultivation of the remaining acres, a farmer is able to obtain as large a production on less acres. If this is true under the price-support program, it must of a certainty be true under the soil-bank program. A recent article in Nation's Business quotes a spokesman of the National Grange as expressing the opinion that the soil bank will not reduce production. Hence, the American taxpayer under the soil bank is paying $1 billion a year to curtail production but probably will see as large a production as ever.

Although the soil bank is not decreasing surplus in basic crops, it is increasing surplus in other farm activities. Barley plantings, for example, are substantially up in the spring of 1957.

An example of how the soil bank not only is failing to solve the problems it was created to solve but is breeding new problems can be found in the reports of increasing interest in the poultry business on the part of farmers who have deposited land in the soil bank. The poultry industry has been having a rough time, as is well known. It has been struggling to keep its head above water without recourse to the doubtful life preserver of price supports. It has seen one administrative decision after another in the Department of Agriculture ignore poultry problems in favor of the difficulties of the price-supported crops, as in the apparent present intention to abandon the encouraging poultry market-development program for West Germany under Public Law 480.

Is the harried poultry industry to find in the soil bank only the threat of a sudden and disastrous increase in production as soil-bank depositors take fliers in poultry?

Even in communities in which the soil bank has been accepted and is in full operation, we hear many grumblings of dissatisfaction. Sharecroppers are losing their places on farms. Community businessmen report stagnation in community activity. Recently, I read the remarks of Mr. J. Kirby McDonough, president of the Murry Co. of Texas. He pointed out that 3.1 million acres of cotton had been put out of production by the soil bank by the payment of $51 per acre and he said:

> This should reduce 1957 production by 2.5 million bales * * * a gross direct loss of cotton production alone of $379.5 million, or, subtracting the soil bank payments, a direct net loss of $224.1 million that would have come to the economy of this country by the production of cotton. * * *
>
> Commonsense and experience tells us that these methods will not solve the cotton problem.
>
> World consumption of cotton is increasing at the rate of 1 million bales per year. The United States continues to reduce production and we continue to show reduced consumption. In other words, we pay to decrease our own production of cotton, and on the other hand, by outright gift of money, equipment, and technical advice, substantially aid in increasing production of cotton abroad.

Inequity and favoritism rule the distribution of soil-bank money. Based on the Department of Agriculture figures released on April 5 and March 15, 1957, we find that one State—Kansas—with a population of 2 million people has received allocations of more money for this year's crops than the farmers of 25 other States having a population of over 79 million people. Kansas' allocations amount to over $700 a farm as against allocations to New Hampshire of $1.37 a farm. The farmers of my State of Virginia will receive $25 a farm. Latest Department figures show that in the conservation reserve portion of the soil-bank program, the allocations to the State of Texas are greater than those to 37 other States combined. I recognize that Texas is good, but I deny that it is that good, particularly in view of the fact that my State of Virginia is allocated $144,000, while the farmers of Texas, for the conservation reserve, are to receive over $27 million.

Under the soil bank, one-third of the States receive 74 percent of the allocations, and one-half of the States receive 89 percent. An examination of these allocations by States show that the soil bank is working cruel injustice to the farmers of the Middle Atlantic States, New England, and the Far West.

Even amongst the single crop areas which are reaping such a harvest from this windfall, there is great injustice. The allocations to the corn and wheat farmers are running 5 and 6 times as large as those to the cotton and tobacco farmers.

Documented stories of abuse of the program are being reported on every hand. Time forbids a full review of the report of the Whitten subcommittee which has developed the admitted fact that payments are being made to farmers for not producing crops which they had already been paid not to produce. The huge payments in Kansas are explained by the information that there would have been little wheat planted in Kansas anyway on account of the drought and much of the huge $86 million expended in that State is in payment for not producing crops which would not have been produced anyway. No wonder it has been said that Kansas farmers describe the soil bank as a gift from Uncle when the cupboard was bare. It used to be in this country that we assembled on Sunday in church and gave thanks to Providence when nature and industry had combined to produce a bountiful crop. Apparently, now we give thanks that God in His mercy has sent a drought and the farmers can collect from the soil bank.

Authenticated stories from all over the country give rise to the suspicion that there are angles which can be manipulated for profit by a clever fellow. There is a story of the farmer with 160 acres. He put 45 acres into the acreage reserve and the other 115 in the conservation reserve and went to work for an oil company. We hear of real-estate operators prompting the sale of scrub farmland to city people, encouraging them to buy rundown, eroded land for $25 or $30 an acre to plant it in pine with 80 percent of the cost paid by the Government. The investment of $30 an acre will produce from the Government $6 or $7 a year and at the end of 10 years, the investor will have received twice his investment; will have the land improved by a stand of pine without the necessity of ever having left Wall Street.

It has been found, too, that the Federal Government will help the nonfarmer buy a country place, where he can relax over weekends from the tensions of his city occupation. Having no interest in serious farming, he has found it to his advantage to buy an old farm with a sound house on the place, deposit the entire farm in the soil bank, and use the soil-bank payments to help maintain his country retreat.

Well has it been said that the soil bank is all overdrafts and no assets and that it is a public grab bag; that single-crop farmers are giving up farming their land to farm the Government.

It has been developed sufficiently for us to see, and to see clearly, that this program is an expensive colossal failure. This Congress has dedicated itself to the task of reducing expenditures in Government so that we may give some relief to our people from the crushing burden of taxation. Here is a golden opportunity for us to recoup a billion dollars a year that is being expended in a worthless and extravagant program which is bad for the farmer as a whole, bad even for the community in which the money is being spent, and completely bad for the country as a whole.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. HARRISON of Virginia. I yield.

Mr. BAILEY. I would just like to tell the distinguished gentleman from Virginia that the State of West Virginia cares little, if not less, about the farm-bank program.

Mr. HARRISON of Virginia. I know that the gentleman from West Virginia can be very keen and sharp when he wants to be, but I wonder if that could be strictly correct.

DANGER IN THE SKIES

The SPEAKER. Under previous order of the House, the gentleman from Delaware [Mr. HASKELL] is recognized for 15 minutes.

Mr. HASKELL. Mr. Speaker, this time to speak has been requested to bring to the attention of the Congress and the people specific evidence, heretofore not made public, on the extremely serious air-traffic situation which exists today over the United States, particularly over large centers of population.

All of us are aware of the accidents which have happened in the past. The Grand Canyon crash last year caused a terrible public shock. In the past 10 years, there have been 131 midair collisions in this country between civil aircraft, of which 17 have involved commercial transports. And, yet, it is my conviction that these tragic incidents have been too soon forgotten.

These accidents constitute only one measure of the air-traffic problem we face. We have also been told that there were 452 near collisions reported to the Civil Aeronautics Board in the last 4 months of 1956, which means they occurred at the rate of about 4 every day. But even these shocking figures are impersonal and so far removed from our daily thoughts that I believe we have not the slightest idea of what is going on in the skies above us.

The plain truth is that near collisions in midair, of disastrous proportions, are being narrowly averted every day only by the emergency action of skilled pilots or by providence. I am convinced that the Civil Aeronautics Administration, the private and commercial aviation industry, and the military are doing the best possible job of providing air safety with the outmoded and inadequate equipment and techniques they have to use. The trouble is that we are trying to operate a jet-age, air-travel program with this inadequate control system, and if we want to solve the problem, it is about time to get down to brass tacks and let the people know what is going on.

I have with me a handful of previously withheld reports from the Civil Aeronautics Administration which document in vivid detail a series of near-collisions, typical of the ones occurring every day.

I have deleted the names of the owners of the planes and the pilots because it would serve no useful purpose to disclose them.

This information has not been made public apparently for fear that it might cause some sort of public hysteria. To me this is nonsense. The public will take this situation in stride and will be willing to support a program, a real "safe skies" program, to solve this national problem.

This air traffic problem is, of course, a primary concern for the people who fly in commercial airliners or private aircraft.

We must not forget either the impact on national defense. This is due to the inability to afford proper protection, and thus permit the accomplishment of military training missions.

It is also of equally great concern for the millions of persons who live in crowded residential areas over which all types of aircraft are flying every hour of the day.

A mid-air collision could bring disaster to people on the ground. The crash of two planes over California last fall, narrowly missing a large school, points up the danger to people in residential areas. Unfortunately, as I have said, the momentary shock from these disasters soon passes, and necessary action has progressed too slowly to keep up with the onrush of greater air travel and the highspeed jet age.

The Eisenhower administration has for the first time made a serious frontal attack on the problem. The intensive study carried out by Edward P. Curtis at the President's direction is now at a point where recommendations will soon be made to improve the situation. On April 15, 1957, I introduced legislation to carry out the first of these recommendations—a bill to establish an Airways Modernization Board. I am ready and anxious to introduce any additional legislation which may be needed to carry out further recommendations from the President.

If we are to secure the necessary public support for this legislation and the resulting necessary appropriations, we better come down out of the clouds and spell out the problem and the need in unmistakable terms. Then we can immediately take the necessary action.

Late last year, I initiated a study to determine the situation with respect to near-collisions in the air which are unseen and unheard by the general public. We have stepped up and broadened our study as we began to find more alarming information. The specific information which I wish to present today has just recently been discovered. Time permits me to give you only a small part of what our study has turned up, and I will make public other equally serious information in the next few days.

The Civil Aeronautics Board has just informed me that they have been able to pinpoint on ground locations 369 of the 452 near-collisions reported to it last fall. Here is one startling fact:

A total of 101 of these near disasters occurred over the Nation's 11 largest metropolitan areas in which 41 million people live. Twenty-two near collisions occurred over Los Angeles; 21 over Washington, D. C.; 14 over San Francisco and Oakland; 13 over New York; 9 each over Detroit and Chicago; 6 over St. Louis; 3 over Boston; 2 over Philadelphia; and 1 each over Pittsburgh and Cleveland. And remember that these 101 near disasters occurred in just 4 months, an average of 1 a day.

An additional 155 incidents out of the 369 were located over other principal cities and I should like to include in my remarks tabulations showing the location of each one. These total figures mean that about two near collisions a day happen over densely populated areas. One hundred thirteen of the three hundred sixty-nine incidents apparently occurred over unpopulated areas. But there reports collected by the CAB tell only part of the near-collision story.

Our investigation uncovered the fact that many more near collisions, possibly running into the hundreds, are reported to the Civil Aeronautics Administration and have not as yet been made public. We believe there are additional incidents, wholly within the military jurisdiction, which also have been occurring over population centers, and we have been looking into this aspect of the problem. This is the information I believe the public is entitled to have.

Generally speaking, near collisions happen in two ways. First, there is the situation where one plane is moving along on a normal course and another plane seemingly pops out of nowhere on a collision course and the two aircraft narrowly miss each other.

Here is an official report of such an incident which occurred over Philadelphia on August 21, 1956. A commercial airliner, a super Constellation, left Philadelphia International Airport at 10:38 p. m. The pilot of this plane was informed of the presence of a commercial cargo plane in the area, but 2 minutes later the airline pilot reported he narrowly missed the cargo plane. How did it happen. No one knows, but it did happen.

I have here another actual report from the Civil Aeronautics Administration. On October 13, 1956, a commercial airliner, a Convair, was passing over Philadelphia at 10:50 in the morning in a sky with scattered clouds. At 10:51, the pilot called the tower and reported that a jet just missed him doing a slow roll at the same altitude and went off into the clouds. To this day no one knows where the jet come from.

In another incident found in the files of the CAA, a commercial airliner took off at 11:24 a. m. from Baltimore on February 8, 1957, in ground fog and haze. Approximately 1 mile from the end of the runway, the airliner made an abrupt left turn to avoid a helicopter which suddenly appeared. Almost immediately, three more helicopters appeared out of the fog. No radio contact could be established with the helicopters and no one had been aware that they were in the area.

The second way these near collisions happen is when two aircraft arrive by mistake over the same check point, at the same altitude at about the same time. Civil Aeronautics Administration regulations call for 10 minutes separation between planes at the same altitude.

Here is an actual report of a hair-raising incident of this type. I think it is especially fitting to call this one to the attention of the Members of Congress because it happened over the Riverdale checkpoint near Washington. On April 7, 1956, two commercial airliners left Newark within a few minutes of each other for Washington. I will read the recorded conversation of the two pilots which describes the incident far better than I could.

At 7: 19 p. m., one of the pilots asked the Washington traffic control center "Is there anybody below us at Riverdale?" The center replied, "Not on this estimate." There was a pause, then the center said, "Apparently there is." The pilot of the other airplane radioed the center and reported he was also over Riverdale at the same altitude. The center called, "There is one flight on top of the other."

One of the pilots said, "It's a close one. We've been feeling some prop wash and have been looking around. Apparently we're right behind you all the way." The other pilot called the center and said, "All right, center, let's quit playing around and get some separation and get somebody down out of here." Except for sheer, blind luck, or providence, there was another Grand Canyon crash in the making.

Here is another equally dangerous near-miss caused by the simultaneous presence of two commercial airliners at the same spot. Two northbound planes left Florida on January 15, 1957, bound for the north at 17,000 feet. They were scheduled to have 14 minutes separation. At 7: 55 p. m. both planes reported over Norfolk, Va. at 17,000 feet. The Norfolk center was unaware that one of the planes had arrived in the area about 14 minutes ahead of schedule, thus putting both planes in the air over Norfolk at the same time, with neither knowing the other was there.

I have in my possession excerpts from the official reports of these incidents and I will include them in the RECORD at the close of my remarks.

These are the problems we must deal with if we are to avoid a series of air disasters in the future, and the problems will be compounded many times when the new high-speed jet transports go into service next year. Air travel will and must increase to serve the American people. Progress must be made in air safety now.

I believe there are five steps which should be taken immediately by the Congress, by the State and local governments, and by the aviation industry:

First, the Civil Aeronautics Administration needs more and better radar, and especially better radar pictures, in the air traffic control systems. Some of the radar being used is surplus military equipment from World War II.

Second, the CAA controllers need electronic flight posting equipment to help them keep track of flights as they move along the airways. This will replace the cumbersome and hard-to-use paper strips that are now used.

Third, the CAA needs more personnel to handle the volume of air traffic that is growing every day. I am told it takes 18 months to 3 years to train a competent air traffic controller.

Fourth, we need substantial improvements at our airports to provide more landing facilities, high-speed taxi lanes, and more gate space so that planes do not become stacked up over our large cities waiting their turns to land. This is primarily a responsibility of State and local governments.

Fifth, we need some sort of anticollision warning devices in the planes to let pilots know of other aircraft approaching them. This is a job which should be undertaken with all possible speed by the aviation industry and perhaps by some of our leading private research organizations.

This problem of air traffic is at the very heart of our national progress. Our national defense depends on air power, and our business and commerce is becoming more dependent every day on the high speed travel of modern aircraft.

Our air traffic problems at the moment are extremely serious and immediate. These problems can be solved with thorough public understanding and support for positive action.

EXHIBIT 1

Location by States of 369[1] midair near collisions reported to the Civil Aeronautics Board, September 1956–December 1956

Alabama	3
Arizona	5
Arkansas	3
California	66
Colorado	4
Connecticut	8
Delaware	2
Florida	17
Georgia	3
Idaho	0
Illinois	12
Indiana	4
Iowa	7
Kansas	11
Kentucky	2
Louisiana	6
Maine	2
Maryland	11
Massachusetts	7
Michigan	13
Minnesota	1
Mississippi	1
Missouri	8
Montana	2
Nebraska	1
Nevada	2
New Hampshire	0
New Jersey	12
New Mexico	3
New York	16
North Carolina	7
North Dakota	0
Ohio	16
Oklahoma	6
Oregon	2
Pennsylvania	12
Rhode Island	4
South Carolina	4
South Dakota	0
Tennessee	4
Texas	32
Utah	5
Vermont	0

[1] These 369 midair near collisions are part of the 452 incidents reported by the Civil Aeronautics Board. The CAB was unable to locate 83 of the incidents with respect to ground locations.

EXHIBIT 1—Continued

Location by States of 369 midair near collisions reported to the Civil Aeronautics Board, September 1956–December 1956—Continued

Virginia and District of Columbia	33
Washington	9
West Virginia	0
Wisconsin	2
Wyoming	1
Total	369

EXHIBIT 2

Location by cities of 369 midair near collisions reported to the Civil Aeronautics Board, September 1956–December 1956

Albany, N. Y.	3
Albuquerque, N. Mex.	1
Atlanta, Ga.	2
Bakersfield, Calif.	3
Baltimore, Md.	9
Beaumont, Tex.	1
Boston, Mass.	3
Charleston, S. C.	2
Charlotte, N. C.	1
Cheyenne, Wyo.	1
Chicago, Ill.	9
Cincinnati, Ohio	1
Cleveland, Ohio	1
Columbus, Ohio	1
Dallas, Tex.	2
Dayton, Ohio	7
Des Moines, Iowa	1
Denver, Colo.	3
Detroit, Mich.	9
Duluth, Minn.	1
District of Columbia	21
El Paso, Tex.	6
Fresno, Calif.	2
Galveston, Tex.	2
Hartford, Conn.	1
Indianapolis, Ind.	3
Jacksonville, Fla.	2
Kalamazoo, Mich.	1
Kansas City, Mo.	1
Knoxville, Tenn.	1
Las Vegas, Nev.	2
Lincoln, Nebr.	1
Little Rock, Ark.	2
Los Angeles, Calif.	22
Louisville, Ky.	1
Memphis, Tenn.	2
Miami, Fla.	5
Milwaukee, Wis.	2
Mobile, Ala.	2
Nashville, Tenn.	1
Newark, N. J.	5
Newport, Va.	6
New York, N. Y.	8
Norfolk, Va.	3
Oklahoma City, Okla.	2
Ogden, Utah	1
Philadelphia, Pa.	1
Phoenix, Ariz.	2
Pittsburgh, Pa.	1
Portland, Oreg.	1
Roanoke, Va.	2
Sacramento, Calif.	1
St. Louis, Mo.	6
Salt Lake City, Utah	2
San Antonio, Tex.	3
San Diego, Calif.	8
San Francisco, Calif.	14
Seattle, Wash.	6
Shreveport, La.	2
Springfield, Mass.	1
Springfield, Mo.	1
Tampa, Fla.	1
Tucson, Ariz.	1
Tulsa, Okla.	3
Wichita, Kans.	6
Total	228

NOTE.—According to the CAB, there were 113 midair near collisions which did not occur over cities.

EXHIBIT 3

Location by major metropolitan areas of 369 midair near collisions reported to the Civil Aeronautics Board, September 1956–December 1956

1. Boston	3
2. Chicago	9
3. Cleveland	1
4. Detroit	9
5. Los Angeles	22
6. New York-northeastern New Jersey	13
7. Philadelphia	2
8. Pittsburgh	1
9. San Francisco-Oakland	14
10. St. Louis	6
11. Washington	21
Total	101

NOTE.—Locations of all midair near collisions reported by the CAB is shown on exhibit 2.

EXHIBIT 4

EXCERPTS FROM OFFICIAL INCIDENT REPORTS OF THE CIVIL AERONAUTICS ADMINISTRATION

From: Airport Traffic Control Tower, International Airport, Philadelphia, Pa.
Date: August 21, 1956.
Time: Night.
Incident number: 1–PHL–APT–361.
Type of aircraft: Four-engine commercial airliner and twin-engine air-cargo plane.

2238E: Four-engine commercial airliner departed runway 9, IFR cleared to New Brunswick maintain 2,000 feet. Traffic was exchanged by the tower to both airliners.

2239E: Four-engine airliner contacted radar departure control and traffic was again exchanged at 10 o'clock range 4 miles. Traffic was acknowledged.

2240E: Four-engine airliner reported he just missed twin-engine plane and wanted to know why he wasn't vectored around him. An explanation of the Vectoring procedure was explained to the four-engine airliner, namely that the request for the vector must come from the cockpit. The pilot then vigorously objected to this procedure.

EXHIBIT 5

EXCERPTS FROM OFFICIAL INCIDENT REPORTS OF THE CIVIL AERONAUTICS ADMINISTRATION

From: Airport Traffic Control Tower, Philadelphia International Airport, Philadelphia, Pa.
Date: October 13, 1956.
Time: Day.
Incident number: 1–PHL–APT–370.
Type of aircraft: Two-engine plane and unidentified jet.

1050E: Two-engine plane (IFR)) inbound from Marshall intersection at 3,000 feet, not yet in radar contact, advised a jet just missed him doing a slow roll at the same altitude in the vicinity of duPont intersection. Two-engine plane further advised that the jet went into the clouds, the base of the clouds being just above 3,000 feet.

1051E: Two-engine plane in radar contact passing the 160 degree radial of West Chester VOR, on the Philadelphia localizer course. A target believed to be the jet was last seen on radar 5 miles west of New Castle, southwest bound.

EXHIBIT 6

EXCERPTS FROM OFFICIAL INCIDENT REPORTS OF THE CIVIL AERONAUTICS ADMINISTRATION

From: Airport Traffic Control Tower, Friendship International Airport, Maryland.
Date: February 8, 1957.
Time: Day.
Incident number: BAL TWR-106.
Type of aircraft: Four-engine plane and four unknown military helicopters.

1124E: Four-engine plane departed runway 4 with an IFR clearance to maintain

2,000 until past Ellicott City. Approximately 1 mile from the end of the runway, four-engine plane was observed taking evasive action by making an abrupt left turn. At this time an helicopter was observed proceeding from northwest to southeast directly across the take-off path of four-engine plane. Two more helicopters were sighted and four-engine plane was advised of their position and instructed to change immediately to radar frequency for further traffic advisories. It was felt that due to restricted visibility the tower might not see all the helicopters. At this time a fourth helicopter was sighted on the same course and approximately 1 mile from the end of the runway, and at a low altitude.

Attempts were made on all available frequencies to establish radio contact with the helicopters but they were unsuccessful. The helicopters were observed to turn on a southerly heading and disappeared.

Weather observations:

1125E Scattered clouds, 2,000; ceiling, 10,000, overcast; visibility, 2½ miles, ground fog haze.

EXHIBIT 7

EXCERPTS FROM OFFICIAL INCIDENT REPORTS OF THE CIVIL AERONAUTICS ADMINISTRATION

From: Air Route Traffic Control Center, Washington National Airport, Washington, D. C.

Date: April 7, 1956.

Time: Night.

Incident number: DCA ARTC No. 1107.

Type of aircraft: Twin-engine airliner and a four-engine airliner.

A twin-engine airliner departed Newark en route to Washington National via Victor Airway 3 to Lisbon, direct Riverdale Amber Airway 7 to Washington at an assigned altitude of 6,000; estimated Morrisville at 1819 eastern standard time.

A four-engine airliner departed Newark en route to Washington National via Victor Airway 3, Lisbon, direct Riverdale Amber 7 to Washington at an assigned altitude of 8,000; estimated Morrisville at 1832 eastern standard time.

The following is a verbatim transcription of all radio contacts between the two aircrafts mentioned above and Washington center on 120.3 MC.:

1919E: Center (twin-engine plane): "Go ahead."

Twin engine: "Is there anybody below us at Riverdale?"

Center: "Not on this estimate, apparently there is."

Four engine (announces his presence).

Center (twin-engine plane) on top of (four-engine plane).

Center (twin-engine plane): "You were cleared at six thousand to descend to and maintain six."

Twin engine: "We didn't read your conversation there, sir, we feel very sorry. *It's a close one.*"

Four engine: "We've been holding Riverdale at seven thousand, that's radial 225 and 110."

Twin engine: "We've been very concerned about that. We've been feeling some prop wash and have been looking around, apparently we're right behind you all the way."

Twin engine: "All right, center, let's quit playing and get some separation and get somebody down out of here.

EXHIBIT 8

EXCERPTS FROM OFFICIAL INCIDENT REPORTS OF THE CIVIL AERONAUTICS ADMINISTRATION

From: Air Route Traffic Control, Washington National Airport, Washington, D. C.

Date: January 15, 1957.

Time: Night.

Incident number: DCA ARTC No. 1151.

Type of aircraft: Two 4-engine planes.

FLIGHT INFORMATION

First 4-engine plane, Miami direct West Palm Beach direct Wilmington, Victor 1 Coyle, Victor 16 Boston, estimated by the Jacksonville center over Azalea at 1851 eastern standard time, by Washington center over Wilmington at 1917 eastern standard time, ground speed estimated 280 knots, assigned altitude 17,000 feet.

A second 4-engine plane, Jacksonville, direct Charleston direct Norfolk, Victor 1 Idlewild, estimated by Jacksonville center 15 miles west of Myrtle Beach at 1914 eastern standard time, and by Washington center 15 west of Wilmington at 1929 eastern standard time, ground speed estimated 250 knots, assigned altitude 17,000 feet.

SUMMARY OF INCIDENT

At 1955 eastern standard time, first 4-engine plane reported over Norfolk and advised that there was another aircraft at his altitude. The Norfolk center advised the flight that only known traffic was second 4-engine plane, estimated over Norfolk at 2010 eastern standard time. At 1955 eastern standard time, second 4-engine plane reported over Norfolk and was climbed immediately to 19,000 feet. Both aircraft were queried as to the time they actually past (sic) LaGrange. Second 4-engine plane passed LaGrange at 1930 eastern standard time, and first 4-engine plane passed LaGrange at 1932 eastern standard time.

REMARKS

Due to the fact that flights proceeding along the route of the second 4-engine plane do not pass a compulsory reporting point in the Washington area, a hazardous situation is created. This flight was in the Washington control area for approximately 2 minutes when crossing Victor 1 in the vicinity of LaGrange. No progress reports are received by the Washington center after the flight has reported over Charleston. The ability of the Washington center to accurately estimate these flights is greatly reduced. The establishment of the LaGrange intersection as a compulsory reporting point has been recommended to flight safety.

SOCIAL SECURITY AND COST OF LIVING

Mr. BAILEY. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. DINGELL. Mr. Speaker, today I am introducing a bill which offers some immediate relief to those men and women on the social security rolls who find it necessary to work because their benefits are inadequate to cope with present living costs. Under present law, a person who receives over $1,200 a year in outside earnings will suffer a reduction in his social security benefits. This means that a retired worker who draws the average benefit—which at the end of last year was about $63 a month, or $758 a year—is going to be held to less than $2,000 a year in combined payments and earnings. This, I maintain, is a situation which does not reflect wise governmental policy. My bill would increase to $1,800 a year the amount which recipients are allowed to earn, and still receive their full social security benefit.

I do not think we can overestimate the effect of rising costs on our older citizens. For 7 straight months, now, the consumer price index has been at an alltime record high. A trip to the store, these days, for a person dependent on social security benefits is a discouraging and disturbing experience. He buys the same groceries, but his bill seems to grow and grow. And groceries are not his only problem. For instance, older people require more medical care than most of us, because of the illnesses of age. The most recent study by the Health Information Foundation showed that the average annual cost for private medical care for persons 65 and over in July 1953, was $102, as compared to $65 a year for individuals in all other age groups. Statistics also show that the increase in the cost of medical care has risen more sharply than other items on the budget. Since the foundation's study—and since the social security income limitation was raised to $1,200 in 1954—the costs of medical care have risen by 10 percent.

As every day passes it becomes increasingly clear that there must be an overall adjustment in benefits if the people on the social-security rolls are not to be reduced to destitution by rising price levels. The bill I have introduced today offers some help for elderly people caught in the price squeeze. It is not a substitute for a general increase in social-security payments, but is designed to afford some immediate relief to those who try to supplement their benefits with outside earnings.

Moreover, this provision would lessen a discriminatory feature of the act which penalizes an individual who is working to supplement his social-security benefit. The well-to-do, who have income from rents, dividends, and so forth, can receive their benefits without deduction, regardless of the amount of this unearned income. But the average worker must surrender benefits if his wages exceed the $1,200 income limitation.

The increase of the ceiling to $1,800 could be made at a cost of only 0.33 percent of payroll on a level premium basis. The effect on the old-age and survivors insurance trust fund of such a change is so moderate that it would not necessarily call for any increase in the tax rate. The alleviation of hardship in thousands of homes which this liberalization will bring about is well worth the relatively slight cost. I urge the Congress to adopt my amendment as a first step toward aligning the whole social-security structure with the facts of our present economic life.

THE SMALL BUSINESS ACT OF 1957

Mr. MULTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, tomorrow, May 14, 1957, the House Banking and Currency Committee starts its hearings on extending the Small Business Act, which, under existing law, expires shortly.

As a result of hearings conducted by Subcommittee No. 2 of the House Select Committee To Study the Problems of Small Business, a new bill was introduced today, cosponsored by 10 members of the full committee. The numbers assigned are H. R. 7474 to H. R. 7483, inclusive.

The Members who joined with me in introducing the bill are Messrs. EVINS, STEED, ROOSEVELT, HILL, RIEHLMAN, SEELY-BROWN, JR., MCCULLOCH, SHEEHAN, and HOSMER.

We believe the enactment of that bill will go a long way toward making the Small Business Administration a more useful and a more effective agency. It should implement the Congressional intent to give real aid and not mere lip-service to the small business segment of our economy. It will help strengthen our free-enterprise system.

The major changes sought to be accomplished by this bill are:

First. Permanancy of the agency.

Second. True independence from other Government agencies by eliminating the Loan Policy Board, which now includes the Secretary of the Treasury and the Secretary of Commerce. In its place, it establishes a policy board of small-business men.

Third. The definition of "small business" is clarified.

Fourth. The authorization for lending purposes is realistically increased, while the authorization for procurement purposes is reduced by $75 million.

Fifth. The maximum interest rate chargeable by the agency is fixed at 5 percent per annum.

Sixth. The general lending authority is clarified so as to eliminate some of the restrictions read into the law by the Loan Policy Board contrary to the congressional intent.

Seventh. The disaster loan provisions are clarified as to "drought" loans.

Eighth. The joint determination program for procurement is strengthened by permitting appeals to the Secretary of Defense.

Ninth. The provision against duplication of activities of Government agencies is strengthened by transferring to the Small Business Administration all small business activities of the Department of Commerce.

The bill, as introduced today, reads as follows:

THE SMALL BUSINESS ACT OF 1957 AS APPROVED BY SUBCOMMITTEE NO. 2 OF THE HOUSE SMALL BUSINESS COMMITTEE

(Created pursuant to H. Res. 56, 85th Cong.)

(ABRAHAM J. MULTER, New York, chairman; SIDNEY R. YATES, Illinois; TOM STEED, Oklahoma; R. WALTER RIEHLMAN, New York; HORACE SEELY-BROWN, JR., Connecticut. Subcommittee No. 2 has jurisdiction over matters affecting the Small Business Administration and problems related to Government Procurement, Loans and Disposal Activities.)

(NOTE.—The language in brackets is new or materially changed from the present Small Business Act. Any change of language not involving substantive matter but which merely is revised for the purpose of clarity has not been bracketed.)

A bill to further amend the Small Business Act of 1953, as amended

Be it enacted, etc., That this Act shall be cited as the "Small Business Act of 1957."

SEC. 2. The Small Business Act of 1953, as amended, is amended to read as follows:

"SEC. 101. (a) The essence of the American economic system of private enterprise is free competition. Only through full and free competition can free markets, free entry into business, and opportunities for the expression and growth of personal initiative and individual judgment be assured. The preservation and expansion of such competition is basic not only to the economic well-being but to the security of this Nation. Such security and well-being cannot be realized unless the actual and potential capacity of small business is encouraged and developed. It is the declared policy of the Congress that the Government should aid, counsel, assist, and protect insofar as is possible the interests of small-business concerns in order to preserve free competitive enterprise, to insure that a fair proportion of the total purchases and contracts for property and services for the Government [(including but not limited to contracts for maintenance, repair, and construction)] be placed with small-business enterprises, and to maintain and strengthen the overall economy of the Nation.

"(b) Further, it is the declared policy of the Congress that the Government should aid and assist victims of flood and other catastrophes.

"SEC. 102. For the purposes of this Act, a small-business concern shall be deemed to be one which is independently owned and operated and which is not dominant in its field of operation. In addition to the foregoing criteria the Administration, in making a detailed definition, may use these criteria, among others: Number of employees and dollar volume of business: [*Provided, however*, That no definition promulgated by the Administrator for any purpose whatsoever shall be based solely on the number of employees: *And provided further*, That without undue delay the Administrator shall establish a definition of small business which definition shall be consistent with the intent of Congress. The definition presently in use by the Administrator for financial assistance is hereby continued as the definition for all purposes until the Administrator adopts a new definition based on the criteria stated herein.]

"SEC. 103. (a) In order to carry out the policies of this Act there is hereby created an agency under the name 'Small Business Administration' (herein referred to as the Administration), which Administration shall be under the general direction and supervision of the President and shall not be affiliated with or be within any other agency or department of the Federal Government. The principal office of the Administration shall be located in the District of Columbia, but the Administration may establish such branch and regional offices in other places in the United States as may be determined by the Administrator of the Administration. As used in this Act, the term 'United States' includes the several States, the Territories and possessions of the United States, the Commonwealth of Puerto Rico, and the District of Columbia.

"(b) The management of the Administration shall be vested in an Administrator who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate, and who shall be a person of outstanding qualifications known to be familiar and sympathetic with small-business needs and problems. The Administrator shall not engage in any other business, vocation, or employment than that of serving as Administrator. The Administrator is authorized to appoint three deputy administrators to assist in the execution of the functions vested in the Administration. [The Administrator and the deputy administrators shall receive compensation at the rates provided in the Federal Executive Pay Act of 1956, or any amendments thereof.]

"(c) The Administration is authorized to obtain money from the Treasury of the United States for use in the performance of the powers and duties granted to or imposed upon it by law, not to exceed a total of [$700,000,000] outstanding at any one time. For this purpose appropriations not to exceed [$700,000,000] are hereby authorized to be made to a revolving fund in the Treasury. Advances shall be made to the Administration from the revolving fund when requested by the Administration. This revolving fund shall be used for the purposes enumerated subsequently in section 106 (a), (b), and section 107 (a). Not to exceed an aggregate of [$500,000,000] shall be outstanding at any one time for the purposes enumerated in section 106 (a). Not to exceed an aggregate of [$175,000,000] shall be outstanding at any one time for the purposes enumerated in section 106 (b). Not to exceed an aggregate of [$25,000,000] shall be outstanding at any one time for the purposes enumerated in section 107 (a). The Administration shall pay into miscellaneous receipts of the Treasury at the close of each fiscal year, interest on the net amount of the cash disbursements from such advances at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding interest-bearing marketable public-debt obligations of the United States of comparable maturities.

"(d) (1) [There is hereby created a Policy Board of the Small Business Administration consisting of three members, the Administrator as Chairman, and two other members truly representative of small business and small banking.]

"(2) [The Policy Board shall meet at least monthly and at such other times as the Board may determine or on the call of the Administrator to determine administrative programs and policies relating to loans, procurement, disposal and general assistance to small business. Members of the Policy Board other than the Administrator shall be paid a per diem allowance of $100 for each day spent away from their home or regular place of business for the purpose of attendance at meetings of the Policy Board and the necessary travel; and while so engaged, they may be paid actual travel expenses and not to exceed $25 per diem in lieu of subsistence and other expenses. The maximum time spent for such attendance is not to exceed 50 days in any one calendar year.]

"(3) [The Policy Board shall establish general policies with respect to the financial assistance, procurement, disposal, and general assistance to small-business programs of the administration.]

"(4) [The members of the Policy Board representatives of small banks and small-business concerns shall be appointed from civilian life by the President by and with the advice and consent of the Senate, and they shall be persons of outstanding qualifications in their respective fields of operation known to be familiar and sympathetic with the needs and problems of small business. The members of the Policy Board other than the Administrator shall be actively engaged as full-time operating officials of (1) a small bank and (2) a small-business concern which shall be small business as defined in section 102 of this act.]

"(e) The Administrator [shall] establish regional offices of the Administration in the Territories of Alaska and Hawaii and in the Commonwealth of Puerto Rico.

"SEC. 104. (a) The Administration shall have power to adopt, alter, and use a seal, which shall be judicially noticed. The Administrator is authorized, subject to the civil-service and classification laws, to select, employ, appoint, and fix the compensation of such officers, employees, attorneys, and agents as shall be necessary to carry out the provisions of this act; to define their authority and duties, to provide bonds for them in such amounts as the Administrator shall determine, and to pay the costs of qualification of certain of them as notaries public. The Administration, with the consent of any board, commission, independent

establishment, or executive department of the Government, may avail itself on a reimbursable [or nonreimbursable] basis of the use of information, services, facilities, including any field service thereof, officers, and employees thereof, in carrying out the provisions of this act. Subject to the standards and procedures under section 505 of the Classification Act of 1949, as amended, not to exceed 15 positions in the Small Business Administration may be placed in grades 16, 17, and 18 of the General Schedule established by that Act, and any such poistions shall be additional to the number authorized by such section.

"(b) In the performance of, and with respect to, the functions, powers, and duties vested in him by this Act the Administrator may—

"(1) sue and be sued in any court of record of a State having general jurisdiction, or in any United States district court, and jurisdiction is conferred upon such district court to determine such controversies without regard to the amount in controversy: *Provided*, That no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued again the Administrator or his property;

"(2) under regulations prescribed by him, assign or sell at public or private sale, or otherwise dispose of for cash or credit, in his discretion and upon such terms and conditions and for such consideration as the Administrator shall determine to be reasonable, any evidence of debt, contract, claim, personal property, or security assigned to or held by him in connection with the payment of loans granted under this Act, and to collect or compromise all obligations assigned to or held by him and all legal or equitable rights accruing to him in connection with the payment of such loans until such time as such obligations may be referred to the Attorney General for suit or collection;

"(3) deal with, complete, renovate, improve, modernize, insure, or rent or sell for cash or credit upon such terms and conditions and for such consideration as the Administrator shall determine to be reasonable, any real property conveyed to or otherwise acquired by him in connection with the payment of loans granted under this Act;

"(4) pursue to final collection, by way of compromise or otherwise, all claims against third parties assigned to the Administrator in connection with loans made by him. This shall include authority to obtain deficiency judgments or otherwise in the case of mortgages assigned to the Administrator. Section 3709 of the Revised Statutes, as amended (41 U. S. C. 5), shall not be construed to apply to any contract of hazard insurance or to any purchase or contract for services or supplies on account of property obtained by the Administrator as a result of loans made under this Act if the premium therefor or the amount thereof does not exceed $1,000. The power to convey and to execute in the name of the Administrator deeds of conveyance, deeds of release, assignments and satisfactions of mortgages, and any other written instrument relating to real property or any interest therein acquired by the Administrator pursuant to the provisions of this Act may be exercised by the Administrator or by any officer or agent appointed by him without the execution of any express delegation of power or power of attorney. Nothing in this section shall be construed to prevent the Administrator from delegating such power by order or by power of attorney, in his discretion, to any officer or agent he may appoint;

"(5) acquire, in any lawful manner, any property (real, personal, or mixed, tangible or intangible), whenever deemed necessary or appropriate to the conduct of the activities authorized in sections 105 and 106 (a) of this Act;

"(6) make such rules and regulations as he deems necessary to carry out the authority vested in him by or pursuant to this Act;

"(7) in addition to any powers, functions, privileges, and immunities otherwise vested in him, take any and all actions, including the procurement of the services of attorneys by contract, determined by him to be necessary or desirable in making, servicing, compromising, modifying, liquidating, or otherwise dealing with or realizing on loans made under the provisions of this Act: *Provided*, That no attorneys' services shall be procured by contract in any office where an attorney or attorneys are or can be economically employed full time to render such services; and

"(8) [Pay the transportation expenses and per diem in lieu of subsistence expenses, in accordance with the Travel Expense Act of 1949, for travel of any person employed by the administration to render temporary services not in excess of 6 months in connection with any disaster referred to in section 106 (b) of this act, from place of appointment to, and while at, the disaster area and any other temporary posts of duty and return upon completion of the assignment;]

"(9) [to accept the services and facilities of Federal, State, and local agencies and groups, both public and private, and utilize such gratuitous services and facilities as may, from time to time, be necessary to further] the objectives of this section;

"(c) To such extent as he finds necessary to carry out the provisions of this act, the Administrator is hereby authorized to procure the temporary (not in excess of 6 months) services of experts or consultants or organizations thereof, including stenographic reporting services, by contract or appointment, and in such cases such service shall be without regard to the civil-service and classification laws, and, except in the case of stenographic reporting services by organizations, without regard to section 3709, Revised Statutes, as amended (41 U. S. C. 5). Any individual so employed may be compensated at a rate not in excess of $50 per diem, and, while such individual is away from his home or regular place of business, he may be allowed transportation and not to exceed $15 per diem in lieu of subsistence and other expenses.

"SEC. 105. (a) All moneys of the Administration not otherwise employed may be deposited with the Treasurer of the United States subject to check by authority of the Administration. The Federal Reserve banks are authorized and directed to act as depositaries, custodians, and fiscal agents for the Administration in the general performance of its powers conferred by this Act. Any banks insured by the Federal Deposit Insurance Corporation, when designated by the Secretary of the Treasury, shall act as custodians and financial agents for the Administration. Each Federal Reserve bank, when designated by the Administrator as fiscal agent for the Administration, shall be entitled to be reimbursed for all expenses incurred as such fiscal agent.

"(b) The Administrator shall contribute to the civil-service retirement and disability fund, on the basis of annual billings as determined by the Civil Service Commission, for the Government's share of the cost of the civil service retirement system applicable to the employees engaged in carrying out the functions of this Act [or the beneficiaries of such employees]. The Administrator shall also contribute to the employees' compensation fund, on the basis of annual billings as determined by the Secretary of Labor, for the benefit payments made from such funds on account of employees engaged in carrying out the functions financed by such revolving fund. The annual billings shall also include a statement of the fair portion of the cost of the administration of the respective funds, which shall be paid by the Administrator into the Treasury as miscellaneous receipts.

"SEC. 106. (a) The Administration is empowered to make loans (i) to enable small-business concerns to finance plant construction, conversion, or expansion, including the acquisition of land; or (ii) to finance the acquisition of equipment, facilities, machinery, supplies, or materials; or (iii) to supply such concerns with working capital to be used in the manufacture of articles, equipment, supplies, or materials for war, defense, or civilian production; or (iv) as may be necessary to insure a well-balanced national economy; and such loans may be made or effected either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis: *Provided, however*, That the foregoing powers shall be subject to the following restrictions and limitations:

"(1) No financial assistance shall be extended pursuant to this subsection unless the financial assistance applied for is not otherwise available on reasonable terms.

"(2) No immediate participation may be purchased unless it is shown that a deferred participation is not available; and no loan may be made unless it is shown that a participation is not available.

"(3) In agreements to participate in loans on a deferred basis under this subsection or under subsection (b) of this section, such participation by the Administration shall not be in excess of 90 percent of the balance of the loan outstanding at the time of disbursement.

"(4) No loan shall be extended if the total amount outstanding and committed (by participation or otherwise) to the borrower from the revolving fund established by this title would exceed $250,000. [The maximum rate of interest for the Small Business Administration's share of participating or direct business loans shall be no more than 5 percent of the prevailing rate if lower than 5 percent. The standard for the determination for prevailing rates shall mean the prevailing rate within the respective Federal Reserve districts where the money loaned is to be used.] The foregoing limitation of $250,000 shall not apply to any loan extended to any corporation formed and capitalized by a group of small-business concerns with resources provided by them for the purpose of [obtaining for the use of such concern raw materials, equipment, inventories, or supplies, or for establishing facilities for such purpose]. For any such corporation the limit of any loan extended or made as provided for in this section shall be $250,000 multiplied by the number of separate small businesses which have formed and capitalized a corporation as hereinbefore provided.

"(5) [The Administrator of the Small Business Administration is authorized to consult with representatives of small-business concerns with a view to encouraging the formation by such concerns of the corporations referred to in paragraph (4) of this section]. No act, or omission to act, if requested by the Administrator pursuant to this paragraph, and if found and approved by the Small Business Administration as contributing to the needs of small business, shall be construed to be within the provisions of the antitrust laws or Federal Trade Commission Act of the United States. A copy of the statement of any such finding and approval intended to be within the coverage of this section, and any modification or withdrawal thereof, shall be furnished to the Attorney General and the Chairman of the Federal Trade Commission when made, and it shall be published in the Federal Register. The authority granted in this paragraph shall be exercised only (A) by the Administrator, (B) upon the condition that the Administrator consult with the Attorney General and with the Chairman of the Federal Trade Commission, and (C) upon the condition that the Administrator obtain the approval of the Attorney General before exercising such authority. Upon withdrawal of any request or finding hereunder or upon withdrawal by the Attorney General of his approval of the voluntary agreement or program upon which the request or finding is based, the provisions of this paragraph shall not apply to any subsequent act or omission to act by reason of such finding or request.

"(6) No loan, including renewals or extensions thereof, may be made for a period or periods exceeding 10 years, except that (A) any loan made for the purpose of constructing facilities may have a maturity of 10 years plus such additional period as is estimated may be required to complete such construction, and (B) any loan extended to corporations formed and capitalized by a group of small-business concerns for the purpose of constructing facilities may have a maturity of 20 years plus such additional time as is required to complete such construction and at an interest rate not less than 3 nor more than 5 percent per annum.

"(7) All loans made shall [in the judgment of the Administrator offer reasonable assurance of repayment].

"(b) The Administration also is empowered—

"(1) to make such loan (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate because of floods or other catastrophes;

"(2) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to any small business concern located in an area [affected by a drought], if the Administration determines that the small business concern has suffered a substantial economic injury as a result of such drought and the President has determined under the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes,' approved September 30, 1950, as amended (42 U. S. C., secs. 1855–1855g) that such drought is a major disaster, or the Secretary of Agriculture has found under the Act entitled 'An Act to abolish the Regional Agricultural Credit Corporation of Washington, District of Columbia, and transfer its functions to the Secretary of Agriculture, to authorize the Secretary of Agriculture to make disaster loans, and for other purposes,' approved April 6, 1949, as amended (12 U. S. C., sec. 1148a–1–1148a–3), that such drought constitutes a production or economic disaster in such area.

"(3) [No loans, including renewals and extensions thereof, made pursuant to this subsection may be made for a period or periods exceeding 20 years];

"(4) The interest rate on the Administration's share of loans made pursuant to his subsection shall not exceed 3 percent per annum.

"(c) The Administration may further extend the maturity of or renew any loan made pursuant to this section beyond the periods stated therein, or any loan transferred to the Administration pursuant to Reorganization Plan No. 2 of 1954, for additional periods not to exceed 10 years, if such extension or renewal will aid in the orderly liquidation of such loan.

"SEC. 107. It shall be the duty of the Administration and it is hereby empowered, whenever it determines such action is necessary—

"(a) (1) to enter into contracts with United States Government and any department, agency, or officer thereof having procurement powers obligating the Administration to furnish articles, equipment, supplies, or materials to the Government. In any case in which the Administration certifies to any officer of the Government having procurement powers that the Administration is competent to perform any specific Government procurement contract to be let by any such officer, such officer shall be authorized in his discretion to let such procurement contract to the Administration upon such terms and conditions as may be agreed upon between the Administration and the procurement officer;

"(2) to arrange for the performance of such contracts by negotiating or otherwise letting subcontracts to small-business concerns or others for the manufacture, supply, or assembly of such articles, equipment, supplies, or materials, or parts thereof, or servicing or processing in connection therewith, or such management services as may be necessary to enable the Administration to perform such contracts;

"(b) to provide technical and managerial aids to small-business concerns, by advising and counseling on matters in connection with Government procurement and on policies, principles, and practices of good management, including but not limited to cost accounting, methods of financing, business insurance, accident control, wage incentives, and methods engineering, by cooperating and advising with voluntary business, professional, educational, and other nonprofit organizations, associations, and institutions and with other Federal and State agencies, by maintaining a clearinghouse for information concerning the managing, financing, and operation of small-business enterprises, by disseminating such information, and by such other activities as are deemed appropriate by the Administration;

"(c) to make a complete inventory of all productive facilities of small-business concerns which can be used for war, defense or [civilian] production, or to arrange for such inventory to be made by any other governmental agency which has the facilities. In making any such inventory, the appropriate agencies in the several States may be requested to furnish an inventory of the productive facilities of small-business concerns in each respective State if such an inventory is available or in prospect;

"(d) to coordinate and to ascertain the means by which the productive capacity of small-business concerns can be most effectively utilized for war, defense or [civilian] production;

"(e) to consult and cooperate with officers of the Government having procurement powers, in order to utilize the potential productive capacity of plants operated by small-business concerns;

"(f) to obtain information as to methods and practices which Government prime contractors utilize in letting subcontracts and to take action to encourage the letting of subcontracts by prime contractors to small-business concerns at prices and on conditions and terms which are fair and equitable;

"(g) to determine within any industry the concerns, firms, persons, corporations, partnerships, cooperatives, or other business enterprises, which are to be designated 'small-business concerns' for the purpose of effectuating the provisions of this Act. To carry out this purpose the Administrator, when requested to do so, shall issue in response to each such request an appropriate certificate certifying an individual concern as a 'small-business concern' in accordance with the criteria expressed in this act. Any such certificate shall be subject to revocation when the concern covered thereby ceases to be a 'small-business concern.' Offices of the Government having procurement or lending powers, or engaging in the disposal of Federal property or allocating materials or supplies, or promulgating regulations affecting the distribution of materials or supplies shall accept as conclusive the Administration's determination as to which enterprises are to be designated 'small-business concerns,' as authorized and directed under this paragraph;

"(h) to certify to Government procurement officers with respect to the competency, as to capacity and credit, of any small-business concern or group of such concerns to perform a specific Government procurement contract. In any case in which a small-business concern or group of such concerns has been certified by or under the authority of the administration to be a competent Government contractor with respect to capacity and credit as to a specific Government procurement contract, the officers of the Government having procurement powers are directed to accept such certification as conclusive, and are authorized to let such Government procurement contract to such concern or group of concerns without requiring it to meet any other requirement with respect to capacity and credit;

"(i) to obtain from any Federal department, establishment, or agency engaged in procurement or in the financing of procurement or production such reports concerning the letting of contracts and subcontracts and making of loans to business concerns as it may deem pertinent in carrying out its functions under this Act;

"(j) to obtain from suppliers of materials information pertaining to the method of filling orders and the basea for allocating their supply, whenever it appears that any small business is unable to obtain materials from its normal sources.

"(k) to make studies and recommendations to the appropriate Federal agencies to insure that a fair proportion of the total purchases and contracts for supplies and services for the Government be placed with small-business enterprises, to insure that a fair proportion of Government contracts for research and development be placed with small-business concerns, and to insure a fair and equitable share of materials, supplies, and equipment to small-business concerns.

"(l) to consult and cooperate with all Government agencies for the purpose of insuring that small-business concerns shall receive fair and reasonable treatment from said agencies;

"(m) to establish such small-business advisory boards and committees [truly representative of small business] as may be necessary to achieve the purposes of this Act;

"(n) [to make studies of matters materially affecting the competitive strength of small business, or the effect on small business of Federal programs or regulations; to make recommendations to the appropriate Federal agency for the adjustment of such programs or regulations to the needs of small business].

"SEC. 108. (a) The Administration shall make a report every 6 months of operations under this Act to the President, the President of the Senate, and the Speaker of the House of Representatives. Such report shall include the names of the business concerns to whom contracts are let and for whom financing is arranged by the Administration, together with the amounts involved, and such report shall include such other information and such comments and recommendations as the Administration may deem appropriate.

"(b) The Administration shall make a report to the President, the President of the Senate, and the Speaker of the House of Representatives, to the Senate Select Committee on Small Business and to the House Select Committee To Conduct a Study and Investigation of the Problems of Small-Business on June 30 and December 31 of each year, showing as accurately as possible for each such period the amount of funds appropriated to it that it has expended in the

conduct of each of its principal activities such as lending, procurement, contracting, and providing technical and managerial aids.

"(c) The Attorney General is directed to make, or request the Federal Trade Commission to make for him, surveys for the purpose of determining any factors which may tend to eliminate competition, create or strengthen monopolies, injure small business, or otherwise promote undue concentration of economic power in the course of the administration of this act. The Attorney General shall submit to the Congress and the President within 90 days after approval of this act, and at such times thereafter as he deems desirable, reports setting forth the results of such surveys and including such recommendations as he may deem desirable.

"(d) For the purposes of aiding in carrying out the national policy to insure that a fair proportion of the total purchases and contracts for supplies and services for the Government be placed with small-business enterprises, and to maintain and strengthen the overall economy of the Nation, the Department of Defense shall make a monthly report to the President, the President of the Senate, and the Speaker of the House of Representatives not less than 45 days after the close of the month, showing the amount of funds appropriated to the Department of Defense which have been expended, obligated, or contracted to be spent with small-business concerns and the amount of such funds expended, obligated, or contracted to be spent with firms other than small business in the same fields of operation; and such monthly reports shall show separately the funds expended, obligated, or contracted to be spent for basic and applied scientific research and development.

"(e) The Administration shall retain all correspondence, records of inquiries, memorandums, reports books, and records, including memorandums as to all investigations conducted by or for the Administration, for a period of at least 1 year from the date of each thereof, and shall at all times keep the same available for inspection and examination by the Senate Select Committee on Small Business, and the House Select Committee To Conduct a Study and Investigation of the Problems of Small Business, or their duly authorized representatives.

"(f) It shall be the duty of the Administration to consult and cooperate with governmental departments and agencies in the issuance of all orders or in the formulation of policy or policies in any way affecting small-business concerns. All such governmental departments or agencies are required, before issuing such orders or announcing such policy or policies, to consult and cooperate with the Administration in order that the interests of small-business enterprises may be recognized, protected, and preserved.

"SEC. 109. (a) The President is authorized to consult with representatives of small-business concerns with a view to encouraging the making by such persons with the approval of the President of voluntary agreements and programs to further the objectives of this Act.

"(b) No act or omission to act pursuant to this Act which occurs while this Act is in effect, if requested by the President pursuant to a voluntary agreement or program approved under subsection (a) of this section and found by the President to be in the public interest as contributing to the national defense, shall be construed to be within the prohibition of the antitrust laws or the Federal Trade Commission Act of the United States. A copy of each such request intended to be within the coverage of this section, and any modification or withdrawal thereof, shall be furnished to the Attorney General and the chairman of the Federal Trade Commission when made, and it shall be published in the Federal Register unless publication thereof would, in the opinion of the President, endanger the national security.

"(c) The authority granted in subsection (b) of this section shall be delegated only (1) to an official who shall for the purpose of such delegation be required to be appointed by the President by and with the advice and consent of the Senate, and (2) upon the condition that such official consult with the Attorney General and the chairman of the Federal Trade Commission not less than 10 days before making any request or finding thereunder, and (3) upon the condition that such official obtain the approval of the Attorney General to any request thereunder before making the request.

"(d) Upon withdrawal of any request or finding hereunder, or upon withdrawal by the Attorney General of his approval of the voluntary agreement or program on which the request or finding is based, the provisions of this section shall not apply to any subsequent act, or omission to act, by reason of such finding or request.

"SEC. 110. The President may transfer to the administration any functions, powers, and duties of any department or agency which relate primarily to small-business problems. In connection with any such transfer, the President may provide for appropriate transfers of records, property, necessary personnel, and unexpended balances of appropriations and other funds available to the department or agency from which the transfer is made.

"SEC. 111. No loan shall be made or equipment, facilities or services furnished by the administration under this act to any business enterprise unless the owners, partners, or officers of such business enterprise (1) certify to the administration the names of any attorneys, agents, or other persons engaged by or on behalf of such business enterprise for the purpose of expediting applications made to the administration for assistance of any sort, and the fees paid or to be paid to any such persons; (2) execute an agreement binding any such business enterprise for a period of 2 years after any assistance is rendered by the administration to such business enterprise, to refrain from employing, tendering any office or employment to, or retaining for professional services, any person who, on the date such assistance or any part thereof was rendered, or within 1 year prior thereto, shall have served as an officer, attorney, agent, or employee of the administration occupying a position or engaging in activities which the administration shall have determined involve discretion with respect to the granting of assistance under this Act; and (3) furnish the names of lending institutions to which such business enterprise has applied for loans together with dates, amounts, terms, and proof of refusal.

"SEC. 112. To the fullest extent the administration deems practicable, it shall make a fair charge for the use of Government-owned property and make and let contracts on a basis that will result in a recovery of the direct costs incurred by the administration.

"SEC. 113. To effectuate the purposes of this Act, small-business concerns within the meaning of this Act shall receive any award or contract or any part thereof as to which it is determined by the Administration and the contracting procurement agency (1) to be in the interest of maintaining or mobilizing the Nation's full productive capacity, or (2) to be in the interest of war or national defense programs. [Whenever the administration and the contracting procurement agency fail to agree, the matter shall be submitted for determination to the Secretary or the head of the appropriate department or agency by the Administrator of the Small Business Administration.]

"SEC. 114. (a) Whoever makes any statement knowing it to be false, or whoever willfully overvalues any security for the purpose of obtaining for himself or for any applicant any loan, or extension thereof by renewal, deferment of action, or otherwise, or the acceptance, release, or substitution of security therefor, or for the purpose of influencing in any way the action of the administration, or for the purpose of obtaining money, property, or anything of value, under this Act, shall be punished by a fine of not more than $5,000 or by imprisonment for not more than 2 years, or both.

"(b) Whoever, being connected in any capacity with the administration (1) embezzles, abstracts, purloins, or willfully misapplies any moneys, funds, securities, or other things of value, whether belonging to it or pledged or otherwise entrusted to it, or (2) with intent to defraud the Administration or any other body politic or corporate, or any individual, or to deceive any officer, auditor, or examiner of the administration, makes any false entry in any book, report, or statement of or to the administration, or, without being duly authorized, draws any order or issues, puts forth, or assigns any note, debenture, bond, or other obligation, or draft, bill of exchange, mortgage, judgment, or decree thereof, or (3) with intent to defraud participates, shares, receives directly or indirectly any money, profit, property, or benefit through any transaction, loan, commission, contract, or an other act of the administration, or (4) gives any unauthorized information concerning any future action or plan of the administration which might affect the value of securities, or, having such knowledge, invests or speculates, directly or indirectly, in the securities or property of any company or corporation receiving loans or other assistance from the Administration shall be punished by a fine of not more than $10,000 or by imprisonment for not more than 5 years, or both.

"SEC. 115. (a) The Administration shall not duplicate the work or activity of any other department or agency of the Federal Government and nothing contained in this Act shall be construed to authorize any such duplication unless such work or activity is expressly provided for in this act.

["(b) All small-business functions not heretofore transferred to the Small Business Administration by the Department of Commerce are hereby transferred upon the effective date of this Act.]

"SEC. 116. If any provision of this Act, or the application thereof to any person or circumstances, is held invalid, the remainder of this Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

"SEC. 117. There are hereby authorized to be appropriated such sums as may be necessary and appropriate for the carrying out of the provisions and purposes of this Act.

"SEC. 118. All laws and parts of laws inconsistent with this Act are hereby repealed to the extent of such inconsistency."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. SCHERER (at the request of Mr. MARTIN), for 1 week, on account of official business.

To Mr. STAUFFER (at the request of Mr. MARTIN), for 1 week, on account of official business.

To Mr. GROSS, for 4 days, on account of death in his family.

Mr. TELLER, from May 13 to May 18, on account of official business.

Mr. KELLEY of Pennsylvania, from May 13 to May 18, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. VANIK, for 15 minutes, tomorrow.

Mr. HASKELL, for 15 minutes, today.

Mrs. ROGERS of Massachusetts, for 5 minutes, today.

Mr. BAILEY, on Thursday, for 45 minutes.

Mr. LAIRD, on Wednesday next, for 15 minutes.

Mr. REECE of Tennessee, for 1 hour, on Friday next, or, if the House is not in session on that day, on Thursday next.

Mrs. KELLY of New York (at the request of Mr. BAILEY), for 90 minutes, on Thursday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mrs. KEE.

Mr. HEMPHILL and to include extraneous matter.

Mr. KILDAY and include an address delivered by him.

Mr. MARTIN.

Mr. ROBERTS and include an editorial.

Mr. ROOSEVELT (at the request of Mr. ALBERT).

Mr. ANFUSO (at the request of Mr. EDMONDSON) in two instances and to include extraneous matter.

Mr. FEIGHAN.

Mr. MCDONOUGH in two instances and to include extraneous matter.

Mr. HILLINGS in two instances and to include extraneous matter.

Mr. COFFIN (at the request of Mr. BAILEY) and to include extraneous matter.

ADJOURNMENT

Mr. BAILEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 16 minutes p. m.), the House adjourned until tomorrow, Tuesday, May 14, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

843. A letter from the Secretary of State, transmitting a draft of proposed legislation entitled "A bill to amend the Foreign Service Buildings Act of 1926"; to the Committee on Foreign Affairs.

844. A letter from the Clerk, United States House of Representatives, transmitting a bill for the relief of the MacArthur Mining Co., Inc., in receivership, received May 10, 1957, from the Court of Claims of the United States, pursuant to House Resolution 241, 85th Congress; to the Committee on the Judiciary.

845. A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation entitled "A bill to amend the Act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941"; to the Committee on the Judiciary.

846. A letter from the executive secretary, the American Society of International Law, transmitting the annual audit by a certified public accountant of the financial transactions of the society and of the corporate books and records pertinent thereto, covering the year ended December 31, 1956, pursuant to the act of September 20, 1950 (64 Stat. 869); to the Committee on the Judiciary.

847. A letter from the Chairman, United States Advisory Commission on Educational Exchange, transmitting the 17th Semiannual Report on the Educational Exchange Activities from July 1 through December 31, 1956, pursuant to Public Law 402, 80th Congress (H. Doc. No. 176); to the Committee on Foreign Affairs and ordered to be printed

848. A letter from the Comptroller General of the United States, transmitting a report on the audit of Reconstruction Finance Corporation (in liquidation) and Defense Lending Division, Office of Production and Lending, Treasury Department, for the fiscal year ended June 30, 1956, pursuant to the Government Corporation Control Act (31 U. S. C. 841) (H. Doc. No. 177); to the Committee on Government Operations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FRAZIER: Committee on the Judiciary. H. R. 3370. A bill to amend section 1871 of title 28, United States Code, to increase the mileage and subsistence allowances of grand and petit jurors; without amendment (Rept. No. 439). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. H. R. 3775. A bill to amend section 20b of the Interstate Commerce Act in order to require the Interstate Commerce Commission to consider, in stock modification plans, the assents of controlled or controlling stockholders, and for other purposes; with amendment (Rept. No. 440). Referred to the Committee of the Whole House on the State of the Union.

Mr. FRAZIER: Committee on the Judiciary. H. R. 5811. A bill to amend subdivision b of section 14—Discharges, when granted—of the Bankruptcy Act, as amended, and subdivision b of section 58—Notices—the Bankruptcy Act, as amended; without amendment (Rept. No. 441). Referred to the Committee of the Whole House on the State of the Union.

Mr. FRAZIER: Committee on the Judiciary. Senate Joint Resolution 22. Joint resolution requesting the President to designate the third Friday of May of each year as National Defense Transportation Day; without amendment (Rept. No. 442). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAILEY:

H. R. 7442. A bill to provide supplementary benefits for recipients of public assistance and benefits for others who are in need through the issuance of stamps or certificates to be used in the acquisition of surplus agricultural commodities; to provide for improved nutrition for recipients of public assistance and others eligible under the provisions of the act; to assist in maintaining fair prices and income to farmers by providing additional outlets for surplus agricultural products; to prevent burdening and obstructing channels of interstate commerce; to promote the full use of agricultural resources, and for other purposes; to the Committee on Agriculture.

By Mr. BECKWORTH:

H. R. 7443. A bill to amend section 8 of title 13 of the United States Code to except certain persons from the requirement of paying fees for certain census data; to the Committee on Post Office and Civil Service.

H. R. 7444. A bill to amend the Veterans' Readjustment Assistance Act of 1952 to make the educational benefits provided for therein available to all veterans whether or not they served during a period of war or of armed hostilities; to the Committee on Veterans' Affairs.

By Mr. CHELF:

H. R. 7445. A bill to increase from $600 to $900 the income tax exemption allowed each taxpayer, each dependent, and $1,200 for a dependent child (until said child reaches 21 years of age) while attending any accredited business school, college, or university; to the Committee on Ways and Means.

By Mr. COFFIN:

H. R. 7446. A bill to assist the United States cotton textile industry in regaining its equitable share of the world market; to the Committee on Agriculture.

By Mr. CRAMER:

H. R. 7447. A bill to amend the Internal Revenue Code to provide that annuities received under the Civil Service Retirement Act shall be exempt from income tax; to the Committee on Ways and Means.

H. R. 7448. A bill to provide increases of compensation for certain disabled female veterans who have dependent husbands; to the Committee on Veterans' Affairs.

H. R. 7449. A bill authorizing a preliminary examination and survey of streams at and in the vicinity of Gulfport, Fla., for present and prospective commerce, and for other purposes; to the Committee on Public Works.

By Mr. DAVIS of Georgia:

H. R. 7450. A bill to amend section 4 of the act entitled "Policemen and Firemen's Retirement and Disability Act Amendments of 1957"; to the Committee on the District of Columbia.

H. R. 7451. A bill to make the act approved March 3, 1899 (30 Stat. 1045, 1057, ch. 422), providing for the appointment of special policemen by the Commissioners of the District of Columbia applicable to Government departments and agencies; to the Committee on the District of Columbia.

H. R. 7452. A bill to provide for the designation of holidays for the officers and employees of the government of the District of Columbia for pay and leave purposes, and for other purposes; to the Committee on the District of Columbia.

By Mr. DINGELL:

H. R. 7453. A bill to amend title II of the Social Security Act to increase the amount of outside earnings permitted without deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. EBERHARTER:

H. R. 7454. A bill to amend the Tariff Act of 1930 to provide for the free importation by colleges and universities of sound recordings and film to be used by them in certain nonprofit radio and television broadcasts; to the Committee on Ways and Means.

By Mr. HARRISON of Virginia:

H. R. 7455. A bill to amend the Soil Bank Act, and for other purposes; to the Committee on Agriculture.

By Mr. HUDDLESTON:

H. R. 7456. A bill to amend the Dependents' Medical Care Act to provide that periods of active duty for training shall be

taken into account in determining whether or not a retired member of a uniformed service has 8 years of service so as to qualify for benefits thereunder; to the Committee on Armed Services.

By Mr. JENKINS:

H. R. 7457. A bill to amend section 1341 of the Internal Revenue Code of 1954, and for other purposes; to the Committee on Ways and Means.

By Mr. LANDRUM:

H. R. 7458. A bill to amend the Fair Labor Standards Act of 1938, as amended, to restrict its application in certain overseas areas, and for other purposes; to the Committee on Education and Labor.

By Mr. LANKFORD:

H. R. 7459. A bill to provide for the licensing of bicycles operated in the District of Columbia; to the Committee on the District of Columbia.

H. R. 7460. A bill to provide for the conveyance of certain real property of the United States to the State of Maryland; to the Committee on Interior and Insular Affairs.

By Mr. MILLER of California:

H. R. 7461. A bill to amend the Tariff Act of 1930, as amended, so as to prevent undue relaxation of customs supervision as a safeguard against smuggling and for the protection of the revenue, and for other purposes; to the Committee on Ways and means.

By Mr. RABAUT:

H. R. 7462. A bill to establish an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in certain economically depressed areas; to the Committee on Banking and Currency.

By Mr. REECE of Tennessee:

H. R. 7463. A bill authorizing the transfer of certain property of the Holston Ordnance Works (at Kingsport, Tenn.) to the State of Tennessee; to the Committee on Armed Services.

By Mr. SAUND:

H. R. 7464. A bill to amend section 22 of the Agricultural Adjustment Act of 1933, as amended; to the Committee on Agriculture.

By Mr. SMITH of Mississippi:

H. R. 7465. A bill to make the evaluation of recreational benefits, and fish and wildlife conservation, resulting from any flood control, navigation, or reclamation project an integral part of project planning, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 7466. A bill to provide for the establishment of the Fort Pemberton National Monument; to the Committee on Interior and Insular Affairs.

By Mr. SMITH of Virginia (by request):

H. R. 7467. A bill to amend the act of March 3, 1901, with respect to the citizenship and residence qualifications of the directors or trustees of certain companies in the District of Columbia; to the Committee on the District of Columbia.

By Mr. SPENCE:

H. R. 7468. A bill to amend section 24 of the Federal Reserve Act so as to remove certain restrictions against banks participating with the Small Business Administration in making residential disaster loans; to the Committee on Banking and Currency.

By Mr. THOMSON of Wyoming:

H. R. 7469. A bill to repeal the tax on transportation of oil by pipelines; to the Committee on Ways and Means.

H. R. 7470. A bill to repeal the tax on transportation of persons; to the Committee on Ways and Means.

H. R. 7471. A bill to repeal the transportation tax on property; to the Committee on Ways and Means.

By Mr. VAN ZANDT:

H. R. 7472. A bill to amend the Atomic Energy Act of 1954 to provide for the establishment of an accelerated civilian atomic power program, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. VINSON:

H. R. 7473. A bill to authorize term retention contracts for Reserve officers, and for other purposes; to the Committee on Armed Services.

By Mr. MULTER:

H. R. 7474. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. RIEHLMAN:

H. R. 7475. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. STEED:

H. R. 7476. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. SEELY-BROWN:

H. R. 7477. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. HILL:

H. R. 7478. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. EVINS:

H. R. 7479. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. ROOSEVELT:

H. R. 7480. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. McCULLOCH:

H. R. 7481. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. SHEEHAN:

H. R. 7482. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. HOSMER:

H. R. 7483. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. BOGGS:

H. R. 7484. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. BOYKIN:

H. R. 7485. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. BROOKS of Louisiana:

H. R. 7486. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. COFFIN:

H. R. 7487. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. COLMER:

H. R. 7488. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. HÉBERT:

H. R. 7489. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. LONG:

H. R. 7490. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. MORRISON:

H. R. 7491. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. PASSMAN:

H. R. 7492. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. SIKES:

H. R. 7493. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. THOMPSON of Louisiana:

H. R. 7494. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. WILLIS:

H. R. 7495. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. EDMONDSON:

H. R. 7496. A bill to increase the limitation on the aggregate acreage of coal leases which may be held by one person in any one State under the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain"; to the Committee on Interior and Insular Affairs.

By Mr. ALBERT:

H. R. 7497. A bill to increase the limitation on the aggregate acreage of coal leases which may be held by one person in any one State under the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain"; to the Committee on Interior and Insular Affairs.

By Mr. PATMAN:

H. R. 7498. A bill to increase the limitation on the aggregate acreage of coal leases which may be held by one person in any one State under the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain"; to the Committee on Interior and Insular Affairs.

By Mr. ASPINALL:

H. J. Res. 327. Joint resolution to amend the Internal Revenue Code of 1954 so as to establish an equitable depletion rate for oil shale with those depletion rates now allowed for oil and gas wells; to the Committee on Ways and Means.

By Mr. DIXON:

H. J. Res. 328. Joint resolution to amend the Internal Revenue Code of 1954 so as to establish an equitable depletion rate for oil shale with those depletion rates now allowed for oil and gas wells; to the Committee on Ways and Means.

By Mr. ROGERS of Colorado:

H. J. Res. 329. Joint resolution to amend the Internal Revenue Code of 1954 so as to establish an equitable depletion rate for oil shale with those depletion rates now allowed for oil and gas wells; to the Committee on Ways and Means.

By Mr. MAHON:

H. Con. Res. 174. Concurrent resolution authorizing the printing of additional copies of part 1 of the hearings on the Department of Defense appropriations for 1958; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. THORNBERRY: Resolution by the House of Representatives of the State of Texas, urging the President of the United States to limit imports of foreign oil to the percentage set by his Cabinet Fuels Policy Committee as the maximum possible without endangering the security of the United States; to the Committee on Ways and Means.

By the SPEAKER: Memorial of the Legislature of the State of Oklahoma, memorializing the President and the Congress of the United States to grant statehood to the Territories of Alaska and Hawaii; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States requesting legislation that would extend the jurisdiction of Federal district courts to entertain actions brought by a State to enforce taxes lawfully imposed on a person or property removed from the State; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Texas, memorializing the President and the Congress of the United States urging a limitation on imports of foreign oil to the percentage set by the President's Cabinet Fuels Policy Committee as the maximum possible without endangering the security of the United States; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to enact legislation to empower the Governor of the Territory of Hawaii to grant pardons for Federal offenses; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States relative to transmitting certified copies of certain resolutions enacted by the Legislature of the Territory of Hawaii in its regular session of 1957; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BETTS:

H. R. 7499. A bill for the relief of the Cooper Tire & Rubber Co.; to the Committee on the Judiciary.

By Mr. COUDERT:

H. R. 7500. A bill for the relief of Jack Barouk; to the Committee on the Judiciary.

By Mr. CRAMER:

H. R. 7501. A bill for the relief of Ewald Fritz; to the Committee on the Judiciary.

By Mr. CURTIS of Missouri:

H. R. 7502. A bill for the relief of Elizabeth Weber; to the Committee on the Judiciary.

By Mr. FASCELL:

H. R. 7503. A bill for the relief of Marina Cecilia Shepherd; to the Committee on the Judiciary.

By Mrs. KELLY of New York:

H. R. 7504. A bill for the relief of George Walter Rason; to the Committee on the Judiciary.

By Mr. KILDAY:

H. R. 7505. A bill to permit a retired officer of the Navy to be employed in a command status at Port Lyautey, Morocco; to the Committee on Armed Services.

By Mr. McCORMACK:

H. R. 7506. A bill for the relief of Mariano Pellegrini; to the Committee on the Judiciary.

By Mr. PRICE:

H. R. 7507. A bill for the relief of Antoni Stanislaw Blicharski; to the Committee on the Judiciary.

By Mr. SHEEHAN:

H. R. 7508. A bill for the relief of Harry J. Madenberg; to the Committee on the Judiciary.

By Mr. WITHROW:

H. R. 7509. A bill for the relief of Stephen James Meier; to the Committee on the Judiciary.

H. R. 7510. A bill for the relief of Jon Frederick Cordes; to the Committee on the Judiciary.

H. R. 7511. A bill for the relief of Todd Gene Biedermann; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

239. By Mr. SMITH of Wisconsin: Resolution passed unanimously by the International Supreme Council session of the United Travelers of America held recently in Columbus, Ohio, calling upon the Government to continue its efforts to expose and prosecute people in civil or military service who resort to any special privilege to avoid a test of his or her loyalty; and praising those elements of our Government that are using every means in their power to expose Communists and condemning all forces and groups which seek to delay or prevent such exposures or prosecutions and further declare that loyalty to our country shall be above partisanship, that we will work for a united people and ask all fraternal and civic organizations to help support those who work to save our freedom and liberties from foreign aggression and the forces of communism; to the Committee on the Judiciary.

240. By the SPEAKER: Petition of the executive manager, Toledo Chamber of Commerce, Toledo, Ohio, petitioning consideration of their resolution with reference to disapproval of passage of H. R. 1 and H. R. 3986, etc.; to the Committee on Education and Labor.

241. Also, petition of the executive secretary, California Federation of Women's Clubs, Fresno, Calif., petitioning consideration of their resolution with reference to adopting the recommendation of the Secretary of the Interior and approving the joint partnership proposal to be entered into with the Pacific Gas & Electric Co., etc.; to the Committee on Interior and Insular Affairs.

242. Also, petition of the secretary, Kittitas County Pomona Grange No. 58, Cle Elum, Wash., petitioning consideration of their resolution with reference to commending the Army engineers, the Bureau of Reclamation and all others interested in the comprehensive development of our water resources for so diligently carrying forward the battle for the construction of Hells Canyon Dam, and urging passage of Senate bill 555; to the Committee on Interior and Insular Affairs.

243. Also, petition of the secretary, American Institute of Planners, Michigan Chapter, Detroit, Mich., petitioning consideration of their resolution with reference to requesting passage of Senate bill 1230, which is vitally needed if the task of building and rebuilding our urban areas is to be successful; to the Committee on Public Works.

244. Also, petition of the secretary, Tulare County Bar Association, Visalia, Calif., petitioning consideration of their resolution with reference to earnestly urging passage of the Jenkins-Keogh bill at an early date; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Highway Traffic Safety Award

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. McDONOUGH. Mr. Speaker, the national highway and traffic death toll has reached such appalling totals as to constitute a major and almost insoluble problem.

Continued study and analysis by traffic and safety engineers, and revision and amendments of existing laws has failed to check the upward swing of this grim chart, and far too few citizens, apart from these authorities, actually concern themselves with this tragic traffic safety situation.

I think it is pertinent that I bring before this body a brief reference to the sustained and fruitful efforts of an outstanding California businessmen, Mr. Robert E. Petersen, whose contributions, direct and indirect, to the general traffic safety of the Nation are important and demonstrable.

When Bob Petersen first became interested in the problems of the motorist and of safety back in 1943, he was convinced that the most fertile area in which to work for traffic safety was among the more youthful drivers across the country. Not that youth is the only

offender against safety measures, but because the habit of careful driving is easier to initiate among the young.

To meet this issue head on, Petersen began a crusade of preaching safe driving to the thousands of so-called hot-rod enthusiasts in the United States. He correctly believed that the most constructive way was not to scold, preach, or carp, but to help organize a sport and to form a national organization to provide pride of membership and to establish aims and goals designed to eliminate irresponsibility and to stress highway courtesy and safety. Petersen was a dominant factor in the formation of the National Hot Rod Association, whose slogan is "Dedicated to Safety."

Through the outlet of the Petersen Publications, Petersen has constantly preached safety in all its phases. This includes a continuing crusade among the more than 1 million motorist-readers for more careful driving. In addition, Petersen constantly examines the new models and cars and reports objectively on their safety factors, or lack of them. Many of the safety features which he has fought for over the years have been adapted into today's cars. He also has made many practical suggestions for safety improvements in the highways themselves.

It is significant that the California Safety Council selected Mr. Petersen this year as the recipient of its first annual distinguished service award in recognition of his great and beneficial influence among youthful drivers, and his other valuable contributions toward greater highway safety.

Petersen also has been cited by the Los Angeles County Board of Supervisors for his safety work and for his remarkable accomplishments as the founder and head of one of California's biggest and fastest-growing publishing industries.

The fine citizenship manifest by Mr. Petersen and the cooperation and results he has achieved in the field of traffic safety are deserving of our sincerest commendation as well as the appreciation of the people of the United States.

Third Anniversary of the Supreme Court Decision Outlawing Segregation in the Public Schools

EXTENSION OF REMARKS

OF

HON. PATRICK J. HILLINGS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. HILLINGS. Mr. Speaker, this third anniversary of the Supreme Court decision outlawing segregation in public schools is an appropriate time to survey our progress in the field of civil rights and to renew our efforts toward achieving the goal of equality in practice, rather than merely paying lip service to this great principle upon which our Nation was founded. At a time when we are trying so diligently to make friends with the peoples of Africa, Asia, and the Middle East, we cannot afford to do anything to impede the elimination of racial prejudice in our own country. We must set a true example of tolerance and respect for the integrity and dignity of all individuals here at home before we can convince other nations that we truly want them as equal partners in the battle to achieve a peaceful world based upon democratic principles.

President Eisenhower and Vice President NIXON have helped to show the way for all Americans by their forthright stand in support of the action of the Supreme Court in striking down segregation in our public schools. It is now my hope that Congress will act during this session on civil rights legislation similar to that which I introduced early this year. There is absolutely no place in our country today for laws which would prevent any citizen from voting because of racial or religious prejudice. The time to act is now.

Government Employees' Right to Vote Bill

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. ANFUSO. Mr. Speaker, I have introduced a bill which I call the "Government employees' right-to-vote bill."

This bill, H. R. 7385, provides that Federal Government employees should be given the opportunity to vote in person in national, State, and local elections. In order to enable them to do so, each such employee is to be excused from duty, without loss of pay or deduction from his annual leave, for a period of not less than 2 hours, but not to exceed 4 hours.

The bill further provides that Government employees, who maintain voting residence in another State or area beyond the commuting distance from their place of employment, shall be excused for a maximum of 1 day for the purpose of voting, unless they are able to vote by absentee ballot.

The purpose of my bill is to encourage as many of our citizens as possible to exercise their rights of citizenship on election days and to utilize these rights by voting as free citizens according to the dictates of their conscience. It is both deplorable and very disturbing that far too many of our citizens fail to perform their citizenship duties on election day. In the last few presidential elections only about 50 to 60 percent of those entitled to vote in the United States actually went to the polls, and even fewer than that have voted in the off-year Congressional elections.

Voting is a privilege as well as a right which we should not ignore. The greater the participation of our citizenship on election day, the more we shall be able to maintain this country as a true citadel of democracy. When millions stay away from the polls, it shows a lack of interest in the problems and welfare of our Nation. If this trend continues, it may prove dangerous to our form of government and our way of life.

The people of this country should be encouraged to cast their ballots, and the Government should be the first to do so by enabling its employees to vote in person. The Federal Government has a moral obligation to encourage good citizenship by affording its employees sufficient time off to cast their ballots on election day. Unfortunately, during the presidential election last November no allowances were made for voting on the part of Government agencies and many of their employees failed to exercise this right because of a lack of time. In the Brooklyn Navy Yard, located in my Congressional district, there were numerous complaints and many of the shipyard workers were incensed over the situation. The same, I understand, was true in other Government establishments in various parts of the country.

Mr. Speaker, I feel it is of utmost importance that Government employees be given sufficient time off to exercise their sacred duties as American citizens. Give them the opportunity to lead the parade to the polls on election day. It is for the good of our Nation and its future.

The text of my bill is as follows:

A bill to provide that certain Government officers and employees shall have sufficient time to vote in elections

Be it enacted, etc., That, in order to enable officers and employees in the executive branch of the Government to vote in person in National, State, and local elections, each such officer or employee shall be excused from duty, without loss of pay or deduction from his annual leave, for a period not less than 2 hours, but not to exceed 4 hours.

SEC. 2. Employees holding voting residence beyond commuting distance from their duty stations shall be excused not to exceed 1 day for the purpose of voting, unless voting by absentee ballot is permitted.

Rumania's Independence Day

EXTENSION OF REMARKS

OF

HON. JOHN MARSHALL BUTLER

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Monday, May 13, 1957

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement commemorating the anniversary of Rumanian Independence Day.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

RUMANIA'S INDEPENDENCE DAY

On this 10th of May, Rumania's national unity and Independence Day, I should like to pay a warm tribute to the heroic and unfortunate Rumanian people, who for 12 years now have been bearing the criminal yoke of Soviet slavery.

After a long period in history during which the Rumanians, descendents of Roman colonists established by Emperor Trajan in the second century of our era, at the eastern gates of Europe, have performed a noble task as guardians of European freedom and Christianity, they achieved their political organization as independent principalities in the 13th century. Through their spirit of resistance and Christian faith they managed to survive long centuries of ruthless invasions from the east. At the moment of the Crusades this Latin outpost on the eastern borders of Europe made a steady contribution to the fight against the barbarians. This resistance of the Rumanian principalities against the advance of the Turks after the fall of Constantinople, succeeded in preserving to a certain extent their independence. Although forced to pay tribute to the Ottoman Empire, they were not occupied by the Turks and continued to be ruled by their own national Christian dynasties.

It was this role in the defense of Europe which was eventually recognized, in the full reestablishment of Rumania's independence, by the Treaties of Paris in 1856 and that of Berlin in 1878.

But the existence of a free Rumania has always meant a serious obstacle in the way of the Russian imperialist drive to the west. Indeed, since the 18th century, when Russia reached the borders of Europe, the greatest danger for the Rumanian national existence has been Russian aggression and invasion under changing guises, even under that of friendship. One should not forget that Rumania has been invaded 13 times by the Russians, who annexed the eastern part of the country, now constituting the Moldavian Soviet Republic. Today the entire nation of 20 million suffers under the Soviet imposed Communist tyranny. The ordeal of the Rumanian people under the ruthless foreign occupation of Soviet communism, their economic exploitation and deprivation of elemental human rights and liberties, are now a matter of record. On the other hand, through the Soviet political-military pressure Rumania has been transformed against the will of its people into a satellite base for the aggressive schemes of Moscow

We cannot rest indifferent in the face of injustice and tyranny. We must proclaim our sympathy with the enslaved Rumanians and think of the best ways for helping them recover their liberty. It is both the honor and the enlightened interest of this nation which command us to follow such a course. We should not forget that destruction of freedom in other lands means ultimately a direct threat to our own freedom and security.

A Tribute to Rumanians on Their National Holiday

EXTENSION OF REMARKS

OF

HON. JAMES ROOSEVELT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. ROOSEVELT. Mr. Speaker, the 10th of May is a day of national dedication for Rumanians. It symbolizes the fulfillment of the aspirations of all Rumanians for nationhood and independence.

Today Rumania has been deprived of her national independence. The oppressive hand of communism has imposed uniformity throughout the entire state. Dissent is not tolerated in the political life of the nation. The economy has been drained of its vitality in the service of Moscow. And Rumania's colorful cultural life has been reduced to the lowest norm of Marxist-Leninist ideology. All creative writing in Rumania has been compelled to conform to the narrow limits prescribed by the Communist leaders.

Scientia House is the instrument of Communist literary tyranny in Rumania and the ideological fountainhead of Rumanian communism. It is the headquarters of the Ministry of Education and culture and the leading Rumanian Communist newspaper, Scientia. It is also the state publishing house for political literature. Head of the 6,500 shock troops on this ideological front employed at Scientia House is Miron Constantinescu, the Minister of Education and Culture and the acknowledged chief theoretician of Rumanian communism.

The production of propaganda by Scientia House is considerable. It is estimated that every day 2 million copies of newspapers are published. Scientia alone has a circulation of 1 million. Scientia House also publishes 170,000 pamphlets, booklets, and periodicals in an average working day. Everything is published in strict conformity with the line laid down by the leaders of the Rumanian Communist Party.

One cannot help wondering whether the Rumanians can maintain their cultural identity under this avalanche of Communist propaganda. Indeed, the great challenge for Rumanians in the future lies in this cultural area; for once the sense of cultural uniqueness has been destroyed and supplanted by the alien concepts of communism the way is then prepared for the broader attack on the idea of nationality and nationhood.

But Rumanians have known subjugation and national suppression by a foreign power before. They survived that tyranny, and they shall survive the present one.

On this anniversary of Rumanian independence let us, therefore, join with freemen everywhere in solemn resolution to oppose Communist imperialism with all the strength within us. Let us also join with all friends of Rumania in an expression of regard for the Rumanian people that their hopes and aspirations for freedom shall one day be fulfilled.

The Changing Concept of Soviet Imperialism

EXTENSION OF REMARKS

OF

HON. ROMAN L. HRUSKA

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Monday, May 13, 1957

Mr. HRUSKA. Mr. President, on May 6, 1957, the Czechoslovak National Council held a conference in the city of Washington. Its sessions were presided over by my good and valued friend, Col. Joseph Trimer, of Chicago, who is president of the organization.

In response to an invitation from him, I addressed the luncheon meeting of the conference.

I ask unanimous consent that the remarks I made on that occasion be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE CHANGING CONCEPT OF SOVIET IMPERIALISM

(Address by Senator ROMAN L. HRUSKA, of Nebraska)

In speaking about Soviet imperialism one should always be mindful of the old French proverb, roughly translated, which means: "The more it changes, the more it remains the same." Soviet imperialism for the last few years has been trying to assume the mask of a sheep, but you don't have to look far to see its fangs, its talons, and its pointed tongue.

Let me review with you some of the things that have taken place in the last 10 years. By means of imperialism, the Soviet Empire has expanded from what it was at the end of World War II, a relatively small country, smaller than the Russia of the Czars, with 160 million people, to what it is today—a formidable dominion reaching from the Adriatic Sea, across the heartland of Europe to the China Sea and imprisoning therein 900 million human beings. The growth of this imperialistic colossus has been gradual, unremitting, and incessant. It continued despite its profession for peaceful coexistence during 1955 and 1956. Let me read to you from the significant address of Nikita Khrushchev, addressing the 20th congress of the Communist Party of the Soviet Union on February 17, 1956:

"There is no doubt that in a number of capitalist countries the violent overthrow of the dictatorship of the bourgeoisie and the sharp aggravation of class struggle connected with this are inevitable. But the forms of social revolution vary. It is not true that we regard violence and civil war as the only way to remake society."

And then again he said: "Leninism teaches us that the ruling classes will not surrender their power voluntarily. And the greater or lesser degree of intensity which the struggle may assume, the use or the nonuse of violence in the transition to socialism, depends on the resistance of the exploiters, on whether the exploiting class itself resorts to violence, rather than on the proletariat."

It is obvious that when Khrushchev says this he means that if we submit weakly we won't be destroyed but that if we resist sovietization, violence awaits us. Let me quote further from Mr. Khrushchev:

"The historical situation has undergone radical changes which make possible a new approach to the question. The forces of socialism and democracy (his term for the Soviet Union) have grown immeasurably throughout the world, and capitalism has become much weaker. The mighty camp of socialism, with its population of over 900 million, is growing and gaining in strength."

Does this sound like the language of a man who is foregoing further conquests? In fact, he took the mask off completely later on when he said that communism will conquer the world and it will complete its conquest before the 20th century has run its course.

This is sort of a Mein Kampf. All the future plans of the Soviet Union are constantly laid before us. They are all there if we will but look at them. But the distressing thing is that either we don't look at them or if we do we see something that just isn't there. I am a member of the Senate Internal Security Subcommittee of the Senate Judiciary Committee. During the 6 years of its existence it has uncovered an abundance of evidence that indicates that there are people in the United States—people who look and act in every way like Americans but who are at heart dedicated Soviet agents. It is their job to keep us from recognizing the hard, cold facts about the Soviet Union

and its imperialism about which we talk here.

There are many people who would have us believe that peaceful coexistence is possible; that we should accept the formal and diplomatic utterances of Soviet representatives at their face value. There are people who will tell us that Red China should be admitted to the United Nations and gain recognition by the United States Government because if we do that it will then behave and that it will be possible for us to effect what they call a general overall Far East settlement. Don't they realize that if we recognize Red China and allow it into the United Nations that whatever resistance there is to Soviet imperialism on the mainland of China, on the island of Formosa, on the other offshore islands and throughout Southeast Asia will crumble and Red China will be able to move on to new and further conquests? Here in the United States, the Chinese Delegation to the United Nations, the Chinese Embassy and its various consulates throughout the country will be staffed not by friendly Chinese, as they are now, but by hundreds of Chinese Communists disseminating their propaganda and doing everything possible to undermine the existence of our wonderful country. And yet there are people who would have us overlook these things, who would blatantly tell us that if we recognize Red China, then in some kind of a mysterious way we can then be able to achieve what they call an overall peace in Asia. These are pious wishes without foundation and in fact voiced by people who do not know the significance of what they are saying. At the same time Mr. Khrushchev, in addressing the Communist delegation assembled in Moscow, proclaims that the Communist goal is the dictatorship of the proletariat and the establishment of a worldwide Communist society. He goes on to say that this will be effectuated by means which can be adapted to the degree of assistance encountered in the free world and that these means include violence when that is necessary.

Let us be mindful of this when we engage in our discussions about the changing concept of Soviet imperialism. The changes are changes in tactics alone. The goal remains the same, and never let us fool ourselves on this elemental fact.

A Bill To Assist the Cotton Textile Industry

EXTENSION OF REMARKS

OF

HON. FRANK M. COFFIN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. COFFIN. Mr. Speaker, today I am introducing a bill designed to assist the hard-pressed cotton textile industry in its present crisis. This bill, originally introduced by the senior Senator from Maine, seeks to make cotton available to the textile industry at prices which would allow it to regain the level of cotton exports maintained from 1947 to 1952. The provisions of the bill apply to cotton textiles for export only.

For some time, it has been apparent that the textile industry, not only in Maine and New England, but, indeed, along the entire Eastern seaboard, was in the throes of a downward economic spiral brought on not merely by the ordinary forces of competition, but by the fact that our mills were losing their market at home and abroad to exports from other countries who had the double advantage of unbelievably low labor rates and a much more favorable price for raw cotton.

I have made strenuous efforts to urge sensible administrative solutions to both the immediate crisis and the long-range problem through the executive branch. On April 15, I wrote to the White House as follows:

President DWIGHT D. EISENHOWER,
White House,
Washington, D. C.

DEAR MR. PRESIDENT: In recent weeks Maine has achieved the dubious distinction of becoming one of the foremost centers of industrial crisis in the country.

There are probably other areas where more people are unemployed and where more firms have closed shop. But there is none where the shutdowns will have a greater effect on the economy of the region. The closing of the Androscoggin division in Lewiston, the York division in Saco, the rumors concerning closing of the Hill division in Lewiston and the Edwards division in Augusta, all of the Bates Manufacturing Co., the temporary shutdown of the Sample Shipyard in Boothbay Harbor, and the unnoticed closing of many small grocery stores and other small businesses add up to the paradox of crisis in a time of record high spending, high cost of living, and general prosperity.

This is the first time in our history where the economy of an entire area is thrown into jeopardy by continued positive governmental stimulation of competing countries through making cotton available to those countries at lower prices than prices at which our manufacturers can buy. Hence there is a governmental responsibility to take remedial action. But the great question of specific remedy has not been solved. Until it is solved, Maine officials in Augusta and Washington, the Federal Government, and the Congress lack any clear idea as to what we should do.

Until a solution is agreed upon, there will be no chance of timely remedial action. Everyone will be marching off in different directions. It is my suggestion that manufacturers, labor leaders, congressional delegations from textile areas, and specialists from the Departments of State, Commerce, and Agriculture meet to discuss the following questions:

1. What is the best "crash program" that can be devised to prevent the human suffering resulting from unemployment now and in the immediate future?

(a) Can and should import quotas be imposed?

(b) Can defense and other governmental contracts be routed to textile firms which are in trouble?

(c) Can and should the Government stockpile standard items to keep the industry alive until a more permanent solution is achieved?

(d) Can and should the escape-clause provision be used to increase tariffs?

(e) Is there any possibility of using Public Law 480, relating to disposal of surplus commodities, to help?

(f) Is there any possibility of a short-range subsidy program for manufacturers?

2. What is the soundest long range program to remove unreasonable competitive disadvantages from the textile industry?

(a) Should the domestic manufacturers be enabled to buy cotton at the world market price and thus be placed, as far as cost of materials is concerned, on the same basis as their foreign competitors? If so, what kind of program would be the most workable?

(b) Should such treatment be confined to cotton bought by domestic manufacturers for export purposes only?

(c) Should intensive efforts be made to develop markets for textile products in countries which have not hitherto been able or inclined to become large users?

(d) Should our foreign economic aid program place more stress on clothing and fabrics than it has heretofore?

To my knowledge there has not been a concerted effort on the part of the industry, labor, committees of Congress, and the Executive department to find answers to these problems. In such thinking lies the solution to both the immediate emergency and the long range problems. Such action should be taken immediately.

I realize the heavy burdens of your office. However, this is a problem of such immediate and grave concern to thousands of families that I hope you will provide the necessary leadership by initiating such a conference.

Respectfully,

FRANK M. COFFIN,
Member of Congress.

The reply I received from Jack Z. Anderson, Administrative Assistant to the President, indicated that although the administration was aware of the textile problem, it felt that the self-imposed limitation on imports by Japan, together with certain other routine efforts to assist local organizations and agencies, were all that could be accomplished at the present time. He concluded by saying:

In view of these efforts, there seems little to be gained at this time by a meeting such as you suggest. I can assure you, however, that your proposal will be kept in mind should such a meeting be desirable at a future date.

Subsequently, I was advised by Mr. Anderson to confer with the Secretary of Commerce regarding this critical problem. This I intend to do.

The sands of time to avoid great hardship posed by the immediate crisis are running out. I am, therefore, introducing this bill with the profound hope that it, together with all other similar proposals, will be studied by the appropriate committee with the utmost seriousness and that it will serve as a catalyst for focusing Congressional attention on this problem which began as a sectional problem and can now truly be said to be a national problem. This is a field in which we need to do a great deal of creative thinking and reexamine some of our past approaches. It is my hope that Members of this House may pool their thoughts in this matter and enable us to pursue a course of action that will put an end to the increasing number of mills which are closing, as well as place the entire industry on a more stable and firm long range basis.

Italian Opera Star Sings United States Anthem at Democratic Party Dinner

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. ANFUSO. Mr. Speaker, we often hear it said that truth is stranger than

fiction. This was demonstrated once again recently at the Democratic Party's $100-a-plate fund-raising dinner held at the National Guard Armory in Washington.

At this dinner were assembled several thousand Democratic Party leaders and members from various parts of the country, headed by former President Harry S. Truman, Adlai E. Stevenson, and literally dozens of Democratic governors, Senators, Congressmen, and other party leaders. The person who opened this event with the singing of the Star-Spangled Banner was an Italian-born basso, Italo Tajo, who is still studying to become an American citizen.

Tajo, who is a well-known international opera star, was elated that a foreign-born singer was asked to sing the national anthem to the assembled leadership of the Democratic Party. When informed that he was chosen for this honor, he observed:

It is truly an honor for a man who is still working toward his citizenship papers to have the privilege of singing for so many leaders of this great country.

While the huge audience at the armory heard Tajo's booming voice singing our national anthem, he did not have the opportunity to hear the speeches of the Democratic leaders. Tajo was appearing that evening with the road company of Fanny at a downtown Washington theater, and had to be rushed from the armory to the theater by police escort to make his curtain time for the show. He and his wife are seeing America on the nationwide tour of the musical comedy.

Address by Secretary of Agriculture Benson Before American Cotton Shippers Association

EXTENSION OF REMARKS

OF

HON. JAMES O. EASTLAND

OF MISSISSIPPI

IN THE SENATE OF THE UNITED STATES

Monday, May 13, 1957

Mr. EASTLAND. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a most outstanding and able address delivered by Hon. Ezra Taft Benson, Secretary of Agriculture, before the American Cotton Shippers Association in New Orleans, La., April 26, 1957.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SECRETARY OF AGRICULTURE EZRA TAFT BENSON BEFORE THE AMERICAN COTTON SHIPPERS ASSOCIATION, NEW ORLEANS, LA., APRIL 26, 1957

I am delighted to take part in this meeting. As one who has learned to love the South, I have a deep personal interest in the welfare of cotton producers and in the agriculture of this great region.

Recent developments in cotton have led to a degree of optimism regarding the future of your industry. Certainly there are readily visible signs of improvement. Exports this year may total 7 million bales or more, in contrast with last year's 2.2 million. The cotton carryover is expected to total around 12 million bales at the end of this season, down 2.5 million bales from a year ago. The soil bank is expected to reduce supplies further during the years ahead, and move us toward a more reasonable level of carryover.

I wish these developments were indicative of genuine long-range improved prospects for the cotton industry. I do not believe this to be the case so long as governing basic legislation is retained. The improvements we have seen are the results of costly, temporary programs such as surplus disposal and the acreage reserve part of the soil bank. First-aid programs are necessary. But the cotton program may require more than first aid; it may require surgery as well.

The basic intent of present cotton legislation is to provide price support at 90 percent of parity when supply is in reasonable balance with demand. Under present laws 90 percent of parity price support is not a mandatory requirement but is retained as a goal. The only reason that price supports for cotton are now less than 90 percent of parity is the heavy supply situation.

The special programs of surplus removal and the soil bank will, with the existing formulas in the law, have the effect of boosting the price of cotton back to 90 percent of parity as soon as surpluses are moved. Controls will continue in an effort to keep supports at that level. Evidence is that the high price supports will lose markets and that controls will be less than properly effective.

Is the cotton program, therefore, because of the price-support requirement in the basic law, committed to continuous production controls, loss of markets for cotton, and continuous surplus disposal operations? If this be true, would it not be well to reexamine the price-support objective? This is the question I wish to lay before you.

We are in the midst of great scientific changes. A technological explosion is occurring on American farms. Production per worker has doubled in the last 15 years. Cotton production per acre has increased 65 percent. This creates a new dimension in farm policy and makes it virtually impossible to curtail agricultural output with the type of controls acceptable in our society.

The agricultural revolution is the blind spot in present farm price-support policy.

Cotton farmers are being subjected to the forces generated by this technological revolution. They are adjusting from wartime to peacetime demands. Their markets are burdened by surpluses which result at least in part from past legislation. Obviously, cotton farmers must be protected from the harsh price effects which would result from their exposed economic position, their weak bargaining power and their abundant capacity to produce. This is a proper function of government. But our efforts should be such as to help our farmers rather than hinder them.

With the reduction of surpluses, cotton farmers will feel that acreage allotments should be increased, and will present that view with considerable logic and with increasing vigor. Under present law, however, increased allotments for cotton are unlikely despite surplus reduction. If the governing legislation is retained, even assuming no advance from present levels of technology, it is difficult to foresee the time when total acreage allotments for cotton will exceed the 1957 level. As you know, Congress has established minimum acreage allotments for cotton of 17.6 million acres for each of the years 1957 and 1958. Based on the present law, the 1959 acreage allotment could be in the neighborhood of 14 million acres. Hence, under present law, disappointment awaits many farm families.

Farmers have the established legal right to undertake programs which increase the price of cotton if they wish to do so. As much as any other group, they have the moral right to influence supply and price in what they deem to be their own interest. They are entitled to the sympathetic help of their Government in meeting their economic problems, the same as any other group. These rights have been fought for and have been won. I applaud and defend the victory.

My question is this: Is it wise to use these hard-won rights in behalf of a program which has the long-run effect of losing markets, restricting farmers' rights to make their own decisions, and reducing the income of cotton farmers?

Consider these stubborn facts:

Twenty-five years ago, before the acreage control program, cotton grew on more than 40 million acres of United States farmland. This year the allotment is 17.6 million acres. Three million acres of that allotment have gone into the soil bank. The actual acres of cotton produced this year seem likely to be about one-third as many as before the control program began.

Twenty-five years ago, before American cotton growers began to hold the price umbrella for foreign cotton producers, cotton production abroad totaled 11 million bales. This past year foreign cotton production was twice as great, 25 million bales.

World production of synthetic fibers has increased during the past 25 years from an insignificant quantity to an equivalent of more than 14 million bales, an amount larger than the 1956 United States cotton crop. Most of the growth in the world market, resulting from increased population and increased per capita consumption, has gone to foreign cotton and to manmade fibers. This growth has been marked. The worldwide per capita increase in consumption of all fibers during the past 20 years was from 8.2 pounds to 9.6 pounds. And the world population during this period increased by approximately 500 million persons.

Undoubtedly production of manmade fibers would have increased and foreign cotton production would have risen during the past 25 years even if there had been no program to restrict supplies and raise prices in the United States. But it is equally certain that the cotton program served to encourage our competition and speed its expansion.

For years it was claimed that cotton producers would accept the adjustment principle, and would keep supplies in line in order to receive the specified level of price support. Yet production has not been held in line. On an acreage calculated, in accordance with law, to produce 10 million bales, cotton production the last 2 years totaled 14.7 and 13.3 million bales, respectively. Carryover reached an all-time high, approximately a full year's needs.

For years it was claimed that the cotton program cost the Government nothing, since supplies were held in line with markets. But the Commodity Credit Corporation is now selling cotton for export at 6 to 7 cents below the domestic price. Net cost to the Corporation is greater than that because of storage costs and the fact that the cotton was acquired at higher than present prices. On 9,297,339 bales thus sold during the last 15 months, the Corporation experienced a net realized loss of $535 million, or close to $60 a bale. This coming year we shall have to charge against the cotton program not only the coming year's loss on exports but the cotton acreage reserve program which will cost approximately $150 million.

Costs are showing up now because we report realized losses when the cotton is disposed of, not when it was acquired. Much of the cotton we are now moving was acquired years ago. Costs are high because cotton

production was much stimulated by a prolonged series of incentive prices—incentives supplied first by the market place and then by law. They are high because cotton has been priced out of the market and because production continues heavy despite controls. Costs are high because we have been spared the wars which cut the cost of earlier liquidations.

The American people will gladly undertake costs of great magnitude in order to solve a problem, but not merely to carry it indefinitely. With formulas in governing legislation, costs seem likely to continue high with little progress toward a permanent solution.

While the growth in their markets has largely been captured by the competition, cotton farmers have been restricted in their decisions as to management of their farms.

Controls breed controls. Cotton production has been restrained from moving to the most efficient farms. Allotments to individual farms, whether based on history or on tillable cropland, depart to a considerable degree from considerations of equity. All these matters are irksome to farmers.

It is extremely difficult to fit nearly a million diverse cotton operations into a pattern based on a legal formula.

Cotton producers and agriculture in general should not sacrifice the efficient use of agricultural resources on the altar of price support. To do so would discredit price supports, which are a useful stabilizing stabilizing tool. As matters now stand, cotton growers are operating on a part capacity basis. Some producers have continued planting marginal acres to cotton for the main purpose of maintaining their historical acreage base.

With acreage controlled, producers have simply fed the land more fertilizer, used more insecticides, and used other devices to produce almost as much cotton as before on far fewer acres.

Not only have we kept marginal land in cotton, we have kept marginal producers in cotton, hurting both themselves and cotton-growers in general. The result is to push up the national average unit cost of production of cotton to a level which handicaps American cotton in competing effectively against foreign cotton and synthetics.

Some marginal producers, of course, have withdrawn from cotton production. Some took jobs in the expanding industries of the South. Others went into the production of meat animals, dairy products, poultry, eggs, and other commodities. By and large, those who got out of marginal cotton production have improved their situation.

The decline of cotton has had many secondary effects. Small towns and trade centers which once serviced 40 million acres of cotton now service 15 million. Some of our transportation facilities are no longer needed. Employment opportunities for local labor in the cotton industry have been reduced. The cottonseed industry has suffered.

Tradesmen have seen Government, in possession of practically the entire cotton carryover, forced to take over more and more of the marketing functions. We are deeply concerned about the effects of the present program on the cotton marketing system. One of our objectives is to avoid disrupting normal operations any more than absolutely necessary. I assure you that we will keep the entire situation under continuing review during the 1957–58 marketing year. Any long-range cotton program must be based on keeping the merchandising of cotton in the hands of the people who best know how to do that job—the private trade.

What has been the cause of the difficulties experienced by farmers, rural tradesmen, and the cotton trade generally?

The major cause is that for many years, agricultural legislation has focused on a single objective, a high level of price support.

The legislative goal of a high support price based on the so-called parity, a weak measuring rod, ignores the fact that cotton farmers are interested in net income, not just price per pound. And it is income that farmers spend, not price. Net income is the result of price times production minus costs.

Present legislation seeks to maintain the support price per pound through drastic restrictions on the right to produce and market. Inevitably this raises production costs per pound. The long-run result of reduced volume and higher unit costs of production is to reduce net income.

Back in 1929, before we embraced the single objective of high price supports, cotton lint brought in 13.4 percent of our farm income. Last year cotton brought in only 7.5 percent of our farm income.

Twice the cotton program has been rescued by war. Were it not for that fact, its shortcomings would have been highlighted long before now. Carryover built up to 13 million bales before World War II, and was substantially reduced following the end of the war. Carryover built up again prior to the Korean war, and the demands of war pulled down our stocks. From 1952 to 1956 we experienced the greatest inventory build-up of all time. This buildup is now being liquidated at tremendous cost, in a time of peace and abundance instead of a time of war and scarcity.

With the passage of time, the original concepts of the cotton program have been eroded away.

The original cotton program was developed in the depths of the depression. Heroic measures were needed in those days; I am not finding fault with the emergency programs developed to meet what was indeed a desperate situation. The Agricultural Adjustment Act of 1938 provided price support at 52 to 75 percent of parity. The adjustment principle, that is the idea that production should be held in line as a condition of receiving price support, was widely accepted by cotton producers.

But let us see what has happened since that time. The price support level was raised from 52 to 75 to 85 to 90 to 92.5 percent of parity. Now, under present law, as soon as sufficient stocks are moved, supports must be at 90 percent of parity, an incentive price which has lost us much of our historic and potential market and if retained would lose still more.

Not only has the law been written with a high price support requirement; special provisions have been enacted that result in overshooting the price target, with attendant stimulation of production and loss of markets. Here are some of cotton's fringe benefits which have proved to be disadvantageous rather than beneficial; I shall mention them only briefly:

The provision, restricted to cotton and peanuts, that the price support cannot be reduced below 90 percent of parity until supplies exceed 108 percent of normal. For other basic commodities the price drops below 90 percent of parity when supplies exceed 102 percent of normal.

The requirement that price support and parity be based on seven-eighths inch Middling grade, which results in support prices about 5 percent higher than would otherwise be the case if it were based on the average quality of the crop.

Set asides, which force higher supports than in the absence of such provisions.

Dual parity, which has in the past required the use of old or modernized parity, whichever was higher.

The provision that support prices must be announced before planting time and must be raised before harvest if parity and supply conditions warrant, but cannot be reduced even though parity might fall or the supply increase.

The effect of all these special provisions is to raise the support price for cotton. In the immediate short run, other things being equal, such increases would be expected to increase the incomes of cotton farmers. But other things are not equal. When a program has continued for as many years as the cotton program, then we are dealing with long-run, not short-run relationships.

We have all heard the argument that the price of raw cotton is so small a part of the finished product that the price of cotton could be increased sharply without reducing consumer purchases. One trouble with this argument is that often it is the spinner rather than the ultimate consumer who chooses the fiber going into a given product, and the spinner will shift to the most economical source of supply with a relatively small differential. For many products, the competition between cotton and man-made fibers is definitely on the basis of price.

The argument has been offered that cotton consumption bears no relationship to price. The refutation of this argument lies not in theory, not in highly refined statistical analysis, but in this simple hard fact: Over a period of years, operating with a high support requirement, we have lost markets and our competitors, by underbidding us, have gained them.

Laws now on the books were enacted with the intent of helping cotton farmers. My comments are aimed not at the intent but at the result.

I have mentioned how the provisions regarding cotton price supports have been sprung in the direction of higher price support requirements. Now let me enumerate the provisions by which the controls have been sprung in the direction of reduced effectiveness:

Minimum national allotments. For 1957 the cotton acreage allotment which would be required, by formula in the way, to adjust supplies to normal, is 3.9 million acres. Yet the law provides a minimum allotment of 17.6 million acres, 4½ times the level actually needed.

Minimum individual allotments. The law provides that 100,000 acres must be added to the national allotment for this purpose.

Checking compliance on the basis of harvested instead of planted acres.

Use of an out-of-date 5-year average, with no adjustment for trends, in determining yields for computing the acreage needed to produce a normal supply.

Permission to grow any other crop on acres diverted out of cotton, which shifts the burden to producers of other crops.

While these provisions give cotton farmers some immediate relief from the tight restrictions which would otherwise be necessary, they postpone the day when farmers can look for the surplus burden to be lifted.

We have all heard the argument that a reduction in the level of price support will result in increased cotton production by causing farmers to plant more acres as they strive to maintain income. I know of no competent research which supports this view. And I am impressed with the fact that when the Congress really wanted increased production, as during the war, supports were raised, not lowered. When reduced production really was wanted, as for potatoes some years ago, supports were reduced and then eliminated, not raised.

What the relaxation of production controls really means is this: Farmers will not accept, the Congress will not enact, and from a practical standpoint, the executive branch cannot enforce the kind of production controls which would be necessary to balance supply with demand at the price objective specified in law.

We have tried to legislate scarcity, and have found that this is extremely difficult to do. Might it not be well, then, to learn how to live with the blessings of abundance?

In the early years, the cotton program was an emergency measure, developed to meet a severe depression. This measure has gradually been replaced by a program with a high price objective and weak controls. The original vehicle was gradually overhauled and given a more powerful motor but weaker brakes. No wonder it is hard to keep on the road!

Upland cotton, with a high support requirement, has experienced declining acreage. Extra long staple cotton, meanwhile, has adopted a low price objective and has been experiencing increased acreage. Growers of extra long staple cotton advocated legislation, which the Congress enacted, setting the level of price support at 75 percent of parity. Allotments for 1957 are about twice as great as in 1956.

There is a growing realization that the program for upland cotton is in deep trouble. There is much casting about for alternative remedies.

A two-price plan is sometimes suggested. Under such a plan domestic cotton would sell at a high price and cotton for export would sell at a lower price.

Technicians and authorities who study such plans raise a number of troublesome problems, among them this one: If domestic cotton continues high in price, manmade fibers are further encouraged in our big market—the market here at home.

Another proposed remedy is a production payment plan, with cotton selling at or near a competitive level and with a payment to cotton farmers, from the Treasury, making up the difference between the market price and the price objective. Authorities also raise a number of difficult problems about such proposals. Do cotton farmers want to be dependent upon the Congress, annually, for highly visible appropriations which might equal half or more of their net income? It would be well to recall some basic arithmetic. Farmers now total only 13 percent of the population and only 1 farmer out of 5 produces cotton.

Responsibility for enacting legislation lies with the Congress. The Department of Agriculture, as an agency of the executive branch, has responsibility to point out difficulties in administering the law, and to counsel with the Congress regarding their solution.

Certainly, when alternatives are considered, we should consider the possibility of permitting our cotton farmers more freedom to farm. Certainly we should consider the desirability of moving in the direction of being more competitive price-wise.

Cotton must be priced right if it is going to sell.

We might liken the cotton industry to a stool which needs three legs to stand upright—quality, merchandising and realistic pricing. It cannot stand permanently on just two legs no matter how strong they are built.

It won't be easy to win back our markets. Markets lost over a period of 25 years are not regained overnight. A quarter century of sheltered existence is poor conditioning for the rough-and-tumble of market competition.

But the markets are there if we go after them.

Our present per capita consumption of cotton here in the United States is about 26 pounds per year. In the free foreign world per capita consumption is only about 6 pounds. If foreign consumption could be increased by only 2 pounds—the equivalent of one bed sheet, or one pair of overalls—it would create a new market for about 7 million bales annually.

Rather than being lulled into complacency by the favorable developments of recent months—increased exports and reduced carryover—we should use this time to reexamine the basic law. We must not wait until, having disposed of surplus number one, we have built up surplus number two. We must not wait with making changes until they are forced upon us. We should make use of the next few years, while we have the soil bank and the surplus disposal programs, to make a transition to a program which is more in the interest of our cotton farmers.

The Agricultural Act of 1954 was a necessary forward step. It established a beachhead of rationality in setting of price support levels. No one ever maintained that it was an answer to all our farm problems. The Agricultural Act of 1956 successfully defended the ground gained in 1954 and in addition provided weapons for dealing directly with our heavy stocks.

We should now reexamine basic legislation regarding cotton and other basic crops. I applaud the wide review of this subject now being made throughout the South by the American Farm Bureau Federation in cooperation with the State Farm Bureaus.

My first speech on cotton after becoming Secretary of Agriculture was given at Cleveland, Miss., on May 21, 1953, before the Delta Council. At that time I had this to say:

"I have been rather critical of some of our present farm programs. But this is not because I think present programs give the farmer too much. No; my concern is that they give the farmer too little.

"They give the farmer too little because they do not build markets to put products into use at fair prices.

"They give the farmer too little because they do not permit desirable adjustments to take place in our farm economy which will place the farmer on a sounder footing.

"They give the farmer too little because they fail to provide adequate incentive for self-initiative and self-help upon the part of the grower, the handler, the processor, and the end distributors.

"They give the farmer too little because at times they price such commodities as wheat and cotton out of world markets.

"They give the farmer too little because they tend to hold a price umbrella over synthetic and substitute products which in turn take over our farm markets."

That was 4 years ago. I have said these things, many, many times. I reaffirm them before you today.

My purpose is to add to cotton markets, increase the net income of cotton farmers, liberalize their opportunity to make their own decisions and protect their hard-won rights for equality of bargaining power. I do not want to take anything away from cotton farmers; I merely want cotton farmers to ask themselves earnestly and honestly whether a program of restriction and scarcity can possibly mean as much to them in the long run as a program involving more freedom to plant and more freedom for market growth.

The future of the cotton industry depends on how that question is answered.

Address by Hon. William F. Knowland, of California, at American Legion Founders Day Luncheon

EXTENSION OF REMARKS

OF

HON. WILLIAM F. KNOWLAND

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Monday, May 13, 1957

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the speech I delivered on last Saturday, in St. Louis, Mo., at the American Legion Founders Day luncheon, commemorating the founding of the American Legion.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY UNITED STATES SENATOR WILLIAM F. KNOWLAND, AMERICAN LEGION FOUNDERS DAY LUNCHEON, ST. LOUIS, MO., MAY 11, 1957

Comrade Commander, today we commemorate the founding of American Legion in this city in 1919.

This organization of 3 million has made notable contributions to our Nation in both war and peace.

As Americans it is important that we take sufficient time to review the past, examine the present, and try to plan for the future.

It was Lincoln, in his house divided speech, who said:

"If we but knew where we are and whither we are tending we could better judge what to do and how to do it."

It is time for us to rededicate ourselves to a renewed faith in our free way of life.

We must not take our constitutional form of government or our free enterprise system for granted. Neither fall into the category of something that can be locked in a safe deposit box and kept forever secure. Each generation must be prepared to make the necessary sacrifices to maintain them that our Founding Fathers were prepared to make in the first instance.

Other nations have been or now are larger in land area, in population, and in natural resources. Yet they have not been able to give to their people the freedom and the standard of living Americans have enjoyed.

As important as is the productive capacity of our Nation and its military strength, these are not the factors which alone could preserve our freedom or enable us to maintain a free world of freemen. The inner strength of America has not been its great cities, its huge industrial plants, its extended transportation systems, or its variety of natural resources as important as these are.

The factor which made America an inspiration to the rest of the world grew out of our Declaration of Independence, the Constitution of the United States, and the spiritual values which the founders of our Republic recognized and by which they were guided.

We have recognized that there is a higher moral law to which governments are also accountable. We have humbly acknowledged the divine inspiration which has made and preserved us as a Nation.

We have read of and been inspired by the action of George Washington in kneeling in prayer during the dark days of Valley Forge and of Lincoln doing the same during his lonely vigil in the White House during the darkest days of the Civil War.

The priceless ingredient for our people has been our constitutional form of government which guarantees our religious, personal, and economic freedom.

We must never dilute our constitutional guaranties whereby human freedom would be compromised with totalitarian tyranny in any form of world government.

America is still the authentic revolution. The flame of freedom which was struck at Concord and Lexington still is an inspiration to the enslaved behind the Iron Curtain.

But it is also an ageless lesson that no outsiders can win independence for a people. They must be willing to pay the price in blood and resources to gain their own freedom.

We do recognize, however, that when freedom is destroyed anywhere a bit of freedom is destroyed everywhere.

Nations can die while delegates talk. Last year the General Assembly of the United Nations passed 10 resolutions in 76 days of debate. All that while freedom was being strangled to death in Hungary. With callous indifference the Soviet Union placed itself above the higher moral law of God as well as above its obligations under the United Nations Charter.

No international organization can long endure with a double standard of international morality.

Are the obligations and the mandates of the United Nations to be applicable to the democratic nations but not to the totalitarian powers? To the law-abiding but not to the outlaw nations? To the small and weak countries but not to the big and strong? What kind of justice is this? Are we building on quicksand? What kind of a foundation is this for constructing a system of international law and order based on justice?

We serve no useful purpose if we hide the facts. To the contrary by ignoring them and failing to seek remedies, we may endanger the safety of this Republic and freemen everywhere.

For many decades the men in the Kremlin have preached the doctrine that the free world contains the seeds of its own destruction. It is far more likely, I believe, that the Communist world contains the seeds of its own destruction.

Hungary was but the latest in the indications that, even under totalitarian police rule and the brainwashing of a whole generation, the spark of freedom still lived and was capable of lighting a fire that endangered the whole monolithic structure of Communist tyranny.

After the Hungarian experience, how much reliance can the Soviet Union place in the armed forces of the other captive nations if freedom is ever within their reach? How can they have faith in Communist indoctrination when young students were the leaders of the Hungarian rebellion?

Within the past several weeks the rulers in the Kremlin have sought to intimidate Norway, Denmark, Greece, and Iceland.

The Soviet Union has not changed its long-term strategic objective. The destruction of human freedom everywhere.

They will be relentless in seeking to destroy our institutions. Fortified by our faith in God, we must be determined that our way of life will be preserved.

Hungary has also taught the world that unless an independent government or revolutionary movement can function for several weeks or months it is difficult for outside friends to assist.

Had the British redcoats crushed the first American rebellion in a week and captured the leaders (as happened in Budapest), there would have been no time for France and our other friends abroad to come to our aid.

Sooner or later there will be another Hungary. Will the free world be better prepared to strike a blow for freedom? Will the United Nations be prepared to do more than talk and pass 10 resolutions?

It may come this year or next in Bulgaria, Rumania, Czechoslovakia, Eastern Germany, Albania, North Korea, China, Poland, or in Hungary again.

Indeed it may even come in the Soviet Union where the people of Russia were the first victims of the godless Communist tyranny.

During the week Nagy was the legal head of the Hungarian Government what a difference it would have made if the United Nations had sent in observers: If based on the first United Nations resolution the friends of freedom abroad had sent the freedom fighters bazookas and grenades rather than more resolutions of sympathy.

Or is the policy of the United Nations and the free world now to be that we will throw water on the embers of freedom and revolt against tyranny and that we will finance Communist economic and political systems so that the slaves will be more content with their masters?

I believe we are at one of the great crucial turning points of history.

International communism which 40 years ago imposed its will upon the people of Russia has in the meantime, by conquest, subversion, and international blackmail, extended its power to where over 900 million people are enslaved behind the Iron Curtain.

Probably not as much as 10 percent of that number can be considered hard-core Communist Party members.

Never before in history have so few imposed their ruthless totalitarian will upon so many human beings.

Since the fall of Dienbienphu in 1953 international communism has added no territory and no people to its monolithic structure.

Since 1953, within the Communist Empire cracks have beeen showing up which are of great significance.

1. The riots in East Germany and East Berlin.

2. Restlessness in Poland leading to the Poznan outbreak and the temporary attempt to placate the liberty-loving Poles with a "respectable Communist regime," as if in fact there could be such an unlikely monstrosity.

3. The Hungarian revolt with its lesson that unarmed people can rise up, seize arms, drive out a secret police control and can only be destroyed when divisions of a foreign power are used to crush a victory the Hungarian freedom fighters had already won.

4. The strains and stresses, economic and otherwise, within Communist China, some of which were reported last Sunday morning.

5. The repudiation of $65 billion worth of Soviet Union bonds which is not only indicative of fiscal problems within the U. S. S. R. but a reemphasis, if any is needed, that Soviet commitments are not worth the paper upon which they are written.

6. The failure of the established agricultural and industrial programs in the Soviet Union and in most of the captive states.

Responsible men and women, in and out of government, must ask themselves these questions:

Would the world be a better place in which to live if the godless international Communist tyranny should disintegrate? Can communism's political system endure if its economic base collapses? Can even a ruthless police state hold its people in subjugation if their economy cannot produce the minimum requirements of food, clothing, housing, and a modest number of consumer goods?

At such a time it does not make sense to me that the United States and our free allies would embark upon a program to rescue the Communist world from its own evil shortcomings.

While the communist world is reaching a crisis in its economic and political life it is now proposed:

1. That our allies open wider the doors of trade in both strategic and nonstrategic materials to Communist nations.

2. We assume the burden of supplying agricultural supplies to the Polish Communist regime so they can better concentrate on supplying strategic coal and uranium to the Soviet Union as well as other production which will strengthen the Soviet economy, and hence its totalitarian government.

It is proposed that we take $100 million of American assets and make them available to the Communist government of Gomulka while the government is making loans available to the Communist North Vietnamese of Ho Chi Minh and the Chinese Communist of Mao Tse-tung.

We have already contributed over $1,200,000,000 to sustain Tito-type communism in Yugoslavia. It is now about to be announced that we will send more jet fighting planes to Communist Yugoslavia.

We have many good and stout allies (Free China on Formosa, Korea, Turkey, Pakistan, Vietnam, Thailand, and the Philippine Republic) that need more jet planes. All of them should have a priority over Tito's Yugoslavia.

I do not favor taxing the American people to support Communist economic or political systems abroad.

It was Lincoln who said: "Fellow citizens, we cannot escape history * * * the fiery trial through which we pass will light us down to the latest generation. We, yes, even we here, have the power and bear the responsibility * * * in giving freedom to the slave we assure freedom to the free * * * we shall nobly save or meanly lose this last best hope on earth."

Tenth Anniversary of the National Student Association

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, May 13, 1957

Mr. WILEY. Mr. President, this year marks the 10th anniversary of the United States National Student Association, one of our most dynamic youth organizations. A brief look at the 10-year record of USNSA is proof enough of its expanded program of education and service to our educational community.

It was a great pleasure for me to contribute a special article to the association's student government bulletin, in its anniversary issue. My theme, Students Today—Statesmen Tomorrow, is particularly significant at a time when, more than ever before, student government is looked to for the molding of tomorrow's statesmen.

I ask unanimous consent that the article be printed in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STUDENTS TODAY—STATESMEN TOMORROW

(By Hon. ALEXANDER WILEY, senior United States Senator from Wisconsin)

This, the 10th anniversary of the United States National Student Association, is a highly significant juncture in American life. It is a time when we see our student movement taking on new meanings and challenges.

We find ourselves in a constant state of flux here at home and abroad. We are witnessing and we welcome unparalleled advancements for the benefit of mankind.

Yet, we see in the dark background a brutal, hostile ideology dedicated to world domination. Against this backdrop, in an era of progress and development otherwise, we are striving to hold secure the previous values of our democratic society, and at the same time help other freedom-loving countries preserve these principles.

The future is, of course, uncertain. News breaks daily from the four corners of the world, news which in one way or another ultimately affects our Nation. Yet, in pondering what lies ahead for America, I am encouraged by a great faith in America. Part of that faith is the deep confidence that our rising young leaders will meet the test of

shouldering tomorrow's burdens. I know that my great expectations for the younger generation will not be disappointed.

USNSA SETS THE PACE—ITS MANIFOLD CONTRIBUTION TO OUR NATIONAL WELFARE

The performance of our United States National Student Association helps sustain my faith in youth. The record of the association over the past decade speaks for itself, and is proof enough of the fine caliber of our young adults. Intellectually and spiritually, USNSA members deserve recognition as general spokesmen for American youth.

On the homefront, USNSA has spearheaded basic improvements in all aspects of campus life, promoting the cultural, social, and physical welfare of students. Member student bodies have joined together to tackle mutual problems and to stimulate democratic student government. Most important, USNSA brings us a dynamic, articulate student voice in national affairs. It exhibits a collective alertness to "what's going on" generally, as well as to the new horizons of American education. What better way of supplementing student civic responsibility and offering vast educational opportunities?

MEETING THE PROBLEMS OF EDUCATION

As we are all aware, the problems of American education itself are not becoming any simpler. These problems pose a real challenge to student leadership and to the USNSA.

The numbers of college eligibles are growing by leaps and bounds. How will we cope with the expected 4,500,000 college entrants of 1965? Furthermore, our more complex society requires an increase in the amount of knowledge. And this in turn demands a great expansion of our educational programs.

Student government, therefore, with USNSA carrying the ball, will have to take a new look at policy and programs. Such issues as student economic welfare, antidiscrimination, maintenance of high educational standards, academic freedom, balancing of liberal and specialized training—these are but a few of the areas demanding thoughtful reappraisal.

WORTHY WORLDWIDE ACTIVITIES

Internationally, USNSA has further proved invaluable in closing the ties among young peoples throughout the world—the ties that will help bind the confidence and good will of future foreign leaders. USNSA relations with other national student agencies offer one of the best organized means we have to promote youth fellowship and to foster a true understanding of other modes of life.

The free exchange of ideas and a spirit of "working together" on mutual youth problems are the ideals of international cooperation. USNSA work with the World University, the Foreign Student Leadership Project, International Student Relations Seminars, and student travel programs, all deserve the widest support toward this goal.

DEVELOPMENT OF THE STUDENT LEADER

I would like to underscore one function of USNSA, which in my mind warrants top priority at this time—development of youth leadership.

As a United States Senator, I have learned the so-called ingredients of a public servant. And speaking from experience, may I emphasize the tremendous importance of a taste of university leadership for anyone aspiring to a career in government or politics.

It has often occurred to me how fortunate our college folks, my prospective colleagues of the 90th or 100th Congress, are in the limitless opportunities to partake of student government. But are enough taking advantage of them?

In this day and age, when a year seems to pass like a minute, it is not a long hop from student government to its counterpart at the local, State or national level. And there are certain principles guiding the student body president, USNSA worker, Senator, and Congressman which remain relatively fixed.

What are such yardsticks? The power of factual expression, a give-and-take spirit in solving controversial questions, sound reasoning and constructive thinking, continuity of worthy purpose, underlined by strict adherence to democratic principles of self-government and by genuine dedication to what is best for the largest number, these all add up to the making of a statesman. To become a part of public life also requires a knowledge of the democratic philosophy and group process.

The extent to which our aspirant can fulfill this recipe and can achieve his or her fullest potential for effective leadership in adult life, may depend on his or her start up the Government rung during college.

VITAL ROLE OF USNSA

And this is where USNSA comes in, to serve as one of our best catalysts for responsible student leadership. Stimulating an awareness among youth as to their obligations in student government, and urging followup participation, these are challenging goals for USNSA.

Student government is a facet of American college life, which is probably relatively unique in contrast to most foreign counterparts. In few, if any, other countries has so much freedom been given to students by school administrators, in handling their own affairs. And our young people have certainly lived up to the responsibilities given them.

But more remains to be accomplished. In the face of increasing enrollments, heightened scholastic competition, and struggle to make the top of the class, there may be a serious tendency to play down constructive extracurricular activity, or may I say cocurricular work (a much better reference for an important endeavor).

Scholastic pursuits are understandably intensified in an age when technical and scientific skills are constantly being improved upon and when technical achievement has become essential to our national security.

NEED FOR EXPERIENCE IN STUDENT GOVERNMENT

Yet, in trying to prepare students for society and shape the total young man or woman, we must be on guard against allowing extreme specialization to encroach on other basic educational needs. And student government is such a need—every bit related to the heart of the education process. All college life is a laboratory in individual development. Leadership responsibilities are as integral to forming the well-rounded person as success in his or her curriculum.

How effective is the engineer, physicist, or nuclear scientist, who cannot adequately express his theories, or who is not open to the ideas and suggestions of others?

Not only might society lose out here, but the individual might be cheated in reaching his or her optimum capacity. Higher education actually fails if it does not sufficiently train young people for the mature adult role in all phases of community life.

EXPERIMENTING IN HUMAN RELATIONS

Thus, the prestige and place of student government require a new emphasis. Earlier, I mentioned the development of statesmanlike qualities, associated with early experience in government. May I add that work on behalf of the campus and campus community is an experiment in practical human relations. Participation in student affairs can help deepen spiritual insight, sharpen perception, and strengthen habits of moral action. These qualities together with other teachings of the group process mark the finer-type American citizen.

Without encouragement of a new philosophy toward student government and campus affairs, student leadership can take on a wheels-for-wheels sake stigma. And this kind of attitude could easily breed apathy and disdain for all activities. This, coupled with an exclusive back-to-the-books movement, could seriously undermine the whole concept of democratic student government for which the Nation has long stood.

AVOIDING STALE, STATIC APPROACHES

I am sure that USNSA officers are also concerned about preventing the status quo germ from hitting local student body programs. In many instances, apathy for cocurricular affairs is due to a dire lack of new ideas and lack of some imagination in implementing programs. Simply going through the motions of static-type government is no fun, no matter what level it is on.

Every student group should evolve in purpose, policy, and program. There is something wrong if it drifts along in the same way, year after year. We in Congress likewise require new ways of approaching and solving the comparable problems that may come before us each year. Consequently, we must continually reappraise our policies.

KEY QUESTIONS TO ASK

Thus, student body cabinet officers and USNSA leaders should ask themselves these questions frequently: Are the real student problems being tackled? Is the leadership doing as much as it can on behalf of student welfare?

Such brainstorming sessions can be extremely helpful. And I can attest to the validity of experience in this technique by the Wisconsin Student Association, of the University of Wisconsin in my own State.

CONCLUSION

USNSA's capacity for democratic responsibility appears to be an almost limitless one. And the scope of its work and interest is helping to meet the demands on every front of American life.

I have here devoted some attention basically to only one aspect of the student movement—student government and the crucial need for leadership training. Yet, perhaps these factors constitute one of the cores of real student citizenship. And success in them will certainly help set the quality of tomorrow's American statesmen.

Hats off to USNSA as it looks ahead to the new challenges for young America.

The New School of Aviation Medicine, Brooks Air Force Base, San Antonio, Tex.

EXTENSION OF REMARKS

OF

HON. PAUL J. KILDAY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. KILDAY. Mr. Speaker, formal ground breaking ceremonies at the new School of Aviation Medicine, Brooks Air Force Base, San Antonio, Tex., were held on May 10, 1957.

A distinguished group of specialists in aviation medicine was present, as well as high-ranking officers of the Air Force.

This was a most significant occasion for aviation medicine and for the Air Force. Provision of adequate physical facilities for research and instruction in the effects of flight upon the human who operates aircraft, is recognition that, even in this modern time, men are of primary importance.

Under leave to extend my remarks, I include an address made by me on that occasion:

The breaking of ground for the new facilities of the School of Aviation Medicine is a significant occasion. It is an occasion long delayed; and, in my opinion, unnecessarily delayed.

Since the Congress authorized these new facilities there have been a number of projects for research and development involving much larger sums of money which have been authorized, begun, and completed, and the facility placed in operation long ago.

Practically everyone concerned with national defense is conscious of the fact that there has been a tendency, in the past, complacently to accept a national-defense policy based upon the concepts of the last preceding war.

But since the close of World War II there has been a sincere desire to create a national-defense policy and maintain our armed services not subjected to that very serious deficiency. Therefore, emphasis has been placed upon research and development. The Congress has been most generous in providing authorization and appropriations for research and development. However, emphasis has been placed upon the development and production of machines. But all activity, including military activity, must be based upon the fact that even in these modern times things are done by men as well as by machines.

Perhaps it is not unusual that the emphasis has gone to machines rather than to men.

In our time, we are witnessing the second industrial revolution. The first industrial revolution occurred in the latter half of the 18th century in England. A series of important inventions turned England into a modern manufacturing nation. Some of those inventions were brought to our country at the close of the 18th century. The War of 1812 cut off the importation of manufactured products from abroad and stimulated manufacturing in this country.

However, another war in our own country was required before the full effect of the industrial revolution reached the United States. Our own Civil War created a demand by the Army for machines, clothing, blankets, and the munitions of war. The agrarian America of 1860 found it necessary to industrialize in order to meet the demand for those commodities now regarded as relatively simple. Before 1860, there were no great American cities; by 1900, 33 percent of our people were living in cities of 8,000 or more.

It is significant that the impact of the first industrial revolution was felt in the United States as a result of the Civil War, the most destructive war known to history until that time.

The second industrial revolution has come about because of the Second World War, the most destructive in the history of modern civilization. That war demanded the production not only of the basic commodities common to the Civil War, but required them in much larger quantities and of a far more complicated nature. The necessities of the situation produced the invention of tools and machines for the more rapid production of everything needed for the prosecution of war. Except in the field of medicine little attention, in retrospect, was devoted to the most important element of a war machine—the man behind the weapon.

It is not strange therefore that we now find industry and the minds of men intrigued by machines and gadgets. Technology, electroncis, and automation absorb the thoughts and the efforts of all.

The first industrial revolution was based upon the invention of machines which permitted production through the use of fewer men. No doubt, fear existed then that men would not be required for production and unemployment would ensue. At the beginning of the new second industrial revolution stark fear of mass unemployment was again expressed because of the development and use of modern machines and automation. It is now apparent that automation will not result in the elimination of men any more than did the invention of machines at an earlier time.

The American people, by wishful thinking, have in the past, and undoubtedly will continue in the future to look forward to a push-button war. Their thoughts are consumed with the ideas of guided and unmanned missiles, electronic brains, univacs, automatic computers, and mechanical fox-hole diggers. They understandably would like to live in a fool's paradise of a war which will be bloodless for ourselves but most destructive to the enemy.

Should that day ever come, war would be abandoned as a means of settling disputes or acquiring advantage since the nation with that power would automatically exercise world domination. It would be nice to think that that day might come and come quickly, so long as we held that position. But profiting by the lessons of history, we cannot be so sanguine as to believe that the time has arrived when men of ill will will permit the abolition of war.

In order to eliminate certain tasks heretofore performed by men, these new inventions in the field of war have enhanced rather than eliminated the need for men—but men of great technical skill. These weapons and inventions have brought with them new problems which demand solution. Man's capacity to cope with supersonic speeds of aircraft, greater altitudes, flight in the stratosphere, to name but a few, present new problems for solution. The effect of these speeds and altitudes upon the human body will be studied here in this School of Aviation Medicine. These new buildings, providing more space and greater facilities, will permit the men of science who labor here to keep abreast of the human factor in all of these new problems and complications.

No doubt in the not too distant future, aircraft will be propelled by nuclear energy, bringing even additional problems of the effect upon the human who operates them. All of these matters will be studied here. Not only will they be studied here, but the knowledge acquired will be passed on to the student body which assembles here.

Hundreds of millions of dollars have been spent since World War II in providing laboratories, wind tunnels, and all of the most modern facilities for testing the machines of flight. During that time, the School of Aviation Medicine has been restricted to physical properties built for it in 1928, crowded into quarters totally inadequate for its needs, and preventing any thought of expansion.

Notwithstanding these physical handicaps, the staff, faculty, and student body of the School of Aviation Medicine have carried on, and in a remarkable manner, kept abreast in this most important field. All of us here today congratulate them upon their outstanding achievements under such inadequate conditions.

Here we see the beginning of new physical properties for the School of Aviation Medicine which will eliminate those handicaps. Here we see the beginning of a new era in the development of the second industrial revolution—the importance of man and the effects of environment upon man.

The man in the air will have the confidence and knowledge that his welfare, his safety, and his ability to perform his assigned mission, will have received the most thorough study and research that modern science is capable of providing.

This is a happy occasion for Gen. Dan C. Ogle, Surgeon General of the Air Force; Gen. Harry G. Armstrong, his predecessor; Gen. Otis O. Benson, commander, School of Aviation Medicine; and all of those who have worked with them through the years in seeking quarters which will be adequate for their most important assignments. I congratulate them and all others who have had a part in making this occasion possible.

And may I say to the Air Force, as the Member of Congress from this district, that we rejoice with you on this happy occasion—we bid you welcome, we pledge to you our support and assistance at all times, and in all things which may be helpful to you.

Importance of Delaware River

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Monday, May 13, 1957

Mr. MARTIN of Pennsylvania. Mr. President, last week, on May 9, a fellow Member of Congress, the Honorable WILLARD S. CURTIN, who represents the Eighth Pennsylvania District, Bucks and Lehigh Counties, delivered a statement before the House Appropriations Committee with reference to the importance of the Delaware River in the economy of our Nation.

Representative CURTIN presented such a splendid statement that I should like to bring it to the attention of all of my colleagues in the Senate, and therefore ask unanimous consent that it be printed in the Appendix of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. Chairman and gentlemen of the committee, I appear before you today in reference to the appropriation to proceed with the deepening of the Delaware River channel between Philadelphia, Pa., and Trenton, N. J.

The amount requested for this work for the fiscal year 1958 was $16,500,000 but in the proposed budget estimate, this amount has been reduced by the Budget Director to $9 million.

I feel that this is a subject on which I am qualified to speak, since my Congressional District consists of Bucks and Lehigh Counties in Pennsylvania and I live in Morrisville, Pa., which is a borough directly across the Delaware River from Trenton, N. J. I, therefore, feel that I have some knowledge on this particular problem which may be of some benefit to the committee, since navigation on the Delaware River between Trenton and Philadelphia is on the portion of the said river which is on the boundary of Bucks County and is a subject in which I have been vitally interested for many years.

I have been very much in sympathy with the economy actions of your Appropriations Committee and have voted in favor of all of the appropriation bills wherein the appropriations have been reduced from the amounts requested by the Budget Director. My record will also show that I have voted in favor of many of the further cuts as proposed on the floor of the House, since I firmly believe that this Government should practice all economies which can be effected

without jeopardizing fundamental governmental functions.

However, I do not think that my present appearance before you, with the request that the appropriation for the deepening of the Delaware River channel be restored to the original request of $16,500,000, rather than the $9 million as proposed by the Budget Director, is inconsistent with my position as to economy. This deepening of the Delaware River is a capital outlay for which the Government will get a return on its money, which is far different, in my opinion, from many of the other expenditures which have been authorized.

The Delaware is one of the world's great estuarial harbors. Already, it is the leading port of the United States in the handling of import tonnage, and it stands second only to New York in total waterborne commerce.

As a harbor, the Delaware reaches from the open sea from Cape May, N. J., Cape Henlopen Del., north to Morrisville, Pa., and Trenton, N. J.—a distance of 132 protected miles. But, as a first-class international seaport—capable of handling all types of cargo vessels—the harbor's vast potential has been only partly realized, because its 40-foot channel ends abruptly at the southern end of Philadedphia. This leaves 37 miles at the upper end of the harbor in urgent need of modernization and improvement.

During the fiscal year of 1956, the Federal Government collected approximately $75.1 billion in tax receipts. Of this amount the States of Pennsylvania, New Jersey, and Delaware—the States that surround the Delaware Port area—contributed $8.5 billion, or better than 11.3 percent of the total budget.

The tidal Delaware flows past more than 8,600 different manufacturing plants, most of which are located in the highly industrialized citier of Wilmington, Del., Camden and Trenton, N. J., and Philadelphia and Chester, Pa. Deep water all the way to Trenwil make accessible for industrialization 58 miles of shoreline now available for industrialization along the upper Delaware, where a lack of deep-water access has prevented the maximum industrialization of this area.

The Congress of the United States in August 1954, recognized the urgency of this matter when it passed legislation authorizing the deepening of the upper Delaware, with a 40-foot channel.

Private industry has already invested its resources in an unprecedented expansion of the region on the strength of this authorization, and there is substantial evidence that the expansion is only in its initial stage. Several large industries have already located on the upper reaches of the Delaware, and more are in process of construction, or are planned. A multi-million-dollar plant of the National Gypsum Co. at Burlington, N. J., designed to handle 350,000 tons of raw materials annually, the Fairless Works of the United States Steel Co. at Morrisville, Pa., with its vast potential output possibility, and the Meenan Oil Co. at Levittown, Pa., making use of the Delaware River in the distribution of several million gallons of product annually, are all new industries will contribute to the economic welfare of the area. In addition thereto, Phoenix Iron & Steel Co. has acquired 1,000 acres of ground in the Burlington area, and the Wood Conversion Co. recently announced plans for the construction of a multi-million-dollar shoreside manufacturing plant in the same area. Many other industries are also canvassing the possibilities of the area, but their final decisions are awaiting the opening of the area to the full benefits of low-cost ocean transportation.

This area between Philadelphia and Trenton is attractive to industry, not only because of its location on a waterway, but also because of its availability to the markets in the area, the accessibility to railway lines, the abundance of skilled labor, and the availability of land. However, the development of this land and the improvement of the economy of the area, with its consequent increase in taxes to the Federal Treasury, is being held up because of the difficulty of navigation between Philadelphia and Trenton. Ships now bringing raw products to the plants are, in many cases, compelled to either partially unload in Philadelphia or to not initially load the vessel with maximum cargo. Because of the present depth of the channel, fully laden, large freighters cannot use the channel until it is made deeper and more safe. One of the dangers of navigation is located at the Delair Bridge, at Delair, N. J., which is an old-fashioned bridge having a span of but 110 feet, and, in addition thereto, the channel turns within the area of the said span. Some of the largest of the cargo ships presently using this channel have a 90-foot beam, and others are somewhat smaller. Consequently, the ships of this size going through this narrow span and having to make a turn in the process find it an extremely hazardous undertaking, and the shipowners will not permit their ships to use this channel of the upper Delaware at all after dark and, during daylight hours, only at such times as they can buck the tide in each direction. As a consequence, the use of the channel is materially restricted. A 40-foot channel with a modern bridge having a wider span at this point will eliminate this restriction.

In addition to the above, the size of cargo ships is increasing, so that a 40-foot channel is essential if such ships can use the channel, and such ships must use the channel if the industries located along the shoreline are to get economical rates. A survey by the National Federation of American Shipping shows that the trend is for larger and deeper draft vessels for economic reasons. Maj. Gen. Emerson C. Itschner, Chief of the Corps of Army Engineers, has said, "The move toward deeper draft, larger deep-sea supertankers and ore carriers, and the outlook for increased transportation of the commodities they carry, has created a pressing demand for correspondingly deeper and improved channels in major seaports."

Below Philadelphia, where a 40-foot-channel project has existed for many years, industries of all types and sizes have located at the water's edge, and the ratio of such industry above and below Philadelphia is convincing proof of the need for the same.

All of the above should indicate the need for the rapid completion of this work. The project is estimated to cost approximately $110 million and the hoped for construction period was 5 years. The monetary benefits after completion are estimated at $8,450,000 annually, as compared to annual charges of $4,000,370. The resultant benefit-to-cost ratio is 1.93 to 1, which certainly shows that the prompt completion of this project is just good business. The Philadelphia district engineer has stated that for the fiscal year of 1958, $16,500,000 could be economically utilized with the equipment on the site; the Bureau of the Budget has recommended an appropriation of $9 million, following an initial appropriation of $6 million authorized for expenditure during 1957. If the annual average appropriation for the first 2 years of construction will prevail, it will take 14 years to complete the project, rather than 5 years, and this slow rate of construction will correspondingly slow up the rate to which the revenue—the taxes from industries located and to be located along this stretch of the Delaware—can be realized. Of the money planned for expenditure from the 1958 fiscal year appropriation is the sum of $1,950,000 toward the improving of the Delair Bridge, which would leave $7,050,000 for other deepening expenses. (The entire cost for the work at this bridge will be $11 million.) The equipment is now in the river and available for use, and if appropriations are such that this equipment can be utilized to its upmost, the job will be finished in a less period and the return to the Government in the form of taxes will be sooner realized.

The channel to be dredged should be dredged to the full depth of 40 feet as the work is done. There is now some argument that an initial 35-foot channel be dredged to Trenton, to be followed by a 40-foot channel as commerce increases. This is not sound reasoning. There is much rock to be cut out of this channel, and cutting rock under water to a certain depth and then going back and cutting a few more feet from the same rock at a later date is just not economical.

With the modern trend in ship construction, a 40-foot channel is vitally necessary if this waterway is to be used to its full and best advantage. The two-step procedure only adds to the cost by postponing just that much longer the adequate and complete use of the channel.

Also, in terms of our national defense in this age of nuclear warfare, when every day brings forth a new international crisis, the Delaware River port area, because of its diversified industrial power and geographical location, is the keystone in the Nation's arsenal for defense.

In addition to the foregoing, the deeper channel would be beneficial in many supplemental respects.

1. It would decrease the pollution of the stream by causing a faster flow of more water;

2. It would be a factor in flood control by permitting faster runoff of high water;

3. The dredge material will help build up the shoreline.

In view of the foregoing, I would respectfully urge the committee to increase this appropriation for the fiscal year 1958 to $16,500,000.

Rivers Bridge Confederate Memorial Association

EXTENSION OF REMARKS

OF

HON. ROBERT W. HEMPHILL

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. HEMPHILL. Mr. Speaker, I would like to have included in the CONGRESSIONAL RECORD a speech the Honorable W. J. BRYAN DORN, a Representative in Congress from South Carolina, made at the 81st annual celebration of Rivers Bridge Confederate Memorial Association in South Carolina on May 10, 1957.

This speech was made on Confederate Memorial Day and the Battle of Rivers Bridge occurred at the end of the Civil War when a handful of southern soldiers held off more than three divisions of Union troops.

The speech follows:

ADDRESS BY WILLIAM JENNINGS BRYAN DORN, MEMBER OF CONGRESS, 81ST ANNUAL CELEBRATION OF RIVERS BRIDGE CONFEDERATE MEMORIAL ASSOCIATION, MAY 10, 1957

It is fitting and proper that you, now and forever, honor the brave and gallant men who fought here at Rivers Bridge for a cause they believed to be right and just. The Confederate soldier faced overwhelming odds for 4 years because he believed in the principle of States rights and local self-government. While finally losing on the

battlefield, his efforts were crowned with success in staving off for nearly 100 years the autocratic Federal dictatorship now looming menacingly on the horizon. The men at Rivers Bridge were dedicated men. They were courageous, independent, self-reliant. They sacrificed everything—their homes, their lives, their fortunes in an all-out effort against unconstitutional usurpation. We, the grandsons and granddaughters of these brave men, will do no less today in upholding the principles and ideals for which they fought and died.

In a sense, the War Between the States was a renewal of the Revolutionary War. In the Revolution, the American patriots were fighting against the autocratic power of King George III. The South, in the Confederate War, was fighting against what they believed to be usurpation of States rights and individual liberty by an autocratic, powerful Federal Government. It was a continuation of the long struggle for local government against autocracy. This is a never-ending struggle. Liberty is something that has to be won, defended, and fought for over and over again. Basic and fundamental principles of government and political philosophy never change. They are the same "yesterday, today, and forever."

In America today, we see a renewal, on a large scale, of the fight against centralization and federalism. The stakes today are higher than in 1861. The same fundamental issues are involved. The revolution today will be peaceful but no less determined. It will be fought out in the State legislatures and the halls of Congress, before the Supreme Court, and by television, radio, the press, and in the hearts and minds of individual citizens. It is not a sectional fight today between the North and South, but it is a battle between those, on one hand, who believe in a strong nationalist, socialist state, and those, on the other hand, who believe in States rights and a maximum of individual liberty. At stake today is trial by jury, freedom of speech, freedom of worship, freedom of the press, and the time-honored principles and ideals so paramount in previous revolutions and struggles for freedom. We must fight today, by peaceful means, just as our forefathers fought in the Revolution and as our grandfathers fought in the cause of the Confederacy. The fate of the entire free world rests on the outcome of our efforts. Federal encroachment, for a while, was a creeping encroachment. It was often intangible and little noticed by the average citizen, but today it is open and is moving at a fantastic pace.

We have, in 20 years, seen the Federal budget go from $6,150,000,000 to a proposed budget of 72 billion for the fiscal year 1958. We have seen those on the Federal payroll increase from 876,600 in 1937 to 2,407,491 today. There has been no such increase in the national income nor in the increase of our population. In 1937 the population of the United States was 128 million. Today our population is estimated at 168 million—an increase of only 33 percent. The Federal budget, on the other hand, has increased by 1,050 percent over 20 years ago. The interest on the national debt today is greater than the entire Federal budget 20 years ago. We, the taxpayers, are paying the colossal sum of over $7 billion on the money that we owe during this fiscal year.

The departments and agencies of the Federal Government are writing 90 percent of the legislation today or are making rules and regulations with the full force and intent of law. The direct representatives of the people are being bypassed and subjected to propaganda by these ever-growing agencies of the Federal Government. The taxpayer's money is being spent to propagandize him of the glories of the welfare state. The American citizen is being subjected to a barrage of propaganda extolling the virtues of the Federal autocracy. The people are being led into a socialistic pit of no return. The moral character of our people is being undermined by excessive taxation to support this Federal army of national and international spenders—professional spenders who have done nothing in 20 years but spend the money of the once-sovereign American citizen. In the name of fighting communism, the Federal Government is adopting socialistic and communistic methods. This centralized authority is pretending to stop a disease by spreading more of that same disease—the plague of international socialism. While wasting billions of dollars abroad in a futile effort to stop advancing communism, we are adopting Marxist doctrines through the back door here at home and subjecting our people to unprecedented regimentation.

Almost every Federal department and many of the committee reports of Congress justify their actions in the name of opposing communism. It seems that all Russia has to do to get this Federal bureaucracy to adopt many of its methods is to criticize our Constitution and our way of life. Already, Government is extracting from the American people, on the average, nearly 35 cents on every dollar that they earn. We are, therefore, one-third of the way to national socialism or communism because we are forced to work one-third of the time to support the Federal hierocracy. The danger point will be reached in a few years when the Federal Government starts extracting from our people 50 percent of their income. The French people rose in revolution against Louis XVI when his autocratic dictatorship took from the people 50 percent of their earnings.

The present civil-rights bill before the Congress is aimed at the rights of the States and our individual liberties. I do believe our forefathers, in their heroic struggle of 1861–65, postponed the day of Federal encroachment until recent times. The advocates of centralization are today making another all-out effort. Today the South is again opposing this centralization. We are being aided by patriotic Americans in every State of the American Union. Our numbers are daily increasing, and I am optimistic of some measure of success. The present civil-rights bill is another attempt to circumvent our Constitution and our legal processes to please the Communist and Socialist propagandists. This bill proposes to deny trial by jury in civil-rights cases and substitute trial by commissions or by Federal judges. It proposes to harass our people and our local and State law-enforcement agencies. It would create a Federal gestapo within the Attorney General's office to intimidate our people.

I want to remind the descendants of those brave men who fought here at Rivers Bridge and my fellow South Carolinians whose forebears followed Wade Hampton that the civil-rights bill now before your Congress would create a Federal commission appointed by the President to investigate unwritten charges of discrimination, a Federal commission empowered to subpena citizens to appear hundreds of miles away in a strange city to answer vague and unfounded charges. These charges could be brought against you by word of mouth without the identity of the accuser becoming known. The bill plainly states that anyone about to engage in an attempt to discriminate can be brought before the Commission or into the Federal courts. This bill would create another Assistant Attorney General with a staff of assistants charged solely with investigating charges of discrimination and tampering with the election laws of certain sovereign American States. This type of legislation is being strongly advocated by pseudoliberals who claim to champion the cause of minority groups and the underprivileged. I believe we in the South and in other sections of our country of a like mind are the real, true liberals. We believe in the principles and ideals of Thomas Jefferson. We believe, with him, that the least governed are the best governed. We share his fears about the power of the Supreme Court and a centralized Federal Government. As true liberals, we are fighting to preserve the liberties of our people, the sovereignty of our States, and local self-government.

The so-called liberal of today is advocating more Federal authority and is supporting every decision of the Supreme Court. He is a phony liberal who seeks to take away from the people and add to the already bloated Federal autocracy. In all the history of the world, when power was placed in the hands of a few men, it was at the expense of the power of the people and, I might add, it was principally at the expense of the underprivileged and the minority races. When excessive taxation is wrung from the people and the money placed in the hands of dictators, the people lose their freedom. Likewise, in all history no liquidation or persecution of peoples could take place until first the machinery of persecution was placed in the hands of one or a few men.

This civil rights bill before Congress today, if enacted, could create the very means through which, someday, the minorities in America could be persecuted or even liquidated. No minority or religious sect in America can be persecuted or liquidated as long as we have a maximum of local authority and States rights. No mass persecution or widespread race discrimination has taken place in world history where there was local self-government and States rights. It has only taken place through dictators, centralized authority, and in the name of the "divine right of kings." Yes, we in the South are the true liberals who are fighting today to save minority races and minority religious groups and minority sections from the dictatorial machinery of a Federal Himmler. History will prove that where the machinery for a federal dictatorship was set up, the iron-fisted dictator would soon follow as night follows the day. The Spanish Inquisition in Spain, St. Bartholomew's massacre in France, the persecutions of the Church of England and Rome could never have taken place unless there was a strong federal authority.

This should be a warning today to many of our church leaders who are supporting a Socialist state, the Supreme Court, Federal aid to education, and this civil rights legislation. Make no mistake about it. If this civil rights bill passes, if the Supreme Court usurps more power, if Federal aid to education comes, the man, too, will come and will persecute the minorities in America who are advocating this type of legislation. Hitler posed as a friend of labor and of the people, but when the machinery was placed in his hands alone, he destroyed labor and wrecked the German Republic. Right here let me make it crystal clear that there was no persecution of the various Christian faiths in Germany until Hitler abolished the states in Germany and made the German Reichstag a rubberstamp congress. Many church leaders in his early rise supported Hitler and his wild dreams of Socialist plenty—only to find themselves later in concentration camps for attempting religious freedom. The same can happen in America to our church leaders, to our minority races, if local government and the sovereignty of the States is seized by the Federal Government. Once firmly entrenched in power with a ruthless gestapo at his bidding, Hitler turned the power of his federalized state against a minority race of people. Without local government and state government, they were liquidated in the most horrible and inhumane way.

Joseph Stalin spent years consolidating the power of his federal state and then

ruthlessly liquidated millions of southern Russians and herded minority peoples into the slave-labor camps of Siberia. Mussolini followed the same course when wielding absolute power from his headquarters in Rome. With individual liberty, local government and States rights, these millions would have been alive today. If we are successful in our fight to keep local government and States rights, we will be saving our people from religious persecution and our minority races from the fate of their brothers in foreign lands.

We must exert every effort today, before it is too late, for our constitutional processes, for the proper balance in our form of government between the Federal Government and the States, between the Congress and the executive, and between the people and the Supreme Court. The Supreme Court is interpreting into the Constitution and reading into the law things that were never intended by the Congress or the people. Americans everywhere are becoming alarmed at the usurpation of power by the Supreme Court. The Pennsylvania sedition case, the New York City school case, and, the other day, the Philadelphia private school case are enough to shock Americans in every State and in every section. The people are looking to their duly elected representatives to curb the power of the Supreme Court, executive branch of the Government, and this new international monster—the Charter of the United Nations. I hasten to assure you that your South Carolina delegation in the Congress is fighting night and day, long and hard, to curb and to forestall this sinister Federal authority. We of the South represent only 100 votes in the United States House of Representatives. If we are to be successful, we must gain support in other sections. I believe with our united efforts, support is forthcoming.

Federal aid to education, though supported by some well-meaning people, is an octopus in disguise. With Federal aid, eventually will come Federal control of education and the youth of our land. This is a familiar road followed by Hitler, Goebbels, Mussolini, and Stalin. Every dictator since the beginning of time saw the absolute necessity of controlling education to further his dictatorial ambitions. They were as afraid of locally controlled education as they were the plague. If we are to remain a free Nation, we must preserve local control of our schools.

Every American State in this Union today is in better financial condition than the Federal Government. If the great State of South Carolina, one of the poorest in the Union, can build this magnificent school system that we see around us, surely Ohio, Pennsylvania, Indiana, and Illinois can build their own schools. Any community that builds its own schools and solves its own education problems will grow morally and spiritually. Local government will be strengthened, our people will have more pride in themselves, and confidence in their ability to solve their own problems. This, in turn, will strengthen the Republic. Federal aid to education would strike the final blow to the America as we have known it. America is great today because of its different sections, of its different people, and because of its difference of opinion, and even diverse political philosophy. If America ever begins to look and act in a single pattern, America will cease to be a great Nation. The American body politic will become a rubberstamp without willpower or courage—to be used by the Washington autocracy, to further their own ambitions. My admonition to you today, my fellow countrymen, is to oppose with united effort this civil-rights legislation, Federal aid to education, this stupendous budget and Federal encroachment, just as those heroes so valiantly fought here at Rivers Bridge.

Our struggle today is greater, more far-reaching, and more important than theirs. If we lose America and the free world, we will be plunged backward 1,000 years into mediaeval darkness. We should zealously guard freedom of speech, trial by jury, freedom of choice, freedom of the press, and religious liberty. To preserve these basic freedoms guaranteed to us in the Bill of Rights, we must save our Constitution given to us by the Founding Fathers of this Republic. To save this great document, we must first preserve the integrity and sovereignty of the several States. We in the South have been plagued for generations by a negative psychology. I see signs of our beloved South going today from the negative to the positive. We are on the offensive. We know that the freedom of our sons and daughters depends upon the outcome of our battle today. The destiny of America itself hangs in the balance. The southern people fought for the South in the War Between the States. The southern people today are fighting for America.

We in the South are in the forefront in this desperate struggle today to preserve not just the southern way of life but to preserve the principles enunciated in the Declaration of Independence, the Constitution, the Bill of Rights and the American way of life, not just for the South but for every single one of the 48 American States that have flourished under that same Constitution. Yes, this fight goes beyond the borders of the South, the Middle West, or the Union, but it extends and beckons to the whole free world. Our fight is the battle of free peoples everywhere—Europe, Asia, the Philippines and beyond the Seven Seas of the world. Totalitarianism, dictatorship and centralization is on the march. This is no time for appeasement or compromise or for adopting just a little regimentation or a little centralization. We must draw the line. The die is cast. We must save all of our freedom or lose all of our freedom.

I am proud that I was born a South Carolinian. I am proud that my great-great-grandfather was a captain in the Revolutionary War. I am proud that my grandfather volunteered in the war for southern independence, fought in the first battle at Manassas and was surrendered at Appomattox Court House. I am glad that you have permitted me a humble part in this, the greatest fight of all—to protect and pass on this palladium of liberty—the America of today. I solemnly promise you today to tell the glorious South Carolina story. We in South Carolina and in the South do have a different philosophy. It is the philosophy needed to bolster the sagging courage of freemen. This is an age of public relations, advertising, and salesmanship. Let us advertise our political philosophy. In this offensive we are now waging, let us all be ambassadors of good will, ambassadors of the American way of life, and ambassadors of constitutional government. Let us resell to the Nation and the world individual liberty and local self-government.

The South played a leading role in the War of the Revolution. A southerner, Thomas Jefferson, wrote the Declaration of Independence. A southerner, George Washington, led the American armies to victory. Again, it was a southern leadership that prevailed in the Constitutional Convention under its president, George Washington, ably assisted by Madison and Monroe. George Mason of Virginia was the author of our sacred Bill of Rights. In the formative years of our Republic, great southern justices molded the Supreme Court into an instrumentality of justice and protector of States rights and the people's liberty. Edward Rutledge of South Carolina as Chief Justice and John Marshall of Virginia won the admiration of the true exponents of freedom. In the early history of the Republic during its most trying years, steady southern heads guided the Ship of State—Washington, Jefferson, Madison, Calhoun, Clay, Andrew Jackson, Monroe, James K. Polk and many others. We southerners are proud of the early American patriots. We are just as proud of Robert E. Lee, Stonewall Jackson, Wade Hampton and the courageous men who followed the cause of the Confederacy. With their blood in our veins, with our great heritage, with these traditions and with the spirit of the men who fought here at Rivers Bridge, and the fidelity of those who are here today preserving the memory of this event, the South can and will be successful.

Loss of Jury Trial and States Rights Inherent in H. R. 6127

EXTENSION OF REMARKS

OF

HON. KENNETH A. ROBERTS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. ROBERTS. Mr. Speaker, today I appeared before the Rules Committee in opposition to H. R. 6127, an evil bill that is stirring alarm in the South and in other parts of the Nation.

Under leave to extend my remarks, I would like to insert the following statement into the RECORD:

STATEMENT OF HON. KENNETH A. ROBERTS, MEMBER OF CONGRESS, FOURTH DISTRICT, ALABAMA, BEFORE THE HOUSE RULES COMMITTEE MAY 13, 1957

Mr. Chairman, on many another occasion, I have taken an unwavering stand in opposition to the various bills collectively referred to as proposed civil rights bills. Before this committee, however, I will confine my remarks to the single piece of legislation now pending before you. That measure is H. R. 6127 and I strongly urge rejection of it by this committee.

This bill, if reported favorably by this committee and enacted into law, would tend to abrogate certain precious rights of the citizens of this country while it would provide for no benefit above what our citizens now possess. Among the privileges bound to suffer should this measure ever reach passage are the right to trial by jury and the right of the States to govern themselves insofar as possible. To take away these, Mr. Chairman, would be to annul something of value. And what would be left in the stead of these valuable rights? This bill would pave the way for disgruntled persons or organizations to pour allegations of civil rights complaints into a special commission. And this bill makes sure these complaints would be legion in number. It allows an open-end appropriation for providing for those making allegations. When subpenaed as witnesses, they would receive generous expense accounts. In effect, a sort of left-wing secret service corps, snooping into all parts of the country, would be hired at taxpayers' expense. Most of the allegations would be without basis of fact, as a perusal of recent history will indicate. Out of 13,000 civil rights complaints received in 1947, for instance, only 4 convictions were obtained. In another year—1940—prosecutions were recommended in only 12 out of 8,000 civil rights complaints. The allegations in the great majority of cases were not bona fide, but they were numerous. This bill would spawn an even greater deluge of complaints.

And while the persons or organizations making the allegations of civil rights complaints are well provided for, what of the intended victim of the allegations? This bill gives little thought to the accused. He must move quickly, without regard to family or business, to the site of the hearing to face his accusers. He must pay the way of any witnesses he himself might need in defense, and the expense thereunto could conceivably reach large proportions.

The Attorney General, under this proposed legislation, would become the powerful monarch of a teeming kingdom of an admittedly inestimable number of assistants and clerical workers. When an amendment was offered in the Committee on the Judiciary that the proposed Commission on Civil Rights not spend more than $300,000 during the 2 years of operation provided for in the bill, the amendment was defeated. As those who made the thoughtful minority report on this bill point out, the premise for the defeat of this amendment must have been that this Commission in 2 years would cost the American taxpayers far in excess of $300,000. And it is fallacy to believe that the Commission would be allowed to slide into oblivion at the end of the 2 years specified; the professional liberals and minority pressure groups who have pushed this bill will never allow it.

Mr. Chairman, this bill would allow the Attorney General czarlike powers of law through injunction. Proceedings would be initiated against boards of education, election officials, and law-enforcement agencies throughout the States, counties, cities, and towns of our Nation. The usurpation of States rights would be more perilously near complete than ever before. Citizens, it is understating to say, will not abide the abolishment of their rights, including the safeguard of their right to trial by jury.

I submit that the right of jury trial even now is in jeopardy, without the added perils inherent in H. R. 6127. As evidence of this, let us consider the Clinton, Tenn., situation. In February of this year, the Department of Justice quietly moved to substitute the words "the United States" for the names of members of the local school board as party to a suit in Federal Court. By this action the 17 defendants arrested for allegedly hindering the Federal injunction at Clinton could have been deprived of a jury trial and put in jail as unfairly as if they were living in some totalitarian country. That is the way of the Federal injunction; it has unlimited implications. But according to press reports, the United States District Judge in the Clinton case now has yielded to the wave of public indignation through the country. He has ruled that the 16 men, charged with criminal contempt of the most sweeping, most outrageous court injunction in history, may have a jury trial. This case shows what can happen—what would have happened had not the people risen in anger—when the jury trial right is threatened.

The people of this country are quick to stand up for the right of trial by jury. Likewise, they will speak quickly for the rights of their own States to supervise law-enforcement agencies, to keep the law and order, and to maintain elections in accordance with State laws and in harmony with the United States Constitution.

The bill before this committee brings to my mind the historic address made before the Senate of the United States a half-century ago by one of Alabama's illustrious sons, the Honorable John T. Morgan. A resolution came before the Senate aimed at giving Congress jurisdiction to determine whether certain persons, especially Negroes, were being denied the right to vote. During discussion that such a resolution might become an enactment, Senator Morgan rose to speak. His words echo down time's corridor with resounding relevance. "It is too plain for argument," he said, "that such a measure would abolish the State as to all its rightful sovereign powers, and would remand it to the condition of our organized Territories, all of whose laws may be replaced by Congress and all of whose officials may be placed under the power of appointment and removal by the President." That is my argument against the bill before you today.

The individual States rights to handle their own local problems would be wrested from them by the ever more powerful Federal Government.

This is an ill-conceived bill, it brashly impinges on time-honored individual rights, while adding nothing to existing rights. It opens the taxpayers' purse to pour out an undetermined sum of money, while giving no promise of evident returns. It is simply another attempt by northern liberals to gain support of certain minority groups, using the South as their scapegoat.

As a forceful statement in objection to the far-reaching dictatorial legislation this committee is now considering, I submit the following editorial which appeared in the Montgomery, Ala., Advertiser on May 6, 1957:

THE CLINTON JUDGE COMES DOWN OFF IT

United States District Judge Robert L. Taylor's ruling that the 17 persons accused of stirring up integration trouble in Clinton, Tenn., may have jury trials, is clearly in retreat.

After the Clinton High School was ordered integrated, Judge Taylor issued a blanket injunction which was widely denounced as judicial tyranny; he enjoined anyone, anywhere from doing anything contrary to his decree against the school board.

So broad was the injunction, it embraced, at least according to Judge Taylor, all criticism, however peaceful, all objections that the law was wrong and should be reversed. This left Clinton under an imperial law with one man as prosecutor judge, and jury.

The 17 arrested were charged with criminal contempt of court, on grounds they violated Taylor's permanent injunction. Protests were heard from all sides of the race question, including the following questions asked by a Washington attorney in the Washington Evening Star:

"Where is the statute, constitutionally passed by Congress, which defines the crime of which they stand accused?

"Where is the statute, constitutionally passed by Congress, which gives any court jurisdiction over anyone and everyone who he thinks might disagree with his decrees?

"Where is the presentment or indictment by a grand jury accusing these men of violating what law?

"What are the limits of this power. If a judge, without a law, can sentence a man to 30 days in jail, can he also hang him?

"By what authority of law does he enforce the 14th amendment against private parties who are not parties to the suit before his court?

"If the courts can create such jurisdiction and powers for themselves, what other powers may they assume?"

Others joined in, including the New York Times' respected constitutional authority, Arthur Krock. They pointed to the evolution of barriers against judicial tyranny, the Bloody Assizes under James II in England, the Magna Carta, down to our own Bill of Rights and Constitution.

Under such fire, Judge Taylor has relented and agreed to a jury trial, which is simply a way of confessing that his injunction was invalid, and passing the buck.

All this illustrates the danger of increasing the powers of the judiciary under the proposed civil rights legislation. Good men may not abuse the powers, but as the Washington lawyer noted, there is always the danger of judges who "confuse themselves with the gods."

Address of Vice President Richard Nixon at De Pauw University

EXTENSION OF REMARKS

OF

HON. PATRICK J. HILLINGS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. HILLINGS. Mr. Speaker, the Vice President of the United States delivered a most interesting address last Saturday at De Pauw University. The university bestowed an honorary degree upon him for his outstanding service on behalf of our country.

I agree with the Vice President's statement that consideration should be given toward the allowance of tax deductions for tuitions and fees paid to institutions of higher learning. Early in this session, I introduced H. R. 231 to provide for such deductions which would particularly benefit our private universities and colleges who are having difficulties at the present time.

I urge my colleagues to read the Vice President's remarks with the hope that some action may be taken soon to meet the problem he has discussed.

The address follows:

REMARKS OF THE VICE PRESIDENT OF THE UNITED STATES AT THE BUSINESS AND INDUSTRY DAY LUNCHEON, DE PAUW UNIVERSITY, GREENCASTLE, IND., MAY 11, 1957

The United States is facing a major crisis in the field of higher education. It is essential for our national survival that we continue to maintain the military and industrial superiority which we presently have over the Communist bloc nations. We cannot do this unless our colleges and universities produce both the skilled technicians and the enlightened leaders the Nation needs.

The Soviet Union has recognized this fact by embarking on a program of mass higher education which is frightening both in its basic philosophy and its size. As evidence of the extent of their efforts, it is estimated that 60 percent of the Soviet college graduates each year are in the natural and physical science fields, as compared with approximately 13 percent in the United States. In actual numbers, 53,000 scientific and technical students were graduated in the Soviet Union in 1956, while there were only 38,000 in the United States.

It is estimated that our college population will be twice as large 10 years from now as it is today. To meet this problem, we will need new physical facilities and more teachers.

The task of obtaining and keeping good teachers in our colleges and universities is becoming increasingly more difficult. A dedicated teacher does not expect to earn as much in his chosen profession as he would in another field requiring similar qualifications. But he must have, and is entitled to, compensation which will enable him to maintain the standards which his position requires.

At the present time the average salary of all teachers in private colleges and universities in the United States is only $4,700 per year. We can see how inadequate this is

when we compare it with the $5,500 which is the average pay for all industrial workers in the city of Flint, Mich. Unless steps are taken to remedy this situation, we can only expect that both the quality and number of those who choose teaching as a profession will deteriorate.

The answer to the overall problem is not simply in expanding tax-supported colleges and universities. Since 42 percent of all college graduates come from private schools, it is obvious that we need both types of institutions to meet the need. It would be a tragedy of the first magnitude if tax-supported State institutions were to gradually drive the private colleges and universities out of existence.

I am particularly concerned about the future of the smaller private colleges and universities of which DePauw is such an outstanding example. I am prejudiced in their favor because I attended one. But, in addition, I believe that they occupy a vitally important role in our National educational system.

Both the larger State institutions and the smaller colleges have their strong points. In considering the advantages offered by the smaller college, perhaps the outstanding one is that the student can have intimate and personal contact with the teacher. In the larger institutions, classes, particularly in the first 2 years, are so large that virtually no class discussion is possible and there is practically no personal relationship between teacher and student. In the smaller institution, instruction is essentially individual and personal. The student has the opportunity to discuss problems directly with his professor. And the teacher has more opportunity to liberate and stimulate the student's mind so that he will be able to rise to the pinnacle of his creative ability. The teacher can encourage an attitude of mind and a desire to think which better prepares the student to enter society with a desire to be of service. The small college also offers a religious emphasis which is usually lacking in the larger State institutions.

And as long as we have strong privately supported colleges and universities as well as State institutions, we will not run the risk of Government domination and control which might develop if higher education was completely dependent upon the State and Federal Governments.

Providing the necessary support for private colleges and universities is becoming increasingly difficult. The answer will not be found by enrolling more students who can pay tuitions. On the average, tuitions provide only one-half of the total cost of a college education.

Nor is the answer to be found is raising tuitions. They are already so high that too many qualified students are unable to get a higher education. One recent survey disclosed that 40 percent of the students in the top 5 percent of their high school classes did not go on to college. The United States cannot continue to afford this tragic waste of talent and ability.

Direct Federal aid to private colleges and universities is both unlikely and in many respects undesirable. There is always the risk that such aid could impair the independent integrity which is so essential for a private institution to maintain.

Contributions from individuals are increasingly difficult to obtain because of high income tax rates. I believe that when the fiscal situation of the Federal Government is such that we can afford a reduction in taxes we should give the most serious consideration to provisions which would encourage such contributions, as well as to various plans which have been suggested for allowing tuitions and fees of both public and private institutions to be treated as tax deductions.

A major new source of endowment income for private institutions must come from corporations and other business enterprises who are competing today for the graduates the colleges are producing. Such contributions should be considered just as important an item of business expense as an investment in basic research.

Today our Nation is faced with an adversary intent on controlling the minds of men. This challenge cannot be met solely with technological developments or weapons or sheer good will. But it must be met with ideas. The smaller college can help to give us the potential leaders who have the character and desire for service, and who have the purpose, direction, and ideals with a moral and spiritual basis. Smaller colleges have produced many of our great leaders in the past and they merit the support of all Americans so that they may continue in their important and vital mission.

Cut the Budget and Reduce Taxes

EXTENSION OF REMARKS

OF

HON. MICHAEL A. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. FEIGHAN. Mr. Speaker, under leave granted, I wish to insert in the RECORD an address I delivered over WHK radio station, Cleveland, on April 20, titled "Cut the Budget and Reduce Taxes":

The real news in Washington is the budget proposed by the President and the reaction of Congress. Immediate reaction of Congress to the largest peacetime budget in our history was unfavorable. Secretary of the Treasury Humphrey appeared to be in agreement with the consensus in Congress because he made a public statement to the effect that the President's budget was too high. Another feature is that vested interests have been busily at work trying to make sure that their pet projects will not be cut by Congress.

The end result is that Congress is more economy-minded this year than usual. This is good news for the overburdened taxpayer. The drive for economy and efficiency in Government is long overdue.

After a most careful study of the proposed budget and taking part in debates in the House, I conclude that the present methods being used to cut the budget will not produce the substantial results the people are looking for. An examination of the budget will show that 63 percent of the tax dollar goes for what are generally called national-defense purposes.

In the world in which we live, our national defense can no longer be predicated on the belief that we are separated from most of the world by the Atlantic and Pacific Oceans. Today our national defense takes on global dimensions because we cannot escape the hard, cold fact that the Atlantic and Pacific Oceans are no longer effective barriers for possible invaders or aggressors.

The global dimensions which have been added to our national defense policy have been imposed by the worldwide threat of Russian communism.

The experts responsible for the defense of our country tell us that the possibilities of war in the future demand that we be fully prepared to meet the enemy anywhere in the world. Added is the realization that freedom's cause cannot be defended by the United States alone and that all nations of the world that believe in freedom must do their part in defense of it. That is the real reason why we initiated programs of foreign, economic, and military aid.

I believe that the tremendous sacrifices which the American people have made over the past 10 years in support of our peacetime national defense program are now beginning to bear fruit. There is no doubt that the Communists are in a weaker position today than they have been in many years. Many countries of the free world are becoming more able to defend themselves. Many of the countries enslaved within the Russian empire are showing a determination to throw off their chains of slavery and to oust the Russian Communists who occupy their soil. There are also signs of uncertainty and confusion within the Kremlin itself. The Russian overlords are faced with tremendous internal problems which they cannot solve except by the application of the most ruthless tyranny and despotism over the people. But the Russian Communists have not abandoned their goal of world conquest.

Since 63 percent of our national budget is spent for purposes of defending our own free way of life, the question before the Eisenhower administration is whether it feels we can coexist in safety with the Russian Communists or whether we must continue on with programs calculated to defeat the conspiracy of communism.

This decision must be made before we can realistically and honestly expect a reduction in the national budget and thereby a substantial reduction in taxes. Any substantial reduction in taxes can only be done by a substantial reduction in the funds now being expended for our national defense program.

The administration has not yet made up its mind on this basic question. On the one hand, the Department of State is engaging in activities which afford the Russians the breathing spell they so badly need.

I refer to a story which appeared in the Washington Evening Star last November to the effect that the Department of State had sent a message to the Kremlin assuring it that the Government of the United States did not favor governments unfriendly to communism on the borders of the Soviet Union. According to this newspaper, this message was sent right at the peak of the Hungarian freedom revolution—a revolution of all the Hungarian people which was anti-Communist in nature and sought a free democratic government of the Hungarian people. Shortly after this message the Kremlin sent Red Army reinforcements into Hungary to destroy the great victory won by the Hungarian patriots. Such activities as this, and I presume the Washington Evening Star is accurately reporting the facts, does not weaken communism, but gives it the breathing spell that it so badly needs.

There is increasing talk in Washington that the so-called summit meeting at Geneva ended up in a secret understanding between the Russians and the United States that a status quo would be acceptable to both. Such a status quo would allow the Communists to keep the many nations and millions of people which it now holds in bondage. Such a commitment, if given, would prevent the United States from taking any steps whatever to help the patriotic forces behind the Iron Curtain. These rumors are gaining increasing credence because of the failure of our Government to do anything effective by way of the United Nations or on its own to help the heroic people of Hungary in their fight for freedom.

I remind you again that about $42 billion are included in the budget sent to Congress by President Eisenhower to cover his estimated cost for our national defense program. I repeat our national defense program is calculated to defend our free way of life against

the conspiracy of communism and to help all other nations who are willing to fight for their freedom and independence. To put it bluntly it would appear that the Department of State wants to make a deal with the Russians and the Department of Defense understands the threat of communism to our free way of life and insists upon an everready defense force to meet any possible Communist aggression. Before Congress can make any substantial cut in our national budget, I believe we must have a national policy on communism.

At the moment Congress does not have a clear idea of what our national policy is in this respect. You have a right to expect consistency from the administration in Washington. You are asked to put up $42 billion next year to defend our free way of life against communism, then you have a right to demand a clear and sharp national policy which prohibits any deals with the Communists and excludes any programs or actions whatever which would tend to give the Communists a breathing spell.

If it is our national policy to work toward the elimination of communism as a threat to world peace, then I would ask whether or not our Defense Establishment has been modernized to conform with latest scientific advances. I have in mind the intercontinental guided missiles which are capable of carrying atomic warheads, aircraft that exceed the speed of sound, and electronic devices unheard of 10 years ago.

Modernization of our Defense Establishment cannot take place overnight. We must maintain at all times the capability to completely defeat any enemy who would make the foolish mistake of attempting aggression against the United States. This means that we must have in being a military force with the capability to win and win quickly. Modernization must bring economies with increased defense efficiency.

It is important that all of us bear in mind that 63 percent of our tax dollar goes for our national defense program. To make any deals with the Russian Communists is to deny the need for 63 percent of our national budget. Unless we have a clear national policy on communism, the American taxpayer will be burdened for years to come.

The Nation's Older Citizens

EXTENSION OF REMARKS

OF

HON. ELIZABETH KEE

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mrs. KEE. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to call the attention of our colleagues in the House to a series of studies recently issued by the Committee on Labor and Public Welfare of the Senate, which deals with a problem of growing concern to the whole Nation.

People are living longer today and while we all rejoice that this is so, it is nevertheless creating problems to which we as a Nation must face up sooner or later. Both Congress and our State governments are giving increased and continuing attention to these problems as the plight of growing numbers of our older citizens taxes to the utmost the social and economic resources of almost every community.

In West Virginia, individuals 65 years of age and older represented 7.6 percent of the State's total population in 1954. This was one percentage point under the national average, according to figures contained in a series of Studies of the Aged and Aging, compiled by the Senate Committee on Labor and Public Welfare, released this past December.

In 1900, according to this same source, the average life expectance of boy babies at birth was 46 years; by 1954, they could expect to live 67 years. Girls born in 1900 could look forward to reaching the ripe old age of 48; by 1954, this had increased to 73 years.

By the same token, out of a total population of 76 million Americans in 1900, only 3.1 million, or 4.1 percent, were 65 years of age or older. By 1955, with the total population swelled to 165.2 million, this older age group had increased to 14.1 million, or 8.6 percent; and by 1975 it is estimated that some 20.7 million, or 9.3 percent of the total population will have reached or passed their 65th birthdays. If West Virginia continues to follow the national trend, in 20 years from now at least 8.3 percent of the State's population will be in this older age group.

What this could mean in terms of West Virginia's present and future economy, and the Nation's, can best be explained by some of the further facts set forth in the Senate committee's studies.

Most importantly to be noted, it seems to me, is the fact that the increased years of life granted us will be spent in enforced and unproductive retirement if current hiring trends are continued. Age restrictions now bar many older workers from substantial gainful employment. Recent Department of Labor surveys reveal that in 5 of 7 large cities checked, more than half the job openings listed with the employment offices in the month of April had upper age restrictions—starting in a significant number of instances at age 35.

In June 1956, a period of comparatively high employment, the Labor Department's monthly survey showed that nearly 40 percent of the unemployment insurance claimants in the United States were 45 years of age or over. Census data for the full year 1955 reveals that the average monthly unemployment rates were higher for older workers than they were for the younger age groups; that these older workers had more spells of unemployment; and that the jobless periods were of longer duration for them than for their younger competitors.

It follows, of course, that as their earning capacity diminishes, the purchasing power of these older citizens proportionately declines. This not only tends to have a restrictive effect upon business conditions, but it also taxes the resources of the local community to meet the greatly intensified special needs—for housing, sustenance, medical care, hospital services and recreational opportunities of the older individual.

Old-age and survivors insurance under title II of the Social Security Act is already helping to lift some of the burden of their care from the back of the local community. It is helping many to meet their own needs, in part at least, and thus to enjoy the independence, the dignity and the self-respect which are the rightful properties of those in their sunset years.

But for too many more, with no other sources of income, the low minimum benefit of $30 or $40 a month now being paid under the OASI program is insufficient to provide the bare necessities of even a substandard existence when the recipient is in good health. When illness strikes—as it is so likely to do among older people—the situation becomes hopeless. No recourse is left save to ask for public assistance. And with due credit and great admiration for those who administer our present public-assistance programs, I am nevertheless compelled to protest the humiliations, indignities and often the injustices forced upon the hapless recipients of public aid by the restrictive laws imposed in a majority of our States.

Senator HUBERT HUMPHREY exactly expressed my sentiments in one of his recent vibrant speeches on the Senate floor when he said:

> To me, the practice of forcing an older person to sign over his little home that he has spent most of his life acquiring (and if this is not thrift, what is?) as a condition of receiving aid in time of need is an abomination.

In West Virginia, the public-assistance program has recently had to be cut back because of the demands upon its resources of the growing numbers of the needy aged, the blind, the physically handicapped and the dependent children who must have help to survive.

The extent of the problem and its growing proportions, it would seem to me, can only be solved by Congressional action which would merge the resources of this richest of all nations so that those in the less prosperous areas of the country may have help equal to that available in the wealthier communities. Surely what we are trying to do for the underprivileged peoples of other lands, is worth trying to do for our own at home.

In subsequent issues of Keenotes, I shall tell you about what Congress is planning upon doing, and about the bills which I and many of my colleagues are introducing to meet this serious and continuing challenge to the Nation—the problems of our older citizens.

The Sight Conservation and Blind Work of Lions International

EXTENSION OF REMARKS

OF

HON. JOSEPH W. MARTIN, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. MARTIN. Mr. Speaker, the International Association of Lions Clubs—more familiarly known as Lions International—this year celebrates the 40th anniversary of its founding. Through its 563,000 members, who belong to 13,000 clubs in the United States and 80 other countries across the face of the globe, this great service club organization has made Lionism synonymous with grass-

roots neighborliness and kindly helpfulness in every corner of the free world.

It is not my purpose here to list the many activities which Lions Clubs have adopted in their program of community and personal service. They now sponsor more Boy and Girl Scout troops than any other civic or service organization. They finance and encourage hundreds of Little League baseball teams; they provide athletic and recreational equipment for thousands of schools and orphanages, camps and playgrounds. In county fairs, agricultural exhibits, livestock tours, land-conservation projects, and rural health programs, the emblem and hand of the Lions is increasingly prominent. Last year alone this great fraternity of civic-minded men sponsored 170,230 activities dealing directly with the health, improvement, betterment, education, and welfare of the towns and cities in which they live.

Great as this contribution to their communities, their nations, and the wide world may be, I believe that the greatest single service to humanity by the men of Lions International is in the field of sight.

Ever since its founding in 1917, the association has made the conservation of sight and rehabilitation of the blind a major project. Every one of the 13,000 clubs in Lionism has a sight conservation and work for the blind committee, constantly alert to help those living in the world of perpetual darkness. In thousands of communities here and abroad Lions have provided sight-testing equipment for schools and free clinics, instituted better school lighting, purchased countless eyeglasses for needy children and adults, established blind persons in business, promoted the sale of blind-made merchandise and in a thousand and one ways have made life more normal and livable for those afflicted with the threat or tragedy of blindness.

Permit me to spotlight a few of the major projects which this great association of kindly men has fostered.

At Little Rock, in the State of Arkansas, the Lions Clubs of that region operate a rehabilitation center which teaches newly blind persons to live with their handicap. The housewife learns to keep house and care for her family, children learn good health and personal habits, the aged are given courses in weaving, woodwork and other handicrafts. Through this agency, and Lions-promoted State cooperation, Arkansas has become a leader in its work for the sightless.

The Lions of Massachusetts have established the Massachusetts Lions Eye Research Fund and have raised sufficient funds in the past few years to provide financial assistance in the form of grants or fellowships to doctors working in the field of research to discover the causes and cures of blindness.

In Iowa, the Iowa Lions Sight Conservation Foundation operates the Lions Eye Bank at the State University Hospital and has restored sight to scores of persons through surgery, treatment and corneal transplants.

The Lions of Ohio, through the Ohio Lions Eye Research Board, have provided funds for laboratory research into the causes and cures of blindness. Plans are under way for an ophthalmic institute where diagnosis, therapy, and surgical rehabilitation will be available to the needy.

In California, Lions coordinate the work of all agencies in the State which serve the blind. The San Diego Lions Club developed the banks braille writer—a pocket-sized machine which is the braille typewriter for students and professionals. Hundreds of Lions Clubs throughout the world have purchased these machines for blind persons in their communities. The Monterrey Park Lions Club created the miniature white cane, used by Lions as a lapel pin in their fund-raising activities for blind aid.

In Florida, where many clubs are leaders in blind work, the Winter Haven club recently designed a series of tests for school students which promises to revolutionize testing of eyes in the lower grades.

The Lions of New York State have been pioneers in the eye bank and corneal transplant movement. The Buffalo Eye Bank and Research Society, sponsored and financed by Lions, operates in the field of research, surgery, and corrective treatments. The Sight Conservation Society of Northeastern New York is carrying on an intensive program in the treatment of glaucoma and other blinding diseases.

In Illinois the Hadley School for the Blind, financed and directed largely by the Lions of Illinois, distributes free correspondence courses in braille, together with braille texts, magazines, and books, to blind people in all 48 States and many foreign countries.

Michigan is famous for Leader Dogs for the Blind at Rochester, a training school for guide dogs which is partly supported by contributions to the Michigan Lions.

The list is endless; every State has some phase of blind work or sight conservation which it supports, and it was to this unselfish humanitarian service that President Eisenhower referred when he wired the Lions of Washington, D. C., recently:

> Congratulations to you upon the dedication of your Eye Bank and Research Foundation. This is another practical expression of your concept of broad service to the Nation and to your fellowmen around the world.

ORIGIN OF THE WHITE CANE

A blind man crossing a street in Peoria, Ill., more than 25 years ago gave birth to the idea of the Lions white cane—a symbol of blindness and a protection for the blind, in every civilized country of the world. Caught in a swirl of traffic, the blind man desperately tapped his black cane on the pavement, appealing for the consideration that busy drivers did not know he needed.

George A. Bonham, then president of the Peoria Lions Club, saw the incident. There must be, he said, some way in which this blind man and scores of other Peorians in his predicament could warn motorists of their blindness. Suddenly the idea came; why not paint the cane white, with a red band, and let the blind man hold it out when he crossed a street. The Peoria Lions approved the idea, white canes were made and distributed, and the Peoria City Council adopted an ordinance giving the bearers the right-of-way at crossings.

Furnishing white canes without expense to the blind promptly became an international activity of the Lions. Ninety percent of the 190,000 sightless adults in the United States have received canes from their local Lions clubs; every State in the Union has adopted legislation making the Lions' white canes an official protective symbol for the blind. Last year 19,555 white canes were distributed as new equipment or replacements, and thousands of blind persons owe their safety and their lives to the respect which this Lions-conceived symbol of blindness commands.

WHITE CANE WEEK

Man's love for his fellow man, translated into the rich flood of kindness and helpfulness pouring from the hearts and hands of over half a million Lions, is a manifestation of human desire to aid the halt, the sick and, above all, the blind. To memorialize that great contribution in the field of blind work and sight conservation, Lions International White Cane Week has been established in the United States to be observed each year, during the month of September. Its celebration will serve as a lasting tribute to the continuing contribution that Lions clubs are making to this important phase of our national health and welfare.

Security and Independence for Our Senior Citizens

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. McDONOUGH. Mr. Speaker, the American people cherish independence—independence as a nation and independence as individuals—as a vital element of their national heritage.

Today it is as important to an American to maintain his self-respect and independence as a free citizen as it was to the American pioneers of a hundred years ago. He wants the opportunity to choose his own profession, to make his own decisions as they regard his own welfare and that of his family. He wants the right to prove his ability and to test his own judgment, and he is willing to accept his destiny in the acknowledgment of his mistakes as well as the acclaim for his successes.

But an American today faces a major problem in his efforts to maintain the personal independence he so cherishes. He lives at a time when our Nation is expanding in an era of progress unprecedented in world history. He lives in an age of prosperity such as the pioneer of a hundred years ago could but dimly envision in his most fantastic prophesy.

But today's American also lives in an age of soaring living costs, and the highest living standard any people on earth have ever known. And with this fabulous prosperity has come an age of astronomical government spending, unbelievable government debt, declining buying power of each dollar earned, and accompanying high taxes on Federal, State, and local level which shrink earning power and diminish the ability of an American to save part of his earnings during his years of high productivity so that he can meet the costs of raising and educating his family, and also accumulate enough in savings to assure an adequate income for his years of retirement when he is no longer able to maintain employment.

Social security has offered a partial solution to the problem faced by the American senior citizen. But it has fallen far short of its goal of providing independence and security for our elder people.

Our senior citizens who find themselves faced with existence on the small pension provided by present social security are in many instances unable to afford even the bare necessities of life. It is difficult for them to find shelter at low enough cost so that any part of their small allowance will be left to provide a minimum of the food necessary to maintain life. There is little left over for any small luxury, and no provision for adequate medical attention. Hospitalization or nursing care for the most part can be obtained only as a charity patient where such facilities might be available to the impoverished.

Unless the senior citizen has managed to save enough to augment his paltry social security income or receives assistance from relatives, he faces declining years of extended impoverishment haunted by the fear of losing all self-respect and personal independence as a charge of public charity, if inflation decreases his limited buying power or illness threatens.

We have improved social security it is true, but not enough. We have raised payments to a small extent, but not sufficient to provide security. We have extended social-security coverage, but we have not provided adequate protection for all our citizens so that every American can accept the challenge of the age in which he lives, devote the productive years of his life to the security and welfare of the United States and to the care of his own family, and face the years of retirement with the secure knowledge that an adequate pension will be available to allow him to maintain his independence and self-respect as an American and to enjoy his later years assured of an income sufficient to provide him with a decent living and necessary medical care.

It is high time we took the necessary steps to improve social security until it actually does the job for which it was intended—the job of assuring security to our senior citizens. We must not create a new forgotten man in America—the man of elder years. We must not reduce any American to a state of abject dependence on charity for the necessities of life and for his very existence.

We must act now to revise and improve our social security system until we have devised a retirement program which will achieve its goal of providing an adequate retirement pension for every American upon reaching the age of senior citizen.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 14, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art our gracious and generous benefactor and our refuge and strength in every generation, may we be a God-fearing and a God-loving people.

Grant that all our feelings of self-gratification and self-aggrandizement may be submerged and supplanted by larger and more magnanimous sentiments of public good.

Help us to appreciate more fully the blessings of liberty with which we have been entrusted and charged to defend and share with all mankind.

May we seek to hasten the dawning of that day when the good blessings of democracy shall be enjoyed by men and nations everywhere.

To Thy name, through Jesus Christ, our Lord, we ascribe all the praise. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 173. Concurrent resolution requesting the return of the enrollment of H. R. 1544 by the President to the House of Representatives for the purposes of reenrollment.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4897. An act making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes.

CALL OF THE HOUSE

Mr. CEDERBERG. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 71]

Allen, Ill.	Fogarty	O'Neill
Anderson, Mont.	Griffin	Patterson
Ashley	Gross	Porter
Ayres	Gubser	Powell
Barden	Gwinn	Prouty
Beamer	Hagen	Rabaut
Boland	Hays, Ohio	Rivers
Bowler	Holifield	Rodino
Breeding	Holt	Sadlak
Brooks, La.	Holtzman	Scherer
Buckley	James	Schwengel
Coffin	Kearney	Sieminski
Cole	Kearns	Stauffer
Dawson, Ill.	Kelley, Pa.	Taylor
Dempsey	McCormack	Teague, Calif.
Durham	Magnuson	Teller
Eberharter	May	Utt
Evins	Morano	Vursell
Fallon	Morrison	Wilson, Calif.
Farbstein	Murray	Wolverton
Fascell	Norrell	Zelenko

The SPEAKER. On this rollcall 362 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION APPROPRIATION BILL, 1958

Mr. WHITTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to the bill and the time limited not to exceed 4 hours, one-half to be divided and controlled by the gentleman from Minnesota [Mr. H. CARL ANDERSEN], and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. H. CARL ANDERSEN. Mr. Speaker, reserving the right to object, if the gentleman from Mississippi will permit, it seems to me that we should continue with the debate all afternoon and read the first paragraph without any amendments being offered today. Would that be agreeable to the gentleman? I want to say to the gentleman that I have had so many requests on this side for time that I do not see how I can possibly deal with a 2-hour limitation.

Mr. WHITTEN. Of course, my request is a unanimous-consent request. I, in turn, would have to object to reading one paragraph, so I could not agree to the gentleman's request. But, of course, the gentleman can object to the 4-hour limitation of debate.

Mr. H. CARL ANDERSEN. Well, I object to that.

The SPEAKER. Well, what is the difference?

Mr. H. CARL ANDERSEN. Very little.

Mr. WHITTEN. Mr. Speaker, if we agree to debate until we finish and then read one paragraph, it might last 30 minutes, and then we would waste a full day.

Mr. H. CARL ANDERSEN. I assure the gentleman that debate on this side will take at least 3 hours.

Mr. WHITTEN. And if we have 4 hours, that will insure adequate time for debate. I would rather wait until that time to agree. I object to the suggestion of the gentleman, and I renew my request.

Mr. H. CARL ANDERSEN. I will have to object, Mr. Speaker.

The SPEAKER. Does the gentleman suggest control of time?

Mr. WHITTEN. I suggest that one-half of the time be controlled by the gentleman from Minnesota [Mr. H. CARL ANDERSEN] and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER. The question is on the motion.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 7441, with Mr. KILDAY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. WHITTEN. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I would like first to present to the membership a résumé of our action on significant items in this bill and our reasons therefor, after which I shall be glad to yield for questions.

The bill provides direct annual appropriations of $1,610,024,848 for the regular activities of the Department, including $19,399,515 for retirement fund contributions. The sum appropriated is $403,378,260 less than the $2,013,403,108 available for expenditure in the present fiscal year. It is $272,556,860 less than the $1,882,581,708 recommended in the 1958 budget, a reduction of 14.5 percent for these activities. Except for activities connected with the soil bank and soil and water conservation programs, the committee has, in effect, cut the President's budget for regular activities back to the 1957 level.

Also included in the bill is the sum of $1,239,788,671 to restore capital impairment of the Commodity Credit Corporation through June 30, 1956, under its price support activities. It should be noted that about half of this amount is for storage, handling, transportation, administrative and interest costs. The balance represents price support losses on commodities sold by the Corporation, some of which were held as long as 8 years, during which time the Department failed to offer them competitively in world trade for dollars, as authorized by law, though repeatedly urged so to do. If sales programs started last year at the urging of this committee are continued, the amount of deterioration should decrease and interest, storage, and handling charges should be greatly reduced. This should lead to a leveling off of these costs in future years.

The bill further provides $843,076,238 to reimburse the Commodity Credit Corporation for money expended in fiscal year 1956 for various nonprice support programs under special legislative directives. Of this amount, $637 million represents sales for foreign currencies under Public Law 480, 83d Congress.

The bill includes loan authorizations for the Rural Electrification Administration and the Farmers' Home Administration of $448,500,000, which compares with $1,173,500,000 available for the current fiscal year. These amounts are merely authorizations for loans which are eventually repaid to the Treasury with interest. Repayments of prior year loans are increasing each year and soon will equal the amount of new loan authorization made available annually.

Recognizing the need for economy, the committee has held the appropriations for the regular programs of the Department at the 1957 level. For these activities it has approved 1957 appropriations, plus funds to meet the mandatory retirement contributions, less nonrecurring project costs. The committee has not eliminated or denied any of the new programs requested in the 1958 budget. It recognizes that most of them have merit and feels that such programs can be met by shifting personnel from present projects to new work of more value. With a total of over 83,000 employees in the Department, the Secretary should be able to meet new needs as they arise without adding employees requiring increased appropriations. While there is a real need to improve farm conditions, it does not appear that the need can be met by adding more employees.

THE PRESENT FARM PICTURE

Conditions in American agriculture at the present time are not good. Four years experience has shown that reduced acreage, reduced prices, and rising costs lead only to reducing farm income to a disaster level. The last 4 years have clearly proven, based on records within the Department, that we cannot reduce production by reducing prices. Further, they show that we cannot reduce world production by merely reducing United States production, and we cannot control United States production by reducing United States acreage.

The records of the past 4 years prove that as we reduce price we increase production, and as we decrease acreage in basic commodities we increase production per acre and release more acres for nonbasic commodities, thereby increasing total United States agricultural production. The record shows that, if the farmer cuts production to the point of obtaining parity of price at the market place, he will have to create a scarcity which will further reduce his income and will be dangerous for the consuming public.

While changes in the law must come from the legislative committee, and changes in policy must come from Department officials, members of this committee feel that we should point out the increasingly bad situation which exists and should report to the Congress some of the causes, as we see them, of present farm conditions and changes which might be made, both in policy and in the law. Although not related directly to funds in the 1958 appropriation bill, these factors are important to the future welfare of American agriculture, and are significant in terms of appropriations required for future years.

THE RECORD

Four years ago net farm income was $14.3 billion, or about 5 percent of the national income of $281.8 billion. Four years ago the farmer received 47 cents of the consumer's food dollar. At that time the farmer received an average of 82½ cents per hour for his labor. Conditions then were considered to be serious for the farmer and it was generally agreed that something had to be done to improve his economic position.

For 4 years now the Department of Agriculture has been trying to improve that situation. During this period the Department has insisted that the primary cure for the farmer's plight is to, first, reduce support prices; second, reduce acreage; third, increase funds for research and extension; and fourth, undertake a rural development program. Then last year, after almost 4 years of following the Department's policies, as the American people approached an election with farm income down, the Department recommended and the Congress passed the soil bank to put up to $1.2 billion from the Treasury in the farmers' hands.

During the last 4 years the Department has tried to cary out its policies.

It has reduced price supports an average of 20 percent.

It has reduced acreage for cotton by 38 percent, for rice by 22 percent, for wheat and tobacco by 23 percent.

Funds for research by State experiment stations have been increased 133 percent; funds for other research in the Department and the Extension Service have been increased 56 percent.

In 1957 the Department will spend more than $2 million in 57 counties in what it called rural development for low income families, an average cost of more than $36,000 per county. Nearly every agency in the Department is involved in this program.

In 1956 and 1957 the Department will give away with few strings attached, under the acreage reserve provisions of the soil bank, hundreds of millions of dollars, money which the Department counts as part of farm income.

THE RESULT

In 1956, after 4 years, farm income was down to $11.8 billion, which includes direct-relief payments from soil-bank funds. This is a drop of $2.5 billion, or 17.5 percent, since 1952. Comparatively, the personal income of other segments of the American economy increased from $271.8 billion in 1952 to $306 billion in 1956, an increase of 12.5 percent. During this period the farmer's share of the consumer's dollar decreased from 47 cents to 40 cents, a drop of 15 percent, while the share for

the group between the farmer and the consumer increased correspondingly. Since 1952, the hourly return to the farmer for his labor has dropped from 82½ cents per hour to 70 cents per hour, while earnings of nearly every other economic group have increased substantially.

In the same 4-year period, farm costs have increased about 10 percent, reflecting increases in income to practically every group between the farmer and the consumer. Further, the farmer's required capital investment and his overall farm debt have increased significantly. The average capital investment required per farm has increased from $22,836 in 1952 to $26,327 in 1956, an increase of over 15 percent. Total farm debt in 1952 was $14.8 billion. This had increased to $18 billion in 1956, an increase of 21.6 percent.

In spite of the great optimism of officials of the Department of Agriculture, the past 4 years have not brought parity of income to the farmer from the market place, nor from any other place for that matter. Today finds the farmer receiving much less from the market place than 4 years ago and depending more and more on direct payments from the Treasury. In the 1958 budget, $1 billion is requested for direct payments to farmers under the guise of the soil bank. In the opinion of a majority of the committee, the only sound basis for the acreage reserve section is to help offset loss of income at the market place.

Since 1952, according to records of the Department, price supports on the major crops have been reduced as follows: Corn, 20 percent; cotton, 12 percent; cottonseed, 33 percent; barley and grain sorghums, 26 percent; oats and flaxseed, 25 percent; rye and soybeans, 21 percent; and milk and butterfat, 18 percent. As prices to the farmer have been decreased an average of 20 percent, his part of the national income has decreased in almost the same proportion, about 20 percent.

During this period of reduced price supports, there have been severe reductions in acreage allotments for basic commodities each year. As pointed out earlier, acreage planted to cotton has been reduced approximately 38 percent since 1952. Acreage for rice has been reduced around 22 percent; wheat and tobacco acreage have been reduced approximately 23 percent.

Contrary to the expectations of agricultural officials, who have maintained that reduced price supports and acreage reductions would reduce production, production increased steadily during this period. Not only did the farmer increase his per-acre production of basic commodities, but acreage reductions for basic commodities made available more acres for nonbasic commodities, increasing total production.

The Secretary now sees that reduced price supports and reduced acreage, which he has offered as the cure to so-called overproduction, has not worked. In his February 28, 1957, appearance before the committee he admitted that controlling production is not the answer. In his appearance on April 16 of this year he told the committee:

> Farmers last year turned in a remarkable performance. They achieved total crop production equalling the previous record from the smallest total harvested acreage in 20 years. Average yields per harvested acre set new overall record levels with few crops falling below average. It should be noted that the large total outturn was attained despite a late, cold spring and severe drought in the southern Great Plains and the western Corn Belt, and other high-producing areas.

Notwithstanding the Secretary's present use of his authority to sell Commodity Credit Corporation inventories competitively in world trade, leading to the greatest export volume in years in 1956, CCC holdings increased from $2.5 billion on January 1, 1953, to $8.2 billion on January 1, 1957. This is largely due to increased production generated by reduced price supports and reduced acreage.

Certainly these results prove the Department's present policies and programs to be inadequate to meet the problem. The facts recited above should lead all interested persons to study the causes and seek the remedies for the present situation, since this country cannot long continue to prosper with one segment of its economic structure seriously ill.

ACREAGE CONTROLS INEFFECTIVE

Part of the trouble lies with the agricultural laws passed in 1933, which except as to price support levels, largely govern present farm programs. At that time the United States produced such a large share of the world's supply of basic commercial crops that it was felt that regulation of United States production would regulate world production. At that time it was believed that cutting United States acreage would control United States production. Provisions for such actions were included in that law. Time and experience have shown that these provisions have not been effective since, as United States acreage has been reduced, world acreage has increased. Further, as United States acreage has been reduced each year, the American farmer has increased his yield per acre through more intensive cultivation and increased use of machinery, fertilizer, and insecticides.

According to USDA reports, per acre yields for corn increased from the 1945–54 average of 37.1 bushels to 40.6 bushels in 1955 and 45.4 bushels in 1956. For wheat, the 1945–54 average of 17.1 bushels per acre increased to 19.8 bushels in 1955 and 20 bushels in 1956. The yield per acre for cotton increased from the 1945–54 average of 283 pounds to 408 pounds in 1956. The same increase has been true for many other crops.

One of the more serious aspects of the reduction in acreage each year is that, as the farmer has increased his production per acre, he has made further cuts in his acreage for the next year under the formula contained in the present law, freeing more acreage for production of other farm crops. Further, current programs are encouraging the farmer to exploit his land, which runs counter to the long-range soil conservation objectives of the Federal Government.

ERRONEOUS PRICE-SUPPORT POLICIES

The belief of the present Secretary of Agriculture that lower price supports would reduce farm production and increase domestic consumption has not been borne out, as shown by the records of his own Department. As the farmer's price has gone down, he has increased his production to protect his level of income as far as possible. Despite price support reductions of 20 percent for corn, production in 1956 was 159 million bushels more than in 1952. Likewise, price support reductions for such commodities as barley, flaxseed, rye, sorghums, soybeans, butterfat, and milk resulted in greater production in 1956 than in 1952.

At the same time, domestic consumption on a number of crops has decreased despite price reductions. Domestic consumption of cotton decreased 461,000 bales in 1956 as compared to 1952, although price supports were lowered 12 percent by the Department as a means encouraging increased consumption. Despite reductions in price support levels during the past 4 years for cottonseed and oats, domestic consumption of these commodities also decreased. It is significant to note that the percentage of consumer income spent for food decreased from 34.4 percent in 1952 to 32.1 percent in 1956.

Further, the record indicates that reductions in prices to the farmer have not been passed on to the consumer. Instead, such reductions have merely increased the take of the so-called middlemen. Since 1952 the spread between the farmer and the consumer has increased from 53 percent to 60 percent. On the basis of the Nation's 1956 food bill of $53 billion, an additional $3.7 billion went to these middlemen in 1956 as a result of this increased margin. If only half of this amount taken from the farmer and made available to the middleman had gone to the farmer, it would have provided him much more money than he can hope to get from the soil bank. If as much as two-thirds of the middleman's added take had remained with the farmer, he would have been able to maintain his 1952 level of farm income, and his plight today would be much less serious.

FAULTY EXPORT SALES POLICY

Another part of the trouble lies with the erroneous export sales policies followed by the Department until about 18 months ago. While the United States was paying 738 United States foreign aid technicians to help improve foreign agriculture, the Secretary of Agriculture was refusing to offer United States commodities for sale abroad at competitive prices, as authorized by law.

The Secretary continues to talk of the United States price support program holding an umbrella over world agricultural production. Yet he readily admits to the committee that he has had authority to sell in world trade on a competitive basis all along. There is no way to avoid the fact that this price umbrella is due to a decision not to use such authority until late 1955 and early 1956,

rather than to the price support program.

The committee would point out again that the Department has always had authority to sell in world trade for what the commodities would bring The Secretary admits to such authority and is now using it successfully. In 1956 more agricultural commodities were exported than in any time in 20 years. If the Department had fully used this authority in recent years, the farmers and the Commodity Credit Corporation would be much better off financially than they now are.

NEW FARM PROGRAM NEEDED

With economic protections built into the law of the Nation for nearly every segment of our economy, the farmer will always be at a competitive disadvantage unless he also has some degree of legislative protection. Constantly increasing costs of transportation, processing, and distribution will continue to force his prices down, since at the opposite end of the economic ladder consumer resistance to price pushes the increased take of the middlemen on to the farmer. Further, as the cost of production increases, and the use of more fertilizer, equipment, and insecticides is required to meet the pressure for increased yields, the cost-price squeeze will become even more acute.

Based on years of study of agriculture, and the familiarity which has come from the annual review of the financial requirements of all of the programs of the Department, it is the opinion of the majority of the members of the committee that an entirely new legislative approach must be developed if the present conditions are to be corrected. This is essential if the farmer is to share in the general prosperity of the rest of the country—if he is to own an automobile, send his children to school, enjoy a reasonable standard of living, and save and protect the Nation's natural resources.

It is to be remembered that during the long period prior to the 1930's when the farmer had no such protection in law, we wore out 40 percent of our fertile soil and used up 80 percent of our virgin timber. It must be remembered that such a drop in farm income as we have had since 1952 has always led to a depression.

We have had 14 freight-rate increases since World War II. We have minimum wages and bargaining rights provided by law. We have had increasing profit guaranties. All these things lead to the fact that the farmer, too, must have a fair return for his investment and his labor. However, he should have such a return from the market place instead of the Treasury.

SUGGESTIONS FOR NEW FARM PROGRAM

Numerous suggestions have been made as to how the farm program might be changed to give the farmer the opportunity to earn a fair income. One method, which was offered originally as the Brannan plan and was adopted later by Secretary Benson for wool, is to make up from the Federal Treasury the difference between what the farmer gets at the market place and a fair price. While this approach may have some merit, it has one significant defect. It would make the farmer dependent for part of his cost and all of his profit on annual appropriations from Congress.

Since Members of Congress represent all of the American people, 87 percent of whom are not farmers, the farmer would be placed in the position of not being able to rely on this support each year. The level of his income would then be subject to the strong economic and political pressure which develop from year to year.

The second approach is to make it to the advantage of the domestic purchaser to pay a fair price at the market place for agricultural products. Such a plan would place the cost of a fair return to the farmer on the purchaser or user of such commodities. This would put the farmer on a basis somewhat comparable to that of labor, utilities, business, and other segments of the population. Under present laws all of these groups are able to pass on to the user the cost of a fair return for their labor and capital.

This second alternative is believed to offer some real possibilities for the basic commodities, and a number of others. This plan could be carried out by issuing to the farmer certificates for his share of the domestic market figured in terms of bushels, bales, or pounds. Such a plan would provide price support for the farmer's certified share of the domestic market at parity levels, thus requiring the purchaser to pay a fair price. Such a program should then impose a penalty or special tax on processors and other purchasers of commodities purchased for domestic use which were not certified as the farmer's share of the domestic market. This would make it to the advantage of the processors to buy certificated commodities.

Under this approach, restrictions on production would be removed, and that part of the United States production not certified for domestic markets would be available for world trade at competitive prices, or for domestic use if the tax were paid. On this basis, there should be little if any cost attached to a price support program. Any cost would be offset by taxes or penalties collected on the domestic use of noncertificated commodities. Such a program would transfer the cost of the farm program from the taxpayer to the purchaser or user.

This type of program would enable us to get away from our present system of acreage controls, and the incentive to increase production inherent in such controls. It would let the farmer farm. In actual practice, much of its cost would come from the group between the farmer and the consumer which, according to the record, has absorbed most of the reductions in farm prices as they have been made.

Many other solutions to the farm problem have been offered and should be considered. However, any new program which is finally adopted should let the farmer farm, should provide protection as to price for his share of the domestic market, and should be paid for by the purchaser at the market place. Under all circumstances, we must keep the right to sell in world markets at competitive prices, authority for which has always existed. We must see that the Secretary continues such a sales program.

RESEARCH AND EXTENSION

One of the Secretary's answers to the farm problem has been increased emphasis on agricultural research and extension activities. While members of the committee have always been strong supporters of these programs and have introduced legislation making increased appropriations possible, they have not agreed with the Secretary that additional employees are a substitute for legislation which will make possible a satisfactory farm income.

The committee has gone along in recent years with sizable increases for research and extension, so as to give the Secretary the opportunity to carry out his proposals. Since 1952, annual appropriations for the State experiment stations have increased from $12,670,308 to $29,503,708, an increase of 133 percent. During this same period, appropriations for the Extension Service have increased 56 percent from $32,100,789 in 1952 to $49,865,000 in 1957.

The increased demand for research and extension work during the past 4 years appears to be the direct result of the reduction in farm income. Demands by farmers for better seed, improved cultivation practices, and better fertilizers and insecticides, to offset price and acreage reductions, have undoubtedly increased the pressure upon the Department for this service. The increase in yields per acre each year appears to be the result of these demands.

With farm income continuing to fall, however, it is apparent that increased appropriations for these activities is not the answer to the farm problem. It is apparent that research personnel and county agents are limited in what they can do to improve the farmer's lot in a period of falling prices, reduced acreage and increasing costs.

In the bill for 1958 the committee is recommending the same appropriation for the research and extension programs as was provided for fiscal year 1957. To continue rapid intensification of agricultural production, with added depletion of the soil of the Nation, seems to the committee to be at cross purposes with other policies. In view of the fact that Congress is asked to appropriate large sums under the soil bank to reduce production, the committee feels that further increases in these fields might well be delayed, especially in view of the large increases of the last few years.

SOIL BANK

The soil-bank program was offered last year as another answer to the farm problem. It is based on the philosophy that the way to help American agiculture is to reduce American production. It was offered as a temporary stopgap measure, in view of the fact that the present program of reduced price supports, acreage reductions, increased research, and education, and other measures advanced by the Secretary, had failed and the farmer's plight had gotten worse and worse. In fact, a careful reading of the law clearly shows that one of the principal

purposes of the program was to get some money into the farmer's hands last fall.

While there may be some value to the conservation reserve portion of the program, findings developed by a special investigation conducted by the committee, and information received from various sources throughout the country, raise serious questions concerning the acreage reserve program. Despite the signup of some 12 million acres at an estimated cost of $260 million under the 1956 acreage reserve program, production for most crops was higher in 1956 than in previous years. Most farmers who placed a portion of their land in the acreage reserve stepped up production on the balance of their land. Further, much of the land placed in the acreage reserve was drought land which would not have produced a good crop in any event.

Officials of the Department feel that the 1957 acreage reserve program will show better results. However, only 75 percent of the participation expected has materialized to date, and if conditions improve in the drought areas participation will be even less than now indicated.

In view of this experience, the committee has reduced the 1958 appropriation for payments under the acreage reserve program from the $750 million authorized for 1957, and the $701,173,340 requested for 1958, to a total of $600 million. Further, based on the record and serious doubts as to the advisability of continuing this program beyond the next year, it has limited the amount of commitments which may be made under the 1958 program to $500 million. Reasons for these decisions appear later in this report.

SOIL AND WATER CONSERVATION

For several years now the committee has felt the need for closer coordination among the various programs of the Soil Conservation Service and the agricultural conservation program. With two new programs of a similar type coming into the picture—the conservation reserve of the soil bank and the Great Plains program—this need has become even greater. For this reason, and due to the difficulty of clearly distinguishing between the activities under each program, the committee has included a consolidated appropriation for all soil and water conservation activities in the 1958 bill.

This new appropriation item includes the funds for soil conservation operations, watershed protection, flood prevention, water conservation and utilization projects, agricultural conservation payments, the conservation reserve, and the Great Plains program. It is believed that such consolidation will make it possible to save money in the overall program, while giving increased attention to phases of the program where vital needs exist. It should also make it possible to make economies by bringing together for the first time the administrative costs for soil and water conservation.

The combined appropriation should provide more flexibility in handling these programs to make certain that the funds are utilized effectively. For instance, under this approach, it is hoped that it may be possible to speed up the various watershed and flood prevention projects, since that appears to be the most effective way to carry out soil and water conservation. Further, the new appropriation will make it possible to use the funds to service new soil conservation districts where this becomes necessary to further the conservation program.

Also, this plan should enable the Congress to provide adequate funds for soil and water conservation research to implement the large overall soil conservation programs authorized each year. There is considerable evidence that soil bank funds and other conservation money could be more effectively used if more conservation research and investigation were done in advance. Proper attention to the soil and water research problems in the various parts of the country where the large sums are being spent under these programs should pay real dividends under this arrangement. In some areas the Department does not now have adequate research information to permit them to recommend conservation practices to be adopted under these conservation programs.

RURAL DEVELOPMENT PROGRAM

The rural development program, which was offered several years ago to help the low income farmers of the country, is another program adopted by the Secretary as a substitute for adequate farm income. Nine offices of the Department of Agriculture receive large sums for this program, and six other agencies of the Federal Government are involved in this effort. It is doubtful if any program could work effectively with this multitude of agencies and agents.

The Department of Agriculture is spending $2,061,645 in fiscal year 1957 for this purpose and has requested $3,955,720 for fiscal year 1958. At the present time, the program is being carried on in only 57 counties, which are designated as pilot counties. This work may be helpful to those counties now receiving this special attention at a cost of more than $36,000 each. However, to expand the program to the 3,000 counties of the Nation, the ultimate cost would run well over $100 million per year, which is far beyond what the taxpayer can afford to spend for this purpose. Even the Department suggests that such program be held to a pilot plan basis. This the committee has done by holding the program to the present fiscal year basis.

It is the belief of a majority of the committee that the funds available within the 1957 base for this work could better be used to strengthen the regular activities of the various agencies involved. Such action would be of more general benefit to the entire country. Since the basic purpose of the regular activities of these agencies is to help all farmers, including low income farmers, the committee cannot see the justification for separate funds and separate personnel for a program which is of necessity limited to a handful of counties. In the opinion of a majority of the committee it would be better to help the price small farmers receive and let them farm. Such a course would be of more benefit to everyone.

CONTRADICTIONS IN PRESENT POLICIES

Inherent contradictions in the present farm policies of the Department are extremely costly to the farmers and the taxpayers of the country. On the one hand, the Department recommends spending $1 billion next year under the two phases of the soil bank to remove cropland from production for the purpose of reducing production. At the same time it proposes to expand the research and educational activities of the Department to further increase yields and expand production. Further, as it advocates reduced production, it then provides the two greatest incentives for increasing production, reduced acreage and reduced prices.

As pointed out earlier, on April 16 of this year, the Secretary reported to the committee that farmers turned in a remarkable performance in 1956, achieving record crop production. At the same time, he reported that, under the soil bank, he was doing everything possible to curtail production.

It seems to the committee that the Secretary and the Congress must review present programs. Figures from the Department's own records indicate that as of now the policymakers of the Department of Agriculture have mounted a horse and are attempting to ride off in all directions at once. If it is sound to expand production through increases for the various programs of the Department, it is highly questionable whether the Congress should appropriate large sums for the acreage reserve under the soil bank. If it is sound to reduce production, as the Secretary proposes, he should be required to stop reducing price supports and cutting acreage, when his own records show that increased production has been the result of these actions during the past few years.

RESEARCH ADVISORY COMMITTEES

Recognizing the value of bringing to the Department the advice of outside organizations dealing with agriculture, members of the committee have strongly supported the 25 research advisory committees established 10 years ago. The committee has felt that such a system would help to keep the research program of the Department on a sound and practical basis and has relied on such groups to provide the principal review of the many individual projects proposed in the budget each year.

The committee has been disappointed in the work of these groups in recent years. Instead of making a thorough and continuing review of existing research projects which might be improved or eliminated to make personnel available to meet new problems, the large increases proposed each year indicate that the time of these committees is taken up largely with the review and approval of new projects of special interest for which additional funds are always asked. This has resulted in such large increases for research that substantial sums were not needed during the current year and have been diverted to other uses.

The committee urges that these advisory groups review their basic purpose and consider how to undertake new and important research projects without

continually requesting additional appropriations. In view of the necessity of holding the research funds of the Department for the coming year at the 1957 level, such action becomes absolutely essential.

In this connection, the committee has noted the interim report recently released by the Commission on the Increased Industrial Use of Agricultural Products. The committee is disappointed to note that the recommendations contained therein call for an increased level of Federal expenditures of "not less than three times the amounts currently available." This is another example of proposing increases in Federal appropriations in lieu of redirecting effort to meet new demands within existing amounts of funds and personnel. Most of the concrete proposals in this report, which appear as new, are really for expansion of existing work. Little, if any attention appears to have been given to what is already being done in these fields.

AGRICULTURAL RESEARCH SERVICE

The committee recommends $48,994,890 for 1958, a decrease of $11,880,110 in the budget estimate. Apparent reductions below 1957 come from nonrecurring and transferred items. The amount provided includes funds for all research formerly carried under this heading, plus funds previously carried separately for foot-and-mouth research at Plum Island and research on strategic and critical agricultural materials.

The amount recommended provides for the continuation of these programs at the 1957 level of operation. It includes an additional $2,385,000 for mandatory retirement fund contributions, offset by reductions for nonrecurring construction projects authorized in 1957 and the transfer of conservation research funds to the new soil and water conservation appropriation.

As pointed out earlier, the action of the committee is not intended to deny or eliminate any of the increases proposed in the 1958 budget. In view of the urgent need for economy, however, the committee believes that it should hold this appropriation, together with all others in the bill, at the 1957 level. It is pointed out that funds for research have been increased 56 percent since 1952. Perhaps a year of settling down could well add to overall research effectiveness. Good administration should make it possible to undertake many of the new programs proposed in the coming year through the elimination or slowing down of less worthwhile projects now being carried on. Even with the 1957 appropriation level for next year, there is some latitude to undertake new projects, since a portion of the research money for the present fiscal year will not be used.

A number of worthwhile projects were brought to the committee's attention during the hearings by various Members of Congress, and others, including additional research on dried beans and bulb production and studies relative to the contamination of agricultural products from phosphate plants and similar industrial establishments. Here again the committee calls on the Secretary and the research advisory committees to give these projects careful consideration and make every effort to undertake them through the discontinuance of less productive work now being performed.

An appropriation of $29,503,708 is recommended for payments to States, Hawaii, Alaska, and Puerto Rico. Also, $250,000 is provided for penalty mail costs. The amounts recommended are the same as those provided for 1957 and are $4,500,000 less than proposed in the 1958 budget.

Since 1952, appropriations for this purpose have increased 133 percent. This has largely been due to the Secretary's belief that additional research is one of the principal means of offsetting declining farm income and the increasing demands of the farmers of the country for better seed, fertilizers, insecticides, and cultivation practices to increase per acre production to offset falling prices and reduced acreage allotments.

As pointed out earlier in this report, the committee has gone along with these large increases in prior years in order to give the Secretary the opportunity to try out his policies. The committee members believe research to be highly important, but would point out that expanding research designed to increase agricultural production is at complete cross purposes with the Department's program of spending hundreds of millions of dollars through the soil-bank programs—along with price and acreage reductions—in an effort to curtail production. It has held these funds for next year to the 1957 level with the belief that a year of leveling off is desirable.

EXTENSION SERVICE

The sum of $49,101,000 is included in the bill for the coming fiscal year, the same amount as available for 1957. While it does not provide the increase of $5,264,000 included in the 1958 budget, such sum is 56 percent higher than appropriations for this purpose in 1952. The committee has held to the present year's figure in line with the general policy followed throughout the bill.

Much of the increase authorized for this program during the past few years has been used by the State extension services to employ administrative people and specialists at the State level and to carry out the experimental rural-development program in 57 counties. It appears that, despite these large increases each year, the salaries of county and home demonstration agents in many areas have not kept pace with those in other activities of the Department. According to testimony presented to the committee, this has created a bad situation in this service. Witnesses have pointed out to the committee that the United States is paying county agents assigned to foreign countries under the foreign-aid program considerably higher salaries than the extension service of the various States pays local agents.

In considering this matter, it should be pointed out that county and home demonstration agents are and should be the backbone of the whole agricultural system. However, the salaries are determined by the State extension services, and it is beyond the power of the Appropriations Committee to correct this salary deficiency. At the same time, the committee recognizes the value of this activity, and feels that it has been a mistake for the State extension services not to keep their salary levels comparable to those of other Federal employees working in the same localities.

The committee strongly urges, therefore, that Federal, State, and county officials get together on this problem. It believes that funds can be found within the amount provided for the coming fiscal year to meet the Federal share of reasonable salary increases. In the opinion of a majority of the members of the committee, the funds being used for the rural-development program could better be used to meet these salary needs, than to maintain a separate unit with separate personnel to work with low-income farmers in only 57 pilot counties in the Nation at a cost of more than $36,000 per county. Since the regular county agents are authorized to work with all types of farmers, including low-income farmers, the committee urges that funds now being used for the rural-development program and other special programs at the State level be diverted to help provide needed salary increases for the county and home demonstration agents.

SCHOOL LUNCH PROGRAM

The committee recommends an appropriation of $100 million for the coming fiscal year, a continuation of the program authorized for fiscal year 1957.

Testimony presented to the committee indicates continued increases in the number of schoolchildren affected by this program and the number of meals served each year. During fiscal year 1956 some 10½ million schoolchildren participated in this program and over 1.7 billion meals were served. During that same fiscal year total Federal contributions, including section 32 donations, amounted to $228.2 million, while State and local contributions, including payments by schoolchildren, totaled $519 million. Comparable estimates for the 1957 program are that total Federal contributions will be $284.1 million and State and local contributions will be $562 million.

COMBINED CONSERVATION APPROPRIATION

As explained earlier, the committee has consolidated the funds for all of these programs into a single appropriation for the coming fiscal year. It is expected that this action will result in closer coordination among the soil and water conservation activities of the Department and will provide sufficient flexibility to make certain that the more valuable portions of the program are properly financed, or even expanded where new districts and projects are involved and local people are ready to meet their share of the cost. This should insure maximum advancement and effectiveness of the soil and water conservation efforts of the Department and should result in economies of operation. It should also result in the integration of these programs to the point where basic legislation can be simplified.

The amount recommended for the coming year for the combined appropriation is $535 million, a decrease of $133,441,660 in the budget estimates for 1958 for these programs. The amount proposed is $210,268,000 above 1957 appropriations actually made to date for these programs. However, when the $450 million authorized spending from CCC for the 1957 conservation reserve program of the soil bank is taken into consideration, the amount recommended is $239,732,000 below the rate of expenditures authorized for these purposes during 1957.

In addition, the bill includes an advance authorization of $250 million for the 1958 agricultural conservation program, which is the same amount as was authorized for the 1955, 1956, and 1957 programs. The bill also includes language limiting the size of future conservation reserve programs to $250 million in any calendar year.

The committee expects that increased emphasis will be given to watershed protection and flood prevention projects in carrying out the soil conservation program under the consolidated appropriation. In developing the long-range conservation programs, it is imperative that the maximum use be made of water resources. The committee suggests that all watershed plans inaugurated under Public Law 566 provide for maximum water conservation on an economically feasible basis.

To spend hundreds of millions of dollars for the various phases of the soil bank, and to invest less than $30 million a year in the permanent type of conservation which the watershed protection and flood prevention projects provide, is extremely shortsighted. Some of these projects have been under construction since 1944 and, at the present rate of progress, many will require another 30 to 40 years to complete. It is estimated that a total of $70 million will have been expended on the 11 major watershed projects as of next June 30. During the past few years, the Department has spent more than this amount for emergency feed assistance and other types of disaster programs in the drought areas. Had this amount been spent to speed up the watershed and flood prevention projects, it is safe to assume that a great deal of the damage could have been prevented and most emergency appropriations could have been avoided. Also, the amount spent would have become a permanent investment in long-term soil and water conservation, rather than temporary relief of no permanent value.

The budget included $5 million for transfer to the Forest Service for the expansion of State operated tree nurseries. In view of the reduction in the funds for the overall soil and water conservation activities, the amount for this purpose during the coming year will be small. The committee believes that adequate seedlings should be available for the conservation reserve program. However, in view of the slow rate at which landowners have signed up and the fact that in many areas adequate supplies are available at reasonable prices from nurserymen, the committee directs that the Department make a new survey of the need for such nurseries and limit Government support for growth of seedlings to those areas where local nurserymen cannot meet the need at reasonable prices.

The appropriation under this heading includes $7,200,000 for soil and water conservation research for the coming fiscal year. This fund has been transferred from the Agricultural Research Service to this appropriation in order that it may be considered in connection with the overall soil and water conservation programs with which such research is identified. As pointed out earlier, the need for this research becomes increasingly important as the conservation programs expand. In some areas of the country little or no conservation research has been done to serve as a basis for establishing practices and regulations for the conduct of these programs. In other areas the conservation research program is poorly organized and is conducted in borrowed buildings and with borrowed facilities. Therefore, the Department is urged to review its activities on the basis of the new combined soil and water conservation program of the Department and to establish proper research programs in each major area of the country.

ACREAGE RESERVE PROGRAM

As pointed out earlier, the acreage reserve program was established under dire necessity to get some funds in the hands of the farmer last year. It was created to compensate producers for reducing their acreages below farm acreage allotments or base acreages, a course which the Secretary now recognizes will not control production. Commodities affected are wheat, corn, cotton, rice, most types of tobacco and peanuts. Producers are compensated through the issuance of negotiable certificates which CCC redeems in cash or, with respect to grains, in grains at a price which will not materially impair the market price for such grain and will encourage acceptance of grains in lieu of cash. It is now apparent that, if this program were to be pushed, it would have a damaging effect on local business.

The Soil Bank Act authorized an annual acreage reserve program of $750 million, to be financed from Commodity Credit Corporation capital funds on a reimburseable basis for the first year. The basic act provided further that, beginning with the 1958 fiscal year, the program should be financed through regular annual appropriations. The appropriation included in the bill for 1958, which is the first one considered by Congress for this purpose, is $600 million This is a decrease of $101,173,340 in the budget estimate, and a decrease of $150 million below the program authorized for 1957.

As discussed earlier in this report, the majority of the members of the committee have serious doubts that the program will reach its basic objective of reducing production—and would question it further if it did. Department of Agriculture statistics on the 1956 program indicate that production was higher for most crops in 1956 than for earlier years, due to increased yields on acreage continued in production and the retirement of unproductive and drought-stricken land. While it is still too early to have firm figures for the 1957 program, present indications are that total production will not be reduced materially—despite the expenditure of large sums under this program in 1957.

The committee made a full field investigation of this problem early this year. The findings of that investigation, which are printed in complete detail in part 6 of the hearings on the 1958 budget, reveal many undesirable aspects of this program and many instances of abuses which will have a very detrimental effect on agriculture in the future. Instances are cited and others have later appeared where the amount of rental paid to remove land from production exceeds the total value of the land. Instances are also reported where land removed from production from one crop, for which Federal payment is made, has been put into other crops, thereby creating double income on such land. Numerous instances have also been reported where nonfarm people have invested in land with the expectation that acreage reserve payments from the Government will more than repay their full investment in a few years. Also, some cases have been cited where individuals have leased land from the Federal Government and have placed it in the acreage reserve program at rates higher than those paid under the original lease.

Some members of the committee feel that the program should be discontinued immediately, on the basis that it is pointed in the wrong direction. Others feel that it should be eliminated gradually in the next few years. Since it is felt that complete elimination is a major policy decision which should be handled through regular legislative channels, the committee has moved in the direction of gradual elimination of the program by reducing the appropriation for 1958 to $600 million and by reducing the size of the next year's program to $500 million.

There are two reasons why the acreage reserve program has failed to curtail production by any significant amount. One is that the farmer has rented the poorer part of his land to the Government and, thereby, has not taken out of production land with average production. The other is that the farmer has increased his per-acre yields on the land not placed in the acreage reserve, to offset the loss of production on the land taken out of use. If it is desirable to reduce production through a program of this type, and if large sums are to be expended for this purpose, the committee feels that regulations must be adopted which will make certain that land with average productivity is placed in the acreage reserve. It might be advisable to require that, to be eligible for acreage reserve payments, the farmer should reduce his production by the percentage that the rented acres have to the total acreage on the farm.

In any event, this program will always be considered by the 87 percent of nonfarmers as a means of giving the farmer something for nothing. In the opinion of a majority of the committee it should be curtailed for that reason, if for no

other. As stated earlier, the principal justification for this program is to restore to the farmer some of the income he has lost through reduced prices and acreage.

COMMODITY CREDIT CORPORATION

A total of $1,239,788,671 is included in the bill for restoration of capital impairment of the Corporation through June 30, 1956. A breakdown of this amount is as follows:

	(Thousands)
Price support program:	
Basic commodities	$305,986
Mandatory nonbasic commodities	457,340
Other nonbasic comodities	211,607
Total price support program	974,933
Commodity export program	69,576
Interest, administrative, and other (net)	195,280
Total realized losses	1,239,789

It is interesting to note that only 25 percent of this amount represents price-support losses on basic commodities. Most of the balance is involved in nonbasics.

A further breakdown of this amount is as follows:

	(Thousands)
Loss on commodity transactions	$611,854
Storage and handling charges	281,173
Transportation and related costs	151,801
Administrative and related expenses	36,585
Interest expense	158,376
Total realized losses	1,239,789

These figures show that only half of the amount is due to commodity losses. The remaining half is involved in storage and handling, transportation, administrative and interest costs.

If competitive sales had been the policy for the last 4 years, a large portion of the interest, storage, and handling charges of over $1 billion could have been saved. Further, had the United States stayed in world market on a competitive basis during this period, the rapid accumulation of CCC stocks could have been averted and the large reduction in acreage allotments could have been avoided. Also, it is entirely possible that the need for the soil bank program would not have developed. This would have saved several billions of dollars additional to the taxpayer.

At the continued urging of this committee, and after the establishment of an effective sales organization for the Corporation in the 1956 Appropriation Act, the Department has been selling United States agricultural commodities in foreign trade for dollars on a satisfactory basis. Since the Department started to sell commodities competitively, dollars sales have totaled $1.8 billion. Last year approximately 7 million bales of cotton were sold, and the stocks of many other commodities were reduced substantially.

In connection with the sales of cotton, large sums were rebated to the purchasers based on Government reclassing of the cotton after it had been sold. Information furnished the committee indicates that some $46 million was paid out in this manner, better than half of which went to six of the largest international cotton traders. This situation results either from poor initial classing or substantial deterioration during the period the cotton was held off world markets. It is hard for the committee to understand, however, how either of these factors could develop to such an extent. There appears to be no evidence of collusion, though in some cases the same persons performed both classing operations—when it was taken over by Commodity Credit Corporation and when it was sold to the private purchaser. It would appear that the same judgment would be applied on both occasions. Further, reports reaching the committee indicate that much of this cotton was sold in world trade at the original or a higher grade comparatively, even though these large rebates were paid presumably for deterioration of the cotton while in storage. In view of these findings, the committee recommends that Department officials adopt a regulation which would deny reclassification unless there was a certification from the purchaser that the cotton had been or would be offered in world trade at the same or equivalent grade and class as that at which it was reclassed by the Commodity Credit Corporation. In the absence of such action, the cotton should be sampled on request in advance of sale without reclassing rights.

Mr. Chairman, it is not an easy time for the American farmer, as the Congress comes to consider the appropriation bill for the next fiscal year. As most of the Members know, I have been a member of the committee dealing with agricultural appropriations for many years. Other members of our committee likewise have been members of that committee for a long time.

Times are serious enough with the American farmer, and I think it is time that we set aside many of our personal animosities, if we have had any, and try to look at this matter objectively. Last fall's election is over. Now we are living in a new year with the same problems. It is time that we put our heads together to recognize the serious situation that we have, to study that situation and determine if we can what are the causes, and to go further and determine what we can do as a Congress to improve that situation.

Our committee has devoted much of its time and effort to develop the facts of the situation. We have spent many hours trying to determine how it got that way and we have spent more time trying to determine the best way to bring about an improvement.

Four years ago conditions facing agriculture were believed serious. It was an issue in the political campaign of 1952 and properly so. I could not condemn the Secretary of Agriculture for his feeling that conditions were not good. Then, when he became Secretary of Agriculture, as was his right, he offered his solutions. I shall briefly enumerate them to you, as we do in the report.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Indiana.

Mr. HALLECK. The gentleman did not put them in the report, but does he have any figures as to what the situation was 8 years ago?

Mr. WHITTEN. I could obtain those, but I think it would make the picture a little bit worse for my friend from Indiana. I thought I was going as far as I justifiably could and not get charged with partisanship.

Mr. HALLECK. I would not want to inject any partisanship this early in the debate because the gentleman is able and always nonpartisan, but his constant reference to 4 years seems to me to smack just a little of partisanship.

Mr. WHITTEN. I should like to show that this is not partisan for this reason: This report refers to what has happened while we followed Mr. Benson's views. I should not saddle Mr. Benson with conditions that happened before he came in. We have followed the Secretary's views for 4 years. In trying to point out what those views were, what he recommended that we do, and what we did to carry out his recommendations, I respectfully submit in fairness I should limit it to the time he has been in office. He should not be responsible for the time he was not secretary. My friend would agree with that, I am sure.

Mr. HALLECK. The first 2 years of that 4 years he was still operating under the program that had been written before that time.

Mr. WHITTEN. That is true, and he had a Republican Congress and he could not get them to change the law until after 2 years had passed. The first 2 years he could not get a Republican Congress to change the law. I am sure that by now some of my friends on the left wish he had never been able to get the law changed.

Mr. HALLECK. If the gentleman will yield for one further observation, the second 2 years of the 4 years he had a Democratic Congress and under that Congress he was operating in conjunction with the Democratic Congress.

Mr. WHITTEN. Yes. I will say for that Democratic Congress that I have to take part of the responsibility. I was chairman of this Subcommittee on Agricultural Appropriations for that last 2 years, and against my best judgment I decided to give the man his chance. I went along with his request for appropriations to strengthen the things that he said would cure what I had every reason to believe it would not. But I thought it well to give him his opportunity. I trust that the legislative committee was just as fair in trying to give every man his right to a trial run. We did pass the law. I regret it, myself, except that it may lead to a serious study of where the real defect lies.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Illinois.

Mr. ARENDS. Does the gentleman mean to leave the impression with the House that we have ever really given the soil-bank plan an opportunity to function? The gentleman knows we have not, and so do I.

Mr. WHITTEN. No; I do not think it has had time, except when you investigate it you find out that it pays

people not to plant ground that would not germinate seed. When you investigate the operations in two-thirds of a year you find that farmers are paid more money not to plant the land than the land is worth. When you investigate it you find in certain areas the Government rents lands to individuals, Government lands, and then those individuals turn around and rent the land to Mr. Benson for more money than the Government was charging in rent, and pick up the difference. When you find the many other things that our investigators' report shows, there are just some things that you do not need 3 years to find out it is an unsound approach.

I say that to my friend advisedly. Further, I would say that the records in the Department show that, as you curtail acreage and reduce acreage, production increases per acre, and the total production increases. But, as you limit the farmer's acreage, he increases fertilizer and irrigation, he buys the best seed, and uses everything to increase his production per acre. Then as the production per acre is increased, he reduces acreage under the basic law, and it is curtailed next year. That, in turn, leaves still more acreage for nonbasic crops and that increases the total American production. The acreage reserve part of the soil-bank program would go down the same road of paying the farmer to take out acres and leave him where he could take the money the Government paid him and buy irrigation equipment or buy more fertilizer and increase his production from the acres that he had remaining. No, my friends, the only justification for the acreage reserve, in my humble judgment, was to get some money in the hands of the farmers just before the election last fall to make up what the farmer had lost in farm income. Now, we may differ as to why the farmer lost his income, but if you will read the debate and the RECORD, and if you will see how the money was handled by the Department under the law, the only remaining basis for the acreage reserve part of it, in my humble opinion, was a case of trying to get some money in the hands of the farmer just before he voted in November 1956. And, I stand on that statement.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. ARENDS. Now that the gentleman has made what he considers to be a completely nonpolitical statement, let us get along to the soil-bank plan and the possibilities involved therein. In March of this year, this House refused, and completely in error in my opinion, the opportunity to permit to go into effect the soil-bank plan for corn for 1957 under an increased base-acreage plan. You cannot tell me—and I think I know something about the corn situation—that had the soil-bank plan been effective for the crop year 1957 where the farmer preparatory to going into the field under this corn-acreage program would have substantially, very substantially, reduced his corn acreage, which would have ultimately brought about the very condition that we want—at least as far as the commodity of corn is concerned wherein we would have begun to solve the problem.

Mr. WHITTEN. Let me say this: If the corn bill sponsored by the gentleman from Illinois had become law it definitely would help the farmers in the corn area for 1 year. What it did was to give the farmers in the commercial corn area about 7½ million acres of corn at a high support level. In addition, it would have given the same farmers $225 million in cash. We, who represent the farm areas, should wake up and realize that we are ruining the farmers by giving them money for nothing and making them dependent upon the type of corn bill that the gentleman is in favor of. It would have helped him for 1 year, because he would get 7½ million acres or more at a high support level. But, in addition, the Congress would have given him $225 million in cash. It is unsound, and it is unsound for the corn farmer or any other farmer.

I stand for farm programs that are sound. I want farm programs to help the farmers to help themselves down through the years and I am not in favor of a farm program that will be a handout to the farmer in an election year, an off year, or any other year. Every time we have left the farmers dependent upon an annual handout by the Congress, we have hurt his standing with the rest of the American people and we have not solved his problem. I will say this to my friend, if you had gotten your corn bill, I would have been opposed to the same thing for the cotton farmer in my area or for beef or for any other kind of program of having any restriction on the production of other feed grains. The total production of feed in this country would have been greatly increased. That is one of the fallacies, as I see it, in the Secretary's program.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. TABER. I am wondering what the gentleman would propose that we do about farm legislation. It seems to me that this idea of trying to fasten the blame on somebody is a sort of fishing excursion, but it does not get us anywhere. I wonder what the gentleman would suggest that we ought to do.

Mr. WHITTEN. The gentleman should read my report. I do not plan to be led off of my individual answers to it.

I yield to the gentleman from North Carolina.

Mr. COOLEY. I would like to say to the gentleman from Illinois [Mr. ARENDS] that he seems to be unaware of the fact that the soil bank for corn has been and is now in operation, and under the program now in operation more than 4½ million acres of corn has gone into the soil bank. The bill that the gentleman complains about having been defeated was nothing more nor less than a bill to increase the acreage of corn from 37½ million to 51 million acres, and it did not even contemplate an overall reduction in the production of corn. Last year we paid $179 million to the growers in the commercial area and ended up with an increase in the overall production of corn. What we complained about was that the Secretary of Agriculture was unwilling to deal with corn on a nationwide basis, and disregard the commercial area and permit the law to function in the noncommercial area.

Mr. ARENDS. Mr. Chairman, would the gentleman care to yield to me now or later?

Mr. WHITTEN. I think I had better proceed at this time.

Mr. ARENDS. I have a good answer for the gentleman from North Carolina [Mr. COOLEY], but I will put it in the RECORD a little later.

Mr. WHITTEN. I think it is time we began to make some changes, as I see it. I believe it is time we quit blindly being opposed to present policies because your Secretary happens to be there. On the other hand, it is time that those on my left quit blindly supporting bills without looking at the facts.

I would say to my friends on the left, you have mimeographed copies of a letter that the Secretary sent down to me this morning, taking exception to some parts of the report. Read it and you will find he is agreeing with a lot of the other parts of it.

Do not defend him beyond the point where he would defend himself. If you will read my report, he has said that he has learned that controlling production is not the answer; and yet, the soil bank is offered on the basis that controlling production is the answer.

Then he points out that after 4 years of price and acreage control, after great increases in research and extension, the farmers had their greatest production from the smallest acreage in 20 years.

Not only that, he says further that we need some changes made. If he has gotten around to that point, I would certainly deplore to see my friends on my left stick to their guns in view of the record which the Department has made.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. DIXON. With regard to the statement with regard to research being one of the permanent solutions of our problem, the gentleman is aware, I am sure, that we have two kinds of research: We have production research which possibly has brought about much of our surpluses; then we also have utilization and marketing research which definitely is one of the answers to disposing of more agricultural commodities.

The gentleman is aware, is he not, that the President's Commission on Utilization Research has made recommendations? We need to stress that.

Mr. WHITTEN. I have lived with this thing for about 12 years. I will say that perhaps there are things that need more research, but certainly research has resulted in greater production from less acreage.

I would like to direct the gentleman's attention to our report on the Advisory Committee on Research. For 10 years now these advisory committees have devoted their efforts toward proposing and selling new research with new people, and none of their time has been spent reviewing how the hundred or so million

dollars that we have been spending was being used.

May I say to the gentleman that much of what is suggested in the recent report of the Commission is already being done by the Department, and the report does not even show any awareness that they knew it was being done.

In the matter of farm income we ought to have some new approaches. I say to you the trouble 4 years ago was that farm income was down. The trouble today is that farm income is down worse.

The farmer's income is volume times price less cost. You can have all the research in the world, all the county agents in the world, all the Secretaries of Agriculture, and all the Congressmen, and if the farmer's volume times his price less his cost does not leave him any money, he is going to be against your sending him some more agricultural representatives to call on him and tell him what he ought to do.

Mr. DIXON. Mr. Chairman, will the gentleman yield further?

Mr. WHITTEN. I yield.

Mr. DIXON. The gentleman would not oppose research which would result in making rubber out of wheat and thereby consume great quantities of an agricultural commodity. The gentleman would not oppose the research that is now going on in Philadelphia where they have used animal fats. Does the gentleman know that the animal fats market has been stolen by the detergents and stolen through other ways? Now research is needed in the matter of use of animal fats and establishing a much greater market for them.

The gentleman would not object to the commercial development of penicillin. It was done in our laboratories there, and it is worth more than all the money we have spent on research in the history of the United States. I can go on and point out 110 other items where this research definitely shows one way out of our agricultural problem, and a permanent way, not a stopgap method like our support prices.

Mr. WHITTEN. May I say to the gentleman that I have been here 14 years as a member of this subcommittee and I have supported funds to do each of the things the gentleman was talking about for many years. The committee went along with the Secretary to increase funds for experimental stations since 1952 by 133 percent and we have increased education 56 percent. That is a record of support of these things.

Let me say that research is sound in its own right, extension is sound in its own right. But, Mr. Chairman, they are not any substitute for farm income.

Let me point out another solution that was offered. I refer to the rural development program to help the low-income farmers. But let me describe who your low-income farmer is in the South, and this is true all over the country. He is the farmer that 4 years ago had 38 percent more cotton acreage than he has now. The Department cut that acreage down. In the South that low-income farmer is the farmer that 4 years ago received $15 more per bale for his cotton than he is receiving after 4 years under the present administration. His income is low, and anybody should realize that a 38-percent cut in his acreage and a $15 cut per bale of cotton might have made him an uneconomic farmer. It might have made his income low. If you want to help that man, help his income.

What did the Department do? What did we do? The Department recommends, with a lot of fanfare that was abroad all over the country, rural development. We are going to throw all the king's horses and all the king's men behind him to help this low-income farmer.

Now, we had the following facts reduced to print from the Department records. You have 9 agencies of the Department of Agriculture getting hundreds of thousands of dollars to help that poor farmer. You have 6 other Department agencies in there and, listen to this: We spent over $2 billion in 57 counties, over $36,000 per county, expanding rural development to help the low-income farmer. If you had 15 agricultural agents come by your house, after they had cut your acreage from 10 to 6 and cut the price of your cotton $15 a bale, you would get so sick and tired of seeing agricultural agents that you would write your Congressman, and I have been getting some of those letters.

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Illinois.

Mr. VURSELL. When I heard the gentleman talk about rural development I thought he said urban redevelopment. I would like to call his attention to the fact that while we talk about spending a little money for rural redevelopment, this House last week passed a bill providing for urban redevelopment $150 million more than Mr. Cole testified they wanted, which boasted the urban development or renewal of development up to $2,350,000,000. So if we should spend a few dollars, one hundred and ten or one hundred and fifteen million dollars or a few million dollars extra for rural redevelopment, it would be a pittance compared with the waste of money that this Congress has put into the urban renewal development program.

Take the big cities, take the mayors all over the country, they all came up and asked the Congress and everybody to surrender so that they could get their hands in the grabbag for hundreds of millions of dollars more, added to the hundreds of millions of dollars that they already have. I thank the gentleman.

Mr. WHITTEN. I thank the gentleman. I do not want to get led off on what might be wrong or good in other areas. In my judgment there is enough wrong in the area that is my primary responsibility that I am talking of this afternoon. But, it was not the total cost. It was the fact that this cost is not directed toward meeting the objective. And, I say advisedly that of that many people, the $36,000 worth, it has done us some good. Some of these farmers may have attractive daughters; some of these agents may be single men; it may lead to romance; it may lead to a lot of things. But, that $36,000 per county in 57 counties is not going to put money in the farmers' pockets in the average county nor in that county to any great extent, because the farm income is down, and that is the point I am addressing myself to now.

Mr. BROWN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Missouri.

Mr. BROWN of Missouri. I notice in the report where in 1957 there would be approximately 9,300 more employees in the Department of Agriculture than there were in 1956 and that the 1958 estimates want 4,656 more. Now, does the gentleman think that additional employees in the Department of Agriculture will make up that declining farm income?

Mr. WHITTEN. Well, I would direct the gentleman's attention to page 2 of our report in which we point that out, and it is hard to determine exactly the number of employees in the Department, because some of them are seasonal. We have lots of acreage measurements in the summer and other activities in the fall and still others in the spring, so it is variable. But, to the best our staff was able to determine, on an average the Department has about 83,000 employees. And, we make this significant statement: "While there is a real need to improve farm conditions, it does not appear that the need can be met by adding more employees."

And, I should go ahead and point out that there are some other problems. If you are going to continue the acreage reserve and the soil bank operations with this hundreds of millions of dollars in it, somebody is going to have to ride herd on it. Certainly somebody should have been riding herd on it last fall when this occurrence happened that I have just described to you. Not only that, but we have increased the number of soil conservation districts. We have certain other activities. So I say there are other problems.

But I am leading up to this: That by rule of thumb what your committee did was to say that the situation is serious. "We have had 4 years of following your views, Mr. Benson. It is time that you and us got together on these things. It is time you recognized the result of your own policy that we were good enough to give you a trial run on." Then we said—and I believe it is sound in these times and circumstances—"Knowing that your problems are great, having 83,000 employees, we think, if we give you next year the same amount of money that you had this year, you ought to feel pretty good." By rule of thumb, we have eliminated the increased amounts in the budget. Then when it comes to the soil bank, we have tried to go along with every dollar that the Secretary thought he could use in the coming fiscal year.

Now, you doubtless will be told that they have commitments, and some of you may get messages from the Department to this extent, that they have $615 million signed up in acreage reserve. It is our information that they will not have that much due in the next fiscal year, and therefore the $600 million which we have is enough to carry out all contracts, in our judgment. I would say, as laxly

as this program was handled last year, under a lax law by the administration, under pressure just before the November election, they could have had a little bit of a tiedown and holdback last year, and it might have resulted to the best interests of the taxpayer, the Government, the Department, and the farmer.

This thing of paying a man more than his land is worth not to farm that land, not to grow anything; this thing of paying a farmer soil-bank payments for land that he in turn was renting from the Government and letting him pick up the difference—certainly we have had enough of these things and this program of how much money to give somebody in that kind of a program. We have tried to squeeze that out.

Of course, I would say this: That as to any contract the Government has entered into we have got to pay that. The figures in this bill represent our idea of the acreage. As to the increasing needs that you have in watersheds and things of that sort, with the floods we have had, we have felt that by grouping all of the soil-conservation activities we could meet those increased needs as spelled out in the budget. But by putting the administrative people together we could do the same job better and do it cheaper than we could if we had 3 or 4 crowds of people handling virtually the same things in pretty much the same areas.

Mr. ARENDS. Mr. Chairman, would the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Illinois.

Mr. ARENDS. We are pretty much talking about water over the dam. What I should like the gentleman to do before his time expires is to tell us what he thinks we should do for the future with respect to an agricultural program. What can we do as to a long-range plan, starting with our legislative committee to solve some of these problems? What should we do? I hope the gentleman will discuss that some before he leaves the floor.

Mr. WHITTEN. Mr. Chairman, I hope the gentleman will read my report.

Mr. ARENDS. I have.

Mr. WHITTEN. Because I do address myself in the report to that subject. I speak as an individual.

But let me say that there is no easy solution to a problem. At least, I have never found one. Let us remember that there have been 14 freight rate increases since World War II. There has been an increase in wages to a dollar an hour, by law. There is the matter of bargaining rights of labor unions. There is the matter of the Federal Government increasing purchasing by spending $80 billions with 50 corporations for military expenditures in the last 5 years alone. Those are things that we have done by law that increase cost to the farmer. With all these things I do not know that there is any easy solution.

But the records show that if you want to produce income, you have got to give attention to three basic things. Income, again, is the volume that the farmer produces times the price he gets, less his cost. I would hope in some way to hold costs down. I am sure many of the Members feel the same way. It is my observation, after 15 years of experience with this, that if you held costs steady, you would have to be lucky. If you are able to hold costs on an even keel, you will be fortunate. But let us say we are fortunate and we hold costs on an even keel. You want to help farm income. That leaves two things to work on, his volume and his price. That is just as simple as crossroads store costs.

Therefore, personally, I would quit trying to control world production by cutting down the American farmer, because the record shows that every time you cut down his production, that production just moves overseas.

I would quit trying to control American production by acreage, because as you cut a man's number of acres, he buys irrigation machinery, he buys the finest fertilizer he can get, he demands that Congress increase research so he can get better seed, so that he can defeat the acreage limitation.

The records prove what I am telling you is so. So I would quit that. In other words, I would feel that I had to give the farmer protection in price. I would limit what quantity the Government would protect him on in that price. Then I would leave him free to produce on his farm anything on which he did not get support from his Government, which would be available for world commerce. That is my personal belief.

I have given a great deal of thought to this. I am sure Members from the farm areas have done so, too. It is the domestic allotment plan. It offers the best solution that I can conceive. But believe me, this is serious enough so I would welcome anybody else's views. Where you say I am just talking about what is wrong, and I am, I am showing that we have tried out the solutions offered by the Secretary, and the income is down $2.5 billion. The thing is getting worse and worse and worse. So I say I am willing to take the views of the gentleman from Illinois, if he has any, or anybody. I would buy a pig in a poke if it is something that has not proven to be bad.

Mr. HALLECK. When did we have in our agricultural legislation the first legislation that undertook to reduce acreage allotments?

Mr. WHITTEN. It is my recollection it was 1933 or 1934, and I pay respect to that provision in this bill.

Mr. HALLECK. First of all, I commend the gentleman for recognizing that there is trouble in agriculture. Those of us who come from agricultural areas know that to be true. I commend the gentleman for saying that we ought to find the answer, but having regard again to the constant repetition of the 4-year business, I got here first in 1935 and I think almost every year since I have been voting for farm legislation and obviously my party was not in control. I had never heard of Ezra Benson at that time. The basic act under which we now operate is the 1938 act. So do not put the blame on Secretary Benson for these acreage controls, because they were written into the law of the land by Democrat Congresses year after year after year, and he has had to live with them.

Mr. WHITTEN. The gentleman says he congratulates me for recognizing the farm situation is bad. I do not think I deserve any credit for recognizing that. Then the gentleman says he commends me for recognizing we need to do something about it. I do not think I really deserve any credit about that, because that is so apparent. What the gentleman objects to is my offering you my solution to it.

Mr. HALLECK. Oh, no.

Mr. WHITTEN. And the evidence that I have as to the fact that present policies are not working. Let me read the gentleman my report.

Mr. HALLECK. I have read it very carefully, and the gentleman has outlined his program.

Mr. WHITTEN. I just question whether the gentleman read it carefully. Let me point out why. On page 5 I say acreage controls are ineffective, so the gentleman was not surprised just then when I said that acreage controls had proven ineffective.

I want to read my report. I wish the gentleman's time was not taken up with so many things that he could not read it closely, because if he will read it he will find our belief expressed the acreage controls are ineffective.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield for clarification? Is the gentleman referring to the committee report?

Mr. WHITTEN. I wrote the report and every member of the subcommittee read it. It is significant that not a Republican on it filed any minority views. I think that is significant. The Secretary sent down his personal minority report today, but it is significant that not a Republican on the committee filed minority views against it.

I do want to say to my friend from Indiana that in my report I did attempt to be fair and discuss all of this problem. On page 5 we said:

ACREAGE CONTROL INEFFECTIVE

Part of the trouble lies with the agricultural laws passed in 1933, which except as to price support levels, largely govern present farm programs. At that time the United States produced such a large share of the world's supply of basic commercial crops that it was felt that regulation of United States production would regulate world production. At that time it was believed that cutting United States acreage would control United States production. Provisions for such actions were included in that law. Time and experience have shown that these provisions have not been effective since, as United States acreage has been reduced, world acreage has increased. Further, as United States acreage has been reduced each year, the American farmer has increased his yield per acre through more intensive cultivation and increased use of machinery, fertilizer, and insecticides.

One of the more serious aspects of the reduction in acreage each year is that, as the farmer has increased his production per acre, he has made further cuts in his acreage for the next year under the formula contained in the present law, freeing more acreage for production of other farm crops. Further, current programs are encouraging the farmer to exploit his land, which runs counter to the long-range soil conservation objectives of the Federal Government.

The report is available to all of you. I have honestly tried to point out that the situation was bad 4 years ago. For the past 4 years we have tried solutions and the situation gets worse. I have given you what I think the records and time prove are false policies followed by the Department. In addition, I tried to show you the defects in the law which time has proven to exist, in my judgment.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. HALLECK. I would just like to observe for my colleagues here that the gentleman has departed from his normal fair attitude when he said that I had not read the report. I will say this to the gentleman. I have read the report and I can quote a lot of it verbatim. The reason I asked the question about acreage——

Mr. WHITTEN. May I interrupt the gentleman to say that if the gentleman will read my remarks, he will see where I said I regretted he had not read the report carefully.

Mr. HALLECK. Well, you finally amended it to that degree. You do not have to know what you are talking about when you get up here, but it helps once in a while. I read the report enough to be able to quote a lot of it, as I said.

Mr. WHITTEN. The gentleman said he knew from experience that it helped when we got up to talk to have learned your subject, and that it is better that way.

Mr. HALLECK. That is right.

Well, now, may I say that I read this report. I resent the suggestion that I had not read it because when I get up on the floor of the House, generally I know something about what is before us, and when you recite the record, you used the words "for 4 years" time after time after time. I just want the record to be clear that many of these problems that you are talking about and the things that you say are wrong have been in the law for years and years and years. So, I insist, as I have insisted all along that Secretary Benson and the administration inherited the major part of this program and all of your talk here is not about the money appropriated in your bill, and referring to the amounts appropriated therein, but is undertaking to somehow or other try to shift the blame for the situation in which agriculture now finds itself.

Mr. WHITTEN. May I repeat, and I have to say this because I hold my friend from Indiana in the highest regard—I did say that I was sorry he had not had the time to read the report carefully. The gentleman, I am sure, has to say grace over so many things.

Mr. WINSTEAD. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. WINSTEAD. I would like to say this in behalf of my colleague, the gentleman from Mississippi. The gentleman has been fighting these battles for a number of years. If the gentleman from Indiana will read the RECORD, he will see where the gentleman from Mississippi was critical of Secretary of Agriculture Brannon under the Democratic administration. Further, the gentleman from Mississippi did not go for Mr. Henry Wallace.

Mr. WHITTEN. I thank my colleague from Mississippi, who has always supported sound farm legislation. I must say to my friend, the gentleman from Indiana, in view of his statement and I must say that I do not believe he has listened to me closely either because I would like to repeat what I said, which is considerably different from the way he took it and understood it. The situation in agriculture was serious 4 years ago. The campaign was run on the basis that it was serious in 1952. I know that a lot of folks would like to forget that Mr. Benson has been Secretary of Agriculture for the last 4 years. But he has been Secretary of Agriculture for the past 4 years. He has offered certain solutions. I have enumerated and set forth these solutions—1, 2, 3, 4 that he has offered. We as a Democratic Congress, did go along with him so far as voting for the money to implement his proposed solutions are concerned. What I am saying is that after 4 years of offering these solutions, the situation is worse. Now trying to be fair, I pointed out that it is not all his policy. I said the situation was bad when he came in. I say that some of the defects come from the original law and that time has proven that those defects exist. But, whoever the man is and whatever party he belongs to—you won the election last year and that is over with—but if a man has had his day and if his proposed solutions do not work, then I say it is the better part of wisdom and of valor for you folks to find it out and make corrections in the law because the farmers know what the situation is so far as their income is concerned. More county agents, with all due deference to the wonderful job they do, is not a substitute for dollars at the market place. I would like to point out one other thing. I am trying to tell you what I honestly think is wrong.

This administration and the Secretary have said that what the farmer needed was price at the market place. That was the justification for reducing price supports. Let the farmer get his price at the market place. The farmer can get his price at the market place. All he has to do is to cut production down to the point of creating a scarcity, and he could get 150 percent price at the market place. But if he cut production down to the point of creating scarcity and getting 150 percent of parity, it would certainly injure every consumer in the United States. Not only that, but the farmer's volume would be cut to the point that the low volume multiplied by 150 percent of parity would leave the farmer's income worse than ever.

May I say again, my solution would be—and I speak for myself only—my solution would be to support the farmer at parity on his share of the domestic market, so that he could produce and sell in the world market for whatever his product would bring. The Secretary has always had that right. It took us 3 years of urging to get him to do it, and now he is very proud of it.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. BELCHER. I have read your suggestion for a new farm program, and it seems to me that it coincides completely with the two-price system for wheat that a great many of us have been trying to get through for a long time.

Mr. WHITTEN. The object is the same.

Mr. BELCHER. In other words, it is the same system?

Mr. WHITTEN. The same thing. I do not believe the farmers of this Nation can continue to pay constantly increasing costs brought about by other laws, without a degree of protection in the law itself. That protection should be on his share of the domestic market. Do not put it on acres, because you defeat yourselves right at the start.

I do not criticize the people who wrote the law in 1933. I want to address myself to one other statement. I have spent a lot of time discussing conditions in agriculture. Why? Because what you do in agriculture will show up in appropriations. How well you handle it will show up in appropriations. Because United States production was held off of world markets by the Department of Agriculture for as long as 8 years, in which time it deteriorated, and we paid storage on it, there are $500 million in this bill. Yet the law permitted such sales but the authority was not used. Because price supports were reduced the farmer increased the volume to make it up, and you have got money in here to restore the impairment of the capital of the Commodity Credit Corporation. Because the Secretary thought that the rural development in 57 counties was a partial answer to the farmer's problem, there is $2 million in this bill. Because the Secretary thought that research was the answer, there is 133 percent more money for research at experiment stations than 4 years ago. Because the Secretary thought more extension workers was the answer, there is 56 percent more in this bill for extension than 4 years ago. This is true though the bill is held down to the present year's operation. We cannot say, with 4 years' experience, that we could go along with constantly increasing these things which have not proven to be the answer in 4 years. In this bill we have held the Department to this year's level, by and large.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. TABER. I have been asked a great many times by many Members to find out what was in this report with reference to Soil Conservation Service; the Great Plains program, the agricultural conservation program, and the conservation reserve soil bank. They appear on page 35. I think the membership should be told what is done for them at that point.

Mr. WHITTEN. The committee consolidated those various items. We did it for two reasons: The work administratively to a large degree is the same; that

is not true of the Soil Conservation Service, but in the other activities it is practically the same. We had 40 new soil conservation districts; we had this Great Plains program, and we had thousands of people, particularly in the Texas area where these disastrous floods have been happening in the last few days and weeks where the local people were ready to start with their share of money to expand work on watershed protection and flood prevention.

The committee felt that by consolidating the conservation reserve program with these other programs—and the report so expressed it—that by reason of giving them this large amount of money now that the Department would be able from the total funds to carry out the budgeted amounts for these programs where there was an increasing need. As I tried to say earlier, that is the one place and the only place where we have varied from sticking to this year's level; and in that instance by grouping all of these together, counting on the Department from the total fund to carry out this increasing need and meet the needs of this new program, at least to budget levels, we were able, as the gentleman from New York will recall, to cut the total some $133 million.

At the same time we expressed the hope that by proper handling in some of those areas where the needs are most acute, where the threat of flood is greatest, and where the local people had waited the longest and had their money ready, that the Department might step up that work from the total amount available even beyond the budget. In a way that is the course the committee followed.

Mr. TABER. There is no definite figure set.

Mr. WHITTEN. The report says that from the total amount the Department should be able to carry out the budgeted amount. We did not line item each of these programs but set out in our report directives as to the course to be followed.

Mr. TABER. Not for each one of the items, of course.

Mr. WHITTEN. They should be able to.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. ARENDS. Does the gentleman contemplate going to the legislative Committee on Agriculture of the House and attempt to convince them of the idea that something should be done?

Mr. WHITTEN. This report, as the gentleman will notice—may I say I have never written legislation on an appropriation bill yet that I did not clear with the leadership of the Agriculture Committee; and not only that but they advised me to do it. Not only that but I have also maintained in this committee that we were making a mistake in this acreage reserve.

But as we work with this thing on the Appropriations Committee year in and year out we see things that we think the membership both of the House and of the legislative committee at least should know about, at least that they should know what we think about them, and that is what we have done here.

May I say to the gentleman that I am working now on the fourth draft of a bill which I plan to introduce which will go to the legislative committee for whatever it is worth.

Mr. BROWN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I am sorry; I should have yielded to the gentleman earlier. Certainly I yield.

Mr. BROWN of Missouri. May I say to the gentleman from Mississippi that he has contributed a great deal of constructive thinking to legislative matters pertaining to agriculture particularly.

The only thing I disapprove of in connection with this appropriation we are being called upon to deal with today is the allusion by the gentleman from Indiana and other Members on the floor that the expansion of the soil bank is basically the same agricultural program that Mr. Benson inherited from the previous administration. It is a statistical fact that there are fewer farmers in the United States today than there were 4 years ago or even 3 years ago, or even 2 years ago; in my section of Missouri people have been driven from the farm in droves because they could not make a living. If that is true I ask why it takes 10,000 more employees to administer the same program with fewer farmers participating than it did? Here we are increasing the payroll. It cannot be explained by just saying that the soil bank and new activities explain it, because I would call attention to the committee's hearings and report in which they state that there are some 2,200 people involved in administering the soil-bank program.

Mr. WHITTEN. Will the gentleman permit me to interrupt him. It could be that the worst the situation gets the more people it takes to explain it.

Mr. BROWN of Missouri. To explain it but not to correct it.

Mr. WHITTEN. That is what we say.

Mr. BROWN of Missouri. Of the 4,656 new employees requested by the Department, only 600 of them will be working in the soil bank and the new activities of the Department. So it means 4,000 additional employees for old activities administered to fewer farmers in the United States.

Mr. WHITTEN. May I say that our general policy has been, and I repeat it again, with the exception of consolidating the soil activities so as to meet the increased needs with regard to soil, and I say this frankly, we have stuck to this year's level. We felt that was fair to the Secretary, we felt that was fair to the Department, we felt that was fair to the taxpayer. As a result we have a reduction of $272 million in this bill from the budget.

The CHAIRMAN. The gentleman from Mississippi has consumed 1 hour.

(By unanimous consent (at the request of Mr. WHITTEN) he was allowed to proceed for 5 additional minutes.)

Mr. COAD. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Iowa.

Mr. COAD. Could it be that the answer to the question asked by the gentleman from Missouri is that it takes more employees, or at least there are more being requested by the Department of Agriculture, and inasmuch as it has been stated that the farmers ought to leave the farm and go to the city for employment, they are showing up at Mr. Benson's doorstep?

Mr. WHITTEN. There are many answers. It is a problem.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Illinois.

Mr. SPRINGER. I have listened to the gentleman for all of the hour he has been speaking and I want to be sure I understand what he believes the basic philosophy ought to be to improve the farm program. As I get it, it is that we ought to guarantee prices and restrict acreage. Is that the general philosophy of the gentleman's argument?

Mr. WHITTEN. No; it is the opposite of that. I feel that of necessity since so many costs to the farmer are built into law you must give the farmer protection in price on his share of the domestic market. I think time has proven that we should not try to regulate his production by acreage.

Mr. SPRINGER. There should be no limitation on acreage?

Mr. WHITTEN. On acreage. We should limit how much of his production we support.

Mr. SPRINGER. Does the gentleman believe there ought to be a price support?

Mr. WHITTEN. I do, and may I repeat that again.

Mr. SPRINGER. How much should that be?

Mr. WHITTEN. I think he ought to have full parity on his share of the domestic market.

Mr. SPRINGER. Will the gentleman explain clearly what he means by his share of the domestic market?

Mr. WHITTEN. In the heat of discussion I may not have said there are some commodities where it would be difficult to do. I will offer the gentleman one suggestion. If I can point out the fallacies in the present policy and in the present law, I think I will have succeeded. If the gentleman offers a better answer I will buy his in a minute. But, in a nutshell, here is my point of view: You should issue to the farmers certificates for their share of the domestic market. You should see to it that the processor or the buyer should have certificates for whatever volume goes through his hands. If he bought from the farmer at the support price, he would thereby get a certificate for the farmer's share of the domestic market. If he bought beyond that he in turn might have to buy certificates from the Commodity Credit Corporation which means you would have in the nature of a processing tax to insure the farmer his fair return on his share of the domestic market. That would doubtless require a support program. But if a processor had to pay for the certificates or stamps that he bought beyond the domestic market amount he, in turn, would be compelled to pay the farmer a fair price.

In other words, the farmer should be guaranteed, by whatever mechanics you can work out, a fair return on that part of his production which is sold for domestic use, and he should be turned loose to produce for the world market whatever he might wish to. I do not see any other solution. In a nutshell, it is the domestic allotment plan. Now, this is my view. Other Members may have different views. Let us not get away from the fact that present policies have failed according to the record and according to the admission from the Secretary in our hearings.

Mr. SPRINGER. This is the gentleman's solution, what he said here in the last few minutes?

Mr. WHITTEN. That is the best I can conceive of, and I will meet with the gentleman as soon as debate is over and if he can offer me a better one, I will buy it. And, I know when the present one will not work, I could almost buy a pig in a poke, instead of leading down the same road we are following which shows a drop in the farmers' income of $2.5 billion in the last 4 years.

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Kansas.

Mr. AVERY. I want to make sure I understand the gentleman's explanation to the gentleman from Illinois on these soil and water items. As I understand, you have put those all into one general heading.

Mr. WHITTEN. That is right.

Mr. AVERY. And you have not made line items of any program except the acreage reserve?

Mr. WHITTEN. We have not, except that in our report we point out that from the total amount of money that is allotted, ample funds are provided to carry out these increased needs for those programs and we say they should have priority.

Mr. AVERY. Then will it be the prerogative of the Secretary to allocate funds among the various programs to the extent that he deems in the best public interest?

Mr. WHITTEN. No; only in line with the report which says that from the funds he should be able to meet these increasing needs spelled out in the budget.

Mr. AVERY. Is he expected now, as soon as the 1958 fiscal year begins, to allocate those funds among the various programs? I do not quite see how this is going to work unless we have some firm basis to start from. How are you going to allocate money among the various programs? Take the ACP, for instance.

Mr. WHITTEN. That is separate. There is $250 million for ACP, and we think it is sufficient.

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. WHITTEN. Now, we have provided for the gentleman's problem. Now, it could be that the House may change it.

Mr. AVERY. I am trying to understand it. I am not debating it.

Mr. WHITTEN. We have provided to meet this increasing need, and we did it the way we thought best.

Mr. AVERY. The gentleman referred back to this increasing need, and he referred to Texas, which we all understand. I presume you are referring to the whole upstream Flood Control Act. Is that correct?

Mr. WHITTEN. I repeat again that the committee report is a directive to the Department to carry out these programs, and I think if the Department listens to the committee, it will be done.

Mr. AVERY. It is a directive, but there is still some flexibility left within the Department, is that not correct?

Mr. WHITTEN. Not unless they wish to ignore the directive of the committee.

Mr. AVERY. I am confused, and I am further confused than when I asked the question. But, I will not use further time of the House.

Mr. WHITTEN. I regret that the gentleman ends up in that position.

Mr. AVERY. That is all right.

Mr. WHITTEN. But again I repeat, these programs have increasing and new needs, and the committee recognized that. We held everything else down to this year's level. By putting those programs, watershed protection, flood prevention, soil conservation, the Great Plains program, together with the conservation reserve, we were able to cut down the total amount of money for all of them, but we did say that with the money we provided that there were ample funds to carry out these programs to the amount which the budget requested. And, the Department cannot misunderstand that directive; I mean, I do not see how the Department could.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from North Carolina.

Mr. BONNER. I merely want to congratulate the gentleman from Mississippi on leading this splendid debate. This is the finest discussion I have ever heard on the agricultural problems in many, many years. I compliment the gentleman on his vast knowledge. It was of interest to all of us.

Mr. WHITTEN. I especially appreciate the kind remarks of my friend from North Carolina for he has always been interested in and worked for sound farm programs.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Iowa.

Mr. JENSEN. I just want to make sure that I understand a few things in the bill. Now, out of the $535 million for conservation operations, do we understand that $73,149,500 is for soil-conservation service?

Mr. WHITTEN. Does the gentleman wish that amount reduced?

Mr. JENSEN. That is, for the distract programs.

Mr. WHITTEN. May I repeat what I just said. Is the gentleman interested in this program? And, I know he is.

Mr. JENSEN. I certainly am.

Mr. WHITTEN. I just said that we have provided for that in our report.

Mr. JENSEN. I did not hear the gentleman. I am sorry.

Mr. WHITTEN. I just said that to my friend from Kansas.

Mr. JENSEN. Do we understand there is $25.5 million for watershed protection?

Mr. WHITTEN. I would repeat again what I just said, that the committee felt there were increasing needs in these fields, as evidenced by the budget. In regard to other items in the bill, we cut them down to this year's level. In an effort in these cases to let them expand to meet their needs, we pooled them into a total amount and said that from that fund the department shall do these things. If the gentleman wants to offer amendments to cut that down, he may do so. But we have tried to meet the problem.

Mr. JENSEN. I am certainly not going to offer amendments to cut down these important functions which I think are very necessary. I think this is the best money we spend in the whole agricultural program.

Mr. WHITTEN. I know my friend believes that, and I am in agreement that it is one of the most vital things in the bill. But everything in this bill is vital to some area. May I repeat that the committee has provided funds and said in the report that from the funds available, the committee felt it was possible to carry out the budget recommendations in these particular fields. I do not know how you can make it any plainer than that.

Mr. JENSEN. Is it a fact, then, that there is $73,149,500 in this bill for the Soil Conservation Service?

Mr. WHITTEN. We did not provide a line item on that in the bill. We did say that with the total amount that they had there were funds available for doing these things. That is all I can say.

Mr. JENSEN. Then the gentleman cannot say definitely that there is $25,500,000 in the bill for watershed protection?

Mr. WHITTEN. May I say to the gentleman that that is what we did say.

Mr. JENSEN. And $13,200,000 for flood prevention?

Mr. WHITTEN. From the total funds made available for the total program.

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. JENSEN. Mr. Chairman, I ask unanimous consent that the gentleman may be allowed to proceed for 5 minutes additional.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. JENSEN. If the gentleman will yield further, on page 24 of the report,

in reference to funds for the expansion of State-operated tree nurseries, the committee reports that the amount for this purpose during the coming year will be small.

How much of this appropriation that is included in this bill is for the expansion of State-operated tree nurseries?

Mr. WHITTEN. We did not put any monetary limitation on it. If the gentleman will read further in the report, he will see what we said. I do not find the place at the moment. We had a great deal of objection to the fact that the Government was going out and trying to give money to various States to produce seedlings where it was said plenty existed. We had many objections based on the fact that in many areas of the country the local nurseries had ample seedlings which they could sell at fair prices. We felt, in view of that showing, that the Department should survey the whole seedling production program and limit themselves to providing seedlings only in those areas where seedlings were not available by private enterprise at fair prices. That is as far as we could go. The gentleman will find that in the report. I wrote the paragraph in the report, and I know it is there.

Mr. JENSEN. Just one more question, if the gentleman will yield further. How much money has the committee allowed for transfer to States to cover their cost of production of tree seedlings?

Mr. WHITTEN. I have just stated that we have not set any amount. We have put that provision in the report, which the gentleman will find if he will read the full report. The gentleman understands we do not line item everything in the Department. We never have and there is no line item on it. We just say that the need does not exist to this large extent that they first thought it would. Therefore, in view of the fact that the showings to the committee were to the effect that in many areas of the country there were ample seedlings to meet the need available at fair prices, we directed the Department before carrying this on to survey the problem, limiting Government support for growth of seedlings to those areas where local nurserymen cannot meet the need at fair prices.

Mr. JENSEN. As I understand the report, there is $4.5 million to advance to the States certain costs that the States could not meet. How much of this item did the committee allow?

Mr. WHITTEN. We did not act on it as a separate item.

Mr. JENSEN. I am greatly concerned about these items because I do not want anybody in the Department to go playing around with soil-conservation funds, which we all know are very important, and transfer them possibly to some other department. Would it be possible for them to do that?

Mr. WHITTEN. What we did here, if I may say to the gentleman, was to help the cause that he espouses, and certainly not hurt it. I think they are much better off under what we did than they would have been had we done it any other way. The gentleman will just have to rely on what I have told him. I told him why we did it, what we meant, and what they can do about it.

Let me read from the report about this nursery issue:

> The budget included $5 million for transfer to the Forest Service for the expansion of State operated tree nurseries. In view of the reduction in the funds for the overall soil and water conservation activities, the amount for this purpose during the coming year will be small. The committee believes that adequate seedlings should be available for the conservation reserve program. However, in view of the slow rate at which landowners have signed up and the fact that in many areas adequate supplies are available at reasonable prices from nurserymen, the committee directs that the Department make a new survey of the need for such nurseries and limit Government support for growth of seedlings to those areas where local nurserymen cannot meet the need at reasonable prices.

I just do not know any more the committee could do.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. BROWN of Georgia. I want to congratulate the gentleman on the splendid statement he has made. I know of no one in this House who has done more and who has tried to do more for the farmer than the gentleman from Mississippi. I understand everybody on both sides of the aisle knows the plight of the farmer, and I believe everyone wants to help the farmer. I do not think this is a partisan question.

I have always been against the two-price system, but I think now it is the only solution we can have for the farmer. I believe the two-price system now would be the best thing we can find as an approach to help the farmer.

Mr. WHITTEN. I thank my friend from Georgia who has himself contributed so much to agriculture.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield myself such time as I may consume and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Chairman, from the observations that I have made during my 19 years in this great body I have discovered one thing: Both sides of this House are vitally interested in the welfare of agriculture. Neither side has a monopoly on the feeling that we should have as prosperous an agriculture as possible. The only dividing line between the half dozen different segments in this House is how to reach our common objective which is a prosperous agriculture. It is from that viewpoint that I approach personally the problems dealing with agriculture.

I should like to spend a few minutes in my opening remarks today in appealing to the urban Members, the big-city Members of the House, in an attempt to show them where their interest lies relative to this appropriation bill.

If I achieve that purpose in any small degree, I will be well repaid for my efforts. I do hope that we can consider this particular appropriation for agriculture upon its merits and upon its merits alone and try to hold down the controversy as much as possible. Let us try to do that. I believe by following such a course of action, we will get what we need in this great body—a final majority of opinion as to what is best for agriculture. It was a disappointment to me personally last spring to see nothing done in behalf of the million corn farmers in our great Nation. Sectional differences unfortunately arose in the debate. That points up the fact that it is only by doing the very best that we know how that we can arrive at a satisfactory, and, as I said, a majority opinion that will help us solve the problems relating to the greatest of our industries which to me is agriculture.

Mr. Chairman, we are presenting for consideration of the House the agriculture appropriation bill.

There are only a few of us in the Congress who are actually farmers ourselves, and the farm population has shrunk to the point that only about 1 out of 9 of our people live on farms today. We are a minority about whom few nonfarm people are seriously concerned. We are an abused minority accused of receiving many special privileges which we not only do not receive but which, if we did, would still leave us on the low rungs of the national economic ladder. We are a minority widely scattered throughout the land. If we were concentrated in a few States, I am sure there would be great clamor to improve our economic status, just as we have heard our neighbors from New England speak at length about the difficulties of the watch and textile industries. As it is, we see a low-income farmer living virtually next door to a high-income factory worker and we hear more complaint about the "high cost of food" than we do about the low income of that farmer.

Today, our situation is compounded. We are faced with an economy wave in the Congress, which in my personal opinion is long overdue, and we are also confronted with a greater lack of public understanding of the agricultural situation than I can recall in my almost 19 years in the Congress.

An editorial in the May 4 issue of the Wallace's Farmer, a Midwest farm publication, points up our problem. Let me read part of it to you:

> Ever since last January, when the new budget was unveiled, there has been an increasing outcry against farmers and farm programs. This outcry should have been answered, promptly and sharply, by Secretary Benson, but it wasn't.
>
> One day the Wall Street Journal suggested that the new budget would be used to "keep the price of food and fiber high." Yet 9 days before, a House Agriculture Subcommittee had shown that while retail food costs were up 16 percent since 10 years ago, prices paid to farmers had dropped 14 percent.

I am going to take a few minutes to explain the true relationships between this bill and our farm people.

The Midland Cooperator in an editorial dated May 6 aptly described the agriculture budget in the following terms:

> It covers everything from money which is loaned out—and repaid by farmers with interest—to grants from the Federal Government to help local schools and to feed hot lunches to children. There is little relationship between supports for farmers' income and many of the items in the budget—though each item has broad public benefits involved and benefits farmers as much as any other citizen.

USDA BUDGET INCLUDES NONFARM PROGRAMS

Let us run quickly through this bill and see how much of the proposed budget is primarily for the benefit of nonfarm people.

Take first the Agricultural Research Service for which the committee recommends $121,016,598. A major portion of that money will be devoted to research of great value to the general public. Look at the statement by the Administrator on page 380 of our hearings. He points out that insecticides and weed-killers developed by the Department are now used by most homeowners. Penicillin and streptomycin, wonder drugs which have saved countless lives, came from agricultural research. The program to eradicate brucellosis in dairy cattle protects the public from undulant fever. Development of mosquito and fly control measures protects the public from these pests.

Look at the item of $16,586,000 for meat inspection. There is not a dime's worth of subsidy to farmers in that program; it is for the sole benefit of consumers. If you look around, you can find meat without that USDA stamp on it, but you as a consumer want to see it on your steak or your roast for your own protection. This is another consumer program charged to the farm budget.

Then look at the $29,753,708 item for State experiment stations. This includes a wide range of home-economics research of value to every housewife in America. You will find the results of this research being followed in home-economics classes in every State in the Union, as well as in hospitals, public institutions, restaurants, etc.

EXTENSION SERVES GENERAL PUBLIC

There is an item of $58,621,540 for the Extension Service, and I would not be surprised if most of our colleagues thought: "Now there is a purely farm program for the exclusive benefit of farm people." Nothing could be further from the truth. Why, I understand that even the city of Baltimore has a home demonstration agent under this program and that she is one of the busiest women in Maryland working with city housewives on their homemaking problems. I have not seen any national statistics on the subject, but I have seen reports showing that in many, many areas the home demonstration agents actually devote a majority of their time to nonfarm women and the attendance of farm women at home demonstration meetings is definitely in the minority. Valuable publications on housekeeping, cooking, food processing, dressmaking, and a host of other subjects released by the Extension Service are much in demand in nonfarm households. Urban residents all over the Nation look to county agents for information on lawn care, gardening, and a variety of services. In many county offices of the Extension Service you will see every day more city dwellers coming in for advice and publications than you will ever see of farm people.

The extension service is rendering a monumental service to farm people, but it is also rendering a very large measure of service to nonfarm people and you should keep that in mind in the consideration of this item in our bill.

Appropriation of $129,476,600 is proposed for the Agricultural Marketing Service. From that designation you might assume that here was another purely farm item, but look closely at that figure. A round $100 million of that is for the school-lunch program, one of the most popular programs ever devised for the young people of this Nation. The whole purpose of that $100 million item is to help provide substantial, well-balanced school lunches for our children who represent the future of this Nation. Farmers benefit to the extent that their children participate, but in the main this is another purely nonfarm program.

Look at the balance of that overall item—does anyone think that is all for the sole benefit of farmers? It includes inspection of food to assure clean, sound, and wholesome products for human consumption. Do you think the USDA grading or inspection label on a can of tomatoes or sack of potatoes sells more farm output? Not at all, but that label is there for the protection of the consumer and it is there for his benefit. When you go into a grocery store and you see a store layout which is a marvel of efficiency, you see fresh fruits and vegetables in farm-fresh condition, and you see dairy products displayed under refrigeration, do you ever stop to think that most of this was accomplished by the Agricultural Marketing Service of the United States Department of Agriculture? Important research, costing millions of dollars, is going on right now in that Service and the results will be for the benefit of food processors, retail establishments, and consumers.

CONSERVATION BENEFITS EVERYBODY

Then there is a fairly large item of $535 million for conservation. I have made a number of speeches on this subject and I hope by now that every one of our colleagues realizes the critical importance of conserving our most valuable natural resources—soil and water. Let me give you just one simple illustration. In my Congressional district we have a hundred and fifty progressive villages and cities. Practically every one of them either has a water problem now or sees one coming.

Down in Nobles County we have the city of Worthington—the turkey capital of the world. It is a beautiful city with great processing plants for the finest turkeys and other poultry in the Nation. It is a modern city of forward-looking people, and it is growing so fast that I note great change every time I go home. But their one big problem is water. There is a beautiful lake within the city limits, but silt deposits are coming into the lake faster than a tremendous dredge working 24 hours a day can pump them out. Do you know where that silt is coming from? It is coming from the farms in that little watershed, and it is depriving the city of Worthington of a priceless source of water for domestic and industrial use. Soil Conservation Service technicians verify that application of good conservation practices on the surrounding farmland can solve this problem for the city.

There is not a city in the Nation which does not have a present or potential water problem. The source of supply is limited. It falls first upon the farm, range, and woodlands of the Nation and there it either seeps into the ground to form our underground supplies or it runs off into the streams, lakes, and rivers from which we draw water to meet our residential and industrial needs. There is not a living thing which does not depend upon water for life, and every citizen of this Nation has a vital interest in the soil and water conservation work going forward in the rural areas of our land.

FOOD BEST FOREIGN AID

The remaining large items in the bill are this $843,076,238 to reimburse CCC for various non-price-support programs, and the $1,239,788,671 to restore the capital impairment of the Commodity Credit Corporation. If anyone thinks I have at last come to a purely agricultural item, let me quickly disabuse your mind of that. Six hundred and thirty-seven million dollars of the eight hundred and forty-three million dollars represents shipments of agricultural commodities to other nations under the Public Law 480 program. We are wisely, in my judgment, making our surpluses available to hungry people in other lands. In so doing, I believe we are making more lasting friendships for the United States than with all the so-called foreign aid we could devise. However, this vast shipment of food to our friends abroad is for the advantage of all our people and the costs should not be properly charged to the farm program.

Time does not permit a detailed discussion of this question, Mr. Chairman, nor the citing of countless examples of programs for the primary benefit of nonfarm people in this agriculture appropriation bill. But let me once again remind my colleagues from the urban centers of this Nation that much of this expenditure is in behalf of their constituents.

To summarize, there is a $100 million for a public school lunch program. There is a $16,586,000 item for meat inspection for the consuming public. At least two-thirds of the money we are devoting to research is for the public good, and at least one-third of that for conservation. Add to that almost one-third of the money for CCC and you will surely see that this bill carries funds just as vital to nonfarm as to farm people.

The headline writers of the great newspapers of our Nation refer to this as the farm appropriation bill, but I would suggest that a more accurate designation would be to call it a bill to finance essential programs and services for the producers, processors, handlers, and consumers of agricultural commodities. In addition to that, we have the services and facilities for the manufacturers and distributors of equipment

and supplies necessary for farm operation.

Let us look at this bill in its true light, Mr. Chairman. Let us weigh the costs of these agricultural programs in the proper perspective of their actual value to all the American people. If we do that, then I am sure there will be no sectional attacks made on this bill by our colleagues from urban districts. This bill is important to every citizen in our land, and it is deserving of objective consideration.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Ohio.

Mr. VORYS. I want to congratulate the gentleman for explaining to those of us who represent predominantly urban districts the many details in which this bill is for the benefit of city folks as well as farmers. I want to say that I have a predominantly urban district, but I think I use for my constituents as many copies of Family Fare, the Agricultural Department's cookbook, as any Member here and I think I probably distribute my share of the so-called agricultural bulletins, which are of interest and of benefit to those in the cities as well as in rural areas.

Mr. H. CARL ANDERSEN. I thank the gentleman and may I say that through the years I have observed that the gentleman from Ohio has always been very broadminded in his outlook upon this particular type of legislation.

Mr. VORYS. There is one more comment I would like to make. While this so-called Agricultural Department bill carries benefits for everybody in the Republic, and not merely for the so-called farm bloc, yet there are other pieces of legislation that benefit agriculture although they have other purposes. The gentleman mentioned foreign aid. I want to remind the gentleman and our friends from the farm areas that the biggest farm surplus removal program in our history has been the $16 billion of surplus agricultural products distributed abroad through the foreign-aid program. It has had its benefit in aid to our security and in carrying out the other purposes of our mutual-security legislation. It has also been of enormous help to the American farmer.

Mr. H. CARL ANDERSEN. I thank the gentleman for his comments.

Mr. CHRISTOPHER. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Missouri.

Mr. CHRISTOPHER. I want to compliment the gentleman for a very nice statement. I have never heard a better one.

Mr. H. CARL ANDERSEN. I appreciate that.

Mr. CHRISTOPHER. I wish the gentleman would emphasize a little more before he leaves the floor the fact that when dried milk or any other commodity is withdrawn from the Commodity Credit Corporation to be used abroad or to be used in our school-lunch program or for our indigent people all over the United States, the Commodity Credit Corporation receives no credit for that withdrawal. It shows up as a loss and it is charged up in the newspapers and in the press of the country as a loss to supporting farm prices.

Mr. H. CARL ANDERSEN. The gentleman is absolutely correct. I do hope that the newspapers of this Nation will do their utmost in fairness to the farmers of America in putting the picture before the people of America as it really is. We of the farming areas are, of course, very glad to have the opportunity to be able to provide food which goes abroad to help us maintain friendships throughout the world. I reiterate that in my opinion, from what I have observed in the Near East, we can make more lasting friendships throughout the world by providing food for hungry stomachs, especially for the children of the people out there in the Near East. All through that region where they can utilize great quantities of food we can make for the people of America far more friends by doing that than by a good many of these programs which we have undertaken under the guise of foreign aid.

Mr. MATTHEWS. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Florida.

Mr. MATTHEWS. Mr. Chairman, I would like to thank the distinguished gentleman for the splendid statement he has made. I have not been a Member of Congress for so many years, but I want to say to the distinguished gentleman that I have always found him to be a very wise man in his understanding of the problems of agriculture. I would like to join my colleagues on both sides of the aisle in saying to him "Thank you for this very excellent statement."

Mr. H. CARL ANDERSEN. I thank the gentleman sincerely.

I would like to conclude, Mr. Chairman, by simply expressing the hope again that we can consider this bill today and tomorrow with a minimum of partisanship and make every possible effort to arrive at the proper solution. We all want to do what is best not only for agriculture but for the balance of the Nation.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Utah.

Mr. DIXON. I appreciate what the gentleman has said, especially in the interest of the farmers. We hear so much about the inefficiency of the farmer and that if he were efficient, he would not be in this situation. I just happened to run upon the facts that the distributors and the marketers of our farm commodities have increased their personnel costs 33 percent since 1940, and yet we have one-fourth less farmers than in 1940 and we are producing far more than we did at that time. In other words, does it not appear to the gentleman that the farmer really deserves a great amount of credit for his productivity and that his productivity and diligence are more than outstripping the productivity and diligence in some other fields?

Mr. H. CARL ANDERSEN. I agree entirely with the gentleman. The unfortunate part of the whole thing is that there is a price-cost squeeze now upon the farmer who produces the food for the Nation. The farmer is steadily—and the facts show it—receiving less and less for what he produces. On the other hand, he is paying more and more for everything that he buys; labor, machinery, and everything else, for the production of that same food. The farmer is now receiving only 40 cents out of every dollar spent for food in this Nation, whereas not too long ago he received 53 cents, and that spread, Doctor, is disturbing to me, because I do feel that it is upsetting the balance which we must maintain in this country between all segments of our economy. Farmers are getting short-changed and it is a national responsibility for us to correct that inequitable condition.

Mr. DIXON. I thank the gentleman.

Mr. NEAL. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from West Virginia.

Mr. NEAL. I certainly appreciate the gentleman's remarks, inasmuch as they give us an idea of the many avenues through which the farm program is reaching the people throughout the whole United States for their general good. I fully recognize that appropriations that tend to do this very thing, all of the appropriations that have been mentioned here, are thoroughly justified, but I understand from listening to the remarks of our friend from Mississippi, in the colloquy between the gentleman from Mississippi and the gentleman from Indiana, there was a very general admission that there is something wrong in the Department of Agriculture. Now, I wonder what that is. Is it appropriations, lack of appropriations, or what?

Mr. H. CARL ANDERSEN. Doctor, might I say, if you will permit, that I have urged as little controversy upon this particular bill as possible, and I leave to the gentleman from Indiana and the gentleman from Mississippi their respective opinions. I am just expressing my own. If the gentleman would like to ask me about my particular opinion on any part of this bill, I will be glad to give it to him.

Mr. NEAL. Then, let me ask the gentleman this question. We all feel very much inclined to do something for the little fellow; do we not?

Mr. H. CARL ANDERSEN. Absolutely.

Mr. NEAL. Both sides of the House.

Mr. H. CARL ANDERSEN. Yes.

Mr. NEAL. And we have heard that from time to time. The way that program is reacting now, from the standpoint of price supports, which evidently has a great deal to do with the problem that exists now in agriculture, we know that a large part of the productive farm problem—that is, supports—goes to about six major articles of farm production, and we know that those products are produced by perhaps 7 million of the 165 million or 170 million people in this country.

I wonder how we can justify subsidizing big farm producing agencies, whether individuals or corporate institutions, by supplying them with windfall

price supports and great profits at the expense of the taxpayer who has to pay to store that product in the storage places of the Nation and also at the expense, if you please, of the people who have to buy the product eventually.

Mr. H. CARL ANDERSEN. I think the gentleman has asked a question he would like me to answer and I shall answer it in this way. In the first place, price supports, if properly administered, are not a subsidy program. As I stated earlier in my address, there are probably 12 or more opinions in this House as to the best thing that should be done for agriculture. The gentleman has mentioned the little man. I commend him for that expression of concern. I have proposed in a bill on which I testified before the Committee on Agriculture this spring, a program which I consider to be in the best interest of agriculture with particular emphasis on the small producer. Personally I am not nearly as concerned with what happens to the very large producer as I am with what happens to the average, family-type farmer. I do think Congress through price supports—and I do not mean any 70 percent or 75 percent price supports, but 90 percent price supports—should take care of the average family-size farm production. That is my stand. I reiterate, my concern is for the family-type farmer. The big commercial operations are a different proposition, but I do think for the good of America and for the basic welfare of agriculture that we in the Congress should consider what is best for the average family-sized farmer and the farm programs should be written and administered in his behalf.

To accomplish that I have asked the Congress through the Committee on Agriculture to consider something along this line; that we guarantee 90 percent price supports on 4,000 bushels of corn; or to a producer of cotton on 25 bales of cotton; or to a producer of wheat on 3,000 bushels of wheat. I have suggested, and it is a matter of record, that as the urgently needed first step to restore agriculture to its proper economic position. That is my concept of what Congress should do.

Let us see what good effects would flow from protecting the family-size farm. We come again to the big producer in whom I have said I have less interest. I have a certain degree of interest in him. My primary interest is in the small fellow. But by putting an umbrella of 90-percent protection—I mean a good, solid umbrella so that it does not go below 90 percent of parity—we protect our agricultural economy. After all, parity is a fair figure. I am not asking for 100 percent of parity, as the gentleman from Mississippi [Mr. WHITTEN] has suggested. I am inclined to agree with him, but I think a realistic figure, a more workable figure so that the products are not sold to the Government in their entirety on this family-sized farm, would be 90 percent of parity. But let us come back again to the question as to what good this would do the average man, or the other farmer, including myself, who produces perhaps more than 4,000 bushels of corn. The fact that half a billion bushels of that corn produced in a crop of 3,400,000,000 bushels in this Nation is protected by a minimum of 90 percent support would mean that the corn that I produce above that 4,000 bushels on my farm would come up to perhaps 15 cents a bushel beneath that umbrella. We only have to protect a minor portion of the total crop to afford an important measure of protection to the whole farm economy. It would help the entire agricultural economy. I claim that the same will be true of the cotton situation, the tobacco situation, and the wheat situation. That, in a few words, is my conception of what we should try to do in the Congress of the United States, not only for the farmers of America, but for the good of our entire economy.

Mr. NEAL. Inasmuch as a large portion of the excess that is produced in this country is derived from the production of the big commercial farmers, and inasmuch as that production is stored away and there is so much excess, may that not be one of the prime factors that cause many of the people on the smaller farms to fail to remain on their farms and produce as they should? Does the gentleman not feel that after all this high price support system is doing the little farmer more harm than it is doing him good? Does not the record of the last several years since this program has been in operation show that increasingly year after year the small farmers are leaving their places of production and going to the urban areas for employment?

Mr. H. CARL ANDERSEN. I cannot agree that a moderate support, of 90 percent of parity, which we had for years on our basic farm commodities, did anything but good. I am at variance entirely with the Secretary of Agriculture because I conceive that the 90 percent of parity price support is not what has caused the trouble with agriculture. I cannot accept his dogma on that subject. I might answer the gentleman's question this way. I agree with Secretary Benson in his wish that agriculture be left as much freedom as is humanly possible from any governmental regulation. I certainly would not want to be party to saying to any group of our farmers, "You cannot have any protection whatsoever." I believe that all segments of agriculture would receive some benefit from the program I have in mind.

Mr. NEAL. The point I make is that our surpluses are due to high price supports.

That high commodity price supports determine the relative high costs to the consumer.

That stored surpluses produced by corporation farmers disarrange the family size farmer from attempting to compete with commercial farmers and therefore tends to leave the farm for urban employment leaving formerly prosperous rural communities thinly populated.

It is unreal to think rural communities can improve their lot when larger commercial farm product producers oversupply the market and pass the greater part of their products to the Federal Commodity Credit Corporation.

This entire program of high supports simply prospers a very small minority of the American population at the expense of a large majority who are compelled to pay the cost in their taxes and the prices they pay for farm commodities.

Mr. H. CARL ANDERSEN. May I suggest to the gentleman, and any others who have been led to believe that so-called high commodity price supports determine the high costs to the consumers, that closer study be made of the statistics of our agricultural economy. In the last 5 or 6 years, for example, farm income has dropped almost one-third. In that same period, the farm parity index has dropped from 113 percent of parity to 80 percent. Now, look at consumer prices. Did they go down proportionately? Not at all. They went up.

Today, while farm commodity prices are near their modern-time low, consumer food prices are near their high for the same period. These statistics are very revealing, and they reveal the fact that farm commodity prices do not at all control consumer prices. It is shocking, but true, that as producer prices were forced down the food industries between producers and consumers simply absorbed the difference.

One of the great regrets of all the arguments over farm programs is the fact that far too many conscientious people have been led to believe that so-called high farm prices mean higher consumer prices. If lower farm prices have not meant lower consumer prices, how can anyone say with certainty that the reverse would be true?

Finally, the index of consumer prices shows that food is still about the biggest bargain in the family budget. Last February, the food index was 113.6; the rent index was 134.2; transportation was 134.4; and other goods and services stood at 124. Consumers are getting a bargain in food, relatively speaking, with the consumer food index standing more than five points below the average for all items in the cost-of-living price index.

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Kansas.

Mr. AVERY. I want to compliment the gentleman on his expression of views on farm legislation. They are similar, at least, to a graduated parity bill I have had pending before the Congress ever since I have been a Member.

Mr. H. CARL ANDERSEN. I know the gentleman has had that bill pending.

Mr. AVERY. I cannot understand why the gentleman cannot get consideration for that type of legislation for the small farmer. You hear a lot of talk about it, but when you try to get action you cannot get a hearing before the committee.

To get to more tangible things, the gentleman pointed out things that were directed to the benefit of groups other than farm groups, specifically the home demonstration agencies and the county agents. Would the gentleman have any idea how much this bill could be reduced

if those amounts were assessed to the proper other Government agencies, such as Health, Education, and Welfare?

Mr. H. CARL ANDERSEN. I would not care to give the gentleman such an estimate for the simple reason that I would oppose any such reduction. I would not want to take away from the urban people any of the benefits which we on the farms obtain from those valuable programs.

Mr. AVERY. I would not want to take it away, but I just hate to see the Agriculture Department charged up with all these items that go to the benefit of other groups.

Mr. H. CARL ANDERSEN. The gentleman perhaps did not hear me previously, but I did state that there is at least $1 billion in this bill which redounds almost entirely to the benefit of urbanites.

Mr. AVERY. No; I did not hear that figure. That is the one I wanted to get pointed out.

Mr. H. CARL ANDERSEN. I thank the gentleman.

Mr. COAD. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Iowa.

Mr. COAD. First I should like to associate myself with the stand of courage that my friend from Minnesota has taken in opposition to that which has been the philosophy of Secretary of Agriculture Benson. I appreciate the gentleman's stand for the family farmer.

Mr. H. CARL ANDERSEN. Let me correct the gentleman just to a certain extent. I have always said as far as the Secretary of Agriculture is concerned that he is a man of the highest integrity, that he is a good administrator, that he has many splendid ideas in the field of agriculture such as extension, watershed protection, research, marketing, and soil conservation. My only point of real cleavage with him is on his ideas as to price supports. That is where I differ definitely with the Secretary of Agriculture.

Mr. COAD. I compliment the gentleman on his stand of courage.

May I refer to an Associated Press dispatch that was on the wire just a short time ago:

> Assistant Secretary of Agriculture Marvin L. McLain said today the administration-sponored flexible price support system was "oversold" because its weaknesses were not clearly foreseen.
>
> The basic philosophy of the system is a wrong philosophy.

I am sure the gentleman recognizes the fact that I have spent over half of my life on the farm. When it comes to farm situations, I will stand with anyone in trying to do that which is best for the farmer, and more especially the family farmer. I appreciate the gentleman's very fine remarks.

Mr. BREEDING. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield.

Mr. BREEDING. I would like to join with the gentleman and say that the gentleman from Minnesota [Mr. H. CARL ANDERSEN] has made a wonderful speech here today. I am from Kansas and I am heartily in agreement with what the gentleman has said.

Mr. WHITTEN. Mr. Chairman, I yield 15 minutes to the distinguished gentleman from Missouri, chairman of the Committee on Appropriations [Mr. CANNON].

Mr. CANNON. Mr. Chairman, one of the most persistent and most misleading propaganda campaigns ever waged is the effort to pressure the Congress into enacting the second Hoover Commission recommendations. I doubt whether there has been a day in the last 2 years in which the mail has not brought letters urging adoption of the Hoover recommendations. And since the receipt of the $72 billion budget, the total number received runs into the thousands.

Practically every metropolitan paper in the United States has carried editorials and syndicated columns giving the Commission reports and the extravagant claims made for them the widest circulation. There is a very active Citizens Committee for the Hoover Report, with affiliates in every State, which engages in all sorts of activity designed to stir the people to demand action. The people have been led to believe that literally billions of dollars can be saved annually and taxes reduced if only the recommendations were adopted.

The record of the Hoover Commission recommendations is interesting and affords some basis for assessing the validity of some of the highly advertised economy claims made for them and the immediate economies to be effected through their application.

THE FIRST HOOVER COMMISSION

Created by Congress in July 1947, the first Commission submitted its final report in May 1949. This first Commission concerned itself chiefly with the reorganization of departments and agencies and their relations with each other. Its proposals are described by the Commission as having been directed to "removing the roadblocks to more effective organization and to the reduction of expenditures."

Economy and efficiency was the overriding theme of the body of recommendations submitted and a number of the proposals were adopted, but with no significant savings or retrenchment. As the Director of the Budget stated in the hearings before the Committee on Appropriations of the House on January 24, 1957, when the effect of the Hoover Commission recommendations was under discussion in connection with the 1958 budget:

> It is absolutely impossible to prove a saving.

It might be said in this connection that numerous plans and systems are proposed at every session of Congress guaranteed by their proponents to save the Government fabulous sums. All of them are given a hearing and frequently one that seems to have some merit is given a tryout. I do not recall at this time any which have justified economy expectations. All too frequently they cost more than they save. The present Hoover Commission recommendations appear to be no exception to that rule. At least they have brought about no appreciable saving.

Instead of retrenchment and simplification, Federal spending trends have consistently increased since their approval, without apparent effect or influence resulting from adoption and application of the recommendations. It is difficult to imagine savings of the billions promised which could not be demonstrated.

Federal budgetary spending since the first Commission reported follows:

	Billions
1950	$39.6
1951 (war year)	44.1
1952 (war year)	65.4
1953 (war year)	74.3
1954	67.8
1955	64.6
1956	66.5
1957 estimate ($70.1, including highways)	68.9
1958 estimate ($73.6, including highways)	71.8

THE SECOND HOOVER COMMISSION

The second Commission was created by Congress in July 1953 and submitted its final report in June 1955. It was an expensive agency. It spent $2,848,534 and it employed as many as 525 personnel at one time.

The first Commission had been limited to reorganization suggestions but the second Commission, among other activities, was directed to include studies of policies of the Government and elimination of duplication and nonessential activities.

Quoting from the final report of the second commission—page 19:

> The primary purpose of the Commission was to recommend methods by which savings could be made in the expenditures of the agencies of the executive branch without injury to the security or welfare of the country.

In view of this primary purpose, as stated by the Commission itself, it has been somewhat surprising that the Commission carefully avoided enumeration of specific estimates of savings that might flow from its recommendations. That is the very thing it should have done. It was created to find ways to save tax money. That was its job; its duty. The Congress expected it to put a specific price tag on its recommendations. Why make a lot of recommendations unsupported by a showing of the savings to be had if they were adopted?

No, the Commission failed to do that.

But it did not hesitate to prominently list, under the heading "Possible Savings in Federal Expenditures," the savings estimated by its numerous task forces, running into billions of dollars, although it hastened to add that any total of such savings would be an overestimate. There would be some overlap in the several task force estimates, it said. Incidentally, the sum total of all the task force dollar estimates of savings is $8,565,100,000. But the Commission concluded on this note:

> In any event, with all such discounts, there are enough possible savings left to enable the balancing of the budget and reduction of taxes.

This is a sweeping statement of opinion, wholly unsupported by any data submitted by the Commission in any of its reports. The impressive savings suggested by the task forces and subsequently advertised have elicited widespread and continuing interest, with result that the public generally has accepted the figures as Commission estimates—even though the Commission pointedly failed to corroborate the figures. A comprehensive report issued recently by the Senate Committee on Government Operations—Report No. 95 of the 85th Congress, "Action by the 84th Congress on the Second Hoover Commission Reports"—includes this statement:

> While these documents prepared by the various study groups form the main basis for the Commission reports to the Congress, the Commission did not in all instances agree with the recommendations of its task forces, subcommittees, and study groups. Many of its recommendations are based upon the experience of the members of the Commission plus independent research by the Commission staff.
>
> Nor were the 12 members of the Commission themselves in complete agreement upon all 20 of the Commission reports. Most of the reports contain dissents, separate statements, or reservations by one or more of the Commissioners. These were directed usually not to a Commission report as a whole, but to specific recommendations therein.

So, contrary to widespread popular belief, the Commission was far from agreement as to the wisdom of some of these suggestions. And, of course, the Commission did not make any specific estimates of savings. But that has not deterred the dissemination of the wholly unsupported propaganda. The latest claim of savings having general circulation throughout the country is the sum of about $5.5 billion supposed to be obtainable if Congress adopts the remaining recommendations.

The extravagant economy claims and the propaganda promoting them are strikingly similar to those surrounding the recommendations of the first Hoover Commission. The situation became so confused and ridiculous at that time that the Senate Committee on Government Operations found it necessary to set the record straight. That is what I am undertaking to do as regards the second Hoover Commission claims to savings. The committee had this to say (p. 4, S. Rept. No. 4, 83d Cong., Jan. 9, 1953):

> Another aspect of the Hoover Commission reports, which has caused considerable confusion in the public mind because of its wide dissemination, involves the extravagant claims of tremendous monetary savings which would result from the full implementation of these reports. These estimates have varied from an ultraconservative figure of a few million to as much as $10 billion in annual savings. This committee has been unable to find any sound basis for the unsubstantiated estimates of savings claimed by some of the proponents. Even if all the Hoover Commission's recommendations had been found to be of practical application, these estimates are not based on facts, and are grossly unfair to the Congress. The American people have every right to expect the proponents of these reforms to be completely fair and reliable in their estimates. At the same time they have an equal right to expect their representatives in Congress to act with sound judgment regardless of the pressure brought to bear upon them by those who do not have full information as to their impact on the national welfare.

The second Hoover Commission and proponents of its recommendations have made equally extravagant and wholly unsupported claims. They are misleading, and the people have been misled.

ALLEGED $4 BILLION SAVINGS

Probably the most vociferous demands that the Congress take action have to do with changing the appropriations procedure to what the professionals call the accrued expenditure basis. This bookkeeping bonanza is the key feature of a series of suggestions originally carrying a $4 billion expenditure reduction tag—or about half of the combined total of all the specific savings listed by all the Commission task forces. As recently as February 4 of this year, former President Hoover, in urging adoption of this procedure, said:

> • • • there are savings estimated at over $3 billion to be had.

But when you disregard the unsupported conclusions and read the fine print of the Hoover Commission's final report, you will not find a single specific saving claimed by the Commission.

The Hoover Commission quoted from its task force as follows:

> The benefits which would result from improved financial management cannot be calculated with any degree of precision but we believe the resultant dollar savings could reasonably be expected to amount to $4 billion, which is approximately 8½ percent of the controllable budget expenditures.

Mr. Chairman, this is the gist of the matter. This is the genesis of all the public enthusiasm engendered by this fantastic claim. But it is as phony as a 3-dollar bill. It admits the savings "cannot be calculated with any degree of precision"; it merely professes a belief that savings could reasonably be expected to amount to $4 billion annually.

The Commission advanced a number of budget and accounting reform ideas. The Congress adopted some of these last year, but it rightly refused to adopt the key provision because it is the most impracticable and expensive of the lot. Perhaps no one, either in or out of Government, is today better qualified to pass judgment on the validity of this $4 billion claim than the present Director of the Budget, Mr. Brundage. His entire background has concerned accounting and budget matters. He occupies a key position in putting the Federal budget together—he is chief architect of the spending side of the budget, and he has endorsed the Commission recommendations. But what is Mr. Brundage's opinion as to the validity of claimed savings? Here is his opinion—and it is devastating. Here are quotes from hearings of the Committee on Appropriations on June 18, 1956:

> Mr. CANNON. I would be glad if the Director would tell us how they propose by this change in the budgetary system to make a saving of $4 billion annually.
>
> Mr. BRUNDAGE. The chairman of the task force, Mr. CANNON, said that he had estimated the $4 billion by taking 8½ percent of all the controllable expenditures per year and quite frankly I would rather not express an opinion on either the computation or how they got it.
>
> Mr. CANNON. That is what we are anxious to have you do. You know a saving of $4 billion annually is a very impressive objective. • • • I would like to know how you propose to save $4 billion by this change in the system.
>
> Mr. BRUNDAGE. I would not say we would save $4 billion in this way. I think it will save some money and give better control but I have never been willing to estimate what any savings would amount to. It is too intangible.
>
> Mr. CANNON. This idea has been sold to the country. I am getting letters asking "Why do you not adopt this plan and save $4 billion every year?"
>
> Mr. BRUNDAGE. I avoid mentioning any savings in any testimony or correspondence I have on the subject.
>
> Mr. CANNON. I am not differing with you. I am not objecting. I merely want more information on the subject.
>
> Mr. BRUNDAGE. I feel satisfied that we will save several million dollars.
>
> Mr. CANNON. Several million?
>
> Mr. BRUNDAGE. Yes.
>
> Mr. CANNON. There is a great difference between several million and the $4 billion advertised. The fact that you are satisfied does not necessarily satisfy us.

This testimony from an ardent supporter of the Hoover Commission report ought effectively to lay to rest the wholly absurd claim of savings of $4 billion. The Budget Director says he never has been willing to estimate any savings—it is too intangible. But even more persuasive is the view of the gentleman from New York [Mr. TABER] who, from long experience on the Committee on Appropriations, had no trouble in quickly and accurately sizing up the fallacious and preposterous dimensions of this proposition. He has unequivocably opposed the suggested change, perhaps not so much on account of the absurd claim of expenditure reduction but more because it would mean an automatic return to the use of contract authority, a procedure abandoned generally some years ago. The Congress found from hard experience that contract authority costs the taxpayers more money in the long run. In this respect, the present system is much to be preferred.

EXECUTIVE BRANCH ACCEPTANCE

From the constant deluge of mail coming to the Capitol each day, it apparently is not generally known that many of the Hoover Commission recommendations have been adopted by the executive branch and by the Congress. The President more than once has enthusiastically praised and endorsed the Commission's work. There is apparently an intensive and continuous program in the executive branch to accept and put into effect and to propose legislation where necessary on the great bulk of the proposals. In a progress report released by the White House October 15, 1956, the accompanying executive staff memorandum to the President contains this statement:

> It is already evident that the Hoover Commission has made a great contribution to

economy and efficiency in Government and that many of the recommendations contained in the report will, over a period, produce substantial savings.

Significantly, the memorandum points out that the Commission itself did not attempt to estimate savings. It does not supply any specific evidence to support the statement that economy and efficiency have resulted. Bearing in mind the primary purpose of the Commission, namely, "to recommend methods by which savings could be made in the expenditures of the agencies of the executive branch without injury to the security or welfare of the country," the ever-increasing budget spending trend leaves room for serious doubt as to the efficacy of many of the recommendations adopted and affords grounds for challenging the contention that economy and efficiency is already evident.

The October 15 report referred to above statistically shows the status of acceptance and implementation in the executive branch. Following is a condensed summary taken from that report.

Acceptance and implementation in executive branch

	Number	Percent
1. Status of acceptance:		
(a) Accepted entirely or with minor modification	189	30.4
(b) Accepted partially or as to basic objective	124	25.9
See 2 (below) on this total accepted	313	65.3
(c) Not accepted	57	11.9
Decided to date	370	77.2
(d) Not decided:		
(1) Decision contingent on future study or developments	33	6.9
(2) Still under review in White House	76	15.9
Grand total	479	100.0
2. Status of implementation of those accepted:		
(a) Implemented	70	22.4
(b) In process of implementation	123	39.3
(c) Implementation not yet started	91	29.1
(d) Legislative action still required	[1] 29	9.2
Total	313	100.0

[1] Executive branch has proposed and supported legislation on 22 of these.

Mr. Chairman, this is a revealing tabulation. The executive branch has implemented 22.4 percent of those it accepts; has in process of implementation 39.3 percent; and has accepted in substance but not started 29.1 percent. At that date, 57 recommendations had been rejected by the White House. Economy claims to the contrary notwithstanding, the President's budget for 1958, the highest in peacetime history, proposes to spend $3 billion more than in 1957; between five and six billion dollars more than 1956; and between seven and eight billion dollars more than 1955. Where are the claims of Hoover Commission "economies" adopted by the executive branch reflected in budget totals?

CONGRESSIONAL ACCEPTANCE

The 84th Congress enacted 36 laws, 2 House resolutions, and 1 Senate resolution which put into effect about 55, or about 33 percent, of the 167 recommendations identified by the Hoover Commission as requiring action by the Congress in order to be made effective. Here is a tabulation:

Bills implementing Commission reports which were enacted into law

SENATE BILLS

Bill No.	Public law	Title of bill	Commission report	Recommendation No.
S. 654	88	Extends program of direct loans to veterans for housing until July 25, 1957	Lending Agencies	9.
S. 890	660	Vests primary responsibility for water pollution projects in States	Water Resources and Power	1 (c) (in part).
S. 941	55	Facilitates liquidation of Federal Farm Mortgage Corporation	Lending Agencies	23 (in part).
S. 1371	705	Simplifies computing of fees charged executive agencies for use of the United States mail.	Paperwork Management, pt. I	1 (task force 15).
S. 2061	68	To increase the basic compensation of officers and employees in the field service of the Post Office Department.	Personnel and Civil Service	8 (b).
S. 2126	345	To extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes. (Sec. 109 makes the Home Loan Bank Board an independent agency.)	Lending Agencies	2.
S. 2127	268	To amend the Small Business Act of 1953. (Sec. 13 extends the Small Business Administration for 2 years.)	do	39 (b).
S. 2296	538	To amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with transportation of privately owned vehicles.	Transportation	7 (a) (b), 10.
S. 3430	941	To promote the progress of medicine and to advance the national health and welfare by creating a National Library of Medicine (in the Public Health Service).	Federal Medical Services	23 (in part).
S. 3481	828	To amend the Foreign Service Act of 1946, as amended, and for other purposes	Personnel and Civil Service	Task Force 3 (task force report, p. 137).
S. 3768	852	Includes the Department of Health, Education, and Welfare in sec. 158 of the Revised Statutes.	Legal Services and Procedure	31 and 32 (in part).
S. 3897	863	To improve governmental budgeting and accounting methods and procedures, and for other purposes.	Budget and Accounting	2, 4-7, 13, 14.
S. 3958	911	To improve the health of the people by assisting in increasing the number of adequately trained professional and practical nurses and professional public health personnel, and for other purposes.	Federal Medical Services	25 (b), 27; task force report, p. 75.
S. J. Res. 199	882	To authorize an additional position of Assistant Director in the Bureau of the Budget.	Budget and Accounting	10.
S. Res. 285		Provided for a study of the foreign aid program by the Senate Committee on Foreign Relations.	Overseas Economic Operations	1.

HOUSE BILLS

H. R. 2576	16	To further amend the Reorganization Act of 1949, as amended, so that such act will apply to reorganization plans transmitted to the Congress at any time before Apr. 1, 1958. (Amended to read "June 1, 1957.")	Progress Report	No specific number. (See p. 22 of Progress Report.)
H. R. 3322	61	To amend the Federal Property and Administrative Services Act of 1949 so as to improve the administration of the program for the utilization of surplus property for educational and public health purposes.	Surplus Property	8 (a) (d), 9.
H. R. 3338	232	Authorizes President to lease the Alaska Railroad to private interests for 55 years	Business Enterprises	13 (b).
H. R. 4941	22	To amend the Foreign Service Act of 1946, as amended, and for other purposes. (Task force recommended passage of "certain pending proposals to strengthen the Foreign Service.")	Personnel and Civil Service	Task Force 3 (task force report, p. 137).
H. R. 5100	83	Limits veterans' dental care to service-connected disabilities or conditions	Federal Medical Services	7.
H. R. 5168	347	Increases rate of retirement of Government capital in certain institutions operating under supervision of Federal Farm Credit System.	Lending agencies	22.
H. R. 6277	245	To amend subsec. 303 (c) of the Career Compensation Act of 1949 relating to transportation and storage of household goods of military personnel on permanent change of station.	Transportation Depot Utilization	2. Task force legal recommendation (b).
H. R. 6829	161	Authorizes headquarters for the Central Intelligence Agency	Intelligence Activities	1.
H. R. 7034	365	To provide permanent authority for the relief of certain disbursing officers, and for other purposes.	Budget and Accounting	19 (in part).
H. R. 7035	334	To amend sec. 1 of the act entitled "An Act to authorize relief of accountable officers of the Government, and for other purposes," approved Aug. 1, 1947 (61 Stat. 720).	do	19 (in part).
H. R. 7227	655	Authorizes donation of Government-owned surplus property for civil defense purposes.	Surplus Property	9.
H. R. 7619	854	To adjust the rates of compensation of the heads of the executive departments and of certain other officials of the Federal Government, and for other purposes.	Personnel and Civil Service; Business Organization, Department of Defense.	4.
			Research and Development	1.
H. R. 7855	971	Extended authority to negotiate the disposal of surplus property	Surplus Property	17.

Bills implementing Commission reports which were enacted into law—Continued

HOUSE BILLS—Continued

Bill No.	Public law	Title of bill	Commission report	Recommendation No.
H. R. 9428	497	To provide for procurement of medical and dental officers of the Army, Navy, Air Force, and Public Health Service, and for other purposes.	Federal Medical Services	4 (in spirit).
H. R. 9429	509	To provide medical care for dependents of members of the uniformed services, and for other purposes.	do	21.
H. R. 9593	798	To simplify accounting, facilitate the payment of obligations, and for other purposes.	Budget and Accounting	17, 18.
H. R. 10285	809	To merge production-credit corporations in Federal intermediate credit banks; to provide for retirement of Government capital in Federal intermediate credit banks; and for other purposes.	Lending Agencies	24, 25.
H. R. 10368	801	To amend the Civil Service Act of Jan. 16, 1883, so as to require that certain reports of the executive branch to Congress contain information pertaining to the number of civilian officers and employees required to carry out additional or expanded functions, and for other purposes.	Personnel and Civil Service	Task force report, p. 106.
H. R. 12138	814	Supplemental Appropriation Act, 1957. (Gives Bureau of Budget additional funds for salaries.)	Budget and Accounting	1.
H. J. Res. 157	304	Establishes the Commission on Government Security	Personnel and Civil Service	Task force report, p. 121.
H. J. Res. 256	182	Authorizes Federal grants for program of research on mental illness	Federal Medical Services	27 (in part).
H. J. Res. 607	608	Provides for the disposal of the Texas City tin smelter	Business Enterprises	17.
H. Res. 118		Authorizes the House Committee on Merchant Marine and Fisheries to investigate the necessity for continuing the Panama Railroad.	Transportation	18.
H. Res. 262		Resolution that the Committee on House Administration or any subcommittee thereof is authorized to conduct a full investigation and study of federally operated printing presses.	Paperwork Management, pt. I	General objectives.

Mr. Chairman, these bills have been enacted through bipartisan action. No politics is involved. But the unvarnished truth is that while these recommendations have been adopted—and perhaps some of them have merit—budget expenditures continue to climb. Up to this point, all Hoover Commission recommendations adopted have, so far as can be definitely ascertained, been without significant effect in reduction of the budget. And the much advertised $4 billion annual saving is, of course, an absurdity, a pure fabrication.

On October 15, 1956, the President stated:

> A number of the most important recommendations require Congressional action. With bipartisan support, a modest start was made at the last session of the Congress. I propose to transmit further specific legislative proposals to the next session of the Congress, and I am hopeful that these will receive the wholehearted bipartisan support which they merit.

As with all legislation, any Presidential proposals along these lines will be subject to recommendation by the legislative committees having jurisdiction. As to these, perhaps this paragraph from the statement of general dissent by one of the Commissioners sums up the situation:

> With their sensitivity to public issues, their varied experience in legislation, their party obligations and their public responsibilities as elected officials, the Members of Congress are better qualified to make policy judgments and to legislate for the national welfare than any 12-man commission.

Mr. HORAN. Mr. Chairman, I yield 20 minutes to the gentleman from Colorado [Mr. HILL].

Mr. CURTIS of Missouri. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Forty-eight Members are present, not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 72]

Allen, Ill.	Ashley	Barrett	Bowler	Holt	Powell
Anderson, Mont.	Ayres	Beamer	Boykin	Holtzman	Rains
	Barden	Belcher	Buckley	James	Rivers
			Cole	Kearney	Rodino
			Dawson, Ill.	Kelley, Pa.	Sadlak
			Dellay	Kilburn	Scherer
			Eberharter	McCormack	Smith, Va.
			Evins	Mack, Wash.	Spence
			Fallon	Madden	Stauffer
			Farbstein	Magnuson	Taylor
			Fogarty	May	Teague, Tex.
			Griffin	Metcalf	Teller
			Gross	Morano	Utt
			Gubser	Morrison	Wharton
			Gwinn	Murray	Wilson, Calif.
			Hays, Ohio	O'Neill	Wolverton
			Henderson	Passman	Zelenko
			Hillings	Patterson	
			Holifield	Pillion	

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. KILDAY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 7441, and finding itself without a quorum, he had directed the roll to be called when 354 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Colorado [Mr. HILL] is recognized.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I would like to announce to the Committee that, so far as this side is concerned, it is our intention to proceed with the debate, at the conclusion of which the bill will be read to the point where the first amendment to the bill is in order; at which time we will move that the Committee rise.

Mr. HILL. Mr. Chairman, this afternoon we have heard mentioned in general debate a letter from the Secretary of Agriculture, the Honorable Ezra Taft Benson. I thought it would be a good thing, and I am sure it is, if we all could get an accurate idea of what was in that letter, and I am going to take this time to read it.

Following is the text of the letter from Secretary of Agriculture Ezra Taft Benson to the Honorable JAMIE L. WHITTEN, chairman, Agriculture Subcommittee, House Committee on Appropriations, regarding a report on the 1958 agricultural appropriations bill:

> DEAR CONGRESSMAN WHITTEN: I have read with interest and disappointment the report issued by you on May 10 in behalf of the Committee on Appropriations of the House of Representatives regarding the 1958 appropriation for the Department of Agriculture and the Farm Credit Administration.
>
> I am sorry to see that what might be expected to be a factual document contains so much argumentative and sometimes misleading material. It is both disturbing and confusing also to observe the amalgamation of the appropriative and legislative processes within the report of the Appropriations Committee. The establishment of limitations on the soil bank in future years is an attempt to legislate on farm policy before the program has been given a fair opportunity to succeed.
>
> With two of the statements in the committee report I fully agree.
>
> First, I am glad to note that the committee states that changes in the farm program are needed. My letter of May 2 and the accompanying document which was submitted to Senator ELLENDER provide a detailed analysis and discussion of the inadequacies of the old basic features of present legislation which has acreage restrictions as one of its foundation stones.
>
> Second, I agree that acreage allotments have not controlled production.
>
> It is true that acreage controls can, to a degree, restrict the output of a particular crop. But controls have had little effect on total farm production.
>
> Last year, we had acreage controls in operation on all the basic crops. Yet total output reached an alltime record. Generally, when a farmer is restricted on acreage, he picks his best land, fertilizes heavily, uses modern methods, and increases the yield per acre. And he uses the acres taken out of one crop for the production of other crops.
>
> With modern technology, acres are no longer an effective limit on agricultural production. The technological revolution is the new dimension in farm policy. This process is irreversible. A hundred years ago, one farm worker in the United States fed himself and three others. Today he feeds himself and 20 others. The upward pressure of productivity has been going on for a long time but the revolutionary effects become explosive during World War II and have continued ever since.
>
> It might be possible to work out regulations which would be stiff enough to really control production. But the evidence of 25 years is that farmers do not want such

controls and the Congress will not enact them.

Controls have been watered down by law to such a point that they do not really control production. Even a cursory examination of the legal minimum acreage provisions for most of the basic crops reveals that these allotments will not overcome the effects of increasing production efficiency.

Even if controls worked properly for the allotment crops, which they do not, these allotment crops bring in only one-fourth of our farm income. Obviously we cannot control total production by controlling one-fourth of our output. This is particularly true since the law allows resources which are shifted out of the controlled crops to be used for the production of other crops.

I am glad to see in the report such fundamentally true statements as:

"The farmer, too, must have a fair return for his investment and his labor. However, he should have such a return from the market place instead of the Treasury.

"An entirely new legislative approach must be developed if the present conditions are to be corrected.

"Any new program which is finally adopted should let the farmer farm."

I was grateful also for the kind words of approval for the efforts of the Department in several fields.

There are a number of points in the committee report, however, with which I strongly disagree.

First, I cannot agree with the report when it attempts to attribute the lack of effectiveness of the 1956 soil bank to an inherent weakness of the program. It should be noted that the Secretary of Agriculture is required to administer laws as they are passed by the Congress. The Secretary of Agriculture does not write the legislation. Therefore, when this report states that there were very little results from the expenditures for the 1956 program, it must be borne in mind that the implementation of the soil bank program for 1956 was contrary to my expressed wishes. I pointed out in correspondence available to your committee that the passage of the Agricultural Act of 1956 was too late to result in any real accomplishments in 1956. It was at the insistence of the House conferees that provisions were inserted in the Agricultural Act of 1956 requiring that the Secretary operate to the best of his ability a soil bank program for 1956. The conferees' report recognized that very little in the way of results was expected for 1956. Any criticism of the operation of the Soil Bank Act for the 1956 year should be considered in the light of available history. The record on this matter is so clear that the failure of the Committee on Appropriations to recognize these facts is difficult to understand.

Second, the committee implies that farmers increased production as farm prices have fallen. This is directly contrary to the best economic thinking and to an analysis by the Congress, as reflected in the Agricultural Act of 1938, as amended. Under the legislative findings covering peanuts in section 357 of the above act, the following statements appear:

"As the quantity of peanuts marketed in the channels of interstate and foreign commerce increases above the quantity of peanuts needed for cleaning and shelling, the prices at which all peanuts are marketed are depressed to low levels. These low prices tend to cause the quantity of peanuts available for marketing in later years to be less than normal, which in turn tends to cause relatively high prices."

Available statistical evidence does not support the concept that if prices fall, farmers generally will increase their production. While we can agree that production has increased in recent years, we have every reason to believe that it would have increased even more if supports had been higher. In fact, increasing efficiency resulting in large part from advancing technology would have been further stimulated by higher prices.

It has been demonstrated that individual commodities respond more readily to the stimulus of price than does aggregate agricultural production. Certainly, during the war, higher price supports were designed to induce greater production. We know of no country in the world which has ever adopted a policy of reduced price support levels in order to stimulate production.

Third, the soil bank acreage reserve was recommended to the Congress as a temporary measure designed to reduce extremely burdensome carryover stocks of basic commodities. These tremendous carryovers had been developed through the operation of acreage allotments and previous rigid price support programs.

The House committee report says that they "have serious doubts that the program will reach its basic objective of reducing production—and would question it further if it did." This sounds like the committee is condemning it because they think it didn't work, but if it is successful, they will condemn it anyway. The Department cannot agree with this position. The soil bank program has received bipartisan support from all those who recognize that no program or group of programs can work effectively with tremendously burdensome surpluses bearing down on the entire price structure. It will be effective in reducing acreage and production of the designated basic crops in 1957, below what production would be in the absence of the program. The law makes a soil bank commitment to farmers through 1959. This commitment should be carried out.

In the second paragraph on page 26, the committee report says, "Since it is felt that complete elimination 'of the soil bank program' is a major policy decision which should be handled through regular legislative channels, the committee has moved in the direction of a gradual elimination of the program by reducing the appropriation for 1958 to $600 million and by reducing the size of the next year's program to $500 million." We believe this approach to be inconsistent.

The Department originally recommended an acreage reserve program for but 3 years, since we were cognizant of the impact on the whole agricultural community as well as on the actual farm operator.

If the soil bank were to be eliminated or severely restricted in its effectiveness, this should be done legislatively after appropriate consideration by the legislative committee rather than by a limitation put in an appropriation bill while retaining all the goals and objectives set forth in the basic legislation.

The statement in the report that the farmer has rented the poor part of his land to the Government is very likely true. However, the payment on that land has been in proportion to its productive capacity; i. e., 10 acres of 20-bushel land would cost the same and result in the same reduction in production as 20 acres of 10-bushel land. We pay for what we get in the way of reduction for the basic crop involved.

Fourth, I take exception to the statement on page 5 which refers to the rise in CCC holdings from $2.5 billion on January 1, 1953, to $9.2 billion on January 1, 1957. The report charges that "this is largely due to increased production generated by reduced price supports and reduced acreage."

This statement is not supported by fact. The records show that most of this backlog was acquired from December 31, 1952, to December 31, 1954, while the farmers were operating under the high rigid price supports then in the law. During that period total investments in price support commodities jumped from $2.5 billion to $7.2 billion—a figure only $1 billion below the $8.2 billion holdings on January 1, 1957, misleadingly referred to by the committee as "largely due" to reduced price supports.

Fifth, the statement on farm debt is misleading. It is true that total farm debt increased from $14.8 billion in 1952 to $18 billion in 1956, but it is also true that farm equities have gone up even more rapidly. Farmers' equities have, in fact, increased 41 percent during the past decade.

Land values are at an alltime high. Mortgage foreclosures are near the alltime low. Nearly 7 of every 10 farmers have no mortgage debt at all. Such facts are not reflected in the committee's statement.

I am calling these matters to your attention in the hope that you will make the necessary changes so that the permanent report will present a picture that is more nearly accurate and fair.

If you do not feel that you can make these changes, I urge you to make this letter a part of the record in connection with the proceedings regarding the Department's budget.

I shall comment separately on the implications of the committee's actions regarding budgetary provisions for the soil bank and other items in the Department's budget.

Sincerely yours,

EZRA TAFT BENSON,
Secretary.

The report of the Appropriations Committee that accompanies this bill, H. R. 7441, making appropriations for the Department of Agriculture for fiscal 1958, is a strange document. The action of the committee in reducing the appropriations for the Agriculture Department is a proper function of that committee and it is not my purpose to argue the merits or demerits of that action, although there are areas in which the committee has, in my opinion, made false economies.

I am disturbed by those portions of the report that deal with things other than direct budget items. Nearly half of this report purports to tell us what is wrong with our agricultural economy and by inference blames all the farmers' troubles on the Eisenhower administration and the present Secretary of Agriculture.

That the farmer is in difficulty no one denies. That something is wrong with our farm legislation no one denies. In fact, the report goes so far as to say that "Part of the trouble lies with the agricultural laws passed in 1933 which, except as to price-support levels, largely govern present farm programs." I would go further and say that all of our troubles stem from the agriculture laws passed in 1933 and 1938.

Paragraph after paragraph of the report points out that cutting United States acreage as a means of regulating United States production, and perhaps world production, will not work. Yet it was the legislation of the depression years of the 1930's that put such a program in effect. The idea of price supports as a means of controlling or increasing farmer income was written into the law in 1938. Since that time there have been few changes in the methods devised by the Congress in the 1930's to meet what was then an admitted emergency. We have compounded the errors of the thirties by attempting through patchwork legislation to make a go of programs that were never designed as long-range agricultural solutions. Our

troubles stem from legislation based on a horse-and-buggy era. Yet this report repeatedly refers to the past 4 years as though the present administration was completely to blame for all our troubles in agriculture.

While one may quarrel with some of Mr. Benson's administrative decisions, let us not forget that he must work within the legislative framework of programs passed by Congresses controlled by the party of the gentleman who wrote this report.

In its efforts to disassociate its authors from the results of past errors, the report labors mightily, but unconvincingly, to cast upon the present Secretary of Agriculture full blame for the current problems. The report fails to emphasize that the present situation flows from many years of erroneous farm policy. It fails to point out that the present surpluses were acquired under the program voted by preceding Congresses. It fails to point out that present costs of carrying and disposing of such surpluses are the inevitable consequence of the farm policies that Congress has changed in only minor respect since their enactment.

The report uses 1952 as a year for comparison. 1952 was a war year. We were asking, yes even demanding, that our farmers increase production. For example, we tossed out wheat acreage allotments and requested stepped-up production. These actions were not comparable to a peacetime period such as we have enjoyed since then. Why does the report not use 1939 or 1940 as a year of comparison?

The report suggests a new farm program. But the program they suggest appears to me to be suspiciously similar to the old domestic allotment plan that the legislative Committee on Agriculture has kicked around for the past 15 years. It would substitute for one failing program a new program that would involve even more comprehensive regulation and Government control than we now have and, in my judgment have less chance of success.

Mr. WHITTEN. Mr. Chairman, I yield myself such time as I may require to read to the Committee of the Whole a telegram which I sent in response to this letter which I received this morning. May I say to the membership that this letter to me was mimeographed and released to the press and distributed at the time I received the original draft. At that time I dispatched the following telegram to the Secretary:

MAY 14, 1957.

Hon. EZRA T. BENSON,
Secretary of Agriculture,
Washington, D. C.:

Your lengthy letter dated May 14 making comments on report by the Appropriations Committee on agricultural appropriation, which comes up today, has just been delivered to me by special messenger. The press advises you have released this letter to them.

I am pleased to have your agreement on much of the report and your comments differing with other matters in the committee report. You mention you are surprised at some statements in the report. Certainly after our questions and your answers of February 26, 1957, plus the records of the Department, I cannot see that you should be surprised. May I say the fact that you differ with some of the findings of the appropriations committee is not surprising to me. It is obvious that had you been in agreement with the views of the appropriations committee you would have no doubt changed the policies of the Department long since. You will recall that for 3 years we tried to get you to use your authority to sell competitively in world markets. When you finally did, it worked out surprisingly well, as you graciously said in our hearings of February 26. Then and later on April 16, when we pointed out to you what had happened to production and CCC investment during the period which you have been Secretary of Agriculture, we were pleased to see you recognize that time and developments have proven the unsoundness of many views which had been held by you and other departmental policymakers. I was glad to see that you later passed on to Senator ELLENDER and the Senate Appropriations Committee these acknowledgments which you made to our committee in our hearings on those dates. This gave me the most hope for an objective study of the farm situation I have had in a long time. I sincerely believe further study by yourself and others of the records within the Department will lead you to an awareness that we cannot regulate world production by merely cutting domestic production and, further, that the chief incentives to increased United States production are limitation on acreage and reduction in price. I know of no instance where the farmer loses income by reason of reduction in price that he does not try to make up the loss by increased production either in the acreage controlled commodity or some other.

As you well know, the Appropriations Committee has authority, which incidentally we did not use, to prohibit the use of any money for the acreage reserve part of the soil bank beyond present contracts, dependent of course, upon the approval of the Congress.

I regret that we cannot modify those places in our report where you differ with the findings of the Committee on Appropriations. I think it is significant that no minority report was filed by any member of the Appropriations Committee, either Republican or Democrat. I trust that on further study you will come around to seeing the soundness of the findings of our committee, which I assure you are based upon the records of your own Department. The committee report agrees that you inherited a bad situation so far as farm income is concerned. The point, however, is that after 4 years the farm situation is much worse.

I have tried in the report and in this telegram to hold this controversial issue as to the causes of the increasingly serious farm situation away from personalities. We give you full credit for sincerity and honesty of purpose and desire. As you said in the hearings, you and I will probably always argue the farm problem. I close with the hope that you will give more study to our report and the facts which support it.

Cordially,

JAMES L. WHITTEN,
Chairman, Subcommittee on Agricultural Appropriations.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Mississippi [Mr. SMITH].

Mr. SMITH of Mississippi. Mr. Chairman, I want to address myself briefly to two points in the committee report with which I strongly disagree. Before doing this, however, I would like to compliment the committee upon many other aspects of the report with which I strongly concur.

I think the report on the operation of the soil bank, for instance, makes the fallacies of this program very clear. If we continue to make the basis of the farm program a plan for paying farmers not to farm, many more wasteful scandals will result.

The domestic allotment program proposed by the committee, under the heading, "Suggestions for a New Farm Program," on page 7, may have some advantages for rather limited crops. I think it would be dangerous, however, if the domestic allotment program were adopted for some of our major commodities. This is particularly true in the case of cotton, the crop in which I am most interested.

Cotton farmers today seek more acres on which to produce their crops. Their markets are limited primarily because of the competition of synthetic fibers. Until the price of cotton becomes competitive domestically with synthetic fibers, farmers will have to contend with more and more cotton acreage reductions. With domestic production regularly reduced, cotton would soon become almost solely an export crop. It is not likely that the export market would be in any way stable or firm.

The proposal to restrict production in terms of bales or pounds instead of acreage would also strike directly at the heart of our traditional incentive system and would penalize energy and initiative and any type of progress toward greater productivity of labor. The overall plan would result in far more regimentation of the farmer than we have yet experienced.

The disadvantages of the domestic allotment program for the cotton farmer are apparent enough without dwelling upon the problem from the viewpoint of our cotton spinners. The plan presented by the committee would have a system of American mills buying in an artificially priced market to compete against American cotton sold abroad at perhaps incredibly low levels.

Any new type of program for cotton must have as a first objective the reduction in price in order to meet the competition of other fibers. If this price reduction must be accompanied by any type of Government subsidy, the subsidy should be in the direction of the consumer, and, consequently, benefit all segments of our economy.

I was very much surprised at the committee's comment on page 12 in regard to the Commission on the Increased Industrial Use of Agricultural Products. If there is anything that the American farmer needs today in order to increase his income, it is greater consumption of the products of his farm. An alarmingly small amount of farm products are today used in industry. If there is any one field of Government research of benefit to the farmer that should be expanded today, it is that of industrial usage for farm products.

Mr. WHITTEN. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection?

There was no objection.

PROPOSED DENIAL OF VA HOSPITAL FACILITIES TO NON-SERVICE-CONNECTED VETERANS

Mr. ROONEY. Mr. Chairman, I have been trying to get this time on the floor of the House today since high noon to bring to your attention another budgetary hassle which concerns the war veterans of Brooklyn and veterans throughout the United States.

On yesterday I entitled my remarks at page A3649 of the daily RECORD with regard to President Eisenhower's budgetary difficulties "That Mess in Washington." Now we have another one. Last night, here in Washington, I received a telephone call from the county commander of Brooklyn—Kings County Council of the Veterans of Foreign Wars—advising that an order emanated last week from the Washington office of the United States Veterans' Administration directing that from here on until the 1st of July no non-service-connected war veteran patients should be admitted to the Fort Hamilton Veterans' Administration Hospital. This caused utter consternation in veterans' ranks. If such a policy were to be pursued for any period of time this would mean that we would not have very many patients in our VA hospitals, because everyone knows that the preponderant number of the patients are non-service-connected war veterans.

The Veterans' Administration came up here on April 2 in connection with the third supplemental appropriation bill which passed the House a week ago today. They asked for $3 million by way of transfers and proposed to absorb $2,333,000 to cover certain wage-board increases which have to be paid. This House, without objection on the part of anyone, directed that the VA absorb $3 million and provided language at page 5 of the bill which in effect permitted use of $2,333,000 for this purpose. This means that they were asked to absorb 45 hundredths of 1 percent of the in-patient care money in their hands, the present total appropriation for in-patient care in these veterans' hospitals being $662,900,000. Whereupon, like the Postmaster General Summerfield fiasco with regard to the postal service to which the public is entitled, the Veterans' Administration, with this appropriation bill still waiting to be acted upon in the other body, sent out a dispatch under date of May 9, 1957, in which they directed that as a result of their version of the appropriations situation the managers of their various VA hospitals should, "(1) defer all equipment issues until after July 1"; "(2) defer all maintenance and repair work, including cancellation of contracts where this action will not result in a liability to the Government"; and "(3) not filling position vacancies created by attrition for the remainder of the fiscal year, 52 days." But "(4)", and I quote, "restricting admissions to priority groups 1–4 and emergent cases to the extent that this may be necessary to assure adequate patient care," was the one that caused my blood pressure to rise.

Priority groups 1 to 4—I shall read the details with regard to these four groups—consist entirely of service-connected patients.

These four priorities are as follows:

First. Service-connected disability for wartime veterans.

Second. Service-connected disability for peacetime veterans.

Third. Observation and examination in connection with disability compensation or pension.

Fourth. Service-connected veterans being treated in other than Veterans' Administration hospitals requesting transfer to Veterans' Administration hospitals.

At this point I shall read the directive issued by Dr. William S. Middleton, Chief Medical Director, from his office here in Washington under date of May 9, 1957:

Managers, All VA Hospitals, Centers (Except Denver), All VA Domiciliaries, and All Area Medical Directors:

Priority/medical increases granted wage board employees for fiscal year 1957 amount to $5½ million. Supplemental appropriations presently not available for payment of these wage board increases. Costs of wage board increases approved for payment through September 23, 1956, must be absorbed within current appropriations. Payment of wage board increases approved during period September 23, 1956, through July 1, 1957, must be deferred pending an overall appraisal of the methods of absorbing this additional cost within current appropriations. In view of this situation it is necessary to assess against current allocations for all activities supported from the inpatient care appropriation, such amounts as are necessary to provide funds for the payment of wage board increases. Accordingly, your fourth quarter 84–8500.001 01–13 allotment is decreased by 1 percent. Appropriate withdrawal documents will be issued. It is recognized that this is a serious problem which will require most stringent measures to assure continued operation of your station within the funds remaining since there are only 52 calendar days remaining in the fiscal year. It is within your discretion to determine what course of action will best solve this problem with the least harmful effect. However, to the extent necessary to accomplish this reduction, the following course of action is suggested: (1) Deferral of all the equipment issues until after July 1 by retaining delivered equipment in the warehouse and recording in general ledger temporary holding account 471462 and by cancellation of obligations for equipment established in accordance with paragraph 3B.04b of VA Manual MP-4, Part IV; (2) deferral of all maintenance and repair work including cancellation of contracts where this action will not result in a liability to the Government; (3) not filling position vacancies created by attrition for the remainder of the fiscal year; and (4) restricting admissions to priority groups 1–4 and emergent cases to the extent that this may be necessary to assure adequate patient care. It is essential that a deficiency situation does not exist at your station on June 30. Since $1,300,000 in addition to this assessment must be saved to cover the wage board increases approved for the period September 23, 1956, through July 1, 1957, your cooperation is requested in making such savings as are possible in addition to this assessment and reporting these savings to central office. Biweekly, each station will report the status of its progress in developing additional savings (142).

Signed and dispatched May 9, 1957.

WILLIAM S. MIDDLETON,
Chief Medical Director.

Then, after having pulled this boner and gotten all the war veterans and veterans' organizations in Brooklyn, N. Y.—and it is the largest community in the United States of war veterans—all excited about this, they sent out this wire on the following day:

Managers, All VA Hospitals, Centers (Except Denver), All VA Domiciliaries, and All Area Medical Directors:

Priority/Medical Remytel May 9 concerning budgetary adjustments, it is intended that the application of the suggested course of action will be in the priority as listed. Should the restriction of admissions, item (4) be required in order to meet the reduction in funds, you will advise this office prior to applying the restrictions (142).

Signed and dispatched May 10, 1957.

WILLIAM S. MIDDLETON,
Chief Medical Director.

My question is whether this is another example of an attempt to pressure the Congress with regard to appropriations such as Mr. Postmaster General Summerfield tried.

Is it possible that 45 hundredths of 1 percent of a $662,900,000 appropriation cannot be absorbed?

There is only one answer to it.

The war veteran is entitled to the hospital care that the law says he is entitled to, and if the Veterans' Administration and President Eisenhower's administration cannot furnish this care in the same manner in which it has been furnished heretofore, the public ought to know about it.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield 25 minutes to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, before proceeding with my talk with reference to the farm problem I might suggest that since the gentleman who just spoke has a very solid Democratic majority it would seem they ought to be able to take care of the matter of which he complains.

Now, Mr. Chairman, I shall not go into much detail with reference to the various items in this bill, because they have been very thoroughly explored by former speakers. May I say that we did reduce the bill for the regular activities about $1,610,000,000, and we did appropriate or authorize for REA and all those other organizations that pay their money back, and we did take care of the school-lunch fund, and we did try to cut the regular activities back to about the 1947 level, yet at the same time we met certain other needs including the retirement fund of something over $19 million.

Mr. BECKER. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from New York.

Mr. BECKER. A statement was just made on the floor of the House by the gentleman from New York [Mr. ROONEY] with reference to a directive of the Veterans' Administration affecting veterans' facilities in Brooklyn and others elsewhere.

I took occasion when the gentleman finished to call Director Kruger. The statement the gentleman from New York gave was not completely accurate. I think perhaps he ought to get a copy of the directive or order and he will find it different. Perhaps tomorrow a copy

of the order that was issued should be placed in the RECORD.

Mr. ROONEY. Mr. Chairman, will the gentleman from Illinois yield at this point so that I may briefly answer the gentleman from New York [Mr. BECKER]?

Mr. VURSELL. I will yield very briefly.

Mr. ROONEY. I say to my distinguished friend from New York that I have already inserted in the RECORD a copy of both directives, the one that went out on the 9th of May and the one following that on the 10th of May.

Mr. BECKER. Dr. Kruger informs me that the directive is not being enforced because they were not ordered to refuse nondisabled veterans.

Mr. VURSELL. Mr. Chairman, we are discussing a very serious department of this Government, so far as its funds and policies are concerned. What we do in the future, I hope, will be better than what we have done in the past. We have seen so much gloom spread on the floor of this House today about the deplorable condition of the farmers and of agriculture generally that probably a statement of fresh, stern facts might be in order at this time. That is my purpose in giving some facts today to the House.

I feel that our committee went about as far as we could, or should, go in reducing the annual appropriations for the bill before us to $1,610,024,848 for the regular activities of the Department, which include $19,399,515 for retirement-fund contributions.

Actually, the sum appropriated is $403,738,260 less than the $2,013,403,108 available for expenditure in the present fiscal year. It is, in fact, $272,556,860 less than was recommended in the budget, and is a reduction of 14½ percent for these activities; in fact, outside of the soil bank and the soil- and water-conservation programs, we have just about reduced the budget request for these activities to the 1957 level.

We have included in the bill an appropriation in the sum of $1,239,788,671 to restore capital impairment of the CCC through June 30, 1956, under its price-support activities. A large part of this amount is for storage, handling, transportation, administrative and interest costs, and the balance represents price-support losses on commodities sold by the Corporation.

The bill also provides $843,076,238 to reimburse the CCC for money expended in the fiscal year 1956 for various non-price-support programs under special legislative directives. Were these items added, the bill carries a total, appropriationwise, of $3,692,889,757. Of course, authorizations are carried in the bill for Rural Electrification Administration and Farmers' Home Administration. These amounts are merely authorized for loans which are eventually paid to the Treasury with interest.

Although holding back the appropriations to the 1957 level plus funds to meet the mandatory retirement contributions, the committee has not eliminated, or denied, any part of the new program requested in the 1958 budget.

Mr. Chairman, we have heard so much today about the dire conditions of agriculture that it might be a good idea to have a few facts.

While we all admit that agriculture has had a rather difficult time over the past several years, with the transition from war to peace, I think the facts will show that agriculture has come through its most difficult time.

We all know that after World War II was over, the price of farm products started down in 1948 and fell rapidly—reaching an alltime low in December 1955.

Since that time, farm prices have slowly but steadily advanced, and as of March 1956 were up 4 percent, and the further increase in farmers' net income in 1957 over 1956 is expected to be 4 percent, or better, which will reach an increase of 8 percent or better, for 1957.

There is every reason to believe that farm income will continue to rise in the years ahead. I say this because demand for farm products is running stronger than last year, with over 60 million people employed and business expanding, consumer income is still gaining—promising stronger demand for meats, dairy, poultry, and other farm products.

Reduced plantings, mainly because of the soil bank, are likely to cut crop output this year. The placing of over 21 million acres in the soil-bank acreage reserve will play a significant part in cutback of production. Crop acreage planted this year may be the lowest in 40 years. This estimate is based on a March 1 survey of farmers' planting plans for 16 crops.

STATUS OF COMMODITY CREDIT CORPORATION

Secretary Benson, who appeared recently before our committee, testified as follows:

During the fiscal year, the Commodity Credit Corporation has made price-support loans totaling $2¼ billion through February 28, 1957, compared with $2.8 billion through the same dates last year—a comparative reduction in support loans of $550 million. That is a move in the right direction toward lower surpluses.

INVENTORY

It is important to note, that the upward rise of the inventory of the surplus commodities in the CCC has been halted through aggressive sales and other disposals of surplus commodities.

During the first 8 months of this fiscal year the value of inventories moved out of the CCC reached $2.7 billion. Secretary Benson testified before our committee that by June 30, the end of the current fiscal year, it is estimated CCC will own surplus commodities valued at $5½ billion, a reduction of over $400 million from the beginning of the fiscal year. He says we expect this trend to continue until next year—with further reduction in the Corporation's holdings.

Testimony before our committee showed that CCC managed to raise its sales and other disposals in fiscal year 1956 to an all-time peacetime high of $2,723,000,000, and they expect that 1957 figures will reach a still higher total of $3,976,000,000.

It is important to note that sales on the world market and other disposals, even on so large a scale as this have been accomplished in peacetime without disrupting market prices at home or abroad.

It is also important to note that from July 1, 1953, to February 28, 1957, 61 percent of CCC stock sales have been made for dollars. Another 12 percent was in the form of donations; 11 percent in barter; 7 percent in other transfers and section 32 sales; and 9 percent in sales for foreign currency.

Since January 1, 1956, in sales of cotton for export, handled on a competitive bid basis, CCC disposed of 9,297,339 bales up to April 2. Eighty percent of these transactions were for dollars.

EXPORTS

Farmers have a right to be encouraged by the fact that agriculture exports as a whole have been setting new value and quantity records. During the first 8 months of fiscal 1957, farm exports increased 48 percent in value and 53 percent in quantity over the same period a year earlier. At this rate, total value of farm exports for all of 1956–57 should reach the all-time high of almost $4.5 billion, or an increase of about $1 billion over last fiscal year. Chief gains this year have been cotton—up 355 percent; grains and feed up 46 percent; vegetables, oils, and oilseed up 29 percent; fruits and vegetables up 20 percent.

Our export trade, now the highest in 30 years, will continue to increase because of the awakening of the people worldwide, who are demanding a higher standard of living.

This is no time to falter, or turn back from the sound policies we have adopted, after we have weathered the worst of the economic farm-price squeeze, and for over a year have been slowly but surely on the upgrade to a long and sustained prosperity for the farmers.

We tried high-price supports, which failed utterly, after both World War II and the Korean war, to hold prices up and protect the farmer, with the result that the mountain of surpluses and the billions of dollars spent in that losing fight continued to force farm prices downward from 1948 to 1955.

There are three factors in the policy we are now following that offer the greatest hope for the permanent solution of our farm troubles.

The key policy is the application of the soil bank, that this year will take over 21 million acres of productive land out of production in the acreage-reserve program.

The second factor that has done so much to continue a strong market for the grains and basic commodities is our widening of export markets, which will continue to increase in volume.

The third factor, since 90 percent of our farm products are consumed in the domestic market, is our continued prosperity, which guarantees greater demand and greater consumption of farm products.

These three factors added to our population increase of some 3 million people a year, are sound policies that give the farmer the greatest guaranty of increasing and sustaining his prosperity.

I would like to quote some statements from the May 1957 Farm Journal, which publication, I am sure, comes to every Congressman's desk: "Cash in on the hog prices just ahead. Look for hog prices to look up in June. Hogs are real moneymakers at present corn prices. Top out cattle and ship to market. Cattle prices have done well for this time of year. There are quite a few fed cattle yet to be sold. Summer prices will go up again. Busy market for stock cattle is not likely to ease off soon. Soybean prices may rise in May." May I say that all farmers know that this billion-dollar soybean crop the past 2 years has sold at prices that were most profitable.

Continuing to quote from the Farm Journal:

> Corn prices may not be as low as expected this fall. The soil bank has taken up more than 4.5 million acres, and farmers intend to plant 5 percent less than last year.

And as proof that the farmers are doing pretty well, I quote again from the Farm Journal, and this is strong evidence:

> Land prices show no signs of slackening off. Latest report shows values went up 2 percent in only 4 months' time. Farmers are competing for land to increase the size of their farms.

Now let me give you some facts on the great agricultural State of Illinois, whose gross value of farm products last year was $2,092,000,000. From the newspapers of Illinois Tuesday, May 9, 1957, here are the headlines: "Illinois Farms Average $31 Per Acre Net" and "Illinois Farmers Net During 1956 Highest Since 1951."

That was the year when the Korean war was at its height under the Truman administration, when we had a war inflation of 14 percent in prices. Today we have the following story taken from an Illinois newspaper:

> A farm record summary just completed by the University of Illinois, Department of Agricultural Economics, shows that Illinois farmers' 1956 earnings were the highest since 1951. Mr. A. G. Mueller, in charge of summarizing farm records, explains that record high corn, soybeans, and wheat yields and improved cattle and hog prices were largely responsible for this increase.

This same condition prevails in many States throughout the commercial corn area.

I venture the assertion that very few Congressmen are receiving letters today from the farmers complaining of their economic conditions. They are getting letters from farmers urging them to reduce governmental expense and to reduce taxes.

I do not mean to infer that the farmer is yet getting his full share of prosperity; however, I do believe that a great majority of the farmers have confidence in the Secretary of Agriculture, Mr. Benson, and his administration in the support of the soil bank, and his success in reducing farm surpluses—which surpluses the farmers know have been depressing farm prices—and with our policy of increasing exports which will help to increase the general prosperity of the farm people.

Now, Mr. Chairman, I understand an amendment may be offered to exclude the soil bank appropriation for $500 million in this bill for acreage reserve for the 1958 farm crop.

I know of no move that could be taken that would be more detrimental to the entire structure of agriculture if such an amendment should be approved. It would show irresponsibility on the part of the Congress. It would add confusion to and discourage the hope of the farmers that has been built up, and tend to depress farm prices, and might greatly slow down the recovery of farm prices which have been continuing upward for the second year.

The Agricultural Legislative Act has authorized $750 million for the acreage reserve for 1958. A majority of the committee went too far in cutting back the budget request for $750 million for 1958 to $500 million. Ample appropriations should be made so that the farmers will know far enough ahead so that they may plant the amount of acreage they desire to put in acreage reserve for the 1958 crop.

I have been in touch this morning with the policy official here in Washington, speaking for the great American Farm Bureau Federation, with a membership of 1,600,000 farmers who authorized me to state that they were adamantly opposed to any amendment that would reduce or strike out of the budget the soil bank funds for 1958 crops that were authorized in the basic legislative act—in fact, they told me they felt that the billion dollars authorized in the act for 1958 should be approved, which covers both acreage reserve and conservation reserve, leaving it largely to the Secretary of Agriculture the allocation of the funds between acreage reserve and conservation reserve—both provided for in the Soil Bank Act.

Mr. Chairman, while I have great respect and esteem for our chairman [Mr. WHITTEN], I confess that I cannot agree with the general tenor of the committee report he edited, the verbiage of which, in several instances, goes too far in trying to prove that the policies of the Secretary of Agriculture over the past 4 years have failed. I am disappointed as well in his criticism of the initiating of the soil bank.

Now, Mr. Chairman, since Mr. WHITTEN in his report goes to great length to make out a case that the policies of this administration and Secretary Benson, with reference to the farm policy, has failed, let us look at the record of his party in the past, where we will find the real cause that plunged the farmers into the price squeeze inherited by this administration in January 1953.

He and his party then, and many of its members up to the present time favored crop controls, and a rigid 90 percent of parity, and, in fact, kept that policy on the statute books up to the farm crop of 1955, when we finally succeeded, over his and their opposition, by adopting flexible price supports from 82½ percent to 90 percent.

They refused to lower the 90 percent wartime parity support price that was passed, in order to increase production of food to win the war. When the war was over, they continued this same incentive for greater production.

Surpluses piled up, and farm prices began to drop in 1948 from a parity index as of January 1948 of 118 to 96 percent in 1952. Farm prices declined 22 percent under the last 4 years of the Truman administration. They continued to decline under the Eisenhower administration to 80 percent of parity in 1955. They have started up, and are now a little over 81 percent.

These figures show that there was a 22 percent drop in farm prices during the 4 years of the Truman administration, and during the 5 years of the Eisenhower administration, with parity now at 81 percent, they have dropped 14 points under the present administration.

Mr. Chairman, let me point this out: The farmers not only got into this depression under the 4 years of the Truman administration, but, in addition, the farmers and all of the people were penalized by an inflationary rise in the cost of living of 14 percent. Under the Truman administration, farm prices dropped 22 percent, and the cost of the things the farmers and all people had to buy went up 14 percent.

By comparison, under the 4 years of the Eisenhower administration, inflation has only increased 4 percent, and we have stopped the decline in farm prices, and farm prices have risen 4 percent in 1956, and will have risen 8 percent by the end of this year.

AND THAT'S NOT ALL

Under the Truman administration, or should I say the Truman-CIO-Walter Reuther administration, the farmers were hit a staggering blow, which I shall relate as follows:

The CIO used its power to increase prices throughout the industries manufacturing farm implements, with threats of one strike after another until they increased the wages of those in the industries manufacturing farm machinery by 37½ percent, from 1948 to 1952, while the farmers' income at the same time was dropping 22 percent, and because of their domineering political equity in the Democrat Party, and because of the cooperation of President Truman, the CIO pulled the big steel strike, with Reuther having the understanding with President Truman that he would not invoke the Taft-Hartley Act, which gave them the green light in the steel strike with the result that Truman did not invoke the Taft-Hartley Act to prevent the strike, but unlawfully seized the steel industry of the Nation, and held it until the Supreme Court made him turn it back.

This was the severe blow which struck the farmers, and every citizen of the Nation, because with the cooperation of the President, they won the strike which resulted in an increase in steel for which the farmers, and all of us, are still paying today.

Let me quote a table of figures taken from the records of the Bureau of Labor Statistics that will prove that under the Truman Administration very largely because of his collusion with the CIO that

a cost of $4 billion a year was added to the farmers of America:

[In billions]

	Gross farm income	Net farm income	Farm production expense
1948	$34.6	$15.9	$18.7
1949	31.6	13.7	17.9
1950	32.1	12.9	19.2
1951	37.1	14.8	22.3
1952	36.9	14.1	22.8
1956	34.0	11.8	22.2

You will note from the above table that it cost $22.8 billion for the farmers to put in and harvest their crops in 1952 as against $18.7 billion in 1948, or an increase of $4.1 billion.

Farmers will remember that by the end of 1952 farm machinery had risen over 33⅓ percent, while wages in the factories making farm machinery had risen 37½ percent, and while farm prices had dropped 22 percent and net income had dropped accordingly.

This is only a part of the past Democrat record that penalized the farmers of the Nation, and the citizens generally, and fastened billions of dollars of extra cost upon them which, through inflation and otherwise, had driven the purchasing power of the dollar down to about 52 cents.

Mr. Chairman, I am glad this question has been raised, so that the facts can, by comparison of the records, be brought out.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Mississippi.

Mr. WHITTEN. If the gentleman feels it is all right for him to point out that all this was caused by the Democrats, is it improper for me to point out that the past 4 years have not brought any improvement?

Mr. VURSELL. We will see about that. It was not all caused by the Democrats. No; that is right.

Mr. WHITTEN. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. NATCHER].

Mr. NATCHER. Mr. Chairman, the Subcommittee on Agriculture of the Appropriations Committee once again brings to the floor of the House for your approval the annual appropriation bill for the Department of Agriculture.

It is an honor to be a member of the Subcommittee on Agricultural Appropriations. Our chairman, the distinguished gentleman from Mississippi [Mr. WHITTEN] is one of the great Members of the House. It has been a pleasure serving on this subcommittee with such outstanding Members as the distinguished gentleman from Minnesota [Mr. MARSHALL], the distinguished gentleman from Minnesota [Mr. H. CARL ANDERSEN], the distinguished gentleman from Washington [Mr. HORAN], and the distinguished gentleman from Illinois [Mr. VURSELL].

We are fortunate to have as our executive secretary, Ross P. Pope.

NINETEEN HUNDRED AND FIFTY-EIGHT BUDGET

Shortly after the President's budget message was presented to Congress, I began receiving hundreds of letters and telegrams demanding that this record peacetime budget of $71,800,000,000 be reduced. Since I have been a member of the Committee on Appropriations I have never received as many letters from my home State and the other States of our Union. In order to reduce taxes we must cut expenditures. A reduction of at least $3 billion must be accomplished before a tax cut is feasible. A sensible reduction of this budget is our only logical recourse. I advocate an item by item analysis so that, when cuts are made, national defense and national welfare will be left unimpaired. Our move for economy is encumbered by many obligations authorized by preceding Congresses. Permanent reductions are difficult to make because the service has been previously ordered. There are three basic causes which may be attributed to the increase in Government expenditures. First, the value of the dollar has decreased 20 percent in the last 10 years. Next, the annual appropriation for national defense has practically tripled since 1949. Finally, the costs of domestic services rendered by the Government to promote national welfare have been augmented considerably. In 1949 we expended $11,500,000,000 for military purposes—today we are called upon to appropriate $33 billion. Appropriations for atomic energy have gone from $600 million to $2,300,000,000. The interest rate on the national debt has been increased from $5,400,000,000 in 1949 to a proposed $7,400,000,000 in 1958. Our national debt now amounts to $275 billion which is equal to the assessed value of all tangible property in the United States, and is greater than the combined national debt of all the rest of the countries of the world. This budget must be reduced, and in considering the requests for 1958 for agricultural appropriations, our committee attempted to make reductions where possible. The regular activities of the Department were reduced $272,556,860—a reduction of 14.5 percent. We have cut the President's budget for regular activities back to the 1957 level.

PRESENT FARM SITUATION

It is a recognized fact that agriculture must prosper if the Nation is to prosper, and the American farmer has the right to demand a standard of living in keeping with the contribution he makes to the national economy. We must permit our farmer to farm if he is to be successful. We are a prosperous people, and it is almost an impossibility to attempt to legislate scarcity of any kind. If we have an abundance of farm products then it is imperative that we build our markets in such a way that this abundance can be used. Reduction of prices received by the farmer will not reduce production. Our farmer is still confronted with a cost-price squeeze, and conditions in American agriculture at the present time are certainly not good.

The number of farms in this country has decreased from 5,927,000 in 1946 to 4,800,000 in 1956. The average gross income per farm in 1946 was $4,947, and in 1956 it was $8,934. During the same period of time the farmer's production expenses amounted to $2,416, and in 1956 he was confronted with expenses totaling $4,519. Our farmers' net income per farm for 1946 was $2,531, and for 1956 amounted to $2,415. The total farm net income for 1956 was $11,800,000,000. This is only a small portion of our national income of some $306 billion. No State is more affected than my home State of Kentucky. Kentucky is an agricultural State with 193,487 farms with total acreage of 18,034,000 of which 10,455,000 acres are in production.

REGULAR ACTIVITIES

This bill provides an annual appropriation of $1,610,024,848 for regular activities of the Department of Agriculture. This is $272,556,860 less than the $1,882,581,708 recommended in the 1958 budget. This reduction amounts to 14.5 percent. We recommend $843,076,238 for special activities; $1,239,788,671 for corporations; and loan authorizations of $448,500,000. Our committee has not eliminated or denied any of the new programs requested in the 1958 budget. We recommend an appropriation of $48,994,890 for research; $25,682,000 for plant and animal disease and pest control; $16,586,000 for meat inspection. We recommend appropriations for State experiment stations totaling $29,753,708. This is the same amount appropriated for 1957. For marketing research and agriculture estimates, we recommend an appropriation of $14,041,700. This is $604,700 more than the amount appropriated for 1957 for this agency. For the school-lunch program we recommended $100 million, which is the same amount appropriated for 1957. We recommend that $535 million be appropriated for soil and water conservation.

RURAL ELECTRIFICATION ADMINISTRATION

Twenty years of REA has caused revolutionary changes in American farm life, and unless you have actually watched that momentous change take place, you do not have any deep realization of what it has meant to millions of American farmers. With constantly increasing consumption of electricity, life on farms throughout our land has become more pleasant as electricity takes over chores which were once drudgery. Farm isolation has been defeated by farm telephones, radio, and television. Every county of the Second Congressional District of Kentucky is served by REA, and the first REA loan in Kentucky was made to the Henderson-Union Rural Electric Cooperative Corp. which is located in my district. The sure way to destroy REA is to increase the interest rate and to make loans more difficult to secure. It is estimated that electric loans will amount to $179 million for the fiscal year of 1958. A number of these loans will be for extension of central station electric service, and a portion of the loans will be used to increase the capacity of borrowers existing systems so that they will be able to meet the constantly increasing power loads. Our farm family today uses more than 264 kilowatt-hours of power per month. Telephone loans are estimated to amount to some $60 million in fiscal year 1958, the approximate amount of the current fiscal year.

This bill for 1958 includes the budget estimates of $179 million for electrification loans and $60 million for telephone loans. This is $275 million less than funds authorized for fiscal year 1957, and the reduction is due to the additional $200 million loan authorization contained in the Second Urgency Deficiency Appropriations Act of 1957.

The net income from lending operations for REA from its inception in 1935 to June 30, 1956 amounts to $47,504,355.

COMMODITY CREDIT CORPORATION

We recommend a total of $1,239,788,671 in this bill for restoration of capital impairment of the Commodity Credit Corporation through June 30, 1956. Approximately half of this amount represents commodity losses, and the remaining half is involved in storage, handling, transporting, administrative and interest costs. The total amount recommended is $297,501,493 more than the 1957 appropriation.

At the beginning of the fiscal year 1957, the Commodity Credit Corporation controlled a price-support inventory valued at $6 billion, and during 1957 loans are estimated to total some $2,900,000,000. It is anticipated that the fiscal year 1958 will see a price-support inventory valued at $5,500,000,000. It is expected that loans will be made on commodities valued at $2,500,000,000 during 1958, and acquisitions will total $3 billion with dispositions amounting to $3,400,000,000, leaving an inventory at the close of the fiscal year 1958 valued at approximately $5,200,000,000.

SOIL BANK

For 1958 we recommend an appropriation of $600 million for payments under the acreage reserve program with the number of commitments which may be made during the 1958 program limited to $500 million. This is $101,173,340 less than the estimate for 1958. For conservation reserve this bill carries approximately $210 million.

The soil bank has failed where tobacco is concerned. With seven types of tobacco grown in the United States on a total acreage amounting to 1,364,475 acres, we had participation of only 2.38 percent in the soil bank for 1956. For 1956 we had 20,093 agreements placing approximately 32,500 acres in the bank. This participation, of course, was not effective. So far during the year 1957 only $17,298,761 is obligated for tobacco under the soil bank. For fiscal year 1957 the sum of $45 million was authorized for tobacco. Only $7,696,520 was expended, and the balance reverted to the Treasury. The provisions concerning compliance with the Soil Bank Act should be so changed that, before any funds revert to the Treasury, the different kinds of tobacco suffering from supply and demand trouble would be assisted. At the close of the application date the Department should immediately determine the kinds of tobacco in trouble and number of applications pending which were not accepted due to the fact that the allocated amounts for the particular county or section were inadequate, and take the necessary action to use remaining funds, bringing into the bank all acreage possible. For instance, if dark tobacco is in trouble with more applications pending than funds allocated, and burley selling at $64 per hundred is not going into the bank at $18 per hundred, then, in order to carry out the intent of the soil-bank legislation, the remaining funds allocated for this commodity should be used to take the dark tobacco out of production.

SALARIES OF COUNTY AND HOME DEMONSTRATION AGENTS

Our county and home demonstration agents are the men and women who are responsible for carrying sound information directly to our farm people. The salaries of our extension workers have never been high, and some are now entirely too low.

Since I have been a member of this committee, I have attempted to stress the importance of increasing the salaries of our extension workers, and in our report accompanying this bill will be found the following instruction to the Department of Agriculture:

> The committee strongly urges, therefore, that Federal, State, and county officials get together on this problem. It believes that funds can be found within the amount provided for the coming fiscal year to meet the Federal share of reasonable salary increases.

In addition to regular living costs, the county and home demonstration agents hold a responsible position in society due to the fact that they are properly recognized as leaders in agriculture in their respective counties, and they must live and associate with people accordingly. Our Extension Service is a cooperative undertaking by the Federal, State, and local governments, and is more fully provided for under the Smith-Lever Act, passed by Congress in the year 1914. This program of extension work is conducted in over 3,000 counties in our country. In order to be successful our farm families must organize, manage, finance, and operate their farms on a sound and efficient basis with counsel and advice furnished at all times by our extension workers.

County agents in Kentucky are not adequately paid. Our county agents are listed 40th in the 48 States in so far as salaries are concerned. The average county agent's salary in Kentucky is $5,497. Most of our county agents in Kentucky have children in either high school or college. The associate agent's average salary in Kentucky is $4,836, and the assistant agent's average salary is $4,200. The average salary in Kentucky for home demonstration agents is $4,518. The associate home demonstration agent's average salary is $4,000, and the assistant home demonstration agent's average salary is $3,523.

The national average salary for county agents is $6,118; for associate agents $5,276, and the assistant agent's average salary is $4,625. The average home demonstration agent's salary in this country is $4,923, and the average for associate home demonstration agent is $4,321. Average salary for assistant home demonstration agent is $3,876.

All of these people are required as a minimum in educational training to have a bachelor's degree in either agriculture or home economics before they are employed even as assistant agents.

It is imperative that the Department of Agriculture, our State and local authorities in Kentucky, and the other States, immediately take action to increase the salaries of our county agents and home demonstration agents and their assistants and associates, thereby placing these people in a position where they can live, educate their children, and meet their obligations to society in their respective communities.

FOREIGN AGRICULTURAL SERVICE

Foreign Agricultural Service, pursuant to legislation of 1954, is operating under the Department of Agriculture where it should have been all along. Today we have agricultural attachés representing United States agriculture at 56 foreign posts. The Foreign Agricultural Service can render great service to American agriculture by developing foreign markets for our agricultural commodities. The main objective is to open the way for sales through private trade channels for dollars, and if this is impossible, sales for foreign currencies can be made. We recommend an appropriation of $3,902,300 for Foreign Agricultural Service.

CONCLUSION

Big business should be eager to have a prospering agriculture. When our farmer is prospering, tractors, trucks, automobiles, combines, milking machines, and mechanical devices of every description are moving from the factory to the farm.

We must not price ourselves out of the world market, and the interest of our family-size farmer must be fully protected. Modern farm problems are tremendously complex, and there is no easy answer. Changing conditions in agriculture demand constant experimentation with policies and programs.

We must permit our farmer to farm if he is to be successful.

Our committee recommends this bill to the Members of the House.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I wish to take this opportunity to compliment my colleague, the gentleman from Kentucky [Mr. NATCHER], for his outstanding contribution on this appropriation bill and to associate myself with his remarks.

Mr. NATCHER. I thank the gentleman.

Mr. HORAN. Mr. Chairman, I yield 12 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, I hope I will not be accused of trying to bring prosperity to the country when it is not here. I hope I am not going to be accused of pinning my hopes on the Republican Party, and I certainly would not pin my hopes on the Democratic Party.

This is not a question of politics at all. The question we are confronted with today is the question of the survival of our country. If a farm home cannot exist in America, and by that I mean a family-type farm, the definition of which is a

farm that can be handled and managed by the family that lives on it, then this country is, indeed, in danger.

When we had price supports on agriculture of 90 percent, that did not mean very much because the basis upon which that 90 percent was figured has outgrown the situation. One hundred percent of parity today based upon that old foundation would not make a farmer's dollar equal to the business dollar. I can remember when the law was passed. When I entered the Congress there were 35 States in the Union that were in distress. There were 15 million people walking the streets looking for something to eat. There were soup lines all over the country. I cannot think of the present situation without remembering the past. Women went through the Capitol here, visiting the offices of Congressmen, with their children tagging along behind them looking for something to eat and there were soup lines in every big city of the country. They had them in Boston, in New York, and in other cities.

What was the reason? The reason was that the buying power of the whole Farm Belt had disappeared.

I can remember when wheat was 26 cents a bushel, and farmers set fire to the field and burned it up because it was cheaper than to try to thresh it and sell it. I saw a sign down in South Dakota which said "Wheat, 26 cents a bushel, and oats 28 cents less." So, they were not worth anything. They burned it up. Cattle were bringing 2 cents a pound. You could not give any hogs away to your neighbors, because there would be some graduate from Columbia or Harvard there to report you to the Government. And, you put those limitations on the family-type farm.

Now, what about the soil bank? Up where I live, in the arid West, a farmer with two quarters of land, 320 acres, is allowed by the Department of Agriculture, on an average, to put in 41 bushels of wheat. Now, did you ever know a farmer smart enough to maintain his family on 41 acres, no matter what the price was? If that applied to the big ones, the fellows that are producing the surplus, it might have worked, but these family-type farms do not produce a surplus; especially in North Dakota, nobody raises a surplus. Yet, we are penalized. You cannot make flour without hard spring wheat, and you cannot make macaroni unless you add durum wheat, and those are the only two kinds of wheat we raise in North Dakota. And, there has never been a surplus. There is no doubt you are driving us out of business with this 41 acres of land that we can put in, and just figure, if we get 30 bushels to the acre, which is a stretch of the imagination, 30 bushels to the acre at $2 a bushel on that amount of land, I defy anybody to raise a family of 5.

And, the soil bank came along. That was going to save everybody, myself along with the rest of them. And, do you know where they took that deduction, where they went to get it? They went into this little bunch of land that we had set aside to crop and they took 20 percent out of that, so we did not have 41 acres left; we only had 33 left. Instead of helping us, it started to put us out of business.

The only thing I care about is this country. I do not care what kind of political parties we have. I mean to protect this country, and you cannot protect it if you are going to destroy all the family-type farms in America, and that is just what you are doing now. For 4 years now I have been telling Benson and the public that the acreage program would not work, but as long as I was not on the Committee on Agriculture, I did not get very far with my ideas about agriculture. You have to be on that committee, you know. You might have been a druggist before you came here, but after you get on that committee, you are a farmer. Well, I never got on there. I tried to, but they put me down trying lawsuits. I preached that acreage limitations would not do any good. I am limited to 40 acres, but just as soon as I know I am limited to 40 acres I send for experts, and they come tumbling in from every university in this country, experts on soil, and they will show you how to raise more grain on 40 acres than you could on 80, and the Government is behind it. They cut you down on one side and then send the experts in to raise more wheat. The bushel program should be adopted and applied to farms, except the family-type farms. Leave them alone. Leave them raise what they want to raise with the support price, but anything bigger than that, limit them by bushels. But if it is anything larger than that, they limit them by bushels. Let us take the gentleman from Minnesota [Mr. H. CARL ANDERSEN], a big farmer in Minnesota. Suppose his quota of wheat is 8,000 bushels. But he raises 12,000 bushels. Well, he can sell only 8,000 bushels, so he will have to put the other 4,000 in storage, or he can give it away, he can feed it, or he can ship it across the ocean. He can do anything with it he wants.

Mr. H. CARL ANDERSEN. Mr. Chairman, would the gentleman yield?

Mr. BURDICK. I yield to the gentleman.

Mr. H. CARL ANDERSEN. I would not want the RECORD to show that I produce anything like that, because I do not produce a bushel of wheat on that particular farm. If the gentleman is talking of corn, that is another matter.

Mr. BURDICK. I did not want to refer to corn, because you did not pass that bill, and I thought you wanted it passed. I was trying to help you rather than score you.

Then, you see, this extra wheat that he raised would be put in a granary and kept there, and could be used next year. You can see that that would work. And if a man were raising too much, like Campbell, of Montana, who farms a whole Indian reservation, with a field 60 miles long, he would not be raising 200,000 bushels of wheat, because he would only be supported on probably 20,000. It would automatically take care of itself.

But this Committee on Agriculture is afraid of that bushel program as the devil is of holy water. They just will not consider it.

I have only one friend here in the Capital, and that is Secretary Benson. He says now that the acreage program will not work. And I am glad to have some support. I had been scoring him right along, and I am very sorry I did, because he is the only support I have. He says the acreage program will not work. Everybody knows it did not work.

When you come along with the soil bank and reduce the amount of acreage the farmers can put in, then you have got him down to where he must do something else. You Republicans and you high-class Democrats from the South, you do not like to have labor running your business, do you? You are against labor organizations doing too much in politics. But that is what you are going to have if you keep up this program. You are going to have nothing but a labor government, because when you drive the people off the farm, they have got to live, and many of them were tradesmen when they went there. They just bet the Government $16 that they could prove up on that land. But they had a trade of their own, and they are going right back to the ranks of labor.

The ranks of labor are increasing every day, and the farm population—living on the family-type farm—is disappearing. I can drive you through northern Minnesota, North Dakota, and Montana and by the hour show you abandoned schoolhouses, consolidated schools, because the people have gone. Their homes are abandoned.

If that is what you want to practice, and if you want to believe that the support price given to farmers is the cause of high-priced living, you have got something to think about again.

I have talked to a lot of people here on the eastern seaboard. I want to find out what is going on. They tell me high-price food is due to these support prices. They say the farmers are wallowing in wealth, and they say, "Here we have to pay 26 cents a loaf for bread." And they believe it, when, as a matter of fact, if wheat were 75 cents a bushel, price of bread would be just the same. There is so little flour in a loaf of bread that it does not count. But the East believes that. The East believes that there is still support on beef. Well, there is not. I am raising beef. That is the only business I have outside of fooling my time away in Congress. We are mighty lucky to get 16 cents a pound for a steer; but when he gets down here with all the gyrations you go through to get him here, it is 85 cents a pound; and these consumers think the support prices are causing it. As long as——

[Here the gavel fell.]

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Washington [Mr. HORAN].

Mr. HORAN. Mr. Chairman, I take this time to call the attention of my colleagues to a service in the Department of Agriculture that is doing a fine job for our American farmers.

I refer to the reorganized Foreign Agriculture Service, which my colleague the gentleman from Kentucky [Mr. NATCHER] also mentioned.

I am proud to have had a part in effecting that reorganization in the 83d Congress.

It is building a mighty proud record.

We are all expecting a modest increase in farm income this year. I think it is fair to say that much of this prospective increase can be credited to the magnificent showing in prospect for exports of farm products.

In 1956, the estimated gross income of farmers was slightly less than $33 billion. Farm exports were valued at just under $3.5 billion. We are now hoping that in 1957, gross farm income will increase 1 to 2 percent. Farm exports are expected to exceed $4.5 billion, for an increase of 30 percent.

I believe that we are all not sufficiently aware of how important exports and changes in the export market are to farm income. Some more figures may help. Currently, the produce of about 1 out of each 7 acres of cropland is harvested for export. The comparison by individual commodities is even more revealing. Of the acreage harvested in 1956, preliminary estimates show that 47 percent of the wheat was exported; 44 percent of the rice; 36 percent of the cotton; 29 percent of the tobacco; 20 percent of the fruit; and 16 percent of the soybeans. These figures show the importance of the export market to American agriculture.

While some increases in farm production are continuously necessary to meet our improving levels of living and our increasing population, the foreign market continues to offer a great potential market for the pent-up production capacity of United States farmers.

Over the past 4 years, we have been steadily improving export outlets for United States farm products. The export value in 1952–53 was slightly over $2.8 billion, compared with the $4.5 billion, an alltime record, we expect in 1957. This is an important achievement, for which there are a number of reasons. One of these reasons, to which I am addressing myself today, has been the notable contribution of the Foreign Agricultural Service, whose major responsibility is to maintain and expand foreign markets for farm products.

The job of the Foreign Agricultural Service is to help American farmers and American traders export United States farm products. This job is always important, but it is doubly important when farmers are reserving their land, their capital, and their labor, because surpluses block their outlets. This is the reason that the House Committee on Agriculture has supported strengthening of the Service and the reason why we recommended legislation 3 years ago which resulted in the return of the agricultural attachés to the Department of Agriculture.

Of course, other factors share the credit for this heartening improvement in the level of agricultural exports. A vigorous and aggressive dollar sales program which has had the combined support of the Congress, the administration, and the public has helped. I think current developments have indicated that the Congress was wise in providing surplus disposal legislation. But I have been impressed by the energy and foresight the Foreign Agricultural Service has displayed in seeking and obtaining reductions in trade barriers which other nations have erected against our agricultural exports, and in improving and enlarging their timely reports on the competition we face from other agricultural exporting countries, and on the marketing opportunities that are opening up in other countries. I think they have done an excellent job in staffing the enlarged agricultural attaché service and in carrying out their responsibilities for the administration of the foreign currency sales program. Their marketing specialists are continually searching the four corners of the world for ways to expand current marketings and to build markets for the future. Finally, the foreign market development program carried on cooperatively with the United States private trade groups is proving to be a valuable tool in building markets abroad.

Title I, Public Law 480, also has been important to American agriculture. Programed agricultural surpluses represent an investment of nearly $3 billion, of which well over half has already moved abroad. Sales have been made to 31 countries, largely in areas where sales of our farm products are prevented by shortage of foreign exchange. The title I program is making a substantial contribution to the recordbreaking year in prospect.

FAS is working closely with United States farm organizations and private trade groups to develop and expand export markets for our farm products. Their reports and commodity analyses tell of marketing possibilities abroad, helping keep the United States trade fully informed. Specialists travel extensively to keep foreign buyers, Government officials and trade groups up to date on the merits of United States farm products and to pick up information on export possibilities. In cooperation with the private trade and using foreign currencies obtained from sales of surpluses, FAS has started over 70 projects in 22 countries to help expand markets for wheat, cotton, dairy products, tobacco and other leading United States crops. One example is the project to encourage the Japanese to use more wheat products in their diet, carried on in cooperation with the Oregon Wheat Growers League and the Japanese Nutrition Association. The projects are varied. They include not only education and exchange visits but market surveys, demonstrations, and publications. One distinct kind of activity is participation in International Trade Fairs such as in Barcelona, Spain and Tokyo, Japan which gives foreign buyers a chance to see, feel, and taste our products.

To gain access to foreign markets we must know the factors that affect the competitive position of United States farm products in those markets. This means a lot of basic groundwork, fact-finding, and analysis. Many people in FAS, Washington, and overseas are active in this kind of work.

When we know in which areas of the world our products are, or can be made competitive, the FAS can concentrate its efforts more effectively on helping remove the obstacles to trade and gain further access to markets abroad. This background information helps FAS in its job of reducing or removing quantitative restrictions and other impediments to trade imposed by other countries.

Although progress has been made since 1953 in obtaining relaxation of restrictions against United States agricultural exports, there is urgent need for assuring still freer access of our agricultural exports in many foreign markets.

In this battle for freer trade, one of the more fruitful approaches is through strengthening our trade agreements program. Much of this is done through GATT, the General Agreement on Tariffs and Trade.

The United States has trade agreements with 33 member countries of GATT and separate bilateral agreements with 8 non-GATT countries. In calendar 1955, United States exports of farm products to these 41 countries was $2,451 million, or 77 percent of the total United States agricultural exports. Comparable data for 1956 are $3,216 million of farm exports, or again 77 percent of total United States farm exports.

A portion of the work in FAS analyzes the foreign competition our exports must meet and helps farmers find ways to meet it. Country and commodity specialists are systematically compiling, analyzing, and reporting on foreign production, trade, and governmental programs and policies. Foreign production of many items is increasing. Exports of other countries are being pushed and trade patterns are being influenced by a variety of governmental measures. We must know everything we can about all these developments, so we can use our foreign market development forces like a rifle instead of a shotgun. We need this information to keep domestic production and sales programs in tune with the foreign situation. This goes for cotton, wheat, rice, corn, tobacco, soybeans, and every other major farm commodity.

I have been trying to cover the highlights of FAS work and its importance to United States agriculture. One last result of their effort and the total effort to help farmers in this field are the encouraging changes in CCC inventories. In part, because of these boosts in agricultural exports, we are experiencing this year, for the first time in many years, a reduction in the Commodity Credit Corporation investment in price-support stocks. The peak of almost $9 billion was reached in February of 1956. Twelve months later it was reduced by about $600 million, and by next June 30 it should be approximately $800 million less than a year earlier. The CCC investment in cotton is expected to be down about 3 million bales, rice about 10 million bags, wheat about 150 million bushels. The export totals which are making these reductions possible are wheat, 475 million bushels compared to 344 million last year; cotton, 7.5 million bales compared with 2.3 million bales last year; and rice, 25 million bags compared with 11 million bags last year.

I do not claim that the Service is solely responsible for these accomplishments. Certainly a magnificent contribution has been made by many others concerned

with the welfare of our farmers. However, these people have done a truly remarkable job and the contribution they are making will have lasting benefit.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Chairman, I rise to express my sincere regrets and apologies to the conscientious, diligent people of the Department of Agriculture for the baseless attack made upon them by the majority of the Committee on Appropriations in the May 10 report on the Department of Agriculture and Farm Credit Administration appropriation bill of 1958. This report is full of half-truths and innuendoes. Let us look at the facts and set the record straight.

The first point on which I wish to set the record straight is the attack on the soil-bank program. An attempt is made here to attribute the lack of effectiveness of the 1956 soil-bank program to an inherent weakness.

Many times during the period of discussion of the Agricultural Act of 1956 the President and the Secretary of Agriculture pointed out the critical time elements involved in the implementation of the soil-bank program for 1956.

In his discussion before the Senate committee on February 6, 1956, Under Secretary Morse submitted a summary which contained this statement:

> If legislative action is not taken prior to April 15 it will be extremely difficult to get a program this year except for wheat seeded in the fall of 1945.

In his April 16, 1956, message regarding his action on H. R. 12, the President said:

> The long delay in getting this bill makes it too late for most farmers to participate in the soil bank on this year's crops.

In a letter to Senator AIKEN dated May 22, 1956, the Secretary said:

> It will take all the time available to prepare properly for a program on crops planted in the fall of 1956. Farmers would be helped far more, in my opinion, by a constructive program beginning on fall crops than by a hasty, ineffective program on 1956 spring crops.
>
> In view of the impracticability of getting a program into operation this year for both spring seeded and fall seeding crops, it is recommended that this bill be amended so that the soil-bank program will commence with the crops planted in the fall of 1956.

The President in signing the bill included a statement as follows:

> The delay in the bill's enactment, however, makes it virtually impossible to put the soil bank properly into effect in 1956.

However, in Report No. 2197 on the Agricultural Act of 1956 issued May 22, the managers on the part of the House of Representatives included the following statement:

> A major provision, dealing with the start of the soil-bank program, was resolved in favor of the House bill. The House bill directed that the soil bank be started with 1956 crops. The Senate bill directed only that the Secretary start the program with the 1956 crop "to the extent he deems practicable." This language, together with the known position of the Secretary of Agriculture on this matter, led to the general assumption that under the Senate provision there would be no serious effort to get the soil bank program underway for 1956 crops.
>
> The conferees accepted the House language with respect to this matter, agreeing to make the soil bank effective immediately, as provided in the House bill. It was recognized, however, that the larger part of this year's plantings have already taken place and it is not expected that any large part of the crop planted will be plowed up or otherwise removed from production as authorized by section 103. The committee recognizes that the Secretary cannot be expected to accomplish the impracticable or to secure any large part of the beneficial results hoped for the soil bank in 1956, but it also recognizes that certain farmers have heretofore planned to participate this year and it is felt that they should be assured of the opportunity to do so.

In accordance with the direction of the Congress, the Department of Agriculture immediately moved to implement the program so as to provide a program for 1956. The requirements of the law were scrupulously adhered to. It was on the basis of the requirements of the law that the 1956 program was developed. This scrupulous observance of the legal requirements was put into effect.

The light of history should be focused on these facts and the program should be analyzed in this light.

The second point on which I would like to set the record straight assigns to the Department of Agriculture the responsibility for reducing acreage of the basic commodities by various percentages.

Every Member of this House knows good and well that the Department of Agriculture was acting in accordance with the requirements of law when it reduced the acreages of the various basic commodities.

Every Member of this House should recognize that each of the various basic commodities has its own rigid formula for the determination of acreage allotments.

Every Member of this House should recognize that the Secretary of Agriculture acted in scrupulous adherence to the requirements of the basic legislation.

There are no ifs, ands, and buts in this matter. If the Secretary had failed to carry out the requirements of the law there would have been cries of astonishment and quick criticism. If the Congress feels that the acreage-allotment provisions of the Agricultural Adjustment Act of 1938, as amended, are wrong, let us change the legislation and not try to pass the buck to the Department of Agriculture. It should be noted that on March 13, when we had an opportunity to increase the acreage limitation for corn, many members of the Committee on Appropriations turned their back on the corn producer. The record shows that the chairman of the subcommittee, who today directs this appropriation bill, voted against increasing the acreage base for corn producers. Why all this doubletalk?

The third point on which I want to set the record straight is the phony calculations first presented during the recent election campaign regarding CCC inventory. In this comparison, comparison is made between stocks on January 1, 1953, and stocks 4 years later.

When the present administration took office in January 1953 the CCC inventories and commitments under the 1952 and prior year price supports approximated $3 billion. However, the previous administration had announced that unlimited production for corn, wheat, and cotton would be permitted for the crop year 1953. This decision is difficult to justify since all of the statistical and economic information available indicates that limitations on acreage and marketing of these crops were necessary. This meant that the administration could take no action on production controls until the end of the 1953 marketing season, at which time the CCC investment in price support operations had doubled to $6.4 billion.

This was the inheritance—a surplus, primarily in corn, wheat, and cotton. These are the very crops for which the previous administration did not impose controls in 1953. To add further to the problems left by the previous administration, rigid mandatory 90 percent price supports—intended as a production incentive—were required by law to be in force on the 1954 crops in line with legislation passed in 1952. This meant that the present administration could do little to affect the rate of CCC inventory accumulation until the harvest of the 1955 crops.

A really honest comparison to reflect the changing in inventories and other price support commitments would be a comparison between June 30, 1955, and June 30, 1957. The CCC commitments on those two dates are $7.1 billion and $7.5 billion respectively.

The administration is doing a spectacular job in its sales and other disposals of CCC stocks.

Let us review some of the basic statistics. Let us look at the facts in the case.

Twice in its history of liquidating surplus stocks the Commodity Credit Corporation was in a wartime "seller's market"; that is to say, conditions were favorable for disposals at a minimum of loss. During the World War II period and again during and after the Korean emergency, prices were rising. There was an expansion of demand for commodities.

Liquidation at the present time is being undertaken at a time when there is no emergency demand for commodities, though Europe has been temporarily caught with short supplies of wheat and oil crops. Europe has also been replenishing its cotton stocks, and stoppage of traffic in the Suez caused some shifts in import patterns. But, on the whole, it has been a peacetime "buyer's market."

But even in the absence of emergency demands abroad, CCC managed to raise its sales and other disposals in fiscal year 1956 to an alltime peacetime high of $2,723,000,000. It is estimated that 1957 figures will reach a still higher total of $3,976,000,000.

A noteworthy fact is that sales and other disposals, even on so large a scale,

as this, have been accomplished without disrupting market prices at home or abroad.

I am sure that all concerned are encouraged by the fact that agricultural exports as a whole have been setting new value and quantity records. During the first 8 months of fiscal 1957—July to February—they gained 48 percent in value and 53 percent in quantity over the same period of a year earlier. At this rate, total value of farm exports for all of 1956–57 should reach the alltime high of almost $4.5 billion, or about $1 billion more than in 1955–56. Chief gains this year have been cotton, up 355 percent; grains and feeds, up 46 percent; vegetable oils and oilseeds, up 29 percent; and fruits and vegetables, up 20 percent. About three-fifths of total agricultural exports have sold for dollars.

Commodities covered by title I, Public Law 480 agreements with 31 countries total about $1.8 billion at export market value, which cost the CCC $2.9 billion, not counting ocean transportation costs financed by CCC. Well over $1 billion worth has already been exported. Shipments during the current fiscal year have been averaging about $60 million a month, or about 16 percent of total agricultural exports.

More than 430 million bushels of wheat and wheat flour have been programed—including the 1958 and 1959 fiscal year portions of the India and Brazil agreements—of which over half has already been exported. Title I programing also includes about 2.5 million bales of cotton, of which more than 1.5 million bales have been exported; 22 million bags of rice, of which about 15 million have been shipped; 145 million pounds of tobacco, of which more than 110 million pounds have been shipped; 1.2 billion pounds of cottonseed oil and soybean oil of which more than 900 million pounds have been shipped; 75 million bushels of feed grains of which more than 55 million bushels have been shipped; and about 150 million pounds of meat and more than 200 million pounds of lard, of which more than half have been shipped.

The title I program to date will result in shipment of more than 16 million metric tons, of which over 9 million have already moved. Shipments for this fiscal year—July to March—total more than 4.5 million tons.

So far as the soil bank is concerned it seems to me that the program was approved with bipartisan support. 1957 was the first year of full operation under this program. I am sure that when all the data are in that the results will show a great achievement. Certainly its not a perfect program. Certainly it can stand improvements, but the improvements cannot come by crippling the administration by withdrawing necessary funds. If it is the desire of Congress to do away with the soil bank program let us be honest and do it in a forthright manner through the House Agriculture Committee, and not by slowly withdrawing its lifeblood. I, for one, believe that the soil bank can in great part do what it was designed to accomplish. Let us give it a chance.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Chairman, according to my information Agriculture Department officials are in agreement that the soil bank program was a failure last year as far as reducing surplus crops was concerned. It is generally agreed, I am informed, that most of the payments made under this program, which amounted to approximately a quarter of a billion dollars, which were paid to farmers was for rental of land which because of drought or some other reason would not have produced much anyway. It most cases the soil bank takes poor, nonproductive acres out of production, and entails, on the other hand, growing more of the same crops on other acres. I have read that this year's soil bank program will cost $1 billion and still will not be effective in obtaining the desired reduction in production of certain so-called basic commodities. Mr. Chairman, I see that Secretary of Agriculture Benson says our agricultural program is unworkable. He says it simply shifts surpluses from the five soil bank crops—cotton, wheat, rice, tobacco, and peanuts—to new surpluses of crops such as soybeans, oats, barley, flaxseed, dry beans, and the like.

The printed report on the Agriculture and Farm Credit Administration appropriation bill, H. R. 7441, points up the ridiculous contradiction of spending $1 billion to remove cropland from production to cut down on the surpluses, and then at the same time of spending millions of dollars to provide research and educational activities to teach farmers to increase yields and expand their production. The latter programs in H. R. 7441 I notice include $48,994,890 for research in 1958, $29,503,708 for State experimental stations, and $49,101,000 for extension service to take the research results and other agricultural information to the farmers.

Another contradiction which is not mentioned in the report as such, but rather is free from comment, is the $250 million in this bill for 1958 agricultural conservation programs. Conservation is a "sacred cow," I know, but purchase of fertilizers and lime, in my judgment, are not properly conservation. Planting of seeds and trees and soil-terracing services, on the other hand, properly can be called conservation.

Actually there is very little benefit to the individual in the lime program because payments to individual farmers are small. I recall it was testified 1 year that one-third of the payments were less than $60 per farmer. But my main objection to these limestone and fertilizer expenditures is that they are not genuine soil conservation. If I am successful in being recognized for the purpose I will put in an amendment to cut out the words "fertilizer, lime," on line 21, page 18 of the bill, and likewise to reduce the $250 million appropriation by $69.7 million to $180 million, thus reducing the total in the amount of these 2 giveaway programs. On lime we spend about $31.9 million, and on fertilizer about $37.7 million.

Likewise I wish it were possible for me to effect another saving; namely, to eliminate peanuts as a basic commodity. I cannot see any justification for considering this commodity, grown only in five States, as basic. It has cost taxpayers of America $133 million to support the price of peanuts. The results have been the price per pound is so high the housewife cannot afford to buy them, and the candy-bar manufacturer cannot afford to use peanuts in a candy bar.

When it comes time to vote on amendments, as we read this bill, I shall be on hand. I shall listen as I have already today as in past years to eloquent recitals of what we owe the farmer because of his contribution to the war effort more than a decade ago. I shall listen to the appealing dissertations as to what is wrong with the Republican program and the administration of various programs. All the woes of the farmer will be explained and the broken promises of my political party and Secretary Benson exposed for posterity.

But, Mr. Chairman, no one will arise and frankly say that the farmer gets special treatment on his income tax, that he gets exemption from gasoline taxes, that his products can be transported in unregulated trucks, that his cost of food often is small compared with the city dweller. No one will recite all the special treatment and benefits or the cost of such treatment and benefits to the city dweller—and the added living cost to the city wage earner and consumer as a result of such matters, as well as increase in his Federal taxes.

All I can say is, the farmer is important, but only in exactly the same ratio as any other population group based on its production and buying power in the scheme of living in America and its living standard.

I think actually we are hurting the farmer with overindulgence. I support education and research for agriculture and all groups and individuals in America, but thereafter I say we are on the wrong track.

The $5 billion Federal cost of the farm subsidy and assistance program might be better credited to the farmers' income tax or given them in cash. This would eliminate administrative expense and other Government costs which are not direct benefits. At least that would cut down the size of Government and indirectly help all taxpayers. I fear, Mr. Chairman, it is a case where the farmer can save himself from his enemies better than he can save himself from his friends and Representatives in Congress.

As for myself, Mr. Chairman, I am inclined to vote against H. R. 7441. In all conscience I cannot find it in my heart to vote for a measure to finance agricultural programs which it is admitted are failures. The least we could do with this bill would be to cut out items to expand production—like fertilizer and lime—since the idea is to reduce overproduction. But, in the overall desire to cut the budget here is one Department where I would use a meat ax.

Mr. H. CARL ANDERSEN. Mr. Chairman, I have no further requests for time.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may require to the gentleman from Minnesota [Mr. MARSHALL].

Mr. MARSHALL. Mr. Chairman, it has been a pleasure for me to serve on the Subcommittee on Agricultural Appropriations. The able chairman of our committee, Mr. WHITTEN, a tireless, hard-working Member of this body, has been more than considerate of me and that has made my work enjoyable. Mr. NATCHER, our able Member from Kentucky, can always be depended upon for constructive, courteous advice. He is every inch a gentleman. My colleague from Minnesota, H. CARL ANDERSEN, leaves no doubt that he is consistently on the side of the farmer. WALTER HORAN, from the State of Washington, brings to the committee the frankness and friendly attitude of cooperation noticeable in people from the Western States. It is a pleasure to serve with Congressman VURSELL, from Illinois. He is practical in his approach and has a philosophy of life that is at all times enjoyable.

I have the friendliest feeling for all members of the subcommittee. While we have our differences of opinion there is no ill feeling or rancor among us. All of us, regardless of party, have the welfare of the people of the United States at heart. All of us have long been associated with farm problems and each in our way try to be constructive in solving these problems.

All of us are concerned about the farm problem and each of us would like to see a solution put forth. Each of us deplores the waste of funds and the ineffective use that has been made of them. We want the farm people of our country to have equality with other economic groups in the country. We want the farm people to have a return on their investment and their labor that will establish for them a standard of living in the American tradition.

We want the farm homes to be prosperous. We want the children of farm families to have the same educational advantages as urban families. We desire that the health needs of rural people be met. This can only be done by wise action on the part of Congress coupled with the proper philosophy and administrative action by the Department of Agriculture which administers the laws.

During the time General Eisenhower has been in the White House I have found myself in disagreement with the farm philosophy and farm policy of his administration. Today after a little more than 4 years of that administration we find:

Net farm income has gone down $2.5 billion, or 17.5 percent.

The farmer's share of the consumer's dollar has dropped from 47 cents to 40 cents—down 15 percent.

The return to the farmer for an hour of labor he puts in has dropped 12½ cents—from 82½ in 1952 to 70 cents last year.

Capital investment per farm has increased over 15 percent.

The farm debt has gone up more than a fifth—from $14.8 billion in 1952 to $18 billion in 1956.

During the same 4-year period costs per farm have increased about 10 percent, reflecting increases to nearly every other group.

Price supports have been lowered 18 percent on milk and butterfat; they are down a fifth or more on corn, rye, and soybeans; they have been dropped a fourth on flaxseed, oats, barley, and grain sorghums.

During this period of deliberately lowered price supports, the general level of farm prices has declined in about the same proportion as income.

Do these facts portray the policy? I think they do. The speculation of what might have been or who is to blame is stirring the ashes of the past. The Eisenhower administration is in charge of the executive branch of the Government. It is their responsibility to lead us into the future and to propose those things that are needed for the benefit of our national welfare, of which agriculture ought not to be a forgotten part. I and other members of our committee prefer to be a part of a constructive crew, not a wrecking gang. We propose to move forward, to keep in progress with the time and to build future American strength and American ideals.

That is why your committee is interested in soil conservation. That is why we have repeatedly tried to protect funds for soil and water conservation from indiscriminate budget cutting. We, as a committee, have withstood assaults from the administration to do what we feel would weaken these activities. Your committee would like to expend more of the public funds constructively and economically to save our soil and water resources for coming generations. We feel that such action is necessary for the future of a secure America. We are concerned because the administration has seen fit to create more agencies to add more personnel and to spread the direction of this program through all of the agencies to such an extent that we feel our bureaus have been overburdened with conferences and redtape. The suggestions that come from farmers through the farmer committees of all the agencies have been largely ignored. These farmer activities are a vital and essential part of soil and water conservation work, as well as all phases of agriculture.

The committee feels that soil and water conservation must take place on the land and that funds should not be dissipated around the conference table. Let us do these things now before it is too late. In order that conservation programs in the Department may be brought together, your committee has combined these activities in one place in our committee report.

Time does not permit as much discussion of conservation resources one would like to spend on it. There is no question concerning the importance of this problem, which has long been recognized as a responsibility of the Federal Government, working with rural people.

After conserving resources, the next item that follows naturally is the proper development of these resources. The demand on the United States to feed and clothe not only our own citizens in these turbulent times, but also many of the people of the world has brought about a dislocation and has created incentives that the administration finds so troublesome.

There are those who place the blame on price supports. These folks overlook the reasons for them and ignore history. The experience of the early twenties are still vivid in my memory. During World War I the slogan "Wheat Will Win the War" was shouted from the roof tops. Acre after acre was brought into production. The wheat was produced. Then after the war, prices collapsed. This happened not only in wheat but other farm products.

In the last World War the farmer was asked for all-out production again—and again the farmer delivered what was asked of him. No soldier was denied a decent ration because the farmer failed to produce for his every need. There was food in plenty at home, and enough held over so that after the war enough could be exported to our allies to help them through their immediate postwar difficulties.

The second time, price-support legislation was enacted by the Congress to give the farmer some of the kind of protection industry always has obtained in cost-plus contracts and reconversion payments. The protection was provided. The cost compared with payments of all types to industry has been relatively small. The protection given would be cheap at double the cost, if the administration could learn to use price supports wisely to avoid a farm depression instead of bringing it about.

The weakening of price supports has, in my estimation, been the glaring weakness of the Eisenhower administration. In this regard I challenge anyone to show where we have lost one penny's worth of world trade because of our price-support program. In our hearings, time after time, the Department of Agriculture admitted to our chairman that they had the legal power to sell agricultural commodities at a competitive price in world trade as provided in the charter of the Commodity Credit Corporation. This was written so clearly in the charter that it could not be denied. It is clear that our price-support program has not had any effect upon our world trade whatsoever. The neglect of this administration to use the legal power it possesses is a most important factor, however. The next item then must be our domestic trade. There the facts are revealing, for while our farm prices have dropped, the consumer prices have remained practically constant.

The Department of Agriculture has a series of cost figures running back through the years on what it calls the farm market basket. This is a fixed volume of farm products sold at retail and adjusted from time to time to reflect marketing trends.

During the last 4 years the cost of the market basket to the housewife has increased by $5,100,000,000. The amount the farmer received for these same products went down by $6,300,000,000 during

the same period. The cost of marketing these products went up $11,400,000,000. It is pretty much the same old story of the farmer getting less; the consumer paying more, and the processor getting rich.

What if farm prices had gone up as much as other prices during the time they were going down? A Department of Agriculture witness testified before our subcommittee that this would have raised the cost-of-living index from 3 to 4 percent, or 3½ to nearly 5 points. A rise of only 1 point in the consumer price level would cost consumers $2,500,000,000, according to the testimony of the Governor of the Federal Reserve Board before the Joint Economic Committee of Congress.

We are pleased the Committee on Agriculture has set up a subcommittee under the chairmanship of the able gentleman from New York [Mr. ANFUSO] to go into this problem. We are hopeful that much light can be shed on this matter. I fear it will disclose that the administration has been guilty of assisting those who traditionally make it a practice to farm the farmer. I might add that our committee for several years has pointed out what we felt to be alarming trends in this direction. If domestic consumption is to be increased by price reduction it means that handlers of agricultural commodities must decrease their profits in line with farm price reductions imposed upon the farmers by the Eisenhower administration. I must hasten to add that this negative farm policy is one that I entirely disagree with. Any open-minded person, after studying the record, will come to the same conclusion.

I have an abiding faith in farm people and the future of American agriculture. The American farmer exists today in a complex regulated society. Industry and labor enjoy protection and safeguards to their welfare that have been built up over the years by a benevolent Government. Can agriculture, on a free-market basis, successfully compete with these other protected groups in our economy? Should not American farmers receive the same consideration from their Government in solving their problems?

The majority of farm families accept this philosophy, and on every occasion, when given the opportunity in a referendum, they have expressed their desire to work out their problems through group action and cooperation with the Government. They realize that they cannot be exponents of free enterprise on an island removed from the rest of our protected, regulated, and at times, pampered society.

The majority of farmers understand this. The majority of Congress has plainly understood it in the past. The Eisenhower administration refuses to recognize this and goes blindly on belittling farm programs and making them ineffective. For how long must this blight upon the prosperity of American farm homes remain?

Many economists in the country are pointing out that there are too many people on the land. They seem to feel that fewer people on the land will in some way work us out of our production problems. There is no greater fallacy than this. Experience proves that fewer people and more machines on the farms have the effect of increasing our overall production. Look at the recent records of American Agriculture. Fewer and fewer people on the land have been producing more and more. We have not approached the point where farmers leaving the land will have the effect of decreasing production. Our policy should not be to replace farm people with farm machines. It should be to make it possible for more people to make a living on the land. Assistance must be given to American agriculture through research, marketing, and management to bring this about. Farm people traditionally have been a stable and strong influence in all powerful countries, and the United States is no exception.

Farming is a way of life, and that way of life can be a happy one. Farm homes today enjoy many benefits brought to them by programs developed during the Roosevelt administration. REA has lighted their homes, for example. Insured bank deposits have given security to their investments. Over and beyond these, other programs have given farmers a greater confidence and capability to manage and conduct programs for their security and the welfare of the Nation.

My firm conviction is that they will not permit these things, of which they are constantly reminded, to be taken from them. It is hard for the farmers to understand why the Eisenhower administration does not understand them or their problems, and that the neglect of these problems is leading them to economic disaster.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may require to the gentleman from North Carolina [Mr. FOUNTAIN].

Mr. FOUNTAIN. Mr. Chairman, I should like to call the attention of the Members to the very successful polio-vaccination program conducted on Capitol Hill on Tuesday, Wednesday, and Thursday of last week. More than 1,600 persons received polio shots during the 3 days paying $1 per person. The actual cost of the vaccine used was 63 cents per person. The Congressional Secretaries' Club, which sponsored and organized the program, paid all other necessary costs out of the club treasury, and 37 cents of each dollar paid by the person vaccinated will be donated to the National Foundation for Infantile Paralysis. I understand the first contribution to the foundation will amount to about $600. I am told that similar contributions will be made at the conclusion of the second and third shots in the recommended series of three.

All the individuals who participated in the organization and carrying out of this fine program deserve to be commended. Particular credit is due to Miss Marie Warme, of the office of the gentleman from Nebraska, Congressman MILLER. Miss Warme is chairman of the polio-vaccination committee of the Congressional Secretaries' Club. The program could not have been accomplished without the invaluable assistance of Dr. Grace L. Stone, who has charge of the polio program for the District of Columbia public schools. Dr. Stone arranged for use of syringes and other equipment needed for the program as well as very generously offering advice and cooperation in its organization.

Among the others who deserve commendation for this very notable accomplishment are:

Miss Grace Matthews, registered nurse, head nurse for the District of Columbia Health Department, and Mrs. Ruth Woods, of the District of Columbia Chapter of the American Red Cross, who assisted in obtaining nurses and nurses' aids for the program.

Lt. George Kleinfeld, Medical Corps, USNR, who generously volunteered to supervise administration of the shots.

Dr. George W. Calver, attending physician to the Congress, who assisted in obtaining a physician to supervise the program and also administered shots to a number of Hill employees.

Polio shots were very skillfully administered by Mrs. Evelyn Houser, R. N.; Mrs. Cecilia Dana, R. N.; and Hospital Mate Second Class Winnie L. Ulrich, a Navy nurse who volunteered her services. I am informed by some of those who received shots that the procedure was fast, efficient and so painless that the needle could hardly be felt.

I will not attempt to mention them by name, but I think that all of the officers and members of the Congressional Secretaries' Club who participated in organizing and conducting this program deserve our commendation. Our commendation is due particularly to all of the charming young ladies who graciously assisted in performing clerical duties connected with the program. Our thanks are due also to our own nurses in the House and Senate, Mrs. Hazel Goff, Mrs. Ruby Fipps, and Mrs. Clara Ruckman.

Mr. Chairman, the polio-vaccination program conducted by the Congressional Secretaries' Club is an outstanding example of what can and should be done to protect the health of our Federal employees. In March I wrote to the head of each of the larger Federal Departments and agencies urging the establishment of appropriate programs for Federal employees. The Intergovernmental Relations Subcommittee of the Committee on Government Operations, of which I have the honor to be chairman, recommended unanimously on March 28 that the Department of Health, Education, and Welfare, through the Public Health Service, take prompt steps to encourage polio-vaccination programs for Federal employees at their places of work. The subcommittee's recommendation did not involve expenditure of Federal funds, since we specifically suggested that the programs be paid for by the employees themselves, just as is being done by employees on Capitol Hill. It was made because our study had convinced us that thousands upon thousands of persons who otherwise would never get this protection would take advantage of polio shots available at their places of work. We were surprised to find, for example, that nearly 2 years after the vaccine became available in the age group between 20 and 40 only 1 person in 42 had received the full 3-shot series, and only 1 out of 6 had received any vaccine at all.

On March 28 the subcommittee unanimously asked President Eisenhower to publicly endorse on-the-job polio vaccination programs. Although it is my understanding that polio shots were arranged for the White House staff, I regret that the President has not yet seen fit to endorse appropriate polio-vaccination programs for other Federal employees—especially where they work together in great numbers in large metropolitan areas. I regret also that the Public Health Service has not yet given effective leadership in bringing the protection of the Salk vaccine to Government workers, even though many private corporations have demonstrated that employee vaccination programs can and will reach many persons who would not otherwise be vaccinated. No Federal funds would be needed for these programs, since the employees themselves would and should be more than willing to pay the cost.

I realize that the supply of vaccine may not be presently adequate to conduct immediate vaccination programs for all Federal employees. However, there is little evidence that any planning has been done for that day in the near future when vaccine is plentiful. With very few exceptions, "on-the-job" polio vaccination programs have not been carried out or even planned.

The Congressional Secretaries' Club has shown what can be done, especially in areas of mass employment. I hope their example will be followed.

Mr. WHITTEN. Mr. Chairman, we have no further requests for time on this side.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, namely.

Mr. MARTIN. Mr. Chairman, I make the point of order that a quorum is not present.

Mr. WHITTEN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KILDAY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year 1958 had come to no resolution thereon.

SPECIAL ORDER VACATED

Mr. BOYLE. Mr. Speaker, I ask unanimous consent that the special order granted the gentleman from Ohio [Mr. VANIK] today may be vacated and that he may be granted the same privilege under the same conditions tomorrow.

The SPEAKER. Is there objection?

There was no objection.

POLISH CONSTITUTION DAY

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, I would like to insert in the RECORD an outstanding and most impressive guest editorial from the celebrated Journal-Register, of Palmer, Mass., written by Mr. Bogulaus S. Grzywna, delegate to the United Polish-American Organization Council and president of Polish National Alliance in his area.

It is most appropriate that Mr. Grzywna's eloquent remarks on Polish Independence Day should stress the need for liberation and assistance for the oppressed people of Poland.

This is an objective to which all true Americans are pledged. It is an objective for which I have worked unceasingly for several years past, and I propose to continue my efforts until, God willing, final victory has been won.

I compliment Mr. Grzywna for his memorable and forceful editorial, which is, in my judgment, a real contribution to the contemporary discussion of the great human question of liberation and relief for the Polish nation and its gallant people.

POLISH CONSTITUTION DAY

(Guest editorial by Bogulaus S. Grzywna, delegate to the United Polish-American Organizations Council, township of Palmer, and president of Polish National Alliance, group 2170, Three Rivers, Mass.)

May 3 marks the anniversary of one of the great human documents of the age of democracy, the Polish Constitution of 1791—a document including guaranties of religious toleration and freedom of thought that compare favorably with the guaranties in our own Constitution.

The Polish people have been victimized beyond the experience of most European peoples by conquest, partition, invasion, oppression across centuries. They are held today as the creatures of a government satellite to the Soviet Union and maintained in power only by the Red army.

But under the successive oppressions of the past the Polish people never lost their sense of nationalism and never lost their dedication to the principles of freedom. These emotions were so strong within them that after nearly a century and a half of foreign occupation Poland rose again. Poland will rise yet once more as an independent nation, capable of asserting her right to self-government.

Neither the Polish people nor we in America can ever accept the present condition of Poland's existence. A nation enslaved calls for our help. We continue to look to total freedom as the goal for the Polish nation. The American people will never cease to work for this goal. We know that the tyrant will be thrown off.

In their long history the Polish people have had little opportunity to enjoy freedom, yet they have constantly and valiantly struggled to attain it. Despite the suffering of invasions, partitions and occupations, Polish patriotism has never faltered.

Poland sent her finest spirits, General Pulaski and General Kosciusko, to fight with the armies of George Washington and to help the infant States of America win their freedom.

Since the days of the American Revolution Polish blood has been shed for the preservation of American liberty. Such patriots as Thaddeus Kosciusko and Casimir Pulaski and almost a thousand other Polish patriots fought for the Continental Army. During the Mexican, Civil, and Spanish-American Wars Americans of Polish descent died for the preservation of American freedom. More recently, during World War I 300,000 Polish-Americans served in defense of their adopted country, and in World War II more than 900,000 served.

As Polish patriotism contributed to the security of our country, their stability aided in its development. The Polish immigrants come to America endowed with a capacity for perseverance and a love of God. The Poles are not afraid of work. They cultivated our soil; constructed our railroads; developed our coal, iron, and copper mines; and as they gained proficiency, contributed to the expansion of our industry. Their religious faith has also made them peaceful, loyal, and law-abiding citizens.

Our Polish-Americans have helped in building American civilization and culture. The cultural achievements of Poland have become a part of the varied culture of America. The Poles have also contributed to the spiritual and religious growth of our country.

Today, the anniversary of Polish Constitution Day, is an appropriate occasion for all Americans to express their appreciation to all Polish-Americans for their contributions in the defense and development of our great country. It is also an opportune time to assure Americans of Polish descent that we will join in their prayers for the enslaved relatives and friends in their native land.

The reestablishment of Poland as a truly sovereign nation, free to guide her own destinies, is an objective that we must never allow too far from our thoughts and memories. When the day comes again that Poland is free, the celebration of her great Constitution Day will be a celebration in which all of aspiring mankind can share.

It is my fervent hope on this anniversary of the Polish Constitution Day of May 3 that the courageous Polish people will be shortly rewarded for their faith in the noble principles embodied in that great document and for their perseverance in pursuing their ideals.

THE PLIGHT OF THE LEAD-ZINC INDUSTRY

Mr. DIXON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include certain extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DIXON. Mr. Speaker, the attention of this House should be called to the plight of our domestic lead-zinc mining industry.

That industry today is confronted with the following disastrous problems:

First. Price of lead-zinc has dropped to 11½ cents in the past 10 days.

Second. The Department of Agriculture has temporarily suspended buying of free-market world lead-zinc under the barter program.

Third. The industry is faced with widespread mine shutdowns and layoffs.

We cannot afford to rely solely upon foreign sources for these strategic metals. If we do, in time of war it could be a fatal mistake.

There is one bright spot in the picture. I learned from the Office of the Secretary

of the Interior this morning that he will soon submit to the Congress a long-range mining-policy proposal.

The specter of mine closures and unemployment today is a haunting one, but an even more frightening episode may someday occur when our own mines have closed, our reliance on foreign imports for strategic metals is nearly complete, and we find ourselves in a war for survival.

Gentlemen, it is a relatively easy task to close a mine. In most instances it can be done in a few days. When a mine has been neglected through disuse for long periods of time and fills with water, and the mining families have moved away, it sometimes takes months and even years to reopen a mine. This is an undesirable situation in times of peace, and it could be a mortally bad mistake in a time of war.

The price of zinc has fallen to 11½ cents per pound. It is impossible for the great majority of our domestic mines to operate at anything near a profit at this price. What is the problem and reason for the steady declines in price? It is simply this: Our mines and miners are in competition with foreign sources of supply and cheap foreign labor. Mine operators cannot pay the wages which American miners deserve as a just share of our prosperity and still compete with foreign operators and laborers.

Our domestic lead-zinc industry is being made an unwilling sacrificial goat on the altar of a program whereby we are placing our mines and miners in competition with foreign wages with which they cannot successfully compete.

This Government has imposed rigid export controls over such items as domestic scrap iron to help eliminate shortages. If this is desirable, why should we not then impose controls to help eliminate domestic surpluses through import controls?

The barter program has been a noteworthy and beneficial help to our mining industry. This program allows the Secretary of Agriculture to barter our agricultural surpluses for the products of foreign countries. Included on the list of barter commodities which we receive has been lead-zinc. By buying up for stockpiling and supplemental stockpiling programs, much of the lead-zinc on the free-world market through the barter program, we have stabilized the price of our domestic metals. Nevertheless, this barter program in its present form has its limitations, one of them being that it is administered unilaterally by the Agricultural Department, and there should be some legally established form of machinery for cooperation with the Department of the Interior which is primarily concerned with our mining industry. The Agricultural Department suspended its bartering program for lead-zinc about 2 weeks, and since that time the price has dropped 2 cents per pound.

The barter program has been for the mining industry what price supports have been for agriculture. As Secretary Bensen remarked, they are like aspirin which deadens the pain but does not cure the patient.

What we really need is a long-range program that will protect our mines by regulation of imports from cheap foreign sources.

Last year Secretary of the Interior Seaton was charged with the responsibility of formulating and submitting to the Congress a long-range mining policy. In conversations this morning with his assistants, I am happy to report that the Secretary has been working diligently on this policy proposal and that it should be ready for us within 2 or 3 weeks.

The following is a quotation from an editorial appearing in the Salt Lake Tribune for Thursday morning, May 9, 1957. It further points up the plight and importance of the domestic mining industry and underscores the fact that the solution to the problem is protection:

PROTECTION KEY TO MINING INDUSTRY'S PLIGHT

When the zinc price fell to 12 cents a pound, it emphasized—if emphasis was needed—the serious plight of the western nonferrous mining industry.

The plight of the industry is nothing new. The administration in Washington has been frequently warned of the situation. More than 2 years ago the United States Tariff Commission recommended an increase in the duties on lead and zinc as a protection for the domestic industry. But President Eisenhower, apparently acting on the advice of the State Department, rejected the recommendation and announced plans for stimulating lead-zinc production through stockpile purchases.

Stockpiling, however, is not the answer. It is at best a temporary expedient—and strong industries are not built on temporary expedients. Moreover, stockpiling has stimulated imports of foreign metals, especially when combined with the program of bartering surplus agricultural commodities abroad.

Western governors, meeting in Reno, Nev., last month, declared that the time had come to replace temporary programs with a sound, long-range program that will help bring permanent stability to the metals industry. According to the governors, this can best be done by providing "some form of protection * * * against the differentials in the economic structures of various world producers of minerals; notably the differential between wage scales * * * to prevent this country from becoming a dumping ground for cheap foreign production."

The governors' resolution clearly recognizes the difficulties of the western mining industry. Otto Herres, chairman of the National Lead and Zinc Committee, puts it this way: "How are we to compete with foreign production that does not carry the higher wages, living standards, and social benefits enjoyed by our workers?"

The obvious answer is that competition under such handicaps is impossible.

And as long as competition remains impossible, the western mining industry will continue to wither away.

This would seriously damage the western economy.

From a national standpoint, the results could be even worse. For, unless domestic mines continue in operation, the United States will become more and more dependent upon foreign sources of supply. Such a situation is most undesirable in time of peace. It would be dangerous in the extreme if war should come, since these metals are absolutely vital to the national defense. A mine can be shut down rapidly. It can be reopened only after long, costly effort, no matter how pressing the national emergency.

Mining companies, like all others, must make a profit to stay in business. "Rising costs, high wages, and free trade competition," Mr. Herres said in a recent address, "are forcing large mining companies to move to other countries with richer ore deposits and lower wages for survival, and many smaller companies to close their operations. American companies endeavoring to continue mining lead and zinc at home are afforded even less protection against excessive imports than automobile manufacturing, considered the most efficient of the mass production industries and perhaps the leading industry exponent of fair trade."

The key to the western mining problem is protection against excessive imports.

This may be difficult in view of the Eisenhower administration's fair trade policies. However, the administration has promised a long-range mining program and its disclosure later this week is awaited with interest.

Certainly the recent Western Governors Conference, at which Gov. George D. Clyde of Utah played a leading role, has demonstrated unanimity of regional views on the subject.

Furthermore, I received this telegram from eight Utah mining companies:

Hon. HENRY ALDOUS DIXON,
House of Representatives,
Washington, D. C.:

Utah lead-zinc mine operators wish to advise you again of their position regarding relationship of barter program and stockpiling program to the promised long-range minerals policy. This advisable because of critical condition in zinc-lead mining industry created by recent suspension of purchases of surplus free world lead-zinc under barter program, threatened end of stockpiling program, mounting surplus supplies due to excessive imports and attendant drop in domestic price of 1½ cents per pound for zinc. Price reduction seriously threatens almost immediate mine closures and unemployment in Utah mines, which have been operating at loss even with metal prices as were maintained with barter and stockpile aid.

The industry originally appraised these programs as temporary and of terminal value. The western governors recently adopted resolution recognizing the temporary price stabilizing benefits of barter program and its inadequacy as long-range solution for relief of domestic mining and urging its continuation "until such time, not too long delayed, as an equitable and effective long-range minerals policy, based on reasonable and effective import control measures, can be formulated and put into effect."

Suspension of barter and threatened termination of stockpiling preceding presentation of long-range minerals policy to Congress leaves mining industry in distressed status and runs counter to expressions of concern or the health and continuity of the industry by Government officials, chief among which are found in President Eisenhower's letters of August 1954 to Senator MILLIKEN and to Representative REED. After denying recommended tariff increases the President said: "However I am taking affirmative steps at this time to strengthen and protect our domestic mobilization base for lead and zinc." Thereafter he outlined directives to the ODM for long-term stockpiling program, to Secretary of Agriculture for barter program and to Secretary of State to seek voluntary cooperation of foreign countries in matter of excessive imports of lead-zinc. The President concludes: "If the course of action above outlined has not accomplished the objectives we seek, I will be prepared early next year to consider even more far-reaching measures, and to make appropriate recommendations to the Congress."

Since report of the President's Cabinet Committee on Minerals Policy, November 1954, interest in and need for long-range minerals policy has grown. Secretary of Interior was charged last year with responsibility to prepare such a policy and present to Congress. Mining industry and Members of Congress from mining States have anxiously awaited its presentation. In awaiting that presentation ability of industry to continue has been protected only by temporary measures provided in 1954.

The Utah lead-zinc operators therefore urge that the long-range minerals program be presented to the Congress without further delay; that the long-range stockpiling by ODM be expanded in the interim and the barter program be reactivated.

Any long-range minerals program to be sound must create an equitable price differential between domestic and foreign producers combined metals reduction companies.

New Park Mining Co.; United States Smelting, Refining & Mining Co.; United Park City Mines Co.; International Smelting & Refining Co.; Darwin Mines Co.; Chief Consolidated Mining Co.; Hullinger & McFarland; Tintic Standard Mining Co.

THE GOVERNMENT PRINTING OFFICE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a letter.

Mr. SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, this is a letter from Mr. E. Morton Grosser, of Watertown, Mass. He is praising the services of the Government Printing Office. He says, in part:

Its service is thorough, inexpensive, astonishingly prompt, and worthy of the most dedicated commercial organization, let alone a Government agency, and most of the other people of our acquaintance who have used it have commented on the same qualities.

Mr. Speaker, I would like to add my commendation to this very fine department.

The letter referred to is as follows:

WATERTOWN, MASS., *May 13, 1957.*

EDITH NOURSE ROGERS,
Congresswoman,
Washington, D. C.

DEAR CONGRESSWOMAN ROGERS: We have not in the past corresponded with our Representatives, but since we are planning to leave Watertown in the near future we would like to take the time to do something that we have been meaning to do for quite a while. One frequently hears these days—and I imagine in other times as well—strong criticism of departments and agencies of the Government. We would, however, if such a thing is possible, like to have some official commendation given, either by reading such into the CONGRESSIONAL RECORD, or by some other equally effective means, of the Government Printing Office. We, along with many other constituents of yours, have used this agency continuously for the past 7 years, and have nothing but praise for it. Its service is thorough, inexpensive, astonishingly prompt, and worthy of the most dedicated commercial organization, let alone a Government agency, and most of the other people of our acquaintance who have used it have commented on the same qualities.

In view of this, we would be pleased if you would pass along our feelings, and, if possible, implement some more public recognition of the excellent performance of this Office.

Thank you.

Sincerely yours,

E. MORTON GROSSER.

LATEST INFORMATION FROM CHINA SHOWS RED REGIME IS IN DEEP TROUBLE

Mr. JUDD. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes, to revise and extend my remarks, and to include an article.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. Mr. Speaker, perhaps the biggest story to come out of Communist China recently is the revelation that the American newspapermen who defied their Government in order to go into Red China to get the true story missed the main facts entirely and brought back a grossly inaccurate and misleading picture.

For example, only a few weeks ago Mr. Edmund Steven of Look magazine, concluded from what he had been allowed to see behind the Bamboo Curtain:

The Communist regime is firmly in the saddle and is there to stay.

China is not a Soviet satellite—the regime has a far broader basis of popular support than any other Communist Government, including the Soviet Union.

The opposition has been liquidated or won over.

Living standards are rising.

Almost simultaneously with publication of these observations by Mr. Steven, they are being proved, point by point, to be wrong. Evidence accumulates daily. The latest is two stories in the Washington Star of May 12—an AP dispatch from Hong Kong and an Indian story from New Delhi which describes as "the most significant report to come out of China recently" the findings of two Indian experts who were sent officially to China to study agricultural cooperatives. It will be recalled that only a decade ago many American reporters were waxing lyrical about how the peasants of China were allegedly flocking to the Communist agrarian reformers and their agricultural cooperatives were extolled as a democratic revolution in China. It was never true. The so-called agrarian reform always in reality was agricultural vandalism; but those who said so were dismissed as reactionaries. Now the Indian experts find the farm cooperatives in Red China are "neither voluntary nor democratic."

These 2 latest reports, along with many others, make clear that, in fact, in Communist China:

Living standards are not rising, they are declining. Foodstuffs and cloth are short; raw materials, metals, and coal are short; inflation is growing. Obviously communism and the bureaucratic coercion inherent in it are failing to meet the needs of the people in China as everywhere else.

While 25 million of the opposition have been liquidated, plenty of the 575 million Chinese remaining have not been won over. Peasants, intellectuals, newsmen, students, science, and engineering graduates—the masses—are restless, showing individualistic tendencies and demanding changes.

Just where is the regime's alleged broad basis of popular support?

How firmly in the saddle is a dictatorship that has to urge children to spy on their elders? Why should a supposedly happy and grateful people in a Communist utopia be engaging in anti-Communist activities of which the security police is so afraid?

Mr. Speaker, the Communist tyranny in China is in deep trouble. Surely it is elementary good sense not to help it out of its self-induced difficulties.

To be sure, there are still some who urge the free world to commit the incredible folly of rescuing the Reds by resuming trade with them and giving them official recognition. I am confident that having steadfastly resisted Communist China's aggressions to the point where internal pressures there are now growing in intensity and the hopes of the Chinese people for freedom are mounting, the free world will not falter or turn back just when success begins to become attainable. Now is the time for patient, firm adherence to the course we have been following and which is bringing victory into sight.

The two articles follow:

FAMINE, JOB SHORTAGE, UNREST BESET RED CHINA

HONG KONG, May 11.—Red China has lifted its Bamboo Curtain and revealed a nation beset by unemployment, food shortages; conflicts among the masses and paralyzing bureaucracy.

In a series of frank disclosures in the official press and over Peiping Radio in recent days, the Peiping regime has admitted that the threat of famine hangs over much of the country in the wake of last year's floods, drought and the disastrous Typhoon Wanda.

Foodstuffs, particularly pork, are short. For the first time in many months some foreign ships calling at Chinese ports have left with empty holds because there was nothing to export.

Much of the unemployment is a byproduct of last year's calamities. Thousands of peasants, unable to eke out a living, have swarmed to the cities in search of jobs. Bad personnel planning for industry has contributed to the growing ranks of the jobless, an official announcement says.

In addition to these difficulties, the Communist leadership is grappling with two problems which strike at the very heart of its control of the country.

The first is widespread unwillingness of former capitalists and intellectuals to accept socialism as a doctrine. The other is the friction between the masses and bureaucratic-minded Communists.

An example: Red China's newsmen held a forum in Shanghai, Peiping Radio reported today, and demanded more freedom to report "actual situations." They asked government officials to hold news conferences and permit themselves to be questioned, and protested against official intimidation of reporters.

Apparently there is no present danger of revolution in Red China. This is because Chairman Mao Tse-tung is demonstrating again he is able to roll with the punch. Instead of following the unyielding policy of the Hungarian party, he has reverted to typical Chinese-Marxist methods.

He has decreed a program of restraint mixed with firmness and persuasion rather than compulsion. At the same time, he is

maintaining his country's rigid posture against what he considers threats from the West, particularly from the United States.

Mao has called on peasants in the ravaged areas to tighten their belts, trust in communism and work hard to produce a bumper crop this year. As an encouragement, he has ordered party members to work in the fields side by side with the farmers. Urgent relief measures intended to ward off starvation during the lean period before harvest have been set in motion.

Unless there is a bumper crop this year, many here believe China's ambitious industrialization program will be in serious trouble. It already has been reported that China has insufficient grain to pay Russia for industrial machinery and tools under their 1956 trade agreement.

INDIA HEARS REPORTS THAT RED CHINA HAS ECONOMIC AND POLITICAL TROUBLES

(By Naranjan Singh Uppal)

NEW DELHI.—Despite her cordial relationship with Communist China, India is under no illusions as to the nature of the Red regime there or the stability of its economy.

Reports being received directly from China and from members of Indian delegations which have visited that country all confirm that the Peiping Government is having serious troubles.

These reports have it that not only has economic planning faltered, but the political indoctrination of the Chinese people has failed to make its mark. New Delhi hears that revolts in various parts of China have been brutally crushed, "diversionists" are being warned to end their activities, and youngsters are being urged to spy on their elders.

The most significant report to come out of China recently has been made by 2 members of the 7-man delegation which went there on behalf of the Indian Planning Commission to study Chinese agricultural cooperatives. They are F. N. Rana, Bombay State's registrar of cooperatives, and B. J. Patel, general secretary of the All-India Cooperatives Union.

Mr. Rana and Mr. Patel stress that the Chinese agricultural cooperatives are "neither voluntary nor democratic." Chinese agricultural policy, they say, emanates from a "dogmatic political philosophy which can only be carried out by an undemocratic political apparatus."

FEAR IS THE WEAPON

The two delegates quote the Communist Chinese Agriculture Minister Liao as having told them that, as a class, rich peasants could not be converted by "persuasion" and that having seen the "elimination" of the landlords, the rich peasants were afraid of meeting a similar fate.

They recall a statement by former Peiping Finance Minister Po Yi-po that 2 million "bandits" were liquidated during 1949–52. In China, their report says, it is usual to group bandits and landlords.

This failure of agricultural policy has been confirmed by the Communist Chinese themselves. Pieping radio recently admitted that Muslims in the Khotan area of the Sinkiang-Uighur autonomous region rose in revolt to wreck the collectivization movement. Peiping's Land Reclamation Board has revealed that of 200 state-owned farms surveyed last year, 71 showed a deficit.

The Communist Chinese economy is under heavy strain. Officials here have noted that this was admitted by Vice Premier Chen Yun a few weeks ago. The main troubles which have befallen the Peiping planners are the shortage of raw materials and growing inflation.

The shortage of metals is so acute that the new motor industry would receive this year only half the amount of steel which it planned to use. Coal deficiency is having a paralyzing effect on industry. And coal production cannot be easily expanded because of the shortage of timber needed for pit props. The timber shortage affects all other departments of construction.

The New China News Agency has now complained that district and county administrative officers are aimlessly plunging into the development of industrial construction and failing to consider the question of material resources for production.

BACK-TO-LAND DRIVE

Communist China seems to be suffering from a certain disillusionment about industrialization and at the same time acutely concerned to insure a bumper harvest. New Delhi has found interesting an article in the People's Daily, official organ of the Peiping regime, which urged teachers, pupils, and parents several weeks ago to cooperate in the back-to-the-land movement. It also asked science and engineering graduates to avoid undue individualistic tendencies and not to refuse inconvenient assignments.

Consumer goods are becoming scarce. The latest hit is the States Council's decision to cut the cloth ration by at least 16 percent because of poor harvests and overconsumption. At present, each person gets only 24½ feet of cloth a year. Fearing restlessness, People's Daily has warned that those who complain about this cut would not be taking the right attitude of cooperation.

For the common man life in Communist China is not easy. About 2 months ago, an article in People's Daily complained about the inhuman punishments being given by party officials to peasants unable to pay the government grain tax.

Indians are also talking about the fact that Chinese children are being asked to report all supposedly anti-Communist activities by their elders to the security police. This directive is given by the China Youth, official organ of the Communist Youth League. The youth belonging to the former landowner class, it said, must be constantly wary of "being contaminated by counterrevolutionary ideas from close family associations."

TIBET STILL RESISTS

Political indoctrination also is not achieving the desired results. Even after 6 years of military occupation, Communist Chinese are having difficulties in carrying out reforms in Tibet. Gen. Chang Kuo-hua, Peiping's representative in Lhasa, announced last week that communization of Tibet would be postponed for another 6 years, as the mass of people do not have the urge for Communist changes. The prerequisites for reforms, he confessed, were not sufficiently evident in Tibet.

In eastern Tibet, the rebel monks and Mimang insurgents of Kham Province have breached at innumerable points the newly built Lhasa-China road by cutting ditches and felling trees. The Communist Chinese are now looking for an alternative way to avoid Kham. This explains why General Chang urged constant vigilance against traitors and diversionists and warned against rumor, slander, sabotage, and the sowing of discord among the Tibetan people.

ASSETS OF THE KLAMATH TRIBE OF INDIANS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentlewoman from Oregon [Mrs. GREEN] may extend her remarks at this point in the RECORD and include therein certain tabulations.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, I am today introducing a bill to insure that whatever assets are eventually distributed to the members of the Klamath Tribe of Indians in Oregon under the Klamath Termination Act will not—at least in the case of minors and incompetents—be dissipated by high and unconscionable guardian and attorney fees.

That, Mr. Speaker, is my sole objective.

I have not pride of authorship in the provisions of this bill. I seek no patent upon the method I advance to attain this objective. Rather, Mr. Speaker, I would welcome any constructive suggestions as to how the objectives of this bill can be better attained.

I would not want my action today to be interpreted as indicating any change in my attitude toward the Klamath Indian Termination Act.

My record on that point speaks for itself. I am pleased to note the bill reported by the House Committee on Interior Affairs is now on the calendar and I do hope that we shall soon be given the opportunity of voting on that measure.

But history, unfortunately, has made it abundantly clear that the protections with which this bill seeks to clothe the minors and incompetents of the Klamath Tribe must be attained before—well before—the distribution is made to the members of this tribe.

There will be no turning the clock back once this distribution is made and the assets vested in the individual. The Indian minor who loses a goodly portion of his estate through excessive fees and charges will have lost such portion for good and all.

Let us seek to learn the lessons of history. Almost 50 years ago, by the act of May 27, 1908, the Congress conferred certain jurisdiction on the courts of the State of Oklahoma over the persons and property of minors and incompetent adult allottees of the Five Civilized Tribes. Precautions such as I am proposing in this bill were not taken. The resulting scandal gave rise to the opprobrious catch phrase: "The Red Slaves of Oklahoma."

The Congress at that time did not see fit to give to the members of the Five Civilized Tribes protection and the results were disastrous—disastrous to many of the tribal members—and all too lucrative to those few who lined their own pockets unscrupulously at the Indians' expense.

Permit me to read from a memorandum prepared in 1935, in connection with legislation then pending before the Congress, to lock the barn door after the horse had been stolen—to try to rectify the scandalous situation which had developed with respect to the mulcting of the members of the Five Civilized Tribes in Oklahoma:

> Administration of their (the Indians') affairs has been more expensive to them, necessitating the payment of court costs, guardianship fees, attorney fees, etc., the latter of which in some cases at least have not always been reasonable. Having no effective control over this situation, abuses have crept in which under existing law, it is practically impossible to prevent. This is especially true as regards wealthy Indians or those having substantial income, guardians being appointed in many instances for adult Indians where virtually no need exists therefor, the principal object being the collection of the usual fees, frequently made just as large as the courts will allow. Cases have come to our attention where adult Indians have purposely fled the jurisdiction of the State in order to evade threatened guardianship. Again, the funds of these Indians in the hands of local guardians have frequently been invested in questionable security, usually in local real estate at inflated valuation, greatly to the financial detriment of the Indians involved. It would seem that the best interests of these Indians is not being served under existing conditions.

This memorandum, Mr. Speaker, shows great restraint in depicting the true state of affairs. For the memorandum contains examples of some of the cases involved—cases so shocking in callousness as to be almost unbelievable.

Let me give you but a few of the examples cited, showing the amounts of the estate and the administration costs:

	Total estate collected	Administration costs	Percent
Case A	$119,346.07	$30,746.50	25.76
Case B	1,690.89	915.50	54.15
Case C	5,924.81	2,072.50	34.98
Case D	1,394.47	696.33	49.93
Case E	4,500.00	2,692.25	59.82
Case F	144,197.07	18,331.20	12.71
Case G	57,454.92	15,008.27	26.12

These are but a few of the many examples of how the estates of the Indians of the Five Civilized Tribes in Oklahoma were in large measure dissipated through unconscionably high fees.

Is it any wonder that these Indians became known as the red slaves of Oklahoma, slaves to the greed and cupidity of venal men?

Mr. Speaker, I do not want my remarks to be misinterpreted. I hold the legal profession and those who act as fiduciaries in the highest esteem. I yield to no one in my appreciation for the great and lasting contribution which the all too often little-appreciated members of the legal profession have made to the preservation and growth of the fundamental rights and freedoms which individuals living in the free world are today privileged to enjoy. The service which fiduciaries—the vast majority of them—perform are likewise highly useful contributions to the growth and stability of our economy.

But human nature being what it is, every profession, every occupation, unfortunately finds itself burdened with members who do not always have the same high ethical standards as the vast majority of their brethren. There are some—there always will be some—who will be weak and yield to avarice and cupidity.

It is against these few that we must seek to give the members of the Klamath Tribe the protections which I propose in my bill.

The potentialities exist today for a similar occurrence with respect to the Klamath Indians in Oregon. Let us not rely upon Congressional investigations 10 years hence to bring out facts proving that by our lack of foresight today we have permitted the emergency of a new class of slaves—the "red slaves of Oregon." That the vast majority of the people of Oregon and of the United States do not want.

I include, immediately following my remarks, some examples worked out in an informational release issued under the Klamath information program of how the fee schedule of the Klamath County Bar Association would work out. In examining these fee schedules, it is important to note that the fees established are minimum fees—more may be charged.

But even under these minimum fees, it is my opinion that excessive amounts of the estates of Klamath Indian minors and incompetents will be dissipated.

For example, if the estate of the minor is $50,000, the cost of the first year to establish the guardianship estate under the fee schedule of the Klamath County Bar Association will run as high as $4,064 where an individual guardian is used. Assuming no withdrawals of capital and a normal return, annual attorney and guardianship fees will consume $1,000 of the estate, so that at the end of 15 years the estate, through guardianship and attorney's fees alone, will have been decreased by $18,064. The minor, out of an estate of $50,000 would have left about $31,000.

And this example is based on the assumption that only the minimum fees will be charged.

It has been estimated that about 1,000 members of the Klamath Tribe are minors. If we assume that the estate of each will be $50,000, the total sum involved for all these minors will be $50 million. Under the Klamath County Bar Association's minimum fee schedule, if individual guardians are appointed, $4,064,000 of the estates of these Indian minors will be expended the first year in fees and charges merely to establish guardianship for these children.

This, Mr. Speaker, I submit, is beyond good conscience to bear.

It will not be solved under the language of the bill, S. 469, reported by the House Committee on Interior and Insular Affairs. For, under the Klamath County Bar Association minimum fee schedule, even if a bank acts as guardian, $2,386,000 would be used up in fees and charges, if each child's estate is $50,000, in the first year merely establishing these 1,000 guardianships. Merely placing the funds in trust will not obviate the necessity of the appointment of a guardian of the estate of the ward.

Therefore, I have submitted my bill in an attempt to keep these fees and charges within the bounds of reason and good conscience. That is my sole objective. The device I have adopted is simple—I would merely limit these charges to the maximum which can be charged under State law to persons under guardianship receiving benefits from the Veterans' Administration.

As I have said at the beginning of my remarks, I have no pride of authorship. My objective is solely to protect the estates of those minors and incompetents of the Klamath Tribe, for whom guardianship under State laws must be obtained, from depredation and dissipation.

If there be any who have a better solution to offer, the time to offer it is now. Let it not be said, in the years to come, that we had it in our power to protect these children and incompetents, yet failed to act. Such inaction, I do not want on my conscience. I shall accordingly, Mr. Speaker, press for early consideration of this bill.

EXAMPLE 1.—*Total estate, $22,000*

	Guardian		
	Parent	Individual	Bank
Filing fee	$6	$6	$6
Bond $5/1,000	120	120	------
Attorney fee:			
7 percent to $1,000	70	------	------
4 percent $1,000 to $10,000	360	------	------
3 percent $10,000 to $22,000	360	------	------
Total attorney fee	790	790	790
Guardian fee:			
Individual	------	790	------
Bank ½ of 1 percent per year	------	------	110
Attorneys annual fee	220	220	220
Total costs for 1st year	1,136	1,926	1,120

EXAMPLE 2.—*Total estate, $52,000*

	Guardian		
	Parent	Individual	Bank
Filing fee	$6	$6	$6
Bond	258	258	------
Attorney fee:			
7 percent to $1,000	70	------	------
4 percent, $1,000 to $10,000	360	------	------
3 percent, $10,000 to $50,000	1,200	------	------
2 percent over $50,000	40	------	------
Total attorney fee	1,670	1,670	1,670
Guardian fee:			
Individual	------	1,670	------
Bank ½ of 1 percent	------	------	260
Attorneys annual fee	520	520	520
Total costs for 1st year	2,454	4,124	2,456

COMMITTEE ON RULES

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PROPOSED DENIAL OF VA HOSPITAL FACILITIES TO NON-SERVICE-CONNECTED VETERANS

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, I have sought the gentleman from New York [Mr. BECKER] to inform him of what I am going to say, but he is not on the floor of the House or in the Republican cloakroom so I shall accordingly temper my remarks.

Earlier this afternoon and during the course of the proceedings in the Committee of the Whole I called attention to a further mess in Washington and with

regard to the inpatient care appropriation of the Veterans Administration. Subsequent to my remarks the gentleman from New York [Mr. BECKER] made the statement here on the floor that following my remarks he telephoned Dr. Kruger, the manager of the Fort Hamilton Veterans' Administration Hospital in Brooklyn and reported that my remarks as to certain dispatches were not accurate.

I thereupon called Dr. Kruger myself and Dr. Kruger informed me that in his conversation of some ten or fifteen minutes before, the gentleman from New York, [Mr. BECKER] did not mention my name. According to Dr. Kruger, he stated that he had complaints from veterans organizations with regard to the closing of non-service-connected hospital care for veterans and inquired if this was the fact.

Dr. Kruger stated that he informed the gentleman from New York that that was not so, that they were still accepting non-service-connected patients and would continue to do so until he received further orders from Washington in accordance with the dispatches of May 9 and 10 which are already in today's RECORD.

I inquired whether or not during the course of the conversation the gentleman mentioned my remarks upon the floor of the House of Representatives. Dr. Kruger's answer was "No."

The statement of Dr. Kruger that they were still accepting non-service-connected patients and would continue to do so until he received further orders from Washington was entirely consonant with my remarks during the course of debate in the Committee of the Whole, for I pointed out that they got out this silly directive on the 9th of May and then followed it up with a countermanding order on the following day.

Incidentally, Dr. Alexander W. Kruger, the manager of the Fort Hamilton Veterans' Administration Hospital in Brooklyn, is a highly capable administrator and is well thought of by all the veterans' organizations, the veterans, and the Brooklyn congressional delegation. He is doing and has always done a fine job at Fort Hamilton VA Hospital.

While I have this opportunity of the floor I should say that I do hope that information which has come to me that effective August 1, 1957, the finance office of the Brooklyn regional office of the Veterans' Administration will be transferred to the New York regional office in Manhattan, is not correct. A few months ago the Veterans' Administration separated its operation of the regional office and the medical clinic in Brooklyn. Then about a month ago the supply department of the regional office and clinic was transferred to the Fort Hamilton Veterans' Administration Hospital.

This latest development—if it is true, looks to me like it might be the forerunner of other departments being transferred to the New York regional office and would indicate a gradual closing of the activities of the Brooklyn regional office. The Veterans' Administration changed plans to close this office a few years ago following vigorous protests on the part of the Members of Congress from Brooklyn, all the veterans' organizations and the public. Should my present information be unfortunately true with regard to the closing of the regional finance office in Brooklyn, I hereby protest such a move.

A ROSE BY ANOTHER NAME

Mrs. GREEN of Oregon. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include an editorial.

The SPEAKER. Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, when the proponents of the three inadequate dams as a substitute for the Federal high dam at Hells Canyon were arguing their case, they were loud in their protestations that these dams would be built at no cost to the United States. The recent fast tax writeoff granted to the Idaho Power Co. on two of these dams by the Office of Defense Mobilization demonstrates fully the insincerity of those arguments. As the Washington Post points out in its editorial this morning, this is a Federal loan—an interest-free loan of the taxpayers money to this private utility company so that it can inadequately develop one of this Nation's greatest natural resources. The saying goes that a rose by any other name would smell as sweet. This situation proves that the reverse of that saying is just as true. Let us call this interest-free loan to the Idaho Power Co. by its true name—a Government loan. Another example of this administration's big, big deal—for the big, big private utility companies. I am glad to see the Washington Post recognize that fact, and I include the editorial printed in that paper on Tuesday, May 14, in the CONGRESSIONAL RECORD at the conclusion of my remarks.

PAYING FOR DAMS

One of the principal arguments made on behalf of private development of the water resources of Hells Canyon has now been thoroughly exploded. In granting licenses to the Idaho Power Co. to build small dams on the Snake River, precluding the construction of a major multi-purpose high dam at Hells Canyon, the Federal Power Commission asserted that the private construction would be accomplished at no cost to the United States. The private dams are admittedly less efficient and would realize only a fraction of the public purposes attainable by a high dam project, Federal or otherwise. It has become clear, moreover, that through the fast tax writeoffs approved by the Office of Defense Mobilization for the Idaho Power Co., these dams would cost American taxpayers a very substantial sum indeed.

The certificates for accelerated amortization apply to 65 percent of the cost of two of the power company's proposed dams and would amount to about $65 million. They would enable the company to depreciate this sum at the rate of 20 percent a year for 5 years and to deduct corresponding amounts from its taxable income; over the 5-year period, the deductions would come to nearly $59 million, and would reduce the company's taxes by a bit more than $30 million. The tax saving amounts to an interest-free loan by the United States. It would be paid back, of course, in small annual installments over a 45-year period after the fifth year. In the meantime, however, the Government, which is to say, the taxpayers, would have to meet the cost of borrowing the money to be loaned without interest to the power company.

At a cost of 2 percent compounded annually, the cumulative costs of the interest-free loan to the power company would be about $29 million, a tidy sum. But in point of fact recent interest rates on long-term Government borrowing are in excess of 3 percent; and if the compound interest is computed at this rate, it would amount to something like $07 million. It seems altogether clear, in short, that, contrary to the Federal Power Commission's easy assumption, the cost to the United States of private dam construction on the Snake River would be considerable. The cost of a high dam at Hells Canyon (as a Federal, joint State or combined private utility project) would, it is true, be still greater. But it would have the virtue of accomplishing full development of the resources of what has been called the choicest power site on the North American Continent. And at least under several possible formulas it would leave the completed dam belonging to the people who paid for it.

NAME THE FIVE GREATEST REPRESENTATIVES

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, who were they?

What quality made their stewardship outstanding?

How can we best honor, and perpetuate their fame, for the benefit of the Nation?

As example is the most inspiring teacher, we should select from the thousands of men and women who have served their constituents and their country so well as Members of the United States House of Representatives, the "famous five" who are most worthy of emulation.

So that the youth of this country, upon whom we depend for future leadership, will set their sights by the brilliant and dedicated public service of those who were preeminent: Presidents, educators, generals, authors, scientists, clergymen, athletes, professional people, entertainers.

In all areas of our society, including the United States Senate, a few outstanding members are chosen for special honors.

This is a praiseworthy custom.

It enriches our traditions and elevates the standards of our people.

That being the case, I believe we should not overlook the great men who have served in the House of Representatives. Their intelligence, integrity, and devotion to the public good vindicates the people's faith in our way of life.

Therefore, matching the precedent created by the Senate, I propose that we authorize the Speaker of the House to appoint a five-member committee to select "five outstanding persons from among all persons, but not a living person, who have served as Members of the House of Representatives since the formation of the Government of the United States." Paintings portraying them shall occupy a special place of honor within the Reception Room of the House.

The committee shall be authorized to seek advice and recommendations from such historians and other sources, including the general public, as it deems advisable.

For the purpose of this resolution, the committee shall be authorized to employ such assistants and to make such expenditures as it deems advisable.

Due to the hundreds of potential candidates for this honor, from the long and illustrious history of the House of Representatives, a fund of $15,000 is needed to defray the expenses of the committee. This shall be paid from the contingent fund of the House upon vouchers approved by the chairman of the special committee to be chosen for this purpose.

This amount, less than the salary of one Member for one term, is a modest request to fittingly recognize the outstanding public servants produced by this legislative assembly.

The criteria that shall serve as a guide to select the five greatest Representatives shall be consistent with the standards adopted by the Senate committee on a similar occasion. These qualifications are: First, that the Representatives should be chosen without regard for their services in other offices; second, that they should be distinguished for acts of statesmanship transcending party and State lines; and third, that the definition of "statesmanship" may well include leadership in national thought and constitutional interpretation as well as in legislation.

The purpose of this resolution is timely and necessary.

Let us show to ourselves and to the world the highest type of man produced by our representative form of government.

To inspire, by this proof, and this tribute, a renewed dedication to the cause of freedom.

DO WE STAND ON OUR PLATFORM?

The SPEAKER. Under the previous order of the House, the gentlewoman from New Jersey [Mrs. DWYER] is recognized for 10 minutes.

Mrs. DWYER. Mr. Speaker, for more than 4 months now I have been sitting in this Chamber, watching and listening to and taking part in the proceedings of the greatest legislative body in the world.

I have listened with interest and admiration to eloquent words which stirred the mind and touched the heart. I have watched with fascination the legislative processes that are so much a part of the honored traditions of the House of Representatives.

Now, I rise to speak on my impressions of the events of these past months; to put into words certain thoughts as a freshman Member viewing the Congress and its actions. I speak not in disrespect nor in brashness, but as a lawmaker, and as a loyal Republican, sorely troubled by much that I have seen and heard.

One year ago, we of the Republican Party—liberals, middle-of-the-roaders, and conservatives, alike—acclaimed President Eisenhower as the indispensable man.

We drafted him to lead our party for another 4 years—and he accepted the burdens of the Presidency which we thrust upon him.

I do not believe—nor could I ever be convinced—that Dwight D. Eisenhower sought another 4 years in the Presidency because of any desire for power or personal glory. I believe he was motivated only by a conviction that our expressions of faith in his leadership were sincere; by a belief in our words that our party, our Nation, and the free world needed him.

Yes, President Eisenhower accepted our bidding. He turned from thoughts of retirement to the awesome responsibilities of leadership in a troubled, tension-torn world.

Just last August, President Eisenhower journeyed to San Francisco to accept the Republican Party's highest honor. He was greeted with a tumultous ovation as he accepted the nomination and pledged his support to the platform forged by his party.

The President campaigned on that platform—a platform based on programs for the welfare of our people, the security our beloved land, and the peace of the world.

Last November, the people of America gave our President and our platform an overwhelming vote of confidence. It was a vote that surged across party lines and spread through all stratas of our society. It was the voice of the people, expressing a powerful faith in a man and in the things for which he stood. It was an endorsement of which there could be no questioning, no doubt. But that was 6 months ago.

Today, as President Eisenhower prepares to talk to the people of America on his budget—a budget with which we in the Congress have been so fully occupied in recent months—the cheers and the protestations of faith are strangely silent; and the promises of our platform—indeed, the promises of both parties' platforms—seemingly have been put into mothballs to await 1958 and 1960.

With this session of Congress well past the halfway post, I believe it would be well for all of us, of both political faiths, to ask:

Do we stand firm on the platforms which we took to the people last fall?

Are the platforms of our parties a sincere expression of the principles we believe in, or are they merely the flimsy product of political expediency, to be conveniently scrapped after the polls close on election day?

To date, this Congress has made little progress toward implementing the planks of our parties' platforms.

We need look no further than civil rights for an example.

Republicans and Democrats, alike, pledged in their platforms enactment of a civil-rights program as a first order of business.

Both parties agreed, in their platforms, that there must be an end to second-class citizenship; that all of our people, regardless of race, color, or creed, must be assured under law of equality and the God-given right of human dignity.

Yet, today, just as in years past, civil rights again is stalled against the wall of intolerance.

I ask you: Have we kept faith with the principles to which we gave such eloquent lipservice in the campaign platforms of our parties?

Now, to turn to another matter, I do not believe there is any disputing that this Congress is economy minded.

Such a businesslike attitude is healthy—so long as we do not impair essential services or endanger our national security. There is no disputing the need for economy in government; for tax relief for our people. Indeed, I believe we in the Congress have an obligation to make known to the President the views of our people on economy.

However, I might point out that less than 40 percent of the second Hoover Commission's recommendations have been enacted by Congress.

President Eisenhower has asked for action on the Hoover recommendations. Our platform pledged action on the Hoover recommendations. And yet this legislation, including the important economy provision for changing our expenditure system to a yearly pay-as-you-go plan, is languishing in committee.

Isn't it about time, if we really are sincere about effecting savings, that we act on this sound legislation?

I also believe we might take the time to view objectively our own changing attitude toward the President.

A year ago, we hailed the President as our indispensable leader—and the people of America reflected, by their vote, that faith.

Has that faith of the people diminished in these few brief months?

I do not believe it has.

We have peace; we have a prosperous economy. Why, then, are we Republicans questioning the leadership we clamored for last year? Why, then, is our faith wavering? In reverting to the role of Doubting Thomas, are we not doing a disservice, both to our party and to the people of America?

I, for one, am glad the President is taking the budget question to the people tonight.

There has been too much confusion, too much misunderstanding and too much misinformation on this subject. I am confident the President will bring a clearer perspective to bear on this question.

Certainly, President Eisenhower has given ample evidence he is aware of the need for sound economies.

In his state of the Union message last January, he emphasized the need for the departments and agencies of government to search out additional ways to save money and manpower. And he urged the Congress to be equally vigilant.

Vigilance is fine—but indiscriminate budget slashing can be as dangerous, in many ways, as governmental extravagance.

There is no questioning the need to eliminate extravagance and waste. But I believe we are fooling ourselves, and the people, by cutting appropriations which must be restored if our various departments, in carrying out programs and obligations prescribed by law, run short of funds during the year.

I believe we are avoiding our own responsibility if we seek to blame the President for the size of the budget.

Certainly, the budget can be cut. It can be cut any time we in Congress are willing to risk unpopularity back home by curtailing or eliminating many costly governmental programs and turn the responsibility for such programs back to the State and local governments where it properly belongs.

Certainly, the budget can be cut. It can be cut any time we in Congress start employing a more cautious attitude toward enacting Federal programs; when we in Congress start viewing legislative programs—not on the basis of voter appeal, but on a sound basis of what will such a program cost and is it necessary; when we in Congress are willing to enact the Hoover recommendations.

Certainly, the budget can be cut. It can be cut any time the folks back home are willing to give up programs and services in which they are personally interested.

But, until we in the Congress and the folks back home are willing to face up to these facts, I say there can be no effective cutting of the budget.

Until that time, I say—stop shifting all the blame to the President.

The President's leadership has not failed or weakened. If there is any failure, let us ask ourselves: Are we responsible?

JEROME K. KUYKENDALL

The SPEAKER. Under previous order of the House, the gentleman from Oregon [Mr. ULLMAN] is recognized for 30 minutes.

Mr. ULLMAN. Mr. Speaker, the President has recently submitted to the Senate for confirmation the name of Jerome K. Kuykendall to serve for another term as Chairman of the Federal Power Commission. The submission of this nomination raises a great many issues, as well as some pertinent questions regarding Mr. Kuykendall's conduct as Chairman of the FPC during the last 4 years.

I think it important to keep in mind during our consideration of Mr. Kuykendall's renomination the fact that the Federal Power Commission has been created by Congress to protect the public interest against abuses by gas and electric utilities subject to its jurisdiction. Actions of the Commission and Mr. Kuykendall must be judged by that standard.

On March 4, 1957, I received a letter from Mr. Kuykendall, which was written in response to a telegram I had sent to him in which I requested certain information regarding the washout of the Brownlee Dam being constructed by the Idaho Power Co. on the Snake River. In this letter, Mr. Kuykendall stated:

> No faulty construction techniques or design or safety standards were involved. Operations to handle such high flows were carried on in accordance with predetermined plans.

On may 6 I received another letter from Mr. Kuykendall with further reference to this matter. The reason for writing this letter, according to Mr. Kuykendall, was because he had received "additional information regarding the construction operations of the Brownlee development."

In his May 6 letter, Mr. Kuykendall advises me that whereas the plans and specifications for the Brownlee project called for a diversion tunnel capacity of 60,000 cubic feet per second, this design apparently was not complied with, and "in contemplation of relocating the permanent flood-control sluiceway under the spillway section, the licensee constructed the diversion tunnel only with the capacity required during the construction period." Mr. Kuykendall does not state what that capacity is, but Mr. Gordon Fernald, chief, Planning Branch, North Pacific Division, Corps of Engineers, Portland, Oreg., stated in hearings held by the House Interior Subcommittee on Irrigation and Reclamation, on March 4 and 5, that capacity "was 25,000 cubic feet per second."

Mr. Speaker, there is a considerable degree of difference between a tunnel capacity of 25,000 cubic feet per second and 60,000 cubic feet per second. We have here a major change of design—a change that insofar as we know was not authorized or approved, a change about which the power company is only now "preparing revised exhibits showing the changes contemplated."

Yet, in his letter of March 4, Chairman Kuykendall informs me that "operations to handle such high flows were carried on in accordance with predetermined plans."

It is also interesting to note that in his March 4 letter Chairman Kuykendall said:

> Damage to the Brownlee Dam and project works was nominal * * * no delay of any consequence is anticipated because construction is being carried on for other parts of the project.

Yet, even now, 2½ months later, the cofferdams are still overrun with water and the full flow of the Snake River is passing down its old channel. I am told that it will be many weeks yet before the river bed can be unwatered and normal construction continued.

Additional enlightenment on Mr. Kuykendall's reference to predetermined plans can be found in a story which appeared in the Portland Oregonian. The March 5, 1956, issue of that paper recounts an interview between Mr. E. A. Woodhead of the Idaho Power Co. and Glen C. Johnson of the construction firm. The following significant quotation is contained:

> Before the floods of 1957, the dam builders expect the third cofferdam to be high enough and strong enough to hold back the Snake.

On March 1, 1956, a full year before the 1957 flood, the Baker, Oreg., Democrat-Herald quoted Bob Hall, assistant to the President of the Idaho Power Co., as saying:

> The tunnel will carry the flow of the water after the spring flow passes. Following this, two cofferdams will be built. * * * The water will enter the tunnel under pressure and the construction would be more than adequate to carry the flows of the Snake River for diversion purposes.

Mr. Speaker, I stated at the beginning of my remarks that the nomination of Jerome K. Kuykendall raises a number of questions. I believe that before the Senate acts on his renomination, Mr. Kuykendall should answer the following questions with regard to construction on the Snake River by the Idaho Power Co.:

First. Why was the diversion tunnel not built as planned?

Second. Did the Federal Power Commission grant any kind of official approval to the change in design and to the underconstruction of tunnel capacity by more than half?

Third. With a major change in design standards, now admitted by the Chairman of the Federal Power Commission, why has there not yet been presented the revised exhibits showing the changes contemplated?

Fourth. Did the Commission fail to inspect the construction of the tunnel?

Fifth. Was the Commission caught in its own failure by the flood?

Sixth. Is the company trying to cover up this washout by revising its plans after the damage is done, and is the Commission a party to this collusion?

Mr. Speaker, these are important questions and I hope we will receive answers to them. However, they are prompted by only one in a series of highly questionable maneuvers on the part of Chairman Kuykendall with respect to the Hells Canyon case. The decision licensing Idaho Power Co. was, itself, contrary to the recommendations of the hearing examiner who held the year-long hearings on the power company application. The examiner admitted the superiority of the high-dam project in almost every respect but, despite the admitted inferiority of low dams, recommended that one be constructed as a matter of expediency. The Commission, ignoring its responsibilities to fully develop the river, granted licenses to all three projects in a scheme that utilizes only half the potential of the river.

I would also like to draw attention to Chairman Kuykendall's contention that private construction of the low dams on the Snake "will be realized without expense to the United States to the extent that the projects are constructed by a non-Federal entity."

This line of reasoning is in accordance with a statement made during the license hearings by Mr. R. P. Parry, company counsel for the Idaho Power Co., contending that the "applicant is here before you asking the privilege of constructing solely with its own money and without 1 cent of cost to the taxpayers of the United States."

Yet, today, Idaho Power Co. stands as the recipient of certificates for rapid tax amortization which were recently issued by the Office of Defense Mobilization. Mr. Kuykendall knew of the power company's application for these certificates. He knew that the granting of such certificates would cost the United States a great deal of money. He had joined in a previous decision on December 3, 1953, which stated that a tax amortization certificate "has the precise effect of a grant by our Government to a certificate holder of an interest-free loan"—FPC Opinion No. 264, page 3.

The tax certificates issued to the Idaho Power Co. on April 17, 1957, will permit the company to reduce income-tax payments over a 5-year period by $30,500,000. The Treasury must borrow money or tax the people of the United States additionally in order to make up this deficiency.

It is also significant that Mr. Kuykendall and the Federal Power Commission withheld the granting of financing privileges to the power company until the day after the rapid tax-amortization certificates were issued. Was this a matter of pure coincidence? Or was financial feasibility questionable without this multi-million-dollar gift on the part of the taxpayers. If one analyzes not just the cost to the taxpayers but the benefits to the power company from this kind of an interest-free bonanza, he arrives at the fantastic figure of $329 million benefits to the power company over a 50-year period in the life of the project. Why should not they be able to pay for a hundred-million-dollar dam with that kind of a bonanza on the part of the taxpayers? Apparently, all of this is with the full advice, knowledge, and consent of Mr. Kuykendall, Chairman of the Federal Power Commission.

Mr. Speaker, the saga of Mr. Kuykendall's favoritism toward public utilities has yet other aspects. While considering these aspects, let us remember that Mr. Kuykendall's original appointment was made at the request of Gov. Arthur Langlie of the State of Washington, who was the foremost opponent of the Hells Canyon Dam project and who was, incidentally, thoroughly repudiated at the polls in 1956. Let us also remember that Mr. Kuykendall was Governor Langlie's power assistant on the Washington State Public Service Commission, and that prior to his assuming public office was an attorney with a firm handling private utility company accounts.

The original decision in favor of the Idaho Power Co. in the Hells Canyon case was announced by Mr. Kuykendall on August 4, 1955—a matter of hours after Congress had adjourned. As a matter of fact, the case had been decided as far back as July 27, and the announcement withheld until the adjournment of Congress.

Even more shocking, however, is the testimony of Mr. Kuykendall before the House Subcommittee on Small Business. On July 28, 1955, the day after the Commission had made its official decision on Hells Canyon, Mr. Kuykendall stated before the subcommittee that he did not think it proper to divulge "what the Commission is doing anymore than a court should divulge these things." He stated that the case was then under consideration, knowing full well that the decision had already been made.

Mr. Speaker, Mr. Kuykendall's favoritism in the Hells Canyon case is similar to his actions in the Dixon-Yates case. Appearing before the Joint Committee on Atomic Energy in November of 1954, Mr. Kuykendall was asked whether the Federal Power Commission's Bureau of Law had given opinions on the Dixon-Yates contract. Kuykendall answered, "Our lawyers were not called into this." He then explained that other bureaus of the Commission had worked on the contract but that the Commission wrote the Atomic Energy Commission that "Our attorneys had not passed on it." This testimony appears in the hearings before the Joint Committee on Atomic Energy on the Dixon-Yates contract, November 1954, pages 187 to 211.

Mr. Kuykendall seems to have forgotten that two assistant general counsels of the Federal Power Commission, in August of 1954, had submitted memorandums to the FPC on the Dixon-Yates contract. Mr. Kuykendall certainly must have read these two opinions, which were both very critical. I would like to quote partially from one of these opinions:

> I have never reviewed a power contract wherein each and every provision is written in such fashion that one party has an absolute veto right wherever any adjustment or change is indicated and no provision is made for the resolving of a dispute. The contract gives the impression that the generating company dictates the terms and conditions of the contract, and either AEC was inept or without any right or opportunity to insist on relative provisions.

Opinion of the other counsel stated that serious questions were involved that raised grave apprehension.

Hearings of Subcommittee No. 1 of the House Select Committee on Small Business disclosed Mr. Kuykendall's failure to mention these significant facts. The same subcommittee also disclosed that Mr. Kuykendall had put in the record an opinion of a nonlegal member of the Commission staff to the effect "that the contract is fair and reasonable to the Government and to the power company." This opinion was dated August 24, 1954, and was written at the same time that the two assistant general counsels of the Commission prepared memorandums critical of the Dixon-Yates contract.

Mr. Speaker, disclosure of these significant facts by Mr. Kuykendall could very well have meant that the committee would have stopped the Dixon-Yates contract at that time.

Mr. Kuykendall's interest in Dixon-Yates also brings to mind this interesting fact. The Dixon-Yates case involved a private consulting firm, Ebasco Services, Inc., a firm which was responsible for the engineering work connected with the proposed generating plant. This is the same concern which is the consulting engineering firm to the Idaho Power Co.—the power company to which Mr. Kuykendall and the FPC have given the Hells Canyon stretch of the Snake River. The plot thickens when we remember that Ebasco Services is also the consulting firm for the Pacific Northwest Power Co., which has applications pending today before the FPC for further underdevelopment of the Snake River below the Hells Canyon site.

Mr. Kuykendall's disregard of the position of public trust which he now holds, and for which he has been renominated, is also disclosed by his failure to comply with Secretary of Interior Seaton's request that the FPC decision on the Mountain Sheep-Pleasant Valley license applications be held up until the Interior Department could restudy the Pleasant Valley site. Mr. Kuykendall stated that this request does not have any legal effect and that the Commission did not intend to alter in any way its usual procedure for handling the license applications for the Mountain Sheep and Pleasant Valley projects.

Mr. Speaker, why is Mr. Kuykendall unwilling to delay this proceeding so that the Interior Department can make the much needed study of the Pleasant Valley site? Under section 10a of the Federal Power Act, a license can only be granted if the Commission finds the project best adapted to a comprehensive plan. If the higher Pleasant Valley dam is better, one would think that the Chairman of the Federal Power Commission would welcome the opportunity to serve the public interest and to carry out the purposes of the act by considering the best possible project.

Mr. Speaker, Mr. Kuykendall's performance in the Dixon-Yates and Hells Canyon cases do not disclose any fervent desire to serve the public interest in his position as Chairman of the FPC. There are glaring examples of misrepresentation and deception. There is evidence that the FPC has not acted in the best interests of the public, but solely in the best interests of the Idaho Power Co.

Mr. Speaker, I have today written to Senator ESTES KEFAUVER, chairman of the Senate Judiciary Subcommittee on Antitrust and Monopoly and also to Mr. MORGAN MOULDER, chairman of the House Subcommittee on Legislative Oversight, requesting that they investigate the serious breaches of public trust and public responsibility which have been committed by the Federal Power Commission. The Congress and the people of the United States deserve to know the full details concerning the Chairman of a Commission which has been so seriously involved in the flagrant desecration of our natural resources.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. ULLMAN, for 30 minutes, today, and to revise and extend his remarks.

Mr. MCVEY, for 30 minutes on May 20.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. KILDAY and to include a bill.

Mr. RAY.

Mr. HUDDLESTON.

Mr. WALTER and to include an address by Senator BIBLE.

Mr. LESINSKI in two instances.

Mr. JENNINGS.

Mr. GUBSER (at the request of Mr. HORAN) in two instances and include extraneous matter.

Mr. TUCK (at the request of Mr. ALBERT) and include a speech.

Mr. SAYLOR.

Mr. ROOSEVELT and to include an address by Hon. GEORGE S. MCGOVERN.

ENGROSSED SENATE JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 22. Joint resolution requesting the President to designate the third Friday of May of each year as National Defense Transportation Day.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 14 minutes p. m.), the House adjourned until tomorrow, Wednesday, May 15, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

849. A letter from the Attorney General, transmitting a report which presents a study of the competitive consequences of defense expansion in the titanium metal industry, as well as a continuing review of the current status of the outstanding voluntary agreements and programs established under section 708 (b) of the Defense Production Act of 1950, pursuant to section 708 (e) of the Defense Production Act of 1950, as amended; to the Committee on Banking and Currency.

850. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation entitled "A bill to amend the act of March 3, 1901 (31 Stat. 1449), as amended, to incorporate in the Organic Act of the National Bureau of Standards the authority to acquire land for field sites, to undertake construction and improvement of buildings, and for other activities"; to the Committee on Interstate and Foreign Commerce.

851. A letter from the Secretary of State, transmitting a draft of proposed legislation entitled "A bill for the relief of Anton N. Nyerges"; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SMITH of Virginia: Committee on Rules. House Concurrent Resolution 172. Concurrent resolution to establish a joint congressional committee to investigate matters pertaining to the growth and expansion of the District of Columbia and its metropolitan area; without amendment (Rept. No. 447). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 250. Resolution for consideration of H. R. 6952, a bill to authorize the transfer of naval vessels to friendly foreign countries; without amendment (Rept. No. 448). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. H. R. 3281. A bill for the relief of Edward S. Gay; without amendment (Rept. No. 443). Referred to the Committee of the Whole House.

Mr. POFF: Committee on the Judiciary. H. R. 4045. A bill for the relief of Mrs. Leonard O. Erickson; without amendment (Rept. No. 444). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 2964. A bill to confer jurisdiction on the United States District Court for the Eastern District of Texas, Jefferson Division, to hear, determine, and render judgment on certain claims of George W. Edwards, Jr., against the United States; with amendment (Rept. No. 445). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 247. An act for the relief of Max Mazak Terian and his wife, Maria Terian; with amendment (Rept. No. 446). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARING:

H. R. 7512. A bill to amend the Civil Service Retirement Act Amendments of 1956 applicable to certain persons who retired under the automatic separation provisions of the Civil Service Retirement Act prior to the enactment of such amendments; to the Committee on Post Office and Civil Service.

By Mr. BECKWORTH:

H. R. 7513. A bill to amend title II of the Social Security Act to permit policemen and firemen in positions covered by retirement systems to obtain social security coverage on the same basis as other State and local employees; to the Committee on Ways and Means.

H. R. 7514. A bill to provide that the former owners of land acquired by the United States shall, in certain cases, have the right to reacquire the mineral rights in such land when it is sold by the United States; to the Committee on Interior and Insular Affairs.

By Mr. BONNER:

H. R. 7515. A bill to require pilots on certain vessels navigating United States waters of the Great Lakes, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BURDICK:

H. R. 7516. A bill to amend the Tariff Act of 1930 so as to permit the importation free of duty of religious vestments and regalia presented without charge to a church or to certain religious, educational, or charitable organizations; to the Committee on Ways and Means.

By Mr. BYRNE of Pennsylvania:

H. R. 7517. A bill to amend the act of June 28, 1948 (62 Stat. 1061), as amended, providing for the establishment of Independence National Historical Park, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 7518. A bill to authorize the Secretary of the Interior to acquire certain additional property to be included within the Independence National Historical Park; to the Committee on Interior and Insular Affairs.

By Mr. CELLER:

H. R. 7519. A bill to amend section 2680 (j) of title 28 of the United States Code so as to permanently exclude claims arising out of combatant activities or warlike operations; to the Committee on the Judiciary.

By Mr. DEMPSEY:

H. R. 7520. A bill to authorize the Secretary of Agriculture to sell to the village of Central, State of New Mexico, certain lands administered by him formerly part of the Fort Bayard Military Reservation, N. Mex.; to the Committee on Agriculture.

By Mr. DIXON:

H. R. 7521. A bill to amend the Trade Agreements Extension Act of 1951 with respect to escape-clause procedure, and for other purposes; to the Committee on Ways and Means.

By Mr. ENGLE:

H. R. 7522. A bill to authorize the extension of certain rights to remove timber from lands acquired by the United States; to the Committee on Interior and Insular Affairs.

By Mr. GATHINGS:

H. R. 7523. A bill to amend section 2 of the act of June 28, 1879, providing for the appointment of a Mississippi River Commission for the improvement of said river from the head of the passes near its mouth to its headwaters; to the Committee on Public Works.

By Mrs. GREEN of Oregon:

H. R. 7524. A bill to provide for proper guardianship of minors and incompetents of the Klamath Tribe of Indians, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. KILDAY:

H. R. 7525. A bill to amend title 10, United States Code, concerning the sale or disposal of uniforms; to the Committee on Armed Services.

By Mr. KITCHIN:

H. R. 7526. A bill to amend the Internal Revenue Code of 1954 to require certain financial reports as a prerequisite for exemption from the tax on corporations; to the Committee on Ways and Means.

By Mr. LANE:

H. R. 7527. A bill to regulate the foreign commerce of the United States by establishing import quotas under specified conditions, and for other purposes; to the Committee on Ways and Means.

By Mr. MACK of Illinois:

H. R. 7528. A bill to provide a method whereby wartime service can be established in the case of veterans of the Spanish-American War whose records cannot be found; to the Committee on Veterans' Affairs.

By Mr. MULTER:

H. R. 7529. A bill to alleviate conditions of excessive unemployment and underemployment in depressed industrial and rural areas; to the Committee on Banking and Currency.

H. R. 7530. A bill to establish a board (outside of the Department of Defense) to review and correct discharges and dismissals of former members of the Armed Forces; to the Committee on Armed Services.

By Mr. RADWAN:

H. R. 7531. A bill to amend title II of the Social Security Act to include New York among the States which may obtain social-security coverage, under State agreement, for State and local policemen and firemen; to the Committee on Ways and Means.

By Mr. RAINS:

H. R. 7532. A bill to create a Department of Urban Affairs, and for other purposes; to the Committee on Government Operations.

By Mr. TEAGUE of Texas (by request):

H. R. 7533. A bill to amend title XV of the Social Security Act to provide for payments of unemployment compensation thereunder to veterans discharged after 1957, to the same extent as such payments are made to civilian employees of the United States; to the Committee on Ways and Means.

By Mr. UDALL:

H. R. 7534. A bill to amend the act of June 28, 1946, authorizing the performance of necessary protection work between the Yuma project and Boulder Dam by the Bureau of Reclamation; to the Committee on Public Works.

By Mr. VAN ZANDT:

H. R. 7535. A bill to amend Public Law 298, 84th Congress, relating to the Corregidor-Bataan Memorial Commission, and for other purposes; to the Committee on Foreign Affairs.

By Mr. CELLER:

H. R. 7536. A bill to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941; to the Committee on the Judiciary.

By Mr. CRETELLA:

H. R. 7537. A bill to provide for a determination by the Board of Engineers for Rivers and Harbors of the advisability of modifying the existing project at New Haven, Conn., in view of changed shipping and economic conditions; to the Committee on Public Works.

By Mr. JOHNSON:

H. R. 7538. A bill to provide supplementary benefits for recipients of public assistance and benefits for others who are in need through the issuance of stamps or certificates to be used in the acquisition of surplus agricultural commodities; to provide for improved nutrition for recipients of public assistance and others eligible under the provisions of the act; to assist in maintaining fair prices and income to farmers by providing additional outlets for surplus agricultural products; to prevent burdening and obstructing channels of interstate commerce; to promote the full use of agricultural resources; and for other purposes; to the Committee on Agriculture.

By Mr. McCARTHY:

H. R. 7539. A bill to transfer to the Postmaster General the duties and functions currently vested in the Administrator of General Services for the care, maintenance, operation, and upkeep of those buildings occupied in whole or in part by the Post Office Department; to the Committee on Government Operations.

By Mr. METCALF:

H. R. 7540. A bill to amend Public Law 815, 81st Congress, relating to school construction in federally affected areas, to make its provisions applicable to Wake Island; to the Committee on Education and Labor.

By Mr. SAYLOR:

H. R. 7541. A bill to amend the Natural Gas Act so as to provide standards for determining the effect of the proposed exportation or importation of natural gas on the public interest; to the Committee on Interstate and Foreign Commerce.

By Mr. STAGGERS:

H. R. 7542. A bill to authorize the Secretary of the Navy to take possession of the naval oil shale reserves and to experiment in the extraction of synthetic liquid fuels from oil shale in the interest of national security; to the Committee on Armed Services.

By Mr. YATES:

H. R. 7543. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. BLATNIK:

H. J. Res. 330. Joint resolution to authorize the Secretary of Commerce to sell certain war-built vessels for primary utilization in servicing ports on the Great Lakes; to the Committee on Merchant Marine and Fisheries.

By Mr. CHENOWETH:

H. J. Res. 331. Joint resolution to amend the Internal Revenue Code of 1954 so as to establish an equitable depletion rate for oil shale with those depletion rates now allowed for oil and gas wells; to the Committee on Ways and Means.

By Mr. HILL:

H. J. Res. 332. Joint resolution to amend the Internal Revenue Code of 1954 so as to establish an equitable depletion rate for oil shale with those depletion rates now allowed for oil and gas wells; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOGGS:

H. R. 7544. A bill to amend the act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever," approved February 28, 1929, by including therein the name of Roger P. Ames; to the Committee on Armed Services.

By Mr. BOSCH:

H. R. 7545. A bill for the relief of Lemuel A. Wynne; to the Committee on the Judiciary.

By Mr. BOYLE:

H. R. 7546. A bill for the relief of Marie Elena Vega de Alcala; to the Committee on the Judiciary.

H. R. 7547. A bill for the relief of Antonio De Risi et al.; to the Committee on the Judiciary.

By Mr. BROYHILL (by request):

H. R. 7548. A bill for the relief of Mamie A. Crounse; to the Committee on the Judiciary.

By Mr. CURTIS of Massachusetts:

H. R. 7549. A bill for the relief of Thomas McRankin; to the Committee on the Judiciary.

By Mr. DELANEY:

H. R. 7550. A bill for the relief of Ohannes Vartanyan and Mrs. Agavni Vartanyan; to the Committee on the Judiciary.

H. R. 7551. A bill for the relief of Mrs. Wilhelmina Markovics; to the Committee on the Judiciary.

By Mr. DEROUNIAN:

H. R. 7552. A bill for the relief of Bruno Lagomarsino; to the Committee on the Judiciary.

By Mr. MACDONALD:

H. R. 7553. A bill for the relief of John V. Fourlis; to the Committee on the Judiciary.

By Mr. MACK of Illinois:

H. R. 7554. A bill for the relief of Edward Neal Fisher; to the Committee on the Judiciary.

By Mr. PELLY:

H. R. 7555. A bill for the relief of Itsumi Kasahara; to the Committee on the Judiciary.

By Mr. TELLER:

H. R. 7556. A bill for the relief of Mrs. Anna Yvonne Renee Houarner; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 7557. A bill for the relief of certain Polish escapees; to the Committee on the Judiciary.

By Mr. ZELENKO:

H. R. 7558. A bill for the relief of Mrs. Anne Morgan; to the Committee on the Judiciary.

By Mr. REUSS:

H. J. Res. 333. Joint resolution authorizing the President to issue posthumously to the late Col. William Mitchell a commission as a major general, United States Army, and for other purposes; to the Committee on Armed Services.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

245. By the SPEAKER: Petition of the secretary, National Association of Boards of Pharmacy, Chicago, Ill., petitioning consideration of their resolution with reference to endorsing H. R. 6801, intended to establish the ranks of major general and brigadier general for pharmacists in the Medical Service Corps; to the Committee on Armed Services.

246. Also, petition of the commander, Mariemont American Legion Post, No. 146, Mariemont, Ohio, petitioning consideration of their resolution with reference to requesting enactment of legislation which will secure a modification or denunciation of the provisions of the NATO Status of Forces Treaty and all other agreements which surrender to foreign nations criminal jurisdiction over our servicemen; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

Sorting Mail With the Transorma

EXTENSION OF REMARKS

OF

HON. CHARLES S. GUBSER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1957

Mr. GUBSER. Mr. Speaker, Mr. Paul Nagle, president of the National Postal Transport Association, in a recent appearance before a committee of the Senate has made one of the most ridiculous statements I have ever heard.

Mr. Nagle has condemned an experiment which the Post Office Department is conducting at Silver Spring, Md., with a Dutch mailsorting machine called the Transorma. He alleged before the committee that the machine has failed and is not resulting in savings of manpower and money.

I have seen the Transorma in Holland. I have also watched the Silver Spring operation and believe someone should expose the ridiculous nature of Mr. Nagle's charges and reveal his true motives.

In a little over 1 month each of the 5 operators have learned to sort 46 letters per minute into as many as 300 different slots. This gives the machine a capacity of 13,800 letters per hour. Eventual capacity, with practice, will be 16,800 per hour. Contrast this with hand sorting where one man, operating 30 percent slower than his companion on the Transorma can only reach 35 different bins making it necessary to resort the same mail at least once more to equal the 300 sortings on the machine.

Mr. Nagle's statement that it requires 6 men to service the 5 Transorma operators shows how far he has stretched the truth to condemn the new system. These 6 men are used in what is called the facing operation. Had he been fair he would have pointed out that the same 6 men would be required for hand sorting.

Of course, the Transorma is not perfect. Putting a modern machine in the midst of an obsolete system for handling mail is bound to require the development of new techniques. Mr. Nagle would not expect a modern automatic transmission to work in a model T Ford.

He would have to build a new car around it.

If Mr. Nagle's attitude had prevailed since the first days of American history women would still wash their clothes in the nearest creek and we would still be driving horses and buggies. Modern appliances have made our lives better and furthermore they haven't put people out of work. As a representative of postal employees he has the right to do all that he can for the betterment of working conditions for his membership, but he does not have the right to hold up progress and insist on continuing the United States Post Office as the most ridiculous and obsolete system in the world.

In promoting a bill during the last session which urged the Post Office Department to conduct experiments like the one at Silver Spring I dealt extensively with Mr. Nagle. During those negotiations it became very apparent to me that his prime motive was to prevent mechanization and the replacement of employees who might otherwise be contributing members to his own organization. Self-preservation is a natural instinct but it has to take a back seat to the interests of an entire nation. I sincerely hope the American public will enthusiastically endorse Postmaster General Summerfield's experiment and urge that it be continued.

Rumanian Independence Day

EXTENSION OF REMARKS

OF

HON. JOHN LESINSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1957

Mr. LESINSKI. Mr. Speaker, on May 10, 1877, Rumania proclaimed herself a fully independent state, the event occurring about a hundred yars after America issued its Declaration of Independence. We in the United States are fortunate because on the Fourth of July we can celebrate with parades, fireworks, oratory, and other public demonstrations by which we express our joy and thankfulness that we are free people, governing ourselves through officials of our own choosing. Rumanians, and the other once independent nations now enslaved by Soviet Russia, cannot mark their national holidays by such celebrations. But these people do, I am sure, commemorate the event quietly with a hope that in the future they will be able to celebrate not only the historical date of their independence but also the day they are liberated from the tyranny of Russian rule.

Throughout history Rumania has withstood the onslaught of alien aggressors, but through the strong Christian faith and patriotic spirit of its people, won independence. These same qualities will lead them to triumph over their present oppression. But it will take more than just the spirit of the people; aid must come from other directions. We have established an excellent example recently by our offer to extend economic aid to Poland; if the program succeeds there, the Rumanians and other enslaved nations will take heart and might follow the same route to freedom. We in America must stand ready to support the Rumanian people in the determination to regain their independence.

A Bill To Preserve the Distinctive Character of Military Uniforms

EXTENSION OF REMARKS

OF

HON. PAUL J. KILDAY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1957

Mr. KILDAY. Mr. Speaker, military men should be proud of the uniform they wear. It is a symbol to all that the individual follows the honored profession of arms in our country's defense.

Since the close of World War II, it has not always been possible for the men in uniform to feel that pride. This has come about because surplus or excess stores of uniforms have been sold upon the open market. Instead of being the pride of his honored profession the military man has seen his uniform used as work clothing or worn by those engaged in menial tasks. This has been particularly true of the Army uniform.

Rather recently the Air Force has adopted its blue uniform. None of those uniforms have thus far been disposed of on the open market. The Army is in the process of converting to its new green uniforms. The Marines are currently planning uniform changes.

This is the proper time to take steps to preserve the distinctive character of all the uniforms of our armed services.

I have today offered a bill, the purpose of which is to prevent the disposal of military uniforms to persons not authorized to wear the same until all distinctive markings and insignia have been removed and the distinctive character thereof termined by dying such uniforms black.

I believe that my bill will promote the morale and pride of the armed services by preventing the misuse of their distinctive uniforms. It will minimize the desire for the change in uniform shades and material which comes about from the use of the uniform by others than members of our armed services.

My bill reads as follows:

A bill to amend title 10, United States Code, concerning the sale or disposal of uniforms

Be it enacted, etc., That section 771 of title 10, United States Code is amended—

(1) By inserting the designation "(a)" before the words "Except as otherwise provided by law"; and

(2) By adding the following new subsection:

"(b) Prior to the disposal by sale or otherwise, except to persons authorized to wear the uniform or distinctive parts of the uniform of the Army, Navy, Air Force, or Marine Corps, the Secretary of the military department concerned, under regulations prescribed by the Secretary of Defense, shall cause to be removed from such uniforms, or parts thereof, including blouses, shirts, jackets, overcoats, hats, caps, or any other type of clothing worn as an outer garment, distinctive insignia, including buttons, chevrons, unit designations, and all other insignia or distinctive marks; and in addition, all such uniforms or parts thereof, shall be dyed black."

Salute to Bill Streit

EXTENSION OF REMARKS

OF

HON. GEORGE HUDDLESTON, JR.

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1957

Mr. HUDDLESTON. Mr. Speaker, today at this very hour the Birmingham, Ala., Kiwanis Club is honoring Bill Streit, at a surprise luncheon in Birmingham. This luncheon is in recognition of his splendid contribution to sports in the United States and throughout the world for the past 53 years. In view of Bill Streit's lifetime of activity in athletics, first as an outstanding participant in his youth, and later on as an actively interested coach, referee, and promoter, I believe it is entirely fitting, as his Congressman, to tell you something of this good man, and to ask the Members of the House to join with the Birmingham Kiwanis Club, as well as his friends and admirers throughout Alabama and the United States, in paying tribute to this fine American.

In the years 1904–05, Bill Streit first distinguished himself as a track star and as a tackle on the football team while a student at Alabama Polytechnic Institute, Auburn, Ala. Later, while attending Washington and Lee University in Lexington, Va., Mr. Streit was chosen by his teammates as captain of both the track and the football teams.

In 1924, as well as in the next two succeeding Olympics in 1928 and 1932, Bill Streit served with distinction as the manager of the United States wrestling team during the international Olympic games. He was the first American to be accorded the honor of selection as vice president of the international wrestling commission.

Having continued his active contribution to the internatioal Olympics during the intervening years, he was wisely chosen as a member of the executive committee of the international Olympics for the games in 1948 and 1952. Only last year, he attended the 1956 Olympics in Australia as an unusually interested onlooker.

In addition, Bill Streit has made a significant contribution, locally and nationally, to the cause of sports over these years. This is amply evidenced by his able service from 1933 to the present time as the chairman and referee of the annual southeastern conference college track meet held in Birmingham. He has also for many years been president of the southeastern amateur athletic union.

While subtracting nothing from these richly deserved honors, I believe they serve more to point up and emphasize the even greater contributions Bill Streit has made in the betterment of our international relationships with foreign nations through the promotion of sports and athletic contests, and the significant influence he has had on the health and wholesome living of young Americans everywhere.

While all our citizens of Birmingham, which is Bill Streit's hometown, are genuinely proud to call him our own, his dedicated service and leadership rightfully make him a citizen of the Nation and of the world.

I therefore am privileged to pay my deepest respects to Mr. Streit, along with the members of the Kiwanis Club, and some 30 to 40 of his other sports-loving friends throughout the United States who, without Mr. Streit's knowledge, are in Birmingham to honor their friend today and to pay tribute for the rich contribution he has made toward a better America and a better world.

A Young General

EXTENSION OF REMARKS

OF

HON. W. PAT JENNINGS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1957

Mr. JENNINGS. Mr. Speaker, I wish to call the attention of the Members to a special celebration that is taking place tomorrow in Scott County, Va., in the Ninth Congressional District.

Wednesday, May 15, is the 111th birthday of Virginia's only surviving veteran of the Confederate Army, Gen. John Salling. An appropriate observance of this occasion is planned for him at his home, Slant, Va., and I know that you, Mr. Speaker, and every Member of the Congress, join me in wishing the general a happy birthday and many more years of health and happiness.

The birthday celebration is being sponsored this year by the Civitan Club of Gate City with Mr. C. G. Quillen in charge of arrangements. The Gate City High School Band will furnish appropriate music; an address is scheduled by the Honorable E. T. Carter, judge of the circuit court, who is also representing the Governor of Virginia; and the area director of War Veterans' Claims, Col. George Blankenbeckler will also speak. Naturally, a huge birthday cake is to be provided for the general.

At my invitation in behalf of the Gate City Civitan Club, each branch of our military forces will send a representative to the celebration. It is, indeed, fitting that the Army, Air Force, and Navy join in observing General Salling's 111th birthday and thus pay tribute to all those Americans who served their cause in the War Between the States.

May I add, too, that this birthday celebration during Armed Forces Week, May 13–19, is a unique addition to this annual observance of the role our military forces play in our daily lives in providing national security. I commend the Army, Air Force, and Navy for honoring General Salling, a living symbol of America, with their representatives.

Mr. Speaker, the 84th Congress authorized the striking of a special medal of honor of the surviving veterans of the War Between the States. It was a pleasure last fall to join in the presentation of the medal to General Salling in a ceremony at his home, and I wish to report to you that General Salling was obviously pleased by this special recognition of the Congress.

General Salling is 1 of the 3 surviving Confederate Army veterans. He has been privileged in his life span to watch this Nation grow from the despair of an internal conflict to a position as the most powerful on earth. In the observance tomorrow of his 111th birthday, we find opportunity to recall the events that have taken place since the War Between the States and to resolve that our Nation, now strong and united, shall continue its growth and progress.

The Bristol Herald-Courier, of Bristol, Va., published a brief editorial last year on the occasion of General Salling's 110th birthday. Its sentiments are appropriate today:

A YOUNG GENERAL

Gen. John Salling might be classed as an old man, but the simple fact that he's 110 today seems to have done little to dim his spirit, his sense of humor or his love of life.

His greatest concern, so he told a reporter, is to find some help for his farming enterprise. Of course, General Salling isn't able to be up and around himself, but he still maintains an interest in his holdings.

In addition, he's looking forward to greeting a great many friends today. And he'll receive a shirt to go with other effects and provide him with a complete uniform.

All this indicates that years, alone, do not make age. Before we label a man or woman as old, we must consider how they, themselves, consider such a classification.

As long as the spirit is young and the mind alert, youth remains.

With that, we'll simply wish General Salling a happy birthday. He's lived 110 years, but he's not old yet. In fact, we doubt if he'll ever be so described.

Statement on Proposed Amendment to H. R. 6127

EXTENSION OF REMARKS

OF

HON. JOHN H. RAY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1957

Mr. RAY. Mr. Speaker, under leave to extend my remarks, I place in the RECORD a statement I presented to the Rules Committee this morning, May 14, with respect to an amendment I propose to offer to H. R. 6127 when it comes to the floor:

STATEMENT BEFORE THE RULES COMMITTEE BY HON. JOHN H. RAY OF NEW YORK

Mr. Chairman and members of the committee, I appreciate very much the opportunity to present a proposed amendment to H. R. 6127.

The portions of that bill which I would amend are in parts III and IV which authorize the Attorney General to sue in the Federal courts for injunctive relief. The amendment I propose would not let him proceed in the Federal court if a plain, adequate and speedy remedy is available in the State court.

To accomplish that purpose, I suggest striking out the words "or other" in line 12 on page 10 and the same words in lines 12 and 13 on page 12. Then I would add at the end of line 12 on page 10 and at the end of line 13 on page 12 the following sentence:

"The district courts shall not exercise jurisdiction in proceedings authorized by this section if a plain, speedy, and efficient remedy may be had in the courts of the State or Territory in which the party aggrieved resided at the time the cause of action arose."

It will be noted that my amendment does not affect the Attorney General's authority to disregard administrative remedies. Cutting out the words "or other" would, however, make it clear that he cannot disregard judicial remedies, and the new sentence expressly prevents his proceeding in the Federal court if State laws provide a plain, speedy, and adequate remedy.

The idea for the proposed amendment came from section 1342 of title 28 of the United States Code which forbids the Federal courts to grant injunctions in certain cases otherwise within their jurisdiction "if a plain, speedy, and efficient remedy may be had in the State courts. It has been on the books for about 30 years and it has worked well. Prior law had permitted many utilities to go into the Federal courts for injunctive relief when they thought their property was being confiscated by an order of a State regulatory commission. In those cases the basic issue arose under the 14th amendment and companies had almost made it a habit to move immediately into Federal courts. This procedure aroused much controversy and finally Congress enacted the language above quoted. Now the companies merely proceed directly in the State court, or, if they start in the Federal court, must show that the remedy available in the court does not meet the specifications above stated.

I think the clarification and simplification of the definitions and the remedies for violation of civil rights are matters of first importance. They are long overdue. I think the Supreme Court, in the Virginia school decisions was particularly wise in recognizing that the segregation problem must be left largely in the hands of the States, and that they must proceed with deliberate speed.

The amendment I propose is consistent with those decisions. It recognizes the sovereignty of the States and preserves the right of the States to declare and enforce rights of their citizens. It provides a remedy in the Federal court where the States do not make such provision.

Beyond the fact that the amendment provides a practical procedure which will greatly improve H. R. 6127, I think it has broader and perhaps more important merits.

In my home State, New York, we have comprehensive and adequate remedies for any interferences with registration and voting. Many other States have corresponding statutes. As the bill now stands, there is a serious question as to whether or not its passage would enable an Attorney General to bypass those statutes.

The question as to whether or not Congress, if it were to enact H. R. 6127, would preempt the field, has been presented fully to this committee and I need only to say here that I, too, see the danger and that I believe the amendment I propose would avoid that danger.

In the next place, if the Congress finds it necessary to enact legislation to clarify and provide remedies for violation of civil rights in other fields, the legislation adopted can,

and I hope it will, protect the sovereignty of States by including a provision such as I am proposing here today. The clarification and definition of civil rights and the provision of remedies for violation of those rights is one of the most important questions ahead of us and it has many facets.

If Congress is now to enact legislation in the field covered by H. R. 6127, it will be setting a precedent for that series which lies ahead and I believe that the amendment I propose, or its equivalent, should be a part of any such legislation.

It is my purpose to offer the amendment on the floor and my reason for bringing it to the attention of this committee is to add another reason, if one is needed, for reporting H. R. 6127 under an open rule.

Statement of Representative George McGovern, of South Dakota, Before the Consumer Study Subcommittee of the House Committee on Agriculture

EXTENSION OF REMARKS

OF

HON. JAMES ROOSEVELT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1957

Mr. ROOSEVELT. Mr. Speaker, the following statement made by Hon. GEORGE MCGOVERN, of South Dakota, before the Consumer Study Subcommittee of the House Committee on Agriculture seems to me to have particular interest to Representatives from every variety of district.

Congressman MCGOVERN has so clearly highlighted the problem and put it in such a straightforward and simple fashion that I feel sure many of my colleagues will not only enjoy it but want to use it in preparing their own thinking and in giving full encouragement to the Consumer Study Subcommittee under the able leadership of Chairman ANFUSO.

The full text of the statement follows:

Mr. Chairman and members of this committee, before submitting my brief statement for your consideration, allow me to say that I personally consider the formation of this Consumer Study Subcommittee as one of the most constructive actions yet to take place during this session of Congress. I deem it a personal privilege to appear before you.

My first official legislative act as a new Member of the United States House of Representatives was to propose an investigation into the cost of living, with particular attention to the spread between farm prices and consumer psices. The cost of living has increased for the seventh consecutive month in April, and may I add that each successive increase represented a new record high.

After many talks with persons from all walks of life in and out of my State, I came to Washington believing that Congress could perform a sorely needed service to the American people if it would appoint a distinguished group of Congressmen such as this subcommittee to look into the ever-rising cost of living. Specifically, people of my area want to learn why there has been an ever-widening spread between retail prices and prices farmers receive. Why haven't food prices come down along with farm prices?

The fact that this subcommittee is already at work on this subject is not only gratifying to me, but to the people of my State. And I am sure that what is true in my State, in this respect, is true in others, as well. The American people, as you know, are pretty much of a like mind on money, economy, and values. They want their money's worth, whether it's in Government programs or a purchase at the grocery store. And they have the right to expect it.

Americans are an inherently honest, fair-minded people. They can be depended upon to make the right decision when the facts are laid before them.

I regret to say that the facts on food costs have not been given to the American people in recent years; instead, this Nation has witnessed a deliberate campaign to turn the urban consuming public against the farmers who produce the food and fiber that have made this country the best fed and best clothed in the world.

I am grateful to note, therefore, Mr. Chairman, that in your introduction to this subcommittee's recent report on Food Cost Trends, the first objective of this group, as stated, is a study of "The cost of living and, with respect to agricultural products, the share which the farmer gets of the consumer dollar and how it compares with other costs, i. e., wages for labor, profits for middleman, retailer, etc."

May I say in all sincerity that in my opinion, this group will have made a great and lasting contribution to public knowledge if it dispels the myth that leads the urban consumer to believe that farm prices have caused high food prices. Even in the face of drastically falling farm prices, this falsehood has been perpetuated. Why?

It seems highly probable that at least part of the answer can be found in the balance sheets and profit statements of our biggest food processing and distributing chains.

Back in 1947, as you may recall, hard spring wheat was bringing as much as $3 per bushel. Bread was selling at 14 cents a pound. In 1955, wheat sold for $2 a bushel and a pound loaf of bread carried a 21-cent price tag.

Surely, no one in good conscience can blame the farmer for one-third of an increase in bread prices, while the farmer is taking a price cut himself amounting to one-third for the wheat he produces. Yet, this has been done.

I want to make one thing clear. I am not against business profits. I believe, as all of you do, in the profit system. But I do object when an industry showing a rapidly rising profit structure permits the blame for rising prices to be shifted to farmers who have not been sharing in the prosperity boon of recent years.

In the 1957 Agricultural Outlook Chartbook, published by the United States Department of Agriculture, the following report was made:

[Percent]

Net profits, as percentage of sales	1952	1955	Change
46 food-processing companies	1.6	2.2	[1] 37
5 wholesale food distributors	.7	.9	29
8 retail food chains	.8	1.0	25

[1] Up.

This same publication also reported that profits of the food corporations after taxes rose an average of 33 percent in the 1952 to 1955 period.

On the other hand, the President's Council of Economic Advisers reported that during the 1952–56 period, the wholesale price index of farm commodities fell 18 percent and net farm income dropped 23 percent.

Looking at the April 1957 edition of Economic Indicators, published by the President's Council of Economic Advisers, I note that in the period from 1951 to 1957, farm operators' net income fell 27 percent, while during the same period of time, the retail price of food paid by consumers rose 1 percent.

May I also point out that the farmer's share of the consumer food dollar has suffered a tremendous drop in the last 10 years. Looking back to 1947, the farmer's average yearly share of the consumer's food dollar was 51 cents; in 1952, it was 47 cents; in 1955, 41 cents; and last year it dropped to an average of 40 cents.

Again citing the 1957 Agricultural Outlook Chartbook, may I report the following:

	1952	1956	Change
			Percent
Marketing charges, index	114	121	[1] 6
Farm value, index	103	83	[2] 19
Farmer's share of consumer dollar (cents)	47	40	[2] 15

[1] Up.
[2] Down.

We have egg receipts in our files, Mr. Chairman, showing that our South Dakota farmers have been receiving anywhere from 21 cents to 26 cents a dozen for their eggs. I don't have to remind you gentlemen that in Washington and other large urban centers, eggs are selling at retail at a figure three times this amount.

May I quote to you now a letter from one of my constituents who tells a story, not of eggs, but of wheat and flour. This letter is dated May 6, 1957. It reads:

"DEAR CONGRESSMAN: I am a grocery merchant. And I see that Benson pegged the wheat price at $1.78 a bushel. We have been buying flour at $3.60 to $3.90 a 50-pound sack. Now they ask us $4.50 for the same flour and freight from Sioux City, Iowa."

This letter has been quoted in full. The merchant is located at Dante, S. Dak.

Mr. Chairman, I have the deepest confidence in this committee. I am looking forward to the reports that this group will make in the coming months, knowing that through diligent work, you will set the record straight on food price costs. I believe that in so doing, you will earn the everlasting gratitude of farmers and the American consuming public.

An Agricultural Program

EXTENSION OF REMARKS

OF

HON. JOHN LESINSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1957

Mr. LESINSKI. Mr. Speaker, recognizing the need for some kind of a farm program, I think it is about time we took steps to eliminate subsidies and put the farmers back to managing their own farms and allowing them to make a livelihood through a farm program based along the following lines.

I have introduced a bill, H. R. 6157, which would impose limitations on agricultural products rather than on farm acreage. I believe that the solution to the farm problem lies in the control of actual production of a commodity, not in the acreage under cultivation. Acreage control, it is true, does cut down the amount of land upon which crops can be grown, but it does not limit the total production because with improved fertilizers a farmer can produce more on less land.

The bill I have introduced provides that the Secretary of Agriculture shall

establish yearly marketing quotas for corn, cotton, peanuts, rice, tobacco, and wheat—the basic agricultural commodities—and the quotas shall be apportioned among the several States on the basis of production of a commodity during a given period of time. The bill does not support any group or size of farm but sets a floor on the sale of commodities which is low enough so that the demand will regulate the supply and cost. My intent is to put the farmer back into competition.

Under the program a farmer will be guaranteed an annual income which will increase his purchasing power and contribute to the economy of our Nation.

At this time when we are considering appropriations for the Department of Agriculture, and looking for means to cut the Federal budget, I believe it is appropriate to give serious consideration to my proposal.

Proposals To Import Natural Gas Threaten Domestic Fuel Markets

EXTENSION OF REMARKS

OF

HON. JOHN P. SAYLOR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1957

Mr. SAYLOR. Mr. Speaker, in defense of America's fuel industries, I addressed the House on April 11 to point out the dangers inherent in the threat to import natural gas into the United States. In the intervening weeks I have discussed the problem with a number of my colleagues and am happy to note that there is a widespread sympathy for the coal miner, the railroad worker, and other segments of our populace who would suffer the direct economic impact if this gas were to invade our fuel markets.

I was particularly pleased that the gentleman from West Virginia [Mr. BAILEY] took the floor on April 17 to express his concern over the applications of the international pipeline groups that are now before the Federal Power Commission. As one of the leading authorities in Congress on international trade, Congressman BAILEY very eloquently pointed out the perilous implications contained in these applications; at the same time he testified against any philosophy that would permit sacrifice of American jobs for the sake of quick profits for foreign investors.

Today hearings on the several applications to import Canadian gas will be resumed before the Federal Power Commission. While it is expected that the Commission will exercise its clear public duty and give consideration to all of the ramifications of this highly complex issue, Congress must be reminded that the Commission lacks explicit authority with which to act decisively on behalf of the American public at large on such problems. The only standard contained in the act is a provision in section 3 requiring that the Commission authorize importation of natural gas unless it find that such proposals "will not be consistent with the public interest." This directive is entirely too vague and indefinite. I am convinced that the Commission needs a legislative mandate from the Congress to consider such other factors as the potential damage to the economy of the United States, including losses to the coal and railroad industries, unemployment, and overall effect on the national defense.

While I am hopeful that these matters will be taken into consideration by the FPC in the present case, I nevertheless feel that Congress should not delay in amending the Natural Gas Act so as to require consideration of these necessary factors in the public interest. I am therefore today introducing a bill which would amend section 3 of the act in this manner:

That section 3 of the Natural Gas Act is amended by inserting between the second and third sentences thereof a new sentence as follows: "It shall not be deemed to be consistent with the public interest to authorize the exportation or importation of natural gas in any case where the Commission finds that such exportation or importation will result in economic dislocation, unemployment, or injury to competing fuel industries of the United States."

I also call attention to an excerpt from the opinion of the Federal Power Commission in the basic Northwest gas cases defining policies on importation of natural gas June 16, 1954. It follows:

The Pacific Northwest is the one remaining large area of this country with a great need for natural gas but which is still without this highly desirable fuel and raw material. It is a section where great industrial expansion has occurred and is still in progress, and one which has played and continues to occupy a very important role in the national defense. The record amply demonstrates that it has a real desire and need for natural gas.

The Natural Gas Act imposes upon this Commission the duty to protect the American public in all possible respects through the regulation and control of the transmission and wholesale sale of natural gas. It is most essential that the domestic consumers and much of the industry in any area into which natural gas is introduced be reasonably assured of a firm supply, so far as is possible through such regulation and control. We would fail in our duty if we did not jealously retain and exercise our full legal powers to this end. Therefore, in granting an application under section 3 of the act for the importation of natural gas, the Commission must not fail to give the fullest possible protection to all the prospective consumers.

Such protection would not be afforded to any segment of the American people if its sole source of essential natural gas were through importation from a foreign country without some intergovernmental agreement assuring the continued adequacy of its supply. Otherwise, all control over the production, allocation, and transportation to our border of such natural gas would be in the hands of agencies of foreign governments, whose primary interest would of necessity always be in the needs and advantages of their own people, and whose judgments and actions would be essentially dependent upon public opinion within that country, rather than upon the interests of American consumers. Regardless of any long and cherished friendly relations with any neighbor nation able to supply such area with natural gas, it would not be in the public interest to permit the importation of its gas as the sole source for the consumers in need of an uninterruptible supply at a reasonable price, which should always be assured by this Commission to the full extent of its powers.

That quotation, Mr. Speaker, is inserted in the RECORD at this time as a reminder to the Commission, to Members of Congress, to potential customers of the proposed pipelines, and to the American public. The quotation is official warning from the Federal Power Commission that to permit United States consumers to become dependent upon a foreign source of fuel supply would be irrational and hazardous. My amendment to section 3 of the Natural Gas Act removes the possibility of any misinterpretation of that philosophy expressed by the Commission in June 1954. I trust that the amendment will be quickly adopted in order that the Commission will have this precept as a positive guide for its decision on the applications now before it.

Trinity Joint Development Will Aid San Luis Project

EXTENSION OF REMARKS

OF

HON. CHARLES S. GUBSER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1957

Mr. GUBSER. Mr. Speaker, in February of this year Interior Secretary Fred A. Seaton recommended that Congress accept a contract for joint development of the Trinity River division of California's Central Valley project. This contract had been negotiated between the Bureau of Reclamation and the Pacific Gas & Electric Co.

The Trinity power facilities, if built by the United States—

Seaton said—

would require substantial assistance from other project revenues in order to meet repayment requirements. Joint development * * * would convert Trinity falling water into a substantial net asset of the project.

It appears clear—

Seaton concluded—

that joint development would provide substantially more funds for potential irrigation and multipurpose development in the Central Valley project area.

That statement is of tremendous interest to the people of my district and to the San Joaquin Valley because of the need for the San Luis project. The maximum possible contribution to construction of San Luis will be made by the cooperation of Pacific Gas & Electric Co. with the Federal Government in joint development of Trinity.

It has been claimed that joint development would result in insufficient low-cost power for the San Luis pumps. The truth is exactly the opposite. It will not diminish the energy available from existing Central Valley project plants. Project pumps have first call, as they should in a water project, on the power of these plants. Existing plants can supply about 2½ billion kilowatt-hours annually; Central Valley project pumps

at ultimate operation will require about 400 million kilowatt-hours annually, leaving nearly three times the energy required by San Luis pumps under full operation.

Regardless of whether P. G. & E. participates in the Trinity River project or the Federal Government builds it entirely, the company has offered advantageous arrangements which will facilitate construction of the San Luis project.

As you may know, power generated as a by-product on multipurpose projects designed for flood control, irrigation, and water supply is not always produced at the time nor in the quantity required to fit the needs of the power consumer, because water releases for these other purposes have priority over the generation of power. When this power is incorporated into P. G. & E.'s large, regional electric system, however, it gains value from the great diversity of demands of the many customers they serve and the many generating sources they have to serve them. The company is able to use water project power when it is available, and at other times the company can provide the project with exchange power from its many other generating plants to supply project pumps and other purposes. This integration makes project power more useful and enables it to be sold at maximum price, providing the greatest revenue for project water development.

One advantageous arrangement the company has offered for the San Luis project is to provide off-peak power to the San Luis pumps in even exchange for project power. When no project power is available for pumping the company will provide power at times when demands on its system are not at their peak. In exchange the company will take an equivalent amount of project power when it becomes available.

The Central Valley project produces large amounts of energy in the summer months when large water releases must be made for irrigation. Except in wet years, the CVP produces only small amounts of energy during the winter months when water is being conserved in project reservoirs. The months of low project energy production are the very months when San Luis pumping requirements are high because that is the time when waste water in the Sacramento-San Joaquin River Delta must be diverted and pumped to storage in the San Luis Reservoir.

It is readily apparent that P. G. & E.'s offer of a seasonal power exchange will be of tremendous benefit to the San Luis project.

The company also has offered to make its transmission facilities available for transmission of power from the Tracy switchyard of CVP to the San Luis pumps and has guaranteed that the cost to the Government will be less than the cost of Federal construction of transmission lines for the purpose. Not only will the San Luis transmission costs be reduced, but also the Federal Government will save a capital outlay of at least $7 million. An amendment to the existing wheeling contract which would accomplish this result has been submitted to the Government and is contained in part 2 of House Document 94, 85th Congress, 1st session.

A direct beneficial effect of Trinity joint development on San Luis will be the amount of additional net revenue available from P. G. & E.'s Trinity falling water payments for other California water projects. The Bureau of Reclamation estimates there would be $124 million more net revenue to CVP from joint development, with the construction of San Luis. That money could be used to help pay for San Luis or to reduce the cost of San Luis water. All-Federal construction can make no financial contribution to San Luis. Instead, under CVP power rates, an all-Federal Trinity must have financial help from other project revenues. Simply that means that Federal Trinity powerplants would reduce the financial aid available for irrigation in the central valley.

Trinity power developed by the company as an asset to the project will make San Luis water cheaper. Trinity power developed by the Bureau as a project liability will make San Luis water more expensive—either in water cost or taxation. People with concern for the future of the San Joaquin Valley must recognize the merit of Trinity joint development.

I include herewith an editorial from the Coalinga (Calif.) Record which lends weight to the above-mentioned views:

[From the Coalinga (Calif.) Record of April 18, 1957]

HELP FOR SAN LUIS PROJECT

Coalingans and others on the west side ordinarily would have little direct interest in a water project so far to the north as the Trinity River. Ordinarily there would be nothing in it for us except cost. As Federal taxpayers we of course help foot the bill whenever Uncle Sam spends the public's money.

The Trinity project is being built with Federal tax funds for one reason—to make more water available in the Central Valley. Public interest requires that the project be built as economically as possible and that the water itself cost as little as possible.

Electric power can be developed on the Trinity as a byproduct of the water project. If the power can be developed economically—i. e. at a profit to the Government—it will be an asset to the project. As an assets it will help reduce the cost of the project and reduce the cost farmers must pay for Trinity water. Or the profit can be used to help finance other water developments in California, like the San Luis project.

If Trinity power is not developed economically it will be a liability to the Central Valley project instead of an asset. That would mean that power would cause a project loss and that taxpayers and water users would have to bear the burden of subsidizing an uneconomic operation.

The P. G. & E. partnership plan is the sound way to develop Trinity power. It will make the power an asset worth $310 million in public benefits. It also will save the taxpayers $56 million in capital outlay. Even the Bureau of Reclamation, which never could be accused of selling out to a private utility company, shows that the P. G. & E. plan is the better way to develop the power.

If the Government built and operated the powerplants, the $310 million asset and $56 million saving would be thrown out the window. The Bureau itself admits that the Central Valley project would have to subsidize the Trinity project if the Government developed the power. That financial burden on the CVP would mean less CVP help for San Luis.

The McClatchy Bees and other Government-ownership advocates want the Government to develop the Trinity power. They want to advance political encroachment on the utility industry. They don't care how much it costs the public. They try to hoodwink the public into seeing evil in the economic and thoroughly beneficial partnership plan. They ignore the economic facts of water development and concentrate on their power scheme. They have the tail wagging the dog, with ulterior motive.

The west side needs the San Luis project. We need water in Coalinga—but we need it at the lowest price possible. We can't afford to be confused by the Bee and its sacred cow power policy, or by the folly of a few politicians whom the Bee frightens into advocating that electric power be a liability instead of an asset to water development.

It's high time that the west side take an active interest in the Trinity River project. The partnership plan is plain, good commonsense. The only opposition to it is hogwash from those who so ardently want Government in business that they are willing to saddle water projects with uneconomic power.

Address by Hon. Alan Bible Before Jacksonian Democratic Club, Easton, Pa., May 8, 1957

EXTENSION OF REMARKS

OF

HON. FRANCIS E. WALTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1957

Mr. WALTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address:

SPEECH BY HON. ALAN BIBLE, OF NEVADA, AT THE 61ST ANNUAL BANQUET, JACKSONIAN DEMOCRATIC CLUB, EASTON, PA., MAY 8, 1957

Mr. Chairman and fellow Democrats, it's a pleasure to be here tonight. Democrats all over the Nation have been joining the past few weeks in Jefferson-Jackson Day dinners, and it always gives me a great deal of pleasure to delve into the historical past of our party and pause to reexamine the basic concepts of our Democracy as created by Jefferson and Jackson.

I want to compliment you of the 15th Congressional District here in Pennsylvania for recognizing that in this great Democratic Party of ours we need honest, capable leadership. You have demonstrated this by electing my good friend, FRANCIS E. WALTER, to the United States Congress for 13 consecutive terms.

Your Congressman is a great Democrat, one who recognizes the many troublesome problems facing our Nation today. You should also take pride that your Congressman, along with my illustrious predecessor, the late Senator Pat McCarran, of Nevada, like some of our great political forefathers, had the courage and foresight to go forward with a complete codification of our complex immigration laws, resulting in what we now know as the Walter-McCarran Act.

In this regard you might be interested in knowing that Senator McCarran always laughingly said that when anyone praised the immigration law it was called the Walter-McCarran Act; but when they cussed it out, which was the more usual attitude, it was referred to as the McCarran-Walter Act.

Whatever one may call it—it stands as the product of the fortitude of two strong men—strong in that they stood up against violent pressures and antagonisms from all sides.

Few people understood what these two men were trying to do, or what they did—namely, to bring order out of chaos by putting together the many hundreds of amendments, all affecting our immigration laws, so that our system might operate as it was intended to do—which was to protect this great country from conquest by immigration—the inevitable result had our doors been thrown wide open to all of those who sought to come here.

Through all of our history, we have welcomed immigrants who came to make America their home and become a part of all it means. They came because they believed in our form of government. They did not come here to destroy it, as was the intention of many individuals and certainly of some other countries, anxious to bend us to their will.

It was good that some recognized the possibility of the internal destruction of this great democracy, if the Communist design of patient planting of their agents here among us could have been carried to the ultimate.

Thank God for farsighted men who will bear the scorn and pressures, rather than take one chance on sacrificing the freedom this country has enjoyed since Thomas Jefferson and his kind molded this fine Government some one hundred and eighty years ago.

It is imperative that we, as Democrats, support men for election who have such constructive ideas, those who can examine present-day policies—and offer the leadership and intelligence that will stand through the years.

Men, such as Thomas Jefferson, the founder of our democracy; and Andrew Jackson, soldier, lawyer, and statesman—were men of action.

It has been said: Few men write their own epitaphs, but it was like Thomas Jefferson to do so—and from the long inventory of his honors and achievements, he selected three items by which he wished to be judged by his Maker and fellowman. He discarded all the honors that had been conferred upon him, ignored all the offices he had filled, and simply inscribed upon his tomb, the fact that he had written the Declaration of Independence and the Virginia Statute for Religious Liberty, and had founded the University of Virginia.

In making this selection, Jefferson showed remarkable insight into his own character and estimated with remarkable accuracy the verdict of posterity upon his public services.

It has been said of Andrew Jackson, that he taught the people to rule. Jackson believed "It is better in the long run that the people should rule themselves badly, than that another should rule them well." Here he expressed true democracy.

In Jackson's era, the people had still not learned to rule. They made many grievous mistakes, but they made a great step upward when they wrested the powers of government from the hands of the few and placed them where they belonged in a democracy—in the hands of many.

Jackson, in winning the Presidency, admonished the people that it was not the prerequisite of any favored class or condition of society, but that the humblest might aspire to it and achieve it by merit alone.

Jackson was the incarnation of a popular hope, the realization of a popular ambition. He was, to the people, a demonstration. The people had learned to rule.

We have a solid foundation for all America, in Jefferson's Declaration of Independence; and we have now, and have always had, men in the Democratic Party, willing to give this type of advanced leadership.

I have great faith in the American people. We all make mistakes, and most of us properly acknowledge them. I am also firm in my belief that the mistake made by the voters in electing a Republican President in 1956 is now being recognized and will be rectified in 1960. In the meantime, we need to strengthen our Congress with men who will not kowtow and acquiesce to a vacillating leadership.

One only needs to read the headlines in the daily papers to recognize the type of leadership the Republican Party is offering America today. Often, the confusing and conflicting remarks of the Republican leaders offer more laughs than the comic strips.

Over the past weekend, while the President was teeing off on 3 different golf courses in 3 different States—on 3 different days—Congressional leaders of his own party, the Republican Party, were teeing off on their own party's Republican platform and legislative program as advanced by their own Republican President.

Senator BARRY GOLDWATER, Republican of Arizona, was the first to tee off—and he did this on the all-time high, peacetime budget, advanced by his party's leader, President Eisenhower. Republican GOLDWATER said he was against this topheavy budget and would oppose unnecessary expenditures. He went a little further, in an essay on modern Republicanism, in one of the Nation's leading magazines. He stated therein that in 1953, Republican Party philosophy was referred to as "dynamic Republicanism." That was followed by "progressive conservatism," which was followed by "middle of the road," and now is known as "modern Republicanism." He referred to these Madison Avenue catch phrases as "meaningless platitudes," and continued that it was impossible for a political party to remain vigorous and strong if it is constantly plagued by shadings and changes in its philosophy and purpose.

Senator WILLIAM KNOWLAND, Republican minority leader in the Senate, was not to be outdone. Sparked by this beautiful mashie shot of GOLDWATER'S, he immediately picked up his club and teed off on President Eisenhower's Federal aid-to-education program, declaring it was not needed now, even though he, along with other Republicans, were espousing the great need for this national program when they sought the voters' support at the last election.

Meade Alcorn, recently named chairman of the Republican National Committee, and the President's personal choice for the post—was teeing off at a western conference of Republican leaders in Salt Lake City. He stated that it was high time the Republicans in Congress and in the Nation joined together and sold the Eisenhower farm policy to the farmers of America. Apparently Mr. Alcorn did not realize that Republican Secretary of Agriculture, Ezra Taft Benson, had teed off a few days earlier and stated he was not satisfied with the way and manner the agriculture policy was working. Well, I don't know many farmers that are satisfied either.

I want to tell you here tonight, the Madison Avenue advertising boys did the greatest selling job in their careers when they sold a Republican platform—now one of unfilled promises—and a Republican President to the people of this Nation.

Of course, all the boys in the advertising game were after was that 15 and 2 percent commission.

The American people are now seeing what can happen when they bite on an advertising gimmick that favors a form of government offering coupon clipping and giveaways to only the favored business interests of our Nation.

We Democrats have in the past and now stand for a program of giving equal opportunities to all—and I believe the majority of voters are sick and tired of receiving Republican packages of void and unredeemable promises.

I think we owe a vote of thanks to the President's brother Edgar, who while recently visiting the Nation's Capital and his brother, enlightened the American voters further on the White House palace guard and the extravagant budget. In fact I'm told on reliable authority—that "I Like Edgar" buttons are now more popular than "I Like Ike" buttons.

Gov. Orville Freeman, of Minnesota, stated the President was going on the radio to defend his alltime high budget—and the Republicans in Congress had made a request of the networks for equal time.

Personally, I'm looking forward to this radio talk. If the President can give a fresh and vigorous viewpoint for the need of this budget—one without contradiction—I'm certain we all will welcome the explanation.

As you remember, when our great Democratic Congressman and House Speaker, SAM RAYBURN, received the President's budget, he was told, as were other Congressmen, that Members should examine the budget and make cuts if they could find unnecessary expenditures.

Republican Secretary Humphrey stated that if it wasn't cut we'd have a depression that would curl our hair. The House of Representatives, in all seriousness, and realizing the American taxpayer was in no mood for foolish expenditures—after much study, called on the President, to make recommendations in cutting his proposed expenditures.

Following several days and many news articles, the President was quoted as saying at his regular press conference, and I quote, "I tell you it is futile to talk about the United States keeping up the position it must keep up in the world, and measurably sticking to the programs that have already been adopted in the United States, or have been agreed to be necessary, and cut the budget severely."

Now, less than 2 weeks later, the President notified the Congress that the budget could be cut approximately a billion and a half dollars.

I sincerely hope the people of the Nation are following these quotes—this on and off again policy of modern Republicanism. I would welcome a third explanation—although I feel it hardly necessary—for this 85th Democratic Congress, that is now charged with holding the pursestrings, has already and will continue to make sizable cuts.

This Democratic Congress recognizes where the money is going—and where it comes from; and, in spite of the pleas from the Republican executive branch of the Government, they intend to tighten the pursestrings.

We Democrats recognize good American citizens have never refused a just budget, particularly if they thought the money was being spent wisely and on worthy projects for building a greater Nation.

We need to tell our people that the Republican Party leaders who told us they would economize, who would end growing bureaucracy, who couldn't fathom large Government budgets—have at long last caught on—and are expanding in a wreckless and disastrous fashion.

A very eminent and distinguished gentleman, speaking up in Paterson, N. J., a few years back, had this to say: "I don't know what the amount of taxes represents when we talk of $70 billion. Is that this room full of bills, or is it three truck loads? I don't know. But I do know this—we can't afford what we're spending and stay strong enough to lead the world to peace."

Yes, that was Candidate Eisenhower speaking in 1952. Well, it is apparent to Congress that he still doesn't realize how much money this is—for he is now asking for more—and this, mind you, in peacetime.

We need to tell the voters of America that this party, so concerned with growing

bureaucracy, is now employing more people than ever, with 2½ million on Government payrolls, exclusive of the military—just a slight increase of 46,000 employees over the last calendar year.

In January of 1957 the Government had the biggest payroll ever, a monthly payroll of $1 billion. It also had an increase for the month of nearly 3,500 employees. It is no wonder the President finds it necessary to defend his budget—for I can tell you that few Democratic Members of Congress will come to his defense.

It was interesting for me to learn that the first general tax laid down by the United States in 1798, a tax calling for payment of a special levy on houses and windows—led to the Fries rebellion—known then as the liberty insurrection, and that this rebellion was actually opposed by residents of your fine city of Easton. These residents did not go along with the views of the leaders of the rebellion, who thought the tax was being collected to finance a war with France.

I hope you all remember these famous remarks which were made 4 years ago, and I quote: "Certainly I know that we must find a substitute for the purely temporary business of bolstering the free nations through annual handouts, that get neither permanent nor real friends"—that was Candidate Eisenhower speaking—however, now we are led to believe by this administration that we should finance practically every nation on the face of the globe.

Four long years have elapsed since this classic statement was made and we're still in the same boat. Only now we have added some 19 nations to our coattails who formerly were not receiving foreign-aid assistance.

The Republican Party, despite President Eisenhower's victory in November, remains a sectional party. It does not have the nationwide responsibilities or accountability to the voters as a whole. A sectional party can promise the voters the moon with a fence around it, as long as it doesn't offend the voters of its own particular region. It can say anything that is expedient, with a blithe disregard for the consequences.

The Democratic Party does not and will not have that advantage. We cannot compete with the Republicans on the basis of promises. But, we can outperform the Republicans—and as long as we do this, the promises that we do make will ring in the ears of the voter with conviction.

The 84th Congress, under the leadership of LYNDON JOHNSON and SAM RAYBURN, was a Congress of performance. I sometimes feel that one of our major errors last fall was a failure to exploit the record of the 84th Congress and drive it home to the American people.

It was the Congress that passed the dollar minimum wage.

It was the Congress that lowered the retirement age for women.

It was the Congress that provided disability payments to our workingmen at age of 50.

It was the Congress that increased Federal payments for assistance to the aged, blind, and dependent children.

It was the Congress that enacted the highway bill—after deleting Republican efforts designed to provide a windfall for the favored few.

It was the Congress that kept public housing alive despite the best efforts of the Republicans to kill it.

These were only a few of the achievements. But they serve as the basis for my confidence that the 85th Congress—still in Democratic hands—will go on to even greater performance.

A political party must always face up to the problems of the present and the future. But its proposals will always have greater appeal when the American people realize and know that it has performed in the past.

We've been moving rather cautiously so far in this session of Congress, but we've found out many things that will give us the energy and ammuntion for exposing the unstable policies offered by our opponents.

Yes, we've been untangling the maze of figures and policies, and we're ready for action.

I predict as I stand here tonight that the 85th Democratic Congress will not let the American public down.

We have exercised patience—awaiting sane leadership from the executive branch of Government—without success.

We shall now tee off on our own, and continue to formulate legislation that will guide America onward.

Speech by Hon. Harry F. Byrd, of Virginia, at the Banquet of the Hampton Roads Maritime Association, Norfolk, Va., May 9, 1957

EXTENSION OF REMARKS

OF

HON. WILLIAM M. TUCK

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1957

Mr. TUCK. Mr. Speaker, the senior Senator from the Commonwealth of Virginia, Hon. HARRY F. BYRD, on May 9, 1957, delivered a memorable address before the Hampton Roads Maritime Association in Norfolk, Va. Under leave to extend my remarks, I include the following complete text of his address.

I commend Senator BYRD in the highest terms upon the forthright and courageous manner in which he pointed out the dangers and evils of the iniquitous so-called civil rights bills now pending:

ADDRESS OF SENATOR BYRD

Now I am going to speak about civil rights, and especially about civil rights bills pending in Congress. This is a matter of tremendous consequence to all of us.

There are 15 or 20 of these civil rights bills, and while I regret to say so, this is punitive legislation to punish the South. That's all it is. Their purpose is to punish us because we will not submit to the Federal Government in Washington—or may I say the Supreme Court—when we believe what we are doing is eminently constitutional, and to follow their bidding would destroy our public-school system.

One of these bills is especially offensive, and I shall submit my discussion to that one. It would establish in Washington a special bureau which would send its agents into the South and originate suits against southerners. They could go anywhere, of course. They could go to the North, the East, and the West. There have been riots and hangings outside the South. But this is an anti-South bureau.

When its agents originate cases against southern people they would be tried in Federal courts without jury, subjected to contempt of court proceedings, and so forth.

I often think of those great Virginians who established our form of government—Jefferson, Madison, and Mason—on the basis that States were sovereign, and that the Federal Government should have no power except that delegated to it by the States, and it could be withdrawn by constitutional amendment.

I wonder what those great men would think of a Federal bureau established to go into Southern States originating suits against their citizens as punishment for conforming with State constitutions and laws.

What have we done to deserve this treatment? We have fought for constitutional democracy. We fought for it in 1860. We fought to the last ditch with the most conspicuous bravery in human history. Finally, in defeat by sheer numbers, we won everlasting world esteem.

We took our defeat with fortitude as we went through the terrible days of reconstruction. As I watch us handing out billions to defeated nations of World War II, I think of the kind of Marshall plan the carpetbaggers brought into the South to aid our reconstruction.

Since the War Between the States, as before, no section of the country has contributed more, in any respect, to the defense of the United States than the South. Yet we are to be punished because we disagree with Federal decree singularly designed to destroy the oldest way of life in the Nation.

Let me be frank, we southerners are fighting this thing with our backs to the wall, but what we lack in numbers we make up in our determination and will to protect our Southern States and the welfare of our people. We know that our form of government cannot exist over the years if States are to be mere provinces of a central government.

I never expected to see the day when the Attorney General of the United States appeared before Congress and requested the right to abolish in civil rights cases the inherent privilege that Anglo-Saxons have enjoyed for centuries—trial by a jury of our peers.

I joined with the senior Senator from Mississippi [Mr. EASTLAND] and the junior Senator from South Carolina [Mr. THURMOND] in introducing S. 1735, a bill to amend title 18, United States Code.

This bill simply guarantees the right of trial by jury in criminal contempt cases except, of course, when the contempt is committed in the presence of the court or so near thereto as to interfere directly with the administration of justice. It gives to all the same right to jury trial in criminal contempts as is presently granted by the code in labor disputes.

Our bill has been castigated by the Department of Justice as an attempt "to emasculate" the President's "program" by "deceptive appeals for the protection of the right to jury trial."

Regardless of the intentions of Senator EASTLAND, Senator THURMOND, and myself, it is charged—and I might add the innuendo is that our intention is subtle, devious, and evil—"this is a dangerously deceptive proposal." It is said to be "a clever device to nullify the proposed civil rights legislation."

On April 5 last, Mr. Warren Olney III, Assistant Attorney General of the United States, addressed the ninth annual conference of the National Civil Liberties Clearing House, the subject of which, it seems, was mainly a criticism of our bill and the reasons why he did not want or like jury trials.

His opening sentence stated that enactment of the President's program would give to the Government, for the first time, the authority necessary for effectual enforcement of federally guaranteed civil rights.

Mr. Olney believes that the existing legal tools available do not permit the Department effective action. He wants to abolish jury trial for speed and remove any uncertainty of conviction. Time and again the Department's attention has been called to the numerous existing civil rights statutes on the books, both civil and criminal, the existence of which the Department is well aware. Yet, these extraordinary remedies are demanded, without the safeguards in the Bill of Rights. The truth of the matter is this: As to the criminal statutes, the Department will have none of them because they are placed under the burden of proving their cases in conformance with proper

criminal processes. Proof is too hard, they claim. The Department wants quick convictions through Federal judges—not juries which have always and historically stood between the prosecutor and the defendant.

Speed is the order of the day with no accountability.

Mr. Olney complains that juries do not convict, and that there are too many acquittals. What has happend to our great maxims of innocent until proved guilty?

The advocates of these civil-rights measures say that the injunction provides a quick, "tailormade" remedy in this area. It is true that constitutional safeguards provided in jury trials make the punishment of an act as a crime a slower process.

Constitutional guaranties do render action in the democratic process slower, more cumbersome than actions by totalitarian states. Yet, should any constitutional guaranty be surrendered for the sake of quickness and ease?

We should remember that the Founding Fathers established constitutional guaranties because they loathed bureaucratic and judicial tyranny.

The proponents of these measures also say that the injunctive remedy will be free of prejudice and bias, sometimes shown by local juries. But, they fail to take into account the situation and possible prejudice of the judge.

In plain words, the Attorney General and his aids are not willing to trust their so-called civil rights to jury trial and say that juries may be too prejudiced to render decisions in accordance with the oaths they take. They want to make Federal judges, appointed by recommendation of the Federal Attorney General, the judge and the prosecutor from whose decisions there can be no appeal in contempt proceedings.

I am reliably informed that a Federal judge stated from the bench before hearing evidence or arguments on an integration case that he was inclined "to throw the whole case out of the window." This he did by reading a decision prepared before the hearing.

This judge further said from the bench, "The integration problem will never be resolved in Virginia until we have a different political leadership." This remark evidently had reference to the coming campaign when the effort will be made to elect a Republican Governor of Virginia.

Had Judge Hoffman rendered his decision in an orderly and judicial fashion, I would have no word of criticism, but to decide before hearing arguments and make bombastic and political statements from the bench is not the way to conduct judicial procedure.

We vest great power in our judges and expect decisions to be rendered after due hearings and without prejudice or predetermination.

Judge Hoffman must have known that he was dealing with a very explosive subject and that such a display of arrogance and prejudice from the bench could not fail to cause bitter resentment and inflame public opinion.

This is the greatest democracy in the history of the world. It has grown to this position in the brief span of 160 years, and with only 6 percent of the world's population. This could not have been achieved without the form of government bequeathed us as a sacred heritage by our forefathers.

Strike down the power of States to control their own affairs, and concentrate all power in Washington, and you strike at the heart of what makes this Nation great.

To me the decision of the Supreme Court abolishing segregation and compelling integration in States and local public school systems was a vicious and destructive invasion of States rights.

It set aside all previous decisions by the Supreme Court on the subject, including the 1928 decision by Chief Justice Taft, a great and learned man and a former President of the United States, who held segregation was constitutional if separate equal facilities were provided. I don't want to say anything personal about the present Supreme Court, which repealed the Taft decision, but if I must choose between a decision rendered by the late Chief Justice Taft or by Chief Justice Warren, it doesn't take me long to make the decision.

Again, in 1896, the Supreme Court rendered a decision approving equal but separate public schools. So, we have over 100 years of approval of various Supreme Courts then existing of segregated schools. Has this present Supreme Court all the ability that our great Justices through the long years have lacked?

This vicious recent decision did violence to State constitutions and laws, and even to Federal laws which provided segregation in the District of Columbia schools. It influenced 101 Members of the United States Congress to take the unprecedented action of signing a solemn manifesto holding that the decision was an illegal usurpation of power.

It would strike down a way of life in the United States which has been developed over a period of 160 years and, if enforced, it will destroy our great public school system.

I have had the great privilege of representing Virginians in various capacities for 40 years. I think I know something about conditions in Virginia. In my judgment, integration cannot be enforced in a majority of Virginia communities, I do not believe it is favored in any of them. How can we operate a public school system in Virginia when a majority of the communities have withdrawn? A little deeper in the South no communities will participate in an integrated system.

Let's be sure we understand the situation. Virginia has been selected by the NAACP and the Federal Government for their first onslaught. There are several reasons for this choice. In Virginia we have some communities where integration offers little problem. They believe if Virginia can be forced to surrender, it would have great effect on the fighting spirit in the rest of the South. No Federal suits have been started in South Carolina, Georgia, Mississippi, Alabama, and other Southern States.

As in the War Between the States, Virginia will be the first battleground. It should be noted that these school suits have already been started in Virginia. They have chosen to wage war on Virginia because they think our communities are divided. I think they will learn their mistake.

But there is an ordeal ahead. In my judgment, we have the courage and the fortitude to meet the challenge. We are already fighting, and we shall continue to fight to preserve our public school system, and that is precisely the objective of the laws recently passed by the Virginia General Assembly.

We are fighting, too, to preserve States rights which the vicious Supreme Court decision would destroy. We are facing a situation which is not only more serious than anything we have known in our day, but more serious than anything since the War Between the States. Our cause is right, and I pray we will meet our great responsibilities with calm but strong determination—but we must not let one act of personal violence mar our record for law and order.

I wish to make another observation. We hear it said that a Supreme Court decision, illegal and vicious or not, should be obeyed without question. To those who say we must, without protest, obey this Supreme Court decision, let me name just a few great Americans of the past who commented on this same subject:

Lincoln said at Chicago, July 10, 1858, speaking of the Supreme Court decision in the Dred-Scott case:

"Somebody has to reverse that decision, since it is made, and we mean to reverse it, and we mean to do it peaceably."

Thomas Jefferson said in a letter to Spencer Roane, 1824:

"The great object of my fear is the Federal Judiciary. That body, like gravity, ever acting, with noiseless foot, and unalarming advance, gaining ground step by step, and holding what it gains, is engulfing insidiously the special governments into the jaws of that which feeds them."

Remark attributed to Andrew Jackson, July 10, 1832:

(After the Supreme Court had rendered a decision relative to missionaries and the Cherokee Indians whom they had incited to resist the policy of the State of Georgia, difficulty was encountered in enforcing the decision.) President Jackson commented, "Well, John Marshall (who had pronounced the decision) has made his decision: Now let him enforce it."

Remark attributed to President Grant:

He was asked the question: "President Grant, they have struck down the Legal Tender Act giving character to the greenbacks with which you won the war. Do you acquiesce?" "Acquiesce? Never. I will reconstitute that Court." And he did.

President Franklin D. Roosevelt, in a radio fireside chat March 9, 1937, said:

"The Court, in addition to the proper use of its judicial functions, has improperly set itself up as a third House of the Congress—a superlegislature, as one of the Justices has called it—reading into the Constitution words and implications which are not there, and which were never intended to be there. We have reached the point as a nation where we must take action to save the Constitution from the Court and the Court from itself. We must find a way to take an appeal from the Supreme Court to the Constitution itself. We want a Supreme Court which will do justice under the Constitution, not over it. In our courts we want a government of laws, and not of men."

We are not demanding that the Justices be thrown out and the Court packed, as Mr. Roosevelt did. We are simply asking the Court to consider the damage it has done, reverse itself, and go back to the Taft decision of 1928.

Meanwhile, we reserve the right to criticize the Supreme Court, just as we do the President of the United States and Members of Congress. In fact, we reserve the right to defy the Supreme Court, so long as we do so without violence or attempt to overthrow the Government. That is inherent in our Constitution.

The Taft decision was as much of a Supreme Court decision as the Warren decision. I choose to follow the Taft decision. The Court has reversed itself before. I trust that, in view of the massive resistance throughout the South where its decision does most injury, this Court may see the error of its ways and reverse itself again. This would be in keeping with the freedoms of our great constitutional democracy.

Following the pattern of the May 1954 public-school decision, the Supreme Court has just rendered a startling and shocking decision.

A man by the name of Girard died in Philadelphia and left a large sum for the establishment of a school for "poor male white orphans."

The Girard College operated for 125 years as the donor directed. In 1954 two Negro boys asked for admittance. The Supreme Court of Pennsylvania denied the petition, stating that Girard "had the undoubted right to dispose of his property by will." Not one dollar of public funds was used in the operation of this school. Yet the Supreme Court of the United States has just reversed the decision of Pennsylvania's Supreme Court and ordered the admission of Negro students in contradiction of the will of Girard, who gave all the money for the

school's operation. How far will the Supreme Court go? To deny the right of a citizen to will his property to be used for a specific purpose makes one wonder what will come next.

A Norfolk newspaper, the Journal and Guide, on March 30, said I had made an appeal to race hatred. I feel I cannot permit this unfair statement to go unchallenged. The editor of this Norfolk paper was not fair enough to say that as Governor of Virginia I recommended, and the general assembly enacted, the strongest antilynching bill of any State. This was in 1926. In the 31 years intervening not a single lynching has occurred in Virginia.

As Governor, I attempted to serve the Negro citizens of Virginia with the same courtesy and consideration as I did the white. I recall that as Governor, taking a particular interest in the Virginia State College, a Negro institution at Petersburg, as I was convinced this institution was being neglected in appropriations. A Negro president named a building there after me. I have always believed that the Negro had an honorable and most useful position in our Nation. In fact, in my own business operations I employ more Negroes than whites and pay them exactly the same.

We are faced with three Federal actions which, if successful, would destroy the last remnants of local self-government:

First, the Supreme Court decision providing for enforced integration in our local schools.

Second, a companion measure to take away the right of trial by jury in civil-rights litigation and vest tyrannical power in the hands of Federal judges appointed upon the recommendation of the Attorney General of the United States.

Third, a vast Federal-aid local school-construction program which will give still further control to the Federal Government of our local schools.

The South is faced with great decisions and ominous difficulties in meeting these trials. I pray that we will have the same courage and fortitude that lived in the hearts of our forefathers whose sacrifices made possible the freedoms of this, the greatest form of free government ever conceived in the mind of man.

SENATE

WEDNESDAY, MAY 15, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father, God, who—amidst the shifting sands of time—standeth sure, like men who turn from dusty toil to crystal streams, so we lift our soiled faces to Thee, from the perplexities and the imperfections which crowd our days and drain our powers of endurance. In conscience, in quiet moments, when above earth's strident voices the still, small voice speaks to our inmost self, in soaring thoughts that will not stay on the ground, in deep needs that drive us to Thee, in the sacrament of human love, in the beauty of nature, and in the spiritual heritage of our race, in seers and prophets, and in Christ, overall, Thou dost stand at the door, and knock. Give us, we pray Thee, the grace of hospitality to the highest and the best. Because there is no solution of the world's ills, save as it springs from the hearts of men, we pray for ourselves: Cleanse Thou our hearts by Thy grace, feed our minds with Thy truth, guide our feet in the paths of righteousness, for Thy name's sake. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Monday, May 13, 1957, was approved, and its reading was dispensed with.

REPORTS OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of May 13, 1957,

The following reports of a committee were submitted:

By Mr. JOHNSON of Texas, from the Committee on Appropriations, with amendments:

H. R. 6871. An act making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes; (Rept. No. 303).

By Mr. HOLLAND, from the Committee on Appropriations, with amendments:

H. R. 6700. An act making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes; (Rept. No. 304).

AMENDMENTS TO DEPARTMENTS OF STATE AND JUSTICE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION BILL—NOTICES OF MOTIONS TO SUSPEND THE RULE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of May 13, 1957, the following notices of motions to suspend the rule were submitted on May 14, 1957, by Mr. JOHNSON of Texas:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6871) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies, for the fiscal year ending June 30, 1958, and for other purposes, the following amendment, namely: On page 35, line 11, insert the following: ": *Provided further*, That no part of the appropriation made by this title shall be used for any overseas government information activity unless the Director of the United States Information Agency finds that such overseas government information activity will not prevent private United States concerns from selling corresponding information services or products overseas."

Mr. JOHNSON of Texas also submitted an amendment intended to be proposed by him to House bill 6871, making appropriations for the Departments of State and Justice, the Judiciary, and related agencies, for the fiscal year ending June 30, 1958, and for other purposes.

(For text of amendment referred to, see the foregoing notice.)

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6871) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies, for the fiscal year ending June 30, 1958, and for other purposes, the following amendment, namely: On page 24, after line 11, insert the following:

"SEC. 207. Not to exceed 5 percent of the appropriations in this title for legal activities and general administration shall be available interchangeably with the approval of the Bureau of the Budget, but no appropriation shall thereby be increased by more than 5 percent and any such transfers shall be reported promptly to the Committees on Appropriations of the Senate and House of Representatives."

Mr. JOHNSON of Texas also submitted an amendment intended to be proposed by him to House bill 6871, making appropriations for the Departments of State and Justice, the Judiciary, and related agencies, for the fiscal year ending June 30, 1958, and for other purposes.

(For text of amendment referred to, see the foregoing notice.)

AMENDMENT TO DEPARTMENT OF COMMERCE AND RELATED AGENCIES APPROPRIATION BILL

Mr. HOLLAND, on May 14, 1957, submitted the following notice in writing:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6700) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes, the following amendment, namely, on page 21, after line 21, to insert the following:

"The Secretary of Commerce hereafter is authorized, subject to the procedures prescribed in section 505 of the Classification Act of 1949, as amended, but with regard to the numerical limitations contained therein, to place 1 position in grade GS-18, 3 positions in grade GS-17, and 10 positions in grade GS-16, in the General Schedule established by the Classification Act of 1949, as amended, and such positions shall not be in lieu of any positions in the Department previously allocated under section 505."

Mr. HOLLAND also submitted an amendment intended to be proposed by him to House bill 6700, making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes.

(For text of amendment referred to, see the foregoing notice.)

ENROLLED JOINT RESOLUTION SIGNED DURING ADJOURNMENT

Under authority of the order of the Senate of May 13, 1957,

The PRESIDENT pro tempore, on May 14, 1957, signed the enrolled joint resolution (S. J. Res. 22) requesting the President to designate the third Friday of May of each year as National Defense Transportation Day, which had previously been signed by the Speaker of the House of Representatives.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on May 14, 1957, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 22) requesting the President to designate the third Friday of May of each year as National Defense Transportation Day.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 52. An act to provide increases in service-connected disability compensation and to increase dependency allowances.

H. R. 1937. An act to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes;

H. R. 4932. An act to amend the act of July 11, 1947, to increase the maximum rate of compensation which the director of the Metropolitan Police force band may be paid; and

H. R. 6454. An act to amend the act for the retirement of public-school teachers in the District of Columbia, and for other purposes.

HOUSE BILLS REFERRED OR PLACED ON THE CALENDAR

The following bills were severally read twice by their titles and referred, or placed on the calendar, as indicated:

H. R. 52. An act to provide increases in service-connected disability compensation and to increase dependency allowances; to the Committee on Finance.

H. R. 1937. An act to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes; and

H. R. 4932. An act to amend the act of July 11, 1947, to increase the maximum rate of compensation which the director of the Metropolitan Police force band may be paid; to the Committee on the District of Columbia.

H. R. 6454. An act to amend the act for the retirement of public-school teachers in the District of Columbia, and for other purposes; placed on the calendar.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following subcommittees were authorized to meet during the session of the Senate today:

The Public Roads Subcommittee of the Committee on Public Works.

The Public Lands Subcommittee of the Committee on Interior and Insular Affairs.

The Minerals, Materials, and Fuels Subcommittee of the Committee on Interior and Insular Affairs.

The Permanent Subcommittee on Investigations, of the Committee on Government Operations.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to make an announcement, for the information of the Senate. It is the intention of the leadership to have the Senate consider today the State, Justice, Judiciary, and related agencies appropriation bill. There will be a quorum call before the Senate proceeds to the consideration of that bill.

Several bills and other measures have been cleared on both sides of the aisle and will very likely be taken up for consideration either today or tomorrow, unless objection is raised by the leadership on one side or the other. These measures are as follows:

Calendar No. 289, Senate bill 1794, amending the act relating to the admission into the Union of the State of Idaho.

Calendar No. 290, Senate bill 999, relating to the conveyance of certain land to the State of North Dakota.

Calendar No. 291, Senate bill 413, relating to the transfer of title to irrigation distribution systems.

Calendar No. 292, Senate bill 1556, granting the consent of Congress to an interstate compact.

Calendar No. 294, Senate Resolution 136, a printing resolution, and also Calendar No. 296, Senate Resolution 122; Calendar No. 297, Senate Resolution 130; Calendar No. 298, Senate Concurrent Resolution 26; and Calendar No. 299, Senate Resolution 131. All of these are printing resolutions.

Calendar No. 301, Senate bill 864, providing for the transfer of certain lands to the State of Minnesota.

Senators are also aware that House bill 6700, the appropriation bill for the Department of Commerce and related agencies, has been reported. It is Calendar No. 309. The bill itself and the report on it are now available and when the hearings on the bill are available I shall confer with the distinguished minority leader and with Members on my side of the aisle, and I shall ask him to confer with Members on his side, and we shall attempt to set a firm time for the consideration of that bill, so adequate notice can be given to Senators before the bill is taken up by the Senate.

I was not in the Appropriations Committee this morning. Let me inquire whether the supplemental appropriation bill has been reported by the committee.

Mr. RUSSELL. Yes.

Mr. JOHNSON of Texas. I should like to give notice that when the report and hearings on that bill are available, of course, the bill will have the highest priority.

Mr. President——

The VICE PRESIDENT. The Senator from Texas.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour for the introduction of bills and the transaction of other routine business. In that connection, I ask unanimous consent that statements be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communications and letters, which were referred as indicated:

PROPOSED PROVISION PERTAINING TO AN EXISTING APPROPRIATION, DEPARTMENT OF THE INTERIOR (S. Doc. No. 37)

A communication from the President of the United States, transmitting a proposed provision pertaining to an existing appropriation for the fiscal year 1957 for the Department of the Interior (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

PROPOSED SUPPLEMENTAL APPROPRIATION FOR PAYMENT OF CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS (S. Doc. No 38)

A communication from the President of the United States, transmitting a proposed supplemental appropriation to pay claims for damages, audited claims, and judgments rendered against the United States, in the amount of $1,709,157, together with such amounts as may be necessary to pay indefinite interest and costs and to cover increases in rates of exchange as may be necessary to pay claims in foreign currency (with accompanying papers); to the Committee on Appropriations, and ordered to be printed.

REPORT ON STUDY OF COMPETITIVE CONSEQUENCES OF DEFENSE EXPANSION IN TITANIUM METAL INDUSTRY

A letter from the Attorney General, transmitting pursuant to law, his report relating to a study of the competitive consequences of defense expansion in the titanium metal industry (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF UNITED STATES ADVISORY COMMISSION ON EDUCATIONAL EXCHANGE

A letter from the Chairman, United States Advisory Commission on Educational Exchange, transmitting, pursuant to law, a report of that Commission on the educational exchange activities conducted under the United States Information and Educational Exchange Act of 1948, from July 1 through December 31, 1956 (with an accompanying report); to the Committee on Foreign Relations.

AUDIT REPORT ON RECONSTRUCTION FINANCE CORPORATION (IN LIQUIDATION) AND DEFENSE LENDING DIVISION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on Reconstruction Finance Corporation (in liquidation) and Defense Lending Division, Office of Production and Defense Lending, Treasury Department, for the fiscal year ended June 30, 1956 (with an accompanying report); to the Committee on Government Operations.

REPORT ON SETTLEMENT OF CLAIM OF YUCHI (EUCHEE) TRIBE OF INDIANS *v.* THE UNITED STATES

A letter from the Chief Commissioner, Indian Claims Commission, Washington, D. C., reporting, pursuant to law that proceedings in the case of the *Yuchi (Euchee) Tribe of Indians* v. *The United States of America*, have been finally concluded (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT ON BACKLOG OF PENDING APPLICATIONS AND HEARING CASES, FEDERAL COMMUNICATIONS COMMISSION

A letter from the Chairman, Federal Communications Commission, Washington, D. C., transmitting, pursuant to law, a report on backlog of pending applications and hearing cases in that Commission, as of March 31, 1957 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

ANTON N. NYERGES

A letter from the Secretary of State, transmitting a draft of proposed legislation for the relief of Anton N. Nyerges (with an accompanying paper); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution of the House of Representatives of the State of Delaware; ordered to lie on the table:

"House Resolution 77

"Resolution relative to the death of United States Senator Joseph R. McCarthy

"Whereas the house of representatives has learned with regret of the passing of United States Senator Joseph R. McCarthy of the State of Wisconsin; and

"Whereas Senator Joseph R. McCarthy served his native State of Wisconsin and his country faithfully and diligently as a United States Senator; and

"Whereas Senator McCarthy became known internationally for his strong interest in the security of this country and his expression of patriotism; and

"Whereas the members of the house desire to express in this public manner their own feelings and sense of loss which is felt throughout the entire country: Now, therefore, be it

"*Resolved by the House of Representatives of the 119th General Assembly of the State of Delaware*, That the members wish to give expression to the regret they experienced at the passing of United States Senator Joseph R. McCarthy; and be it further

"*Resolved*, That the family of the deceased has the full sympathy of the members of the House of Representatives of the 119th General Assembly of the State of Delaware which is extended by sending a copy of this resolution to the members of his immediate family; and be it further

"*Resolved*, That the text of this resolution be made a part of the journal of the proceedings of the House of Representatives of the 119th General Assembly of the State of Delaware, and that a copy of this resolution be sent to the Presiding Officer of the Senate of the United States."

A resolution adopted by the Breakfast Optimist Club, of Topeka, Kans., relating to flood-control works for the protection of the city of Topeka; to the Committee on Appropriations.

A resolution adopted by the City Council of the City of St. Paul, Minn., protesting against the enactment of House bill 6790, to regulate the control and production of natural gas; to the Committee on Interstate and Foreign Commerce.

By Mr. KERR:

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Finance:

"Senate Concurrent Resolution 23

"Concurrent resolution memorializing the President and Congress of the United States relating to legislation and policy designed to limit imports of glass, lead, and zinc

"Whereas imports of glass, lead, and zinc have caused a drastic reduction in market prices of these products; and

"Whereas imports of glass, lead, and zinc have resulted in serious injury to domestic mining operations in that such operations have been forced to be curtailed to an alarming extent due to the economic laws of supply and demand; and

"Whereas while the market prices of such products have steadfastly remained at a low level and at the same time labor costs have risen sharply, with the result that mining operations are not reasonably profitable, and especially is this true in the State of Oklahoma; and

"Whereas this injury to the mining industry is not limited to the owners and operators of the mines, but causes thousands of workers to be out of employment or, at best, to be employed on a part-time basis; and

"Whereas the injury to the industry causes great economic losses to management, labor, the railroad industry, and to communities wherein mines and smelters are situated, and to the economy of the Nation as a whole, including an impairment of the Nation's defense program; and

"Whereas the consequences of the present import program are not only being reflected in economic conditions in the State of Oklahoma, but are being felt in all areas of the Nation wherein these products are produced, and this is both a local and a national problem: Now, therefore, be it

"*Resolved by the Senate of the 26th Legislature of the State of Oklahoma (the House of Representatives concurring therein)*:

"1. That legislation be enacted curtailing imports of glass, lead, and zinc to such a point that domestic markets will recover to a healthy and normal condition; and/or

"2. That legislation be enacted increasing the import tariff on glass, lead, and zinc to a point 50 percent above the level of January 1, 1945; and/or

"3. That a directive be issued increasing the import tariff on glass, lead, and zinc to a point 50 percent above the level of January 1, 1945; and/or

"4. That action be taken either pursuant to the May 21, 1954, report of the tariff commission, or under section 7 of the Trade Agreements Extension Act of 1955, or under any other existing authority which will result in relieving this threat to the national security and this crisis of nonproduction and unemployment in mines, smelters, and glass manufacturing plants.

"5. It is ordered that copies of this resolution be sent to the President of the United States, the Speaker of the House of Representatives and the President of the Senate of the Congress of the United States, and to each of Oklahoma's Representatives and Senators in the Congress of the United States.

"Adopted by the senate the 25th day of April 1957.

"KEITH CARTWRIGHT,
"Acting President of the Senate.

"Adopted by the house of representatives the 25th day of April 1957.

"B. E. HARKEY,
"Speaker of the House of Representatives."

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Interior and Insular Affairs:

"Senate Concurrent Resolution 21

"Concurrent resolution memorializing the President and the Congress of the United States to grant immediate statehood to the Territories of Alaska and Hawaii

"Whereas the Territories of Alaska and Hawaii are vital to the defense of the United States; and

"Whereas said Territories have greatly contributed to the economic and cultural life of the United States; and

"Whereas the people of said Territories have demonstrated their maturity, responsibility, and willingness to accept in full, and ability to discharge, the responsibilities that accompany citizenship in one of the States of the United States; and

"Whereas not only principles of fairness, but also considerations of mutual benefit to said Territories and the States of the United States demand that said Territories be granted immediate statehood: Now, therefore, be it

"*Resolved by the Senate of the 26th Oklahoma Legislature (the House of Representatives concurring therein)*:

"That the President of the United States and the Congress of the United States are hereby memorialized to grant immediate statehood to the Territories of Alaska and Hawaii.

"That the president of the senate is directed to cause copies of this resolution to be sent to the President of the United States, the Speaker of the House of Representatives of the United States, the President of the Senate of the United States, and to the Governors of Alaska and Hawaii.

"Adopted by the senate the 4th day of April 1957.

"KEITH CARTWRIGHT,
"Acting President of the Senate.

"Adopted by the house of representatives the 30th day of April 1957.

"B. E. HARKEY,
"Speaker of the House of Representatives."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. RUSSELL, from the Committee on Armed Services, without amendment:

H. R. 2797. A bill to amend title 10, United States Code, to authorize the Secretary of a military department to furnish stevedoring and terminal services and facilities to commercial steamship companies, and for other purposes (Rept. No. 306).

By Mr. STENNIS, from the Committee on Armed Services, without amendment:

H. R. 5832. A bill to increase the retired annuities of the civilian members of the teaching staffs of the United States Naval Academy and the United States Naval Postgraduate School (Rept. No. 305).

By Mr. JACKSON, from the Committee on Armed Services, without amendment:

S. 358. A bill to authorize the conveyance to the State of Wyoming of about 37 7/100 acres of land comprising a part of Francis E. Warren Air Force Base (Rept. No. 307);

H. R. 2781. A bill to amend the act entitled "An act to authorize the Secretary of the Navy to enlarge existing water-supply facilities for the San Diego, Calif., area in order to insure the existence of an adequate water supply for naval installations and defense production plants in such area," approved October 11, 1951 (Rept. No. 308); and

H. R. 4285. A bill to authorize the sale of degaussing equipment by the Department of the Navy to the owners or operators of privately owned merchant ships of United States registry (Rept. No. 309).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service, without amendment:

S. 916. A bill to provide for the issuance of checks and continuation of accounts when there is a vacancy in the office of disbursing officer for the Post Office Department, and for other purposes (Rept. No. 311);

S. 1169. A bill for the relief of Herbert C. Heller (Rept. No. 312);

S. 1740. A bill to authorize the payment from the Employees' Life Insurance Fund of expenses incurred by the Civil Service Commission in assuming and maintaining the assets and liabilities of certain beneficial associations (Rept. No. 313); and

S. 1884. A bill to amend section 505 of the Classification Act of 1949, as amended (Rept. No. 314).

By Mr. BIBLE, from the Committee on the District of Columbia, without amendment:

S. 105. A bill to exempt from taxation certain property of the National Association of Colored Women's Clubs, Inc., in the District of Columbia (Rept. No. 315);

S. 768. A bill to designate the east 14th Street highway bridge over the Potomac River at 14th Street in the District of Columbia as the Rochambeau Memorial Bridge (Rept. No. 316);

S. 1576. A bill to exempt the sale of materials for certain war memorials in the District of Columbia from the District of Columbia Sales Tax Act (Rept. No. 317);

S. 1586. A bill to eliminate the financial limitation on real and personal estate holdings of the American Historical Association and to exempt from taxation certain property of such association in the District of Columbia (Rept. No. 318); and

H. R. 2018. A bill to permit any State of the United States or any political subdivision of any such State to purchase from the District of Columbia Reformatory at Lorton, Va., gun mountings and carriages for guns for use at historic sites and for museum display purposes (Rept. No. 319).

By Mr. BIBLE, from the Committee on the District of Columbia, with an amendment:

H. R. 6258. A bill to amend the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937, as amended (Rept. No. 320).

By Mr. BIBLE, from the Committee on the District of Columbia, with amendments:

S. 923. A bill to amend the act for the retirement of public school teachers in the District of Columbia (Rept. No. 321);

S. 1264. A bill to exempt from taxation certain property of the National Trust for Historic Preservation in the United States in the District of Columbia (Rept. No. 322); and

S. 1770. A bill to provide for the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, and of certain officers and members of the United States Secret Service, and for other purposes (Rept. No. 323).

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1957

Mr. HAYDEN. Mr. President, from the Committee on Appropriations, I report favorably, with amendments, the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, and I submit a report (No. 310) thereon. I ask that the bill be placed on the calendar. I shall consult with the leadership and see when the bill can be brought up for consideration by the Senate.

The VICE PRESIDENT. The report will be received, and the bill will be placed on the calendar.

CONSTRUCTION, OPERATION, AND MAINTENANCE OF FRYINGPAN-ARKANSAS PROJECT, COLORADO

Mr. CARROLL. Mr. President, from the Committee on Interior and Insular Affairs, I report favorably, with amendments, the bill (S. 60) to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado, and I submit a report (No. 325) thereon. I ask unanimous consent that the minority views of the Senator from California [Mr. KUCHEL] be printed with the committee report.

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar; and the report will be printed, as requested by the Senator from Colorado.

CONSTRUCTION, OPERATION, AND MAINTENANCE OF HELLS CANYON DAM ON THE SNAKE RIVER, IDAHO AND OREGON

Mr. CARROLL. Mr. President, on behalf of the Senator from Montana [Mr. MURRAY], from the Committee on Interior and Insular Affairs, I report favorably, without amendment, the bill (S. 555) to authorize the construction, operation, and maintenance of the Hells Canyon Dam on the Snake River between Idaho and Oregon, and for related purposes, and I submit a report (No. 324) thereon.

I ask unanimous consent that the individual views of the Senator from Oregon [Mr. NEUBERGER] and the minority views of the Senator from Utah [Mr. WATKINS], and other Senators, be printed with the committee report.

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar, and the report will be printed, as requested by the Senator from Colorado.

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted a report thereon, pursuant to law.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Two hundred and thirty-five postmaster nominations.

By Mr. CASE of South Dakota, from the Committee on Armed Services:

Vice Adm. Maurice E. Curts, United States Navy, for commands and other duties designated by the President, in the grade, rank, pay, and allowances of admiral while so serving; and

Clarence Fong, and sundry other persons, for appointment in the United States Navy.

By Mr. MURRAY, from the Committee on Interior and Insular Affairs:

Roger Charles Ernst, of Arizona, to be Assistant Secretary of the Interior, vice Olin Hatfield Chilson, elevated; and

Michael A. Stepovich, of Alaska, to be Governor of the Territory of Alaska, vice B. Frank Heintzleman, resigned.

By Mr. BIBLE (for Mr. NEELY), from the Committee on the District of Columbia:

Andrew Parker, of the District of Columbia, to be a member of the District of Columbia Redevelopment Land Agency for the term expiring March 3, 1962.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HILL:

S. 2073. A bill to authorize an extension of letters patent to Price Chrenleigh McLemore; to the Committee on the Judiciary.

By Mr. RUSSELL:

S. 2074. A bill for the relief of Anita Agnew; to the Committee on the Judiciary.

By Mr. MUNDT:

S. 2075. A bill to amend the act of August 20, 1954, establishing a Commission for the Celebration of the 200th Anniversary of the Birth of Alexander Hamilton; to the Committee on the Judiciary.

By Mr. MARTIN of Pennsylvania (by request):

S. 2076. A bill to extend and improve the unemployment-compensation program; to the Committee on Finance.

By Mr. TALMADGE (for himself, Mr. RUSSELL, Mr. THURMOND, Mr. JOHNSTON of South Carolina, Mr. SPARKMAN, Mr. HILL, Mr. KEFAUVER, Mr. ERVIN, and Mr. SCOTT):

S. 2077. A bill to direct the Secretary of the Department of the Interior to undertake a survey in order to assist in promoting the production of concentrated iron ore and steel in the southern Appalachian area; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. TALMADGE when he introduced the above bill, which appear under a separate heading.)

By Mr. TALMADGE (for himself and Mr. RUSSELL):

S. 2078. A bill for the relief of the Collier Manufacturing Co., of Barnesville, Ga.; to the Committee on the Judiciary.

By Mr. ROBERTSON:

S. 2079. A bill for the relief of Edward W. Mundie; to the Committee on the Judiciary.

By Mr. LONG:

S. 2080. A bill relating to the computation of annual income for the purpose of payment of pension for non-service-connected disability or death in certain cases; to the Committee on Finance.

(See the remarks of Mr. LONG when he introduced the above bill, which appear under a separate heading.)

By Mr. JAVITS (for himself and Mr. CLARK):

S. 2081. A bill to establish the United States Arts Foundation; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. JAVITS when he introduced the above bill, which appear under a separate heading.)

By Mr. ALLOTT (for himself, Mr. EASTLAND, Mr. IVES, Mr. CHAVEZ, Mr. BRICKER, Mr. BEALL, and Mr. BIBLE):

S. 2082. A bill to simplify, consolidate, and improve the authority of the Secretary of Agriculture with respect to making loans to farmers and stockmen, and for other purposes; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. ALLOTT when he introduced the above bill, which appear under a separate heading.)

By Mr. KEFAUVER:

S. 2083. A bill to amend the Pay Readjustment Act of 1942, as amended; to the Committee on Armed Services.

S. 2084. A bill to amend sections 2311, 2312, and 2313 of title 18, United States Code, so as to extend the punishment for the transportation of stolen motor vehicles in interstate or foreign commerce to tractors, commercial truck trailers, and truck semitrailers, and for other purposes; and

S. 2085. A bill for the relief of the estate of Gerald A. Orken; to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 2086. A bill to amend the act of June 20, 1910, relating to the admission of New Mexico into the Union, to permit the State of New Mexico to achieve greater diversity in the prudent investment of moneys from lands held in trust; to the Committee on Interior and Insular Affairs.

By Mr. DIRKSEN (by request):

S. 2087. A bill for the relief of Eva Lichtfuss; to the Committee on the Judiciary.

By Mr. BIBLE:

S. 2088. A bill to amend section 4233 of the Internal Revenue Code of 1954 so as to exempt from the cabaret tax certain amounts paid for admission, refreshment, etc., by or for the benefit of certain tax-exempt organizations and institutions; to the Committee on Finance.

By Mr. CHURCH:

S. 2089. A bill to authorize the Secretary of the Interior to construct, operate, and maintain a reregulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. CHURCH when he introduced the above bill, which appear under a separate heading.)

By Mr. DOUGLAS:

S. 2090. A bill for the relief of Marie Elena Vega de Alcala;

S. 2091. A bill for the relief of Theodore Michael Lewis;

S. 2092. A bill for the relief of Chao-Ling Wang; and

S. 2093. A bill for the relief of Tam Ying Yee; to the Committee on the Judiciary.

By Mr. WILEY:

S. 2094. A bill to permit Cheddar cheese imported from foreign countries for the purpose of exhibition at the International Cheddar Cheese Scoring Contest, to be held at Fond du Lac, Wis., to be admitted without payment of tariff, or subject to quota limitations, and for other purposes; to the Committee on Finance.

S. 2095. A bill for the relief of certain aliens; to the Committee on the Judiciary.

By Mr. MAGNUSON (by request):

S. 2096. A bill to require pilots on certain vessels navigating United States waters of the Great Lakes, and for other purposes; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appears under a separate heading.)

FULFILLMENT OF PROGRAM RECOMMENDED BY NATIONAL HISTORICAL PUBLICATIONS COMMISSION FOR PUBLICATION OF CERTAIN DOCUMENTS

Mr. BENNETT submitted the following concurrent resolution, which was referred to the Committee on Rules and Administration:

Senate Concurrent Resolution 31

Whereas the National Historical Publications Commission is charged by the Congress with responsibility for cooperating with and encouraging "Federal, State, and local agencies and nongovernmental institutions, societies, and individuals" in collecting, preserving, and publishing documents that are important for understanding the history of the United States; and

Whereas the said Commission in the discharge of these responsibilities has recommended a national program to encourage the publication of the basic source materials of American history through the cooperative efforts of both public and private organizations; and

Whereas the President of the United States has approved the national program for the publication of historical documents, as set forth in the Commission's published report to him (and summarized in the Appendix of the CONGRESSIONAL RECORD for July 22, 1955); and

Whereas it is important that the people of the United States understand the history of their country and of its relationship to the rest of the world; and

Whereas the publication of such source materials as letters, diaries, journals, sermons, speeches, reports, and other documents—the firsthand evidence of the initiative, courage, and spiritual qualities of the men and women who have helped to shape our country's destiny—would contribute to a better understanding of the history of the United States in all of its manifold aspects, and would thereby strengthen the defense of our country against its enemies: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress of the United States that the fulfillment of the program recommended by the National Historical Publications Commission in its report entitled "A National Program for the Publication of Historical Documents" would be of lasting benefit to the Government and citizens of the United States; and be it further

Resolved, That the Congress of the United States respectfully urges the governors and legislatures of the several States and the State historical commissions and archival agencies, as well as appropriate libraries, historical societies, colleges and universities, business corporations, foundations, civic and other nonprofit organizations, and individuals to cooperate with the National Historical Publications Commission in the fulfillment of the said program.

SURVEY TO ASSIST IN PROMOTION OF PRODUCTION OF CONCENTRATED IRON ORE AND STEEL

Mr. TALMADGE. Mr. President, a continuously plentiful supply of steel is essential not only to the defense but also to the sustained economic growth of this Nation.

For some years now our economists, industrialists and defense planners have been concerned about the rapid depletion of the country's traditional sources of iron ore. Already many users have been forced to turn to other sources of supply, notably those in South America.

As a matter of prudence and preparedness, this situation should behoove us as a Nation to search out all sources of ore here at home. This should be done as insurance against any unhappy circumstances which in the future might deny us our foreign supplies, as well as to assure readily available reserves which might be tapped immediately in any emergency.

It is well known among geologists that there is an abundance of iron ore in the Southern Appalachians, particularly in the area known as the Clinton sedimentary beds occurring in the States of Georgia, Alabama, Tennessee, and the Carolinas. Dr. Merle C. Prunty, head of the department of geography and geology at the University of Georgia, and one of the Nation's most knowledgeable geologists, is convinced that these deposits—while not so rich as those of the Mesabi Range—are of commercial value. This is borne out by extensive studies made by the Georgia State Department of Geology.

This value is enhanced by the facts that adjacent to these iron ore deposits are extensive deposits of bituminous fuels essential to the production of steel and that abundant transportation facilities are afforded by the Tennessee River Waterway, the Coosa-Warrior River Waterway, the Alabama-Tombigbee River Waterway, the Apalachicola-Chattahoochee-Flint River Waterway, the Savannah River Waterway, and the contiguous railways of the area.

In order that these ore deposits might be effectively utilized when needed, I introduce, for appropriate reference, a bill to direct the Department of the Interior to undertake a survey to determine their extent and the means through which they can be effectively utilized for the production of steel. The measure provides for a report of findings within 180 days of its enactment.

In this survey the full resources of the Georgia State Department of Geology and the Department of Geography and Geology at the University of Georgia will be available to the Interior Department. Capt. Garland Peyton and Dr. A. S. Furcron, of the State Geology Department, and Dr. Prunty, of the university, have graciously volunteered their services and access to their files if they are desired.

In preparing this bill, I have sought the advice of my colleagues from the States affected, and all of them concur in its objectives. I am pleased that the Senator from Georgia [Mr. RUSSELL], the Senators from Alabama [Mr. HILL and Mr. SPARKMAN], the Senator from Tennessee [Mr. KEFAUVER], the Senators from North Carolina [Mr. SCOTT and Mr. ERVIN], and the Senators from South Carolina [Mr. JOHNSTON and Mr. THURMOND] have agreed to join me as cosponsors.

Mr. President, I hope, in the interest of the national welfare, that this measure will be given speedy approval. I ask unanimous consent that the bill be printed in the RECORD as a part of my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2077) to direct the Secretary of the Department of the Interior to undertake a survey in order to assist in promoting the production of concentrated iron ore and steel in the southern Appalachians area, introduced by Mr. TALMADGE (for himself and other Senators), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Whereas the production of steel and related products are, and will be, essential to the defense and the economy of our Nation; and

Whereas there is an abundance of iron ore in the southern Appalachians, particularly in the beds known as the Clinton sedimentary iron-ore beds occurring in the States of Georgia, Alabama, Tennessee, North Carolina, and South Carolina and in associated deposits; and

Whereas there are extensive deposits of bituminous fuels in the States of Georgia, Alabama, Tennessee, North Carolina, and South Carolina adjacent to the Clinton beds, which are essential not only to the future recovery and concentration of low-grade steel in such States, and possibly elsewhere, but also for other purposes related to the defense and economy of the Nation; and

Whereas the transportation facilities afforded by the Tennessee River waterway, the Coosa-Warrior River waterway, the Alabama-Tombigbee River waterway, the Apalachicola-Chattahoochee-Flint River waterway, the Savannah River waterway, and the contiguous railways of the area will promote a tremendous expansion for industries aiding the economy and national defense of this Nation; and

Whereas the coordination of production and transportation facilities must be generated by effective surveys and studies tending to develop groupings of various industries in the coordination of their common problems: Now, therefore,

Be it enacted, etc., That the Secretary of the Department of the Interior is authorized and directed to conduct a survey, having national significance in the defense and economy of our country, for the purpose of determining ways and means of affirmatively encouraging the production of concentrated iron ore for steel, and its related products, from the sources of ore and fuel in and contiguous to the southern Appalachians area. The Secretary shall report the results of such survey to the Congress, and shall make such reports public, not later than 180 days after the date of enactment of this act.

COMPUTATION OF ANNUAL INCOME FOR THE PAYMENT OF CERTAIN PENSIONS

Mr. LONG. Mr. President, I introduce, for appropriate reference, a bill relating to the computation of annual income for the purpose of payment of pension for non-service-connected disability or death in certain cases.

As a result of action by the Louisiana legislature, the State of Louisiana is planning to pay a bonus to veterans of the Spanish-American War and World War I and certain of their survivors. A veteran or the widow of a veteran who is in receipt of a non-service-connected disability or death pension from the Veterans' Administration is limited as to the amount of income which can be received from other sources. The limit is $1,400 a year for a recipient alone or $2,700 a year if there are dependents. The Veterans' Administration has ruled that the State bonus will be counted as income for pension purposes.

The Veterans' Administration has made this ruling under the provisions of Veterans' Administration regulation 1228. The State of Louisiana has contended that the intent of this regulation was to count as bonuses those things received from private employers for work performed, and to supplement salaries or commissioners paid and not State bonuses paid veterans for service to the Federal Government.

The Internal Revenue Service has ruled that State bonuses are not considered as income. I believe it to be unquestionably true that the State legislators who have voted these veteran bonuses have never considered them anything other than gratuities in the same sense as they have been regarded for Federal income-tax purposes by the Internal Revenue Service.

If a State wishes to assist and supplement the pension being paid to a veteran, it should not be penalized and discouraged from doing so by having the payment of a bonus cause the veteran to be ineligible for his pension. I do not believe that Congress intended to discourage the States from helping their own disabled veterans.

The bill which I am introducing today would provide that State bonuses to a veteran or his survivors based on his military service shall not be construed as income in determining eligibility for a non-service-connected disability or death pension from the Veterans' Administration. It would simply require that the Veterans' Administration exclude State bonuses in determining income for pension purposes in the same manner that the Internal Revenue Service excludes States bonuses in determining income for income-tax purposes.

I ask unanimous consent that a letter addressed by me to the Administrator of Veterans' Affairs and his answer thereto relating to this subject, may be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letters will be printed in the RECORD.

The bill (S. 2080) relating to the computation of annual income for the purpose of payment of pension for non-service-connected disability or death in certain cases, introduced by Mr. LONG, was received, read twice by its title, and referred to the Committee on Finance.

The letters presented by Mr. LONG are as follows:

MARCH 15, 1957.

Hon. H. V. HIGLEY,
Administrator of Veterans' Affairs,
Veterans' Administration,
Washington, D. C.

DEAR MR. HIGLEY: Recently I had discussed with your General Counsel, Mr. Guy H. Birdsall, his interpretation that State bonuses to veterans must be considered as income for the purpose of part II pensions.

This interpretation is contrary to the interpretation by the Internal Revenue Service, which I believe has justifiable claim to being highly qualified to rule on matters of this kind. It seems to me that the interpretation of your General Counsel should be reviewed to give some consideration to the spirit as well as the letter of the law as it relates to this matter. I believe that it is unquestionably true that the State legislators who have voted these veterans bonuses have never considered them anything other than gratuities in the same sense as they have been regarded for Federal income tax purposes by the Internal Revenue Service.

Even if the letter of the law, as interpreted by your General Counsel, is to be adhered to, I think you would agree with me that it is manifestly an inequity of the law which should be corrected. Accordingly, if after reviewing the matter personally you feel it necessary to continue the present interpretation of the law as it relates to this problem, it would appear appropriate for you to indicate your willingness to support an amendment which would correct the inequity involved.

Your early personal attention to this matter would be appreciated. Copies of correspondence which has been furnished to me by the Louisiana Veterans' Affairs Department are enclosed for your information.

Sincerely yours,

RUSSELL B. LONG.

APRIL 1, 1957.

The Honorable RUSSELL LONG,
United States Senate,
Washington, D. C.

DEAR SENATOR LONG: I am in receipt of your letter dated March 15, 1957, with enclosures, concerning the position of the General Counsel of this Administration that money received by a veteran as a State bonus must be considered as income for the purpose of part III, Veterans Regulation No. 1 (a) (38 U. S. C. A., ch. 12A). VA Regulation 1228 (C) provides in effect that in determining annual income, payments and benefits received from certain enumerated sources will be considered. One of these is as follows:

"(1) Total income from sources such as wages, salaries, bonuses (except World War adjusted compensation), earnings, emoluments, investments or rents from whatever source derived, or income from a business or profession."

As indicated by one of the enclosures received with your communication, the General Counsel under date of November 26, 1956 advised the Chief of Claims, National Rehabilitation Service, VFW of the United States, that under the above quoted regulation the only exception insofar as bonuses are concerned is the bonus commonly referred to as world war adjusted compensation, and that therefore a veteran who receives a State bonus must include the same in the computation of annual income.

You refer to the fact that the Bureau of Internal Revenue has ruled that money received by a veteran as a State bonus is not required to be reported as income for Federal income tax purposes. Informal contact with that Bureau reveals that such ruling was predicated upon the theory that a State bonus is a gift and that section 102 of the Internal Revenue Code 1954 expressly provides that gross income does not include the value of property acquired by gift, bequest, devise, or inheritance. There is no comparable provision contained in the statute or regulations administered by the Veterans' Administration and the test to be applied as to what shall constitute income for the payment of pension to veterans under part III, Veterans' Regulation No. 1 (a), supra, or to widows of veterans under Public Law 484, 73d Congress, as amended (38 U. S. C. A. 503) is not necessarily the same test as that which is applicable for the payment of Federal income tax. As a matter of fact VA Regulation 1228 (C) (8) is to the effect that gifts will be considered as income for the purposes of said veterans regulation and statute.

I am in accord with the position taken by the General Counsel and do not believe that a different interpetation is justified. With letter dated February 15, 1957 the General Counsel forwarded to you a draft of a bill which if enacted would exclude from computation as annual income for certain pension purposes any payment of veterans' bonuses by a State, Territory, possession of the United States, the District of Columbia, or the Commonwealth of Puerto Rico to persons who served in our Armed Forces and their widows and children. It was stated in that letter that the same did not constitute an expression of views by the Veterans' Administration as to the merits of the proposal and that if the bill is introduced and the committee to which it is referred requests a report, this Administration will of course comply as promptly as possible after ascertaining from the Bureau of the Budget the relationship of the proposal to the program of the President.

Pertinent to the proposed amendment, you will recall that pension was one of the subjects in the field of veterans' nonmedical benefits which was given extensive study and consideration by the President's Commission on Veterans' Pensions. The recommendations of that Commission are currently being analyzed and reviewed in the executive branch and the President has advised in his recent budget message that he will transmit to the Congress a special message outlining legislative proposals in the field of veterans' programs. Under the circumstances, you will appreciate that I would not be in a position to express an opinion at this time on the suggested amendment.

Sincerely yours,

H. V. HIGLEY,
Administrator.

PROPOSED UNITED STATES ARTS FOUNDATION

Mr. JAVITS. Mr. President, on behalf of myself and the distinguished Senator from Pennsylvania [Mr. CLARK], I introduce, for appropriate reference, a bill to establish a United States Arts Foundation as an independent agency in the executive branch of the Federal Government.

The proposed legislation provides for the Foundation to be directed by a 12-man board of trustees, to be appointed by the President, by and with the advice and consent of the Senate. The Foundation is authorized and directed to stimulate and encourage throughout the United States the study and advancement of the performing arts, and the public interest in them.

The bill is completely consistent with the administration's program for a Federal Advisory Council on Arts, of which I am also a sponsor.

The bill, if enacted, would develop a practical application of the Federal concern with the arts at a time when action is so urgently needed in the performing arts field, if we are not to sacrifice great resources in that field. In short, this is a plan which, while profiting greatly from the advisory activities, should not be held up to await them.

Yesterday I appeared at a meeting in New York, sponsored by the Actors Equity Association and attended by some of the leading performers and directors in the theater. There is a grave emergency existing now in conserving the cultural resources of our country. The bill is an effort to join in and help with that conservation. I am very proud and honored to have the Senator from Pennsylvania [Mr. CLARK] join me in the introduction of the bill.

Now a word about economy. Economy, which is being emphasized now, also implies wisdom in making expenditures.

In the proposed establishment of the United States Arts Foundation, we are in an area of comparatively small expenditure—from $3 million to $5 million—but one which will give great impetus to private activities worth many times the amount involved, and will afford pleasure to vast areas of the country, making it possible for people to see the performing arts, which is an opportunity now denied them.

We have done without such an advantage for too long, considering that other peoples, not nearly so wealthy as we, have had comparable organizations for years. We have only ourselves to blame if we do not take advantage of our own cultural opportunity.

I point out that the British Arts Council has been functioning with great success since 1943, under a form of government very much like our own. Only last year Canada established the Canadian Arts Council.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. JAVITS. I am glad to yield to the cosponsor of the bill, the distinguished Senator from Pennsylvania.

Mr. CLARK. I desire to associate myself with the views expressed by the junior Senator from New York, and I express the hope that the bill will receive favorable consideration.

Mr. JAVITS. I thank the Senator from Pennsylvania.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2081) to establish the United States Arts Foundation, introduced by Mr. JAVITS (for himself and Mr. CLARK), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

ESTABLISHMENT OF FOUNDATION

SECTION 1. There is hereby established in the executive branch of the Government an independent agency to be known as the United States Arts Foundation (hereinafter referred to as the "Foundation").

DECLARATION OF POLICY

SEC. 2. The Congress finds that a large and progressively increasing proportion of the people of the United States are deprived of the opportunity to view and enjoy living theatrical performances, musical concerts, opera, dance and ballet recitals, and the performing arts generally; that the general welfare will be promoted by providing national recognition of the status of the theater and other performing arts as a cherished and valued part of the Nation's cultural resources since colonial days, and as a valued means for the building of morale among the civilian components engaged in defense production and among the Armed Forces, and for the promotion of education, national culture, recreation, skill in the arts and beneficial utilization of leisure time; that it is desirable to establish a United States Arts Foundation to provide such recognition and also to consider how the presentation to and appreciation by the people of theatrical and other performing arts and productions may best be stimulated in civic and educational groups as well as professional companies, and throughout the Nation and regions thereof (including ships, airfields, posts, camps, and stations of the Armed Forces and mines, plants, and offices of the civilian component production forces) and to take steps appropriate to stimulate such increased and more widespread presentations.

TRUSTEES OF FOUNDATION

SEC. 3. (a) The Foundation shall be subject to the general supervision and policy direction of a board of trustees which shall consist of 12 members to be appointed by the President, by and with the advice and consent of the Senate. The President shall endeavor to provide representation to the several performing arts, to both civic, educational, and professional groups concerned with and engaged in productions of the performing arts, to the trade unions and trade associations concerned with the performing arts, and to the attending public. The President is requested, in the making of nominations, to give due consideration to recommendations for nomination which may be submitted to him by the representative associations of the foregoing and of organizations and associations concerned with the encouragement and development of the performing arts.

(b) The term of office of each trustee of the Foundation shall be 6 years in duration, expiring on April 30, except that the terms of the trustees first taking office after the enactment of this act shall expire, as designated by the President at the time of appointment, 4 at the end of 2 years, 4 at the end of 4 years, and 4 at the end of 6 years, subsequent to the April 30 following the enactment of this act. A vacancy shall be filled only for the unexpired portion of the term. Any person who has been a trustee of the Foundation for 12 consecutive years shall be ineligible for appointment during the following 2-year period.

(c) The President shall call the first meeting of the trustees of the Foundation, at which the first order of business shall be the election of a Chairman and Vice Chairman.

PRINCIPAL POWERS AND DUTIES OF THE FOUNDATION

SEC. 4. (a) The Foundation is authorized and directed to—

(1) stimulate and encourage throughout the United States the study of and the advancement of the performing arts and public interest therein;

(2) stimulate and encourage within such reasonable limitations as it shall determine the presentation throughout the United States, and to the widest practicable audiences, of productions of the performing arts, of both new works and works drawn from the existing literature of those arts, which have substantial artistic or historic significance, giving preference to stimulating and encouraging the works of citizens and residents of the United States and of the Americas;

(3) foster and encourage professional and civic and nonprofit, private, public, educational, institutional, or governmental groups which are engaged in or directly concerned with the performing arts and productions;

(4) foster and encourage maintenance of registers, as may be deemed advisable, of theaters, personnel, or otherwise; and make such surveys and analyses as may be deemed advisable in the interests of the performing arts throughout the country; and

(5) provide through direct grant or otherwise financial assistance and support from the funds appropriated to the Foundation or otherwise obtained pursuant to this act or other acts, to professional groups, and groups meeting professional standards, and educational groups, engaged in or concerned with the performing arts and productions, for the purpose of enabling such groups to provide productions of such type or in such regions as would not otherwise be available to the prospective audience, or to provide instruction in the performing arts, but such groups shall be eligible for financial assistance only if no part of the net earnings of such groups inures to the benefit of any private stockholder or stockholders, or individual or individuals, and if such groups satisfy the standards of subsection (c) of section 170 of the Internal Revenue Code of 1954 so as to authorize deductions from gross income of donations to such groups. The Foundation shall wherever practicable develop the principle of matching funds with interested agencies public or private.

(b) The Foundation shall not produce or present any production.

(c) The trustees of the Foundation shall meet four times each year, beginning on the first Monday in February, May, August, and November, and at such other times as the Chairman may determine. The Chairman shall also call a meeting whenever one-third of the trustees so request in writing. A majority of the trustees of the Foundation shall constitute a quorum. Each trustee shall be given notice, by registered mail mailed to his last-known address of record not less than 15 days prior to any meeting, of the call of such meeting.

(d) The first Chairman and Vice Chairman of the Foundation shall be elected by the Foundation to serve until the first Monday in May next succeeding the date of election at which time a Chairman and Vice Chairman shall be elected for a term of 2 years. Thereafter such election shall take place at the annual meeting occurring at the end of each such term. The Vice Chairman shall perform the duties of the Chairman in his absence. In case a vacancy occurs in the chairmanship or vice chairmanship, the Foundation shall elect a trustee to fill such vacancy.

(e) The Foundation shall render an annual report to the President for submission on or before the 15th day of January to the Congress, summarizing the activities of the Foundation and making such recommendations as it may deem appropriate.

DIRECTOR OF FOUNDATION

SEC. 5. There shall be a Director of the Foundation (hereinafter referred to as the Director), who shall be appointed by the President, by and with the advice and consent of the Senate. In the appointment of the Director of the Foundation, the President is requested to give due consideration to the recommendations for such an appointment which may be submitted to him by the Board of Trustees, and the Board of Trustees in making such recommendations shall give due consideration to the recommendations which may be submitted to them by the representative associations referred to in section 3 (a) of this act. The Director shall serve as an ex officio trustee of the Foundation. In addition, he shall be the chief executive officer of the Foundation. The Director shall receive compensation at the rate of $25,000 per annum and shall serve for a term of 6 years unless sooner removed by the President; provided that at any time a majority of the Board of Trustees may recommend such removal to the President

ADMINISTRATION AND ENABLING AUTHORITY

SEC. 6. (a) The Foundation may appoint committees or councils or panels concerned with particular regions of the country or with particular aspects of the performing arts, or both, and composed of persons who need not be trustees of the Foundation, or of organizations. The Foundation shall maintain an office in the District of Columbia, and in such other places through the country as it may deem appropriate.

(b) The Director shall have general authority to carry out and execute the programs of the Foundation on a full time, continuous basis, to recommend programs to the Foundation and to discharge such other functions as the Foundation may delegate to him, including functions vested in the Foundation by this act. Except as specifically approved by the Foundation, the Director shall not hold any office in, or act in any capacity for, any group or institution with which the Foundation makes any contract, or to which it gives any award or assistance.

(c) The Foundation is specifically authorized to—

(1) prescribe such rules and adopt such bylaws as it deems necessary governing the manner of its operation and its organization and personnel;

(2) make expenditures, and enter into contracts or other arrangements, as may be necessary for administering the provisions of this act, without regard to the provisions of section 3709 of the Revised Statutes (41 U. S. C., sec. 5);

(3) make advance, progress, and other payments which relate to research in the performing arts without regard to the provisions of section 3648 of the Revised Statutes (31 U. S. C. sec. 529);

(4) acquire by purchase, lease, loan, or gift, and to hold and/or dispose of by sale, lease, or loan, real and personal property, to receive and use funds or property donated by others, and such donations shall be classified as contributions deductible from gross income within the meaning of section 170 of the Internal Revenue Code of 1954;

(5) publish or arrange for the publication of information relating to the performing arts and productions, or personnel engaged therein, without regard to the provisions of section 11 of the Act of March 1, 1919 (44 U. S. C., sec. 111);

(6) accept and utilize the services of voluntary and uncompensated personnel;

(7) pay fees for and to enter into contracts with persons for the performance of services required by the Foundation; and

(8) pay to employees of the Foundation, and to all other persons rendering service to the Foundation, whether on an uncompensated basis or on a fee or contract basis, actual and necessary traveling and subsistence expenses (including, in lieu of subsistence, per diem allowances at a rate not in excess of $15) when engaged away from home, in business of the Foundation.

(d) (1) The Foundation is authorized to make loans to any professional group, or any group meeting professional standards or any educational group meeting standards prescribed by the Foundation engaged in or connected with the performing arts and productions or in instruction therein. Such loans may provide for payment to the Foundation of a percentage of the net profits of the production or productions, or of interest, or both, as may be determined by the Foundation.

(2) A group shall not be eligible for assistance under subparagraph (1) unless (A) such group satisfies the standards of subsection (c) of section 170 of the Internal Revenue Code of 1954, so as to authorize deductions of donations to such group from the gross income of the donor, and (B) no part of the net earnings of such group inures to the benefit of any private stockholder or individual.

INTERNATIONAL COOPERATION

SEC. 7. (a) The Foundation is authorized, with the approval of the President and to the extent specified by such approval, and in consultation with the Department of State, to cooperate in, assist, and sponsor international activities relating to the performing arts, including the assistance to or sponsorship of performances in other countries.

(b) The Director, with the approval of the Foundation, and subject to consultation with the Secretary of State, may defray the expenses of trustees or employees of the Foundation, and members of councils or committees of the Foundation, in attending meetings, congresses, and performances in other countries relating to the performing arts, whenever he deems it necessary in the promotion of the objectives of this Act.

APPROPRIATIONS

SEC. 8. (a) There is authorized to be appropriated to the Foundation for each fiscal year such sums as shall be necessary to carry out the provisions of this act. The moneys appropriated to the Foundation shall remain available for expenditure for 2 years following the expiration of the fiscal year for which appropriated.

(b) Moneys received by the Foundation pursuant to paragraph (4) or (5) of section 6 (c), or pursuant to section 6 (d), of this act, shall not be covered into the Treasury as miscellaneous receipts, but shall be kept in a special account, maintained by the Treasury Department, or may be kept by the Foundation in commercial banking institutions, or invested in securities eligible for trust funds in the District of Columbia.

GENERAL PROVISIONS

SEC. 9. (a) The Director shall, in accordance with such policies as the Foundation shall from time to time prescribe, appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of this act. Such appointments shall be made and such compensation shall be fixed in accordance with the provisions of the civil-service laws and regulations and the Classification Act of 1949, as amended, except that the Director may, in accordance with such policies as the Foundation shall from time to time prescribe, employ such technical and professional personnel or personnel with experience in or relating to any of the performing arts, and fix their compensation, without regard to such laws, as he may deem necessary for the discharge of the responsibilities of the Foundation under this act. The Deputy Director hereinafter provided for, and the members of the councils or committees, shall be appointed, without regard to the civil-service laws or regulations. Except with the approval of the Foundation, neither the Director nor the Deputy Director shall engage in any other business, vocation, or employment than that of serving as such Director or Deputy Director, or hold any office in, or act in any capacity for, any organizations, agency, or institution with which the Foundation makes any contract or other arrangement under this act.

(b) The Director may appoint, with the approval of the Foundation, a Deputy Director, who shall perform such functions as the Director, with the approval of the Foundation, may prescribe and shall be acting Director during the absence or disability of the Director or in the event of a vacancy in the Office of the Director, and who shall receive compensation at a rate not to exceed $20,000 per annum.

(c) The trustees of the Foundation, and the members of the council and committees, shall receive compensation at the rate of $50 for each day engaged in the business of the Foundation pursuant to authorization of the Foundation, and shall be allowed actual and necessary traveling and subsistence expenses (including, in lieu of subsistence, per diem allowance at a rate not in excess of $15) when engaged away from home, in the duties of their offices.

(d) Persons holding other offices in the executive branch of the Federal Government may serve as members of the committees or councils, but they shall not receive remuneration for their services as such members during any period for which they receive compensation for their services in such other offices.

(e) Service of an individual as a trustee or employee of the Foundation, of a committee or council, shall not be considered as service bringing him within the provisions of section 281 or section 283 of title 18 of the United States Code unless the act of such individuals, which by such section is made unlawful when performed by an individual referred to in such section, is with respect to any particular matter which directly involved the Foundation or in which the Foundation is directly interested.

(f) Agencies of the United States Government are authorized to render assistance to the Foundation by the donation or loan of employee services and by the donation or loan of supplies, office or building space, or other property, either on a reimbursable or nonreimbursable basis.

(b) The Foundation shall provide a reasonable system for control and accountability of all funds of the Foundation, and shall consult with and consider the suggestions of the Comptroller General with regard thereto.

DEFINITION AND TITLE

SEC. 10. As used in this act—

(a) The term "performing arts" means the arts related to performances of theatrical plays, dance and ballet performances, and performances of musical works (instrumental, voice, and/or operatic); and includes the arts of playwriting, acting, directing, staging, scenic and costume design, and composition and performance of music, opera, and dance and ballet.

(b) The term "productions" means plays (with or without music), ballets, readings, concerts, recitals, operas, and any other performances before members of the public involving the execution or rendition of any of the performing arts and meeting such standards as may be established by the Foundation.

(c) The term "group" includes any society, institution, organization, or association, whether or not incorporated.

SHORT TITLE

SEC. 11. This act may be cited as the "United States Arts Foundation Act."

CONSOLIDATED FARMERS' HOME ADMINISTRATION ACT OF 1957

Mr. ALLOTT. Mr. President, from time to time during the past 3 years I have called the attention of my colleagues to the farm credit situation in the United States. As has repeatedly been pointed out, the fact is that Congress has appropriated a great deal of money to provide farm credit for farmers, stockmen, and ranchers who cannot obtain credit from banks, production associations, cooperative associations, or similar credit institutions. During these 3 years I have introduced on this subject three bills which have become known as the Allott bills. They are designed to help make farm credit in the United States workable.

Mr. President, my office constantly receives a great deal of mail—which comes not only from my own State, but also from most of the other States, particularly those in the South, the Midwest, and the West—which convinces me that the farmers, stockmen, and ranchers of the United States want an FHA program which will work. In the past few weeks, since the introduction of my last bill, it has become apparent that some very obvious improvements could be made in the drafting and organization of the bill. Therefore, Mr. President, I desire to introduce at this time, for appropriate reference, a bill—cosponsored by the Senator from Mississippi [Mr. EASTLAND], the Senator from New York [Mr. IVES], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Ohio [Mr. BRICKER], the Senator from Maryland [Mr. BEALL], and the Senator from Nevada [Mr. BIBLE]—to simplify, consolidate, and improve the authority of the Secretary of Agriculture with respect to the making of loans to farmers and stockmen, and for other purposes.

Mr. President, those of us who serve in the Congress can no longer afford to have on the statute books a law which costs the people of the country money, but which is so complicated in its operations that no ordinary person can be expected to interpret correctly the thousand pages of regulations, not to mention the conflicting acts which constitute that measure.

Mr. President, I ask unanimous consent that the bill which I am introducing at this time be printed in the RECORD at the conclusion of my remarks, and that there also be printed in the RECORD an analysis of the bill and an explanation of its provisions.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill and analysis will be printed in the RECORD.

The bill (S. 2082) to simplify, consolidate, and improve the authority of the Secretary of Agriculture with respect to making loans to farmers and stockmen, and for other purposes, introduced by Mr. ALLOTT, for himself and other Senators, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) this act may be cited as the Consolidated Farmers Home Administration Act of 1957.

(b) The Congress finds that the statutory authority of the Secretary of Agriculture for making and insuring loans to farmers and stockmen who are unable to obtain the necessary credit they need elsewhere on reasonable terms and conditions should be revised and consolidated in order to avoid multiplicity of loan types and in order to provide for a more effective administration of such loans.

TITLE I—REAL ESTATE LOANS

SEC. 2. The Secretary is authorized to make and insure loans in the United States, Territories of Alaska and Hawaii and in Puerto Rico and the Virgin Islands, to persons eligible for such loans, as provided in this title, for the following purposes:

(a) To provide for the purchase of that land or interests therein only which can be used effectively in the operation of a family-type farm in the area, or land which is necessary in connection with the establishment or improvement of an association-type facility.

(b) To provide essential farm buildings on not larger than family-type farms.

(c) To provide for the improvement of farmland by facilities for the development, storage, and utilization of water and appurtenances thereto; soil and water conserving irrigation and drainage facilities, structures, or practices; improvement of soil fertility; the establishment or improvement of permanent pastures; fencing; forestation and other erosion preventatives; and other means of developing and improving farmland as may be determined from time to time by the Secretary.

(d) To liquidate or refinance existing farm indebtedness or any portion thereof of eligible applicants; provided that loans primarily for refinancing existing indebtedness shall not be made after June 30, 1959.

SEC. 3. (a) Individuals shall be eligible for loans under this title who are:

(1) Citizens of the United States of America.

(2) Bona fide farmers with farming experience or training which the Secretary determines is sufficient to expect reasonable success in the proposed operation.

(3) Except as provided in subparagraph (4) and (5) immediately following, the owner-operators of family-type farms in the area as determined by the Secretary.

(4) Owners of farms including larger than family-type farms in the area but whose only credit needs under this title are for the purpose of soil and water conservation, development, use, and drainage facilities, structures, or practices.

(5) owner-operators of less than family-size farms and who are bona fide farmers, have historically resided on farms, and depended on farm income for their livelihood, and are conducting substantial farming operations.

(b) Associations, including corporations not operated for profit, and public or quasi public agencies, which will provide farmers and ranchers with such facilities for soil and water conservation, development, use and drainage, as the Secretary may specify from time to time, shall be eligible for loans under this title.

SEC. 4. With respect to loans made or insured under this title, the Secretary shall:

(a) Make no loan, the period for repayment of which exceeds 40 years.

(b) Make no loan to any individual which would cause the total unpaid principal indebtedness against the farm or farms offered as security to exceed the fair and reasonable value, determined as prescribed by the Secretary and recommended by the county committee established under section 32.

(c) Establish from time to time the interest rate or rates at which loans for various purposes will be made, but no such rate shall exceed 5 percent per annum, plus such fees, delinquency or amortization charges as the Secretary may require, taking into consideration:

(1) the prevailing private and cooperative interest rates for loans for similar terms and purposes;

(2) the need for such credit in the maintenance of a sound agricultural economy;

(3) the credit risk involved; and

(4) the rate of interest paid by the Secretary in obtaining funds from which such loans are made.

(d) Make or insure no loan to any individual or loans to all individuals operating a single farming enterprise which will cause such person's total outstanding principal indebtedness incurred under this title, title I of the Bankhead-Jones Farm Tenant Act, title V of the Housing Act of 1949, and under the Water Facilities Act, as amended, plus the total unpaid principal indebtedness secured by any prior lien not refinanced in connection with the loan hereunder to exceed $50,000 at any one time.

(e) Shall make no loan to any association which would cause such association's principal indebtedness for loans under this title and the Water Facilities Act, as amended, to exceed $250,000 at any one time.

(f) Except as specifically provided herein, determine from time to time the terms and conditions upon which such loans shall be made or insured.

SEC. 5. (a) Loans which could be made by the Secretary under this title may be insured by the Secretary whenever funds are advanced or a loan is purchased by a lender other than the United States: *Provided*, That no loan to an individual shall be insured so long as the unpaid balance of the indebtedness on the loan, plus the unpaid balance of any prior lien indebtedness exceeds 90 percent of the fair and reasonable value of the farm as certified by the county committee.

(b) In connection with the insurance of loans, the Secretary of Agriculture:

(1) is authorized to include in insurance contracts agreements with respect to the servicing of loans insured hereunder and to purchase such loans which are not in default on such terms and conditions as he may prescribe; and

(2) is authorized to require the payment to the Secretary annually of such charges as the Secretary may determine at the time the loan is insured.

Any contract of insurance executed by the Secretary under this title shall be an obligation of the United States and incontestable except for fraud or misrepresentation of which the holder has actual knowledge.

SEC. 6. (a) The fund established pursuant to section 11 (a) of the Bankhead-Jones Farm Tenant Act, as amended, shall hereafter be called the Agricultural Credit Insurance Fund and is hereinafter in this title referred to as the "fund." The fund shall remain available as a revolving fund for the discharge of the obligations of the Secretary under agreements insuring loans under this title and loans and mortgages under this title to prior authority.

(b) Moneys in the fund not needed for current operations shall be deposited with the Treasurer of the United States to the credit of the fund. The Secretary may purchase with money in the fund and notes issued by the Secretary to the Secretary of the Treasury for the purpose of obtaining money for the fund.

(c) The Secretary is authorized to make and issue notes to the Secretary of the Treasury for the purpose of obtaining funds necessary for authorized expenditures out of

the fund. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes shall bear interest at a rate determined by the Secretary of the Treasury, taking into account the average rate of outstanding interest bearing marketable public debt obligations of the United States. The Secretary of the Treasury is authorized and directed to purchase any notes of the Secretary issued hereunder, and for that purpose, the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which such securities may be issued under the act, as amended, are extended to include the purchase of notes issued by the Secretary. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States.

(d) Notes and security acquired by the Secretary in connection with loans insured under this title shall become a part of the fund. Notes may be held in the fund and collected in accordance with their terms or may be sold by the Secretary with or without agreements for insurance thereof. All net proceeds from such collections, including sales of notes or property, shall be deposited in and become a part of the fund.

(e) The Secretary is authorized to deposit in the fund such portion of the annual charge in connection with the insurance of loans as he determines to be an appropriate insurance charge and the remainder of such annual charge shall be available for administrative expenses of the Farmers' Home Administration to be transferred annually and become merged with any appropriation for any administrative expense.

(f) The Secretary may utilize the fund:

(1) to pay to the holder of the notes any defaulted installment or if the balance due on the note is accelerated, the entire balance due on the loan;

(2) to purchase notes in accordance with agreements previously entered into; and

(3) to pay taxes, insurance, prior liens and other expenses in connection with the protection or the acquisition of the security taken in connection with insured loans.

SEC. 7. The Secretary may take as security for the obligations entered into in connection with loans first and second mortgages on farms with respect to which such loans are made and such other security the Secretary may require, and such mortgages shall constitute liens running to the United States notwithstanding the fact that the note may be held by a lender other than the United States.

TITLE II—OPERATING LOANS

SEC. 11. The Secretary is authorized to make loans for the operation of farms in the United States, the Territories of Alaska and Hawaii and in Puerto Rico and the Virgin Islands, to persons eligible for such loans as provided in this title for the following purposes:

(a) The cost of reorganizing the farming enterprise to accomplish more diversification or more profitable farming operations;

(b) The purchase of livestock, poultry and farm equipment;

(c) The purchase of seed, feed, fertilizer, and farm supplies;

(d) To finance soil and water conservation, development, use and drainage equipment and practices;

(e) To refinance existing indebtedness; and

(f) Other farm needs including family subsistence.

SEC. 12. Only individuals shall be eligible for loans under this title who are—

(a) Citizens of the United States of America;

(b) Except as provided in item (c), immediately following, the operators of family-type farms in the area who have farming experience or training which the Secretary determines is sufficient to expect reasonable success in the proposed operation; and

(c) The operators of less than family-type farms in the area who are bona fide farmers, have historically resided on farms and depended on farm income for their livelihood and are conducting substantial farming operations.

SEC. 13. In connection with loans under this title, the Secretary shall—

(a) Make no loan to any one borrower which would cause the total principal balance outstanding for loans made under this title and under section 21 of the Bankhead-Jones Farm Tenant Act, as amended, to exceed $20,000: *Provided, however*, That not more than 10 percent of the sums made available by any annual appropriation for loans under this section may be used for making loans which would cause such indebtedness under said acts to exceed $10,000;

(b) To make no loan under this section for terms of longer than 7 years from the date the original loan was made under this section or under section 21 of the Bankhead-Jones Farm Tenant Act, as amended. Nor to any person who has failed to liquidate his indebtedness under said sections of said acts for 7 consecutive years: *Provided, however*, That in justifiable cases where the Secretary finds that the inability of the borrower to pay such indebtedness within 7 years is due to causes beyond the control of the borrower. The Secretary may extend or renew such loans to be repayable in not to exceed 10 years from the date the original loan was made and during such extended period may make additional loans to such persons if necessary;

(c) Make no loan under this title for the purchasing or leasing of land other than for an annual cash rent, payable in advance, nor for carrying on of any land leasing or land purchasing program; and

(d) Make all loans under this section at the rate of 5 percent per annum, upon the full personal liability of the borrower and upon such security and subject to such terms and conditions not otherwise specified herein as the Secretary may prescribe.

TITLE III—EMERGENCY LOANS

SEC. 21. (a) The Secretary of Agriculture (hereinafter in this act referred to as the "Secretary") is authorized, in any area designated as an emergency area pursuant to the provisions of subsection (b) of this section, to make loans to bona fide farmers, ranchers, and stockmen for any agricultural purposes, including but not limited to, the purchase of livestock, seed, feed, fertilizer, farm equipment, supplies, other farm needs, and for family subsistence.

(b) The Secretary may designate any area as an emergency area if he finds—

(1) that there exists in such area a general need for agricultural credit which cannot be met for temporary periods of time by private, cooperative, or other responsible sources (including loans the Secretary is authorized to make or insure under any other act of Congress) at reasonable rates, and on terms and conditions which farmers, ranchers, and stockmen could be expected to meet under the circumstances; and

(2) that the need for such credit in such area is the result of natural disaster or severe production losses.

SEC. 22. (a) Loans made by the Secretary under the provisions of this title shall—

(1) be made to farmers, ranchers, and stockmen (including private corporations and associations engaged primarily in farming) (A) who have a reasonable prospect for successful operation with the assistance of such loan, and (B) who cannot secure the credit they need from other sources on reasonable terms and conditions;

(2) be made at a rate of interest not to exceed 5 percent per annum; and

(3) be secured (A) in the case of any individual farmer or stockman, by the personal obligation and available security of the farmer, rancher, or stockman, and (B) in the case of corporations or associations, by the personal obligation and security of the corporation and of each person holding as much as 10 percent of the stock or other interest in the corporation or association.

(b) Such loans shall be subject to an agreement that if at any time it shall appear to the Secretary that the borrower may be able to obtain a loan from a production credit association, a Federal land bank, or other responsible cooperative or private source, at reasonable rates and terms for loans for similar purposes and periods of time prevailing in the area, the borrower will, upon request by the Secretary, apply for and accept such loan in sufficient amount to repay the Secretary and to pay for any stock necessary to be purchased in the cooperative lending agency in connection with such loan. No loan shall be made which would cause the borrower's unpaid principal indebtedness under sections 21 and 22 of this title to exceed $50,000.

(c) Such loans shall be subject to such other terms and conditions as the Secretary may prescribe.

SEC. 23. In areas designated by the Secretary, where the production of livestock and livestock products constitutes a substantial part of the farm economy of the area and livestock operations in the area have been adversely affected by drought continuing over at least 2 years or other natural disaster particularly affecting livestock production, loans may be made to established producers and feeders of cattle, sheep, and goats (not including the operators of commercial feed lots) who have good records of operations, but are unable temporarily to get the credit they need for continuing sound operations from recognized lenders, and who have a reasonable chance of working out of their difficulties with supplementary financing. No such loan shall be made after June 30, 1960, except that supplementary advances to producers indebted for loans made under this subsection may be made as authorized by the Secretary. Loans hereunder may be made on such security as the borrower has available and for such period as the Secretary may prescribe. The creditors of the applicant will not be asked to subordinate their indebtedness but must be willing to work with the borrower to the extent of executing agreements (including standby agreements), that are reasonably necessary to give the borrower a chance to improve his situation. Loans shall bear interest at the rate of 5 percent per annum and shall be made upon such other terms and conditions as the Secretary shall prescribe.

SEC. 24. (a) The Secretary is authorized, in any area designated by the President pursuant to Public Law 875, 81st Congress (42 U. S. C. 1855), as a major disaster area, to furnish feed for livestock to established bona fide farmers, ranchers, and stockmen whose financial condition requires assistance hereunder in order to maintain their basic herds of livestock and continue limited livestock operations.

(b) The Secretary shall furnish such feed for such period or periods of time and under such terms and conditions as he may determine to be required by the nature and effect of the emergency in any such designated area. Assistance may be provided by payments to farmers, ranchers, and stockmen or by grants to local or State governments.

(c) Assistance to farmers, ranchers or stockmen in major disaster areas, whether

through financial contribution to States or local governments or otherwise, under this section or section 407 of the Agricultural Adjustment Act of 1949, as amended (7 U. S. C. 1427), shall be made available only where the State governments provide funds for at least 20 percent of that part of the cost of such assistance which is not paid for by farmers, ranchers or stockmen, except that feed for livestock temporarily deprived of their normal feed sources by sudden and extreme emergency conditions may be furnished by the Secretary without State participation in the cost of such feed. The Secretary shall provide by regulation for participation in the planning and assumption of responsibility for local administration by the State or its agencies, but may postpone the effective date of the requirement of this subsection for State participation with respect to any State, the attorney general of which certifies that it does not have authority or funds to so participate, until after the next regular session or any earlier special session of the legislature of the State.

(d) The Secretary may utilize the personnel, facilities, property, and funds of the Commodity Credit Corporation for carrying out the purposes of this section and, except as provided in section 407 of the Agricultural Adjustment Act of 1949, as amended (7 U. S. C. 1427), shall reimburse such Corporation for the value of any commodities furnished which are not paid for by the farmers, ranchers, or stockmen, and for costs and administrative expenses necessary in performing such functions.

SEC. 25. The Secretary is authorized to utilize the revolving fund created by section 84 of the Farm Credit Act of 1933, as amended (12 U. S. C. 1148a) (hereinafter in this title referred to as the "fund"), for carrying out the purposes of this title.

SEC. 26. (a) All sums received by the Secretary from the liquidation of loans made under the provisions of this title or under the act of April 6, 1949, as amended (63 Stat. 43), or the act entitled "An act to provide emergency credit," approved August 31, 1954 (68 Stat. 999), and from the liquidation of any other assets acquired with money from the fund shall be added to and become a part of the fund.

(b) There are authorized to be appropriated to the fund such additional sums as the Congress shall from time to time determine to be necessary.

SEC. 27. The act of April 6, 1949, as amended (63 Stat. 43), and the act entitled "An act to provide emergency credit," approved August 31, 1954, as amended (68 Stat. 999), are hereby repealed effective June 30, 1958, or such earlier date as the provisions of this act are made effective by the Secretary's regulations.

SEC. 28. The repeal of any provision of law made by section 7 of this title shall not—

(1) invalidate any action taken, or affect the validity of any obligation incurred, under any such provision; or

(2) prejudice the application of any farmer, rancher, or stockman with respect to receiving assistance under the foregoing provisions of this title, solely because any such person is obligated for assistance received under any such repealed provision.

SEC. 29. The Secretary is authorized to make such rules and regulations and such delegations of authority as he deems necessary to carry out this title.

TITLE IV—ADMINISTRATIVE PROVISIONS

SEC. 31. For the purposes of this act and the administration of assets under the jurisdiction of the Secretary of Agriculture pursuant to the Farmers Home Administration Act of 1946, as amended, the Bankhead-Jones Farm Tenant Act, as amended, the act of August 28, 1937, as amended, title V of the Housing Act of 1949, as amended, the act of April 6, 1949, as amended, the act entitled "An act to provide emergency credit," approved August 31, 1954, as amended, and the powers and duties of the Secretary under any other act authorizing agricultural credit which the Secretary may assign to the Farmers Home Administration, the Secretary or his delegates shall have the power to—

(a) appoint without regard to the civil-service laws or the Classification Act of 1949, as amended, such experts as may be necessary in carrying out the provisions of this act: *Provided, however*, That the Administrator of the Farmers Home Administration shall be appointed by the President by and with the consent of the Senate and shall receive basic compensation at the rate fixed by law.

(b) administer his powers and duties through such area finance, State, or local offices in the United States and the Territories and possessions as he determines to be necessary. The Secretary may authorize an office to serve the area composed of two or more States if he determines that the volume of business in the area is not subject to justify separate State officers.

(c) accept and utilize voluntary and uncompensated services, and with the consent of the agency concerned, utilize the officers, employees, equipment, and information of any agency of the Federal Government, or of any State, Territory, or political subdivision.

(d) within the limits of appropriations made therefor, make necessary expenditures for rent at the seat of Government and elsewhere; for purchase and exchange of supplies and equipment; purchase or hire of passenger vehicles; printing and binding without regard to the act of January 12, 1895, as amended (44 U. S. C. 111); and for such other facilities and services as he may from time to time find necessary for the proper administration of this act.

(e) acquire land and interest therein without regard to section 355 of the Revised Statutes, as amended.

(f) compromise, adjust, or reduce claims and adjust and modify the terms of mortgages, leases, contracts, and agreements entered into or administered by the Farmers Home Administration under any of its programs, as circumstances may require: *Provided, however*, That—

(1) compromise, adjustment, or reduction of claims of $15,000 or more must be effected by reference to the Secretary of the Treasury or to the Attorney General pursuant to the provisions of section 3469 of the Revised Statutes (31 U. S. C. 194);

(2) compromise, adjustment, or reduction of claims shall be based on a reasonable determination by the Secretary of the debtor's ability to pay and the value of the security and with or without the payment of any consideration at the time of such adjustment or reduction;

(3) releases from personal liability may also be made with or without the payment of any consideration at the time of adjustment of claims against—

(A) borrowers who have transferred the security property to other approved applicants under agreements assuming the outstanding secured indebtedness; and

(B) borrowers who have transferred their farms to other approved applicants under agreements assuming that portion of their outstanding indebtedness against the farm which is equal to the value of the farm at the time of the transfer, and borrowers whose farms have been acquired by the Secretary, in cases where the county committees certify and the Secretary determines that the borrowers have cooperated in good faith with the Secretary, have farmed in a workmanlike manner, used due diligence to maintain the security against loss, and otherwise fulfilled the covenants incident to their loans, to the best of their abilities;

(4) no compromise, adjustment, or reduction of claims shall be made upon terms more favorable than recommended by the appropriate county committee utilized pursuant to section 31 of this act; and

(5) any claim which has been due and payable for 5 years or more, and where the debtor has no assets from which the claim could be collected and has no apparent future debt payment ability, or is deceased and has left no estate, or has been absent from his last known address for a period of at least 5 years, has no known assets, and his whereabouts cannot be ascertained without undue expense, may be charged off or released by the Secretary upon a report and favorable recommendation of the employee of the Administration having charge of the claim, and any claims involving a principal balance of $150 or less may be charged off or released whenever it appears to the Secretary that further collection efforts would be ineffectual or likely to prove uneconomical.

(g) collect all claims and obligations arising or administered by this act, or under any mortgage, lease, contract, or agreement entered into or administered pursuant to this act and, if in his judgment necessary and advisable, pursue the same to final collection in any court having jurisdiction. All legal work arising out of such claims and obligations, including, but not limited to, the prosecution and defense of all litigation, is authorized to be performed, as determined by the General Counsel of the Department of Agriculture, through the Department of Justice, by attorneys of the Office of the General Counsel of the Department of Agriculture, or by local counsel approved by the General Counsel of the Department of Agriculture, whose fees, upon approval by the General Counsel, shall be paid by the Secretary; and

(h) make such rules and regulations and such delegations of authority as he deems necessary to carry out this act.

SEC. 32. (a) The Secretary may utilize existing committees appointed pursuant to section 42 of the Bankhead-Jones Farm Tenant Act, as amended, and is authorized and directed to appoint in each county in which activities are carried on under this act, a county committee composed of 3 individuals residing in the county, at least 2 of whom at the time of appointment shall be farmers residing on farms and deriving the principal part of their income from farming. "County" as used in this section may include an area less than a county or parts of adjacent counties which because of distance, topography, type of agriculture, or means of communication can be better served as a part of a single unit. Committee appointments shall be for a term of 3 years except that the first appointments for any new committee shall be for 1-, 2-, and 3-year periods, respectively, so as to provide continuity for committee membership. The Secretary may appoint an alternate for each committee member. The members of the committee and their alternates shall be removable for cause by the Secretary.

(b) The rates of compensation, the number of days per month each member may be paid, and the amount to be allowed for necessary travel and subsistence expenses, shall be determined and paid by the Secretary.

(c) The committee shall meet on the call of the chairman elected by the committee or on the call of such other person as the Secretary may designate.

(d) The committee shall, with the assistance of appraisals by competent employees of the Secretary, under rules established by the Secretary, recommend the fair and reasonable value of farms based on the normal value and when required, the value of other security property. The committee shall perform such additional duties as the Secretary may require.

SEC. 33. In connection with loans made under this act, the Secretary shall require in connection with each such loan that:

(a) The applicant certify in writing and the county committee certify that the applicant's credit needs for authorized purposes cannot be met by commercial banks, cooperative lending agencies, or from any other responsible source at reasonable rates and terms for loans of similar size and purposes prevailing in the community in or near which the applicant resides.

(b) The county committee certify in writing that the applicant has the character, industry, ability, and experience necessary and will, in the opinion of the committee, honestly endeavor to carry out the undertakings and obligations required of the applicant under a loan which may be made to him.

(c) An agreement by the borrower that if at any time it shall appear to the Secretary that the borrower may be able to obtain a loan from a production credit association, a Federal land bank, or other responsible cooperative or private credit source, at reasonable rates and terms for loans for similar purposes and periods of time prevailing in the area, the borrower will, upon request by the Secretary, apply for and accept such loan in sufficient amount to repay the Secretary or the insured lender, or both, and to pay for any stock necessary to be purchased in a cooperative lending agency in connection with such loan.

(d) Such provision for supervision of the borrower's operations as the Secretary shall deem necessary to protect the interests of the United States.

SEC. 34. All property subject to a lien held by the Secretary or the title to which is acquired by the Secretary under this act, shall, notwithstanding that legal title is vested in the Secretary, be subject to taxation by State, Territory, District, and local political subdivisions in the same manner and to the same extent as other property is taxed, except that no tax, the rate of which is based on the ad valorem value of any notes or mortgages or other lien instruments held by or transferred to the Secretary, on any notes or lien instruments administered under this act which are made, assigned, or held by a person otherwise liable for such tax, or on the ad valorem value of any property conveyed or transferred to the Secretary, whether as a tax on the instrument, the privilege of conveying or transferring or the recordation thereof, shall be imposed or collected on or with respect to such instrument. Nor shall the failure to pay or collect such tax be a ground for refusal to record or file such instruments, failure to impart notice or prevent the enforcement of its provisions in any State or Federal court.

SEC. 35. (a) The Secretary is authorized and empowered to make advances to preserve and protect the security for or the lien or priority of the lien securing any loan or other indebtedness owing to, insured by, or acquired by the Secretary under this act or any other programs administered by the Farmers' Home Administration; to bid for and purchase at any execution, foreclosure or other sale or otherwise to acquire property upon which the United States has a lien by reason of a judgment or execution arising from or which is pledged, mortgaged, conveyed, attached, or levied upon to secure the payment of any such indebtedness; to accept title to any property so purchased or acquired; and to sell, manage, or otherwise dispose of such property as hereinafter provided.

(b) Real property acquired under the provisions of this section may be operated by the Secretary for a period not in excess of 1 year from the date of acquisition or may be leased for such period or periods as the Secretary may deem necessary to protect the Government's investment therein.

(c) The Secretary shall determine whether real property acquired under this section is suitable for disposition to persons eligible for assistance under this act. Any property the Secretary determines to be suitable for such purposes shall, whenever practicable, be sold by the Secretary as expeditiously as possible to individuals eligible to receive the benefits of title II of this act and in a manner consistent with the provisions thereof. Real property which is not suitable for sale to persons eligible for assistance under this act or which has not been purchased by such persons within a period of 3 years from the date of acquisition shall be sold by the Secretary at public or private sale at the best price obtainable after public notice for cash or on secured credit without regard to the laws governing the disposition of excess or surplus property of the United States. The terms of such sale shall require an initial downpayment of at least 20 percent, with the remainder payable in not more than five annual installments with interest on unpaid balances at 5 percent per annum.

(d) With respect to any real property acquired under this section, the Secretary is authorized to grant or sell easements or rights-of-way for roads, utilities, and other appurtenances not inconsistent with the public interest. With respect to any rights-of-way overland on which the United States has a lien administered under this act, the Secretary may release said lien upon payment to the United States of adequate consideration, and the interest of the United States arising under any such lien may be acquired for highway purposes by any State or county in condemnation proceedings under State law by service by certified mail upon the United States attorney for the district, State director of the Farmers' Home Administration for the State in which the farm is located, and upon the Attorney General of the United States: *Provided, however*, That the United States shall not be required to appear, answer, or respond to any notice or writ sooner than 90 days from the time such notice or writ is returnable or purports to be effective, and the taking or vesting of title to the interest of the United States shall not become final under any order or decree until adequate compensation and damages have been finally determined and paid to the United States or into the registry of the court.

SEC. 36. No officer, attorney, or other employee of the Secretary shall, directly or indirectly, be the beneficiary of or receive any fee, commission, gift, or other consideration for or in connection with any transaction or business under this act other than such salary, fee, or other compensation as he may receive as such officer, attorney, or employee. No member of a county committee shall knowingly make or join in making any certification with respect to any land in which he or any person related to him within the third degree of consanguinity has or may acquire any interest. Any person violating any provision of this section shall, upon conviction thereof, be punished by a fine of not more than $2,000 or imprisonment for not more than 2 years, or both.

SEC. 37. The Secretary may assist in the voluntary adjustment of indebtedness between farmers and their creditors and may cooperate with State, Territorial, and local agencies and committees engaged in such debt adjustment. Services furnished by the Secretary under this section may be without charge to the debtor or creditor.

SEC. 38. (a) There is authorized to be appropriated to the Secretary such sums as the Congress may from time to time determine to be necessary to enable the Secretary to carry out the purposes of this act and for the administration of assets transferred to the Farmers' Home Administration. Funds and authorizations for funds heretofore appropriated under any act repealed hereby shall remain available for the purposes for which appropriated and are hereby made available for the purposes of this act.

(b) Such amounts as the Congress may approve from time to time for making direct loans shall be borrowed from the Secretary of the Treasury in accordance with the provisions set forth in the first proviso of the second paragraph under the heading "Farmers Home Administration" of the Department of Agriculture Appropriation Act, 1952.

SEC. 39. The Secretary is authorized to make such rules and regulations and such delegations of authority as he deems necessary to carry out this act.

SEC. 40. (a) References to any provisions of the Bankhead-Jones Farm Tenant Act, as amended, which are title V of the Housing Act of 1949, as amended, or the act of August 28, 1937, known as the Water Facilities Act, as amended), superseded by any provision of this act shall be construed as referring to the appropriate provision of this act. Titles I, II, and IV of the Bankhead-Jones Farm Tenant Act, as amended, except the applicable provisions of title IV in relation to the functions of the Secretary until title III of such act, and the act of August 28, 1937, as amended, and title V of the Housing Act of 1949, as amended, are hereby repealed effective June 30, 1958, or such earlier date as the provisions of this act are made effective by the Secretary's regulations: *Provided, however*, That such repeal shall in nowise affect the validity of any action taken or obligation entered into pursuant to the authority of said act: *And provided further*, That the repeal of such acts shall not prejudice the application of any person with respect to receiving assistance under the provisions of this title solely because such person is obligated to the Secretary under authorization contained in any such repealed provision.

(b) If any provision of this act or the application thereof to any person or circumstance is held invalid, the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.

The analysis presented by Mr. ALLOTT is as follows:

ANALYSIS OF THE BILL—CONSOLIDATED FARMERS' HOME ADMINISTRATION ACT OF 1957

Title I contains all of the policy provisions applicable to agricultural loans secured by real estate. It would replace existing authority for tenant-purchase loans, farm-enlargement loans, farm-development loans, small-farm loans for development and improvement, disabled veterans' loans, and refinancing loans under title I of the Bankhead-Jones Farm Tenant Act, farm housing and other farm-building loans under title V of the Housing Act of 1949, soil and water-conservation loans under the Water Facilities Act of August 28, 1937.

Section 2 lists specifically, but in broad terms, the purposes for which such loans could be made. They include the purchase of land for the agricultural uses, and all types of farm building, of soil and water conservation irrigation and drainage facilities, structures and practices. Loan purposes would also include refinancing of existing debts of farmers and for all reasonably necessary operation costs.

Only individual citizens of the United States operating farms not larger than family-type farms in the area, who are found by the county committee to have the character, industry, ability, and experience necessary to meet their obligations will be eligible for such loans. However, loans may be made under the authority of section 3 (a) (4) to the owners of larger than family-type farms for soil- and water-conservation purposes and under the authority of section 3 (b) to associations, other than land-leasing and land-purchasing associations, which

would provide farmers and ranchers with facilities necessary for their farming operations. This authority is particularly applicable to the association type facility for irrigation, domestic water, drainage, and similar farms needs.

Section 4 (a) limits real-estate loans to a 40-year term. Section 4 (b) (including section 32, which is incorporated by reference therein) substitutes as a basis for determining fair and reasonable value of farms, the normal value for earning capacity value.

Section 4 (c) provides that the interest return for these loans would not exceed 5 percent plus such fees and other charges as the Secretary might impose. In determining the interest rate and fees, the Secretary would be directed to consider prevailing interest rates for similar loans, the need for the sound agricultural economy for the community, the credit risk involved in the type of loan, and the rate of interest paid by the Secretary on funds borrowed from the Secretary of the Treasury for making such loans.

Section 4 (d) contains a $50,000 maximum limit at any one time on real-estate indebtedness under exising authority and under title II of this bill. Under section 4 (c) association-type loans and loans under the Water Facilities Act could not increase the association's indebtedness in excess of $250,000 to any one at any time.

Section 5 contains specific authorization to insure the types of loans to persons who would be eligible under this title for direct loans except that no loan to an individual would be insured in excess of 90 percent of the value of the farm.

Under section 6, the farm tenant mortgage insurance fund established by section 11 (a) of the Bankhead-Jones Farm Tenant Act, would be redesignated as the "agricultural credit insurance fund" and would be utilized for the insurance of loans under this title. The Secretary is authorized to deposit in the insurance fund such portion of the annual charges as he deems to be an appropriate insurance change. The remainder of the annual charge is to be available for administrative expenses. As under existing law, the Secretary would be authorized to service the insured loans and a means to purchase them as a secondary market. The notes of borrowers and the security taken in connection with loans insured under this title and collections therefrom will be a part of the fund under section 6 (d).

Title II authorizes loans for farm operating purposes. These purposes are listed broadly in section 11 and include loans for the purposes of purchasing livestock, poultry, and farm equipment; purchasing seed, feed, fertilizer, and farm supplies; financing soil and water conservation; refinancing existing indebtedness; and for other farm needs including family subsistence.

Under section 12, the only individuals authorized to receive loans are citizens who have sufficient farming experience and training to conduct successfully the proposed operation of a family type farm or the operation of a less than family size farm by individuals who are conducting substantial farming operations and have historically resided on farms and are depdent on farm income for their livelihood.

Section 13 provides that operating loan indebtedness is limited to $20,000, but only 10 percent of the amount annually appropriated for such loans may be used for making loans which would increase indebtedness above $10,000. Operating loans would be limited to a repayment term of 7 years with the same authority to extend such loans for an additional 3 years where necessary because of circumstances beyond the borrowers control. All these limitations are contained in existing law.

Title III contains appropriate provisions relating to emergency loans and furnishing feed and seed assistance and would replace existing authority for production emergency loans, economic emergency loans, special emergency loans, fur loans, and special livestock loans, each of which are now available only upon the determination of areas affected by special types of emergencies.

Section 21 (a) authorizes the making of loans to bona fide farmers and stockmen for any agricultural purposes, including refinancing and family subsistence. Under section 21 (b) (1) such loans would be limited to areas where the Secretary finds a general need for agricultural credit which cannot be met for temporary periods from other sources, including regular loan programs of the Secretary of Agriculture at reasonable rates and on terms and conditions which farmers and stockmen can repay in view of emergency circumstances. Section 21 (b) (2) provides that the need for credit must be found to have resulted from a natural disaster or severe production losses.

Under section 22 only farmers and stockmen (including corporations primarily engaged in farming) who have a reasonable prospect of successful operation with the assistance of such a loan and who are unable to secure the necessary credit from other sources would be eligible for emergency loans. The loans would be at the rate of 3 percent per annum and would be evidenced by the personal obligation and available security for individual farmers and stockmen, and, in the case of corporations, by the personal obligation and available security of each holder as much as 10 percent of the stock. All emergency loans would contain an agreement by the borrower to refinance the balance of the indebtedness when private or cooperative credit can be secured.

Section 22 (b) inserts a new requirement that the total indebtedness under the emergency loan authority (sections 21 and 22) the total principal indebtedness shall not exceed $50,000.

Under section 22 (c) the Secretary is authorized to fix the terms and conditions of emergency loans other than the terms described above. This provision would permit the tailoring of loans to the needs arising out of the various types of emergency and the pattern of agriculture in the area.

Section 23 is a revision of section 2 (c) of the act of April 6, 1949, as amended, which authorizes special livestock loans for a temporary period. A new limitation is included that the area must be one in which the production of livestock and livestock products constitutes a substantial portion of the economy. Existing authority for these loans expires July 14, 1959. Section 23 would extend this authority to June 30, 1960. Existing authority limits terms of these loans to a period of 3 years. Section 23 leaves the terms of these loans to the discretion of the Secretary.

Section 24 (a) and (b) contains provisions similar to the provisions now found in section 2 (d) of Public Law 38 (12 U. S. C. 1148a), 2 (d) authorizing the Secretary of Agriculture to furnish feed for livestock and seeds for planting to bona fide farmers in areas designated as major disaster areas under Public Law 875 of the 81st Congress.

Section 24 (c) contains the additional provision that such assistance either directly to farmers or through State or local governments may be conditioned upon participation by the State or local governments in planning administration and cost of such assistance. The provisions of existing law, section 407 of the Agricultural Adjustment Act of 1949, as amended (7 U. S. C. 1427), relating to the use of surplus stocks owned or controlled by the Commodity Credit Corporation to assist in relieving from the effects of a major disaster under Public Law 875 are recognized and retained in section 24 (c) of the bill.

This title requires no immediate appropriation since under section 25 the existing disaster-loan revolving fund is made available for loans under this title. Collections and liquidations of loans made under prior emergency authorities would be deposited in that fund under section 26 (a). Additional appropriations to the fund are authorized by section 26 (b).

Since this title would constitute the sole authority for emergency loans by the Secretary of Agriculture, all existing authority for such credit would be repealed by section 27. However, under section 7, the repeal would not affect any existing obligations, nor prejudice any present borrower from receiving further emergency assistance.

Section 29 authorizes the issuance of regulations by the Secretary to carry out the purposes of the title.

Title IV contains administrative servicing provisions similar to those now contained in title IV of the Bankhead-Jones Farm Tenant Act. While the powers under this act are vested in the Secretary, it is contemplated that administration of its provisions will be through the Farmers' Home Administration.

Section 31 (f) is identical with section 41 (g) of the Bankhead-Jones Farm Tenant Act, as amended by Public Law 878, 84th Congress. It deals with compromise, adjustment, and debt settlement of claims against borrowers arising out of this and prior loan authorities.

Section 32 (a) contains slight modifications of the present authority for county committees under section 42 of the Bankhead-Jones Farm Tenant Act. The changes made by this section give more latitude in the area served by a county committee, in determining the compensation for committees, and their functions in connection with the making of loans.

Section 33 (a) contains a provision similar to the existing requirement that credit under this act should be available only to persons who cannot secure the necessary credit from private sources at reasonable rates and terms in the community. Eliminated from existing law is the provision that a person who cannot secure credit from private sources at 5 percent or less shall be eligible. At the present time, there is practically no farm operating credit available at 5 percent except through the Secretary of Agriculture. This means that practically all farmers meet this eligibility test.

Section 33 (c) requires that all loans made under this authority would contain an agreement by the borrower to refinance with private or cooperative credit when possible. Additional terms and conditions for loans are within the authority of the Secretary under section 24 (e).

Section 34 relates to the payment of taxes on property serving as security for loans. Under section 50 of the Bankhead-Jones Farm Tenant Act real property utilized for the purposes of title I is subject to State and local taxes, the same as if the land were in the hands of a private party. Section 34 of this bill would extend the principle to all real estate and chattel security, except that notes, mortgages, and other intangible personal property held by the Secretary or by an insured lender would not be subject to State or local taxes.

Section 35 contains provisions similar to those found in section 51 of the Bankhead-Jones Farm Tenant Act, as amended. The Secretary's authority with respect to the sale of the property would be broadened under section 35. In section 35 (c), specific provision is included dealing with such disposition. It may be compared with the applicable provisions of section 43 of the Bankhead-Jones Farm Tenant Act, as amended.

Under section 35 (d), specific authority is granted for the treatment of easements and rights-of-way. The consent of the United States is given, in this subsection, to actions in condemnation by State and county governments for highway purposes of the mortgage or lien interest of the United States.

This consent is conditioned upon payment of adequate compensation and procedural requirements designed to protect the interests of the United States.

Section 36 makes it a crime for any employee to receive any consideration in connection with any business under this act other than his regular salary. Certifications by a county committeeman with respect to land in which he or his close relatives are interested in also is made a crime.

Section 37 is the same provision as found in section 22 of the Bankhead-Jones Farm Tenant Act.

Section 38 contains authorizations for appropriations and for the Secretary of Agriculture to secure funds to be loaned by borrowing from the Secretary of the Treasury in a manner heretofore employed under the Department of Agriculture Appropriation Act, 1952.

Section 39 gives the Secretary general rulemaking power.

Section 40 (a) preserves cross references to the Bankhead-Jones Farm Tenant Act found in State and Federal statutes and directs that such reference shall be construed to the applicable provisions of this act. The provisions of title IV of the Bankhand-Jones Farm Tenant Act, as amended, are preserved with respect to the functions of the Secretary under title II of the Bankhand-Jones Farm Tenant Act, dealing with the submarginal-land program. Title III of the act is also preserved. Titles I, II, and, except as provided above, title IV of the Bankhead-Jones Farm Tenant Act, the act of August 28, 1937 (Water Facilities Act), and the Housing Act of 1949 (farm housing and other farm buildings), are repealed effective on June 30, 1958, or on such earlier date as consolidated regulations are issued by the Secretary under this new authority.

Section 40 (a) also contains a savings clause with respect to obligations incurred under prior authority and provides that such obligation shall not prejudice an applicant's right for assistance under this act.

Section 40 (a) further provides that this act would become effective only after the existing regulations have been consolidated under this single authority for agricultural loans. A final effective date of June 30, 1958, would provide ample time for the conversion to the new authority.

Section 40 (b) contains the usual severability clause.

CONSTRUCTION OF REREGULATING RESERVOIR AT BURNS CREEK SITE, UPPER SNAKE RIVER VALLEY, IDAHO

Mr. CHURCH. Mr. President, I introduce, for appropriate reference, a bill to authorize the construction of a reregulating dam for the Burns Creek project in the State of Idaho. This is a measure similar to one introduced by my colleague, S. 145, but containing certain provisions requested by the water users of my State. I have examined carefully into these requests, and am confident that the Senate will desire to act in accord with these requests in the enactment of any legislation on this subject.

In brief, this bill, in addition to the authorizations, empowers the Secretary of the Interior to amend contracts with the water users whereby they assumed an obligation for winter power replacement based on the winter water savings program at the Minidoka powerplant. These amendments would relieve contractors of one-third of their annual obligation, and the bill would provide that the cost of the reduction of the annual obligations would be included in the cost to be absorbed by the power operations of the Palisades project.

Another additional provision would withhold the construction of the facilities until at least 80 percent of the conservation capacity in Burns Creek Reservoir was under subscription and the contract amendments referred to were completed.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2089) to authorize the Secretary of the Interior to construct, operate, and maintain a reregulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes, introduced by Mr. CHURCH, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

REQUIREMENT FOR PILOTS ON CERTAIN VESSELS NAVIGATING THE GREAT LAKES

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to require pilots on certain vessels navigating United States waters of the Great Lakes, and for other purposes. I ask unanimous consent that a letter from the Acting Secretary of the Treasury, requesting the proposed legislation, be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2096) to require pilots on certain vessels navigating United States waters of the Great Lakes, and for other purposes, introduced by Mr. MAGNUSON (by request), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The letter presented by Mr. MAGNUSON is as follows:

TREASURY DEPARTMENT,
Washington, May 7, 1957.

The PRESIDENT OF THE SENATE.

SIR: There is enclosed a draft of a proposed bill to require pilots on certain vessels navigating United States waters of the Great Lakes, and for other purposes.

The purpose of the draft bill is to provide that no merchant vessel of 300 gross tons or over shall navigate in United States waters of the Great Lakes, their connecting and tributary waters, and the St. Lawrence River as far east as St. Regis, unless there is in the service of such vessel a pilot or other officer qualified for navigation on such United States waters and licensed either by the head of the department in which the Coast Guard is operating under regulations issued by him, or by the appropriate agency of Canada. The pilot or other qualified officer would be required, subject to the customary authority of the master, to direct the navigation of the vessel (a) on such of the United States waters of the Great Lakes as may in the interest of marine safety be designated in regulations issued by the head of the department in which the Coast Guard is operating, and (b) on other waters in the discretion of the master. The bill would provide that the privilege extended to pilots or other qualified officers of Canada to serve on vessels in United States waters shall be in effect only so long as Canada extends a reciprocal privilege to pilots and other officers licensed by the United States. A penalty would be provided for violation of the provisions of the bill. Enactment of the bill would not affect any statutory requirement for licensed pilots or officers on vessels of less than 300 gross tons.

There is at present no statutory requirement for pilots on United States registered or foreign vessels navigating United States waters of the Great Lakes. The number of foreign vessels navigating the Great Lakes is increasing. Collisions have occurred involving foreign vessels. When the St. Lawrence Seaway is completed there will be a substantial increase in the number of foreign and United States registered vessels navigating the Great Lakes. Therefore, it is imperative in the interest of marine safety that qualified pilots on such vessels be required by law. The need for and nature of this proposal is set forth in detail in the attached memorandum.

It is respectfully requested that you lay the proposed bill before the Senate. A similar proposed bill has been transmitted to the Speaker of the House of Representatives.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this proposed legislation to the Congress.

Very truly yours,

DAVID W. KENDALL,
Acting Secretary of the Treasury.

AMENDMENT OF INTERSTATE COMMERCE ACT, RELATING TO THE FILING OF CERTAIN BRIEF STATEMENTS—AMENDMENTS

Mr. THURMOND (for himself, Mr. YARBOROUGH, Mr. LAUSCHE, Mr. POTTER, Mr. SCHOEPPEL, and Mr. MONRONEY), submitted amendments, intended to be proposed by them, jointly, to the bill (S. 1490) to amend part II of the Interstate Commerce Act to require the filing of brief statements by motor carriers subject only to the safety and hours of service regulations of the Interstate Commerce Commission, which were referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed.

DEPARTMENT OF COMMERCE AND RELATED AGENCIES APPROPRIATION BILL, NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS

Mr. HOLLAND submitted the following notices in writing:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6700) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes, the following amendment, namely: Page 9, line 1, strike out "$100 million" and insert the following: "$35 million, and in addition, $65 million to be derived by transfer from the appropriation 'War Shipping Administration Liquidation, Treasury Department.'"

Mr. HOLLAND also submitted an amendment, intended to be proposed by him to House bill 6700 making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for

other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6700) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes, the following amendment, namely: page 12, line 4, immediately following "1946," insert the following: ": *Provided*, That the unexpended balance of such appropriation to the Secretary of the Treasury less the amount of $10 million continued available and less the amount of $65 million transferred to the appropriation 'Operating-differential subsidies,' by this act, is hereby rescinded, the amount of such unexpended balance to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this act."

Mr. HOLLAND also submitted an amendment, intended to be proposed by him, to House bill 6700 making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes, which was ordered to lie on the table and to be printed.

(For the text of amendment referred to, see the foregoing notice.)

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT TO THIRD SUPPLEMENTAL APPROPRIATION BILL

Mr. HAYDEN submitted the following notice in writing:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 7221) making appropriations to supply certain supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, the following amendment, namely: page —, after line —, insert the following:

"CIVIL SERVICE RETIREMENT ACT

"For the purpose of determining the beginning date of the annuity under the Civil Service Retirement Act of any survivor of a Member of Congress who dies subsequent to April 1, 1956, and prior to the effective date of the Civil Service Retirement Act Amendments of 1956, such amendments shall be deemed to have taken effect on April 1, 1956, but no such annuity shall commence by reason of the enactment of this section prior to the date of such enactment."

Mr. HAYDEN also submitted an amendment, intended to be proposed by him, to House bill 7221, making appropriations to supply certain supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. MARTIN of Pennsylvania:

Address delivered by him to the annual Congressional dinner of the Pennsylvania State Chamber of Commerce, in Washington, D. C., April 30, 1957.

By Mr. POTTER:

Address delivered by Senator KNOWLAND at Grand Rapids, Mich., on May 6, 1957.

By Mr. ERVIN:

Address delivered by Senator ROBERTSON at the 61st annual convention of the North Carolina Bankers Association at Pinehurst, N. C., May 10, 1957.

By Mr. GREEN:

Address delivered by Senator PASTORE at annual brotherhood banquet of the National Conference of Christians and Jews, in Providence, R. I., May 13, 1957.

ANNOUNCEMENT OF COMMITTEE HEARINGS ON RAPID TAX AMORTIZATION CERTIFICATES

Mr. KEFAUVER. Mr. President, the Subcommittee on Antitrust and Monopoly, of the Senate Judiciary Committee, will hold a series of hearings, beginning Friday, May 17, 1957, at 10 a. m., in a room to be announced, in the Senate Office Building, to look into the question of whether rapid tax writeoffs are being used as a Government subsidy to create monopoly control and undue concentration in industries which have a guaranteed income, and also the question of whether the position of small competitive business is being prejudiced by the rapid amortization program.

At the hearing on Friday, the subcommittee will hear representatives of cooperative associations, the American Public Power Association, the National Farmers' Union, and the Northwest Public Power Association. It is anticipated that next week the subcommittee will request the appearances of the Director of the Office of Defense Mobilization, the Secretary of the Interior, and the Chairman of the Federal Power Commission, together with other pertinent officials of these agencies.

The subcommittee consists of the Senator from Missouri [Mr. HENNINGS], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from West Virginia [Mr. NEELY], the Senator from North Dakota [Mr. LANGER], the Senator from Illinois [Mr. DIRKSEN], the Senator from Wisconsin [Mr. WILEY], and myself, as chairman.

BUDGET ADDRESS BY PRESIDENT EISENHOWER TO THE AMERICAN PEOPLE

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, the text of the address on the budget, delivered last night to the American people by the President of the United States.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TEXT OF THE REPORT BY THE PRESIDENT TO THE AMERICAN PEOPLE ON THE COST OF THEIR GOVERNMENT, DELIVERED FROM THE PRESIDENT'S OFFICE AT THE WHITE HOUSE, TUESDAY EVENING, MAY 14, 1957

I should like to talk facts with you tonight—about what happens to the tax dollars that you send to Washington.

I am speaking from the presidential office here in the White House. In outward respects, this is quite an ordinary room. The furniture, the books, the telephones, even the paintings on the wall, are in no sense unusual.

But in one respect this room is unusual.

To this office—to the President, whoever he may be, there comes every day from all parts of the land and from all parts of the world a steady flow of dispatches, reports, and visitors. They tell of the needs, the successes and the disappointments of our people in their efforts to help achieve peace with justice in the world. They tell, too, of the progress and difficulties in building a sturdy, prosperous and just society here at home.

On the basis of this information, decisions, affecting all of us, have to be made every day. Because your President, aside from the Vice President, is the only government official chosen by a vote of all the people, he must make his decisions on the basis of what he thinks is best for all the people. He cannot consider only a district, State, or region in developing solutions to problems. He must always use the yardstick of the national interest.

It is from this overall viewpoint that I want to talk with you tonight about the cost of running your Government.

The budget now before Congress is huge; even though it represents a sharply smaller part of our national production than the first budget I submitted to the Congress 4 years ago. Since then we have sought unceasingly to make the taxpayer's dollar go further.

We have, for example, cut the government payroll by nearly 250,000 positions.

Taxes were cut in 1954 with savings so far of some $25 billion to the American taxpayer.

The proposed budget is balanced—the third in a row.

We have, with a view to economies, worked wholeheartedly with the Congress.

The budget now under discussion represents carefully studied estimates of the cost of all the things the Government is required by law to do or by what we believe necessary.

All of these things I have discussed with you many times before. Indeed most of these national programs have been on the book for some years. There are no surprise proposals in this budget. It was made up under my personal direction by men and women who believe deeply in economy and efficiency in Government. In the process some $13 billion in departmental requests were eliminated.

When budget is sent to Congress, it contains estimates of costs reaching 18 months into the future. So, as I have frequently pointed out, these estimates cannot be exact to the very last dollar. That is why they are kept under constant examination in all executive departments—both before and after the budget goes to the Congress. Many of these estimates are based upon formulas in laws passed by the Congress. They are as accurate as can be made based on our experience in administering these laws. So, if the Congress should cut the estimates in this budget for things that are fixed by law, like veterans' compensation and pensions, it should be clear that such cuts would not save money, because the actual costs, whatever they turn out to be, must, by law, be paid.

I have often been asked how big our Federal budget ought to be. That question calls to mind a story about Abraham Lincoln. He was asked one day how long he thought a man's legs ought to be. He looked down quizzically at his long lanky legs and replied, "Well, they certainly ought to reach to the ground."

Now that's not a very exact formula, but it has its point here. A budget, too, ought to reach the ground. The ground, in this case,

is the essential national interest—and no more. That is the purpose of this budget.

No great reductions in it are possible unless Congress eliminates or curtails existing Federal programs, or all of us demand less service from the Government, or unless we are willing to gamble with the safety of our country.

In this troubled world, our foremost national need is, of course, our own security. The cost is great, indeed—over $45 billion in the budget now before the Congress. This is mainly what makes the budget so large—the costs of our present security and our quest for a just and lasting peace. There is no cut-rate price for security.

But before considering this heavy expenditure, let us look at the smaller, nonsecurity costs we also have to pay. Including certain new activities important to America, this $26 billion part of the budget meets the costs fixed by law, the routine jobs of Government, and the domestic programs of service which our people have decided through the Congress to adopt.

In this part of the budget, there are, first, the compulsory expenditures. We must pay the more than $7 billion interest on the national debt, incurred largely to meet the costs of previous wars. Ours is not like the Soviet Government which recently told its people that it would no longer pay the interest on its government savings bonds.

Other programs are established by law, and the bulk of the expenditures under these laws is mandatory.

The largest among them provides $5 billion for veterans' pensions, compensation, education, medical care, and other benefits.

Another large item of about $5 billion is for agricultural programs: For price supports, the soil bank, land conservation, rural electrification, and other services of benefit to farmers.

The costs of these two great programs have tended to grow rather than to shrink over recent years.

In addition, about $3½ billion is provided, as grants and loans to the States, to share the costs of such activities as administering unemployment compensation and the employment service; assisting the States in helping needy aged, the blind, the totally disabled and dependent children; promoting public health, sanitation, and the control of disease, as well as speeding slum clearance and urban renewal—an item which a committee of mayors recently urged me to support vigorously.

All these are programs long ago enacted by Congress.

This part of the budget also provides funds for a new project which I have urged for 2 years to help overcome the acute shortage of schoolrooms in our country. The plan calls for a 4-year emergency program of schoolroom construction at a cost of $325 million a year.

Permit me a further word about this item. I deeply believe, as I am sure you do, that education is clearly a responsibility of State and local governments—and should remain so. But another truth is just as clear: During the depression, World War II, and the Korean conflict, our States and localities did not have the means and opportunity to build enough classrooms to keep up with the increasing number of youngsters. This means that we need an emergency program to help States and localities build the schools our children must have.

We limit this aid to building; thus it will not result in Federal control of education. It is limited in scope to make sure that Federal help will go where it is needed most. Limited in time, it guarantees that Federal help will be temporary.

I have heard people say that no Federal program can be temporary—that any activity begun in Washington will go on forever.

I reject that kind of reasoning.

I believe that Americans are responsible enough to do exactly what they want to do and then stop.

I support this program wholeheartedly because it is a get-in-and-get-out emergency plan solely to overcome a schoolroom deficit created by depression and wars. We must not continue to penalize our children and, thereby, the future of our Nation.

After meeting the costs of interest on the national debt, agriculture, veterans, and grants to the States, there remains in this nonsecurity part of the budget about $5 billion. This pays for everything else our Government expects to do next year.

It includes direct Federal expenditures related to labor and welfare, and for things like medical research. It includes the cost of conserving and developing our natural resources, improving the national parks, building dams and reservoirs, and protecting fish and wildlife.

It includes the Weather Bureau, the census, and subsidies for civil aviation, and our merchant fleet.

It includes costs of the Congress and the courts, of law enforcement, and of tax collection.

Finally, it includes funds to cover the postal deficit, which will be more than half a billion dollars, unless the Congress raises postal rates, as I have repeatedly urged. If the Congress acts, this cost will be borne by the users of the mails, thereby relieving the taxpayer of this burden.

In executing these programs we constantly stress economy and seek to avoid waste and duplication. In this endeavor we have had the benefit of the recommendations of two Hoover Commissions, the great portion of which has already been accepted and is in the process of being put into effect. Moreover, we postpone programs when we can. When we find it possible to revise cost estimates, we inform the Congress. In my letter of April 18 to the Speaker of the House of Representatives, I pointed out that we had been able to revise estimates of new spending authority downward by a possible $1.8 billion, assuming congressional cooperation.

While we shall insist on carrying out the Federal Government's proper role in meeting the needs of our growing economy and population, we shall not start any program that we do not believe necessary. We are determined to search out ways to save money and manpower so that Government does not further add to the inflationary pressure on the economy.

If our people join us in this determination, we can look forward to sufficient excess of income over expenses to justify future tax reduction as we continue paying down on the public debt.

In all this we need the cooperation of the Congress and we need the help and understanding of every one of you. Almost every proposal for Government aid or service has a number of citizens organized behind it. Usually each group wants the Government to spend for its pet project, but to economize everywhere else. This is a good time to examine again the demands that each of us, our communities and States, make upon the Federal Government. It is time to limit those demands to what is necessary—and no more.

Turn with me now to the largest item in the budget—the defense of our country. There is where most of your tax dollars go.

As we survey the world in which we live, the first great concern of all of us is to make sure of the defense of our homes, our country, and our way of life. The Communists have again and again announced their purpose of promoting revolution and of communizing the world by whatever means. It is important, and surely prudent, for us to understand the military strength the Communists maintain to help them achieve their purposes.

What is that strength today?

Without counting the Chinese Communists, the Soviets have the world's largest army. They have many times the number of submarines that Germany had when World War II began. They have atomic weapons and rockets and missiles. They have a large and growing air strength. They are competent in military technology and research. And all this is directed by a despotism which is fully capable of the supreme folly—that of unleashing these powerful forces if it should ever believe that it could—without destroying itself—succeed in destroying the Free World.

One important purpose of our military arrangements is to convince others that if they start a general conflict they cannot escape their own destruction.

As I have said, the national-defense item is by far the largest in our budget, but let us see just how large it is. The estimate just for our own military forces and our atomic development, together with a small amount for stockpiling critical and strategic materials, is almost $41 billion. This does not, by any means, equal the full amount first recommended by our uniformed services. They wanted some $10 billion more.

But I earnestly believe that this defense budget represents, in today's world, the proper dividing line between national danger on the one hand and excessive expenditures on the other. If it is materially cut, I believe the country would be taking a fearful gamble. For myself, I have seen unwise military cuts before. I have seen their terrible consequences. I am determined to do all I can to see that we do not follow that foolhardy road again.

Even after what World War II should have taught us about unpreparedness, our Armed Forces became so starved and depleted that by 1950 we had to withdraw our military strength from South Korea. That area was then declared to be outside our defense perimeter. The tragic results of that woeful weakness are too close to us to need recounting now to the families of America. But I say to you that I shall never agree to any program of false economy that would permit us to incur again that kind of risk to our country and to the lives of our citizens.

Good defense is not cheap defense.

The B-36 bomber, even though built after World War II, is already outmoded. Each one cost us about $3½ million. Today's B-52 jet bomber costs $8 million each.

Seven years ago, a fighter plane cost $300,000. Today, one costs $1½ million.

A submarine now costs twice as much as it did 7 years ago.

Atomic energy costs four times as much as it did in 1950. Daily, munitions grow more complex, more powerful, and more costly.

It is clear that unless we make some progress in our persistent efforts to secure an effective agreement to limit armaments, defense costs will tend to go up year by year, if we are to keep Communist forces from outstripping us.

Consequently, though our first responsibility is to maintain defenses adequate to keep the Nation secure, we do not want, because of this cost, more military force than is necessary.

Judgments on the defense budget must reflect the stern fact that real military power can rest only on a sound economy. Only with a strong and thriving economy can we have the strength to protect our freedom. But since we maintain military forces as a matter of self-preservation, we must not recklessly reduce their power.

This dilemma presents hard decisions. But they are decisions that must be made by the President, as he presents his recommendations to the Congress. To this kind of

problem I have devoted most of my life. I repeat my earnest belief that the estimate in the budget for our military forces, atomic energy, and stockpiling, amounting to about $41 billion, represents a defense program which is as nearly accurate, in present circumstances, as is humanly possible to make it.

To this defense total should properly be added—and will so be in the future—that part of our mutual-security program which supplies arms and defense support to friendly countries in order to strengthen the military power of the Free World. Expenditures for this purpose will amount next year to something over $3 billion.

The costs in many of these friendly countries are low compared to ours, so this type of aid, even though moderate in amount, supplements their own efforts very effectively. This aid helps arm and maintain overseas: Some five times as many active ground forces as the United States supports; about twice as many naval combat ships; and about an equal number of planes.

This aid is a key factor in maintaining many of our vital military, naval, and air bases abroad.

Without the military strength that this aid helps sustain overseas, we should have to add many more billions to our own defense spending, and have less security for our total effort.

Defense expenditures, for our own forces and our military assistance overseas, together with the domestic expenditures I have discussed, account for almost all—98 percent—of the budget.

As we look at the whole range of the budget, there is only one hope of making the really great savings that we all want so much. That is to achieve an effective disarmament agreement with an easing of world tensions, so that the enormous sums we have to spend for our defense can be drastically reduced.

The savings we can hope to make in domestic programs are, at best, small by comparison. Of course, we could save material amounts if, by law, we abandoned or drastically cut back some of the larger programs. But in a world knowing real peace, we could save at least 10 times as much in defense spending.

It is to hasten that day, as well as to enhance our security today, that the budget provides a moderate sum for waging peace.

This is a mission that military formations cannot, of themselves, accomplish. The entire Free World military force merely puts a policeman on the corner to keep the robber out of our house and our neighborhood. It preserves from destruction what we already have.

But our Communist antagonists are resourceful and cunning. Their aggression is not limited to the use of force or to the threat of its use. They are doing their best to take advantage of poverty and need in the developing nations, and so turn them against the Free World. Success would enable them to win their long-sought goal of Communist encirclement of our country.

To meet the total threat, we first of all, as I have pointed out, must sustain our defense preparations.

But we must do more.

We must wage peace aggressively through diplomatic efforts, through the economic and technical assistance part of the mutual-security program, and through worldwide information activities to help bind the Free World more firmly together. These efforts will cost about $1 billion next year.

We wage peace on the diplomatic front through the efforts of the Department of State to establish close ties with every other nation that values its independence and that recognizes the dignity of man.

We wage peace through the efforts of the United States Information Service to counteract the false propaganda spread by the Communists. We tell the truth about freedom and the rights of man and seek to win adherents to these concepts.

We wage peace through the mutual-security program in another way. We help some nations in developing their own economies, so their people can be stronger partners in the defense of the free world against communism.

Economic development is, of course, not a product for export from the United States or anywhere else. It is a homespun product, the product of a people's own work. Our opportunity is simply this: To help the people of these developing lands help themselves. This we can do through sound technical assistance and, where necessary and unavailable from other sources, through loans and, at times, other kinds of financial aid. Within prudent limits, this practice is in their and our own best interests.

On this subject I hope to talk with you again next week, but I assure you now that this billion-dollar item is one of the most important to all of us in the entire budget.

I know that in these efforts to wage peace, all does not always go well. Weaknesses there are bound to be—troubles and disappointments as well.

But I never ordered a cease-fire in a battle because some of the ammunition misfired or went bad, or some commander made a mistake.

We must always do better, but we must never stop in our battle for peace. We must keep everlastingly at this job—today the most important job in the world.

Our defense expenditures are to assure us the opportunity to wage peace; our expenditures for diplomatic work, economic and technical assistance and information services give us the means to wage peace. Together they cost over $45 billion—all but about a billion dollars for defense forces.

The rising costs of defense items account for more than 80 percent of the increase in next year's budget. These facts simply reflect the kind of world in which we are living.

The plain truth is that the price of peace is high.

That explains why taxes are high and why their further reduction has been delayed. It explains also why really big cuts in Government spending depend on success in our efforts to wage peace.

The sacrifices demanded of each of us are great; but they are sacrifices of dollars for a peaceful world, not the sacrifice of our sons, our families, our homes, and our cities to our own shortsightedness.

I believe you are more secure in your homes tonight because of the effort and money our Nation has put into these defense and related security programs. It is almost 4 years since an American fighting man has been killed in battle anywhere in the world. Crises, great and small, we have had and will continue to have. Despite them, there has been an overall improvement in the prospects for keeping an honorable peace.

But I must say this to you: I can see no immediate relaxation of international tensions to provide the basis now for substantial reductions in these programs for preserving and waging peace. In fact, the gains we have already made impel us to press forward with no letup.

If we do press forward—if we courageously bear these burdens of waging peace—I have every hope, in God's good time success will crown our efforts. Then we shall know an easier and better peace whose fruits will include a lightening of the spiritual and the material burdens we now must bear to gain it.

Mr. SMITH of New Jersey. Mr. President, President Eisenhower has placed the budgetary facts of life before the people in bold relief. He has summed up concisely and precisely the alternatives which face us in attempting to make substantial reductions in his budget. The President stated:

> No great reductions in it are possible unless Congress eliminates or curtails existing Federal programs, or all of us demand less service from the Government, or unless we are willing to gamble with the safety of our country.

These are the choices available to us. Certainly no responsible person would advocate that we "gamble with the safety of our country." As I stated to the Senate the other day, "the persistent threat of Communist aggression is a fact, and we cannot ignore it." With $45 billion of the budget directly related to our national security and the development of a peaceful world, we cannot make substantial reductions in the total expenditures for the coming year without placing our future security in jeopardy. As the President said, "there is no cut-rate price for security."

The President's frank, sincere analysis of our fiscal problems was inspiring and convincing. It is now our responsibility carefully to study the cold war budget and to unite behind the President's challenging message in defense of the budget and his recommendations with regard to intelligent reductions. We must put an end to the voices of division and confusion. A united, strong America under the leadership of our great President is the best hope for peace in the world.

REPRESENTATIVE FRANCES P. BOLTON, OF OHIO, AND THE BOOK A LONG WAY FORWARD

Mrs. SMITH of Maine. Mr. President, a book has been written about my best friend in the United States Congress—FRANCES P. BOLTON, of Ohio—a woman whom I seek to emulate in my own service in Congress. It is one of the best biographies I have ever read. It has objectivity, but it has warmth. It is factual, but it is very human in its personal treatment. It historically records the deeds and feats of Representative BOLTON, the outstanding Congresswoman, but it also picturesquely portrays FRANCES PAYNE BOLTON, the girl, the woman, the wife, and the mother.

As a close friend of FRANCES BOLTON for more than 20 years, I make these observations about the book A Long Way Forward, and I commend it to the Members of the Senate for informative and fascinating reading. Like Frances, I came to Washington as the wife of a Congressman. But Frances preceded me in that role some 8 years. Like Frances, I was elected to fill the vacancy created by the death of my husband. But Frances preceded me in that role some 3 months.

She has always led, and I have always enthusiastically followed. She has given me guidance and strength at most crucial times. In 1948, she was among the handful of supporters and contributors to my campaign for the Senate.

We have served together in Congress for nearly 17 years, and during all that time I have gone repeatedly to FRANCES BOLTON for advice and counsel—unerring advice and wise counsel.

I am grateful for this book about the life of FRANCES BOLTON, for through it I have learned for the first time many fascinating things about her. I have confidently felt that I knew her quite deeply. This book has reaffirmed that feeling, for I am impressed with the remarkable manner in which the author, David Loth, has so accurately captured the character and personality of FRANCES BOLTON in the years that I have known her so well.

But this book has given me the feeling of knowing her even better. Through it, I have learned of the influential little and large incidents in her life before I met her that explain in revealing depth the many sterling qualities she possesses, and give even greater meaning to the cause and effect of the admirable traits which she has in such great abundance.

In short, I say with all sincerity that A Long Way Forward is must reading for all Members of Congress, especially for those who have served many years with FRANCES BOLTON. It is recommended reading for all Americans, whether they know her or not, for it is the story of a great American woman dedicated to her country and fulfilling that dedication with a public service of understanding and intelligence that is so rarely found.

THE BATTLE OF GETTYSBURG AND THE BATTLE OF THE BULGE

Mr. JOHNSTON of South Carolina. Mr. President, I have before me an editorial from the May 9 issue of the Washington Daily News which I should like to read to the Senate at this time. This editorial is most appropriate regarding the ridiculous suggestions made by General Montgomery and President Eisenhower that they would have "sacked" Generals Lee and Meade, and even themselves, if they had done what Lee and Meade did at the Battle of Gettysburg:

ON ANOTHER FIELD

It was a rather wet, foggy morning last Sunday in the Ardennes Forest of France, as well as at Gettysburg.

No one noticed the gray-clad shade of Gen. Robert E. Lee and the blue-faded wraith of Gen. George C. Meade jeeping leisurely over the historic battleground in amiable conversation.

"And this," said General Meade to General Lee, "is where Von Rundstedt massed the cream of the Germany Army for a last-ditch counterattack that Christmas of 1944."

"Yes," said General Lee. "He had alined his forces to the south there along the 50 miles from Monschau Forest to Trier. This was his desperate, final attempt to change the whole course of the war."

"What about General Eisenhower's intelligence?" asked General Meade.

"It was completely in the dark," said General Lee, "when the Germans' Sixth Armored Army rushed in. The Allied defense was thin and the Germans hit in two columns. On the north they carved out a salient 10 miles wide and 6 miles deep. Their southern column, executing a pincers movement over that way, penetrated 5 miles. That was the opening of what they called the Battle of the Bulge."

"Where was General Montgomery?" asked General Meade.

"He was tidying up the battle area and massing to protect Antwerp—to the rear."

"So the Germans broke through," said General Meade, shaking his head.

"They did, indeed," said General Lee.

"An absolutely monstrous thing," said General Meade.

"I would have sacked them both," said General Lee.

"You're so right, Bob," said General Meade. And the two shades—old soldiers once bitter rivals—solemnly shook hands in agreement at last.

Mr. President, it is easy for anyone to stand on a battlefield nearly 100 years later and criticize the tactics of warfare conducted by those in command at that time.

No doubt, as has been implied in this editorial, someone, if not the ghosts of Lee and Meade themselves, will 100 years from now stand on the beaches of Normandy and Italy and at the scene of the Battle of the Bulge and say, "If you had done like Eisenhower and Montgomery and their subordinates I would have sacked you."

Certainly the Normandy invasion involved a disastrous cost in lives to this country, and we all know of the unwarranted and murderous slaughter that occurred at Anzio. But I shall be kinder to General Eisenhower than he has been to Lee and Meade, and not criticize him as he criticized them, for Eisenhower, unlike Lee and Meade, was not on the battlefields of Normandy and Anzio, and was merely a passer of orders from higher authorities.

I do, however, rise to the defense of Gen. Robert E. Lee. General Eisenhower may say what he pleases regarding generals in the Union Army, but it is offensive to my people to listen to a general who had at his disposal in his day the most wealth, men, materials of war, and the largest army, navy, and air force in history, and hear him criticize a great Confederate general who, despite poverty, starvation, a ragged army, and practically no navy or munitions, managed to hold off and even invade the territory of the industrialized, wealthy, well-fed Yankees. Lee is, has been, and always will be considered by responsible people in and out of the military as one of the greatest military strategists in our Nation's history, despite what some currently popular critics may say.

Needless to say, had those today who say they would have sacked Lee been living then, it would be interesting to see just what place in history, if any, they would have secured for themselves.

LEE AT GETTYSBURG

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, an editorial entitled "Lee at Gettysburg," published in the Washington Evening Star of May 14, 1957.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LEE AT GETTYSBURG

It is a bit difficult to comprehend the strategy of a Commander in Chief who sets out on a Friday to woo the South with sweet talk about the virtues of modern Republicanism and winds up on Sunday saying that General Lee bungled the battle of Gettysburg and should have been sacked. Of course, General Ike's Friday appeal to the South to enlist under the Republican Party banner may have been a lost cause from the start. But if it ever had a chance, it surely was lost in Sunday's verbal engagement on the field of Gettysburg. Talk about bungled battles. General Eisenhower could hardly have done a more thorough job of bungling his own political campaign if he had come forth with a denunciation of motherhood and magnolia blossoms.

General Lee would have known better. For whatever his blunders at Gettysburg—and he did blunder—he was not given to second guessing. He did not sack anybody at Gettysburg in 1863 (although he tendered his own resignation) and he would not have sacked anybody had he been there in 1957. He understood the hazards of the careless word.

It was not that Lee lacked alibis had he wanted to use them. Two months before the battle he lost his "strong right arm" when Stonewall Jackson was killed at Chancellorsville. And Jackson's magnificent Second Corps, under a new commander, did not perform well at Gettysburg. Jeb Stuart, roaming the countryside on some adventure of his own, left Lee without information as to the strength and dispositions of the Federal troops. Longstreet, opposed to the plan of battle, sulked throughout the second day and dragged his feet on the third. If Jackson had been there, if Stuart had done his job, if Longstreet had pushed the fight, or if any one of half a dozen lesser "ifs" had turned out right, the battle might well have been won.

But it was not won, and no word of blame fell on any subordinate. General Lee set about the task of rallying his shattered army for the heartbreaking retreat back across the Potomac—the retreat that was to lead to the eventual surrender at Appomattox. Lee—"that guy" as Monty and Ike called him—rode over to Longstreet's bivouac. There were no reproaches, no recriminations. Lee said simply, "It's all my fault."

In this remark, there certainly was no rebuke to Longstreet. If there is a quality about it which rebukes the secondguessers, that is their fault—not Lee's.

Mr. BYRD. Mr. President, Lee needs no defense, and I make none. His glorious record, his noble character, and his moral leadership give him a place in world history that no one can impair.

UNITED STATES INFORMATION AGENCY

Mr. BUSH. Mr. President, over the period of recent years the United States has been successful in turning the main Soviet threat away from the military and into the area of propaganda, subversion, and infiltration. Yet, in this very area, we are now hamstringing our own forces. The Senate Appropriations Committee figure of $90,200,000 is $22.8 million below the current level of $113 million.

As David Lawrence said in his column yesterday:

> The Soviet Government is spending billions for propaganda throughout the world, whereas Congress is still arguing about a few million that the United States Information Agency wants. Meanwhile the Soviets are winning important propaganda victories. Their nuclear-test propaganda, for instance, is taking hold.

The plain fact is that we simply cannot meet the sharply stepped up Communist propaganda campaign worldwide on a budget of $90,200,000.

The United States Information Agency would have to cut back its programs drastically, and discharge several hundred employees—which would have a devastating effect on morale—at a time when the Government's overseas propaganda work should be increased.

In addition, such a cut would be actually wasteful. Uncompleted contracts and projects and administrative cost of personnel terminations would cost the Government several million dollars.

This Agency has carefully and effectively been rebuilt under the President's personal guidance over the past 3½ years. If the Senate chops its heart out now, it will have done a disservice to the American people.

The Soviet Union has increased its radio propaganda output 10 percent in the past year to almost twice that of the Voice of America. Russia has 2,097 broadcast hours a week; the United States of America 1,139 broadcast hours a week. On documentary films and newsreels alone in 1957 the Soviet Union is spending $125 million.

Last year Russia published 613 new book titles in Free-World languages, a total of 27½ million copies, representing a vast increase.

During 1956, the Soviet news agency TASS expanded in New Delhi, Karachi, Baghdad, Djarkarta, Beirut, Cairo, Copenhagen, Kabul, Phnom Penh, and Helsinki. TASS in India doubled the circulation of its fortnightly magazine Soviet Land.

The Communists spent $38 million for exhibits at international trade fairs in 1955. In 1956 they spent $100 million.

The number of governmental, cultural, and sports delegations traveling to and from the Communist orbit jumped from 1,317 to 1,810 during the past year, with particular emphasis—a 100-percent increase—in travel to and from the uncommitted countries in the Near East, south Asia, and Africa.

Mr. President, I express the very fervent hope that the Senate will give the President what he has asked for in this particular section of his budget.

THE REPUBLICAN PLATFORM OF 1956

Mr. GOLDWATER. Mr. President, several of my highly esteemed colleagues on this side of the aisle have taken me to task in recent days for what they term my disregard for the Republican platform. They have done this because in their minds my calling for cuts in the largest peacetime budget in history disregards the planks in the Republican platform of 1956. I should like to invite the attention of these colleagues, and indeed of all my colleagues in the Senate, to what the Republican platform of 1956 says about the subject to which I addressed myself:

We have balanced the budget. We believe and will continue to prove that thrift, prudence, and a sensible respect for living within income applies as surely to the management of our Government's budget as it does to the family budget.

Mr. President, that statement is found in the part of the platform entitled, "Declaration of Faith."

Now let me call the attention of my colleagues to another section of our platform dealing with taxes and fiscal policy. It reads as follows:

The Republican Party takes pride in calling attention to the outstanding fiscal achievements of the Eisenhower administration, several of which are mentioned in the foreword to these resolutions.

In order to progress further in correcting the unfortunate results of unwise financial management during 20 years of Democrat administrations, we pledge to pursue the following objectives:

Further reductions in Government spending as recommended in the Hoover Commission report, without weakening the support of a superior defense program or depreciating the quality of essential services of government to our people.

Continued balancing of the budget, to assure the financial strength of the country which is so vital to the struggle of the Free World in its battle against communism; and to maintain the purchasing power of a sound dollar, and the value of savings, pensions, and insurance.

Gradual reduction of the national debt.

Then, insofar as consistent with a balanced budget, we pledge to work toward these additional objectives:

Further reductions in taxes with particular consideration for low and middle income families.

Initiation of a sound policy of tax reductions which will encourage small independent businesses to modernize and progress.

Continual study of additional ways to correct inequities in the effect of various taxes.

Those statements are taken from the Republican platform of 1956.

Mr. President, the purpose of my making this short statement this morning is merely to remind my Republican colleagues who have been critical of my stand on the budget that the platform of 1956 contains some very forceful language that backs up my position, and I suggest if we are going to be true to one part of a platform we should be true to the whole.

STATEMENT BY SENATOR MORTON ON REPORT OF THE SPECIAL COMMITTEE TO STUDY THE FOREIGN AID PROGRAM

Mr. MORTON. Mr. President, I have read with interest the report of the special committee which was established to study the foreign aid program. The report was issued on May 13, and is entitled "Foreign Aid." I ask unanimous consent to have printed in the body of the RECORD my remarks and comments on this subject.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MORTON

I read with interest the report of the special committee which was set up to study the foreign aid program. This report was issued on May 13 and is entitled "Foreign Aid." The committee was set up pursuant to Senate Resolution 285 of the 84th Congress. The distinguished senior Senator from Rhode Island, the chairman of the Foreign Relations Committee, served as chairman of the special committee. The membership of the committee included all of the members of the Committee on Foreign Relations, as well as Senators HAYDEN and BRIDGES from the Appropriations Committee, and Senators RUSSELL and SALTONSTALL from the Armed Services Committee.

The special committee was instructed by the Senate to "make exhaustive studies of the extent to which foreign assistance by the United States Government serves, can be made to serve, or does not serve the national interest, to the end that such studies and recommendations based thereon may be available to the Senate in considering foreign-aid policies for the future."

I would like to commend the committee for a very penetrating and excellent report. I would like also to commend Mr. Carl Marcy, who acted as chief of staff for the committee. The report reflects the excellent staff work which Mr. Marcy has always performed in his distinguished service to the Senate and its Foreign Relations Committee.

Section IV of the report is entitled "The Shortcomings of the Foreign Aid Programs." The very first subject handled under this section is concerned with basic misconceptions of foreign aid. It seems to me that if we as a nation are to properly discharge our responsibility as the leader of the Free World, these basic misconceptions must be corrected.

Permit me to quote what the committee has to say on this important matter. "Foreign aid has come to be regarded as a single device of policy capable of achieving a multiplicity of objectives. Many people in the United States have been led to this view largely by the ambiguous justifications for foreign aid in the past and because foreign aid frequently has been treated both in legislation and in administration as though it were a single device of policy. The fact is that the mutual security program contains many separate undertakings whose purposes may be, but are not necessarily, closely related."

"Foreign aid has been justified at one and the same time as the answer to the prevention of further Communist expansion; as a key to national defense; as a lid to cap explosive political situations like that in the Middle East; as a vehicle for the expression of our friendship and our humanitarianism; as a means of keeping or winning the less developed nations to freedom; as a principal bulwark of world peace; as a stimulator of trade, investment, and free enterprise throughout the world; as the answer to the problem of agricultural surpluses and other lesser economic dislocations in this country.

"Foreign aid, in one form or another, has been a factor in dealing with all of these questions. With respect to many of them, however, it is at best only a minor factor.

"In the committee's view, the ambiguity concerning the purposes of foreign aid and the misconception of it as a single device of policy for carrying a multiplicity of programs have impaired its usefulness. An aid program to build military strength against aggression in Western Europe cannot be expected, except incidentally, to fulfill other purposes. An aid program like technical assistance will have served the interests of the United States if in the process of helping others to help themselves, it promotes friendly contact and technical exchange between ourselves and others. If aid is primarily for support of a country unable to carry the burden of a large military establishment to resist Communist aggression, as is the case, for example, in Korea, that aid cannot be expected necessarily to assist economic development. If aid is supposed to promote economic development abroad, to encourage the growth of free political institutions and to expand opportunities for trade, those purposes are more likely to be realized if they are not confused with defense against the threat of Communist aggression, however valid the latter objective is in its own right.

"Foreign aid, in short, is not an all-powerful device to be aimed at all things, in all nations at the same time. The misconception of it as such was bound to produce, as it has produced, criticism and even hostility abroad regarding the motives of our aid. This misconception was bound to result, as it has resulted, in distortions as to the purposes, cost, and potentialities of particular types of aid. This misconception was bound to lead, as it has led, to increasing disillusionment and hostility toward foreign aid in this country."

It is my opinion that the misconceptions in connection with foreign aid can only be corrected by a more realistic and definite format for the presentation of the program to the Congress. It is a well-known fact that not only the people but many Members of Congress are confused in their own minds as to both the purposes and the scope of the various programs of what is generally termed "foreign aid."

For a little more than 3 years, between my service in the House of Representatives and my election to the Senate, I served as Assistant Secretary of State for Congressional Relations. In that capacity, I had substantial responsibilities in the presentation to the Congress of the foreign aid program for fiscal years 1954, 1955, and 1956. I came to the conclusion then that this program, so vital to the implementation of our foreign policy and our own national security, would encounter increasingly rough going in the Congress unless it could be presented in such a way as to be more clearly understood by the American people.

We all know that it is constantly referred to in the Congress, in the press, and in our daily mail as the giveaway program. It is often condemned in much stronger language. In the minds of many Americans, this country is engaged in a worthless, inefficient, starry-eyed, giveaway program amounting to $4 or $5 billion annually. A well-educated and intelligent constituent of mine recently told me, "certainly we can cut economic aid to Britain and France out of the program." He was undoubtedly referring to the old Marshall plan, which has long since been terminated. His remark indicated clearly to me the great need that exists for putting the foreign aid program in proper perspective.

In order to accomplish this, I think that the military elements of foreign aid must be entirely separated from economic development and technical assistance. I don't think it is sufficient to merely place the separate programs and objectives in separate titles of one bill, as is presently done. This complete separation which I strongly recommend may well lead to a situation in which the Armed Services Committees of the Senate and House would handle the authorization for much of the mutual security program. In the Appropriations Committees, there would likewise be a realinement of responsibility. In my judgment, not only would such a plan help to enlighten the Congress, the press, and the public, but it would lead to greater efficiency in administration and the development of more effective policies.

We all have some knowledge of how budgets are developed. There are always substantial reductions applied before amounts requested by the operating bureaus, agencies or departments are actually transmitted by the President to the Congress. In the case of the foreign-aid program, we have lumped jet planes for NATO in the same package with technical assistance for Cambodia. This procedure just doesn't make sense.

The military elements of our foreign-aid program should be considered in the light of our overall national security and measured against our overall defense budget. The amount of military hardware and defense support that we grant to Turkey, for example, should not be cut to fit a total figure that includes economic development for Southeast Asia or technical assistance for Central America. Our degree of military support in Turkey, Formosa, Korea, NATO, or elsewhere should fit into a pattern shaped to the composition and disposition of the components of our own armed services.

I realize that there are many problems in connection with such a radical departure in the planning and presentation of the so-called foreign-aid program. Any foreign-military assistance carries with it important foreign-policy considerations. There will have to be very close liaison between the Department of State and the Department of Defense. Such liaison exists today and there is no reason why foreign-military aid should not be presented to the Congress and administered by the Department of Defense as a part of the vital security of the United States. The National Security Council, of which the Secretary of State is a member, and the Operations Coordinating Board, of which the Under Secretary of State is Chairman, surely guarantee foreign-policy control by the Secretary of State over any foreign military-aid programs.

The President's message on the mutual-security program for the coming fiscal year will be sent to the Congress shortly. I understand that in it he will attempt the delineate between the different facets of the program. I realize that it will be impossible in the short time available to follow such a suggestion as I have made in the presentation for fiscal 1958. I do hope that the matter will be given careful consideration by the Administration and the interested committees of Congress prior to the presentation of the program for fiscal 1959.

Throughout our history the American people have shown a tremendous capacity for meeting any challenge effectively and unselfishly. Today the American people face the challenge of the responsibility of Free World leadership. The American people did not seek, nor desire, this position of world leadership. Most of our forebears came to this country to escape the wars and the political intrigues of the Old World, as well as to seek new opportunities and broader horizons. However, in seven short generations, the events of history have literally shoved us into this position of leadership. Many of us would like to forget the troubles of the world, but we can't. The scientific developments of the last half century have nullified the protection which 2 great oceans afforded us during the first 140 years of our Republic.

The American people will always respond to the challenge, but the challenge must be known and understood. The American people will always unselfishly support programs vital to our freedom and security, but such programs likewise must be known and understood. Our representative system of government depends upon an enlightened and informed electorate. Many of the programs which are today lumped together under the misunderstood foreign-aid umbrella are vital to the national interest and the defense of our country. The administration, the Congress, and all engaged in informing the public share in the responsibility for correcting basic misconceptions of foreign aid.

In the first paragraph of its concluding comments the report has this to say: "The committee recognizes that the recommendations it has proposed involve far-reaching changes in the concept and the operation of the foreign-aid programs. It recognizes that these changes cannot be brought about in a moment. Nevertheless, it believes they can and should be brought about promptly if the foreign-aid programs are to continue to serve the national interests."

I add only this: Unless the basic misconceptions are eliminated, there will be no program authorized and no funds appropriated in the not too distant future. In the interest of our own national security let us set about the task before us.

DECLARATION OF CONSCIENCE BY DR. ALBERT SCHWEITZER REGARDING FUTURE TESTS OF HYDROGEN BOMB

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the CONGRESSIONAL RECORD the complete text of the Declaration of Conscience, with respect to future tests of the hydrogen bomb, as issued by the illustrious Dr. Albert Schweitzer, of Lambarene, French Equatorial Africa. I also ask unanimous consent that an analysis entitled "The Schweitzer Declaration," as published in the Saturday Review of May 18, 1957, appear along with the statement by Dr. Schweitzer, himself.

I am particularly anxious that the full text of Dr. Schweitzer's historic declaration should appear in the RECORD, because Communist groups have already distorted and made misleading use of selective and fragmentary excerpts from the statement by Dr. Schweitzer for their own ulterior purposes. Such distortion by the Communists can easily be refuted and dispelled by the reading of the full text of what Dr. Schweitzer has said.

As a Member of the United States Senate from the Pacific Northwest, I have a particular and special interest in the eloquent statement by this great humanitarian, because of his references to the radioactivity detected in the reaches of the Columbia River as a result of waste material from the Hanford Atomic Works, near Richland, Wash.

It is my opinion that any Member of the Senate who takes the time and trouble to study, thoroughly, the moving appeal by Dr. Albert Schweitzer will come to the conclusion that the civilized world should attempt to halt further hydrogen-bomb detonations.

I ask unanimous consent that the Declaration by Dr. Schweitzer and the accompanying material written by Norman Cousins, editor of the Saturday Review, appear in the body of the RECORD.

There being no objection, the declaration and accompanying article were ordered to be printed in the RECORD, as follows:

A DECLARATION OF CONSCIENCE

(By Albert Schweitzer)

Since March 1, 1954, hydrogen bombs have been tested by the United States at the Pacific island of Bikini in the Marshall group and by Soviet Russia in Siberia. We know that testing of atomic weapons is something quite different from testing of nonatomic ones. Earlier, when a new type of giant gun had been tested, the matter ended with the detonation. After the explosion of a hydrogen bomb that is not the case. Something remains in the air, namely, an incalculable number of radioactive particles emitting radioactive rays. This was also the case with the uranium bombs dropped on Nagasaki and Hiroshima and those which were subsequently tested. However, because these bombs were of smaller size and less effectiveness compared with the hydrogen bombs, not much attention was given to this fact.

Since radioactive rays of sufficient amount and strength have harmful effects on the

human body, it must be considered whether the radiation resulting from the hydrogen explosions that have already taken place represents a danger which would increase with new explosions.

In the course of the 3½ years that have passed since then (the test explosions of the early hydrogen bombs) representatives of the physical and medical sciences have been studying the problem. Observations on the distribution, origin, and nature of radiation have been made. The processes through which the human body is harmfully affected have been analyzed. The material collected, although far from complete, allows us to draw the conclusion that radiation resulting from the explosions which have already taken place represents a danger to the human race—a danger not to be underrated—and that further explosions of atomic bombs will increase this danger to an alarming extent.

This conclusion has repeatedly been expressed, especially during the last few months. However, it has not, strange to say, influenced public opinion to the extent that one might have expected. Individuals and peoples have not been aroused to give to this danger the attention which it unfortunately deserves. It must be demonstrated and made clear to them.

I raise my voice, together with those of others who have lately felt it their duty to act, through speaking and writing, in warning of the danger. My age and the generous understanding so many people have shown of my work permit me to hope that my appeal may contribute to the preparing of the way for the insights so urgently needed.

My thanks go to the radio station in Oslo, the city of the Nobel Peace Prize, for making it possible for that which I feel I have to say to reach far-off places.

What is radioactivity?

Radioactivity consists of rays differing from those of light in being invisible and in being able to pass not only through glass but also through thin metal discs and through layers of cell tissue in the human and animal bodies. Rays of this kind were first discovered in 1895 by the physicist Wilhelm Roentgen of Munich, and were named after him.

In 1896 the French physicist Henry Becquerel demonstrated that rays of this kind occur in nature. They are emitted from uranium, an element known since 1786.

In 1898 Pierre Curie and his wife discovered in the mineral pitchblende, a uranium ore, the strongly radioactive element radium.

The joy caused by the fact that such rays were at the disposal of humanity was at first unmixed. It appeared that they influence the relatively rapidly growing and relatively rapidly decaying cells of malignant tumors and sarcomas. If exposed to these rays repeatedly for a longer period, some of the terrible neoplasms can be destroyed.

After a time it was found, however, that the destruction of cancer cells does not always mean the cure of cancer and also, that the normal cells of the body may be seriously damaged if long exposed to radioactivity.

When Madame Curie, after having handled uranium ore for 4 years, finally held the first gram of radium in her hand there appeared abrasions in the skin which no treatment could cure. With the years she grew steadily sicker from a disease caused by radioactive rays which damaged her bone marrow and through this her blood. In 1934 death put an end to her suffering.

Even so, for many years we were not aware of the grave risks involved in X-rays to those constantly exposed to them. Through operating X-ray apparatus thousands of doctors and nurses have incurred incurable diseases.

Radioactive rays are material things. Through them the radioactive element constantly and forcefully emits tiny particles of itself. There are three kinds. They are named after the three first letters of the Greek alphabet, alpha, beta, gamma. The gamma rays are the hardest ones and have the strongest effect.

The reason why elements emit radioactive rays is that they are in a continuous state of decaying. The radioactivity is the energy liberated little by little. There are other elements besides uranium and radium which are radioactive. To the radiation from the elements in the earth is added some radiation from space. Fortunately, the air mass 400 kilometers high that surrounds our earth protects us against this radiation. Only a very small fraction of it reaches us.

We are, then, constantly being exposed to radioactive radiation coming from the earth and from space. It is so weak, however, that it does not hurt us. Stronger sources of radiation, as for instance X-ray machines and exposed radium, have, as we know, harmful effects if one is exposed to them for some time.

The radioactive rays are, as I said, invisible. How can we tell that they are there and how strong they are?

Thanks to the German physicist Hans Geiger, who died in 1945 as a victim to X-rays, we have an instrument which makes that possible. This instrument is called the Geiger counter; it consists of a metal tube containing rarefied air. In it are two metal electrodes between which there is a high potential. Radioactive rays from the outside affect the tube and release a discharge between the two electrodes. The stronger the radiation the quicker the discharges follow one another. A small device connected to the tube makes the discharge audible. The Geiger counter performs a veritable drumroll when the discharges are strong.

There are two kinds of atom bomb—uranium bombs and hydrogen bombs. The effect of a uranium bomb is due to a process which liberates energy through the fission of uranium. In the hydrogen bomb the liberation of energy is the result of the transformation of hydrogen into helium.

It is interesting to note that this latter process is similar to that which takes place in the center of the sun, supplying it with the self-renewing energy which it emits in the form of light and heat.

In principle, the effect of both bombs is the same. But according to various estimates the effect of one of the latest hydrogen bombs is 2,000 times stronger than the one which was dropped on Hiroshima.

To these two bombs has recently been added the cobalt bomb, a kind of super-atom-bomb. It is a hydrogen bomb surrounded by a layer of cobalt. The effect of this bomb is estimated to be many times stronger than that of hydrogen bombs that have been made so far.

The explosion of an atom bomb creates an unconceivably large number of exceedingly small particles of radioactive elements which decay like uranium or radium. Some of these particles decay very quickly, others more slowly, and some of them extraordinarily slowly. The strongest of these elements cease to exist only 10 seconds after the detonation of the bomb. But in this short time they may have killed a great number of people in a circumference of several miles.

What remains are the less powerful elements. In our time it is with these we have to contend. It is of the danger arising from the radioactive rays emitted by these elements that we must be aware.

Of these elements some exist for hours, some for weeks, or months, or years, or millions of years, undergoing continuous decay. They float in the higher strata of air as clouds of radioactive dust. The heavy particles fall down first. The lighter ones will stay in the air for a longer time or come down with rain or snow. How long it will take before everything carried up in the air by the explosions which have taken place till now has disappeared no one can say with any certainty. According to some estimates, this will be the case not earlier than 30 or 40 years from now.

When I was a boy I witnessed how dust hurled into the air from the explosion in 1883 of the island Krakatoa in the Sunda group was noticeable for 2 years afterward to such an extent that the sunsets were given extraordinary splendor by it.

What we can state with certainty, however, is that the radioactive cloud will constantly be carried by the winds around the globe and that some of the dust, by its own weight, or by being brought down by rain, snow, mist, and dew, little by little, will fall down on the hard surface of the earth, into the rivers, and into the oceans.

Of what nature are these radioactive elements, particles of which were carried up in the air by the explosion of atom bombs and which are now falling down again?

They are strange variants of the usual nonradioactive elements. They have the same chemical properties, but a different atomic weight. Their names are always accompanied by their atomic weights. The same element can occur in several radioactive variants. Besides iodine 131, which lives for 16 days only, we have iodine 129, which lives for 200 million years.

Dangerous elements of this kind are: Phosphorus 32, calcium 45, iodine 131, iron 55, bismuth 210, plutonium 239, cerium 144, strontium 89, cesium 137. If the hydrogen bomb is covered by cobalt, cobalt 60 must be added to the list.

Particularly dangerous are the elements combining long life with a relatively strong, efficient radiation. Among them strontium 90 takes the first place. It is present in very large amounts in the radioactive dust. Cobalt 60 must also be mentioned as particularly dangerous.

The radioactivity in the air, increased through these elements, will not harm us from the outside, not being strong enough to penetrate the skin. It is another matter with respiratory tracts through which radioactive elements can enter our bodies. But the danger which has to be stressed above all the others is the one which arises from our drinking radioactive water and our eating radioactive food as a consequence of the increased radioactivity in the air.

Following the explosions of Bikini and Siberia rain falling over Japan has, from time to time, been so radioactive that the water from it cannot be drunk. Not only that: Reports of radioactive rainfall are coming from all parts of the world where analyses have recently been made. In several places the water has proved to be so radioactive that it was unfit for drinking.

Well water becomes radioactive to any considerable extent only after longer periods of heavy rainfall.

Wherever radioactive rainwater is found the soil is also radioactive—and in a higher degree. The soil is made radioactive not only by the downpour, but also from radioactive dust falling on it. And with the soil the vegetation will also have become radioactive. The radioactive elements deposited in the soil pass into the plants, where they are stored. This is of importance, for as a result of this process it may be the case that we are threatened by a considerable amount of radioactive elements.

The radioactive elements in grass, when eaten by animals whose meat is used for food, will be absorbed and stored in our bodies.

In the case of cows grazing on contaminated soil, the absorption is effected when we drink their milk. In that way small children run an especially dangerous risk of absorbing radioactive elements.

When we eat contaminated cheese and fruits the radioactive elements stored in them are transferred to us.

What this storing of radioactive material implies is clearly demonstrated by the observations made when, on one occasion, the radioactivity of the Columbia River in North America was analyzed. The radioactivity was caused by the atomic plants at Hanford, which produce plutonium for atomic bombs and which empty their waste water into the river. The radioactivity of the river water was insignificant. But the radioactivity of the river plankton was 2,000 times higher, that of the ducks eating plankton 40,000 times higher, that of the fish 15,000 times higher. In young swallows fed on insects caught by their parents in the river the radioactivity was 500,000 times higher, and in the egg yolks of water birds more than 1 million times higher.

From official and unofficial sources we have been assured, time and time again, that the increase in radioactivity of the air does not exceed the amount which the human body can tolerate without any harmful effects. This is just evading the issue. Even if we are not directly affected by the radioactive material in the air, we are indirectly affected through that which has fallen down, is falling down, and will fall down. We are absorbing this through radioactive drinking water and through animal and vegetable foodstuffs, to the same extent as radioactive elements are stored in the vegetation of the region in which we live. Unfortunately for us, nature hoards what is falling down from the air.

None of the radioactivity of the air, created by the explosion of atom bombs, is so unimportant that it may not, in the long run, become a danger to us through increasing the amount of radioactivity stored in our bodies.

What we absorb of radioactivity is not spread evenly in all cellular tissue. It is deposited in certain parts of our body, particularly in the bone tissue and also in the spleen and in the liver. From those sources the organs which are especially sensitive to it are exposed to radiation. What the radiation lacks in strength is compensated for by time. It works day and night without interruption.

How does radiation affect the cells of an organ?

Through being ionized, that is to say, electrically charged. This change means that the chemical processes which make it possible for the cells to do their job in our body no longer function as they should. They are no longer able to perform the tasks which are of vital importance to us. We must also bear in mind that a great number of the cells of an organ may degenerate or die as a result of radiation.

What are the diseases caused by internal radiation? The same diseases that are known to be caused by external radiation.

They are mainly serious blood diseases. The cells of the red bone marrow, where the red and the white blood corpuscles are formed, are very sensitive to radioactive rays. It is these corpuscles, found in great numbers in the blood, which make it possible for it to play such an important part. If the cells in the bone marrow are damaged by radiation they will produce too few or abnormal, degenerating blood corpuscles. Both cases lead to blood diseases and, frequently, to death. These were the diseases that killed the victims of X-rays and radium rays.

It was one of these diseases that attacked the Japanese fishermen who were surprised in their vessel by radioactive ashes falling down 240 miles from Bikini after the explosion of a hydrogen bomb. With one exception, they were all saved, being strong and relatively mildly affected, through continuous blood transfusions.

In the cases cited the radiation came from the outside. It is unfortunately very probable that internal radiation affecting the bone marrow and lasting for years will have the same effect particularly since the radiation goes from the bone tissue to the bone marrow. As I have said, the radioactive elements are by preference stored in the bone tissue.

Not our own health only is threatened by internal radiation, but also that of our descendants. The fact is that the cells of the reproductive organs are particularly vulnerable to radiation which in this case attacks the nucleus to such an extent that it can be seen in the microscope.

To the profound damage of these cells corresponds a profound damage to our descendants.

It consists in stillbirths and in the births of babies with mental or physical defects.

In this context also, we can point to the effects of radiation coming from the outside.

It is a fact—even if the statistical material being published in the press needs checking—that in Nagasaki, during the years following the dropping of the atom bomb, an exceptionally high occurrence of stillbirths and of deformed children was observed.

In order to establish the effect of radioactive radiation on posterity, comparative studies have been made between the descendants of doctors who have been using X-ray apparatus over a period of years and descendants of doctors who have not. The material of this study comprises about 3,000 doctors in each group. A noticeable difference was found. Among the descendants of radiologists a percentage of stillbirths of 1.403 was found, while the percentage among the nonradiologists were 1.222.

In the first group 6.01 percent of the children had congenital defects, while only 4.82 percent in the second.

The number of healthy children in the first group was 80.42 percent; the number in the other was significantly higher, viz., 83.23 percent.

It must be remembered that even the weakest of internal radiation can have harmful effects on our descendants.

The total effect of the damage done to descendants of ancestors who have been exposed to radioactive rays will not, in accordance with the laws of genetics, be apparent in the generations coming immediately after us. The full effects will appear only 100 or 200 years later.

As the matter stands we cannot at present cite cases of serious damage done by internal radiation. To the extent that such radiation exists it is not sufficiently strong and has not lasted long enough to have caused the damage in question. We can only conclude from the harmful effects known to be caused by external radiation to those we must expect in the future from internal radiation.

If the effect of the latter is not as strong as that of the former, it may become so, through working little by little and without interruption. The final result will be the same in both cases.

Their effects add up.

We must also remember that internal radiation does not have to, in contrast to that coming from the outside, penetrate layers of skin, tissues, and muscles to hit the organs. It works at close range and without any weakening of its force.

When we realize under what conditions the internal radiation is working, we cease to underrate it. Even if it is true that, when speaking of the dangers of internal radiation, we can point to no actual case, only express our fear, that fear is so solidly founded on facts that it attains the weight of reality in determining our attitude. We are forced to regard every increase in the existing danger through further creation of radioactive elements by atom-bomb explosions as a catastrophe for the human race, a catastrophe that must be prevented.

There can be no question of doing anything else, if only for the reason that we cannot take the responsibility for the consequences it might have for our descendants.

They are threatened by the greatest and most terrible danger.

That radioactive elements created by us are found in nature is an astounding event in the history of the earth and of the human race. To fail to consider its importance and its consequences would be a folly for which humanity would have to pay a terrible price. We are committing a folly in thoughtlessness. It must not happen that we do not pull ourselves together before it is too late. We must muster the insight, the seriousness, and the courage to leave folly and to face reality.

This is at bottom what the statesmen of the nations producing atomic bombs are thinking, too. Through the reports they are receiving they are sufficiently informed to form their own judgments, and we must also assume that they are alive to their responsibility.

At any rate, America and Soviet Russia and Britain are telling one another again and again that they want nothing more than to reach an agreement to end the testing of atomic weapons. At the same time, however, they declare that they cannot stop the tests as long as there is no such agreement.

Why do they not come to an agreement? The real reason is that in their own countries there is no public opinion asking for it. Nor is there any such public opinion in other countries, with the exception of Japan. This opinion has been forced upon the Japanese people because, little by little, they will be hit in a most terrible way by the evil consequences of all the tests.

An agreement of this kind presupposes reliability and trust. There must be guaranties preventing the agreement from being signed by anyone intending to win important tactical advantages foreseen only by him.

Public opinion in all nations concerned must inspire and accept the agreement.

When public opinion has been created in the countries concerned and among all nations, an opinion informed of the dangers involved in going on with the tests and led by the reason which this information imposes, then the statesmen may reach an agreement to stop the experiments.

A public opinion of this kind stands in no need of plebiscites or of forming of committees to express itself. It works through just being there.

The end of further experiments with atom bombs would be like the early sunrays of hope which suffering humanity is longing for.

[From the Saturday Review of May 18, 1957]

THE SCHWEITZER DECLARATION—INTRODUCTION

The Saturday Review has the honor of being the only American magazine or newspaper to publish in full the complete text of the Declaration of Conscience, by Dr. Albert Schweitzer. This statement was issued on April 24 under the auspices of the Nobel Prize Committee in Oslo, Norway, for the consideration of the world's peoples.

Dr. Schweitzer's declaration was concerned with the implications of nuclear warfare and experimentation. Judging by reports received from abroad, the statement has produced a powerful response throughout the world. In the United States, the statement gave new emphasis to a controversy which has involved a number of the Nation's leading atomic scientists. In particular, Dr. Willard F. Libby, of the Atomic Energy Commission, wrote a public letter of reassurance to the doctor at his jungle hospital in Africa. The text of Dr. Libby's letter will appear in full in the next issue of the Saturday Review. The next issue will also contain a commentary on the Schweitzer and Libby statements by Dr. Harrison Brown, professor of geochemistry at the California Institute of

Technology, who was associated with the atomic bomb project at Oak Ridge during the war and who is the author of several books concerned with the significance of nuclear energy.

Press comment in the United States about Dr. Schweitzer's declaration has raised a number of questions: Where did Dr. Schweitzer obtain his data? Why did he issue his appeal to the world's peoples instead of to governments? What caused him to decide to inject himself into this particular debate?

It is absurd for anyone to attempt to speak for Dr. Schweitzer. I can, however, report on a discussion with Dr. Schweitzer relating to those questions. Three months ago I visited Dr. Schweitzer at his hospital in Lambarene, French Equatorial Africa. One of the purposes of my visit was to discuss with him the general problem of world tensions in the context of an age which has available to itself the means of unlimited destruction.

I found the doctor in excellent health. He was just entering his 83d year but he maintained a daily schedule of work, at his desk, in the hospital, and in physical labor around the place, that would have been beyond the capacity of most men half his age. His mind has lost none of the suppleness or range that have given him distinction in so many fields. There was high purpose in everything he said. There was also a constant vein of wit and good spirits in his manner.

For the first 4 days of my visit to the hospital I spent little time with the doctor. I was appalled at his daily workload, especially his correspondence, and I was severely reluctant to make any demands on his energy or his time. But he sent for me the afternoon of the fourth day and put me at my ease. For the next week we spent at least 2 hours each day in discussions relating to a wide variety of subjects, his unfinished literary labors, history, philosophy, music, and the human situation in the world today.

The discussions were conducted in the German language through an interpreter, Mrs. Clara Urquhart, who has been a frequent visitor to the hospital for many years and who enjoys the complete confidence of the doctor. She is also the author of a recent book "With Dr. Schweitzer in Lambarene," published in London.

It was in connection with the discussion relating to the condition of man in today's world that the subject of nuclear energy came up. It became clear that Dr. Schweitzer had been following this subject with profound interest and concern ever since the explosion at Hiroshima. I had brought with me a number of important papers relating to this matter and proceeded to discuss them with the doctor.

One of these papers was a report, of which Dr. Willard F. Libby was a coauthor, prepared for the United States Atomic Energy Commission in August 1954. Dr. Libby was reporting on the effect of radioactive fallout on milk resulting from the uranium and plutonium nuclear explosions that had taken place up to that time. Samples of milk taken from various places showed evidence of some contamination. The quantities of this radioactive strontium were found at the time to be well under dangerous levels. Even so, Dr. Libby's report showed evidence of growing apprehension, especially in his recommendation that the Federal Government undertake estimates on the cost of decontaminating milk. The decontamination would be effected by removing the calcium from the milk. Calcium has an affinity for radioactive strontium.

Three things were significant about that report. The first was that most of the radioactive fallout resulting from previous nuclear explosions had yet to come to earth at the time the survey was made. The second was that the biggest nuclear explosions were to occur after the report was published in August 1954. The third was that no precise data are available on the tolerance limits of human beings to radioactive strontium.

In other forms of radiation, it is definitely known that there is far less safety than had earlier been supposed. Only 10 or 15 years ago, for example, the public was being assured that it had nothing to fear from regular X-ray examinations. In the last year, however, it was disclosed that the tolerances were astoundingly lower than once had been so confidently claimed. Scientists have yet to perform the same kind of exhaustive researches into the tolerance limits of radioactive strontium that have been made on X-ray radiation. If, through additional research, it develops that the effects of radioactive strontium have been underestimated, as in the case of X-rays, then colossal damage to all living creatures will have been done. And this is the kind of damage that cannot be undone.

Another matter discussed with Dr. Schweitzer concerned the power of the new bombs. One way of visualizing this new power would be to imagine a procession of 1 million trucks, each of which contained 10 tons of TNT. The total tonnage would form a manmade mountain of dynamite several times the height of the Empire State Building. If this mountain were to be detonated it would represent the approximate power in a single 20-megaton hydrogen bomb that can be carried by a single plane.

Nothing to me was more striking than Dr. Schweitzer's face as he contemplated and spoke about the situation that confronted people in the world today. There seemed to be an infinity of detail in that face; it seemed as though every event in human history were clearly recorded there. Most of the time he sat forward in his straight chair, his eyes seemingly fixed on a distant object.

He said that over the years he had been collecting materials on the question of nuclear energy, military and nonmilitary. When he visited Europe some months earlier, his concern had been considerably increased as a result of a meeting of Nobel prize winners in Lindau (Austria). Many of the scientists there spoke with the utmost sense of urgency and gravity about the growing problem. Alongside such a problem, he said, everything else seemed small.

Only a few years ago, he added, the statement that this planet could be made unfit for life seemed absurdly melodramatic. But there was no longer any question that such power now existed. And even without a war, the atmosphere could become dangerously contaminated.

"After our talk yesterday," he said, "I reflected that danger of this magnitude is not easily grasped by the human mind. As day after day passes, and as the sun continues to rise and set, the sheer regularity of nature seems to rule out such terrible thoughts. But what we seem to forget is that, yes, the sun will continue to rise and set and the moon will continue to move across the skies, but mankind can create a situation in which the sun and moon can look down upon an earth that has been stripped of all life.

"We must find some way of bringing about an increased awareness of the danger," he continued. "It is a serious thing that the governments have supplied so little information to their peoples on this subject. There is no reason why people should not know exactly where they stand. Every once in awhile, the governments will reassure the people but this only comes after there has been a serious alarm. What is needed is genuine information. Nothing that a government knows about the nature of this new force is improper for its people to know."

I asked Dr. Schweitzer if he did not think that it was important for him to say publicly what he had just said to Clara Urquhart and me.

His eyes turned from a distant object and he looked at me directly.

"All my life," he said, "I have carefully stayed away from making pronouncements on public matters. Groups would come to me for statements or I would be asked to sign joint letters or the press would ask for my views on certain political questions. And always I would feel forced to say no.

"It was not because I had no interest in world affairs or politics. My interest and my concerns in these things are great. It was just that I felt that my connection with the outside world should grow out of my work or thought in the fields of theology or philosophy or music. I have tried to relate myself to the problems of all humankind rather than to become involved in disputes between this or that group. I wanted to be one man speaking to another man about the lasting problems inside men and between them."

I asked whether the doctor felt that the matter we had been discussing was as much moral as it was scientific or political. I told them I believed there was no living person whose voice on such an issue would be more widely heard or respected.

Dr. Schweitzer thanked me for the compliment but said that this was a problem for scientists. He believed that it would be too easy to attempt to discredit any nonscientist who spoke out on these matters.

I told him that I thought it inconceivable that this would be true in his case. Moreover, this was not solely a laboratory question. If nuclear power could have the effect of damaging the genes of human beings, then the nature of man himself was involved. Sovereign nations were now in a position to make decisions that were not properly theirs to make.

In saying this, I told him I recognized that the problem could not be considered apart from the larger uncertainty in the world today. Deep apprehension existed in the United States States and Western Europe about the basic aims and purposes of the Communist world. The totalitarian record of Stalin, to which the Communist leaders had themselves attested, and recent events of which Hungary was a grave example, made it difficult for the Western World to feel confident in the expressed desire of the Soviet leaders for peace. In short, nuclear experimentation did not exist in an otherwise placid world. This, of course, added to the peril of mankind. For what we had most to fear was not merely the tests themselves, hazardous though they might be, but a saturation of tensions resulting in all-out nuclear war.

Dr. Schweitzer agreed, saying that anything that would be done against nuclear experimentation should not have the effect of putting the West at a disadvantage with respect to Soviet Russia.

He said, however, that the very real challenge of world communism should not be used as the reason for withholding vital information from the human race concerning the dangers of unlimited nuclear testing. It was possible that an informed and determined world public opinion could serve as a powerful force in bringing about enforceable agreements with respect to arms control and in leading to other long-range measures for peace.

In view of all this, I asked the doctor whether he felt justified in putting aside his reticence about making a public statement.

He said that he would continue to give careful thought to the matter. He was still troubled, he said, about the form a constructive statement might take. How would it be issued? How would one go about drafting a statement that would be outside the context of the ideological struggle in the world today? He reemphasized that he didn't want people to think that he was admonishing the United States or trying to intrude into domestic concerns. He wanted more time to think about these things.

When we resumed our discussion the next day he said he was still uncertain about the form of a statement or the method of its release.

Meanwhile, he was eager to consider an aspect of the problem that was highly significant. This was the fact that nations which were setting off nuclear explosions in the pursuit of their own security were possibly jeopardizing the health of other peoples.

On the basis of recent visits to Japan, I could report to Dr. Schweitzer that the Japanese Government was confronted with a profound dilemma. It did not wish to oppose the American Government, nor did it see any way of condemning Soviet Russia at the United Nations without including the United States. But Japan had increasing evidence of soil contamination as the result of the Russian tests, and fish contamination as the result of the American tests. Autopsies had indicated the presence of radioactive strontium in a number of corpses. The American hydrogen bomb explosion called "Operation Castle" had not been under complete control. Japanese fishermen were outside the prohibited area yet had been hit by radioactive ashes. The Japanese Government had just issued instructions to its people about precautionary measures in the preparation of leafy vegetables and fish. But decontamination of food was a complicated laboratory process; it was doubtful that even the most careful washing and boiling would be adequate.

As a result, Japanese public opinion was sensitive on the subject and was now becoming articulate and potent. Meanwhile, Communists were exploiting the issue of testing against the United States, making it appear that America was responsible for the failure to arrive at cessation agreements, and saying little about the fact of Soviet nuclear testing.

As we discussed the role of the bystanders with respect to nuclear testing, I could see that Dr. Schweitzer felt that this was a vital issue. As a citizen of a democratic nation, I did not feel that we had any right to take measures that were of possible danger to others without their consent. Indeed, the principal argument against Nazism and more recently against communism was that they were scornful of the rights of others and did harm to innocent people in their pursuit of military advantage. Is it any less immoral for a democratic nation to jeopardize the health and safety of other peoples through air dispersal of radioactive poisons? If other peoples are involved, then they have a right to participate in the basic decisions involved in testing. There is no more basic tenet in democratic government than that people who are affected by the acts of government have a right to participate in the affairs of that government.

If it is wrong to impose a tax on a man without giving him a voice in government, is it any less wrong to deprive his soil or water of their purity without giving him a chance to be represented and heard?

At the time I left Lambarene, Dr. Schweitzer was still struggling with the questions he had posed about the proper way in which a public statement might be made. A few weeks later I received a letter from the doctor saying that he had resolved these question in his own mind. He would prepare a declaration and then turn it over to the Nobel Prize Committee. Earlier he had been invited by the Nobel committee to speak out on the subject of world peace. In doing so now, he would write a declaration of conscience addressed to no single nation but the world's peoples. In it he would call for the right to know; he would try to make clear that before anything constructive could be done people had to have full information on the basis of which a moral climate of opinion could be created. He also said in his letter that he would get the fullest information from and check his facts with scientists of worldwide repute.

This is the way the matter was handled. Dr. Schweitzer's statement was read in full over Radio Oslo under the auspices of the Nobel prize committee. Copies were sent all over the world for simultaneous release. So far as can be ascertained, the United States, Soviet Union, and Communist China were the only major nations which did not broadcast the full text. In checking with American networks, I learned that there had apparently been some confusion about the statement. Indeed, two of the networks claimed that they had not even heard of the statement prior to the news flash about it from the wire services. In any event, the statement has now been released and millions of people know of its message. This is the statement that appears in full starting on page 17.

So far as the American people are concerned, it is unfortunate that the subject of nuclear experimentation became a political issue in the last campaign. The result has been that many people have taken fixed positions based on party affiliation. But the question has nothing to do with politics. It has to do with facts of vital concern to our health and the health of the world's peoples. It also has to do with information.

The American people have not been fully informed—under either administration these past 12 years—about the essential facts related to nuclear energy. Part of this is justifiable on military grounds. But it is also true that much of it has nothing to do with military security; what little the Government has released virtually had to be dredged out of it. It was only when a disaster occurred, as in the Pacific tests involving the fishermen, that the public had any inkling of the extent of danger from radioactivity.

Dr. Libby's letter is written with obvious good will, but it is not reassuring. He does not emphasize the special problem represented by internal radiation. He says nothing about the lower tolerances of children to radioactive strontium. He says nothing about the extent of contamination of milk. He makes no reference to his earlier report. He did not tell Dr. Schweitzer that the United States Public Health Service is just now setting up five stations at various points across the United States for the express purpose of testing milk and other foodstuffs for radioactive contamination. He does not make clear that neither this Government nor any other government can guarantee its people or other people that there may not be untoward effects which additional research may make known. He does not say what will happen when smaller nations, as will inevitably happen, begin their own nuclear programs. He cannot predict what the future fate of fallout will be, nor where it will take place. Nor does he remind people that X-rays, at a stage of development comparable with present nuclear testing, were considered far less harmful than they turned out to be. Finally, he talks about permissible limits of radioactive strontium in human beings. What he overlooks is that the proper amount of strontium in a human being is no strontium.

The editors do not question the good faith of our Government. We realize that there are circumstances under which men in Government may feel justified in withholding vital information. It may be feared that the American people will respond in panic. But this will be as nothing compared to the panic that will occur later if it should be discovered that the tolerance limits have been passed, and that there is no known method of washing the sky clean of the radioactive poisons that are yet to fall. The American Constitution makers had only to review history to be convinced that it is the natural and inevitable tendency of men in authority to withhold information if it is likely to produce an unwanted result. Because of this, the Constitution makers contended that the people must be informed about everything that concerns them—not as a matter of privilege, but as a matter of natural right.

It is this natural right that concerns Dr. Schweitzer.

DANGER OF RADIOACTIVE FALLOUT AND NEED FOR NATIONAL INSTITUTE OF RADIATION WITHIN NATIONAL INSTITUTES OF HEALTH

Mr. NEUBERGER. Mr. President, I ask unanimous consent that I may exceed the 3-minute limitation on statements during the morning hour.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. NEUBERGER. Mr. President, within recent months increased public attention has been focused on the subject of radiation exposure and its effect upon the human body. Evidence of this phenomenon may be observed in the frequent articles on this topic which have appeared in major United States publications, the many public discussions of radiation held by national medical and scientific organizations, and the numerous published studies seeking to determine more exactly the extent to which radiation is a factor in our lives.

This consideration of the problems inherent in radiation exposure is a reflection of the rising concern on the part of both scientists and laymen. For although these public expressions do not agree as to exact degree of danger involved in radiation exposure, they do agree that active or at least potential danger does exist and that further steps must be taken to determine the seriousness of the problem and to implement basic programs for the protection of our citizens.

As a sponsor of S. 1228, a bill to establish a National Institute of Radiation Health, which I introduced February 14, 1957, I have been particularly interested in public response to this issue. This proposal for establishment of a Government program which will provide at least elementary protection for our citizens has also been introduced in the House of Representatives by Congressman CHARLES O. PORTER of Oregon's Fourth District.

Briefly, S. 1228 would create a National Radiation Health Institute, similar to the existing institutes of national health. The Institute would have extensive research capabilities enabling it to study all phases of the impact of radiation on human health, thus making it a central source of information in this area plus a force for the coordination and stimulation of research activities elsewhere.

S. 1228 would also initiate a program of development and dissemination of permanent personal record forms on which an individual may, voluntarily, maintain a life-time record of radiation exposure. This provision, which has been recommended by the National Academy of Sciences and numerous other scientific groups and individual authorities, has gained even greater importance during the last several months

with the public pronouncements by respected scientists that the radiation dose received by an individual should be severely restricted in the light of new findings.

In February of this year, Dr. Lauriston S. Taylor, Chief of the Atomic and Radiation Physics Division of the Natural Bureau of Standards, told a symposium in New York City the National Committee on Radiation Protection has found that the maximum permissible dose of radiation to which a person can be exposed without serious likelihood of harm is one-third of the previously accepted figure. And the symposium was further informed by James F. Crow, Professor of Genetics at the University of Wisconsin, that "there is no 'safe' dose" of radiation. "Each dose, however small, causes a risk of genetic harm proportional to the dose," Dr. Crow said.

These warnings, similar to those voiced by the National Academy of Sciences last June, were echoed again last month at the academy's spring meeting. Dr. W. L. Russell, Chief Geneticist in the Biology Division of the Atomic Energy Commission's Oak Ridge National Laboratory, reported that recent tests suggest the possibility that radiation may tend to shorten not only the lifespan of persons receiving it but also of children of exposed individuals, thus reinforcing a theory previously advanced by other scientists.

On May 7, Dr. Arnold B. Kurlander, assistant to the Surgeon General of the United States, announced that traces of radioactive strontium 90 and cesium 137 have been found in milk supplies during recent tests. Both of these elements are potentially dangerous to man. Their appearance in milk has been noted only since the testing of nuclear weapons began. Mr. President, I ask unanimous consent that a story headed "Rise in Radioactivity Noted in Milk Tests" which appeared in the Washington Post and Times Herald of May 8, 1957, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post of May 8, 1957]

RISE IN RADIOACTIVITY NOTED IN MILK TESTS

LOUISVILLE, KY., May 7.—Dr. Arnold B. Kurlander, an assistant to the Surgeon General of the United States, said today new traces of potentially dangerous radioactivity have been found in milk since the testing of nuclear weapons began.

He told the national conference of the Association of Food and Drug Officials that milk normally contains traces of radioactive potassium, but, the recent tests have disclosed traces of strontium 90 and cesium 137, both radioactive and potentially dangerous to man.

While the radioactivity is only one-one hundredth that of potassium, "its cumulative effect represents a problem that must be considered," Dr. Kurlander asserted.

He said these radioactive elements might also be eaten in vegetables exposed to fallout, just as cows that give the milk take in such elements while grazing.

Dr. Kurlander said the Public Health Service is now conducting a survey of milk samples from various cities. The survey will be correlated with other surveys in air and water pollution from atomic fallout.

Mr. NEUBERGER. The peril of radiation has, perhaps, been most graphically demonstrated in recent months, by the report of the Atomic Scientists Association, a group of British scientists who organized in 1946 for the purpose of keeping Britain informed about atomic developments. This report, issued April 16, estimated that a hydrogen bomb exploded in the upper atmosphere might produce bone cancer in 1,000 individuals for each explosive unit in the bomb equivalent to a million tons of TNT.

I ask unanimous consent to have printed in the RECORD at this point in my remarks, a story from the New York Times of April 17, 1957, entitled "Bone Cancer Link to H-Bomb Feared" and describing this report.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times of April 17, 1957]

BONE CANCER LINK TO H-BOMB FEARED—BRITISH SCIENTISTS SEE PERIL IN HIGH ALTITUDE TESTS

LONDON, April 16.—British scientists estimated tonight that a hydrogen bomb exploded high in the atmosphere might eventually produce bone cancer in 1,000 persons for each explosive unit in the bomb equivalent to a million tons of TNT.

The scientists added that their estimate was conditional on the acceptance of a theory that the incidence of bone cancer in a body was proportional to the amount of radioactive material in the body.

Their report said it had been stated that the bombs hitherto exploded were "equivalent in aggregate to 50 million tons of TNT insofar as their strontium 90 fallout is concerned."

Strontium 90 is a radioactive byproduct of a hydrogen bomb explosion.

The report was written by a committee appointed by the Atomic Scientists Association, a private body set up in 1946 to keep the Nation informed about atomic developments.

The committee studied the whole question of radiation hazards from an independent viewpoint and followed up a report last year by Britain's Medical Research Council.

Discussing the estimate of the possible incidence of bone cancer from strontium 90, the report said: "These thousand casualties would be spread all over the world and occur in the course of several decades.

"A somewhat larger number of people might suffer other bone changes, possibly without manifesting any clinical symptoms

"There is also the possibility of a number of cases of leukemia (blood cancer) resulting but we have not enough data to estimate this number.

"At the same time, it should be pointed out that these casualties, although large in absolute number, represent only a fraction of those due to the natural level on radioactivity; there would be no way of distinguishing one from the other.

"If other types of nuclear weapons were exploded, the number of casualties would vary in direct relation to the amount of fission products released into the upper atmosphere."

MUCH ROOM FOR ERROR

The scientists stressed in their report the possible "considerable margin of error due to lack of adequate data," and the fact that it was based on the "as yet unproved hypothesis of a proportional relationship applying to very small doses."

The report referred to forthcoming British tests in the summer at Christmas Island in the Pacific and said that, because of the reported conditions planned for the explosions, there is very grave danger of injury to people, or of substantial contamination of the oceans."

Declaring that medical research shows damage to reproductive organs—which may cause damage to future generations—is estimated as slight if hydrogen bomb tests continue at the present rate, the report adds:

"Of greater import, however, is the damage which may result to the present generation mainly from one radioactive substance: strontium 90.

"This substance enters into our food, chiefly in vegetables and dairy products, and it accumulates in the human body in the bones where it remains for a long time.

"Depending on the assumptions made about the distribution of strontium in bone, we calculate that by the year 1970 the radiation dose to bone from all the tests carried out up to the autumn of 1956 will range from 9 to 45 percent of the dose received from all natural sources, including the radium which is normally present in bone."

The report said strontium 90 causing bone cancer had been demonstrated in animals and the same effect seen in human beings through radium radiation.

"In all these cases the amounts of radioactivity present in the bone were far greater than those that are likely to accrue from H-bomb tests," the report said.

"The question then arises how to apply these findings to very small doses. There is here a fundamental difficulty in that the relationship between the damage produced and the amount of radiation is not known.

"If this relationship is such that there exists a threshold dose below which cancer cannot be induced, then it can reasonably be inferred that the same amount of strontium 90 which will accumulate in bone from the current H-bomb tests would not result in any harm.

"If, however, the number of additional bone tumors resulting from radiation is directly proportional to the dose, then even a very small dose will give rise to a small but definite probability of bone cancer.

"This means that in a very large population a certain number of people would contract this disease as the result of their having a small amount of strontium 90 in their bones.

"The evidence is as yet inconclusive."

Mr. NEUBERGER. Although the advent of the atomic and hydrogen bombs has spotlighted radiation exposure and its attendant dangers, mankind has always been exposed to radiation from a variety of sources. Natural sources include cosmic radiation, naturally occurring amounts of radium, thorium and potassium in the earth's crust, and the content of natural radioactive elements in living tissues. Within the last two centuries X-rays and fluoroscopic examinations have supplied an additional source. Now fallout, industrial and military reactors, and therapeutic devices employed in medicine have increased our chances of exposure.

While we are largely helpless to control exposure to radiation from natural sources, this is not the case in connection with manmade radiation.

Mr. President, I ask unanimous consent to have printed in the RECORD, at the conclusion of my remarks, an article by Dr. H. J. Muller, of Indiana University, titled "Race Poisoning by Radiation" which appeared in the Saturday Review of June 9, 1956, plus excerpts from the report of a study group of the World Health Organization on the effect

of radiation on human heredity published December 5, 1956.

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibit 1.)

Mr. NEUBERGER. Dr. Muller, an internationally known biologist and winner of the Nobel prize for physiology and medicine in 1946, discusses the effects of radiation and the procedures which we might adopt to protect ourselves and our children.

The WHO study group report outlines steps which must be taken to prevent genetic casualties among the world's population. It is interesting to note that the report strongly recommends the adoption of a system of recording the radiation dosages received by individuals, through diagnostic and therapeutic use of X-rays, a provision also suggested by the National Academy of Sciences and included in my bill, S. 1228.

In connection with this later point, Dr. Robert W. Miller, an associate of the Committee on Atomic Casualties, speaking before the American Academy of Pediatrics meeting in Washington last month, declared that "we should reevaluate X-ray use and see if we can step down the output of radiologic equipment." Dr. Miller, who is also a member of the National Research Council, told the pediatricians that even the smallest exposure can produce injury. "While the diagnostic use of the X-ray is unlikely to precipitate disease, exposure may erase part of the margin of safety," he said. "It is conceivable that the clinical use of radiologic procedure may contribute to the development of disease later in life, perhaps after a latent period of several decades."

Dr. H. Bentley Glass of Johns Hopkins University reported to the Academy of Sciences last month that, in the light of new developments, it may be possible to reduce all radiation for medical and dental diagnostic purposes to less than one-tenth of current levels. Dr. Glass also stressed the need for personal records on which all radiation exposures would be noted.

Because of these and similar findings made by men who are considered experts in this field, I believe that it is urgent that Congress recognize the seriousness of the problems connected with radiation exposure and consider legislation which will provide elementary precautions. S. 1228 represents an attempt to create such a protective program.

Mr. President, on February 18, 1957, the staff of the Senate Committee on Labor and Public Welfare referred S. 1228 to the Department of Health, Education, and Welfare and the Bureau of the Budget for comment. At the request of Dr. Taylor of the Bureau of Standards, the bill was also referred to the Department of Commerce on April 3. No report has been received from any of these agencies.

I trust that these comments will be forthcoming within the near future. Scientists and doctors have established that there are valid reasons for concern in connection with radiation exposure. I believe that the bill which I have introduced in the Senate would create an effective framework for coordinating research in this field and also institute minimum safeguards for defense of our citizens from the acknowledged dangers of radiation.

Representative CHET HOLIFIELD, chairman of a special Subcommittee on Radiation of the Joint Committee on Atomic Energy, has announced that hearings on the nature of radioactive fallout and its effects on man will be held over a 3-week period beginning May 27.

I wish to compliment the subcommittee for its action in scheduling these hearings. I believe that reports such as I have presented today indicate the crucial nature of the problem of radiation exposure, and I welcome the efforts of Representative HOLIFIELD'S subcommittee to study and coordinate information on this topic.

Because the provisions of S. 1228 are so inexorably entwined with the questions which the subcommittee will discuss, I have requested that I be permitted to testify at these hearings to explain my proposal. Recommendations which the subcommittee might make regarding radiation exposure and human health will be of great help in initiating a program of positive protection.

I am confident that the broad foundation of scientific information gathered by the Holifield subcommittee will be utilized by the Senate Committee on Labor and Public Welfare to prepare for early hearings on S. 1228, thus permitting the Senate to take action on this proposal or similar legislation during the 1st session of the 85th Congress. By delay we are cheating only ourselves.

EXHIBIT 1

[From the Saturday Review of June 9, 1956]

RACE POISONING BY RADIATION

(EDITOR'S NOTE.—Certainly the most frightening effects of a nuclear reaction are the terrible burns and growths inflicted on living victims of a bombing. But there are subtler and more sinister injuries. Madame Curie died from years of slow radium poisoning. Technicians have been sterilized by improper X-ray procedures. Experiments show how radiation disturbs the genetic material of plants and animals. Below, Dr. Muller notes his evidence that even "harmless" radiation shortens the lifespan. All this would be more or less academic were it not for the rapidly increasing volume of fission processes in the modern world: America, Britain, and Russia now possess great stockpiles of A- and H-bombs, and in 10 years every nation will be building reactors—for peacetime as well as military uses—all over their countrysides. In case of a war, as Dr. Ralph Lapp, the nuclear physicist, pointed out to Congress on March 20, the "fallout" from a bombing will be far more of a disaster to the surviving population than any Civilian Defense scheme is yet prepared for. But even the present rate of radiation production has overtaken scientific knowledge of its significance for the human body. The world-famous biologist, Hermann J. Muller of the University of Indiana, who won the Nobel prize for physiology and medicine in 1946, has been warning us for many months about the dangers of walking blind into the Nuclear Age; this present discussion has been developed by him from remarks before the recent Military-Industrial Conference in Chicago. Dr. Muller is now serving on a commission for the study of this problem as the basis for a public report.)

(By H. J. Muller)

In the atomic bombing of Japan many more people were killed by impact, fire, and heat rays than by high-energy radiation. (We may, however, note that this analysis ignores the considerable shortening of life induced by all the radiation.) By contrast, a present-day hydrogen bomb emits radioactive fallout products, derived from its added uranium, that are lethal over an area of thousands of square miles, more than 100 times that ravaged by the blast itself.

It is obvious that to enable these H-bombs to do maximum damage the attempt will be made to space them over populous regions so as to have their wide marginal areas of fallout overlap. By means of this "pattern bombing," even the margins are brought above the radiation level for lethality and the range of effective fallout is expanded. Moreover, most of the survivors caught far within the group of conjoined fallout areas are compelled to wait much longer underground until the radiation has sufficiently subsided to allow them to take the long journey out. This journey would be necessary, because it would for years be dangerous to live in bombed regions.

It would be surprising if the surviving population of a country that was systematically bombed in this way did not accumulate in the course of time an average of 100 to several hundred roentgen units of radiation, even though they had been well disciplined for such an attack, and well provided with shelters, radiation counters, facilities for decontamination, essential supplies, battery-powered radios, and so forth. At least, it has been estimated that people remaining all the time in the basements of suburban-type houses, well sealed off from the dust of the outer air, in positions 100 miles downwind from an explosion of the type set off on March 1, 1954, would receive some 100 roentgens of gamma radiation from outside during the first week alone. Moreover, exposure outdoors in that region on the 8th day if rain or artificial decontamination had not occurred might deliver 80 roentgens more of whole-body radiation to them in 24 hours. This would not be enough to give many of them serious radiation sickness if they did not get the dust on their skins or into their bodies. If, however, the population were not well prepared and instructed, the survivors might in the course of the first week or two receive an average dose of well over 1,000 roentgens. This is a dose several times that which would have killed them if it had been received all at once, and when received in this somewhat more diffuse form it would still be enough to give most of them pronounced radiation sickness. We shall not attempt to estimate here what proportion of the people in the entire fallout area would, because of less protection or shorter distance from the explosion than this, have had such severe radiation sickness as to kill them. For this proportion would largely depend upon how well the people had been disciplined in advance, provided with shelters, and otherwise equipped.

EARLIER EFFECTS OF RADIATION

Many of the well-known symptoms of the group of disturbances known as radiation sickness appear to stem from reduction in the number and efficiency of blood-system cells and of their products, such as the blood platelets that insure clotting. The minute perforations caused by destruction of blood-vessel cells and of intestinal cells lead to internal bleeding and to the entrance of bacteria, while the decimation of the white blood cells reduces the body's ability to overcome bacteria.

This reduction in cell numbers and effectiveness is found primarily in the case of cells that multiply frequently. Included here are not only the diverse blood-system cells mentioned, but also skin and hair cells, the effects on which cause temporary loss of skin color and of hair, and the cells of the reproductive organs, that may be enough affected to enter

a period of sterility. Fart of the effect, in all these cases, must be a consequence of the temporary checking of cell multiplication that radiation is known to cause. But much of it must be a consequence of the damaging, probably by breakage, of the chromosomes within the cells. These are the minute threads containing the cell's hereditary equipment, its thousands of different, highly specialized genes. It is only when cells divide and therewith transmit their precious cargo of genes to their two daughter cells that a break in a chromosome, previously produced, may result in a cell that lacks a chromosome fragment, and that is killed or permanently impaired by the absence of certain of its genes. In other words, there is reason to infer that much of the malady known as radiation sickness is really an expression of damage to the hereditary material of many of the body's cells, lying scattered throughout certain strategic tissues that normally are renewing themselves actively.

On this interpretation it is not surprising that if the damage has not been too severe there will be some normal cells remaining, by the multiplication of which the depleted tissues will become in considerable measure restored. The restoration will be incomplete, however, and diverse parts of the body will thereby be left in a somewhat weakened or less effectively operating condition. Since this damage is greater the more rapidly multiplying the cells in the given tissue were, it is evident that the younger the individual is when irradiated the more he will be affected. This will express itself, among other things, in a checking of growth from which he will never fully recover. Moreover, those parts of him that were in a faster growing, more formative state at the time of exposure will be especially retarded and deranged. That is why even doses of 50 to 100 roentgens, if delivered to the young fetus, can give rise to permanent abnormalities such as the condition of small head or microcephaly, resulting in defective intelligence, that was found in some of the children born at Hiroshima several months after the bombing.

DELAYED EFFECTS

One of the kinds of damage to body cells that is sometimes brought about by radiation is the conversion of a normal cell, probably by some kind of mutation in a gene, into a cell with the potentiality of later producing, when the conditions are appropriate for it, a malignant growth, either of blood cells, as in leukemia, or of some other type. These symptoms sometimes become evident only decades after the irradiation. Fortunately, they are induced in only a small minority of people, except in cases in which only a small part of the body has been irradiated with a dose far higher than the whole body could have tolerated. More frequent among the late effects of irradiation of the whole body are the development of minute spots of opacity in the lenses of the eyes. These cataracts, seldom large enough to impair vision seriously, show where individual cells have been permanently damaged, very likely by breaks in their chromosomes. It is only because the lens is a transparent tissue that we can directly detect these points of injury in it, but it may be infererd that the same kind of thing happens in all parts in which there are cells that can divide. This would explain what is by far the most serious of the long-term effects of radiation on the exposed person himself: The shortening of his span of life.

It is remarkable how few people, even among physicians, are yet aware of this effect and of the exact rules it follows. These rules were discovered some 10 or more years ago by Dr. R. D. Boche (then at the University of Rochester, but shortly afterward at the University of Chicago) on going over data obtained by a number of investigators during the war, under the Manhattan District project, on the time of death of irradiated mammals of several different species. The principles were further developed by G. A. Sacher and A. M. Brues. The results have been so consistent that there is no reasonable doubt of the application of the same rules to man, especially in view of some confirmatory evidence. They lead to the conclusion that for each roentgen unit of radiation received by the whole body at a given age, if delivered at a rate of not more than a few roentgens per day, there is on the average a loss of something like 5 days of life, perhaps as much as 2 weeks, depending on the age. There is still some uncertainty about the exact quantity, but not about the principle. No one particular ailment is thereby induced in the exposed group; they are simply made a trifle more susceptible to all causes of death, much as if they had been aged by several days.

Since the effect is proportional to the amount of radiation, if the rate of radiation per day is low a dose of 200 roentgens, received in a dispersed manner over a considerable period, would cause a pseudoaging of something like 1,000 days. That is, death would on the average occur nearly 3 years earlier than if there had been no exposure. This proportionality of the effect to dose at low rates of delivery of the radiation is understandable if it has its basis in chromosome changes, for at low-dose rates these chromosome effects also follow this rule, unlike most biological effects. If, however, the rate of delivery of the radiation is raised considerably, so that the 200 roentgens here in question are received in a period of hours, the frequency of permanent chromosome changes becomes disproportionately greater, and, corresponding with this, there will be a more extreme curtailment of the life span.

In view of all this it is rather surprising to read such a statement as that which appeared in the November 1955 issue of the Office of Naval Research's magazine Research Reviews in the article featured on the cover as Fallout True Story. This article ends with the following statement, referring to the 64 natives of Rongelap in the Marshall Islands who had received an estimated 175 roentgens of gamma radiation and additional radiation of a beta type, and who had shown some symptoms of radiation sickness: "Yet, after 18 months all 64 of these natives are still alive, and none suffers any lasting after-effects as the result of their experience with radioactive dust." Do we not officially admit the long-known shortening of life, and the fact that any exposure, no matter how small, exerts some permanent damage?

As for larger doses, it can be calculated that people of, say, 30 years of age who have somehow managed to survive 1,000 roentgens, the first third of it received in the first day or two and the rest by the accumulation of decreasing amounts over a period of weeks or months, will probably succumb within something like a decade.

EFFECTS ON THE DESCENDANTS

It is fortunate that such large doses as this usually cause sterility, for the sum total of hereditary damage done to later generations by a given amount of irradiation of persons who later reproduce, if expressed in terms of years of life lost, is very much greater, perhaps more than ten times as great, as the damage done to the directly exposed individuals. This total damage is spread out over so many generations, however, that even in the most affected generation, that of the immediate children, it would be very difficult to demonstrate it even after a dose of one to a few hundred roentgens. Yet it is nonetheless very real, and hits humanity at its innermost and most precious core.

This damage to later generations, unlike that causing the trouble in the tissues of the exposed individual's own body, does not have its basis mainly in breaks of the chromosomes. It consists mainly of permanent chemical alterations, called mutations, that are produced by the radiation in a haphazard way in one or another of the genes, the hereditary particles, lying within the chromosomes of the reproductive cells. Each of the thousands of different genes in a reproducaive cell will have its specialized role to play in the development and maintenance of the offspring that that cell, after fertilization, will produce, and in the intricate system of operations whereby that offspring will live and in its own turn reproduce. Any alteration of a given gene's composition, brought about by some minute collision that was induced blindly by a bolt of radiation, will in the vast majority of cases cause some impairment in the functioning of the body derived from the affected germ cell.

It is an old wives' tale that these mutations frequently take the form of monstrosities. It should be recognized that the impairment will usually be slight, or even unrecognizable, consisting of such traits as a slightly greater than average tendency to rheumatism or gastric ulcer, or high blood pressure, often not evident until the later years of life, or a higher requirement for some vitamin, or a slightly lowered I. Q. One reason for this lack of marked effects is that an offspring containing a mutant gene will almost always inherit from its other parent an undamaged gene of the original kind in question, and this normal gene will usually exert a much stronger effect than the mutant gene, being as we say "dominant." Yet, for all that, the mutant gene and the slight impairment caused by it will be inherited by a succession of generations, and it will hamper them to some small degree at least, even in the presence of the normal gene, until in the end some descendant finds himself in circumstances where just that disability happens to become the deciding factor in causing his death before maturity, or his failure to reproduce. Thus, the mutant gene will at long last be eliminated from the population, but only at the cost of the demise or frustration of some descendant, usually a remote one, and the hampering, in some degree, of descendants belonging to the intermediate generations.

In its impact on the population as a whole this kind of effect on later generations is in some ways curiously analogous to the shortening of life produced in the directly exposed generation. For the impairments are pretty much hidden, yet they may take a considerable toll. In doing so they simply cause a somewhat higher frequency of maladies and infirmities that would be found anyway, and we can never be sure that a given death was caused by the radiation.

It is even better established for mutations inherited by the offspring than for the shortening of the life span of the exposed individuals themselves that the abundance of the effects is directly proportional to the dose received, no matter how large or small the dose. There is no dose so small that it fails to entail its proportionate risk of causing a mutation. In the case of the mutations of genes, however, unlike the life-span effects, the rate at which the radiation is received makes no difference. A given total dose is just as effective in producing mutations if its delivery was dispersed over a period of 30 years as if it was concentrated into 2 seconds. Thus, the total number of mutations produced by radiation in one generation depends on the total dose of radiation accumulated between the conceptions that gave rise to that generation and the conceptions that gave rise to the following generation.

How many mutations are produced in man by a given dose is a matter of considerable uncertainty but, in the light of data from other animals, the most probable value is

that each roentgen unit received by 1 parent results in 1 induced mutation among about 400 of his germ cells. This means, for example, that if a parent had received 100 roentgens any child of his conceived after that time would have 1 chance in 4 of receiving an induced mutation from him; that is, there would be one such mutation among every 4 of his children, in addition of course to the several or many mutations of natural origin that they would also be inheriting, mostly from the remote past, and that had not yet been eliminated. If both parents had received 200 roentgens, each child, on the average, would inherit one induced mutation.

It is readily seen that even though each person of the next generation contained, on the average, one mutation induced by the radiation this would still be far from enough seriously to threaten the continuance of the population as a whole. Mankind would not be wiped out by this means, though of course nuclear war could wipe it out more directly. Nevertheless, any such tampering with our birthright is not to be viewed with equanimity, especially in view of the fact that the conditions of living which in the past led to the elimination of those lines of descent that were more heavily burdened with impairments are no longer exerting a strong enough influence of this kind to prevent the population from deteriorating in important respects. Whatever genetic damage was done by the radiation would tend to persist for many centuries and some of it even to increase. For these reasons, although the genetic damage entailed by nuclear warfare, if not repeated in future generations, would by no means be insupportable, yet our descendants would blame us if we did not limit it as much as possible.

MEASURES FOR DEFENDING OUR GENETIC HERITAGE

There are some indications, especially from Dr. Hollaender's group at Oak Ridge, that methods of therapy or prophylaxis may eventually be developed which, if applied shortly before or even immediately after exposure, will reduce radiation damage, perhaps by as much as 50 percent. At least this can be done in bacteria even in the case of the mutation-producing effect. There is little indication, however, that harmless, practicable methods of this kind can be made available for man in the near future, especially for radiation occurring at an unpredictable time or over an extended period, nor do we yet know whether they would work against the production of mutations in man.

One of the measures, then, if war seems imminent is to evacuate to the country, to regions hundreds of miles downwind (with respect especially to winds of the upper air) from major cities and strategic points, as many of the children and young people as possible, and also of the pregnant mothers and those with infants. This is a procedure similar to that which was successfully carried out on a large scale in England during World War II in order to avoid the blast effects of chemical bombs. This very cumbersome procedure, however, even if executed satisfactorily will not save the genes of the young men or of many of the young women.

The other major measure for defending our genetic heritage is to take into account in our plans for civil defense the very particular need to protect from exposure the reproductive cells of our youth. Let people under 30 and all who are likely later to reproduce be the last to be accepted for use after a bombing has occurred in such essential services as rescue work, decontamination, bringing in supplies, transportation, and everything else that requires activities that are carried on in relatively unsheltered situations. In this way the older men may be better assured that, whatever else has happened, their descendants will not be subjected to a lasting biological incubus imposed by negligence of which they, the forebears, had been guilty.

REMOTE FALLOUT DAMAGE

In the foregoing account I have confined myself to the effects on the human hereditary constitution exerted in the region of an actual nuclear attack, or at least in the region of the local fallout from such an attack. Some of the fallout, traveling high in the stratosphere, would be dispersed throughout the world and be precipitated for years. However, it can be calculated that even if the equivalent of 700 15-megaton bombs, each of the type and order of strength of that at Bikini on March 1, 1954, were released the fallout in remote regions would raise the amount of radiation received by the population in the world at large outside of the local fallout areas by only one to a few times the amount they ordinarily receive from natural causes. This damage if not repeated could not seriously impair the genetic composition of the population as a whole, even though it would be harmful to many widely scattered, untraceable individuals. Much more radiation would, however, be received if large amounts of cobalt or certain other substances had been purposely added to the bombs or had happened to be in range of the fireball, or if materials (e. g., fish) derived from the areas of heavy fallout were used as food.

PROTECTION IN PEACETIME USE OF NUCLEAR ENERGY

When we turn from these military effects to the peacetime utilization of nuclear energy we find a curious situation. At Oak Ridge and presumably at some of the other Government-sponsored atomic installations the officially recognized permissible dose of 0.3 roentgen per week is set. In actuality, however, relatively few workers receive more than a fifth of this amount. In the course of 5 years, a good average of the time the employees usually stay at such a plant, the more exposed workers might thereby receive about 15 roentgens. This would not result in their children conceived during or after that time receiving an alarming number of mutations caused by the radiation. Moreover, it would result in an average shortening of the worker's own life span by only a few months.

Since, however, the official permissible dose is higher than that here received, and it is expensive to provide remote control mechanisms, waste disposal, and shielding for further reducing that dose per worker, we can hardly expect industrial plants now planning their installations and procedures to keep down the dose much below that which is called permissible, 0.3 roentgens per week. Moreover, it is to be expected that as conditions of employment in such plants become stabilized, the workers will remain longer and that, since many of them are highly trained, the plants will attempt to keep them. Consider now what an exposure of only 0.3 roentgens per week will amount to in the 40 years from age 20 to 60. It will come to 600 roentgens—more than that of most exposed survivors in the nuclear war—and in the first 10 years, perhaps prior to reproduction, it will be 150 roentgens. This amount before reproduction on the part of just 1 member of each married couple, presumably the father, will probably cause at least 1 in every 2 or 3 children, on the average, to receive 1 mutation induced by the radiation, a frequency several times as high as the new mutations that would arise in 1 generation from all natural causes, and this mutation would tend to go on down to hamper a long line of descendants until at last it extinguished that line.

Because mutations are usually unspectacular and unidentifiable it is not likely that this visiting of the parents' sins on mostly remote descendants would, human nature and its present attitudes being what they are, cause much compunction on the part of the exposed individuals. Not so, however, when they come to consider the effect of the 600 roentgens accumulated throughout life on their own well-being, for the effect amounts to a shortening of life that may be estimated at something between 4 and 8 years. That is, the worker's life is shortened by 1 or 2 years for every 10 years that he works at such a plant. Since this secret is at last creeping out of the technical publications it will not be long before the worker knows this. If industry would lower it so-called "permissible dose" by nine-tenths to an average of .03 roentgen per week or 1.5 roentgens per year—an expensive but perfectly feasible undertaking—all but a small part of this damage would be avoided and, more important in the long run, future generations would be spared even more damage than the present one.

The cost of the necessary arrangements has been estimated at some $100 per man per year, or $4,000 for each man for 40 years. However, even if this hastily made and sketchy estimate turns out to be several times too low, as it well may, the expense would not be as great as paying damages for the loss of 4 to 8 years of each worker's life, or for the higher wages they would demand in place of damages. Moreover, such arrangements if once attempted always undergo considerable reduction in cost in the course of experience and invention. Let us not wait for several decades until the untimely deaths begin to become conspicuous. The designing and setting up of atomic equipment and procedures which is now taking place should be guided by the most advanced knowledge we now have. Otherwise we shall be confronted with the far more expensive process of reconstructing our installations and economies later.

Only by frankly facing and adequately coping with the hazards of radiation can we satisfactorily maintain and enhance the morale of our workers and win their wholehearted support for a vast program of nuclear development. And growth of the utilization of nuclear energy on an enormous scale and along salutary lines is a vital necessity if our country is to enter upon that unparalleled period of industrial expansion which will show the way for the bringing of well-being to all the world.

We may justly be proud that it was our own country which at Geneva last summer took the lead in opening up a realistic course of action which may finally lead civilization out of the critical situation now threatening its existence. But we must see to it that this good beginning is vigorously and wisely followed up. For it will not be many years before the power to commit disastrous acts of nuclear aggression has become distributed among many relatively undeveloped or small countries, the governments of some of which may be insufficiently responsible. It will then be a cardinal necessity for people everywhere to come to understand that their conditions of life may be radically improved through the peaceful application of nuclear energy and that, on the other hand, its destructive application constitutes an invitation to universal catastrophe. The appreciation of this twofold truth can be attained, however, only if the peaceful development is being conducted soundly. This means that its operations must be carried on with such rigorous safeguards that those working on the projects will feel no fear for themselves or their descendants.

At the same time, the population in general must be sufficiently protected from genetic damage by the enforcement of a low enough ceiling of radiation from all artificial sources combined. This means effective supervision over medical as well as over industrial and military uses of radiation, and over the disposal of atomic

wastes. In setting this ceiling it must be borne in mind that only 1 roentgen delivered to each of 100 million people will do 100 times as much damage to posterity, via the production of mutations, as 100 roentgens delivered to each of 10,000 people. Moreover, this genetic damage accumulates from generation to generation if the exposures are repeated in succeeding generations, as the peacetime exposures are expected to be. This is another reason why the overall ceiling should be low. It will not profit us to gain the world if we thereby lose ourselves.

WORLD HEALTH ORGANIZATION—EFFECT OF RADIATION ON HUMAN HEREDITY—REPORT OF A STUDY GROUP, COPENHAGEN, AUGUST 7–11, 1956

1. INTRODUCTION

Man's most unique and precious possession is his heredity material which must determine the health and orderly development of future generations. The group is of the opinion that the well-being of descendants of the present generation is threatened by developments in the use of nuclear energy and of sources of radiation. Both of these developments are inevitable and they should contribute much to man's social and cultural development. It would seem therefore that some risk must be accepted, but if the dangers are to be minimized every possible step must be taken to reduce the exposure of man and to understand the effects of exposure. Only in the light of more knowledge can decisions be taken to define more accurately the maximum amount of exposure which may be accepted by individuals and populations without risk of serious harm.

Radiation has been demonstrated to be one of the agents which produces mutation in a wide range of organisms from bacteria to mammals. The group is agreed that additional mutation produced in man will be harmful to individuals and to their descendants. While there may be inherent and environmental mechanisms which modify the impact of these mutations over periods of many generations, the effectiveness of such mechanisms in man is not known. In essence then, all man-made radiation must be regarded as harmful to man from the genetic point of view.

In recent years, considerable quantitative knowledge has been accumulated on the basic mechanisms of genetics. There are strong grounds for believing that most genetic effects are very closely additive so that a small amount of radiation received by each of a large number of individuals can do an appreciable amount of damage to the population as a whole. There are, however, many gaps in knowledge particularly concerning these effects in man. These gaps will only be closed after a great expansion of general and ad hoc research in genetics and other fields of biology.

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2. IMPORTANCE OF RECORDING RADIATION EXPOSURE IN INDIVIDUALS AND POPULATIONS

From a genetic point of view the total accumulated dose is the important one and for this reason the measurement of exposure to ionizing radiations is an essential preliminary to attempts to relate dosage received to effects in man. For such measurements to be useful, the information must be recorded systematically. Unless the information is available in the form of the dose received by individuals, records of exposure would be unsuitable for many purposes and therefore some system of registration is essential. The effect of recording would almost certainly be to cut down the exposures given in medical diagnosis and treatment, since it would impress radiologists and technicians with the magnitude of such exposures. In one hospital where such recording was started there has been a 30-percent reduction in the total exposure of the staff. Doubtless a similar system of recording in diagnostic practice would reduce the exposure to the patients. This in itself would be a sufficient justification for introducing the procedure.

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The group is conscious that the adoption of any system of recording dosage will give rise to difficulties because it will increase the burden of work of radiologists and their staffs. Nevertheless, it feels that the importance of these procedures is such, and is so well recognized by radiologists that both those in charge of radiological departments and other physicians who use X-rays will be cooperative.

Whatever system adopted should take into account three desirable requirements:

1. That the individual will not, through lack of information, accumulate excessive exposure.

2. That information becomes available as to how much exposure to the gonads is received at each age in individuals and on an average per head of population.

3. That it should be possible to recognize the amount of exposure received by the parents of a given child. (Eventually, the information would be available for several generations.) This information is particularly valuable for purposes of genetic analysis.

The group suspects that exposures in some industries and in scientific work are unnecessarily high. Exposures from these sources should be recorded in such a way that the dosage received can be related in individuals and populations to that received from other sources.

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Whatever procedures of recording and registration are adopted will entail a large expenditure of money and effort. The need, however, is urgent. Further, the present is the appropriate time to initiate such procedures, since the introduction of atomic energy for industrial use and the extension of the use of radiation tools in biology and medicine make it possible to start with such procedures at an early stage of a period of rapid development.

4. RESEARCH—GENERAL

Additions to the understanding of the effects of radiation in man come from a very wide field of research. It is impossible to forecast what work in biology or genetics will contribute information relative to the problems. Accordingly, the group is strongly of the opinion not only that as much experimental work as possible should be done on radiation effects on suitable organisms and such controlled observation studies as offer in man, but that there should be an intensification of all human and experimental genetic research. The group feels that there should be the closest possible collaboration between those working in the experimental and human fields: their work is complementary. Each should be stimulating the other's research projects. This need for intensification of research in man and in other organisms raises problems of finance and of shortages of trained research workers. Both these difficulties are likely to be intensified if new areas of work, such as that on tissue cultures, chemical mutagenesis, serology, biochemical genetics, and epidemiological problems of genetic disease are to develop as rapidly as is desirable. The problem of manpower shortages, in regard to both biologists and physicians, tends to be perpetuated by lack of career opportunity for those working on genetics. There is also an insufficient number of institutions where an adequate training in genetics, particularly in human genetics, can be given.

It is possible that the results of much effort in these fields will prove disappointing. Nevertheless, research workers and those supporting their work must have the courage to face the possibilities of such disappointments and still go forward.

The developments of nuclear energy would never have been made unless enormous risks of failure had been accepted. These innovations have extremely important implications among which the possible effects on man's genetic composition are outstanding. If there is to be a climate of public opinion favorable to the development of nuclear energy the peoples must be assured that investigations essential for their future health and welfare and that of their children will be undertaken on an adequate scale. This will require recognition by governments that very substantial financial provision must be made for genetic and other biological investigations essential to an understanding of the effects of radiation on man. Biological research in the past has suffered severely from lack of funds.

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5. SOME CONCLUSIONS

(a) The group is of the opinion that there are too few institutions or large university departments devoted to general genetics and even fewer concerned with human genetics. It recommends the establishment of such institutions and departments and suggests that there could be no one ideal pattern. One of the benefits of such institutions would be to accustom people of different scientific disciplines having implications for genetics to work together. Physicians, general biologists, geneticists, biochemists, cytologists, serologists, and statisticians are examples of the kind of workers who may be needed. When such institutions are concerned with human genetics their location should have regard to the adequacy of existing medical services, to the kind and size of human populations available for field studies, and to the adequacy of background vital statistics and general demographic information of the population concerned. For many purposes a population of about 2 million is optimal particularly for intensive epidemiological investigations. Such institutions, in addition to their research functions, could eventually serve as centers of elementary and advanced training in genetics.

(b) Such research departments and institutions should contribute much to teaching in general and human genetics. Medical undergraduates should all receive training in genetics and the teaching should be coordinated with that in radiology and in the use of radioactive substances in medicine, so that the genetic hazards of diagnostic and therapeutic procedures are thoroughly understood. Medical men training as radiologists should have specific, more advanced instruction in genetics. Health physicists, radiological physicists, and radiological technicians should also receive instruction in genetics as part of their technical training.

It seems essential that instruction in genetics should be given to all scientists, particularly those whose work is likely to involve the use of radiation and radioactive materials in research. The principles of human genetics could with advantage be conveyed to those training in the social sciences by means of formal instruction. Finally, the group is of the opinion that public education in genetics should be more common and adequate than it is at present.

(c) In the future it will be necessary from the point of view of preventive medicine and genetic hygiene to register serious hereditary diseases and defects in various populations or countries in the same way as, for instance, epidemic diseases. For that purpose, genetic hygienic ascertainment or registration will be an indispensable and necessary step. The recording of hereditary diseases and defects in various countries and regions is to be highly recommended.

(d) In many countries there are very few biologists or physicians properly trained in

genetics. This situation will only be solved by producing more career opportunities in genetics, but may be alleviated by granting fellowships or subsidizing training at approved institutions in countries which can offer training facilities. It is possible, also, that advice and technical assistance could be given in connection with research projects in countries with insufficient resources in trained manpower to carry them out.

(e) It might be possible for a United Nations agency to assist on request in administration or supervision of studies of specific populations over a period of years or by strengthening a research team or by giving advice on organization.

(f) In the past, United Nations agencies have done useful service in contributing to the collection and standardization of vital and health statistics. It is recommended that such agencies continue their efforts and stimulate the efforts of others in the collection and publication of specific data such as fertility, consanguineous marriages and parental ages, which are so essential as background information in many studies in human biology.

(g) The group wishes to call attention to the evidence that damage to body tissues produced by radiation after relatively small doses is, at least in part, mediated through effects on genes and chromosomes. There is also some evidence that the life span may be reduced in mammals even by relatively small doses. Ad hoc investigations are urgently needed.

(h) The group is particularly impressed with the genetic hazards of man-made radiation from sources used in medicine, industry, commerce and experimental science, etc. Both as an approach to control and as providing basic background information for relating quantitatively radiation exposure and effects on man, it is essential that methods be found of recording exposures to individuals and populations, however difficult this may prove.

There is reason to believe that radiation exposure can be much reduced, therefore, those in charge of sources of ionizing radiation should always insure that there is adequate justification for exposing individuals to doses however small. On account of the danger of offspring resulting from irradiation of the gonads by X-rays, consideration should be given to determining that efficient means of shielding the gonads could be devised and brought into general use. In addition, in every exposure the X-ray beam ought as far as practicable to be directed so that a minimum of radiation reaches the gonads.

ONE HUNDRED AND ELEVENTH ANNIVERSARY OF GEN. JOHN SALLING, LAST SURVIVING CONFEDERATE VETERAN

Mr. ROBERTSON. Mr. President, this is the 111th birthday anniversary of Virginia's last surviving Conferedate veteran. He is 111 years old today. I ask unanimous consent to have printed in the RECORD at this point a copy of the letter which I wrote to him on May 10.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 10, 1957.

Gen. JOHN SALLING,
Fort Blackmore, Va.

DEAR GENERAL SALLING: Fifty years after the Battle of Bunker Hill when Daniel Webster made the address at the laying of the cornerstone of the monument commemorating that event he saw a number of veterans in the audience and in his opening sentence said: "Venerable men, you come down to us from a former generation."

In a similar spirit of respect for all those Virginians who sheathed their swords 92 years ago, "defeated, yet without a stain," I greet you, as their sole surviving representative and send my congratulations and best wishes on the occasion of your 111th birthday.

The scars of the unfortunate fratricidal war in which you were engaged have finally healed and this year I am joining with Senators from the North and the South in sponsoring a Senate resolution to set up a national commission to plan an appropriate observance of the 100th anniversary of the War Between the States. The primary purpose of this observance will be to recognize the courage and sincerity which animated both sides—one believing that the Union must be preserved at any cost and the other convinced that preservation of constitutional liberty required acceptance of the principle of States rights.

We can say today, as Webster said at Bunker Hill: "Let us thank God that we live in an age when something has influence besides the bayonet and when the sternest authority does not venture to encounter the scorching power of public reproach." But it is incumbent on all of us to see that the power of public reproach is interposed whenever abuse of authority is attempted and at no time since the war of 1861–65 have the Southern States faced as great a threat as they do today from forces which would ignore the rights of States and of localities and force on us a way of life alien to the tradition established by the settlers at Jamestown.

I hope that the occasion of your birthday celebration will be widely noticed and that in the flood of memories it will recall, there will be thoughts of the selfless dedication to duty which characterized Robert E. Lee and of the valor which made "Stonewall" a part of the Thomas J. Jackson's name. I hope also that it will help to inspire in our State a willingness to meet our current problems in a way that will cause others to say as General Bee said when he saw Jackson's stand at the First Battle of Manassas: "Rally behind the Virginians!"

With kindest regards, I am,

Sincerely yours,

A. WILLIS ROBERTSON.

JAMESTOWN DAY ADDRESS BY VICE PRESIDENT NIXON

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a very inspiring address delivered by the Vice President of the United States on Jamestown Day at Jamestown, Va., May 13, 1957.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF THE VICE PRESIDENT OF THE UNITED STATES ON JAMESTOWN DAY, JAMESTOWN FESTIVAL PARK, VA., MAY 13, 1957

In the life of every nation there are events that should be recorded, remembered, and celebrated as part of the nation's heritage. We gather here today to observe such an occasion.

Some historians call the settlement of Virginia the beginning of the United States of America. Another has termed it the beginning of the modern world—and certainly we must agree that the settlement which got its foothold at Jamestown opened up a new era in man's mastery of the physical universe.

But I believe the events which took place here 350 years ago mean more to us today than these historians have claimed. For Jamestown was the beginning of a new type of society which was ultimately to revolutionize the life of the average man in both the Old World and the New, and to point a promise of universal enlightenment and well-being undreamed of by Capt. John Smith and his brave band.

Why is America a great Nation today? What is the key to the progress which in 350 years saw this tiny colony grow into the most powerful Nation in the world?

Some will say our resources have been responsible for our growth, and it is true that we have been richly blessed in this land of ours. But other peoples with access to great natural resources have not progressed as we have.

Others may contend that our progress is due to the greatness of our people. But who are the people of America? They came from all continents, all races, all religions to these shores and prospered in the climate of freedom they found here.

America is a great nation today because from the time of our foundation we have recognized the individual dignity of men and women and have encouraged each to make his own contribution to the Nation's progress. And we shall continue to progress to the extent that we remain true to the principle that the primary source of a nation's wealth comes from individual rather than government enterprise.

This is Jamestown's promise and its challenge. This is what succeeding generations of Virginians—Nathaniel Bacon, Patrick Henry, Washington, Jefferson, Madison, Mason, Marshall, and countless others—saw with increasing clarity and helped to lead their countrymen toward, to Virginia's undying glory. This is what Lincoln meant when he called the young Republic "the last, best hope of earth" and pinned his confidence for the future to an America with growing opportunity for all.

Standing here today, with the replicas of the first colonists' three ships facing us across this beautiful Festival Park, we can realize as never before how greatly the sense of man's individual worth has increased in the 350 years since the new American society began at Jamestown. The dark holds of those three ships, unlighted and unventilated, tell all too clearly how little life held for the average man in 1607. The fact that so many men were willing to brave the hazards of the Atlantic on ships so perilously small, reveals how desperately they longed for that opportunity, that dignity that America was to give them and their children.

Beneath this very earth on which we stand are buried countless numbers of those who came to Jamestown, lured by those dreams. Tragic and terrible as war is, I venture to say that no battle in which our Nation has fought has taken so heavy a toll of the participants as died on the Jamestown beachhead in the years 1607 to 1610.

And yet, despite loss at sea, famine, disease, and terrible loneliness, they continued to come, both young men and old, laborers and poets, noblemen and ne'er-do-wells, all lured by the vague consciousness that in the uncharted miles of this great, sprawling continent lay not only the certainty of wealth but also the hopes of a new society which promised to them and their descendants a life richer in both spiritual and material values than they had ever known before.

As the Reverend John Donne, dean of St. Paul's Church in London and chaplain to the London company which settled Jamestown, said in his annual sermon to that company in 1622, "you have made this island, which is but the suburb of the Old World, a bridge and gallery to the New; to join all to that world that should never grow old, the Kingdom of Heaven."

This American dream has changed the thinking of people all over the world, and today countless millions of people share the hope of a peaceloving world in which order is counterbalanced by freedom and strength by justice.

And in support of these objectives we are proud of the friendship and alliance we have had with Great Britain. As should be expected in the relations of independent nations, we have not always agreed on the policies we should adopt. But the differences which might have tended to drive us apart have been infinitely less significant than the common heritage and the great principles which bind us together.

Looking back over the course of the association between our two nations, I think we both have cause for gratitude that in the great crises which have faced mankind Great Britain and the United States have stood together.

Today Great Britain and the United States stand—as they have often stood before—side by side with the other free peoples of the world. But never in our respective histories have we faced so great a threat to those ideals embodied in what I have called the American dream as we face today. And in this contest we may expect the masters of the Kremlin to use every resource of power, persuasion, and deception to turn the other peoples of the world against America and the West.

The challenge to us, therefore, is to exemplify to the world the opportunity for all nations which pursue the goals of freedom and opportunity which Jamestown's pioneers sought—to show the hard-pressed peoples of Europe, Asia, and Africa that they, too, may realize the benefits which Americans today enjoy if they will share the faith which motivated the settlers of Jamestown.

This is America's true destiny. In the words of a great Virginian, Woodrow Wilson, "A patriotic American is never so proud of the great flag under which he lives as when it comes to mean to other people as well as to himself the symbol of hope and liberty."

The best way for us to preach that faith is to practice it. And so it seems to me that the truest honor which we can pay those pioneers of 350 years ago is to preserve and expand in our American life the goals of freedom and opportunity which brought them here. Let us never become so preoccupied with real or imaginary dangers that we destroy the freedom of the individual. And let us never become so prosperous or self-satisfied that we fail to insure the continued freedom of individual opportunity which has brought us material wealth. With such a heritage, and God's blessing, the lamp which was lighted at Jamestown will never fail.

TRAGEDY AT LAMPASAS, TEX.

Mr. JOHNSON of Texas. Mr. President, I have been in touch by telephone with people in Lampasas, Tex., where on Monday a 7-inch rain resulted in a flash flood when a levee gave way and the waters of two creeks converged, sending a wall of water through the town.

At least 5 people were drowned. Others are missing. The business district of Lampasas, which has a population of more than 7,000, was virtually wiped out. Some 40 homes were destroyed, 50 or 60 more were severely damaged, and another 200 damaged to some extent. Prporety damage is estimated at between $3 million and $5 million.

This is an area that until very recently was in the grip of the most disastrous drought in history.

The Lampasas tragedy is a graphic example of what happens at times in a land of extremes in weather. In Texas, drought and flood too often follow one another in a distressing pattern of waste and loss.

Mr. President, that is why I have stood up again and again in this Chamber to plead the case for water conservation and flood protection.

That is why I have spoken out repeatedly—as I shall continue to speak out—in favor of building dams, big dams and small dams, on the rivers and creeks of our country.

Disaster came to Lampasas, Texas, because a levee broke on Sulphur Creek. If a watershed project on Sulphur Draw—a project approved by State agencies—had been completed, I am told that a good part of the damage would have been averted.

That is a case in point. What happened in Lampasas provides convincing evidence that we must go ahead with the development of the small flood prevention watershed developments as well as large flood control dams.

It is a program in which our Federal Government, working in cooperation with State and local governmental units, has a proper place and a definite responsibility..

I want that place to be filled. I want that responsibility to be met.

SUPPORT OF THE PRESIDENT'S BUDGET

Mr. WILEY. Mr. President, I ask unanimous consent that I may be permitted to exceed the 3-minute limitation on statements during the morning hour.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Without objection, it is so ordered.

Mr. WILEY. Mr. President, last night President Eisenhower delivered what was, in my judgment, a most careful, most reasoned, and most convincing statement on behalf of the budget, which he has submitted to the Congress.

The President, in my judgment, was exactly right in pointing out very factually that a deep slash in the budget might mean a "fearful gamble" with the safety of the Nation.

I, for one, do not propose to take such a gamble. I do not propose, in the name of so-called economy, to risk the defenses of 170 million people in this age of great danger from atomic and nuclear attack. We had better look into the meaning of economy in this shrunken world.

The President pointed out that "no great reductions in the budget are possible unless Congress eliminates or curtails existing Federal programs, or all of us demand less service from the Government, or unless we are willing to gamble with the defense of our country. There is no cutrate price for security."

I should like to ask, Mr. President, exactly what programs we intend to eliminate in order to save money in the Federal budget?

On several occasions within recent weeks on the floor of the Senate I have stated that I am personally willing and eager to cut out any waste in the budget.

But I am not willing and not eager to destroy some existing Federal program which has proven its usefulness, or to eliminate from consideration some proposed program which is, in my judgment, essential.,

The President rightly reaffirmed the case for the emergency program for school construction.

Of course, if Congress chooses to eliminate the 4-year school program at $325 million each year, then presumably it can boast that it has saved $325 million a year. That is buncombe.

It is not a real saving.

When we crowd 50 children into a classroom which they can use only 4 hours a day, so that another shift can then take over, when this classroom is badly lit, badly heated, has no adequate plumbing facilities, and is a potential firetrap, is this the sort of saving we can be proud of? Is this really adding to the safety of the Nation? Does it constitut saving?

I say that the answer is no.

Of course, looking at the budget as a whole, in so enormous a document, 1,200 pages long, involving $72 billion, there is no human being alive who can say that every last nickel of every last dollar of expenditure is wise and prudent.

But, as the President has said, it is the smallest budget in years in relation to the national income. In business that is what counts. The important relationship is that of income to expenditures. But because there are in this country so many people who I think have blind spots, and who have not sensed the danger to America, they are ready to go long with the "cutters" and say, "You are right. Let us cut."

Mr. President, gambling with American security is bad business.

The Appropriations Committee has a real job, but I do not see how we can assume that we can cut one, two, three, four, or five billion dollars arbitrarily from the budget without harming some essential program.

Let us not be "penny wise and pound foolish" because of pressures. We are a growing dynamic people—170 million of us. Let us not judge the needs of today by the needs of yesterday.

Let us not be blind and complacent as we were before Pearl Harbor. The world has shrunken a lot since then. We had 2 years to get ready after Pearl Harbor, now we won't have more than 2 hours. We have to be alert and on guard and adequate to meet any challenge.

Let nothing—not even 1958—interfere with our fulfilling our obligations to our country.

We must not lose our vision. People with blind spots must not determ'ne our actions.

There are items that can be cut, but cuts must be justified by sober facts: Are we effecting a real saving, or are we piling up a financial load for tomorrow?

I suggest, therefore, that we go slow.

I suggest that if we do make arbitrary slashes, we will probably find that we will simply have to pass supplemental appropriations bills later on, to make up the deficiency of funds which we should have granted in the first place.

I am delighted that the President went to the Nation with his case for enactment of his budget.

I look forward to his second address which, I am sure, will be an equally strong and helpful statement.

THE PRESIDENT'S APPEAL TO THE PEOPLE ON THE BUDGET

Mr. BYRD. Mr. President, an appeal by a President to the people over the head of Congress, asking for support of his superluxury budget, such as the President's speech last night, has rarely, if ever, occurred in history.

There are three groups involved in Federal spending:

First. Citizens who pay taxes necessary to meet Federal expenditures.

Second. Congress, which appropriates the funds.

Third. Executive branch, which spends the money.

It is obvious that the first two groups are in favor of substantially reducing the pending luxury budget.

Last night I listened carefully for justification of the Eisenhower budget, totaling $72 billion in expenditures, exclusive of road funds, in contrast with the $64 billion Eisenhower budget of 2 years ago, when the President said he expected in the following year to reduce expenditures to about $60 billion.

What basic conditions have changed, either at home or abroad, to require an expenditure of approximately $8 billion more now than 2 years ago? This is what the people wanted to know.

The President significantly failed, in my judgment, to show new conditions necessitating such an increase. By far, the major part of this increase has been in domestic-civilian expenditures and not in military.

A stabilized dollar followed budget reductions by President Eisenhower during his first 2 years in office. In the previous years the dollar had lost 48 percent of its value. The reduced budget also allowed tax reductions of more than $7 billion.

To yield to the demand of the President and make appropriations in conformity with the pending budget would feed the fires of the new inflation, which in the past year has already lost 4 percent more of the purchasing value of the 1940 dollar. The cost of living has gone up for 8 consecutive months. To adopt the President's budget will close the door for an indefinite period to tax reduction.

As chairman of the Senate Finance Committee, I say without reservation that we cannot continue our free-enterprise system if present oppressive taxes are continued indefinitely.

If the pending budget is adopted, I confidently predict that it will be the lowest expenditure budget for many years to come. It provides for many new spending programs and increases the expenditures in practically every category of Federal activity.

We are now at the crossroads of fiscal solvency. The President's budget will mean another era of spend and spend and tax and tax until our democracy, based upon a solvent government, is seriously impaired. The President's advocacy of new spending in the Federal construction of public schools was especially fallacious. He said this expenditure would last for only 4 years. Yet, in all our experience with Federal grants to States, such aid has grown and grown. Federal construction of public schools would open up a vast area of new Federal spending.

In 1932 Federal grants to States totaled $250 million. Public roads was the only grant program of any consequence.

If the President's budget is adopted, we will spend $5.3 billion in Federal grants, including roads, and the number of Federal grant programs will be increased from 53 to 67.

I have faith enough in democracy to believe that the will of the people will prevail, and that the President's budget will be substantially reduced.

Mr. JAVITS. Mr. President, the President of the United States is fighting for his budget in the interests of United States security. He perceives that the meat-ax cutting is directed at its vitals—foreign aid, defense, and essential domestic measures such as emergency Federail aid for school construction. Much has been made of statements by the President and his aids that some reductions are possible. Certainly, honest men will admit that a budget can be trimmed here and there, certainly one prepared necessarily 18 months in advance. I and many others have stated heretofore that budget reductions in the two to three billion dollar range are possible, and the President himself has suggested $1,800,000,000.

It is in the nature of the President not to take stubborn and uncompromising attitudes. But in the interests of our people, he has now drawn the line against meat-ax cuts, and I consider it a duty to the American people to stand with him on his essential objectives in the fight.

Mr. COOPER. Mr. President, last evening the President spoke to the people of the United States in support of the budget which he submitted to the Congress in January. More precisely, it was a speech explaining the policies of the administration, both domestic and foreign, and the hard facts upon which the budget is based.

The debate over the budget has proceeded for several weeks. The importance of the budget cannot be minimized, because it is concerned with the security, the fiscal stability and the very progress of the country. Yet, it seems to me that the question of the national policies of our country, which the budget expresses, and the consideration of the amounts which ought to be appropriated for their success, suffer in this Congress because of the political struggle between the Democratic and Republican Parties, and the divisions within the Republican Party itself.

Day after day, the leadership of the Democratic Party has called attention to what it terms "inconsistencies" in the statements and positions of members of the administration regarding the budget, and "inconsistencies" between the administration and its leadership in Congress. As a political party, it would be surprising if it took any other course; and yet it ought to be kept firmly in mind that this attack does not constitute a position on the budget by the Democratic Party itself.

Despite the clamor, I can find no position, common to the Democratic Party as a whole, that it proposes so to support the budget as to maintain its purposes—defense, foreign aid, and its domestic programs, many of which the Democratic Party itself initiated—or on the other hand, to cut the budget so deeply that these programs may fail. They may argue that the budget expresses the program of the Republican Party, but the Democratic Party controls the Congress, and it, too, has its responsibility.

But speaking as a Republican, I must say that I believe the first responsibility for the President's program and budget is with our party. In essence, the Democratic position is to suggest that there is no leadership, or that there is a division of leadership in our party; that we do not hold firm views about the great issues of defense and of security; and that we really have no progressive program for the people of our country. And, reluctantly, I must say that the divisions in our party during the past few months give some opportunity for this complaint, even if it is not justified in substance.

There is no question in either party or in the country that it is always possible to cut some expenditures, and to postpone other expenditures. The President himself has recognized this fact, and last evening stated again this duty. Congress has the constitutional right, as well as the practical duty, to search the budget for economies.

But the issue is whether the cuts that are made will go to the very heart of national security and the needs of the country.

I respect, I think, as much as does any other Member of the Senate the distinguished senior Senator from Virginia [Mr. BYRD]. A few minutes ago he asked the question, What agency has taken steps to do anything which will make some of these expenditures unnecessary?

Speaking as one Senator, I believe the security position of the United States is no less dangerous than it was a year ago. The events of the past 6 months in the Middle East, and even 2 weeks ago in Jordan, demonstrate the continued danger. And just now the Soviet Union is engaging in one of the greatest propaganda campaigns in its history, to frighten our allies, and neutral countries throughout the world, in an effort to lure them away from a joint effort to maintain world security and freedom. It must never be forgotten that if the United States fails to maintain its defenses and to provide some assistance, both military and economic, to allies and independent countries, the effort and hope for security and peace will steadily diminish. All of this the President made very clear last evening.

This battle, therefore, is also one for determination by the Republican Party. The President's program is essentially moderate. We are all agreed that some economies can be effected, but if our party is to give the leadership which has been entrusted to it, I believe that there must be a great deal of soul searching both in the administration and in the Congress.

I suggest, first, that the members of the Cabinet and those in policymaking positions in the executive branch support the programs and policies of the President when they have been determined. Second, I hope that in Congress, our leaders and Members, in conscience and deep belief, will lead us as a party to support the policies upon which the party was elected, which the President stated so well last evening, and which are essential to the safety and growth of our country. I believe this is no surrender of independence, but an assertion of reponsibility for the good of our country.

Mr. CARLSON. Mr. President, I think the President's statement on the budget makes good commonsense. He has already recommended a cut of some $2 billion. He wants every possible economy, and so do I, up to the point of not slowing down our great domestic growth or endangering our position for worldwide peace.

The President explained to the American people that we have tremendous responsibilities, and I believe that we can afford to meet them.

Once, under our leadership, world tensions subside, defense and military expenditures can be cut. Then, and only then can we obtain any substantial relief. I hope we will make our economy cuts wisely and not indulge in cutting appropriations just for the sake of cutting.

I expect to support the President's position.

Mr. CASE of New Jersey. Mr. President, no one who heard the President last night can doubt his deep convictions about the need to maintain a strong defense posture in these tense times. His compelling and straightforward stand on the defense aspects of his budget leaves the issue squarely up to the Congress. The President speaks with unique knowledge and experience in this field.

Mr. President, I am not happy about the size of the budget. I want very much to see it reduced. But I cannot subscribe to a meat-ax approach, to a frenzied search for cuts seemingly at any cost.

I am sure most of us were alarmed to learn of reports of deep cuts in the defense appropriations bill still under consideration by a House subcommittee. I do not know whether these reports of drastic reductions in missile programs, for example, are thoroughly founded in fact, but they surely must have been in the President's mind when he told the American people it is not yet possible to put down our burdens in the defense of the free world.

Nor, Mr. President, do I feel that the Department of Defense is beyond the pale of economy, or that the mutual aid program—bound up, as the President made plain, with free world security—cannot be strengthened and waste eliminated.

I am concerned by seeming duplication and waste of resources as among the three branches of the Armed Services and with the need for greater unity in defense policy. Indeed, I believe the time is ripe for a thoroughgoing appraisal of our whole defense establishment, its objectives, its structure, and its relation to our broader aims and policies in the international field.

But, first Congress must make the improvements; then it can cut the defense budget accordingly, not the other way around. It is simply not possible to toy with the security of the Nation in this budget because we are caught up in an economy mood which is beginning to sweep away reason as well as dollars.

The President has put the record straight. Sixty percent of the budget is related to defense. Most of the rest of it involves expenditures required by congressional action.

Through their elected representatives, the people had made known their wishes with respect to their social needs, and I believe they expect us to stick by these basic decisions.

It is singular indeed, Mr. President, that today the leadership has evidently decided to try to maintain the deep cuts made in the United States Information Agency programs. To the average person this must seem like a personal slap at the President, coming on the heels, as it does, of his speech to the people. If this is to be the spirit of the day, and illogical action is to be the order, I, for one, am happy to cast my vote with the President and what he stood for in his appeal last night.

Mr. ALLOT. Mr. President, I, for one, certainly hope that the President's commonsense approach to the budget will be given serious consideration at this session of Congress.

I am sure that all my colleagues have received many hundreds of letters regarding the budget. In my own case, I have received a few very harsh letters from persons who, I am sure, desire to have what has been called the "meat-ax approach" followed, with respect to the budget. Most of the letters contain statements to the effect that, "Senator, we sure wish and hope you can do it, but I am glad I am not in your shoes and do not have to do the job that you have to do."

Mr. President, certainly many appropriation items can be reduced. It is my hope that it will be possible to reduce the budget by $3 billion.

In connection with this matter, it has been stated that the Congress has been given a mandate to cut the budget. It is true that there has been an honest showing of that opinion on the part of the American people, who at all levels are squeezed by taxes. But, Mr. President, be it a mandate or not, every public official who is elected, including each one of the Members of the Senate, has also been given by his constituents a mandate to use commonsense.

President Eisenhower's address to the Nation was certainly forthright and full of commonsense and logical conclusions. More than that, his address served to bring the mind of the people of the Nation into focus on this very important matter.

In the work of our committees and in the proceedings on the floor of the Senate and on the floor of the House of Representatives, the Members of Congress will do well to appreciate what the President has called the essential national interest, and to predicate their action upon it. In times like the present, it is essential that the national interest dictate the action taken by the Members of Congress.

One of the things the President said in his address of last evening, and one of the things which particularly impressed me, was the following:

> Our Armed Forces became so starved and depleted that in 1950 we had to withdraw our military strength from South Korea. That area was then declared to be outside our defense perimeter.

Mr. President, the false economy of those years was spelled out in the lives of American boys.

Many thinking Americans now are asking whether the essential national interest was what guided the decisions which the Congress made during those times. I am sure that the Members of Congress who worked on the appropriation bills during those times thought they had a mandate to cut the budget. Certainly Congress had a mandate to bring the boys home at the end of the war; and Congress heeded that mandate, even though that action almost met with catastrophic results.

Mr. President, when we forget the national interest, and give way to thoughts motivated by political considerations—in short, when we omit from our deliberations the commonsense factor—we are asking for trouble.

Finally, it may be said over and over again that what we are engaged in is a battle for men's minds. The revolt in Hungary proved that is the real purpose of our foreign information program. We have been attempting to counter a Niagara of lies with a trickle of truth, and I say the strangulation of the foreign information program is not in the national interest.

If Hungary proved anything, and if Poland proved anything, it proved that truth is on our side, and it proved that wherever men may live, there is always the desire, and there will always be the will, to be free from the shackles of the oppressor.

I hope we will use commonsense with regard to the United States Information Agency, about which we have had such startling news, in the past 24 hours, regarding cuts in its budget. We ought to bear in mind a very significant sentence in the President's talk of last night, which was, "The plain truth is that the price of peace is high." We might say also that the price of liberty is eternal vigilence.

TAX AMORTIZATION CERTIFICATES

Mr. GOLDWATER. Mr. President, at the outset of this statement, let me assure my colleagues that I am not speaking in favor of the broad, general principle of rapid tax amortization. In times of national emergency, I can see some excuse for using this device to encourage the rapid construction of needed facilities; but in my mind there has been a serious question regarding the continuance of this practice in peacetime.

Recently, the Idaho Power Co. was granted a rapid tax amortization certificate under the terms of the law.

There was nothing illegal about this, nor was there anything illegal about the procedure which produced the certificate. But from the statements of those who advocate public power one would draw the conclusion that something funny went on in connection with the certificate. I do not mean "funny-ha-ha"; I mean "funny-peculiar." These advocates of public power conveniently overlook the certificates which have been granted in the public-utility field. In order that my colleagues may better know the true picture in this field, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a list of tax amortization certificates issued up to December 31, 1956, in the Northwestern section of the United States, and also an article published in the New York Times of May 1, 1957.

There being no objection, the list and article were ordered to be printed in the RECORD, as follows:

Tax amortization certifications, Northwestern United States, showing electric power detail and statewide totals as of Dec. 31, 1956

T. A. No.	Company	Applied for	Amount granted	Amount certified—percentage applied	Date granted	Percentage allowed
	Washington:					
30382	Pacific Power & Light Co.	$63,726,000	$63,426,000	$41,227,000	Dec. 8, 1955	65
31070	do	5,071,000	5,071,000	3,296,000	Apr. 9, 1956	65
[1] 13860	Washington Water Power Co.	155,000	143,000	50,000	Apr. 2, 1952	35
	Total power	68,952,000	68,640,000	44,573,000		
	State all industry total [2]	519,030,000	504,457,000	312,053,000		
	Washington project in "United States at large" classification	155,000	143,000	50,000		
	Total	519,185,000	504,600,000	313,103,000		
	Oregon:					
[1] 2617	Pacific Power & Light Co.	26,450,000	26,170,000	19,628,000	June 9, 1951	75
[1] 1766	Portland General Electric Co.	22,320,000	22,200,000	14,469,000	Jan. 14, 1952	65
12913	do	2,750,000	2,750,000	1,375,000	Dec. 7, 1951	50
[1] 24713	do	4,800,000	4,294,000	2,791,000	Apr. 2, 1953	65
30294	do	4,250,000	4,250,000	2,762,000	Dec. 15, 1955	65
30295	do	13,300,000	13,300,000	8,645,000	Dec. 6, 1955	65
[1] 18125	do	37,820,000	36,873,000	23,968,000	May 14, 1952	65
31080	California-Oregon Power Co.	13,903,000	13,871,000	9,016,000	Feb. 29, 1956	65
	do					
	Total power	125,593,000	123,768,000	82,654,000		
	State all industry total [2]	184,094,000	180,207,000	124,988,000		
	Oregon projects in "United States at large" classification [3]	91,930,000	89,597,000	60,856,000		
	Total	276,024,000	269,804,000	185,794,000		
	Montana:					
[1] 5180	Montana Power Co.	5,445,000	5,410,000	1,353,000	July 3, 1951	25
25942	do	607,000	607,000	182,000	Aug. 13, 1953	30
31030	do	15,000,000	15,000,000	9,750,000	Mar. 29, 1956	65
30384	Pacific Power & Light Co.	1,540,000	1,540,000	1,001,000	Dec. 15, 1955	65
	Total power	22,592,000	22,557,000	12,286,000		
	State all industry total [2]	140,483,000	136,016,000	94,036,000		
	Montana projects in "United States at large" classification	5,445,000	5,410,000	1,353,000		
	Total	145,928,000	141,426,000	95,389,000		
	Idaho:					
[1] 5629	Utah Power & Light Co.	566,000	283,000	99,000	Mar. 14, 1952	35
[1] 5630	do	130,000	130,000	45,000	Mar. 18, 1952	35
[1] 9077	Washington Water Power Co.	46,107,000	46,107,000	29,970,000	Dec. 7, 1951	65
[1] 8944	Idaho Power Co.	21,109,000	20,047,000	10,024,000	Dec. 18, 1951	50
[1] 5945	do	833,000	833,000	208,000	Mar. 18, 1952	25
[1] 5948	do	899,000	726,000	181,000	Mar. 19, 1952	25
[1] 20507	do	1,034,000	1,034,000	414,000	Apr. 24, 1953	40
	Total power	[4] 70,678,000	[4] 69,160,000	[4] 40,941,000		
	State all industry total [2]	41,488,000	40,473,000	22,170,000		
	Idaho project in "United States at large" classification [3]	[4] 70,678,000	[4] 69,160,000	[4] 40,941,000		
	Total	112,066,000	109,633,000	63,111,000		
	Utah:					
[1] 11907	Utah Power & Light Co.	171,000	171,000	68,000	Mar. 19, 1952	40
[1] 25468	do	2,283,000	2,283,000	1,826,000	Jan. 3, 1955	80
	Total power	2,454,000	2,454,000	1,894,000		
	State all industry total [2]	135,965,000	124,202,000	94,158,000		
	Utah projects in "United States at large" classification	2,454,000	2,454,000	1,894,000		
	Total	138,419,000	126,656,000	96,052,000		
	Wyoming:					
30383	Pacific Power & Light Co.	22,950,000	22,950,000	14,918,000	Dec. 15, 1955	65
	State all industry total [2]	67,559,000	66,092,000	39,660,000		
	Wyoming projects in "United States at large" classification					
	Total Northwestern States	1,259,181,000	1,228,211,000	793,109,000		

[1] Indicates certificate grouped with "United States at large" in ODM public reference tabulation. State location determined by information contained in ODM (DPA) press releases.

[2] ODM tabulation by States.

[3] Does not include certificates issued Apr. 17, 1957, on Oxbow and Brownlee projects.

[From the New York Times of May 1, 1957]

ODM DEFENDED ON AID TO TWO DAMS—AGENCY HEAD SAYS FAIRNESS REQUIRED HELLS CANYON TAX WRITEOFFS FOR UTILITY

WASHINGTON, April 30.—Gordon Gray, Director of the Office of Defense Mobilization, defended today his award of special tax incentives to the Idaho Power Co. for the construction of two power dams on the Snake River in Idaho. Several Congressional Democrats have assailed the award.

Mr. Gray said at a news conference that the two dams, at Brownlee and Oxbow, met the standards for such benefits and fairness required the award.

The dams figured in the Hells Canyon controversy over public or private development of the river's power potential. The Federal Power Commission authorized Idaho Power to build three dams.

In the award last week to Idaho Power the ODM authorized it to write off part of the $103 million cost of two of the dams against its earnings in 5 years. Writeoff periods usually are 20 years or more. The company sought no benefits for the third dam.

BACKGROUND PROPOSAL

In the background is a bill in Congress that would authorize the Government to build in Hells Canyon a high dam that would flood the Idaho Power dams. The Senate Interior Committee approved the bill today, as it had in earlier years, but the proposal has never gone much further.

The ODM has approved fast writeoffs on about half the cost of 913 power projects. The cost of these projects is estimated at more than $6,650,000,000.

The effect of the Idaho Power award is to permit the postponing of about $31 million of taxes in the first 5 years the dams are in operation. The writeoffs amount to an interest-free loan, which the company will repay in the form of higher taxes in subsequent years.

Mr. Gray said that the two dams covered by last week's award were among 33 power projects approved for rapid tax writeoffs (amortization) after the ODM had stopped accepting applications almost 15 months ago. All the applications approved were filed before the deadline, he added.

The last approval before that for the Idaho Power dams, he said, was for a $21,500,000 project of the Virginia Electric Power Co.

Mr. Gray was asked whether there had been any objection to the Idaho Power award by Senator HARRY F. BYRD, Virginia Democrat, a critic of the project. Mr. Gray replied that he knew of nothing to indicate that the Senator objected.

ROBERTSON PROPOSAL CITED

Part of the criticism of the ODM action on the Idaho Power dams is based on the proposal of Senator A. WILLIS ROBERTSON, Democrat, of Virginia that a study of the writeoff applications be made by the Joint Committee on Defense Production, of which he is chairman. Mr. Gray said that he had been unable to find any commitment by the ODM to delay action.

Mr. Gray declared that he acted on his own responsibility in the Idaho Power case, without any instruction from the White House. He has indicated that the ODM writeoff certification might have come much earlier had it not been for suit challenging the project. He said today that the legal problems were cleared away early this month when the Supreme Court refused to hear an appeal of the challenge.

In justification of the two dams in the defense mobilization program, an aid of Mr. Gray noted that the power they generate is to go into a grid system serving a wide area. He stressed that there was a power shortage in the Pacific Northwest.

The Interior Department, in recommending approval of the applications, argued that the normal demand for power in the area was growing, that Idaho Power was soon to lose the power it had been buying from the Utah Power Co. and that the Atomic Energy Commission had created new demand for power in the area.

It declared that the Idaho Power project was needed by defense industries in the area.

The Senate Interior Committee also approved today construction of the $152 million Fryingpan-Arkansas reclamation project to carry water across the Rocky Mountains. The bill was substantially the same as that passed by the Senate last year, but which died in the House.

ORDER OF BUSINESS

Mr. MALONE obtained the floor.

Mr. KNOWLAND. Mr. President, will the Senator yield to me temporarily so that I may suggest the absence of a quorum?

Mr. MALONE. I shall be happy to yield for that purpose to the distinguished minority leader, the Senator from California.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KEFAUVER in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, has the morning hour been concluded?

The PRESIDING OFFICER. The morning hour has not been concluded. Is there further morning business?

Mr. MALONE. Mr. President——

Mr. JOHNSON of Texas. The Senator from Nevada will need more time than is permitted in the morning hour. If the Senator from Nevada will yield to me temporarily, I will protect his rights.

Mr. MALONE. I yield.

Mr. JOHNSON of Texas. Mr. President, again I inquire, has the morning hour been concluded?

The PRESIDING OFFICER. If there is no further morning business, the morning hour is concluded.

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Virginia momentarily.

NECESSITY FOR KEY NATIONS TO CURTAIL GOVERNMENT SPENDING

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, as a part of my remarks, extracts from a very able address made by a great and highly respected economist, Mr. Per Jacobsson, Managing Director of the International Monetary Fund, before the Economic and Social Council of the United Nations, on April 17, 1957.

In this speech Mr. Jacobsson warned of increasing acute dangers unless key nations, particularly the United States, curtailed Government spending.

He said:

A stage has now been reached where a return to monetary stability is demanded with growing insistence by the public.

After expressing uneasiness in regard to recurrent increases in the cost of living, he then said:

History has shown that those countries that have safeguarded the value of their currencies have reaped the benefit of a sustained flow of savings which has enabled them to maintain a high level of investment.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

There being no objection, the extracts were ordered to be printed in the RECORD, as follows:

I am afraid that after this examination of the more recent activities of the International Monetary Fund, there remains little time for a discussion of general monetary developments. There are, however, certain trends in the present situation to which reference should briefly be made. We may note, I think, as one of the most important achievements that notwithstanding the strain caused largely by political events, there have been no grave monetary disturbances and no very serious setback to the liberalization of trade and payments which had already been attained. In several respects continued progress has been made: A certain number of countries, including Belgium, Italy, the Netherlands, and Sweden, have extended the area of transferability of their currencies, these measures representing a further approach to multilateralism. The same may be said about the progress made in the elimination of discriminatory currency arrangements in bilateral agreements.

Inherent strength has thus been revealed, but there is, even so, a distinct feeling of uneasiness in many countries reflecting the concern felt with regard to recurrent increases in the cost of living. In the United States, consumer prices rose in 1956 by 3 percent; in the United Kingdom by 4 percent; and in certain other countries at an even higher rate. Such increases may appear moderate as measured by wartime experiences but they cannot be regarded as negligible when they occur in peacetime.

As we all only too well remember, the rise in prices during the war was due to the great pressure of heavy budget deficits which were met by an excessive credit expansion. At present, the situation is, of course, very different; financial order has been restored in a great number of countries. But it cannot be overlooked that several governments still turn in a dangerous degree to the banking system for the cover of part of their expenditure and, even when the budget is fully balanced, the overall level may be so high that under the conditions of the present boom, a downward adjustment would not be out of place—a question to which I will return in a moment.

Another cause of inflation has often been a sharp increase in inventories financed by the banking system as happened for instance after the outbreak of the Korean conflict. That has not conspicuously been the case in recent years in which the commodity stocks of merchants and industrialists have generally risen no more than motivated by the increase in the general business activity.

Neither has there been, in the majority of countries, any inordinate increase in consumption, for the truth is that savings have generally kept up quite well. In some countries the share paid out to consumers either as wages or via the budget has, it is true, been allowed to increase out of proportion to any improvement in productivity with marked effect on prices and, in several cases, on the balance of payments.

But even taking into account such distortions, the distinguishing mark of the present economic upsurge has generally been the pronounced increase of private business investments, the financing of which has had its monetary repercussions. A record figure for private business investments was attained in the United States in 1956, and data recently collected by the Department of Commerce and the Securities and Exchange Commission indicate that for 1957 the planned private business investment in plant and equipment amount to an even higher figure. For Western Europe, estimates by the OEEC show a similar trend as does the material available for quite a number of countries on other continents. This is a very interesting development for it runs exactly contrary to many dire forecasts during the great depression when we were told that one could not, in the future, count on sufficient outlets in the form of fresh investment possibilities for the relatively ample savings in the already industrialized countries.

When we ask what may be the cause of the change which has taken place, we have in the first place to remember the role played by new inventions as a dynamic factor—a matter to which reference was made already before 1914 by such great economists as Knut Wicksell and Joseph Schumpeter. As we all know there has been a surprising spate of new inventions over the last 20 years. We also have to remember that with an increased standard of living and a growing population, more roads and schools, more houses, hospitals, and holiday resorts are needed, the individual items of which add up to a large total. It is also important to remember that past periods of active business investments have been characterized by a state of strong world demand for goods and services. Whatever may have been the reasons for this strong demand in the past, there can be little doubt that over recent years considerable support to world liquidity and to world demand has been produced by United States expenditure abroad (either military expenditure or aid or business investment); for this expenditure has helped to make dollar earnings available through trade to a great number of countries in addition to those which were the original recipients of the expenditure. Even the United States has profited from this state of affairs, because in the recession of 1953–54 it was found that the level of United States exports kept up remarkably well; this would hardly have been possible had there not been this high volume of world demand. In these conditions of intense world demand, in contrast to the experience in the depression of the 1930's, it has generally been sufficient for countries to restrain their domestic demand in order to secure an increase in their exports.

The general conditions for increased business investments have indeed been favorable, and the fact that the increase actually occurred may be taken as a sign of the existence in most countries of vigorous economies in which jobs are easy to find, and the goods produced are taken off the market by a sufficiently strong consumer demand.

If to this high level of private business investment are added the outlays under development schemes inaugurated by a number of governments, a record level of investment is reached. Satisfactory as this may be from many points of view, the fact has to be faced that in country after country the requirements for financing have tended to outrun the flow of current savings. In such a situation, the ordinary means of investment financing (through the ploughing back of profits, market issues, etc.) will prove insufficient and private firms and governments alike will be tempted to turn to the commercial banks for increased credits, short- as well as long-term.

We know, however, that when commercial banks exceed certain limits in their credit expansion, there is a risk that too much money will suddenly be put into circulation and a volume of demand be generated which, since it cannot physically be met by an increased supply of goods and services, can only lead to higher prices. For a time, wages may lag behind prices with the result that a certain amount of "forced savings" will be produced, but once people wake up to the hurts thus inflicted upon them, they will not only demand increased wages but also hasten to buy whatever they can, with the result that even the normal flow of savings will be diminished. When such a state is reached, the governments have no choice but to alter their policies and adopt effective stabilization programs. This has been the course of events in more than one country in these postwar years; and if we look further back, we find that those countries which have safeguarded the value of their currencies have reaped the benefit of a sustained flow of savings which has enabled them to maintain a high level of investment. Credit creation can never be a reliable substitute for savings. It is only on the basis of genuine savings that extensive development plans can be successfully carried out.

Once a check has to be put on an excessive credit expansion, it becomes natural to employ in the first place flexible credit policies (higher interest rates, open market operations, etc.). After the Second World War it was really only during the Korean crisis that the usefulness of flexible credit policies was rediscovered; but these policies are today generally accepted and applied under the most varied conditions all over the world.

One difficulty is, however, that the public sector, representing a greater percentage of the economic life than it ever did before in peacetime, is not influenced in the same way as the private sector by the ordinary means of credit policy and that is the reason why these means alone are no longer capable of insuring a sufficient balance in the economy. For such a balance to be attained there must be a certain flexibility in the public sector as well.

Returning once again to the experiences of the 1930's, it is interesting to recall that it was in relation to those experiences that the theory of compensatory budgets was evolved. According to this theory Government expenditure on current and capital account ought to be increased in periods of a small volume of private business investment while contrariwise, Government expenditures should be curtailed when private business investment has risen and remains on a high level. It now seems as if the authorities were quite ready to accept and apply the first part of this theory—the increased spending in times of depression—but that they show great hesitation and unwillingness to carry out the necessary retrenchment in a period of boom. There are, however, some countries which recently have taken steps to cut down effectively the volume of their Government expenditure in addition to such credit measures as they had introduced; among them I would especially mention Belgium, the Netherlands, Great Britain, and, as far as investment expenditure is concerned, Austria. Austria, indeed, was the first to do so after having run up a substantial deficit in its balance of payments in 1955, and it has been interesting to witness that already in 1956 its balance of payments difficulties were overcome. Under the influence of the examples set by these countries it is not excluded that a new fashion, involving a curtailment of Government expenditure will gain ground instead of the practice of evermounting budgets followed in most countries during these postwar years. For such a fashion to be firmly established it is probably necessary, however, that some extra European countries—and particularly the United States—should partake in the movement.

When a considerable part of Government expenditure is not covered by current revenue, the danger of an inflationary effect becomes, of course, increasingly acute and, in such cases, steps to put the finances in order are all the more urgent. For anyone who has had the occasion to examine the internal position of a number of countries in various parts of the world, it is difficult to avoid the conclusion that if only the budget deficit could be brought down to manageable proportions, the greatest obstacle to monetary order would have been eliminated.

While there can be little doubt as to what must be regarded as the proper policy for a country to follow in order to establish monetary balance, it has, of course, to be admitted that curtailment of expenditure programs on current as well as capital account requires much political courage and determination. But in many instances, the authorities may have little choice if they really want to establish a satisfactory balance internally and externally. As far as foreign funds are needed to pay for imports of machinery and other goods, it is today an important fact that because of increased domestic investments, practically no European country has at the moment any surplus funds available for new foreign loans. Even in Switzerland with its ample flow of savings, the amounts becoming available on the capital markets seem at present to be invested altogether within the country, with the result that in the second half of 1956, there was no foreign loans issued on the Swiss market. In this respect the change has been as sudden as it was unexpected. Nobody can be blamed for not having foreseen the abrupt change which occurred but the responsible authorities in a great number of countries are naturally faced with the task of having to adjust their own investment policies to the altered conditions, especially in the field of foreign financing.

It would be a brave man who would try to foretell how long the present active investment boom will last. There are reports of a weakening of demand in particular sectors but the volume of aggregate investments seems to be holding up well with the result that for the general run of countries, resistance against inflationary tendencies remains a primary task. Therefore, measures which are often unpopular will still have to be imposed. In those countries, in Europe and elsewhere, where the currencies have once or twice in one generation suffered almost complete destruction, public opinion has for long been ready to react against inflation and when that was the case, it was not difficult to decide upon and apply even very harsh remedies. But, strange as it may seem, it is only recently that, for instance, in the Anglo-Saxon and the Scandinavian countries the general public has lost its fear of a postwar depression and has begun really to worry about inflation. Now, fortunately, people are almost everywhere tired of inflation—and this should make it easier for the authorities to take without fear or hesitation, the necessary measures whether these are popular or not. At the time of a great war, the reappearance of a rise in prices is almost taken for granted, but once peace is restored and the supply of goods and services, even per head of population, exceeds prewar levels, the public becomes less forbearing and is not likely to forgive those in power, if it continues to be harassed by an inflationary rise in prices.

In this connection it is important to realize that neither in the United States nor in Great Britain did the money volume, defined as notes in circulation plus demand deposits, rise in 1956 by more than 1 percent. As is usual in periods of boom, the existing stock of money was more effectively utilized in that previously dormant deposits became activated and cash changed hands more quickly; for the time being such an increase in velocity may be said to have effects similar to those of an increase in the money supply. There are, however, definite limits to the extent to which an increase in velocity will take place in the case of a currency which has retained the confidence of the public and it is therefore likely that the present policies aiming at a limitation of the money supply will succeed before long in preventing any appreciable further rise in prices. It is, I think, advisable for most countries to remember that if they continue to allow their costs and prices to rise they may not be able in the future to count on an increase in the general level of world market prices, but become exposed to the risk of getting into an unbalanced position, internally and externally.

Nobody will, of course, deny that countries which proceed to carry out effective

stabilization programs, will be faced with considerable immediate difficulties. But a stage has now been reached where a return to monetary stability is demanded with growing insistence by the public. It seems to be realized in ever widening circles that without stable money neither justice nor progress can be assured. Some of the periods of the highest civilization that the world has ever known—in ancient Greece, in the Renaissance towns of Italy and generally in the 19th Century—have been characterized by a remarkable monetary stability. It seems that the human spirit cannot give of its best if it is harassed by all the uncertainties to which rapidly changing money values give rise. We must, of course, not pretend that the realization of monetary stability will solve all our problems, but, if we could attain it, it would undoubtedly help us to provide a better basis for the gradual solution of a great many problems which now occupy the minds of the general public and of the authorities, and which therefore must also concern the Economic and Social Council of the United Nations.

STATE, JUSTICE, AND JUDICIARY APPROPRIATIONS, 1958

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H. R. 6871.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 6871) making appropriations for the Departments of State, Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, with the exception of the committee amendment on line 6, page 33, and that the bill as thus amended be considered as original text for the purpose of amendment, and that points of order shall not be waived.

The PRESIDING OFFICER. Is there objection?

Mr. JAVITS. Mr. President, reserving the right to object, I understand the item referred to as excepted from the unanimous consent request relates to the United States Information Agency. Is that correct?

Mr. JOHNSON of Texas. It does.

Mr. JAVITS. I thank the Senator. I have no objection.

The PRESIDING OFFICER. Is there objection to the unanimous consent request? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

Under the heading "Title I—Department of State—Administration of Foreign Affairs", on page 1, line 10, after the word "including", to strike out "the cost of transporting to and from a place of storage and the cost of storing the furniture and household and personal effects of an employee of the Foreign Service who is assigned to a post at which he is unable to use his furniture and effects under such regulations as the Secretary may prescribe"; on page 2, line 20, after the word "exceed", to strike out "ten" and insert "twenty"; on page 3, line 20, after the word "aids", to strike out "$93,088,500" and insert "$99,088,500"; on page 4, line 2, after the word "replacement", to insert "or additional vehicle"; in line 3, after the word "exceed", to strike out "$3,000" and insert "$5,500," and, in the same line, after the word "of", where it appears the first time, to strike out "the chief of mission automobile at each diplomatic mission (except that 11 such vehicles may be purchased at not to exceed $5,000 each) and $1,500 in the case of all other such vehicles except station wagons" and insert "vehicles for the Chiefs of Missions."

On page 4, line 10, after "(22 U. S. C. 1131)", to strike out "$600,000" and insert "$800,000."

Under the subhead "International Organizations and Conferences", on page 6, line 20, after the word "chauffeurs", to strike out "$1,350,000" and insert "$1,357,500."

Under the subhead "Passamaquoddy Tidal Power Survey", on page 11, line 14, after "(5 U. S. C. 55a)", to insert "but not to exceed ten temporary employees at any one time"; in line 15, after the word "exceed", to strike out "$50" and insert "$75", and, in line 18, after the word "appropriation", to strike out "$935,000" and insert "$1,344,000."

Under the subhead "International Fisheries Commissions", on page 12, line 1, after the word "Congress", to strike out "$1,600,000" and insert "$1,654,000."

Under the subhead "Educational Exchange", on page 12, line 21, after the word "exceed", to strike out "$1,000" and insert "$5,000"; on page 13, line 1, after the word "amended", to strike out "$17,575,000" and insert "$24,000,000", and, in line 4, after the word "exceed", to strike out "$1,275,000" and insert "$1,500,000."

Under the subhead "General Provisions—Department of State", on page 14, after line 14, to insert:

"SEC. 106. The Secretary of State, under such regulations as he may prescribe, may pay the cost of transportation to and from a place of storage and the cost of storing the furniture and household and personal effects of an employee of the Foreign Service who is assigned to a post at which he is unable to use his furniture and effects."

Under the heading "Title II—Department of Justice—Legal Activities and General Administration—Salaries and Expenses, General Administration", on page 15, line 10, after the word "Assistant", to strike out "$3,250,000" and insert "$3,175,000."

Under the subhead "Salaries and Expenses, General Legal Activities", on page 15, line 18, after "(31 U. S. C. 529)", to strike out "$10,800,000" and insert "$10,650,000."

Under the subhead "Special Temporary Attorneys and Assistants", on page 17, line 1, after the word "laws", to strike out "$150,000" and insert "$300,000."

Under the subhead "Federal Bureau of Investigation—Salaries and Expenses", on page 18, line 21, after the word "certificate", to strike out "$101,450,000" and insert "$101,300,000".

Under the subhead "Immigration and Naturalization Service—Salaries and Expenses", on page 20, line 9, after the word "General", to strike out "$50,000,000" and insert "$49,500,000."

Under the subhead "Buildings and Facilities", on page 21, line 19, after the word "account", to strike out "$1,750,000" and insert "$1,000,000."

Under the subhead "General Provisions—Department of Justice," on page 24, line 2, after "(5 U. S. C. 55a)", to insert "at rates not to exceed $75 per diem for individuals."

On page 24, after line 11, to insert:

"SEC. 207. Not to exceed 5 percent of the appropriations in this title for legal activities and general administration shall be available interchangeably with the approval of the Bureau of the Budget, but no appropriation shall thereby be increased by more than 5 percent and any such transfers shall be reported promptly to the Committees on Appropriations of the Senate and House of Representatives."

Under the heading "Title III—The Judiciary—Courts of Appeals, District Courts, and Other Judicial Services", on page 29, line 5, after the word "exceed" to strike out "$10,000" and insert "$17,500."

On page 29, line 13, after the word "elsewhere," to strike out "$840,450" and insert "$915,450."

Under the heading "Title IV—United States Information Agency," on page 31, line 7, after the word "States," to insert "and their dependents"; in line 14, after the word "exceed," to strike out "$500" and insert "$3,000"; in line 9, after the word "States," to insert "and of which sum not less than $350,000 shall be available by contracts with one or more private international broadcasting licensees for the purpose of developing and broadcasting under private auspices, but under the general supervision of the United States Information Agency, radio programs to Latin America, Western Europe, Africa, as well as other areas of the free world, which programs shall be designated to cultivate friendship with the peoples of the countries in those areas, and to build improved international understanding:"; in line 19, after the word "exceed" to strike out "$50,000" and insert "$250,000"; on page 34, line 13, after the word "vehicles," to strike out "and the cost, including the exchange allowance of each such replacement, except buses and station wagons, shall not exceed $1,500" and insert a colon and "*Provided further*, That not to exceed 15 passenger carrying motor vehicles may be purchased as replacements for an equal number of truck-type vehicles for use abroad and the proceeds of the sale of such truck-type vehicles shall be available for such replacement:", and on page 35, line 10, after the word "authorized," to insert a colon and "*Provided further*, That no part of the appropriation made by this title shall be used for any overseas government information activity unless the Director of the United States Information Agency finds that such overseas Government information activity will not prevent private United States concerns from selling corresponding information services or products overseas."

Under the heading "Title V—Funds Appropriated to the President—President's Special Internatinoal Program," on page 36, line 18, after the numerals "1956," to strike out "$10,900,000" and insert "$14,390,000"; in line 19, after the word "which," to strike out "$5,000,000" and insert "$8,490,000"; in line 21, after the numerals "1958" to insert "including uniforms or allowance therefor as authorized by the act of September 1, 1954," as amended (5 U. S. C. 2131)," and in line 24, after the word "expended," to strike out the colon and "*Provided*, That not to exceed a total of $25,000 may be expended for representation."

Mr. JOHNSON of Texas. Mr. President, I wish to express my deep gratitude to my friend from Nevada for his cooperation at all times and his unfailing courtesy, and I yield the floor back to him, so he may continue his address.

Mr. MALONE. I thank my good friend from Texas.

Mr. JOHNSON of Texas. Mr. President, I desire to announce that at the conclusion of the address to be made by my friend, the Senator from Nevada [Mr. MALONE], I expect to suggest the absence of a quorum; and we desire to have a live quorum present. I make this announcement in order that attachés of the Senate may notify the Members on both sides of the aisle.

After a quorum is developed, the chairman of the subcommittee will make his statement on the appropriation bill.

FOREIGN TRADE AND THE NATIONAL ECONOMY

TEN WESTERN STATES, MAY 4, 1957

Mr. MALONE. Mr. President, on May 4, 1957, the Republican regional conference, at Salt Lake City, Utah, including the States of Arizona, California, Idaho, Montana, New Mexico, Nevada, Oregon, Utah, Washington, and Wyoming, unanimously passed a resolution urging the Congress of the United States to "allow the 1934 Trade Agreements Act to expire in June, 1958."

Mr. President, I ask unanimous permission to include in the RECORD, as a part of my remarks, the resolution passed by the Salt Lake City conference.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

FOREIGN TRADE AND THE NATIONAL ECONOMY

Whereas 34 foreign, competitive nations are sitting in Geneva, Switzerland, regulating our foreign trade through multilateral trade agreements under the auspices of the General Agreements on Tariffs and Trade; and

Whereas, this distribution of our foreign trade between such foreign competitive nations is being carried on under the 1934 Trade Agreements Act, as extended (so-called reciprocal trade); and

Whereas, under this act more than $30 billion dollars of American capital has been invested in such foreign low-wage standard of living nations to compete in American markets with American labor and investors in the textile, livestock, mining, crockery, glass, precision instrument machine tool, chemical and electro-chemical, and several hundred other fields: Therefore be it

Resolved, That the 10 State Republican regional conference, including the States of Arizona, California, Idaho, Montana, New Mexico, Nevada, Oregon, Utah, Washington, and Wyoming urge the Congress to resume its constitutional responsibility of regulating foreign trade and the national economy through the adjustment of the duties, imposts and excises (art. I, sec. 8) through its agent, the Tariff Commission, and allow the 1934 Trade Agreements Act to expire in June, 1958.

The resolution reads in part as follows:

Whereas 34 foreign, competitive nations are sitting in Geneva, Switzerland, regulating our foreign trade through multi-lateral trade agreements under the auspices of the General Agreements on Tariffs and Trade; and—

That is the famous GATT, Mr. President—some have said the word should be infamous:

Whereas this distribution of our foreign trade between such foreign competitive nations is being carried on under the 1934 Trade Agreements Act, as extended (so-called reciprocal trade); and

Mr. President, the 73d Congress passed the Trade Agreements Act in 1934 for 3 years as an emergency measure—it has continually been extended always as an emergency—and now expires in June of 1958:

Whereas under this act more than $30 billion of American capital has been invested in such foreign low-wage standard of living nations to compete in American markets with American labor and investors in the textile, livestock, mining, crockery, glass, precision instrument machine tool, chemical and electrochemical, and several hundred other fields: Therefore be it resolved

I digress to say that under the virtually free trade regulated at Geneva authorized by the 1934 Trade Agreements Act, the cheap labor of the world is directly competing with American workingmen and investors:

Resolved, That the 10-State Republican regional conference, including the States of Arizona, California, Idaho, Montana, New Mexico, Nevada, Oregon, Utah, Washington, and Wyoming, urge the Congress to resume its constitutional responsibility of regulating foreign trade and the national economy through the adjustment of the duties, imposts, and exercise (art. I, sec. 8), through its agent, the Tariff Commission, and allow the 1934 Trade Agreements Act to expire in June 1958.

THE SALT LAKE CITY CONFERENCE, 10 WESTERN STATES

Mr. President, at that conference there were several committees. One committee was the Republican Goals' Objectives Committee, of the National Republican Party. This is one of the several regional conferences held or to be held in the United States by the chairman of the National Republican Party Committee to determine the feeling of the people of the respective regions.

The chairman of this particular committee was the former Senator E. D. Crippa, of Wyoming. The vice chairman was Mrs. Bertha Weiloff, of Montana. The members were Albert K. Mitchell, New Mexico; James P. Gossett, Idaho; Emery Graunke, Nevada; William C. Sanford, Nevada; Kenneth B. Bentson, Arizona; Mrs. George B. Jex, Washington State; Mrs. Collis P. Moore, Oregon; Mrs. Emery C. Johnson, Arizona; Mrs. Kathryn K. Meloney, Wyoming; Mrs. Jane Zimmerman, California; Mrs. Ora J. Lewis, Utah; Mrs. Helen Sullivan, Montana; Thomas Brewer, California; E. Stanley Goodell, Oregon; Hersh Gay, Jr., New Mexico; Mrs. Gertrude Chamberlain, Wyoming.

Mr. TALMADGE. Mr. President, will the Senator from Nevada yield?

Mr. MALONE. I am happy to yield to my distinguished colleague from Georgia.

Mr. TALMADGE. I wish to compliment my friend, the distinguished Senator from Nevada, for his comments on the subject he is discussing. If I may, I should like to ask one or two pertinent questions?

First, is there any difference between the so-called trade agreement and the so-called GATT agreement?

Mr. MALONE. The Trade Agreements Act of 1934 not only transferred to the President the constitutional responsibility of the Congress, under Article I, section 8 of the Constitution, to regulate foreign trade and the national economy, but gave the President in that act full authority to transfer that constitutional responsibility of Congress to any area on earth, under the auspices of any organization which he might cause to be organized.

That was so testified by the Secretary of State, Mr. Dulles, before the Senate Committee on Finance, when the 3-year extension of that act was granted in 1955.

Therefore, the so-called GATT, the General Agreement on Tariffs and Trade, was organized directly under the authority granted by the 1934 Trade Agreements Act passed by Congress.

The 1934 Trade Agreements Act authorized the President to spearhead the General Agreements on Tariffs and Trade—GATT.

THIRTY-FOUR FOREIGN COMPETITORS REGULATE OUR FOREIGN TRADE

Mr. TALMADGE. Is that the international trade agreement in which some 30 countries participate?

Mr. MALONE. That is the result of the transfer of the constitutional responsibility of Congress to regulate foreign trade to Geneva in 1947.

The 1934 Trade Agreements Act authorized the transfer to any area that the President might choose. In 1947 he did cause to be organized the General Agreement on Tariffs and Trade—GATT—and located it in Geneva. From that time on the foreign nations—and at this time the 34 foreign nations involved, since we are the 35th member, and each nation has one vote—are in complete control of our foreign trade and national economy.

Mr. TALMADGE. Am I correctly informed that that organization gives the United States of America one thirty-fourth of the power to regulate our tariffs?

Mr. MALONE. One thirty-fifth. We have 1 vote out of 35.

Mr. TALMADGE. One thirty-fifth.

I should like to read to the distinguished Senator a provision of the Constitution of the United States and ask him if his interpretation of it is the same as mine. I read from article I, section 8, of the Constitution of the United States:

The Congress shall have power * * * to regulate commerce with foreign Nations, and among the several States, and with the Indian tribes.

Does the Senator from Nevada understand that to mean what it says and to say what it means?

Mr. MALONE. The Senator from Nevada understands it to mean—and has argued on the floor of the Senate for 11 years—that the Constitution of the United States, article I, section 8, which has just been read, in part, by the distinguished Senator from Georgia explicitly and completely places the responsibility for the regulation of foreign trade and the national economy in the Congress of the United States, when it says that Congress shall regulate foreign commerce and "shall have the power to lay and collect duties, imposts, and excises," which we refer to as tariffs.

WORKINGMEN'S JOBS—INVESTORS' MONEY

Mr. TALMADGE. The Senator from Nevada is extremely well informed on trade matters. The largest industry in my State is the textile industry. The average hourly wage in the textile industry there is from $1.35 to $1.50. In

Japan the average hourly wage is from 13 cents to 15 cents, or only one-tenth of what it is in my State.

Does the Senator from Nevada think that our textile mills can continue to operate without some tariff protection from such cheap imports?

Mr. MALONE. I would say to the distinguished Senator from Georgia that it is absolutely impossible; and it was so intended, in the opinion of the Senator from Nevada, by the people behind the framing of the act. In other words, the people who were behind the 1934 Trade Agreements Act in the first place were of the Harry Dexter White and Alger Hiss group, who first formulated the legislation.

Not only are the wages in Japan much lower, but American investments have moved in and installed the best possible textile machinery. Part of the $30 billion of foreign investment of American capital has gone into Japan, for the installation of the latest textile-making machinery. Therefore, since no one would say that a Japanese could not perform as much labor as an American, they are on an equal basis except for wages. That is the only difference except the low water transportation cost from Japan to here.

As a matter of fact, the present Secretary of State was working under Mr. Acheson, who was then Secretary of State, and made the treaty with Japan; that is to say, he set it up. It was adopted by this body, over my protest.

The senior Senator from Nevada made a speech on the floor against it at the time, and pointed out just exactly what the distinguished Senator from Georgia is saying now; that there is no possible way to compete on an even basis with a nation paying such wages.

JAPANESE FREE TRADE

Mr. President, I ask unanimous consent to have included in the RECORD as a part of my remarks an excerpt from my September 11, 1951, debate on the Japanese Treaty.

There being no objection, it is so ordered.

We now have free trade with Japan. They are sending their sewing machines, Christmas cards, precision instruments, and 101 other things, which under normal conditions would disarrange our American economy through eliminating American workingmen's jobs and wiping out American investments. However, by continued emergencies, bringing in constantly increasing taxes and new money from the sale of bonds to the American people, we are able to keep our economy going. Eventually we must protect our own higher standard of living from that of the 7 to 15 cents per hour Japanese labor.

And I might add, Mr. President, textiles constitute one of their greatest exports.

Mr. TALMADGE. I thank the distinguished Senator. His answers to my inquiries have been very helpful.

I understand that by the Constitution of the United States power over foreign trade is vested in the Congress. I for one do not propose to abdicate it.

Mr. MALONE. All Congress has to do is to sit still in 1958—not extend the 1934 Trade Agreements Act beyond June 30, 1958, and the constitutional responsibility of regulating foreign trade and the national economy automatically reverts to the Tariff Commission, an agent of Congress. I would say to the Senator from Georgia that George Washington, our first President, had a few pertinent remarks to make on that subject—in his farewell address he said:

> If in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the Constitution designates. But let there be no change by usurpation: for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed.

I thank the distinguished Senator from Georgia for his pertinent questions.

REPUBLICAN STATE CENTRAL COMMITTEE

Mr. President, the Republican State Central Committee of my State of Nevada passed a resolution on December 15, 1956, for sound money, protection of American jobs and investments, through the adjustment of the duties as provided in the Constitution, and States' rights. I ask unanimous consent to have printed in the RECORD as a part of my remarks the resolution passed by the Nevada Republican State Central Committee, on December 16, 1956.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

> The Republican Party of the State of Nevada strongly advocates the return to constitutional government by adopting the following principles which have been the basic tenets of the Republican Party since its inception more than 100 years ago.
>
> We believe the Republican Party must advocate a free market for gold, with removal of all restrictions upon its purchase, sale, and ownership, and a return to the traditional hard-money standard using gold and silver certificates redeemable in the respective metals.
>
> We believe the Republican Party must urge the Congress of the United States to resume its constitutional responsibility of regulating foreign commerce through the adjustment of duties, imports, and excises, through its agent, the Tariff Commission, and allow the so-called Reciprocal Trade Act, which transferred such responsibility to the President, to expire in 1958.
>
> We believe the Republican Party should urge Congress to respect the rights of the individual States in all those matters which have been historically matters of State concern.

MUST WORK THROUGH MAJOR POLITICAL PARTIES

Mr. MALONE. I will say at this point to my distinguished colleague from Georgia that it is my opinion, after 11 years in the Senate, and a good many years watching the 1934 free-trade theory progressively tearing down and destroying the small-business man and the wage earners of America, and moving us over on a war economy, that I believe each of us must work through his own major political party.

That is the reason we are working through the Republican Party, as Republicans who believe in constitutional government, and who believe that 34 foreign nations sitting in Geneva should not control and regulate our foreign trade and our national economy.

Mr. President, I believe that members of the Democratic Party who believe, as we do, that we should return to constitutional government, must work through their own party, and help to reestablish the constitutional principle as enunciated at Salt Lake City by the representatives of the 10 Western States.

That firm stand for the principles of Washington, Jefferson, and Lincoln by the Republican State Central Committee of my State of Nevada was immediately supported by most of the State newspapers, including Republican and Democrat alike.

When the Congress does not extend the 1934 Trade Agreements Act (so-called Reciprocal Trade Act) expiring in June of 1958—the regulation of our foreign trade and national economy reverts to the Congress under Article I, Section 8, of the Constitution. The Tariff Commission, an agent of Congress, under existing law through adjusting the flexible duty or tariff to continually represent the difference in the effective wages and cost of doing business here and in the chief competing nation on each product.

NEVADA STATE LEGISLATURE

Mr. President, the Legislature of my State of Nevada also passed strong resolutions against the extension of the 1934 Trade Agreements Act—so-called Reciprocal Trade Act—when it expires in June 1958. I ask unanimous consent to have the Senate joint resolution of that body printed in the RECORD at this point as a part of my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 14

Joint resolution memorializing the Congress of the United States to resume its responsibility of regulating foreign commerce, and to allow the 1934 Trade Agreements Act to expire in June 1958

Whereas the promotion of world trade should be on the basis of fair and reasonable competition and must be done within the principle long maintained that foreign products of underpaid foreign labor shall not be admitted to the country on terms which endanger the American workingmen's jobs or American investments; and

Whereas article I, section 6, of the Constitution of the United States, provides that the Congress shall have the power to lay and collect taxes, duties, imposts, and excises, and shall regulate foreign commerce; and

Whereas the Congress transferred the constitutional responsibility to regulate foreign trade to the executive branch through the 1934 Trade Agreements Act, as extended to June 1958, with authority to transfer such responsibility to Geneva under the general agreements on tariffs and trade: Now, therefore, be it

Resolved by the Senate and Assembly of the State of Nevada (jointly), That the United States Congress is hereby urged to resume its constitutional responsibility of regulating foreign commerce and the national economy, through the adjustment of duties, imposts, and excises, through its agent, the Tariff Commission, and allow the 1934 Trade Agreements Act, which transferred such responsibility to the President, to expire in June 1958; and be it further

Resolved, That the secretary of state of the State of Nevada shall transmit copies of this

resolution to each member of the Nevada Congressional delegation.

Adopted by the senate, March 11, 1957.

REX BELL,
President of the Senate.
H. E. ROWNTREE,
Secretary of the Senate.

Adopted by the assembly March 15, 1957.

WM. D. SWACKHAMER,
Speaker of the Assembly.
C. O. BASTIAN,
Chief Clerk of the Assembly.
CHARLES H. RUSSELL,
Governor of the State of Nevada.

CALIFORNIA STATE LEGISLATURE—RESOLUTION

Mr. MALONE. The State of California passed a similar resolution asking that the 1934 Trade Agreements Act be not renewed when it expires.

I ask unanimous consent that the resolution be printed at this point in the RECORD as an extension of my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Following is a joint resolution of the Legislature of the State of California, 1953 session:

"Joint resolution concerning the restoration to Congress of the fixing of tariffs

"Whereas it is essential to the protection of the American standard of living and the American way of life that products of foreign countries be admitted to this country only on a basis which will not endanger the living standards of the American workingman and the American farmer and will not threaten serious economic injury to any domestic industry; and

"Whereas promotion of world trade by the Government of the United States should adhere to this principle so that the economic status of the American people may be maintained and not reduced to that in the depressed areas of the world where work is performed behind the sweatshops curtain; and

"Whereas while recent imports of live cattle and frozen and canned beef from Mexico, Canada, New Zealand, and other areas have dramatically high-lighted the problem with respect to one industry, yet it is a problem affecting all of the branches of agriculture, industry, and commercial production; and

"Whereas the Congress of the United States abandoned its traditional function of fixing tariffs on foreign commerce entering the United States under the Trade Agreements Act of 1934 to the executive department of the Government, which has carried out policies inconsistent with the welfare of American agriculture, industry, and commerce: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Legislature of the State of California most respectfully memorializes the Congress of the United States to return to its traditional method of fixing tariffs based on principles of protection of American agriculture, industry, and commerce, and the standard of living for all American citizens created thereby; and be it further

"*Resolved*, That until Congress so acts, the executive department of the Government exercises its powers of fixing tariffs only in accordance with the traditional principles of American policy as set forth in this resolution; and be it further

"*Resolved*, That the secretary of the senate send copies of this resolution to the President of the United States, the Secretary of State, the Secretary of Commerce, the Secretary of Agriculture, the Chairman of the United States Tariff Commission, the President of the United States Senate, the Speaker of the House of Representatives, and each Senator and Representative from California in the Congress of the United States."

THE UTAH MINING CONGRESS—RESOLUTION

Mr. MALONE. Mr. President, delegates and members of the last meeting of the Utah Mining Congress adopted a resolution opposing extension of the Trade Agreements Act of 1934. I ask unanimous consent that the resolution be printed in the RECORD as an extension of my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

> United States membership is vital to establishment of the Commission on International Commodity Trade and therefore strong pressure is being used to get the United States to accept the membership despite her stated objections. Acceptance by the United States would give life to the Commission and would involve the United States in its schemes.
>
> We strongly oppose the United States Government accepting membership and concur wholly with the reasons given by her in opposing the organization to date. The first meeting of the Commission is scheduled for January 17, 1955, and it is therefore directed that a statement of our opposition to United States acceptance of membership be directed forthwith to Utah's Congressional delegation, the State Department, and the President.
>
> INTERNATIONAL TRADE, 1955
>
> We oppose extension of the Reciprocal Trade Agreements Act of 1934, as extended, beyond its termination date of June 12, 1955. The peril point and escape-clause provisions of the act, designed by the Congress to afford protection for American workers, miners, farmers, or producers, have been willfully ignored by the executive department in several specific cases which were reported favorable for upward tariff adjustments by the Tariff Commission.
>
> The State Department has used the act to progressively weaken tariff protection, particularly on raw materials, and to increasingly involve the matter of domestic tariff control in international trade organizations. Present domestic tariff policy is controlled largely by the General Agreement on Tariffs and Trade (GATT), a foster child of the State Department which was developed following refusal of the United States Congress to approve the International Trade Organization.
>
> Refusal to extend the Trade Agreements Act would serve to restore to the Congress their constitutional power and responsibility relating to tariff and trade regulation.
>
> We have in the past strongly opposed the United States becoming involved in international trade organizations which were designed to regulate production, prices, and distribution of raw materials and goods. We joined vigorously in the campaign to withdraw United States support from the International Materials Conference, successfully sponsored by Senator Ferguson.
>
> The United Nations Economic and Social Council has recently proposed another such organization under the title of the United Nations Commission on International Commodity Trade. The new organization would examine further, as a matter of urgency, the possibilities of establishing a parity relationship between the prices of primary commodities and manufactured goods.
>
> The United States was elected to membership of this group on November 23, 1954, despite the fact that in response to an invitation made April 30, 1954, to comment on the new organization, the United States Government expressed opposition to the establishment of this Commission.

MR. ACHESON AND MR. THORPE—THE THREE-PART, LONG-RANGE PLAN

Mr. MALONE. Mr. President, as a further warning to the Members of Congress who still may have faith that each offering of legislation along the line of free trade—billions to Europe and Asia—and a continual disintegration of the money system through 24 years of inflation, the pronounced long-range, three-part foreign policy by the Assistant Secretary of State, Willard H. Thorpe, outlined before the House Ways and Means Committee, in 1950, should be interesting:

> 1. The European recovery program (Marshall plan or ECA) extends immediate assistance on a short-term basis to put the European countries back on their feet.
>
> 2. The trade agreements (act) program is an integral part of our overall program for world economic recovery.
>
> 3. The International Trade Organization upon which Congress will soon be asked to take favorable action, provides a long-term mechanism—each part of this program is important. Each contributes to an effective and consistent whole.

It will be remembered that the Congress turned down the International Trade Organization in 1951.

Now we have been offered the Office of Trade Cooperation, which is exactly the same as the International Trade Organization.

That proposal is now before Congressional committees. It is before the Senate Finance Committee, of which I am a member.

DOLLAR DIPLOMACY WITH A VENGEANCE

The former Secretary of State, Dean Acheson, said:

> It is hardly possible any longer to draw a sharp dividing line between the economic affairs and political affairs.
>
> Each complements and supplements the other. They must be combined in a single unified and rounded policy.

DOLLAR DIPLOMACY

That was and is the reasoning of the State Department—to tie the regulation of our foreign trade to the regulation of our foreign policy, which the Constitution of the United States so pointedly separated.

The senior Senator from Nevada would call it "dollar diplomacy" with a vengeance.

We are buying treaties through the division of our markets with the nations of the world and with billions of dollars of our taxpayers' money through gifts to such foreign nations.

The pressure to combine the regulation of our foreign trade and national economy with the fixing of foreign policy all under the executive branch of our Government, contrary to the specific provisions of the Constitution in article 1, section 8, is so flagrant that it is beyond belief that a Congress of the United States should continue to extend the life of such an act.

FEW MEMBERS OF CONGRESS UNDERSTOOD THE PLAN

Certainly few Members of Congress understood, in 1934—when they voted for the Trade Agreements Act—that they were not only transferring their constitutional responsibility to regulate foreign trade and the national economy to

the executive branch of the Government, but included in that act was complete authority to transfer that responsibility to 34 competitive nations at Geneva, Switzerland.

TRANSFERRED TO GENEVA IN 1947

Following the 1934 Trade Agreements Act in 1947, the President of the United States did make the transfer and the Secretary of State, Mr. Dulles, has testified that such authority was and is included in the 1934 Trade Agreements Act, as extended to June 30, 1958. The transfer was made under the General Agreements on Tariffs and Trade—GATT.

The Secretary of State has testified that the 1934 Trade Agreements Act included all the authority necessary to transfer the regulation of the foreign trade and the national economy of the United States to the 34 foreign nations whose representatives are sitting at Geneva as a part of the General Agreement on Tariffs and Trade.

THE 34 FOREIGN COMPETITIVE NATIONS REGULATING OUR FOREIGN TRADE

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

Mr. MALONE. I am happy to yield to the distinguished Senator from Pennsylvania.

Mr. MARTIN of Pennsylvania. Does the distinguished Senator have a list of the 34 countries which he can insert in the RECORD?

Mr. MALONE. The following foreign competitive nations sit in judgment on our foreign trade in Geneva—dividing our markets among themselves through multilateral trade treaties—under the the General Agreement on Tariffs and Trade—GATT—through the authority granted them under the 1934 Trade Agreements Act.

THIRTY-FOUR FOREIGN COMPETITIVE NATIONS

Australia, Austria, Belgium, Brazil, Burma, Canada, Ceylon, Chile, Cuba, Czechoslovakia, Denmark, Dominican Republic, Finland, France, Federal Republic of Germany, Greece, Haiti, India, Indonesia, Italy, Japan, Luxembourg, The Netherlands, New Zealand, Nicaragua, Norway, Pakistan, Peru, Rhodesia and Nyasaland, Sweden, Turkey, Union of South Africa, United Kingdom, and Uruguay.

Mr. MARTIN of Pennsylvania. These items are all educational, and I think the American people should know the names of those countries.

Mr. MALONE. I think the people should know them; and I think Members of Congress should know them, and I further believe that the Members of Congress should understand that they have transferred their constitutional responsibility to regulate our foreign trade and national economy to the 34 competitive foreign nations at Geneva. I have worked over the problem for 11 years in the Senate.

UTTERLY UNBELIEVABLE—TRANSFER REGULATION TO GENEVA

It is utterly unbelievable, however, that the Members of Congress understood the full implications of their action when they voted on May 4, 1955, to extend that act for 3 years to June 1958.

They most certainly did not know that through the creation of another innocuous looking piece of international machinery now before Congress under the "come on" title of Office of Trade Cooperation—OTC—that once created, through its own manipulation the administration of the general agreements on tariffs and trade could be transferred to the United Nations, and operated on the principle of equal distribution of the production and consumption throughout all of the nations of the world.

ONE AT A TIME—EACH INNOCUOUS BY ITSELF

Mr. President, those things come along one at a time, each of them looking innocuous by itself.

There was a great President who had something to say on this subject. I shall quote him directly. He gave us the key to how we could recognize an overall plan coming along one part at a time.

It was Abraham Lincoln who said:

> We cannot absolutely know that all these exact adaptat'ons are the result of preconcert. But when we see a lot of framed timbers, different portions of which we know have been gotten out at different times and places and by different workmen, and when we see these timbers joined together, and see they exactly make the frame of a house or a mill, all the tenons and mortises exactly adapted to their respective places, and not a piece too many or too few, not omitting even scaffolding—or, if a single piece be lacking, we see the place in the frame exactly fitted and prepared yet to bring such piece in—in such a case, we find it impossible not to believe that all worked upon a common plan or draft drawn up before the first blow was struck.

THE FIRST LEGISLATIVE MOVE—THE 1934 TRADE AGREEMENTS ACT

When the 1934 Trade Agreements Act was passed, in an economic frenzy by a subservient Congress, it looked innocuous enough. It was said, "Let the President try to do this job for a while in the interest of economic recovery." Nobody seemed to know or care what might happen, and nobody seemed to know that hidden in that act was the authority for the President to transfer the constitutional responsibility of Congress to regulate the foreign trade and national economy to 34 competitive foreign countries. He could transfer the whole thing to Peking or to Moscow tomorrow if he so desired. There may be 50 nations eventually that will be involved if they are accepted into that group. It will be remembered that Japan was only recently accepted into that restricted group. That laid the foundation for the destruction of the textile, crockery, and precision instruments businesses in this Nation. These nations sit around a table at Geneva, Switzerland, a city that most people who are not in the trade must check to determine exactly where it is located in the world, and they regulate our foreign trade and national economy. Through a continual lowering of duties or tariffs by the authority granted them by Congress through the 1934 Trade Agreements Act, those nations can make or break any production business anywhere in the United States of America for their own benefit.

They do break them, Mr. President. There is no comparison between the living standards, as the distinguished Senator from Georgia outlined, between Georgia and Japan, for example, when there is practically free trade in textiles, which is destroying the textile industry in the United States.

UNITED NATIONS RESOLUTION

I have in my hand a resolution passed by the United Nations on February 20, 1957. That resolution should be warning enough to Members of Congress to read the whole script this time, beginning with 1934, instead of just passing the immediately proposed legislation which provides just another step in stifling the economic development of this Nation.

The proposed legislation of OTC merely follows the pattern already laid down, and is in line with the pattern referred to by Abraham Lincoln when he spoke about timbers, all exactly fitting, and not one too few or one too many. There must be a plan, Mr. President.

The United Nations is headed toward the regulation of our foreign trade and national economy through progressive legislation—on the basis of equal production and consumption in every nation in the world based on population. When they reach that control then that is what will happen.

Mr. President, I ask unanimous consent to have the entire United Nations resolution printed in the RECORD at this point in my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD as follows:

> 1. Urges the governments of member states to continue their efforts to reduce existing barriers to international trade in a mutually satisfactory manner for the purpose of expanding such trade at the fastest feasible rate and, in particular:
>
> (a) To continue to work toward this objective through the international organizations which are working successfully for the expansion of world trade, and to continue to avail themselves of services offered in the field of trade by these organizations;
>
> (b) To reduce or remove restrictions and/or discrimination with regard to trade and payments as soon as their balance-of-payments and reserve positions permit, having due regard to the special problems arising from the economic development needs of the less developed countries;
>
> (c) To conduct their trade policies with due regard to their possible harmful effects on the economies of other countries, especially countries which are dependent on exports of relatively few commodities;
>
> (d) To follow internal economic, monetary, and fiscal policies which promote high levels of production, employment, and investment, keeping in mind the relationship between such internal policies and the possibilities of expanding world trade;
>
> 2. Endorses Economic and Social Council Resolution 614 (XXII) of August 9, 1956, and requests the Council to continue to give particular attention to developments in the field of international trade;
>
> 3. Looks forward with interest to the establishment of the Organization for Trade Cooperation and urges states members of the United Nations and members of the specialized agencies to act with a view to approving the agreement establishing the Organization for Trade Cooperation.
>
> Source: United Nations press release, GA 1450, February 20, 1957.

Mr. MALONE. Mr. President, the resolution, in part, provides as follows:

> 1. Urges the governments of member states to continue their efforts to reduce existing barriers to international trade in a mutually satisfactory manner for the purpose of expanding such trade at the fastest feasible rate and, in particular—

I digress to say that no other nation needs a tariff or a duty to equalize wages. Our wage standard of living is the highest in the world.

> (a) To continue to work toward this objective through the international organizations which are working successfully for the expansion of world trade—

They make these agreements without the people of the United States knowing anything about them. They are secretive. Congress is not allowed to know anything about it, until they are signed, sealed, and delivered. Then it is too late to object, since the agreement is already in effect for a definite period under the 1934 Trade Agreements Act—so-called Reciprocal Trade Act—as extended by Congress for 24 long years; and through that act they have transferred their authority to 34 foreign competitive nations.

The resolution continues:

> and to continue to avail themselves of services offered in the field of trade by these organizations.
>
> (b) To reduce or remove restrictions and/or discrimination with regard to trade and payments as soon as their balance of payments and reserve positions permit, having due regard to the special problems arising from the economic development needs of the less developed countries—

As long as these nations can say they are still not as well off as we are, they do not have to meet these restrictions. They can sign a trade agreement which lowers duties and tariffs, and then install import permits and exchange permits, and every kind of restriction, including the manipulation of the valuation of their money in terms of the dollar.

THE DOLLAR SHORTAGE CATCH PHRASE

That is where the dollar shortage catchword was coined. They fix a price on their money in terms of the American dollar higher than the market price, and nobody will buy it at the fictitious price except a misguided American Congress who makes up the difference.

When they speak about barriers, what do they mean? They mean barriers to their trade. In the case of textiles, the difference in the wage standard of living between the people in the United States and the people in Japan, represented by a duty or tariff is the barrier about which they are complaining.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. MALONE. I am glad to yield to the Senator from Wyoming.

Mr. BARRETT. At the outset let me commend my distinguished friend from Nevada for his splendid statement this afternoon. I should like to make an observation. My State of Wyoming is the second largest producer of wool in the country. As a result of that situation we are intensely interested in the matter of tariffs. I have been concerned for some time because of the competition from offshore wool, particularly from Australia and from many other countries, including South Africa, as well as from woolen fabrics coming in from nearly every country on earth.

I may say to the Senator from Nevada that there was a time when our textile plants in this country were far superior to the plants anywhere else in the world, but since World War II we have furnished funds to foreign countries, with the result that practically every country on earth now has just as efficient plants with which to process wool and to make up fabrics as we have in this country.

I may say to my colleague that we in Wyoming are very much appreciative of the Wool Act. At the same time, we find that the competition from the imports of woolen fabrics is devastating, so far as the producers of wool in the United States are concerned. My information is that 184 wool-textile plants in the United States were closed in the period from 1947 to 1954. As a result, the employment in the textile mills of America has dropped 51 percent. There have been losses incidental thereto, such as in the manufacturing of machinery for those plants, and in other ways, as well. It is very difficult to determine the exact effect of the closing of these woolen mills.

As the distinguished Senator from Nevada has pointed out, it is extremely difficult for American manufacturers of wool products to compete with wool-manufacturing plants in Japan, when the Japanese manufacturers have machinery which is just as up to date as that which is used in this country. Also, the Japanese manufacturers employ skilled mechanics, but their payrolls are approximately 10 or 11 percent of what they are in this country. Because of that competition, it is impossible for American wool manufacturers to meet the prices of products coming from Japan, and also from a good many European countries, such as England, France, Italy, and some of the countries behind the Iron Curtain.

I have been considerably disturbed recently because of actions which are being taken by two different agencies of our Government. First, the Secretary of Commerce has sent a mission to Japan. That mission, as I have been told, has been urging the manufacturers in Japan to produce quality goods to compete with the products of the textile mills in the United States. The fact of the matter is that the competition from the low-paid, high-class labor in Japan will hurt America the most. We may end by having all the quality woolen mills in this country closing down if the Japanese manufacturers are permitted to export to the United States quality fabrics in unlimited quantities.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield so that I may make an observation?

Mr. BARRETT. With the consent of the Senator from Nevada, I shall be delighted to yield for that purpose.

Mr. MARTIN of Pennsylvania. We have heard much during this session of Congress about aiding small business in the United States. Many persons say that small business is the strength of our economy. The manufacturers of the textile goods mentioned by the distinguished Senator from Wyoming are generally small-business men, who employ a small number of very skilled workers. The foreign competition in woolen fabrics is damaging to concerns of that kind.

In my own State of Pennsylvania, an enormous amount of woolen goods used to be manufactured. Most of those factories are now closed, and there is no other kind of work suitable for workmen skilled in that field. They cannot go to work in a steel mill or a wire mill, and they cannot work in the mines.

So a great many of what we call small-business concerns in the United States are being destroyed because the Government is not taking into consideration the protection those industries need in order to enable them to compete with the importations now entering the United States.

Mr. BARRETT. I thank the distinguished Senator from Pennsylvania for that observation. The quantity of Japanese woolen fabrics imported into the United States has increased from 178,000 yards in 1951 to more than 6 million yards in 1956. I do not know the proportion of the increase, but I should suppose it is away up in the thousands.

We in the West are vitally interested in this matter, because the only market we have for the wool shorn from the sheep of Wyoming and the other Western States is the domestic mills of America. If the mills continue to close at the rate at which they have been closing in the past 10 years, we will not have any market for our wool after it has been produced.

Another item to which I wish to call the attention of my colleague from Nevada and my colleague from Pennsylvania is the proposal which is being made at present to make a change in the so-called Geneva wool fabric reservation. Under that reservation, it is provided that when the annual volume of imports exceeds by 5 percent the annual average of United States production of wool fabrics, the ad valorem duty may be increased from 25 percent to 45 percent. A hearing was held on that matter last fall, at which that provision was reaffirmed, and the administration took the position that it should stand on that basis.

I now understand that the State Department officials and other persons are proposing that the percentage be increased from 5 percent to 7 percent, so that additional imports may come into the United States before there will be any obligation to consider, at least, if not to impose, a higher ad valorem rate on the imported fabrics. That is very disturbing to me. I am very hopeful that the administration will see fit to maintain the agreements which were entered into under the Geneva fabric reservation, and will hold the figure to 5 percent. That is, if the importations exceed by 5 percent the annual average imports of previous years, then it will be necessary to give us some protection by increasing the duty, on the ad valorem basis, from 25 percent to 45 percent.

I appreciate the opportunity to make these observations and to tell the distinguished Senator from Nevada that I think he is rendering a very useful service in bringing these matters to the attention of the Senate. I hope the Committee on Finance will take a good, long look at proposals with respect to OTC and GATT before they bring them out on the floor.

HOPE OTC-GATT OR 1934 TRADE AGREEMENTS ACT NEVER REACHES FLOOR

Mr. MALONE. I join with the distinguished Senator from Wyoming, but I further hope that OTC and GATT will never get to the floor this year—and that the proposal to extend the 1934 Trade Agreements Act will never reach the floor next year. Would the distinguished Senator from Wyoming join with me in that hope?

Mr. BARRETT. I certainly would join with my colleague in that hope.

Mr. MALONE. I may say to the distinguished Senator from Wyoming that one of the things that has been done in the 24 years by our State Department, is to build an intricate mechanism for the regulation of foreign trade through the General Agreement on Tariffs and Trade and through the multilateral agreements, in various ways, so that it is almost impossible for anyone to understand what is happening.

All of this under the 1934 Trade Agreements Act which is the parent legislation for the international Socialist idea of division of wealth through division of our markets.

I point out to my distinguished friend from Wyoming that a sheep unit—a ewe and a lamb—can be produced in Australia for about 20 percent of what it can be produced for in the United States. Therefore, the only solution to the problem—and the same is true of 5,000 other products—is to return to the Constitution of the United States in the regulation of our foreign trade and national economy, which provides that Congress shall regulate foreign trade and the national economy, and shall through the Tariff Commission, an agent of Congress, set duties, imposts, and excises for that purpose—methods to determine the difference in cost between an article produced in the United States and a like article produced in a foreign country, and to recommend that that amount shall be the duty. That will make up the difference in the wage standard of living; it will make up the difference in the cost of doing business in the United States and in the chief competing country, such as Australia.

I point out that we pay more in the United States for industrial insurance and social security than the competitive nations pay in wages.

Mr. President, I wish to call attention to paragraph 3 of the resolution adopted by the United Nations:

> The United Nations look forward with interest to the establishment of the Organization for Trade Cooperation, and urge the state-members of the United Nations and members of specialized agencies to act with a view to approving the agreement establishing the Organization for Trade Cooperation.

Mr. President, that is a tipoff that they expect to supervise, through the action of the same organization, if it is created, an organization, under the United Nations, which will control the trade of all the nations of the world.

CONGRESS SURRENDERED ECONOMIC INDEPENDENCE

Mr. President, in 1934—23 years ago, and 158 years following the Declaration of Independence—a subservient Congress surrendered the social and economic independence that Washington's Continental Army had left bloody tracks in the snow to gain. That surrender took place through passage of the 1934 Trade Agreements Act, named "Reciprocal Trade" by the economic "one worlders" of the day. This act marked the betrayal and complete abandonment of the American workingmen and investors into direct competition with the sweatshop labor of old Europe and Asia. The Constitution pointedly separated the regulation of our foreign trade and national economy from the fixing of our foreign policy. The first was delegated to the legislative branch, and the second to the executive branch of our Government.

The 1934 Trade Agreements Act tied together the two jobs. As a result, both came under the executive branch for the first time since the adoption of our Constitution in 1789. Our economic independence of old Europe—declared in 1776, and guaranteed by the Constitution in 1789, under which we developed the highest standard of living in the whole world—lasted just a little more than a century and a half.

Twelve years ago, in 1947—171 years following the Declaration of Independence—the President of the United States transferred that constitutional responsibility of Congress to regulate our foreign trade and national economy, under article 1, section 8, of the Constitution, to Geneva, Switzerland, under the organization known as GATT, the General Agreement on Tariffs and Trade, which he caused to be organized under his claimed authority of the same 1934 Trade Agreements Act.

BETRAYED INTO THE POWER OF OLD EUROPE

Since that betrayal into the power of old Europe and Asia, 35 nations, of which we are one—each with 1 vote—have quietly proceeded to divide the American markets among themselves, through multilateral trade agreements, under the pretext of preserving the peace. It is utterly unbelievable that the Congress could have been coerced into transferring its constitutional responsibility to maintain the economic integrity of this Nation into the grasping hands of old Europe, but it is even more amazing that the 84th Congress in 1955 extended the act for 3 years. It now expires in June of 1958.

This Nation is now being blackmailed through continued threats of retaliation if we even attempt to regain our economic independence, guaranteed by the Constitution of the United States.

THE PROPOSED ITO, 1950—OTC 1956

The Congress refused to approve the International Trade Organization (ITO) in 1950, and it refused to approve the Organization for Trade Cooperation (OTC) in 1956; but the original authorization in the 1934 Trade Agreements Act was extended to 1958.

RETURN TO CONSTITUTION AND BILL OF RIGHTS

Mr. President, let us return to the Constitution and the Bill of Rights, the greatest man-made documents in 5,000 years of recorded history, just as the 10 Western States, assembled at Salt Lake City on May 4, asked the Congress to do; and just as my own State, through its legislature and in editorials published in both Democratic and Republican newspapers, has requested.

Let us return to article 1, section 8 of the Constitution, which places directly upon the Congress, the legislative marr upon the Congress, the legislative branch of our Government, the responsibility of regulating our foreign commerce and our national economy. If the Congress shall not extend the 1934 Trade Agreements Act in 1958, thereby reverting to the Constitution, as the resolution sets out, then the Tariff Commission, an agent of Congress, would be guided by the section 336 of the 1930 Tariff Act on principle which says:

> If the Commission finds it shown by the investigation that the duties expressly fixed by statute do not equalize the difference in the cost of production of the domestic article and the like or similar foreign article when produced in the principal competing country, the Commission shall specify in its report such increases or decreases in rates of duty expressly fixed by statute (including any necessary change in classification) as it finds shown by the investigation to be necessary to equalize.

NOT HIGH OR LOW DUTY—BUT FLEXIBLE

Mr. President, it will be noted that the principle of fair and reasonable competition is laid down in existing law—not a high or low duty or tariff but the flexible duty continually adjusted by the Tariff Commission to represent the difference in the effective wages here and in the chief competing country on each product—the duty would be lowered as their living standard improved—and when they approached our standard then free trade would be almost automatic and immediate.

It is time for the Congress—not the President of the United States, not 34 foreign nations assembled at Geneva—to adjust the duties and tariffs, in the regulation of the foreign trade and the national economy of the United States just as the 10 Western States have requested—and just as the distinguished Senators, Mr. TALMADGE of Georgia and Mr. BARRETT of Wyoming have requested.

Mr. President, I yield the floor.

STUDY OF CRITICAL RAW MATERIAL AND RESOURCES OF THE SOVIET UNION

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 78) to make a study of critical raw materials and resources of the Soviet Union and certain Eastern Hemisphere countries and the effect upon the United States.

STATE, JUSTICE, AND JUDICIARY APPROPRIATIONS, 1958

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate resume the consideration of the State, Justice, and judiciary appropriations bill.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate resumed the consideration of the bill (H. R. 6871) making appropriations for the Departments of State, Justice, and judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I as unanimous consent that I may suggest the absence of a quorum without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names.

Aiken	Frear	Monroney
Allott	Fulbright	Morse
Anderson	Goldwater	Morton
Barrett	Gore	Mundt
Beall	Green	Murray
Bennett	Hayden	Neuberger
Bible	Hickenlooper	O'Mahoney
Bricker	Hill	Pastore
Bridges	Holland	Potter
Bush	Hruska	Purtell
Butler	Ives	Revercomb
Byrd	Jackson	Robertson
Capehart	Javits	Russell
Carlson	Johnson, Tex.	Saltonstall
Carroll	Johnston, S. C.	Schoeppel
Case, N. J.	Kefauver	Scott
Case, S. Dak.	Kennedy	Smith, Maine
Chavez	Kerr	Smith, N. J.
Church	Knowland	Sparkman
Clark	Kuchel	Stennis
Cooper	Lausche	Talmadge
Cotton	Long	Thurmond
Curtis	M. gnuson	Thye
Dirksen	Malone	Watkins
Douglas	Mansfield	Wiley
Dworshak	Martin, Iowa	Williams
Eastland	Martin, Pa.	Yarborough
Ellender	McClellan	Young
Ervin	McNamara	

Mr. MANSFIELD. I announce that the Senator from Missouri [Mr. HENNINGS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from West Virginia [Mr. NEELY], the Senator from Florida [Mr. SMATHERS], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

Mr. DIRKSEN. I announce that the Senator from Vermont [Mr. FLANDERS] and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from North Dakota [Mr. LANGER] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The PRESIDING OFFICER. (Mr. LAUSCHE in the chair). A quorum is present.

Mr. JOHNSON of Texas. Mr. President, we are considering today one of the most important appropriation bills that will come before the Senate at this session. It is a measure which affects both the internal and the external security of our country.

The bill provides the funds for fiscal 1958 for the State and Justice Departments, the Federal Judiciary, and a number of related agencies. The Committee on Appropriations recommends an overall amount of $563,085,293.

In arriving at this figure, we have tried to find what the President describes as "the proper dividing line between national danger on the one hand and excessive expenditures on the other." We have tried to find a program that is adequate to our needs without imposing an unnecessary burden on our taxpayers.

The total figure in the bill reported by the Senate Committee on Appropriations is $714,500 below the amount recommended by the House and $102,564,509 below the amount recommended by the President and the Bureau of the Budget.

The PRESIDING OFFICER. Will the Senator from Texas please repeat the last figure?

Mr. JOHNSON of Texas. The bill as reported to the Senate is $102,564,509 below the amount recommended by the President and the Director of the Bureau of the Budget, which is approximately a 15-percent reduction below the estimate of the Bureau of the Budget. We consider these real savings—savings in the sense that they have been made with prudent thought and what we consider to be selective care. They represent our best judgment on the basis of all the information which was made available to conscientious Members of the Senate. We sat early in the morning and late in the afternoon, until we compiled one of the longest and largest records of any subcommittee in the history of the Senate—1,249 pages of testimony in the volume which is now on the desk of each Senator.

After listening to all the evidence, the committee felt that it could not justify raising the appropriation made by the House of Representatives. That left us with the problem of how to divide the approximately $565 million appropriated by the House.

It was our conclusion that our primary objective must be to keep the State Department and our Foreign Service as strong as possible. We felt that the regular Foreign Service, the Foreign Service Institute, and the International Education Exchange program were more important than extra employees for the USIA, the United States Information Agency.

We also believed that it was of great importance for the United States to carry out its public commitment to participate in the Brussels Fair.

On that basis, we reduced the appropriation for USIA as provided in the House bill by $16 million, and applied the savings as follows:

To the State Department, $6 million, which will enable the Department to carry out a balanced program, including the training of its officers in foreign languages and supplying them with representation allowances and adequate facilities including recreation at hardship posts.

To the International Education program, $6,425,000 which will strengthen an imaginative program for promoting understanding.

To the Brussels fair, $3.5 million, which will provide facilities to afford perhaps millions of people from foreign lands an adequate picture of our country. It will also enable us to carry out a commitment we have already made.

There may be some who did not attend the hearings, or who did not read the hearings, or who did not agree with the testimony presented, who may think that these activities should have second priority to one providing more employees for the United States Information Agency. Candor requires me to say, Mr. President, that that does not accord with the judgment we reached after hearing the evidence for days.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. Yes; but I would prefer to complete my statement. I expect to be on the floor for some time.

Mr. KUCHEL. For one question.

Mr. JOHNSON of Texas. I do not wish to interrupt the continuity of my statement. If I set an example of yielding to my friend from California, other Senators may follow with similar requests. However, I am glad to yield now.

Mr. KUCHEL. When the Senator says "we," does he mean that the committee unanimously reported that action?

Mr. JOHNSON of Texas. The subcommittee unanimously reported the bill to the full committee. The full committee unanimously reported the bill to the Senate.

It was suggested in the subcommittee, by the distinguished Senator from Illinois [Mr. DIRKSEN], that the subcommittee vote $96 million to the USIA. The distinguished Senator from Montana [Mr. MANSFIELD], a member of the Committee on Foreign Relations, made a motion to reduce the appropriations for the USIA to $60 million. So the subcommittee had before it two suggestions in the form of motions.

Some suggestions were made that we should provide the amount of the House figure, $106 million. As chairman of the subcommittee, I asked the members to consider the fact that this administration had been in office 4 years, and that in 3 of those 4 years there had been appropriated for the USIA sums in the 70 millions, in the 80 millions, and in 1 year $113 million. The 4-year average was $90 million. I asked if any member of the committee could demonstrate from that record a justification which would permit a conscientious, informed Senator to say that this Agency was entitled, on its record, to more this year than it had received for the average of the 4 years.

The Senator from Illinois [Mr. DIRKSEN] was diligent throughout the hearings. He was present during almost all the testimony, and he presented his suggestions step by step, bracket by bracket, and area by area, and suggested $96 million. The chairman cited the 1956 budget, and pointed out that one year under the Republican Congress, and under the leadership of the late Senator Taft, this Agency had received 79 million. Under the leadership of the Senator from California [Mr. KNOWLAND], it had received $84 million. In the third year, under Democratic leadership, it had received $89 million, and in the fourth year $113 million.

Therefore, in the light of this record, the chairman of the subcommittee did not feel that he could ask any Senator to go along with us if we asked for more than the average of the 4 years.

Mr. THYE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I will not yield at this time. I wish to complete my statement. I do not wish to depart from my main speech. I ask Senators to indulge me for 10 minutes. Then I shall be glad to answer questions for the remainder of the day.

I asked for the right to submit my motion and the committee accorded me that right. The roll was called. As I recall, the vote was 10 to 4. The proxy of the Senator from Iowa [Mr. HICKENLOOPER] was voted, which made the vote 10 to 5. The proxy of the Senator from Arkansas [Mr. MCCLELLAN] was then voted, which made the vote 11 to 5. So the $90 million suggestion prevailed over the suggestion of the Senator from Montana, which was $60 million, over the suggestion of the Senator from Illinois, in the form of a motion, of $96 million, and over the suggestion of the Senator from California [Mr. KNOWLAND], and other Senators who had discussed the House figures.

So the figure was reached by a vote, if I remember correctly, of 11 to 5. Roughly, we divided the $16 million which had been affected into two parts. Twelve million five hundred thousand dollars went to the State Department, and $3.5 million went to the Brussels Fair. There was a redistribution. The bill is within three-quarters of a million of the House figure. I do not believe the House will approve a larger amount for these agencies.

It then became a question of how to distribute the savings, and we have distributed them as I have outlined.

We thought that the top priority in this bill should go to the career Foreign Service and the vital activities of the State Department.

The USIA budget was presented to a committee basically friendly to an information program. We are deeply aware of the cold war against communism and are ready to support an agency that prosecutes it with vigor and intelligence.

We proceeded with care to gather all the facts. Again and again and again we asked the heads of the Agency to submit all the details and all the justifications that would enable us to make a judicious, intelligent decision.

I should like to have the RECORD show—though I am not proud of it and am somewhat disappointed, not only at the Agency, but at my own poor judgment—that last year the Senator from Texas was chairman of the subcommittee which raised the appropriations for this Agency from approximately $87 million to $113 million. It was in the hope that we would have an expanded educational program; that we would have an expanded Voice of America and expanded radio facilities; that we would have an expanded low-cost book program; that we would reduce the sum of the expenditures involved in trying to teach culture to the English and trying to supply the French with modern libraries. It was hoped that, instead, we could engage in a truly effective propaganda war.

The low-cost-book program was expanded, but high-cost books were maintained. What was most disappointing was the competition of the Government press service with private industry. We issued warnings, and we admonished. We placed in the law a provision that the Government press service must not compete with existing news agencies.

What did the Agency do? It added 200 employees, in defiance of the most generous friend the Agency has had. Some Senators may take pride in supporting programs upon the request of people who do not know what is in the programs, but I am not one of them.

We found a jazz-band television program in Mexico City. The program meant $1,400 in a week to win friends and influence people in Mexico City. I ask Senators to go home and look their constituents in the face and tell them whether or not such expenditures can be justified. I cannot do it, and I live on the border.

We found 2 USIA officers and 12 "locals" in Ethiopia, a country of 12 million people, where fewer than 100,000 speak, write, or read English, and where there are only 4 newspapers—2 weeklies and 2 bidailies—and 2 radio stations. The USIA said it had hired an assistant and needed 8 more locals to help propagandize 2 weeklies and 2 bidailies.

The general proposition which the USIA presented to us was a simple one. They asked that we take the highest level of their spending in the past 4 years—fiscal 1957—and build up from there. They asked for a thousand new employees, with all the emoluments which go with the jobs. The committee would have been willing to agree, provided a clear justification could have been shown in terms of the national interest. We pressed for a detailed explanation of the present program and the needs for expansion. That detailed explanation never appeared.

We tried to find out whether the 1957 spending was justified. The reply was that the 1957 spending level was the starting point for the 1958 budget estimates.

We tried to find out how the 1,200 new jobs requested by the agency would be used to fight communism. The reply was that the Communists are spending millions of dollars to fight democracy.

We tried to find out whether the programs of the USIA were effective. The reply was that this year will offer a glorious opportunity to combat Communist imperialism—as though such Senators as the Senator from California [Mr. KNOWLAND], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from South Dakota [Mr. MUNDT], and the Senator from Maine [Mrs. SMITH] needed an opportunity "to combat Communist imperialism."

All of us have been trying to combat it in every way we know how. I have no authority to speak for them, but, on the basis of 25 years' experience, I know they will support appropriations for any missile or any bomb or any plane or any propaganda that can be demonstrated to be needed. We have done that. We did it last year.

We did all that, Mr. President, only to have the chickens come home to roost, and some Senators who were opposed to previous appropriations have looked me in the face and have suggested to me that I was wrong then.

The committee consists of reasonably patient, reasonably experienced, and reasonably understanding men. But I doubt whether a single member felt that he had been given facts that demonstrated the effectiveness of USIA. If I am wrong, I shall be glad to be corrected. The only thing that became clear is that the USIA never abandons an activity, but only increases its personnel and spending, unless an abrupt halt is ordered by an outside authority.

I cite as an example the fact that a low-cost-book program was ordered. It was then expanded. It cost $700,000 in 1956, $1,400,000 in 1957, and it was supposed to cost twice that amount in 1958.

But what happened to the high-cost-book program? It became higher.

An officer is stationed in Ethiopia to cover 4 newspapers, 2 radio stations, some magazines, and a library. He also informs the American Ambassador of the text of Presidential speeches.

It is decided to lighten his burdens and another officer is added to the staff—plus some local residents.

A decision is made to foster international exchange of books among American citizens and residents of other lands. This requires a staff to give technical advice in wrapping, mailing, and similar problems.

The programs, in general, are good. Some of them are excellent. But somehow, no effort is made to determine whether they can be handled with fewer people and at a lower cost.

At the conclusion of the committee's hearings, it was obvious that no real basis had been presented for increasing the Agency's appropriation. We had been asked solely to accept, on faith, the 1957 spending and go a bit higher.

This the committee was unwilling to do.

After some discussion of levels, both above and below, it was decided, by substantially more than a 2 to 1 vote, to recommend the average of the past 4 years, $90,200,000.

I should like to remind those Senators who might say that I am trying to use a knife on the President's program, that when they carried the knife they gave this office less money in each of the years their party controlled Congress, than the Democrats have given it. And I am not sure but that they were right and that I was wrong.

The suggestion was made that this Agency should be placed under the State Department. I warned and cautioned each member of the committee that the Secretary of State had on several occasions informed me already that he had no desire to have this Agency in his Department. He did not mean that as any reflection on the United States Information Agency. He merely did not want the additional operating responsibility.

Notwithstanding that warning from the Secretary of State, every member of the committee voted to recommend that the Agency be placed in the State Department, where it can have supervision by the Secretary of State.

In the existing law there is a provision which is designed to prevent the Government developing a Government-kept, Government-controlled, Government-led, and Government-bred press service. That prohibition either has not been understood or has not been followed. I therefore asked the agency counsel to draft a prohibition which would be effective. I did it because we have a substantially effective worldwide press service which serves this Nation and most of the foreign countries. If we continue the course we have been following we will drive from the free enterprise field some of our most reputable news services. Frankness compels me to say that that view is not shared by all such services, but it is shared by some of them.

Counsel drafted a prohibition. We reviewed it. It looked as thought it weakened the present prohibition instead of strengthening it. It seemed to us that it permitted greater instead of less competition. I cite that experience to demonstrate the general attitude with which we were confronted.

Therefore, as Justice Vinson used to say, we got out our own lead pencils and sat down and drafted a prohibition, which was unanimously adopted by the committee yesterday. It will be found in the bill at page 35, line 11. I call this provision to the attention of all exponents of free enterprise, to all those who want to combat communism, and to all those who abhor a controlled press, such as exists in Russia. God forbid that the day will ever come when we have the same kind of controlled press in this country. This is how the provision reads:

Provided further, That no part of the appropriation made by this title shall be used for any overseas Government information activity unless the Director of the United States Information Agency finds that such overseas Government information activity will not prevent private United States concerns from selling corresponding information services or products overseas.

I hope that provision will be adopted unanimously by the Senate, as it was by the committee. Here again we can say, "Stop, look, listen."

The recommended sum includes $89,100,000 for salaries and expenses and $1,100,000 for construction of a new transmitter. It is adequate for all USIA programs, provided ingenuity and enterprise are exercised. It is more money than the Agency has had to do the job in the past 3 years out of 4. Only 2 years ago, a full program was operated on less money—$87,089,000. It is fair to say, of course, that there have been some salary adjustments and some mandatory retirement benefits that will have to be added to the $87 million.

The committee does not believe that a larger sum can be justified until the Agency reaches a point of control where it can present detailed explanations and adequate justifications.

For the State Department, the committee recommends the restoration of some of the funds cut by the House. They are more than balanced, of course, by the recommendation for reduced expenditures for USIA.

I point out to my friends on the minority side, without any thought of chastising them, that the former Secretary of State, Mr. Acheson, suggested a budget of $150 million in 1953, before he left office—and he left with the approval of, as I remember, many Senators who sit on the other side.

His successor appeared before the Committee on Appropriations, then headed by the distinguished Senator from New Hampshire [Mr. BRIDGES], the chairman of the Republican policy group, and testified that he could get along with the $107 million the prudent New Englanders were willing to give him. So the State Department, in its first year under the Republican administration, operated with $107 million.

The House gave the State Department $180 million this year. The Senator from Texas thought the House had cut too deep. He thought the Senate ought to increase the representation allowances, though he is aware of all the controversy that can be stirred up on that issue. The Senator from Texas thought the State Department ought to have some additional money for its employees. He thought they ought to have some of the hardship-post recreational facilities which have been discussed. He thought the Department ought to have a better educational program.

So what happened? Approximately $13 million was added to the House figure. The House provided some $180 million. The Senator from Texas did not take $16 million down to Texas for flood-control purposes, although it is probably needed there more than it is in some other places.

The Senator from Texas took the $16 million and gave most of it to the State Department, so that they could have the $193 million which is recommended in the bill, and which is $13 million more than the House provided for the State Department. The Senator from Texas thought that Deputy Under Secretary of State Loy Henderson, made a good case. Mr. Henderson said, in effect, "If you will restore the $13 million, I will try to live with it, and I believe all my employees will make a conscientious effort to economize." Therefore that sum went back in the bill for salaries and the international education exchange program, and the balance for other necessary items.

Eight million four hundred and ninety thousand dollars is included in the bill for the Brussels Fair. The House had cut the appropriation for this purpose to $5 million. We were faced with three alternatives: We could have a good exhibit; we could have no exhibit; or we could have a third-class exhibit.

The Senator from Texas does not want his country to be traveling third class. If the building which is already under construction were to be abandoned, millions of dollars would be wasted. So we had no choice, as I saw it, except to appropriate $3,500,000 more than the amount provided by the House.

So, roughly, we saved $16 million on the USIA, but gave that Agency more than they had for 3 out of the past 4 years, or an average of the 4 years. We allotted $6 million of the saving to salaries, $6,500,000 to education, and $3,500,000 to the Brussels Fair.

We made some minor adjustments. One was in connection with the Passamaquoddy survey, for $409,000. The House had cut that out. The House also had cut out $30,000 for a Texas project, which we did not put back in. But when we inquired of the expert witnesses on Passamaquoddy they said it would cost more to spread the cost over 2 years than to include the full item this year. So I voted for economy, and I am prepared to defend my action.

The Federal Bureau of Investigation asked for 42 more agents and 21 more clerks. We considered the request. We recognize that the Federal Bureau of Investigation is headed by a career officer. We recognize that he is the head of one of the most efficient, one of the most economical bureaus in the entire Government. But I called him on the telephone and said that every day I had to look Senator BYRD in the face, and also Senator RUSSELL, Senator KNOWLAND, Senator SMITH of Maine, Senator WILEY, Senator BRIDGES, Senator DIRKSEN, and many other Senators.

I said: "This is a year when we want to be careful; when we want to avoid or to postpone any expenditure which can be avoided or postponed. We want to reduce the additional personnel appropriations which you requested about 10 percent. But we want to ask you, if that is done, whether you will not try to have your staff absorb the work, and have them work a little more overtime."

All of us know that the Director and everyone who works under him do not watch the clock. They probably contribute more overtime than do the employees of any other agency of the Government.

The Director said, "If that is the policy of Congress, of the Senate, and of the chairman, and if they establish that policy, I will carry it out as best I can."

I praise the Director of the Federal Bureau of Investigation for his attitude, and express the hope that other agencies will emulate it.

The committee recommended a reduction of $8,200,000 in the budget estimate for the Justice Department, and $1,475,000 from the House appropriation. In that amount is a reduction of $150,000 for the FBI.

It was our conclusion, based upon the evidence, that it was necessary to include the funds for the Brussels Fair. Otherwise, everything which had been done so far would be wasted. I have already told the Senate about the restoration of the $3,490,000 for the Brussels Fair. I want the RECORD to show that $4 million has heretofore been appropriated for the building, and the building is already under construction. Another $1,500,000 is pending in a supplemental appropriation bill to be considered by the committee in the next day or two. Our failure to appropriate the money recommended in the bill would result in waste of what has been spent already on this project.

I believe most of us heard the President of the United States last night as he addressed the Nation. He reviewed the need for a strong national defense. I believe we all recognize that need, and we all respect the President's judgment in that field although last year I voted to spend more for defense than the President had recommended.

The President told the Nation that he is engaged in a constant search for "ways to save money and manpower so that government does not further add to the inflationary pressure on the economy." In this search, he invited the cooperation of Congress.

Mr. President, I think we can make reductions if we are careful and prudent, and if we are nonpartisan as to each of the bills which come before us. The President himself said last night, in effect, that the businessmen in his administration had submitted requests to him, and that he had had to reduce them by $13 billion. So he has cut $13 billion from the budget already.

If the President in exercising his constitutional prerogatives can cut $13 billion from budget requests, why cannot Congress, in the exercise of its prerogatives and responsibilities, cut the budget further when the reduction can be justified?

I think this bill represents an opportunity to cut some fat. Our recommendations are the product of long hearings, of careful thought, and of deep study. The savings are selective and are based upon a desire that the national interests shall be served adequately.

I would be less than frank if I did not say to my colleagues that I would like to have a better Information Agency than we have. I look forward to the day when we can have the best Information Agency in the world. But there is not one scintilla of evidence in the more than 1,200 pages of the hearings which would justify the assertion by a judicious, prudent man that the $90 million we have recommended will be wisely spent. I would not so recommend except for the hope, trust, and confidence I have in my colleagues and in their willingness to put the Information Agency back in the State Department.

I would be extremely reluctant to go along with the $90 million in the bill now, because time and time again we heard witnesses who did not know the number of persons who were working for them, where they were, or what they were doing. Yet, those witnesses were asking for more and more money.

Mr. BRIDGES rose.

Mr. JOHNSON of Texas. I yield to my friend, the Senator from New Hampshire.

Mr. BRIDGES. Mr. President, let me inquire whether the Senator from Texas has concluded.

Mr. JOHNSON of Texas. Yes, I am through.

Mr. BRIDGES. Mr. President, I wish to say to the distinguished Senator from Texas, the chairman of the subcommittee on the State, Justice, and judiciary appropriation bill, as the ranking Republican member of the subcommittee, and also the ranking Republican member of the full Appropriations Committee, that I believe a fair, thoughtful job was done on the bill. It is not easy for all members to agree on all points; and in connection with proposed legislation, we must find a common area of agreement.

I think the bill as reported by the committee—and again I point out that the bill was reported unanimously by both the subcommittee and the full committee—an excellent example of good proposed legislation arrived at by thoughtful members who engaged in a process of giving and taking, and then reported a bill on which they found themselves in an area of agreement.

Personally, I support the bill, as reported. I recognize that not all my views are carried out by the bill, as reported. Similarly, I point out that I do not believe the exact views of any other member of the committee are entirely carried out by the bill, as reported. However, the committee has reported a bill which represents a common ground on which we can meet.

I hope very much that the bill, as reported by the distinguished Senator from Texas, whom I must compliment upon doing an excellent job as chairman of the subcommittee, and for putting in long hours of work and faithful service, will be passed without amendment.

Mr. JOHNSON of Texas. I thank my friend from New Hampshire.

Mr. FULBRIGHT. Mr. President, will the Senator from Texas yield to me?

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). Does the Senator from Texas yield to the Senator from Arkansas?

Mr. JOHNSON of Texas. I yield to my friend, the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I wish to join in the statement made by the Senator from New Hampshire [Mr. BRIDGES] in regard to the bill, as reported.

This is the first time I have served on a subcommittee of the Appropriations Committee. I tried to follow the committee deliberations as closely as I could. I wish to compliment the chairman of the subcommittee on the very thorough way he handled the witnesses and the material presented to the subcommittee.

In my opinion, the bill, as reported, is a very sound piece of proposed legislation. In several instances I, too, found that exactly the distribution of funds I favored was not provided by the bill, as reported. However, after considering the points of view of other members, I believe the distribution made by the committee is a fair one.

I wish to say that I think the particular contribution made by the chairman of the subcommittee was in assuming the obligation of making judgments as to the value of the various activities. In the past that obligation has sometimes been overlooked; at times the Senate has automatically voted for a certain percentage of increase or a certain percentage of decrease, or has followed some formula in that connection. In the present case, the chairman of the subcommittee undertook to evaluate the various programs and to redistribute the funds.

I think the committee has reached a very fair, sensible, and justifiable distribution of the funds, and I believe that the chairman of the subcommittee did a very fine job. I compliment him.

Mr. JOHNSON of Texas. Mr. President, the Senator from New Hampshire and the Senator from Arkansas know how much their approval means to me. I am very grateful to them for it.

Mr. MANSFIELD. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield.

Mr. MANSFIELD. Mr. President, I desire to join my colleagues—the senior Senator from New Hampshire [Mr. BRIDGES], the ranking minority member of the full Appropriations Committee, and also of the subcommittee, and the distinguished Senator from Arkansas [Mr. FULBRIGHT], and other Members—in commending the majority leader, who is the chairman of the subcommittee, for the fine bill he has reported.

Although, by and large, the bill, as reported, represents the consensus of the view of the members of the committee, it must be kept in mind that some members believed that larger cuts should have been made.

Other members felt that further restorations of appropriations should have been made.

However, I desire to call to the attention of the distinguished majority leader, who is the chairman of the subcommittee, the fact that the subcommittee, despite such differences of opinion, agreed to try to hold the line on the bill, as it was reported yesterday and as it is now before the Senate.

Mr. JOHNSON of Texas. Mr. President, if my friend, the Senator from Montana, will yield at this point, I desire to say that some members, who might be called spenders or who might be identified with that group, would like to have the appropriations increased and increased and increased. On the other hand, some members wanted to have the USIA completely abolished. Some members wished to have $60 million appropriated for it; some preferred $96 million; some preferred $106 million; and so forth. However, after the members resolved their differences, following a debate on the subject pro and con, the subcommittee decided that it would come to the Senate with a united front and would ask the Senate to appropriate $90,200,000 for this Agency. I am prepared to stay here and to resist any amendments which would abolish the Agency or would cut the appropriations or would increase the appropriations as reported by the committee. I believe that every other member of the subcommittee is likewise prepared to do so. So I hope the Senate will support the action taken by the subcommittee and, in turn, by the full committee.

Mr. MANSFIELD. Mr. President, I am in wholehearted accord with the statement the Senator from Texas has just made.

I hope that the Senate will not vote to make any changes in the bill as reported by the committee, even though personally I believe larger appropriations should be voted for the State Department, because in peacetime the State Department is our first line of defense, and I believe it

should be given every possible consideration.

However, I am prepared to support the bill as it has been reported by the committee, and I shall be opposed to any amendments which would make any change in the bill as reported by the committee.

Mr. BYRD. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield to the Senator from Virginia.

Mr. BYRD. Mr. President, I desire to join my colleagues in commending the Senator from Texas for doing what I regard as a very fine job. It is very difficult to cut these appropriations, especially to reduce them below the amounts voted by the House of Representatives. I desire to express to the Senator from Texas my appreciation and my full approval of what he has done.

He has also made one of the most lucid and one of the clearest explanations of an appropriation bill that I have heard during my long service in the Senate.

So, Mr. President, I desire to commend the distinguished Senator from Texas.

Mr. JOHNSON of Texas. I thank the Senator from Virginia.

Mr. KNOWLAND. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield to my distinguished friend, the minority leader.

Mr. KNOWLAND. Mr. President, at this time I wish to say that I was not a member of the subcommittee during the entire period of the hearings. Although I have been a member of the Appropriations Committee for approximately 11 years, I did not become a member of the subcommittee until the death of the late Senator McCarthy, which created a vacancy among the members of the subcommittee on the Republican side of the aisle.

I did attend a number of the hearings prior to the beginning of my service on this subcommittee, and I attended the sessions which came thereafter.

I believe the distinguished majority leader, who is the chairman of the subcommittee, has made a very fair and very factual presentation to the Senate of the events occurring in the committee.

Personally, I would have been happier if the appropriations carried in the bill, as reported, were closer to those voted by the House of Representatives; and I made such a suggestion.

But as a result of the sum total of the committee's deliberations, a meeting of the minds of the members of the subcommittee has been reached, as must always occur in connection with the deliberations of a legislative body; and in my opinion the appropriations which have been recommended by the committee will not cripple the United States Information Agency.

Mr. President, based on the record made before the subcommittee, including the testimony which has been taken, I wish to state that I hope the USIA will be fortified and will better be able to make a presentation, next year, before the Appropriations Committee, both in regard to being able to state clearly how the expenditures were made this year and in respect to presenting such other programs as the Agency believes can be justified. I hope that on that basis the Agency will thus be able to lay the facts fully and clearly before the committee.

In my opinion the Senator from Texas has stated very clearly that all the members of the committee are interested in the maintenance of a sound foreign policy on the part of the United States and in voting in favor of anything necessary to be done for the defense of the Nation, both in respect to its Armed Forces and in respect to implementing that policy in the Department of State and in the other important agencies. Certainly this particular Agency is an important one. I doubt that any Member of this body believes that it should be completely abolished.

There has been some legitimate criticism that in certain areas of the world, where there is an adequate free press, we still maintain larger staffs than we should. It has been argued that as the situation in one area changed, the staff should have been moved to another area, and that in such case the Agency should have concentrated the talents and abilities of its employees in the other areas of the world, just as, following the end of the war in Europe, our troops were moved from Europe, preparatory to ending the war with Japan.

Mr. President, if the hearings before the subcommittee are very carefully studied, I believe they will prove to be very useful for the Agency itself. Although—as in the case of any large Government agency—there may be in this particular Agency some persons who lack the necessary qualifications, yet there are also in the Agency, as in others, many persons who have the necessary qualifications and who are interested in carrying out the same objectives which the Members of this body have.

Mr. President, I shall support the action taken by the subcommittee and the unanimous action taken by the full Appropriations Committee in reporting the bill to the Senate.

I hope amendments which would either increase or decrease this item will be rejected.

Mr. JOHNSON of Texas. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Texas. The Senator from California realizes, does he not, that the bill as passed by the House of Representatives carries an appropriation of $106 million for the United States Information Agency, and that the bill as reported by the Senate Appropriations Committee carries an appropriation of $90,200,000 for the Agency?

If the bill as reported by the committee is passed and goes to conference, there will be in conference the $90 million and the $106 million figures. There are some Members, on both sides of the aisle, who would like to reduce the $90 million, and there are some who would like to increase it. So far as I am concerned, I am not going to prevent the Senate from working its will. If it decides it wants to attempt to increase the item and have a yea-and-nay vote on that subject, and place the conferees in a straitjacket, and say to them that "You cannot go above $90 million," and 70 Members of the Senate have so voted, then, while I will resist amendments, I will certainly give Senators an opportunity to tell the country how they stand. There was an increase in the number of Government employees from 900,000 in the administration of my party in 1939, to 2,400,000 under this administration—and I think the day is coming, and that it is not far away, when we are going to separate the spenders from the cutters. I am willing to stand up and fight to develop my country and its natural resources. I am ready to vote for an adequate defense. I am in favor of our country having an adequate American information agency. But I submit there is not anything in the record that justifies the assertion that an appropriation of $90 million for the USIA should be increased.

Mr. KNOWLAND. I merely wish to conclude by again saying that, based on all the facts, including the parliamentary situation that presents itself, and the fact that the bill will be in conference, I shall support the action of the full committee which reported this bill to the Senate.

I should like to call the attention of the distinguished Senator from Texas to the proviso which he proposed and which I think is very good, and to which I fully subscribed in the committee. It appears on page 35, and reads as follows:

Provided further, That no part of the appropriation made by this title shall be used for any overseas government information activity unless the Director of the United States Information Agency finds that such overseas government information activity will not prevent private United States concerns from selling corresponding information services or products overseas.

I agree with the Senator that that proviso is better than the provision which had been previously submitted.

I ask the Senator from Texas if he would consider the addition of merely a few words, which I think are in keeping with prior action of the Senate on a number of matters of importance. Although I am not wedded to these exact words, I suggest some such provision as this, "and the Appropriations Committees of the House and Senate are notified in writing of such finding." I think it would have a salutary effect if the Congress of the United States were officially advised that such findings had been made.

Mr. JOHNSON of Texas. As I understand, the language would require only notification—not that there be agreement with the committee. Is that correct?

Mr. KNOWLAND. That is correct.

Mr. JOHNSON of Texas. I will say to the Senator from California, I would have no objection to that. I will ask the staff to draft such a provision, and ask for time to let the members of the committee explore it.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Illinois.

Mr. DOUGLAS. I, too, wish to congratulate the eminent Senator from

Texas, who is chairman of the subcommittee, for the bill which he has reported to the Senate. I think it is a very sound measure, and the whole committee deserves a great deal of credit for what it has done.

I suppose the subject which has been most under discussion is the further cut proposed in the appropriation for the information service, and I should like to ask the Senator from Texas a series of questions in that connection.

It is not true that the effectiveness of such a service depends, first, upon the type of direction given to it, and, second, the work of the rank and file of the service?

Mr. JOHNSON of Texas. That is correct.

Mr. DOUGLAS. As I have been reading the testimony before the subcommittee, I have inferred that, based on that testimony, a considerable number of the members had serious doubts about the competence, the knowledge, and the impartiality of the present Director of that service. Am I correct in that statement?

Mr. JOHNSON of Texas. I am not prepared to pass judgment on the gentleman's I. Q. I must say, in all frankness, that he was a very poor witness so far as concerned justifying the details of the proposed expenditures. I think some of the Senators brought into the hearings a speech, or perhaps two speeches, he had made referring to the New Deal and the Fair Deal as an alien philosophy that had been imported from Europe. But I think it was explained that he was speaking in Honolulu and perhaps was not aware of the fact that it might influence people in Europe, if he said it in Honolulu. He has been Director of the Agency for only a short time. He has been there only 6 months. It was the first time he had ever appeared before the Senate Appropriations Committee. I attempted to be helpful to him in getting all the facts he could assemble into the record.

I want to pay great tribute to the distinguished Senator from Illinois [Mr. DIRKSEN]. He is a champion of this administration. I only hope, when my party is in power, he champions it as much as he does this one, because he is an effective advocate. He said to the Director, "Here is how to answer the question," and he spelled it out. Then the Director went off in another direction and would not even follow instructions from his own party.

Mr. DOUGLAS. Will the Senator yield further?

Mr. JOHNSON of Texas. Yes.

Mr. DOUGLAS. Am I correct in understanding that speech was delivered on April 16, 1957, in Honolulu?

Mr. JOHNSON of Texas. It was delivered in Honolulu. The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Montana [Mr. MANSFIELD] had a copy of it and asked questions about it on the record. It was in April, just a few weeks ago.

Mr. ELLENDER. April 16.

Mr. JOHNSON of Texas. April 16.

Mr. DOUGLAS. I had always understood that Hawaii was a part of United States territory. Was it in the line of duty that the Director of the United States Information Agency, presumably in charge of our propaganda abroad, should go to Honolulu to make this speech?

Mr. JOHNSON of Texas. No. Like certain members of the Cabinet, and Senators and Representatives, he is a very prominent man. He is the author and spokesman for his party in some fields. I believe he is the author of a book called Modern Republicanism. In fairness to him, I think we should say he accepted the invitation before he became Director of the United States Information Agency.

Mr. DOUGLAS. But he delivered the speech after he became the Director, did he not?

Mr. JOHNSON of Texas. Yes. I think I am correct in saying—some of the Members on the other side of the aisle are familiar with this situation—that we were informed he was extended an invitation to go to Honolulu. I suppose all modern Republicans, and Democrats, too, for that matter, like to go to Honolulu and spend some time there, particularly if someone pays their expenses. He accepted the invitation. Then he got this new job about 6 months ago. The invitation was still in force. He had made a commitment. He felt he should comply with it. While I do not approve either his going to Honolulu and making a speech or what he said——

Mr. DOUGLAS. Will the Senator from Texas enlighten the Senator from Illinois——

Mr. JOHNSON of Texas. The Senator from Illinois is very astute. I do not want him to put the Senator from Texas in the position of defending the Director of the Information Agency.

Mr. DOUGLAS. Will the Senator from Texas enlighten the Senator from Illinois as to whether the Director of the United States Information Agency traveled at the expense of the United States Government or at the expense of the Republican National Committee?

Mr. JOHNSON of Texas. I do not know for certain, but I assume that he traveled at the expense of someone other than the Government; and I hope it reduced the assets of the Republican National Committee.

Mr. DOUGLAS. May I ask the committee to find out about this matter and make a report to the Senate, because I think it is a very important subject. If a man travels at the expense of the Government and makes a partisan political speech, then I would not say he was carrying out a bipartisan foreign policy. As a matter of fact, I would not say he was carrying out a bipartisan foreign policy even if he traveled at the expense of the Republican National Committee.

Mr. JOHNSON of Texas. It is difficult for denials ever to catch up with questions or assertions, but I am informed by a staff member who, so far as I am aware, is entirely nonpartisan in the matter, Mr. Merrick, that it is his information that Mr. Larson traveled to Honolulu at his own personal expense. Although I would prefer the Republicans had paid for it than to see Mr. Larson have to pay for it, that is the information we have.

Mr. DOUGLAS. Can that information be verified?

Mr. JOHNSON of Texas. I shall ask the staff members to pursue the inquiry further, and if we are in error, to tell me. Then I shall correct the error.

Mr. DOUGLAS. Very well. I hold no brief for Mr. Larson, and I happen to believe this speech was a violation of the principles upon which the Information Service should be conducted. I remember when Harry Truman was President he appointed a Republican, Wilson Compton, to be head of what was the United States Information Service, called the Voice of America. President Truman never meant to make the Agency a partisan one. In fact, Mr. Compton went all over the world saying he was a Republican, and I never heard him denounce any party. Now I am really pained that Mr. Larson should have stepped over the line.

Mr. JOHNSON of Texas. If he were going around the world doing that under a Democratic administration, some of us should have pointed that out.

Mr. DOUGLAS. At any event, Compton was not disciplined for going abroad and saying he was a Republican. He was given full rein. That is the point.

Should we not, however, draw a distinction between a department head and the rank and file of an agency? If Mr. Larson had made such a speech when he was Under Secretary of Labor it would still have been untrue but it would have been understandable since a certain amount of exaggerated tales is permissible to a partisan politician who holds a political office. But the Information Service is supposed to be nonpartisan and to represent the Nation abroad. Some of us Democrats do not like to be insulted publicly and then appealed to for support. There has been too much of this. It should be stopped.

But is it not true that prior to 1953 there had been built up under the Voice of America an extremely able and competent staff of men?

Mr. JOHNSON of Texas. If the Senator believes that to be true, I shall not dispute it. I was not directly familiar with the employees of that Agency. I realize that some of the highest expenditures ever made were made during 1951 and 1952. I assume that the men in that service were competent and effective, but I do not have any detailed information on that point.

Mr. DOUGLAS. Is it not true that the men in the Information Service who carried over from the pre-1953 period and are still in the Service, carry on the work that is being performed with relatively high efficiency and devotion?

Mr. JOHNSON of Texas. I cannot attest to that. I hope that every Government employee is effective and efficient. I frankly must say that I believe, from my experience——

Mr. DOUGLAS. I am trying to wring some words of praise for this agency from the mouth of the majority leader.

Mr. JOHNSON of Texas. I am not one who takes great pride in condemning the acts of others and reflecting on

the capacity of my fellow man. But I must say I have seen agencies which I thought were much more efficient and effective than this group appears to be.

I will say to the Senator that day after day after day, with the help of the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from New Hampshire [Mr. BRIDGES], the Senator from California [Mr. KNOWLAND], the Senator from Illinois [Mr. DIRKSEN], the Senator from Maine [Mrs. SMITH], the Senator from Louisiana [Mr. ELLENDER], who was there nearly every day, the Senator from Arkansas [Mr. MCCLELLAN], and the Senator from Montana [Mr. MANSFIELD], I tried to get information about what the USIA were doing, where they were doing it, and how they were doing it. The record will show we had great difficulty, and could not find out, who, what, when, why, and where.

I thought I was playing to a full house. The room was stacked full. I was having a little difficulty breathing. The air conditioning was off. I wondered why all the tourists had come into that room to hear the testimony. The thought occurred to me that maybe it was to see this new author, the new spokesman, the author of Modern Republicanism. I asked him 2 or 3 questions, and he could not answer them. Then I said, "Is there anyone in the room who can answer?" And no one could answer them. Finally I said, "How many employees of the United States Information Agency are in the room? Please stand up." And the entire room stood up, with the exception of a few.

I turn to one of my staff assistants, who counted 31 employees. I had there to help me two overworked men, who had been staying at the Capitol until midnight, working all day and working all night, and here was an Agency coming before the committee and asking for 1,000 more employees and $54 million, more than the average amount it had received for 4 years. And the Director could not answer the particular question, and there were 31 men from the Agency in the room and they could not answer it. I cannot say that is an example of effectiveness and efficiency. It may be that the question was not a good question.

Mr. DOUGLAS. Mr. President, will the Senator yield further?

Mr. JOHNSON of Texas. I yield to my friend from Illinois.

Mr. DOUGLAS. Did the Senator form a favorable opinion of the work of the Voice of America, for example?

Mr. JOHNSON of Texas. Yes.

Mr. DOUGLAS. It has been my judgment that this work is efficiently operated and that the staff deserves great credit.

Mr. JOHNSON of Texas. The Senator from Texas has a very high opinion of many parts of this program, including the Voice of America, the Latin American radio work, the motion picture work, the low cost book program, and many others I shall not enumerate.

I will say I did not form a very high opinion of the press service. In 1956 the Agency had 634 people in the press service. In 1957, instead of reducing the number, because they had been criticized for competing with the United Press and others in foreign fields, what did they do? The Senator from Texas stood on the floor and defended himself from attacks, when he was asking that the appropriation be increased from $87 million to $113 million, and how did they come to his rescue?

They used a large portion of the increased appropriations to add 200 additional people, an increase of 33 percent, to the press service that competes with the United Press and others in the foreign field. I consider that not only disappointing, but almost insulting to the Senate.

What do they propose to do this year? This year they want not 684, not 887, but despite all the storm that is brewing, and with all the clouds that are hanging over them, they have come before the committee to say, "We are not satisfied with 634 or 877, we want 930 for the press service."

Not for motion-picture work. We were impressed with that program. The Senator from Rhode Island [Mr. PASTORE] will confirm that. Not the Voice of America. Not the radio program in Latin America.

The Senators would be willing to pay and pay through the nose, if this budget had been based on those programs, but that was not the situation. And we could not find out where these press people were going to work, what they were going to do, or when they were going to do it.

Mr. DOUGLAS. I am very glad the Senator from Texas has just made the statement he has, because I have visited a number of the libraries in Europe and I have been impressed with the quality of the service and the type of books carried. I have also been impressed with the low-cost book program, of reprinting the classics of American democracy. It so happens that the Representative from my Congressional district, Representative O'HARA, has been the sponsor in the other body of this program, and has been very influential in getting it adopted by the Information Service.

I hope that in the apparent mismanagement which has occurred in certain parts of the program and in the failure of the present Director the good parts will not be condemned, and that next year possibly we can look at the situation with a fresh eye. I welcome this statement by the majority leader.

Mr. JOHNSON of Texas. I appreciate the Senator's statement. I hope he will not assume that I am committed to something next year, but I feel that I should say this: I know nothing about Mr. Larson's past. I learned after the hearings started that he was highly regarded by persons high in this administration. I was informed that he had not been politically active, that he was not a deep partisan, and that he had voted Democratic in Wisconsin upon several occasions. I learned that in the last several elections he probably had not voted at all. I think the record showed that in 1952 and 1954 he had not voted.

So I did not approach the subject in any partisan attitude. I was rather grateful that he had seen fit to vote Democratic at some time or other. I am sorry we lost him. We need all we can get. That was demonstrated by the last election.

What impressed me was that Mr. Larson had not been on the job long enough, or had not applied himself enough actually to know where these people were going to work, or what kind of work they were to do, and why this money was needed.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. KNOWLAND. I should like to say, in fairness to Mr. Larson, that it is true that he came into the Agency quite late. As we know, the budget is prepared sometimes a year or 18 months in advance of the concluding date of the budget expenditures under the terms of the budget.

Undoubtedly a large part of this detail had been prepared under the former Director, Mr. Streibert. I think it was undoubtedly an error on Mr. Larson's part to attempt to answer the detailed questions which the distinguished Senator from Texas had put to him. Mr. Larson having encountered that problem, and not having given the answers to which the committee was entitled, the committee brought in people at the work level. I think the chairman of the subcommittee will agree with me that a number of those people came in and responded to the questions, and that they were good witnesses. They were men of ability who, I think, in any business would be considered to be efficient operators.

Mr. JOHNSON of Texas. I think that is a fair statement.

Mr. KNOWLAND. There were witnesses from the motion-picture and radio fields. The assistant in the Middle East testified. I recall that the General Counsel, Clive L. Du Val, testified, as did Abbott Washburn and others. They were all qualified people. Perhaps Mr. Larson made the mistake of not making a general presentation on the first day, and then turning the detailed questions over to the work level staff, so that the distinguished Senator from Texas would not have had to spend so many days trying to get answers he should have had on the first day.

Mr. JOHNSON of Texas. I agree with the Senator. The Senator will recall that on occasions two of us were present as late as 5:30 in the afternoon. When I could get answers from people on the working level, as I did on the last day or two, I commended those people for the answers they gave us, particularly in the motion-picture field, and in connection with other programs which I do not recall at the moment. The record will show that whenever we thought commendation was due, we gave it fully and freely.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the distinguished Senator from Massachusetts, who contributed a great deal to the work of the subcommittee.

Mr. SALTONSTALL. I thank the Senator.

I commend the majority leader for the thoroughness and conscientiousness with

which he did his work. I did not agree with him at all times, and I do not agree fully with the report, but I voted for it for certain reasons, which I hope may be of some interest, and may perhaps be helpful to Members of this body who were not present.

I think it is clear that in the Appropriations Committee this year we are doing our utmost to avoid increasing the appropriations which come over from the House, unless we are compelled to do so.

Mr. JOHNSON of Texas. With that conclusion I am in hearty agreement. While there may be special instances in which we shall have to add to the House figures, I hope every Senator will bear in mind the problem we have, and that we may serve notice on the House that in the consideration of appropriation bills the House can expect us to try to keep within the limits of the House figures, if at all possible.

Mr. SALTONSTALL. That is clear. The members of our committee will try to do that to the best of their ability.

In this instance, we were up against the fact that the number of employees of the Department handling the work of the Department in every country in the world, as well as in Washington, represents a greatly undermanned agency, measured by the amounts allowed by the House. If my memory is correct, the House would cut the number of employees in the State Department by 691 under the present number, while the State Department actually desires an increase in the number of employees of 1,229, to be exact. So we had to consider priorities.

The first priority in this bill, in my judgment, is to see to it, to the best of our ability, that the State Department, which administers our diplomatic relations as the leader of the free nations of the world, is properly manned.

Mr. JOHNSON of Texas. That is completely in accord with the program of the Senator from Texas, as the Senator from Massachusetts knows.

Mr. SALTONSTALL. I agree. The State Department indicated that the amount needed to restore the situation to the level at which it is now operating was $6,500,000. By reason of certain language in the committee report, allowing the Department to move men from one branch to another to a certain extent, the Department could get along with $6 million more. We allowed $6 million more, and placed in the report the language to which I have referred. What we must do is to see to it in conference that the language with respect to flexibility is maintained.

That, in my opinion, was the most important thing the committee had to do. That action cost $6 million more.

Next we have the educational exchange program. I have always been in favor of the educational exchange program. The House cut the appropriation for that activity by $12,400,000. We restored $6 million, to assist in carrying on the educational exchange programs with other countries.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield before he goes into the question of the educational exchange programs?

Mr. SALTONSTALL. I am not going any further.

Mr. JOHNSON of Texas. At this point in the Senator's remarks I wish to read from the report which the committee has unanimously submitted to the Senate:

> The committee intends that the State Department utilize the total amount recommended for salaries and expenses to provide what, in their judgment—

That is, the judgment of the State Department—

> is most essential and desirable to accomplish the missions of the State Department, and to provide a balanced program for personnel, allowances, training, dependent medical benefits and recreational facilities at hardship posts.

I wish to supplement what the distinguished Senator from Massachusetts has said in regard to the No. 1 priority established by the chairman of the subcommittee, and I think carried out by the full committee.

Mr. SALTONSTALL. I thank the Senator.

Mr. JOHNSON of Texas. Although Mr. Henderson has taken drastic cuts, in evaluating the situation he has said to us that he will make a conscientious and earnest effort to operate with the $6 million given him, and he believes he can do so.

Mr. SALTONSTALL. I confirm that statement by the majority leader. That is what Mr. Henderson told me also, provided the language permitting flexibility is retained.

In my opinion, the State Department was the highest priority in our group. The next matter was the educational exchange program. The House eliminated $12 million, and we restored $6 million.

The Brussels Fair building represents a short-term commitment for a single brief operation next year.

The Department has contracted for the construction of the building in Brussels, and the contract has to be carried out. If we were to adopt the House figure, there would be no money left with which to operate the building when it was finally constructed. We would not be able to show what we have in this country as compared to Russia and other countries. It would mean a cut in the operations of 75 percent. In other words, we would have a shell of a building, with nothing inside. Therefore we restored some of that money for the Department. We added $3 million there, and we may have to provide some more for that purpose before we get through.

I am not going into the appropriations for the Department of Justice or for the Judiciary. The majority leader has mentioned some of the ups and downs in connection with those appropriations.

Let me refer to the appropriation for the USIA. In my humble judgment, that came on the fourth level of priority. I say that not because it is not an extremely valuable program or that it should not have more money than we are allowing it. I believe the majority leader will agree with me that the Senator from Montana [Mr. MANSFIELD] moved to make the amount $62 million, the Senator from Louisiana [Mr. ELLENDER] mentioned $90 million, the Senator from Illinois [Mr. DIRKSEN] mentioned $96 million, and the minority leader——

Mr. JOHNSON of Texas. I wish to correct the able Senator from Massachusetts. I do not believe that the Senator from Louisiana mentioned $90 million.

Mr. SALTONSTALL. I thought he did. I withdraw that figure.

Mr. ELLENDER. What I mentioned was the amount appropriated for the 1956 program, which amounted to approximately $87 million.

Mr. JOHNSON of Texas. I did not understand the Senator to say $90 million.

Mr. ELLENDER. I took the position that the appropriation should not be in excess of $90 million, but I felt that the agency could do a suitable job for much less than the sum we finally agreed to.

Mr. SALTONSTALL. It was the equivalent of $90 million. The Senator from Illinois [Mr. DIRKSEN] mentioned $96 million. The minority leader and I went up as high as $105 million, the amount approved by the House. I even hinted at the same amount that was appropriated for the agency last year, but I found that I was practically the only Senator who would vote for that figure.

Mr. JOHNSON of Texas. And the Senator from Massachusetts was not sure of his own vote.

Mr. SALTONSTALL. I was sure with respect to the amount the House had approved.

Mr. JOHNSON of Texas. I mean with respect to the $140 million.

Mr. SALTONSTALL. No; not the $140 million. I never wanted that.

Now with reference to the question of the leadership of the USIA, which was brought up by the junior Senator from Illinois [Mr. DOUGLAS], let me say, in the first place, that I just inquired about Mr. Larson's trip to Hawaii, and I was informed that it was paid for by the Lincoln Day Dinner Committee of Hawaii. That committee covered all expenses of the trip. I did not care to become involved in an argument on the subject, but it seems to me to be within the realm of proper operation of Government for a junior member of the Cabinet, so to speak, show a little partisanship on the day when we celebrate Lincoln's birthday. As I say, I do not want to get into an argument on that point.

Mr. JOHNSON of Texas. I am not going to ask the Senator about that. I do not want to become involved in any personalities. Mr. Larson is not on trial here. Mr. Larson became Director of the Agency in December. That was some 5 or 6 months ago. In his appearance before the subcommittee he had very able assistance from the distinguished chairman of the minority conference, the Senator from Massachusetts [Mr. SALTONSTALL], and the distinguished minority whip, the Senator

from Illinois [Mr. DIRKSEN]. If he had listened to their counsel, he would have done much better in the hearings than he did.

However, he did not want to follow their advice. The Senator from Massachusetts wrote out a question and said to Mr. Larson, "Here is a question the chairman has asked you on several occasions. It is not answered in this record. I suggest you take this question home." The Senator from Massachusetts did not say that Mr. Larson should put it under his pillow and sleep on it, but perhaps he hinted at it.

Mr. SALTONSTALL. I said, "Take it home." I did not say where to put it. [Laughter.]

Mr. JOHNSON of Texas. The Senator from Massachusetts asked him to take it home. He admonished Mr. Larson not to answer it then, but to wait until the next morning to answer it.

Mr. Larson said, "I will answer it now." He did. That is a part of this inadequate record, Mr. President.

The Senator from Illinois [Mr. DIRKSEN] said, "Here is the way I would answer it." And he chose another course.

This is not a personality fight. I think Mr. Larson is inexperienced. I do not want to get into an argument about what the Senator said with reference to the director of an agency making political speeches. However, I believe it would be better to rely on a Cabinet or a sub-Cabinet member or any one of the Republican Senators, because when I asked Mr. Larson a question, about 3 times, "How many people do you think will be needed?" he said, "We must combat communism." When he continued to speak in generalities I leaned over and whispered to one of the minority members, "I wish he wouldn't reply to my question by evading it and making a Fourth of July speech, because if I must listen to a Fourth of July speech I would much rather have Senator DIRKSEN make it, for I think it would be a better one."

Mr. SALTONSTALL. The Senator from Texas was good enough to yield to me. I should like to finish my remarks. If we are not going to increase the budget for the State Department—and some of these items such as the educational-exchange program and the Brussels World's Fair are very essential—then the money must come from somewhere. Some of us were in favor of granting more money than was provided. However if we must give priority treatment, since it is obvious that the majority is not going to vote an increase in funds for the State Department, it follows that the funds must come from somewhere.

The bill will give USIA approximately $89.4 million for its operations. I should like to see it get a great deal more than that. I have listened to the leader of our country, the President of the United States, and he thoroughly believes in the work of this Agency. I have always believed in it. I believe we have given the Agency enough money with which to carry on their press operations and their TV operations, and so forth. We have forced them, perhaps to change their operations and to withdraw from certain countries, such as New Zealand, and perhaps Australia, and England, and France, or to decrease their operations there, and to add to them in Africa and other areas where the need is greater. Personally, as I say, I wish we were able to appropriate more money for the USIA. However, we live in a practical world, and we all know that legislation is the result of compromise. This year there is a very fundamental demand from our people to keep down governmental expenditures. That is the foundation and the background on which the Committee on Appropriations has worked this year.

Giving first priorities to highest needs, I voted for $90 million for the USIA, and, like other Senators, I intend to stand by these figures. I know a number of Members of the Senate would like to see the amount reduced considerably further. I would like to see the amount raised. However, if we want the Agency to do a fair job—I will not say a good job—we will have to stand by the figure reported by the committee.

That is why I voted for the appropriation bill in committee, considering it to be the best that could be obtained, and I shall support it.

I say again to the majority leader that he did a very thorough and conscientious piece of work on the bill. While I do not agree with all his conclusions, I do agree with respect to the appropriations for the State Department, the Educational Exchange, and the Brussels Fair. I should like to give them a little more, if I did not realize that such action would mean cutting the USIA funds still further.

I hope the Senate will pass the bill, and that it will come out of conference with reasonable appropriations for the State Department.

The Judiciary and the Justice Departpartment are satisfactorily taken care of in my humble judgment.

Mr. JOHNSON of Texas. Mr. President, I wish to express my appreciation for the contribution the Senator from Massachusetts has made, both in the deliberations in committee and on the floor. I am very grateful for his confidence.

I should like to ask him a question. Is it not a fact that this appropriation bill carries more money for USIA than has been appropriated for it in any year since the Eisenhower administration took office except last year when I handled the appropriations?

Mr. SALTONSTALL. Last year the appropriation was $112 million, as I recall.

Mr. JOHNSON of Texas. It was $113 million. I handled the appropriation bill last year.

Mr. SALTONSTALL. The highest in the Eisenhower administration before that, I believe, was $89 million.

Mr. JOHNSON of Texas. I should like everyone who thinks we might be partisan about this matter to hear the figures again. In 1954, when Senator Taft was the leader of this body and the Republicans were in charge of the committees of the Senate, and when the Senator from New Hampshire [Mr. BRIDGES] was the chairman of the Committee on Appropriations, the first session of the 84th Congress appropriated $84 million for the USIA.

In the next year, when the Senator from California [Mr. KNOWLAND] was the majority leader, the Committee on Appropriations reduced the USIA appropriation to $79 million. Those were 2 years under a Republican Congress.

Then we had the cold war, or the beginning of the cold war, to which the President referred. The Democrats were elected, and took control of Congress in 1956. In 1956 we raised the appropriation for the USIA from $79 million to $87 million.

Then I was assigned to the Committee on Appropriations and became chairman of the subcommittee having the State Department appropriations in charge. I became extremely interested in our propaganda activities, in the Voice of America, in the low-cost books, and in the motion picture and educational programs.

Notwithstanding the warning voice of the Senator from Louisiana [Mr. ELLENDER] and other Senators, I came to the floor of the Senate and recommended $113 million, never thinking that the USIA would proceed to hire 200 new employees and put them in the press service, to compete with existing press services.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. PASTORE. I wish to join in complimenting the chairman of the subcommittee upon the excellent job he has done in dealing with this very complex and perplexing problem, and also to compliment him for the very eloquent way in which he presented his case to the Senate this afternoon.

I have always believed in the USIA. While I did not attend all the meetings, because I had other committee commitments, I attended a sufficient number of them to realize that an appropriation of $90,200,000 is not only reasonable, but represents a very modest cut. I dare say the record, if it were analyzed, would not even substantiate a figure as large as that.

While it is true that the present Director has held his position only a very short time and is not so familiar with the general activities of the Agency as are some of the working personnel, the fact is that at one juncture the Director was asked how he justified the amount of $700,000 which was spent in England. The Director answered by saying that it was a good question; but the committee never really got a satisfactory answer.

I should like to ask the distinguished majority leader if he is satisfied that the $700,000 which was spent in England during the past fiscal year was necessary or actually did the United States any good.

Mr. JOHNSON of Texas. No; I do not think it was essential. Following V-E Day, I was sent to Europe as the chairman of a subcommittee the primary objective of whose mission was to attempt to make whatever contribution we could to getting all of our forces out of Europe as quickly as we could and into the Pacific theater of the war.

I feel very much as do the other members of the committee, very much as the distinguished minority leader feels, that there are areas where a war is on, areas which must have unusual attention and unusual expenditures. I am ready to go along on that basis.

But I am not sure that when we inaugurate a low-cost book program, we ought not to substitute it in lieu of the high-cost book program, and that we ought to keep both programs in being ad infinitum.

I am not sure that we ought to be adding hundreds of persons to the press service, when Congress has already provided in the law that they should not be in competition with existing press services.

This is one of the problems. It is no reflection upon the President. I realize he feels deeply about the necessity of having an adequate Information Service. The Senator from Texas feels deeply, also, on that score. I will support any appropriation that I think is necessary, useful, and helpful to carry out such a service, if it is wisely used. But I do not believe the President of the United States, or even Mr. Larson himself, if either of them were to exchange positions with me and were to be the chairman of the subcommittee, and if I were to present the case which they presented, would give me $80 million. I do not believe the committee would have recommended that amount, except for the hope of every Democratic and Republican member of the committee that this Agency would become a part of the State Department. We realized that the United States lost the propaganda war against the Kaiser in World War I. We did not do too well in the field of propaganda against Hitler and the Japanese in World War II. The members of the committee want to see our Government engage in the battle for men's minds. But they want the work done effectively, efficiently, and without waste.

Every Senator who has visited in a country where the USIA has an office has either seen too many or at least a few, incompetents, or is likely to have been reminded by someone in the Embassy that the USIA in that particular country has more personnel than it needs; that they get higher salaries than the Embassy personnel receive; that they have better cars than the Embassy personnel; that they are not so competent as they should be; and so on and so on.

This is not a trial of the President or of Mr. Larson. If I had been the head of the Agency for only 4 months, perhaps I could not have answered the questions asked him. But if I ever have the misfortune to come before a subcommittee of Congress, I am going to try to do my homework and to spend a few nights in preparing for my appearance. I do not think Mr. Larson really knew where he wanted to use the money or what he wanted it for.

Nevertheless, the committee is willing to have an effective information job done. We realize the importance of the work. But we are not going to have personnel running out of our ears. We are not going to apologize to anyone for refusing to give the USIA the 1,056 new, additional personnel, when the USIA already has more than it needs. They have supervisor on top of supervisor. Think what the legislative appropriation bill would come to if we handled our own affairs in the same way.

There are some 700 weekly newspapers in Texas. On that basis, I would have to have about 350 press employees, and I suppose a proportionate number based upon the number of daily newspapers.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the distinguished junior Senator from Kentucky.

Mr. MORTON. I wish to commend the distinguished majority leader upon his very lucid explanation of a complex appropriation bill. As he pointed out, there is a reduction of about 15 percent under the budget estimates in the bill before the Senate. I feel constrained to point out that with State and USIA in the President's office eliminated; the Justice and Judiciary cut is in the nature of 23 percent.

If we take into consideration the total figure which the House sent to the Senate, I must say the subcommittee has done a masterful job in putting first things first. I think they did an extremely good job.

This is a unique experience for me. For 3 of the last 4 years to which the Senator was referring, I was at the other end of the table, trying to justify the State Department appropriation bills. I must say that I think the committee has done an excellent piece of work in putting first things first.

Mr. JOHNSON of Texas. I may say, in that connection, that the committee would probably have a better record if the Senator from Kentucky had been at the other end of the table this year.

Mr. MORTON. I thank the Senator. I did not present the budget for the USIA.

I wish to associate myself with the comments of the distinguished Senator from Massachusetts [Mr. SALTONSTALL]. There are items in the budget about which I am not happy. But there are realities which we must face. I realize the problems which the majority leader and the other members of the Committee on Appropriations will face in conference, especially in holding the line on top priority items. I consider them top priority. I refer to the $6 million item for the State Department, the $6 million for student exchange, and the item for the Brussels Fair.

For these reasons I intend, along with the Senator from Massachusetts, because I think it is in the best interests of the Departments concerned, to support the bill as reported by the committee.

Mr. JOHNSON of Texas. Mr. President, I should like to have the yeas and nays ordered on the question of final passage of the bill, so that Senators may be on notice that there will be a yea-and-nay vote on that question.

I also wish to announce that it is my purpose to have the Senate remain in session until a late hour this evening, if necessary, in order to have final action taken on the bill. Of course, another appropriation bill is ready for action by the Senate, following our action on the pending bill.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). On the question of the final passage of the bill, the yeas and nays have been requested. Is there a sufficient second?

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield.

Mr. JAVITS. I thank the Senator from Texas for yielding, for he knows that I am opposed to his point of view. I shall vote against it.

Let me say that I think the yeas and nays should be ordered, and I am glad they have been ordered.

At this point I should like to ask a question. I desire to hear all the points of view, and I wish to explain mine.

The very distinguished Senator from Texas has made a masterful presentation. Let me say that I hope that on another day, and in connection with a case which I think will help us more, he will do the same.

At this time I should like to state that two things about the Senator's presentation leave me in grave doubt. After all, the issue before us is not whether the number of employees of this Agency is to be increased or decreased. The issue before us is whether the Senate will vote to decrease by $15 million the amount of the appropriation the House of Representatives already has voted for this Agency. In short, the question before us is whether the Senate will vote to make a cut of approximately $54 million in the amount requested for this Agency by the President.

Under those circumstances, does the Senator from Texas believe that if the amount recommended by the Senate committee for this Agency—namely, $90,200,000—is the amount finally appropriated, the United States Information Agency will have to reduce, at some point, by approximately 20 percent, its operations from the program we authorized in the last fiscal year.

Mr. JOHNSON of Texas. First of all, Mr. President, let me say that I cannot search the minds and hearts of other Members and know what they are going to do. I am not always positive what I am going to do, much less what Members on the minority side are going to do. There may be amendments which call for an appropriation of approximately $140 million, in line with the budget request. I would not think that all Members on the minority side of the aisle would wish to abandon the President and simply leave him in the lurch. If the minority side believe in Mr. Larson, they should bear in mind that he asked for an appropriation of $156 million. That is the request he began with. The President has already reduced that to $144 million; and the House of Representatives has voted that the $144 million be reduced to $106,100,000.

Then the members of the Senate subcommittee considered the matter, and tried as best they could to get Mr. Larson to justify the $106 million. As I have said, we did the best we could, as reasonable men, acting conscientiously.

If Senators will examine page 1143 of the hearings, they will see that I asked Mr. Larson please to repeat what he said in the House committee, to justify his present level of appropriations, if he could. In the opinion of the Senator from Texas, Mr. Larson did not justify his present level. In the opinion of the Senator from Texas, Mr. Larson's Agency—and I do not attribute this to any selfish motive on the part of Mr. Larson; perhaps the action was taken before he joined the Agency—added about 200 new employees and made a 25 percent increase in the press service alone during 1957, notwithstanding the protests of the Members of Congress and notwithstanding the prohibition in the bill against competition.

Of course, if the Senate follows the recommendations of its subcommittee and the recommendation of the full committee, the Senate will vote to give this Agency—and we also hope the Senate will vote to put it under the supervision of the Secretary of State—$90,200,000, which is approximately $16 million below the amount voted by the House of Representatives.

When the conferees on the part of the Senate meet with the conferees on the part of the House, including the distinguished Representative from the home State of the Senator from New York—and that Member of the House of Representatives is very eloquent and is a very able pleader—I do not know how insistent he will be in the case of the $106 million. I shall not know how flexible I can be in my attitude regarding the matter, until I hear the verdict of my colleagues.

I urge all my colleagues to give me any information they possess and to make any representations they have to make, or to develop any knowledge they have been able to acquire.

At the hearings, we heard from many witnesses, some from within the Government and some from outside the Government. Finally, we concluded that the amount voted by the House, as it appears on page 33, in line 6, should be stricken; I refer to the $106,100,000. We decided that, in lieu thereof, $89,100,000 should be inserted, in view of the fact that the appropriation for the radio transmitter, which we are allowing for, will be another $1,100,000.

Let me ask the Presiding Officer, my friend, the Senator from Georgia [Mr. TALMADGE], to confirm my understanding of the parliamentary situation, which is that the pending question is on agreeing to the committee amendment on page 33, in line 6. Is that correct, Mr. President?

The PRESIDING OFFICER. It has not been stated, but that will be the pending question.

Mr. JOHNSON of Texas. Very well. When the vote on that question is taken, every Member who wishes to vote for more money, for more jobs, for more Government-kept press services, for more assistants, can line up, on one side, and say, "Here we are—the spenders, and we are proud of it." Those on the other side can line up and can say, "Here we are, the cutters—and we are proud of it."

I will vote to appropriate for this agency every dime it needs for legitimate purposes. I have made my attitude in that connection clear, and my record on it is clear. The record will show—and it is there for all to see—that it was the Senator from Texas who voted to increase the appropriation; it was the Senator from Texas who came before this body and piloted through it an increase in the appropriation from $87 million to $113 million; it was the Senator from Texas who, as a conferee on the part of the Senate, sat with the conferees on the part of the House, including Representative ROONEY, from the State of the Senator from New York, after the House of Representatives had voted a smaller appropriation; and it was the Senator from Texas who participated in the conference which finally agreed on an appropriation of $113 million. Previously, the Senate had voted, as I recall, for $115 million, and the House of Representatives had voted for a smaller figure. But in the conference a compromise of $113 million was reached.

If the vote on this item is the only vote yet to be taken, before the final vote on the bill, and if the Senate allows me any flexibility in the conference, I will proceed on that basis in the conference. I am sure that by the time the conference is held, the Senator from Illinois will have a new stack of papers and revisions of programs, and will have some of these matters cleaned up and straightened out; and after he says to the Senate, "Here is what we plan to do," it may be that he will be very persuasive with the Senator from Texas, as he often is; or perhaps Representative ROONEY will not be so appealing. Perhaps we shall finally arrive at an amount somewhere between $90 million and $106 million.

If the Senate by majority vote decides that it wishes an appropriation of $106,100,000 to be made, this item will not be before the conferees. On the other hand, if the Senate decides by majority vote that it believes the appropriation for this Agency should be $90,200,000, then a conference will be held on the item, and the conferees on the part of the Senate will have that instruction.

Of course, I expect Senators on the other side of the aisle to determine what strategy they will use.

Mr. JAVITS. Mr. President, will the Senator from Texas yield for a question?

Mr. JOHNSON of Texas. I yield.

Mr. JAVITS. The Senator from Texas has been very gracious, and certainly I, also, very much appreciate the masterful presentation he has made.

Mr. JOHNSON of Texas. I thank the Senator from New York.

Mr. JAVITS. As I understand, the record shows that of the three great press services of the country, two of them—the International News Service and the Associated Press—say this wireless activity of the United States Information Agency does not compete with them. However, in my own time I shall develop that point.

Mr. JOHNSON of Texas. I think that is a fair statement, and I think it is true. I think the Associated Press and the International News Service are not fearful of it.

As I said to the minority leader, if 3 men are afraid they will be murdered, it is not a sufficient answer to say, "I have talked to 2 of them, and they are not very afraid," when the third one still is.

Certainly I shall not participate in the business of closing up even one of those services; it will not be done by my vote.

Mr. JAVITS. I do not say it is a question of closing any of them.

Mr. JOHNSON of Texas. That is the viewpoint of the Senator from New York. I am talking about the viewpoint of the press services.

The Senator from New York is entitled to his viewpoint, Mr. President. But I think I can say with some accuracy that our friends in the other services feel that they have competition from the Government press. Certainly I do not want the day to come when the United States news services are regarded as a kept press.

Mr. JAVITS. Mr. President——

Mr. SALTONSTALL. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. Mr. President, I can yield to only one Senator at a time. I have been on my feet for a long time, and have made a rather lengthy statement in connection with this matter.

Mr. SALTONSTALL. I should like to make a statement in clarification.

Mr. JOHNSON of Texas. Very well; I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. There is a language amendment which will cover the point the Senator from New York has mentioned. I believe that language amendment is helpful, in that it puts on the Director the responsibility of determining whether any business is being prevented. That amendment is good, in that it will help create a better spirit, and will avoid having any substantial group—such as the United Press or the Scripps Howard Alliance or others—complain that the job is being done badly.

Mr. JOHNSON of Texas. I am not in agreement with Secretary Dulles on all matters. But I recall his saying, back in 1953, that a curtailment in expenditures would actually effect a corresponding increase in effectiveness. We must be frank and realize that this agency is getting more than we gave it in 1954, more than we gave it in 1955, and more than we gave it in 1956, but not as much as we gave it in 1957. I think the record shows that there will be a reduction in expenditures. I hope, actually, we shall see an increase in effectiveness in the program, which I believe will result from this discussion and the hearings.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from New York.

Mr. JAVITS. The President has said, and I quote from his speech of last night——

Mr. JOHNSON of Texas. I heard the President last night.

Mr. JAVITS. The President said last night, with regard to the USIA, that he regarded the reduction made by the House as the worst kind of economy. Yet the Senator has said the recommended action, which is now under discussion, is no reflection on the President. Does the Senator think it is backing the President of the United States or not backing the President of the United States to vote "yea" on this $89 million figure?

Mr. JOHNSON of Texas. The Senator from Texas and the President are not always in agreement, although the Senator from Texas is frequently criticized for being in agreement with the President. I never considered it a reflection on me when the President disagreed with me. I do not think it ought to be considered a reflection on the President when I disagree with him. If the President would take the 1,249 pages of our hearings, or if the Senator from New York would take them, and ask any of the Senators on either side of the aisle, to stand up and justify the budget figure requested by the President, I doubt if they could do so.

I heard the President talk last night. I have had to make some TV speeches, at times, to appeal to people to get them to go along with my program. Some call it pressure; some call it good reasoning. The thing that was interesting about the President's speech was this: Here came a good man, carrying on his shoulders frightful responsibilities; doing his best to discharge the responsibilities of his high office; and reporting to the people, who have such great confidence in him. This is what he said or this is the effect of what he said—I do not assume to quote him literally: "I have looked at the requests of my Cabinet, and I have had to take my lead pencil and cut them by $13 billion." He has had to reduce the requests of his Cabinet by $13 billion. For the Agency under discussion alone, he cut the request by more than $12 million.

I say to the Senator from New York, do not make it personal; do not make it a test of admiration or respect for the President. Do not say to me that I cannot act on my own.

My answer is this: If I know Dwight Eisenhower, the President of the United States, and I think I do, I know he wants me to do my job as a United States Senator as my conscience dictates. It is my humble opinion that if he knew what was in the record, he would have a reluctance even to go along with the $90 million figure. I think that answers the question of the Senator from New York.

Mr. JAVITS. I think it does, and I may say I think it is my responsibility, and that of any other Senator who feels likewise, to do all he can to enable the President to do the job. With due respect to the Senator from Texas, having gone over the record and having made full inquiry, I think the proposal now made would cripple the Agency in doing what it must do. Therefore, I must go the other way.

Mr. JOHNSON of Texas. I have no quarrel with the Senator. He has a right to his conviction, and he certainly has the duty to speak his mind. The Senator from Texas does not want to suppress him. The Senator from Texas, however, wants to point out that when the President gets $90 million, if he does, or $106 million, if he does, he will get more, and substantially more, than his own Congress gave him when his party was in control of the House and the Senate. That answers the "cold war" argument.

Mr. JAVITS. I hope to deal with that question.

Mr. COOPER. Mr. President, will the Senator yield to me?

Mr. JOHNSON of Texas. I yield to the Senator from Kentucky.

Mr. COOPER. First, let me say I enjoyed the statement of the Senator from Texas. I know the question will be on the committee amendment, and I intend to vote against the amendment. I am sure my good friend from Texas will accord to me, as he always does, and as I have accorded to him, the right to which he has referred—the right to form one's own judgment. So I do not think he can quite fairly say that if we vote against the committee amendment we may be, as he termed it, "spenders," or those seeking jobs for other people.

Frankly, the reason why I shall vote against the amendment—and I shall develop the reason later—is that there are three programs in the Information Agency which are important and which would be crippled by the amendment.

Mr. JOHNSON of Texas. If the Senator has a question to ask, will he ask it? Then I shall yield the floor.

Mr. COOPER. I wish to ask the Senator if he will clarify the amendment which he has offered, which provides "that such overseas Government information activity will not prevent private United States concerns from selling corresponding information services or products overseas."

As I understand, the provision is directed toward the wireless files which are furnished to the United States Information Agency——

Mr. JOHNSON of Texas. Will the Senator speak a little louder? I did not hear him.

Mr. COOPER. I understand the language is directed toward placing some prohibition on the activities of the United States Information Agency in the use of wireless files which are provided in some 70 countries. Is that correct?

Mr. JOHNSON of Texas. The purpose of the amendment is to strengthen the existing provision in the legislation for the United States Information Agency so as to prohibit Government information activity which would prevent—"prevent" is the agency counsel's word, incidentally—private United States concerns from selling corresponding information services or products overseas. It would require an express finding by the Director of the United States Information Agency that such Government activity would not prevent the private activity.

In other words, I might illustrate it in 2 or 3 ways, and I shall do so as briefly as I can, because it is 4:20 p. m., and the Senator from Texas has been on his feet for some time. I shall be glad to exchange information with the Senator from Kentucky in his own time, after I have had a chance to let some other Senators speak.

To illustrate the point I was making, let us assume the case of a wire service that goes to a small newspaper in a small country. Presumably, such wire service is being paid for by that newspaper and the private agency. The Government comes forward and says to that newspaper, "We will supply you with the USIA press service, which will not be confined merely to the President's statements or to statements on foreign policy, but will include all the copy you will need."

The language now proposed would prevent that process from taking place. It is now alleged that it does happen. We wish to make it clear that the Director must make a finding that such a group would not compete with private news services, before he makes these services available.

Secondly, there might be a television film, let us say, which is supplied to a television station in Mexico City, in the form of a program by an orchestra or band or some kind of dancer. We pay $1,400 for that film. It may very well be that the television service is buying one of Mr. Ziv's films or one of Metro-Goldwyn Mayer's films or one of RKO's films to use as a filler for that period. All at once they are confronted with a proposition that the United States Government will supply them with live programs, and with such film as they may need, to sell for commercial purposes or use as sustaining time.

It was the unanimous judgment of the committee that we ought to ask the counsel to draft a provision that all could understand. The committee reviewed the provision thus drafted—we think carefully—and improved upon it and unanimously adopted it. The language is designed to prevent situations such as I have listed about the press and television, and I could say radio and others.

Mr. COOPER. I thank the Senator. May I develop this case a little and ask the Senator for his advice, because I believe that, unless it is clearly pointed out, there is a danger in this proposed amendment.

I point out to the Senator that there is a wireless file furnished to some 70 countries. It contains straight news from the United States, such as the statements of our officials, and even speeches of Senators. This file goes into 70 countries, and is distributed through the newspapers in those countries. Many of those newspapers cannot afford the services of our press agencies.

I wonder if the amendment would have the effect of striking down this service, and whether it would mean that there would be no straight news furnished to countries throughout the world.

To prevent such a result from happening, I should like to see if the amendment could be clarified.

If the newspapers in the countries where this service is furnished cannot afford the services of our press agencies, would the USIA, under this amendment, be permitted to continue to provide for these newspapers the only available reports as to Government policies of and straight news from the United States? That could happen under this amendment. I do not believe it is the intention of the committee or the Congress to shut off from many countries throughout the world the only news they can possibly get.

Mr. JOHNSON of Texas. I should think that if the Director made the finding, first, that a newspaper could not, as the Senator has said, afford to pay for the service, he would necessarily then make the finding that this did not prevent a United States concern from doing so. That would be my thought.

Mr. COOPER. The Soviet Union and even other nations subsidize their news to many countries. It is promised at a very low cost, compared to the cost of the services charged by our own private agencies.

Mr. JOHNSON of Texas. I am no lawyer. The lawyer for the agency drew up the language, and the committee considered it very carefully. I should like to have my interpretation, for whatever it is worth, in the RECORD.

Mr. COOPER. I should like to have the Senator's interpretation.

Mr. JOHNSON of Texas. I think in order to say that one has to "prevent a sale" there would have to be a showing and a finding by the Director that a sale was possible in the absence of the service of the USIA.

Mr. COOPER. I thank the Senator.

Mr. JOHNSON of Texas. I thank my friend.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. On the point raised by the Senator from Kentucky, if the Senator from Massachusetts will indulge me for just a moment, we have very persuasive and convincing evidence that the present service contains spot news, and duplicates a great deal of the material which is carried by the various press services and private news agencies; that the operation is not simply distributing texts of statements from Washington or news from Washington, but that the bulletins which the press service issues, through some 800 or 900 employees, are distributed in competition, containing datelines from all over the world; that many stories have nothing to do with United States interests; that the operation started out as a very small one, and that it has been expanded at frequent intervals; that the Senator from Texas unwittingly has been responsible for some of the expansion by requesting the increase in the appropriation last year; that there are people in the agency who feel it should be turned into an official worldwide United States Government news agency; that in some places, particularly Asia, it is used widely by small publications which have been purchasing or could purchase similar services from free enterprise.

I could go on at great length, but I merely point out these items from the information brought to the committee.

I now yield to the Senator from Massachusetts.

Mr. KENNEDY. On page 454 of the hearings before the subcommittee of the Committee on Appropriations of the United States Senate dealing with the Departments of State, Justice, the judiciary and related agencies appropriations, 1958, there appears the memorandum from Mr. Larson wherein it is stated that approximately $115.7 million is required to continue the program of United States Information Agency on the current level of activities, that is the level being maintained this fiscal year.

Does the Senator from Texas not believe that it would be wise, in view of the activities being undertaken by the Russians, the Chinese, the Egyptians, and others, that we should at least continue the program on the level at which it is maintained today; or is that figure inaccurate?

Mr. JOHNSON of Texas. No. The Senator from Texas thinks it ought to be stepped up, and that the figure should be increased.

However, to answer the question of the Senator from Massachusetts specifically, the Senator from Texas is of the opinion that Mr. Larson is not informed of what would be required to continue the program at the present level.

The thing which the committee is more concerned about than anything else, I will say to the Senator, is the increase of the 200 people in this press service, which is competing with American press interests. We think that a shift from Europe to Asia should have been made much more forcefully and much more aggressively and in a much greater number of cases. We do not think we ought to carry on in the European theater the full fight all the time, when problems are increasing in other areas, just as when we ended the war in Europe with VE-day we had to shift a large number of people. The same thing should be done in this instance.

We think this press service is disturbing. Every Senator who approached it was somewhat concerned about whether we might be establishing a Government competition.

Mr. KENNEDY. The only thing which concerns me is the fact that the appropriation for last year was $113 million, more or less, and now, in a year when I think we will have to do more, with the competition becoming greater and more intense, and moving into these areas which are undecided, we are planning to cut the program below last year's program by $23 million.

I believe in this program. It is difficult for me to believe that the program is so hopelessly conducted that it is not able to spend as much as it spent last year wisely and well.

Mr. JOHNSON of Texas. It would not be difficult for the Senator to believe if he had personally heard the testimony. I know of no Senator who did hear the testimony who felt the money had been spent wisely and well.

Mr. KENNEDY. I will say to the Senator that the reports and hearings became available only recently, and I have tried, but have been unable, to read them completely. That is why I am asking the Senator these questions. It is hard to understand why the recommendation should be $23 million below what the same Senator recommended the last year. It looks to me as though either the program is badly conducted or there is some error involved. I am sure no one would question the fact that the need is certainly greater this year than it was last year.

Mr. FULBRIGHT. Mr. President, will the Senator yield to me?

Mr. JOHNSON of Texas. The Senator from Texas is of the opinion that the committee made a mistake last year.

Speaking of the 3 previous years, I would prefer to have the Senator talk about the average year, or the 3 previous years, than to talk about the single high year and then base his comparison on that.

If the Senator wishes, I shall yield to him, but I do not wish to have him close his mind on the subject. If he wishes to obtain any information I should like to provide it for him.

The hearings have been available, I will say to the Senator, since Monday. We distributed them to some Senators on Monday. The hearing room has been open to Senators all the time. We specifically urged them to attend.

The Senator from Texas was new to this job last year. He sat with the committee for many hours, and came to the conclusion that there was much useful activity that could and should be stepped up. Accordingly he voted to make a substantial increase over the House figures.

When a report was made as to what was done, what had been accomplished, what was to be done, where it was to be done, how it was to be done, and by whom it was to be done, the Senator from Texas, like every other Senator, was considerably disappointed. Mr. Larson frankly did not have the answers. We would ask, "What are you going to do with the 173 extra people you are asking for in this area? What countries are they to be assigned to? What are they going to do?" He did not know.

I am not in a position to speak for all the committee, but it is possible to believe that twice the amount proposed to be appropriated in this bill could be wisely spent at some time in an effective information program. But I am saying to the Senator, without fear of contradiction, that it is difficult to find a justification in the hearings even for the $90 million we have allowed.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from New Mexico.

Mr. CHAVEZ. The Senator has mentioned Mexico City. I was in Mexico City 10 days ago. I have heard of the idea of spending $1,500 every week for a jazz band which is not doing a bit of good so far as goodwill is concerned. It is only causing resentment among the Mexican people.

I congratulate the Senator from Texas for his efforts in reducing this item to $90 million. I voted in full committee to sustain the Senator from Texas and the subcommittee. I did so reluctantly. I thought that the Senator from Texas and the subcommittee were a little too liberal in granting $90

million, because I feel that the program is not doing a bit of good. All it does is to cause resentment. Representatives of the Agency go to Europe and elsewhere in the world and throw their weight around because we let them have the money. They are not accomplishing anything so far as goodwill is concerned.

I thank the Senator.

Mr. JOHNSON of Texas. The Senator from New Mexico is correct.

At one point it was testified that this particular program in Mexico City was costing $1,400 a performance. At another time it was testified that it was costing $1,500 a performance. The fact is that there is a plan for a 52-week contract to produce these programs. The Columbia Broadcasting System, the National Broadcasting Co., and the Hollywood producers were not called upon to produce the programs.

I think the record will show that representatives of the USIA did not know how many people had television sets in Mexico City. They had no idea what rating the program had. They did not know how large a listening audience there was.

I will say to the Senator from New Mexico, and to my friend from Massachusetts [Mr. KENNEDY], that I searched all over the room to find someone to give an answer. Finally, one man rose and said that was in his area. He attempted to give some answers.

On that afternoon we sat there with two Appropriation Committee clerks. We have only a small group to handle the $72 billion budget. Let me say to my prudent friend from Massachusetts whose section of the country is known for its conservatism, that at the time we were listening to Mr. Larson to justify his record, we had 2 clerks and he had 31 assistants in the room. They could not tell us who was listening to the program, how many sets there were, or what rating the program had.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. KENNEDY. On page 459 of the hearings I find the following:

> The fiscal year 1958 budget provides over $1 million, or double the amount spent this year, for programs in Africa. This will enable us to raise activities in 11 African countries from minimal holding operations to levels commensurate with the emerging significance of Africa.

I think the program in Africa is of vital importance. It seems to me that not only should it be increased, but when the appropriation is cut from the amount spent last year to $90 million, which is a reduction of $23 million, there will be severe cuts in Libya, the Sudan, and other parts of Africa which I think are vitally important, particularly in competition with what the Soviets and the Egyptians are doing.

I do not know anything about this subject. I am asking these questions on the basis of what we spent last year.

Mr. JOHNSON of Texas. I went into the question of Ethiopia in great detail.

Mr. KENNEDY. The hearings comprise a book of 1,231 pages, which became available to us on Monday.

Mr. JOHNSON of Texas. Yes.

Mr. SMITH of New Jersey. They became available this morning.

Mr. KENNEDY. The Senator from New Jersey says they became available this morning. I should like to know how we could be expected to know very much about the subject.

Mr. JOHNSON of Texas. I would like to repeat what I said earlier when I hope the Senator was listening.

Mr. KENNEDY. I have been listening for 3 hours.

Mr. JOHNSON of Texas. Does the Senator agree with what we are doing in Ethiopia? He is concerned about Africa.

Mr. KENNEDY. Yes.

Mr. JOHNSON of Texas. All of us are concerned about Africa.

I wish to read the story which a very able reporter for the Herald-Tribune wrote about the Vice President's statement when he was in Africa, regarding the USIA personnel.

Mr. FULBRIGHT. Mr. President, will the Senator permit me to make an observation pertinent to the remarks of the Senator from Massachusetts?

Mr. JOHNSON of Texas. I yield.

Mr. FULBRIGHT. I will say to the Senator from Massachusetts that I think there is some merit in what he says about Africa. However, there is nothing in the bill which compels the agency to spend the money in any particular area.

In invite the attention of Senators to the situation in Germany. Let us take the actual expenditures for 1957. In West Germany $10,556,000 will be spent.

Mr. KENNEDY. I noticed that that was many times as much as was being spent in England. Does the figure which the Senator cites represent only the activity in West Germany, or does it affect the satellite countries?

Mr. FULBRIGHT. It might affect the satellite countries. If the Senator is referring to Radio Free Europe, some people believe that is a part of this operation. It is not included in it. It is not a part of this operation. I am referring to our West German operation in Bonn.

For Italy the figure is $3,182,000. The agency sought to expand its request for 1958 to $3,549,000.

For France the figure is $3,712,000; and for Great Britain, $1,279,000.

In three countries, namely, Germany, Italy, and France, there are expenditures of more than $17 million.

So far as I am concerned, a fine library in every town in France is a good thing. But that is not the point. As the senior Senator from Massachusetts [Mr. SALTONSTALL] says, there must be some priority. I would not demean the entire program. I think there is a great deal of good in it. But if we must operate with a limited amount of money, and make a choice in distribution, I cannot see any urgency in the maintenance of fine libraries, motion-picture programs, press programs, or what have you, in a country like France or England.

They are just as knowledgeable about democracy as we are. I believe their experience with communism may have brought it home to them a little more, and they probably appreciate its dangers more than we do. It is in a sense somewhat presumptuous for us to propagandize sophisticated countries like Great Britain, France, Italy, and Germany. There is nothing in the bill which would prevent the Agency from taking $10 million or $7 million from those countries and spending the money in the African countries, where different conditions exist, and where there is some need for services like these, such as news services and entertainment and movies.

We do not attempt to regulate everything the money is spent for. However, what the committee thoroughly arrived at is that this amount is sufficient with which to maintain a program that will serve us; and the Agency can, if necessary, switch large numbers of people from France or Great Britain or Germany to countries in Africa. In Germany, for example, there are nearly 1,700 people on the payroll of this Agency.

Mr. JOHNSON of Texas. I have found what I have been looking for in the hearings. I wish to point out, first, what I believe to be the committee's position, and certainly the position of the Senator from Texas. In 1956, when the junior Senator from Massachusetts and other Senators approved a final appropriation of $87 million for this Agency, the Agency had a total of 3,257 people in Europe. That was almost half of the total number of employees of the Agency. It is a very high number. How high it is is demonstrated by what is shown at page 888 of the hearings.

I would not say that the Vice President is unfriendly to this administration, or to Africa, either. He has done much to call our attention to the problems there. He is not adverse to the program. I call attention to a statement made by the Senator from Louisiana [Mr. ELLENDER], at page 888 of the hearings:

STATEMENT OF VICE PRESIDENT NIXON

Senator ELLENDER. Just to demonstrate what we are trying to do here in drawing you out, Mr. Larson, I would like to place in the record a statement that was made by none other than our Vice President, Mr. NIXON, on his recent trip to Africa when he took the position that we had entirely too many people abroad. In this article he, Mr. NIXON, after spending a while with one high-ranking United States official in South Africa, said, "How can we expect to get things done over here with four cornballs like that?" He said he asked about the size of the staff and when told one group totaled 100 he said, "Things would probably be better with a staff one-third that number." In traveling abroad, you will find I have made those statements many times also and I think some of us ought to be given a little credit and at this point in the record I will ask that the whole article which was written by Earl Mazo be inserted.

(The article referred to follows:)

"[From the Washington Post, March 17, 1957]

"NIXON SEEKS TO SHAKE UP AFRICA STAFFS—ONE HIGH DIPLOMAT TERMED A "CORNBALL" BY VICE PRESIDENT

"(By Earl Mazo)

"ROME, March 16.—A shakeup in several embassies, consulates, and United States Information Services offices in Africa is likely to follow Vice President RICHARD M. NIXON'S return to Washington from his good-will tour, it was learned today."

I might add that I hope a shakeup will take place. Let us consider Ethiopia where we have the report that there are

two weekly newspapers. I wonder how many weekly newspapers there are in Massachusetts?

Mr. KENNEDY. Quite a number.

Mr. JOHNSON of Texas. Perhaps a hundred? We have 700 in Texas.

Mr. KENNEDY. More than a hundred.

Mr. JOHNSON of Texas. In Ethiopia there are two men from this Agency for two weekly newspapers and two bidailies in that country. That is one man per weekly paper in Ethiopia. Ethiopia has a population of 12 or 13 million people, and it has only two weekly newspapers.

We had an employee of this Agency established in Ethiopia who had the duty, for example, of giving the Ambassador copies of the President's messages. Another thing he handled was work in connection with two radio stations and the newspapers. He has now been supplied with an assistant.

Mr. KENNEDY. My question is, What is it that has caused the Senator to be willing to sponsor for next year $23 million less than he was willing to sponsor for the present fiscal year, considering the competing activities of countries who are not friendly to us? I gather from what the Senator has said that it is not because we do not need an effective program, but because the program is not being carried out effectively.

Mr. JOHNSON of Texas. That is exactly it. The Senator has stated it better than I have stated it. I am not sure that Mr. Larson will not carry out a good program. But it is a fact that there has been a great build-up of the press service. We have people and people and more people, and now we are being asked to add even more people. I would be willing to let them have every person they had in 1956. I would be willing to appropriate more money for low-cost books. I would be willing to expand some of the activities. I would be willing to do that if I had any assurance that it would be effectively done and that it was necessary to be done.

I said to the Senator from Louisiana [Mr. ELLENDER] last year on the floor of the Senate, that I would not justify attempting to give the English a cultural program or try to teach them some culture. I said I thought we were spending money in Paris and London and Rome, where we ought not to be spending money. I expressed the hope that the USIA would not spend it there. I say to the Senator from Massachusetts that that hope has not been realized. They insist on not only keeping what they have, but on adding to it. The appropriation the committee has approved will allow them an ample number of people for the European theater. I believe a great many of those people ought to be shifted, as the minority leader has said.

Although I cannot speak for every member of the committee, I believe every one of them feels that way. I will say also that all Members of the Senate know that no man is more anxious to have an effective information program than the Senator from Texas. I have tried to demonstrate my good faith by raising these appropriations from $87 million to $113 million. For 3 years the Information Agency had an average of much less than $90 million.

We gave them a chance last year. What did they do? They hired 200 additional press people. That is what we do not approve of. We do not think it is necessary to have a government press. We do not think it is necessary to have a wireless program that goes to every newspaper in the country. We do not think there is any justification for increasing the number of employees from 685 to 930, and we do not think we ought to give them the money to do it.

We do not believe they will do it if we will say to them, "Listen, Mr. Eisenhower has had a popular administration, at least the people indicated so last November, for 4 years, and they never, during the 2 years of Republican control of the Congress had as much as they are given this year."

Certainly the emphasis has shifted. But with the emphasis shifted, the personnel ought to shift. If not, the personnel will keep going up and up, and will never stop.

I am frank to say that I do not know what would have happened if we had called the roll on the $60 million figure. Everyone must express his own opinion.

The Senator from New Mexico has just expressed his view as to what is happening in his general area. Although I have not traveled extensively, what I do know about it has not satisfied me as to the wisdom of my action of last year.

If my friend wants to convict me for making a mistake last year, I will plead guilty. I approved more money than should have been appropriated for the purposes for which it was used. I regret it. I am willing to appropriate that much next year, or more, upon a showing that it will be wisely and prudently handled.

Mr. THYE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. THYE. I am sincere when I say I am concerned about the majority leader being on his feet for so long a time, and I wish he would sit down and allow me to speak for a minute.

Mr. JOHNSON of Texas. I thank my friend from Minnesota.

Mr. THYE. I sat in on the subcommittee hearings for a few hours, because this is a question with which I have concerned myself greatly throughout the years of my service in Congress. I may say that there is a sound basis for the program, but I was not impressed with the way in which many phases of the program have been carried out. I regret that that has occurred. However, the USIA has performed outstanding service for the United States throughout the world. If it had not been for the USIA, we might well have seen further progress made by the Soviets in many areas. In my humble opinion, that is a certainty, because I have visited some of the countries and have gained that impression.

Therefore, when we pinpoint some specific item, such as a jazz band in Mexico, and amplify it in the eyes and minds of the public, we do the Agency and the United States Government a disservice.

Mr. JOHNSON of Texas. I think that would depend upon whether or not that activity was continued. I think we do the Agency a great service by calling attention to the activity, because we hope that as a result of pinpointing it, the Agency will eliminate such practices. We hope that as a result of our constructive criticism, they will shift the emphasis to low-cost books or motion pictures or other more effective activities. We hope, by making our constructive suggestions, that more Senators will be persuaded to support the USIA and its programs.

Mr. THYE. I made mention of the jazz band only because I did not approve of it. I think it was a misuse of the authorization and the appropriation.

Mr. JOHNSON of Texas. We would serve no purpose by covering it up. We must expose it and, we hope, rid the Agency of it, so that we can get a strong Agency which we can all support.

Mr. THYE. I may say, further, that in many areas of the world the USIA has gone forward, expanded its program, and rendered great service. What concerns me is simply that the Soviet Union has expanded its services in many of those areas; in fact, they are on the air more than is the USIA.

Mr. JOHNSON of Texas. I assume the Senator from Minnesota wants me to comment on his thought, and I shall do so very briefly.

I am well aware of the great propaganda activity within the confines of the Soviet Union and of its satellites, and of their program in our own country. I am well aware of the fact that the Soviet Government controls all the radio and all the press within its borders, and that the expenditures which are made for those purposes are much greater than our Government expenditures for similar purposes. However, I would question whether they are as much as the expenditures made by our own private-enterprise magazines, newspapers, chain broadcasters, and so forth. The Soviet Government controls everything; the United States Government controls only its own employees, and we hope to keep our own situation that way. We hope to have the publishers of magazines like Look, Newsweek, and Time continue to operate on their own. But if we add the cost of our own free-enterprise services, I have no doubt that our information program would compare favorably with that of the Soviet.

Mr. THYE. If the Senator will yield the floor, then I will happily go on in my own right.

Mr. DIRKSEN. I have previously sought recognition.

Mr. THYE. Then I should like to have the Senator from Texas yield to me for another minute, because he has made mention of the Minneapolis Star and Tribune. I should like to read an editorial which was published in that newspaper today.

Mr. JOHNSON of Texas. Will the Senator from Minnesota do that in his own time? I shall be glad to listen to the Senator, but he can do that in his own time. I have no doubt that the

Minneapolis Star Tribune will speak approvingly of this administration. I have read it enough to know that. If the Senator will read the article in his own time, I will be glad to yield the floor to him then and listen to him. I do not want to stand on my feet while the Senator reads articles from newspapers, in view of the Senator's own admonition to me.

Mr. THYE. I say "Thank you" to the Senator.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to my friend from Pennsylvania.

Mr. CLARK. I have not had an opportunity to read the hearings. I may say to the Senator from Texas that I made every endeavor, through the efforts of my staff yesterday, to get both the committee report and the committee hearings, but I was unable to obtain them. Perhaps I am not so astute as I should be.

Mr. JOHNSON of Texas. If the Senator from Pennsylvania had asked the Senator from Texas, I would have made certain that the Senator from Pennsylvania received copies of them, because I am aware of the interest which the Senator has in this program.

Mr. CLARK. I have the greatest respect for the ability of the Senator from Texas as chairman of the subcommittee; therefore I can express, mostly on faith, my position in the matter.

Mr. JOHNSON of Texas. I appreciate the confidence which the Senator from Pennsylvania has in me.

Mr. CLARK. I thank the Senator from Texas.

Do I correctly understand that in the Senator's view—and I think it is the unanimous view of the committee—it is possible for this agency to curtail its expenditures in Germany, Italy, France, and England without danger to the national security and without adversely affecting our relationships with those countries? Am I correct in expressing what I understand to be the Senator's view?

Mr. JOHNSON of Texas. Not only do I think the expenditures can be curtailed, but I think they should be. I think that by curtailing the expenditures in those areas and placing greater emphasis on the more critical areas, a great public service will be performed.

Mr. CLARK. I take it that the Senator's view is that our relationships with those countries under the present administration's leadership, particularly with respect to what has recently occurred in the Middle East, is not such a serious matter that it requires any assistance in reaffirming those relationships through the USIA?

Mr. JOHNSON of Texas. I do not agree that there is no need to examine all the relationships we have and to do all we can to cultivate them. I would not want to leave the impression, however, that the great men who head our embassies in those countries—Mr. Bruce, in Germany, and others of his type—are not much better equipped and qualified by experience and training to do whatever job of public relations and diplomacy it is necessary to do, than are some of the persons the Senator from Texas has observed in the operation of this program.

Mr. CLARK. Perhaps it is the Senator's view that our ambassadors in England, France, and Italy, despite the fact that they are of the opposite political party from that of the Senator from Texas and myself, do not need the assistance of Mr. Larson and his Agency in refurbishing our relationships with those countries; and that, therefore, the work of the Agency can be shifted to Asia and Africa, where the expenditures are more desirable.

Mr. JOHNSON of Texas. The Senator from Pennsylvania is a man of discernment. I think he has expressed my viewpoint perhaps better than I can express it myself. That is my feeling; that is my view. That was my feeling last year. I have not referred to my statement at that time, but I said on the floor last year, to Senators, the Senator from Louisiana [Mr. ELLENDER], for instance, that I did not believe we ought to make any further reductions because the things of which we complained would be, I thought, rectified, and I thought we could have a shift of emphasis.

But I did not approve of all the huge staffs which were going into the European setups—more than half of them—and into the library setups. I thought the low-cost books were very necessary to do a good job in those fields. But my own hopes were not borne out by the performance of Mr. Larson's Agency.

Mr. CLARK. I take it that the Senator from Texas, who I know is as conscientious as is any other Member of the Senate, or any other Member of the Congress, has considered the possibility that this cut in expenditures will give the Russians an undue advantage in their propaganda efforts throughout the world, and that the Senator is not sufficiently concerned with that effort so as to feel that this appropriation should be held at the level recommended by the head of the Agency, Mr. Larson.

Mr. JOHNSON of Texas. I am deeply concerned about everything which the Russian Government does. But I think our greatest defense is not in mimeographed handouts. I think there is a great field of activity for the USIA, and I wish to see it preserved. But I believe it can best be handled under a policymaking department, with the Secretary of State held strictly accountable. Congress has repeated and repeated and repeated that it would prefer to have the emphasis shifted to other areas, because of the need, and would prefer to have the Secretary of State supervise the operation. If the shift is not carried out, the Senator from Texas—if he is still here next year and is presenting the bill at that time—will attempt to have the Senate take action to bring it about.

Mr. CLARK. I thank the Senator from Texas. I hope that in the future it will be possible to have the testimony taken in the hearings available to all Members of the Senate, so they will be able to inform themselves regarding it, and will not have to subject the Senator in charge of the bill to questions such as the ones which have been asked.

Mr. JOHNSON of Texas. Mr. President, I welcome the questions. I personally arranged to have the hearings distributed to Members. Last Monday, I came to the floor and personally presented a copy of the hearings to the Senator from Delaware. The hearings were available, and I could have presented them to the Senator from Pennsylvania, and would have done so if I had known he wanted to have them. However, I did not know that he desired to have them. I apologize for not knowing that he did desire to have them.

Mr. NEUBERGER. Mr. President, will the Senator from Texas yield to me?

The PRESIDING OFFICER (Mr. MONRONEY in the chair). Does the Senator from Texas yield to the Senator from Oregon?

Mr. JOHNSON of Texas. I yield.

Mr. NEUBERGER. I should like to say that I do not wholly understand one statement which has been made quite often on the floor. In that connection, I have seen quoted in the press a statement by the Senator from Arkansas. I refer to the claim that the United States Information Service should not disseminate material among the cultured, informed, and educated people of Western Europe. I do not understand that position, I confess. Are we to conclude that the material issued by our Information Service is not designed for educated people? Is it designed only for backward nations? If so, perhaps we need a different overall concept entirely. I cannot understand why such material should not go to the people of Western Europe.

Mr. FULBRIGHT. Mr. President, will the Senator from Texas yield, so that I may make a comment at this point?

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may yield for that purpose.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, a moment ago I said that of course a liberal program of cultural information of any kind is a good thing per se. The reason why I do not think it is necessary in this case is that if we are limited in the amount of money to be spent, certain countries—particularly France, England, Germany, and Italy—are older than the United States, and in many respects have a more highly developed culture, even if they are not so prosperous as we are. I think they know more about their culture than we do, and perhaps it would be presumptuous for the United States to attempt to inform the British people about the distinction between communism and democracy. I think the British people are quite able to make that distinction without having the United States participate in the process.

On the other hand, if we had an unlimited amount of money to spend and if there were no concern about the amount we spent, it would be perfectly all right with me to have the USIA have a librarian in every town in England. But in this case we have almost an

agreement that we will not vote to increase the total amount of the appropriation. Therefore, I followed a procedural priority—as explained earlier by the Senator from Massachusetts; and I agree with his statement—namely, that the number one place on which we should concentrate our efforts, within this overall budget, is the State Department. I thoroughly support that position, and I would be in favor of larger appropriations for that purpose, if anything, before I would agree that it is necessary for the United States to maintain libraries or other activities in the information field in Britain or in France.

Therefore, improvement of the Foreign Service, for example, and the appropriation of funds to be used to teach the Foreign Service officers foreign languages, should, in my opinion, receive the highest priority. Only 50 percent of our Foreign Service officers know one of the major foreign languages. I think that program should come first.

Furthermore, in the case of the sophisticated countries, I think the Exchange Program is far more acceptable to them and far more effective than the spreading of direct propaganda. If we are to engage in any propaganda at all, in the case of the countries of Western Europe, I believe it should be indirect propaganda.

My point is that since we have to make a choice in connection with the spending of money—in view of the limited amount—I would give the lowest priority to this item. On the other hand, I would not object to it, if we had unlimited amounts of money to spend.

Mr. NEUBERGER. Mr. President, soon after the Suez crisis developed last fall, I received letters from friends of mine with whom I served in World War II, and who now are in England. They have had considerable experience there. They know the people. They wrote to me that never before had they seen such strong and vehemently expressed anti-American feeling in England. Am I to assume that the activities of the United States Information Service are not of any effect or value in ameliorating that sort of situation?

Mr. FULBRIGHT. I would say the assumption of the Senator from Oregon is completely correct. The difficulty in the case of England and France arose out of a policy—subsequently a policy by the State Department. As I said a moment ago, I would give the highest priority to the improvement of the State Department, which is the policymaking organization, and is the one which directs this Agency. Certainly nothing that we can do by propaganda would overcome the difficulty which arose in Great Britain over the Suez situation. In fact, I think that if we were to attempt to do that by means of superficial propaganda, we would only make the matter worse. It would only make the situation worse if we were to assume that those people have no understanding and if we were to attempt to "kid" them about what happened in the Suez. We had a different opinion. I regret the difference, and I can criticize the policy which led to the difference. But I do not believe we can cure it by appropriating more funds for an agency which is a propaganda agency.

If we were to assume that a certain amount of propaganda would achieve the desired results, at least I believe that would be a false assumption. The situation is much more difficult than that. There is a great difference between so many bags of wheat and so many words of propaganda; they do not reach the same kind of result.

Mr. NEUBERGER. Except then, there is absolutely no limit to what might be developed on the floor of the Senate, if we were to state that it is the substantive policy of the United States Government, which is responsible for these situations, that information or propaganda or libraries, and so forth, have no impact on them. Some of us may say, for example, that the most effective thing we could do in the interest of our standing in Asia or Africa would be to take action in the field of civil-rights legislation, in view of the fact that most of the people of those areas are not white of skin.

I believe we must separate and keep apart the information service problem from the complete problem of substantive policy. If the United States Government, for better or for worse, decides that in the case of the Suez, we had a policy which was somewhat more friendly to Nasser than it was to our traditional allies, then I believe the United States Information Service might be of value in working in Western Europe to try, somehow, to prop up our deteriorating friendship with our traditional friends, such as Britain and France.

Mr. JOHNSON of Texas. Mr. President, I am not in disagreement with the Senator's position; I quite agree with him. I was in Europe immediately after the Suez crisis, as the Senator will remember. I saw our Ambassadors there active in the field; and I saw our United States Information Service in action too.

I point out to the Senator that the matter is one of degree. About half the total number of employees of the Service are in the European theater. There are some persons who believe that 3,000 employees are not required to do that job. I think most Senators—of both parties—who have visited the areas involved, and even members of the executive branch of the Government, have concluded that perhaps we have many too many persons in the European theater, and most of them believe that we have many too many in other theaters.

I agree with the Senator from Oregon in his conclusion that we must not turn our backs on Europe. I also understand the point of view of the Senator from Arkansas. But I am fearful that we shall wind up with the view which I sense prevails in the Congress. In other words, if we insist on increasing all programs and areas and on not abandoning or reducing any old ones, then, as new techniques are developed and as new fields are entered, unless we conserve our resources, so as to be able to apply them intelligently, I am fearful that the whole program will fall of its own weight. I may say to the Senator I am fearful that there is already considerable sentiment for a program that is not of the level that is recommended in this bill.

Mr. NEUBERGER. I thank the Senator.

Mr. JOHNSON of Texas. Mr. President, if it is agreeable, I should like to yield the floor to the Senator from Illinois.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The Senator from Illinois.

Mr. JOHNSON of Texas. Mr. President, if the yeas and nays are ordered on the committee amendment——

Mr. FULBRIGHT. The yeas and nays have been ordered.

Mr. JOHNSON of Texas. I shall wait until some Senator makes the request. The yeas and nays have been ordered on the bill, but not on the amendment.

The PRESIDING OFFICER. The yeas and nays have not been ordered on the pending amendment. The clerk will state the pending amendment.

The LEGISLATIVE CLERK. On page 33, in line 6, it is proposed to strike out "$105 million" and insert in lieu thereof "$89,100,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment. The Chair recognizes the Senator from Illinois.

Mr. DIRKSEN. Mr. President, before I make any general comments on the bill, I should like to take account of the colloquy which has occurred by saying the amount of money provided is not the measure of the efficacy of this kind of program. In the first place, I think the Senator from Massachusetts put it on the ground that at the least we ought to appropriate the equivalent of the 1957 appropriation. I think the Senator from Oregon had something of the same feeling about it.

Mr. President, I am only an amateur gardener and an amateur rosé grower, but I have discovered that in proportion to the amount of wood that is cut out of hybrid roses, much better flowers result. In this field, I am anxious to get a very good flower, a very good effect, and that is not necessarily measured by whether the amount provided is $155 million or $140 million or $90 million, because it is a question of what kind of job the Agency is going to do.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DIRKSEN. I should like to go on.

Mr. AIKEN. I should like to make a correction. The Senator made reference to getting better roses by cutting wood from the rose bushes. Sometimes if too much wood is cut from certain kinds of rose bushes, there will not be any roses.

Mr. DIRKSEN. That is true. I am talking about the kind of roses I grow.

First of all, I wish to thank the Senator from Texas for indicating that I was the defender of the President in his program. I felt highly honored. I trust I shall always be able——

Mr. JOHNSON of Texas. If the Senator will yield, I pointed out he was a very able advocate, not necessarily a defender, because a good general does not spend all his time defending; he spends much more time attacking.

Mr. DIRKSEN. I try to advocate. That does not mean I must accept every

suggestion made by the President. I know of the President's interest in this matter. I have discussed it with him on occasions. I know he conceives of this program as a great weapon or as a tool for waging peace. On that broad premise I agree with him entirely. I can, however, very respectfully disagree with him as to the amount of money involved, and I think we have indicated to him what the nature of the testimony was, how persuasive it was, and how reluctant the committee was to go to the levels that had been indicated.

So I say for myself, as a member of the subcommittee, I concur in the action of the subcommittee. I concur in the action of the full committee by which the bill comes to the Senate. I think in the main a redistribution of the money, within the framework——

Mr. JOHNSON of Texas. Mr. President, will the Senator yield? I dislike to interrupt the Senator, but, as the Senator knows, before the bill was marked up I spent some time in talking to the President and expressing my concern about the testimony.

Mr. DIRKSEN. Indeed so.

Mr. JOHNSON of Texas. I would say I discussed the entire situation with him at some length. I am not unaware of the President's viewpoint in the matter. He talked to the Secretary of State about it shortly after I talked to him, and the suggestion was made that perhaps the Secretary should come before the committee and testify. I shall not go into all the details, but the President has been kept informed of the feelings of the committee.

Mr. DIRKSEN. It must be said for the majority leader that he has spoken at length to the President about this matter. He has certainly conferred with me, the Senator from California [Mr. KNOWLAND], and others, from time to time. It was no surprise result that came when committee action was consummated.

I suppose our difficulty about the USIA comes about mainly from the fact that the United States and its people are not particularly propaganda minded. We do not quite understand it. We approach all world problems and our own problems free from propaganda. Then when there must be heavy outlay of money for that purpose, it becomes a little incomprehensible. That is why this whole program has had a stormy and tempestuous history.

I can go back to the old WPA days, when I was in the House of Representatives, and we were trying to sell a little culture to our own people. In those days we had drama groups going around the country. We had art clubs. Once we had a whole warehouse full of art, some about as hideous as anything I have ever seen, although there were some good pieces there also.

As I thought of the program, I remembered late at night, about 11 o'clock, on the floor of the House, I found it necessary to attack the appropriation of funds for the dramatic groups that were going about. I could not agree with what they were doing and the vehicles they were using. Having had a little stage flair myself once upon a time, I could not reconcile my conscience with the fact that public money was being expended to see dramas like Getting Gertie's Garter, Up in Mabel's Room, and and other bedroom farces by Avery Hopwood.

When we had some of the USIA people before the McCarthy committee, and previous to that, we had one witness who was a dramatist and who had written some plays. This took place in the Paris office. He was asked where he got his training. He said he was a disciple of Avery Hopwood.

In the 23 or 24 years I have been in one branch or the other of the Congress, selling culture, I have learned, becomes a difficult thing.

After we got over that phase and got into the war, we moved into the area where we set up the Office of War Information, which was under the direction of Elmer Davis, who did not have too good a reputation in some circles. I did not think too highly of some of his concepts. I thought he was a little leftish, but I was willing to give the devil his due.

I made a trip, at my own expense, to investigate the matter, in 1945, when the war was on. Mr. Davis gave me a letter to all his agencies all over the world. I sallied forth. I investigated all these things, and came back and defended Elmer Davis and his agency. It was a difficult thing to defend him on the floor of the House. Then, when Senator McKellar was chairman of the Appropriations Committee, I came to the Senate and defended Elmer Davis. Of course, the measure of his gratitude can be discerned from the fact that in the last election he was on a national committee to raise money to encompass my defeat. But I pass that by because it does not bother me particularly. It is simply a part of the history of the tempestuous agency.

We abolished the OWI, and pretty soon put the propaganda work into the State Department, under the Assistant Secretary of State for Public Affairs. Guess who the first director of that group was? Bless you all, it was our former colleague, William Benton of Connecticut, and publisher of the Encyclopedia Britannica. I remember the night he called me to his apartment in the Mayflower Hotel, because the members of the House Committee on Appropriations had piled on Bill Benton for the ghastly art he had bought with public funds, as a part of the cultural program. There were tears in his eyes as he importuned me to return to the House Appropriations Committee and talk to them, in the hope that his efforts might find better response.

When Mr. Benton left the State Department we had George Allen, then Edward Barrett, and then Howland Sargeant. Then finally we changed the title again, and we called it the United States International Information Administration, under Wilson Compton. Later he left, and Robert Johnson became the Administrator of the United States International Information Agency. I remember the difficulties Mr. Johnson had before the McCarthy committee as we went into personnel, the books on the shelves, and that sort of thing. So it was a part of the history. Then came Mr. Streibert, and then Mr. Larson. So we see in a short period of time how many different heads, how many guiding geniuses, there have been. So let us be a little generous with Mr. Larson.

Mr. Larson took a recess appointment in November. His nomination was confirmed on the 21st day of February. So actually he has been a confirmed official of the United States Information Agency for about 3 months. Show me the finite mind under God's canopy that can get any concept of this thing in 3 months, when it ramifies into 81 countries over the face of the earth, and I will "salaam" and bow down to such a man as a superman and a genius. It cannot be done.

Mr. Larson inherited his budget. It was made up actually before he got there. The original request, which was placed in the RECORD at my request by Mr. Larson, was for the amount of $155 million. It went to the House in the budget message as a request for $140 million, so we see that $15 million was exorcised from it before it ever got to the House. And it lost $5 million from that end of the Capitol to this end, when it came before the Senate subcommittee, because the revised request then was $135 million.

We did the best we could. We tried to see the forest rather than the trees. I have been on this floor every minute, I think, listening to the colloquies, and I am afraid we see the trees rather than the forest. I do not wish to measure this item particularly in terms of dollars, because if there is a difficulty and if the proof can be made that additional funds are necessary it will be easy indeed to present a request for a supplemental before Congress adjourns, or to come back for a supplemental or a deficiency early next year, to make sure that they have the wherewithal to do a good job, in the interest of waging peace, in consonance with the President's general objective.

I subscribe to the statement made by the majority leader. Incidentally, let me pay him a compliment. He overwhelms people with his charm. He amazes me with his background. He disconcerts the witnesses by his directness. He has an amazing instinct for going to the very heart of the problem. Then he has a capacity for moving a hearing forward. We might have been there 2 weeks from now, if it had not been for the genius the majority leader has for moving a hearing along, in order to not only get the information which is desired, but to finally get the bill to the floor. It is only a matter of 6 weeks until we shall come to June 30, which will be the end of the fiscal year. So I compliment the majority leader on the job he has done on this bill.

He pointed out that there was a certain rigidity about this program. It seems to me it could be more flexible. If we have hundreds of people in Paris and we do not need them there particularly, why could we not take the same people and move them to Saudi Arabia or Cairo, or wherever the need arises? I see no

necessity for a truly rigid pattern, except in some respects and on some items. But in the main, a larger degree of flexibility could account for a diminution in personnel and at the same time make this a very effective agency.

We learned a lesson from the last campaign. Do the distinguished Senators, particularly those on the other side, not know that when they were belaboring us so very freely, we had to call together some of our best talent and put them on an airplane, to follow some of the Democratic speakers in Cleveland or Los Angeles or Portland or Spokane? We gave them a title. We called them "The Truth Squads." We wanted them to spread the Republican gospel in those places where the Democrats were belaboring us so freely, in the interest of a party victory for themselves.

Maybe in the information field we need some truth squads and some selectivity as we go along. Then we might get comparable results, without a fantastic expenditure of money.

But, Mr. President, my principal reason for rising today is not to rehash all this matter, but rather to point out that this Agency is, in my judgment, a necessary adjunct of government. We discovered a few things in the last war. We had a psychological warfare branch. In other days, nothing was known about that. Certainly, when I was on the western front in World War I, I never heard of psychological warfare. A person was either up in the parapet, or he was at the end of an artillery lanyard somewhere about 4,000 meters behind the front, or up in a balloon basket spotting fire for the howitzers that were well behind. We knew nothing about psychological warfare. That is a development.

This program is, in a sense, psychological warfare of the cold war, because words are weapons no less than bullets. I recall, I think in a general way, back in the days of World War I, when Woodrow Wilson was the President, and he got George Creel to be the head of his informational service. One great thing about George Creel was that he used to cuff Congress around and make them like it. George Creel went on the theory that words would win the war. So he took the 14 points of Wilson and popularized them to such an extent that every German, and every other person in Europe, knew what the 14 points were.

A very fascinating book was written by a young man in the National Archives on Words That Won the War.

Now we come to the conclusion, in this rather feverish and tumultuous world, that words are weapons, words are ammunition. They are the ammunition of this kind of an agency, whether they are put on the screen or whether they are carried by intricate frequencies onto the air waves somewhere, or whether they are put on paper. Words, words, words. They, of course, are a part of the ammunition of the international Communist group, which would like to communize the whole wide world.

But I think we have to be selective about the words. It does not do any good to spread the printed word in a country where 90 percent of the people are illiterate. I wandered around through northern Vietnam. I was in Indochina when the war was going on there. I was told that only 7 or 8 percent of those people could read a word. If they could not read a word, why put reading matter in their hands? It would not do much good. But they can see a movie, and they can listen, in their own dialect, and they can understand a story. So there one makes a selective choice from among the various media in doing a job.

I saw the motion picture which was made concerning Ngo Dinh Diem, President of the South Vietnam Republic. I thought it was a superb thing. But to do only one good thing, and then fail in some other fields certainly does not justify the failure. It only means that Congress has the job of carefully going through the program, to see what is effective, where we can accomplish the greatest amount of good, and make this program an effective method.

A rather substantial sum for television is asked. However, judging from what I read in the hearings and the testimony which I heard, the program would be limited to about seven countries. The question is, Is the expenditure justified for seven countries?

Drawing on memory, I believe the answer was this is a new medium, a new weapon, and that we must get ready for it. But I am not sure that we must get ready for it in the amount proposed, and to the extent proposed right now. That points to a place where a bit of reduction in the budget can be made.

When this subject was before the full committee I took a specific approach. I considered all the items, and calculated how much could be cut from the item for press mediums, the missions, the staff support, and the program direction, item by item. That is how I arrived at the total of $96,500,000. I did not make the cuts with a cheese knife. I reached the conclusion, after totaling up what I thought could be taken out of every function and every purpose, that that was the proper figure.

But I am getting off the theme. We need this Agency today. Perhaps we did not need it before. It serves a very useful purpose. So the question is, What kind of orientation shall it have, and how much money shall it be given to implement that oriented viewpoint?

I am sure it is all right to sell culture to our friends ten or fifteen thousand miles from here, wherever it may be, depending upon which way we travel. But I would rather operate in the creature medium, because, as Thoreau once said, there are certain things which go to make up what he called vital heat. Those are the great impelling forces.

First, there is clothing, to conserve the heat of the body; next, shelter or habitation, to conserve heat; then food, to generate heat in the body.

What have we there? Shelter, food, and clothing are three items. There are others. Those are creature comforts, and people can understand them. If we could dress our ideas somewhat around those motives, I believe we would have a more effective program.

I learned long ago, right or wrong, that when one rises to make a speech he should decide what he is attempting to do with an audience, and what kind of appeal he is trying to make. The appeal must necessarily be on the basis of the thing which most intensely moves the individual.

The first thing is self-preservation, the preservation of a person and his family. If we want to appeal to the people with whom we are dealing, we should base the appeal on the ground of self-preservation. We should say to them, "You are in danger from the Red menace." That is the impelling force. The appeal should be dressed around it.

What else? There is property. That is only a general item, but it testifies to the acquisitive instincts all of us have, to acquire a little property, a competence against a rainy day. How should that appeal be dressed up? By showing what can be done in an atmosphere of freedom, as contrasted with a police state, where the individual is not permitted to own property, or to earn enough in a lifetime to acquire it.

Those are basic appeals. I would rather proceed on that basis than on the basis of some of the things in the bill. I do not know how much value there is in the magazine which looks a little like Life. Permission was given to circulate 50,000 copies in the Soviet Union. I have an idea that many people in the Soviet Union go to bed with a thin supper at night. If they could get the message as to what a free country does by way of building up the creature comforts of its people, such a program would strike at the heart of the problem.

Next, I would place great emphasis on disarmament. If we could ever get the world in a frame of mind in which it would accept a disarmament program, think of the relief from the burdens upon people in all parts of the world, including our own. We are spending $41 billion for national security and atomic energy. I suppose if we add the foreign aid program, the amount is even greater. It is about 60 percent of the budget. What a welcome relief we could provide if we could cut that load by only one-third. It seems to me that is a point of interest.

I tried the best I could to hear the story from the lips of the witnesses, and to get it from Mr. Larson, if possible. However, I am afraid that it was too adeptly presented. Under the circumstances, I felt, in the light of the President's abiding interest in this program, that I could still go along with the amount of money proposed to be provided, even though the figure at which I finally arrived was $96,500,000.

Let us give Mr. Larson a little longer time. He has been on the job for only a little while. My heart bleeds for him, in a way, because he comes into this Agency as a newcomer. He has had no opportunity to survey all the operations of the Agency in every section of the world. If he had had such an opportunity, I am sure he could have done an infinitely better job. But we can go along with the $90 million proposed for this purpose, and if a case can be made to show that more money is needed, a supplemental appropriation can be requested.

I must make one personal allusion. When the majority leader was directing a rather spirited series of questions at Mr. Larson, and he was fumbling for an answer, I said, "Mr. Larson, at the risk of being offensive to the majority leader, and at the risk of being invidious, if I were to answer that question, I would set up a little chronological table. I would go back to 1953. I would call attention to the imbroglio in Indochina, and the Battle of Dienbienphu, with the Communist horde rushing in from the north. I would emphasize the necessity for building up some kind of resistance on the part of the people in southern Vietnam. I would bring up the Polish uprising and the Hungarian uprising. I would mention the difficulty which centered upon Suez. I would build up every one of those events, year by year, and then show how necessary it was to get properly to peoples in various parts of the world the American story on issues and items which increase the tension of people in every section of the world."

But my suggestion was lost, and, so far as I know, such a chronology did not appear. Certainly we tried to be helpful to Mr. Larson, because he is a very attractive, restrained, affable person. He never lost his temper at any time. He made a general statement that was quite good; but when it came to filling in, he was in difficulties. I am afraid he had not yet learned the dexterity which so many good people have in passing the ball to some subordinate, by saying, "Mr. Chairman, I can answer that question, but I will ask Mr. Jones to do so, because he is engaged in that line and he has the answer." In due course he will learn that technique, and it will keep him out of difficulties.

Given a little time, things will work out all right. I think Mr. Larson deserves a pat on the back for the very restrained way in which he sat there day after day for long days under quizzing, first from one Senator and then another. There sat 8 or 10 Senators on the committee, with their minds in repose and thinking up questions, while the witness' mind was thinking up the answers. Naturally, eight men can keep ahead of one. So he was at a little disadvantage mainly because of his inexperience in this field.

But I am done with it. I trust the bill will have the general approval of the Senate.

I should like to make one other allusion. I note that my distinguished friend, the Senator from Arkansas, is in the Chamber, and I am glad that he is. We do not quite see eye to eye on the question of the educational exchange program, but I recognize the value of sending American researchers and leaders and students abroad, and of having foreign students and leaders come here. However, I must point out that there are many thousands who go on their own account without any aid whatever from Government. The figures I got from downtown indicate that as of the 31st of December, I believe, 782 foreign teachers and researchers, 6,033 foreign doctors in United States hospitals, and 36,449 foreign students came to the United States. That would add up to a total of 43,264.

We had abroad 9,457 students and 1,275 teachers and researchers, or a total of 10,732.

I asked Mr. Riley a question on that point. It appears in the hearings. I said:

> On the basis of your figures, that means that roughly nine times or more students on their own come to the United States than are sponsored under these programs?

Mr. Riley, who made a splendid witness, said:

> Yes, sir; that it true.

In the 8 years since 1949 the whole program has accounted for about 45,000.

I have alluded to the figures for only one reason. I did not give them undue emphasis. I was willing to go along with the House amount, and not necessarily restore the funds that were finally restored, but it has been done, and I accept the decision, and I go along with the program.

It is necessary to point out that we have these thousands of students and doctors and researchers and teachers, plus the fact that an estimated 700,000 Americans are going to ask for passports in fiscal year 1958. If that cannot make a hole in the world's thinking, then I am sure no student program is ever going to pull us out of the situation. I recognize the fact, and I stated it, that these students are selected on the basis of who can make an impact upon those with whom they associate in the schools. I do not mean to demean it at all, but I try to keep it in proper perspective. If it had been for me to do, I would have cut the amount down to the House figure.

I end up where I began. I merely wish to emphasize the fact that the United States Information Agency must be made to work.

We can throw up an instance like subscribing, out of the Agency's funds, for the New York Times and the New York Herald Tribune and distributing the newspapers freely on a subscription basis to every member of Parliament. That makes a good headline. It still does not answer the problem of an effective and able information agency which will not try to sell all that America does, but will pick out the big and important things that mean so much to the hearts and minds of people everywhere in the world, and put the emphasis there.

If they do that, we can do it with fewer people and less money, and have a tremendous influence in every corner of the world.

I yield the floor.

Mr. JAVITS obtained the floor.

Mr. COOPER. Mr. President, will the Senator yield so that I may suggest the absence of a quorum?

Mr. JAVITS. I yield for that purpose.

Mr. COOPER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. COOPER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. JAVITS. Mr. President, I rise to speak in opposition to the amendment which is now before the Senate. I think the parliamentary situation is very important, and I sincerely hope that Senators will at least concern themselves with that, so that we may know just exactly what it is.

At my request, the particular amendment which we are considering was passed over and was not one of those adopted en bloc. Hence, it was unnecessary for me to move to raise the figure recommended by the Senate committee to the figure actually voted by the House. On the contrary, the bill now under consideration specifies the figure adopted by the House, and only if the committee amendment shall be agreed to will the amount be cut. In other words, Senators who vote "Yea" will be supporting the committee in cutting the figure which the House has adopted.

I emphasize this because I think it has a very real bearing upon the whole issue, and that we have a right to ask ourselves, Why this very extensive debate? Why this deep interest in the United States Information Agency, which has already been cut very materially by the House of Representatives, some $35 million, almost a third of what was recommended by the President? Why, suddenly, a further cut of approximately 15 percent? And why so much interest in this Agency?

I think we can have only theories, but I believe in this one. This is the first of the so-called international programs. I think it involves peculiarly the matters of security upon which the President has placed the greatest emphasis in presenting his program to the country. He said as much last night. Essentially, he asked the people of the country, Do you or do you not rely on me in terms of the country's security? He emphasized that he considered the program of the United States Information Agency essential to his responsibility for the country's security.

So I think we are dealing with this Agency in such a specific way because the President has made a big point of it; second, because it is the first of the international programs and, in my opinion, will set the tone to measure what will happen to technical assistance, foreign aid, and, yes, even military assistance.

Finally, I think perhaps the Director of this Agency has been guilty of what some may consider the greatest transgression of all—one which seems to get some people very much upset—namely, his effort to help to get my party to meet the problems of today. He may not be its advocate or high priest, but he has sought to modernize it. And I do not think that is any reason for "taking it out" on the Agency which he heads.

There are some very fundamental principles which we must all recognize. We have heard argument on the floor to the effect that we are trying a court case, and that the witnesses who appeared before the Appropriations subcommittee had not made a good case. I hasten to demur. We are not trying a law case. We are just as responsible for the security of the country as are Mr. Larson and his aids. Mr. Larson

might have made out the worst case possible; but we might still have given him more money than he asked for if we thought his Agency needed the money.

We might even raise a clamor in this Chamber as we have before about others, if we believed Mr. Larson is not a very good Director and should be removed—but even if that were so—and it is not—that is no reason for crippling an agency which has a job to do in the interest of the United States.

This country has a republican form of government. Are we recording machines, which simply stamp "yea" or "nay," depending upon the volume of our mail or upon the results of the latest opinion poll? Or are we men and women sent to Congress to protect the interests of the country because we have the intestinal fortitude to do it?

Nobody respects the people more than I do. I have talked to the voters all my political life as intelligent and informed men and women. I feel the voter who trusts me does so because he knows there will be occasions when I will rise and speak exactly as I am now speaking.

Certainly, we are getting a large amount of mail on the budget, and it is very important that we pay attention to it, but that does not mean we have to guide our actions absolutely and irrevocably by it. We are also here to decide these questions according to our own best judgment in the interest of the country. I think the very issue we are now facing is the first real test of our responsibility in this regard.

Only last Monday a $3 billion appropriation bill passed the Senate; it whisked through; very few Senators seemed to pay any special attention to it.

Yet this bill involves a total of $563 million, and slightly under $100 million is involved in the USIA portion of the bill. It involves a further cut from that made in the House by the Senate committee. There are far more reasons for it, as I said when I began, than the amount which is here involved.

I have been in the Congress before. I spent 8 years in the House, as a member of the Committee on Foreign Affairs. I know something about the USIA. I have defended it before. I have also voted critically of it before, when that was required. So I am not ready to say I know nothing about it; that only the committee understands it. There are a few things in the record which have not been mentioned, but which are very important. I do not want to appear presumptuous; but I think one has to face the facts and rely on the facts, so let us talk about the facts. I am more than anxious to do so.

Many of us have slept in a bed with a small blanket. We know that when the weather is very cold, if the blanket does not fit, either our feet or our head will get cold. That is exactly what the present argument constantly makes me think of. We can give this Agency a very small amount of money; we can give it only $75 million or only $60 million. The Agency will get along with any amount—it must. But so small an amount will not enable it to do the job it should do.

Furthermore, Mr. President, are we living in a vacuum, or are we taking cognizance of the actual situation? Are we going to ask people to choose whether they want to use Colgate or Ipana; or are we competing with—and many of the Members of Congress are saying it all the time—as duplicitous, crafty, and as evil a form of government as the world has ever known?

When it comes to propaganda or to information-service activities, is that government spending $90 million? That amount is just chicken feed, compared to what the Soviets are spending in that field; and all of us know it. The Kremlin will spend on the Soviet information service, not $90 million, but many times that amount—it is estimated to be spending perhaps $1 billion—but it would spend $2 billion or $3 billion and will, if necessary, cut the standard of living of every Russian to do it—I think we know that, too.

Therefore, Mr. President, I think the appropriation the Congress makes in this field is most important; it is basic. But the appropriation our Government is actually making in this field is shockingly small.

Let me present some facts about what the Russians are doing. Thus far, there has been considerable discussion of what the United States is doing and about the policy of the United States. At this time let us consider what the Russians are doing.

The Russians, for their propaganda campaign, first are engaged in an effort to discredit all over the world the nuclear tests our own and other nations are making. The Russians are trying to make a monkey out of the Government of the United States, by attempting to show that by the threat of fallout and other means, the United States is an enemy of innocent people. The Russians are pushing their campaign in every nook and cranny of the world; and they do not mind if they spend money in that connection, either; and if the Russians thought they could help their efforts in that connection by the use of jazz bands, they would, you may be sure, use a dozen jazz bands.

In the second place, the Russians are engaging in a big campaign which they call anticolonialism, but which fundamentally is anti-United Statesism. In that campaign the Russians say the United States is the friend of colonial powers, that we are joining colonial powers, and that therefore the United States is the imperialistic exploiter of colonial peoples; and, that the United States is putting on the mantle which Great Britain and France have relinquished; this is phoney we know but it is the propaganda which is being put out.

Third, the Russians are engaging in a big campaign to unify Germany—but to unify Germany how? To unify Germany with free elections? Oh, no, the Russians wish to unify Germany under a Communist government; making it neutralist in the meantime. I have been in West Germany many times, as have other Members of Congress; and the Russians are making progress, for there are some Germans who think that might be a good idea, in that it would open up the entire Iron Curtain Eastern market for Germany.

One of my colleagues asked what we are spending money for, in West Germany. One of the expenditures the USIA makes in West Germany is $3 million for RIAS, the radio station in our sector of Berlin, which is described as one of the most effective mediums we have in all our armory for dealing with the Soviet attack in East Germany.

In addition—and this not my appraisal; it is the appraisal of the expert the Appropriations Committee had survey the situation—although we have heard of a great deal about the spending of some thousands of dollars in Ethiopia and the spending of $1,500 in Mexico City, yet, Mr. President, we are spending something like $25 million on the USIA program in Western Europe. However, we have not heard anything about that. Let us see what the Senate committee expert found on that subject. In that connection, I refer to page 449 of the hearings, where we find the so-called Cotter report. The first sentence reads as follows:

> The overall impression of the Appropriations staff is that USIS is performing a very essential function in Western Europe, and is performing it in a satisfactory manner.

That is the report, which is to be found right in the committee hearings, on the basis of which we are asked to act.

Now let us continue to consider the list of the things the Soviets are doing:

The Soviets are backing, as all of us know, the propaganda of Egypt; and Egypt's design is nothing less than to subvert to neutralism, and in my opinion that would mean ultimately to communism—that is my opinion of the ultimate result of such action—the whole of Africa; and that campaign is very active, as all of us know, not only in the Arab countries, but also in the Sudan, in Somaliland, and in other parts of Africa. Let us remember that one of the efforts the USIA wishes to make, and one of the purposes for which it has requested appropriations—and, Mr. President, let me point out that much of the discussion there today was, not about what the Agency is doing, but about what it wishes to do—is to combat that campaign on the part of the Russians.

In that connection, let me point out that, rather than attempt to make a reduction in the amount requested by the President, the present attempt is to have the Senate make a reduction in the appropriation voted by the House of Representatives, which already is one-third smaller than the appropriation requested by the President. And, Mr. President, as the Senator from Massachusetts has already pointed out, the Agency is already being cut by the House approximately $10 million below the amount available for its operations this year.

Furthermore, Mr. President, an effort is being made by the Soviet Union to seduce the entire Indian subcontinent; that effort is being made by an economic, technical assistance, and cultural offensive. Literally hundreds of

Soviet representatives—students, professors, artists, and so forth—are marching up and down the length and breadth of India, Afghanistan, Pakistan, and Ceylon, trying to convert people to the Soviet ideology. My wife and I were there only 5 or 6 months ago, and the whole place is just running over with representatives of the Soviet Union and Communist China. The Soviets do not hesitate to spend money there—for instance $100 million in economic aid to Afghanistan, a relatively sparsely settled and pastoral country. The Russians think that worthwhile, but evidently we do not think it worthwhile to spend $105 million for the whole USIA everywhere in the world.

Furthermore, the Soviets are trying to bribe Japan into submission to it in this case by dangling before it trade with Red China. The Russians are trying to induce Japanese businessmen to believe that to go along with Red China, in the field of trade, is worthwhile. Of course, as the members of the Foreign Relations Committee know, I believe the estimate about the basic trade imbalance in the case of the present Japanese economy goes up as high as $800 million. The Russians are seeking to persuade the Japanese that the way to make up for a big imbalance is to engage in trade with Red China. In that way the Russians hope to get the Japanese into the Communist or at least the neutralist camp. The United States Government is aware of the Japanese economy's position of imbalance, which has been existing for a period of years.

Furthermore, by means of propaganda the Soviet Union is trying to enlist the overseas Chinese on its side—those in Thailand, the Malay Peninsula, and Indonesia—in order to make them a threat to those governments—they are trying even though happily they are not succeeding. However, in Indonesia, the Soviet effort is causing much mischief today. Again, that is an area of the world in which my wife and I have traveled in Thailand and other points recently.

Thus far, Mr. President, I have referred to some of the situations in lands somewhat distant from the United States. Now let us consider the difficulties closer to home. We have seen widely advertised in the newspapers a new trade and cultural offensive by the Russians in Latin America. The Russians are doing that because they think that in that way they will threaten us on our home ground. Again, that is a tremendous propaganda effort. The Russians do not hesitate to spend large amounts on any program which they think will do them any good.

On the other hand, Mr. President, what have we to exploit, in terms of the arguments for our own side? Those arguments are as follows, as I see them: First, the de-Stalinization program undertaken by the Soviet Union, thus being a recognition of its own errors—though it claims infallibility and its own barbarities to its own people. Second, what has happened in Hungary and in Poland. Third, the transactions of the Soviet Union in the Mid-East, especially the furnishing of arms to Egypt, and the effort to subvert Syria. Fourth, the fact that the Soviet Union itself is undertaking enormous nuclear tests, and is not at all worried about fallout or anything else in that connection, it is engaging in those tests without giving notice to anyone else—thus showing, by its own actions, the fraud of the arguments it makes against the United States. All these things, if they are to be properly exploited, must be made public in some fashion. The story must be told. The only agency we have that is effectively organized to tell it, in terms of the policy of the United States Government, is the USIA.

I heard the argument that the USIA engages in wireless service, in giving press service such as the Associated Press and the United Press and the International News Service give to foreign nations.

Again, I think the facts are very illuminating, and here they are: There is what is called the USIA wireless file. The file is essentially made available where American commercial wire services are not available. Let us consider some countries in which they are not available at all: Iran, Iraq, Morocco, Afghanistan—all very important countries, insofar as we are concerned, in the cold war. Second, the USIA file is made available to newspapers which cannot afford to buy them directly. Let us consider that point for a moment. In India there are a reported 5,000 newspapers and magazines. Yet only one of them I am advised subscribes to an American wire service. Many of the others are serviced through the USIA.

The final question which has been asked is what is really important in the case of the services of the USIA. What will it do with the money Congress appropriates for it; and, on the other hand, where will the cuts hurt?

I should like to discuss these points for a moment.

In the first place, we have heard a good deal about something called the presentation program. It is the presentation of books and periodicals to opinion-makers throughout the world; and in round figures it costs approximately $2,500,000.

Mr. President, I think my colleagues ought to think very, very seriously about that $2½ million. They ought to ask whether we can make any better investment than in encyclopedias for local colleges and universities, and in other informed books of American policy for those who make and lead public opinion, which, in the main, they cannot either afford to or, as a matter of disposition will not buy for themselves.

Two and a half million dollars, mind you, Mr. President, and we are talking about a $72 billion budget.

Secondly, we spend about $10 million in the press service which I have described, and which also includes the publication of the mazagine America Illustrated, which is published for distribution behind the Iron Curtain, and which it was proposed to expand in terms of several other languages in several other satellite countries. The Russians do not have to worry about any such matters. The Russians are publishing their slick-paper magazine right here, for sale on every newsstand.

Next, we are spending about $25 million in friendly countries in West Europe. It is very interesting that only we, the richest nation on earth, seem to worry and be terribly aggravated about locating an information agency in a friendly country, because every one of my colleagues knows that the British nation, which is a much poorer nation than we are, is nevertheless willing to spend over a million dollars in running its information service in this country.

How often do we read about the fact that the United States is misunderstood in Great Britain and France, that they do not understand our policy, that we ought to find some way of getting the true story to them, that the ordinary news services do not convey it? Yet we have heard advocated a cutting into the bone—indeed, into the very heart—of that program by cutting out the information service in Europe, where we have our most devoted allies, and sending the personnel to Africa and Asia, where of course they are needed, but not to the exclusion of our European allies.

We always assume there are Communists behind the Iron Curtain, but there are Communists in front of the Iron Curtain, too. It is interesting to note that 25 percent of the vote cast in France was for the Communist Party. Indeed, it is I believe the largest single voting bloc of one party in the French Chamber of Deputies. In Italy there is roughly the same percentage as in France. Twenty-three percent of the vote at the last general election was cast for the Communists.

So I think we are only fooling ourselves. One of the persons in my office coined a very good phrase in relation to this matter: "We may be slashing at our vocal cords by cutting what is a relatively modest sum considering the budget out of the USIA, but we ought to be careful we do not cut our throat, too, in the process."

The item of $190,500 came in for a lot of criticism because it represents the cost of information service given right here in the United States of America. A big argument was made to the effect that we should not waste our substance in telling Americans about this particular Agency. I think here today we have found out why it is necessary. One hundred and ninety thousand dollars is a small sum for any substantial business—and this is a business enterprise in operation, in essence—to tell the people who are going to support it about itself. From what I have seen today, the amount should probably be more—as, apparently, the story has not gotten across at all. Without picking out flyspecks, which can be done with respect to any agency, let us look at the press service item involving about $11 million, again. When I was in the House of Representatives, we used to hear, in the late 1940's and early 1950's, the following: "If only the United States Information Agency would do like the British Information Agency does, and confine

itself to handouts and broadcasts on Government policy, and be essentially the official news agency of the Government." This was constantly reiterated as the true, pure, proper function of the USIA. Yet, as soon as they propose to do that, we propose to hit them on the head, and we say, "No, that is wrong, too."

In summary, we are dealing with a very important matter. We are dealing with a matter which the President has stated is very important to our national security. He is the President of all of us. His word is entitled to great weight with us, particularly on security. Certainly, he is responsible for the security of our country, which is neither Republican nor Democratic. The President said it was the worst economy the House made when it cut the amount to $105 million. Yet, in the face of the fact that the President says this matter involves one of the three key areas—military, economic, informational—we propose to cut this item, here in this Chamber, by another $15 million. When one looks at the perspective of the area involved, this should be out of the question.

I beg our colleagues to remember when the $35 billion appropriation bill for military equipment comes before us, to see how much time, in relation to the time being spent now, how much effort, will be lavished toward cutting say a billion out of that appropriation, which compared with the $15 million cut proposed now, and the long, arduous, and vigorous debate which has ensued.

No, Mr. President; for myself, I shall vote "no" on the committee amendment, because my people sent me here to use my head. I think even dollars critical as they are, are yet less important to the people of my State than are the lives of their sons. I believe in casting my vote. I shall be casting that vote in such a way as to help with that national security which will protect the lives of their sons.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota [Mr. THYE] is recognized.

Mr. THYE. Mr. President, if Senators wish to ask questions of the Senator from New York, I shall yield for that purpose.

Mr. BUSH. Mr. President, will the Senator from Minnesota yield to me?

Mr. THYE. I yield, provided I do not lose the floor.

Mr. BUSH. I wish to make a few observations and ask a question, but first I do wish to congratulate the Senator from New York on his very excellent presentation and argument in opposition to the cut which is recommended by the committee. I wish to associate myself with him in practically all he has said, and to associate myself with the views he has expressed, and to congratulate him on the information which he has given the Senate regarding the importance of the recommendation by the President of the United States with respect to his budget.

If the Senate votes to defeat the committee amendment, it will simply be voting to accept a figure, as presented to us by the House, of $105 million, which is $35 million less than was asked for in the budget of the President of the United States.

I agree with the Senator when he asks the Senate the question, How many bills will come to the Senate, of an appropriation nature, that will take a cut of nearly one-third of what the President has asked for in his budget?

I agree with the Senator, too, that at a time when our mortal enemies are stepping up their propaganda machine, and stepping up the cold war, realizing they have no chance in their dream of world domination in any other way, it would seem very foolish for the Senate to send out the signal that this country is reducing its offensive with respect to the cold war in the field of education and propaganda.

I want to conclude my observations by again saying to the Senator I wholeheartedly agree with what he has said, and I congratulate him on his presentation.

Mr. CASE of New Jersey. Mr. President——

Mr. THYE. Mr. President, I would be happy to permit the Senator from New York to answer a question which might be propounded to him by the distinguished Senator from New Jersey, provided I do not lose the floor.

Mr. JAVITS. Mr. President, will the Chair kindly enlighten us as to who has the floor?

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. THYE. I yield to the Senator from New Jersey.

Mr. CASE of New Jersey. I wish to commend the Senator from New York for his extraordinarily fine presentation. I think several of the points he has made deserve reemphasis.

The first is that I am glad that he, like me, does not accept the assumption that the House figure is the top limit of an appropriation bill. It seems to me that for the Senate to take that position, particularly on matters of this sort, will stultify our whole purpose in being here as a legislative body. I, for one, must insist that we not take that position and not act as if we were limited by the amount the House has put in an appropriation bill. This is particularly important because of the practice which has been followed in the past, where rather indiscriminate cuts have been made by the House, every Member of the House knowing that a proper figure would be restored by the Senate.

Secondly, I should like to point out, in agreement with the Senator from New York, that for us, after less than a day of debate, with a page and a half of a report, on the basis of a record which we first obtained today, containing some 1,249 pages of testimony, much of it in small type, and which none of us has been able even to begin to read, to cut the heart out of an agency which is vital to this country's interests, is almost irresponsible.

I would say that despite the efforts of the chairman of the subcommittee to give a picture—and he stood long on his feet, which is why I did not feel it would be proper to interrupt to question him—there was very little, if anything, of substance said in justification of these cuts. As the Senator from New York has said, there were relatively trivial items and incidents put forth as justification for cutting the heart out of this appropriation which is so vital to our interest, such as the use of a jazz band, and the fact that one man in Ethiopia takes care of two newspapers. That is why we must have a man in Ethiopia, because there are only two newspapers there. Otherwise, how can we tell our story and get across an effective story to those people? There were also such matters as criticism of the Director for making a speech, when he had promised to make it long before he was made Director of the Agency, and the claim that he made a poor presentation.

As the Senator from New York so well pointed out, we are not a court determining the relative merits of the presentation of a case by an agency. This is the Senate of the United States, on the basis of all information available to it and its own judgment, passing upon what is best for the interest of the country.

Mr. President, I suggest that a presentation has not been made to the Senate which would justify the action that is proposed to be taken here.

I wish to thank the Senator from New York for speaking so forcefully and so very much to the point on the issues before us today.

Mr. JAVITS. I am deeply indebted to my colleague for his very gracious comments.

Mr. COOPER. Mr. President, I ask for the yeas and nays on the committee amendment.

Mr. JOHNSON of Texas. Mr. President, I hope we can have the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. THYE. Mr. President, what we are endeavoring to do today as a nation is to win to our side the peoples throughout the world. It will either be the United States or the Soviet Union to whom people will look or turn. We today are the leaders insofar as the people of the world who seek to remain free are concerned. In the event we should fail, Mr. President, the ultimate result will be the use of military force to suppress an aggressor or to win the point for these free people.

If we unleash atomic warfare, guided missiles, and all the devastation which we know that atomic forces can bring to mankind, there is no telling what damage civilization will suffer. For that reason, Mr. President, we have conceived of this information activity on the part of the United States to try to convey to the people who do not understand us that we are not warmongers and that we are not governed by a capitalistic system which suppresses people and destroys the privileges.

We, by use of this information service, are trying to give to the people of the world who do not understand and know our system of government some information about how it operates.

I visited Bangkok, Mr. President, when an international trade fair was being shown there in 1953. The Russians had a most impressive exhibit.

The United States had a very, very poor exhibit. It was not even comparable to an exhibition in a little local county fair in any community.

Mr. President, when that was called to the attention of the President and called to the attention of the Congress, the funds necessary to participate in international trade fairs and to show what America is and what America can produce, actually the true story of the accomplishment of our American industrial output, were immediately appropriated. Russia then ceased to compete with us in many international trade fairs. That was an example of the use of less than $5 million to advertise American accomplishments in the eyes of the Orient and in the eyes of foreigners who did not know anything about us.

That day in Bangkok, after I watched hundreds of people of that nation pass through the Soviet exhibit, looking at the magnificently displayed instruments and tools, as well as Soviet cultural accomplishment in music and the arts, I went out into the back of the exhibit yard. There I found two-row cotton pickers, four-row corn planters, and big roadbuilding equipment on exhibit, and I observed the natives of Thailand stand there and look at this machinery. Then they went over and looked at the American exhibit a few blocks away, stood and shook their heads, and finally went back to look at the Russian exhibit.

For that reason, Mr. President, I have supported the appropriations for international trade fairs. It is for that reason that I have supported the appropriations for the Voice of America or the Information Service. Either we shall win the minds and the hearts of the people of Asia, India, and the Middle East, or they will turn to communism. If they turn to communism our grandchildren may be the ones who will have to man the atomic guided missiles or they may be the ones who will manipulate the marine vessels which are powered with atomic energy, all going forth to destroy mankind. I do not wish to have my grandchildren subjected to that kind of warfare if by the appropriation of a few million dollars here today I can in some manner hold back the Soviet threat while mankind learns how to live in peace, and people learn to respect each other's rights.

The student-exchange program is permitting the students of all the nations of the world to come together. The student who comes from Asia, the Middle East, or the Scandinavian countries to visit America associates with the students in all our universities and colleges, but in the first few months he is confused. When we talk to any university president or talk to any professor we get the same answer. The student is confused by what he sees. He thinks that Americans are anything but what they are. After a few months the foreign student warms up to the American students on the campus and soon they are walking arm in arm. Then he says, "We cannot understand you Americans. You are wealthy in your dress. You are wealthy in your homes. You are wealthy in the automobiles you drive. But you are industrious and you are willing to work hard with your hands."

Mr. President, these foreign students begin to admire the American capitalist system of free enterprise. They go back home and tell their people what they have seen. I have seen foreign students come here and go back home with the expression, "If we could rebuild our economy and our country into something comparable to the American economy and the American way of life, what greater pleasure could we expect on earth?"

They have gone back to their parents and told them about the Americans. I want to continue the student-exchange program. I want to continue with the international trade fairs. Thank goodness, we did not cut that phase of the program. That is one way of presenting American culture to the people of foreign countries.

Going to the other phase of the problem, we shall not be able to get the message of America, regarding the free-enterprise system of free people, behind the Iron Curtain except by radio. We know that television programs cannot be received in every home in foreign countries. But we also know that a few television receiving sets are available, and hundreds will flock to see the picture on the screen. When they see it, they will go back and tell something of what they saw about America.

The Cinerama picture shown at the various international trade fairs portrayed more of America to Asiatic viewers than they had seen in ages of normal living. Cinerama portrayed something of America. Television is portraying something of America. Radio programs are conveying a message about us. These are some of the most effective methods we can use to present our American way of life.

I know that we must economize, and we shall economize; but with respect to funds for USIA we economized a little more than I think was wise when we went below the House figure. I am not a member of the subcommittee which heard all the testimony, but I adjusted my schedule so as to permit me to sit with the subcommittee for a part of the time. I have endeavored to acquaint myself with all the testimony.

The Director, Mr. Larson, had not been in that Agency when the budget was drawn up. Mr. Larson assumed the responsibility in late months. He was not familiar with the program. We could sense that when he was endeavoring to answer the questions propounded to him. If I had been Mr. Larson I would have frankly admitted that I was not familiar with the program. If he had done that, he would not have been harpooned as often as he was. But that is all past. It is all a part of the record.

Mr. Larson's record as a man, and as an administrator of the agencies in which he served before he came to this Agency, is outstanding and most commendable. My belief is that he will write a record of administration in this Agency which will cause some of his critics to commend him for his work rather than condemn him.

As I look at this subject, even though I am a member of the Appropriations Committee, and even though the committee amendment was ordered reported by the full committee, I must oppose the committee amendment. I shall stand with the House figure of $105 million.

When we examine the record we find that last year the Soviet Union published 613 new book titles in free-world languages, to the total of 27½ million copies, representing a vast increase in that phase of the program.

Furthermore, the Communists spent $38 million for exhibits at international trade fairs in 1955, and they spent $100 million in 1956. They are trying to outdo us. We must not permit them to outdo us in capturing the hearts and minds of the peoples in Asia and the Middle East who are today hungry for something other than their own lot. They have not sufficient clothing, food, or fiber. Children are watching their mothers hull the rice and barley with antiquated flat stones rather than the magnificent new machines we use in America. The youth in Asia has an imagination and a mind, as does the youth of our land. He knows that there is something besides the way of life to which he is accustomed. He knows that there is something in the outside world other than the flat stone his mother is turning to hull the rice and the barley.

The youth of today sees a modern plane in the air. He sees a modern automobile on the highway. He occasionally reads a magazine article. He occasionally sees a motion picture depicting the way of life in the outside world. His imagination is aflame. We can reach him only with the Voice; and as we bring that Voice to him we bring to him a message concerning what exists in the western part of the world, and he will turn to us rather than to the Soviet philosophy. That is what is involved in this question. The $105 million is not a huge sum of money in comparison to our military budget.

The Cowles Bros., publishers of the Minneapolis Star-Tribune, are world travelers. They are prudent businessmen. John and Gardiner Cowles know the value of a dollar. They have seen every corner of the world. They know the Soviet Union; they know Asia; and they know the United States. Appearing in the Minneapolis Star of today is the following editorial:

A SHORTSIGHTED CUT

It would be shortsighted, to say the least, if Congress accepted the huge cut in the budget of the United States Information Agency proposed by a Senate Appropriations Subcommittee.

The proposed slash would leave the USIA with only $90,200,000 to operate its overseas information program for the year starting July 1. That sum would be roughly $23 million less than the Agency is spending this year, and $54 million less than Arthur Larson, USIA Director had requested for the coming year.

If I may interpolate, the editorial is incorrect at this point. Mr. Larson did not request it. The budget had been developed before Mr. Larson took over the directorship.

The editorial continues:

In the House, the USIA budget already had been trimmed to $105 million. That cut had been regarded as almost disastrous before the Senate subcommittee made an even more serious reduction in the Agency's funds.

In these days of international tensions, USIA needs more, not less money to tell abroad the story of the United States and its policies. Foreign affairs specialists regard the USIA libraries alone as worth the Agency's annual cost. A cut of the size proposed would do inestimable harm. It would reduce the Agency's effectiveness, its prestige, its staff, and its scope of operations.

The Senate ought to reject the committees recomendations and Congress ought to provide adequate funds for the USIA.

If we support the committee amendment, we will reduce the Agency's effectiveness, its prestige, its staff, and its scope of operation. The Senate should reject the committee's recommendation, and, as is stated in the Star editorial, we must provide adequate funds for the USIA.

Mr. MUNDT. Mr. President, I wish to congratulate the Senator from Minnesota on his very persuasive and very forthright, and in my opinion, very convincing statement.

As Members of the Senate know, I have been vitally interested in this program for a long time. We were confronted in the subcommittee of the Committee on Appropriations with two seriously conflicting points of view.

One of these points of view would have increased the amount of money beyond the House figure so as to provide for an expanded program.

The other point of view would have cut the appropriation to $60 million. No vote was taken on the $60 million figure, because the alternative motion was made to write into the bill the $90 million figure, and that figure was adopted, with 5 dissenting votes. I am one of those who voted "no" on that vote. Of course, I shall be consistent in my position when the yea and nay vote is held on the floor of the Senate on this provision of the bill.

I recommend that all Members of the Senate try, between now and the time the measure comes before us next year, to personally analyze what is being done by the USIA, and what its functions are.

The entire program becomes confused with a radio program, because the Voice of America has a glamorous title. Of course the Voice of America is doing a great deal of good. However, it is a little harder to grasp a program like the low-cost book program or the effect of the motion pictures which are widely distributed.

When they are all added together, they represent, at the House figures, only $105 million. We can add to it the exchange feature of the so-called Smith-Mundt program, which now amounts to $24 million, and we have about $130 million in the House figure and in our figure devoted to the specific job of waging the cold war and maintaining peace.

Without looking at the record, I cannot give the exact figure as to how much we are spending for armaments and guided missiles and the whole program involved in getting ready to avert a world war or to fight one if we must.

However, it would be well to compare the figures, and I hope Members of the Senate will take time throughout the year to acquaint themselves with what is actually being done under USIA, and with respect to the kind of programs that are being projected.

We must recognize that mistakes have been made, and mistakes will continue to be made, in a type of program we call a propaganda program because we do not have a better phrase with which to describe it. We are new at it as a country; consequently, mistakes will be made. However I do not think we should permit mistakes in the course of conducting a program to cause us to chop the program down to such size that it cannot adequately represent the great voice of our country in its crusade for truth and campaign for peace.

Mr. President, we entered into a sort of gentleman's agreement in the Committee on Appropriations that no member of the committee would offer an amendment to reduce the figure, and likewise none of us who wanted to increase the figure would offer any amendments. I shall operate within the boundaries of that agreement. I interpret that agreement to mean, of course, that I can vote precisely as I voted in the committee, which was "no" insofar as the present cut is concerned. Therefore I shall refrain from pursuing what would otherwise be my motivating purpose, namely, to urge the Senate to go beyond the $105 million figure, because I believe a case could be made for an expanded program. Nevertheless I shall go along with the understanding by which we arrived at this area of working cooperation, to make certain, at least, that there will not be any cut below $90 million. Therefore we shall be confronted with the decision here as to whether we will take $90 million or $105 million. I favor the $105 million figure.

Mr. COOPER. Mr. President, I rise to speak briefly against the committee amendment. As the Senate knows, and as has been said so often, the amount of the appropriation fixed by the House, of $106,100,000, has been reduced in committee to $90,200,000.

I speak on this subject because I have had an opportunity to observe the operation of some of the programs of the USIA, and because I believe the cut which has been recommended will lessen the potentiality of these programs and will seriously damage the work of USIA.

I am sure that nothing could be more boring to the Senate than to have one who has served in the position I held for a time in India to be continually talking about it. This is the first time since I have returned, however, that I have mentioned, in a speech on the floor of the Senate, anything about my experience there.

On the other hand, I would be derelict today if I did not speak of some of these programs and of the influence they have had, and if I did not say that I believe that this recommended cut will damage the operations of USIA and, therefore, damage the interests of the United States.

I shall speak briefly about 3 programs. They have been discussed at some length by the distinguished majority leader. I know he had more opportunity in committee to hear details about the programs than I have had. Nevertheless, based on my own experience, I disagree with him in his conclusions and his judgment.

I speak first of the low-cost books program. There seems to be a bias against books, and against reading books. What is the books program? In 1956 the low-cost books program was started on a pilot basis, and $225,000 was spent. About one million low-cost books were provided, for use chiefly in Asia and the Mid-East. The 1957 program provided for a million and a half dollars to be spent, and seven and a half million copies of books were provided for countries in Asia and the Mid-East.

This year the President requested that $2,900,000 be spent, to provide 7 million additional books.

The Senate knows that these books are printed at low cost and then sold through the ordinary channels of trade in countries in Asia and the Middle East.

What is the importance of this program? Throughout these countries there are great deficiencies in opportunities for education. I should like to say to my colleagues that there is very little knowledge of the United States in those countries. Sometimes we assume that they know about our political system and our economic system, and that they are convinced of our good motives. The truth of the matter is that there has been very little association between the United States and those countries. For a long time they were shut off from us by their colonial masters. There were very few opportunities for trade. There were no diplomatic relations. Today, there are 700 million people who have only recently come into independence, and what they think about this country is very important.

I point out also that those countries are governed today by their educated people, by the so-called intelligencia. For a long time to come those countries will be governed by their educated people. In their schools they are seeking and striving for books and for knowledge about the outside world, particularly about our country.

What would this amendment do? It would not only prevent the expansion of the only means we have by which to speak to those people about our political and economic systems, but it would actually reduce even the programs which are now in existence. I say we will make a great mistake if we take away from the youth of those countries the opportunity, through our classics and our other books, to learn about the traditions, the political system, the thought, the art, and the literature of our country. I do not share the bias of my distinguished colleagues against these books. They speak the truth; they are not propaganda.

In the same vein, I speak of the so-called wireless service. One reason why I think the committee might have made a mistake is that, as indicated from my questioning, they proceeded with this issue upon what seems to be a wrong assumption. There was criticism of the wireless service which sends news into some 70 countries. The news that is sent goes to the United States Information Service and is distributed to the newspapers and radio stations in those countries. The argument which was made today proceeded on the basis that this procedure was somehow in competition with private news services; that if we did not maintain the wireless service, the private news services would have sent their news into the 70 countries. That is not correct, because the newly independent countries are relatively poor, and many of their newspapers cannot pay for the wireless service. If the wireless service is diminished by a cut in appropriations, Congress will have cut back one of the few instrumentalities whereby news can be sent into these 70 countries throughout the world.

If we eliminate books and stop sending news, what will be left? We will bring down a curtain between the United States and the countries whose thoughts we say we want to influence.

I point out again that this is not a question of propaganda, which we condemn so often; this is a matter of speaking the truth, sending the news, and providing facts and literature.

I do not have a strong bias against some of the cultural programs which have been described today. I do not know about the jazz band which played in Mexico City. However, while other countries cannot always understand our political and economic systems, they have an appreciation of what is inherent, what is indigenous, and what is natural in the culture of our country. Sometimes if the interests of peoples cannot be reached directly, they can be reached through the culture and through the art forms of our country.

Throughout Asia, one of the great media is the exchange of cultural activities and the promotion of cultural relations. The Soviet Union knows that. It has its art delegations and its cultural delegations traveling throughout Asia. But we in this country seem to have a bias against such activity. We somehow seem to have the idea, in our thinking about this subject, that such activity does not speak the language of America. I think it can, if it is directed rightly. I am certain the USIA is attempting to do that.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. JAVITS. I was in India not too long ago. There I learned that the distinguished Senator from Kentucky was considered to be one of the most outstanding ambassadors ever sent there by our Government. I hope the Senator from Kentucky will, more and more, tell us of his experiences there. After all, what better recommendations can Senators give than their own personal experiences? I hope very much that other Senators will encourage the Senator from Kentucky to give us the benefit of his wisdom, and that he will do so.

Let us not forget that if the Free World loses India to the Communists, it will truly be the greatest reverse the Free World will have suffered since the loss of China, and there is grave doubt that we can stand such a loss.

Mr. COOPER. I thank the Senator from New York. My experience in India is applicable to all of Asia.

One thing more, and then I shall close. Not long ago the Vice President of the United States made a trip to Africa. The newspapers carried full accounts of his trip. When he came back, he submitted a very excellent report which was commented upon widely by the newspapers of our country.

Also, not long ago, the Senate considered a resolution pertaining to the Middle East, the purpose of which was not only to protect our interests in that area, but also to prevent, if possible, to stem the tide of the Communist movement toward Africa. Who can deny that Africa tomorrow may be, and probably will be, as important as Asia is today? One purpose of the increased appropriation which is sought is to enlarge, and in some cases to begin, the information program in Africa, a program which would cost $4,500,000. I have before me a list of the countries in which the program would be either expanded or initiated. Those countries are Somaliland, French West Africa, French Cameroons, Nigeria, Sudan, Tunisia, Morocco, and North Africa, embracing many countries of that area. Yet this cut will prevent that proposed expansion.

Again, the assumption is made that the information service to Europe will be stopped and that the money used for that purpose can be used in Africa. In the first place, as many Senators have pointed out, it is not clear that we want to stop our European information service. I can remember that 3 or 4 weeks ago many of our colleagues were saying that we were never in a worse position in Europe than we are today, in the opinion of our friends and our allies there. But even if the European information service were closed completely, there still would not be enough money to conduct properly a program in Africa.

I mentioned briefly Latin America, because we know also of the attempted expansion by the Soviet Union in those countries. I point out that in all those countries the Soviet Union has its agent, the Communist Party, at work. But in addition, as our colleague, the distinguished junior Senator from New York [Mr. JAVITS], has pointed out, the Communists recognize the value of propaganda—not the truth—and of a cultural exchange program with those countries.

We talk about the low-cost books program and say that we are unwilling to increase the appropriation for it by $1,400,000. We are willing instead to cut it. Nevertheless, the Soviet Union in the last year has published and distributed 100 million copies of its books throughout Asia and Africa.

I wanted to speak upon this subject only because I have seen the operation of these three programs, and because I believe that if the proposed reduction is sustained, the existing programs will be cut. Furthermore, it will be impossible to expand them even to the smallest degree in Africa or in Latin America, and certainly in Asia.

I have heard in debate today speaker after speaker talk about our great interest in those countries, the importance of the Information Service, and the necessity for maintaining it. But in the same breath, and on the same day, they are determined to cut the appropriation for it, to make the Information Service ineffective, and to deny it the possibility of becoming more effective.

I do not know about all its operations; perhaps some of them are not good. Personally, I did not think the motion picture program was so good, although that is one of the great industries in our own country.

I agree with the distinguished Senator from Minnesota [Mr. THYE] that in the industrial field, where we ought to surpass other nations, our participation in trade fairs does not begin to measure up to that of Soviet Russia or even of Communist China. So perhaps our program is not perfect. But if it is not perfect, why make it worse? Why kill the best part of it?

I close by saying that the books, the news service, and the cultural programs we provide are not of the type of Russian propaganda which we decry. The services we offer speak the truth. They reach the minds and hearts of the people. If we cannot plead our cause on the basis of truth, we cannot plead it at all.

Mr. President, I hope the Senate will reject the committee amendment.

Mr. SMITH of New Jersey. Mr. President, I rise as one of the originators of the legislation, a few years ago, under which this operation is carried on. The distinguished Senator from South Dakota [Mr. MUNDT] then joined me in sponsoring the so-called Smith-Mundt bill, which is the legislation now under discussion. At that time the Senator from South Dakota was a Member of the House of Representatives. I feel that we have no apology to make for the conception of that legislation and for what we were trying to do.

Therefore, Mr. President, I have been deeply concerned by the discussion which has occurred today, and I have listened to it with intense interest.

I wish to say to the distinguished majority leader, the Senator from Texas [Mr. JOHNSON], that I think he did a magnificant job in presenting the case as he saw it, but I cannot agree with the conclusions reached by the committee in this case. I feel—perhaps wrongly—that Mr. Larson has been made a whipping boy by the committee this year.

Let us consider Mr. Larson for a moment. He was the dean of a law school when he was asked to come to Washington, to be Under Secretary of Labor. I knew him well in that connection, because I am a Member of the Committee on Labor and Public Welfare. He did such an effective job in the consideration of labor and public welfare problems that the President felt he was the logical person to take over this work. The appointment was made last November or December, as I recall. Mr. Larson

was not familiar with any phase of the work at that time. I have talked with him many times about this matter, because of my deep interest in the work. He spent a great deal of time in becoming familiar with his new post. He did much traveling in that connection. Mr. Larson did not assume that during the Appropriations Committee hearing, he would be attacked on the basis of the Agency's work in the past. He was not familiar with the work done in the past, although he was trying to learn about it. I believe his nomination was confirmed in February. I do not believe he had a single thing to do with last year's budget for the agency. He had to accept what had been in the past by others. I think he made a mistake—and I told him so—in requesting an increased appropriation before the committee for work to be done in various areas this year. He should have attempted to proceed with the same level of appropriation. That could have been done, and should have been done. Personally, I thought he made a mistake in requesting $31 million more, this year, in connection with work originally undertaken last year. I said that I thought he should be willing to accept the same amount that was provided last year. I said that I believed that amount would permit the work to be done, without requiring great sacrifices. However, as has been pointed out, there was a considerable increase last year—from $87 million to $113 million; and then, this year, to $144 million.

Now the House has voted to reduce the amount to $106,100,000; the House has voted to reduce by approximately $8 million, the appropriation of last year; and, of course, the House has voted against any increase this year.

It seems to me that we are reasoning in the wrong way if we condemn an entire operation—and I myself have been very critical of the operation in many respects—and if we penalize it because the gentleman who happens to be charged with the responsibility this year is just getting his feet wet, we might say, and is trying to visualize what might be done in this field and—in his enthusiasm—made the mistake of asking for a larger appropriation this year.

Mr. CARROLL. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. In a moment, after I have made my presentation.

However, Mr. President, to say that the appropriation should be cut until it is less than the appropriation of last year, and that that should be done because Mr. Larson made the mistake of requesting too much, and to condemn him for having been an ineffective witness—when I imagine that was the first appearance he had made before a committee of this sort—or for having made mistakes which many of his advisers urged him not to make, is not, in my opinion, a valid basis for slashing the appropriation for this Agency and for requiring it to dismiss some of the staff members who were employed last year, and for the employment of whom Mr. Larson had no responsibility.

Knowing that these proposals would come before the Senate, I talked to Mr. Larson, and asked him about the situation. He said it would be necessary to dismiss approximately 300 employees whom they have been training for this operation.

The Senator from Texas said that 200 additional employees had been added, for use in the press service field. I inquired about the actual facts in that connection; and I found that most of those persons were employed in two United States Government printing plants, one in Manila, where the additional employees would be used to help print some material; and the other in Beirut, Lebanon. Those employees are not in competition with any newspaper people.

In regard to the program in Europe, Mr. Larson has been criticized for carrying on that program. As I have said, the program was carried on there last year, before Mr. Larson entered the picture at all. I have checked on that matter. I am advised that the big Communist effort is directed at Europe; that 60 percent of the Soviet propaganda is directed at Europe, especially at France and Italy. If we end our work in France and Italy and England—and England is our closest friend in Europe—we may seriously jeopardize the situation. The fact is that England has spent over $1 million a year on propaganda in the United States, and has used 178 employees here. That indicates that England, at least, is interested in what the people of the United States are thinking about Great Britain, and England does not resent our sending to England explanations of our program.

So I feel that England, France, and Italy are very important centers, especially in view of the fact, which all of us know, that in the very recent past, Italy almost went behind the Iron Curtain.

So my first reason for disagreeing with the committee is that I think it went too far in thinking that because Mr. Larson did not make a good witness, he did not know his subject. Under the circumstances, he could not know his subject. In my heart I cannot feel that we would be justified in making the proposed reduction. I was going to say that we would not be justified in making an appropriation smaller than the appropriation of last year. However, let us pass over that, and consider the situation this year.

The House has voted for an appropriation of $106,100,000, which is a substantial reduction from the appropriation of last year. Now our committee has recommended that the appropriation be reduced to approximately $90 million.

Mr. JOHNSON of Texas. Mr. President, at this point will my friend from New Jersey yield to me?

Mr. SMITH of New Jersey. I shall be glad to yield in a moment.

Mr. President, I must go on record as expressing my deep concern about this proposal and my strong support of the USIA. I think it has made mistakes. I will join the Senator from Texas or any other Senator in trying to have those mistakes corrected. But I think it is unsound to proceed suddenly, by having the Appropriations Committee act as a sort of investigating committee in the few days it has to do its work, and drastically to penalize the USIA.

I do not think we should vote for an appropriation one penny less than the appropriation voted by the House of Representatives, namely, $106,100,000.

Therefore, I shall be compelled to vote against the pending amendment.

At this time I am glad to yield to the Senator from Texas.

Mr. JOHNSON of Texas. Mr. President, how many persons did I understand the Senator from New Jersey to say the British have in this country, in this connection?

Mr. SMITH of New Jersey. My information is that the British spent $1 million, and have 178 employees here. I believe that is correct.

Mr. JOHNSON of Texas. Mr. President, I should like to have the record show that in 1956, when we had a program under which this agency employed fewer persons than the number who can be employed under the appropriation now recommended, we had 3,257 employees in Europe, under this program, as compared with the 157 the British had in the United States. Of course, not all of our 3,257 were in Great Britain.

I would want the record to show also that I do not think that we condemn an operation when we say to that operation, "We shall give you more money than you had in 1954 or than you had in 1955."

As I recall, the first year of this administration was one of the most troublesome years it ever faced, particularly with the Korean war going on. This year the Congress, if it approves the committee amendment, will provide more money for USIA than it provided in 1954, 1955, and 1956. The Senator from Texas wants the record to show that he is not trying Mr. Larson, and that he explained today that Mr. Larson has been in this Agency only 5 months, and cannot accept responsibility for the mistakes the Agency may or may not have made, depending on how one looks at it. But when and if the United States Information Agency or its successor can come before the Appropriations Committee and can convince the members that it has an effective and efficient program, the Senator from Texas will be the first to stand up and fight for the appropriation for it and for its program, because he believes, with all his heart, that we must not lose the battle to win men's minds. But I submit the evidence does not justify the House figure.

We have several standards we can employ. If we are going to follow the Russian standard, we will need $2 billion. If we are going to follow the USIA, we need $156 million. If we are to follow the budget request, we need $144 million. If we are to follow what the House allowed, we need $106 million. If we are to follow what the Republican Congress gave the Agency, we need $84 million. Or we could follow the average for those 4 years; and who am I to say that we have defaulted in our efforts during these 4

years, and who am I to criticize the administration for not having done a worthwhile and effective job during these 4 years? So I submit, sir, not as an enemy of the program, but as one who piloted through legislation that gave it more than it ever had, they have not been true to their trust. We are called upon to say to them, "Please shift your emphasis. Please quit engaging in activities that bring great criticism. Submit to us an efficient and effective program, under the Secretary of State, and then Congress will receive it with courtesy, with tolerance, and, I trust, with understanding and intelligence."

I am not one to say, merely because the House adopted a certain figure, that it is the correct one. We will go to conference. We will be bound by the vote that comes. If the Senate wants to tell us we must say to the people involved here that they must take the figure of $106 million because the Senate insists on it, we can expect the House to insist on its appropriation. So the Senate can tie our hands, but when it ties our hands, I say to my friend as the author of the basic legislation, it would be tying the hands of the best friend he ever had.

Mr. SMITH of New Jersey. I thank the Senator from Texas. I am entirely in agreement with him. What we shall do about tying hands, I cannot say, until we get to it.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield to the Senator from Colorado.

Mr. CARROLL. I have been impressed by the sincerity of the Senator from New Jersey. I should like to ask him a question or two. I was a Member of the House for two terms, and always voted for the program.

I have been very much impressed by the remarks of the junior Senator from New York [Mr. JAVITS] and the senior Senator from Kentucky [Mr. COOPER]. When I first heard of the cut made by the House some days ago, I thought it was too severe. When I came to this Chamber today—and I have been here all these hours of debate—I thought perhaps the action of the Appropriations Committee was too severe. But, it seems to me—and I speak in the utmost good faith to the distinguished Senator—as a result of the debate that has occurred on the floor today, in view of the record, we as legislators must follow the rule of reason. When I find distinguished Senators from both parties, on both sides of the aisle, stating that Mr. Larson has not made a case, it seems to me as legislators we are pretty much bound by what the record shows.

In view of the remarks of the distinguished majority leader—and this is really one of the reasons why I rose to ask him a question, but he has already answered it—it seems to me that no sensible legislator in this body would be against this excellent, democratic program which is a program, as the Senator from Texas has said, that will fight for the minds of man and battle for the minds of people. The question arises, in view of the record made today, whether Mr. Larson is a new man or not, whether he has failed to present a case upon which reasonable men can legislate.

The next question that comes to me is, If we are really interested in this program, cannot Mr. Larson subsequently ask for a deficit appropriation to accomplish all the things he wants accomplished? Is not that possible?

Mr. SMITH of New Jersey. I hope that that will be done if we agree to either one of these figures.

Mr. CARROLL. Then, why would it not be best to support the committee, and encourage the new man to shake down his organization, to get some efficiency, to move forward, and to eliminate waste and excessive spending, if that has occurred? That is what both parties want to do. That is what people expect of us.

I say to the Senator, in all sincerity, when I came to the Chamber today I did not intend to vote for the cut as submitted by the committee; but in view of the record, I think we pretty much have to sustain the committee. Later on so the record is clear, if such action as has been suggested is taken, I shall be found supporting the very fine and sincere statements of the distinguished Senator from New Jersey.

Mr. SMITH of New Jersey. I am very glad, indeed, to have the comments of the Senator from Colorado.

Mr. KUCHEL. Mr. President, will the Senator yield for a question?

Mr. SMITH of New Jersey. I yield.

Mr. KUCHEL. One of the disconcerting questions that has arisen, so far as some of us are concerned, is the fact that the Appropriations Committee, apparently by a unanimous vote, recommended to the Foreign Relations Committee that it favorably consider a substantive bill by which the USIA would be transferred to the State Department. In a way, I suppose, that is a left-handed implication, by the unanimous membership of the Appropriations Committee, that it looks with some disfavor on the operations of USIA.

I am wondering whether the Senator, as one of the ranking minority members of the Foreign Relations Committee, could make a constructive comment on this matter for those of us who are not on the Appropriations Committee, who are trying to do what is best for this country, but who find ourselves in a quandary because of a majority decision made in the Appropriations Committee.

Mr. SMITH of New Jersey. The Senator understands that I am not a member of the Appropriations Committee.

Mr. KUCHEL. I should like to hear the Senator's own thinking on that.

Mr. SMITH of New Jersey. I think there is much to be said, from an administrative standpoint, for having the USIA a part of the State Department. I have said that many times. We discussed the same thing with respect to the ICA and foreign aid. Should it be a branch of the State Department?

At the moment the Secretary of State feels that it would be unwise to put these operational matters in the State Department; that it has enough headaches with policy matters. Such is the reason, I think, why these agencies have not been combined.

Mr. KUCHEL. The Senator's own personal thinking is that it should be transferred?

Mr. SMITH of New Jersey. From an administrative standpoint it is desirable. I would wish to discuss it with the Secretary of State, to find out his reasons for hesitating to take them in.

Mr. MANSFIELD. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Does the Senator from New Jersey yield to the Senator from Montana?

Mr. SMITH of New Jersey. I yield.

Mr. MANSFIELD. In response to the question raised by the Senator from California, under the basic law, as the Senator from New Jersey well knows, since he is the author of the basic legislation, it is supposed to be mandatory that policy guidance be taken by the Information Service from the Department of State, from the Secretary of State, or from his agent.

Mr. SMITH of New Jersey. That would be policy as to the way information is conveyed. It would not be guidance as to what our foreign policy is.

Mr. MANSFIELD. Frankly, I do not know whether it would be the way it would be conveyed, what is to be conveyed, or what. That is one of the reasons, in my opinion, why the subcommittee unanimously and the full Committee on Appropriations unanimously agreed to this particular language:

> It is impossible to avoid the impression that there is considerable duplication and overlapping of functions between members of the USIA and other agencies. The committee feels strongly that there would be considerable economy and efficiency achieved were the Agency to be returned to the control of the State Department, and unanimously recommends that the Foreign Relations Committee consider legislation providing for the transfer of the United States Information Agency to the Department of State.

I may say to my distinguished friend that, so far as I know, there is not an enemy of the USIA in the Senate of the United States. There are a lot of friends of the USIA who are becoming a little bit fed up with the idea of having subsidiary arms in the field of foreign policy. Many of us think that only one department should be charged with the responsibility, as it is under the Constitution, to speak for the United States of America in the field of foreign affairs. That department is the Department of State, which acts as an arm of the President, who, of course, is charged personally with the conduct of our foreign policy.

There is no reason why the USIA and the ICA both should not be absorbed into the State Department. I would hazard the guess that great savings could be accomplished, and better efficiency in administration would be the result, with a more codified and one-voiced foreign policy forthcoming.

If my friend will indulge me for 1 minute more, I should like to read from the record certain questions I asked Mr. Larson, who I think is a man of great promise:

> Senator MANSFIELD. Mr. Larson, do you consider the USIA an arm in the field of American foreign policy?
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> Mr. LARSON. Yes.
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> Senator MANSFIELD. Do you maintain country desks in the USIA?
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> Mr. LARSON. Yes.
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> Senator MANSFIELD. Do you maintain area desks?
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> Mr. LARSON. Yes.
>
> Senator MANSFIELD. Do you maintain an office of policy and plans?
>
> Mr. LARSON. That is correct; yes.
>
> Senator MANSFIELD. Do you maintain an office of research and intelligence?
>
> Mr. LARSON. That is right.
>
> Senator MANSFIELD. Do you maintain an office of security?
>
> Mr. LARSON. That is right.
>
> Senator MANSFIELD. Are all those offices, or offices similar to them, likewise maintained in the Department of State?
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> Mr. LARSON. There are counterparts, but the functions they perform, of course, are quite different.
>
> Senator MANSFIELD. They are both in the field of foreign policy, or they are all in the field of foreign policy?
>
> Mr. LARSON. They are in the general field of foreign policy; yes.
>
> Senator MANSFIELD. You would not admit or agree to the assumption then that this does represent a certain amount of duplication and overlapping?
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> Mr. LARSON. No; I would not agree to that at all.
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> Senator MANSFIELD. But you would agree with the assumption that the USIA is an arm in the field of American foreign policy?
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> Mr. LARSON. Very definitely; yes.
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> Senator MANSFIELD. Do you believe in efficiency and economy in Government?
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> Mr. LARSON. Emphatically; yes.
>
> Senator MANSFIELD. Do you feel that we ought to speak in the field of foreign policy with one voice or with many voices?
>
> Mr. LARSON. With one voice; definitely.

That is the reason, I think, why we are not penalizing the USIA at this time; but we are trying to get cohesion, efficiency, and good administration with good management. This might be the saving, I think, of an organization such as this, to give to its employees a feeling of permanence which I do not think they have at the present time.

I thank my friend for permitting me to make the statement.

Mr. SMITH of New Jersey. I will say to the Senator from Montana that I agree with what he has said, and I hope that our committee will be able to go into the entire question; but I cannot see that it is relevant to this immediate dollars-and-cents question under the proposed amendment. No matter what we do next year, we cannot deal with that here by simply slashing the appropriation because the agency does not happen to be organized in the way we wish it to be.

Mr. MANSFIELD. Mr. President, will the Senator yield further?

Mr. SMITH of New Jersey. I yield.

Mr. MANSFIELD. This year the USIA originally asked for two-thirds of what the Department of State asked for. It now seems that what we have is the idea that more dollars will produce more editors, more reports, more radio broadcasts, more TV shows, more this, that, and the other thing. That is not the answer.

The Senator from Colorado [Mr. CARROLL] put his finger on the point when he said, in effect, that what this Agency needs is a shakedown. I think it can become a better organization and a better Agency, because, I repeat, no one to my knowledge challenges the necessity for a United States Information Agency; but some of us think that overlapping and duplication could be done away with and that an absorption within the State Department could take place, the result of which would be a saving so considerable that, so far as personnel is concerned, there would be no real harm. As a matter of fact, from such an absorption could come a feeling of greater security and perhaps better dedication than is the case at the present time.

Mr. SMITH of New Jersey. I think that is probably true. I hope such an investigation, if our committee undertakes it, will go into these matters. But this question cannot be determined by 2 or 3 days of an Appropriations Committee hearing. That is the point, and it is the only place where we differ. I think the Senator is perfectly right in making the point.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I am glad to yield, or I will yield the floor.

Mr. AIKEN. I should like to ask a question for information.

Mr. SMITH of New Jersey. I yield.

Mr. AIKEN. Where was the USIA located before it was made an information agency?

Mr. SMITH of New Jersey. I am not sure whether it started in the State Department or not.

Mr. AIKEN. I believe it was in the State Department. Was it not removed from the State Department because it was found that was not the proper place for it?

Mr. SMITH of New Jersey. I believe it was.

Mr. AIKEN. After years of experience with the information service, going from bad to worse on management, Congress decided that the State Department was not the place for it, and set it up as a separate agency. Perhaps that is not the place for it yet, but that is what Congress did.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. MANSFIELD. In response to that particular question, I may say to my friend from Vermont that the Congress did not set up the USIA as a separate agency, because in 1953 the Congress passed legislation unanimously to liquidate what was known as the MSA, which was replaced under Reorganization Plan 7 as the FOA; and Reorganization Plan 8, which came in at the same time, set up the USIA as an independent agency outside the Department of State.

Mr. AIKEN. That is true. I was speaking of practicalities, rather than technicalities, perhaps.

Mr. CLARK. Mr. President, I shall vote for the committee amendment. I have gone on public record as favoring the President's budget. Since I intend in almost every instance to support that budget, which I do not believe is too large, I should like to state briefly why I shall depart now from what will be the ordinary rule. I came to the floor this afternoon, Mr. President, expecting to vote to reinstate the appropriations in the amount which had been requested by the Secretary of State and the President. Confronted with the unanimous view of 22 members of the Appropriations Committee, Republicans and Democrats, conservatives and liberals, that this agency has not made a case for itself for the appropriation which it requested, and having listened with great care to the debate, I have come to the regretful conclusion that in this instance the position of the majority leader is well taken and that he should be supported.

I should like to associate myself with the remarks made so recently on the floor by the very able junior Senator from Colorado [Mr. CARROLL], and the very able junior Senator from Montana [Mr. MANSFIELD].

Mr. AIKEN obtained the floor.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. AIKEN. For what purpose?

Mr. LAUSCHE. I wished to make a brief statement.

Mr. AIKEN. My statement will be brief, if there are not too many interruptions.

Mr. President, there may be, somewhere in the world, a business concern which has achieved outstanding success without advertising or without any sales force.

There may be, somewhere, a business concern which has achieved success by ignoring the false statements of its competitors, but I do not know just where that business concern might be.

As it is with business concerns, so it is with nations. I do not believe that any nation aspiring to leadership in this world, or aspiring to the right in this world, can afford to slash its sales force or its advertising. Nor can we ignore the false statements which are made about us and about democracy, and about the western world of which we are a part, by our competitors who are striving for control of the world today.

It is true that we are under great pressure for reducing expenses, for reducing the President's budget. Some reduction is warranted. There is no question about that. Perhaps a couple of billion dollars reduction would be warranted. I am not in a position to say how much. But I point out that a part of the pressure that is put upon us for slashing the President's budget drastically represents merely diversionary tactics by those who are themselves receiving immense benefits from the United States taxpayers. They want us to cut out those things which the public cannot see. They tell us, "Reduce the budget, but do not cut my special tax privileges. Reduce the budget, but do not interfere with the rapid tax write-off, which has meant hundreds of millions of dollars to some of us. Reduce the budget, but do not monkey with the postal rates, even though there is a deficit of $650 million coming up this year."

Instead, they say, "Cut the intangible things, the items that the people cannot see."

On this floor I have been critical at one time or another of the Secretary of Defense. Last week, however, he said something with which I can fully agree. He criticized some of his old friends and teammates for urging drastic slashes in the budget at a time when they were making more money than they had ever made before. In citing this I am simply pointing out that a part of the pressure being put on us represents the diversionary tactics indulged in by those who are getting the greatest benefit from Government than they ever get in their lives.

It has been proposed that we pass the bill as it is, with an appropriation of $90 million, and invite the USIA to come back later this session or the early part of next session and get more money. It was suggested by one speaker that the USIA put its house in order, and then come back for more money, and that we would gladly give them whatever they thought they ought to have at the time.

That is a preposterous way of financing a government. It is the acme of bad government financing to make appropriations to Government departments and say, "Take this, and let it last as long as it will. If you have been a good boy, and you run out of money, come back and ask us for more." I cannot conceive of any Congress in its right mind taking an attitude like that. If we give $90 million or $105 million to the USIA, the Agency should plan to make that appropriation last for the entire year, and govern its personnel and operations accordingly.

As to the request from this Agency for money, it asked for $144 million. I have no doubt that the budget request was excessive. A good share of our budget requests are excessive. The departments ask for more than they expect to get.

I have no doubt—in fact, I know—that this Agency has made mistakes in the conduct of its affairs.

It or its predecessor has been under criticism ever since it came into existence.

I make no excuse for the inexperience of the present Director of the USIA. If he chose to emulate the sitting duck, and received the treatment usually accorded sitting ducks, that was his privilege. But in passing upon this appropriation, we ought not to consider the Director. We should consider the purpose for which the money is being appropriated.

The House cut the request of the USIA 25 percent. The Senate committee proposes to slash it 37½ percent below the sum which those in charge say is necessary to do the job properly. As I have said, I do not doubt that they asked for somewhat more than they needed but I do not believe they over-stated their needs by 37½ percent.

Mr. President, I think we want to sell the United States to the world. We want to compete in the field of world affairs, and we want to compete for our share of good will in the world, in the field of world opinion. For this reason I am unwilling to vote for the committee amendment. I think the 25 percent cut proposed by the House is enough. If I were to vote for the 37½ percent slash proposed by the Senate committee, I would feel that I was not only not selling the United States to the world, but was actually selling the United States short.

Finally, I hope there is no politics involved in this question, and I hope, above all else, that my party, the Republican Party, will not subscribe to any policy which spikes one of the most important guns which we are using in the great battle for the world today, the great battle between democracy and totalitarian communism.

I hope, above all else, that the Republican Party will never subscribe to a policy like that, which, in my opinion, could mean the difference between peace and war.

Mr. WILEY. Mr. President, at this late hour I rise almost with trepidation. However, having been fed for hours with what I think has been very constructive argument on both sides, I shall take only a few moments to express my own views.

I am happy to say that I believe all the evidence shows quite conclusively that Mr. Larson is a capable, able man. I think the testimony to which the Senator from Montana [Mr. MANSFIELD] referred clearly indicates what was previously suggested, namely, that Mr. Larson was not on his toes.

I believe that the fact that he did not have the economics of the situation in hand, so to speak, is nothing to his prejudice. I remember when, in this very august Chamber, we voted without any question for appropriations of $100 billion. No plan was laid before us upon the basis of which we could vote. It was a question of national defense. So I should say that that argument should go out the window.

As I see it, the question is whether there is any evidence to sustain the position the President says is the correct position. In the first place, we have definitely the fact that a budget estimate was submitted, and that certainly was worked on. Then we have had action by the House. Then we have also had the judgment of men on the floor of the Senate who know something about this vital issue.

I believe there is involved the question of self-preservation, and that is the one thing that causes me the most serious concern when we are thinking about cutting funds.

Mr. President, I should like at this time to express my deep concern over the slashes which have been made in the State Department appropriation for 1958 fiscal year, and in the appropriation for the United States Information Agency.

I am glad that the Senate Appropriations Committee took action to provide at least slight increases in the State Department budget, over and above what the House had provided.

The latter was, of course, far under the President's budget request.

The President had requested $227 million; the House had approved $180 million; the Senate committee recommended to us $193 million.

In its increases, the Senate committee suggested a raise for Foreign Service salaries and for official representation allowances.

IT IS WISE TO SPEND FOR PEACE

The question in my mind, however, is: Are we giving sufficient wherewithal to the Foreign Service of the United States to perform its frontline job throughout the world in "waging the peace"?

Do we sufficiently realize that it is far better to strengthen the hand of our ambassadors of peace, our Ministers, our consuls, in 90 and more countries throughout the world than it is to have to send armed forces some day to try to restore the peace?

Consider the fact that the State Department budget is a quarter of a billion dollars, while our military-atomic budget is $42 billion.

To me it is plain commonsense to make a maximum effort to try to keep the peace and thereby save the infinite cost in human life and treasure, which will occur in the event the peace is lost.

STATE DEPARTMENT DOES NOT HAVE A "CONSTITUENCY"

Mr. President, I want to point out that the State Department's appropriations bill is unique in that here is one agency with no vast "constituency" which will rise up in defense of the Department's budget.

The same is, of course, especially true of the mutual security budget.

Of course, the agency itself will appeal to us if further cuts are made, but there is no special segment of our population—say farmers, businessmen, veterans, laboring people—who benefit directly from the State Department program, as they do, let us say, from the program of the Department of Agriculture or the Department of Labor or the Department of Commerce.

They do not have any constituency. Therefore, as has been suggested before, it is for us to accept the responsibility to do some sane thinking on the subject. There has been no pressure on us to take care of that interest.

And so, it is relatively easy to cut the State Department budget, because there will be comparatively few complaints from a vast segment of the public, whether or not the cuts are justified.

And yet, thinking members of the public will realize and should realize that the State Department budget is vital to all the 170 million Americans, yes, to generations unborn.

THE VERY DANGEROUS SLASHES IN USIA

I should like, however, within the next few moments to refer to an even more significant problem in the appropriations bill now pending before us.

I refer to the deep and, in my judgment, unjustified slashes which have been made in the budget of the United States Information Agency.

I know something about the agency. I know it is a human agency, with human faults. I know also what has been expressed here so forcefully by thinking men, that we are in a battle for men's minds, and that we must realize, as someone long ago said, that truth makes

men free. We also know that error walks and talks through the earth, and it is our obligation to see that the truth gets to the people throughout the world.

In my judgment, we have dealt a serious blow to America's truth program.

In my judgment, if we approve the deep slashes made in the House and the Senate committees, we will inadvertently deal a deep blow to America's program for telling the American story—the story of truth throughout the world.

SENATE COMMITTEE RECOMMENDED EVEN LESS THAN HOUSE

What is the situation? The facts are that the President requested $144 million for the United States Information Agency. The House allowed only $106 million, and now the Senate committee has recommended only $90 million.

I have a great deal of respect for my colleagues on the Senate Appropriations Committee.

In the 18 years I have been a Member of the Senate I have felt that it was practically my obligation under nearly all circumstances to follow what I thought was the action of a committee, especially when it had acted more or less unanimously, and when it was the action of a committee of which I was not a member and therefore had not heard the testimony.

However, I will say that this is the exception, because in my humble opinion this rises above all challenge and involves the question, as has been stated, whether we are going to take away an adequate arm of America's defense. The law of self-preservation is involved. In my estimation Congress has not had the understanding attitude which it should have toward this Agency. The Agency has no constituency to defend it. It has been the target of every roustabout in the Nation. It has been charged with being wasteful. I suppose some of the pulpits of the country are wasteful. I suppose some colleges are wasteful. I suppose some leaders of our diplomatic corps in foreign lands are wasteful.

I cannot help repeating that when I came to Congress it took 45 days to go around the world. Now we can go around it in 44 hours. Planes have crossed the continent in 3 hours. It is a new world, as has been said so dramatically by others. Since World War II 700 million souls have gone into the orbit of the Communists. There has been but one weapon, and that is the weapon of truth.

THIS AGENCY HAS BEEN TORN APART TIME AND AGAIN

Since we set it up, the fact has been that every single year this Agency has been investigated by all sorts of groups.

Every year, Congress, so to speak, has looked at the plant, pulled it up by its roots, shoved it back into the earth again, and then the following fiscal year, has pulled it up by its roots again, in order to reexamine it.

The history of this Agency shows that we have increased it, then slashed it, then increased it, then slashed it, year after year.

What has been the result? The result has been that the Agency has had to hire people fast, and then fire them fast; open up new offices in various countries, and then close them; start new magazines or publications, and then close them.

There is no business in the United States which could carry on its operations efficiently, if it were subject to such severe pressures.

And imagine the effect on employee morale when a man does not know from one year to the next, whether he will be able to work with it, even though his job is vital, even though he is doing it conscientiously, even though the Communists across the street are doing triple as much as he is doing on the very same subject.

I heard today the great Senator from Montana [Mr. MANSFIELD] say that there is no Senator who is not in favor of this Agency.

Yes, what kind of treatment have we been giving them?

At this very time there is pending before Congress proposed legislation which I myself have cosponsored to establish a career service for United States Information Agency officers. The purpose of such a career service bill is to give the employees of USIA a feeling that they can be proud of their jobs, proud of their agency, proud of making a lifetime career of the work of telling the truth on behalf of their country throughout the world.

We need individuals who will dedicate a whole lifetime to this task. Yet I ask, How can we possibly get such dedicated individuals if we treat them as if we had no regard whatsoever for their services?

Naturally, in any budget of $144 million, one may disagree with some particular items of expenditure. But let us realize that the whole information job is necessarily an experimental one. I say this after having watched it and studied it. What may suit in one particular locality, as has been stated, is not what is desirable in another locality. If we cannot instruct people through reading material, it is necessary to send persons who will teach them by other methods, such as by showing them pictures; persons who will get the facts across.

So we must realize that we are in a battle for the minds of men. Let us realize that the whole job of disseminating information must be carried on.

We are trying to impact the minds of men—people ranging from, let us say, West German intellectuals to savages, just emerging from the Iron Age, in the heart of Africa. We are trying to impact the minds of Arab Bedouin tribesmen and European college doctors of philosophy as well as other types in scores of countries throughout the world. Will a radio program do the job best? A newspaper or a motion picture, a recording? What themes will go best in getting across our story to what particular culture?

The answer is, No one can be sure.

That is why Larson was criticized. Of course, he could not be sure. He would probably have had to feel out the situation, just as a physician has to diagnose an ailment in order to apply the remedy. There was nothing wrong in his coming before the committee. He could have called upon assistants who were familiar with conditions in other countries to deal with the particular picture. But was that what the Senate wanted from him? No. What we wanted from him was generalship, administratorship, an honest performance by a man who has brains, intellect, courage, and judgment.

The fact is that no American corporation in its advertising work can be 100 percent sure that, say, a $5 million television program, which it buys, will sell more soap or automobiles. But it makes the experiment, and perhaps the ad will pay off.

I say that the United States Information Agency has been eminently successful in its work.

I have seen many USIA offices abroad. I have seen its operations in many countries. I have spoken to Information officers, to the men handling the Voice of America, to the pressmen working with foreign newspaper correspondents, to the men who handle mobile 16-millimeter movie equipment, taking motion pictures out to the villages, and I am convinced that they are doing a sound, worthwhile job.

One of the principal criticisms of the USIA has been that too much of its work is being done in Western Europe.

The argument against USIA is: "Why waste any time in Western Europe? The people there are literate, they are our allies, they are anti-Communist. Why not close up all the United States Information Agencies in Western Europe and simply concentrate on South Asia and Africa and the Middle East?"

That argument, Mr. President, utterly ignores the basic facts about the problem we face.

There is probably as much misinformation about us, about our plans, our programs, our intentions in Western Europe as anywhere else in the world.

Of course, the people of Western Europe are our allies, but the fact is that every public opinion poll shows that many of the peoples of Western Europe differ from us very strongly in many of the basic programs which we regard as essential for the free world. Besides, Western Europe is impacted by one of the heaviest bombardments of Soviet and local Communist propaganda to be found anywhere in the world.

We can ill afford, therefore, to allow falsehoods concerning the United States to circulate in Western Europe. We can ill afford to allow Communist lies, distortions, and poisons to be spread against us there or, for that matter, in other areas of the world.

I ask unanimous consent to have printed at this point in the RECORD the text of a telegram I have received from Tracy S. Voorhees, one of America's fine public servants, whom we all know, and who has served our Government in many important posts, together with a memorandum entitled "USIA Program in Western Europe."

There being no objection, the telegram and memorandum were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *May 14, 1957.*

Hon. ALEXANDER WILEY,
United States Senate,
Washington, D. C.:

For over 4 years now I have worked on an entirely voluntary basis to improve our foreign information program. I have only one interest to serve. This is to have the best program possible in what I believe has now become one of the critical fields in which we can do something definite to decrease danger of war and Communist expansion. This is especially needed because of the great expansion of the Communists' propaganda program.

Comparing two studies of the organization conducting the information program, one which I made 4 years ago and the other slightly over a year ago, I became convinced that a change almost from night to day had been made in the quality of the organization, and thereby in the effectiveness of the program. While of course it is not perfect, I have seen at firsthand the great difficulty of the task, and have real admiration for the spirit now existing in USIA to do it and to do it well.

On learning of the Appropriations Committee's action this morning, I became gravely concerned lest such a cut seriously impair the improved effectiveness progressively built up over so hard a road over almost 4 years. For these reasons I have sent wires to a number of Senators of both parties whom I have had the privilege of knowing personally asking their earnest consideration of the urgent need at least not to cut the new appropriation below that for this year and if possible to raise it. I am sure that you are already doing everything possible to support the President in obtaining a more adequate appropriation. However, I felt that possibly it might be worthwhile to invite your attention to my appraisal of the acute danger to the effectiveness of the Agency based on my long firsthand experience with it, and made from the disinterested viewpoint of one not officially connected with it.

METROPOLITAN CLUB,
TRACY S. VOORHEES.

USIA PROGRAM IN WESTERN EUROPE

The program of the United States Information Agency in Western Europe is keyed to four basic facts of life:

1. That Western Europe is the first line of defense of the United States.

2. That major European capitals, particularly London and Paris, have a heavy concentration of information media which exercise an imporant influence on public opinion in the furthermost corners of the world.

3. That a large proportion of the future leaders of Africa and Asia study in European universities.

4. That United States policies and actions in other areas of the world, especially in Africa, the Middle East and south Asia, have a profound effect on public opinion in Western Europe.

To these basic facts must be added the consideration that the United States Government has spent over $34 billion in Europe since World War II, and that it is today spending more than 60 percent of its total overseas budget in Europe.

The Information Agency is asking for a budget with which, so to speak, it can help protect this investment and provide some measure of insurance for the 500,000 United States troops stationed in Europe.

The USIA budget is a small fraction of hundreds of millions of dollars being spent in Europe on propaganda by the Communists.

For example, the Communists spent $50 million for a single event in 1953—the World Youth Festival in Berlin.

Europe, which has 50 percent of the world's shipping and 31 percent of the world's industrial capacity, is a primary target of the Soviets, and propaganda is the weapon they use.

About 800 propaganda hours are broadcast each week to Western Europe by Soviet orbit transmitters, or nearly 50 percent of their total output.

Nearly 60 percent of all their exchange of persons program is devoted to Europe.

Twelve out of the 17 countries in the area have Communist Parties represented in the legislatures.

Italy has the largest Communist Party outside the Soviet orbit with a membership of nearly 2 million and a popular vote of 9½ million.

More than half of the major Communist-front groups have their headquarters in Europe.

Europe is also infested with an intricate network of Communist friendship societies. In Finland, the Finish-U. S. S. R. friendship society has over 800 offices and each one operates in approximately the same manner as a USIS office.

The Communists have but one main purpose in bringing the weight of their vast propaganda apparatus to bear on Western Europe, and that purpose is to drive the United States back across the Atlantic and to spread dissension among the NATO allies.

To achieve this aim they work around the clock, utilizing all the resources of the Communist Parties, Communist-controlled labor groups, and other front organizations in order to constantly distort and misrepresent all things American.

Thus, events in the United States such as the Rosenberg conviction, American policies such as those followed during the Suez crisis, or American actions such as the maneuver of the 6th Fleet during the recent Jordan crisis are distorted to a degree which make the true facts of the case almost unrecognizable.

Some 300 million Europeans, living in an atmosphere of postwar weariness, frustration, and an overwhelming desire for peace at almost any price, are subjected to the powerful voice of the enemy on a daily basis.

The United States Information Agency has the job of answering this voice, of setting the record straight, and of placing American actions and policies in their true perspective, so that European public opinion can continue to support the NATO alliance of 15 nations which is so essential to world peace and to the security of the United States.

The Information Agency is doing this job abroad under the leadership of the Ambassador. It is an integral part of every Embassy and consular post where USIS offices are maintained.

The public-affairs officer handles all educational exchange, cultural, psychological, and information work on behalf of the Ambassador.

The USIS senior staff consists of a press attaché who does all the normal press-relations work for the Embassy; a cultural attaché who represents the Ambassador in all matters of cultural interchange; and an information officer who makes certain that the local press, radio, publication industries, and motion-picture circuits get all the information about the United States and its policies that they can be persuaded to use.

USIS work consists in day-to-day contacts with public-opinion leaders in all major fields of endeavor. Close relationships are established with officials of the Government, Members of Parliament, newspaper editors, cultural leaders, labor-union officials, etc. By careful and assiduous cultivation of these leaders, USIS is able to prevail upon them in times of crisis to speak up for the United States on the basis of factual background information provided by USIS.

The Information Agency has been operating in Europe for a number of years. It is constantly reviewing its program and trying out new information techniques in order to get its message across with maximum effectiveness. The information program today is the result of many years of hard work and critical self-evaluation so that the methods which are used today are those which have proved to be the most successful in past years.

Throughout Europe, the essence of the USIS task is to reach public-opinion leaders who, in turn, can influence the general public on whose electoral support any government must depend if it is to continue in office.

It is in the very definite interest of the United States that European governments elected to office be such that they will continue to support the NATO alliance, which is the very basis of defense of the free world.

In the United Kingdom there are more correspondents servicing Asian and African newspapers and radio stations than in any other city in the world.

Therefore, while it is important for USIS in the United Kingdom to continue to foster a basic understanding between ourselves and the British, it is perhaps even more important to take advantage of the United Kingdom as a center of world communications in order to reach troubled areas in other parts of the world.

It is an inescapable fact that the United Kingdom is the closest ally we have in the world today. But it is also true that there is a depth of misunderstanding between the British and American people, the extent of which is difficult for many of us to grasp. There are several reasons for the extremely distorted conception of American life which is prevalent among British people:

(a) Severe British Government restrictions on British travel to dollar areas, which permits very few ordinary citizens to see the country for themselves.

(b) A national press of huge mass circulation which invariably spotlights the sensational news items to provide a highly unbalanced and distorted picture of American life.

(c) The deliberate efforts of Communists and fellow travelers to distort the true picture of the American scene.

(d) The lurid and unattractive impression conveyed by numerous films which, for commercial reasons, emphasize the seamy side of American life rather than the natural everyday reality.

Two of the largest Communist parties outside of the Soviet orbit are flourishing in Italy and France, with a combined membership of nearly 2½ million and a potential electoral vote totaling nearly 15 million. Germany, with its 500-mile border along the Iron Curtain, is a window of the free world through which many people in the satellite nations can be reached. In Berlin, 100 miles behind the Iron Curtain, USIS is able to talk to millions of East Germans through the RIAS radio station. More than half a million East Germans every year see American exhibits in Berlin. Thousands of others come to borrow books and pick up pamphlets and attend special film showings at the Amerika Haus.

Last fall the Senate Appropriations Committee sent its own investigator to make a detailed report on USIS operations in Western Europe. He came up with a number of useful suggestions which I understand are even now being incorporated in the Agency's program. It is interesting to note that in his report the committee's investigator said that USIS is performing a "very essential function quite satisfactorily, and that under the circumstances it has been a fortunate thing for the United States that USIS has been there on the job."

Mr. LAUSCHE. Mr. President, the interchange of words used today, in a measure ascribing the functions of the office about which we are speaking, compels me to rise.

I will vote not one penny for a propaganda office. I will vote whatever I believe is reasonable to finance the functions of disseminating the truth throughout the world. If the office of which we speak is one intended to propagandize, then it ought to be abandoned. I do not think it is such an office. I subscribe completely to the words of the senior Senator from Kentucky [Mr. COOPER], who stated that it is an agency which disseminates the truth.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. AIKEN. I want to tell the Senator from Ohio that I deeply appreciate his statement. I agree with him completely. If in my remarks I used the word "propaganda," it was purely an inadvertence, because I agree with the Senator from Ohio.

Mr. LAUSCHE. I do not believe the Senator from Vermont used that word.

Mr. AIKEN. Telling the truth is not propaganda.

Mr. LAUSCHE. It is unbelievable, and it is not the truth, that this august body is contemplating the assigning of money to an agency of the United States Government whose purpose is to work out clever schemes and plans of indoctrination. That is not the soul of the United States; that is not the spirit of the United States Information Agency.

With respect to the money which will be allocated to this Agency, I have listened to the disparity concerning the amount spent by the Kremlin and the amount spent by our country. When one is dealing with a false cause, when he is attempting to propagandize, he needs unlimited sums of money. When one is telling the truth, it is necessary to acquaint the people with the truth, and then to be certain that when they are informed, they will follow the truth.

Consider the Russian propaganda in Hungary, in Poland, in Rumania. What has it done? Nothing at all. And it will not.

Let us not ascribe to those hungry people of middle Europe an absence of commonsense. They possess it. I humbly say that because my ancestral line comes from that ground. I might speak of my mother, who had 3 years of education, but was gifted with commonsense beyond the recognition of those who frequently spend unlimited years in trying to achieve it.

I will vote for the dissemination of truth. I would vote against the use of cleverly worked out schemes and plans to seize the minds of the people of the world.

I think it is very regrettable that bands are used. I made inquiry about the band that went into Africa, or somewhere else, and found that it was not sent by this Agency, but by another agency of the Government.

Let us get down to the basic, honest, substantial methods of letting other peoples know what we are. Let us stop using fan dancers, jazz bands, and other such means which cause people to become provoked and to get the idea that we have fantastic concepts of what life means.

The European people—I am not now referring to the people of Asia and other areas—in my judgment are sick and tired of propaganda. They want the truth.

Mr. President, I contemplate voting for the measure as recommended by the committee. I shall do so because it is the combined judgment of the many Members who were there.

However, I felt that I should express my judgment: Everything that is needed to disseminate the truth; not one penny for propaganda.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The question is on agreeing to the committee amendment on page 33, in line 6.

Mr. BRIDGES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. The Senate is about to vote on the question of agreeing to the committee amendment on page 33, in line 6; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. JOHNSON of Texas. Mr. President, do I correctly understand that on this question, a vote "yea" will be in favor of the committee amendment or in favor of a reduction from $105 million to $89,100,000?

The PRESIDING OFFICER. That is correct.

Mr. CAPEHART. Mr. President, I shall vote for the committee amendment; but I am not certain that in agreeing to the committee amendment, the Senate will be doing the correct thing. However, tonight I am willing to follow the committee, because it should know more than I do about this matter, in view of the fact that the committee has spent many days in holding the hearings.

However, Mr. President, I believe the Senate should be spending its time on improving the kind of truth, propaganda, publicity, or advertising this Agency issues, rather than on reducing its appropriation. This year the United States will spend approximately $40 billion or $45 billion for national defense. It does not quite make sense to me to have our country spend that much for national defense and then spend as little as $106 million or $144 million—the latter being the amount the administration requested—or the approximately $90 million the committee has recommended.

Mr. THYE. Mr. President, will the Senator from Indiana yield to me?

Mr. CAPEHART. I yield.

Mr. THYE. The amount carried in the committee version of the bill is $90,200,000.

Mr. CAPEHART. I thank the Senator from Minnesota.

Mr. President, the purpose of the institution which we call the United States Information Agency should be to tell the truth about the United States, just as an advertising department tries to tell the truth about a given product. To me, this Agency is similar to the advertising department or publicity department of any good institution or company.

If the USIA does a good job, it is worth almost any amount it costs. If it does a poor job, the money it spends is wasted, whether that be $10 million, $50 million, or $100 million.

I shall go along with the committee, because it seems to be very positive in stating that its recommendation is in the best interests of the United States. So tonight I am willing to support the committee. However, I think we should stop, look, and listen, inasmuch as we are about to appropriate, during the next few weeks, approximately $40 billion or $45 billion for national defense. Under those circumstances, we should not be niggardly in the appropriation we make to educate the world on how to avoid war and trouble. When we make very large appropriations for national defense, certainly we should be willing to appropriate sufficient funds to inform the world of the facts about the United States.

I favor economy, and I shall vote for the making of cuts in the appropriation bills. However, I do not think we wish to make cuts merely for the sake of cutting. After all, we must support the Government of the United States, and we must look after the interests of the more than 170 million people of the United States. Furthermore, the United States still is faced with a warlike atmosphere in the world.

Therefore, Mr. President, I have desired to state my position for the RECORD.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 33, in line 6.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. Do I correctly understand that the Senate is about to vote on the committee amendment which calls for a reduction in the amount set forth on page 33, in line 6?

The PRESIDING OFFICER. That is correct.

Mr. JAVITS. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. Do I correctly understand that on this question, a vote "yea" will be in favor of the committee amendment, as set forth at that point in the bill, namely, the amount of $89,100,000; and that a vote "nay" will be to leave in the bill, as set forth at that point, the figure "$105,000,000"?

The PRESIDING OFFICER. That is correct.

The question is on agreeing to the committee amendment on page 33, in line 6. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MCNAMARA (when his name was called). On this vote I have a pair with the Senator from Arkansas [Mr. MCCLELLAN]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

The rollcall was concluded.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNINGS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

I further announce that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Tennessee [Mr. GORE], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], and the Senator from Wyoming [Mr. O'MAHONEY] would each vote "yea."

Mr. DIRKSEN. I announce that the Senators from Maryland [Mr. BUTLER and Mr. BEALL], the Senator from Vermont [Mr. FLANDERS], and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from North Dakota [Mr. LANGER] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Wyoming [Mr. BARRETT], the Senator from South Dakota [Mr. CASE], and the Senator from West Virginia [Mr. REVERCOMB] are detained on official business.

On this vote the Senator from Maryland [Mr. BUTLER] is paired with the Senator from Maine [Mr. PAYNE]. If present and voting, the Senator from Maryland would vote "yea" and the Senator from Maine would vote "nay."

The result was announced—yeas 61, nays 15, as follows:

YEAS—61

Anderson	Hayden	Morse
Bennett	Hickenlooper	Morton
Bible	Hill	Pastore
Bricker	Holland	Potter
Bridges	Hruska	Purtell
Byrd	Jackson	Robertson
Capehart	Johnson, Tex.	Russell
Carroll	Johnston, S. C.	Saltonstall
Church	Kefauver	Schoeppel
Clark	Kennedy	Scott
Curtis	Kerr	Smathers
Dirksen	Knowland	Smith, Maine
Douglas	Kuchel	Sparkman
Dworshak	Lausche	Stennis
Eastland	Long	Talmadge
Ellender	Magnuson	Thurmond
Ervin	Malone	Williams
Frear	Mansfield	Yarborough
Fulbright	Martin, Iowa	Young
Goldwater	Martin, Pa.	
Green	Monroney	

NAYS—15

Aiken	Cooper	Neuberger
Allott	Cotton	Smith, N. J.
Bush	Ives	Thye
Carlson	Javits	Watkins
Case, N. J.	Mundt	Wiley

NOT VOTING—19

Barrett	Hennings	Neely
Beall	Humphrey	O'Mahoney
Butler	Jenner	Payne
Case, S. Dak.	Langer	Revercomb
Chavez	McClellan	Symington
Flanders	McNamara	
Gore	Murray	

So the committee amendment was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. KNOWLAND. Mr. President, I move to lay the motion to reconsider on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion of the Senator from Texas.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. JOHNSON of Texas. Mr. President, I send to the desk a proposed amendment on page 35, line 17. I ask for its immediate consideration, and that it be read by the clerk.

The PRESIDING OFFICER. The amendment will be read for the information of the Senate.

The CHIEF CLERK. On page 35, line 17, after the word "overseas," it is proposed to insert the following: ", and the Appropriations Committees of the Senate and the House of Representatives shall be promptly notified in writing of each such finding."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Texas [Mr. JOHNSON].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DOUGLAS subsequently said: Mr. President, I ask unanimous consent that a statement which I have prepared on the State, Justice, and judiciary appropriation bill be printed in the RECORD just prior to the statement of the Senator from Texas [Mr. JOHNSON], previous to the vote on final passage of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PAUL H. DOUGLAS, DEMOCRAT, OF ILLINOIS, ON THE STATE, JUSTICE, AND JUDICIARY APPROPRIATION BILL

In this period of industrial price inflation, I have advocated that at least one-quarter of the funds in this year's budget which are for civilian and Defense Department public works should be cut out so that these projects could be postponed in part until inflation is less of a threat to a part of our economy. Some $20 billion in this budget is for the purpose of acquiring new construction items and the direct purchase of goods and materials. Of this $20 billion, approximately $12 billion is for direct military equipment, supplies, and hardware and is therefore needed. Of the remaining $8 billion, $4 billion is for civilian public works and approximately $4 billion for military construction of such items as warehouses, navigation aids, etc., which do not directly affect national defense or our ability to fight.

As each authorization bill for public works has come before us and as each appropriation bill has come to the Senate floor, I have tried to apply the principle of postponing at least 25 percent or one-fourth of these public-works items. I have done this because I believe in compensatory fiscal policies so that in times of recession we should use our shelf of public works to help create jobs, and that in times of great prosperity and inflation, we should cut back on these items, have a budget surplus, retire some of our debt, and possibly give some tax relief. I believe that this policy cannot work if we build a tremendous volume of public works at all times during the business cycle. We should cut back in times of prosperity.

I am, therefore, happy to note in connection with the appropriation bill before us, that the principle which I have advocated has been applied by both the House and Senate committees. I welcome this and because of it I shall offer no amendments for the principle in which I believe has been achieved.

In the bill as reported by the Senate committee, the appropriations are approximately 7 percent below the appropriations of last year. The bill compared with the request of the President is some 15 percent below that request.

Those items which might properly be called public works amount to slightly over $42 million in the President's budget. The Senate committee has cut this amount by $15.8 million, or to $26.2 million. This is a total average cut of 35 percent.

In particular, the item for acquisition of new buildings for the State Department abroad has been cut by $1.5 million from the President's request, or from $20 million to $18.5 million—or by 7.5 percent—a minor cut. The item to remodel the State Department Building has been cut from $7 million to $2.5 million—or by 64 percent—a fairly large cut but one which is proper in this period. This work can well be delayed for another year.

The construction item for the International Boundary and Water Commission between the United States and Mexico has been reduced from $700,000 to $300,000—or by 57 percent. The Passamaquoddy tidal survey has been cut from $1,349,000 to $1,344,000—or by only $5,000—a negligible cut. The Rama Road has been reduced from a request of $2 million to an amount of $1.5 million or by 25 percent. The item for buildings and facilities for the Federal prison system has been reduced from $7 million to $1 million, or by six-sevenths, or 85 percent. The item for acquisition and construction of radio facilities for the USIA has been cut from $4 million to $1.1 million or by $2.9 million, or by 72.5 percent.

Mr. President, one does not necessarily have to agree with the amount of each of these cuts and where they took place. If I were responsible for the individual items and had power over them by myself, I might well have done differently. However, I agree with the overall result even though I have some differences with the individual items.

The 35 percent cut is 10 percent more than the 25 percent average which I have advocated. However, as we did not cut the rivers and harbors authorization by the 25 percent which I offered on the floor of the Senate as an amendment to the bill, and as the full item for Coast Guard construction—which is the only other public-works item before us thus far—remained intact and was not cut by 25 percent as my amendment would have done, I feel that it is not unfair to have the public works items in this bill cut by more than I have advocated as a principle to follow.

Because of this situation, I shall not offer any amendments to the bill and I wish to congratulate the House committee, and especially the Senate committee and its chairman, Mr. JOHNSON of Texas, for the fine general effort which they have made in cutting this appropriation and, particularly, the public works items in this appropriation.

Mr. JOHNSON of Texas subsequently said: Mr. President, through many long days and late into the evenings, the very efficient and cooperative staff of the Senate Committee on Appropriations has worked with the subcommittee on the State, Justice, judiciary, and related agencies appropriation bill.

I wish to express my gratitude to all of these members of the Senate Appropriations Committee staff and to two members of my own office, Gerald Siegel and Solis Horwitz, who diligently devoted themselves to the task until 1 or 2 o'clock some mornings, in order to be prepared for the hearings later in the same day.

Of the Appropriations Committee staff members, I wish to say particularly to Harold Merrick that I have never worked with a person who was more diligent, more loyal, or more dedicated to his task than he has been.

I also wish to express my gratitude to Bill Kennedy and Joe Gonzales for the great contribution which they made in getting the bill ready for presentation to the Senate.

Mr. COOPER. Mr. President, I ask unanimous consent to have printed in the RECORD a statement, prepared by me, relative to the educational exchange program.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR COOPER

I should like to commend the Appropriations Committee for allowing $24 million for the State Department's educational exchange program next year. During my service as Ambassador to India I had occasion to see this program in action and to observe some of its results. I can assure you that this is a sound investment in the promotion of understanding between our people and the peoples of other countries.

Many of those who have come to the United States under this program hold influential positions in their own countries. I need not underline how important it is for those who hold positions of leadership in other countries to know our country and our people from firsthand experience. They may not always agree with our policies but they do understand our motives and actions on the international scene.

I found in my short experience that the exchange program is also making a most worthwhile contribution to the broad educational program of the Government of India. To supplement the training of Indian teachers in the United States, a number of conferences have been held in India by American educators. These have been good, practical working conferences which have drawn teachers from all over India and have had the full support of the Indian Government. Other conferences have been held over the past 4 or 5 years for college and university teachers to discuss educational problems, and in these conferences there has developed a larger understanding of American Government and foreign policy, American history and literature, and our economic system, as well as the policies of India.

I cannot speak too highly of the service of the Americans who have gone to India under this program. They have been working in many cities in India (I believe 12 during my stay) and they have been willing to undertake speaking engagements and conferences in 20 or 30 other towns during their stay. They were able to establish an association with the people based on respect. One professor and his wife wrote that peasants and farmers were their neighbors. "We have a feeling," they said, "that in our friendships and talks we brought new understanding of America and Americans * * * we feel that this is more effective than Russia's managed cultural missions."

Since my return from India I have met a number of their leaders who have come here under the exchange program, and I am sure that their experience here will be valuable to understanding and good will between our two countries, and ultimately in our relations. And I am sure this applies equally to other countries, where this program is effective. I am glad to support the continuation of this human and vital effort.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read the third time.

The bill was read the third time.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. Have the yeas and nays been ordered on final passage?

The PRESIDING OFFICER. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNINGS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

I further announce that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Tennessee [Mr. GORE], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Missouri [Mr. SYMINGTON] would each vote "Yea."

Mr. DIRKSEN. I announce that the Senators from Maryland [Mr. BUTLER and Mr. BEALL], the Senator from Vermont [Mr. FLANDERS], and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from North Dakota [Mr. LANGER] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Wyoming [Mr. BARRETT], the Senator from South Dakota [Mr. CASE], and the Senator from West Virginia [Mr. REVERCOMB] are detained on official business.

If present and voting, the Senators from Maryland [Mr. BUTLER and Mr. BEALL], the Senator from Vermont [Mr. FLANDERS], and the Senator from Maine [Mr. PAYNE] would each vote "yea."

The result was announced—yeas 77, nays 0, as follows:

YEAS—77

Aiken	Goldwater	Morse
Allott	Green	Morton
Anderson	Hayden	Mundt
Bennett	Hickenlooper	Neuberger
Bible	Hill	Pastore
Bricker	Holland	Potter
Bridges	Hruska	Purtell
Bush	Ives	Robertson
Byrd	Jackson	Russell
Capehart	Javits	Saltonstall
Carlson	Johnson, Tex.	Schoeppel
Carroll	Johnston, S. C.	Scott
Case, N. J.	Kefauver	Smathers
Church	Kennedy	Smith, Maine
Clark	Kerr	Smith, N. J.
Cooper	Knowland	Sparkman
Cotton	Kuchel	Stennis
Curtis	Lausche	Talmadge
Dirksen	Long	Thurmond
Douglas	Magnuson	Thye
Dworshak	Malone	Watkins
Eastland	Mansfield	Wiley
Ellender	Martin, Iowa	Williams
Ervin	Martin, Pa.	Yarborough
Frear	McNamara	Young
Fulbright	Monroney	

NAYS—0

NOT VOTING—18

Barrett	Gore	Murray
Beall	Hennings	Neely
Butler	Humphrey	O'Mahoney
Case, S. Dak.	Jenner	Payne
Chavez	Langer	Revercomb
Flanders	McClellan	Symington

So the bill (H. R. 6871) was passed.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. JOHNSON of Texas, Mr. ELLENDER, Mr. MCCLELLAN, Mr. MANSFIELD, Mr BRIDGES, Mr. SALTONSTALL, and Mr. HICKENLOOPER conferees on the part of the Senate.

STUDY OF CRITICAL RAW MATERIALS AND RESOURCES OF THE SOVIET UNION

The Senate resumed the consideration of the resolution (S. Res. 78) to make a study of critical raw materials and resources of the Soviet Union and certain Eastern Hemisphere countries and the effect upon the United States.

ORDER FOR ADJOURNMENT UNTIL TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations today, it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to give notice of a session on Friday. As all Senators are aware, we have a very crowded schedule. We have had four appropriation bills reported this week. Some of the criticism which is directed at the Senate comes from uninformed sources, which say our schedule is lagging. All Senators are devoting themselves to their committee work, and we are doing our best

to get action in some form or other on each and every recommendation the President has made. That does not mean we will adopt all recommendations, but it does mean we will pass judgment. That it is our duty to do.

I have been requested not to have the Senate to act on the supplemental appropriation bill this week. We could have a session of the Senate on Saturday, at which time the bill would have been before the Senate the required period of time.

I have discussed with the minority leader, with the distinguished Senator from Illinois [Mr. DOUGLAS], and with the distinguished chairman of the subcommittee [Mr. HOLLAND], the possibility of taking up the Commerce Department appropriation bill, not tomorrow, but on Friday, in the event of a Friday session. That bill is House bill 6700, and it is Calendar 309. The report and the bill are available to all Members. Copies of the hearings will be on each Member's desk in the morning.

ORDER FOR CONVENING OF THE SENATE AT 11 O'CLOCK A. M. FRIDAY—ORDER FOR CONSIDERATION OF HOUSE BILL 6700

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate convenes on Friday, it convene at 11 o'clock a. m.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. I also ask unanimous consent that it be in order, following the morning hour on Friday, to consider House bill 6700.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

EXTENSION OF LIFE OF DISTRICT OF COLUMBIA AUDITORIUM COMMISSION—CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, the distinguished Senator from Oregon [Mr. MORSE] has a conference report to submit, which he has discussed with the majority leader and the minority leader. We have gone over it, and are agreeable to it. Following that, there will be no further business, other than insertions in the RECORD.

Mr. MORSE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4813) to extend the life of the District of Columbia Auditorium Commission, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4813) to extend the life of the District of Columbia Auditorium Commission, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That the act entitled 'An act creating a Federal commission to formulate plans for the construction in the District of Columbia of a civic auditorium, including an Inaugural Hall of Presidents and a music, fine arts, and mass communications center,' approved July 1, 1955, as amended, is amended—

"(1) by striking out in subsection (a) of the first section of such act 'District of Columbia Auditorium Commission' and inserting in lieu thereof the following: 'Commission for a National Cultural Center';

"(2) by striking out in subsection (a) of the first section of such act 'national civic auditorium' and inserting in lieu thereof: 'national cultural center';

"(3) by adding at the end of the first section of such act the following new subsections:

"'(f) The Commission shall continue in existence until the construction of the national cultural center referred to in subsection (a) of this section has been completed.

"'(g) The Commission is authorized to sell (1) copies of the report and recommendations which it made to the President and to the Congress pursuant to the provisions of subsection (c) (4) of this section, and (2) any other publications which it might prepare in carrying out its duties under this act. Any receipts from the sale of any copies of such report, recommendations, and other publications by the Commission shall be deposited in the Treasury of the United States and credited to the current appropriation available for salaries and expenses of the Commission.'

"SEC. 2. Such act is further amended by redesignating section 3 as section 4, and by inserting after section 2 a new section as follows:

"'SEC. 3. The Administrator of General Services shall (1) acquire by purchase, condemnation, gift, or otherwise, the land and any improvements thereon situated in that area of the District of Columbia commonly referred to as "Foggy Bottom—South", and more particularly described in the report submitted by the Commission to the President and to the Congress on January 31, 1957, and (2) make such area available to the Commission as a site for the construction of the national cultural center as provided in subsection (a) of the first section of this act. Any right, title, or interest in and to any land or improvements thereon situated in such area which is held by any agency of the Government, other than the General Services Administration, shall be transferred without reimbursement or other monetary consideration by such agency to the Administrator of General Services for use in accordance with clause (2) of the preceding sentence.'"

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

WAYNE MORSE,
JOSEPH S. CLARK,
CLIFFORD P. CASE,
Managers on the Part of the Senate.

JIM MORRISON,
ABRAHAM J. MULTER,
KATHRYN E. GRANAHAN,
CARROLL D. KEARNS,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MORSE. Mr. President, I move that the Senate agree to the report.

The report was agreed to.

ALLOCATION OF PUBLIC POWER IN THE NORTHWEST

Mr. MORSE. Mr. President, I have an accumulation of insertions to make in the RECORD.

On May 10, 1957, I received a long letter, dated May 8, from Mr. Thomas W. Delzell, chairman of the board and chief executive officer of the Portland General Electric Co.

In essence, the letter deals with a problem which the Portland General Electric Co. has raised with the Oregon delegation in regard to the future allocation of power in the Pacific Northwest, with particular reference to power from the prospective John Day Dam.

The Portland General Electric Co. and other groups in the State seem to feel that the State of Oregon is going to be discriminated against in relation to the State of Washington and other States, unless some formula for the working out of the allocation of power is agreed to by the Congress.

The Portland General Electric Co. has a specific proposal which it has submitted to the Oregon delegation, and which I think can be described in general terms as a proposal which would allocate power on the basis of population. They take the position that because there are many more public preference groups in the State of Washington than in the State of Oregon, because Washington is more of a public power State than is the State of Oregon, the net result is that the people of Oregon receive a smaller quantity of power, and will continue to receive, to their disadvantage, according to this point of view, a lesser amount of power than will the people of the State of Washington.

I do not intend to take the time of the Senate this evening to discuss this problem in any great detail, but in fairness to the Portland General Electric Co., I think it is only right that I should insert, as a part of my remarks, the letter which I received from Mr. Delzell under date of May 8. I ask unanimous consent to have it printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PORTLAND GENERAL ELECTRIC CO.,
Portland, Oreg., May 8, 1957.

The Honorable WAYNE MORSE,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: In order to bring all members of the Oregon delegation up to date on some of our activities of the past few weeks and to get this information to you ahead of your scheduled meeting for May 13, I am making this an identical letter to all of you.

As indicated by conversations with you and your staff, officials of this company, and more particularly myself have, during the past few weeks, taken some action to apprise certain people in Oregon of the need for legislation at the Federal level which would guarantee to Oregon's citizens a fair

and equitable share of the federally generated Columbia River power.

About two weeks ago we conducted a background and briefing session for the editors and editorial writers of a number of Oregon newspapers who could conveniently meet in Portland, such as the Journal, the Oregonian, the Salem Statesman, the Albany Democrat Herald, and several others. Each person who attended was given a copy of my letter of March 29 to Senator MORSE, a copy of the power distribution study prepared by this company, and the legal brief setting forth legislative precedents with respect to the allocation of Federal power. Parenthetically, Senator MORSE, thank you very much for letting me use a copy of my letter to you, as it did save considerable time.

Of course we were not able to state your position on this matter, simply because we did not know it and did not have the authority to speculate. I did point out that those of you in attendance at our breakfast conference listened attentively and expressed interest in the general problem. More specifically, I commented that Senator MORSE made certain affirmative comments with respect to his interest in the matter which seemed most encouraging to me, and that he proposed to have a meeting of the Democratic members of the Oregon delegation on May 13 to consider what action they might appropriately take. I also called attention to the Oregonian's news story of April 17, the opening paragraph of which reads as follows:

"Senator WAYNE MORSE promised the head of the Portland General Electric Co. Tuesday that the Democrats of the Oregon congressional delegation would consider legislative action to prevent Oregon being caught in the squeeze of a power shortage."

With respect to Congresswoman GREEN, Congressmen PORTER and ULLMAN, I indicated that they made no comment, other than that of general interest. At this same conference, Senator NEUBERGER, I said that your last comments to me had been that you had simply not made up your mind as to what action to take, although in response to questions—I believe in this instance from Governor Sprague—I did read from your news release of Wednesday, April 10, and indicated that it would have to speak for itself.

With respect to Congressman NORBLAD who was not present, I simply indicated, WALT, that in a separate conversation with you, you in turn had said that you favored a fair and equitable allocation for Oregon and other affected States; but insofar as it might be tied to congressional appropriations for John Day, you were not optimistic, simply because you felt the chances of getting any appropriations this year were very remote.

I think it accurate to report that the general tenor of the meeting with these newspapermen and subsequent conversations indicated an awareness on their part that Oregon must find some means to assure its citizens of a more equitable share of Federal power. Since a portion of our presentation showed how the situation might look in 1968 with John Day completed, I was queried as to the wisdom of tying the cure only to John Day and, in effect, why not have it apply to all Federal power. My answer, which seemed to satisfy the group, was that we had used John Day for illustrative purposes because it was one of the first projects that should be built; but that we, too, agreed that any fair and equitable allocation of its power or equivalent power would have to (1) take into account what was fair and equitable with respect to Federal power in the other States, and (2) be prospective rather than retroactive in application, since it was neither feasible nor proper to consider a cure which would violate existing contracts and reduce present deliveries of Federal power to the various preferred agencies or industries.

I must pass along to you my very definite feeling that, from the questions and comments, the newspapermen tended to favor Federal legislation as a cure, rather than a State power authority. Some of their comments were very specific with respect to their belief that a State power authority could never qualify as a middleman to purchase Federal power for resale to nonpreference customers; that is, to Oregon citizens in the absence of Federal legislation amending the Bonneville Project Act to permit this type of transaction.

Prior to this meeting, a conference was had with various municipal power agencies, a representative of the PUD's, a representative of the REA association, and investor-owned utilities. By and large the same material was presented here as was presented at the meeting mentioned above, and substantially the same comments were made with respect to the Oregon delegation. It was clear that the spokesmen for the municipals and the PUD's were wholly in accord with the premise that Oregon must have a fair and equitable share of Federal power and that the most effective way to achieve this is by means of legislation at the Federal level. However, since the REA representative was there as an observer for the president of that association, without authority to act, it was concluded by the several public agencies that they would have a subsequent meeting more definitely to determine their position on this matter, which they hoped would include concurrence by the Oregon REA co-ops. This meeting has been held, and although we have not had any official reports, our understanding is that the municipal and PUD representatives continue to look with favor on "fair and equitable" legislation, but that the cooperatives indicated a desire to give the matter further study. My assistant, Bob Short, is of the very definite impression that the basic reason given by the co-ops for needing time for further study was to explore what adverse effect, if any, a fair and equitable allocation of power for Oregon would have upon their sister public agencies in the State of Washington.

This interest on their part is understandable; but the answer is simply that if the cure is made as outlined above, then it follows that present deliveries of power would not be curtailed. But it would be equally true that at some time in the future Washington public agencies would be unable to secure from the Federal system all of their load growth requirements to the extent that Federal power was reserved for Oregon or other States in order to make State allocations meaningful. Interestingly enough, this should have the effect of securing widespread public support for an accelerated Federal construction program, since the additional Federal power would tend to meet the public agency requirements, and by virtue of increasingly larger State allocations would benefit customers of the nonpreference distributors.

The remainder of this letter will be devoted to answers or general observations, as the case may be, to the questions raised by you, Senator Neuberger, in your letter to me of April 2. You raised the question of whether a geographical allocation of John Day power would set up a yardstick to be used to our disadvantage in the future, and in that connection observed that such geographical allocation might not operate to the best interests of Oregon if one assumes an accelerated Federal development encompassing such projects as those on the lower Snake, Bruces Eddy on the Clearwater, Libby, Glacier View, Paradise, and so forth.

First, let me reiterate that my idea for a "fair and equitable" allocation is not one based upon plant locations. I say this, despite the fact that our data and charts left with you indicate clearly that Oregon would be far better off with a geographical allocation than it will be under existing statutes and contracts. But the same data indicate that it would be even better off if weight is given to population, which must be done if the allocation is to be fair and equitable.

You also observed "moreover, its consideration assumes little further Federal development in the Columbia Basin." I have no doubt others feel that our suggested allocation procedure is deficient in not giving enough weight to the results which would flow from a greatly accelerated Federal construction program. From the best information I have, it is my considered belief that an accelerated Federal construction program will not materially solve the Oregon power problems which I have heretofore delineated to you. On the contrary, I believe that such an accelerated program will, by and large, merely keep pace with the load growth of the public agencies, with most of the power output going to Washington, and with Oregon still the low man on the totem pole.

To support my conclusions, I enclose a table which shows Federal power existing and under construction as of June 30, 1956; the amount of non-Federal power existing and under construction as of the same date; and the amount of power authorized for Federal construction but not yet started. Please note that this totals 16,290,920 kilowatts of installed capacity, and let me particularly point out to you that it does not include any of the several potential power developments on the middle Snake, nor the Wells project on the Columbia for which the Douglas County PUD has a preliminary permit, nor Bruces Eddy, Glacier View, Paradise, and others, some of which you mentioned in your letter. The total is also exclusive of the city of Tacoma's projects which are partially constructed but presently held up indefinitely on account of litigation.

It is generally known that the Pacific Northwest area has a hydroelectric potential of approximately 35 million kilowatts. It is highly important, but not so generally known, that of this amount probably not more than 22 million kilowatts can be developed on an economical basis. That is the figure supplied to me by General Walsh, whose opinion is shared by competent engineers throughout the area. It is a simple question of economics. The cost per kilowatt of installed capacity is on the increase, as the sites become less desirable and farther removed from load centers, and because of rising costs. The cost per kilowatt installed at Wells, for illustration, is estimated to be close to $400. This cost, with transmission added, indicates that it and many other similar projects are borderline in comparison with steam.

If one assumes the 22-million-kilowatt figure reasonable, as I do, then the difference between this and the total shown on the enclosed tabulation is only some 5,710,000 kilowatts which, added to the authorized Federal projects not yet started, gives us a total of about 8,300,000 kilowatts of feasible hydro capacity yet to be developed. For the sake of the illustration, let's assume that the United States builds it all by 1980, which would represent a truly accelerated Federal program. This much capacity is equivalent to about 6,600,000 kilowatts of dependable peak at 66-percent-load factor, which is the average load factor at which the public agencies purchase Federal power. I am reluctant to give you so much arithmetic, but it is necessary to prove the point.

You may recall from table 8 of our company study on Federal Power Sales by States that the private utilities will presumably have their power withdrawn by about the end of 1964, which marks the beginning of the time when the public agencies will be unable to secure their expanding requirements from the Federal system. At that

time the Washington public agencies will be using about 3 million kilowatts of Federal power and the Oregon public agencies about 550,000.

The importance of these figures is simply that the public agenices have the contractual right to secure, if possible, their load growth from the Federal system. This load growth can be estimated to be about 7 percent annually, compounded; and if so, it will absorb the 8,300,000 kilowatts of additional Federal power assumed to be available by 1980. Stated in another way, the requirements of the public agencies will in 1960 at least equal, and very probably exceed, the entire capacity of the Federal system in being at that time.

In my opinion, the date of 1960 is unrealistic; and in fact the available Federal power for the public agencies will be exhausted sooner, probably by 1975. This is for several reasons. One is that it is unlikely that the United States will build all of the 8,300,000 kilowatts of capacity mentioned above. Some of this, not authorized for Federal construction and where FPC permits are outstanding, is very apt to be built by non-Federal agencies. The second reason is that it appears wholly improbable that the public agenices will be permitted to absorb all of the power now being sold to industry, even though the industry contracts do run out in the early 1970's. Also, I have to reject the possibility of the public agencies being permitted to absorb the power now being supplied to Federal agencies such as Hanford. Furthermore, if one assumes the Federal agency and industry loads will be served, then more than 8,300,000 kilowatts must be installed for the public agencies. It seems most unlikely that even under an accelerated program the United States, would in 23 years, do this and still complete the 1,455,250 kilowatts now under construction. This compares, for example, with 5 million kilowatts of installed capacity built since 1933.

In the John Day illustration it was shown that 1 year after its completion the public agencies absorbed all the firm power, with the lion's share going to Washington. It is equally apparent that if one starts in 1964–65 with Washington public agencies requiring 3 million kilowatts of Federal power and Oregon's public agencies 550,000 kilowatts, with each compounded annually at 7 percent, Washington will continue to monopolize available Federal Power.

In the interests of accuracy, I should point out two factors which could alleviate slightly the situation for nonpreference customers. The first is that we are discussing dependable capacity in an adverse water year; and thus in more favorable years there should be substantial quantities of secondary power upon which the public agencies would have a preference, but which otherwise might be made available to the customers of the private utilities, or to interruptible aluminum load, or to both. The second is that to the extent that the municipals, such as Tacoma and Eugene, could solve their legal difficulties and build their plants more rapidly, they might buy less Federal power for a period of time, which power in turn conceivably could be made available for nonpreference customers.

With respect to a solution, I appreciate Senator NEUBERGER's interest in the provision for a State allocation of power from dams in the Missouri River Basin included in S. 497, and his query as to my comments on its applicability to the Northwest situation. First, my apologies for not answering this query sooner, but I had hoped to cover it in personal conversations either in Washington or here, and had the further thought that perhaps my general comments at the breakfast meeting would suffice. I do think that the provision is a very interesting and helpful precedent for our problem. However, I must reiterate that any legislative language to cure the Northwest problem would have to be especially tailored and should not necessarily follow, word for word, that included in S. 497. In the Missouri Basin, as you perhaps all know, the basic problem was the desire of South Dakota and other States in the basin to protect their people against the public body preference which would be asserted by the public power State of Nebraska. To that extent, it is analogous with the problem of Oregon, Idaho, and Montana, as contrasted with Washington. However, in that case it was a problem of too many preference customers for the available Federal power; whereas out here it is a problem of giving equitable treatment to the majority of people, even though they are not preference customers by reason of their choice at the polls. Parenthetically, the Missouri Basin language contained in S. 497 is significant because it demonstrates the ultimate need for some method of allocation of federally generated power when the demand of preference customers exceeds the available supply. This is the exact situation which would occur in the Northwest if the State of Oregon could, through a State power authority, assert preferential rights for Federal power on behalf of its nonpreference citizens. Thus it appears obvious that a State power authority as a middleman on Federal power is no answer to our problems. Such an authority as a Johnny-come-lately in the preferred customer class could hardly expect to take any power away from the older established preferred customers until the expiration of their contracts which would be, generally speaking, in the early 1970's. At that time, if they are all put on an equitable basis, someone would have to make an allocation of power by States.

It is the sincere hope of my associates and me that the Oregon delegation will reach a conclusion that some legislative remedy is needed at the Federal level and that it will undertake to secure it as expeditiously as possible. Such remedy might be included with respect to possible appropriations for the John Day Dam; or failing in that, it might yet be included on the House side in S. 497 without suffering the delays which might be incident to new legislation, or possibly a clarifying amendment to the Bonneville Project Act.

Let me reiterate our offer to assist in any way we can with respect to this problem, including the submission of proposed legislative language for your consideration if you so desire. The Northwest Utilities Conference Committee will be in Washington on May 16 and 17, prepared to make statements in support of various Federal appropriations as previously outlined to you, and of course we will be represented. It is entirely probable that this company, and perhaps others, will make additional supplementary statements indicating the need for a fair and equitable allocation of Federal power for the benefit of the citizens of Oregon and the citizens of other affected States.

Sincerely yours,

THOS. W. DELZELL,
Chairman of the Board and Chief Executive Officer.

Summary of Pacific Northwest hydroelectric generating plants, existing, under construction and authorized

	Installed capacity in kilowatts
Federal:[1]	
Federal projects existing as of June 30, 1956	5,059,000
Federal projects under construction	1,455,250
Federal subtotal	6,514,250

[1] See table X, p. 32, BPA annual report for 1956.

Summary of Pacific Northwest hydroelectric generating plants, existing, under construction and authorized—Continued

		Installed capacity in kilowatts
Non-Federal:[2]		
Public agencies—existing	1,156,210	
Private utilities—existing	2,079,560	
		3,235,770
Non-Federal:[3] Under construction		3,963,900
Non-Federal subtotal		7,199,670
Federal:[4] Authorized projects (not started)		2,577,000
Total		16,290,920

[1] See table X, p. 32, BPA annual report for 1956.

[2] See BPA advance program for 1956, table 1.

[3] See p. 21, BPA advance program for 1956; 4,147,450 kilowatts, less city of Tacoma plants in controversy and Utah steam, but plus P. G. E.'s Clackamas River projects and Pacific Power & Light Co.'s Swift project. This excludes several large projects under FPC permit but not yet licensed or started.

Mr. MORSE. As I have pointed out to Portland General Electric Co. officials and to others this really involves a proposal for a reevaluation of the so-called public preference clause.

Last Monday morning, at a meeting of the Democratic members of the Oregon delegation, we discussed Mr. Delzell's letter, and following that discussion I wrote a letter under date of May 14 in reply to Mr. Delzell. I ask unanimous consent that my reply to Mr. Delzell be inserted in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 14, 1957.

Mr. THOMAS W. DELZELL,
Chairman of the Board, Portland General Electric Co., Portland, Oreg.

DEAR TOM: Many thanks for your detailed letter of May 8. As one of those who attended the breakfast conference with you a few weeks ago in Washington, I assure you that our discussions at that time were most helpful on the subject that is of great importance to all of us, namely, the Pacific Northwest power situation.

You were advised that the Oregon Democratic delegation would again discuss, at its May 13 delegation breakfast, the power problems facing Oregon including your presentation of the distribution difficulties that you foresee. However, each member of the delegation will of course speak for himself. This letter will restate some of my basic beliefs on resource development, particularly as they relate to your proposal for some system of allocating power to Oregon from the John Day Dam.

Because of the impending date of the hearings on the public works appropriations, I am not at this time commenting in detail upon the many points contained in your letter, but am, rather, limiting my comments to the relationship between your suggested allocation of power to Oregon and the possibility of obtaining appropriations for John Day Dam. That is the main subject of this reply to your letter. Naturally, the problems of future hydroelectric power for Oregon which we have discussed with you will continue to have further detailed attention by our delegation, both individually and at our biweekly meetings.

The immediate task at hand must be to carry on in the closest possible collaboration with like-minded delegations from other States in the Columbia Basin in the fight for basin development, which continues to be faced with the opposition and hostility of the administration. Under these circumstances, it would be folly to introduce new factors which could only impair this collaboration upon which our hope of future success must rest.

1. This full development program for the basin has been slowed down in the past 4 years through the active opposition as well as the heel dragging of the administration. The scuttling of full river basin development by the administration has been aided and abetted by groups within our own State and elsewhere in our region who have fought against Federal development of our few remaining great multipurpose dam sites such as John Day Dam and Hells Canyon by joining in the diversionary tactics of the so-called "partnership" scheme.

The administration's most recent expression of opposition to full electric power development in the Columbia River Basin is found in the testimony of Assistant Director of the Bureau of the Budget, Robert H. Merriam, who stated in the hearings before the Senate Public Works Committee on the bill relative to the River and Harbor-Flood Control Act of 1957 (S. 497) that there was no recommendation in the President's budget for construction of John Day Dam. He explained the absence of such a recommendation on this basis:

"The reason is that in terms of the total budgetary situation of the Government as we faced it, and in view of the possibility of alternate methods of financing this dam, a partnership arrangement, it was deemed that this was not a project which the President would recommend for construction." (hearing, February 7, 1957, p. 115).

By way of contrast, the private electric utilities, supported by the administration, did not object to Federal power development of the upper Colorado project, where the public benefits are far less than those of John Day, Hells Canyon, and other great multipurpose dam sites in the Pacific Northwest.

The administration has just signed a $107 million initial contract—the largest ever signed—for Glenn Canyon Dam on the Upper Colorado River, but has not asked one cent for John Day Dam construction.

Since it appears that you and the Oregon Democratic delegation are in agreement on the need for immediate construction of John Day Dam, we hope that you will use your good offices with this administration in an effort to obtain withdrawal of its opposition to Federal construction of John Day Dam.

2. It will be difficult enough under the existing situation, as described above, to obtain an appropriation with which to start construction of John Day Dam without adding to our problems the matter of the future allocation of power from it. In addition, as we discussed with you, substantive legislation to resolve the proper allocation of power among the interested States, if included in an appropriation bill, would be subject to a point of order.

I feel that the immediate problem is that of securing additional low-cost Federal power and that our united efforts should be directed toward that end. By diverting our energies away from this main goal, we will weaken the possibility of obtaining our primary objective.

3. Winning an appropriation this year for John Day construction in the face of the administration's opposition will be difficult at best and to inject substantive language dealing with allocations would only create additional hazards.

Looking beyond the immediate problem of appropriations for John Day Dam and with respect to the points you raised in your letter concerning power allocation to Oregon, we will give continued thought to the problem. However, the Democrats of the Oregon delegation always have supported the public agency preference clause in the distribution of public power. I must stress this basic concept of our public power law which was included in the Bonneville Project Act under the leadership of the late Charles McNary, Oregon's great Republican leader, who fought a memorable battle for full development of the electric power potential of the Columbia River Basin.

As you yourself recognized during our breakfast conference in Washington, I am satisfied that any solution to the problem of fair allocation of electric power generated at Federal dams in the Pacific Northwest must be made within the framework of the preference clause.

4. I believe that further consideration should be given to creating within the State of Oregon preference customers which may claim for our State in the future a continued fair share of the federally generated power in the Columbia River system. This may require modernization of the State laws under which such municipal, PUD, or other preference systems may be created.

I also believe that there should be further discussion and serious consideration of a State industrial power agency to represent the State of Oregon as a preference customer in obtaining federally generated power for Oregon's economy where, in the judgment of the agency, it is most needed. Despite possible present problems of administrative interpretation of the Bonneville Act, I believe that the qualification of such an agency as a preference customer could be established by proper administration of this act—or, if the agency should meet opposition to its requests from the Federal executive departments involved, then I believe the matter can be resolved through amendments of the Federal law.

As I have indicated many times before, for example, in the newsletter to which you referred, summarizing my presentation at the National Hells Canyon Association meeting last December—consideration should be given to fair long-term contracts to private utilities for power, to serve their customers, from a common pool of power from all utilities, public and private. The first essential, as I have stressed for many years, is to do everything possible to assure sufficient power to meet the expected needs of all power users so that there will be an adequate supply for allocation. In other words, the first essential of a sound power program for Oregon on the Columbia Basin is rapid development of low-cost generating capacity to avert shortages. That is why I work so hard for full and rapid Federal development of John Day and Hells Canyon Dams. In view of the great need of all power users and utilities, I remain at a loss to understand why the private utilities have opposed the Federal power program, particularly John Day and Hells Canyon, which are so essential to their own future power supplies.

It is my firm purpose to concentrate on averting power shortages in Oregon by doing everything possible to achieve maximum development of our river resources as speedily as possible with supplemental power from atomic generators at Hanford. It will be difficult, indeed, to make up for the time lost during the last 4 years, but that loss of valuable time makes it all the more necessary to concentrate on acceleration achievement of the Federal main-control plan without disruption by so-called partnership.

In closing, let me again express my sincere appreciation for your courtesy in conferring with us about this vital problem of Oregon's future position with respect to the Federal power program. I am sure that we will continue to exercise the utmost of our efforts for full development of Oregon's great natural resources and those of the Pacific Northwest to the end that the interests of all the people may be served to the maximum.

With kindest regards.

Sincerely,

WAYNE MORSE.

Mr. MORSE. Mr. President, I wish to say by way of explanation that I am speaking at this late hour because earlier in the day I agreed with the leadership to withhold these comments until action had been taken on the appropriation bill. I had no idea that debate on the appropriation bill would consume as much time as has been taken.

However, I am speaking about matters which have already been referred to the Press Gallery, and have already been referred to individuals and organizations in my State, and which will be the subject of considerable discussion in my State tomorrow. Therefore, in fairness to my own record, I must take the necessary time tonight to make these statements.

As I was pointing out, the great concern of the Portland General Electric Co. and other groups, including the Eugene Water and Electric Board of my own hometown, about which board I shall have something to say shortly, is with proposals which involve a modification of the preference clause.

I have made clear in my reply to Mr. Delzell that, speaking for myself, I am not prepared to support any proposal for any modification of the preference clause. The preference clause in the Bonneville Act was the brainchild of a great Republican leader in our State, the late Charles McNary. Senator McNary recognized the importance of providing power from public dams to public bodies by preference.

At the time of this historic fight over the Bonneville Act, we were confronted in the Pacific Northwest with the policies of the private utilities. These policies have been, whenever a public yardstick with which to check them was not available, to charge what the traffic will bear.

That great Republican leader from our State, Senator Charles McNary, battled against the private utilities; and I do not intend now, as a Democrat, to let Charles McNary down. He made great contribution to the power program of the Pacific Northwest.

That does not mean that the senior Senator from Oregon is not perfectly willing to sit down with the spokesmen of this administration and consider a reappraisal and reevaluation of the power program. I have said that for many months past, and I said it in December in a speech delivered in Portland, Oreg., before the National Hells Canyon Association. The Democrats in the Oregon congressional delegation have made it clear to the President of the United States that we are perfectly willing to sit down with his administration to consider a reappraisal of the power problems of the Pacific Northwest.

We suggest again that the election results of 1956 warrant such a joint conference. We predict that the election results of 1958 and 1960 will make perfectly clear to this administration its

shortsightedness, if it stubbornly insists on a continuation of a power program that cheats the American people out of their just dues from their own heritage in their own rivers.

Mr. President, I wish to make it clear that, in spite of the past record of the Portland General Electric Co., of the Eugene Water Board, and of other representatives of the private utility point of view, my mind is open for a consideration of any reasonable proposal that they want to have considered. I have made that clear to Mr. Delzell, the chairman of the Portland General Electric Co. However, as I have indicated very clearly in my letter of May 14, and do now on the floor of the Senate, for the knowledge of the people in my State and elsewhere, I certainly am not ready now to commit myself to any proposal made by any group—private utility or public group—until there has been ample time to consider the matter, to study it and to find out what the facts are, and before those facts are presented in an appropriate hearing in Congress with relation to an appropriate bill.

Any proposal to solve this problem by way of a rider on an appropriation bill, I cannot accept. That is what the Portland General Electric Co., through Mr. Delzell is proposing.

Many times, as the record will show in the last 13 years, I have presented objections on the floor of the Senate to substantive legislation being added by way of riders to appropriation bills.

I do not think that that is the appropriate way to legislate. Furthermore, as I have indicated in my letter to Mr. Delzell, any proposal for a consideration of this allocation problem should be separate and distinct from the main problem that confronts us, namely, getting on with the construction of the very much-needed multiple-purpose dams. I want to get the dams built first.

When I say that, I only reiterate the position taken by Senator Charles McNary. Many a time when these conflicts developed over power dams in the Pacific Northwest, Senator McNary used to take the position that we ought to get on with the building of the dams; that the people want the dams; and that once we get the dams built and the generators start to generate power, there will be plenty of time to determine the administrative program that is to be followed in transmitting the power and in allocating the power, and in determining how we shall handle the operation of the dams.

That advice of Senator McNary, given many times in his day, is just as sound today.

Therefore, Mr. President, I am not going to be diverted from what I think is the primary job that confronts this Congress in regard to the John Day Dam, namely the job of getting appropriations for construction. I point out in my letter to Mr. Delzell that what we are up against, of course, is a hostile administration, an administration which proposes not one red cent for John Day in its budget this year. Why? I will tell the Senate why. I will tell it my suspicion. It does not like it, because it has not been able to get by with its partnership steal of the public's interests in John Day Dam power. That is why. We have stopped them cold so far.

To whatever extent I am able to continue to stop them cold on a partnership giveaway at John Day, I shall continue the fight. I do not propose to let President Dwight D. Eisenhower get by with that kind of handout to private utility interests. He is trying to get by—although we shall renew committee hearings on Friday—with a shocking giveaway to the Idaho Power Co. of millions of dollars, taking the money right out of the pockets of American taxpayers, by way of the accelerated amortization tax certificates that his Office of Defense Mobilization has given to the Idaho Power Co.

The American people will be told the unpleasant facts about the President in regard to the power matter. He is wrong about this, as he was wrong about Dixon-Yates. Once the people of this country came to understand the kind of political immorality inherent in the Dixon-Yates situation, for which the White House had the responsibility, the administration changed its policy. I am satisfied that once the American people come to understand the political immorality of the Dwight D. Eisenhower partnership program, they will be heard from, and they will force upon the President a long overdue change in that policy.

But, Mr. President, these reactionary fat cats die hard. They seem to have the proverbial nine lives of the cat. Only this year, one of their spokesmen before a congressional committee, Mr. Robert H. Merriam, as I point out in my letter to Mr. Delzell, had this to say. I read this paragraph from my letter to the chairman of the board of the Portland General Electric Co.:

> The administration's most recent expression of opposition to full electric power development in the Columbia River Basin is found in the testimony of Assistant Director of the Bureau of the Budget, Robert H. Merriam, who stated in the hearings before the Senate Public Works Committee on the bill relative to the River and Harbor-Flood Control Act of 1957 (S. 497) that there was no recommendation in the President's budget for construction of John Day Dam. He explained the absence of such a recommendation on this basis:
>
> "The reason is that in terms of the total budgetary situation of the Government as we faced it, and in view of the possibility of alternate methods of financing this dam, a partnership arrangement, it was deemed that this was not a project which the President would recommend for construction."

That was Mr. Merriam's testimony on February 7, 1957.

Apparently the President never heard of the election returns. Apparently nobody was so fair as to notify the President of what occurred. One of the things about which I feel so badly is the way in which the President is treated by his advisers. They keep him so uninformed about the public's business. I feel very badly that no adviser of the President, apparently, ever told him about the Neuberger-Coon debates. Mr. Sam Coon, up until the last election, was a Representative from eastern Oregon, in which district the John Day Dam will be located.

Mr. Coon challenged my very able colleague, the junior Senator from Oregon [Mr. NEUBERGER], to a series of debates on partnership for John Day Dam, in which Mr. Coon tried to uphold Dwight D. Eisenhower's position on partnership for John Day. Senator NEUBERGER opposed partnership.

The record will speak for itself. Of course, the administration does not have the facts in support of partnership which will stand up in debate. Therefore, Mr. Coon's allegations failed to stand up, and he failed to be reelected. The people of his district understand the partnership issue. They know, as I said so many times during the campaign last fall, that under a partnership the ordinary practice is that the partners share the profits, unless there is a special agreement whereby one partner is to be given some advantage. I taught a course in partnership law for some years, and that simply happens to be an elementary principle of partnership law.

But that is not the Eisenhower scheme. Under the Eisenhower partnership scheme, the private utilities take the profits, and the people pay for the fish ladders and for all other nonreimbursable costs of the dams.

But people talk about political morality. It can be seen that what the Eisenhower administration, through Mr. Merriam, is saying, in effect, to the people of the Pacific Northwest is, "You will get the John Day Dam when you yield to our pressure on partnership."

I want to tell the Eisenhower administration that they are going to lose more and more men at the polls if they hold to the Merriam point of view as expressed on February 7 of this year.

To show you, Mr. President, the discriminatory policies of the Eisenhower administration, let me read what they have done to the upper Colorado. I was for the upper Colorado project. I supported the upper Colorado proposal. Some of the supporters of the upper Colorado project have made public statements expressing their appreciation for the support I gave them on the upper Colorado.

I am for the upper Colorado, and I am for substantial appropriations for the upper Colorado this year. I understand the request is for $25 million. I think we ought to proceed with the upper Colorado, because it is a great water service project. It will be costly—exceedingly costly—but if we think about the future, if we think about the American boys and girls of 100 years from now, we in Congress will start to appropriate money for the construction of the upper Colorado project. This is what I said in my letter to Mr. Delzell:

> By way of contrast, the private electric utilities, supported by the administration, did not object to Federal power development of the upper Colorado project, where the public benefits are far less than those of John Day, Hells Canyon, and other great multipurpose dam sites in the Pacific Northwest.
>
> The administration has just signed a $107 million initial contract—the largest ever signed—for Glen Canyon Dam on the upper Colorado River, but has not asked 1 cent for John Day Dam construction.

> The private utilities are not interested in the development of power projects in the upper Colorado, because they would be too costly. But over in the Columbia Basin and the Snake River, where there is a great abundance of water, the private utilities are very anxious to come in and to skim off the profit cream. They want to get control of John Day. They want to block forever the construction of Hells Canyon Dam. As I said in Salt Lake City at a water conference only last Saturday, it is a shocking example of privateering.
>
> Mr. President, I give this advice to the private utilities, as I said to Mr. Delzell in my letter: Come on and join with us in getting the money to start the construction of John Day Dam, because the great power shortage in that region certainly shows the need for it. Make it perfectly clear to the administration that it is politically immoral for the administration to put this kind of economic blackjack on the people of Oregon, Washington, Idaho, and other areas in the Pacific Northwest which need so much the power from John Day Dam. Say to the administration that the time has come to stop this kind of political duress and coercion. Take this matter out of politics.
>
> One of the things we hear now from the proponents of partnership is that the issue should not be in politics. Who put it in politics? One Dwight D. Eisenhower put it in politics. He can take it out of politics by taking a look at the tabulation of the will of the people of the Pacific Northwest, and proceed to work out with us a reappraisal of the entire program.
>
> I make that plea again, as I now discuss the request of the private utilities that the Democrats in the Oregon delegation give some consideration now to the plight in which the private utilities in Oregon find themselves.
>
> I could be unkind about it, but I have no intention of being unkind. The private utilities are entitled to their views, and they were entitled to make the kind of fight they made, if they wanted to fight that way. Now that the battle is over, and the results are in, I, as a Senator from Oregon, am a Senator for all the people of the State, including the executives of the private utilities, for the term of my office. I have told them that I want to be of help in solving our power problem out there. But the record needs to be clear, too.
>
> I am very glad that some of the officials, at least, of the private utilities, even if somewhat belatedly, are now taking a long look at the power situation in the Pacific Northwest. Although they tried to scuttle the rights of the people to the John Day Dam by having it made a partnership plan whereby the Portland General Electric Co. would have taken the profits away from the people, they now feel that there should be a reappraisal.
>
> Mr. President, the record should be clear that members of the staff of the Portland General Electric Co. and the Eugene Water Board traveled with Mr. Sam Coon, during the famous Neuberger-Coon debates, and helped supply Sam Coon with the private-utility propaganda he used during those debates.
>
> Mr. President, these are the men who tried to scuttle the people's rights at the multipurpose dam at John Day—a dam to belong to the people of the Nation, not a dam which would be but a source of power controlled by private utilities. That is the record. So, Mr. President, we shall begin with that point; and in my letter to Mr. Delzell I have made that perfectly clear.
>
> We now have a private utility which was putting on a tremendous fight, a year ago, in trying to help the Eisenhower administration politically steal the power of the John Day Dam for the benefit of monopolistic forces which so dominate this administration that sometimes we cannot tell the difference between the President's statements on this matter and the full-page advertisements of the private utilities, published in our leading magazines, and paid for, in the last analysis, by the electric power ratepayers. In the case of the tax issue, Mr. President, we have listened to the private-utility officials verbally bleed about the taxes they pay into the United States Treasury, but I wish to point out that, in the first place, they are only driblets; and, in the second place, the private utilities do not pay them, for they are paid by the ratepayers. Certainly they are very, very small as compared with the great amount of taxes going into the Federal Treasury from the industrial developments which have resulted from the postage-stamp power rates which we were able to obtain from these dams because they belong to the people, not to a private utility. The interest on the investment in them is paid ahead of schedule, and the investment in them will be paid out before the schedule now calls for payment.
>
> Mr. President, I wished to make this statement about this matter because I know there will be uninformed sources in Oregon who will fall for the propaganda of reactionary forces to the effect that the senior Senator from Oregon is seeking to prevent the maximum development of the power potentials of the Pacific Northwest, whereas the exact contrary is the case.
>
> As I have pointed out, the responsibility rests upon those who have tried to foist upon the Pacific Northwest the phony partnership scheme of the Eisenhower administration.
>
> One of the cohorts in this political theft, Mr. President, happens to be the Eugene Water Board, of my hometown. In name, it is a municipal ownership body. However, as I have said from the political platforms of Oregon, it is nothing but a bellwether of private-utility forces, which have taken personnel from that board and have sent it to Bonneville, under the Eisenhower administration, to help wreck the public-power program of the Pacific Northwest.
>
> So, Mr. President, the other day I received from them a telegram. I ask unanimous consent to have the telegram I received from the Eugene Water Board printed at this point in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

The Honorable WAYNE L. MORSE,
United States Senate, Senate Office Building, Washington, D. C.:

We understand that a meeting of the Oregon Congressional delegation is scheduled for May 13 at which time the subject of Oregon's future power supply will be discussed.

The figures showing Oregon's decreasing percentage of power from the Federal system under the present marketing procedures are well known to you and need not be repeated here. Loss of this power would require early recourse to high-priced thermal generation and would be a serious blow to the economic welfare of the State. We request that you give serious consideration to the problem and take action as necessary to assure the citizens of our State a fair and equitable share of the Federal output. We are urging the Appropriations Committees to authorize a full-scale start on the John Day project and know that you are working hard for this new start. We specifically request that the appropriation bill contain language that will provide for a fair allocation to Oregon of the output of John Day and future Federal projects. This is particularly important since Oregon's hydro potential is limited. Preference to public bodies would still apply within the State allocation.

We are citizens of Oregon first and operators of a publicly owned utility second. We believe that preserving our State's competitive position by assuring all of its people a fair share of the low cost Columbia power is of paramount importance.

This message sent to each member of Oregon's delegation.

EUGENE WATER AND ELECTRIC BOARD,
EUGENE, OREG.

Mr. MORSE. Mr. President, the telegram speaks for itself, as does my reply. My reply reads as follows:

MAY 15, 1957.

EUGENE WATER AND ELECTRIC BOARD,
Eugene, Oreg.

GENTLEMEN: This will acknowledge your recent telegram in which you commented upon the Pacific Northwest power situation, with special reference to the John Day Dam. My comments on that subject are set forth in the enclosed letter dated May 14 addressed to Mr. Thomas Delzell, chairman of the board of the Portland General Electric Co. The enclosure will provide you with my detailed views on the topics discussed in your wire.

On the subject of providing Oregon with a fair allocation of the output of John Day Dam and future Federal projects, I recall with a great deal of regret that over the past several years the Eugene Water and Electric Board failed to support a program for full development of our great Federal multipurpose dam projects in the Columbia River Basin.

Many of us warned the Eugene Water and Electric Board that its participation in the so-called partnership scheme of the administration would slow down construction of urgently needed power generating facilities in the area. By acting as the bellwether of the private electric utilities in trying to bring about a phony partnership development of Cougar Dam and by strongly supporting the "partnership" scheme for John Day Dam, you have contributed substantially to the setback of an orderly plan for full development of our great multipurpose dam sites.

It is indeed ironic that your organization, which worked so diligently in a program that curtailed Oregon's hydroelectric development, now deplores what is described in

your telegram as the limited hydroelectric potential of Oregon.

I am happy to observe that you now plan at the 11th hour to work for a full-scale development on John Day Dam. I shall continue to work as I have in the past for development of this and other great multipurpose projects in the public interest.

Sincerely,

WAYNE MORSE.

Mr. President, my name is signed to the letter. I think the language of the letter is subject to clear understanding, Mr. President. I always strive to reply to my constituents in language they can understand. When I received the telegram from the Eugene Water Board, and when I recognized the so-called political strategy behind the telegram, I deemed the answer I wrote to the board very appropriate.

Mr. President, let me say to the Eugene Water Board and to the private utilities of my State and to the people of my State that the job which confronts the Oregon delegation at this session of Congress, as I see it, in regard to the proposals for appropriations for very-much-needed electric-power dams in our State, is to get on with their building, just as Charles McNary used to point out on this floor.

Once we get the supply of power that is needed, then, under the pooling principle of the Bonneville Act, we can work out a fair formula for allocation and distribution. But, Mr. President, our real problem is lack of supply of power. One of the reasons why we suffer from that lack of supply is the shortsighted policy which has been followed not only by the private utilities of our area but also by many of the businessmen of our area. They have suffered from economic myopia. They have fallen for the private-untility monopoly propaganda. Chamber of commerce after chamber of commerce has been sucked in, as not only my mail but also some of the personal representations I have received from some of their representatives clearly show. Every business house in the State of Oregon has nothing to gain and has everything to lose by following the private-utility "line" about partnership development of multipurpose dams, because in the long run that would mean high, costly power rates; and in view of the great freight-rate differential from which we who live on the Pacific Coast suffer, as compared with the freight rates charged to those who live in the East, we simply have to have lower power rates if we are to compete. Yet a so-called public body, the Eugene Water Board, permits itself to be used as a bellwether for that kind of misleading treatment of the American people.

Mr. President, it has not been easy to fight, as I have for 13 years in the Senate, for the interest of the public in this matter, against the terrific odds of economic power. But if the private utilities want to join with me now and if the Eugene Water Board wants to join with me now, I welcome their help in urging upon this administration that funds be appropriated to start John Day Dam now. I give them my assurance that we will then, after we get the dam well under way, give careful consideration to various proposals for the most equitable allocation of the funds.

I want to say, Mr. President, so that the representatives of the Washington Congressional delegation will know that I have said it publicly, that I do not intend at this time to support any proposal by way of a rider on an appropriation bill dealing with the subject of the allocation of power as between Oregon and Washington. In the first place, I do not think that is the place to consider it. I do not think that is fair to my colleagues from other States. Secondly, I think it ought to be considered when we reach some common agreement, if we can reach some common agreement, by way of a piece of substantive legislation dealing with this matter of the allocation of power.

I wish to point out to the people of my State that I would not be representing them very well if I took any other course of action, because all I would do—I say to my fellow Oregonians from the floor of the Senate—would be to arouse, and rightly, the opposition of every Member of the delegation from the State of Washington. Why should they sit in the Congress of the United States and permit the senior Senator from Oregon to attempt, by way of an appropriation bill rider, in the necessary haste that could not be avoided in the consideration of an appropriation bill, to make a matter of law a formula for the allocation of power in which there has not been long study and careful deliberation by the Congress?

That is not the way that I deal with my colleagues in the Senate. It certainly is not intended by the proponents of the General Electric Co.'s proposal, and in fairness I want to say this, to take advantage of anyone. I do not think, however, this is the propitious time to go into this matter.

I think due notice shall be given to the delegation from the State of Washington about the concern we have in Oregon that we are not getting a fair share of our power in the Pacific Northwest, based upon population. But that is not the only criterion, Mr. President; there are others. Of course, Mr. President, we, as I indicated earlier, really would reduce this problem to a minimum of consequence if we build the dams, increase the supply, and pool the power.

As the Senate knows, I have taken the position taken by McNary, because, in my judgment, there is very little difference between the power program for which I have fought for 13 years here in the Senate and the power program of two of the men who, in my opinion, have had more to do with the development of our power program than have any other Members of the Senate, past or present—Charles McNary and George Norris. They, too, took the position, Mr. President, that we ought to get the supply of power solved first by building the dams.

Now, Mr. President, I have my differences with some of the public power advocates in my State. In fact, I have learned, Mr. President, that on any controversial issue, if one is going to dedicate himself to the public interest in the issue, he will usually find himself at odds with some of the advocates on both sides of the controversy.

I have received some criticism, Mr. President, over the years from some of the public power advocates because for a long time I have taken the position, and reiterate it tonight, that if the private utilities cooperate in the pooling policy—and it is the only policy that will guarantee a lower electric power rate—then they are entitled to long-term contracts for power out of the common pool, not necessarily limited to the amount of power they put into the pool.

I am using this language very advisedly, Mr. President, because this is the language in my speeches and writings on this subject that both sides go over with a fine-tooth comb, trying to read their own meaning into it instead of mine. Let me make that meaning clear again tonight, because I know what is going to happen in my State in the next few days on this matter.

I repeat my position. I am for assuring the private utilities of long-term contracts for power out of a common power pool, not necessarily limited to the amount of power they put into the pool.

You see, Mr. President, it is that language, "not necessarily limited to the amount of power they put into the pool," that some of the public power advocates do not like. I suppose if I were for a public power monopoly, I would not like it, either; but I do not happen to approve of a public power monopoly any more than I approve of a plan whereby the private utilities will have a monopoly on the power. I take the position that we need, and we should have, both public and private utility power.

I take the position, and I must reiterate it here tonight, Mr. President, even though it takes time, that there are 3 essentials to a sound power program for the Pacific Northwest. They happen to be the same principles that Charlie McNary fought for. First, that the Federal Government build the multipurpose dams; second, that the people of the United States—all of them—own the dams, but no part of the dams be owned by a private utility; and third, that those dams then be used in connection with a basin account approach for full river basin development.

The Eisenhower administration apparently just does not understand these three points, Mr. President. They have never caught the vision, because apparently they never studied Teddy Roosevelt's and Gifford Pinchot's great contributions to our whole conservation program, as far back as 1906, because that is where it goes back to. This is the Teddy Roosevelt-Gifford Pinchot power philosophy, Mr. President, that our river basins ought to be fully developed, not underdeveloped, as Dwight D. Eisenhower proposes.

Oh, I am sorry. I too, would like to speak in most glowing terms about my President, but I cannot do so on this matter, because the record does not support him. The most kindly thing I can say is he is just uninformed, but that does not help the people's interest any. I do not think he understands full river basin development. His public pronouncements show he does not understand it.

If we are going to have full river basin development, Mr. President, then in my judgment we have to support a basin account program, which means, to make it specific, that we have to have the power revenues belonging to the people used in part to pay for other costs of full river basin development, such as reclamation.

The present Presiding Officer (Mr. YARBOROUGH in the chair) comes from a great State in which there is not an abundance of water, but a scarcity of water. I come from a great State in which there is an abundance of water. The present Presiding Officer of the Senate comes from a State in which, up until recent weeks, 244 counties out of 254 counties have been water distress areas, and were so designated officially.

The present Presiding Officer of the Senate knows that the economic future of his State rests upon the water table of Texas. I apply that nationally. The future level of America's civilization depends upon the level of her water table. Unless we protect that water table, Mr. President, by a sound conservation program, generations of Americans not so many centuries hence are going to find themselves living not in a high civilization but in a backward civilization, because history teaches the undeniable lesson that the water table of the nation becomes in large measure the level of the civilization of that nation.

I have cited historic examples before. China was at the height of its civilization when its water table was the highest. The Middle East, tinderbox of the world tonight, was an area not so many centuries ago where four times the land space, compared to now, was under green vegetation. Why? Because the people of the Middle East centuries ago protected their water table.

It is so easy, in one's time, when selfish economic interests are breathing down one's political neck, to yield, as this Eisenhower administration has yielded, to those interests, but it does not leave a record of statesmanship, just as Dwight D. Eisenhower is leaving a sorry record of political expediency in this matter of natural resources protection. I intend to see that the record is made against him on it, Mr. President.

If we are going to have full river development, Mr. President, we cannot support low-head dams of the Idaho Power Co. which will wash out the greatest remaining dam site in this country, Hells Canyon Dam, with a cost of about 50 percent of the potential of that reach of the Snake River. I am just aghast that any President, given these unanswerable facts, would persist in announcing from the putting green, or any place else, that he is still not for Hells Canyon. I am sorry that any President would take that position of stubbornness, Mr. President; that is just bullheaded stubbornness.

We have to have full river development, Mr. President, if we are going to protect future generations, and we have to have this basin account approach.

I wish to have the record show what I mean by the basin account approach. Last year I was the author of a bill known as the Crooked River project bill, which was a rather unfortunate name. We had a little fun about it at the time. As I have told the Senate once before, after we had passed the bill through the Senate I went over and talked to the great Speaker of the House of Representatives, SAM RAYBURN from the State of Texas, and the great majority leader, JOHN MCCORMACK, from Massachusetts, to ask them if they could not give me a little help in expediting my bill through the House. SAM RAYBURN said, "Wayne, do you think you could change the title of the bill? It would be a little easier if the bill had a different title." But he did a magnificent job, he and JOHN MCCORMACK, and we did get consideration of the bill on its merits, which were recognized by the House. The bill passed and is now law.

The Crooked River project is a project near Prineville, Oreg. The bill provided for the basic theory that a substantial part of the cost of that reclamation project shall be paid for by power revenues from The Dalles Dam, at The Dalles, Oreg., which is one of the great multiple-purpose dams of the West that belong to the public. Questions are raised as to the wisdom of this course of action, but I always point out, Mr. President, that we need these reclamation projects, and now is the time to put them in the bank, so to speak, for future use, because of the fact that population experts are so very much worried about where we are going to get the food supply for the American population by the year 2000.

Yet, we have these proposals for a scuttling of Hells Canyon Dam by this administration, for a sellout to private utilities under the phony partnership arrangement, all of which will result in underdevelopment of our power resources.

I hope, Mr. President, that either the administration will reconsider its sorry record in this matter, or the Congress will do what it did this afternoon, put another check on this administration, this time in the field of natural resources.

Mr. President, if we are to have full river development and develop the maximum potential of the resources of the rivers, including the electric power potential, it is only fair to the private utilities which cooperate in that program that they receive a fair share of the power for their customers. I have said that the first essential is that the multiple-purpose dams be built by the Federal Government, owned by the Federal Government, and paid for out of power revenues; also that some of the surplus of such revenues, over and above the cost of the dams, should be used to pay for other much needed benefits in the economic development of any river basin such, for example, as a reclamation project.

The second essential to a sound power program, as I see it, is that the private utilities be encouraged to build low-head dams at low-head dam sites. I will cooperate, as I have done in the case of Eden Ridge and the dam on the Swift River, and other low-head dams, with any private utility which wishes to build a low-head dam at a low-head dam site.

I also insist that they do not select a site such as Hells Canyon, a great multiple-purpose dam site, and use their proposal for a low-head dam—as the Idaho Power Co. is doing—to flood out and destroy forever a great multiple-purpose dam site.

Furthermore, I insist that they select a site which will not destroy great conservation values such as fisheries, wildlife, or valuable forest conservation values.

Every private utility official in my State knows that that is my position; and yet they continue, along with their reactionary political cohorts, to spread the political poison that I am for Federal power or no power at all. That is an unadulterated falsehood. I shall continue to oppose attempts on the part of private utilities to scuttle great multiple-purpose dam sites. I shall continue to cooperate with private utilities by trying to help them build low-head dams.

I shall continue to insist, as did McNary, that all the power, from both multiple-purpose and low-head dams—that is, from both public and private dams—shall be pooled into a common pool of power and distributed from that common pool in order to guarantee low-cost power.

But if we get that kind of cooperation from the private utilities, they are entitled to a "fair shake," so to speak, in the distribution of the power. As I have said, some of my public power friends do not like the position of the senior Senator from Oregon. They do not like it because I firmly believe that private and public power can coexist, to the mutual benefit of each. They do not like it because I am not a Federal power monopolist. Some of them go so far as not to like it because I will not support proposals which would seek to have all the private utilities in my State, for example, taken over by public bodies.

I think there is a very important place in our economic order for private utilities. I do not think, however, that they, either, should have a monopoly of the power resources of the Nation, because when they do, the record is perfectly clear that they charge all the traffic will bear, and the public suffers.

Those are the three elements of my power program. When I say that the private utilities are entitled to long-term contracts for power out of the common pool of power, not necessarily limited to the amount of power that they put into the pool, I call attention to the area of negotiation which I think should be entered into when each individual dam, as we proceed to build dams, is completed.

There are many factors which must be taken into account, in my judgment, in such negotiations. There is the factor of the customers of the private utility; the expression of the public desire to be served by a private utility rather than a public utility, and so forth. When we have the facts and are satisfied that we know what the desire of the people of the area is, I am not one who will say to a private utility, "You can get out of

the pool only the amount of power you put into it."

On the contrary, I think consideration should be given to the fair and equitable distribution of such power to a private utility, over and above the amount of power it puts into the pool.

What do my critics in the public-power groups say? They say, "Senator MORSE is proposing to emasculate the public-preference clause." I am proposing no such thing. I am only proposing to be fair. I do not think it is fair to say to private utilities, "You may cooperate with us and help to form a common pool, and put power in the common pool which will help us to keep down the power rates, increase business, increase jobs, and increase the productive wealth in our area, but you will not be able to buy back out of that power pool one kilowatt more than you put into it."

I am not prepared tonight, and I do not think anyone can be prepared until the supply question is determined, to make suggestions as to what the formula should be, because we must know what all the facts are after the dams, or many of them, have been built.

I will not hedge on that question. I say to the public-power advocates on the floor of the Senate tonight, "Count me out if, after we solve the supply problem, you want me to go along with any proposal to make available to a private utility only the number of kilowatts it puts into a common pool." That is not fair. The benefit must work both ways.

There are many criteria to be taken into account. I mention only 1 or 2 more tonight. I have already pointed out the desire of the customers. In my State, as contrasted with the State of Washington, there has been a much wider and broader public expression in behalf of service from private utilities. We have a good many public-utility bodies, a good many REA's, a good many PUD's, and several municipal plants. But the total number of customers served by the public bodies represents a minority as compared with the customers served by the private utilities.

I will not, as a Senator representing all the people of Oregon, say to the private-utility customers, "I am going to follow a course of action in the Senate which discriminates against your desires for electric-power service. If you want to be served by a private utility, then as your Senator I have the duty of trying to evolve a formula for allocation of the power which will make it possible for you to have that service, and have enough power to provide that service, on an equitable formula arrangement."

That does not mean that I would destroy the public-preference clause, but I refuse to let the public-preference clause be a sacred cow in my political philosophy. Rather, I intend to continue on this issue, and on all other issues, to ask myself the question, "What is fair to the greatest number?"

Anyone who follows that course of action gets himself into plenty of political hot water. I made very clear in my speech before the Hells Canyon Dam Association in December of last year at Portland that this was my position.

Apparently some thought that I therefore, in this session of Congress, long before the dams had been built, would proceed to advocate an allocation of power which would, in my opinion, do great damage to the public-preference clause. So to the public-power advocates let me make clear tonight in this speech that the presumption, so far as the senior Senator from Oregon is concerned, must continue to be in favor of the application of the public-preference clause, particularly during this period of time when we have a shortage of power. We do not have enough to divide up. We do not have an adequate supply. When we are confronted with that situation, who gets the power in the first instance? The public customers. That was the McNary philosophy. That is why he wrote that into the act known as the Bonneville Act, the theory being that the public pays the cost and the public ought to have first preference.

Now is not the time, in my judgment, to be proposing, by way of a rider on an appropriation bill, any proposal that would result, in effect, in modifying that public-preference clause.

But to the public utilities I repeat what I made clear in my December speech. I favor very much our pulling together, all of us, public-power advocates, private-power advocates, and those of us who believe in a monopoly for neither group, but with service for the public being the most important objective, in a common endeavor to try to get the appropriations necessary to start John Day Dam, to prevent this administration from giving away the peoples' heritage in the Hells Canyon Dam site, and to try to get a reevaluation and a reappraisal of this entire natural-resource issue in the Pacific Northwest, which involves primarily the problem of water conservation.

It is water that I am talking about, Mr. President, when I am talking about electric-power development, reclamation development, navigation development, and all the multipurpose uses to which these dams can be put; because unless we in our generation do a better job of conserving America's water supply, we will strike a serious blow at the standard of civilization of American boys and girls as soon as a hundred years from now.

Mr. President, I turn now to another matter.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). The Senator from Oregon has the floor.

PRESIDENT'S STATEMENT ABOUT UNITED STATES TROOP WITHDRAWAL FROM SOUTH KOREA IN 1950

Mr. MORSE. Mr. President, I turn to a subject now about which I served notice on the leadership earlier today that I would address myself to before the day was over, and at which time I agreed to postpone the comments until the leadership had disposed of the appropriation bill.

I hold in my hand a news ticker dispatch from the Associated Press. It reads as follows:

WASHINGTON.—Former Secretary of State Dean Acheson accused President Eisenhower today of displaying bad grace with his Tuesday night comment on Korea.

Acheson said that Eisenhower, in his broadcast last night, "referred to what he called the tragic results of withdrawing United States forces from South Korea prior to 1950."

"He did not mention, however," Acheson continued, "that the recommendation to make this withdrawal was transmitted to the State Department under date of September 25, 1947 over his own signature as the then Chief of Staff of the Army."

Acheson was Secretary of State under President Truman and his statement today was distributed by the Democratic National Committee.

The Acheson statement concluded:

"The State Department at the time protested General Eisenhower's recommendation but eventually bowed to the insistent views of the military.

"Whether or not it was wise for the State Department to have so bowed, it would come in bad grace for the man who made the recommendation to imply such criticism."

It was after the American forces were withdrawn that the North Koreans poured into South Korea, setting off warfare that lasted until 1953.

Here is what Eisenhower said about Korea last night:

"Even after what World War II should have taught us about unpreparedness, our Armed Forces became so starved and depleted that by 1950 we had to withdraw our military strength from South Korea.

"That area was then declared to be outside our defense perimeter.

"The tragic results of that woeful weakness are too close to us to need recounting now to the families of America. But I say to you that I shall never agree to any program of false economy that would permit us to incur again that kind of risk to our country and to the lives of our citizens."

I regret very much that the President said that last night. I am very sorry that he revived this old skeleton in his political closet, a skeleton which symbolizes the tragic mistake he made in 1952 when, in a speech in Detroit, Mich., he misinformed the American people about the facts in regard to the withdrawal of troops from South Korea.

In his Detroit speech of 1952 he put the blame on the then administration, particularly the State Department of that administration, for the withdrawal of those troops.

I was a member of the Committee on Armed Services at the time. I was so shocked that the Republican candidate would so misinform the American people that I called the President of the United States the next morning, at 9 o'clock or thereabouts, and I called his attention to Candidate Eisenhower's misstatement of the fact.

I pointed out that in 1947 Dwight D. Eisenhower was Chief of Staff of the United States Army, and that it was Dwight D. Eisenhower who then urged upon the Armed Services Committee, of which I was a member, that the troops be taken out of South Korea because they were not necessary either as a matter of military policy or as a matter of strategy in South Korea.

I refreshed the memory of the President of the United States, Mr. Harry S.

Truman, that Dwight D. Eisenhower continued to keep on the pressure for that course of action, with the result that the Department of State then sent a memorandum to the Department of Defense, asking the Department, through its Joint Chiefs of Staff, to advise the administration as to its position. The Joint Chiefs of Staff, with Dwight D. Eisenhower as Chief of Staff of the United States Army, unanimously recommended that the troops be taken out of South Korea as a matter of military strategy and policy.

I said, "Mr. President, there is a document in the Pentagon Building which would point that out. After consideration of the matter, if you are willing to have that document released, I will point it out in a speech I shall make in Minneapolis on Monday."

This was on a Saturday morning. I have discussed this matter before, but I want to make the record clear again.

The President of the United States advised me over the telephone that he was fully aware of the situation and would have the document sent to me in an hour; that it would be declassified; and that I would be free to use it in my Minneapolis speech. I used it in my Minneapolis speech.

A couple of my colleagues, it may be recalled, thought that I ought to be charged with espionage, and sent a telegram to the Department of Justice asking that I be investigated for espionage because I had used a top-secret document. No longer was it a top-secret document, as they well knew. The President of the United States, as the Commander in Chief, had declassified it, and I used it. I used it again in New York City the following Wednesday night.

Yet we were treated again in a speech last night by the President of the United States to this misrepresentation of fact. Why, Mr. President, not only did he join in the unanimous document on behalf of the Joint Chiefs of Staff, calling for the withdrawal of troops from South Korea; but after he became the President's chief civilian military adviser, when he was President of Columbia University, he continued to urge the withdrawal of troops from South Korea. They were finally withdrawn. That happens to be the fact.

Mr. President, I ask unanimous consent to have printed in the RECORD a document sent to the United States Chiefs of Staff on United States policy in Korea, dated September 15, 1947.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

SEPTEMBER 15, 1947.

Memorandum by the State-War-Navy Coordinating Committee to the Joint Chiefs of Staff on United States policy in Korea

The following has been received from the State member, State-War-Navy Coordinating Committee:

"In view of the continuing stalemate in the joint commission in Korea and in view of the recent Soviet refusal to participate in Four Power consultations in Washington on proposals for the early achievement of the aims of the Moscow agreement, the State Department is currently considering what further steps should be taken to implement United States policy in Korea. In order that such consideration may include the basic elements, the State Department requests, as a matter of urgency, the views of the Joint Chiefs of Staff regarding the interest of the United States in military occupation of South Korea from the point of view of the military security of the United States."

It is requested that the views of the Joint Chiefs of Staff on the above be obtained as a matter of urgency and forwarded to the Secretary, State-War-Navy Coordinating Committee.

Mr. MORSE. Mr. President, I now ask unanimous consent to have printed in the RECORD the reply to the request of the State Department, dated September 26, 1947, signed by James Forrestal, then the Secretary of Defense.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
Washington, September 26, 1947.

Memorandum for the Secretary of State.

Subject: The interest of the United States in military occupation of South Korea from the point of view of the military security of the United States.

Pursuant to the request in SWN-5694 (copy attached), initiated by the State member of the committee, the following views have been received:

The Joint Chiefs of Staff consider that, from the standpoint of military security, the United States has little strategic interest in maintaining the present troops and bases in Korea for the reasons hereafter stated.

In the event of hostilities in the Far East, our present forces in Korea would be a military liability and could not be maintained there without substantial reinforcement prior to the initiation of hostilities. Moreover, any offensive operation the United States might wish to conduct on the Asiatic continent most probably would bypass the Korean Peninsula.

If, on the other hand, an enemy were able to establish and maintain strong air and naval bases in the Korean Peninsula, he might be able to interfere with United States communications and operations in East China, Manchuria, the Yellow Sea, Sea of Japan, and adjacent islands. Such interference would require an enemy to maintain substantial air and naval forces in an area where they would be subject to neutralization by air action. Neutralization by air action would be more feasible and less costly than large scale ground operations.

In light of the present severe shortage of military manpower, the corps of two divisions, totaling some 45,000 men, now maintained in South Korea, could well be used elsewhere, the withdrawal of these forces from Korea would not impair the military position of the Far East Command unless, in consequence, the Soviets establish military strength in South Korea capable of mounting an assault on Japan.

At the present time, the occupation of Korea is requiring very large expenditures for the primary purpose of preventing disease and disorder which might endanger our occupation forces with little, if any, lasting benefit to the security of the United States.

Authoritative reports from Korea indicate that continued lack of progress toward a free and independent Korea, unless offset by an elaborate program of economic, political, and cultural rehabilitation, in all probability will result in such conditions, including violent disorder, as to make the position of United States occupation forces untenable. A precipitate withdrawal of our forces under such circumstances would lower the military prestige of the United States, quite possibly to the extent of adversely affecting cooperation in other areas more vital to the security of the United States.

JAMES FORRESTAL.

Mr. MORSE. Mr. President, Dean Acheson points out in the communication today that there were other communications, also, all to the same effect, namely, that the Chief of Staff of the United States Army, Dwight D. Eisenhower, in September, 1947, urged the withdrawal of American troops from South Korea. The record is replete that after he left that assignment and became the President of Columbia University, and also the chief civilian military adviser of President Truman, he continued to urge the taking of troops out of South Korea.

As a member of the Committee on Armed Services, I tell the Senate I know that to be a fact of my knowledge, because that was the representation made to the committee. It comes, as Dean Acheson says, in exceeding poor taste for the President of the United States, in view of the great influence he exerted in the making of the very decision he now criticizes, to proceed to attack the Democratic administration for the taking of the troops out of South Korea. It happens to be my judgment that no man in America was more responsible for that than was Dwight D. Eisenhower.

Mr. President, I turn now to another subject.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

THE PHANTOM FARM PROSPERITY OF SECRETARY BENSON

Mr. MORSE. Mr. President, the income return to farmers in this fifth year of Eisenhower-Benson prosperity is a cause of deep concern. I say Eisenhower-Benson prosperity because it is my sincere conviction that the unhealthy inflation-of-living costs that masquerades as that prosperity has been achieved, for the most part, through a deliberate subsidization of big industry at the expense of the American farmer.

THE 5-PERCENT WILL-O'-THE-WISP

The administration, from Mr. Eisenhower down, is currently promising farmers increased prosperity next year. It appears that Mr. Benson has told Mr. Eisenhower that farm prices and incomes should be about 5 percent better a year from now.

This is the same Mr. Benson who solemnly declared 21 times, more or less, during the first Eisenhower-Benson administration, that the worst was over for the farmers—that the bottom had been hit. That has not come true yet. But that does not bother the administration. They merely make bigger promises. Instead of promising an end to the decline in farm prices and incomes, they are promising an upswing next year of 5 percent. Next year—election year—they will probably double or triple that amount. And I have no doubt that by 1960 prosperity will be just around the corner again, as in the early thirties. As production declines in steel, auto, farm equipment, housing, and other industries, there is only one way farm income can go under the Eisenhower-Benson, free-market team. That is down.

Mr. President, I ask unanimous consent to have printed at this point in my

remarks a table prepared by the Oregon Crop and Livestock Reporting Service which supports this unhappy conclusion.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

APRIL 15, 1957, PRICE REPORT

United States: The index of prices received by farmers increased 2 percent during the month ended April 15. The index of prices paid by farmers established another new high this month, reaching 296 percent of its 1910–14 average. Over the past 12 months, the increase in farm product prices has not kept pace with the rise in prices of commodities and services bought by farmers, including interest, taxes, and wage rates. In consequence, the mid-April parity ratio, at 81, although 1 percent up from March, was 2 percent lower than a year ago.

In this report prices received are at the point of first sale out of farmers' hands and are averages based on all methods of sales of all grades and sizes.

Agricultural prices and United States parity price comparisons

Commodity	Unit	Average prices					United States parity	
		Oregon			United States		Effective parity price, Apr. 15, 1957	Price as percent of parity
		Apr. 15, 1956	Mar. 15, 1957	Apr. 15, 1957	Apr. 15, 1956	Apr. 15, 1957		
Prices received by farmers:								
Wheat	Bushel	$1.98	$2.29	$2.31	$2.03	$2.05	[1] $2.50	82
Rye	do	1.50	1.30	1.28	1.01	1.13	1.68	67
Corn	Ton	60.70	60.70	58.90	47.10	43.20	64.60	67
Oats	do	50.00	45.00	44.40	38.90	44.50	54.80	81
Barley	do	45.00	42.50	41.70	39.50	41.00	56.70	72
Hay, all baled	do	30.90	20.20	19.90	21.10	21.10	24.90	85
Potatoes	Hundredweight	2.70	1.40	1.20	2.72	1.24	2.46	50
Hogs	do	16.00	18.80	19.40	14.40	17.40	21.90	79
Beef cattle	do	14.30	16.70	17.60	15.00	16.90	22.40	75
Calves	do	17.00	19.40	21.30	16.70	18.30	24.60	74
Sheep	do	5.70	6.70	5.50	6.26	6.26	10.10	62
Lambs	do	17.00	19.50	19.00	18.20	20.70	24.90	83
Butterfat in cream	Pound	.600	.630	[2] .620	.579	[2] .591	.743	[3] 81
Milk, wholesale	Hundredweight	4.30	4.80	[3] 4.50	3.83	[3] 3.99	4.82	[3] 88
Farm chickens, live	Pound	.210	.150	.145	.197	.145	------	------
Commercial broilers, live	do	.230	.235	.220	.208	.191	------	------
All chickens, live	do	.223	.204	.190	.206	.184	.285	64
Turkeys, live	do	.200	.200	.210	.308	.268	.373	72
Eggs	Dozen	.450	.400	.360	.385	.308	.480	[3] 70
Wool [4]	Pound	.440	.520	.570	.413	.509	.654	78
Milk cows	Head	120.00	130.00	135.00	152.00	161.00	------	------
Prices paid by farmers for feed:								
Alfalfa hay, baled	Ton	47.00	36.00	35.50	32.50	33.40	------	------
Mill run	Hundredweight	2.70	2.80	2.75	2.81	2.82	------	------
Cottonseed meal	do	4.65	4.55	4.55	3.65	3.82	------	------
Soybean meal	do	4.80	4.60	4.50	3.92	3.77	------	------
Mixed dairy feed [4]	do	3.60	3.60	3.65	3.67	3.83	------	------
16 percent dairy feed	do	3.65	3.65	3.70	3.62	3.78	------	------
Laying mash	do	4.55	4.60	4.55	4.42	4.48	------	------
Scratch grain	do	4.20	4.35	4.35	4.05	4.11	------	------
Broiler growing mash	do	5.10	5.30	5.20	4.91	4.95	------	------
Commodity-feed price ratio:								
Egg feed	(5)	11.3	9.7	8.8	11.0	8.7	------	------
Chicken feed:								
Farm chickens	(6)	5.3	3.6	3.5	5.6	4.1	------	------
Broilers	(6)	4.5	4.4	4.2	4.2	3.9	------	------
Milk feed	(7)	1.32	1.47	[3] 1.36	1.27	[3] 1.28	------	------
Butterfat feed	(7)	18.2	19.3	[3] 18.8	22.0	[3] 21.3	------	------

[1] Transitional parity, basic commodities 95 percent and nonbasic commodities 60 percent (65 percent during 1956) of parity price computed under formula in use prior to Jan. 1, 1950.
[2] Preliminary.
[3] Adjusted for seasonal variation.
[4] Does not include incentive payment.
[5] Average for feed less than 20 percent protein.
[6] Pounds of poultry ration equal in value to 1 dozen eggs or 1 pound of chicken.
[7] Pounds of feed equal in value to 1 pound of wholesale milk or 1 pound of butterfat in cream.

Mr. MORSE. Mr. President, I direct the attention of the Senate to the last sentence of the paragraph which introduces the table:

> In consequence, the mid-April Parity Ratio, at 81, although 1 percent up from March, was 2 percent lower than a year ago.

In plain terms, Mr. President, so far as real income is concerned, our farmers have taken another wage cut of 2 percent. The problem is particularly acute in the case of certain crops and products. Potatoes, for example, in Oregon, according to the report on April 15 were being sold by the farmer at $1.20 a hundred pounds, or 4 cents under the United States average price, and $1.50 a hundred less than the price of a year ago. The fair or parity price for this product, in terms of production costs and the cost of products purchased by the farmer, is $2.46 a hundred pounds. The Oregon potato farmer is thus receiving less than one-half of what he ought to receive. The Oregon turkey producer on April 15 was getting 21 cents a pound live weight, instead of the parity price of slightly over 37 cents a pound, or a price-parity ratio of 56 percent.

Oregon sheep raisers received $5.50 a hundred, instead of the parity price of $10.10, or 56 percent.

The chart shows fairly clearly also that costs are still going up for segments of our farmers. This is especially true for our poultry raisers. The comparison of feed-price ratio for last year, in April, and this year is startling. In 1956, for a dozen eggs sold, the poultryman could buy 11.3 pounds of feed. This year, for the money received from the sale of a dozen eggs, he can buy but 8.8 pounds of feed. It looks to me as if the downhill slide for these farmers, at least, is continuing, and will continue until Secretary Benson changes drastically his policies and puts solid support behind our farmers in their effort to get a decent return for the time and effort they are expending.

NO OVERPRODUCTION, BUT UNDERCONSUMPTION

I am getting a little tired, too, I may say at this point, of being told that we have overproduction of food in this country. So long as we have in our cities conditions similar to those we can see every day in Washington, D. C.—and I am morally certain that there is human need for more and better food in every great city of this land—there is no question of having too much food. Far too many of our low-income families at home, to say nothing of those abroad, are not getting enough to eat now because they cannot afford to buy the chickens, the turkeys, the potatoes, the eggs, and the mutton that they need and should be able to get.

So long as we have hungry children in our land—and the recent statement of Gerard Shea, Director of Public Welfare of the District of Columbia, was to the effect that in Washington, D. C., there are approximately 30,000 children potentially in this category, if it were not for welfare aid—it is hypocritical nonsense to talk about overproduction of food.

Mr. President, I have always said that, on the facts, we have no surplus of food. We simply are not using the food we have for the human beings who are crying for it.

What is needed is a shortcut method of getting this food, at fair prices to the farmer, brought directly to the stomachs of hungry people. By doing this we can solve two of the shameful problems before us today. We can help our farmers make a decent living at their vital industry, and we can feed our poor a diet that is consistent with standards of health and decency. I have said many times on the floor of the Senate, Mr. President, that the children of this nation are its most precious resource.

A change of heart and program on the part of the Secretary of Agriculture is needed, so that he will give emphasis where emphasis is due. Only by having the Government assure the farmer the return to which he is entitled as a minimum—the 100 percent parity situation which was promised by this administration—and only by properly channeling the food to millions of undernourished families in this country today—families of the aged, the blind, the destitute mother, families with income under $2,000 per year—by a food-stamp program or some other distribution device, if necessary, then, and only then, can the Secretary of Agriculture and the President rest easy in their airconditioned offices and at their country estates. Mr. President, until this is done, and until the present policy of drift, dream, and daily is replaced by positive action in the public interest, I charge that Secretary Benson and President Eisenhower are derelict in their duty, are equivocal in their statements, and are callously indifferent to the needs of the people of this country.

In conclusion, Mr. President, I ask unanimous consent that there be printed at this point in the RECORD, as a part of my remarks, a letter from Mr. Elvis R. Eaton, a farmer from the great State of Washington, who has sharply set forth his opinion of the present inertia and inadequacy in the Department of Agriculture. His voice may seem rough, but in my judgment it is the voice of the American farmer, and all of us here would do well to listen and take heed.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HOQUIAM, WASH., *May 2, 1957.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: Farm prices are still sliding down Benson's chute, and many of the farmers have lost their pants. Those that haven't, have them badly worn with interest increases and mortgage loans. I attended two auction sales in the last month of young farmers of World War II. Those farm boys left hoping and praying for an increase in prices.

I know you to whom I am addressing this letter do not need to be prodded, as I follow your voting, but are doing your best to solve the problem for the farmer which is the No. 1 problem in America. Yet nothing is being done about it. How can I and other farmers help you make other Representatives and Senators of the United States wake up?

Free use of teamsters' moneys without interest is just peanuts to the use of county, State, and Federal funds by the banks of America for which they pay no interest, but still raise the rate to the farmer by 33⅓ percent and are willing to fight our Government lending agencies which are set up to lend low-rate interest money to farmers and homeowners.

Have you ever heard of a graduated income tax with an exemption for each man, woman, and child? Has it worked and is it working? Some seem to think that it has not but I think that it is doing the job. Have you heard of a Brennan plan? A plan by a man by the name of Senator KEFAUVER? I mailed you a similar plan in a previous letter. Those plans are nothing but a graduated farm plan, the same as the income-tax plan.

The present farm plans are unfair. Both the soil bank and present parity plan because they are not graduated. Ninety percent of the payments are going to 5 percent of the farmers of the United States and many farmers receive no help. Yes, a farm program of a few, for a few, by a few. Let's change this.

I see by the papers that we need more billions of Government spending through banks and big industry to keep sufficient buying power and money in circulation. It reminds me of Bill Rogers' quip when in Hoover's administration the Federal Government was pouring money into the banks to stimulate business. Bill said that he did not know water started at the ocean and flowed uphill. He thought it started with raindrops, then rivulets, creeks, and rivers, and then into the ocean, and on its way nourished the lands and fed its people and made the country prosperous. Billions are being spent that way now, why not put that buying power in the hands of millions of farmers by giving them their just share of the national income, and I am sure it would be put into circulation.

Keep the three-legged stool without a short leg. We do not want the proposed self-help plan for the producer dairyman of the United States. The control is far enough out of our hands now without putting the industry in the hands of a 15-man committee whom we do not actually elect, and are farther away from us than our 9 Congressmen whom we do elect from the State of Washington. We would only have one man on the committee from 3 States, and he would be appointed by the President from the farmers' choice of 3. If the President didn't do any better job in picking that 1 out of 3 than he did in selecting the present Secretary of Agriculture, we would not have anything but added grief. Enough said.

In conclusion I would just like to have 2 hours on the floor of the joint House and Senate to tell them what the majority of the farmers of America want and how they feel about the no-program they now have, and I will assure you what I would have to say would be just as interesting, constructive, and informative as many assemblages of Congress.

Yours with hopes for a more worthy and representative farm program.

Very truly yours,

ELVIS R. EATON.

(To Senators WARREN MAGNUSON, HENRY JACKSON, WAYNE MORSE, RICHARD NEUBERGER; Representatives DON MAGNUSON and EDITH GREEN.)

FIFTEENTH ANNIVERSARY OF THE MILITARY DISTRICT OF WASHINGTON

Mr. MORSE. Mr. President, May 5 was the 15th anniversary of the Military District of Washington, United States Army. Upon behalf of Senator MATTHEW M. NEELY, chairman of the District of Columbia Committee, I commend Maj. Gen. John G. Van Houten and his military and civilian personnel for the faithful execution of their various duties and the good will they have established with the people of Washington; and I request unanimous consent to have printed at this point in the CONGRESSIONAL RECORD a report of the Military District of Washington.

Although in presenting this material, Mr. President, I have done so on behalf of the great liberal and great statesman, the chairman of the Committee on the District of Columbia, Senator MATTHEW M. NEELY, of West Virginia, I wish to have the RECORD show that I completely associate myself with his views.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

MILITARY DISTRICT OF WASHINGTON TO CELEBRATE 15TH ANNIVERSARY MAY 5

The Military District of Washington (MDW) will observe its 15th anniversary on May 5. Organized under that designation in 1942, it was established solely to meet the needs of the Nation's Capital. Before coming into being 15 years ago several other organizations existed from time to time but were more limited in scope and authority.

Today, MDW, as it is commonly known, has two specific functions:

To provide a well-organized and responsible support in defense of the capital in the event of an emergency, and

To perform the numerous services required by the Department of the Army in the Washington area.

Commanded by Maj. Gen. John G. Van Houten, MDW is limited geographically, but within this small area many installations, activities and units of differing characteristics exist.

With its headquarters in Building T-7 at Gravelly Point (a 5-minute walk from Washington National Airport), MDW includes 6 counties in Virginia: Arlington, Fairfax, Prince William, Stafford, King George, and Westmoreland; 5 in Maryland: Calvert, Charles, Montgomery, Prince George, and St. Marys—including the District of Columbia.

Installations under MDW command include Fort Myer (home of the Army Chief of Staff, Gen. Maxwell D. Taylor, and Air Force Chief of Staff, Gen. Nathan F. Twining); Fort Lesley J. McNair, located in southwest Washington (home of the National War College and the Industrial College of the Armed Forces); and Cameron Station in Alexandria, Va., charged with the shipping of Government property, packing, crating, and shipping the household effects belonging to Armed Forces personnel. Also located here are a number of small technical units.

In addition, the headquarters is responsible for the First Arctic Test Center stationed in the far north at Fort Churchill, Manitoba, Canada, and has courts-martial jurisdiction over all military attachés abroad.

MDW's responsibilities are basically similar to those of the six continental Army commands. Its special responsibilities involve the Department of the Army and various other Government agencies.

Not to be confused with military districts established in all States and the District of Columbia which are charged with the administration of Reserve and National Guard recruiting activities, MDW is, for the most part, not directly concerned with these activities.

Some of the more important functions, as far as the public and the capital are concerned, involve the Army's oldest regiment, the 3d "Old Guard" Infantry Regiment, with headquarters at Fort Myer, and a battalion at Fort McNair.

This famous regiment is the ceremonial honor guard for the President and as such leads the inaugural parades. The 3d also participates in receptions for foreign dignitaries visiting Washington. Arrangements for arrivals and departures, which involve split-second timing, security measures, and traffic control—all rest on MDW.

One of the most impressive duties which soldiers of the 3d Infantry perform is the constant vigil at the Tomb of the Unknown Soldier. Here specially selected men pace before the tomb night and day, rain or shine, 24 hours a day, 365 days a year.

Tens of thousands every year witness the changing of the guard at the tomb which occurs every hour on the hour.

The 3d is also responsible for honor guards in military funerals held at Arlington National Cemetery, the burial place of the Nation's heroes.

The United States Army Band—one of the country's outstanding military bands—makes its headquarters at Fort Myer as does the newly created United States Army Chorus. MDW is responsible for the activities of both groups.

MDW, through its headquarters commandant, administers the vast complex operation of the world's largest office building—the Pentagon. It supervises the internal security guard forces of this and seven other defense buildings in the Washington area.

It also provides support for the Capital's antiaircraft defense groups, the Army Map Service, the Army Command and Management School, the White House Motor Pool, and the White House Communications Center which receives and transmits information of the greatest importance to this country and the free world.

Under MDW control is the 3d Transportation Co. (helicopter), stationed at Davison United States Army Airfield, adjoining Fort Belvoir. The Army aircraft at Davison range from small to large helicopters, from L-19 fixed-wing planes to multiengine Army planes.

Despite these many and varied functions, the Military District of Washington exists

primarily to meet Washington's defense needs. This is symbolized by its patch—the Washington Monument crossed by a large two-handed sword, an emblem of protection.

In the field of community relations, MDW has during the past year participated in a variety of programs aimed at bringing the Army and the public closer together for the betterment of mutual understanding.

Sunday ceremony parades, initiated by this headquarters to honor deserving national organizations, opened the summer season on April 15. The honored organization was the Daughters of the Amercian Revolution, an organization with a membership of 182,000. A citation was presented to the DAR by the Commanding General, MDW, honoring the society's high patriotic aims and achievements.

On April 18, the second in the series, honoring four Congressmen, veterans of World War II, was staged before a distinguished assemblage, including some 100 Members of the Senate and House. Secretary of Army Brucker highlighted the ceremony with the presentation of the Bronze Star Medals to the Congressman veterans.

On May 6, 18,000 Girl Scouts were present at Fort Myer on the occasion of MDW's salute to their organization.

More than 60 nations were represented on June 3 when the Military District of Washington honored the military attachés of all embassies in Washington. Approximately 130 military attachés, their families, other embassy personnel, and the general public attended.

On June 10, Eric Johnston, representing the motion-picture industry, received the salute of the troops in a parade honoring the Motion Picture Association of America.

Organizations so honored at the 3d Infanrty Regiment's Sunday parades for the 1956 season are as follows:

April 15: Daughters of the American Revolution.
April 18: Congressional award ceremony.
April 22: Inter-American Defense Board.
April 23: National Security Training Commission.
April 29: Normal retirement.
May 6: Girl Scouts of America.
May 13: Award of DSC.
May 27: Normal retirement.
June 3: Military attachés.
June 10: Motion Picture Association of America.
June 17: 4–H Clubs.
June 24: General officers' retirement.
July 1: Armed Services Hospitality Committee.
July 15: Legion of Valor.
July 22: American Legion Boys Nation.
July 29: Chaplains Corps.
July 31: General officers retirement.
August 5: Kiwanis.
August 12: Battalion retreat parade.
August 19: Normal retirement.
August 26: Regimentcl retreat parade.

The above ceremonies were in addition to routine retirement parades, both at Forts Myer and McNair. In connection with retirement ceremonies, the most notable was the retirement of General Gruenther at Fort McNair. It is believed these parades admirably serve in fulfilling community-relations objectives in a most effective way.

FORT CHURCHILL

Easily the highlight of the period was the International Geophysical Year rocketry project at Fort Churchill which ran through October and November. Approximately 230 visitors from all parts of the United States visited the rocket-launching site each day from August 13 to August 20. An officer was appointed to tell the visitors of the difficulties encountered during construction of the rocket site. Also, an officer from the IGY project talked to the visitors, telling them what the scientists hope to gain from the rocketry program. This program was established so that Fort Churchill could show, at least to a small portion of the American public, what the United States Army is doing away from the United States.

SPEAKERS

In line with the Chief of Staff's desire for maximum emphasis on "selling the Army" through the medium of officers qualified to speak before the public on the Army's programs, problems, and achievements, letters were sent to more than 40 representative civic, patriotic, professional, and luncheon organizations in the Washington metropolitan area, informing them of the availability of qualified speakers and the loan of selected Army films obtainable from MDW headquarters. As a result of these 40 queries, 37 speaking engagements were booked.

The most popular of the films loaned to various organizations were The Nike Guards the Nation's Capital; Diary of a Sergeant, Guided Missiles, and Military Use of Helicopters.

In addition to performing the normal duties required of any military headquarters, MDW provided full military honors for 2,267 funerals; 65 VIP arrivals and departures; 115 wreath-laying ceremonies; and 420 miscellaneous public events and ceremonies in 1956.

ADDITIONAL REPORTS OF COMMITTEES

Mr. MORSE. Mr. President, I ask unanimous consent, out of order to report favorably from the Committee on the District of Columbia a series of five bills; and I submit reports thereon.

I inquire of the Chair whether I have reported the bills in appropriate form, so they may be placed on the calendar.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Without objection, the reports will be received, and the bills will be placed on the calendar.

The bills reported by Mr. MORSE are as follows:

S. 1269. A bill to amend the act entitled "An act to create a board for the condemnation of insanitary buildings in the District of Columbia, and for other purposes," approved May 1, 1906, as amended; with amendments (Rept. No. 326);

S. 1708. A bill to amend the act entitled "An act relating to children born out of wedlock," approved January 11, 1951; with amendments (Rept. No. 327);

S. 1842. A bill to amend the act entitled "An act to provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes," approved February 4, 1925; without amendment (Rept. No. 328);

S. 1906. A bill authorizing the conferring of appropriate degrees by the District of Columbia Teachers College on those persons who have met the requirements for such degrees, and for other purposes; without amendment (Rept. No. 329); and

H. R. 192. A bill to provide that members of the Board of Education of the District of Columbia may be removed for cause; with an amendment (Rept. No. 330).

Mr. MORSE. Mr. President, I wish to thank the Presiding Officer for his patience in permitting me to complete the record which I announced earlier today to the leadership I would have to complete before the adjournment tonight, because of the vital importance of these matters both in so far as the State of Oregon is concerned and in so far as my own record is concerned.

Mr. President——

The PRESIDING OFFICER. The Senator from Oregon has the floor.

ADJOURNMENT

Mr. MORSE. Mr. President, in accordance with the order previously entered I move that the Senate now stand adjourned.

The motion was agreed to; and (at 10 o'clock and 8 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Thursday, May 16, 1957, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 15, 1957

The House met at 12 o'clock noon.

Rev. K. Warriston McCracken, associate minister of the New York Avenue Presbyterian Church, Washington, D. C., offered the following prayer:

Eternal God, our Father, we are here today with great responsibilities of which most of us are conscious. So move by Thy spirit within us that we may seek what is best for all people involved in every situation to which we have any relation. Help us to find the wider vision that sees service and not selfishness, principles rather than pride, justice rather than justification.

We thank Thee for the incentive to goodness that prevails within our lives. Enable us to find in the knowledge of a task well done our satisfaction and our reward. Keep us humble in the midst of our opportunities so that we see ourselves as means to an end and not as the end in itself.

Direct us throughout this day that our thoughts may be clear, our speech concise but not offensive, our work worthy of the legislature of which we have been called to be a part. This all we pray in the name of Jesus Christ, our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

SPECIAL ORDER VACATED

Mrs. KELLY of New York. Mr. Speaker, I ask unanimous consent that the special order granted me for tomorrow be vacated.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE LATE CAROL COOK ALLEN

The SPEAKER. The Chair recognizes the gentleman from California [Mr. JACKSON].

Mr. JACKSON. Mr. Speaker, it is with deep regret that I announce to the membership of the House the passing on yesterday of the wife of our esteemed colleague, the Honorable JOHN J. ALLEN, JR., of California.

The unexpected and untimely death of Carol Cook Allen comes as a great shock to all who knew her as a gracious lady and a devoted wife and mother. Mrs. Allen was a native daughter of California and was married to our colleague 31 years ago. To this union were born two daughters, Ramona and Suzanne.

I know that I express the deep sympathy of not only the members of the California delegation in the Congress but of the entire membership on this sad occasion to the bereaved husband and other surviving members of a fine American family.

Funeral services will be conducted on tomorrow at the Episcopal Church, 3d and A Streets NE.

CALL OF THE HOUSE

Mr. ARENDS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 73]

Adair	Eberharter	Miller, N. Y.
Allen, Calif.	Evins	Morrison
Anderson, Mont.	Fal'on	Moulder
	Fogarty	Murray
Ashley	Gray	Powell
Ayres	Griffin	Rodino
Barden	Gross	Sadlak
Baring	Gubser	Scherer
Barrett	Gwinn	Shelley
Beamer	Hays, Ohio	Sikes
Blatnik	Holt	Stauffer
Boggs	Holtzman	Taylor
Bowler	James	Teller
Boykin	Kearney	Wilson, Calif.
Buckley	Kelley, Pa.	Wolverton
Cole	Long	
Dawson, Ill.	Magnuson	

The SPEAKER. On this rollcall 378 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION APPROPRIATION BILL, 1958

Mr. WHITTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 7441, with Mr. KILDAY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the Clerk had read down to and including line 6, page 1, of the bill. If there are no amendments at this point, the Clerk will read.

The Clerk read as follows:

Meat inspection: For carrying out the provisions of laws relating to Federal inspection of meat and meat-food products and the applicable provisions of the laws relating to process or renovated butter; $16,586,000.

Mr. WIER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WIER: On page 4, line 16, that the figure "$16,586,000" be stricken and the figure "$18,716,000" be substituted.

Mr. WIER. Mr. Chairman, this is one item in this agricultural appropriation bill that I am somewhat concerned about. I am concerned about the meat inspection department of the Department of Agriculture. I want at all times to be sure that the meats that the American people eat are properly inspected, and any cut in this Department, I feel rather disturbed about.

Mr. Chairman, I am not going to make any elaborate statement of it, but I want to express my interest in it, and I would like to ask the chairman of the subcommittee to just give the reasons of why a cut of $2 million was made under what the Department of the Budget approved. I see there is about a $2 million difference between the figure presented by the Committee on Appropriations and that of the Bureau of the Budget. If I am assured that the American people are going to have equally as good meat inspection under your $16 million as they would under the $18 million, I will be satisfied.

Mr. WHITTEN. Mr. Chairman, if the gentleman will yield to me, I feel certain I can give the gentleman that assurance and I should like to explain why I can. Meat inspection is required by law. The meat has to be inspected.

This item was cut in line with the general policy of the committee to hold the Department down to this year's level, which we have done through the bill except as to conservation of resources. Where meat inspection is concerned there is a provision whereby if the inspectors we do have must work overtime, that overtime is paid by the packers. The packers can have as much time of the inspection staff as they wish, except that beyond the amount provided in the bill, the packers pay for that time. But the law requires that the inspection be the same one way or the other. So whichever way it is done, if an additional amount were included, it would mean that much less the packers would pay and that much more the Government would pay. Under either figure the inspection is required and the public health is protected. It is just a question, in view of our efforts to hold down the total number of Federal employees and to hold the Department down to this year's level, whether any increased time and the cost thereof would be passed on to the packers.

Mr. WIER. All I want from my good friend from Mississippi is the assurance that there will be no cutback in the number of inspections required to carry out the law, nor any reduction in the quality of the inspection that may result because of the cutback.

Mr. WHITTEN. The gentleman is carrying me a little further than I can go in that I cannot say that they would not cut back on the number of inspectors in order to be able to buy some uniforms; and I cannot say that they would not cut the number back for some other purpose. But I would say that in my judgment there will be the same kind and type of inspection that is required under the amount that is in the bill as there would be under the amount in the amendment. The difference would be in who paid the increase in cost.

Mr. WIER. Mr. Chairman, I yield back the balance of my time.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment. I merely repeat that the committee felt that this item, along with other items in the bill, should be held to this year's level. We are convinced that under the policy followed and under the law, the public health would be protected to the same degree on the basis of the amount in the bill as it would if the pending amendment were adopted. Therefore I hope the committee will turn down the amendment.

Mr. H. CARL ANDERSEN. Mr. Chairman, would the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Mr. Chairman, I wish to inform the committee that on this side we are in full agreement with the statement of the gentleman from Mississippi. I hope the amendment will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. WIER].

The amendment was rejected.

The Clerk read as follows:

AGRICULTURAL MARKETING SERVICE

Marketing research and service

For expenses necessary to carry on research and service to improve and develop marketing and distribution relating to agriculture as authorized by the Agricultural Marketing Act of 1946 (7 U. S. C. 1621–1627) and other laws, including the administration of marketing regulatory acts connected therewith: *Provided*, That appropriations hereunder shall be available pursuant to 5 United States Code 565a for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of erecting any one building shall not exceed $10,000, except for two buildings to be constructed or improved at a cost not to exceed $20,000 each, and the cost of altering any one building during the fiscal year shall not exceed $3,750 or 5 percent of the cost of the building, whichever is greater.

Mr. HARVEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the events of the past few months, with respect to agriculture, have been discouraging, to say the least. There has developed not only dissension and antagonism within the ranks of those who are the friends of agriculture, but there appears now to be a general attitude of despair and despondency as to the future. Possibly the latter reaction naturally follows the former condition.

Having been through some rugged times as a farmer myself, I know that as a historical truth the trends in agriculture never run smoothly. Yet, in my family, we have never wavered in our faith in the importance and ultimate success of this vital segment of our economy. During the 137 years the Harvey family has lived on the farm where I now live, we have survived at

least four major postwar depressions. On two occasions, the farm was in hock and serious jeopardy, but eventually we recovered and bailed it out. I cite our experience not because it is so unusual; on the contrary, it is typical of much family farm history.

The farmer is in a tight financial squeeze right now, and no one knows that better than the farmer himself. In 1940, farmers spent almost $7 billion in cash in the operation of their farms, and last year they spent nearly $22 billion. Yet the average farmer in my area—incidentally one of the best—makes less than a man who works in a factory and has neither investment nor managerial responsibilities.

Now these are facts, but even so, I am not especially discouraged, nor would I conclude that the situation is hopeless. We ought to have faith in our judgment here in Congress. We enacted a soil-bank program to supplement our price-support laws, which had proved inadequate to meet the postwar impact of increased production and decreasing markets. We also enacted Public Law 480, to assist in the disposal of surplus commodities in an efficient manner, both at home and abroad. Both these programs are just getting under way and I for one am unwilling to throw up my hands and declare them a failure before they have had time to prove their worth—time they have not yet had.

It would not be my belief that there is no other solution or that present programs should continue indefinitely. If we are to emerge from this postwar adjustment period without a major depression, we must use them and recognize them for what they are—temporary expedients to bridge a difficult period. In my judgment, we ought to be putting much more emphasis on the potentials of greater use for our farm production. We ought to be employing our best research talent to find new uses for what we can produce or new products to grow for new uses.

It will be said that we have seen this, and in a way we have. But the emphasis in agricultural research has been on production and not on utilization. The Research and Extension Subcommittee of the House Committee on Agriculture held hearings on this subject and recently heard a progress report from the Commission established last year to investigate the potential in this field and to determine the progress being made by both public and private research agencies. Several members of Congress have introduced bills on this subject, and my own, H. R. 6985, is among those pending.

There is no feature of our efforts to stabilize the income of farmers and promote general prosperity that holds greater promise to the rank and file of farmers than the research-for-use endeavor. Farmers inherently like to produce to the limit of their capacity rather than to abide by a system of artificial restraints. But they will abide by such restraints if necessary to survive.

The whole history of our country has been one of progress and development, and certainly agriculture today is a most challenging problem. In my humble opinion we should attach more importance to farm research for commercial utilization, for in this direction we can lead American agriculture to a hitherto unimagined prosperity that will invigorate our whole economy.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

(By unanimous consent (at the request of Mr. H. CARL ANDERSEN), Mr. HARVEY was granted permission to proceed for an additional 2 minutes.)

Mr. HARVEY. Mr. Chairman, I want to compliment this subcommittee, headed by the gentleman from Mississippi [Mr. ABERNETHY] for the fine work they are doing. I think we must expand this effort and we must put a great deal more emphasis behind it. It is not a quickie answer, but I am thinking it is the best and the only long-range solution for this most difficult problem.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield to the gentleman from Utah.

Mr. DIXON. I wish to join in complimenting the gentleman from Mississippi [Mr. ABERNETHY] and his committee on their work on utilization research, and also wish to join with my colleague, Representative HARVEY, in his statement. My position is that production research has worked miracles and that that is one of the causes for our great surpluses which have depressed prices. If production research can work miracles, certainly consumption research can also work miracles. Is that not the gentleman's position?

Mr. HARVEY. I think so beyond the question of a doubt. I am just saying in essence here to you, my good friends, that in the past we have been a country whose whole history has been one of imagination and progress. Let us just put our imagination and our efforts to work in this field, and eventually we will come up with a solution that will not only mean prosperity to our agriculture, but which will also mean almost undreamed-of prosperity for our country as a whole.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

The pro forma amendments were withdrawn.

The Clerk read as follows:

FOREIGN AGRICULTURAL SERVICE

For necessary expenses for the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (68 Stat. 908), and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed $25,000 for representation allowances, and for expenses pursuant to section 8 of the act approved August 3, 1956 (70 Stat. 1034), $3,902,300: *Provided*, That not less than $400,000 of the funds contained in this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis: *Provided further*, That provisions of the act of August 1, 1956 (70 Stat. 890–892), and provisions of a similar nature in appropriation acts of the Department of State for the current and subsequent fiscal years which facilitate the work of the Foreign Service shall be applicable to funds available to the Foreign Agricultural Service.

Mr. ROONEY. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state the point of order.

Mr. ROONEY. Mr. Chairman, I make a point of order with regard to the language beginning with the words "*Provided further*," on line 8, at page 10, down to and including the word "Service" on line 14, the language being as follows:

Provided further, That provisions of the act of August 1, 1956 (70 Stat. 890–892), and provisions of a similar nature in appropriation acts of the Department of State for the current and subsequent fiscal years which facilitate the work of the Foreign Service shall be applicable to funds available to the Foreign Agricultural Service.

I make the point of order, Mr. Chairman, on the ground that this language is legislation on an appropriation bill.

Mr. WHITTEN. Mr. Chairman, may I be heard?

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, the committee concedes the point of order.

The CHAIRMAN. The gentleman from Mississippi concedes the point of order. The point of order is sustained.

The Clerk will read.

The Clerk read as follows:

LOAN AUTHORIZATIONS

For loans in accordance with said act, and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3 (a) of said act as follows: Rural electrification program, $179,000,000, of which not to exceed $20,000,000 shall be placed in reserve to be borrowed under the same terms and conditions to the extent that such amount is required during the fiscal year 1958 under the then existing conditions for the expeditious and orderly development of the rural electrification program; and rural telephone program, $60,000,000, of which not to exceed $10,000,000 shall be placed in reserve to be borrowed under the same terms and conditions to the extent that such amount is required during the fiscal year 1958 under the then existing conditions for the expeditious and orderly development of the rural telephone program.

Mr. BECKER. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. BECKER: On page 11, line 16, strike out the paragraph entitled "Loan Authorization" through line 7 on page 12.

Mr. BECKER. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. H. CARL ANDERSEN. Mr. Chairman, I object in connection with such an amendment as this.

The CHAIRMAN. The gentleman from New York is recognized in support of his amendment.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield.

Mr. MASON. I want to say that I shall object to all requests for extension of time from now on.

Mr. BECKER. Mr. Chairman, the reason for this amendment is a very simple one. Under the Rural Electrification Act of 1936, and amendments of 1939 and 1949, the United States Treasury is bound to loan money to the REA at 2 percent. We know that through the years the Treasury is paying 2½, 3, and today 3¼ percent. The REA owes the Treasury today approximately $2,500,000,000. Factual information which I will read here—that is why I wanted the extra time—proves that the REA has untold surpluses that they are loaning, and buying United States Treasury bonds today and loaning out at higher interest rates and making a profit on the 2-percent money of the taxpayers of this country. This interest rate is costing the taxpayers some $25 to $35 million a year on something that I believe is absolutely unwarranted during this era of prosperity, and in view of the fact that the areas that are being served by the REA are increasing their incomes day after day. I have in mind that the Tennessee Valley Authority is asking permission to sell revenue bonds, on top of the $1,200,000,000 that they owe the United States Treasury Department at no interest, and that the interest is being paid by the taxpayers. I do not want to stultify areas of this country that need electricity. I want to read a statement of the Public Service Commission of Indiana:

EXTRACT FROM AN OPINION OF THE PUBLIC SERVICE COMMISSION OF INDIANA IN CASE NO. 26077 DATED DECEMBER 14, 1956

The annual reports of the REMC's on file with this commission show that all the REMC's are now operating on a remarkably profitable basis and have generally greatly reduced, and in some cases already fully paid off, their debts to the Rural Electrification Administration. Further, these membership corporations now have accumulated large surpluses which are in some instances invested in Government bonds. From these investments net operating incomes are annually augmented by interest earnings at rates in excess of the amount that these same membership corporations pay to the Federal Government as borrowers. Some, if not all, of the net operating and investment profits of the membership corporations are occasioned by the fact that unlike other utilities these cooperatives do not pay any Federal income taxes upon such profits.

If this comes from the State Public Service Commission of the State of Indiana, then I say it is about time we stopped and hesitated before the advancement of further loans without investigating how much surplus the REA has and why they cannot repay their loans to the United States Government so that our Treasury can reduce its bonded indebtedness.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield.

Mr. HARVEY. I would be happy to explain to the gentleman, because I know of the situation concerning which he speaks, and that the funds in question are those that are required to be set aside by various cooperatives to meet emergencies in the case of terrific ice storms, such as we had recently. Those funds are invested for that purpose.

Mr. BECKER. We have investigated that, but we find they are far beyond the amount they are allowed to retain as reserves. All these REA's are tax free.

They are tax-free; and they are in direct competition with private utility companies that are paying billions of dollars of taxes into the Treasury.

I feel that there should be an equalization somewhere. I do not want to cut this off, I may say to my good friend from Indiana, but I do think the time has come when we should halt this expenditure at this time. I feel that ultimately legislation should be enacted so these loans will pay the going interest rate that it is necessary for the Treasury to pay to get the money to lend to them.

I believe there are many expenditures of the Government necessary for the development of our country, and I think we should do everything we can to develop our own country. REA received appropriations of $577 million last year. I think it is time that we revised our position, and had an investigation of the surpluses they have.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BECKER. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. BECKER moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes on his preferential motion.

Mr. HIESTAND. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield to the gentleman from California.

Mr. HIESTAND. Is it not a fact that about a week ago we voted additional lending authority for REA of $200 million, and they requested an increase of $179 million on top of that? Has the gentleman evidence of how that is going to be used?

Mr. BECKER. No; I have no evidence of how that is going to be used. I presume that was presented before the Committee on Appropriations at the time. I mentioned a few minutes ago that the total appropriation last year was $577 million, and they want this $239 million in addition.

I do not accuse any Member or group of Members in this House of advocating socialism or socialistic practices, but if there is such a thing as socialism this certainly is it. I oppose socialism wherever it shows its head in my country in opposition to the free-enterprise system and the citizens who have to furnish the taxes. Legislation has been introduced in this House by Members who want to reduce the income tax. I know of two bills that would increase allowances by $100 and $200. How can we possibly reduce income taxes if you vote for such programs as this that compete with businesses operated by the very people who are paying the taxes?

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. BECKER. In just a moment.

As I said before, it is not my desire to stultify the growing areas of this country; I want to see them grow and I want to see them prosper, but I think the very recipients of these rural electrification programs want to pay their own way, or at least a part of their own way.

All I am asking is that on these loans they pay the going interest rate that must be paid by the Treasury for borrowing the money that is necessary to give to the REA. Likewise in the case of other services.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield to the gentleman from West Virginia.

Mr. BAILEY. The type of socialism the gentleman is talking about appears to be a type of socialism that the average American likes pretty well.

Mr. BECKER. I feel they do not like it. They do not like it in my district, I know.

Mr. BAILEY. That may be true in the gentleman's district, but it is not true for all America.

Mr. BECKER. That may be true, too, but it is also true that Americans like to pay for what they have. I know Americans and I know they like to pay their own way. Every American I have talked to about any of these programs wants to pay at least a part of the share of what he is getting from this great country of ours. I know that many things are done for political expediency, and this is one. This type of legislation, I do not think, is proposed just because they say the people cannot afford it.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield to the gentleman from Illinois.

Mr. MASON. Does the gentleman mean to say this Government is lending money at 2 percent and then these REA's which have a surplus are lending it back to the Government by buying bonds and getting 2¾ percent or more on their loans?

Mr. BECKER. That is absolutely correct.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield on that?

Mr. BECKER. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I would just like to point out that we are referring to the REA in a rather confused way. The headquarters organization of the REA is down at the Department and is headed by the Director.

The REA back in the rural area is an individual, locally operated and owned cooperative; and may I say that the Director in Washington, so far as I know, and we asked him about it, has not approved a single loan to a single cooperative that is in this situation. If I may be permitted to complete my statement, some cooperatives have gotten into the position where they have their own reserves and, therefore, do not have to come to the Government, but others are not in that fortunate position. No REA can get a loan unless the administration approves the loan.

Mr. BECKER. Then may I ask this question: If they are all in the same boat, why should they not lend the money at 2 percent to the other REA's

that need help and not come to the Federal Treasury at a lower percentage while they are lending their own surpluses out at 2½, 3, or 4 percent?

Mr. WHITTEN. If the gentleman could get such legislation as that on the floor for consideration, I would give it much thought. For the present we have to meet it under existing law until that is changed.

Mr. BECKER. Then let us have an investigation before we advance this money and find out what the surpluses are in these REA cooperatives. We can then come back here with legislation when we have the information that no one can get from the REA. I have tried and others have tried to get this information for me. I think we should have the information before us as to what the surplus really is.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. H. CARL ANDERSEN. Mr. Chairman, I rise in opposition to the motion offered by the gentleman from New York [Mr. BECKER].

Mr. Chairman, I am certain that the committee will not agree to kill REA just simply to cut out a comparatively small amount having to do with the size of the interest rates. I hope, Mr. Chairman, that we can defeat this amendment immediately and get along with consideration of the bill.

Mr. CHRISTOPHER. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Missouri.

Mr. CHRISTOPHER. May I say in regard to REA not paying taxes that the REA's in the United States have paid over $10 million in taxes in 1956. I have those figures already in the CONGRESSIONAL RECORD and I will be glad to put them in again. That is exclusive of any taxes paid by generating systems, such as the TVA or Bonneville. That is just the REA cooperatives alone. The assertion that they do not pay taxes is a fabrication instituted by the power trust of the United States and advertised all over the country.

Mr. H. CARL ANDERSEN. May I quote from page 1417 of the hearings this paragraph about what the REA's have done for others than agriculture:

> We must keep in mind that were it not for the development of REA, that business totaling hundreds of millions of dollars, involving electric supplies, television, radios, and so forth, that are now being sold out in the rural areas, would never have developed to the value of what we might term "private enterprise."

Let us keep in mind, Mr. Chairman, that whatever we do to help the REA's, we are also pumping out of the $2,800,000,000 possibly a half billion dollars in direct purchases from television, electrical supply companies and what have you. I am sure that the Committee will not be foolish enough to even grant much consideration to the suggestion of the gentleman from New York that the REA program be killed.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. I would like to ask the gentleman from New York, author of the amendment, as to how much the total amount of loans are that have been available from the REA's that the REA's have invested in interest gathering schemes? I do not know whether the gentleman from New York can supply us that information or not.

Mr. H. CARL ANDERSEN. The gentleman may do so in his own time. I want to add that the gentleman from New York does not bring out the fact that when money was cheaper, when the REA was drawing out of the Treasury at 2 percent, they were rolling up to the credit of these REA's an amount of nearly $40 million, if the figures are correct. We want that as a cushion toward offsetting this as a possible additional cost now to the Treasury of the United States.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. I wonder if the gentleman would not look with suspect at the gentleman from New York's philosophy of socialism, because he is not critical of private utilities having obtained tax amortization in amounts in excess of $2.3 million. I just wonder what form of socialism he might brand that type of program.

Mr. H. CARL ANDERSEN. Might I suggest to my friend that if the definition of "socialist" or "socialism" prevails as explained by the gentleman from New York relative to REA, there are a lot of socialists today in this Congress of the United States.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from New York [Mr. BECKER].

The motion was rejected.

Mr. HIESTAND. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I think we should make clear just what the issue is here by the amendment offered by the gentleman from New York [Mr. BECKER]. The previous speaker, my very good friend from Minnesota, for whom I have a very high regard, claimed that this was an attempt to kill REA. Mr. Chairman, that is not the issue at all.

Mr. H. CARL ANDERSEN. Mr. Chairman, if the gentleman will yield, the amendment was offered to knock this paragraph out. What other issue is there before us?

Mr. HIESTAND. The paragraph was only an added grant of loans to what they already have.

Mr. Chairman, this program was a fine program. It was a fine program when developed in 1936 to electrify farms, farms situated so far apart, with so few customers to the mile, that private funds, immensely short in the depression, simply were not available. This fine program is, of course, known to you all as the Rural Electrification Act.

The Department of Agriculture has accomplished its purpose so completely that today the Administrator of REA reports 96 percent of all farms have been electrified, a monument to the dedication and spirit of all those who took part. Let us not condemn REA as such.

Let us consider this amendment. The amendment would add $179 million added loan authority to the $200 million we voted a week or 10 days ago. It is in the nature of a further subsidy, because it loans at a cost below that which the Treasury has to pay. That makes a total of $379 million. When the measure last week was up, we had somebody telephone down to find out if the Administration really wanted that money and, if so, why, and we got the information that the association of cooperatives was active in the field. Ninety-six percent of the farms having been already electrified, the association was active in the field, and very active, in order frantically to scrape the bottom of the barrel to dig up more projects so that they could get some more money and spend some more money in that way. They had a hard time finding new projects. Then they had the Congressmen, it is said, from those districts where those projects were to be located importuned to back REA to support that request.

Mr. Chairman, if the job is 96 percent done and we have this big balance available, why do we need that $200 million voted last week plus another $179 million presently asked for? Well, it is said that some of it is to be used for telephones. Now, that is an interesting thing, too. I had a letter from a constituent who had come back from Alaska where a far-flung REA telephone line was being put in, 150 miles from nowhere, 5 customers; the installation was being badly managed. This man was one of those who had tried to install it and finally quit in disgust because it was being so badly installed. Finally it was abandoned. Cost, thousands of taxpayers money. That is a sample of the extension of this operation. The Administrator estimates that if these loan rates were raised to the going rate that the Treasury pays, it would mean to the average customer an addition to his cost of only 1¾ cents per month. Likewise, if we continue to loan at 2 percent and pay at 3¼ percent, it is a direct drain on the Treasury and there is no chance for any private capital to be used. It all must come out of the Treasury.

The President, in a letter to the Speaker in April, recommended the establishment of interest rates for Government loan programs that would induce private capital to participate in their financing, and to require at least that any such rates cover the cost of borrowing by the Federal Government.

I heartily support the amendment and hope it will carry.

Mr. NATCHER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, REA is one of the great achievements of our present day Government. I am sincerely of the opinion that the sure way to destroy REA is to increase interest rates and to make loans more difficult to secure. Since its inception REA has had a net income from lending operations, beginning in 1935 and extending to June 30, 1956, of $47,504,355. Several weeks ago this matter was brought to the attention of our Subcommittee on Agriculture Appropriations. At that time the Secretary of Agriculture, Mr. Benson, was before the committee. I interrogated the Secretary concerning an increase in REA interest rates. This may be found on page 118 of the hearings.

I quote:

> Mr. Secretary, I am definitely of the opinion that the sure way to destroy REA is to increase interest rates and to make loans more difficult to secure. REA serves every county in my district. REA, to me, is one of the great achievements of our present-day Government.
>
> Now, Mr. Secretary, I am just wondering if this administration is planning to recommend an increase in the REA interest rate.
>
> Secretary BENSON. Mr. Natcher, I can only say this, that the Department has no plans for increasing or recommending an increase in the interest rates on REA loans.
>
> Mr. NATCHER. At present?
>
> Secretary BENSON. To my knowledge, we have no studies being conducted by the Department with respect to the interest rate or any interest rate increases.
>
> Mr. NATCHER. There are no studies underway at the present time?
>
> Secretary BENSON. Not to my knowledge.
>
> Mr. NATCHER. Mr. Secretary, do you agree with me that the way to destroy REA is to increase the interest rates and to make loans more difficult to secure?
>
> Secretary BENSON. I don't like to even think about destroying REA. I think it is filling a real need, and it is doing a good job, and I think anything that is done ought to be done in the direction of strengthening it rather than weakening it.

Mr. Chairman, the adoption of the amendment offered by the distinguished gentleman from New York would destroy REA. Again I say to you that REA is one of the great achievements of our Government. REA has meant more to our farmers than anything else during the 20th century.

Mr. Chairman, I urge that the amendment be defeated.

Mr. VURSELL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I should like to associate myself with the gentleman from Kentucky [Mr. NATCHER], in his remarks against this amendment. I would like to point out that in the prior year when this matter was proposed, Mr. Benson came before our committee; and long before he came before our committee they made a Department study of this matter and came out strongly against it.

May I point out also that the Director of REA, at that time, Ancher Nelsen, joined with the Secretary of Agriculture in stating, and he stated then and afterwards before our committee, that they had made the study, that this would wreck and destroy REA throughout this country and its service to the country. He pointed out that some $2.5 billion had already been loaned under contracts, and the final study of it showed that if they went through with increasing this interest rate that all of the contracts would be in jeopardy and it would practically destroy REA as it has been operated in this country and as it has been known.

Mr. MUMMA. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Pennsylvania.

Mr. MUMMA. That same condition prevailed last week in connection with the college housing. They were borrowing money at 2⅞ percent. The bill we passed last week raises that to 3.5 percent. They have a lot of these contracts being arranged. I think the Government has set a pattern that should be just as well applied to other things. I am not picking on REA.

Mr. VURSELL. The REA is organized by farmers at the grassroots, who put in millions of dollars worth of their time without any cost. They have managed this great organization so well that there are only 3 or 4 of the small cooperatives that are in jeopardy, and they are being taken care of. There are no losses.

In addition, one of the great contributions that has been made is that there are millions of people working in factories today turning out appliances that would not be used and could not be used if it had not been for the ingenuity of the farmers and because most of them gave their own time to establish the REA that has less loss than probably any business in America. There are many millions of dollars in taxes that come into the Treasury each year that never would come into the Treasury were it not for the success of REA. Billions of dollars are spent each year in buying electric appliances that would not be in use if REA had not been organized and established.

May I say further that the Treasury has had a cushion of some $40 million for the last 2 or 3 years paid ahead by the REA when interest rates were lower than the 2 percent the REA was borrowing at, at that time. It has made a great contribution. There is no question but that the best financial brains in this country say that you cannot increase these rates to 3 or 3.5 percent without practically destroying the financial structure and the financial services of REA in the future.

The question was taken; and on a division (demanded by Mr. BECKER) there were—ayes 26, noes 58.

So the amendment was rejected.

Mr. MARSHALL. Mr. Chairman, I move to strike out the last word, and take this opportunity to note that not one Member on the Democratic side of the aisle stood up in favor of the amendment.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

LOAN AUTHORIZATIONS

For loans (including payments in lieu of taxes and taxes under section 50 of the Bankhead-Jones Farm Tenant Act, as amended, and advances incident to the acquisition and preservation of security of obligations under the foregoing several authorities, except that such advances under title V of the Housing Act of 1949, as amended, shall be made from funds obtained under section 511 of that act, as amended): Title I and section 43 of title IV of the Bankhead-Jones Farm Tenant Act, as amended, $24 million, of which not to exceed $2,500,000 may be distributed to States and Territories without regard to farm population and prevalence of tenancy, in addition to the amount otherwise distributed thereto, for loans in reclamation projects and to entrymen on unpatented public land; title II of the Bankhead-Jones Farm Tenant Act, as amended, $180 million; the act of August 28, 1937, as amended, $5,500,000: *Provided*, That not to exceed the foregoing several amounts shall be borrowed in one account from the Secretary of the Treasury in accordance with the provisions set forth under this head in the Department of Agriculture Appropriation Act, 1952.

Mr. McINTIRE. I move to strike out the last word.

Mr. Chairman, I take this time to ask of the chairman of the subcommittee a question relative to the authorizations of this bill which is at the bottom of page 13 relating to Farmers' Home Administration farm ownership and farm housing loans. I share with a great many Members of the House my interest in the Farmers' Home Administration lending activity for the family-sized farm. It is my understanding, Mr. Chairman, that the reference here is particularly to the farm ownership loans, that is, that the farm housing loans are in the larger figure of $450 million. My question to the gentleman from Mississippi is in relation to the committee bill authorizing $24 million, in view of the budget request for $50 million. It is my understanding, and I would appreciate being corrected if I am not accurate on this, that the first deficiency bill has a request for $26 million. The authorization last year was $24 million which would bring it up to the total of $50 million.

At the present time there is approximately $20 million of loans pending or in process, and if the deficiency item is not granted, then this $20 million would be applied against the $24 million authorized in this bill. Am I correct on that point?

Mr. WHITTEN. That is my understanding, may I say to the gentleman. I am hopeful we will get together on the deficiency so far as that goes. But, the reasoning of our committee is frankly this. While we believe in the Farmers' Home Administration, and we have supported the farm purchase program—under present conditions with the present farm prices and farm problems you are not helping a young man by lending him money to buy a small farm. It is for that reason we felt that it was not a time to increase the amount of money which would enable a young man to go into debt to buy a farm. We felt that when folks with small farms, who are not even in debt for the purchase price of their farms are finding it more and more difficult just to hold on, it was no favor to any veteran or nonveteran to enable him to borrow money and to try to make a living and repay the debt. So, that being the reasoning of the committee, we are glad to leave it up to the House and up to the Congress as to what it wishes to do. But, we felt we were on sound ground in holding this amount down to the present year's level.

Now it was anticipated, and I anticipate now that the deficiency bill will be worked out somewhere along the line. As to that, I cannot guarantee, but we did anticipate it.

Mr. McINTIRE. Am I to interpret from the gentleman's remarks that if the deficiency item is granted and the lending program for fiscal 1957 would be aggregated close to the $50 million, that it is the position of the committee that

there should not be a total of $50 million available for fiscal 1958?

May I also interpret the committee's position that it is the intent by the limitation of money, to mold the lending program, and relying primarily on that and not on the opinion of the advisory committee and the folks in the field as to the individual case, standing on its own feet, and the merits of that loan on an individual farm?

Mr. WHITTEN. I would not differ with the gentleman's description, but I prefer to put it in my own words. We felt it is no favor to a young man to make money available to him to buy a small farm. In fact, it could be a disservice, and it was our opinion that you could not find $24 million worth of small farms on which any farmer could make a living and pay the debt. Therefore, we held it to $24 million because we did not believe they could find that many small farms that would be a sound investment. That is our position.

Mr. McINTIRE. I thank the gentleman.

Mr. Chairman, it has been my privilege to attend many hearings of the full committee of the House Committee of Agriculture and subcommittees of that Committee in many parts of the country, especially in areas producing basic commodities. May I agree with the Chairman of the subcommittee, the gentleman from Mississippi, that farm programs are not working. It is not only more recent programs as the gentleman's reference would imply by use of the term the last 4 years, but programs written into law years before 1952.

It is my understanding the basic premise of a program of high-level supports is that production shall be controlled to make it work. I have listened to farmers under marketing quota pleading for permission to plant more acres because they will not make a living on acreage allowed under the program. The gentleman from Mississippi has stated that farm income is production time price less cost of operation. He is correct in stating this rule and in accepting this rule I believe it indeed a challenge to the soundness of premise that production can be controlled to make a fixed-price program work whether it be in a flexible approach or at higher fixed levels.

May I believe we need expanded programs on marketing and utilization research and the rural development programs. I am not in accord with the impatience which I believe is implied in the committee report.

In closing, may I express my deepest respect of the gentleman from Mississippi and each member of the subcommittee and find myself, as a member of the House Committee on Agriculture, joining with them in a sincere desire to deal constructively with the problem of the American farmer and his rightful place in the American economy.

Mr. Chairman, I withdraw the amendment.

(The pro forma amendment was withdrawn.)

The Clerk read as follows:

SOIL AND WATER CONSERVATION

For necessary expenses to carry out soil and water conservation programs authorized in the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590a–590q), the Watershed Protection and Flood Prevention Act, as amended (16 U. S. C. 1001–1007), the Flood Control Act, as amended and supplemented (33 U. S. C. 701–709), subtitles B and C of the Soil Bank Act (7 U. S. C. 1831–1837 and 1802–1814), the acts of May 10, 1939 (53 Stat. 665, 719), October 14, 1940 (16 U. S. C. 590y–z–10), as amended and supplemented, June 28, 1949 (63 Stat. 277), and September 6, 1950 (7 U. S. C. 1033–1039), $535 million, to remain available until expended: *Provided*, That not to exceed $40 million shall be available for administrative expenses in carrying out sections 7–17 of the Soil Conservation and Domestic Allotment Act and subtitles B and C of the Soil Bank Act of which not less than $30 million may be transferred to the appropriation account "Local administration, section 388, Agricultural Adjustment Act of 1938": *Provided further*, That not to exceed $7,200,000 shall be transferred to and merged with the appropriation "Salaries and expenses, Agricultural Research Service, Research" for soil and water conservation research, of which $1,200,000 shall be available for construction of buildings and for the acquisition of necessary land therefor, and not to exceed $20,000 for alterations of buildings, without regard to limitations prescribed in this act: *Provided further*, That this appropriation shall be available pursuant to title 5, United States Code, section 565a, for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided the cost of constructing any one building shall not exceed $10,000 and the cost of altering any one building during the fiscal year shall not exceed $3,750 or 3 percent of the cost of the building, whichever is greater; not to exceed $150,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); and for the temporary employment of qualified local engineers at per diem rates to perform the technical planning work: *Provided further*, That the unexpended balances of appropriations heretofore made for "Watershed protection", "Flood prevention," and "Water conservation and utilization projects" shall be merged with this appropriation: *Provided further*, That programs included hereunder shall be subject to the following additional provisions.

Mr. ABBITT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to inquire of the committee regarding an item on page 18. For several years we have had some controversy, and I have had a little part in it, regarding the amount any one participant could receive under the agricultural conservation program. It is my understanding that in the past few years we have been gradually bringing down and lowering the amount that one participant could receive. I find on page 18 of the bill, line 17, that—

No participant shall receive more than $2,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community.

In reading the report I see no mention, at least I have found no mention made of any change in that amount. My recollection is that for 1957 there is a lower figure than $2,500, and there is an increase carried in this legislation—my understanding is it is $1,500 for this year.

Mr. WHITTEN. The gentleman is correct. I would be glad to explain the reasoning of the committee, if the gentleman desires.

Mr. ABBITT. I would be pleased to hear the gentleman.

Mr. WHITTEN. The gentleman's expression that the limitation on what can be paid to individual participants is perhaps his interpretation, but my expression would be the other way; that it limits the amount of contribution that the Federal Government will make to any one particular participant, even if it is thought that the small watershed program and the need to do the things that really help these flood prevention problems, that if you have a larger amount available, realizing that under the program the participant has to put up his share of the cost, you will get more resulting benefit in the nature of soil conservation by having it large enough to have a sound project than to keep it low enough for the relatively minor projects.

The gentleman is right. The increase was from $1,500 to $2,500 and that was in recognition of the increased cost of operations—a recognition at least by our committee, the various Members of Congress, and others that many worthwhile projects were not possible because of the limitation in the size of the projects.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. REES of Kansas. At the proper time I expect to offer an amendment striking out $2,500 and inserting $1,500, putting it back to where it is in the current law.

In my opinion $1,500 is sufficiently liberal.

If you want to save a little money without injuring anyone I suggest to the gentleman that here is a chance to do it. A study of the question shows that most of the money goes to those who can well afford to take care of their own conservation program.

Mr. ABBITT. I shall be glad to support the gentleman's amendment.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. SMITH of Virginia. If I understand the situation correctly, the existing law is that each individual shall be limited to $1,500.

Mr. ABBITT. That is right.

Mr. SMITH of Virginia. This bill changes that law and increases it to $2,500.

Mr. ABBITT. That is right.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. WHITTEN. As I understand, the basic law provides no limitation; both the $1,500 and the $2,500 is a limitation where none exists in the basic law.

Mr. SMITH of Virginia. Let me ask the gentleman this: If you had not changed that what would have been the result? Would it have been $1,500?

Mr. WHITTEN. Unless we had rewritten it we had to put the limitation either way, either follow last year's bill, which would have been $1,500, or put in some other figure, because there is no limitation in the basic law.

Mr. SMITH of Virginia. The gentleman's contention is that if there is no limitation in the appropriation bill there would be none at all.

Mr. WHITTEN. That is right.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. TABER. The situation is this: If no limitation is expressed in this bill there will be no limitation. To be effective the limitation has to be written into each annual appropriation.

Mr. ABBITT. As I understand, answering the gentleman from Virginia, that last year the limitation was $1,500 for those who participate under the bill, but the bill as written now raises the limitation from $1,500 to $2,500.

I take this time to call attention to a provision—I have not seen it in written form—but I am sure the gentleman from Kansas [Mr. REES], will offer an amendment setting the limitation this year again at $1,500. I shall support the gentleman's amendment.

By unanimous consent, the pro forma amendments were withdrawn.

The Clerk read as follows:

Agricultural conservation program: This appropriation shall be available for administrative expenses in connection with the formulation and administration of the 1958 program of soil building and soil and water conservation practices under sections 7 to 15, 16 (a), and 17 of the Soil Conservation and Domestic Allotment Act, as amended (amounting to $250,000,000, including administration, and no participant shall receive more than $2,500, except where the participants from 2 or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community); and for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein. Not to exceed 5 percent of all the allocation for the 1958 agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 percent may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions.

Mr. REES of Kansas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REES of Kansas: Page 18, line 17, strike out "$2,500" and insert "$1,500."

Mr. REES of Kansas. Mr. Chairman, there has been considerable discussion on the floor of the House in recent days about saving money, cutting expenditures, but more especially taking care of the little fellow. Here is a place where you can save some expenditures without injury to anyone, but most important is to allocate funds on a more equitable basis.

The question of allocating funds under soil-conservation programs has been with us for a long time. There was a time when there was hardly any limitation at all. It was discovered the thing was so inequitable there was a limitation of $10,000 established. Then later on it was limited to $5,000. It went down to $750. Then it was raised to $1,500. That is the limitation at the present time. All I am doing is following the present law, limiting payments to $1,500, to participants under the act.

This money is intended to assist farmers in soil-conservation programs on their own land. A good share of it goes to people who can well take care of their own soil program, but more important of all is that when allocations are made to the States, the big operator is taken care of, but many times there is little left for the small operator. He is the fellow we want to assist. If the Federal Government is going to pay money to a farmer or a farm operator for conserving his own soil, then we ought to see that the smaller operator, the one who lives on his land and operates it, is given a fair share of these funds. I remind you again, this money is intended to help the farmer take care of his own soil. All we are saying in this amendment is that the individual operator is limited to $1,500 in Government payment.

More of the funds should go to the smaller operator and less to the big plantation owner or the big grain producer.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I would like to point out that there is a formula where these funds are allocated to the States. Whether you take the gentleman's amendment or leave the bill alone, the States would get the same amount of money either way, whether the amount stays as it is here or whether it is as the gentleman would amend it. Now, the people of Kansas can limit it to $150. The higher limitation would let those States with a major problem have a higher leeway to meet their problem. There is no money involved. It is a question of whether the latitude shall be high enough to meet the problems of some States, and whether you take the gentleman's amendment or that in the bill, you do not affect the total amount of money spent at all. The people in Kansas can cut it down to $100 if they wish to.

Mr. REES of Kansas. By the same token you could increase it to $5,000 and the gentleman's argument would apply in this case. All we are saying is that nobody, whether they be in Kansas, Virginia, or Mississippi, or any State, can receive payment from the Government beyond the limit of $1,500. Of course, if a man does not want to earn more than $100, or earn any, that is his privilege. But let us limit it to $1,500 as the present law provides, and you will save some money and certainly make more equitable distribution if you adopt my amendment. If a State does not want to take the money allocated to it, that is its privilege. That can be done under my amendment. If a man cannot protect his own soil by getting $1,500 from the Federal Government to assist him something is wrong.

Mr. WHITTEN. I would repeat that you do not save any money either way. You do not require a State to have a lesser amount.

Mr. REES of Kansas. I am not requiring a State to have a lesser limit, no, but you will save a considerable amount if you will limit the overall payment to one person. That is, if the $250 million is the amount you are allocating on the basis that all farmers will take part in this program.

Mr. WITHROW. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Wisconsin.

Mr. WITHROW. In connection with the wording of this, it is recognized that in all probability even $2,500 would not be enough because it reads as follows: "$2,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community."

There is the impractical thing about this. These farmers are reluctant to get together and to have a project on one of their pieces of property; so the result of it is that in my area where we have draws, we are not getting the projects we should because the individual cannot afford to put the money into the project he should in order to make it practical. If you are going to have real conservation, if you are going to control floods, you have to control them at the source, not wait until they get down to the river.

Mr. REES of Kansas. That is a different situation. The gentleman showed my amendment does not change or alter the situation on which he calls attention. I do not change the formula. My amendment simply limits the payment to $1,500 instead of $2,500. I am trying to assist about 70 percent of the participants who get payments averaging less than $400. The adoption of my amendment is more equitable and will save some money for the taxpayer. It certainly injures no one.

Mr. Chairman, I think it should be definitely understood my amendment relates only to payments made to individual land owners or tenants, or both, for following practices required by the Department of Agriculture, in improving the soil they own or operate. It does not relate to what has been known as a general soil conservation program, that is carried on entirely by the United States Government.

Even under present law, under this program, about 25 percent of those who participate, get approximately 70 percent of the appropriation in this bill. Think what you are doing when you add a thousand dollars to the payment to each of those who now receive the limit of $1,500.

Mr. JOHNSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in opposition to the amendment striking out the figure

$2,500, lowering the present limitation in the bill before us.

I am principally interested in seeing the limitation left as it is in the bill so that more work can be done on gully control structures in States with a topography like we have in western Wisconsin. The present limitation was established at a time when construction costs were considerably less than they are today. People active in this work in Wisconsin tell me that the limitation is blocking gully control work because of increased costs. An incomplete survey in Wisconsin shows that 89 projects for gully control were not started last year because, under the present limitation in the law, the Government could not enter into the construction beyond the $1,500 figure.

Many of the farms and hilly areas of western Wisconsin and other States with similar topography are unable to progress any further with soil conservation work unless the amount allowed for gully-dam construction is increased. The old $1,500 limitation accounts for the fact that many States are not using the total ACP appropriation. Wisconsin returned $1,758,000 in 1955, and the preliminary figure for the year 1956 shows that the State returned $750,000.

In speaking to people engaged in soil conservation work, I was told that for a number of years it has been impossible for the State to proceed with major gully control work because of this provision in the law. They told me that if this exception were not included in the law, they would be able to go into the various watersheds, do part of the gully control work on individual farms and, when the total project came up for planning, the cost-benefit ratio would come out favorably and the project would be eligible for Federal assistance.

I believe every member of this committee is aware that, if this condition is permitted to exist, areas where the gullies have made such headway will be without value for future farming operations and we will have a country similar to China, where soil erosion was permitted to run rampant for centuries. The gullies I refer to in my district have made such headway that, even if the farmers follow the conservation practices set up for them, they are unable to retard these large gullies from making further advances through the valleys without doing special gully control work.

Let me quote from letters I have received from Wisconsin soil-conservation leaders concerning the price limitation. The first statement is from Mr. Henry E. Graff, chairman of the Eau Claire County Board, and Mr. Arthur Donaldson, chairman of the Eau Claire County Agricultural Committee:

> The $1,500 limitation per farm in the AC program has deferred the installation of large control structures. Construction costs have gone up to a point where the $1,500 limitation does not provide for equitable cost sharing on large structures. It is our understanding that sizable unexpended balances from the AC program have been returned. We believe it would be far better to encourage the structure program by raising the present limitation and using at least a portion of the unexpended balance for permanent structures.

I should also like to quote from the letter of a man engaged in soil-conservation work in western Wisconsin:

> You are familiar with the rugged terrain of this area. Many of our farms have large gullies on them. In order to prevent them from spreading, it is necessary to construct earthen and mechanical structures at their heads. This sometimes runs as high as $6,000 for a single gully. The average cost is probably close to $3,000. Most of the farmers in this 6 or 7 county area cannot financially afford to spend this much on these gullies. The agricultural-conservation program of the Agricultural Conservation and Stabilization Service of the Department of Agriculture helps share the cost of these practices. The law states that the Government will pay 75 percent of the cost of these structures. However, another section of the same law states that no farm may earn over $1,500 in any 1 year. In the case of gully control structures costing $3,000, the percentage immediately falls from 75 percent to 50 percent because of the $1,500 limitation. I understand that a change in the law requires an act of Congress. I feel that the $1,500 limitation should be removed in case of structures and the 75-percent limitation alone apply.

The Dunn County Soil Conservation District annual report for 1956 also recommends a change in the law, and I shall quote in part from it:

> We would like to make one recommendation for a change in the above-mentioned ACP program. We have an estimated 150 large gullies in need of gully control structures. Many of these will cost the farmers from $3,500 to $5,500 to install. Under the present ACP program the Government will reimburse the farmer 75 percent of the cost of gully control works. This is fine but Congress has imposed a maximum payment per farm of $1,500. Under this regulation the farmer is not able to recover anywhere near 75 percent of the cost. For the benefit of the gully control program, we would like to see the $1,500 ceiling raised to $3,500 per farm for gully-control work only. Most of our farmers find themselves in a financial stress and are unable to spend necessary money to halt large gullies which are eating into valuable cropland and in some cases building sites. In most cases, these gullies are a threat to neighboring farms as well as public highways.

In reply to an inquiry I made of a county agent in Wisconsin, I received the following statement:

> There is one item on which we might get more done, if the ASC aid was a little more realistic. The present incentive payments on erosion control structures put in by a farmer are 75 percent of the cost, with an upper limit of $1,500. In this area, the average cost of structures has been about $3,000, and a top of around $6,000, which means that the average man only gets about 50 percent of the cost back, and in the larger ones, they would get as little as 75 percent.

This situation is not confined exclusively to my district. I am told the same problems exist in Kentucky, eastern Iowa, parts of Missouri and Nebraska, and perhaps in many other States of which I am not aware. I believe the purpose of the restriction is to prevent a few large farms from receiving large grants under the ACP, and I am in favor of this purpose. However, I would like to see the language changed so that the limitation of $1,500 for individual farmers for doing gully-control work is raised to a figure compatible with current construction costs, or excepted entirely.

Mr. WITHROW. Mr. Chairman, I rise in opposition to the amendment. First of all, I believe that we all recognize the fact that flood control and soil conservation are essential and we want to find practical means to bring about a condition that will permit us to have soil conservation in a practical sort of way. All this provision does is to raise the amount that may be paid to an individual to $2,500. In other words, it fixes a ceiling. The money will then go to the State, in the gentleman's case, the State of Kansas and in my case the State of Wisconsin. They will make the determination as to what the ceiling shall be in the particular State.

The only difference between the law as it is and that proposed by the committee after careful study is that the amount has been raised from $1,500 to $2,500. That is the only difference. There is a proviso whereby two or more farmers may get together and then they may be allotted more money.

Mr. REES of Kansas. That is in the present law.

Mr. WITHROW. That is in the present law. But that has not been workable, particularly in my locality because, as you know, the farmers and the ranchers are reluctant to get together on an agreement. So $1,500 was recognized as being impractical and therefore it was raised to $2,500.

If my recollection serves me correctly, the gentleman from Kansas [Mr. REES] was opposed to $1,500 the last time this matter was before us. We had the same argument at that time in regard to it. Now, if you really want soil conservation, if you really want flood control, you had better approach this at the grassroots. This is the only way you can do it in a practical sort of way. That is all there is to it.

Mr. REES of Kansas. Mr. Chairman, would the gentleman yield?

Mr. WITHROW. I yield to the gentleman.

Mr. REES of Kansas. The gentleman understands that all in the world I am doing in my amendment is leaving the present law as it is.

Mr. WITHROW. The bill raises it $1,000.

Mr. REES of Kansas. My amendment would leave the present law just as it is. The gentleman understands that.

Mr. WITHROW. Yes, $1,500; and we want $2,500 because it has been recognized by the committee that $1,500 is not a practical approach.

Mr. REES of Kansas. I am saying that $1,500 is what the law is now; just leave it alone instead of spending this additional fund the gentleman is talking about. That is about all there is to it. Following the gentleman's argument, we should make it more than $2,500.

Mr. WITHROW. I think it should be $3,500 but I am perfectly willing to settle for $2,500, try that out and see if it is practical. The gentleman does not want to have anything in that provision.

Mr. REES of Kansas. Oh, yes.

Mr. WITHROW. The gentleman was against $1,500 a year ago.

Mr. REES of Kansas. I tried to put it at $1,000.

Mr. WITHROW. You bet you did, and the gentleman would like to have it there now.

Mr. REES of Kansas. Yes, sir.

Mr. WITHROW. The gentleman is like the boy in the Army, they are all out of step but him.

Mr. REES of Kansas. Oh, no; I am for the small-farm operator in submitting this amendment.

Mr. CHRISTOPHER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I oppose the amendment offered by the gentleman from Kansas. I take the floor more specifically to point out the fact that there is no way in the world that a farmer can get a dollar of the agricultural conservation program money as money. I know. I have been in full compliance with every agricultural program since the first corn and hog program, and I have participated in the agricultural conservation program since its very beginning.

If a farmer gets $2,500 of assistance, he is going to have to put up $2,500 of his own money in order to get it and, in addition, he will have to do all the labor that is required. At the present time you cannot get agricultural lime or rock phosphate or mixed commercial fertilizer to go on your soil unless you first have a soil test, and that is usually made by the county agent. You have to meet the requirements. If your limitation is $1,500 you can get $1,500 of aid by putting up $1,500 of your own money in most cases. In some cases you have to put up more than 50–50.

In Missouri on rock phosphate the Government will pay $9.30 and you will pay $11.60 in order to get your rock phosphate. It was $13.60. So I resent the implication laid before this House, if such implication was made, that the ACP hands money to the farmer. It does not. It assists him at 50 cents on the dollar down to about 39 cents on the dollar in buying the material to help conserve the soil. It is a good thing. It is nice that the Government does it. But do not forget that when the Government puts up a dollar the farmer must put up a dollar or more of his own money and do all the work himself. I wanted to correct that impression. That is why I took the floor. If I have any time left I yield it back, and close by saying that I hope the amendment offered by the gentleman from Kansas is defeated.

Mr. MASON. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I do this to use this illustration: I have some property. It is a factory, or any other kind of property that is bringing in an income for me. If I spend $2,500 on that factory building to improve it, then under this philosophy I should get $2,500 from the Federal Government for improving my own factory.

This soil-conservation program was put across when the farmers of this Nation were down at the bottom. It was done to help them improve their own property. Today it seems to me it has long passed its need. We should not aid the farmer to improve his own property any more than we aid the city man to improve his own property.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Chairman, I have the highest regard for my friend from Illinois [Mr. MASON], and I mean that from the bottom of my heart. But I do think I should point out the basis on which the agricultural conservation program was passed and has continued.

Before we had this program the record shows the American farmers wore out 40 percent of our land. They wore out 80 percent of our timber. In recent years it has been my privilege to visit China and other old countries of the world where the people did not see to it that a sufficient share of what was taken from the land was put back into it.

The gentleman is right. This program is a Federal contribution toward getting soil conservation work on land. The Federal Government puts up about half of the money and the farmer puts up half of the money plus his labor. It is predicated on the belief, and I subscribe to that belief, that all of us have an interest in maintaining for ourselves and the future generations the wealth of natural resources that we have inherited. There are many places in this country where the land is washing away. At Memphis, Tenn., on the Mississippi, for instance, there is a layer of topsoil that rolls down that river and on out to sea, each day, some 10 feet wide and some 20 feet deep. That topsoil is washing away from farms where it is not financially feasible for that farmer to do the things to keep that soil there. If you would sit, as I sit, on this committee and listen to the testimony about the thousands of acres of land in our country that have eroded and gone, and the thousands of acres where we do not have any timber, where we have black rot in tobacco, and the thousands of acres that are no longer fit for the production of food and fiber for our people in this country, it makes you realize that in 270 short years we have wasted more fertile soil than any nation in history. Luckily, we have had more to waste. I say to you this is one of the soundest investments in the future. I believe in a balanced budget. I believe we ought to keep the financial structure sound, but I do know that you could burn up every dollar and every bond and your children could come back as long as they have fertile acres, highways, electricity, and the know-how in the factories, and all of the material things.

Now, Mr. Chairman, I would like to address myself to the gentleman's amendment. You know these projects should be big enough to do some good. They should be large enough to stop erosion before the flow starts. This limitation is a limitation on what any one State can do. But any State can put its own limitations far below this ceiling. We have in this bill a certain amount of money and it is divided to the States under a formula. The State will get its money. I say you should permit a State with a particular type of problem to have enough of a ceiling to spend this money wisely. In the final analysis, it is a contribution only to the cost of work to preserve our land.

I live in a county-seat town—not a big one, mind you—and I am not a farmer either. But, I say that the greatest heritage for the future that I can leave to my children will be to leave them rich land. It would be most foolish under present conditions and declining farm prices to hope that the farmer out of his limited income will stop this erosion and protect that land. I say to my good friend, this is different from what happens to a man's factory. Sure, the farmer should take what he does make and look after the land for himself and for us, too, but history teaches us that that is not done. We passed a bill trying to get him to do it. Believe you me, he has to spend this money that he gets from the Government and he has to spend an equal amount of his own money, and he has to do the work. Do not put a ceiling on those who do not need a ceiling. Put it on yourself in the State of Kansas, Mr. REES, and I will put it on in my district, because we do not need this much. But, there are areas in this country where we ought to raise the ceiling so they can meet their problems where it will really be of some benefit.

Mr. MORRIS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there are two counties in Oklahoma that I just happened to think of, the name of one of them is Caddo County, and I remember that because it is in my congressional district. Then, there is one other county. These two counties in the last fifty years have lost more soil by erosion according to the information that has come to me, than all of Ireland has lost during that time. I cannot say for certain that those figures are true, but I believe they are true. I have the greatest respect for the gentleman from Illinois [Mr. MASON] and I have the greatest respect for the gentleman from Kansas [Mr. REES] who offered this amendment. They are both splendid gentlemen and they are both very efficient Members of the House of Representatives. They are men of great sincerity and nobility of purpose. But, I just cannot agree with them on this matter. Let me give you some figures here which I think are rather startling. The gentleman from Illinois used the illustration that it was not right for a farmer to receive $2,500 from the Government to help to protect his soil. I want to say to the gentleman from Illinois that your manufacturer you mention has received far more than $2,500 from this Government and from the taxpaying people of this country. Here are some figures. I am going to try to verify these figures. I think these figures are true. They come from a very reliable source. During the period extending from 1933 to 1955, we, the taxpayers of the United States, have subsidized the manufacturers in this country to the extent of $40.8 billion. We have subsidized shipping and airline interests to the extent of $5 billion. We have subsidized in support prices for farm products, to the extent of $1.2

billion. So actually the farmers have received a subsidy of $1.2 billion; the manufacturers have received a subsidy of $40.8 billion during that same period of time—that is from 1933 to 1955.

I do not complain of that subsidy to the manufacturers, but when you and I buy a suit of clothes we pay approximately twice as much for that suit as we would pay if we did not have the tariff. So the American public has paid billions upon billions of dollars in subsidies to the manufacturing interests of this country. When we ask you to give us a pittance for the protection of the farmers of this country, the newspapers, the radio, and the TV dramatize the little dribble that the farmers get, but say little or nothing about the billions and billions of dollars that the shippers, the airlines, and the manufacturers get. So let us be fair with each other, and help us to carry on this fine soil conservation program.

Mr. ABERNETHY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is never pleasant to find myself at differences with some of my colleagues from the agricultural areas, particularly from my own State. But as one who comes from a farming district, the income of which is largely from small farms, I say to you this amendment ought to be adopted and it ought to be adopted in the interest of small farmers.

Before a ceiling was placed on this particular program, payments to some of the farmers had gotten so high that it created a terrible scandal in this country and under this dome. So, to eliminate that scandal and in order to spread the funds among more farmers, a ceiling was placed on the amount any one farmer could receive. I do not remember what the earlier ceilings were, but I know that for the last year or two we have operated at a ceiling of $1,500.

The money is divided and distributed among the States and from the States to the counties. In the counties the money is distributed by a county committee. I know of counties where the money petered out before it reached many of the small farmers. Some bitter feeling was created because of the method of distribution.

I am not going to say that any of the county committees especially favor some farmers against others. That would not be unpolitic. But I will say that the lower the ceiling the wider the spread and a greater number of people will benefit from the program; and there will be less opportunity for county committees to favor certain farmers should there be an indication to favor such.

Let us say that the amount of this appropriation was only $15,000 and that you had a ceiling of $2,500. That would permit the distribution of the entire $15,000 among six farmers; they would gobble it all up, and if there were ten farmers in the county there would be four who would not get anything. But if you apply a ceiling of $1,500, each of the farmers will come in for a part of the benefits.

This amendment does not cut down the amount of money that is to be authorized; it does not add to the amount; it does not take away from this program a thing in the world. I am just as strong for the program as any member of the House. In fact, it was my bill that this House passed just a few days ago which gave permanent status to the program. It was so given because it has been accepted as one of the finest programs ever designed for American farm and farmers.

I would like to see this amendment adopted because with the lower ceiling we will benefit more people. Remember the total amount of money will remain the same, but with the higher ceiling you will reach fewer people and fewer farmers.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I am happy to yield to my colleague from Texas.

Mr. MAHON. As I understand it from Chairman WHITTEN the States can fix any ceiling the State desires to fix.

Mr. ABERNETHY. Yes, they can.

Mr. MAHON. And while the gentleman's State may desire to fix one ceiling, another State with different problems may desire to fix a different ceiling. So it seems to me the amendment is bad and should not be adopted.

Mr. ABERNETHY. I agree with the gentleman that that is possible, but unless we write a ceiling here, there will be a fight in every State capital as to what the ceiling would be, and the big farmers will get the money.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield.

Mr. MASON. And all the States will be levied upon for this fund in taxes, and then one State will limit it at $100 and another State at $2,500. It is ridiculous.

Mr. ABERNETHY. I would like to say to the gentleman from Illinois that this money will come out of every taxpayer's pocket.

Mr. MASON. But it will not pay back into each farmer's pocket.

Mr. ABERNETHY. That is right, especially under the proposed higher ceiling.

Mr. PILCHER. Mr. Chairman, I rise in support of the amendment.

The CHAIRMAN. The gentleman from Georgia is recognized.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield for a consent request?

Mr. PILCHER. I yield.

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

Mr. GATHINGS. Mr. Chairman, reserving the right to object, does that include the 5 minutes to which the gentleman from Georgia, already recognized, is entitled?

Mr. WHITTEN. It would. I am not trying to foreclose anyone else.

Mr. Chairman, I modify my request and now ask that all debate on this amendment close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The CHAIRMAN. The gentleman from Georgia is recognized for 5 minutes.

Mr. PILCHER. Mr. Chairman, if I did not think this amendment was beneficial to the farmers I certainly would not be in favor of it.

I have farmed all my life, and for several years I was chairman of the ASC committee of my county.

My colleague, the gentleman from Mississippi [Mr. ABERNETHY] has explained the operation of this payment program so clearly I cannot see how anyone could fail to understand it. This money comes from Washington to the States. Each State allots it to the counties.

In my county we have a good many city farmers—and they are my friends. These so-called city farmers who do not make their living on the farm, go in and gobble this money up within 10 or 15 days after the program is out, and two-thirds of the small farmers do not get a dime of it. In all fairness to the little farmers, the amendment should be agreed to. This does not hurt anybody. It does not cut down the money. It will go farther, it will help more little farmers than if the amount were left at $2,500. Personally I would vote to reduce it to $1,000 because it would help more little farmers.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. PILCHER. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I would like to say that the gentleman makes a very plausible argument in support of his position. The gentleman would agree that the State of Georgia can pass whatever limitation it might wish. I do not believe the gentleman would want to put the same limitation on to Western States where the problems are different, such as flash floods like what happened in Texas. I do believe that the gentleman's argument in favor of a limitation in Georgia is good, and Georgia under either amendment could place such a limitation; but I do question whether the gentleman would want to impose a Georgia rule on another State. Our committee had much testimony to indicate that the problems in many areas are much different than they are in Mississippi and Georgia. I ask that in all sincerity because I can appreciate the gentleman's feeling insofar as Georgia and the southeastern region is concerned. But the whole of the country is different.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. PILCHER. I yield to the gentleman from Wisconsin.

Mr. JOHNSON. I would like to explain to the gentleman from Georgia how the program is working on a small farm in Wisconsin. Take a farm that is only worth $6,000. Maybe it has a big gully in it and it would cost $3,000 to fix it. Under the law the Government is supposed to pay 75 percent, which would be about $2,300 and the farmer would have to pay $700. The way it is working out with a limitation of $1,500, the Government could only pay $1,500. What happens? The farmer does not

fix the gully, it gets worse every year. He can perform all the soil conservation practice he wants to but that does not stop the gully from getting worse. If you keep the limitation in the law, you will stop a big part of the soil conservation work as it applies to gullies.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. PILCHER. I yield to the gentleman from Kansas.

Mr. REES of Kansas. The gentleman knows from his own experience, having personally dealt with this problem, and having been a member of a county committee and knows what he is talking about. He will agree with me, that the way this thing is managed, the man who owns the larger tract of land is the one who gets most of the money. Only a small share of it goes to the little fellow who needs the money. Is that not about the way it goes?

Mr. PILCHER. Yes, and the little fellow is not altogether blameless, either. This is not an answer to the farm problem.

Mr. REES of Kansas. I agree with that statement.

Mr. PILCHER. There are a lot of little farmers and businessmen who are not too helpful, either. They will get these little fertilizer payments and some goes to raise a little more cotton or a little more peanuts with the fertilizer money.

Mr. Chairman, I would not do anything which would hurt any farmer. I just know from practical experience this is not going to hurt the farmer that we all want to help or the one we are talking about, the little farmer. I think it will help the little farmer.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. SMITH].

Mr. SMITH of Mississippi. Mr. Chairman, I want to oppose the pending amendment for a number of reasons, but in view of the arguments made by those who have preceded me, may I say that one of the main points that should be made is that the amendment takes further authority away from the States to deal with the problem involved. This amendment is a further proscription upon the States. Basically, if this limitation which we are attempting to raise is not raised, there will be a further decline in the amount of acreage involved that is improved. The idea behind the program is not to give a handout to the farmers. The idea is to get as much acreage treated in such manner as to prevent poor conservation practices, and to conserve soil.

Mr. Chairman, the idea is not to give any handout to any one farmer to increase his income, but to enrich the soil, to bring about practices that will keep this rich soil available not only to the farmer who is farming it today, but to the people who, we hope, will be farming that land in generations to come. It can only be done through practices that are large enough to be undertaken with the type of payment that is proposed.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, I trust that this amendment will not be agreed to. The gentleman from Missouri made a very fine speech awhile ago, and I hope that all of you will agree with him. He stated that the farmer paid one-half or more of the cost of the practices. He also contributes his labor.

Now, what you are doing in this amendment is endangering the tenant and the sharecropper. Do not overlook the fact that those checks are divided between the landowner and his tenant, and the sharecropper. In order for the tenants and sharecroppers to participate in the agricultural-conservation program the landowner must first be given the privilege of coming in. You are going to say, because a farmer saved his money throughout all the years, of such a size as would require tenants or sharecroppers on that farm, he cannot participate in this conservation program, the purpose of which is to assure a fertile and rich soil in the years ahead. You cannot just say that we want to conserve the soil by conserving a very small acreage. If you are going to conserve the soil a large farm and small farm as well as middle sized acreages should be a part of the program. When this program was first inaugurated there was no limit at all. Then it was cut down to $10,000. Then from $10,000 it came down to $5,000, then to $2,500, and now they want to further limit it down to $1,500.

Mr. Chairman, I hope the amendment will be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. MARSHALL].

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that the time allotted to me be yielded to the gentleman from Minnesota.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. MARSHALL. Mr. Chairman, you know sometimes things get just a little bit amusing. Do you realize that this particular proposition of raising the limitation from $1,500 to $2,500 came really from the little farm areas? That is where it came from. Those are the people who proposed to the committee that this limitation was placing a hardship on them.

Now, is it not rather peculiar that we hear so much said that we were hurting the little fellow when we raised this limitation?

I would like to say another thing about this particular feature. Some Members of this body have persisted and believed that agricultural conservation payments are a dole. That is the way they look at it. And, if you think in terms of a dole and you want to limit the amount to $1,500, I cannot argue with you at all one bit on that score. But, I happen to believe differently than that. I believe that the agricultural conservation program is a necessary program and a worthwhile program to conserve the resources of this country and a cooperative effort with the farmers in this country to do just that.

Now, what do you do when you limit it at $1,500? One of the things you do is that you tend to siphon the money into program practices that are of a temporary nature. What do you do when you increase the limit? You put it over into the higher priced permanent practices, such as terraces, putting in dams, and things of that kind. You are putting money into permanent practices, things that are set year after year after year to preserve practical soil conservation in this country.

I am interested in another thing. I am one of those people who believes that it is proper for the farmer to make a contribution to these practices. I think he respects them more when he does. And, when the farmer contributes about two-thirds of the cost of these practices, I think that is fine.

Now, I love my committee members over on the Committee on Agriculture. Some of those members are my best friends and some of the finest men that ever served in this House. But, you do have other programs where you are putting in permanent practices where the Government pays 100 percent of those practices; that is, you do not ask the farmer to contribute anything.

Where do some of those practices go? I have been out and have seen some of those practices, and they are worthwhile practices; I am for them; they are good practices. But they come on some of the larger farms in this country. Mr. Chairman, this amendment ought to be defeated and it ought to be defeated in the name of helping the little fellow to do what needs to be done to conserve the soil of this country.

The CHAIRMAN. The time of the gentleman from Minnesota has expired. All time has expired. The question is on the amendment offered by the gentleman from Kansas [Mr. REES].

The question was taken; and on a division (demanded by Mr. HEISTAND) there were—ayes 56, noes 55.

Mr. WHITTEN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the chairman appointed as tellers Mr. REES of Kansas and Mr. WHITTEN.

The Committee again divided, and the tellers reported that there were—ayes 72, noes 74.

So the amendment was rejected.

Mr. PELLY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PELLY: On page 18, line 16, strike out "$250,000,000" and insert in lieu thereof "$180,000,000"; and on line 21, strike out "fertilizers, lime."

Mr. PELLY. Mr. Chairman, in general debate on this bill, I pointed up the "ridiculous contradiction" of spending $1 billion to cut down cropland to reduce surpluses, yet on the other hand spending millions to expand crop production on the remaining acreage. Since I covered the subject of this amendment yesterday, I will be brief and to the point today.

This amendment would eliminate two items from the so-called conservation program, namely, free lime and fertilizer which have entailed an annual cost of

approximately $70 million. Lime and fertilizer do not represent true conservation like terracing and tree planting or seeding land with a cover crop. Their purpose is to increase production and their being included is the result of high-pressure lobbying to have the Government do what private enterprise should be doing both in the selling and buying.

Officials of the Department of Agriculture advise me that on payments for lime we have been spending about $31.9 million a year and on fertilizer about $37.7 million.

I urge in the interest of reducing the budget and doing away with one element of farming by bureaucracy, in the interest, likewise, of the economy and the consumer-at-large, adoption of my amendment.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I know there are great differences of opinion about many things in this bill. But, I would like to point out the gentleman's amendment does not strike out these practices. The language which the gentleman's amendment would strike out is facilitating language. The right to pay a part of the cost of these particular practices is in the basic law and would continue. This language which the amendment would strike out permits the Department, when it is advantageous to the Government, to pay for these materials and to furnish materials in lieu of furnishing money in an equal amount or in an amount so that it might be acquired elsewhere. It enables this operation to be run more economically with the language than without the language.

Now, I would like to address myself for a moment to this type of practice, which this amendment again does not reach. Witnesses before our committee said—take limestone—if we pay for limestone under the—this is Mr. Koger who heads this program.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. WHITTEN. I yield.

Mr. TABER. The language here is a limitation upon the things that the $250 million can be used to contract for and, therefore, the elimination of the words "fertilizers and lime" would accomplish the cutting out of that in the letting of the contracts with these farmers.

Mr. WHITTEN. I beg to differ with the gentleman. If the gentleman will read the amendment closely, he will see that it strikes out language which will permit the agency to acquire lime and fertilizer. But, the fact that the agency is prohibited from acquiring it would not at all prevent the agency from paying a part of the cost and doing things to the land. So I respectfully submit that the language here is facilitating language and is not as the gentleman from New York interprets it.

Mr. TABER. I beg to differ with the gentleman.

Mr. WHITTEN. The gentleman from New York has differed with me many, many times and we remain very good friends. But, I would point out again that having worked with this program in detail, as I have, in my judgment and based on the whole experience, this merely cuts out facilitating language and would not in the least prohibit the carrying out of these practices. I want to point out again Mr. Benson, through his assistant who heads this program, says that under present conditions these practices, which again this amendment does not reach, is now limited to those places where it helps to put cover on the land. I would remind you that President Eisenhower only a few weeks ago spoke in Texas and pointed out that we have to have a Great Plains program which has been sponsored by this administration. We have appropriated in the last year because of disasters largely brought about by the lack of cover on the land about $70 million for a feed program to help in these disasters which, as I have said, have largely been caused by having no cover on the land. Twenty million dollars has been given out of the Treasury to meet the problems of erosion in these areas. The Great Plains program, sponsored by the administration, is in this budget to the tune of $20 million. Again I am saying that to prohibit the use of these practices, which are limited according to the administration, to help to bring about permanent cover on this land, is to help to solve this problem in which we put $110 million in the last year. That is sound business. Again, even if you do not believe that that is sound business, my experience over the many years that I have had to do with running this committee is that this language is merely facilitating language which would be stricken, and it would leave the Government in a situation where it could not go in and acquire these things where it was economically practicable and where they could save money, but it would require them to do it by giving money to farmers to carry it out. I, therefore, submit under either approach the amendment should be defeated.

Mr. JENSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment is ill-advised. If every Member knew exactly what fertilizer does and the great advantage there is in it for the farmers and for the land, there would be very few votes for this amendment.

Here is the story. The extension service of every State, through the land grant colleges, determines the kind of fertilizer that must be used on different soils. There are many different types of soil. It is necessary for people who are skilled in the art of analyzing soil, in order to determine the change that is likely in that soil, and to understand the necessary kinds of fertilizer which the soil needs. So we have many different kinds of commercial fertilizers. Each kind is suited to make the land more productive, of course.

As the gentleman from Mississippi [Mr. WHITTEN] has just explained, we have a situation where, unless we can have good cover crops we will have terrific erosion of our soil. It is necessary to have plenty of vegetation on hilly land. If we do not have it our rich topsoil will soon rush to the rivers and to the seas. Soil conservation benefits all the people living today and for coming generations.

The Great Plains are greatly in need of these commercial fertilizers in order to make it possible for vegetation to grow in that great arid and semiarid country. Fertilizer is necessary to grow vegetation on those Great Plains that add so much to the filling of silt in the great reservoirs that have cost the people of America billions of dollars.

I would dislike very much to see the farmers of this Nation denied an opportunity to acquire the kind of commercial fertilizer that is necessary to supplement the nutrients that are lacking in the soil.

As I said before, fertilizer is not only used to grow more crops such as corn, wheat, and oats, but much is used on pastureland and on every type of land, in order that we may have proper soil conservation. Certainly the soil-conservation program as directed by the Soil Conservation Service has done wonders for every American in this great country of ours for few dollars, comparatively speaking, compared with other things we spend money for which are not nearly as necessarily useful and as long lasting as is the great soil-conservation program. If this amendment prevails, the soil-conservation program which all of us support will be much less effective. That is a certainty. I am sure the membership can see the folly of such a proposal.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. JENSEN] has expired.

Mr. MARSHALL. Mr. Chairman, I rise in opposition to this amendment and do so because of the importance of this particular amendment and its effect upon this program.

I know it sounds as though it would be a fine thing to do away with fertilizer, to do away with lime. It may be particularly appealing in a time when we have a surplus of agricultural commodities such as we have at the present; but I do want to point out, Mr. Chairman, that there are many many places in these United States where you cannot get a cover crop unless you first put on lime and fertilizer. That is the only way you can establish a grass cover in some of these places where one is needed so very badly. Some of those areas are not far from the Capital City of Washington. When you go out and see some of the beautiful rolling hills in Virginia, you see where cover crops have been used for grass waterways. And the farther west you go, the problem becomes the greater and the grass cover crop more badly needed.

Let me point out to the Members of the House that every one of the practices in the agriculture conservation program is gone over carefully and recommended by the best soil experts in every State in the Union. It is their recommendation that determines what practices shall be used.

Any State can change the program; if it feels it is not necessary to use lime for fertilizer for the establishment of grass cover crops it is possible for them to eliminate that practice, and under the formula established use the fund for other worthwhile practices. College

groups and soil experts have gone over every one of these practices and said that they are the things necessary to conserve the soil resources of this country, to help establish stands of grass and legumes to stop erosion.

Mr. Chairman, in my opinion this amendment would be most disastrous to the agricultural conservation program. It would interfere with conservation programs. In my opinion, in certainly ought to be defeated.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield.

Mr. H. CARL ANDERSEN. The gentleman has made a very clear and worthwhile statement. I want to ask him this question: Is it fair or just to say to one big area of this country, the New England area especially, that the farmers up there are not entitled to share in the benefits of this particular conservation program?

Mr. MARSHALL. This practice, as my good friend and my colleague from Minnesota knows, is a most beneficial practice to the New England area. I am glad he called my attention to that.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Washington.

Mr. HORAN. Whatever our opinions may be on restrictions and allotments they are still in the law and, of course, we need fertilizer and lime to help the farmer make better use of what he has left after the allotments have been made.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. My understanding of the gentleman's presentation is that this fertilizer and lime is to be used in relation to a conservation program rather than for the increasing of crops per acre.

Mr. MARSHALL. I am glad the gentleman brought that out because the regulations governing the agriculture conservation program in my area, and I rather think it is true nationally, that the principal purpose in mind is the establishment of a stand of grass and legumes and is not to be used on depleted crops. I am sure this is true in every State in the United States.

Mr. BASS of Tennessee. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am opposed to the pending amendment. But the primary reason I take this time is for the record to show that in spite of the fact the President went on television and radio last night in an effort to work up some interest in his budget, my office has received no telephone calls or telegrams today asking me to restore the cuts that we have made in his budget so far.

Mr. BROWN of Missouri. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise at this time to make a few observations in reference to this appropriation that we are considering and to register my opposition to the pending amendment. When you think of all the new, improved, highly questionable activities of the Department of Agriculture these days, you wonder why anyone would pick on the old, tried, and true conservation program to make cuts. This program dates back many, many years; and the amount approved by the committee is not $1 more than was appropriated last year. Let us defeat the amendment.

Now while I am on my feet, I want to say that this is one vote I shall cast for an appropriation with a lot of misgivings and very little confidence about what it will accomplish.

This is the largest agricultural appropriation in the history of the United States. The Department of Agriculture has more employees than ever before in history—10,000 more this year than last.

We are about to vote some $3 billion theoretically to help American farmers. But when this appropriation is passed, I hope no one will feel that Congress has done a good job, or that we have discharged our obligation to the Nation's farm problem.

Did you ever stop to figure out how many farmers in your State will participate in the programs financed by this appropriation? Missouri has more than 200,000 farmers, I am sure; and I know that Missouri's gross farm income is in excess of $1 billion a year—the only billion-dollar industry we have. Only 2,000 farmers will receive a check from the conservation reserve division of the soil bank this year.

The total amount of all the checks will be three-tenths of 1 percent of Missouri's total gross farm income.

There will be another few thousand checks issued for the acreage reserve portion of the soil bank and another 1 or 2 percent of the farm people of Missouri will get checks that will total less than 2 percent of the total farm income of Missouri. Only a few farmers have good enough bottom land or good enough land of any kind to grow the so-called basic crops that seem to be the foundation of all our agricultural program—cotton, peanuts, tobacco, wheat, corn and rice—and not all the crop farmers sign up for commodity credit support loans. So there will be some few thousand more checks issued to those people who sign up for basic crop-support CCC loans—but the total money involved is less than 6 percent of Missouri's farm income.

Total them all up, soil-bank payments, crop-support checks, conservation payments—all Government checks for all purposes in the State of Missouri will be less than 10 percent of Missouri's total gross farm income. Yet in the State of Mississippi—and I do not single that State out for any particular reason, it is true of many basic crop States—Mississippi has a total gross farm income of only $500 million; and each year, 30 percent of Mississippi's total farm income will come from Government checks—direct payments or support loans.

I point this out because this thing called a farm program, is not really a farm program at all. It is a basic crop program. Last year, in 1956, a great segment of our American farm population—the poultry raisers—had the worst depression year since the thirties. But there is not anything in this bill or anything that the Government is doing to help correct the poultry depression. It is often said that poultrymen do not want Government help. They would rather shoulder it themselves. But you come down and talk to my people who are growing poultry and ask them how it feels to shoulder a depression yourself when the Government is helping other people shoulder their depression. Ask my livestock growers in south Missouri who will contribute so much to our total gross farm income how it feels to shoulder their depression, their low farm prices, when other people are receiving direct Government checks to support theirs. All I am saying is brought out clearly by the committee in its report, and I am directing the attention of this committee to it at this time because it is later than we think and we have only a few more weeks or a couple of months or so before this session adjourns.

This committee says:

> It is the opinion of the majority of the members of this committee that an entirely new legislative approach must be developed if the present conditions are to be corrected. This is essential if the farmer is to share in the general prosperity of the rest of the country.

Can we not bear that in mind and can we not call on our great Committee on Agriculture to come forth with some new ideas that will get away from basic crops, acreage allotments, and this monstrous paying of people for growing nothing in an attempt to reduce production. Wherever it is we think we are going, I fear we will never get there this way. Let us get back to fundamentals and meet face to face this problem of the total American agricultural picture with a new program that recognizes the need for new markets, new foreign marketing and development of new methods of disposing of food and fiber, so farmers can farm again.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. PELLY].

The amendment was rejected.

The Clerk read as follows:

ACREAGE RESERVE, SOIL BANK

For necessary expenses to carry out an acreage reserve program in accordance with the provisions of subtitles A and C of the Soil Bank Act (7 U. S. C. 1821–1824 and 1802–1814), $600,000,000: *Provided*, That no part of this appropriation shall be used to formulate and administer an acreage reserve program which would result in total compensation being paid to producers in excess of $500,000,000 with respect to the 1958 crops.

Mr. HARRISON of Virginia. I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. HARRISON of Virginia: On page 21, strike out all following the word "program" in line 2 and strike out all of line 3.

Mr. HARRISON of Virginia. Mr. Chairman, inasmuch as my good friend from Illinois announced that no speech will last more than 5 minutes, I ask that I be permitted to develop my thoughts on this amendment and, if I have time, I will yield for questions.

Mr. Chairman, this amendment will make this part of the bill read as follows, beginning on the last line on page 20:

Provided, That no part of this appropriation shall be used to formulate and administer an acreage-reserve program with respect to the 1958 crops.

Now, this does not spell, and is not intended to spell, the sudden death of the soil-bank acreage reserve. It does not affect any contract that has been made up to this time. The purpose of this amendment is to put the acreage-reserve program on the shelf and give the Committee on Agriculture and Congress opportunity to examine the matter, and to determine whether or not it should be continued after this crop year. I call your attention to the fact that if the Committee on Agriculture proceeds to make such a study and determines that the soil bank should continue another year, a deficiency bill could supply the necessary money and it could go right ahead. If, on the other hand, they proceed to make a study and determine that it should stop, if this $500 million remains in the bill, it could not be stopped until the 1959 crops.

The soil-bank acreage reserve has been under heavy indictment. First, it is indicted, in effect, by the Secretary of Agriculture, who, in a letter to Senator ELLENDER last week, stated that the entire farm program must be reconsidered. Now, every objection that the Secretary makes in his letter to Senator ELLENDER to the rigid price-support payments would apply with equal, if not greater, force to the payments under the acreage-reserve program. His objection to limitations by acres which apply to the price support on the basic commodities also applies to this.

The acreage reserve of the soil bank is under heavy indictment from the committee which has presented this bill. It has made a very thorough, complete report in which it criticizes the administration of this program and its effect in devastating language.

The Secretary of Agriculture has pointed out that production limitations based on acres do not result in lower production of crops. Let us remember that the only excuse for the acreage reserve of the soil bank was to reduce production, and it is a system of production control based on limiting acres planted to a crop—a system which even the Secretary of Agriculture admits will not work. Then, the committee substantiated this failure by its own investigations and reported that the adoption of this program had not reduced surpluses in the crops affected. Whether it has or not, Mr. Chairman, I would like to point out these facts. The entire price-support program on the basic crops is for the benefit of 23 percent of the cash income of the American farmers. The other 77 percent, some of whom I have the honor to represent here, and who are also to be found in other coastal States, the Middle Atlantic States, the New England States, and in many other States, never have shared in these expensive programs. Now, this program comes along and although they do not share in it, and although it does not reduce surpluses, it transfers the surpluses from the basic crops into the other crops which these 77 percent of the farmers produce, creating new difficulties and injustices.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. HARRISON of Virginia. I yield to the gentleman.

Mr. ALBERT. Does not the gentleman think that this is a matter for the legislative committee?

Mr. HARRISON of Virginia. The object of this amendment is to give the legislative committee an opportunity to consider it. What good would it do for the legislative committee to consider the program if the $500 million already has been made available for 1958? If the legislative committee says that this program is a national scandal, which I claim it is, then they can stop it, if this money has not been voted in advance. But if we leave this money in, and the legislative committe says that it should be stopped, it would be too late to do it, because the allocations for 1958 would have been made and the program could not be stopped until 1959.

The administration of this program is accompanied by enormous injustices. Mr. Chairman, I call your attention to insertions I have placed in the record on the distribution of this fund among the various States. In the State of Kansas, for example, total soil-bank allotments this year, when related to the total number of farms in the State, figure out to $736.47 per farm. But in the State of New Hampshire, they figure to only $1.37 a farm. In my State it is only $24.96 per farm; why they took the 4 cents off from an even $25 I do not know, unless it was to take care of the 4-cent postage stamp that they hope to have.

Mr. Chairman, I urge the adoption of this amendment.

Mr. COOLEY. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am constrained to support this amendment for the very good reasons that have been assigned by the author of the amendment. For the benefit of the Members of the House I should like to say that Secretary Benson is scheduled to appear before our committee tomorrow morning at 10 o'clock. We were prompted to invite him to appear before the committee by the letter which he had written to Senator ELLENDER last week, which was referred to by the gentleman from Virginia [Mr. HARRISON] a moment ago.

In that letter, Secretary Benson indicates that we need a new legislative approach to the farm program. This committee has agreed with Secretary Benson in that regard.

I feel that this amendment is somewhat in the nature of a temporary injunction against the use of this $500 million until Congress decides clearly whether we should continue this acreage reserve program. We have had evidence of many abuses of the program. It has not only resulted in plowing under farmers, but farm communities and the people of those communities. We had evidence to the effect that it is a very wasteful program, that it actually costs more than twice as much to put a bale of cotton into the soil bank than it does to put it into the foreign markets on a subsidized program. I do not see that any harm could come by granting this temporary injunction on the use of this $500 million until the legislative committee can work its will on legislation which might be proposed by the Secretary of Agriculture tomorrow morning. As the gentleman from Virginia [Mr. HARRISON] has said, unless we do hold up this money it will no doubt be obligated before we can work our will upon new legislation.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman.

Mr. GARY. Does not the gentleman think that where the Congress has authorized a program—and that is all the general legislation is—and abuses have developed, that it is the duty of the Congress to stop those abuses just as soon as we possibly can?

Mr. COOLEY. I agree with my friend, and I think that the Appropriations Committee has by this report indicated that it, too, believes that we should put the brakes on this money until we can determine just what the policy of our Government is going to be in 1958.

Five hundred million dollars is a lot of money. I, for one, am anxious to economize if, indeed, we can actually economize by eliminating the expenditure of this stupendous sum of money in the good year 1958. I am frank to say that we are waiting and hoping and praying that the Secretary of Agriculture will come up with something concrete and something constructive. He has seen fit to criticize and to vilify these programs throughout the length and the breadth of the country. All of us are aware of the fact that agriculture is now in a desperate predicament. Think of the money that has been spent and will be spent, and our situation seems to be growing progressively worse.

The Secretary says that surpluses are disappearing and markets are returning, but the facts and figures of his Department belie that statement. The fact is, as he sells 3 bales of cotton he buys 2 bales to take their place. Our investment in inventories has gone up. He took over inventories valued at a little more than $2.5 billion, and even now, after all of these gigantic losses, we have more than $8 billion invested in inventory. He took over slightly more than 1 million bales of cotton and now he has approximately 10 million bales of cotton staring him in the face.

We have no panacea. We have offered two-price systems, we have offered compensatory payment programs, equalization fees, and all of the different things, but the Secretary of Agriculture has turned thumbs down on everything that any member of our committee has proposed. The situation is growing worse. I hope the Members of the House will vote for the amendment offered by the gentleman from Virginia [Mr. HARRISON], which, I say, is nothing but a temporary injunction until the committee can meet tomorrow and hear what the Secretary of Agriculture has to offer.

Mr. HARVEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in this instance I am certainly constrained to object to the amendment and to say that I believe it would not be in the best interest of agriculture, even in areas that think they are not getting much out of it.

Let me say first of all that the criticisms that have been leveled against the program are hardly valid, for it was inaugurated just late last year. Many of the complaints with respect to starting it in 1956 were voiced by the Secretary himself as being inherent in a program he would be compelled to administer with so little preparation. We are really in just the first year of the program. We have no way yet of knowing how it is going to work.

I am reminded particularly of a statement made by my colleague from Illinois [Mr. SIMPSON] in the committee that to him one of the most unfortunate aspects of our efforts to help agriculture is that we have not stuck to any one program long enough in a period when we had a peacetime economy to know whether or not it would work.

I hope and pray that you will not literally use the meat ax on this program, because it came out in a bipartisan fashion with the blessing of both sides of the aisle and on the basis that it was the best we could come up with to meet this very critical situation.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield to the gentleman from Indiana.

Mr. HALLECK. The gentleman from North Carolina apparently does not like this program. I have sometimes wondered just for sure what he himself does want in the way of a program. He referred to this action as a temporary injunction. It would seem to me that if you strike out all this money that is not a temporary injunction. That is a death blow to the program. Why should we march down the hill so rapidly before we march up the hill before we have a chance to see what it can do?

Mr. HARVEY. I agree with my colleague and there is one point the gentleman from Virginia made that I should like to address myself to specifically, because it is important.

The Secretary himself said, and I want to be perfectly fair and clear on this, that the basic program accounted for only 23 percent of the gross farm income. Technically speaking that is correct, but here is the gimmick to that. Our program for sustaining grain prices has been the foundation that has sustained livestock prices, and livestock accounts for 60 percent of the total farm income. When you add that 60 percent to the 23 percent, you come up with 83 percent which is an entirely different figure.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. COOLEY. I would just like to say to my friend, the gentleman from Indiana, that I refer to this as a temporary restraining order because if the Secretary tomorrow morning says he wants to continue the acreage reserve program, and if the committee and the House approve, it would be very easy to bring this provision in, in a supplemental appropriation bill. But, if we do not tie the money down now, it will certainly be obligated in the next few weeks.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. HALLECK. If that is the reasoning of the gentleman, it is one of the weirdest things I have ever heard proposed around here. Here is this appropriation bill brought in to provide money for this program——

Mr. COOLEY. For next year.

Mr. HALLECK. Then it would seem to me better to go ahead with the bill and provide the money. Then, if the program is abandoned, they would not spend the money.

Mr. COOLEY. That is all right except for the fact that it would be obligated on contracts with farmers and we would have to keep faith with the program and go on with it whether we wanted to or not.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. BELCHER. What would be signed up within the next few weeks? All the corn contracts have been signed. There are no wheat or cotton contracts that would be signed up within the next few weeks.

Mr. COOLEY. That would be for the wheat coming out for next year.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. WHITTEN. I would like to point out that I am speaking for the committee's position. We personally felt we should handle it as we did, but I would like to point out to the gentleman from Indiana, in view of his comments and questions that involved in this bill are two things, the money to pay for this year's contract, which is not touched by this amendment, and an announcement of the program for 1958. The amendment merely limits or restricts the entering into any contracts for next year. But, the money will continue in the bill to pay for this year's contracts. I thought that ought to be made clear.

Mr. HARVEY. I thank the gentleman.

Mr. Chairman, I would like to say, in conclusion, that we embarked upon this program in good faith. Both parties believed in it. I think we ought to have at least the good faith to continue until the program itself has had a chance to prove itself. Certainly, we will not be doing that by this kind of action. To me this drastic action would be detrimental and destructive to the entire well-being of agriculture.

Mr. H. CARL ANDERSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think here is a place where we need to use a little moderation. I say that in all sincerity. I, too, as members of the full Committee on Appropriations well know, have been critical of some of the actions in regard to the acreage reserve. I, too, am of the opinion that unless we can correct the deficiencies in these operations, and unless we can prevent the acreage-reserve program from being used as a crop-insurance measure or as a drought-relief measure, I then would be personally obliged to recommend to my subcommittee that we abolish this particular section of the soil bank. But let us not do anything foolhardy here today. We on the subcommittee, under the leadership of the gentleman from Mississippi [Mr. WHITTEN] have brought out through our investigation that certain deficiencies do exist. What are we doing? We are saying to the Department, because of those deficiencies and defects, we are holding down the size of this particular program for the crop year 1958 from the $750 million program, which the gentleman from North Carolina [Mr. COOLEY] and his committee approved last year down to $500 million. That is a one-third reduction for the express purpose of tightening up the administration of the program, but we still want to see that $500 million made available to farmers if they want it. This is a voluntary program and not forced on anyone.

In other words, our subcommittee is putting on the brakes, and we certainly do not intend to come in here and kill it today, as the gentleman from North Carolina [Mr. COOLEY] and others would like you to do, before this particular section of the program has even had a full year's operation. Let us not be foolhardy. Let us use moderation. Moderation is exactly what we on this subcommittee have proposed. That is, we are reducing the program next year from $750 million down to $500 million. I will give you my word—and I am sure the balance of my subcommittee will agree—that unless we can get these few little items of discord corrected that we are going to be very, very hard upon the acreage reserve portion of the soil bank. I am speaking as one of the two original authors of this entire program in this House—Mr. MARSHALL and myself. I want to reiterate that Mr. MARSHALL and I agree that the other section, the soil-conservation section, is the real soil bank. That was what we had in mind when we first proposed a soil-bank program. But, in regard to the acreage reserve, do not depress the price of wheat in Chicago and other markets by 10 cents or more by taking unconscionable action here. Remember that this acreage reserve, in spite of what has been said against it, has already been responsible for knocking down the production of wheat and corn in the great Midwest. In that way it has been saving the taxpayers hundreds of millions of dollars in storage charges and in price-support charges that they otherwise have to meet. No. Let us be moderate. Let us not listen in this case to the gentleman from North Carolina [Mr. COOLEY], much as I respect him, but let us go ahead with this program and try it for at least 1 full year, and then next year let us take stock. But this argument that unless we do it now we never can do it is fallacious. After all, we on this Subcommittee on Appropriations will see that no funds are available in a hurry if we find that these abuses, which are not as heavy as some might indicate, are corrected. I

will guarantee to you that our subcommittee will get tough.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield back the remainder of my time.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to call attention to the fact that about a year ago I stood at this same spot and pointed out that while this soil bank could, and I hoped, would be a measure of assistance to individual farmers in certain cases, that it was certain in the long run to reduce community income and to reduce national income from agriculture by approximately 50 percent to the extent that it was effective. I think that all who have observed the operation of the program will now agree that that is certainly true; that the whole community suffers when we place a large portion of our productive land in acreage reserve.

Last week the Secretary of Agriculture, who originally suggested the soil bank, sent a letter to the chairman of a committee in another body, and made it public, in which he said that the soil bank had failed. I do not know just how far we have to go when our own experience proves that the program is having a disastrous effect on many of our communities; when our Secretary of Agriculture publicly and officially states that the program is a failure, and when no friend of the program even contends that this acreage reserve is working. I do not know why we should require it to continue for years past the time that outstanding contracts expire. If the program proves itself good in 1957 there will still be opportunity to provide funds for 1958. This amendment simply places the burden on the program to prove its value. The proponents of the existing arrangement have repeatedly insisted that we should give the program a full year's trial before we judge it. As I see it if we are to keep ourselves free to actually be guided by the experience of a full year's history we must surely avoid any commitments for 1958. That is exactly what this amendment does.

The amendment is carefully drawn so as not to deprive anyone of any contractual rights he now possesses. But by the same token it says that we in agriculture are as interested as other Members of this House in saving the solvency of America. We have half a billion dollars at stake in this amendment—half a billion dollars.

The President of the United States said last night you could not cut his budget. I am telling you where you can cut his budget and I am not asking you to cut it out of somebody else's pocket; I am telling you where you can cut this budget and take it out of the agriculture bill in which I am deeply interested. I am not telling you to cut the other man's budget; I am telling you where you can cut the budget for the Department of Agriculture, I am telling you how you can save half a billion dollars. I do not want to be unfair to anybody but I want to see just how interested you are in a real budget cut. Now if you are serious about this savings proposition here we have the real hard test.

Do you want to save your budget or do you want to save your Secretary of Agriculture? It is just that simple. It is just a question: Are you really sincerely interested in cutting this budget?

The farmers of America are not here asking you to spend this half billion dollars; they are here asking you to balance this budget; they are here saying they are willing to make their contribution to it.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to my chairman.

Mr. COOLEY. I would just like to say again for the benefit of the House that tomorrow morning we will have the Secretary of Agriculture before our committee for the first time in weeks and months. Then we will find out whether he wants this program continued. He himself has denounced it. Not only that but the committee says the advisability of continuing this program is doubtful. Why should we appropriate the $500 million if the committee is in doubt about it, the Secretary is in doubt about it, and we are all in doubt about it?

Mr. POAGE. There is so much difference of opinion on this acreage reserve program that unless we act now we may very well find ourselves in the position where we have made commitments. To change them we would have to break promises. That is not the way to do business. Before we make promises let us be sure that we want to follow the program.

If you mean to save money, if you are serious about saving money, do not commit us to the point where we have to break promises in order to save it. This is one of the few opportunities you have had to make a saving without breaking some promises that have already been made. I plead with the House, if you are serious about economy, if you want to save half a billion dollars, let us vote for this amendment. If we are to have economy we must cut some items. Somebody profits by every one of these items, but surely there is less prospective loss to farmers in this cut than in any comparable cut that anyone has suggested. Let us keep our sound farm program. Let us appropriate enough to pay for them. Let us make the cuts on the doubtful items. Surely this is doubtful to say the least.

Mr. RAINS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. RAINS. Mr. Chairman, I take this time to point out the importance to American agriculture of the agricultural county agents and the home demonstration agents, and the inadequacy of their present salaries.

Along with several outstanding county agents from my State of Alabama, I appeared before the Subcommittee on Agriculture Appropriations, chairmaned by the distinguished gentleman from Mississippi [Mr. WHITTEN] in an effort to spotlight the great inequities which exist in nearly every State in the Union, with reference to salaries for agriculture county agents, and home demonstration agents.

I am pleased to note that the committee report recognizes the inadequacy of salaries for these dedicated servants of the people, and pays tribute to them in the following language:

> It should be pointed out that county and home demonstration agents are and should be the backbone of the whole agricultural system.

In the record of the hearings before the Agriculture Appropriations Committee, the gentleman from Mississippi, Chairman WHITTEN, the gentleman from Kentucky [Mr. NATCHER], the gentleman from Minnesota [Mr. H. CARL ANDERSEN], and the gentleman from Minnesota [Mr. MARSHALL] made it clear that they feel something should be done to adjust the salaries of county agents upward to a reasonable level and on at least a parity with other agricultural workers. I want to commend each of my colleagues on the Subcommittee for Appropriations for Agriculture, for the manifest interest they have shown in this problem, and to express the hope that something will be done before the final passage of the agricultural appropriations bill to alleviate the situation in which we find our county agents.

It is interesting but sad to note that county agents' salaries, extremely low in some States, now average $6,115 annually. The average for ASC office managers is $7,000. This disparity between agricultural workers should not be allowed to continue. I certainly am not advocating that the salaries of ASC office managers be reduced, but I am insisting that we should raise the salaries of our county agents, the accepted deans of agriculture, in our counties. It is clear to all of us that no organization can be stronger than its personnel. It is a well known fact that county agents are leaving the Extension Service in large numbers, and new recruitments, because of extremely low salaries are not available. It is an alarming fact to note that enrollment in many outstanding agricultural colleges by high-school students to pursue courses in agriculture to train for county agents' careers is off 50 percent to what it was 10 years ago. Director G. C. Gipson, of the Texas Extension Service, has stated that enrollment of college students to pursue courses in agriculture, throughout the Nation was off 36 percent.

Naturally, high-school students are not going to enroll in a course whose pay scale is so notoriously low, as is the county agents and home demonstration agents. It seems a little strange to me, since a considerable portion of the salaries of county agents is paid by the Federal Government, that the Committee on Appropriations for Agriculture finds it beyond the power of the Appropriations Committee to correct this salary deficiency. I understand, of course, that contributions to county agents' salaries are made by the States and by the counties, but I feel there should be some way whereby adequate Federal funds could be earmarked for matching basis by the

State and county, to bring these salaries up to levels comparable with other agricultural employees. In my own State of Alabama, I am convinced beyond peradventure of a doubt, that the extension director, the Honorable P. O. Davis, one of Alabama's most distinguished public servants in the field of agriculture, one who has the welfare of county agents and home demonstration agents at heart, would, without hesitancy, if the funds were available and he had the authority, make the adjustments in these salaries which should be made.

I think that we here in the Congress should do something specific about this matter. Also, I think it is high time that those in charge of the Extension Service at the top level, in the Department of Agriculture, and the Secretary himself, should realize the plight of these faithful men and women in the county agents and home demonstration offices, and do something about it.

Mr. ARENDS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, my good friend the gentleman from North Carolina [Mr. COOLEY] and my good friend from Texas may recall that when we recently had the corn legislation before us I stated that they confused me. They are confusing me again.

My good friend the gentleman from Texas [Mr. POAGE] says that here is an opportunity to save half a billion dollars, but when the emergency corn bill was under consideration in March he offered an amendment that would increase the cost $750 million to $1 billion.

The gentleman must be more stable than that. You cannot stand here today and attempt to cut $500 million out of one bill and then advocate another amendment for the same objective that would add $750 million to the cost of the same legislation. It does not add up.

The gentleman spoke of the Secretary of Agriculture and his appearance before this committee on tomorrow. What will be the practical result? This bill will be passed here today and be over to the Senate by the time Secretary Benson can come before the committee and the committee then learn what his views on this matter are. Read the RECORD of yesterday and you will find a letter from the Secretary in which he expressed himself. That letter is part of the RECORD and was read into the RECORD by the gentleman from Colorado [Mr. HILL]. The letter was addressed to the gentleman from Mississippi [Mr. WHITTEN], chairman of the subcommittee. In the letter he said this, and so this gives you the information you want:

> The Department cannot agree with this position. The soil-bank program has received bipartisan support from all those who recognize that no program or group of programs can work effectively with tremendously burdensome surpluses bearing down on the entire price structure. It will be effective in reducing acreage and production of the designated basic crops in 1957, below what production would be in the absence of the program.

Here is the sentence that is important, and this is the Secretary speaking in his letter to the chairman of the Subcommittee on Agriculture, the gentleman from Mississippi [Mr. WHITTEN]:

> The law makes a soil-bank commitment to farmers through 1959. This commitment should be carried out.

In other words, the gentleman from North Carolina does not have to wait until tomorrow to find out what the Secretary says. But the Secretary set forth in his letter that he wanted this program and that is what this House ought to do. Accordingly I am giving you this information in order that you may reverse your position and not support the pending amendment.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Ohio.

Mr. VORYS. Everyone has been talking about what the Secretary said somewhere to somebody. As one who is not an expert on farm matters, I am interested in the letter the gentleman from Illinois has been reading, because it contains what the Secretary wrote to the House yesterday, giving his views. I want to quote another part of that letter:

> The House committee report says that they "have serious doubts that the program will reach its basic objective of reducing production—and would question it further if it did."

Then the Secretary says, and this is something I can understand:

> This sounds like the committee is condemning it because they think it didn't work, but if it is successful, they will condemn it anyway.

If that is the sort of view the committee takes on it, I am willing to go along with something that a city man can understand about this program.

Here is what the Secretary says in his letter:

> No program or group of programs can work effectively with tremendously burdensome surpluses bearing down on the entire price structure. It will be effective in reducing acreage and production of the designated basic crops in 1957, below what production would be in the absence of the program.

He also says that the present law makes the soil-bank commitment until 1959. That is something I can understand. I am not confused about that.

Mr. ARENDS. So we must go ahead with the contracts that we have entered into with our farmer friends on the basis of the practices now followed for 1957. Do not be misled by the idea that we should withdraw because of the money. After all, as I said a moment ago, this quick shifting position is not going to get us anywhere. We cannot save money today and put some back tomorrow, add to it. This clarifies the situation very much. So let us pass the bill now as it is written.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from North Carolina.

Mr. COOLEY. I want to say that the chairman of the committee made it perfectly clear that this amendment does not in any way affect the 1957 program. It affects the 1958 program. The gentleman talks about the success of it. Please tell the committee with the expenditure of $179 million last year in the corn-producing area how much reduction we had in the overall production of corn?

Mr. ARENDS. The whole problem of agriculture and the matter of reduction depend a lot on what the Good Lord does. In the State of Illinois he smiled on us last year and we had the greatest corn production that we have had for years. For that, we are thankful. However, the big reason the reduction in acreage was not as large as might have been expected, was the fault of the Congress in not making the program effective at an earlier date. The program for the crop year 1956 was not given a fair chance to really work. The emergency-corn legislation if passed in March of this year would have permitted hundreds of thousands of acres of corn to go into the program for the crop year 1957.

Mr. COOLEY. The Secretary said he got more cooperation than he anticipated.

Mr. ARENDS. The gentleman is not telling us where these acres are. I know where they are. They are not in our part of the country where we grow the greatest amount of corn. They are in other parts of the country where there are less productive acres.

Mr. BELCHER. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, it has been my policy since I have been a Member of the House of Representatives to never engage in partisan politics on the floor. I think my record is clear in that respect.

Now in this particular instance may I say that every year the Committee on Agriculture, until this year, has been a nonpartisan group. But this year we have divided right down the middle. I do not know who has been responsible for that, but I have told my own committee members many times that when we start washing our dirty linen on the floor instead of in committee, we are going to run into trouble.

Now, my good chairman of the committee says that in just a day or two we will hear the Secretary of Agriculture. Well, we have had ever since January to hear the Secretary of Agriculture. If you thought the soil bank was not a success, why has not a bill been introduced to kill the soil bank and not come in in the last 15 minutes and kill the appropriation for it?

There has been talk of confusion. We are saying to the farmers that we have a soil-bank program. Today we are saying to the farmers we have no money. Now, take the people out in the field. What are they going to tell the farmers day after tomorrow? Are we going to have a program or are we not going to have a program? We do not know until the gentleman from North Carolina [Mr. COOLEY] questions the Secretary of Agriculture and determines whether the soil bank is a good proposition.

Mr. HARRISON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. I yield to the gentleman from Virginia.

Mr. HARRISON of Virginia. I have introduced a bill to do away with it, and I have asked them to give me time to consider the bill before they make allocations for the 1958 crops.

Mr. BELCHER. There will be no allocation made under this until the Committee on Agriculture can thoroughly go into the entire soil-bank program and kill the entire thing before $1 of this will be committed.

Mr. HARRISON of Virginia. How can you say that when the bill carries appropriations for the 1958 crops of $500 million?

Mr. BELCHER. Some of you have said you have been confused at the attitude and statement of the gentleman from Texas. I have not been confused. He told me very frankly in our committee that if any bill came to the floor that did not include feed grains or do something for the people of his district, he would be against it. Apparently this does not include feed grains and it is not going to give any money to the people in his district. Frankly, I am not confused with his attitude and I am not confused with the attitude of the chairman of the committee, but I think it is a very poor policy, and I am saying this to other members of our committee. I have said this many times. It is a poor policy to get up here and use this method of trying to kill this program. Let us go back to our committee. Let us consider the soil bank thoroughly and completely. I am not defending or condemning the soil bank. I am one Member of this House who did not rush in and try to claim credit for it, but I do not know of anybody else connected with the Committee on Agriculture that did not. I was for the two-price system for wheat. That was my part of the bill. But you all rushed in and claimed credit, and now you are all rushing in and saying that it is the worst program that was ever brought here. If it is, kill it.

Mr. ABERNETHY. I did not claim any credit for it.

Mr. BELCHER. I do not recall that the gentleman said anything against it, but so far as that is concerned, if you say you did not claim any credit for it, that is all right. I know you are not claiming credit for it now.

Mr. ABERNETHY. That is right.

Mr. BELCHER. What you did in the past, I do not know.

Mr. ABERNETHY. Certainly not now, with the experience we have had.

Mr. BELCHER. I want to give my chairman this little bit of advice, because I so seldom get to say anything before the commitee that I have to take the floor of the House to get to say anything. By the time you get down by the second member of the majority side of our committee, the rest of us are as silent as a thief in the night.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. I will yield.

Mr. COOLEY. I want to make it perfectly clear I am not trying to kill the soil conservation reserve program. What I said to begin with, I want to go into it with an open mind, but I do not want to go into it with $500 million already obligated. I want to hear the Secretary thoroughly and fully, and I am not saying now that I am not opposed to its continuation.

Mr. BELCHER. Let me ask the gentleman one question. How long has it been since he knew there was an appropriation bill coming to this floor appropriating money for this program?

Mr. COOLEY. The gentleman from Virginia [Mr. HARRISON] has had a bill before our committee for some time, but we have had no hearings.

Mr. BELCHER. You knew since the 1st of January that this House would be called upon to appropriate funds for this program.

Mr. COOLEY. That is right.

Mr. BELCHER. And you have not done anything to investigate or kill the soil bank.

Mr. COOLEY. This is the first opportunity we had to bring the matter up.

Mr. BELCHER. Look at the time we spent on the corn bill and a few other bills we have had here since the 1st of January.

Mr. COOLEY. I will try to recognize the gentleman tomorrow before the committee, since he has been so kind to me this evening.

Mr. VURSELL. Mr. Chairman, I move to strike out the last word.

Mr. HALLECK. Mr. Chairman, would the gentleman yield?

Mr. VURSELL. I would be glad to yield to the gentleman from Indiana.

Mr. HALLECK. Mr. Chairman, a little while ago the gentleman from North Carolina [Mr. COOLEY] characterized this proposed action as a temporary injunction and subsequently sought, after I raised some question about it, to explain again that it was a temporary injunction. If I understand the gentleman from Virginia [Mr. HARRISON] correctly, the author of the amendment, it is no temporary injunction with him; it is the death blow to this program. He is against it all. He wants it destroyed; is not that correct?

Mr. HARRISON of Virginia. Yes, sir; I want a chance to prove my charges against it. But if you put this money in, we will get no chance to prove those charges.

Mr. HALLECK. And now we understand what the situation is. The gentleman from Virginia [Mr. HARRISON] is forthright. He wants to kill the program. He has had a bill to kill the program before the Committee on Agriculture and, as was so ably pointed out by our colleague the gentleman from Oklahoma [Mr. BELCHER], the chairman of the committee has done nothing to approach this matter in the place where it should be approached. But the chairman of the committee now comes in, apparently through the side door and under the guise of a temporary injunction and joins up with the gentleman from Virginia to kill the program.

We have now got it fairly clear that there is something here that seems, may I say as I said a moment ago, just a little weird.

I want to say this about the soil-bank program. It has been said before, and we might as well understand it. Criticism was leveled against it principally because the program was put into operation so late last year that it has not yet had a chance to establish how good it is. And so I say that it comes with poor grace, most of that delay having been occasioned by the people on the other side of the aisle, to come in here now, before the program has had a chance to prove itself, and undertake to chop it off, not by a presentation before the Committee on Agriculture where it should be had, but by summary, arbitrary action, which would lead only to confusion in the country; because the farmers would not know where they stood. They come in here now with an amendment to strike out the money. I want to say to my friends on the Democratic side of the aisle that they may think they are confusing a great many farmers, but believe me, the farmers are not quite that dumb. You cannot play fast and loose with them all the time and get by with it. I will say to you on the Democratic side that you had better be for something and stick with it until it has a chance to prove itself.

Mr. VURSELL. Mr. Chairman, the gentleman from Indiana [Mr. HALLECK] might have gone further and said that Mr. COOLEY's assistant chairman, the gentleman from Texas [Mr. POAGE], came on the floor today, has just said he wants to knock out the $500 million and kill the soil-bank bill. I am just wondering, after they delayed this bill so that we could not have it become effective in 1956, and then after we finally drove them into a corner where they thought it was popular enough, and they supported it and finally took credit for it and now when they come back and try to kill it and having killed the corn bill this year—I wonder just how much they think the farmers of this country will appreciate what they are doing and how they will actually feel about it. It would seem they have done enough in the past against the interest of the farmers.

It would seem to me that when they have stymied the soil bank bill, when they have proven themselves selfish to the core in fighting it from the very beginning, they might ask themselves how much damage they want to do agriculture nationwide in this session of the Congress, by the selfish manner in which they have approached this bill.

The great Farm Bureau Federation of 1,600,000 members is for this bill. They are for the soil-bank bill. They are against destroying it and taking the $500 million out of this appropriation bill. The Illinois Agriculture Association takes the same position. Nearly all of the Members who really understand the agricultural situation, except the gentlemen who are trying to pervert the purposes of agriculture and who are in leadership on the Democratic side, know that the soil bank has not had an opportunity to prove itself. They know that if this amendment is successful it will confuse and discourage the farmers; it will drive farm prices down immediately and strike a blow to the agriculture of this Nation that we have been trying for a year and a half to recuperate to the point where we are now.

Mr. Chairman, this amendment must be defeated in the interest of agriculture, and the farmers of America.

Mr. HORAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I shall be very brief because I think the issue is very easily understood by all of you here. I do want to remind you, though, that about a year ago the surplus commodities in the stocks of the Commodity Credit Corporation almost reached $9 billion and the storage costs ran higher than a million a day. Whether we are for or against the existing farm legislation, we have nothing on our books, no programs for us on this subcommittee to work with, that would make some headway in reducing that tremendous amount of surplus commodities in the Commodity Credit Corporation's stocks.

Then last year the House and the other body passed and the President signed the soil bank bill. It is the only thing we have in our present program that might make some headway against the creation of surpluses. That is all we have before our committee. In the name of the farmers' welfare, I think it is decidedly unfair to attempt at this time to knock out even the amount that our subcommittee allowed in this bill. I hope this amendment is rejected.

Mr. JONES of Missouri. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, may I say at the outset that while I generally do not approve of this way of legislating, at the same time we must admit that it is possibly the most effective way of bringing about some economy, that we feel we need, especially in view of the fact that not only has the Secretary admitted that the soil bank program, particularly the acreage reserve program, has not been working, but we know that it has not reduced production, we know that it has not done the thing we had hoped it would do.

The main thing to which I should like to call your attention is this—and I address particularly those who are for the general agricultural economy: I think we who are friends of the farmer know that we are in the position of being criticized on the ground that the farmer of America has received such a large sum in appropriations. Here we have an opportunity to save a half billion dollars, to reduce the amount that is being proposed to be appropriated for agriculture, which will not accomplish the purpose for which it is being appropriated. On the other hand, after we have heard the Secretary and after we have had some assurance that we are accomplishing something, then we still can appropriate money for it. But I hate to see money appropriated and charged to agriculture which is not contributing to the welfare of the farmer. Many other programs are also being charged to agriculture from which the farmer does not get any value at all. He gets no benefit from them. The contribution is made for other purposes. I would say that even the school-lunch program, the foreign-aid program, the surplus-disposal program, a lot of those programs, are going for the benefit of other people, yet they are charged to agriculture, and people are saying, "Well, we are giving the farmer all of this money." Here is a chance, I think, to save a half billion dollars and to take it off the agricultural bill, because we who live in areas where the program has been operating know that in the main it has not gone for the purpose of reducing production. Yet that was the only reason that we could have for wanting to start the program. Since it has not worked, this is an opportunity to really save some money and to take it away from the agricultural program.

Mr. WINSTEAD. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I yield.

Mr. WINSTEAD. I notice there has been quite a bit of discussion as to who took the credit for this bill last year. I thought it was pretty well agreed that Mr. Henry Wallace was the first man who ever proposed this type of plan, and that after President Eisenhower vetoed the agricultural bill which the Congress passed last year in the closing days of the session, in view of the plight in which we found the farmers, we almost had to take or leave this program, and we took this soil-bank program as a last resort last year.

Mr. JONES of Missouri. I think that is true. I thank the gentleman.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, if you want to kill the soil bank plan, then vote for this amendment. I think you should know something about the origin of this bill; how it was drafted; how it was enacted into law. I sat on the conference committee with the gentleman from North Carolina, the gentleman from Texas and one of his colleagues. They had a majority of the conferees. They not only wrote the soil bank bill according to their own pattern into H. R. 12, which was eventually vetoed by the President, but they also wrote it according to their own pattern into the bill which was passed and which eventually became law. So that they had the majority on the conference committee and they dictated the provisions of the soil bank bill, which was enacted into law. Now before the law has had a fair chance to operate, they want to destroy it. They refer to the fact that the soil bank has not been a success. Well, it did not go into operation until last June in 1956, after all the crops were planted in this country. Undoubtedly, some mistakes were made in the administration of the law. But who made the mistakes? The mistakes, if there were any, were made by the county committees. Most of the mistakes furthermore were made in the southern part of the country where they had the drought situation and where a good many farmers through the Southern States received payments in the drought area which probably the county committees passed on, and which they should not have otherwise received.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. H. CARL ANDERSEN. The gentleman spoke about these payments. It is my recollection last summer, and I want to be fair with Secretary Benson because I have been critical of him, last summer Secretary Benson had so much pressure put upon him by gentlemen, mainly from the other side of the aisle, to make this particular program largely a drought relief measure that it comes with poor grace, in my opinion, for them now to criticise that very same defect which they helped to bring about.

Mr. AUGUST H. ANDRESEN. I thank the gentleman.

Mr. H. CARL ANDERSEN. And that was against Mr. Benson's opposition.

Mr. AUGUST H. ANDRESEN. I thank the gentleman. I am not here to criticize Secretary Benson. I do not always agree with him, but certainly I want to stand on principle and issues rather than to attack an individual.

I think it comes with poor grace for the chairman of my committee and the vice chairman of the committee to attack this bill. I am not certain that the soil bank plan is ever going to work out. The acreage reserve program is only adopted for 3 years and then it terminates, but I want it at least to have one full year's trial for a full crop year that is, which we are going to have this year, to see whether or not it does work. The theory of it was that it would take tillable land out of cultivation and reduce our surplus. We will not know until the 1957 crop is harvested and then we will find out whether or not it is a success.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. HORAN. The gentleman feels that it should be given an honest and fair chance?

Mr. AUGUST H. ANDRESEN. I certainly do. Yet, I am skeptical about the success of it. But certainly as long as we have the law on the statute books, and since your committee has made adequate appropriations to carry it on in 1958, I want to see it have a full and fair trial. It may succeed. If it does, then the country will be the winner with a program which for the first time will give new life to agriculture and will help to solve the agricultural surplus problem.

Let me urge you here and now to vote down this amendment; give this soil bank a fair trial so that we can see whether or not it will work. I hope it will work. I want to see it succeed. While it does not help my district a great deal, the indirect benefits may be helpful in reducing the surpluses of basic commodities in this country which the soil bank deals with.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] has expired.

Mr. SMITH of Virginia. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am not an expert on farm legislation. I do not criticize the Secretary of Agriculture, I do not criticize the members of the committee about what they have been doing, I am not criticizing anybody when I get up here in behalf of a subject that is foremost in the minds of the American people, as we all know, the subject of economy. We all know that if we are going to get around to the point where we can reduce expenditures, where we can reduce our taxes correspondingly, we must stop some of these programs, and particularly the new ones. The report of this

committee was that with the brief experimental experience they have had this program has been bad. Money has been wasted. The purpose of this amendment is to stop that waste. It will give this program, under this amendment, a full year of operation. Then you can see whether you think it is wise or whether it is unwise.

I have been surprised to see some Members, who have talked so strongly for reducing expenditures, get up here and defend this program. I know they are actuated largely by what they consider the desires of their constituents. I am not sure they are right about it. But it does remind me of an incident that occurred 2 or 3 nights ago when I was visiting down home in my district and went to a little social function. Everybody there was asking me about how much you are going to reduce this budget. "Are you not going to cut this budget?" One gentleman who was very vociferous about it said to me, "You must cut this budget, but," he said, "there is one good thing in that budget and that is that soil bank." He said, "You know I had a little patch located that I could put wheat in and I put it in the soil bank and the Government paid me more money for it than if I had planted the wheat and done the work and sold the wheat."

Is that not about what is the matter with the folks who feel that their own constituents are going to have their ox gored some by this little piece of economy?

This Congress has stood up pretty well on the matter of cutting the budget. Let us not get away from the primary thing that this Congress must do in this session, and that is to reduce expenditures and get the fiscal affairs of this Nation back on a sound basis.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. H. CARL ANDERSEN. Mr. Chairman, if I may proceed for half a minute, let me state that if this amendment is agreed to I shall most certainly demand a roll call when we get back into the House, for this is an action which if sustained would take out of the pockets of the farmers of the Nation $500 million. That money goes directly to the farmers of the Nation. If the Members want to take this $500 million out of the depressed agriculture today by voting for this amendment I say that is their privilege, but I am going to insist on a rollcall when the measure comes back to the House for final decision.

Mr. MARSHALL. Mr. Chairman, I rise in favor of the amendment.

Mr. Chairman, when we held hearings on the appropriation bill this year I had some reservations in my own mind concerning this item in the bill. We had investigators who made inquiries into this program and we found some rather surprising and amazing things. To my knowledge no person has appeared before our committee or spoken on the floor of the House and has said that the program was well administered last year. But forgetting about last year's administration, let us think about this year. I regret to say that if there is any effective administration in the program as of this year I have not observed it.

I spent some time back with my farmers in my district; I have heard from some of my farmers about this particular matter. Do you know that in the corn area farmers operate two different tracts of land? They put one in and stay within the agricultural allotment, then they put the second in with all the corn they can possibly plant. And then you talk about this thing being a control of production.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. Not until I have completed my statement.

In my book there is only one reason for the agricultural reserve fund, the soil bank, and that is for the purpose of controlling production. That is something that we definitely are not doing. The committee has not touched this year's contracts. These contracts on acreage reserve are on a year-to-year basis. The Department has not made any commitments for 1958. The 3 years that some Members have talked about relate to the date of expiration of the law.

When we considered this bill and when we marked it up we had some hesitancy as to whether we as members of the Appropriations Committee ought to get into the legislative angle of this particular piece of legislation; and certainly the discussion on the floor of the House has indicated to me that the legislative Committee on Agriculture are very much torn apart and very much in doubt about this piece of legislation. You heard the Secretary of Agriculture's letter read yesterday by my very good friend the gentleman from Colorado. You will find it at pages 6887–6888 of yesterday's RECORD. I want to read a portion of it to you:

> It might be possible to work out regulations which would be stiff enough to really control production. But the evidence of 25 years is that farmers do not want such controls and the Congress will not enact them.
>
> Controls have been watered down by law to such a point that they do not really control production. Even a cursory examination of the legal minimum acreage provisions for most of the basic crops reveals that these allotments will not overcome the effects of increasing production efficiency.

Mr. Chairman, here is the man who will administer this program, this program that is going to cost the taxpayers of this country $500 million, and this man who is going to administer the program said in his message to the House read by my good friend yesterday that this program will not work. Do you say that we as Members of the House ought to appropriate money on such a basis as that? If you want that kind of loose administration of a man who has said this acreage reserve will not work, then, of course, you should not support the pending amendment. If you want to spend the taxpayers' money in that lax manner for a program that is discredited by the farmers in my area, go ahead and vote against the amendment offered by the gentleman from Virginia [Mr. HARRISON].

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Illinois.

Mr. ARENDS. My friend from Minnesota always tries to be fair, but I think in the condemnation of the administration and this program for last year, he is just bordering on being fair. In other words, this legislation was passed by the Congress late in the last year and I do not think he, I, or any other human being could have effectively administered the program in the short space of time we had to do it, with the farmers with most of their crops already in the ground. The action of the Congress was late and that made it almost humanly impossible to do as good an administrative job as we all might have liked.

Mr. MARSHALL. I am glad the gentleman makes that statement. Who vetoed the legislation last year? This bill passed last year. Admittedly it passed late. The Department, however, did not put it into operation until August. I am not condemning all of the things last year but what I am condemning is this: From what we have found and from what my knowledge is, those things that were wrong last year have not been corrected to the extent they could work this year. The statement of the Secretary of Agriculture which he sent up yesterday admits it and says it to the Members of the House of Representatives. The amendment ought to be adopted.

Mr. LONG. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, it has been said here today that somebody has confused somebody else. I do not know. I think a Republican said that the Democrats had confused them before and they were trying to confuse the Democrats now. That is what it looks like.

Mr. Chairman, I want to confine myself to a few brief remarks about some practical facts that you can take home and think about as we vote on this measure.

In my State this is a windfall for the drugstore farmers and the bankers, the big people. I have heard it said here today that this is a program for the little man. If that is the truth, then we do not have any little men in my State—they are all big-business farmers.

Now, let me tell you what they do. They put the land in the soil bank, they draw money, they go out and plant it in pine trees. They borrow the money from the bank to buy the land, the soil bank pays for it, and they get the land and the trees all for nothing. That is the way the program is working and there is no use kidding yourselves.

They say this is a fair program. How fair is it? Let me tell you how we got the program. The President vetoed a program last year that would have worked but we came back in here confused and voted for this program—a program that will not work. If it does work it will not work fairly and squarely for the people.

Let me refer to the State of my good friend from Kansas. The State of Kansas gets as much money out of this program as 25 other States. They say the money is distributed so that we can have a prosperous economy and all

of those things. But what I have said is the truth. If I read the RECORD right, and I have it here in my hand—if I am not right you can correct me—the State of Kansas gets an average of $750 a farm while the State of Louisiana, the Eighth District of which I have the pleasure of representing, gets $100 per farm. How is that for a fair program?

Let us not be confused about this soil-bank program. It is a misnomer. It never will help the little farmer and I do not think that those who have advocated this very strongly think so themselves. So, let us not be concerned about this thing. We are talking about economy, but we come right in here where we have a chance to practice just a little economy, and not hurt anybody at all, and yet we back up on it. It comes to where the men on this side, or any of us who are supporting this amendment are immediately branded as monstrosities. We have turned out to be bad men, and you can hardly afford to sit as close to us as you are. Do not let us be foolish about this soil-bank program. It does not help anybody. It does not help the farmer. It is going to take money out of the taxpayer's pocket and help to pay for some land for some pseudo farmer. That is all there is to it, and that is as simple as I can make it.

Mr. TABER. Mr. Chairman, I move to strike out the last word.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield

Mr. TABER. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Might I ask the gentleman from Mississippi if we could not agree to limit debate by unanimous consent?

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto be limited to 30 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. TABER. Mr. Chairman, there were two parts to the so-called soil-bank proposition, one of which was what they call the acreage reserve in the soil bank, and that item is covered and included in the $535 million in a previous paragraph in the bill. That was the type of soil bank that was proposed by the original authors of the bill. That will still be in effect in 1958 if this amendment is adopted.

The other item, authorizing the soil bank, as I understand, was introduced into the bill by the majority of the Committee on Agriculture.

Now, what does this proposition do? In 1956 they had 547,000 agreements covering 12 million acres and costing $260 million, or $20 an acre.

In 1957 there were 16,496 contracts 1,441,622 acres, signed providing for payment of $13.2 million, or about $9 an acre.

As of March 29, 1957, for the 1957 acreage reserve program, there were 917,171 agreements covering 21,316,000 plus acres at $30 an acre. The price is going up. It would seem to me that when we get a program that has such an enormous amount of money per acre involved in the gratuity that is paid to the farmer, we ought to get down to earth a little bit in our approach to it. Frankly, from my own standpoint, I shall feel obliged to support the amendment, because I believe it is the only way by which we can eliminate the enormous waste in connection with this.

We have this situation. If this item should be left out of the bill, if the amendment is carried, and there is any reason why it should be continued, if it can justify itself or be justified, we would have plenty of time to pass other legislation. For my own part I do not believe that that can be done, but I believe that I shall be obliged—I cannot do it any other way and meet my own conscientious desire to do a decent job—to vote for the amendment.

I do not say this in criticism of the Secretary of Agriculture because I believe he has done as good a job as anybody possibly could do with such an involved and complex program and one which is so open to misconstruction.

With that statement, I am going to close.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. AVERY].

Mr. AVERY. Mr. Chairman, I am amazed at the lack of understanding of some Members of this House of the operation of the soil-bank program. You would get the inference here this afternoon that the Secretary of Agriculture drives clear around the United States and evaluates every single acre of ground that is placed into the conservation reserve.

The gentleman from Virginia awhile ago gave an illustration of a friend who put a few acres into the soil bank in 1 year and got more than the land was worth, or if he had farmed it, more than the total amount he would have got from farming it. The gentleman from Louisiana [Mr. LONG] made a similar remark. Mr. Chairman, let me say this. The administration of the soil-bank program is on the local level. The township committee is elected by the farmers in that township. The chairmen of the township committees elect the county committees. They work through their State ASC committees. If there has been a misappropriation of funds, if it has been badly administered on the local level, then you have an indictment against your own local committees, not against the Department of Agriculture.

There were a few general provisions in the soil bank bill when it was passed. The Secretary, in turn, as he was directed, wrote further implementing provisions. From there it goes down to your own State and local levels. So if it has not been administered the way you think it should, go back and tell your own township and county committees that they have been derelict in their duty. Do not come up here and try to place the blame on the Department of Agriculture.

There was some inference made as to the amount of money that has gone to Kansas. Had it not been for that I do not think I would have taken the floor; but I am very glad that that inference was made because I have a little story that I have been waiting for an excuse to tell. That is how the Southern States—and Louisiana is one of the greatest offenders—have been stealing wheat-allotted acres from Kansas.

As you know, the Agricultural Act as amended in 1949 provided that any State raising less than 25,000 acres of wheat would be a noncommercial wheat State. That would mean that they would have no acreage allotment and there would be no marketing penalty for any wheat that they raised. So what has happened? They have had to take their land out of cotton and out of tobacco and they have put it into wheat without limitation. They have sold it on the open market at nearly the support price, or just a few cents under. Then when they get up to the 25,000-acre limit they have established a history that must be taken away from the wheat States and given to that State.

Louisiana had only 2,000 acres in wheat in 1952 and in 1956 it had 60,000 acres in wheat. Alabama is the worst offender. It had only 15,000 acres of wheat in 1952 and had 100,000 acres of wheat in 1956. They will be commercial wheat States. They will have market penalties, they will have acreage allotments, but those allotments will have to be subtracted from the 55 million acres of the national allotment and a substantial portion of that will come from Kansas. So let us not keep bringing Kansas up here as a preferred customer in the soil-bank program. We have operated under the provisions of the law and to my knowledge the value of the production on the acres we have placed into the soil bank has been honestly appraised by our local committees. From things that have been said here this afternoon, apparently that has not been the case in a good many other States.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina [Mr. DORN].

Mr. DORN of South Carolina. Mr. Chairman, I am for this amendment to limit the soil-bank program because it has turned out be a hoax and fraud as far as helping the family-sized farmer is concerned. Under the soil bank as presently administered the drugstore farmers and city speculators are buying up farmland, setting out pine trees on it and will pay for this land in a few years with the soil-bank money from the taxpayers. When the pine trees grow a few years and the Government completely pays for the land, then this land will be worth two or three times more than it is worth today. This is not helping the little farmer as he can't borrow the money to buy this land. I know of cases where big manufacturing corporations who happen to have farmland on the side are putting land in the soil bank and getting the biggest cut out of the pie. This is not alleviating the distressed small farmer with no other source of income. I thought the purpose of the soil bank was to bolster the depression income of the average farmer, help him remain on the land and enable him to earn for his family a decent living. Only bona fide farmers should

benefit from this program—not the city slickers and Wall Street money-changers.

In one South Carolina county 58 percent of the cotton acreage was this year placed in the soil bank. This can wreck much of the economy of that area. What is going to happen to the cotton ginner who has invested thousands of dollars in machinery? What is going to happen to the country and small-town retail stores? What will happen to the little fertilizer, insecticide, and farm-implement dealers? What will happen to the local bankers and small business? What will happen to the rural churches, post offices, and crossroad schools? This kind of program will help turn farming over to the vast corporate farming interest similar to the Russian collective farm with people only peasants and pawns to be controlled and dominated by the unseen hand of a distant financial empire. This soil bank is helping us to lose what few foreign markets we have left for our farm products. By growing less, other nations will grow more and more. We cannot save the farmer by paying him a cheap price to stay out of the business. Our little family-sized farmer doing his own work needs more acres, not less. He needs more foreign markets, not Government-encouraged foreign competition. As a farmer I can tell you, Mr. Chairman, that this soil bank will not save the family-sized farmer—a great and indispensable American institution. We need a realistic farm program based on saving the family-sized American farmer. I hope this Congress will investigate the entire farm program and advance constructive, long-range farm legislation.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. NEAL].

Mr. NEAL. Mr. Chairman, had I been a Member of this body when the soil-bank bill was enacted, I would have voted against it.

As I view this measure, it was conceived as an appeasement to the beneficiaries of the price-support program that favored the commercial producers of basic farm crops.

The farmers of my State have been entirely eliminated from receiving farm support, since areas of farmland were too small to interest them in acreage allotments.

Under provisions of the soil-bank legislation, they are automatically disqualified for acreage soil-bank benefits. They are, however, privileged to participate in the conservation reserve provisions of the bill, and you may believe me when I say they have an abundance of qualifying acreage.

Since the passage of this act was too late to permit its operation on a full-scale basis, I am inclined to favor the proposed $500-million appropriation in the hope that it will succeed in reducing farm surpluses and, incidentally, give my State's farmers this one belated opportunity to share in a small way in a war-born high-price-support program our people have been forced to contribute to without any chance to benefit therefrom.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, I was a member of the first conference that wrote the bill H. R. 12 and put it on the President's desk. We worked for many days on this soil-bank-acreage reserve and also the conservation reserve.

Just a few days ago I introduced a bill to repeal the acreage-reserve provision of the soil bank. I did that because I was of the opinion that the effect of the soil bank had been to liquidate our farmers. They are moving away from the farm in great droves. There is a reason for that. This acreage-reserve program works this way. It works only on the basic crops, which are corn, wheat, rice, cotton, tobacco, and peanuts. You go into the bank by taking out of production a part of your acreage allotment. You are paid about 50 percent of the support price based on your average yield over a period of time on that particular land. As a matter of fact, you are reducing the income of the farmer on the acreage that does go into the bank by at least 50 percent.

What effect would that have on the community? Let us look at that community just for a moment. Every store on Main Street feels the effect of that 50-percent decline in income that is suffered by those farmers whose acreage has been reduced. The purpose of the act is to cut down on production, but it has not done that.

I commend the gentleman from Mississippi and his committee on going into this matter fully and completely and bringing in the report they have. It took considerable time and effort to obtain the information that went into that report with respect to the way this soil-bank program is working, the acreage reserve particularly.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. It is a pleasure to yield.

Mr. RIVERS. That is the experience I have had in my part of the world. It tends to liquidate the farming communities and every business in that farming community is going out of business or drying up.

Mr. GATHINGS. It is drying up these communities throughout the agricultural region. I agree with the gentleman from South Carolina.

Mr. RIVERS. I congratulate the gentleman on the research that he has done. That has been the experience that I have found in my country.

Mr. GATHINGS. I want to say also that America was not built on any such basis as sitting down on the porch and waiting for your check to come and be handed to you. America was built on w-o-r-k which spells "success."

Mr. LONG. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from Louisiana.

Mr. LONG. I just want to make a short statement with reference to the statement that my friend, the gentleman from Kansas, said about Louisiana stealing the program and stealing the Kansas money. At least that is the effect of the statement, as I understood it. I do not want Louisianians taking Kansas money. I might say to the gentleman from Kansas that while Kansas got $86 million from this program, Louisiana only got $11 million and may I repeat that Kansas got as much out of this program as 25 other States. I might go on with this kind of a statement but suffice it to say that this program has not worked nor, in my humble opinion, will not work. Let's make a saving of one-half billion dollars by passing this amendment.

Mr. DORN of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield gladly to the gentleman from South Carolina.

Mr. DORN of South Carolina. I want to concur in what my friend, the gentleman from Arkansas, is saying. I congratulate him on the bill he has introduced. Here are some figures that came to me today concerning one county in my district. This county has placed 58 percent of its 7,950 acres of cotton allotment into the soil bank, leaving only 3,206 acres. What is that doing to the fertilizer people and the ginners and the local bankers and the retail merchants? What do you make of that?

Mr. GATHINGS. Every business in that community is suffering. I thank the gentleman from South Carolina for presenting those enlightening facts—I hope that the amendment will prevail.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. LANHAM].

Mr. LANHAM. Mr. Chairman, as most of you know, I am a pretty partisan sort of fellow. I am a Democrat. As you know, I am a southern Democrat. I usually vote with the Democratic Party. As a matter of fact, General Lee is my favorite rather than General Eisenhower of Gettysburg fame. You know what I mean, I am sure, about that. But frankly, I agree with the gentleman from North Dakota [Mr. BURDICK] who, on yesterday, said we ought to forget party in this matter, we ought to forget whether we are Republicans or Democrats and we ought to think about the farmer and his welfare. I agree with him. I want to tell you that the farmers in my district are in favor of this program. It is having some of the effect which the gentleman from Arkansas [Mr. GATHINGS] has spoken about, and that is that the fertilizer dealers and the ginners, because our crop is largely cotton with some wheat, are feeling the effects and it may not be that in the long run we ought to continue this soil-bank program. I think it has been badly administered. I do not know whether it could have been better administered or not by another man than the present Secretary of Agriculture. I do think he has favored certain sections at the expense of others, and has used it for partisan political purposes. But criticism of Mr. Benson is not the problem before us today. I think the question is—what is best for the farmers? Until we can decide upon some program that will work I think the acreage reserve program should be continued. The farmers are at the crossroads and the

small farmer is on the way out in America, if we do not find some better program than either the Democrats or the Republicans in the past have sponsored. Everyone admits that most of them have failed. The farmers' income has steadily declined while his costs have just as steadily increased. If we are to save the farmers, the members of our great Committee on Agriculture must quit squabbling among themselves and get back together and bring in a program that will do something to increase the farmers' net income. Personally I believe that the domestic allotment or two-price system may be the answer. At least some new approach must be made to the problem.

Moreover, I do not think this soil bank should be repealed in this way. I think, if it is to be repealed, careful consideration should be given to it by the legislative Committee on Agriculture, and we ought not to undertake in an appropriation bill to repeal it. Of course, we do not repeal it, but we strangle it to death or we smother it to death, and I do not think that is a sound way to legislate.

As I have said, the soil bank is effective certainly in my district, if we entered into it with the idea of controlling production. As you know, we have many postal employees in the city today. One of the rural carriers told me this morning that they had just about quit farming in our district. He said, "I do not believe I have seen three farmers plowing this spring." So it has been effective in taking acreage out of production, but as the gentleman from Arkansas [Mr. GATHINGS] has stated, it is dangerous to our economy. If the Committee on Agriculture brings in a bill to repeal it, coupled with some other bill that will give relief to the farmer and protect him from the squeeze between rising production costs and declining prices, I will then vote to repeal it. But I do not think we ought to try to repeal it in this manner. Let us bring in a bill that will really help the farmer. But until that time comes, let us not deprive him of this little bit of help.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. LANHAM] has expired.

The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, I find myself in perhaps the most peculiar situation of all my experience in the House. May I say further that I do not believe I have ever taken the well of the House but what, when I got through, you might disagree with me, but you would never ask "Which side are you on?" I am afraid when I make this talk you may be within your rights if you ask that question.

The acreage reserve program was first recommended to the Congress last year. I was one of the few who took the floor and said it would never work; that to pay the farmer not to farm would ruin his standing with other Americans; that it might put a little money in his pocket and he might use it and grow more on the remaining acres, and that in my judgment it solved nothing. I did not quit there. I went to the Subcommittee on Appropriations and went before the full committee, and there requested and we appropriated money under the existing soil conservation laws which would have benefited this country and brought about some soil conservation in a cooperative venture with American farmers. The whole committee backed our subcommittee in that effort 36 to 11. That bill then went to the Rules Committee but was not brought out by that committee; then later the soil bank was passed.

As you can see in the committee report, after we came back in January, as chairman of this subcommittee I requested an investigation of the soil bank and the acreage reserve provisions. Let me say again, here is what is involved: This is a payment to farmers to leave land out of cultivation. Just a few moments ago you saw this House write a limitation of $2,500, which is the limit on how much the Government will provide toward the cause of conservation, but in this bill there is no limit on the payment not to farm. For instance, our investigation shows that in the State of Connecticut one farmer received $40,000 not to farm his land; another $29,000; another $11,000, and another $10,000. The same situation exists in other States

Mr. MARTIN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I prefer to finish my statement, if you please.

Mr. MARTIN. I would like to correct the gentleman on a previous statement.

Mr. WHITTEN. Let me finish my remarks and I am sure the gentleman could correct me, and if I had time I might straighten him out in a few places, but we would be friends in the end.

There is nothing to keep this money received by the farmer from being used to increase production on the remaining acres. The chief tragedy of this approach is that the farmer loses his production on his acres; but to the public it looks like he is getting something for nothing. If this program is continued, the farmer will lose much more in public good will which will be reflected in votes of Members of Congress against sound farm legislation. After all 87 percent of the population are nonfarmers and even in Congress we must have their support.

Let me read to you a statement from a paper not published in my district, the Houston Times, which says this:

> As long as the Government is paying farmers for the acres they do not plant it should also pay newspapers for the ads they do not run.

And the Jackson Daily News says:

> Now it would be nice to pay our railroads, airlines, and buslines for passengers they do not carry. Let us go ahead and pay everybody for doing nothing but do it graciously. It should be done in an honest and impartial way.

You can read my views in the report. I wrote this report and my committee subscribed to it presumably. Presumably we did not at that time speak for the program simply because we felt on our subcommittee—and let me say that I am not changing horses—but we felt that to change this basic law was beyond what we as a subcommittee on appropriations should do, and that is the only reason that I did not recommend to our subcommittee that we do it. That is the only reason, and the report makes it clear.

There is a distinction between the two reserve programs. The conservation reserve is a many-year-contract program. The acreage reserve is an annual program, and there have been no commitments beyond 1957, there have been no contracts signed beyond 1957. It is on a one-year-at-a-time base.

May I say again the report shows the only sound base for an acreage reserve program is to put some money in the hands of the farmer to make up what he has lost in income.

If this acreage reserve program put twice as much money in the hands of the farmer it could not pay for the loss of public and Congressional support of sound legislation to meet his problem.

As to my position, I say that we on the committee felt it was not our place to make this basic change in the law. In order to get agreement to slow it down, we agreed to the committee position to which I am committed. Other than that I have been against this program for the reasons that have been mentioned to your.

The CHAIRMAN. All time on the amendment has expired.

The question is on the amendment offered by the gentleman from Virginia [Mr. HARRISON].

The question was taken, and the Chair announced that the ayes appeared to have it.

Mr. H. CARL ANDERSEN. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. HARRISON of Virginia and Mr. WHITTEN.

The committee divided, and the tellers reported that there were—ayes 134, noes 120.

So the amendment was agreed to.

Mr. REUSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. REUSS: On page 21, line 4, change the period to a comma and add the following: "or in total compensation being paid to any one producer in excess of $5,000 with respect to the 1958 crops."

Mr. WHITTEN. Mr. Chairman, I reserve a point of order against the amendment.

Mr. REUSS. Mr. Chairman, the amendment I offered would limit to $5,000 the amount that any one farmer can receive in 1958 from the soil bank acreage reserve. In the light of the amendment just passed, my amendment, of course, would be academic unless the House on a rollcall vote should reject the amendment just put into the bill by teller vote. However, it seems to me necessary to perfect and prepare this bill for that eventuality.

The $5,000 limitation seems to me clearly necessary because in practice much of the benefit of the soil bank which is paid for out of taxpayers' dollars is going not to the family-sized farmer.

Mr. H. CARL ANDERSEN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. H. CARL ANDERSEN. The gentleman's amendment, as just reported, affects a section of the bill already stricken by the amendment just agreed to, and furthermore I see no reason for any further discussion upon this particular amendment.

The CHAIRMAN. The gentleman from Mississippi reserved a point of order at the time the amendment was offered.

Mr. H. CARL ANDERSEN. I understand, but on the other hand, in the first place the amendment should not have been offered to start with. I make the point of order against it, Mr. Chairman.

The CHAIRMAN. Upon what grounds does the gentleman make his point of order?

Mr. H. CARL ANDERSEN. That the language to which this amendment applies has already been stricken out and, further, that it is legislation upon an appropriation bill.

The CHAIRMAN. The Chair calls the attention of the gentleman to the fact that the amendment offered by the gentleman from Virginia, which was adopted, struck out only a portion of the proviso to this section. But, there is language remaining to which the gentleman has offered an amendment, and stated it would be at the end of that paragraph. It is also a limitation on the use of the appropriation. The point of order made by the gentleman from Minnesota is overruled.

Mr. REUSS. Mr. Chairman, as I was saying, the soil bank, as it has worked out in practice, has meant that a large part of its benefits go not to the family-sized farm but to the large combination or corporation farm. As the figures of the Department of Agriculture show, here are some of the current payments made under the soil bank:

McCarthy & Hildebrand (California)	$29,723.53
J. W. B. Farms, Inc. (Colorado)	45,817.77
Garvey Farms (Colorado and Kansas)	61,354.50
Kupchunoe Bros., Inc. (Connecticut)	29,829.51
J. E. Shepard (Connecticut)	40,162.55
Adams Bros. & Co. (Iowa)	49,248.00
Duward Harper (Texas)	30,737.22
George C. Chance (Texas)	48,093.00
Tom Moore (Texas)	40,793.40

As the report of the Committee on Appropriations at page 26 well states: The principal justification for the acreage-reserve program is to restore to the farmer some of the income he has lost through reduced prices and acreage.

Now, this $5,000 limitation to any one farm producer means that Government help will go where it is needed, not where it is not needed. Aid to the large-scale combination producer simply increases the tendency away from the family-sized farm, a tendency which has already gone much too far. If everyone who believes in economy in Government and wants also to strike a blow for the family-sized farmer will vote for this amendment, I am sure we can produce a much better farm appropriation bill.

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

(The Clerk again reported the amendment.)

Mr. WHITTEN. Mr. Chairman, the committee having stricken out or prohibited the use of any money for any 1958 program, now to provide that money shall be limited to $5,000 per participant where no money can be used for the 1958 program is the question. If it is in order, Mr. Chairman, I should like to renew my point of order that to put a limitation on the amount to be given to a participant, when the committee has just adopted an amendment prohibiting the use of any money, strikes me as being surplusage and subject to a point of order.

Mr. REUSS. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will be glad to hear the gentleman from Wisconsin on the point of order.

Mr. REUSS. Addressing myself to the point raised by the gentleman from Mississippi [Mr. WHITTEN]——

Mr. WHITTEN. Mr. Chairman, would the gentleman from Wisconsin yield to me for the purpose of completing my statement to the Chair?

Mr. REUSS. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, I should like to address myself to the Chair as to whether this language would not in actuality refer back to the amount of $600 million, the first sum in the bill, where the Department has already entered into its contracts? I mentioned it earlier so that it might have the attention of the speaker as well as the Chair.

Mr. REUSS. Mr. Chairman, the proposed amendment clearly would not refer back to that language, because it is tied exclusively to page 21, line 4.

The reason for my amendment is simply this. It is possible that this House on a rollcall vote will reject the amendment which it has just adopted on a teller vote. Against that eventuality I would like this House to have the opportunity to vote on an amendment which seems to me essential, namely: If we keep the acreage reserve in the Appropriation Act at all, let us at least limit it to those needy family-sized farmers who would get some good out of it and not give the benefit of it to those who do not need it.

The CHAIRMAN. The Chair is ready to rule on the point of order.

First, the Chair wants to call attention to the fact that the amendment offered by the gentleman from Virginia [Mr. HARRISON] did not strike out all of the proviso. It struck out only that portion of the proviso on page 21, line 2, beginning after the word "program" to and including "$500,000,000" in line 3. So that the proviso now reads:

Provided, That no part of this appropriation shall be used to formulate and administer an acreage-reserve program with respect to the 1958 crops.

The amendment offered by the gentleman from Wisconsin [Mr. REUSS] strikes out the period, inserts a comma, and adds the language "or in total compensation being paid to any one producer in excess of $5,000 with respect to the 1958 crops."

While it may be because of the amendment offered by the gentleman from Virginia having been adopted that the amendment offered by the gentleman from Wisconsin would be ineffective, still the Chair believes, it being a limitation upon the purpose for which the funds are appropriated, that it is in order and that the point of order should be overruled.

Mr. WHITTEN. Mr. Chairman, do I understand then that it is the judgment of the Chair that it would not apply back to the $600 million?

The CHAIRMAN. The Chair is not going to pass on the construction of the language whether this amendment is adopted or not.

The point of order is overruled.

Mr. ABBITT. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. ABBITT to the amendment offered by Mr. REUSS: Strike out "$5,000" and insert "$2,500."

Mr. ABBITT. Mr. Chairman, this amendment is very simple. The amendment before the committee limits the contribution or payment to any one participant to $5,000. My amendment simply reduces that to $2,500.

You have heard a lot over here about family-sized farms, that the payment from the soil-bank program is intended to aid and assist the family-sized farmers. It is hard for me to believe that a man who could put as much in the acreage reserve program as to get back payments of more than $2,500 would be a family-sized farmer. The whole idea behind this amendment to the amendment is simply to prohibit large operators from seeking and securing enormous Government subsidies. It is intended to limit payments so that the only ones who will participate are the family-sized farmers.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. SMITH of Virginia. If I understand the gentleman's amendment correctly, all it does is put the soil-bank limitations as to what one individual may received on a par with the limitation just recently put on by the House of $2,500 under soil conservation.

Mr. ABBITT. That is exactly what it does.

Mr. SMITH of Virginia. It reconciles this program to that program.

Mr. ABBITT. It makes this program in line exactly to the dollar with the soil-conservation program we adopted about an hour ago.

I will not detain the committee because it is very simple. The question is whether or not we want to limit the programs to farmers, whether we want to reserve it for the family-sized farmers whom we profess so much that we want

to help. I hope my amendment limiting the amount of payments to $2,500 for 1958 crops will be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. ABBITT] to the amendment offered by the gentleman from Wisconsin [Mr. REUSS].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. REUSS], as amended.

The amendment was agreed to.

The Clerk concluded the reading of the bill.

Mr. FOUNTAIN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. FOUNTAIN. Mr. Chairman, the soil-bank program passed by the 84th Congress as a temporary stopgap measure has turned out to be one of the most controversial matters the Congress has enacted into law since I came here in 1953. Even farmers who are taking advantage of it in a substantial way are raising serious questions about it. They say the program is moving in the wrong direction and that it will not reduce production materially, despite the expenditure of hundreds of millions of dollars. That was certainly true in 1956 when despite the signup of some 12 million acres at an estimated cost of $260 million under the 1956 acreage-reserve program, production for most crops was higher than in prior years.

The soil-bank program has been severely criticized in many other quarters. Much of this criticism, in my humble opinion, has been justified. The administration of the program has been uncertain and indefinite. Confusion and indecision have frequently prevailed in the minds of those administering the program from top to bottom. It is possible that the program has not yet had a fair test. The distinguished gentleman from Mississippi [Mr. WHITTEN] however has raised some very serious questions about the program and the actual results. I am not sure the taxpayers can afford a complete test in view of the facts revealed by the full field investigation made by the Whitten subcommittee, and in view of good plain common horsesense.

I do feel sincerely that the Secretary of Agriculture has not helped in the cause of giving it a fair test. Last fall he appears to have shown more concern for the welfare of his political party than he did for the success of the soil-bank program and the welfare of farmers of America. Such concern, in action which I am about to describe, will make it very difficult for the soil-bank program to get a fair and honest test or trial experience before it is repealed.

The acreage reserve portion of the soil-bank program was designed, I thought and I certainly hope, to reduce production of surplus commodities by compensating producers for cutting down their planted acreage, thus restoring some of the income they have lost through reduced prices and acreage. Of course, the idea has never made sense to the 87 or 88 percent of nonfarmer taxpayers who feel that it gives the farmers something for nothing. The law would seem to provide adequate safeguards if it were properly administered, for it provides that in order to be eligible for compensation a producer must, first, reduce acreage of the designated commodity below his farm acreage allotment or base acreage; second, specifically designate the acreage so withdrawn from production; and third, not harvest any crop from or graze such acreage unless given permission to do so because of a drought emergency. The act also provided that acreage already planted to a crop could be placed in the acreage reserve in 1956 if the crop were plowed under or cut by a date fixed by the Secretary of Agriculture. Under the law, a producer who knowingly and wilfully grazes or harvests a crop from any acreage in violation of an acreage reserve contract is subject to a penalty equal to 50 percent of the compensation which would have been payable for compliance with the contract. The purpose of the penalty provision, of course, was to insure that the soil-bank program would be used to reduce production, rather than as a form of free crop insurance.

As I have already pointed out, the Department of Agriculture paid out approximately $260 million under the 1956 acreage reserve program. Get this—nearly $180 million was paid to corn producers; of this amount, $110 million went to three States—Iowa, Nebraska, and Illinois. Despite the amounts paid to corn producers, corn production in 1956 increased instead of decreasing. In view of the mishandling of the soil-bank program by the Department, this increase is hardly surprising.

The deadline for plowing under or cutting crops growing on land which had been designated as a part of the Acreage Reserve was originally announced as June 30. On June 29 the deadline was extended until July 15. An additional extension was then made until August 3. On August 22 the Agriculture Department announced that a determination had been made that "a relatively small number of farmers did not understand the civil penalty provisions of the Acreage Reserve program." The Department stated that State ASC committees had been instructed to allow the relatively small number of farmers who did not understand the penalty provisions until August 31 to comply with their agreements by plowing under or cutting growing crops. The instructions to State committees specifically warned of the 50 percent penalty for harvesting of crops and stated flatly that producers will not be allowed to terminate their agreements.

According to press reports, large numbers of midwestern corn producers signed up to plow under growing crops at a time when weather conditions indicated the probability of poor yields. When crop conditions improved, many farmers apparently decided to harvest their corn rather than comply with their agreements. Secretary Benson thus faced the prospect of having to collect penalties from large numbers of farmers just prior to the 1956 election.

Political expediency quickly won out over consistency. Disregarding the August 22 announcement, Secretary Benson abruptly reversed his field. On September 6 he alleged in a letter to the Controller General that there had been a general misunderstanding of the penalty provisions. On September 21 the Department changed its previous position and announced that producers would be allowed to revise and terminate their agreements without penalty. According to a September 24 story in the Wall Street Journal, several officials of the Department questioned the legality of cancelling the contracts. An unnamed official is quoted as saying:

Several of us thought that a contract was a contract. Quite a few of us took a dim view of the proposal, and didn't see how it could be done.

Mr. Chairman, the decision of the Secretary of Agriculture to cancel the soil bank contracts cost the taxpayers thousands—perhaps millions—of dollars. When his Department was asked to furnish the evidence on which this questionable decision was based, it was unable to produce a single scrap of paper. On the contrary, the Department admitted that "such decisions were based upon oral information and reports obtained in the course of field trips by officials of the Department and upon telephone conversations and oral reports by field personnel, and not upon written reports, memorandums, or correspondence."

Mr. Chairman, the farm families of this country, through no fault of their own, are confronted with difficult and trying circumstances. In my section of the country there is a depression among small farmers—that is, those who are left on the farms. The others are looking for jobs elsewhere. I am concerned, as I know each one of you is concerned, with their plight. Coming from an agricultural section composed of some of the better farms and farmers in America, and I might add, many of the finest people of America, I, for one, will continue to support measures honestly and sincerely designed to assist them, regardless of who proposes them. However, the Secretary of Agriculture's reckless political manipulation, which I have just described, of the soil bank program serves only to favor those who failed to comply at the expense of those who did comply with the soil bank provisions. It was bad administration. It was not good government. It was a serious violation of a public trust. I might add—I have sufficient confidence in the intelligence and fairness of the American farmer to predict also that it was not good politics.

The soil-bank program may or may not be the answer or even a partial answer to the farm problem. I am very much afraid we are headed in the wrong direction. We have had too many patched up, and I am afraid quickly hatched up, laws. Except for price-support levels, much of our trouble, as the gentleman from Mississippi [Mr. WHITTEN] pointed out, comes from 1933 laws

which largely control our present farm programs.

Conditions on the average American farm are far from good. I am convinced that reduced acreage, reduced prices, and rising costs both to the farmer and consumer, will ultimately bring disaster to agriculture. The last 4 years—under such administration as I have just described in connection with cancellation of soil-bank contracts—based upon the Agriculture Department's own records, show conclusively that we cannot reduce acreage by reducing prices.

I sincerely feel that it is time for the Congress to pass some constructive legislation truly helpful to the farmer. We have a tendency, I fear, to wait too much and too long for the President or his Secretary of Agriculture to make suggestions and submit proposals.

I believe an entirely new legislative approach must be made and developed if the American farm and farmer as we have so long known them, are to survive in our highly competitive economy. If the farmer, especially the small farmer—the family-size farmer is to share in the general prosperity of the rest of the Nation, something must be done and it must be done quickly. I am satisfied now that the answer will not be found by continually taking away his means of livelihood. For the American farmer, my friends, it is much, much later than we think.

Let us put our shoulders to the wheel, face up to the task before us and write a legislative program that will not be called a handout program—a program that will do justice to the American farmer, the American consumer, and the American taxpayer. I for one am a little tired of waiting for the other fellow to do it. I for one am ready to join hands under the agricultural leadership of this House and perform such task or tasks as may be assigned to me as my part in the gigantic job that must be done to save the American small farmer from extinction.

Mr. VORYS. Mr. Chairman, in this legislation we are wrestling with the problem created by agricultural surpluses, much of which must be exported.

I want to point out that our country, from the earliest days has had agricultural surpluses to export and has been largely developed through selling agricultural surpluses abroad. When John Smith's colony raised more tobacco than they needed, and therefore exported tobacco for profit, Virginia was in business. The story has been the same for 300 years. Our railroads were paid for by exporting agricultural surpluses to pay off foreign loans. American agriculture has been, is now, and will long continue to be on an export basis, about 1 acre in 10 devoted solely to export.

Our problem now is that we cannot carry on that export through private channels at world prices at a profit. We must solve that problem.

Meanwhile, our agricultural exports have helped mightily to finance so-called foreign aid. About 30 percent of our mutual security, ECA, and other such programs have been in the form of agricultural exports.

In the hearings on this bill—volume 6, page 247—there is a breakdown of agricultural exports during the past 11 years. Here are the totals:

	Billion
Total agricultural exports	$36.644
Private nongovernmental programs	20.640
Governmental programs (of which $11.862 billion was in grants)	16.004

Thus, foreign aid has been the biggest agricultural support program. It is ominous that we must use Government programs to move 40 percent of our farm produce abroad. We must find a better way to do it. Meanwhile, these exports continue to contribute to our security, to the development and maintenance of military, economic, and political strength and stability in the free world in the cold war with communism.

Mr. McINTOSH. Mr. Chairman, in the Department of Agriculture budget recommendations to the Congress, there was included an item of $52,000 for dried bean utilization research. It is a disappointment to note that the Appropriations Committee, in reporting the Agriculture appropriation bill to the House, has reduced this item.

The special Commission established by the Congress on Increased Industrial Use of Agricultural Products, in its recent interim report, urges strongly that utilization research is the only real solution to the farm-surplus problem. Surpluses, the Commission states, will continue to mount, despite increased exports and population growth.

Price supports on dried beans have been costly to the producers, processors, the Government, and the taxpayers. It is believed that real savings to all concerned will be achieved through a sound program of utilization research. The dried-bean industry has raised $130,000 in funds for this purpose, but additional Government help is urgently needed.

On the other hand, production research continues to improve the efficiency of farm production. To illustrate, the Department of Agriculture recently announced two new dried bean varieties, one adaptable in my State of Michigan, and the other in the Western States. Both varieties will materially increase yields of these types of dried beans. These varieties will be completely in use in 1959. Utilization research is urgently needed to catch up with the developments in production research.

It is encouraging to note that the Appropriations Committee, even though denying additional funds for dried bean research, recognized the need for utilization research and directed the Secretary of the Department to make every effort to undertake such work within the funds provided.

In view of the concurrence of all concerned, the Department of Agriculture, the Congress, and the dried bean industry, as to the need for a sound utilization research program, and the initiative shown by the industry, it is my hope that the Government will continue the fullest possible coooperation.

FIFTIETH ANNIVERSARY OF 4-H CLUBS

Mr. SMITH of Mississippi. Mr. Chairman, while we are considering the appropriations for the Department of Agriculture, which include funds for Federal contribution to 4-H Club work within the Extension Service, it is appropriate to call attention to the 50th anniversary of the 4-H program.

We in Mississippi are especially proud of the outstanding work being done by the 4-H Clubs of this country, for it was here in Mississippi that the Federal Government first took a hand in sponsoring and directing club work 50 years ago.

It was the work of the Boys' Corn Club in Holmes County, directed by William Hall Smith, that gained the attention of an assistant to the United States Secretary of Agriculture, and through his aid that it became the first 4-H Club in the United States.

William Hall Smith, then superintendent of schools in Holmes County, called a meeting of volunteer corn growers and their teachers in the county seat of Lexington in February of 1907. It was due to his desire to see a more effective and prosperous school program in a poor section of the country that made him determined to tie schoolwork in with farmwork.

To accomplish this he proposed to hold corn contests among the boys and needlework, breadmaking, and cakebaking contests for the girls. This system, he felt, would not lose its hold on the boy when he reached the age of 14.

The county was in the grip of the initiative-destroying one-crop system of farming that prevailed throughout the South. Cotton being the only crop a farmer could get credit on, it seemed useless to farmers in debt to try to raise anything else. Their family food, which they could have raised in the garden, and the feed for their mules, which could have been raised on the good corn land, were all bought from the store on credit. The farmer was left with very little after he had settled up in the fall. He would go back to raising cotton in order to assure himself more food and feed for the next year.

It was the belief of William Hall Smith that this evil chain could be broken by encouraging higher corn yields through better farming methods. An abundance of corn would make possible the raising of pigs and chickens, and perhaps enable some families to keep a cow.

Smith was to receive the aid of Mississippi State College and the demonstration agents of the Government. Professor Perkins, of Mississippi State College, gave the corn club boys some seed of a tested variety for about half an acre of corn. As the season progressed, the members of the corn club received bulletins from the college and the Department of Agriculture. On land where the farmers had been averaging less than 20 bushels of corn per acre, the members were reported by Smith to have reached as high as 120 bushels per acre.

Dr. Seaman A. Knapp, an assistant to the Secretary of Agriculture and the founder of the Extension Division, became so interested in the accounts of the Boys' Corn Club sent in by County Agent W. B. Lundy, that he made a trip to Lexington and visited the fair where the exhibits were shown. He was so

impressed with the exhibits of corn, needlework, and baking shown there in October 1907, that he decided to sponsor it as a permanent part of the extension program.

Dr. Knapp appointed Mr. Smith as an agent for the United States Department of Agriculture at the salary of one dollar per year. The appointment carried with it the franking privilege, which permitted Smith to mail out circulars and instructions postage-free. Thus, Smith became the first man to be named by the Federal Government to do club work with rural boys and girls. Mr. Smith soon became known throughout the State as "Corn Club" Smith.

Dr. Knapp offered to pay out of his own pocket the expenses of the boy who made the best corn production for the year 1909. This trip was won by D. C. Lundy, one of the best known farmers and cattlemen in that area of the State.

A meeting in January 1908, was held in Durant, Holmes County, to lay plans for spreading the clubs to other counties and a circular called Mississippi School Boys' Experiment Club—Suggestions and Plans for Organization and Work.

The people of Mississippi, fully realizing the importance and accomplishments of William Hall Smith, have dedicated a historical marker on United States Highway 51, near Pickens, commemorating his founding of the 4-H Clubs. The dedication and unveiling of the marker was attended by many State and local officials, together with former members of the original Boys' Corn Club of 1907.

The purposes of the club program are, in essence, the same today as expressed by William Hall Smith in the organization of the clubs in 1907 and 1908.

To aid, through practical demonstration work, the State Agricultural College and the Extension Department at Washington in reaching the masses of people with their extension work.

To make farm life more attractive and farming more profitable.

To make the study of agriculture in the public schools more practical and interesting.

To make the rural environment of the child minister to its education.

To enable the people, by making them more prosperous, to take better advantage of the public schools.

To encourage soil study, soil improvement, better cultivation, food selection, etc.

To enforce the idea that farmers need as thorough mental training as professional men.

Mr. SISK. Mr. Chairman, I am voting against an appropriation for operation of the soil bank next year because I am convinced we must come up with a better program for the American farmer and the American people. I feel that a denial of funds for the acreage-reserve program next year will make imperative a searching inquiry into our agricultural mess and will give powerful stimulus to practical legislation and a better program. I pledge myself to the strongest support of legislation to this end and I believe the Members here must recognize and accept that the votes of a great many of us are intended to open the door to the earliest consideration of legislation which will permit farmers to share fully in the national income.

The soil bank is a demonstrated failure. I voted for it originally with the gravest misgivings and the utmost reluctance, only because there appeared no other prospect of relieving the immediate emergency confronting us. I felt it would not materially help growers, would not substantially reduce surplus production and that it would be harmful to our general economy. Events since last summer have established the truth of my fears.

In my home county of Fresno, Calif., the Fresno County and City Chamber of Commerce within the last month has compiled figures showing that it costs $107.38 for the farmer to produce a bale of cotton for which he receives an average of $190.24. It costs an additional $28.40 to process this bale of cotton. If the farmer puts land into the soil-bank acreage reserve, he receives about $68 for each bale of cotton he does not raise. This is $14 less than the profit he would realize if he grew it.

Our entire agricultural economy is geared to exist, not on the farmer's profit, but on his costs of production. Labor, small-business men, banks, utilities, industries of all kinds, share in the money the farmer pays out to grow crops. When he does not grow them, all these related businesses suffer.

Under the soil-bank plan, we are offering a false profit to the farmer and striking a death blow to all the segments of our economy which participate in farm production. In Fresno County, Calif., the soil bank takes $135.78 out of the channels of trade for every bale of cotton not produced. This is ample, if continued for another year, to throw thousands of small-business men into bankruptcy and hundreds of thousands of workers into unemployment. I do not think we can justify a program which does not help the farmer and hurts everybody else with whom he deals directly or indirectly.

The soil bank ignores all except basic crops and provides an artificial and uneconomic stimulus for conversion of lands into nonbasic crops which are themselves in surplus and without support payments or governmental help. In my district, this is adding more surplus production of grapes, tree fruits, and other specialty crops and adds new peril and hardship to the predicament of the farmers long established in these lines. This is accomplished under regulations of the Secretary of Agriculture which allow soil-bank payments for land withdrawn from production of cotton but which is also planted to nonbearing vines and trees. These regulations also permit payments on land converted to other crops in the fall of the year, so that during 1958 a great deal of land withdrawn in 1957 from basic crop production will be adding new surplus of other foods and fiber. Thus, while we hand out a meager soil-bank payment to one farmer, we stab another in the back.

What we must have is a program which permits all farmers to take their rightful place in the economy of America—to share fully in the large national income—to have the power to bargain in the market place and demand a proper return for their hard labor. I am convinced we can help bring this about and I think the road to it lies through extension of the marketing-agreement system, probably a voluntary, widespread domestic production quota system, and a vigorous and sincere expansion of our foreign markets. In the very near future we will be confronted by food shortages, not surpluses. We cannot meet this problem by handouts to discourage production and slipshod programs which lower our national income.

Mr. MARSHALL. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KILDAY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes, and directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. H. CARL ANDERSEN. Mr. Speaker, I demand a separate vote on the so-called Harrison amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

On page 21, strike out all following the word "program" in line 2, and strike all of line 3.

The SPEAKER. The question is on the amendment.

Mr. H. CARL ANDERSEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 192, nays 187, not voting 54, as follows:

[Roll No. 74]

YEAS—192

Abbitt	Bonner	Cooley
Abernethy	Bosch	Corbett
Addonizio	Boyle	Coudert
Alexander	Brooks, La.	Cretella
Alger	Brooks, Tex.	Curtis, Mo.
Andrews	Brown, Ga.	Davis, Ga.
Anfuso	Brown, Mo.	Delaney
Ashmore	Brownson	Derounian
Ayres	Broyhill	Dies
Bailey	Budge	Diggs
Becker	Burleson	Dingell
Backworth	Byrne, Pa.	Dollinger
Bennett, Fla.	Cannon	Donohue
Bennett, Mich.	Celler	Dorn, S. C.
Blitch	Cheif	Dowdy
Boland	Chudoff	Doyle
Bolling	Clark	Durham

Farbstein
Fascell
Feighan
Fino
Fisher
Flood
Flynt
Forand
Forrester
Fountain
Frazier
Friedel
Fulton
Garmatz
Gary
Gathings
Gordon
Granahan
Green, Pa.
Griffiths
Haley
Hardy
Harrison, Va.
Healey
Hemphill
Herlong
Hess
Hiestand
Holifield
Holland
Huddleston
Hull
Ikard
Jackson
Jennings
Jonas
Jones, Mo.
Karsten
Keating
Kee
Kilday
Kilgore
King
Kirwan
Kitchin
Kluczynski
Knutson
Landrum
Lane
Lankford
Latham
Lesinski
Lipscomb
Long
Loser
McCarthy
McFall
McMillan
Macdonald
Machrowicz
Mack, Wash.
Madden
Mahon
Marshall
Matthews
Metcalf
Miller, Calif.
Minshall
Morano
Moss
Moulder
Multer
Mumma
O'Brien, Ill.
O'Brien, N. Y.
O'Hara, Ill.
O'Konski
O'Neill
Passman
Patman
Pelly
Pfost
Philbin
Pilcher
Pillion
Poage
Poff
Porter
Powell
Preston
Rabaut
Radwan
Riley
Rivers
Robeson, Va.
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Rooney
Roosevelt
Rutherford
Santangelo
Saund
Schenck
Scott, N. C.
Shelley
Sheppard
Shuford
Sieminski
Sisk
Smith, Calif.
Smith, Kans.
Smith, Miss.
Smith, Va.
Spence
Staggers
Sullivan
Taber
Teague, Calif.
Teague, Tex.
Thomas
Thompson, La.
Thompson, N. J.
Thompson, Tex.
Thornberry
Tuck
Udall
Utt
Vanik
Vinson
Walter
Watts
Wharton
Whitener
Wier
Williams, Miss.
Willis
Winstead
Wright
Yates
Young

NAYS—187

Albert
Allen, Ill.
Andersen, H. Carl
Andresen, August H.
Arends
Aspinall
Auchincloss
Avery
Baker
Baldwin
Bass, N. H.
Bass, Tenn.
Bates
Baumhart
Belcher
Bentley
Berry
Betts
Bow
Bray
Breeding
Broomfield
Brown, Ohio
Burdick
Bush
Byrne, Ill.
Byrnes, Wis.
Canfield
Carnahan
Carrigg
Cederberg
Chamberlain
Chenoweth
Chiperfield
Christopher
Church
Clevenger
Coad
Coffin
Collier
Cooper
Cramer
Cunningham, Iowa
Cunningham, Nebr.
Curtin
Curtis, Mass.
Dague
Davis, Tenn.
Dawson, Utah
Delay
Dempsey
Dennison
Denton
Devereux
Dixon
Dooley
Dorn, N. Y.
Dwyer
Edmondson
Elliott
Evins
Fenton
Ford
Frelinghuysen
Gavin
George
Grant
Gray
Gregory
Gubser
Hagen
Hale
Halleck
Harden
Harris
Harrison, Nebr.
Harvey
Haskell
Hays, Ark.
Heselton
Hill
Hillings
Hoffman
Holmes
Horan
Hosmer
Hyde
Jarman
Jenkins
Jensen
Johansen
Johnson
Jones, Ala.
Judd
Kean
Kearns
Keeney
Kilburn
Knox
Krueger
Laird
Lanham
LeCompte
Lennon
McConnell
McCulloch
McDonough
McGovern
McGregor
McIntire
McIntosh
McVey
Mack, Ill.
Mailliard
Martin
Mason
May
Meader
Michel
Miller, Md.
Miller, Nebr.
Mills
Montoya
Morgan
Morris
Natcher
Neal
Nicholson
Nimtz
Norblad
Norrell
O'Hara, Minn.
Osmers
Ostertag
Patterson
Perkins
Polk
Price
Prouty
Rains
Ray
Reece, Tenn.
Reed
Rees, Kans.
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Riehlman
Roberts
Robeson, Ky.
Rogers, Mass.
Sadlak
St. George
Saylor
Schwengel
Scott, Pa.
Scriver
Scudder
Seely-Brown
Selden
Sheehan
Siler
Simpson, Ill.
Simpson, Pa.
Smith, Wis.
Springer
Steed
Talle
Tewes
Thomson, Wyo.
Tollefson
Trimble
Van Pelt
Van Zandt
Vorys
Vursell
Wainwright
Weaver
Westland
Whitten
Widnall
Wigglesworth
Williams, N. Y.
Wilson, Ind.
Withrow
Younger
Zablocki

NOT VOTING—54

Adair
Allen, Calif.
Anderson, Mont.
Ashley
Barden
Baring
Barrett
Beamer
Blatnik
Boggs
Bolton
Bowler
Boykin
Buckley
Byrd
Cole
Colmer
Dawson, Ill.
Eberharter
Engle
Fallon
Fogarty
Green, Oreg.
Griffin
Gross
Gwinn
Hays, Ohio
Hébert
Henderson
Hoeven
Holt
Holtzman
James
Kearney
Kelley, Pa.
Kelly, N. Y.
Keogh
McCormack
Magnuson
Merrow
Miller, N. Y.
Moore
Morrison
Murray
Rodino
Scherer
Sikes
Stauffer
Taylor
Teller
Ullman
Wilson, Calif.
Wolverton
Zelenko

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Gwinn against.
Mr. Keogh for, with Mr. Beamer against.
Mr. Colmer for, with Mr. James against.
Mr. Fogarty for, with Mr. Wolverton against.
Mr. Rodino for, with Mr. Cole against.
Mr. Buckley for, with Mr. Henderson against.
Mr. Kelley of Pennsylvania for, with Mr. Boykin against.
Mrs. Kelly of New York for, with Mr. Holt against.
Mr. McCormack for, with Mr. Wilson of California against.
Mr. Holtzman for, with Mr. Stauffer against.
Mr. Barrett for, with Mr. Kearney against.
Mr. Barden for, with Mr. Hoeven against.
Mr. Bowles for, with Mr. Moore against.
Mr. Blatnik for, with Mr. Griffin against.

Until further notice:

Mr. Hays of Ohio with Mr. Adair.
Mr. Blatnik with Mr. Allen of California.
Mr. Boggs with Mr. Berry.
Mr. Byrd with Mr. Merrow.
Mr. Fallon with Mrs. Bolton.
Mr. Morrison with Mr. Miller of New York.
Mr. Teller with Mr. Scherer.
Mr. Zelenko with Mr. Gross.

Messers. JENKINS, JOHANSEN, GAVIN, SCHWENGEL, HOFFMAN, and NICHOLSON changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask for a recapitulation of the vote.

The SPEAKER. I do not think any chairman has ever held that a recapitulation is in order when there are as many as 5 votes difference.

Mr. H. CARL ANDERSEN. I bow to the Speaker's decision.

The SPEAKER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. MARSHALL. Mr. Speaker, I ask unanimous consent that all Members who spoke on the bill just passed may have 5 legislative days in which to revise and extend their own remarks on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SCHOOL BIAS ENDS IN A BORDER CITY

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include an article from the New York Times.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, under the caption "School Bias Ends in a Border City," the New York Times has published a front-page story in its edition of May 15, 1957, which I would most respectively but urgently request every Member of Congress to read. It tells a story which is so human as well as fair that it cannot help but impress its truth upon all who have the least bit of objectivity.

I would point out particularly and ask that you read with great detail the points which are made concerning, first, integration was made to succeed without violence; second, economies running in excess of 20 percent of school budgets results; third, educational standards have not been lowered because of proper preparation; and fourth, discrimination does not exist in the minds of children and can be eliminated in the minds of adults who have the courage to face realities.

SCHOOL BIAS ENDS IN A BORDER CITY—CHARLESTON, W. VA., ADJUSTING WELL, ALTHOUGH PREJUDICE REMAINS IN HOMES

(By Benjamin Fine)

CHARLESTON, W. VA., May 9.—The mother of a fourth-grade pupil at Mercer elementary school stormed into the principal's office on the opening day of school last fall.

"What is this I hear about a Negro going to teach my boy?" she demanded.

Mrs. Bessie H. Stewart, the principal, explained that by order of the board of education, integration was now the school policy.

"I can't take it," the woman shouted. "I'm from Mississippi. My husband was born in Tennessee. If my child has a Negro teacher I'll take him out and send him to a private school."

"Please," the principal asked, "try the new teacher. Give her a chance."

A week later, the Mississippi-born woman came to Mrs. Stewart and said, quietly:

"Mrs. Stewart, I was wrong. Jimmie loves his teacher. I guess I'll let him remain at Mercer for the rest of the year."

INTEGRATION IN EFFECT

When integration was put into effect in Kanawha County last fall, the school officials and community leaders had their fingers crossed. In the fall of 1955, mixed classes were ordered for the first, second and seventh grades. Last September, the entire school system from kindergarten through high school became integrated.

At first there were grumblings, such as that expressed by the mother from Mississippi. The superintendent, Dr. L. K. Lovenstein, had several anonymous telephone calls, threatening violence. The police were alerted but they were not needed.

Charleston, the State capital, is part of Kanawha County, in the heart of the West Virginia mountains. About 57,000 pupils, 3,000 of them Negroes, are enrolled. Only 129 of the 1,961 teachers are Negro.

Charleston and the entire county had always had a segregated system of education. When the decision to integrate was taken, Dr. Lovenstein and the board members called upon the parent-teachers associations, the citizen groups, and the press to help smooth the way.

"We couldn't have received better cooperation," said Herbert M. Beddow, president of the board of education. "Everyone agreed that integration must be made to succeed without violence."

It has Negro and white children are found in every part of the county. Negro teachers have been assigned to all-white schools, even to communities where Negroes are not permitted to live. Eighteen all-Negro schools been abandoned. Three were merged with white ones. The district lines of eight schools were changed to permit Negroes to attend.

SYSTEM SAVES $250,000

School officials estimate that the immediate saving this year will be $250,000 out of a budget of $11 million. The economies will become even greater in the years ahead, they predict.

There is no indication that the educational standards have been lowered. Dr. Lovenstein points to the high standards of Negro instruction—the small pupil-teacher ratio and the corps of adequately trained Negro teachers—as reasons why the Negro children kept pace with the academic achievements of their white classmates while they were in a segregated system.

To some parents, acceptance of Negro teachers in mixed classes came hard. While visiting a friend, Mr. Beddow was taken to task for assigning a Negro teacher to the fourth grade. The father spoke harshly against Negro teachers in general and this one in particular.

His 10-year-old daughter, overhearing the conversation, broke into the room.

"You're talking about my teacher," she said to her father indignantly. "She's the best teacher I've ever had."

"The father hushed up fast," Mr. Beddows said. "He's for integration now."

OPERATING SMOOTHLY

As the first full year of an integrated program drawsto a close, the pupils and teachers agree that the program has operated smoothly.

"I'd like to have my teacher again next year," Billy, 9, said of his Negro instructor.

"I like being here with my white friends," Tom, 10, who was in an all-Negro class a year ago, added happily. "My teacher is real nice."

He doesn't even refer to the fact that she is white—the first white teacher he has ever had.

On the elementary level, almost without exception, Negro children and white ones play and study together. As was found in Wilmington, Del., the youngsters here are colorblind. They make no distinction between races in the classroom or on the play yards.

A fourth-grade teacher, Mrs. Maude Bennett, has 18 white and 10 Negro pupils in her class. She has been a teacher for 32 years, and this is the first time she has taught an integrated class.

"I can't see any difference at all," Mrs. Bennett said. "The colored and white children do just about the same work. In the spelling bees, sometimes a white child will come out ahead, sometimes a Negro."

The class officers were called to order by Mrs. Bennett. They gathered around her desk to decide how best to keep the room clean.

The president, James Randall, who wants to be a pilot, is a Negro, as is the assistant secretary, Jane Clayton, a future teacher. The vice president, Linda Stillwell, and the secretary of the class, Margaret Moses, are white.

CHOSEN FOR ABILITY

This situation is common throughout the school system. Negroes are elected to student offices, they are on the athletic teams, they work for the student newspapers and join the dramatic clubs. But, the students are quick to say, the Negro pupils are chosen on the basis of ability, not color.

"We love Jimmy Randall," his classmates said. "He's a good president."

The townspeople have come to accept this school integration. Recently about 100 elementary children marched through the streets to attend a concert in the center of the city. Quite by accident, the informal procession was led by a third grade Negro boy and a third grade white girl. Hand-in-hand they marched down the street at the head of the procession.

"I wondered what the people were staring at," a school official said. "Then suddenly I realized. We are so used to seeing Negro and white children playing together in schools that we just don't notice it anymore. For the citizens, however, it must have been a novelty."

MOST TEACHERS WHITE

Because the great majority of teachers and pupils are white, most of the youngsters are taught by white teachers. For the first time, these teachers find Negro children in their classrooms.

Jean Ferguson, a third grade teacher with 35 years' experience, is typical of many. Until this year she had taught all-white classes. Now she has a class of 13 Negroes and 13 whites.

"It was difficult to get used to it at first," she said. "It's made my work more difficult and more challenging.

"But I haven't found any real difference in intelligence between the two races. There are slow and fast readers among both the Negroes and the white children."

The Negro parents come to the P. T. A. meetings, Miss Ferguson said, in the same proportion as the white parents. They cooperate with her whenever special problems arise, she said.

"I don't mind teaching a mixed class now," she added. "I'll probably get another one next fall. I certainly won't ask for an all-white class."

TRANSFERS POSSIBLE

Parents who do not want their children to attend mixed classes or who object to Negro teachers may ask for a transfer. However, if the class to which they wish their child transferred has more than 30 pupils, the child will not be admitted. Also, they have to pay transportation costs of $4 a month on the elementary level, $12 on the high school.

"We have had mighty few requests for transfers," Dr. Lovenstein said. "Our parents seem to accept things as they are."

NEGRO TEACHER ASSIGNED

Sometimes a Negro teacher is placed in an all-white school. Mrs. Stella Meiner at the Chandler School is an example. She has 41 fourth-grade pupils, and they are "crazy" about her, in their own words. "She's a good teacher," the children said.

"My mother says," a long-haired girl of 9 remarked, "that Mrs. Meiner is the nicest teacher she ever met."

Mrs. Meiner always had taught Negro children. Now she teaches only white children. The educational standards are similar, however, she said.

"I don't find any differences at all," she said. "They are all such lovely children."

Dr. Lovenstein explained her appointment: "There was a vacancy at the school and Mrs. Meiner had the necessary qualifications, so we gave her the job."

ANOTHER IS APPOINTED

A similar situation exists at the Clendenin Junior High School, 20 miles from Charleston. No Negro had ever taught in this school of 664 children and 27 teachers. Moreover no Negro had ever lived in Clendenin, a mining and farming community.

A Negro teacher, Arned Brown, was brought in last September to teach art and history. He is accepted by the community, students, and teachers. For the first time in Clendenin, seven students have won art prizes in national competitions.

The students sing the praises of Mr. Brown.

"He is the best teacher I've ever had," is the typical comment of the 254 students whom he teaches.

"We have forgotten that he's colored," Debbie Karr, the senior class president, said. "When he first came here, I was prejudiced. I didn't like Negroes. Well, I've certainly changed my mind now. I think they're as good as we are."

BIAS BEGINS OUTSIDE

However, integration stops in the classroom or on the athletic field; it is not carried over into the home. When a colored student at the Thomas Jefferson High School came to a party given by one of his classmates, he was asked to leave.

"Please don't take this as a personal affront," the mother of the boy giving the party said. "We just aren't used to having Negroes at our parties. Maybe when integration is further along we'll be able to invite you."

"I got a phone call from a boy in my class," said Mary Bowditch, 14, a high-school freshman. "Mother didn't like it when she learned he was colored. When he called again she wouldn't let me talk to him. But really he only wanted to carry on a pleasant conversation."

At the school dances the Negro and white pupils are not allowed to exchange dances.

"The community is not ready to go that far," said the dean of girls at the Stonewall Jackson High School.

"We'll have to take integration step by step," said Mrs. John C. Norman, a Negro teacher active in community affairs. "You can't hold the dawn back indefinitely."

DEFENSE APPROPRIATION BILL

Mr. MAHON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, I have requested the privilege of extending my remarks at this point in the RECORD for the purpose of making an announcement. The hearings on the big defense-appropriations bill are now available. Some of them have been available since the first of this month.

It is anticipated that the Defense appropriations bill will be reported out of the Committee on Appropriations on May 21. The House leadership has not fixed a definite date for House consideration of the measure, but the indications are that consideration of the bill will be

completed on or before Wednesday, May 29. It may be that the general debate on the bill will begin on Friday, May 24.

HOUSE MEMBERS' NEED FOR ADMINISTRATIVE ASSISTANTS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, I am inserting herewith an editorial from the May 10, 1957, issue of the Texarkana Gazette, Texarkana, Ark.-Tex., supporting my proposal that each Member of the House be allowed an administrative assistant well versed in taxes, appropriations, and monetary matters. These subjects required technical training for intelligent handling, and I believe all of us would greatly benefit if we could have such a technician on our staff.

The editorial is as follows:

NOT A BAD IDEA

In a recent speech on interest rates and the tight money policy, Congressman WRIGHT PATMAN made the observation that Members of Congress are not equipped to deal intelligently with three subjects—taxes, appropriations, and monetary matters. We agree with Mr. PATMAN that these are subjects calling for the utmost in study, research, and technical understanding. From what we have been able to observe of Congress, its Members do not have the time it takes for a proper understanding of these subjects.

Congressman PATMAN suggests that the greatest benefit that the people could possibly get from any expenditure of public funds would be to insist that every member of Congress have an administrative assistant for these three subjects of taxes, appropriations, and monetary matters.

He said this would be of much greater benefit to the constituents than the enlargement of the staffs of the various committees.

A Member needs somebody close to him who is responsible only to him and who will keep the Member advised and who will carry out the will and the wishes of the Member, prepare information, etc.," Mr. PATMAN said.

We are in agreement with Mr. PATMAN that the Members of Congress are prepared to take care of clerical matters and office correspondence because they have adequate help provided for that purpose although some congressional districts are so large it is almost impossible for the members of these districts to keep up with their office work, but they certainly are not equipped to deal intelligently with taxes, appropriations, and monetary matters—three of the most important issues that come before Congress.

FRIENDSHIP AIRPORT

Mr. FRIEDEL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. FRIEDEL. Mr. Speaker, for many years the people of Baltimore have wondered why Friendship Airport, certainly one of the finest and most modern facilities of its type in the world, has not been more generally used by our principal air carriers. While the Washington National Airport continues to be dangerously overcrowded, Friendship offers to the traveling public of the greater Washington-Baltimore area accommodations unmatched on the eastern seaboard.

The two busiest airports among the Eastern States are New York's La Guardia and Miami's International. Neither can compare with Friendship in the matter of overall efficiency and attractiveness.

That is why, Mr. Speaker, the people of Baltimore are delighted over the prospect of soon being on important international airline operations provided the Civil Aeronautics Board accepts the strong and forthright recommendations recently made by one of its examiners regarding nonstop service to Mexico City.

You will recall, Mr. Speaker, that Pan American World Airways has recently sought several new routes with the provision that Friendship Airport be used as a joint terminal for Baltimore and Washington. One case in particular comes readily to mind because Pan American's proposal to operate a new service between Baltimore and Miami was rejected in favor of certification of a carrier which, at the time of its certification, had no four-engine equipment and no intention to serve Friendship. We are well aware, Mr. Speaker, of the skullduggery which occurred at the time the decision against Pan American was being made and a special Senate subcommittee is concerning itself with all aspects of that case at this time.

However, that case is history and once again we are confronted with a situation wherein Pan American proposes to put Baltimore on the world's trade routes. A Civil Aeronautics Board examiner has recommended most emphatically and without qualification that Pan American be authorized to operate between New York and Baltimore and Mexico City. Ordinarily, Mr. Speaker, the examiner's recommendations would have a powerful effect on the ultimate decision of the Civil Aeronautics Board and we in Baltimore hope that this case will be no exception. But I am aware of many strong political considerations which could conceivably upset the recommendations of the examiner and give such certification to another airline which does not propose to utilize Friendship Airport on this route. The Civil Aeronautics Board will hear oral argument on this case on May 29 after which there will be a period of deliberation by the Board. The Board will then make a recommendation to the White House inasmuch as an international route is involved and, under our present laws, the final decision of international air routes rests with the President.

Mr. Speaker, there is more involved in this case than the simple matter of an air route between the Eastern United States and Mexico City. Pan American has the equipment and existing routes which can put Baltimore in a desirable position internationally. Pan American flies beyond Mexico City to all of South America. Likewise, Pan American flies from New York to points all over the universe.

At this time, only one air carrier provides nonstop service to Mexico City. Strangely enough this carrier is Air France which advertises itself as the world's largest airline. Air France now has a monopoly on international operations between Europe and Mexico. I should like, at this time, to quote from the Civil Aeronautics Board examiner on this subject:

> The record leaves no doubt that the public convenience and necessity require authorization of nonstop air service between New York or Washington, and Mexico City. The authorization is not only needed to permit improvement in the existing American-flag service made possible by the longer range aircraft in use in recent years; it is imperative that such service be authorized for an American-flag carrier to meet the competition of Air France between New York and Mexico City. Consideration of necessary improvements in American-flag carrier services between New York and Mexico City has been too long delayed. That delay has resulted in the incredible situation where a European carrier has in the past year won a preferential position in a market pioneered by our own industry and in a stream of traffic in which a United States-flag carrier should be second to none.

Mr. Speaker, Pan American at the outset of this projected service will provide 2 flights per day through Friendship Airport—1 headed toward Mexico City and 1 returning from Mexico City. These flights would connect with other Pan American operations heading toward Central and South America on one hand and Europe, the Middle East and the rest of the world on the other. Certainly, as traffic warrants it, Pan American would step up its frequency in and out of Friendship. This service would not be a stub-end operation but would actually put Baltimore on the world's trade routes.

I quote once again from the report of the examiner:

> Pan American is the only applicant which can effectively participate in the Europe-Mexico City market, and its selection as the carrier needed for the proposed nonstop service is necessary to strengthen United States-flag aviation over the North Atlantic. The selection of Pan American will contribute to a considerable reduction of mail pay subsidy. This carrier alone has experience as an overseas competitor with the foreign-flag operator now entrenched in the New York-Mexico City market. Pan American can also effectively serve the Mexico traffic that does not proceed east of New York because it is in a position to provide high-quality service for the local New York-Mexico City travelers; it has the capacity for promoting large-scale tourist travel to Mexico; and it can provide one-carrier service to points beyond Mexico City, thus integrating tourism in the general Latin American area with its service to Mexico City. Of the two applicants, Pan American is in the far better position eventually to exploit and promote the potentially large vacation and tourist market of Mexico City, because, in addition to the local New York-Mexico City vacation market, it will be able to exploit the Europe-Mexico tourist trade. Other countries regard a proper participation by their flag carriers in the movement of traffic between third countries as an important and legitimate goal of national policy. It is no less so for the United States.
>
> In sum, the congressional policy as expressed in section 2 of the act as applied to the facts of record in this case requires the nonstop authorizations for Pan American. This carrier, as the only applicant able to provide all the types of public service required by the route and afford one-carrier services beyond each end of the route, can provide the most effective United States-flag competition in an area of travel now dominated by a foreign-flag operator. Pan American's certification will save the Government money in mail pay costs and insure the proper development of a potentially strong foreign market. These vital considerations of our national interest outweigh any preference for Eastern's proposal stemming from greater optimism, initial plans for all-coach flights, route integration with domestic service, probable diversion of Eastern's revenues, and any color of right Eastern may have on the ground that its 1946 award for Mexican service failed of implementation. In other words, if the needs of the traveling public are best to be promoted and served, if full American-flag participation in the two large markets herein involved is to be recaptured and held, if we are to take advantage of integrating and solidifying our own flag services between Europe and Latin America, if a rare opportunity for reducing air carrier subsidy is to be taken—in short, if the public interest in an economically sound, financially strong and subsidy-free air transport is paramount—the choice of carrier in this proceeding is crystal clear. The choice is Pan American.
>
> Pan American is a long-established carrier holding certificates of public convenience and necessity and air operating certificates. Pan American's history of successful operations and its showing on this record, leave no doubt that it is fit, willing, and able to perform the services herein found required by the public convenience and necessity.

Mr. Speaker, the examiner in this case has not equivocated. He has shown no indecision. We in Baltimore do not carry a banner for any particular airline. We recognize that Eastern Air Lines has been a most vital factor in the development of a sound air transportation system which has contributed so much to the economic progress of the United States. But I suggest, Mr. Speaker, that we consider most carefully the concluding recommendation of the examiner:

> In view of the foregoing and all facts and contentions of record, it is concluded that the public convenience and necessity require a nonstop authorization for Pan American between New York/Washington and Mexico City and that the public convenience and necessity require denial of the proposal of Eastern for nonstop operations on that route.

We in Baltimore sincerely hope that the Civil Aeronautics Board and the White House consider carefully the recommendations of the examiner and that Pan American Airways be given the opportunity to do for Baltimore what no other carrier has proposed.

EGYPTIAN PERSECUTION OF THE JEWS

Mr. ADDONIZIO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ADDONIZIO. Mr. Speaker, after the Suez crisis last November, when the American public was distracted by events in Hungary and the problem of Hungarian refugees, serious and tragic events were taking place in Egypt. I refer to Nasser's expulsion of Egyptian Jews from their homes, the confiscation of Jewish businesses and properties in Egypt, and the deliberate creation of a refugee problem by the Egyptian dictator.

The shocking details of Egyptian persecution of the Jews by Nasser are not as well known in the United States as they should be. After the fighting in Suez and Sinai stopped, Nasser moved against the Jews. During November, the Egyptian secret police—borrowing Nazi and Soviet techniques—entered the houses of loyal, non-Zionist Egyptian Jews in Cairo and Alexandria in the small hours of the morning to tell the astonished Jews that they had to leave Egypt immediately. After looting these Jewish homes, the secret police herded the unfortunate victims to hastily improvised concentration camps where the Jews were kept in close confinement under filthy conditions for a long period until they could be driven like cattle into ships leaving Egypt.

In addition to brutal mass arrests and reckless expulsions, more serious charges can be leveled at Egypt. The Egyptian secret police employed force, beatings, and a favorite Egyptian punishment, the bastinado—a heritage from Mamluke and Ottoman rule in Egypt—in which the victim's feet are lashed to a pole and the public executioner whips the soles until they bleed. Victims of such tortures often cannot walk for weeks. All of these methods were used on Jews to force them to sign statements that they were leaving Egypt of their own free will, and to make them disclose the extent of their wealth. It was a common Egyptian practice to detain hostages from the immediate families of expellees to prevent those who had already gone abroad from telling the true state of affairs in Egypt to the world at large.

Egyptian Jews were not the only sufferers. Since the war, many stateless Jews had settled in Egypt. Some of them married Egyptians and many had founded businesses. Even so, the Egyptian Government made no attempt to differentiate between Egyptians and stateless Jews, nor did it make any distinction between Zionists and non-Zionists. It is well known that a great majority of Egyptian Jews had no Zionist sympathies; Zionist sympathies were imputed to them by Nasser and his friends.

Between mid-November 1956 and the end of January 1957 more than 8,000 Jews were expelled from Egypt. The new exodus represented approximately one-fifth of the Egyptian Jewish community. The destruction and despoliation of Egyptian Jewry is clear violation of the U. N. Universal Declaration on Human Rights, adopted by the General Assembly in December 1948, and to which Egypt subscribed. Indeed, the Egyptian delegate to the U. N., Mahmud Azmy, played a large part in the adoption of the declaration by the Assembly.

Article 5 of this declaration declares that no one shall be subjected to torture or cruel punishment, while article 9 bans arbitrary arrest, detention, or exile, and articles 12, 13, 15, and 17 provide for safeguards against arbitrary interference, the right to leave and return to one's own country, the right to a nationality, and prevention of arbitrary sequestration or deprivation of property. It is quite clear that Nasser's expulsion of the Egyptian Jews represents violations of at least six definite human rights listed in this United Nations declaration ratified by Egypt in 1948.

The position of the United States Government in the matter of the Jewish refugees has been ambiguous. After a minor diplomatic protest delivered by our Ambassador in Egypt to Colonel Nasser at the beginning of this year, the administration has done very little to help the cause of Egyptian Jews. This is in great contrast to the administration's rightful championing of the cause of the Hungarian refugees. All Americans were proud and happy to do what they could for these unfortunate victims of Soviet brutality. At the time of the Soviet attack on Hungary, the United States admitted several thousand refugees to this country as parolees. In all justice, the administration should do the same for the Jews expelled from Egypt. To grant hospitality to one group of immigrants and to refuse it to another is not in keeping with our American traditions of hospitality, nor our repeated intervention during the course of our history on behalf of oppressed minorities in foreign lands.

Mr. Speaker, I urge that prompt action be taken on the refugee question which challenges the conscience of the American people, and I recommend that such legislation recognize the imminent problems of escapees from dictatorship of any kind.

POST OFFICE MAINTENANCE

Mr. McCARTHY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. McCARTHY. Mr. Speaker, I yesterday introduced H. R. 7539, a bill to transfer to the Postmaster General the duties and functions of caring, operating, maintaining and keeping up those buildings occupied in whole or in part by the Post Office Department. At present, these duties are performed by the Administrator of General Services.

I believe that the Post Office Department again will be able to maintain their buildings in the manner in which they were once maintained. The General Services Administration has, I think, proved itself unable to manage these Government owned or leased buildings. The Federal buildings in the Fourth District of Minnesota are excellent examples of poor management and maintenance. Other Members of Congress have cited similar situations in their own districts. Other Members are undoubtedly concerned with this problem.

In the main St. Paul Post Office and Customhouse the Public Health Service recently was requested to inspect the unsanitary conditions in which the postal operations of Minnesota's capital are performed. The Public Health inspectors were called in by the Post Office Department, and these inspectors discovered disgraceful conditions in this post office.

These are excerpts from the report of inspection of the post office and customhouse building, St. Paul, Minn.:

INSPECTION OF POST OFFICE AND CUSTOMHOUSE BUILDING, ST. PAUL, MINN.

(By Leonard H. Male, assistant regional engineer, Public Health Service, Kansas City, Mo., March 6–7, 1957)

At the request of Dr. Lewis H. Hoyle, regional medical director, Public Health Service, region VI, an inspection was made of several floors in the Post Office and Customhouse Building, 180 East Kellogg Boulevard, St. Paul, Minn., on March 6 and 7, 1957. This inspection was made following the receipt of a letter from Mr. Elmer J. Bornhoeft, acting regional director, Post Office Department, Minneapolis regional office, requesting this office to make a survey and forward the report to him of our findings with recommendations. Accompanied by Mr. G. A. Raschka, chief of the section of industrial health, Minnesota Department of Health, I met with Mr. M. E. Nelson, acting regional director; Mr. J. M. Galvin, acting assistant regional director; and Mr. F. T. Thwing, regional personnel director, of the Post Office Department regional office, Minneapolis, for further information regarding the complaint on the sanitary conditions existing at the St. Paul Post Office which had been reported to the Postmaster General by the St. Paul, Minn., branch of the National Postal Transport Association.

Acting Regional Director Nelson, in the absence of Mr. Bornhoeft, requested that we make an inspection of the parcel post and circular section of the post office where most of the employees worked who had complained of unsatisfactory working conditions. Mr. J. M. Galvin, acting assistant regional director, accompanied us on the inspection of the fourth and fifth floors. Following the inspection of these floors, we met with Mr. S. A. Bertelson, postmaster, and Mr. Walter Noreen, president of the NFPC, who had been invited by the postmaster to meet with us. Mr. Bertelson accompanied us to the basement and loading docks for an inspection of these premises and showed us several pictures which had been taken of conditions found in the building including areas where plaster had fallen off, broken areas where tile had been removed, and dirt and debris under post-office equipment.

FOURTH FLOOR

This floor is devoted to the handling of circular mail which passes through the post office in transit to other States and cities. The floor space consists of 23,000 square feet with a 16-foot ceiling. Ventilation at the time of the inspection seemed to be adequate although there was evidence of a small amount of dust and lint in the atmosphere. The floor is constructed of 9-inch oak parquet blocks, and a large circular area near the center of the floor is constructed of a bituminous compound. It is said that the latter material is easy on employees who must stand on their feet a great part of the day and is readily cleaned and maintained.

It was noted that the varnish finish had worn off of many of the parquet blocks, and the seams between the blocks had widened, allowing dirt to accumulate. The floor, constructed of both materials, gave the appearance of being dirty and poorly maintained. Much dirt and lint from tying twine had collected along the walls, under the circular cases, and on top of the incoming mail belt hood. Many strip labels containing dates in January and February were found on the floor and under the pipe mail racks. The dirt and dust on the floor in many places had a settled appearance of having been there for some time. Especially was this true of the dirt found on top of and under lockers in the locker room.

One hundred and sixty to two hundred men work in this section, and there was not too much evidence of dust in the air at 2 p. m. on Wednesday, March 6. One of the workmen was wearing a homemade mask. When questioned regarding the nasal mask, he said he was bothered with asthma and a bronchial condition and that he had had considerable distress until he had begun wearing his homemade mask.

The morale among employees appeared to be satisfactory, and no one was overly anxious to condemn the conditions under which they worked. Several employees complained of the hot sun from the west windows during the summer months. It was noted that only a few shades covered the full length windows on this side and there were none on the windows on other walls of the room.

SWING ROOM

This room consists of 1,500 square feet of floor space and is used by employees during lunch periods and a. m. and p. m. breaks. It is connected to the circular paper section by a door which was open when we were there. The floor was not clean, and dirt had collected under the radiators, in the corners, and along walls of the room. There was evidence of tobacco waste on the wall and floor in the vicinity of the radiators. The floor near the soft-drink dispensary was dirty and spilled wastes from drinks were noticeable.

Toilet facilities on the fourth floor consisted of 6 stools, 3 urinals, 12 lavatories, and 2 showers. The floor and fixtures were in need of cleaning.

An average of 150 men work on this floor during a part of each day.

LOCKER ROOM

The locker room contains 1,783 square feet of floor space. The floor was very dirty, and considerable accumulation of settled dust was found on top of the lockers, at the rear of the coat rack, and on the floor under the lockers. The legs on the many lockers prevented to some degree proper cleaning of the floor.

FIFTH FLOOR

This floor is used for the sorting of parcel post packages and consists of 25,000 square feet of floor space with a 16-foot ceiling. The floor was not clean and gave one the impression of not having been thoroughly cleaned for some time. Trash and dust had collected under the table belts and under the incoming belt system. Apparently these areas were frequently overlooked when the room was cleaned.

The mail hampers and pouches in the pipe racks contained a considerable amount of dirt, lint, and small scraps of paper. If this equipment for handling mail were properly cleaned regularly, the cleaning job on these floors might be materially reduced.

The toilet facilities were in much the same condition as found on the fourth floor.

Sixty to eighty men are employed on this floor part of the day, and this force is doubled during the Christmas holiday season.

It was reported that no cleaning is done on week ends and very little at night when a small mail crew is on duty. These periods would seem to be the most logical time to clean floors thoroughly, particularly on the 4th, 5th, and basement floors. At this time there are few employees and there would be less interference when cleaning under and around hampers, pipe racks, and other handling facilities.

Following the inspection of these two floors, we met with Mr. S. A. Bertelson, postmaster, and inspected the basement floor, loading docks, and the toilet facilities used by the employees. The postmaster stated that complaints had come to him concerning the odors emanating from the urinals, etc. Conditions in this area were much the same as found on the other floors. Urinals and other toilet facilities and the floor were not being cleaned properly and kept in a satisfactory sanitary condition. The toilet facilities consisted of one urinal, two stools, and two lavatories. Here again there was evidence of a lack of sufficient and competent custodial service employees to do a satisfactory job of cleaning.

Approximately 75 men are employed in this area.

In brief, some of the management deficiencies were that there was an inadequate custodial staff to effectively clean the post office, that this custodial staff lacked the equipment and materials necessary to clean the building, that toilet rooms, locker rooms and other sanitary facilities were filthy and only periodically cleaned, that windows were unwashed and unshaded from the sun from the west, and that piles of dirt lay undisturbed under the machines used in handling the mails.

The General Services Administration in response to the adverse report and the recommendations made by the Public Health Service admitted the criticisms made of their maintenance and repairs. The reply of the Commissioner of the Public Buildings Service stated that the "principal deterrents to our giving satisfactory service have been our inability to recruit replacements for cleaning force personnel, and the tenant's inability to specify any regular time for us to clean the area." They hope now to improve their service.

Supposedly, the General Services Administration has been cleaning and maintaining the St. Paul Post Office for 6 or 7 years. Yet, in 1956, the excuse for shoddy work is that they have been unable to work out a work schedule that does not interfere with the handling of the mails. Surely, some work schedule could have been evolved in 6 or 7 years. The post offices of the country used to be cleaned and maintained, and the mails were handled as well.

It would appear that the General Services Administration becomes concerned about the maintenance of the buildings in their charge only after agencies such as the Public Health Service and Members of Congress become concerned.

The Public Health Service has not yet been called into the Federal Courts Building in St. Paul, the other major Federal building in that city. But certainly the building is, like the post office, a disgrace to the Federal Government. This building houses the United States districts courts, the circuit courts of appeals, a large postal station, the United States attorney and marshal, other agencies of the Federal Government, as well as a Member of the Senate and a Member of the House of Representatives.

The interior walls of this building are crumbling, fallen plaster is not being replaced, paint has not been applied for years, perhaps decades, and a heavy layer of dirt and soot covers all surfaces.

The broken and ill-fitting windows fail to keep out the rain, sleet, and snow. And in Minnesota winters tight windows are generally considered mandatory by all except the General Service Administration.

In my own offices in this building, ice and snow accumulates on the inside of the windows and on the sills. Heavy cold drafts swirl through the offices.

Both the St. Paul Post Office and the Federal Courts Building are staffed by inadequate maintenance personnel. Both of the buildings are filthy. Yet at one time both of these buildings were satisfactorily maintained by the Post Office Department. They were clean and in good repair.

The General Services Administration cites as its objectives or its watchwords "economy, efficiency, and service." I fail to see that it is economy to allow the Federal buildings around this country to so deteriorate that they will require enormous appropriations someday to restore them, while General Services now economizes on services. I fail to see that this policy is efficient when inadequate maintenance personnel, using inadequate materials and equipment, attempt to perform a job that is far beyond them. I fail to see that, by any stretch of the imagination, this type of maintenance and management is service.

It is time, I believe, that these Federal buildings used by the postal service be returned to the management of the Post Office Department.

GOVERNMENT SPENDING

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. COLLIER] is recognized for 15 minutes.

Mr. COLLIER. Mr. Speaker, last night President Eisenhower presented a report to the Nation on Government costs. Whether we agree or disagree with the President in his appraisal of the situation does not detract from the fact that his address was earnest, sincere, and forthright in every detail. I certainly do not propose to speak on the specifics of the Federal budget. But at the same time, it behooves us to take inventory of the direction in which we are traveling. In this regard, I consider the crux of the problem summed up in this statement from the President's address and I quote, "No great reductions in the budget are possible unless Congress eliminates or curtails existing Federal programs or unless all of us demand less service from the Government, or unless we are willing to gamble with the safety of our country."

Most of the Members of Congress will agree that the first two reservations are clearly and concisely placed in the lap of this body. As for the willingness to gamble the safety of our country, not one of us has the remotest thought of doing that. There are probably as many ideas on what constitutes the gamble in this regard as there are Members in the House.

The concern of the public over this budget is both significant and healthy. And it should certainly lead to a conscientious reappraisal of our whole national program of legislation. As one who is new as a Member of this great legislative body, I naturally feel a sense of humility in speaking on the very complex subject. However, this does not deter my deep convictions on the Federal spending and the expansion of centralized government.

Incidentally, I cannot help but observe that the public clamor for curtailing Federal spending has drawn a variation of opinions and, I might add, even a change of heart in the attitude of many of the esteemed leaders of both political parties. One of the Members of this body recently said that the blizzard of some 800 tax-reduction bills introduced since January 3 indicates a strong feeling among Members of Congress to giving the American public relief from the present heavy burden of taxation. I would like to believe that this observation is entirely correct, but I submit that I prodigiously reviewed a summary of bills offered during the same period; and those calling for the expenditure of additional Federal funds outnumber the duplicatory tax-relief bills by a tremendously vast ratio, perhaps as much as 5 to 1. Before the current session of Congress adjourns, the number of legislative proposals providing for increased Federal spending is likely to reach the 5,000 mark. With the 2d session of Congress being election year, new spending bills for pet Federal projects, following the usual pattern, will exceed even this number.

It is interesting, too, to observe that the authors of many of the tax-reduction bills are likewise the authors of many of the new spending bills. Further analysis of the tax cutting and Federal spending indicates that the authors of many of these same tax-relief bills have not only voted against the majority of the proposed budget cuts, but have embraced by their public announcement of support an expansion of Federal-aid programs of every nature and description. I respectfully point to the CONGRESSIONAL RECORD, page 1198, under date of Wednesday, January 30, as specific evidence.

And so, as a Member of the Congress who has voted rigid economy and who favors a curtailment of Federal aid in many areas, I find an inconsistency of political philosophy quite beyond comprehension. As I have frequently advised many of my constituents urging my support of new and expanded Federal-aid programs on one day and a tax cut the next, that I know of no way to "get 3 pounds of rice from a 2-pound bag." Apparently there are political magicians who do, and I solicit their advice and counsel on how it can be done.

A sprawling bureaucracy and expansion of Federal Government into new areas of our national life, both social and economic, imposes more than the immediate burden of taxation upon the American people. For should it continue to grow at the pace it has during the past two decades, we may well destroy the individual initiative, ingenuity and ambition that cultivated the wealth of human and natural resources of this Nation.

Certainly there can be no doubt that the unshackled initiative and ambition has been the force which permeated the growth of this country from a small colony of pioneers to the greatest nation on earth within a span of 150 years. This spirit of enterprise, free of excessive government control, interference and subsidation, allowed the United States to develop far beyond other nations of the world with centuries of history behind them.

No individual who shares in the opportunities of this great and free Nation and who knows the history of its origin and development can deny that its rise to the leading place in the free world was built upon individual and collective independence. These ideals must never be taken for granted if we are to preserve the greatness of this country for the next generation.

The enviable place which the United States has maintained in the world was achieved without the bold and direct financing from the till of the Federal Treasury. Nor did this growth depend upon the subsidation of the many phases of human and natural resources by the Federal Government. On the contrary, it stemmed from the collective efforts and ambitions of individuals with the guaranty of the rights and liberties provided by the Constitution.

The complexity of world problems today are so vast in their scope that almost any legislative attempt to solve them is a calculated risk. I do not say that such risk must never be taken, but I question, and I certainly am not alone in this philosophy, whether we can afford to take the abundance of these risks which we have and which we continue to take, if we are to preserve self-survival that depends upon economic stability. If we fail to do this, we can no longer expect to remain the greatest force for the democracy of a free world.

I do not believe that the vast majority of the American people, by and large, have sought the Federal legislation which Congress has enacted over these two decades designed to solve the domestic and foreign problems we have faced.

On the contrary, I believe that most of the legislation which has created the vast network of Federal-aid programs and Federal-aid spendings was not conceived of the demand of the majority of the people of this country but was born in the minds of the legislative and executive branches of the Federal Government over the years.

At any rate, I believe that we have reached the place where we can only resolve the problem of Government spending to a basic philosophy. Those who subscribe to the philosophy that the Federal Government must continue to spend and spend—take on new and varied Federal-aid programs in new areas of our national life, and accept as our responsibility the multiple and tremendously complex social and economic problems of scores of nations with entirely different cultures and ideologies, might just as well admit that this Government must continue to grow bigger and bigger, more costly. This will lead us farther and farther from the original concepts of government which has been

symbolic of the American way of life for more than a century.

So in conclusion may I say that it is my sincere desire that the concern of the American people over this and future Federal budgets be constant and persistent. For in public corncern lies the only hope for curtailing and perhaps even eliminating those Federal programs which are not the fundamental responsibility of the Federal Government. There will remain marked differences of opinion on this subject, just as there are such vast differences in political philosophies. But because time is frequently the best judge of all things—we must not forget that the history of nations wherein government became the dominating force and effect in the national and economic life of their people are those which faltered and eventually decayed as world powers. That, gentlemen, is history—not opinion.

Mr. SHEEHAN. Mr. Speaker, will the gentleman yield?

Mr. COLLIER. I yield.

Mr. SHEEHAN. I want to compliment the gentleman from Illinois on the clarity and the forthrightness of his views. I am sure his constituents will long appreciate his able representation as their Congressman.

Mr. COLLIER. I thank the gentleman.

AMERICAN DAIRY INDUSTRY AND THE JAMESTOWN CELEBRATION

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. LAIRD] is recognized for 10 minutes.

Mr. LAIRD. Mr. Speaker, at the site of Jamestown, Va., on June 4, 1957, the American dairy industry will pay tribute to the people who 350 years ago founded this Nation's first permanent English settlement and also introduced dairying to America.

The American dairy industry began 350 years ago as an import business, the first ships carrying butter and cheese to the new settlement. Then, in 1611, the first dairy cows were imported into this country to become a permanent part of American agriculture.

The growth of American agriculture since 1607 has been greater than that experienced in any other part of our world.

The winter of 1609–10 was known as America's "starving time," because the first settlers were not well provisioned. They were not the farmers who were to come in great numbers in later years, and the Jamestown settlement was operated under a communistic system which proved to be a terrible failure.

Today we may thank God that our food problems are those of great abundance rather than scarcity such as our first settlers experienced and such as many hundreds of millions of people throughout the world still must face every day in this year 1957.

The dairy industry has grown steadily along with the rest of America since 1607. While our dairy industry in that year consisted of the importation of a few pounds of butter and cheese, in this year each American, on the average, will consume about 700 pounds of milk—as milk, butter, cheese, ice cream, evaporated milk or dry milk.

To produce this tremendous amount of food requires the labor of more than one million people on the nation's dairy farms, plus many hundreds of thousands more who daily truck the milk from farms to factories, who process the milk for our use, who then distribute the milk and milk products from factories to homes and stores and restaurants and the many other places where food is sold or served.

The dairy foods family has assumed tremendous importance in the diets of the American people through the years. Today about 30 percent of all of our food nutrients come from milk and milk products—at a tremendous bargain to homemakers since dairy foods claim less than 20 cents out of each food dollar.

In 1611, Lord Delaware, the first governor of the Virginia colony, wrote these words:

> The countrey (meaning Virginia) is wonderfull fertile and very rich and makes good whatsoever heretofore hath been reported of it, the cattell already there, are much encreased, and thrive exceedingly with the pasture of that countrey: the kine all this last winter, though the ground was covered most with snow, and the season sharpe, lived without other feeding than the grass they found, with which they prospered well, and many of them readie to fall with calve; milke being a great nourishment and refreshing to our people, serving also (in occasion) as well for medicine as for food, so that it is no way to be doubted, but when it shall please God that Sir Thomas Dale and Sir Thomas Gates, shall arrive in Virginia with their extraordinary supply of one hundred kine.

There was little or no knowledge about the science of nutrition in the days of Lord Delaware, and it is significant that he recognized the importance of dairying and milk to the health and welfare of the people under his command. What we have learned through the sciences since that day fully confirms the faith which Lord Delaware expressed in milk.

It is significant, too, that as the settlers began moving westward from the eastern seacoast, they took their milk cows with them. The pace of the wagon trains was determined by the cows tied behind each wagon—these cows which meant life or death to the settlers on the trail and in their early settlements. For the cow was a food factory on the hoof, requiring only a patch of grass and some water to keep on manufacturing the nourishing milk. The cow not only provided milk but also meat, leather and other by-products. Her horns kept the pioneers' powder dry.

Today cows are milked in each of the 48 States, contributing not only to the good health and good eating of America's 170 million people but also to the strength of the American economy.

In my Congressional district, which is the Seventh Congressional District of Wisconsin, more milk and cheese are produced than in any other Congressional district in the United States. Wisconsin leads all the other States in the production of milk and cheese.

We join the American dairy industry in paying tribute to the hardy pioneers who brought dairying to America 350 years ago. The early start which they gave to dairying has contributed much to the growth and strength of our Nation.

SPECIAL ORDER TRANSFERRED

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that the 5 minutes granted me today may be allowed me tomorrow after other business in the House.

The SPEAKER. Is there objection?

There was no objection.

NATURAL GAS LEGISLATION

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. VANIK] is recognized for 15 minutes.

Mr. VANIK. Mr. Speaker, hearings are now being held before the Interstate and Foreign Commerce Committee of this House on H. R. 6790 and H. R. 6791, together with other related bills to amend the Natural Gas Act. It is the purpose of most of these bills to free from effective Federal regulation the price charge by producers of natural gas who are the Nation's great oil companies.

The Natural Gas Act of 1938 was enacted to protect the ultimate consumer from exploitation at the hands of the sellers of natural gas. Under that act, the Federal Power Commission was charged with the responsibility of carrying out that purpose. Last Thursday the Chairman of the Federal Power Commission testified on H. R. 6790, and H. R. 6791, referred to as the Harris-O'Hara bills. In the course of able questioning by members of the committee, Chairman Kuykendall disclosed certain facts which should be of interest to every Member of this House.

Now, gentlemen, this legislation has been widely advertised as a compromise bill. This would lead one to believe that it represents a compromise between the interest of the producers who are the subject of regulation on the one hand, and the interest of the consumers who are its beneficiaries on the other. The testimony elicited from Chairman Kuykendall of the Federal Power Commission, however, makes it shockingly clear that this is not the case and further that it is not the case largely because of the activities of the Chairman of the Commission.

You will recall just 2 years ago the heated debate on the Harris bill of that year which was designed to exempt producers of natural gas from Federal regulation. You will recall that the bill narrowly passed this House and subsequently passed the Senate but was vetoed by the President. In his veto message the President stated that any new bill to secure his approval should include specific protection for consumers in their right to fair prices.

The Chairman of the Federal Power Commission testified last Thursday that following the veto, he was requested by

the White House to prepare a draft of a bill which would fulfill the requirements that the President had set forth in his veto message. One would assume that pursuant to this request from the White House, the Chairman would consult with consumer representatives and with representatives of the various State public utility commissions, whose duty it is to see that the rates charged the ultimate consumer for natural gas are just and reasonable. One might also assume that the Chairman would consult with members of his staff who are also charged with the duty of protecting the ultimate consumer.

But here is what actually happened, according to Mr. Kuykendall's own testimony. He called in lawyers representing the gas industry and requested that they prepare a bill that they would like. The Chairman admonished those individuals that there should be absolute secrecy with reference to their work, and indeed there was. In the meantime, a second "task force" was assembled, also representing the gas industry, and this second group came to the Chairman and requested that he hold up on the lawyers' group he had formed while this second force completed its work, and the Chairman agreed to this. These two groups advised him in secrecy, from time to time, as to their progress. Finally, the industry presented the Chairman with a statement of principles to be embodied in the new bill.

During all of this time the Chairman of the Commission, who had initially been requested to take the lead in drawing the new bill, turned the matter over to the very industry which was the subject of regulation. At no time did the Chairman call in any consumer representatives. The Chairman conceded that his primary duty under the act was to protect the ultimate consumers, and sought to justify his failure to call in any consumer group on two grounds: First, that he knew of no consumer groups to go to; and second, that he assumed that if the gas industry itself could agree on a bill, the consumer interest would be adequately represented.

As to the first claim that he did not know of any consumer groups, we need only look at the long list of opponents to the Harris bill of 2 years ago and to the present bill. Communications in opposition have been received from governors of various States. Appearing in opposition to those bills at committee hearings were numerous State attorneys general, members of the State public service commissions, mayors of our larger cities, and city attorneys. All these State officials are charged by law with protecting the interest of consumers in their respective States—yet, they were not consulted.

As to the Chairman's second reason for not consulting consumer representatives in the drafting of this legislation, or even advising them that such legislation was being drafted, he stated that he assumed that if the gas industry could agree upon a bill, the consumer interest would be adequately represented. This is close in philosophy to the famous statement of another public servant—that "what is good for General Motors is good for the country."

It becomes perfectly apparent, therefore, that the widely touted compromise is a compromise which has excluded the consumer. It is no compromise between the interest of the producer on the one hand and the consumer on the other, but rather is a compromise by the gas industry against the consumer.

As originally introduced, the bill was so unpalatable and so obviously unprotective of the ultimate consumer that the administration, at whose initial instigation the bill was drafted, proposed certain changes in order to make it at least look like the consumer would receive the protection which the President, in his veto message, said he must have. The bill as originally drafted would prohibit the Federal Power Commission from giving any consideration whatever to the cost of producing gas in reviewing field prices. The administration would remove this prohibition but would not require the Commission to use cost. If all factors that the Commission might consider were left to the Commission's discretion, then the failure to make consideration of cost mandatory might be appropriate. But the bill, even with the administration's amendments which do not make cost finding mandatory, does refer to other completely illusory standards.

Why do I consider it so important to bring these matters before you? Simply because the bill is very carefully drawn to conceal its true purpose. It is a long bill, a complicated bill, and from the form of the language used, one would believe that the draftsmen were interested in providing a careful regulatory mechanism by means of which producer prices would be reviewed. Indeed, during the hearings before the Committee on Interstate and Foreign Commerce, one of my colleagues from a producer State asked whether the bill could not be considered as providing for Federal regulation, to which he received an affirmative response. And so it does, my colleagues, but for a completely meaningless Federal regulation, because the yardstick used in this bill—reasonable market price—is a rubber yardstick, entirely devoid of any real protection for the millions of consumers of natural gas. In essence, the Commission's regulatory power over producers under this bill would give it the power to record the prices that are arrived at in the bidding for gas supplies by the pipelines, and then graciously allow the pipelines to pay these bargained-for prices to the producers.

No regulation worthy of the name forbids a regulatory agency from examining the cost of finding and producing natural gas, yet that is precisely what the gas industry did in drafting this bill. Even the administration's suggested amendment, which would remove this prohibition, still would not have the word "cost" mentioned in the legislation, let alone make it mandatory for the Commission to consider this essential element.

The importance of cost cannot easily be underestimated, nor can the effect on the ultimate consumer, should this bill pass. The costs now being found by the Federal Power Commission are a full 10 cents per thousand cubic feet below the deals now being made for new gas supplies. It is 10 cents a thousand cubic feet on this Nation's gas bill, over half a billion dollars a year, which is riding on this little word "cost" and on whether the Commission must continue to use it as a starting point in determining whether prices are fair.

Gentlemen, beware of this "compromise" bill if it comes before the House. Let us hope that that committee in its good judgment will see that it moves no further.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HOEVEN (at the request of Mr. MARTIN), for 2 weeks on account of minor eye surgery.

To Mr. ALLEN of California, for 15 days beginning today, on account of death in the family.

ADJOURNMENT OF THE HOUSE FROM TOMORROW UNTIL MONDAY NEXT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mrs. ROGERS of Massachusetts, for 5 minutes, on today.

Mr. LAIRD, for 15 minutes, on Wednesday of next week.

Mr. EDMONDSON (at the request of Mr. ALBERT), for 45 minutes on Monday, May 20.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. MULTER (at the request of Mr. ADDONIZIO) and to include extraneous matter.

Mr. HOLLAND.

Mr. CELLER.

Mr. DORN of New York and to include extraneous matter.

Mr. SCOTT of Pennsylvania and to include extraneous matter.

Mr. FULTON in two instances and to include extraneous matter.

Mr. ANFUSO (at the request of Mr. O'HARA of Illinois) in two instances and to include extraneous matter.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 43 minutes p. m.), the House adjourned until tomorrow, Thursday, May 16, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

852. A letter from the Chairman, Federal Communications Commission, transmitting a report on backlog of pending applications and hearing cases in the Federal Communications Commission as of March 31, 1957, pursuant to Public Law 554, 82d Congress; to the Committee on Interstate and Foreign Commerce.

853. A letter from the Chief Commissioner, Indian Claims Commission, transmitting a report that proceedings have been finally concluded with respect to the following claim: *The Yuchi (Euchee) Tribe of Indians, Claimants, v. The United States of America, Defendant* (docket No. 172), pursuant to section 21 of the Indian Claims Commission Act of August 13, 1946 (60 Stat. 1055; 25 U. S. C. 70t); to the Committee on Interior and Insular Affairs.

854. A letter from the Clerk, United States Court of Claims, transmitting certified copies of the court's opinion rendered on May 8, 1957, relating to the case of *Cooper Tire and Rubber Company v. The United States* (Congressional No. 10-52), pursuant to sections 1492 and 2509 of title 28, United States Code, and House Resolution 699, 82d Congress; to the Committee on the Judiciary.

855. A letter from the Chairman, Foreign Claims Settlement Commission of the United States, transmitting the Fifth Semiannual Report of the Foreign Claims Settlement Commission of the United States as of December 31, 1956, pursuant to section 9 of the War Claims Act of 1948 (62 Stat. 1240; 50 U. S. C. App. 2001-2016), as amended, and of section 3 (c) of the International Claims Settlement Act of 1949 (64 Stat. 12; U. S. C. App 1621-1627), as amended; to the Committee on Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HOLIFIELD: Committee on Government operations. 5th report pertaining to a review of the budget formulation and presentation practices of the International Cooperation Administration; without amendment (Rept. No. 449). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOLIFIELD: Committee on Government Operations. H. R. 5110. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes; without amendment (Rept. 450). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 3836. A bill to repeal section 1157 of title 18 of the United States Code, as amended; without amendment (Rept. No. 452). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 3837. A bill to amend the act of August 24, 1912, as amended, with reference to educational leave to employees of the Bureau of Indian Affairs; with amendment (Rept. No. 453). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 6692. A bill to authorize the transfer of the Coyote Valley Indian Rancheria to the Secretary of the Army, and for other purposes; with amendment (Rept. No. 454). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 or rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HOLIFIELD: Committee on Government Operations. H. R. 4945. A bill to provide for the conveyance of certain real property in West Palm Beach, Fla., to the Port of Palm Beach District; with amendment (Rept. No. 451). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BECKWORTH:

H. R. 7559. A bill to provide pension for certain physically handicapped veterans of World War I, World War II, or the Korean conflict; to the Committee on Veterans' Affairs.

H. R. 7560. A bill to provide for the payment of pensions to veterans of World War I and their widows and children at the same rates as apply in the case of veterans of the Spanish-American War, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BERRY:

H. R. 7561. A bill to authorize the partition or sale of inherited interests in allotted lands in the Pine Ridge, Rosebud, Lower Brule, Cheyenne River, or Standing Rock Sioux Indian Reservations in South Dakota, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 7562. A bill to authorize the consolidation of Rosebud Indian tribal trust funds, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BROWN of Missouri:

H. R. 7563. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. BURNS of Hawaii:

H.R. 7564. A bill to provide that the Legislature of the Territory of Hawaii shall meet annually, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. COLLIER:

H. R. 7565. A bill to permit one-half of the budget surplus for any fiscal year to be applied against the public debt and to provide that one-half of such surplus shall be applied as tax credits against individual income taxes; to the Committee on Ways and Means.

H. R. 7566. A bill to allow a deduction for income-tax purposes of certain expenses incurred by the taxpayer for the education of a dependent; to the Committee on Ways and Means.

By Mr. COUDERT:

H. R. 7567. A bill to amend the act of August 20, 1954, establishing a commission for the celebration of the 200th anniversary of the birth of Alexander Hamilton; to the Committee on the Judiciary.

By Mr. DAVIS of Georgia:

H. R. 7568. A bill to amend the District of Columbia Police and Firemen's Salary Act of 1953 to provide that service in the grade of inspector and the grade of private in the Fire Department of the District of Columbia shall be deemed to be service in the same grade for the purpose of longevity increases; to the Committee on the District of Columbia.

By Mr. HASKELL:

H. R. 7569. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers", approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. KEAN:

H. R. 7570. A bill to amend section 403 of the Social Security Amendments of 1954 to provide social security coverage for certain employees of tax-exempt organizations which erroneously but in good faith failed to file the required waiver certificate in time to provide such coverage; to the Committee on Ways and Means.

By Mr. LANKFORD:

H. R. 7571. A bill to amend title II of the Social Security Act to include Maryland among the States which may obtain social security coverage, under State agreement, for State and local policemen and firemen; to the Committee on Ways and Means.

By Mr. SHELLEY:

H. R. 7572. A bill to provide supplementary benefits for recipients of public assistance and benefits for others who are in need through the issuance of stamps or certificates to be used in the acquisition of surplus agricultural commodities; to provide for improved nutrition for recipients of public assistance and others eligible under the provisions of the act; to assist in maintaining fair prices and incomes to farmers by providing additional outlets for surplus agricultural products; to prevent burdening and obstructing channels of interstate commerce; to promote the full use of agricultural resources, and for other purposes; to the Committee on Agriculture.

By Mr. TEAGUE of Texas:

H. R. 7573. A bill to amend the Veterans Regulations to provide that meningitis developing a 10 percent or more degree of disability within 1 year after separation from active service shall be presumed to be service connected; to the Committee on Veterans' Affairs.

By Mr. VAN ZANDT:

H. R. 7574. A bill to change the method of computing basic pay for members of the uniformed services, to provide term-retention contracts for Reserve officers, and for other purposes; to the Committee on Armed Services.

By Mr. WATTS:

H. R. 7575. A bill to amend title VI of the Public Health Service Act so as to give project applicants for Federal assistance for the construction of hospitals and other medical facilities the option to obtain loans in lieu of grants; to the Committee on Interstate and Foreign Commerce.

By Mr. DURHAM:

H. R. 7576. A bill to further amend the Federal Civil Defense Act of 1950, as amended, and for other purposes; to the Committee on Armed Services.

By Mr. GARMATZ:

H. R. 7577. A bill to amend title 9, United States Code, entitled "Arbitration," so as to provide for correction of defects and omissions in the present law regulating arbitration, for judicial review of questions of law arising in arbitration proceedings, and for other purposes; to the Committee on the Judiciary.

By Mr. HARRIS:

H. R. 7578. A bill to continue the authority of the United States to make payments to Bernalillo County, N. Mex., for furnishing hospital care to certain Indians; to the Committee on Interstate and Foreign Commerce.

By Mr. MONTOYA:

H. R. 7579. A bill to increase the normal tax and surtax exemption, and the exemption for dependents, from $600 to $800; to the Committee on Ways and Means.

By Mr. HARRISON of Virginia:

H. R. 7580. A bill to amend the Watershed Protection and Flood Prevention Act to provide that its loan provisions shall be applicable to certain other projects; to the Committee on Agriculture.

By Mr. O'HARA of Illinois:

H. R. 7581. A bill to provide health insurance for Government employees, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BENNETT of Florida:

H. Con. Res. 175. Concurrent resolution proposing a code of ethics for Government service; to the Committee on Post Office and Civil Service.

By Mr. McMILLAN:

H. Res. 251. Resolution to authorize the Committee on the District of Columbia to conduct an investigation and study of the operation, administration, and enforcement of the District of Columbia Public Works Act of 1954, the District of Columbia Revenue Act of 1956, and the organization, management, operation, and administration of the District of Columbia Department of Public Health; to the Committee on Rules.

By Mr. CRAMER:

H. Res. 252. Resolution authorizing a preliminary examination and survey of streams at and in the vicinity of Bayport, Fla., for present and prospective commerce, and for other purposes; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLLIER:

H. R. 7582. A bill for the relief of Josef Butkovic, Manda Butkovic, Anka Butkovic, Maria Butkovic, Marko Butkovic, Reza Butkovic, Yadranka Butkovic, Ivica Butkovic, and Dane Bicancic; to the Committee on the Judiciary.

By Mr. DEVEREUX:

H. R. 7583. A bill for the relief of Mrs. Erna Scharnagl Baker; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H. R. 7584. A bill for the relief of James Strivelli; to the Committee on the Judiciary.

H. R. 7585. A bill for the relief of Wang Chang Hwa; to the Committee on the Judiciary.

By Mr. HOLIFIELD:

H. R. 7586. A bill for the relief of Joaquin Revuelta-Sahagun; to the Committee on the Judiciary.

H. R. 7587. A bill for the relief of Eustolia Cantu Holguin; to the Committee on the Judiciary.

By Mr. HOLLAND:

H. R. 7588. A bill for the relief of Vincenzo Guliotta Salpietro; to the Committee on the Judiciary.

By Mr. JACKSON:

H. R. 7589. A bill for the relief of Frank Novacek; to the Committee on the Judiciary.

By Mrs. KELLY of New York:

H. R. 7590. A bill for the relief of Leon Oswald Dickey; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 7591. A bill for the relief of Anton N. Nyerges; to the Committee on the Judiciary.

By Mr. O'HARA of Illinois:

H. R. 7592. A bill for the relief of Gerosimos Fourniotis; to the Committee on the Judiciary.

By Mr. PHILBIN:

H. R. 7593. A bill for the relief of Guiseppe Coponegro; to the Committee on the Judiciary.

By Mr. RODINO:

H. R. 7594. A bill for the relief of Mrs. Catherine Gandy Starnone; to the Committee on the Judiciary.

By Mrs. SHELLEY:

H. R. 7595. A bill for the relief of Mrs. Grace Pisciotta Barbera; to the Committee on the Judiciary.

By Mr. UTT:

H. R. 7596. A bill for the relief of Giuseppe Chiana; to the Committee on the Judiciary.

By Mr. WALTER (by request):

H. R. 7597. A bill for the relief of certain alien children; to the Committee on the Judiciary.

By Mr. WILSON of Indiana:

H. R. 7598. A bill for the relief of Burton B. Eaton; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Address by Hon. John O. Pastore, of Rhode Island, at Brotherhood Banquet of the National Conference of Christians and Jews

EXTENSION OF REMARKS

OF

HON. THEODORE FRANCIS GREEN

OF RHODE ISLAND

IN THE SENATE OF THE UNITED STATES

Wednesday, May 15, 1957

Mr. GREEN. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by my distinguished colleague, the junior Senator from Rhode Island [Mr. PASTORE], at the annual brotherhood banquet of the Rhode Island Council of the National Conference of Christians and Jews, held in Providence, R. I., on May 13, 1957. This excellent address will, I know, be of interest to the Members of the Senate.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY UNITED STATES SENATOR JOHN O. PASTORE AT THE ANNUAL BROTHERHOOD BANQUET OF THE RHODE ISLAND COUNCIL OF THE NATIONAL CONFERENCE OF CHRISTIANS AND JEWS, AT THE SHERATON-BILTMORE HOTEL, PROVIDENCE, R. I., MONDAY, MAY 13, 1957

I deeply appreciate the honor of the invitation to share in this occasion. "Occasion" seems too casual a word to define the drama that lies behind this happy gathering of men and women—friends, neighbors, and Americans. For here is something of the unfolding of the story that is America. Here is something of the greatness of the America that we possess—the America that possesses us. Here is something of the promise of the glory of America that is yet to be—in a world that is hungry for this kind of fellowship—hungry for the brand of brotherhood exemplified tonight.

Take a boy born of English parents in industrial England; take a lad born of Jewish parents in storied Ireland; take a youngster born of Italian parents under the sunny skies of that romantic land.

Where but in a land like ours could the 3 come together in this 1 golden hour to testify to the opportunities of our precious freedoms. It is a partnership in our common patriotism. Where else would gather so many races and so many religions as we represent to record our appreciation of individual, human, and humble men—not for their material successes—but for those qualities of mind and heart which make life an experience of justice, equality, happiness. Where but here could we demonstrate a fellowship that is more than tolerance.

I say this is the story of America though it reaches even beyond those English craftsmen who brought their plans for spinning wheels to dot the rivers of our valleys with industrial wealth.

It reaches beyond the Jews who 300 years ago founded their first synagogue in America, at Newport, to which they brought their ancient culture and their historic loyalties.

It reaches even beyond the dreams of the boy of Genoa—the daring Columbus who gave this New World to the Old World—and a new horizon to mankind for all time.

It reaches back as long as man has existed—since first man perceived he had a dignity beyond all other living creatures—and recognized the Creator who had made him so.

Through many ages and many lands man's culture multiplied—and thousands of years ago it flowered in the Judaeo-Christian precepts we respect tonight—personal freedom and moral responsibility—the sacredness of human life and the sanctity of the home.

These were the concepts of our Founding Fathers as they ordained this to be a government with the promise of life, liberty, and opportunity for all. These are the concepts that have molded the cultures of the many peoples who have poured their gifts into the common treasury of our America—building it to be the hope and inspiration of the world.

If this sounds like majestic language, we see it expressed in the simplicity of the lives of these three men we honor tonight. We understand it through their characters and their acceptance of responsibility which have made our lives a little better because they have passed this way.

If we have the right understanding, the significance of this night will not be lost upon us. This is a time of responsibility for us, too. If our America has received the gifts of the peoples of the world, we must realize that the world of freemen looks to America for leadership today.

This is an age that leads to destiny or disaster. Men's minds have wrested the secrets of nature with their promise of limitless good—or infinite evil.

We can lift impoverished peoples to a new happiness or we can blot entire cities and countries from the face of the earth. We have it in our power to annihilate all the cultures that have been centuries in the building. We can destroy all civilization.

I do not believe that the world can continue to live for all time in a state of balance of terror. Nor do I believe that permanent peace will come from massive retaliation. The answer is here—in the lesson of this night—in the spirit of tolerance and truth—of fellowship—of brotherhood—expressed in the dimensions of the destiny of the world.

These are heroic dimensions, if you will, but we have seen that this is a world more hungry for equality even than for food. We have seen men die in their determination to possess human dignity.

If others can die for this dignity—certainly we can live and work for it with all the genius and generosity we possess.

We know that we must live with other peoples in mutual respect—in a common freedom—and in universal peace.

The world looks to us for leadership and we shall rise to our responsibilities in the spirit and example of this night. We shall explore every path that may lead to peace and partnership.

And we shall be ready to share life in the true pattern of brotherhood. In that spirit we can lift the world out of hunger—out of horror—and out of hate.

Statement on Food-Cost Trends

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1957

Mr. ANFUSO. Mr. Speaker, the Consumers Study Subcommittee of the House Committee on Agriculture recently started a series of hearings on food-cost trends and the spread of the consumer's food dollar. Thus far in these hearings our subcommittee, of which I have the honor to serve as chairman, has concentrated primarily on the rising cost of food distribution in the United States in recent years, as well as on the role of certain religious and voluntary agencies in the distribution of some of our food surpluses abroad.

In later hearings our subcommittee will study food marketing problems, the cost trends of specific commodities such as milk, vegetables, meats, coffee, and so forth, farm prices and incomes as related to the retail cost of food, also the effect of our food and fiber programs as a deterrent to communism abroad, stockpiling of food surpluses for use in the event of a national emergency, and others.

When our hearings opened on May 7, I made a statement explaining the work of the subcommittee and delineating the current food-cost situation. Since then there have been a number of requests for copies of this statement. I am, therefore, inserting the text of the statement in the RECORD at this time.

The statement follows:

STATEMENT OF HON. VICTOR L. ANFUSO ON FOOD COST TRENDS

This morning the Consumers Study Subcommittee is opening its first hearings. This subcommittee was created on March 14, 1957, to study and investigate, among other things—

1. The cost of living and, with respect to agricultural products the share which the farmer gets of the consumer dollar and how it compares with other costs, that is, wages for labor, profits for middlemen, retailer, etc.

2. The part which our food and fiber programs have played in winning friends for the United States and preventing the spread of communism at home and abroad.

3. The accomplishments or deficiencies of our public, private, and voluntary agencies in this common struggle.

4. The proper stockpiling of surpluses within the limits of the United States as a matter of national and civilian defense.

The hearings today and tomorrow will be devoted to a consideration of the general picture on food cost trends in the United States.

Representatives from the Department of Agriculture, the national farm organizations, organized labor, consumers, and from the food processing and distributing agencies will give us the benefit of their information and views on this subject.

Sometime tomorrow we expect to have a representative from the Department of Agriculture give us a statement of the pros and cons on the rapidly increasing use of trading stamps as they affect food retailing costs. After hearing that statement, the committee will decide on the scope of its investigation into the effect of the use of trading stamps on the cost of food distribution.

Before calling the first witness this morning, I want to make a few observations on the work of this subcommittee as it relates to the general problems encountered by the Committee on Agriculture.

We are concerned with two vital problems, the high cost of living for the consumer and the low returns to the farmer for his abundant production of high quality foods. We believe that these two problems are related in so far as the current high cost of living is affected by increasing retail food costs. That is why the subcommittee was created.

This committee has no intention of engaging in a witch hunt or of attempting to embarrass any segment of the food processing and distribution industry. We are concerned, however, to find that in the past 10 years, although the average urban family has increased its food expenditures by $500, only $45 of this increase goes to farmers while $400 goes to food processors and distributors.

We are also concerned that during this period food supplies have become overabundant. Warehouses have been filled to overflowing with storable farm products. Yet some urban families cannot buy the food they need to raise healthy children.

Urban families of 5 or more members with incomes of less than $4,999 today are spending over half of their income for food.

While available data are not conclusive it appears that the larger urban families, with average or below average incomes, are spending a higher proportion of their income for food now than 10 years ago. They are spending this higher proportion of their income in an attempt to achieve some kind of a minimum diet at a time when United States farmers are in a position to supply them the most ample diet on record and at a much lower cost at the farm than 10 years ago.

Ladies and gentlemen, I think this is a challenge for the attention of this committee and of the entire food industry. If, in examining this problem together, we can find ways of lowering the cost of processing and distributing the staple livestock and other food products, many urban families will purchase more food, they will be better nourished, and current farm surpluses will be reduced.

Although we cannot expect to completely solve the problem by this approach, I want to underline the importance of this line of attack on the farm surpluses problem. On April 19, 1957, the Commission on Increased Industrial Use of Agricultural Products, authorized by the 84th Congress, sent an interim report to Congress. In this report the Commission states that 12 percent of the land in crops and rotated pastures produces fruits, vegetables, and grain cereals consumed directly as food.

About 7 percent of this land produces items for industrial and nonfood purposes, items such as tobacco, cotton fiber, wool, and a part of many crops such as soybeans and corn.

About 10 percent of the land produces products for export.

The remaining 71 percent of the land in crops and rotated pastures goes into feed for livestock and ultimately into the production of livestock food products such as meat, eggs, and milk.

This Commission recommended a threefold increase in research on industrial uses for farm products and listed a large number of useful projects. I agree with their recommendations. I believe there should be increased research on industrial uses for farm products.

But, ladies and gentlemen, if we, through our studies, can find ways to reduce the cost of processing and distributing food by as little as 5 percent, and that reduction in marketing charges is reflected in increased food purchases, it would be the equivalent of a 36-percent increase in industrial uses of farm products.

If we can find ways and means of reducing food-marketing charges by as little as 2 percent and these savings are reflected in increased food purchases by the financially hard-pressed housewife, it would be the equivalent of more than a 15-percent increase in industrial use of farm products.

I make these comparisons, not to belittle the importance of additional research on industrial uses of farm products, but to indicate the great importance of the task of this committee and of the food industry.

Of course all savings in food-marketing costs will not be reflected in increased purchases of foods. But in the lower-income groups, purchases would increase immediately with a drop in retail prices. Surveys in the spring of 1955 show that purchases of meat, poultry, and fish by nonfarm, housekeeping families, increased from 8.9 pounds a week for the families with incomes of less than $1,000 a year to 16.3 pounds a week for the families with incomes of $6,000 to $7,999. And from our knowledge of American family preferences we can guess that most of this increase was in the red meats, beef, and pork rather than in fish and poultry.

These surveys also showed that nonfarm family purchases of milk, cream, ice cream, and cheese increased from the equivalent of 11.2 quarts for families with incomes of under $1,000 to 16.4 quarts for families with incomes of $6,000–$7,999. Fruit and vegetable purchases increase just as spectacularly as family income increases up to the $6,000 or $8,000 level.

These figures are convincing evidence to me that families with less than $6,000 income will buy more livestock products, fruits, and vegetables if either the retail price is lower or their incomes increase.

On a dollar basis urban households of two or more increased their cash expenditures for meat, poultry, and fish and dairy products as their family income increased, as follows:

Income of household	Weekly purchases (meat, poultry, fish)	Weekly purchases (dairy products)
Under $2,000	$5.16	$2.01
$2,000 to $5,999	8.30	3.85
$6,000 and over	10.50	4.52

Although the committee is interested in, and concerned about, the increased charges for food processing and distribution of foods in recent years, it realizes that many of these increased charges are required to cover additional costs of precooking, preparation of ready-to-use mixes and special packaging. It also knows that the modern housewife who can afford it prefers these new ready-to-serve food products.

We have no intention of trying to turn the clock back. We join with the food industry in taking pride in the large variety of high-quality foods available to the American housewife. We know that in no other country in the world does the housewife have such a variety and such an abundance of fine foods available to her.

Yet we cannot be satisfied when we know that half of our urban families would like to buy more food if they could afford it, and that surpluses have accumulated in American storehouses because farmers cannot find a market for all the food they are producing.

We hope that every segment of the food industry as good Americans will join with us in a search for ways and means of reducing the processing and marketing costs, especially of the staple food products purchased by families with average and below average incomes.

Salary Priorities in Bankruptcy, H. R. 7604

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1957

Mr. MULTER. Mr. Speaker, I am introducing a bill, H. R. 7604, to amend the Bankruptcy Act of 1898 to increase the priority claims of salesmen and other workers for moneys due them from bankrupt employers.

The Bankruptcy Act of 1898 provided that workmen, clerks, and servants should have a claim, prior to the dividend claims of creditors and not to exceed $300, to wages earned within 3 months of the commencement of bankruptcy proceedings. This provision was amended in 1906 to include salesmen and again in 1926 to increase the allowable claims from $300 to $600. The only change in this provision since 1926 was contained in the 1938 amendment when the type of salesmen to be included was amplified.

The proposed amendment to section 104, part (2), of the Bankruptcy Act would merely change the amount of the allowable claim from $600 to $1,500. The necessity for this increase is partially explained by the price increases of recent years. The Consumer Price Index has increased 57 percent since the present $600 claim was granted in 1926, and it has increased 115 percent since 1933.

The essential question, however, is whether claims to back earnings of salesmen, workmen, servants, and clerks should be given priority over dividend claims of creditors. Since the original act of 1898, the principle has been to grant the claims of workers priority over the claims of creditors. There has, nevertheless, always been a maximum allowable claim for workers, presumably based on the theory that no wage earner should permit his employer to become too heavily indebted to him.

After salesmen were included in the 1906 amendment, it became evident that the amount of back earnings owed to salesmen was likely to be much greater than the amount owed to other wage earners and was likely to be much greater than the $300 maximum allowed in bankruptcy suits. This situation was partially righted in 1926 when the allowable maximum was raised from $300 to $600.

The changes which have taken place in the nature of selling since 1926 make imperative a further increase in the maximum allowable claim of wage earners. The expansion of credit and modern sales techniques emphasizing installment buying have revolutionized the art of selling. They have also made the modern salesman a substantial creditor to the extent that his sales commissions, in some instances, are not received until the items sold, are paid for. Payments may be spread out over a period of many months.

In the modern age of mass production and mass selling the salesman often stakes his livelihood on a few sizable accounts. The commissions due him from a single purchaser are likely to amount to thousands of dollars. This is the result of good, not poor, salesmanship. Yet the present bankruptcy law permits the salesman to collect only $600 in back commissions before dividends are paid out to creditors.

If the maximum amount of the prior claim is to be an amount above which the wage earner should not permit himself to become a creditor, as I believe it was intended to be, then that amount should be at least $1,500 in the case of salesmen.

By adding to his financial security, this bill will help to preserve the strength and character of the salesman who has always been a leading figure in the development of our free enterprise economy. His essential task has been to find, develop and, wherever possible, to create consumer demand capable of keeping pace with expanding production.

In planning for future economic growth the ability to consume is now considered equally as important as the ability to produce. Only in wartime has consumption been sufficient to utilize our full productive capacity; and when production outstrips demand, as it did in 1929, the necessitated cutbacks can be a prelude to economic disaster.

The salesman is our not-so-secret weapon for combating overproduction with increased consumption. Yet he is "in constant danger of becoming the skeleton at the feast," according to an article appearing in the Saturday Review of January 19, 1957. The paradoxical plight of the salesman in an age of prosperity is described in the article as follows:

The man who sells goes into the coming year as into the jaws of a gigantic press. The lower jaw, squeezing upward, is the rising price level necessary to maintain production in a time of high costs and tight labor. The upper jaw is the intensified, and different, competition for sales he will be facing.

There is an acute need for more and better salesmen in the present era of expanding production and expanding productive capacity. Thus, Nation's Business commented in September 1956 that, "More and more companies report difficulty in attracting and holding sales personnel."

The proposed amendment to the Bankruptcy Act is a necessary first step in rejuvenating the selling profession by making the financial insecurities of its members somewhat less severe.

I must take a moment to give due credit to the National Council of Salesmen's Organizations, Inc. and its energetic president, Louis A. Capaldo, for having called this matter to my attention in the first instance, and for their persistent efforts in trying to remedy this situation. This organization very appropriately calls itself "The National Voice of Salesmen." Mr. Capaldo has been always alert to the needs and desires of salesmen and over the years has done much, through the national council, to advance and protect their interests.

Free World Must Be Alert to Moscow-Cairo Axis

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1957

Mr. CELLER. Mr. Speaker, it can easily be recalled how in 1955, when sweetness and "might," the so-called Geneva spirit, was the topic of the day, the world witnessed but ignored the beginning of Soviet penetration of the Middle East. Today we witness again a dismaying parallel. While the powers are engaged in disarmament negotiations, the Soviet Union has moved decisively to gain control of that same region. There is the display of Soviet naval power in the Eastern Mediterranean, the Suez Canal and the Red Sea. There is the sale of Soviet submarines to Egypt and there is the interference by Egypt, backed by the Soviet Union, in the affairs of anti-Communist Arab countries.

This is, no doubt, the beginning of a new Egyptian attempt to close the Gulf of Aqaba against Israel and thereby provide a rallying point for all the Arab people.

But the target is not Israel alone. The target is the Free World as well. The elements of a tragic explosion are present which could easily erupt into war. The Soviet design is obvious. The desperation of Nasser to regain some of his control over the Arab world plays beautifully

into the Soviet objective. The significance of the latest of the Soviet-Egyptian maneuvers must not be obscured by the seemingly hopeful disarmament negotiations.

One Hundred Million Dollars in Surplus Foods Sent to Needy by United States Religious Faith Groups

EXTENSION OF REMARKS
OF
HON. JAMES G. FULTON
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 15, 1957

Mr. FULTON. Mr. Speaker, it is a real pleasure to congratulate for their fine record of human service in their relief programs, the Catholic Relief Services, the National Catholic Welfare Conference, as well as the Church World Service, the National Council of the Churches of Christ in the U. S. A., and also the United Jewish Appeal, and the Synagogue Council of America.

These agencies have achieved the high figure of $100 million in surplus foods sent to needy by United States religious faith groups, and handle 91.3 percent of all commodities distributed to hungry abroad by United States voluntary agencies. All United States voluntary agencies have joined in this magnificent evidence of the religious and humanitarian activities of the good American people and their church and charitable organizations.

American overseas relief agencies of the Roman Catholic, Protestant, and Jewish faiths distributed more than 1,140 million pounds of United States surplus foods free to destitute and hungry people abroad during the 9 months ended March 31, 1957.

These supplies of America's stocks of reserve foods—cheese, powdered milk, beans, corn, rice, wheat, cornmeal and flour—comprised more than 91 percent of all such surplus foods distributed by all American voluntary relief groups during the period.

The overseas shipments by the religious agencies had a total value of $99,895,942.

Other surplus stocks similarly distributed by nonreligious voluntary agencies amounted to 108 million pounds, with a value of $14,184,256.

Of this, the largest amount—nearly 101 million pounds valued at $13,294,899, or 8.09 percent of the total was distributed by CARE—Cooperative for American Remittances to Everywhere, Inc.

In addition, 61 million pounds of dried milk valued at $9,605,040 were distributed through UNICEF—United Nations Children's Fund.

This has been reported by the American Council of Voluntary Agencies for Foreign Service, 20 West 40th Street, New York City, which is composed of 40 agencies registered and recognized by the United States Government. The report is based upon data issued by the United States Department of Agriculture.

In all, the United States Commodity Credit Corporation released 1,310 million pounds of food valued at $123,685,000 for free distribution overseas by voluntary agencies during the 9 months.

During the same period, the CCC released approximately 750 million pounds of surplus commodities for distribution to needy persons in America through various State welfare projects, institutional programs, and so forth.

Operation of the overseas free food distribution by the religious faith groups was carried out in addition to their regular, on-going, worldwide schedules of relief and rehabilitation through which contributed and purchased foods, clothing, bedding, medicines, and self-help supplies are furnished and through which are maintained continuing programs of resettlement, constructive development, and assistance for refugees as well as support for orphanages and hospitals, tuberculosis, and other health projects.

In the assisting of the United States surplus food distribution, the faith groups utilize the networks of their own voluntary relief personnel and that of associated religious agencies.

Because of the highly voluntary nature of their assistance both here and abroad, religious faith leaders report, the faith agencies achieve an extremely high rate of distribution per dollar of cost, with much more than 200 pounds of food—in many cases more than 400 pounds—being given to relieve human misery for each dollar expended in their programs.

Costs of the surplus operations of the religious faiths are defrayed by the voluntary contributions of their members. In Protestant churches the contributions are largely through the one great hour of sharing, united appeal, and the share-our-surplus programs. In the Roman Catholic Church the programs are implemented through the bishop's relief fund. The Jewish faith operates successfully their large programs through the emergency rescue fund of the United Jewish Appeal as well as other Jewish relief programs. These agencies have proven devoted, efficient, and highly effective, and are to be complimented on their heartwarming approach to the problems of relief, refugees, and family aid and rehabilitation.

Surplus commodity shipments by American voluntary agencies during the 9 months—July 1, 1956, to March 31, 1957—were:

	Total pounds	Dollar value
RELIGIOUS AGENCIES		
American Friends Service Committee	6,120,290	$929,641
American Jewish Joint Distribution Committee	8,584,700	559,200
Assemblies of God Foreign Service Committee	973,000	96,274
Catholic relief services, National Catholic Welfare Conference	706,892,300	65,378,021
Church World Service	249,809,366	23,171,056
Hadassah	1,462,765	375,137
Lutheran World Relief	72,997,047	9,063,114
Mennonite Central Committee	2,103,000	185,644
Unitarian Service Committee	377,700	50,255
World Relief Commission	916,555	87,510
Total	1,140,302,653	99,895,942
SECULAR AGENCIES		
American Friends Austrian Children	826,000	$111,040
American mission to Greeks	471,600	65,957
American Korean Foundation	240,000	15,576
CARE	100,985,145	13,294,899
Foster Parents' Plan for War Children	394,110	73,849
International Rescue Committee	720,000	98,300
Iran Foundation	1,992,070	216,658
Rumanian Welfare	1,170,000	131,398
Tolstoy Foundation	90,000	25,200
United Lithuanian Relief Fund of America	947,000	90,091
Volunteer Border Relief	268,000	30,260
Russian Children's Welfare Society	72,000	11,160
Total	108,205,925	14,184,256
Total, religious and secular agencies	1,248,508,578	114,080,198
United Nations Children's Fund	61,968,000	9,605,040
Total	1,310,476,578	123,685,238

Areas receiving United States shipments included Afghanistan, Algeria, Antigua, Austria, Bahama Islands, Belgium, Bolivia, Brazil, British Guiana, British Honduras, British Virgin Islands, Burma, Cambodia, Ceylon, Chile, Colombia, Costa Rica, Dominica, Ecuador, Egypt, England, Ethiopia, Formosa, France, French Guiana, French West Africa, Gambia, Gaza, Germany, Goa, Gold Coast, Greece, Grenada, Guadaloupe, Guatemala, Haiti, Honduras, Hong Kong, India, Indonesia, Iran, Iraq, Israel, Italy, Jamaica, Japan, Jordan, Kenya, Korea, Laos, Lebanon, Liberia, Libya, Malay States, Malta, Martinique, Mexico, French Morocco, Nigeria, North Borneo, Nyasaland, Okinawa, Pakistan, Panama, Paraguay, Peru, Philippine Islands, Portugal, St. Kitts, St. Helena, St. Vincent, San Salvador, Sarawak, Sierra Leone, Spain, Surinam, Syria, Thailand, Trieste, Trinidad and Tobago, Tunisia, Turkey, Vietnam, Yugoslavia.

Breathing Space—The Plight of the Man in the Middle

EXTENSION OF REMARKS
OF
HON. HUGH SCOTT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 15, 1957

Mr. SCOTT of Pennsylvania. Mr. Speaker, the business and professional man in the middle-income brackets is very hard hit today. So is the small-business concern, not protected by accumulated reserves and subjected to multiplying and constantly increasing State and local taxes, in addition to Federal taxes.

In the area of Federal taxation the small-business man needs tax relief badly and would benefit from a real revision of the tax laws to give him the benefit of an increased surtax exemption, more realistic allowances for costs and depreciation and the right to elect

whether to make his returns as a corporation, partnership, or individual.

Likewise, the average middle-income business and professional man, unable to increase his charges adequately to compensate for the increased costs piling up on him from all sides, should be the object of special consideration in any new tax-reduction legislation which may become possible in the event of a surplus of Government receipts over expenditures.

Mr. Speaker, I made some suggestions for tax relief to these hard-pressed groups in a recent speech at Sunbury, Pa., which, under leave granted, I include herewith:

BREATHING SPACE—THE PLIGHT OF THE MAN IN THE MIDDLE

(Speech of Representative HUGH SCOTT, Sixth District, Pennsylvania, before Sunbury Chapter, American Institute of Banking, May 1, 1957)

In recent months, two of the great English-speaking countries took a long look at the hardest-hit area of their body politic—the middle-income group, the great unorganized, the free-enterprising, white-collar people. A Conservative government in Great Britain and a Liberal government in Canada faced up to the fact that the initiative-takers, the business and professional people who provided most of the pot of gold at the end of the government's tax rainbow were getting pretty fed up. They were providing most of the initiative, churning up most of the revenue. At the same time, they were being shaken loose by hungry governments of all too large a share of the fruits of their initiative.

Like the farmer's pigs in France, they were rooting up the truffles only to be rapped on the snout and deprived of the enjoyment of their diggings. They were growing increasingly snoutsore. Result: There was a rising tendency to forgo initiative, to pass up opportunities, through initiative, to increase their earnings.

Great Britain and Canada decided to redress an unfair situation, before the full consequences of their tax policies confronted them, with a law no Parliament could repeal—the law of diminishing returns.

They enacted new revenue laws extending substantial reductions to the middle-income groups. They acted in the sound belief that this increased incentive will, in fact, increase their national revenues. I think they were wise and I think what they did was just.

We in the United States must put our fiscal house in order and prepare to do the same thing. If there is a surplus, then proposals for tax reductions will gain momentum.

How can we manage to assure a surplus?

What should be done with such a surplus?

What tax-cut incentives would supply impetus to the sorely pressed men in the middle?

A surplus exists when we spend less than we take in. We are headed toward our third successive balanced budget. This is as many times as the budget was balanced in the entire preceding 25 years.

We are faced with a $94 billion carryover in spending authorized by the previous 84th Congress. They failed to enact legislation to put the Federal budget on an annual accrued expenditure basis as recommended by the bipartisan Hoover Commission. Because of the default of that Congress, economy can only begin belatedly by cutting in advance the future backing of carryover authorizations, by returning to the Treasury unexpended funds where possible and by extreme care in commitment to new authorizations.

The House of Representatives has already cut new appropriations by $1.2 billion. Forthcoming action on agriculture, defense and American aid abroad will permit further substantial cuts. The President has already approved a $254 million cut in soil-bank funds and a $500 million reduction in Army appropriations. If the Senate holds the line—and there are now some indications to that effect—the new budget will have lost some water, and gained in economic realism.

The recipe for a surplus, like the recipe for rabbit stew, properly begins with "first catch your rabbit." Receipts have been estimated at about $73 billion. If the economies above suggested can be made to stick and if receipts justify estimates, then we shall be entitled to consider what should be done with the resulting surplus.

Government, in good conscience, should treat a surplus as a trust for two purposes: to reduce its debts and to enable its citizens to retain as much of their earnings as possible.

There are many views as to the priorities, as between public debt reduction and tax relief.

I have introduced a bill, H. R. 7635, which reflects my judgment as to a fair method of dealing with a Federal surplus when it is achieved.

My bill requires that an established surplus be applied one-half to the reduction of the national debt and one-half to the reduction of personal income taxes. This tax reduction formula would extend the same percentage of tax relief as the proportionate reduction of taxes bears to the total income tax receipts of the previous fiscal year. Thus, if the one-half of the surplus so applied equals 7 percent of the total personal income tax receipts, a 7 percent tax reduction would be authorized in the upcoming income tax returns.

Other tax proposals by like-minded members approach the problem of tax relief in varying ways, all of which warrant serious consideration.

These suggestions include relief from double taxation of dividends, increase in exemptions for dependents, lowering capital gains taxes, permitting full deduction of capital losses, relief to corporations.

There is also the problem of greatly needed relief to small business. Here I believe the formula of Andrew Mellon would operate most effectively: a reduction of taxation upon small business should work actually to increase tax revenues and it would certainly reduce the number of small business failures.

My own bill (H. R. 6033) to assist small and independent businesses, is similar to proposals offered by several other Members of Congress.

These proposals include, among others, provision for a normal tax rate of 20 percent with an increase in present surtax exemption, provides certain growth, expansion, and modernization exemptions, and authorizes more rapid amortization of property utilized for the production of profit.

This bill also provides credits for losses incurred through investment or loans to small and independent business enterprises. It also permits the small or independent businessman an election, in filing tax returns, for corporations to file as individuals or partnerships, and vice versa.

The present House Ways and Means Committee has steadfastly refused to consider any relief to small and independent businessmen and unless this attitude alters, needed relief in this important quarter of our economy will continue to be denied.

I submit that if your Congress achieves the much sought surplus over expenditures, the area of incentive tax cuts to encourage renewed initiative can be located at least in part, among the foregoing suggestions.

The constant squeeze upon the man in the middle aggravated by increased, new and multiplying State and municipal taxes, has made him more tax conscious than ever before in his life. And let it not be forgotten that the percentage of increase in taxes on the State and municipal level is far outstripping the Federal tax level. Fortunately, some counties, such as yours, are competently administered and some States have legislatures to put some sort of brake on governors who like to think big and spend bigger.

Returning to the Federal Government, it is unfortunate that two-thirds of our annual fiscal burden bears heavily upon us because of "the bear that walks like a man"—one Khrushchev by name, one huge menace by intent—who does not yet give believable evidence of willingness to cooperate in mutual reduction of armaments.

The nucleus of our dilemma lies in the fantastic cost of our nuclear deterrents.

As the President said in his state of the Union message, we know that "a sound and safeguarded agreement for open skies, unarmed aerial sentinels, and reduced armament would provide a valuable contribution toward a durable peace in the years ahead."

Until the auspicious opportunity for peaceful solutions genuinely presents itself, we must confront armed and godless atheism with the strength of our truth and the truth of our strength.

As Shakespeare says in Measure for Measure: "Heaven grant us its peace, but not the king of Hungary's."

Here within our homeland's bounds your Government owes you a duty to pursue policies supporting a healthy, growing economy capable not only of providing the resources to keep the Government in forward motion, but also to give us ever greater scope to better our own lot.

As free men plan and execute their plans, as they find incentive to take risks and to earn rewards, they create an economy increasingly marked by equality of opportunity for all.

It has been well said, by a percipient observer, that the greatest of our American resources is to be found in the vigorous spirit of self-reliant men and women interested not only in receiving incomes but in earning them.

And on that note, may I leave with you a quotation from Goethe: "That which we have inherited from our forefathers, we must earn again in order to deserve."

The Responsibilities of Citizenship

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Wednesday, May 15, 1957

Mr. MARTIN of Pennsylvania. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address which I delivered to the Pennsylvania State Chamber of Commerce Tuesday evening, April 30, 1957.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY UNITED STATES SENATOR EDWARD MARTIN, OF PENNSYLVANIA, AT THE ANNUAL CONGRESSIONAL DINNER OF THE PENNSYLVANIA STATE CHAMBER OF COMMERCE IN THE WILLARD HOTEL, WASHINGTON, D. C., APRIL 30, 1957

Mr. Chairman and my fellow Americans, one of the most profound truths that have come down to us from the wisdom of Benjamin Franklin was expressed by that great citizen of Pennsylvania in 1787 when the

writing of the Constitution of the United States had been completed.

You will recall that he was asked: "What kind of government have you given us?" and he replied: "A Republic—if you can keep it."

In that simple statement Dr. Franklin asserted his firm belief that a republic recognizing freedom of the individual and deriving its just powers from the consent of the governed, is the most difficult of all types of government to maintain.

It is difficult to maintain because the people are the Government and they have the responsibility for its successful operation. The difficulties are increased when so few people really take a part in their government.

Many of our people seem to feel that they have performed their full duty as citizens when they vote. Some are so indifferent that they even neglect that fundamental obligation of American citizenship.

That tragic situation points out very clearly that to keep our Republic—to perpetuate its strength and power as the bulwark of freedom in the world—we need more militant groups who will take an active, aggressive, and unselfish part in government.

Our country needs more dedicated men and women who will help choose able and courageous public officials to represent us, and then will support those representatives in carrying out the ideals of patriotic Americanism.

As we look back across the record of history we find that great nations have gone down to defeat when the people lost interest in their government. We find that wherever people depended upon government and not upon themselves, their moral fiber was undermined while initiative and self-reliance disappeared. The result has always been excessive government spending, oppressive taxation, and burdensome debt—and let me impress upon you that more great nations have been destroyed by debt and taxes than by invading armies.

Let us look at the situation in our own country as disclosed by some figures. These figures are interesting but to my mind they are most alarming.

In the decade following the expensive Civil War, the cost per capita of Government was $3.82 per person. At the turn of the century the cost was $2.17 per person. Following World War I the cost rose to $3.53 per person. During World War II the cost was $136.46 per person.

The lowest Federal tax take was in 1885, when it was only $1.98 per person, but in 1956 it had increased to the astounding figure of $446.86 per person.

We usually complain that the Federal Government is costing us so much, but the cost of Federal Government is not advancing as rapidly as State and local government.

Twenty-five years ago the overall total of Government debt—State, local and Federal—was $30 billion as against $318 billion now, or an increase of more than 700 percent, while the population has increased only 35 percent.

In 1932 the total cost of all government—local, State, and Federal—was $13½ billion and is now more than $100 billion, or an increase of 700 percent, while the population has increased but 35 percent.

In 1942, State and local taxes were about $9½ billion. In 1956, State and local taxes had increased to more than $26½ billion, or about 3 times.

Too many local governments now feel that if they get help from the State, it does not cost them anything. The States seem to feel that if they get a grant from the Federal Government that does not cost anything. We must never forget, however, that no government has ever created wealth, that all taxes come from the same pocket and are paid for by the consumer of goods produced by labor and industry.

The Federal Government has expanded its grants-in-aid to the extent that it covers practically every function of State and local government. There are now more than 50 activities of this kind. The cost of these grants in the twenties was about $100 million a year. This has increased steadily, year after year, to more than $4 billion at the present time.

In Pennsylvania, not including Federal expenditures for rivers and harbor improvements and flood control, we received $156 million in so-called Federal aid while in the same period we paid $242 million in Federal taxes.

In 1956, we actually spent in the United States $534 million on rivers and harbors and flood control. Of this, Pennsylvania received $7 million at a cost to Pennsylvania taxpayers of $37,293,000 for their share of the total.

These figures are warning signals and it has become imperative in Pennsylvania that we take a hard look at the situation confronting us.

We are not increasing in population as rapidly as our neighboring States, which are heavily industrialized. We have already lost 6 Congressmen since 1930 and because we are falling behind in population increase, we may lose 2 more by the 1960 census.

More alarming is the fact that we are falling behind in industrial progress. In order to retain and increase our population we must have more gainful jobs for our skilled workmen.

I know you have given a great deal of attention to the relationship between taxes and industrial expansion. The figures tell the story. In 1956 direct taxes on business called for 39 percent of the total State tax collections while in our neighboring State of New Jersey it was 19 percent and 18 percent in Ohio.

Let us all take a look at Pennsylvania's budget and also Uncle Sam's budget. Let us keep in mind that there is only one way to keep down taxes and that is to cut expenditures.

If we fail to do so we bring on the destructive force of inflation. Excessive spending by government and big debt are the heaviest inflationary pressures and the most serious threat to our national and economic welfare. Inflation is more deadly than war—more dangerous than any bomb that can be hurled against us.

We are living in a great age. We do not want to turn the clock back. But our ancestors had the virtues of thrift, prudence, and self-reliance. They had pride in local responsibility.

Those are still great virtues. Our local communities and the States should think of this when they go to the Federal Government for help.

Address by Hon. A. Willis Robertson, of Virginia

EXTENSION OF REMARKS

OF

HON. SAM J. ERVIN, JR.

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 15, 1957

Mr. ERVIN. Mr. President, on May 10, 1957, my able and distinguished colleague, the junior Senator from Virginia [Mr. ROBERTSON] delivered an excellent and eloquent address before the North Carolina Bankers Association, at Pinehurst, N. C. The able and distinguished junior Senator from Virginia is undoubtedly one of the foremost experts in the field of banking in the United States, by reason of his diligent study of banking problems. I ask unanimous consent that his excellent and eloquent address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR A. WILLIS ROBERTSON AT THE 61ST ANNUAL CONVENTION OF THE NORTH CAROLINA BANKERS ASSOCIATION AT PINEHURST, N. C., MAY 10, 1957

Nothing has contributed more to the pleasure of my service in Washington than the friendships I have enjoyed with the splendid members of the North Carolina congressional delegation.

Some of you may recall that I served for 10 years on the Ways and Means Committee with Robert Lee Doughton—the noblest Roman of them all. I smile when I recall the confidential sessions in his private office when the President was urging more and more taxes to keep pace with more and more spending. Old man Bob used to say: "Unless we can stop that program it is going to wreck the country." The fact that it has not done so is mute evidence of how rich and strong our country was.

During my 10 years of service on the Ways and Means Committee, I helped to write 12 tax bills, each larger than the preceding one. So, I have a very clear idea of the present burden of taxation and the extent to which the ignoring of economy views of statesmen like Robert Lee Doughton has contributed to that burden.

Ever since I have been in the Senate the North Carolina representation in that body also has been outstanding. Never in recent years has more heartfelt sympathy been expressed on the floor of the Senate than on the occasion of the sudden death of the able and beloved Clyde Hoey. Since I am by profession a lawyer and had taken some interest in the Constitution even before it was amended by Court action in the school cases, I have been able to appreciate the outstanding legal ability of such Senators as Willis Smith and SAM ERVIN. Nothing could have been more pleasing to the farmers of Virginia than when North Carolina sent to the Senate a practical farmer who also was well versed in the science of farming, Senator SCOTT.

While Virginia was more of a battleground of the Confederacy than North Carolina, the flower of North Carolina manhood perished in the unfortunate and unnecessary conflict and no State was left more prostrate in the spring of 1865 than North Carolina. And yet no State of the Confederacy made a more rapid and successful recovery. We boast in Virginia of having at Danville the largest single cotton textile mill in the world, and yet, the total of cotton goods produced in North Carolina far exceeds those produced in Virginia. We boast about having at Suffolk the largest single peanut-processing plant in the world but the production of edible peanuts in North Carolina exceeds that of Virginia. Virginia boasts of its production and processing of tobacco and yet the fact remains that North Carolina raises more Virgina tobacco than Virginia and its tobacco-processing plants turn out more varieties than Heinz does pickles.

This year, we are celebrating the 350th anniversary of a settlement at Jamestown which we claim, of course, as the first permanent English settlement on the North American Continent. But all who know their history must admit that the home of the first English settlement would have been in North Carolina but for some tragedy never yet explained that wiped out Sir Walter Raleigh's settlement at Roanoke Island.

I mention these facts as evidence first, of a friendly rivalry in various endeavors that has marked the history of our two States, and

second, as evidence of the firm ties that have bound us together.

It has been interesting to me to learn that while Virginia has nearly 100 more banks than North Carolina, the assets of the 212 Virginia banks are not very much larger than those of the 214 North Carolina banks. The principal reason, I believe, that there are more individual banks in Virginia than in North Carolina is the North Carolina law which permits statewide branch banking which we do not have in Virginia and I assume that the reason there are nearly four times as many State banks in North Carolina as national banks, as against a nearly even division in Virginia, is the rather liberal State banking law. For instance, a State bank can lend up to 20 percent of the first $250,000 of capital and surplus and 10 percent of the capital and surplus in excess of $250,000 to a single individual or interest, whereas national banks are restricted to 10 percent of capital and surplus.

Since the population of North Carolina is considerably larger than that of Virginia and the total of manufactured goods larger, one reason that the assets of Virginia banks are larger than those of North Carolina may be due to the fact that some of the largest corporations that are doing business in North Carolina carry substantial deposits in other States including Virginia. Of course, North Carolina banks have lost some deposits in the past year under the law that requires the State treasurer to get on State deposits a rate of interest equal to the average of short term United States Treasury bills. When the rate on Treasury bills went beyond the rate the banks were authorized to pay, your State treasurer invested about $93 million of State funds in United States Treasury bills.

It was my lack of knowledge of how the banking business had developed in the South that caused me to insert in the formulation of a tentative bill to codify the banking and credit laws a provision that I later learned was highly objectionable to many southern bankers. As I have indicated, most of the banks in Virginia are either national banks or State member banks and there was only one bank in Virginia that did not clear at par. Consequently, I inserted in my tentative bill a provision to require the Federal Reserve Board and the FDIC to adopt the same definition of what was interest on demand deposits with a view to ultimately wiping out absorption of exchange. I soon found that the Virginia viewpoint on that proposal was not shared by the majority of bankers from North Carolina to Florida. Therefore, when the full Committee was considering a bill to be reported to the Senate, I recommended to the full Committee that the provision in the tentative bill relative to the absorption of exchange be dropped. After that action was taken I received many fine letters from North Carolina bankers endorsing the bill that was reported to the Senate.

Although the bill, as passed by the Senate, contains well over 200 substantive amendments to the law, most of the discussion has been centered on the so-called controversial provisions. The regulation of bank mergers by the banking agencies rather than the Justice Department; the elimination of mandatory cumulative voting in the election of national bank directors; the requirement for disclosure of the actual owners of bank stock; and the restrictions on political contributions by banks—all are examples of important issues raised in the bill.

I assume you all are familiar with the arguments on both sides of these controversial questions. Therefore, I would like to review with you briefly some of the sections of the bill which have been overshadowed by the more publicized amendments. These are what I call bread-and-butter provisions, and they are designed to enable bankers to better meet their present-day problems.

I am sure you will agree that two of your principal problems are attracting capable men to the banking profession and obtaining adequate capital for growing banks. Our proposal to permit national banks to have stock option plans for their employees will place banks in a better competitive position with all industry in attracting and keeping personnel. To assist banks in raising needed capital, we have proposed that national banks be authorized to issue preferred stock. The present law does permit the issuance of preferred stock, but this has been construed as an emergency measure only and has not been used since the days of the RFC. We believe that national banks, with the approval of the Comptroller, should be permitted to strengthen their capital structure in the same manner as other corporations.

Limitations on lending authority of national banks would be liberalized in recognition of modern day business needs. Thus, the bill specifically authorizes loans on the security of dairy cattle, frozen foods, and consumer installment paper. National banks would be permitted to make loans to finance the construction of public buildings in connection with the Government's lease-purchase program. Similarly, 18-month industrial and commercial construction loans are authorized by the bill and the aggregate loan limitation on all construction loans is increased to 100 percent of capital and surplus. The bill also provides that loans for working capital purposes shall be considered ordinary business loans, even though the banker takes a mortgage on the property for additional protection.

During the course of my work on this bill many bankers complained to me about competition from savings and loan associations and charged that the Congress has given savings and loan associations an unfair advantage. Due to the nature and purpose of savings and loan associations, their laws in many respects must differ from the statutes governing banks. However, I do believe that to the greatest extent possible these institutions should operate under the same general ground rules as banks, so that the Congress cannot be unfairly charged with favoring one type of institution over the other. This is the philosophy we followed in drawing up the bill.

For the first time, we have provided for the removal of officers and directors of Federal savings and loan associations on the same grounds that are applicable to officers and directors of national banks and member banks. The present law governing the conduct of officers and directors of member banks in their business operations is also applied to officers and directors of Federal savings and loan associations.

Mergers and holding companies of savings and loan associations are made subject to regulation. The House companion bill, H. R. 7026, by Representative PAUL BROWN, of Georgia, carries a more liberal provision on savings and loan branches than the Senate bill, and the House bill also omitted the restrictions carried in the Senate bill on advertising by uninsured members of the Federal Home Loan Bank system.

Needless to say, witnesses for commercial banks called our attention to the fact that the tax rate for savings and loan associations was more favorable than that for commercial banks. Our advisory committee made a specific recommendation that the permissible bad-debt reserves under the Internal Revenue Code be increased, but the Senate Banking and Currency Committee does not have jurisdiction over the tax laws. The committee voted unanimously, however, to refer this question to the House Ways and Means Committee and the Senate Finance Committee for due consideration.

I have outlined only some of the many provisions which are of immediate importance to every financial institution in our country. All of those provisions are in the House bill by Representative BROWN except the two provisions noted above relating to savings and loan associations. Naturally, therefore, I hope that North Carolina bankers will indicate to their Representatives in the House their interest in the Brown bill.

You will understand, of course, that my bill to codify the banking and credit laws was never intended to take the place of a comprehensive study of general fiscal policies as recommended by many economists, the ABA, and by the President of the United States.

We cannot overlook the fact that, contrary to the experience after every other major war, when prices soon fell from their wartime peaks, prices have continued to rise since the end of World War II, and in March of this year the Consumer Price Index stood at 118.9 percent of the 1947-49 average.

Our gross national product increased 6 percent during the last year and reached the record annual rate of $427 billion in the first quarter of 1957. Personal incomes and consumer spending also reached new highs this year. Although some soft spots have developed in our economy, we cannot yet say that the threat of an inflation that would be damaging to small as well as to large business has passed.

It must be recognized, too, that inflation is inefficient as well as unjust. When people cannot rely on the purchasing power of the dollar, money loses a considerable part of its usefulness. In the scramble to avoid the penalties of inflation, saving is discouraged and investments are planned with a view to dollar profits unrelated to efficient production.

In considering the inflation problem it is obvious that the full burden of price restraint cannot be borne by the Federal Reserve System. Government expenditures and financing must be determined with regard to effects on prices. Labor and business must restrict increases of wages to those consistent with generally increasing productivity. Bankers can be helpful also in creating a climate of opinion which will encourage stability of the general price level.

All of these groups should be interested in the kind of study of fiscal policies to which I have referred, but everyone should frankly recognize the fact that throughout the history of the Nation the control of money has never been separated from politics.

Alexander Hamilton, who did not object to George Washington being made king, wanted the new Nation to have a bank comparable to the Bank of England, owned and controlled by the Government. He partially got his wish in the Bank of the United States. That bank, though privately owned, so dominated credit and placed the control of money so firmly in the hands of a few rich men that the abolishment of the Bank of the United States became a major issue with Andrew Jackson.

Jackson succeeded in abolishing the Bank of the United States and for a while State banks flourished. But State banks issued script that passed for money and had no firm value. In order to get money of firm value with which to finance the War Between the States the Congress passed the National Bank Act of 1863 which placed a tax of 10 percent on the money issued by State banks and that, of course, put most of the State banks out of the note-issuing business. During and immediately after the War Between the States the Government put out paper money legally titled "United States notes" and called greenbacks. We still have some of this outstanding in the form of United States notes, totaling $346 million. A gold reserve of $156 million has for many years been held against these notes. The

United States notes, or greenbacks, depreciated severely (to about 45 cents on the dollar) in relation to gold but returned slowly to par. A Silver Purchase Act in 1890 and issuance of Treasury notes of 1890 based on this silver again caused a depreciation in the quality of our money and had much to do with the 1893 panic and depression. President Grover Cleveland brought about the repeal of this law.

The issue over the retirement from circulation of greenbacks and what would be called today a tight-money policy reached a climax in the campaign of 1896 between William McKinley and William Jennings Bryan, when Bryan in an effort to end a farm depression, advocated the monetization of silver at the ratio of 16 to 1 for gold as a means of producing plenty of cheap money.

The depression of 1907, during which many southern banks had to resort to scrip because of currency shortages, resulted in the appointment of the Aldrich Commission to study the problem of tight money. Republican bankers liked tight money and killed the Federal Reserve bill in the Senate in 1912. The next year the Democrats under Woodrow Wilson passed the bill. In the Senate only 3 Republicans and 1 Progressive joined with the Democrats in the passage of that bill.

The biggest depression in history started another drive in 1934 for easy money. A Democratic Congress abandoned the gold standard and ever since we have had a managed currency. Under that program, the dollar has lost one-half of its purchasing power. A managed currency can be kept sound if new money be issued solely with respect to the money work to be done. But when the Federal Government resorted to deficit financing it hurt the soundness of the managed currency in two ways:

1. By purchasing Government bonds Federal Reserve banks provided the banking system with additional reserves which made it possible for them to increase the money supply without relation to the money work to be done.

2. When the Government sold bonds to commercial banks new deposit money was created for each dollar of bond so bought. And more business is done with bank check money than with currency.

The net result is an alltime high supply of currency, an alltime high of credit (including consumer and mortgage), and an alltime high of prices.

These factors need to be investigated. Edmund Burke said: "Nations do not learn by experience," but if our Nation hasn't learned that the consideration of sound money, so essential to successful banking, must be free from politics we may live to see currency and credit increased to the point of ruinous inflation.

The Military Medical Supply Agency

EXTENSION OF REMARKS

OF

HON. FRANCIS E. DORN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1957

Mr. DORN of New York. Mr. Speaker, on the 2d of January it was my privilege to participate in ceremonies marking the activation of an important new defense agency in my hometown of Brooklyn. This activity is the Military Medical Supply Agency which was established by the Navy at the direction of the Secretary of Defense in implementation of the single manager plan for consolidated management in the field of common supplies and services for all the Armed Forces.

On January 31, 1956, the Secretary of Defense designated the Secretary of the Navy as the single manager for medical and dental supplies and equipment and on April 12, 1956, approved the nomination of Rear Adm. W. L. Knickerbocker, Supply Corps, United States Navy, as the Executive Director of the new activity. The Secretary of the Navy in turn assigned management control of the Agency to the Bureau of Supplies and Accounts headed by Rear Adm. R. J. Arnold, Supply Corps, United States Navy and technical control to the Bureau of Medicine and Surgery under Rear Adm. B. W. Hogan, Medical Corps, United States Navy.

To cover briefly the highlights of this plan for supply management—the Military Medical Supply Agency will administer the wholesale inventories of all military medical and dental material within the continental United States, it will compute and procure net requirements, and it will operate a wholesale distribution system serving all 3 military services. This leaves to the individual services the development of total requirements—both peacetime and mobilization, and the management of their retail inventories.

I have closely followed the operation of this unique activity during the 4 short months since its activation and I am most impressed with the progress which has been made to date in setting up its methods and procedures to conform to the new single-manager concept of supply operations.

Rear Admiral Knickerbocker has developed a streamlined depot distribution system utilizing the field facilities of all 3 services which undoubtedly will result in economies in operation with ultimate savings to the taxpayers. This new system is designed to provide effective supply support with 6 less depots engaged in the handling of medical material, thereby releasing space at these facilities for the storage of other military supplies and equipment. The system further provides for the dispersal of depots across the length and breadth of the country yet permits an efficient and economical distribution of material. It eliminates costly cross-hauling and meets the criticisms which have been leveled at the armed services as to unnecessary duplication of assets and facilities.

The Executive Director informs me that he enjoys the finest relationship with the Surgeons General of the Army, Navy, and Air Force who provide him with the professional advice and assistance required in the fulfillment of his assignment and the enthusiastic cooperation received from the field activities of the 3 services has more than met his expectations.

The pattern of utilization of the assets of all services has also been followed within the agency proper. With the exception of the Executive Director's billet all military positions are rotatable among the 3 services and Admiral Knickerbocker reports that the caliber of military officers assigned to his organization has been of the highest order. The military billets are equally divided among the Medical Service Corps of the Army, the Supply Corps and Medical Service Corps of the Navy, and the Medical Service Corps of the Air Force, and the best man is placed in the appropriate job regardless of the color of his necktie.

In assuming the consolidated functions previously performed by four separate service agencies it was possible to effect economies in the number of personnel performing such functions—many of which were duplicating. Although a total of 113 billets were eliminated, the Industrial Relations Department of the Naval Supply Activities, Brooklyn, N. Y., which also performs the industrial relations functions for the new Agency, did an outstanding job in placing the personnel affected. All civilian personnel except two were placed in new jobs either with private industry or with other Government activities which were recruiting personnel with their specific qualifications. The two not placed had elected to retire. In addition, 75 military billets were eliminated during the reorganization. Although some 800 persons were affected by this change in administration, to date only one grievance has been received by the Executive Director and that was denied by the Civil Service Commission. I think that this fact alone attests to the soundness of the Agency's organizational setup and the careful thought and foresight which went into its original planning.

The reaction of the drug, chemical, surgical instrument and allied industries to the changeover to the single-manager concept of procurement and inspection has been most favorable since it has simplified procurement paperwork without loss of proper Government safeguards. The Military Medical Supply Agency expects to procure some $67 million worth of medical and dental items including blood plasma during this forthcoming fiscal year in addition to meeting procurement requirements placed on it by the Federal Civil Defense Administration.

The operation of the Agency to date has been truly a joint effort. All three services have actively participated in the planning from the very outset almost a year ago and the cooperation and coordination at the working level has been exceptional. Even though the responsibility for administering this important medical material commodity has been placed squarely upon the Secretary of the Navy as single manager, the new Agency expects to serve more as a joint organization, jointly staffed by capable and experienced officers of the Army, Navy, and Air Force and ever mindful that its primary mission is to effectively support the overall military effort of our country.

The people of Brooklyn are most appreciative of the opportunity to participate in this dynamic program under the single manager concept of supply management and of the efforts of the Secretary of the Navy in assuring that individuals separated from their jobs are placed in comparable positions elsewhere when possible.

I have taken a personal and continuing interest in the goals it is achieving and consider it most fortunate indeed that the people of Brooklyn are privileged to take an active part in contributing toward such a worthwhile endeavor.

Unions—Why They Exist and What They Do

EXTENSION OF REMARKS

OF

HON. ELMER J. HOLLAND

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1957

Mr. HOLLAND. Mr. Speaker, under leave to extend my remarks, I wish to insert in the RECORD the following address I made to the pupils of St. Michael's, St. Adelbert, and St. Casimir Parochial Schools, Pittsburgh, Pa., on May 1, 1957:

UNIONS—WHY THEY EXIST AND WHAT THEY DO

There is nothing very lasting in the world. All things change—and sometimes it is hard for boys and girls of high-school age to realize what has brought about the conditions that prevail in the world in which they are growing up.

Everybody in the world—unless born to wealth—must work for a living, and education is the process which prepares us for work—be it an occupation or a profession.

We need hardly tell you because undoubtedly you have heard stories from your parents and have read that the labor struggle in the United States was not an easy one.

We live in western Pennsylvania, and, as you know, a good many years ago western Pennsylvania became the heart of the iron and steel industry in our great country. This happened because of the nearby abundance of soft coal, the excellent river transportation system, its proximity to the Great Lakes over which the ore from the Minnesota range country was easily, swiftly, and inexpensively transported to the Pittsburgh region.

Here the ore, and coal, and limestone were converted into steel and then shipped elsewhere to be fabricated and manufactured into those things which the people of our country were demanding—and the people of other parts of the world were needing.

The steel industry was founded in Pittsburgh by a group of small independent men who built fabulous empires for themselves—but who finally sold their interests to a Scotsman by the name of Andrew Carnegie, who formed the Carnegie Steel Co. Later on, in the year 1901, he sold his great holdings to the Morgan interests.

It was then that the first billion-dollar corporation in the United States was created, and it was known as the United States Steel Corp. At that time, it is interesting to note, labor in the mills was receiving the pay of 15 cents an hour.

In those hard days, the men who controlled the industry also controlled the vast coalfields that spread over western Pennsylvania.

These men were interested in producing steel and making large sums of money for themselves, but they were not too interested in the welfare of the people. In order to get people to man the mills and to dig the coal, agents were sent to Europe and hundreds of thousands of immigrants were brought into the country to sweat and toil and to produce wealth for the owners.

Many of you in this room know that your parents or your grandparents came from parts of Europe and settled here because of the inducements of finding freedom and earning enough money to support their families. And yet—America was not always the great land of promise that it seemed to be to the Europeans looking westward in our direction.

When they came here, although they did find work, they also found miserable towns built in the river valleys and black mills controlling these towns. There was little freedom—rather, there were long hours of work, small wages, and conditions that to us now seem appalling.

Many years ago there had been attempts made to form unions in these giant mills so that the working people would have some say about their own destinies, some control over their own lives, their wages and the working conditions.

You have all read about the historic Homestead steel strike in 1892, when the workers did attempt to organize unions but found that they were beset by the company and the State militia, and they were forced to give up many things they had been fighting for.

At the end of the First World War another attempt was made to organize the steel industry, and, although thousands of persons enrolled in the union, it all came to no avail. Once again the corporations broke the strike.

During the twenties in the United States, there was a period of great wealth, that is, it was for the people on the top.

America found millionaires blossoming by the thousands, but the people who worked in the mills and the shops and the mines were not given a part of the great profits which were being made and, as a result, the machines of industry, although they were pouring out tremendous quantities of goods, found that there were not sufficient buyers in the country with money enough to consume those things which were being produced.

And, finally, the wheels slowed down and a great depression set in.

Shortly before any of you were born, a great social revolution started in this country with the election of Franklin Delano Roosevelt as President of the United States. This was in 1932.

Franklin Roosevelt was a man who saw our country falling apart and who felt that unless ways were found to share this tremendous wealth, which was being produced or could be produced, that we could not survive in the world as a strong free nation.

Franklin Roosevelt did many things to save our country and particularly to save our capitalistic form of economy. He helped business by creating government agencies which poured countless millions of dollars into their treasuries to see that they could survive. He helped the farmers by having all sorts of agricultural laws passed so that they could weather the severe economic storms.

And Franklin Roosevelt also helped the working man by seeing to it that in the law called the "National Recovery Act" there was inserted a clause which gave the workers the right to organize into unions of their own choosing.

Immediately there was a great upsurge of union activity in the United States and shortly thereafter there was founded a Committee for Industrial Organizations which was determined to organize all the workers who toiled in great mass industries such as steel, aluminum, rubber, automobile, textiles, oil, mines, and others.

When the National Recovery Act was declared to be unconstitutional, there was a new Federal bill passed by our Congress known as the "Wagner Act," which was sponsored by Senator Wagner of the State of New York. This Wagner Act came to be known as labor's Magna Carta and it gave to the unions and the working people of the United States the right, under Federal auspices, to organize into unions and to fight for higher wages and better working conditions.

It is hard for us to realize today just how bad things were back in the early thirties. I would like to point out just a few facts for comparison to make it easier for you.

In 1934, the United States Steel Corp. (and their rates, of course, are sometimes even higher than those paid by other companies) was paying a minimum of 47 cents an hour in the North, and about 32 cents an hour in the South. In November of 1936, to forestall the great union surge which was sweeping the steel industry, the company did raise the common labor rate to 52½ cents an hour.

Compare that, if you will, with the rate now being earned by a common laborer in the United States Steel Corp., and also in many of the other steel plants in western Pennsylvania, which is $1.82 an hour. In the aluminum industry, it is now $1.84 an hour. This is a tremendous increase in buying power of the people who have to work in the mills.

Back in 1934 and 1936, vacations were unknown in the steel industry—except for the bosses. Today, everybody who works gets a vacation.

Pensions and insurance provisions were also unknown in the steel industry—although, of course, there were some people at the top who did receive princely pensions. Today, if a man works in the steel industry for the major part of his life, he can look forward to sufficient money upon retirement to take care of himself as long as he lives.

And today—if a worker or his family becomes ill or requires hospitalization, there are funds set aside by the company by the workers to take care of these health needs.

A few of the other things that unions have won over the years have to do with paid holidays—something nobody had 20 years ago; shift differentials, which means that if people work on the late afternoon shift or the night shift, they get a few cents more than the people who work the preferred daylight shift.

But probably the most important event that has happened in the steel industry, and which was brought about by the union, is the development of the individual worker—as a person of some importance and stature in his plant and in his community.

The worker is no longer considered just a number, somebody who can be hired by the boss at will—and fired, indiscriminately, without charges being preferred against him.

Today, a worker, when he goes to work in a plant, immediately begins to accumulate seniority and is protected by a contract which is negotiated between the company and the union. This contract spells out, in great detail, the working conditions, the rights of management, and the rights of the employees.

If there is a fight over some of these issues between the employer and the employees, the worker, today, may take a problem up through the grievance machinery, and, if necessary, even to an impartial arbitrator who—without fear and without pressure—will render a fair and equitable decision either for the worker or for the company in accordance with justice and right.

We know that there are many people in the United States today, and even here in western Pennsylvania, who still fear unions and sometimes even brand unions as being subversive or un-American or antidemocratic.

We know, too, that there are unions that sometimes are a bit undemocratic and arbitrary in the things they do, but, we are old enough to know that almost any institution, which is manmade, can deviate from the course which it should pursue. But, by and large, in spite of the errors that unions have made, unions have become a strong motivating force for freedom and democracy, particularly industrial democracy, in our society.

It is really too bad that more time is not spent in school learning about the contributions that unions have made, because unions are a potent factor and should be given credit for what they do.

Students should be taught about the American heritage in full, part of which is owed to the trade-union movement. Many students in high school, upon graduation, will go to work in shops and factories and mills, and many of those students will eventually become union members.

We think it is only right that in America, where man is free to advance himself and to earn sufficient money to move ahead and live comfortably, that the role of unions and companies should be more closely studied.

Unions in America are not opposed to business as such.

Unions want companies to be strong and to make money, because unions know that in the end, the income of union members is derived from the profits of the company. But unions feel that companies, when they earn large sums of money, have a moral right to see to it that the employees, who, by their sweat and brawn, produce the goods and services, should be rewarded sufficiently so that they in turn, can buy these goods and services; and they feel that an ever-expanding economy means even more productivity upon the part of the employees and the company, and an ever-greater share to which the employees are entitled.

Now, it's often said that there is only so much in the pie—and—if labor takes too much, then management and the stockholder will not have sufficient left. Over the years, labor's share in the pie has not risen appreciably, but what has happened is that labor and management, working together, have been able to bake a bigger pie, so that all segments of our economy receive bigger slices, including the money return to those who work.

In a sense, a union is an economic and social prod to companies and to government. Naturally, unions are formed by people who are generally not satisfied—they want more.

Everybody wants more, and with our tremendous wealth and productive skill any right-thinking person knows that all men can get more, provided they are given the opportunity to produce more.

The big problem in America is how to share the product and how to make distribution of the consumers' goods an easy thing so that we will not have periods of recession and employment decline.

Unions believe in the strength and vitality of America—but, even more important than that, they believe that people are the important element, and that, no matter who a man is, where he originates, or what his personal beliefs are, he should be accorded the full right of every other American citizen to carve out his life the way he wants to.

Policy Toward Satellite Nations

EXTENSION OF REMARKS

OF

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1957

Mr. FULTON. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following statement:

MINORITY VIEWS OF HON. JAMES G. FULTON, OF PENNSYLVANIA

The report of the majority of the Special Study Mission to Europe on Policy Toward the Satellite Nations lays great stress on the widely voiced criticism of a lack of consistency in United States foreign policy. Yet where is this alleged inconsistency to be found? Certainly it is not in the fundamental principles and objectives of our policy. It is necessary to point out that the implementation of the same United States foreign policy must vary because of local area conditions. The same method of implementation would not have been possible toward both Hungary and the Middle East due to the essentially different circumstances and conditions of power access in the two areas.

In short, our United States capability of exerting influence or bringing power to bear directly is obviously greater in some areas of the world than in others. As applied to the satellite states, our United States policy during the present administration—and during the previous one as well—has been to sustain the hopes of the peoples of Eastern Europe in the eventual achievement of liberty and national independence, to maintain their faith in the value of these goals, and to promote by every means, short of force or the encouragement of force, an evolution toward freedom. There have been many allegations that the VOA and the RFE led the Hungarians to expect more than this. No substantial or affirmative evidence has been presented to our committee or otherwise that would bear out this allegation. There may have been errors through inferences drawn from program statements issued under changing and highly charged emotional conditions. The majority of the study mission is justified in pointing out that the most careful editorial supervision of these media is required.

Course of action of the United States Government taken by the White House, the Department of State, our United States representation at the United Nations, as well as our United States missions abroad, from the very beginning of the Hungarian uprising appears to have developed logically from the basic policy just described. Certain fundamental decisions had to be considered and made and, clearly, were taken promptly upon the outbreak of violence in Hungary. These decisions would appear to be the following:

(a) That the United States Government was not prepared to resort to force or the threat of force in the Hungarian situation;

(b) That the United Nations organization offered the best hope of bringing about a satisfactory solution of that situation;

(c) That the United States should take all possible peaceful means outside the United Nations to assist that organization and to be of aid to the Hungarian people in the light of developing circumstances.

There are some who may question the validity of these decisions, but no evidence has been developed before our European subcommittee to indicate that these important and decisive steps were not taken expeditiously in view of the long unrest in Hungary, and the sudden dramatic culmination in violent and complete revolution. The steps taken by the United States in the Hungarian crisis were clearly in harmony with these decisions. It is a matter of record that our permanent representative in the United Nations took a strong lead in bringing the Hungarian question first before the Security Council and later before the General Assembly. According to a letter which he addressed to the editor of Time, Inc., on March 4, 1957, he was actively working with the members of the Security Council and the General Assembly at the United Nations how best to handle the Hungarian crisis from October 25. There is ample evidence that the United States did exert constant and leading efforts to marshal every possible support for the Hungarian people in the United Nations and have continued to do so up to the present time. The actions as to Hungary in which the United States participated were taken by the overwhelming majority of the United Nations in behalf of the Hungarian people.

The majority view of the subcommittee would on any other proposed course of individual United States action necessarily have the United States Government embark on a solitary and sudden course exactly as Britain and France acted on the Suez crisis which occurred at the same time as the Hungarian revolt. The United States could not insist on joint action against war in the dispute with Britain and France on Suez, and at the same time embark on a solitary policy as to Hungary when the United Nations was considering the question. It should be pointed out that the majority report recommends no specific action or policy that the United States Government should have taken in the Hungarian crisis other than the administration took, but simply complains of the necessary time to implement consultations for joint action in the United Nations agencies. Do we act with our allies and the United Nations in the next satellite crisis or revolution? I strongly recommend we do.

Outside the United Nations both the President (on October 25) and the Secretary of State (on October 27) vigorously condemned Soviet actions in Hungary while at the same time pointing out that the security of the Soviet Union would not be threatened by a free and independent Hungary. The United States Government unilaterally also made significant contributions to the material aid of the Hungarian people, though this too was coordinated through the United Nations.

Much is said in the majority report about the lack of United States action during the "fatal 4 days" between October 23 and October 27. Such criticism, however, neglects to take account of several important factors. While it was known long before October 23 that there was general popular unrest within Hungary and deep factional conflict within the Hungarian Communist Party itself, no one, including the Hungarian people, the Hungarian Communist leaders, or the Soviets, was in a position during the first days of the uprising to forecast the course which events were to take during the ensuing period.

The initiation of any precipitate action (and the majority does not specify just what action it has in mind) before at least the general outline and trend of events as they were developing had become clear would appear, even in hindsight, to be unwise.

Consider, for example, the situation as it existed on October 24. Imre Nagy, who was known to be more nationalistically inclined and more moderate in his political and economic policies than his predecessor, had become Prime Minister. The Stalinist Gero had been forced to resign as party secretary.

In brief, progress had been made at that point not dissimilar to what had just taken place in Poland. Would the United States have been justified in taking some hasty action at that juncture which might have jeopardized Nagy's position as the only leader who at the time appeared even remotely acceptable both to the Soviets and the Hungarian people? Should all possibilities of a compromise solution have been endangered or forfeited at that stage when there was no clear basis for anticipating what the next days would bring?

It would appear from these considerations that our Government took the only steps feasible within the framework of its basic policy decisions: We made known to the Hungarian people that we shared their aspirations for freedom and national independence and stood ready to render economic assistance to a free Hungary. We condemned the Soviet intervention and initiated discussions with friendly governments, primarily within the framework of the United Nations but also on a direct basis, concerning action which could be undertaken with wide agreement in support of the Hungarian people.

Address by Hon. William F. Knowland, of California

EXTENSION OF REMARKS

OF

HON. CHARLES E. POTTER

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Wednesday, May 15, 1957

Mr. POTTER. Mr. President, our distinguished minority leader has a talent for summing up dramatically what is going on in the Congress. I believe his address at Grand Rapids, Mich., of Monday, May 6, will be of particular interest to all of us. I ask unanimous consent to have it printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SPEECH OF UNITED STATES SENATOR WILLIAM F. KNOWLAND, GRAND RAPIDS, MICH., MAY 6, 1957

Michigan has made many contributions in peace and war to our Nation and has contributed outstanding leadership over the years to the Republican Party.

Your senior Senator, CHARLIE POTTER, is carrying on in the finest traditions of your State and of our party. With 6 years of experience in the House of Representatives and with his Senate experience dating from 1952, when he succeeded the late Arthur Vandenberg, CHARLIE POTTER has, with ability and integrity, done an outstanding job.

He is a member of two of the most important committees of the Senate, the Committee on Interstate and Foreign Commerce and the Committee on Appropriations. As a member of the latter committee, I can personally testify as to his effectiveness as a valued member of that committee.

It is also pleasant to once again be in the Fifth Congressional District and in the city of Grand Rapids. Your Congressman, GERALD R. FORD, JR., has seen service in the House since his election on November 2, 1948, and serves on the powerful Appropriations Committee of that body.

I know of no Member of the House who commands more respect on both sides of the aisle than does your own Congressman JERRY FORD.

It is good to be here to discuss some problems of concern to us as citizens of the United States.

I bring you personal greeting from President Eisenhower and Vice President NIXON.

DICK NIXON has done an outstanding job as representative of the President on his recent trip to Africa and in the other assignments that have been given him during the past 4 years and 4 months.

Let us never forget that in his 4 years of office the Republican administration of President Eisenhower:

1. Brought the Korean war to an end.
2. Has preserved peace with honor.
3. Presented three consecutive balanced budgets.
4. Taken off wage, price, and commodity controls of our economy.
5. Provided a $7 billion tax reduction.
6. Stabilized the dollar with only a limited devaluation compared with the previous 5-year period.
7. Employment rose to a new level in March to 63,900,000. The Nation now has the highest peacetime employment in our history.
8. The administration has extended social-security to over 10 million additional Americans and increased social-security benefits to 605,000 additional Americans.
9. Our national-defense forces have more striking power than ever before.
10. Under the Republican administration unemployment compensation has been extended to 4 million additional workers bringing the total now covered by unemployment compensation in the country to 41 million.
11. The administration has been free of corruption.

These are but a few of a long list of accomplishments. We have had some liabilities, to be sure. I believe the budget presented this year is too high. It should and will be cut by Congress. But the American people should continue to remember these outstanding accomplishments.

We must as a Nation build on principles rather than personalities. Individuals come and go but fundamental principles endure.

What are some of these basic principles that we should stand for?

1. Constitutional government with the division of power between the legislative, executive, and judicial branches of the Federal Government and the reservation of all power not granted to the Federal Government, under the Constitution, to the States and to the people.

2. Maintenance of our free-enterprise system under which we have grown from a small colony of 3 million people to a great world power of 170 million with the most productive economic system the world has ever known.

3. Protection by the Federal Government and the States of the people from the concentrated and arbitrary use of power by business or labor organizations against individuals and small-business enterprises. The right to earn a living as an employee or as a proprietor of a small business is a "civil right" of the first magnitude.

4. Maintenance of a soundly growing economy based on free enterprise and full employment. No business or labor organization should have the power to strangle the economic life of 170 million Americans and by so doing endanger free men everywhere. With power must also go responsibility.

5. Support of a sound fiscal structure for our Federal, State, and local governments. This requires all of them to live within their means and to stop trespassing on the tax resources of the others.

Without a sound dollar and a solvent Government our whole structure of local, State, and National Governments, of public and private educational facilities, of wage earners, of public social security, and private pensions and retirement systems will be jeopardized.

Without a sound dollar every employee, every housewife, and our people living on retirement income or social-security payments will be penalized. Inflation and debt repudiation is but another form of confiscatory taxation in the Marxist Socialist pattern.

It is time for us to rededicate ourselves to a renewed faith in our free way of life.

We must not take our constitutional form of government or our free enterprise system for granted. Neither fall into the category of something that can be locked in a safe-deposit box and kept forever secure. Each generation must be prepared to make the necessary sacrifices to maintain them that our Founding Fathers were prepared to make in the first instance.

Other nations have been or now are larger in land area, in population and in natural resources. Yet they have not been able to give to their people the freedom and the standard of living Americans have enjoyed.

As important as is the productive capacity of our Nation and its military strength, these are not the factors which alone could preserve our freedom or enable us to maintain a free world of free men. The inner strength of America has not been its great cities, its huge industrial plants, its extended transportation systems or its variety of natural resources as important as these are.

The factor which made America an inspiration to the rest of the world grew out of our Declaration of Independence, the Constitution of the United States, and the spiritual values which the founders of our Republic recognized and by which they were guided.

We have recognized that there is a higher moral law to which governments are also accountable. We have humbly acknowledged the divine inspiration which made and preserved us as a Nation.

We have read of and been inspired by the action of George Washington in kneeling in prayer during the dark days of Valley Forge and of Lincoln doing the same during his lonely vigil in the White House during the darkest days of the Civil War.

The priceless ingredient for our people has been our constitutional form of government which guarantees our religious, personal and economic freedom.

We must not dilute our constitutional guaranties whereby human freedom would be compromised with totalitarian tyranny in any form of world government.

The incentives furnished under our system have constantly opened new horizons.

In this atmosphere, Americans of each generation have sought to leave to their children a better land than they themselves found, not just better in a material way but in the educational and cultural developments that make for better family and community life.

New inventions in various industrial fields and the tremendous potentials of the peacetime developments of atomic power are bound to challenge us for many years into the future.

The economic and fiscal record of our Republican administration has been without parallel in modern times. Total output of goods and services has increased from $345 billion in 1952 to $412 billion in 1956—a gain of more than 15 percent.

Five million dwelling units have been constructed during the 4-year period from 1953 through 1956. This greatly exceeds the number built during any other similar period in the Nation's history. Homeownership is at an alltime high.

Homeownership and construction should be encouraged. It contributes to our durable goods industries and contributes to good citizenship and an expanding standard of living.

Of even greater importance is the improvement in the spiritual base of American society. Participation in and support of religious, cultural, educational and civic activities is more extensive than ever before. Church membership has increased markedly and recent years have witnessed a sharp rise in the construction of churches.

Greatly increased amounts of resources are being devoted to education at all levels. Public and private outlays on construction of educational buildings totaled $3.1 billion in 1956—the fourth year in a row in which a new record has been set.

When the Federal Administration returned to Republican control, expenditures totaled almost $75 billion and the deficit was $10 billion. Taxes were cut by some $7 billion, the largest single tax cut in the Nation's history and by 1956 the budget was back in balance.

Lately, however, Federal expenditures have been increasing once again. There has been

deep and widespread concern about this throughout the country and rightly so.

A tax system under which the Federal Government taxes personal incomes at rates varying from 20 to 91 percent and corporate income at a 52-percent rate is simply too burdensome. It will ultimately destroy our free enterprise system.

For fiscal year 1958 President Eisenhower estimates that the Federal Government will spend almost $72 billion—an increase of more than $5 billion over the 1956 spending rate.

The budget continues in balance only because of a continuous increase in the level of our prosperity which has brought forth a steady rise in tax revenues with no increase in rates.

Few people realize that all we need to do at the present time in order to be able both to reduce our towering national debt and cut taxes is to stop increasing Federal expenditures. Had Federal outlays been held at their 1955 level we would now face the pleasant prospect of a budget surplus of almost $9 billion in the coming fiscal year. This would be sufficient for a sizable reduction both in the national debt and in taxes.

In order to have a budget surplus of almost $5 billion in the forthcoming fiscal year, all we need to do is to keep Federal expenditures from rising above their already high current level. This reduction of $3 billion can and must be achieved as a minimum. I pledge my efforts to this end.

This must not be any single shot effort. In future years we must continue to keep Federal expenditures from increasing and wherever possible, to reduce them. Only this way can our burdensome taxes and national debt be steadily reduced.

There is a prevalent school of thought which maintains that Federal expenditures must keep pace with the growth of our economy. This is a dangerous and unnecessary philosophy. For one thing, it is the economy that maintains the Federal Government and not vice versa. Further, unless we are able to reduce our tax burden, we may end up by destroying or seriously crippling that which is the source of our strength—our free enterprise economy.

We live in a perilous age. Unless, we are able to reduce Federal expenditures and taxes, we will have no margin available for emergencies. Should we be faced with the necessity of fighting another war to preserve our liberties, we may end up having lost them through internal breakdown even though we decisively defeat our foreign foe.

I do not deny that as the country grows, some increase in Government expenditures is necessary and even desirable. However, of one thing I am certain. During a time of peace it is not necessary for Federal expenditures to increase as fast or faster than the increase in the national income or as fast as an overburdened tax system can produce increased revenues.

The founders of this Republic knew well the history of the world up to their time. They knew that where there was a concentration of power in a single agency of National Government that the freedom they sought to guarantee could easily be lost.

Those of us who continue to believe firmly in this wise political philosophy instinctively know that the Federal Government cannot give anything to the States unless it first takes it away from their citizens.

Throughout the major part of the last 30 years, the Federal Government has had to use a constantly increasing portion of the Nation's taxable capacity to meet its expending obligations. Only by calling a halt to this process can the weakened sovereignty of our States be shored up and revitalized. If the Federal system is worth retaining our aim has to be less Federal spending and less taking on of new obligations accompanied by a reduction in Federal taxes and debt. In this way and solely through these means the States and localities will have the wherewithal to undertake the many necessary programs as society grows and becomes more complex.

America is still the authentic revolution. The flame of freedom which was struck at Concord and Lexington still is an inspiration to the enslaved behind the Iron Curtain.

But it is also an ageless lesson that no outsiders can win independence for a people. They must be willing to pay the price in blood and resources to gain their own freedom.

We do recognize, however, that when freedom is destroyed anywhere a bit of freedom is destroyed everywhere.

Nations can die while delegates talk. Last year the General Assembly of the United Nations passed 10 resolutions in 76 days of debate. All that while freedom was being strangled to death in Hungary. With callous indifference the Soviet Union placed itself above the higher moral law of God as well as above its obligations under the United Nations Charter.

No international organization can long endure with a double standard of international morality.

Are the obligations and the mandates of the United Nations to be applicable to the democratic nations but not to the totalitarian powers? To the law-abiding but not to the outlaw nations? To the small and weak countries but not to the big and strong? What kind of justice is this? Are we building on quicksand? What kind of a foundation is this for constructing a system of international law and order based on justice?

We serve no useful purpose if we hide the facts. To the contrary by ignoring them and failing to seek remedies we may endanger the safety of this Republic and free men everywhere.

For many decades the men in the Kremlin have preached the doctrine that the Free World contains the seeds of its own destruction. It is far more likely, I believe, that the Communist world contains the seeds of its own destruction.

Hungary was but the latest in the indications that, even under totalitarian police rule and the brainwashing of a whole generation, the spark of freedom still lived and was capable of lighting a fire that endangered the whole monolithic structure of Communist tyranny.

After the Hungarian experience how much reliance can the Soviet Union place in the armed forces of the other captive nations if freedom is ever within their reach? How can they have faith in Communist indoctrination when young students were the leaders of the Hungarian rebellion?

Within the past several weeks the rulers in the Kremlin have sought to intimidate Norway, Denmark, Greece, and Iceland.

The Soviet Union has not changed its long-term strategic objective: the destruction of human freedom everywhere.

They will be relentless in seeking to destroy our institutions. Fortified by our faith in God, we must be determined that our way of life will be preserved.

Hungary has also taught the world that unless an independent government or revolutionary movement can function for several weeks or months it is difficult for outside friends to assist.

Had the British Red Coats crushed the first American rebellion in a week and captured the leader (as happened in Budapest) there would have been no time for France and our other friends abroad to come to our aid.

Sooner or later there will be another Hungary. Will the Free World be better prepared to strike a blow for freedom? Will the United Nations be prepared to do more than talk and pass 10 resolutions?

It may come this year or next in Bulgaria, Rumania, Czechoslovakia, Eastern Germany, Albania, North Korea, China, Poland, or in Hungary again.

Indeed it may even come in the Soviet Union where the people of Russia were the first victims of the godless Communist tyranny.

During the week Nagy was the legal head of the Hungarian Government what a difference it would have made if the United Nations had sent in observers; if based on the first United Nations resolution the friends of freedom abroad had sent the freedom fighters bazookas, and grenades rather than more resolutions of sympathy.

Or is the policy of the United Nations and the free world now to be that we will throw water on the embers of freedom and revolt against tyranny and that we will finance Communist economic and political systems so that the slaves will be more content with their masters?

I do not favor taxing the American people to support Communist economic or political systems abroad.

For several years the United Nations has discussed the freedom of colonial people in Asia and in Africa. These are and will continue to be important questions until equitable solutions have been reached.

Why, however, was there a strange silence in the United Nations to bring to a head the destruction of freedom in Latvia, Lithuania, and Estonia? Here is a clearcut prima facie case of the violation of its international treaties of friendship and nonaggression by the Soviet Union. Here is a clear case of the unilateral incorporation of three independent nations as provinces within the U. S. S. R.

Will the General Assembly take further action in the Hungarian case to back up its 10 resolutions or will an effort be made to create a zone of silence so that relations with the Soviet Union will not be embarrassed? Is justice for Hungary to be blinded and gagged as well? Is the conscience of the world that was so thoroughly aroused in October and November to be complacent and satisfied in May and June? While the Security Council meets on the Mid-East question this month will the Hungarian issue be raised or be forgotten?

These are questions which free men will be asking and enslaved people who want to be free will be waiting for the answers.

It was Lincoln who said: "Fellow citizens, we cannot escape history * * * the fiery trial through which we pass will light us down to the latest generation * * * we, yes even we here, have the power and bear the responsibility * * * in giving freedom to the slave we assure freedom to the free * * * we shall nobly save or meanly lose this last best hope on earth."

America Salutes Israel

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1957

Mr. ANFUSO. Mr. Speaker, on Sunday, May 12, some 50,000 people from all walks of life assembled at Ebbets Field in Brooklyn to express their solidarity with Israel on the occasion of the 9th anniversary of its independence. It was truly a magnificent celebration, a heart-warming event, in which the people of the greatest democracy in the world saluted the people of one of the

youngest democracies on their national independence day.

It was a grand feeling on this warm spring afternoon to observe these thousands of people of all faiths as they came to salute Israel. They watched the colorful procession, they listened to the greetings and addresses of the various dignitaries, they enjoyed the sport games, but above all they cheered at the cry that "Israel must live and flourish as a bastion of democracy in the Middle East" and "Israel does not stand alone, strong bonds of kinship exist between Israel and America."

The celebration at Ebbets Field was also a great tribute to a most distinguished jurist and a great humanitarian, Judge Samuel E. Leibowitz, who almost single-handedly inspired these 50,000 people to fill the ball park. Such huge attendance at Ebbets Field is a rarity even for a World Series game. Thousands of people actually paid for standing room.

The procession which led off the Salute to Israel was very interesting. It included representatives of three major faiths in America, the Mayor of New York, the President of the Borough of Brooklyn, Israeli Ambassador Abba Eban, Senators IRVING IVES and JACOB JAVITS of New York and Senator JOHN A. CARROLL of Colorado, as well as Irish-American, Italian-American, Afro-American and Jewish organizations.

After the procession, there were several short addresses and a fine program of entertainment, which featured Cantor David Koussevitzky, Miss Elaine Malbin of the Metropolitan Opera, and Sammy Davis, Jr., one of America's premiere entertainers. Miss Marilyn Monroe, the famous movie star, led the Israeli and American soccer teams onto the field and kicked off the first ball to start the game.

Another feature of the American Salute to Israel was the presentation of plaques to several persons who helped organize this huge festival. Plaques were presented to Congressman VICTOR L. ANFUSO and State Supreme Court Justice Anthony J. Di Giovanna, who led the Italian-American division of the parade; to State Supreme Court Justice John E. Cone, chairman of the Irish-American division; and to Mr. Edward Zeltner, famous columnist of the New York Daily Mirror, who served as chairman of the arrangements committee.

After the parade, the official program began with the singing of the United States and Israeli national anthems, led by the noted singer, Jan Bart. Invocations were given by Rabbi Israel Leventhal and Msgr. Vincent O. Genova. Monsignor Genova's invocation, which was particularly moving and inspiring, was as follows:

Almighty and eternal God, we offer Thee humble worship and beg Thy blessing on this solemn gathering of people of our country, who join in a spirit of fraternal charity in the celebration of the ninth anniversary of the foundation of the State of Israel. Thou, O Lord God, art the Ruler and Master of all men and all nations; Thy divine providence guides their destinies; Thy authority is the source of all legitimate human authority; Thou art the strength of the young and the weak; the hope of the poor and the oppressed among nations.

On this joyful anniversary celebration, we implore Thy gracious blessing on Israel—the oldest of peoples and the youngest of nations. All mankind rejoices that this ancient race—whom divine privilege made the custodian of the spiritual legacy of the human race, and the first recipients of Thy holy law—should now find a haven and a home of their own among the nations of the world. As America has opened its charitable arms to the victims of Communist persecution from many lands, so Israel has opened its arms to her own noble people, burdened by a centuries-old sorrow of dispersion and persecution.

The Free World rejoices at the special role given to Israel by divine providence to be the custodian of those holy places which saw the accomplishment of the redemption of mankind. May this mandate be ever regarded as a serious responsibility, and carried out with the dignity and justice merited by this sacred trust. For the eyes of all the world are on this spot of land which witnesses the union of two civilizations, and joins ancient and modern history.

We beg Thee, O God of might, wisdom and justice, to grant to the rulers and people of the State of Israel the wisdom to follow in the footsteps of their forefathers in the ways of justice and peace. Let Thy Holy Spirit guide its venerable and courageous leader, as Israel walks in the days of its youth as a nation with the phylactery of Thy holy laws before its eyes. Grant to this young nation, we beseech Thee, O Lord, the grace to continue to collaborate with the nations of the world in giving honor and glory to Thee, and in bringing peace among all men of good will. Amen.

Mayor Robert F. Wagner, of New York, the first principal speaker of the afternoon, received a thunderous ovation from the huge gathering when he declared that Israel will live forever and that Israel is the only hope of the civilized world for peace in the Middle East. He was followed by Borough President John Cashmore, of Brooklyn, who saluted Israel and welcomed its soccer team in these words:

Reverend clergy, Mayor Wagner, Ambassador Eban, distinguished guests, Chairman Judge Leibowitz, and ladies and gentlemen, we are gathered here today to witness and applaud the skill and athletic ability of the Israeli championship soccer team, but in a larger sense we have come to salute the people of Israel—the courageous country which they represent.

We in America rally to the support and encouragement of any nation which demonstrates that it is dedicated to furthering the dignity of man and the preservation of his God-given liberties.

No nation in modern times has been more dedicated to democratic ideals than Israel. When one considers the handicaps under which that state was founded, the dangers to which it is still constantly exposed, and the fortitude with which it has withstood every onslaught against it, we cannot but help applaud the bravery and perseverance of this courageous nation.

A nation so conceived and so dedicated as Israel is must endure.

The tidal wave of Soviet propaganda has all but engulfed many surrounding countries, but Israel has chosen to resist all the allurements and false hopes held out by communism. The memory of Israel's strong and firm resistance will always remain a bright chapter in the eternal struggle of man to fulfill his destiny.

As president of the borough of Brooklyn, I welcome the Israeli championship soccer team and salute the great nation which, by its actions and by its conduct, has alined itself with the forces of goodness and honor. May the coming years bring for Israel its deserved share of respect, admiration, and encouragement from all the nations which can profit by its noble example.

The following are some excerpts from the address by Senator IRVING IVES, of New York:

Ideals, principles, and a common faith in the dignity of man bind the United States and Israel together. Mutual interests link them inexorably. * * * Today Israel is the only stable and progressive country in the Middle East. * * * Israel requires our help, and is entitled to it. All freedom-loving peoples everywhere—all believers in humanity's aspirations for a better life—must turn to Israel for an example of a young nation dedicated to freedom's cause.

Israel stands today in a most troubled area of the globe. But she does not stand alone. Let us never forget the strong bonds of kinship—the kinship of blood and the kinship of ideals—which underlie the relationship of the United States and Israel. Let us join in hopes and efforts for Israel's material success, for her well-being; let us also join in prayers for her ever-widening spiritual influence and for a just and lasting peace throughout the Middle East.

The next speaker was Senator JACOB K. JAVITS, of New York. An extract from his remarks follows:

There are two requisites to Israel's being able to continue its role as the free world's principal ally in the explosive Middle East and as a refuge for the oppressed and the wandering—first, the time and the climate of peace in which to grow and develop; second, the continued and unflagging support of Israel's friends to aid Israel in surmounting the obstacles which bar her way—support in resources, in prestige, and in morale.

There can be no doubt that the maintenance of a just peace in the Middle East is essential to United States foreign policy. And a secure and viable Israel is an essential element to a truly secure Middle East. This is my own firm belief and I believe that our Government has learned this, too—may it ever continue to be so.

Senator JOHN A. CARROLL, of Colorado, in his remarks gave recognition to the New York Democratic delegation in Congress for its continued interest on behalf of Israel. He specifically pointed out the efforts toward this cause on the part of Congressman EMANUEL CELLER, dean of the New York delegation, and Congressmen ABRAHAM J. MULTER, JOHN J. ROONEY, EDNA F. KELLY, EUGENE J. KEOGH, and VICTOR L. ANFUSO.

Israel's very able and popular Ambassador, His Excellency Abba Eban, who was the last of the major speakers on the program, told the large gathering:

Israel has opened a new bridge which links the east and the west—and that is the new road which passes through Israel and through the Gulf of Aqaba. The Gulf of Aqaba is open and open it shall remain. * * * Israel is a land which is steeped in the ancient Jewish culture; at the same time, however, Israel's future is deeply rooted in the new era of atomic energy.

Many messages and telegrams were received from leading personalities in this country and in Israel, including former President Harry S. Truman, Israeli President Itzhak Ben-Zvi, Israeli Foreign Minister Golda Meir, and from nearly a hundred Members of both Houses of Congress. The following are a few brief

greetings and remarks by those who participated most actively in organizing this very successful Salute to Israel at Ebbets Field on May 12:

As chairman of Salute to Israel Festival, it is my proud privilege to welcome you to this momentous gathering. Your presence here is as appropriate as it is inspiring. You represent all the racial and religious strains that make up this blessed land of ours. It is your heritage to possess an uncompromising belief in the right of people everywhere to "Life, Liberty and the pursuit of Happiness." In your veins throbs the pulse of fellow-feeling for small nations who seek, like Israel, to determine their national destinies for themselves and to live at peace with all men.

This commemoration of the ninth anniversary of Israel's independence is a rallying cry for all those who, like you, believe in the dignity and security of the small nation. Israel will be grateful for this magnificent expression of your good will. Your encouragement will be a significant part of the spiritual armor which is vital for her survival.

JUDGE SAMUEL S. LEIBOWITZ,
General Chairman.

It is a great pleasure for me to welcome you to this celebration of Israel's ninth year of independence in the name of the arrangements committee.

This gathering is an important demonstration of the friendship and support of the American people for the State of Israel. The American people will never fail to extend a hand of friendship to democratic nations struggling for freedom and self-determination.

EDWARD ZELTNER,
Chairman, Arrangements Committee.

We are indeed happy to have the opportunity of sponsoring this Salute to Israel Festival, marking the ninth anniversary of the State of Israel.

The Farband-Labor Zionist Order salutes the State of Israel. Our membership feels a deep sense of gratification and pride in our participation for over 40 years in the activities for the Jewish national homeland, which ultimately led to the proclamation and establishment of the State of Israel.

This is a grave hour of anxiety for democratic and free nations all over the world and, in particular, for Israel, which is the only democratic stronghold in the Middle East and the only reliable ally of the free world in that part of the world.

Israel has only one desire, and this is to live in peace, strengthen her economy, and help in the ingathering of the exiles—all those Jews who are being persecuted in lands of oppression.

We are very proud to welcome the Hapoel soccer team. We are proud of these young athletes who represent the idealism of the pioneering youth of Israel.

We also take this opportunity to express our thanks and appreciation to all those individuals, groups, and organizations that helped to insure the success of this great festival.

FARBAND-LABOR ZIONIST ORDER,
MEYER L. BROWN, *President.*

I am proud and happy to participate in the activities in behalf of the Salute to Israel Festival on the ninth anniversary of the State of Israel. In the 9 years since the birth of Israel, the Histadrut and the State of Israel have performed miracles.

Hapoel, the soccer team of Israel, represents not only the spirit of the fine young sportsmen of Israel, but especially the spirit of Jewish youth who not only play and build, but also defend this young democratic state.

As a trade unionist, I welcome this occasion not only on my behalf, but on behalf of the American trade unionists who are responsive to the call of Israel in all its needs.

HARRY GREENBERG,
Chairman, Trade Union Committee.

As an American of Irish descent, it is my pleasure to join with all Americans in saluting the State of Israel on the ninth anniversary of its independence. Israel has demonstrated that with idealism and determination, it is possible to make even a barren country blossom with the fruits of economic well-being and democracy.

Judge JOHN E. CONE,
Chairman, Irish-American Committee for the Salute to Israel Festival.

I am proud to join in saluting Israel on its ninth independence day. This new nation is a bastion of democracy in the Middle East and an example for newly liberated nations throughout the world.

Congressman VICTOR L. ANFUSO,
Cochairman, Italo-American Committee for the Salute to Israel Festival.

It is an honor for me to participate in the Salute to Israel Festival. This gathering symbolizes the cooperation of Americans of all national and religious origins in making this country great.

All of us join together in congratulating Israel on the ninth anniversary of its independence.

Judge ANTHONY J. DI GIOVANNA,
Cochairman, Italo-American Committee for the Salute to Israel Festival.

The State of Israel is an encouragement for new nations everywhere to develop their institutions in the traditions of democracy and in the interests of their entire populations. It is an honor, therefore, for me to join in this Salute to Israel Festival on the occasion of the ninth anniversary of Israel's independence.

Judge MILES PAICE,
Chairman, Afro-American Committee for the Salute to Israel Festival.

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PROCEEDINGS AND DEBATES OF THE 85th CONGRESS, FIRST SESSION

SENATE

THURSDAY, MAY 16, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father, God, as so often in days whose record is now written, we pause in reverence at the footstool of Thy grace with a sense of our failure and fallibility, we come with the deep prayer that the great causes that will mold the future into the pattern of Thy desire and design, that will heal the world and rebuild it and usher in a just and abiding peace, may challenge the best that is in us and gain the supreme allegiance of our love and labor as we serve our brief day. To this end, may our spirits be as candles of the Lord which no darkness can put out. We ask it in the ever-blessed name of that Holy One whose life is the light of men. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Wednesday, May 15, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on today, May 16, 1957, the President had approved and signed the following acts and joint resolution:

S. 120. An act for the relief of James P. Walsh;

S. 394. An act to waive the limitation on the time within which a Medal of Honor may be awarded to Comdr. Hugh Barr Miller, Jr., United States Navy;

S. 998. An act to amend the act of June 4, 1953 (67 Stat. 41), and for other purposes; and

S. J. Res. 22. Joint resolution requesting the President to designate the third Friday of May of each year as National Defense Transportation Day.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to make an announcement for the information of the Senate. In addition to the bills and other measures which I announced yesterday as cleared for consideration today, there are six other measures which are cleared at the present time, and which may be acted upon if there is no objection. They are the following:

Calendar No. 232, Senate Resolution 124, citing Edward A. Hintz for contempt of the Senate;

Calendar No. 304, Senate bill 534, to amend section 702 of the Merchant Marine Act, 1936, in order to authorize the construction, reconstruction, or remodeling of vessels under the provisions of such section in shipyards in continental United States;

Calendar No. 305, Senate bill 886, to provide transportation on Canadian vessels between ports in southeastern Alaska and between Hyder, Alaska, and other points in southeastern Alaska or the continental United States either directly or via a foreign port, or for any part of the transportation;

Calendar No. 306, Senate bill 1446, to amend title 14, United States Code, so as to provide for retirement of certain former members of the Coast Guard Reserve;

Calendar No. 307, Senate bill 1806, to amend the Sockeye Salmon Fishery Act of 1947; and

Calendar No. 321, Senate bill 768, to designate the east 14th Street highway bridge over the Potomac River in the District of Columbia, as the Rochambeau Memorial Bridge.

With respect to the last-mentioned bill, I may state that the committee is anxious to have it receive early consideration by the Senate, inasmuch as it is the desire of the Government officials concerned that the dedication of the bridge occur during the forthcoming visit by the President of France.

Again, Mr. President, I should like to remind the Senate that on tomorrow the Senate will convene at 11 a. m., and will consider Calendar No. 309, House bill 6700, the Department of Commerce and related agencies appropriation bill.

I should also like to inform the Senate that the majority leader, who scheduled this proposed legislation, is ready and anxious to have the Senate proceed with consideration of the supplemental appropriation bill. He is prepared to ask the Senate to hold a session on Saturday, if necessary, in order to dispose of that appropriation bill. However, it is necessary for some of our colleagues to be away from the Senate on Saturday, because of longstanding engagements. Of course, in line with the spirit which prevails in the Senate, we endeavor to accommodate such Senators. Furthermore, under the rule it is necessary for the supplemental appropriation bill and the hearings and the report on it to be available 3 days before the bill is considered by the Senate; and any Senator can object to having the bill considered before it has been available for 3 days. A member of the minority has informed me that he would object to a request to take up the bill sooner than that. Therefore, the earliest day on which it will be possible for the Senate to consider the bill will be the coming Monday.

Mr. President, I do not wish to read in the newspapers that the administration is criticizing the leadership for a lag. I may say that last week I asked the clerk of each standing committee to attempt to have the chairman of his committee bring to the attention of the members of the committee each and every one of the 148 recommendations the Executive has sent to the Congress during this session. Although I realize that all of them cannot be acted upon, let alone be acted upon favorably, and prudence would not justify such a course, nevertheless I wish to be sure that at this session each recommendation that is made by the Executive does receive the earnest, sympathetic, and fair consideration of the committee concerned. Next week I plan to call a meeting of the chairmen of the standing committees, to ask them to give me their reports on the number of recommendations on which they have acted, their statements regarding when the others will be acted upon, and the time schedules.

Mr. President, I realize that we are approaching a time of the year when a great many graduation exercises will be held. Senators have been selected to receive honorary degrees and to deliver graduation addresses, and Senators must campaign for reelection. This is a very fertile time of the year in which to do so. However, the Senate has ahead

of it a majority of the appropriation bills, which must be acted upon between the present time and June 30, and the Senate also has a large number of Presidential recommendations upon which to act. I state to the Senate that we shall do everything we possibly can to accommodate Senators. There will not be a session of the Senate on Saturday of this week; but it may be necessary to have the Senate in session more days next week and more days the following week, as compared with the number of days of the week during which it has been necessary for the Senate to be in session in the past. Our schedule in that respect will depend upon how speedily action is taken by the Appropriations Committee.

So far as the leadership is concerned, we are prepared to have the Senate hold a session next Saturday and to have the Senate consider the supplemental appropriation bill. Its consideration has been delayed until Monday only because we have been informed that a Senator on the minority side stated that he would object to its earlier consideration.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committees or subcommittees were authorized to meet today during the session of the Senate:

The Committee on Foreign Relations;

The Public Roads Subcommittee of the Committee on Public Works; and

The Public Lands Subcommittee of the Committee on Interior and Insular Affairs.

ORDER FOR ADJOURNMENT TO 11 A. M. ON FRIDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until tomorrow, Friday, at 11 a. m.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nomination of William M. Johnson, to be postmaster at Granite City, Ill., which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. SALTONSTALL, from the Committee on Armed Services:

J. Sinclair Armstrong, of Illinois, to be an Assistant Secretary of the Navy, vice William B. Franke.

By Mr. FULBRIGHT, from the Committee on Banking and Currency:

C. Douglas Dillon, of New Jersey, to be Alternate Governor of the International Monetary Fund and the International Bank for Reconstruction and Development for the term of 5 years.

The PRESIDENT pro tempore. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

DEPARTMENT OF THE INTERIOR

Mr. JOHNSON of Texas. Mr. President, I should like to have the Senate consider first Calendar No. 494, the nomination of the Assistant Secretary of the Interior, because I understand there will be some discussion of Calendar No. 493. Therefore, I should like to have the other nominations acted on first, so that I may make some other plans, while that debate is taking place.

Therefore, Mr. President, I ask that Calendar No. 493 be temporarily passed over, and that at this time the Senate begin with Calendar No. 494, in considering the nominations on the Executive Calendar.

The PRESIDENT pro tempore. Without objection, it is so ordered; and Calendar No. 494 will be stated.

The Chief Clerk read the nomination of Roger Charles Ernst, of Arizona, to be Assistant Secretary of the Interior.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

GOVERNOR OF ALASKA

The Chief Clerk read the nomination of Michael A. Stepovich, of Alaska, to be Governor of the Territory of Alaska.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

THE DISTRICT OF COLUMBIA REDEVELOPMENT LAND AGENCY

The Chief Clerk read the nomination of Andrew Parker, of the District of Columbia, to be a member of the District of Columbia Redevelopment Land Agency, for a term expiring March 3, 1962.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

IN THE NAVY

The Chief Clerk read the nomination of Vice Adm. Maurice E. Curts to have the grade, rank, pay, and allowances of admiral while performing certain duties.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

IN THE NAVY AND IN THE MARINE CORPS

The Chief Clerk proceeded to read sundry nominations in the Navy and in the Marine Corps.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations in the Navy and Marine Corps be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, the nominations are confirmed.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the postmaster nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the postmaster nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, under the rule, the Senate will have the usual morning hour, for the introduction of bills and the transaction of other routine business; and in that connection I ask unanimous consent that statements be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, at the conclusion of the morning hour, we plan to have the Senate resume the consideration of executive business, to consider the nomination of Mr. Elmer F. Bennett, of Colorado, to be Solicitor for the Department of the Interior.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

EXEMPTION FROM PROHIBITIONS AGAINST CERTAIN TEACHERS IN CANAL ZONE

A letter from the Governor, Canal Zone Government, Balboa Heights, Canal Zone, transmitting a draft of proposed legislation to exempt certain teachers in the Canal Zone public schools from prohibitions against the holding of duel offices and the receipt of double salaries (with an accompanying paper); to the Committee on Appropriations.

REPORT ON LIQUIDATION OF RECONSTRUCTION FINANCE CORPORATION

A letter from the Secretary of the Treasury, transmitting, pursuant to law, a report on the progress of liquidation of the Reconstruction Finance Corporation, to March 31, 1957 (with an accompanying report); to the Committee on Banking and Currency.

REPORT ON REVIEW OF HOUSING AUTHORITY OF CITY OF CHARLESTON, S. C.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of the Housing Authority of the City of Charleston, S. C., Public Housing Administration, Housing and Home Finance Agency, dated April 1956 (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF FOREIGN CLAIMS SETTLEMENT COMMISSION

A letter from the Chairman, Foreign Claims Settlement Commission of the United States, Washington, D. C., transmitting, pursuant to law, a report of that Commission, for the period ended December 31, 1956 (with an accompanying report); to the Committee on Foreign Relations.

AUDIT REPORT ON TENNESSEE VALLEY AUTHORITY

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Tennessee Valley Authority, for the fiscal year ended June 30, 1956 (with an accompanying report); to the Committee on Government Operations.

SGT. JOHN F. BAUGHMAN

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of Sgt. John F. Baughman (with an accompanying paper); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution of the Senate of the State of California; to the Committee on Interior and Insular Affairs:

"Senate Resolution 124

"Resolution relative to the land use program for the lower Colorado River

"Whereas the Parker Dam County Recreation District has been created in San Bernardino County comprising in its entirety land owned by the United States; and

"Whereas the United States Department of the Interior has under consideration at the present time numerous proposals which would affect the use of the land along the Colorado River below Parker Dam; and

"Whereas such proposals would, in their present form, adversely affect the administration of said lands by the Parker Dam County Recreation District; and

"Whereas said district is authorized under the laws of this State to lease or otherwise acquire control of all or any of the land in the district from the United States upon such terms as may be mutually agreed upon by the trustees of the district and the United States, and to, in turn, rent or sublease any of such land to any person for any purpose, recreational or otherwise, not inconsistent with the terms of the lease or other agreement under which the district holds the land under the United States: Now, therefore, be it

"Resolved by the Senate of the State of California, That the Congress of the United States and the United States Department of the Interior are respectfully memorialized to give consideration to leasing or giving control to the Parker Dam County Recreation District the lands located within the boundaries of said district and that the department be requested to take no action with respect to land use which will affect the operation of said district; and be it further

"Resolved, That the secretary of the senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, the Secretary of the Interior, the Speaker of the House of Representatives, and each Senator and Representative from California in the Congress of the United States."

A concurrent resolution of the Legislature of the State of New Hampshire; to the Committee on Public Works:

"Whereas through Federal grant-in-aid programs the Federal Government by extravagant and unnecessary spending is forcing New Hampshire also to spend extravagantly to match and thus obtain back part of its own money; and

"Whereas New Hampshire citizens pay income taxes which go to Washington and are returned in part to New Hampshire under Federal grant-in-aid programs in amounts reduced by bureaucratic overhead, creating the false impression that the State is getting something for nothing; and

"Whereas in returning funds to New Hampshire the Federal Government ties strings to the use of these funds which interfere with local government, complicates the enactment of State legislation and forces the State to spend in fields it believes unwarranted; and

"Whereas it is common knowledge that local projects financed in part by Federal funds usually cost excessively because of unnecessary Federal requirements; and

"Whereas the New Hampshire Legislature feels that its citizens know better than the Federal Government how to spend the citizens' money and that local governments are more capable and efficient than the Federal Government in managing local programs; Now, therefore, be it

"Resolved by the members of the New Hampshire Legislature in the 1957 session assembled—

"1. That the Federal Government refrain from enacting new grant-in-aid programs and reexamine all such existing programs and end or reduce their costs wherever possible.

"2. That copies of this resolution be transmitted to the President of the United States, Vice President of the United States as President of the Senate of the United States, to the Speaker of the House of Representatives of the United States, and to each member from New Hampshire in the Senate of the United States and in the House of Representatives of the United States.

"3. That copies of this resolution be transmitted to the presiding officers of the legislature of the other 47 States for their information and consideration by the clerks of the senate and house of representatives of the State of New Hampshire.

"Senator PAUL G. KARKEVELAS,
"Sponsor.

"ERALSEY C. FURGUSON,
"President of the Senate.

"W. DOUGLAS SCAMMAN,
"Speaker of the House of Representatives.

"BENJAMIN F. GREER,
"Clerk of the Senate.

"GEORGE T. RAY, Jr.,
"Clerk of the House."

A resolution adopted by the Commissioners of Roads and Revenue, Glynn County, Brunswick, Ga., favoring the enactment of legislation to provide an increase in compensation of postal employees; to the Committee on Post Office and Civil Service.

A letter in the nature of a petition from the Los Angeles, Calif., Postal Organizations Council, signed by Carl H. Reister, secretary, praying for the enactment of legislation to provide increased compensation for postal employees; to the Committee on Post Office and Civil Service.

PROPOSED SALARY INCREASE FOR POSTAL EMPLOYEES—PETITION

Mr. JAVITS. Mr. President, I have received an enormous amount of mail, and I am sure many other Senators have received the same, relating to the problems of postal workers.

The distinguished Senator from South Carolina [Mr. JOHNSTON], the chairman of the Committee on Post Office and Civil Service, who, I am happy to say, is present in the Chamber, has informed me that on Monday next the committee will open hearings on the question of compensation for postal workers.

Mr. President, I have intimate experience and personal experience with many of these people, and in altogether too many cases, considering the dignity of the United States, do they have to find outside work and perform double jobs in order to make a living.

An analysis has been made of the rate of indebtedness among postal workers, under ordinary living standards, and it has been found that the rate of indebtedness is very much higher for postal workers than it is among those who work in private business.

Mr. President, it is our national responsibility to maintain an effective and efficient postal service. We should appropriate whatever money is needed for that purpose, adjust postal rates to what we consider to be the public interest, and call upon the Post Office Department to render such services free or for less than cost as we again think is in the national interest. But none of that, Mr. President, should be taken out of the backs of the postal workers. They were entitled to compensation which is commensurate with the standard of service they render and with prevailing rates of wages and compensation and job security in private business.

Mr. President, it is my deep conviction the postal workers are not receiving those benefits now. I hope very much this matter will have the sympathetic attention of the committee. I know the chairman of the committee to be one of the great, understanding friends of postal employees and their problems, and I hope very much this matter will have the speedy attention of Congress.

Mr. President, I ask unanimous consent to have printed in the RECORD a petition signed by several hundred postal workers of Syracuse, N. Y., and vicinity, bearing upon this subject.

There being no objection, the petition was ordered to be printed in the RECORD, as follows:

PETITION FOR PASSAGE OF H. R. 6 AND S. 27

We, the undersigned, feel that there is an overwhelming need for better personnel relations and a decent standard of living for postal employees and other Federal workers.

These conditions will be approached with the passage of H. R. 6 and S. 27. The former referring to personnel relations and the latter

providing an increase in wages for postal employees.

Therefore we urge that these bills be enacted into law.

(Signed by Robert W. Johnson and sundry other citizens of Syracuse, N. Y., and vicinity.)

PROPOSED TRANSFER OF TELEVISION STATION WRGB—RESOLUTION AND LETTERS

Mr. JAVITS. Mr. President, I should like to make a few brief remarks about the proposed transfer of a television channel from the area around Schenectady, N. Y., by an order of the FCC, to Syracuse, N. Y. The people in this area have deep complaint, for considerably more than 100,000 will be deprived of television service through their existing receiving machines, if this transfer shall be effected.

My distinguished colleague, the Senator from Vermont [Mr. AIKEN] spoke about this matter on May 2. I agree with what the Senator from Vermont said, and wish to record my view accordingly. He referred to the fact that there is now pending before the Federal Communications Commission a proposal relating to transferring a television channel from WRGB, Schenectady, to Syracuse, N. Y.

WRGB is a very high frequency television channel, and the suggestion is made to replace it by an ultra-high-frequency channel. I have received a large number of complaints from constituents against this prospect, and they seem to me to state a very sympathetic case. I have been in close touch with the Federal Communications Commission. The Commission has informed me that there is only one VFH station in the large area comprising the Albany, Schenectady, Troy area—channel 6 in Schenectady.

The Commission also stated to me as follows:

After reviewing the comments of all parties in the proceeding, the Commission concluded in its report and order that the public interest would be served by deleting channel 10 from Vail Mills, by shifting channel 6 from Schenectady to Syracuse and by substituting UHF channel 47 for channel 6 at Schenectady. Since the deletion of channel 6 from Schenectady would require a modification of the General Electric Co.'s license for operation of station WRBG on channel 6 at Schenectady, in accordance with section 316 of the Communications Act, the Commission, simultaneously with the issuance of its report and order, issued a show-cause order to the General Electric Co. notifying it of the action proposed and affording it an opportunity to file a response on or before April 15, 1957, indicating any objections that it might have to operate on channel 47 rather than channel 6 and whether a public hearing in the matter is desired.

That case is still pending. The Commission has informed me that the reason for the proposed change stems from the necessity for improving the opportunity for more effective competition among a greater number of stations and that, therefore, the area should be deintermixed by which the Commission means that there should be either all ultra or all very high frequency. Since there are already a number of ultra-high-frequency stations and it is anticipated that more will be authorized under the deintermixture proposal WRGB would be eliminated.

Of course, people who have television sets which are not modified to receive the UHF stations in the Albany-Schenectady area would be completely deprived of television unless they purchased additional electronic equipment costing from $50 to $100. Even so, it is estimated by a number of engineers, that assuming this expensive modification, approximately 120,000 people in the area will be completely deprived of television because the very high frequency carries better to the fringes of the television area than does ultra high frequency.

I ask unanimous consent that the texts of a number of representative letters from New Yorkers be printed in the RECORD to indicate the views which I have been receiving in my office. While there has been no final decision by the Federal Communications Commission, it certainly contemplates the elimination of this station; and I must say in all frankness that I agree with the feeling of the Senator from Vermont that the Federal Communications Commission should review this case with the greatest of care, and should refuse to make any determination which will be detrimental to so many viewers, without assuring that there is adequate prospect for TV coverage of the area.

I ask unanimous consent that there may be printed in the RECORD a resolution adopted by the council of the city of Schenectady; a report of the resolution adopted by the town of Shandaken, N. Y.; a resolution of the Stamford Woman's Club, of Stamford, N. Y.; a resolution of the Stamford Methodist Church, of Stamford, N. Y.; a resolution of the Fort Plain Community Club, Fort Plain, N. Y.; and a very interesting letter commenting on this matter from the superintendent of schools of Schenectady and president of the Mohawk-Hudson Council on Educational Television.

There being no objection, the resolution and letters were ordered to be printed in the RECORD, as follows:

Resolution 5815

Whereas station WRGB has been served with an order to show cause returnable on April 15, 1957, before the Federal Communications Commission, why television station WRGB should not transfer its operation from VHF channel 6 to UHF channel 47; and

Whereas such transfer would not be in the public interest as many television viewers would be forced to purchase new sets or equip their present television sets with costly converters; and

Whereas it is estimated that such a transfer of operations would deprive at least 120,000 television viewers in the capital area, parts of the Adirondacks, Vermont, and Massachusetts of any television service; and

Whereas station WRGB has been a pioneer in telecasting since 1939 and is serving pioneer viewers on channel 6: Now, therefore, be it

Resolved, That in the interest of justice and the public welfare, the council of the city of Schenectady urges the Federal Communications Commission to reconsider its action;- and be it further

Resolved, That copies of this resolution be forwarded forthwith by the clerk of the city of Schenectady to the Federal Communications Commission, Representative BERNARD W. KEARNEY, Senator IRVING M. IVES, and Senator JACOB K. JAVITS.

TOWN OF SHANDAKEN,
Shandaken, N. Y., March 9, 1957.

Senator JACOB JAVITS,
Washington, D. C.

DEAR SENATOR JAVITS: At the regular meeting of the Town Board of the Town of Shandaken, held March 9, 1957, it was unanimously moved by the board to ask you to use your influence in the matter of Schenectady Television Station WRGB, channel 6, that it be kept under the very high frequency rather than ultrahigh frequency.

Approximately 75 percent of the television owners in our town would be cut off from reception, as this is the only channel received by these people.

Thanking you,

Very truly yours,
JOSEPH FEITZINGER,
Town Clerk.

STAMFORD WOMAN'S CLUB,
Stamford, N. Y., March 25, 1957.

Hon. JACOB K. JAVITS,
United States Senator, Senate Office Building, Washington, D. C.

DEAR MR. JAVITS: The Federal Communications Commission is contemplating changing the Schenectady Television Station WRGB from very high frequency to ultrahigh frequency. We believe that this change will cause the majority of the residents in this area to be without television as ultrahigh frequency is not obtainable here.

The Stamford Woman's Club is asking for your aid in protesting this change. Your influence in the matter will be appreciated.

Very truly yours,
ELLA M. LAMONT
Mrs. George D. Lamont,
Corresponding Secretary.

STAMFORD, N. Y., *March 22, 1957.*

Senator JACOB K. JAVITS,
Senate Office Building,
Washington, D. C.

DEAR SENATOR JAVITS: I am writing at the request of the Women's Society of Christian Service of the Stamford Methodist Church, a group of about 50 women. They asked me to protest to the Federal Communications Commission in regard to the proposed change of Schenectady TV station WRGB from VHF to UHF, and to ask you to use your influence against this change.

WRGB is the only television station that gives good reception in this whole mountain area, and if the frequency is lowered, we will be able to get nothing on our sets. We will be most grateful for all that you can do.

Cordially,
DAISEY R. DESILVA,
MRS. LEO H. DESILVA,
Vice President, WSCS.

FORT PLAIN COMMUNITY CLUB,
Fort Plain, N. Y., April 8, 1957.

The Honorable JACOB J. JAVITS,
Senate Office Building,
Washington, D. C.

DEAR SIR: A resolution was adopted by this service club opposing the change in channel from No. 6 (VHF), Schenectady, N. Y., to Syracuse, N. Y., while establishing channel No. 47 (UHF) for the Schenectady area, for the following reasons:

A very small percentage of the sets owned by area families are capable of receiving UHF. Therefore, a financial burden would be imposed upon them to replace their sets or purchase converters and new antennas.

WRGB on channel No. 6 is the only station that gives our area residents satisfactory reception, and from the reports UHF, No. 47, would not be able to reach into many sections now covered by VHF No. 6.

This organization and the community it serves will greatly appreciate your expressing our opposition to the Federal Communication Commission and assisting us in opposing this change.

Very truly yours,
LELAND SMITH, *President.*

SCHENECTADY PUBLIC SCHOOLS,
Schenectady, N. Y., March 18, 1957.

The Honorable JACOB K. JAVITS,
United States Senate,
Washington, D. C.

MY DEAR MR. JAVITS: I respectfully call to your attention the proposed change of station WRGB in Schenectady from VHF to UHF channel. I represent several interests in writing this communication. As a citizen of Schenectady, I have a deep interest in the service provided by WRGB. However, my position as superintendent of schools in Schenectady and as president of Mohawk-Hudson Council on Educational Television is the one from which my comments will be directed.

For the last 4 years, WRGB has been giving an hour a day, 5 days a week, of its prime morning time to the Mohawk-Hudson Council. Not only the time but the services of the staff at the station and considerable financial support have been offered by the station. With their support, Mohawk-Hudson Council has provided an educational television service to an extremely receptive television audience within the viewing range of WRGB's VHF broadcast. This past year, the station in Plattsburgh has further extended the activity of the council's program through simultaneous broadcast picked up from WRGB.

This operation involves hundreds of schools, colleges, museums, historical societies, and other cultural organizations of the community. They are paying members of the Mohawk-Hudson Council on Educational Television. In the case of the schools, they have put much effort into not only programing but into the proper reception and use of program offerings of significance to the curriculums of the schools.

The very existence of the council is threatened by this proposed change. Our schools are almost 100 percent equipped for very high frequency reception. Many of them are outside the range of ultrahigh frequency. Their continued membership in our council is dependent on assurances of next year's programing over WRGB. This very outstanding example of educational television supported at the community level merits a better fate than dissolution through precipitous action.

May I urge your most serious consideration of all aspects of this decision to change WRGB from VHF to UHF. We in the schools of this area, public, parochial, and private, strongly urge the retention of very high frequency for WRGB.

Sincerely yours,
ROBERT E. MURRAY.

RESOLUTION OF CITY COUNCIL OF ST. PAUL, MINN.

Mr. THYE. Mr. President, I am in receipt of a letter from the city clerk of the city of St. Paul, Minn., transmitting a resolution adopted by the city council, protesting against the enactment of House bill 6790, to eliminate Federal control of the production and sale of natural gas. I present the resolution, and ask unanimous consent that it be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Whereas the council is informed that the Interstate and Foreign Commerce Committee of the House of Representatives has begun hearings on a bill introduced in Congress on April 10, 1957, by Congressman HARRIS, said bill being designated as H. R. 6790, and which bill, among other things, proposes to change the basis for determination of the production cost of gas paid or charged by interstate pipeline companies through the elimination of the present method of determining cost by the use of the public utility rate base cost of service formula and procedure and substituting in lieu thereof the reasonable market price, to be determined by the Federal Power Commission; and

Whereas the Council of the City of St. Paul is of the opinion that the bill provides no clear and adequate standards for determining the reasonable market price for gas and which, if the bill become law, could result in a determination of a price for gas in excess of that necessary for the adequate compensation to the producers of natural gas, contrary to the best interests of the ultimate consumers of gas; and

Whereas the council is informed and believes that a majority of the natural gas reserves are owned and controlled by a few large corporations, and there is no true competitive market in the sale, transportation, and resale of natural gas in interstate commerce; and

Whereas the price of natural gas to the ultimate consumer in St. Paul is a matter of vital concern for all the citizens in this city, made especially more so by reason of the cold weather which this city has in the winter season, and further by reason of the large number of ultimate consumers which are now using natural gas for domestic purposes in this city; and

Whereas it is the opinion of the city council that if this new Harris bill should become law, it could very well result in substantial increases in the cost of gas allowed to the pipeline carriers serving this city and to the ultimate consumers in this city; and

Whereas the council is firmly convinced that by reason of the facts recited above, this legislation is contrary to the public interest: Now, therefore, be it

Resolved, That the City Council of the City of St. Paul hereby opposes the passage of the new Harris bill or any other legislation of a similar nature, or any legislation which seeks to eliminate or restrict in any manner the present, legally recognized control by the Federal Government through the Federal Power Commission of the production and sale of natural gas in the field; and be it further

Resolved, That the council requests the Members of Congress from the State of Minnesota to do their utmost to defeat this bill and any legislation of a similar type which might be introduced in Congress; and be it further

Resolved, That the mayor of the city of St. Paul is hereby directed to file a written statement of the opposition of this council to the bill and is hereby directed to present this resolution to the House Interstate and Foreign Commerce Committee on May 13, 1957, and to join with the other mayors of the large gas-consuming cities to present an argument in protest against the so-termed Harris bill; and be it further

Resolved, That the city clerk is directed to send forthwith a copy of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Member of the United States Congress from the State of Minnesota, and to each member of the Interstate and Foreign Commerce Committee of the House of Representatives.

Adopted by the council May 10, 1957.
Approved May 10, 1957.

JOSEPH E. DILLON,
Mayor.

RESOLUTION OF CONNECTICUT PUBLIC UTILITIES COMMISSION

Mr. BUSH. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Public Utilities Commission of the State of Connecticut, relating to Federal safety requirements for natural-gas pipelines.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and order to be printed in the RECORD, as follows:

RESOLUTION OF THE PUBLIC UTILITIES COMMISSION, STATE OF CONNECTICUT, CONCERNING H. R. 2809, FEDERAL SAFETY REQUIREMENTS FOR NATURAL-GAS PIPELINES

It appearing, that H. R. 2809 introduced in the House of Representatives of the 85th Congress 1st session, which has been referred to the Committee on Interstate and Foreign Commerce, proposes the amendment of the Natural Gas Act for the purpose of authorizing the Federal Power Commission to prescribe safety requirements for natural-gas companies; and

It appearing further, that the Public Utilities Commission of the State of Connecticut is authorized by the provisions of chapter 264a of the 1955 supplement to the general statutes of Connecticut to promulgate safety and regulations providing for increased safety in the transportatoin and distribution of natural gas within this State; and

It appearing further, that the Public Utilities Commission has adopted rules and regulations for the aforesaid purpose (Commission Docket No. 8612).

Now, therefore, we the undersigned, comprising the Public Utilities Commission of the State of Connecticut, petition and memorialize the Connecticut Representatives and Senators in Congress that the enactment of H. R. 2809 should be opposed for the reason that the State of Connecticut has adequate and satisfactory safety requirements in effect, and the enactment of said H. R. 2809 would constitute an unnecessary and unreasonable interference with the right and powers of the State of Connecticut to exercise supervision and regulation over natural-gas pipelines within this State.

We hereby direct that a copy of this petition be forwarded by the secretary of this commission to each Connecticut Representative and Senator in Congress.

Dated at Hartford, Conn., this 1st day of May 1957.

EUGENE J. LAUGHLIN,
HENRY B. STRONG,
BASIL P. FITZPATRICK,
Public Utilities Commission,
State of Connecticut.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FULBRIGHT, from the Committee on Banking and Currency, without amendment:

H. R. 4136. An act to extend the period within which Export-Import Bank of Washington may make loans (Rept. No. 331).

By Mr. BYRD, from the Committee on Finance, with amendments:

H. R. 53. An act to consolidate into one act, and to simplify and make more uniform,

the laws administered by the Veterans' Administration relating to compensation, pension, hospitalization, and burial benefits, and to consolidate into one act the laws pertaining to the administration of the laws administered by the Veterans' Administration (Rept. No. 332).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GREEN (by request):

S. 2097. A bill to amend the Foreign Service Buildings Act of 1926; and

S. 2098. A bill to amend the act providing for membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization to provide for uniform per diem allowances, and for other purposes; to the Committee on Foreign Relations.

(See the remarks of Mr. GREEN when he introduced the above bills, which appear under separate headings.)

By Mr. ERVIN:

S. 2099. A bill for the relief of Irene B. Moss; to the Committee on the Judiciary.

By Mr. SALTONSTALL:

S. 2100. A bill for the relief of Claire G. Trigledas; to the Committee on Finance.

By Mr. SALTONSTALL (by request):

S. 2101. A bill for the relief of Mr. Yervant Boulgarian and his wife, Mrs. Haiganouche Boulgarian; and

S. 2102. A bill for the relief of Eugenio Plastino; to the Committee on the Judiciary.

By Mr. KENNEDY:

S. 2103. A bill for the relief of Ernest E. Glasford; to the Committee on the Judiciary.

By Mr. DIRKSEN (by request):

S. 2104. A bill for the relief of Rosina Jonasch;

S. 2105. A bill for the relief of Anna Palinkas; and

S. 2106. A bill for the relief of Gregory J. Kessenich and others (with accompanying papers); to the Committee on the Judiciary.

By Mr. HOLLAND:

S. 2107. A bill to provide for the conveyance to the State of Florida of a certain tract of land in such State owned by the United States; to the Committee on the Judiciary.

By Mr. CHAVEZ:

S. 2108. A bill to amend the Public Buildings Act of 1949, to authorize the Administrator of General Services to name, rename, or otherwise designate any building under the custody and control of the General Services Administration; to the Committee on Public Works.

By Mr. CHAVEZ (by request):

S. 2109. A bill to amend an act extending the authorized taking area for public building construction under the Public Buildings Act of 1926, as amended, to exclude therefrom the area within E and F Streets and 19th Street and Virginia Avenue, Northwest, in the District of Columbia; to the Committee on Public Works.

By Mr. WATKINS:

S. 2110. A bill for the relief of Shirley Leeke Kilpatrick;

S. 2111. A bill for the relief of Yuko Shiba; and

S. 2112. A bill for the relief of Joaquin Gil Carrasco; to the Committee on the Judiciary.

By Mr. MAGNUSON (for himself, Mr. JACKSON, Mr. MANSFIELD, Mr. MORSE, Mr. MURRAY, and Mr. NEUBERGER):

S. 2113. A bill to amend the Federal Power Act, as amended, with respect to allowances in the cost of service and accelerated amortization and liberalized depreciation for income tax purposes; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

NATIONAL COWBOY HALL OF FAME AND MUSEUM

Mr. ANDERSON. Mr. President, on behalf of myself, and Senators BARRETT, BENNETT, BIBLE, CARLSON, CARROLL, CASE of South Dakota, CHURCH, CURTIS, DWORSHAK, GOLDWATER, HAYDEN, HENNINGS, HRUSKA, JACKSON, KERR, KUCHEL, LANGER, MAGNUSON, MALONE, MANSFIELD, MONRONEY, MORSE, MUNDT, MURRAY, NEUBERGER, WATKINS, YARBOROUGH, and YOUNG, I submit, for appropriate reference, a concurrent resolution which has as its purpose the recognition of the National Cowboy Hall of Fame and Museum to be located in Oklahoma City, Okla.

For a number of years stockmen, ranchers, cowboys, and other citizens interested in the history of the development of our great West have given of their time and effort to bring into being an organization that would have national recognition, and whose purpose it would be to preserve something of the story of the development of the cattle industry in this country.

It was Mr. C. A. Reynolds, of Kansas City, Mo., who conceived the idea of the Cowboy Hall of Fame to be dedicated to all cowmen who had a prominent part in the development of the American West.

It was in 1953 and 1954, after he spent his personal funds touring the 17 Western States, talking with governors, prominent livestock men and women, that Mr. Reynolds' idea began to take permanent form leading to organization of the board of trustees for the National Cowboy Hall of Fame and Museum.

Early in 1955 the trustees met in Denver, Colo., and chose a five-man committee to make recommendations for a permanent site for the structure in which men who contributed greatly to the development of the West were to be honored, and where representative evidence of the life and culture of their times was to be preserved.

The site selection committee carefully studied 400 applications from Western States and brought the list down to 10, then to 3. Representatives from those three communities were requested to attend a meeting of the entire board of trustees at Denver, and make their presentations, where, on April 15, 1955, by majority vote, the trustees selected Oklahoma City. On November 11, 1955, the trustees met in Oklahoma City and dedicated the 37-acre, $150,000 site provided alongside 2 major transcontinental highways.

Subsequently, citizens of Oklahoma City raised, by popular subscription, the sum of $750,000, while other Oklahomans added an additional $250,000 to make the first million dollars for construction of the initial expansion-type building to house the hall of fame and museum. Citizens of the other Western States are now engaged in providing more funds in what is planned eventually to be a $5 million structure.

For their contributions to the West, five men have already been voted into the hall of fame; others will follow. The first men are Will Rogers, of Oklahoma; Charles Russell, of Montana; Charles Goodnight, of Texas; Jake McClure, of New Mexico; and Theodore Roosevelt, of New York and the Dakotas.

The National Cowboy Hall of Fame will be constructed and maintained without cost to any governmental agency, which is fitting under the best traditions of the men and the era which it will perpetuate as a part of our great American heritage.

Because of the national interest in the preservation of historical and present-day records of men who have contributed much to the West, and the preservation of personal effects, mementos, relics, equipment and other accoutrements, I believe the National Cowboy Hall of Fame is deserving of congressional recognition. Therefore, I am glad to join in sponsoring this concurrent resolution.

I ask unanimous consent that the resolution of the board of trustees of the National Cowboy Hall of Fame and Museum, together with the list of its signers, and the text of the concurrent resolution which I have today submitted, be printed in the body of the RECORD at this point.

There being no objection, the resolution adopted by the board of trustees, National Cowboy Hall of Fame and Museum, was ordered to be printed in the RECORD, together with the signatures attached, as follows:

RESOLUTION ADOPTED BY THE BOARD OF TRUSTEES OF THE NATIONAL COWBOY HALL OF FAME AND MUSEUM, JANUARY 5, 1957, AT PHOENIX, ARIZ.

Whereas the Board of Trustees of the National Cowboy Hall of Fame and Museum, a nonprofit foundation, having previously completed their organization with two members from each of the 17 Western States, with Governors of those States sitting ex-officio, did after careful investigation on April 15, 1955, select Oklahoma City, Okla., as the site of the permanent structure of the National Cowboy Hall of Fame and Museum; and

Whereas the board of trustees did on November 11, 1955, dedicate at Oklahoma City the 37-acre site, provided by the people of the city of Oklahoma City and the State of Oklahoma; and

Whereas the people of Oklahoma through private subscription raised the equivalent of $1 million as their initial goal toward construction of the first unit of the National Cowboy Hall of Fame and Museum; and

Whereas citizens of the other 16 Western States now are undertaking by private subscription to raise an additional $4 million to complete a fitting shrine to men outstanding in opening and developing the West, with a museum for archives, artifacts, and other evidence of an era that so enriched our American historical heritage; and

Whereas the National Cowboy Hall of Fame and Museum will be a valuable contribution to the folklore of America, of material benefit to all citizens and scholars of the present and future: Therefore be it

Resolved by the board of trustees, That the Congress of the United States be requested by resolution or other parliamentary means to memorialize and/or commend to the people of the United States, the National Cowboy Hall of Fame and Museum as a national shrine, and that a copy of such engrossed resolution be made a part of permanent

archives of the National Cowboy Hall of Fame and Museum.

The board of trustees: C. A. Reynolds, of Missouri, chairman; Albert K. Mitchell, of New Mexico, 1st vice chairman; Fred H. Dressler, of Nevada, 2d vice chairman; A. W. Swenson, of Texas, 3d vice chairman; Nelson P. Crow, of California; Chester Paxton, of Nebraska; Alan Rogers, of Washington; Fred Porter, Jr., of Arizona; R. J. Hofmann, of Wyoming; Ray Schnell, of North Dakota; Burt L. Hall, of South Dakota; F. S. Spencer, of Montana; Rex Bell, of Nevada; A. D. Brownfield, of New Mexico; Lowe P. Howell, of Arizona; Brooks Keogh, of North Dakota; William F. Fencher, of Washington; Hal Cooper, of Oklahoma; Lee Sneed, of Oklahoma; E. H. Shoemaker, Jr., of Nebraska; Victor E. Anderson, of Nebraska, Governor; F. D. Ackerman, of Colorado; E. L. Mechem, of New Mexico, Governor; John D. Lewis, of Utah; J. Hugo Aronson, of Montana, Governor; Fred W. Heine, of Kansas; F. L. Blomquist, of Idaho; Millward L. Simpson, of Wyoming, Governor; John E. Davis, of North Dakota, Governor; Ernest B. Ham, of South Dakota; Joe Foss, of South Dakota, Governor; K. Ross Toole, of Montana; Irwin Mann, of Oregon; Robert D. Holmes, of Oregon, Governor; Harold J. Powers, of California; Charles H. Russell, of Nevada, Governor; Clyde Storr, of Idaho; Raymond Gary, of Oklahoma, Governor; Ernest W. McFarland, of Arizona, Governor; Roy J. Turner, of Oklahoma; George Docking, of Kansas, Governor; Albert D. Rosellini, of Washington, Governor; L. H. Strong, of Utah; Goodwin J. Knight, of California, Governor; Steve McNichols, of Colorado, Governor; Daniel I. J. Thornton, of Colorado; J. W. Jonester, Jr., of Oregon; George D. Clyde, of Utah, Governor.

The concurrent resolution (S. Con. Res. 32), submitted by Mr. ANDERSON (for himself and other Senators), was referred to the Committee on Rules and Administration, and, under the rule, ordered to be printed in the RECORD, as follows:

Whereas citizens of 17 Western States where the cattle trade contributed a colorful chapter to the whole history of the United States and particularly to that of the grasslands on which the cattle trade flourished, have cooperated in the establishment at Oklahoma City, Okla., of the National Cowboy Hall of Fame and Museum; and

Whereas it is the purpose of the National Cowboy Hall of Fame and Museum to honor past and present cowboys, stockmen, and ranchers who have contributed to the initial development of the West; and

Whereas in order to perpetuate the contributions by acts and deeds of these men and women, the National Cowboy Hall of Fame and Museum proposes to erect such buildings or monuments as may be deemed appropriate to be a lasting memorial to those pioneers; and

Whereas the preservation of historical and present day documents, mementos, personal effects and relics of these pioneers is of national interest and will be a valuable contribution to the folklore of America: Be it therefore

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby recognizes the National Cowboy Hall of Fame and Museum as a memorial to individuals who have made outstanding contributions in the opening and development of the West and as a fitting and valuable institution for the collection and preservation of artifacts and other evidences and data relating to the role the West has played in enriching our American historical heritage.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. O'MAHONEY. There will be no sense in building a Cowboy Hall of Fame and Museum in Oklahoma, New Mexico, or anywhere else, unless we can meet the situation in which the economic independence of the United States is being undermined by the expansion of national commerce by foreign corporations holding charters issued by foreign governments and by States which have no control over commerce.

Mr. ANDERSON. When I first came to the Congress, in 1941, one of the first tasks I assigned myself was the collection of the reports of the Temporary National Economic Committee, headed by the able Senator from Wyoming. As the years pass, those reports ripen and become more valuable to the people of the country. The studies which the Senator made then and the studies he is now making, are very worthwhile contributions.

Mr. O'MAHONEY. I thank the Senator.

Mr. ANDERSON. Mr. President, I ask unanimous consent that the concurrent resolution be held at the desk until the close of business on Monday, May 20, 1957, for additional cosponsors.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT OF FOREIGN SERVICE BUILDINGS ACT OF 1926

Mr. GREEN. Mr. President, by request, I introduce for appropriate reference a bill to amend the Foreign Service Buildings Act of 1926. The bill authorizes the appropriation of $100 million to finance a 10-year building program for the acquisition of office and housing space by the Department of State overseas; $50 million of this sum will be in the form of foreign currency credits.

This proposed legislation has been requested by the Secretary of State, and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill may be printed at this point in the RECORD, together with the letter from the Secretary of State to the Vice President in regard to it.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and letter will be printed in the RECORD.

The bill (S. 2097) to amend the Foreign Service Buildings Act of 1926, introduced by Mr. GREEN (by request), was received, read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 4 of the Foreign Service Buildings Act, 1926, as amended (22 U. S. C., sec. 295), is amended by adding at the end thereof the following new subsection:

"(c) For the purpose of carrying into effect the provisions of this act there is hereby authorized to be appropriated, in addition to amounts previously authorized, an amount not to exceed $100 million, of which $50 million shall be available exclusively for payments representing the value, in whole or in part, of property or credits in accordance with the provisions of the act of July 25, 1946 (60 Stat. 663). Sums appropriated pursuant to this authorization shall remain available until expendable."

The letter presented by Mr. GREEN is as follows:

DEPARTMENT OF STATE,
Washington, May 9, 1957.

The Honorable RICHARD M. NIXON,
President of the Senate.

DEAR MR. VICE PRESIDENT: The Department submits and recommends for your consideration the enclosed proposed legislation amending the Foreign Service Buildings Act, 1926 (22 U. S. C. 292-300).

Authorizations of appropriations to carry out the provisions of the Foreign Service Buildings Act from 1926 to the present total $231,625,000, of which $200 million is authorized to be used exclusively for payments to agencies of the United States Government for foreign credits and currencies. With the appropriation for fiscal year 1957, there remains an unappropriated balance of authorization of $64,595,000 of which $57,234,000 is for the procurement of foreign currencies and $7,361,000 is in dollar authorization. These amounts will be reduced further by the appropriation for fiscal year 1958.

The Department of State has thus far acquired residences, office buildings, and staff housing for the use of diplomatic and consular personnel overseas valued at approximately $148 million. Even so, many of the personnel at overseas posts are working and living in accommodations far below the standards considered minimum in the United States of America. In order to assess the total needs overseas, the Department in July 1955 initiated a post-by-post survey of buildings requirements. As a result of this survey, a program was prepared contemplating an expenditure of approximately $200 million through fiscal year 1965 to meet these basic requirements. A copy of the program is enclosed.

The needs of the United States Information Agency are included with those of the Department of State without specific identification in the attached building program. Any future needs of the Agency for office space or special-purpose facilities space will be included in the plans for the specific building programs for the embassies and consulates concerned. For housing purposes, Public Affairs Officers of the United States Information Service overseas will be regarded as senior officers of the embassies and consulates, and other American staff of the United States Information Service will be regarded as embassy or consular staff.

Acquisitions under the Foreign Service Buildings Act have been financed largely through the use of foreign currency credits. Surplus property and lend-lease credits have provided foreign currencies for a substantial portion of the program. The use of these credits permitted the conversion of a portion of the debts to tangible assets of lasting value. The disposal of surplus agriculture commodities authorized under Public Law 480 is providing foreign currency credits which also are useful in financing the buildings program.

There are, however, certain limitations to the use of foreign currency credits. Substantial sums of these credits are located in countries where the need for building facilities is no longer acute. Under regulations prescribed by the United States Department of the Treasury and placed in effect on December 1, 1953, all agencies of the United States Government needing foreign exchange are required to purchase it from the United States Treasury holdings and they may not purchase from external sources unless the Treasury cannot supply the kind of currency needed. Only a relatively small number of foreign currencies are held by the Treasury in substantial amounts, relative to overall United States needs, and this number is being reduced by exchange conversion of surplus holdings into currencies in demand.

The buildings program funds the maintenance and operating costs for owned and long-term-leased buildings of the Department of State overseas. A number of these buildings are located in areas where no currency credits are available and United States dollars must be expended to meet the obligations under these circumstances. Consequently, the dollar requirements have increased over recent years and probably they will increase further in the future.

The proposed amendment to section 4 will authorize additional appropriations of $100 million of which $50 million is to be in foreign currency credit authorization. A statement reflecting the authorizations and appropriations under the Foreign Service Buildings Act is enclosed.

The Department of State has been informed by the Bureau of the Budget that there is no objection to the presentation to the Congress of the proposed legislation.

A similar letter is being sent to the Speaker of the House of Representatives.

Sincerely yours,

JOHN FOSTER DULLES.

(Enclosure: 1. Copy of draft bill. 2. Copy of Foreign Buildings Requirements 1957–65 inclusive. 3. Copy of Department of State Authorizations and Appropriations for the Foreign Buildings Program.)

UNIFORM PER DIEM ALLOWANCES FOR MEMBERS OF THE UNITED STATES COMMISSION FOR THE UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION

Mr. GREEN. Mr. President, by request, I introduce, for appropriate reference, a bill to amend the act providing for membership and participation of the United States in the United Nations Educational, Scientific, and Cultural Organization, to provide for uniform per diem allowances, and for other purposes.

This proposed legislation has been requested by the Acting Secretary of State, and I am introducing it in order that there may be a specific bill to which the public and Members of the Senate may direct their attention and comments. I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered.

I ask unanimous consent that the bill may be printed at this point in the RECORD, together with the letter from the Acting Secretary of State to the Vice President in regard to it.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and letter will be printed in the RECORD.

The bill (S. 2098) to amend the act providing for membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization to provide for uniform per diem allowances, and for other purposes, introduced by Mr. GREEN (by request), was received, read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

A bill to amend the act providing for membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization to provide for uniform per diem allowances, and for other purposes

Be it enacted, etc., That the act of July 30, 1946, providing for membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization (22 U. S. C. 287m–287t) is amended as follows:

(1) By striking the proviso contained in section 2 (22 U. S. C. 287o) and inserting in lieu thereof:

"Provided however, that he may be allowed transportation expenses and per diem in lieu of subsistence, while away from his home or regular place of business in attendance upon authorized meetings or in consultation on request with the Department of State, in accordance with the provisions of section 5 of the Administrative Expenses Act of 1946 (5 U. S. C. 73b–2), as amended."

(2) By striking the last sentence in section 5 (22 U. S. C. 287q) and substituting in lieu thereof:

"Under such regulations as the Secretary of State may prescribe, the travel expenses of experts attending such conferences shall be borne by the Department of State and they may be allowed transportation expenses and per diem in lieu of subsistence for the period of actual attendance and of necessary travel, in accordance with the provisions of section 5 of the Administrative Expenses Act of 1946 (5 U. S. C. 73b–2), as amended."

The letter presented by Mr. GREEN is as follows:

DEPARTMENT OF STATE,
Washington, May 7, 1957.

The Honorable RICHARD M. NIXON,
President of the Senate.

DEAR MR. VICE PRESIDENT: I am transmitting herewith a draft of a proposed amendment to Public Law 565 (79th Cong., 2d sess.), providing for uniform per diem allowances for members of the United States National Commission for the United Nations Educational, Scientific, and Cultural Organization.

At the present time, the members receive a per diem of $10 as prescribed by the act. The purpose of the amendment is to provide for uniform allowances in accordance with current prevailing rates prescribed by Congress for advisory groups serving without compensation. A roster of members of the Commission is enclosed.

(Roster omitted.)

It is recommended that the Congress take favorable action on the enclosed draft bill.

The Department has been informed by the Bureau of the Budget that there is no objection to the transmission of this proposal to the Congress for its consideration.

A similar communication is being forwarded to the Speaker of the House of Representatives.

Sincerely yours,

CHRISTIAN A. HERTER,
Acting Secretary.

(Enclosures: 1. Two copies of amendment to Public Law 565. 2. Membership list of United States National Commission for UNESCO.)

AMENDMENT OF FEDERAL POWER ACT, RELATING TO CERTAIN ALLOWANCES FOR INCOME TAX PURPOSES

Mr. MAGNUSON. Mr. President, on behalf of myself, my colleague, the junior Senator from Washington [Mr. JACKSON], the junior Senator from Montana [Mr. MANSFIELD], the senior Senator from Oregon [Mr. MORSE], the senior Senator from Montana [Mr. MURRAY], and the junior Senator from Oregon [Mr. NEUBERGER], I introduce, for appropriate reference, a bill to amend the Federal Power Act, as amended, with respect to allowances in the cost of service and accelerated amortization and liberalized depreciation for income-tax purposes. I ask unanimous consent that an explanatory statement of the bill be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the explanatory statement will be printed in the RECORD.

The bill (S. 2113) to amend the Federal Power Act, as amended, with respect to allowances in the cost of service and accelerated amortization and liberalized depreciation for income-tax purposes, introduced by Mr. MAGNUSON (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The explanatory statement presented by Mr. MAGNUSON is as follows:

EXPLANATORY STATEMENT—RAPID AMORTIZATION BILL

A bill to amend the Federal Power Act with respect to allowances in the cost of service and accelerated amortization and liberalized depreciation for income-tax purposes.

I. THE PROBLEM

Electric power companies have been collecting large sums of money from their customers by working a maneuver involving the use of different methods of depreciation for rate purposes from the methods used for tax purposes so as to pocket for themselves a major portion of the tax money collected from their customers. This is the way it works:

(a) For rate purposes, a company normally depreciates its plant according to straight-line depreciation methods over the average service life expectancy of the plant. Thus, for example, a dam with a 50-year average service life expectancy would be depreciated 2 percent each year.

(b) But the Internal Revenue Code of 1954 permits such a company, under section 167, to depreciate its plant for tax purposes under two alternative methods which permit it to take more rapid depreciation early in the plant's life, and then less depreciation later. This is known as accelerated depreciation, or liberalized depreciation by accountants. Section 168 of the code permits even more rapid amortization upon receipt of a certificate of defense necessity from the Office of Defense Mobilization.

(c) When a company submits its costs of service for approval for ratemaking purposes by the Commission, it lists only straight-line depreciation costs. It then claims money to pay income taxes, basing its claim on the assumption that the company will show earnings at a level consistent with such low depreciation costs.

1. For example: suppose a dam built since 1954 with a 50-year average service life expectancy costs $100 million. The straight-line depreciation of that dam would be 2 percent per year, of $2 million. The company would be allowed to earn 6 percent return on its $100 million investment, or $6 million. If its costs of operation, property taxes, and other expenses of doing business were $15 million for the year, a simplified version of its cost-of-service asking would look like this:

Cost of operation, maintenance, property taxes, etc	$15,000,000
Depreciation	2,000,000
Return before income taxes	12,500,000
Income taxes (52 percent of return)	6,500,000
Net return	6,000,000
Total cost of service (allowable operating revenues)	29,500,000

(d) But when the company submits its income-tax return, it takes advantage of liberalized depreciation provisions.

1. For example: it may be able to claim twice as much depreciation as it projected for rate purposes under the provisions of section 167 alone. Using the above example, let us say that the company finds that $4,000,000 can be claimed as depreciation for tax purposes. If the company has in fact taken in the $29,500,000 allowed it for operating revenues, its tax return shows the following:

Cost of operation, maintenance, property taxes, etc	$15,000,000
Depreciation	4,000,000
Return before income taxes	10,500,000
Income taxes (52% of return)	5,450,000
Net return	5,050,000
Total cost of service	29,500,000

This makes the net return look like only $5,050,000, but it actually is $7,050,000 for there is an additional $2,000,000 caused by the use of liberalized depreciation. Of that $2,000,000, $950,000 of it is legitimate earnings allowed the company by the Commission, but $1,050,000 of it is tax savings or deferred taxes because of the use of liberalized depreciation. Thus the company has collected from the rate payers $1,050,000 for taxes which in fact it has not paid out as taxes.

(e) This tax saving has been described by the Joint Committee on Internal Revenue Taxation as an interest-free loan to the company.

1. Some companies are treating the tax saving as a reserve for deferred taxes on the theory that if taxes remain the same and their earnings remain the same—sometime, perhaps 25 years from now—the depreciation allowance for tax purposes will have declined to less than the depreciation allowance for rate purposes and the reserve will be needed to prevent a rate increase. In the meantime, the money saved is available for investment.

2. Other companies have openly treated the tax saving as extra earnings. Some have openly distributed it to their stockholders—at least one even claiming that it is returned capital and not subject to income tax. This despite the fact that the money had been collected for taxes from the customers.

(f) The tax saving is not a loan, however. The money may never be paid as taxes. So long as a company has an expanding business—so long as it is investing in new plant and equipment—it can offset any decline in depreciation allowance of old plant and equipment by the high depreciation allowance on its new plant and equipment. Indeed, if its new plant and equipment investments are larger than old plant and equipment retirals, the company can go on indefinitely pocketing ever increasing tax savings. Worse yet, it can accomplish this, in part, by investing the tax savings themselves. Even if plant replacements only equal plant retirements, it will never pay 1 cent of such deferred taxes to the Treasury. Only if the business declines and contracts its plant and equipment might it ever encounter a situation where depreciation allowances for rate purposes might exceed depreciation allowed for taxes.

II. EXPLANATION OF THE PROVISIONS OF THE BILL

(a) Objectives:

1. To prohibit licensees and public utilities from collecting money for income taxes which they are not going to pay out as income taxes.

2. To force licensees and public utilities which have already collected money for income taxes which they have not paid out for income taxes to subtract such money from their net investment.

(b) Effect of the provisions:

1. The prohibition on collecting tax money not paid out will lower the tax allowance in the cost of service, thus lowering rates to the consumer.

2. The requirement that accumulated tax savings be deducted from the net investment will lower the investment base upon which the rate of return is calculated. This will also lower rates to the consumer, but far less than the prohibition on tax allowance. Actually, the rate payer will only be spared from paying interest on the money he has already improperly been forced to give the company.

(c) Provisions in the bill amending the Federal Power Act:

1. Sections 205 and 206 of the Federal Power Act, which deal with rates permitted all electric utility companies, are amended to prohibit any company from collecting money from customers to pay income taxes which the company does not actually pay. The amendment also provides that any such tax savings which have already been collected shall be subtracted from the company's net investment. This appears as section 5 of the bill.

2. Section 20 of the Federal Power Act, which deals with rates permitted hydroelectric licensees, is amended in the same language as sections 205 and 206 to prohibit any company from collecting money from customers to pay income taxes which the company does not actually pay. By amending section 14 (see below), section 20 is also amended in the same language as sections 205 and 206 to provide that any such tax savings which have already been collected shall be subtracted from the company's net investment. The amendment to section 20 appears as section 4 of the bill.

3. Section 3 of the Federal Power Act, which defines terms used in the act, is amended to define tax savings—the money already collected for taxes not paid—as the difference between the taxes which the company would have paid using the depreciation allowance it claimed for cost of service purposes and the taxes it paid using the liberalized depreciation allowances permitted under the Internal Revenue Code. This appears as section 1 of the bill.

4. Section 10d of the Federal Power Act, which provides for a special amortization reserve to be created from surplus earnings after 20 years of operation of a licensed hydroelectric project, is amended to require that in calculating proper costs of service allowed the licensee the Commission shall allow as proper tax costs only the taxes actually paid. This simply makes the amortization reserve section consistent with the changes in section 20. This appears as section 2 of the bill.

5. Section 14 of the Federal Power Act, which deals with the right of the United States to take over a licensed project and establishes the method of determining the net investment remaining in such project which the Government would owe the licensee, is amended to require that any tax savings accumulated by the licensee shall be subtracted from the net investment. This simply makes the takeover section consistent with the changes in section 20. It also makes section 20 consistent with the amendments to section 205 and 206, for section 20 provides that the method prescribed for determining net investment in section 14 shall be used for ratemaking. This appears as section 3 of the bill.

INCREASED MONTHLY RATES OF PENSION PAYABLE TO CERTAIN WIDOWS AND FORMER WIDOWS—AMENDMENTS

Mr. COTTON submitted amendments, intended to be proposed by him, to the bill (H. R. 358) to increase the monthly rates of pension payable to widows and former widows of deceased veterans of the Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection, which were referred to the Committee on Finance and ordered to be printed.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. MUNDT:

Editorial entitled "Thirty Years of Service," published in the Rapid City (S. Dak.) Journal of May 12, 1957, relating to the service of Rev. Rew Walz, pastor of the First Presbyterian Church of Rapid City.

By Mr. THYE:

Article entitled "William L. McKnight, Realist—Fifty Years as Part of MMM," written by Carl Hennemann, and published in the St. Paul (Minn.) Sunday Pioneer Press of May 12, 1957.

By Mr. DIRKSEN:

Editorial entitled "An Appeal to Reason," published in the Washington Sunday Star of May 12, 1957, relating to the agricultural problem.

By Mr. MANSFIELD:

Editorial entitled "Is It Worth Keeping?" published in the Billings (Mont.) Gazette of Sunday, May 12, 1957.

By Mr. NEUBERGER:

Editorial entitled "Post Office Men Need Their Raise," from the Coos Bay (Oreg.) Times of May 2, 1957.

By Mr. CHURCH:

Excerpts from letters from the colleagues, former students, and acquaintances of Prof. Tom Barclay, of Stanford University's department of political science, upon his forthcoming retirement.

By Mr. BUSH:

Editorial in tribute to Judge Samuel Mellitz.

By Mr. MARTIN of Pennsylvania:

Editorial entitled "A Record Tax Payment," published in the Washington (Pa.) Reporter of May 14, 1957.

Article concerning importance of skill in the use of weapons, published in the Army and Navy Journal of May 11, 1867.

NOTICE OF HEARING ON NOMINATION OF MAURICE AUGUSTUS CREWS TO BE AN ASSISTANT COMMISSIONER OF PATENTS

Mr. O'MAHONEY. Mr. President, on behalf of a subcommittee of the Committee on the Judiciary, I desire to give notice that a public hearing has been

scheduled for Monday, May 20, 1957, at 4 p. m., in room 424, Senate Office Building, on the nomination of Maurice Augustus Crews, of Pennsylvania, to be an Assistant Commissioner of Patents, vice Arthur W. Crocker, elevated.

Prior to the above-mentioned date all persons interested in the above nomination should file with the committee such representations as may be pertinent.

The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Wisconsin [Mr. WILEY], and myself, chairman.

NORWAY'S INDEPENDENCE DAY

Mr. THYE. Mr. President, tomorrow the freedom-loving nations of the world will give recognition to the Independence Day of one of our sister nations of the North Atlantic Treaty Organization—the sturdy Scandinavian kingdom of Norway. This day is known by the people of Norway and Americans of Norwegian descent as the "Syttende Mai," in commemoration of the signing of the Constitution of Norway.

On the 17th of May in 1814, 143 years ago tomorrow, a determined group of Norwegian patriots met at Eidsvold, outside of Oslo, Norway, to promulgate a constitution, which has continued to preserve the democratic principles of that brave nation. With the foresight and understanding which characterized the actions of our American forefathers, the writers of the Norwegian Constitution produced a supreme law of the land which has endured through almost a century and a half of struggles with crises caused by economic difficulties, wars, and enemy occupation. Embodied in this historic document are the principles of human and civil rights, sovereignty of the people, and the supremacy of the rule of law.

The simplicity and durability of the Norwegian Constitution reflects the character of this brave and noble nation. For centuries the people of Norway have struggled for their livelihood against the odds of rugged, mountainous geography and stormy seas. Such an environment has produced a strength of character which has time and again proved to be a valuable contribution to the cause of freedom and security in the world. I am proud to pay tribute today to the country of Norway, to its people, and to the contributions they have made to the preservation of the dignity of all mankind.

In the early days of World War II Norway for a time stood practically alone against the invading force of a totalitarian dictator. After a valiant stand the brave but small Norwegian forces finally were overcome by the overwhelming and cowardly attack. Norway was to be occupied for the remainder of the war, but the love of freedom and independence stayed on in the hearts of her people. After the defeat of Hitler this brave nation again took its rightful place among the free nations of the world.

Against the threat of Soviet communism the nation of the midnight sun has again taken a steadfast position in defiance of intimidation and threats of military aggression. Recently, in a letter to Norway's Premier Einar Gerhardsen, Soviet Premier Bulganin threatened to annihilate any country which permitted stationing of American nuclear weapons within its boundaries. Norway's Premier replied by stating that, as a member of the North Atlantic Treaty Organization, Norway would continue to cooperate with the United States and its other allies in doing whatever is deemed best for its own security. Premier Gerhardsen's reply to Bulganin proved to be an exemplary answer to the massive Soviet campaign of intimidation against the smaller nations belonging to NATO.

Mr. President, the nations of the Western World can have no doubt concerning the position of their Norwegian ally.

Today I point with special pride to my Norwegian ancestry. In humble respect for the memory of my Norwegian parents, and in proud tribute to the country from which they came, I reverently salute the people of Norway, who will tomorrow celebrate their independence day, "The Syttende Mai."

INVESTIGATION OF PUBLIC AFFAIRS IN PORTLAND, OREG., BY SELECT COMMITTEE ON IMPROPER ACTIVITIES IN LABOR OR MANAGEMENT FIELD

Mr. NEUBERGER. Mr. President, a veteran reporter for the New York Times, Lawrence E. Davies, who has covered events on the Pacific coast for that eminent newspaper for many years, recently reported on the reactions in the two metropolitan cities of the Pacific Northwest to current investigations of the activities of top teamster officials, particularly teamster president Dave Beck. His reports from Portland and from Seattle appeared in the Times on May 5 and 6, respectively.

Mr. President, my own hometown of Portland had the doubtful distinction of nationwide publicity as a result of having been chosen as the initial target of investigation by the Senate Select Committee on Improper Activities in Labor or Management Field. In Portland, improper connections were probed between operations of the teamsters union and gambling and other forms of vice. The pursuit of these disclosures led far from questions of labor-management relations, into matters of gambling and law-enforcement in Portland which had first made headlines in Oregon early in 1956, and they made headlines again.

Due to the courtesy of the chairman of the select committee, the senior Senator from Arkansas [Mr. MCCLELLAN], I was privileged to appear before the committee on March 15, 1957, to testify, from my own knowledge and experience, to the true character of Portland as a city of ethical and law-abiding men and women, where such crime and vice as exists is of very petty proportions in relation to the size of the metropolitan area and population. I am indebted to the committee for the interest and patience with which they received my testimony in defense of the chief city in my State.

Thus, Mr. President, I was pleased to read the report of Mr. Davies in the New York Times under the headlines "Pride Returning to Portland, Oreg.," and "—Boasts It Is One of Cleanest Coast Towns." Mr. Davies wrote that "Portlanders are saying once more that the city of roses, homes, and churches is the cleanest place on the coast." The State's own legal processes are continuing with the job of unraveling the facts and charges which temporarily placed Portland in the national spotlight. The beacon of that spotlight itself has moved on to the person of Mr. Beck, the president of the teamsters, and problems which are more directly in the field of possible improper activities in the field of labor-management relations.

This is the subject of Mr. Davies' report from Seattle in the New York Times of May 6. Seattle happens to be Mr. Beck's hometown and longtime base of operations. The complete success of his operations, and that of his union, in Seattle antedates by many years, even decades, the marginal activities in Portland which were recently made the subject of investigation by the select committee. Mr. Beck's effectiveness in the field of labor-management relations in Seattle, in the broad sense of that phrase, has long been such as to make him a leader among conservative businessmen of that city. As Mr. Davies writes:

> For the pink-cheeked, 62-year-old Mr. Beck had become a big man in Seattle, one who was respected and feared. He was looked on not only as a benevolent despot in labor but as a business leader and a vigorous champion of capitalism and of free enterprise. Many of the city's leaders applauded in December 1952, when Emil Sick, a local brewer and baseball club owner, as toastmaster at a testimonial dinner, praised Mr. Beck as the greatest labor leader in the country.

Mr. Beck even became a regent of the University of Washington, helping to preside over the academic community of that important center of learning and education of future leaders of the Pacific Northwest. But now, to quote Mr. Davies again:

> Business and civic leaders who toasted the onetime laundry wagon driver as one of Seattle's outstanding citizens on his election to the teamsters top post less than 5 years ago are surprised or embarrassed or, in some cases, uneasy over developments of recent weeks.

Mr. President, it has been no secret on the west coast how Mr. Beck achieved his rise to power as a labor leader and his unique eminence in Seattle. The history of these developments, as a matter of fact, falls a lot more squarely within the scope of improper activities in the labor or management field than does the petty vice in Portland which has been so predominantly featured in the recent investigation.

Prior to my entrance into public life, I was active for a number of years as a journalist and writer in the region where I was born and raised. As early as 1938, some of my newspaper and magazine assignments involved writing about such practices as the price-fixing arrangements between the teamsters union and certain business and industrial establishments in the Seattle area. If I am not mistaken, these agreements have had a far more adverse impact upon the consuming public than anything which has occurred in the vicinity of Portland. For example, the phrase "Dave Beck's voluntary NRA" was a common one in Seattle for many years, and it involved highly irregular pacts which raised such things as cleaning prices to exorbitant levels.

That is only one example which I happen to recall. It is unquestionably representative of the general rule, rather than an exception, in the iron grip which Mr. Beck fastened upon his home town through his ruthless control over vehicular transportation. Other examples have already been brought to the attention of the select committee. To a lesser degree, they are surely duplicated in many other cities outside of Seattle.

Mr. President, I am pleased to see Mr. Lawrence Davies report to the New York Times that Portland is recovering its pride and self-confidence after its dismay at having some of its local law-enforcement problems, which are only accidentally within the periphery of the Senate labor-management investigation, serve as the leadoff national attraction in that investigation. And the people of Portland will be glad to see the investigation turn to the more central problems of the corruption of collective bargaining and other economic processes by improper activities of labor or management officials, by which many cities far more than Portland have been brought within the grip of unscrupulous men.

I am voicing these brief remarks on the Senate floor today for one basic purpose. My home city has been severely hurt in national reputation and esteem by the damaging publicity it has suffered as a result of the recent Senate investigation. It is now my hope that the committee will give some fair perspective to this situation by undertaking similarly thorough investigations with respect to other cities where the teamsters union has been infinitely more powerful, aggressive, and dominant than in Portland: Seattle, for example, or San Francisco or New York City, or almost any large industrial city in America.

To date the municipal affairs of only one American community have been thoroughly probed by the committee. That is the municipality of Portland. One possible inference from this is that Portland has the most corrupt municipal government in the Nation, or the local government which is the most dominated by the teamsters union. Such an inference is wholly unwarranted by the facts. For example, the committee published a list of 35 vice and night spots allegedly operating illegally in Portland. I doubt if such operations had anything to do with labor-management relationships, but they were published, nevertheless, with much fanfare. When is the committee going to make a similar compilation of such alleged unlawful night life in San Francisco and Seattle and Chicago? Or is this kind of activity of importance to the United States Senate only when it happens in Portland and nowhere else?

As a native son of Portland, as well as a Senator from Oregon, I merely urge the select committee to give perspective and balance to its investigation, by undertaking exactly the same scrutiny of other communities which it made of Portland. That would not only be fair to the good name of Portland, but it would assure balance to a probe which has been assumed to be national in scope. According to Mr. Davies, of the New York Times, Dave Beck ascended to great heights of dominance and affluence in the civic life of Seattle. No comparable ascendancy by Mr. Beck or any other teamster official was shown in Portland. Yet it was the government and social fabric of Portland which were probed for many weeks by the committee and not that of Seattle.

I am not trying to tell the select committee what to do. Its members are far more experienced in the Senate and in handling investigations than I am, for I am not an investigator in any sense of the word. I realize the committee has had a legitimate duty to probe any corruption in labor-management relationships, but surely the mandate of the committee is not circumscribed geographically so that it applies exclusively to Portland, Oreg. I simply am saying that a committee with an assignment which is nationwide in latitude should not investigate only the government and affairs of one community out of the dozens of great cities in the United States, particularly a community which is essentially as law abiding, home loving, and generally placid as Portland. To confine the investigation only to Portland, and nowhere else, would be a distortion which I am sure does not do justice to the basic purpose and goal of the distinguished chairman of the committee and his able colleagues.

Unless I am totally mistaken, there is less real vice and corruption in Portland than in the majority of large American cities. I feel certain that the same searching examination of other communities as was made of Portland would demonstrate this fact beyond peradventure of a doubt.

ARMED FORCES DAY

Mr. SALTONSTALL. Mr. President, on Saturday, May 18, the Nation will observe Armed Forces Day, under a proclamation issued by President Eisenhower. Throughout the land there will be military parades and appropriate ceremonies and many installations of the Army, Navy, Air Force, Marine Corps, and other agencies will be open to public inspection.

American citizens will have an opportunity to see at first hand some of the tremendous new weapons which have been developed since World War II. They will see some of the highly skilled young men who have been trained to operate these new instruments of modern warfare.

By this observance of Armed Forces Day, we will show our own citizens and those of other lands that the United States is militarily strong and progressive. We can stimulate our people to think about the difficult decisions which have to be made by our military and civilian leaders and the Congress to make sure that we have adequate military capabilities to deter an aggressor from making any attempt to attack us, and to retaliate if an attack should be made.

We must have capable leadership, adequate physical facilities and equipmen and the men to operate them. It is just as important that our citizens remain determined and courageous if our country is to retain the strength which is so necessary until there is a permanent peace in the world.

Mr. MARTIN of Pennsylvania. Mr. President, I should like to associate myself with the remarks of my distinguished colleague from Massachusetts [Mr. SALTONSTALL], relating to Armed Services Day. It is a day in which every American should take an interest. Americans should learn something about the work of our men in uniform, and the various types of equipment which it is necessary for them to learn to use.

A little while ago I placed in the RECORD a statement which was published in the Army and Navy Journal of 90 years ago, to the effect that offense and defense depend more upon the knowledge the individual has of his weapons than upon the weapons themselves.

Personally, I feel that the only way we can all become acquainted with proper military defense is for every boy in America to have basic military training.

I hope that my colleagues will carefully read the statement of the distinguished Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I thank the Senator for adding to my statement. I know how much interest he takes in the military, and how much of his life has been spent in the military service, and in thinking about military problems.

NATIONAL AND INTER-AMERICAN MUSIC WEEK

Mr. WILEY. Mr. President, I think it was Shakespeare who said:

> The man that hath no music in himself,
> Nor is not mov'd with concord of sweet sounds,
> Is fit for treasons, stratagems, and spoils.

Mr. President, last week there was held in Washington a very fine luncheon in celebration of National and Inter-American Music Week.

A series of awards were presented to those who have rendered outstanding service to the cause of music, including the famed singer, Miss Marian Anderson.

The awards were presented, appropriately enough, by the Honorable Sherman Adams, Assistant to the President, himself a deeply interested friend of American music.

The principal address was delivered by Mrs. Agnes Meyer, chairman of the District Auditorium Commission. Mrs. Meyer pointed out the magnificent potentialities for service of American culture through the National Auditorium and Civic Center, which will arise in the Foggy Bottom area, some years hence.

I am delighted that Congress has now given the green light toward the commission's acquisition of the necessary

land in this area, so that the commission can then proceed with the national raising on a national scale of voluntary funds for the purpose of construction of the center itself.

Of course, the specific funds for the real estate must still be appropriated, but I am confident this will be done.

I send to the desk several of the features of the program. They include: The order of events on the program itself, the remarks of Mr. Ralph E. Becker, chairman of the luncheon committee, and then the statement by Mrs. Meyer on the American Accropolis.

Mr. Becker's comments, I may say, were very apropos because they pointed out how America's cultural efforts vividly refuted the hostile condemnation which had been made of our culture by Dmitri Shepilov, former Soviet Foreign Minister.

Finally, I include, as an indication of the type of Soviet propaganda which we are constantly encountering and as an illustration of what Mr. Becker had in mind, the text of a New York Times story of April 4. It describes Mr. Shepilov's characteristically unfair and inaccurate statement of American culture.

I ask unanimous consent that this contrasting material which speaks for itself be printed at this point in the body of the CONGRESSIONAL RECORD.

I congratulate those responsible for National and Inter-American Music Week and hope this type occasion will enjoy continued great success.

There being no objection, the program, remarks, and article were ordered to be printed in the RECORD, as follows:

NATIONAL AND INTER-AMERICAN MUSIC WEEK

Honorary chairman: The Honorable Sherman Adams, the assistant to the President.

Honorary vice chairman: The Honorable Robert McLaughlin, President, District of Columbia Commissioners.

Honorary vice chairman: Mrs. Ralph Becker.

Executive committee chairman: Mr. Philip A. Guarino.

Executive secretary: Mr. Clinton Price.

Treasurer: Mrs. Edward Cleaveland Sweeney.

Publicity: Mr. Nathan Lerner.

Tickets: Mr. Richard A. Terrell.

Producer and director of the Gypsy Baron by Johann Strauss: Dr. Frederick Fall.

Willard Hotel, May 6, 1957, sponsored by the Cultural Development Committee of the Washington Board of Trade, the Greater Washington Music Council, and the District of Columbia Recreation Department.

PROGRAM

Invocation: Rev. Gilbert V. Hartke, O. P.

Welcome: Mr. Ralph E. Becker, chairman, luncheon committee.

Toastmaster: Mr. M. Robert Rogers.

Introduction of the head table

The Honorable Sherman Adams, Miss Marian Anderson, Miss Richard Bales, Mr. Ralph E. Becker, Mr. Paul Callaway, Mr. Milo F. Christiansen, Dr. Hobart Corning, Maj. Hugh J. Curry, Mr. E. R. Finkenstaedt, Mr. Lloyd Geisler, Mr. Philip A. Guarino, Mr. Patrick Hayes, Col. George Howard, Mr. Sam Jack Kaufman, Hon. David B. Karrick, Hon. Thomas Lane, Miss Vanett Lawler, Dr. Warner Lawson, Hon. Robert E. McLaughlin, Mr. George Marek, Dr. Howard Mitchell, Mrs. Agnes Meyer, Dr. Jose Mora, Mrs. Merriweather Post, Mr. M. Robert Rogers, Dr. Harold Spivacke, Mr. George Titus, Mr. Pierson Underwood.

Presentation of awards: The Honorable Sherman Adams.

Honorees: Mr. Paul Callaway; Mrs. Merriweather Post; Mrs. George Titus; Dr. Warner Lawson; Mr. Patrick Hayes; National Symphony Orchestra, Dr. Howard Mitchell; men and women of the National Symphony Orchestra, Mr. Lloyd Geisler; Organization of American States, Dr. Jose Mora; Opera Society of Washington, Mr. E. R. Finkenstaedt.

Speakers: Mrs. Agnes Meyer, Mr. George Marek.

Guest artists: Mr. Dean Dittman, tenor (Zcupan of the Gypsy Baron); Miss Joan Harrison, harp soloist; a Barnee Breeskin production, Sheraton Hotel Quartet, leader, Jerry Rodis.

Groups affiliated with National and Inter-American Music Week

American Federation of Musicians, Local 161, Mr. Sam Jack Kaufman.

Alexandria Civic Orchestra, Dr. Wendell Margrave.

American Guild of Organists, Mr. Temple Dunn.

American University, Mr. James McLain.

Campbell Music Co., Mr. Thomas Ikeler.

Catholic University, Mr. John Paul.

Citizens Committee for Music in Public Schools, Mrs. Elmer Klavans.

Composers Club, Miss Mary Howe.

Corcoran Art Gallery, Mr. Henri Dorra.

District of Columbia Music Educators Association, Mr. Hendrik A. Essers.

District of Columbia Public Library, Mr. Melville Osterthe.

District of Columbia Public Schools, Dr. Paul Gable.

District of Columbia Teachers College, Mr. John Wigent.

Friday Morning Music Club, Mrs. Quinta Frey.

Friday Morning Music Foundation, Mrs. Florence Howard.

Georgetown University, Mr. Paul Hume.

George Washington University, Dr. Robert Harmon.

Greater Washington Music Council, Mr. Pierson Underwood.

Howard University, Dean Warner Lawson.

Jewish Community Center, Mr. Edward Rosenblum.

Jordan Music Co., Mr. R. T. Isbell.

Kitt Music Co., Miss Frances Jones.

Library of Congress, Dr. Harold Spivacke.

Montgomery County Light Opera Co., Mr. Thomas Jones.

National Association for Composers and Conductors, Mrs. Virginia R. Collier.

National Federation of Music Clubs, Mr. James Reistrup.

National Gallery of Art, Mr. Richard Bales.

National Opera Guild of Washington, D. C., Inc., Mr. Curt C. Schiffeler.

National Symphony Orchestra Association, Mr. Carson G. Frailey.

Opera Society of Washington, Mr. E. R. Finkenstaedt.

Pan American Union, Mr. Guillermo Espinosa.

Phillips Gallery, Miss Elmira Bier.

Society of Arts and Letters, Mrs. Robert E. Kline.

Society for the Encouragement and Preservation of Barber Shop Quartets, Mr. Demetri Paris.

Super Music Attractions, Mr. Irvin Feld.

The Treble Clef Club, Miss Cecelia Jefferson.

United Community Services, Mr. Philip Amran.

United States Army Band, Maj. Hugh J. Curry.

United States Navy Band, Cmdr. Charles Brendler.

United States Marine Band, Capt. Albert Schoepper.

United States Air Force Band, Col. George Howard.

Washington Board of Trade, Cultural Development Committee, Mr. George Titus.

Washington Cathedral, Mr. Paul Callaway.

Washington Guild National Negro Opera Co., Mrs. Mary Dawson.

Washington Music Teachers Association, Miss Raissa Tselentis.

Women's Committee of the Corcoran Gallery.

Women's Committee for the National Symphony Orchestra, Mrs. Cyrus Ching.

Young Women's Christian Association, Miss Sara McConnell (General luncheon committee).

NATIONAL AND INTER-AMERICAN MUSIC WEEK

(Speech of Ralph E. Becker, May 6, 1957)

Governor Adams, Miss Anderson, members of the committee, and fellow music lovers, on behalf of the cultural development committee of the Washington Board of Trade, the Greater Washington Music Council, and the District of Columbia Recreation Department, I wish to extend a warm welcome to all of you who are here to salute National and Inter-American Music Week. The very fact that this luncheon is being held and that we have in attendance many of those responsible for the great American music of today, musicians, critics, patrons, and friends of our musical culture, is moot refutation of a recent attack on American music by the former Foreign Minister of the Soviet Union, Dmitri Shepilov.

According to the New York Times coverage of Mr. Shepilov's statement, the United States industrial establishment and engineering prowess came in for high praise, while our cultural life was painted as base and devoid of beauty and melody. Rather than counter Mr. Shepilov's assertions by a chapter and verse recitation of the present high state of American music, I want to point up a striking difference in the respective audience participation in good music between the two countries.

While none will deny the eminent caliber of Soviet music in several media such as the Russian ballet, the audience participation in the Soviet Union is limited to the privileged Communist upper crust who can afford the extravagant admission charges. The great mass of Russian people denied access to the several great conservatories and without the benefit of mass electronic communication such as radio and television, never share in the fruits of the work of Soviet musicians. To use only a recent example, some 40 million Americans watched on their television screens a brilliant performance of Beethoven's Fidelio and this year as for the last 17 years, tens of millions of Americans have spent their Saturday afternoons at the Met via the radio broadcasts sponsored by what Mr. Shepilov referred to as "one of the great capitalistic oil monopolies."

Without discussing many other advancements of American musical culture, this one development, mass commercially sponsored fine music, has brought to the individual in the United States more opportunity to participate in fine music than his counterpart in any other country in the world, and it is indeed a tribute to the social and civil consciousness of "our great tyrannical monopolies" that they have taken the lead in bringing good music into every American home.

The speakers who follow me today, wittingly or unwittingly, will refute the bitter and unfounded attack by Mr. Shepilov.

A note of irony appears from Mr. Shepilov's statement in his allusion to American music as consisting of nothing but boogie woogie and rock and roll. While I will not personally comment on the relative merits of this phase of American music, I would like to note in passing that the records most in demand in Leningrad and selling at an almost prohibitive price are those of Elvis Presley.

It is now my distinct pleasure to turn over the luncheon to your distinguished toastmaster, president of Washington's good music station, one of the prime movers on the President's Committee for Arts, Sciences and Education, a composer in his own right who set the President's inauguration prayer to music, and one of those to whom I referred as making fine music readily available to so many Americans—Mr. Robert Rogers.

THE NATION'S CULTURAL CENTER

(Remarks of Agnes E. Meyer)

I am grateful for this opportunity to speak simultaneously to the Washington Board of Trade and the Greater Washington Music Council about the importance to our Nation of the National Cultural Center. For it is only by the combination of these interests, business and the arts, that the District of Columbia Auditorium Commission can successfully carry out the great responsibility assigned to it by the Congress, with the approval of the President, the Vice President, and the Speaker of the House, who appointed the members of the Commission.

My friends, this venture has more than national importance. For it will surely capture the imaginations of all free peoples when it becomes known to them that our political leaders of both parties are determined to build in our Nation's Capital a magnificent complex of buildings, as the focus and inspiration for the arts and sciences, for important national and international gatherings, and for the broadest and deepest education of the American people.

Never was such a project more important than at this crucial period in our Nation's history when our Republic must lead the world in the defense of freedom. "Freedom for what?" the foreign nations are now asking us with passionate concern, since they have been made far more aware of the shortcomings of our society than of its deep and lasting virtues, virtues that are difficult to explain to peoples who have never experienced the subtle educational values of the democratic process. Our allies as well as our enemies accuse us of an obsessive preoccupation with purely material achievements. There is just enough truth in this arraignment to put us on the defensive. Yet we should never be apologetic about our magnificent technological superiority and the high standard of living it has produced. For our high per capita productivity has deeper roots than mere desire for more and more possessions. It could have never come about without a capacity for hard work, whether of mind or body, and a positive devotion to human welfare and progress such as no other nation has ever achieved.

At the same time, we must realize that the test of our democratic society lies in its ability to give leadership to the world in the realm of ideas, and that the freedom of which we boast will not be convincing to other nations unless its finds expression in cultural manifestations of enduring value and thus in the flourishing amongst us of the arts and sciences. We must recognize as clearly as the Greeks who developed the first democracy under Pericles, that the spirit which freedom engenders is a greater power than all our material resources and achievements.

It is obvious, therefore, that the new cultural center we wish to build must reflect by its architectural splendor, by its setting and dignity, the highest ideals of the American people. Just as the Acropolis of Athens still expresses the universal and permanent values of ancient Greece, so our cultural center must convey to our people and to all mankind the most significant and most enduring values of modern democratic civilization.

What, therefore, are the factors that must receive prime consideration if these high purposes assigned our Commission are to be carried out in a worthy manner? Because of its importance to our Nation and to the prestige of our Nation in foreign lands, not only the sheer beauty of this complex of buildings, but its setting, its surroundings, and its visibility from a distance are of major importance. Because our Commission was keenly aware of all these esthetic factors, we were, with the exception of one member, in favor of the only beautiful site left in Washington, in Foggy Bottom, just north of the Lincoln Memorial. The Congress long ago recognized the value of this beautiful piece of property, for it authorized that it should be reserved for public buildings. This noble site also has many practical advantages that are important to the people and to the various business interests of Washington. It is close to the city's population centers, to the hotels, and easily reached by existing transportation facilities. This would improve the income potential of the center and also increase the business of our hotels and shops. The underground parking space of the center—big enough for 2,000 cars—would be helpful to the adjacent offices of the new State Department, to George Washington University, and other public buildings already in existence or planned for this area. This would bring in a steady revenue for the center and revenue is of great importance, for once constructed the center must pay its way.

Ladies and gentlemen, there were great obstacles to be overcome before we could be sure that this site could become available for the Commission's use. But the Commissioners of the District of Columbia, the National Planning Commission, and the businessmen who had in good faith bought some of the property, were so cooperative that there is no longer any doubt that together we shall work out a satisfactory and exciting solution of our problems.

Now let me try to envisage for you how majestic our American Acropolis will look on the rising slopes of the Potomac. Close to the Lincoln Memorial, the White House, and other monumental structures, our building would lend these other public edifices an additional splendor. Visitors will approach the center from the Potomac River side on a broad entrance stairway. Their first impression would be gained by a view of the Court of States, featuring a reflecting pool bordered by colonades. In the center of the pool will be a fountain. High flag staffs, bearing the flags of the 48 States, will surround the pool and be reflected in it. On both sides of the entrance stairway tall colonades will stretch across the entire front of the center. Entering the building, the visitors will see the Tourist Information Center, where trained experts will give them an historical background of the Nation's Capital and the interrelationship of the various Government or other public structures. We shall also develop moving pictures outlining the Nation's history which will make the visits of the millions of Americans and foreigners who come to Washington annually far more vivid, meaningful, and educational.

Directly in front of the main entrance is the auditorium-music hall, seating 3,800 to 4,200 people. Careful study of the acoustics should make it possible to hear even the softest musical notes in every part with the same freshness and distinctness. To the left, a theater seating about 1,400 can be used not only for dramatic performances, but for more intimate musical and dance events. Both the music hall and the beautiful theater are greatly needed in Washington. Foreign visitors have been shocked that the Capital of America has never had proper facilities for the arts, music, dance, and so on. Our American orchestras and theatrical groups have often visited foreign countries, but we have not been able to receive those of other countries in Washington for lack of adequate facilities. We are confident that the music hall and theater will win approval as America's finest examples of theater architecture and for the flexibility of their backstage arrangements.

Of all the various buildings that comprise the National Cultural Center, the great hall will probably dominate the others. It will have an unobstructed floor space of 100,000 square feet, providing ample space for the inaugural ball, civic receptions, conferences of national and international importance, organizational conventions, exhibitions, and other events.

As our Commission was keenly aware that this place of assembly will be the setting for many historical events now that Washington is the capital, not only of the Nation, but of the whole free world, our planning board gave special attention to its dignity, scale, proportions, and design. At one end a hydraulic elevator, the full width of the hall, will raise a floor section to form a stage for ceremonial occasions. Two balconies on either side of the hall will contain rooms for smaller meetings. Movable chairs, stored close by when not in use, will provide seating for over 10,000 persons. Flanking the great hall and visible through its windows will be two landscaped areas that will add to its beauty. The building will contain a restaurant and a coffee shop for visitors to the Center.

How, you will surely wish to know, is so vast a project to be financed—the purchase of the site, the plans for construction, and finally the $36 million needed for the execution of the plans?

Despite the arguments concerning the national budget, the Commission hopes that the Congress will be sufficiently enthusiastic about the prospect of a cultural center for Washington to help us acquire the site during this session. Since drawing the plans will take at least 9 months, this will give our Commission time to raise enough money to begin immediately the construction of the so-called inaugural hall. Once the project gets underway, the Commission will have to work hard to drum up the amount needed for its completion. We cannot succeed in this campaign unless we stimulate interest in the cultural importance of the center throughout the Nation. To help us reach the public, the Commission has already set up a council of sponsors, made up of organizations of the arts and sciences, as well as commercial agencies, that will actually want to make use of the center for their activities. All these various national or State organizations will serve as liaison between us and the public, raise what funds they can, but chiefly put in motion the nationwide impetus needed if we are to get the bulk of our funds from foundations, industrial leaders, and individual donors.

One feature of the Cultural Center, which I have not yet mentioned, is bound to create nationwide enthusiasm. This is a mass communications system which will make it possible to beam all notable events taking place in the Cultural Center throughout the country by means of radio, television, and motion pictures. Each building will be planned to provide camera and microphone installations, together with wiring, lighting, and acoustical arrangements designed to provide the highest quality reproduction. Thus, schoolchildren in their classrooms and people in their own sitting rooms throughout the land will be able to see historical pageantry in the great hall via closed-circuit TV. Music lovers may share distinguished operatic or other artistic performances. As never before, Americans will feel they are participating in that unique event, the President's inaugural ball. In short, the Cultural Center will belong to all the American people and become an important influence in their daily living and thinking, a source of inspiration and the highest happiness.

Now a word to the members of the board of trade. Gentlemen, you will recognize at once that this Cultural Center will benefit the businessmen of Washington in many different ways. But as I have just explained, this Cultural Center will be used to stimulate interest in the arts and in all creative endeavors throughout the country. A new vitality will permeate the whole Nation, a spontaneous zest for living which will be reflected in a new faith in ourselves and our destiny as a people.

Therefore, the Washington Board of Trade could perform a great service to the future of our country, if you will interpret the significance of the Cultural Center to the boards of trade in every major city throughout the country. Gentlemen, our Commission can never raise the $36 million needed for the construction of this modern American acropolis without the active cooperation of the businessmen. And I am sure you will agree with me that we cannot, we must not, fail to carry out this all-important mandate given us by the Congress. With your help we can prove to the world that we Americans are not crass materialists, but a people living on a new continent determined to create a new culture and a new concept of man and his destiny.

SHEPILOV ASSAILS MUSIC OF THE UNITED STATES—CONDEMNS "NERVOUS, INSANE ROCK 'N' ROLL" AND GENERAL LEVEL OF CULTURE

Moscow, April 3.—A gathering of Soviet composers heard today a scathing attack on American music from Dmitri T. Shepilov.

Mr. Shepilov, a secretary of the Soviet Communist Party, also denounced what he described as the general lack of culture in the United States.

While praising the United States engineering genius and its huge industrial establishment, Mr. Shepilov said, "While visiting New York you feel in everything the tyranny of private enterprise."

He said he felt during his only visit to New York last year "this powerful technology created by human beings is turning the workers into cogs of a machine."

Mr. Shepilov said that in the midst of skyscrapers, which he said belonged to oil, steel, and aluminum monopolies, there was "a dirty, old building." That was his description of the Metropolitan Opera House. He said the Metropolitan continued in existence only through contributions and that its talent was largely imported from Italy, West Germany, and France.

DISCUSSES FINE ARTS LINE

Mr. Shepilov was addressing the congress of Soviet composers, which has been meeting in Moscow for a week. Since his removal from the post of Foreign Minister in February and his return to party work, Mr. Shepilov has been active in party propaganda relating to the fine arts.

Mr. Shepilov said that in the United States, "this richest imperialist country," there were "only five opera houses, which barely subsist." He said they were open only 1 to 5 months a year.

The party secretary was bitter in his discussion of modern United States music. He said the music heard in parks, restaurants, and dance halls had nothing in common with the "kind of music we are accustomed to."

"All this nervous and insane boogie woogie and rock 'n' roll are the wild orgies of cavemen," he told the composers. "They are devoid of any elements of beauty and melody. They represent an uncontrolled release of base passions, a burst of the lowest feelings and sexual urges."

[According to word received by the New York Times last February 3, Elvis Presley records are the newest craze in Leningrad. The disks, cut on discarded hospital X-ray plates, sell for 50 rubles a copy. That is $12.50 at the official rate of exchange. Mr. Presley's recordings may be obtained in this country for less than $1.]

UNIFICATION OF DEFENSE PROCUREMENT FACILITIES

Mr. O'MAHONEY. Mr. President, I have just learned that the President, in his press conference yesterday, expressed the opinion that some action should be taken to enforce the so-called O'Mahoney rider to the Defense Appropriation Act of 1952, requiring the unification of the procurement facilities of the various subdivisions of the Department of Defense.

When I was chairman of the Defense Appropriations Subcommittee, I discovered that the Navy, the Army, and the Air Force were buying separately many of the same items, and that great surpluses were being built up and great expenditures were being made which could easily be saved.

After much discussion and research, both in the House and in the Senate, which was carried on by the Bonner, Hardy, and Hébert subcommittees and by the Senate Subcommittee on Defense Appropriations, of which I was chairman, Representative BONNER, of North Carolina, who was very much interested in the problem, entered into an agreement with me, and the so-called O'Mahoney rider was introduced and passed.

It became the law of the land, reading as follows:

(a) Notwithstanding any other provision of law and for the purpose of achieving an efficient, economical, and practical operation of an integrated supply system designed to meet the needs of the military departments without duplicating or overlapping of either operations or functions, no officer or agency in or under the Department of Defense, after the effective date of this section, shall obligate any funds for procurement, production, warehousing, distribution of supplies or equipment or related supply management functions, except in accordance with regulations issued by the Secretary of Defense.

(b) This section shall be effective 60 days after the approval of this act.

I was very much surprised, after a leave of absence from the Senate, to learn, upon returning to Washington as a Member of this body, that the law requiring the unification of the procurement operations of the three subdivisions of the Department of Defense was not being enforced.

I am happy, therefore, to be advised that in his press conference yesterday the President indicated that something now should be done about this problem.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the comments of the President at this press conference, together with the question which was asked. I may add that the provision which I introduced, and which is now the law has been endorsed by the Hoover Commission on several occasions. The latest of these may well be said to have been the visit of former President Hoover on President Eisenhower yesterday. Mr. Hoover is quoted as having told the President that he estimates the Government could save between $5 and $6 billion by adopting the recommendations of the Commission on Organization of the Executive Branch of the Government. It is interesting to note, by the way, that President Harry Truman called Mr. Hoover from private life to become Chairman of this Commission. My point now is only that one of the recommendation of the Hoover Commission is the enforcement of the provisions of the O'Mahoney rider.

The issue was raised in the President's press conference yesterday when Mr. James Reston, of the New York Times, addressed the President and received the President's answers in the following manner, as reported in the New York Times this morning. The text is as follows:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SUPPORTER OF UNIFICATION

James Reston, of the New York Times: "Going back to the budget, sir, some observers, some very well experienced men, including your old friend, Vannevar Bush, have said on the budget that the problem is essentially the old question of the unification of the services, the elimination of duplication, the agreement upon a strategic plan, and so on. Could you comment on that, and give us your impression of what progress has been made on that?"

Answer: "Well, as you people, some of you here, you older ones, may know, in 1946 and 1947 I was a great supporter of unification.

"I had come back from a war where I had responsibility of commanding all services, dealt with all services, and I thought the day of the separate services was really gone. And I thought we could bring this about. Well, I encountered a very fierce opposition, but I stuck to my guns.

"Now, there never was produced a law that, I believe, would have been the best, because there was nothing in that law that give—gave anyone, any one official, the specific job of uncovering all of the possible duplications, making certain that we were—all of our logistics and supply problems were met in the most economical manner.

"Now, I think Mr. Bush, Dr. Bush, may be overestimating to some extent the savings that are to be made there. But I still believe they are considerable, and if we could today get rid of service prejudices, to the point of such things as real unification in hospitalization and doctors, in depots where it can be done, and distribution, supply, procurement, a lot of these things, I believe there was—there is a chance to save money.

"Now, this, of course, has its limits. After you are purchasing in a certain amount it doesn't save a great deal to purchase in double that amount except as it eliminates the competitive factor.

"If you and I are both trying to get 5,000 blankets, and there is only one factory making blankets on a very limited scale, we would run the price up against ourselves very hurriedly. That kind of thing could be eliminated.

"But progress is being made, that is the hopeful part about it. Progress is being made, but it is not as fast and it is not as complete, and I certainly hope when I was preaching and praying for unification, which never did take place quite in the form that I thought it should be."

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I note the presence in the Chamber at this time of my distinguished friend the senior Senator from Delaware [Mr. WILLIAMS]. I should like to propound an inquiry to him.

I assume that the Senator from Delaware is aware of the request which I made last evening for consideration of the Commerce Department Appropriation bill tomorrow, when the Senate will convene at 11 o'clock. Is that agreeable to the Senator from Delaware?

Mr. WILLIAMS. It is agreeable to me.

Mr. JOHNSON of Texas. The supplemental appropriation bill is ready, but certain Members on the minority side are unable to be present, and they asked that consideration of that bill be deferred until next week. It is our plan to bring it up on Monday of next week, or the early part of the week. Is that agreeable to the Senator from Delaware?

Mr. WILLIAMS. That is agreeable to me.

Mr. JOHNSON of Texas. I ask these questions because the Senator from Delaware is always very cooperative with the leadership. However, he is a watchdog, and very studious with respect to appropriation bills. He looks for every opportunity to eliminate nonessential items. I wish to be sure that I reciprocate the cooperation which he always extends.

We are hopeful that next week 3 or 4 more appropriation bills will be reported. I serve notice now that they will have the highest priority. It may be necessary for the Senate to adjust its daily meeting schedule, even to the extent of remaining in session into the evening, and perhaps being in session on the weekend. I want all Senators to be on notice of that statement. The leadership will try to avoid night sessions and will also try to avoid Saturday sessions as long as it is possible to avoid them. But the Senate will meet to act on proposed legislation which comes from the committees. I want the RECORD to show that.

Mr. WILLIAMS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Does the Senator from Texas yield to the Senator from Delaware?

Mr. JOHNSON of Texas. I yield to my friend from Delaware.

Mr. WILLIAMS. I assure the Senator from Texas that, as one Member of the Senate, I shall be glad to cooperate with him at all times in expediting the consideration of measures before the Senate.

Mr. JOHNSON of Texas. The Senator from Delaware does not need to assure the Senator from Texas of that fact. The Senator from Delaware has demonstrated it repeatedly by his action.

Mr. WILLIAMS. I merely wish to add that some of us feel that bills and reports ought to be available to us at least overnight, so that we may study measures which are to be considered and prepare ourselves before they are debated on the floor of the Senate.

Mr. JOHNSON of Texas. Certainly. The Senator from Texas has given the Senator from Delaware such assurance, and he will repeat the assurance at this time, and he will personally see to it that the Senator has available to him the hearings, the report, and the bill.

DEFERRED GRAZING

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. CARLSON. I appreciate the Senator's yielding to me at this time. I have already asked my question of the Senator from Arizona, the distinguished chairman of the Committee on Appropriations [Mr. HAYDEN]. However, I know the interest of the Senator from Texas in the subject of deferred grazing, covered by Public Law 85-25, which was known as H. R. 2367. That bill contained an authorization, but I understand there are no funds presently available for the program the act contemplated.

Can the Senator from Texas tell us whether a deficiency appropriation bill will contain such an item?

Mr. JOHNSON of Texas. I am sure we will have such appropriation bills from time to time. The great deficiency, as I see it, lies in the administration of the Department of Agriculture. I have appealed to the Secretary personally, which is something I rarely do, to please try to bring about a recommendation from administrative officials of his Department, so as to put some kind of program into effect under the legislative authority which has been provided. If such a program was ever needed, it is needed now.

I have just returned from my home State of Texas, where there have been some terrific rains. In many areas there is not a cover of grass but a cover of weeds, although, under the cover of weeds, there is a little shading of green fuzz, which may in time become grass. However, if we turn goats and sheep and cattle on to that cover, the land will be in the same condition it was before the rains came.

So I appealed to the Secretary last week, and I also talked to one of his assistants—I believe it was Mr. Scott—later in the week. I understand that they are arranging some meetings, and that the Secretary is attempting to get some officials of the Department to make a recommendation, so it will be possible to decide just what kind of program is to be provided.

However, nothing definite has been determined as yet. I believe they have scheduled a meeting in Denver, and perhaps one in Cheyenne, and perhaps one also in Dallas. Such meetings have been scheduled, as I understand, though I may be mistaken about the cities.

Mr. CARLSON. I believe I may be able to help the Senator a little on that point. I, too, have talked with Mr. Scott, of the Department of Agriculture. I talked to him today, and he informed me that the meeting in Dallas has been held; it was held on Tuesday. The State of Kansas, the one State with which I am particularly familiar, is in this position: The State ASC has allocated areas, and a program has been worked out. It has the approval of the Dallas office and also of the Department in Washington, as I understand; but no funds are available. I am also advised—although I do not know whether I am exactly correct in this—that an application has been made for $25 million in a deficiency appropriation bill.

In the light of what I have learned, if anything is to be done about the situation—and certainly something should be done about it—I urge that action be taken promptly to include that sum in a deficiency appropriation bill.

Mr. JOHNSON of Texas. I have discussed the matter with Mr. Scott. I talked to him the day before yesterday. He was not aware then that a meeting had been held in Dallas or that one was going to be held there. I told him that I had been advised the previous week that a meeting was due to be held there either that day or the day after, or that a meeting had been held the day before. He said that perhaps he was in error and he would like to check into the matter. At that time they had not prescribed any standards that are to be used. If they have done so since then, I have not been informed, although I asked him that I be informed.

The Senator from Kansas is the author of the basic legislation. I will say to him that if the Secretary of Agriculture will make a recommendation to us as to the standards which are to be used, and what kind of program is to be established, and will go to the country and let the ranchers know that this program will be available, and then ask for funds to carry the program into effect, the Senator from Texas will be very sympathetic toward such a request. Certainly the Senator from Texas will demonstrate much more aggressiveness than the Department of Agriculture has demonstrated.

Mr. CARLSON. I merely wish to state that so far as Kansas is concerned, we are ready to proceed. The program has been established and has been approved. I know the Senator's interest in the subject, and I want to help him get the money which is necessary. However, it will be up to him, as a member of the Committee on Appropriations, to see to it that the money is provided early enough to do some good. It will be necessary to get it early if it is to be of any avail.

Mr. JOHNSON of Texas. Does the Senator have available the Secretary's request?

Mr. CARLSON. I do not.

Mr. JOHNSON of Texas. Does the Senator know when it was made?

Mr. CARLSON. I believe it was 2 or 3 days ago.

Mr. JOHNSON of Texas. If it has taken the Secretary 30 days to make it, I am sure I can dispose of it in less time than it took the Secretary of Agriculture to make the request.

The PRESIDING OFFICER. Is there any further morning business? If not, morning business is closed.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

DEPARTMENT OF THE INTERIOR

Mr. JOHNSON of Texas. Mr. President, I ask that the clerk state the nomination of Mr. Bennett on the Executive Calendar. Then I shall suggest the absence of a quorum, so that Members may be notified.

The PRESIDING OFFICER. The Secretary will state the first nomination on the Executive Calendar.

The legislative clerk read the nomination of Elmer F. Bennett to be Solicitor for the Department of the Interior.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. My friend, the distinguished junior Senator from Oregon, is present and, I understand, desires to address himself to the nomination now pending. I yield the floor for that purpose.

Mr. NEUBERGER. I thank the Senator from Texas.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Oregon will state it.

Mr. NEUBERGER. Do I understand correctly that the Senate is now considering the nomination of Elmer F. Bennett, of Colorado, to be Solicitor for the Department of the Interior?

The PRESIDING OFFICER. The Senator from Oregon is correct.

Mr. NEUBERGER. I have not made a major issue of this nomination. I have not requested a yea and nay vote, nor do I intend to do so. However, I believe the RECORD should indicate what I regard as a very basic policy of discrimination and unfairness against a major region of the United States. Mr. Bennett has been a symbol and a leading advocate of that policy, and I think the RECORD should make clear the facts at issue.

I shall vote against the confirmation of the nomination of Elmer F. Bennett, of Colorado, to be Solicitor for the Department of the Interior, because Mr. Bennett has been actively supporting a policy of total discrimination against the Columbia River Basin with respect to water resources development.

Mr. Bennett is an admitted adherent of the so-called partnership program of the administration. Under that program, the administration is advocating the expenditure of over $800 million in the Colorado Basin but no new Federal authorizations whatsoever on the Columbia River and its main tributaries.

The administration has opposed authorization of the great Hells Canyon project; it has declined to include 1 cent in its record $72 billion budget for the great John Day project. Both of these sites are in the Columbia Basin. By contrast, the Interior Department has just signed the largest dam-building contract in history—$107 million—for Glen Canyon Dam on the Colorado.

The Colorado River carries 17 million acre-feet of water to the sea; the Columbia River carries 180 million acre-feet of water to the sea.

As one of the Senators from the basin of the Columbia River, I shall not vote to confirm the nomination of an official who has supported this policy of outright discrimination against my region—or to place this official in a still more strategic position to perpetuate the inequities and injustices of that policy.

I have nothing against Mr. Bennett as an individual nor against his character—only against the basic public policy here at stake.

I desire the RECORD to show that I shall vote "No."

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to this nomination?

The nomination was confirmed.

Mr. JOHNSON of Texas. Mr. President, I wish to inform my friends of the minority that if they intend to have me get the President's nominations confirmed, they will have to vote a little louder than they did with respect to the last nomination. At least, I appeal to the good judgment of my colleague in the chair. [Laughter.]

I ask that the President be immediately notified that the nomination has been confirmed.

The PRESIDING OFFICER. The President will be notified forthwith of the confirmation of the nomination.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

STUDY OF CRITICAL RAW MATERIALS AND RESOURCES OF THE SOVIET UNION

Mr. JOHNSON of Texas. The morning hour having been completed, I ask that the Chair lay before the Senate the unfinished business.

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 78) to make a study of critical raw materials and resources of the Soviet Union and certain Eastern Hemisphere countries and the effect upon the United States.

USE OF PUBLIC LANDS FOR THE PURPOSE OF PUBLIC BUILDINGS, STATE OF IDAHO

Mr. JOHNSON of Texas. Mr. President, I move that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 289, S. 1794.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1794) to amend section 6 of the Act approved July 3, 1890 (26 Stat. 215), relating to the admission into the Union of the State of Idaho by providing for the use of public lands granted therein for the purpose of construction, reconstruction, repair, renovation, furnishings, equipment, or other permanent improvements of public buildings at the capital.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. If my colleagues will indulge me, and if my friend, the distinguished Senator from Montana [Mr. MURRAY] will bear with me for just a few minutes, I shall make brief explanations of a few bills which are scheduled for consideration. Then I shall yield the floor so that my friend from Montana may address the Senate. I am very desirous of hearing the Senator from Montana speak. I wish to follow his address, and I hope he will accommodate me, so that the Senate may proceed to consider 4 or 5 measures which I desire to bring up, and which will take but a short time.

Mr. MURRAY. I shall be happy to accommodate the Senator from Texas.

Mr. JOHNSON of Texas. I thank my friend from Montana for his unfailing courtesy.

By its enabling act, the State of Idaho was granted 50 sections of unappropriated public lands within its borders, the revenues from which were to be used "for the purpose of erecting public buildings at the capital of said State for legislative, executive, and judicial purposes." S. 1794 enumerates the specific purposes which the committee feels were intended to be accomplished by the application of land-grant revenues to public buildings, even though the language of such original grant to the State of Idaho was, unfortunately, restrictive rather than comprehensive.

A similar bill was passed for Wyoming last week; similar bills were passed earlier for Montana, Washington, North Dakota, and South Dakota.

I think the proposed legislation is desirable; there is ample precedent for it. Similar action has been taken with respect to other States. I would not want to see discrimination practiced against the great State of Idaho. I hope the Senate will pass the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1794) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 6 of the act relating to the admission of the State of Idaho into the Union be amended to read as follows: "That 50 sections of the unappropriated public lands within said State, to be selected and located in legal subdivisions as provided in section 4 of the act, shall be, and are hereby, granted to said State for the purpose of erecting public building at the capital of said State for legislative, executive, and judicial purposes, including construction, reconstruction, repair, renovation, furnishings, equipment, and any other permanent improvement of such buildings and the acquisition of necessary land for such buildings, and the payment of principal and interest on bonds issued for any of the above purposes."

SEC. 2. This act shall take effect as of July 3, 1890.

TRANSFER OF TITLE TO IRRIGATION DISTRIBUTION SYSTEMS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar 291, S. 413.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 413) to provide for transfer of title to irrigation distribution systems constructed under the Federal reclamation laws upon completion of repayment of costs thereof.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. S. 413 is identical to S. 2217 reported favorably by the committee in the 84th Congress, 2d session, and passed by the Senate on July 2, 1956. The bill proposes to authorize the Secretary of the Interior to transfer title to distribution systems of Federal reclamation projects under certain circumstances to local water users' organizations upon two specific conditions: (a) That an organization representing the water users concerned shall have requested the transfer; and (b) that the Secretary shall find that the water users or the organization have completed repayment of all construction and other charges, with the exception of operation and maintenance charges not yet due, which are obligations with respect to the distribution system concerned. Under existing reclamation law, no provision is made for the transfer of title to distribution works upon completion of repayment from the United States to any organization until provided by Congress. That statute is 32 Statutes 389.

The bill avoids any reference to the transfer of dams or other supply works as distinguished from irrigation distribution systems. The reason for this omission is that the question of transfer of dams or headworks involves considerations of national policy, as well as interstate considerations and should be taken up in connection with matters of broad national policy affecting water resources and their use.

Mr. President, the bill is strongly recommended by the Department of the Interior. I think it may be well for the Committee on Interior and Insular Affairs to give prompt consideration to the prospects of applying this general policy to the transfer of dams or wherever headworks are involved.

In my own great State of Texas we were actually prevented from constructing, or it was necessary to postpone the construction of, very vital public works in the Panhandle area, largely because of the question of where title would vest.

I call this matter to the attention of my distinguished colleague [Mr. YARBOROUGH], who is in the chair, and who has had a wealth of experience in this field, he having been an original member of one of the great water-conservation agencies of the Southwest, the Lower Colorado River Authority. I express the hope that he, too, will become interested in this general field, because I know of no State in the Union which could benefit more by the reaching of an understanding between the Federal Government and the State government in the field of water conservation than could our own State.

For many years the Federal Government has been active in the field of flood control, water conservation, irrigation, and public power. I hope we may have a coordinated policy which will bring all the strength of the local, county, and State governments to join with the Federal Government in that endeavor.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, upon request of an organization representing the water users of any project or division of a project constructed under the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 688, and acts amendatory thereof or supplementary thereto), the Secretary of the Interior shall, if he finds that said water users or their organizations have completed payment of all construction and other charges, except future operation and maintenance charges, which they or it are obligated to pay under said reclamation laws with respect to their distribution system, transfer to the organization or to any other entity designated by it and capable of receiving the same title to said distribution system or to such portion thereof as is useful solely to said water users. The Secretary shall likewise transfer title to any portion of such a distribution system which is useful to two or more groups of water users or organizations thereof upon their joint request when he finds that payment of all charges, as aforesaid, has been completed. Any such transfer shall be accompanied by the transferee's acceptance of all liabilities, duties, and obligations, which the United States may theretofore have incurred with respect to the distribution system, and the transferee shall agree to save the United States harmless with respect thereto and with respect to all future claims, liabilities, obligations, or duties arising out of the construction, operation, or maintenance of the distribution system transferred. Unless the care, operation, and maintenance of the system to be transferred has already been turned over to the transferee, any such transfer shall also be accompanied by the transferee's acceptance of such care, operation, and maintenance. As used in this act, the term "distribution system" is inclusive, to the extent to which the Secretary finds the same to be appropriated in any particular case, not only of works and structures for the delivery of water but also of drains, lands, interest in land, equipment, supplies, and records relating to said distribution system: *Provided, however*, That where the distribution system or a portion thereof is located upon lands within a national forest or other lands administered by the Secretary of Agriculture necessary rights-of-way only shall be granted therefor subject to such conditions as the Secretary of Agriculture finds necessary for the adequate protection and utilization of the national forest or other lands.

SEC. 2. The Secretary is authorized to provide in all contracts hereafter negotiated under the Federal reclamation laws for transfer of title to distribution systems in accordance with the terms of section 1 of this act.

SEC. 3. This act shall be a supplement to the Federal reclamation laws.

COMPACT RELATING TO APPORTIONMENT OF WATERS OF THE LITTLE MISSOURI RIVER

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 292, Senate bill 1556, granting the consent of Congress to an interstate compact. My friend the distinguished acting minority leader, the junior Senator from North Dakota [Mr. YOUNG] is very much interested in this measure; and whenever he is interested in a measure, that assures its immediate consideration, insofar as the majority leader is concerned.

Mr. YOUNG. I thank the distinguished Senator from Texas.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1556) granting the consent of Congress to the States of Montana, North Dakota, South Dakota, and Wyoming to negotiate and enter into a compact relating to their interest in, and the apportionment of, the waters of the Little Missouri River and its tributaries as they affect such States, and for related purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas for the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I am prepared to make a brief explanation of the bill. However, my friend the Senator from North Dakota probably is better equipped to do so than I am. If he will explain the bill, he probably will be more effective in doing so than I would be.

Mr. YOUNG. I thank the Senator from Texas.

Mr. President, the pending bill will permit the States of Wyoming, Montana, South Dakota, and North Dakota to enter into a compact to resolve the various interests of the States with respect to the Little Missouri River.

A similar bill was passed unanimously last year by the Senate. It has the support of all the Senators from the four affected States, and also that of the Governors of the four affected States.

I believe that is sufficient explanation, unless questions are to be asked by any Members of the Senate.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1556) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the consent of the Congress is hereby given to the States of Montana, North Dakota, South Dakota, and

Wyoming to negotiate and enter into a compact relating to the interests of such States in the development, protection from pollution, and the use of the water resources of the Little Missouri River and its tributaries, and providing for an equitable apportionment among them of the waters of the Little Missouri River and its tributaries, and for matters incidental thereto, upon the condition that one qualified person appointed by the President of the United States shall participate in such negotiations as chairman, representing the United States, and shall make a report to the President of the United States and the Congress of the proceedings and of any compact entered into. Such compact shall not be binding or obligatory upon any of the parties thereto unless or until the same shall have been ratified by the legislature of each of the respective States, and consented to by the Congress of the United States.

SEC. 2. (a) The Federal representative shall be appointed by the President, and shall report to the President either directly or through such agency or official of the Government as the President may specify.

(b) The Federal representative shall receive compensation and shall be entitled to travel expenses, including per diem in lieu of subsistence, in the same manner as provided for experts and consultants under sections 5 and 15 of the Administrative Expenses Act of 1946 and the Travel Expense Act of 1949, except (1) that his term of service shall be governed by the terms of this act and shall not be affected by the time limitations of said section 15, and (2) his per diem rate of compensation shall be in such amount, not in excess of $100, as the President shall specify, but the total amount of compensation payable in any one calendar year shall not exceed $15,000: *Provided*, That if the Federal representative be an employee of the United States he shall serve without additional compensation: *Provided further*, That a retired military officer, or a retired Federal civilian officer or employee, may be appointed as such representative without prejudice to his retired status, and he shall receive compensation as authorized herein in addition to his retired pay or annuity, but the sum of his retired pay or annuity and such compensation as may be payable hereunder shall not exceed $15,000 in any one calendar year.

(c) The Federal representative shall be provided with office space, consulting, engineering, and stenographic service, and other necessary administrative services.

(d) The compensation of the Federal representative shall be paid from the current appropriation for salaries in the White House Office. Travel and other expenses provided for in subsections (b) and (c) of this section shall be paid from any current appropriation or appropriations selected by the head of such agency or agencies as may be designated by the President to provide for such expenses.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

PRINTING OF ANNUAL REPORT, NATIONAL SOCIETY OF THE DAUGHTERS OF THE AMERICAN REVOLUTION

Mr. YOUNG. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 294. Senate Resolution 136.

The PRESIDING OFFICER. The resolution will be stated, for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 136) to print the 59th annual report of the National Society of the Daughters of the American Revolution.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Dakota.

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. JOHNSON of Texas. Mr. President, the resolution merely provides that the 59th annual report of the National Society of the Daughters of the American Revolution for the year ending April 1, 1956, be printed, with an illustration, as a Senate document.

Mr. President, I hope we may be able to agree to the resolution without any involved discussion, because I believe no great contribution would be made by our becoming involved in an argument about a matter of this kind.

I deplore the divisions which have been created during the last few days by reviving the Civil War. I think all of us could better occupy our time by devoting ourselves to the problems of today, and certainly to the problems of the future, rather than by attempting to sack the generals who long ago passed on. To attempt to do so might establish a precedent which we would not wish to establish; and in the years to come, even some of the generals might regret the establishment of such a precedent.

Mr. President, pursuant to the act of February 20, 1896, the Daughters of the American Revolution, through the Secretary of the Smithsonian Institution, make an annual report to the Congress. The annual reports have been printed as public documents since the year 1897. The resolution provides for the printing of the most recent report of the Daughters of the American Revolution.

Mr. President, the organization is a very fine one, and it meets with rather general approbation. So I urge that the resolution be agreed to.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on agreeing to the resolution.

The resolution (S. Res. 136) was agreed to, as follows:

Resolved, That the 59th annual report of the National Society of the Daughters of the American Revolution for the year ended April 1, 1956, be printed, with an illustration, as a Senate document.

PAYMENT OF GRATUITY TO LULA B. GREEN

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 295, Senate Resolution 135, to pay a gratuity to Lula B. Green.

The PRESIDING OFFICER. The resolution will be stated for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 135) to pay a gratuity to Lula B. Green.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. JOHNSON of Texas. Mr. President, the resolution would provide a gratuity to Lula B. Green, widow of John A. Green, who at the time of his death was a messenger in the office of the Sergeant at Arms. The amount of the gratuity will be approximately $1,790. The action proposed is in line with the ordinary practices of this body.

The PRESIDING OFFICER. If there be no amendment to be submitted, the question is on agreeing to the resolution.

The resolution (S. Res. 135) was agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate, to Lula B. Green, widow of John A. Green, an employee of the Senate at the time of his death, a sum equal to 5 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

PRINTING AS A SENATE DOCUMENT PROCEEDINGS OF THE INTERNAL SECURITY SUBCOMMITTEE

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 296, Senate Resolution 122.

The PRESIDING OFFICER. The resolution will be stated, for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 122) to print as a Senate document certain proceedings of the Internal Security Subcommittee of the Senate Judiciary Committee.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. JOHNSON of Texas. Mr. President, the resolution provides for printing as a Senate document, with additional copies, certain proceedings of the Internal Security Subcommittee of the Senate Judiciary Committee containing a statement by J. Edgar Hoover relative to the Communist Party. To print as a Senate document, the cost will be $212.90; the 122,000 additional copies will cost $1,194.38.

Mr. President, I am informed that there is great demand for this publication; and I am sure that the very able and wise statement by the respected public servant, J. Edgar Hoover, will be of great interest, and I think it will have a very wholesome effect on our population.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on agreeing to the resolution.

The resolution (S. Res. 122) was agreed to, as follows:

Resolved, That the proceedings of the Internal Security Subcommittee of the Senate Committee on the Judiciary on March 12, 1957, wherein the subcommittee received a statement of J. Edgar Hoover, Director of the Federal Bureau of Investigation, analyzing the 16th annual convention of the Communist Party of the United States, be printed as a Senate document.

SEC. 2. There shall be printed 122,000 additional copies of such Senate document for the use of the Subcommittee on Internal Security of the Senate Committee on the Judiciary.

PRINTING OF ADDITIONAL COPIES OF FINAL REPORT OF THE SPECIAL COMMITTEE TO INVESTIGATE POLITICAL ACTIVITIES

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 297, Senate Resolution 130.

The PRESIDING OFFICER. The resolution will be read, for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 130) authorizing the printing of additional copies of the final report of the Special Committee To Investigate Political Activities, Lobbying, and Campaign Contributions.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. JOHNSON of Texas. Mr. President, the resolution authorizes the printing of additional copies of the final report of the Special Committee To Investigate Political Activities, Lobbying, and Campaign Contributions. (3,000 additional copies cost approximately $1,200.)

The resolution was submitted by the very able and distinguished senior Senator from Arkansas [Mr. MCCLELLAN], and has been reported by the Chairman of the Committee on Rules and Administration, the Senator from Missouri [Mr. HENNINGS].

I hope the resolution will be agreed to.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on agreeing to the resolution.

The resolution (S. Res. 130) was agreed to, as follows:

Resolved, That there be printed for the use of the Special Committee To Investigate Political Activities, Lobbying, and Campaign Contributions 3,000 additional copies of the committee's final report to the Senate, made pursuant to Senate Resolution 219, 84th Congress, and Senate Resolutions 47 and 128, 85th Congress.

PRINTING AS SENATE DOCUMENT OF INTERIM REPORT OF COMMISSION ON INCREASED INDUSTRIAL USE OF AGRICULTURAL PRODUCTS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 299, Senate Resolution 131.

The PRESIDING OFFICER. The resolution will be stated, for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 131) authorizing the printing as a Senate document of the interim report of the Commission on Increased Industrial Use of Agricultural Products.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Administration with an amendment in line 5, after the word "document", to insert a comma and "and that 6,500 additional copies be printed for the use of the Committee on Agriculture and Forestry", so as to make the resolution read:

Resolved, That the interim report of the Commission on Increased Industrial Use of Agricultural Products, submitted to the Congress April 17, 1957, pursuant to Public Law 540, 84th Congress, be printed as a Senate document, and that 6,500 additional copies be printed for the use of the Committee on Agriculture and Forestry.

The amendment was agreed to.

Mr. JOHNSON of Texas. Mr. President, the resolution authorizes the printing as a Senate document of the interim report of the Commission on Increased Industrial Use of Agricultural Products. To print as a Senate Document the cost would be $1,730.17. The 6,500 additional copies provided for in the committee amendment will cost approximately $1,200.

Mr. President, I am not in a position to pass judgment on the damage which would be done if we did not provide for the printing of all the additional copies requested. However, I express the hope that the committee involved and the Senators requesting additional copies will be aware of the cost thus incurred; and in this year of economy and savings, I hope they will be as prudent as possible in the requests they make.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on agreeing to the resolution, as amended.

The resolution (S. Res. 131), as amended, was agreed to.

ROCHAMBEAU MEMORIAL BRIDGE

Mr. JOHNSON of Texas. Mr. President, I wish to have the Senate consider a bridge bill, Calendar No. 321, S. 768, to which I am informed there is no objection.

I move that the Senate proceed to the consideration of S. 768.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 768) to designate the east 14th Street highway bridge over the Potomac River in the District of Columbia, as the Rochambeau Memorial Bridge.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, the purpose of the bill is to designate the east 14th Street highway bridge over the Potomac River as the "Rochambeau Memorial Bridge." After the enactment of this proposed legislation, any law, regulation, map, document, record, or other paper of the United States in which such bridge is mentioned shall be held to refer to such bridge as the "Rochambeau Memorial Bridge." I ask that the bill be passed.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 768) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the east 14th Street highway bridge over the Potomac River from a point near 14th Street in the District of Columbia to a point in Virginia shall be known and designated hereafter as the "Rochambeau Memorial Bridge." Any law, regulation, map, document, record, or other paper of the United States in which such bridge is referred to shall be held to refer to such bridge as the "Rochambeau Memorial Bridge."

CONVEYANCE OF CERTAIN LAND TO THE STATE OF NORTH DAKOTA

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 290, S. 999.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 999) authorizing the Secretary of the Interior to convey certain land to the State of North Dakota for the use and benefit of the North Dakota State School of Science.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 4897) making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 1544) to provide for the conveyance of certain real property of the United States situated in Cobb County, Ga., to the trustees of the Methodist Church, Acworth, Ga., and it was signed by the President pro tempore.

APPROPRIATIONS FOR THE TREASURY AND POST OFFICE DEPARTMENTS

Mr. JOHNSON of Texas. Mr. President, I have a very important announcement to make to the Senate. Earlier in the week the Senate passed the Treasury-Post Office Department appropriation bill. It was the first appropriation bill to be passed by the Senate this year. As the result of a motion the senior Senator from Texas made in the Committee on Appropriations, we reduced the bill by $32 million from the

amount reported by the subcommittee. The vote on the motion of the Senator from Texas was conclusive.

The distinguished chairman of the subcommittee, the junior Senator from Virginia [Mr. ROBERTSON], reported the bill to the Senate. After extended debate, the Senate in its wisdom passed that bill without reducing the appropriations recommended or adding a dollar. When the bill was sent back to the House, where it had originated, it contained an amendment that had been added by the Senate committee. It was a flexible amendment which would permit the Treasury Department to exchange 5 percent of its funds by transfers between appropriations, with the approval of the Budget Director, and with the requirement that they report such action to the appropriate committees of Congress. That was the only change that had been made in the bill, a rather unusual situation.

The House considered the amendment which had been placed on the bill by the Senate, and concurred in the amendment, with an amendment of its own, which I shall now read to the Senate. The amendment provides:

Provided, That no transfer made under this authority shall result in increasing any appropriation in excess of the budget estimate as presented in House Document 16, 85th Congress.

That is a further limiting factor.

I may say that the necessity for this amendment arose because substantial reductions had been made in the appropriations of the Treasury Department. The distinguished Secretary of the Treasury was attempting to operate within those appropriations, since the budget estimates had been reduced; but in order to do so, he needed the flexibility which this amendment would give him. In order to create incentive and in order to encourage Cabinet officers to try to follow the will of Congress, the committee attempted to comply with the Secretary's request for flexibility.

The House is willing to go along with the amendment, provided the transfers do not result in spending more money than the Bureau of the Budget had recommended. This is a further limitation, and I think a very wise one.

I am informed by the distinguished Senator from Virginia [Mr. ROBERTSON], the chairman of the subcommittee, that the proposal by the House is agreeable to him.

I think the amendment which the Senate adopted was a good one. In my opinion, the addition made by the House does not materially change it; if anything, it strengthens it. I think it would give the Secretary the flexibility which he needs. I commend the Secretary for his desire to attempt to cooperate, and to operate his Department within the limits given him by Congress.

Mr. President, I move that the Senate concur in the amendment of the House to the amendment of the Senate, in the hope that this, the first departmental appropriation bill for the ensuing fiscal year, can be passed quickly and sent to the White House for the President's approval, so that the good people of the country may know that we have saved $80,364,000 in the first of the 15 appropriation bills to be considered.

The PRESIDING OFFICER (Mr. LAUSCHE in the chair) laid before the Senate a message from the House of Representatives announcing its action on the amendment of the Senate to House bill 4897, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
May 16, 1957.

Resolved, That the House agree to the amendment of the Senate to the bill (H. R. 4897) entitled "An act making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes," with an amendment, as follows:

At the end of the Senate amendment, add the following: ": *Provided*, That no transfer made under this authority shall result in increasing any appropriation in excess of the budget estimate as presented in House Document 16, 85th Congress."

Mr. DIRKSEN. Mr. President, as a member of the subcommittee, I see nothing offensive in the language which was added by the House to the transfer clause which was written into the bill by the Senate. As a matter of fact, that language is quite common; it is not uncommon that a limitation is made, so that in no case can any of the title provisions be increased beyond the estimate for the fiscal year.

Moreover, the language does not interdict the consideration of a supplemental or a deficiency appropriation bill, if after the necessary investigation and exploration by the Post Office Department they present their case to the Budget Bureau for further consideration by Congress, either before Congress adjourns, or when it returns in January.

I anticipate, of course, that the Bureau of the Budget, after making further examinations of the problems of the Post Office Department, will probably send to Congress a supplemental budget which can be considered entirely on its own merits. So the language of the transfer clause will in no way restrict or interdict the consideration of a supplemental bill.

Mr. JOHNSON of Texas. The language of the general provision applies only to the Treasury Department, and was requested by the Secretary of the Treasury.

Mr. DIRKSEN. That is correct.

Mr. JOHNSON of Texas. I concur wholeheartedly in what the distinguished acting minority leader has said, although I would not, by any effort of mine, wish to encourage anyone to think that we would look sympathetically upon any supplemental requests, unless they were absolutely necessary.

Mr. DIRKSEN. I am not trying to convey that impression at all, I assure the distinguished majority leader. I have just heard the language read; I had not seen it. But I wanted to be absolutely certain that while we make it apply, in the first instance, only to the Treasury Department, sometimes it is included in the general provisions, so that it applies to every item in the bill. I merely wanted to make it clear that while I do not anticipate that the Treasury Department will make a request for a supplemental appropriation, since they concurred in the House recommendation in the first instance, in no wise would the case of the Post Office Department be prejudiced at some later date.

Mr. JOHNSON of Texas. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to.

Mr. JOHNSON of Texas. Mr. President, I hope the attaches of the Senate will take prompt action in connection with the proposed legislation and that it will be sped to the White House at the earliest possible time.

Mr. President, if my friend the Senator from Montana [Mr. MURRAY] is prepared to address the Senate, I shall yield to him.

HELLS CANYON, HUNGRY HORSE DAM, AND THE COLUMBIA RIVER POWER SYSTEM

Mr. MURRAY. Mr. President, I rise to discuss a matter of very serious importance with regard to the full development, conservation, and wise use of the vast natural resources of the United States.

On April 4 the senior Senator from Utah [Mr. WATKINS] inserted in the RECORD a statement entitled "Comments on Hells Canyon Project." I have so much respect for the judgment and wisdom of my good friend from Utah that, after studying this document, I wonder if he gave it his careful attention before placing it in the RECORD.

The statement constitutes an attack on the entire program of Federal resources development in the Northwest, plus allegations that the program subsidizes various industries in the region. I was surprised and disappointed with my colleague's approach to the problem. His approach, if fully carried out, would divide the Northwest from the rest of the country and treat it as a separate entity, which of course it is not. The Senator from Utah has not heretofore displayed such provincialism in his approach to natural resource development. No such attitude was evident in his excellent work for the great Upper Colorado development, and he will recall that I supported his efforts to get that project underway.

In his statement in the RECORD on April 4, the Senator from Utah spoke of "the loquacious spokesmen" for the Northwest, and predicted that "supporters of Federal power for the Pacific Northwest are going to come out kicking and squealing" at his attack on Northwest development. I can only assume this reference and this prediction must have been leveled at me—along with other Senators—because for over 20 years in this body we have worked, and upon occasion fought, for the full development of the water resources both of the Northwest and the Nation, including hydroelectric power.

This is an age when energy—and today this means electric energy—is increasingly the major controlling factor in the economic development and welfare of the Nation. Under these conditions, I will never support or condone the underdevelopment of any of the hydroelectric resources which constitute our only truly inexhaustible source of energy. Our fossil fuels may someday be depleted; even atomic power may someday be limited by declining reserves of the proper fuels to activate reactors; but so long as the snows melt in the mountains and the rivers flow to the sea, our hydroelectric plants will continue to pump lifegiving energy into the economic bloodstream of the Nation.

THE MORAL ISSUE AT HELLS CANYON

Any development of such a great water resource to less than its maximum economic potential constitutes a tragic loss to our people and weakens the whole Nation. This is true not only during the 50 years of the pay-out period, but for the whole life of the project, perhaps centuries. Some may find ways to salve their consciences for permitting such a crime against unborn generations, but I cannot, and will not, be a party to it.

This is the moral issue in the case of Hells Canyon, and the sooner the people's representatives recognize this, and stop discussing it as if it were merely a matter of public versus private power, the better the national welfare will be served. To ignore this is to be blinded by prejudice and propaganda, and to turn our backs on the basic fundamentals of what is right and what is wrong in the development of our God-given natural resources.

SENATOR WATKINS' STATISTICS

The Senator from Utah fell into numerous errors of both fact and conclusion in his statement. In pointing some of them out, I have no wish to cast doubt in any way upon his sincerity or good faith, but I believe it is absolutely necessary to demonstrate how terribly mistaken he is, lest his statements stand unchallenged and be accepted as fact.

The Senator stated that the Corps of Engineers had informed him that they had expended some $930 million on flood control and navigation projects in the States of Oregon and Washington, roughly one-seventh of the national total. I am unable to have this figure verified from any official source as the flood control and navigation costs related to the Columbia River program.

FLOOD CONTROL EXPENDITURES

There are flood-control projects and flood-control projects. Some of them, such as levees, provide no benefit but flood control, and can never repay their cost save by the protection they give; they are a permanent, nonreimbursable investment in the general welfare. But there does not appear to be $930 million invested in such works in connection with the whole Columbia Basin program. The Senator's statement itself indicates a much smaller total. At another point it gives us a grand total of $1,866,402,214 invested in the Columbia River power system, of which only $118,538,209 is allocated to flood control and navigation—less than 7 percent of the total. Only this amount, plus the amount allocated to irrigation and a very small amount allocated to recreation, is nonreimbursable in the basin power system; all the rest of the total figure will be repaid with interest within 50 years from power revenues, and after that period those revenues will be almost pure profit to the United States. The Northwest will pay for the system and the whole Nation will retain title. What a gilt-edged investment that is!

The Senator from Utah [Mr. WATKINS] gives $50,590,356 as the total allocation of costs to flood control in the Columbia River Basin. Imagine that—in all the years since we started building flood-control projects we have only built $50 million worth in the Columbia River Basin. A single flood in 1948 inflicted more than $100 million worth of damage there, twice our total investment in protection. Does the Senator from Utah really think this expenditure in the Columbia Basin is exorbitant? Obviously, it is not even adequate. Fifty-two people lost their lives in the flood of 1948. We must invest several hundred million dollars in additional flood-control projects before any repetition of such disasters can be prevented with any assurance, and I intend to continue to work to obtain such funds as long as I am in the Senate of the United States. I sincerely hope the Senator from Utah will reconsider his position and support flood control, on a basis of need, in both the Northwest and Utah.

Even if Washington and Oregon did get 15 percent of the Army engineers' total nationwide expenditures, is it not a grievous mistake to think in terms of individual States as if they were separate countries instead of just areas of one great Nation? Where should we spend our money on water resource projects? In the arid areas where there is no water? Or where the water is?

Money is spent to develop copper in Montana because there is copper in Montana. It is spent to produce salt from the Great Salt Lake because there is salt there and not in Lake Michigan or Lake Erie. It is spent on water developments in the Northwest because our second mightiest river is there.

Mr. NEUBERGER. Mr. President, will the distinguished Senator from Montana yield?

Mr. MURRAY. I am glad to yield to my distinguished friend, the Senator from Oregon.

Mr. NEUBERGER. Mr. President, I should like to inquire if the Senator from Montana is familiar with these dramatic flow figures on the Columbia River:

The Columbia River empties more water into the sea than any other river on the continent except the Mississippi itself. Its annual flow averages 180 million acre-feet of water, more than 10 times the flow of the Colorado River, in which the Senator from Utah is so justly interested. Its maximum flow has been some 9.3 million gallons per second, and only as recently as 1948 it flooded at over 7½ million gallons per second.

Where would the Senator from Utah have funds for flood control and navigation spent, if not in the river basins where flood control is needed and navigation possible? The projects now under construction in the Missouri and Colorado Basins will provide storage to contain approximately 5 times the annual flow of those rivers, yet all projects now under construction or completed in the Columbia Basin will bring the total flood-control storage in that basin to less than 5 percent of 1 year's annual flow. Does this really sound as if the Northwest is getting more than its share of flood control appropriations? I refuse to believe this is what the Senator from Utah really means—storage equal to 500 percent of annual flow for the Colorado and the Missouri Rivers, but only 5 percent for the Columbia.

An absolute minimum of 27 million acre-feet of flood control storage is required for any degree of effective flood control in the Columbia River Basin. Yet the region has only about one-third of the minimum needed. And, I would like to add, little progress is now being made toward achievement of an adequate flood-control goal for the Columbia because of the present administration's hostility to starting construction of new multiple-purpose river projects.

Resource development under sponsorship of the Federal Government must and can occur only where there are resources to develop. The Government does not undertake navigation projects in inland Nevada, nor irrigation works in the rain forests of the Olympic Peninsula where precipitation averages over 120 inches a year. But the Federal Government does develop irrigation projects in the great Western deserts, and navigation projects along our coast and inland waterways. Likewise, the Federal Government has—in the past—provided the impetus for building of power projects in the Columbia Basin, where lurks nearly 40 percent of the water-power potential of the United States. Sound governmental policy calls for expenditure of funds for projects where the power, navigation, and irrigation potential exists. And that is the policy we are fighting today to preserve in the Pacific Northwest.

Mr. President, I wish to express my appreciation to the eminent Senator from Montana for the able and important speech he is making in the Senate. This contribution is characteristic of the Senator's continual leadership in this whole vital realm.

Mr. President, I wish also to state to the Senator from Montana that he occupies the rather unique geographical distinction of having, in part, represented in the United States Senate for many years a great State, which I believe is traversed by the Continental Divide of the majestic Rocky Mountains between the Columbia River Basin and the Missouri River Basin. The entire record of the Senator from Montana shows that he has fought for full development of the Columbia River Basin, the Missouri River Basin, and also the Colorado River Basin.

I note that the senior Senator from Oregon [Mr. MORSE] is now present in the Chamber. If I am not mistaken, the senior Senator from Montana [Mr. MURRAY], the senior Senator from Oregon [Mr. MORSE], and I have all supported the upper Colorado project, in which the Senator from Utah [Mr. WATKINS] has been so rightfully interested. We supported it, even though very few of the benefits will go directly to our own States. We are all interested in the development

of that vital realm of the intermountain West, so we never thought of it on the basis of any local consideration whatsoever. Certainly for that reason I am disappointed that the distinguished senior Senator from Utah, who has advocated pouring nearly a billion dollars of Federal funds into his own region, is so hostile to the development of the Columbia River Basin.

I know—and considering the long career of resource development of the senior Senator from Montana, I am sure he agrees—that if the Western States are to go forward, they must go forward together. For representatives in the Congress from one Western State to lead the fight against the development of another Western State, in the long run, can only lead to the downfall and dismay of all the Western States. That is the reason why I am so appreciative of the broad gage, statesmanlike attitude which the senior Senator from Montana, as chairman of the very strategic Committee on Interior and Insular Affairs, has taken toward the development of all the Western States and all the great river basins within the Western States.

Mr. MURRAY. I thank the Senator from Oregon for his very interesting remarks, and the very valuable points he has raised. During the course of my remarks, I was touching on them, inadequately, and I am very much pleased that the Senator has brought them out so effectively.

Mr. MORSE. Mr. President, will the Senator from Montana yield?

Mr. MURRAY. I yield to the Senator from Oregon.

Mr. MORSE. I rise to join with my colleague in paying my respects to the chairman of the Senate Committee on Interior and Insular Affairs, the distinguished Senator from Montana.

I have said on many platforms of America what I should like to say here about the Senator from Montana. I have said that the people of the United States do not have a more effective or sincere or ardent defender of the people's heritage in their own natural resources than the senior Senator from Montana. Once again today the Senator from Montana is demonstrating that when he feels a wrong has been done, he does not hesitate to do what he can to put the record straight, according to his sights.

I speak with complete respect for the Senator from Utah [Mr. WATKINS]. The Senator from Utah and I simply disagree fundamentally on the whole approach to the basic Northwest natural resources problem. The Senator from Utah and I expressed different points of view in Salt Lake City last Saturday at the conference of Western States on water resources. I shall in my own time, in due course, proceed to set the record straight, as I see the record, with respect to some statistical information which the Senator from Utah used in his Salt Lake City speech last week, statistics identical with information being propagandized by the private utilities, to the effect that Bonneville power, for example, is being sold for less than its cost. I said in Salt Lake City—and I say here today—the facts do not bear out that contention on the part of the Senator from Utah.

But what I wish to address myself to at this moment, by way of interruption, because the Senator has reached that point in his speech, is an observation. The Senator, for example, has just said:

> Money is spent to develop copper in Montana because there is copper in Montana. It is spent to produce salt from the Great Salt Lake, because there is salt there and not in Lake Michigan or in Lake Erie. It is spent on water developments in the Northwest, because our second mightiest river is there.

I wish to enlarge upon that point, if I may, and point out, as a part of the Senator's speech, that when expenditures are related to the proportion of water resources in an area, it is doubtful that the Northwest has had its fair share of the appropriations.

I become a little tired of hearing the charges which are being made by selfish groups in some parts of the country to the effect that we, in the Pacific Northwest, are getting more than our fair share of appropriations. In the first place, we are not. In the second place, whatever appropriations go to the development of the power resources of the Pacific Northwest and the conservation of other natural resources in the Pacific Northwest, help every citizen of the country, no matter where he or she lives, whether it be in Maine, Florida, Pennsylvania, Ohio, California, or any other State, because only to the extent that we conserve our natural resources, and carry out the doctrine of trusteeship preached by Pinchot and Teddy Roosevelt, and leave our natural resources in better condition than that in which we found them, will we keep faith with future generations of American boys and girls. I stress that point as I now place in the RECORD, with the permission of the Senator from Montana, certain figures.

For the information of the Senator from Utah and other like-minded Senators, I should like to have printed in the RECORD at this point a small table. It is taken from Geological Survey Circular 367, entitled "Developed and Potential Water Power of the United States and Other Countries of the World, December 1954." It is very informative.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

State	Available 50 percent of the time	Available 90 percent of the time
	Percent	*Percent*
Washington	20.33	19.44
Oregon	10.51	10.33
Idaho	6.85	6.93
Montana	3.92	4.24
Pacific Northwest	41.61	40.94

Mr. MORSE. The figures given show the percentages of the national potential water power which are located in the four States of the Northwest. The figures are as follows: For Washington, available 50 percent of the time, 20.33 percent; available 90 percent of the time, 19.44 percent. For Oregon, available 50 percent of the time, 10.51 percent; available 90 percent of the time, 10.33 percent.

For Idaho, available 50 percent of the time, 6.85 percent; available 90 percent of the time, 6.93 percent.

For Montana, available 50 percent of the time, 3.92 percent; available 90 percent of the time, 4.24 percent.

The figures show that, for the total Pacific Northwest, encompassed by the States I have mentioned, there is available 50 percent of the time, 41.61 percent; available 90 percent of the time, 40.94 percent.

What do those figures mean? If the Senator from Utah and others will examine the figures, they will notice Oregon and Washington, the two States which he thought were getting such an excessive proportion of national expenditures for water resources development because they get 15 percent of such expenditures, actually have within their boundaries 30 percent of the Nation's total potential water power, the one investment which pays its way in cash, and returns to the Treasury of the United States many times its cost to the taxpayers.

So far as the dams are concerned, the dams of the Columbia River system are ahead of their payout schedule today. Could it be that we are really not giving the Northwest its fair share of the appropriations, rather than giving it more than its fair share, as has been charged?

If the Senator from Montana will permit me, I should like to buttress his speech by stressing again what the Senator has heard me stress so many times, but which cannot be repeated too often.

What is our problem in regard to natural resource conservation? Fundamentally, it is a problem of conserving water. If I were asked to name what I think is the greatest domestic need of the American people today, my answer would be that the American people should wake up, before it is too late, to the great need of conserving America's water supply. America's water table is going down; and with that table going down, America's civilization will go down, not in our lifetime, but it is inescapable if we do not stop the falling water table.

All I have to do is to send the reader to the library to read the sorry tale of history. When nations do not protect their water supply, they cease to climb the ladder of civilization. Consider the cases of China, Persia, and the Middle East. Believe it or not, the fallen civilizations in the history of mankind happen to be the civilizations in which there are always one common element, namely, the failure of the people to conserve their natural resources, and particularly their water supply.

In the Middle East today, there is under vegetation a little less than one-fourth the land area which was under vegetation when that area was the home of great civilizations.

In China there are thousands of square miles of eroded topsoil and deforested mountains, and a falling water table. There are physical facts. I plead with the American people to remember those facts as the Senator from Montana leads the Senate, as he has done for so many years, in the great fight for the conservation and protection of our natural resources, in the tradition of Gifford Pinchot and Teddy Roosevelt, and of George Norris, Hiram Johnson, Clarence Dill, and other great Senators who preceded the Senator from Montana in this body.

The Senator from Montana, as chairman of the Senate Committee on Interior and Insular Affairs, is warning the American people once again, in answer to the claims of the Senator from Utah, that now is the time to protect the natural resources of the United States.

As I said in Salt Lake City last Saturday, and repeat here today—and my colleague has made reference to it—I made a fight on the floor of the Senate for the upper Colorado River project, against strong opposition in my State. Senators should read the mail which I received. I was asked, "Why are you fighting for the upper Colorado project, when some Western Senators are blocking Hells Canyon Dam?"

I do not serve in the Senate on the basis of any theory of blocking something that is good merely because I am unable to obtain support for something else which is likewise good. I do not believe in that kind of legislative process.

I fought for the upper Colorado project because I think it is a sound project from the standpoint of conserving our water supply. I went there and inspected the area. I noted, for example, that large segments of that region were already water disaster areas. In Denver, Colo., there is water rationing for several weeks in the year, because of a falling water table. I knew the time had come to take action on the upper Colorado project, and I supported it.

I would be less than honest if I did not express keen disappointment that the Senator from Utah and some other Western Senators from the opposition party have been helping to block Hells Canyon Dam, which is just as sound and just as much needed for the future use of American boys and girls as the upper Colorado River project. But I will not take the position that I will join in any so-called disciplinary procedure to prevent some other good project from developing, just because the Senators interested in it are too narrow in their vision or too provincial in their view to support a magnificent project like Hells Canyon. Such a position would simply contribute to the anarchy in western development which is being fostered by the views of the senior Senator from Utah in fighting against full development of the water resources of the Columbia Basin, and I will have no part in it.

Mr. MURRAY. I thank the able Senator from Oregon. He has made a very valuable contribution to this discussion. His statements cannot be questioned. They are on the record, and no one can dispute them.

On April 20, 1955, during the upper Colorado debate, the Senator from Utah [Mr. WATKINS] knew that expenditures depend on the location of the resources to be developed. The Senator from Oregon [Mr. MORSE] has discussed that in some detail, and has made it very clear. The Senator from Utah told the Senate then:

> Navigation, flood control, and hydroelectric generation are similarly located where there is water—not in the desert.

SOME STATEMENTS CORRECTED

Having listed the allegedly tremendous expenditures for flood control and navigation projects in the Northwest, the Senator from Utah says:

> These expenditures, furthermore, were first costs only. No estimate was provided on the planning and operation and maintenance costs for those projects. This continuing overhead expense, largely assumed by the Federal Government under these two programs, could amount to hundreds of millions of dollars during the lifetime of these projects.

I am almost embarrassed to have to answer such statements. My good friend from Utah knows better if he will only consider a bit. For instance, I am sure he is really aware that planning costs of these projects are included in what he calls first costs—the initial investment in the project.

He must be aware that the cost of operation and maintenance of the great power projects he is talking about—Bonneville, The Dalles, McNary, Chief Joseph, and the rest—are not an additional expense to the Government. The distinguished Senator's own statement says at one point:

> A total additional payment of $170 million has gone into the Treasury, but it has gone toward payment of operation and maintenance and interest.

The Senator from Utah would be more accurate if he told how well our projects are paying their own way, instead of accusing them of being a load on the Federal Treasury. All flood control and navigation projects anywhere in the Nation are nonreimbursable. Power projects repay their costs. They are not a cost to the taxpayers. Besides returning the investment in their construction with interest, they stimulate the economy of the area, stimulate industry, and tremendously increase tax collections from the corporations and newly employed workers.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. MORSE. I believe a quotation from the remarks of the Senator from Utah should be inserted at this point. He was speaking of the Colorado River storage project on the Senate floor on August 19, 1954, when he said:

> The resulting productivity of the area served by the project, besides providing the money to repay all the reimbursable project costs, also will furnish tax revenue estimated to be far in excess of the total cost of the project every 50 years.

Let me say that that is likewise true of such great projects as we are fighting for in the Pacific Northwest, like the Hells Canyon Dam.

Mr. MURRAY. I thank the Senator for his statement.

People who oppose Federal investment in resources development preach a philosophy that would keep America perpetually in the pre-McKinley, horse-and-buggy days. If we are going to accept the philosophy behind criticism of the great projects that have stimulated the economy of the Pacific Northwest, then we ought to rescind authorization of the upper Colorado project right away. And if we cannot afford to invest in self-liquidating public works, we ought to stop building highways and ride bareback as of old, for we cannot afford nonreimbursable public works either!

NO FEDERAL GRATUITIES INVOLVED

It is impossible to stand idly by while the Senator from the upper Colorado refers to Federal gratuities involved in Northwest projects and the size of the outstanding indebtedness. An investment which will be repaid with interest, including the full amounts required for operation and maintenance, is surely not a gratuity.

The Senator from Utah [Mr. WATKINS] says that "during the first 15 years of operation the Columbia Basin has paid off only $170,409,916 on its total net capital investment." He fails to point out that exactly 2 years before the end of the period he mentions, at the end of fiscal 1952, there were in operation in that entire basin only 2 projects which could pay anything back to the Government: Grand Coulee and Bonneville Dams. How can projects begin to pay for themselves when they are not even completed?

Mr. MORSE. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. MORSE. I should like to place in the RECORD at this point another quotation from the Senator from Utah.

I quote from the hearings on the Colorado River storage project of Wednesday, June 30, 1954, page 312. He said:

> If the income from the project overall is enough to repay the costs to the United States and leave something for the people themselves, then it ought to be built.

He is right. I think that is equally applicable to some of the Pacific Northwest projects such as Hells Canyon, which he is now opposing.

Mr. MURRAY. I thank the Senator for his valuable interposition at this point.

Why were not up-to-date figures used by the Senator from Utah? Total capital repayment at the end of fiscal 1956, as shown in schedule 3 of the 1956 report of the Bonneville Power Administration, was $202,178,224, which places the entire program some $77.1 million ahead of schedule on repayments. Imagine that—a Government spending program which not only pays for itself, but is actually over 60 percent ahead of its repayment schedule, in addition to paying, as the Senator from Utah points out, the full costs of operation and maintenance and of interest charges on the unpaid balance. Before this $202 million was credited to repayment, the Bonneville Power Administration had turned over $247 million to pay for operation, maintenance, and interest.

I should like to say to the Senator from Utah that if the upper Colorado project ever gets 60 percent ahead of its repayment schedule and matches the record of

the Northwest projects, he will be justified in feeling proud of his part in bringing the upper Colorado into being, just as we who have worked for the Columbia River System development feel proud when we view its achievements.

Mr. CHURCH. Mr. President, I wish to commend the distinguished Senator from Montana, our esteemed chairman of the Committee on Interior and Insular Affairs, for the address he is now making. I may say, in this connection, that I think it is a public service to point out that these dams are not impositions upon the taxpayers, as they are so often made out to be by their critics, but, in fact, they are investments in the country and in the future; investments which represent a borrowing from the Treasury, and which will be repaid, with interest, by the dams themselves.

In that respect, I think it noteworthy that the Senator from Utah [Mr. WATKINS] himself made the following statement as recently as April 20, 1955, in the course of the Senate debate on the upper Colorado project:

> So, Mr. President, by means of this project, we shall accomplish two purposes. First, we shall be able to develop the necessary water; and, second, from the same program we shall be able to develop power at no extra cost to the people of the United States, who will loan us the money, to be repaid over a period of 50 years, for each of the projects.

So it is with the Hells Canyon project: It will be an investment of the public money in the future of the country, and will be repaid, with interest, to the Treasury.

In pointing this out, and in pointing up the fiscal validity of the Bonneville Power System, I say to the distinguished Senator from Montana that, in my opinion, he has rendered worthy public service.

Mr. MURRAY. I thank the able Senator from Idaho. I welcome these interjections. I am certain that if we were to search the records, we could fill the RECORD for many days with quotations from the Senator from Utah which would support the position we have been taking with reference to these projects in the West.

The benefits of the Columbia Basin Power System and the Tennessee Valley Authority to the people of this Nation cannot be measured entirely in dollars and cents, as we have been discussing them.

Without elaborating on the subject, let me remind the Senator from Utah that these two areas made outstanding contributions to winning the last great war. Availability of abundant power in those areas saves tens and hundreds of thousands of young men's lives.

It is not impossible that this Nation may again have to defend itself and the Free World. If that day comes and we find our country harnessed with little, private-owner-company dams, wasting half the energy potential of our great rivers, as at Hells Canyon, those who today are battling for such underdevelopment of our potential power will inevitably have a heavy load upon their consciences.

We should never forget that it is energy—abundant energy—which wins wars with a minimum of human sacrifice. We must not waste our power resources.

ALLOCATION OF AT-SITE POWER FROM HUNGRY HORSE TO MONTANA

The Senator from Utah has tried to cause dissension among States by alluding to the reservation of at-site power generated at the Hungry Horse project for the State of Montana. The Hells Canyon Dam bill reserves 500,000 kilowatts of power for the State of Idaho, and the Senator bemoans the fate of the poor citizens of Idaho who are thus discriminated against.

At pages 274 and 275 of the hearings held last year by the Interior Committee and a subcommittee of the Foreign Relations Committee on the problems of upper Columbia River development, there are facts which the Senator, in fairness, should have added to his statement about these power reservations.

The power produced at site by the Hungry Horse Dam is 197,000 kilowatts of prime power. Water storage at Hungry Horse adds 613,000 kilowatts capacity to existing downstream dams. Montana actually gets less than 25 percent of the total power attributable to this project.

Mr. MORSE. Mr. President, will the Senator from Montana yield to me?

Mr. MURRAY. I yield.

Mr. MORSE. I note that when the Senator from Utah referred to the Hungry Horse Dam, he used only at-site figures in calculating the cost of Hungry Horse power. I am sure the Senator from Montana agrees with me that we must consider the problem of basin-wide integration in connection with these dams and the control of river flow.

It is interesting to recall that, in times past, the Senator from Utah [Mr. WATKINS] himself has recognized that; and in that connection I should like to quote from what he said in debate on the floor of the Senate on August 19, 1954. The Senator from Utah at that time asked this question:

> Is it not true that the large dams have to be integrated so that the maximum amount of firm power can be produced and the best job can be done in regulating the river and saving water when the water comes down during floods?

Does not the Senator from Montana agree with me that on that occasion the Senator from Utah was correct?

Mr. MURRAY. Yes; that is correct.

Mr. MORSE. But when it comes to calculating the cost of the Hungry Horse Dam, the Senator from Utah does not take into account anything except the at-site power, and he fails to take into account the integrated power; is not that true?

Mr. MURRAY. That is true. In the course of my remarks I shall dwell on that point to some extent; but I very much appreciate the remarks of the Senator from Oregon, who has stated the matter in so clear a fashion.

Mr. President, I regret very much that the Senator from Utah [Mr. WATKINS] is not present at this time to hear these remarks. This morning his office was advised of my intention to allude this afternoon to his April 4 statement. I am sure he will be interested in reading the RECORD which is made today, and that at a subsequent time he will have something to say.

What does the next page of the upper Columbia hearings show about Hells Canyon? At-site power produced by Hells Canyon will be 686,000 kilowatts of year-round prime power. Storage of water there will add 187,000 kilowatts of prime power production at downstream dams existing and under construction, including Ice Harbor, McNary, the Dalles, and Bonneville. So the Idaho reservation of 500,000 kilowatts is over 56 percent of new generating capacity attributable to Hells Canyon Dam. Actually, the total production created immediately by Hells Canyon Dam at other dams in the system, including Chief Joseph upstream on the Columbia, will be 274,000 kilowatts for a total of 960,000. Even this larger figure leaves Idaho with 52 percent of the total power production attributable to Hells Canyon.

Twenty-five percent for Montana and 52 percent for Idaho! This is not discrimination against Idaho, and no inflammatory use of half the facts is going to turn the people of the two States against each other.

Mr. CHURCH. Mr. President, will the Senator from Montana yield to me?

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Does the Senator from Montana yield to the Senator from Idaho?

Mr. MURRAY. I yield.

Mr. CHURCH. I would feel remiss, Mr. President, in the performance of my duties as a Senator from the State of Idaho if I did not point out at this time, in connection with the excellent address now being delivered by the distinguished Senator from Montana, my belief that the interests of Idaho are not only fairly dealt with under the provisions of the Hells Canyon bill, but also that the benefits which will be derived by my State from enactment of the Hells Canyon bill will constitute a bonanza for Idaho and an economic stimulus which will contribute tremendously to the future growth and development of Idaho. If it were not for my belief that Idaho's interests are not only adequately safeguarded but also are generously promoted by the bill, I could not in good conscience support it.

I desire to commend the Senator from Montana for the statements he is making in respect to the allocation of power, under the Hells Canyon proposal, for the use of Idaho.

Mr. MURRAY. Mr. President, I thank the Senator from Idaho. His remarks are very much in point, and I am glad he has made them at this time.

Mr. President, it is an old technique to try to get people divided along man-made lines on the map. But the only way to make sense in dealing with a river basin is to treat the entire basin as a single entity and develop it accordingly with comprehensive planning. This benefits the whole area, and also the Nation, as well. The people know this, and they are not going to fall for the fight-each-other technique.

Mr. MORSE. Mr. President, will the Senator from Montana yield again to me?

Mr. MURRAY. I yield.

Mr. MORSE. Mr. President, I am glad the Senator from Montana has brought out the single-entity theory. It is true, is it not, that the Hungry Horse Dam is only one segment of a particularly comprehensive river-development program? It is not at all an entity, of itself, is it?

Mr. MURRAY. It is not. It benefits the whole area downstream; and it benefits not only the State of Montana, but also the Nation.

Mr. MORSE. Is it not true that when we speak of full development, as compared with partial development, of the river basin, we have in mind the benefits which will accrue from building dams such as Hungry Horse or Grand Coulee or Hells Canyon or McNary or any of the other dams in a total basin development area; and if we are to consider the economic benefits, we cannot limit our statistical analysis to the cost ratio of a given dam, but we must also consider the benefits which will flow from the dam from the standpoint of its effects upon the entire river basin. Is that not true?

Mr. MURRAY. That is absolutely correct, and it is coming to be understood generally by the people of the country, and especially by the people of the West.

Mr. MORSE. Mr. President, it seems to me that the Senator from Utah understood that fairly well when the Senate was debating the upper Colorado River project.

Mr. MURRAY. Indeed, he did.

Mr. MORSE. He was entirely in favor of that project.

At this point I should like to refer to the CONGRESSIONAL RECORD and the Senate proceedings on January 11, 1954.

On January 11, 1954, the Senator from Utah [Mr. WATKINS] requested consent to have printed in the CONGRESSIONAL RECORD a letter to the editor of the New York Times, written by Ernest H. Linford, editorial writer of the Salt Lake Tribune. Endorsing Mr. Linford's letter as excellent the Senator from Utah explained that Mr. Linford enjoyed a distinguished reputation for his courageous editorials. The letter, as printed in the CONGRESSIONAL RECORD, volume 100, part 1, page 111, reads in part as follows—and I shall now read from the letter which the Senator from Utah so heartily approves:

> The upper Colorado River Basin program must be considered as an entity. It is carefully integrated and balanced—as to storage, power links, other use of water and as to repayment to the Government. Eliminating or radically changing one element in the coordinated plan could throw the overall program out of balance, making it economically or otherwise unfeasible.

Mr. President, let me say to the Senator from Montana that I completely agree with Mr. Linford's observation. I am glad that at that time the Senator from Utah agreed with it, although the discussion on that occasion was in connection with the upper Colorado River project, of which the Senator from Utah was the author.

Let me say, for the benefit of the Senator from Utah, that exactly the same observation applies to the Columbia River Basin; and the Hungry Horse Dam, which the Senator from Montana has been discussing, is a very vital link in the whole development of the basin of this river in the Pacific Northwest.

I would say to the Senator from Utah that the same observation applies to the Hells Canyon Dam, which he is opposing. The Hells Canyon Dam is a vital link in the full development of the Columbia River Basin. That is why I am taking such an adamant position in opposition to one Dwight D. Eisenhower's proposal for underdevelopment of the Columbia River Basin and for giving away to the private utilities the people's heritage in the full development of that river.

I have said on the floor of the Senate before, and I repeat today, Dwight D. Eisenhower is guilty of a shocking betrayal of a public trust to future generations of American boys and girls by his giveaway policy in regard to the Columbia River Basin, and by his refusal to go along with the Hells Canyon proposal which will provide full development of that section of the Columbia River Basin.

The time has come to draw this issue in language which the American people will understand. When we have a President of the United States who, for example, takes out of the pockets of the American taxpayers thousands, and, yes, millions, of dollars of interest money and gives it free to the Idaho Power Co., it is time that someone says, as I have been saying, that that is political immorality; and it rests squarely on the shoulders of Dwight D. Eisenhower. The time has come to call his tactics what they are.

I want to say that in the Hells Canyon Dam historic debate, which is to open in the Senate of the United States in the next few days, I intend to carry the fight to one Dwight D. Eisenhower, because he is the stumbling block. He is the man who last year had the calls made to colleagues in the Senate to halt Hells Canyon Dam.

There has been an election since. The people of my State made clear what they think of his tactics. The President ought to read the mail I am getting in regard to this unconscionable act of recent days for which he has to take responsibility, when his own ODM, under Mr. Gray, has granted to the Idaho Power Co. something which will cost the American taxpayers millions of dollars.

I do not like to talk quite so roughly as this about a President of the United States, because I have great respect for the Office. But when any occupant of that Office follows the course of action Mr. Eisenhower has followed, representing a betrayal of the public trust, giving away the heritage of future generations of Americans in their own natural resources and letting private utilities dominate his administration, the time has come for someone to use language the people can understand about the man in the White House. I say the time has come for Congress to reverse the shocking betrayal of a public trust of which the President is guilty.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. MURRAY. I thank the Senator from Oregon for his observations. I think the facts we have developed entirely justify his vigorous remarks. There is no question that the President owes a duty to the country to state the problem facing us, and to act upon it with fairness and justice to the people.

I yield now to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I asked to interrupt the Senator from Montana because I think it is most important to call the attention of the people of the United States to the fact that the policy we have been following in recent years with respect to the development of natural resources is fundamentally unsound.

I share the feelings of the Senator from Montana and the Senator from Oregon with respect to Hells Canyon, and I supported the Hells Canyon bill in the committee. I shall support it on the floor. However, I wish to call attention to the fact that there is more than water involved. A little later this afternoon, when the opportunity shall be afforded to me, I shall talk about our failure to develop oil shale and coal resources.

I do not know whether it is understood, but the fact is that in the modern world, wars are becoming more frequent and longer, and the periods of peace are becoming shorter.

With the indulgence of the Senator, I should like to call attention to some facts I discovered by consulting the World Almanac the other day. Napoleon captured Moscow on the 14th of September 1812. Three years later he was overwhelmingly defeated, on June 18, 1815, at Waterloo, and he was captured and made a prisoner for life.

The Napoleonic Wars, this record shows, terminated in 1815. There was no additional war in Europe until 55 years had passed. The Franco-Prussian War broke out in 1870. After that war was ended by the triumph of the Kaiser and of Bismarck, Europe had peace for 44 years. That interval of peace was 11 years shorter than that which occurred between the defeat of Napoleon and the beginning of the Franco-Prussian War.

World War I raged from 1914 to 1918 but the interval between the outbreak of that war and the close of the Franco-Prussian War was 11 years shorter than the interval between the Napoleonic Wars and the Franco-Prussian War.

Twenty-one years passed—half the time between the Franco-Prussian War and World War I—and the world found itself involved in World War II. That began in 1939. It terminated in 1945.

We have been on the brink of war ever since. All the peace treaties have not been written. We do not know yet what the fate of Europe is to be, or, indeed, the fate of the world, but we are manufacturing atomic weapons.

We have lost the armaments race. We are not as far ahead of Soviet Russia today as we were in 1945, 12 years ago. Soviet Russia has built a new fleet of submarines. That fleet is greater than the fleet of submarines which Hitler had,

and Hitler's fleet of submarines sank the oil which was being imported into the United States from South America.

Mr. MURRAY. And manganese, too.

Mr. O'MAHONEY. And manganese too, as the Senator properly suggests.

We have neglected our own resources. We have spent for the peace of the world the resources we had in great volume. The Mesabi range was exhausted because we made weapons of war of the iron ore in that range—weapons which were sunk in every sea across the world, and which were destroyed on every continent of the world except our own.

We must see now that if there should be a third world war, the fight would be here, or else we are blind. So it behooves us—we who have used our resources with a free and generous hand to win the wars of this century—so to use our water resources, mineral resources, coal, and oil shale as to make certain that our country will not be dependent upon foreign sources of supply for the industrial equipment and the industrial energy which are so essential to our preservation.

It gives me a great deal of pleasure, Mr. President, to note that the Senator from Montana, the chairman of the Committee on Interior and Insular Affairs, is laying these facts before the people of the United States this afternoon. When he has finished I hope to take the floor to talk about a bill which my colleague, the senior Senator from Wyoming [Mr. BARRETT], and I introduced 2 days ago to reestablish the Bureau of Mines as an entity in the testing of coal and oil shale for the manufacture of liquid fuels so as to make the United States independent of foreign sources of supply.

Mr. MURRAY. I thank the Senator from Wyoming for the very fine remarks he has made, which should shock the Nation into a realization of the serious condition that confronts us. I thank him very gratefully.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. MURRAY. I yield to the Senator from Idaho.

Mr. DWORSHAK. The Senator from Idaho is very much interested in water resource development in the Northwest and is in accord with the views expressed by the Senator from Montana concerning the need for arousing the people, so that we may have made a very careful and thorough study and survey of the future development of the great Columbia River Basin. That is why the people of Idaho are particularly concerned about the development of the so-called Hells Canyon area of the middle Snake River.

The Senator from Idaho would be remiss in his duty if he did not express his appreciation to the Senators from the Northwest for the solicitude which they are displaying in regard to this water resource development in Idaho. I should like, if the Senator will yield, to invite attention to the acreage in the Snake River drainage basin, which totals 69,760,000 acres.

There are seven States in the Columbia River Basin. The Senator's State of Montana is in that basin, but unfortunately does not have any acreage in the Snake River drainage basin.

Oregon has 12,922,000 acres, Washington has 3,392,000 acres, Idaho has 46,297,600 acres, Wyoming has 3,270,400 acres, Nevada has 3,577,600 acres, and Utah has only 230,400 acres in the Snake River drainage basin. These figures were compiled by the Chief of Army Engineers and published in House Document 531, 81st Congress.

The Senator from Idaho merely wishes to stress the important fact, in connection with the total acreage in the Snake River drainage basin, that Idaho has exactly two-thirds of the total acreage. So it is peculiar that the Senators from the other States in the Columbia River Basin are so solicitous about safeguarding the interests of Idaho so far as water resource development is concerned. Surely, if Idaho has two-thirds of the total acreage in the drainage area, and provides most of the water, following the suggestion made by the Senator from Montana, that the people ought to become aroused, I can assure him that the people of Idaho are being alerted to the need for conserving and using wisely the water resources of the Snake River Basin under priorities which the State claims.

Mr. MURRAY. I thank the Senator from Idaho for his observations. I am sure what he says will be very carefully studied and considered.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. MURRAY. I yield to the Senator from Oregon.

Mr. NEUBERGER. Is it not a fact that the two distinguished Senators from the State of Montana [Mr. MURRAY and Mr. MANSFIELD], the Senators from the State of Washington [Mr. MAGNUSON and Mr. JACKSON], the Senators from the State of Oregon [Mr. MORSE and Mr. NEUBERGER], and now the junior Senator from the State of Idaho [Mr. CHURCH], in their approach to river basin development, have not looked to see how many particular acres in their State or somebody else's State were within the confines of some certain river valley? Instead, the Senators whom I have enumerated have felt that all the great river basins of the West and of the Nation should be wisely developed and prudently conserved.

For example, the 2 Senators from Montana, the 2 Senators from Washington, the 2 Senators from Oregon, and the junior Senator from Idaho come from States which are either completely outside the Colorado River Basin, or only inside of it fragmentarily, yet they all have supported wholeheartedly, either as Members of the Senate or as citizens, if they were not in the Senate, the full development, at a very high cost and very great expense, of the Colorado River Basin.

They have not taken the position of the senior Senator from Utah [Mr. WATKINS], for example, that he favors nearly $1 billion worth of development in his own basin, but is leading the fight against any new Federal authorizations or starts in the Columbia River Basin. No. They have taken the broad gage view, as distinguished and characterized by the position of the senior Senator from Montana.

To my knowledge, in the slightly less than 2½ years I have been a Member of the Senate, and in the considerably longer period of time in which I have observed these developments as a writer and journalist in the Pacific Northwest, I have never seen the Senator from Montana distinguish one river basin from another on the basis of how many acres in his own State happened to be inside a given basin. The senior Senator from Montana has made his judgment on the measurement of the resources which a generous Creator put in a certain place. If those resources were there, not through any act of some human being but because of the beneficence of the Almighty, and they could be developed for the benefit of America and of mankind, the senior Senator from Montana has favored their development. He has never tried to "Balkanize" our country by pitting one region against another, as has possibly been done by the senior Senator from Utah, as pointed out in the outstanding speech being delivered today by the senior Senator from Montana.

I wish to say to the able senior Senator from Idaho [Mr. DWORSHAK], speaking for myself as one Member of the Senate and one member of the Committee on Interior and Insular Affairs, that it is a privilege for me to serve as a member of the Committee on Interior and Insular Affairs under the chairmanship of the Senator from Montana [Mr. MURRAY]. I go to him with problems from the State of Oregon, and the Senator from Idaho goes to him with problems from the State of Idaho, just as the Senator's junior colleague goes to him with problems from the State of Idaho, and other Senators go to him with problems affecting the States of Washington, California, Wyoming, Colorado, or whatever the States may be. I have never seen the Senator from Montana [Mr. MURRAY] in his consideration of those problems distinguish as to whether or not they affected or benefited his State. He has taken the same attitude, without discrimination and with complete fairness, pertaining to the entire West. I think this is one reason that all of us, regardless of political partisanship, regard the Senator from Montana as a great chairman of the Senate Committee on Interior and Insular Affairs.

Mr. MURRAY. I wish to thank the able Senator from Oregon for his very generous remarks. I do not feel that I am entitled to such commendation, but I have always tried to cooperate with the Senators from all sections of the country in the consideration of their problems and programs. I am sure that all know my heart is in the right place, and I always wish to cooperate in efforts to solve these problems in the interest of the welfare of the people.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. MANSFIELD. Mr. President, I wish to join my distinguished colleague from Oregon in commending the senior Senator from Montana, the chairman of the Committee on Interior and Insular Affairs. I agree with every word said by the Senator from Oregon, because I know from firsthand experience over a good many years how much the interests of the people have always been in the heart of my distinguished colleague, the senior Senator from my State.

I may say, also, in looking after the interests of the people of the United States generally, the senior Senator from Montana has never neglected the interests of the people of Montana in particular. This morning in his office he was visited by about 16 members of the various Indian tribes from the State of Montana, to discuss problems affecting their interest. I think he has been a distinct asset and honor, not only to the Senate of the United States, but to the United States as a whole, and most particularly to the State of Montana. I think we owe him a great debt of gratitude for the fine humanitarian work he has done down through the years.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. NEUBERGER. I should like to comment briefly on the remarks made by the distinguished junior Senator from Montana [Mr. MANSFIELD]. I think the statesmanship demonstrated by both Senators from Montana in their successful advocacy of the Hungry Horse Dam and in their work for that project, when the senior Senator from Montana was in the Senate and the present junior Senator from Montana was in the House of Representatives, symbolizes the fact that all the West can be benefited by a project which may be located in a single State. The Hungry Horse Dam, which happens to be a project within the borders of Montana, has strengthened the entire Pacific Northwest. It has helped to firm up the flow of the great Columbia River. It has taken the crest off some potential floods. It has increased downstream power production in the States of Washington and Oregon. This great project would have have been built had it not been for the active and successful promotion of it by the present senior Senator from Montana in the Senate, and the present junior Senator from Montana when he was a Member of the House of Representatives.

It seems to me that the Hungry Horse Dam, which stands as an upstream development in the Columbia Basin, is an example of what could be accomplished if the still larger and greater Hells Canyon project were constructed, not only with benefits to that part of Oregon and Idaho where the project would be located, but with benefits all the way downstream—the benefit of jobs made possible by low-cost power; the benefit of increased economic activity, increased payrolls, and increased tax base, and increased consumption of locally grown farm products all over the Pacific Northwest.

Mr. MANSFIELD. Mr. President, will my senior colleague yield to me?

Mr. MURRAY. I yield.

Mr. MANSFIELD. I am delighted that the Senator from Oregon has brought up the question of Hungry Horse Dam. I think we know that the leader in the fight during the years we were fighting for it was the distinguished senior Senator from Montana.

I think it should be brought out that when we advocate multipurpose projects, we are not advocating giveaways. For illustration, Hungry Horse Dam has broadened the tax base. It has furnished 700 jobs in the Flathead Valley, where chronic unemployment used to be the norm every winter. It has brought security, new hope, and new industry.

Furthermore, every dime the Federal Government has put into Hungry Horse Dam and all the other multipurpose projects is repayable with interest.

In addition, I would be willing to wager that every multipurpose project built in the Columbia River Basin will be repaid fully long before the period originally agreed upon.

Mr. NEUBERGER. They are ahead of schedule, so far as payments are concerned.

Mr. MANSFIELD. These are developments in the interest of the people of America. I think we should begin looking after our own people for a change, and give them some consideration. We should develop our resources and give our people some security. We should give our youngsters an opportunity to develop and grow in one of the most important parts of this great Nation.

Mr. MURRAY. I thank my colleague for his kind remarks and for the eloquent illustrations he has given of the benefits of these programs.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. DWORSHAK. The Senator from Idaho has had the pleasure of serving for more than 6 years as a member of the Senate Committee on Interior and Insular Affairs, during a part of which time the distinguished senior Senator from Montana has served as chairman. The remarks of the senior Senator from Idaho a few minutes ago in no way reflect any criticism of the chairman of the committee, because everyone recognizes his fairness, and his judicial approach to all the problems affecting the States of the West.

Mr. MURRAY. I thank the Senator for his observations. I assure him that I have always tried to cooperate with the Republican Members of the committee, and to give them a full and fair opportunity to present their views in every case that has ever come before our committee.

Mr. DWORSHAK. The Senator from Idaho is in accord with that expression of sentiment, and can frankly say that, so far as the deliberations of the Committee on Interior and Insular Affairs are concerned, partisanship has usually been avoided as the basis for legislative action.

Mr. MURRAY. I agree with the Senator. I think the Republicans on that committee have cooperated with me. I have great respect for them. I recognize the contributions they have made to the success of the deliberations of the committee.

Mr. DWORSHAK. Mr. President, will the Senator further yield?

Mr. MURRAY. I yield.

Mr. DWORSHAK. A few years ago, when the late Senator Hugh Butler of Nebraska served as chairman of that committee, I am sure that he had the cooperation of the Democratic members of that group in trying to promote some of the programs and solve some of the problems affecting the West.

Mr. MURRAY. He certainly did.

Mr. DWORSHAK. The junior Senator from Oregon has just stated that we should approach resource development not on a regional or State basis, but rather, on an overall basin basis. He referred to the support which was forthcoming at the time the Hungry Horse project was authorized, and during the years when appropriations were made available to complete that fine water resource development.

At this point the Senator from Idaho would like to emphasize the desirability of continuing that spirit of cooperation. The Senator from Oregon refers to the Hungry Horse project as having been of unusual value and importance to the people of Montana. I am sure that if the Senator from Oregon were to be consistent he would agree to support the Bruces Eddy project on the north fork of the Clearwater River, which is also a very vital project, and important to the State of Idaho. It certainly fits into the same category as does the Hungry Horse project. I am sure that the junior Senator from Oregon, if he applies the formula which he has just outlined, will find himself in complete accord with the efforts to have the Bruces Eddy project authorized.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. NEUBERGER. I should like to comment on the statement of the Senator from Idaho, inasmuch as he has discussed my statement.

I will say to the distinguished senior Senator from Idaho, because he has brought up the question of the Bruces Eddy project, that Bruces Eddy is quite different from the Hells Canyon project. The Hells Canyon project is infinitely greater in scope, far greater in the flood-control storage which would be provided, and infinitely more productive in the amount of hydroelectricity which would be generated, than is the Bruces Eddy project.

In addition, the Hells Canyon project would not have an adverse effect on fisheries, wildlife, or wilderness areas that encompass and safeguard scenic grandeur. Virtually every outdoor and wildlife organization in the United States has gone on record as opposed the Bruces Eddy project and supported the Hells Canyon project.

I myself do not understand the position of the distinguished senior Senator from Idaho. In his own State he has consistently advocated the Bruces Eddy project, and yet has opposed the far more productive, far more valuable Hells Canyon project. I may be entirely mistaken in my understanding of his position, but I do not comprehend it.

Let me conclude by adding one further observation in connection with the very able address of the senior Senator from Montana. I am pleased that he has

emphasized the full development of our great rivers, like the Snake River and the Columbia River. Today, as we stand on the floor of the Senate, our potential foes in the Soviet Union are building some of the largest river development projects ever undertaken. These projects involve the Yenesei, the Ob, the Lena, and the Volga Rivers. It is my information that there is a greater quantity of potential hydroelectric power within the borders of the Soviet Union than within the borders of the United States.

Today we are far ahead of the Soviet Union in production of energy, but they are going forward with projects which I understand, in some instances, will be even bigger than Grand Coulee, which now stands as the largest hydroelectric undertaking ever built in any country. How can we, in our country, sacrifice our rivers, which are a God-given resource, to anything less than full development, if our potential enemies in Russia are using still mightier rivers, such as the Yenesei, the Ob, the Lena, and the Volga to the utmost of their capacity in kilowatts?

It seems to me that it is folly, from the standpoint of national defense, for us not to obtain every single kilowatt lurking in rivers like the Columbia and its tributaries, when this power can be tapped without imperiling wildlife.

Mr. MURRAY. I thank the Senator from Oregon [Mr. NEUBERGER] for his very clear explanation of the situation. I am sure that the people of this country are aware of the importance of this problem of developing our American resources to their highest potential.

I thank the Senator from Idaho [Mr. DWORSHAK] for his remarks. I assure him that Montana and the Senate and the Congress want to see Idaho prosper. That is why the two Senators from Montana and its Representatives are fighting for Hells Canyon. We think it will be a great benefit to Idaho.

The Senator from Utah [Mr. WATKINS] also expresses a belief that the reservation of power to Idaho is subordinate to the general preference clause of the Bonneville Project Act, so that Idaho could lose all its rights to this power reserved. Counsel advises me to the contrary. The statutory reservation to Idaho comes first. Within Idaho, public and cooperative distribution systems will have first call on the 500,000 kilowatts of power. But preference outside Idaho cannot defeat the express reservation of the 500,000 kilowatts for use in Idaho and other small parts of the Snake River Basin lying outside Idaho.

HOW WILL IDAHO'S INTERESTS BE BEST SERVED?

Another effort to stir dissension between Idaho and Montana is the charge that Idaho suffered great injury when the Victor Chemical Works built its new plant in Butte, Mont., instead of in Idaho.

Idaho lost this plant because it did not not have the necessary low-cost power to offer Victor. Montana did. If my colleague from Utah would really like to help the people of Idaho, the logical way to do it is to help them develop their low-cost power. I invite the Senator from Utah, earnestly and sincerely, to join me in helping Idaho get the real solution for its development problems by backing Hells Canyon Dam. It is the only project which can provide for Idaho the large block of low-cost power it needs for its industrial development. And it will do the job. There are industries lined up waiting for low-cost energy—aluminum and light metals, chemical and others. Low-cost power would unlock a tremendous phosphate fertilizer development in Idaho, lowering costs of this vital material to farmers from California to Ohio.

This is Idaho's great chance. Even the Federal Power Commission examiner who found against the high dam at Hells Canyon admitted that it could produce power at 2.7 mills. This is in contrast to the 7.6-mill power he found would be produced at the Brownlee project of the Idaho Power Co. What a tragedy for the people of Idaho if they are prevented from obtaining this great block of 2- to 3-mill power—half a million kilowatts of it. That is more than all the power presently used in the entire State of Idaho. It would get them a dozen plants or more equal to Victor Chemical. It would create thousands of jobs. It would swell tax collections. It would make Idaho really blossom like the rose, stimulating the economy of the whole Nation.

Instead of shedding copious crocodile tears about Idaho—and then voting to saddle her with high-cost power which no industry can afford—we are supporting 2- to 3-mill power for the citizens of Idaho.

We want our neighbor on the West to develop and grow.

We will not publicly shed crocodile tears about her fate and then vote to keep her the exploited, captive province of an eastern power company.

THE CHARGE OF SUBSIDY

A great part of the statement of my friend from Utah was devoted to a charge that big business is being subsidized by power from Hungry Horse and other projects on the Columbia Basin. He says that Anaconda Aluminum Co. is receiving half of the power from Hungry Horse at the "at-site" Bonneville rate of 1.72 mills.

This at-site rate was established to encourage some industries to locate in the immediate area of these great projects. Construction of these projects floods large blocks of land which are taken out of the tax base, and displaces many people. New property values and new opportunities are needed to offset this economic upset. The rate, therefore, is wisely designed. It is justified because transmission costs are avoided. The customer must take his power from the bus bar. There is no subsidy.

Absolutely nothing scandalous can be made of this when all the facts are revealed and considered. I am surprised that my learned colleague from Utah did not put all these facts in his statement, because I have always respected him as a very fair man.

It is regrettable when the pressure of work makes it impossible for a Senator to do the research and the careful checking which should be done on every statement made on this Senate floor.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MURRAY. I am glad to yield to my colleague from Montana.

Mr. MANSFIELD. It ought to be brought out, also, that the power guaranteed to Montana from Hungry Horse, which amounts to approximately 200,000 kilowatts of prime power, is for use in the State of Montana, and that every REA in the Bonneville area within the State of Montana has had its power rates reduced from 8 and 9 mills a kilowatt down to the Bonneville rate of somewhere in the vicinity of 3 and 4 mills a kilowatt. It ought to be brought out also that because of Hungry Horse we did get a big aluminum plant located in the Flathead Valley of northwestern Montana, and that we also got a phosphate plant located in the region between Butte and Anaconda.

It should be remembered also that the tax base has been broadened considerably because of these projects. Furthermore, the total cost, something in the neighborhood of $101 million, will be repaid to the Federal Government within 30 years, with interest. On the assumption that these projects have an average life of 100 years, it would be indicated that for the last 70 years practically all the revenues derived from this project would flow into the Federal Treasury.

In other words, Hungry Horse, Hells Canyon, Yellowtail, Libby, and other projects of that kind are assets to the people, to the Government, and to the economy of our country.

I believe that those who live in a part of the United States which has a potential exceeding 40 percent of the possible hydroelectric power of the country, and in the 10 western counties of Montana which have 10 percent of the entire potential—and this has been pointed out by the junior Senator from Oregon, who has advocated it time and time again—should harness these rivers and develop these sites on a multipurpose basis, so that we can irrigate and reclaim our lands, and at the same time furnish cheap electricity to the people, bring in new industries, broaden our tax base, give people jobs, and give our youngsters opportunities.

Hungry Horse is the greatest development, economically, that has ever happened in the State of Montana. Nobody has been hurt. Everyone has been benefited by it. The same comment would be applicable to Hells Canyon on the Idaho-Oregon border.

Mr. MURRAY. I thank my colleague for his very able and eloquent remarks. There is no question that everything he said can be justified by recourse to the RECORD.

THE TRUE COST OF HUNGRY HORSE POWER

The Senator from Utah quoted a letter from someone in the Interior Department to the effect that the power from Hungry Horse Dam, which Anaconda was buying for 1.72 mills, cost 3.76 mills to produce in 1955.

The 1956 annual report of the Bonneville Power Administration, which has

up-to-date figures, shows that Hungry Horse Dam power was produced at a cost of 2.84 mills per kilowatt-hour for at-site power.

The salable prime at-site power from Hungry Horse Dam is only one-fourth of the total attributable to it when the downstream benefits at the 10 existing dams between Hungry Horse and the sea are included. The Senator from Utah made mention of these downstream benefits but unfortunately passed lightly over them in his discussion.

The credit which should be given at-site costs for these downstream benefits from Hungry Horse Dam has not been calculated, but it is obviously great. The downstream benefits are three times the at-site output, so the whole cost of Hungry Horse cannot properly be charged to at-site power sales.

In this case the facts again show that there is absolutely nothing to criticize where all facts are considered. It also demonstrates how fruitless it is to deal with a great system by considering its separate parts individually.

I am glad the point about separating costs has been raised. It demonstrates clearly the futility of considering an integrated system as merely the sum of its parts taken separately and independently.

On such a basis, we all ought to have our stomachs removed. They constitute an expense, requiring food. Our earnings come from the work of our minds, our hands, arms, and legs.

Fractionalizing the Columbia Basin is exactly what the Senator from Utah and others are now urging at Hells Canyon. Perhaps the reason for their position is a lack of understanding of the necessity of considering the whole human body, or a river basin, as a unit. If this is the cause of their error, I would urge them to study carefully the words of two great Republican Presidents of our country who understood these problems better.

It was President Theodore Roosevelt, the father of comprehensive development and conservation in this country, who said in 1908 in his message transmitting to Congress the preliminary report of the Inland Waterways Commission:

> Every stream should be used to its utmost. No stream can be so used unless such use is planned in advance. When such plans are made, we shall find that, instead of interfering, one use can often be made to assist another. Each river system, from its headwaters in the forest to its mouth on the coast, is a single unit and should be treated as such.

And President William Howard Taft, in his White River veto message in 1912, said, in language which could be applied to the Hells Canyon development without changing a single word:

> The lower river is being improved by a series of dams belonging to the Federal Government. This dam, situated in the upper reaches of the river, is, according to the report of the engineers, capable of becoming part of this general Federal improvement of navigation. To introduce a diversity of title into a series of dams which may all become eventually a part of a single improvement directed at the same end would, in my opinion, be highly objectionable.

These are principles which have been honored and acted upon for the last half-century, and we betray future generations when we fail to abide by them.

It is extremely difficult for me to understand why some of our modern Republicans are unable to grasp facts which Republicans in 1908 and 1912 grasped and expounded with ease.

It is even more difficult for me to understand why the Senator from Utah was unable to grasp the fallacy of separating projects in his statement about the Northwest projects when, during the upper Colorado hearings in 1955, he knew that it is the overall picture which is important.

At page 439 of the Senate hearings on the upper Colorado, held in 1955, I find the Senator from Utah told a witness, criticizing pooling of income:

> It is sound economics if the overall income is sufficient to do the job.

Has the Senator let this fact slip from his mind in the 2 years since those hearings were held? There can be no other explanation.

NO SUBSIDY INVOLVED

There is no sound basis for any charge of subsidy in the Pacific Northwest power rates. Benefits they do bring—tremendous benefits both to the people and the industries involved. Hungry Horse Dam is a great project in a great system which is paying for itself while bringing tremendous benefits to the Northwest and to the whole Nation. Why should we try to besmirch such a proud picture with vague charges of subsidy which cannot withstand the true facts?

At one point in this statement, the Senator from Utah indicated that Bonneville Power Administration, overall, is charging less than cost for its power.

This is what the statement said:

> The BPA could come up with an estimated cost per kilowatt-hour of only 2.5 mills for the entire system. However, in spite of these cost estimates, the Bonneville system sells the bulk of its power for $17.50 a kilowatt-year, which averages out roughly 2.1 mills per kilowatt-hour.

That statement would have been technically correct if the Senator had added on the end of the phrase "at 100 percent load factor." Unfortunately, he did not, so it is not even technically an accurate representation of the facts. But even if the statement had been technically complete, it would have left a misleading impression in the public mind that Bonneville does not even get cost for its power.

The fact is that few customers of Bonneville Power Administration, or any other, take their power 24 hours a day, 365 days a year, which is 100 percent load factor. At Bonneville, the average load factor is 75 percent. The customers' average use is 18 hours a day—not 24 hours.

This means that for every 100 kilowatts of firm, 24-hour power Bonneville can generate, it can contract to deliver 133 kilowatts to different customers. When the load goes off in one area, or one plant, it shifts its power to another area or customer who needs it. This is the tremendous advantage of having a large, regionwide power-grid system. It is neither dishonest nor tricky. It occurs in every major power network in the country. It explains why a $17.50 rate per kilowatt-year for power is ample in the Bonneville situation. Because 4 kilowatts can be sold on an annual basis for every 3 of firm capacity, a 2.1-mill rate is adequate.

The Senator from Utah, I fear, has been victimized by someone who did not know the facts about power operations and ratemaking, or for some other reason gave him only part of the facts. Otherwise, I am sure that he would not have made the misleading statement that he did.

A MAGIC ECONOMIC DEVICE

Mr. President, if one were to accept as completely accurate the picture of the Columbia River Basin power system which the Senator from Utah has painted, then we have found an almost magic economic device.

Consider the picture with which his statement leaves us. Here is a great provider of energy which does these things: First, it provides its customers with power at the lowest rates in the world. Second, it pays its operating and maintenance expense. Third, it repays its original cost over 50 years with interest and then remains the property of the people of the United States—a tremendous windfall at no net expense.

During the upper Colorado hearings, at page 176 of the hearing record, Senator WATKINS recognized how these projects pay out and expressed the opinion, which I quote:

> The people who have paid for them should own them.

The Columbia Basin is not asking transfer of title to these great projects. After they pay for themselves they belong to the Nation.

Fourth, at the same time—and this is according to the text of the Senator from Utah—it provides hundreds of millions of dollars in subsidies for industries. According to the Senator, Hungry Horse Dam, which will repay all its costs, will provide $100 million subsidy for an aluminum industry that gets half of its output. The Dalles Dam, besides repaying all its $270 million costs, will provide $300 million subsidies for industrial customers.

As we all know, these new industries create jobs. This increases purchasing power, and stimulates more new business, more tax payments, and a healthier economy.

This is a very accurate picture, as a matter of fact, with a single exception. The benefits which power consumers receive—including the industries—are not subsidies. They are savings resulting from direct performance by Government of one of its utility responsibilities instead of turning the job over to affiliates of the Electric Bond & Share Co., headquartered in Wall Street, who exploit the West through high power rates which cover up padded operating expenses including unnecessary management fees, propaganda and lobbying charges.

Examination of the statement which the distinguished Senator from Utah

placed in the RECORD could continue in this same way indefinitely. I am surprised and feel very sad that my associate and colleague has apparently been victimized with so much misinformation.

I am saddened that the distinguished Senator from Utah has taken an attitude toward the Northwest which he criticized in opponents of the upper Colorado 2 years ago. When a California witness was criticizing that project, the Senator from Utah told the witness:

> When we are in the game, when our turn to go to bat comes up, you want to call the game, you want to stop us now.

Today it is the Senator from Utah who wants to call the game. He has had his time at bat, so the Senator from Utah wants to stop the development of the Pacific Northwest.

The Senate of the United States is going to be deluged with growing quantities of misinformation about the Columbia Basin power system in the next few weeks.

A vote on the Hells Canyon Dam bill is approaching.

Some of us are battling to see that the Government does not throw away a half-million kilowatts of hydroelectric power capacity at Hells Canyon, by letting the Idaho Power Co. clutter the site with little, inadequate dams.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. MORSE. I again express my appreciation to the Senator from Montana, as I did earlier this afternoon, for the excellent analysis he is presenting in the field of the power problems in the Pacific Northwest. There are two questions I wish to raise, as to which I shall be glad to have his observations.

The Senator has just finished pointing out that the proposed Hells Canyon Dam raises the question whether or not the full power resources of the Snake River at Hells Canyon will be developed, or whether we are to go along with the underdevelopment of the power resources by the Idaho Power Co. through its low-head dam. I think that question needs to be pointed up, because the Senator from Utah [Mr. WATKINS], in Salt Lake City, last Saturday, created the impression that the Idaho Power Co. program would produce as much power as would the Hells Canyon Dam project.

Does not the Senator from Montana agree with me that it is unanswerably clear from the official reports of the examiner of the Federal Power Commission himself that the Hells Canyon Dam program, taking into account the benefits of downstream dams, would produce approximately 50 percent more power than would the Idaho Power Co.'s program?

Mr. MURRAY. The Senator from Oregon is absolutely correct; I do not think there can be any question about it.

Mr. MORSE. I think that point needs to be stressed. I have discovered that when the people realize what an astounding giveaway this program of the Eisenhower administration is, in opposition to the Hells Canyon Dam, they are as shocked as I am. But the people have been fed the private utility propaganda line for so long, and they have read the high-priced advertisements in the national magazines, which are paid for by the electric-power users in their electric-power rates, that it is not surprising to learn the number of persons who are of the opinion that about the same amount of power would be produced by either project. So I build up to the question again: Is it not true that the Hells Canyon Dam project, considering the downstream benefits, would produce, in round numbers, about 50 percent more power than the Idaho Power Co.'s program would produce?

Mr. MURRAY. The Senator is absolutely correct; there can be no question about it. I do not think that fact can be disputed by anyone who wants to be guided by the record.

Mr. MORSE. One other point. The Senator earlier in his speech spoke about the claims which are being made by some persons that the Hells Canyon Dam project will discriminate against the State of Idaho. The Senator well knows that in speech after speech over the years, as I have spoken on this subject, I have brought out, time and time again, the benefits from Hells Canyon Dam which will accrue to the people of Idaho themselves. I am pleased to note that increasing numbers of people in the State of Idaho—and I am happy to say this when the new Senator from Idaho [Mr. CHURCH] is occupying the chair of the Presiding Officer—are beginning to see the soundness of the position taken by the Senator from Montana, the Senator from Oregon and others who have been joining with us in this fight, over the years, for Hells Canyon Dam.

But I want the Senator from Montana to comment on this one point, because we find it in the speeches of the Senator from Utah and in the propaganda of the private utilities, namely, that the Hells Canyon Dam will in some way, somehow, injure the farmers of the State of Idaho, in that it will take away their water rights. The Senator from Montana has been the chairman of the committee and has heard the testimony. He has heard the Senator from Oregon speak on the subject. He knows that I have insisted upon placing in the bill language which will make it perfectly clear that the people of Idaho who have existing water rights, or who may in the future legitimately acquire such rights, will not have their water rights affected one iota by the building of Hells Canyon Dam, but their priority water rights, whether existing now or acquired in the future, will be continued in effect by the Hells Canyon Dam. The Hells Canyon bill could not be clearer or more explicit on this point than it is. I would be the first to insist upon it. Does the Senator from Montana agree with me about that?

Mr. MURRAY. I absolutely agree. I do not think there can be any question about the correctness of the observation the Senator from Oregon has made.

Mr. MORSE. Does the Senator from Montana also agree that my insistence that the bill provide for the reservation of 500,000 kilowatts for the use of the people of that area, which includes some eastern counties of Oregon, as well as all the counties in Idaho, is rather clear proof of our honest intention to see to it that the people of Idaho and of eastern Oregon are not discriminated against as the result of the building of the dam, but, to the contrary, that they will be greatly benefited by the reservation of this tremendously large block of power, amounting to 500,000 kilowatts—more than is presently used in the entire State of Idaho?

Mr. MURRAY. The Senator from Oregon is absolutely correct. I do not think anyone can question that; I do not think there can be any argument about it, when the actual facts are considered.

Mr. MORSE. The able Senator from Montana has already presented the matter very well, but I thought it might be well for me to submit these additional points. I thank the Senator from Montana very much for permitting me to make the numerous interruptions I have made in the course of his speech.

Mr. MURRAY. Mr. President, I have been glad to yield, because I think the Senator from Oregon has contributed to the understanding of the people regarding this matter.

Mr. President, some of us are battling to get Idaho the low-cost power supply she needs and deserves.

The road runners for the power companies will be delivering misinformation by the truckloads—just as they do in their deceitful advertising programs—in an effort to block Hells Canyon Dam. They will dress it up in all kinds of plausible garb and will try to foist it off on busy Senators. We must be on guard.

The fact is that, if Hells Canyon Dam is not built, we shall have wasted for all time a half million kilowatts of low-cost energy. We shall have committed a criminal act—the waste of resources which belong to the people of the United States, whom we represent. We are their trustees. Congress alone can prevent the proposed waste of resources. The Secretary of the Interior has come too late with his half hearted plan for a high Pleasant Valley Dam. We shall betray our trust if we in Congress permit the administration to throw away such an enormous public asset.

Over and above a betrayal of our trust over physical resources of the people of the United States, we would betray democracy itself.

The charge is made by our enemies abroad that powerful private interests control our supposedly democratic government; that it is not in reality democratic. The proposed waste of resources at Hells Canyon has been cited as an example and a measure of the power of these vested interests over our Government.

In the approaching Hells Canyon vote we shall have an opportunity to disprove that charge. We shall have an opportunity to show the world that multimillion-dollar advertising campaigns, distortion of truth, half truths, and all the other tricks in the Power Trust arsenal were unable in the final showdown to cause the people's representatives in the Senate to betray the people's interest.

Mr. MORSE. Mr. President, if the Senator from Montana will yield further to me, let me say that on last Saturday I made a speech at Salt Lake City, as I stated earlier this afternoon, before the Western States Water and Power Conference. My subject on that occasion was Natural Resources: God's Gifts Are Man's Challenge.

It so happened that the Senator from Utah [Mr. WATKINS] also spoke at the conference, although I did not know what his subject matter was to be. But it so happens that parts of the speech I made are themselves an answer to the position taken by the Senator from Utah.

Therefore I wonder whether the Senator from Montana will be willing to grant the courtesy of permitting me to ask unanimous consent to have my speech inserted in the RECORD immediately following his speech, without my taking the time to read it this afternoon in the Senate.

Mr. MURRAY. I shall be very glad to have that done.

Mr. MORSE. I thank the Senator from Montana.

Then, Mr. President, I ask unanimous consent that the address I made at Salt Lake City on May 11 may be printed at this point in the RECORD.

The PRESIDING OFFICER (Mr. CHURCH in the chair). Is there objection?

There being no objection, the address was ordered to be printed in the RECORD, as follows:

NATURAL RESOURCES: GOD'S GIFTS ARE MAN'S CHALLENGE

(Address by Hon. WAYNE MORSE, of Oregon, Western States Water and Power Conference, Salt Lake City, May 11, 1957)

At the very outset I wish to commend the groups that have joined together for this conference. It is a great pleasure to join with you in paying tribute and expressing our western appreciation to Congressman MIKE KIRWAN. He has been a great benefactor of the Western States in the field of natural resource development. In fact, he has a better and wider understanding of the natural resource programs of Teddy Roosevelt and Gifford Pinchot—two great liberal Republicans—than do some of our western Republicans now sitting in the Congress.

Teddy Roosevelt and Gifford Pinchot taught the great truth that each generation is but the trustee of God's gifts of natural resources to the people of our country.

The Eisenhower administration has betrayed that ideal time and time again. It must be held to an accounting for its wasteful program of underdevelopment of our river basins.

The American people must recognize before it is too late that water is our most precious natural resource. Civilizations go down as water tables go down. The water table of America has started to go down. We can stop it only by adopting a sound water conservation program. Full development of our river basins, not under-development, is essential if we are to protect the economic and moral rights of future generations of Americans boys and girls in their rightful heritage to the maximum water potential of America. It is time for the American people to demand of their Government that it place the welfare of our boys and girls of the future ahead of the selfish privateering interests of monopolies, such as the Idaho Power Co. and the Utah Power & Light Co. and other private utility monopolies, which would place their profit interest above the public interest.

Water supplies and power are the indispensable elements for the development of both industry and agriculture in our even more complex society. Nowhere are they needed more urgently than in the West and nowhere is their development more difficult.

During Easter week of 1955, I flew over most of the Western States with the Senate Interior Committee. I sat with the committee during its hearings on Hells Canyon in Idaho, Washington, and Oregon. We went by plane to California to view the great Central Valley project and then up the Colorado Basin, stopping in Salt Lake City.

On that trip I resolved all of my doubts about the upper Colorado project. No one could see what I saw on that trip and fail to recognize the desperate need for the water storage that the upper Colorado project alone could make available for the expanding communities of the basin. States, cities, and towns, industry and agriculture would stagnate without the harnessing of the scarce water supplies of the Colorado and its tributaries.

It is a fact of western life that in all but a few communities the availability of water is the indispensable condition of progress. In most parts of the West water is scarce. In the Columbia Basin water is plentiful. Throughout the area we are blessed with great mineral, forest, and land resources. They depend upon water and power to make them useful.

Water is where you find it. In this century we have learned from the great conservationists like Pinchot that water cannot only be conserved with wisdom and will, but man can increase water supply by watershed development. Water conservation and forestry go together—each assists the other. Beyond that, water flow can be regulated and channeled so that it can be taken from where it is to where it is needed and the tyranny of the seasons—of alternate flood and drought can be controlled and moderated.

Pinchot and Theodore Roosevelt learned and taught a great lesson: That the development and use of God-given natural resources must be undertaken on a basinwide scale.

The upper Colorado project is expensive. Those of you who battled it through to success will remember the propaganda against it. Cost was the chief problem. The Council of State Chambers of Commerce made up an impressive chart of how much money the project would supposedly cost every State in the country. The chart and chambers failed to say how much the Nation would benefit from more economic farming, expanding industry, and commerce in the basin States which will benefit our whole national economy.

Hundreds of letters came to me from Oregon, and many from elsewhere, demanding to know how this expense to taxpayers in non-basin States could be justified. There was no political profit in it for me, I assure you, to reply as I did that sound resource development in any area, assistance in developing it to its maximum potential, was a sound investment in a stronger America.

And it will be remembered that the conservation groups throughout the country launched what was possibly their greatest campaign against the building of Echo Park Dam. Their arguments were appealing; their sincerity indisputable. There was another side to the story. Several Senators from this area presented the case for Echo Park. That great chairman of the Senate Irrigation and Reclamation Subcommittee, CLINTON ANDERSON, of New Mexico, Democrat, was one. Senator ARTHUR WATKINS, of Utah, a Republican, was another. I listened to them as I listened to the opponents. I remembered ARTHUR WATKINS sent me a copy of a speech he made. It was a long speech—and coming from me, that means it was a very long speech indeed.

I read it; I studied it. I was convinced by it, though it came from a member of the opposite party on behalf of a project supported by the same administration that fought projects so vital to my region.

So I supported the overall project and supported Echo Park Dam as well. In doing so, I ran great political risks a year before my own reelection campaign, the hottest my State has ever seen.

I do not recount any of this to seek credit. Other Senators and Representatives did as much and more. What, for example, what benefit could the Democratic leader of the House, JOHN MCCORMACK, expect from his action in support of upper Colorado? His constituents in Massachusetts had no great regard for the project; conservation groups were against it; his own State and region were suffering and still suffer from grave unemployment problems and all their attendant distress. To JOHN MCCORMACK's great credit, he opened the debate in the House and made a plea for nonpartisan action to authorize the upper Colorado project in order to build a better West and a stronger Nation. To his great credit, he did this in the face of great discontent among Democrats caused by the Republican administration's opposition to Hells Canyon and TVA, which the Democrats look upon as presenting the same issues. Indeed, they are less costly and produce greater benefits.

With bipartisan unity, the upper Colorado authorization prevailed. This is the way of progress for the West. Democrats and Republicans joined together in a common purpose to build the water storage projects and power so desperately needed in Utah and its neighboring States.

We do not ask for gratitude. Those who joined the basin State Representatives in Congress did only what we believed was right, and for this we deserve no thanks.

All that we ask is equal treatment—a fair hearing on the merits. All Americans have a stake in preventing the devastation of New England floods, the destruction and suffering of the drought in the Great Plains. All Americans have a stake in water and power development in California at Trinity and throughout the Central Valley project. We all have a stake in bringing desperately needed water to a vast portion of Colorado through the Fryingpan-Arkansas project.

We will need the food from newly irrigated acres in a decade or so. We have an interest in helping farmers, workers, and businessmen lead productive lives—as fellow Americans, as producers of new wealth in which we all can share, as consumers of the products the rest of us produce.

In achieving this development, the Nation has a right to expect that the benefits of these national projects will be widely shared. People in the East and South have a right to expect that water for irrigation will not be monopolized by a few large landowners, but will help preserve and build family farms which are so vital to the continuation of our social and political tradition.

That is what is involved in strict adherence to the excess lands provision, the antimonopoly policy, embedded in the reclamation acts since 1903.

It is not fair to expect the Government of all the people to use the people's substance to benefit a few, to aid monopoly which is the natural economic and political enemy of democracy.

That is why a handful of us have fought against the whittling away of the 160-acre limitation in Federal reclamation project legislation. That is why we are fighting to put back the 160-acre limitation in the $100 million Small Projects Act. I warn that if only a few are permitted to benefit, the public at large will rebel against having their funds used for reclamation.

WHAT IS GOOD FOR THE UPPER COLORADO IS GOOD FOR THE COLUMBIA BASIN

And we ask, if $800 million can be authorized for the upper Colorado project, why should far less be denied for a superlative project like high Hells Canyon Dam, which is a more economic project?

Why do so many of the upper Colorado partisans who received such a sympathetic hearing turn a deaf ear to those who helped them, when the same principles are involved?

If Federal dams are good for Utah, Colorado, and Arizona, why are they socialism—creeping, galloping, or static—in Idaho, Oregon, and Washington?

Why is Glen Canyon a symbol of sound progress and Hells Canyon to be shunned as unworthy?

Surely the answer cannot be that Hells Canyon would store more water, or has more flood control, or more power and cheaper power.

Part of the answer is to be found in the fact that the upper Colorado project was not attractive to private utilities. Utah, for example, has no rural electric co-ops. Most of the publicly generated power will go to Utah Power & Light, which apparently will not thus be tainted by socialistic kilowatts. In contrast, Hells Canyon would be in the heart of the Idaho Power Co. monopoly area, fringed by rural electric co-ops, where public body competition is a factor. Further, the Hells Canyon site is so good that the power company wanted it for itself.

But it has not wanted it badly enough to consider full development. It is an incontrovertible fact that the Idaho Power Co. scheme will not develop the full power or flood-control potential of the magnificent Hells Canyon area. But the Federal high dam would and, in addition, contribute to power output at many other dams downstream.

Is it moral to waste the best remaining dam site in the United States with such underdevelopment when full flood control is so desperately needed, when a power shortage lies immediately ahead? Can it be said that the resources which God's bounty has made possible is man's to waste?

The thundering answer of the people of the Northwest has been "No." They have shown as clearly as possible that they want full development as part of a basinwide, comprehensive program. They want and deserve only what has been authorized for the Upper Colorado Basin.

But Hells Canyon is controversial, it is said. The simple answer is: So was upper Colorado. Indeed the same State chamber of commerce argument has been leveled at both; the same misleading propaganda has besmirched both. Why is it more true for one than the other?

But, Hells Canyon is political, it is said. Who made it so. Most Democrats refused to make upper Colorado political, when it would have been so easy and profitable to take the easy course of opposition. Who has made Hells Canyon political?—the very Republicans who were staunchest for upper Colorado.

I may say there are fewer of them in Congress today. These political victories are not an end in themselves. In our democratic system, they must be honored as the registered will of the voters of a great region—a region with desperate problems of periodically too much water and too little energy, much land and too little irrigation, a great river system and too little navigation control.

HELLS CANYON THE SYMBOL

In a few weeks, the United States Senate will vote on Hells Canyon. That vote probably will be the last chance there is to save this dam site for full development in the public interest. Upon that full development depends the future integrity of the Columbia Basin plan so painstakingly blueprinted by the Bureau of Reclamation and Army Corps of Engineers.

Upon that note will depend the future of irrigation in Idaho and eastern Oregon—and much more, the principle that power revenues be devoted in part to the reclamation of arid land.

So long as Hells Canyon has remained alive it has been the symbol of a people's determination to resist underdevelopment for quick profit and the perpetration of monopoly. If that symbol is destroyed, the forces of profit plunder will know no bounds.

The loss of Hells Canyon to profit plunder will be a blow not only to my region, but at every place where the same issue exists or comes into controversy. The issue is: Will a national resource be surrendered to underdevelopment for the profit of a few or be developed fully for the greatest good for the greatest number in the long run?

THE NATIONAL STAKE

The Columbia Basin contains 60 percent of the Nation's potential hydroelectric power—the least expensive power possible in the foreseeable future. Water is the only renewable energy source. Others, like oil and gas, are presently plentiful but expanding use threatens depletion while new discoveries are not keeping pace. It seems prudent to husband scarce and more expensive fuel and develop the fuel supply—waterpower—that is inexhaustible if conservation principles are followed. But this is not being done today.

To the contrary, the present administration gave away its conservation control over vast offshore oil reserves and at the very same time aided and encouraged underdevelopment of water storage and power output at Hells Canyon. It has encouraged the same kind of private underdevelopment at the site at Paradise where private exploitation would result in an infinitesimal fraction of potential power development. The administration has stalled the Yellow Tail Dam project and delayed Libby Dam, considering even its deauthorization. It has failed to press for some arrangement with Canada to harness the prodigious power and flood-control potential of the upper Columbia Basin—possibly because downstream benefits would be bestowed on public power projects.

This administration has been pious, but powerless. It has tried to twist and turn in every conceivable fashion to avoid building John Day Dam as a Federal project, despite its authorization in 1950 and the crying need for its power.

PRIVATE ENTERPRISE AND POWER

All this has been done in the name of protecting private enterprise. The trouble is that this administration doesn't seem to know the difference between the tollgate keeper and the vehicles of industry and commerce.

High-cost private power benefits only a handful of stockholders—the biggest of them financial houses in the East. High-cost power prevents industrial and commercial growth, which is so badly needed in the West, and especially my region. Every winter Idaho and Oregon have the highest rates of unemployment in the Nation because our principal sources of income—agriculture, timber, and mining—are seasonal. Low-cost power can change that to the benefit of the whole Nation.

One example will suffice. Southern Idaho and northern Utah contain the largest undeveloped phosphate beds in the country. With low-cost power an entire industry can be born in that area for the production of phosphate fertilizer. It would be a boon to farmers as far east as Ohio who would receive fertilizer, now scarce, at savings of $8 to $20 a ton. Farmers desperately need reduction of operating costs and lower unit costs. Hells Canyon would make that possible.

And Idaho and Utah would have a new profit producing, job making industry. Without Hells Canyon a far more expensive, less extensive operation will be forced upon the farm co-ops which have had such promising plans.

Without Hells Canyon, full Columbia Basin development will not be possible—either for industry or agriculture. Vast new purchasing power will not be created and potential markets for the products of factories and mills throughout the country will be lost.

Economic development and defense strength will be sacrificed—all in the name of protecting the Idaho Power tollgate keeper.

PAYING THE DESPOILER

The administration and private utility propaganda has hammered away at the theme that the low, wasteful dams would save the taxpayers' money and be built without expense to the Treasury.

You have all seen the slick magazine ads costing thousands of dollars dinning that theme into the unsuspecting public. Administration apologists have hammered away at it too.

Yet, as many of us predicted, the taxpayers would end up paying for a large part of the pygmy dams. Last month the Office of Defense Mobilization announced the granting of too quick tax writeoff certificates for $65 million of the cost—at least.

That means millions of dollars of lost tax revenues for the Federal Treasury during the first 5 years of the projects. In turn, the rest of the country's taxpayers have to shoulder that burden. Literally billions of dollars of certificates have been granted the utilities in the past few years. At the same time the administration opposed 820 individual tax cuts. Further, the administration opposed any new dam starts outside the upper Colorado project as being beyond the Nation's financial capability, despite the fact that multipurpose dams pay for themselves with interest.

The hypocrisy of this administration's program staggers the imagination. It is so crass, that many have not been able to believe it. But, the facts are too clear, the evidence too conclusive. The crusade has been a vast glittering generality distracting the public while their pockets are picked. And the people are getting wise to it.

I urge each of you to go to your home communities and spread the alarm before it is too late. The West is being plundered. The public's resources handed over to monopoly.

There is an historic battle being waged for a principle—that the people's resources are to be dedicated and developed for the people's use. The battle has been going on for many years. It is reaching a climax at Hells Canyon.

Let us here resolve that the giveaways shall not be suffered to go on. Draw the line at Hells Canyon.

Mr. MURRAY. Mr. President, I yield the floor.

STUDY OF CRITICAL RAW MATERIALS AND RESOURCES OF THE SOVIET UNION

During the delivery of Mr. MURRAY's speech,

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 78) to make a study of critical raw materials and resources of the Soviet Union and certain Eastern Hemisphere countries and the effect upon the United States.

CONVEYANCE OF CERTAIN LAND TO THE STATE OF NORTH DAKOTA

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of Calendar No. 290, Senate bill 999, authorizing the Secretary of the Interior to convey certain land to the State of North Dakota for the use and benefit of the North Dakota State School of Science.

The motion was agreed to; and the Senate resumed the consideration of the bill (S. 999) authorizing the Secretary of the Interior to convey certain land to the State of North Dakota for the use and benefit of the North Dakota State School of Science, which had been reported from the Committee on Interior and Insular Affairs with amendments on page 1, line 9, after the word "thereon", to strike out "The southwest quarter of the northwest quarter; the northwest quarter of the northwest quarter; and the west 19 rods of the northeast quarter of the northwest quarter of section 5, township 132 north, range 47 west, fifth principal meridian, comprising 80.0637 acres more or less" and insert "The southwest quarter of the northwest quarter, lot 3 and the west 19 rods of lot 2 of section 5 in township 132 north of range 47 west of the fifth principal meridian; the said description also being known as the southwest quarter of the northwest quarter the northwest quarter of the northwest quarter and the west 19 rods of the northeast quarter of the northwest quarter of section 5 in township 132 north of range 47 west of the fifth principal meridian, containing 80.0637 acres more or less according to the United States Government survey thereof after allowing a deduction of 5.61 acres now occupied by the Chicago, Milwaukee & St. Paul Railway Co., being that portion of said land conveyed to the Fargo Southern Railroad Co. in a certain warranty deed recorded in book J of deeds on page 171 in the office of the register of deeds of Richland County, N. Dak.: *Provided*, That title to the land described in this section shall revert to the United States if, at any time within 25 years after conveyance by the Secretary of the Interior, the land is used for other than educational purposes.", and, on page 3, after line 15, to insert:

SEC. 3. The Secretary of the Interior shall reserve to the United States all mineral interests in land conveyed under this act, and the right to mine and remove the same under applicable laws and regulations to be established by him.

So as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to convey by quitclaim deed to the State of North Dakota, for the use and benefit of the North Dakota State School of Science, all right, title, and interest of the United States to the following described land, located in Richland County, N. Dak., together with any buildings or other improvements thereon: The southwest quarter of the northwest quarter, lot 3 and the west 19 rods of lot 2 of section 5 in township 132 north of range 47 west of the fifth principal meridian; the said description also being known as the southwest quarter of the northwest quarter the northwest quarter of the northwest quarter and the west 19 rods of the northeast quarter of the northwest quarter of section 5 in township 132 north of range 47 west of the fifth principal meridian, containing 80.0637 acres more or less according to the United States Government survey thereof after allowing a deduction of 5.61 acres now occupied by the Chicago, Milwaukee, St. Paul and Pacific Railroad Co. as a right-of-way, formerly known as the Chicago, Milwaukee and St. Paul Railway Co., being that portion of said land conveyed to the Fargo Southern Railroad Co. in a certain warranty deed recorded in book J of deeds on page 171 in the office of the register of deeds of Richland County, N. Dak.: *Provided*, That title to the land described in this section shall revert to the United States if, at any time within 25 years after conveyance by the Secretary of the Interior, the land is used for other than educational purposes.

SEC. 2. (a) As consideration for the transfer of the property referred to in the first section of this act, the North Dakota State School of Science shall make available for each of its school years, for a period of 10 school years, free tuition to 10 qualified Indians who wish to attend such school during such school year.

(b) To qualify for free tuition under this act any such prospective student shall (1) be 17 years of age or over, (2) be a high-school graduate, (3) be recommended by the Bureau of Indian Affairs, and (4) meet the entrance standards of the North Dakota State School of Science.

(c) The period of 10 school years during which free tuition shall be made available under this act shall commence not later than 2 years after the date of the enactment of this act.

SEC. 3. The Secretary of the Interior shall reserve to the United States all mineral interests in land conveyed under this act, and the right to mine and remove the same under applicable laws and regulations to be established by him.

Mr. O'MAHONEY. Mr. President, I desire to secure the floor, to discuss another matter. However, I am glad to have the Senate consider Senate bill 999 at this time, for I believe there is no objection to it.

Mr. YOUNG. That is also my position, Mr. President. I do not believe consideration of the bill will require more than 3 or 4 minutes, at the most.

Mr. MORSE. Mr. President, I should like to ask some questions about the bill, for purposes of future reference, so there will be no question as to whether I permitted the bill to be passed without raising an objection on the basis of the MORSE formula, if it should appear that the bill would violate the MORSE formula.

Therefore, will the Senator from North Dakota be willing to answer several questions which I wish to ask?

Mr. YOUNG. I shall be very happy to do so.

Mr. MORSE. First of all, let me ask what the approximate value of the property is.

Mr. YOUNG. The Indian Bureau sold some land very close to this land a year ago for $150 an acre and that land was better suited for the purposes of the expansion of the city than is this land. For some strange reason the Indian Bureau placed a value of $250 an acre on the particular piece of land covered by the pending bill, whereas the Indian Bureau sold the other land on a very favorable long-term contract, only a year ago, for only $150 an acre.

Mr. MORSE. The RECORD should show that the Senator from North Dakota and the Senator from Oregon have discussed this matter and that the Senator from North Dakota has pointed out to the Senator from Oregon that probably the value of the land covered by the pending bill is somewhere between $15,000 and $20,000, but in no event more than $20,000.

Mr. YOUNG. That is correct.

Mr. MORSE. In view of the sale, last year, for $150 an acre, of better land which is adjacent to the land covered by the pending bill, is it accurate to state that the correct estimate of the total value of the land covered by the pending bill probably is approximately $15,000?

Mr. YOUNG. That is correct.

Mr. MORSE. Is it not true that the bill provides for 10 annual tuitions for the benefit of Indian children, to enable them to go to the school which will be located on the land involved?

Mr. YOUNG. That is correct; and over a period of 10 years, they will have a total value of approximately $10,000.

Mr. MORSE. So the Senator from North Dakota assures the Senate, does he not, that, in effect, the Federal Government has adequately protected the Federal interest in this matter, insofar as the Indians are concerned, and that the Federal Government will be getting a return for the land of approximately $10,000, which will be at least 50 percent of its appraised fair market value, and possibly more; and that therefore the Morse formula is fully complied with?

Mr. YOUNG. That is correct; the bill fully complies with the Morse formula. Furthermore, it will make possible the expansion of the Washington School of Science which will benefit Indian children who are badly in need of education.

Mr. MORSE. I thank the Senator from North Dakota.

Mr. President, I have no objection to the bill. I desire to thank the Senator from North Dakota for taking it up with me. I wish to state that his record has been one of supporting the Morse formula ever since I have applied it from time to time, beginning in 1946. I know I can always count on the Senator from North Dakota to join me in seeing to it that the Morse formula is complied with.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DEPARTMENT OF COMMERCE APPROPRIATIONS, 1958

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar

No. 309, H. R. 6700, making appropriations for the Department of Commerce and related agencies, for the fiscal year ending June 30, 1958, and for other purposes.

The PRESIDING OFFICER (Mr. CHURCH in the chair). Is there objection?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

SHALE OIL IN A NEW AGE OF ENERGY

Mr. O'MAHONEY obtained the floor.

Mr. MORSE. Mr. President, will the Senator from Wyoming yield to me?

Mr. O'MAHONEY. I yield.

Mr. MORSE. I should like to state that I intend to hear as much of the speech the Senator from Wyoming will make this afternoon as time will permit.

At this time I desire to state what I said about the Senator from Wyoming when I was at Chicago, about a week ago, namely, that I think the most important investigatory work being done by the Congress at this session is that being done by the Senator from Wyoming in connection with the investigation of the oil situation. The Senator from Wyoming is being ably assisted by his colleagues on the committee, particularly by the junior Senator from Colorado [Mr. CARROLL].

I hope the warning the Senator from Wyoming and his colleagues are giving the American people will be heeded, because the oil situation the Senator from Wyoming and his colleagues are investigating is, in my opinion, one of the most shocking matters in our entire body politic. I say that because time and time again we find—as the Senator from Wyoming has already pointed out in his preliminary reports on this matter—that it involves a problem which needs early attention by the Congress. As one Member of the Senate, I desire to thank the Senator from Wyoming for the fine leadership he is giving us in connection with this matter.

Mr. O'MAHONEY. Mr. President, I wish to thank the Senator from Oregon for the undeserved compliment he has just paid me.

In connection with this matter, I have developed some facts which I wish to lay before the Senate this afternoon, so they will appear in the RECORD which will be available in the morning.

Mr. President, it is now 10 minutes after 3. The business of the Senate for the day has been completed. Several of the committees of the Senate, I am advised—and certainly it is true of the Appropriations Committee—are busily at work on measures which will be presented to the Senate later on. I do not want those who are occupying the galleries to believe that because the Chamber is almost empty the Members of the Senate are not at work. They are at work in the committee rooms and in their own offices, where they have to deal, day by day, with the problems which are presented to them by mail from their own constituencies, and from all over the United States, and presented also by the personal visits of those who are interested in proposed legislation that comes before the Congress.

Mr. President, I wish to talk to the Senate for the purpose of making a record on the question of the importance of developing the mineral resources of the United States, and particularly those resources which are concerned with the manufacture of liquid fuel.

As the Senator from Oregon has stated, I have presided over a study of the problem of oil, particularly as it was raised by the shutting of the Suez Canal.

I have had brought into the Chamber a chart, made up of a map taken from the recent issue of the monthly magazine of the Standard Oil Company of New Jersey, known as the Lamp. This magazine was issued in recognition of the 75th anniversary of Standard Oil of New Jersey.

JERSEY'S WORLDWIDE OPERATIONS

I want Members of the Senate to note that I have taken from this issue a map prepared by Standard Oil of New Jersey to show its worldwide operations. The top map represents Jersey Standard in the Eastern Hemisphere. On the map are symbols representing the refineries which Standard Oil of New Jersey owns in Britain; in France; in The Netherlands; in Norway; in Sweden; in Italy; at Trieste; at Tripoli; down through the Middle East; in Saudi Arabia; a refinery at Bombay, India; at Palembang, in Sumatra; two in Australia; and two in Japan.

All over the lower portion of this map of the Eastern Hemisphere are shown symbols of wells from which Standard Oil of New Jersey produces some of its crude oil.

There are shown also the symbols of the engineers who are surveying the Sahara Desert, who are surveying Sicily, who are surveying in the southeast area of Europe, who are surveying in India—all parts of India, east and west—who are suveying throughout the Dutch East Indies, who are surveying in Australia, and who are surveying in New Guinea.

The operations are illustrated by the appearance on the map of a list of the principal operating interests of Standard Oil of New Jersey in the Eastern Hemisphere. One, the Arabian-American Oil Co., the famous Aramco, which we know as a result of the evidence presented at our hearing, pays a huge sum in taxes to Saudi Arabia, and not a nickel to the United States, on its profits from its foreign operations, because it receives credit by way of depletion allowance for the production of petroleum abroad, and credit on its tax bill in the United States by reason of whatever taxes are paid to Saudi Arabia.

Then there is the A/S Norske Esso; Dansk Esso A/S; Esso A. G.; Esso Afrique Occidentale S. A. F.; Esso-Nederland N. V.; Esso Petroleum Co., Ltd.; Esso Standard Algerie S. A.; Esso Standard (Austria); Esso Standard (Belgium) S. A.; Esso Standard Espanola, and so forth.

Mr. President, I shall not read the list now. I ask unanimous consent that the entire list be printed in the RECORD at this point.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

PRINCIPAL OPERATING INTERESTS—EASTERN HEMISPHERE

1. Arabian-American Oil Co.[1]
2. A/S Norske Esso.
3. Dansk Esso A/S.[2]
4. Esso A. G.
5. Esso Afrique Occidentale S. A. F.
6. Esso Nederland N. V.[2]
7. Esso Petroleum Co., Ltd.[2]
8. Esso Standard Algerie S. A.
9. Esso Standard (Austria).
10. Esso Standard (Belgium) S. A.[2]
11. Esso Standard Espanola, S. A.
12. Esso Standard Italiana—S. p. A.
13. Essa Standard (Libya), Inc.
14. Esso Standard (Luxembourg) S. A.
15. Esso Standard (Malta), Ltd.
16. Esso Standard Maroc S. A.
17. Essa Standard (Near East), Inc.
18. Esso Standard Portugal, Inc.
19. Esso Standard Refinery.
20. Esso Standard S. A. F.[2]
21. Esso Standard (Sicily), Inc.[2]
22. Esso Standard (Switzerland).
23. Esso Standard Tunisie S. A.
24. Esso Standard (Turkey), Inc.
25. Esso Tankschiff Reederei G. m. b. H.
26. Esso Transportation Co., Ltd.
27. Esso West Africa, Inc.
28. Gewerkschaft Brigitta.[1]
29. Iranian Oil Participants, Ltd.[1 2]
30. Iraq Petroleum Co., Ltd.[1 2]
31. *La Columbia* Soc. Marittima per Azioni.
32. N. V. Nederlandse Aardolie Mij.[1]
33. oy Esso AB.
34. Standard-Vacuum Oil Co.[1 2]
35. Stanic-Industria Petrolifera-S. p. A.[1]
36. Svenska Esso A/B.
37. Trans-Arabian Pipe Line Co.[1]

Mr. O'MAHONEY. Mr. President, I want those who are present and who hear my voice to know that Mr. Rathbone, the president of Standard Oil Company of New Jersey, testifying before the Subcommittee on Antitrust and Monopoly of the Judiciary Committee, said that Esso has about 250 corporations.

I asked him how many of these were "paper corporations," by that meaning corporations which were defined by charter but which were not actually engaged in business. He answered, "About 75." The meaning of the answer is plain.

This procedure is not at all untypical. Standard Oil of New Jersey is ready, with charters issued by governments, to take advantage of any opportunity that may present itself throughout the world.

CORPORATE CHARTERS

We are so used to talking about corporations and corporate charters that we do not stop to think what a charter is. A corporation cannot exist without the action of some government. The constitution of the State of Wyoming says, in simple words, "A corporation is the creature of the State and is subject at all times to the regulation of the State."

That is true with respect to the Federal Government also. When the Constitution of the United States was drafted, Mr. President, the gentlemen who were members of the Constitutional Convention were thinking of only one thing, the establishment of a government of the people. They said so in the preamble, when they declared the purposes of the

[1] Jersey interest 50 percent or less.
[2] And associated companies.

document they were framing. With respect to interstate and foreign commerce they declared simply, in article I, section 8, of the Constitution:

> The Congress shall have the power * * * to regulate commerce with foreign nations, and among the several States, and with the Indian tribes.

The power to regulate corporations, which are the instruments by which foreign and domestic commerce is carried on, was lodged by the drafters of the Constitution in the Congress of the United States.

When the Constitution was drafted there were only three industrial corporations in the United States. There were a few banking corporations, in addition. Most of the business in those days was carried on by people in their individual capacities, or in partnerships, associations, or joint ventures, in which the entire property of the individual involved would be liable to support every debt made by the partnership or by the individual. The basic idea of the corporation was to relieve the persons who entered into business in the corporate form of personal liability for what the corporation did.

That is why in Britain the small letters "ltd." always follow after the name of a particular corporation. If the Standard Oil Company of New Jersey were a British corporation it would have a name reading "The Standard Oil Company of New Jersey, Limited," meaning "limited liability."

We have now come to a time when the States, from which the jurisdiction to regulate commerce among the States was withdrawn, are empowered to create corporations by the granting of charters which corporations are the instruments that carry on the commerce.

LIMITING CONGRESSIONAL POWER

The list of corporations of the Standard Oil Company of New Jersey, printed on the map which is exhibited to the Senate, shows that many of the subsidiary corporations of this gigantic organization, the second wealthiest American corporation, second only to General Motors, have corporate charters issued by foreign governments. Does it not stand to reason that Congress cannot properly regulate foreign commerce when it exercises no authority over the power, the duties, and the responsibilities of the corporations which carry on such commerce?

A simple illustration is this: The Constitution provides that no State may enter into any compact with any other State or with any foreign government without the consent of the Congress. Is it possible that a State which is forbidden by the Constitution to enter into a compact with another country can create a corporation which can do that which the creator of the corporation is forbidden to do? That is what happens.

Here is the story. All through the Arabian peninsula, all through the Middle Eastern oil area we are talking about, there are apparent the results of negotiations, in the form of agreements between American oil corporations—some of them created by the States of the United States, and others created by foreign countries—and foreign countries. There are agreements with the King of Saudi Arabia, and agreements with one of the British petroleum companies, in which the British Government is a partner. There are agreements with the Dutch companies and the French companies.

Here we have the story of a corporation, created by a state which has no power to regulate commerce in the public interest, doing that which the creator of the corporation is prohibited from doing.

We are inclined to listen to the explanation of those who defend the corporation by saying, "Well, is it not wonderful that an American corporation can go abroad, make so much money, and bring profits back to the people of the United States?"

In one sense it is, if money is what we are after. But was the making of money the objective of those who drafted the Constitution of the United States? Not at all. Their objective was to establish a government which would make it possible for people to attend to their own business without being supervised by government or by aggregations of great wealth. They wanted individual persons to be free. Today, individual persons are not economically free, and many domestic corporations engaged in the oil business in the United States are not free, because they are afraid of the huge economic power of the Standard Oil Company of New Jersey and other great oil companies, which are in the market for the oil which is produced.

JERSEY'S TANKERS

Let me give the Senate a much more interesting picture, drawn from this exhibit of the Standard Oil Company of New Jersey. In the lower part of each map—one showing the Eastern Hemisphere and one showing the Western Hemisphere—there are symbols to indicate the number of tankers the company owns. Each symbol represents a tanker in existence or a tanker which is being developed.

The Standard Oil Company of New Jersey tells us it has 28 tankers already built and sailing under the British flag.

Eighteen tankers are now being built under the British flag.

Under the German flag 6 are already built and 10 are being built.

Under the French flag 7 are already built and 14 are being built.

Under the Danish flag 3 are already built and 2 are being built.

So it goes, all through the list. The total number of tankers under the British flag is 18, in addition to those which I have already cited.

Under the United States flag 38 have already been built, and 9 are being built. Under the Panamanian flag 33 tankers have already been built, and 16 are being built.

An interesting thing about the building and operation of these tankers which ply the ocean and carry on the commerce of the United States on the oceans of the world is that, under United States law, the people of the United States pay for the construction of the tankers. I understand from the chairman of the Committee on Interstate and Foreign Commerce, the Senator from Washington [Mr. MAGNUSON], that an application is now pending before the Maritime Commission and the Department of Commerce for a subsidy to build huge tankers to be added to the fleet of vessels engaged in oceanborne oil commerce conducted by American companies. The application for the subsidy asks that the operators be permitted to build the new tankers with subsidies paid by the Government of the United States, while at the same time they are given the right to sell their old tankers to operators under foreign flags.

I invite attention to the map showing the operations of the Standard Oil Company of New Jersey in the Western Hemisphere. I shall not take the time to describe it in detail, but it will be observed that Standard Oil of New Jersey operates not only in continental United States, but in Canada. It operates in the gulf. It operates in Cuba, and in South America. It operates 11 refineries in South America.

I have before me a list of 28 principal operating interests of the Standard Oil Company of New Jersey in the Western Hemisphere. I ask unanimous consent that the list of names of the corporations be printed in the RECORD at this point as a part of my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

PRINCIPAL OPERATING INTERESTS—WESTERN HEMISPHERE

1. The Carter Oil Co.
2. Creole Petroleum Corp.[1]
3. Esso Mexicana, S. A. de C. V.
4. Esso S. A. Petrolera Argentina.
5. Esso Shipping Co.
6. Esso Standard do Brasil Inc.
7. Esso Standard (Guatemala) Inc.
8. Esso Standard (Inter-America).
9. Esso Standard Oil Co.[1]
10. Esso Standard Oil Co. (Chile) S. A. C.
11. Esso Standard Oil Co. (Uruguay) S. A.
12. Esso Standard Oil, S. A.
13. Ethyl Corp.[1]
14. Gilbert & Barker Mfg. Co.[1]
15. Humble Oil & Refining Co.[1]
16. Imperial Oil Ltd.[1]
17. International Petroleum Co., Ltd.[1]
18. Interprovincial Pipe Line Co.—Jersey investment by Imperial Oil.[1 2]
19. Interstate Oil Pipe Line Co.
20. Lago Oil & Transport Co., Ltd.
21. Oklahoma Oil Co.
22. Panama Transport Co.
23. Pate Oil Co.
24. Perfect Power Corp.
25. Plantation Pipe Line Co.[1]
26. Standard-Vacuum Oil Co.[1 2]
27. Trans Mountain Oil Pipe Line Co.—Jersey investment by Imperial Oil.[1]
28. Yellowstone Pipe Line Co.—Jersey investment by Interstate Pipe Line.[1]

Mr. O'MAHONEY. The map which I have been exhibiting illustrates very clearly how correct I was when, at the beginning of the hearings on the oil lift, I said that the problem was just as close to every family in the United States as the nearest filling station; and, more important than that, as near as the nearest draft board.

[1] And associated companies.
[2] Jersey interest 50 percent or less.

OIL, NOT FREEDOM

A glance at this map will show that our concern in the Middle East is oil, rather than freedom. We talk of freedom, but I venture to say that no one would be talking about sending our Sixth Fleet to the eastern area of the Mediterranean Sea, or talking about drafting our soldiers for military activity, if it were not for the fear that unless we did so this oil area would fall into the hands of our potential enemy, Soviet Russia.

I say potential enemy because I know what history teaches. Throughout the written history of mankind, when there was so much concentration of political power that the known world was divided between the areas of influence of two great powers, they inevitably locked in war. That has been the history of warfare in the world, since the Trojan War. It was true as between Greece and Persia. It was true as between Napoleon and Great Britain. It is true in our time. We have had two world wars; and, as I pointed out earlier this afternoon, the period of wars has been growing longer, and the period of peace between wars has been growing steadily shorter. We now stand upon the brink of war; and no one in the Congress or in the executive department—either in the State Department or in the White House—is able to predict what may be the next pitfall into which we may be dragged.

OIL FROM SHALE

It was back in 1943 that I began to realize what oil meant to the United States. It was on October 6, 1943, that I reported from the Committee on Public Lands and Surveys a bill which was designated S. 1243, "authorizing the construction and operation of demonstration plants to produce synthetic liquid fuels from coal and other substances, in order to aid the prosecution of the war, to conserve and increase the oil resources of the Nation, and for other purposes."

In the report I pointed out that the bill might well be termed a bill to assure the United States a continuous supply of domestically produced motor fuel and aviation gasoline. The military demands for petroleum and its products during the war have been so great that we are now burning up liquid fuel at the rate of approximately 1½ billion barrels of crude oil every year.

That was the report upon the bill which eventually became known as the O'Mahoney-Randolph synthetic fuel law. It was signed by the President on October 5, 1944, and became known as Public Law 290 of the 78th Congress.

Under that law, the Bureau of Mines began research to determine the possibility of producing economically liquid fuel from coal and oil shale.

I have before me a chart prepared by the Department of the Navy, which is in charge of the naval shale reserve near Rifle, Colo. The Navy has custody of that reserve. It was set aside by Executive order of the President on December 6, 1916, for just such a situation as that with which we are now confronted.

This chart shows the crude production in the United States. That is shown by the lower green line. It will be observed that in 1943, when my bill for making liquid fuel from coal and oil shale was passed, the production in the United States was about 4½ million barrels a day. It gradually increased and then fell back, increased again, and fell again; but there was a gradual increase. So that almost 11 years later production had reached about 6,750,000 barrels of crude oil a day.

The unfortunate fact, however, is that the demand had been constantly growing greater, as the upper line on the graph shows. While the production in the United States increased, the demand was steadily increasing at a greater rate. Production for 1956 and 1957 is shown on the chart. The rest is a projection.

Because production in the United States does not meet the demand for our own people for their own personal use and of our Defense Department for our soldiers, sailors, marines, and fliers, oil must be imported.

The estimate of the best experts on geology who can be found show that by the year 1965, less than 10 years from today, the production in the United States will have leveled off and will then begin to decline. That is not surprising, because the search for oil began in the United States long before it began anywhere else in the world. The great companies which are now seeking for oil throughout the world, got their experience here. They developed their skills and their know-how. I would be the last to deprecate those skills in the search for oil and in producing it.

Naturally they are interested in bringing it into the United States, which is the great market for oil. The more oil they bring into the United States, the more serious becomes the problem for our own production, because we have drilled the surface of the United States for so long a time that we must now drill deeper and at a higher cost than ever before.

During the past few years we have allowed inflation to take us by the throat, economically speaking. The price of steel has been steadily rising. During the past 10 years it has risen constantly. There is another increase in the price of steel coming. The price charged by the great steel companies will be a tax upon every trade and industry in the United States. It will be a tax on drilling for oil because it will be more costly for the crude oil production companies to sink the deep wells.

The situation has become so serious that under section 7 of the extension of the Trade Agreements Act, passed in 1955, Congress provided that it shall be the duty of the President, when he finds that the defense of the United States is threatened to be impaired by reason of increased imports of any commodity, to impose restrictions on such imports.

That finding has been made. In 1955 that law was passed. An attempt was made to secure a limitation of imports by voluntary agreements among the importing oil companies. However, the importing oil companies are the large integrated companies which produce in foreign lands as well as in the United States. They transport the oil in tankers. They refine it in their refineries. They sell it in their own filling stations. They operate throughout the whole span of the industry from the production of the crude to the sale of the gasoline and the lubricant in the corner filling station. There are many American companies which have not grown so great. Some are engaged only in refining. Some are engaged only in drilling for crude. Some companies are engaged only in retail selling. But the small companies cannot begin to compete with the huge, integrated units which import great quantities of oil.

THREAT OF IMPORTS

Recently there was a change of Directors in the Office of Defense Mobilization. Dr. Arthur S. Flemming, the retiring Director, had held some hearings on the question of determining whether the national security was being impaired, and he seemed to be about ready to ask for a curtailment. A demand arose from many Members of the Senate, on both sides of the aisle, that steps be taken by Mr. Gordon Gray, the new head of the Office of Defense Mobilization. Mr. Gray took the matter under advisement. On April 23, 1957, he issued a memorandum for the President and was kind enough to send me a copy. It reads as follows:

> Section 7 of the Trade Agreements Extension Act of 1955 requires the Director of the Office of Defense Mobilization to advise the President whenever he has reason to believe that any article is being imported into the United States in such quantities as to threaten to impair the national security.
>
> Under authority of this law and under authority of your assigning to a committee of Cabinet members consideration of energy supplies and resources policy, quite extensive investigation has been made of the effect upon national security of crude oil imports into the United States. The investigation clearly established that the rate of imports could reach a point at which the incentive for exploration and development in this country would be so reduced as to make us dependent upon overseas oil supplies to meet our national energy requirement.

Nothing can be more important than that statement by Mr. Gray. It is just about as clear as a statement can be. He says:

> The investigation clearly established that the rate of imports could reach a point at which the incentive for exploration and development in this country would be so reduced as to make us dependent upon overseas oil supplies to meet our national energy requirement.

Let me read a statement from Platt's Oilgram, New York edition, Wednesday, May 15, 1957, under the heading "Increased Suez Transits Put Focus on Crude-Oil Prices in Persian Gulf."

The dispatch reads:

> NEW YORK, May 14.—Resumed use of Suez Canal by British tonnage today, plus depression in spot tanker rates, leaves United States "wide open" for increased Middle East imports, according to trade sources here.
>
> Crude-oil prices in Middle East have not—as yet—followed the upward trend started this year in the United States, Venezuela, and Canada. Barring early price changes in that area, prospect is that Middle East oils will undersell United States oils by substantial margin on both east, west, and gulf coasts of United States.

RATE OF IMPORTS

The Government figures on the imports of crude oil into the United States are as follows:

For the third quarter of 1956, 1,043,000 barrels daily.

For the fourth quarter of 1956, 916,000 barrels daily.

For the first quarter of 1957, 811,000 barrels daily.

Those declines were due to the fact that because of the European oil lift some Venezuelan and other South American oil was diverted to Western Europe.

For the 4 weeks ending May 3, 1957, the total amount of crude-oil imports into the United States was 901,000 barrels a day. The scheduled amount of imports for the last half of 1957 is estimated at 1,261,000 barrels daily.

Thus, the best authority that one can find in the oil industry indicates that the imports will continue to rise; and, as Mr. Gray said in his memorandum to the President, that will have a deleterious effect upon the operation of the United States oil industry and will make us dependent upon overseas oil supplies to meet our national energy requirements.

What does that mean? I have talked a long time before reaching this chart, but I think it is the most important chart I can call to the attention of the Senate. The chart represents the proven reserves in billions of barrels.

The world petroleum reserves amount to 200 billion barrels of oil.

Of that amount, 93,265,000,000 are in the Middle East—46 percent of the entire world reserves of petroleum.

What proportion does the United States have? Our proven reserves now are only 40 billion barrels. We have less than half of the proven reserves of petroleum which are in the Middle East alone.

We know we are talking about war and the preparation for war. What does the record in the United States show? The potential reserves of liquid fuel from the oil shale of the United States, which extends throughout the United States, is put down by the Navy Department as 1 trillion barrels of shale oil. What is a trillion? A trillion is a thousand billion.

The petroleum reserves are listed in terms of billions of barrels of oil. There are 200 billion barrels of oil in the world, with 40 billion in the United States. But the United States need not be dependent upon these foreign reserves for its defense, for its business, for its daily living, for the use of pleasure automobiles and other motor vehicles, because we have in the United States shale which will produce five times as much as the total petroleum reserves of the world.

FUEL YIELDS OF SHALE OIL

This chart shows that the average barrel of petroleum produces 9 percent of liquefied gas, 45 percent of gasoline, and 6 percent of jet fuel. If we are talking about airplanes and jet planes to defend the United States, we are interested in jet fuel. We cannot get as much jet fuel from petroleum—only 40 billion barrels—as we can get from a trillion barrels of oil shale.

Crude petroleum produces: diesel fuel, 16 percent; burner fuel, 16 percent; asphalt and lubricants and losses, and so forth, 8 percent.

Now let us examine the chart showing what a barrel of crude oil made from shale will produce: 10 percent of liquefied gas, 5 percent of gasoline, 38 percent of jet fuel—the fuel we need more than any other fuel for the expensive airplanes we are building for defense—33 percent of diesel fuel, only 4 percent in coke and losses.

In shale oil we have 71 percent of the defense fuels upon which the country depends.

I am happy to see on the floor the Senator from Utah [Mr. WATKINS], because his State of Utah, like the State of Wyoming and the State of Colorado, is rich in deposits of shale.

Mr. WATKINS. Mr. President, will the Senator from Wyoming yield to me?

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Does the Senator from Wyoming yield to the Senator from Utah?

Mr. O'MAHONEY. I yield.

Mr. WATKINS. I am very happy the Senator from Wyoming is making this speech in regard to the reserves in the United States. The reserves in the three States, of which Utah is one, constitute one of the greatest reserves known in the world.

Mr. O'MAHONEY. That is correct; there can be no question about it.

Mr. WATKINS. Will the Senator from Wyoming return to the exhibit he displayed to the Senate a moment ago?

Mr. O'MAHONEY. Certainly.

Mr. WATKINS. It has to do with the refining of petroleum and the yield from it. I wish to ask a question about what can be obtained from a barrel of petroleum, as compared with a barrel of shale.

Mr. O'MAHONEY. The chart shows that a barrel of crude petroleum yields 6 percent of jet fuel, as compared with 38 percent in the case of oil.

Mr. WATKINS. That is because of the difference in the chemical makeup of the shale oil, as compared with that of crude petroleum, is it not?

Mr. O'MAHONEY. That is correct. A barrel of crude petroleum produces 45 percent of gasoline, whereas a barrel of shale oil produces only 5 percent of gasoline. But the companies of the United States are constructing better engines which are able to obtain more mileage per gallon of gasoline, when used in pleasure vehicles.

Mr. WATKINS. I also am interested in the production of diesel fuel.

Mr. O'MAHONEY. A barrel of crude petroleum will produce 60 percent of diesel fuel, and a barrel of shale will produce 33 percent of diesel fuel. In other words, the shale deposits in Utah are of very great value to the Navy, which uses diesel fuel for the propulsion of naval craft; and they are also of very great importance to the Army, which uses diesel fuel to propel many of its vehicles.

Mr. WATKINS. If the Navy does not desire to use for transportation purposes the oil shale which is available in these States, it can make use of the uranium which can be used to develop atomic power.

Mr. O'MAHONEY. That is correct.

Mr. WATKINS. In those three States and in New Mexico is probably the overwhelming proportion of the uranium which is produced in the United States.

Mr. O'MAHONEY. The Senator from Utah is quite correct.

Mr. MORSE. Mr. President, will the Senator from Wyoming return to one of the other charts he has displayed to the Senate?

Mr. O'MAHONEY. Certainly. As I have previously stated, the chart to which I now refer shows the comparison between United States production, which is indicated by the green line, and United States demand. The gaps between the two must be filled by increasing imports and by synthetics. The increase in production in the United States will come to a stop in 1965—in just 8 years.

Because of the importance of this matter, I introduced on Monday, on behalf of my colleague, the senior Senator from Wyoming [Mr. BARRETT] and myself, a bill to enable the Bureau of Mines to reestablish its operations.

AREA OF OIL SHALE

However, before referring to that bill, I wish to say to the Senator from Utah that I have made a computation of the area of oil shale in the Green River Basin, which includes the States of Colorado, Utah, and Wyoming, and I list them in alphabetical order:

Colorado has 2,592 square miles of oil shale; Utah has 4,680 square miles of oil shale; Wyoming has 9,192 square miles of oil shale. The total in the case of those three States alone is 16,464 square miles.

Mr. MORSE. Mr. President, will the Senator from Wyoming yield further to me?

Mr. O'MAHONEY. I yield.

Mr. MORSE. Will the Senator from Wyoming repeat his observations about 1965? Did I correctly understand him to say that by 1965, the United States will have reached the maximum of its production of crude oil?

Mr. O'MAHONEY. That is correct; by that time the United States will have been explored so thoroughly that there will be no prospect of gaining additional reserves. As a matter of fact, the proportion of crude oil going into reserves, as compared with the proportion which is consumed daily, has been steadily declining during the past few years, so that today there is being discovered in the United States not more than 1,225,000 barrels of oil as compared with the demand of 1 million barrels, so that only one-quarter of a million barrels go into the reserves.

Mr. MORSE. The Senator from Wyoming now is referring to the chart entitled "The United States Petroleum Supply and Demand"; is he not?

Mr. O'MAHONEY. Yes; and the Senator from Oregon has before him a photostatic copy of the large chart I am displaying to the Senate.

Mr. MORSE. The chart means that at the present time the United States is not producing sufficient crude oil to

meet the public demand in this country. Is that correct?

Mr. O'MAHONEY. That is correct. The demand in the United States has been steadily increasing; our population is increasing; our business is increasing. Unless we make certain that we have a sure and certain supply, we shall be hard put to it.

I point out to the Senator from Oregon that during World War II, Hitler's submarines sank 114 United States-flag ships carrying crude oil from Venezuela to the east coast of the United States, there to be refined. But today the Russian submarine fleet is far better and more modern than Hitler's was. So it would be folly for the United States to expect that the necessary supplies of fuel for war could be obtained from the Middle East.

Mr. MORSE. I should like to ask another question, although probably the Senator from Wyoming has covered the point I have in mind. It was necessary for me to leave the Chamber for a few minutes, although I wished to hear as much of the speech of the Senator from Wyoming as I could. Of course, I shall read all of it tomorrow in the CONGRESSIONAL RECORD.

My recollection is that the United States had in operation 1, and perhaps 2, experimental laboratories for the production of crude oil from shale. It is my recollection that those laboratories were discontinued a year or two ago. Does the Senator from Wyoming have the facts regarding that matter?

CLOSING SHALE OIL PLANTS

Mr. O'MAHONEY. I am very happy that the Senator has raised that question. I was just about to come to it.

I have in my hand a copy of the hearing before the Antitrust Subcommittee, Subcommittee No. 5, of the Committee on the Judiciary of the House of Representatives, 84th Congress, containing the record for July 26, 1956. It is entitled "WOC's and Government Advisory Groups." This record was developed when the House committee was trying to discover the regular business affiliations and activities of those who constituted advisory groups of government.

On page 2581 I find a letter from Mr. Felix E. Wormser, Assistant Secretary for Mineral Resources, in the Department of the Interior. The letter was dated July 30, 1954. I shall not read the whole letter, but it was addressed to Mr. Walter Hallanan, president of the National Petroleum Council, at Pittsburgh, Pa. The letter reads, in part:

DEAR WALTER: One of the recommendations made to the Secretary of the Interior by a committee appointed to survey the operations of the Bureau of Mines related to the continued operation of the Government's oil-shale plant at Rifle, Colo.

The recommendation made by the committee and found on page 23 of the enclosed report, was as follows:

It is recommended (17) that the experimental work done solely by the Bureau on the production of oil shale and oil from shale at Rifle, Colo., should cease, and that no further work be done with the new retort unless there is a substantial contribution by industry under a cooperative agreement.

If industry feels that no further experimental work is necessary, then the facilities will have served the purpose for which they were developed and constructed, and disposition should be made in accordance with established procedures.

On page 2590 of the same record to which I have made reference we find the list of the names of those who participated in the Committee on Oil Shale Policy.

I ask unanimous consent that the list of names be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

COMMITTEE ON SHALE OIL POLICY

B. A. Hardy, Shreveport, La., chairman.
Hines H. Baker, Humble Oil & Refining Co., Houston, Tex.
Russell B. Brown, Independent Petroleum Association of America, Washington, D. C.
J. C. Donnell II, the Ohio Oil Co., Findlay, Ohio.
Fayette B. Dow, National Petroleum Association, Washington, D. C.
Warwick M. Downing, Denver, Colo.
Paul Endacott, Phillips Petroleum Co., Bartlesville, Okla.
W. W. Fleniniken, Rocky Mountain Oil & Gas Association, Denver, Colo.
R. G. Follis, Standard Oil Company of California, San Francisco, Calif.
Clyde T. Foster, The Standard Oil Co. (Ohio), Cleveland, Ohio.
Eugene Holman, Standard Oil Co. (New Jersey), New York, N. Y.
A. Jacobsen, Amerada Petroleum Corp., New York, N. Y.
Paul Kayser, El Paso Natural Gas Co., El Paso, Tex.
J. Sayles Leach, the Texas Co., New York, N. Y.
Frank M. Porter, American Petroleum Institute, New York, N. Y.
M. H. Robineau, the Frontier Refining Co., Denver, Colo.
Roland V. Rodman, Anderson-Prichard Oil Corp., Oklahoma City, Okla.
P. C. Spencer, Sinclair Oil Corp., New York, N. Y.
D. T. Staples, Tide Water Associated Oil Co., San Francisco, Calif.
Henderson Supplee, Jr., the Atlantic Refining Co., Philadelphia, Pa.
Sidney A. Swensrud, Gulf Oil Corp., Pittsburgh, Pa.
Reese H. Taylor, Union Oil Company of California, Los Angeles, Calif.
Robert E. Wilson, Standard Oil Co. (Indiana), Chicago, Ill.

Mr. O'MAHONEY. Mr. President, the list is studded with the names of representatives of the Standard Oil Company of Indiana, Union Oil Company of California, Gulf Oil Corp., Atlantic Refining, Tide Water Associated Oil, Sinclair Oil Corp., American Petroleum Institute, the Texas Co., El Paso Natural Gas Co., Amerada Petroleum Corp., Standard Oil of New Jersey, Standard Oil of Ohio, and so on.

This is the group that rendered the report suggesting that the experimental operation of the Bureau of Mines should cease. I am happy, however, to read the names of the three who signed the dissenting report:

The committee, therefore, concurs in the recommendation of the Interior Department Committee to the Secretary of the Interior to the effect that the experimental work done solely by the Bureau of Mines on the production of oil shale and oil from shale at Rifle, Colo., should be discontinued for the present and that the facilities now on the site be maintained in standby condition.

Action: On motion made by Mr. Hardey, and duly seconded, the report of the committee on shale-oil policy was adopted with the following members voting in the negative:

Mr. Warwick M. Downing.
Mr. B. L. Majewski.
Mr. M. H. Robineau.

Mr. Majewski and Mr. Robineau are independent refiners who are not engaged in the production of oil, and Mr. Downing is a lifelong, well-known oil expert, and a practicing attorney of Denver, Colo.

Mr. MORSE. Mr. President, will the Senator yield for a couple more questions?

Mr. O'MAHONEY. Yes.

Mr. MORSE. I have a recollection that, in addition to the plant at Rifle, Colo., there was another experimental plant in Missouri, as I recall.

Mr. O'MAHONEY. Yes. A Government plant at Louisiana, Mo., which was built by the Government during the war for the production of ammonium, was ideally situated and ideally equipped for testing coal. Coal was tested there, but that coal operation was also abandoned.

It is absurd to think that in a critical situation such as we have now the Government should allow itself to be persuaded by the oil industry to stop research on what may be a competitive source of supply. I do not blame the oil companies for trying to hold to petroleum, except that I do not believe they have taken into consideration the critical posture in which the Nation stands.

Mr. MORSE. Mr. President, will the Senator yield further?

Mr. O'MAHONEY. Yes.

Mr. MORSE. It has been about 3 years since I have made any study of this question, but I think I read in my previous study of it that the Rifle, Colo., plant had clearly demonstrated, No. 1, the scientific capability of producing oil from shale economically. Am I correct in that statement?

Mr. O'MAHONEY. I do not think it went quite that far. The scientific possibility of refining liquid fuel from oil shale was demonstrated, but not that it could be produced at a competitive price as yet, but almost at a competitive price.

Mr. MORSE. But that it could be produced, and in view of increasing shortages, it would necessarily become more economical.

Mr. O'MAHONEY. The outlook was excellent. More than that, may I say to the Senator, Hitler fought World War II with synthetic fuel.

Mr. MORSE. My next question is this: Is there a considerable amount of shale on federally owned land?

Mr. O'MAHONEY. There is.

Mr. MORSE. Does it not then follow that the expenditure of taxpayers' dollars for completion of research on this matter, to the end of trying to work it out to the point where oil may be economically produced, is definitely in the broad public interest, and definitely in the narrow public interest, in the sense that we would be spending the money there for the benefit of the people themselves, in increasing the value of their land in their own public interest?

Mr. O'MAHONEY. The best answer I can give to that question is to read what the Honorable CARL VINSON, chairman

of the House Committee on Military Affairs, said, when I testified before the committee, on March 20, 1957. At the conclusion of that testimony he made this remark:

I was here when we started off in synthetic rubber. Millions and millions of dollars were wasted because it was a crash program. Plan after plan had to be changed because we didn't have the know-how. But after spending millions and millions and hundreds of millions of dollars, we found out how to do it. We just merely want to carry on a small, little pilot plant, not get into the business. But we don't want the shale to be in the capacious bosom of Mother Earth and no effort being made to extract the oil.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WATKINS. I think probably more progress has been made in the recovery of oil produced from oil shale than we realize at this time. Only recently a very distinguished former colleague of ours, Ed Johnson, of Colorado, called on me. He is vitally interested in this matter. I think his home originally was in Craig, Colo., not far from where I used to live. He told me that one of the oil companies had gone ahead with this experimentation, based largely upon the discoveries which had been made.

UNION OIL'S PLANT

Mr. O'MAHONEY. The Union Oil Company of California has acquired some of the oil-shale land in and around the naval reserve. It is very anxious to undertake some research work. The president of that company, Mr. Rubel, told me only this morning that they have already expended about $15 million in research, but they have not made the rapid progress they had hoped to make when they started back in 1955. They are asking now to have a depletion allowance of 27½ percent, as an incentive to the research. I am perfectly willing that they should have such a depletion allowance and such a stimulus. I think this whole program must be developed by stimulating it and providing incentive for the expenditure of funds. However, I do not believe that sufficient private funds will be available to do the work as it ought to be done.

The Union Oil Co. is intent only upon shale. Coal is another mineral, of which there is a great amount in Utah, as there is in Wyoming and in Colorado, from which chemical products and liquid fuel can be made.

Mr. WATKINS. Mr. President, will the Senator yield further?

Mr. O'MAHONEY. I yield.

Mr. WATKINS. As I recall, former Senator Johnson advised me that the same company of which the Senator speaks, the Union Oil Co., had gone so far that they could envision a successful venture in extracting oil from shale.

Mr. O'MAHONEY. I believe that is the way they feel.

Mr. WATKINS. He said they were within sight of doing it, and they were interested in getting the same treatment as that accorded to other oil producers; that is, the 27½ percent depletion allowance. He said that was one of the things they needed now. I received the impression from him that they would be ready in the very near future to go into production with one of these plants.

I wish to point out that I think we ought to give every encouragement to the oil companies of the United States, or to any other people who are interested in making investments, to invest money in ventures of this kind.

Mr. O'MAHONEY. Yes.

Mr. WATKINS. I think, as the Senator has stated, this allowance ought to be given. I was very much encouraged by what former Senator Johnson told me about the progress already made. It might relieve to that extent the heavily overburdened budget we now have, if we can get the other people to carry on the necessary research and investigation.

Mr. O'MAHONEY. I am afraid they cannot do enough.

I wish to read from the testimony given before the VINSON committee on March 20, 1957, the same day that I testified. This testimony was given by Mr. Fred Hartley, the vice president of the Union Oil Company of California. He is the scientist in charge of the investigation. Representative GAVIN had asked him to supply some information, and he said:

Our recent progress report and what we have done to date.

Now, as to your question, what I stated yesterday was that retorting was difficult.

Retorting, of course, is the scientific operation by which the shale is put into a retort, the heat applied to it, and the oil obtained.

We have devised one scheme of doing the job. We have created that scheme by scientific thought, and originality.

In our process we push rock up through the retort and we bring combustion gases down, vertically. As a result of doing that we bring hot combustion gases in contact with the rising cold rock. This causes the rock to rise to the temperature at which retorting commences, which is in the temperature range of 700 to 1,000 degrees Fahrenheit. At that point, oil is released. It flows downward through the retort and is carried out and we end up with two products.

Product No. 1 is what we call raw shale oil.

Product No. 2 is off-gas; we call it retort product gas. It has a Btu value of about 100 Btu's per cubic foot. That compares to Texas natural gas of about 1,000 Btu's per cubic foot. Both materials represent vast sources of energy. The problem is to take that source of energy by having a proper retort.

Now, the Bureau's original thinking—and I understand from what was said, they have the basic patents so they must be the originators of the process, assuming the Patent Office did its job.

They (the Bureau of Mines) went the other way. They said that the rock should flow down, and the combustion gases should flow up—just exactly the opposite of our retort. And I wouldn't be a bit surprised that they think that the idea of pushing rock up is about as crazy as we think the idea of making the oil flow up.

But nevertheless, they might be right, and we might be right.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WATKINS. Whose testimony is the Senator reading?

Mr. O'MAHONEY. The testimony of Mr. Hartley, the vice president of the Union Oil Co. of California, an expert in the process.

Mr. WATKINS. When was the hearing held?

Mr. O'MAHONEY. March 20.

Mr. WATKINS. This year?

Mr. O'MAHONEY. This year.

Mr. WATKINS. I thank the Senator.

Mr. O'MAHONEY. Mr. President, I am very grateful to the Senators who have listened to my speech this afternoon. I made this talk about the problem because I thought it was very necessary, particularly since there is now before the ODM and the President the necessity for a decision as to what action is to be taken.

ODM REPORTS THREAT

Mr. Gray reported to the President on April 23d, as I recall, that the national security would be impaired by the continued increase of imports, and the President 2 days later issued another statement in which he announced he accepted that judgment, that there was an impairment of security, thus bringing the matter under section 7 of the Reciprocal Trade Extension Act of 1955. The President may now fix the rule by which imports may be prorated. He has asked ODM to look into the possibility of a voluntary agreement.

I do not believe a voluntary agreement will work, because no voluntary agreement has been made in the past 2 years. A voluntary agreement requires that some of the importing companies surrender a part of the commodity which they are now bringing into the United States. I think the ODM should exercise the authority which Congress delegated, suggest the ratio—and the 1954 ratio would be a good ratio—impose it upon all the companies, and let them all share in a proper ratio.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WATKINS. Was that situation brought on partly by the blockade of the Suez Canal?

Mr. O'MAHONEY. This was before the blockade, in 1955, when an amendment was offered by a group of Senators.

Mr. WATKINS. I refer to the recent action of the President and the ODM.

Mr. O'MAHONEY. Yes; as a result of that, because the imports continue to come in.

At the beginning of my talk this afternoon I read into the RECORD a statement of the facts showing that the estimates now on file with ODM show a substantial increase in the imports. This is the time to save our domestic capacity to produce petroleum, and it is the time to move forward with the testing of oil shale.

Mr. WATKINS. The local companies engaged in production in the United States do not object to imports, do they?

Mr. O'MAHONEY. Yes, the companies are objecting; certainly.

Mr. WATKINS. At the present time?

Mr. O'MAHONEY. Yes. Positively. Vigorously. Emphatically.

Mr. WATKINS. I am sorry, but I got the impression at the start that it was a matter of prorating imports to possible customers in the United States. That is why I asked the question about the blockade.

Mr. O'MAHONEY. No. The point is that the imports undermine our own capacity to produce. The Senator will find that statement a little earlier in my remarks.

Mr. WATKINS. I am sorry I did not hear all the Senator's speech.

Mr. O'MAHONEY. We cannot always have a full attendance. I am happy that the Senator entered the Chamber when he did.

Mr. WATKINS. Other appointments kept me from the Chamber during most of the afternoon.

Mr. O'MAHONEY. Mr. President, I yield the floor.

Mr. DIRKSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONVEYANCE OF CERTAIN LAND TO THE STATE OF WYOMING

Mr. BARRETT. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 312, Senate bill 358.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 358) to authorize the conveyance to the State of Wyoming of about 37 75/100 acres of land comprising a part of Francis E. Warren Air Force Base.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. BARRETT. Mr. President, the bill was reported unanimously from the Armed Services Committee. I have been in contact with the majority leader and minority leader, and both are in accord with the objectives of the bill.

The bill provides that 37 and a fraction acres of land now in the Francis E. Warren Air Force Base, near Cheyenne, shall be sold to the State of Wyoming at the appraised value. I anticipate that the property will be sold at an estimated value of $19,000, which is a respectable sum for land in Wyoming.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. BARRETT. I yield.

Mr. CARROLL. Is this land to be sold to the State of Wyoming?

Mr. BARRETT. It is.

Mr. CARROLL. The distinguished Senator from Wyoming has stated, as I recall, that this matter has been cleared with the majority leader. Is that correct?

Mr. BARRETT. With the majority leader; that is correct. I might also say that the Senator from Oregon [Mr. MORSE] has no objection to the bill.

Mr. CARROLL. I thank the Senator.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Air Force is authorized and directed to convey to the State of Wyoming, at the fair market value, all the right, title, and interest of the United States in and to about thirty-seven and seventy-five one-hundredths acres of land comprising a part of Francis E. Warren Air Force Base, Wyo., and more particularly described as follows:

Beginning at a point which is 303.4 feet north 73 degrees 55 minutes west from monument numbered 28, thence south 7 degrees 33 minutes west, 1,320.0 feet more or less, to the point of 1 degree 54 minutes curve to the left, the radius of which is 3,015.0 feet, thence along said curve through an angle of 21 degrees 05 minutes, a distance of 1,110.0 feet more or less, to a point on the old boundary of Francis E. Warren Military Reservation, thence north 89 degrees 48 minutes west, 660.0 feet more or less, to a point on the present boundary of Francis E. Warren Air Force Base Reservation, thence north 00 degrees 03 minutes east, 2,629.0 feet, more or less, to monument numbered 27, thence south 73 degrees 55 minutes east, 813.0 feet, more or less, to the point of beginning. Said parcel of land containing 37.75 acres, more or less.

Monument numbered 28 is located at a point 832.32 feet, north 73 degrees 55 minutes west of point which is 2,224.38 feet, south 70 degrees 9 minutes west of the east quarter corner of section 24, township 14 north, range 67 west.

SEC. 2. The Secretary of the Air Force may include in the deed of conveyance authorized under this act such terms as he considers to be in the public interest.

CITING OF EDWARD A. HINTZ FOR CONTEMPT OF THE SENATE

Mr. FULBRIGHT. Mr. President, I have just consulted with the acting majority leader, and I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 232, Senate Resolution 124.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 124) citing Edward A. Hintz for contempt of the Senate.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. FULBRIGHT. Mr. President, in September and October 1956, the Banking and Currency Committee held hearings in Washington and Chicago on the Illinois banking situation. One of the principal problems which the committee sought to explore was how the Illinois auditor of public accounts, the supervisor of the State banking system, was able to use a State bank, deposits in which were insured by the Federal Deposit Insurance Corporation, in his thefts of State funds running into the millions. The hearings in Washington disclosed that the bank in question had been the subject of repeated criticism by FDIC, because of bad management, but no improvements were effected. Instead the bank went from bad to worse. The committee wished to explore the relationship, if any, between the bank's bad management and the bank's participation in the thefts.

One of the principal witnesses the committee wished to question in Chicago was Edward A. Hintz, executive vice president, later president of the bank. Hintz was the man who personally handled the fraudulent State warrants, and kept the secret account of stolen money. He had been questioned, not under oath, by the staff in the course of its preliminary inquiries, and obviously had a great deal of information of importance to the investigation.

Accordingly, the committee had Hintz brought before it in Chicago, from Joliet where he was serving under concurrent Federal and State sentences for his part in these thefts.

Hintz objected to the manner in which the hearings were conducted by the committee. He refused to be sworn or to testify except under the following conditions:

While he was in the hearing room, television cameras must be turned off entirely; while he was testifying, moving-picture cameras, radio and other recording equipment must not be operated, and still photographs must not be taken in the room.

A number of reasons were given for these demands. The only reason which even had any appearance of validity was that the witness might be confused and unable to testify correctly under the circumstances.

After recessing to consider the matter carefully, these demands were rejected. The committee offered to have the live television cameras turned away from the witness during his testimony, as had been done at the request of a previous witness.

The argument relating to confusion was based on the *Kleinman* case (107 F. Supp. 407) where a witness was excused for refusing to testify because of confusion. In the Chicago hearings, however, the situation was, in my judgment, completely different. The hearing room, though full, had been extremely orderly during the previous testimony, and the representatives of the press, radio, and television had conducted themselves entirely satisfactorily during the previous testimony. And a brief colloquy with the witness on the subject of his many previous experiences as a professional prize fight judge under live television left no question of his ability to testify correctly under the circumstances.

Accordingly, when Hintz persisted in his refusal to be sworn or to answer any questions under the arrangements prescribed for the hearing, in spite of being warned of the consequences, he was taken from the hearing room and the hearing proceeded with other witnesses, but without the benefit of the testimony which would have been obtained from this key witness.

This refusal was considered by the Banking and Currency Committee, which reported out, and recommends that the Senate adopt, Senate Resolution 124, providing for the prosecution of Edward A. Hintz for this refusal.

I ask that an excerpt from the report of the Banking and Currency Committee—Report No. 232—be printed in the RECORD at this point in my remarks.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The Committee on Banking and Currency met on July 27, 1956, and approved a resolution authorizing an investigation of the Illinois banking situation and other matters in the committee's jurisdiction, and further authorizing the holding of hearings on the subject outside the District of Columbia.

The Committee on Banking and Currency, under rule XXV, paragraph (d), of the Standing Rules of the Senate, has jurisdiction over all proposed legislation and other matters pertaining to the following subjects:

1. Banking and currency generally.

* * * * *

3. Deposit insurance.

* * * * *

The investigation of the Illinois banking situation was based, among other factors, on disclosure of the fact that Edward A. Hintz, the executive vice president (later president) of the Southmoor Bank & Trust Co., of Chicago, Ill., a State bank, deposits in which were insured by the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act (64 Stat. 873; 12 U. S. C. 1811), and which the Federal Deposit Insurance Corporation had charged with unsafe and unsound banking practices, had participated with the auditor of public accounts of Illinois, whose responsibilities included chartering and supervising State banks, in cashing at that bank fictitious and fraudulent State warrants in large amounts.

Following an investigation by the committee's staff in Washington and Chicago, the committee held hearings on September 21 and 25, 1956, at which representatives of the Federal Deposit Insurance Corporation testified, among other things, concerning their actions in connection with the situation at the Southmoor Bank & Trust Co., and concerning the adequacy of the Federal Deposit Insurance Act to protect the interests of the United States and the insured depositors. It was thereafter determined to hold public hearings in Chicago, Ill., at which testimony could be obtained from witnesses having knowledge of the administration of the Federal Deposit Insurance Act, including particularly Edward A. Hintz.

As Edward A. Hintz was at that time confined at the Illinois State Penitentiary at Stateville-Joliet, Ill., in the custody of the warden of that institution, the chairman, after communicating with the Governor of the State of Illinois and the director of public safety of Illinois, petitioned the United States District Court for the Northern District of Illinois, Eastern Division, for the issuance out of that court of a writ of habeas corpus ad testificandum to the warden of the Illinois State Penitentiary at Stateville-Joliet, Ill., to bring Edward A. Hintz, and others, before the committee to testify at its hearings. This petition was approved and the writ requested was granted on October 4, 1956.

In accordance with this writ of habeas corpus ad testificandum, Edward A. Hintz was brought by the said warden to the United States Courthouse at Chicago, Ill., and was held there subject to the direction of the committee.

On October 9, 1956, the committee, having concluded taking testimony from previous witnesses, was ready to take the testimony of Edward A. Hintz. Before calling him to the witness stand, the committee, at the request of Edward A. Hintz, permitted John M. Leonard, Jr., Esq., attorney for Edward A. Hintz, to address it. Mr. Leonard, on behalf of his client, objected to the presence in the hearing room of television and moving picture cameras, radio equipment, and still cameras, and stated he would advise Edward A. Hintz not to testify except under the following conditions:

While Edward A. Hintz was in the hearing room, television cameras must be turned off; and, while Edward A. Hintz was testifying, moving-picture cameras, radio, and other recording equipment must not be operated and still photographs must not be taken anywhere in the room.

The chairman ruled that these conditions were unacceptable, and that the hearing would proceed in accordance with the procedures previously established at the hearing; namely, the live television cameras would not be directed at a witness while he was testifying if he so requested, and still photographers would remain behind the witnes' table while he was testifying.

Edward A. Hintz, having been called to the witness stand, thereupon refused to be sworn as a witness, and refused to answer one or more questions pertinent to the matter under inquiry, as appears in the record of such hearings on October 9, 1956, which record is made a part of this report. Excerpts from the record of these hearings are annexed and designated as "Exhibit No. 1."

As a result of the refusal of the said Edward A. Hintz to be sworn as a witness or to answer pursuant to such inquiry those questions put to him, as appears in the record, the committee was prevented from receiving testimony concerning the matter under inquiry by the committee.

The Committee on Banking and Currency of the United States Senate met on April 11, 1957, and, after reviewing the facts in this matter set forth in this report, resolved to present to the United States Senate, for its action, a resolution requiring the United States attorney for the northern district of Illinois to proceed against the said Edward A. Hintz in the manner and in the form prescribed by law.

Mr. FULBRIGHT. Mr. President, attached to the report is a copy of relevant parts of the testimony at the hearing. I should point out, for the sake of completeness, that Mr. Hintz' appearance—the proceedings beginning on page 11 of the report after the asterisks—occurred on October 9, 1956, the second day of the hearings. I ask unanimous consent that the following excerpt from page 359 of the transcript of the hearings on the Illinois banking situation showing the formal opening of the hearings on October 9, 1956, be inserted in the RECORD at this point, and included with the report certified to the United States Attorney, to show that the material beginning after the asterisks on page 11 of the report is an excerpt from the committee's proceedings on October 9, 1956.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE COMMITTEE ON BANKING AND CURRENCY,
Chicago, Ill., October 9, 1956.

The committee met, pursuant to recess, in room 209, Federal Court Building, at 9:45 a. m., Senator J. W. FULBRIGHT (chairman of the committee) presiding.

Present: Senator FULBRIGHT.

Also present: Robert A. Wallace, staff director; Donald L. Rogers, counsel; Matthew Hale, counsel; J. H. Yingling, chief clerk; and James B. Cash, Jr., staff member.

The CHAIRMAN. The committee will come to order. Will you bring in the witness, please.

Mr. FULBRIGHT. Mr. President, there has been much discussion on the subject of publicity for congressional hearings, including particularly the matter of radio, television, and newsreel coverage. Congressional hearings must be conducted in an atmosphere and under circumstances which will enable a committee to obtain truthful, accurate, and complete testimony. If coverage of hearings by any media of communications prevents obtaining such testimony, the communications media must yield to the more important objective. But where arrangements can be made for providing full coverage for all communications media, without interfering with the orderly conduct of a hearing, under circumstances permitting truthful, accurate, and complete testimony, I am convinced that it is entirely proper, and highly desirable, to permit all media of communications to have full and equal opportunity to bring information to the public.

I urge the adoption of Senate Resolution 124.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 124) was agreed to, as follows:

Resolved, That the President of the Senate certify the report of the Committee on Banking and Currency of the United States Senate as to the refusal of Edward A. Hintz to answer questions before the Committee on Banking and Currency, said questions being pertinent to the question under inquiry, together with all the facts in connection therewith, under the seal of the United States Senate to the United States attorney for the northern district of Illinois, to the end that the said Edward A. Hintz may be proceeded against in the manner and form provided by law.

LENDING OPERATIONS OF THE RECONSTRUCTION FINANCE CORPORATION

Mr. FULBRIGHT. Mr. President, in 1953, at the time of the abolition of the Reconstruction Finance Corporation, Secretary Humphrey and others contended that the lending operations of the Reconstruction Finance Corporation would result in a loss to the Government.

I ask unanimous consent that there be printed in the RECORD at this point an excerpt from the testimony of Secretary Humphrey before the Senate Banking and Currency Committee on May 21, 1953.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT FROM HEARINGS BEFORE THE SENATE COMMITTEE ON BANKING AND CURRENCY, 83D CONGRESS, 1ST SESSION, THURSDAY, MAY 21, 1953, ON THE SUBJECT OF GOVERNMENT LENDING AGENCIES—TESTIMONY OF SECRETARY OF THE TREASURY HUMPHREY

Senator FULBRIGHT. Is it your contention that the RFC has been an extravagant and wasteful organization?

Secretary HUMPHREY. I think it has been in the past.

Senator FULBRIGHT. You do?

Secretary HUMPHREY. Yes.

Senator FULBRIGHT. Has it cost the taxpayers anything?

Secretary HUMPHREY. I think it is going to cost the taxpayers a good deal of money.

Senator FULBRIGHT. I say has it up to now?

Secretary HUMPHREY. Well, it all depends on how you keep your books.

Senator FULBRIGHT. Do you think that it has?

Secretary HUMPHREY. Yes, I think it will cost——

Senator FULBRIGHT. Not "will." Nobody knows what is going to happen under the new administration. Up to now, do you allege that it has cost the taxpayers anything?

Secretary HUMPHREY. I think, Senator, if you estimate it, you will find the RFC has cost you money, particularly——

Senator FULBRIGHT. You are not willing to say it has, in your opinion?

Secretary HUMPHREY. Well, I cannot say it, because I have not actually figured it out. But, if you allow interest at what it costs for the money that RFC used and loaned out, and if——

Senator FULBRIGHT. You know under the law that was not provided.

Secretary HUMPHREY. I know, but that is just part of it. When the Treasury has to pay interest out to the public for a lot of money here, you cannot say you are making money.

Mr. FULBRIGHT. Mr. President, this question has recurred from time to time since then and I asked Assistant Secretary of the Treasury Robbins to furnish me a statement on this subject. I ask unanimous consent that there be printed in the RECORD at this point Mr. Robbins' letter of May 7, 1957 and the enclosure thereto which is a Consolidated Statement of Net Income From Lending Activities from the RFC.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

TREASURY DEPARTMENT,
Washington, May 7, 1957.

The Honorable J. WILLIAM FULBRIGHT,
Chairman, Banking and Currency Committee, United States Senate, Washington, D. C.

DEAR SENATOR FULBRIGHT: In compliance with a telephone request from Mr. Yingling a few days ago, I take pleasure in handing you two copies of a consolidated statement of net income from lending activities of the Reconstruction Finance Corporation. Because of the interest expressed by you on previous occasions, we began sometime ago to compile and consolidate these figures and the work has just now been completed.

The statement shows actual figures from the date of incorporation to March 31, 1957, and estimated figures to the date of the proposed abolition of the Corporation, June 30, 1957. The figure headed "Net Income (per RFC Records)" is what the books show after deducting various categories of expense, including interest actually paid. The final figure headed "Adjusted Net Income," which is explained in the footnote, is more realistic.

I hope you will find this statement satisfactory.

Sincerely yours,

LAURENCE B. ROBBINS,
Assistant Secretary of the Treasury.

Reconstruction Finance Corporation—Consolidated statement of net income from lending activities

	For the cumulative period from date of incorporation to—	
	Mar. 31, 1957	June 30, 1957 (estimated)
INCOME		
Interest and dividends on loans and securities (includes approximately $135,000,000 received from other U. S. Government agencies	$1,441,960,215	$1,442,709,657
Premiums realized and discounts collected on loans and securities, principally premiums on sales of public agency bonds, FHA insured mortgages and railroad securities	56,726,936	56,726,936
Commitment and other fees, principally from RFC subsidiary corporations, RFCMC and FNMA	12,305,141	12,305,141
Participation fees earned	10,439,460	10,439,460
Other income	695,810	695,981
Total income	1,522,127,562	1,522,877,175
INTEREST AND OTHER EXPENSES		
Interest on funds:		
Borrowed from U. S. Treasury	279,415,299	279,415,299
Borrowed from the public	86,481,808	86,481,808
Held for U. S. Treasury and others (derived principally from the World War II programs, including War Damage Corporation, temporarily utilized in the lending program)	61,377,562	61,377,562
Total interest paid	427,274,669	427,274,669
Administrative expense	264,073,462	264,298,468

	For the cumulative period from date of incorporation to—	
	Mar. 31, 1957	June 30, 1957 (estimated)
INTEREST AND OTHER EXPENSES—con.		
Fees paid for servicing mortgages, etc	$18,402,217	$18,402,217
Other expenses, including depreciation on administrative property and administrative property transferred to other U. S. Government agencies without reimbursement	914,838	939,500
Total expenses	710,665,186	710,914,854
Net income before losses and reserve provisions	811,462,376	811,962,321
LOSSES AND RESERVE PROVISIONS		
Loans, securities and other receivables charged off, less income and profits from acquired assets	106,474,248	106,536,970
Provision for losses on loans, securities and other receivables not yet liquidated	20,393,843	15,631,441
Total	126,868,091	122,168,411
Net income (per RFC records)—Note	684,594,285	689,793,910
Deduct: Increase in interest expense to reflect the average rate paid by the Treasury applicable to RFC's borrowings, capital stock and accumulated earnings	355,611,852	356,326,227
Adjusted net income	328,982,433	333,467,683

NOTE.—The net income as reported by RFC was computed after deducting operating expenses and the actual amount of interest paid on funds borrowed from the U. S. Treasury and others, and represents net earnings as shown on the books of the Corporation. Had the Corporation paid interest to the Treasury on all funds advanced by the Treasury, plus accumulated earnings of the Corporation, at a rate representing the average cost of those funds to the Treasury, net earnings of the Corporation would have been as shown above under "Adjusted net income."

Mr. FULBRIGHT. Mr. President, it will be noted from this statement that for the period from the date of incorporation in 1932 to March 31, 1957, the adjusted net income of the RFC from lending activities was $328,982,433. It is estimated that for the period ending June 30, 1957 this figure will reach $333,467,683.

This is after deducting an amount for increase in interest expense to reflect the average rate paid by the Treasury applicable to RFC's borrowings, capital stock and accumulated earnings. I agree with the note on the statement that this deduction is a proper one.

Secretary Humphrey's testimony states that question of whether or not RFC lending activities cost money "depends on how you keep your books." Senators will be interested that according to the way Mr. Humphrey's Treasury Department keeps the books the RFC will have earned $333,467,683 as of June 30, 1957.

ADJOURNMENT TO 11 A. M. TOMORROW

Mr. CARROLL. Mr. President, in accordance with the order previously entered, I move that the Senate now stand adjourned until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 4 o'clock and 45 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Friday, May 17, 1957, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate May 16, 1957:

UNITED STATES ATTORNEY

Hartwell Davis, of Alabama, to be United States attorney for the middle district of Alabama for a term of 4 years. He is now serving in this office under an appointment which expires June 9, 1957.

UNITED STATES MARSHAL

Darrell O. Holmes, of Washington, to be United States marshal for the eastern district of Washington for a term of 4 years. He is now serving in this office under an appointment which expires June 3, 1957.

IN THE AIR FORCE

The following persons for appointment in the Regular Air Force, in the grades indicated, under section 8294 of title 10, United States Code, as modified by section 1 of the act of April 30, 1956, chapter 223 (70 Stat. 119), with a view to designation, under section 8067 of title 10, United States Code, to perform the duties indicated, and with dates of rank to be prescribed by the Secretary of the Air Force:

To be captains, USAF (Medical)

James D. Boyle, AO3041916.
Earl H. Cramer, AO3002433.
Roy J. Kelly, AO664261.

To be captains, USAF (Dental)

Russell W. Combs, AO2241410.
Robert E. Furr, AO3000413.

To be first lieutenants, USAF (Medical)

Donald D. Baker
John A. Dotterer
Edward B. Edrington, AO2245505.
Richard F. Hench, AO3045950.
Frederick L. Jones, Jr., AO3074766.
Gordon C. MacLeod, AO3045973.
Donald M. Moore, AO3074758.
Robert C. Pfeiler, O2208262.
James R. Rasch, AO2246056.
Austin R. Sawvell
Glen D. Sockwell, AO2246190.
Claude A. Taylor, Jr.
James R. Wamsley, AO3045975.

To be first lieutenants, USAF (Dental)

Harvey T. Best, Jr.
Bernard M. Carr, AO3001255.
Billy M. Harrison, AO3042583.
Richard A. Henry, Jr., AO3042615.

The following-named persons for appointment in the Regular Air Force, in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of title II, Public Law 737, 84th Congress (Armed Forces Regular Officer Augmentation Act of 1956), with a view to designation, under section 8067 of title 10, United States Code, to perform the duties indicated:

To be captains, USAF (Judge Advocate)

Wilbur C. Bentley, AO2236183.
Everett Caselman, Jr., AO2095365.
Archie L. Henson, AO1864582.
Merrill Q. Horton, AO2216287.
William C. Knopke, AO1865940.
Grosvenor H. Letarte, AO2253184.
Joseph R. Lowry, AO2251230.
Joseph B. McMullin, AO1313768.
Alexander L. Rogers, AO2248879.
William E. Skinner, AO2216309.
Claude T. Siagle, Jr., AO941254.
John C. Wasson, AO795001.
Allan L. Zbar, AO2216153.

To be captains, USAF (Chaplain)

George S. Bieber, AO2218386.
Thomas M. Campbell, Jr., AO2255007.
Sudderth A. Harms, AO1858319.
Harold D. Jester, AO2253182.
Robert M. Moore, AO2249314.
Joseph W. Pridgen, AO2233789.
Fredrick D. Sundloff, AO2240497.
Frank L. Yashkas, AO2253125.

To be first lieutenants, USAF (Judge Advocate)

George F. Boney, AO3011280.
Paul A. Gross, AO1865345.
William A. Martin, AO3046469.
James D. Mazza, AO1854236.
Joseph W. Morrow, Jr., AO3006508.
George O. Wilson III, AO3020514.

To be first lieutenants, USAF (Chaplain)

Starke S. Dillard, Jr., AO2255164.
Ervin D. Ellison III, AO2068534.
Nicholas T. Kiryluk, AO2255907.
Neunert F. Lang, AO2255107.
John J. McGowan, AO2255305.
David E. Rathjen, AO2261883.
Charles H. Wilkens, AO2255038.

The following-named person for reappointment to the active list of the Regular Air Force, in the grade indicated, from the temporary disability retired list, under the provisions of section 1211, title 10, United States Code:

To be captain

George E. Webster, 14662A.

The following-named persons for appointment in the Regular Air Force, in the grade of first lieutenant, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of title II, Public Law 737, 84th Congress (Armed Forces Regular Officer Augmentation Act of 1956):

Billy J. Athey, AO3019789.
Robert R. Basham, AO2220438.
Derwin L. Bohne, AO3019264.
William D. Borgen, AO3025951.
Robert D. Bromley, AO3016962.
Thomas A. Burris, AO3026024.
Edward F. Burt, AO3026190.
Francis J. Clark, Jr., AO3026340.
Jesse K. Corder, AO3033696.
James P. Daley, AO3016757.
Raymond E. Deane, Jr., AO3018851.
Robert H. Dixon, AO3020046.
Robert T. Dobson, AO3021461.
Ronald E. Droste, AO3026053.
Dale L. Fulton, AO3026195.
Thomas N. Glenn, AO3026282.
Lewis P. Hackley, Jr., AO3026353.
James E. Hagler, AO3026286.
Edwin R. Hayek, AO3026396.
Ronald M. Jacobs, AO3015809.
William O. Jacobs, AO3018762.
Randall A. Johnston, AO3026297.
Elmer R. Joyner, AO3026356.
Robert D. Livingston, AO3019346.
William R. Loewe, AO3033634.
Paul G. Logsdon, Jr., AO3026403.
Dominic D. LoMurro, AO3017305.
Byron L. Marvin, AO3024557.
James J. McGuigan, AO3026304.
Daniel G. McIntosh, AO3019509.
Robert G. McKenzie, AO3019398.
Donald J. Parkhurst, AO3026416.
Frederick D. Quick, AO3012103.
Marc L. Reid, AO3026180.
Durreth D. Robbins, AO3019002.
James S. Robinson, AO3019910.
Kevin T. Ryan, Jr., AO3019911.
Henry J. Ryland, AO3019912.
Gustavus H. Scott, AO3025826.
William A. Sears, Jr., AO3019892.
Arthur D. Seely, AO3026317.
Robert L. Sell, AO3018842.
Kenneth D. Shanklin, AO3010286.
Carlton E. Smith, AO3012951.
John T. Taylor, AO3026322.
Teddy N. Taylor, AO3026013.
Duane L. Thenhaus, AO3010768.
Jerald H. Thompson, AO3008295.
William J. Walker, AO3026213.
Ernest E. Walkup, Jr., AO3020375.
Alfred H. Wiemann, AO2247867.
Jesse P. Wiggins, AO3033692.
Donald R. Williams, AO3020442.
Robert L. Zambenini, AO3026231.

The following-named former cadet, United States Military Academy, for appointment in the Regular Air Force in the grade of second lieutenant, effective and with date of rank June 4, 1957, under the provisions of section 203 (d), Public Law 737, 84th Congress (Armed Forces Regular Officer Augmentation Act of 1956):

Patrick J. Crakes, AO3040132.

The following-named cadets, United States Military Academy, for appointment in the Regular Air Force, in the grade of second lieutenant, effective upon their graduation, under the provisions of section 203 (e), Public Law 737, 84th Congress (Armed Forces Regular Officer Augmentation Act of 1956). Date of rank to be determined by the Secretary of the Air Force:

Douglas Stuart Alexander
Harlan Glenn Allen, Jr.
Jefferson Zeno Amacker, Jr.
Glen Miller Andrews
Neal Edwin Ausman, Jr.
Archie Don Barrett
Robert Parker Bateman
Dean Elwood Bates
Gene Edward Beimforde
David Paul Bernd
Martin Gilbert Bradley
Kenneth Bryan
Robert Warren Buckner
Lee Burner
William Franklin Campbell, Jr.
William Thomas Carter
Paul Norman Chase
Richard William Christensen
Robert Purcell Christiansen
William Royer Clark
William Thomas Cudmore
Alfred Harry Davidson III
Donald Haydn Davis
Thomas Edmond Dayton
William Douglass Deegan
John Robert DeSola
Raymond Daryle Dixson
Thomas Hugh Dougherty
Gerald Thomas Dwyer
John Dorsett Ellington
Arthur Berry Ellison
Jack Kyle Farris
Byron Starr Fitzgerald
William Henry Foster, Jr.
Frederick Charles Freathy, Jr.
Robert Don Freeman
Robert Foster Gadd III
Turner Maurice Gaurtt, Jr.
Edward LeRoy Gee
David Parker Gibbs, Jr.
John Thomas Gleason, Jr.
Benedict Emmanuel Glyphis
Flay Octavious Goodwin, Jr.
William Warren Gude
William Patrick Hamm
Claude Greene Hammond, Jr.
John Oren Hanford
Giles Dexter Harlow, Jr.
Kelly Mayo Harp
Elmer Russell Harris
Howard Francis Haupt II
Maurice Leonard Hazelrigs
Mark Conover Heath, Jr.
Jack Elwyn Hesse, Jr.
Charles Urban Hindman
Douglas Wister Howell, Jr.
Richard VanArnam Huie
Richard Glenn Hurlburt
Gerald Leon Jagrowski
Stanley Frederick Jensen
Robert Leighton Jones, Jr.
Michael Roy Keating
Harper Brown Keeler
James Franklin Knight
Herbert John Koops
Gottfried Herman George Krafft
Donald Joseph Kutyna
Amherst Robert Lamb
Timothy Gardner Lawton
Nelson Marquis Lynde III
Joseph Bingham Mack, Jr.
Robert Fredrick Markham
Cyril Louis Massar, Jr.
Joseph Leonard Masterson
John William McClanahan
Robert Paul McCoy
Owen O'Henley McIntyre
Thomas Vincent McMahon
Lawrence Fallon McNeil
John Dean McSpadden, Jr.
William Harry Meyerholt
Jerome Anthony Meyers
Donald Leslie Miller
Richard Anthony Mollicone
James Walter Mooring
Samuel Morthland
Lawrence Henry Mulligan
William Harvey Lowe Mullins
James Robert Murphy
Lawrence Joseph Murphy
Paul Osborne Olsen
Jose Jesus Olvera
Joseph William O'Neil
William Francis Hurley Page
Douglas Patterson
Michael James Petruno
Stephen Barclay Place
William Harrison Pope
Christ John Poulos
Leslie John Prichard
Edward Beeding Quill, Jr.
Charles Joseph Quinn
Walter Joseph Rabe
David Preston Ray
Frank Jackson Redd
Herbert Charles Rice
William Charles Ringler
Robert Rodriguez
Craven Clark Rogers, Jr.
Donald Dean Rowland

Thomas Anthony Rush, Jr.
James Franklin Russell
John Vernon Schafer, Jr.
Paul Jerome Schwehm
John Eugene Setnicky
John Dennis Shannon
John Harold Slaney
Frederic Harrison Smith III
Duncan Padgett Smyly
Craig Harrison Smyser
Ralph Wesley Stephenson
Douglas Wilson Stockton
Willis Morris Thomson
Julius Anthony Tieber III
Robert Lynton Veal, Jr.
Benjamin Edward Waller III
William Bryan Webb
Frederick Leonard Wells
Robert LaVern Wessel
Charles Howard Wheeler
Richard Then White
Robert Youngblood White
John Louis Wiegner, Jr.
Gordon Edmund Williams
Leon John Wilson, Jr.

The following-named midshipmen, United States Naval Academy, for appointment in the Regular Air Force, in the grade of second lieutenant, effective upon their graduation, under the provisions of section 203 (e), Public Law 737, 84th Congress (Armed Forces Regular Officer Augmentation Act of 1956). Date of rank to be determined by the Secretary of the Air Force:

Arthur Henry Ahrens, Jr.
Robert Lytle Albertson
Melvin Gary Alkire
Arthur James Altenburg
Gerald Marshall Anderson
Howard Vincient Andre, Jr.
Harry Joe Andrewa
John Rosario Antonicelli
Robert Frank Arnold
Manuel Jose Baca, Jr.
John Duane Balent
Stanley Arthur Bass
Neil Gaillard Bates
Charles Anthony Bauknecht
Richard George Baum
Brooks Glenwood Bays
Gerald Herbert Bee, Jr.
Robert John Began
Stephen Charles Berger
Raymond Robert Betcher, Jr.
Edwin Leroy Biggers
Ronald John Bates Bishop, Jr.
John Edward Bortz
George Charles Bouvet
Gardner Brewer
Alan Burton Brown, Jr.
Robert Mack Brown
Lawrence Elmer Bustle, Jr.
Bart C Campbell
Matthew Mark Cannon
Clyde Chaney
Richard Maurice Chansior
John Anthony Ciula
Don Alvin Clark
John Henry Cochrane
Jerome H Court
Donald Joseph Couture
Herold Sutton Coyle, Jr.
Daniel Newton Crewe
George Francis Cudahy
Roy Stewart Dahnke
Ray Elswood Davis, Jr.
Jerry Stanley DeHimer
Lucian Keith DeMott
George Francis Dempsey
Peter Anthony DeVito
Robert Maurice Dixon
Herb Doby
Joseph Patrick Doherty
William George Dolan, Jr.
Edward Patrick Doyle
Ronald Curtis Dressel
Richard Joseph Ducote
Joseph Charles Duffley
Charles Moss Duke, Jr.
Robert Frank Dundervill, Jr.
Anthony William Dunlosky, Jr.
Eugene Peter Durbin
Charles Werner Eidson
Fred Joseph Federici, Jr.
Barry Neal Fink
Donald Herbert Fisher
Roger Triplett Flora
Clarence Fong
Milton Dewey Forsyth, Jr.
John Lewis Funkhauser
James Miller Gallagher
Norman Edward Gammons
Kurt William Gareiss
James Blewett Gasho, Jr.
Jerauld Richard Gentry
Franklin D Gibson
Loran William Gierhart
John William Gilstrap, Jr.
Nicholas George Glonis
Carter Monroe Glass
Norman Trudel Gleneck
Paul Dominic Gober
William Bernard Goggins, Jr.
Robert Thomas Grigsby
Paul Charles Hamilton
John William Hansborough, Jr.
Lawrence William Hansen
Forrest Robert Hanvey, Jr.
Clarence James Hattings
Archibald James Heckler, Jr.
William John Heske
Donald Leigh Hirst
Terrence Eugene Hobbs
James Nelson Hockney
William Everett Hodge
Walter Lawson Hogg
John Allen Homnick
Charles Melvin Houtz
Donald Lee Huguley
Ernest Lafayette Jenkins, Jr.
Ronald Andrew Jensen
Ronald John Jensen
Robert Earl Johnson
Robert William Johnston
Charles William Jones
Donald Edward Jones
Joseph Paul Junker
George Neshan Kachigian
Robert Howard Kase
John Joseph Kelly
Vincent Michael Kerrigan
Karl William Koch
Bernard Raymond Kompa
Joseph Charles Kaycewski
Richard Henry Lally
Cormac Martin Lannon
Eugene Lewis Larson
Marion Sneed Lary, Jr.
Hilbert Charles Lehman
Burton Sandford Liebesman
Ronald Gene Linder
Jay Dahl Lindquist
Arden Charles Llewellyn, Jr.
Ray Evans Lucas
Joseph Bruce Hunter Madison
Edward Francis Maloney
Edward Eugene Malynn
Stuart William Marcotte
Morton Herman Marks
Harvey Russel Martin
Robert Alexander Masik
Dennis Arthur McCormick
Donald Gene McCoy
Robert Trimble McElwee
Daniel Michael McGurl, Jr.
John Stephen McKean
George Wildes McKemie
Robert James McMahon
William Wasdell McMahon
Robert Lawrence Merle
Norman Elliott Miner, Jr.
William Theodore Mohn, Jr.
Olgert Vincent Monto
Robert Bronaugh Morrow, Jr.
William John Murphy
John Dean Newman
Edward Franklin Nikkola
John Barela Ogas
John William O'Grady
Wayne Hamilton Oldfield
Albert Louis Pagani
Edward Joseph Palanek
Philip Nunzio Papaccio
Bradford Wells Parkinson
Robert Bayard Patrick
Jerry Gray Patterson
Oliver James Peake
Ronald White Peterson
Gerald Wayne Putnam
James Harvey Ramberger
John Donald Regenhardt
Herbert Edwin Rice
James William Rooney
Robert Alan Rosenberg
Thomas Lisle Roth
Roger Dixon Rothwell
Douglas Alan Roysdon
Monroe Stephens Ruffner
John Wallace Russell
Joseph Michael Samborsky
John Michael Sedano
William Eugene Sheppard
Kent Withers Slaughter
Edwin Dean Smathers, Jr.
Wendell Wayne Smiley, Jr.
David Albert Smith
Richard Ivan Smith
Delmar Edward Snider, Jr.
William Marion Snow, Jr.
Richard Harry Spackman
Roland Arthur Stebbins
Shawn Howard Steinke
John James Stewart
Floyd Ronald Stuart
James Hyatt Sturtevant
Dean Charles Swanson
Robert Emerson Swartz
Donald Frederick Swenor
Carman William Swenson
Charles Frederick Swope
John Robert Taylor
Alan Robert Thoeny
Edgar Frank Thomas
Frederick Lowell Thomas
George Joseph Thomas, Jr.
Gary Jon Thompson
George Eugene Thompson
Stephen Phelps Thurman
John Butler Tillman
William Thomas Tilson
Thomas Edward Timothy
Richard John Toner
Julio Luis Torres, Jr.
Michael Joseph Trimpert
Eugene Michael Vallerie III
Raymond Louis Vieira
Jordan Carrison Waite
Glen Eugene Warner
Peter Watcher
Edward Francis Welsh
Edwin Knapton Whiting
Robert Frederick Wiesenauer
Richard Errol Willes
Roger Clyde Williamson
Ivan Lee Wolinsky
James Alexander Woods
John Robert Worrell, Jr.
David Irvin Wright
John Hairston Wright
James Willard Zeberlein
James Warren Zimmer

CONFIRMATIONS

Executive nominations confirmed by the Senate May 16, 1957:

DEPARTMENT OF THE INTERIOR

Elmer F. Bennett, of Colorado, to be Solicitor for the Department of the Interior.

Roger Charles Ernst, of Arizona, to be Assistant Secretary of the Interior.

GOVERNOR OF ALASKA

Michael A. Stepovich, of Alaska, to be Governor of the Territory of Alaska.

THE DISTRICT OF COLUMBIA REDEVELOPMENT LAND AGENCY

Andrew Parker, of the District of Columbia, to be a member, District of Columbia Redevelopment Land Agency, term expiring March 3, 1962.

IN THE NAVY

Vice Adm. Maurice E. Curts, United States Navy, to have the grade, rank, pay, and allowances of admiral while serving in special assignments.

APPOINTMENTS IN THE NAVY AND IN THE MARINE CORPS

IN THE NAVY

The following-named midshipmen (Naval Academy) to the grade indicated, subject to qualifications therefor as provided by law:

To be ensign

Clarence Fong

To be ensign (special duty only, communications) in the Navy

John L. Funkhauser

To be ensign in the Navy as previously nominated, to correct name

James "D" Paulk, Jr.

To be ensigns in the line of the Navy in lieu of ensigns in the Supply Corps of the Navy as previously nominated

James C. Ballantine, Jr.
Gary D. Matthews

The following-named (Naval Reserve Officers' Training Corps) to the grade indicated, subject to qualifications therefor as provided by law:

To be ensigns

Charles W. Adcock
Dean K. Allen
Robert C. Arnett
Daniel L. Ash
James S. Barber
Walter G. Beckwith
George L. Belerling, Jr.
William E. Bendix
Burton O. Benson
Gordon M. Binder
Robert J. Bitts
James H. Booker
Robert E. Bowles
William L. Breed
James D. Browning
Paul L. Chapdelaine
John C. Cooper
Charles L. Cowan
Francis L. Cundari
Gerald M. Dallas
Horace W. Diamond, Jr.
James C. Edenfield
Thomas H. Feron
John F. Ferri
Edwin L. Fields
John H. Fishburn
David G. Franz
Cyrus F. Freidheim
James J. Geddes
Roy N. Gillespie
Carlos B. Greer
Charles B. Gustafson
Delmont C. Hadley
James Hanemann, Jr.
Walter D. Harvey
Harold J. Haynes
John T. Helm III
Thomas J. Henry
Frank S. Hill
William W. Hill
Robert P. Hoerle
Glenn W. Hohman
Charles E. Hutchinson
William W. Hymes
John A. Jones
Donald J. Kazimir
Kenneth H. Keller
Dennie J. Koupal
Dwight R. Ladd
Charles H. LaFranchi
Kenneth W. Leiding
Gordon T. Longerbeam
John W. Lucey
Alton P. McKinley, Jr.
Edward A. McMerty
James O. Machlan
Arnold Mangham
Warren L. Martin
John S. Matherne
Ronald L. Munroe
Daniel B. Newton
Ralph P. Norris
Thomas F. X. O'Rourke, Jr.
Edward J. Pasternak
Arturo A. Pico
David G. Pyle
William F. Reeve
Martin S. Roberts III
Raymond G. Roble
Harland F. Romberg
Leon B. Rosseau, Jr.
Stephen E. Rowe
Cary H. Rush
Louis R. Salvator
William A. Sanders
Kenneth H. Santoro
Alan A. Schick
William W. Seaton, Jr.
John A. Shaffner
Wayne D. Sharbrough, Jr.
Charles S. Shoemaker
David E. Sonon
Joseph P. Spetz
Charles T. Stephens
Robert F. Stover
Ronald L. Swan
Kenneth R. Swimm
Howard D. Thompson
William B. Truesdale
Barry B. Walters
Leith D. Wimmer
Don R. Winner
John S. Worrell
Ralph Zaayenga
Burton E. Baer
Larry A. Beck
John R. Blue
Richard G. Cline
David M. Connor, Jr.
Richard H. Crain
Raymond A. Elosua
Harvey E. Field
Thomas M. Finerty
Frank F. Harding
Jerry J. Hauter
Douglas J. Hinds
Louis C. Hines
Gerald G. Hooper
Jack L. Jones
Leland B. Jones
Kenneth L. Lane
Gerald L. Lee
Eugene A. Leeb
William H. Leney
James H. Mayer
Richard C. Moore
Dale R. Mummert
John E. Nelson
Roy B. Opitz
Jared H. Peterson
Earl E. Poorbaugh
David T. Savage, Jr.
James G. Seely, Jr.
Charles A. Smith
Donald L. Sodrel
Frank H. Spaulding
Harrison I. Steans
Matthew A. Stephenson
James B. Stoltman
Carl E. Stone
Charles E. Storm
Stanley Sulzer
Edward R. VanPatten
Richard W Walker
James B. Whittaker
Samuel J. Wilder, Jr.
Joseph M. Woods III
William J. Bardin, Jr.
John G. Bauer
John L. Chabay
Wentworth H. Corley, Jr.
Jack D. Daugherty
Larry R. Dolinsky
Gerald G. Fain
George E. Frazier
Edward C. Frevert, Jr.
Magnus M. Gorrie
Charles H. Gould
Hector L. Haddock
Joseph J. Hartnett
Paul Hodges
James "H" Hunter III
John J. Huson
Donald E. Klingler
Richard W. Knorr
Charles A. Lang
Douglas J. Mansfield
Jimmie L. Martin
Eugene L. Marvin
John G. Merkle
Robert L. Street
Lee W. Thomas
Arthur J. Thompson
Vernon B. Watwood, Jr.
John A. Westcott
Bertram H. Lowi

The following-named (civilian college graduates) to the grade indicated, subject to qualifications therefor as provided by law:

To be lieutenants in the Medical Corps of the Navy

Charles H. Moseley, Jr.
Martin R. Plaut.
Layton R. Sutton.

The following-named Reserve officers to the grade indicated, subject to qualifications therefor as provided by law:

To be lieutenants in the Medical Corps of the Navy

Martin G. Andersen
Nelson E. Bachus
Robert E. Ball, Jr.
Jacob V. Brown
Richard A. Buckwalter
Frederick G. Coester
Biagio A. Conte
Herbert L. Eckert
Charles W. Emerick
Gerald D. Faulkner
Robert C. Garcia
William P. Gibbons
John R. Hartman
James H. Johnson
Jack P. McDaniel
John A. Most
Willis S. Myers
James A. Rogers
Eustine P. Rucci
Erwin L. Samuelson
John R. Stenger
David L. Stephens
Peter Sternlieb
Ralph E. Wallace, Jr.
John S. Wilson
William R. Winter

The following-named women officer candidates to the grade indicated, subject to qualifications therefor as provided by law:

To be ensigns in the line of the Navy

Jeannette E. Green.
Doris M. McNabb.
Ida R. Moore.

The following-named person to the grade indicated, subject to qualifications therefor as provided by law:

To be ensign in the line of the Navy, for temporary service, for limited duty only, classification Ordnance

Rufus B. Moore.

The following-named United States Navy retired officers to the grade indicated, subject to qualifications therefor as provided by law:

Lieutenant commander in the line of the Navy, for temporary service, pursuant to title 10, United States Code, section 1211

Fredrick R. Barker.
Archibald Gibson.

IN THE MARINE CORPS

The following-named (Army Reserve Officers' Training Corps) for permanent appointment to the grade indicated, subject to qualifications therefor as provided by law:

Second lieutenant in the Marine Corps

Wiley M. Clapp, Jr.
George V. Ellison
Franklin J. Kline
Joseph G. Mixson
John C. Sullivan

POSTMASTERS

ALABAMA

Claude W. Hughes, Piedmont.

ARKANSAS

Smiley F. Buck, Altus.
Rex F. Jeffery, Calico Rock.
Ashley N. Park, De Valls Bluff.
Celestine B. Finnell, Grubbs.
Clarton Steed, Gurdon.
Leland T. Lewis, Huntsville.
Don C. Jones, Jasper.
Harry Craig, Jonesboro.
Kermit C. Sparks, Lamar.
Lola Mae Eppes, Madison.
Willie J. White, Mount Ida.
Naomi Oleta Hixson, Paris.
John R. Dail, Ravenden.

CALIFORNIA

Stanley A. Powell, Downey.
Eugene E. Timmons, Highgrove.
Marion M. Davis, La Habra.
Llewellyn D. Crandall, Larkspur.
Thearis J. Bohling, Portola.
Walter A. Page, Redlands.
Ruth E. Pratt, Santa Ynez.
Charles W. Leffingwell, Solano Beach.
Harry S. Clifton, Stateline.
Ernest D. Gibson, Van Nuys.
Walter Lewis, Westminster.
Frank B. Johnson, Westmoreland.
Walter J. Fitzpatrick, Yosemite National Park.

COLORADO

Theodore G. Hefner, Denver.

CONNECTICUT

David C. Hollister, South Glastonbury.

FLORIDA

Ida W. Norris, Branford.
Joel L. Adams, Laurel Hill.
Catherine W. McCormick, Nocatee.

GEORGIA

Henrietta B. Dopson, Jacksonville.
Willard E. Thomas, Lafayette.
Clara Jean S. Bentley, Palmetto.
Thomas B. Williams, Rossville.

IDAHO

Robert L. Bulen, Culdesac.
Lavern Cornwall, Inkom.
Floyd K. Heimgartner, Juliaetta.

ILLINOIS

Frank Keistler, Jr., Anna.
Paul K. Sample, Auburn.
Marion M. Schmidt, Basco.
Laura Z. Coppock, Bloomingdale.
Harlow D. Snoke, Cerro Gordo.
Marjorie M. Herringer, Channahon.
Colette C. Hynes, Crete.
Theodore C. Hegstrom, Dolton.
Guy A. Doyle, Donovan.
Charles H. Harker, Sr., Dunlap.
Raymond D. Manis, Ewing.
Marion C. Palmer, Glen Ellyn.
Louis D. Hobaker, Mackinaw.
William I. Anderson, Metropolis.
Lawrence F. Koelling, Naperville.
Carlton R. Morton, Oreana.
Robert A. Saar, Scales Mound.
Chester Bultema, South Holland.
William Henry Fey, Staunton.
Bertha P. Glenn, Verona.
George W. Cross, Woodland.

INDIANA

Ernest Wayne, Mattox, Culver.
Robert L. Sieber, Delphi.
James R. Williams, Elizabethtown.
Herman Funkhouser, Hymera.
Ruth Quillen, Mooresville.
William W. Bishop, Newport.
Bill R. Davidson, Princeton.

Wendell R. Martin, Rensselaer.
Osyth M. Stradley, Greenwood.

SOUTH CAROLINA

a joint resolution of the House of the

dent of the United States, which was

We cut the request of the Best

Wendell R. Martin, Rensselaer.
Anna Lee Mory, South Milford.
Charles David Keller, Valparaiso.
Merrill R. Dorrell, West Newton.
Philip L. Laurien, Winona Lake.

IOWA

Harry F. Olhausen, Hartley.
Reynolds K. Henrickson, Inwood.
Elmer J. Galloway, Jr., Lone Tree.
Kenneth F. McFarlan, What Cheer.

KANSAS

Violet I. Hallren, Hamilton.
Herbert H. Chittenden, Hays.
Audrey L. Purcell, Leavenworth.
Calvin A. Borror, Westphalia.

KENTUCKY

Velma A. Houchin, Brownsville.
David Combs, Bulan.
Clara G. Kelly, Combs.
Clark N. Scott, Crab Orchard.
Robert H. Eckler, Dry Ridge.
Velma L. Lane, Flatwoods.
Roy C. Lutes, Florence.
Ina Jean Burnett, Freeburn.
Joseph S. Rhodes, Jr., Frenchburg.
John T. Durham, Greensburg.
Frank L. Coldiron, Greenup.
Lillian F. Lowe, Harold.
James R. Rash, Jr., Henderson.
Nora L. Keyes, Hitchins.
Elmer A. Elliott, Hustonville.
Ida P. Kitchen, McAndrews.
Alva H. Kelley, Madisonville.
Carl H. Biliter, Majestic.
James O. Smith, Mount Vernon.
Clarence R. Johnson, New Haven.
Charles M. Carter, Jr., Scottsville.
Norma L. Rich, Uniontown.
Mervyn E. Allen, Vine Grove.
Eugene Sammons, Worthington.

MAINE

Lewis H. Burr, Kennebunk.
Willis J. Gates, Millinocket.
Milton A. Lisherness, Oquossoc.

MARYLAND

Lillian E. Noll, Woodstock.

MASSACHUSETTS

James E. Elphinstone, Ludlow.
Raymond H. Allen, North Grafton.
Norman V. Joyal, North Oxford.
Nathaniel A. Nash, Oakdale.

MICHIGAN

Dean F. Meier, Byron.
Ralph H. Smith, Flat Rock.
Harold Stecker, Hermansville.
Arthur H. Weitschat, Lake Orion.
Donald D. French, Portland.
George J. Ruff, Rockwood.
Norval L. James, St. Charles.
Thelma H. Swarts, Tipton.
Alma M. McCready, Turner.

MINNESOTA

Neil Hopkins, Villard.

MISSISSIPPI

Mabel E. Burford, Coldwater.
Jack T. Holleman, Houston.
Charles P. Gunter, Marks.
William R. Lee, Minter City.
James William Jones, Newhebron.
Philip L. May, Silver Creek.

MISSOURI

Colin A. Labruyere, Bloomsdale.
Ralph Gravely, Bolivar.
Wayne E. Milligan, Buckner.
Ralph E. Mosley, Crocker.
Jakey F. Hobbs, Fair Play.
James D. Edwards, Galena.
Roberta R. Purdy, Glasgow.
Ellis E. Bass, Hartville.
Leo B. Funk, Kirksville.
Donald R. Hoven, Pacific.
George E. Light, Ridgeway.

NEBRASKA

Naomi A. McConkey, Blue Hill.
John Boyd Page, Fairbury.
Osyth M. Stradley, Greenwood.
Arthur Floyd Gowin, Hemingford.

NEVADA

James Donald Morrison, Eureka.

NEW JERSEY

George W. Schuyler, Clinton.
Gertrude N. Bailey, Dividing Creek.
Joseph Kain, Kenvil.
Robert W. Sanders, Middlesex.
John Stothers, Rutherford.
John J. Picknally, Jr., Sea Bright.

NEW MEXICO

Benny J. Daugherty, Holloman Air Force Base.
Everette W. Myers, Tularosa.

NEW YORK

Bruno Gatti, Amawalk.
Peter Hillen, Jr., Amityville.
Patrick L. Agnano, Ardsley.
Herbert Improte, Centereach.
David Samuel Farmer, Cornwall-on-the-Hudson.
Oscar V. Newkirk, Kingston.
Horace E. Wadsworth, Nyack.
Katherine C. Bittner, Shelter Island Heights.
Frederick Burton Fisher, Whiteface.
Justin J. Martin, Willard.

NORTH CAROLINA

James F. Lampley, Cordova.
Leonard R. Odham, Fair Bluff.
Joseph W. Heath, Wade.

NORTH DAKOTA

Normal R. Fuchs, Zap.

OHIO

Dorothy S. Hagelberger, Anna.
Ray W. Coler, Chesterhill.
William R. Davis, Creston.
John E. LePage, Cumberland.
Floyd C. Smothers, Fostoria.
Harold R. Sherk, Genoa.
John Benson Davis, Ironton.
Hazel C. Kelly, Navarre.
Harry E. Bricker, Negley.
John H. Scott, Newcomerstown.
Lell A. Smith, Wheelersburg.
Elvin B. McKay, Wilmington.

OKLAHOMA

Carl R. Junghanns, Medford.
James B. Cox, Tahlequah.

PENNSYLVANIA

Margaret F. Doering, Bethayres.
Edgar R. Baker, Blairsville.
Alvin J. Oldham, California.
Charles V. B. Daugherty, Dallastown.
William M. Crouse, Denver.
Lloyd J. Burket, East Freedom.
Harold Raymond Mitchell, East Smithfield.
Hugh H. Hart, East Waterford.
James W. Hutchison, Elizabeth.
Florence M. Leyerzapf, Glenfield.
Robert A. Krieger, Greentown.
Leo A. Patterson, Homestead.
Mary C. Pratt, Hopwood.
George L. Mosebarger, Johnsonburg.
Anna F. Rorer, Johnsville.
George Costello, Jr., LaBelle.
Arthur Z. Emery, New Berlinville.
John D. Kane, Sr., Phoenixville.
Gladys E. Ackelson, Prospect.
Howard A. Miller, Richfield.
Richard B. Nealer, Robinson.
Ralph B. Derry, Schellsburg.
Ralph A. Pensyl, Shamokin.
Fred G. Haddon, Shamokin Dam.
Miriam T. Hornberger, Talmage.
Harry H. Powell, Sr., Tamaqua.
Lawson Stinson, Thornton.
George Gaylord Bartron, Tunkhannock.
John D. Marshall, Wampum.
Wilson D. Catherman, Warriors Mark.
Leo W. Burr, Washington Crossing.
Mary E. Reagle, Wheatland.
Harry E. Gohn, Wrightsville.
Evelyn Mae Ray, Wyano.

PUERTO RICO

Euclides Pagan Irizarry, Aquadilla.

SOUTH CAROLINA

Arthur L. Hughes, Clifton.
Wade H. Sandifer, Cope.

SOUTH DAKOTA

Merrill G. Peterson, Alpena.
Milton A. Williams, Lead.
Morris F. Broe, Mobridge.
Howard J. Wood, Sioux Falls.

TENNESSEE

Mable F. Harlow, Pulaski.

UTAH

Dean L. Adams, Loa.

VERMONT

Gordon F. W. Eaves, Danby.

VIRGINIA

William E. Ewers, Woodberry Forest.
Thomas C. Wilkins, Wytheville.

WISCONSIN

Charles C. Robb, Arena.
Robert T. Burns, Hollandale.
Robert Addison Hotchkiss, Independence.
Myles Clark, Mauston.
Roger A. Shanks, Merrimac.
Keith G. Cairns, Mount Hope.
Julius C. Sarafolean, Portage.

WYOMING

Harry B. Spargur, Osage.
Joseph H. Whitmore, Wheatland.

WITHDRAWAL

Executive nomination withdrawn from the Senate, May 16, 1957:

POSTMASTER

ILLINOIS

William M. Johnson, Granite City.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 16, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Eternal God, our Heavenly Father, Thou knowest the duties that lie before us this day, the decisions that we will be called upon to make, and the danger and difficulties that may confront us.

We commend and commit ourselves to Thy divine providence, beseeching Thee that Thy gracious spirit may govern our minds and guide them in ways of wisdom and righteousness.

With a humble spirit and a contrite heart we penitently confess that again and again we live too much without Thee, forsaking Thy precepts and commandments and following our own desires and devices.

Grant that daily we may live and labor to strengthen the weak and confirm the strong in their search and struggle to find a larger measure of happiness and blessedness.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and

a joint resolution of the House of the following titles:

On May 14, 1957:

H. R. 4803. An act to permit articles imported from foreign countries for the purpose of exhibition at the Chicagoland Commerce and Industry Exposition, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes; and

H. R. 6304. An act to extend for a period of 2 years the privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad.

On May 16, 1957:

H. R. 1757. An act for the relief of Nicola Marcello;

H. R. 2728. An act for the relief of Shigeko Kimura and her minor child; and

H. J. Res. 267. Joint resolution permitting the Secretary of the Interior to continue to deliver water to lands in the Heart Mountain division, Shoshone Federal reclamation project, Wyoming.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6871. An act making appropriations for the Departments of State and Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JOHNSON of Texas, Mr. ELLENDER, Mr. MCCLELLAN, Mr. MANSFIELD, Mr. BRIDGES, Mr. SALTONSTALL, and Mr. HICKENLOOPER to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4813) entitled "An act to extend the life of the District of Columbia Auditorium Commission, and for other purposes."

LEGISLATIVE APPROPRIATION BILL, 1958

Mr. NORRELL, from the Committee on Appropriations, reported the bill (H. R. 7599) making appropriations for the legislative branch for the fiscal year ending June 30, 1958, and for other purposes (Rept. No. 455), which was read a first and second time and, together with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. BOW reserved all points of order on the bill.

CONVEYANCE OF CERTAIN REAL PROPERTY OF THE UNITED STATES SITUATED IN COBB COUNTY, GA.—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read:

To the House of Representatives:

In compliance with the request contained in the resolution of the House of Representatives (the Senate concurring therein), I return herewith H. R. 1544, an act to provide for the conveyance of certain real property of the United States situated in Cobb County, Ga., to the trustees of the Methodist Church, Acworth, Ga.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 16, 1957.*

TREASURY AND POST OFFICE DEPARTMENTS AND THE TAX COURT OF THE UNITED STATES APPROPRIATION BILL, 1958

Mr. GARY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4897) making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment with an amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 9, after line 10, insert:

"GENERAL PROVISIONS—TREASURY DEPARTMENT

"SEC. 102. Not to exceed 5 percent of any appropriation herein made to the Treasury Department for the current fiscal year, except for the appropriations made to the United States Coast Guard, may be transferred, with the approval of the Bureau of the Budget, to any other appropriation of the Treasury Department, but no appropriation shall be increased by more than 5 percent by any such transfers, and any such transfers shall be reported promptly to the Committees on Appropriations of the Senate and House of Representatives."

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. GARY. Mr. Speaker, I move that the House concur in the amendment of the Senate with an amendment.

The Clerk read as follows:

Mr. GARY moves that the House concur in the amendment of the Senate to the bill H. R. 4897, with an amendment as follows: At the end of the Senate amendment add the following: "*Provided*, That no transfer under this authority shall result in increasing any appropriation in excess of the budget estimate as presented in House Document 16, 85th Congress."

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. GARY. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Mr. Speaker, will the gentleman from Virginia [Mr. GARY] be kind enough to explain the amendment to the House?

Mr. GARY. Mr. Speaker, the House will recall that in its action on H. R. 4897, which is the bill making appropriations for the Treasury and Post Office Departments for the fiscal year 1958, the House cut the appropriation request for the Treasury Department $22,364,000. We cut the request of the Post Office Department $58 million, making a total of $80,364,000 which the House cut from the President's request. The Senate did not change a single figure in the bill. It accepted the amounts fixed by the House, in their entirety. They did, however, insert a provision in the bill, which appears at page 9, which permits the Treasury Department to transfer from one of its appropriation items to another not exceeding 5 percent of the item. It also provides that they may not increase any item to which the transfer is made by more than 5 percent. In addition to that, it provides that any such transfers must be reported promptly to the Committees on Appropriations of the House and Senate.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. GARY. I yield to the gentleman.

Mr. CANFIELD. There is an exception, however, so far as the Coast Guard item is concerned, which includes the appropriation for the Coast Guard Reserve.

Mr. GARY. Yes. I am glad the gentleman pointed that out. I might say that our subcommittee heard that the Treasury Department had asked for this transfer of funds. We were fearful that they might interfere with the Coast Guard appropriations in which there is an item for the Coast Guard Reserve. We did not want those funds molested and we, therefore, let it be known that we would vigorously oppose any invasion of the Coast Guard funds. So they excepted the Coast Guard, including the Reserve, from their amendment.

Mr. Speaker, frankly, our committee does not like the amendment in principle. We feel that to some extent it is giving up the authority of the House. When we study departmental requests and make a specific determination as to each item, we are to some extent delegating our authority if we give the department a right to change the items by a transfer of funds. But it has been done before. As a matter of fact, there is a general transfer authority given the Post Office Department in this bill. What the Senate did in effect was to extend that authority to the Treasury Department appropriation. There is also general authority of this nature given to the Department of Agriculture. Foreign operations have rights of transfer which are given to them under the basic law. The Veterans' Administration has certain limited authority of that nature and so does the General Services Administration.

We do not agree with the provision, and we want it distinctly understood that we are not setting a precedent for the future and that this does not mean that the Treasury Department is going to have this authority in the future. The language is restricted entirely to the year 1958. However, we have determined to accept it with this proviso, which the committee has added:

That no transfer under this authority shall result in increasing any appropriation in excess of the budget estimate as presented in House Document 16, 85th Congress.

In other words, we are limiting the transfer to the Department's original request, and under no circumstances can

the Department spend more than it originally requested for any item of its appropriation.

Mr. CANFIELD. Mr. Speaker, that is agreeable to this side.

Mr. GARY. I think that with that limitation we can accept the Senate amendment, and I ask the adoption of the motion.

The SPEAKER. The question is on the motion.

The motion was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. FRIEDEL. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 239) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That effective May 1, 1957, the Committee on Interstate and Foreign Commerce is authorized, until otherwise provided by law, to employ two additional employees to be paid from the contingent fund of the House at rates of compensation to be fixed by the chairman in accordance with section 202 (c) of the Legislative Reorganization Act of 1946.

With the following committee amendment:

Line 4, strike out "to be paid from the contingent fund of the House."

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

OFFICIAL OFFICE EXPENSES OF MEMBERS OF CONGRESS

Mr. FRIEDEL. Mr. Speaker, by direction of the Committee on House Administration, I ask unanimous consent for the immediate consideration of the bill (H. R. 790) to amend the Legislative Appropriations Act, 1955, with reference to official office expenses of Members of Congress.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That title I of the Legislative Appropriation Act of 1955 (Public Law 470 of the 83d Cong.), section entitled "Contingent Expenses of the House", is amended to read as follows:

"The Clerk of the House is authorized and directed to reimburse each Member from the contingent fund in an amount not to exceed $150 quarterly, upon certification of the Member, for official office expenses incurred outside of the District of Columbia."

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That the 19th paragraph under the subheading 'Contingent Expenses of the House' under the heading 'House of Representatives' in the Legislative Appropriation Act, 1955 (2 U. S. C., sec. 122a; Public Law 470, 83d Cong.), is amended to read as follows:

"'The Clerk of the House is authorized and directed to reimburse each Member from the contingent fund in an amount not to exceed $150 quarterly, upon certification of a Member, for official office expenses incurred outside the District of Columbia.'"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed.

The title was amended so as to read: "A bill to amend the Legislative Appropriation Act, 1955, with reference to official office expenses of Members of Congress."

A motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA AUDITORIUM COMMISSION

Mr. MORRISON submitted a conference report and statement on the bill (H. R. 4813) to extend the life of the District of Columbia Auditorium Commission, and for other purposes.

ONE HUNDRED AND FORTY-SECOND ANNIVERSARY OF THE INDEPENDENCE OF NORWAY

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, I am indeed happy upon the occasion of the 142d anniversary of Norway's independence, which is tomorrow, May 17, 1957, to join in tribute to the people of Norway and the indomitable spirit which they have long demonstrated.

I always feel that I have been most fortunate in having had the opportunity to visit beautiful Norway over the years. Because of these experiences I have a profound appreciation for the Norwegian people. I was particularly impressed with Norway's stable and democratic government in a world faced in many areas with strife and misunderstanding, particularly those unfortunate nations behind the Iron Curtain.

Today in Norway there is a great spirit of fraternity and celebration. For the Norwegians take just pride in celebrating the day on which their country first adopted its constitution. In April of 1814 a constitutional assembly gathered at the capitol for the purpose of drawing up a constitution that would be based upon the sovereign will of the people. Within a few weeks after the first meeting of this assembly, a new constitution was adopted and a new Storting elected. This constitution of 1814 was fully based on the firm principles of civil liberties and human rights.

Since May 17, 1814, the day when the constitution of Norway was finally signed and became the law of the land, Norway has not had an easy time. Only 17 years ago the Norwegians were brutally assaulted by Hitler and his Nazi gang. These were dark and seemingly hopeless days for the Norwegian people.

There are few countries that could match the bravery shown by the Norwegian people during the dark hours of occupation. We in the United States shall long remember their determined and courageous stand, in combat and in the unrelenting underground struggle in the years that followed. Since, they have consistently defied Communist Russia despite the fact that they are under the guns of a tremendous Red army lurking in close proximity to them.

Since World War II, Norway has been concerned with reconstruction, financial recovery, social reforms, and economic gains for her people. With the characteristic determination and enthusiasm of the Norwegian people these reforms have been accomplished.

I have many close friends and constituents in my Congressional district who are Americans of Norwegian birth or descent. They have played a great part in the enrichment of our lives through their culture, their music, their achievements in the field of science and numerous other noteworthy pursuits.

Thus, as we tomorrow join in celebrating Norwegian Independence Day here in the United States we do so with the knowledge that our two great nations are firmly united for mutual assistance in war and in peace. I not only extend my congratulations to the people of Norway on this occasion but also to my friends of Norwegian birth or descent in Brooklyn, N. Y.

COMMITTEE ON RULES

Mr. THORNBERRY. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMITTEE ON THE JUDICIARY

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may sit during general debate during the week of May 20.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

FORTY-FOURTH ANNUAL CONVENTION OF THE NATIONAL RIVERS AND HARBORS CONGRESS

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS of Louisiana. Mr. Speaker, the 44th national convention of the National Rivers and Harbors Congress convened this morning in the city of Washington at the Mayflower Hotel. It will run through Saturday. The highlight of the program, perhaps, will be the meeting which occurs tomorrow morning at the Mayflower in the Williamsburg Room going through the luncheon and into tomorrow afternoon. We have a reception tonight at 6:30 p. m. to 8:30 p. m. I am making this announcement because every Member of the House and the Senate is invited to be present for any one of the features or any part of the program of the National Rivers and Harbors Congress. You will all be welcome there. You will hear some very fine speeches and some very interesting speeches on flood control, water utilization and the general development of the United States of America.

I thank you, Mr. Speaker.

PROGRAM FOR NEXT WEEK

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, I have asked for this time in order to inquire as to the legislative program for next week.

Mr. McCORMACK. Mr. Speaker, in response to the inquiry I will say:

On Monday, the Consent Calendar will be called. The bill H. R. 6952, which authorizes the sale or loan of certain vessels to friendly foreign nations, is scheduled.

On Tuesday, the Private Calendar will be called. Then there is the legislative appropriation bill for 1958, H. R. 7599. The resolution, House Concurrent Resolution 172, relating to the growth and expansion of the District of Columbia in certain respects.

If there should be any rollcalls on Tuesday, they will go over to Wednesday because of the primary in the State of Pennsylvania.

For Wednesday, Thursday, Friday, and Saturday there is the bill H. R. 2, the water diversion bill, Lake Michigan. Then there is the bill H. R. 965, relating to the Office of the Chief Judge of Federal Court; also the bill, H. R. 7143, relating to the suspension of troop ceilings, armed services.

There is the usual reservation that any further program will be announced later.

Of course, conference reports may be called up any time.

Mr. MARTIN. I thank the gentleman.

COMMITTEE ON BANKING AND CURRENCY

Mr. ADDONIZIO. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

MAY 17—UNITED STATES SUPREME COURT DECISION TO END SEGREGATION IN PUBLIC SCHOOLS

Mr. ADDONIZIO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ADDONIZIO. Mr. Speaker, in the past, we Americans have had little or no cause to celebrate May 17, other than the fact that the first Daylight Saving Act was passed on that day, in the year 1916. However, since May 17, 1954, we have had reason to pause and consider May 17 a day to be remembered, for it marked the sharp definition of a new pattern of social thinking for millions of Americans. It also gave to the world a new and greater conception of America. This definition, this new and greater conception of ourselves was brought about by the United States Supreme Court decision to end segregation in our public schols. Today we commemorate the third anniversary of this legal action.

This historic decision of the United States Supreme Court was not an abrupt or entirely new innovation in the pattern of American social thought. Let us say rather that it was a culmination of inevitable social progress, particularly in the years since World War II. It is all a part of social progress of which we can be justly proud.

In defining this pattern of our social thinking, it is my opinion that the greatest achievement of the Supreme Court decision was to extend one of the principles of American citizenship to a greater number of Americans. This citizenship is based on certain inalienable rights, one of which is freedom of choice in his private life. We Americans are free to chose in all of those things that constitute a type of living that is our very own. We are free to choose our occupations, our place of residence, a public school for our children. To deprive an American citizen of the right to choose where his personal rights are concerned is to deprive him of some of the essence of citizenship.

In extending the principle of American citizenship, the Supreme Court of the United States has been severely criticized from many quarters. But in this land of ours, the judiciary powers of our Government uphold the guaranties of the Constitution where the individual person is concerned. In so exercising this power, it not only gives the American a feeling of security, but gives to the world a new and greater concept of American freedom. It means that we are proving to the world that American equality under law is a right given to all Americans, and that some 15 million American Negroes are not to be deprived of it.

America has achieved much greatness in military strength, in industrial might, in moral and spiritual values. Her achievements can be made greater still by those Americans who will accept this new pattern of social thinking. It is not easy for a people to change a way of life that has served them for generations. It is my belief that, in time, all America will come to see the good that will be derived from this decision to end segregation in our schools, this decision to extend the principles of citizenship to all of our people. Let us work together to make America worthy of her many blessings of freedom.

POSTAL PAY RAISE

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a letter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, yesterday I signed discharge petition No. 2, filed by the Honorable T. ASHTON THOMPSON, to afford the means of bringing to the House floor H. R. 2474, providing for an increase in postal pay. I did so because I had seen the following brief submitted by Conrad Andrecht, legislative chairman, and Ted Healy, president of Los Angeles branch 24, NALC. Upon investigation I have found the statements contained therein to be true.

Since this appears to be the only way we will have an opportunity to vote on H. R. 2474, I want to urge all my colleagues to sign the discharge petition in order that this important legislation be given the consideration it merits.

Congressman JAMES ROOSEVELT.

DEAR CONGRESSMAN: We respectfully request your support of H. R. 2474 (Morrison bill to increase postal salaries) which we believe will remedy many adverse conditions which exist in the Los Angeles postal area.

EXCESSIVE TURNOVER

1. In Los Angeles last year, the turnover according to the postmaster, amounted to 21.9 percent (over 2,000 employees for just 1 year). We believe this turnover is excessive, because we consider postal jobs as career jobs, and turnover should be very low.

2. Since the first of this year there has been even greater exodus of employees from the Los Angeles office—over 30 percent (1,100) in the first 4 months. Many postal career men are taking examinations for city and county jobs because of the better pay. The latest example was when over 200 postal employees took city truck-driver exam for rubbish collection now being put in effect. The starting salary for this job beginning June 1, will be $350, and increasing to $440 monthly in 4 years.

3. In this turnover the Los Angeles Post Office is losing good men, the caliber of which cannot be replaced by the present low-salary scale.

ALLOTMENT LOSSES

1. This large turnover lost the Los Angeles Post Office as much as $1 million in replacements, processing, and training last year. This money was wasted. It could easily have been used for pay raises.

Two thousand employees times estimated processing and training, $500, equals loss to post office, $1 million.

2. A huge loss is also incurred because of increased cost of handling the mail today, due to the frequent replacements and the decline in the abilities of the replacements.

PUBLIC COMPLAINTS

1. Many patrons are dismayed at the frequency with which their letter carriers are

replaced by new faces. Complaints of misdelivered letters and late delivery by these inefficient replacements are many. One station superintendent estimates that he has received more complaints in the last year than in 40 previous years. A reason for these low-quality employees is because the Los Angeles Post Office, in their desperation to secure help, has now waived all educational requirements.

The Los Angeles career postal employees are doing a herculean job of mail moving but they are being plagued by—

1. A salary that is inadequate to meet the higher rents, medical and dental cost, clothing for family, food, transportation, auto insurance, bus fares, property taxes, sales tax, interest charges, and utility bills. This is the composition of the cost of living which has reached an alltime peak and is continuously rising.

2. Loss of normal family life because of having to take a part-time job or have the wife work in an attempt to attain an average American standard of living.

3. Low morale due to loss of respect for postal jobs by the local patrons. One reason is because of the low pay. Rubbish collectors receive more than letter carriers.

The Los Angeles area is a competitive labor section. The city has trouble securing policemen and firemen. For your information a comparative list of their wages, postal employees' wages, and city rubbish collectors' wages are listed below:

	Monthly pay starting	Maximum
Firemen and policemen	$417	[1] $489
Rubbish-truck drivers	350	[1] 440
Letter carriers	305	[2] 367

[1] 4 years.
[2] 7 years.

The above chart shows the inadequate salary of the letter carriers and why the turnover is so great. We believe if H. R. 2474 is made into law the Post Office Department will save money through the mediums of securing more efficient employees, elimination of turnover, and the increasing of morale and production of the present career employees.

FARM LEGISLATION

Mr. COAD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. COAD. Mr. Speaker, it was with a great deal of astonishment that I learned from a newspaper reporter that the kindly appearing gentleman from Colorado [Mr. HILL] had personally taken me to task in a speech last Monday by inserting a statement in the RECORD without first notifying me personally or by actually delivering the charges openly.

In this attack my colleague stated that I have not voted in the best interests of my farmers. Of course, any charge of this kind is simply playing politics of confusion. But I say this—that my friend, the gentleman from Colorado [Mr. HILL], is barking up the wrong tree in this obvious attempt to confuse the people of Iowa because the farmers of my district know the truth of my entire record in Congress and they know that I have been for them all the way. For anyone from another State to do as has been done appears to be the work of a political hatchet man.

I have been awake to the farm situation all my life because my father was "Hoovered" off a farm in 1932, and I well remember that terrible experience.

The record shows that on March 13, 1957, I voted for, and not against, a bill offered by the gentleman from Nebraska [Mr. HARRISON], a Republican, which would have increased the commercial corn acreage from 37.3 million acres to 51 million acres and enabled corn farmers to place acreages equal to 15 percent of their allotment in the soil bank.

However, the Cooley bill, which was the committee bill, could have helped more because it would have expanded the soil bank to take feed grain acres out of production which compete with corn. Everybody seems to admit that feed grains are causing the serious trouble corn is in but because of the possibility of a Presidential veto, those on the Republican side of the aisle opposed the Cooley bill which would have reduced feed grain production.

Now the corn farmer is in serious trouble because grain sorghum has been increased 5 million acres this year, and corn acreage is decreased 4 million acres.

I simply wanted to face the problem and work out a solution and not run and hide under the skirts of a Presidential veto. I still seek to solve the problem.

THE SOIL-BANK PROGRAM

Mr. SHEEHAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SHEEHAN. Mr. Speaker, yesterday when the House voted on the Department of Agriculture and Farm Credit Administration appropriation bill, H. R. 7441, the Harrison amendment was agreed upon. This amendment suspends operation of the soil-bank program at the end of the fiscal year 1957 and deletes money for the 1958 program. The Democrat Members, practically to a man, voted to end the soil-bank program.

The Democrats stated their position on the soil-bank program as follows:

> We pledge to support continued improvements in the soil-bank program passed by the Democratic 84th Congress and originally opposed by President Eisenhower and Secretary Ezra Taft Benson.

This is proof positive that the Democrat platforms and the Democrat campaign promises bear very little relationship to actual practice.

As the above quotation indicates, the Democrats took credit for the soil-bank program and pledged continued improvements in it. Their action yesterday shows that their idea of continued improvements is to scuttle the program because they feel that it has brought some benefit to the Republican President and to the Republican Party.

This is but one of many instances wherein the Democrats have promised the people a certain course of action and have not followed through.

To cite but a few other instances of Democrat Party and platform promises, such as repeal of the Taft-Hartley Act, amend the Walter-McCarran Immigration Act, pass a civil-rights program and many others, all of which are designed only to garner votes, yet not bring forth any performance. The lack of a constructive program in the present Democrat-led Congress is sure to be harmful to the American public.

It should be brought to the attention of the people that the author of the amendment to limit the soil-bank program called attention to the fact that it is up to the Committee on Agriculture to make a study to determine whether or not the soil bank should continue for another year. If they feel that it should continue, then the author points out that a deficiency bill could supply the necessary money, and it could go right ahead.

What this statement means is simply that a lot of the Democrat Members will go to the people and tell them they have voted for economy to cut this farm program by cutting the soil-bank program; whereas the odds are about 100 to 1 that it will be continued and a deficiency appropriation bill will be brought in next year to pay out what looks like a savings today.

In my opinion, the Democrats have sold the midwestern farmers down the river in the hope of making political gains.

THE SOIL BANK PROGRAM

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I am indeed pleased that the gentleman from Illinois [Mr. SHEEHAN], has brought to the attention of the House the provisions of the 1956 Democratic platform which pledged the party to continue support of the soil bank program. It is quite interesting to note that they claim credit for it.

This Congress having defeated the effort that was made by some of us to help the commercial corn growers of the Middle West with the same sort of assistance farmers in other parts of the country have had, and having staged an about-face yesterday to destroy the soil bank program, again leads me to say that I do not believe the Democrats can play fast and loose with the farmers of this country in that fashion and get away with it.

Moreover, now that these programs have been wrecked by Democratic opposition, I think it is up to the Democratic majority of this Democratic Congress to come up with a farm program and to stop this business of trying to pin the blame on somebody else, Secretary Benson, or the President, or any group of Members, but to come up with their program, because we all recognize—they recognize—that the farmer is in a cost-price squeeze. Something needs to be done about it.

Now it is their move. If they do not like what has been suggested, if they do not like that part of the program they boasted about last year, then let us see what kind of program they can come up with.

Mr. MARSHALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MARSHALL. Mr. Speaker, I listened with a great deal of amusement to my good friend from Indiana, and I would like to say to my good friend from Indiana that I as one Democrat attempted to deal with that problem, unsuccessfully last fall.

Also I have had the opportunity, of course, of watching farm legislation upon the floor of this House. We proposed a farm act last year which was vetoed by the President. After vetoing the act that we proposed he proceeded to put into effect many of the things he objected to.

I would like to say to the gentleman from Indiana that a good share of my district is in the Corn Belt; a good many of the farmers in my district rely upon the income which they can expect to receive from their farming operations which has continually gone down during the last four years.

I can also say that as far as my farmers are concerned—and I can say this at first hand because we have had very close contact with these farmers in the very few weeks just passed—that almost without exception they are opposed to the acreage reserve part of the soil bank.

It seems to me there is a bit of a mistake made about the soil bank. The soil bank consists of two parts: The conservation reserve and the acreage reserve. I think the conservation reserve part of the soil bank is a great deal more effective than the acreage reserve. I think the conservation reserve can be made effective.

I can say to the gentleman from Indiana that it was my privilege to introduce soil bank legislation which I felt would be necessary to help control the surpluses of this country. Your Secretary of Agriculture objected to my approach. He said it was too costly; he said it would cost in the neighborhood of $490 million. Compare that with the figures that we have at the present time and the ineffectiveness of the acreage reserve part of the soil bank which most people admit.

I think the Committee on Appropriations was most generous when they went along with the program as requested for the 1957 crop. I think it was very desirable that we did provide some stopgap measure in order that public funds should not be further dissipated on a program which is proving so worthless from a production control standpoint.

Mr. GARY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. GARY. Mr. Speaker, I asked for this time in order to ask the gentleman from Minnesota if the action of the House on yesterday was not based upon the report of the Appropriations Committee which had discovered a great many abuses of the present acreage-reserve program, and that it was because of the abuses that had developed under this administration that the Democrats voted as they did. According to the report of the committee, the acreage-reserve program has developed into a racket and a national scandal.

Mr. MARSHALL. I may say to the gentleman from Virginia that the action of the subcommittee in reporting the bill was a unanimous action, it was not a partisan action. It was reported by Members on both sides of the aisle. We were in agreement because of the findings that our investigators had made that there had been lax, and I may say, disappointing performance in the administration of the program.

Discussion on the floor indicated the need of further legislative action. Also the letter of the Secretary of Agriculture to the chairman of our committee, Mr. WHITTEN, further proved that the program was not working. Because of this I suggested the Harrison amendment.

THE SOIL BANK

Mr. McGOVERN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. McGOVERN. Mr. Speaker, I have no desire to get into a debate with the distinguished gentleman from Indiana [Mr. HALLECK], but I think the record should be set straight on one point, when the gentleman charges the Democratic Party with not keeping faith with its election pledges.

It was in my State in October of 1952 that the Republican presidential candidate made the pledge that he and his party would continue the 90-per-cent-of-parity program that had been in operation under the previous Democratic administrations. It is the failure of the President and his administration and his party to keep faith with that election pledge that was made in Brookings, S. Dak., and again in Kasson, Minn., that is responsible for most of the agricultural difficulty in which we find ourselves today.

I want to say in connection with the vote yesterday that I stated as long as a year and a half ago that the soil bank was not the answer to our farm difficulties; nevertheless, I did vote against repeal of funds for the soil-bank acreage reserve for 1958 because we do not yet have another program on the drawing board. I am not satisfied with the soil bank, and I hope that the Committee on Agriculture and members of both political parties will now pull together in establishing a workable farm program.

FEDERAL ESTATE TAXES

Mr. BAKER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. BAKER. Mr. Speaker, today I am introducing a bill to prevent small businesses from being destroyed by Federal estate taxes. It would provide relief from the double taxation—income and estate taxes—on individuals, and make it possible for family businesses to survive the death of a principal stockholder or partner without the necessity of a forced sale to large national corporations to provide funds for estate-tax payments.

My bill would allow individuals to set aside a reserve fund, represented by noninterest-bearing Treasury certificates, with which to pay estate taxes. A deduction from income tax, not to exceed 10 percent of taxable income in any one year, would be allowed to an individual, or a family corporation, to create such a reserve fund. The fund would be subject to estate taxes, but would have been accumulated free of income tax during the taxpayer's life.

My bill also includes the President's Cabinet Committee on Small Business recommendation which would permit such estates 10 years within which to make Federal estate-tax payments.

I respectfully urge the Congress to give this small-business measure prompt and careful consideration. Small business must be protected and encouraged now if we expect it to survive today's merger-minded economy. A more detailed explanation of my bill is presented in the following statement:

ANALYSIS OF THE LEGISLATION

1. THE PROBLEM

This legislation is designed to provide some relief from the double taxation resulting from the imposition of both income and estate taxes on individuals and to mitigate the burden and impact of the Federal estate tax. The particular purpose is to make it possible for family businesses to survive the death of the principal stockholder without the necessity of forced sales to large national corporations in order to provide funds for payment of estate taxes. There are a great many owners of private or family businesses who are unable effectively to set aside sufficient liquid assets after the income taxes have been paid on their income, and after estate taxes which will be paid on these liquid assets at their death, to provide for the payment of estate taxes on their present holdings. The result of this is that many such owners are selling their businesses to large national corporations in order to be in a position to have liquid assets to sustain the estate-tax impact.

The proposed legislation is premised on the theory that it is desirable to encourage the preservation of private or small businesses, and that it is unwise of the Federal Government to in effect force the liquidation of small businesses and the merger of small businesses into large corporations.

2. THE SOLUTION

The basic theory of this proposed legislation is to allow individuals to set aside a reserve fund, represented by certificates of indebtedness of the United States, with which to pay estate taxes. Under the proposed legislation a deduction from income tax, not to exceed 10 percent of taxable income in any one year, would be allowed to any individual or any family corporation for the purpose of creating such a reserve fund. The assets or fund would be subject to estate taxes, but would have been accumulated free of income tax during the taxpayer's life.

3. OUTLINE OF THE PROPOSED LEGISLATION

(a) Estate tax anticipation certificates would be issued by the Government for sale to individuals and corporations. The certificates would pay no interest. They would be redeemable at 100 percent of their face value for payment of estate taxes up to the amount of $500,000 on any one estate. They would be redeemable at not less than 90 percent of their face value when redeemed by an estate, but not in payment of estate taxes, or when redeemed by an estate in payment of estate taxes in excess of $500,000. They would be redeemable at not less than 75 percent of their face value when presented by any other owners.

(b) The purchase of estate tax anticipation certificates from the United States by an individual would entitle the purchaser to a deduction from taxable income in the year of purchase in the amount of the face value of the certificates but not to exceed 10 percent of the taxable income computed without the deduction. Purchase of these certificates by a family corporation from the United States would entitle the corporation to a deduction in the same manner, not exceeding 10 percent of its taxable income: A family business is defined as one more than 50 percent of which is owned by not more than 10 individuals, and a corporation which is engaged in an active business.

(c) Except for a transfer by a corporation to a stockholder in exchange for its stock, or when redeemed by an executor, transfers, or redemptions of the certificates result in the face value of the certificate becoming taxable income to the transferor or person redeeming the certificate. A further provision requires that if the tax benefit at the time of acquisition of the certificate is greater than the tax consequence of the transfer or redemption, the difference is added to the tax of the individual or corporation transferring or redeeming the certificates, so that there will have been no income-tax benefit where the certificates are not used for their intended purpose of paying estate taxes.

(d) Where certificates are transferred to a stockholder by a corporation in redemption of part or all of the stockholder's holdings of stock in the corporation, the transaction is treated as a sale or exchange—thus avoiding the question of whether the transfer is equivalent to the payment of a dividend—if the stockholder has held his stock for at least 10 years.

4. EXAMPLES OF HOW THE PROPOSED LEGISLATION WILL WORK

This legislation is designed to alleviate the double taxation of income taxes and estate taxes on funds being accumulated by a taxpayer in anticipation of the payment of estate taxes at the time of his death. Therefore, we are dealing primarily with the problem of individuals whose estates are large enough that estate taxes are a substantial factor. To illustrate the manner in which the proposed legislation would operate, we will assume three different types of situations which we believe to be typical. These will involve hypothetical situations in which the individual's top income tax bracket and top estate tax bracket are as follows:

Income and estate tax brackets	Effect under present law		Effect under proposed legislation	
Income tax 50 percent. Estate tax 30 percent.	Item of gross income	$1,000	Item of gross income used to purchase estate tax anticipation certificate	$1,000
	Less 50 percent income tax	500	Less no income tax	0
	Balance saved for payment of estate tax	500	Fund held in certificates against payment of estate tax	1,000
	30 percent estate tax on this fund	150	Less 30 percent estate tax	300
	Balance available for payment of estate tax on present holdings	350	Balance of certificates available to pay estate tax on present holdings	700
Income tax 62 percent. Estate tax 39 percent.	Item of gross income	1,000	Item of gross income used to purchase estate tax anticipation certificate	1,000
	Less 62 percent income tax	620	Less no income tax	0
	Balance saved for payment of estate tax	380	Fund held in certificates against payment of estate tax	1,000
	39 percent estate tax on this fund	148	Less 39 percent estate tax	390
	Balance available for payment of estate tax on present holdings	232	Balance of certificates available to pay estate tax on present holdings	610
Income tax 72 percent. Estate tax 49 percent.	Item of gross income	1,000	Item of gross income used to purchase estate tax anticipation certificate	1,000
	Less 72 percent income tax	720	Less no income tax	0
	Balance saved for payment of estate tax	280	Fund held in certificates against payment of estate tax	1,000
	49 percent estate tax on this fund	137	Less 49 percent estate tax	490
	Balance available for payment of estate tax on present holdings	143	Balance of certificates available to pay estate tax on present holdings	510

It will be observed that under the first illustration above the individual under present law can effectively retain only 35 percent of an item of current gross income which he wishes to set aside for payment of estate taxes on his present holdings. Under the proposed legislation he would be able to retain 70 percent of such an item of gross income for liquidation of estate taxes on his present holdings. The comparable figures for the second illustration are that under present law he can retain only 23.2 percent, whereas under the proposed law he would be able to retain 61 percent of an item of gross income to liquidate estate taxes. Under the third illustration under present law the taxpayer can only retain 14.3 percent of an item of gross income to pay estate taxes, whereas under the proposal he would be able to retain 51 percent for that purpose.

This legislation would also allow up to 10 years in which to complete payment of certain estate tax obligations.

WHAT'S HAPPENING IN SCHOOL INTEGRATION?

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. POWELL] is recognized for 60 minutes.

Mr. POWELL. Mr. Speaker, I rise today to commemorate the third anniversary of the Supreme Court decision.

WHAT'S HAPPENING IN SCHOOL INTEGRATION?

This is based on several studies recently conducted by the Southern Regional Council, an organization of many years' standing made up of white and Negro southerners. Harold Fleming is the assistant director of the council in charge of information, and John Constable is editor of the New South, its monthly publication.

On May 17, 1954, the United States Supreme Court spoke the decisive words in a legal debate that had stretched over 100 years of American history. For a unanimous Court, Chief Justice Earl Warren declared:

> We conclude that in the field of public education the doctrine of "separate but equal" has no place. Separate educational facilities are inherently unequal.

The decision was rightly termed "historic." It overturned the 58-year-old Plessy ruling, under which 17 States and the District of Columbia had maintained separate and usually inferior school systems for Negroes. It also foretold the doom of legal segregation in such other public facilities as parks, playgrounds, and local buses. Moreover, it brought into sharper focus the extra-legal segregation in northern and western cities with large Negro populations.

In short, the Supreme Court's school decision set the stage in law for a major revision of racial practices in this country. Yet, for all its far-reaching implications, the decision was not an abrupt departure from current trends. In the years immediately preceeding the decision, and particularly since World War II, segregation had been steadily crumbling. Through court action, southern Negroes had won the right to cast their ballots in the all-important Democratic primaries, to serve on juries, to enroll in the graduate schools of State universities, and to ride unsegregated on interstate trains. In parts of the South Negroes had sought public office for the first time since reconstruction—and some of them had won, with the support of white as well as Negro voters. Whites and Negroes in the Armed Forces had served side by side for several years, many of them at southern military posts.

Not all of the Negro's advances were the result of court rulings or Executive orders. Many private and church-related colleges in the South had voluntarily opened their doors to Negro students. Professional associations had begun accepting into membership Negro doctors, nurses, lawyers, ministers, and the like. Sixty-odd southern cities had opened the doors of their main public libraries to patrons of both races. Professional baseball teams in many a Deep South town included one or more Negro players on their rosters.

The school decision, then, did not mark a sudden change of direction. But it did extend the principle of equal citizenship farther than ever before. Potentially, it could affect the daily experiences of millions of schoolchildren, and it challenged a way of life in the South traditionally based on subordination of the Negro.

AFTERMATH OF THE DECISION

All things considered, the initial reactions to the school decision were surprisingly favorable. In the North and West, the general view was that the Supreme Court had righted an old wrong. It was also widely recognized that the moral position of the United States had been strengthened throughout the world, particularly among Asians and Africans.

Even in the South, the reaction was milder than most people expected. A few political figures breathed defiance, but most public comment was restrained. Newspapers, with few exceptions, greeted the decision as inevitable and expressed confidence that the South could work out a gradual adjustment. All of the major religious groups active in the South endorsed the ruling as being in harmony with Christian and Judaic principles.

This restraint was explained in part by the way in which the Supreme Court dealt with the school issue. The decision of May 17, 1954, ruled out the doctrine of "separate but equal" facilities. But it was not until a year later, after further hearings, that the Court spelled out the process by which integration must be achieved. This implementation ruling of May 31, 1955, was both moderate and flexible. The high tribunal charged Federal district judges to see that the defendant school authorities made a "prompt and reasonable start" toward desegregation. The district judges were empowered to take local conditions into account in considering plans for compliance formulated in good faith.

At this point, the 17 States and the District of Columbia, where school segregation had previously been compulsory, adopted varying courses. The Nation's Capital and several of the border States proceeded promptly with statewide desegregation of their public schools. Other border States experienced greater doubts and problems, but in all of them delay was clearly only temporary. At the other extreme, the Deep South States assumed defiant postures which grew increasingly rigid as the months passed. The States in between took a cautious wait-and-see position; by the summer of 1956, however, most of them had moved gradually into the resistance column.

DESEGREGATION STATES

Five States—Kentucky, Maryland, Missouri, Oklahoma, and West Virginia—and the District of Columbia have undertaken school integration as a matter of official policy. Together, they account for more than a quarter of a million Negro children newly attending classes in integrated schools. Although each of them has areas where prosegregation sentiment is strong, firm State direction has assured the outcome. It should be noted that these are States with relatively small overall percentages of Negroes in their populations. Maryland, with 17 percent in 1950, ranks highest. In this, as in other respects, however, the District of Columbia is an exception.

DISTRICT OF COLUMBIA

The seat of the Nation's Capital is under the direct control of the Federal Government. For several years prior to the school decision, the Government's policies had been aimed at the elimination of segregation in Washington. Long-standing racial barriers were lowered by hotels, restaurants, parks, and public housing projects, as well as in Federal operations themselves. A number of voluntary organizations were working to prepare the city for desegregated schooling. Immediately after the 1954 ruling, the District Board of Education ordered "complete desegregation" with the least possible delay. By the 1955–56 school year, 147 of the District's 169 public schools had racially integrated classes, and a majority of the schools had both white and Negro teachers.

Unlike most cities of comparable size, Washington has a high proportion of Negro residents—about 43 percent—and an even higher proportion of Negro pupils—now approximately 68 percent. Moreover, the housing pattern does not provide the kind of "natural" segregation that is common in other big urban centers. For these reasons, Washington's swift compliance with the Supreme Court edict has had sweeping effects.

Segregationist critics have sought to discredit the Washington experience as an abject failure. They have spotlighted the relatively few unpleasant incidents involving white and Negro children. They have also emphasized the drop in scholastic levels in newly desegregated schools. But school authorities maintain that behavior problems have showed no abnormal increase and are generally of the same variety as those found in any metropolitan school system.

No one contests the fact that integration has sharpened academic problems. But educators deny that these problems are fundamentally racial in origin. Rather, the lower achievement records of most Negroes reflect their inadequate schooling under the old dual system, and to some extent the poorer socio-economic setting from which many of them come. Thus Washington's schools are confronted by an acute educational problem which is chronic in most large public school systems; that is, how to give children with underprivileged backgrounds the special attention they need without penalizing the more advanced pupils.

Washington has recently instituted a remedy for this problem called the "four-track" plan of education. On the basis of present ability and achievement, children are assigned to one of four curricula, ranging from an honors course to a "basic" course in the elementary skills of reading, writing, and arithmetic. The aim is to give the individual child, white or Negro, the chance to learn at the level for which he is equipped. If a pupil's performance warrants, he may move from one "track" to another.

THE STATES

The five desegregating States have moved at varying rates of speeds toward the official goal of a single school system. West Virginia, for example, has gone forward with phenomenal rapidity. By the summer of 1956, out of a total of 44 counties with Negro school-age population, all but a handful had desegregated completely or partially. As school opened for the 1956 term, only three far eastern counties retained segregated schools, and they are small compared to counties where integration is well under way. As the Charleston Gazette stated:

> Segregation is about over in the Mountain State.

Though affirming its intent to comply from the beginning, Kentucky has moved more deliberately. Kentucky took its first step toward integrated education in 1948 when the law was changed to permit white and Negro medical and nursing students to be trained in the same institutions. Since that beginning, all higher education facilities have been opened to Negro students. As school opened in September 1956, trouble hit 3 of Kentucky's desegregating communities. Mobs harassed Negro students in Clay and Sturgis, and a school at Henderson was subjected to a boycott. White mobsters temporarily won out in Clay and Sturgis, and the schools were reopened on a segregated basis. But court action in these two places seems inevitable. The interracial Henderson Ministerial Association valiantly fought the prosegregationist Citizens Councils with a truth campaign and broke the school boycott in that community.

With Louisville beginning a free-choice system this fall and integration going smoothly in other schools, the State now has 92 integrated districts while 17 others have formulated plans to open their schools to all students.

Kentucky now has 125,665 white and 8,114 Negro pupils attending mixed classes in 232 public schools.

Racial barriers have been tumbling in Missouri for several years. Catholic schools in St. Louis were desegregated as long ago as 1948, and court rulings opened swimming pools in St. Louis and Kansas City in subsequent years. Moreover, planning and preparation for school desegregation by religious, civic, labor, and educational groups had been underway for some time prior to the 1954 decision.

Nearly 85 percent of Missouri's Negro schoolchildren attended desegregated schools in 1955–56. This large-scale changeover is explained mainly by the desegregation of school systems in St. Louis, Kansas City, Springfield, and other cities, where most of the Negro population is concentrated. In the fall of 1956, cut of 172 high-school districts in Missouri, 166 were integrated.

Oklahoma's outlook, once markedly southern, has shifted westward in recent years. This, plus court-ordered desegregation of higher education in the late forties, prepared the State for calm acceptance of the Supreme Court's decree. The State decided to defer any action until after the court had detailed its policy in 1955. Once that ruling was issued, Oklahoma officials not only sanctioned local school desegregation, but used financial inducements to speed it up. School boards were advised that, beginning with the 1956–57 term, State funds would not be paid for the extra expenses of maintaining separate Negro schools. In 1955–56, about half of Oklahoma's Negro enrollment was in desegregated schools. Or, as reported in other terms by the New York Times, 47 counties had desegregated some portions of their school systems, 15 counties had postponed desegregation, and 15 counties had no school-age Negroes. As school opened in 1956, 2 more schools in Tulsa and 1 more district in the State integrated.

Of the States in the "desegregating" category, Maryland has had one of the most challenging transitions to make. Some of its rural communities, by virtue of economy and racial pattern, have had a strong identification with the traditional South. Yet, under the leadership of its Governor, Maryland has maintained its unity. Baltimore and 8 out of the 23 counties in the State had mixed classes in 1955–56; three others said that requests of Negoes to transfer to white schools would be considered. Only 12 percent of the State's Negro enrollment was in desegregated schools, but the proportion rose in September 1956. Now the State has approximately 200 desegregated schools.

The impact of desegregation has been cushioned in Maryland by the use of the free-choice method. Pupils are permitted but not required to transfer to schools formerly closed to them. This has led there—as it has elsewhere—to a markedly gradual transition. Baltimore, which granted unrestricted choice in September 1954, enrolled only 1,576, or 3 percent, of its Negro school children in formerly white schools during the first year. In the 1955–56 term, the figure rose to 4,601, and an additional 2,701 were attending formerly all-Negro schools in which white pupils had enrolled.

The important point is that Baltimore has displayed a steady determination to comply in good faith with the Supreme Court's decision—despite the fact that its 41.3 percent Negro population is greater than that of many Deep South cities. In the first weeks of desegregation, demonstrations touched off by prosegregation organizers were halted abruptly by firm official action. By every present indication, Maryland is moving slowly but steadily toward full desegregation.

STATES DIVIDED

It is generally recognized that the effects of the school decision fell unevenly on the 17 States directly involved. There never has been a truly "solid" South of race relations, and the differences have increased in recent years. We are used to thinking of such differences in State-by-State terms. But geographical, economic, and cultural diversity is no respecter of State lines. The contrasts to be found within a single State are often extreme. That is the case with the 4 States—Arkansas, Delaware, Tennessee, and Texas—here called "divided."

Of course, all of the 17 States have their internal variations in racial attitudes—between urban and rural areas, industrial and nonindustrial cities, counties with many Negro residents and counties with few or none at all. Most of the State governments, however, have settled on racial policies that can be imposed statewide, at least for the time being. The "divided" States are exceptions. The differing areas within their boundaries have moved in opposite directions, while State leadership has leaned first one way and then another.

Delaware is literally divided by a canal which separates the northern, industrial county of New Castle from the southern, agricultural counties of Kent and Sussex. In the northern third, Wilmington partially integrated its schools between 1954 and 1956 and laid plans for complete integration of its 3,829 Negro pupils in the 1956–57 term; full integration of the remaining 5,500 Negro pupils in New Castle County is expected soon. By contrast, in the two southern counties only the State capital, Dover, has gingerly approached desegregation. There 15 Negroes attended formerly white schools in the 1955–56 school year.

The prospects for Statewide desegregation of Delaware's schools were dimmed by the widely publicized disorders in Milford during 1954. In September of that year, the Milford board of education unexpectedly opened the doors of the white high school to 11 Negro students. Ten days later disgruntled white parents and segregationists from elsewhere gathered under the leadership of Bryant Bowles and his self-styled National Association for the Advancement of White People. After several days of demonstrations and near violence, the board of education was replaced and the Negroes were withdrawn.

The Milford experience had a pronounced effect on the political leaders of Delaware. Fearful of explosive reactions to a pro-integration policy, they have adopted an uneasy middle ground between the northern and southern areas of the State. There have been no official attempts to impose school desegregation through State authority. But despite resistance in the State, Delaware opened the 1956–57 school year with at least 4,100 Negro children, out of a total of about 11,000 such children, in school districts with varying patterns of desegregation.

Arkansas' experience in several respects closely parallels that of Delaware. There, too, school desegregation in one community was countered by prosegregation demonstrations, spurred and assisted by outsiders. And Arkansas has also seen its political leadership vacillate between acceptance and rejection of the Supreme Court's ruling. One difference—and an important one—is that Arkansas' embattled community of Hoxie has not yielded to the segregationsts, but has maintained its desegregated schools. Two other communities in the State, Fayetteville and Charleston, have enrolled Negroes in formerly white schools since August 1954. Unlike Hoxie, both of them are in the northwestern part of the State, where the Negro population is sparse and race consciousness is relatively slight. Little Rock and Hot Springs have announced plans for very gradual integration within the next 2 years.

Texas is split along similar lines. Its eastern counties are really an extension of the Deep South. Their rich cotton-growing soil made them a part of the plantation economy. The large Negro population in this area is still subject to the restraints which replaced slavery. The strong prosegregation attitudes held by most east Texas whites are reflected in the politics of the State. The Governor and the legislature have advocated continued segregation of the schools.

The western segment of Texas, on the other hand, has little in common with the cotton-growing section. Its economy is western rather than southern, and the Negro population is small and scattered. By the 1956–57 term, 100 school districts in this part of the State had begun school desegregation, with little difficulty except in Mansfield. The State now has an estimated 500,000 white and 25,000 Negro students in integrated schools. But the large majority of Texas Negroes will remain unaffected until barriers begin to fall in the eastern counties.

With the Appalachian peaks on the east, the Mississippi on the west, and the rolling bluegrass country in between, Tennessee has a broad range of racial attitudes. In general, resistance to desegregation is greatest in the western area and least marked in the highlands at the other end of the State. Because of this, few people expected the flareup in Clinton when it followed the example of neighboring Oak Ridge and integrated its schools in the fall of 1956. However, outsiders, chiefly Citizens' Council leaders from north Alabama and Washington, D. C., came into the Clinton area in a last-ditch stand to keep Tennessee's schools segregated. State officials who

had steadily refused to yield to the pressure of prosegregation groups held firm in this instance, too, and Clinton now is integrated. There are reasonably good prospects for desegregation in other mountain counties with sparse Negro population. Nashville, in the central part of the State, appears to be moving toward a gradual adjustment to the Supreme Court decision.

STATES RESISTING

Florida, North Carolina, and Virginia have shown a stiffening resistance to desegregation. For some time following the school decision, they were commonly described as wait-and-see States. But political developments in the past year have moved them steadily closer to the defiant position of their Deep South neighbors.

Florida, for example, filed a temperate brief with the Supreme Court, during 1955, urging that the Court allow time for gradual adjustment and permit local conditions to be taken into account. The ruling later handed down by the Court was widely hailed as a victory for this viewpoint. Yet, when fiercely prosegregation candidates began campaigning for State office, Florida's officials modified their stand. In the summer of 1956, the Governor called a special session of the legislature to enact legislation aimed at preventing desegregation. A Negro student's attempt to enroll at the University of Florida was also being strongly resisted by the State's legal department.

This pattern, with variations in timing and method, has also prevailed in North Carolina. Virginia earlier and more completely than the other two States gave the leadership to its "black belt" counties, which wield great political power in the State.

There is good reason to distinguish these States, despite their official positions, from the hard-core States which are listed next. In all three many people are opposed to the doctrine of diehard resistance. And enough of the dissenters are sufficiently influential and vocal to keep the debate alive. It would not be surprising if, during the coming months, some of the less race-conscious communities asserted their independence from State segregation policies. This is particularly likely as additional rulings are issued by the Federal courts. For it is not the States, but the communities, which must decide whether to obey or openly defy decrees of the courts.

STATES DEFYING

Stretching through the South from southeast Virginia to western Texas is the irregular band of counties commonly called the Black Belt. The belt is broadest across the Deep South States of South Carolina, Georgia, Alabama, Mississippi, and Louisiana. Here the proportion of Negroes in county populations ranges from 40 percent to as much as 80 percent.

In the rich, dark soil which gave the Black Belt its name, the plantation system of the last century put down its deepest roots. This was the heartland of the Old South, whose planter aristocracy led the region into the Civil War. Much of the rest of the South—particularly the mountainous sections—felt little loyalty to the cotton-and-slave society. But the plantation South used its vast political and economic power to forge the Solid South of the Confederacy.

The South has undergone many major changes since 1865—almost 100 years ago. Industries have sprung up in the Piedmont area which borders the Black Belt. Modern cities have claimed an increasing flow of migrants from the land. In the rural areas, cotton has given way to diversified crops and pastures for beef and dairy cattle. The old plantation counties have lost heavily in population and in economic control.

But, in spite of these changes, the Black Belt has kept its hold on the politics of the Deep South. The distribution of seats in the State legislatures remains virtually unchanged since the turn of the century. Devices like Georgia's county-unit system serve to keep the center of political power in those areas where the aftereffects of slavery are most strongly felt. Thus in South Carolina, Georgia, Alabama, Mississippi, and Louisiana, the State governments have committed themselves to a last-ditch defense of segregation, and prosegregation groups like the White Citizens Councils have mushroomed.

LEGISLATION

The five defiant States moved swiftly in the wake of the Supreme Court decision to buttress school segregation with new laws and constitutional amendments. These measures are both large in number and varied in approach. Most of them are of one or another of the following types:

First. Abolition of public schools: Most of the defiant States have followed South Carolina's early lead (1952) by paving the way in law for an end to operation of public schools. In most cases, this legislative step has been coupled with provisions for some form of private-school plan. Generally, the States have been empowered to make tuition grants for the education of children deprived of public-school facilities.

Second. Nonsupport of integrated schools: Legislation requires the automatic cessation of State funds to school systems that desegregate in any degree.

Third. Pupil-assignment laws: Local school authorities are granted broad powers to determine the school a child may attend. Such intangible factors as character, health, and welfare replace race as the basis for exclusion.

Fourth. Coercive measures: Georgia has made it a felony for a school official to spend public funds on a desegregated school. South Carolina and Mississippi have forbidden teachers and other State employees to belong to the National Association for the Advancement of Colored People. Alabama and Louisiana have acted under existing statutes to prohibit the operation of the National Association for the Advancement of Colored People. Mississippi has established a system of paid informers and secret police to ferret out integrationists. These and similar measures have been enacted in the Deep South to enforce the segregation orthodoxy.

Fifth. Interposition and nullification: Five State legislatures have adopted resolutions which declare the Supreme Court's segregation rulings of no effect. This doctrine of interposition has a long and complicated history. It originated in the 19th century on the theory that a State had the sovereign right to challenge a court decision which it felt violated the constitutional division of powers. Most students of constitutional law, however, have held that interposition has no legal force or value, except as a protest.

All told, approximately 95 State segregation laws had been passed, as of the fall of 1956, since the Supreme Court's decision.

RESISTANCE MOVEMENTS

Immediately following the decision, resistance to the decree was slight; but during the year between the two school rulings the prosegregation movement rapidly gained momentum.

Initial resistance came from the National Association for the Advancement of White People—(NAAWP)—organized in Delaware by Bryant Bowles. Bowles and the NAAWP were successful in Milford, Del., where their tactics were largely responsible for restoring segregation, but Bowles failed in other places, notably in Baltimore and Washington. Although the NAAWP success in Milford undoubtedly gave impetus to the resistance movement in the Deep South, Bowle's career has since been anticlimactic, and at one point he momentarily resigned leadership in the NAAWP, laying the blame on apathy of white citizens.

The Ku Klux Klan also was revived soon after the Court decision, but its career has followed a pattern opposite to that of the NAAWP. Since the old Klan had largely been repudiated, new Klan leaders found it tough sledding in the revival attempt. A South Carolina sheriff spoke out against the group and that State refused to grant its leader, Eldon Edwards, a charter for the organization. However, as resistance grew, Klan activity increased. The group now holds a charter in Georgia, and its meetings are drawing larger audiences.

Although fringe organizations are attracting an increasing number of followers, resistance is centered largely in the self-styled citizens' councils, of which the Mississippi group is the strongest and most influential in the region. The movement is now organized into an Association of Citizens' Councils of America with "national" headquarters in Greenwood, Miss., also the headquarters for the State group.

Councils have been organized in Louisiana, Texas, Alabama, Arkansas, Florida, Georgia, South Carolina, Tennessee, and Virginia; and 15 other States have similar organizations.

The councils' membership claims exceed the half-million mark. Studies of the groups, however, put their combined membership at closer to 300,000. It is estimated that the councils collect well over $2 million each year in membership fees alone.

The main object of the Citizens' Councils' official pronouncements appears to be to create an aura of respectability around the entire movement. But

though the movement attempts to embrace all sufficiently "respectable" groups, regional leaders strive to free the central organization of responsibility for utterances and actions of the local groups.

This decentralization enables the main council movement to disclaim credit for any violence which may be undertaken by individual Citizens' Councils or individual members. A case in point was the recent repudiation of the North Alabama Citizens' Council following an attack by some of its members on the Negro singer Nat King Cole.

The councils, according to published statements, are officially dedicated to "the maintenance of peace, good order, and domestic tranquility in our communities and in our State and to the preservation of our States rights." And as mentioned, they publicly decry resort to violence. But if, as the councils claim, the "best" people of the community make up their leadership and lend respectability to flouting the law, it is not surprising that cruder elements in the South are encouraged to try mob action.

ECONOMIC PRESSURE AND BOYCOTTS

Initially, the councils made no secret of the fact that their chief weapon would be the use of economic pressure; but after this method was condemned by newspapers and met by counterpressure from Negro groups, the councils disavowed organizational responsibility for economic reprisals.

Whatever degree of direct responsibility may be attributed to the councils, both economic and social pressures have been widely used against advocates of desegregation. Negro farmers and business men have been denied credit, Negro merchants have been boycotted by wholesale distributors, and Negro teachers and other employees have been discharged.

White persons who favor a more democratic way of life are not immune to the economic threat. White persons have been ordered to move by angry groups of their neighbors. An attempt was made to cut off the earned retirement pension of a former president of a white Georgia college because he advocated that white and Negro people sit down together and seek local agreement.

In most cases economic pressure is imposed quietly, without publicity, and all too often no weapon is available to fight such tactics. However, in Orangeburg, S. C., merchants and food distributors who cooperated in the Citizens' Council's economic squeeze found it to be a two-edged weapon. The merchants were boycotted in turn by Negro students of two colleges in the area and by other Negro citizens of Orangeburg. Negroes in Montgomery, Ala., and Tallahassee, Fla., have also employed the boycott to protest unfair treatment on city buses.

The outcome of this economic tug-of-war cannot yet be determined, but it is clear that Negroes will not be the only ones to suffer.

VIOLENCE

Although most of the prosegregation groups publicly deplore violence, it has been increasing steadily since the May 17, 1954, decision. Nearly 50 cases of violence or threats of violence were reported in 1955 in the 12 Southern States most directly concerned with desegregation of schools. These cases included the murder of at least three Negroes in Mississippi, the wounding of at least one other, the burning of a Negro church in South Carolina, and several bombings. In these cases, no person has yet been convicted.

Violence has continued in 1956, with such cases as the Autherine Lucy and the Nat King Cole incidents gaining national attention. Incidents receiving less publicity included the bombings of homes of leaders of the Montgomery, Ala., bus boycott and the bombing of a store on an interracial farm in Georgia.

Prospects of further violence seem to be increasing rather than lessening. Following the Clinton, Tenn., rioting, John Kasper, the man most directly responsible for the disorders there, told a group of citizens' council members that they must "seize control of local governments." "We want trouble," he said. And a "new" Klan, launched recently in Alabama, described the "new" as meaning that the organization would be an "action" group in contrast to the existing prosegregation units.

PROPAGANDA

Literature of the resistance movements varies greatly. It ranges from vulgar diatribes distributed as handbills to articles in national magazines. Underlying most of this literature is a foundation of half-truths and distortion, and some of the prosegregation exhibits of the Citizens' Councils have been revealed as outright frauds.

Recent examples of the latter were copies of a tape-recorded speech dealing with sex relations, allegedly made by a Negro professor, and a picture which was supposed to depict white women and Negro men at an Armed Forces base in Alabama. Both propaganda pieces were exposed as fakes by the Columbus (Ga.) Ledger.

CHURCHES

The overwhelming majority of religious leaders and official church bodies have spoken out strongly concerning the school decisions. Most of the church statements are in the spirit of the one issued by the Southern Baptist Christian Life Commission:

> We urge Christian statesmen and leaders to use their leadership in positive thought and planning to the end that this crisis in our national history shall not be made the occasion for new and bitter prejudices, but a movement toward a united Nation embodying and proclaiming a democracy that will commend freedom to all peoples.

Despite increased efforts of intimidation, there is growing evidence that local pastors and lay leaders are accepting the obligation expressed in statements by their governing bodies. A few formerly all-white churches in the South are now open on an integrated basis, and ministerial associations scattered throughout the South are integrating their memberships. Here and there, religious groups are holding integrated meetings.

But while many church leaders are assuming positive leadership against segregation as contrary to Christian principles, other forthright men are not so successful.

It has become increasingly difficult in much of the South for individuals to express liberal racial views without suffering heavy penalties. A growing number of courageous ministers have been forced from their pulpits. Some of them did not even advocate integration but merely calm and Christian discussion of the issue.

PRESSURE ON NONCONFORMISTS

Ministers are not the only victims of the segregationist demand for conformity. Some newspaper editors have been persecuted, and educators have been forced to give up their jobs rather than surrender their principles. In Florida, a white teacher was fired because she expressed sympathy for a white woman doctor who was dismissed from her job as a health officer after lunching with a Negro nurse on the staff of the Florida State Board of Health.

To many persons, the dangers inherent in these violations of the basic freedoms of thought, speech, and association overshadow the segregation controversy itself.

DESEGREGATION SINCE THE COURT DECISION

Ona more positive note, a recent survey by the Southern Regional Council confirms the conviction that the South is moving with seeming inevitability toward an increasingly integrated society.

The survey was concerned with examples of desegregation in all fields that had occurred in the 17 Southern and border States and the District of Columbia between May 1954 and May 1956. The common notion that integration will not work in the South is directly contradicted by the finding that some 1,100 instances of desegregation had taken place in the 2-year span. At last count some 666 school districts out of approximately 3,700 having both white and Negro pupils had desegregated. Altogether some 320,000 Negro and white pupils were in integrated situations. Examples were not limited to the border States, but were spread throughout the South. And while court decisions and other legal rulings prompted desegregation in certain fields, many changes were the result of voluntary decisions. Few instances of desegregation were highly publicized and little tension accompanied most of the transitions.

Clearly, the South has a greater capacity for racial change than either its friends or critics commonly suppose.

THE NORTH AND WEST

What meaning does the Supreme Court school decision have for the non-South? Legally, the decision applied only to the 17 States in and adjoining the South which enforced segregation by law in 1954. But the spirit of the decision applied equally to many places outside the South where segregation exists by custom and practice rather than law. What is happening in these areas?

First. Education: Segregation in education in the non-South has been accomplished in three ways: first, by overtly racial policies; second, by gerrymandering school zones; and third, by segregated housing. Of the three, segregated housing is by far the biggest obstacle to integrated schools in the non-South; as barriers fall there, they automatically fall in the schools. According to a Fund for the Republic survey by David Loth, segregation has been broken down in all three of the above categories since the May 17, 1954, decision. Although many northern cities have made strenuous efforts to achieve integration in their schools, the existence of vast areas of segregated housing such as Harlem in New York, has imposed great difficulties and slowed down the program. New York City reported in the fall of 1956 that a score of schools in Brooklyn had been made interracial by redistricting since the opening of the fall term. Integration had not yet been achieved, however, in all the Brooklyn schools nor in central Harlem where the majority of New York's Negroes live.

Second. Housing: Segregated neighborhoods are still much in evidence in the non-South; but in recent years, some progress toward integration can be noted. New Jersey, Indiana, and Illinois have taken steps to root out segregation where it has been practiced in disregard of State laws. In other areas, public housing has been newly integrated, and some private housing developments have acquired their first Negro residents. As the Fund survey points out, most instances of desegregation in housing in the North and West since the Court decision were accomplished without bitterness or incident. New York has taken the lead in the use of State legislation and administrative action against segregation in housing.

Third. Employment: Both private and public employment opportunities for Negroes in the non-South have increased since the Supreme Court's school decision. To what extent this is as a result of the decision is not known. But the recent fund for the Republic survey indicates that there have been many new openings for Negro workers in the past 2½ years. It was feared in some areas of the North that Negro teachers would lose their jobs as school segregation was ended, but the reverse seems to be the case. Negro teachers have been employed in areas where they were not hired before, and some have been employed in schools with no Negro children. Although discrimination in employment is far from eliminated outside the South, many firms are moving toward a better employment policy. One agency that has helped bring about these changes is the President's Committee on Government Contracts, set up to enforce fair-employment practices in firms doing business with the Federal Government. Many States also established commissions to eliminate discrimination in employment.

The trend toward integration is the result of various forces: The war-inspired concern for minority rights which has been enhanced by a growing awareness of the effect of our racial policies on world opinion; action by Negroes themselves, human relations agencies, church and civil groups, enlightened school administrators and public officials; the growing realization that it is often cheaper to integrate than to provide new or improved facilities for Negro pupils; and last but not least, the spirit of the Supreme Court's decision.

Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks at this point in the RECORD and that I may be permitted to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REUSS. Mr. Speaker, 3 years have passed since the decision of the United States Supreme Court declaring segregation in the public schools to be unconstitutional.

I believe May 17, 1954, will be remembered by future generations as one of the truly memorable dates in American history. The issue then determined by the Court was itself of the utmost importance, but the decision has come to have an even wider significance. All over the world the Supreme Court's action has immeasurably strengthened the cause of the rights of man. It has been America's historic role to lead the way toward the fulfillment of the age-old human yearning for liberty and equality. The Declaration of Independence, the Emancipation Proclamation, the welcome we have always given to those fleeing oppression and tyranny—these are at the very heart of the American tradition. To this list must now be added the May 17 decision.

On this third anniversary we are aware, of course, that the Supreme Court's words have yet to bear tangible fruit in some parts of our Nation. We are aware of bitterness and violence and of unconcealed defiance of the supreme law of the land. We cannot, and must not, ignore these manifestations of resistance, for the denial of his rights to even one of our citizens must be of concern to all. But neither, Mr. Speaker, should we be plunged into despair. Whatever the roadblocks, there can be no question in which direction we are moving. We are moving ahead.

May 17, 1954, was truly a landmark in the history of human freedom. Let us salute this anniversary with pride and with renewed determination that its promise will surely be realized in our own land and throughout the world.

ON GERMAN PROVINCES EAST OF ODER-NEISSE LINE, AND ECONOMIC, HISTORICAL, LEGAL, AND POLITICAL ASPECTS INVOLVED

The SPEAKER. Under previous order of the House, the gentleman from Tennessee [Mr. REECE] is recognized for 60 minutes.

Mr. REECE of Tennessee. Mr. Speaker, for some years I have been seriously concerned about a situation that has been existing in East Central Europe and forces which brought it about. I believe that many of my colleagues are sharing this concern.

I

GENERAL REVIEW

Twelve years ago, one of the greatest tragedies in history took place in that part of Europe, almost before our eyes and certainly with our knowledge, though many of us were hardly aware of it at the time, since we all were engulfed in a life-and-death struggle with some of the totalitarian rulers. I refer to the expulsion from their ancient homes in the German provinces east of the Oder-Neisse line and in other parts of East Central Europe of more than 16 million Germans resulting in the death of far more than 3 million of them and of untold numbers being forced into slave labor.

We had once read in our schooldays of wars in the ancient age of barbarism, when cities were sacked, people were slaughtered or driven into slavery. All this was far away and in a distant, unreal age and surely, so we thought, it could not happen today. Yet, it did happen.

The expulsion established a wrong, a situation in gross violation of the rules of international law, of the laws of humanity, of the principles of international morality.

The situation has often been glossed over, as if it were not quite proper to speak of it or as if, by belittling, we could diminish its true dimension and proportion. But it cannot be brushed aside, it cannot be silenced, and it cannot last forever. With ever-increasing insistence, it demands restitution. As Immanuel Kant wrote in his famous essay On Eternal Peace:

> Nature irresistibly wills that the right shall ultimately prevail.

I have given a great deal of attention and time to studying this situation in its economic, historical, legal, and political aspects and I wish to submit my finding in a statement which of necessity is rather comprehensive. The forthcoming visit to this Government of the German Federal Chancellor may be an appropriate time to present my findings in the matter.

Dr. Konrad Adenauer is an old and trusted friend of our Nation. Being not only the recognized spokesman of the people of the West German Federal Republic, but the guardian of the interests of the German nation in its entirety, he is well aware of the outrageous wrong of the illegal occupation by the two Communist powers, Poland and Russia, of the German provinces east of the Oder-Neisse line.

We, ourselves, are equally well aware of the maxim of Rudolph von Ihering, one of the great European legal minds of the last century: "The surest test of character is a man's or a people's reaction when facing the violation of right."

In wishing to strengthen the bonds of friendship between our two peoples, we might also remember this word of Ihering: "A nation cannot guard and cherish a more precious possession than its instinct for right and justice."

DIVIDED GERMANY

The problem of a divided world is largely the problem of a divided Europe. The problem of a divided Europe is almost entirely the problem of a divided Germany.

This divided Germany, then, being the problem of our day, is the Germany as of 1937. The territory now under the

rule of the Communist puppet regime, styling itself "Government of the German Democratic Republic," is often mistakenly referred to as East Germany. In reality it is but the central area or middle Germany, while East Germany comprises the part east of the rivers Oder and Neisse, that is, roughly speaking, the Provinces of East Prussia, Pomerania, Silesia, and part of Brandebourg.

This Eastern Germany constituted in 1945 an integral part of the Soviet-occupied zone of the Reich. Poland's right to administer the area of Germany which it now occupies arises from a unilateral act of the Soviet Union, the conquering occupant, permitting it to occupy this area until a peace treaty eventually determines the status thereof. This agreement was formally approved by the military commanders of the other conquering powers in the Potsdam Declaration, issued at the Tripartite Conference at Berlin, July 17 to August 2, 1945.

The part east of the Oder-Neisse line was known as a food basket of the German people. Its present separation from the German economy mostly accounts for the pressure exerted on the world markets by the German export drive. Like the British and the Japanese, the Germans today must export or face starvation. The fact that West Germany is now Great Britain's keenest trade rival is but one of the subsequent results of Germany's present separation from her food-producing region east of the Oder-Neisse line.

THE FACTS OF THE EXPULSION

The people of these eastern provinces of Germany, altogether 10½ million, were summarily expelled and, in 1945 and 1946, were forced to leave the land which had been their and their ancestors' homes since the early Middle Ages, or, as many of them were descendants of the indigenous tribes, since pre-historic days.

Of these 10½ million human beings, more than 7 million reached West and Middle Germany, surviving shocking experiences of mass murder, rape, and cruelties of every sort inflicted on them by Soviet Russian and Communist Polish sadists.

About 1 million people were able to remain on the soil of their fathers. Having been stripped of their possessions, turned out of their homes, they barely exist, usually somewhere near their homesteads. Stubbornly they refuse to believe that the outrageous wrong will last forever.

GENOCIDE

But 2.2 million human beings is the heavy toll of those who did not survive the process of what was at the time presented to the American public as the orderly removal of the population. Factual evidence that has since been submitted shows that they and the other 7 million were victims of the crime of genocide.

At the Nuremberg trials the Nazi leaders were rightfully convicted of that dastardly crime against humanity. However, the Soviet prosecutors, then so eagerly pressing the charge, came into court with "unclean hands" in disregard of that rule of equity. Refugee treks had been machine-gunned by, and flattened under, Soviet tanks. Other people were just led aside and murdered in cold blood. Still others drowned in the icy waters of the Baltic when bombs and torpedoes sent their boats to the bottom of the sea.

One ship alone, the *Wilhelm Gustloff*, took more than 6,000 refugees—mostly elderly people, women and children—from East Prussia to their grave, a catastrophe in comparison to which the disaster of the sinking of the *Titanic* with the loss of 1,500 lives pales into insignificance.

Many others were left to die of starvation and disease. For instance, the population of Königsberg, venerable city of Immanuel Kant, which at the end of hostilities still numbered above 100,000, was thus reduced, within 2 gruesome years, to 25,000. This is the so-called administration of the Soviets. We would more appropriately call it mass murder. Other people did not survive the cruelties perpetrated in Communist Polish and Soviet Russian prisons or the mere rigor of captivity in Red slave labor camps.

In addition to those millions, which I just mentioned, at least 5 million Germans were being driven out of their homes in central, eastern and southeast Europe, among them 3.5 million Germans from Czechoslovakia and a million Germans from Poland proper. By 1950, about 12 million German refugees had reached western and middle Germany. By last year the number, according to an official statement had reached the 13 million mark.

You might surmise from all of this that the people who did survive those bestialities and did reach the free West would sulk in feelings of bitterness and deep enmity against those responsible for the decisions that led to the loss of their possessions and to the present separation from their homeland.

To be sure, on dumping these millions of dispossessed into a densely populated West, it was the Kremlin's plan to create a huge proletariat, to make for economic confusion, and thus to build a reservoir of malcontents from which they might recruit an avant guard of communism.

Moreover, the present illegal occupation by the Poles of German soil and property—so the Kremlin schemed—would chain Poland safely to the Kremlin walls; because only with Soviet military support can Poland hope to hold on to the German Provinces while, on the other hand, the bridges between the German and the Polish people would be out of commission as long as the wrong continues.

THE CHARTER OF THE EXPELLEES

It is all the more noteworthy, then, that on August 5, 1950, the delegates of these German expellees assembled in Stuttgart, West Germany, and signed a declaration, known as the Charter of the Expellees, which is certain to go down in history as a great human document. Nothing like it has come from any other similar group, similarly mistreated.

"After careful and conscientious deliberation," so this charter reads, "the elected representatives of millions of expellees" resolve to make public before the entire world "a solemn declaration" which they consider their basic law and which begins with the following paragraph:

> We, the expellees, renounce all thought of revenge and retaliation. This is a solemn and sacred resolution, in memory of the infinite suffering of mankind, particularly during the past decade.

After stating that "to separate a man from his native land by force is to kill his soul," the text of the charter continues:

> We have suffered and experienced this fate. We feel qualified, therefore, to demand that the right to the native land be recognized and that it be realized as one of the basic human rights, granted to man by the grace of God.

The German expellees then go on record to support every endeavor toward a united Europe in which the nations may live in freedom from fear and coercion. They went on to call upon all nations and men of good will to join them in this task.

Today, we should remember that these East German expellees were the first large group of people in Germany to declare their support of a united Europe, long before the Schumann plan and other efforts toward European integration came to the fore.

The expellees have steadfastly continued the policy of their early advocacy of a united Europe to which their representatives subscribed in 1950. Appeals to narrow nationalism, communism, and neutralism have had no effect on them. They have supported Chancellor Adenauer's European policy, because their own tragic fate had placed them in the vanguard for a united Europe. It is within the frame of a united Europe that they hope to regain their homelands in peace and freedom, and to return to their native soil.

We should leave no doubt that the German provinces east of the Oder-Neisse line, since 1945 under provisional foreign administration, are to this day, and continue to be, legally and lawfully a part of Germany, militarily occupied and now under quasi-wartime administration of the two Communist powers.

UNCONDITIONAL SURRENDER OF THE ARMED FORCES WAS NOT A SUBJUGATION OF THE NATION

The occupation did not effectuate a territorial change of title because, according to international law, the "unconditional surrender" in 1945 of Germany was a military surrender. It was not a subjugation.

The documents signed by the commanders of the German armed forces in May 1945 defined the surrender of the Wehrmacht. They did not authorize the annexation, much less the cession, of any part of the defeated nation. The German generals would not have had legal power of attorney to sign away any German territory. The final act of unconditional surrender expressly stated that the signatories were acting "by authority of the German high command." It is a generally accepted rule of international law that a military commander has no power to "agree to terms of a political

nature or such as will take effect after the termination of hostilities."

This rule has been incorporated in the Hague Convention of 1907 which the Soviet Government has expressly recognized and upon the enforcement of which it has repeatedly insisted. No effort was made to accept a surrender from Admiral Doenitz or any other possible representative of the German Government or the German people. Incidentally, it may be argued that the German signatories of the unconditional surrender documents were already in custody as prisoners of war and, therefore, had no right to represent unsurrendered forces.

Thus, Germany was neither then nor at any later time subjugated. Only subjugation would have given a pretext for annexation. International law holds conquest to be the basis for annexation. However, conquest is not completed until after a formal act of subjugation, and Germany has not been subjugated.

Furthermore, the final phase of conquest exceeds the limits of authority granted to an occupying power by article 43 of the Hague Convention IV—on land warfare. It violates international law.

Moreover, the expulsion from their native homelands east of the Oder-Neisse line of ten and a half million Germans—a population equal in size to the combined population of Sweden and Norway—is a violation of the principle of self-determination of peoples. It thus constitutes a violation of human rights as also of present-day international law. Furthermore, the expulsion is a violation of solemn covenants, freely entered into, such as the Atlantic Charter and a violation by the Soviet Union of obligations expressly assumed toward her wartime allies.

A considerable amount of literature is being issued with respect to the German provinces east of the Oder-Neisse line. The obvious purpose of most of it seems to be the attempt to assure an English-reading public of the validity of the Polish claims. Some of the propaganda material is even reflected in encyclopedias, publications which one would normally consult for reference and would not easily suspect of lacking in scholarship.

II

ECONOMIC FACTS

ECONOMIC FACTS OF GERMAN PROVINCES EAST OF ODER-NEISSE LINE

What, then, is the economic importance of the German provinces east of the Oder-Neisse line? The argument has been advanced that the region was of no particular value as a food-producing area of Germany. Since there is hardly any thesis which a so-called intellectual will not expound at one time or another, a German professor, Wilhelm Volz, was found arguing in the 1920's that the East German provinces are not the food base of the Reich. His thesis is now greatly welcomed by Polish sources and spun out to prove the low value of the land.

However, the hard economic facts are these: The German provinces east of the Oder-Neisse line comprise 25 percent, or one-fourth, of the effective agricultural land of all Germany. The grain production of the region equaled that of Australia, the potato production equaled that of France, the butterfat production equaled that of Denmark. The notion that this area of farmland had been owned by a small upper crust of Prussian junkers is just as often repeated as it is false. Instead, in Pomerania 65 percent, in East Prussia 69 percent, and in Silesia 74 percent of the agricultural soil was in the hands of peasant farmers whose individual land holdings did not exceed 250 acres.

The hard-coal production of the industrial part of the region, i. e., in Silesia, went to meet the requirements which Western European countries had in addition to their own production. Today the coal from German Upper Silesia would suffice to offset West Europe's present deficiency of hard coal.

Official sources of Communist Poland boastfully declared with regard to their total production that in the German Provinces—they speak of the "regained" area—they would produce 25 percent of the pig iron, 34 percent of the coal, 34 percent of the coke; their production of steel would be increased by 39 percent; that of agricultural machinery almost tripled.

In view of all this it seems somewhat startling to learn that a Communist trade delegation from Warsaw, which was recently in Washington, wished to get from this Government a fat loan with which to purchase grains, fats, oils, farm machinery, and other equipment.

The question may well be asked, How do these facts fit together? Is the Polish satellite being drained by Soviet Russia? Is the American taxpayer now being asked to help directly in supporting a Communist regime and indirectly to help the Kremlin overcome its own economic troubles? Is Poland not making any use of the German Provinces? Did the Warsaw regime not move millions of Poles into the area?

POLISH POPULATION FIGURES

Let us pause here to take a glance at the population figures: Prewar Poland of 1938 had 34.85 million inhabitants. About 11 million of these were living in eastern Poland, the part now taken over by the Soviet Union. Of the 11 million in eastern Poland, only a minority, that is 2.5 million, or 23 percent, were actually of Polish stock; 5.8 million, almost 53 percent, were Ukrainians, another 2.5 million were Byelorussians, while the rest was made up of Lithuanians, Germans, Jews, and so forth. The Jews were considered in East Europe as of a distinct nationality. The Soviets once organized an autonomous republic for them—many are today citizens of Israel. Exaggerated territorial claims of Polish nationalists had stimulated the largesse of the Versailles mapmakers, resulting in a Poland which comprised, within its boundaries, the highest percentage of foreign nationalities of any European country.

Official Polish figures show that in the years after the Second World War 1.5 million Poles have been transferred from eastern Poland, now in Soviet hands to the present territory of Poland. The Polish Government, at the same time, removed from its territory about half a million Ukrainians, Byelorussians, and Lithuanians to the Soviet Union and about 1 million Germans to the West. These Germans had lived in the area of Poland of 1938, that is, mainly in the districts that had been taken from Germany by the Versailles Treaty provisions and turned over to Poland. Incidentally, the 1 million Germans left behind nearly 100,000 individual farms with a total acreage of 2.28 million acres.

The figure of 1.5 million Germans, Ukrainians, Byelorussians, and Lithuanians, removed from Poland, almost exactly tallies with the figure of 1.5 million Poles taken in from eastern Poland. Thus, no particular reason can be advanced to show a necessity for settling the 1.5 million Poles from eastern Poland in the occupied German Provinces. It is not surprising, therefore, to learn that only a minor part of the people that were brought into the German Provinces were actually displaced Poles from eastern Poland.

Take, for instance, the Polish-administered part of East Prussia: It has about 550,000 inhabitants. But only 122,000 of them, or 27 percent, are from eastern Poland. The total population in the Polish-administered German Provinces numbers 6.7 million. Roughly 1 million of these are Germans. The Polish Communists are giving them in official statistics the designation "autochthons"—a curious admission of their priority right to the land. A certain percentage of the others are Ukrainians who preferred not to be removed to the Soviet Ukraine.

WHAT USE DOES POLAND MAKE OF GERMAN PROVINCES?

Under the prodding of the Kremlin the Communist Warsaw regime exactly copied the Nazi policy: In much the same way as in 1940 the Nazis wheedled into then Nazi-occupied Poland various groups of ethnic Germans, settling them in towns and on farms on property illegally taken from Polish citizens, so the Communist regime in Warsaw has wheedled into the Polish-occupied German Provinces Poles and Ukrainians, settling them on property illegally taken from German citizens.

In much the same way as in the 1940's the misled ethnic Germans felt unhappy over holding what they learned was stolen property to which they could never acquire legal title, so these Poles and Ukrainians learned that they were settled on stolen property. It thus became increasingly difficult for the Communist rulers in Warsaw to induce the misguided people to stay in the German Provinces. What was, at first, a trickling beeline leading back to Poland proper is gradually taking the proportion of a rising tide. Unspoiled people seem to have an innate sense of distinguishing between right and wrong.

The Communist rulers in Warsaw are getting deeply concerned about the irrepressible move away from stolen property, especially since the problem can no longer be hushed up. According to figures in a recent report printed in Zycie Gospodarcze, a Warsaw economic paper, tens of thousands have been leaving the land again. Glos Szczecinski, the Communist paper in Stettin, describing the

present situation along the shores of the Baltic Sea between Stettin and Danzig—a shoreline formerly teeming with activity—aptly called it a deserted coast.

A few weeks ago, Zycie Gospodarcze, in a series of reports on the German Provinces under Polish administration made some startling revelations: Though official Polish figures had freely admitted that farm production of the region had reached a level of only 40 to 50 percent of its prewar standard, when the land was in the hands of its German owners, it now appears that even these figures had been heavily padded and exaggerated by nearly 100 percent. Wasteland in the region has increased by 3.7 million acres. Still more recently the same Warsaw paper published a "confession" from the three economists who wrote the series. They publicly apologized, in a way which would have done honor to Moscow's show trials, for spreading objectionably misleading information. Comparing the acreage of tilled farmland in 1939 with that of today, the confession curiously verifies the earlier statement. In what the paper describes as a huge area scores of villages and small towns are depopulated and now are ghost towns. As the Warsaw paper puts it, the region is apparently a no-man's land that is not liked by anybody of the Polish people. From East Prussia the same paper reported these facts: Though Roessel, a county seat, had suffered little damage from the last war, a large part of the town is being torn down and the brick collected and shipped for reuse to central Poland. Goldap, another county seat, announced that it planned the construction of a residential dwelling—the first new building since the end of World War II. Goldap had 12,500 inhabitants in 1939 but only a population of 5,000 today. East Prussia has now less than 44 percent of its normal prewar population density. From this you may roughly conclude that more than 56 percent of East Prussia's farmland lies waste today. The situation in Pomerania and Lower Silesia does not much differ, the density of population there having decreased by 45 percent and 40 percent respectively, of its prewar figure.

The argument is sometimes advanced that the newly settled Poles and Ukrainians, in the years since they have been brought in, have struck roots in the German Provinces and can no longer just be turned out. Of course, there has never been any suggestion of that kind by any group of German expellees.

In their 1950 charter, the expellees have renounced, without mental reservations, all thought of revenge and retaliation. Moreover, they clearly indicated to seek a solution within a European frame. On the other hand, it may be well not to exaggerate difficulties that will have to be faced. Strange as it seems, communism might here prove a blessing in disguise:

The Communist doctrine of collectivization degrades peasants to the status of slave laborers on state-owned and state-managed farms. Attachment to the soil is contrary to Marxian ideology.

The widespread return since last October to individual farming in Poland should not be taken as a final and irrevocable step. It should be rather remembered that Gomulka's policy is loyally following the Communist precedent of Lenin's NEP—new economic policy—in Russia in the early 1920's. It is an exact parallel move. To keep his communism going, Lenin needed bread, which only the Russian peasants could give him. He needed foreign capitalist help and found enough "suckers," too. The Communist policy of liquidating the kulaks as a class followed in due course later.

However, regardless of those considerations the economic problem is this: Before World War II Germany imported only 17 percent of her food requirements. Today, the Federal Republic is obliged to import roughly 40 percent of her food requirements from abroad. The Federal Republic has to export in the world's markets in order to buy this 40 percent of her food.

It means that Germany today, by keenest competition, is beating Britain and other European nations in the world's markets and is even making her competition felt in this country. This is one of the most obvious economic consequences of the present separation from Germany of her provinces east of the Oder-Neisse line and the result of the expulsion of the many millions of Germans from their native soil.

The Communists in Red Poland invented the term, "regained" territories, which for lack of imagination and foresight has been echoed by some Polish people in the West, people who would not like to be caught in the role of fellow travelers of the Communist breed in Warsaw.

What, then, are the historic facts about these territories which the Polish Communists claim to have regained?

III

SURVEY OF HISTORY

POMERANIA

First, let us take Pomerania. Yes, it was inhabited by the Slavic tribe of Pomeranians. During the 10th century, these Pomeranians—"defending their liberty," as the earliest Polish source records it—waged many battles against their neighboring Slavic tribe, the Poles, who wanted to subjugate them. All this ended in 1181, at the time of the German emperor Frederick Barbarossa, when the dukes of Pomerania became princes of the Empire.

Since then, Pomerania constituted an integral part of the Reich, that is, the Holy Roman Empire of the Middle Ages. There was an exception of a duchy in eastern Pomerania. This latter region was purchased, in 1309, by the Order of the German Knights; the treaty of purchase was formally recognized by Casimir, the King of Poland, in 1343.

In the course of the following 600 years, Pomerania was thoroughly integrated with the rest of Germany. Not even after Germany's defeat in 1918, when Polish claims, often under flimsy pretext, were pressed against the vanquished, and readily accepted by Versailles peacemakers, not even then did it occur to Poland to concoct an historical claim to Pomerania, although Dmowski, the Polish agent, demanded part of it.

SILESIA

Second a look at Silesia. Its western corner, the Lausitz, had been a Polish fief from 1002 to 1031, that is, for 29 years, 9 centuries ago. Then the region reverted to Germany and has been a part of her ever since. Silesia derives its name from the Germanic tribe of the Silingi. Germanic people lived there—as all over eastern Germany—for a thousand years before West Slavic tribes began pushing into the region from the east about the seventh century. East Germany, that is, the part east of the Oder-Neisse line, is neither the original home of the Poles, nor even of the Slavs.

In the seventh century, the Poles were just one of the several west Slavic tribes. In particular, the Poles inhabited the region of the Warthe and upper Weichsel—Vistula—Rivers; but they did not inhabit Silesia. Recent political writers of Polish nationality are fond of building a romantic Polish national myth, claiming all west Slavic tribes for Poland. But the facts of history do not support this notion.

Incidentally, such pan-Slavic claims for Poland differ in no way from earlier pan-German claims, advanced by some Nazi historians who liked to dream of including the Scandinavian countries, Switzerland, the Netherlands, and even Great Britain into a greater Germanic Reich.

In the 10th and 11th centuries, Moravians, Bohemians, and Poles contended for mastery over Silesia. The feudal system had led to the development of numerous principalities. Silesia had a score of duchies, counties, and the like. Temporarily Polish rule dominated. But the local rulers, the Piasts, sought independence from Polish rule and won it in 1163.

Throughout this period many German pioneers found their way to Silesia. Often called in by the Piasts, they built up the country and intermarried with the indigenous Slavic people. The Piasts themselves were rapidly germanized through intermarriage. Before the arrival of German pioneers, eight towns were known to exist in all of Silesia. By 1300, Silesia had 150 towns and 1,200 villages.

By the Treaty of Trentschin in 1335, King Casimir of Poland ultimately renounced all claims to overlordship over the Silesian principalities in favor of the King of Bohemia, John, who was the father of famous German Emperor Charles IV.

For 400 years the people of Silesia upheld allegiance to the Crown of Bohemia, at first under the Luxemburgs, from 1526 under the Hapsburgs until, in 1742, Frederick the Great claimed through the law of succession Silesia by inheritance and joined it to his Prussian domains. However, all throughout these centuries it remained an integral part of the German Empire.

DRANG NACH OSTEN?

The Treaty of Trentschin is of more than passing interest today. It was by that treaty that the boundary between the realm of the Polish King and the realm of the German Emperor, in other words, the German-Polish boundary

line was defined as far as it concerned Silesia.

This Silesian-Polish, or German-Polish, boundary has remained unaltered since 1335, that is to say, since more than 6 centuries. It constitutes one of the oldest boundary lines in all of Europe. It may dismiss from some people's mind the hazy notion of that often repeated phrase, the German Drang nach Osten—drive to the East.

You may think of the Drang nach Osten as the crusades in the early Middle Ages against the then pagan west Slavic tribes. It was an effort of spreading the Gospel of Christ, undertaken by the Germans with the active help of other West European nations.

The crusade against the Wends, one of these west Slavic tribes, was initiated by a French monk, Saint Bernard of Clairvaux, founder of the great Monastic Order bearing his name. The land of the Wends was actually conquered. But Pomerania and Silesia were regained in a peaceful way; the people accepted Christianity and intermarried with the Christian German settlers, while the local princes, likewise intermarrying with West German princely families, were being connected with the German empire by feudal ties.

The Hanseatic League, that great trade association of cities, and the municipal codes of Magdeburg and Lubeck, were the two factors that most notably contributed to the eastward advance of European or, if you will, German civilization in the Middle Ages. The Hanseatic League spread along the Baltic, while the two codes served as models for city charters in many a distant town of Poland and even Russia. All this brought part of eastern Europe within the sphere of the Church of Rome and staked it off against the Greek Orthodox sphere farther to the east.

EAST PRUSSIA

But, thirdly, let us have a look at East Prussia. Since the dawn of history this country was inhabited by the Prussians, a Baltic people, closely akin in race and language to the Lithuanians and Latvians.

Since 1230 the German Knights of St. Mary's Hospital at Jerusalem, one of the great orders of knighthood emerging from the crusades to the Holy Land, took up the conquest and Christianization of the Prussians and then the settlement of this country. Acting by the direction, and with the consent, of Emperor and Pope, mediaeval Christendom's two highest authorities, they succeeded in developing in Prussia a state the administration of which is still recognized by students of history as the most modern of any in the Middle Ages.

The charge that the ancient Prussians were annihilated by the German knights is one of those loose notions favorably mentioned by some political writers. The facts tell a different story. Up to the year of 1400, the German knights in Prussia had founded and given charters to 94 towns and had incorporated 1,400 villages. But in spite of this development of communities, the indigenous Prussian inhabitants in these settled parts of Prussia, in the year of 1400, amounted to from 30 to 40 percent of the total population.

The age of nationalism, though, was still in a distant future. The international language of the literary people of the time was Latin. The people were divided in states and estates, that is, by their status in life. They were organized in guilds and leagues and bargained with their territorial lord, or flirted with his neighboring rival, in order to improve their liberties and privileges.

The Poles allied with the Lithuanians invaded Prussia in 1410, and the German knights went down in crushing defeat in the first battle of Tannenberg. In 1422, a boundary treaty was signed at Lake Melno, defining the dividing line between the state of the German knights on the one side and Lithuania and Poland on the other. This boundary of what is today East Prussia's boundary, was drawn up by a treaty between the victorious Poles and Lithuanians and the defeated German knights. Surely the delimitation will not be suspected as having been partial in favor of the Germans.

However, this East Prussian boundary has stood unchanged for 500 years showing the absurdity of that malicious phrase of a German Drang nach Osten.

The conflict between the German knights and the Polish King continued, and when a league of Prussian towns and a group of the nobility began bargaining with the Polish King to seek more privileges than the Knights' Order would grant them, the Poles again invaded Prussia. The outcome after a long war was the treaty of Thorn in 1466 bringing about the partition of Prussia. The western part of the State of the German Knights, or West Prussia, was joined with the Polish crown in personal union. The defeated knights were able to hold on to East Prussia, though the Polish King assumed a position of suzerainty. The grand master of the knights did not become a Polish "vassal"; that word is not contained in the text of the treaty.

A century thereafter, West Prussia was illegally incorporated into Poland by a coup d'etat performed at the Lublin diet of 1569. But the tie of the Polish King with East Prussia ended 90 years later. The Prince Elector of Brandebourg, who had inherited the late State of the German Knights as Duke in Prussia, won for his duchy the complete independence from any Polish claims by the treaty of Oliva in 1660. Since that time, that is, more than a century before the American Declaration of Independence, East Prussia has never ceased to be a German land.

The Red Polish and Soviet publicity machine, however, continues to grind out stories repeating in a monotonous way the phrase of the "regained" territory. The absurdity of it might be shown by an imaginary parallel situation in this country. Suppose that the British Queen would this year set sail for Jamestown, Va., not to commemorate with us the establishment in this hemisphere of the first colony of English-speaking people, but, instead, to regain her crown colony because of a position of overlordship dating back to the late Middle Ages.

PARTITIONS OF POLAND AND RUSSIAN AGGRANDIZEMENT

To bring the historical account of that part of Europe up to the present: The partitioning of Poland had been in the making for more than a century before it actually took place in 1772. King Carl X Gustav of Sweden discussed it in 1662. It was fostered by groups of the Polish nobility allying and negotiating with neighboring rulers in order to squeeze political privileges from their own government. There was nothing unusual about this which in an age of nationalism would smack of treason.

However, history showed one of its ironic twists: In 1454, Hans von Baysen, heading a group of Prussian noblemen, who had joined under the name of League of Lizards, asked the Polish King to protect them in their privileges against the grand master of the knights. The Polish King responded by opening war against the German knights which ended as we have seen, in the defeat of the latter and the partitioning of Prussia in 1466.

In 1792, a substantial part of the Polish nobility, headed by such powerful families as the Czartoryski, Potocki and Branicki, joined under the name of Confederation of Targowica and invited the Russian Empress, Catharina II, to protect them in their liberties against reformist and revolutionary tendencies—the ideas of the French Revolution—making themselves felt in Poland. The Russian Empress responded and the result was the second and third partitioning of Poland in 1793 and 1795.

Prussia, by the first partitioning of Poland in 1772, merely regained the lands conquered by Poland in the 15th and 16th centuries. Her acquisitions were seen as repairing the partitioning of Prussia in 1466. They were duly ratified by the Polish Diet in contrast to gains made by Austria and Russia, which were violently opposed. In 1795, however, Prussia did take a considerable part of Poland. But Prussia's action should be seen in the light of Russian expansionism of that period. It was largely a question of preventing Russia from grabbing all of it. In the end, that is, at the Congress of Vienna, Prussia actually had gained 8 percent of the prepartition Poland—more than a third of it was regained land originally taken by Poland from the German knights—while Russia took 82 percent and Austria 10 percent of Poland. Thus, the partitioning of Poland in its final outcome proved to be a part of Russia's aggrandizement toward the West.

The danger of Russia's expansionist policies was much in the mind of European statesmen of the period. At the time of the Congress of Vienna, the British military plenipotentiary in the Czar's headquarters, General Wilson, wrote to his government:

> Think of Danzig. If by means of a convention this city is not won for Prussia, it will fall into Russian hands. Then the Russians will be master not only in the old parts of Prussia, in the Duchy of Warsaw and in Galicia, but they also will make all their plans concerning Hungary and the Baltic country.

A timely observation, indeed.

The Congress of Vienna affirmed Prussia's eastern boundaries, a part of which was the ancient East Prussian boundary of 1422 and that of Silesia of 1335. The whole line became Germany's eastern boundary and remained unchallenged until the end of the First World War. Incidentally, the Vienna Congress also delimited the western boundaries, essentially valid to this day, toward Belgium, Luxembourg, and France.

It might be worth while to remember that the Congress of Vienna reestablished a European community of nations after Napoleonic France—very much like Hitler's Germany 130 years later—had overrun Europe, had partitioned and dismembered nations, had brought untold misery to millions of people, until she was finally crushed. Yet the victorious European allies at the Vienna Congress left France within her pre-Napoleonic boundaries, with her territory undisputed, including Alsace-Lorraine.

It seems somewhat incongruous that the German boundary toward Belgium and France should be regarded as sacrosanct, while the German-Polish boundary, going back many hundreds of years and surely equally sacrosanct, should be subjected by some people to a sort of seesaw game.

JOHN QUINCY ADAMS ON SILESIA

As to the inhabitants of Silesia in pre-Napoleonic days we have an eloquent witness in the person of John Quincy Adams, the sixth President of the United States. At the turn of the 18th century, John Quincy Adams was American minister in Berlin and traveled in Silesia. In his Letters on Silesia, published in 1804, we find this observation on the inhabitants:

> Among them I found men of agreeable manners and of considerable information, but none of them spoke any other language than German. * * * The manners of the people in the towns have more of a republican than of a monarchical cast; and the general equality among the people give them a social turn, which I have seldom seen in other parts of Germany.

This comment of our sixth President, written long before the Napoleonic wars ushered in the age of nationalism, will easily dismiss the legend of a Prussian policy, during the 19th century, of enforced Germanization of an originally Polish population. These people were German.

Napoleon III of France was an adventurous man, as we know from his attempt at foisting the Austrian Grand Duke Maximilian as emperor upon the people of Mexico. Twenty years earlier he wanted to lead the Polish troops in an uprising against Russia. In 1848 he demanded in the French chamber a declaration of war against Russia in order to liberate Poland. In 1854 he inaugurated a plan for reorganizing Eastern Europe. It provided for a separation from Russia of Poland—until the German armies drove out the Russians in the first World War, most of that country was under Russian rule—and her union with Prussia.

RUSSIAN AND POLISH TYPE OF PAN-SLAVISM

In an age of nationalism Panslavist notions were taking hold of the mind of quite a few people in Russia, Poland, and other Slavic nations. Blue-sky laws did not limit dreams of national grandeur. Stalin might have taken a leaf from the teachings of Michael P. Pogodin, a Moscow history professor in the 1850's. He proposed a Russian-Polish boundary along the present Soviet-Polish line and suggested that the Poles conquer the East German provinces. When the scheme failed to rouse enthusiastic approval among the Poles, the irate professor advocated, instead, the summary expulsion of the Poles, "with their priests and all," from what he regarded as Western Russia.

Panslavism found in time its apologists in Poland, too. Polish expansionism toward the west was foremost in the mind of Roman Dmowski, the Polish political agent in the United States during the First World War and later the leader in Poland of the Nationalist Democratic party. His memorandums, written during the war years, bear eloquent witness of Poland's aggressive aims at the expense of her neighbors: "Today Danzig is German; but under conditions of normal economic development it will definitely become a Polish city." And as to Königsberg and East Prussia the spokesman for Poland proclaimed:

> Königsberg, that is, the part of East Prussia whose people speak German, must be attached to Poland. * * * Economic measures are then expected to destroy the position of the Germans so that the Königsberg region will * * * in time become thoroughly Polish territory.

The situation was realized by President Wilson, who commented early in April 1919:

> The only real interest of France in Poland is in weakening Germany by giving Poland territory to which she has no right. (R. S. Baker, Woodrow Wilson and World Settlement, vol. II, p. 60.)

GENERAL SMUTS ISSUES A WARNING

The dangerous consequences of Poland's aggrandizement were even more clearly seen by Gen. Jan C. Smuts, for many years Prime Minister of the Union of South Africa, today recognized as one of the great statesmen of this century. On May 22, 1919, General Smuts wrote to Mr. Lloyd George, the British Prime Minister:

> I am convinced that in the undue enlargement of Poland we are not only reversing the verdict of history, but committing a cardinal error in policy which history will yet avenge.
>
> The new Poland will include millions of Germans (and Russians), territories which have a German (or Russian) population, or which have for very long periods been part of Germany (or Russia). It is reasonably certain that both Germany and Russia will again be great powers, and that sandwiched between them the new Poland could only be a success with their good will. How, under these circumstances, can we expect Poland to be other than failure, even if she had that ruling and administrative capacity which history has proved she has not? * * *
>
> I think we are building a house of sand. And in view of these and many other considerations, I would revise the boundaries of Poland as provisionally settled in the treaty, leave Upper Silesia and all real German territory to Germany, contract the boundaries of the free city of Danzig, and instead of placing her under the suzerainty of Poland, as we propose doing, leave her under the suzerainty of Germany with an administration under the League of Nations. * * *
>
> I think the two cardinal errors in policy of this treaty are [the long occupation of the Rhineland and] the enlargement of Poland beyond anything which we had contemplated during the war. These two errors are full of menace for the future peace of Europe, and I urge that every means be taken to remove them before it is too late. (R. S. Baker, Woodrow Wilson and World Settlement, vol. III, p. 461.)

POLAND'S CLAIMS AND GAINS

The Treaty of Versailles, which this Government refused to ratify, imposed upon several regions of East Germany plebiscites. The leaders of Poland had claimed that a majority of the inhabitants of those border regions were Poles who wanted to be united with reborn Poland. The Allied statesmen obliged. The plebiscite areas were accordingly occupied by Allied troops and the several plebiscites were then conducted under the control of Inter-Allied Commissions, in 1920 in part of East Prussia and several districts of West Prussia, in 1921 in Upper Silesia.

PLEBISCITES AND VOTES

The outcome of the plebiscites showed that the Polish claims were not based on facts; as to East and West Prussia they were wholly absurd. These were the results:

In East Prussia: for Poland 2.1 percent; for Germany 97.8 percent. In West Prussia: for Poland 7.57 percent; for Germany 92.28 percent. In Upper Silesia: for Poland 40.0 percent; for Germany 60.0 percent. It should be noted that the plebiscite in Upper Silesia took place under the pressure of Polish-managed uprisings, benevolently tolerated by Allied authorities.

In spite of the proved German majority in Upper Silesia the Allies decided to partition the area. One-third of it was handed over to Poland. It was the most valuable part of the area, containing the entire zinc deposits, 85 percent of the coal, and 75 percent of the industrial output of the area. It included the principal cities of Kattowitz and Königshutte. The citizens of Kattowitz had just recorded a majority of 85.4 percent, the citizens of Königshütte a majority of 74.7 percent in favor of remaining with Germany. This is but one case of flagrant violation of the solemnly proclaimed principle of self-determination of people.

In the part of Upper Silesia which was left to remain with Germany the Polish vote showed up in the next Reichstag elections—the German electoral law of proportional representation permitting the count of even the slightest shade of dissenting opinion—there was a 1.8 percent Polish vote.

The part of West Prussia, which later became known as the Polish Corridor, was separated from Germany and by decision of the Versailles treaty handed over to Poland outright. However, before the Poles took possession in 1920, the elections to the Weimar Constitutional Convention had already taken place in 1919. Though the Poles had urged their compatriots to boycott the elections and stay away from the polls, the results on the basis of exact population statistics

revealed the presence in this region of 366,000 German as against 267,000 Polish persons of voting age, that is a clear 58 percent German majority. However, no plebiscite was permitted in that area to determine the will of the people. It should be emphasized that this is the outcome of the vote strictly of that part of West Prussia, later known as the Polish Corridor. It did neither include the previously mentioned plebiscite area of West Prussia nor the district of the city of Danzig.

Danzig was also separated from the Reich and by verdict of the Versailles treaty and given the status of a free city under Polish suzerainty. In the first elections to the Danzig diet Polish candidates won 5 seats out of a total of 120. They were never able to better this score because the citizens of Danzig were German as they always had been; and they had never wished to be separated from the Reich.

Because the hinterland State of Lithuania clamored for an outlet to the sea, the mapmakers of Versailles, lacking both imagination and foresight, could think of nothing better than to detach the Memel district from northern East Prussia, placing it under Allied military rule and making plans for another free city scheme like Danzig. Plans were cut short in 1923 by an invasion of armed detachments from Lithuania. The French occupation troops willingly capitulated and the Allied Governments acquiesced in the illegal seizure, though Memel is a German city, founded in 1252.

In the first elections to the Memel diet, in 1925, Lithuanian candidates won 2 seats out of a total of 29. The other 27 seats went to the German parties. The citizens of the Memel district were German as they always had been, and they had never wished to be separated from the Reich.

The Lithuanian Government in Kaunas, greatly disturbed over hearing the voice of the people, found no better answer than to impose in the following year, 1926, martial law upon the people of Memel. In the meantime, immigrants from Lithuania were frantically pumped into the district. Not until 10 years later, in 1935, did the alien rulers concede another diet election; the popular demand could no longer be disregarded. The outcome gave the Lithuanians 5 seats, the Germans 24 seats in the diet; still a four-fifth majority of the Germans. The Lithuanians continued to rule by martial law nearly to the last day. They could do no better. The district was returned to Germany by treaty of March 22, 1939. The British Government extended de jure recognition of the reunification of the Memel district with Germany and, by a note of May 15, 1939, informed the German Government of its decision. The unique instance of a legal and peaceful restitution of a wrong committed at Versailles does credit to the statesmanship of the Lithuanian Government after all.

GENERAL SMUTS AGAIN WARNS OF FATEFUL CONSEQUENCES

But before all these blunders were made, the warning voice of South Africa's Grand Old Man, General Smuts, was once more heard appealing to Western statesmen. On May 30, 1919, he addressed himself to our President:

> DEAR PRESIDENT WILSON: Even at the risk of wearying you I venture to address you once more. * * * This war began with a breach of a solemn international undertaking, and it has been one of our most important war aims to vindicate international law and sanctity of international engagements. If the Allies end the war by following the example of Germany at the beginning, and also confront the world with a "scrap of paper," the discredit on us will be so great that I shudder to think of its ultimate effect on public opinion. * * *
>
> There will be a terrible disillusion if the peoples come to think that we are not concluding a Wilson peace, that we are not keeping our promises to the world or faith with the public. But if in so doing we appear also to break the formal agreement deliberately entered into (as I think we do), we shall be overwhelmed with the gravest discredit, and this peace may well become an even greater disaster to the world than the war was. Forgive me for troubling you with this matter, but I believe it goes to the root of our whole case.

POLISH AGGRANDIZEMENT

The principle of self-determination of peoples has been solemnly proclaimed by President Wilson to be the guiding rule for the settlement of claims for disputed areas. However, this principle was unabashedly disregarded and openly violated. Poland was enlarged to such an extent that 33 percent of her population were people of foreign nationality. Thirty-three percent is the figure given by A. J. Toynbee in the World After the Peace Conference, London, 1925. The official Polish census concedes merely 30.9 percent. The territorial aggrandizement of Poland was politically unsound and led to her undoing.

Poland's western boundaries after the First World War coincided almost exactly with her western boundaries during the time of her greatest expansion in the 15th century. However, the Poles were far from being satisfied. As Roman Dmowski explained it in 1923, Poland had received from the Allies "just a small downpayment" on a really big Greater Poland. In the Warsaw Institute of Military Geography, a large mural showing a medieval Polish king staking off a legendary boundary along the Saale River in central Germany—intimated the direction in which Polish mentally unbalanced nationalists visualized a realization of their dreams of aggrandizement.

Such schemes were no mere dreams; they came close to realization. No sooner had the Poles, in 1945, reached the Oder-Neisse line when they proceeded to clamor for more. Their agent, F. Stojanowski, demanded in 1946 the Elbe line with three bridgeheads west of the Elbe at Hamburg, Magdeburg, and Dresden. Schleswig-Holstein, Mecklenburg, and the northern part of Brandenburg was to be lumped together into an Elbe State, and the rest into a Lausitz State, but all of it forming an integral part of Greater Poland.

Mr. Speaker, I wish to draw attention to a map prepared in 1947 by the Civil Administration Division of our Military Government in Germany, showing precisely Polish claims on German territory and carefully registering the German territory demanded by Stojanowski in 1946. Francis Lieber, author of the famous Instructions for the Conduct of the Union Armies in the Field and a century ago one of our eminent political and legal scholars, diagnosed cases like that as "political gluttony"—compare Francis Lieber, On Civil Liberty and Self-Government, volume II, page 49.

The fateful blunders left sores on other European nations, sores which festered and became ugly. They poisoned the mind of a then rising generation in Germany. Shaken in their trust in right and justice, many of these young people turned, disillusioned, to scepticism and cynicism. Harping time and again on examples of injustice, the Pied Piper from Austria then preached his crooked ideology and gathered in Bavaria the hard core of his storm troopers. It would be a tragic mistake, indeed, were we ever willing to compromise with injustice and wrong, instead of reaffirming, time and again, that the rule of international law be upheld so that right and justice will prevail.

In bringing this historical survey to a close, I wish to add the answer to one more question. After Poland, by virtue of the Versailles Treaty, gained all these lands were there still any Polish people left within the remaining territorial boundaries of the German Reich and, if so, how many were left?

As we know, the Weimar Republic had adopted the electoral system of proportional representation. The Germans were at that time encouraging the registration of even the slightest shade of dissenting opinion. We have since learned that this led to an atomization of their political parties and ultimately to the doom of the Weimar Republic. For our specific query, however, it proves valuable because it revealed with great accuracy the Polish minority in pre-Hitler Germany.

In the Reichstag elections of September 14, 1930, a total of 35,225,800 votes were registered. Out of this grand total, 75,431 votes—0.2 percent—were cast for national minorities, that is, Danes, Poles, and so forth. Out of the 75,431 votes for national minority groups, a total of 42,902 Polish votes were counted in the areas east of the present Oder-Neisse line. This is approximately one-tenth of one percent. Surely it gives Poland no basis for any claim whatsoever.

IV

POLISH AND SOVIET STATEMENTS

COMMUNIST POLISH ARGUMENTS VIS-A-VIS NAZI ARGUMENTS

The Red regimes in Moscow and Warsaw and their fellow travelers on this side of the Atlantic—though they would not wish to be seen as fellow travelers of a Communist organization—have urged the acceptance of a Greater Poland by repeating: "It is too late to question now the validity—the changes wrought by the decision have a finality which might be regretted by some but should be accepted by all." In other words, the free world should meekly surrender to the policy of all aggressors that might goes before right.

These arguments have a familiar ring. Have we not heard them before? Indeed, in the heyday of nazism, these same arguments, almost with the same wording, were used by Hitler and his henchmen advocating that "the strong have the right over the weak and have the right to demand that the weak give way to them, that they relinquish land where the strong can settle and provide for their descendants"—H. Nicolai, Rassengesetzliche Rechtslehre, Textbook on Racial Law, page 20, Munich, 1934.

It may be interesting to probe deeper into the curiously analogous argumentation. However, let us rather be reminded of the fact that there were and are responsible men among Polish leaders-in-exile who refuse to be goaded by far-scheming Soviet and some short-sighted Western politicians along the dangerous road which can only make the enslavement of the people of Poland permanent and final.

SOUND POLISH VOICES

The late Polish Prime Minister-in-exile, Tomasz Arciczewski, opposed the extension of Poland's boundaries to the West so that they would include Breslau and Stettin and eight or ten million Germans.

Shortly after the publication of the Yalta declarations in February 1945 the Polish government-in-exile at London protested against the agreement reached by the representatives of the three powers with regard to Polish territory. The Polish Government called attention to the fact that prior to the Crimea Conference it had submitted to the Governments of the United States and Great Britain memoranda expressing the hope that without previous consultation of and consent by the Polish Government no decisions concerning Poland would be made. It went on to say:

> The method adopted in the case of Poland is a contradiction of the elementary principles binding the Allies and constitutes a violation of the letter and spirit of the Atlantic Charter and of the right of every nation to defend its own interests.

The Polish Government then declared that the decisions concerning Poland taken by the third conference at Yalta cannot bind the Polish nation. The Polish Government considers the separation, by erection of a Polish-Soviet boundary along the Curzon line, of the eastern half of its country as the fifth partitioning of Poland now brought about by her own allies.

Jedrzej Giertych, the Polish publicist, perhaps realized the danger of the road along which Poland was being pushed when in his The Question of the Regained Territories From an Ethical Point of View he rejected the so-called compensation policy suggested to the Poles. Giertych wrote:

> We have not the slightest intention to give up all claim to Lwow and Vilna.

He refused to accept the idea of a Soviet Russian compensation at other peoples' expense.

A statesmanlike attitude was shown by the Polish Ambassador in Washington, Jan Ciechanowski. At the time of his resignation on July 6, 1945, he declared:

> How can one explain to the Polish nation that their country is but a home on wheels to be pushed eastward and westward as may suit the imperialist aims of its mighty neighbors in defiance of the principle of self-determination of peoples for which they fought? Some day, answers to these questions will have to be found if justice is to survive.
>
> Poland, represented by her legal government, was never admitted to participate in discussions of Polish-Soviet relations. The Conferences at Teheran and Yalta are examples in point. The decisions concerning Poland must, therefore, be regarded by the Polish nation as verdicts "in absentia." No nation, no government truly representative of its people, could ever accept decisions about their territory or system of government being taken without their participation.

No scathing denunciation will equal this indictment of the map makers of Teheran, Yalta, and Potsdam.

General Wladyslaw Anders, the gallant Polish military leader in World War II, declared in an interview on December 14, 1946:

> Poland has neither the human nor the material means of digesting the German territory up to the Oder River. These territories are a gift fraught with danger. This can only be a temporary solution which will end on the day when Poland will have regained her liberty. * * * We do not want anything to which we are not entitled and which can only damage the case for our nation. Under no circumstances shall we renounce the right to the eastern territories now annexed by Soviet Russia.

Roman Umiastowski, the Polish author, writes in his book, Poland, Russia, and Great Britain, 1941–1945, London, 1946, page 218:

> The Kremlin's proposal of compensation was not so much in order to justify the Russian annexation of eastern Poland as to extend their (own Soviet) rule to the banks of the Oder.

The Kremlin's dangerous trap was perhaps clearly seen by the distinguished Polish historian, Oskar Halecki, when he referred in the April 1945 and 1946 issues of The Review of Politics to the danger of an extravagant extension of Poland's boundaries toward Germany and wrote:

> The same people who now urge the Poles to accept the Russian offer, will blame them in the future for having created, through their imperialism, a new problem which will trouble the peace of Europe.

It seems indeed tragic that in spite of sane voices crying out in the wilderness there are others who are apparently in a quandary trying to vie with the Communist oppressors of their kinsfolk at home echoing Communist Polish slogans in the vain hope of winning the favor of the captive people of Poland.

THE SOVIET LAW ON ANNEXATION AND SELF-DETERMINATION

It will be appropriate at this point to look into Soviet statements on conquest and annexation in general and on their aims with regard to Germany in particular.

Soviet international law defines annexation as "the complete combination with another state of a territory against the will of the population" and then denounces such annexation. This is expressly stated in the leading Soviet treatise, Mezdunarodnoe Pravo—International Law—Moscow, 1947, page 156.

The denunciation in Soviet international law of conquest and annexation is based upon statements made in 1916 and 1917 by Lenin and Stalin. According to volume 19, page 304, of his Collected Works, Lenin declared in 1916:

> Annexation is the violation of a nation's right of self-determination. It is a delimitation of state boundaries against the will of the population.

On May 12, 1917, Stalin proclaimed:

> If Poland, if the Ukraine break away from Russia there is nothing bad about that. * * * No nation can be free if it oppresses other nations. * * * In Russia we must stress the right of separation for subject nations.

In the Decree on Peace of November 8—October 26—1917, Lenin stated:

> If contrary to a nation's expressed desire, regardless of whether this desire has been voiced in newspapers, at public meetings, through party resolutions, or by revolts and uprisings against a condition of national suppression—and while the army of the annexing, or more powerful, nation completely withdraws and no pressure of any kind is exerted over institutions and the political existence of this nation—if the right to a free vote is withheld, then an affiliation of this nation is considered an annexation, that is, a taking possession by violent means.

Based upon these writings of Lenin, the tenet for the abolition of wars of conquest was considered to be one of the foremost appeals of the Communist Third International.

Quite in line with these pronouncements is the constitutional definition in both the international law treatise of Durdenevski-Krylov and a similar volume by Korovin of the nature of the Soviet Union:

> The Socialist State—the Union of Soviet Socialist Republics—is a voluntary union of peoples who aspire to no territorial conquests and reject the annexation of territories against the will of the people thereof.

Incidentally the two mentioned volumes are today considered by the Soviet Academy to be authoritative textbooks.

This can only mean that any attempted annexation by the Soviets and their puppets in Warsaw of the German provinces east of the Oder and Neisse Rivers, and including the northern part of East Prussia, is null and void—or else, that the rulers in the Kremlin must stand indicted before the world as brazen, double-faced liars.

SOVIET WORDS AND SOVIET DEEDS

Let us look at the record of Soviet policy as compared with the professed tenets of Soviet international law.

In December 1941 Stalin in his negotiations with Anthony Eden, then British Foreign Secretary, was the first of the wartime Big Three to propose the dismemberment of Germany.

On February 23, 1942, Stalin, in a proclamatoin on the 24th anniversary of the Red Army, calls idiotic any press reports according to which the Red Army were aiming at dismembering the German nation.

> The experience of history proves—

so Stalin proclaimed—

> that the Hitlers come and go again, but that the German people, the German nation will remain.

On November 6, 1943, Stalin speaking at the 26th aniversary of the Communist revolution enumerated Soviet war aims and listed on second place:

> The policy of our Government remains unchanged. In common with our allies we must restore to the liberated nations of Europe the undiminished right and freedom of self-determination as to their political organization.

On November 28, 1943, on the opening day of the Teheran Conference, Stalin was again the first of the Big Three to demand the Oder River line as Germany's eastern boundary. On the closing day of the same conference he emphasized that Poland should be restored and aggrandized mainly at the expense of Germany.

On April 8, 1945, when this Government formally notified the Soviet Government of press and radio reports to the effect that certain Soviet-occupied territory, including the free city of Danzig, had been formally incorporated into Poland, and when this Government requested to be informed regarding the actual status of the territory in question, the Soviet Government, on April 17, 1945, replied that the departure of the German population in the wake of retreating German troops had left behind only a Polish population for the government of which a Polish civil administration had been set up locally. The Soviet note asserted that this action had no relation to the question of boundaries.

In other words, the Soviet Government on April 17, 1945, expressly denied that an annexation by Poland of German territory had taken place.

On May 9, 1945, Stalin in a proclamation to the world, announcing the surrender of the German Wehrmacht, declared:

> Three years ago, Hitler announced the dismemberment of the Soviet Union, the separation of the Caucasus, the Ukraine, the Baltic Nations. * * * What now actually happened is the contrary. * * * The Soviet Union celebrates this victory, though she does not go about to destroy or dismember Germany.

In May 1945 Harry Hopkins, visiting Stalin in Moscow, told the Soviet dictator that the latter's pronouncement—that is, of May 9—against a dismemberment of Germany conflicted with his previous position as taken in Teheran and Yalta. Stalin replied that statements of Anthony Eden and William Strang had given him the impression that Great Britain and the United States likewise considered dismemberment only as an ultima ratio, an ultimate.

On June 5, 1945, the governments of the four powers declared their "intention, concerning the zones of occupation of Germany, to consult with the governments of other United Nations in connection with the exercise of this authority." Without the consent of the other three powers, and without previous consultation with the governments of other United Nations, the Soviet Government had no authority to organize, or permit to be organized, two special administrations within their zone of occupation.

At the Potsdam conference, therefore, Stalin admitted, when questioned about the area under Polish administration, that none of the powers was authorized to organize a new zone. He pretended that the Soviet Government had to provide for law and order in the rear area of the Red army. Note here the Soviet words for wholesale murder and mass rape: In Soviet language it is called "law and order."

At the time of the Potsdam conference, a proposal of the Soviet Government was considered with regard to parts of East Prussia that would be given to the Soviet Union. The proposal was accepted in principle and provided that the final determination of the territorial questions shall be reserved to a peace settlement.

Incidentally, neither Stalin nor Molotov attempted to advance any faked historical claims. They motivated their snatch of Königsberg pure and simple with the aim to have an ice-free harbor—though the Soviet Union has several ice-free harbors—and with the desire for strategic security, a well-worn phrase, which all aggressors have long been using for a screen behind which to hide their avaricious intentions.

On August 18, 1945, a Polish-Soviet boundary agreement was signed, article 3 of which states:

> Until the final decisions about the territorial questions at the conclusion of a peace treaty, the * * * boundary line shall be.* * *

On April 7, 1946, a decree of the praesidium of the Supreme Soviet of the U. S. S. R. ordered the incorporation of the Königsberg region of East Prussia as an oblast into the Russian Soviet Republic—R. S. F. S. R.—and another decree of July 4, 1946, ordered to change the name of that city into Kaliningrad, after a Russian Bolshevik of that name.

Let me repeat here a previous comment: That Königsberg, the city where Immanuel Kant was born, lived and died, where he wrote his Critique of Pure Reason and his essay On Eternal Peace, should be called by the Communists and their fellow travelers, Kaliningrad, constitutes a blasphemy on civilization. The Free World cannot and should not reconcile itself to such disgrace.

On July 10, 1946—6 days after the Soviet act of changing the name of Königsberg—Molotov, addressing the conference of Foreign Ministers at Paris, unabashedly declared:

> It has recently become the fashion to speak of a dismemberment of Germany into several autonomous states, * * * of partitioning off from Germany the Ruhr district. All these suggestions derive from the same aim to destroy Germany. * * * As I have already stated, the destruction of Germany cannot be our task, if we really value the interests of peace and order.

On February 25, 1947, article 22 of a Soviet law of that date changed a provision of the constitution of the U. S. S. R.: The region—oblast—of Königsberg—Kaliningrad—is declared to have the status of a Province—rayon.

On April 11, 1947, Molotov, addressing the conference of Foreign Ministers at Moscow, declared:

> I should like to remind you of the well-known proclamation on May 9, 1945, of the head of the Soviet Government, J. V. Stalin, immediately upon the surrender of Germany. According to it Stalin stated already several months before the Potsdam meeting that the Soviet Union does not proceed to destroy or dismember Germany.

Statements by responsible Soviet leaders, disavowing any aims of annexation and territorial aggrandizement can be counted by the score. Here is one of recent date. In an address before the United National General Assembly in New York on November 22, 1956, Dimitri T. Shepilov, then Soviet Foreign Minister, explained Soviet foreign policy as follows:

> Any expansionist aspirations are alien to the Soviet state.

Since the Soviet Union, according to the definition in her own constitutional law, is "a voluntary union of peoples who aspire to no territorial conquests and reject the annexation of territories against the will of the people thereof"; and since, in accordance with the doctrine of Lenin as followed up by numerous statements of Soviet policy, "any expansionist aspirations are alien to the Soviet state"; very well, let us accept these solemn pronouncements in good faith and request the government in the Kremlin to act accordingly.

V

LEGAL DEVELOPMENT

TOWARD A RULE TO HOLD CONQUEST AND ANNEXATION A VIOLATION OF INTERNATIONAL LAW

I shall now proceed with a further review of the legal aspects of the case. What does western law say on conquest and annexation? What does it say concerning the right of self-determination of peoples? What is the declared policy of this Government of ours as to both questions?

A legal maxime which has its roots in the great codes of ancient Roman law, remained valid and is incorporated into modern law says: "Ex injuria non oritur jus"—no right can come out of a wrong.

Even if the historical facts should not suffice to throw out of court any claim advanced by the two Communist countries, Poland and Soviet Russia, to the German Provinces east of the Oder and Neisse Rivers, the legal facts show beyond doubt that both Communist countries are in the wrong and no right can come out of it.

It was in 1795—at the time of Washington's administration—that the world-renowned philosopher, Immanuel Kant of Königsberg, East Prussia, wrote in his essay On Eternal Peace the line already quoted:

> Nature irresistibly wills that right shall ultimately prevail.

The trend in international law toward outlawing conquest and annexation has had a steady growth. Let us view the steady growth, the "irresistible will of nature," to use the language of Kant.

At the time of Hugo Grotius, the father of international law, state territory was still identified, as in the middle ages, with the property of the monarch of the state. Grotius applied therefore to acquisition of territory by states the rules of Roman law concerning the acquisition of private property. Though this procedure is no longer followed, and acquisition of territory by a state meant, in modern times, the acquisition of sovereignty of such territory, the rules of Roman law left traces which have not been obliterated. They are evident in the leading British international law treatise of Lassa F. L. Oppenheim.

Thus, the maxim of Titus Pomponius remains valid to this day: "Id quod nostrum est, sine facto nostro ad alium transferri non potest"—What is ours, cannot be transferred into other hands without our doing it. It would follow from this that conquest cannot in itself confer legal title to occupied territory of another state.

Emmerich de Vattel, August of Saxony's ambassador and a great Swiss authority on international law, who wrote Le Droit des Gens 200 years ago, held that conquest did confer legal title. His view greatly influenced subsequent writings, particularly in Great Britain and the United States. However, Vattel already noticed that sovereignty does not arise until the process of conquest is completed, by treaty of cession or otherwise.

Great French authorities on international law, such as Audinet, Mérignhac and Despagnet, denounced as early as 60 years ago conquest and annexation as a mode of territorial aggrandizement.

Eugene Audinet, for instance, writing on La Préscription Acquisitive in the Revue Général de Droit International Public, volume III, page 320, published in Paris in 1896: "Dans le cas de la conquête, il est vrai, le titre d'acquisition n'est pas seulement vicié; il n'existe pas"—In the case of conquest, the title of acquisition is not only invalidated, it just does not exist.

Professor Audinet is not alone in his judgment. Other French scholars are equally definite in their findings. Alexandre Mérignhac, writing in the second volume of his Traité de Droit International Public, Paris, 1905–12, page 411, condemns conquest as contrary to the principle of sovereignty and independence of states and does not regard it as a valid mode of gaining title to territory.

Frantz C. R. Despagnet, in his Cours de Droit International Public, Paris, 1910, sections 396–398, denies that strategic areas may be seized under the right of self-defense and rejects the legitimacy of conquest undertaken in behalf of the principle of nationality.

Ernest Nys, the eminent Belgian jurist, an Associate Justice of the Hague Permanent Court of Arbitration, stated in 1911 in the American Journal of International Law, volume 5, page 84:

> The right of conquest is a thing of the past, annexation of territory and transfer of sovereignty no longer take place as the invading army advances; a more equitable idea has been imposed in the form of military occupation.

The idea of the occupation—

Added Nys—

> was formed when the right of conquest was rejected as too brutal. (By virtue of the right of conquest the invaded territory was immediately subject to the sovereignty of the victor and its inhabitants became subjects of the victor.)
>
> When such results appeared to be a monstrous abuse of force—

Continued Professor Nys—

> a de facto situation was presented which could not be ended until the conclusion of peace. In this intermediate status, the invaded country, occupied by the army, did not cease to belong in law to its sovereign; but in reality it was under the actual domination of the victor.

The outstanding Italian scholars, Hildebrando Accioly and Pasquale Fiore, in their several treatises, published half a century ago, did not list conquest as a valid mode by which a state may acquire territory. On the contrary, they denied altogether that conquest and annexation renders a legal title under international law.

Pasquale Fiore, in his International Law Codified and Its Legal Sanction—translated from the 5th Italian edition by E. M. Borchard, New York, 1918—stated:

> Conquest cannot per se be considered a legally valid title to the occupied territory—

Of another state when it is accomplished by the use of force.

> It must always be considered as illegal according to modern international law, whatever its purpose may be. * * * It cannot be justified by the military occupation of a part of the enemy territory and by its forced cession, imposed upon the vanquished people as a condition of peace (secs. 1083, 1084).

Fiore, in section 1085, then enunciated the rule:

> The appropriation of the territory of another state by force and its incorporation must be considered illegitimate under the principles of law.

Reflecting the age of imperialism which 50 years ago was drawing to a close, Fiore in his next paragraph, section 1086, still visualized a situation where new conditions have been gradually accepted by the population, and where the fact, illegal in its origin, had been legalized, thus conquest resulting in the acquisition of conquered territory.

Some British authorities on international law have also declared as illegal the annexation of territory of another state. Coleman Phillipson, in his Termination of War and Treaties of Peace, London, 1916, page 29 and following, holds:

> Encroachment on a nation's territory is not sanctioned by international law. International law, for its entire edifice, has been built up on the assumption of the autonomy and independence of sovereign states. * * * No matter how great a particular nation's need of additional territory may be, it cannot justify the seizure of another nation's land.

Prof. W. E. Hall likewise omitted conquest as a mode of acquisition among valid methods of acquiring territory. His treatise, International Law, was published in Oxford in 1917. Lassa Oppenheim in his International Law, volume I, section 237, emphasized that—

> Conquered enemy territory, although actually in possession and under the sway of the conqueror, remains legally under the sovereignty of the enemy until through annexation it comes under the sovereignty of the conqueror.

While some British scholars, as Oppenheim, at their time still admitted the possibility of legalizing annexation and conquest, the eminent South American authority, Epitacio Pessoa of Brazil, as early as 1911 declared in article 43 of his Projecto de Codigo de Direito Internacional Publico, Rio de Janeiro, 1911, that territory cannot be acquired by conquest or by cession made under the threat of war or pressure of armed force.

Incidentally, Pessoa's code was one of the first efforts toward codification of American international law. In this connection it is most noteworthy that the Brazilian constitution of 1891, in its article 88, contains the categorical stipulation that Brazil will not engage in any wars of conquest, either alone or in alliance with other nations.

THE TREND IN AMERICAN INTERNATIONAL LAW

The development in this country of the legal points in question may be seen from statements of some of our foremost jurists. Chief Justice John Marshall, delivering in 1828 the opinion of the United States Supreme Court in *American Insurance Co. v. 356 Bales of Cotton* (1 Pet. 511), declared:

> The usage of the world is, if a nation be not entirely subdued, to consider the holding of conquered territory as a mere military occupation until its fate shall be determined at the treaty of peace. If it be ceded by the treaty the acquisition is confirmed, and the ceded territory becomes a part of the nation to which it is annexed, either on the terms stipulated in the treaty of cession or on such as its new master shall impose.

Henry Wheaton, in his treatise Elements of International Law, published in 1836, pointed to the line of demarcation existing between mere military occupation and conquest, and complete subjugation, writing—sixth edition, page 781:

> The rights of occupancy, then, cannot be coextensive with those of sovereignty. They are due to the military exigencies of the invader, and consequently are only provisional.

John Basset Moore, in his Digest of International Law, volume I, page 290, adopted the language of Chief Justice Marshall when he declared:

> The holding of a conquered territory is regarded as a mere military occupation until its fate shall be determined at a treaty of peace.

Charles Cheney Hyde, Moore's successor in the chair of international law in Columbia University, writing on Conquest Today—in 1936—in the American Journal of International Law, volume 30, pages 471–476, asks the question:

> May the victor in a war today without violating international law reap the fruits of conquest by effecting a transfer of sovereignty to itself of territory of which it has gained control?

Hyde then maintains:

> No satisfactory answer is to be found in the exercise of a compulsion which produces technical acceptance by a defeated foe of a treaty which embodies a cession of desired territory, and a situation which thereafter precludes the grantor from successfully denying the validity of the arrangement.

Ellery C. Stowell, an outstanding American authority, writes in 1931 in his treatise, International Law, that under the heading of redress annexation of territory may be permissible and justifiable "when it is necessary to secure redress and to enforce respect for international law." However, Professor Stowell holds the right of redress to be limited by the legal character of "moderation in exacting" indemnity, since it is a rule of international law.

Stowell continues:

> Conquest is generally closely associated with redress, which only too frequently is made use of to serve the purpose of a screen to conceal the iniquity of conquest.

He then points out:

> The purpose and the fruit of aggression is conquest, which latter may be defined as any advantage secured by aggression or abuse of force. Otherwise expressed, conquest is the forcible seizure or the enforced cession of territory or rights from a state without the authorization of international law. Conquest is therefore, it is hardly necessary to repeat, a violation of international law.

Matthew Mark McMahon, another eminent scholar, in his treatise, Conquest and Modern International Law, published by the Catholic University, Washington, 1940, points—on page 13—to the inconsistency of those writers who still recognized conquest as a mode of acquiring territory and then rejected it as a right on the grounds that it is the forcible acquisition of territory admitted to belong to the enemy. These writers then claimed that conquest expressed not a right, but a fact, from which rights were derived.

Professor McMahon emphatically declares:

> To deny the right of conquest, and to affirm rights vested by the fact of conquest, such as lawful character of title, reflects a vicious inconsistency—tantamount to declaring that conquest before it is put into operation is illegal, but that once it becomes a completed operation it is legal. No argument can sustain this proposition.

Reviewing McMahon's book, Professor Stowell writes in the American Journal of International Law, volume 35, 1941, page 171:

> The totalitarian dictators have made conquest the burning question of the day. * * * It is true that the greater part of the possessions of the states of today has no other derivation, but it is contrary to the principles of any society that one of its members should be given the right to despoil his neighbors. * * * Vattel's view (that conquest renders lawful title) * * * is becoming obsolete. * * * We have more recently made retribution through the affirmation of the Stimson doctrine, which refuses to recognize the validity of the fruit of conquest.

The position taken by Stowell and McMahon in the 1930's and early 1940's manifests the then increasing weight of authority to deny that conquest and annexation can provide a legally valid method of obtaining title to alien territory. It is not incongruous with the trend that the United States District Court for the Southern District of New York in 1948 in *Brunell v. the United States* (77 F. Supp. 68) held that conquest and military occupation does not, alone, result in a change of sovereignty.

Though the language of John Marshall in American Insurance Co. against 356 Bales of Cotton is still echoing in the policy of this Government with reference to the German Provinces east of the Oder-Neisse line in considering the holding of the territory "a mere military occupation until its fate shall be determined at the treaty of peace," international law has advanced a great deal since the days of Marshall. Article 43 of the Hague Convention IV—on land warfare—has made it clear that occupation is not equivalent to conquest and does not confer title. The occupying power possesses but does not own the territory.

Conquest in its final phase of subjugation, which would possibly provide a basis for annexation, transgresses the limits of authority granted to the occupying power by the Hague Convention. Conquest therefore violates international law. Regardless of whether or not the formal act of annexation precedes the last phase of a conquest, annexation is likewise to be regarded as contrary to international law because it violates the Hague Convention IV and it is contrary to the basic rights of the State.

Since international law prohibits the use of force by one state against another, annexation has no longer a place in law; every conquest is to be regarded as a violation of law. Since this stage has been reached, the formal declaration of annexation has lost its previous formative effect.

Professor Herbert Kraus of Göttingen University, one of Germany's foremost authorities on international law, in a recent statement as to the legal position of the German Provinces east of the Oder-Neisse line has quite correctly pointed out that the present illegal occupation by the two Communist Powers, Poland and Soviet Russia, of these German Provinces is a violation of two principles of present-day international law, namely, the prohibition of conquest and annexation and the right of self-determination of peoples—compare his article in Germany: The International Magazine of the Federal Republic, Hamburg, December 1956.

VI

POLICY OF THE UNITED STATES GOVERNMENT

UNITED STATES POLICY AND THE DEVELOPMENT IN THE LEAGUE OF NATIONS ON CONQUEST AND ANNEXATION

This country and this Government have had a prominent part in establishing these principles and in the development toward incorporating them into international law. It would be appropriate, therefore, to survey the development of the two fundamental principles as seen in the declarations of United States policy as well as in the affairs of Europe and to trace their growth toward acceptance as part of the law of nations.

The beginning in this country of the outlawry of conquest reaches back to the Monroe Doctrine. It obtained its theoretical basis in the policy of Secretary of State James G. Blaine, inaugurated in 1881 and leading to the resolution against conquest adopted by the First Pan-American Conference in 1890.

The policy of this Government was then definitely stated by President Woodrow Wilson, when he declared in a message to Congress on January 8, 1918:

> The day of conquest and aggrandizement is gone by.

Nations that may perhaps have specific reason for being grateful to our World War I President should not fail to take notice of this statement.

A decisive step to outlaw conquest and annexation was taken in Europe by the adoption of the Covenant of the League of Nations. The preamble to the Covenant requests of the League members "a scrupulous respect for all treaty obligations." This is laid down as a prerequisite for agreement to the subsequent articles of the Covenant.

Article 10 of the league covenant then binds the members to respect the inviolability of the territory and the existing independence of all member nations and to safeguard them against an attack by the use of force. Thus, article 10, in the relationship of League members among each other, prohibited any act of annexation. Poland and Germany as well as the Soviet Union were members of the League of Nations and had solemnly avowed to observe the terms of the covenant.

Article 10 of the league covenant was by no means just another one of those "pious phrases" to which some governments pay lip service and no more. Instead, it was at once recognized by international law authorities as well as by leading statesmen as a far-reaching clause of the covenant and as adding a most important rule to the law of nations.

A committee, established by a League Council resolution on February 21, 1921, consisting of prominent jurists and meeting under the chairmanship of Vittorio Scialoja of Italy, gave this interpretation:

> L'article 10, considéré comme une interdiction de violer le status quo territorial et politique confirmé par les traités et comme une garantie contre cette violation, contient la pensée fondamentale sur laquelle reposent les articles suivants du pacte.

It will be seen from this that the League members themselves interpreted the article 10 as an injunction against any violation by force of the territorial status quo. In other words, this was not merely a prohibition of annexation; but also any future annexation, if perpetrated by use of external force, was declared null and void. It should be noted, moreover, that the term "external force" did not limit the application of the injunction to the existence of a state of war.

The well-known Belgian statesman, Paul Hymans, who has frequently and ably represented his country in the halls of the League of Nations, spoke in 1925 of article 10 as "l'âme du Pacte et essence des engagements internationaux qu'il considère."

Paul Fauchille in his Traité de Droit International Public, volume I, section 557–12, published in 1926—though still holding that territory forcibly obtained and subsequently confirmed by a treaty may render a valid title—qualified these remarks by stating that article 10 "a en réalité nettement condamné l'existence du droit de conquête."

Axel Möller, the Danish authority, states in his International Law in Peace and War—translated by H. M. Pratt, London, 1931, part I, page 114:

According to the Covenant of the League of Nations, conquest and compulsory cession of land can no longer be a valid ground of acquisition amongst members of the League.

The injunction against conquest and annexation was further strengthened by the Geneva Protocol of 1924 and the Locarno Pact of 1925. But there can be no doubt that the League covenant constituted a legal barrier against conquest and annexation by force and bound League members by its terms.

In this country the fight to outlaw war, conquest and annexation was taken up anew after the end of the First World War. It was vigorously carried forward in the Congress of the United States. A resolution for the outlawry of war was introduced in the Senate in 1923 by the Senator from Idaho, William E. Borah, based upon the Levinson plan of 1922 which specifically stated that—

All annexations, exactions, or seizures by force, duress or fraud shall be null and void.

The Borah resolution led in time to the Pact of Paris, known as the Kellogg-Briand Pact for the Outlawry of War, which is today a vital part of our international law. It has been invoked by this Government time and again. The acts of aggression committed by the Governments of Japan, Fascist Italy and Nazi Germany, though temporarily endangering the whole structure of international law, have been a stimulus to the free nations of the world to stand together in rejecting any attempts on the part of the totalitarian regimes to reintroduce the law of the jungle.

When Japan, in violation of the Pact of Paris, began to occupy Manchuria the then Secretary of State, Henry L. Stimson, in his note of January 7, 1932, declared that the American Government cannot admit the legality of any situation de facto, nor would it recognize any situation, treaty or agreement, brought about by means contrary to the Pact of Paris.

When a dispute flared up between Bolivia and Paraguay over territory in the Gran Chaco, the United States joining with 18 other American Republics adopted, at Washington on August 3, 1932, a declaration in which they stated:

The American Nations further declare that they will not recognize any territorial arrangement * * * which has not been obtained by peaceful means nor the validity of territorial acquisitions which may be obtained through occupation or conquest by force of arms.

Only a few days later, President Herbert Hoover pronounced in an address of August 11, 1932, the policy of this Government to be this:

The United States did not and would never recognize the title to possession of territory gained in violation of the peace pacts which were signed with us.

The Governments of Poland, the Soviet Union and six other countries signed a convention at London on July 3, 1933, to which Finland as a ninth country later acceded. By the terms of this convention these nations legally bound themselves and each other to forgo conquest and annexation. The preamble of the convention pointed to the significance of the Kellogg-Briand Pact as a limitation on conquest and then stated:

The signatories, "mindful of the fact that the Kellogg-Briand Pact prohibits all aggression, and noting that all states have an equal right to independence, security, the defense of their territories, and the free development of their institutions" are "desirous, in the interest of general peace, to ensure to all peoples the inviolability of the territory of their countries."

There is not even the shadow of a doubt that both, Poland and the Soviet Union, if not by any previous act, have here expressly and specifically legally bound themselves in the face of the world against aggression and annexation of foreign soil.

The United States is a party to the Montevideo Convention of 1933 on the Rights and Duties of States, which in its article 11 accepts as a rule of conduct for the parties their obligation "not to recognize territorial acquisitions or special advantages which have been obtained by force."

The United States has further committed herself by the Anti-War Treaty of Non-Aggression and Conciliation, signed at Rio de Janeiro on October 10, 1933, which contains the following provisions:

The states designated below * * * to the end of condemning wars of aggression and territorial acquisitions that may be obtained by armed conquest, making them impossible and establishing their invalidity through the positive provisions of this treaty * * * have agreed on the following:

"They declare that as between the high-contracting parties territorial questions must not be settled by violence, and that they will not recognize any territorial arrangement which is not obtained by pacific means, nor the validity of the occupation or acquisition of territories that may be brought about by force of arms."

This treaty, it may incidentally be mentioned at this point, has been ratified or adhered to by 34 other nations, including non-American nations, which by such accession have given approval of, and legally bound themselves to, the principle of nonrecognition of territorial annexations brought about by force of arms.

In a public statement on July 12, 1935, the Secretary of State, Cordell Hull, reemphasized the policy of this Government. He declared that the obligations resulting from the Pact of Paris of the United States are "no less binding now than when the pact was entered into by the 63 nations that are parties to it." He added that this country, moreover, is committed by still other treaties to a policy of nonrecognition of territorial acquisitions obtained by the use of force.

By these treaties the United States has definitely bound itself to a general rule of conduct which is applicable in all cases where she is called upon to decide whether to recognize the validity of territorial acquisitions made as a result of the use of armed force.

It may be said in conclusion of the pre-World War II period that the policy of the United States toward the outlawry of territorial aggrandizement, firmly declared in 1918 by President Wilson, followed up by the declarations of succeeding administrations, leading to the Kellogg-Briand Pact of Paris for the Outlawry of War, to the policy declarations of Hoover and Stimson, has been upheld by the Roosevelt and Truman administrations by the pronouncements of Secretary of State Cordell Hull and others.

UNITED STATES POLICY STATEMENTS ON THE RIGHT OF SELF-DETERMINATION OF PEOPLES

This country and Government have had an even more significant part in the development of the right of self-determination of peoples, which today is a generally accepted canon of international law.

The principle of self-determination of peoples has been succinctly stated by President Woodrow Wilson in his address of May 27, 1916, before the League To Enforce Peace, when he said:

We believe these fundamental things: First, that every people has a right to choose the sovereignty under which they shall live.

In his address to the Senate of January 22, 1917, President Wilson stated:

No right anywhere exists to hand peoples about from sovereignty to sovereignty as if they were property.

A year later, in his address of February 11, 1918, before a joint session of the two Houses of Congress, President Wilson declared:

"Self-determination" is not a mere phrase. It is an imperative principle of action.

He then laid down four fundamental principles, among them:

Second, that peoples and provinces are not to be bartered about from sovereignty to sovereignty as if they were chattels and pawns in a game, even the great game, now forever discredited, of the balance of power.

Finally, in his Mount Vernon address of Independence Day, 1918, President Wilson advanced as one of the fundamental ends to be achieved:

The settlement of every question, whether of territory, of sovereignty, of economic arrangement or of political relationship, must be upon the basis of the free acceptance of that settlement by the peoples immediately concerned.

Through the exchange of notes between the then German Government and the governments of the Allied and Associated Powers, this statement has been made part of the record and was to be used for guidance at the peace treaty.

It should not be overlooked that the Soviet Government, in a note of March 7, 1933, reaffirmed its own promise to adhere to the principle of self-determination of peoples with these words:

Since the origin of the Soviet State, the Soviet Government has proclaimed as an essential principle of its policy the right of all peoples to self-determination, to manifest their desires in conditions of freedom and without all external pressure.

VII

UNITED NATIONS POSITION

THE ATLANTIC CHARTER

It was a logical sequence, therefore, that the Atlantic Charter of 1941 should make still further provision to outlaw conquest and annexation and to entrench the right of self-determination of peoples. In a solemn declaration in the face of the world, the Governments of the United States and Great Britain proclaimed:

First, their countries seek no aggrandizement, territorial or other; second, they desire to see no territorial changes that do not accord with the freely expressed wishes of the peoples concerned.

The Atlantic Charter was incorporated into the Declaration of the United Nations. Both the Soviet Union and Poland, jointly with 24 other nations acceded to it. They approved of, and reaffirmed, the principles stated therein, when they solemnly signed the United Nations Declaration in Washington, D. C., on January 1, 1942.

The next important step toward making these provisions still more forceful in international law, was taken in connection with the preparatory work for the United Nations organization and the drafting of a charter to be its basic law.

DUMBARTON OAKS

The United Nations Charter was accordingly discussed in its broad outline during the Foreign Ministers Conference in Moscow in October 1943, culminating in a Four Nations Declaration. The draft of the U. N. Charter was then approved of and accepted by the Dumbarton Oaks Conference, meeting from August 21 to October 7, 1944, with the Soviet delegates freely participating and joining in its final approval.

Chapter 2, section 1, of this draft reads: "All members of the organization will refrain in their international relations from every threat of force or every use of force which is incompatible with the aims of the United Nations".

The agreement reached at Dumbarton Oaks is a valid international agreement and is legally binding the nations the governments of which were represented at the conference. The draft of the United Nations Charter as agreed to by these representatives, and as then pronounced to be part of the Dumbarton Oaks Declaration, must be regarded, and is regarded, as a legally binding instrument. It cannot be brushed aside.

The Soviet Government in particular cannot, on the one hand, participate in the work on an international constitutional charter which in comparison with the Covenant of the League of Nations is to be broader and more effective, and specifically approve of the Dumbarton Oaks draft containing the proscription against the use of force while, on the other hand, this same Government would go about annexing German territory or turning German territory over to Poland. This would be a revolting case of perfidy.

THE UNITED NATIONS CHARTER

The prohibition of conquest and annexaton as finally incorporated in article 2, section 4, of the United Nations Charter reads as follows:

All members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any manner inconsistent with the purpose of the United Nations.

It should be noted that article 2 sets down the principles of the United Nations, while article 1 states its purposes. Both articles are paramount and are to direct the policy of member nations. But, while the purposes are goals to be aimed at for guidance, the principles are a concrete fundamental. They are the basic rules strictly binding the conduct of each member nation. They are the doctrine without which the United Nations would not be able to exist.

In order to make these principles still more comprehensive, section 6 of article 2 states:

The Organization shall insure that states which are not members of the United Nations act in accordance with these principles so far as may be necessary for the maintenance of international peace and security.

In other words, these principles are the law. Member nations which act against the rules of the law must expect to stand indicted as violating the law. It is for this reason that article 6 of the charter declares:

A member of the United Nations which has persistently violated the principles (that is, the provisions of art. 2) contained in the present charter may be expelled from the Organization.

It is of importance to realize and be aware of the preeminence of the principles as declared in article 2 of the charter. To use the words of Chief Justice Marshall in Marbury against Madison:

The principles * * * so established, are deemed fundamental. * * * They are designed to be permanent.

They are constituting what Chief Justice Marshall would call the fundamental and paramount law.

It follows from this that article 107 cannot overrule article 2. Chapter 17 of the U. N. Charter dealing with transitional security arrangements contains articles 106 and 107 of which the latter reads:

Nothing in the present charter shall invalidate or preclude action in relation to any state which during the Second World War has been an enemy of any signatory of the present charter, taken or authorized as a result of that war by the governments having responsibility for such action.

THE DRAFT CODE OF INTERNATIONAL PENAL LAW

Since the Dumbarton Oaks agreement in 1944 on the draft of the United Nations Charter, and since the adoption in 1945 of that charter, steps have been taken to incorporate into a code of laws the rule of the charter against conquest and annexation so as to make it still more binding in international law. By resolution of November 21, 1947, the United Nations General Assembly directed a commission of legal experts "to formulate the principles of international law recognized in the charter of the Nuremberg Tribunal and in the judgment of the Tribunal, and prepare a draft code of offenses."

Article 1 of the draft code, as adopted by the Commission, reads:

Offenses against the peace and security of mankind, as defined in this code, are crimes under international law, for which the responsible individuals shall be punished.

Article 2 begins:

The following acts are offenses against the peace and security of mankind.

And then lists under paragraph 8:

The annexation by the authorities of a state or territory belonging to another state, by means of acts contrary to international law.

In the official commentary to the draft code, the Commission stated:

Annexation of territory in violation of international law constitutes a distinct offense, because it presents a particularly lasting danger to the peace and security of mankind.

After referring to the provisions of article 10 of the League Covenant and to the stipulations of article 2, paragraph 4, of the United Nations Charter, the commentary continues:

Illegal annexation may also be achieved without overt threat or use of force, or by one or more of the acts defined in the other paragraphs of the present article (e. g., par. 11: "Inhuman acts such as murder, extermination, enslavement, deportation, or persecutions, committed against any civilian population on social, political, racial, religious, or cultural grounds by the authorities of a state or by private individuals acting at the instigation or with the toleration of such authorities." It adequately covers the crime of expulsion).

It was in accordance with the rule of international law, prohibiting conquest and annexation, that the victorious Allies of the Second World War at the time of Germany's defeat declared null and void all overt and disguised acts of annexation committed by the Hitler government. However, the application of the rule is not limited to the vanquished aggressor; it binds the victor as well, even though the latter should originally have been the victim of aggression. There is not, nor can there ever be, a double standard in the application of justice.

We may conclude, therefore, that the Soviet Union and the Red regime of Communist Poland, by continuing to act in the eastern provinces of Germany in a manner as if exercising rights of sovereignty in that part of Germany, are continuously violating the charter of the United Nations and violating international law.

TEHRAN—YALTA—POTSDAM A DEVIATION?

It has been claimed that at Tehran and Yalta, President Roosevelt, apparently unaware of the position of international law and the firm declarations as well as the logical course of American

policy, did commit the United States to agree to acts of territorial aggrandizement by some of her wartime allies. Such claims, however, are not borne out by facts.

Furthermore, a statement of December 18, 1944, by the late Secretary of State Edward Stettinius has been brought in to support the claim of such commitment. However, the text of the statement fails to give evidence of a firm commitment. Moreover, in our system of presidential government a Cabinet member does not have the parliamentary responsibility which is carried by his opposite number in some of the European governments with their parliamentary or cabinet system of government. In this country it is the President alone who assumes the responsibility for the daily conduct of foreign policy.

In the closing paragraph of the Yalta Declaration, dealing with boundaries, the words "the three powers" in the original draft were changed into "the three heads of government," and for "agree" was substituted the word "feel." The changes thus transformed the statement on boundaries from a governmental commitment to an expression of views. Such it is and nothing more.

In his account of the Yalta meeting, Secretary of State James Byrnes pointed out:

> Time after time the President repeated that there could be no transfer of territory until there was a peace conference.

President Roosevelt himself, in his report to Congress of the Yalta Conference, stated:

> I am well aware of the constitutional fact—as are all of the United Nations—that this charter (i. e., the Yalta Declaration) must be approved by two-thirds of the Senate of the United States as will some of the other arrangements made at Yalta.

In a communication on March 24, 1945, to Stalin, President Roosevelt criticized Soviet failure to follow, on the Polish question, the Atlantic Charter principles and added:

> I am sure you are aware that genuine popular support in the United States is required to carry out any governmental policy, foreign or domestic.

There can be no doubt that the position of the American President has been sufficiently made clear to the Soviet Government.

As to the term "now under Soviet and Polish administration," President Truman at Potsdam in 1945 referred specifically to the use of that term and explained that it was adopted for formal reasons to emphasize the fact that a final agreement as to territorial changes must be reached by the peace conference.

In concluding this part of my remarks, I wish to point out that, in spite of a critical phase at the time of Teheran, Yalta, and Potsdam, the steady and uninterrupted advance which this country has made toward outlawing conquest and annexation has encouraged moral and legal forces in many other nations of the world. It has thus given aid to, and greatly strengthened, this development in international law. I cannot conceive that we should ever fall back again and prostitute our own principles by meek surrender to what may be called the "law of the jungle."

VIII

STAND OF GERMAN FEDERAL GOVERNMENT AND VATICAN

GERMAN PROTESTS LEGALLY VALID

Of course, the wrong, committed by the Communist Poles and Russians in continuing to occupy and hold the German Provinces east of the Oder-Neisse line, can only have legal consequences as long as the people who have been wronged against and their government and spokesmen will continue to fight for their right. Roman digest law once stated: "Jus civile vigilantibus scriptum est." The law of equity of the present day says: "Vigilantibus et non dormientibus jura subveniunt"—the laws aid those who are vigilant, not those who sleep upon their rights.

Have the German people and its elected government registered a legally valid protest? Have they persistently and vigilantly stood up for their right? A protest is a formal communication from one state to another that it objects to an act performed, or contemplated, by the latter. Such protest serves the purpose of preservation of rights, or of making it known that the protesting state does not acquiesce in, and does not recognize, certain acts.

When, on June 6, 1950, the Communist regime of the Soviet occupied zone of middle Germany concluded at Görlitz a so-called agreement with the Communist regime of Poland declaring the Oder-Neisse line to be the final boundary between Germany and Poland, they ignored the legal position and violated the law.

Thereupon, the Federal Government of West Germany in a note protested against the Görlitz agreement. The note stated that the territory east of the Oder and Neisse Rivers continued to be part of Germany. As part of the Soviet zone of occupation it had at the time of the Potsdam agreement been turned over to the Republic of Poland merely for the purpose of temporary administration. The boundaries of Germany could not be changed, except by a peace treaty with the whole of Germany.

The note was handed by the three western high commissioners to the Soviet commander in chief in Germany, General Chuikov. In transmitting the note, the western high commissioners emphasized of their own that the German boundaries, according to the agreement reached at Potsdam, could not be finally determined until a peace treaty was signed. The allied high commission was therefore constrained to regard the agreement on the Oder-Neisse line signed at Görlitz between representatives of the Soviet Zone republic and Poland as a violation of the obligations assumed by the four major powers.

This Government as well as the Governments of France and Great Britain supported by official statements the protest of the German Federal Government and the action taken by the three high commissioners. The statement issued in Paris on July 7, 1950, read:

> The French Foreign Ministry authorizes its high commissioner in Germany to state that France explicitly recognizes as German State territory the area within the frontiers of 1937 and that the Federal Government as a result of free elections is regarded as the spokesman for the whole of Germany.

The following statement was issued in London on the same day:

> The Oder-Neisse line had never been decided upon as a final boundary. * * * The British point of view has not changed since Potsdam. Stalin himself had stated on July 21, 1945, that the final settlement of the western Polish boundary could not be undertaken before a peace treaty was concluded. * * * The British Government therefore intended to ignore the Görlitz agreement and to regard it as nonexistent.

Our Department of State declared on the following day, June 8, 1950, that the Görlitz agreement was a violation of the Potsdam agreement:

> The present Soviet zone regime * * * is not * * * entitled to speak for the German people. The United States Government has in the past never recognized the Oder-Neisse line as the final eastern frontier of Germany. It does not recognize the present arrangement arrived at by the Polish Government and the administration of Eastern Germany.

The German Federal Government followed up her earlier note by publishing on July 9, 1950, a protest against the Görlitz agreement in which it stated:

> The so-called government of the Soviet Zone has no right whatsoever to speak for the German people. Its arrangements and agreements are null and void. The decision on the eastern German territories at present under Polish and Soviet administration cannot and will not be taken until a peace treaty is concluded with a united Germany. The German Federal Government, as the spokesman for the entire German nation, will never accept the annexation, contrary to every principle of law and humanity, of these purely German territories. The Federal Government will seek a just solution of this question in future peace negotiations between a genuinely democratic Poland and a democratic, united Germany.

THE BUNDESTAG RESOLUTION

In 1952 the German Bundestag—Federal Assembly—adopted at a special meeting a resolution which reads:

> According to the Potsdam agreement, the German territory east of the Oder and Neisse has been transferred as part of the Soviet Zone of occupation of Germany to the Polish Republic only for purposes of temporary administration. That region remains a part of Germany. Nobody has the right to arrogate to himself the power to abandon people and country, or to pursue a policy of renunciation.

This resolution has been adopted by a unanimous vote of all parliamentary parties, excepting the Communists. It was ratified by the Bundesrat—second chamber—and accepted by the Cabinet. It has, therefore, come to be regarded as a basic policy statement of German foreign policy.

The German Federal Government has never wavered in its stand. It has reaffirmed its position time and again up to the present day. In the early months of the first Eisenhower administration, the West German Chancellor, Dr. Konrad Adenauer, under date of May 29, 1953, addressed to the President of the United States a memorandum in which he declared:

> No German Government will ever be prepared to recognize the Oder-Neisse line. Germany will, however, strive to settle in a new spirit of peaceful international cooperation the territorial questions that are connected with it.

On June 28, 1956, the West German Foreign Minister, Dr. Heinrich von Brentano, on behalf of the Federal Government made the following statement in the Bundestag:

> The Federal Government maintains unchanged its determinate position with regard to the eastern boundaries. * * * In conformity with the declared will of the entire German nation, it has time and again called attention to the fact that Germany continues to exist within the boundaries of 1937, and that unilateral decisions made during the years following the complete breakdown of Germany are not recognized by the German people. The right to their homeland and to self-determination are inalienable prerequisites for settling the fate of men and peoples living in exile and bondage.

In October 1956 the West German Under Secretary of Foreign Affairs, Dr. Walter Hallstein, declared in the Bundestag:

> The Federal Government will at every suitable occasion point out to the powers concerned and to the world that the 11 million expellees, now living in the Federal Republic have never waived the claim to regain their homelands in justice, peace, and freedom. Moreover, the Federal Government will call attention to the fact that this position is shared by the whole of the German nation.

DECLARATION OF GERMAN FEDERAL GOVERNMENT

The most recent and comprehensive reaffirmation of policy on the German provinces east of the Oder and Neisse Rivers was made by the West German Foreign Minister, Dr. Heinrich von Brentano, when he declared on behalf of the German Federal Government in the Bundestag on January 31, 1957:

> The Federal Government has repeatedly stated its position to these questions in solemn declarations. It agrees with its allies on the fact that the final delimitation of the boundaries of Germany will have to be deferred until a freely negotiated peace treaty can be arranged for the whole of Germany.
>
> Only a government of the whole of Germany and a body of people's representatives elected by the whole of the German people are authorized to reach a decision as to the future eastern boundaries of Germany.
>
> The Federal Government continues to adhere to its position that such negotiations must leave no doubt, first, that as to the international territorial status of Germany the boundaries of the German Reich as of December 31, 1937, are legally valid and, second, that the German people cannot accept the Oder-Neisse line as a present or future boundary of Germany.
>
> The Federal Government likewise continues to maintain that a solution of the boundary question is only conceivable by way of negotiation and should be reached neither by force nor by threat of force.
>
> The Federal Government deems it necessary to reiterate its position today. It knows that this declaration has the approval of the German Bundestag and the people of Germany, including those Germans whose homelands are east of the Oder-Neisse line.

POSITION TAKEN BY THE VATICAN

It may not be irrelevant at this point to call attention to the clear and unequivocal stand taken by the Vatican and by prominent princes of the Roman Catholic church with regard to the part of Germany east of the Oder-Neisse line and its people, the present expellees in West Germany. The Roman Catholic stand may be based upon a passage of St. Augustine in his Epistulum ad Bonifacium:

> When faith is pledged, it is to be kept even with the enemy against whom the war is waged.

Pope Pius himself, in a letter of March 1, 1948, called the expulsion from their homeland of the Germans an event without parallel in the past on which history would pass a severe judgment:

> We think we know what happened during the war years between the Vistula and the Volga. But is it condonable to retaliate by driving 12 million human beings from hearth and home and exposing them to pauperization? * * * Our wish and our hope is that all those concerned will return to calm reasoning and revoke as far as possible, what has happened.

It is in accordance with this general policy that the Vatican has hitherto steadfastly refused to be pressured by Poland into appointing Polish archbishops and bishops to head the 6 dioceses in the German Provinces now under Polish administration. The only concession which the Vatican has recently—in December—made was the appointment for administrative purposes of 5 vicars-general and one coadjutor for the area.

However, in announcing the appointments the Vatican emphasized that they "are not to be looked at as a step, not even a first step, in the direction of recognition" by the Catholic Church of Polish sovereignty over the German Provinces east of the Oder-Neisse line. In accordance with the terms of the concordat any change in the German bishoprics of the area would have to await a final settlement of the boundary question.

The structure of jurisdiction in the German dioceses east of the Oder and Neisse Rivers remains unaltered. For instance, the official Vatican Yearbook for 1957 lists for the diocese of Danzig—the Free City of Danzig—to which a coadjutor has just been appointed, the German bishop, Bishop Splett, with the annotated remark "Prevented from exercising the functions of his office." Imprisoned by the Communist Poles soon after the end of the last war, and recently freed, Bishop Splett is now in West Germany.

I am naturally aware of isolated voices coming out of Germany, voices of some individuals who appear to be willing to barter their right away. Their own instinct for the right may have been blunted, and their vision dimmed, by years of subservience to the past Nazi regime. It is nothing unusual to hear some such dissonant voices.

They may be voices of Communist appeasers and neutralists; they may be voices of shifty intellectuals, ready to fall in with any new scheme; or they may be merely the voices of the meek, collaborating group, the yes men, who have not yet overcome the shock of surrender. One should not be misled by the cacophony. The rank and file German, the man in the street, is a patriotic citizen of his country.

IX

POINTING TOWARD A SOLUTION

A REALISTIC VIEW IS REQUIRED

A realistic policy for east central Europe must build upon the firm basis of international law and historic truth. To imagine that by taking advantage of a momentary situation a government can build its policy upon a basis of wrong, perpetuating such wrong, is altogether an illusion.

Germany has a valid title to her Provinces east of the Oder and Neisse Rivers. The Government in Bonn should be encouraged to insist upon its right. Wavering would be tantamount to strengthening the hold on Poland of the Kremlin, and would thus actually further Soviet imperialism.

The line from Virgil's Aeneid about the evil gift bringers—"Timeo Danaos et dona ferentes"—may be worthwhile remembering. The gift-bringer role of Stalin, offering to the Poles the east German Provinces, should have been suspected by his two western partners at Teheran and Yalta. Reaching a quickie solution left to the next generation a fatal heritage of loose dynamite.

THE INESCAPABLE LOGIC

To the same degree that Poland, at the instigation of Stalin and with the assistance of his two unsuspecting western partners, was being pushed geographically westward, she was being pushed politically eastward. This seeming paradox has a deadly, an inescapable logic.

When Poland was veritably stampeded into occupying the east German Provinces she then and there surrendered her independent foreign policy to Moscow, while the Kremlin rulers did not sacrifice as much as an iota of their range of political scheming. It will always remain within the Kremlin's discretion to dangle before the eyes of future German cabinets the tempting bait of the ancient German lands east of the Oder-Neisse line. Poland will never be secure in her wrongful possession.

Thus, the factual situation is exactly the opposite from what some of our political analysts believe it to be. This is no new discovery. It has long been realized by many intelligent Poles. It has been pointed out at various times and should be kept in mind. In his biography of Stalin, Isaac Deutscher stated the case:

> The incorporation of the German provinces was to compensate the Poles for their eastern marshes; but it was also to expose them to such danger of German revenge in the future as to make them absolutely dependent on Russia's protection.

Indeed, only the backing of Soviet armies can ultimately insure Poland in holding on to her war spoils. As long as Poland continues her occupation of the German Provinces, she must go on playing ball with the Kremlin, she must do whatever is asked of her and, yet, never be sure. Kremlin policy is cynical and ruthless to the utmost. Moscow will not hesitate a moment to sell Poland "down the river" if, on some future day, the Soviet rulers can strike the right bargain. I sometimes wonder whether the present regime in Warsaw is not

aware of the inescapable logic on this point.

This Congress, and, in fact, the entire American public, wants to know whether the new Polish Government is still a puppet of the Soviets or is indeed a patriotic Polish Government. One of the best ways to determine this is to observe whether it continues the Soviet policy of pushing Poland westward into German territory, or throws aside this suicidal policy and follows the wise course of France in the Ruhr—of recognizing the rights of the peoples who inhabited the area of military occupation, while developing with the neighboring government a just solution of the problem which will still yield the economic advantages which Poland so badly needs.

THE KREMLIN'S DOUBLE-TRACK FOREIGN POLICY

However, by continuing her illegal occupation of the German Provinces east of the Oder and Neisse Rivers Poland acts, deliberately or unwittingly, as the servant of Moscow imperialism. It should not be forgotten that, from the very beginning, the Kremlin rulers have been pursuing a double-track foreign policy. People are apt sometimes to lose sight of the double-track feature: One track leads clearly toward Communist world domination. We are constantly reminded of its fifth column, the Communist units of other countries, the front organizations, and the hordes of tricky stooges.

The other track of Soviet foreign policy, however, promotes Russian imperialism under the thin cover of Panslavic interests. It uses for its agents a different set of dupes. It goads people to furthering the aims of Panslavism, while being the unwitting servants of a ruthless Soviet Russian imperialism. Kremlin technique switches the emphasis from one to the other and sometimes merges the two. Our political analysts and planners who may still be puzzled about the Kremlin's apparent retreat from Warsaw would do well to ponder about the other part of the double track which is too often lost sight of. Some of our analysts actually appear to be apologists for a so-called independent or national communism, dressing it up as if it were a long-lost brother of American democracy. If the Gomulka regime should thereby succeed in breaking down in this country the resistance barrier to Red influence it will have gained a major victory for the Kremlin.

Our aim to "softenize" the satellite area, and specifically by gradual steps to free the Poles from the remote control of the Kremlin, is one with which nobody will find fault. Those who wish Poland to continue to be a Soviet Russian stooge will encourage her in keeping the German provinces. Those who wish to see Poland free again, will urge otherwise.

What is to be required, therefore, is actually a renunciation, on the part of Poland, of her territorial aggrandizement and a voluntary withdrawal from an illegally occupied area of Germany. Only this step will free Poland from political servitude to the Kremlin rulers and will reestablish her true independence.

But do people learn a lesson from their own history? Ireland and Poland herself are two outstanding examples in modern history that conquest and annexation in the end cannot win. Poland, partitioned in the 18th century was restored during the First World War and, strangely, the powers that had once annexed her territory were the first to recognize her independence in 1916 and 1917. When partitioned again in 1939, the people of Poland knew that the wrong perpetrated by Hitler and Stalin would not prevail, just as most of them instinctively know now that the wrong of their attempted annexation of the German Provinces cannot prevail.

In conclusion, I wish to quote from words of a great woman, Ella Wheeler Wilcox. These are her words:

No question is ever settled until it is settled right.

Nobody can find fault with this sentence. In fact, it carries such immanent a force of logic that it has been at various times attributed to Abraham Lincoln.

Be this as it may; by continuing the wrong of occupation of the East German Provinces, Poland continues to chain herself to the Kremlin and continues to be dependent upon Soviet willingness to protect her territorial aggrandizement. Thus Poland has to pay, in the way of extortion, whatever the Kremlin demands and whenever it chooses to demand and how often it chooses to demand. It is a case of endless blackmail on an international scale.

POINTING TO A SOLUTION

We on our part should not overlook the booby trap which the Red fascists in Moscow may have set for those who are easily duped. The trap may well be the suggestion to compromise on a point of the law of nations, on which there can never be a compromise, unless we betray our own principles of freedom and justice, the very basis upon which this Nation of ours is founded, the hope of all the Free World, and, let us not forget, of those captive peoples longing to be free.

The solution can never be a trifling with right. Instead, the solution lies in the restoration of a status conforming with international law. This will provide the only fundament upon which to build future German-Polish relations of good neighborhood. It constitutes, therefore, the prerequisite for a durable peace in that part of Europe. It will, moreover, provide a basis for the growth in that part of Europe of a genuinely European spirit, a climate leading toward confederation.

Furthermore, the solution lies in the direction pointed to by the German-French settlement of the Saar question. Here, the Western Allies not only favored, but even committed themselves to support at a future peace conference, a political separation from Germany of German territory.

However, the French wisely refrained from pursuing on the road of violation of international law. Instead, they agreed to a reunification with Germany of this area. Simultaneously, though, they negotiated a highly profitable, long-term treaty of economic collaboration with their former "traditional foe."

This treaty of economic collaboration is securing for France advantages which are valued many times the gains they could have hoped of ever deriving from their rule over the German territory. I have no doubt that a parallel solution can be worked out in the German-Polish case.

Such an outcome would be a realistic settlement of a knotty problem, because it will be based on justice and the upholding of international law. It would be the basis of an honest rapprochement between these two nations. Again, as Immanuel Kant wrote in his essay On Eternal Peace:

Nature irresistibly wills that right shall ultimately prevail.

ARMED SERVICES DAY

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, on Saturday, the 18th of this month, we celebrate and commemorate Armed Services Day. As we will not be in session, I would like to raise my voice in the deepest gratitude to the men and women of the armed services down through the years up to the present time. Nothing we can do will really compensate them for what they have given to us; their intelligence, their ability, their patriotism, and their courage—from the highest to the lowest. They deserve the support, financial and otherwise, of everyone in the United States and everyone in the free world, because their contribution has not been just to the United States but it has been worldwide.

I give to our great soldier President, Dwight D. Eisenhower, my especial thanks. Today he is our Commander in Chief of all the Armed Forces. His great leadership in World War II, then as Chief of Staff of the Army, and at present his great leadership in keeping us out of war, and his leadership, I believe, in leading us to complete victory and world peace merit our prayers and blessings.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. TEAGUE of Texas (at the request of Mr. PRICE) and to include extraneous matter.

Mr. THOMPSON of New Jersey.

Mr. ALGER and to include a speech.

Mr. POWELL in two instances and to include extraneous matter.

Mr. BREEDING and to include extraneous matter.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 1544. An act to provide for the conveyance of certain real property of the United States situated in Cobb County, Ga., to the trustees of the Methodist Church, Acworth, Ga.

ADJOURNMENT

Mr. McGOVERN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 40 minutes p. m.) under its previous order, the House adjourned until Monday, May 20, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

856. A letter from the Chairman, Federal Power Commission, transmitting a copy of its newly issued publication entitled "Federal Power Commission Reports, Volume 11"; to the Committee on Interstate and Foreign Commerce.

857. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill for the relief of Sgt. John F. Baughman"; to the Committee on the Judiciary.

858. A letter from the Clerk, United States Court of Claims, transmitting certified copies of the court's opinion rendered on May 8, 1957, relating to the case of *Richard M. Taylor and Lydia Taylor* v. *The United States* (Congressional No. 11-55), pursuant to sections 1492 and 2509 of title 28, United States Code, and House Resolution 309, 84th Congress; to the Committee on the Judiciary.

859. A letter from the Governor, Canal Zone Government, transmitting a draft of proposed legislation entitled "A bill to exempt certain teachers in the Canal Zone public schools from prohibitions against the holding of dual offices and the receipt of double salaries"; to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. NORRELL: Committee on Appropriations. H. R. 7599. A bill making appropriations for the legislative branch for the fiscal year ending June 30, 1958, and for other purposes; without amendment (Rept. No. 455). Referred to the Committee of the Whole House on the State of the Union.

Mr. FRIEDEL: Committee on House Administration. House Resolution 239. Resolution authorizing the Committee on Interstate and Foreign Commerce to employ two additional employees; with amendment (Rept. No. 456). Ordered to be printed.

Mr. FRIEDEL: Committee on House Adminstration. H. R. 790. A bill to amend the Legislative Appropriation Act, 1955, with reference to official office expenses of Members of Congress; with amendment (Rept. No. 457). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRISON: Committee of Conference. H. R. 4813. A bill to extend the life of the District of Columbia Auditorium Commission, and for other purposes (Rept. No. 458). Ordered to be printed.

Mr. MADDEN: Committee on Rules. House Resolution 254. Resolution for consideration of H. R. 2, a bill to authorize the State of Illinois and the Metropolitan Sanitary District of Greater Chicago, under the direction of the Secretary of the Army, to test, on a 3-year basis, the effect of increasing the diversion of water from Lake Michigan into the Illinois waterway, and for other purposes; without amendment (Rept. No. 459). Referred to the House Calendar.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 255. Resolution for consideration of H. R. 985, a bill to provide that chief judges of circuit and district courts shall cease to serve as such upon reaching the age of 70; without amendment (Rept. No. 460). Referred to the House Calendar.

Mr. THORNBERRY: Committee on Rules. House Resolution 256. Resolution for consideration of H. R. 6548, a bill to amend the Universal Military Training and Service Act, as amended, as regards persons in the medical, dental, and allied specialist categories; without amendment (Rept. No. 461). Referred to the House Calendar.

Mr. THORNBERRY: Committee on Rules. House Resolution 257. Resolution for consideration of H. R. 7143, a bill to amend the act of August 3, 1950, as amended, to continue in effect the provisions relating to the authorized personnel strengths of the Armed Forces; without amendment (Rept. No. 462). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. NORRELL:

H. R. 7599. A bill making appropriations for the legislative branch for the fiscal year ending June 30, 1958, and for other purposes.

By Mr. BAKER:

H. R. 7600. A bill to provide a program for survival of small businesses and payment of estate taxes by estate-tax anticipation certificates; to the Committee on Ways and Means.

By Mr. DOLLINGER:

H. R. 7601. A bill to amend title II of the Social Security Act to provide that entitlement to State workmen's compensation benefits shall not prevent an individual from receiving full disability-insurance benefits (or child's insurance benefits based on disability) under such title; to the Committee on Ways and Means.

By Mr. FORAND:

H. R. 7602. A bill to amend title II of the Social Security Act to include Rhode Island and California among the States which are permitted to divide their retirement systems into two parts so as to obtain social-security coverage, under State agreement, for only those State and local employees who desire such coverage; to the Committee on Ways and Means.

By Mr. HESELTON:

H. R. 7603. A bill to amend the Communications Act of 1934, to provide for regulation of the amount of radio and television program time which may be devoted to advertising; to the Committee on Interstate and Foreign Commerce.

By Mr. MULTER:

H. R. 7604. A bill to amend the Bankruptcy Act with respect to the priority of debts owed by a bankrupt to workmen, servants, clerks, and certain salesmen; to the Committee on the Judiciary.

By Mr. NATCHER:

H. R. 7605. A bill creating the city of Cannelton Bridge Commission, defining the authority, power, and duties of said commission; and authorizing the commission and its successors and assigns to construct, maintain, and operate a bridge across the Ohio River at or near Cannelton, Ind., and Hawesville, Ky., to purchase and operate a ferry at such location, and for other purposes; to the Committee on Public Works.

By Mr. POWELL:

H. R. 7606. A bill to provide for the establishment of a Federal Advisory Commission on the Arts, and for other purposes; to the Committee on Education and Labor.

By Mr. PRICE:

H. R. 7607. A bill to provide for registration, reporting, and disclosure of employee welfare and pension benefit plans; to the Committee on Education and Labor.

H. R. 7608. A bill to amend and clarify the reemployment provisions of the Armed Forces Reserve Act of 1952, as amended, and the Universal Military Training and Service Act, as amended; to the Committee on Armed Services.

By Mr. SANTANGELO:

H. R. 7609. A bill to amend the Internal Revenue Code of 1954 to provide, in the case of professional athletes, an income tax deduction for depletion of physical resources; to the Committee on Ways and Means.

By Mr. WESTLAND:

H. R. 7610. A bill to provide for improved methods of stating budget estimates and estimates for deficiency and supplemental appropriations; to the Committee on Government Operations.

H. R. 7611. A bill to amend section 602 of the Federal Property and Administrative Services Act of 1949 with respect to the utilization and disposal of excess and surplus property under the control of executive agencies; to the Committee on Government Operations.

H. R. 7612. A bill to create a Supply and Service Administration as a department in the Department of Defense, and for other purposes; to the Committee on Armed Services.

H. R. 7613. A bill to facilitate the transfer of storage facilities between the military departments; to the Committee on Armed Services.

H. R. 7614. A bill to establish a Federal policy concerning the termination, limitation, or establishment of business-type operations of the Government which may be conducted in competition with private enterprise, and for other purposes; to the Committee on Government Operations.

By Mr. KEATING:

H. J. Res. 334. Joint resolution proposing an amendment to the Constitution of the United States to establish a Commission to determine the inability of a President, or one acting as President, to discharge the powers and duties of the Office of President; to the Committee on the Judiciary.

By Mr. RHODES of Arizona:

H. Res. 258. Resolution to amend the rules of the House to limit expenditures for fiscal year 1958; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUCKLEY:

H. R. 7615. A bill for the relief of Kenneth Oswald Joseph; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H. R. 7616. A bill for the relief of Yee Gee Ping; to the Committee on the Judiciary.

By Mr. MICHEL:

H. R. 7617. A bill for the relief of Inge Gobel; to the Committee on the Judiciary.

By Mr. PHILBIN:

H. R. 7618. A bill for the relief of Mrs. Anne Morgan; to the Committee on the Judiciary.

By Mr. SANTANGELO:

H. R. 7619. A bill for the relief of Jose Arriaga-Marin; to the Committee on the Judiciary.

H. R. 7620. A bill for the relief of Bernardo Paternostro; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Tenth Anniversary of the Kingdom of Laos, May 11, 1957

EXTENSION OF REMARKS

OF

HON. ADAM C. POWELL, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1957

Mr. POWELL. Mr. Speaker, when I came back from the Asian-African Conference at Bandung, Indonesia, I announced that I would address from the floor of Congress each one of the participating countries, except the two Communist regimes, on the occasion of their independence celebrations. May 11, 1957, was Laos' 10th anniversary of independence. I would like to congratulate the people of Laos, His Majesty Sisavang Vong and His Excellency Ourot Souvannavong, Ambassador of Laos, in recognition of this event.

For the 10th time the flags flutter high over Laos to commemorate their rebirth of freedom. In his address delivered at the ceremony of the signing of the Franco-Laotian Treaty, His Majesty Sisavang Vong recalled the origin of their association:

> A little more than a half century ago, one of my ancestors, His Majesty Oun Keam, entrusted into the hands of France * * * the destiny of the Laotian Kingdom, whose very existence was then threatened. His Majesty Oun Keam knew that he was safeguarding in this way the sovereignty and the permanence of his kingdom.

However, as nationalism and anticolonialism spread throughout Southeast Asia they found fertile soil in Laos. The idea was the idea of liberty which has had its ardent followers in all climates and all countries. When Laos' time came, its call summoned them too, and they could not hold back. The Laotian people, fired by their own burning desires for freedom and inspired by the examples of their neighbors in the region, actively entered the lists against colonialism and second-class citizenship and thus secured once more their independence.

The attainment of independence was only the beginning of a new life. Well-versed in the lessons of history, the Laotian people realized that the achievement of freedom is not an instantaneous event; it is a process. The seed is planted, but before the tree can take root and grow and spread it has to be nurtured untiringly by innumerable hands. The government established at the close of the colonial era was that of a constitutional monarchy with a king who is popular among his people. A constitution guaranteeing democratic freedoms to the Laotian peoples was promulgated May 11, 1947. Legislative power is exercised by direct universal suffrage.

Less disrupted by Communist aggression than some of its neighbors, Laos has known a smoother transition from colonial status to independence. However, very recently she has had to stoutly resist attempts at Communist-backed encroachments. It is hoped that the forces which are trying to lure Laos from the Western camp of the Free World will be signally overwhelmed.

I salute Laos upon her many accomplishments during her short period of nationhood and wish for the Laotian people continued success and progress.

Remarks of Charles A. Halleck, Republican, of Indiana, at Dallas County GOP Fund-Raising Dinner, Dallas, Tex., May 9, 1957

EXTENSION OF REMARKS

OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1957

Mr. ALGER. Mr. Speaker, It was my happy privilege to welcome our colleague, the gentleman from Indiana, CHARLES HALLECK, to the Fifth District of Texas, and to introduce him as our guest speaker at our annual fund-raising dinner in Dallas, May 9. As to be expected, he did an outstanding job. He recognizes and understands our struggle in Texas to establish what so many Americans take for granted—a two-party society. I am happy to be a part of that effort and to bring Mr. HALLECK's message to the attention of our colleagues—a statement that speaks for itself:

REMARKS OF CHARLES A. HALLECK, REPUBLICAN, OF INDIANA, AT DALLAS COUNTY GOP FUND-RAISING DINNER, DALLAS, TEX., MAY 9, 1957

Mr. Chairman, my good Republican friends and, if I might hope, some good Democrat friends, too—but at any rate, fellow Americans all of you, this is the third time this year it has been my pleasure to address a political meeting in the South.

To the extent of my time and energies, I will look forward to making many more in this continuing campaign to win the people of this vast region to the Republican cause—the cause of sound government.

I don't want to be accused of trying to curry favor with you, but I could mention, in passing, that your hopes and aspirations with respect to the Tidelands were understood by a Hoosier, even though I can't say the issue generates much interest among the folks along the banks of the Wabash.

By the same token, I was a member of the Interstate and Foreign Commerce Committee which wrote the original Natural Gas Act, and I have been among those who thought that when Congress said the production and gathering of natural gas shouldn't be regulated by the Federal Government, that was precisely what we meant.

But I want to talk to you tonight about some broad political facts of life and why it seems to me the people of the South should be coming along with us in greater and greater numbers.

And it is gratifying for me to be welcomed by such an enthusiastic audience because it proves that we are making progress.

But it has been slow going.

As one who has served in the Congress of the United States for more than 20 years, I know what it is to labor under the handicap of heavy political odds.

When I came to the House of Representatives in 1935, after a special election in my district, Republicans were outnumbered three to one in the House of Representatives.

Like my good friend, your able Congressman BRUCE ALGER, I was the only Republican in my State's delegation—and that's a lonesome situation, believe me.

I always said I could hold a caucus in a phone booth.

At the height of the New Deal tide, Republican membership in the House slipped to 89 and we got stepped on—plenty.

There were times, through the years, when a lot of folks—and that includes me—wondered whether we would ever elect another Republican President or Republican majority in the Congress.

But we never gave up. And during those long, lean years, it was Republicans—by and large—who, standing together for principle, held a beachhead of constitutional government against the onslaught of radicals who were so determined to change this great system of ours.

But the chickens finally came home to roost for the opposition in 1952 and we did get a change.

The people of this Nation were wised up, fed up, and burned up.

They were sick of war and threats of more wars.

They were frightened by mounting inflation that cheapened the dollar, robbed people of their savings, their pensions, and their annuities.

They were disgusted by repeated disclosures of security risks in sensitive Government jobs and they were shamed by evidence of scandal in high public places.

Small wonder the citizens of America turned to the Republican Party for new leadership, and elected a Republican President and a Republican Congress.

Now we are moving into the second term of a man I am confident will go down in history as one of America's greatest Chief Executives—Dwight D. Eisenhower.

When I placed his name in nomination at the convention at San Francisco, I described him as "the most widely beloved, the most universally respected, the most profoundly dedicated man of our times * * *" and I meant every word of it.

During the recent campaign, I predicted that he would be overwhelmingly reelected—and it was the safest prediction I ever made.

But we didn't win the Congress, and there has been a lot of soul searching going on ever since.

I was not optimistic about our chances—and I don't think anyone who looked at the situation with real objectivity could have failed to realize that we had an uphill battle on our hands.

Long years in power have entrenched the opposition in our biggest metropolitan centers.

The solid South, in spite of the President's great popularity in this region, and the gains we have made organizationwise, is still pretty solid.

Just before I came down here I received an analysis of the 1956 election returns for the 5th, 8th, 14th and 16th Districts of Texas. Had the folks who supported President Eisenhower given their support to the Republican candidate for Congress in each of these districts, Texas would be represented in the House by four Republican Members instead of just one.

And as one who has served as House majority leader in two Republican Congresses—

the 80th and the 83d—I know something of what it means to have control of the legislative branch of the Government.

A lot of my good friends have been writing to me lately about the budget—and from the tone of some of the letters, I am beginning to wonder whether they still are my good friends.

I've been pointing out in my answers to them—among other things—that the only two times in a generation that the people of this country did see substantial budget cuts and substantial tax reductions were during those two Republican Congresses.

But what bothers me, folks, is that on each occasion, in spite of magnificent records for economy we got beaten when election time rolled around. You begin to wonder what our citizens really do want.

I have heard it said—and I'm afraid it's pretty true—that the public's memory—and that includes yours and mine—is notoriously short.

If that's the case, then one of the things we must never overlook in our continuing battle for the cause of sound Government is the necessity to hammer at the mess we were in when President Eisenhower and a Republican Congress took over the responsibilities of our Federal operation.

In 1952, the people of this country had called on Republicans to deliver them from war, from inflation, from bureaucratic control and regimentation, from corruption, from radicalism and from a lot of other things, including downright incompetence in high places.

Let's not let anyone forget that, because much of the difficulty we find ourselves in today can be traced directly to the mismanagement, the miscalculations, yes, and the misconduct of people who had held positions of high public trust under succeeeding New Deal-Fair Deal regimes.

I must say I am nothing short of amazed at the audacity of the opposition in their bare-faced attempts to pin the blame on Republicans for what they, themselves, did to the country. Just who was in control of this operation anyhow during the years following our victory in World War II when we had our golden opportunity to achieve a just and lasting peace for the world?

Who let us get into the position where today we find it necessary to spend upward of $50 billion a year just to defend ourselves from the threat of aggression?

Who was it that saddled the American people with nearly $300 billion of public debt, a debt so big it takes $7.4 billion a year now just to keep up the interest payments?

Who was it that plastered on the public 14 of the 15 income tax increases we have had since 1913?

Just exactly who was in control of the country's financial system during the years when the value of your dollar and mine was cut almost in half by inflation?

Yes, and who was doing the hiring and firing in the Federal workshop when the Alger Hisses and the Harry Dexter Whites were exposed as traitors on the public payroll?

And what party was it, my good friends, that refused, year after year, to come to grips with the problem of falling farm prices and mounting surpluses?

I could go on and on, but you know the answers to these questions as well as I do.

The important thing is that we not let the American people forget.

And that we not let the opposition get away with charges that somehow, since we now have a Republican in the White House, we are to blame for the difficulties on the international front, for high taxes and for the continuing necessity for spending billions of dollars for defense.

We didn't create these problems, we inherited them from the New Dealers and the Fair Dealers.

But when a Republican President took office and Republicans took over control of the Congress, we rolled up our sleeves and went to work.

The record of cooperation between Dwight Eisenhower and the Republican 83d Congress is on the books, and you know it well.

We laid solid foundations for a magnificent program of peace, progress, and prosperity.

We junked controls, cut public spending by billions, gave the Nation the greatest tax-reduction program in history and hammered out significant and far-reaching social gains for the American people.

It took some doing, my good friends, but we got the Reds out of Government and the Government out of the red.

You can make your own analysis of why we didn't win the Congress in 1954 or 1956.

Obviously from the figures, a lot of people who should have been in our corner didn't appreciate the importance of backing a Republican President with a Republican Congress.

But we did win the Congress in 1946 and we did win it in 1952.

And we can win it again in 1958—and that's our last chance to give the President a Congress that will put this sound and far-sighted Republican program back in high gear.

Of course, I'm a little selfish in this. I'd like to be majority leader again—with stalwart Republicans like Bruce Alger on my team—Republicans who will stand up and be counted when the chips are down.

The alternative is a complete wrecking job by the opposition on the progress we have already made.

As one who bears a few scars of battle in the Washington arena, I must say I get a bit impatient with some of my very dear friends when they suggest to me that there doesn't seem to be much difference today between Republican and Democrat policies.

I begin to wonder what I have been beating my brains out for all this time.

We've got an administration now that believes the value of the dollar ought to be protected—that money ought to be worth something.

I well recall sitting in on a meeting once at which a new program of Government loans at fantastically low interest rates was being discussed.

To his credit, the late Jesse Jones, then serving as chairman of the RFC, was resisting the pressures to further cheapen money.

"Maybe," he said, "the time has come to find out whether money is really worth anything or not."

Well, the rubber money advocates are still with us, believe me, and anyone who thinks there's no difference in policies is due for a shock if these people get control of the Federal Government's monetary operations.

One of the pledges made by Republicans to the American people was that we would get the Government out of competition with business wherever possible.

During the Republican 83d Congress, we really went to town on that one. We sold a barge line that had been losing taxpayers' money for years. We got rid of synthetic rubber plants and took the Government out of more than 250 other activities that could be handled better and cheaper by private enterprise.

We had to fight every step of the way to get these jobs done.

And then what did the opposition do when they took over the Congress?

They forced through a law requiring Government departments to get approval from Democrat-controlled Appropriation Committees in the House and Senate before any activity could be dropped.

This roadblock has proved mighty effective, as you may imagine. In less than a year, nearly 70 actions requested by the Defense Department alone were vetoed by these Democrat-controlled committees.

And let me pay my respects to your Congressman again right here. Bruce Alger has been in the forefront of this battle as a cosponsor of legislation which would bar Government competition with private enterprise.

Or take public power.

Republicans support a policy based on the partnership principle as against Federal monopoly.

We have a conviction that projects can, and rightly should, be handled in a cooperative venture, with Federal, State, and local interests—public and private—participating.

We do not believe the Federal Treasury is fair game, or that the taxpayers of one region should be saddled with the cost of a project that benefits another region.

Here again, the Nation's taxpayers can thank Republicans for turning back a Democrat drive to foist the half-billion-dollar Hells Canyon project on the Federal Government.

You know, there should be such a thing in our national life as self-reliance. Texans know something about that. You've been having your troubles lately, but there is plenty of evidence of a determination on the part of the people of your great State to see this thing through on your own.

One of my many interests in this area, over the years, has been in the fine work of the board of fundamental education at Jarvis College at Hawkins.

Actually, the board for fundamental education grew into the challenging national program it has become today because it employs the principle of self-help, encouraging the underprivileged to work out a better, more rewarding way of life.

We can stand a lot more of that spirit over the country.

I need not tell you that atomic energy is going to play an increasingly important role in our way of life.

The Republican 83d Congress enacted a far-reaching administration measure designed to maintain America's leadership in the development of atomic power, especially for peacetime use.

But here again it was a battle every step of the way against forces determined to create a huge new Federal bureaucracy in the atomic-energy field. These people wanted no part of a program that would utilize the genius, initiative, and resourcefulness of private industry.

Now what has happened?

The whole vast program—so tremendously important to the Nation's future—is being jeopardized by refusal of a Democrat-controlled Congress to enact insurance legislation that would signal a go-ahead on a broad front.

We do win once in a while, even though we're in the minority. With the help of a few of the more conservative members on the other side of the aisle, we succeed in blocking the more radical proposals offered by the opposition from time to time.

Unfortunately, however, lacking the power that goes with committee chairmanships and the privilege of programing legislation, Republicans can't take positive action to put across a continuing, affirmative Republican program.

Next year, we have another chance to get a Republican team back on the field to work with President Eisenhower.

The alternative is a return to what we had—and I just wish some of the folks who complain because more hasn't been done would take the time to consider this:

Instead of continuing Federal deficits and mounting public debt, Republicans have balanced the budget as we said we would.

Instead of war we are at peace—and may I say, as one who has been privileged to sit in high councils down here—there have been times in the last 4 years when men of lesser stature than President Eisenhower and those around him might well have gotten us into war.

We have kept the peace, as we said we would.

We have checked inflation, and last, but by no means least, the Nation is prospering and progressing as never before.

If this isn't a welcome contrast to what we had under the Democrats—and what we would get again—then I am ready to quit fighting.

And if anyone thinks I'm just indulging in a little scare campaign, let him get a copy of the CONGRESSIONAL RECORD of Wednesday, January 30, and turn to page 1324.

There he will find remarks entitled, "Proposed Program for the Democrats in the House of Representatives in the 85th Congress."

Among other things this enlightening document—endorsed by at least 80 House Democrats—calls for:

Bigger Federal payrolls.

More Federal Housing.

Expanded Federal aid for health services—that's Democrat talk for socialized medicine.

More public works.

A bigger Federal atomic energy program.

Outright repeal of the Taft-Hartley Act.

And so on and on—a blueprint straight out of ADA headquarters.

And as long as I've mentioned the ADA, I understand your Congressman scored a zero on his voting record as far as they are concerned.

In my book, that's a perfect record.

But to get back to this blueprint business: With all these grandiose schemes for spending more and more public money, these folks have the audacity to claim they are also for tax reductions.

Now honestly, I can't believe the American people are gullible enough to fall for that.

Look, folks, I've been around this operation for a long, long time.

I've been around long enough to know that there is an awful big difference between talk and action.

And when I hear some of my colleagues on the other side of the aisle talking the economy line, I'm reminded of the old fellow who joined the church at 92 and lived an exemplary life thereafter.

They're just a little late in being converted—and what's more, I'm a bit suspicious of their sincerity.

No. The plain truth is, folks, that had it not been for President Eisenhower and Republicans in the Congress, the Federal budget would be bigger today by billions; the national debt would be bigger today by billions and the country's tax bill would be bigger by billions.

And what's more, your dollar would have been worth considerably less.

But we've got to fight harder than we've ever fought before to keep the spendthrifts, the radicals, the do-gooders, the bureaucrat-minded, big-government crowd from once again capturing control of Washington.

And I know this:

We aren't going to keep them out by sitting on our hands, or by glaring at each other, or by wasting our time and energies arguing over what kind of hyphenated Republican we think the other fellow is.

Let's understand that we're all Americans living in a changing world.

Let's understand that Republican principles are as sound today as they were a hundred years ago, and that like the great old foundation of our Republic—the Constitution—our party principles will always be adaptable to the needs of the times.

Republicans in the Congress of the United States have been waging stalwart battles to uphold these principles, to give life and meaning to policies that have served the Nation well through the years.

I urge you as citizens of a great State interested in sound government—help us in this fight.

To all of you who joined the revolt against radicalism in 1952, I say help the cause by working as never before to elect a Republican majority in the House and in the Senate in 1958.

I recall many years ago when I was a freshman member of the House I appeared in a debate with some Democrat members before a newspaper publishers meeting.

You know, Congress has always been fair game, and the country, encouraged by a late President whose name I won't mention, was having a field day chiding the legislative branch.

After this debate, as I recall it, we had questions from the floor and someone asked me: "What's wrong with Congress?"

The answer I gave then is still appropriate today: "Nothing that a good Republican victory wouldn't cure."

National Federation of Independent Business' George Burger Makes Excellent Suggestion To Help Small Business

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1957

Mr. THOMPSON of New Jersey. Mr. Speaker, George Burger, of the National Federation of Independent Business, made the following excellent suggestion to help small business which I have incorporated in my bill, H. R. 5703, which a recent poll showed was supported by 84 percent of the members of this nationwide group:

Why not see if it is possible for the Government to revise its business tax regulations to allow both corporations and unincorporated firms to deduct from their yearly taxable income, say, $500 or $1,000, providing businessmen have spent this on expansions, improvements, or other things to improve their businesses. If a businessman has spent, say, $2,000, he would be able to take, under this thinking, $500 of that as a complete deduction from taxable income and compute his depreciation and other figures on the balance.

Included here is the text of my bill, and an editorial from the Trentonian, a leading New Jersey newspaper, which declares that "without small business, there would be no big business, as we know it, for very long. Both must exist if our Nation is to remain strong, and grow stronger."

I likewise include a report by Mr. Burger on the results of the poll conducted by the National Federation of Independent Business on my H. R. 5703:

NATIONAL FEDERATION
OF INDEPENDENT BUSINESS,
Washington, D. C., May 13, 1957.

Hon. FRANK THOMPSON, Jr.,
House Office Building,
Washington, D. C.

MY DEAR CONGRESSMAN: As we advised you, we are polling our nationwide membership on your bill H. R. 5703. The poll has now been completed and the results are 84 percent for, 14 percent against, 2 percent no vote.

I know that you will be interested in these results.

High regards.

Sincerely yours,

GEORGE J. BURGER,
Vice President.

[From the Trentonian of Wednesday, May 8, 1957]

BULWARK OF DEMOCRACY

Is the threat to small business a matter of economics only, or does it carry implications of even greater and more alarming proportions?

Congressman FRANK THOMPSON, of the Mercer-Burlington District, and Senator PAUL DOUGLAS, of Illinois, see small business as a bulwark against plutocracy eating into our democracy, and have fired another round in the continuing battle to save small business.

When Thompson introduced in the House a bill to amend the Internal Revenue Code of 1954 so as to grant a tax writeoff of up to $1,000 to small-business men as reimbursement for amounts "paid or incurred for the expansion of the trade or business or for the permanent improvement and betterment of property used * * *" he emphasized that his aim was to preserve "the basic strength of our country."

THOMPSON'S amendment is based on a suggestion made by George Burger of the National Federation of Independent Business, who says that rather than complicated percentages, "$500 or $1,000 in hard cash is something that they (the businessmen) can all understand, and very clearly."

In any event, the struggle to save small business goes on, with THOMPSON very much in the foreground. Up to the time he submitted the tax writeoff amendment, the Trenton legislator had introduced six major bills to deal with what he called "the various aspects of this basic and fundamental issue." He underlined its importance in these words:

"It seems to me that we must make every effort to strengthen our economic and political system with its emphasis on individual liberty and responsibility. Only in this way can we advance the prosperity of our people and the security of our Nation and our way of life."

DOUGLAS said, "I would further urge that a concentration of business and power is neither desirable nor inevitable and that what we should seek, instead, is a broader distribution of property and of power to the end that all may have enough to be secure but not so much as to menace others. This is the underlying economic and social problem of our times."

Summed up, it might be said that without small business, there would be no big business, as we know it, for very long. Both must exist if our Nation is to remain strong, and grow stronger.

H. R. 5703

A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer to deduct from gross income certain amounts paid or incurred for the expansion or improvement of a trade or business

Be it enacted, etc., That (a) section 162 (a) of the Internal Revenue Code of 1954 (relating to deduction for trade or business expenses) is amended—

(1) by striking out "and" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(3) by inserting after paragraph (3) the following new paragraph:

"(4) amounts paid or incurred for the expansion of the trade or business or for the permanent improvement and betterment of property used in the trade or business, and

amounts paid or incurred in restoring property used in the trade or business or in making good the exhaustion thereof, to the extent that such amounts do not exceed $1,000 during the taxable year."

(b) Section 263 (a) of such Code (relating to capital expenditures) is amended by striking out "No deduction" and inserting in lieu thereof "Except as provided in section 162 (a) (4), no deduction."

SEC. 2. The amendments made by the first section of this act shall apply only with respect to taxable years beginning after December 31, 1956.

High Cost of Production and High Cost of Living

EXTENSION OF REMARKS

OF

HON. J. FLOYD BREEDING

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1957

Mr. BREEDING. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to include the testimony presented by me before the Consumers' Study Subcommittee of the House Committee on Agriculture on May 9, 1957, concerning the difference in the price the farmer receives and what the consumer has to pay for his product. In view of the fact that there is considerable debate on the floor of the House at the present time concerning appropriations for the Department of Agriculture, I feel the information contained in this testimony is especially valuable:

I want to take this opportunity to say that I have followed the work of this subcommittee with great interest. It affects not only the producers of agricultural products, but the consumers of agricultural products. This covers every citizen of the country.

One of the most urgent needs this subcommittee has served is to contribute to the education of the consumer, and perhaps the farmer also. Publicity from some departments of Government and some farm organizations has widened the breach between the consumer and producer of agricultural products. This works to the detriment of both parties concerned. I believe this subcommittee is taking a big step in the direction of correcting this misunderstanding, and I would personally like to see it receive more publicity.

I would like to tell this distinguished committee how the findings of their investigation fully support the present plight of the farmers in southwestern Kansas. Because of the depressed condition of the wheat farmer in my area, I feel I should testify on his behalf. We are only permitted to produce 30 to 50 percent of our tillable acres in wheat. The average production in Kansas is approximately 200 million bushels. This year we are only going to raise 80 million bushels of wheat in Kansas, due to acreage controls and dry weather. Much of the wheat acreage has gone into the soil bank. Soil-bank payments are a help in drought years, but they provide only a small percent of the income which would be derived from a good crop yield.

I would like to bring out the cost of production first—the cost of our machinery has more than doubled. At the close of World War II, combines were selling for approximately $2,500. The same combine today costs us $6,500. Where tractors sold at that time for $2,500, the same tractor today costs us $4,500. Cars and trucks are proportionately higher. When we were paying $2,500 for our combines in 1946 and 1947, we were selling our wheat for $2.20 a bushel. And by comparison we are selling our wheat today at $2 a bushel. Wheat acreage for the Nation has been reduced to a minimum of 55 million acres as required by law. This is about 30 percent less of the total amount of acres suitable for wheat in our country. In many areas of this country wheat is the lifeblood of that area and this is true in my part of Kansas. Labor costs for an example have risen proportionately. In 1945 farm labor costs were from $6 to $8 per day. Today we pay $10 to $12 a day and in some instances where you hire help to operate combines the fee for labor is $15 to $20 a day. The average farmer in my district with this kind of wheat base acreage, and an average wheat production at the present price of wheat and the present cost of overhead cannot show a dollar net profit on today's market. Let me give an example of an average farm in my district with an average wheat production and managed by a tenant farmer. This is the actual experience of a GI farmer in Gray County, Kans., who is the father of four children. This is a farm that is better than the average I would say, and perhaps a little larger than the average. However, it is a 1-man farm, operated primarily by family labor. The size of the farm is 960 acres. The cultivated land is 908 acres; the grass land is 52 acres; the wheat base on this farm is 456 acres, which is above the average wheat base. And at present the land is used as follows: Wheat—456 acres, the estimated yield (county average) is 12 bushels per acre over a period of 10 years. The total production if the crop produced 12 bushels would be 5,472 bushels. This land is rented so that one-third of the wheat production goes to the landlord and two-thirds to the tenant—which would give the tenant farmer a total of 3,648 bushels and the landowner 1,824 bushels. This year his commodity credit loan netted him approximately $1.90 per bushel. The total income available is $6,931.20. Due to drought no stock can be run so no income can be expected from livestock. The balance of land used is as follows: summer fallow—400 acres, and available for feed crops for 1956 were 52 acres, making a total of 908 acres again as first set out.

Now I want to give you a portion of what is the majority of the expenses of this farm. Expenses are based on income tax records of past years of operation. Crop insurance, where you have Federal crop insurance or local hail insurance, has cost annually $597. He acquired his machinery after returning from the war—most of which was used machinery. The interest on this boy's debts amounted to $150. He has some personal property tax on his equipment which totals $80. He has no real estate taxes because he owns no land. He did not own a combine so he hired his wheat cut. His harvesting expenses cost him $1,500 which included additional truck hire. He also had actual expenses on his automobile and truck—which amounted to $500. The extra labor which he had to hire for harvest was $300. Most of his machinery is getting old and his machinery repair bill on his income tax figures was $700. The total bills to operate this machinery such as gas, oil, and repairs on this farm was $900. Insecticides and grasshopper poisons and so forth which are necessary he listed as $20, but I can name you many cases where that could have run up to $200 to $300 or more. His wife likes to have a garden to help feed these four children, her husband, and what hired help they must have. The seed and the material that she bought for this garden amounted to $40. Because of drought he had no expenses on the feed for the livestock. The total cost of his farm operations and expenses were $4,787. His living expenses were figured at $2,000. The total cost of living and operating this farm are $6,787. So he has in the beginning a net cash income of $144.20. He was allowed $1,000 depreciation on his farm equipment. Depreciation on his household goods runs $250 per year. However, all this will eventually have to be replaced with new. If all this is figured it would appear that at the end of the crop year he will most likely be in a worse condition by about $1,105.80 even if he gets 12 bushels per acre on every seeded acre. Of course, they haven't been getting this during the past few drought years. At present it does not appear that there will be any wheat produced in that area this year, which leaves this particular operator nothing to pay on his debts accumulated since 1952 when the last normal wheat crop was cut. In other words, the average farmer is getting quite a lot like Tennessee Ernie's song—Sixteen Tons, "just another year older and deeper in debt." His only chance is to be able to put out more acres in crops and produce enough to offset his increased costs. This land does not profitably produce grain sorghums or any other crop, so there isn't much he can turn to in the way of diversification. Also if he plants more acres of other crops he will have less summer fallow and consequently lower expected wheat yields. As you can see this individual is going to be a poor customer for the merchant in his local community. He cannot hope to purchase any new farm machinery, a new car, household furniture, TV sets, or even additional clothes and groceries for his family.

His neighbor who has possibly a little less land is proportionately worse off and will be even poorer as a customer. This boy is a poor risk for the banker, his local gasman, or anyone else. He has little chance to pay the businessman to whom he is already indebted. I think that this is an average example of an average farmer with an average production in my area. It seems to me that the only possible way the wheat farmer can show a net profit today is to have a higher than average yield—in other words instead of having a 12-bushel average yield he would have to produce a 40-bushel-per-acre wheat crop and then dispose of his holdings. But over a 10-year period he will eventually slip back to his county average if he continues to operate.

I would like to quote further some farm prices—the price of eggs—25 cents per dozen to the producer. On the consumer base it's 45 to 60 cents per dozen. The price of a loaf of bread—a pound loaf of bread—sells today for 20 cents. A few years back when wheat was selling for $2.20 or better the price of a pound loaf of bread was 15 cents. Gasoline fuel for farmers is consistently higher. Taxes in many instances since 1946 and 1947 have gone up from 300 to 400 percent. We have got to have more production and better prices or reduced prices for the cost of production if we are to meet success. Over the past few years there has been an ever-widening breach between the American farmer and the city consumer. All this wouldn't be so disheartening if the consumer was gaining from the loss the farmer was receiving. This, however, is not the case as the subcommittee findings show. The high cost of production and low net returns are bankrupting many farmers in my area. This in turn affects small-business men supported by the agricultural communities. It is one of our many objectives to try to bring new income into this area in order to offset the increased costs of production for the farmers who can't make a go of it operating a farm. This is a necessity because certainly many businesses are closing due to a decrease in sales from their farm trade.

Mr. Chairman, my question is, What is happening to the difference in the price the

farmer receives and what the consumer has to pay? Certainly in many cases the farmer is producing good food and losing money doing it. Yet the American consumer is paying the highest costs of all time to feed his family.

It has been a pleasure to present these views of mine to you and I thank you sincerely for your attention.

A. and M. Muster

EXTENSION OF REMARKS

OF

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1957

Mr. TEAGUE of Texas. Mr. Speaker, Easter Sunday, because it fell on April 21 this year, had a double meaning for Texans and particularly former students of the Agricultural and Mechanical College of Texas.

April 21 is the day Texas won its independence and is annually observed by former students of Texas A. and M., their families and friends, as a day of commemoration of all Texans who have fought in defense of their country and all former students of A. and M. who have passed on.

This year the National Capital Texas A. and M. Club observed "muster" day at the Arlington National Cemetery Amphitheater and followed with the laying of a wreath at the Tomb of the Unknown Soldier. Former Texas Senator Tom Connally was the principal speaker at the ceremony. Former dean of agriculture at A. and M., Charles N. Shephardson, now a Governor of the Federal Reserve System, delivered the invocation.

Elsewhere A. and M. men gathered for musters in 44 States and 20 foreign countries. One was scheduled at McMurdo Sound at the South Pole.

The muster of former A. and M. students originated in 1903 but the annual ceremonies did not acquire prominence until 1942. In that year headlines over the United States were made by 23 Aggies, led by Maj. Gen. George F. Moore, class of 1908, who conducted a muster on the beleaguered island of Corregidor. At that historic muster, the Aggies, joined by other Texans, who had survived Bataan, drank a toast in water to their deceased comrades and to the heroes of 1836 who fought to free Texas.

As a graduate and a Texan, I am proud to say that Texas A. and M. is the largest military college in the United States. It is a land grant school and has always operated as a military school. It furnished more officers to the Armed Forces in both World War I and II than any other school or academy in the country. Over 400 Aggies, many of whom serve in the military, currently live in the Washington area.

How Aggies feel about the muster can be understood by quoting a portion of Senator Connally's address on that occasion:

> Today with thankful hearts and tremendous pride we look back to the great traditions of our foundation and the independence of Texas.
>
> On this A. and M. muster we pay tribute to the glorious past and we join together in our strength and our pride to pay appropriate observance to the independence of Texas and the great sacrifices made by the gallant sons at Goliad, the Alamo, and San Jacinto.
>
> We also pay tribute to other sons of A. & M. who through the years at Corregidor and elsewhere have added luster to the historic heroism of A. and M. men through the years.

Ninth Anniversary of the Independence of Israel

EXTENSION OF REMARKS

OF

HON. ADAM C. POWELL, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 16, 1957

Mr. POWELL. Mr. Speaker, the ninth anniversary of Israel's independence is an occasion of great rejoicing not only for the people of Israel, but also for all of her friends who have watched her evolve into a democracy of prominence and stability. I wish to extend sincere felicitations to the people of Israel and their leaders in observance of this occasion.

Israel has weathered some difficult times in the past 9 years. It has stood up against great adversity, shown great courage and determination. The Republic of Israel emerged fully clothed with the problems and realities of political statehood on May 14, 1948. During these short years of independence the two main preoccupations of Israel have been economic development of the country and the establishment by diplomatic and military means of the security of the country within the boundaries set by the armistice agreement.

Israel is a product of an ancient dream, a monument to man's inconquerable spirit. The triumph of the human spirit in Israel over seemingly endless and overwhelming obstacles is a constant beacon light of faith to all men.

That Israel has achieved so much in so short a time and under such trying circumstances is a credit to the fortitude, the intelligence, and the national spirit of the Jewish people. Because Israel is small and poor in natural resources it faces towering economic problems. The economy of Israel is still in the process of building healthy foundations for a normal existence. Israel is developing an indigenous blend of free enterprise and free government suited to its own particular problems.

Israel opened wide her doors to the poor and the oppressed. Many on arriving there have no possessions, only determination and willingness to be a part in the march of progress of which Israel is the symbol. She has kept her doors open to those still homeless, penniless, and broken by years of Nazi oppression and denied other sanctuaries. Israel fortified by her faith and ennobled with a cooperative spirit, made room for her less fortunate brothers.

Within the Middle East the State of Israel is clearly the heartland of the crossroads. The deeply disputatious question of peace with the Arab States leaves the political future clouded. Yet within Israel there is energy and optimism, for here at last a dream of centuries for a homeland has become a political reality. The avowed aim of the United States is to promote the political and economic stability of the entire region of the Middle East with a course of action based on neither favoritism nor on prejudice, but on the principle of safeguarding the best interests of the United States and the free world. If our worldwide position is to be secure, we must recognize the potentialities of Israel as an outpost for Western civilization. We can strike no more effective blow in defense of our way of life on a global basis than to do everything possible to make Israel a strong bastion of freedom in the Middle East and through it to reach the rest of the region in the true spirit of our freedom.

May Israel enjoy peace and happiness on this ninth anniversary and hold steadfast to her principles of freedom, liberty, and democracy.

SENATE

FRIDAY, MAY 17, 1957

Rev. Herley Curtis Bowling, assistant secretary, Methodist Commission on Chaplains, Washington, D. C., offered the following prayer:

O God, our Father, as we enter upon a new day, help us to accept the responsibilities it thrusts upon us in the same spirit that we receive the privileges it offers us. Grant that in the decisions to be made this day we shall not be driven by anger or resentment but led by the sweet light of reason and justice. Help us to stand against the pressures of power and to yield to the inner persuasion of Thy truth.

In all things may we be mindful that it is both our duty and our privilege, through the trust placed in our hands, to support the weak, lift up the downtrodden, and hold in check those who prey upon the helpless.

Take our hands firmly in Thine, that, being led by Thee, we may lead our people toward peace, justice, and freedom. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Thursday, May 16, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H. R. 790) to amend the Legislative Appropriation Act, 1955, with reference to official office expenses of Members of Congress, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H. R. 790) to amend the Legislative Appropriation Act, 1955, with reference to official office expenses of Members of Congress, was read twice by its title and referred to the Committee on Rules and Administration.

LEAVE OF ABSENCE

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that I may be absent from the Senate this afternoon to attend the southern regional meeting of the National Citizens Council for Better Schools.

The VICE PRESIDENT. Without objection, leave is granted.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committees or subcommittees were authorized to meet today during the session of the Senate:

The Foreign Relations Committee;

The Committee on Post Office and Civil Service;

The Subcommittee on Withdrawal of Public Lands for Military Purposes, of the Committee on Interior and Insular Affairs; and

The Antitrust Subcommittee, of the Committee on the Judiciary.

ORDER DISPENSING WITH CALL OF THE CALENDAR ON MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that on Monday the call of the calendar, under the rule, be dispensed with.

The VICE PRESIDENT. Without objection, it is so ordered.

LEGISLATIVE PROGRAM—TRANSACTION OF ROUTINE BUSINESS—LIMITATION ON STATEMENTS

Mr. JOHNSON of Texas. Mr. President, the distinguished senior Senator from Florida [Mr. HOLLAND] has done a very thorough and workmanlike job on House bill 6700, the appropriation bill for the Department of Commerce and related agencies.

So far as I am informed, the bill does not involve any great controversy. I am very pleased that is so. I believe we have had all the controversies in connection with appropriation bills that we should have in 1 week.

The Senate has convened at an earlier hour today in the hope that it will be possible to have an explanation of the appropriation bill presented and to have the Senate act on the amendments and pass the bill and end the session at an early hour. All week the committees have been meeting in the mornings and in the afternoons, and in some cases also in the evenings.

We are hopeful that next week there will be ready for action at least 2 or 3 additional appropriation bills.

Under the circumstances, Mr. President, I shall request that, in connection with the usual morning hour routine business, under the rule, statements be limited to 3 minutes; and at the conclusion of the morning hour, I shall suggest the absence of a quorum. Following that, we wish to have the Senate proceed with consideration of the Department of Commerce appropriation bill, and I hope it will be considered with dispatch.

Mr. President, as I have just stated, under the rule there will be the usual morning hour for the introduction of bills and the transaction of other routine business; and in that connection I ask unanimous consent that statements be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HOLLAND. Mr. President, I understand that the usual morning hour will be had before the Senate begins consideration of the Department of Commerce appropriation bill. I shall hold myself in readiness.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON REVIEW OF HOUSING AUTHORITY OF JACKSONVILLE, FLA.

A letter from the Comptroller General, transmitting, pursuant to law, a report on review of the Housing Authority of Jacksonville, Fla., Public Housing Administration, Housing and Home Finance Agency, dated May 1956 (with an accompanying report); to the Committee on Government Operations.

REPORT ON PROVISION OF WAR-RISK INSURANCE AND CERTAIN MARINE AND LIABILITY INSURANCE

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on the provision of war-risk insurance and certain marine and liability insurance for the American public, as of March 31, 1957 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

PUBLIC DISCLOSURE OF FINANCIAL REPORTS AND OTHER INFORMATION FILED BY LABOR ORGANIZATIONS WITH THE SECRETARY OF LABOR

A letter from the Secretary of Labor, recommending Congressional action be taken to authorize him to make public disclosure of the financial reports and other information filed with him by labor organizations under subsections (f) and (g) of section 9 of the National Labor Relations Act, as amended; to the Committee on Labor and Public Welfare.

PROPOSED PROCEDURE FOR ALTERING CERTAIN BRIDGES

A letter from the Secretary of the Army, transmitting a draft of proposed legislation relating to the procedure for altering certain bridges over navigable waters (with an accompanying paper); to the Committee on Public Works.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of California; to the Committee on Agriculture and Forestry:

"Assembly Joint Resolution 23

"Joint resolution relative to memorializing Congress concerning establishment in California of a soil and water conservation laboratory

"Whereas a bill has been introduced in the Senate of the United States by Senator THYE, designated S. 575, to provide for the establishment by the Secretary of Agriculture of 4 soil and water conservation laboratories, 1 to be located in the western irrigated area of the United States; and

"Whereas there is a great interest throughout California's extensive agricultural community in research into problems relating to soil and water management and conservation; and

"Whereas an excellent location for such a conservation laboratory exists at the Davis Campus of the University of California: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the Congress to enact S. 575; and be it further

"*Resolved*, That the Legislature of the State of California wishes to express its intent to the Congress and to the Secretary of Agriculture that it shall provide necessary land at or near the Davis Campus of the University of California upon which a conservation laboratory may be established and maintained; and be it further

"*Resolved*, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President of the United States, to the President of the Senate in the Congress of the United States, to the Speaker of the House of Representatives in the Congress of the United States, to each Senator and Representative from California in the Congress of the United States, and to the Secretary of Agriculture."

A joint resolution of the Legislature of the State of California; to the Committee on Armed Services:

"Assembly Joint Resolution 2

"Joint resolution relative to hunting and fishing on military reservations in California

"Whereas the fish and game of the State of California are the property of the people of the State; and

"Whereas the people of the State of California through their legislature have passed laws for the protection, preservation, and propagation of the fish and game of this State, which laws must be observed by all persons who take fish or game within the jurisdiction of the State of California; and

"Whereas on certain Federal military reservations in this State the laws of California relating to fish and game are not being observed especially by the resident military personnel; and

"Whereas the millions of dollars expended by the State of California for the protection and progation of fish and game has been expended to increase and preserve all fish and game in the State including that which is on

such Federal military reservations: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to provide that the laws of the State of California relating to fish and game shall be observed in all Federal military reservations within the State of California; and be it further

"Resolved, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Interior and Insular Affairs:

"Assembly Joint Resolution 27

"Joint resolution relative to the statehood of the Territories of Alaska and Hawaii

"Whereas the United States of America has become the greatest power in the history of mankind because it is a united Nation of equal and sovereign States and not an empire; and

"Whereas the people of the United States devised a method and program of incorporating territories, which method, as a first step leading to the full privileges of statehood, imposes on the people of such territories the obligations of the citizens of the several States, while withholding from such territorial citizens, however, the basic rights of self-government and full representation in the councils of the United States; and

"Whereas Alaska and Hawaii have been incorporated as Territories of the United States for many years, and by the very act of such incorporation as United States Territories have been promised the full privileges of statehood with first-class citizenship for the peoples of Alaska and Hawaii; and

"Whereas both political parties have recognized that every consideration of fairness demands that the people of these Territories be given the full privileges of American citizenship in their platforms and other policy declarations; and

"Whereas the granting of statehood to these Territories will strengthen the United States immeasurably in human resources and in its foreign relations particularly as regards the great Pacific Basin area; and

"Whereas we in the West have a particular interest in and close ties with the people of Alaska and Hawaii: Now, therefore, be it

"Resolved by the Assembly and Senate, of the State of California, That the Legislature of the State of California respectfully memorialize the President and the Congress of the United States to take the steps necessary for the admission of the Territories of Alaska and Hawaii into the full status of statehood in the United States of America; and be it further

"Resolved, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of Minnesota; to the Committee on Finance:

"Resolution 12

"Joint resolution memorializing the Congress of the United States to repeal excise taxes levied on the transportation of persons and property by common and contract carriers

"Whereas certain excise taxes imposed during World War II are still in effect; and

"Whereas the reason given for imposing said taxes was to discourage use by civilians of common and contract carriers of persons and property when an extraordinary demand was placed on transportation by the large increase in traffic due to World War II; and

"Whereas these taxes have caused, and continue to cause, substantial diversion of traffic to private carriers, thus causing higher rates to be charged especially on the transportation of property which places a heavy burden on the farmer, the small-business man, and the small manufacturer, because they do not have sufficient value to engage in the transportation of their own property and must depend on common and contract carriers for their transportation needs; and

"Whereas these excise taxes are discriminatory to Minnesota products as illustrated by the fact that a shipment of Minnesota products from Minneapolis, Minn., to Northfield, Minn., wherein the cost of transportation was $10, would pay a tax of 30 cents and whereas the transportation of the same product to Chicago, Ill., for example, might have a transportation charge of $50, and the tax would be $1.50; and

"Whereas the repeal of these excise taxes will result in a direct reduction in transportation costs and eliminate the tax discrimination against shippers who live a long distance from the market for commodities produced and sold, or supplies and equipment manufactured at distant locations; and

"Whereas the same discriminatory situation exists where persons use common carrier passenger service; and

"Whereas repeal of these excise taxes will not result in any substantial or effective diminution of tax revenue to the Federal Government since these taxes are now paid by shippers for a business purpose and are deductible as ordinary and necessary expenses, and elimination of these taxes would in effect produce a greater net income taxable to the benefit of the Federal Government from said shippers and businesses who now deduct these excise taxes from their taxable revenue: Now, therefore, be it

"Resolved by the Legislature of the State of Minnesota, That we respectfully memorialize the Members of the United States Senate and House of Representatives from the State of Minnesota to introduce and support legislation to repeal the excise tax of 10 percent on the transportation of persons and 3 percent on the transportation of property by rail, motor, and water common carriers; be it further

"Resolved, That the secretary of state transmit copies of this resolution to United States Senator EDWARD J. THYE, United States Senator HUBERT H. HUMPHREY, Representative AUGUST H. ANDRESEN Representative JOSEPH P. O'HARA, Representative ROY W. WIER, Representative EUGENE J. MCCARTHY, Representative WALTER H. JUDD, Representative FRED MARSHALL, Representative H. CARL ANDERSEN, Representative JOHN A. BLATNIK, Representative COYA KNUTSON, Vice President RICHARD NIXON, and Speaker SAMUEL RAYBURN.

"A. I. JOHNSON,
"Speaker of the House of Representatives.
"KARL F. ROLVAAG,
"President of the Senate.

"Passed the house of representatives the 11th day of March 1957.

"G. H. LEAHY,
"Chief Clerk, House of Representatives.

"Passed the senate the 9th day of April 1957.

"H. Y. TORREY,
"Secretary of the Senate.

"Approved April 13, 1957.

"ORVILLE L. FREEMAN,
"Governor of the State of Minnesota.

"Filed April 13, 1957.

"JOSEPH L. DONOVAN,
"Secretary of the State of Minnesota."

A resolution adopted by the Board of Directors of the Lodi, Calif., District Chamber of Commerce, relating to duplication and waste in Department of Defense; to the Committee on Appropriations.

The petition of Edward Foeley, of Cornwall on Hudson, N. Y., relating to the budget for the Department of Defense; to the Committee on Appropriations.

A letter from Mrs. G. O. Shea, of Riverside, Calif., transmitting 13 petitions signed by citizens of that city, praying for an investigation of the activities of the Food and Drug Administration concerning the Hoxsey treatment for cancer (with accompanying petitions); to the Committee on Labor and Public Welfare.

CONCURRENT RESOLUTION OF SOUTH CAROLINA LEGISLATURE

Mr. THURMOND. Mr. President, on behalf of myself, and my colleague, the senior Senator from South Carolina [Mr. JOHNSTON] I present, for appropriate reference, a concurrent resolution of the South Carolina Legislature, commending the committee of the United States Senate on the selection of John C. Calhoun to the Senate Hall of Fame. I ask unanimous consent that the concurrent resolution be printed in the RECORD.

There being no objection, the concurrent resolution was ordered to lie on the table, and, under the rule, to be printed in the RECORD, as follows:

Concurrent resolution commending the committee of the United States Senate upon the selection of John C. Calhoun to the Senate Hall of Fame

Whereas the people of the State of South Carolina have long held in respect and admiration the memory of John C. Calhoun; and

Whereas John C. Calhoun served his State and Nation with distinction as a United States Senator, Vice President of the United States, Secretary of War, and Secretary of State; and

Whereas in those positions he exemplified all that is admirable in a public servant; and

Whereas the General Assembly of the State of South Carolina desires to express its appreciation to the Senate committee which named John C. Calhoun to the Senate Hall of Fame: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the General Assembly of the State of South Carolina expresses its appreciation to the Senate Committee for the selection of John C. Calhoun, an illustrious servant of the people of the State of South Carolina and of the United States, to the Senate Hall of Fame; be it further

Resolved, That a copy of this resolution be forwarded to the Honorable JOHN F. KENNEDY, United States Senate, chairman of the committee.

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the South Carolina House of Representatives and concurred in by the Senate.

INEZ WATSON,
Clerk of the House.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. SMATHERS, from the Committee on Interstate and Foreign Commerce, without amendment:

S. 937. A bill to amend section 4 of the Interstate Commerce Act, as amended (Rept. No. 333).

By Mr. SMATHERS, from the Committee on Interstate and Foreign Commerce, with amendments.

S. 377. A bill to establish the finality of contracts between the Government and common carriers of passengers and freight subject to the Interstate Commerce Act (Rept. No. 334); and

S. 943. A bill to amend section 218 (a) of the Interstate Commerce Act, as amended, to require contract carriers by motor vehicle to file with the Interstate Commerce Commission their actual rates or charges for transportation services (Rept. No. 335).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session:

The following favorable reports of nominations were submitted:

By Mr. GREEN, from the Committee on Foreign Relations:

Walter P. McConaughy, of Alabama, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to Burma;

Joseph S. Farland, of West Virginia, to be Ambassador Extraordinary and Plenipotentiary to the Dominican Republic;

Don C. Bliss, of New Jersey, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Ethiopia;

Wilson C. Flake, of North Carolina, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to Ghana;

Robert C. Hill, of New Hampshire, to be Ambassador Extraordinary and Plenipotentiary to Mexico; and

Miss Frances E. Willis, of California, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Norway.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MAGNUSON (by request):

S. 2114. A bill to amend the act of March 3, 1901 (31 Stat. 1449), as amended, to incorporate in the Organic Act of the National Bureau of Standards the authority to acquire land for field sites, to undertake construction and improvement of buildings, and for other activities; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON:

S. 2115. A bill to amend the act of June 7, 1897, as amended, and section 4233 of the Revised Statutes, as amended, with respect to lights for vessels towing or being overtaken; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. CARLSON:

S. 2116. A bill for the relief of Andreas Werner Andresen; to the Committee on the Judiciary.

By Mr. CASE of South Dakota:

S. 2117. A bill directing the Secretary of the Army to transfer certain buildings to the Crow Creek Sioux Indian Tribe; to the Committee on Public Works.

By Mr. DOUGLAS:

S. 2118. A bill for the relief of Edward Diser; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 2119. A bill to expedite the utilization of television facilities in our public schools and colleges, and in adult training programs; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. HILL (for himself, Mr. MCCLELLAN, Mr. SMITH of New Jersey, Mr. MURRAY, Mr. IVES, Mr. KENNEDY, Mr. PURTELL, Mr. MCNAMARA, Mr. GOLDWATER, Mr. ALLOTT, Mr. MORSE, Mr. COOPER, Mr. THURMOND, and Mr. MUNDT):

S. J. Res. 94. Joint resolution directing that the financial reports and other information filed with the Secretary of Labor pursuant to subsections (f) and (g) of section 9 of the National Labor Relations Act, as amended, be made available to the public; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. HILL when he introduced the above joint resolution, which appear under a separate heading.)

INVESTIGATION OF CONSUMER SERVICES

Mr. JAVITS. Mr. President, I submit, for appropriate reference, a resolution to authorize the Senate Committee on Interstate and Foreign Commerce to study and investigate the effectiveness and extent of consumer services provided by Federal, State, and local governments and private groups. The purpose of the study is to determine what action may be taken by the Federal Government to supplement and coordinate such services.

Mr. President, ours is becoming increasingly a consumers' economy, both in terms of consumption and in terms of production, because so many of our people are owners of industry, through stockholdings, through pension and welfare funds, and through mutual insurance companies and savings banks. This is the destination toward which America is destined to go. Therefore, I hope very much that we may improve and develop further the services we offer, in order to facilitate that progress.

The VICE PRESIDENT. The resolution will be received and appropriately referred.

The resolution (S. Res. 137) authorizing an investigation looking to the supplementation and coordination of consumer services of the Federal and State governments and private groups, submitted by Mr. JAVITS, was referred to the Committee on Interstate and Foreign Commerce, as follows:

Resolved, That the Senate Committee on Interstate and Foreign Commerce, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation and study of the extent, character, and effectiveness of consumer services (including protective services) made available by (1) the Federal Government, and (2) State and local governments and private groups, for the purpose of determining what action should be taken by the Federal Government to supplement and coordinate such services. The committee shall report its findings, together with such recommendations as it may deem advisable, to the Senate at the earliest practicable date.

SEC. 2. For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to employ upon a temporary basis such technical, clerical, and other assistants as it deems advisable. The expenses of the committee under this resolution, which shall not exceed $50,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

ACQUISITION OF LAND AND CONSTRUCTION OF BUILDINGS BY NATIONAL BUREAU OF STANDARDS

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to amend the act of March 3, 1901 (31 Stat. 1449), as amended, to incorporate in the Organic Act of the National Bureau of Standards the authority to acquire land for field sites, to undertake construction and improvement of buildings, and for other activities. I ask unanimous consent to have printed in the RECORD a letter from the Secretary of Commerce, requesting the proposed legislation, together with a statement of its purpose and need.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter and statement will be printed in the RECORD.

The bill (S. 2114) to amend the act of March 3, 1901 (31 Stat. 1449), as amended, to incorporate in the Organic Act of the National Bureau of Standards the authority to acquire land for field sites, to undertake construction and improvement of buildings, and for other activities, introduced by Mr. Magnuson, by request, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The letter and statement presented by Mr. MAGNUSON are as follows:

THE SECRETARY OF COMMERCE,
Washington, D. C., May 10, 1957.

Hon. RICHARD M. NIXON,
President of the Senate,
United States Senate,
Washington, D. C.

DEAR MR. PRESIDENT: There are attached four copies of a proposed bill "to amend the act of March 3, 1901 (31 Stat. 1449), as amended, to incorporate in the organic act of the National Bureau of Standards the authority to acquire land for field sites, to undertake construction and improvement of buildings, and for other activities."

There are also attached four copies of a statement of purpose and need in support thereof.

We are advised by the Bureau of the Budget that it would interpose no objection to the submission of this proposed legislation.

Sincerely yours,

SINCLAIR WEEKS,
Secretary of Commerce.

STATEMENT OF PURPOSE AND NEED FOR PROPOSED LEGISLATION

The proposed legislation will (1) authorize the acquisition of field sites, (2) incorporate the provisions of Public Law 618, 81st Congress, 2d session (15 U. S. C. 285–286), in the organic act of the Bureau, (3) clarify the Bureau's authority to undertake improvements or construction projects and raise the limitation on such projects, (4) permit certain construction on leased property, and (5) correct a minor error in recently enacted amendments to the organic act.

The first section of the proposed bill will add three sections to the Bureau's organic act. An explanation of those sections follows.

The new section 13 provides permanent authorization for the appropriation of funds for the acquisition of field sites for NBS. The need for field sites arises primarily in connection with the radio propagation research programs conducted by the Bureau's Central Radio Propagation Laboratory which

is now quartered at Boulder, Colo. Some of the radio research work cannot be undertaken in the main laboratories and the choice of field locations is severely limited by technical considerations. For example, some of the work must be done in locations where the transmission will not disrupt commercial, military, and other radio communications. Similarly, some work must be located where manmade noise and commercial or experimental transmissions will not disrupt the delicate measurements being made. The Bureau always attempts to use existing Government-owned property or leased property, but these and other considerations, such as terrain conditions and availability of electric power, often prevent that. In such cases, the acquisition of land for a field station is the most satisfactory and most economical solution to the problem. A more complete discussion of the present need for field sites is contained in appendix A, attached.

At the present time the Bureau needs to acquire five field sites for the radio program. However, over a longer period of time as program changes occur, the requirements will change with respect to size, location, or number of sites needed. The proposed legislation will permit the Bureau to request funds for new sites, if needed in the future, without additional authorizing legislation. In all cases it will be necessary for the appropriation act to contain a specific provision for such purchase.

Section 14 will add to the Bureau's organic act the authority, now contained in section 2 of Public Law 618, 81st Congress, 2d session (15 U. S. C. 286), to construct buildings and facilities and make improvements to existing facilities. Although this authority has been rephrased to eliminate certain ambiguities in the current statute, the proposed language does not change the substance of the present authority. It merely eliminates the need for reference to legislative history to interpret the authority, and it incorporates that authority in the Bureau's basic statute.

This section does change the existing cost limit on improvements and construction which may be undertaken without specific provision in appropriation acts. When the current statute was enacted in 1950 the $25,000 limitation permitted NBS to undertake most of the miscellaneous improvements and construction projects needed to support and further the Bureau's technical program. The Bureau practice has been to contract for these jobs unless the Bureau's Plant Division can do them at a lower cost. Since 1950 the cost of such jobs has risen sharply, the construction-cost index having risen more than 40 percent and Bureau labor and material costs having increased. Also as a result of changes in the NBS accounting system and appropriation structure the Comptroller General has required that a portion of Bureau overhead costs be included in the total of costs chargeable to jobs performed by the Plant Division. This increase in construction costs has severely reduced the magnitude of the improvements which can be undertaken without specific authorization. As a result, urgently needed improvements must either be postponed or reduced to the point of makeshift. In either case the effect on the technical program needing the structure is detrimental.

Section 15 incorporates in the organic act the authority contained in section 1 of Public Law 618, 81st Congress, 2d session (15 U. S. C. 285). That section authorized the expenditure of NBS appropriations for certain purposes. However, under the Bureau's cost accounting system, many of these items are more properly chargeable to Bureau overhead and hence to all source of financing of Bureau projects. The incorporation of this authority in the Bureau's basic statute will automatically authorize the use of all funds for such expenditures because the recently enacted section 12 (b) provides that the working capital fund "shall be available for obligation and payment for any activities authorized by this act."

Some of the paragraphs of this section involve changes in the previous language. Paragraph (c) clarifies rental authority by specific reference to field sites and warehouse space as well as laboratory and office space. Paragraph (d) eliminates a qualification on the authority to purchase reprints from technical journals and adds authority to pay page charges to technical journals which publish NBS research papers or reports. A recent decision of the Comptroller General gives rise to the belief that the latter authority is available to NBS, but inclusion of the authority in the basic statute eliminates any doubt.

The authority contained in paragraphs (e) and (f) is extended to provide for work in the Antarctic as well as the Arctic. Recent work in connection with the International Geophysical Year program has indicated the need for this extension both for current programs and the future.

Paragraph (g) is completely new. The Bureau has interpreted Public Law 390, 81st Congress, 1st session, as providing authority to erect quarters and facilities on leased sites. However, the Comptroller General has questioned that interpretation. This paragraph is proposed in order to clarify this situation and to extend the authority to all funds available to the Bureau. Frequently, technical programs of the Bureau, especially the radio propagation program, require the use of field sites for a relatively short period of time. Purchase of such field sites would be uneconomical, but it is often necessary to erect special facilities such as antennas, to extend utility lines, or to provide shelter for delicate technical equipment. In such cases, leasing the necessary land and erecting the facilities thereon is often the most economical course. Since the need for such action often arises on short notice in connection with high-priority programs for other agencies, the Department requests provision of permanent authority, subject, of course, to administrative determination of necessity in each case. In the exercise of this authority due consideration would be given to the expected length of occupancy of the site and the nature of the facilities to be erected. Ordinarily the facilities would be of a special nature which would not enhance the value of the property to the owner.

Section 2 of the proposed bill will correct a minor error in the recently enacted amendments to the Bureau's basic statute (Public Law 940, 84th Cong., 2d sess.). In repealing section 13 of that act and reenacting it as section 11, Public Law 940 inadvertently changed the word "herein" to "therein." For the sake of clarity, section 2 of this bill will correct that situation.

Section 3 of this bill repeals Public Law 618, 81st Congress, 2d session, which section 1 reenacts as sections 14 and 15 of the basic statute.

The proposed legislation does not expand NBS functions and therefore will not require increased expenditures. However, the new section 13 authorizes the purchase of land and the Bureau plans to request appropriations for the acquisition and construction of field installations at an early date after enactment. The Bureau estimates that the currently needed field sites will require appropriation of $575,000 for land purchase and construction of operating facilities. None of this will be for personal services.

Section 14 does not require additional appropriations. The Bureau normally receives an appropriation for miscellaneous improvements and construction required to meet the needs of changes in technical programs. The proposed section 14 merely increases the portion of such appropriation which can be expended for a single project.

Similarly, most of the authorizations in section 15 are contained in existing statutes. Paragraph (g) authorizes expenditures for a new purpose but a cost estimate for this authority is not feasible. The need to exercise the authority will presumably arise only intermittently and the requirement of a determination that the construction on leased property best serves the interests of the Government would preclude a large-scale program.

APPENDIX A

PROPOSED RADIO PROPAGATION FIELD SITES

The acquisition of new field sites for radio propagation research is essential now that the Central Radio Propagation Laboratory has been established at Boulder, Colo. One of the prime reasons for moving the laboratory from the Washington area was to make possible more adequate conditions for conducting field experiments. Until the laboratory was moved, field operations were located primarily at a large site in the Washington area (Sterling, Va.). Since the move, field operations which needed to be relocated as quickly as possible have been established on leased sites in Colorado and Illinois. While some operations will always be continued in the Washington area, additional activities should be located closer to the headquarters of the laboratory.

The radio propagation program involves steady transmissions, pulsed transmissions, and precise measurements of reception of radio signals. The nature of the research program necessitates that part of it be conducted at field sites meeting certain specialized requirements. Radio research work is always on the fringe of the possible and therefore requires careful avoidance of all possible sources of extraneous noise. Also, care must be exercised to avoid creating interference with commercial and military radio communication. These field sites must be located where manmade noise and commercial transmissions will not disrupt the delicate measurements and where experimental transmission will not interfere with established communications systems.

While much of the work can be done at a general experiment station, several smaller sites are also needed to separate pulse transmission studies from steady transmission studies and to provide receiving stations for transmissions from the other station.

Distinctly separate sites are required for receiving sites and pulse transmission sites.

1. Receiving site: This is a site where experiments concerned with the reception of radio signals can be carried out on a continuous basis without receiving interference from other experiments. Steady transmissions (not pulsed) will not cause interference to other experiments operating at different frequencies. Thus it is feasible to use the receiving site for experiments which involve steady transmissions and this is included in our proposed field site plans.

2. Pulse transmitting site: Pulse transmissions cause marked interference to sensitive receivers even at different frequencies for some distance from the transmitter. Thus these need to be carried out in a distinctly separate location to avoid having to stop all experiments of the receiving type during the pulse transmissions.

Examples of the type of projects which will utilize these sites are:

1. Ionospheric forward scatter and meteoric reflections: Both of these projects, requiring pulse transmissions, represent new methods of radio communication of particular importance to reliable communication over long distances. These continuing projects call for intensive experimentation on the various facets of the phenomena and for continued field strength observations through a minimum of 1 solar cycle of 11 years in order to determine the solar cycle dependence of the phenomena.

2. Antenna studies: Proper antenna design may make considerable difference in the effectiveness of radio equipment when used to measure various phenomena important for radio propagation and communication. While some antenna types may be designed by computations, many others require experimental adjustments before proper operation can be obtained requiring an antenna range facility. Such a facility requires a large flat area with no reflecting structures nearby which would distort the field of the antenna and invalidate the results.

3. Ionospheric radio astronomy: This program calls for increased attention to use of emissions from radio stars and also emissions of general galactic noise to study the structure and characteristics of the ionosphere. These studies require both large areas for the erection of suitable directive antenna systems and for reduction of interference from outside sources.

4. Upper atmosphere physics: This project includes a study of motions of winds of the ionosphere and calls for a steady transmission and reception on three spaced antennas.

5. Sferics: An active program is presently under way on recording these very low frequency pulses which originate from lightning strokes. This experimentation gives us information about propagation at these frequencies.

Although some experiments present special requirements for sites, a large share of the experiments in radio propagation present similar or common requirements for a field site. The most important requirements for such field sites are as follows:

1. Proximity and accessibility of site to main laboratories.

2. Economical availability of electric power of adequate capacity, stability, and continuity.

3. Distance from overhead power lines: This requirement in one sense conflicts with the preceding. Proximity to overhead lines, particularly high tension, introduces noise and, under certain conditions, distortion of radiation patterns of antennas.

4. Flatness and levelness of terrain over a large area: This is quite important for antenna-measurement work. Reflections from terrain irregularities, from obstructions or even transient targets (such as vehicles, personnel, or animals) produce standing waves which impair the accuracy of the results. A flat site, on which large antenna systems can be laid out without encountering obstructions of the horizon in any desired direction, is an important and general requirement for most radio propagation measurements, and, in particular, radio direction finding experiments and very high frequency propagation studies.

5. The size of the site should be as large as feasible. For nearly all propagation work there is a minimum size below which the site is unsatisfactory. Such a minimum size depends on the nature of adjoining property and the extent to which satisfactory agreements can be negotiated with adjacent property owners for protection against electrical interference and structures which can give rise to interfering wave reflections. If the site satisfying all the requirements is larger than the minimum size, the results are in general improved and obtained with less investment of time in investigating sources of interference and siting effects.

A large single site satisfying the requirements makes it possible to group together a number of mutually noninterfering projects with economy in transportation, overhead, and in original improvements such as power supply and access roads.

6. Low prevailing radio noise intensities: This leads generally to a requirement for a somewhat isolated site, remote from industrial or commercial areas, heavily trafficked highways, concentration of farm electrical machinery, or other sources radiating electrical interference. This requirement is extremely important because most radio propagation experiments involve the need for receiving, measuring, and recording radio waves, often at very low energy levels relative to ordinary ambient interfering radio noise.

In accordance with these criteria, five sites have been tentatively selected to meet present needs of the radio program:

1. Table Mesa, Boulder County, Colo.
2. Gunbarrel Hill, Boulder County, Colo.
3. Haswell, Colo.
4. Erie, Colo.
5. Havana, Ill.

LIGHTS FOR CERTAIN VESSELS

Mr. MAGNUSON. Mr. President, I introduce, for appropriate reference, a bill to amend the act of June 7, 1897, as amended, and section 4233 of the Revised Statutes, as amended, with respect to lights for vessels towing or being overtaken.

The purpose of the suggested amendment to the act of June 7, 1897, as amended, and section 4233 of the Revised Statutes, as amended, is to bring the provisions of law which govern the use of towing lights on vessels operating under Pilot Rules for Inland Waters and Western Rivers Rules more nearly into conformity and thus eliminate confusion and possible hazarding of the vessels when they pass from areas where they operate under inland waters regulations to areas controlled by western rivers regulations, and vice versa. The amendment is also designed to provide readily distinguishable and identifiable lights for overtaken and overtaking vessels, thus further adding to the safety of operations.

The suggested amendatory provisions have been arrived at by vessel operators working through the western rivers panel of the Merchant Marine Council of the United States Coast Guard and have the approval and sanction of the United States Coast Guard.

I ask unanimous consent that a comparative type showing changes in existing law by the proposed legislation may be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the comparative type will be printed in the RECORD.

The bill (S. 2115) to amend the act of June 7, 1897, as amended, and section 4233 of the Revised Statutes, as amended, with respect to lights for vessels towing or being overtaken, introduced by Mr. MAGNUSON, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The comparative type presented by Mr. MAGNUSON is as follows:

COMPARATIVE TYPE SHOWING CHANGES IN EXISTING LAW BY THE PROPOSED BILL

[Matter proposed to be omitted enclosed in black brackets; new matter in italic]

ARTICLE 3 OF SECTION 1 OF THE ACT OF JUNE 7, 1897, AS AMENDED (30 STAT. 97, AS AMENDED; U. S. C., 1952 EDITION, TITLE 33, SEC. 173)

ART. 3. (*a*) A steam vessel when towing another vessel or vessels alongside or by pushing ahead shall, in addition to her side lights, carry 2 bright white lights in a vertical line, 1 over the other, not less than 3 feet apart, and when towing 1 or more vessels astern, regardless of the length of the tow, shall carry an additional bright white light 3 feet above or below such lights. Each of these lights shall be of the same construction and character, and shall be carried in the same position as the white light mentioned in article 2 (a) or the after range light mentioned in article 2 (f).

[Such steam vessel may carry a small white light abaft the funnel or aftermast for the vessel towed to steer by, but such light shall not be visible forward of the beam.]

(*b*) *A steam vessel carrying towing lights the same as the white light mentioned in article 2 (a), when pushing another vessel or vessels ahead, shall also carry at or near the stern 2 bright amber lights in a vertical line, one over the other, not less than 3 feet apart; each of these lights shall be so constructed as to show an unbroken light over an arc of the horizon of 12 points of the compass, so fixed as to show the light 6 points from right aft on each side of the vessel, and of such a character as to be visible at a distance of at least 2 miles. A steam vessel carrying towing lights the same as the white light mentioned in article 2 (a) may also carry, irrespective of the position of the tow, the after range light mentioned in article 2 (f); however, if the after range light is carried by such a vessel when pushing another vessel or vessels ahead, the amber lights shall be carried in a vertical line with and at least 3 feet lower than the after range light. A steam vessel carrying towing lights the same as the white light mentioned in article 2 (a), when towing 1 or more vessels astern, may also carry, in lieu of the stern light specified in article 10, a small white light abaft the funnel or aftermast for the tow to steer by, but such light shall not be visible forward of the beam.*

ARTICLE 10 OF SECTION 1 OF THE ACT OF JUNE 7, 1897, AS AMENDED (30 STAT. 98; U. S. C., 1952 EDITION, TITLE 33, SEC. 178)

ART. 10. (*a*) A vessel [which is being overtaken by another,] *when under way,* [except a steam vessel with an after range light showing all around the horizon,] *if not otherwise required by these rules to carry one or more lights visible from aft,* shall [show] *carry* [from] *at* her stern [to such last mentioned vessel] a white light, [or a flare-up light,] *so constructed that it shall show an unbroken light over an arc of the horizon of 12 points of the compass, so fixed as to show the light 6 points from right aft on each side of the vessel, and of such a character as to be visible at a distance of at least 2 miles. Such light shall be carried as nearly as practicable on the same level as the side lights.*

(*b*) *In a small vessel, if it is not possible on account of bad weather or other sufficient cause for this light to be fixed, an electric torch or a lighted lantern shall be kept at hand ready for use and shall, on the approach of an overtaking vessel, be shown in sufficient time to prevent collision.*

SECTION (D) OF RULE NO. 3 OF SECTION 4233 OF THE REVISED STATUTES OF THE UNITED STATES, AS AMENDED (U. S. C., 1952 EDITION, TITLE 33, SEC. 312)

(d) At or near the stern, where they can best be seen, 2 [red] *amber* lights in a verticle line, one over the other, not less than 3 feet apart, of such a character as to be visible from aft for a distance of at least 2 miles, and so screened as not to be visible forward the beam.

RULE NO. 10 OF SECTION 4233 OF THE REVISED STATUTES OF THE UNITED STATES, AS AMENDED

(U. S. C., 1952 EDITION, TITLE 33, SEC. 319)

Rule No. 10: (*a*) A vessel [which is being overtaken by another] *when under way,* [except a steam vessell which already has] *if not otherwise required by these rules to carry* one or more [running] lights visible from aft, shall [show] *carry* [from] *at* her stern [to such last mentioned vessel] a white light, [or a flare-up light,] *so constructed that it shall show an unbroken light over an arc*

of the horizon of 12 points of the compass, so fixed as to show the light 6 points from right aft on each side of the vessel, and of such a character as to be visible at a distance of at least 2 miles. Such light shall be carried as nearly as practicable on the same level as the side lights.

[The white light required to be shown by this article may be fixed and carried in a lantern, but in such case the lantern shall be so constructed, fitted, and screened that it shall throw an unbroken light over an arc of the horizon of 12 points of the compass, namely, for 6 points from right aft on each side of the vessel, so as to be visible at a distance of at least 2 miles.]

(*b*) *On a small vessel, if it is not possible on account of bad weather or other sufficient cause for this light to be fixed, an electric torch or a lighted lantern shall be kept at hand ready for use and shall, on the approach of an overtaking vessel, be shown in sufficient time to prevent collision.*

USE OF TELEVISION FACILITIES FOR EDUCATIONAL PURPOSES

Mr. MAGNUSON. Mr. President, I introduced, for appropriate reference, a bill to expedite the utilization of television facilities in public schools and colleges, and in adult training programs. I ask unanimous consent to have printed in the RECORD a memorandum explaining the purposes of the bill.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the memorandum will be printed in the RECORD.

The bill (S. 2119) to expedite the utilization of television facilities in our public schools and colleges, and in adult training programs, introduced by Mr. MAGNUSON, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The memorandum presented by Mr. MAGNUSON is as follows:

EXPLANATION OF EDUCATIONAL TELEVISION BILL

This bill is intended to expedite the utilization of television facilities in our public schools and colleges. In addition, it will be possible for States to establish adult training programs with the facilities provided.

The legislation would provide grants to the States, limited to $1 million to each State and Territory, where the State has agreed to bear the operating and maintenance costs of the television equipment and facilities to be provided. Under this section the Federal Government will provide only the equipment needed for television broadcasting, including closed circuit television and the States would have to provide the buildings and land required.

It is estimated that a suitable television facility in terms of equipment would cost approximately $150,000 to $200,000. Thus each State could establish under this matching grant program 5 or 6 school television facilities. There have been approximately 250 educational channels set aside by the Federal Communications Commission, so that this present program is tailored to present educational television plans.

Some experts have indicated that educational television can be likened to the development of the printed textbooks in terms of the dramatic impact it can have upon advancing public education. While it is still in the experimental stage, and considerable work will have to be done in order to determine the best uses for television in public schools, it is almost universally accepted that it will be a real benefit in terms of the problems confronting education today. This bill will make possible earlier realization of these benefits.

STATE, JUSTICE, AND JUDICIARY APPROPRIATIONS, 1958—CHANGE OF CONFEREE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Montana [Mr. MANSFIELD] be excused from further service as a conferee on the bill (H. R. 6871) making appropriations for the Departments of State, Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes, and that the Senator from Arkansas [Mr. FULBRIGHT] be appointed in his stead.

The VICE PRESIDENT. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. DWORSHAK:

Address entitled "Let's Get Everybody Pitching Hay," delivered by Senator WATKINS at the Western Water and Power Conference.

By Mr. JAVITS:

Report by him to the people of the State of New York on the 1st session of the 85th Congress.

Message from Senator CLARK and Senator JAVITS to the Prayer Pilgrimage for Peace.

Correspondence between him and Under Secretary of State Christian Herter, relating to the position of the United States regarding the Suez Canal.

By Mr. HICKENLOOPER:

Address delivered by the Secretary of Agriculture to the Iowa State Club, in Chicago, Ill., on May 6, 1957.

NOTICE OF HEARING ON NOMINATION OF EARL E. T. SMITH TO BE AMBASSADOR TO CUBA

Mr. GREEN. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today the nomination of Earl E. T. Smith, of Florida, to be Ambassador of the United States to Cuba, vice Arthur Gardner, resigned.

Notice is given that this nomination will be eligible for consideration by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

TAX REFORM

Mr. WILEY. Mr. President, I send to the desk a brief statement regarding comments which were made in the course of a report by the research and policy committee of the noted Committee for Economic Development—comments on behalf of a study looking toward tax reform.

The CED comments, I am delighted to say, parallel the suggestion which I have made for enactment of the Wiley bill, S. 769, for a Federal Tax Commission.

I ask unanimous consent that this statement be printed in the body of the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

I was pleased, indeed, to note that the Committee for Economic Development, in a release on Tuesday, accompanying the 50-page report by its research committee, made the following observation:

"It is time to give serious thought to the problem of reforming the tax system."

Following this statement, the committee recommended the establishment "of a nonpartisan advisory tax commission to make a thorough investigation, with the view of arriving at proposals for revamping the Federal tax system."

The report continued: "An impartial review of the issues by a group of prominent and respected citizens, representing various shades of opinion, can provide a good basis for the balanced revision that is so urgently needed in the near future."

As will be recalled, these recommendations for revision and improvement of our tax structure closely parallel my own recommendation in the introduction of my bill, S. 769, which is cosponsored by 14 other Senators.

This bill proposes to create a Hoover-type Commission for a top-level, long-range review and an analysis of our American tax system. The objectives, of course, are to iron out inequities, plug loopholes, fairly redistribute the taxload, and generally pave the way for tax reductions, which our people badly need.

I believe this firm declaration by so renowned a group, stressing the need for a top-to-bottom revision of our tax laws heavily buttresses the case for the establishment of such a commission.

There follows now an extract from the CED report, Tax Reduction and Tax Reform—Where and How:

THE NEED FOR TAX REFORM

"Even though it may be necessary to postpone tax reduction this year, work on reforming the tax structure cannot be delayed. In the first place, expenditures are rising and there is little evidence that the trend will be checked in the near future. In the second place, tax reduction—when it does come—should not, as it has too often in the past, consist only of cuts in the rates of the major taxes. Action is also essential to correct those provisions of the tax law that distort economic decisions and create inequities among taxpayers.

"It would be desirable to have a goal toward which we can move. For this purpose, it will be necessary to give consideration to the many complicated issues in this difficult area of public policy.

"We believe that these are matters deserving serious study and analysis by the Congress. We recommend that the study be undertaken by the Joint Committee on Internal Revenue Taxation, which consists of the senior members of the two tax-writing committees and which was set up to make studies of taxation problems and to submit recommendations to these committees.

"To do the job adequately, the joint committee will need the advice and assistance of a special Advisory Tax Commission recruited from among representatives of business, labor, agriculture, and consumer groups, with ample staff and time to explore all of the major problems. The Federal tax system has undergone a revolution since the beginning of World War II, but the net result is still to be evaluated. The mere fact that there is so much disagreement about taxes indicates that much good could be accomplished by a review of the issues among a group of competent and public-spirited citizens representing different shades of opinion in the community."

COMMISSION SHOULD BE INDEPENDENT, WILEY SAYS

Finally, let me say that I, for one, believe that the Tax Commission should be independent of the legislative branch, and for that matter, of the executive branch. The Commission should stand on its own—should have independent powers, including subpena powers, rather than merely being advisory to the Joint Committee on Internal Revenue. It should be advisory instead to both major branches of Government, as a whole.

Ultimately, of course, the Commission's report will be deposited before that joint committee and before the Ways and Means and Senate Finance Committees.

LIST OF CED TRUSTEES AND RESEARCH COMMITTEE

Now, in conclusion, I should like to list the distinguished trustees of the CED together with a description of how this splendid and far-seeing organization works. I should also like to list the membership of its Research and Policy Committee.

I may say that the CED's latest report—in which I have referred to but one of the phases, is an exceedingly stimulating and workmanlike job, as is customary in CED presentations.

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ABOUT THE COMMITTEE FOR ECONOMIC DEVELOPMENT

The Committee for Economic Development is composed of 150 leading businessmen and educators.

They believe CED's record of the past 15 years demonstrates that "men of practice and men of theory," working together, can conduct objective economic research; support and promote economic education; and formulate and publish recommendations on major economic problems that will contribute to growth and stability in the American economy, higher living standards, and increasing opportunities for all Americans, and to strengthening the institutions and the concepts essential to progress in a free society.

CED's work is supported by voluntary contributions from business and industry. It is nonprofit, nonpartisan, and nonpolitical.

The trustees, who generally are presidents or board chairmen of corporations and presidents of universities, are chosen for their individual capacities rather than as representatives of any particular interests. They unite scholarship with business judgment and experience in analyzing the issues and developing recommendations to resolve the economic problems that constantly arise in a dynamic and democratic society.

Through this business-academic partnership, CED endeavors to develop policy statements and other research products that commend themselves as guides to public and business policy; for use as texts in college economic and political-science courses and in management-training courses; for consideration and discussion by newspaper and magazine editors, columnists, and commentators; and for distribution abroad to promote better understanding of the American economic system.

CED believes that by enabling businessmen to demonstrate constructively their concern for the general welfare it is helping business to earn and maintain the national and community respect essential to the successful functioning of the free-enterprise capitalist system.

At 28 college-community research centers throughout the country CED also is seeking to apply cooperative research and education between business and academic men to local and regional economic issues. In an increasing number of cases, this approach is being applied to local or regional aspects of economic problems which are engaging CED itself in studies of national and international scope.

CED is expressing in still another fashion its conviction that successful functioning of a free society requires knowledge and understanding of its economic processes. It is helping to increase both the extent and the quality of economics instruction in the secondary schools through the Joint Council on Economic Education. This independent, cooperative endeavor by educators and businessmen is now sponsoring activities in 35 States. CED helped establish the joint council and continues to give it wholehearted support.

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[1] Messrs. Rothschild and Scherman, because of absence from the country, and Mr. Ruml, because of illness, did not participate in formulating these proposals and therefore took no position with respect to this statement.

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CELEBRATION OF THE 20TH ANNIVERSARY OF THE MILWAUKEE JOURNAL'S STOCK OWNERSHIP PLAN

Mr. WILEY. Mr. President, I was pleased to read in the Wednesday, May 15, issue of the Milwaukee Journal a most inspiring writeup of an important occasion in the history of that great

newspaper, and in the life of the Greater Milwaukee area. That day marked the 20th anniversary of the Milwaukee Journal Employees' Stock Trust Agreement—the plan under which more than 62½ percent of the capital stock of the Journal Company is owned by the employees themselves.

Plaques were presented to the two persons who brought about this unique and impressive program, under which those who have built the Journal—those who have served it well—have been enabled to become part owners of the Journal itself. The plaques honored Mr. Harry J. Grant, Chairman of the Board of the Journal Company, and Miss Bay McBeath, niece of the late Lucius W. Nieman, founder of this world-famous paper.

Mr. President, I have long been deeply interested in various plans by which great American companies have encouraged their employees, voluntarily, to become owners of equity in the companies themselves. To me, this is Americanism in action. It is the very opposite of the situation which had for so long prevailed in Europe, where the so-called working class—rootless, propertyless—had nothing but contempt and hostility for the owners of the factories in which they worked.

In America, there are no classes. The employee can and should be a capitalist, so to speak, in his own right, feeling a sense of deep pride, not only in his work, but in the fact that he is part owner of the very place in which he spends almost one-third of his life.

Of course, it is an especially interesting matter to note how well the stock ownership concept has worked in a great newspaper like the Journal.

A stock ownership plan is no cure-all for problems. Many such a plan has foundered on the rocks of mismanagement, misunderstanding, and changing economic tides. But the Journal plan has worked, and worked impressively. And not only are the Journal's faithful employees the happier for the fact that the plan has succeeded, but the vast community served by the Journal has been enriched and improved, thanks to the success of this fine plan.

I send to the desk the text of the article marking the 20th anniversary. I believe that this article will be of deep interest to all who esteem the Fourth Estate, which I am sure includes every one of us. And it is especially appropriate, for the Journal has always appeared among the ranks of America's 10 greatest newspapers. It is a "civic conscience" newspaper, a newspaper with its own conscience, and a newspaper which is determined to be the conscience of a great community—keeping it wholesome, keeping it progressive—moving forward, serving it, informing it.

I like very much the fine creed expressed by Mr. Grant, which this present article recalls—a creed set forth in 1947, when Mr. Grant said to the Journal employees, "Neither reward friends nor punish enemies."

He also said, "Use the strong instrumentality of the Journal for the best interests of the community, and deal always in good faith with one another."

I ask unanimous consent that this article be printed at this point in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JOURNAL AIDS HONOR GRANT, MISS MCBEATH—EMPLOYEE UNIT HOLDERS MARK 20TH YEAR OF STOCK PLAN BY GIVING THEM PLAQUES

More than 900 employee unit holders of the Journal Co. Wednesday commemorated the 20th anniversary of the Journal employees' stock trust agreement by presenting bronze plaques to the two persons who made the company employee owned—Harry J. Grant, chairman of the board of the Journal Co., and Miss Faye McBeath, niece of the late Lucius W. Nieman, founder of the Journal.

The plaques, created by Milwaukee sculptor Dick Wiken, will hang in the lobby of the Journal Building. They were purchased with funds raised by a popular subscription among unit holders.

PRESENTED BY WARMUTH

Milwaukee Journal employees now own 62½ percent of the capital stock of the Journal Co., which operates the Milwaukee Journal, radio station WTMJ, and television station WTMJ-TV. The value of the employee holdings is more than $13 million. By December 1, 1958, employee stock ownership will have risen to 67½ percent.

The Journal employees' stock trust agreement, inaugurated in 1937 by Mr. Grant and Miss McBeath, and the heirs of the late Lloyd Tilghman Boyd, provides that no new holding of the Journal Co. stock ever shall be issued outside the employee group nor shall any employee holdings ever be withdrawn from the trust.

Presentation of the plaques in the fourth floor office of Mr. Grant was made by William Warmuth, an advertising copywriter and chairman of the unit holders council, on behalf of the 920 employees who are unit holders. The unit holders elect their representatives to the council.

CREDITED WITH KEY ROLE

The plaque presented to Mr. Grant carried this inscription:

"In recognition of his vision in inaugurating in 1937 his partners in ownership plan for employees of the Journal Co. His creative imagination conceived it. His perserverance drove it from dream to reality. His faith in constructive human values has placed control of great newspaper and communication facilities in the hands of the men and women who are the Milwaukee Journal and WTMJ, radio and television. The plan's 20 years of growth and gains, of abundant benefits for co-owners, company, and community, merit this heartfelt expression of thanks from the Journal Co.'s 920 employee-owners."

Miss McBeath's plaque said:

"In recognition of her key role in the creation of the Journal employee stock ownership plan. Miss McBeath, niece of Lucius W. Nieman, founder of the Milwaukee Journal, joined wholeheartedly in Harry J. Grant's partners in ownership undertaking, recognizing in it the human relations ideals she cherished, and a beneficial means of perpetuating a strong and independent Journal. Her steadfast support of the plan, her unselfish cooperation in its development, her warm personal interest in the welfare of Journal people, have won the gratitude of her associates, who honor her with this plaque."

Miss McBeath smiled through tears as Warmuth finished reading the inscription and asked Mr. Grant to speak for her.

VERY MUCH TOUCHED

"We are very much honored and very much touched by this evidence of your understanding and appreciation of the ownership plan," Mr. Grant said. "It is nothing without some force, some human agency to make it work. Without that force the plan would have come to naught.

"That is what has made it effective for over 20 years. That and only that will continue to make it effective over the next 20 years. The employees must stay with it and make it work. I leave it to them in the future."

Ending his formal acceptance speech, Mr. Grant smiled and said:

"I don't know whether to fight or cry."

"You fight; I'll cry," said Miss McBeath.

Present at the brief ceremony were company officers and other officers of the unit-holders council.

INAUGURATED IN 1937

The stock trust agreement was inaugurated May 15, 1937, under a plan conceived by Mr. Grant. At that time 25 percent of the Journal Co. stock was sold to full-time employees with 5 years or more service, from the holdings of the then owners of the Journal, Mr. Grant, Miss McBeath, and by heirs of Boyd, former Journal business manager who died in 1914. Employees paid for their shares the price accepted by trustees under Mr. Nieman's will, an offer which was later approved by the county court.

By 1947, employees owned 40 percent of the Journal's stock. At a 10th anniversary banquet of employee stockolders, Mr. Grant said:

"For a long time before the employees stock-trust agreement was signed, I had hoped to broaden the stock ownership base by a method that would lead to eventual stock control by a majority of the Journal employees. I believed that the responsibilities of actual stock ownership by employees would, through a new interest in their work, help to safeguard the Journal and promote its fine service to the public. I have never doubted that the employees, the men and women who make the Journal, would be the most trustworthy and competent partners.

POINTS TO CHANGES

"Large newspaper investments depend on service to the public. They are frequently destroyed, on the death of their individual owners, by failure properly to provide for changes in ownership and management. Sometimes new ownership and management come almost unannounced. Despite good intentions, they bring confusion and misunderstanding affecting employee rights that are fatal to the institution.

"Many bequests place control of estates and responsibility for their operation in the hands of trustees and executors, usually drawn from the legal and banking professions. These men, honest and efficient in their financial dealings and competent in their judgment of broad, general policies, have not the background needed in successful newspaper making.

"It is not surprising that they should lack this knowledge, as many intangible things and details are involved in the printing of news and editorials dealing with daily events. Frequently, they dare not take the needed risks involved because of legal restraints. It seems obvious that something more than a transfer of shares in a record book and correct legal procedure are needed to insure the future of any newspaper.

"The human element is a major force in any business. The men and women on the job are most trustworthy and competent partners as productive workers or as managers. A tremendous force for good or evil lies with you in the control of the Journal Co., as you are dealing with the welfare of all classes of people. You must serve them readily and loyally, by methods which are easily understandable.

"Plain sense, rather than clever formulas, should be the rule. Never tolerate special

privilege. Neither reward friends nor punish enemies. You will, quite naturally, be influenced by your loyalties—those to your family, your friends, your church, your professional groups, and your labor unions. But I know of no loyalty that need in any way conflict with your loyalty to the Journal and your associates, which should rank near the top in your scale, as it is the foundation of your business life and economic welfare.

"It is my wish that you use the strong instrumentality of the Journal for the best interests of the community and deal always in good faith with one another."

THE GENERAL MOTORS THREAT TO THE STATE OF MICHIGAN

Mr. McNAMARA. Mr. President, last month, the people of the State of Michigan received a most unusual threat. The president of the largest manufacturing corporation in the world, with headquarters and many plants in my State, flatly warned that Michigan tax rates had forced his company to locate plants in other States, and this would be a consideration for the future.

The timing of the threat obviously was to influence the Michigan Legislature which was considering a corporate income tax proposal.

Wielding this blackjack was Harlow H. Curtice, president of the General Motors Corp.

With utter and callous disregard for Michigan and for the people who helped make General Motors the giant it is, Mr. Curtice sought to blacken the name of one of the Nation's greatest industrial States. His motive could only be one of selfishness and greed.

Michigan is a proud State. It is proud of its natural beauty, and, of course, its leadership in industry. To care for the needs of General Motors workers, and all other working citizens and their families, Michigan has built up an enviable record of services. Coupled with our natural resources, Michigan is an outstanding place for industry and people to work and live.

For Mr. Curtice to threaten the economy of Michigan to gain temporary financial advantage amounts almost to a betrayal of his State.

Any advantage which might result would be only temporary. When other areas of the Nation achieve the high wage, living, and service standards of Michigan, as they must eventually, then the likes of Mr. Curtice will have no place to hide.

Perhaps Mr. Curtice will fail to follow through on his threat. Indeed, there are indications that General Motors already is sorry for its action. A General Motors vice president is quoted as saying, in the Detroit Times of May 5, "I think we made a serious tactical error by that statement."

Mr. President, last Tuesday, Governor Mennen Williams, of Michigan, wrote a letter to Mr. Curtice denouncing his ill-considered outburst. I ask unanimous consent that the text of Governor Williams' letter be printed in the RECORD at the conclusion of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 14, 1957.

DEAR MR. CURTICE: On April 28 you issued a statement saying in effect that General Motors Corp. would move its operations out of Michigan if the legislature adopted any additional taxes which would affect the corporation.

This statement, coming as it did from one of our most prominent citizens, had a widespread impact. It damaged the reputation of our State with the rest of the country and made much more difficult our task of bringing new industries to Michigan. But even more immediately important, your statement helped to create an impasse in the legislature. Nobody, of course, wants to do anything which would actually cause General Motors or any other corporation to leave Michigan. The Republican leaders of the legislature are naturally reluctant, for political as well as economic reasons, to act in the face of what seems to be a threat from General Motors.

As a consequence, legislative consideration of the State's financial problem has bogged down. Although there is general agreement that a substantial tax increase is necessary, the two chambers are at odds, one advocating an increased cigarette tax and the other a beer and liquor tax, for the support of the public schools. It is generally admitted that neither of these expedients would come close to meeting the shortage of school funds, not to mention the needs of higher education, mental health, public safety and other vital services.

Your pronouncements have helped materially to create this situation, and it seems to me as a consequence you have some responsibility to help in resolving it. I agree, of course, that you had every right to speak as you did, and to seek the most favorable tax treatment possible for your corporation. But I am sure you do not wish to remain in the purely negative position of threatening the State, yet offering no constructive suggestions.

Furthermore, General Motors Corp. bears a very definite responsibility for the present Michigan tax structure. Representatives of General Motors helped to create the imbalance between consumer and business taxes and the favoring of certain large businesses over smaller ones, which I found when I took office in 1949.

Representatives of General Motors and a few other large industries actually wrote the present business activities tax, and a spokesman for the corporation actually appeared on the floor of the House in 1953 to explain the bill to legislators. Representatives of General Motors helped to write the present unemployment insurance law, under which the tax rates of all Michigan business automatically go up to pay for layoffs in the automobile plants. To a considerable degree General Motors agents have created the Michigan tax system which today is the subject of complaint from you.

Having injected itself into the formation of State tax policies, I believe General Motors has an obligation to more than declare its reluctance to pay any additional taxes. Therefore, I am now asking you, as a citizen of this State, to give me your best thoughts on the following questions:

1. It is generally admitted in the legislature that some additional taxes are necessary. Do you agree that some additional State taxes are necessary?

2. If you do not agree that some additional State taxes are necessary, do you approve the necessary results—severe curtailment of the State's higher education system; a moratorium on all college and university expansion; cuts in appropriations for child mental clinics, the children's mental hospital, the research and training center at Lafayette Clinic; cancellation of plans to expand the traffic safety program which last year saved more than 250 lives; cancellation of plans to build a new boys' vocational school; cancellation of plans to complete the new youth reformatory at Ionia; sharp reduction of State aid to local schools, and so forth?

3. If you do agree that some kind of additional State taxes are needed, what kind of taxes would you favor? Would you favor a flat rate personal income tax? A graduated income tax? A general income tax on individuals and corporations? or an increase in the sales tax?

4. Do you approve of the current legislative bills for increases in the cigarette tax and a new tax on beer and liquor to make up part of the shortage in school aid funds?

5. Do you approve of the present plan of Republican legislative leaders to curtail funds for the University of Michigan and Michigan State University in the face of an expected increase of more than 4,000 students next year?

6. If you do agree that some additional taxes are necessary to maintain our State services and provide for necessary expansion would General Motors be willing to pay any portion of the increase?

Your position on these questions will be of great interest to the people of Michigan and I believe of genuine assistance to the legislature in resolving the present confusion. In its institutional advertising, General Motors has stressed the obligations of corporate citizenship. Among those obligations, it seems to me, is a responsibility to offer not merely threats but constructive ideas for the financing of indispensable State services.

Very truly yours

G. MENNEN WILLIAMS,
Governor.

KANSAS, THE CENTER OF THE NATION

Mr. CARLSON. Mr. President, I should like to call the attention of the Senate to an editorial from the Topeka Daily Capital, Topeka, Kans., entitled "Let's Sell Kansas' Central Location."

I remind the Senate that there is only one geographical center in this Nation, and that is in Kansas. In fact, our State might well be classed as the hub, and the balance of the Nation would be the perimeter around this hub.

My reason for calling this to the Senator's attention is the fact that Kansas has every requirement for becoming the industrial center or the hub of the Nation. We have outstanding labor; we have easy access to the largest gas fields in the Nation; based on records, we are either the first or second in the Nation when it comes to health and longevity, and we have a long record of progressive legislation in government, education, highways, and health.

This editorial stresses the fact that Kansas is truly the main street of America.

I ask unanimous consent that the editorial be printed in the RECORD as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LET'S SELL KANSAS' CENTRAL LOCATION

For a long time now, Kansas has let other States argue the sentimental claim to being the heart of America. Kansas is the heart of America, the center of the Nation.

Near Lebanon in Smith County is the official geographic center of the United States. Moreover, if you have an argument about the location of the fence between your back yard and your next door neighbor's, it will be settled with reference to a modest marker in a pasture in Osborne County—the geodetic capital of all North America. What Greenwich is to the world's longitude, this simple marker is to surveyors' lines and boundaries for this entire continent.

We think it's time Kansans let the world know there is only one center in this great Nation—and that it's here in Kansas. No other State can claim it. This is the place.

Kansas is the crossroads, the heart, the hub, and the center. As someone said, it is "Midway, U. S. A."

Naturally, being in the center of the Nation has many advantages. It is the safest location in this atomic age. It is an ideal location for industry because it's halfway to everywhere. It's even back east to half the Nation. This is where the West begins—where North meets South, where farm meets factory.

Each year tourists from all the States and many foreign countries register at the stone marker located at the geographic center. Many are disappointed that such an important site is so modestly designated. Because of its national significance, the center deserves a suitable national monument or a small park.

But in addition to having the exact center more properly designated, Kansas as a whole should take advantage of its location. It should be more widely publicized. Imagine what publicity-minded Texas or California or Florida would do with such a sales tool.

Through the years, Kansas has had a number of slogans. The Wheat State, the Sunflower State, the Land of Friendship, to name a few. We have no quarrel with any of these slogans. But none of them tells the Kansas story. Kansas is more than wheat, certainly more than sunflowers. Sure, it's a friendly State. Neighborliness is a tradition here, but other States are friendly, too.

Kansas is the Nation's centerpiece. No one can quarrel about that. And if properly sold, the strategic location can mean future dividends to the State in more industry and more tourist traffic.

Actually our State has more to offer visitors than most other areas. It is rich in history and tradition. The places of interest are real and void of tinsel and make-believe. And getting back to our location again, one could say that travelers don't have to go out of their way to visit Kansas.

Kansans should join hands now to sell our State as the center of the Nation—the main street of America. Let's adopt a suitable slogan and spread it across the land. Look what Minnesota did with "the land of 10,000 lakes" and what a bottling company accomplished with "the pause that refreshes."

This newspaper pledges full cooperation and support to such a movement.

ORDER OF BUSINESS

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, is the morning hour concluded?

The PRESIDING OFFICER. Is there any further morning business? If not, morning business is closed.

Mr. JOHNSON of Texas. If the morning hour is concluded, I hope the Senator from Florida will proceed to make an explanation of the Commerce Department appropriation bill so we can get some action on it.

PUBLIC DISCLOSURE OF FINANCIAL REPORTS AND OTHER INFORMATION FILED BY LABOR ORGANIZATIONS WITH THE SECRETARY OF LABOR

Mr. HILL. Mr. President, before the Senator from Florida proceeds with his remarks on the appropriation bill, will he yield to me?

Mr. HOLLAND. I yield to the Senator.

Mr. HILL. The distinguished Senator from Arkansas [Mr. MCCLELLAN], the senior Senator from New Jersey [Mr. SMITH], and the junior Senator from Massachusetts [Mr. KENNEDY] are waiting to introduce a joint resolution to the Senate. It deals with the publication of certain reports in connection with labor-union funds. I believe it will take only a few minutes to present the resolution to the Senate, and only brief comments will be made by these Senators.

I wonder whether the Senator from Florida would be willing to yield at this time for that purpose, with the understanding that any remarks that may be made at this time will be placed in the RECORD at the appropriate place?

Mr. HOLLAND. Mr. President, I would prefer not to do so at this time, because I have only a 2-page statement to read in connection with the formal presentation of the appropriation bill, which I shall be very happy to expedite. Then I have agreed to yield first to the distinguished ranking minority member of the subcommittee, the Senator from Maine [Mrs. SMITH], for a statement on the bill, which I understand will take only a few minutes. After that I shall be happy to yield to the Senator from Alabama, before I submit myself to general questioning from the floor, if that will meet with the Senator's approval.

Mr. HILL. Of course that will be agreeable to us. It is merely that the Senator from New Jersey [Mr. SMITH] desires to return to a meeting of the Committee on Foreign Relations, and I know that the Senator from Arkansas [Mr. MCCLELLAN] has a committee meeting to attend.

Mr. HOLLAND. Will the Senator give me an indication of the total time that would be involved?

Mr. HILL. So far as I am concerned, I will not take more than 2 minutes. The Senator from Arkansas states that he will limit himself to 2 minutes. The Senator from New Jersey indicates 1 minute will be sufficient. The Senator from Massachusetts states that he will take not more than 1½ minutes.

Mr. HOLLAND. I have never heard such——

Mr. HILL. Self-abnegation——

Mr. HOLLAND. Self-abnegation and resignation on the part of any Senator. With the assurance that the entire matter will take only 6½ minutes in its entirety, I ask unanimous consent that I may yield for that purpose for only 6½ minutes, with the understanding that the distinguished occupant of the chair will see to it that the floor is yielded to me at the expiration of the 6½ minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HILL. Mr. President, out of order, I introduce, for appropriate reference, a joint resolution on behalf of myself, the Senator from Arkansas [Mr. MCCLELLAN], the Senator from New Jersey [Mr. SMITH], the Senator from Montana [Mr. MURRAY], the Senator from New York [Mr. IVES], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Connecticut [Mr. PURTELL], the Senator from Michigan [Mr. MCNAMARA], the Senator from Arizona [Mr. GOLDWATER], the Senator from Colorado [Mr. ALLOTT], the Senator from Oregon [Mr. MORSE], the Senator from Kentucky [Mr. COOPER], the Senator from South Carolina [Mr. THURMOND,] and the Senator from South Dakota [Mr. MUNDT].

The joint resolution would authorize the Secretary of Labor, in accordance with such regulations as he may deem appropriate, to make available to the public information filed by labor organizations pursuant to subsections (f) and (g) of section 9 of the National Labor Relations Act, as amended, commonly known as the Taft-Hartley Act.

I may say that it is the thought of those who are submitting the resolution—certainly many of them—that this is a step forward, but that it is not in and of itself a complete answer to the problems which have been raised in connection with union funds, particularly as they have been raised by the investigation of the committee headed by the senior Senator from Arkansas [Mr. MCCLELLAN].

At this point I do not wish to consume further time myself, and I therefore yield the floor to the Senator from Arkansas.

Mr. MCCLELLAN. Mr. President, in the memorandum accompanying the resolution it is stated, as a part of the necessity for its enactment, that the recent investigations and hearings conducted by the Select Committee on Improper Activities in the Labor and Management Field indicate that public disclosure of financial reports and other statements filed under sections 9 (f) and (g) of the Taft-Hartley Act would be in the interest of the public and of labor union members. I join in submitting the resolution, because, as the distinguished chairman of the Committee on Labor and Public Welfare, the Senator from Alabama [Mr. HILL] has stated, it is a step in the right direction.

However, because as chairman of the select committee I have joined in cosponsoring this resolution, I do not want any inference to be drawn that this is to be the only corrective action that needs to be taken.

The fact is that this is one of the very minimum steps which should be taken, based on the revelations the select committee has disclosed up to the present time. Other steps which are far more important will have to be dealt with by appropriate legislation. Therefore I am going along with this resolution merely as an intermediate vehicle to accomplish the disclosure of financial reports which should be disclosed and to make the information available to the public. I hope that in due time the select committee will be able to make recommendations to Congress, even before the adjournment of this Congress, for more substantial

and more vital improvements that need to be made.

Mr. SMITH of New Jersey. Mr. President, as the ranking Republican member of the Committee on Labor and Public Welfare, I have joined our distinguished chairman in introducing this joint resolution. I may say that all the Republican members of the committee have joined in cosponsoring this resolution. I can also assure the Senate that the matter has had very careful and favorable consideration by the Secretary of Labor. He has said, furthermore, that the publication of union financial reports has the wholehearted approval of the President of the United States.

Therefore I feel that we have strong, united, bipartisan support for this joint resolution, which will be a step toward curing some of the ills involved in the misuse of union funds.

I agree with the Senator from Alabama [Mr. HILL] and the Senator from Arkansas [Mr. MCCLELLAN] that this is only a first step in curing the ills disclosed so far in the so-called Beck scandal.

We must protect the workingman from the misuse of his union funds. We believe that publicity in this connection will be of great value, although it is only a partial remedy for the many abuses of union funds which have recently been exposed.

Mr. KENNEDY. Mr. President, although I have joined in sponsoring this joint resolution to make clear the Labor Department's authority to make public the union financial reports filed under the Taft-Hartley Act, I want to stress the fact that I consider it a wholly inadequate remedy with respect to the evils uncovered by the select committee headed by the Senator from Arkansas [Mr. MCCLELLAN], and I hope that no one will be lulled into accepting this as a remedy.

I wish to point out in this regard that the mere publication of these reports would not have prevented any of the misdeeds in the Teamsters' and other unions uncovered by the McClellan committee. Those reports are completely inadequate and frequently inaccurate, containing no detail or breakdown to reveal transactions such as those which have been disclosed. They contain no listing—as the SEC asks of all registrant corporations—of all transactions, past or proposed, in which the principal officer or his associates have an interest. The accuracy of these reports is not subject to any check by the Labor Department or any independent audit; they are not filed under oath; and no union is penalized for filing false information. The mere publication of these reports, while a first step, is an inadequate one.

I am hopeful that it will be possible for the Committee on Labor and Public Welfare to suggest some substantial improvements, and I am certain that Congress will give prompt attention during this session to correct these inadequacies.

Mr. HILL. Mr. President, I wish to express the deep appreciation of the Senator from Alabama and the other Senators who have spoken on this matter for the great generosity and kindness shown by the distinguished Senator from Florida.

Mr. HOLLAND. Mr. President, I wish again to express my appreciation of the restraint shown by the distinguished Senators who have spoken so briefly, and of their sense of self-abnegation, to plagiarize from the remarks of the Senator from Alabama.

I take this occasion to thank all of them and each of them, as I feel certain countless millions of people throughout the Nation do, including the members of the unions themselves, for the fair and decent way in which they have approached the matter of cleaning up the troublesome question concerning the administration of union funds.

Mr. SMITH of New Jersey. Mr. President, I wish to thank the distinguished Senator from Florida for yielding to us for this purpose.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 94) directing that the financial reports and other information filed with the Secretary of Labor pursuant to subsections (f) and (g) of section 9 of the National Labor Relations Act, as amended, be made available to the public, introduced by Mr. HILL (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

DEPARTMENT OF COMMERCE APPROPRIATIONS, 1958

The PRESIDING OFFICER. Without objection, the Chair lays the unfinished business before the Senate.

The Senate resumed the consideration of the bill (H. R. 6700) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes.

Mr. HOLLAND. Mr. President, for the convenience of all Senators who may wish to follow the items in the pending bill, H. R. 6700, I ask that there be distributed at this time a printed sheet which depicts the action taken by the House of Representatives and by the Senate Committee on Appropriations upon the bill, showing the various amounts in which the House and Senate committee recommendations are in conformity, and the various amounts with respect to which the Senate committee has recommended some change from the House-passed bill. In some instances, the changes are increases, and in some instances they are reductions.

I believe the best way for Senators to follow these items is to follow the sheet which is now being distributed.

Mr. President, the total amount of funds carried by this bill, as reported to the Senate, is $2,303,584,290. However, by far the largest part of the total amount is represented by the appropriation from the Federal-aid highway trust fund for going forward with the Federal-aid highway-construction program and the Interstate System of Highways, which has now become the most important part of that program.

The total amount allowed from the special trust fund set up for the Federal-aid highway program is $1,690,000,000. I invite attention to that fact at the beginning for two reasons: First, there will be no further reference to this item unless Senators have a question about it. Second, the item does not appear in the total budgeted amount of the general budget of $71.8 billion. Therefore, it should not be considered in any way as having relation to the huge sum which is included in the general budget.

The amount of $1,690,000,000, which is provided by this bill, was recommended by the Bureau of the Budget, has been approved by the House, and is supported by the collections in the trust fund. There is no question as to the ability of the trust fund to carry those items.

The $1,690,000,000 will be required during fiscal year 1958 to meet the commitments of the Federal Government to the several States, both under the ordinary Federal aid program, and also in the much larger amount required for going forward with the Interstate System, which is now under way.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Virginia.

Mr. BYRD. With regard to the trust fund, does the Senator know what the estimated surplus is?

Mr. HOLLAND. I do not understand the question of the Senator.

Mr. BYRD. In the highway trust fund is there an estimated surplus above what is to be appropriated in this bill?

Mr. HOLLAND. That estimate was presented, I will say to the Senator from Virginia, in the committee, and the presentation showed that notwithstanding this proposed expenditure, a very sizable surplus would remain at the end of fiscal year 1958. I shall be glad to supply the figure for the record.

Mr. BYRD. I agree with the Senator that a surplus is predicted. I wondered, however, if the Senator had available the exact amount of the estimate.

Mr. HOLLAND. The amount estimated by Mr. Tallamy, the able Federal Highway Administrator, in his testimony before the committee, to be in existence at the end of fiscal 1958, was $872 million. The Senator from Virginia knows, I suspect better than most of us, that the speed of collections depends upon items which cannot be foreseen with complete definiteness.

Mr. BYRD. I thank the Senator.

Mr. HOLLAND. I was impressed by the fact that the Federal Highway Administrator, Mr. Tallamy, seemed to approach the matter conservatively.

Mr. President, unless there is some question relative to this very large appropriation from the trust fund for the grants to States with which to move forward with the Federal-aid roads, I shall leave that item entirely and proceed to consider the portions of the bill which relate to the regular budget for the Department of Commerce and related agencies.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. I should like to ask the Senator a question or two about the trust fund. It has attracted my attention, because of an examination of the brief summary of the budget which was distributed from the White House through the Bureau of the Budget with respect to the expenditures.

Examining the figures under the highway expenditures, I found, as I now recall the figures, that the document cited the total expenditures for the year 1956 to be $783 million. I noticed that in the next column the expenditures for 1957 were estimated at $44 million. Then, glancing into the next column, I noted that the estimate for 1958 was $42 million. The discrepancy between the $783 million actually expended in 1956 and the $44 million predicted or estimated for 1957 and the $42 million estimated for 1958 appeared to me rather extraordinary. I found the explanation in the fact that I had overlooked the significance of a few little words following the word "highways." In parenthesis the words appeared, "not including trust funds."

So, examining into the trust fund, I found that for 1957——

Mr. HOLLAND. Mr. President, may we have order? The distinguished Senator from Wyoming is phrasing a very difficult question to the Senator from Florida, and I should like to have the opportunity to hear it.

The PRESIDING OFFICER. The Senate will be in order.

Mr. O'MAHONEY. I never knew a question to be difficult for the Senator from Florida.

I noticed, therefore, that there were actual expenditures from the trust fund of more than $1,050,000,000. On making inquiry, I was advised that sum represented the total amount of the trust fund which was allowed under the highway law for expenditure. Therefore, the $44 million mentioned in the Federal budget pamphlet represents a dipping into the general fund of the Treasury for that sum.

Further investigation with respect to 1958 showed that an estimate of expenditure of $1,650,000,000, as I recall the figure, is being made from the trust fund.

Mr. HOLLAND. One billion six hundred and ninety million dollars.

Mr. O'MAHONEY. One billion six hundred and ninety million dollars. I am reciting the figures from memory. I do not have the document before me. That means that it will be necessary to dig into the general fund of the Treasury in the amount of $42 million in 1958. Did the committee take evidence regarding this discrepancy?

Mr. HOLLAND. I think the discrepancy is more apparent than real. Under the most recently passed Federal-aid highway act, the receipts from various automobile sources with which the Senator is familiar are placed in a trust fund, to be used solely for the regular Federal aid program, primary, secondary, and urban, plus the Interstate Highway System. All such receipts held in the trust fund are to be used solely for the purpose of moving forward with the construction of Federal aid projects by paying to the States commitments made pursuant to the Federal-aid program.

If I may go a little further, the fact is that there are other Federal-aid programs not appearing in the ordinary primary, secondary, or urban programs and the Interstate System—such as forest highways, public-lands highways, the Inter-American Highway, reimbursement to the highway fund of the District of Columbia, and the Woodrow Wilson Memorial Bridge, or the Jones Point Bridge, which were allowed for by appropriations in 1957, in the total amount of $39,425,000 out of the general revenue fund, and properly so, because the trust fund was not available for these particular items, as the Senator from Florida understands.

The items which are comparable for 1958, under the estimates, are: $28 million for the forest-highway program—I am quoting, now, from the President's budget—$2 million for public-lands highways; and $12 million for the Inter-American Highway, or a total of $42 million. So, to get the entire picture for highways, it is necessary to consider the $42 million total budgeted for the several items I have just mentioned; and also the $1,690,000,000 total which is payable out of the trust fund, which I have just advised the Senator from Virginia [Mr. BYRD] is available in adequate amount to meet that demand. I pointed out that that commitment exists because of the provisions of the Federal Aid Highway Act, passed by us last year.

Mr. O'MAHONEY. But is it not a fact that the expenditures from the trust fund which are not represented in this summary of the budget are, therefore, not a part of the $71.8 billion expenditure which the budget report shows?

Mr. HOLLAND. Of course, the Senator is entirely correct. It is also fair to say that in former years—years before construction of the huge Interstate System was undertaken—these same items were shown as a part of the regular budget. However, the fact that they are not so shown this year is the result of legislation passed by the Congress last year, which set aside, in the special trust fund, the receipts from various kinds of automobile user taxes, earmarked specifically for the purposes for which the $1,690,000,000 is now proposed to be appropriated.

Mr. O'MAHONEY. But the fact is—and I ask this question merely for the RECORD—that the President's budget for 1958, when we consider these trust fund expenditures for the new Federal highway system, is not $71.8 billion, but $72 billion, or even $73.2 billion.

Mr. HOLLAND. The Senator is, of course, correct, except that he might say with equal truth that there are other items provided for by the action, or the suggested action by Congress, out of trust funds of one kind or another.

Mr. O'MAHONEY. Absolutely.

Mr. HOLLAND. Those other items do not fall within the total of $71,800,000,000. However, the point the Senator has made is completely correct, that the item contained in the pending bill of $1,690,000,000 from the trust fund to meet the commitments of the Federal Government to the several States for the three regular Federal-aid road programs, plus the Interstate System, does not appear in the regular budget of $71.8 billion, but must be added thereto before we can begin to see what the total commitments for expenditure from Federal funds from various sources are recommended to be for the fiscal year 1958.

Mr. O'MAHONEY. I now ask the question up to which I have been leading.

The Senator has doubtless observed the statement which was made by the Secretary of Defense yesterday, explaining the increased cost of airplanes and of the defense budget by the fact that we are living in an era of inflation. The price of steel is going up. The prices of various commodities which are needed in building weapons of war, as well as those needed in building the highways of the Nation, have been going steadily up, and nothing is being done by the Government to restrain the inflation except the imposition of the tight-money program by the Federal Reserve Board.

At the same time that the tight-money program is being imposed upon the masses of the people, the States, school districts, and other agencies which would like to borrow money for public purposes in local communities are unable to do so because of the high rate of interest, while at the same time, as the Senator from Virginia pointed out the other day, by the granting of rapid tax amortization to certain private applicants, they are made the beneficiaries of a very loose fiscal policy, and gain a great advantage, which proves most difficult and burdensome to the masses of our people.

Mr. HOLLAND. I appreciate the comment made by the distinguished Senator, but I do not propose to defend inflation in the budget.

Mr. O'MAHONEY. I am not asking the Senator to defend inflation in the budget.

Mr. HOLLAND. What I am trying to do is to explain the implications of the road trust fund, and the very large appropriation of $1,690,000,000 out of such fund, which appears in the pending bill, not merely by act of the Executive. I, for one, would have to accept my full share of responsibility. I supported the Interstate Road System program——

Mr. O'MAHONEY. So did I.

Mr. HOLLAND. Because I thought the speeding up of the construction of our trunk highways was very badly needed, and that, among other things, there was involved the safety of millions of people who travel on our highways. I suspect the Senator from Wyoming felt the same way.

Mr. O'MAHONEY. That is the way we all felt.

Mr. HOLLAND. The Senator is correct in calling attention to the fact that the very large figure of $1,690,000,000 is not included in the regular budget, but must, with other items, be added to the regular budget of $71.8 billion before we know what is the total commitment of the Federal Government for the fiscal year 1958.

Mr. O'MAHONEY. I thank the Senator. I think his answer has added greatly to public information on a very vital topic.

I might add that the Subcommittee on Fiscal Policy of the Joint Economic Committee, which subcommittee is headed by Representative MILLS, is about to hold hearings in June on what really constitutes the national debt. The picture presented in the budget is not an accurate one.

Mr. HOLLAND. I thank the distinguished Senator from Wyoming.

Mr. President, I now come to the portion of the bill which refers to the recommendations contained in the general funds budget.

The total amount contained in H. R. 6700 as reported to the Senate by the committee is $613,584,290. This is $257,928,710, or 29.6 percent, under the estimates for 1958, and $154,950,846 under the appropriations for 1957.

The bill as reported by the committee is $40,100,770 under the House bill.

In this connection, however—and since I think all of us owe the duty to be completely candid in these matters—I wish to call the attention of the Senate to the statement beginning at the top of page 2 of the printed committee report, as follows:

> It is to be noted that $65,000,000 of these reductions is made possible by authorizing the transfer of certain unexpended balances of the War Shipping Administration liquidation fund for use in meeting liquidation of obligations in connection with operating differential subsidies.

In other words, the utilization of these balances in the amount of $65 million does not reduce the expenditures under the budget by that amount, but it does make possible the reduction of appropriations in this bill by making these funds available for purposes other than those for which they were appropriated, in view of the fact that the original purpose has already been achieved, and the further fact that the funds are on hand in such shape that they can thus be utilized for a kindred field, that is, shipping differentials, by the same agency, the Department of Commerce.

Substantially the greater part of the bill is included in title I, the Department of Commerce. After the other body had completed action on the budget request of $803,790,000, and had allowed $591,387,060, a reduction of $212,402,940 from the estimates, there was an appeal to the Senate committee for the restoration of $78,892,940.

This amount was ultimately reduced by the Secretary of Commerce to an appeal for $78,787,840, after the Secretary of Commerce had withdrawn a request for the restoration of funds in the amount of $105,100 for the Office of Strategic Information.

The following is a brief summary of the recommendations of the committee. This is statistical and will appear in the RECORD, but I think, for the information of Senators present, I should read this 1-page summary of increases and decreases as we contrast the amounts in the Senate bill and the House bill.

The total amount of the House bill is $653,685,060. The increases over the House bill are as follows:

In the Civil Aeronautics Administration, for operation and regulation, $12,453,200, and for the establishment of air-navigation facilities, $16,083,330. These are the principal increases over the House bill. I may say, for the information of the Senate, that they represent the carefully considered judgment of the subcommittee and the full committee. These amounts represent high priority items in the total request of the Civil Aeronautics Administration relating to the establishment of air-navigation facilities and the operation and regulation of air traffic in a way very badly needed, as we seek to complete the installation of new facilities regulating the flight of airplanes, and affecting the safety of the personnel operating the planes and the millions of people who are traveling in the planes.

It was, in the committee's judgment, completely necessary for us to recommend these increases, because we felt that the action taken by the other body, no matter how conscientiously taken, deprived the large part of the public which is traveling by air for a considerable period of time of priority items in the matter of the establishment of new and improved air navigation facilities, and the operation and regulation under those facilities, which will very greatly add to the safety and security of the millions of our people who are traveling over the airways.

The second item, for business and defense services administration, for salaries and expenses, $2,167,000.

I shall not make specific comments on any of these added items, because I desire to present this report in a brief way, and then to yield to my colleague, the distinguished senior Senator from Maine [Mrs. SMITH], who has served capably and cooperatively as the ranking minority member of the subcommittee handling the bill.

Bureau of Foreign Commerce, salaries and expenses, $183,500.

National Bureau of Standards, expenses, $1,039,500.

Weather Bureau, salaries and expenses, $772,100.

Canal Zone Government, for operating expenses, $117,000.

Capital outlay, $25,000.

Both of these items are from funds derived from the operation of the Panama Canal.

Advisory Committee on Weather Control, $250,000. This will enable the completion of that important research effort.

Civil Aeronautics Board, for salaries and expenses, $469,600.

Tariff Commission, $60,000.

The total of recommended increases over the House bill is $33,620,230.

The decreases from the House bill are five in number, as follows:

Civil Aeronautics Administration, for grants-in-aid for airports, $5 million.

For area development, salaries and expenses, $195,000.

For maritime activities, in operating differential subsidies, $65 million.

I digress long enough to say that this is the same item which I discussed in the beginning of my formal statement. It represents a reduction in appropriations, but not a reduction in expenditures.

Bureau of Public Roads, for forest highways, a reduction of $2 million.

Civil Aeronautics Board, a reduction in the sum for payments to air carriers, $1,526,000.

The total amount of decreases from the House bill is $73,721,000, which I again remark includes the $65 million sum which I have specially mentioned.

The amount of the bill as reported by the subcommittee, therefore, is $613,584,290.

The reduction from the appropriations carried by the House bill is $40,100,770.

The reduction from the 1958 budget estimates is $257,928,710, or 29.6 percent.

The amount of decrease from the appropriations for 1957 is $154,950,846.

I apprehend that there will be questions as to some of these items, but I now wish to yield to my colleague, the distinguished senior Senator from Maine [Mrs. SMITH], to enable her to make her statement, which I understand may be, in some degree, along the general lines of my opening statement.

I yield to the Senator from Maine.

Mrs. SMITH of Maine. I thank the chairman of the subcommittee for being so kind as to yield to me.

Mr. President, as the ranking minority member of the Senate Appropriations Subcommittee on the Commerce Department, I want to take recognition of the very fine work of the chairman of the subcommittee, the senior Senator from Florida [Mr. HOLLAND]. He was most patient, thorough, constructive, and intelligent in his steering of the bill through the subcommittee and then through the full committee. I also want to commend the staff members, John Witeck and Bill Kennedy, who worked so diligently on the bill. Without them, the subcommittee could not have done its work.

The subcommittee conducted hearings on the items in the bill commencing on April 10, and, with interruptions due to pressures of other meetings and activities, finally concluded on May 8, after approximately 20 hours of taking testimony. The matters heard will be found in the 626-page volume.

The total budget request in the amount of $871,513,000 is comprised of 37 money items.

I should call to your attention that in the case of 21, or approximately 60 percent, of the items, the subcommittee, endorsed by the full committee, approved without change items allowed in the House bill, and by this joint act, if these recommendations are adopted, will effect a reduction totaling $100,357,700 from the budget estimates. I do not believe that in this instance we can be called the upper body for upping House allowances.

Furthermore, in the case of 5 items, where the House had already made reductions totaling $31,586,000, our recommendations propose further appropriations reductions amounting to $73,721,000, for a total reduction of $105,307,000 in appropriations. In this group is included, as a reduction in appropriations, the amount of $65 million, which is made available by transfer from balances of a fund provided for purposes which have largely been achieved.

Finally, in 11 instances, the recommendations in our report provide for increases totaling $33,620,230 over the amounts in the House version of the bill; however, despite this, they are still $52,264,010 below the budget estimates.

In summary, reductions of $100,357,700 were made concurrently with the allowances made in the House version of the bill; reductions of $105,307,000 were made by cutting below the House appropriation figures; and, in instances where increases were made over the House allowances, the budget estimate reduction was still $52,264,010. In all, these reductions total $257,928,710 from the budget amounts.

Mr. President, I ask unanimous consent that a tabulation of the data to which I have referred be printed at this point in the RECORD, in support of my remarks.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Item and reduction

Salaries and expenses, general administration	$139,800
BUREAU OF THE CENSUS	
Salaries and expenses	653,200
1958 censuses of business; manufactures and mineral industries	845,000
18th Decennial Census	850,000
CIVIL AERONAUTICS ADMINISTRATION	
Maintenance and operation, Washington National Airport	$234,000
Construction, Washington National Airport	250,000
Maintenance and operation, Alaska airports	550,000
Air navigation development	500,000
Salaries and expenses, Coast and Geodetic Survey	550,000
Salaries and expenses, Office of Business Economics	20,000
MARITIME ACTIVITIES	
Ship construction	91,500,000
Salaries and expenses	425,000
Maritime training	190,700
Salaries and expenses, Patent Office	200,000
Bureau of Public Roads, Public Lands highways	500,000
NATIONAL BUREAU OF STANDARDS	
Plant and equipment	350,000
Construction of facilities	2,000,000
Establishment of meteorological facilities, Weather Bureau	600,000
Total reductions	100,357,700

In the following three items, the House bill provides the amount of the budget estimate, and the Senate committee recommends agreement with the House action:

Export control, Bureau of Foreign Commerce.

State marine schools, Maritime Administration.

Inter-American Highway, Bureau of Public Roads.

Items reduced in House bill and further reduced by Senate committee

Items	House reduction	Senate committee reduction
Grants-in-aid for airports, Civil Aeronautics Administration	$5,000,000	$5,000,000
Salaries and expenses, Office of Area Development	----------	195,000
Operating-differential subsidies, Maritime Administration	20,000,000	[1] 65,000,000
Forest Highways, Bureau of Public Roads	3,000,000	2,000,000
Payments to air carriers, Civil Aeronautics Board	3,586,000	1,526,000
Total	31,586,000	73,721,000
Recapitulation:		
House reduction	31,586,000	----------
Senate reduction	----------	73,721,000
Total	$105,307,000	

[1] This reduction in appropriations is not a reduction in expenditures; an equivalent amount of money is made available by language authorizing transfer of balances from "War Shipping Administration liquidation" fund.

Item	Increase over House bill	Reduction below budget
CIVIL AERONAUTICS ADMINISTRATION		
Operation and regulation	$12,453,200	$4,799,000
Establishment of air navigation facilities	16,083,330	42,354,810
Salaries and expenses, Business and Defense Services Administration	2,167,000	1,393,000
Salaries and expenses, Bureau of Foreign Commerce	183,500	200,000
Expenses, National Bureau of Standards	1,039,500	1,552,000
Salaries and expenses, Weather Bureau	772,100	1,047,800
Operating expenses, Canal Zone Government	117,000	782,400
Capital outlay, Canal Zone Government	25,000	75,000
Advisory Committee on Weather Control	250,000	60,000
Salaries and expenses, Civil Aeronautics Board	469,600	----------
Tariff Commission	60,000	----------
Total	33,620,230	52,264,010

Mr. HOLLAND. Mr. President, I certainly appreciate the splendid remarks of the Senator from Maine, and I am grateful for the kind things she has had to say about the Senator from Florida.

Mr. President, before I yield for questions, let me say that the reductions made by the committee are very real. The 29.6 percent reduction from the amount voted by the House of Representatives is a reduction in the appropriations. It contrasts with a 22-percent reduction in the amount of the expenditures, after allowing for the fact that $65 million, instead of being appropriated by means of the bill as reported by the Senate committee, is simply transferred from another appropriation, as I have already stated, and as has been stated also by the Senator from Maine.

Mr. President, I understand that there are Members who wish to ask questions regarding certain of these items, and I shall be glad to yield to any Senators who have questions to ask about any items in the bill.

Mr. WILLIAMS. Mr. President, will the Senator from Florida repeat the amount which he says the bill, as reported by the Senate committee, represents as a saving, as compared with the appropriation bill of last year?

Mr. HOLLAND. The statement I previously made covered several approaches to the matter. As reported by the committee, the bill represents reductions in the amount of $257,928,710 from the budget estimates, or a reduction of 29.6 percent in the appropriations recommended by the budget.

However, as I have said repeatedly, a part of that reduction is merely a reduction in appropriation, represented by the transfer of the $65 million item from the fund representing the liquidation of the Shipping Board.

Mr. WILLIAMS. I address my question first to this point: How does the bill as reported by the Senate committee, and as now before the Senate, compare with the bill as passed by the House of Representatives?

Mr. HOLLAND. As reported by the Senate committee, the bill carries appropriations which represent a decrease in the amount of $40,100,770 from the appropriations voted by the House of Representatives, and is $24,899,230 above the expenditures provided by the bill as passed by the House of Representatives.

Mr. WILLIAMS. In other words, the bill as reported by the Senate committee carries spending authority $24 million greater than that carried by the bill as passed by the House of Representatives; is that correct?

Mr. HOLLAND. The Senator from Delaware is correct; and I have been trying to make that point completely clear, because I want all Senators to understand it. I also want them to understand that that fact is brought about by our recommendations in connection with the expenditures for the Civil Aeronautics Administration. The total increases we suggest for the Civil Aeronautics Administration are as follows: $12,453,200 for operation and regulation, and $16,083,330 for establishment of new air navigation facilities; or a total of a little more than $28,500,000.

Mr. WILLIAMS. The bill as reported by the Senate committee provides for transfer of the $65 million authorization for operating differential subsidies for ships, funds formerly available to the War Shipping Administration, the result being additional spending authority for the Department of Commerce for the next year in the amount of $24 million; is that correct?

Mr. HOLLAND. The Senator from Delaware is correct. The committee felt it was much better practice to transfer the $65 million, already in hand, and in a similar fund, and representing the liquidation of a Government operation, to the operation in which we voted to place it, which is the operating differential subsidies, rather than to appropriate new money.

In that connection, I call the attention of the Senator from Delaware to the fact that by that process we kept the recommendation contained in the bill as reported by the committee exactly identical with the recommendation contained

in the bill as passed by the House of Representatives, which provided for the expenditure of $100 million in the fiscal year 1958 for operating differential subsidies. In other words, we continued the reduction effected by the House version of the bill, as regards spending, from the $120 million recommended by the budget for this subject, for the fiscal year 1958, to $100 million; and there is also a substantial reduction below the appropriations for the fiscal year 1957, because the total appropriations for this purpose in the fiscal year which is now coming to an end were $124 million. So the $100 million called for by the bill as reported by the Senate committee and by the bill as passed by the House of Representatives is $24 million less than the appropriations for the fiscal year 1957, and is $20 million below the budget estimate for this objective for the fiscal year 1958.

Mr. WILLIAMS. Mr. President, I am not discussing the merits of what the Senate committee did. I am trying to establish the clear understanding that I have and to get it set forth in the RECORD, that the bill as reported by the Senate committee still carries the authority—as originally voted by the House of Representatives—for $100 million for the operation of subsidies for the merchant marine; and the bill as reported by the Senate committee carries spending authority of $24 million more than was included in the bill as passed by the House of Representatives. I think that on that point we are in agreement.

Mr. HOLLAND. The Senator from Delaware is correct; and I made both of those points completely clear in my opening statement.

Mr. WILLIAMS. One other point—I refer now to the language of the Senate committee version of the bill, which provides additional spending authority to the Department of Commerce, as appearing on page 8.

Mr. HOLLAND. Will the Senator state the particular part of the bill to which he is referring?

Mr. WILLIAMS. I am referring to page 8 of the bill, beginning on line 14, where the following proviso is found:

Provided, That transfers may be made to the appropriation for the current fiscal year for "Salaries and expenses" for administrative and warehouse expenses (not to exceed $1,700,000) and for reserve fleet expenses (not to exceed $500,000), and any such transfers shall be without regard to the limitations under that appropriation on the amounts available for such expenses.

The first part of the proviso is very clear, in that it provides for $2,200,000, but I desire to read the last phrase in the proviso and then ask a question.

I address my question to the Senator from Florida and call attention to the remaining part of the last three lines in the proviso, beginning with the word "and":

And any such transfers shall be without regard to the limitations under that appropriation on the amounts available for such expenses.

That appears to be rather innocent language, but if I understand it correctly, as it will be applied to the existing law, it provides the machinery to use $92 million spending authority for the next 12 months for construction differential subsidies, the $92 million being an unexpended balance from previous appropriations.

Am I correct in that understanding?

Mr. HOLLAND. First, I may say to the Senator that the item to which he now addresses himself has no relation at all to that which he has just been discussing, that is, operating-differential subsidies.

Mr. WILLIAMS. That is correct. I am now speaking of ship construction subsidies.

Mr. HOLLAND. This relates entirely to ship construction.

Mr. WILLIAMS. Perhaps I should make that clearer.

In the report of the committee there is listed an appropriation of $3 million for construction differential subsidies and a claimed saving of $97,700,000. Yet, if I understand the language correctly—and I wish to be corrected if I am in error—if we adopt the Senate bill, we are still leaving $92 million available for expenditures by the Department of Commerce whereby it can still expend this amount for ship construction in the next 12 months.

Mr. HOLLAND. The fact is that both the House and the Senate committee cut to the very bone the fund which the Bureau of the Budget requested, $94,500,000. We found there was a substantial balance on hand, and we followed the House in its recommendation of $3 million as the amount necessary to add to the funds on hand for 1958. However, we realized, when the Department was then under limitations because of action taken by the House, and limitations under the earlier bill, which limitations had been lived up to, that the Department would need funds authorized for administrative purposes for 1958. We therefore made available the $3 million in 1958.

The amendment provides that "transfers may be made to the appropriation for the current fiscal year for 'Salaries and expenses' for administrative and warehouse expenses (not to exceed $1,700,000) and for reserve fleet expenses (not to exceed $500,000), and any such transfers shall be without regard to the limitations under that appropriation on the amounts available for such expenses."

Therefore, there were limitations in the bill, and those limitations have been already practically exhausted.

Mr. WILLIAMS. If the Senator will consult with the committee staff, I think he will find that by the language of the committee bill we will be leaving $92 million available to the Department to spend for construction differential next year.

Mr. HOLLAND. We do not so understand, and we do not understand this has any relation at all to the operating-differential subsidies. It applies only to construction, and we are simply offering to enlarge the funds, by $1,700,000 in one case and by $500,000 in the other case, notwithstanding the more drastic limitations which appeared in the original grant. The debate should make that quite clear if the language of the bill does not, and I think the language does make it clear.

Mr. WILLIAMS. Would the Senator go along with an amendment striking the language out?

Mr. HOLLAND. No. The Senator from Florida feels the Department made a good case for needing some additional expense money, and the House had not allowed for the fact that in cutting out practically the full amount of the requested increase in funds in this particular field—that is, for ship construction—sufficient allowance had not been made for the fact that the Administration could go ahead.

Mr. WILLIAMS. I am not, at this moment, debating the merits of whether or not we need the ship-construction subsidy. I am saying that if it is needed let us make the grants directly, in specified amounts, and know what we are doing. In this instance, while the bill suggests only $3 million as being appropriated for payment of construction-differential subsidies for next year, the fact is that actually the Department will have $95 million available, or $92 million of previously appropriated funds plus the $3 million here today.

I still think the committee language will give the Department $92 million additional expense money which it would not have if the amendment were not adopted.

Assuming I am in error, will the Senator accept a proviso to the amendment stating that under no circumstances shall this amendment be interpreted as providing additional spending authority for an amount in excess of the two amounts named totaling $2,200,000?

Mr. HOLLAND. I would have no objection to such an amendment, because I think that is what the language means. I believe the legislative history made on the floor now so limits it. I cannot imagine that an administrative agency would fly in the face of such legislative history made on the floor of the Senate. If it did, it would have a difficult time selling its case to Congress or a committee, before which it would have to appear soon.

I simply state that the committee felt and understands that its action simply allows the use of appropriated funds in the amount of $1,700,000 more than the present limitations would permit for administrative and warehouse expenses, and $500,000 more than the present legislation permits in the case of reserve fleet expenses.

Mr. WILLIAMS. Is it the committee's understanding that the proviso provides only for two items, namely, one for $1,700,000, and the other for $500,000?

Mr. HOLLAND. The Senator is completely correct, and the Senator from Florida would steadfastly oppose any other construction, and would feel that the purpose and intent of the committee, and of the Department in making the request which the committee granted, was being stultified by any other interpretation, which would allow the use of greater funds.

Mr. WILLIAMS. Is it the understanding of the Senator from Florida that by no interpretation, and in no manner, will this language be interpreted as providing any authority for

the Maritime Commission to spend one dime for construction differential subsidies under the provisions of the bill?

Mr. HOLLAND. The Senator is correct. The only purpose of the amendment, and the only purpose of the request which we grant in proposing the amendment, is to allow the diversion, in the one case, of $1,700,000 for administrative and warehouse expenses, and, in the other case, a diversion of $500,000 for reserve fleet expenses, since neither of those amounts could be expended under existing limitations.

Mr. WILLIAMS. Can the Senator from Florida, as chairman of the subcommittee, also give us assurance that it is not the intention of the committee either to come before the Congress with a supplemental bill or to recommend the restoration of the $97 million, or any part thereof, during the next 12 months?

Mr. HOLLAND. The Senator from Florida can simply say that he has no such intention at this time. He knows no one else who has such intention.

However, there is no way in the world to foreclose in advance a consideration of the needs of all agencies of Government. The Senator from Florida has frequently voted for, and frequently voted against, supplemental budget requests. The Senator from Florida expresses the very strong hope that there will not be any such supplemental budget request.

Mr. WILLIAMS. I appreciate that.

Mr. HOLLAND. But any such request will have to be judged on its merits and on the conditions existing at the time. The Senator from Florida would not be true to his trust, or to the Senator from Delaware, or to anybody else, if he should seek to preclude himself from giving fair consideration to any request for a supplemental item which might come from an important agency of government in a period which has not yet begun. The fiscal year begins July 1 and extends for the year thereafter. The Senator from Florida certainly cannot go as far as the Senator from Delaware requests in assuring his distinguished friend, much as he would like to do so.

Mr. WILLIAMS. If the Senator from Florida will yield further, I did not mean to ask for a blanket promise from the Senator. I recognize that either one of us may change his mind as to the merits of a proposal brought before us later. What I referred to was the interpretation to be put upon the amendment now pending, and as to the manner in which it might be modified so as to make sure that the purposes intended would be carried out.

The interpretation of the Senator from Florida is that the adoption of the amendment will in no way be used as a justification for the restoration of any funds under a supplemental bill by an agency which might say, "Under this amendment we were supposed to get some money which you did not give us."

Mr. HOLLAND. The Senator is stating exactly what I feel. The adoption of this amendment has no relation to the creation of additional funds for ship construction. This amendment would allow the agency to carry forward the administrative work which they must perform under the law. If the agency took any position different from that indicated before the committee, it would find at least one member of the committee, the Senator from Florida, very hostile in his attitude toward any such interpretation, because his understanding has been that they were asking for needed funds for administrative purposes, which we should grant them, and not that they should have a foot in the door which would enable them to come to Congress later to ask for $100 million or any other sum for ship construction.

Mr. WILLIAMS. If the Senator from Florida will yield further, is it correct to state that we can assume the bill now before the Senate, with committee amendments—either in the language proposed in this amendment under the ship-construction item or in any other place in the bill, for that matter—will not give the Maritime Administration the authority to use previously appropriated funds to carry out their ship construction differential payments, or any transfer as provided in the operational case when there was a transfer of funds from the War Shipping Administration?

Mr. HOLLAND. Oh, no. The distinguished Senator has my assurance that there is no such course being followed here as we followed in the transfer of the funds from the liquidation of the War Shipping Administration.

Mr. WILLIAMS. There is no transfer.

Mr. HOLLAND. This is a matter which makes available for other purposes funds which could be used under present law only for construction. It makes those funds available in limited amounts for administration; in one case $1.7 million, and in the other case $500,000.

I wish to assure the Senator that the committee has no thought whatever in suggesting this amendment, if it shall be agreed to, of laying a predicate for a supplemental budget request. Quite the contrary, we are trying to afford the agency the machinery and funds by which it can continue to properly administer funds already appropriated through the fiscal year 1958.

Mr. WILLIAMS. I recognize that. I do not wish to have the Senator from Florida think that I am questioning his good intentions by asking these questions. I am merely trying to establish the record, so that he or I or anyone else reading the RECORD will understand what is meant. Is it correct to say we have a clear understanding that there is nothing in the language of the amendment, and nothing in this bill, intended to release any previously appropriated funds to this agency whereby they can use previously appropriated but unobligated funds for the purpose of payment for ship construction, over and above the two amounts mentioned, namely, $1.7 million for the administrative and warehouse expenses, and $500,000 for fleet expenses?

Mr. HOLLAND. I will say to the Senator, he has stated the matter exactly the way I understand it, with this exception: Previously appropriated funds can be spent only as the terms of the appropriation permit. There are unexpended funds in the item for the ship building differential, as the Senator knows. They will have to be used for the purposes for which appropriated, with the exception of these two items, which are being earmarked and permitted to be transferred to administrative use. That is the only change.

Mr. WILLIAMS. The authority of the Maritime Administration to use previously appropriated funds represents the $92 million about which we are talking. What I am asking is: Are we in this bill authorizing the expenditure of unobligated funds previously appropriated?

Mr. HOLLAND. Not unless the expenditure is authorized by previous legislation. This bill would not make any change in any way whatsoever in the provisions of previous appropriations except as stated by the amendment, that funds not now usable for administrative purposes shall be available for those purposes in the amount of $1.7 million in the one case and in the amount of $500,000 in the other case. That is the only purpose, the only effect, and the only result that would be accomplished by this amendment.

The Senator from Florida has already given his friend, the Senator from Delaware, the assurance that the Senator from Florida would be made very hostile toward any request of this agency if it came forward and sought to apply some different construction to the language.

Mr. WILLIAMS. My reason for persisting in asking this question is that the language of the committee amendment on page 8 in my opinion definitely releases $92 million of previously appropriated funds for this agency to use next year for the payment of the construction differential subsidies, which they cannot pay without the adoption of this amendment. If the Senator from Florida will assure me that is not true, I will accept his assurance.

Mr. HOLLAND. Mr. President, I assure the Senator from Delaware that there is no such intention in the amendment. I do not so construe it. It is my positive assurance to the Senator that the whole committee would not stand for any such interpretation.

Mr. WILLIAMS. Mr. President, with the permission of the Senator from Florida, I should like to suggest the absence of a quorum.

Mr. HOLLAND. Mr. President, I did not yield for that purpose.

Mr. WILLIAMS. I withhold the suggestion and will resume the questions later.

Mr. BARRETT. Mr. President, I should like to ask the Senator from Florida a number of questions with respect to certain items in the bill.

I invite attention to the items for the Bureau of Public Roads. I note that the request for the Federal-aid highway trust funds was allowed in full, to the extent of $1,690,000,000.

Mr. HOLLAND. The Senator is correct.

Mr. BARRETT. That amount is pursuant to the Highway Act which Congress passed a year ago, and involves merely the use of the money which was provided for by the additional taxes, and so forth, under that act.

Mr. HOLLAND. The Senator is correct. Under that act the trust fund was

set up to meet the expenses of the ordinary Federal aid to road construction—primary, secondary, urban, and the Interstate System. So far as those systems are concerned, they are now being financed from the trust fund. But there are other objectives in which the Federal Government has an interest, in connection with road construction, which are not embraced in the trust fund, and they are found in the forest highway item, the public lands highway item, and the Inter-American Highway item.

Mr. BARRETT. That is my next question, if the Senator will yield for that purpose.

Mr. HOLLAND. I yield.

Mr. BARRETT. I note that the budget estimate for forest highways was $28 million, and that was reduced by the House to $25 million. The Senate committee makes a further reduction to $23 million.

Mr. HOLLAND. The Senator is correct; and that reduction was made because the agency itself stated to us that the $23 million would be ample to pay all the obligations now existing under contractual authorizations which will be payable in 1958.

Mr. BARRETT. I call the Senator's attention to the hearings on page 501. I note there the statement that, as of April 1 of this year, projects programed but not yet placed under construction involved approximately $25 million of forest highway funds, leaving a balance of $4,200,000 available for programing additional projects. Reference is made to exhibit 3. What I should like to call the Senator's attention to is this particular situation:

The Congress provided for an interstate highway system, and an enlarged Federal highway system, and further it authorized the Bureau of Public Roads to expand the forest highway system to the amount of $30 million a year. That was under the act of Congress last year. I call the Senator's attention to the fact that we are proceeding with the interstate system and the enlarged Federal-aid system to the extent of 100 percent, as the Senator stated a moment ago, but we are reducing the funds available for forest highways from $28 million to $23 million. That will result in a bottleneck in our entire highway system in the Western States. In other words, we shall wind up with an improved and enlarged Federal-aid system, and a tremendously enlarged interstate system, but when we come to the forest highways, with respect to which the Bureau of Public Roads reported that about 75 percent was coincidental with the Federal-aid system, and furthermore, that 800 miles of the forest highways are a part of the national system of interstate and defense highways, we shall have a great number of "dead ends" in the 11 Western States unless we do as the Congress intended should be done, namely, authorize and direct the Bureau of Public Roads to contract for and to spend $30 million each year for the forest highways, although I think that sum is inadequate. However, the committee is reducing the sum from $30 million to $23 million.

Mr. HOLLAND. I can understand the concern of the distinguished Senator. However, I want him to know that this reduction is based upon conferences between the committee and the Budget Officer of the Department of Commerce and the Assistant Secretary for Administration. The reduction represents their considered view, only a week ago, long after the budget was made up, and long after the hearings in the House were held, as to the full amount which will be required for the building of the forest highway system in 1958.

Let me say also to the distinguished Senator that he is in error in his conclusion that the $1,690,000,000 represents the full authorization for construction of the Interstate System and the ordinary Federal-aid programs in the fiscal year 1958.

Mr. BARRETT. It does represent the full budget estimate, however.

Mr. HOLLAND. It represents the full budget estimate, which in that instance was based upon commitments to the States, as to the amounts which would have to be paid in those years.

If the Senator will turn to page 499 of the hearings, he will see that the total amount of the program which could have been carried on if the program could be advanced so quickly under the Interstate System and the 3 ordinary, secondary, and urban systems, was authorized to be $2,550,000,000. So the approach to that total, in the allowance of $1,690,000,000, represents an even smaller percentage than that which is worked out in the case of forest highways.

Mr. BARRETT. I understand that; but I still insist, so far as the budget estimates are concerned, that the Bureau of Public Roads did request, through the Department of Commerce, $28 million. However, the committee in this bill is cutting the appropriation back to $23 million.

Mr. HOLLAND. The Senator is correct; but we cut it back not because the committee wanted to cut off one dime of funds that could be used or would be needed in the fiscal year 1958, but because, after the situation was resurveyed only last week by the paying agency, we were told that $23 million would be adequate to cover full payments on all construction underway or contemplated, with respect to which money would be payable in the fiscal year 1958. The committee has not cut off a dime. It simply reduced the figure because, as time has lapsed, the Agency has been able to get a clearer view of what it would need. It is the Agency's estimate of $23 million which now represents its conviction as to the full amount which it will need in fiscal 1958.

Mr. BARRETT. That is what disturbs me more than anything else. Every State in the West is asking for twice as much work to be done on the forest highways as they are able to have done. I cannot understand for the life of me how the Bureau of Public Roads can say they do not need the full $28 million. There is something wrong somewhere. Either the Bureau is not following the mandate of Congress and constructing forest highways to the full extent authorized, to wit, $30 million, or they are cutting back the requests of the various States for work in those States.

Mr. HOLLAND. The Senator from Florida would not be agreeable to cutting it back. He wants the whole program to go forward. He is sorry that the program for the interstate system, the primary system, the secondary system, and the urbans system cannot utilize the total of $2,550,000,000 which was provided for fiscal 1958. He is sorry, with his friend from Wyoming, that the program for the forest highway system cannot utilize the full $30 million. However, the fact of the matter is that the combined roadbuilding program now underway so greatly exceeds any program we have ever carried on in the past that we cannot get to it all at once.

The Bureau of Public Roads impressed the committee with its desire to strengthen the program and enlarge it within the full figures authorized in every way within its power. However, it was bound to say to the committee what its judgment was under the changed conditions since the time the budget estimate was made last fall. The conditions have changed from last fall to last week. These changed conditions relate to the forest highway system.

The Senator from Florida has given to the Senator from Wyoming the exact picture in that connection. I wish to say further that, difficult as it is to get supplemental items approved, I believe there would be no question whatever about getting a supplemental appropriation, if one were needed, to fill an obligation for highway construction where the agency has gone ahead and let a contract and needs the money. In my judgment, that would go through with the greatest of speed, because it would be recognized as being an obligation of the Federal Government which Congress had authorized to be made. Certainly there would be no trouble about it.

The distinguished Senator from Wyoming knows that there would be no justification for Congress to appropriate $30 million merely because it was asked for last September.

Mr. BARRETT. Of course not.

Mr. HOLLAND. The distinguished Senator from Wyoming should approve the action of the committee in insisting that the figures be brought up to date from the standpoint of resurveying the situation and finding out exactly what amount will be needed. I believe that in private business he would insist on it.

Mr. BARRETT. Indeed I would. I agree with the Senator 100 percent. I am not attempting to raise any question amout the wisdom of the committee in taking this action. I am questioning the action taken by the Bureau of Public Roads. I can assure the distinguished Senator from Florida that every State in the West is clamoring for more forest highways. We need such highways. We need them very badly. At present, in many places, forest roads are in a dangerous condition. They are an integral part of our primary system and, as I indicated a while ago, they are even a part of the new interstate system.

Why the Bureau of Public Roads could not enter into contracts for the full $30 million, which in my judgment is only half of what is needed—it ought to be $60 million, instead of $30 million, if an integrated highway system is to be built in the Western States—I will never be able to understand.

Let me ask the Senator another question. I appreciate the Senator's patience.

Mr. HOLLAND. I wish to be helpful to the distinguished Senator. I am having exactly the same kind of aches and pains in connection with the interstate mileage in my State that the Senator from Wyoming is having with regard to forest highway mileage in his State.

People in Florida cannot understand why all the interstate mileage cannot be built at once, and why all the money made available cannot be spent in the year it is available. The Senator from Wyoming knows—he has been governor of a great State, and the Senator from Florida served at one time in a similar capacity—that we cannot possibly anticipate that a program of roadbuilding, expanded as greatly as the program was expanded by last year's legislation, can be put into operation overnight. The Bureau of Public Roads is the agency which, more than any other agency, wants to see this whole program put under contract and completed as soon as possible. I believe they are doing their best toward that end.

Mr. BARRETT. I agree with the Senator. The Bureau of Public Roads has been authorized by the highway law we passed a year ago to expend $30 million by contract authorization on the forest highways. This bill will leave a shortage in that fund of $7 million. The question I have is this. Will that amount be carried over, and can the Bureau contract next year for the $30 million provided in the law and for the $7 million that is not provided for in this appropriation bill?

Mr. HOLLAND. I am sorry to say to the distinguished Senator from Wyoming that, without having reference to the specific provisions of the section dealing with that subject in last year's legislation, I cannot answer the question. If the Senator will give me a moment, I shall place the information in the RECORD. I should like to read from the section in the act that deals with this subject. Neither the distinguished Senator from Wyoming nor I can possibly hope to remember all the items in a law of the magnitude of the one we passed last year.

Section 103, which deals with forest highways and forest development roads and trails, reads, in part, as follows:

> For the purpose of carrying out the provisions of section 23 of the Federal Highway Act of 1921, as amended and supplemented, there is hereby authorized to be apportioned (1) for forest highways the sum of $30 million for the fiscal year ending June 30, 1958, and a like sum for the fiscal year ending June 30, 1959.

Then the next language has to do with forest development, which I shall omit.

I continue to quote:

> *Provided further*, That hereafter funds available for forest highways and forest development roads and trails shall also be available for adjacent vehicular parking areas and for sanitary, water, and fire-control facilities.

I may say to the distinguished Senator from Wyoming that Congress was a good deal more generous in dealing with his State and other States which have extensive forest highways, in this regard, than it was in dealing with other States which do not have forest highways. The Senator from Florida was glad to join in that provision.

Mr. BARRETT. I remember that. I appreciate it.

Mr. HOLLAND. I do not find the exact answer to the Senator's question in that section. I suggest that he take it up with the appropriate agency. Suffice it to say that the Bureau of Public Roads has not been able to keep up with forest highway authorizations. I remember that we had to eliminate an accumulation of such authorizations which had not been used when we enacted the road legislation last year.

Mr. BARRETT. Yes; I remember that.

Mr. HOLLAND. But I may say also that I was in earnest when I voted for this portion of the act, as I know the Senator from Wyoming was. I agree with him that we want to speed the construction of forest highway links in the regular Federal aid system, and that is what he is talking about.

Mr. BARRETT. That is precisely so.

Mr. HOLLAND. We want to speed such construction as rapidly as we can, as is true of all other portions of the program, and I shall join him in anything that is reasonable along that line. I will not join him—if, indeed, he is asking that it be done— in restoring an estimate made in September, when the same agency feels now, in May, that it cannot use those funds and, instead, requires the smaller amount.

Mr. BARRETT. I am not asking that that be done.

Mr. HOLLAND. I thank the Senator.

Mr. BARRETT. The sole purpose of my inquiry was to ascertain whether the Bureau of Public Roads was proceeding with the dispatch I had hoped they would exhibit, so that we could get the forest highway program underway.

Mr. HOLLAND. I suspect the answer which the Bureau of Public Roads would give is the same one they have given to us with respect to the delays in starting the roadbuilding programs in Florida, namely, that they simply cannot get all the plans and specifications ready at once, and they cannot get all the contractors to bid on a vast building program at one time.

The industry itself is increasing its capacity in this field month by month, and will continue to do so under this tremendously expanded program.

I join with my distinguished friend from Wyoming, and I assure him that I will assist in any way I can, from the congressional angle, to speed the programs under the great bill which Congress passed last year.

Mr. BARRETT. I think the distinguished Senator from Florida will agree with me that the Bureau of Public Roads should make every effort it possibly can to get the work underway in the next fiscal year, and if he can be of some assistance in that respect, I will appreciate it very much. I thank him for his expression here today.

Mr. HOLLAND. I always stand ready to cooperate with my good friend from Wyoming, and certainly in a reasonable, understandable request of this kind.

Mr. BARRETT. I thank the Senator from Florida.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from New Mexico.

Mr. CHAVEZ. I thank the Senator from Florida for his indulgence.

I wish to tell the Senator from Wyoming that I am deeply interested in the problem he has discussed. I think the road-building program is so vast that there has not been sufficient time in which to get it started. In the first place, the average State is not moving rapidly with its program because of a lack of engineers and surveyors. Because of that situation and because the program is so vast and so important, I have asked that the Subcommittee on Public Roads of the Committee on Public Works, headed by the distinguished junior Senator from Tennessee [Mr. GORE] hold hearings, which he has been doing, in an effort to accelerate the program. There is no use authorizing and appropriating money if the roads cannot be built.

Mr. BARRETT. The Senator from New Mexico is exactly correct. He is chairman of the Committee on Public Works, which has jurisdiction over this entire matter. I know that he and his State are just as much interested in forest highways as is Wyoming, or as I am.

Mr. CHAVEZ. That is correct. When the Senator from Wyoming discusses forest highways or roads, I believe I understand that particular subject. I agree with everything the Senator has said; but, as was explained by the Senator from Florida, we do have to try to push the program.

Mr. BARRETT. That is precisely what we are trying to do.

Mr. CHAVEZ. That is correct. I am glad the Senator from Wyoming has made his remarks. The Senator from Florida is in charge of a very important bill, and is deeply interested in this subject, because good roads are important to any State, whether it be Republican Wyoming, or Democratic New Mexico, or Democratic Florida.

Mr. HOLLAND. Mr. President, I greatly appreciate the kind statement by the distinguished Senator from New Mexico, who is chairman of the Committee on Public Works, from which came last year the legislation we have been discussing. Certainly his statement that the road-building industry simply cannot expand, and the engineering studies by State highway departments, and others, cannot be accelerated overnight to take care of this program, really confirms the statement which I made a few minutes ago.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. NEUBERGER. I am glad the able Senator from New Mexico is on the floor, because perhaps he can assist, in his capacity as chairman of the Committee on Public Works, in answering my question.

Is it not true that the expansion of forest highways might not involve some of the same difficulties pertaining to the construction industry as are faced in the construction of other highways? Forest highways rarely are surfaced; they are much more crude in construction, and they do not require the vast amounts of steel, concrete, and other materials which go into the more finished roads.

Mr. HOLLAND. I readily see how the Senator from Oregon could come to that point of view, but I think he is confusing the term "forest highways," because that type of highway applies only to links in the Federal-aid system which go through forests.

I think perhaps the Senator is thinking of the developmental roads and the access roads and trails, which are certainly of lighter construction and have been properly described by his question.

Our problem does not relate to them, but to the links of the interstate highways which pass through forests and which becomes the peculiar responsibility of the Federal Government to construct, so that they will be of the same high type of construction as are the other Federal-aid projects.

Mr. NEUBERGER. The Senator from Florida has answered my question. The bill does not apply, in other words, to what may be described as forest access roads and trails, which are built in the national forests.

Mr. CHAVEZ. For the protection of the forests.

Mr. NEUBERGER. For the protection of the forests, so that the timber may be economically and prudently harvested.

Mr. CHAVEZ. That is correct.

Mr. NEUBERGER. This bill does not apply to those roads, does it?

Mr. HOLLAND. What the Senator from Florida is now discussing are the national forest roads which are connected with the Interstate Highway System.

Mr. NEUBERGER. Rather than the developmental and access roads and trails. They are not involved in this particular bill.

Mr. HOLLAND. No. We are talking about forest highways; and under the technical meaning of the term as it is embraced in the Federal-Aid Highway Act, it applies to the mileage of the regular Federal aid system, whether primary or secondary, and on the Interstate System in particular, which happens to traverse the national forests.

Mr. CHAVEZ. It is on the Interstate System. I may say to the Senator from Oregon, also, that so far as access roads for the protection of the national forests are concerned, they will be the subject of another bill, the Department of the Interior appropriation bill.

Mr. NEUBERGER. I thank the Senator from Florida and the Senator from New Mexico for setting me straight and affording me exactly the information I desired. I had hoped they would understand my question, because I was trying to be vigilant in protecting the very real interests of my State with respect to forest roads.

Mr. HOLLAND. I think every Senator knows the very great interest which the Senator from Oregon has in the forests and in everything which pertains to the forests, and the national parks, as well. We recognize him as a kind of special pleader for those objectives, and we thoroughly understand his position on this point.

Mr. CHAVEZ. Through the kindness of the distinguished senior Senator from Georgia [Mr. RUSSELL], who at one time handled the Agriculture appropriation bill, I had the privilege and the opportunity to visit the forest roads in the State of the Senator from Oregon. I wish that Wyoming and New Mexico had the kind of forests which exist in Oregon.

Uncle Sam owns, in my State alone, 16 million acres of timberland, but there it takes 85 years to make a merchantable tree. I know that between Newport and Tillamook, along the Pacific, they make a merchantable tree in 30 years.

Mr. NEUBERGER. I wish to make one correction in what the distinguished Senator from New Mexico has said. His facts are absolutely correct, but it is not "they" who make a tree; it is the Creator of heaven and earth who makes the tree, and we in Oregon can only offer thanks for that good fortune.

Mr. CHAVEZ. I will not take a back seat to anyone as to who created the tree. But I say they make a tree in 30 years and produce 100,000 board-feet per acre.

Mr. NEUBERGER. That is correct.

Mr. CHAVEZ. I wish that could be done in other Western States; but Oregon has the proper climate.

Mr. NEUBERGER. Oregon often has 80 inches of coastal rainfall from weather patterns coming from the Aleutians. Although the people sometimes complain about too much dampness there could not be, without this rainfall, the great forests which the Senator has described.

Mr. CHAVEZ. I landed at a place called Klamath Falls. I did not go on the main road. I went on the forest road to Bend, and then went over the Cascades and followed the river into Eugene. I never saw more beautiful things than those the Lord and nature had provided.

I congratulate the Senator; he comes from a wonderful State. The Lord and nature have been good to that area of the United States.

Mr. NEUBERGER. The Senator's State of New Mexico has magnificent canyons and the great uplands of the Southwest. We in Oregon have the majestic forests which the Senator from New Mexico has described. Each of us is fortunate in a slightly different way.

Mr. CHAVEZ. That is correct. If we in my State had a different kind of country, it would not be New Mexico. So far as New Mexico is concerned, we are very happy with it as it is.

Mr. NEUBERGER. I think the Senator should be happy.

Mr. CHAVEZ. Not only happy, but proud.

Mr. NEUBERGER. The Senator should be proud, also.

Mr. CHAVEZ. My ancestors have been in New Mexico since 1589. I am happy that it has been possible to discuss with the Senator from Oregon the subject of highways in his great State and mine.

Mr. NEUBERGER. I cannot claim that my ancestors were in Oregon that long ago, because, if they had been in Oregon at that time, they would have been there before the great explorers Meriwether Lewis and William Clark arrived. My grandfather came to the great Northwest from Germany in 1869, for the very good reason of wishing to avoid becoming personally involved in the Franco-Prussian War. The year 1869 is a very much more recent date than the date of the arrival of the illustrious ancestors of the Senator from New Mexico.

Mr. CHAVEZ. That indicates one of the good features of the United States of America. Those who wished to avoid becoming involved in the Franco-Prussian War, those who wished to be adventurers from Spain, and those who wished to leave Wales, have come to America. I think it is wonderful.

Mr. NEUBERGER. I hope the Senator from New Mexico and I and others will be able to take action to preserve the great natural assets and the natural resources of our country, so that all Americans—both those who are Americans by birth and those who have become Americans as a result of immigration—will be able to enjoy those great natural assets.

Mr. CHAVEZ. Mr. President, I am a great admirer of Teddy Roosevelt. I know he fought at San Juan Hill, as a Rough Rider; and I know he was responsible for the construction of the Panama Canal. But I believe his greatest contribution to the welfare of the people of the United States was his action in having the Federal Government take over the national forests, for the benefit of the American people.

Mr. NEUBERGER. Yes; the national-forest system is Teddy Roosevelt's greatest monument.

Mr. CHAVEZ. That is correct.

Mr. HOLLAND. Mr. President, I thank the distinguished Senators for their contribution to the debate.

I have agreed to yield to the Senator from Delaware.

Mr. WILLIAMS. Mr. President, to resume the previous colloquy I had with the Senator from Florida, at which time we were referring to the item on page 8 of the Senate committee report on ship construction. In the report the committee claims that the bill as reported by it will appropriate only $3 million for ship construction for next year, representing a saving of $91,500,000 below budget requests.

My point is that although that may be a cut in the budget request, nevertheless, so far as actual spending authority for the Maritime Administration is concerned in connection with the payment of ship construction differential subsidies during the next fiscal year, the agency will have sufficient appropriations available whereby it can still spend more money than it spent during any of the 4 preceding years. In effect with the passage of the Senate bill this agency will have $92 million, plus the $3 million provided for in the committee amendment, or a total of $95 million. All of this can be spent for ship construction differential payments beginning in the fiscal year 1958. It is more than has been spent in any of the 4 preceding years.

I believe I am correct in stating that the Maritime Administration, of the Department of Commerce, will have a total of $92 million plus the $3 million, or a total of $95 million for the payment of ship construction differential subsidies beginning in the next fiscal year notwithstanding any supposed reduction in appropriations by means of the bill as reported by the Senate committee.

Mr. HOLLAND. First, Mr. President, let me say that I do not like the use of the word supposed, in connection with the reductions carried in the bill as reported by the Senate committee, because the bill as reported by us is replete with reductions.

Mr. WILLIAMS. The bill is replete with reductions in the budgetary requests, but I am referring to spending authority. Is it not true that with the passage of this bill the Maritime Administration has $92 million which it can use under existing law, plus the $3 million now proposed to be provided; and is it not also true that last year the Maritime Administration spent $87 million for ship construction differential subsidies, and that they spent $86 million in the fiscal year 1956, $70,500,000 in the fiscal year 1955, and $82,300,000 in the fiscal year 1954? Is it not also true that, under the pending bill, as reported by the Senate committee, the Maritime Administration will begin with $95 million available for expenditure for this purpose, notwithstanding any economies about which we may be talking? Under this bill we are not reducing the spending authority of this agency for next year.

Mr. HOLLAND. Mr. President, at the time of the House committee hearings, $92 million was available in this fund. The amount now available may be somewhat less. That available amount was carried over from previous appropriations. The Senator will find on page 7 of the House committee report a very careful treatment of this subject, indicating why the House made the $3 million available. That portion of the House committee report concludes with the following words:

> All new funds requested for this purpose have been deleted, in view of the fact that $92 million of ship-construction funds, available from 1957 and prior years, will permit the construction of 17 new vessels in 1958.

If the Senator from Delaware will also refer to pages 390 and 391 of the House hearings, he will find the same subject matter dealt with there. Congressman SHELLEY and Mr. Morse, in testifying, made it very clear that as of the date of their testimony—which I believe was in March—$92 million was available, and that it was to be used in the construction of the 17 ships, which were planned for construction in 1958, and that the construction of the 17 ships could go forward by means of use of the $92 million. For that reason, the committee then decided to delete all the budget request for this particular field, except $3 million, which was for specific purposes, as outlined in the committee's report.

In reviewing that matter, the Senate committee felt that that action was sound; and that although sometimes there may be justification for having a pipeline full, so that those concerned will know what they can spend from accumulated funds, in connection with planning already underway, this was one occasion when, under existing conditions, we thoroughly approved the philosophy of the House of Representatives in voting to reduce the appropriation to $3 million.

There has not been any effort to misinform anyone regarding the facts of this matter. The facts are that on that date, $92 million was available. As of the present time, that amount has been reduced somewhat, although I do not have available at the moment the exact amount as of today. The $92 million was adequate for proceeding with construction of the 17 ships. We did not wish to interfere with that; those in charge of the operation are ready to proceed. So we simply voted to delete the budget request, except for the $3 million.

I do not think the distinguished Senator from Delaware could possibly wish to delete that fund, inasmuch as it relates to the construction of ships already planned and now ready to be constructed, and inasmuch as such a deletion would mean that a program already covered by Congressional authority in past years would be ended before it could be begun. Furthermore, that program is important in terms of national defense; it provides for the incorporation into these 17 ships, as they are being constructed, of the features—whether they be speed or equipment or arrangements of space—which will make them available at once in the event of national emergency, to be used for the national defense. Certainly the Senator from Delaware would not wish to disturb that $92 million, would he?

Mr. WILLIAMS. Mr. President, I think the Senator from Florida is correct in taking the position that additional funds should not now be appropriated for this agency.

The point is that we are talking about cutting the budget, and the American people want to have it cut. In that connection, I think the true facts should be shown. The test as to whether it will be possible for us to cut taxes will be the actual expenditures of funds for which the Congress provides.

And so far as spending authority is concerned, the bill as reported to the Senate by the committee carries additional spending authority of $613 million. In addition to that, $65 million represents a transfer from funds previously appropriated to the War Shipping Administration to the Maritime Commission under the Department of Commerce. This is for payment of operational subsidies of the merchant marine, thus bringing the total up to $678 million. The $65 million is extra spending authority, and is not a saving to the American taxpayers.

In addition, another $92 million will be available from previously appropriated funds for payments of ship construction differential subsidies. The Senator from Florida will admit, I am sure, that unless the $3 million item and the language included in the bill are enacted, the Maritime Administration will not have authority to spend either the $3 million or the $92 million.

So, Mr. President, if the bill as reported by the Senate committee is enacted into law, the Commerce Department will have a total of $770 million spending authority for the fiscal year 1958, rather than the $613 million to which reference has been made. Spending is not being cut below last year's level, but is actually being increased.

Also, in comparing the amount with the appropriation for last year, let me point out that I notice the committee report contains a reference to last year's appropriation as being $768,553,136, but that item included two supplemental bills totaling $80,600,000. If we delete these, as we should if we wish to make an actual comparison and use the total amount in the bill which was passed last year, we find that last year's bill provided only $688 million, against the pending bill of $770 million. Actually, the bill as reported by the Senate committee provides for an increase in the amount of $82 million over and above the appropriations made for this agency last year. Instead of a decrease, we are actually increasing expenditures for this agency.

Mr. HOLLAND. Of course, the figures used by the Senator from Delaware are correct; but I am sure the Senator is not questioning the fact that the bill as reported by the Senate committee reduces by $257 million the appropriations requested by the Budget, and that only $65 million might by the remotest stretch of the imagination be characterized as apparent, rather than real.

As a matter of fact, that is $192 million below the spending authority of the Budget, and $257 million below the appropriations requested by the Budget Bureau.

I believe the Senator has already been gracious enough to say earlier in the debate that he approved of at least two things the committee has done. First, he approved of requiring the agency to use the $65 million in the liquidation fund of the War Shipping Administration fund. It was in one of their pockets, and we insisted on their putting it into their other pocket and using it. Secondly, I understand the Senator approves of the committee's cutting the request for $94.5 million down to $3 million. There have been no such cuts in bills reported in this field since the Senator from Florida has been a Member of the Senate.

Even though the Senator from Florida knows of the desire of the Senator from Delaware to cut expenditures, he also knows of his sense of fairness, and hopes the Senator from Delaware will admit that similar proposed cuts in bills have

not previously been made in this session or any other session of Congress since he and I have been Members of this body.

Mr. WILLIAMS. I agree with the Senator that this represents a cut in the budgetary request. To that extent I compliment him and his committee.

Mr. HOLLAND. We appreciate that.

Mr. WILLIAMS. I think it is a step in the right direction. But I point out the appropriations on which we are passing would allow more to be spent next year than was spent this year. I do not think it is quite right to let the statement be made that we are saving the American taxpayers $97 million on construction subsidies in the merchant marine next year when in reality we are providing means whereby in that particular field the agency can spend more money than it has spent for the same programs in any of the preceding 4 years.

While I think the Senate committee should be congratulated for bringing this particular agency more in line, in order that we may see how far out of line it has been on previous requests, I should like to read the record of the past 3 or 4 years:

In fiscal 1954 it had left over an unexpended balance for payment of construction subsidies of $65 million. There was appropriated $82,600,000, bringing the total amount available to the agency at the beginning of the 1955 fiscal year of $147,600,000.

In 1955, the agency spent about $70,500,000, leaving $78,992,000 left over at the end of that year. The next year the agency got another appropriation of $86,450,000, bringing the total available at the beginning of 1956 to $155 million.

The agency spent $86 million in fiscal 1956. It had $79 million left over at the end of that year.

During fiscal 1957, Congress appropriated $82,700,000. The agency asked for a supplemental appropriation of $18 million, bringing the total up to $100 million, which it received in fiscal 1957, bringing the total to $179 million available to the Department.

According to the testimony, the agency spent $87 million last year, leaving $92 million to begin operations next year.

This year the agency asked for another $114 million. I might say that, so far as this agency is concerned, it has not been backward in its requests. The committee wisely reduced the request to $3 million.

Personally, I think the committee should have deleted it entirely, because the agency has more money than it needs. I have not heard anybody criticize them for being too restrictive in their payments in this particular field. On the contrary, the Comptroller General has been rather critical several times of the freedom with which the agency disburses its money.

Notwithstanding the facts I have stated and notwithstanding all the progress which has been made by the committee, there is still in this particular item $95 million available for the agency beginning fiscal 1958, which is more money than it has spent in any of the 4 preceding years.

I think that point should be made very clear in the minds of the taxpayers. So far as the bill is concerned, the agency can still spend more money next year than it spent last year or any preceding year.

It is my contention that all unexpended balances left over in any fiscal year should revert to the Treasury, and it is indefensible that this agency has so recklessly sought appropriations far in excess of its needs. I am glad that some progress is being made here today to shed light on its operations and check this policy.

Mr. HOLLAND. I appreciate the attitude of the distinguished Senator. I think he has brought out a very useful bit of knowledge, which is that last year the appropriation and balances, as he has mentioned, was $179 million. Under the action recommended by the committee, the amount will be $92 million.

The Senator's figures also showed that $155 million was the total amount on hand for use for this purpose in 1956, and $146 million-plus the year before.

The net result of the committee's recommendation is to make $92 million available now, as contrasted with sums of $50 million more than that in the years back to the time of the war.

I should like to make one further statement for the RECORD. If the Senator will look at page 7 of the House report, he will see that the $3 million which was granted by the House committee—and that action was approved by the Senate committee—is not for shipbuilding, but is earmarked for specific purposes. I read from the report:

> The amount approved includes $1,250,000 for acquisition of replaced ships and $1,750,000 for research and development.

In other words, this must not be confused with the ship-construction item, which remains $92 million, or that portion under existing appropriations available for ship construction.

Mr. WILLIAMS. I agree that technically the Senator is correct, and I think we both agree on the point I made previously, namely, that if we struck out the amendment, the agency could not spend the $92 million. So we are, in effect, continuing the authority for the agency to spend the $92 million.

I am not going to oppose the committee action with respect to the $3 million. I think we would be wiser not to allow the $3 million at all, but I think the committee has made such a great step forward in requiring the agency to use up old appropriations before authorizing new ones that I am going to go along with the committee.

However, I am reminded that in preceding years when I opposed such appropriations, I was told that the agency could not stand a cut, and that we would disrupt the whole American merchant marine, and that everything would collapse if amendments cutting these appropriations were adopted. We now find that the agency had a reserve of millions while they were pleading bankruptcy to the Congress. Had we had at that time the figures which are now available, I think I can safely say that some of these appropriations would have been cut out entirely a year or two ago. It is utterly inconceivable that Congress should be asked to appropriate $102 million for an agency that has more money on hand—unexpended funds—than it can intelligently use for the next 12-month period. The agency does not need a dime.

I think the agency should be criticized even for asking for more money under such circumstances. The record should be made clear that what the Senate is doing should not be considered merely a token action, but should serve as a warning that this is what is going to happen next year and the years thereafter. Let us consider passing a law rescinding all unexpended appropriations at the end of each fiscal year.

Mr. HOLLAND. Mr. President, I should like to say, briefly, that I think the Senate and the whole country are indebted to the Senator from Delaware for having continued his efforts to effect economy. So far as the Senator from Florida is concerned, sometimes he has agreed with the Senator from Delaware and sometimes he has not, but he feels now that the Senator from Delaware ought to have a very great sense of satisfaction at the action taken by our committee this year. I think the fact that we have provided only funds sufficient to build 17 ships, now contemplated to be built in 1958, and have allowed only $3 million for necessary objectives, and earmarked those objectives, should commend this bill to the Senator from Delaware and to everyone else, and I am sure that has been the result.

I say again, in concluding my presentation of this matter, that I am happy to state as a fact that the bill we have reported accomplishes the maximum reduction ever accomplished by any bill in this field in the 11 years the Senator from Florida has been a Member of the Senate, and he is happy that is the case.

Mr. President, there are several language changes which I am willing to discuss, if any Senator wishes to have me refer to them, but I shall not do so if it will merely weary the Senate.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. THURMOND in the chair). Does the Senator from Florida yield to the Senator from Wyoming?

Mr. HOLLAND. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. I thank the Senator from Florida for his graciousness. The confidence this body reposes in the Senator from Florida in handling the very technical and complex measure he has in charge I think is well attested to by what has been said by those who have participated in the discussion with him, and also by the attendance in the Chamber. The entire Senate knows that the Senator from Florida is not only a diligent and sincere Member of this body, but an extraordinarily able one, and one who understands figures. I am proud, for one, to join in complimenting him on the record he has made in making the largest reduction in 11 years in the appropriation bill.

Mr. HOLLAND. Mr. President, I certainly appreciate those gracious words.

Even if I entertain a little apprehension about what is to come, I yield further to the Senator from Wyoming.

Mr. O'MAHONEY. I may say to the Senator from Florida that I served on the Appropriations Committee for many years, and I know the burden which is borne by the chairmen of the various subcommittees.

I was about to remark that another evidence of the confidence of the Senate in what the Senator from Florida has done is that, so far as I know, there are no amendments printed to be offered to the bill. No Senator has signified any intention to offer an amendment.

I wish to invite the attention of the Senator and of the Senate, and of those who read the RECORD, to the appropriation for the Bureau of the Census. This is a comparatively minor activity in the Department of Commerce, but it is one of the most important.

INDUSTRIAL CENSUS

Last year, and the year before, I invited the attention of the Senator from Florida to the fact that the Committee on the Judiciary of the Senate was conducting an investigation of the concentration of economic power, and I suggested the census of manufactures was very essential to bring about the development of information from which logical and sound conclusions could be drawn. We engaged in a colloquy on the floor, which resulted in bringing about such a spirit of cooperation between the Senate committee and the Bureau of the Census that highly desirable results were obtained.

I observe that for the census of business, manufactures, and mineral industries the budget estimate is $1,845,000. That amount represents a large increase over the appropriation for 1957, which was only $150,000, but the increase in this general appropriation has been due to the fact that there have been some extraordinary revelations with respect to the concentration of business.

CONCENTRATION OF DEFENSE WORK

The Department of Defense on the 10th of April 1957, released a statement as to "100 companies and affiliates listed according to net value of military prime contract awards." There is a striking conclusion which one draws from the release, that one-third of all the defense contracts awarded by the Department of Defense in the past 6 years have been garnered by 10 companies, and the percentage is steadily rising.

For the 6 years from July 1950 to June 1956, the 10 companies doing the most business with the Department of Defense—which is, in these years of the cold war, the Government's largest purchasing agent—were given 31.5 percent of all defense contracts. The leading 10 companies in the 18 months which ended last December 31 received 36 percent. That is an increase of 4½ percent in 18 months.

The 100 companies which received the largest amount in 6 years were awarded 63 percent of all the contracts let by the Department of Defense.

I should like to read from the release of the Department of Defense:

> It is emphasized that only a part of these prime contract funds are retained by the prime contractors for work in their own plants. This is shown by reports, recently submitted by 163 large military prime contractors, on their total receipts from military prime contracts and subcontracts, and their payments to their large and small first-tier subcontractors.

The term "first tier," by the way, is rather interesting, because there are tiers upon tiers of subcontractors.

> Of the 163 reporting companies, 74 are among the 100 parent companies and 207 affiliated companies which make up the list of 100 for the 1½-year period from January 1955 through June 1956. The 74 companies account for 81.8 percent of the total value awarded to all companies on the 100-company list for that period. The 74 companies reported that 56.9 percent of their total receipts for military work were paid out to other firms for subcontract work, in the 6-month period ending December 31, 1956.

Now, turning to the list, we find that for the period July 1, 1950, to June 30, 1956, the total amount of the contracts awarded by the Department of Defense was $140,358,800,000, and of this more than $140 billion, there were awarded to the 100 companies and their subsidiaries $88,369,600,000 worth of contracts.

The highest awards were made to General Motors Corp. and its two subsidiaries, Ethyl Corp. and Frigidaire Sales Corp. The awards to this one group were $6,965,000,000.

The next highest was the Boeing Airplane Co., with $6,175,700,000.

I shall not fill the RECORD with these figures, but it is only necessary to call attention to the figures to see what is happening.

INCREASING MERGERS

One of the contributing factors to the increase is the number of mergers, which are taking place so rapidly. The total number of firms represented in the accumulated list, including parent companies, wholly owned subsidiaries, and partially owned subsidiaries, has increased from 240 to 1953 to 307 in 1956. According to the Defense Department's own study, this is an incomplete count, because "many former affiliates have now become divisions of the parent companies, and therefore are no longer counted as separate companies."

Defense contracts do descend to smaller companies. The largest companies are prime contractors. They subcontract much of their work. Seventy-four of the 100 companies report that they subcontract 56.9 percent of the total amount of contracts. It is undoubtedly true that in the interest of efficiency and economy the Department of Defense must deal with prime contractors.

INDUSTRIAL FEUDALISM

Irrespective of that, the end result is industrial feudalism. There is a very close analogy between the present industrial practice and the old feudal practice of subinfeudation, that is to say, one man holding land from another, but in turn subcontracting it out to a third. Considering that our ancestors came to the New World to escape landed feudalism, it is ironic that this generation faces the prospect of industrial feudalism.

One of the studies for which the Bureau of the Budget approved the application of the Bureau of the Census in the Department of Commerce had to do with the transportation census. The transportation census is a part of the census of manufacturing, mining, business, and transportation. The request for the transportation census was $300,000. It was eliminated by the House.

Another item for which the Bureau of the Budget approved the request of the Bureau of the Census was $100,000 for the County Business Patterns. A census of business in the counties of the United States is essential if we are to understand why it is that small business is failing and large business is growing.

A striking fact is revealed by the reports of receipts of the five wealthiest States in the United States in 1955, as compared with the five largest corporations. The five wealthiest States in the United States are New York, Ohio, Pennsylvania, California, and Texas. The total receipts of those five States from all sources—taxes and revenues of all kinds—amounted, as I recall, to $5,669,000,000.

RICHEST COMPANIES

The five richest companies in the United States are General Motors, Standard Oil of New Jersey, the American Telephone & Telegraph Co., the Ford Co., and the United States Steel Corp. Few people realize that the receipts of those five companies amount to $31,600,000,000, or more than five and one-half times as much as the receipts of the five wealthiest States.

If we want to know why there is concentration in government; if we want to know why there is concentration in business, we must have these figures. We must have this census. The Bureau of the Census will undertake in 1958 preparatory work for economic censuses.

A complete census is scheduled to be made in 1959, covering the year 1958 in the fields of manufacturing, mining, business, and transportation. It is important that the Bureau of the Census should not be handicapped in doing this work. Of course, we shall have the decennial census shortly, and much work must be done in that connection.

HOUSE REDUCTION

The figures in the report show, on page 7, that the House cut $845,000 from this request of the Bureau of the Census, leaving a recommendation of $1 million. The Senate committee accepted the recommendation of the House. It made no addition and no reduction below the House figure, but the report which is submitted is $845,000 below the budget recommendation.

When one considers that the total reduction in the Census Bureau figure made by the bill as reported is $2,348,200, and the total reduction in the entire bill is $257,928,710, as shown on page 11, it is obvious that a restoration of at least a portion of the cut made by the House, on the basis of the facts, which I have related here this afternoon, might well appeal to the conference if it appealed to

the Senator from Florida. That is a sort of question.

Mr. HOLLAND. I thought I detected the question mark. I am bound to say that this subject was seriously considered by our committee. The distinguished Senator from Wyoming will find that a sizable portion of our quite large printed hearings was utilized in hearing the Census Bureau, notwithstanding the fact that the Secretary of Commerce made no request for any restoration in any item for the Census Bureau.

Notwithstanding that fact, and notwithstanding the fact that it was a little irregular for us to do so, we bored rather deeply into the requests of the Census Bureau, and, for that matter, most of the other agencies with respect to which there was no request for restoration. The committee did not feel that the judgment of the Secretary of Commerce, important as it was, should necessarily be final and stand as the judgment of the committee. The Senator has already noted that in several instances the committee recommends restorations not requested by the distinguished Secretary of Commerce. In this instance, not only was there no request for a restoration, but the Senator will note that there was an appreciable increase over the appropriation for 1957.

Mr. O'MAHONEY. I have already noted it and commented on it.

Mr. HOLLAND. For instance, for salaries and expenses, the item last year was $7,475,000. We increased that item to $7,881,800, or an increase of $406,800.

In the case the Senator has been dealing with so ably, the 1958 census for business, transportation, manufactures, and mineral industries, we increased last year's appropriation of $150,000, when, frankly, this census was just getting under way, to $1 million.

Mr. O'MAHONEY. That is my point. It was just getting under way. The House cut the budget estimate by $845,000, and the Senate committee allowed the item to remain as the House had left it.

Mr. HOLLAND. To return to my recital of the step-up from $150,000 in 1957 to $1 million for 1958——

Mr. O'MAHONEY. That was because we were approaching the decennial census.

Mr. HOLLAND. No. The step-up for the approaching decennial census is in another item, which did not appear last year.

Mr. O'MAHONEY. What I mean to say to the Senator from Florida is that the other censuses which I have mentioned are very basic to the decennial census.

Mr. HOLLAND. Undoubtedly they have an impact on the decennial census. The committee approved an appropriation of $3,250,000 for the 18th decennial census. There was no appropriation for that item last year. We omitted two nonrecurring items. They deal with the census of governments and the national housing inventory. They total $2,750,000.

We stepped up the requests, overall, by $1,756,800. We had in mind, first, the fact that there was no request for restoration and, second, that the House committee had made it very plain in its report that they wanted the suggested census for transportation to be omitted entirely, and that involved an appreciable amount. Having those two facts in mind, the committee felt that we should leave the House action as it was on this particular item. We did step up the Census Bureau appropriation by $1,756,800. We felt that it was rather clear evidence of our appreciation of the great importance of the Census Bureau and of the functions it performs.

Frankly, the Senator from Florida was unhappy about the the reduction of the appropriation for the Eighteenth Decennial Census. A large part of it was for a new Univac, and equipment of that kind. We were assured, after going into the matter, that orders could be placed and the material obtained without a restoration in that particular field.

Therefore I will say to the distinguished Senator from Wyoming that I hope he will not offer an amendment. If a good cause can be made for a supplemental request, the Senator from Florida certainly will not be adamant in advance, but will be reasonable. He always tries to be reasonable. Some very fine devoted public servants conduct the business of the Census Bureau. They are career people, if we have any in our Government.

Mr. O'MAHONEY. That is correct.

Mr. HOLLAND. The Senator from Florida understands completely that good results flowed from the underlying arrangements effected last year by the distinguished Senator from Wyoming with the Bureau of the Census and with our committee in connection with the bill which came from his subcommittee of the Committee on the Judiciary. We are always willing to cooperate.

Not being asked to restore the amount and not finding any emergency, and remembering the adamant opposition that we ran into from the other House on the question of restoring the transportation census, the committee felt that it was treating this agency with comparative generosity in stepping up from last year's appropriations of $10,375,000 to this bill's appropriation of $12,131,800.

Mr. O'MAHONEY. As I said in the beginning, the Senator from Florida is most persuasive and eloquent. However, I believe he is overlooking a few items which are worthy of some consideration. I had not intended to quote from the editorial which appeared in the Journal of Commerce of Wednesday, May 1, 1957. However, the argument of the Senator that there was no appeal, forces me to do so. The editorial is entitled "Axing the Census Bureau." It reads, in part, as follows:

> As chairman of a Senate Subcommittee on Appropriations considering the Commerce Department's budget for the next fiscal year, Senator SPESSARD HOLLAND was quick to note on Monday that there was something unusual about the appearance of Assistant Commerce Secretary George Moore with the warning that projected cuts in the Census Bureau's budget will create long delays in reporting monthly foreign trade figures.
>
> It is, of course, not unusual for the Chief of a Government bureau to protest a proposed slash in his budget. But it was a little out of the ordinary, as Senator HOLLAND noted, for an Assistant Secretary to warn Congress of the injurious results certain to follow a cut in which his chief, Secretary Sinclair Weeks, had previously acquiesced.

I admit that was amusing. However, it proves, I think, by the Senator's own notation at the time, that there is nothing surprising about the fact that the Bureau had not asked for a restoration.

The Senator will remember that I met him in the lobby one day when I was hurrying to a meeting of the Judiciary Committee. I asked him when the hearings would be held by his subcommittee on the Commerce Department appropriations with respect to the Bureau of the Census. He said, "I am sorry, but we have completed the hearings. We are marking up the bill this morning."

I said, "Well, possibly if I appeared with a letter, you might file the letter."

The Senator nodded rather affably. Unfortunately my work in other fields, on the Committee on Interior and Insular Affairs and the Committee on the Judiciary, made it impossible for me to appear. I would have asked for the increase, and I am asking for it now, not because I represent the Department of Commerce, but because I am a member of one of the principal committees of the Senate, the Committee on the Judiciary, which is carrying on a very vital study of the concentration of economic power.

CONFERENCE RESTORAL

My request to the Senator from Florida is simply this. I shall not offer an amendment. It would be futile to do so. I think this case is worthy of consideration in the conference committee of the two Houses. Will not the Senator consent—I plead with him, I beg him, I ask for an exercise of his judicial temperament, and I solicit his kindly feeling—to make a motion himself to add $100,000 or $200,000 or $150,000 to the appropriation for the Census Bureau, and see what develops in the conference committee?

I shall be very happy to appear before the conference committee and argue for such an increase. Will not the Senator consent?

Mr. HOLLAND. The Senator from Florida appreciates the interest of the Senator from Wyoming, and he dislikes to deny any request, whether small or great.

But the Senator from Florida is trying to hold the bill intact. He is trying to keep faith with the members of the subcommittee who have worked arduously and cooperatively in preparing the bill, and with the other members of the full committee. He would not feel that, simply because of his affection and respect for the distinguished Senator from Wyoming, it would be at all in keeping with the fulfillment of his responsibility to himself to accept an amendment the subcommittee and the full committee had declined to make.

Having heard the distinguished Senator from Wyoming, under similarly responsible situations, react in somewhat the same way when he was being catechized by friends when he was handling appropriation bills, I am certain he will at least understand and sympathize with the position of the Senator from Florida.

Mr. O'MAHONEY. The Senator from Florida is very disarming. He leaves me without my blade or without my six-shooter. But I do have some facts, and the facts which I have presented upon the floor today were not presented to the committee. They were not presented because the Secretary of Commerce was cutting his President's budget. There was no discussion of the vital need of a proper census, if we are ever to learn, for legislative purposes, what makes the giant corporations become giants, what causes them to become monopolistic in their concentration, and what drives small business in every State of the Union into the desperate status in which it now is.

PLEA FOR RESTORAL

I plead with the Senator from Florida to add $250,000 for this vital enumeration.

Mr. HOLLAND. The Senator from Wyoming is so appealing that it really hurts me not to go along with his request, but I could not do it because of the responsibility which I have to other members of the subcommittee and the full committee.

I will say that the Senator from Wyoming has made a persuasive case, and I hope he will make it if and when a supplemental bill comes before the Senate. I assure him of a special invitation to appear before our committee.

I, too, was a little nonplused when the Secretary of Commerce restrained himself so fully when he made the requests for restoration. I expressed that feeling in the hearings. Yet in these troubled times I cannot fall out very heavily with anyone who has decided that economy is the order of the day. Although there has been some difference of opinion in the administration, it is not the first time there has been such a situation. The Senator from Florida, in spite of the fact that he planned at one time to make some rather acid comments about this particular situation, decided it was better not to do so. Instead, he left these omitted items for such showing as can be made, if it should be made, in a supplemental request.

Mr. O'MAHONEY. I am certain the Senator from Florida realizes that economy in this matter is undercutting the economics of the Nation.

However, the Senator from Florida has been gracious enough to say that he will welcome the Senator from Wyoming and other members of the Committee on the Judiciary with open arms if a supplemental bill is offered. I have no doubt, when I note the bills that continue to come from the House, that there will be supplemental bills and deficiency bills, so I shall take full advantage of the Senator's kind offer.

Mr. HOLLAND. I thank the Senator from Wyoming. We will gladly subject ourselves to assault by the golden talk and the sharp sword—and I believe he mentioned a six-shooter, too—carried so ably by the Senator from Wyoming, because we know that, even though effective, he is always generous and gracious.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. JOHNSTON of South Carolina. I call the Senator's attention to an item on page 24 of the bill, headed "General Provisions—The Panama Canal." The reason I do so is that this provision was placed in the bill by the House, and we in the Senate cannot raise a question, so far as its being out of order is concerned. But I do not think it is correct each year to include in appropriation bills matters which are covered by general legislation. I believe it will be found that most of the matter to which I am referring, or practically all of it, if not all, is upon the statute books at present. There is no necessity for its being included in an appropriation bill year after year.

To show, too, how confusing it is, this problem is right now being considered by my committee, the Committee on Post Office and Civil Service, which handles questions of this kind. I have sent a member of my staff to the Panama Canal Zone to make an investigation concerning the matter. I did so at the request of the State Department and at the request of the Ambassador from the United States to Panama. After I had talked with the Ambassador, he requested that I take the action I did. I also had the Ambassador from Panama to the United States visit with me and talk over the matter. He asked that I send someone there to investigate the very matter which is being dealt with in the appropriation bill.

I fear that the people of the Panama Canal Zone and the Panamanians themselves might misjudge us when they learn that we are legislating on this particular item, because they will think that Congress is putting its approval on this proposal at this particular time.

It was for that reason that I wanted to call the Senator's attention to the item. I hope the Appropriations Committees of the Senate and the House will examine into the matter, because if legislation is already on the statute books, it is not necessary to include it in an appropriation bill; it should be left out.

Mr. HOLLAND. I think I concur with the distinguished Senator from South Carolina. I am only sorry that his request reached us after the bill had been marked up by the subcommittee and the full committee. That was due to no fault on the part of the Senator. His letter was dated May 15. I immediately communicated with him to tell him that the bill was already marked up and had been reported to the Senate.

Upon checking, however, I find that something of this sort has been carried in each bill for a good many years, and that the utmost effect of this provision would be to operate through fiscal 1958, unless it is modified or repealed by the substantive legislation which the Senator's committee is now considering and which has, of course, complete jurisdiction to handle it. Therefore, I appreciate his restraint in not offering an amendment. I explained to the Senator that if we had known of the situation earlier the committee would have been glad to hear him.

Mr. JOHNSTON of South Carolina. I hold in my hand a letter from the honorable W. E. Potter, Governor of the Canal Zone. The portion dealing with this particular matter reads as follows:

> Let me assure you that your farsightedness in sending Mr. Faucette to the Canal Zone is welcomed by everyone here. I am sure that the report he gives you will be of great assistance in showing you the very serious problem that we have.

This shows that some action needs to be taken in this field. The only reason I make these remarks is to let the residents of the Canal Zone and the Panamanians know that we are not closing the door and that, based upon the information we obtain, we shall act in accordance with the best interests of those concerned.

Mr. HOLLAND. I appreciate the comment by the distinguished chairman of the appropriate legislative committee to handle this type of proposed legislation. He is exactly correct in his statement that we are not taking unusual action at this particular time, but are simply continuing the practice which, whether rightly or wrongly, has been followed in the appropriation bills for some time past. We will gladly yield to his legislative committee as it considers the substantive legislation proposed.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. CASE of South Dakota. I wish to express a word of admiration for the committee with respect to two items. One concerns the restoration of the portion of the budget estimate for the Advisory Committee on Weather Control. The other concerns the restoration of certain items for the Weather Bureau.

Some legislative hearings on the work of the Advisory Committee on Weather Control have recently been completed, following which one of the outstanding meteorologists of the country said to me that he believed the work of that committee, in time to come, would be rated as more basic and more far reaching, even, than the work of the Atomic Energy Commission. Therefore, I am glad to see that the subcommittee, headed by the able Senator from Florida provided funds to complete the report of the Advisory Committee on Weather Control.

The other item relates to the restoration of $772,000 for the Weather Bureau. That item, I think, is equally well justified. I especially commend the committee for specifying that $400,000 of that amount shall be used for the high speed electronic computer for meteorological research. My slight acquaintance with that field indicates that the use of the electronic computer will make it possible for the Weather Bureau to have complex data fed into the machine and then to receive, in a relatively few minutes' time, results which, under other methods, could be obtained only after weeks or months of work. I think this is a highly desirable item and that highly desirable returns and great benefits will flow to the country and its various activities as a result of this agency's work.

Mr. HOLLAND. Mr. President, speaking for both myself and the committee, let me say that I certainly appreciate the kind comment of the Senator from South Dakota. It is a fact that the

computer is badly needed. This agency already has one; but the expanded activities of the Weather Bureau and the much greater number of observations and amount of data now available to the Weather Bureau, as compared with those previously available, make it necessary for the Weather Bureau to have access to another computer. By using the additional computer, the Weather Bureau will be able to reflect into helpful reports which will be available promptly, from time to time, the conclusions to be drawn from such data and observations, whereas otherwise the delay in making the reports available would be so great as to render them of little value.

Mr. President, a distinguished citizen of Massachusetts wrote to the editor of the New York Times a letter regarding funds for the Weather Bureau. Since the matter is of some importance I ask unanimous consent that the letter be printed at this point in the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[From the New York Times of May 1, 1957]

FUNDS FOR WEATHER BUREAU—HOPE EXPRESSED THAT SENATE WILL RESTORE CUTS IN BUDGET

To the EDITOR OF THE NEW YORK TIMES:

Do we really want our weather service cut back so that we can be spared paying 2 cents more per capita in taxes? The Weather Bureal asked for 24 cents, the House voted 22 cents, and the Senate Subcommittee on the Department of Commerce Budget, Senator SPESSARD L. HOLLAND, chairman, will begin hearings on whether or not to sustain the House's cuts.

In 1956, 175 million calls were recorded by telephone companies in the 11 cities where the Weather Bureau's latest hourly weather observation and forecast is automatically available. At an average of perhaps 7 cents a call, the cost must have been about $12 million, and from this the Federal Government probably received $1,500,000 in taxes.

Two years ago it became evident to the public that the appropriations for the Weather Bureau were far below what they should be for the forecasting service, particularly regarding severe storms. Accordingly, Congress added materially to the amounts the Bureau had been allowed to request by the Department of Commerce and the Bureau of the Budget. These additions were still considerably short of what the Bureau could use effectively.

PROTECTIVE MEASURES

The reporting network is still inadequate, especially for upper air reports from the great blank areas of the western Atlantic and eastern Pacific Oceans. Research needs more support. Increased service for the safety of aviation, for warning against flash floods, and for agriculture are also sorely needed. Such further increases would be protective measures, the returns from which could be expected to improve the national economy far more than the cost, even to the point that increased receipts from taxes would more than cover the costs.

The Weather Bureau's budget, totaling $40,500,000 for fiscal year 1958, as presented to Congress, had already been cut back $958,500 in general weather services, research, and administration from what Congress had voted a year ago for the current fiscal year. Of the $2,952,000 voted for research, $607,300 had to be used for general salaries and administration when the Civil Service Commission last July ordered a substantial increase in salaries. To meet the higher salaries this coming year, another $351,200 was cut from the Bureau's regular program.

On the other hand, the budget calls for six special appropriations totaling $5,127,000. One is for $1,381,300 on account of the mandatory new requirement that each bureau must be charged for the retirement fund deposits for its own personnel. Another, almost equally mandatory, is for $1,097,900 to operate the 430 major units of new equipment obtained with special appropriations totaling $10 million for modernization during the last 2 years. An additional $1,200,000 is asked for a continuation of the modernization over the next 3 years; $2,500,000 was appropriated for such a year ago, and $7,500,000 the year before.

There are three new items: Increased service to aviation, $1,022,000; increased tempo in forecasting research, with the aid of a larger, faster computing machine, $400,000; and related additional administrative expense, $25,800.

CUTS MADE

The House cut $300,000 from the mandatory retirement fund request, which is the same as adding another $300,000 to the budgeted $958,500 cut in general weather service, research and administration. The House knocked $97,900 off the requirement for the operation of new storm warning and other facilities, which amounts to discarding about 40 major units of brand-new safety equipment, worth about $1 million.

The request for new facilities was cut $600,000, thereby postponing end-of-runway equipment for many airports where such equipment is much needed and postponing the replacement of decrepit and leaky buildings at 2 of the 4 Pacific stations in bad shape.

The request for $400,000 for stepped-up research in day-to-day and longer range numerical forecasting on dynamic principles, a joint project of the Weather Bureau, Air Weather Service and Navy, was denied by the House. So also was $1,022,000 for the increased aviation weather service now required by high speed, flying jet planes, new international air routes from the Middle and Far West over the polar regions to Europe, and greater safety in flight by giving pilots continuous information about the weather.

It has been a few weeks since the House voted these cuts of about $2,500,000 on top of an already budgeted reduction of nearly $1 million, and it has been possible in that time to assess what the effects would really be if the Senate does not restore them and get the House to agree.

CHARLES F. BROOKS,
Professor of Meteorology and Director Blue Hill Meteorological Observatory, Harvard University.
MILTON, MASS., April 27, 1957.

Mr. HOLLAND. Mr. President, I have now concluded, unless there are other questions to be asked.

Mr. President, if there are no further questions to be asked, I now ask unanimous consent that the bill be read for amendment; that the committee amendments be first considered; and that they be considered en bloc and be agreed to en bloc—unless there is objection. Let me state that if there is objection, I am perfectly willing to have the committee amendments taken up and acted on separately.

The PRESIDING OFFICER (Mr. CLARK in the chair). Is there objection?

Without objection, the committee amendments will be considered en bloc.

The question is on agreeing en bloc to the amendments of the committee.

The amendments were agreed to en bloc, as follows:

Under the heading "Title I—Department of Commerce—Civil Aeronautics Administration", on page 3, line 21, after the word "exceed", to strike out "forty" and insert "forty-nine"; in line 22, after the word "exceeding", to strike out "$600,000" and insert "$750,000"; at the beginning of line 24, to strike out "ninety-two" and insert "one hundred"; and, on page 4, line 2, after the word "snowshoes", to strike out "$177,747,800" and insert "190,201,000."

On page 4, line 19, after the word "appropriation", to strike out "$116,561,860" and insert "$132,645,190."

On page 4, line 24, after the word "contracts", to strike out "$30,000,000" and insert "$25,000,000."

On page 6, line 1, after the word "exceed", to strike out "$192,000" and insert "$255,000."

Under the subhead "Business and Defense Services Administration", on page 7, line 11, to strike out "$3,515,000" and insert "$5,682,000."

Under the subhead "Office of Area Development", on page 7, line 14, after the word "Development", to strike out "$395,000" and insert "$200,000."

Under the subhead "Bureau of Foreign Commerce", on page 7, line 18, after the word "reports", to strike out "$2,261,500" and insert "$2,445,000."

Under the subhead "Maritime Activities", on page 8, line 14, after the word "expended", to insert a colon and *"Provided*, That transfers may be made to the appropriation for the current fiscal year for 'Salaries and expenses' for administrative and warehouse expenses (not to exceed $1,700,000) and for reserve fleet expenses (not to exceed $500,000), and any such transfers shall be without regard to the limitations under that appropriation on the amounts available for such expenses."

On page 9, line 1, after the word "Commission," to strike out "$100,000,000" and insert "$35,000,000, and in addition, $65,000,000 to be derived by transfer from the appropriation 'War Shipping Administration Liquidation, Treasury Department.' ".

On page 12, line 4, after the numerals "1946," to insert a colon and *"Provided*, That the unexpended balance of such appropriation to the Secretary of the Treasury less the amount of $10,000,000 continued available and less the amount of $65,000,000 transferred to the appropriation 'Operating-differential subsidies,' by this act, is hereby rescinded, the amount of such unexpended balance to be carried to the Surplus Fund and covered into the Treasury immediately upon the approval of this act."

Under the subhead "Bureau of Public Roads," on page 16, at the beginning of line 20, to strike out "$25,000,000" and insert "$23,000,000"; and in line 22, after the word "and," to strike out "$8,750,000" and insert "$6,750,000."

On page 18, line 25, after "(5 U. S. C. 55a)," to insert "in an amount not exceeding $10,000"; and on page 19, line 2, after the word "of" to strike out "$50" and insert "$100."

Under the subhead "National Bureau of Standards," on page 19, at the beginning of line 11, to strike out "$8,908,500" and insert "$9,948,000."

Under the subhead "Weather Bureau," on page 20, line 12, after the word "law," to strike out "$37,480,100" and insert "$38,252,200."

Under the subhead "General Provisions—Department of Commerce," on page 21, after line 21, to insert:

"SEC. 104. The Secretary of Commerce hereafter is authorized, subject to the procedures prescribed in section 505 of the Classification Act of 1949, as amended, but without regard to the numerical limitations contained therein, to place one position in grade GS-18, 3 positions in grade GS-17, and

10 positions in grade GS-16, in the general schedule established by the Classification Act of 1949, as amended, and such positions shall not be in lieu of any positions in the Department previously allocated under section 505."

Under the heading "Title II—The Panama Canal—Canal Zone Government," on page 23, line 2, after the word "transfusions," to strike out "$15,648,600" and insert "$15,765,600."

On page 23, line 9, after the word "assets," to strike out "$1,000,000" and insert "$1,025,000."

Under the subhead "General Provision—The Panama Canal," on page 26, line 2, after the word "exceed", to strike out "$50" and insert "$100."

Under the heading "Title III—Independent Agencies," on page 26, after line 13, to insert:

"ADVISORY COMMITTEE ON WEATHER CONTROL

"Salaries and expenses: For necessary expenses of the Advisory Committee on Weather Control, established by the act of August 13, 1953 (67 Stat. 559), as amended, including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), $250,000, to remain available until July 30, 1958."

Under the subhead "Civil Aeronautics Board", on page 27, line 9, after the word "diem", to strike out "$5,255,400" and insert "$5,725,000."

On page 27, line 15, after the numerals "1953", to strike out "$38,754,000" and insert "$37,228,000."

Under the subhead "Tariff Commission," on page 28, line 18, after "(5 U. S. C. 55a)", to strike out "$1,640,000" and insert "$1,700,000"; and in line 20, after the word "shall", to strike out "thereafter" and insert "hereafter."

Under the heading "Title IV—General Provisions", on page 29, line 12, after "Sec. 401" to strike out "(a)."

On page 29, after line 14, to strike out:

"(b) No part of any appropriation contained in this act shall be used for payment of any expert or consultant, or of any management engineering corporation, company, firm, or other organization, for the performance of any service relating to the management or organization of the Department of Commerce or any bureau, administration, office, corporation, or other agency thereof, the Canal Zone Government, the Panama Canal Company, or any independent board, corporation, or commission, unless the utilization and payment of experts or consultants, or of management engineering corporations, companies, firms, or other organizations, is specifically authorized by law for the performance of such service."

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. JOHNSON of Texas. Mr. President, I desire to express my deep appreciation to the very able and thorough senior Senator from Florida [Mr. HOLLAND] for the very fine job he has done on the Department of Commerce appropriation bill. As usual, he has been meticulous, careful, cautious, and constructive in the consideration of this measure. I think the fruitful results of his weeks of labor will be demonstrated by the unanimous vote the bill will receive; and I wish to express my deep appreciation to the chairman and to all the other members of the committee.

Mr. HOLLAND. Mr. President, I wish to express my appreciation to the distinguished majority leader.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

The bill (H. R. 6700) was passed.

Mr. HOLLAND. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. HOLLAND, Mr. ELLENDER, Mr. MAGNUSON, Mr. STENNIS, Mr. JOHNSON of Texas, Mr. PASTORE, Mr. HAYDEN, Mrs. SMITH of Maine, Mr. BRIDGES, Mr. KNOWLAND, Mr. THYE, and Mr. POTTER conferees on the part of the Senate.

Mr. JOHNSON of Texas. Mr. President, I express the hope that the distinguished chairman of the subcommittee and the other conferees on the part of the Senate and the conferees on the part of the House will be able to arrange a conference on the bill at the earliest possible date, so that the differences between the two Houses can promptly be resolved and the bill can be sent quickly to the White House.

The appropriation bills are coming to us a little later this year than usual. I am anxious to have action on them expedited. So I hope the distinguished chairman of the subcommittee will arrange with the conferees on the part of the House for a conference on the Department of Commerce appropriation bill as soon as possible.

Mr. HOLLAND. Mr. President, just as soon as I learn of the appointment of the conferees on the part of the House, I shall proceed without any delay at all to seek, insofar as I am able to do so, to bring the conference to an early conclusion.

Mr. JOHNSON of Texas. I greatly appreciate the excellent cooperation of the distinguished senior Senator from Florida.

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1957

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 315, House bill 7221, making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to point out that during the present very busy week, the Senate has passed the Treasury-Post Office appropriation bill, which by now should be on its way to the White House; the State, Justice, and Judiciary appropriation bill, the conference on which will be held during the early part of next week; and the appropriation bill for the Department of Commerce and related agencies.

At the present time the Senate is ready to proceed with consideration of the third supplemental appropriation bill. However, in connection with that bill there must be a little lag. Some of the minority members are not here, and they wish to be present when the bill is considered. Therefore, Mr. President, we expect to have the Senate convene on Monday at 11 a. m.

I express the hope that next week it will be possible for the Appropriations Committee to report the Department of the Interior appropriation bill and perhaps also the general Government matters appropriation bill, so that at least we shall be able to clear the good name of the Senate from criticisms by uninformed persons who know little of the procedures in this Chamber.

Mr. President, at this time I desire to discuss another matter.

The PRESIDING OFFICER. The Senator from Texas has the floor.

FLOODS AND TORNADOES IN TEXAS

Mr. JOHNSON of Texas. Mr. President, my State of Texas has been hard hit by a spring crop of floods and tornadoes.

Mr. President, I see in the Chamber at this time my delightful friend, the distinguished senior Senator from Maine [Mrs. SMITH]. Before she leaves the Chamber, I wish to put in a "plug" for Texas.

Texas is a large State in many respects, as all of us know. In this particular instance, Texas is large in an unusual respect; it is large enough to have a drought and floods and a series of tornadoes, all at the same time.

Mr. President, last week the west Texas town of Lampasas was devastated by a flash flood.

This week the town of Silverton, in the Texas Panhandle, found itself in the path of a tornado, which took a heavy toll in dead and injured and in property damage.

During the last 2 months there have been other disastrous floods, other death-dealing tornadoes.

Man has not yet devised a way to control tornadoes. But man has found a way largely to control floods and to conserve potential floodwaters for his own benefit. To the extent that this knowledge has been applied, Texas has profited greatly during this season of floods.

I am informed by the Corps of Engineers—in response to a request I made—that the full extent of recent flood damage in Texas cannot be fully determined until the waters recede and detailed surveys can be made. The engineers state that a tentative and very preliminary estimate of the damage is $59 million. Texas sources tell me that the estimate is only partial and is quite conservative.

In any case, it is known that the loss is indeed heavy.

But there is another figure that is more significant than the one showing the loss caused in Texas by the floods of this spring. That is the figure—or the series of figures—showing the damage that was prevented—prevented, Mr. President, by flood-control and water-conservation projects authorized by the Congress and carried out with funds appropriated by the Congress.

Twenty years ago, when I first came to Congress as a Member of the House of Representatives, one of my first acts was to fight—and fight successfully—for legislation authorizing the construction of a series of hydroelectric and flood-control dams on the lower Colorado River, in Texas. Those dams were built long since. They have proved one of the greatest assets of the people of the area in which they are located.

Mr. President, only yesterday I received a telegram from the Honorable J. C. Ash, mayor of the city of Bastrop, Tex. Bastrop is a town of approximately 4,000 population, situated on the Colorado River, in central Texas. It has in years gone by suffered periodically from damaging floods.

Mr. President, what happened this year, when the heavy rains came, after the dams had been built? The telegram from Mayor Ash tells the story. Here is its text:

Series of Colorado River dams saved town of Bastrop during recent floods. We had about $1 million damage in 1935. Recent floods would have been much greater. Lower Colorado River Authority did an excellent job of controlling floodwater, therefore we had no damage.

Mr. President, I see on the floor my distinguished junior colleague from Texas [Mr. YARBOROUGH]. He was a member of the first board of the Lower Colorado River Authority. He contributed distinguished service to that great project, which has saved so many millions of dollars and so many lives.

Mr. President, the telegram I have read to the Senate is a report, from just one small town in Texas, on the benefits it has reaped in a single flood season from a flood-control project made possible by action of the Congress.

Mr. THYE. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield.

Mr. THYE. Mr. President, what the distinguished majority leader has just referred to is positive evidence of the soundness of flood-control projects. Oftentimes Members of Congress are criticized for voting for appropriations for the construction of flood-control projects. Such criticisms are based on statements to the effect that such projects, which are public works, are, in a sense, pork-barrel operations. I have been accused because I voted for such projects. I am very happy that the distinguished Senator is bringing this matter to public attention, and pointing out that here are some Federal funds the use of which has resulted not only in saving untold millions of property, but in saving cities and the lives of people who live in the cities from the devastation of floods.

Mr. JOHNSON of Texas. I appreciate the observation of my delightful friend from Minnesota. His comments constitute a definite contribution to the statement I am making.

I read only last week in the north Texas newspapers that the Federal Government had invested $65 million in a flood-control project, and the Army Corps of Engineers, who are quite conservative engineers, as the Senator knows, estimated that that project saved $68 million in damage this year.

I agree with the Senator from Minnesota that there is considerable misunderstanding about flood-control, irrigation, and water-conservation projects. Sometimes I am inclined to believe that there is a certain amount of low-grade demagogery connected with assertions that projects designed to conserve floodwaters and to save people's lives are "pork barrel" projects. I think if some of the writers, who sit back in their castles in the East and criticize Members of the Congress who vote to construct dams in order to avert floods in rivers, save the lives of men, women, and children, and prevent homes from floating into the gulf, could see the true picture, they would be a little more restrained and a little more reluctant in making their assertions and indulging their criticisms.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. As a member of the Committee on Public Works, and particularly as the ranking minority member of the Subcommittee on Flood Control, I wish to express agreement with the sentiments expressed by the distinguished majority leader and also the able and distinguished Senator from Minnesota.

In addition to expressing appreciation for their remarks with regard to flood-control and flood-preventive works, I should like to observe that the Committee on Interstate and Foreign Commerce has been conducting hearings on a bill which I introduced, S. 86, to authorize a flood-experimental program in cloud modification.

I wish the Senator from Texas could have taken time from his manifold duties to have listened to some of the testimony we heard last Monday, when eminent meteorologists and scientists expressed the belief that research would lead us to ways of modifying clouds with tornadic implications. We received testimony on projects of research into hail suppression and lightning suppression, and the belief was expressed by competent witnesses that continuation of research in that field would lead to projects for the control of threatening tornadoes.

Mr. JOHNSON of Texas. I appreciate the work of my friend from South Dakota. It was with great pride that I cleared, last year or the year before, the Senator's original bill. The only regret I have is that I did not have the foresight to be the author of the bill. But if the Senator from South Dakota will permit me to become associated with him in this endeavor, I assure him I will make whatever contribution I can.

Mr. CASE of South Dakota. I appreciate that statement because the Senator from Texas is in a position to be helpful in that regard, and he does have the vision and the courage that prompt him to go ahead with some of these research projects.

Mr. JOHNSON of Texas. Mr. President, there are people who live in areas which already have adequate dams or have no flood-control or irrigation or hydroelectric problems. They are not the people who must watch women and children swept away by floodwaters and who must watch death, destruction, and devastation.

I live on a small river in Texas which is a tributary of the Colorado River. It has been dammed. Now our people have flood control. They no longer suffer the loss of $500,000 a year in property damage and hundreds of lives over a few years. They are protected. But during the Easter holidays sadness was brought to the home of a family in what is known as the hill country, when a mother, her baby daughter, and another woman started to cross a river. A flash flood hit them, and the mother and child and their friend were swept away. As a consequence, the mother and baby died, and the lady who was with them had to wait for hours until she could be rescued. That happened on a branch of the Pedernales River.

I hope we shall be able at this session at least to undertake a study of what might be done to avert a situation like that.

Mr. President, it is simple, in the comfort and safety of metropolitan cities, to write smugly about "pork barrel" projects. It is not so easy to dismiss the problem with a few scornful phrases when one is on the firing line of the battle between man and the elements.

I doubt whether any other single form of appropriation of Federal funds is returned to the American people in such a direct and tangible form as the money we have spent for dams to control our rivers. The cost of these projects is an investment in the future of our country—and not the far distant future, either.

Mr. President, when we multiply such benefits by our numerous projects and our many cities and spread them out all over the Nation, the result is astounding.

In the Trinity River Basin in Texas alone, damage that would have totaled $64,554,000 according to authoritative estimates, was prevented by projects the Army engineers had completed.

In the Brazos River Basin, the comparable figure was $23,708,000.

When I consider those figures, I feel a deep personal sense of satisfaction, and a profound sense of gratitude to my colleagues in the House and Senate who have worked all through the years to bring about the enactment of legislation which has made such savings possible.

At the same time, Mr. President, I realize clearly that the job is not yet done, either in Texas or in the Nation.

On the Trinity, on the Brazos, on the San Antonio, on the Guadalupe, and on the Pendernales, there are projects which should be constructed. If they

had been built, they would have been prevented flood damage in this past spring totaling more than $31 million.

In these comparative figures are to be found urgent, compelling reasons for pressing ahead with necessary flood control and water conservation projects.

Mr. President, I ask unanimous consent that there may be printed in the RECORD at this point a telegram I received from Hon. J. V. Ash, mayor of the city of Bastrop.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

BASTROP, TEX., *May 15, 1957.*

Senator LYNDON B. JOHNSON,
Senate Office Building,
Washington, D. C.:

Series of Colorado River dams saved town of Bastrop during recent floods. We had about $1 million damage in 1935. Recent floods would have been much greater. LCRA did an excellent job of controlling floodwater; therefore, we had no damage.

J. V ASH,
Mayor, City of Bastrop.

Mr. JOHNSON of Texas. Mr. President, I should like to read into the RECORD a communication I received from Mr. Arthur C. Perry on May 16, 1957:

Corps of Engineers state they cannot fully evaluate extent of recent flood damage in Texas until the waters recede and they are able to go in and make detailed surveys. This they expect may not be earlier than several months from now.

However, a tentative and very preliminary estimate of the damage is $59 million.

This preliminary estimate covers each of the following river basins: Sabine, Brazos, Neches, Colorado, Nueces, Trinity, San Antonio, and includes the Lampasas flood and the damage in the Galveston district.

FLOOD DAMAGE IN TEXAS

The Corps of Engineers state that they cannot fully evaluate the extent of all the recent flood damage in Texas until the waters recede, but they have made a tentative and very preliminary estimate of the damage to the following river basins: Sabine, Brazos, Neches, Colorado, Nueces, Trinity, and San Antonio. The preliminary estimate covers those river basins, and includes the Lampasas flood and the damage in the Galveston district, and the preliminary estimate of damage is $59 million.

RED CROSS REPORTS ON DAMAGE

I have here the Red Cross report on damage and relief expended in Texas because of recent floods. The American Red Cross reports damage as the result of recent floods in Texas in 28 counties, affecting over 100 communities in the State.

Nine persons were killed. Seven are missing. Fifty-seven received major injuries.

Mr. President, I am talking about humans now, about people. One hundred and nine received minor injuries. Fifteen required hospitalization.

Seventy-five homes were totally destroyed. Four hundred and thirty homes received major damage. Two thousand and seventy-one homes received minor damage.

One hundred and forty-one farm buildings were completely destroyed. Two hundred and ten additional farm buildings received major damage, and 249 received minor damage.

Fifty-three other buildings were destroyed, 104 other buildings received major damage, and 265 other buildings received minor damage.

The Red Cross estimates that 2,194 families have suffered losses. Of this number the Red Cross anticipates, in round numbers, that it will be able to assist more than 1,500.

The Red Cross estimates that the total relief it alone will pour out will run into the hundreds of thousands of dollars.

FARMERS' HOME ADMINISTRATION REPORT

I have received from the Farmers' Home Administration a report of the rain and flood damage in Texas, by FHA areas and counties, which covers dozens of counties. I ask unanimous consent that the report be printed in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Is there objection?

There being no objection, the report was ordered to be printed in the RECORD, as follows:

FARMERS' HOME ADMINISTRATION REPORT ON RAIN AND FLOOD DAMAGE IN TEXAS, BY FHA AREAS AND COUNTIES

AREA 1

Bowie: No damage to buildings and no loss of livestock. Delayed planting. Pasture and crop damage estimated at $300,000.

Cass, Morris: No damage to buildings and no loss of livestock. Delayed planting of crops.

Harrison, Marion: No damage to buildings or loss of livestock. Delay in crop planting.

Red River: No damage to buildings or loss of livestock. Delayed planting of crops, replanting of some feed crops necessary.

Titus, Franklin, Camp: No loss of livestock nor damage to buildings. Delay in planting crops.

Upshur: No loss of livestock nor damage to buildings. Planting of crops delayed. Some replanting necessary.

AREA 2

Cherokee: Light damage to farm buildings. No loss of livestock. Fences need repairing along creeks and rivers. Fifty-percent damage to early truck crops and corn. Additional land preparation necessary.

Panola: Negligible damage to farm buildings. Small loss of livestock due to flood of Sabine River. Fifty percent of crops consisting of truck and corn to be replanted.

Rusk: No damage to buildings. No loss of livestock. Fifty percent of early crops require replanting. Other crop planting delayed.

Smith, Gregg: Damage to farm buildings scattered and mostly limited to roofs. Some livestock loss in flood. Crop replanting necessary to some extent.

Van Zandt: Slight damage to buildings, roads, and bridges. No loss of livestock. Damage to crops, consisting of sweetpotatoes and June corn high. Planting other crops delayed.

Wood, Rains: No damage to buildings or loss livestock. Reservoirs for irrigation water damaged. Small grain prematurely ripening. Truck crops practically complete loss, making replanting necessary. Planting other crops delayed.

AREA 3

Angelina, Tyler: Farm fences damaged but no loss of buildings or livestock. Almost complete loss of small grain and truck crops. Delayed planting, and additional land preparation necessary.

Jasper, Newton: Considerable damage to buildings and some loss of livestock. Corn, silage, and grain crops lost. Large area of these two counties covered by timber which was not affected.

Nacogdoches: Slight loss in livestock. Very little damage to buildings. Farm fences damaged in low areas. Corn and truck crops damaged 40 to 50 percent.

San Augustine, Sabine: No loss in buildings or livestock. Crop planting delayed. Replanting necessary for early feed and truck crops.

Shelby: No loss of livestock or damage to farm buildings. Early feed and truck crops 50 to 75 percent lost.

Trinity, Polk: No damage to buildings or loss of livestock. Crop planting delayed. Pastures damaged by backwater. Increased amount of land preparation before planting necessary.

AREA 4

Fort Bend: No damage to buildings or loss of livestock. Early crops that were planted will need to be replanted.

Jefferson, Orange: No damage to buildings or loss of livestock. Hay crops will have to be replanted. Cotton and truck crops damaged 50 percent. Rice planting delayed 15 to 30 days.

Liberty, Chambers, Hardin: Very little damage to buildings or loss of livestock. Cotton and rice planting delayed.

Harris, Galveston: Some damage to farm buildings and livestock. Fifty percent of growing crops need replanting. Other crop planting delayed.

Matagorda, Brazoria: No significant loss of livestock or damaged farm buildings. Crop planting delayed. Additional land preparation necessary.

Wharton: No loss of livestock or damage to buildings. Estimated late crops due to delayed planting. Practically all planted crops will require replanting.

AREA 5

Bee, Live Oak: No damage to farm buildings or loss of livestock. Small amount of damage to crops.

Dewitt, Goliad: No loss of livestock or damage to buildings. Eighty percent loss of crops in river bottoms. Some crops will have to be replanted.

Gonzales, Lavaca: No report received.

Jim Wells, Kleberg: No loss of livestock or damage to buildings. Small damage to crops.

Nueces, San Patricio, Aransas: No loss of livestock or damage to buildings. Crop damage insignificant.

Victoria, Calhoun, Jackson, Refugio: Victoria and Calhoun damage to crops tremendous. No loss to livestock or damage to buildings. Too late to replant corn and maize. May 10 deadline for planting cotton, practically all cotton that was up was destroyed. Unable to replant cotton unless May 10 deadline date extended.

Jackson, Refugio no damage to buildings or loss of livestock. Practically all planted crops will require replanting. Other crop planting delayed.

AREA 6

Austin, Colorado: Minor damage to buildings. Negligible loss of livestock. Seventy-five percent of planted crops damaged, replanting necessary.

Brazos, Grimes, Madison: Damage to farm buildings and livestock light. Considerable damage to crops already planted and delayed in planting of other crops.

Fayette, Bastro, Lee: No damage to livestock or buildings. Thirty to forty percent of all crops planted will have to be replanted.

Milam, Burleson: Loss of farm buildings and livestock negligible. Seventy-five percent of all cropland needs replanting.

Walker, Montgomery, San Jacinto: No damage to buildings or loss of livestock. Little damage to growing crops as few crops

were planted due to weather conditions before floods.

Washington, Waller: No damage to livestock or buildings. All cropland needs replanting.

AREA 7

Falls: No serious loss of livestock or damage to buildings. All crops in lowlands ruined. Most cropland needs to be replanted.

Freestone: Practically no damage to farm buildings and no loss of livestock. Light damage to crops. Planting delayed.

Houston, Leon: No serious damage to buildings or loss of livestock. Growing crops considerably damaged. Other crop planting delayed.

Limestone: Small loss of livestock. Two farm homes and outbuildings destroyed by tornado. Bottomlands flooded, planted crops lost. Other planting delayed.

McLennan: No significant damage to buildings or loss of livestock. Fences damaged in low areas. Terraces and fields damaged by floodwater. Twenty to 30 percent of all planted crops destroyed.

Robertson: No appreciable damage to livestock or farm buildings. Damage to truck crops 50 percent of more. Damage to corn crops 30 percent. Cotton planting delayed.

AREA 8

Anderson: Livestock loss reported by two large ranchers. No damage to buildings reported. Truck crops suffered 25 percent loss. Corn 50 percent. Other crop planting delayed.

Ellis: No damage to building or loss of livestock. Twenty-five percent of all planted crops will need to be replaced. Other planting delayed.

Henderson: Livestock losses light. No reports of damage to buildings. All crops will have to be replanted.

Hill: Damage to buildings negligible. Fences damaged along creeks and branches. Few livestock lost. Fields badly damaged by water erosion. Some replanting necessary for corn and other feed crops. Additional land preparation necessary before cotton is planted.

Johnson: No damage to farm buildings or loss of livestock. Customary planting of cotton delayed. Some damage to small grain crops and other feed crops. Some replanting necessary.

Navarro: No appreciable livestock losses. Very little building damage. Fifty percent of corn destroyed. Seventy-five percent of cotton yet to be planted or replanted.

AREA 9

Delta: No damage to farm buildings or loss of livestock. One-third vetch, oats, wheat, and alfalfa crops destroyed or badly damaged. Additional land preparation necessary before planting cotton.

Fannin: No damage to buildings or loss of livestock. Slight damage to small grain. Coton planting delayed.

Hopkins: No report received.

Hunt, Rockwall: No report received.

Kaufman: Very little damage to buildings and no loss of livestock reported. Small grain, vetch, alfalfa excessively damaged in low areas. Cutworms and other insect damage to grain crops and pasture threatening. Cotton and other crop plantings delayed.

Lamar: Two farm buildings completely destroyed by tornado, along with outbuildings. Other buildings on seven farms were destroyed. Eighty percent of the corn on blackland will not be planted due to delay beyond planting date. Cotton planting delayed at least 2 weeks. Some loss of livestock.

AREA 10

Collin: No report received.

Cooke and Montague: No damage to farm buildings or loss of livestock. Growing crops damaged because of too much water. Cotton and other crop planting delayed.

Dallas: Damage to farm buildings and loss of livestock insignificant. Small grain damaged approximately 50 percent. Cotton plantings seriously delayed. Permanent and temporary pastures in the dairy farming area seriously damaged by floodwaters. Hay crop damaged to some extent.

Denton: No damage to farm buildings or loss of livestock. Small-grain crops damaged to some extent. Cotton planting seriously delayed.

Grayson: No damage to buildings or loss of livestock reported. Twenty-five to thirty-five percent of all corn that has been planted will need to be replanted. Damage to small grain, mostly wheat, is serious. Chief damage to wheat and small grain caused by overflowing floodwaters.

Tarrant: Loss of livestock and damage to farm buildings insignificant. Very little damage to growing crops. Cotton and other crop planting delayed.

AREA 11

Baylor, Knox, Throckmorton: No damage to buildings or loss of livestock reported. No serious damage to crops.

Haskell, Stonewall: No damage to buildings or loss of livestock reported. No damage to crops.

Wichita, Archer, Clay: No loss to farm buildings or loss of livestock. Damage to crops in Archer and Wichita Counties, 10 to 20 percent; Clay County, 35 to 50 percent.

Wilbarger, Foard, Hardeman: No damage to buildings or loss of livestock. One farmer reported damage to wheat crop by hail.

Wise: No damage to farm buildings, but some loss of livestock. Small-grain crops and alfalfa on bottom land total loss.

Young, Jack, Stephens: No report received.

AREA 12

Brown: No damage to buildings. Small loss of livestock. No damage to field crops.

Comanche: No damage to buildings or loss of livestock. No damage to crops.

Eastland: No damage to buildings or loss of livestock. No damage to growing crops.

Erath, Hood: No loss of livestock or damage to buildings. No damage to crops.

Parker, Palo Pinto: Considerable damage to buildings and no loss of livestock. Serious damage to small-grain crops caused by floodwater. Additional plantings necessary.

AREA 13

Bell, Coryell: No damage to buildings or loss of livestock reported. Estimated to be 5 percent damage to small-grain crops. Light damage to corn. Serious delays in cotton planting.

Bosque, Somervell: No damage to buildings or loss of livestock. Damage to small-grain crops and early planted maize confined to small areas of the Bosque River bottoms.

Hamilton: No damage to buildings or loss of livestock reported. Damage to cropland near small streams. Crop replanting required and other crops seriously delayed.

Lampasas, Burnet, Mills: Burnet County no appreciable damage to farm buildings or loss of livestock. Approximately $50,000 damage to growing crops. Frequent replantings necessary. Cotton planting seriously delayed. Estimated 300 miles of terraces need rebuilding at total cost of $15,000 to $20,000 and 500 miles of fencing needs rebuilding at total cost of $30,000. Lampasas and Mills no appreciable damage to buildings or loss of livestock or crops reported.

Travis, Hays, Williamson: Williamson County livestock losses high. Some 500 sheep, 150 head of beef cattle, 100 dairy cattle, and 50 hogs reported missing. Damage to field terraces terrific. Some 3,200 miles of terraces damaged or destroyed. Considerable damage to farm buildings and farm machinery in the high-water flood area. Crops seriously damaged, replanting necessary. Damage to farm ponds high, 30 ponds broken and about 100 damaged. Fences badly damaged. Loss of topsoil impossible to estimate. Travis-Hays Counties no appreciable loss of livestock or damage to buildings reported. No significant loss except farm fencing in low areas. Crops seriously damaged, replantings necessary.

AREA 14

Atascosa, McMullen: No damage to buildings or loss of livestock reported. Approximately 75 percent of the farmers will have to replant all cropland. Additional land preparation will be required.

Bexar, Medina: No damage to buildings or loss of livestock reported. Overall crop damage does not exceed 20 percent. Loss chiefly caused by need for replanting.

Frio, La Salle: No damage to buildings or loss of livestock reported. Seventy-five percent of all cotton, melons, blackeyed peas will have to be replanted. Corn 100 percent loss in most places. Too late to replant. Forty percent of peanut acreage will need to be replanted.

Dimmit, Uvalde, Zavala: No significant loss or damage to livestock, crops or farm buildings.

Guadalupe, Caldwell, Comal: No significant damage to buildings or loss of livestock. Damage to crops chiefly consist of need for replanting.

Wilson, Karnes: Wilson County no loss of livestock or damage to buildings reported. Growing crops damaged 10 to 15 percent. Karnes County no significant damage to buildings or loss of livestock reported. Extent of damage to growing crops 15 to 20 percent.

AREA 15

Brooks, Duval, Jim Hogg: No damage to farm buildings or loss of livestock reported. No damage to crops.

Cameron: No damage to crops, farm buildings or loss of livestock reported.

Hidalgo: No damage to farm buildings. No loss of livestock reported. Very little damage to crops.

Starr, Webb, Zapata: Starr County no livestock or farm building damage or loss reported. Growing crops damaged, cantaloup loss approximately 50 percent, irrigated cotton 15 to 20 percent, dryland cotton 5 to 7 percent, grain 5 to 7 percent loss. Webb County no damage to farm buildings; however, some livestock loss was reported on one large ranch north of Laredo. No crops lost, however, slight damage was received on cantaloups. Zapata County no loss to livestock or damage to farm buildings reported. No loss or damage to growing crops.

Willacy, Kenedy: No damage to farm buildings or loss of livestock. No damage or loss to crops.

AREA 16

Gillespie, Mason Counties: Little or no damage to buildings or livestock. Damage to growing crops slight. Small amount of damage to terraces and fences in lowlands.

Llano, Blanco, Menard, and Kimble Counties: No damage or loss to crops, livestock, or buildings reported.

Kerr, Bandera, Kendall, Real: Loss or damage to livestock and buildings negligible. Slight damage to crops. In some instances hay crops may have to be replanted.

Val Verde, Edwards, Kinney, Maverick, Terrell: No damage or loss to crops, farm buildings, or livestock.

San Saba: No loss or damage to livestock, crops, or buildings.

AREA 17

Coleman, Runnels: No loss of livestock or damage to farm buildings. Practically no loss or damage to crops.

McCulloch: No loss or damage to crops, farm buildings, or livestock.

Concho: No report received.

Tom Green, Irion, Schleicher, Sterling: Damage or loss to crops, livestock, or buildings minor.

Crockett, Reagan, Sutton: No significant damage or loss to crops, farm buildings, or livestock.

AREA 18

Callahan: No damage to growing crops, farm buildings, or loss of livestock reported.

Fisher: No damage to farm buildings, crops, or loss of livestock reported.

Jones, Schackelford: No loss of livestock or damage to buildings reported. No significant loss or damage to crops. Some terracing systems will require repairs.

Nolan, Coke: No loss or damage to crops, livestock or buildings.

Taylor: No significant loss of livestock or damage to farm buildings. Small damage to terraces and farm ponds. Some grain sorghum crops had to be replanted.

AREA 19

Childress: No loss or damage to crops, livestock or farm buildings.

Cottle, King: No loss or damage to crops, livestock or farm buildings.

Dickens, Kent: No significant loss or damage to crops, livestock or farm buildings.

Floyd, Motley: No significant loss or damage to crops, livestock or farm buildings.

Hall: No damage to crops, livestock or farm buildings. Some land damaged from flood erosion along small branches and creeks.

AREA 20

Dallam, Hartley: No loss or damage to livestock or farm buildings. Wheat damaged some areas by hail.

Moore, Hutchinson, Sherman: No damage or loss to crops, livestock or farm buildings.

Ochiltree, Hansford, Lipscomb, Roberts: No loss or damage to livestock or farm buildings. Crops damaged by heavy winds soon after rain. Insect damage on wheat from green bug excessive.

Wheeler, Hemphill: No damage or loss to crops, livestock or buildings.

AREA 21

Collingsworth: No loss or damage to crops, livestock or farm buildings.

Deaf Smith: No loss or damage to crops, livestock or farm buildings.

Donley, Armstrong, Gary: Very little loss or damage to livestock or farm buildings. No damage to crops from excessive rains, however, irrigated wheat was damaged from recent freeze and snowstorm received in March. Heavy damage to land in southeast part of Donley County from floods.

Potter, Carson, Oldham, Randall: No loss or damage to crops, livestock, or farm buildings.

Parmer: No loss or damage to crops, livestock, or farm buildings.

AREA 22

Bailey: No report received.

Cochran: No loss or damage to crops, livestock, or farm buildings.

Hale, Castro: No loss or damage to crops, livestock, or farm buildings.

Lamb: 108 farm buildings damaged, 16 completely destroyed by tornado. Some livestock loss due to tornado, minor. No crops damaged.

Swisher, Briscoe: No loss or damage to crops, livestock, or farm buildings. A very small amount of hail damage reported recently.

AREA 23

Gaines: No loss or damage to crops, livestock, or farm buildings.

Hockley: No damage to crops or livestock reported. Cyclone damaged 25 farmhouses and outbuildings, 6 of which were FHA borrowers.

Lubbock, Crosby: Several farmhouses in the immediate Lubbock area damaged. No loss or damage to livestock reported. No damage to crops.

Lynn: No loss or damage to crops, livestock, or farm buildings.

Terry: No loss or damage to livestock or farm buildings. Slight loss to crops.

Yoakum: No loss or damage to crops, livestock, or buildings.

AREA 24

Dawson, Borden: No loss or damage to crops, livestock, or buildings.

Howard, Glasscock: No loss or damage to crops, livestock, or farm buildings.

Martin, Midland, Andrews, Ector: No loss or damage to crops, livestock, or farm buildings.

Mitchell: No loss or damage to crops, livestock, or farm buildings.

Scurry, Ciarza: No loss or damage to crops, livestock, or farm buildings.

AREA 25

El Paso, Culberson, Hudspeth: No loss or damage to crops, livestock, or farm buildings.

Pecos, Crane, Upton: One farm building reported damaged by high wind and hail. Very slight damage to crops and livestock.

Presidio, Brewster, Jeff Davis: No loss or damage to crops, livestock, or farm buildings.

Reeves, Loving, Ward, Winkler: No loss or damage to crops, livestock, or farm buildings.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to my distinguished friend, the acting minority leader, the Senator from Connecticut [Mr. BUSH].

Mr. BUSH. Mr. President, I came into the Chamber just after the Senator from Texas began his remarks, and I have only been able to pick up the thread of the Senator's remarks, which have interested me very much, indeed. I wish to commend him for bringing to the attention of the Senate this afternoon the importance of flood-prevention measures, because we very shortly will be considering an appropriation bill which will contain a rather large number of very important flood-protection items.

I wish to say, first, and I believe am sure I can speak for everyone in my State, that I should like to express my sympathy to the people of the stricken State of Texas, whose plight the Senator has spoken of so eloquently this afternoon.

Mr. JOHNSON of Texas. We thank the Senator. We are grateful for his consideration and for his help.

Mr. BUSH. Unless one has actually seen the devastation such floods can wreak, I doubt that one can fully appreciate how terrible are their ravages.

Mr. JOHNSON of Texas. I wish to say at this point, if I may, that the distinguished Senator from Connecticut has a very enlightened far-seeing, progressive son who has moved away from the section where he discovered America and has come down to live among us in Texas. In the event the Senator should decide to give up his political activities and could give us assurance that he would not wish to run for office in Texas, we would welcome him to join us, because we think we would profit from his citizenship.

Mr. BUSH. Mr. President, I appreciate that compliment very much, indeed. I can hardly think of a nicer one. I am grateful to my good friend for his opinion. I hope I shall never have to impose upon the good will of his State to that extent.

I will say that naturally I am very happy to have one of my sons in the great State, which I have recently visited, and for which I have tremendous admiration.

If the Senator will permit me a few words along the line of his own argument, I wish to endorse particularly what he has said about existing flood-protection works preventing damage which, measured in money alone, in material wealth, represents many times their cost.

Time after time we have seen such catastrophes in the United States. In 1955 we saw such a tragedy—really for the first time in a terrible way in New England. We saw it in Massachusetts, Connecticut, New York, Pennsylvania, and New Jersey, in the terrible floods of 1955. The year before, in connection with the hurricanes in 1954, we saw similar evidences.

I can say specifically, in support of what the Senator from Texas has mentioned about flood-control dams, that in the case of the Naugatuck River Valley alone, had we installed the Thomaston Dam, authorized back in 1947, but money for which was never appropriated, there would have been some $90 million of damage in the lower Naugatuck River Valley, according to the Army engineers, whom the Senator correctly characterizes as conservative, able, intelligent, and farsighted. There would have been saved some $90 million, not to mention the hundreds of lives lost, and the property dislocated and the suffering and sickness and separations of families brought about, if we had appropriated back in 1947 or 1948, at the time of the authorization, approximately $8 million.

Appropriations for that project have begun, as the result of the flood, after the damages I have spoken of, but instead of a cost of $8 million, approximately, the cost will be $17 million, so we lost both ways by postponing the construction of the project.

I wish to say one more word, if the Senator will permit, because he has raised a subject very pertinent and timely to his State and to other States. We shall have coming before the Senate very shortly a flood-insurance appropriation. The request is for a very modest amount of money. The budget request was for $50 million, but the House cut out the item entirely. The Senate Committee on Appropriations restored the item in the amount of $14 million.

I am sure the Senator from Texas was favorable to that action. My point is that I hope he will join with me and others who feel as we do about floods, and who have seen something of them, in an endeavor to keep that item in the bill as it comes from the Committee on Appropriations, and in trying to persuade the House to yield, so that we can get this program underway.

The Senator can correct me if I am wrong, but I think the Senate passed the authorization bill for the flood-insurance program by an overwhelming majority. There were only a handful of votes against it.

The distinguished former Senator from New York, Mr. Lehman, brought that

bill to the floor after weeks and months had been spent preparing it. The Senate took a very broad and constructive view of it, and the House adopted it. Why the House knocked the item from the appropriation bill I do not understand.

This is an experimental program, but the march of events has proven that if one does not have protection, at least one has to have some insurance against devastation. Since private industry cannot or will not undertake this program alone, the time has come when the Federal Government, in cooperation with private industry, in accordance with the terms of this bill, should do something to see whether a flood-insurance program can be put on a paying basis. The proposal allows 5 years to find that out.

I am very grateful to the Senator for his having brought this whole issue before the Senate this afternoon. In closing, I wish to again express my very deep sympathy for the people of his State who have suffered such terrible devastation in the past months. We have all watched it from a distance with very deeply sympathetic hearts.

Mr. JOHNSON of Texas. Mr. President, I am touched by the generous sentiments expressed by my friend, the Senator from Connecticut. I welcome his cooperation and his assistance. He is always very helpful to those who have endeavored to have this body pass adequate flood-control measures.

Mr. President, in the next few days we shall have before the Senate a housing bill for consideration. Last year we had for consideration by the Senate a bill proposing improvements in our social-security system. Before the present session is over we shall have for consideration before the Senate a minimum-wage bill. I have no doubt that there will be some type of labor legislation brought before the Senate.

Mr. President, all of those measures will be considered on their merits, as well as the supplemental appropriation bill which contains the flood-control insurance provision. It is the pending business. We will not take it up today, but we will take it up at 11 o'clock on Monday.

Mr. President, when we take up a housing bill to pledge the resources of the Nation to the extent of $4 billion or $5 billion, those who live in metropolitan areas do not call it a pork barrel measure. They say that it is in the national interest.

When we take up a minimum wage bill, to place a floor under wages to help the little man, and keep him from being exploited, that is called social progress.

When we come forward with a social security bill to make it possible for a widow to draw her benefits a little earlier, or for a woman to retire when her husband retires, that is called a great social advancement. But when the Senator from New Mexico [Mr. CHAVEZ], the great chairman of the Public Works Committee, comes forward with a bill to provide for the construction of dams on our rivers so as to keep men, women, and children from drowning, and keep homes from floating into the gulf, what do we see? We see men who sit behind typewriters—unaware, I believe, of all the facts—branding it as a pork barrel measure.

If they could have stood on the banks of the Pedernales or the Colorado, or if they could have flown over the Brazos, as I did during the Easter season; if they could have read the story of death, havoc, and destruction that came to the helpless when we had 8 inches of rain in 2 hours; those who wrote the stories branding public works projects as pork barrel items would have blushed with shame.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the distinguished chairman of the Public Works Committee, a leader in this field.

Mr. CHAVEZ. So far as I am concerned, as a Senator from New Mexico, there is no distinction between the needs of Texas and the needs of Connecticut. No one has done better work in the Public Works Committee than did the able Senator from Connecticut, when he was a member of that committee. He worked for the people of Connecticut and of New England.

There is one difficulty in New England and in Pennsylvania and New York. The people of that region had to learn the hard way. They had to go through the experience of 168 people dying in a flood. As far back as 1936 authority existed for building flood control projects in New England. However, the main obstacle was a local situation. I can readily understand that there are local problems in Connecticut.

However, I assure the Senator from Connecticut and the Senator from Texas that whether it be in Texas or in Connecticut, I believe in flood control. The fact that a flood control project is located in Connecticut is only incidental. We believe in flood control and protection for Texas, for Connecticut, for Pennsylvania, and for every other State in the Union. Our committee is trying to do something for the local folks at home.

Mr. JOHNSON of Texas. I commended the Senator last year when he and his colleague from Oklahoma brought to the floor what I considered to be the best insurance policy this country ever bought.

I refer to a bill which would have authorized approximately $1½ billion worth of flood control projects, irrigation projects, and hydroelectric projects. The bill passed this body overwhelmingly. It passed the House overwhelmingly. But what happened? Over the land we saw articles about pork barrel, pork barrel, pork barrel. Somehow or other that philosophy drifted into the highest councils of the Government, and the almost unanimous action by both Houses of Congress was vitiated. The bill was vetoed. Now disaster is upon us. General Gruenther is sending his Red Cross dollars and staffs into various areas. The Congress is appropriating money for disaster relief. I hope it will be a lesson to us. I hope the House will act, in days to come, on the bill which the Senate has already acted upon. I hope we have learned a lesson from what happened last year.

Mr. CHAVEZ. The Senate is 2 months ahead of schedule.

Mr. JOHNSON of Texas. The Senator from New Mexico knows that the White House says that the Senate is lagging. The Senator read what Governor Adams said.

Mr. CHAVEZ. We do not want insurance for Connecticut. We want protection for Connecticut. It is all right to talk about insurance, but I would rather save a life. I do not want some insurance companies in Connecticut paying for the losses. I would rather prevent the losses.

Mr. BUSH. I agree with the Senator.

Mr. JOHNSON of Texas. Does the Senator know of any better insurance the Federal Government can get than by investing its money in dams on our rivers to conserve our water resources? Does the Senator know of any better insurance than that?

Mr. CHAVEZ. The best insurance is a dam.

Mr. JOHNSON of Texas. I thank the Senator. I agree with him.

Mr. CHAVEZ. If some poor fellow in Connecticut loses his property, or a family in Connecticut loses its property, I am in favor of insurance; but I prefer to enact national legislation so that there will be no such loss of property.

Mr. BUSH. I agree with the Senator. Mr. President, will the Senator from Texas yield in order that I may make a brief observation?

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I be permitted to yield to the Senator from Connecticut so that he may reply to the statement of the Senator from New Mexico, without my losing the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAVEZ. I think I know this problem.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. CHAVEZ. Let me say this to the Senator from Connecticut. Please believe me. I am in favor of protecting Connecticut property and lives in Connecticut. Since 1936 there have been many authorizations for such projects in New England. However, because of local difficulty, which the Senator knows as well as I do, advantage was not taken of such authorizations.

I do not like the idea of insurance. If it is necessary, we should have it, whether it be life insurance or other insurance.

However, I would prefer to keep the family in Connecticut from losing its property by building a dam on the Naugatuck.

Mr. JOHNSON of Texas. Mr. President, I must leave the Chamber. First I wish to yield to my friend from Connecticut.

Mr. BUSH. Mr. President, I shall be very brief. I wish to acknowledge very briefly the generous sentiments expressed by the distinguished Senator from New Mexico, and to say once more, as I have said before, that his comprehension of this problem since I have been in the Senate has been better than that of anyone else I know of.

Mr. CHAVEZ. I have tried to approach the problem from a nationwide viewpoint, instead of a sectional viewpoint.

Mr. BUSH. The Senator has taken the broad view of the problem. I agree with the Senator.

Mr. JOHNSON of Texas. Mr. President, while we are in agreement——

Mr. BUSH. I wish to make just one point. I do not desire to detain the Senator from Texas.

I agree with what the Senator from New Mexico says about flood insurance. It is of secondary importance compared to protection. Protection is what we want. If we have protection, we do not need insurance; but until we get protection, we ought to have a flood-insurance program.

Mr. JOHNSON of Texas. Can the chairman of the Public Works Committee obtain any kind of assurance from the acting minority leader that he will join with us in trying to keep the flood-control bill we have already passed, and to prevent it from being subjected to a pocket veto, which was the fate met by the bill last year? The acting minority leader is a very influential member of his party. He is a very able and respected modern Republican. Last year we worked long and late to secure the passage of what we considered to be a very comprehensive, far-reaching bill. The Senator will remember the hours of labor which went into the preparation of that bill.

We did not have a veto message on it. We did not have it returned so that we could override the veto. We had what is called a pocket veto. It is the sort of action that amounts to putting something in one's pocket, so nothing further can be done about it.

Therefore, I express the hope that the Senator from New Mexico, after the bill is passed by the House and goes to the White House—and I pray that when it goes to the White House it will not suffer another pocket veto—will use his good offices and enlist the aid of the Senator from Connecticut, a very influential Member on the other side of the aisle, so that we will not have another pocket veto, and so that we will not have to override a veto.

Mr. CHAVEZ. Of course I am very fond of the Senator from Connecticut. Aside from his being a Republican, of course, I like him very much.

Mr. JOHNSON of Texas. If we must have Republicans——

Mr. CHAVEZ. I would rather have him than many other Republicans.

Mr. JOHNSON of Texas. I agree with the Senator.

Mr. CHAVEZ. But I hope that the Senator from Texas will not pass judgment on the President of the United States.

Mr. JOHNSON of Texas. I am not passing judgment on the President of the United States. I am asking that we not suffer the same fate we suffered last year, by a pocket veto.

Mr. CHAVEZ. That is the President's business, after all.

Mr. JOHNSON of Texas. But it is ours also. It does not do any good for us to pass bills if they are not signed.

Mr. CHAVEZ. That is correct. However, although I feel, as the Senator from Texas does, that the bill should be signed, nevertheless, I would not want the President of the United States to pass judgment on me because I voted a certain way, and therefore I do not want to pass judgment on the President for his action.

Mr. JOHNSON of Texas. The President has passed judgment, though.

Mr. CHAVEZ. I would not pass judgment on the President of the United States, merely because in his responsibility he vetoed a bill. That is still his business. I am willing to take the responsibility, under the oath I took as a Member of the Senate, to do my duty. I want to give the President of the United States the same responsibility.

Mr. JOHNSON of Texas. That is correct. However, if the President vetoes a bill, we have a chance to vote on overriding the veto. Last year the bill was vetoed by what is called a pocket veto. I now yield to the Senator from Oregon.

Mr. NEUBERGER. Mr. President, I commend the distinguished Senator from Texas for taking his very generous attitude toward flood control throughout the country, not only for his State of Texas. He favors flood control not only in his own State, but elsewhere in the United States as well.

It is my understanding that within a few weeks, under the leadership of the Senator from Texas, there will reach the floor of the Senate a bill to provide 3,800,000 acre-feet of storage for flood control in the great Hells Canyon reach of the Snake River in the Pacific Northwest. It is my hope that our modern Republican friends, who favor effective flood control in New England, as they most certainly and rightfully should do, will join the Senator from Texas and other Senators in advocating effective flood control in the great Pacific Northwest.

Again I say that we in the Pacific Northwest particularly appreciate the fact that the Senator from Texas not only favors flood control in Texas but favors it everywhere else in the country.

Mr. JOHNSON of Texas. I will try to save enough money by eliminating nonessential items from appropriation bills so that we will have some money to spend on flood control.

Mr. BUSH. Mr. President, I should like to say to the majority leader that I would not want my remarks this afternoon to be interpreted as advocating projects which are naked public power projects. If the Senator from Texas will indulge me further, we have been talking about flood control, but I would not want anyone to interpret what I have said as indicating my support for the Hells Canyon Dam or any other public power project that is a naked public power project, which private industry is ready, willing, and able to undertake.

Mr. JOHNSON of Texas. I have no intention of making any interpretation of the Senator's statement. He can make his own interpretation. We always welcome him into the fold whenever he wishes to join us. Even when he is not willing to join us, we express the hope that he will retain in the minority his present position.

ACCELERATED TAX AMORTIZATION CERTIFICATES

Mr. DWORSHAK. Mr. President, I am in sympathy with the objectives of the bill introduced by my esteemed colleague the senior Senator from Virginia [Mr. BYRD] to place greater limitations on the use of rapid tax amortization certificates. However, I find there is a great misunderstanding concerning the character of the certificates.

Since the issue has been injected into the Hells Canyon controversy, there has developed an erroneous public impression that the amortization certificates were issued to Idaho Power Co. alone. This, as we all know, is far from the truth, as 913 other private utilities have received similar certificates.

I ask unanimous consent to insert in the body of the RECORD an editorial entitled "What's the Whole Story?" published in the Idaho Daily Statesman, of Boise, Idaho, bearing on this subject.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHAT'S THE WHOLE STORY

Now that the outburst over the Idaho Power Co.'s accelerated depreciation permit has worn itself out for the moment, it is in order to take an impartial look at this particular situation.

Senator DWORSHAK told the Associated Press that "certificates of necessity for accelerated tax amortization under a policy initiated in 1950 showed that on December 31, 1956, a total of $37,949,000,000 had been applied for, all of which, except about $1 billion was granted. The amount of certification totaled $22,005,115,000 involving 21,655 cases. Included in this were 29 certificates for Idaho, 95 for Oregon, and 222 for Washington. The provisions of the Internal Revenue Act authorized by Congress provide for the issuance of certificates of the character under discussion here and if those certificates were issued in accordance with those provisions and in conformity with the regulations of ODM, I can see no basis for discrimination against an Idaho applicant."

For Idaho, 29 certificates for accelerated depreciation.

For Oregon, 95 certificates for accelerated depreciation.

For Washington, 222 certificates for accelerated depreciation.

All this under a law passed by Congress in 1950.

The Statesman has requested the Associated Press to provide the following information:

1. The Idaho corporations granted certificates and the amounts involved.

2. The Oregon corporations granted certificates and the amounts involved.

3. The Washington corporations granted certificates and the amounts involved.

Also, we have asked the history of the accelerated depreciation legislation and the Senate vote which enacted it.

The information should be interesting to all concerned.

The purpose of accelerated depreciation was to encourage business expansion thereby increasing corporation tax income to the Federal Government as quickly as possible. No taxes were to be written off, none were to be forgiven. The Government deferred depreciation to gain more corporate tax income. It was a profitable deal for the United

States Treasury. That is why Senator MORSE has never attempted to repeal or revise the law.

The Statesman is especially interested in learning whether Senators MORSE, MAGNUSON, JACKSON, and others opposed this accelerated depreciation policy in the first place. And we want to learn their opinion on the 95 permits in Oregon and the 222 in Washington.

Unless these Senators are dedicated to the ruination of Idaho, as seems to be the case, they are going to have a difficult time explaining how a tax program of Federal scope does not apply to Idaho as well as to Oregon and Washington. If there are to be amendments to Federal laws which exclude the State of Idaho, the proponents would be better identified if they would come forward and openly admit their stand. There is no use hiding behind the public power issue which is not Idaho's fight. The controversy here is water.

OMISSION OF JEFFERSON'S NAME FROM PRESIDENT'S LIST OF FOUR "GREATEST"

Mr. NEUBERGER. Mr. President, I doubt if anything has so characterized the origin of some of the backward policies of this administration as the fact that President Eisenhower, on May 15, submitted his list of four "top Americans of the past" and omitted Thomas Jefferson from that list.

If this were done because Jefferson founded the Democratic Party, then it is political partisanship at its worst.

If it were done because Jefferson still stands as the leading liberal of our history and the leading advocate of the freedom of the human spirit, then it is far more disturbing.

President Eisenhower named Abraham Lincoln, George Washington, Benjamin Franklin, and Robert E. Lee as the four "top Americans of the past."

With this list I have no quarrel, but what about the man who wrote our Declaration of Independence, who was a major factor in the Bill of Rights, who helped to found general education and religious liberty in this Nation—and who was the first man ever twice elected President of the United States in contested elections?

What of the man who defied ruthless political opposition to add the vast Louisiana Purchase to our Nation, and who sent Lewis and Clark westward to carry the American flag to the Pacific's distant shores?

The New York Times dispatch of May 16, which listed President Eisenhower's four "top Americans of the past," also stated:

> General Eisenhower feels closer to Lincoln than to any other President. He quotes him most often.

Fortunately, Mr. President, Abraham Lincoln apparently did not share General Eisenhower's lack of high regard for Thomas Jefferson. From all available information, Jefferson ranked as Lincoln's own "top American of the past." This is what Lincoln said about Thomas Jefferson, in a letter written at Springfield in 1859:

> All honor to Jefferson—to the man who, in the concrete pressure of a struggle for national independence by a single people, had the coolness, forecast, and capacity to introduce into a merely revolutionary document an abstract truth, applicable to all men and all times, and so to embalm it there that today and in all coming days, it shall be a rebuke and a stumbling block to the very harbingers of reappearing tyranny and oppression.

That, Mr. President, was what Abraham Lincoln thought of Thomas Jefferson.

I regret greatly that President Eisenhower did not include Thomas Jefferson among his "top Americans of the past."

Mr. CHAVEZ. Mr. President, will the Senator yield for a brief statement in that respect?

Mr. NEUBERGER. I am very happy to yield.

Mr. CHAVEZ. The press has had a great deal to say about what happened at Gettysburg when General Montgomery and the President discussed the Battle of Gettysburg.

I thought they were completely wrong about Lee, and even about Meade. According to their line of thinking, George Washington made a mistake in crossing the Delaware. Of course Andrew Jackson probably was at fault, too, militarily speaking, at New Orleans.

Does the Senator from Oregon think that they could have been right, or do Thomas Jefferson and Andrew Jackson deserve the credit they have been given in American history?

Mr. NEUBERGER subsequently said: Mr. President, earlier in the day, when the majority leader took the floor to read a list of the various bills which would be on the agenda for next week, the Senator from New Mexico had just asked me my opinion of the historic rank of certain illustrious Americans.

I should like to state for the RECORD that I am not a military expert, nor have I ever pretended to be. Therefore, I cannot equate the respective merits of General Meade, General Lee, and other eminent participants in the wars in which our country has been engaged, either in the United States or abroad.

However, I agree completely with the Senator from New Mexico that Thomas Jefferson and Andrew Jackson should be ranked at the apex or very near the apex, in listing outstanding Americans in our history.

I wish to repeat what I said briefly earlier, namely, that it is a disappointment to me, as an American citizen, that the President of the United States did not see fit to include Thomas Jefferson in his recent list of the four top Americans of the past. If any person belongs in the list of four select Americans—and I am not sure that such a list can be prepared—certainly it is Thomas Jefferson. If any one man contributed more than any other single person to the spirit and essence of American democracy, I believe it was Thomas Jefferson. I hope President Eisenhower will see fit to revise his list and to place Thomas Jefferson among his select four.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. Who has the floor?

The PRESIDING OFFICER. The Senator from Texas has the floor.

Mr. JOHNSON of Texas. If my friends, the Senator from Oregon and the Senator from New Mexico, will indulge me, I should like to make an announcement now, because I must make an appearance at 3 o'clock before a committee, following which I must keep two other appointments. I should like to make one announcement; then I will yield the floor. The Senator from Oregon can then obtain it in his own right. Will that be agreeable?

Mr. NEUBERGER. It will be quite agreeable.

ORDER FOR ADJOURNMENT UNTIL 11 A. M. MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations today it stand in adjournment until 11 o'clock a. m. on Monday next.

THE PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I announce that on Monday, following the morning hour, the Senate will proceed to the consideration of the supplemental appropriation bill. I express the hope that the Department of the Interior appropriation bill and the general Government matters appropriation bill will be reported next week and that the Senate may be able to consider them next week.

I announce also at this time the possibility of considering the following bills, in between the consideration of the appropriation bills. I do not announce definitely that they will be considered, but I want all Senators to be prepared in the event the bills are called up.

Calendar No. 111, S. 913, to provide permanent authority for the Postmaster General to establish postal stations at camps, posts, or stations of the Armed Forces, and at defense or other strategic installations and for other purposes.

Calendar No. 130, H. R. 4815, to provide permanent authority for the Postmaster General to establish postal stations at camps, post, or stations of the Armed Forces, and at defense or other strategic installations, and for other purposes.

Calendar No. 131, Senate Concurrent Resolution 20, authorizing an investigation by the Federal Trade Commission into the activities and practices of companies engaged in the production, distribution, or sale of newsprint in interstate commerce.

Calendar No. 192, S. 495, to authorize the acquisition of the remaining property in square 725 in the District of Columbia and the construction thereon of additional facilities for the United States Senate.

Calendar No. 193, S. 728, by Messrs. HAYDEN and BRIDGES, to authorize the acquisition of the remaining property in square 725 and 724 in the District of Columbia for the purpose of extension of the site of the additional office building for the United States Senate.

Calendar No. 249, S. 1164, to make the evaluation of recreational benefits resulting from the construction of any flood control, navigation, or reclamation project an integral part of project planning, and for other purposes.

Calendar No. 264, S. 1639, to provide for the suspension of the vesting of alien property and the liquidation of vested property, under the Trading With the Enemy Act.

Calendar No. 288, Senate Resolution 78, to make a study of critical raw materials and resources of the Soviet Union and certain Eastern Hemisphere countries and its effect upon the United States.

This resolution will not be called up until the senior Senator from Nevada [Mr. MALONE] is present. I gave him my assurance that it would be held until he returned.

Calendar No. 293, H. R. 2146, to amend the Small Reclamation Projects Act of 1956.

Calendar No. 298, Senate Concurrent Resolution 26, to print additional copies of the report entitled "The International Petroleum Cartel."

I have discussed the resolution with the Senator from Wyoming [Mr. O'MAHONEY], and it is planned to take up the measure and to have a colloquy concerning it in the early part of next week.

Calendar No. 301, S. 864, to provide for the transfer of certain lands to the State of Minnesota.

Calendar No. 302, S. 2051, to amend the Atomic Energy Act of 1954, as amended, and for other purposes.

Calendar No. 304, S. 534, to amend section 702 of the Merchant Marine Act, 1936, in order to authorize the construction, reconstruction, or remodeling of vessels under the provisions of such section in shipyards in continental United States.

Calendar No. 305, S. 886, to provide transportation on Canadian vessels between ports in southeastern Alaska and between Hyder, Alaska, and other points in southeastern Alaska or the continental United States whether directly or via a foreign port, or for any part of the transportation.

Calendar No. 306, S. 1446, to amend title 14, United States Code, so as to provide for retirement of certain former members of the Coast Guard Reserve.

Calendar No. 307, S. 1806, to amend the Sockeye Salmon Fishery Act of 1947.

Calendar No. 310, H. R. 5832, to increase the retired annuities of the civilian members of the teaching staffs of the United States Naval Academy and the United States Naval Postgraduate School.

Calendar No. 311, H. R. 2797, to amend title 10, United States Code, to authorize the Secretary of a military department to furnish stevedoring and terminal services and facilities to commercial steamship companies, and for other purposes.

Calendar No. 313, H. R. 2781, to amend the act entitled "An act to authorize the Secretary of the Navy to enlarge existing water supply facilities for the San Diego, Calif., area."

Calendar No. 314, H. R. 4285, to authorize the sale of degaussing equipment by the Department of the Navy to the owners or operators of privately owned merchant ships of United States registry.

Calendar No. 315, H. R. 7221, making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes. That bill is the unfinished business.

Calendar No. 320, S. 105, to exempt from taxation certain property of the National Association of Colored Women's Clubs, Inc., in the District of Columbia.

Calendar No. 322, S. 1576, to exempt the sale of materials for certain war memorials in the District of Columbia from the District of Columbia Sales Tax Act.

Calendar No. 323, S. 1586, to eliminate the financial limitations on real and personal estate holdings of the American Historical Association in the District of Columbia.

Calendar No. 324, H. R. 2018, to permit the purchase from the District of Columbia Reformatory at Lorton, Va., gun mountings and carriages for guns for use at historical sites and for museum display purposes.

Calendar No. 325, H. R. 6258, to amend the act entitled "An act to provide additional revenue for the District of Columbia," approved August 17, 1937, as amended.

Calendar No. 326, S. 923, to amend the act for the retirement of public school teachers in the District of Columbia.

Calendar No. 327, S. 1264, to exempt from taxation certain property of the National Trust for Historic Preservation in the United States in the District of Columbia.

Calendar No. 331, S. 60, to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado. This is a very important bill.

Mr. CHAVEZ. May I interrupt the Senator? Is that the Fryingpan project?

Mr. JOHNSON of Texas. That is the Fryingpan project.

Calendar No. 332, S. 1269, to amend the act entitled "An act to create a Board for the Condemnation of Insanitary Buildings in the District of Columbia, and for other purposes," approved May 1, 1906, as amended.

Calendar No. 333, S. 1708, to amend the act entitled "An act relating to children born out of wedlock," approved January 11, 1951.

Calendar No. 334, S. 1842, to amend the act entitled "An act to provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes," approved February 4, 1925.

Calendar No. 335, S. 1906, authorizing the conferring of appropriate degrees by the District of Columbia Teachers College on those persons who have met the requirements for such degrees and for other purposes.

Calendar No. 336, H. R. 192, to provide that members of the Board of Education of the District of Columbia may be removed for cause.

Mr. President, may I ask the distinguished Senator from Oregon the order number of the bill to which he referred? Has it been reported to the Senate? I understand it had been reported yesterday.

Mr. NEUBERGER. It is my understanding that the distinguished Senator from Montana submitted the report yesterday, but I have not seen the bill on the calendar.

Mr. JOHNSON of Texas. It is Calendar No. 330, S. 555, to authorize the construction of the Hells Canyon Dam on the Snake River, between Idaho and Oregon, and for other purposes.

I have been requested by the minority leadership to hold that bill. I had previously given assurance to the Senate that I would schedule the bill as early as I could conveniently arrange to do so. I now announce that Calendar No. 330, S. 555, will be called up on motion as soon as I can work out arrangements with the proponents and try to accommodate the opponents, so as to have a satisfactory time in which to discuss the bill.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. MORSE. Will the Senator, for the RECORD, make the same reference to this bill as he did concerning the Fryingpan bill, namely, that it is a very important bill?

Mr. JOHNSON of Texas. The Senator from Texas has already made reference to this bill in the RECORD. He has made reference to it with his vote. He has authorized the senior Senator from Oregon to state on his behalf that he plans to call up the bill on motion and to support the bill, and he hopes the Senate will pass the bill.

I hope Senators will consult the RECORD, because I want all of them to be on notice that these bills may be called up at any time when the Senate is in session. Of course, appropriation bills will have the highest priority.

The recommendations of the President—some 148 in number—have a very high priority in all the 15 standing committees. I have asked the chairman and the clerk of each of the standing committees to give consideration to each of the President's 148 recommendations.

I trust that from day to day action will be taken on them. Some of it will be favorable, and some of it unfavorable; and action on some bills may be postponed. But judgments will be reached on the recommendations of the President and on the recommendations of the Members of the Senate, as well.

I wish to notify all Senators that the schedule from this time forward, until sine die adjournment, will be a heavy one. The Senate probably will be in session late in the evening and perhaps on Fridays and Saturdays. If there are bills on the calendar which require action, the Senate will be in session.

I make no pretense of being too efficient; but since there are some persons downtown who not only assume to themselves the prerogative of running the executive department but also want to advise the legislative branch of the Government as to what it should do, I intend to answer them, and I shall answer them with a voice they can hear and not misunderstand.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Oregon.

Mr. MORSE. Does our very able majority leader think there might be some prospect of sessions which would justify some of us keeping ourselves in a condition so that the Senate could be in session all night, too?

Mr. JOHNSON of Texas. I never want to think of the unpleasant. I am a very optimistic person, as the Senator from Oregon knows.

I have not observed anything which I could possibly say would require all-night sessions. Generally speaking, I am opposed to sessions in the evening at all; and I am certainly opposed to them until after the dogwood has bloomed and the summer has reached us. When the time comes for the Congress to get ready to leave Washington, sometimes it becomes necessary to stay late.

But I am certain we all know that the Senator from Oregon does not need a notification to get in condition. The Senator from Oregon stays in condition. If there are to be any all-night sessions, the Senator from Texas may not be at his desk all evening, but he has no doubt that the Senator from Oregon will be here and will be well prepared and equipped to discharge his responsibilities.

Mr. President, the Senate has entered an order to convene on Monday morning at 11 o'clock. I shall yield the floor with the understanding that no further business will be transacted. I have assured Senators of the minority that they may make speeches and insertions in the RECORD, but I should like to have the assurance of Senators who speak that no business will be transacted, because the acting minority leader must be away and I must leave to testify before the Committee on Appropriations.

Mr. CHAVEZ. Mr. President, before the Senator from Texas leaves, may I ask him if he announced that Calendar No. 192, S. 495, and Calendar No. 193, S. 728, would be called up?

Mr. JOHNSON of Texas. I do not recall at the moment what those bills are.

Mr. CHAVEZ. Will they be called up on Monday?

The PRESIDING OFFICER. The Chair will state for the information of the Senator that both those bills were announced.

Mr. JOHNSON of Texas. They were both announced, but I did not state any date on which they would be taken up. We shall first take up a supplemental appropriation bill.

Mr. CHAVEZ. That will take priority.

Mr. JOHNSON of Texas. All appropriation bills will take priority at all times. I remind all Senators of this fact, because if they desire that other bills be taken up, they must understand that appropriation bills will take priority. I am hopeful that the very able and effective and distinguished occupant of the chair, the Senator from Alabama [Mr. SPARKMAN], who is the outstanding authority in the Congress in the housing field, will soon have before the Senate the housing bill, and perhaps also a small-business bill. The Senator from Alabama has worked long and hard in those fields, and we hope his committee will soon have those bills on the calendar.

I have asked the Judiciary Committee to attempt to report an immigration bill, and we expect it be on the calendar in a short time.

So, Mr. President, the days ahead will be busy ones for the Congress, and I want all Members of the Senate to be on notice.

The PRESIDING OFFICER. Let the Chair take advantage of this opportunity—in response to what the majority leader has said—to state that on yesterday the Banking and Currency Committee completed action on a housing bill, and it will be reported within the next few days.

Following that, it is our plan to take up a veterans' housing bill, as a separate piece of proposed legislation.

On June 3, if the Chair remembers correctly, our committee will begin hearings on the small-business bill.

So the Chair thinks the majority leader can rest assured that those three measures will be ready for the calendar soon.

Mr. JOHNSON of Texas. I thank the Senator from Alabama, the present occupant of the chair. I am aware that the Senator has been working on those bills throughout the session, and has held hearings, and has had many controversies to resolve, and that he has been busily engaged in marking up the bills. I had anticipated that we would schedule them during the month of March. However, as the Senator from Alabama knows, we have certain so-called experts on legislative procedure—who perhaps have served as much as one term in the House of Representatives—who seek to pressure us and tell us how to operate; and I want to be sure that we give them the kind of answer they deserve.

THE NATIONAL FORESTS

Mr. MORSE. Mr. President, I wish to insert in the RECORD, as a part of my remarks, an excellent speech by Mr. David Brower, executive director of the Sierra Club. The speech was delivered to the supervisors of the United States Forest Service, at a meeting in Portland, Oreg.; and I consider that the speech merits widespread dissemination. In addition, I wish to comment on it today.

Mr. Brower asked whether the foresters' term "multiple use" is a shibboleth. He stated that an eminent forester in the Northwest prefers to refer to the many uses of the national forests as coordinate uses. I do not care to argue the point, but I must confess that the term "coordinate use" more nearly fits my concept of what we are trying to achieve in our great national forest programs. In my judgment, we are bound to courses of action which protect the water and the soil, for these are the basic natural resources that provide the strength of America. We must coordinate the uses, be they for recreation, grazing, or logging, so that the soil retains its full fertility and its ability to promote the best production of water.

Mr. Brower makes the interesting observation that we can hold an area available for water production, as a fish and game habitat, for recreation and research, and the basic soil and water resource can be maintained. If we proceed to cut timber before we have the facts which establish the effect upon soil and water, we may destroy or damage the basic soil and water resource.

We have marched across this Nation with the ax and the plow, turning the forest and the prairie into farms and cities. We have caused our rivers to run brown with mud, and one has only to walk from this Chamber to the banks of the Potomac to witness this fact. In recent weeks in the great States of Texas and Colorado the citizens have been flooded with water while they could hardly breathe for the dust in the air from terrible soil-destroying duststorms.

Our national forests stand as jewels among the treasures of our heritage; but, as Mr. Brower pointed out, there is much to be done to insure their radiance. Even more important is the need to extend conservation practices across all of our land.

To my way of thinking, research is an important program that needs considerably more emphasis at the Federal, State, and private levels. Research produces carefully documented evidence, which, if properly applied, can guide our actions. I want to take this opportunity to urge that we gear our research programs to a level that provides us with the facts we need in order to assure proper management of our vital soil and water resources. We must assure these basic productivity agents as we harvest the crops that the soil and the water provide.

So, Mr. President, I now ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks—because I find myself in such hearty approval with its major premises—the speech entitled "A Conservationist's Questions About National Forests," and I urge my colleagues to read the contribution to this subject that Mr. Brower has made.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A CONSERVATIONIST'S QUESTIONS ABOUT NATIONAL FORESTS

(Statement made before supervisors' meeting, United States Forest Service, Portland, Oreg., by David R. Brower, executive director, Sierra Club, April 5, 1957)

"Today, with a vast store of scientific knowledge and what we prefer to regard as a high level of intelligence, we look with tolerance on the superstitions and folklore of our ancestors. We appreciate the ingenuity often displayed in arriving at a wrong answer. We try to understand the mental inertia and the fear of the unfamiliar that caused backward peoples to resist the encroachments of scientific thinking.

"But are we equally appreciative of some of the ready-made answers that today take the place of rational thinking and scientific investigation? Do we realize that our actions have been guided for many years by pronouncements made by the medicine men of forestry? Are we fully conscious of the extent to which we accept without question the traditional and sometimes fallacious beliefs that have established and continue to establish our attitudes toward forest economics? Are not many of us still planting our seeds of thought in the dark of the

moon, and grinding up unicorns' horns to ward off the things we fear in the future?

"This is not to imply that there is no constructive thinking being done in the field of forest economics today. Both in public service and in private industry a healthy scientific attitude can be found, and many sincere attempts are being made to understand and straighten out tangled relations. But because studies in forest economics have been slow to develop, we have accepted doctrines and beliefs that have never been tested adequately. So firmly established is this body of bromide and folklore that it is almost heresy to question it, just as it was once heresy to question the movement of the sun around the earth or the displeasure of the gods that caused crops to fail and animals to die.

"* * * The dominance of the silviculturists in forestry has been a major factor retarding the development of a sound body of economic doctrine. The belief that silvicultural perfection is the ultimate goal of forestry, and the preemptive assumption that what is silviculturally good is economically sound, often threaten to relegate forest economics to a minor role or to complete extinction.

"* * * But our actions are still influenced by the traditional emphasis on silviculture. From habit rather than as the result of rational processes we are inclined to conceive the most desirable forest to be one with fully stocked stands of a preferred species, rather than one that will provide the maximum returns in the form of watershed protection, game refuges, community support, useful products, and direct financial return. We fight what often seems to be a losing battle to protect a favored but disappearing species against insects, disease, fire, and cutting. We fail to consider the fact that protection from fire often encourages the less desirable species, or that the forest of useful species is often actually the product of long periods of uncontrolled natural fires. Only after years of fighting blister rust and fire, with expenditures running into millions of dollars, do we finally begin to question the economic justification of these efforts. Perhaps we should be devoting more effort to making the most of the so-called inferior species that seem destined to replace some of our old favorites.

"The silvicultural bias leads us not only to an advocacy of cultural practices that may be uneconomic, but to a belief that it is wasteful to leave any land idle if forests would grow on it. Nature's opinion of a vacuum is nothing more than a mild dislike compared to an ardent forester's abhorrence of an idle acre. * * *

"Part of the doctrine that has guided the thinking of many forestry protagonists is the belief that there will be profitable markets for all the timber that can be produced. If we err in our attempt to produce the correct quantity of timber for the future an excess would probably be more desirable than a deficit as a matter of public policy. But public policy should be justified on the basis of possible emergency or public security rather than by unsupported assumptions of future demand. The statement that future markets will take all the timber that can be produced may be true. Or it may only be wishful thinking. It is not true simply because it has been stated by some of our high priests and repeated over and over again. Nor can all the reasons advanced in support of this doctrine be accepted without question. * * *

"The doctrine of unlimited demand is also supported by the belief in the indispensability of wood. It is true that wood is now necessary for railway ties, for newsprint, for bobbins and shuttles, and for crates. There is a preference for wood over other materials for many other uses. But the indispensability of wood has been challenged many times. New materials and new methods are constantly threatening markets for forest products. The idea of indispensability, much as we may like it, is another that is subject to question. * * *

"The idea of sustained yield has been glorified by those who condemn forest destruction. But failure to define sustained yield precisely has encouraged its loose usage by forest owners and operators. Without complete and clear definition, sustained yield is almost meaningless. The forester may mean a high level of intensive cultural management, but the owner can use the term to describe a liquidation operation if he is holding and protecting his cutover lands. The public is taught that sustained yield is necessary to preserve our forest economy, and is lulled into a sense of security when it is told that millions of acres in private ownership are on a sustained-yield basis." (Bromides and Folklore in Forest Economics, Ralph W. Marquis, forest economist, United States Forest Service, Washington, D. C.)

"As a group, foresters have done little to promote intelligent, productive use of the forest for recreation, or even to manifest much interest in it. It has been largely forced upon them by public demand. They have not been leaders but followers in respect to this resource. In this position, they are finding themselves faced with the necessity of solving problems for which they are not too well prepared with answers. Whether they will play a constructive part in future development and administration of this rapidly growing forest resource remains to be seen.

"The reluctance of foresters in the early days to encourage recreational use of forest lands is understandable. The influx of people increased the difficulty of protecting and utilizing timber, forage, and water. In the early days the only justification for recreational expenditures was either from the standpoint of fire protection or sanitation. These were negative approaches. Summer homes were originally permitted on public lands since it was thought the additional occupants would assist in fire suppression. Some foresters have been unsympathetic, either by temperament or education, because they dislike to deal with intangible values like recreation.

"Professionally, many foresters assign and accept only materialistic objectives and returns. The results of their professional activity that they can accept are those which can be measured in terms of board, cubic or linear feet, cords, pieces, or tons. Watershed protection became respectable only as it began to be expressed in second- or acre-feet of waterflow, height of flood crest, or plus or minus cubic yards, or acre-feet of sedimentation. There is much more to a forest than material goods. Even an undisturbed forest is not necessarily an unmanaged forest, for it may have an economic value as well as an esthetic attraction that no cutover land has.

"* * * Some foresters no doubt believe that before forest recreation can attain respectability commensurate with timber production, forage, and other uses, formulas must be devised with which to measure precisely the number or the worth of the happy hearts of children or the contented hours of adults eased of the tensions of modern existence, and thus made more productive or at least saved from deterioration. They believe that to bring forest recreation into its own, methods must be devised through which human enjoyment can be measured in standard units and assigned a cash value. However, less materialistic and more realistic foresters already appreciate that there are human values which transcend the dollar values of ordinary business.

"* * * The forestry profession has gone a long way from the days in which the forester thought of himself primarily, if not only, as a producer of cellulose. The term 'multiple use' is now an accepted description of the attitude of the forestry profession toward the forest. There is probably no one element of forest use which touches a greater number of people than the recreation element. I am not certain, but I am inclined to believe that if trustworthy statisics were available it would be found that, from a commercial standpoint, the forest in its service of recreation runs into figures that would compare favorably with the timber production and other commercial aspects of the forestry business. It is for this reason that my feeling is very strong that in training men for forestry work real emphasis should be put on the value of the forest from the recreation standpoint.

"Regardless of the soundness of the multiple-use principle in the sense of the unified administration of several or all uses of wildland by a given agency or single management, the optimum combination of uses on a single area or site is subject to constant change due largely to the constant change in economic and social conditions. Optimum use on a given area might require a single use or possibly the exclusion of several subordinate uses in favor of the dominant use or uses. There are, however, strong forces at work in the direction of making recreation a more dominant use on wildlands, and the trend of public thinking is definitely in that direction. Therefore, in the long-range planning of public wildlands in particular, recreation should be given the benefit of the doubt where there is a question as to which are the present and prospective dominant, codominate and subordinate uses.

"The forestry profession should reexamine its views and standards regarding the economic and social utility and significance of forests. Technology now serves, or promises to serve, with other forms or things many material needs hitherto served best or exclusively by the products of forests. But it offers no such promise for those recreational or spiritual needs of the American people hitherto and now served best or only by forests. As population and urbanization increase, and as forests decrease, these spiritual needs will become greater and more acute. It may well develop that the professional forester of the future will depend for his place in the sun upon his contributions in this field to an equal or even greater degree than upon the requirements for the time-honored and traditional materials products of the forests. * * *

"There is the belief that if we could have forest recreation, wildlife activities, and other similar forms of nature programs in the hands of professional foresters, we should be ahead in promoting the general purposes of forest conservation. In the few instances where we have technical foresters who have also specialized in some of these other uses of the forest, results indicate a much better balance in our recreation program. * * *

"Here is a challenge to the schools of forestry and conservation as well as to the foresters themselves. Recognizing the present trend in public use of the forests, adequate adjustments and expansion in the training program for forestry students must be made so that when graduated they will have a more comprehensive grasp of these newer trends of forest management in order to meet the demands placed upon them as forest administrators. It follows that adjustments will also have to be made in the examinations given to foresters in order to get qualified persons for positions in the broader field of management.

"It is only when the intangibles of forestry are added to the wholly material values that professional permanency and security become well established. The professional forester would be unwise were he to fail or refuse to recognize the part and place of

these intangibles in his professional field. The continuity and adequacy of a forest policy rest wholly on the attitude of mind of the American people and the thinking of those people is not influenced so much by fear of a shortage of inch boards or 2 by 4's as it is by the hope or desire to spend a happy vacation in a scene of unimpaired forest beauty. Up to a certain point, emphasis upon an impending deficiency of timber supply may be wholly justified but it is only partially effective. Emphasis, from here on, on the dual value of the forest as the scene and opportunity for wholesome forms of outdoor recreation, and on the formulation of plans of management and development which fully feature and provide for such dual use in optimum measure, is a more potent argument and one with tremendously popular appeal. If foresters are to furnish the talent for good land management, they should know something about all the multiple uses of that land, how each use affects the others and how they can be coordinated in a related program for the greatest good to the greatest number in the long run. The I. Q. rating of professional foresters will be determined by the way in which they respond to this situation." (Recreational Forest Management as a Part of the Forestry Profession, Ray E. Bassett, Chief, Section of Forest Recreation, U. S. Forest Service, Milwaukee, Wis.)

"The continuous maintenance of a forest cover may involve periods of anywhere from 40 to 200 years to complete the cycle from seedling to harvest. This means that the working plans made today may contemplate a future where the authors and original administrators may be dead and buried for a century or more before their plans come into fruition. This further means that the management of the public forests is not determined solely by the exigencies of the moment nor the needs of one decade. Public forest management, unlike that of individuals or corporations, is not limited to the benefit of an immediate generation, but is projected far into a future where people yet unborn may enjoy a full measure of the things we guard today. * * *

"On the part of Americans, since the beginnings of the Nation, there has been an inherent feeling of common ownership of the great waters, mountains, and forests of the country, and all that is in them. Psychological it is, perhaps, but the attitude is a persistent force, that the high and wide places, the sea, and the wild forested areas are nature's solitudes and belong to all the people. The fish, the game, the wildlife of the forests, and man's right to wander obscure paths into the wildernesses of the woods are common rights—not to be seriously abrogated, and then only in the public interest.

"The degree of emphasis to be given recreation in the management of public forest properties cannot be safely based on a dollars and cents comparison of recreation with other resources. In the first place, no satisfactory basis of evaluating recreational features has ever been worked out. One cannot place a cash value on a sermon or an immortal musical composition in cataloging man's achievements. Neither can we put a dollar value on a thrush's song or an autumn sunset. Even fishing and hunting, whose end results so many people erroneously appraise only in pounds of meat, cannot be appraised in terms of the inner satisfaction which animates a genuine sportsman.

"The amount of time and money which people will spend to enjoy the forests is, after all, only a partial and unsatisfactory yardstick, which does not reflect accurately the circumstances in life of an individual or of a human generation. Of one thing only we may be sure, and that is that, as time goes on, the recreational desires and the recreational needs of the American people will most definitely increase. Consequently, it will become more important but probably not too difficult to strike a satisfactory balance between recreation and the other values existing in the forests.

"* * * No one can forecast what changes will be forced by the population pressures of the future. We do know that human needs and human nature will be essentially the same when we have 200 million people in this country as they are right now.

"This means that forest recreation is not only here to stay, but will take on greater and greater intensity as time goes on. Out of this certain prospect comes two major conclusions:

"First. We must maintain our present national forests in public ownership and continue to handle all their combined multiple uses and values for the permanent benefits of all the people.

"Second. The Forest Service must evaluate the spiritual and physical recreation needs of the Nation, not simply on the basis of the present, but also with vision and purpose so that we may adequately meet future needs as fast as they develop.

"Foresters sometimes have to look ahead 200 years in charting a working plan for a forest stand. We also have the infinitely more difficult task of charting a form of management that will recognize and protect all of the recreation values which will be so sorely needed much earlier than 200 years.

"We cannot afford to make any serious mistakes. If we err at all it must be on the conservative side of overestimating recreational needs of the people. We dare not and we must not shortchange the future." (The Place of Recreation in the Multiple-Use Management of the National Forests, John W. Spencer, regional forester, U. S. Forest Service, Denver, Colo.)

I don't know how much of what I have said you are ready to agree with. Chief Forester McArdle recently wrote to a conservationist friend of mine that he did not expect that you people would agree with everything I have to say here. I don't even imagine that all foresters in the Forest Service agree with each other. Let me pause now to point out that every word I have read so far has been unmercifully plagiarized—from foresters, foresters with whose quoted remarks I myself agree. A professor of forestry helped me round up the quotations for this occasion, and they all come from the proceedings of the Society of American Foresters meeting in Minneapolis in 1947. All material quoted was from men who were in the Forest Service at the time.

This has been a trick, I'll grant you, and I apologize for it. But perhaps it will help to dramatize in your own minds what changes, if any, have come about in the past 9½ years. You will know far better than I. From here on I'll proceed under my own steam. Any similarity between what follows and what others have written is purely coincidental.

THE SIERRA CLUB'S CONSERVATIONIST ROLE

As a preface to the rest of my remarks, let me start with a subject I known firsthand, and then branch out into your subject, about which I shall try to propound questions rather than attempt to carry coals to Newcastle in a knapsack. At present I am chairman of the Natural Resources Council of America, an organization founded in 1946 to help 40 national conservation organizations keep each other informed about mutual needs and problems. Their total membership exceeds 2 million, and includes the Sierra Club, second oldest of the group and the oldest of them devoted to conservation of scenic resources. The Sierra Club was founded in 1892, now has more than 11,000 members, and I am its executive director.

For 16 years before the word "conservation" became popular, the Sierra Club was practicing it, just as John Muir had before the club was founded. Conservation has meant many things, and through the years members of the club have individually been interested in all of them, including the conservation of soil, water, forests, and materials in general—conservation in the sense of wise use, with minimum waste, of the resources the earth affords for man's economy. The club itself, however, has never been more than indirectly concerned with the economics of resource conservation. From the beginning its specialty has been the preservation of natural scenery, in national parks and monuments, in national forest recreation areas, in wilderness under whatever jurisdiction, in State and local parks, together with a deep interest in the wildlife that makes these places complete. Whether justifiably or not, those who work for conservation of natural scenery and wildlife have come to be known as conservationists, a term which excludes the people who have a role in managing a resource for profit, even though they may conserve it in doing so.

Thus the Sierra Club is a group of conservationists, active and potentially active, whose interest in the cause of conservation has received its impetus from direct knowledge of scenic America which the members have acquired in the club's program of outings and other outdoor activities. This, at least, was the principal stimulus of conservation interest in the early decades of the club. More recently there has been a pronounced rise in the number who support the club solely to further its public-service program, only rarely to enjoy its activities.

In all its program, the club has carefully avoided taking action that would benefit itself or its members any more than it would benefit the public as a whole. This does not mean that the club has not been misunderstood at times. For example, it has always been easy for people who have not known the whole story to assume that because the club advocates the preservation of wilderness and also conducts wilderness outings, the club therefore strives to protect wilderness for its own selfish purposes. While it is true that the club's wilderness outings would cease if there were no wilderness, so would all wilderness outings, whatever their sponsorship—and the club's contribution to wilderness travel in toto is very minute. Moreover, the club outings are nonprofit.

The club, in its conservationist role, has placed special emphasis on wilderness preservation in the last quarter century (which saw the dropping of the words "to render accessible" from the club's purposes because too many people thought this meant "accessible by road or tramway") because wilderness, after all, is the most precious of our scenic possessions. It is least likely to get support from the branch of conservation devoted to resource management. And it can never be replaced if the resource managers covet it successfully.

Which brings us, as conservationists, full circle—back to where we collectively need to keep our conservation interest broad enough to be aware enough of resource-management needs to preserve wilderness from management. For instance, wilderness will be safest from exploitation by lumbermen if the extensive tree-bearing areas that need not be wild are managed with maximum long-range efficiency. It behooves us, then, to know enough about the technique of forestry to know when it is not efficient—to be able to point out to the lumbermen who covet the wilderness rain forest of Olympic National Park that there are other ways, if they operate efficiently, to get the lumber Olympic's dedicated forests could produce but should not.

Now, what can a mere urban conservationist who has mastered no forestry and

managed no resources contribute to a broad-gage look at conservation in its whole context? He can think about the problems and he can seek out the ways in which utilization and preservation may both be accommodated, each in its own place. On the one hand, he is in a good position. His lack of familiarity with a resource subject may also mean a lack of bias and can insure a good perspective, so long as he keeps an open, inquiring mind and minds his logic. On the other hand, of course, the conservationist is in peril—all the peril that awaits the sciolist and his little knowledge that can be a dangerous thing.

Such is the layman's dilemma; and with this explanation of my position here I'll embark upon my own question period, hoping to learn some answers after I have yielded the floor. The questions derive from what I think is an absolute truth: If nature does something, there's a good reason for it, and it is ecologically right. A noted forester told a group of us last year, "Nature never does anything right." However, I'll stick by my assumption, realizing that one of the things nature did, alas, was to allow man to be arrogant—as overendowed with self-esteem, perhaps, as the dinosaurs were overendowed with self-armament. But on to the questions:

1. Is multiple use a shibboleth?

At our biennial wilderness conference which convened in San Francisco last month one conservationist stated that multiple use was a concept that lipservice was paid to, and no more. He serves on the advisory board of the California region and is also chairman of the Secretary of the Interior's Advisory Committee on Conservation. I think he meant what he said. Just 2 weeks ago in Portland, Regional Forester Stone said that he didn't like the term "multiple use," but preferred "coordinate use."

Does multiple use mean a multiplicity of uses on each acre of a forest? Of course not, but many people think so. Does it mean the whole galaxy of uses in each ranger district, or on each forest, or in each region, or in the system as a whole? Is it a system of zones, or of priorities? Is it clearly defined by law or in the Forest Service Manual? I have yet to hear a forester explain the difference between national forests and national parks without saying that national forests are for multiple use and national parks are for single use. Do you think this is true? If so, you must have a clear definition of multiple use in mind. I don't happen to think it is true at all.

2. Would you say that multiple use consists of timber production plus something else? I have heard this definition suggested more than once. I think everyone here would reject it, without giving it a second thought. But let's give it a second thought. First, how many hours of a forester's training are directly and indirectly devoted to timber—to the art of getting soil, water, and sunlight to market in the form of wood products? And how many hours to all other forest uses? We have the periodic, multimillion-dollar Timber Resource Review, but how well along are we in producing equivalent reviews for other forest uses? In the management plan for any forest, how many man-hours go into problems of producing board-feet compared to problems relating to all other uses? What, then, is the meaning of multiple use?

3. Is the admonition to provide the greatest good for the greatest number in the long run a noble objective, but not a route to it? I think we are badly in need of clear definition of greatest good now that the crowded world is upon us. And hasn't that phrase "in the long run" been omitted from quite a few publications lately? It's a serious omission, many conservationists feel, not only of words but also in thinking.

4. How important is that phrase "in the long run"? One of the most impressive papers given at our Wilderness Conference was by an ecologist who had just completed a study in all the Easts—Near, Middle, and Far. Some of his most dramatic photographs were of deserts which resulted from forestry practice that forgot the long run; instead, it was forestry for the short-term gain that sent the Cedars of Lebanon—most of them—out to the sea in ships. The greatest good for the greatest number at the time—and desert thenceforth. No, it wasn't a change in climate that created those deserts, the ecologist assured us. He showed slides taken nearby and in the same climatic zone, of handsome mixed forest abounding with wildlife, which still exist because they were protected from exploitation by accident—pitifully small islands of an Eden, too small to ward off enduring poverty. The Promised Land that Moses led his people into was a beautiful wilderness; but the cardinal rule of good stewardship, thinking of the long run, was forgotten. And now there's a desert, the barren stone skeleton of the greater Eden.

But to move from Biblical times to our own, I have also been impressed by the grave difficulty recently encountered in Germany with fourth-generation forest that had been managed so as to produce pure spruce. Do we begin to know enough about what happens to watershed protection and to timber production itself when we shift from the so-called climax forest that we find on a piece of land, and try to grow there instead, without rotation of the crop, a single species for several generations? I am confident that we don't know enough. As of last year the Forest Service did not yet have a single research project under way on that subject.

I asked Oregon State's Dean McCullogh about that last May, and he wrote: "The Forest Service is only 50 years old. We will have to wait 250 or 350 years to appraise the results of several generations of the same species on the same site."

Must we wait that long? I myself have an appointment to keep before the returns are in, and several subsequent generations will be in the same fix.

I don't think we need to wait that long, nor do I think that we may ethically do nothing because it is such a long wait. We can take a cue from the geneticist, who has devised very effective experiments with Drosophila, those fruitflies who go from generation to generation so fast that centuries, by our standards, can be telescoped into a single student's course. The botanical equivalent, from which valuable extrapolations could be made, would be the annuals—plants and grasses. Or take a cue from the medical researchers, and extrapolate from short-lived guinea-pig tree species. These methods won't provide the clearest of crystal balls for forestry, but they should help, and the results can be correlated with what history tells us and what paleobotanists have uncovered. Our own generation will not reap many of the benefits of such research, but will anyone here argue that we should therefore skip it? I think not.

5. What studies does the Forest Service contemplate of the changing trends in forest uses? And of the long-range compatibility of uses, each with the others? This is an especially leading question, and heads me back toward my own primary concern about how the Forest Service can revive the intensity of interest in wilderness preservation which was so evident in the work of Aldo Leopold and Robert Marshall and the chiefs and secretaries who backed them up.

6. What is happening to wilderness protection? After 7 years' study and 4 wilderness conferences in which hundreds of resource managers and conservationists participated, a bill was drafted to reflect their consensus as nearly as possible. In Washington, D. C., a year ago three of us submitted to the Forest and Park Services the first draft of that bill to establish a National Wilderness Preservation System. We asked for further advice and counsel. Within a few hours—and long before advice or counsel were received—copies of this draft were in the hands of the American Mining Congress, the stockmen, and the United States Chamber of Commerce. The chamber very quickly claimed, in its Natural Resources Notes, that this proposal was a threat to multiple use of the forests, and this same fear was subsequently expressed by the American Forestry Association and by various other chambers of commerce. All these groups favored wilderness, but they didn't want it frozen or, one could presume, otherwise preserved. In the California Chamber's committee discussion, one forester put it this way: Wilderness is fine in the rocky, untimbered country of national forests so long as there are enough roads to make it easily accessible. This was the forester who had said that nature never did anything right.

7. What about wilderness and multiple use? I submit that wilderness dedication is multiple use in perpetuity. It there any evidence to back this up?

First, let's try this definition of multiple use: In national forest management the term relates to management of the forest as a whole, and not of a particular acre. Some plots may be zoned for an exclusive use; on others, a paramount use is designated, with which a few others may be coordinated.

What are the various uses? I count 11, some already recognized by tradition, and some likely to be:

Timber: This was once the most important use of national forests.

Watershed (and soil) conservation: This is now the most important use of most national forest lands.

Mining.

Grazing.

Fish and game habitat protection: For recreation and for the fish and game per se.

Science: A control area for research, and a genetic reservoir of unmanaged species and strains of incalculable value to the future.

Education: A natural museum for public information about resource values.

Roadside recreation of all kinds, including some in which the natural beauty of the whole scenic setting is preserved.

Reservoirs and other water-development structures.

Conservation reserve of commodity resources for future generations if they must choose to use them.

Wilderness recreation.

All these uses could be accommodated on a big national forest. But how many of these are fully compatible within a particular area? There's room for a wide spread of opinion here. Conceivably some people would think timber production was fully compatible with all the other uses. I don't think it fully compatible with any, but I would say it was partly compatible with grazing, fish and wildlife, roadside recreation, and reservoirs.

I won't take the time to list all the various intercompatibilities, full and partial, and doubt that any two people would agree anyway. A committee, however, might come up with some interesting results. I will say, however, that wilderness preservation is almost fully compatible with five other uses—watershed protection, fish and game habitat, science, education and conservation reserve—almost all of which are mutually compatible.

However we rate them now, the relative importance of the uses has changed and will change. For example, watershed management is assuming enormous importance; forest recreation, hardly thought of 30 years ago, is now the dominant use on many forests. We are only beginning to realize the irreplaceable value of the genetic strains and microbiota to be found only in the natural complex of wild lands. (For example,

what pest-resistant genes may we lose, or what new wonder drugs, if we lose wilderness? (We don't know.) Forest lands will become increasingly important for outdoor wild museums as suburbia spreads over the land. And it was hardly three decades ago that we began to realize that wilderness was vanishing so rapidly as to have a scarcity value. More and more people will have more and more time for multiple-use enjoyment of wilderness—whatever wilderness, that is, that we save for them.

Would it not be helpful to attempt a monetary estimate of the worth of each combination of uses? This could be developed in several ways: (a) Totals, in terms of a constant dollar, for each decade of national-forest history; (b) totals, per decade, from now until the year 2000 according to our best estimates; and (c) variations of the estimates as they would be effected by various combinations of preference uses.

For example, according to studies on the Roosevelt National Forest, Colorado, returns per acre of forest per year were as follows:

Grazing (Federal receipts from permits)	$0.50
Timber (Federal receipts)	1.00
Water (at headgate)	5.50
Recreation (spent by users)	25.00

It must be borne in mind, of course, that the grazing and timber receipts are gross receipts. Legitimate offsetting costs, not shown, are the increased costs of personnel to manage the timber as well as Federal costs of access roads and watershed restoration that would not be necessary if the area were left as wilderness. The receipts for water probably reflect only the amortization of development works and the cost of labor, and so forth, and nothing for the water itself. So our analysis would require our finding an honest yardstick for measuring values.

Such an analysis of the various uses would, I think, demonstrate that wilderness preservation fits in nicely with the most valuable blend of uses, in the long run, that can be found on the national forests.

The traditional national forest crops—wood products, minerals, forage—will more and more come from alternative sources: Wood products from gentle-sloped woodlots and private forests in the humid regions, minerals from seawater reduction, forage from irrigated pasture. Water and wilderness, I think, can get along fine together; wilderness will insure good protection of the quantity and quality of water, and gravity will bring it down to civilization. I am aware, of course, of work on the Frazer experimental Forest seeking to increase water yield by cutting windows in the forest. I am also aware of the pressure to initiate an operation tin roof in the Salt River watershed in Arizona. But I think we will do well to have our wilderness standing by, untinkered with. It can reveal how man may stop the chain reactions he invariably unleashes, for all his scientific skill, when he upsets nature's balance. For example, thanks to wild lands near that German experiment with spruce forests, man was able to observe the important ecological role of the lowly ant, and thus to reintroduce ants where monoculture had wiped them out—and the timber crop along with them.

Let me close with a plea, a statistic, and a try at philosophy.

The plea: That you all assume a role in making sure that we look ahead to all the needs our forests must fulfill as thoroughly as we have been looking ahead to timber-resource needs.

The statistic: In the past 4 decades and their 2 world wars, this world has used up more of its resources than have all previous generations of men.

And philosophy: This generation is speedily using up, beyond recall, a very important right that belongs to future generations—the right to have wilderness in their civilization, even as we have it in ours; the right to find solitude somewhere; the right to find themselves there; the right to see, and enjoy, and be inspired and renewed, somewhere, by those places where the hand of God has not been obscured by the industry of man.

As of the year 1957, the United States Forest Service has a key role in the preservation of this right, as it pertains to many of the most beautiful samples of original America. Your leadership will go far to determine the fate of that right, so far as people of our time can pass opportunity along to their sons. Apathy can mean that we pass them a dead torch. Or, knowing that this is a very special kind of torch that man cannot light again, we can keep it aflame. I am convinced that we shall, for that is the emerging American temper.

IMPORTANCE OF FLOOD CONTROL

Mr. MORSE. Mr. President, having just mentioned the matter of floods in Texas and Colorado, I wish to associate myself with the remarks of the majority leader, the senior Senator from Texas [Mr. JOHNSON], a few minutes ago, on the floor of the Senate, when he made his eloquent plea for greater support for flood control.

Of course, I speak with great concern about flood control in the Pacific Northwest; but let me assure the Senator from Texas and others that my interest in flood control is nationwide, and I think the situation in Texas and Colorado should receive the immediate attention of the Congress. That is why I am always so glad to support flood-control measures, no matter what part of the country is involved. The criticisms the Senator from Texas bespoke today, in regard to the laggard policy of this administration in regard to flood control, need to be emphasized and emphasized again.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I yield.

Mr. JOHNSON of Texas. I thank my friend for his comments. No Member of this body is more aware than I of the fact that there is no sectionalism about the senior Senator from Oregon [Mr. MORSE]. He always looks to the interests of the whole Nation. I am grateful for that approach and for his tender of assistance to the people of my State. I assure him that he will always find me working for the best interests of a national flood-control policy whenever I have an opportunity to do so.

Mr. MORSE. I thank the Senator from Texas and I want the RECORD to show that we in Oregon know his record. I know I am in a position to thank the Senator from Texas on behalf of the people of Oregon for the great assistance he has given us time and time again with respect to needed flood-control legislation, just as he is helping us at the present time with the great Hells Canyon project, which has a very important flood-control feature connected with it. That is what I want to talk about for a few minutes, Mr. President.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. MORSE. I am delighted to yield.

Mr. MAGNUSON. Of course, the Senator from Oregon knows I share his sentiments about the help that many Senators, including the present occupant of the chair [Mr. SPARKMAN], have given us in our projects. There has been much said in the Senate today about the value of flood-control projects. We all agree they have high value and we are in favor of such developments, but I think the RECORD ought to show—and I am sure the Senator from Oregon will bear me out—that not only are these projects in our area valuable for flood-control purposes, but in the case of hydroelectric projects, as mentioned by the majority leader and other Senators today, we are well on our way in the repayment schedule.

After the speech of the Senator from Oregon is concluded, I expect to place in the RECORD the up-to-date repayment schedule of the Bonneville project, including all its flood-control programs. Bonneville Dam alone is about 42 percent paid back. On an expenditure of more than $1 billion in our area, we have already paid back to the Government, in the short period of the tenure of many of us in this body, in excess of $500 million. At the same time, the value of the projects has been inestimable. I shall place the schedule in the RECORD. It is up to date. I have to leave now for a committee meeting.

Mr. MORSE. I want to say to the Senator from Washington that I appreciate his putting that material into the RECORD, because it is needed in the RECORD, in view of the false propaganda which has been spread in recent weeks to the effect that the great Pacific Northwest multipurpose projects are not paying for themselves. That is private utility propaganda. The propaganda even is that the power is being sold below cost. The official records of the Government are clearly to the contrary. These great projects, of course, are returning to the Treasury of the United States not only their costs in terms of years, but they are going to return to the Treasury of the United States great profits for the taxpayers.

Mr. MAGNUSON. And hundreds of millions of dollars in taxes.

Mr. MORSE. They will be great producers of taxes because of the private industry they are going to bring into the economic shadows of the low-rate power which is generated by the dams.

Mr. President, I shall be very brief in what I shall say, but I think it needs to be said today in view of the comments of the Senator from Texas and because of the historic debate which is to take place in this Chamber in the days immediately ahead when the symbolic Hells Canyon Dam issue will be before the Senate. In my judgment, Mr. President, Hells Canyon is the symbol not only of the need for flood control and water storage for flood control, but also of the need for full river development.

This afternoon I make a plea to the President of the United States, and my plea is that he study this problem, because I refuse to believe that the lack of information and knowledge the President has shown to date in regard to this great conservation water resource need can be explained on any other basis than

that he does not know, that he has not taken the time to read and study, that he has not exerted himself, when off the putting green, long enough to find out what the facts are about this great domestic issue of conserving water and protecting the people from the devastating dangers of floods.

I want to say most respectfully to the President of the United States from the floor of the Senate this afternoon, "Mr. President, you owe it to the American people to demonstrate that you know the facts about this problem, because, as President of the United States, you have no moral right to write in your administration the sorry chapter in resource history you are writing, and I do not want to see history give you the black mark it is going to give you, by way of criticism because of your failure to protect the heritage of the American people in their water resources."

That is why I say to the President of the United States, from my desk in the Senate Chamber this afternoon, "You cannot justify, on moral grounds, following a course of action in the Pacific Northwest, in relation to our water resources, that would sacrifice about 50 percent of the flood storage potentialities from which the people of that section would benefit if we built Hells Canyon Dam."

So I say it is about time that someone dared stand up and say to the President of the United States, "You simply do not know the facts." I do not want to see my President regarded as a "know-nothing" President, but if he does not change the pronouncements which he has made thus far on the Pacific Northwest project, he will have to go down in history as a President who is entitled to have the label attached to him of a "know-nothing" President in regard to this great issue.

When I am talking about the conservation of water I am referring to the greatest need of future generations of Americans in relation to maintaining a high level of civilization. Mr. President, we cannot waste our water. We cannot continue as a people to let America's water table go down—and it is going down—and expect our civilization to continue to rise, because civilizations do not rise on falling water tables. A civilization to be high has to have also a high water table.

What is happening as the result of the Eisenhower shortsighted natural-resource policy is that we are sacrificing the interests of future generations of Americans to the right to a high-water table. That is why I think what the Senator from Texas has said this afternoon in regard to the flood problem happens to be so apropos.

I believe the time has come now for the American people to recognize that the greatest domestic issue they really face, in terms of America's history, is the issue of water, because it happens to be the greatest economic source for the energy of our civilization. Unless it is protected, irreparable loss will be suffered by future generations. This administration cannot justify the great giveaway of this resource to the privateering and profiteering interests of a few private monopolies who are willing, in order to make a quick buck in our time, to sacrifice the maximum potential, for example, of various reaches of our rivers—to use a classic example, the Hells Canyon reach of the Snake River.

So, Mr. President, with respect, I say to the President of the United States, "Get busy and study this problem. Stop relying upon the kind of misinformation which obviously has been given to you by some very selfish interests that have not been telling you the whole story."

Mr. President, I now ask unanimous consent to have printed in the RECORD, as a part of my remarks, a series of communications I have received from a large number of organizations in my State, such as granges, building and construction trades councils, individuals, cooperatives, REA's, and farm organizations, urging support for the Hells Canyon Dam, because they recognize the importance of maximum development of the rivers of the Pacific Northwest, and not underdevelopment, as the propagandists who are advising the President of the United States, and who apparently are able to get to him, have been standing for, for so long past.

I ask unanimous consent that this material be printed in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

EASTERN STAR GRANGE, No. 482,
Bend, Oreg.

Senator WAYNE MORSE,

DEAR SIR: At our regular grange meeting held April 22, 1957, our grange voted in favor of Hells Canyon Dam.

We feel that this dam will be a great help to the people of Oregon and we hope that you will continue to fight for it. We of the Eastern Star Grange are behind you.

Mrs. IRENE PEALMAN,
Secretary.

BUILDING AND CONSTRUCTION TRADES COUNCIL,
Eugene, Oreg., April 24, 1957.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: It was our opinion that on November 6, 1956, the people wanted a full development program of the rivers of this Northwest. The people so indicated when they marched to the ballot box on November 6. We believe the Congress should now deliver in accordance with the wishes of the people and the question of the Hells Canyon Dam is up to the Congress—no one else.

We cannot conceive of our Congressmen letting us down by permitting legislation on this issue which will provide less than the high dam at Hells Canyon. We appeal to you to carry out the mandate of the people and to assist in this fight by talking to your coworkers in the Senate and the Congress and asking them to support you in this vital phase of legislation which the people have sent you to Washington to enact.

This, Mr. Senator and Mr. Representative, Mr. Speaker and Mr. President, is not politics—this is economics. Without the Hells Canyon our Northwest suffers severely. Please, may we have your support until the Hells Canyon bill becomes a reality? Thanking you in advance, we are,

Yours very truly,
EUGENE BUILDING AND CONSTRUCTION TRADES COUNCIL,
JOE L. WILLIS, *Secretary.*

PORTLAND, OREG., *April 25, 1957.*

Senator MORSE.

DEAR SIR: Spare no effort in securing passage of the Hells Canyon Dam bill. I believe in conserving and protecting the water resources of America.

Yours truly,
ELLIS SHINALL.

STANFIELD GRANGE No. 657,
Stanfield, Oreg., April 24, 1957.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SIR: Stanfield Grange members want a high Federal dam at Hells Canyon. We need it for flood control, cheaper power, and to firm up power at downstream dams.

At the general election last fall Northwest voters showed strong preference for legislators and governors who were favorable to federally built dams.

We, therefore, respectfully ask you to support legislation favoring construction of a federally built high dam at Hells Canyon.

Very truly yours,
STANFIELD GRANGE No. 657.
RUTH BURNETT,
Master.
RUBY MCLAUGHLIN,
Secretary.

COUNTY OF MULTNOMAH,
OFFICE OF THE CONSTABLE,
Portland, Oreg., April 23, 1957.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: We, the undersigned members of the constable's office for Multnomah County, Portland, Oreg., urge you to spare no effort in securing passage of the Hells Canyon Dam bill.

Without the Federal high dam, our region will have no opportunities for industrial expansion, no new jobs or new markets.

The Federal high dam at Hells Canyon is the only means left to us to protect our region from permanent affliction of high-priced power from other sources.

The outcome of the Hells Canyon vote in Congress will determine once and for all the economic future of our entire region. We urge its passage.

Yours truly,
John Bain, Constable; C. N. Rumola, Chief; Roy F. Garrison; Scott W. Bennett; Charles Edwards; E. J. Nesbitt; G. J. Van Hoomissen; James Callas; John F. Erickson; Geo. M. Ferguson; Vernon J. Oberg; Harry J. Grant; Melvin S. Komp; Oellet Carvell; Grant W. James.

MORO, OREG., *April 23, 1957.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

We want your support on Hells Canyon Dam bill. We of the Northwest need that dam.

(Signed) Mrs. LAURA SATHER.
Miss LEONA M. SATHER.

VALE, OREG., *April 22, 1957.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Whereas it has come to our attention that there is still an opportunity of saving Hells Canyon for the people of the Pacific Northwest; and

Whereas this high Federal Hells Canyon Dam is urgently needed and wanted by the majority of the people, industry and farmers of the Pacific Northwest; and

Whereas this Hells Canyon Dam, like Bonneville, would pay for itself and not cost the taxpayers a dollar in the long run; and

Whereas this is admittedly the best undeveloped, multipurpose dam site left in the United States; and

Whereas the tremendous potential of this dam site is on the verge of being wasted on pitifully inadequate development: Therefore be it

Resolved, That the Vale Grange, No. 696, goes on record as urgently requesting all forward-looking United States Senators and Representatives to do all they can to save this dam site for the people of America.

THE EXECUTIVE COMMITTEE,
VALE GRANGE 696,
L. H. JACOBSON, *Master*.
ALLAN T. WESTCOTT,
WM. G. ROSS,
RUBY GERVIN,
Secretary pro tempore.

SHERWOOD, OREG., *April 23, 1957*.

Senator WAYNE MORSE.

DEAR SENATOR: We are very much in favor of Hells Canyon Dam.

We need it for flood control and power here in our beautiful Northwest, and we know you will cast your vote to help get it built. Thank you.

We have written to all the others from Oregon, also Lyndon Johnson, Sam Rayburn, and Dwight Eisenhower.

Mr. and Mrs. ADOLPH F. CHON.

LONGVIEW, WASH., *April 24, 1957*.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I want to thank you for your support of the high dam at Hells Canyon. Half million kilowatts is too much to let go to waste. To us who live on the lower Columbia River the flood control possible by the high dam is also very important. Don't give up.

Very truly yours,

LACY M. PEOPLES.

PORTLAND, OREG.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SIR: Please spare no effort in securing passage of the Hells Canyon Dam bill.

Yours truly,

CARL V. NEWBILL.

ST. HELENS LOCAL, NO. 166,
INTERNATIONAL BROTHERHOOD PULP,
SULPHITE AND PAPER MILL WORKERS,
ST. HELENS, OREG., *April 25, 1957*.

Senator WAYNE MORSE,
Washington, D. C.

DEAR SIR: I am writing this letter at the request of our local union concerning the coming Hells Canyon Dam legislation. Our members are very mush concerned with this issue.

Some time ago we went on record as being in favor of the high Hells Canyon Dam. Now that it is at the stage of a last-ditch fight, we would like to request your full support in favor of a high Hells Canyon Dam.

We believe it would be to the best interests of the common man.

Thanking you beforehand for your cooperation and support,

Respectfully submitted.

DARREL W. MARTIN,
Corresponding and Recording Secretary.

PILOT ROCK, OREG., *April 19, 1957*.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WAYNE MORSE: The members of White Eagle Grange, No. 683, of Umatilla County, Oreg., have passed a resolution requesting your support in the construction of a high dam at the Hells Canyon site.

Yours truly,

BERTHA M. BAKER,
Secretary.

Mr. MORSE. Mr. President, I ask unanimous consent that there may be printed in the body of the RECORD an address I delivered April 23, 1957, before a Maryland co-op meeting.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SENATOR MORSE'S REMARKS AT MARYLAND CO-OP MEETING

I am greatly pleased to be with you tonight at your annual meeting and to talk to you about some of the problems of the cooperatives as they appear to a Member of the United States Congress.

Perhaps the essential problem of the cooperatives, be they organized by producers or consumers, is the competition they present to orthodox, capital investment businesses. When we hear talk about competition being the life blood of the free enterprise system, too often it boils down to some sort of tacit understanding among economic giants that they will live with each other but that small businesses and forms of business organization other than for profit-making are not entitled to equal opportunity for life and growth.

The campaign that has been waged against the cooperative movement for many years under the guise of eliminating an alleged tax iniquity has been sponsored chiefly by big business, just as big business has worked hard to defeat legislation aimed at maintaining the competitive position of small, independent business. Cooperation is a form of business activity that is important to the American economy. It is a highly effective and desirable way for producers to get the greatest possible price for what they produce, and for consumers to get the most merchandise for their dollar. It avoids many of the features of investment for profit that are not in the best interest of consumer or producer groups. There is no reason at all why economic interests beside the investors should not form business organizations for purposes other than profitmaking, and I regard the cooperative movement as a healthy and invigorating element in our economic life. It furnishes a diversity to our economic system that gives meaning and vitality to the term free enterprise.

Cooperatives have been the salvation of many farmers not only for the marketing of their products but in obtaining electric power and consumer goods at rates and prices they could afford. They have proved themselves economically useful and desirable for consumers in urban areas. But they do compete with investment businesses, and they do form a yardstick, whereby the customers of private business can measure what they are getting. And so they continue to be under attack from such big-business-sponsored groups as the National Tax Equality Association.

One of the most scurrilous pieces of literature that has come to my attention recently is a script of a television program produced by the National Tax Equality Association which it is seeking to peddle to television stations and to other businesses for sponsorship.

This show portrays an alleged campaign for reelection by a United States Senator in which his opponent appears to favor tax equality while the incumbent does not. The Senator is depicted as the captive of mysterious economics agents identified as cooperatives, credit unions, and savings and loan associations. These are called favored groups with an unwarranted, un-American opportunity to use income tax-free money to cause the sudden death of members of the business community. In this version of a Senate race as seen by the National Tax Equality Association, the incumbent Senator ducks the issue entirely because of pressure from these so-called favored groups, and when he is defeated, he is made to confess the error of his ways with the comment that: "Nothing is politically right that is morally wrong." The sum total of this show is that mutual and cooperative businesses do not pay taxes as a result of tax favoritism and that Members of Congress who have favored the tax law as now written are the political handmaidens and water carriers of such organizations.

Now I do not know how successful the National Tax Equality Association has been in getting this film shown. But I do know that it is completely untrue in its facts, as well as in its allegations.

Probably most of you here know that in the 1951 amendments to the Internal Revenue Code, cooperative and mutual businesses were included under the same tax provisions as apply to profit corporations. The big issue was the treatment of net margins not paid or allocated to patrons. Since 1951, cooperatives have paid the same tax rate on this income as any other form of business pays. What the opponents of co-ops do not point out—and what most people who parrot their propaganda do not know—is that any corporate business would receive the same tax treatment as a cooperative if it returned its profit to its patrons, as a co-op does.

The distinction comes not in different treatment of corporations and cooperatives under the law but in the difference between their method of operation. When one adopts the business practices of the other, it will be taxed as the other is taxed. I think it is important to the cooperative movement that this fact be presented more widely to the American people to counteract the kind of campaign being made against cooperatives.

One wonders what underlies such a concerted drive against cooperatives, when Members of Congress including myself receive letters continuously from business concerns in our States complaining that cooperatives are enjoying a tax favoritism which gives them a competitive advantage, even though the number of co-ops in many of these States is negligible.

For cooperatives do only between 2 and 3 percent of the Nation's business. They are essentially small businesses. There are exceptions, of course, like the extensive marketing operations of some dairy and other farm co-ops. But these have no tax advantage over their competitors. Since the chief opposition to co-ops comes from big business, it seems evident that the small extent of competition between big business and cooperatives and the yardstick they provide to consumers do not explain why the National Tax Equality Association and other big business groups continue to attack the right of co-ops to exist and grow.

One fact which casts light on the basis for this campaign is the absence of any recommendation from the administration to alter substantially the tax treatment of cooperatives. In the 82d Congress and the 83d Congress the drums were beaten loudly for elimination of this so-called favoritism for cooperatives, yet the Treasury had no suggestion at all for revising the treatment of cooperatives when the Internal Revenue Code was extensively revised in 1954. There was the opportunity for big business—as represented by Treasury Secretary Humphrey—to remove the "favoritism" for co-ops it had been claiming existed in the Internal Revenue Code. But it made no recommendation because there was none to make. It was not until the 84th Congress was ready to adjourn its first session that the Treasury Secretary made any suggestion for amending the tax law relative to co-ops, and that came only as a result of court interpretation of the 1951 amendments as they dealt with noncash allocations. Since this minor revision was proposed to the House Ways and Means Committee by the Secretary in 1955, nothing more has been heard from the Treasury Department about any tax "favoritism" for co-ops.

Yet the attack continues. Another fact which sheds light on its purpose is the defeat of a tax cut for small corporations. Many of us in Congress who have been fighting the administration's tight-money policy—and I was the first to denounce the increase in interest rates instituted by the administration just 9 days after it took office—have been watching our predictions come true. Business failure have risen from 29 per 10,000 in 1952 to 48 per 10,000 in 1956. Small businesses rely more on borrowing from commercial institutions to finance expansion of current operations and have been priced out of the loan market in increasing numbers by rising interest rates.

In order to help small corporations with earnings of less than $25,000 I have joined Senator FULBRIGHT and other Senators in proposing a change in the corporate tax rate that would have reduced the tax load for this bracket by about 25 percent while raising it slightly for the very top brackets. After helping to defeat our bill last year, the White House endorsed exactly the same thing last fall during the campaign. When the administration had an opportunity last month to make good on this promise to give small-business men some tax relief, the Treasury Secretary came to Congress personally to testify against it, even though it would not have resulted in any loss to the Treasury. The pressure was so great that 4 Republicans who had cosponsored it when it was introduced withdrew from cosponsorship 2 days later and only 5 Republicans voted for it on rollcall. The 28 Democrats who voted for it were not enough to stem the tide of administration opposition.

I think this administration's performance bears out the boast made in 1953 by an Eisenhower Cabinet member that big business is in the saddle. Big business is indeed in the saddle and has trampled small business as ruthlessly as it has trampled consumers, working people, and the public interest.

It is undoubtedly useful for the dominant business interests to have a scapegoat, and what better scapegoat than cooperatives? By blaming cooperatives for an allegedly unfair type of competition to small business, the corporate giants who do 85 percent of the Nation's business are trying to make small business afraid of cooperatives rather than of the real dangers it faces.

One example cited by the Cooperative League showing the ridiculous extent to which this campaign has gone is in Wisconsin, where a bakers' association claims that 50 percent of the independent bakers have gone out of business because of the unfair tax advantage of co-ops, although there is only one cooperative bakery in the State doing only a tiny fraction of the State's bakery business.

Small-business men must pay so much more to borrow money that half the small and medium sized companies which had bank credit lines in March 1955, had been cut off in March 1956. That is where the pinch is coming from; not from the competition from cooperatives.

Small corporate enterprises and cooperative enterprises have more in common to unite them than they have differences to divide them. Both forms of business must be strong if our economy is to be strong. Once corporate giantism dominates, we will be susceptible to the economic depressions which monopoly and cartelism have brought us in the past.

I would want to say before I close, that the cooperative movement itself is not entirely free from overexpansion. A co-op has an obligation to its members and to all who patronize it to keep its operation within the limits of their interests. It should not seek merely size or control of markets any more than any other business organizations should. If it does, it becomes a threat to the public interest rather than a servant of its participants.

I am a great believer in cooperatives, as I am in credit unions and in savings and loan associations. I expect to fight in Congress for their right to conduct their business operations without penalty and without harassment. That is what free enterprise is all about. I would like to see co-ops started in sections of the country where they are now almost unknown, and in areas of the economy where they are nonexistent.

The consumer co-ops in this neighborhood are among the most vigorous in the country, and I would like to see your excellent example followed more widely. You can be proud of what you have accomplished in strengthening the cooperative movement in America and by so doing, in strengthening our free-enterprise economy.

ADJOURNMENT TO MONDAY

Mr. MORSE. Mr. President, pursuant to the order previously entered, I move that the Senate stand adjourned until 11 o'clock on Monday morning.

The motion was agreed to; and (at 3 o'clock and 21 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Monday, May 20, 1957, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate May 17, 1957:

DIPLOMATIC AND FOREIGN SERVICE

Earl E. T. Smith, of Florida, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Cuba.

FEDERAL HOME LOAN BANK BOARD

Albert James Robertson, of Iowa, to be a member of the Federal Home Loan Bank Board for the term of 4 years expiring June 30, 1961—reappointment.

PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service subject to qualifications therefor as provided by law and regulations:

To be senior surgeons

Henry C. Huntley.
Kazumi Kasuga.

To be senior assistant surgeon

Edward V. Evarts.

To be senior scientists

F. Earle Lyman.
George W. Pearce.

To be senior assistant scientist

Alfred L. Brophy, Jr.

To be senior assistant nurse officer

Ava S. Dilworth.

EXTENSIONS OF REMARKS

Prayer Pilgrimage for Peace

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE SENATE OF THE UNITED STATES
Friday, May 17, 1957

Mr. JAVITS. Mr. President, it is appropriate that there should be noted here today the presence in Washington of some thousands of Americans who will meet in front of a national shrine, the Lincoln Memorial, this afternoon as a Prayer Pilgrimage for Freedom.

There are some who have doubted the wisdom and others the efficacy of this pilgrimage. But I have every expectation that it will be truly a pilgrimage for prayer by patriotic Americans exercising their right to peaceably assemble and to petition the Government for a redress of grievances, as provided by the first amendment to the Constitution.

We would be remiss, I believe, if we did not recognize this pilgrimage as the expression of the agonizing trial of a people among the American people. Violence and defiance of the law in some areas and the struggle over the Supreme Court's decision on desegregation of public schools have dramatized and intensified their struggle. I know the deep and sincere concern with which some here from the South, and millions whom they represent, regard this issue, and I have no doubt that an equally great prayer pilgrimage, equally sincere, could come here from that quarter. The point is that it is this marshaling of forces within the terms of the Constitution and our laws which has for almost a hundred years resolved domestic issues, deep and serious as they may be. I feel, therefore, that the Prayer Pilgrimage for Freedom should be regarded with respect; for what it represents is to bring home to all of us the deep suffering caused by the denial of civil rights, wherever they may be denied, to a broad section of the American people, notwithstanding the Constitution and the laws.

I ask unanimous consent that there be printed in the RECORD a message to the pilgrimage from the Senator from Pennsylvania [Mr. CLARK] and myself.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

WASHINGTON, *D. C., May 17, 1957*.

PRAYER PILGRIMAGE FOR FREEDOM, NAACP,
Washington, D. C.:

Deeply regret our schedules prevent addressing prayer pilgrimage today. We send greetings and best wishes to all in attendance at prayer pilgrimage for freedom. The right of our citizens to peacably assemble and petition the Government for redress of deep grievances is one of the most precious rights secured by our Constitution and citizens are entitled to respect as well as protection in its exercise. The spirit of your meeting reflects what we believe to be the spirit of a great majority of our country to support the achievement of civil rights legislation this session of Congress. There is a real fight here both for minimal civil-rights measures and to change the Senate

rule which allows filibusters that have killed the chances for civil-rights legislation before. We both assure you that we will give these measures our strong support on a bipartisan basis. We present our respects to Roy Wilkins, A. Philip Randolph, and Rev. Martin L. King and to the great audience at the Lincoln Memorial today.

JOSEPH S. CLARK,
United States Senator,
JACOB K. JAVITS,
United States Senator.

Let's Get Everybody Pitching Hay

EXTENSION OF REMARKS
OF
HON. HENRY DWORSHAK
OF IDAHO
IN THE SENATE OF THE UNITED STATES
Friday, May 17, 1957

Mr. DWORSHAK. Mr. President, the senior Senator from Utah [Mr. WATKINS] was one of the principal speakers at the Western Water and Power Conference, conducted at Salt Lake City, May 9 to 11, by the Utah Cooperative Association.

The Senator from Utah stoutly defended the administration's partnership approach to water resource development and received a warm round of applause at the conclusion of his remarks from the delegates who represented National Farmers Union organizations in more than a dozen States.

I ask unanimous consent that the speech delivered by the Senator from Utah be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

LET'S GET EVERYBODY PITCHING HAY

(Address by Senator ARTHUR V. WATKINS, Republican, of Utah, before the Western Water and Power Conference in Salt Lake City, Utah, May 11, 1957)

Mr. Chairman and friends of western water and power development, when it was announced that I had accepted an invitation to be a speaker at this session, I ran into some criticism for doing so. To those who were dubious about my participation, I said, in effect, "I don't know many of the spokesmen for the National Farmers Union, but I do know Doug Simpson, the Utah president, a friend of many years, and some of the other Utahans in responsible positions in the Utah Farmers Union. In fact, a number of them are Republicans. So I feel that I can expect a bipartisan reception for my remarks. Furthermore, it will be a group of farmers, and being a farmer myself, I am sure that this group will respect and listen to a man who speaks his mind honestly and openly."

And that's what I expect to do here today. Furthermore, I believe that it won't take long for you to recognize that even with a prepared text—to keep me somewhere within the time limit—you will have little difficulty in recognizing that even though I have been in the Congress for 10 years, in spirit and in speech, I am not very far removed from my fruit farm in Orem, Utah.

Since I have identified myself as a fruit farmer from that fruitful oasis on Provo Bench, some of you may be wondering if I got a little mixed up on my use of metaphors in the title of my talk. Perhaps you are wondering why I didn't entitle my remarks, "Let's Get Everybody Filling the Berry Cups," or "Let's Get Everybody on a Ladder With a Picking Bag." Either of these alternative titles would have applied, but I felt that in any farm group there was a little more affinity, a little more general acquaintance with the hayfork—at least among my generation—than with the pruning knife. Furthermore, some of my off-the-cuff remarks—which I warn you have sometimes exceeded the text itself—may get a little corny, and I thought that this product would mix a little better with alfalfa.

Seriously, I have been greatly impressed with the program outlined for this meeting. Inasmuch as I have been kept extremely busy on other matters during this weekend visit, I have not been able to participate in your other sessions, as I would have liked to do. However, I have been impressed that you have assembled here some of the top authorities in Utah and the Nation on water and power development. And I will be pleased to report to your organization's critics that sitting beside me and Dr. Leland Olds on the platform here today is Ed Naughton, president of Salt Lake City Chamber of Commerce and of Utah Power & Light Co.

Also I am pleased that your other Congressional guests included my colleague, Senator WAYNE MORSE, and Congressman MIKE KIRWAN. Senator MORSE and I are on opposite sides of the fence on the high Hells Canyon issue, but I can assure you members from the upper Colorado River Basin that the senior Senator from Oregon has not joined other spokesmen for the Northwest in their unfair and unrelenting attacks upon the Colorado project, which has as its primary objective not the production of low-cost power but the production of water for four-State desert area and low-cost byproduct power. MIKE KIRWAN also deserves plaudits from the upper Colorado Basin States because of his public pledge to increase appropriations in the House for the Colorado project. I hope that he is successful in these pledged efforts. You may be assured that I am publicly pledged to make the same effort in the Senate.

This reference to appropriations needs for just one river basin of the country leads directly into the first major premise I wish to offer to you today. It is: Our needs for water and power development in this country now and in the foreseeable future are tremendous.

This is a point with which I am sure you have been amply impressed during your deliberations during the past day and a half. Hence, I will implement this statement only briefly.

The President's Cabinet-level Committee on Water Resource Development estimated that the total demand for water in the Nation will almost double by 1975. This tremendous need is based upon this breakdown of the major uses:

Municipal and rural water supplies: Estimated need in 1975 of 25 billion gallons per day, as contrasted to 17 billion gallons per day used in 1950. This is an estimated increase of 50 percent.

Direct industrial uses: Estimated need in 1975 of 215 billion gallons of water per day, as contrasted with 80 billion gallons per day in 1950. An increase of 170 percent.

Irrigation: Estimated need of 110 billion gallons per day in 1975 as contrasted with 88 billion gallons per day in 1950. An increase of 25 percent.

The Hoover Commission Task Force on Water and Power reported that while Congress had appropriated only $693,400,000 on water and power development up to 1910, its appropriations up to and through 1954 totaled $14,300,000,000. Furthermore, the task force estimated that projects now authorized by Congress will cost about $18,494,000,000, providing they are all built. Estimates by the task force of projects under discussion but not authorized would bring the total up to over $84 billion.

In the current U. S. News and World Report, Secretary of the Interior Fred A. Seaton reported that the Federal Government, under the partnership program, is trying to promote the construction of $40 billion worth of electric generating facilities in the next 10 years, and $94 billion worth in the next 20 years. This estimate includes transmission lines and distribution facilities as well as generating plants.

Appropriations requested in the current budget for Federal natural resource development amount to slightly over a billion and a half, so we are doing something in this field in spite of the astronomical defense spending needs.

And to this farmer, all these amounts in multimillions and billions still remain astronomical—even after 10 years of exposure to them.

Make no mistake about it, then. Our needs for water resources and power development are tremendous, and they are going to cost us considerable money over the next half century. This hard, economic fact must be kept in mind while we consider the needs for and the economic justification of the many projects before us.

This program not only is vast, but it is one that demands advance planning and a continuing program of construction. Our population and our needs for water and power grow every day, and if we don't get on with the job of building new facilities, we can suffer serious social and economic losses. We must keep our construction and rehabilitation program ahead of the needs.

I am convinced that anyone who studies this problem will agree that the needs are vast and pressing. The problem that immediately presents itself, therefore, is "Can we get the money for it?" That, gentlemen, is the eighty-four or the ninety-four billion dollar question, and leads to my second major premise, which is: Barring an armistice in the cold war—which does not seem likely—appropriations for public works will face continuing and intensive competition with other important governmental activities and with heavy defense costs.

In other words, the chances are good that in the foreseeable future, we will not be able to get the public money that we would like to see devoted to resource development. This is reflected in current Congressional consideration of the 1958 budget. And prospects for improvement for fiscal 1959 are not more favorable, if we are to succeed in further reducing the national debt and providing for tax reduction. And this is a bipartisan observation, because pressures for reductions are coming from both major parties.

With respect to resource development, this places the National Government in much the same position that many farmers find themselves in. They recognize needs for improving the facilities on the farmstead to create new income and make the farm operation more efficient, or even to keep it from bankruptcy. At the same time, the farmer faces the problem of mounting costs and increased competition for the dollars that remain, if any, after taxes and other costs are paid.

Now what does the farmer do under such circumstances?

If he is not as conservative as most farmers are in this part of the country, he might consider that the nedeed improvements are so important that it is worth a gamble on the future, even to the detriment of some other activities that he might otherwise finance.

But I think that most farmers would resist the temptation to plunge into large-scale investments without heed to inflationary or other budgetary ill effects, especially if they were in debt to the same extent as is Uncle Sam. I believe that most farmers still have the problem I do of comprehending the size of a $275 billion national

debt. But I think that nearly all of us appreciate that while building up that tremendous debt, we have reduced the purchasing power of the dollar to 50 cents or less. It will be difficult enough to pay for needed resource development with 50-cent dollars, without making it more difficult by letting higher debt and accompanying inflation further reduce the purchasing power of the dollar.

The course, therefore, that I think the average farmer would take toward solution of such a problem is to first assess the needs and determine the costs, and then to weigh the first priority improvements with all the other program expenditures proposed in the Presidential budget. In such an evaluation, I think that most farmers, if given the opportunity, could figure out a way to eliminate waste and reduce spending for nonessentials and to find money for a long-range improvement program.

Such a process is going on in the executive branch, and in the Congress, and I think there are enough farmers in both branches to help the nonfarmer member come up with a sound answer in due time, assisted by considerable coaching from individuals and organizations such as those represented here today.

The next thing that a farmer would do in such circumstances, I believe, would be to get everybody into the act—to get everybody pitching hay—or picking fruit, if you will. Farm improvements are not paid for by idle men or machinery. The whole farm plant must produce to its capacity if it is to prosper to the maximum degree possible.

This is an oversimplification of the position taken on water and power development by the Eisenhower administration.

Since his selection in 1952 as a candidate for President, Mr. Eisenhower not only has been conscious of the tremendous need for water resource development, but also he has been sold on the importance of having all levels of government and private enterprise contribute to the desired results.

I had the pleasure of discussing water with Candidate Eisenhower in Denver in the summer of 1952, and I have had many other rewarding conversations with him on this subject since that time. Hence, I can testify to you that probably no other President has been more concerned with or better informed on the need for water resource development. We in the upper Colorado River Basin are especially grateful to the President, because his firm and consistent support was absolutely decisive in obtaining authorization of the Colorado River storage project in 1956. And this project, as most of you are aware, was supported by all of the States involved and by the public power interests and the privately owned public utilities of the region.

In May of 1954, the President initiated a Cabinet-level study of water resource development. His letter of May 26, ordering the study, contained this estimate of the need for adequate water resource development:

"The conservation and use which we make of the water resources of our Nation may in large measure determine our future progress and the standards of living of our citizens. If we are to continue to advance agriculturally and industrially, we must make the best use of every drop of water which falls on our soil, or which can be extracted from the oceans."

In the next paragraph, after expressing the need for a comprehensive review of water policies and programs, he stated: "We must do this with a full realization that the States, communities, and private citizens are vitally concerned with the policies and actions of the Federal Government."

The Cabinet-level committee's 1956 report on this study recognized the President's request by this statement in the referral letter:

"The policies set out in the report embody a framework within which the Federal Government, with State and local governments and other non-Federal interests, may cooperate to develop our water resources."

This reaffirmation of the President's partnership policy follows a furrow plowed nearly a century ago by another distinguished President—a Midwest lawyer-farmer named Abraham Lincoln. One of Lincoln's basic policies was set forth in this quotation: "The legitimate object of government is to do for a community of people whatever they need to have done, but cannot do at all, or cannot so well do, for themselves in their separate and individual capacities. But in all that people can individually do as well for themselves, government ought not to interfere."

I don't think there are many in this group, or in any other farm organization, that would disagree with either of these basic positions.

It may be possible, although the Communist experiment seems to disprove it, to produce wheat or livestock more efficiently by breaking up our little farms, which are frequently economically hard pressed, and letting the corporate state run large collective farms. But tough as our problems are and become, as farmers, I think it will be a long time—if ever—before any of us suggests that we should end private agriculture and turn everything over to the Federal Government. And I don't believe that anyone in this or any other farm organization is seriously suggesting that we are ready to abandon the free enterprise system.

Of course not. And what the President is doing in his partnership program is recognizing that privately owned public utility power—the only kind of power we knew in our pioneer days—is here to stay and inviting it to join all levels of government in utilizing our water resources.

The name of another Republican President, who served a half century ago, is being used increasingly these days. And lest some people have come under the misapprehension that our great trust-busting President Teddy Roosevelt was opposed to private enterprise, I would like to read this quotation from a statement by that great President in the historic Conference of State Governors on May 13, 1908.

In discussing the regulation of corporations, he said: "Take such a matter as charging rent for waterpower. My position has been simply that where a privilege, which may be of untold value in the future to the private individuals granted it, is asked from the Federal Government, that the Federal Government shall put on the grant a condition that it shall not be a grant in perpetuity. [Applause.] Make the term long enough so that the corporation shall have an ample material reward. The corporation deserves it. Give an ample reward to the captains of industry, but not an indeterminate reward."

So you can see that he, too, was suggesting a partnership approach to water resource development. It is significant that he, too, was favoring the FPC licensing program of the type authorized by the Federal Power Commission in the Hells Canyon case. The power permit there is granted for only 50 years.

In my estimation, as a long-time supporter and admirer of Teddy Roosevelt, I believe that Teddy Roosevelt would have endorsed the Hells Canyon decision made by the FPC and sustained later by the Supreme Court. That action was an outgrowth of the far-reaching Federal Water Power Act of 1920, which his forward-looking resource utilization policies helped create. But more about this later.

In order to show the bipartisan flavor of these remarks, I would like to call to your attention the remarks of another well-known American President on the partnership policy. In a statement to Congress on January 19, 1953, President Truman stated:

"This job of getting our land and water developed, I repeat, is so big that we must enlist the participation of all agencies—Federal, State, community, private enterprise. The results can be timely and economical only if States and communities invest their dollars, as well as the Federal taxpayer."

So you can see that Republicans and Democrats alike are on record for more than half a century favoring the general purposes of the "partnership approach" to water resource development. I hope that this group will follow suit, even if you feel impelled to call it by some other, nonpolitical and noncontroversial term. Let's get everybody pitching hay—not just Uncle Sam.

Now, before closing, I would like to review briefly with you my stand on two major water-resource developments of recent years. I believe you will agree, if you examine the entire record, that my stand is consistent and is not incompatible with a sound program for water-resource development.

The two projects, of course, are the Colorado River storage project and the high Hells Canyon project. I dealt with this subject at some length in the Senate last year, and the statement is available for reference in the CONGRESSIONAL RECORD. Hence, I will hit only the highlights at this time. I link the two projects here not only because of their intense regional interest, but also because in seeking approval of high Hells Canyon, many of that project's supporters have been seeking to discredit the Colorado project, which won approval by the Congress.

First of all, the Colorado River storage project is an extremely well-planned program for comprehensive water-resource development to benefit a four-State semidesert area. It will make it possible for the people of these four States to develop their last remaining major water resource, a renewable water and energy resource made possible by watersheds in the upper basin which gather 90 percent of the water that flows down the Colorado. The four upper basin States were allocated roughly half the flow of the river in an interstate compact drafted in 1922, but they have been able to develop only one-third of their allocated half. Failure of the upper States to develop their allocated share of the river would mean that the water will be put to use in southern California or Mexico and the upper basin States forever denied access to it.

The upper Colorado legislation provides for an integrated program of reservoirs and water delivery facilities, planned on a basin-wide basis. This planning was financed by $10 million raised by the upper basin States through revenues from Hoover Dam power receipts and through State contributions. Roughly 99 percent of the project's capital costs will be reimbursed by area water and power users, with interest paid on two-thirds of the project costs, allocated to municipal and industrial water and power production.

Power will be produced as a byproduct at the tremendous storage dams required to guarantee downstream delivery commitments to the lower basin and Mexico. Costs of power at the largest project producer—Glen Canyon Dam—are estimated at 4.7 mills per kilowatt-hour, but project power will be sold at 6 mills per kilowatt-hour to help provide revenues for water development.

State rights to the waters involved are protected by 2 interstate compacts, 1 for the entire river, and another 1 for the upper basin only. Operation of the project to meet these compact provisions is one of the major deterrents to development of this program by private enterprise.

Construction is already under way on Glen Canyon Dam, where costs are working out at 20 percent less than the engineers' estimates, based on the first two project contracts.

Now let's take a look at the high Hells Canyon project.

This is not a comprehensive, basinwide water-development project. It is primarily a power project, with associated flood-control benefits. The legislation authorizes no reclamation projects as such, and provides no funds for reclamation development until after the power features are paid for in 50 years. I might add that such funds also could be made available from the 3-dam development in 50 years, because that is the extent of the licensing period.

The Corps of Engineers in 1948 recommended a flood-control reservoir of 2,300,000 acre-feet at this site. The proposed capacity of the high dam, however, is approximately 4 million acre-feet.

Water user groups in the State of Idaho have protested against the building of a 4-million-acre-foot storage vessel on the Snake River at that point, because it is located too far downstream to permit any possible diversion for consumptive use of water in Idaho. Furthermore, they feel that this large storage body, used to regulate river flow for power production at several large hydro plants downstream, would be a threat to Idaho's water rights and future expansion of uses. Idaho has been demanding ratification of an interstate compact to protect her rights on the Snake River, but Washington and Oregon steadfastly refuse to grant such protection, in spite of the precedent-setting action on the Colorado River in the 1920's.

The power head of 602 feet on that section of the river can be utilized either by construction of a single dam or by use of multiple dams that accomplish substantially the same purpose. In either case, power output and costs are comparable. Flood-control storage capacity is less on the 3-dam plan, but it is deemed adequate if supplemented by water storage elsewhere in the basin.

After the Federal project was proposed, a privately owned public utility, the Idaho Power Co. announced that the people of Idaho badly needed power and that the company would like to build the 3-dam project in the Hells Canyon reach of the river. Applications for licenses were filed under the Federal Water Power Act of 1920, a far-reaching conservation law proposed by President Theodore Roosevelt and passed during the Wilson administration, and expanded in its powers during the Franklin Roosevelt administration.

The FPC studied the Idaho Power proposal for 2 years and issued the customary 50-year license for the 3-dam project. This action was reviewed and sustained recently by the Supreme Court.

Idaho Power began construction of two of the dams shortly after the FPC license was awarded. Some 20 to 30 million have been invested in this project and power production is scheduled for 1958.

In spite of this reasonable and legal procedure, some people are now demanding that we stop that federally authorized and supervised program, and throw away the time, money, and effort that has been expended so far. This would be adding many millions of dollars to the costs of the Federal project, because I presume that Idaho Power would have to be compensated both for the investment made and for the delay the company would suffer in obtaining the needed power that it is providing legally and could have on the line in 1958.

In addition, the taxpayers of the country—and that means you and me and our neighbors—would have to put up more than a half billion dollars to build a Federal dam and necessary transmission lines in the same area. Does that make good sense to you?

And lest anyone here may be under the misapprehension that our good neighbors in the Northwest have been discriminated against in the area of water-resource development, let me put your fears at rest. Quite the contrary is true. The two States of Oregon and Washington are only one twenty-fourth of the 48 States, but they have received one-fifth of all reclamation construction funds and one-seventh of all flood-control and navigation-construction funds. In addition, these two States have a backlog of $1,828,717,000 in authorized flood-control and navigation projects—one-fourth of all the outstanding authorized projects in the 48 States. Furthermore, Oregon and Washington were given an additional $133,012,000 in new or expanded projects in the omnibus flood-control and navigation bill recently passed by the Senate.

The Northwest Public Power Association has recommended appropriation of $2½ billion for Federal power construction in the Northwest during the next 20 years. To fully develop the power resources of the Columbia River, it will require investment of another five to six billions.

Yes, they have a genuine need for much water resource development in the Northwest and I have supported their projects for many years and expect to continue doing so. But I balked when, in addition to the largess granted, we were asked to tear down a private project under construction at Hells Canyon and spend a half-billion dollars we do not have to spend for a Federal project that accomplishes little more than the private project. In addition to this wasteful destruction of a going project, we would be forgoing nearly a half-billion dollars in tax revenues that could well go toward paying for vital water-resource projects in the Northwest and elsewhere. To this farmer, that just doesn't constitute good horse sense.

The three-dam project will produce almost as much power at the project site and at about the same cost or less than at the high dam. This may surprise you, because you have heard a lot about 2-mill power at Hells Canyon, and you have heard derogatory comments on the high costs of producing private power. But don't let anyone kid you.

It is true that power from the proposed high Hells Canyon Dam would be sold for a little more than 2 mills per kilowatt-hour. But it will be sold below actual cost, because the costs of generation at the dam site and transmission facilities will make the true costs of high Hells Canyon power more than twice the proposed 2-mill sales price.

How can they do this? Well, I believe that they accomplish this by putting the power into the Bonneville system and applying a system wholesale rate, established at or near the 2-mill level largely because power from depression-built projects on the Columbia River produced energy for less than that amount. Since completion of those early dams, however, virtually every project built on the Columbia has produced power at a cost greater than 2 mills, and the added energy has been sold therefore below actual cost. This sales policy has largely nullified the low-cost advantage of those early subsidized projects, which otherwise might have yielded excess revenues for water development.

As an example of such below-cost sales I cite the Hungry Horse project, a very good project built on a Columbia River tributary in the State of Montana. Power from this project costs 3.76 mills to generate and transmit. But what is it sold at? Why most of the power—$1½ million worth—is sold to Anaconda Aluminum Co. for 1.72 mills a kilowatt-hour, or less than half cost. Another million dollars' worth of power is sold to Montana Power Co. at 2.49 mills, or one-third less than cost.

You people will be interested to learn that power pricing for co-ops and REA's is more realistic. These groups, which you farmers own, by and large, and all of which use relatively small quantities of power, pay an average of from 3.24 to 3.55 mills per kilowatt-hour, or roughly twice what the great Anaconda Aluminum Co. pays.

Similar pricing policies would, I presume, apply at high Hells Canyon, because power from this proposed project would be sold through the same Bonneville system.

There has been a considerable outcry recently about the so-called subsidy given the Idaho Power Co. in the rapid amortization granted by the Office of Defense Mobilization. Now I did not come here to defend this tax amortization program, or to defend any private utility. But the facts are that this law was instituted by a Democrat Congress, and it has been perpetuated by the Democrat 84th Congress, and, so far at least by the Democrat 85th Congress. I believe there undoubtedly are needs for changes in this legislation, beyond the curtailments made voluntarily by the agency, and it may be that these changes now will be made.

But lest you become too indignant at what is being done for Idaho Power, let me tell you first that some 900 private utilities have had the same kind of treatment. Also let me tell what is done for big corporation in the Pacific Northwest, apparently with the knowledge and approbation of the Northwest supporters of the high Hells Canyon project.

The below-cost power concession granted by the Bonneville power system to Anaconda Aluminum Co., to which I referred previously, amounts to a subsidy of more than $100 million over the 50-year repayment period, based upon the price at which this power is sold in relation to actual costs at Hungry Horse. In addition, the Federal Government granted this firm a rapid tax amortization of $55,378,000, or 85 percent of the total cost of the aluminum plant built by Anaconda at Butte, Mont.

From the same project, Montana Power gets a million dollars' worth of power at a rate one-third below actual cost. This represents a 50-year subsidy to that private utility of roughly $16 million. This firm also received rapid tax amortizations, three to be exact, between 1951 and 1956. The total amount amortized was $11,285,000, or nearly half of the firm's investment in new power facilities.

It is also significant that both of these large corporations have firm contracts for this power—with no withdrawal provision for recall of the contract energy to meet the needs of preference customers downstream. This, too, apparently is satisfactory to the Northwest groups backing high Hells Canyon and damning Idaho Power, except that they won't offer the same terms at Hells Canyon to the State of Idaho.

Farther down on the river, similar advantages have been granted to Harvey Machine Co., which built a large aluminum plant at The Dalles, Oreg. This company was aided by a grant of a rapid tax amortization certificate for $55,462,000, or 85 percent of the cost of the plant. This was objected to by no one, so a charitable Bonneville power system granted the firm a rate of 1.72 mills per kilowatt-hour for power that costs 3.4 mills per kilowatt-hour to generate and transmit. Hence, in addition to the so-called subsidy reflected in the rapid tax amortization, Harvey Machine received a below-cost power subsidy which will amount to something like $300 million in 50 years.

This type of public generosity apparently is fine in the States of Montana, Oregon, and Washington, but reprehensible in the State of Idaho.

In referring to these power pricing subsidies, I do not wish to reflect any criticism upon the companies or the Federal agencies involved. So far as I know, this was all done legally and aboveboard. In fact, I believe that the backers of Federal power in the Pacific Northwest will be able to give you convincing explanations of how it is both reasonable and necessary to pour into the system large quantities of 4.5 mill power from high Hells Canyon and sell it for slightly over 2 mills. My farmer's mind has not been able

to comprehend how that can be done and continued in project after project on the Columbia River, without ultimately penalizing the REA's, municipal power system, private utilities and all other nonindustrial users of power in the Pacific Northwest system. I have given notice that I plan to ask for a review of Bonneville pricing policies to ascertain that the smaller power users in that area are being given the benefits to which they are entitled.

I could go on and amplify this subject at greater length, but it is scheduled for future airing on the Senate floor, so I will resume this continuing debate in Washington.

In closing, I wish to commend your organization for its merited interest in water resource and power development. Let us all maintain and expand that interest, seeking always for the facts, and supporting movements on the basis of principle and need, and not from uninformed bias or misdirected emotion. And as we work and study in this field, let us give heed to the wise admonition of President Eisenhower, which I repeat because of its timeliness and significance:

"The conservation and use which we make of the water resources of our Nation may in large measure determine our future progress and the standards of living of our citizens. If we are to continue to advance agriculturally and industrially, we must make the best use of every drop of water which falls on our soil, or which can be extracted from the oceans."

I also wish to commend to you another admonition on water resource development, which I first saw carved into a plaque on a monument erected on the Holland coast to commemorate the closing of the last gap in the great Zuider Zee dike, which reclaimed from the sea a tremendous acreage in that low country. The monument contains this motto of an industrious people who have met and overcome the world's greatest problems in land reclamation.

"A nation that lives builds for the future."

Let us emulate our ancestors who conquered the desert and the equally courageous Dutch people, who have to conquer the raging seas themselves to permit adequate utilization of their natural resources. Let us have the vision and the courage and the tenacity to develop the resources of the good earth, and to build for the future that our children and their children deserve.

Thank you very much.

Challenge to Mideast Policy—The Suez Canal

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Friday, May 17, 1957

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an exchange of correspondence with Under Secretary of State Christian Herter concerning the United States position in the Suez Canal. It relates to Senate Resolution 120, sponsored by myself, and the Senator from Maryland [Mr. BEALL], the Senator from Illinois [Mr. DOUGLAS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from New York [Mr. IVES], and the Senator from Oregon [Mr. NEUBERGER].

I shall seek in every way open to me to get our Government to back Great Britain, France, the Netherlands, Italy, Norway, West Germany, Australia, and all other major users of the Suez Canal in finding alternate means for transit of their essential commerce. The key to Mideast peace and hope is to see that Colonel Nasser does not control alone the jugular vein of free Europe—the Suez Canal, but instead shares control with the principal users. The free world dare not relinquish this position. It is the outstanding challenge to our leadership in the Mideast.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

LETTER FROM SENATOR JAVITS TO UNDER SECRETARY OF STATE CHRISTIAN HERTER

APRIL 8, 1957.

DEAR CHRIS: Enclosed herewith you will please find resolution introduced last Thursday urging our Government to consult with the major Suez Canal users "for the purpose of considering collective action to establish and internationalize alternate means and routes for assuring to the free world its normal petroleum supplies and conduct of its commerce normally moving through the Suez Canal." The sponsors have already requested hearings before the Senate Foreign Relations Committee.

I am enclosing herewith from the CONGRESSIONAL RECORD the remarks made upon the occasion of the introduction of this resolution.

I deeply believe that Colonel Nasser's political control of the Suez Canal is a most active threat to United States peace objectives. It is also a major overt manifestation of Communist machinations. The resolution was introduced with the hope that every agency of government may help to see that we are not found wanting in meeting this challenge.

Sincerely,

JACOB K. JAVITS,
United States Senator.

LETTER FROM UNDER SECRETARY OF STATE TO SENATOR JAVITS

MAY 6, 1957.

The Honorable JACOB K. JAVITS,
United States Senate.

DEAR JACK: The Department wishes to thank you for your interest in the Suez Canal problem and your desire to be of help in seeking a satisfactory settlement. The Department notes that the resolution which you have introduced (S. R. 120) has two objectives, the convening of a "conference of nations engaged in international trade for the purpose of considering collective action to establish and internationalize means and routes for assuring to the free world its normal petroleum supplies," etc., and to "support an effective action within the United Nations to preserve freedom of transit through the Suez Canal for the peaceful commerce" of all nations.

The United States Government has been giving extensive study to the petroleum requirements of the free world; it has attempted to assess carefully the anticipated growth of these requirements, the significance of the Middle East in meeting these needs, and the adequacy of existing and planned transport facilities for the movement of Middle East petroleum into free world markets. All available information indicates that the bulk of the additional petroleum required to meet the anticipated growth of free world petroleum requirements will have to come from the Middle East where most of the world's proven reserves lie. Therefore, the Department believes that not only must Middle East transit facilities be expanded, but that the construction of new pipeline routes with new port outlets appears to be necessary.

The subject of free world petroleum requirements is being studied intensively by a great many other governments, particularly in Western Europe, and some aspects of the problem are already being jointly considered by the Organization for European Economic Cooperation. These governments and international petroleum producers generally share the views set forth above. A number of international petroleum producers are now actively considering the construction of a major pipeline system from the Persian Gulf to an outlet in Turkey on the Mediterranean.

With particular reference to the Suez Canal, the United States has actively sought, in and out of the United Nations, agreement on ways to establish an internationally acceptable arrangement for its operation. In particular, we have urged that any system envisaged for the canal meet the six requirements approved by the Security Council on October 13, 1956. In view of the reopening of the Suez Canal and the release by the Government of Egypt of a set of proposals to govern its operations, the United States thought it appropriate to request a meeting of the Security Council on April 24, 1957, at which time the United States and other members of the Council could express their views on the regime now proposed by Egypt for the Canal. As noted in these discussions, the United States does not believe the Egyptian declaration in its present form adequately meets the six requirements of the Security Council; in particular, it lacks provisions for organized and systematic cooperation between Egypt and the users. There is no assurance that the six requirements will in fact be implemented. The United States recognizes, however, that the manner in which the Egyptian declaration is implemented and interpreted will determine Egypt's intent and whether confidence among the users of the Canal can be established. The United States believes that the system proposed by Egypt should be considered provisional at this time and that the Council should remain seized of this matter while the system is tried out in practice.

I believe that the action which the United States Government is taking to meet the problems arising from Egypt's seizure of the Suez Canal Company is consonant with the objectives of your resolution, but that it can be accomplished without a conference of nations as you suggest.

Most sincerely,

CHRISTIAN A. HERTER,
Acting Secretary.

Address by the Secretary of Agriculture Before the Iowa State Club

EXTENSION OF REMARKS

OF

HON. BOURKE B. HICKENLOOPER

OF IOWA

IN THE SENATE OF THE UNITED STATES

Friday, May 17, 1957

Mr. HICKENLOOPER. Mr. President, on May 6 the Secretary of Agriculture, Hon. Ezra Taft Benson, made a speech before the Iowa State Club in Chicago. In the speech he discussed some important facets of the situation in connection with agriculture. I ask unanimous consent that his speech be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY THE SECRETARY OF AGRICULTURE

It is good to be here.

The invitation to address your Iowa State Society has brought many happy memories.

It seems only yesterday—although my grandchildren make me realize it must have been longer than that—when Mrs. Benson and I first went to Iowa. We had been married only a few days when I enrolled as a graduate student at Iowa State Agricultural College.

My modest scholarship of $70 a month seemed adequate for a young couple who had heard somewhere that two could live as cheaply as one.

I recall that our household budget was helped somewhat by the vegetables and other farm produce which were available for the gathering at the experimental plots at the college.

I remember that it was during my first year at Iowa State that I rode on a special 4-H Club train which brought me to the international show here in Chicago. On that train trip we sang the proud Iowa song, That's Where the Tall Corn Grows.

The corn stalks with which we kept time to the music, as I recall, were tall enough and husky enough to discourage any who might have doubted our claim.

Today, the cornstalks in Iowa may not be as tall as those we remember but they produce more bushels to the acre. And the farmers have the same vision and the same quiet faith which gave strength to their ancestors who pioneered the rich fields of Iowa.

I am proud to claim some kinship with those hardy pioneers. It was in Iowa that my grandfather was born in a rain-soaked wagonbox some 111 years ago, as his parents were moving with the first caravan of Mormon pioneers in their long, hard journey westward.

For as far back as I can trace, the people of my family have been farm folk like myself. I am proud of that heritage.

I propose to speak plainly tonight. I intend to talk about agriculture, in which everyone has an interest, whether or not he is especially trained in this field. I shall speak frankly and as honestly as I know how. Specifically, I shall talk about the problems of the Corn Belt, the great heartland of the United States, which stretches east to west from Ohio to Nebraska and from Minnesota on the north to Missouri on the south. This is the feed grain-livestock area, the great region which converts feed grain and roughage into nutritious, wholesome meat, milk, and eggs. Iowa is the geographic center of that economy and the seedbed of ideas regarding it.

The feed grain-livestock segment is the giant among our agricultural enterprises. Meat animals alone bring in 27 percent of our farm income. When we add dairy and poultry, livestock brings in 53 percent of the gross receipts from farm marketings. So we are talking about the biggest receipt item in the farm account book.

Since 1920, profound changes have occurred in crop production, the consequences of which are equivalent to an enormous increase in the amount of cropland available for domestic food production. And this in spite of the fact that the actual acres of cropland were virtually unchanged during this period.

Permit me to cite just a few of these great changes:

Crop production per acre has risen more than 25 percent since 1920.

Mechanization has released for food production about 80 million acres that formerly were used to grow feed for horses and mules. This is equivalent to an increase of about 23 percent in our cropland.

The reduction, through Government programs, of cotton and wheat acreage has greatly increased the cropland available for the production of feed and forage.

Since 1920, tremendous changes have occurred in the livestock business as well as in crop production. These are primarily the result of better breeding, better feeding, and better sanitation. Production per breeding unit—that is per cow, per sow, and per hen on an aggregate basis—has gone up 72 percent.

There has been a great increase in population, of course, about 60 percent since 1920. But the combination of mechanization, better yields, and higher production per animal has boosted food marketing even faster, by about 78 percent.

Hence, per capita marketings of food are now 13 percent greater than in 1920.

Never before have American consumers had so bountiful a supply of wholesome, tasty, nutritious food at so reasonable a cost—only 25 percent of their incomes. Never before have so few farmers produced such abundance for so many.

Perhaps in no other large area of the United States has the impact of the technological revolution wrought such profound changes as here in the Corn Belt. Hybrid corn, increased rates of fertilization, almost complete mechanization, the rapid advance of nutritional science, the conquest of plant and animal diseases, and now supplemental irrigation in many areas—these are some of the most striking changes.

Much attention has been focused on the huge stocks of farm products owned by or under loan to the Government—stocks which now represent an investment of $8.3 billion. Agriculture is faced not only with the necessity of reducing these stocks; there is the even greater challenge of using constructively the abundant production which, year after year, is likely to flow to market from American farms.

This great outpouring of agricultural abundance is the result of improved technology, of course. But it is also partly the result of a prolonged period of incentive prices—incentives supplied first by the market place and then by law. Agricultural production expands its productive plant readily in response to such incentives, but is slow to shrink its plant when market outlets dwindle and prices decline. Agricultural output is like taffy, which stretches out readily but is difficult to squeeze back.

Price support policies of the past are responsible, to a degree, for the presently overexpanded agricultural plant. While the technological revolution undoubtedly supplied the means for increasing output, the support program helped provide the incentives; and while these policies increased production on the one hand, they choked off consumption on the other. The result is an accumulated stock and a continuing production of farm products greater than our growing population can assimilate unless adjustments are made.

How can we best make the adjustments called for by the prospect of agricultural abundance?

Can we reduce production? For 25 years we have tried to control production by restricting the acreage of a few selected crops. Yet total production has increased even more rapidly than the increase in our population. The evidence of the past quarter century is that farmers offset acreage controls by fertilizing more heavily, increasing the yield per acre. And they use the acres diverted out of one crop to produce other crops. So total production is not decreased; in fact, in the long run, it probably is increased by the control programs.

Shall we sell these commodities abroad? Yes; we should and we are. Agricultural exports this year are at an alltime high. We sell our commodities for dollars, both for cash and for credit. We sell them for foreign currency, and we barter them for strategic materials. Yet there are limits—and we may be approaching them—to what we can do in the way of selling our abundance abroad. Production has also increased sharply in other countries. If we were to unload our stocks irresponsibly we would depress prices in world markets and we would jeopardize our friendship with other exporting nations. With prices for certain commodities supported substantially above world levels, exports are very expensive. We now subsidize wheat to an amount of about 80 cents a bushel in order to reach the world market, and we subsidize cotton by about 6 or 7 cents a pound. Exports sales are part of the answer to our agricultural abundance, but not the whole answer.

Shall we give the commodities away? Yes; we should and we are, to the extent that we can do so constructively. This past fiscal year we donated more than 2 billion pounds of farm products to public agencies, charitable organizations, and needy persons at home and abroad. Forty percent of these donations went to people in our own land. But if we push donations beyond a certain point we only displace what would otherwise be purchased; we achieve no net increase in food use. And, as anyone knows who has worked with charitable organizations, it is far from easy to develop programs that are genuinely helpful in the long run, both to him who gives and him who receives.

Shall we put our excess productive capacity into the soil bank? Yes; and we are doing this, chiefly through the acreage-reserve program. But this is temporary and costly. It would be difficult to justify the continued payment of such sums as would be needed to operate a permanent acreage-reserve program. And a permanent program which subsidizes nonproduction is contrary to our tradition.

Shall we destroy food, or let it spoil? No; we should not, and we have exercised every safeguard to prevent spoilage. Our people would not condone such moral bankruptcy or such economic waste. The capacity to produce abundantly is a blessing; the challenge is to make wise use of this abundance.

Is there any way out of this impasse? After we have sold what we can for export, after we have given away whatever we can donate constructively, after we have put the soil bank into operation and still have more farm products than we can use, is there anything else we can do?

I am convinced that the answer is "Yes."

We can so price our products that we reduce the incentive for overproduction.

We can price our products so they will move into use.

We can move away from acreage-control programs that do not control.

We can expand markets for industrial and nonfood uses—as we are doing in our increasingly vigorous research programs.

We can give special attention to the problems peculiar to small farmers—as we are doing in the rural-development program.

We can, above all, build up our markets for livestock products—milk, meat, and eggs—wholesome, tasty, nutritious foods that people can and will purchase in greater quantities if the price is attractive.

If we consume more of our food in the form of livestock products, then we need the output of many more acres.

When we move from producing an acre of corn used as corn to an acre of corn fed to hogs, we greatly reduce the caloric output.

When we move from using the acre for corn and hogs to using it for grass and beef, we reduce the caloric output even more.

Livestock condense about 7 pounds of dry matter in the form of grain and other feed

to about 1 pound of dry matter in the form of meat, milk, and eggs. The other 6 pounds are used for heat and energy or are wasted and cannot be recovered by man. Thus, far more agricultural resources are needed to provide a diet which contains a high percentage of livestock products.

Increasing and decreasing the livestock population is the time-honored method of adjusting the food supply to changing needs. The amount of flexibility provided by this system is tremendous.

The American consumer has been increasing his consumption of livestock and poultry products. But on a per capita basis he is still behind the Australian, the New Zealander, or the Argentinian in meat consumption. We can go further in shifting consumption to milk, eggs, and other highly nutritious livestock products.

Markets for more animal products must be potentially available before we begin producing for them. Expansion in output of meat animals, poultry, and dairy products should occur only gradually; sharp increases can be disastrous, as we found a little over a year ago with hogs. But we have been moving toward an animal agriculture during the past 20 years and we can move further.

The present mandatory price-support acreage-control program for corn, based on legal formulas, has the opposite philosophy. Its objective is scarcity. Corn acreage, cut back by the control program, is now at the lowest level in 66 years. This program has reduced corn acreage in the Corn Belt and increased it in California, Washington, Oregon, and other areas. To a degree the Corn Belt has foregone its natural advantage in feed-grain production and has defaulted to the West, the South, and the Northeast. The corn-producing areas has been spread out and diluted. Nineteen years ago, when the commercial corn area was laid out for acreage-control purposes it included parts of 12 States. Now it includes parts of 24. Originally it included 566 counties; now it includes 894.

But even more amazing is the size of the corn allotment in the commercial area. In 1938 the allotment totaled 40,491,279 acres; for 1957 the allotment is 37,288,889 acres. With a smaller pie being cut into more pieces, is it any wonder that most corn producers here in the Corn Belt prefer to ignore their allotments?

Corn is the major feed grain, far exceeding in importance all the other feed grains combined. But the other feed grains are moving up. By cutting back on corn, the program has provided an opportunity for an expansion in the acreage of competing feed grains such as barley and sorghum grain.

The program has also caused serious and costly storage difficulties. Since early this year, the Department of Agriculture has been carrying out a broad reconcentration program to move Commodity Credit Corporation stocks out of the Corn Belt. We faced special problems in handling 1956 crop loan stocks of corn which will be turned over to the Corporation this summer.

Some CCC corn has been moved out of the area into commercial storage in nearby regions. Some has been sold locally, including corn from the bin sites which was classified as nonstorable. Some has been sold for export. Altogether, about 245 million bushels of CCC corn have been involved in this movement. In addition, from 50 to 60 million bushels of wheat and other small grains have been moved to the Southwest, to make more storage available near the Corn Belt.

We have now nearly met the objectives of this special movement of CCC stocks.

I cite this as just one of many pressing problems occasioned by the present price-support acreage-control program.

Are corn farmers willing to move in the direction of competitive pricing, more freedom, and growing markets?

It appears that they are. More than 61 percent of the corn farmers who voted in last fall's referendum expressed a preference for greater freedom to plant, coupled with greater flexibility of price supports. Yet, because the law required a two-thirds vote to carry, corn farmers today continue under a program which the majority of them have disapproved.

We now have this interesting situation: A clear majority of the corn farmers have expressed a willingness to move toward greater freedom of operation and greater reliance on our marketing system. Yet the law has not been changed.

Clearly, the corn farmers have given leadership in the direction of freedom and enterprise, the institutions which have made America great.

Do we lack the courage to strike a legislative blow for freedom when the people directly concerned have, in effect, requested it?

We have heard, until now, that economic freedom is lost because the people most concerned bargain it away in exchange for security. The leaders of the people, we are told, cannot stand against the strong popular urge for what is considered to be economic security. That this does in fact occur I readily acknowledge.

But how shall we then explain a circumstance in which the people themselves request less Government interference, but their Government will not relax its paternalistic grip?

We have come a far way indeed, in this land of liberty, when we continue to impose on a particular group of farmers, against the will of the majority, control programs which do not control, and support programs which pile up surpluses and lose markets.

There are more than 200 farm products for which we are authorized to provide price supports. For 6 of these, corn among them, programs are in effect to control production and to support prices according to a legal formula.

These 6 commodities bring in only 25 percent of our farm income.

Yet for these 6 commodities, surpluses are greater, costs are higher, infringements on individual liberty are more extensive, international relations are placed in greater jeopardy, and farmer complaints are more vociferous than for all the other of the 200 commodities combined.

Experience has demonstrated the shortcomings of the present control programs.

Farmers who produce certain commodities, such as soybeans and livestock, have demonstrated that realistic pricing can build markets and increase net income.

Half the corn farmers choose to ignore the supposed benefits of the control program. They plant in excess of their allotments.

Corn farmers have asked, in a referendum, that the paternalistic grip of Government be relaxed.

Is there, then, any good reason for maintaining the corn program in its present form?

The price-support program for basic commodities was originally designed to combat a general depression, and had considerable justification on that basis.

The program was overhauled during the war for the purpose of expanding production, a need which it served in acceptable fashion.

Our present need is not that of combating a general depression, nor of stimulating production to meet the demands of war. Our need is for agricultural adjustments to accommodate the tremendous technological revolution through which agriculture is passing. And it is time to make the program changes called for by these new conditions.

The largest farmer organization in the country, the American Farm Bureau Federation, has said so.

Most of the professional research institutions which have studied the problem have said so.

The corn farmers, voting with both their corn planters and their referendum ballots, have said so.

These voices are being heard in a growing crescendo.

What judgment will history record of leaders who fear to move as far in the direction of freedom as those whom they represent?

We should ever lend our ears to voices raised in behalf of freedom, responsibility, and enterprise. The most glorious pages of history result from giving audience to the plea for freedom; the darkest pages result from its denial.

God grant that we hear the voice of freedom, that we give leadership to it and that we act upon it in the best tradition of liberty-loving people everywhere.

Report to the People of New York

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Friday, May 17, 1957

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a report by me to the people of the State of New York on the 1st session of the 85th Congress.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT TO THE PEOPLE OF NEW YORK, 85TH CONGRESS, 1ST SESSION, SPRING 1957

Our republican form of government imposes upon a representative of the people in the National Legislature the responsibility to seek to ascertain the thinking of the voters of his State and also to report to them his own thinking and record of performance. This is the first of a series of such semiannual reports which I propose to make to the people of New York as their Senator.

PROSPECTS FOR PEACE AND FOREIGN AFFAIRS

While the United Nations still remains man's great hope for peace, the United States must continue its position as the leader for world peace both within and without the United Nations.

Early in the session, the Congress passed the President's Mid-East doctrine, which I actively supported, stating American interest in the active preservation of peace in the Middle East. The dispatching of the 6th Fleet to the eastern Mediterranean in the Jordan crisis and the extending of financial aid to bolster the Jordan Government illustrate the first successful operation of this doctrine. There can be no doubt that the maintenance of a firm peace in the Middle East is essential to United States security. The United Nations emergency force has helped to maintain the peace in the sensitive Gulf of Aqaba, and in the Gaza area and to discourage Fedayeen guerrilla raids from there. I am supporting the effort to make permanent this U. N. peace force.

In recognition of the importance of an unimpaired and continued flow of vital oil to the Free World, which constitutes 60 percent of the traffic through the Suez Canal, 5 of my Senate colleagues joined with me in the sponsorship of a resolution expressing the sense of the Senate that our Government should consult with major users of the Suez Canal for the purpose of considering collective action to establish and internationalize

alternate means for traffic now moving through the canal. Pointing up the importance of the adoption of such a resolution, the State Department has informed me that the Department is doubtful of the adherence by Egypt to the six principles for operation of the canal which was adopted by the United Nations and to which Egypt agreed and that the United States, in concert with Great Britain and France, is already actively considering the feasibility of alternate routes.

I am constantly opposing the restrictions against the admission to our own Dhahran Air Force base of United States citizens and soldiers of Jewish faith on the basis of religious faith in Saudi Arabia.

I have introduced legislation and am working otherwise to aid the victims of religious and Communist inspired persecution in Egypt and there is hope that a reasonable number of these persecuted people will be admitted into the United States through administrative means utilizing the parole provision of the Immigration and Nationality Act.

American tourists are once again permitted to visit Israel. United States aid to Israel, which has so dramatically demonstrated its role as an effective and strong ally of the Free World in the Mid-East, is being resumed after having been temporarily suspended due to the Suez-Sinai hostilities. Above all, I am working for achievement of an effective and permanent peace solution in the Middle East to end the blockade and boycott of Israel, resettle the Palestine Arab refugees in Arab lands, bring about security for the borders of the nations in that area and secure freedom of transit for all, including Israel, through the Gulf of Aqaba and the Suez Canal.

I shall support the programs for foreign military, economic and technical assistance and for the United States Information Agency as proposed to the Congress. They should be developed and implemented as vital to peace and United States security. American private investment abroad, now standing at over $32 billion and increasing at the rate of $2.5 billion annually, offers us an excellent opportunity to supplement and eventually to replace at least some of our foreign economic and technical aid. I am readying some constructive programs to implement participation of the private sector in foreign aid.

The Congress passed the Agricultural Trade Development Act authorizing barter transactions of surplus agricultural commodities to distressed peoples in Poland and other satellite nations, implementing our Government's program of seeking to help any such satellite nations which show an indication of independence.

I have opposed the effort to liquidate and return to Germany and Japan certain assets vested during World War II. The question of return of vested enemy alien assets should not be confused with Germany and Japan's postwar roles as partners in Free World defense and in assuming their responsibilities as democratic nations nor be identified with our friendship for these nations. Many claims of American citizens against Germany and Japan for losses which occurred during the war remain still unsettled. No matter what the status of these individuals at the time of their loss, the fact that they are presently American citizens merits our Government's support in obtaining redress and I am vigorously supporting the effort to gain just compensation for these persons.

I joined Senator IVES in his resolution calling for self-determination for the people of Cyprus, and also worked in the effort to secure mercy for some of the young pro-Greek patriots being tried by the British administration there.

AGRICULTURE

In the past 10 years while the price of food at retail has risen 16 percent, prices paid to the farmer have in contrast declined 14 percent. It is essential that the farmer receive his fair share of the food dollar.

The difficulties experienced in the milk crisis have abated, and a single marketing order has now been recommended for the New York metropolitan area, northern New Jersey and upstate New York. The net result of this order, it is hoped, will be to eliminate the longstanding inequities which have faced the milk producers of our State and could result in substantial improvement in their returns.

Together with my colleague, Senator IVES, I am cosponsor of S. 1808 to provide Federal assistance for rehabilitation of orchards destroyed or damaged by natural disaster. I voted for the $25 million drought-relief measure which passed the Senate, but opposed the increased corn-acreage bill which failed of passage in both the House and the Senate as this bill would increase the burden of Government expenditure while offering no definite relief in corn prices.

BUDGET AND TAXES

Our people have properly expressed a deep interest in the $73 billion budget ($71.8 expenditure in 1957–58) submitted to the Congress, economy in Government operations, minimizing the effect of Federal spending on inflation and reducing the tax burden insofar as possible. But the issue of our national security—which includes our Armed Forces and foreign military economic and technical assistance and information programs cannot be compromised in the interests of all our people. So, too, urgent measures like emergency Federal aid to school construction where States cannot effectively help themselves, compel our attention. Our duty here is to be responsible to the Nation's urgent needs.

A budget cut of in the range of $2 to $3 billion is, I believe, possible without endangering the national security and essential programs. The recommendations of the Hoover Commission offer opportunities for increased Government efficiency. I am a cosponsor of S. 1585 which passed the Senate on April 4. This measure establishes a Joint Committee on the Budget which would enable Congress to better analyze and act on the literally tens of thousands of items in the 1,100-page Federal budget. In the interests of reducing unnecessary expenditures I am also opposed to appropriations required for the $1.5 billion "pork barrel" rivers and harbors bill which passed the Senate and is presently pending in the House.

The Tax Rate Extension Act of 1957 (Public Law 85–12) was enacted into law extending for 18 months excise and corporate income tax rates. I am looking forward to the reduction of these temporary levies imposed as a wartime emergency measure. I was 1 of 7 Senators willing to vote on registering opposition to the 27.5 percent depletion allowance extended to producers of petroleum whom I believe should no longer be extended so much in special tax exemption privileges passing the burden to other segments of the national economy.

I have again introduced the bill, originally suggested by a constituent, which would grant to the physically handicapped the same $600 tax exemption now given the blind. As Federal expenditures can be reduced; the savings thus attained should be passed on in the form of selective tax relief, especially to families of modest income, small businesses, older citizens, and the handicapped, and for national debt reduction.

In recognition of the competition with private investment and savings faced by Government bonds, the Congress enacted legislation which raised the interest rate on the Series E Savings Bonds generally acquired by small investors from 3 percent to 3.26 percent.

CONSUMERS

While the cost of living has risen to an all-time high of 118.9 (1947–49=100) prices have remained relatively stable as compared with the period of runaway inflation experienced prior to 1952. Employment and personal income remain at peak levels although there are soft spots in some individual industries and areas which merit special attention.

Under authority of Senate Resolution 64, of which I was a cosponsor, the Senate has been investigating the high prices of oil and gasoline and the Department of Justice has since instituted an inquiry of its own to determine whether there have been any violations of our antitrust laws.

The Congress passed the poultry inspection bill which gives the housewife and her family the same assurances of sanitary protection on poultry that the American consumer has enjoyed for years on meat. I have introduced a measure authorizing the Senate Committee on Interstate and Foreign Commerce to conduct a study of the consumer services rendered by the Federal Establishment and how these might be best coordinated and expanded for the maximum public benefit.

CIVIL RIGHTS AND CIVIL LIBERTIES

As a member of the Senate Rules Committee, I sought the establishment of a special ad hoc committee to consider modification of rule XXII, the so-called filibuster rule, which is the key to passage of civil rights legislation. In addition to being a member of this subcommittee, I am also a cosponsor of the Douglas amendment to end the filibuster on terms of fair debate. So far even the President's civil rights proposals—a modest, indeed a minimal program—have been bottled up in the Senate Judiciary committee, but they seem on the way to passage in the House. As a sponsor of several civil rights measures, I testified before both the House and Senate committees and have pledged to join in an effort to discharge the Senate committee from consideration of the President's civil rights program in order that it might be brought to the Senate floor for debate and passage. It will be a fight all the way.

The case of Canada's Ambassador Norman has again pointed up the necessity for rules of procedure for Congressional investigating committees. To this end, I am the sponsor of Senate Resolution 123 which would establish rules of procedure for Senate investigating committees, based on recommendations submitted by the Bar Association of the City of New York and recommendations contained in Senate Resolution 17 which, after lengthy hearings in the last Congress, was approved by the Rules Committee but failed to gain consideration in the Senate itself.

EDUCATION, HEALTH, AND SOCIAL SECURITY

Of the 1,400,000 young Americans graduating from high schools throughout the country this year, some 200,000 who are of college caliber will not be able to continue their education due to financial reasons. I am the sponsor with other Senators of the Education Loan Act of 1957 which would establish an 8-year $1 billion program of Federal loan insurance and loans to aid these young people who merit it. I also joined in the sponsorship of S. 1728 to extend Federal help to State maritime colleges and the Kings Point Academy in our State.

Acting on the suggestion of a constituent, I introduced S. 1475 to increase from 18 to 21 years the age limitation for receiving social security orphan benefits where the individual concerned continues in school. Although the Congress last year enacted a comprehensive revision of the social security law, the realities of the increased cost of living make necessary a continuing reappraisal of social security statutes. Readjustment of benefit payments, simplification of the ac-

counting procedure so as to permit one annual report by employers instead of four quarter-annual reports and other improvements merit early Congressional action.

I joined in sponsoring the Juvenile Delinquency Control Act which would carry out the recommendations of the President authorizing grants to assist States in fighting juvenile delinquency and also three bills bolstering the efforts in the States to deal with narcotic drug addiction.

HOUSING

Housing starts for April, the latest reporting date, were at a rate of 940,000 annually. In order to meet new family formations and to replace outmoded housing, 1.5 million housing starts annually are required. In order to alleviate the housing shortage and hold down rising interest rates, Congress increased by $50 million the capitalization for the Federal National Mortgage Association (FNMA) which has the effect of increasing by $500 million that agency's borrowing authority, thus providing some immediate relief of the home loan funds shortage through secondary mortgage market operations. Also increased from $200 million to $250 million was the money allotted FNMA to purchase military housing mortgages. In addition, the Federal Housing Administration, acting under Presidential authority, lowered by 2 percent the downpayment requirements for homes having FHA loan guaranties.

Also I am cosponsoring for middle-income housing a measure establishing a $1 billion loan fund for families of moderate income. A bill just passed by the House of Representatives and coming over to the Senate proposes a decrease in FHA downpayments, placement of the GI home loan program under FHA so as to permit its effectual continuation after the GI loan program's scheduled expiration next year, increases FNMA funds for secondary mortgage market operations by $1 billion, increases slum-clearance authorization by $250 million and strengthens the military housing and urban renewal programs.

Veterans are experiencing great difficulty in obtaining GI home loans and the pressure to raise the interest rate on VA-guaranteed home loans continues strong. I joined in sponsoring and testified in committee urging passage of the Johnson bill which would make available for direct lending for GI homes $1.3 billion of national service life insurance funds. Before increasing mortgage interest rates for VA-guaranteed loans, we should make this effort to relieve the pressures in the home loan money market.

IMMIGRATION

The McCarran-Walter Act still stands on the statute books as a refutation of our traditional American ideals of justice and hospitality. The administration is supporting legislation in which I have joined and I am also sponsoring independent legislation which would rewrite this law so as to eliminate its injustices and make more realistic the admission of immigrants to our shores, permitting a pooling of quotas and utilizing the 1950 instead of the outmoded 1920 Census. Under this legislation the overall number to be admitted would be 220,000 against the present 154,000 under the quota provisions of the law only about 80,000 of which are used; plus provisions for refugees and escapees.

Although some 26,000 Hungarian refugees have come into the United States under the emergency parole provisions of the law (plus 7,000 under the Refugee Relief Act now expired), the Congress still must act to give status to these refugees and those who are still coming in and to enable the United States to take our fair share of these and similar refugees, such as the victims of Colonel Nasser's persecution who have been ejected from Egypt. I have joined in introducing legislation to accomplish this as well as to facilitate the adoption by United States families of children orphaned by war and disaster abroad.

LABOR

The current investigations by the Select Senate Committee on Improper Activities in the Labor or Management Field (the McClellan committee) have disclosed abuses which should be redressed, but these revelations should not be misused by those who would destroy the gains made by the rank and file of labor to enact negative legislation like the so-called right-to-work laws. I am supporting the President's proposal for protective regulation of union welfare and other funds as a constructive means to assure honest and effective administration of these moneys for the benefit of the working people for whom they were originally established. But I am opposed to right-to-work laws. These laws have a deceptive name for they would seriously prejudice the normal processes of collective bargaining and the maintenance of trade unionism as a means to bring about collective bargaining agreements.

The Congress is presently considering the administration's recommendations for amendments to the Fair Labor Standards Act to extend the provisions relating to minimum wages and hours to retail and service establishments above a stated size. It must be kept in mind that in New York State there is already considerable effective work in respect of minimum wage standards established by boards under the State's laws. I shall seek protection for employees in retail and service establishments as to standards of minimum wages and maximum hours but giving recognition to State laws where they maintain adequate standards using the test of the Federal wage and hour law.

I have joined in the sponsorship of S. 1067 which would extend the unemployment compensation program to Puerto Rico.

NIAGARA POWER AND NATURAL RESOURCES

At a cost approximating $600 million, the Niagara power project will be the largest project of its kind in the Nation. I have supported its development by the Power Authority under New York State law for the benefit primarily of rural and domestic consumers in the project's economic market area; with full protection to the field of cooperative and municipal systems and the use of existing transmission systems.

I joined in sponsoring S. 1144 to amend the Federal Highway Act so as to provide inclusion of parkways in federally aided highways and have favored billboard controls on Federal roads similar to those in effect in New York State.

In the interests of conservation as well as economy, I opposed authorization of construction of the Bruces Eddy Dam which measure passed the Senate. However, before the dam can be built it will still be necessary for Congress to appropriate the necessary funds.

There has been much protest from our citizens concerning the Kinzua Dam which would affect the Cornplanter and Alleghany Indian Reservations. The rights of the Seneca Indians should be given full weight in this controversy.

POST OFFICE AND CIVIL SERVICE

The public must be assured of a postal service commensurate with our power, dignity and national needs. It is the duty of Congress to see that the Post Office Department is operated at proper efficiency and minimum cost and that postal employees are justly dealt with. The 1956 postal deficit of $493,900,000—an increase of 27.9 percent from 1945—imposes serious problems. Legislation is presently being considered in the House of Representatives which would increase first-class mail rates for the first time in a generation; the Senate committee is undertaking a comprehensive study of the entire theory of Government postal operations, the need for this study having been dramatically pointed up by the recent crisis in post office funds which brought on temporarily serious curtailment of services. Any increase in postal rates must be given due effect as to all classes of mail and their capacity to pay their own way.

The pressures that the increased cost of living imposes upon both civil service and postal workers and retired employees who can look only to the Congress for relief is getting intolerable. Consequently I am working hard for legislation for adequate pension and pay for postal employees and for civil-service employees to be enacted without delay. I sponsored S. 1476 which would permit postal employees to enjoy at least one State holiday, such as Columbus Day, annually.

SMALL BUSINESS

In addition to appropriating $45 million in order that the Small Business Administration could continue its lending operations until the end of this fiscal year, June 30, 1957, Congress also increased by $60 million the business loan authorization of the SBA.

I joined in the sponsorship of legislation establishing the Small Business Administration as a permanent agency, and also S. 1563 which would permit many small businesses to take a straight 10-percent deduction on their income tax for routine deductible items, as is done on the personal income tax, thus saving the expense of enumerating the numerous individual items.

I voted against the Fulbright amendment, offered ostensibly as a small business tax-reduction rider for corporations only to the Tax Rate Extension Act which sought to maintain corporate tax rates at present levels as otherwise the law keeping them at that level would have expired. As the situation stood, it was a matter of hours in order to pass the measure and a controversial amendment would have delayed enactment with serious consequences to the country; also only about 12 percent of small businesses are incorporated—the remaining 88 percent would have been discriminated against. I fully expect to support tax relief for small business just as soon as we have established our right to it with some budget reduction.

Hearings are presently in progress on S. 11, amending the Robinson-Patman Act to provide that the so-called good-faith defense is not a substantive defense in some cases. Small business, for which this law was originally enacted, must continue to have consideration in any amendment, but consumers need to be protected as well. An essential element in maintaining our economy is the facility with which competition may be pursued.

VETERANS

I am supporting the measure to create a Veterans' Committee in the Senate which is presently pending before the Rules Committee of which I am a member.

As long as we have compulsory military service, the GI bill educational benefits should be extended to include those presently entering the Armed Forces. I joined in sponsoring S. 1088 to permit World War II and Korean war veterans to obtain national service life insurance if they had neglected to apply for it previously or if their policies had lapsed. The high cost of living impels a reappraisal of pensions and benefits for disabled veterans and their families. Such adjustment measures are now under active consideration in the Congress.

MATTERS OF ESPECIAL INTEREST TO NEW YORK STATE

The efforts in which I joined to continue the essential commuter services of the Hudson & Manhattan Railway were successful; unfortunately, similar efforts in behalf of the Ontario & Western Railroad could not be consummated due to the unsalvageable condition of that road's economic structure.

I continue my efforts on behalf of station WRGB and to preserve television service for the people of Schenectady and the surrounding area. I joined in the sponsorship of legislation for additional Federal judges to relieve the overcrowded court dockets in New York, to provide $165,000 for construction of a water-filtration plant at Highland Falls, and to provide for Federal sharing of relocation costs in the case of home occupants and small businesses displaced as a result of the Federal highway-construction program.

Many of our citizens have written me concerning the proposed Lincoln Square urban-renewal project in New York City. I continue my work for fair relocation practices for tenants and small business. The inclusion of a portion of Fordham University as a part of the proposed project is a matter presently pending in the courts and will be decided in accordance with judicial concepts of the appropriate constitutional and legal principles involved.

MISCELLANEOUS ISSUES

I have introduced legislation creating a United States Arts Foundation which would help foster the development of the performing arts in areas of the Nation where they are not now adequately available by giving some help to nonprofit groups—including colleges and universities—but engaging in no production on its own. The cultural resources of our Nation should be developed and encouraged at a time of our greatest prosperity and when the cost can be minimized.

As a member of the Senate Committee on the District of Columbia, my experience as New York State attorney general is proving of some help in bringing into being for the District of Columbia laws which have proven successful in our own State, such as controls to prevent charity rackets. Measures once enacted into law in the District of Columbia have in the past served as models for similar State statutes throughout the country.

CONCLUSION

I trust that you will continue to write me about your views and suggestions on matters of national interest. I shall endeavor to respond always, and as fully as time and staff permit.

SENATE

MONDAY, MAY 20, 1957

The Senate met at 11 o'clock, a. m.

Maj. Fay Gaugh, of the Salvation Army, southern territory headquarters, Atlanta, Ga., offered the following prayer:

Eternal God, our Father, we humbly approach Thee to ask Thy blessing upon the purposes and work of this assemblage. We thank Thee for these of our citizenry who have consecrated their temporal and spiritual powers to our country's highest good and who are helping to protect and enlarge our hallowed privileges and freedoms.

Guide them in their tasks, that through their deliberations our Nation may continue to enjoy a greater measure of human health, happiness, and prosperity. Strengthen their sense of duty, and aid them in upholding the sacred trust that has been placed upon them. May their minds be made sensitive to Thy will and their ears attentive to Thy voice.

Grant that no hate, pain, or any love of earth shall blind us to our heavenly heritage.

With humility we bow our hearts in deep gratitude, realizing that despite our faults You love us still. Give us grace to serve Thee faithfully day by day.

This we pray in the name of the Father, the Son, and the Holy Spirit. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Friday, May 17, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

LEAVE OF ABSENCE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Georgia [Mr. TALMADGE] be given leave of the Senate from today through Saturday, May 25, to attend the Inter-American Trade Conference in Rio de Janeiro, Brazil, as a representative of the Senate Committee on Agriculture.

The VICE PRESIDENT. Without objection, leave is granted.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Committee on Post Office and Civil Service was authorized to meet during the session of the Senate today.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Judiciary Subcommittee of the Committee on the District of Columbia was authorized to meet during the session of the Senate today.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Permanent Subcommittee on Investigations of the Committee on Government Operations was authorized to meet today during the session of the Senate.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, for the purpose of considering the nominations on the Executive Calendar, beginning with the nomination of United States Alternate Governor of the International Monetary Fund.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Harold K. Wood, of Pennsylvania, to be United States attorney for the eastern district of Pennsylvania, vice W. Wilson White, resigned;

Lloyd H. Burke, of California, to be United States attorney for the northern district of California;

Frederick W. Kaess, of Michigan, to be United States attorney for the eastern district of Michigan;

John O. Henderson, of New York, to be United States attorney for the western district of New York;

Howard C. Botts, of Ohio, to be United States marshal for the southern district of Ohio;

Bernard A. Boos, of South Dakota, to be United States marshal for the district of South Dakota;

Clement W. Crahan, of Iowa, to be United States marshal for the northern district of Iowa;

George W. Beach, of New Mexico, to be United States marshal for the district of New Mexico;

William E. Smith, of New York, to be United States marshal for the eastern district of New York;

William Budd Parsons, of Washington, to be United States marshal for the western district of Washington; and

Saul Hale Clark, of Idaho, to be United States marshal for the district of Idaho.

By Mr. WATKINS, from the Committee on the Judiciary:

A. Pratt Kesler, of Utah, to be United States attorney for the district of Utah.

By Mr. O'MAHONEY, from the Committee on the Judiciary:

Noah W. Riley, of Wyoming, to be United States marshal for the district of Wyoming.

The VICE PRESIDENT. If there be no further reports of committees, the nominations on the calendar will be stated, beginning with the nomination of United States Alternate Governor of the International Monetary Fund.

INTERNATIONAL MONETARY FUND AND THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

The Chief Clerk read the nomination of C. Douglas Dillon, of New Jersey, to be United States Alternate Governor of the International Monetary Fund and the International Bank for Reconstruction and Development for the term of 5 years.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk proceeded to read sundry nominations in the Diplomatic and Foreign Service.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations in the Diplomatic and Foreign Service will be considered en bloc; and, without objection, they are confirmed.

NOMINATION OF JOSEPH S. FARLAND TO BE AMBASSADOR TO DOMINICAN REPUBLIC

Mr. REVERCOMB subsequently said: Mr. President, earlier in the day the Senate confirmed the nomination of Mr. Joseph S. Farland, of West Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Dominican Republic.

This action affords me a great deal of pleasure. Mr. Farland is an outstanding citizen of my State. He has served with distinguished ability as an adviser in the State Department. I take this opportunity not only to express my personal pleasure, but to say that I know of many citizens of the State of West Virginia who know Mr. Farland, and who are pleased by the action, and who feel certain that when he goes to the Dominican Republic he will render a great service on behalf of his country in the post to which he has been appointed and in which he is now confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to announce, for the information of the Senate, that it is our purpose to have the Senate consider the third supplemental appropriation bill today, and then to take a recess or adjourn, in the hope that two other appropriation bills will be available this week, namely, the appropriation bill on general Government matters and the Department of the Interior appropriation bill. I do not know whether the Senate will be able to take up those bills before Friday; but I should like to have the Senate on notice that we hope it will be possible for the Senate to consider them on Friday, or even on Saturday, if that becomes absolutely necessary.

I expect to have the calendar called sometime during the middle of the week, depending upon the progress the Senate makes today on the third supplemental appropriation bill.

Mr. President, I should like to announce that I am informed that some Members on the minority side of the aisle will request yea-and-nay votes in connection with certain matters to be taken up today. I should like the attachés of the Senate to be informed of that fact, so that all Senators now absent from the Chamber may have advance notice that their presence may be desired later in the day.

Mr. President——

The VICE PRESIDENT. The Senator from Texas has the floor.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour, for the introduction of bills and the transaction of other routine business. In that connection, I ask unanimous consent that statements be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

AUTHORIZATION FOR CERTAIN PERSONS TO WEAR RESERVE OFFICERS' TRAINING CORPS UNIFORM

A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation to authorize certain persons to wear the uniform of a reserve officers' training corps (with an accompanying paper); to the Committee on Armed Services.

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949, AS AMENDED

A letter from the Administrator, General Services Administration, Washington, D. C., transmitting a draft of proposed legislation to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes (with accompanying papers); to the Committee on Government Operations.

PUBLICATION ENTITLED "FEDERAL POWER COMMISSION REPORTS, VOLUME 11"

A letter from the Chairman, Federal Power Commission, Washington, D. C., transmitting, for the information of the Senate, a copy of its newly issued publication entitled "Federal Power Commission Reports, Volume 11" (with an accompanying document); to the Committee on Interstate and Foreign Commerce.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law pertaining to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Acting Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution of the House of Representatives of the State of Missouri; to the Committee on Post Office and Civil Service:

"House Resolution 117

"Whereas salary increases provided in the recently enacted Public Law 68 are totally inadequate and postal employees are steadily falling farther and farther behind the ever increasing cost of living; and

"Whereas this inadequacy is demonstrated in many ways and in particular in that post-office jobs go wanting; and

"Whereas salaries of postal employees have for several years lagged far behind the salaries of comparable jobs in private industry; and

"Whereas the workload of postal employees has increased tremendously in the past few years without proportional increase in the number of employees indicating that their production has also shown considerable increase: Therefore be it

"*Resolved*, That the Missouri House of Representatives go on record as endorsing the salary adjustment for postal employees commensurate with that in private industry and which will give adequate recognition of the increased productivity of postal employees, and to that end urges the Congress of the United States to vote for and support H. R. 2474; and be it further

"*Resolved*, That duly inscribed copies of this resolution be transmitted to the Presiding Officers of the Senate and House of Representatives of the United States, to the Missouri Congressmen and to the two Missouri Senators."

Two concurrent resolutions of the legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Senate Concurrent Resolution 55

"Concurrent resolution requesting the Congress of the United States to amend the Hawaiian Organic Act so as to raise the maximum debt limitation

"Whereas the economy of the Territory of Hawaii has developed and expanded greatly in recent years; and

"Whereas for the further development and expansion of its economy, the Territory requires extensive public improvements; and

"Whereas the limitations imposed by section 55 of the Hawaiian Organic Act unnecessarily delay the undertaking of needed public improvements; and

"Whereas the present and foreseeable future economy of Hawaii can readily provide for the repayment of general obligation bonds in amounts substantially larger than those now permitted under the provisions of the Hawaiian Organic Act: Now, therefore, be it

"*Resolved by the Senate of the 29th Legislature of the Territory of Hawaii (the*

House of Representatives concurring). That the Congress of the United States be and it is hereby respectfully requested to enact legislation amending the Hawaiian Organic Act so as to raise from 10 percent of the assessed value of property in the Territory to 15 percent of such value, the maximum limitation on the total amount of bonded indebtedness of the Territorial government; and be it further

"*Resolved*, That duly authenticated copies of this concurrent resolution be transmitted to the Delegate to Congress from Hawaii, the Secretary of the Interior, and the Senate and House of Representatives of the Congress of the United States."

"Senate Concurrent Resolution 61

"Concurrent resolution requesting the Congress of the United States to provide for a Federal contribution to the Hawaiian home loan fund for other purposes

"Whereas there has been little progress in the development of Hawaiian home lands under the Hawaiian Homes Commission because of a lack of funds; and

"Whereas the Hawaiian Homes Commission has been unable to adequately finance any program to aid in the development of Hawaiian Homes Commission lands; and

"Whereas there is presently under the jurisdiction of the Hawaiian Homes Commission much land that can be made available to the Hawaiians if funds are available to improve the lands in question: Now, therefore, be it

"*Resolved by the Senate of the 29th Legislature of the Territory of Hawaii (the House of Representatives concurring)*, That the Congress of the United States of America is respectfully requested to enact into law H. R. 577 introduced by our honorable Delegate to Congress, JOHN A. BURNS, in the 1st session of the 85th Congress, to insert the sum of $10 million as the amount to be appropriated under the quoted portion of subsection (a) of section 2 of the bill and to insert the sum of $10 million as the amount to be appropriated under subsection (b) of section 2 of the said bill introduced as H. R. 577; and be it further

"*Resolved*, That certified copies of this concurrent resolution be transmitted to the President of the United States of America, the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, the Secretary of the Interior and to the Delegate to Congress from Hawaii."

The petition of Kathryn Bush, of Washington, D. C., relating to Federal expenditures; to the Committee on Appropriations.

UNIFICATION OF GERMANY—RESOLUTION

Mr. CARLSON. Mr. President, yesterday I spoke at the fifth German-American Day sponsored by the Federation of American Citizens of German Descent at Schuetzenpark, North Bergen, N. J.

This was a great gathering of American citizens of German descent. The motto of the federation is, "I believe in the United States of America as a government of the people, by the people, and for the people."

On this occasion the day was dedicated to the honor of Gen. Peter Muhlenberg, who was born in Montgomery County, Pa., on October 7, 1746, and played a very prominent part in the early history of this Nation. He served as a general in the Continental Army, as a Member of the First Congress in 1789 and was elected to the Third and Sixth Congresses. In 1801 he was elected to the United States Senate.

In speaking to this gathering, I stressed the fact that we have a magnificent heritage and are indebted to those who gave us this great Nation for the free-enterprise system, with its equality of opportunity.

This organization adopted a resolution urging that one of the main postulates of the foreign policy of the United States be the unification of Germany as a nation.

I ask unanimous consent that the resolution be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD as follows:

Whereas the Federation of American Citizens of German Descent in the United States of America, Inc., and cooperating societies throughout the United States are the representative and recognized voices of a large group of American citizens; and

Whereas of late certain groups have issued statements that the insistence of the expelled population of Germany's eastern territories on the return of their ancestral homelands would endanger peace; and

Whereas on the contrary, in the light of history, any violation of territorial rights only tends to poison the political atmosphere between nations, leading sooner or later inevitably to universal catastrophe: Therefore

Resolved, That the federation and cooperating societies assembled at North Bergen, N. J., on German-American Day, May 19, 1957, address an appeal to the Government of the United States to the effect that the indisputable inviolability of German rights to the undiminished territories beyond the Oder Neisse line be made and remain one of the main postulates of the foreign policy of the United States; and further

Resolved, That the secretary of the federation be instructed to transmit a copy of this resolution to the Honorable John Foster Dulles, Secretary of State, United States State Department, Washington, D. C.

NATIONAL CEMETERY IN NEW ENGLAND—RESOLUTION

Mr. KENNEDY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution which was unanimously adopted by the voiture of West Middlesex County, Mass., and subsequently adopted unanimously by the Grand Voiture of Massachusetts, concerning a national cemetery in the New England area.

There being no objection, the resolution was referred to the Committee on Interior and Insular Affairs and ordered to be printed in the RECORD, as follows:

LA SOCIETE DES 40 HOMMES
ET 8 CHEVAUX, VOITURE 1418,
West Middlesex County, Mass.

Whereas at the present time there is a definite need for a national cemetery in the New England area; and

Whereas legislation has been initiated in the Congress of these United States of America to establish and procure such a national cemetery: Therefore, be it

Resolved, That West Middlesex Voiture One Four One Eight hereby goes on record as favoring the site of the national cemetery in the central Massachusetts areas; and further

Hereby petitions, The Grand Voiture of Massachusetts and Voiture Nationale to present our views in a favorable light through our legislative representatives of the Forty and Eight in Washington, District of Columbia.

Voted and subscribed unanimously by voyageurs of this voiture on this 5th day of February in the year of our lord 1957 at their regular monthly promenade.

MICHAEL B. GORMELY, Jr.,
Chief de Gare, 1957.

Official:

JOHN J. SHEEHAN,
Correspondant Locale.

Unanimously adopted by the Grand Voiture of the Department of Massachusetts at the Grand Cheminto held in Boston, March 3, 1957.

THE INDUSTRIAL CRISIS IN NEW ENGLAND—RESOLUTION

Mr. KENNEDY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution which was adopted by the elected officials of the city of Lowell, Mass., in regular meeting held on Tuesday, August 28, 1956, relating to the industrial crisis in New England.

There being no objection, the resolution was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

CITY OF LOWELL,
COMMONWEALTH OF MASSACHUSETTS.

Whereas we the elected officials of the city of Lowell, acting for and in behalf of the employees of the Merrimack Manufacturing Co., recently laid off, and for the entire population of the city, express deep concern over our industrial future; and

Whereas we feel, in view of other curtailments in local plants, that the time has come for drastic governmental action to save Lowell and New England from industrial disaster; and

Whereas it is charged that the main cause of the most recent layoff is due to Japanese imports into this country; and

Whereas unless the Federal Government and the Tariff Commission raise present tariffs and also reduce quotas of foreign importations; this part of the country faces further curtailments and possible complete liquidations of many factories: Now, therefore, be it

Resolved, That the Lowell City Council in regular meeting held on Tuesday, August 28, 1956, appeals to our representatives in Congress to unite in behalf of Lowell and other Massachusetts cities in halting this menace to our industrial life; and be it further

Resolved, That the council adopts these resolutions by a standing vote, and that a copy be inscribed in the permanent records of the council, with other copies to be sent to United States Senators LEVERETT SALTONSTALL and JOHN F. KENNEDY and Representative EDITH NOURSE ROGERS in Washington, D. C.; and be it finally

Resolved, That the council recommends and urges immediate and remedial action to protect and save our industries and the people who depend on them for their living.

SAMUEL S. POLLARD,
Mayor and Chairman of City Council.
GEORGE A. AYOTTE,
Councilor.
JOHN J. DUKESHIRE,
Councilor.
JOHN JANAS,
Councilor.
SAMUEL A. SAMPSON,
Councilor.
RAYMOND J. LORD,
Councilor and Vice Chairman of City Council.
BART J. CALLERY, Jr.,
Councilor.
ROGER S. HOAR,
Councilor.
GEORGE B. MURPHY, Jr.,
Councilor.

Approved:

FRANK E. BARRETT,
City Manager.

A true copy.
Attest:
[SEAL] WILLIAM H. SULLIVAN,
City Clerk.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 80. A bill for the relief of Maria Adelaide Allessandroni (Rept. No. 338);

S. 153. A bill for the relief of Tsui Yung Wong (Rept. No. 339);

S. 160. A bill for the relief of Georgios Ioannou (Rept. No. 340);

S. 164. A bill for the relief of John G. Michael (Rept. No. 341);

S. 499. A bill for the relief of Daniela Renata Patricia Zei (Rept. No. 342);

S. 583. A bill for the relief of Stanislav Maglica (Rept. No. 343);

S. 755. A bill for the relief of Athena Nicholas Euteriadou (Rept. No. 345);

S. 788. A bill for the relief of Thelma Margaret Hwang (Rept. No. 346);

S. 798. A bill for the relief of Giuseppe Baffo (Rept. No. 347);

S. 833. A bill for the relief of Vida Letitia Baker (Rept. No. 348);

S. 834. A bill for the relief of David Ajuelo, Roza Ajuelo, Victoria Ajuelo, and Lizet Ajuelo (Rept. No. 349);

S. 849. A bill for the relief of Sydney Douglas Catchpole (Rept. No. 350);

S. 908. A bill for the relief of Kuo York Chynn (Rept. No. 351);

S. 988. A bill for the relief of Satoe Yamakage Langley (Rept. No. 352);

S. 1112. A bill for the relief of Matsue Harada (Rept. No. 353);

S. 1147. A bill for the relief of Kiyoshi Takahashi, Kyoko Takahashi, and Nosomu Takahashi (Rept. No. 354);

S. 1376. A bill for the relief of Chong You How (also known as Edward Charles Yee), his wife, Eng Lai Fong, and his child, Chong Yim Keung (Rept. No. 355);

S. 1833. A bill for the relief of Janos Schreiner (Rept. No. 356); and

H. R. 1400. A bill for the relief of Mitsuko A. Hachita (Rept. No. 357).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 525. A bill for the relief of Rhoda Elizabeth Graubart (Rept. No. 358);

S. 526. A bill for the relief of Tikva Polsky (Rept. No. 359);

S. 553. A bill for the relief of Oleg Antonowycz (Rept. No. 360);

S. 592. A bill for the relief of Anton Revak (Rept. No. 344);

S. 785. A bill for the relief of Helga Binder (Rept. No. 361);

S. 1035. A bill for the relief of Alice Eirl Schaer (Mi On Lee) (Rept. No. 362);

S. 1089. A bill for the relief of Salvatore Pantano (Rept. No. 363); and

S. 1390. A bill for the relief of Roberto Mario Bettinzoli (Rept. No. 364).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 614. A bill for the relief of Heul Sik Min and his wife, Mary Pu Keul Min, and their children, David Pyong Wha Min, Susan Pyong Soon Min, Sally Pyong Min, George Pyong Yun Min, William Pyong Soo Min, and daughter-in-law Gloria Yong Hiu Min (Rept. No. 365);

S. 749. A bill for the relief of Loutfie Noama (Rept. No. 366);

S. 1589. A bill for the relief of Nina Maslova Greenberg (Rept. No. 367);

H. J. Res. 247. Joint resolution for the relief of certain aliens (Rept. No. 336); and

H. Con. Res. 89. Concurrent resolution approving the granting of the status of permanent residence to certain aliens (Rept. No. 337).

By Mr. GREEN, from the Committee on Foreign Relations, without amendment:

H. R. 1983. A bill to provide for the conveyance of the reversionary interest of the United States in certain lands to the Clint Independence School District and the Fabens Independent School District in the State of Texas, or to either of them, and for other purposes (Rept. No. 369).

HOUSING ACT OF 1957

Mr. SPARKMAN. Mr. President, from the Committee on Banking and Currency, I report favorably, with an amendment in the nature of a substitute, the bill (H. R. 6659) to extend and amend the laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes, and I submit a report (No. 368) thereon.

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that a section-by-section digest of the bill be printed in the RECORD following my statement.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, during the past year, one of the most crucial problems brought to the attention of Congress in the field of housing was the decline in housing starts. The major provisions of this bill were therefore designed to assist in keeping housing starts at a level which will meet the ever-increasing housing needs of our people.

Among the major recommendations contained in the bill are provisions affecting the operation of the Federal National Mortgage Association. The amendments proposed to the FNMA's secondary market operations will go a long way to bolster the production of housing units and should help to prevent further decline in the number of housing starts.

In addition, the bill broadens and extends the FNMA's special assistance operations in the military and cooperative housing fields and permits the Association to make construction advances for all projects falling within its special assistance operation.

The bill would further broaden the program for slum clearance and urban renewal and place this program on a 4-year basis. The amendments to this vital program would have the effect of assuring those towns and cities which contemplate the use of this program that it is the intent of Congress to continue the program on a long-range workable basis.

Furthermore, the bill provides for a more comprehensive program under section 221 of the National Housing Act for certain groups, such as displaced persons, moderate-income persons, elderly persons, minorities, and large families. The provisions of this extended program would permit the FHA to insure mortgages for these groups without a downpayment, with an interest rate of 4 percent, with a 40-year maturity for single-family dwellings and with mortgage insurance up to 100 percent of value on multifamily rental projects if the mortgagor is a nonprofit organization. A new special assistance category within the FNMA for the financing of this type of mortgage is provided.

Provisions are also included in the bill which would expand the college housing program to provide housing for students of divinity colleges, and for nurses and interns at nonprofit hospitals.

The committee increased existing income limits for eligibility and continued occupancy of families in low-rent public housing. The bill removes the workable program requirement, and increases the maximum cost limits per unit.

In addition to the major changes, the bill also contains a number of minor amendments to perfect already existing programs or to clarify existing statutes of the various housing acts.

The section-by-section analysis presented by Mr. SPARKMAN is as follows:

SECTION-BY-SECTION ANALYSIS

TITLE I—FHA INSURANCE PROGRAMS

Section 101: Amends section 2 of the National Housing Act by adding a new subsection (g) to revise the title I (home improvement) law to establish a 2-year statute of limitations on the time during which FHA may demand the return of insurance payments on grounds of technical ineligibility.

Section 102: Repeals section 203 (d) of the National Housing Act, an obsolete provision pertaining to insurance of mortgages on farm properties.

Section 103: Amends section 203 (i) of the National Housing Act (low-cost suburban housing) to increase the maximum permissible mortgage amount from $6,650 to $8,000.

Section 104: Amends section 204 of the National Housing Act to authorize the FHA to permit certain mortgagee expenditures on foreclosed property, and to terminate payment of insurance premiums when application for insurance claim debentures is filed.

Section 105: Amends sections 204 (d), 207 (i) and 803 (f) in order to delete obsolete provisions fixing maximum interest rates on FHA debentures.

Section 106: Amends section 207 of the National Housing Act (regular FHA rental housing program) to make the high-cost area allowance ($1,000 per room) applicable without regard to the number of rooms in the unit.

Section 107: Amends section 207 (c) to increase from $8,100 to $8,400 the maximum

mortgage amount per unit for elevator-type rental housing for elderly persons, and to add a special provision making it clear that single persons, as well as families, are eligible for occupancy.

Section 108: Repeals section 207 (q) of the National Housing Act which has become obsolete by the enactment of sections 213 and 208 (e), relating to cooperative housing.

Section 109: Amends section 213 of the National Housing Act by adding a new subsection (i) to make existing structures eligible for management-type cooperative housing mortgages.

Section 110: Conforms sections 213 (e), 220 (f), 221 (g), and 222 (e) of the National Housing Act to section 204 which permits FHA to terminate payment of mortgage insurance premiums when the mortgagee forecloses and gives written notice that it does not intend to convey the property to FHA in exchange for debentures.

Section 111: Amends section 219 of the National Housing Act to permit the transfer of FHA section 221 and section 222 mortgage insurance funds in the same manner as the law now permits in the case of other FHA insurance funds.

Section 112: (a) Amends section 221 of the National Housing Act, which now covers housing for persons displaced by urban-renewal activities, to make the following additional groups eligible for mortgage insurance: Persons of moderate income; persons whose inability to obtain adequate living accommodations in privately financed housing is attributable to race, creed, or color; elderly families and single persons; and persons having five or more dependents. The maximum mortgage amount is increased from $9,000 to $12,500 (from $10,900 to $15,000 in high-cost areas). A maximum interest rate is established at 4 percent.

This section also amends section 221 of the National Housing Act to make 2-, 3-, and 4-family dwellings eligible under the sales housing program for families being relocated as a result of urban renewal activities. In the case of a 2-family dwelling, the maximum mortage amount would be $18,000 ($20,000 in high-cost areas); for a 3-family dwelling, the maximum would be $25,000 ($27,500 in high-cost areas); for 4-family dwellings, it would be $32,000 ($35,000 in high-cost areas). The minimum downpayment would be $200 for each unit in the dwelling. The FHA would prescribe procedures under which the owner of the 2-, 3-, or 4-family dwelling would give a priority in renting the units not occupied by him to persons displaced by urban renewal activities.

(b) Amends section 305 of the National Housing Act (FNMA special assistance) by adding a new subsection (g) to authorize the Federal National Mortgage Association to establish a $250-million revolving fund for purchases and purchase commitments covering the expanded section 221 program.

Section 113: Amends section 223 of the National Housing Act to include section 222 (servicemen's mortgage insurance) within the provision covering the sale of Government-owned housing.

Section 114: Amends section 226 of the National Housing Act to authorize FHA to furnish the homebuyer with its estimate of replacement cost, where a mortgage is based on replacement cost.

Section 115: Amends title II of the National Housing Act by adding a new section 229 to authorize the FHA Commissioner to insure on an "acceptable risk" basis, rather than on an "economic soundness" basis, mortgages on single-family dwellings, the need for which is certified by the Secretary of Defense. The houses would be held for rental for a period of not less than 4 years unless released by the military for sale. Priority in rental or sale is given to essential military and permanent civilian personnel of the armed services as evidenced by certification issued by the Secretary of Defense.

TITLE II—FEDERAL NATIONAL MORTGAGE ASSOCIATION

Secondary market operations

Section 201: (a) and (b) amends sections 303 (d) and (e) of the National Housing Act to increase by $50 million the amount of FNMA preferred stock held by the United States Treasury. This would increase FNMA borrowing authority by $500 million.

Section 202: Amends section 304 (c) of the National Housing Act to increase from $1.35 billion to $2.1 billion the amount of FNMA obligations that may be purchased by the United States Treasury. This authorization permits the Treasury to provide interim financing for FNMA secondary market operations, until FNMA is ready and able to sell its debentures in the private market.

Special assistance functions

Section 203: Amends section 305 (b) of the National Housing Act to extend for 1 year the requirement that FNMA purchase special assistance mortgages at a price of 99 percent of par. In addition, FNMA's fees and charges on special assistance mortgages would be limited to a maximum of 1 percent. These provisions would be applicable to commitments entered into after March 31, 1957, and outstanding at the time of enactment of the Housing Act of 1957.

Section 204: Amends section 305 (c) of the National Housing Act to increase from $200 million to $450 million the amount of purchases and commitments of special assistance mortgages subject to the discretion of the President, and to delete the Presidential authority to use $100 million for the purchase of participation loans.

Section 205: Amends section 305 (e) of the National Housing Act to increase from $100 million to $350 million the revolving fund for purchase by FNMA of FHA-insured cooperative housing mortgages. The existing $10 million limitation on outstanding commitments per State is increased to $35 million per State. One-half of the authorization would be reserved for consumer-sponsored cooperatives.

Section 206: Amends section 305 (f) of the National Housing Act to increase from $200 million to $400 million the revolving fund for purchase by FNMA of FHA-insured military housing mortgages, and earmarks up to 7.5 percent of this amount for mortgages insured under section 809 of the National Housing Act which relates to sales housing for essential civilians at military research and development centers.

Section 207: Amends section 305 of the National Housing Act by adding a new subsection (h) to authorize FNMA, under its special assistance functions, to make construction advances for housing projects where FNMA has issued a commitment to purchase the mortgage on the project, and where the advances are insured by the FHA. FHA insures construction advances only in cases of rental housing projects and cooperative housing projects.

TITLE III—SLUM CLEARANCE AND URBAN RENEWAL

Section 301: Amends section 103 (b) of the Housing Act of 1949 to increase by $1 billion (from $900 million to $1.9 billion) the capital grant authorization for slum clearance and urban renewal, to be made available at the rate of $250 million a year over a 4-year period.

Section 302: (a) Amends the Housing Act of 1949 to increase from two-thirds to 75 percent the Federal share of the net project costs of slum-clearance and urban-renewal projects. The section also provides for an alternative formula for calculating the Federal share of such costs.

(b) Amends section 314 of the Housing Act of 1954 to increase the Federal share of net project costs from two-thirds to 75 percent.

(c) Provides for the revision of capital grant contracts under the new formula for Federal participation if the projects have not yet been completed.

Section 303: Amends section 106 (e) of the Housing Act of 1949 to increase from 10 percent to 15 percent the proportion of urban renewal capital grant authorization that can be allocated to 1 State.

Section 304: Amends section 106 (f) of the Housing Act of 1949 to (1) permit the Urban Renewal Administrator to establish maximum payments for moving expenses without requiring proof of the actual costs of such expenses by individuals and families, and (2) increase the maximum relocation payments to business concerns from $2,000 to $3,000.

Section 305: Amends section 110 (b) of the Housing Act of 1949 to permit a local community to indicate in a submission separate from the urban renewal plan, the relationship between the urban renewal plan and certain overall local planning objectives. As now worded, this provision requires this relationship to be indicated in the urban renewal plan.

Section 306: Amends section 110 (c) of the Housing Act of 1949 to permit commercial and industrial redevelopment, without application of "predominantly residential" test, up to 7.5 percent of the total capital grant authorization.

Section 307: Amends section 110 (d) of the Housing Act of 1949 to extend to slum clearance projects, under the 1949 act, the provision now applicable to urban renewal projects under the 1954 act, whereby the estimated costs of facilities offered as noncash grants-in-aid shall be deemed actual costs, if the construction of these facilities is not complete (and actual costs not known) at the time of final disposition of land in the project area.

Section 308: Amends section 2 (5) of the United States Housing Act of 1937 to permit a local public housing agency to furnish administrative facilities to the local urban renewal agency, at economic rent, in localities where the same agency administers both programs.

Section 309: Establishes a fellowship program for graduate training in urban planning and related fields, authorizing $500,000 for a 3-year period.

TITLE IV—PUBLIC HOUSING

Low-rent housing

Section 401: (a) Amends section 15 (8) (d) of the United States Housing Act of 1937 to permit overincome tenants to remain in public housing if the local housing agency determines that there is in the vicinity an inadequate supply of suitable housing, and if the families remaining in public housing pay in rent at least 20 percent of their net income, or an amount equal to private accommodations, whichever is less.

(b) Amends section 2 (1) of the Housing Act of 1937 to permit families seeking admission to public housing an exemption of $100 for each adult with no income and up to $600 of the income of each member of the family other than the principal wage earner; for continued occupancy exemptions would be permitted of $100 for each adult having no income, and up to $600 of the income of any member of the family other than the principal wage earner. (Present exemptions: For admission, $100 for each minor; for continued occupancy, $100 for each minor or all or any part of the income of each minor.)

(c) Amends sections 101 (c) of the Housing Act of 1949 and section 10 (1) of the United States Housing Act of 1937 to remove the "workable program" requirement.

(d) Amends section 15 (5) of the United States Housing Act of 1937 to raise the unit cost limits from $1,750 to $2,000 for regular units, and from $2,250 to $2,500 for elderly persons' units.

(e) Amends section 15 (5) of the United States Housing Act of 1937 to require public housing plans and specifications to follow the principle of modular measure.

Housing for disaster victims

Section 402: Authorizes the FHA Commissioner to contract, on a standby basis, for production and delivery of housing and equipment in the event of a major disaster and to make such facilities available without charge to local public agencies, the American Red Cross, or other nonprofit relief organizations; and to use for this purpose up to $5 million of funds made available by the United States Housing Act of 1937.

Disposition of war housing projects

Section 403: (a) Extends until July 1, 1957, the time in which war housing project Conn-6029 may be sold to the Housing Authority of Wethersfield, Conn.

(b) Authorizes the directs HHFA to sell and convey housing project Nev-26021 to the Housing Authority of Las Vegas, Nev., for price of $452,200. A downpayment of 5 percent would be paid at closing and the balance secured by mortgage to be paid over 20-year period at an interest rate of 4½ percent.

(c) Directs the HHFA to convey to the State of Louisiana war housing projects La-16011 and La-16012 for $300,000 payable in three equal annual installments, and extends until 60 days after enactment of this provision the time for payment of the first installment.

(d) Authorizes and directs the HHFA to sell war housing project Utah-42015, known as Verdeland Park, to the city of Layton, Utah, for $580,000 under a mortgage payable over a 10-year period, at a 4½ percent interest rate.

TITLE V—MILITARY HOUSING

Section 501: Amends section 80 (a) of the National Housing Act to extend the military-housing program for 1 year. The present program expires on June 30, 1958.

Section 502: Amends section 603 (b) of the National Housing Act to (1) make the maximum insurable amount of $16,500 (average) on military-housing projects apply to the project as a whole rather than to each mortgage, (2) establish a maximum cost of $25,000 for new individual-housing units, and (c) redefine "eligible" bid to mean a bid with a reasonable relation to the FHA estimate of replacement cost (the FHA estimate is now a ceiling on acceptable bids).

TITLE VI—MISCELLANEOUS

College housing

Section 601: (a) Amends section 401 (d) of the Housing Act of 1950 to increase the revolving fund for college-housing loans from $750 million to $950 million, with $25 million reserved for projects to house nursing students or interns.

(b) Amends section 404 (b) of the Housing Act of 1950 to permit the HHFA to make college-housing loans to (1) divinity schools, (2) hospital dormitories for student nurses or interns, and (3) State authorities established to construct dormitory facilities for schools within a State university system.

Voluntary home mortgage credit program

Section 602: Amends section 610 (a) of the Housing Act of 1954 to extend the Voluntary Home Mortgage Credit Program for 3 years. The present program expires on June 30, 1957.

Farm-housing research

Section 603: Authorizes the HHFA Administrator to make research grants up to $300,000 annually during the fiscal years 1958 and 1959 to land-grant colleges for the purpose of developing methods by which more attractive and more functional farmhouses can be provided at a lower cost and with better financing.

Exchange of housing data with foreign countries

Section 604: Directs the Housing Administrator to exchange housing data with foreign countries.

BILLS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSON of Texas:

S. 2120. A bill to authorize the Secretary of the Interior to construct, rehabilitate, operate, and maintain the lower Rio Grande rehabilitation project, Texas, Mercedes division; to the Committee on Interior and Insular Affairs.

By Mr. DIRKSEN (by request):

S. 2121. A bill to authorize the restoration of times taken from patents covering inventions whose practice was prevented or curtailed during certain emergency periods by service of the patent owner in the Armed Forces or by production controls; to the Committee on the Judiciary.

By Mr. SALTONSTALL:

S. 2122. A bill for the relief of Harvey Whipple, Inc.; to the Committee on the Judiciary.

By Mr. HILL:

S. 2123. A bill for the relief of Frances Monteleone; to the Committee on the Judiciary.

By Mr. EASTLAND:

S. 2124. A bill for the relief of Tasia J. Somas; to the Committee on the Judiciary.

By Mr. O'MAHONEY:

S. 2125. A bill for the relief of Jesse R. Chamberlin and Ester Chamberlin; and

S. 2126. A bill for the relief of Jean Goedicke; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina:

S. 2127. A bill to amend section 3 (d) of the Federal Employees' Group Life Insurance Act of 1954, relating to the reduction in amounts of insurance of persons over the age of 65; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. JOHNSTON of South Carolina when he introduced the above bill, which appear under a separate hearing.)

By Mr. JOHNSTON of South Carolina (by request):

S. 2128. A bill to amend certain provisions of law in order to provide for the reimbursement of the Post Office Department for expenses incurred in performing certain services for other agencies, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MAGNUSON (by request):

S. 2129. A bill to amend the Interstate Commerce Act to provide for the preservation of competitive through routes for rail carriers; to the Committee on Interstate and Foreign Commerce.

AWARD TO SMALL BUSINESS CONCERNS OF FAIR SHARE OF CERTAIN CONTRACTS MADE BY THE MILITARY SERVICES

Mr. SPARKMAN. Mr. President, I have before me a document issued by the Office of the Assistant Secretary of Defense for Supply and Logistics which must be a matter of the gravest concern to everyone who is interested in the welfare of small business. Under date of April 12, 1957, this report presents statistical information showing the extent to which small companies have been awarded prime contracts by the military departments for work performed and services rendered within the continental United States during the first 8 months of fiscal year 1957.

It came as a shock to me to learn that small business, which comprises more than 95 percent of all business establishments throughout the Nation, received only 16.7 percent of the $12,755,000,000 in contracts awarded during this period.

It is even more disturbing, Mr. President, to realize that, low as this percentage is, the bottom has not been reached. I am informed the Department of Defense estimates that the final figures for fiscal 1957 may show a further reduction in the share of military contracts awarded to small business.

The gravity of this situation can best be judged from a brief consideration of the extent to which the small-business share of military contracts has shrunk in recent years. In fiscal year 1954, small firms were successful in obtaining 25.3 percent of defense contracts awarded by the Department of Defense. In fiscal year 1955, the small-business share declined to 21.5 percent. This was followed in fiscal year 1956 by a further shrinkage to 19.6 percent. We are now informed that when the totals are added up for the full fiscal year of 1957, there exists a strong possibility that small-business participation in military procurements may dwindle to the lowest point ever recorded since the Department of Defense started to keep count of the contracts awarded to small business in the 1951 fiscal year.

There are many theories advanced and many excuses offered, Mr. President, in efforts to explain away the undeniable fact that our largest business concerns are being awarded the lion's share of defense prime contracts. To me, however, no amount of such reasoning fully takes into account the most important fact of all, which is, that after very careful deliberation the Congress on numerous occasions has stated and emphasized its desire that small business receive a "fair share" of military prime contracts.

The amplitude of the record on this point leaves no room for disagreement. Typical of some of the congressional expressions on this subject are those set forth in the Armed Services Procurement Act of 1947, the Universal Military Training and Services Act of 1948, the Defense Production Act of 1950, and the Small Business Act of 1953, as amended.

In the Armed Services Procurement Act of 1947, the policy is enunciated that "a fair proportion of the total purchases and contracts for the Government shall be placed with small-business concerns." The Universal Military Training and Services Act of 1948 provided that "small business shall be granted a fair share of the orders placed." The Defense Production Act of 1950 stressed that it is "the sense of the Congress that small-business enterprises be encouraged to make their greatest possible contribution to achieve the objectives of this act." And as recently as August of 1955, in Public Law 268, amending the Small Business Act of 1953, the Congress again reiterated its oft-expressed intent that

small companies should receive a "fair proportion" of Government contracts.

When the Congress thus advised the procuring agencies of the Government that the national interest required small business to obtain a "fair share" of the contracts awarded, it was left to the judgment of purchasing agencies to determine for themselves what amount of their yearly purchases would constitute a "fair share." Unfortunately, perhaps, the Congress then had no way of knowing that within the short space of 4 years the small-business share of military prime contracts should decline from a high of more than 25 percent to a current low of less than 17 percent.

It has occurred to me, Mr. President, that because the Congress stated its desires regarding the share of small business in Government contracts in general terms, the contracting officers of the Department of Defense may have a concept of what constitutes a "fair share" which permits them to be satisfied when small concerns are able to obtain in the neighborhood of only 16 percent of the billions of dollars spent every year for goods and services by the military departments. If this is the case, then I am certain that a grave misunderstanding exists. I know of no Member of this body who is of the opinion that the more than 4 million small-business enterprises of this Nation are not capable of supplying a substantially greater proportion of the Government's requirements.

For this reason I feel that some clarification of the intent of the Congress regarding the place of small business in the military procurement picture is desirable. I wish, therefore, at this time to submit, for appropriate reference, a resolution which contains the following provisions:

Resolved, That it is the sense of the Senate—

(1) that, if reasonable progress is to be achieved toward the ultimate goal of obtaining for the small-business segment of our economy a fair share of the purchases and prime contracts made or entered into by the military services, small-business concerns should receive from such purchases and prime contracts not less than 25 percent of the procurement dollars expended each year by the Department of Defense;

(2) that, in the procurement of supplies and services which small-business concerns are readily capable of furnishing, the military services should award a much higher percentage of their prime contracts to such concerns in order to compensate for procurements which by their nature are beyond the capabilities of small-business concerns;

(3) that, in order to achieve an increase in the percentage of procurement dollars going to small-business concerns by way of prime contracts, the military services should review the products not now considered to be within the production capabilities of small-business concerns with a view to determining whether some of these products cannot in fact be obtained from such concerns;

(4) that the research and development program of the Department of Defense affords one of the greatest areas available for increasing the participation of small business in military procurement; and

(5) that more emphasis should be given to the set-aside program for small business, provided in the Small Business Act of 1953, in order that small-business concerns will participate to the maximum extent in the award of prime contracts for supplies and services now considered by the Department of Defense to be within their capacity to furnish.

I wish to stress that this resolution contains no mandatory features. Clearly, it is not possible, in the nature of the procurement function, to specify a fixed percentage of the dollar value of all contracts below which the share of small business shall not be allowed to fall. Rather, the primary purpose of the resolution is to service notice on the Department of Defense that, after due allowances are made for the type of products currently being procured, this body has concluded that the present percentage of small-business contract awards is inadequate, and to establish a reasonable percentage standard for the more precise guidance of Government purchasing agencies.

I am pleased to state that joining me in the submission of this resolution are Senators THYE, BARRETT, BIBLE, CARROLL, CASE of New Jersey, CHAVEZ, CLARK, ERVIN, GOLDWATER, HILL, HUMPHREY, HRUSKA, IVES, KENNEDY, KUCHEL, LONG, MCNAMARA, MONRONEY, MORSE, NEUBERGER, PASTORE, PAYNE, SMATHERS, SMITH of New Jersey, SYMINGTON, TALMADGE, and AIKEN.

The VICE PRESIDENT. The resolution will be received and appropriately referred.

The resolution (S. Res. 138), submitted by Mr. SPARKMAN (for himself and other Senators), was received and referred to the Committee on Banking and Currency, as follows:

Whereas the Congress of the United States on numerous occasions has expressed its interest that small-business concerns be given a fair share of the procurement dollars spent by the Department of Defense; and

Whereas Congress, in the First War Powers Act of 1941; as amended in 1951; the Defense Production Act of 1950; the Small Business Act of 1953; the Armed Services Procurement Act of 1947; the Federal Property and Administrative Services Act of 1949; the Universal Military Training and Services Act of 1948; and the Department of Defense Appropriation Act of 1957, has declared that small-business concerns should receive a fair share of the purchases and prime contracts for supplies and services made by the Government; and

Whereas of the $17,750,084,000 spent in fiscal year 1956 by the Department of Defense in the continental United States small-business concerns received only $3,475,315,000, or 19.6 percent, and such concerns have received only 19.2 percent of the $144,225,000,000 spent in the continental United States in the past 6 years; and

Whereas the percentage awarded to small-business firms in the current fiscal year, 1957, according to current estimates, will decline to approximately 16.5 percent: Now, therefore, be it

(1) that, if reasonable progress is to be achieved toward the ultimate goal of obtaining for the small-business segment of our economy a fair share of the purchases and prime contracts made or entered into by the military services, small-business concerns should receive from such purchases and prime contracts not less than 25 percent of the procurement dollars expended each year by the Department of Defense;

(2) that, in the procurement of supplies and services which small-business concerns are readily capable of furnishing, the military services should award a much higher percentage of their prime contracts to such concerns in order to compensate for procurements which by their nature are beyond the capabilities of small-business concerns;

(3) that, in order to achieve an increase in the percentage of procurement dollars going to small-business concerns by way of prime contracts, the military services should review the products not now considered to be within the production capabilities of small-business concerns with a view to determining whether some of these products cannot in fact be obtained from such concerns;

(4) that the research and development program of the Department of Defense affords one of the greatest areas available for increasing the participation of small business in military procurement; and

(5) that more emphasis should be given to the set-aside program for small business, provided in the Small Business Act of 1953, in order that small-business concerns will participate to the maximum extent in the award of prime contracts for supplies and services now considered by the Department of Defense to be within their capacity to furnish.

AMENDMENT OF FEDERAL EMPLOYEES' GROUP LIFE INSURANCE ACT OF 1954, RELATING TO REDUCTION IN AMOUNTS OF INSURANCE OF PERSONS OVER AGE 65

Mr. JOHNSTON of South Carolina. Mr. President, the Federal Employees' Group Life Insurance Act will soon have been on the statute books 3 years. I think there is general agreement that it was a wise and needed piece of legislation. Furthermore, it has proven actuarially sound. The program is solvent and the reserve fund is growing at a more rapid pace than anticipated by many. These facts are rather well known and understood.

However, what many do not know, and I dare say some Senators may not know, is that the insurance policies reduce rapidly when the insured reaches the age of 65. That is true whether the insured continues to be employed in the Federal service or is in a retired status.

The rate of reduction is 2 percent a month until the amount of insurance is only 25 percent of the original face value of the policy. Let me give an example of how the reduction operates. An employee whose salary is between $4,000 and $5,000 would have a policy with a face value of $5,000. At attainment of age 65 the automatic reduction starts. Three years and three months later, or when he is just past 68, his insurance, which once amounted to $5,000, is reduced to 25 percent of what it was, or $1,250.

The Post Office and Civil Service Committee is making a study of the Federal employee insurance program. I would like for all to know that the study is completely nonpartisan. It is directed toward finding out how the program is working and how it can be improved. I think it worthy of note that the need for and value of such a study was recognized by the distinguished Senator from Kansas [Mr. CARLSON], and that we jointly supported the resolution under which the study was authorized.

The study has progressed to the point that I am convinced a measure of liberalization can safely be adopted without further delay. Perhaps as the study progresses further additional improvement in the program will be suggested.

Mr. President, I introduce, for appropriate reference, a bill, which if enacted, will cut in half both the rate and extent of reduction. The bill, if enacted, will cut the rate of reduction from 2 to 1 percent a month, and instead of continuing until the policy has been cut to 25 percent of face value, it will stop when the policy has been reduced to 50 percent of its face value.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2127) to amend section 3 (d) of the Federal Employees' Group Life Insurance Act of 1954, relating to the reduction in amounts of insurance of persons over the age of 65, introduced by Mr. JOHNSTON of South Carolina, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

EVALUATION OF CERTAIN RECREATIONAL BENEFITS—AMENDMENTS

Mr. CASE of South Dakota submitted amendments, intended to be proposed by him to the bill (S. 1164) to make the evaluation of recreational benefits resulting from the construction of any flood control, navigation, or reclamation project an integral part of project planning, and for other purposes; which were ordered to lie on the table and to be printed.

PREVENTION OF CERTAIN PRACTICES BY PERSONS ENGAGED IN COMMERCE IN MEAT AND MEAT PRODUCTS—AMENDMENTS

Mr. DIRKSEN. Mr. President, I submit amendments, intended to be proposed by me, to the bill (S. 1356) to amend the antitrust laws by vesting in the Federal Trade Commission jurisdiction to prevent monopolistic acts or practices and other unlawful restraints in commerce by certain persons engaged in commerce in meat and meat products, and for other purposes. I ask unanimous consent that a summary of the effect of the amendments may be printed in the RECORD.

The VICE PRESIDENT. The amendments will be received, appropriately referred, and printed; and, without objection, the summary will be printed in the RECORD.

The amendments were referred to the Committee on the Judiciary, and ordered to be printed.

The summary presented by Mr. DIRKSEN is as follows:

SUMMARY OF THE EFFECT OF THE ATTACHED DRAFT OF AMENDMENTS TO THE PACKERS AND STOCKYARDS ACT

1. Amendment (1) changing the definition of packer would limit the persons subject to exclusive jurisdiction of the Secretary under the act as packers to those principally engaged (1) in buying livestock for slaughter, (2) manufacturing or preparing meat or meat food products (edible) for commerce, (3) a combination of the activities in (1) and (2), and (4) manufacturing or preparing livestock products (inedible) for commerce and in one or the other of the activities covered by (1) and (2).

The amendment eliminates the application of the packer provisions of the act to persons who are primarily engaged in some other activities but have acquired an interest in the packing industry which represents a relatively minor part of their operations; that is, grocery chains. Such persons who are presently subject to the Packers and Stockyards Act would under this amendment be subject to the Federal Trade Commission Act.

2. Under amendment (2) packers and live poultry dealers as redefined in amendments (1) and (3) would be subject to the jurisdiction of the Department of Agriculture as heretofore. Other persons heretofore subject to the jurisdiction of the Department under title II—Packers of the act would be subject to the jurisdiction of the Department with respect only to the buying of livestock and live poultry for purposes of slaughter and with respect to all other activities would be subject to the jurisdiction of the Federal Trade Commission.

3. Amendment (3) changes the definition of live poultry dealer so that for the purposes of title II of the act only persons principally engaged in the business or buying or selling live poultry in commerce for the purpose of slaughter will fall within the definition of live poultry dealers. The impact of this amendment on live poultry dealers is the same as that set forth in the second paragraph under 1 above on packers.

AMENDMENT OF FEDERAL POWER ACT, RELATING TO CERTAIN ALLOWANCES FOR INCOME TAX PURPOSES—ADDITIONAL COSPONSOR OF BILL

Mr. MAGNUSON. Mr. President, on May 16, 1957, on behalf of myself, and several other Senators, I introduced the bill (S. 2113) to amend the Federal Power Act, as amended, with respect to allowances in the cost of service and accelerated amortization and liberalized depreciation for income tax purposes. I ask unanimous consent that the name of the Senator from Colorado [Mr. CARROLL] may be added as an additional cosponsor of that bill, the next time it is printed.

The VICE PRESIDENT. Without objection, it is so ordered.

NATIONAL COWBOY HALL OF FAME AND MUSEUM—ADDITIONAL COSPONSOR OF CONCURRENT RESOLUTION

Under authority of the order of the Senate of May 16, 1957,

The name of Mr. KNOWLAND was added as an additional cosponsor of the concurrent resolution (S. Con. Res. 32) favoring congressional recognition of the National Cowboy Hall of Fame and Museum to be located at Oklahoma City, Okla., submitted by Mr. ANDERSON (for himself and other Senators), on May 16, 1957.

PRINTING AS A SENATE DOCUMENT REPORT ENTITLED "INVENTORY REPORT ON REAL PROPERTY LEASED TO THE UNITED STATES THROUGHOUT THE WORLD, AS OF JULY 1, 1956" (S. DOC. NO. 41)

Mr. HAYDEN. Mr. President, at a meeting of the Committee on Appropriations on May 13, it was recommended that a committee print of the Inventory Report on Real Property Leased to the United States Throughout the World as of July 1, 1956, compiled by the General Services Administration, at the request of the committee, be printed as a Senate document, with illustrations.

I present the committee print and ask that it be so printed.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HAYDEN. I ask unanimous consent that the correspondence relating to the report, together with a press release giving some of the facts on the inventory, be printed in the RECORD, as a part of my remarks.

There being no objection, the correspondence and press release were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, D. C., May 9, 1957.

Hon. F. G. FLOETE,
Administrator, General Services Administration, Washington, D. C.

DEAR MR. FLOETE: The committee is in receipt of the inventory report covering real property leased to the United States Government throughout the world as of July 1, 1956, prepared by your agency pursuant to the additional request of the committee in the report on the independent offices appropriation bill for 1957. It is gratifying to note that this report, together with the report on federally owned properties, which was published on February 11, 1957, as Senate Document No. 25, will now for the first time furnish a comprehensive presentation of all real property holdings of the United States throughout the world.

The summary report, with supporting charts and tables, is being issued as a Senate document and made available to all Federal agencies as well as the public generally. We recommend that a set of the detailed supporting inventory listings be furnished to the Senate and House Appropriations Committees and Government Operations Committees, to the Bureau of the Budget and the General Accounting Office, and to the reporting agency for pertinent use, and that file and working copies of these listings will be available also in your administration for reference.

The additional information in this first governmentwide inventory on leased property will serve as a further budgetary aid as well as a management tool on property utilization, and the committee believes that proper use of such information can effect substantial economies in budget requests from the various agencies of the Government.

The committee is well pleased with the compilations prepared by you and your organization.

Yours very sincerely,

CARL HAYDEN.
STYLES BRIDGES.

GENERAL SERVICES ADMINISTRATION,
Washington, D. C., May 7, 1957.

Hon. CARL HAYDEN,
Chairman, Committee on Appropriations, United States Senate, Washington, D. C.

DEAR MR. CHAIRMAN: We are pleased to submit the attached summary report covering the inventory of real property leased to the United States Government throughout the world, as of July 1, 1956. This inventory was prepared pursuant to the request of the Senate Committee on Appropriations in Senate Report No. 2041, dated May 24, 1956.

This report together with its companion report on federally owned properties, which

was published as Senate Document No. 25, February 11, 1957, furnish a comprehensive presentation of all real property holdings of the United States throughout the world.

Pertinent data relative to 38,523 Federal leases for property in the United States and 2,270 leases of civil agencies for property outside the United States are summarized in this report. The report contains only overall summary data for acreage and annual rental, as reported by the Department of Defense for its military installations overseas.

The total annual rental for real property leased to the United States Government throughout the world amounts to $112.8 million. This total is comprised of (a) $94.7 million for property in the United States; (b) $1.2 million for property in United States Territories and possessions; and (c) $16.9 million for properties in foreign countries.

In addition to the attached summary inventory report, detailed supporting inventory listings of leased real property are being submitted under separate cover.

This is the first governmentwide inventory of leased properties, and consequently the report will undoubtedly contain some inaccuracies. Considerable work will be required to refine the data contained herein, and the records from which such data are obtained.

The preparation of this report was greatly facilitated by the cooperation of all participating agencies, and the counsel and assistance of Mr. Earl Cooper of the committee's staff.

Sincerely yours,

FRANKLIN G. FLOETE,
Administrator.

The first report ever prepared on real property leased to the Federal Government was published today by the Senate Committee on Appropriations. A companion report, which inventoried properties in Federal ownership, was released as a Senate Document on February 11, 1957. Together, the two publications provide a comprehensive presentation of all real property holdings of the United States, both at home and abroad.

The new report will become available as a Senate Document under the title "Inventory of Real Property Leased to the United States Throughout the World." It will contain, as the preliminary print does, pertinent data on leases administered by 23 Federal agencies as of July 1, 1956. On that date, 38,523 leases on domestic property were in effect. Civil agencies of the Government also held 2,270 leases on property outside continental United States. The report contains only overall summary data on acreage and annual rental on overseas military installations.

In releasing the report, Senator CARL HAYDEN, chairman of the Senate Committee on Appropriations said, "Our initial effort in bringing significant Federal lease information together under one cover is, I believe, a successful one. The committee has produced a document which can help the legislative and executive branches in the preparation and evaluation of budget requests and in effecting economies in leasing operations."

Graphs and charts are used profusely throughout the report to show the nature and extent of the Government's leasing operations measured in terms of building space, land acreage, and dollar value. Lease information also is presented geographically, by city, State, country, and continent, through a series of special tables in the back of the report.

According to the report the total annual rental paid by the Government on real property is $112.8 million. Of this total, $94.7 million is for properties located in the United States, $1.2 million in United States territories and possessions, and $16.9 million in foreign countries.

In the United States, the General Services Administration handles leases amounting to $47.3 million, or 50 percent of the total in dollar value. The Post Office Department is the second most active tenant, spending $32.2 million in annual rentals. The Defense Department ranks third within the country, with $10.6 million.

The largest single share of the $94.7 million spent to rent properties in the United States, $12.1 million, goes into New York State. California property owners receive $8.4 million and those in Illinois, $5.9 million.

On real property located outside of the United States, the Departments of Defense and State pay annual rentals of $9.8 million and $5.8 million respectively. These amounts combined represent 86.2 percent of the $18.1 million total.

The Federal Government, which owns 774.6 million acres of land rents only 1.8 million acres, computed on a worldwide basis. Acreage figures shown in the report are, for the most part limited to land leased separately and land specified in a lease when rented in conjunction with building space.

The total acreage rented to the Federal Government in the United States, some 1.6 million acres, is approximately equal to half the size of the State of Connecticut. Of this amount, rural areas provide 1,259,000 acres and urban centers 349,000.

Ninety-four percent of land leased to the Federal Government in the United States is for military purposes; 4 percent is used for agriculture and grazing.

Federal agencies other than the Department of Defense lease 87.8 million square feet of building space throughout the world. Of this amount, 80.8 million square feet, or 92 percent is located in the United States; 0.6 million square feet, or 0.7 percent in United States territories and possessions, and 6.4 million square feet, or 7.3 percent, in foreign countries. In addition, the Department of Defense leases 7.6 million square feet of building space in the United States.

The total building space rented in this country by both civilian and military agencies is 88.4 million square feet or 13 times the gross floor area in the Pentagon Building. The Post Office utilizes 43.6 million square feet, or approximately the same floor area rented by all other Federal agencies combined.

The material in the Senate report has been compiled and edited to provide easy access to specific leasing data. It summarizes the contents of thousands of individual reports which the General Services Administration, acting as coordinating agent for the sponsoring Senate committee, spent several months combining and refining.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows

By Mr. MCNAMARA:

Jefferson-Jackson Day dinner address delivered by Senator MORSE in Detroit, Mich., May 18, 1957.

By Mr. KEFAUVER:

Article entitled "Atoms In Our Future," written by Senator ANDERSON and published in the magazine the Western World.

By Mr. MCCLELLAN:

Correspondence and newspaper article dealing with Democratic practices within the labor movement, with reference to the hearings being conducted by the Select Committee on Improper Activities in the Labor or Management Field.

ANNOUNCEMENT OF BEGINNING OF HEARINGS ON PENSION AND WELFARE LEGISLATION

Mr. KENNEDY. Mr. President, I should like to draw to the attention of the Members of the Senate the fact that the Special Subcommittee of the Labor and Public Welfare Committee on Welfare and Pension Fund Legislation will begin hearings next Monday, May 27, 1957.

We all have become aware that existing Federal legislation is inadequate to cope with the problem of conserving welfare and pension funds for the exclusive use of the employee beneficiaries. Moreover, there is little evidence that the States, with the exception of Washington and New York, have undertaken to address themselves to the problem of regulation of welfare and pension funds as separate legal entities. It is apparent that the growth of these plans since the beginning of World War II has resulted in a gigantic, highly complex operation which has outrun and, to a certain extent, outmoded existing Federal and State laws and controls.

The investigations into these plans conducted by a subcommittee under the able leadership of the distinguished Senator from Illinois [Mr. DOUGLAS], in the 84th Congress concluded that legislation was needed to protect the interests of the beneficiaries and the public interest involved. Certainly the current investigations of the select committee of which the able Senator from Arkansas [Mr. MCCLELLAN], is chairman reinforces the conclusions to which the Douglas committee came last year. Legislation to regulate welfare and pension funds is long overdue.

While regulation of welfare and pension funds is a pressing first order of business, there are other areas where some regulation is needed. When the committee finishes its work on welfare and pension matters, it expects to conduct hearings on legislation to provide improved standards for union practices.

POSITION OF THE UNITED STATES ON THE SUEZ CANAL ISSUE

Mr. JAVITS. Mr. President, this morning the Security Council of the United Nations will meet to consider the complaint of France as to the use of the Suez Canal and the compliance by Egypt with the six principles enunciated by the Security Council upon that subject. I express the hope that the Government of the United States will give full support to France in this effort. I also express the hope that the Government of the United States will back the right of Israel to send a ship through the Suez Canal, peaceably utilizing the right of passage guaranteed to all nations by the Constantinople convention.

Mr. President, I think we must be mindful of the fact that dictators always seem to misunderstand when we allow their forays in foreign policy and in treating solemn international agreements as scraps of paper to go undisputed; and Colonel Nasser is behaving like a dictator.

The free world cannot rest secure so long as Colonel Nasser proposes to regard the Suez Canal as his ditch. He thereby asserts his grip on the jugular vein of Europe, through which essential oil must flow for some time yet before alternate means for its transport may become available.

By our action in the British-French and the Israel hostilities in Sinai and Suez, we have ruled out the use of force to deal with Colonel Nasser. This makes our responsibility all the greater to utilize effectively all other means short of force to insure peace and security in the Middle East and performance of solemn obligations by Egypt respecting the Suez Canal.

We can never forget the lessons of the thirties of Hitler's march into the Rhineland and his later appeasement by Chamberlain; imperial Japan's attack on Manchuria; and Mussolini's rape of Ethiopia.

We must learn from these examples that the opposition to the actions of dictators, even if we cannot stop them immediately, must be unrelenting and continuous.

Mr. President, again we have our opportunity before the Security Council. The Soviet Union may, and probably will, veto any resolution the Council adopts; but it is one of the great sounding boards for world opinion. Colonel Nasser and his people will be listening to it as closely as anyone else. He has just been served notice by the heads of other governments in the Middle East that they will not tolerate interference in their affairs. I think we must serve notice that we will not let up on the Suez Canal; that it must be dealt with in full accord with international responsibility because of its importance as the jugular vein of free Europe in connection with free Europe's supply of oil, until the controversy is peaceably and fairly settled.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD two editorials on this subject, as published today in the New York Times and the New York Herald Tribune.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times of May 20, 1957]

THE U. N. ON TRIAL

The Security Council of the United Nations meets today to resume consideration of a burning issue of transcendent importance to the whole world, and to the Western World in particular. The issue is:

Shall the Suez Canal be restored as the international waterway for which Egypt has ceded a perpetual right-of-way under a definitive system of international guaranties designed to keep it open to ships of all nations in peace and war and free from blockade or blockage even in Egypt's own self-defense, as provided by the Suez Convention of 1888?

Or shall this canal become the private waterway of President Nasser to be used, blockaded, or blocked at his arbitrary will for his own political purposes and profit, as decreed in his unilateral declaration of April 24?

The importance of this issue is self-evident. The Suez Canal is the lifeline of Western Europe, which depends on it for its major oil supply, and also a vital artery of world trade. Any interference with traffic through the canal has immediate and serious repercussions throughout the world, especially in Western Europe, which Nasser can now blackmail in peace and cripple in war. This is an intolerable situation which cries for remedy. As the United Nations has ruled out force, it is up to the United Nations to provide the remedy.

The Security Council has already provided a partial remedy by adopting six principles for a settlement. The most important of these is that the operation of the canal should be insulated from the politics of any country, including Egypt. But Nasser has simply ignored them, as he ignores the Security Council's previous injunction against his blockade of Israeli shipping. It remains to be seen whether the Security Council, or, in case it is paralyzed by a Soviet veto, the General Assembly, will take action to enforce Nasser's compliance with them, which puts not only Egypt but the United Nations itself on trial.

For lack of such action Nasser has thus far been able to boast of complete victory over both the West and the United Nations, at both of which he thumbs his nose. But the latest developments show that his position is far less strong than he tries to make it appear. Under the influence of the Eisenhower doctrine his wings have already been clipped by the three Arab Kings of Saudi Arabia, Iraq, and Jordan. By official statements and actions they have barred any further Egyptian interference in their own affairs and have thereby not only repudiated Nasser's pro-Communist policies but have also shattered his dream of an Arab empire under the suzerainty of Egypt to which all other Arab States are merely what little Austria was to Hitler. Being Arabs, the three Kings must continue to cling to the Arab shibboleths of Arab unity and hostility to Israel, but the crack of Nasser's bold facade can no longer be disguised.

At the same time Nasser is also beginning to find out what the West found out long ago—namely, that Soviet performance never matches Soviet promises. Instead of getting Soviet economic aid he faces Soviet efforts to exploit Egypt as just another satellite. The Soviets do not permit economics to interfere with their political purposes and he can and does get Soviet arms to replace those he lost. But the price is high, and Egypt's economic position is not strengthened thereby.

It is therefore all the more amazing that both the Western Powers and the United Nations Secretary General have adopted a defeatist attitude which may still give Nasser a victory by default. Some of the Western Powers hope, indeed, that a Soviet veto will put an end to the French appeal, and Mr. Hammarskjold seems to hold that a Security Council decision can stand without action. The fate of the League of Nations should warn against such a course.

[From the New York Herald Tribune of May 20, 1957]

DEALING WITH A DICTATOR

Despite the almost universal expectation that very little will come of it, a new discussion of the Suez Canal problem will be opened today in the United Nations Security Council. The debate is being launched at the instigation of France, which is the only major canal user still clinging to a boycott of the Nasser-run waterway. The importance of the French move is being discounted in some quarters on the grounds that the Mollet government is seeking to strengthen its own hand in a precarious political situation at home. Premier Mollet is also said to regard the debate as a means of demonstrating the futility of the U. N. or as an excuse, once the discussions have come to naught, for finally terminating the French boycott of the canal.

Any or all of these factors may have entered into the French decision to reopen the Suez matter at a time when most other nations were content to let sleeping dogs lie. And yet the significance of the move should not be underestimated, nor the opportunity it presents overlooked. For the ugly fact is that Nasser is now running the Suez Canal on his own terms. And the debate that starts today affords member nations of the Security Council one more chance to make it plain that the free world does not accept these terms as equitable, desirable, or permanent.

It is not particularly to the credit of the Suez Canal users that they have acquiesced—even under protest—to the terms laid down by Nasser last month. Nasser has made it perfectly clear that he intends to operate the canal as an exclusively Egyptian enterprise, with Egypt collecting all tolls and establishing the conditions of operation—with Israeli shipping excluded, despite a Security Council decision in 1951 to the contrary. The arbitration procedures he has proposed in cases of controversy are so complicated and confusing as to be virtually meaningless.

In permitting their ships to use the canal in these circumstances the United States, Great Britain, and the other maritime nations have bowed to a dictator, and it is useless to pretend otherwise. True, plans to employ alternatives such as new tankers and pipelines are under way, but these are long-range projects and in the meantime a principle has been sacrificed.

What the French intend to do in the debate starting today is to insist that the Egyptians negotiate a multilateral, permanent, binding convention for the free use of the canal by all nations on the basis of the six principles agreed upon by the U. N. last October. Foreign Minister Pineau, who is to present the French case, will argue that the Eyptian conditions under which the canal is now operating are provisional and unilateral, and that unless the U. N. acts a temporary situation may well be transformed into a permanent one.

This is plain talk, even strong talk for the Security Council to hear. But it is worth putting on record. The present tendency in both the United States and Britain is to delay, temporize, and procrastinate on the theory that it is necessary to proceed slowly for the time being in the Middle East to permit the situation to settle down. But it should not be forgotten that yielding to dictators only serves to sharpen their appetites and that Nasser may be even more difficult to deal with tomorrow than he is today.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SCOTT in the chair). The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SCOTT in the chair). Without objection, it is so ordered.

PROPOSED INTERNATIONAL ATOMIC ENERGY AGENCY

Mr. BUTLER. Mr. President, very shortly the Senate will be called upon to ratify the treaty creating an International Atomic Energy Agency. A controversy seems to be developing with regard to certain aspects of this proposition, and I therefore ask unanimous consent to have printed in the body of the RECORD, a very provocative article entitled "Atomic Giveaway" by William

Henry Chamberlin which appeared in the Wall Street Journal of Tuesday, May 14, 1957.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal of May 14, 1957]

ATOMIC GIVEAWAY—THE GLOBAL AGENCY FOR PEACEFUL NUCLEAR DEVELOPMENT COULD POSE A SERIOUS THREAT TO UNITED STATES SECURITY

(By William Henry Chamberlin)

There has been far less discussion of the atomic giveaway program involved in United States membership in the International Atomic Energy Agency than the importance of the subject demands.

The alluring slogan, "Atoms for Peace," and the sponsorship of the Agency by the President and other high officials have tended to stifle doubts, or at least the open expression of doubts. But there are some disquieting features about this scheme, which seems better adapted to an age of far-reaching international confidence and good will than to the real world of the cold war and hostile coalitions.

Here are some of these disquieting features which, it is to be hoped, will be thoroughly canvassed during the current hearings and during the Senate debate preceding the vote on whether the United States should enter the Agency.

First, we shall be in the invidious position of a have nation subject to the voting control of a majority of have-nots. The Agency, to which 80 nations have given initial endorsement, is organized on the principle of one nation, one vote. The United States is expected to contribute to the Agency information; scientific and technical personnel, fissionable material and money.

Very few of the other member nations will be in a position to contribute any of these things. Yet their votes can control the distribution of our contributions. This might lead to consequences that would startle American public opinion, to say the least.

There is nothing to prevent the Agency, by majority vote, from admitting Red China to all the benefits of have-not membership. Nor is there anything to prevent part of the 11,000 pounds of enriched uranium, which the United States has already promised to make available to the Agency, from being shipped to the Soviet Union, to Red China, or to any Soviet satellite state.

GROTESQUE POSITION

It is somewhat grotesque that this country simultaneously imposes so many restrictions on exports of strategic material to the Soviet bloc and to Red China and leaves such a large loophole open for the shipment of uranium, surely the most strategic material of all.

Second, the difficult if not impossible problem of control is not clearly solved under the terms of establishment of the Agency. The enriched uranium which this Government has already promised to make available is supposed to be for nonmilitary use. But it is scientifically possible to convert uranium of this type into fissionable material for A-bombs.

The only safeguard against this would be a system of continuous close inspection to which Communist nations have been extremely allergic in the past. Nothing less than such inspection would afford any guarantee that the United States was not supplying its enemies with the deadliest kind of munitions.

Third, the sanctions which can be invoked in the event of breach of the agreement seem inadequate. All the Agency can do in the event of violation is to cut off the supply and report the affair to the United Nations. There have been many occasions when it was impossible to get a clear-cut decision from the United Nations. The Agency could do nothing if the nation guilty of violation should seize the material and throw out the Agency's inspectors.

Fourth, the establishment of an International Atomic Agency could set a precedent for other international bodies, dealing with electrical power, steel, wheat, cotton or almost any foodstuffs or raw material under the sun. In any such body the United States would have the same unfavorable position of a "have" among the "have-nots."

What makes United States membership in the International Atomic Energy Agency still less desirable is that there is an entirely safe means of realizing the benefits which are supposed to flow from the Agency. The United States has already concluded almost 40 bilateral agreements with friendly countries looking to cooperation in atomic research and in the construction of power reactors.

CHANCE TO CHOOSE

The advantages in the bilateral approach are that the United States is in a position to choose which countries may be helped without risk to American national security and to impose safeguards which seem adequate in the judgment of the men charged with responsibility for America's own atomic program. Both these advantages would be forfeited if the United States should enter the International Agency, which maintains complete control over all the fissionable material it receives.

An International Atomic Energy Agency of the type now proposed might well be a logical development in a world where national differences had been reduced to a minimum, where there was no fear that some nation or group of nations might have the design of using the terrific destructive power of nuclear weapons to achieve world domination. This is not the situation, at the present time.

It is a very curious sense of relative values that makes the administration throw as many roadblocks as possible in the way of American newspapermen going to Red China and haggle with other powers over what is permissible for exports to China and the Soviet bloc and at the same time support a scheme which could result in the transfer of such a vital nuclear material as uranium to Communist countries. If this is not possible under the constitution of the Agency, it is the obligation of its administration sponsors to explain why it is not possible.

SPEED IN MOSCOW

The suggestion is now being made that the recent Soviet ratification of this plan should hasten its approval by the United States Senate. But it could certainly be argued with equal plausibility that any scheme accepted with such unusual speed in Moscow should receive a long second look in Washington. Just because there has been so little advance discussion of the International Atomic Energy Agency, every detail of the project should receive a thorough going-over at the hands of independent-minded Senators.

The apparent defects should at least inspire some sweeping reservations, if it is not decided that they warrant the scrapping of the whole project.

VESSEL SANITATION—AWARD TO HARRY W. WARLEY

Mr. BUTLER. Mr. President, out of a desire to give recognition to an outstanding accomplishment in regard to vessel sanitation and to a most worthy person responsible for it, I desire to advise the Senate of the special citation just presented to Mr. Harry W. Warley, president of the Ore Navigation Corp.

The United States Department of Health, Education, and Welfare, through its Public Health Service, determined upon the award, the text of which succinctly states its purpose as follows:

Granted in recognition of the company's contribution to public health as evidenced by the award of a Public Health Service certificate of sanitation to each vessel operated in its fleet.

Mr. Warley has long since demonstrated his zeal in elevating all standards connected with the maritime industry. His lengthy service and sound judgment have stamped him as an outstanding official and citizen. His fellow members of the Ore Navigation Corp. have combined their efforts successfully in achieving the most desired results. How well they have acquitted themselves is demonstrated by the fact that each of the 8 ships in its fleet was brought to a rating of almost 100 percent on an official Public Health Service inspection involving 166 separate items of sanitation, construction, and maintenance.

Vessels operated by the Ore Navigation Corp. transport iron ore from Chile and Venezuela to Baltimore, Md. Therefore, it is most fitting that Mr. Warley's special citation was made at a ceremony held at the Maryland Club in Baltimore.

Fortunately, one of the leading figures in attendance was J. M. Willis, whose unexcelled record of shipbuilding at Bethlehem-Fairfield yards was of great benefit to this Nation in the recent emergency. The ceremonies were attended by other health officials and shipping representatives from various States.

Certainly Mr. Warley is entitled to the commendation and high praise of all who appreciate exceptional service, from which all segments of our population are benefited.

FEDERAL FLOOD INSURANCE

Mr. SYMINGTON. Mr. President, the people on areas subject to flooding live constantly with the thought of economic and financial loss during time of high water. They know that adequate flood protection in many areas is still years away.

To these people the Federal Flood Insurance Act passed by the last Congress is of vital importance because this program would enable them for the first time to buy partial insurance coverage against flood damage.

Therefore, there was considerable disappointment this year when the House of Representatives failed to implement this program by appropriating a sum deemed sufficient to put it into operation.

Typical of the reaction in Missouri is an editorial which appeared in the Kansas City Times of May 6, 1957.

I ask unanimous consent to have the editorial printed in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ANOTHER DELAY ON FLOOD INSURANCE

For a while it seemed that the long struggle to obtain Federal flood insurance had been won. But now the House Appropriations Committee has taken the plug out of the dike again by refusing to appropriate

the $50 million needed to launch the program authorized by the last Congress.

Certainly Congress has no reason for excessive pride in its reluctance to provide such coverage for the thousands who live in the exposed areas of the Nation. The drive began after the great Missouri-Kansas flood of 1951. Not until the closing minutes of the 1956 session did the legislators finally recognize the obvious need.

Since last July, Frank Meistrell, who is in charge of the program, has had the complete cooperation of the private insurance companies in setting up a premium schedule and tending to necessary preliminary details. Now all is ready to go. Except for one thing: Meistrell has no money. Meanwhile, the floods come.

Admittedly private companies want no part of the total risk involved in flood coverage. And countless American homeowners and businessmen live in the constant nightmare of being wiped out financially by water. Accelerated flood control is the best answer, of course. But it is a vast undertaking that will require many years.

That would leave a legitimate field for the Federal Government, and the 84th Congress, we had supposed, thought as much. Now the House appropriations people say otherwise. The most persuasive argument for voting the $50 million, we believe, is, in a strange coincidence, in the news. In the same issue of the Star were these two headlines: "'No,' on Flood Policies—New Flood in Texas."

Mr. SYMINGTON. Mr. President, in view of the importance of this program to those who live in or own property in the river valleys of Missouri, and the other States, action of the Senate Appropriations Committee in restoring $14 million to the supplemental appropriations bill for 1957, in order to initiate the Federal flood-insurance program is welcome news.

Mr. President, I now desire to refer to another subject.

The PRESIDING OFFICER. The Senator from Missouri has the floor.

REDUCTION OF THE FEDERAL BUDGET

Mr. SYMINGTON. Mr. President, an editorial appeared in the St. Louis Globe-Democrat of Wednesday, May 15, entitled "How To Reduce the Federal Budget." One sentence in the editorial, I believe, will be of interest to all who are interested in the budget presented by this administration this year. It reads as follows:

It is deplorable that the President's top-level committee, which produced a report which has the enthusiastic backing of the Defense Department, looking to a saving of $5 billion annually, and giving us more defense for each tax dollar, would find so little support from the administration that sponsored it.

I ask unanimous consent that the entire editorial be printed in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HOW TO REDUCE THE FEDERAL BUDGET

The largest item in the Federal budget is the cost of the military establishment. This cost is increased vastly each year by the huge turnover of personnel among the officers, noncommissioned officers and enlisted men.

More than a year ago, the administration appointed a special committee to examine the problem of retention of military personnel. The chairman was one of the Nation's greatest industrialists, Ralph J. Cordiner, president of the General Electric Co. Its vice chairman was Carter L. Burgess, then Assistant Secretary of Defense and now president of TWA.

The Cordiner committee, composed of top business, professional and governmental officials, was backed by a carefully selected military staff.

After a full year of exhaustive study, the committee recommended measures designed specifically to retain for the armed services the skilled men who today are leaving the uniformed ranks in droves, and costing the taxpayers billions of dollars in the process.

The Cordiner committee recommendations were universally approved by the Secretary of Defense, the Secretaries of the Army, Navy and Air Force and the Joint Chiefs of Staff.

Further, the Defense Department offered to absorb the entire cost for the first year.

The Department believed that the committee's recommendations for increased compensation to the Armed Forces would not only save the Government $5 billion a year within 5 years but, in addition to these monumental savings, would achieve a 15 percent improvement in the combat capability of our Armed Forces, a sharp reduction in training accidents, a reduction in the number of military personnel required to produce a given level of national security, and a long-term solution to the basic manpower problems of the Armed Forces.

All of this would be accomplished by an incentive system whereby the Defense Establishment would become a truly career service for a professional, highly skilled force rather than an institution where men serve the minimum time and can hardly wait to be relieved of their service.

Senator SYMINGTON, speaking in support of the Cordiner committee recommendations in Kansas City Tuesday said:

"The military services must develop a more professional, highly skilled force. That force must be developed on the basis of a balance of the kinds of skills and knowledge it takes to meet changing technology and world conditions. That force must be developed so as to apply effective economies in the utilization of the Nation's financial, material, and human resources.

"The compensation practices of the Armed Forces are so clearly out of step with the times, so clearly inadequate to the needs of a technically advanced form of national defense, and so clearly contrary to all that has been learned about human motivations, that they can presently be called a major impediment to effective national security."

It is deplorable that the President's top level committee, which produced a report which has the enthusiastic backing of the Defense Department, looking to a saving of $5 billion annually, and giving us more defense for each tax dollar, would find so little support from the administration that sponsored it.

If the Armed Forces could cut their turnover of personnel to a figure which would be even close to that of private industry, the savings in dollars, and the increase in defense for the Nation, would be perfectly enormous.

Senator SYMINGTON has introduced a bill in the Senate implementing the Cordiner report. By his own admission, the bill may not be the final answer, but it deserves the thoughtful attention of the administration and the Congress.

The Cordiner report and Senator SYMINGTON's bill present an orderly, systematic solution of manpower turnover and reduction of a budget which has progressed beyond all bounds.

Instead, the administration's proposals are on a hit-and-miss basis, clipping a dollar here and a dollar there, and scarcely attacking the core of our expense problem.

The Eisenhower administration should support the report of its committee and put its backing behind Senator SYMINGTON's bill which holds such great promise for economy and, even more important, for military strength for America.

Mr. SYMINGTON. On May 19, 1957, an editorial entitled "To Save $5 Billion," was published in the St. Louis Post-Dispatch. I ask unanimous consent that this editorial also be printed in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TO SAVE $5 BILLION

There is every reason to believe that the Cordiner committee report, with its detailed plan for a complete overhauling of the armed services pay structure, would have solved the principal personnel problem of the Defense Department. Why, if Secretary of Defense Wilson and his service chiefs were for it, was the report practically cut to pieces in the Budget Bureau? Why should not Congress rescue the report and insist on seeing it put into effect?

Although the legislative proposals engendered by the plan had been worked out carefully after discussions with President Eisenhower, he did not come forward personally and support them. Had he done so it might have helped to eliminate the mistaken fear that the Cordiner report would increase military costs. It was admitted that the plan would increase costs during the first 2 years but it was promised that by 1962 savings would reach $5 billion annually. And Mr. Wilson even promised that the Pentagon would absorb within its present budget any immediate additional costs.

This plan was no visionary scheme suddenly conceived. Ralph J. Cordiner, president of the General Electric Co., headed the committee that for a year intensively studied the personnel problems of the services. In a nutshell, the committee found that the officers and men most valuable in the handling of the new and highly complex weapons and equipment are not being paid what they should be while other men are being overpaid under the present Methuselah system of rewarding for longevity of service.

As an example, it costs a bit over $600,000 to train a B-52 or B-47 bomber pilot and if he leaves the Air Force soon after he is trained—as about 20 percent of them do—to take a better paying civilian job, then the service loses heavily on its investment. The problem is the same for others—radar operators, mechanics, electricians, engineers, and the more promising young field grade and general officers. But the truckdrivers, cooks, file clerks, and others with less sensitive skills or with mediocre performance ratings stay on and on.

What does it take to convince the Budget Bureau that there would be economy in a determined weeding out of the men with no skills and no aptitudes and in proper rewarding of the technical and the promising men that are needed in this day of complex war machinery?

Secretary Wilson has been able to order into effect pay increases ranging from $12 to $50 a month for 360,000 enlisted men with special skills but this affects only 15 percent of service personnel. This is far less effective than the full concept of the Cordiner plan and is likely in the long run to do little good. It emphasizes the Cordiner report warning that the Pentagon "could not content itself with simply applying a few patches to the antiquated pay structure which has been inflated but not substantially changed since it was adopted from the British Navy in 1912."

For the best results it is necessary to find a way to adjust the incentives of private enterprise to the armed services. Until the

Methuselah system is dispensed with, the Nation is not going to get the full value of its military dollar.

TRIPARTISANSHIP IN FOREIGN POLICY

Mr. SMITH of New Jersey. Mr. President, during the past few years I have been one of those who have felt very strongly that we must approach our foreign affairs from the standpoint of bipartisanship. My warm friend and late colleague, the great Senator Vandenburg of Michigan, used the expression "nonpartisanship." He believed, as I do, that so far as possible we should try to find a common American foreign policy. I say that by way of introduction for an article which I wish to have printed in the RECORD today.

In yesterday's New York Times magazine section there was published an article entitled "A Senator Calls for Tripartisanship." The article was written by our distinguished colleague the junior Senator from Montana [Mr. MANSFIELD], who is a member of the Committee on Foreign Relations.

He has taken us a step further in constructive thinking regarding our foreign policy. He is suggesting not only that partisanship be eliminated, as between parties, and that there be bipartisanship in our foreign relations, but that we should bring the Executive Office into our planning, and that the Executive should bring the Congress into his planning, and that we should all work together in a spirit of what the Senator from Montana calls tripartisanship.

This article is in line with my own thinking. I have such high regard for the distinguished Senator from Montana that I, as a Republican, wish to follow his example by commending his article to the attention of my colleagues. I ask unanimous consent that the article be printed in the RECORD at this point as a part of my remarks, in order to illustrate a statesmanlike point of view in approaching our foreign relations legislation.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A SENATOR CALLS FOR TRIPARTISANSHIP

(By Hon. MIKE MANSFIELD, of Montana)

WASHINGTON.—With guided missiles overhead and the echoes of nuclear bomb tests in various parts of the world, we have little choice as a Nation but to stand together in foreign policy if we are to stand at all. If the warning of these weapons of mass destruction is lost on us, a defense budget of about $40 billion a year and foreign aid of over $50 billion in the past decade should serve to remind us that we are deeply involved in a highly volatile world. Either we will play our part as carefully and as unitedly as we can or there may be no world left in which to play.

Unfortunately, our capacity to maintain national unity in foreign policy seems to have declined, even as the urgency for it has increased.

During World War II, the imminent danger to all of us served as a catalyst for common action and this war-born unity persisted for a time after the conflict. It is not surprising, therefore, that the Senate in 1945 endorsed our adherence to the United Nations with only two dissenting votes. Nor is it surprising that the Marshall plan was approved by overwhelming majorities in both Houses of Congress in 1948.

There was more to this national unity during the war and postwar years, however, than common fear of danger or the common desire for peace. There was also concrete action taken within the Government to promote unity. During the war, President Roosevelt brought prominent Republicans into key positions. He appointed two Republicans to his Cabinet—Henry L. Stimson as Secretary of War and Frank Knox as Secretary of the Navy. He also recognized the need for close collaboration with Congress. In the preparations for establishing the United Nations, for example, Members of the Senate of both parties were consulted frequently by the Roosevelt administration.

Something similar took place after the war, in connection with the Marshall plan and the North Atlantic Treaty Organization. The idea of embarking on a program of aid to the war-ravaged lands of Europe was not sprung suddenly on the Congress. The late Senator Arthur Vandenberg, chairman of the Committee on Foreign Relations in the Republican-controlled 80th Congress, was consulted every step of the way by the Democratic administration. When it came to providing for a common defense for ourselves and Western Europe, it was the Vandenberg resolution in the Senate which pointed the way to NATO.

Bipartisanship served in these ways as an effective instrument of foreign policy. It enabled President Roosevelt and, for a time, President Truman to carry on our relations with other nations, secure in the knowledge that they had behind them a very substantial measure of support from both parties. United States policy commanded respect abroad because it was firmly rooted at home.

The cement of bipartisanship began to give way under the pressure of events in the Far East. In rapid succession came the Communist success in China, the inconclusive conflict in Korea and the dispute over General MacArthur. Unfortunately, the Democratic administration was not very successful either in promoting bipartisanship on these matters or in communicating an understanding of its actions or policies to the people of the United States. This failure provided an opportunity to extremists, long out of power, to pull all the political stops in attacks on foreign policy.

Extremism tended to beget extremism. With the undermining of the will to cooperate, bipartisanship in foreign policy became increasingly an empty word. It was invoked as though it were some kind of spell which, if repeated over and over, would insure popularity for unpopular programs. It was used as a club to silence responsible criticism of foreign policy. It was wielded as a whip in efforts by the executive branch to urge measures of foreign policy through Congress. Misuse of bipartisanship in these ways tended to promote in time precisely the opposite of the effect desired.

Bipartisanship is not a magic formula capable of producing national unanimity where there are deep divisions. Nor is it a convenient cloak under which to conceal these divisions from foreign eyes.

Americans differ on foreign issues no less than on domestic issues. Bipartisanship cannot exercise these differences. Properly understood and used, however, it can help to minimize them. It can act to produce the widest possible area of accommodation among sectional and party viewpoints in support of essential action abroad. And the need for this accommodation is very great in a world which has closed in rapidly on the Nation.

In domestic affairs, leadership from the majority party and a responsible opposition from the minority is normally sufficient to keep the country on a level keel. In foreign affairs, however, this political mechanism is no longer adequate for effective national action. It is not enough that foreign policy be led by the majority and opposed by the minority, even if the opposition is a responsible one. When there is partisan division on foreign problems, as there was in the case of Far Eastern policy, the country suffers thereby even though one of the parties may gain a temporary advantage.

The fact is that foreign relations are of transcendent importance to all of us, to Democrats and Republicans alike, and ought to be treated as such. If they are to be conducted in a fashion that safeguards the Nation, the policies decided on must have the greatest possible support, from both parties and from all sections of the country.

The formula for invoking this type of support is not to be found in leadership by one party coupled with opposition from the other. Rather it lies in a positive approach, in the approach of responsible collaboration. This involves not merely bipartisanship—which is collaboration between elements of the two parties—but what might be termed tripartisanship, which involves, in addition, collaboration between the executive branch and the Congress, notably the Senate.

Not infrequently, a lack of sympathetic communication or common purpose between the White House and Capitol Hill—a lack which may have nothing whatever to do with ordinary partisan considerations—places unnecessary obstacles in the path of some urgent foreign-policy objective. It must be recognized that our system of coordinate branches of government inevitably generates a certain basic conflict for dominance, particularly between the legislative and the executive branches. In general, this is good, but it must be taken into account in the working out of tripartisan collaboration on important issues.

As in bipartisanship, the President must be the key figure in the development of tripartisanship. He must supply the leadership and he must be prepared to assume ultimate responsibility. The President's decisive position derives primarily from the fact that he is the only elected figure in the Government with what is, in effect, a national constituency.

The President's key position also stems from his implied constitutional powers to conduct the foreign relations of the United States. I stress the word "implied," for the erroneous impression has long existed that the President's power to conduct foreign relations is explicit and total in the Constitution.

Finally, the President's key position in tripartisanship rests on the fact that he wields the executive power of the Nation. He alone has the resources in personnel and information necessary to the conduct of our relations with other nations.

Notwithstanding the key role of the President, Congress—especially the Senate—also has an important function in foreign policy. The most important of its powers related to foreign affairs are those of legislation and the appropriation of public funds. Congress provides for the Defense Establishment. Congress provides for the Department of State and other agencies concerned with overseas relations. Congress authorizes and appropriates money for foreign aid. Congress declares war and makes peace.

The Senate, in addition, has two special functions set forth in the Constitution. It confirms the appointment of Ambassadors and other Presidential agents and it consents to the ratification of treaties.

To the upper House also falls an implied constitutional power of vast importance. This power, not unlike the President's implied authority to conduct foreign relations, is the obligation to advise and consent in foreign relations.

The advice-and-consent function can be brought into play as a corrective, as seen in the use of the Eisenhower doctrine of the Middle East early this year. The President needed Congressional cooperation, but he neglected to consult in advance with the appropriate Congressional leaders. The manner in which his proposal was presented, moreover, suggested that it had been drawn up hastily and without careful consideration of its many implications. In the end the Senate revised and strengthened the resolution before approving it by a heavy nonpartisan majority.

Since the passage of the resolution, the Eisenhower administration has shown an increasing awareness of the need to preserve close working relationships on foreign policy with Members of both parties in Congress. The President and the Secretary of State have convened several meetings with party leaders to clarify aspects of the international situation. And they have done so before, not after, an irrevocable course was set by the administration.

Conversely, the meetings have helped to clarify for the administration the dimensions of acceptable policy. By assembling the Congressional leaders from time to time, the President and the Secretary of State have availed themselves of the advice of a group of men not only attuned to attitudes in both parties but also to popular sentiment in various parts of the country.

If the relationship between the executive and legislative branches of the Government is one leg on which tripartisanship rests, the relationship between the two political parties is the other. The need for responsible party cooperation is especially acute when, as at present, one party is in control of the executive and the other is in the majority in Congress. In these circumstances, the President must avoid at all costs seeking advantage for his party on foreign-policy measures, if for no other reason than because he is dependent upon the party in control of Congress for legislative leadership.

Similarly, the majority party in Congress cannot adopt a partisan attitude on foreign relations without endangering the welfare of the Nation. In the long run, a nonpartisan course is the course of enlightened self-interest for any party. There is no lasting political return to be gained from placing party advantage above the Nation's interests. Sooner or later, at the polls, the people of the Nation will assess responsibility for politically motivated actions which damage those interests.

The restraints that apply to the majority party apply with equal or greater force to the minority. It cannot seek refuge in its minority status and leave to the majority the sometimes difficult task of following the President's leadership. It cannot make political capital out of foreign policy, least of all when it is in control of the executive branch.

The need for responsible cooperation—for tripartisanship—in foreign policy is widely recognized both in the executive branch and in the Congress. What is still lacking, however, is generally accepted procedures for bringing about such a policy on a continuing basis. The need is most acute at two points: in the formulation of policy within the executive branch, and in its consideration prior to adoption as a national course of action.

The need in connection with policy formulation could be met in part if a principal assistant to the Secretary of State were to be designated, as a matter of regular practice, from the opposition party whenever the latter was in control of the Senate. This appointment could be supplemented by the addition of other members of the opposition party to policy-making positions in the Department of State.

The idea is not wholly a new one. Both President Roosevelt and President Truman followed it to a degree. Recently, President Eisenhower appointed the former chairman of the Senate Foreign Relations Committee, Senator Walter F. George, and the former chairman of the House Foreign Affairs Committee, James P. Richards, to posts in the Department of State. What is suggested here, however, is that this intermittent and informal practice be established on a continuing basis.

Responsible cooperation is also needed before major courses of foreign policy are set. Again, what is lacking is not a precedent but its acceptance and use as a regular instrument in the foreign-policy process. Until now, the practice of advance executive-legislative consultation has been a haphazard one. Presidents and their Secretaries of State have consulted at times with leaders of their own party, with the opposition party or with both parties. Sometimes they have chosen not to consult at all.

If there is to be effective cooperation in foreign policy, there is a need to formalize the procedure of tripartisan consultation. In the early days of the Republic it was fully expected that the President would seek the advice of the Senate in the conduct of foreign relations. This ancient constitutional concept should be revived and adjusted to the realities of the present.

It is, of course, impossible for the President to consult with the entire Senate. I suggest, however, that as a regular practice he might meet with the majority and minority leaders of the Senate, as well as the chairman of the Committee on Foreign Relations and its ranking minority member, prior to embarking on any major course of foreign policy. The comparable Members of the House of Representatives should be included whenever the matter under consideration is likely to involve action by the entire Congress.

Adequate procedural devices, however, are not a substitute for the will to cooperate in safeguarding the interests of the people of the United States. Procedures cannot replace leadership and the ultimate responsibility of the President, or the responsibility of each Member of Congress. What they can do is to enlarge the area of advance agreement on the course of foreign policy and reduce the partisanship factor. They can also mobilize the fullest possible weight of our resources in intelligence and experience for meeting the greatest of our national problems.

In short, in place of what is at best an ambiguous relationship known as bipartisanship these procedures can help to produce an effective tripartisanship with a firm base. Unless we move in this direction, we will have to face the prospect that each party, as well as the Executive and the Congress, may strike out on its own in foreign policy. This course would be an invitation to disaster.

IMPROVED MANPOWER MANAGEMENT AND COMPENSATION IN THE ARMED FORCES

Mr. SYMINGTON. Mr. President, on May 8 the distinguished junior Senator from Arizona [Mr. GOLDWATER] and I introduced a bill, S. 2014, to revise and improve manpower management and compensation throughout our Armed Forces.

S. 2014 is a bill to put into effect the recommendations developed by the Defense Advisory Committee on Professional and Technical Compensation, generally referred to as the Cordiner committee, named after its able chairman, Mr. Ralph J. Cordiner, president of the General Electric Co.

Last Saturday, here in Washington, Mr. Cordiner addressed the National Armed Forces Day dinner, sponsored by the Navy League, the Military Order of the World Wars, and the Air Force Association.

Mr. President, although I do not necessarily agree with all the points made in this thought-provoking speech, I do agree that vast savings in military manpower could be achieved if the recommendations of the Cordiner committee in that connection were followed. I ask unanimous consent that the address delivered by Mr. Cordiner be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

POWER FOR PEACE

(By Ralph J. Cordiner, president, General Electric Co., and Chairman, Defense Advisory Committee on Professional and Technical Compensation, to eighth annual National Armed Forces Day dinner, Washington, D. C., Saturday, May 18, 1957)

Mr. Chairman, honored guests, ladies, and gentlemen, this evening, throughout the Nation, men and women are gathering to salute their fellow citizens who serve in the Armed Forces of the United States. I add my voice to many others in expressing, on this Armed Forces Day, the gratitude of a free people to those who, by standing guard, have helped to preserve the values of liberty and order in a troubled world.

The opportunity to offer a public tribute to the Armed Forces, before such an illustrious gathering, is especially welcome because I have come to know and respect the men and women of the Armed Forces more deeply than ever in the past year. As Chairman of the Defense Advisory Committee on Professional and Technical Compensation, I have had occasion to talk intimately with thousands of soldiers, sailors, airmen, marines, and their families, from the Commander in Chief and the distinguished military leaders at this table, to men and women of all ranks, at bases on this continent and overseas. It has been my privilege to visit with them at their homes and barracks and ships at sea, to eat with them, to observe their work and their working conditions, and to talk with them about their personal problems and aspirations. It has been, I assure you, an inspiring experience. In these people, one has a glimpse of the faith that sustains nations, the quiet dedication that will keep alive the ideals of peace and freedom in the world.

Wherever the Stars and Stripes fly today, there is power for peace. For this, the world owes a debt of gratitude to the loyal men and women of the United States Armed Forces. These are the dedicated citizens we honor tonight. They deserve, and I earnestly hope they will receive, greater understanding and support from their fellow citizens.

Such public understanding and support will be vital in the years ahead, because the United States is entering a new era in which the basic terms of the national defense are changing rapidly. Important public decisions must be made, decisions that are necessary if the United States is to have strong national defense, with minimum disturbance to the underlying strength of the national economy and the social structure.

It is difficult for anyone to conceive the magnitude of the effort required to maintain the defense of our country and to undergird its worldwide commitments in the cause of peace. The expenditures of the Defense Department alone now absorb approximately 9 percent of the total output of the Nation. Additional billions are being spent on atomic research and production, foreign aid, and other items that are aimed primarily at preserving world peace. A total defense activity that absorbs nearly 11 percent of the gross national output, year after year,

must indeed be managed with as much precision, purpose, and long-range planning as is humanly possible, or such expenditures will destroy the very Nation they are designed to protect.

There is perhaps a tendency for the businessman, or any other person who has not held direct responsibility for these vast defense operations, to oversimplify the problems. My years on the War Production Board in the 1940's, and my recent opportunity to survey the wide range of defense activities firsthand, has given me a deep respect for the complexity of your task. While I am personally convinced that any human undertaking can be kept manageable through proper organization and leadership, I realize that the problems of national defense pose unusual challenges to managerial skill—both in the size of the operations and in the number of factors that must be considered. This has not been fully recognized by the public or by the Government, because the top officers who must provide leadership in this great operation—here in Washington and in the field—are perhaps the most underpaid executives in the Nation. This must be obvious to everyone who stops to think of the difficulty, scope, and responsibility of their work.

Despite such handicaps, every member of the Department of Defense can take deep pride, on this Armed Forces Day, in the progress that has been made under the leadership of Secretary Wilson and our military leaders. The Nation is receiving excellent defense for its defense dollar. Cooperation with industry, which is vital to continuing strength in a period of rapidly changing military technology, has been improving steadily. The defense of the Nation is in good hands.

Yet everyone—civilian and military man alike—realizes that we can never let up in our efforts to improve the effectiveness and economy of the national defense. There are certain challenges in this field that must be met over and over again, without ever coming to any final resolution. Tonight I will discuss some of these continuing challenges, not as a military expert, but as a citizen-observer who has had an exceptional opportunity to see the work of the national defense at firsthand.

The first continuing challenge is to maintain our lead, in terms of quality, over the military might of potential aggressors. This country and her allies cannot hope to maintain armies that will outnumber the massed peasant armies of Russia, China, and their satellites. Our margin of superiority must necessarily be qualitative; that is, our Armed Forces must have the most advanced weapons and they must have the highest levels of skill and training.

There was a time, only a few years ago, when most Americans felt that the superiority of American arms and American skills could be taken for granted. The radioactive particles drifting out of Siberia have shattered that illusion, and we find to our astonishment that in 10 years, through an intensive concentration of Communist resources on military technology, the Soviet Union has nearly caught up with the United States in airpower. The outcome of the next phase—the race to develop missiles systems of intermediate and long range—is obviously of enormous consequence.

In this age of rapid, worldwide technological advance, every weapons system must be regarded as a temporary stage in the headlong rush of scientific discovery. Any tendency to allow strategic concepts to become fixed on obsolete weapons, or to divert research and development funds into the stockpiling of arms that are already obsolescent, must be avoided. Research and modernization, rather than stockpiling of equipment, is the key to continuing combat capability.

Advanced equipment requires advanced skills in all the services as well as in the civilian personnel associated with the national defense. Unfortunately, the Armed Forces are having great difficulty in developing and retaining personnel with the skills required. The facts are well known. The men with the critically needed skills, both officers and enlisted personnel, are leaving the Armed Forces at a shocking rate.

Among enlisted personnel, there is a 25-percent reenlistment rate in the common skills identified as "supporting services," such as truck drivers and cooks. The Armed Forces have more than enough of these skills which can be learned quickly and require little training investment by the Government. But among the electronic and other technical skills that require high investments in time and money, there is only a 13-percent reenlistment rate. It is an alarming fact that 87 percent of the people with these critical skills—the skills that count most in a technically advanced form of defense—are leaving the Armed Forces as fast as they can, for the greater incentives of civilian life.

Among officers the picture is equally discouraging. Too few junior officers are willing to remain on active duty beyond their minimum obligated tour. These capable young officers see no satisfying future in career military service, because the top positions are in no way comparable to their opportunities in civilian life. Thus, 73 percent of the junior officers completing obligated tours of duty during fiscal 1955 promptly returned to civilian life.

Indicative of the attrition rate in specialized, expensively produced skills is the fact that officer losses during fiscal 1955 included nearly 4,000 pilots whose departure represented a minimum training loss alone of $480 million. Not only has the taxpayers' money been essentially wasted, but during the time that their expensive replacements are in training, the combat readiness of the United States is weakened.

Let us give full credit to the Armed Forces. They are striving valiantly to train replacements as fast as they lose their experienced people. Thus, we now have the immensely wasteful expense of half a million men and billions of dollars' worth of equipment tied up in repetitive training, contributing little to an improvement of the Nation's ready combat capability. While some turnover in the Armed Forces is, of course, necessary and desirable, today's turnover of personnel is extravagantly wasteful of the Nation's human and material resources. Yet, under the present Federal laws governing the Armed Forces compensation structure, the Defense Department cannot undertake the necessary corrective action.

This manpower problem was the subject of study by the Defense Advisory Committee on Professional and Technical Compensation. The Committee has submitted a plan of manpower management and compensation, worked out in careful detail with the cooperation of the Defense Department, which would lead to a solution of the Armed Forces' deepseated and wasteful manpower problem. The Committee's proposals, if sincerely and fully implemented by Federal law, would achieve these four desired results:

First, about a 15-percent improvement in the combat capability of the United States Armed Forces without a change in the proposed budget. Or,

Second, savings and gains up to $5 billion a year by fiscal 1962, or sooner, in the cost of national defense.

Third, sharp reductions in training accidents now, and in military and civilian losses in the event of war.

And fourth, reduction in the number of military personnel required to produce a given level of national security.

Such significant improvements cannot be achieved by enacting only a few bits and pieces of the recommended program, or by attempting to retain outstanding personnel with watered-down incentives. The Committee stands foursquare behind its completely balanced program, which was carefully designed to produce positive and long-lasting results.

The challenge to stay ahead of potential aggressors means staying ahead in quality of men as well as equipment. The public has apparently assumed that advanced weapons alone will produce an adequate defense and deterrent to war. This is not true. Advanced weapons will be useless unless the armed services are enabled to make the investment in building the stable force of experienced, highly skilled officers and men that such weapons require. I am confident that, when this issue has been brought constructively before the public, they will enthusiastically support legislation that will simultaneously strengthen the national security, reduce the cost of national defense, save the lives of their sons in training and in combat, introduce greater justice into the pay system of the Armed Forces, and ultimately reduce the number of citizens required to maintain the national defense.

The next challenge I will discuss is the challenge to achieve, as President Eisenhower has phrased it, "security with solvency."

The resources of the United States are not unlimited. Defense Department budgets approaching $40 billion a year, and other expenditures related to past, present, and future defense, such as foreign aid, veteran expense, and interest on the national debt, are a tremendous burden even for these prosperous United States. Expenditures of such magnitude must be administered with maximum economy for three reasons.

First, while defense expenditures are necessary, they are for the most part a loss rather than a contribution to the national economy. Some have argued that defense expenditures are a necessary support for prosperity, but this is false reasoning. Defense expenditures drain away national resources which would otherwise be devoted to building up the Nation's capital structure and improving the people's levels of living. It is essential that this diversion of resources from productive purposes be limited to the minimum necessary for national security.

Second, $40 billion is so much money to take from the taxpayers that every responsible person must perpetually feel under obligation to save some of it and reduce the tax burden.

And third, careless practices in spending this much money will affect adversely the practices of industry and government in all other kinds of spending. The prices paid for military goods and services affect the prices of labor, materials, interest, and practically all other items, usually with inflationary results. When defense spending causes inflation, the people are obliged to pay twice for their national defense because they must pay the hidden tax of inflation on everything they buy.

The problems of obtaining full value from the taxpayers' investment in defense are not as simple as the problems of obtaining economy in a private business that is subject to the daily discipline of the market place. Besides the problems resulting from sheer size of the defense operation, it must be acknowledged that military considerations sometimes make economy a secondary factor, in the most critical projects. Yet the most critical projects nowadays are of such multibillion-dollar magnitude that the Nation cannot afford to disregard the need for making every practical economy.

There is a difficult challenge here, as everyone in the Department of Defense and in industry is well aware: in order to make major technological advances, major financial risks must be taken, and some of the most expensive experiments may not necessarily be successful. This is one of the facts of life about research and development that is

not fully understood by the public. The tight controls that are necessary over defense expenditures must still be flexible enough to encourage and pay for bold technological experiments that may produce spectacular advances—or may produce nothing at all. The decision to attempt to produce an atomic bomb in World War II was a gamble that worked out, but other governments made the same decision and failed.

On such technical risks, there is room for honest disagreement as to whether the taxpayers will receive a fair return on their investment. But there is one principle of economy on which nearly everyone would agree, and it is this: Let us resist the temptation to play politics with defense.

When a government has $40 billion to spend on goods and services for the national defense, year after year, there will be a strong temptation to regard the defense budget as a huge WPA fund which can be used to make work in exchange for votes.

There will always be the temptation, for example, to award defense contracts without regard for economy to companies in the so-called depressed areas, usually in communities that are no longer able to hold industry because their costs are out of line. If the company that receives the award is actually the best qualified producer, in terms of price, quality, delivery dates, and other proper criteria, then of course the contract should be awarded. But where contracts are awarded unwisely in order temporarily to keep the voters happy in a community, that is no favor to the community involved. It simply postpones the necessary adjustments which will once again make the unhealthy community competitive with other communities in attracting and holding industry on its own merits.

There is likewise the political temptation to place defense contracts with failing companies large and small, or otherwise subsidize unqualified suppliers, in order to cater to particular communities whose votes are needed by the party in power. The armed services are certainly justified in maintaining more than one source of supply for a given item, for both economic and military reasons. But abuse of this principle for political reasons is a temptation that should be avoided. Let us keep politics and relief separate from defense.

Another familiar temptation is the tendency to overstate the concentration of defense business in companies with outstanding research and production facilities, in order to arouse prejudice against these companies or discredit their achievements. Usually this is done by citing prime-contract figures and ignoring the huge portions of these prime contracts that are carried out by small- and medium-sized firms on a subcontract basis. Subcontracting is one of the major services performed by the leading companies, in assuring that the full complement of the Nation's skills are economically mobilized in the national defense. Most of the key defense projects today are beyond the scope of small firms. But, through subcontracting, they get assignments they can handle when a large company takes the overall risks and responsibility.

Both the national security and the national economy are best served when the Defense Department is left free to place its contracts where it can expect the best results for the least investment. In this way, companies of all sizes are encouraged to take on those assignments where they can make the greatest contribution to the national defense, as prime contractors and as subcontractors.

It is difficult enough, in a $40-billion activity, for the Defense Department to do an efficient job of management and weigh all the significant military and economic factors. The additional confusion of political demagoguery is a luxury that this country cannot afford.

Next, let us discuss the challenge to utilize the incentives of a free society and a free economy in the service of national defense.

A free society like the United States depends on incentives, rather than coercion and centralized control, to achieve results. The outstanding success and productivity of the civilian economy is proof that free enterprise incentives produce superior results.

In the past, such incentives have not played a very important part in the defense effort. Government procedures in military procurement have had the objective of placing industry at the service of Government on a "crash" mobilization basis, then returning industry to its normal pursuits after the emergency. The Government has stood the expense of conversion, generally directed the work, and returned the factories to peacetime conditions with a modest profit for the use of the facilities and manpower.

This system is not only inefficient for meeting long-range defense requirements, but it would also be incapable of keeping the Nation abreast of technological advances in weapons systems. Today, industry must be encouraged to devote manpower and resources to the task continuously, and to take the great technological risks that bring great advances. Industry should have greater incentives to reduce costs, as it has in commercial business. In other words, defense should be conducted as a business instead of an interruption of business.

More continuous, dependable financing of defense is clearly a "must." Current trends in this direction are encouraging, but surges and lapses in procurement still occur because of the strict adherence to specific budget periods. As these problems are ironed out, and the country can look forward to greater continuity and balance in the defense effort, industry can consider investing more of its own capital in defense opportunities—with welcome effects on all concerned, including savings to the taxpayers.

General Electric, for example, has remodeled its basic organization structure so that a substantial part of the company is concentrating specifically on serving the national defense. Instead of relying entirely on the Government for funds, General Electric's shareowners have invested several hundred million dollars in facilities and manpower for the defense business.

In Evendale, Ohio, and Lynn, Mass., for example, the company's privately owned facilities for research, development, and production of flight propulsion equipment have a replacement value of approximately $125 million. Of the 7½ million square feet of floor space in the company's aircraft gas turbine division, only 17 percent is Government owned. Substantial additional private investments are planned in the future, as a further expression of General Electric's long-range commitments to the permanent growth of airpower—both military and commercial.

With such private investments, a substantial portion of the defense outlay—that for capital additions—is lifted from the taxpayer, and the investing company has greater incentive than ever to achieve results that enhance the national defense.

To encourage such private investments, however, there must be the same incentives in defense business as are to be found elsewhere in this country's free economy. Shareowners in private enterprise must have the opportunity to earn a return sufficient to warrant their investing personnel, facilities, and money, and to warrant taking long-term business risks. Without this opportunity, the participation of private enterprise is likely to be limited to those who feel they can afford it as a "patriotic duty," and to opportunists who enter business entirely at the taxpayers' expense.

Regardless of whose money pays for the facilities, there is a need for greater incentives to cost reduction in defense contracts. The Department of Defense is to be congratulated for its progress in developing new incentive-type contracts in which both the taxpayer and the producer share in the savings achieved through cost reductions. I daresay, the situation is not entirely satisfactory when one agency offers incentives for cost reductions, and another agency can negotiate the incentives away after the cost reductions have been achieved. The possibilities of such contracts are worth further exploration, however, because the Nation needs maximum incentives for both cost reduction and rapid technological progress in the national defense.

Finally, let us discuss the challenge to take a long-range, statesman's view of the national defense.

A short-term, year-to-year approach to the needs of national defense would be dangerously inadequate. We must accelerate our progress in long-range planning if the defense program is to be purposefully managed. At the same time, everyone in a position of responsibility must minimize the natural tendency to allow his judgment to be swayed by short-term political considerations that have little or nothing to do with the defense problem.

In this respect, I feel that some congratulations are in order.

First, let us recognize the progress made by the present administration in coordinating defense policy with the rest of governmental policy. The work of the National Security Council, where it has been used, is particularly to be commended.

I have already indicated my deep admiration for the work of Secretary Wilson and his colleagues, in bringing greater continuity, purpose, and unity into the defense program.

The Joint Chiefs, too, have shown vision and courage in facing up to the realities of advancing technology and its strategic consequencies. I am no judge of military strategy, but the objectivity and thoughtfulness of the Chiefs as military managers has been impressive to me.

And the Nation has a great stabilizing force in the congressional committees under the leadership of Senator RUSSELL and Representative VINSON. Here one expects—and one finds—responsible statesmanship.

Great progress has been made toward recognizing the new demands of a new era of defense, and many of the people in this gathering can take great pride in their personal contribution. Now let us move forward to the next phase in national maturity—to a defense policy of truly bipartisan character.

It has been recognized that, in today's dangerous world, politics must stop at the water's edge. The Nation's most significant foreign policy decisions in the past two decades have been bipartisan decisions. In every case, these bipartisan decisions have won outstanding public support, which is heartening evidence that the people recognize and vote for statesmanship.

What is true for foreign policy should also be true for defense policy because the two are so intimately related. When the issue is national survival, and the cause is peace in the age of atomic weapons, it seems to me as a citizen that this country cannot afford what is called politics as usual in the national defense. The great leaders in both parties must, and I think they will, win public support for policies and legislation based on logic, fact, creative thought, and the highest ideals of the American people. Anything less would be a shameful evasion of responsibility.

As a people, we Americans face not one but a continuing series of public decisions to meet the challenges of the national defense: The decisions that will keep the Armed Forces ahead in the quality of arms and the quality of men; the decisions that

will bring security with solvency; the decisions that will put the incentives of a free society to work in the national defense. If these decisions are made with statesmanship by the Nation's leaders, and with responsibility by the Nation's citizens, then the United States will continue to be what it is on this Armed Forces Day—the leading power for peace in the world.

Mr. SYMINGTON. Mr. President, Mr. Cordiner's speech received front-page coverage in many of the country's outstanding newspapers. In this connection I ask unanimous consent that an article which appeared in the New York Times yesterday be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CORDINER FINDS DEFENSE WASTE—SCORES PENTAGON—GE CHIEF DECRIES POLITICS IN ARMS POLICY—IMPLIES ADMINISTRATION IS AT FAULT—PRAISES WILSON'S WORK—CALLS LOSS OF SKILLED MEN BY SERVICES SHOCKING—URGES MORE LONG-RANGE PLANS

(By Jack Raymond)

WASHINGTON, May 18.—One of the Nation's business leaders asserted today that there were waste, false reasoning, and politics in the Nation's defense program. He cited the Pentagon, some members of the business community and, by indirection, the administration in his accusations.

Ralph J. Cordiner, president of the General Electric Co., reflected his disappointment over the failure of the administration to act on recommendations of his Defense Department committee about compensation for members of the Armed Forces.

The committee, after a study of more than a year, recommended 10 days ago that sweeping changes be made in the methods and rates of pay for skilled civilians working for the Armed Forces and skilled uniformed personnel. However, a plan to adopt most of the proposals was rejected by the Budget Bureau as not being opportune.

PENTAGON AIDES PRESENT

Mr. Cordiner was the chief speaker at an Armed Forces Day dinner that was attended by several high Pentagon officials. His speech covered many aspects of the Nation's military structure that he found faulty.

His assessment bore additional significance in view of the disclosure, on good authority, that recently he had been sounded out as a possible successor to Charles E. Wilson, Secretary of Defense. He was found to be not available.

Secretary Wilson is expected to leave the Cabinet sometime this summer.

He also praised the Armed Forces congressional committees, under the chairmanship of Senator RICHARD B. RUSSELL and Representative CARL VINSON, both Georgia Democrats; Secretary Wilson, and the Chiefs of Staff. Except for Secretary Wilson, he mentioned no administration leaders by name.

Mr. Cordiner cited the shocking rate at which skilled enlisted men and officers were leaving the services and said:

"It is an alarming fact that 87 percent of the people with these—electronic and other technical—skills—the skills that count most in a technically advanced form of defense—are leaving the Armed Forces as fast as they can, for the greater incentives of civilian life."

Four thousand pilots left in the fiscal year 1955, Mr. Cordiner said, representing a training loss alone of $480 million. This meant, he suggested, that the taxpayers' money was essentially wasted and that the combat readiness of the United States was weakened by expensive training of replacements.

"We now have the immensely wasteful expense of half a million men and billions of dollars worth of equipment tied up in repetitive training," he continued.

Mr. Cordiner reiterated the proposals he had made for a pay system based on skills to supplant the "Methuselah" system based on seniority. And he asserted again that adoption of his plan would save $5 billion a year by the fiscal year 1962 or produce a 15-percent improvement in combat capability.

"The challenge to stay ahead of potential aggressors means staying ahead in quality of men as well as equipment," he declared. "The public has apparently assumed that advance weapons alone will produce an adequate defense and deterrent to war. This is not true."

Turning to the problems of economizing on the huge defense budget, which is approaching $40 billion this year with the added defense support programs, Mr. Cordiner emphasized the following three points:

1. Although necessary, defense expenditures are a loss and not a contribution to the national economy. He rejected as "false reasoning" the argument that defense expenditures are a necessary factor in support for prosperity.

2. Forty billion dollars is so much money to take from the taxpayers that every responsible person must perpetually feel under obligation to save some of it and reduce the tax burden.

3. Inflation caused by defense spending obliges the people to pay twice for their national defense.

But the problem of obtaining full value for defense spending, Mr. Cordiner emphasized, is "not as simple as the problems of obtaining economy in private business that is subject to the daily discipline of the market place." Thus referred to criticisms that have been made by business and taxpayer groups.

Turning to the role of Government, Mr. Cordiner urged the Nation to "resist the temptation to play politics with defense."

He cited the "temptation" to award defense contracts to companies in "so-called depressed areas" in order "temporarily to keep the voters happy in a community."

He noted also a "political temptation" to place defense contracts with failing companies "in order to cater to particular communities whose votes are needed by the party in power."

He called attention to "another familiar temptation" to overstate the concentration of defense business in companies with outstanding research and production facilities.

With the Defense Department's task hard enough as it is, Mr. Cordiner went on, "the additional confusion of political demagoguery is a luxury this country cannot afford."

"We must accelerate our progress in long-range planning if the defense program is to be purposely managed," said Mr. Cordiner, in an apparent reference to his own proposals for utilizing manpower.

"Everyone in a position of responsibility must minimize the natural tendency to allow his judgment to be swayed by short-term political considerations that have little or nothing to do with the defense problem," declared Mr. Cordiner.

THE IMPORTANCE OF UTILIZING NEW WEAPONS IN MILITARY SCIENCE

Mr. WILEY. Mr. President, this morning's Washington Post and Times Herald contains a most interesting column by Mr. Roscoe Drummond with regard to the lessons which we should all learn from the life and career of the late Gen. William L. Mitchell.

The sum and substance of Mr. Drummond's presentation is that the military leaders of the Nation need to keep their minds far more open to new developments than they have often been in the past.

Back in the days when Billy Mitchell recommended paratroops, aerial bombardment of naval ships, aerial torpedoes, and other revolutionary new weapons and strategy, the closed minds of the military leadership of his time refused to pay the slightest heed to Mitchell's suggestions. But the military leaders of Imperial Japan noted Mitchell's suggestions, and so did the leaders of Nazi Germany.

Today, as has been stated many times, we are in a critical military race. We are in a race for survival, and we cannot afford to have any blind leaders, whether in the military field or in the foreign aid field or in any other field.

It is only a question of having the appropriate weapons, so that we may be adequately prepared. We need weapons. We need not the strategy of yesterday or yesteryear, but the strategy of today.

Whether or not the Air Force Board chooses to change the court martial record of Billy Mitchell is no longer really significant. History has long since vindicated him. We of the Congress have voted a posthumous medal in his honor—and I had something to do with that—an objective which I, for one, had long sought, and was happy to be a participant in obtaining.

Of course, I should like to see the military record corrected, so far as Billy Mitchell's court-martial is concerned, but infinitely more important is the fact that we should follow Mitchell's advice, because that is what he would have wanted, were he living.

Mr. President, I wish to take a little more time, and I ask unanimous consent that I may be permitted 3 minutes additional, under the rule.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILEY. Mr. President, I should like to read a few of the questions which were asked of Billy Mitchell, and his answers:

"The PROSECUTOR. You say that 'in future wars soldiers will invade by leaping in parachutes from airplanes.' Would you care to reveal who gave you this startling information?

"Mr. MITCHELL. Nobody gave it to me. It's quite obvious to anyone with the slightest foresight.

"The PROSECUTOR. Is it your actual belief that this country is vulnerable to attack from the air?

"Mr. MITCHELL. In the foreseeable future.

"The PROSECUTOR. Colonel Mitchell, do you have any idea of the width of the Atlantic Ocean?

"Mr. MITCHELL. Approximately 3,000 miles.

"The PROSECUTOR. And the Pacific Ocean?

"Mr. MITCHELL. I know what you are getting at and I tell you that it won't be long before airplanes will fly nonstop across both oceans.

"The PROSECUTOR. You say that 'airships traveling 1,000 miles an hour will fight each other in the stratosphere.' Do you have any comprehension how fast 1,000 miles an hour is?

"Mr. MITCHELL. Of course, I do.

"The PROSECUTOR. Do you know it is faster than the speed of sound?

"Mr. MITCHELL. Approximately 250 miles faster than the speed of sound."

The prosecutor then reminded Mitchell that he foresaw an air attack on Pearl Harbor and had described in detail how it would take place. After his tea leaves and table-tipping remark, he asked with heavy sarcasm: "Does your crystal ball reveal by what enemy this mythical attack will be made. By whom, colonel, by whom?"

"Mr. MITCHELL. The attack will be made by the Japanese."

Then, Mr. President, Billy Mitchell, a Wisconsin man, was condemned for the vision that was his, for the ability to see what the future had in store for us.

Had we been alert, Mr. President, as Mitchell wanted us to be, we would have saved ourselves years of war, $100 billion in wealth, tens of thousands of human lives, and there would have been no Pearl Harbor, as we understand it. So, Mr. President, the point I am trying to make is, let us not be befogged in the so-called budget fight. If there is waste, let us find it. Let us get rid of it. But let us not be stampeded, so that we cannot see what is the real challenge.

As I have said before, when I came to Washington it took 45 days to go around the world. Recently, a man went around the world in 44 hours. This morning's newspaper carries an article with regard to a plane speeding from San Francisco to New York in 3 hours and 30 minutes.

When I came to Washington my State of Wisconsin was isolated, mentally and physically. Today the Nikes surround Milwaukee, a recognition of the fact that Milwaukee is nearer to attack, over the great circle route, than New York City.

We need Billy Mitchells today on the floor of the Senate and also in our economic and military life.

It is my hope, Mr. President, that we will be alert, that we will be adequate, that we will be competent, so there will not be a third world war. But if it comes, remember that after Pearl Harbor we had 2 years to get ready. Now we shall not have 2 hours. That is the judgment of the military men who know. If a third world war comes, it has been estimated it will take 70 million American lives—70 million.

The issue is war or peace. We must not become so entangled in the so-called budget matter that we who have been chosen to represent the people in the Halls of Congress will be put in the position the military men occupied when they were judging Billy Mitchell.

Mr. President, I ask unanimous consent that the article written by Roscoe Drummond be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BILLY MITCHELL: READ HIS TESTIMONY AND WEEP

(By Roscoe Drummond)

The Air Force retrial and certain reversal of the Army's court-martial condemnation of Brig. Gen. Billy Mitchell—because 37 years ago he was too right, too soon, too belligerent about the role of combat airpower—can serve a useful purpose.

It could promote a much needed, more effective integration of the armed services which today are about as integrated as three sovereign potentates surrounded by moats.

It could further a project, once supported by one very highly placed person, which would have the effect of vastly reducing interservice jealousies. This person was Dwight D. Eisenhower. Before he took up residence at 1600 Pennsylvania Avenue he once told me that he would like to see service identity—Army, Navy, Air Force—removed entirely at the lowest and highest levels; that is, privates in training and the Joint Chiefs of Staff.

Finally, it would provide a better understanding of what plagued sharp-tongued, sharp-minded Billy Mitchell, who had the temerity to prove—to the rage of the admirals of the day—that he could sink a battleship with a 1921 crate of an airplane. Perhaps the evaluation of today's fantastic weapons ought not to be left so exclusively to the military brass. It would be a helpful thing to take some of the mystery out of military science. Military science can't be so scientific if the top brass can be so wrong about Billy Mitchell's forecast of what was just around the corner.

I have just been rereading some of the proceedings of the Army court-martial which found General Mitchell's conduct—and ideas—"prejudicial to the good of the service" and cashiered him. It is fantastic reading. He was described by those who condemned him as having no better basis for his views than "palmistry, table tipping, and the reading of tea leaves."

And what was Bill Mitchell trying to persuade his colleagues and his country? Just look at these excerpts from the record:

"The PROSECUTOR. You say that 'in future wars soldiers will invade by leaping in parachutes from airplanes.' Would you care to reveal who gave you this startling information?

"Mr. MITCHELL. Nobody gave it to me. It's quite obvious to anyone with the slightest foresight.

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"Mr. MITCHELL. In the foreseeable future.

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"Mr. MITCHELL. The attack will be made by the Japanese."

Then, with Gen. Douglas MacArthur, for one, dissenting, the court-martial found Billy Mitchell guilty as charged.

He undoubtedly was guilty of provocative, extreme, aggressive advocacy. But he was in fact being tried by men who couldn't stomach his ideas.

Let's not do it again.

THE UNITED NATIONS AND RESPONSIBILITIES FOR THE FUTURE

Mr. WILEY. Mr. President, it was my privilege the other night to read a very fine address by a very humble public servant, one whom it was my privilege to serve with a member of the Committee on Foreign Relations, when he headed up the staff, Francis O. Wilcox. Mr. Wilcox is now the Assistant Secretary of State for International Organization Affairs.

I ask unanimous consent that the address which Mr. Wilcox gave, which we can all read with profit, be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE UNITED NATIONS AND RESPONSIBILITIES FOR THE FUTURE

(Address by the Honorable Francis O. Wilcox, Assistant Secretary of State for International Organization Affairs, Before the Foreign Policy Association of Pittsburgh, Pittsburgh, Pa., Friday, April 12, 1957)

I am happy to be in Pittsburgh again and to take part in the seventh annual Pittsburgh Public Forum on World Affairs. I recall with pleasure my visit here several years who when I was with the Senate Foreign Relations Committee.

In my talk today I should like to direct attention to the changing composition and role of the General Assembly of the United Nations. It is not surprising that our main focus should be on the General Assembly. A quick look at the events of the past decade leaves us with the impression that the United Nations today is a somewhat different organization from that conceived at San Francisco.

In 1945 the Security Council was hopefully expected to maintain and restore peace. In this Council power and responsibility were neatly combined. However, the 10 years of cold war, of sharp differences between the Soviet orbit, and the Free World, and in particular of repeated abuses of the veto by the U. S. S. R., have pushed the Council into a secondary role. The Council today, while still available, tends to be most useful primarily in situations where there is a possibility of East and West finding a common ground. In other situations it has been faced with increasing disuse.

In contrast the role of the General Assembly has outstripped the expectations of the framers of the charter. The General Assembly was designed to be the less powerful organ. It was scheduled to meet in regular annual sessions. It could not make decisions as could the Security Council—only recommendations. Its main weapon was discussion and debate. Power and responsibility were not realistically reflected in it—the vote of a small state equaled that of a large power. If increasing disuse has characterized the Security Council, quite the opposite is true of the Assembly.

THE ROLE OF THE GENERAL ASSEMBLY

If "past is prolog," then it would seem helpful to consider the implications for the future of the enlarged General Assembly and the greater responsibilities that have been assumed in the past few years by this body. These are changes which give new dimensions to the United Nations and which therefore pose for its members new problems and, I think, new opportunities.

In the last year and a half the United Nations has grown from 60 to 81 members. A preponderance of the increase, it is interesting to note, represents newly sovereign states in Africa, the Near East, and the Far East, commonly referred to as "Afro-Asia."

In the last 6 months the General Assembly has assumed and discharged unprecedented responsibilities under the uniting for peace resolution which was adopted in 1950 following the Communist aggression in Korea. The machinery provided by this resolution was used for the first time when the Security Council was prevented by negative votes of some of its permanent members from dealing

with the crisis in the Middle East and Hungary.

The increasingly important role played by the General Assembly and its greatly enlarged membership, taken together, are causing concern to some members of the United Nations and to some able students and critics of world affairs. Some of our staunch allies are wondering whether the Assembly can effectively face up to critical issues which threaten or break the peace.

I think it would be useful to review briefly some of these fears and warnings. Perhaps, in the process, we can form a judgment as to whether the Assembly is in fact in danger of becoming a Frankenstein monster about ready to destroy itself as some would have us believe.

First, the General Assembly, it is contended, is becoming more and more addicted to bloc voting, with loyalty to bloc taking precedence over any real attempt to meet issues objectively and on their merits. This is regarded as an irresponsible, even dangerous, development when a coalition vote of over one-third can be mustered by the Afro-Asian bloc alone.

Second, it is charged that there is an increasing tendency to water down resolutions in order to get a two-thirds supporting vote where important issues are under consideration. This tendency, it is contended, is producing diluted resolutions of little force or effect.

Third, the principle of sovereign equality under which each state has one vote has come in for renewed criticism as giving an unreal, and distorted, reflection of the relative power, and influence, of the several states in international affairs. Is it right, it is asked, for a small, economically and politically weak state to weigh equally in the balance with a large and strong state when the votes are counted? Does not this encourage a tendency to gang up on the larger state?

Fourth, it is argued that the General Assembly has a double standard of justice and morality; one for states which abide by its recommendations, another for states that defy them. This also raises the question as to whether we are at fault in resorting to the United Nations on issues which it is powerless to resolve and which, therefore, may result in a sense of frustration or loss of faith in the Organization itself.

A LOOK AT THE RECORD

These charges are serious ones and deserve our careful consideration. I believe a look at the record of the 11th General Assembly will help us determine their validity. With regard to all of them, I would like to make the general observation that they imply a greater authority and power than the General Assembly actually has. The composition and role of the General Assembly may be changing but its duties as set forth in the charter remain unchanged. It is a recommendatory body whose influence depends on the voluntary cooperation of its members.

BLOC VOTING

Let us take the matter of bloc voting. The only really consistent bloc voting in the General Assembly—and it is carried on with monotonous regularity—is done by the USSR and its satellite states. This is a pattern long established; it is not a new phenomenon. The fears currently expressed are that the Afro-Asian group of nations may, as a matter of agreed policy, vote together and control Assembly action on important matters in a manner contrary to our interests. This, in my opinion, is more a mathematical possibility than a logical expectation or certainty. The mathematical facts are as follows.

As presently constituted, when all 81 members are voting, 54 votes are needed for the Assembly to act on matters requiring a two-thirds majority. If all the Afro-Asian states were to combine they would have a blocking minority of 28 votes, sufficient to block action on matters requiring a two-thirds vote and enough to give them a major voice in deciding all important issues. By contrast, in the new Assembly, the Latin American states now have but 24 percent of the vote, non-Communist Europe 19 percent, the Soviet bloc 11 percent, and the old British Commonwealth countries 5 percent.

In practice, however, the Afro-Asian group does not regularly vote as a bloc and when it does it is apt to be on issues for which there is overwhelming support from states outside the Afro-Asian area. Again, I think we should look at the record of the last General Assembly.

Take first the vote on the principal resolutions relating to the Middle East crisis. Here, certainly, one might expect to see Afro-Asian solidarity. Yet out of 11 important resolutions approved between November 1, 1956, and February 2, 1957, this bloc voted as an entity on only 2, and in both these cases the resolutions received total votes of 74 in favor, 2 against, and 2 abstentions. Indeed, the general observation may be made that the Afro-Asian group displayed considerable unanimity in casting affirmative votes on the resolutions which were adopted by impressive or overwhelming majorities. In other words, they did not act as an irresponsible splinter group in opposition to the will of the majority.

The voting record on the Hungarian situation demonstrated less unanimity, although there was an increasing tendency for all United Nations members, including those from Africa and Asia, to be more sharply critical of brutal Soviet actions as they became revealed. On this issue, it might be observed, we would have welcomed a solid Afro-Asian bloc vote. But on only 3 out of 10 resolutions were more than 20 Afro-Asian votes cast affirmatively and these dealt with the less contentious issues of relief for the Hungarian refugees. The vote on the remaining seven resolutions reflected wide splits within the bloc. The point I want to emphasize is this: the Afro-Asian group does not constitute a monolithic bloc.

Of course, there is a tendency for states with common interests and problems to vote together when they think this will serve those interests. These tendencies, wherever they exist, present problems to all who wish to see international issues dealt with on their merits. At the same time, we should not exaggerate the extent to which such bloc voting prevails nor should we exaggerate the practical consequences.

WATERED-DOWN RESOLUTIONS

Let us consider the record on the watering down of resolutions. Now it is true that a resolution is seldom approved in committee in the form in which it was first submitted. This would be a remarkable thing not only for the General Assembly but for any political deliberative body. We have only to consider, for example, the tortuous course of a piece of legislation, or a simple resolution, in our own Congress.

This process of compromise is certainly a democratic process. It is an attempt to find common ground and secure the widest possible area of support. It is an essential step if the General Assembly is to comply with the charter injunction to harmonize the action of nations. It exercises a moderating influence on the action of states and places a premium on reasonable policies reflecting broad rather than narrow interests.

A good example of the wisdom and effectiveness of this process is the General Assembly's handling of the Algerian problem. You will recall that France a year ago withdrew her delegation when Algeria was inscribed on the agenda. This year, in the 11th General Assembly, France, while denying the Assembly's competence, did not oppose inscription. When the matter came up before the Political Committee in February 1957, a strong resolution drafted by 18 Afro-Asian states was introduced. While this resolution no doubt expressed the convictions of the drafters, it was obvious from the beginning that it could never receive the two-thirds vote necessary for adoption. Actually no vote was ever taken on this resolution as a whole.

On February 11, in an effort to reach a measure of agreement, a milder resolution was introduced by Japan, the Philippines, and Thailand. The following day a number of other powers tried their hand at drafting an acceptable resolution. Both these resolutions came to a vote in committee and were adopted. Neither, however, received a two-thirds majority.

On February 15 the General Assembly in plenary session heard the Political Committee report failure to secure two-thirds support for any resolution on Algeria. At this juncture, the powers which had fathered the two resolutions that received a simple majority in committee, introduced in plenary a moderate compromise resolution. This resolution, exercising the hope that a peaceful, democratic, and just solution to the Algerian problem would be found in conformity with the principles of the charter, was adopted by a unanimous vote. France refrained from voting in keeping with its position that the General Assembly is not competent to deal with the Algerian situation.

This result could be called, I suppose, an example of a watered-down resolution. I believe it more accurate to describe it as a practical compromise arrived at after exhaustive debate in which all sides had an opportunity to express their views. The debate cleared the air and substantive action by the Assembly which would have hampered rather than promoted a solution was avoided. It is clear from the unanimous vote that during this debate the states principally concerned had achieved understanding, if not approval, of each others attitudes and interests. All members faced the fact squarely that the General Assembly on its own could not provide a solution to the Algerian problem. Progress, however, was possible and progress was made because the Assembly acted responsibly in maintaining an atmosphere conducive to a practicable solution in the future by the parties directly concerned.

General Assembly consideration of the question of Cyprus followed very much the same pattern.

I believe that the Assembly's record on the disarmament question was also an example of responsible action. Assembly members recognized fully that before disarmament can be achieved the principal powers must reach agreement through quiet negotiations. The Assembly was aware that the 81-nation forum is not the right place to try to reach agreement on highly technical details involving the security of many peoples and many countries. For these reasons, it voted unanimously to refer all the disarmament proposals before it to the Disarmament Commission and its subcommittee for prompt, quiet, and detailed consideration. This is an excellent example of the Assembly realizing what it should or should not do in a given situation.

Of course, not all compromise resolutions passed by the Assembly are generally regarded as the best result that might have been achieved. For example, a good many delegations considered the Assembly's last resolution on the deployment of the United Nations emergency force in Egypt as something less than satisfactory. It would obviously have been preferable if the Assembly had been more precise in defining UNEF's role in the Gaza Strip or at the entrance to the Gulf of Aqaba. But here, as in other cases, the outcome was determined by the prevailing balance of interests in the Assembly, in this case by those who favored less precision. Nevertheless, the result, while not ideal, did make possible the effective interposition of the UNEF between Israeli and Egyptian forces.

Now I realize that such halfway measures will never satisfy those who expect the United Nations to make quick, clear-cut and enforceable decisions based on agreed concepts of right and wrong in a given issue. Nevertheless, such precise and complete solutions to problems are not always possible. International issues today often are susceptible of only modest solutions. The Assembly's willingness to face up to its limitations as well as its capacities in concrete instances represents a forward step toward even greater responsible action in the Assembly.

THE VOTING FORMULA

One of the very first actions that a newly sovereign state takes in the international field is to apply for admission to the United Nations. Membership in this body is looked upon as the final stamp of approval by the international community. Once admitted, the new state is anxious to demonstrate its ability to contribute to the objectives of the charter, and equally desirous, I think, to assert and maintain its new found independence and sovereignty. The new state tends to avoid actions which would make it appear that its vote is "in someone else's pocket."

I believe that, by and large, these new states, and the so-called small or weak states, have acted responsibly and in the common interest. There are occasions, of course, when a state or group of states advances proposals which are impossible or extremely difficult for the United Nations to carry out and which place the major powers in a difficult predicament. On such occasions, in particular, we may feel that the one-state one-vote formula is, in fact, an inequity and perhaps some consideration should be given to weighted voting devices.

But it is hard to blame these states for using the General Assembly, on occasion, as an opportunity to make the major powers sit up and take notice. Sometimes, when the latter are at loggerheads, such action may serve a decisively constructive purpose.

The General Assembly is as near as the world has come toward the creation of a parliament of nations. As an international institution it tends to reflect accurately the underlying political, economic, and social conditions in the world. It should draw upon, as does a democracy, the energy and intellectual resources of all its members. The atmosphere of equality which prevails encourages it to do this. We should also recall that the Assembly, as a recommendatory body, has built-in safeguards against the imposition of the will of the majority on an opposing minority, even if this is a minority of one. Its recommendations may be disregarded.

However, where the majority is overwhelming and the justice or good sense of a proposal is abundantly evident, opposition or noncompliance by one or more of the great nations will be at the peril of turning world public opinion against them. As the General Assembly has grown, this has been revealed as one of its great unwritten powers. No nation can lightly accept a position of defiance to its limited authority.

THE DOUBLE STANDARD

I would like to say a word now about the so-called double standard. The failure of the General Assembly to bring about the withdrawal of Soviet forces from Hungary, as contrasted with its success in the Middle East crisis, has become a cause of concern.

The record of Assembly action on these two issues does not support the charges made against it. The resolutions invoked against the Soviet Union and the Hungarian Communist regime were more strongly worded than in the case of the action in the Middle East. The Assembly climaxed its action with outright condemnation of the U. S. S. R.—a step which has blasted the underpinnings from the Soviet propaganda campaigns of the past years. Frustrating United Nations action has cost the Soviet Union dearly.

We must face the fact that the possibility for such frustration of United Nations action was written into the charter when great power unanimity was required for Security Council decisions. It was hoped, of course, that unanimity on questions of aggression or threats of aggression would prevail but we were as insistent as any other power in including this provision. It is true that the uniting for peace resolution empowers the General Assembly to act in cases where the Security Council fails to act. But this was a resolution, not an amendment to the charter. The fundamental responsibilities and authority of the Security Council and the General Assembly remain unchanged.

There are and there will remain those within the community, the state, and world who attempt to defy the law. In the absence of enforcement power or a "decent respect to the opinions of mankind" they may—at least in the short run—get away with it. It is true that this is a threat to the rule of law, but it is not its abrogation.

The Soviet Union remains charged by mankind with a brutal and flagrant violation of the charter in the case of Hungary. With regard to General Assembly action, I believe the cause of freedom was served within the capacity of that body to do so in the circumstances, and that the cause of Soviet communism was dealt a serious and irreparable blow.

I think we underestimate the telling and lasting effect on governments, and people throughout the world of the long days and nights of incisive debate and investigation of the Hungarian issue by the General Assembly. As the details of Communist ruthlessness, cynicism, and falsehood were revealed, the eyes of many were opened for the first time to the true meaning of Soviet imperialism. This was particularly true among the representatives of states who, for a variety of reasons, have tended to take a noncommittal or detached stand, particularly on issues with cold-war overtones.

By way of illustration, I would like to refer to an episode in the 11th General Assembly when the Hungarian matter had been under debate for nearly a month. A resolution of condemnation of the Soviet Union was before the Assembly. The delegate from Burma asked for the platform and spoke as follows:

"My delegation has listened with objective detachment to the arguments put forward by the Soviet Government and its allies in defense of the Soviet action in Hungary. We have hoped," he said, "that the truly modest steps proposed by this General Assembly, would have been unanimously adopted. We abstained and waited during the week of December 2, under the expectation that surely the Secretary General of the United Nations would be agreeably received in any member country, at any time. We abstained and waited, while the Secretary General told us that there was a chance that he would be received in Hungary at a stipulated date within the next few days." Then, in telling the Assembly that he was now prepared to vote condemnation of the U. S. S. R., the Burmese delegate said, "We do this to keep our self-respect. After all responsible waiting for action has passed, we can do no less." "There," he said, speaking of Hungary, "but for the Grace of God go we."

At the conclusion of this debate, Burma joined 14 other Afro-Asian nations in condemning Soviet violation of the Charter. In my opinion, this exposure and condemnation of Communist imperialism has served to strengthen the bonds of the Free World. It may well turn out to be one of the greatest blows suffered by the Soviet Union and the satellite system in the past decade. In any consideration of a "double standard" it must be weighed on the positive side of General Assembly accomplishment. For any measure that reveals the methods of despotism and suppression of freedom serves the cause both of the oppressed and of the free who wish to remain free.

PROBLEMS FOR THE FUTURE

In discussing the changing composition and role of the General Assembly I have attempted to place the problems encountered in the light of our experience to date. We will continue to have these problems and new ones will evolve as the resources within the General Assembly are developed.

In summation, I would like to suggest some guidelines for the future.

We should not assume that there will be solid bloc voting or mechanical majorities in the General Assembly except for the Soviet Union and its satellites.

We must remember that states generally act in what they conceive to be their own best interests. There are varying gradations of interests on various problems. There is much in international intercourse that tends to unify—and as much which causes disunity.

We should keep in mind that when a two-thirds vote is required it is often necessary to negotiate among the regional groups or blocs making up the Assembly. If, however, we continue to demonstrate constructive leadership and do our utmost to identify our interests with the interests of world peace and of progress, then I believe the General Assembly is not a body to be feared, now or in the future.

In discussing earlier the question of weighted voting, I did not mean to close or dispose of the issue. For it may well be true that the General Assembly does have a voting system which tends to give a distorted reflection of the power and influence in the world of the various members. However, as I indicated earlier, there is evidence of a responsible restraint exercised by members of the Assembly. This is due, in large part, to an awareness that a General Assembly resolution when passed is still only a recommendation and that its effectiveness depends upon the degree to which it is followed—particularly by the stronger and more influential powers.

The mere fact that a bloc of powers can muster a two-thirds vote on an important issue does not necessarily mean that they will do so. I cite as a case in point the reaction at the General Assembly to the question of the invoking of sanctions against Israel for failure to withdraw her forces. One of the Middle Eastern States had actually introduced such a sanctions resolution. It was very possible at the time that such a resolution could have passed by a two-thirds majority. But this potential majority exercised a commendable restraint and caution; they waited to learn in particular, what the position of certain powers would be whose support might be decisive. As it turned out, the resolution was never brought to a vote and Israeli forces were eventually withdrawn.

Such responsible action is an example of the General Assembly being used as an instrument through which our interdependent world realizes and accepts its interdependence.

The most influential states must recognize that power and responsibility go hand in hand and that their positions of leadership cannot be taken for granted.

The less influential states should take care not to impair or destroy by their actions the usefulness of the organization that protects them and gives them an equal voice in the councils of nations.

The United Nations should be recognized for what it is, an aid to progress toward a more peaceful world. It is complementary to traditional diplomacy not a substitute for it or for responsible international conduct. It is not a political Univac where you feed the problems in one side and take the answers out the other.

In this connection we have often recognized that there are certain international problems that can be more effectively handled outside the context of the United Nations. We have also recognized that we can never use the United Nations as a substitute for bold, imaginative, and realistic foreign policies and programs of our own—that we must continue to pursue many of our national interests and objectives through various regional arrangements and bilateral relationships.

I think there is no doubt that the United Nations must develop more effective pressures to get members to abide by its decisions and recommendations where threats to the peace are involved. In this connection, I believe the creation and use of the United Nations emergency force is an important step in the evolution of voluntary peace-enforcing devices. The experience gained through this current experiment may prove invaluable in the future.

I look to the future of the United Nations, and of the role of the General Assembly in it, with optimism. It has recently faced crucial issues and has emerged a stronger and in some ways a more mature organization. We and the other member states will be called upon to assess its limitations and exploit its resources if it is to discharge well the purposes for which it was founded. The United States will continue to contribute its full measure of support to this end.

THE UNITED STATES INFORMATION AGENCY

Mr. JOHNSON of Texas. Mr. President, in the various debates on the budget, we should not lose sight of the fact that economy is not the only goal. An equally important objective is efficiency in our Government.

Personally, I do not interpret the vote that was cast in this Chamber last week as a vote against an information program. I believe that a more important factor was the question of the kind of information program desired.

One of the principal issues is whether the United States Information Agency should become a part of the State Department or should remain independent. It was the belief of the Appropriations Committee that the first course should be followed.

The United States Information Agency's budget estimate for 1954 is very difficult to determine, because it was a part of the State Department budget; but the Agency was appropriated $83 million.

In 1955, the Bureau of the Budget asked for only $89 million for the Agency, and the Congress reduced the appropriation to $74 million.

In 1956, the Bureau of the Budget asked for only $91 million, and the Congress reduced it to $87 million.

In 1957, the request was increased from $90 million to $135 million. The House voted to appropriate $110 million, the Senate voted to increase the amount to $115 million. The conferees decided on $113 million.

The Press Division personnel in 1956 numbered 684, with an $87 million appropriation. In 1957, that 684 figure was jumped approximately 200, to 877, with an appropriation of $113 million. In 1958, had the request made been granted, the Press Division personnel would have been increased to 930.

Mr. President, the distinguished correspondent, James Reston, addresses himself to the question of the proper home for USIA in this morning's New York Times. He discusses the pros and cons of this basic issue.

I ask unanimous consent that his article be inserted in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

USIA: QUO VADIS?—AN ANALYSIS OF THE CAPITOL HILL CONFLICT OVER THE INFORMATION AGENCY'S STATUS

(By James Reston)

WASHINGTON, May 19.—The troubles of the United States Information Agency are not over. The administration's propaganda bureau has been cut down in the budget fight more than any other agency of the executive, but it now is facing the prospect of losing its independent status by being moved into the State Department.

Senator MIKE MANSFIELD, of Montana, the Democratic whip in the Senate, is leading the fight to move it to State, where it operated from 1945 until 1953.

John Foster Dulles, Secretary of State, moved it out when the Eisenhower administration came to power on the ground that he wanted State to concentrate on policy matters and get out of foreign-policy operations. He still is adamantly opposed to its return. So is President Eisenhower.

Consequently, another power struggle is impending between the top administration leaders and the Democratic leadership of the Senate.

The issue will arise, and probably will be settled, in this session of Congress during the debate on a bill introduced by the Administration to create a permanent United States information service that would guarantee tenure of status to USIA employees. They do not have such job security at present.

DULLES STRESSES POLICY ROLE

Senator MANSFIELD agrees that some propaganda activities must continue for the foreseeable future. He also is in favor of giving job security to the propaganda officials, but only after the present personnel of the USIA is carefully relieved of its less competent officials and moved into the permanent Foreign Service in the State Department.

Secretary Dulles' arguments against the move are as follows:

State should concentrate on devising foreign policy and not be forced to add propaganda operations to its already formidable burdens.

Transfer of the Agency to State would harm both the policy and propaganda activities of the Government. It would divert policy officials from their primary job of policymaking and make the Secretary of State directly responsible for everything put out by the Voice of America and the other propaganda instruments of the Government. This inevitably would limit the propagandists in what they could say.

The State Department would become an unwieldy instrument with a vast and dissatisfied staff if vast numbers of propagandists, many of them foreign nationals, were added to its rolls. This also might add to the serious task of maintaining the security of its activities.

It also is argued that Arthur Larson, present head of the USIA, would be greatly weakened by being placed in a subordinate position in the State Department. He now sits on the administration's central foreign policymaking body, the National Security Council, and on the Operations Coordinating Board, which is charged by the President with seeing that all agencies carry out the President's decisions in the foreign policy field.

Nevertheless, Senator MANSFIELD, with the support of the Senate majority leader, LYNDON B. JOHNSON of Texas, believes that the amalgamation of the two agencies would cut costs, reduce and improve personnel in the foreign policy field at home and abroad, and greatly improve the coordination between the Government's policy and its propaganda.

SEES CONFLICT AVOIDED

One of his main arguments is that the Nation's propaganda is bad precisely because the policymakers in the State Department do not consider the propaganda aspects of policy as much as they should. He thinks they would be forced to do so if the USIA were back in State, where it could operate with a better knowledge of what the policy of the Government was.

Senator MANSFIELD also makes these points:

As an old and influential department of the Executive, State enjoys a power in the interdepartmental squabbles of the Government that the USIA never could achieve. Therefore, it would be able to influence the statements of other departments and relieve USIA of the constant embarrassment of having to carry contradictory statements by officials in various branches of the Government.

Transfer of the USIA would cut down the cost of maintaining liaison officers between State and USIA and would reduce the number of embassy press officers and information chiefs overseas.

In State the propaganda agency would be less conspicuous and therefore less subject to constant political harassment.

As part of the State Department the propaganda officials would be less subject to what some of them regard as incompetent direction by area chiefs and capricious administration, and more acceptable to many ambassadors in the field.

Under the proposed legislation for USIA there would be one more set of permanent officials operating not under the Foreign Service of the United States but under their own permanent service administered by different officials.

MANSFIELD FEARS INCOMPETENCE

All this, Senator MANSFIELD argues, makes for conflicting regulations and, he believes, an inferior set of propaganda officials who do not have the background or meet the standards of the State Department Foreign Service officers.

It is not so certain in this round of the battle that the Democrats will prevail. The support on Capitol Hill for amalgamation is not so powerful as the support for economy.

Senator MANSFIELD, however, is determined to block the creation of a permanent service for the present personnel of the USIA, even if he does not win his fight to transfer it to State.

He believes it has been a loose and wasteful agency, handicapped by being cut away from the main policymakers, and he does not want to see the situation made worse by giving permanence to what he regards as incompetence.

CALL OF THE ROLL

The PRESIDING OFFICER. Is there further morning business?

Mr. JOHNSON of Texas. Mr. President, before morning business is concluded, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Frear	Monroney
Allott	Fulbright	Morse
Anderson	Green	Morton
Barrett	Hayden	Mundt
Beall	Hickenlooper	Murray
Bennett	Hill	Neuberger
Bible	Holland	O'Mahoney
Bricker	Hruska	Pastore
Bush	Ives	Potter
Butler	Jackson	Purtell
Capehart	Javits	Revercomb
Carlson	Johnson, Tex.	Russell
Carroll	Johnston, S. C.	Saltonstall
Case, N. J.	Kefauver	Scott
Case, S. Dak.	Kennedy	Smathers
Chavez	Kerr	Smith, Maine
Church	Knowland	Smith, N. J.
Clark	Kuchel	Sparkman
Cotton	Lausche	Stennis
Curtis	Long	Symington
Dirksen	Magnuson	Thurmond
Douglas	Malone	Thye
Dworshak	Mansfield	Watkins
Eastland	Martin, Iowa	Wiley
Ellender	McClellan	Williams
Ervin	McNamara	Young

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNINGS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from West Virginia [Mr. NEELY], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

The Senator from Georgia [Mr. TALMADGE] is absent by leave of the Senate attending the Inter-American Trade Conference in Rio de Janeiro, Brazil, as representative of the Senate Agriculture Committee.

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES], the Senator from Kentucky [Mr. COOPER], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Kansas [Mr. SCHOEPPEL] are necessarily absent.

The Senator from Indiana [Mr. JENNER], the Senator from North Dakota [Mr. LANGER], and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Pennsylvania [Mr. MARTIN] is absent on official business.

The PRESIDING OFFICER (Mr. CHURCH in the chair). A quorum is present.

Is there further morning business? If not, morning business is closed.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H. R. 4897) making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes, and it was signed by the Vice President.

THIRD SUPPLEMENTAL APPROPRIATIONS, 1957

Mr. HAYDEN. Mr. President, I move that the Senate proceed to the consideration of House bill 7221, the third supplemental appropriation bill.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. HAYDEN. The amount of the bill as passed by the House was $79,840,788.

The amount of increase by the Senate committee is $62,501,257. But of the $62 million, $45 million represents items the Senate has heretofore adopted and which are still in conference on another bill.

If Senators will look at page 3 of the report, they will see the first item is Emergency Conservation Measure. This committee amendment, which was in the urgent deficiency bill, H. R. 4249, heretofore passed, amounts to $15 million. The conferees agreed to this amount in lieu of the budget estimate of $25 million.

The next item is the Disaster Loan Revolving Fund. The committee recommends $15 million, which is the amount agreed to in conference on the same bill, H. R. 4249 in lieu of the budget estimate which requested an increase of $25 million.

Under the same head there is an item for loan authorizations. The committee recommends inclusion of the provision to provide $26 million additional loan authorization for farm ownership loans, under title I of the Bankhead-Jones Act, as amended. This is the amount of the budget estimate, and was agreed to by the conferees on H. R. 4249.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. JOHNSON of Texas. As I understand, of the $62 million by which the committee increased the bill, $56 million is taken from a bill previously passed.

Mr. HAYDEN. That is correct.

Mr. JOHNSON of Texas. So the bill does not actually increase the appropriation to that extent. Where does the $6 million increase take place?

Mr. HAYDEN. There are some variations between what we allowed and did not allow. The principal item the committee added was $14 million for flood insurance. That accounts for a part of the increase.

Mr. JOHNSON of Texas. The committee is increasing the bill by $62 million; $56 million of that amount was taken by the committee from a previous bill which has already been passed. So that leaves a net difference of $6 million. Is that correct?

Mr. HAYDEN. That is correct.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. LAUSCHE. The bill contains an item of $25 million, in chapter VI, which contemplates the purchase of tungsten.

Mr. HAYDEN. The figure is $30 million.

Mr. LAUSCHE. Very well. That item was approved by the Senate in a previous bill.

Mr. HAYDEN. Yes; in a bill which was passed by the Senate.

Mr. LAUSCHE. But which is in conference, with the House disagreeing to the Senate amendment.

Mr. HAYDEN. We had the same difficulty about that item that we had with respect to the three other items I have just mentioned. The conference report never was signed, and, of course, was not submitted to the House. By following the procedure contemplated by the pending bill, all four items will go back to the House for consideration.

Mr. LAUSCHE. Then, I am correct in my understanding, am I not, that this will be a redeclaration, supposedly, of the Senate's purpose to spend $30 million, or at least a part of it, to buy tungsten?

Mr. HAYDEN. That is correct.

If there are no further questions, I might state that the total estimates considered by the Senate were $181,699,320. This bill is under the budget estimates by $39,357,275.

Mr. President, I ask unanimous consent that the committee amendments, with the exception of the amendment on page 10, following line 20, providing for the acquisition of strategic minerals, be agreed to en bloc, that the bill as thus amended be considered as original text for the purpose of amendment, and that points of order shall not be waived.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. WILLIAMS. Mr. President, reserving the right to object, and I do not think I shall object, it is my understanding that the granting of this unanimous consent will not preclude the right of any Member to offer an amendment to any part of the bill or to raise points of order. Is that correct?

Mr. HAYDEN. That is correct.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Arizona? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

Under the heading "Chapter I—Department of Agriculture," at the top of page 3, to insert:

"*Agricultural Conservation Program Service*

"Emergency Conservation Measures

"For an additional amount to enable the Secretary to make payments to farmers who carry out emergency measures to control wind erosion on farmlands or to rehabilitate farmlands damaged by wind erosion, floods, hurricanes, or other natural disasters when, as a result of the foregoing, new conservation problems have been created which, (1) if not treated, will impair or endanger the land, (2) materially affect the productive capacity of the land, (3) represent damage which is unusual in character and, except for wind erosion, is not the type which would recur frequently in the same area, and (4) will be so costly to rehabilitate that Federal

assistance is or will be required to return the land to productive agricultural use, and for reimbursement to the appropriation to the President for 'Disaster relief,' for allocations to the Secretary of Agriculture for such purposes, $15 million: *Provided*, That this appropriation may be expended without regard to the adjustments required under section 8 (e) of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590h), and may be distributed among States and individual farmers without regard to other provisions of law."

At the top of page 4, to insert:

"Emergency Range Conservation

"For expenses necessary to carry out the provisions of the act of April 25, 1957 (Public Law 85-25), to remain available until December 31, 1958, $25,000,000, to be derived from funds available for purposes of the Soil Bank Act under section 120 of that act (70 Stat. 197)."

On page 4, after line 6, to insert:

"Farmers' Home Administration

"Disaster Loan Revolving Fund

"Not to exceed $15,000,000 of the disaster loan revolving fund established under the act of April 6, 1949, as amended (12 U. S. C. 1148a-1 to 1148a-3), may be used for emergency feed and seed assistance under section 2 (d) of said act in addition to, and under the same conditions as, the amount made available under this head in the Third Supplemental Appropriations Act, 1954 (68 Stat. 81, 88)."

On page 4, after line 15, to insert:

"Loan Authorizations

"For an additional amount for loans under title I and section 43 of title IV of the Bankhead-Jones Farm Tenant Act, as amended, $26,000,000: *Provided*, That not to exceed the foregoing amount shall be borrowed from the Secretary of the Treasury in accordance with the provisions set forth under this head in the Department of Agriculture Appropriation Act, 1952."

Under the heading "Chapter II—Department of Commerce," at the top of page 6, to insert:

"Panama Canal Company

"Panama Canal Bridge

"For expenses necessary for work preliminary to the construction of a high-level bridge across the Panama Canal at Balboa, C. Z., as authorized by the act of July 23, 1956 (70 Stat. 596), $1 million, to remain available until expended."

Under the heading "Chapter III—Department of Defense—Military Functions," on page 6, after line 15, to insert:

"Department of the Army

"Military Personnel

"For an additional amount for 'Military personnel,' $27,444,000, to be derived by transfer from the appropriation for 'Procurement and production,' Army."

Under the heading "Chapter IV," on page 7, after line 12, to insert:

"AMERICAN BATTLE MONUMENTS COMMISSION

"Construction of memorials and cemeteries

"To the extent that the Commission may find necessary or desirable, the appropriation granted under this head in the General Government Matters Appropriation Act, 1957, shall be available for the purposes of the act of April 2, 1956 (70 Stat. 84)."

Under the heading "Chapter V—Independent Offices," on page 8, after line 8, to insert:

"Administrative Expenses, Employees' Life Insurance Fund

"The limitation under this head in the Independent Offices Appropriation Act, 1957, on the amount made available from the 'Employees' life insurance fund,' for reimbursement to the Civil Service Commission for administrative expenses incurred in the administration of the Federal Employees' Group Life Insurance Act, is increased from '$117,500' to '$194,000.' "

On page 8, after line 17, to insert:

"Not to exceed $23,000 of the funds in the 'Employees' life insurance fund' shall be available for reimbursement to the Civil Service Commission during the fiscal year 1958, for administrative expenses incurred by the Commission during that fiscal year in the administration of said act, and such amount shall be in addition to any amounts otherwise made available from the fund for such expenses for the fiscal year 1958."

On page 9, after line 4, to insert:

"Operating Expenses, Federal Supply Service

"The limitation under this head in the Independent Offices Appropriation Act, 1957, on the amount available for expenses of travel, is increased from '$120,000' to '$130,000.' "

On page 9, after line 9, to insert:

"HOUSING AND HOME FINANCE AGENCY

"Office of the Administrator

"Federal Flood Indemnity Administration

"Payment for flood indemnity operations

"For payment of compensation for services rendered by private organizations and persons pursuant to section 13 (a) of the Federal Flood Insurance Act of 1956 (70 Stat. 1078), for services and facilities of the Federal Reserve banks and public agencies as authorized by section 13 (b) of said Act, $14 million, to remain available until expended."

Under the subhead "Veterans' Administration—Inpatient Care", on page 9, at the beginning of line 22, to strike out "Notwithstanding" and insert "For an additional amount for 'Inpatient care', $2 million, of which $1,450,000 shall be derived by transfer from the appropriation for 'General operating expenses', fiscal year 1957, and $550,000 shall be derived by transfer from the appropriation for 'Outpatient care', fiscal year 1957:"

Under the subhead "Bureau of Indian Affairs—Resources Management", on page 11, after line 2, to strike out:

"For an additional amount for 'Resources management', for emergency operation and maintenance of the San Carlos irrigation project on a nonreimbursable basis, $133,000, to be derived by transfer from the appropriation for 'Education and welfare services', Bureau of Indian Affairs, fiscal year 1957."

And, in lieu thereof, to insert:

"For an additional amount for 'Resources management', $283,000, to be derived by transfer from the appropriation 'Education and welfare services', Bureau of Indian Affairs, fiscal year, 1957: *Provided*, That $133,000 of the amount herein provided shall be for emergency operation and maintenance of the San Carlos irrigation project on a nonreimbursable basis."

Under the heading "Independent Offices," on page 12, after line 19, to insert:

"Alexander Hamilton Bicentennial Commission

"For an additional amount for 'Alexander Hamilton Bicentennial Commission,' $15,000."

Under the heading "Chapter VII—Department of Health, Education, and Welfare—Public Health Service—Hospitals and Medical Care," on page 14, line 5, after the word "for," to strike out "the cost of hospitalization" and insert "payments for medical care."

On page 14, after line 7, to insert:

"Foreign Quarantine Service

"Section 364, part G, title III, of the Public Health Service Act is amended by adding thereto the following subsections:

"'(c) Employees of the United States Public Health Service, Foreign Quarantine Division, performing overtime duties including the operation of vessels, in connection with the inspection or quarantine treatment of persons (passengers and crews), conveyances, or goods arriving by land, water, or air in the United States or any place subject to the jurisdiction thereof, hereinafter referred to as "employees of the Public Health Service," when required to be on duty to perform such duties between the hours of 6 o'clock postmeridian and 6 o'clock antemeridian (or between the hours of 7 o'clock postmeridian and 7 o'clock antemeridian at stations which have a declared workday of from 7 o'clock antemeridian to 7 o'clock postmeridian) or on Sundays or holidays, shall be paid, in lieu of compensation under any other provision of law, at the rate of 1½ times the basic hourly rate for each hour that the overtime extends beyond 6 o'clock (or 7 o'clock as the case may be) postmeridian, and 2 times the basic hourly rate for each overtime hour worked on Sundays or holidays. As used in this subsection, the term "basic hourly rate" shall mean the regular basic rate of pay which is applicable to such employees for work performed within their regularly scheduled tour of duty.

"'(d) (1) The said extra compensation shall be paid to the United States by the owner, agent, consignee, operator, or master or other person in charge of any conveyance, for whom, at his request, services as described in this subsection (hereinafter referred to as overtime service) are performed. If such employees have been ordered to report for duty and have so reported, and the requested services are not performed by reason of circumstances beyond the control of the employees concerned, such extra compensation shall be paid on the same basis as though the overtime services had actually been performed during the period between the time the employees were ordered to report for duty and did so report, and the time they were notified that their services would not be required, and in any case as though their services had continued for not less than 1 hour. The Surgeon General with the approval of the Secretary of Health, Education, and Welfare may prescribe regulations requiring the owner, agent, consignee, operator, or master or other person for whom the overtime services are performed to file a bond in such amounts and containing such conditions and with such sureties, or in lieu of a bond, to deposit money or obligations of the United States in such amount, as will assure the payment of charges under this subsection, which bond or deposit may cover one or more transactions or all transactions during a specified period: *Provided*, That no charges shall be made for services performed in connection with the inspection of (1) persons arriving by international highways, ferries, bridges, or tunnels, or the conveyances in which they arrive, or (2) persons arriving by aircraft or railroad trains, the operations of which are covered by published schedules, or the aircraft or trains in which they arrive, or (3) persons arriving by vessels operated between Canadian ports and ports on Puget Sound or operated on the Great Lakes and connecting waterways, the operations of which are covered by published schedules, or the vessels in which they arrive.

"'(2) Moneys collected under this subsection shall be deposited in the Treasury of the United States to the credit of the appropriation charged with the expense of the services, and the appropriations so credited

shall be available for the payment of such compensation to the said employees for services so rendered.' "

Under the heading "Chapter VIII—Public Works," on page 18, after line 16, to insert:

"DEPARTMENT OF THE INTERIOR

"Southeastern Power Administration

"Operation and Maintenance

"For an additional amount for 'Operation and maintenance, Southeastern Power Administration,' $35,000, to be derived by transfer from the appropriation for 'Operation and maintenance, Southwestern Power Administration,' fiscal year 1957."

Under the heading "Department of Defense—Civil Functions—Department of the Army," on page 19, after line 17, to insert:

"Rivers and harbors and flood control

"Construction, General

"That portion of title III of the act of July 2, 1956 (Public Law 641, 84th Congress, 70 Stat. 474, 480), that pertains to the purchase of lands and improvements in the Buford-Trenton Irrigation District in lieu of protecting said Buford-Trenton Irrigation District in connection with development, construction, and operation of the Garrison Dam and Reservoir project on the Missouri River, is amended to read as follows:

"'That in lieu of protecting the East Bottom of Buford-Trenton Irrigation District, the sum of $1,621,791 of the funds herein or hereafter appropriated for the Garrison Dam and Reservoir project on the Missouri River shall be available for the purchase of lands and improvements in and contiguous to the Buford-Trenton Irrigation District, exclusive of tracts Nos. H. H. 3170 and H. H. 3168, and not to exceed $2 million shall be available to the Corps of Engineers for protection of the intake structure of the pumping plant in Zero Bottom and for the construction of bank protection to prevent erosion in the Missouri River adjacent to the Buford-Trenton irrigation project. The substitution of land acquisition for protection shall be made and the Secretary of the Army shall acquire such land and improvements if all of the landowners, except Lester G. Larson, the heirs of Louis Morin, Jr., and the heirs of A. Desjarlais, on or before September 15, 1957, have offered to sell their property on the terms agreeable to said landowners, and within the amount provided for such land acquisition: *Provided*, That the Chief of Engineers, United States Army, is authorized to acquire by condemnation proceedings in the appropriate United States district court, tract 208 C of the Buford-Trenton project, Williams County, N. Dak., according to the recorded plat thereof which tract is owned by Lester G. Larson, the public domain allotment of A. Desjarlais, now deceased, described as Government lots 5 and 8 in section 19 and Government lot 1 in section 30, township 153 north of range 102 west of the fifth principal meridian, North Dakota, and the public domain allotment of Louis Morin, Jr., now deceased, described as the west half southwest quarter, section 16, and the north half southeast quarter, section 17, township 153 north, range 102 west, fifth principal meridian, North Dakota, in connection with the construction and operation of the Garrison Dam and Reservoir: *Provided further*, That in the event land acquisition is undertaken in lieu of protection of the East Bottom, that in recognition of the increased per acre annual operation and maintenance cost of the remaining lands in the Buford-Trenton Irrigation District, the construction charge obligation assignable to the remaining lands of said district pursuant to the act of October 14, 1940 (54 Stat. 119), as amended, and the proposed contract between the United States and the Buford-Trenton Irrigation District, approved as to form February 23, 1955, shall be nonreimbursable, and the Secretary of the Interior is authorized and directed to enter into a contract with the Buford-Trenton Irrigation District to transfer operation and maintenance responsibility for project works constructed by the Bureau of Reclamation for the benefit of the Buford-Trenton Irrigation District to such district.' "

Under the heading "Chapter IX—Department of State—Administration of Foreign Affairs—Salaries and Expenses," on page 22, at the beginning of line 11, to strike out "$500,400" and insert "$1,000,000."

At the top of page 23, to insert:

"DEPARTMENT OF JUSTICE

"Legal activities and general administration

"Salaries and Expenses, United States Attorneys and Marshals

"For an additional amount for 'Salaries and expenses, United States attorneys and marshals', not to exceed $300,000, to be derived by transfer from any appropriation available to the Department of Justice for the fiscal year 1957."

Under the heading "Funds Appropriated to the President—President's Special International Program," on page 24, at the beginning of line 25, to strike out "$1,300,000" and insert "$1,500,000."

Under the heading "Chapter XI—Legislative Branch," on page 28, after line 2, to insert: "Senate."

On page 28, after line 3, to insert:

"For payment to Jean K. McCarthy, widow of Joseph R. McCarthy, late a Senator from the State of Wisconsin, $22,500."

On page 28, after line 6, to insert:

"Contingent expenses of the Senate

"Senate restaurants: For an additional amount for Senate kitchens and restaurants, $30,000."

On page 28, after line 9, to insert:

"There is hereby established within the contingent fund of the Senate a revolving fund which shall consist of (1) the unexpended balance of the appropriation 'Contingent expenses, Senate, stationery, fiscal year 1957,' (2) any amounts hereafter appropriated for stationery allowances of the President of the Senate and of Senators, and for stationery for use of committees and officers of the Senate, and (3) any undeposited amounts heretofore received, and any amounts hereafter received as proceeds of sales by the stationery room of the Senate. Any moneys in the fund shall be available until expended for use in the same manner and for the same purposes as funds heretofore appropriated to the contingent fund of the Senate for stationery, except that (1) the balance of any amount appropriated for stationery for use of committees and officers of the Senate which remains unexpended at the end of any fiscal year and (2) allowances which are not available for obligation due to vacancies or waiver of entitlement thereto, shall be withdrawn from the revolving fund."

Under the subhead "Capitol Buildings and Grounds—Capitol Buildings," on page 30, at the beginning of line 21, to strike out "$13,500" and insert "$21,500."

On page 30, after line 21, to insert: "Not to exceed $25,000 of the amount of $60,000 under the heading 'Capitol Buildings' continued available for the fiscal year 1957 in the Legislative Branch Appropriation Act, 1957, for the installation of two additional elevators in the Senate wing of the Capitol, is hereby made available for expenditure without regard to section 3709 of the Revised Statutes, as amended, for repairs and improvements to the two elevators in the Senate wing located adjacent to the two additional elevators, and is continued available until June 30, 1958."

On page 31, after line 6, to insert:

"Senate Office Building

"For an additional amount for 'Senate Office Building,' $17,000."

"General Provision

"Notwithstanding the provisions of any other law, the unexpended balances of appropriations for the fiscal year 1955 and succeeding fiscal years which are subject to disbursement by the Secretary of the Senate or the Clerk of the House of Representatives shall be withdrawn as of June 30 of the second fiscal year following the year for which provided. Unpaid obligations chargeable to any of the balances so withdrawn or appropriations for prior years shall be liquidated from any appropriations for the same general purpose, which, at the time of payment, are available for disbursement."

Under the heading "Chapter XII—Claims for Damages, Audited Claims, and Judgments," on page 32, line 21, after the word "Congress," to insert "and Senate Document No. 38, 85th Congress," and in line 22, after the amendment just above stated, to strike out "$2,728,739" and insert "$4,437,898."

The PRESIDING OFFICER. The Senator from Arizona has the floor.

Mr. CARLSON. Mr. President, will the Senator from Arizona yield?

Mr. HAYDEN. I yield.

Mr. CARLSON. I notice, by the report, that the committee is recommending $14 million for flood insurance. I understand the budget request was $50 million. The basic legislation, as the Senator from Arizona knows, was passed following the 1951 flood in Kansas, Missouri, and Oklahoma, and of more recent flood disasters in New England, since which time there have been serious floods in the States of Kansas and Texas. I wonder if the Senator will assure us this amount is sufficient to start the work and get it under way.

Mr. HAYDEN. The committee recommended a figure to which we thought we could reasonably ask the House to consent. The House appropriated no money for this purpose. Instead of asking for the full $50 million, it was thought the Senate should request $14 million, which will start the program and pay for the services of the private insurance companies which have been cooperating in preparing it.

Mr. CARLSON. I appreciate that information, because we in the Kansas River Basin in Kansas have a deep interest in the matter. I was there last week, and the hope was expressed that the work would be started promptly. With the assurance that this amount will at least enable work on the program to be started, I shall go along with it.

The PRESIDING OFFICER. The Clerk will state the committee amendment which has been passed over and which appears on page 10, after line 20.

The LEGISLATIVE CLERK. Under the heading "Chapter VI—Department of Interior," on page 10, after line 20, it is proposed to insert:

Office of the Secretary

Acquisition of Strategic Minerals

For an additional amount for "Acquisition of strategic minerals," $30 million, to remain available until December 31, 1958.

Mr. WILLIAMS. Mr. President, does the chairman of the committee wish to

make a statement in support of this provision?

Mr. HAYDEN. I do not think I can make any better statement than the committee placed in the report filed by it. In recommending the approval of this item, the committee stated in its report on the previous appropriation bill:

In recommending approval of this item in the urgent deficiency bill, the committee stated in its report (S. Rept. No. 65, 85th Cong.):

"The committee considered funds for this program during the latter part of the last session of Congress. In recommending an appropriation of $25 million, the committee stated in its report (S. Rept. No. 2770, 84th Cong.):

" "The budget estimate for this program—$91,670,000—the estimated cost of the program for 2½ years. It is the view of the committee that the sum recommended is adequate to carry out the program through January of 1957. The committee expects the Department to submit a supplemental request for funds, through the Bureau of the Budget, when additional funds are required.'

"In recommending the initial appropriation ($21 million was agreed to in the conference committee) the committee gave its approval to the intent of the authorizing act, which is to grant interim relief to the producers of tungsten, asbestos, acid-grade fluorspar, and columbium-tantalum until such time as a long-range nondefense minerals policy is submitted to and acted on by the Congress.

* * * * *

"It is the view of the committee that if this program is discontinued at this time the resulting loss to many of the producers will be so great that they will not be able to recover. The effect of such action would be directly opposite to the intent of Public Law 733, which was to maintain our domestic sources of these minerals."

I might state, Mr. President, that I received a letter not long ago which I think is strictly applicable to this situation. I should like to quote a paragraph from it:

A mine is unlike a store. Once production halts and pumps are removed, a mine usually floods. Often it is lost to further production forever. At a minimum, it costs huge sums of money and a considerable length of time, sometimes years, before a mine can be placed back in operation. It certainly is dangerous folly to treat in this manner an industry producing strategic materials. Also, shutdowns mean that part of the national wealth is post permanently. It is a terrible waste.

In order that we may have an interim strategic minerals policy, we should try to carry on this program, with the understanding that the present administration will, at an early date, submit a strategic minerals program for consideration by the Congress. This is an interim program only.

Mr. WILLIAMS. Mr. President, I should like to ask the Senator from Arizona why it is felt necessary to continue the procurement at $55 a ton, which is so far above the prevailing market price on even the domestic production. Why set a price with such a large margin of profit for producers who are always coming forward to ask the Government to bail them out?

Mr. HAYDEN. The Senator speaks of a large margin of profit. The figure mentioned was determined by the proper authorities of this administration as the amount necessary to be paid in order to have tungsten mined in the United States.

Mr. WILLIAMS. I beg the Senator's pardon. The figure was determined during the war when tungsten was very high in price, both from the world market standpoint and the domestic market standpoint, at a time when we needed the material and there was a great shortage. Why are we carrying those prices over? No other commodity is being treated that way.

Mr. HAYDEN. All I can tell the Senator is that that is the price recommended by those who are responsible for the administration of the act. They suggested no lowering of the price. If it were lowered, we probably would not get the American production we are seeking.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. WILLIAMS. Mr. President, has the Senator from Arizona concluded?

The PRESIDING OFFICER. Does the Senator from Arizona yield the floor?

Mr. HAYDEN. I yield.

Mr. WILLIAMS. Mr. President, I wish to have the floor in my own right.

The PRESIDING OFFICER. The Senator from Delaware has the floor in his own right.

Mr. WILLIAMS. Mr. President, I do not know of any better argument to be used against this amendment than once again to read the testimony on this question made by Mr. Flemming, the chairman of the Office of Defense Mobilization, before the House committee this year.

I might add that this proposal has been rejected three times by the House of Representatives, and I think properly so.

Mr. Flemming said before the House committee:

Tungsten on hand exceeds both the minimum and long-term stockpile objectives. The inventory plus orders is larger than the total 5-year wartime requirements. * * * There is clearly no defense justification for a continuation of this program because even without any access to either domestic or foreign sources of supply in the event of war, we would have enough in the stockpile to meet total requirements for approximately a 5-year period.

Continuing to read from the House report, the House committee submitted this statement, on page 12 of the report:

Under the new subsidy program, the Government has purchased, since August 1, 1956, over $15 million worth of tungsten from domestic producers at $55 per unit while the United States market price was approximately $35. It should be noted that while it was contended that about 700 domestic producers might benefit from this program, only 49 producers have participated, 9 of whom have received 87 percent of the funds.

The largest purchase during this period was from a group of 3 affiliated companies and totaled $2,875,730, representing 19 percent of the total. A top executive of these companies testified previously that the authorizing legislation was needed in order that the domestic mines can survive foreign competition. The committee was astounded to discover through its own investigation that a dominant company in this group has the largest contract to supply tungsten to the Government from foreign mines. The committee is advised that this contract, for the purchase of over $39 million of tungsten at $55 a unit, will not terminate until December 1959.

In the light of these facts, there can be no sound justification for continuing in peacetime a subsidization program for the sole benefit of a very limited segment of the industry at such an exorbitant cost to the taxpayers of the Nation.

Mr. President, the testimony on behalf of the military establishment and other defense establishments is to the effect that this subsidy program is not needed from the standpoint of the national defense.

Mr. President, we are dealing here today with House bill 7221, which is a bill making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes.

The language of the committee amendment provides for an additional amount for the acquisition of strategic minerals, $30 million, to remain available until December 31, 1958. This is obviously in contradiction of the purposes of the bill; therefore, I make a point of order that the committee amendment is out of order and that it is legislation on an appropriation bill.

Mr. HAYDEN. Mr. President, I concede the point of order and offer an amendment.

The PRESIDING OFFICER. The point of order is sustained. The amendment will be received and stated.

The LEGISLATIVE CLERK. On page 10, after line 20, it is proposed to insert:

OFFICE OF THE SECRETARY

Acquisition of strategic minerals

For an additional amount for "Acquisition of strategic minerals," $30,000,000.

Mr. HAYDEN. Mr. President, I think I should explain to the Senate that the deletion of the phrase, "to remain available to December 31, 1958" from this paragraph does not accomplish anything.

In the Second Supplemental Appropriation Act, 1957, the sum of $21 million was appropriated for the "Acquisition of strategic minerals," and the paragraph included the phrase "to remain available until December 31, 1958." The amendment pending provides for "an additional amount of $30,000,000 for the acquisition of strategic minerals," which in effect amends the parent paragraph in the Second Supplemental Appropriation Act of 1957, therefore all conditions and limitations contained in the parent paragraph apply to the funds provided in the pending amendment. This position was sustained in a decision by the Comptroller General in 1940, and can be found in volume 20, Decisions of the Comptroller General, page 769.

Mr. WILLIAMS. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were not ordered.

Mr. DOUGLAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, my friend, the Senator from Delaware [Mr. WILLIAMS], and my friend, the Senator from Illinois [Mr. DOUGLAS], desire to have the yeas and nays ordered. I think they should be ordered. I hope a rollcall will be ordered so that the Senator from Delaware and the Senator from Illinois and all other Senators will be aware of the action to be taken.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Arizona [Mr. HAYDEN], on which the yeas and nays have been requested. Is there a sufficient second?

The yeas and nays were ordered.

Mr. JOHNSON of Texas. Mr. President, I should like to have the attention of the distinguished chairman of the Committee on Appropriations. As I understand, the measure the Senate has under consideration proposes to amend the bill as passed by the House of Representatives, to provide an increase of $62,501,257.

Mr. HAYDEN. It does.

Mr. JOHNSON of Texas. Of the $62,501,277, $45 million has been taken from a deficiency bill previously passed by this body. Is that correct?

Mr. HAYDEN. Forty-five million dollars.

Mr. JOHNSON of Texas. Of the $45 million, $15 million is for emergency conservation measures, and $30 million is for acquisition of strategic minerals. Is that correct?

Mr. HAYDEN. That is correct.

Mr. JOHNSON of Texas. The other items are: The Panama Canal Bridge, $1 million; the Alexander Hamilton Commission, $15,000; and flood insurance, $14 million. Is that correct?

Mr. HAYDEN. That is correct.

Mr. JOHNSON of Texas. The budget estimate in that connection was $30 million.

Mr. HAYDEN. It was $50 million.

Mr. JOHNSON of Texas. And the House allowed nothing.

Mr. HAYDEN. The House allowed nothing.

Mr. JOHNSON of Texas. The Senate committee restored $4 million.

Mr. HAYDEN. Yes.

Mr. JOHNSON of Texas. The State Department salary increase is $699,600. Is that correct?

Mr. HAYDEN. That is correct.

Mr. JOHNSON of Texas. As I understand, that is the result of the mandatory benefits under Public Law 828, for 1957. We passed Public Law 828, and as a result of the mandatory requirements of the act, for 1957, this $699,600 must be provided.

Mr. HAYDEN. It is necessary to comply with the law.

Mr. JOHNSON of Texas. Then there is a claims item of $1,709,157.

Mr. HAYDEN. Those are audited claims, which we always pay.

Mr. JOHNSON of Texas. There is also a legislative item of $77,500.

Mr. HAYDEN. That is correct.

Mr. JOHNSON of Texas. That makes a total of $62,501,000.

Mr. HAYDEN. That is correct.

Mr. JOHNSON of Texas. The Senate has previously acted with respect to $45 million of that sum.

Mr. HAYDEN. The Senator is correct.

Mr. LAUSCHE. Mr. President, will the Senator yield for a further question?

Mr. HAYDEN. I yield.

Mr. LAUSCHE. With respect to the chapter dealing with the Public Health Service, and hospital and medical care, there is a provision dealing with employees of the United States Public Health Service, requring that for ordinary overtime they shall be paid time and a half, and work on Sundays and holidays they shall be paid double time. My question is, What is the general rule with reference to the scale of pay which is applied to employees generally throughout the country? Is it not generally time and a half? If it is, why is this provision being made for double time for holidays and Sundays?

Mr. HAYDEN. This is a subject with which the Senator from Alabama [Mr. HILL] is more familiar than anyone else. I will ask him to answer the question.

Mr. HILL. Mr. President, I will say to the distinguished Senator from Ohio that this provision follows the general rule of time and a half for ordinary days, and double time for Sundays and holidays.

Mr. LAUSCHE. Why is it that this question has arisen at this time?

Mr. HILL. Under the existing statute, when ships come into port, say, in the afternoon, and they cannot be checked out of quarantine by 6 o'clock, that means that they must lie over until the next day. The shipping interests are very much interested in obtaining this service around the clock, or after 6 o'clock in the afternoon, so that ships will not lose time lying in port waiting for the service. The shipping association is very strongly in favor of this provision. The House conferees and the Senate conferees unanimously agreed on a similar provision in connection with a previous bill, which did not become law because that particular bill was one of the appropriation bills which the House did not finally act upon. But so far as I know, all parties interested in this question are in agreement about desiring this provision of the bill.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. PASTORE. Am I correct in making the statement that the expense incurred under this provision does not represent money paid by the American taxpayer? It is money with respect to which there is reimbursement by the interests which require this special treatment.

Mr. HILL. The shipping companies themselves will pay the extra costs. They are perfectly willing to pay them. In fact, they are so eager for the service that they are glad to have the opportunity to pay the costs of the service.

Mr. LAUSCHE. It is my understanding that the present rule is that the pay is time and one-half for holidays and Sundays. Is it the understanding of the Senator from Alabama that the rule calls for double time for Sundays and holidays?

Mr. HILL. It is my understanding that this provision follows the regularly prescribed rule, which is double time for Sundays and holidays. As the Senator from Rhode Island has well pointed out, these expenses will not be borne by the taxpayers. They will not come out of the Federal Treasury. The costs will be paid for by the shipping companies. They are saying to us, "Give us this service. We are willing to pay for it."

Mr. PASTORE. As a matter of fact, that is the rate of pay for those who work at these terminal points for other organizations, not connected with the Government.

Mr. HILL. Other organizations and other services in connection with our shipping.

Mr. LAUSCHE. The purpose of the question is to make certain that we are not establishing a precedent which will subsequently be used in making demands such as those covered by the language of this bill, which would establish a rule which is not presently applicable generally.

Mr. HILL. The Senator's question is a good one, and a very pertinent one. I think we are establishing no precedent which will arise in the future to trouble us.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. HAYDEN].

Mr. JOHNSON of Texas. Mr. President, may we have the amendment stated?

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 10, after line 20, it is proposed to insert the following:

OFFICE OF THE SECRETARY

Acquisition of strategic minerals

For an additional amount for "Acquisition of strategic minerals," $30 million.

Mr. LAUSCHE. Mr. President, this subject has been discussed at some length in the Senate. There exists at present an impasse between the House and the Senate concerning the item as it was written by the Senate into the urgent deficiency bill.

About 3 days ago there came to my office an official of one of the tungsten companies. He told me that this program of the Senate, subsidizing the manufacturers of tungsten when we already have at least a 5-year supply available, would bring profit to his company. However, he stated to me that, as an American citizen, he did not want that profit, knowing that the program was wrong.

Every bit of testimony offered on this subject indicates that we have more tungsten than we need. We are talking about reducing the budget. I know of no better place to begin than in connection with a subject with respect to which the testimony proves that we are merely continuing a program to purchase supposedly strategic materials, of which we already have an overabundance. Mr. Flemming testified on the subject, and his testimony was quoted by the Senator from Delaware. He said that the tungsten on hand exceeds both the minimum

and long-term stockpile objectives, and the inventory plus orders is larger than the total 5-year wartime requirements.

I simply cannot understand how, in the face of the huge tax burden, the huge budget, and the huge national debt, we can justify investments of this type.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. HAYDEN. The Senator was quoting Mr. Flemming. However, with respect to tungsten, Mr. Flemming had this further to say:

In view of the fact that the purchase program is about to terminate and that all defense needs have been met, we believe that this also is a situation where Congress should take appropriate action to assist the industry by providing for the purchase of specified amounts from nondefense funds until Congress has had time to consider recommendations from the Department of the Interior for a long-range program.

In other words, if it were a permanent program, or if we were to continue it for a long time to come, that would be one thing. However, if it is a matter of keeping faith with people who have engaged in the mining of tungsten for only a brief period, as specified in the bill, pending the time when the administration can develop a strategic-mineral program, that is a very different thing. That sheds a different light on Mr. Flemming's first statement.

Mr. LAUSCHE. I appreciate deeply the fact that Dr. Flemming did make that statement. However, that statement was made a year ago. The subject has been under discussion for 2 years. Two years ago it was stated that the quantity of tungsten available was adequate to the wartime needs of this country. My query is: "How long are we to continue to have this transition from a wartime situation to a peacetime situation? Two years have now passed. How much longer will be needed?"

ACCESSIBILITY OF CRITICAL MATERIALS—HIGHER TEMPERATURE ALLOYS

Mr. MALONE. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. MALONE. I have before me a letter from R. H. Thielemann, chairman of the department of metallurgy, Stanford Research Institute in California.

The Stanford Research Institute led by Mr. Thielemann, has been conducting research on the metallurgy of high heat resistant alloys. This is Mr. Thielemann's conlusions—excerpts from his letter of May 15:

Until less than a year ago the effort was to engineer tungsten out of military programs.

I shall put the entire letter in the RECORD later.

Mr. President, for 20 years we did not produce any domestic tungsten because we were in direct competition with the sweatshop labor throughout the world. All that is needed to have domestic production of most of the critical, including tungsten, is to pay the difference between the cost of labor and the general cost of doing business in the United States and abroad. Therefore, in this legislation the effort was made to adjust the price to meet that additional cost.

Mr. Thielemann goes on to says:

JET SPEED, GUIDED MISSILES, AND HIGHER TEMPERATURES

Our whole technocracy today is aimed at higher temperatures. This is true in both commercial and military fields. At the present time the jet engine presents the important challenge, but missiles and other applications where high temperatures are involved are becoming increasingly important. As you know, we are spending very large sums to develop a commercial use of atomic energy but the program is bogging down badly because the reactors cannot be operated at high enough temperatures to make them economical.

Mr. President, our current annual use of tungsten has been around 8 million pounds. If we had 90 million pounds in the stockpile it would mean around 11 years' supply under present conditions.

However, if what the metallurgists of the Theilemann type say is true, then the annual use might easily become thirty to forty million pounds, which would reduce the stockpile to 2 to 3 years—and the security of this Nation could be endangered.

MILITARY PROGRAM CAN BE DEFEATED—COMMERCIAL USE OF AIRCRAFT RETARDED

Therefore I would say to the Senator from Ohio, who I know has the best intentions in the world, that we can defeat the military program by quoting testimony of an expert after laboratory work and research has made such testimony obsolete.

Mr. President, I would say to the distinguished junior Senator from Ohio that by quoting a former Secretary of the Interior, Mr. Ickes, when he continually stated over the years of his incumbency that we did not have any critical materials, including tungsten.

He died thinking that we must remain dependent upon Burma and northern China for the necessary tungsten.

It never meant anything to him that if the Congress either fixed a price on domestic tungsten or returned to the Constitution in the regulation of foreign trade by adjusting the duty to make up the difference in cost of production here and abroad—that we would produce all of the tungsten we need.

Mr. LAUSCHE. Mr. President, in reply to the Senator, I should like to read from the report of the committee:

The Director of the Office of Defense Mobilization assured the Congress in June 1956, that there was no defense justification for further domestic purchases of any of these four materials.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

WORLD WAR II AND KOREAN WAR USE OF TUNGSTEN RETARDED

Mr. MALONE. I should like to say that last fall the Committee on Interior and Insular Affairs asked Mr. Quarles, Secretary of the Air Force, to come before the committee and tell the members of the committee why the Government was restricting the amount of tungsten being used in jet engines beyond the point of safety and thereby curtailing the life of the engines. Mr. Quarles replied: "Because we do not have the tungsten."

We said, "We asked you to come before the committee to tell you you are not informed that we are producing more tungsten now than is actually being used in this country."

Within 2 weeks he took the restriction off and let the designers use the required amount of the indispensable metal in the manufacture of jet engines.

Did the distinguished Senator from Ohio know that there was a restriction all during the Korean war on the amount of tungsten that could be used, simply because we were not supposed to be able to produce it in this country and we could not get it from across major oceans?

Mr. LAUSCHE. I deeply appreciate the comments made by the distinguished Senator from Nevada. However, what he says does not at all alter the word that has come from the person who is in charge of Defense Mobilization. He said that we have more tungsten than we could use in a period of war.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. LAUSCHE. I yield.

PROGRESSIVE METALLURGY

Mr. MALONE. I would say that this metallurgical investigation is progressing progressively. We are trying to create a higher heat resistant alloy. The writer of the letter I have before me says that the only alloy that will stand above 2,000° heat resistance in tungsten. Therefore, that fact alone would several times over increase the use of tungsten.

It is apparent that anything said even 6 months ago with reference to jet engines may not be true as of now. The designers will tell you that with the improved alloys often an airplane or engine designed today may be obsolete before it goes into production.

Mr. LAUSCHE. That statement still does not alter the fact that the person who is in charge of the program tells us we have all the tungsten we need.

Mr. MALONE. I would merely say that that was said a year ago and that the gentleman he quotes is no longer in charge of the program.

Mr. LAUSCHE. Mr. President, I yield the floor.

Mr. BIBLE. Mr. President, I desire to make only a few observations on the pending amendment. It seems to me that since the institution of this program we have had a situation which, boiled down, may be expressed in this way: Is Congress prepared to keep faith with the commitment it made in Public Law 733 last year?

I recognize full well that there are Senators who have a different opinion than I about the particular legislation referred to. However, Public Law 733, authorizing the continuance of the strategic minerals program, was passed by an overwhelming vote. Later on, implementing funds were provided, in the amount of approximately $21 million. The Committee on Appropriations at that time sent to the floor, in the closing days of the session, a statement that it was anticipated that further funds would be forthcoming in the 1st session of the 85th Congress.

Unquestionably, the miners in the field acted upon that representation, as they

had every right to act upon it. They continued the mining, they continued their investments, and they even went out looking for new prospects, thinking that Congress was going to keep faith.

Then in the first supplemental appropriation bill of this session there was a difference of opinion between the House and the Senate. However, the Senate was very clear on that particular point, and by a vote of 64 to 17 it said, in my opinion, "We shall keep the faith"—and we did keep the faith, so far as the Senate of the United States was concerned.

Without laboring the point, without extending the argument, I point out to my beloved friend, the distinguished junior Senator from Ohio [Mr. LAUSCHE], who has constantly mentioned the testimony of Dr. Flemming, that I am familiar with Dr. Flemming's testimony of 2 years ago. But I am familiar also with Dr. Flemming's testimony of February 26 of this year—just a short 90 days ago. The proponents of Public Law 733 did not put the issue on a defense basis, nor did Dr. Flemming do so in his well-reasoned report to the committee. On February 26 of this year, Dr. Flemming, in explaining why the ODM was supporting Public Law 733, said:

We are supporting it on the ground that there is a long-term policy that the administration is going to present and that the Congress is going to consider, and we feel that during this interim period between now and the time there is agreement on the long-term policy it just does not make good sense from any point of view to permit these mines to close down and the water to flood the mines, and so on, and to put the miners out of work.

Dr. Flemming said further:

We feel that Public Law 733 represents sound public policy under all of the circumstances that confront us at the present time.

In direct reference to tungsten, to which the Senator from Ohio alluded, Dr. Flemming said:

We should avoid weakening this particular segment of our economy by permitting it to close down, as a weakened segment of the economy weakens the foundations on which our whole defense mobilization program rests. To that extent there is a defense relation. Then to the additional point I have just made we are also in a strong position from a defense point of view if we have a going concern rather than something that is shut down when there is also a possibility that the military requirement figures may change and we may need to acquire additional material.

Dr. Flemming added, in the same testimony, at the same hearing, on February 26 of this year, just a short 90 days ago:

I want it to be clearly understood that we favor Public Law 733, and naturally favoring the public law we favor the appropriation of the funds necessary to carry out the policies set forth in that public law.

Dr. Flemming said also:

We do believe that it is important for Congress to follow through on the policy that was reflected in Public Law 733 as passed by the Congress and signed by the President.

So I say to my good friend from Ohio that, to me, what is involved is keeping faith with a solemn obligation of Congress, passed less than a year ago, and upon which the people of my State rely. Nevada, with 79 producers, is the second largest tungsten-producing State. We have several large mines, 5 in number, the largest of which employs 225 men. That certainly would not be called big by any of the standards which would apply in a great State, such as Ohio, having vast industrial development.

Before I close, I wish to make one further point. As the record will show, there are outstanding some $62 million in contracts to purchase tungsten from foreign producers at an average price of $55 a unit. I am advised that those contracts are legal, that they are enforcible, and that the foreign producers can collect on them. Yet now, at this very moment, are we to say to our domestic producers, "We did not say that. We will not carry out the word we gave you last July"?

I think the problem is that simple. I believe the amendment should be overwhelmingly adopted.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. BIBLE. I yield to my amiable, but probably differing, colleague from the great State of Delaware.

Mr. WILLIAMS. The Senator's flattery has almost made me forget what I was going to ask him.

Mr. BIBLE. I shall be glad to enlarge upon my compliment.

Mr. WILLIAMS. Is it not a fact that some of the same domestic producers to whom the Senator from Nevada has referred are also foreign producers?

Mr. BIBLE. Some of them are foreign producers. The answer is "Yes."

Mr. WILLIAMS. And are not some of them importing material, as well as producing it in this country?

Mr. BIBLE. The answer is, that there are several on the list who produce both in the foreign field and in the domestic field.

Mr. WILLIAMS. Is not $55 a ton about the highest price they have ever received, even in wartime?

Mr. BIBLE. I cannot answer that it is the highest price.

Mr. WILLIAMS. From $55 to $65 was the range during the war; but these contracts were made at $55 a ton during the height of the Korean war and are being carried over now into the peacetime economy.

Mr. BIBLE. I think the table shows that there is one foreign contract to purchase at $59 a unit, rather than $55.

Mr. WILLIAMS. That is correct.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. BIBLE. I yield to the Senator from Colorado.

Mr. CARROLL. The distinguished Senator from Nevada has put his finger on the key argument in the whole debate.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Colorado speak louder? I should like to hear what he has to say.

Mr. CARROLL. I was a member of the committee that listened to Dr. Flemming. His testimony was exactly as the Senator from Nevada has outlined it within the last few minutes. Moreover, the most important part of the discussion before the committee was based upon this point, not upon the wisdom of the 84th Congress in passing an appropriate piece of legislation. Having passed it, Congress is now confronted with the question of whether the tungsten industry has changed its financial position because of its faith in a law which Congress passed, as I understand, in July 1956.

As a matter of fact, in Colorado, a very small group of people are affected by the tungsten industry, so I am not making any special plea for the industry in my State. However, I received a telegram from one of our producers, a small one, in Boulder County, who asked: "Why didn't you say this to us in 1956? I have now changed my financial position, and I have been relying on this particular legislation."

As the able Senator from Nevada has so clearly stated, the legislation originally may not have been wise, but now we are no longer confronted with a theory, but with a condition. The question now is, having caused some of those folks to change their position, what are we going to do about it?

Let us look at the record. I will ask the Senator from Nevada if I correctly understand the record to be that the House Committee on Appropriations granted some money for this purpose for fiscal 1957. They did, did they not?

Mr. BIBLE. They did; in July 1956, they granted $21 million.

Mr. CARROLL. Is it not true that the Department of the Interior is asking for additional money in order to round out this fiscal year?

Mr. BIBLE. That is true. I might even go further and say that one agency of the Government, the General Services Administration, which is in charge of the act, gave instructions to those in the field as to what they should do on the lapse of the $21 million appropriation, thus giving every indication that they were going forward. At the very beginning of this session of Congress, the GSA sent to Congress a regular budget request.

Mr. CARROLL. I wish to commend the distinguished junior Senator from Ohio for looking into these matters. They ought to be checked; yes, they ought to be watched. Perhaps this is the time now, in fiscal 1957 and before we begin fiscal 1958, to say to domestic tungsten producers, "Watch out for the temper of Congress." Unless the administration comes forward with an intelligible, comprehensive, practical program, as it ought to have done, and as I understand it has not done, I think we can throw up some warning signals. But clearly, Congress is not in a position today to repudiate what has been done before, because to do so would be to the detriment of those who have changed their financial position.

Mr. BIBLE. I thank the Senator from Colorado. I yield the floor.

Mr. WILLIAMS. Mr. President, the Senator from Colorado has claimed that this is an obligation of the United States Government. He has suggested that if the item for this additional $30 million is not included in the bill, as enacted, the Congress will be reneging on certain contracts. That is not correct, Mr. President. Congress did pass an authorization bill, but contracts with the mine producers are only negotiated on the

basis of appropriations. Congress always has the right to lower appropriations below authorizations.

When the authorization was made, the Office of Defense Mobilization was not authorized to make firm contracts except as made later after he got the money. The Director of Mobilization now has on hand sufficient funds for the carrying out of every contract which has been signed by the United States Government.

The pending amendment would provide $30 million, so as to enable the Office of Defense Mobilization to sign another $30 million worth of new contracts for the purchase of tungsten at $55 a ton. Inasmuch as the contracts will be new contracts, it is obvious that if the committee amendment is rejected, we shall not be reneging on any contracts.

In conclusion, I ask unanimous consent that the complete text of the House report be printed at this point in the RECORD. It clearly demonstrates the lack of need for the $30 million.

There being no objection, the excerpt from the report was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE INTERIOR

ACQUISITION OF DOMESTIC MINERALS

The committee has disallowed the supplemental budget request of $30 million to continue, under Public Law 733, the domestic purchase of tungsten, asbestos, fluorspar, and columbium-tantalum for the remainder of the current fiscal year. Considering that there is clearly no defense justification for further acquisition of these minerals, the committee feels that continuation of this subsidy program at an estimated total cost of $91 million is entirely unwarranted.

The Director of the Office of Defense Mobilization assured the Congress in June 1956, that there was no defense justification for further domestic purchase of any of these four minerals, pointing out that in each instance the amount on hand and on order met both the minimum and long-term stockpile objectives. For example, Mr. Flemming testified as follows concerning tungsten, for which $68,750,000 has been proposed, representing 80 percent of the total purchase program:

"Tungsten on hand exceeds both the minimum and long-term stockpile objectives. The inventory plus orders is larger than the total 5-year wartime requirements. * * * There is clearly no defense justification for a continuation of this program because even without any access to either domestic or foreign sources of supply in the event of war, we would have enough in the stockpile to meet total requirements for approximately a 5-year period."

The committee believes there is even less justification for continuing this subsidy program at this time than there was on August 14, 1955, when the President vetoed H. R. 6373 which would have directed the continuation of the existing domestic minerals purchase programs under the Defense Production Act for certain minerals, including at least 3 of the 4 in question. In his veto message, the President said:

"* * * Finally, the provisions of H. R. 6373 would apply to only a small segment of the domestic minerals industry and would not reach the fundamentals of the program. Indeed, this bill would make solution of the overall problems of the industry more difficult. * * * The interests of the domestic minerals industry will be better served by proceeding with the careful development of a long-range minerals program than by approving a stopgap measure extending substantial Government aid to only a segment of the industry."

It is obvious that no longer-range program has yet been developed by the administration. This is best evidenced from a review of the situation prevailing in the tungsten industry. Since 1951 the Government has purchased from domestic producers, at $63 per unit 3 million short-ton units under Defense Production Act authority at a total cost of $187,562,751. During this period, the Government also awarded certificates of tax necessity and provided assistance under defense minerals exploration programs to many of these same producers.

During the first half of 1956 almost all of the domestic production was being delivered to the Government under the purchase program at the price of $63 per unit, while industrial needs were being supplied from imports at about $43 per unit. As the amount on hand and on order exceeded even long-term stockpile objectives, it was necessary in June 1956 to discontinue defense purchases from domestic producers.

Under the new subsidy program, the Government has purchased since August 1, 1956, over $15 million worth of tungsten from domestic producers at $55 per unit while the United States market price was approximately $35. It should be noted that while it was contended that about 700 domestic producers might benefit from this program, only 49 producers have participated, 9 of whom have received 87 percent of the funds.

The largest purchase during this period was from a group of 3 affiliated companies and totaled $2,875,730, representing 19 percent of the total. A top executive of these companies testified previously that the authorizing legislation was needed in order that the domestic mines "can survive foreign competition." The committee was astounded to discover through its own investigation that a dominant company in this group has the largest contract to supply tungsten to the Government from foreign mines. The committee is advised that this contract, for the purchase of over $39 million of tungsten at $55 a unit, will not terminate until December 1959.

In the light of these facts, there can be no sound justification for continuing in peacetime a subsidization program for the sole benefit of a very limited segment of the industry at such an exorbitant cost to the taxpayers of the Nation.

Mr. MAGNUSON. Mr. President, I shall speak only briefly.

The Senator from Colorado raised the question as to whether the committee amendment is meritorious. I do not wish to discuss the details in connection with the tungsten item, because the Senator from Colorado and I have heard a great deal of testimony on that subject. We have just concluded hearings on the stockpiling program, and the hearings covered the list of strategic metals which are absolutely vital to the defense of our country. Some of them become less and less vital as technological changes are made in our economy. However, Mr. President, today the economy of the United States is moving into a high-temperature age; that is the best way I can describe the jet age and the missile age. In that connection, the list includes tungsten, chromium, and stainless steel. As everyone knows, tungsten is becoming more and more important. Anything the Congress can do legitimately and equitably to assure that the Government will have the best type of contracts is, I believe, well worthwhile and highly desirable in the case of our stockpiling program and in connection with the use of tungsten in commercial activities.

Without discussing the details, let me say that, although perhaps we should examine the program again, nevertheless, tungsten is becoming very important. Some of the contracts may not be of the best value to the Government. However, last Friday I discovered that in the case of our Government's acquisition of scarce strategic metals, if all the Government's present holdings, now in the stockpile, were sold for what the Government had paid, it would, on the basis of the world market price, make a profit of approximately 40 percent.

As I have suggested, tungsten is vitally important. I hope the Congress will vote to continue this program, even though perhaps some of the details should be examined. Tungsten is one of the strategic metals in the high-temperature age, and tungsten is becoming more and more valuable to our defense and to our commercial uses.

Mr. LAUSCHE. Mr. President, I am somewhat bewildered by the division in the reasons advanced by the proponents of the amendment in their arguments advocating its adoption.

The Senator from Nevada and the Senator from Washington have stated that because of the need for materials which will withstand high temperatures, tungsten must be purchased by the Government. Other Senators argue that there is a moral obligation on the part of the Government to pay those who have kept their plants open, in relying upon the authorization voted by the Congress in 1956.

However, there is no contract between the Government and those persons. Furthermore, it is admitted that tungsten is being imported at the present time. On the one hand, the Government is paying a profit of $20 on every ton of tungsten that is imported. On the other hand, the Government is proposing to subsidize the domestic producers, by means of the pending $30 million amendment. So there is a division of opinion among the proponents. I assume that the division of opinion has developed as a consequence of the weakness of their position.

Mr. President, I shall not vote for the pending amendment. I repeat that to my office came an official of a company which purchases tungsten from abroad and manufactures domestic tungsten. He said to me, "We stand to profit. However, I cannot take that profit from my country. So I urge you to fight the measure."

Mr. MAGNUSON. Mr. President, I do not wish to discuss the details of this proposal. The Appropriations Committee has done that. My point is that I think there is involved a little of both the matters the Senator from Ohio has mentioned.

If tungsten were not so scarce a metal, the situation might be somewhat different.

I do not know what contracts will be made in the future. I do know that after some days of testimony, it became apparent that the more the domestic producers are helped—and in that connection I hope the contracts are fair to the Government—and the more the domestic production can be encouraged, and the more importations can be avoided, the better off our country will be in the case of this very important metal.

PUBLIC LAW 733 PURCHASES DOMESTIC MINERALS, FOREIGN PURCHASES SEPARATE CONTRACTS

Mr. MALONE. Mr. President, I should like to say to my distinguished friend, the Senator from Ohio [Mr. LAUSCHE], that there is a difference.

The pending amendment calls for an appropriation for the purchase of domestic critical materials, including tungsten. What the Senator from Ohio has in mind are those who sell to the Government under the Domestic Minerals Act, Public Law 733, which includes tungsten, but who also have contracts with the GSA for foreign production.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table showing the outstanding contracts to which the distinguished Senator from Ohio has referred.

This table in part was offered for the record in the committee hearing, by my colleague from Nevada [Mr. BIBLE].

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Active contracts with foreign tungsten producers as of Dec. 31, 1956

Contract No., GS-OOP (1)	Contract date (2)	Contractor (3)	Origin (4)	Undelivered balance (STU) Dec. 31, 1956 (5)	Contract unit price in effect Dec. 31, 1956, per STU (6)	Estimated value undelivered quantity [1] (7)	Termination date (8)
614 (SCM)	Feb. 6, 1951	King Island Scheelite	Australia	101,250	$55.00	$5,568,750	Apr. 8, 1958
724 (SCM)	June 22, 1951	Wah Chang Corp	Brazil	414,460	55.00	22,795,300	Dec. 4, 1959
1008 (SCM)	May 1, 1952	Minerales y Metales	Argentina	179,140	50.00	8,957,000	June 30, 1958
1339 (SCM)	Oct. 11, 1951	S. A. Fermin Malaga	Peru	118,250	46.730	5,526,805	Dec. 31, 1958
1612 (SCM)	Oct. 2, 1951	Canadian Exploration, Ltd	Canada	180,000	55.00	9,900,000	Do.
2486 (SCM)	Jan. 2, 1952	Mauricio Hochschild	Bolivia	51,214	59.00	3,021,626	June 30, 1957
2610 (SCM)	Dec. 31, 1951	Bolivian Tin & Tungsten	do	58,233	[2] 59.00 [3] 55.00	3,348,256	Dec. 31, 1957
3727 (SCM)	Jan. 27, 1953 [4]	African Metals Co	S. Africa	3,000	53.00	159,000	Feb. 28, 1957
2857 (SCM)	Apr. 22, 1952	Moreys Creek Tin Mining Co	Tasmania	5,130	55.00	282,150	Apr. 21, 1957
19034 (D)	Aug. 29, 1952	Minerales de Compostela	Spain	10,300	53.00	545,900	Mar. 20, 1957
12224 (D)	Mar. 18, 1952	Beralt Tin & Wolfram	Portugal	39,000	47.50	1,852,500	Sept. 30, 1957
Total				1,160,076	53.60	61,957,308	

[1] Based on contract unit price in effect Dec. 31, 1956.
[2] Grade A.
[3] Grade B.
[4] Offer actually accepted by the Government Sept. 5, 1952.

Columbite, 800,532 pounds, at $2.411=$1,920,282.
Fluorspar, 169,322 short dry tons, at $65.03=$10,672,365.
Asbestos, all grades, 2,983 short tons, at from $250 to $832=$1,722,887.

WAGES LESS THAN AMERICANS PAY IN INDUSTRIAL INSURANCE AND SOCIAL SECURITY

Mr. MALONE. Mr. President, in the case of 2 of the contracts, $59 a unit is paid—or an average of $53 a unit for the tungsten contract, the source of which include Australia, Brazil, Argentina, Peru, Canada, Bolivia, South Africa, Transylvania, Spain, and Portugal.

The wages paid to tungsten miners in most of those countries are not as large as the amounts paid in the United States for industrial insurance and social security in the case of each of these critical materials miners. Yet it is argued by some that United States labor should compete with such low-paid foreign labor.

If that is the position of the Senator from Ohio, I think he should vote against the amendment.

R. H. THIELEMANN, STANFORD INSTITUTE

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter from Mr. R. H. Thielemann, chairman of the department of metallury, of Stanford Research Institute, in California.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STANFORD RESEARCH INSTITUTE,
Menlo Park, Calif., May 15, 1957.

The Honorable GEORGE W. MALONE,
United States Senator from Nevada,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MALONE: I am in receipt of your office newsletter of April 18, 1957, stating that the $30 million item for domestic purchase of tungsten and other critical materials has been deleted from the 1957 deficiency appropriation bill. As you are well aware, unless the domestic mining industry has a market for their product at a price which is commensurate with the cost of their operations, they have no other alternative but to close down. Because of the fact that large quantities of tungsten from foreign sources can be mined with cheap labor and delivered to this country at a price far below the cost of the domestic mined tungsten, there is no market for the domestic tungsten since the existing duties and tariffs do not make up for the difference in cost. It follows that, unless some long range policy can be adopted to make it possible for the domestic mines to operate, they will soon be out of business.

From the strictly technical point of view this situation could have a very serious effect on our efforts to develop the high temperature alloys which are so urgently needed for many of the military and commercial programs. As you know, it wasn't until recently that metallurgists and engineers in this country realized that there could be tungsten available for a large scale usage. Until less than a year ago the effort was to engineer tungsten out of military programs. It was my personal experience to use substitute alloys in the J-57 engine to keep the usage of tungsten within the military requirements. Now that we know we can have tungsten in large quantities, programs have been started to develop new high temperature materials based on the use of tungsten and some of these are presently being tested in advanced jet engines. You know as well as I do that if there is no domestic production of tungsten, the price of foreign material will again be raised to whatever the traffic will bear and tungsten will once again be looked at as an expensive material that has to be imported from foreign shores and, hence, should not be used in jet engines and other military applications. For this reason it seems imperative that we maintain a sufficient domestic tungsten industry to stabilize both the price and the supply of tungsten.

Although it may take a year or so for this to become obvious to all concerned, there are many of us who are working on high temperature alloys who now realize that tungsten is the only metal we have which can be used for the high temperature applications that are so important. Our studies indicate that tungsten is the only one of the high melting point metals that can be alloyed so that inherent oxidation resistance will be developed at temperatures over 2,000 degrees Fahrenheit. A lot of work still remains to be done to develop techniques for processing tungsten base alloys but I am convinced that we will be successful. When this happens the usage of tungsten will be greatly increased and if there is no domestic supply you know what will happen if we are dependent on foreign sources.

Our whole technocracy today is aimed at higher temperatures. This is true in both commercial and military fields. At the present time the jet engine presents the important challenge but missiles and other applications where high temperatures are involved are becoming increasingly important. As you know, we are spending very large sums to develop the commercial use of atomic energy but the program is bogging down badly because the reactors cannot be operated at high enough temperatures to make them economical. It follows that the most important factor in our technological planning is the one of developing high temperature materials and tungsten is certainly going to be important in this overall picture. It is for this reason that I hope that something can be done to keep a domestic tungsten industry in operation.

Very truly yours,
R. H. THIELEMANN,
Chairman, Department of Metallurgy.

Mr. MALONE. Mr. President, I wish to read a part of the letter from Mr. Thielemann, for the information of the Senate, as follows:

Although it may take a year or so for this to become obvious to all concerned, there are many of us who are working on high-temperature alloys who now realize that tungsten is the only metal we have which can be used for the high temperature applications that are so important.

SPEED OF JETS DEPEND UPON HIGHER TEMPERATURE ALLOYS

Mr. President, I have already stated in the debate that the metallurgists are trying to increase the heat resistance of the alloys used in the manufacture of jet engines. The attempt is to raise them to an average of 2,000° higher, and some believe that 3,000° may be reached. Upon the heat resistance of such alloys depends the speed and effectiveness of the jet engine and the missiles programs.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Nevada yield to me?

Mr. MALONE. I am glad to yield to the distinguished senior Senator from Texas, the majority leader.

Mr. JOHNSON of Texas. Mr. President, the Senator from Nevada is a distinguished engineer and is one of the outstanding authorities on this subject, he having been for many years chairman of the Minerals and Materials Subcommittee, and having made a close study of the facts.

I am aware of the shortage of tungsten which frequently has occurred in the United States in connection with its military needs; and I am familiar with the authorization the Congress has made in this field.

I should like to know the difference between the pending committee amendment, which calls for the appropriation of $30 million, and the $30 million item the Senate voted on February 18, 1957.

Mr. MALONE. There is no difference but I would like to have the distinguished senior Senator from Arizona [Mr. HAYDEN], the chairman of the Appropriations Committee, answer the Senator's question.

Mr. JOHNSON of Texas. Let me point out that on February 18, 1957, the Senate, on a yea-and-nay vote, adopted by a vote of 64 to 17, an amendment, offered by the Senator from Arizona (Mr. HAYDEN), on page 7, in line 21, reading as follows:

For an additional amount for "Acquisition of strategic minerals", $30 million, to remain available until December 31, 1958.

Is not this identically the same amendment we voted on then?

Mr. HAYDEN. The Senator from Delaware made the point of order with respect to the last words the Senator from Texas read, "to be made available."

I concede the point of order, pointing out that on the original legislation the Comptroller General handed down a decision that that language was not necessary. We could leave it out of the bill and still get the same result.

Mr. JOHNSON of Texas. But my question is: Is not this in effect the same vote we had on February 18, 1957, when we had a yea-and-nay vote on putting the $30 million item for strategic minerals in the bill, and adopted its proposal by a vote of 64 to 17?

Mr. HAYDEN. That is exactly the question pending now. It is the same basic question.

Mr. JOHNSON of Texas. The Senator has answered my question.

Mr. MALONE. Mr. President, on March 7, 1944, the infamous Harry Dexter White, a Communist of the first order, sent a memorandum to the then Secretary of the Treasury, at his request; recommending that we finance Russia to finance their operations in furnishing critical materials to the United States. These materials included petroleum, manganese, tungsten, zinc, lead, chrome, and mercury.

This would, of course, mean that we would become dependent upon Russia for the critical minerals, without which we could not fight a war or live in peace. I ask unanimous consent to have printed in the RECORD at this point the marked excerpt from Senate Report No. 1627, 1954, starting on page 370.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

APPENDIX IV

HARRY DEXTER WHITE MEMORANDA OBTAINED FROM PRINCETON UNIVERSITY LIBRARY AND FILES OF TREASURY DEPARTMENT

MARCH 7, 1944.

Subject: Proposed United States loan to the U. S. S. R.

To: Secretary Morgenthau.

From: Mr. White.

The following memorandum is in reference to your request that the feasibility of the extension of a large credit to the U. S. S. R. in exchange for needed strategic raw materials be explored. Your opinion that such an arrangement might well be feasible appears to us to be supported by our study of the possibilities.

1. Recent confidential reports on our raw material resources prepared for the Under Secretary of Interior disclose an increasing dependence of the United States on foreign sources of supply for stratgic raw materials because domestic reserves have been seriously diminished or virtually depleted.

2. The following table indicates the extent of United States current reserve supplies for some important strategic materials which can be produced in quantity in the U. S. S. R., in terms of prewar and current war, domestic requirements:

Reserve domestic supplies

	On basis of our 1938 domestic consumption	On basis of our current consumption, 1943
Petroleum	16 years' supply	13 years' supply.
Manganese	9 years' supply	3 years' supply.
Tungsten	23 years' supply	Do.
Zinc	17 years' supply	8 years' supply.
Lead	7 years' supply	6 years' supply.
Chrome	No record	Less than 1 year's supply.
Mercury	3 years' supply	2 years' supply.

3. It is evident from the above table that, although our domestic reserves of petroleum, tungsten, and zinc may suffice to meet consumption requirements for the next decade, they will be almost entirely dissipated by the end of that period; in the case of manganese, chrome, mercury, and lead our resources are too limited to satisfy even probable domestic requirements of the next 10 years. The number of strategic materials for which our reserves are very low and which can be produced in the U. S. S. R. is greater than indicated above, and includes platinum, vanadium, graphite, and mica.

4. Although our reserves of strategic materials could be somewhat expanded, given an increase in price to make possible further development of marginal resources, the necessity of growing United States dependence on foreign sources of supply in order to satisfy anticipated postwar industrial requirements and to maintain adequate security reserves, is inescapable. (See attachment I for complete table on United States metal reserves.)

U. S. S. R. UNTAPPED RAW MATERIALS RESERVOIR

1. The U. S. S. R. is richly provided with a wide range of strategic raw materials, including metals, minerals, timber, and petroleum, but the unequal degrees to which these have been developed will limit the number and volume that may be available for export in the immediate postwar years.

2. Rapid economic reconstruction and expanded resources development could greatly enhance the export surplus of the U. S. S. R., could sustain large-scale exports of metal and metallic ores, petroleum, and timber at an average annual value of at least $500 million, not including exports of other materials such as furs and semimanufactures.

3. It therefore appears that a financial agreement whereby the United States would extend a credit of $5 billion to the U. S. S. R. for the purchase of industrial and agricultural products over a 5-year period, to be repaid in full over a 30-year period, chiefly in form of raw material exports, would not only be advantageous to the United States, as well as helpful to the U. S. S. R., but would be within the limits of feasible trade between the two countries, since the amount we would wish to purchase would be in excess of the repayment which the U. S. S. R. would be required to make under the proposed loan terms. (See attachment II for suggested terms of U. S. S. R. repayment for United States credits.)

IS THE PROPOSED FINANCIAL AGREEMENT PRACTICAL AND DESIRABLE?

The proposed financial agreement appears practical because:

1. The prewar restricted pattern of trade should not be used to define the potentials of postwar trade between the United States and U. S. S. R. since both economies have been fundamentally restructured by the war. In both the United States and U. S. S. R. the accelerated expansion of production capacity and national output which has been achieved during the last 3 years indicates the new and larger dimensions which foreign trade can assume in both economies in the postwar period. (See attachment III for a summary of United States-U. S. S. R. trade relations during the interwar period, 1918–38.)

(a) The low level of prewar international trade relations were both a symptom and a cause of deteriorated economic and political international relations. It is realistic to assume that as compared with prewar years a decreasing proportion of expanding Soviet resources will be devoted to war industries, thereby creating an enlarged export potential through the release of resources.

3. Since the U. S. S. R. has completely state-controlled economy, the extent and character of its surpluses and deficits (i. e., imports and exports) are largely determined by planning decisions covering the allocation of manpower, materials, and equipment, it will be possible for the United States to influence the Soviet pattern of anticipated national surpluses and deficits.

4. If United States trade plans are premised on an expanded volume of trade and a correlative increase of United States import requirements, the expansion of trade between the United States and U. S. S. R. need not necessarily involve a reduction in total United States imports from other areas.

The proposed financial agreement appears desirable because:

1. The United States will obtain access to an important source of strategic raw materials which are expected to be in short supply in the United States after the war.

2. The United States will also be assured an important market for its industrial products since the U. S. S. R. represents one of the largest single sources of demand in Europe and is ideally suited to supply us with a large and varied backlog of orders for both producers' and consumers' goods. Such a sustained demand could make an important contribution to the maintenance of full employment during our transition to a peace economy.

3. Moreover, the United States will not only be assured a desirable market because of the anticipated volume of demand the U. S. S. R. will exercise, but becsuse of its superior repayment potential compared with other foreign buyers of American products.

4. An arrangement of this character would provide a sound basis for continued collaboration between the two governments in the postwar period.

HARRY DEXTER WHITE,
WILLIAM HENRY TAYLOR.
IRVING S. FRIEDMAN.
SONIA GOLD.

Mr. MALONE. Mr. President, in that excerpt it is shown that Harry Dexter White, then a dominant figure in our Treasury Department, sent the memorandum to the Secretary of the Treasury, at the request of the Secretary of the Treasury, recommending that five to ten billion dollars be sent to Russia to buy the very materials we are discussing today, which would have meant that we would be dependent on Russia for those materials.

Now we are depending on India and other nations, a list of which I just read into the RECORD, which includes Brazil and South Africa. Many of those nations are across major oceans.

It would be absolutely impossible to secure those materials if a war started, and we would become dependent on those countries in peacetime, which means that we could be blackmailed into any agreement which the nations supplying those materials wanted to propose.

Mr. President, the 24-year program, beginning in 1934 with the 1934 Trade Agreements Act, was the program furthered by the two probably best known Communists—Mr. Harry Dexter White, who became a very influential Assistant Secretary of the Treasury, and Mr. Alger Hiss, a very influential member of the State Department; the one who will be long remembered as leading our distinguished leaders around by the nose in San Francisco in 1945 in the organization of the United Nations, where we have only a fraction of the votes of Great Britain and Russia.

White is dead and Hiss served time for his nefarious actions, but the Congress of the United States still carries on their program.

Mr. President, all we have to do is to just sit still in 1958 and let the 1934 Trade Agreements Act—so-called reciprocal trade act—expire in June 1958 and we workingmen and small-business men are back in business.

Mr. President I have in my hand certain communications. Without taking the time of the Senate to read them, I ask unanimous consent that they may be printed in the RECORD at this point as a part of my remarks.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

THE PALMER & DECKER CO.,
Reno, Nev., April 25, 1957.

Hon. GEORGE W. MALONE,
United States Senate,
Washington, D. C.

MY DEAR SENATOR MALONE: I wish to take this opportunity to express my appreciation for the support you have given to maintain a domestic mining industry, in spite of heavy opposition. I had hoped to be able to see you personally when you were in Reno, Nev., this last week, but I was out of town at that time on a drilling job near Gerlach, Nev.

I would like to take a little of your time by presenting in this letter some of the facts as to how the curtailment of funds has affected just one small operator, myself, and my company.

For the past 3 years we have operated a tungsten mine near Bishop, Calif., selling the ore to Union Carbide Nuclear Co. Our mine is situated in the Sierra Nevada Mountains at an elevation of between twelve and thirteen thousand feet. Even with a short season, high milling charges and payment of royalties, we have made a small profit, which has been put back into the mine in the form of development and equipment.

At the time General Services Administration stopped accepting concentrates from Union Carbide Nuclear Co. in November of 1956, we had approximately 2,000 units of tungsten at the mill which is worth about $60,000 at Union Carbide Nuclear Co.'s price under the stockpile program, but adjusted to the open-market price, this ore would bring hardly enough to pay for the milling charges, not including the mining and trucking costs.

Union Carbide Nuclear Co. has held these concentrates for us since November 1956, in the hope that the Congress would appropriate the additional funds to meet the obligation set down in Public Law No. 733.

In order to pay for development, labor, hauling, etc., it was necessary for me to borrow money and mortgage all of my drilling and mining equipment. It now seems that I am faced with bankruptcy, unless you and your fellow Senators are able to put some sort of appropriation through and make such funds available to buy up those concentrates that myself and other small operators were not able to sell to the General Services Administration in 1956.

Regardless of the outcome of your struggle to help the mining industry, you may rest assured that you will have our support in 1958, and my wife and I feel that the United States needs more statesmen like yourself, and fewer politicians.

Very truly yours,

ALBERT P. DECKER.

PIOCHE, NEV., *May 7, 1957.*

Hon. GEORGE W. MALONE.

DEAR FRIEND MOLLY: I have been going to write to you for several weeks and congratulate you on your work on the tungsten appropriations and the free gold market. However, I have everything I can see in the papers and I feel that we're fighting a losing game in the mining industry.

Tonight the Tribune announces a cut of 1½ cents in the price of zinc.

Most mines are fighting to exist and make their payrolls and many have lost.

If lead and zinc are cut many more are doomed.

Pioche is a marginal camp. Tempiute is very shaky, but may survive if money is put up for your program.

Many miners have talked to me lately and they argue that in their time, say 30 years, they have never seen any prosperity in the mining industry under a Republican President. I have argued on the point but they insist that there has been no prosperity.

This long-range program is a laughing matter. Why can't they take some advice from some good sound mining men.

Your free gold program would help all mining and I believe would boom the Western States.

I don't see why the Government should at any time buy foreign metals to place in our stockpile. You have studied this very thoroughly and have a good view on the subject.

However let them pay plenty tariff to ship in their metals and maybe we can keep operating.

Thanking you very kindly, I remain,

Very truly yours,

JIM HULSE.

PIOCHE, NEV., *May 7, 1957.*

Hon. GEORGE W. MALONE,
United States Senator from Nevada,
Washington, D. C.

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JIM HULSE.

ZINC SLUMPS TO 12 CENTS, CUT HITS UTAH PRODUCERS

(By Robert W. Bernick)

Price of zinc was cut 1½ cents a pound, East St. Louis, Mo. base, Monday. Quotation is now 12 cents a pound. The reduction was a serious blow to the underground lead-silver-zinc mines in the Western States.

And, coming as it did in one fell swoop, raised among some operators the question of political action within the industry which is demanding tariff protection from a world-trade-bent Republican administration.

"It knocks hell out of us," commented J. William Stoner, secretary of United Park City Mines Co., which reported a loss on 1956 operations as it was.

"Well, that cleans us out," was the remark of Clark L. Wilson, vice president of New Park Mining Co.

NEW PARK, CHIEF OFFICIALS LIST VIEWS

New Park, which also reported a loss in 1956 from Park City district operations, is now "just managing to squeeze by" said Mr. Wilson.

A spokesman for United States Smelting Refining & Mining Co. said he could make no statement in the absence from the city of Oscar Glaeser, vice president of western operations.

"I can tell you one thing. We don't like it," he added.

Cecil Fitch, Jr., president of the Chief Consolidated Mining Co., Eureka, said the reduction was obviously a result of the world oversupply of zinc.

"I guess Washington doesn't need a lead-zinc industry," he commented.

He estimated that the blow wouldn't be as hard on the Chief, largely "because we've already had it."

(The firm is mining only from its upper levels at present on a reduced basis. Last year, pumps were pulled because of rising costs of operations from the main ore body in the Chief No. 1.)

Mr. Fitch added "there are even some big consumers who believe we can live forever in this country on foreign produced lead and zinc—or so I was informed at the recent Zinc Institute meeting in Chicago."

Mr. Fitch figured the reduction would cost the Chief $1,000 a month. The company has been reporting earnings losses.

UNITED PARK SEES $100,000 ANNUAL LOSS

United Park City stands to lose about $1.20 a ton for every ton mined at its operations—or a total of nearly $100,000 annually. The firm produces about 7,500 tons of ore monthly.

New Park, which aims to produce around 75,000 tons during 1957, said its losses would average about $1.50 a ton as a consequence of the cut. This would bring a reduction of $112,500 annually in ore receipts.

Otto Herres, Salt Lake City, chairman of the National Lead and Zinc Co., said the price changes on custom smelter basis results from alltime high in imports of slab zinc and zinc ores.

It exposes the fallacies of the barter program and the inadequacies of stockpiling, both of which have served to stimulate foreign imports, he noted.

It is his view that the Federal Government cannot effectively reduce the mounting surpluses of zinc moving into the country by these devices.

"If we're going to have a domestic mining industry in the United States, we are going to have to put into effect a program (tariff or import control) which recognizes the differentials in the lower wages in foreign countries, their higher ore grade and their tax benefits," Mr. Herres said.

IS THERE POLITICAL MOTIVATION? UTAHANS ASK

Mr. Wilson said he could not "figure out why the reduction was so heavy. Ordinarily, changes in the prices in these metals amount to one-quarter or one-half cent at the most one time," he pointed out.

"Is there some political motivation behind this situation? Are the American producers going to be forced into accepting some meager program from Washington, rather than the tariff and import controls we need?" he asked.

Dow-Jones Service reported Monday the zinc price reduction came in two rapid stages. There was "an initial cut of a cent to 12½ cents a pound and a quick out of a half cent to the 12-cent quotation."

"The action follows concern by the industry over the fare of the United States Government stockpile programs. The Government's stockpile buying has been a major supporting factor in zinc's price stability for more than a year," said the financial service.

Dow-Jones contacted the Office of Defense Mobilization, where a spokesman reiterated last week's statement from ODM chief Gordon Gray that he expects purchases of lead and zinc to continue at least for a while.

PRODUCERS NOTE SAG IN GOVERNMENT BUYING

(Utah producers insisted Monday, however, that the volume of buying had declined by the Government in recent months. They also said that if ODM had been sopping up excesses as claimed, there wouldn't have been a price reduction Monday. They again pointed out that foreign-produced metal was flowing in, replacing some domestic output which went to Government stockpiles. Government buying has not overcome these surpluses, they added.)

Agricultural Department officials declined comment on the zinc price cut, other than noting that USDA is not "formally concerned" with domestic markets for metals. They said no action is likely before late this week—at the earliest—on the agency's reappraisal of its barter program.

USDA has suspended consideration of new barter offers with a view toward curtailing the program.

METALS POLICY NEARS, SEEN BLOW TO WEST

NEW YORK.—The Journal of Commerce reports the administration is completing finishing touches to its long-term minerals policies.

"However, sources familiar with the policy's formulation feel, in general, that the mining interests may be disappointed with it. This indicates, observers feel, that no large scale direct program of the Government buying of vital metals and materials will be involved," the Journal reports.

"It also is believed that, although detailed analyses of supply and demand reportedly have been worked out for a long list of vital minerals, only a 'skeleton' program will be produced. This is expected to be sent to Congress later this week. This would leave it to Congress to work out the details," says the Journal.

"To encourage domestic production, the administration is just about limited to three possible areas of action: tax benefits, price supports, or direct purchase programs and trade restrictions on the lower-priced imports. A guaranteed purchase price arrangement is considered in some quarters as more logical. However, there was no hint from the administration sources that this will be urged. The administration has such a program for wool."

(This latter type program is opposed by Western States mining people.)

The Journal of Commerce adds that the Federal Government is reported "apprehensive over growing United States dependence on foreign sources of many of the 75 materials and metals on the critical list, even though domestic sources will mean high prices as lower grade deposits are tapped."

GABBS EXPLORATION CO.,
Gabbs, Nev., May 14, 1957.

Hon. GEORGE W. MALONE,
United States Senator for Nevada,
Senate Office Building,
Washington, D. C.

In regard to the further appropriation for Public Law 733 to purchase tungsten, and relying upon the Government representation therein contained, we wish to state that our company stands to lose $194,000 in concentrates already produced and an additional $25,000 in improvements unless Congress appropriates additional funds. We will further have to lay off 15 men. It seems incredible that the Government, honoring foreign commitments costing approximately $100 million, will not honor the promises contained in Public Law 733 for interim support. We urge your every effort to restore this appropriation.

LEE D. DOUGAN, *President.*

Mr. MALONE. Mr. President, the proof is overwhelming that we must become self-sufficient in the production of the critical materials in the Western Hemisphere without which we cannot fight a war or live in peace.

Senate Report 1627 of the 83d Congress and Senate Document 83 of the 84th Congress prove conclusively that can be done if the Congress fixes a policy of setting a price per unit enough higher than the world price to make the difference in labor and the general cost of doing business here and abroad.

Mr. ALLOTT. Mr. President, I should like for a few moments, if I may, to try to recapitulate the situation as I see it with respect to the $30 million strategic mineral appropriation. We are all fully aware of the great pressures which exert themselves today to reduce the budget. On the other hand, there are certain pressures which come upon us all, as citizens of this country, and the strongest of these pressures, in my opinion, is that for the preservation of our own lives.

One of the most vital necessities for the preservation of human life in this country is not alone the building up of a great corps of scientists, or great corps of engineers, or providing the money to enable scientists and engineers to work, but, corollary to that is the necessity of providing the materials which the scientists and engineers need to carry on their work.

When the Senate passed the bill last year, it said in effect to the miners of this country—we said it absolutely on the floor and in the report—that we intended to return in January and appropriate the remaining amount necessary for the strategic-minerals program.

I am fully aware of the arguments which my good friend, the Senator from Delaware [Mr. WILLIAMS]—and he is my good friend—uses in opposition to this appropriation. Nevertheless, the fact is that the use of these strategic materials, particularly tungsten, has increased to such an extent in the past few years that the estimates made by witnesses before the committee as recently as 2 years are absolutely obsolete. The present anticipated use of these strategic minerals in our technological development has just started to get under way.

I pointed out on the floor of the Senate a few weeks ago that one of the uses for which we need tungsten is jet engines. The United States provides a few jet engines for its fighter and bomber planes, but we have yet to see even the beginning of the development of jet engines and their use in transport and passenger planes. But more important than that is the necessity to provide protection for ourselves over a period of years. We cannot any longer put ourselves in the position of depending upon minerals from the Far East or from Communist Russia, or any other place, particularly when we know that Russia has several times the number of submarines Germany had when World War II commenced.

Many Members of the Senate, including myself, have seen ships with American supplies inside them burning and sinking off the shores of the United States. Within the past 6 months we have seen the commercial activity of the world, and particularly of Europe, slowed down by the threatened lack of oil. At the same time, this very Congress, a year ago and 2 years ago, gradually tightened the strangle hold upon the development of processes which would have brought oil shale and the production of oil from oil shale into a competitive position with crude oil. With at least 900 billion barrels of oil locked up in the shale of Colorado, Utah, and Wyoming, indeed we are foolhardy if we apply the same policies to strategic minerals that we apply to oil shale; and we nearly got caught flat 6 months ago.

In effect, we have promised the miners who have invested so much money in the tungsten industry that we will provide funds. I may say to my distinguished friend from Delaware that we should act affirmatively not merely because of that promise, but because it is simply logical and good sense not to pitch in all our chips—to use a term which I am told is used in poker—but to retain some of the power in our hands to protect ourselves, so that when we come to the time when we will need such production—and we will come to it—we in America will have the potential mineral production to meet not only the demands of our allies, but certainly the demands of ourselves, for the high-tensile strength, high-temperature resistant metals which are needed in all the scientific fields into which we are now probing.

This may be a very poor and inadequate attempt to recapitulate this matter, but it seems to me that if we are to retain and not lose the great advances and strides we have made in this area in the past few years, and if we are to protect ourselves against dangers of the future, there can be only one vote on the pending amendment, and that is in support of the appropriation.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Frear	Monroney
Allott	Fulbright	Morse
Anderson	Green	Morton
Barrett	Hayden	Mundt
Beall	Hickenlooper	Murray
Bennett	Hill	Neuberger
Bible	Holland	O'Mahoney
Bricker	Hruska	Pastore
Bush	Ives	Potter
Butler	Jackson	Purtell
Capehart	Javits	Revercomb
Carlson	Johnston, Tex.	Russell
Carroll	Johnston, S. C.	Saltonstall
Case, N. J.	Kefauver	Scott
Case, S. Dak.	Kennedy	Smathers
Chavez	Kerr	Smith, Maine
Church	Knowland	Smith, N. J.
Clark	Kuchel	Sparkman
Cotton	Lausche	Stennis
Curtis	Long	Symington
Dirksen	Magnuson	Thurmond
Douglas	Malone	Thye
Dworshak	Mansfield	Watkins
Eastland	Martin, Iowa	Wiley
Ellender	McClellan	Williams
Ervin	McNamara	Young

The PRESIDING OFFICER. A quorum is present.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. What is the pending question?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. HAYDEN].

Mr. JOHNSON of Texas. I ask that the pending amendment be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 10, after line 20, it is proposed to insert the following:

OFFICE OF THE SECRETARY

Acquisition of strategic materials

For an additional amount for "Acquisition of strategic materials" $30 million.

Mr. JOHNSON of Texas. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. Have the yeas and nays been ordered on the pending amendment?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. ALLOTT. Mr. President, I do not wish to labor this point with Members of the Senate, but I invite attention to the fact that in the CONGRESSIONAL RECORD for February 18 there is reported the action of the Senate upon this question. There is only one slight difference. The word "minerals" was used in the amendment at that time. The word "materials" is used in the pending amendment.

On that occasion the Senate voted on the same question, 64 yeas, 17 nays, and 15 not voting. So the question we have to determine today is the identical question, in almost the same language, that was determined on February 18.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. WILLIAMS. The House has rejected the Senate amendment.

Mr. ALLOTT. The House has not come around to viewing this question with the same enlightenment with which the Senate has viewed it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. HAYDEN]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNINGS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from West Virginia [Mr. NEELY], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

The Senator from Georgia [Mr. TALMADGE] is absent by leave of the Senate attending the Inter-American Trade Conference in Rio de Janeiro, Brazil, as representative of the Senate Agriculture Committee.

On this vote, the Senator from Virginia [Mr. BYRD] is paired with the Senator from West Virginia [Mr. NEELY]. If present and voting, the Senator from Virginia would vote "nay" and the Senator from West Virginia would vote "yea."

I further announce that if present and voting, the Senator from Missouri [Mr. HENNINGS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Georgia [Mr. TALMADGE], and the Senator from Texas [Mr. YARBOROUGH] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES], the Senator from Kentucky [Mr. COOPER], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Kansas [Mr. SCHOEPPEL] are necessarily absent.

The Senator from Indiana [Mr. JENNER], the Senator from North Dakota [Mr. LANGER], and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Pennsylvania [Mr. MARTIN] is absent on official business.

If present and voting, the Senator from Maine [Mr. PAYNE] would vote "nay."

On this vote, the Senator from Kansas [Mr. SCHOEPPEL] is paired with the Senator from Vermont [Mr. FLANDERS]. If present and voting, the Senator from Kansas would vote "yea" and the Senator from Vermont would vote "nay."

The result was announced—yeas 61, nays 17, as follows:

YEAS—61

Allott	Hickenlooper	Monroney
Anderson	Hill	Morse
Barrett	Holland	Morton
Bennett	Hruska	Mundt
Bible	Ives	Murray
Butler	Jackson	Neuberger
Carlson	Javits	O'Mahoney
Carroll	Johnson, Tex.	Pastore
Case, S. Dak.	Johnston, S. C.	Russell
Chavez	Kefauver	Saltonstall
Church	Kennedy	Scott
Clark	Kerr	Smathers
Dirksen	Knowland	Sparkman
Dworshak	Kuchel	Stennis
Eastland	Long	Symington
Ellender	Magnuson	Thurmond
Ervin	Malone	Watkins
Frear	Mansfield	Wiley
Fulbright	Martin, Iowa	Young
Green	McClellan	
Hayden	McNamara	

NAYS—17

Aiken	Cotton	Revercomb
Beall	Curtis	Smith, Maine
Bricker	Douglas	Smith, N. J.
Bush	Lausche	Thye
Capehart	Potter	Williams
Case, N. J.	Purtell	

NOT VOTING—17

Bridges	Hennings	Payne
Byrd	Humphrey	Robertson
Cooper	Jenner	Schoeppel
Flanders	Langer	Talmadge
Goldwater	Martin, Pa.	Yarborough
Gore	Neely	

So Mr. HAYDEN'S amendment on page 10, after line 20, was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. KNOWLAND. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER (Mr. CHURCH in the chair). The question is on agreeing to the motion of the Senator from California.

The motion to lay on the table was agreed to.

Mr. WILLIAMS. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 4, before the period at the end of line 15, it is proposed to insert a colon and the following:

Provided, That no part of this appropriation shall be used in any State for the purpose indicated unless such State has appropriated an amount equal to 25 percent of the sum proposed to be expended by the Federal Government in such State.

Mr. WILLIAMS. This amendment provides for State participation on all drought relief feeding programs. I ask for the yeas and nays while most of the Members of the Senate are still on the floor.

Mr. HAYDEN. Mr. President, first I should like to inquire whether the amendment is in order.

Mr. WILLIAMS. I shall withhold my request for the yeas and nays for the moment. I believe the Senator will find that the amendment is in order.

Mr. HAYDEN. Mr. President, I make the point of order that the amendment seeks to legislate on an appropriation bill.

Mr. WILLIAMS. The amendment is in the form of a proviso, and therefore I contend it is not legislation.

The PRESIDING OFFICER. The Chair understands that the amendment constitutes a limitation on an appropriation bill, and therefore is in order.

Mr. HAYDEN. The Chair states that the amendment is in order. Is that correct?

The PRESIDING OFFICER. As a limitation.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Massachusetts will state it.

Mr. SALTONSTALL. It is my understanding that the authorization bill provides that the Federal Government shall pay the cost involved until 1959, and that thereafter the provision shall be subject to State participation. Since that provision is contained in the authorization bill, I should like to inquire why the amendment offered by the Senator from Delaware is not subject to a point of order.

Mr. WILLIAMS. My amendment applies only to the $15 million appropriated in the pending bill. That is why it is not subject to a point of order. If the suggestion of the Senator from Massachusetts were accepted, my amendment would be subject to a point of order.

Mr. President, may we have the yeas and nays ordered on my amendment?

The yeas and nays were not ordered.

Mr. WILLIAMS. Mr. President, I do not wish to delay the Senate, but I am confident we could make much better progress if we could have the yeas and nays ordered at this time. We are certainly entitled to a vote on the question of whether the States shall participate. This is something the administration has been urging for the past 2 or 3 years. Congress has been putting off a decision on the matter. Let us face the issue. We should have a vote on the question, and vote it up or down. Certainly we are entitled to a vote. I renew my request for the yeas and nays.

The yeas and nays were not ordered.

Mr. WILLIAMS. I shall renew my request.

Mr. HAYDEN. The committee passed on this question, and I should like to give the committee's judgment on it:

> The committee has concluded that there was no legislative intent under Public Law 875, or Public Law 115, as amended, which are the respective authorities used to designate a disaster area, or to provide emergency Federal assistance thereunder, which requires a commitment for State participation of a fixed percentage of program costs. It is the opinion of the committee that such a requirement would establish an unsound precedent by the Government in rendering Federal assistance to areas affected by natural disasters.

Mr. WILLIAMS. Mr. President, I again renew my request for the yeas and nays, and I certainly hope the Senators will extend to me an opportunity to have a vote on this amendment based upon its merits. I emphasize that I am not going to sit back and be brushed off. I again make my request for the yeas and nays.

The yeas and nays were not ordered.

Mr. WILLIAMS. I call the attention of the Senate to page 22 of the standing rules of the Senate, rule XVI, paragraph 2, as follows:

> The Committee on Appropriations shall not report an appropriation bill containing amendments proposing new or general legislation or any restriction on the expenditure of the funds appropriated which proposes a limitation not authorized by law if such restriction is to take effect or cease to be effective upon the happening of a contingency, and if an appropriation bill—

I call particular attention to this language:

> And if an appropriation bill is reported to the Senate containing amendments proposing new or general legislation or any such restriction, a point of order may be made against the bill, and if the point is sustained, the bill shall be recommitted to the Committee on Appropriations.

I call the attention of the Chair and of the Senate to the fact that on page 3 of the bill before the Senate the language of the bill is unquestionably legislation. That is the language dealing with the question of Agricultural Conservation Program Service, Emergency Conservation Measures.

Again, on page 4 of the bill is the provision for the emergency range conservation, which appropriates $25 million, "to be derived from funds available for purposes of the Soil Bank Act under section 120." This is the proviso which implements the legislation passed by Congress as recently as April 25, 1957. I think this item constitutes legislation in that it goes beyond the date of June 30.

Also, on page 9, beginning with line 10 and continuing through line 20, is another proviso authorizing appropriations for $14 million. Again, this language is obviously legislation on an appropriation bill.

On page 19, beginning with line 18 and extending through line 5, page 22, is another committee amendment which obviously is legislation on an appropriation bill.

Mr. President, I make the point of order under rule XVI, paragraph 2, that the bill contains language which is legislation and is therefore subject to a point of order. I make the point of order against the bill.

Mr. HAYDEN. Mr. President, with respect to the first item upon which the Senator from Delaware makes the point of order, I will offer a substitute, as follows:

> For an additional amount to enable the Secretary to make payments to farmers who carry out emergency measures to control wind erosion on farmlands damaged by wind erosion, floods, hurricanes, or other natural disasters, in accordance with existing law, $15 million.

That language certainly is in order. The Senator from Delaware made the point of order against the whole paragraph.

Mr. WILLIAMS. No; I pointed out that in the bill's language constituting legislation. I referred to language on certain pages of the bill as constituting legislation, and I am making my point of order not against any part of that particular amendment, and I am not making it against the amendment. I am making the point of order against the bill under rule XVI, paragraph 2, on the basis that the bill contains legislation.

Mr. HAYDEN. What would the Senator have us do—send the bill back to the committee?

Mr. WILLIAMS. Yes, that will be the result. The bill will go back to the committee to have that language stricken out if the point of order is sustained.

But if I could get a yea and nay vote on my amendment I would be willing to have the measure considered on its merits. I am perfectly willing to discuss the bill on its merits, but I am not willing to have a bill steamrollered through on the basis that the Senate refuses to answer a roll call.

We are hearing a lot of talk about economy. Let us show the American people by our vote just who is for economy. The bill already provides $30 million more than the amount recommended by the House under the tungsten amendment just agree to.

The bill also provides, on page 4, $25 million to carry out the provisions of the new grazing bill, which many Senators feel was never justified in the fist place.

The bill also provides $15 million for additional disaster relief. Therefore I want a decision on my amendment requiring the States to put up at least 25 percent of the relief funds provided for in the bill.

If the Senate is not willing to answer "yea" or "nay" on the question of whether the States shall put up 25 percent, I shall insist on my point of order that the bill be recommitted to the committee.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. BUSH. Is it not true that what the Senator is saying, in effect, is that he is perfectly willing to withdraw his point of order if a yea-and-nay vote can be had on the item on page 4?

Mr. WILLIAMS. Yes, I want a record vote on the issue of whether the States should participate in the cost of these relief feeding programs. I am not insisting that the Senate agree with me, but I do feel that we can answer to a yea-and-nay vote and decide the question.

Mr. BUSH. Since the Senator from Delaware has yielded to me, I desire, with his cooperation, to ask once more for the yeas and nays on this amendment.

The yeas and nays were ordered.

Mr. WILLIAMS. Mr. President, I appreciate the enthusiastic cooperation of the Senate and since a yea-and-nay vote is now ordered I withdraw my point of order.

The PRESIDING OFFICER (Mr. FREAR in the chair). The question is on agreeing to the amendment offered by the senior Senator from Delaware [Mr. WILLIAMS], on which the yeas and nays have been ordered.

Mr. WILLIAMS. Mr. President, I wonder if the absence of a quorum could not be suggested. I am willing to vote now. The issue is very clear. The pending amendment provides that the States shall put up 25 percent of the cost of the relief program. There is not a single State in the Union which is not in better financial condition than is the Federal Government.

I will vote to provide Federal assistance to States in the disaster areas, but if those States are not willing to contribute 25 percent of the cost they do not need the relief.

This proposal of required State participation has been recommended by the President, the Secretary of Agriculture, and others having charge of the program on the basis that, if adopted, it will not only result in the States paying 25 percent of the cost, but also result in limiting the requests for relief to States actually needing it.

Many glaring examples have been called to the attention of members of the committee and other Senators that the disaster relief program is being misused. As long as there is not some form of local participation and local responsibility there will be a misuse of the program. I think if there could be some local interest and responsibility it would be of benefit to those who are receiving aid, as well as to those who are disbursing it. This can only be done by getting State participation.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. YOUNG. If the Senator's proposal were to apply to this particular appropriation item, how could the States handle it? The legislatures in all the States are not now in session. The money is needed now; in fact, it is overdue. To attach this rider to the appropriation would mean that most of the people needing the funds badly would not be able to get them.

Mr. WILLIAMS. Mr. President, I recognize the point the Senator from North Dakota [Mr. YOUNG] has made, and it would have meant more were it not for the fact that the same argument has been made at least five times before on the floor.

I have offered the same amendment on several occasions and always with the understanding that it would not be applicable until the first day of January following the election period, which would mean that every State legislature would have been in session. It was rejected just the same.

I offered the amendment in the Senate on approximately January 15 of this year. At that time, every one of the 48 State legislatures was in session. But the Senate said, in effect, "We do not want to act on it at this time; we will act on it later in the session."

Mr. President, let us not deceive ourselves about this matter. Senators either favor this principle of State participation or they are opposed to it. If any State does not need this assistance sufficiently to be willing to call its legislature into session in order to have the enabling State legislation passed, then such a State does not need the proposed assistance very much.

This year the President has called for State participation; and the Governors' Conference went on record in favor of participation, and the governors were perfectly willing to have their States pay 25 percent of the relief needed by their States.

So I do not think the argument against the amendment is a valid one.

Mr. SALTONSTALL. Mr. President, will the Senator from Delaware yield to me?

The PRESIDING OFFICER (Mr. FREAR in the chair). Does the Senator from Delaware yield to the Senator from Massachusetts?

Mr. WILLIAMS. I yield.

Mr. SALTONSTALL. Will the Senator from Delaware accept to his amendment an amendment stating that it shall apply after January 15 or February 1, 1958?

If such an amendment to the amendment should be included, then it seems to me the amendment as thus amended should be given very careful consideration by the Senate; and, personally, I would vote it.

However, as the amendment now reads it would be difficult of application. Other Senators have stated that if the money is needed, it is needed now.

If the amendment I have suggested to the amendment of the Senator from Delaware were agreed to, then I believe a valid precedent would be established for the future.

Mr. WILLIAMS. Mr. President, if the chairman of the Appropriations Committee will accept the amendment——

Mr. HOLLAND. Mr. President, I object.

Mr. HAYDEN. Mr. President, first I should like to have the amendment read. I do not think the Senate knows exactly what the pending proposal is.

Mr. HOLLAND. Mr. President, I object to any amendment to the pending amendment, inasmuch as I understand that the yeas and nays have been ordered on the question of agreeing to the amendment, and therefore the amendment is not subject to amendment at this time, except by unanimous consent.

I also object because this is a very clear instance of the kind of foolishness inserted in appropriation bills when legislative riders are attached on the floor of the Senate, without study and without very much knowledge of what is contained in such riders.

I thoroughly object to such a process, and there could not be a better illustration of it than the present instance.

Mr. WILLIAMS. Mr. President, I agree with the Senator from Florida in principle; and what he has said almost tempts me to ask the Senate to recommit to the committee this bill which his own committee reported inasmuch as it is absolutely full of legislation which has never been properly considered by the Senate.

However, Mr. President, the pending amendment is merely a restrictive provision in the case of the $15 million, and it is in order.

Mr. President, it is perfectly in order for the Senate to vote whether it desires to have some form of State participation. If we do not, then let us tell the States to come forward and get their share of the gravy boat as long as it is full.

I hope my amendment will be adopted.

Mr. HAYDEN. Mr. President, again I ask that the pending amendment be stated.

The PRESIDING OFFICER. The amendment of the Senator from Delaware will be stated.

The LEGISLATIVE CLERK. On page 4, before the period at the end of line 15, it is proposed to insert a colon and the following:

> *Provided*, That no part of this appropriation shall be used in any State for the purpose indicated, unless such State has appropriated an amount equal to 25 percent of the sum proposed to be expended by the Federal Government in such State.

Mr. HAYDEN. Mr. President, when this matter was pending before the committee, it was carefully considered; and the following is the recommendation of the committee:

> The committee has concluded that there was no legislative intent under Public Law 875 or Public Law 115, as amended, which are the respective authorities used to designate a disaster area, or to provide emergency Federal assistance thereunder, which requires a commitment for State participation of a fixed percentage of program costs. It is the opinion of the committee that such a requirement would be an unsound precedent by the Government in rendering Federal assistance to areas affected by national disasters.

For that reason, the committee is opposed to this amendment.

Mr. HOLLAND. Mr. President, this subject matter has been subjected to long study at this session by a subcommittee of the Senate Committee on Agriculture and Forestry, of which, at the time, the Senator from Florida was serving as chairman. The Senator from North Dakota [Mr. YOUNG] was a member of the subcommittee. I believe that the Senator from Minnesota [Mr. THYE] also was a member—although I am not positive as to that. In addition, two other Senators on this side of the aisle were members.

The occasion of our study was an attempt by us to work out for the drought areas a deferred grazing bill which would tend to solve that part of the problem, and at the same time we wanted to have in the law a sound provision relative to the feed program in the drought areas. We studied the matter for a long time; and we had it worked out, for instance, so that the giving of assistance, by way of providing feed at reduced prices, would be based wholly on need—a basis which is highly desirable.

We also went into the subject matter of participation by the States. The distinguished majority leader, the senior Senator from Texas [Mr. JOHNSON], advised us that the present Governor of the

State of Texas, formerly Senator Daniel, and the previous Governor, Governor Shivers, both had given the consent of the State of Texas for the inclusion of a 25-percent factor of participation in the case of that State. The governors of some of the other States had likewise given such consent. The governors of some of the other States had refused to give it. Some had called attention to the fact that they would not have sessions of their legislatures for some time in the future.

I recall distinctly that the distinguished Senator from North Dakota was not in accord with the percentage which was used. I believe he suggested 10 percent or 15 percent. He is now on the floor, and must speak for himself.

Mr. YOUNG. That is correct.

Mr. HOLLAND. But finally we found ourselves in relative accord on that section of the deferred grazing bill.

Then there arose the question of what we could hope to have by way of cooperation with the House of Representatives; and I was instructed to confer with the House Members on that very point. We found that the House was willing to go along with us on the other parts of the program, but that in the case of that section—I believe it was section 5, which dealt with the feed program—the House had already agreed with large groups of producers who were interested in the matter, producers both in the drought States and those who were raising poultry and those who had dairy farms, and the like, that the House would conduct hearings at which every point of view would be given an opportunity to be heard; and the Members of the House made it very clear that they would not accept legislation on this point until they could hold the hearings, because they felt that their good faith was involved in view of the promise by them.

Senators who were members of the full Committee on Agriculture and Forestry will recall that the members of the subcommittee reported that situation to them. So, Mr. President, the section on this particular subject was deleted. It was deleted, first, because there is no prospect of agreement by the House of Representatives until the House committee has held its hearings; and it was deleted, in the second instance, because there had not been full accord in the subcommittee, much less in the full committee, regarding the percentage of contribution to be required of the several States.

Mr. President, therefore it is so much idle gesture to waste time on the pending amendment, during the debate on the appropriation bill, when the amendment is suggested as a rider.

Mr. SALTONSTALL. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. SALTONSTALL. Do I correctly understand that the pending amendment is the language which was worked out by the conference committee? I was a member of the conference committee, but I do not recall whether this is the exact language which was worked out then.

Mr. HOLLAND. I was not a member of the conference committee. I am speaking now of the work of the subcommittee of the Senate Committee on Agriculture and Forestry, later followed by debate and discussion in the full Committee on Agriculture and Forestry, when we were trying to work out a measure of this sort. I think we would have worked it out, and I think it would have been a much more carefully drawn proposal than the pending amendment, because it would have given some protection to States which do not have funds on hand now. It would have given them a chance to have action taken at the next session of their legislature, whether regular or special, and would have included other safeguards which cannot be included in a hastily, longhand-written amendment offered by way of a rider proposal to an appropriation bill.

Mr. President, so far as I am concerned, I am one of those who was committed to the idea of State contribution, and worked hard to get such a provision into that particular bill. But when we were faced by the fact of life that the House would not accept any provision on that subject until further hearings had been held, and the further fact that our own committee was divided on certain aspects of the matter, we deleted that provision from the bill.

It is my judgment that the provision we deleted was a vastly better one, more considerate of the States and the growers, than this hastily drawn, longhand-written provision, which ignores most of the questions of detail which would arise in conjunction with the proposal.

So, Mr. President, I think the amendment should be rejected, and made the subject of proper research, hearings, and study by the legislative committee. Particularly in view of the fact that the House is committed to holding public hearings on this subject before it will take action, I think the Senate, recognizing that, should waste little time in rejecting the proposal.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. SALTONSTALL. It is my understanding that, in answer to the question I asked the Senator from Florida, from information given me by the chairman of the Appropriations Committee, this is language worked out in the conference between the House and the Senate, with the exception of the amount, which is $15 million instead of $25 million in the budget estimate. So this is language which was agreed upon in the deficiency bill, which went to conference prior to the Easter recess.

Mr. HOLLAND. The Senator is exactly correct. I thought he was speaking to the amendment offered by the distinguished Senator from Delaware. That language is unlike any other proposal which the Senator from Florida has ever seen. The language which was put into this bill by our Appropriations Committee does utilize completely the language agreed upon between the House and the Senate at the time of the long debates in conference some time ago on the urgent deficiency bill.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the distinguished Senator from Colorado.

Mr. CARROLL. I commend the Senator for a very fine speech. There are 20 Senators who are interested in the matter. There are 10 drought States involved. If the precedent is established, we will be denied the right to present evidence, have our governors come before the committee, and have our people represented.

Mr. WILLIAMS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Florida has the floor.

Mr. HOLLAND. Mr. President, I ask unanimous consent that I may yield to the Senator from Delaware for the purpose of asking a question.

Mr. WILLIAMS. The Senator from Colorado has stated he would like to have opinions from the governors presented before he is ready to vote on this question. The governors have already gone on record as recommending that there be some kind of State participation. They have pointed out that some of the abuses will be embarrassing not only to the States but to the program itself if there is not some form of local control. We hear a great deal from certain areas of our country about States rights. They are always complaining about the Federal Government's infringing on the rights of the States. I most respectfully suggest to those who join with me in supporting the principle of States rights that we recognize that those rights carry certain responsibilities.

As long as States insist upon the Federal Government underwriting all their responsibilities they can expect Federal controls.

Mr. HOLLAND. I might say I would not claim to exceed the distinguished Senator from Delaware in advocacy of anything, but I would certainly equal him in my approval of the doctrine of States rights. It happens that my own State is not involved in the drought. We have been happy not to have had a serious drought. It has been my feeling that the matter is serious enough, first, that we should give consideration to the people affected, by hearing those who are affected, and, second, that we should give consideration to the hearings and findings of the committees. The Appropriations Committee is the largest committee the Senate has. The Senate Committee on Agriculture and Forestry is a 15-member committee. It has had the experience of trying to frame proper wording and to bring about a proper handling of the matter, and it abandoned the method suggested when it learned that the House was definitely committed on assurances given to important industries and various States that it would not agree to any action in this field until it has held public hearings.

If we are not going to pay attention to the Appropriations Committee and to the Agriculture and Forestry Committee of the Senate, and to similar committees of the House, whose position on this matter has already been stated, and if

we are going to permit a hastily drawn, carelessly drawn, longhand-written amendment on this important subject to be written as a rider onto an appropriation bill before the Senate, at least I, as one Senator, will not vote for it. The Senator from Florida will retain his good humor, but he cannot conceive of that being orderly procedure in any sense of the word. The Senator from Florida will not vote for it, and hopes the amendment will be rejected.

Mr. THYE. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the distinguished Senator from Minnesota.

Mr. THYE. No State can have emergency relief extended to it other than through certification of the governor that there is an emergency and that a disaster exists. Only then will the Department of Agriculture, and also the national administration, give consideration to an application for assistance through a disaster loan.

Mr. HOLLAND. The Senator is correct.

Mr. THYE. There is merit in the amendment which has been offered by the Senator from Delaware. I think all of us who have served on the committee recognize that. Therefore, the proper procedure now is to proceed through proper legislative committee hearings and determine when participation on the part of the States will commence.

If the amendment were to be adopted at this time I think it would work a serious hardship on many of the States which today are receiving Federal assistance. That is one reason why, I say to the distinguished Senator from Delaware, I shall vote against the amendment offered by him.

Mr. HOLLAND. I thank the distinguished Senator from Minnesota. I may say, because I find myself so frequently in accord with the distinguished Senator from Delaware, I was one of the Senators—and I am still one—on the Senate Committee on Agriculture and Forestry who feels that the particular form of disaster with which we are now dealing is perhaps different from one that is sudden and hits an area or a State or a great region almost overnight, such as a hurricane, a terrific flood, a great fire, or an earthquake. I would never agree that in such cases the State should be required to convene its legislature and put up some money, when it was the hardest hit of any part of the United States. But when there is a long-continued drought, and when the program requires joint handling and joint participation of both Federal and State authorities to prevent abuse, I am of the opinion that contribution by the State is on a different basis.

I have taken that position in the subcommittee and in the full committee. I see the chairman of the committee, the Senator from Louisiana [Mr. ELLENDER], present. He will recall that that has been my position. But that is a far cry from saying I am willing to see a rider, carelessly drawn, without hearings, attached to an appropriation bill to cover a subject matter so difficult of handling as we have already shown this to be.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. ELLENDER. As I recall, the provision requiring assistance to be matched by the States was deleted.

Mr. HOLLAND. I think just before the Senator from Louisiana reached the floor I had related that the subcommittee——

Mr. ELLENDER. I was present. I heard the Senator.

Is it not a fact that, as to all relief measures, under the present law the Secretary has the right to fix a percentage of his own choosing with respect to mandatory local participation, and there is no limitation?

Mr. HOLLAND. The Secretary of Agriculture has the right to fix a percentage of participation in agricultural relief measures.

Mr. ELLENDER. The Senator is correct.

Mr. HOLLAND. I do not believe such a provision exists with reference to certain kinds of disasters. Whether that is so or not, I am not certain. I have not reviewed the act lately.

Mr. ELLENDER. My recollection is that as to any kind of disaster relief, such as the furnishing of seed and feed, the Secretary of Agriculture has the right to request or to require the States to put up a percentage, such as 25 percent, 30 percent, or even higher, if he sees fit, as a condition of Federal aid.

Mr. HOLLAND. All forms of relief, where an agricultural subject matter of this kind is involved, and where the Federal official handling the program is the Secretary of Agriculture, are subject to the provision that the Senator from Louisiana has stated.

Mr. ELLENDER. As I recall, the Senator from Delaware—and I should like to have his attention—did not seek to impose his amendment upon, or try to present the so-called 25 percent amendment, to the bill, after we deleted that part of it which provided for direct relief. Am I correct in making that statement?

Mr. WILLIAMS. I supported a 25 percent State participation on several occasions, and I have also offered such an amendment several times here on the floor.

The Senator from Florida [Mr. HOLLAND] has made the statement that he would not go along with State participation as a requirement in some sudden emergency but that he would go along with State participation in a long-range emergency seed and feed assistance program.

I point out to the Senators that the amendment, which I have presented and which is now pending, accomplishes exactly that result with which the Senator from Florida states that he is in accord.

It deals only with the type of program which the Senator from Florida says he is in complete agreement should require State participation.

In other words, as I understand the Senator from Florida [Mr. HOLLAND] and the Senator from Louisiana [Mr. ELLENDER], they are both for my amendment, except they do not want to vote for it.

Mr. ELLENDER. Mr. President, the Senator is incorrect in that statement.

Mr. HOLLAND. Perhaps it would be more accurate for me to state the attitude of the Senator from Florida in this way: He thinks there is some merit to the idea of States contributing, but he would like the States to have something to say about what the form and amount of the contribution is to be.

Mr. WILLIAMS. The States have already said that it should be 25 percent and are willing to participate in the cost.

Mr. HOLLAND. The Senator from Florida would like to have the industry which is directly affected by it afforded some chance to be heard. He would like to have the industries which are secondarily affected, such as the poultry and dairy industries, afforded a chance to be heard.

He would like to have the opinion of the Committee on Appropriations and its labors recognized, and the opinion of the Committee on Agriculture and Forestry and its labors recognized, and the opinion of the very sincere Members of Congress on the other side of the Capitol shown consideration.

He would like to get away from this shadow boxing, because he knows, and the Senator from Delaware knows, that that is all this is.

If we put anything into this bill with regard to this subject matter—and I do not believe there will be more than a half dozen Senators who will wish to do so—we will be merely slowing down the legislative process because we know already what the attitude of the other body is at this time. When we are handling measures of such great importance, which are urgently necessary, why should we impose a handicap to speedy appropriations, and by so doing delay our consideration of other matters which deal with the long-range problems of the Nation?

Mr. WILLIAMS and Mr. DOUGLAS addressed the Chair.

Mr. HOLLAND. I yield to the Senator from Delaware.

Mr. WILLIAMS. The Senator has talked about the various segments of the industry which should be heard. The Senator mentioned the poultry industry and the dairy industry.

The poultry industry and the dairy industry are not the least bit affected by the proposed amendment, either as it was before the committee or as presented here, except as the program is misused in financing competition. The drought relief is not for the poultry industry. Neither are the dairy people affected as such. This drought relief only provides for keeping the herd flocks of feeder cattle or dairy cattle intact during the emergency.

The Senator from Florida says that we should not engage in shadow boxing. I agree with him and assure him that I am sincere in offering this amendment.

On his suggestion that we should adopt on this side of the Capitol only those proposals which meet with the approval of the House and its committees, I may say that is in direct contradiction of the preceding vote, which I think the Senator supported. The

House has three times turned down the proposal with regard to tungsten.

Mr. HOLLAND. In brief reply to my distinguished friend, I may say that in the first instance the dairy producers and the poultry producers are tremendously interested in this matter. They have asked for the right to be heard.

They are afraid if grain is sold in large quantities and at part value in other parts of the Nation, the supply will be more sparse where they have to pay for it, and the price will go up. They have asked for hearings before our committee and have asked for hearings before the House committees.

Though generally I respect the attitude of the distinguished Senator from Delaware when it comes to voicing the opinion of poultry producers, I know from the direct approaches that our committee received from the poultry people that they feel they are definitely concerned in this matter. With reference to the tungsten item, I should like to say, very briefly, the difference between that proposal and this one is that the Senator from Delaware is trying to do something in spite of what the committees which were affected have done. The Senate Committee on Agriculture and Forestry and the Senate Committee on Appropriations, and the House of Representatives have considered this matter. In the tungsten case, we were simply trying to honor and respect a commitment made by an act passed by this body and by the House, and signed by the President last year. Surely there is considerable difference between those two matters.

I do not care to debate further with the distinguished Senator on the details, but he certainly must admit that by adopting the proposed amendment the Senate would be ignoring what the Committee on Appropriations, with its 23 members, has done, and would be ignoring what the Committee on Agriculture and Forestry, with its 15 members, of whom one is the distinguished Senator from Delaware, has done.

Mr. WILLIAMS. Mr. President, will the Senator yield at that point?

Mr. HOLLAND. And the Senate would be ignoring the commitment made by the other body, that there will be public hearings permitted in this field before the House will approve such legislation.

Mr. ELLENDER. Mr. President, will the Senator yield so that I may ask a question of the Senator from Delaware?

Mr. HOLLAND. I yield to the Senator from Louisiana.

Mr. ELLENDER. I wonder if the Senator from Delaware can point to any law wherein the Secretary of Agriculture is permitted to furnish relief, either by way of seed or feed assistance, or any other form of relief, in connection with which he does not have the authority to state a fixed contribution of 10 percent, 25 percent, or even a higher percentage, as he sees fit?

Mr. WILLIAMS. The Senator is correct. The Secretary has that authority under the law, and has stated he wants to use it if Congress will support him.

Mr. ELLENDER. Exactly.

Mr. WILLIAMS. That is correct.

Mr. ELLENDER. If the Secretary is in favor of 25 percent, I ask, Why does the Secretary not fix the amount at 25 percent, since he has the authority to do so?

Mr. WILLIAMS. Frankly, I join in asking the same question, and each time I have been told that the reason that he has not demanded State participation is that Congress refuses to support him. Here today is an opportunity for us to show him our support. All that we have to do is vote for the amendment pending. He does have the authority, however.

Mr. ELLENDER. That is my position, as the Senator knows.

Mr. WILLIAMS. If the Senator will yield, I will complete my statement.

The Secretary has taken the position that he feels, first, that while he does have the authority, such authority was granted first with the definite understanding that it would not be implemented at that time. The Secretary has requested before our committee, in his testimony—and I was there, and so was the Senator from Louisiana—an expression of our endorsement of State participation. He said that he felt that he should have an expression in support of that principle on the floor of the Senate and on the floor of the House, and that then he would be glad to implement it immediately.

The Secretary if we reject this amendment here today is being told by the Senate that we do not intend for him to require any State participation. This is our decision.

Mr. ELLENDER. The Senator concedes that we have given the Secretary of Agriculture the right to fix the percentages. I ask him, why does the Secretary not fix such percentages? He has the authority to do it now.

As I pointed out a while ago in a discussion with the distinguished Senator from Florida, in any case where relief of any kind is contributed by the Department of Agriculture, the Secretary of Agriculture has the right and the power to fix the contribution to be made by the States.

Mr. WILLIAMS. There is no question about his having the right, but the reason he has not fixed a required percentage is because too many Senators and Congressmen tell him not to do so. Here today several Senators have expressed support of the principle of the amendment—but—they do not want to vote for it. The committee reported one bill to the Senate, in which bill the committee approved the principle of requiring a minimum contribution by States, but the Senate rejected the amendment.

Mr. ELLENDER. It was 15 percent, as I remember, and not 25 percent.

Mr. WILLIAMS. It was 15 percent. The Senator is correct.

Mr. ELLENDER. Fifteen percent.

Mr. WILLIAMS. But we did adopt the principle. We have had hearings on the question. We voted on it in the committee. As I said before, when I was engaged in colloquy with the Senator from Florida [Mr. HOLLAND], practically everybody is for this proposal but does not want to vote to support it.

Mr. ELLENDER. Except that the Secretary of Agriculture has the power to require a contribution.

Mr. WILLIAMS. Then let us indicate here our support, which can be done by voting for the amendment.

Mr. ELLENDER. It strikes me that if the President is for the 25 percent participation and if the Secretary of Agriculture is for the 25 percent participation, and the Secretary of Agriculture has the power to fix a participation percentage, then he ought to exercise that power.

I say to the Senator from Delaware that I am opposed to fixing a hard and fast percentage in the law because doing so fails to take into consideration the varying abilities of disaster-stricken communities or areas or States to contribute the required percentage. Some States suffering from drought might not be able to pay a full 25 percent; others could. I fear that the Senator from Delaware is of the opinion that he is the only statesman in the Senate.

Mr. HOLLAND. Mr. President, I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

Mr. PASTORE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Allott	Fulbright	Monroney
Anderson	Green	Morse
Barrett	Hayden	Morton
Beall	Hickenlooper	Mundt
Bennett	Hill	Murray
Bible	Holland	Neuberger
Bricker	Hruska	O'Mahoney
Bush	Humphrey	Pastore
Butler	Ives	Potter
Capehart	Jackson	Purtell
Carlson	Javits	Revercomb
Carroll	Johnson, Tex.	Russell
Case, N. J.	Johnston, S. C.	Saltonstall
Case, S. Dak.	Kefauver	Scott
Chavez	Kennedy	Smith, Maine
Church	Kerr	Smith, N. J.
Clark	Knowland	Sparkman
Cotton	Kuchel	Stennis
Curtis	Lausche	Symington
Dirksen	Long	Thurmond
Douglas	Magnuson	Thye
Dworshak	Malone	Watkins
Eastland	Mansfield	Wiley
Ellender	Martin, Iowa	Williams
Ervin	McClellan	Young
Frear	McNamara	

The PRESIDING OFFICER (Mr. MORTON in the chair.) A quorum is present.

Mr. JOHNSON of Texas. Mr. President, what is the pending question?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

Mr. JOHNSON of Texas. Mr. President, I ask that the amendment be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 4, before the period at the end of line 15, it is proposed to insert a colon and the following:

Provided, That no part of this appropriation shall be used in any State for the purpose indicated unless such State has appropriated an amount equal to 25 percent

of the sum proposed to be expended by the Federal Government in such State.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. I understand that, under the amendment, none of the money would be available to a State unless it had already appropriated 25 percent of the sum requested. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

On this amendment the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNINGS], the Senator from West Virginia [Mr. NEELY], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

The Senator from Georgia [Mr. TALMADGE] is absent by leave of the Senate attending the Inter-American Trade Conference in Rio de Janeiro, Brazil, as representative of the Senate Agriculture Committee.

I further announce that on this vote the Senator from Virginia [Mr. BYRD] is paired with the Senator from West Virginia [Mr. NEELY]. If present and voting, the Senator from Virginia would vote "yea" and the Senator from West Virginia would vote "nay."

I also announce that the Senator from Missouri [Mr. HENNINGS], and the Senator from Texas [Mr. YARBOROUGH], if present and voting, would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES], the Senator from Kentucky [Mr. COOPER], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Kansas [Mr. SCHOEPPEL] are necessarily absent.

The Senator from Indiana [Mr. JENNER], the Senator from North Dakota [Mr. LANGER], and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Pennsylvania [Mr. MARTIN] is absent on official business.

The Senator from Vermont [Mr. AIKEN] is detained on official business.

The Senator from Vermont [Mr. AIKEN] is paired with the Senator from Maine [Mr. PAYNE]. If present and voting, the Senator from Vermont would vote "yea," and the Senator from Maine would vote "nay."

Also on this vote the Senator from Vermont [Mr. FLANDERS] is paired with the Senator from Kansas [Mr. SCHOEPPEL]. If present and voting, the Senator from Vermont would vote "yea," and the Senator from Kansas would vote "nay."

The result was announced—yeas 27, nays 50, as follows:

YEAS—27

Beall	Butler	Dirksen
Bennett	Capehart	Douglas
Bricker	Cotton	Dworshak
Bush	Curtis	Frear
Hickenlooper	Martin, Iowa	Smith, Maine
Hruska	Morton	Smith, N. J.
Knowland	Potter	Thurmond
Kuchel	Purtell	Watkins
Lausche	Revercomb	Williams

NAYS—50

Allott	Hill	Monroney
Anderson	Holland	Morse
Barrett	Humphrey	Mundt
Bible	Ives	Murray
Carlson	Jackson	Neuberger
Carroll	Javits	O'Mahoney
Case, N. J.	Johnson, Tex.	Pastore
Case, S. Dak.	Johnston, S. C.	Russell
Chavez	Kefauver	Saltonstall
Church	Kennedy	Scott
Clark	Kerr	Sparkman
Eastland	Long	Stennis
Ellender	Magnuson	Symington
Ervin	Malone	Thye
Fulbright	Mansfield	Wiley
Green	McClellan	Young
Hayden	McNamara	

NOT VOTING—18

Aiken	Gore	Payne
Bridges	Hennings	Robertson
Byrd	Jenner	Schoeppel
Cooper	Langer	Smathers
Flanders	Martin, Pa.	Talmadge
Goldwater	Neely	Yarborough

So Mr. WILLIAMS' amendment was rejected.

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MANSFIELD. I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER (Mr. MORTON in the chair). The question is on agreeing to the motion of the Senator from Montana to lay on the table the motion of the Senator from Texas.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 358. An act to authorize the conveyance to the State of Wyoming of about 37¾ acres of land comprising a part of Francis E. Warren Air Force Base; and

S. 1274. An act to amend the act of March 3, 1911 (36 Stat. 1077), to remove restrictions on the use of a portion of the Springfield Confederate Cemetery, Springfield, Mo., and for other purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 6700) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PRESTON, Mr. THOMAS, Mr. ROONEY, Mr. YATES, Mr. SHELLEY, Mr. FLOOD, Mr. CANNON, Mr. CLEVENGER, Mr. BOW, Mr. HORAN, Mr. LAIRD, and Mr. TABER were appointed managers on the part of the House at the conference.

OKLAHOMA'S WORST FLOOD

Mr. KERR. Mr. President, I am glad the Senate has just rejected an amendment which would have impaired the ability of the Federal Government to meet a part of its responsibility in connection with disasters suffered by our people.

I have just returned from Oklahoma, where I spent a good part of the last 3 days in flying over those areas of Oklahoma which are suffering disaster from floods.

In Sunday's Washington Star, on the front page, was a glaring headline: "Thousands in Oklahoma Flee State's Worst Flood, Wide Area From Tulsa Southward Menaced; Eight Dead, Damage in Millions."

Mr. President, this article is at best a brief summary, telling of only a part of the devastation and disaster which since last Thursday has hit my State of Oklahoma and which is continuing its devastation and destruction. Dover, Coyle, and Perkins, Okla., along with many other communities, were completely inundated. In one area, 20 inches of rain fell in 6 hours. The State administrator of civil defense has estimated $25 million damage in the State of Oklahoma, including $5.6 million to highways and bridges. Before the final chapter is written, the damages will continue to mount.

I want to express publicly my deep appreciation of the vigilance of the American Red Cross and the Civil Defense Administration in hurrying to the scene of this disaster and administering aid to those in trouble. I want to pay tribute to the thousands of Oklahoma men, women, and children who worked day and night watching and reinforcing levees and otherwise combating angry floodwaters.

The story in the Washington newspapers told of the flood coming out of the Cimarron River and converging with the Arkansas River upstream from Tulsa, and estimated that this would be the highest stage flood experienced on the Arkansas River. This was avoided only by the heroic efforts of thousands of people and by an act of Providence. Miles of levees heretofore built kept the floodwaters confined, making a millrace that speeded up the flow of water. This resulted in dredging out 5 feet or more of sediment in the river, thus deepening the channel until the flood crest was several feet below what had been estimated.

This morning an article in the Washington Post and Times Herald reported that 2,300 people were forced from their homes at Bixby, 20 miles from Tulsa. The damage in Tulsa and Bixby, and from there on down the Arkansas River will total many millions of dollars. Mr. President, what happened is bad, indeed, but the tragedy is that had the Keystone Reservoir, which was authorized by Congress in 1946, been constructed and in operation, there would have been no flood at Tulsa, at Bixby, or beyond. This fact was confirmed only Saturday by the Chief of Engineers, Maj. Gen. E. C. Itschner.

A Federal levee project at Tulsa was 100 percent effective, preventing millions of dollars in damages.

After years of fierce opposition and delay, this year the Bureau of the Budget made a request for funds to initiate the major construction of the Keystone Dam project. The funds which will be allowed for this project are small compared

to the damage that will be caused by the current flood.

Mr. President, the Cimarron and Arkansas Rivers are not the only rivers causing devastation at this very moment. If the six authorized projects on the Verdigris River and its tributaries had been in operation, they would have prevented further millions of dollars worth of damage. Among these projects is the Oologah Reservoir.

On the Chikaskia River is located one of our very finest Oklahoma communities—Blackwell. The report in the Sunday Star indicates that 23 square blocks were flooded in this town. Had the Caldwell and Corbin Reservoirs been constructed, there would have been no flood at Blackwell. In the President's budget are funds for making a survey of these two reservoirs—mighty little, mighty late.

In the southern part of Oklahoma, the fine city of Waurika is again having to dig out from under high-flood flows. More than 50 families were forced to leave their homes for the third time in a month, as Cow and Beaver Creeks converged on this town with their devastating floodwaters. Again, Mr. President, the President's budget contains funds for a survey report of the Waurika Reservoir on Beaver Creek. Had this reservoir been constructed, there would have been no flood at Waurika.

Reports that I have received this morning indicate that many major highways in Oklahoma are blocked by floodwaters and washed-out bridges. Rail service is impaired. Many towns are depending upon water that has to be hauled in trucks, because their water supplies have been destroyed or contaminated by this great disaster. Gas lines which furnish heat for domestic and industrial use throughout the State are impaired or endangered. Enid, Okla., is digging out from floods that would have been controlled by the proposed Enid Floodway.

Hundreds of farm families in the dozens of flooded valleys are moving livestock to higher ground and are evacuating their homes because of the disastrous floods. One such is the valley of the Washita. One of its tributaries is Rock Creek. Again, in the President's budget there is a request for funds to finish a survey recently started on this project.

This afternoon Oklahomans will appear before the Appropriations Committee of the House of Representatives, seeking construction funds for the Foss and Cobb Creek Reservoirs on the Washita. Had these projects been constructed, the floods on the Washita could have been controlled or drastically reduced.

Mr. President, this is a small part of the awful story of neglect of conserving the soil and water resources and controlling the floods in my State. The irony of it is that up until this spring, for 5 long years, Oklahoma has suffered drought even more devastating than the floods now are. Farmers and townspeople alike have been forced to ration water because of its scarcity. Yet, at this very moment, millions of acre-feet of this precious resource is devastating our lands and towns and flowing onward to damage other States without any possible opportunity of beneficial use in times of need. What is true in Oklahoma is true throughout the Nation. Each year vast areas of our country suffer drought or flood disaster or both.

We have been appalled at the disasters which have occurred in our neighboring State of Texas to the south, and in parts of Arkansas and Louisiana to the east and southeast. From Texas to New England; from the everglades of Florida to the great Pacific Northwest; in the valleys of Pennsylvania, West Virginia, and Kentucky; from the great Southeast to the valleys of the San Joaquin and the Sacramento; the story is the same.

Right here in the District of Columbia a lack of conservation and pollution control of the waters of the Potomac bedevils our minds and insults our nostrils. Yet every time an appropriation or an authorization bill comes up, there are those who fiercely oppose and cry "pork barrel."

Mr. President, I know of no more adequate answer to that than the following telegram which I received this morning:

TULSA, OKLA., *May 18, 1957.*

Senator ROBERT S. KERR,
Senate Office Building,
Washington, D. C.:

My 7-year-old son went to bed in tears tonight because the Keystone Dam will not be finished by Sunday to keep his school from being flooded. Hurry up.

BETTY W. STRONG.

Mr. President, a few weeks ago the Chief of Army engineers was in Oklahoma, where he made a speech in regard to conservation of soil and water. In the speech he made to significant statements, which I should like to quote. The first is as follows:

> The droughts of the past few years, which have so seriously affected large portions of the Arkansas basin, as well as similar periods of deficient rainfall throughout much of the Nation, have focused attention on the importance of conserving our precious supply of water for tomorrow's infinitely greater requirements for domestic use, irrigation, and industry.

A little later in the speech he made this most significant statement:

> Last month I flew over a part of far-off Iran, which formerly was known as Persia, south of the capital city, Teheran. Centuries ago a Persian poet walked some 200 miles across that land, and he described how not once did he step from beneath the shade of trees which grew along the irrigation ditches. He told about flowers and fields full of grain and melons. As I passed overhead, I searched, but could see only one shadow, that of the plane, on the hard desert floor. Two hours later we came to the green fields and orchards surrounding Baghdad, on the Tigris River. Having seen how badly water was needed and lacking in the region, I expected to find the Tigris little but a dried stream bed. Instead, there below us was a large river. Then I understood why the valley that gave birth to the earliest civilizations provided sustenance to ancient Babylon, and prospered until its irrigation works were deliberately destroyed by the descendants of Genghis Khan, was now, save for isolated spots, a barren desert. The reason is simple: The modern inhabitants are utilizing only a small fraction of the capacity of the water that flows through the parched land. We must make sure that in our country, unlike Iran and Iraq, we will develop to the fullest our water resources as we need them.

Mr. President, those words constitute one of the sternest warnings I have ever heard from the lips of a responsible person or public official. They point to the sad truth that throughout history, civilizations have failed and fallen when they have failed to conserve their natural resources.

Mr. President, I believe the words I have quoted should echo in the ears of Members of the Senate who today, or every time an appropriation bill or authorization bill comes before the Senate, challenge it and oppose it, and accuse it of being "pork barrel."

FLOOD CONTROL AND RECLAMATION FEDERAL POLICIES

Mr. MALONE. Mr. President, will the Senator from Oklahoma yield to me?

Mr. KERR. I yield.

Mr. MALONE. The subject the Senator from Oklahoma is discussing is of very great interest to me. Do I correctly understand that he is referring to the principles laid down by the Congress during approximately the past 75 years, in the case of flood control?

For 75 years the Federal Government has provided funds for the construction of flood-control projects without repayment when the Army engineers have reported that the benefits would exceed the costs.

Mr. KERR. Yes.

Mr. MALONE. And under the Reclamation Act, the Federal Government has advanced the necessary funds, to be repaid over a definite amortization period, without interest, but to be repaid in full. That policy of the Congress is 55 years old.

Mr. KERR. Yes.

Mr. MALONE. Are those the principles involved in the debate the distinguished Senator from Oklahoma is advancing?

Mr. KERR. They are two of the principal programs with reference to which I am trying to call attention to the need and necessity for a stepped-up rate of development of projects which have to do with, or which have for their purpose, the conservation of water for flood control, irrigation, navigation, power, recreation, and municipal and industrial water.

Mr. MALONE. Mr. President, if the Senator from Oklahoma will further yield, let me say that means that Congress must appropriate, each year, the sum of money the Army engineers believe to be necessary for the investigation of projects which either are before them or are likely to come before them, which they believe may be feasible, and the funds which the Department of the Interior also believe necessary to investigate the facts in the case of projects that may be feasible. Is that not true?

Mr. KERR. I am trying to indicate my very vigorous support of such proposals.

Mr. MALONE. Mr. President, I join the Senator in that position.

Mr. MONRONEY. Mr. President, will my colleague yield to me?

Mr. KERR. Mr. President, I am very glad to yield to my distinguished colleague.

Mr. MONRONEY. Mr. President, I should like to associate myself with the

remarks of my senior colleague on the tragedy of the multi-million-dollar devastation which floods have caused in almost every part of Oklahoma. The damage to our State will run into many, many millions of dollars. Terrific expense will be involved in replacing the highways, restoring farm homes and lands, and above all, in attempting to replace the fertile topsoil which today is washing down every river valley.

I know of the great fight my senior colleague made when he was the Governor of Oklahoma from 1942 to 1946. He fought to develop a great water program, which would stop the devastation of the periodic floods which have occurred altogether too frequently in Oklahoma, to harness the rivers, so as to get them to work for man, instead of destroying the fruits of man's labor, and to provide their multipurpose use for irrigation, hydroelectric power, industrial water, and for navigation. The senior Senator from Oklahoma has been the champion of this program.

When the rains happen to fall in torrential amounts in areas where these projects have already been constructed, I think the success of the projects—in the case of both the large dam programs and the small dam programs—has been ample proof that the devastation of floods, which cost so many millions of dollars, can be stopped.

I know we have a great current program, largely sponsored and largely brought to its present condition by the distinguished senior Senator from Oklahoma, and now before the Congress. If the program had been completed today, we would have suffered far less damage, because the history of the floods on the Cimarron, the Arkansas, the Verdigris, and on the other principal streams proves conclusively that where the primary danger has been from a flash flood, the program has anticipated the extraordinary flow of water throughout our State.

Floodwaters from west Texas, Kansas, and even points in Missouri must flow through Oklahoma on their way to the sea. Therefore, in addition to controlling our own heavy rainfall, which often occurs during a short period of time, our flood-control structures must be placed and built to control very great volumes of water.

While many civic leaders, the Army engineers, and others have worked long and hard to build an effective flood-control system, it was Senator BOB KERR, and former Governor Bob Kerr, who took the initiative and drafted the master plan for the State's flood protection and water development which we now so urgently need to complete. I, particularly, am grateful for his leadership. I know the people of Oklahoma are grateful for the leadership and courage which the senior Senator from Oklahoma has shown in formulating and carrying through this great program.

Mr. KERR. I wish to express my deep appreciation to my junior colleague for what he has just said, and to note the fact that no Member of this body has a more able and devoted colleague than I have, and that no State has a more effective and devoted Representative in Congress in working for its welfare than Oklahoma has in my great junior colleague.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. KERR. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. I wish to congratulate the Senator from Oklahoma on his very lucid and powerful statement in regard to control of waterways and what he has said today about his State. I express the sympathy of the people of Arkansas for the people of Oklahoma. The same flood which has affected Oklahoma is proceeding downstream and affecting Arkansas. I have talked to people in Arkansas. Floods are beginning in my State, and no doubt will cause great damage in the area from Oklahoma to Mississippi. I congratulate the Senator from Oklahoma for bringing this matter to the attention of the Senate in a very forceful manner.

I for one, and I know it is true of my senior colleague and other Senators, are eager to support him in the great work he is doing to bring about construction of dams in his State. The dams must be built in Oklahoma before we can make our own flood control in Arkansas effective. That is the way for the flood-control program to develop logically. I think it has been a great shame and waste that the program has been delayed as long as it has been.

The flood-control programs in Arkansas, as well as those in Oklahoma, were authorized many years ago, and they should have been built long since. I thank the Senator, on behalf of the people of my State, for all he has done to bring this program along.

Mr. KERR. I thank the Senator from Arkansas, and to say to him that we are indebted to him and his colleagues in the Senate and the House for their great effort in this mutual endeavor, and to remind the Senate that what the Senator has said with respect to Arkansas and Oklahoma applies to every State in the Union, because the conditions in our States affect the economy of the country as a whole, and have to do with a resource without which we cannot hope to have the future to which we are so proudly looking forward.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. ELLENDER. I wish to state to my good friend from Oklahoma, in light of the recent floods which have been occurring in Oklahoma, Arkansas, Texas, and other parts of the Nation, that I have asked the Corps of Engineers to make a quick survey of the damages that have been suffered and to report back to the Subcommittee on Public Works Appropriations, of which I am chairman. Because of these floods, and because of the lack of sufficient information in light of the floods that are now prevailing, I am going to delay further hearings on the bill providing funds for these projects, in the hope that after obtaining additional information, we can provide sufficient funds not only for surveys and planning, but also for the construction of dams that have been authorized and as to which the planning has already been completed.

As the Senator well knows, there are quite a few flood-control projects that, due to a lack of funds, we have been unable to build. It is my hope that in the early part of next month the Subcommittee on Public Works of the Appropriations Committee will be in a position to come before this Congress and do the very thing the Senator is now pleading for—that is, provide funds in order to take care of many of the projects to which he has referred. I wish to say it is entirely possible that if the Public Works subcommittee cannot obtain an estimate from the Budget Bureau, the subcommittee will take the bull by the horns and present a bill providing for sufficient funds without being bound by budget estimates.

We are faced with tragedies today because of a penny-wise, pound-foolish policy on our program to conserve and preserve our natural resources. For too long, we have neglected to provide money to keep pace with population growths; we have put the welfare of our people, the safety of our homes, second. I sincerely hope that the Congress this year can be persuaded to understand that money appropriated for flood control, for navigation projects and for similar water resources development is an investment in our national future.

The recent floods have wrought havoc; they have left not only damage in their wake, but death as well. This toll is the price we pay for a past policy which too frequently relegated important domestic work to the position of a fiscal stepchild.

I want to assure the Senator from Oklahoma, all Senators, and particularly the people of our land that if left up to me, fiscal 1958 will see the Federal Government expanding its efforts in the field of flood control, navigation, and water resources development. As soon as I hear from the Corps of Engineers, I intend to call the subcommittee back into session. I hope that I can prevail upon its membership, the membership of the full Committee on Appropriations, and the Senate to increase the funds for flood control in the fiscal year ahead.

Mr. KERR. I thank the distinguished Senator from Louisiana, and wish to make this public acknowledgment, that there is no Member of the Senate, in my judgment, who has made a greater contribution to the conservation of soil and water in our country than has the great senior Senator from Louisiana. The people of Oklahoma and of the Southwest are indebted to him beyond any hope of ever being able to express adequately their appreciation. I know that the sentiment I express is shared by the Members of this body who have been conscious of his tremendous and untiring efforts to speak for an acceleration of the program of conservation of soil and water in our country.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. KERR. I yield to the Senator from Kansas.

Mr. CARLSON. We in Kansas sympathize with our neighbors in both Oklahoma and Texas who are suffering terrific and irreparable damage in soil and

property, and, in many instances, in human life. We went through a flood in 1951, which centered in Kansas, and which extended into Oklahoma and other States. The flood which cost $1 billion was one of the most expensive this Nation has ever suffered. I fully understand the problems the distinguished Senators from Oklahoma are confronting at this time.

The source of the streams flooding Oklahoma are in Kansas. There have been authorized a number of projects the construction of which would have been of value to the great State of Oklahoma. I wish to assure the Senator from Oklahoma I have been trying in every way possible to get those projects started. They will represent investments in the future of our Nation and in the great area which has just been devastated.

I, too, wish to commend the Senator from Louisiana [Mr. ELLENDER]. He has been sympathetic. He knows our problems. We still have an opportunity to render a service to the Nation by preventing floods, so far as that is possible.

I should like to ask the Senator from Oklahoma a question relating to the construction of reservoirs to impound water for flood control. We have heard of attempts to protect the Washita watershed by small dams, retention dams, terracing, and soil conservation practices. Do they prevent floods, or is it necessary to build other reservoirs to impound more water?

Mr. KERR. I am glad the Senator has asked that question. I point out that the water-retention program which had been developed in southwest Oklahoma in the watershed of the Washita River did prevent a very considerable flood to a limited area in Oklahoma. Certainly, Mr. President, there is no more important part of the program for the conservation of soil and water than the upstream phases of it, but in order that there may be the most benefit and so that in concentrating on one very worthy part of it we may not feel that we are viewing the whole panorama of the problem, I refer only to what I said a moment ago, namely, that in some areas in recent floods 20 inches of rainfall occurred in a very few hours. There has never been an upstream program which contemplated the handling of anything like a considerable portion of that amount of waterfall.

The relationship of the upstream program and the program of flood control on the main stems is a good deal like having a glass and pouring water into it from a full pitcher. It would not take long to fill the glass. But if one continued to pour, unless there was another vessel down below, most of the water would not be impounded or contained or controlled. So it is with the upstream water control, retardation, and detention, and downstream control. In the areas where tremendous rainfalls occur, as they do throughout Oklahoma, Texas, and the Southwest, including the great State of the Senator from Kansas, it is a vital necessity that the program of conservation of water be coordinated so that as much as possible of the water will be kept in the areas where it falls. But we also must make an effort so that the rest of it, which constitutes the greater portion, may be contained in the larger reservoirs on the main stems, where so much is contributed, not only to flood control, but to irrigation, the development of power, municipal and industrial water supplies, and navigation.

Mr. CARLSON. Mr. President, will the Senator yield further?

Mr. KERR. I yield.

Mr. CARLSON. I appreciate very much the statement the Senator has just made, because I think it is important in this coordinated program.

I have always contended we needed both programs. They are both parts of the great program of conservation and control of water runoff, and in the area mentioned every drop of water is needed for beneficial uses.

I think the latest flood has probably proved one program alone will not solve the problem. It would be helpful if those of us who live in those areas would work together and coordinate the program so as to get effective results in the effort to control the water runoff at its sources plus the impounding of water when there is excessive rainfall, as has just occurred in Kansas, Texas, and Oklahoma.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. KERR. I yield to the Senator from Texas.

Mr. JOHNSON of Texas. First, I wish to congratulate my good friend, the senior Senator from Oklahoma [Mr. KERR], for the very instructive report he has just made to the Senate on the conditions in his State, which he has just surveyed.

Second, I wish to express to the senior Senator from Oklahoma the deep gratitude of the Members of the Senate for the enlightened and constructive work he has done in the field of flood control. I believe it is matched by very few Senators and that except for his efforts there would have been greater losses in the Southwest during the past 2 weeks.

I take great pride, Mr. President, in the fact that I became a Member of the Senate on the same day the Senator from Oklahoma took the oath as a Senator. I remember that on the day he entered the Senate he told me that his primary task was to do something about water conservation, and that if the people of Oklahoma permitted him to stay in the Senate long enough he was going to see that he got the job done.

I recall last year that it was under the leadership of the Senator from Oklahoma, as Chairman of the subcommittee dealing with flood control of the great Committee on Public Works, that the Senate passed a bill providing for an authorization of some one and a half billion dollars. The Congress finally sent that legislation to the White House, only to have it meet with a pocket veto.

Mr. President, if those projects were a reality many of our people might not be confronted with the specter of death and disaster that faces them at this hour.

In my State dozens of rivers remain undammed, and dozens of lives have been lost, hundreds of homes destroyed and millions of dollars of damage suffered.

I recall reading, in a North Texas newspaper, the Dallas News, last week, that one flood control project in that general area, which cost $65 million to construct, had already, according to the Army Engineers, prevented damages of $68 million.

So I say to the Senator from Oklahoma [Mr. KERR] and to our beloved colleague, the Senator from Louisiana [Mr. ELLENDER], the Chairman of the Subcommittee on Public Works of the Committee on Appropriations, that I hope they will not be deterred by charges of "pork barrel" legislation. I hope they will keep their chins up and their chests out, and continue to forge ahead with a constructive water conservation program, because I am convinced that it is the best insurance policy Congress can buy.

I live on a small stream. Most of the summer months it has very little water. A child can walk across it. I was home at Easter time, when a mother started to the capital, some 50 miles away, and she crossed that stream. A flash flood came by at that time. Two women were washed out of the car, along with a little baby, and the mother and baby drowned, all because we had not had the foresight and vision and courage to put a dam on that stream, which would have paid for itself time and time again. The mother and her baby went to an early death. The floodwaters went into the gulf, where they are of no use to anybody. And we came back to Washington to read about the "pork barrel" projects of the Senator from Oklahoma and the Senator from Louisiana.

I remember, with deep gratitude, the valiant effort made by the minority leader [Mr. KNOWLAND], when his party was in charge of the Congress, and when he was chairman of the Subcommittee on Public Works of the Committee on Appropriations. I remember the understanding he displayed toward great sections of the country which needed water projects.

Mr. President, while every dime the Congress authorizes must be justified, and while every dollar the Congress appropriates must be gone over with a fine-tooth comb, I hope that the chairman of the Committee on Public Works, the chairman of the Committee on Appropriations and the chairmen of the subcommittees dealing with flood control, will realize that we can be penny-wise and pound-foolish.

Today in the Southwest, in the State of the Senator from Oklahoma, in my State, and in the State of Louisiana and other States—and my friend reminds me, in the State of Rhode Island, indeed, in States all over the Nation—lives are being lost, property is being destroyed, and precious soil which cannot be replaced is being washed away, all because we have been hesitant and reticent, and because some would not see the way, thus permitting a flood-control measure to be pocket vetoed.

I hope, Mr. President, that the speech of the Senator from Oklahoma will be

read by all his colleagues, because the Subcommittee on Flood Control—Rivers and Harbors, on which he serves as Chairman, and the full Committee on Public Works, headed by the distinguished Senator from New Mexico [Mr. CHAVEZ], and the Subcommittee on Public Works of the Committee on Appropriations, headed by the Senator from Louisiana [Mr. ELLENDER], have a frightening responsibility in this connection. If we stand idly by, with our hands in our pockets, we shall continue to see our resources drift into the sea, and our peoples' homes and businesses flooded beyond repair.

Mr. KERR. Mr. President, I am deeply grateful to the great Senator from Texas for the eloquent and forceful statement he has made. I recall with much pride that when I came to the Senate the first bill I introduced was one of which he and his then colleague from Texas were joint sponsors, as were the two Senators from Arkansas, [Mr. MCCLELLAN and Mr. FULBRIGHT], the two Senators from Louisiana, [Mr. ELLENDER and Mr. LONG], one of the Senators from Kansas [Mr. SCHOEPPEL]—my good friend, the junior Senator from Kansas [Mr. CARLSON], was not here at the time—the two Senators from New Mexico, [Mr. CHAVEZ and Mr. ANDERSON] and I believe both Senators who then represented the State of Colorado. The purpose of the bill was to bring about a comprehensive survey of the soil and water resources of the Arkansas, White, and Red River watersheds, and to formulate a program for their adequate conservation.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. CHAVEZ. I think it would not be amiss to remind the Senate of the recent history of the flood-control program. We in the West have known about the problem for many years, and have tried to understand it. We realize that flood control is the best insurance we can possibly have against floods.

However, the people living in the northeastern section of the United States had to learn the hard way, as the Senator from Oklahoma knows. Only a short time ago Hurricane Carol took many lives in Pennsylvania, New York, and throughout New England.

Shortly after that, when the lives were gone and property to the value of many millions of dollars had been destroyed, the people in that area realized that flood control must be a good thing, and after that particular area had gone through this unfortunate experience, more flood-controll bills were placed in the hopper than had been the case for many years.

As the Senator knows from the hearings which he held, authority existed in New England as far back as 1936 to build flood-control projects, but they were never built.

I appreciate the remarks of the Senator from Oklahoma. I know what he is talking about. I congratulate him. He is chairman of the Subcommittee on Flood Control of the Public Works Committee, of which I have the honor and privilege to be chairman, a fact of which I am very proud.

The Senator from Oklahoma listened to all the testimony for many weeks. A bill was reported to the Senate, and the Senate actually passed it, probably 6 weeks ahead of schedule. So far as the Senate is concerned, we have followed through with a flood-control bill for this year. It is pending in the House, and I hope that Members of the Senate from the various States will get busy on the House side. Floods are no respecters of sections or political parties.

If I may recount a part of the history, with the indulgence of the Senator from Oklahoma, I recall vividly when the little Kaw River in Kansas and Missouri practically destroyed billions of dollars worth of property in Kansas alone, at a time when $400 million invested in flood-control projects would have prevented the loss. In that particular year those poor people could not pay a penny of income tax, because what they had was destroyed. The same thing applied to Missouri. The same thing applied to South Dakota. I have seen water in second-story windows in Pierre, S. Dak. I was in St. Joseph at a time when an airplane could not land at the airport. Millions of acres in the granary of America were destroyed.

Is the flood-control program good insurance? Or shall we sit idly by and refer to a flood-control bill as a pork-barrel bill?

I am glad the Senator from Oklahoma is making the statement which he is engaged in making. I appreciate his indulgence, and I wish to thank him.

Mr. KERR. I thank the Senator from New Mexico.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. CASE of South Dakota. I can attest to the interest displayed by the able chairman of the Committee on Public Works in the problem of flood control. He visited Pierre, S. Dak., in my company and saw some of the devastation wrought in that city at that time.

I am also grateful to him and to others for the work which has been accomplished in the construction of works on the Missouri River which will prevent a repetition of that particular tragedy.

At the same time, I also wish to say to the people of Oklahoma that the able Senator from Oklahoma [Mr. KERR], who serves as chairman of the Flood Control Subcommittee of the Senate Committee on Public Works, has been diligent in season and out of season working for flood-control protective works. I have had an opportunity to witness his work, and can testify to his diligence. I have observed his work in closed sessions of the committee, as well as open session. As his opposite number on the minority side of the committee, I can say to the people of Oklahoma that it was due as much to his industry as that of any other man whose name might be mentioned that the Senate took the action which it did with regard to the omnibus public works bill, which was passed early in the session.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. JOHNSON of Texas. I wish to express my gratitude to the able Senator from South Dakota [Mr. CASE] for the great interest he has displayed in this problem and the effective service he has rendered in endeavoring to solve it.

Mr. CASE of South Dakota. I thank the Senator. The Senator from Texas is very generous.

Mr. President, I feel that the people from Oklahoma are entitled to the assurance that their representative has been diligent. As one who knows the facts in that connection, I am in a position to give such assurance.

Mr. KERR. Mr. President, I am grateful to the distinguished Senator from South Dakota; and I am aware, every time our committee meets, of the fact that there is no more able or effective worker for flood control than the distinguished Senator from South Dakota.

Mr. President, what has been said by so many of my colleagues with reference to the problem of conservation of water, and the story of tragedy in Oklahoma today constitute a warning that the Government of the United States must speed up the business of controlling and conserving the water of our country. The penalty we are paying for failing to adequately conserve this most precious resource is far greater than the cost of controlling and conserving it.

A little while ago the President warned that the price of peace and security is high—and that is true. To meet our responsibility at home and abroad we must continue to broaden the base of our national prosperity and economic development. The strongest element in that foundation is the conservation of our natural resources. They have been the foundation of our growth and development this far and will be in the future.

It has taken us 350 years to become a Nation of 170 million people. We are told by eminent authority that this number will double in 40 years. No Nation in history has had such a challenge and a pivotal part of that challenge is the necessity adequately to conserve, develop, and utilize our soil and water resources.

We are now engaged in a serious effort to reduce the record size budget submitted to the Congress by the President. This is something which the people call for and which the Congress is determined to do. But in doing this, as the Senator from Texas [Mr. JOHNSON] says, we must not be penny-wise and pound-foolish. Certainly we must trim the fat wherever possible and thus eliminate unnecessary expenditure. But, Mr. President, we must not impair the bone or mighty muscles of our great country. We must no longer neglect the absolutely necessary reinforcement of our economic growth and security which is the adequate conservation of our soil and water resources.

CAN LOCAL GOVERNMENT SURVIVE?

Mr. THURMOND. Mr. President, on Friday evening, May 17, speaking before the Ohio State Bar Association, a distinguished South Carolinian issued another warning against the United States

Supreme Court's usurpation of power not granted to it by the Constitution.

I cite the words of this outstanding citizen for several reasons. He is retired and therefore has no ambition for political gain. He is experienced in all three branches of the Federal Government and served for 4 years as Governor of his State.

The speaker who addressed the Ohio State Bar Association last Friday evening was the Honorable James F. Byrnes, former Congressman and Senator, member of the Supreme Court, War Mobilizer and Economic Stabilizer, Secretary of State, and Governor of South Carolina. Few men in the history of our Nation have served in as many varied high offices of the Federal Government. Few have had the same opportunity to observe over the past half century from the same close vantage point the changes which have taken place in the Federal Government.

In his speech in Columbus, Ohio, Governor Byrnes discussed, in the light of recent decisions of the Supreme Court, "whether local governments can survive the present trend of the courts."

I want to call the attention of the Senate particularly to one statement he made in his discourse. Governor Byrnes said:

If the Supreme Court can alter the Constitution by its decisions, then five men—a majority of the Court—can make the Court a Constitution maker instead of a Constitution defender.

But there are many fine points in the text of this address which should be read by every American.

Mr. President, I ask unanimous consent to have the text of the address delivered by Governor Byrnes printed in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

CAN LOCAL GOVERNMENTS SURVIVE?

By training, the lawyer is more tolerant, as a rule, than his neighbors. By experience, he knows that most serious controversies have two sides, and it is wise to know upon what his opponent relies. This encourages me to discuss with you, regardless of your personal views, whether local governments can survive the present trend of the courts.

The founders of this Republic came here to escape the oppression of governments. They grudgingly gave power to local governments. Later some States refused to ratify the United States Constitution until assured that it soon would be amended. Thereafter the 10th amendment was adopted, providing:

"The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people."

We have respect for the written Constitution of the United States. Heretofore we have had great respect for the Supreme Court because it has been regarded as the defender of the Constitution. We have relied upon the Court for protection against either the Executive or the Congress, acting in violation of the Constitution.

When we speak of the law of the land we refer to the United States Constitution which, according to article 4, "shall be the supreme law of the land."

We regard the Constitution as a statement of principles by which all departments of Government are bound and the liberties of the people assured, and that it can be altered only in the manner provided in that instrument.

All of us will agree with Chief Justice Marshall's statement in the Marbury-Madison case, "The Constitution is either a superior, paramount law, unchangeable by ordinary means, or it is on a level with ordinary legislative acts and, like other acts, is alterable when the Legislature shall please to alter it."

If the latter be true, a written Constitution is an absurdity. It is equally clear that if the Constitution is the superior, paramount law, it cannot be altered whenever the Supreme Court pleases to alter it.

If the Supreme Court can alter the Constitution by its decisions, then five men—a majority of the Court—can make the Court a Constitution maker instead of a Constitution defender.

Throughout our history, Presidents of the United States, from Washington to Lincoln, and to Franklin D. Roosevelt, have warned against the Court attempting to usurp such power.

Now it is agreed by students of the law that the Court, while still admitting its lack of power to amend, is exercising new powers without the public realizing that the powers are new. And these new powers are being exercised to destroy local governments.

A good illustration of this trend is the case of *Slochower* v. *The Board of Higher Education of the City of New York* (350 U. S. 551, 1956), where under its charter the city of New York was required to discharge an employee, a college professor, for claiming the protection of the fifth amendment when called before a congressional committee investigating national security to answer question regarding past membership in the Communist Party. The dismissal was affirmed by the highest court of the State. It was reversed by the United States Supreme Court. Four members of the Court, Justices Reed, Minton, Burton, and Harlan, dissented, declaring "The Court strikes deep into the authority of New York City to protect its local governmental institutions from influences of officials whose conduct does not meet the declared State standards of employment."

New York rightly contended the professor had no constitutional right to employment and had accepted the job subject to the provisions of the State statute; that it was within the province of the State alone to determine the qualifications of teachers. The State was not attempting to convict the professor of a crime. It was simply saying that it realized the people would not support a State college if its faculty included a professor who belonged to the Communist Party, membership in which had been declared by the United States Supreme Court in the *Dennis* case (314 U. S. 494) to constitute conspiracy.

How long can local government survive in the State of Ohio if, by State statute, you cannot declare that your children shall not be taught by a Communist or by a man who refuses to tell a congressional committee whether he is or is not a Communist? A teacher has the right to claim the protection of the fifth amendment if he fears his answer will incriminate him. But the people of Ohio and every other State have the right to say that such a man is unfit to teach their children.

More significant as showing the trend of the Court toward local governments was the decision in the case of *Commonwealth of Pennsylvania* v. *Nelson* (350 U. S. 497 (1956)). The sole question was whether the Federal statute known as the Smith Act, which prohibits the knowing advocacy of the overthrow of the Government of the United States by force and violence, superseded the Pennsylvania Sedition Act, which proscribes the same conduct and under which the defendant, a member of the Communist Party, had been convicted in the Pennsylvania courts.

In an opinion written by Chief Justice Warren, six members of the Court answered the question in the affirmative on the ground that Congress occupied the field to the exclusion of similar State legislation, and that administration of State acts would conflict with the Federal plan. The Attorney General filed a brief declaring there was no conflict but the Court would not be halted.

Justice Reed, with the concurrence of Justices Minton and Burton dissented, and among other things declared:

"The Smith Act appears in title 18 of the United States Code, and section 3231 provides, 'Nothing in this title shall be held to take away or impair the jurisdiction of the courts of the several States under the laws thereof.'"

Notwithstanding this positive language, the Supreme Court invalidated the laws of 42 States, which were enacted to protect the people against the overthrow of Government by Communists.

The Communists cannot destroy this Union of States as long as we have 48 State governments which first must be destroyed. However, if they can make it impossible for the States to protect themselves, they will make easier the task of destroying the United States.

I do not cite these two cases to prove that a majority of the Supreme Court is too soft on communism. I cite them only to show the trend of the recent decisions to curtail the powers of local governments. They are significant, following the decision in the school segregation cases, invalidating the constitutions and laws of 17 States.

Because the segregation decision not only affects the lives of 40 million white southerners, but establishes legal precedents that will affect the people of all States, I ask the privilege of discussing it at some length.

In 1952 a three-judge court presided over by Hon. John J. Parker, senior judge of the fourth circuit, in a case from Clarendon County, S. C., held that the segregation statutes of South Carolina did not violate the 14th amendment. It was unanimously sustained by the Circuit Court of Appeals for the Fourth Circuit. Lawyers for the National Association for the Advancement of Colored People appealed to the Supreme Court.

There were similar cases from other States. Some months after the case was first argued, the Court asked for further argument. Because the 14th amendment makes no reference to schools, the Court requested counsel to first direct their arguments to the question "What evidence is there that the Congress which submitted and the State legislatures and conventions which ratified the 14th amendment, contemplated or did not contemplate, understood or did not understand, that it would abolish segregation in public schools?"

The attorneys general of all interested States were invited to file briefs. Many of them responded. It was shown that about the time the amendment was submitted, Members of the Congress proposed that in the Constitution and in statutes, segregated schools should be specifically prohibited. The proposals were rejected.

The Congress that submittted the 14th amendment passed a bill distributing funds between white school and Negro schools in the District of Columbia, and ever thereafter dealt with school funds on a segregated basis. It was further shown that thereafter 24 of the 37 States then existing, legally sanctioned segregated public schools.

Ohio was 1 of these 24 States. For some years prior to ratification of the 14th amendment, Ohio had a statutory system of segregated schools. In 1871 the Supreme Court of Ohio unanimously sustained the constitutionality of this statute. Your segregated system continued until 1887 and was abandoned only as a matter of policy, demonstrating the 14th amendment was not understood in Ohio as requiring that segregated schools be abolished.

The legislative history so conclusively demonstrated that the prohibition of segregated schools was not contemplated either by the framers of the 14th amendment or by the States in ratifying it, that the Supreme Court could not assert otherwise. The most it would declare was that the legislative history was inconclusive.

When the Court decided the legislative history was inconclusive, it should have declared as it did only a year ago in the case of *Ullmann* v. *U. S.* (350 U. S. 427), that "nothing new can be put into the Constitution except through the amendatory process." It should have upheld the doctrine of separate but equal facilities which had been sustained by the Supreme Court in eight different cases since 1896.

Instead, the Court declared, "We cannot turn the clock back to 1868 when the amendment was adopted, or to 1896 when *Plessy* v. *Ferguson* was written." Then why did it ask counsel to file briefs as to the intent of Congress in 1868? And why did it ask counsel to argue whether the Court was bound by its previous decisions such as *Plessy* v. *Ferguson?*

When the Court included such great Justices as Taft, Holmes, Brandeis, and Stone, it declared in *Gong Lum* v. *Rice* (275 U. S. 78), in an unanimous opinion, written by Chief Justice Taft, that segregation in public schools had been "many times decided to be within the constitutional power of the State legislatures to settle without interference of the Federal courts under the Federal Constitution."

The Court, speaking through Chief Justice Hughes, said in another case that the question could "no longer be considered an open one" (235 U. S. 151).

The doctrine of stare decisis is not sacred but when a case involving an interpretation of the Constitution was decided in 1896 and that interpretation is sustained by the Court's decisions over a period of 60 years, we should be able to rely upon it as the law.

I relied upon it, and while Governor, urged the issuance of bonds and the levying of a sales tax to build segregated schools. We have since allotted $175 million for new segregated schools. Of the first $75 million we allotted 70 percent to Negro schools, even though Negro students constituted only 39 percent of the total enrollment.

The Court based its segregation decision on the finding that to separate Negro children from white children because of race, generates a feeling of inferiority and that "Whatever may have been the extent of psychological knowledge at the time of *Plessy* v. *Ferguson*, this finding is amply supported by modern authority." It cited only the writings of a group of psychologists, several of whom had been declared by the Department of Justice to be subversive, and then said, "See generally, Myrdal, 'An American Dilemma, 1944'." I have seen it. On page 13 it criticizes the Constitution of the United States. This citizen of Sweden also makes plain his view that intermarriage of the races is inevitable and is a solution of our dilemma. The psychologists did not testify, and their writings were not part of the records.

As late as 1952 in the case of *Beauharnais* v. *Illinois* (343 U. S. 250) the Court said:

"It is not within our competence to confirm or deny claims of social scientists as to the dependence of the individual on the position of his racial or religious group in the community."

Two years later the Court cited the claims of several social scientists as the justification for invalidating the laws of 17 States.

Where the precedent thus established will lead, no man knows. In 1832 Stephen Girard, of Philadelphia, left approximately $2 million to establish Girard College for the education of white orphan boys, making the city of Philadelphia trustee of the fund. For the past 132 years the city, through a trust committee, has carried out the wishes of the testator. Recently several Negroes were denied admission. The State Supreme Court, sustaining the position of the college, held, "It is one of our most fundamental legal principles that an individual has the right to dispose of his own property by gift or will as he sees fit," and "A testator's direction will be enforced even though contrary to the general views of society." The State court held the city government, in administering the fund, acted solely in a fiduciary capacity and not 1 cent of taxpayers' money had ever been used for the college.

The United States Supreme Court, however, held that the trust committee of the city is a State agency and under the public school segregation case, Negroes must be admitted. It struck down the decision of the Pennsylvania court and thwarted the purpose of the testator because of the means by which his purpose is carried out.

Because in 1954 the Court changed the 14th amendment, which was ratified in 1868, the Court now changes a man's will made in 1832.

If a church school or orphanage is chartered by a State for the care of white Protestants, Catholics, or Jews, will it because of its charter be held to be an agency of the State to which the segregation decision applies?

Some who do not like our written Constitution constantly urge in support of their position, that Chief Justice Hughes said "The Constitution is what the Supreme Court says it is." They create the impression that the great Chief Justice deliberately wrote those words in an opinion of the Supreme Court. That is not true. Fifty years ago while he was Governor of New York and was campaigning for a public service commission bill, he opposed a proposal which would have placed administrative duties upon the New York State courts, and made a statement which is often misquoted as referring to the Supreme Court. Later in his biographical notes he complained of the inferences drawn from the context of his extemporaneous speech, in which speech he said:

"We are under a Constitution, but the Constitution is what the judges say it is, and the judiciary is the safeguard of our liberty and of our property under the Constitution. I do not want to see any direct assault upon the courts, nor do I want to see any indirect assault upon the courts. And I tell you, ladies and gentlemen, no more insidious assault could be made upon the independence and esteem of the judiciary than to burden it with these questions of administration." (See Pusey's Biography, vol. 1, pp. 204–205.)

If the Constitution is whatever the Supreme Court says it is, instead of taking an oath to defend the Constitution, citizens should be required to swear to uphold and defend the decisions of the Supreme Court.

After the Court adopted the school amendment to the Constitution, it had a further hearing to determine how the new 14th amendment should be enforced. Why did the Court not look to the 14th amendment? Section 5 reads: "The Congress shall have the power to enforce by appropriate legislation the provisions of this article."

Discussing this section, in the case of *Fay* v. *The People of the State of New York* (332 U. S. 261), decided 10 years ago, the Supreme Court indicated in the absence of Congressional authority, it had no power to enforce the 14th amendment. That case involved alleged racial discrimination against Negroes serving as jurors. The Court called attention to an act of Congress by which it was controlled, specifically prohibiting such discrimination as to jurors, and then said of section 5:

"It is not said the judicial power of the general Government shall extend to enforcing the prohibitions and to protecting the rights and immunities guaranteed. It is not said that branch of the Government shall be authorized to declare void any action of a State in violation of the prohibitions. It is the power of Congress which has been enlarged. Congress is authorized to enforce the prohibitions by appropriate legislation."

But the Court that was unwilling in 1955 to leave the amendment of the Constitution to the Congress and the States, as provided in that instrument, likewise was unwilling to leave to the Congress the enforcement of the new 14th amendment.

It substituted the courts for the Congress. That means the power of injunction. It is a dangerous power, often abused.

Addressing the Vermont Bar Association last September, I said that in cases of criminal contempt, where the act complained of constituted a violation of a law of Congress or of a State as well as the order of the Court and was not done in the presence of the Court, the citizen was entitled to a jury trial unless the United States Government was a party, but it was evident that in such cases, efforts would be made to deny a jury trial.

I was not mistaken. In Clinton, Tenn., a district judge at the request of the district attorney, signed what he called an "integration order" and enjoined certain named individuals and all others acting in concert with them, from picketing or in any way interfering with the execution of his "integration order." Later, one man was tried by the judge for contempt and sentenced to imprisonment. Sixteen were arrested under section 3691, which provides for a jury trial unless the United States Government is a party. They demanded a jury trial. The order they are charged with having violated was issued in a suit pending for more than a year. However, on January 25, 1957, the district attorney petitioned to have the United Staes substituted as a party and on the same day the petition was granted.

The United States News and World Report called attention to the obvious move of the Department of Justice to circumvent a jury trial. Some newspaper editors joined in criticizing the Department. It was effective. About a month ago the district attorney filed a brief stating he would not oppose the demand for a jury trial. However, the incident justifies the warning I gave last fall and now repeat, that if the precedent should be established by the expansion of the injunctive power in school cases, it will have far-reaching effects in restricting the rights of free speech and the activities of organized labor.

If the court should sustain the Attorney General in his substitution of the United States as a party in the Tennessee case, it would be unnecessary for him to request the Congress to include in the civil rights bill now pending in Congress the provision authorizing the Attorney General to bring suit in the name of the United States for the benefit of a citizen who claims his civil rights have been violated.

If it be said we can rely upon the present Attorney General seldom using the power asked for, I answer that if a man asks for power he must be expected to use it and the power now asked is too great to place in the hands of any man. And, I remind you, the present Attorney General will hold that office for only 4 years and no man can tell who will succeed him.

When the people of the South are criticized by some of the metropolitan press for not cooperating in enforcing the segregation decision, they recall that only a few decades ago the Constitution was lawfully amended in the manner provided in that instrument and prohibition laws were enacted. Unquestionably that was the law of the land. Many of the present critics of the South strongly urged the nullification of the prohibition laws. They made it fashionable to carry flasks and boasted of distilling gin in bathtubs. They did not cease their nullification efforts until the 18th amendment was repealed.

We deplore violence and our people do not talk of or even think of forcibly resisting the orders of the United States courts. They know the United States Government can enforce its decisions. They hope for relief from the courts or the Congress. They feel that if the Supreme Court could reverse the doctrine of separate but equal facilities upheld in decisions of the last half century, then with changing personnel, it may reverse this recent decision.

The people created the Supreme Court. And the people gave to Congress in article 4 of the Constitution, the specific power to regulate the appellate jurisdiction of that Court. Congress should exercise that power. It should deny to the Supreme Court the power to invalidate the provisions of a State constitution affecting public schools or affecting the security of the State or the United States Government.

In view of the threat to nullify through the injunctive process, the constitutional guaranty of trial of all crimes by a jury, Congress by legislation should protect this right of the people.

One could not discuss this segregation decision without admitting that entirely apart from the legal phases, there is a fundamental objection by the people of many States to this social experiment of the Supreme Court.

They fear the purpose of many of those advocating integration in schools is to break down social barriers in the period of adolescence and ultimately bring about social integration and intermarriage of the races. They are unalterably opposed to this and are determined to resist it in every legal way. This is not petty prejudice. It is a serious problem of race relations.

Pride of race has been responsible for the grouping of people along ethnic lines throughout the world. Race preservation is the explanation of the political unrest and race tension in South Africa.

Pride of race as well as loyalty to religion contributes to the conflict between Jews and Arabs in the Middle East, which today threatens the peace of the world. Jews do not marry Arabs. Several Arab governments will not even allow a Jew to enter those countries.

It was a realization of the wisdom of segregating races that prompted 46 governments, including the United States, to agree in the Geneva Convention of 1929 that "belligerents shall, so far as possible, avoid assembling in a single camp prisoners of different races or nationalities."

If you say that in Northern States where there are integrated schools, there is no fear of intermarriage, then I ask why is intermarriage of the races prohibited by law in 12 States? The degree of race tension in various States and communities is dependent upon the percentage of Negro population.

According to the 1950 census, in Ohio there are approximately 8 million white persons and approximately 500,000 nonwhites—or a little less than 7 percent, and there is relatively little tension.

Similarly, in the mountainous areas of the South there are few Negroes and little race tension. In South Carolina there are 2 counties where the Negro population is about 12 percent and there is no serious problem, but in the school district where the litigation arose there are 2,900 Negro pupils and only 290 white pupils. The parents of those white pupils live in constant fear of what the courts may do.

In Northern States in the rural areas there are few Negroes and no race tension, while in the great cities of New York, Detroit, Washington, and Chicago, there is increasing Negro population and increasing tension.

It is useless for men to argue whether the racial instinct is right or wrong—it exists. It is nothing new.

Abraham Lincoln said in his joint debate with Douglas, at Charleston, Ill., on September 18, 1858, "I will say then that I am not, nor ever have been, in favor of bringing about in any way the social and political equality of the white and black races."

He said further: "Whether this feeling accords with justice and sound judgment is not the sole question, if indeed it is any part of it. Universal feeling, whether well or ill founded, cannot be safely disregarded." (Vol. 4, Writings of Abraham Lincoln, edited by Arthur Brooks Lapsley.)

Similar statements were made by Thomas Jefferson, patron saint of the Democratic Party, who at one time owned slaves.

In the days following the War Between the States, the people of other sections showed no great interest in educating the recently freed slaves. The problem of helping them educationally and economically was left to the war impoverished people of the South, who, unlike the people of Germany and Japan after World War II had no Marshall plan to help them. They did what they thought was right and now they can boast that since the days of reconstruction the Negro in the South has made greater progress than he has made in any country in the world.

I am proud of their progress in South Carolina. They are in all the professions. Some few are engaged in banking, hundreds in insurance and real estate. They are engaged in merchandising, farming, and in skilled trades.

With a Negro population of approximately 800,000, about 120,000 own automobiles. I am confident the number of cars owned by Negroes in South Carolina is greater than the number privately owned in Russia with its population of 200 million.

As a result of the educational program which I sponsored while Governor, there is at least one Negro high school in every school district. Because these schools are new in most instances, they are better than the high schools for white pupils.

In the State we have 7,000 Negro school teachers, approximately 40 percent of all teachers. In New York City with a larger Negro population, less than five percent of the regular teachers are Negroes.

Proud as I am of this progress of the Negro, I am even prouder that in the last 25 years there had been a steadily improving relationship between the races. The genuine Negro was developing pride of race. There was little talk of social equality and more talk of educational and economic progress. Between the leaders of the races there was mutual respect and cooperation.

The decision of the Supreme Court has undone all that men of good will in both races had accomplished. Instead of improving, the situation is worsening. Thoughtful people of both races know that an order of a court, cannot change the minds and hearts of people, and they fear the future.

In several States laws have been enacted providing that "if by order of any court, State or Federal, a student is assigned to a school different from that to which he is assigned by school officials, all appropriations for the school to which that student is assigned and all appropriations for the school from which he comes, shall immediately cease."

Counsel for the National Association for the Advancement of Colored People predict the Supreme Court will declare these laws unconstitutional. I hope they are mistaken, but in view of the segregation decision, I would not care to make a wager.

However, I predict that if the Court shall declare unconstitutional all State statutes having in its opinion, the effect of continuing segregation, then with great regret, many States will reluctantly discontinue public schools.

In anticipation of this last resort, provisions in State constitutions requiring appropriations for public schools have been repealed by the voters. Private schools will be preferred to integrated schools.

Of one thing I am confident, should the Supreme Court cause the closing of public schools, leaders of the white race in the South will see to it that the innocent Negro children receive an education. They will not be permitted to suffer because of the well-intentioned but misguided efforts of overzealous do-gooders.

We regret that the race problem has become a political football, the two national political parties bidding for the support of colored voters who all too frequently base their support solely upon the racial attitudes of candidates. And we regret that in some northern States, magazines and newspapers with wide circulation so grossly misrepresent our views and our conduct.

We are not an alien people. We are loyal Americans. Regardless of the difference between the North and South 100 years ago, in the Spanish-American War southerners proved their devotion to the United States. In World War I and again in World War II, sons of the South fought with your sons and demonstrated their patriotism and courage on the battlefields of the world.

Now, in time of peace, we want to cooperate with those of you who believe in constitutional government and in the survival of local governments.

We did not bring the African slaves to our shores. That crime was committed first by the slave traders of Europe and later by traders of New England. However, the southern planters of that period who purchased the slaves, shared the sins of the traders. For those sins they suffered and they bequeathed to those who came after them a race problem which has sorely tried the souls of our people. For more than a century they have borne this cross. Now they earnestly appeal to you for understanding as they pray that their burden may be lessened if not lifted.

ADDRESS DELIVERED BY SENATOR KENNEDY AT ANNUAL AWARDS DINNER OF OVERSEAS PRESS CLUB

Mr. MANSFIELD. Mr. President, on Monday, May 6, 1957, our distinguished colleague the junior Senator from Massachusetts [Mr. KENNEDY] made an address at the annual awards dinner of the Overseas Press Club in New York City. The address is worthy of the attention of all Senators, and I therefore ask unanimous consent that it may be printed in the RECORD at this point in my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR KENNEDY AT THE ANNUAL AWARDS DINNER OF THE OVERSEAS PRESS CLUB MONDAY EVENING, MAY 6, 1957, NEW YORK CITY

It is a genuine pleasure to be with you tonight to join in the tributes justly paid to these outstanding award winners. I gained

a new appreciation for the lot of the foreign correspondent when the April issue of American Heritage revealed that, in 1851, the New York Tribune under Horace Greeley employed as its London correspondent an obscure journalist by the name of Karl Marx. (Some of the copy he filed, it seems, was ghost-written by his friend and patron, Friedrich Engels—but that practice no doubt is as thoroughly discredited today among overseas correspondents as it is among practicing politicians.) In any event, we are told that foreign correspondent Marx, stonebroke and with a family ill and undernourished, constantly appealed to Greeley and managing editor Charles Dana for an increase in his munificent salary of $5 per installment—a salary which he and Engels ungratefully labeled as "the lousiest petty-bourgeois cheating." But when all his financial appeals were refused, Marx looked around for other means of livelihood and fame, eventually terminating his relationship with the Tribune and devoting his talents full-time to the cause that would bequeath to the world the seeds of Leninism, Stalinism, revolution, and cold war. If only this capitalist New York newspaper had treated him more kindly, if only Marx had remained a foreign correspondent, history might have been different, our taxes today might be lower—and I hope all publishers will bear this lesson in mind the next time they receive a poverty-stricken appeal from abroad for a small increase in the expense account.

Perhaps it was the Tribune that made Marx an expert on capitalist exploitation—for he used to scream to Engels, in language exceedingly inappropriate to the gentlemanly traditions of foreign correspondents, that this "lousy rag," as he called the Tribune, run by two "lousy bums" Greeley and Dana, was exploiting Engels and himself like "paupers in a workhouse." But what would Karl Marx say tonight about Communist Russia's systematic exploitation of the satellite economies and workers like "paupers in a workhouse"?

I want to refer particularly tonight to a classic example of Communist mismanagement, inefficiency and exploitation—Poland. For there absentee Soviet centralization and nationalization resulted only in decreased productivity, extensive raw material shortages, both labor shortages and unemployment, and increasing waste and obsolescence of machinery. The attempt to force a heavy industrialization and rearmament program too rapidly upon an economy milked dry by Soviet demands resulted in drastic shortages of consumer goods and housing, spiraling inflation and a raging black market. Without decent living standards, adequate housing or fuel, and ravaged by tuberculosis and other diseases, the Polish people turned rumbling discontent into a violent roar at Poznan, and finally last October insisted upon the new anti-Stalinist regime of Premier Gomulka.

It is, of course, still a Communist regime, still within the Soviet orbit, still patrolled by Red armies. The average uninformed observer at a distance would conclude there had been little change—unless the shroud of secrecy was lifted from official intelligence reports or the veneer of propaganda could be torn from the Communist propaganda reports. But fortunately, in Poland and the other satellite countries, we do not need to rely on uninformed observers at a distance, on unavailable government intelligence, or upon Communist propaganda. We have in those countries trained, objective observers, working not for our Government but for our newspapers, filing not what the Communists tell them but what they see and hear on their own. Their reports are invaluable to the informed public opinion our democracy needs—and it is unthinkable that we should not be able to get such reports from inside Communist China.

But the dispatches filed from the Polish nation show significant changes beneath the Communist label. Terrorism and thought control have diminished; public opinion, basically anti-Communist and always anti-Soviet, is awakening; and a working agreement has been reached with the Polish Catholic Church under Cardinal Wyszynski. Industry and agriculture have been increasingly decentralized and denationalized. Little over one week ago the Polish Parliament approved a new budget and economic plan to reduce industrial expansion and raise living standards. And perhaps most significant of all, the Polish Government has for the first time turned toward the West for increased trade, for friendship, and for American credit and economic assistance—specifically for $200 million worth of our surplus wheat, cotton, corn, fats and oils, to be repaid in Polish currency; and $100 million worth of credit at the Export-Import Bank, to be repaid in dollars, to buy coal, farm machinery and fertilizer.

And what kind of response did they meet from our State Department, whose Secretary boasted here not so long ago of his desire to "advance the aims and aspirations of freedom-loving peoples" by a policy of "liberation"? They met doubt; they met delay; they met timidity and indecision. The welcome mat was haltingly extended only after 5 months had passed from the time the President pledged our aid to the new government—and longer than 2 more months passed before we neared agreement last week on less than one-third of their original request.

In part, of course, this hesitancy has been the result of divisions within the President's own party. Senate Minority Leader KNOWLAND has denounced all proposals for a Polish loan. He quotes the irritating anti-Western and pro-Communist statements made by Mr. Gomulka whose prestige we would be raising. He warns that our aid will simply strengthen the Communist bloc, relieve pressure on the Soviets, and divert to armaments those resources now devoted to staving off Polish discontent. Others warn that extensive American aid to Red-occupied Poland may serve only as a pretext for violent Soviet intervention, permanently crushing the Gomulka government and completely wasting any American investment. Still others take a less valid and less sincere position—they favor Polish aid, they say to voters who support it, but only if her government becomes truly independent, or joins an anti-Russian alliance, or abandons national socialism; or they favor aid only if it is limited to surplus foods alone, accompanied by teams of American observers to guarantee its delivery to needy Poles alone.

I do not say that there are no real risks in aiding the Gomulka government. These are real risks; but, speaking for myself, I do say that risk for risk, dollar for dollar, we cannot fail to meet the Poles more than half way. Apparently our latest offer, though far below their needs and hopes, is acceptable to the Polish delegation. But should a Congressional veto or further administration haggling reduce this still further and turn them away nearly empty handed, after they have braved the Soviet's wrath to come, then we will either be forcing a suffering nation into a fruitless revolt—or forcing the Polish Government to again become hopelessly dependent on Moscow completely on Moscow's terms; encouraging the Polish Stalinists in their antiwestern propaganda; and very possibly causing the collapse of the present, more independent government. Other satellites, we may be sure, are watching—and if we fail to help the Poles, who else will dare stand up to the Russians and look westward?

If, on the other hand, we provide a dramatic, concrete demonstration of our sympathy and sincerity, we can obtain an invaluable reservoir of good will among the Polish people, strengthen their will to resist, and drive still a further wedge between the Polish Government and the Kremlin.

I know of no more critical issue facing our foreign policymakers today. For success in Poland could have early consequences in Czechoslovakia and East Germany, and then the whole Communist orbit—and the Soviets know it. The so-called satellite nations constitute the Achilles heel of the Soviet empire, the tender spot within its coat of iron armor, the potential source of an inflammation that could spread infectious independence throughout its system, accomplishing from within what the West could never accomplish from without.

I call tonight therefore, and I shall devote my efforts on the Senate Foreign Relations Committee, for the formulation of a new American policy toward the satellites. The basic laws governing our foreign economic policies, such as the Battle Act and the Agricultural Surplus Disposal Act, recognize only two categories of nations in the world: Nations "under the domination or control" of the U. S. S. R. or the world Communist movement—and "friendly nations." I suggest to you that there are more shades of gray than these black and white definitions would indicate—that there are and will be nations such as Poland that may not yet be our allies or even friendly, but which are at least beginning to move out from Soviet domination and control. I suggest that these acts be rewritten accordingly—that the policies based upon them be reformulated accordingly—and that we match our brave words about "Liberation" with some bold and imaginative moves of our own.

We have had enough of anguish and despair and empty promises. It is time now to reexamine, to illuminate, and then to act. In his book, One Man's America, Alistair Cooke tells the story which best illustrates my point. On the 19th of May 1780, as he describes it, in Hartford, Conn., the skies at noon turned from blue to gray and by midafternoon had blackened over so densely that, in that religious age, men fell on their knees and begged a final blessing before the end came. The Connecticut House of Representatives was in session. And as some men fell down in the darkened chamber and others clamored for an immediate adjournment, the speaker of the house, one Colonel Davenport, came to his feet. And he silenced the din with these words: "The Day of Judgment is either approaching or it is not. If it is not, there is no cause for adjournment. If it is, I choose to be found doing my duty. I wish, therefore, that candles may be brought."

Members of the Overseas Press Club, let those of us who are here tonight concerned with the dark and despairing problems of the satellites ask once again that, to illuminate our way, candles may be brought.

THIRD SUPPLEMENTAL APPROPRIATIONS, 1957

The Senate resumed the consideration of the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment.

Mr. JOHNSON of Texas. Mr. President, may we have the yeas and nays on final passage of the bill?

The yeas and nays were ordered.

Mr. DOUGLAS. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 28, lines 8 and 9, it is proposed to strike out the following:

CONTINGENT EXPENSES OF THE SENATE

Senate restaurants: For an additional amount for Senate kitchens and restaurants, $30,000.

Mr. DOUGLAS. Mr. President, we have already appropriated $55,000 of the taxpayers' money for the conduct of the Senate restaurant. The supplemental appropriation bill now before the Senate proposes to add $30,000 for that purpose. This would make a total expenditure of approximately $85,000, minus such amounts as would be returned at the end of the year, which are estimated to be approximately $5,000, and probably not more than $10,000.

Therefore, we may expect that there will be a subsidy of from $75,000 to $80,000 of the taxpayers' money for meals eaten by Senators, their guests, and others who patronize the restaurant facilities.

In going into the matter, I am informed that the probable gross receipts of the restaurant during the current fiscal year will be approximately $500,000. That means there will be a subsidy of 15 percent on the total amount on food consumed by Senators, their guests, and others in the Senate dining rooms.

I realize that the appropriation was placed in the bill to provide for the wage increase which was long overdue and which was much needed. I am informed that the wages formerly were 75 cents an hour for waiters and 53 cents an hour for waitresses. These have been raised to $1 and 85 cents, respectively. These increases in pay were necessary, highly desirable and should have been made.

However, I do not believe that the taxpayers should subsidize Senators or subsidize their guests for the meals which are consumed. We should pay for them from the charges imposed by the Senate restaurant. I have before me a menu for today. I believe most of us are familiar with parts of the menu. However, I shall read some of the items for the benefit of the general public, so that people will know that we get our food at less than cost and at the expense of the taxpayers.

For example, our famous bean soup costs us only 15 cents a cup, or 20 cents a bowl. I defy anyone to get as good soup as that anywhere in the country, and in as large quantities, for such a low price.

I point out that we can get chopped U. S. Choice sirloin steak on toast for $1.10, or a Spanish omelet for 85 cents, or broiled pork chops for $1.25.

We can get Italian spaghetti and meat balls, Naples style, with Parmesan cheese, and tossed chef's salad, for 95 cents. We can get fried filet of lemon sole, tartar sauce, with hashed in cream potatoes, and cabbage salad with tomato, for $1.20.

We can get émincé of chicken and fresh mushrooms a la King, timbale of rice, and buttered string beans, for $1.15.

We can get roast loin of fresh Jersey pork, with applesauce, whipped potatoes, and braised mustard greens, for $1.35.

These are all appreciably below current prices in Washington restaurants. In addition to that, if we ask for a second cup of coffee, no charge is made for it. Of course cornbread is also furnished free to Senators whose penchant lies in that direction.

Without being demagogic about the matter, it seems to me that the prices should be increased, so that we and our guests would pay for the cost. The present practice is a form of relief for public officials and their guests which I personally think is indefensible. I am for helping those who badly need help, but I am opposed to subsidies for those who do not need them. The Members of this body and their guests certainly do not need them. I do not believe we want to put ourselves in the position before the public of getting a $75,000 or $80,000 subsidy on the meals which we and our guests consume. I hope very much the amendment may be accepted.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MAGNUSON. I think the RECORD should be clear. I believe that a great porportion, perhaps 60 percent, of the meals served in the Senate restaurant are served to the public and members of the press.

Mr. DOUGLAS. I think they, too, should pay adequate prices.

Mr. MAGNUSON. Just a moment, please. They have to eat somewhere, and it is hard for them to get downtown. I agree with the Senator that we ought to pay for what we get. I do not disagree with the Senator, but perhaps my tastes are a little keener than the Senator's. At any rate I should like to note for the RECORD that what we read on the menu and what we get in the restaurant have no relation to each other. So for as clam chowder is concerned, I defy the Senator from Illinois to find any clams in it.

Mr. DOUGLAS. I used to have the same experience when I would be furnished with oyster stew at church socials.

Mr. MAGNUSON. The same thing is true downstairs. I believe we ought to pay for what we get. Senators are only 96 out of the hundreds of people who eat there, however.

Mr. DOUGLAS. That is correct.

Mr. MAGNUSON. The guests are quite limited, because of the limited space in the restaurant.

Mr. DOUGLAS. I think it should be made clear that this subsidy from $75,000 to $80,000 is not a subsidy exclusively to Senators. It is a general subsidy to all those who use the restaurant. However, the people who use the restaurant are not an indigent class of people.

Mr. MAGNUSON. That is correct.

Mr. DOUGLAS. On the whole, they are in the upper income group.

Mr. MAGNUSON. I do not know that the people in the press gallery are in the upper income group.

Mr. DOUGLAS. They should be, if they are not. I have never noticed any of them with tin cups begging in the streets. If they cannot pay, their newspapers can, and I have always noticed that newspapermen are not bashful about turning in expense accounts.

Mr. MAGNUSON. What I wanted to say was that I am in entire agreement with the Senator's objective in this matter, but——

Mr. DOUGLAS. People usually are.

Mr. MAGNUSON. But I do not believe there is a Senator who would disagree that prices could be raised 50 percent, if they could get better food for it.

But it is pretty bad. The menus always sound fine, but when we see what we get to eat, there is a big difference.

Mr. DOUGLAS. Perhaps I am more spartan than the Senator from Washington.

Mr. MAGNUSON. There is no high living down in the Senate restaurant. I think the Senator's objective is right. I have said this on many other occasions, having gone into the question some years ago.

Mr. DOUGLAS. Then I am very glad the Senator from Washington supports my amendment.

Mr. MAGNUSON. I think there ought to be a little history given on this subject. I think a distinguished Senator from Illinois was the chairman of the Committee on Rules at one time. I think it was Senator Brooks who handled the matter. He wanted to do something about the situation, so he hired someone from Chicago to run the restaurant. I do not know whether the fellow from Chicago is still running it; I understand he is. If so, let us ask that man from Chicago to give us food that is good food, and we will pay the price.

Mr. DOUGLAS. The best way to do that is not to pay a subsidy, but to compel the Rules Committee to raise the prices. So long as the subsidy is paid, they apparently will not raise the prices.

Mr. MAGNUSON. I think the prices ought to be raised much more than they are shown to be on the menu.

Mr. DOUGLAS. I am very glad the Senator from Washington agrees with me.

Mr. MAGNUSON. I think the caterer agreed to raise some prices a year ago, and they did raise the prices then on everything except soup. Why the price of soup was not raised, I do not know. Perhaps the price of soup should be raised a little. But I think the RECORD should be made clear.

Mr. DOUGLAS. I do not think we should be running a free soup kitchen.

Mr. MAGNUSON. No; of course, we should not. I think the RECORD ought to be clear that all kinds of people eat there. The number of people who visit the Capitol is increasing, and on this side of the building the Senate restaurant is the only place to eat.

The cafeteria is operated by the same people. I think anyone is willing to pay for what he gets—Senators and all others who eat there.

Mr. DOUGLAS. I am informed that the restaurant and the cafeteria in the Senate Office Building are about able to break even, but that the big loss is in the Senate itself.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. NEUBERGER. I may be laboring under rather false standards, but I have not been impressed by the fact that the prices are so cheap, as the Senator from Illinois says they are. It may be that

because the Senator from Illinois represents, in part, a State which has a city that contains the famous Pump Room, he has Pump Room prices in mind.

Mr. DOUGLAS. I have never been in the Pump Room in my life. I am not accustomed to dining off flaming swords.

Mr. NEUBERGER. If I may, I should like to get in a reference to the family business. My mother happens to be in the restaurant business in Portland, Oreg. She is a partner in operating 3 or 4 restaurant enterprises.

Recently I was home in Portland, and I made some speeches throughout the State. Because I am watching my weight and my cholesterol, I had the same lunch there that I habitually eat here, which consisted of fruit and cottage-cheese salad, and also a low-calorie dessert and coffee. That cost me, in one of the family restaurants in downtown Portland, 85 cents.

Mr. DOUGLAS. I would suggest to the Committee on Rules and Administration that the Senator's mother be engaged to run the catering service.

Mr. NEUBERGER. Would that be classified as nepotism?

Mr. DOUGLAS. No.

Mr. NEUBERGER. That same meal costs me more at the Senate dining room than it costs in Portland.

Mr. DOUGLAS. Whoever pays for it, the taxpayers' money should not pay for it; and if the service is not good, the Committee on Rules and Administration can sack the present caterer and get another caterer. On the whole, however, I think the service is good.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. JOHNSTON of South Carolina. I am glad the Senator from Illinois has brought up this point. I am glad, too, that it is a man from Illinois who is operating the dining room.

I had one of the leading cafeteria men from South Carolina look over the list. If the committee wants to turn over the operations to someone who will not ask any subsidies, I think I can get the man to come here; and I think the patrons will be fed as good food as they are at present, without increasing any of the prices.

Mr. DOUGLAS. We first have had a tentative offer from Oregon; now we have one from South Carolina.

Mr. NEUBERGER. Perhaps the man from South Carolina can operate the Senate dining room in collaboration with my mother and her partner.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. JAVITS. I am a member of the subcommittee which deals with this question.

Mr. MAGNUSON. Aha. Here is our man.

Mr. JAVITS. I rise only to give some information; not to engage in the debate.

I, too, felt as the Senator from Illinois did initially, that we ought to pay our way. The chairman has caused the people who run the restaurant to have a survey made—which is now in process—as to the prevailing prices, with a view toward increasing the prices in the Senate restaurant, so that it can come more nearly to the point of paying its own way.

Also, it is very hard to get someone to run a restaurant. On previous occasions many responsible operators were circularized; none could be obtained. Finally it was necessary to get the people who have the concession now. They do not operate at any profit as their own.

We are again opening the lists, in an effort to ascertain whether someone else wishes to operate the restaurant.

Those are the facts. They come to the point that the subcommittee is trying seriously to deal with this particular question.

I have no quarrel with the Senator's amendment. If the Senate believes it should be adopted, that is fine with me. But I am only pointing out that the subcommittee is aware of the problem, recognizes it, and is trying to do something about it.

I thought in fairness to the Senator from Georgia [Mr. TALMADGE], who is the chairman of the subcommittee, but who is not in the Chamber, this statement should be made.

Mr. JOHNSTON of South Carolina. May I ask the Senator from New York if the committee is affording other persons an opportunity to take over the operation of the restaurant?

Mr. JAVITS. Two things are being done: First, an effort is being made to find another operator who might do better, who might wish to take on the operations. I made some suggestions about someone in New York. If the Senator from South Carolina will give me his suggestion about persons from his State, we will add them to the list of persons to be circularized.

Second, a real effort is being made to deal with the question of price, with a view to narrowing the cost.

Mr. DOUGLAS. There is no use postponing a decision on the proper policy. The decision on policy is whether or not the public will subsidize the Senate restaurant. I think a subsidy for that purpose is indefensible, on the ground that the people who eat there—Senators, guests, and others—are perfectly able to pay the cost.

I am certain that if my amendment is passed, the prices will be increased by the Rules Committee and the restaurant will pay its way.

The volume of business—$500,000 a year—is such that responsible caterers can be attracted to offer service at reasonable prices. But so long as we keep appropriating money, and especially when a deficit is incurred on the restaurants in the Senate buildings themselves, we postpone dealing with the issue itself, and we put ourselves, I think, in an indefensible and vulnerable position before the general public.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. JOHNSTON of South Carolina. As a matter of securing information, does the present caterer pay for the lighting in the restaurant?

Mr. DOUGLAS. I am not certain.

Mr. JOHNSTON of South Carolina. Does he pay any of the utility costs?

Mr. DOUGLAS. May I ask that the Senator from New York respond to that question? The Senator from South Carolina wishes to know if the caterer pays for the lighting and other utility services.

Mr. JAVITS. I wish I could enlighten the Senator as to that detail, but I can only suggest that I will get a copy of the contract and make certain that it is published in the RECORD.

Mr. JOHNSTON of South Carolina. I think that would be a good thing to do. Free utility service is as good as a subsidy, if we are talking about giving a subsidy.

I think if the subject is looked into properly, the same prices can be paid to get as good food as we are getting at present.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. CARLSON. If I understand the Senator's amendment correctly, it applies not only to the restaurant where Senators eat, but also to the snack bars and cafeterias in the Senate Office Building. There are 1,800 employees on this side of the Capitol who eat in those places. I certainly have no objection to paying any cost the Senate Committee on Rules and Administration may suggest, but I think we should be careful about the charges made to the personnel who work in the buildings.

Mr. DOUGLAS. I think the Government should pay their employees an adequate salary, and they should then pay competitive prices for the food they eat. It is humiliating for us and for them to subsidize Government employees for the food they eat.

Mr. NEUBERGER. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. I yield.

Mr. NEUBERGER. What I do not understand is this: In the case of the major items on the restaurant menu, what makes the Senator from Illinois think that the prices charged for the food served in the Senate dining room are so cheap? I have been examining the menu; and, for example, I find that today, if a person has lunch consisting of fillet of sole—and whitefish is traditionally not expensive anywhere, except at a swank restaurant—potatoes, cabbage, salad, coffee, and dessert, the charge is $1.50. I do not regard that as a particularly inexpensive luncheon. It may be that I have a low-priced viewpoint, since I come from the State of Oregon, where food at eating places may be less expensive than here. However, I cannot see why the prices charged for food in the Senate restaurant should be regarded as particularly nominal.

Mr. DOUGLAS. Mr. President, I do not wish to become involved in an argument on a comparison of the prices of individual items, because that would be ridiculous.

I will say that in the Senate restaurant the charge for a bowl of bean soup is 20 cents; and I defy anyone to get as good or as large a bowl of bean soup anywhere else for 20 cents.

Certainly it is true that in the ordinary restaurant, one pays for a second cup of coffee; and certainly one pays, ordinarily, for cornbread or other bread, which is furnished free in the Senate restaurant. There are other items which either are furnished gratuitously or for which a very low charge is made.

Regardless of all that, the subsidy amounts to $75,000 or $80,000 a year. I have had the figures analyzed. I am told that the cafeteria in the Senate Office Building, where the vast majority of the Senate employees eat, approximately meets its expenses; that the other cafeterias also approximately pay out; that virtually all the losses are incurred in the restaurant in the Senate building itself. I think that situation is very wasteful and humiliating.

Mr. CARROLL. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I am very glad to yield, although, Mr. President, I must say that I do not know why it is that whenever I propose that an economy be made, the hornets begin to swarm from all sides—sometimes those whom I expect to sting me, and sometimes those whom I do not expect to sting me.

Mr. CARROLL. In this case the distinguished Senator from Illinois need fear no sting—merely a gentle nudge. I wish to ask how long the subsidy has been going on.

Mr. DOUGLAS. Last year the subsidy was $30,827, plus the management fee of $15,000, or a total of $45,827.

Mr. CARROLL. Has the Senate restaurant always been operated in a sort of state of subsidy?

Mr. DOUGLAS. I am not able to answer that question.

Mr. CARROLL. I ask the question because, as a new Senator, I want my constituents to have the same benefits this year as those which have been extended for 20 years in the Senate; and I want them to be able to come with me into the Senate restaurant and see there the distinguished figures of American political life.

Mr. DOUGLAS. I, too, like to bring guests into the Senate dining room and show them the distinguished colleagues I have, including the Senator from Colorado. But I want to pay the check myself, and not charge it to Uncle Sam.

Mr. CARROLL. My question is whether this has been going on for many years.

Mr. DOUGLAS. I think it has, but I cannot take an oath on it. At any rate, it is a good thing to stop. Just because Henry Clay used snuff is no reason why we should.

Mr. CARROLL. As I understand, approximately 65 percent of the amount is for the salaries of the employees.

Mr. DOUGLAS. Mr. President, I am not complaining about the increase in costs. I think the former wage scale should have been increased. What I am saying is that instead of having the taxpayers meet the increased costs, the patrons of the restaurant should meet them.

Mr. JOHNSTON of South Carolina. Mr. President, I think one fact should be brought out, namely, that the Senate dining room remains in operation for as long a time as the Senate itself remains in session, and the employees have to be paid for being available as long as the Senate is in session. If we were to go to the restaurant at this moment, we probably would find only 1 or 2 persons eating there; and the same situation exists from approximately 1:30 or 1:45 p. m. each day, until the Senate ends its session for the day. Regardless of the number of persons in the dining room at a given time, the help are required to be on duty, even though basically only one meal a day is served in the restaurant. So the operation thus is more costly than it otherwise would be.

Mr. DOUGLAS. That is true. But it is a convenience to us, and either we or our guests should pay for it, or we should pay for our guests.

Mr. NEUBERGER. Mr. President, I think it would be very useful at a future time to include in the RECORD a comparison of the prices charged in the Senate restaurant with the prices charged in commercial restaurants of comparable standard, and where the food is of comparable quality and variety. I believe such a comparison will show that the prices charged in the Senate restaurant are not as abysmally cheap as the Senator from Illinois makes out.

Mr. DOUGLAS. Mr. President, I do not say the food in the restaurant is extraordinarily cheap. The Senator from Oregon is very cleverly trying to maneuver me into that position, but I simply say that the operation does not meet the costs. That is obvious from the subsidy we are being asked to appropriate.

Mr. NEUBERGER. But the Senator from South Carolina has pointed out a very basic reason, namely, the abnormal hours and the lack of a definite time schedule.

The operation of the Senate restaurant is very similar in some ways to the operation of a railroad dining car. Railroad dining cars operate in an unusual and unorthodox situation, because the crews are required to be transported either all day long or overnight, as the train travels from place to place; yet the service is expected to be available at all times to the traveling public. I have seen breakdowns made in that connection, and the accountants for the railroads invariably point out that, despite the fact that the prices charged for food served in railroad dining cars might appear to be rather high when compared with the prices charged for food in ordinary restaurants, yet the income the railroads receive from their dining cars is not sufficient to meet the expenses involved.

If the Senate wishes to adopt a schedule which will permit the Senate restaurant to serve meals at the customary times, I am prepared to vote to have that done. But I think the RECORD should show that the opertion of the Senate restaurant is at the present time quite an unusual one, and that the prices charged for the food served in it are not as dirt cheap as might be made out. I would be perfectly willing to have printed in the RECORD some representative menus from comparable restaurants.

Mr. DOUGLAS. Is the Senator from Oregon saying that the taxpayers should subsidize the restaurants in the Senate building to the tune of $75,000 or $80,000 a year?

Mr. NEUBERGER. Mr. President, what I emphasize is that the taxpayers of the United States pay for all sorts of things in connection with the operation of the Congress of the United States and the Government of the United States that are not comparable to the service in commercial restaurants or elsewhere. In that connection, we might refer to the so-called free haircuts. They might well be eliminated.

Mr. DOUGLAS. I tried that once. [Laughter.]

Mr. NEUBERGER. And we might as well eliminate the operation of the gymnasium, which is available to nearly all of us, and also the operation of the natatorium, unless a fee is charged us for swimming there. There will be no end to all this, if we wish to begin on it.

Mr. DOUGLAS. Mr. President, I think my record shows that when people are really in need or are starving, I am always ready to vote for appropriations to help them. I believe in our Government as an agency of welfare. However, just because I believe in that, I do not want the Government to subsidize those who do not need subsidies. We should not abuse a noble principle.

I do not want to lash myself into a fit of indigation over the matter. It is not a large amount. But the principle seems to me to be clear, and it is painful to have to stand here and insist on what seems to me to be simple truths.

Mr. NEUBERGER. But, as I understand, the basic reason why a subsidy is necessary—and I am sure that a cost study would bear this out—is the abnormal and irregular hours during which the Senate restaurant is required to operate. This in large measure is due to the schedule of the Senate itself. I think that is a basic factor in the matter, rather than the prices charged for the food.

Mr. DOUGLAS. I do not think that these costs should be paid for by the taxpayers.

Mr. President, I have said about all I wish to say on this topic.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] on page 28, in lines 8 and 9.

Mr. HAYDEN. Mr. President, I merely wish to say to the Senator from Illinois that this appropriation is to take care of a deficit occasioned by a directive issued by the Committee on Rules and Administration that the wages should be raised. The deficit amounts to $30,000. Does the Senator want to raise the restaurant prices between now and July 1 in an amount sufficient to pay the $30,000?

Mr. DOUGLAS. Yes, immediately tomorrow morning. I am for the wage increase, and we should pay for it.

Mr. HAYDEN. Does the Senator from Illinois want to recover the $30,000 from those who patronize the restaurant between now and June 30?

Mr. DOUGLAS. Yes; certainly.

Mr. HAYDEN. I am afraid the Senator will have a great deal of difficulty in doing it.

Mr. DOUGLAS. We can well afford it. We recently granted ourselves a raise of $7,500.

Mr. HAYDEN. I should like to point out that this deficit has been incurred because higher wages have been paid since July 1, and the deficit now amounts to $30,000. There is no way in the world by which the prices can be raised between now and the 30th of June so as to cover the $30,000. The only way this matter can be corrected is in the regular way, whereby the Committee on Rules and Administration will invite bids for carrying on the work of the restaurant, which it will do next month. At that time, with a new contractor, a new plan may be devised. But the present deficit must be paid. There is no way of avoiding it. The only method of paying it is to provide the money.

Mr. DOUGLAS. I do not have much money, but I am willing to give $20 toward it and I now lay that amount on the desk.

Mr. HAYDEN. Twenty dollars will not go very far.

Mr. DOUGLAS. Make it $50. It so happens I have only $20 on my person, but I am willing to make it $50. And similar contributions by all Senators would raise $4,800.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. DOUGLAS. Yes.

Mr. LAUSCHE. I have been in the Senate for 5 months, and every time a measure comes before the Senate and there is the possibility of correcting what is supposed to be a wrong, the argument has been made, "It cannot be done now." I am beginning to wonder whether we have gone so far in subsidizing that we are beyond the point of retreat. Two or three times today the argument has been made, "We can't do it now. We must wait 6 months."

Several weeks ago the President made a statement to the effect, "I do not believe we have gone beyond the divide." He did not use exactly those words, but the argument that we must wait to make reforms is made constantly, and I am beginning to wonder whether we have reached the point where we might as well quit arguing about retrenchments, whether we have reached the point where the Senate of the United States is saying to the people of the Nation, "There can be no withdrawal from the principle of subsidies."

What right have we to subsidize the food which I buy in the Senate? I have heard words of pity and sympathy for the downtrodden and the poor. Yet in the next breath after issuing the words "poor railroad man, poor man working in the ditch," we say, "subsidies."

I speak fervently on this subject, but I am merely giving expression to my thoughts. If there is a clamor of the people of the Nation for a reduction in taxes, it comes from an honest belief that they can no longer carry the burden. The item under discussion is insignificant; it means practically nothing; but it deals with a philosophy of government, and from that standpoint it is of the greatest importance.

I commend the Senator from Illinois for the firm position he has taken in this matter. From my standpoint, I will fight the theory of subsidization which seems to be rampant. I have begun to feel that granting subsidies is a disease. I do not know what it would be called; perhaps "subsiditis," or something like that. It has taken pretty serious hold, to the point where we are limping, and unable to abandon the practice.

Mr. DOUGLAS. I may say, in response to the remarks of the Senator from Ohio, that I believe in the Government protecting the welfare of people in need. I believe in protecting them from slums and from bad housing conditions. I believe they should have decent schools to attend and that the public matters need to be guarded.

I believe in social security, and in such measures, but I do not believe in subsidies for the rich, for the powerful, and for those who do not need them. We must cut these out if we are to help provide for those who are actually in grave need.

Mr. NEUBERGER. Mr. President, I should like to express some very brief comments, if I may, on the economy speeches which have been made today. It is my feeling we are going to get real economy in the Congress only when Members are willing to vote for economies that affect appropriations and funds for projects in their own States.

I ask the distinguished Senator from Ohio if it is not true that when the public-works bill was before the Senate, he and his able senior colleague were instrumental and influential in having the Cleveland Harbor project included in the bill. I make no objection to that, but the point is that then a vast majority of us voted to pass the public-works bill, and we have been criticized in the press and elsewhere as being "pork barrel" advocates. I am sure the Cleveland Harbor project was a very worthy and proper one, and I think the Senators from Ohio were within their rights in having it included, but they urged the Senate, and successfully, to have their project added to the public-works bill. Is that not correct?

Mr. LAUSCHE. It is correct in part, but not wholly correct because it does not state all the facts. There were $400 million worth of projects in the bill which were disapproved either by the Corps of Army Engineers or by the Bureau of the Budget. The Ohio study was completed and declared financially feasible and acceptable by both of those divisions of government. The senior Senator from Ohio [Mr. BRICKER], I believe, was notified of this existing acceptable project.

I opposed the "pork barrel" bill, and I label it that way from the standpoint of the $400 million worth of projects which were declared to be financially not feasible. I told the senior Senator from Ohio I would go along with him in including the Cleveland project in the bill inasmuch as there were included $400 million of unacceptable projects, but I told him, with equal force, that I would vote against the bill; and if I were the President of the United States today, I would veto it, even though it included the Ohio project.

Mr. NEUBERGER. But still the basic fact remains that the Senator from Ohio and his distinguished colleague—and both Senators from Ohio are distinguished—saw to it that the Cleveland Harbor project was in the bill. That basic fact remains and cannot be changed.

There is another situation involved here, because I have made up my mind that I am not going to make speeches about economy unless I am likewise willing to have economy applied directly to a bill which affects fundamentally the State of Oregon. I do not think that would be fair.

For example, the soil bank bill was before the Senate, and I could have made a big economy speech, because my State, unfairly, was almost entirely out of the soil bank. My State got $170,000 out of the soil bank last year, and a substantial number of Middle Western States got from $20 million to $50 million each. Some of the Senators who made economy speeches on the public works bill come from States which got as much as $20 million to $50 million each from the soil bank, yet they did not make economy speeches on the soil bank bill.

This is the first speech I have ever made in the Senate in which I have been at all indignant, but I believe if we are going to have economy then Senators should urge economies affecting their own States.

I could have made the most sweeping kind of economy speech on the soil bank bill, and it would have cost Oregon only $170,000, which is a relatively small sum. But I would not do that, because it would be insincere, coming from me under such circumstances, and hypocritical—when it barely affected my own State at all. I could do that with impunity, but not with complete sincerity.

I think the soil bank may have had a very valid application to the critical agricultural situation affecting some of the Middle Western States. I believe the Senators from those States would be derelict in their duty if they did not defend the legitimate interests of their States in that bill. But when I am here fighting for a public works bill, and I happen to represent the great seacoast State with some of the heaviest rainfall in the continental United States, I do not like to have the Senators from the soil bank States, which got a lot from the soil bank, make great big economy speeches at the expense of our needed water-control and water-conservation projects in Oregon.

I feel that if we are to have economy, the Senators from the soil bank States should offer amendments to cut the soil bank, and Senators from the rivers and harbors States should offer amendments to cut the rivers and harbors projects. That is the only way in which we will reach real economy, in my opinion.

Mr. DOUGLAS. Will the Senator not begin by cutting the $30,000 subsidy which is provided for the restaurant?

Mr. LAUSCHE. Mr. President, in reply to the statement just made by the Senator from Oregon, I should like to point out to the Senate that, considering whatever the cut was in the State Department appropriation bill, there was

included in the amount $5 million intended for use in the construction of a stadium in my home city of Cleveland, for use in the Pan American games.

I stated on the floor of the Senate that I would not ask for my State that which I would not be willing to give to another State. Three newspapers in Cleveland kept prodding me and beating at me to fight for the $5 million allocation for my own city. I did not waver on the item. I did not waver because I wished to be in a position to fight those appropriations which I thought were not justified.

I desire to say, with due respect, that I shall continue to fight, and I shall apply that attitude to my home State just as I shall apply it to other States.

Mr. DIRKSEN. Mr. President, I have heard these gastronomical fulminations from around Washington for the past 28 years. I think Senators eat too much, anyway, if the truth be known, but I rise only to defend the Senate restaurant contractor. He is from Chicago. I know him very well.

If Senators will examine the situation, they will observe the difficulty. There are in operation two cafeterias in the Senate Office Building; there is a snack bar on the Senate side of the Capitol, and, in addition, the Senate Restaurant. Then there are private dining rooms, the serving of meals in the minority policy committee room and majority policy committee room, the Vandenberg Room, and other special rooms. That is rather an extensive operation. There is a grand restaurant establishment, on the basis of one meal a day.

On the 1st of July 1956, the Committee on Rules and Administration asked to have the pay of the bus girls, waiters, and other employees increased. I think the contractor has done a good job. He is one of the largest operators in the United States. He operates a great feeding establishment wherever he is in business. I think he has made a good record in the Senate.

I hope, therefore, that the amendment presently pending will be voted down. Then, if it is desired to look into the matter, it can be done in the proper manner, through the Committee on Rules and Administration, because that committee has jurisdiction over the restaurant.

That is the whole story in a nutshell. We have a contractor fighting all around to get adequate space in which to feed people. It is no easy job to run a restaurant establishment on the basis of one meal a day, and satisfy everybody as to quality, quantity, and price.

I heard a great deal of complaining in the House in the early days, and I have heard much in the Senate. I am ready to pay increased prices for the food I buy. But I am not unmindful of the fact that the people of the United States, my constituents and others, like to come to the Senate. They feel honored when they can be entertained in the Senate restaurant. I am not willing to be picayunish when it comes to the people who visit the National Capitol, and whose Capitol it rightly is.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HAYDEN. Mr. President, I call up the committee amendment relating to the Civil Service Retirement Act, to be inserted on page 8 of the bill, following line 8. I ask that the amendment be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 8, after line 8, it is proposed to insert the following:

CIVIL SERVICE RETIREMENT ACT

For the purpose of determining the beginning date of the annuity under the Civil Service Retirement Act of any survivor of a Member of Congress who dies subsequent to April 1, 1956, and prior to the effective date of the Civil Service Retirement Act Amendments of 1956, such amendments shall be deemed to have taken effect on April 1, 1956, but no such annuity shall commence by reason of the enactment of this section prior to the date of such enactment.

Mr. HAYDEN. Mr. President, in explanation of the amendment, I should like to say that prior to the amendments of 1956 to the Civil Service Retirement Act, survivors of all Federal employees, Congressional and executive department employees alike, had to be 50 years of age to be eligible for immediate annuities unless they had dependent children. Effective October 1, 1956, this requirement was eliminated, and all survivors become immediately eligible for survivorship benefits.

Senator Barkley died in April of 1956, just a few months before the change in the law. Had he died October 2, 1956, his wife would have been eligible for an immediate annuity. The only effect of this amendment is to make her eligible for the same retirement that all other survivors of Federal employees are now eligible to receive—an immediate annuity regardless of age.

Mr. CARLSON. Mr. President, I certainly am not going to oppose the amendment, but I should like to invite the attention of the Senate to a few facts.

I have a high regard for the distinguished chairman of the Committee on Appropriations. Indeed, I have great respect for all members of the Committee on Appropriations.

We have under consideration an amendment submitted by the distinguished chairman of the Committee on Appropriations, which is strictly a civil service amendment. I invite the attention of the Senator to page 8, which deals with insurance companies that have been taken over under a special act, proposed and presented to the Congress by the Civil Service Committee. That is strictly a civil service matter.

I should also like to invite the Senator's attention to page 14 of the bill, where the matter dealt with is the doubling of the pay for Sundays and holidays for certain classified employees of the Public Health Service. Frankly, I am in favor of these different items, but I should like to remind the Senate that they are strictly civil service, legislative matters. I hope the Committee on Appropriations will not take all the work and all the matters away from the Committee on Post Office and Civil Service in the future.

Mr. HAYDEN. Mr. President, this one instance relates to the wife of a deceased Senator. If the proposal involved a general statute of any kind, I would not think of offering it.

Secondly, with respect to the rates of pay of public-health officers, that expense is not to be paid out of the Federal Treasury at all, but by the shipping interests.

Mr. CARLSON. I am certainly in favor of this amendment.

I should like to state, also, that the distinguished chairman of the Committee on Post Office and Civil Service, of which I happen to be a member, has on the calendar Order No. 318, a bill to authorize the payment from the employees' life-insurance fund of expenses incurred by the Civil Service Commission in assembling and maintaining the assets and liabilities of certain beneficial associations. Our committee reported the bill last year. I was very much in favor of it. I am in favor of it today. But I remind the Senate of what the Appropriations Committee is doing to the Committee on Post Office and Civil Service.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. JOHNSON of Texas. I understand the problem of the Senator, and I have some sympathy with him. In this particular case I hope the Senator will realize that this is an amendment offered on the floor of the Senate, where all Members of the Senate can act upon it.

This subject was first brought to my attention by a distinguished member of the minority. The committee which handled the legislation left a gap. An inequality existed, and it was our thought that the best way to handle the situation was to bring the amendment up on the floor of the Senate, so that every Senator might know about it, and so that the entire Senate might act upon it.

I have discussed this subject with the House leadership on both sides of the aisle. I think this is the proper way to handle a peculiar situation such as the one which has arisen, and I hope my friend will go along with us.

Mr. CARLSON. I assure the distinguished majority leader, who is a man of great persuasiveness, that I did not expect to oppose this amendment when I took the floor.

However, I call the attention of Senators to what seems to be happening to the Committee on Post Office and Civil Service, which has a proper and particular function to perform.

Mr. JOHNSTON of South Carolina. Mr. President, this is a subject which should come before the Committee on Post Office and Civil Service. Congress passed the Insurance Act, which is now on the statute books, and which was processed through our committee.

At that time the Congress of the United States agreed to do just what is proposed in the appropriation bill at this time. For that reason I wish to commend the distinguished chairman and members of the Appropriations Committee for their action in including in this bill funds sufficient to permit the Civil Service Commission to complete the job of taking over the assets and liabilities of certain employee beneficial associations. As I have pointed out on numerous occasions, it is only just and fair that this action be taken. I urge that the Senate insist that the House accept the authorization contained in the Senate amendment. I think it would be a tragedy if this were not done.

For the information of Senators, a majority of the insurance companies have already been taken over. Some of them have not. It would be treating those which have not been taken over unfairly if they were not taken over.

Mr. President, for the information of all concerned, I introduced S. 1740 which if enacted would make available to the Civil Service Commission money out of the insurance reserve fund to take over and preserve policies of Federal employees held in these beneficial life-insurance associations. They have already built up a surplus in that fund of approximately $100 million. That bill was reported unanimously by the Post Office and Civil Service Committee and is now on the Senate Calendar. It is my intent to let it remain on the calendar until final action is taken on the appropriation bill now before us. If the additional funds provided in the Senate version are approved, I will then ask that the bill, S. 1740, be returned to the Post Office and Civil Service Committee. If, however, the funds are not approved, I will then ask for action on S. 1740. If the situation is taken care of in the manner now proposed, I shall later ask that the bill be taken from the calendar.

I am doing this contrary to my usual way of doing things in the past. This is legislation on an appropriation bill. I ask that the subject be taken up with the Committee on Post Office and Civil Service. If that is not done, we can get into a great deal of trouble. If different salaries are paid here and there to various and sundry employees, if the salary of one is raised, another will come along and say, "I must get an increase too."

I am waiving my rights at this time, because I think it is only right that the action proposed be taken.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. HAYDEN] on behalf of the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question, Shall it pass?

Mr. CASE of South Dakota. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Fulbright	Morse
Allott	Green	Morton
Anderson	Hayden	Mundt
Barrett	Hickenlooper	Murray
Beall	Hill	Neuberger
Bennett	Holland	O'Mahoney
Bricker	Hruska	Pastore
Bush	Humphrey	Potter
Butler	Ives	Purtell
Capehart	Jackson	Revercomb
Carlson	Javits	Russell
Carroll	Johnson, Tex.	Saltonstall
Case, N. J.	Johnston, S. C.	Scott
Case, S. Dak.	Kefauver	Smathers
Chavez	Kerr	Smith, Maine
Church	Knowland	Smith, N. J.
Clark	Kuchel	Sparkman
Cotton	Lausche	Stennis
Curtis	Long	Symington
Dirksen	Magnuson	Thurmond
Douglas	Malone	Taye
Dworshak	Mansfield	Watkins
Eastland	Martin, Iowa	Wiley
Ellender	McClellan	Williams
Ervin	McNamara	Young
Frear	Monroney	

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). A quorum is present. The question is on the passage of the bill. On this question the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from Virginia [Mr. BYRD], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNINGS], the Senator from Massachusetts [Mr. KENNEDY], the Senator from West Virginia [Mr. NEELY], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

The Senator from Georgia [Mr. TALMADGE] is absent by leave of the Senate attending the Inter-American Trade Conference in Rio de Janeiro, Brazil, as representative of the Senate Agriculture Committee.

On this vote, the Senator from Nevada [Mr. BIBLE] is paired with the Senator from Virginia [Mr. BYRD]. If present and voting, the Senator from Nevada would vote "yea" and the Senator from Virginia would vote "nay."

I further announce that if present and voting, the Senator from Missouri [Mr. HENNINGS], the Senator from Massachusetts [Mr. KENNEDY], the Senator from West Virginia [Mr. NEELY], the Senator from Georgia [Mr. TALMADGE], and the Senator from Texas [Mr. YARBOROUGH] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES], the Senator from Kentucky [Mr. COOPER], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Kansas [Mr. SCHOEPPEL] are necessarily absent.

The Senator from Indiana [Mr. JENNER], the Senator from North Dakota [Mr. LANGER], and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Pennsylvania [Mr. MARTIN] is absent on official business.

If present and voting, the Senator from New Hampshire [Mr. BRIDGES], the Senator from Vermont [Mr. FLANDERS], the Senator from Maine [Mr. PAYNE], and the Senator from Kansas [Mr. SCHOEPPEL] would each vote "yea."

The result was announced—yeas 72, nays 5, as follows:

YEAS—72

Aiken	Green	Morse
Allott	Hayden	Morton
Anderson	Hickenlooper	Mundt
Barrett	Hill	Murray
Beall	Holland	Neuberger
Bennett	Hruska	O'Mahoney
Bricker	Humphrey	Pastore
Bush	Ives	Potter
Butler	Jackson	Purtell
Capehart	Javits	Revercomb
Carlson	Johnson, Tex.	Russell
Carroll	Johnston, S. C.	Saltonstall
Case, N. J.	Kefauver	Scott
Case, S. Dak.	Kerr	Smathers
Chavez	Knowland	Smith, Maine
Church	Kuchel	Smith, N. J.
Clark	Long	Sparkman
Curtis	Magnuson	Stennis
Dirksen	Malone	Symington
Dworshak	Mansfield	Taurmond
Eastland	Martin, Iowa	Taye
Ellender	McClellan	Watkins
Ervin	McNamara	Wiley
Fulbright	Monroney	Young

NAYS—5

Cotton	Frear	Williams
Douglas	Lausche	

NOT VOTING—18

Bible	Gore	Neely
Bridges	Hennings	Payne
Byrd	Jenner	Robertson
Cooper	Kennedy	Schoeppel
Flanders	Langer	Talmadge
Goldwater	Martin, Pa.	Yarborough

So the bill (H. R. 7221) was passed.

Mr. HAYDEN. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. MORTON in the chair) appointed Mr. HAYDEN, Mr. RUSSELL, Mr. CHAVEZ, Mr. ELLENDER, Mr. HILL, Mr. BRIDGES, Mr. SALTONSTALL, Mr. YOUNG, and Mr. KNOWLAND conferees on the part of the Senate.

STUDY OF CRITICAL RAW MATERIALS AND RESOURCES OF THE SOVIET UNION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 288, Senate Resolution 78.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The CHIEF CLERK. A resolution (S. Res. 78) to make a study of critical raw materials and resources of the Soviet Union and certain Eastern Hemisphere countries and the effect upon the United States.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the resolution which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the word "Resolved" and insert:

That the Senate Committee on Interior and Insular Affairs, or any duly authorized

subcommittee thereof, is authorized and directed (1) to gather, study, and make recommendations upon available unclassified data and information relating to critical and strategic raw materials and resources of the Eastern Hemisphere, many countries of which are a source of supply, in important quantities, to the United States; (2) to report to the Senate at the earliest possible date, and in any event not later than January 31, 1958, the results of its study, together with recommendations: *Provided, however,* That no additional expenses be incurred by the committee in making such study other than the time of staff members assigned to it.

Mr. JOHNSON of Texas. Mr. President, I understand the distinguished Senator from Nevada [Mr. MALONE] will make a brief explanation of the resolution. There is no opposition to the resolution, as I understand. The distinguished Senator from Montana [Mr. MURRAY], the able chairman of the Committee on Interior and Insular Affairs, who reported the resolution, had to leave the Chamber and asked me to have the Senator from Nevada make the explanation.

Mr. MALONE. Mr. President, Senate Resolution 78 merely authorizes the Committee on Interior and Insular Affairs to complete a report on the availability of critical raw materials and resources in the Eastern Hemisphere, as has already been done with respect to the Western Hemisphere. No additional expense will be involved, other than the time of the staff members assigned to the work of research.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The resolution, as amended, was agreed to.

PRINTING OF ADDITIONAL COPIES OF REPORT ENTITLED "THE INTERNATIONAL PETROLEUM CARTEL"

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 298, Senate Concurrent Resolution 26.

The PRESIDING OFFICER. The concurrent resolution will be stated by title for the information of the Senate.

The CHIEF CLERK. A concurrent resolution (S. Con. Res. 26) to print additional copies of the report entitled "The International Petroleum Cartel."

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Michigan.

RETIREMENT OF JUDGE ARTHUR A. KOSCINSKI

Mr. McNAMARA. Mr. President, on April 30, 1957, Hon. Arthur A. Koscinski, because of ill health, retired from active service as United States District judge for the eastern district of Michigan, after serving nearly 12 years on the Federal bench.

Appointed by President Truman, Judge Koscinski, a graduate of the University of Michigan Law School, brought with him to the bench a background of 35 years of active practice and a lifetime of keen interest in civic affairs. He served as a public administrator of Wayne County, Mich., for 12 years; and he was a member of the Detroit Pension Commission, whose members served for several years without compensation. This commission established an adequate pension system for city employees.

While on the bench he often worked a full 7-day workweek. Not only did he conscientiously perform the duties of his office, but he also devoted practically all of his leisure time to civic affairs.

The Federal bench and bar agree that Judge Koscinski's retirement constitutes a distinct loss to the Federal judiciary system; and although he feels that he is unable to continue the arduous duties imposed upon him by virtue of his position, his many friends hope that his retirement from the Federal bench will not mark the end of his many contributions to the civic life of the city of Detroit and to our State of Michigan.

I ask unanimous consent that an article on the life of the Honorable Arthur A. Koscinski be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JUDGE KOSCINSKI RETIRES

The Honorable Arthur A. Koscinski retired from active service as United States district judge for the eastern district of Michigan on April 30, 1957, after nearly 12 years on the Federal bench.

At the time Judge Koscinski assumed the duties of his office on August 7, 1945, he brought with him a wealth of experience not only as an able lawyer but as a public servant.

After receiving his law degree from the University of Michigan in 1910 and admission to the bar in the same year he entered the practice of law which he followed continuously for 35 years before his elevation to the bench. He was one of the oldest law practitioners, in years of service, among attorneys of Polish extraction. During this long career as a lawyer he represented many business institutions, including a newspaper and a bank, in the dual capacity of director or officer and lawyer.

In 1923 two public administrators were appointed for Wayne County. One of the posts just created was conferred on Mr. Koscinski and he served in that capacity for 12 consecutive years, administering during that time estates totaling in value well over a million dollars. He was also a member of the Detroit City Pension Commission from 1934 to 1937; this commission worked without compensation in the establishment of an adequate pension system for city employees. He served a 2-year term, during 1937 and 1938, as a member of the Public Trust Commission, and in 1941 a 1-year term as a member of the Michigan Constitutional Revision Commission. During 1942 and 1943 he was a member of the Board of Wayne County Institutions.

There were many civic, educational, and religious activities in which he had an active hand. In both World Wars he contributed services for which he received recognition, first as captain of a bond-selling team and for 5 years as Government appeal agent of the selective service board during World War II. He was a trustee of the Saints Cyril and Methodius Seminary of Orchard Lake, Mich., the school he himself once attended, and for 15 years was the president of the alumni association of that institution. He was also a member of the school board of Alliance College of Cambridge Springs, Pa., for many years.

Bar association activities also claimed his interest. He is a member of the American, Michigan, and Detroit Bar Associations and served on various committees.

Law was not only Judge Koscinski's vocation but his avocation as well. Most of his spare moments were devoted to reading and the reading material usually had some pertinence to law. During his term on the bench he worked relentlessly, often 7 full days a week and long hours each day. He not only conscientiously performed the duties of his office, which he always thoroughly enjoyed, but gave of his time freely, as he always did when he was a lawyer, seeing people of his own extraction who sought guidance on problems in no way related to law. As a law practitioner he also devoted endless hours of service as legal adviser to charitable institutions.

Ill health overtook Judge Koscinski several years ago and since then his vacation time was utilized for hospitalization in the interest of his health, though even on these occasions he worked from his hospital bed with the assistance of his staff, to keep his docket in motion. His retirement upon reaching the age of 70 was prematurely announced in the newspapers before he could complete pending matters requiring his disposition. His ready wit forestalled pressures which were bound to attend such an announcement and he jokingly admonished would-be successors "not to bargain for the bear's hide while the bear was still in the woods." Old homey Polish sayings, from which the above quotation stems, and which he attributes to his teacher-organist father, frequently served him in dealing with similar situations. From his father he also inherited his love of music and, before law absorbed all his attention, he was frequently known to entertain his friends with Chopin's compositions.

Those who have known him for a long time never cease in admiring his courage in overcoming almost unsurmountable difficulties. After he was forced to undergo an amputation of his left limb about 2½ years ago, he abandoned all activities outside of his judicial duties to preserve his strength for his work and he achieved his ambition to continue judicial service until his 70th birthday, at the cost of depleting most of his physical energy. He performed his duties conscientiously, fearlessly, and fairly and this mention of the highlights of his career, on the records of this body, is made in recognition of such service.

Mr. POTTER. Mr. President, I wish to join my colleague in paying tribute to Judge Koscinski, and to wish him happiness and health for many, many years to come.

Mr. McNAMARA. Mr. President, I thank the senior Senator from Michigan for his kind remarks.

ORDER FOR CALL OF THE CALENDAR ON WEDNESDAY

Mr. JOHNSON of Texas, Mr. President, I ask unanimous consent that on Wednesday next, it be in order to have a call of the calendar of bills and other

measures to which there is no objection, from the beginning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO WEDNESDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until Wednesday next, at noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE NEED FOR PACIFIC NORTHWEST RESOURCE DEVELOPMENT

Mr. MORSE. Mr. President, I had prepared to make a lengthy speech today on the subject "The Need for Pacific Northwest Resource Development." However, in view of the lateness of the hour, I have decided to request unanimous consent to have inserted at this point in the RECORD a manuscript entitled "The Need for Pacific Northwest Resource Development," based upon the testimony I gave this morning before the Appropriations Committee of the House of Representatives and a summary of certain appropriations. I request such unanimous consent, Mr. President.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE NEED FOR PACIFIC NORTHWEST RESOURCE DEVELOPMENT—STATEMENT BY SENATOR WAYNE MORSE BEFORE COMMITTEE ON APPROPRIATIONS, HOUSE OF REPRESENTATIVES

Mr. Chairman and members of the committee, a prudent businessman makes sure that his capital assets neither dwindle nor fall behind future demands. That business procedure is sound for the Government.

I join with my colleagues, Senator NEUBERGER, Representatives GREEN, ULLMAN, and PORTER, in urging the Appropriations Committees to make prudent investments in the future of America by the comprehensive development and protection of our natural resources.

As you know the Pacific Northwest has the greatest electric power potential of any region in the country. It has important agricultural potentialities, which will be needed in just a few short years to feed our growing population. My region and State have some of the finest lowland farm areas in the country—but they are under the constant threat of flood and erosion.

We appear today to urge that these assets be put to work and protected to meet the obvious needs of an underdeveloped region and a growing country.

The rate of Federal investment in Oregon in the last year of this administration has been under one-half of what it was in the last year of the previous administration. In fiscal 1953, $110 million were appropriated for multipurpose dams in or on the borders of Oregon. The bulk of the funds went, of course, into great multipurpose dams like McNary and The Dalles.

As the committee knows so well, these project; pay for themselves with interest. In addition, they pay ahead of schedule and create new wealth-producing facilities which make possible vast new tax revenues for the United States Treasury. For example, I am told that the aluminum industry in the Pacific Northwest has already paid into the Federal Treasury more than the cost of Grand Coulee Dam.

However, these wealth producing capabilities are being cut back. So, in the last Congress only one-half of the fiscal 1953 amount was appropriated for multipurpose projects. Those appropriations were an improvement over what the President's budget proposed and some new projects were made possible or brought closer to construction.

The administration's budget proposes not even as much as what was appropriated or even proposed last year. Indeed, the budget provides for less than one-half the appropriations of last year for multipurpose projects. The $30,595,000 in the budget is less than three-fifths of the funds for such projects.

Even if our full requests for multipurpose projects are acted upon favorably by Congress, Oregon multipurpose projects would come to $38,870,000, or less than four-fifths of what was appropriated last year. May I point out that Oregon is not the sole beneficiary of these projects. We share the fruits of them with Washington. If we ever get the Columbia Basin program back on the track, our neighbors, Idaho and Montana, would also share in them directly.

This administration has a strange answer to the electric power starvation facing the Pacific Northwest—it is prescribing a rigorous reducing diet.

My region faces a severe power shortage. There is unanimous agreement on this point. It is only a question of time. That time must be used to build low-cost power facilities as an investment in the future of the region. If that is not done, Oregon and its neighbors will suffer and be an economic drag on the rest of the country.

We of the Pacific Northwest are in an economic slump today as a direct result of administration policies. The administration's blockade of resource projects is one of the factors in the economic situation in Oregon and the Pacific Northwest. During the past 5 years, its consistent opposition to public works, which develop or protect wealth-producing resources, has led to the present deterioration in the rate of development of the public's resources.

Among the consequences of this administration program have been:

1. Continued lack of protection against property destroying floods;
2. Inadequate low-cost power supplies;
3. Failure to avert future power shortages;
4. Lack of work to offset chronic local unemployment.

In turn, Oregon and its neighbors have been unable to make their maximum contribution to the Nation as producers and consumers.

This vicious circle bred by wasting invaluable resources must be stopped.

My State and region need an aggressive and affirmative program to stimulate industry and commerce, jobs and profits. In turn, the Nation needs a more vigorous economy in my region which can contribute to the economic growth, strength, and stability of the rest of the Nation.

OREGON'S SENATORS AND THREE REPRESENTATIVES PRESENT COMMON PROGRAM

My colleagues, Senator NEUBERGER, Representatives GREEN, PORTER, ULLMAN, and I are presenting to the Appropriations Committees of the both Houses a program that we all have formulated and support. It calls for putting our resources to work for better and safer industry, farming, city, and rural life. It is a reasonable program—and a minimum program.

Our one regret is that because of administration delay, there are so few projects ready to go.

JOHN DAY DAM

It is impossible to overemphasize the urgency of readying John Day Dam for construction. When it comes on the line, it will be a major power producer contributing 1,100,000 kilowatts of initial installed capacity—the equivalent of approximately 2½ Bonneville Dams. With adequate upstream storage its capacity can be increased to 1,500,000 kilowatts.

The Pacific Northwest faces a power shortage in the 1960's that must be prevented. John Day Dam will take more than 5 years to build. Clearly, if it is to be ready in time to help prevent the predicted shortage, there can be no delay in readying the project for construction.

Last year Congress increased the President's inadequate budget request of $500,000 to $1,450,000. As a result of this action John Day construction is ready to go during this next fiscal year.

Once again the administration is blocking this vital project. To the amazement of all segments of opinion in my State, at least, the President's budget contains no funds for John Day Dam.

The Corps of Engineers advises that it can use $8 million for this first year of construction work. We urge this with all the vigor and conviction at our command.

I would point out to the committee that even if the administration has not yet understood the will of the people of the Pacific Northwest, industry and business have understood that determination as registered at the polls last November.

As a result private business, including private utilities, are backing appropriations for John Day Dam as a Federal project—many such groups for the first time.

In addition, many other groups are strong and consistent in their support of maximum progress on this great multipurpose project.

I ask consent to submit for inclusion at this point, a series of resolutions and letters urging funds to begin construction of John Day Dam.

GREEN PETER DAM-WHITE BRIDGE REREGULATING DAM

Flood control is sorely needed in the Willamette Valley. A key multipurpose project required to prevent floods and reduce constant losses from erosion is the Green Peter Dam-White Bridge reregulating dam project on the South Santiam River. The project will also provide power production and has potential water storage value.

But it will take 7 years to complete. Already valuable time has been lost because of administration delays and opposition to adequate appropriations.

Every year of delay means increased loss of irreplaceable topsoil. In addition, the constant hazard of floods poses the threat of enormous losses. Recurrent floods which Green Peter would prevent or mitigate have already run into tens of thousand of dollars.

The budget provides about half of what can be used for planning this project. With the relatively small appropriation of $500,000 preconstruction planning can be completed in fiscal 1958. That is the maximum that can be accomplished, and I urge that it be regarded as the minimum as well.

COUGAR, HILLS CREEK AND HOLLEY DAMS

Despite past opposition to funds for these projects, the administration has bowed to the inevitable and proposed adequate appropriations for Cougar, Hills Creek, and Holley Dams. They are primarily flood control projects. In addition, Cougar and Hills Creek will generate substantial power and we urge that the budget figures be approved.

BLUE RIVER AND FALL CREEK RESERVOIRS

These projects are also vital to flood control. Adequate funds are budgeted for Blue

River Reservoir, but nothing is included to initiate planning of Fall Creek Reservoir. As it will take 5½ years to complete this project at best, I strenuously urge that $150,000 be provided to initiate planning.

THE DALLES DAM

This great power producer is nearing completion. Last fall the dam structure was completed and the pool filled. It is imperative that the project be kept on schedule with an appropriation of $19 million as proposed in the budget.

EXAMINATIONS AND SURVEYS—FLOOD CONTROL

Events of the past year have demonstrated the importance of flood-control surveys to bring about early undertaking of works which will insure against flood damage that has occurred with alarming frequency in many areas of our State. I have only to refer to the disastrous floods in eastern Oregon which endangered lives and caused so much property loss this spring. These occurrences constitute ample warning that our survey program should be accelerated. However, once again the President's budget and the Army engineers' allocations for Oregon flood-control surveys are inadequate.

The budget contains no request for flood-control studies of the Grande Ronde and Crooked Rivers. Appropriations of $35,000 and $16,200 respectively would complete the flood-control studies for these eastern Oregon rivers.

The budget item of $100,000 for the upper Snake River survey may ultimately bring some flood-control benefits for that area, but $185,000 budget for Columbia River review studies is not for surveys and examinations, as I pointed out to the committee last year, but constitutes a study of the 308 report. Its net effect may be a reduction in the flood-control program of the Columbia River Basin.

Those of us who live in Oregon have vivid memories of the recent Rogue River flood. The survey of that project should be completed with great dispatch. I am advised that $44,000 would enable the Corps of Engineers to complete work on this survey, but nothing has been asked in the budget. The appropriation of $44,000 for this purpose would pave the way for a concerted fight against future flood damage in the Rogue River Basin.

Residents of the Yamhill River area have, for many years, sought assistance of the Corps of Engineers by way of effective flood control, but each year a heavy toll of flood damage continues in this vicinity. That is why I am disturbed to find that the budget makes no provision for completion of the Yamhill River flood-control survey; $31,500 would make possible the completion of the survey—a major step forward in bringing long overdue flood control relief to those who live in the Yamhill River area.

Some progress has been made budgetwise on flood-control surveys at the Coquille and Umpqua Rivers and their tributaries. The fiscal 1958 budget requests of $25,000 and $27,000 respectively, for these surveys will be of great help.

EXAMINATIONS AND SURVEYS—NAVIGATION

On March 14, 1957, the Senate Public Works Committee adopted a resolution requesting the Board of Engineers for Rivers and Harbors to review the existing project depth and width on the Columbia River between the mouth and Portland-Vancouver to determine the advisability of modifying the existing project. According to the Corps of Engineers, this study cannot be undertaken until funds are available for the purpose.

The present project, of 35-foot depth and 500-foot width, is inadequate to handle efficiently the larger-type vessels that have been constructed since World War II. At the beginning of World War II, ships entering the Columbia River had average beams of 54 feet and mean drafts of 26 feet. Today the beams of these ships vary from 75 to 90 feet, and the drafts up to 34 feet. Experienced river pilots advise that a 34-foot draft in a fresh water river for a vessel traveling upstream necessitates a 40-foot channel depth for safe movement. They also indicate that a 750-foot channel width is essential for modern ship travel in the Columbia.

Reliable officials and business interests engaged in the field of river traffic in the Columbia River area inform me that if an appropriation for this investigation is authorized, they can demonstrate annual benefits of $5 million to $7 million. In addition, it is my understanding that a channel modification to greater depth and width will bring about a reduction in annual maintenance costs due to engineering works that will enable scouring to be carried on through the flow of current.

The Corps of Engineers have advised me that the cost of a survey of this proposed project modification will amount to approximately $125,000; that the survey can be completed in a 3-year period, and that approximately $40,000 could be utilized during the first year. Because of the benefits to the Government and to the economic interests of the Columbia River Basin that will result from an improved channel, I strongly urge the committee to approve the initial $40,000 portion of the overall study costs of this channel modification.

ARMY CIVIL FUNCTIONS CONTINUING PROJECTS—NAVIGATION

Columbia River to the mouth

In fiscal 1956 Congress, despite the administration's failure to request one cent, appropriated funds for deepening the channel at the mouth of the Columbia River to authorize depth.

In fiscal 1957, $1,300,000 was both requested and appropriated and already substantial navigation benefits have resulted. The budget this year asks for $1,150,000 for further work on this important project. Congressional approval of the requested amount will enable this great artery of commerce to provide benefits for communities along the Columbia and Willamette Rivers and tributary areas. Economic and defense benefits to the United States will be substantial.

Chetco Harbor

In fiscal 1957, Congress appropriated $225,000 with which to initiate construction on the Chetco Harbor project, which is of such great importance to the coastal area of southern Oregon. The total cost of the project is estimated at $600,000 and the budget for fiscal 1958 requests $300,000. Approval of this request will enable the Corps of Engineers to complete more than two-thirds of the work. I urge that this budget request be approved.

CONTINUING PROJECTS—LOCAL PROTECTION FLOOD CONTROL

Amazon Creek

This very worthwhile project is of primary importance to the city of Eugene, Oreg., and surrounding area. The $446,000 requested in this year's budget will make possible the completion of work. It will bring protection against flood losses for the benefit of industrial, residential, and farm property in Eugene and vicinity.

Willamette River Basin bank protection

During the past year, I had the opportunity to make several onsight inspections of highly productive and valuable farm lands upon which a tremendous toll of flood damage has been inflicted due to the lack of adequate bank protection works.

For many years past, with almost monotonous regularity, the budget request has contained a standard item of $300,000 for Willamette River Basin bank protection. Consequently, my office receives scores of letters during the year urging bank protection assistance pending the completion of multipurpose dams which will hold back the flood waters. The Corps of Engineers expresses sympathy for my urgent pleas that such work be undertaken but in numerous instances advises it does not have sufficient funds to start the necessary work.

Local interests and affected property owners along the Willamette and its tributaries have, in a large number of cases, completely fulfilled the local cooperation requirements, but flood protection is denied to them because of the lack of funds. There is no question but that the full $300,000 could be put to use on projects that stand ready for work. Both the Corps of Engineers and the Willamette Basin committee have supplied my office with lists of projects upon which work could be done if money were available. In my opinion it is a regrettable situation that an inadequate appropriation is made each year. The overall losses to the individuals who suffer flood damage quite likely exceed the amounts that would be expended in protective works. I strongly urge the appropriation of an amount clearly usable for this purpose in fiscal 1958, namely, $300,000.

FLOOD CONTROL—LOCAL PROTECTION

Certain important Oregon flood control local protection projects have been authorized and are either ready for construction or have reached the stage at which planning should be initiated or completed. They are discussed in the paragraphs that follow.

Early this year the Malheur River overflowed its banks causing severe losses. This flood gives us one of the best arguments that can be advanced for prompt completion of planning on the Malheur River flood-control project, which includes studies of Willow and Bully Creeks. Not 1 cent was allocated in this year's budget for such planning, but the Corps of Engineers advises that planning could be completed with an appropriation of $25,000 for fiscal 1958. The Malheur flood of this spring makes early construction of such work imperative. I urge the committee to include $25,000 in its budget recommendations.

I am pleased to note that the fiscal 1958 budget request includes an item of $400,000 for the Umatilla-Pendleton project. An expenditure of that amount will bring to completion a most desirable flood-control project that has been pending far too long.

The budget also includes an allocation of $16,000 with which to start preconstruction planning on the Umatilla River project. I trust that this budget item will be allowed.

A justification report on the John Day River flood-control project could be undertaken with an appropriation of $15,000. Although the administration asked nothing for this item, I hope the committee, in recognition of the importance of the justification report, will recommend $15,000 for this purpose.

The Prineville area project for flood protection can be completed this year with an appropriation of $46,000. Although nothing was asked by the administration for this project, it is important that it be brought to completion promptly, and I ask the commitee to give serious consideration to the inclusion of this item.

Almost every year with monotonous regularity communities and individuals in the lower Columbia River area are subjected to enormous flood losses. A mere $40,000 has

been allocated in the budget for fiscal 1958 to complete preconstruction planning on this project. However, a total of $612,000 could be used in fiscal 1958, according to the Corps of Engineers. This sum would make possible the initiation of construction work. An appropriation of the $612,000 appears to be clearly warranted in this case. Furthermore, it would be of great economic assistance to lower Columbia River communities that have been so adversely affected by the slump in Oregon's lumber industry.

It is with satisfaction that I observe this year's budget request of $500,000 for the purpose of initiating construction of the local protection works on Multnomah County Drainage District No. 1. The Federal Government, as well as the port of Portland and private owners, have multi-million-dollar investments within the confines of this drainage district. Its dikes protect Portland International Airport, where the Government has airbase installations, and where further Federal development is proposed. The port of Portland has a $12 million investment in Portland International Airport. The importance of improving Multnomah County Drainage District No. 1 is obvious. A $500,000 appropriation with which to initiate construction will be a step in the direction of protecting millions of dollars worth of Federal Government essential defense installations, as well as industrial and port of Portland properties.

The improvement of Peninsula Drainage District No. 2, which is adjacent to Multnomah County Drainage District No. 1, should be initiated as a companion project, inasmuch as any failure of Peninsula Drainage District No. 2 would threaten Multnomah County Drainage District No. 1. It is with regret, therefore, that I observe that although $150,000 could be used by the Corps of Engineers for construction on Peninsula Drainage District No. 2, the budget has allocated not 1 cent. I urge the committee to recommend $150,000 for this construction item. Valuable industrial improvements also lie within this district, and I have personally observed the alarming evidences of seepage under its dikes during a high water period. I share the concern of those who own property within this district over the possible washing out of these dikes at the several points at which seepage "boils" have formed.

No funds were requested in the budget for fiscal 1958 for improvement of the existing works in Peninsula Drainage District No. 1, which is adjacent to Peninsula Drainage District No. 2. The Corps of Engineers advise us that $150,000 could be used to initiate construction on this authorized project. The interrelationship between the three drainage districts just mentioned points to the importance of an appropriation of $150,000 for fiscal 1958 on this project. Here again, extremely valuable industrial property depends on the district's dikes for flood protection.

There are many other areas adjacent to Oregon's rivers that are in urgent need of dikes and other flood protection works. No funds have been requested in this year's budget for these projects, some of which are ready for construction, others of which could be completed by the expenditure of relatively small funds and the remainder of which require further planning before construction can be undertaken. Included in these categories are the following together with the amounts usable by the Corps of Engineers:

Clatskanie River area, $15,000, complete preconstruction planning.

Hayden Island, $36,000, complete preconstruction planning.

Beaver Drainage District, $147,000, complete project.

Clatskanie Drainage District, $162,000, complete project.

Clatsop County Diking District No. 1, $22,000, complete project.

Clatsop County Diking District No. 6, $50,000, complete project.

John Drainage District, $73,000, complete project.

Deer Island Drainage District, $23,000, complete preconstruction planning.

Magruder Drainage District, $62,000, complete project.

Midland Drainage District No. 1, $83,000, complete project.

Rainier Drainage District, $200,000, Initiate construction.

Sauvie Island Drainage District, $150,000, Initiate construction.

Woodson Drainage District, $81,000, complete project.

Scappoose Drainage District, $38,000, complete preconstruction planning.

Pilot Rock, $10,000, continue planning.

Willamette River Basin, channel clearing and snagging, $25,000, complete preconstruction planning.

Willamette River Basin, channel improvement and major drainage, $86,000, complete preconstruction planning—one unit.

ARMY CIVIL FUNCTIONS—CONSTRUCTION

Columbia River from Bonneville to The Dalles

In 1937 Congress authorized a ship channel from Vancouver, Wash., to Bonneville Dam with a project depth of 27 feet and a width of 300 feet. In 1946 extension of the same project depth and width to The Dalles, Oreg., was authorized by Congress.

By 1949, the stretch of the river between Vancouver and Bonneville was dredged to authorized depths and width, but since that time the river has silted to the point at which the controlling depth is now only 15 feet. Nothing has been done on the construction work authorized in 1946. The lack of an adequate channel has, therefore, hindered the full economic development of the 85-mile section of the Columbia River between Vancouver and The Dalles.

This area has entered a new phase of rapid industrial development, and unless work is undertaken promptly to develop the river to project depth and width, it will serve as a bottleneck rather than an artery of commerce.

The Vancouver-The Dalles river-development project is of a dual nature. It involves the use of construction funds as well as operation and maintenance funds.

The Corps of Engineers indicates that $500,000 could be used in fiscal 1958 for the purpose of starting construction on the entrance to the Bonneville ship canal and that $600,000 could be used during the same period to initiate construction work on a 27-foot channel in the Bonneville pool between Bonneville and The Dalles.

This 85-mile stretch of the river is important to commerce, and its usefulness as an artery of commerce during a period of defense emergency is obvious.

Eastern Oregon and Washington constitute a great wheat-raising center of our Nation. These wheat areas are tributary ports of the upper Columbia River and supply vast quantities of wheat for export as well as domestic trade. Substantial savings in wheat-shipping costs would result from a deepwater channel to The Dalles as oceangoing vessels could navigate to that point.

Similarly, large quantities of fresh and processed fruits would find better markets through the lower shipping costs that could be provided by ocean vessels calling at upper Columbia River ports.

Phosphate beds of Idaho would find a transportation outlet for their products in a deepwater channel to The Dalles.

Industrial shipments of manufactured items and raw materials to be processed at industrial centers along the upper Columbia, including the aluminum plant now under construction at The Dalles, could be carried on the river in ever-increasing quantities if the river were to be made navigable for oceangoing vessels.

The appropriation of $1,100,000 for these 2 construction items will constitute an investment in the interest of the United States as well as the local communities along the river. Such an appropriation would constitute a sound investment in the future of the entire Nation.

The second aspect of this project, namely, the use of appropriate moneys for dredging to project depth and width from Vancouver to Bonneville is included in my comments under the caption "Army Civil Functions—Operation and Maintenance," at a later portion of my remarks.

Garibaldi Basin

Funds for completion of the Tillamook Bay and Bar project were appropriated in fiscal 1957 and work has progressed satisfactorily to date. Not far from the mouth of Tillamook Bay is located the town of Garibaldi, Oreg., which depends largely upon lumber and fishing for its economic well-being. Garibaldi Basin, if developed to keep pace with the improvements resulting from the repair of the break on Bay Ocean Spit will assume the importance that it properly deserves. Substantial economic benefits will result from shipments that can be handled in the Garibaldi Basin, including the products of fishing boats that have commonly used this basin in the past.

An appropriation of $111,000 would complete planning and construction of this project. I urge the committee's favorable action on this item.

Rogue River Harbor at Gold Beach

For many years businessmen and residents of the Gold Beach area have looked forward to the improvement of the Rogue River Harbor. The feasibility of the project has been demonstrated, but a regrettably small budget request of $21,000 is all that the administration asks for the project for fiscal 1958. The Corps of Engineers advise that $250,000 could be used during the coming fiscal year to complete planning and to initiate construction. I strongly recommend that the latter amount be appropriated.

Coos and Millicoma Rivers

This is another project that has demonstrated feasibility. It has been outstanding for a considerable period of time. However, the administration requested nothing by way of an appropriation this year. The Corps of Engineers indicates that $19,000 could be used to complete preconstruction planning. An appropriation in this amount would appear to be warranted.

Other construction projects

Other authorized projects for which no appropriations have been asked this year are listed below, together with the amounts that could be used by the Corps of Engineers during fiscal 1958.

Entrance to Oregon Slough, $103,000, complete improvement of channel.

Alteration of bridge across Columbia, $10,000.

ARMY CIVIL FUNCTIONS—OPERATION AND MAINTENANCE

Columbia River—Vancouver-Bonneville

The Army engineers estimate that $2,500,000 expended over the next 2 fiscal years will

enable the corps to complete dredging to project depth and width on the Columbia River between Vancouver and Bonneville Dam. I urge the committee to appropriate $1,250,000 this year on this operation and maintenance project because it is essential that the stretch of the channel between Vancouver and The Dalles be developed at the same time the construction work in the upper reach of the river between Bonneville and The Dalles progresses. The economic advantages of this project to the entire Nation have been discussed above.

Other operation and maintenance projects

This year's budget includes numerous other operation and maintenance projects within the State of Oregon. Their importance to navigation and flood control has been demonstrated and they are vital to the commerce of our State. I urge the committee to appropriate the full amounts requested on these items because postponement of such work has far-reaching adverse effects by way of general increased costs.

BUREAU OF RECLAMATION CONSTRUCTION AND GENERAL INVESTIGATION PROJECTS

The chart attached to this statement contains a list of the Oregon Bureau of Reclamation projects for which construction and rehabilitation and general investigations funds have been requested. I urge that these amounts be appropriated, but for the information of the committee, I submit the following additional comments:

Talent division—Rogue River project

For fiscal year 1957 Congress appropriated $2,400,000 which enabled initial construction work to be undertaken.

For fiscal 1958, $6,410,000 has been requested in the budget.

The important rehabilitation work on the Talent Irrigation District involving flood control, irrigation, and electric power generation warrants the full approval of this appropriation request.

Vale—Bully Creek

I am disturbed to note that only $1,526 has been included in the budget request for this project. This is particularly regrettable in view of the serious flood that struck the Vale area this spring. I hope that there will be an immediate reevaluation of this item by the Bureau and that substantially increased funds will be forthcoming for the purpose of carrying on this urgently needed work.

Yamhill

Reclamation development has for many years been an urgent need of the Yamhill River area. I trust that sufficient funds will be made available to the Bureau for the purpose of completing the studies of the Yamhill project, including the Mill Creek Dam. This dam has been the subject of considerable interest on the part of residents of Oregon during the past year. I have personally visited the entire Yamhill River area, and I share the concern of residents who feel that reclamation work in this part of our State is long overdue.

Crooked River

This long overdue project, involving substantial irrigation and flood control benefits, was authorized in 1956 pursuant to the bill S. 3101, cosponsored by Senator NEUBERGER and myself. The additional water to be supplied through this project will irrigate additional fertile farmlands, which can be brought into production to feed Americans of this and coming generations. The budget requests $850,000 with which to initiate construction during fiscal 1958. Its economic benefits for Oregon, both now and for the future, will be substantial. I strongly urge favorable action thereon.

Summary—Appropriations, Army Civil Functions and Bureau of Reclamation

ARMY CIVIL FUNCTIONS—CONSTRUCTION

[Recommendations of Senators Morse and Neuberger and Representatives Green, Ullman, and Porter for fiscal year 1958, July 1, 1957–June 30, 1958]

Project	Project cost	Benefits	Status	Amount in President's budget	Amount usable, fiscal 1958	Recommended by Senators Morse, Neuberger, and Representatives Green, Ullman, and Porter	
						Original amount	Additional amount
A. NOT STARTED (NEW STARTS AND RESUMPTIONS)							
I. NAVIGATION							
Channels and harbors:							
Tillamook Bay and bar, Garibaldi Basin	$111,000		Authorized	0	$111,000	$111,000	$111,000
Columbia River between Vancouver and The Dalles:							
27-foot channel, Vancouver to Bonneville.	910,000	Improvement of alinement.	do	0	500,000	500,000	500,000
27-foot channel Bonneville to The Dalles.	1,990,000	Rock removal, Eagle Creek Point and Cascade Rapids.	do	0	600,000	600,000	600,000
Columbia Slough	1,150,000	Navigation	do	0	100,000	100,000	100,000
Alteration of existing bridge across Columbia River.	[2] 1,150,000	do	do	0	10,000	10,000	10,000
Coos and Millicoma Rivers	487,000	do	do	0	19,000	19,000	19,000
Rogue River Harbor at Gold Beach	3,950,000	Provides jetties and channel improvement.	do	$271,000	250,000	250,000	229,000
II. FLOOD CONTROL							
Local protection:							
Lower Columbia River bank protection	7,860,000	Flood control	do	40,000	612,000	612,000	572,000
Clatskanie River area	160,000	do	do	0	15,000	15,000	15,000
Hayden Island	545,000	do	do	0	36,000	36,000	36,000
Beaver Drainage District	185,000	do	do	0	147,000	147,000	147,000
Clatskanie Drainage District	162,000	do	do	0	162,000	162,000	162,000
Clatsop Count Diking District No. 1	22,000	do	do	0	22,000	22,000	22,000
Clatsop Count Diking District No. 6	50,000	do	do	0	50,000	50,000	50,000
John Drainage District	88,000	do	do	0	73,000	73,000	73,000
Deer Island Drainage District	459,000	do	do	0	23,000	23,000	23,000
Magruder Drainage District	62,000	do	do	0	62,000	62,000	62,000
Midland Drainage District No. 1	108,000	do	do	0	53,000	53,000	53,000
Rainier Drainage District	520,000	do	do	0	200,000	200,000	200,000
Woodson Drainage District	81,000	do	do	0	81,000	81,000	81,000
Scappoose Drainage District	817,000	do	do	0	38,000	38,000	38,000
Willamette River Basin, channel improvement and major drainage.	2,480,000	do	do	0	86,000	86,000	86,000
John Day River	610,000	do	Authorized; preparation of justification report.	0	15,000	15,000	15,000
Malheur River	400,000	do	Authorized	0	25,000	25,000	25,000
Prineville area	50,000	do	do	0	46,000	46,000	46,000
Umatilla River	472,000	do	do	16,000	16,000	16,000	
Pendleton	446,000		do	400,000	400,000	400,000	
Pilot Rock	281,000	Flood control	do	0	10,000	10,000	10,000
Multnomah County Drainage District No. 1.	1,740,000	do	Authorized; ready for construction.	500,000	500,000	500,000	
Sauvies Island Drainage District	574,000	do	do	0	150,000	150,000	150,000
Peninsula Drainage District No. 1	1,090,000	do	do	0	150,000	150,000	150,000
Peninsula Drainage District No. 2	1,040,000	do	do	0	150,000	150,000	150,000
Willamette River Basin, channel clearing and snagging.	2,480,000	Reduce bank erosion, rectify channel.	Authorized	0	25,000	25,000	25,000
Reservoirs:							
Blue River Reservoir	13,700,000	Flood control	do	100,000	100,000	100,000	
Fall Creek Reservoir	18,800,000	Flood control, navigation, irrigation.	do	0	150,000	150,000	150,000
Holley Reservoir	12,500,000	Flood control	do	100,000	100,000	100,000	

[1] See "Operation and maintenance" section for appropriation for balance of project work.
[2] Federal funds.

Summary—Appropriations, Army Civil Functions and Bureau of Reclamation—Continued

ARMY CIVIL FUNCTIONS—CONSTRUCTION—continued

[Recommendations of Senators Morse and Neuberger and Representatives Green, Ullman, and Porter for fiscal year 1958, July 1, 1957–June 30, 1958]

Project	Project cost	Benefits	Status	Amount in President's budget	Amount usable, fiscal 1958	Recommended by Senators Morse, Neuberger, and Representatives Green, Ullman, and Porter	
						Original amount	Additional amount
A. NOT STARTED (NEW STARTS AND RESUMPTIONS)—Continued							
III. MULTIPLE PURPOSE PROJECTS INCLUDING POWER							
John Day	350,000,000	Flood control, power and navigation.	Authorized	0	$8,000,000	$8,000,000	$8,000,000
Green Peter	56,400,000	Flood control, power	Authorized would complete planning.	$225,000	500,000	500,000	275,000
B. CONTINUING PROJECTS							
I. NAVIGATION							
Channels and harbors:							
Columbia River at mouth, 48-foot channel.	9,540,000	Navigation	Authorized River and Harbor Act of 1905, modifications River and Harbor Act of 1954.	1,150,000	1,150,000	1,150,000	
Ohetco River small boat channel and jetty.	425,000	Navigation, stabilization of channel.	Over ½ completed	200,000	200,000	200,000	
II. FLOOD CONTROL							
Local protection:							
Amazon Creek	1,168,000	Flood control	½ completed	446,000	446,000	446,000	
Willamette River basin bank protection	11,600,000	Flood control, bank protection.	52 percent completed	300,000	800,000	800,000	500,000
III. MULTIPLE-PURPOSE PROJECTS INCLUDING POWER							
The Dalles lock and dam	260,000,000	Flood control, navigation.	Authorized; under construction.	19,000,000	19,000,000	19,000,000	
Cougar Reservoir	39,900,000	Power, storage, flood regulation.	do	6,570,000	6,570,000	6,570,000	
Hills Creek Reservoir	34,500,000	Power, flood control	do	4,800,000	4,800,000	4,800,000	
C. EXAMINATIONS AND SURVEYS							
Upper Snake River	350,000	Flood control	Authorized	100,000	100,000	100,000	
Columbia River review	435,000	Review 308 report	do	185,000	185,000	185,000	
Rogue River and tributaries survey report	70,800	Flood control, power, irrigation.	do	0	44,000	44,000	44,000
Umpqua Harbor and River	7,000	Navigation	Authorized February 1956.	0	7,000	7,000	7,000
Grand Ronde	120,000	Flood control	Authorized	0	35,100	35,100	35,100
Crooked River	22,100	do	do	0	16,200	16,200	16,200
Coquille River and tributaries	35,000	do	do	25,000	25,000	25,000	
Coquille River resurvey report	3,500	Navigation	do	0	3,500	3,500	3,500
Umpqua River report	140,600	Flood control	do	27,100	27,100	27,100	
Yamhill River	65,000	do	do	0	31,500	31,500	31,500
Umpqua River at Winchester Bay	5,000	Navigation	do	2,800	2,800	2,800	
Columbia River, mouth to Portland, Vancouver survey modification, 40-foot depth 750-foot channel.	125,000	Navigation, reduction in annual maintenance costs.	Authorized by resolution of Public Works Committee.	0	40,000	40,000	40,000
D. OPERATION AND MAINTENANCE							
Columbia River, between Vancouver and The Dalles.	2,500,000	Dredging and silt removal.	Authorized	0	1,250,000	1,250,000	1,250,000
BUREAU OF RECLAMATION							
CONSTRUCTION AND REHABILITATION							
Crooked River	$6,603,000	Irrigation and flood control.	Authorized	$850,000	$850,000	$850,000	
Wapinitia	581,000	do	do	400,000	400,000	400,000	
Deschutes, north unit	14,288,000	do	do	42,000	42,000	42,000	
Klamath (Oreg. and Calif.)	21,060,014	Irrigation	do	209,753	209,753	209,753	
Arnold	69,000	Reconstruction of flumes	do	69,000	69,000	69,000	
Rogue River Basin, Talent division	19,200,000	Flood control, irrigation and power.	Under construction	6,041,000	6,041,000	6,041,000	
PROJECT INVESTIGATIONS							
Baker, upper division	288,000	Irrigation		22,303	22,303	22,303	
Pendleton	325,000	do		52,000	52,000	52,000	
Post	125,000	Supplemental irrigation water.		55,000	55,000	55,000	
The Dalles, eastern division	25,000	Irrigation	Reconnaissance investigation.	25,000	25,000	25,000	
The Dalles, western division	135,000	do		50,000	50,000	50,000	
Upper Owyhee	140,000	Supplemental storage	Preparation of feasibility report.	8,311	8,311	8,311	
Vale, Bully Creek extension	112,000	Irrigation and flood control.	Complete planning	1,526	1,526	1,526	
Umatilla project	10,000	Rehabilitation of 2 divisions.		10,000	10,000	10,000	
Molalla		Irrigation		55,000	55,000	55,000	
Yamhill		do		690	690	690	
GENERAL INVESTIGATION PROJECTS							
Columbia River Basin	1,433,800			63,800	63,800	63,800	
Upper and Middle Snake	1,000,000			340,589	378,089	378,089	$37,500
Total	8,537,887,014			42,510,872	56,690,672	56,690,672	14,179,800

JEFFERSON-JACKSON DAY DINNER ADDRESS BY SENATOR McNAMARA

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a very able address delivered on Saturday night, at Detroit, Mich., by my able and beloved friend, the Senator from Michigan [Mr. McNAMARA].

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR McNAMARA AT THE JEFFERSON-JACKSON DAY DINNER AT DETROIT, MICH., ON MAY 18, 1957

It is a pleasure for me to be with you tonight, and to tell all of you what a wonderful job you have been doing for the Democratic Party in Michigan.

The record of victories is very impressive and inspiring to Democrats all over the country. And, I might say, it is very impressive but not very inspiring to the Republicans here in Michigan.

I am also happy to welcome to Michigan my good friend and colleague, WAYNE MORSE. I listen to WAYNE quite often on the Senate floor in Washington, but I don't mind at all coming back to Detroit to hear him again.

I would like to speak to you briefly tonight about something that is going on in Washington.

Now, there is a lot going on in Washington, such as trying to get the President to make sense out of his budget.

His handling of the budget will go down as an utterly fantastic chapter in American history, and a rather dark one at that. It sets a poor example for the future.

But what I have particular reference to is the work of the Senate Select Committee on Improper Activities in the Labor or Management Field, of which I am a member.

For nearly 3 months we have been hearing a great variety of witnesses testifying about these so-called improper activities.

I suppose it is inevitable, from the press accounts, that the public is given the idea that the labor movement is riddled with racketeers.

In fact, however, the disclosures before this committee thus far relate almost entirely to one union. And particularly, to the activities of one union leader.

Witness after witness has testified to big deals for private gain, frequently using the union treasury for the purpose.

All this is raw meat to the hungry dogs who would like to cripple, if not destroy, the entire labor movement.

They talk piously about new laws to protect the dues-paying union member, but their real motive is to ruin the effectiveness of organized labor, if they can.

But something curious has been happening just in the past few days. The witnesses have not been unionists who betrayed their trusts by dipping into the vault. The witnesses have been businessmen, brokers, insurance men, company executives, real estate people, who seem to be preying on the dues money just as much as any corrupt union leader.

Sometimes they appear to do it for private gain. Sometimes they seem to extend favors to keep in good with the union leaders. In any event, it is a betrayal of the union member.

The testimony of these people has been interesting to say the least. They have talked about their collaboration, collusion, if you will, with men such as Dave Beck, to work mutual profits.

Some of these deals are so fantastically tangled and profitable that men like Jay Gould and Sam Insull would look on with awe and envy.

Someone once gave this definition of business: "Business? It's very simple. It's using other people's money."

And the ultimate loser in these deals appears to be the dues-paying member.

Even this is not all black and white, however. The average teamster member, for example, has got a great deal of good out of his union in the way of higher wages and better living standards.

Perhaps he doesn't care if a portion of his dues goes to fatten the pocket of a union leader or a businessman. He should care, of course. He and his fellow members, in the long run, can do more to clean up his union than any new law.

But to get back to this sudden emergence of certain business interests in this tangled web. Evidence before our committee indicates that Dave Beck's dearest friend, in a financial sense, sought to reap a $70,000 profit by artificially rigging the price of the union's headquarters property in Washington. When this failed, he still got a check of $12,000 from the union, and a month later he gave $8,000 to Beck.

Is this businessman just a small time operator?

Hardly. Do you know that this same man has 121 clients in Michigan? That he has 63 right here in Detroit? That his clients include many of the top-flight business establishments in this city.

I don't know exactly what is the relationship between him and his clients, although I have some suspicions.

I doubt very much whether there is anything illegal about it.

It is possibly true that what Dave Beck did is not illegal, outside of allegedly not paying some income tax, but some businessmen have found themselves in that boat, too.

But the curious thing here is the double standard of ethics that has been set up.

Is the business world damned in its entirety because some of its members have made a dollar out of Beck's union?

No. In fact, these people may be looked upon as pretty sharp operators.

We do not condemn all businessmen for the practices of a few, and we should not.

By the same token, can we indict the labor movement for the activities of a few?

I have said before, and I will say again, that I believe a union official has the same moral and ethical responsibilities of anyone in public office.

I don't see anything wrong with extending this same code of ethics to the business world either.

As James Russell Lowell once facetiously put it:

"I don't believe in principle, but, oh, I do believe in interest."

It is time all of us removed the double standard and put principle first.

CONFLICT OF INTEREST AMONG HELLS CANYON OPPONENTS

Mr. MORSE. Mr. President, several weeks ago, Members of Congress received an analysis of S. 555, the Hells Canyon authorization bill, prepared by the American Enterprise Association. It was rather remarkable that the AEA got out its study so early in the session, when it had issued only one other bill analysis for the 85th Congress.

Each Congress, the AEA has produced and sent to Members of Congress studies of Hells Canyon bills. They do not contain conclusions; they contain only discussion and questions. But what discussion and questions. They are rigged and loaded against the Federal high dam. As the principal sponsor of the bill for 5 years, I have yet to recognize in the analysis the hard facts and the arguments employed by high-dam backers, although the studies purpose to present both sides.

The AEA represents itself as an impartial, objective groups with no ax to grind. It has attempted again and again to influence Congress against the high Federal Hells Canyon Dam—but always in the disguise of disinterestedness.

Why has not the American Enterprise Association, in submitting these bill analyses, divulged the fact that it receives financial support from the Idaho Power Co.? This is a pertinent fact, discovered in the Idaho Power Co.'s annual reports to the Federal Power Commission, which are not generally scrutinized by the press or public.

The American Enterprise Association has an obvious, but undisclosed, conflict of interest between objectivity and receipt of financial support from the private utility directly involved. The 1956 report shows a contribution of $250. My staff reports that in years past, similar contributions have been listed. Lack of time prevented a complete research on these contributions from Idaho Power Co.

The American Enterprise Association is under a moral obligation to inform, on the face of its reports, whether it receives money from a party in interest. Its failure to do so impeaches not only the impartiality, but also the integrity, of its reports.

Other questions arise. What other utilities, allied with the Idaho Power Co., contribute funds? If it receives and expends funds to defeat proposed legislation, why does not it register as a lobbyist under the law?

The American Enterprise Association's attempt to sail under false colors is another instance of the kind of improper tactics employed by the Idaho Power Co. in its attempt to seize a public resource for underdevelopment. It is part and parcel of the sleazy scheme in which the taxpayers are to foot the bill to the tune of millions of dollars in special tax treatment to help the company put up its inadequate dams.

COUNCIL OF STATE CHAMBERS OF COMMERCE USES PHONY FIGURES

Once again the organization which calls itself the Council of State Chambers of Commerce has published a blast against a Federal dam bill—a report which specializes in phony figures. The council is composed of 24 State chambers and a small assortment of other reactionary groups. The Idaho State Chamber of Commerce is a member. The Idaho Power Co.'s 1956 report to the Federal Power Commission lists a $300 dues payment to chamber of commerce. Presumably this is the same group.

However, the council is only doing what comes naturally. It will be remembered that it opposed the upper Colorado project in the same fashion, claiming that taxpayers in each State would bear the costs ranging from several hundred thousand to several million dollars in each case.

That council makes no mention of the fact that Hells Canyon would pay for itself with interest and would create new tax-producing wealth and income.

The council asserts that both the Federal and the company dams are basically hydroelectric projects although other benefits are involved in each. This is highly misleading, because the high dam is vital for flood control in the Columbia Basin, while the company dams would be about useless for flood control. Other benefits, so blandly dismissed by the council, also involve important public purposes, such as recreation, for which the high dam is vastly superior.

The council's comparison of power output is fantastically misleading. It credits the company three dams with their total possible installed capacity. However, it makes no mention of the fact that the third dam will probably never be built. Moreover, no mention is made of the Federal Power Commission examiner's finding that the company dams power cost would be so high that the full capacity will not be installed for lack of a market. Indeed, the council's chronology omits all mention of the FPC examiner's report in which he found the high Federal dam the more nearly ideal development, and gave facts and figures on the high cost of the company's power, and the lack of a market for it.

Even when discussing cost to the taxpayer, is it not odd that the council makes no mention of the quick tax write-off handout to the company—at the Treasury's expense?

It is some measure of the inferiority and unjustifiability of the Idaho Power Co.'s small-dam scheme that its apologists must suppress and distort the facts.

INCONSISTENT AND INDEFENSIBLE GOVERNMENT POLICY IN CONNECTION WITH THE POULTRY INDUSTRY

Mr. WILLIAMS. Mr. President, we hear a great deal about inconsistencies in Government and how these inconsistencies result in tremendous losses to the American taxpayers. Today, I wish to discuss a situation where an inconsistent and indefensible policy of the United States Government in connection with the poultry industry has during the past several years cost the American taxpayers millions of dollars and at the same time had the effect of practically bankrupting many American farmers.

During the past several months the producers in the poultry industry—both those producing broilers and those producing eggs—have been losing money.

The Department of Agriculture during this interval has persistently been urging and strongly recommending that farmers in the major producing areas curtail their production; and when information was brought to my office that the Government was again heavily involved in financing the expansion in other areas, I could not believe it.

But recognizing that inconsistency in government is not too unusual, I took the precaution of directing inquiries to the agencies which might be involved; and early this year I received positive assurances from all the agencies contacted that the report was erroneous, and that they were shocked at any suggestion that they had been encouraging or financing the expansion of the poultry industry during the past 2 years under such conditions of overproduction as they recognized existed.

But they were in error; their denials were not supported by facts which later were confirmed by the same agencies. The agencies now admit that their activities in this field far exceed their first appraisals.

It has now been definitely established that millions of dollars of Government money have been pouring out from six different agencies through loans, many of them unsecured, in various areas of the country, for the sole purpose of building new poultry houses and financing the increased production both of broilers and laying hens.

At the same time that these millions of taxpayers' dollars were being used to expand this overproduced industry, the Department of Agriculture was issuing bulletins and warnings to the regular broiler and egg producers, urging the curtailment of production.

I shall incorporate in the RECORD today an itemized breakdown of approximately $35 million in loans financed by six Government lending agencies during the past 3 years, with most of it during the past 2 years.

Furthermore, there is every reason to believe that this $35 million, which I have been able to document, in no way represents the full amount loaned by these six agencies. Some of these agencies actually do not know even now to what extent they have been involved in pouring money into this industry.

Frankly, I was amazed to find Government money pouring into an overexpanded industry, in contradiction of an announced departmental policy; but what was even more surprising and alarming was to realize just how little the top officials of these agencies know about what is transpiring in their own departments.

First, they denied any loans; then they said maybe a few but of an insignificant amount, and then as the reports began to be established they started trying to explain.

To illustrate further the inconsistency of the Government's having six different lending agencies scouring the country in an effort to get rid of the taxpayers' dollars in loans to finance an overexpanded industry, we find that during this same interval a seventh Government agency was spending approximately $12 million buying surplus eggs to remove them from an oversupplied market.

The broiler-producing industry has throughout the years consistently rejected all offers of Government price supports, maintaining that they wanted a free industry, and there is a strong suspicion that this inconsistent policy of certain Government officials, deliberately pouring millions of dollars into new areas to finance increased capacity and increased production, at a time when the industry was in a serious state of oversupply, has been done with the deliberate intention of forcing the poultry industry into such a serious economic state that it would have to renounce its previous independence and come under price supports.

I shall present the report of the loans which I have been able to document, involving the six Government lending agencies.

I first ask unanimous consent to have incorporated in the body of the RECORD the report giving an itemized breakdown of the $9,690,660 granted in loans by the Farmers Home Administration between July 1, 1954, and March 1, 1957, for the purpose of increasing broiler and egg production.

This report shows $9,157,870 as having been loaned by this agency for the purpose of increasing the country's layer capacity by nearly two million. Some of the loans were to finance the building of the houses and some the equipment and feeding operations.

Five hundred and thirty-two thousand seven hundred and ninety dollars was loaned to build new broiler houses and to buy equipment to increase the broiler production by nearly three million per year.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

There being no objection, the report was ordered to be printed in the RECORD, as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE,
FARMERS' HOME ADMINISTRATION,
Washington, D. C., April 15, 1957.

Hon. JOHN J. WILLIAMS,
United States Senate.

DEAR SENATOR WILLIAMS: Your letter of February 28, 1957, requested information concerning Farmers' Home Administration loans to finance poultry enterprises. In order to obtain such information it was necessary to contact the more than 1,500 county offices for this special report, which thus has caused the delay in answering your letter.

These reports have been tabulated and summarized and we are attaching copies of a national summary. We are also attaching separate tabulations for the fiscal years 1955, 1956, and 1957 through March 1, showing the loan activity by year in all the States and Territories.

Although this agency has rather broad statutory authority to finance poultry facilities on family-type farms, this authority is being administered on a conservation basis. With respect to the making of loans to commercial poultrymen for egg production, the agency has followed the policy that loans may be made only to those applicants who: (1) have a background of successful experience with a poultry egg-laying enterprise, either as an owner, or in some other capacity which would enable them to obtain the required experience; (2) have, or can obtain on their own or with the assistance of the Farmers' Home Administration, sufficient resources necessary to carry out a sound poultry enterprise; and (3) are able and willing to carry out the approved practices considered by responsible poultry specialists as essential to the poultry enterprise.

With respect to the financing of individuals engaged in the production of broilers, loans are not made to individuals who are primarily engaged in the production of broilers. However, when loans are made for other purposes and the applicant wishes to produce some broilers as an incidental part of his farming operations, funds may be included in the loan for this enterprise.

We hope that these attached studies will satisfactorily answer your questions concerning the activity of this agency in the poultry industry. If there are any further questions, please feel free to contact us.

Sincerely yours,
K. H. HANSEN, *Administrator.*

FARMERS' HOME ADMINISTRATION

Summary of Loans To Finance Poultry Enterprises During the Period July 1, 1954, through Mar. 1, 1957

TABLE 1.—*Farm ownership and farm housing loan funds used to finance poultry buildings and equipment* [1]

Year	Broilers		Layers	
	Number (1)	Amount (2)	Number (3)	Amount (4)
1955	20	$49,055	88	$427,803
1956	49	152,814	188	866,607
1957 (Mar. 1)	29	81,347	195	883,457

[1] Includes loans of $1,000 or more to construct, repair, or replace poultry buildings and equipment.

TABLE 2.—*Operating loan funds used to finance poultry production*

Year	Broilers		Layers [1]	
	Number (1)	Amount (2)	Number (3)	Amount (4)
1955	75	$97,222	1,038	$2,456,073
1956	100	88,440	1,024	2,302,719
1957 (Mar. 1)	28	63,912	939	2,221,211

[1] Flocks of 500 birds or more.

TABLE 3.—*Number of borrowers who received FHA loans that increased broiler and egg production*

Year	Number for broiler production (1)	Increase in broilers per year (2)	Number for egg production (3)	Increase in layers per year (4)
1955	56	895,950	386	496,345
1956	124	1,508,750	529	776,147
1957 (Mar. 1)	37	487,800	477	723,273

Farmers' Home Administration loans to finance commercial broiler and egg production, July 1, 1954, through June 30, 1955

State and territory	Broiler production						Egg production					
	Number of loans		Total funds loaned		Increase in number of birds per year		Number of loans		Total funds loaned		Increase in number of birds per year	
	Real-estate loans for buildings and equipment (1)	Operating loans [1] (2)	Real-estate loans (3)	Operating loans (4)	Resulting from real-estate loans (5)	Resulting from operating loans (6)	Real-estate loans for buildings and equipment (7)	Operating loans [1] (8)	Real-estate loans (9)	Operating loans (10)	Resulting from real-estate loans (11)	Resulting from operating loans (12)
United States total	20	75	$49,055	$97,222	361,000	534,950	88	1,038	$427,803	$2,456,073	144,602	353,743
Alabama	2	7	6,600	6,325	39,000	42,000	2	29	2,700	46,975	3,000	15,510
Arizona	0	0	0	0	0	0	0	2	0	5,250	0	3,000
Arkansas	2	1	5,040	1,250	56,000	40,000	1	8	3,025	11,290	1,000	3,500
California	0	0	0	0	0	0	17	97	151,010	278,200	41,147	57,314
Colorado	0	2	0	750	0	50	0	2	0	5,584	0	3,000
Connecticut	0	0	0	0	0	0	0	7	0	25,000	0	0
Delaware	0	0	0	0	0	0	0	1	0	4,000	0	800
Florida	0	0	0	0	0	0	7	34	28,235	96,460	11,860	28,801
Georgia	5	9	10,000	7,005	66,000	98,300	5	56	10,400	103,260	5,800	25,565
Idaho	0	0	0	0	0	0	0	0	0	0	0	0
Illinois	0	2	0	225	0	100	1	6	1,800	6,056	500	2,450
Indiana	0	1	0	100	0	300	0	6	0	3,921	0	2,575
Iowa	0	0	0	0	0	0	0	0	0	0	0	0
Kansas	0	2	0	370	0	0	2	3	2,220	7,515	800	2,200
Kentucky	0	5	0	10,720	0	71,000	1	4	1,500	2,320	200	1,100
Louisiana	0	0	0	0	0	0	0	10	0	25,025	0	16,524
Maine	2	17	3,770	23,630	10,000	46,000	15	155	106,257	447,915	33,000	48,040
Maryland	0	0	0	0	0	0	0	2	0	5,250	0	0
Massachusetts	0	0	0	0	0	0	0	12	0	50,940	0	0
Michigan	0	2	0	1,400	0	1,000	1	10	3,000	7,862	1,500	2,120
Minnesota	0	0	0	0	0	0	0	3	0	1,200	0	1,000
Mississippi	0	0	0	0	0	0	1	11	1,500	21,235	600	11,500
Missouri	0	0	0	0	0	0	2	4	2,300	4,285	575	1,750
Montana	0	0	0	0	0	0	1	0	1,000	0	100	0
Nebraska	0	0	0	0	0	0	0	3	0	560	0	600
Nevada	0	0	0	0	0	0	0	0	0	0	0	0
New Hampshire	0	0	0	0	0	0	0	18	0	56,450	0	1,340
New Jersey	0	0	0	0	0	0	4	297	12,414	719,940	3,000	4,225
New Mexico	0	0	0	0	0	0	0	2	0	3,725	0	1,825
New York	0	2	0	7,700	0	5,000	0	27	0	92,645	0	19,700
North Carolina	4	8	11,445	6,484	34,000	122,000	5	69	9,560	120,960	3,900	22,430
North Dakota	0	0	0	0	0	0	1	0	1,040	0	200	0
Ohio	0	0	0	0	0	0	0	3	0	7,805	0	2,715
Oklahoma	0	0	0	0	0	0	0	2	0	2,200	0	1,400
Oregon	0	0	0	0	0	0	1	7	5,000	13,650	2,000	5,100
Pennsylvania	0	4	0	9,365	0	28,000	5	40	19,675	86,235	4,900	17,700
Rhode Island	0	0	0	0	0	0	0	0	0	0	0	0
South Carolina	0	0	0	0	0	0	3	16	7,837	41,875	4,800	14,350
South Dakota	0	0	0	0	0	0	0	0	0	0	0	0
Tennessee	0	0	0	0	0	0	1	7	1,980	3,410	1,000	1,925
Texas	1	0	4,400	0	48,000	0	1	9	2,000	15,535	540	6,220
Utah	0	0	0	0	0	0	0	8	0	10,900	0	1,000
Vermont	0	0	0	0	0	0	0	3	0	8,150	0	500
Virginia	1	0	3,300	0	24,000	0	1	4	5,900	7,500	3,000	3,500
Washington	0	0	0	0	0	0	5	14	37,050	23,360	16,300	9,265
West Virginia	2	5	4,500	5,070	34,000	28,200	3	16	6,150	25,590	2,000	3,840
Wisconsin	0	2	0	2,043	0	12,000	0	1	0	500	0	0
Wyoming	0	0	0	0	0	0	0	1	0	1,800	0	0
Alaska	0	0	0	0	0	0	0	0	0	0	0	0
Hawaii	0	3	0	12,000	0	18,000	2	27	5,250	54,250	2,000	14,885
Puerto Rico	0	3	0	2,785	0	12,000	0	1	0	910	0	500
Virgin Islands	0	0	0	0	0	0	0	0	0	0	0	0

[1] Number of loans is greater than number of borrowers since some borrowers received subsequent loans.

Farmers' Home Administration loans to finance commercial broiler and egg production, July 1, 1955, through June 30, 1956

State and territory	Broiler production						Egg production					
	Number of loans		Total funds loaned		Increase in number of birds per year		Number of loans		Total funds loaned		Increase in number of birds per year	
	Real-estate loans for buildings and equipment (1)	Operating loans [1] (2)	Real-estate loans (3)	Operating loans (4)	Resulting from real-estate loans (5)	Resulting from operating loans (6)	Real-estate loans for buildings and equipment (7)	Operating loans [1] (8)	Real-estate loans (9)	Operating loans (10)	Resulting from real-estate loans (11)	Resulting from operating loans (12)
United States total	49	100	$152,814	$88,440	649,820	858,930	188	1,024	$866,607	$2,302,719	332,316	443,831
Alabama	9	18	23,305	15,800	85,600	325,000	5	33	9,700	46,680	5,800	19,465
Arizona	0	0	0	0	0	0	0	2	0	8,200	0	4,204
Arkansas	6	4	14,765	4,515	87,000	40,000	4	10	4,750	10,782	3,500	4,530
California	0	0	0	0	0	0	27	94	153,601	283,190	60,931	65,556
Colorado	0	10	0	580	0	900	0	3	0	2,315	0	500
Connecticut	0	0	0	0	0	0	0	6	0	21,750	0	0
Delaware	0	0	0	0	0	0	0	1	0	4,850	0	2,000
Florida	0	0	0	0	0	0	20	35	79,224	104,990	39,274	35,227
Georgia	8	11	22,400	8,525	133,500	87,000	0	46	0	74,672	0	12,025
Idaho	1	2	2,050	1,396	15,000	40,000	1	6	6,000	7,500	1,000	700
Illinois	0	3	0	170	0	150	0	7	0	4,824	0	2,000
Indiana	0	1	0	150	0	250	1	2	2,000	2,350	1,000	600
Iowa	0	0	0	0	0	0	1	1	1,180	75	500	44
Kansas	0	0	0	0	0	0	0	1	0	4,000	0	1,000
Kentucky	0	10	0	19,685	0	115,000	0	1	0	1,200	0	500
Louisiana	0	0	0	0	0	0	1	12	2,280	24,620	2,000	7,438
Maine	9	3	42,335	3,200	44,720	10,000	47	212	203,285	637,020	114,640	124,725
Maryland	0	1	0	1,200	0	0	2	5	13,020	6,473	3,000	1,400
Massachusetts	0	0	0	0	0	0	2	14	16,000	41,225	2,000	5,800
Michigan	0	1	0	118	0	600	3	10	12,000	9,985	2,600	4,320
Minnesota	0	1	0	103	0	800	1	10	1,450	2,936	400	2,637
Mississippi	3	1	8,000	1,000	100,000	16,000	1	5	2,800	10,275	0	8,000
Missouri	0	1	0	1,000	0	0	2	8	4,800	6,395	4,300	1,350
Montana	0	0	0	0	0	0	0	1	0	200	0	600
Nebraska	0	0	0	0	0	0	0	2	0	470	0	400
Nevada	0	0	0	0	0	0	0	0	0	0	0	0
New Hampshire	0	0	0	0	0	0	0	15	0	49,845	0	720
New Jersey	0	0	0	0	0	0	15	192	65,799	369,595	16,000	3,325
New Mexico	0	0	0	0	0	0	1	4	1,100	4,233	300	1,600
New York	1	1	3,050	2,100	20,000	0	0	10	0	54,658	0	4,100
North Carolina	11	12	33,909	14,030	149,000	80,200	12	87	32,057	151,910	10,856	33,750
North Dakota	0	1	0	510	0	1,580	0	1	0	340	0	2,000
Ohio	0	1	0	500	0	500	0	1	0	750	0	500
Oklahoma	0	0	0	0	0	0	0	2	0	1,825	0	700
Oregon	0	0	0	0	0	0	2	11	10,290	20,720	4,000	5,200
Pennsylvania	0	0	0	0	0	0	9	39	39,433	64,842	11,166	11,700
Rhode Island	0	0	0	0	0	0	0	0	0	0	0	0
South Carolina	0	0	0	0	0	0	2	12	11,200	23,420	4,000	5,100
South Dakota	0	0	0	0	0	0	0	0	0	0	0	0
Tennessee	1	4	3,000	3,800	15,000	44,000	3	5	6,832	4,025	4,100	4,100
Texas	0	2	0	2,000	0	27,000	2	23	6,300	62,105	1,000	18,680
Utah	0	0	0	0	0	0	1	8	2,850	14,750	1,500	3,000
Vermont	0	0	0	0	0	0	0	0	0	0	0	0
Virginia	0	2	0	600	0	750	1	0	2,600	0	500	0
Washington	0	0	0	0	0	0	7	24	20,615	65,819	13,700	18,586
West Virginia	0	9	0	7,438	0	64,200	1	20	1,975	31,975	1,000	8,190
Wisconsin	0	0	0	0	0	0	2	1	1,600	375	600	300
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0
Alaska	0	0	0	0	0	0	0	0	0	0	0	0
Hawaii	0	0	0	0	0	0	11	28	41,026	61,000	22,000	12,450
Puerto Rico	0	1	0	320	0	5,000	1	5	1,000	3,495	750	4,200
Virgin Islands	0	0	0	0	0	0	0	0	0	0	0	0

[1] Number of loans is greater than number of borrowers since some borrowers received subsequent loans.

Farmers' Home Administration loans to finance commercial broiler and egg production, July 1, 1956, through Mar. 1, 1957

State and territory	Broiler production						Egg production					
	Number of loans		Total funds loaned		Increase in number of birds per year		Number of loans		Total funds loaned		Increase in number of birds per year	
	Real-estate loans for buildings and equipment (1)	Operating loans [1] (2)	Real-estate loans (3)	Operating loans (4)	Resulting from real-estate loans (5)	Resulting from operating loans (6)	Real-estate loans for buildings and equipment (7)	Operating loans [1] (8)	Real-estate loans (9)	Operating loans (10)	Resulting from real-estate loans (11)	Resulting from operating loans (12)
United States total	29	28	$81,347	$63,912	411,500	76,300	195	939	$883,457	$2,221,211	335,583	387,690
Alabama	9	7	27,820	4,570	114,000	27,000	6	29	16,185	39,270	8,600	20,050
Arizona	0	0	0	0	0	0	0	1	0	5,000	0	0
Arkansas	3	0	6,500	0	40,000	0	0	4	12,900	4,520	5,775	1,400
California	0	0	0	0	0	0	11	53	80,005	175,600	22,500	39,443
Colorado	0	4	0	220	0	200	0	2	0	1,475	0	500
Connecticut	0	0	0	0	0	0	0	2	0	12,000	0	0
Delaware	0	1	0	3,015	0	0	0	2	0	9,300	0	2,000
Florida	0	0	0	0	0	0	14	24	61,573	69,100	25,000	17,080
Georgia	4	0	10,500	0	59,500	0	14	27	40,260	60,500	20,200	16,800
Idaho	0	0	0	0	0	0	3	9	10,610	12,150	2,900	2,550
Illinois	0	1	0	55	0	100	2	10	5,240	4,665	1,780	2,4
Indiana	0	1	0	70	0	0	3	5	9,100	6,800	3,550	1,500
Iowa	0	0	0	0	0	0	0	1	0	1,030	0	0
Kansas	0	0	0	0	0	0	1	15	1,500	4,215	800	2,900
Kentucky	0	1	0	1,800	0	0	0	3	0	4,700	0	750

[1] Number of loans is greater than number of borrowers since some borrowers received subsequent loans.

Farmer's Home Administration loans to finance commercial broiler and egg production, July 1, 1956, through Mar. 1, 1957—Continued

State and territory	Broiler production						Egg production					
	Number of loans		Total funds loaned		Increase in number of birds per year		Number of loans		Total funds loaned		Increase in number of birds per year	
	Real estate loans for buildings and equipment (1)	Operating loans (2)	Real estate loans (3)	Operating loans (4)	Resulting from real estate loans (5)	Resulting from operating loans (6)	Real estate loans for buildings and equipment (7)	Operating loans [1] (8)	Real estate loans (9)	Operating loans (10)	Resulting from real estate loans (11)	Resulting from operating loans (12)
Louisiana	0	0	0	0	0	0	1	22	$2,600	$61,505	2,000	17,350
Maine	0	4	0	$38,000	0	12,500	35	223	229,203	734,435	85,550	139,675
Maryland	0	1	0	550	0	0	2	3	33,000	3,180	6,500	0
Massachusetts	0	0	0	0	0	0	1	13	12,650	64,325	2,100	0
Michigan	0	0	0	0	0	0	2	5	9,460	12,254	3,000	2,200
Minnesota	0	0	0	0	0	0	0	8	0	2,525	0	1,350
Mississippi	1	1	$4,400	2,475	18,000	18,000	9	8	31,250	9,534	21,000	7,800
Missouri	0	0	0	0	0	0	5	4	14,380	2,185	5,200	100
Montana	0	0	0	0	0	0	0	0	0	0	0	0
Nebraska	0	0	0	0	0	0	0	1	0	300	0	300
Nevada	0	0	0	0	0	0	0	0	0	0	0	0
New Hampshire	0	0	0	0	0	0	1	11	1,500	34,220	1,500	1,700
New Jersey	0	0	0	0	0	0	12	208	83,998	378,985	14,000	5,500
New Mexico	0	0	0	0	0	0	1	3	1,000	1,950	1,000	500
New York	0	1	0	5,000	0	0	2	7	19,200	26,940	4,000	2,650
North Carolina	9	2	22,552	4,257	132,000	0	18	82	57,377	194,185	26,000	41,955
North Dakota	0	0	0	0	0	0	3	2	3,295	1,950	850	1,350
Ohio	0	0	0	0	0	0	2	4	10,500	7,985	3,900	6,500
Oklahoma	0	0	0	0	0	0	1	4	6,300	6,050	1,008	3,158
Oregon	0	0	0	0	0	0	2	5	7,368	16,991	3,000	4,250
Pennsylvania	0	0	0	0	0	0	5	26	24,092	80,420	6,400	7,050
Rhode Island	0	0	0	0	0	0	0	0	0	0	0	0
South Carolina	0	0	0	0	0	0	3	10	4,800	24,010	4,800	2,600
South Dakota	0	0	0	0	0	0	0	0	0	0	0	0
Tennessee	1	0	2,475	0	24,000	0	6	7	19,000	9,192	8,700	2,800
Texas	0	1	0	1,500	0	12,000	4	28	17,996	36,008	6,200	7,600
Utah	0	0	0	0	0	0	0	6	0	14,650	0	1,500
Vermont	0	0	0	0	0	0	0	0	0	0	0	0
Virginia	1	0	2,500	0	20,000	0	1	0	2,804	0	500	0
Washington	0	0	0	0	0	0	6	25	21,965	46,675	9,150	9,210
West Virginia	0	1	0	700	0	0	3	8	12,225	18,215	5,100	4,400
Wisconsin	0	0	0	0	0	0	2	2	9,700	652	1,700	0
Wyoming	0	0	0	0	0	0	1	0	4,200	0	500	0
Alaska	0	0	0	0	0	0	0	0	0	0	0	0
Hawaii	1	1	6,600	1,500	4,000	3,500	7	24	26,652	57,530	10,750	7,350
Puerto Rico	0	1	0	200	0	3,000	0	4	0	3,265	0	2,000
Virgin Islands	0	0	0	0	0	0	0	0	0	0	0	0

Mr. WILLIAMS. Immediately following these charts showing how this Agency has loaned over $9 million in the past 3 years to finance the increased production in the poultry industry, I ask unanimous consent to have incorporated an article appearing in the Poultryman of Friday, April 19, 1957, entitled "FHA Is Billed as Hero Instead of Villain in Denying Loans To Aid Overproduction."

This article quotes Mr. Henry C. Smith, Deputy Administrator of FHA as testifying before the House Agriculture Appropriations Subcommittee to the effect that his Agency had not been using its authority "to start people in the poultry business, mainly for the reason that there is overproduction."

That statement of Mr. Smith's to the House Appropriations Committee was not true, as is borne out by the facts incorporated in the report immediately above. The Farmers' Home Administration has been loaning money to build new poultry houses, increasing the productive capacity of both the broilers and layers.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FHA IS BILLED AS HERO INSTEAD OF VILLAIN IN DENYING LOANS TO AID OVERPRODUCTION

WASHINGTON.—The Farmers' Home Administration won't lend anyone money to help them go into the poultry producing business.

Henry C. Smith, Deputy Administrator of FHA, says the agency has authority to lend Government money to finance construction of poultry buildings.

But, he explained to the House (Agriculture) Appropriations Subcommittee, the agency has not been using the authority "to start people in the poultry business mainly for the reason that there is overproduction."

The testimony was given to the subcommittee at a closed door budget hearing in February. The subcommittee made public the transcript last Thursday.

There have been recurring complaints from broiler producers that Government lending programs have financed increased production at a time of price-depressing surpluses.

The subcommittee did not inquire into the extent to which the agency is financing expansion of production facilities of existing producers or the extent to which it may have in the past provided credit for new producers to enter the business.

A House Small Business Subcommittee has indicated that it will inquire into this during public hearings later in the session.

Mr. WILLIAMS. The Federal Housing Administration under title I is the second agency involved.

Apparently this agency does not keep sufficient records of their different loans to be able to have readily available complete information as to the extent to which they may be involved in this field, but they definitely have been underwriting some of the expansion of this industry.

Commissioner Mason, when testifying before the Select Committee on Small Business in the House on Monday, May 13, 1957, minimized their activities with a lot of confusing statistics, but they are involved a little more than Mr. Mason indicated. For instance, during the past 3 years they have insured over $2 million in loans of which we have record for the purpose of building new poultry houses.

The bulk of this, or $1,003,000, went to Texas; $420,000 was loaned in Kansas; and $393,000 in Tennessee; with the remainder scattered throughout the various other States.

A couple of years ago, when the poultry industry first began getting in trouble as the result of overproduction, this same agency was identified as one of the major factors in financing expansion in the industry by guaranteeing loans on new poultry houses.

It should be noted that the Federal Housing Administration has no procedure to follow through on loans to determine whether or not the money borrowed is used for the stated purpose of building new poultry houses.

I ask unanimous consent to incorporate the FHA reports on its lending to the poultry industry.

There being no objection, the reports were ordered to be printed in the RECORD, as follows:

FEDERAL HOUSING ADMINISTRATION,
Washington, D. C., April 11, 1957.

Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

DEAR SENATOR WILLIAMS: At your suggestion the FHA has made a study of the extent to which insured loans are being used in connection with poultry houses. It has just been completed, and I am pleased to send you the attached table and summary.

The State of Delaware is not included in this study solely because there is only 1

title I lender in the State, and that institution has made only 8 loans in the past 8 years.

I am sure you will agree that it is apparent from this study that few new poultry houses are built under the FHA title I program. As you know, the FHA cautions lenders to make these loans only to experienced poultry husbandmen who have good credit records.

From the limited utilization of FHA insured title I financing for poultry builders, as shown in the attached study, it would appear that this warning has been effective.

Sincerely yours,

NORMAN P. MASON,
Commissioner.

FHA TITLE I LOANS ON POULTRY HOUSES, 1954–56

The limited utilization of FHA-insured title I loans for financing the construction of buildings for poultry or egg production during the period 1954–56 is indicated by the data in the attached table. This information was obtained by the title I Division of FHA in a March 1957 survey covering 1,888 lenders in 15 selected States.

Replies were received from 1,107 institutions which, investigation revealed, had originated a majority of the title I loans made in the 15 States during this period. Only about 136 of the responding lenders reported financing any title I loans for poultry building purposes. Nearly half of these were Texas institutions. No such loans were reported by Connecticut or Rhode Island lenders.

Title I poultry building loans made by the reporting institutions during the 3-year period total 1,043 amounting to an estimated $2,136,000. These represented only one-tenth of 1 percent of the total number and four-tenths of 1 percent of the total amount of all title loans insured in the 15 States during the survey period. The largest volumes of poultry building loans were made by lenders in Texas (estimated at $1,003,000), Kansas ($420,000), and Tennessee ($393,000). In most States the amount of these loans represented less than one-half of 1 percent of all title I loans. The highest proportions were reported by institutions in Kansas (1.4 percent) and Tennessee (nine-tenths of 1 percent).

The average amount of poultry building loans for all reporting States was $2,048 compared with an overall title I loan average of $618 in the same States. Averages ranged from $530 in Vermont and $995 in Massachusetts to $2,500 in Maine and $3,500 in New Hampshire. In virtually every State, these averages substantially exceeded the average for all types of title I loans.

The claims which had been paid by FHA as a result of default on the poultry building loans covered by the survey totaled $20,082 or just under 1 percent of the total amount of these types of loans insured during the 3-year period. This is somewhat less than the 1.4 percent claims ratio for all title I loans outstanding (throughout the Nation) during this period of generally high prosperity. Lenders in only 5 States reported claim payments on poultry building loans—Florida ($6,838, or 16 percent of total insured), Kansas ($335, or one-tenth of 1 percent of total), Tennessee ($4,023, or 1 percent of total), Texas ($7,853, or eight-tenths of 1 percent of total), and Washington ($1,033, or 4 percent of total).

Loans totaling $77,853, or about 4 percent of the aggregate amount of poultry building loans remaining in force, were in default at the time of the survey. Over 85 percent of the amount of the defaulted loans was reported by lenders in Tennessee ($27,976) and Texas ($38,724). No defaults were reported by lenders in Florida, Maine, New Hampshire, Oregon, or Vermont.

Mr. WILLIAMS. Third, the Small Business Administration has approved 36 loans totaling $1,053,405 to the poultry industry in the past several months. Their loans vary from a few thousand to $125,000.

One loan of $100,000 was made to a turkey grower in Missouri and another $30,000 loan to a turkey farm in Wisconsin.

The Department of Agriculture spent millions in supporting last year's turkey market because of overproduction, and for the past 2 years has been urging the farmers to reduce their turkey flocks.

The remainder of the million dollars loaned by this agency went to other segments of the poultry industry, and the complete breakdown may be found in the chart which at this point I ask unanimous consent to have printed in the RECORD. These are all participation loans.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

SMALL BUSINESS ADMINISTRATION,
Washington, D. C., April 24, 1957.

The Honorable JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

DEAR SENATOR WILLIAMS: This is with reference to my letter of April 16, 1957, concerning your request for detailed information on the number of business loans approved by this agency to operators of poultry and hatchery firms. I am enclosing this material as you requested.

Sincerely yours,

WENDELL B. BARNES,
Administrator.

Small Business Administration—Business loans approved to operators of hatcheries and poultry farms, cumulative through Feb. 15, 1957

Name and address	Type	Total amount approved	Name and address	Type	Total amount approved
Irving Bodner, Heflin, Ala	75 percent participation	$15,305	W. C Mayfield, Hoisington, Kans	75 percent participation	$16,500
The Irven E. Gee Hatchery & Poultry Farm, Tucson, Ariz.	do	10,000	Quality Poultry Farms, Inc., Wichita, Kans.	Direct	25,900
Milton & Helen Vanderkolk, Tucson, Ariz.	90 percent participation	40,000	George Burkel, Greenbush, Minn	75 percent participation	[1] 30,000
Troy Henley, Cleveland, Ark	Direct	3,000	Baumgartner's Poultry Farm, Inc., Litchfield, Minn.	Direct	13,000
James F. Baker, doing business as Baker's Hatchery, Danville, Ark.	do	61,000	Erwin W. Peterson, doing business as Dixie K Hatchery, Menahga, Minn.	75 percent participation	16,000
Austin Hatchery, Inc., Fontana, Calif	do	10,000	Charles H. Dahlke, doing business as Dahlke Hatchery, New Germany, Minn.	Direct	$8,000
Erwin Paul Menzen, Keystone Heights, Fla.	66⅔ percent participation	60,000	Edwin A. Krueger, doing business as Krueger Poultry Farms, North Branch, Minn.	do	60,000
Crenshaw's, Inc., Cleveland, Ga	75 percent participation	30,000	H. H. Hill, doing business as Hill Turkey Farms & Hatchery, La Plata, Mo.	90 percent participation	100,000
Putney Farms, Inc., Dahlonega, Ga	do	50,000	Vernon G. Alder, doing business as Alder's Hatchery & Alder's Farm, Richmond, Mo.	do	20,000
Hiawassee Hatchery, Hiawassee, Ga	Direct	15,000	Holcomb York Hatchery, Inc., York, Nebr.	50 percent participation	30,000
A. W. Thompson Hatchery, Inc. and Macon County Poultry Farm, Inc., Hoschton, Ga.	75 percent participation	[1] 125,000	G. E. Kemnitzer, doing business as Kemnitzer Colonial Hatchery, Marysville, Ohio.	75 percent participation	7,000
T. Fernwood Broome, doing business as Fernwood Poultry Farm & Hatchery, Rossville, Ga.	Direct	20,000	Do	90 percent participation	7,000
Robert L. Nelson, doing business as Nelson Poultry Service, Franklin, Ill.	75 percent participation	[1] 6,200	B. E. Lucas and R. T. Johnson, doing business as Clinton Hatchery & Implement Co., Clinton, Wis.	50 percent participation	30,000
Don Smith, Inc., Albion, Ind	do	50,000	John Zielinski, Grand Marsh, Wis	64.7 percent participation	8,500
Pine Manor, Inc., Goshen, Ind	80 percent participation	60,000	Melvin K. Wright, doing business as Wright's Turkey Farm, Weyerhauser, Wis.	66⅔ percent participation	30,000
L. L. Diamond, doing business as Diamond Hatchery, Knightstown, Ind.	75 percent participation	15,000	Total (36)		1,053,405
LaVern Waugh, Delmar, Iowa	do	5,000			
Harold Bayse, doing business as Bayse Hatchery & Produce, Humboldt, Iowa.	50 percent participation	60,000			
John M. Schon, doing business as Lytton Hatchery, Lytton, Iowa.	Direct	8,000			
Marcus A. Neppl, doing business as Neppl, Hatchery & Produce, Wall Lake, Iowa.	75 percent participation	13,000			
William Jerome Garinder, doing business as Master Breeder's Hatchery, Cherryvale, Kans.	do	16,000			

[1] Authorization canceled in full subsequent to approval.

Source: Office of Controller, Budget and Reports Division, Apr. 12, 1957.

Mr. WILLIAMS. Fourth, the Banks for Cooperatives have refused to disclose their loans to the poultry industry. Why these loans are kept secret when they are, or at least they should be, a matter of official record in the courthouses of the respective areas in which these loans are made is hard to understand.

Nevertheless, without their cooperation it has been established that over $12 million have been loaned by this agency to cooperatives in the State of Georgia for the expansion of the poultry industry, and there is every reason to believe that this is only a part of their activities.

Fifth, the Federal Land Banks during the past 3 years have made 658 loans

totaling $2,074,000 to build new broiler houses, and during this same period they have made 1,309 loans representing $4,295,000 for the purpose of building new poultry houses for layers. This makes a total of $6,369,000 loaned by this Government agency to finance the expansion of an overproduced industry.

Sixth, the Federal Intermediate Credit Banks, which finance the production credit associations, have during the past 3 years underwritten 534 loans, involving $1,342,025 to farmers, for the purpose of building new broiler houses.

During this same period this agency has made 1,000 loans to farmers, aggregating $2,382,258, for the purpose of building more poultry houses for layers.

Their total loans to finance increased capacity amounts to $3,724,283.

Loans financing construction of poultry houses made in 3 years, 1954–56

	Broiler houses		Laying houses		Total	
	Number of units	Total amount, advances	Number of units	Total amount, advances	Number of units	Total amount, advances
Federal land banks	658	$2,074,000	1,309	$4,295,000	1,967	$6,369,000
FICB's	534	1,342,025	1,000	2,382,258	1,534	3,724,283
Total	1,192	3,416,025	2,309	6,677,258	3,501	10,093,283

The banks for cooperatives are not included in the above table since they do not make loans to individual farmers and we have no reason to believe that any of their financing to borrowing cooperatives would be utilized for such purpose.

Sincerely yours,

R. B. TOOTELL, *Governor.*

Mr. WILLIAMS. Altogether, this documents approximately $35 million as having been loaned during the past 3 years by these 6 Government agencies to farmers for the purpose of increasing poultry production.

This policy of having 6 different Government agencies canvassing the country, soliciting and encouraging farmers to borrow money to expand the poultry industry, when at the same time the Department of Agriculture was urging regular poultry producers to curtail production, appears even more indefensible when we consider that for the past 12 months another division of the Department of Agriculture has been spending approximately $1 million per month to buy surplus eggs at the taxpayers' expense to remove them from an oversupplied market.

I ask unanimous consent to have incorporated at this point the report of the Department of Agriculture showing its recent expenditures to support the egg market.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

UNITED STATES
DEPARTMENT OF AGRICULTURE,
AGRICULTURAL MARKETING SERVICE,
Washington, D. C., April 18, 1957.

Hon. JOHN J. WILLIAMS,
United States Senate.

DEAR SENATOR WILLIAMS: Pursuant to a telephone request from your office to Mr. Clyde Wheeler, of the Secretary's Office, there is submitted herewith the following information with respect to the amount of funds that has been spent during the past 3 years on the egg purchase program.

During 1956 there was expended approximately $6.6 million for the purchase of 534,134 cases of eggs as summarized in the enclosed press release of December 6, 1956. This program was again resumed on January 25, 1957, with additional purchases of 313,714 cases and expenditures amounting to approximately $3,184,000 as again summarized in a press release of March 20, copy enclosed.

It will be noted from the last-mentioned press release that the shell egg purchase program was modified by offering to buy the new-type "stabilized" dried whole egg solids. To date under this current program, as summarized in the enclosed press release of April 16, purchases of egg solids to date have amounted to 1,507,500 pounds with a total expenditure of approximately $1,648,000.

It will be noted from the above that total expenditures to date approximate $11,432,000 which cover expenditures in 1956 and 1957, there being no egg purchase program in 1955.

Sincerely yours,

ROY W. LENNARTSON,
Deputy Administrator.

Mr. WILLIAMS. Every official of the Department of Agriculture with whom this has been discussed has agreed that this inconsistent policy cannot be defended from the standpoint of either the farmers or the taxpayers. Certainly it cannot be denied that the result has been the wasting of millions of dollars and the practical bankruptcy by governmental action of thousands of American poultry farmers.

The poultry industry has never sought Government supports, but they do ask the Government to stop using their tax dollars to finance their own competition, especially at a time when the industry is in a serious state of overproduction.

At the same time, it is in order to suggest that the Department review the overlapping jurisdiction of these lending agencies, with the hope that their functions can be consolidated and about two-thirds of the agencies abolished. Certainly even if loans were necessary there could be no need for six lending agencies calling on the same farmers soliciting the same type loans.

At this point I ask unanimous consent to have incorporated the letter of May 9, 1957, signed by Mr. Tootell, confirming the two aforementioned reports.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FARM CREDIT ADMINISTRATION,
Washington, D. C., May 9, 1957.

Hon. JOHN J. WILLIAMS,
United States Senate.

DEAR SENATOR WILLIAMS: This refers to your letter of March 5, 1957, inquiring concerning financing of broiler and laying house construction by the Federal land banks, and by the production credit associations and other financing institutions rediscounting with the Federal intermediate credit banks.

The following figures have been obtained from the 12 Federal land banks and the 12 Federal intermediate credit banks and represent the best available estimates of such financing:

	Broiler houses		Laying houses		Total	
	Number of units	Total amount, advances	Number of units	Total amount, advances	Number of units	Total amount, advances
Federal land banks	658	$2,074,000	1,309	$4,295,000	1,967	$6,369,000
FICB's	534	1,342,025	1,000	2,382,258	1,534	3,724,283
Total	1,192	3,416,025	2,309	6,677,258	3,501	10,093,283

The banks for cooperatives are not included in the above table since they do not make loans to individual farmers and we have no reason to believe that any of their financing to borrowing cooperatives would be utilized for such purpose.

Sincerely yours,

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Mr. WILLIAMS. Altogether, this documents approximately $35 million as having been loaned during the past 3 years by these 6 Government agencies to farmers for the purpose of increasing poultry production.

This policy of having 6 different Government agencies canvassing the country, soliciting and encouraging farmers to borrow money to expand the poultry industry, when at the same time the Department of Agriculture was urging regular poultry producers to curtail production, appears even more indefensible when we consider that for the past 12 months another division of the Department of Agriculture has been spending approximately $1 million per month to buy surplus eggs at the taxpayers' expense to remove them from an oversupplied market.

I ask unanimous consent to have incorporated at this point the report of the Department of Agriculture showing its recent expenditures to support the egg market.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

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Mr. WILLIAMS. Every official of the Department of Agriculture with whom this has been discussed has agreed that this inconsistent policy cannot be defended from the standpoint of either the farmers or the taxpayers. Certainly it cannot be denied that the result has been the wasting of millions of dollars and the practical bankruptcy by governmental action of thousands of American poultry farmers.

The poultry industry has never sought Government supports, but they do ask the Government to stop using their tax dollars to finance their own competition, especially at a time when the industry is in a serious state of overproduction.

At the same time, it is in order to suggest that the Department review the overlapping jurisdiction of these lending agencies, with the hope that their functions can be consolidated and about two-thirds of the agencies abolished. Certainly even if loans were necessary there could be no need for six lending agencies calling on the same farmers soliciting the same type loans.

PRINTING OF ADDITIONAL COPIES OF THE REPORT ENTITLED "THE INTERNATIONAL PETROLEUM CARTEL"

Mr. O'MAHONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. O'MAHONEY. Did the Senator from Texas, the majority leader, not make a motion, before he left the Chamber, to proceed to the consideration of Calendar No. 298, Senate Concurrent Resolution 26?

The PRESIDING OFFICER. The Chair understands the majority leader made a unanimous-consent request that Calendar No. 298, Senate Concurrent Resolution 26, be made the unfinished business. The Chair did not put the question. He now puts the question.

Is there objection to the consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution (S. Con. Res. 26) to print additional copies of the report entitled "The International Petroleum Cartel."

ADJOURNMENT TO WEDNESDAY

Mr. O'MAHONEY. Mr. President, in accordance with the previous order, I move that the Senate stand in adjournment until Wednesday next at noon.

The motion was agreed to; and (at 5 o'clock and 19 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, to Wednesday, May 22, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 20, 1957:

DEPARTMENT OF THE AIR FORCE

Malcolm A. MacIntyre, of New York, to be Under Secretary of the Air Force, vice James H. Douglas, elevated.

IN THE AIR FORCE

The following-named officers under the provisions of section 8066, title 10 of the United States Code to be assigned to positions of importance and responsibility designated by the President in the rank as follows:

Lt. Gen. Frank Fort Everest, 366A (major general, Regular Air Force), in the rank of general, United States Air Force.

Lt. Gen. Thomas Sarsfield Power, 481A (major general, Regular Air Force), in the rank of general, United States Air Force.

Maj. Gen. William Evens Hall, 460A, Regular Air Force, in the rank of lieutenant general, United States Air Force.

Maj. Gen. Walter Edwin Todd, 361A, Regular Air Force, in the rank of lieutenant general, United States Air Force.

Maj. Gen. John Koehler Gerhart, 525A, Regular Air Force, in the rank of lieutenant general, United States Air Force.

Maj. Gen. William Evens Hall, 460A, Regular Air Force, to be senior Air Force member, Military Staff Committee, United Nations, under the provisions of section 711, title 10 of the United States Code.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 20, 1957:

INTERNATIONAL MONETARY FUND AND THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

C. Douglas Dillon, of New Jersey, to be United States Alternate Governor of the International Monetary Fund and the International Bank for Reconstruction and Development for the term of 5 years.

DIPLOMATIC AND FOREIGN SERVICE

The following persons to be Ambassadors Extraordinary and Plenipotentiary of the United States of America to the country indicated with each respective name:

Walter P. McConaughy, of Alabama, to Burma.

Joseph S. Farland, of West Virginia, to Dominican Republic.

Don C. Bliss, of New Jersey, to Ethiopia.

Wilson C. Flake, of North Carolina, to Ghana.

Robert C. Hill, of New Hampshire, to Mexico.

Miss Frances E. Willis, of California, to Norway.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 20, 1957

The House met at 12 o'clock noon.

Rev. Father Clarence Liederbach, of St. Adalbert Parish, Cleveland, Ohio, offered the following prayer:

O God, our Father, Creator of heaven and earth, the first beginning and last end of nations as of men, whose providence, inscrutable as it is ineffable, brought into being these United States that its oneness in many might ever be an object lesson for all nations, we have always been humbly grateful that our Republic, under Thee, has ever reminded absolute temporal monarchs, incontrovertibly if sometimes silently, that all power to rule comes only from Thee; only through the free consent of the governed.

Because Thou art the sole worker of miracles, lighten, we beseech Thee, the burden of original sin under which the governing groan as do the governed.

By dispelling darkness from our intellects and fortifying our wills through the virtue of the Holy Spirit, that the weak being made strong in Thee may truly confound those who are wise in their own conceits.

Pour down upon these Thy servants and those whom they direct the spirit of that grace which wins salvation and accompany them with Thy never-failing help, pouring down upon them the dew of Thy blessing that they may please Thee in all truth.

Vouchsafe to break the pride of our enemies by uncovering the deceits wherein they would take us and repress their presumption by the power of Thy strong right hand.

Be Thou appeased, O God, by our supplications—that no righteous desire may remain unfulfilled and no prayer be in vain, we beseech Thee, that we may truly obtain that which we crave with faith, asking it through Jesus Christ, Thy Son, our only Lord and King, who lives and reigns with Thee, in the unity of the Holy Spirit, forever and ever. Amen. In the name of the Father and of the Son and of the Holy Spirit. Amen.

The Journal of the proceedings of Thursday, May 16, 1957, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6700. An act making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HOLLAND, Mr. ELLENDER, Mr. MAGNUSON, Mr. STENNIS, Mr. JOHNSON of Texas, Mr. PASTORE, Mr. HAYDEN, Mrs. SMITH of Maine, Mr. BRIDGES, Mr. KNOWLAND, Mr. THYE, and Mr. POTTER to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 358. An act to authorize the conveyance to the State of Wyoming of about 37.75 acres of land comprising a part of Francis E. Warren Air Force Base;

S. 413. An act to provide for transfer of title to irrigation distribution systems constructed under the Federal reclamation laws upon completion of repayment of the costs thereof;

S. 768. An act to designate the east 14th Street highway bridge over the Potomac River at 14th Street in the District of Columbia as the Rochambeau Memorial Bridge;

S. 999. An act authorizing the Secretary of the Interior to convey certain land to the State of North Dakota for the use and benefit of the North Dakota State School of Science;

S. 1556. An act granting the consent of Congress to the States of Montana, North Dakota, South Dakota, and Wyoming to negotiate and enter into a compact relating to their interest in, and the apportionment of, the waters of the Little Missouri River and its tributaries as they affect such States, and for related purposes; and

S. 1794. An act to amend section 6 of the act approved July 3, 1890 (26 Stat. 215), relating to the admission into the Union of the State of Idaho by providing for the use of public lands granted therein for the purpose of construction, reconstruction, repair, renovation, furnishings, equipment, or other permanent improvements of public buildings at the capital.

The message further announced that the Senate agrees to the amendment of the House of Representatives to the amendment of the Senate to the bill (H. R. 4897) entitled "An act making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes."

The message also announced that the Presiding Officer had appointed the Senator from Arkansas [Mr. FULBRIGHT] as conferee on the bill (H. R. 6871) entitled "An act making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes," in lieu of the Senator from Montana [Mr. MANSFIELD], excused.

REREFERENCE OF A BILL

Mr. DAVIS of Tennessee. Mr. Speaker, I ask unanimous consent that the Committee on Public Works be discharged from the further consideration of the bill H. R. 7068 and that it be referred to the Committee on Interior and Insular Affairs.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

HON. JOHN W. McCORMACK

Mr. NATCHER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. NATCHER. Mr. Speaker, on the evening of May 13, 1957, our distinguished majority leader, who has represented the 12th Congressional District of Massachusetts since 1928, and has served as majority leader in all Democratic controlled Congresses since 1940, received the annual award from Bellarmine College in Louisville, Ky., for "his breadth of vision and powers of conciliation employed for so many years as majority leader of the House." As a Kentuckian, I am proud that Mr. McCORMACK was thus signally honored by a renowned college in my State. Indeed the Members of the United States House of Representatives are fortunate in having as their Speaker the Honorable SAM RAYBURN, and as our majority leader the Honorable JOHN W. McCORMACK.

In looking back over my short tenure in office I find that one of the great privileges derived has been from knowing and associating with outstanding men and women. Since my first day on the floor of the House, Mr. McCORMACK has gone out of his way to render me assistance, and, whenever required, the benefit of his guidance. This consideration has not only been bestowed upon me, but upon all new Members, both on the Democratic and Republican sides of the aisle. It is thus quite natural that he has endeared himself to the membership as a whole. I, personally, shall always feel indebted to him for his courteous treatment, encouragement and help. He is a kind, considerate, devout man, and his bigness is demonstrated by his treatment of his colleagues.

It is quite fitting that Mr. McCormack should have received the award from Bellarmine College, for he is not only one of the great Members of Congress but will go down in history as such. He possesses all the characteristics of a great man—the ability, the energy, the kindness and the aggressiveness inherent in a true leader. Though he has never deviated from the principles laid down by the Democratic Party, his country comes before politics. It can truly be said that he has the integrity and honor to maintain the scales of justice.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. WILLIAMS of Mississippi. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be permitted to sit during general debate while the House is in session for the remainder of this week.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

WOMEN LAWYERS IN THE COMMONWEALTH OF MASSACHUSETTS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an article from the Washington Post and Times Herald.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, at this very moment 41 of our very fine women lawyers in the Commonwealth of Masachusets are being sworn in to practice before the Supreme Court. We are very, very proud of them and wish them luck in their practice of the law. They will be looking down from the gallery upon our deliberations very shortly. The group is the largest from one State ever to be presented to the Court. The following women are hereby sworn in:

LIST OF PARTICIPANTS IN MASSACHUSETTS ASSOCIATION WOMEN LAWYERS "WASHINGTON SAFARI"

Mildred E. Bixby, Lynn, Mass.
Celia F. Blumenfield, Brighton, Mass.
Rosalind Poll Brooker, New Bedford, Mass.
Ann Carey Curley, Boston, Mass.
Winifred B. Doherty, Malden, Mass.
I. Cyrille Geisinger, Dorchester, Mass.
Marjorie H. Gleason, South Boston, Mass.
Mildred J. Hunter, Boston, Mass.
Clare S. Nash, Weymouth, Mass.
Gladys M. Slowe, Jamaica Plain, Mass.
Lucy N. Yakim, South Deerfield, Mass.
Helen M. Allen, Dedham, Mass.
Theresa M. Bohnenberger, West Roxbury, Mass.
Elsie L. Cooper, Allston, Mass.
Kathleen T. Ryan Dacey, Roxbury, Mass.
Helen Degnan, Hyde Park, Mass.
Ethleen H. Diver, Lexington, Mass.
Florence P. Ferris, Brookline, Mass.
Marion L. Gaffney, Malden, Mass.
Katherine F. Gesmer, Quincy, Mass.
Marion D. Gould, Billerica, Mass.
Arlyne F. Hassett, Watertown, Mass.
Evelyn Hodsdon, Belmont, Mass.
Anna D. McInerny, Dedham, Mass.
Nellie F. Malone, Marlboro, Mass.
Susanne P. Shalina, Cambridge, Mass.
Lillian Sorkin, Brookline, Mass.
Frances N. Whiting, Haverhill, Mass.
Nella Q. Wendell, Belmont, Mass.
Anna Chopek, Mattapan, Mass.
Ann W. Lake, Dedham, Mass.
Julia Hoffman, Chelsea, Mass.
Miriam Flaherty, Waltham, Mass.
Anna E. Hirsch, Dedham, Mass.

The Washington Post and Times Herald article is as follows:

FORTY BOW AT SUPREME COURT DEBUT

Forty women lawyers will be admitted this morning to the bar of the Supreme Court of the United States on the recommendation of Senator LEVERETT SALTONSTALL, Republican, of Massachusetts.

All of them come from the Senator's State and all are members of the National Association of Women Lawyers.

Also on hand for the occasion will be Neva Talley, the president of the National Association of Women Lawyers.

After a formal motion by Senator SALTONSTALL in the Supreme Court, this morning, the ladies will be deemed qualified to practice before the highest Court in the land.

Afterward, they will be entertained at luncheon by Representative EDITH NOURSE ROGERS, Republican, of Massachusetts, and later in the day they will return to Boston by air.

On Friday, District of Columbia members of the National Association of Women Lawyers gathered at a dinner to honor the Massachusetts ladies.

The party was held at the Army and Navy Club.

THE ITEM VETO

Mr. KEATING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, one week from today a subcommittee of the Committee on the Judiciary headed by our distinguished colleague, the gentleman from Louisiana [Mr. WILLIS], will open hearings on House Joint Resolution 47, which permits the President to veto individual items in appropriation bills.

In my judgment, Mr. Speaker, this is the single most effective procedural blow which we could strike for governmental economy. The proposal has been endorsed by the President, as have similar proposals by 5 or 6 preceding Presidents. An administration spokesman will be on hand to present the President's views with regard to it. I hope that all Members who are either in favor of or in opposition to this proposal will make known to the gentleman from Louisiana their wish to be heard.

DEPARTMENT OF COMMERCE AND RELATED AGENCIES APPROPRIATIONS, 1958

Mr. CANNON. Mr. Speaker, on behalf of the gentleman from Georgia [Mr. PRESTON], chairman of the subcommittee handling appropriations for the Department of Commerce and related agencies, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6700) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. PRESTON, THOMAS, ROONEY, YATES, SHELLEY, FLOOD, CANNON, CLEVENGER, BOW, HORAN, LAIRD, and TABER.

STATUE OF GENERAL STONEWALL JACKSON IN THE HALL OF FAME AT NEW YORK UNIVERSITY

Mr. DORN of South Carolina. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN of South Carolina. Mr. Speaker, it was my privilege yesterday in New York City at New York University to attend the unveiling of the bronze bust of Gen. Stonewall Jackson in the Hall of Fame for great Americans. It was a splendid occasion in every respect. There are only 86 Americans who have been selected for the Hall of Fame. I commend the board of electors for selecting Stonewall Jackson. He was one of the greatest military geniuses the world has ever known. It was interesting to note that the only other generals in the Hall of Fame whose principal achievements were in the field of military science were William T. Sherman and Robert E. Lee. It is true that General Washington, Gen. Andrew Jackson, and General Grant are in the Hall of Fame, but they were also Presidents of the United States. This fact alone is proof of the esteem in which Lee and Jackson are held by all Americans. I learned many interesting things at this meeting as to the high opinion the world has of Stonewall Jackson and Robert E. Lee. Most great military experts in foreign countries agree that there were only five English-speaking generals who are universally recognized throughout the world, and they are Marlborough, Washington, Wellington, Robert E. Lee, and Stonewall Jackson.

In recognition of his great military ability, leadership and character, Robert E. Lee was selected by the College of Electors in the year 1900, the first year that the Hall of Fame came into existence. Field Marshall Viscount Wolseley, commander in chief of the British Army, said:

The fame of Stonewall Jackson is no longer the exclusive property of Virginia and the South; it has become the birthright of every man privileged to call himself an American.

The great military leader, Earl Frederick S. R. Roberts, said:

In my opinion, Stonewall Jackson was one of the greatest natural military geniuses the world ever saw. I will go even further than that. As a campaigner in the field, he never

had a superior. In some respects, I doubt whether he ever had an equal.

Von Moltke, the German commander in chief who crushed France in 1870, said that Jackson's valley campaign was without a rival in the world's history.

All of these great military experts had a very high regard also for the ability of Robert E. Lee. The college of electors which selects great Americans for the Hall of Fame consists of approximately 100 American men and women of distinction, representing every State of the union and many different professions. The present College of Electors very properly selected Stonewall Jackson to join his chief, Robert E. Lee, in the immortal Hall of Fame.

At the superb ceremony yesterday in the Hall of Fame, I was particularly impressed with the West Point and VMI cadets who participated, and with General Garrison H. Davidson and General William H. Milton, Jr., superintendents of West Point and VMI, respectively. Secretary of the Army, Wilber M. Brucker, made the principal address and delivered an eloquent eulogy of Stonewall Jackson. President Eisenhower extended his greetings in a telegram. The following telegram from the greatest general of World War II, Douglas MacArthur, was read during the ceremony.

Perhaps the most prized message I ever received came from the famous historian, Douglas Southall Freeman, who wrote me at the close of my campaigns in the Southwest Pacific area of World War II: "the mantle of Robert E. Lee and Stonewall Jackson has now fallen on your shoulders." General Jackson was a complete master of the art of war. He used its two greatest elements, initiative and surprise, in unsurpassed applications. Swift and sure of attack, dogged and determined in defense, undismayed by adverse odds, he was the ideal battlefield commander. His fearless independence of character, his spirited presentation of his own views, however in conflict with those above him, can only serve as a model for every officer of high field responsibility. I take great pride in the memory of my three uncles who fought under his inspired leadership.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar Day. The Clerk will call the first bill on the calendar.

SETTLEMENT FOR CERTAIN INEQUITABLE LOSSES IN PAY SUSTAINED BY OFFICERS OF THE COMMISSIONED SERVICES

The Clerk called the bill (H. R. 293) to authorize settlement for certain inequitable losses in pay sustained by officers of the commissioned services under the emergency economy legislation, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

LIMITING PAYMENTS TO CERTAIN BENEFICIARIES OF CERTAIN VETERANS

The Clerk called the bill (H. R. 72) to amend section 21 of the World War Veterans' Act, 1924, to provide for the disposition of certain benefits which are unpaid at the death of the intended beneficiary.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ASPINALL. Mr. Speaker, a rule having been granted on this bill, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

SUSPENDING APPLICATION OF CERTAIN FEDERAL LAWS WITH RESPECT TO PERSONNEL EMPLOYED BY THE HOUSE COMMITTEE ON WAYS AND MEANS

The Clerk called the resolution (H. J. Res. 230) to suspend the application of certain Federal laws with respect to personnel employed by the House Committee on Ways and Means in connection with the investigations ordered by H. Res. 104, 85th Congress.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the present consideration of the resolution?

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That service or employment of any person not presently employed by the Federal Government as an attorney, accountant, expert, or professional staff member in assisting the Committee on Ways and Means of the House of Representatives, or any duly authorized subcommittee thereof, in the investigations authorized by House Resolution 104, 85th Congress, shall not be considered as service or employment bringing such person within the provisions of section 281, 283, or 284 of title 18 of the United States Code, or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States.

The resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

RELINQUISHMENT OF OFFICE OF CHIEF JUDGE OF FEDERAL COURTS AT THE AGE OF 70

The Clerk called the bill (H. R. 985) to provide that chief judges of circuits and district courts shall cease to serve as such upon reaching the age of 70.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ASPINALL. Mr. Speaker, at the request of my colleague, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

AUTHORIZING THE UNITED STATES TO DEFRAY THE COST OF ASSISTING THE KLAMATH TRIBE OF INDIANS

The Clerk called the bill (S. 469) to authorize the United States to defray the cost of assisting the Klamath Tribe of Indians to prepare for termination of Federal supervision, to defer sales of tribal property, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM of Iowa. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

MEDAL OF HONOR TO THE UNKNOWN AMERICAN WHO LOST HIS LIFE IN THE KOREAN CONFLICT

The Clerk called the bill (H. R. 1214) to authorize the President to award the Medal of Honor to the unknown American who lost his life while serving overseas in the Armed Forces of the United States during the Korean conflict.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President is hereby authorized and directed to award, in the name of the Congress, a Medal of Honor to the unknown American who lost his life while serving overseas in the Armed Forces of the United States during the Korean conflict, and who will lie buried in the Memorial Amphitheater of the National Cemetery at Arlington, Va., as authorized by the act of August 3, 1956, Public Law 975, 84th Congress.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

EQUIPMENT TO PROVIDE CERTAIN SERVICES TO THE BOY SCOUTS OF AMERICA

The Clerk called the bill (H. R. 6881) to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Boy Scouts of America for use at the Gold Rush '57 Jamboree of the Boy Scouts of America, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

DECLARING PORTION OF BACK COVE, PORTLAND, MAINE, TO BE NONNAVIGABLE WATER

The Clerk called the bill (H. R. 4511) to declare a certain portion of Back Cove, at Portland, Maine, to be nonnavigable water of the United States.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) that portion of Back Cove, at Portland, Maine, lying southerly of a line across the 12-foot Federal project channel in Back Cove 2,500 feet upstream from the Tukey Bridge, to the head of Back Cove, is declared to be a nonnavigable water of the United States within the meaning of the Constitution and laws of the United States.

(b) That portion of the 12-foot Federal project channel in Back Cove lying southerly of a line across the channel 2,500 feet upstream from the Tukey Bridge, to the head of Back Cove, a distance of approximately 3,500 feet, is hereby abandoned.

(c) The right to alter, amend, or repeal this act is expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 214 OF THE INTERSTATE COMMERCE ACT RELATING TO STOCK PAR VALUES

The Clerk called the bill (H. R. 3625) to amend section 214 of the Interstate Commerce Act, as amended, to prevent the use of arbitrary stock par values to evade Interstate Commerce Commission jurisdiction.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 214 of the Interstate Commerce Act, as amended (49 U. S. C. 314), is hereby further amended by—

(1) striking out "par value" wherever it appears in the first sentence of the first proviso and inserting in lieu thereof "principal amount"; and

(2) striking out the second sentence of the first proviso and inserting in lieu thereof the following: "In the case of capital stock having no par value, the principal amount thereof for the purpose of this section shall be the fair market value as of the date of its issue; and in the case of capital stock having par value, the principal amount for the purpose of this section shall be the fair market value as of the date of its issue, or the par value, whichever is the greater:".

With the following committee amendment:

Page 1, line 3, strike out all after the enacting clause, and insert "That section 214 of the Interstate Commerce Act, as amended (49 U. S. C. 314), is hereby further amended by—

"(1) striking out 'par value' wherever it appears in the proviso in the first sentence and inserting in lieu thereof 'value of capital stock or principal amount of indebtedness'; and

"(2) striking out that part of the second sentence which precedes the proviso and inserting in lieu thereof the following: 'In the case of capital stock having no par value, the value thereof for the purpose of this section shall be the fair market value as of the date of its issue; and in the case of capital stock having par value, the value for the purpose of this section shall be the fair market value as of the date of its issue, or the par value, whichever is the greater:'."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

AMENDING THE MEDALS OF HONOR ACT

The Clerk called the bill (H. R. 5328) to amend the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle subject to the motor carrier safety regulations of the Interstate Commerce Commission.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. HARRIS. Mr. Speaker, a similar bill has been passed in the Senate. I ask unanimous consent that the Senate bill (S. 1463) be considered at this time.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Medals of Honor Act of February 23, 1905 (38 Stat. 743; 45 U. S. C., secs. 44–46) is amended as follows:

(1) By inserting between the word "commerce" and the colon preceding the proviso in section 1 thereof the words "or involving any motor vehicle on the public highways, roads, or streets of the United States,", and

(2) By changing section 3 thereof to read: "Appropriations for the Interstate Commerce Commission are hereby made available for carrying out the provisions of this act."

Mr. HARRIS. Mr. Speaker, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. HARRIS: Page 1, line 9, immediately after the quotation mark, insert: "Sec. 3."

The amendment was agreed to.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, the Medals of Honor Act—38 United States Statutes, page 743; volume 45, United States Code, sections 44 to 46—now provides for the award of Presidential bronze Medals of Honor, with suitable emblematic devices, to any persons who shall, by extreme daring, endanger their own lives in saving, or endeavoring to save, lives from any wreck, disaster, or grave accident, or in preventing, or endeavoring to prevent, such wreck, disaster, or grave accident, upon any railroad within the United States engaged in interstate commerce. This law was enacted on February 23, 1905, when there were practically no motor vehicles or highways in existence. Today we have over 65 million motor vehicles operating on 3½ million miles of public highways. Many acts of heroism are performed by persons in saving, or endeavoring to save, lives in serious accidents, or in preventing or endeavoring to prevent serious accidents on the Nation's highways, roads, and streets in which motor vehicles are involved. Yet, no Presidential awards may be made for such heroism.

H. R. 5328 recognizes the fact that acts of heroism, comparable to those involving railroads, are also performed by persons under similar circumstances involving motor vehicles, and should be similarly recognized and rewarded.

H. R. 5328, as reported by the Committee on Interstate and Foreign Commerce, would have limited the awards of medals of honor to those individuals who performed acts of heroism involving any motor vehicle subject to the motor carrier safety regulations of the Interstate Commerce Commission. There are, however, millions of motor vehicles which are not subject to the Commission's safety regulations, such as the motor vehicles of carriers operating wholly in intrastate commerce, and all private passenger motor vehicles.

The American trucking associations suggested that this bill be broadened to encompass any person who performs an act of heroism in connection with any wreck, disaster, or grave accident involving any motor vehicle on the public highways, roads, or streets of the United States, regardless of whether or not the vehicle is subject to the safety regulations of the Interstate Commerce Commission. The Commission has approved this amendment. The Senate adopted it. It is an excellent amendment and I am glad that the House has concurred in the Senate amendment.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 5328) was laid on the table.

EXCHANGE OF LAND BETWEEN THE UNITED STATES AND THE STATE OF CALIFORNIA

The Clerk called the bill (H. R. 787) to authorize the exchange of certain lands between the United States of America and the State of California, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, I wonder if I could have the attention of some member of the committee. I note, Mr. Speaker, that no current value of the property with improvements is given, although it is intimated that that figure might be in the neighborhood of $500,000.

Can the gentleman advise me what the present current value of the property owned by the Government which may be transferred to California amounts to?

Mr. DURHAM. That is all relocated free of cost to the Government.

Mr. BYRNES of Wisconsin. My understanding is that this involved an exchange of two parcels of property. The parcel owned by the Federal Government at this time has a value of approximately $500,000 to $600,000, although the report is not clear as to whether that is the current value of the property. The value of the property owned by California is approximately $200,000.

If my information is correct that is a difference of something like $300,000. It would not sound to me as though that were a good exchange, and I am wondering what justification there is for it.

Mr. DURHAM. According to our information the State agreed to relocate Government-owned facilities, utilities, and improvements from the lands made available for tube and roadway purposes in accordance with Army requirements, and will be in my opinion worth more than at present to the Government because it will be new construction. The land we receive from the State of California has a value of $181,872. The land we agree to transfer to the State of California has a value of $173,870, and the exchange does not involve expenditure of Federal funds.

Mr. BYRNES of Wisconsin. There must be quite a little road building involved with a differential of $300,000.

Mr. DURHAM. The State of California agrees to relocate all Government property in accordance with the Army requirements.

Mr. BYRNES of Wisconsin. The only information I have is what is contained in the report, I may state to the gentleman, and all I am seeking is information with respect to it.

Mr. DURHAM. The gentleman from California [Mr. MILLER], a member of the committee and the gentleman who introduced the measure, is more familiar with the property and building than I am. Possibly he can answer the gentleman's question.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be placed at the foot of today's calendar.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

CONVEYANCE OF LAND TO STATE OF WYOMING

The Clerk called the bill (H. R. 2515) to authorize the conveyance to the State of Wyoming of about 37.75 acres of land comprising a part of Francis E. Warren Air Force Base.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Air Force is authorized and directed to convey to the State of Wyoming, at the fair market value, all the right, title, and interest of the United States in and to about 37.75 acres of land comprising a part of Francis E. Warren Air Force Base, Wyo., and more particularly described as follows:

Beginning at a point which is 303.4 feet north 73 degrees 55 minutes west from monument No. 28; thence south 7 degrees 33 minutes west, 1,320 feet, more or less, to the point of 1 degree 54 minutes curve to the left, the radius of which is 3,015 feet; thence along said curve through an angle of 21 degrees 5 minutes, a distance of 1,110.0 feet, more or less, to a point on the old boundary of Francis E. Warren military reservation; thence north 89 degrees 48 minutes west, 660 feet, more or less, to a point on the present boundary of Francis E. Warren Air Force Base reservation; thence north 00 degrees 3 minutes east, 2,629 feet, more or less, to monument No. 27; thence south 73 degrees 55 minutes east, 813 feet, more or less, to the point of beginning. Said parcel of land containing 37.75 acres, more or less.

Monument No. 28 is located at a point 832.32 feet, north 73 degrees, 55 minutes west of point which is 2,224.38 feet, south 70 degrees, 09 minutes west of the east corner of section 24, township 14 north, range 67 west.

SEC. 2. The Secretary of the Air Force may include in the deed of conveyance authorized under this act such terms as he considers to be in the public interest.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

Mr. DURHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk a similar Senate bill (S. 358) to authorize the conveyance to the State of Wyoming of about 37.75 acres of land comprising a part of Francis E. Warren Air Force Base, and that it be substituted for the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Air Force is authorized and directed to convey to the State of Wyoming, at the fair market value, all the right, title, and interest of the United States in and to about 37.75 acres of land comprising a part of Francis E. Warren Air Force Base, Wyo., and more particularly described as follows:

Beginning at a point which is 303.4 feet north 73 degrees 55 minutes west from monument numbered 28, thence south 7 degrees 33 minutes west, 1,320.0 feet more or less, to the point of 1 degree 54 minutes curve to the left, the radius of which is 3,015.0 feet, thence along said curve through an angle of 21 degrees 05 minutes, a distance of 1,110.0 feet more or less, to a point on the old boundary of Francis E. Warren Military Reservation, thence north 89 degrees 48 minutes west, 660.0 feet more or less, to a point on the present boundary of Francis E. Warren Air Force Base Reservation, thence north 00 degrees 03 minutes east, 2,629.0 feet, more or less, to monument numbered 27, thence south 73 degrees 55 minutes east, 813.0 feet, more or less, to the point of beginning. Said parcel of land containing 37.75 acres, more or less.

Monument numbered 28 is located at a point 832.32 feet, north 73 degrees 55 minutes west of point which is 2,224.38 feet, south 70 degrees 9 minutes west of the east quarter corner of section 24, township 14 north, range 67 west.

SEC. 2. The Secretary of the Air Force may include in the deed of conveyance authorized under this act such terms as he considers to be in the public interest.

The bill was ordered to be read a third time, was read the third time and passed.

A motion to reconsider was laid on the table. The proceedings whereby the bill H. R. 2515 was passed were vacated and said bill laid on the table.

SUPPLIES AND SERVICES TO FOREIGN VESSELS AND AIRCRAFT

The Clerk called the bill (H. R. 5237) to authorize the Secretary of the Navy to furnish supplies and services to foreign vessels and aircraft, and for other purposes.

Mr. GROSS. Mr. Speaker, reserving the right to object, I wonder if we might have a brief explanation of what the bill does.

Mr. DURHAM. The purpose of this bill is to permit the Secretary of the Navy to furnish supplies to foreign naval vessels and military aircraft.

Mr. GROSS. What will it cost?

Mr. DURHAM. It is the same type of service we are now rendering here in America to the same vessels.

Under the present situation with our vessels operating all around the world it does not cost the Government anything. The Government is paid in full for this service; we charge them for it, and they pay us.

Mr. GROSS. There is no additional cost?

Mr. DURHAM. No additional cost to the Federal Government.

Mr. GROSS. And we are reimbursed in all cases, reimbursed in full?

Mr. DURHAM. We are reimbursed in all cases before we render the service or supply anything.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 7227 of title 10, United States Code, is amended to read as follows:

"§ 7227. Foreign naval vessels and aircraft: supplies and services

"(a) The Secretary of the Navy, under such regulations as he prescribes, may authorize any United States naval vessel or activity to furnish, on a reimbursable basis without advance of funds, to naval vessels and military aircraft of any foreign country which makes available comparable assistance—

"(1) supplies and services such as overhauling, repairs, and alterations, including the installation of equipment; and

"(2) miscellaneous supplies such as fuel, provisions, spare parts, and general stores.

"(b) The Secretary may authorize any United States naval activity to furnish on a reciprocal basis to foreign vessels or aircraft, without cost where such services are provided by Navy personnel or equipment without direct cost to the Navy, or on a reimbursable basis without advance of funds where direct costs to the Navy are involved—

"(1) routine port services such as pilotage, tugs, garbage removal, line handling, and utilities; and

"(2) routine airport services such as landing and takeoff assistance, use of runways, parking, and servicing.

"(c) Payments for supplies and services furnished under this section may be credited to current appropriations so as to be available for the same purpose as to appropriation initially charged."

SEC. 2. The analysis of chapter 631 of title 10, United States Code, is amended by striking out the item

"7227. Foreign naval vessels: supplies and services."

and inserting the following item in place thereof:

"7227. Foreign naval vessels and aircraft: supplies and services."

With the following committee amendment:

Page 2, line 21, strike out the word "to" and insert the word "the."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

EXCHANGE OF LANDS BETWEEN UNITED STATES AND PUERTO RICO

The Clerk called the bill (H. R. 3246) to authorize the exchange of lands at the United States Naval Station, San Juan, Puerto Rico, between the Commonwealth of Puerto Rico and the United States of America.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized to convey to the Commonwealth of Puerto Rico, under such terms and conditions as he may deem proper, all right, title, and interest of the United States in and to—

(a) An irregularly shaped parcel of land containing 3.18 acres as delineated and shown in red on the 10th Naval District, San Juan, Puerto Rico district public works office drawing No. 2368, revised November 2, 1954, and entitled, "United States Naval Station, San Juan, Puerto Rico. Proposed Entrance Layout and Land Exchange with Commonwealth of Puerto Rico," being on file in the Department of the Navy, and

(b) Three irregularly shaped parcels of land containing 2.31 acres, twenty-five one-hundredths acre, and one one-hundredth acre, respectively, as delineated and shown in yellow on the said district public works office drawing, and comprising a part of the area conveyed to the United States by the people of Puerto Rico by deed dated November 7, 1939; in consideration of

(1) The relinquishment and quitclaim by the Commonwealth of all right, title, and interest it may have under the aforementioned deed dated November 7, 1939, in and to an irregularly shaped parcel of land containing 1.05 acres as delineated and shown in blue on said district public works office drawing, and

(2) The conveyance to the United States by the said Commonwealth of all of its right, title, and interest in and to an irregularly shaped parcel of land containing seven one-hundredths acres as delineated and shown in pink on said district public works office drawing: *Provided*, That the conveyance herein authorized shall not be consummated by the Secretary of the Navy unless and until the Commonwealth shall have provided, in a manner satisfactory to the Secretary of the Navy, or has borne the cost of so providing a new entrance to the United States Naval Station, San Juan, which in general will include construction of sidewalks and pavements, relocation of existing fences, sentry booth, provision of a parking area for vehicles of naval station personnel and construction of isles to channel traffic.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

AMENDMENT TO PUBLIC LAW 472, 81ST CONGRESS RELATING TO NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The Clerk called the bill (H. R. 6744) to amend Public Law 472, 81st Congress, as amended, relative to the attendance of professional personnel of the National Advisory Committee for Aeronautics in graduate schools.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 6 of Public Law 472, 81st Congress, as amended by Public Law 352, 83d Congess, is amended to read "The total of the sums expended each year pursuant to this act shall not exceed 2 percent of the total salaries paid to NACA professional employees during the fiscal year."

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

IMPLEMENTING CONVENTION BETWEEN UNITED STATES AND NORWAY

The Clerk called House Joint Resolution 185 to implement the convention between the United States of America and Norway, which entered into force on November 9, 1948, for disposition of the claim against the Government of the United States of America asserted by the Government of Norway on behalf of Christoffer Hannevig.

There being no objection, the Clerk read the House Joint Resolution, as follows:

Whereas on March 28, 1940, a convention was entered into by the Government of the United States of America and the Government of Norway for the disposition of the claim of the Government of Norway on behalf of Christoffer Hannevig against the Government of the United States of America, the validity of which claim is denied by the Government of the United States of America; and

Whereas the convention was duly ratified and the respective instruments of ratification were duly exchanged on November 9, 1948, on which date the convention entered into force; and

Whereas, by said convention, provision was made for the exchange between the respective agents for the two Governments of certain pleadings and briefs as therein described and defined; and

Whereas, by said convention, it is provided that in the event that, after the exchange of such pleadings and briefs, the two Governments should be unable to agree upon a disposition of the claim, or any portions thereof, through diplomatic discussion, the claim shall be referred to the Court of Claims of the United States of America, for adjudication of said claim, or any unsettled portions thereof, by the said Court of Claims, and for appeal to and review by the Supreme Court of the United States of America, under and pursuant to the terms and conditions of said convention; and

Whereas the two Governments have been unable through such diplomatic discussion to agree upon a disposition of the claim: Therefore be it

Resolved, etc., That the United States Court of Claims shall hear and adjudicate the said claim under and pursuant to the terms and conditions of the said convention. The proceedings in the said court shall be initiated within 6 months after the approval of this resolution.

SEC. 2. Upon appeal by either the Government of the United States of America or the Government of Norway, or both, the Supreme Court of the United States of America shall, under and pursuant to the terms and conditions of the convention, review the decision of the United States Court of Claims.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

STATE OF WASHINGTON

The Clerk called the bill (H. R. 2224) providing for payment to the State of Washington by the United States for the cost of replacing and relocating a portion of secondary highway of such State which was condemned and taken by the United States.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

MEAT PROMOTION PROGRAM

The Clerk called the bill (H. R. 7244) amending the Packers and Stockyards Act, 1921, to permit deductions for a self-help meat promotion program.

Mr. WEAVER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

VILLAGE OF HIGHLAND FALLS, N. Y.

The Clerk called the bill (H. R. 1987) to provide for an additional payment of $165,000 to the village of Highland Falls, N. Y., toward the cost of the water filtration plant constructed by such village.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the second proviso of Public Law 627, 80th Congress, approved June 12, 1948 (62 Stat. 381), the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the village of Highland Falls, N. Y., the sum of $165,000. The payment of such sum shall be in full settlement of all claims of the village of Highland Falls, N. Y., against the United States for contribution toward the cost of the water filtration plant constructed by such village as a result of construction activities by the Department of the Army on the military reservation at West Point: *Provided*, That no part of the amount appropriated in this act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection

with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 8, strike out "$165,000" and insert "$40,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed.

The title was amended to read as follows: "A bill to provide for an additional payment of $40,000 to the village of Highland Falls, N. Y., toward the cost of the water filtration plant constructed by such village."

A motion to reconsider was laid on the table.

AMENDING ACT OF MARCH 3, 1911, REMOVING RESTRICTIONS ON USE OF A PORTION OF SPRINGFIELD CONFEDERATE CEMETERY, SPRINGFIELD, MO.

The Clerk called the bill (H. R. 5687) to amend the act of March 3, 1911 (36 Stat. 1077), to remove restrictions on the use of a portion of the Springfield Confederate Cemetery, Springfield, Mo., and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. ENGLE. Mr. Speaker, I ask unanimous consent that the bill S. 1274, to amend the act of March 3, 1911 (36 Stat. 1077), to remove restrictions on the use of a portion of the Springfield Confederate Cemetery, Springfield, Mo., and for other purposes, an identical bill to the House bill, be considered in lieu of H. R. 5687.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the condition contained in the first section of the act of March 3, 1911 (36 Stat. 1077), which requires that the land comprising the Confederate Cemetery at Springfield, Mo., be used only as a cemetery for the graves of men who were in the military or naval service of the Confederate States of America, is applicable only to the portion of that cemetery inside the walled enclosure where those graves are located. The portion of that cemetery outside of the walled enclosure shall be used as part of the Springfield National Cemetery.

The Senate bill was ordered to be read a third time, was read the third time, and passed. A motion to reconsider and a similar House bill (H. R. 5687) were laid on the table.

INCREASED MILEAGE AND SUBSISTENCE ALLOWANCES FOR JURORS

The Clerk called the bill (H. R. 3370) to amend section 1871 of title 28, United States Code, to increase the mileage and subsistence allowances of grand and petit jurors.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1871 of title 28, United States Code, is amended to read as follows:

"§ 1871. Fees

"Grand and petit jurors in district courts or before United States commissioners shall receive the following fees, except as otherwise expressly provided by law:

"For actual attendance at the place of trial or hearing and for the time necessarily occupied in going to and from such place at the beginning and end of such service or at any time during the same, $7 per day, except that any juror required to attend more than 30 days in hearing 1 case may be paid in the discretion and upon the certification of the trial judge a per diem fee not exceeding $10 for each day in excess of 30 days he is required to hear such case.

"For the distance necessarily traveled to and from a juror's residence by the shortest practicable route in going to and returning from the place of service at the beginning and at the end of the term of service and for all additional necessary daily transportation expense, 10 cents per mile except that if daily travel appears impracticable, subsistence of $7 per day shall be allowed. Whenever in any case the jury is ordered to be kept together and not to separate, the cost of subsistence during such period shall be paid by the United States marshal upon the order of the court in lieu of the foregoing subsistence allowance.

"Jury fees and travel and subsistence allowances provided by this section shall be paid by the United States marshal on the certificate of the clerk of the court, and in the case of jury fees in excess of $7 per diem, when allowed as hereinabove provided, on the certificate of the trial judge."

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

AMENDMENT TO BANKRUPTCY ACT AS TO NOTICES

The Clerk called the bill (H. R. 5811) to amend subdivision b of section 14—Discharges, when granted—of the Bankruptcy Act, as amended, and subdivision b of section 58—Notices—the Bankruptcy Act, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subdivision b of section 14 of the Bankruptcy Act, as amended, is hereby amended to read as follows:

"SEC. 14b. After the filing fees required to be paid by this act have been paid in full the court shall make an order fixing a time for the filing of objections to the bankrupt's discharge which shall be not less than 30 days after the first date set for the first meeting of creditors. Notice of such order shall be given to all parties in interest as provided in section 58b of this act. If the examination of the bankrupt concerning his acts, conduct and property has not or will not be completed within the time fixed for the filing of objections to the discharge the court may, upon its own motion or upon motion of the receiver, trustee, a creditor, or any other party in interest or for other cause shown, extend the time for filing such objections. Upon the expiration of the time fixed in such order or of any extension of such time granted by the court, the court shall discharge the bankrupt if no objection has been filed; otherwise, the court shall hear such proofs and pleas as may be made in opposition to the discharge, by the trustee, creditors, the United States attorney, or such other attorney as the Attorney General may designate, at such time as will give the bankrupt and the objecting parties a reasonable opportunity to be fully heard."

SEC. 2. Subdivision b of section 58 of the Bankruptcy Act, as amended, is hereby amended to read as follows:

"b. The court shall give at least 30 days' notice by mail of the last day fixed by its order for the filing of objections to a bankrupt's discharge (1) to the creditors, in the manner prescribed in subdivision a of this section; (2) to the trustee, if any, and his attorney, if any, at their respective addresses as filed by them with the court; and (3) to the United States attorney of the judicial district wherein the proceeding is pending. The court shall also give at least 30 days' notice by mail of the time and place of a hearing upon objections to a bankrupt's discharge (1) to the bankrupt, at his last known address as appears in his petition, schedules, list of creditors, or statement of affairs, or, if no address so appears, to his last known address as furnished by the trustee or other party after inquiry; (2) to the bankrupt's attorney, if any, at his address as filed by him with the court; and (3) to the objecting parties and their attorneys, at their respective addresses as filed by them with the court."

Mr. KEATING. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, H. R. 5811 is a bill recommended by the Judicial Conference of the United States to amend the Bankruptcy Act. Its purpose is to permit two notices now required in bankruptcy proceedings to be combined into one.

At present a 10-day notice of the first meeting of creditors, at which the bankrupt is examined, must be sent by the court to all interested parties. Not until the examination of the bankrupt has been completed can the court fix by order a last day for filing objections to the bankrupt's discharge. At that point, a second separate notice must be sent to all interested parties.

The amendment proposed by H. R. 5811 would permit these two notices to be combined into one in approximately 75 percent of ordinary bankruptcy cases. In such cases the notice of the first meeting of creditors would also state the last day for the filing of objections to the discharge of the bankrupt. Should the examination of the bankrupt continue beyond the day fixed for his discharge that date could be extended.

Mr. Speaker, I urge the enactment of H. R. 5811, not only because it would contribute to a more efficient procedure in the majority of bankrupt cases, but because it is bound to result in a saving of thousands of dollars year after year to the Federal Government. Aside from saving many hours of clerical work yearly, it is estimated that the saving in the cost of postage alone would amount to from $50,000 to $60,000 per year.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

AUTHORIZING AN EXCHANGE OF LAND BETWEEN THE UNITED STATES AND THE STATE OF CALIFORNIA

The SPEAKER. Is there objection to returning to Calendar No. 61 and to the consideration of the bill H. R. 787?

The Clerk read the title of the bill.

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, can the gentleman now advise me about this bill?

Mr. DURHAM. Looking at the figures here, it appears that the land value of the United States Government is $181,-872. The approximate value of the land of the State of California given in return is $173,870. Those are the figures.

Mr. BYRNES of Wisconsin. But those are not the complete figures. There are improvements on the land that the Federal Government is transferring, according to the report, and that is all I have to go on, the value of the improvements is about $404,000.

Mr. DURHAM. As I recall, there were some old barracks or something built there. They have been there since World War II. As to the exact value I do not recall any figure being given to the committee.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

Mr. DURHAM. The State of California is paying the cost of the relocation. The Government is not spending any money.

Mr. BYRNES of Wisconsin. I am not trying to be unreasonable. There probably must be a reason, but I would like it shown someplace as to why we are exchanging something the total value of which is $600,000 for property that is worth not quite $200,000. I think there should be some explanation of why we are entering into that kind of a trade.

Mr. Speaker, I renew my request that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AUTHORIZING THE SALE OR LOAN OF VESSELS TO FRIENDLY FOREIGN NATIONS

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 250 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6952) to authorize the transfer of naval vessels to friendly foreign countries. After general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN] and yield myself such time as I may desire.

Mr. Speaker, House Resolution 250, which provides for the consideration of H. R. 6952, was unanimously reported, with amendments, from the Committee on Armed Forces.

The resolution provides for an open rule and 1 hour of general debate on the bill.

H. R. 6952 authorized the President to transfer by sale 4 ships and by loan 45 ships of the destroyer, escort, and submarine type from the reserve fleet to friendly foreign nations. Nineteen ships would go to the Republic of Germany, Greece, Netherlands, Norway, and Turkey; 21 ships will go to the Latin American countries—Argentina, Brazil, Chile, Colombia, Cuba, Peru, Uruguay, and Venezuela; Taiwan and Thailand in the Far East will receive 2 ships and 7 ships will be in a pool to be loaned to friendly nations in an emergency.

If the bill is enacted into law, formal agreements will be concluded by the State Department with the recipient foreign governments. The term of the loans will be 5 years with renewable clauses and will stipulate that the ships will be used in accordance with the conditions of the mutual defense assistance agreement.

The ships would be used by the recipient countries to maintain their own internal security, assist in the training of their naval forces and, in the event of an emergency, will be in the hands of reliable allies, manned and immediately available to be deployed to critical areas.

The cost of the measure will be about $89 million. However, some of this amount, as yet unknown, will be recovered by the United States under the reimbursable provisions of the Mutual Security Act.

The committee report complies with the Ramseyer rule and I urge the adoption of House Resolution 250 so the House may proceed to the consideration of this measure.

Mr. ALLEN of Illinois. Mr. Speaker, I agree with the gentleman from Missouri. There is no opposition to the rule.

I yield 10 minutes to the gentleman from Ohio [Mr. BOW] and ask unanimous consent that he be permitted to proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BOW. Mr. Speaker, I take this time, and I appreciate the gentleman from Illinois [Mr. ALLEN], yielding to me for this purpose, to discuss with the House a matter that has come up under the Status of Forces Agreements. My colleagues know that I have been interested in this matter for some time, but I believe the case of Private Girard of Illinois should be brought to the attention of the House. I sincerely hope that the Committee of Foreign Affairs and the Committee on Armed Services will make an immediate investigation of this case.

Private Girard was stationed in Japan. He was on active duty and was sent as a guard on an American reservation to guard American property. They had been firing on the range in this reservation. The Japanese had been taking the empty cartridges from the reservation; they had been trespassers, and actually had been in theft of this material of the Government of the United States. Girard's duty was to guard this property. They came across this reservation, 8 or 10 of them, and took the property, and Girard fired a blank cartridge with a grenade at the end of the rifle. It hit a woman. She was killed. The Japanese demanded the right to try Girard first for homicide.

Now, remember, this was on an American reservation; the man was under orders as a guard. Had he not made an effort to protect the property of the United States, he would have been subject to court-martial for failure to do his duty. This young man, unfortunately, killed this Japanese woman.

Under the Status of Forces Agreement with Japan, which is not a treaty but an Executive agreement, a board made up of an American admiral and a member of the Japanese Ministry of Justice meets to determine whether this boy should be turned over to Japan for trial or not. After some long period of time and communications between Washington through the State Department and through the military, on last Thursday this American soldier, who had been on duty on an American reservation, protecting American property, was turned over to the Japanese for trial on a manslaughter charge. We have talked about the Status of Forces Agreements on this floor many times. On one occasion this House adopted an amendment asking that they be changed. But now we have had what we might have expected. We have given away our sovereignty. We have abandoned protection to these men. Now this boy, on American soil, on duty, has been turned over to be tried by the Japanese.

Mrs. ST. GEORGE. Mr. Speaker, would the gentleman yield?

Mr. BOW. I yield to the gentlewoman from New York.

Mrs. ST. GEORGE. Mr. Speaker, I want to commend the gentleman for bringing this very flagrant and outrageous case to the attention of the House of Representatives. I have always agreed with the gentleman in his fight against the Status of Forces Agreement. I realize that it is not a treaty.

This brings another matter to our attention at this time; that is, that they have gone much further even that the Status of Forces Treaties or Agreements contemplated. Here was a man who was acting, as I see it, under orders, who was protecting American property on American soil. Under our law and international law this soil was the soil of the United States of America. This is one of the most flagrant and outrageous incidents, and if this House does not go on record to do everything humanly possible to protect this man, it will be a sad day for the House of Representatives.

Mr. BOW. I thank the gentlewoman from New York.

Mr. RIVERS. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield to the gentleman from South Carolina, a member of the Committee on Armed Services.

Mr. RIVERS. Mr. Speaker, I might say to the gentleman that this morning I directed a wire to the Secretary of Defense congratulating him on his intercession to hold up turning over this boy to the hostile Japanese authorities. I am hopeful that it will do him some good.

I might say that I have a boy from my own district from whom his parents have not heard for many weeks. They read through the press that allegedly he had had an altercation with a Japanese taxi driver and the next thing they knew, through the medium of the newspapers or the radio, the boy had been tried by a Japanese court and sentenced to 5 years. It points up the unfortunate consequences of this status of forces agreement. It also points up that the leftwing press of Japan and the leftwing Communist element are stirring up these matters, and the State Department does not have sense enough to see it.

Mr. BOW. I thank the gentleman from South Carolina.

Mr. ADAIR. Mr. Speaker, would the gentleman yield?

Mr. BOW. I yield to the gentleman from Indiana, a member of the Committee on Foreign Affairs.

Mr. ADAIR. Mr. Speaker, I, too, would commend the gentleman from Ohio for bringing this matter to the attention of the House. When hearings were held upon the general question of the Status of Forces Agreement before the Committee on Foreign Affairs time after time witnesses pointed out to the committee that these agreements or this treaty only concerned people who were off duty and off the reservation. Here we have a case where, as the gentleman from Ohio has pointed out, a man was doing his duty, on a military reservation. This House and our Government have a duty to protect American servicemen abroad.

Mr. BOW. I thank the gentleman.

Mr. BAILEY. Mr. Speaker, would the gentleman yield?

Mr. BOW. I yield to the gentleman from West Virginia.

Mr. BAILEY. Mr. Speaker, I, too, want to join the gentleman from Ohio in bringing this matter to the attention of our colleagues in the House. I have in mind the efforts he has made over the past year or year and a half to get something done about this Status of Forces Agreement. I should like to say also that a constituent of mine from West Virginia is now serving 5 years in a Japanese prison for an offense for which he would have been sentenced to 30 or to 90 days by a court anywhere in this country.

Again let me laud the gentleman for his efforts.

Mr. BOW. I thank the gentleman from West Virginia.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Iowa.

Mr. GROSS. I join my colleagues in commending the gentleman and concur wholeheartedly with everything he has said in this respect. The gentleman will recall that he and I appeared before the Committee on Foreign Affairs in behalf of his legislation seeking to put an end to these reprehensible Status of Forces Agreements. If this soldier is delivered for trial before a Japanese court it will be as the gentlewoman from New York has said, a most outrageous and unthinkable proceeding.

Mr. DORN of South Carolina. Mr. Speaker, will the gentleman yield.

Mr. BOW. I yield.

Mr. DORN of South Carolina. I congratulate the distinguished gentleman from Ohio on his continuing fight for justice to the American servicemen who have been drafted and sent abroad. The gentleman is on the right track, and I hope he will be successful.

Mr. BOW. I thank the gentleman.

Mr. SMITH of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield.

Mr. SMITH of Wisconsin. I want to associate myself with the gentleman in the statement he has made. I have always supported the legislation he has been sponsoring in opposition to the Status of Forces Agreements.

The facts in this case seem to be somewhat in conflict. The story broke by an Associated Press dispatch last week stating that the American commander had ordered the surrender of this boy to the Japanese officials. Now the press says that the Secretary of Defense has issued a stop order on turning him over. Can the gentleman enlighten us as to the facts?

Mr. BOW. Yes. I can say to the gentleman that last week when this story broke, due to my interest in the Status of Forces Agreements I sent a wire immediately to Secretary Wilson. After he had received the wire he investigated and ordered that the boy not be turned over to the Japanese as of this time. However, Admiral Hubbard of the Commission has said that he will be turned over. Secretary Wilson has held that he is now at the United States military camp, he has not been turned over, and I hope he will not be turned over, that we will have the courage to defend an American soldier doing his duty.

Mr. SMITH of Wisconsin. I agree with the gentleman.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield to the gentleman from whose district this boy comes.

Mr. MASON. This young man is from my district. He comes from the county seat, 15 miles from where I live. I was responsible for getting the gentleman from Ohio [Mr. BOW] to present this matter to the House, because he knows all of the details, with which I am not familiar.

Did I correctly understand the gentleman to say that he has also notified the President of this?

Mr. BOW. I have notified the President but he has not yet replied.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield.

Mrs. ROGERS of Massachusetts. Has the gentleman considered introducing a resolution? I think he could get it through by unanimous consent, if he would, and take care of this case at this moment.

Mr. BOW. I have had resolutions, I have had hearings, I have begged this House to do something to try to get something done, but I cannot get it on the floor. If the gentlewoman can tell me how we can get the resolution here to be acted on, I shall be delighted to bring it in.

Mrs. ROGERS of Massachusetts. I shall be glad to assist in the matter. I know that happens sometimes.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Minnesota.

Mr. JUDD. If our Armed Forces were to turn this soldier over to the Japanese, under circumstances such as the gentleman has described, namely, on duty and in uniform and on an American reservation, that woud be the surest way to get fast action on the gentleman's resolution, because such action would be in violation of everything we have been told in the Foreign Affairs Committee regarding the Status of Forces Agreements.

Mr. BOW. I agree with the gentleman.

Mr. JUDD. Those agreements apply only when the men are off duty and not in uniform. Therefore, if this action were taken, it would mean not so much a black mark against the Status of Forces Agreements as that somebody on our side is not following out the Status of Forces Agreements.

Mr. BOW. This man was not only on duty but his duty was to guard the property.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Florida.

Mr. HALEY. I commend the gentleman on bringing this matter to the floor of the House. I think it is a most deplorable situation when we send American forces to foreign countries and then they are tried by civilian courts in those countries.

Mr. BOW. I thank the gentleman.

Mr. BYRNE of Illinois. Mr. Speaker, will the gentleman yield?

Mr. BOW. I yield.

Mr. BYRNE of Illinois. I would like to associate myself with the very able remarks of my colleague from Ohio. The facts as outlined by him indicate to me as a trial lawyer with 30 years' experience in the criminal courts that the important thing is to get a fair and impartial hearing. I think that is only to be had by keeping jurisdiction.

Mr. BOW. I thank the gentleman.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

AUTHORIZING TRANSFER OF NAVAL VESSELS TO FRIENDLY FOREIGN COUNTRIES

Mr. RIVERS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6952) to authorize the transfer of naval vessels to friendly foreign countries.

The SPEAKER. The question is on the motion offered by the gentleman from South Carolina.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6952) to authorize the transfer of naval vessels to friendly foreign countries, with Mr. MET-CALF in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. RIVERS. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, the bill H. R. 6952 will authorize the President to sell 3 destroyers and 1 submarine and to lend up to 45 destroyers, destroyer escorts and submarines to friendly foreign nations.

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield.

Mr. SMITH of Wisconsin. I hesitate to interrupt the gentleman so early in his remarks, but I have been intrigued by the statement that the ships would go to friendly nations. Is there a definition in the bill as to friendly nations?

Mr. RIVERS. The nations are listed in the bill. I am going to read them and I am sure you will recognize that they are friendly.

This bill was transmitted to Congress by the Department of the Navy as part of the legislative program of the Department of Defense. The program contained in the bill has been approved by the Joint Chiefs of Staff and the Secretary of Defense, and the Bureau of the Bureau has advised that this proposal, as part of our military assistance program, is in accord with the program of the President.

The program provided by the bill contains the numbers and types of ships recommended for transfer to our allies in order that they may be able to perform their assigned war time tasks.

The vessels authorized to be sold or loaned by the bill would be distributed as follows: 19 ships to the Nato and European area for the following countries: Germany, Greece, Italy, the Netherlands, Norway, and Turkey—we have an amendment to include Spain; 21 ships to the Latin American area for the following countries: Argentina, Brazil, Chile, Colombia, Cuba, Peru, Uruguay, and Venezuela; 2 ships to the Far Eastern area for Taiwan and Thailand; and a pool of not more than 7 ships to be available to meet emergencies.

At this point I will be glad to explain what an emergency may be. Not too very long ago the Government of Nationalist China lost a ship. This pool would take care of an immediate emergency like that because they are doing their own work and it will relieve us of that responsibility. They want to have a pool to meet these exigencies and these emergencies.

The basic objective of the program contained in this bill is to reenforce and implement our world-wide policy of collective security. We have mutual defense treaties with 42 nations and commitments with 20 other nations—all overseas.

The nations of the Free World must retain control of the sea lanes if these collective security arrangements are to be effective. The major objective of any prospective enemy will be to isolate the United States from its friends and allies. They will try to cut our line of sea communications; supplies for our ships deployed overseas and for support of our allies must be transported by ship. Today over 99½ percent of these supplies go by sea.

I might mention right here, when we transfer these ships to these friendly nations, it relieves our Navy of work they are now doing. Hence it would be economically sound, because it is expensive for us to do this work ourselves and in their very front yards and the entrance to their homelands.

As our potential enemies increase their relative submarine and surface naval strength, the problem of insuring our continued control of the sealanes increases proportionately. The problem of insuring the delivery of the huge quantities of material which would be required in case of war continues to become more difficult.

Delivery of the men and materials required for modern war requires protection of our convoys, which would be opposed not only on the high seas but up to the very wharves where they will be unloaded. This requires strong harbor defenses, minesweeping, coastal antisubmarine escort, and local air defense in addition to effective control of the broad expanses of the oceans. The free nations of the world in defense of their local areas and approaches must be in a position to render maximum practicable assistance to our Navy.

The United States is the only nation which has the quantity and quality of seapower needed to control the high seas. Our balanced naval forces are capable of maintaining this control, and are deployed in strategic places to strike and restrike the enemy for an indefinite period of time. They rely mainly on mobile support forces for logistic supplies.

But, in harbors and ports, and in the waters adjacent to its homeland, each free nation must provide for itself, to the maximum practicable extent, the means for protection of shipping.

In addition, certain of our allies can perform other naval tasks which contribute to collective security. These are offensive mining, submarine warfare, and ocean escort.

The ships which the Navy proposes to sell or loan under the authority of this bill will assist selected foreign nations in the performance of these tasks. The ships which we will provide are combatant ships with excellent characteristics in consonance with our policy of providing effective weapons to our allies.

In this connection one of the results which will be achieved by this program is in improving the immediate readiness of vessels which are now lying idle in the Reserve Fleet. These ships will be manned, maintained and deployed in the waters of the recipient countries. In this respect we also achieve the advantage of increased dispersal of these units. This will reduce the concentration of ships in our Reserve Fleet berthing areas.

Another important aspect of the ship-loan program is the manner in which it extends United States influence throughout the world. The recipients of the ships tend to adopt United States Navy doctrines and standards of operation and maintenance. This is the result of the personnel training program which is carried out in conjunction with the rehabilitation and transfer of the ships. The training costs are small but the effects of this program are lasting and far-reaching. The training program in conjunction with the proposed transfer of ships proposed by this bill will affect approximately 450 officers and 7,000 enlisted men of European, Asiatic, and Latin American navies. Our past experience with these trainees is that they return home convinced of the superiority of our methods, equipment, and organization. Furthermore, their observance of our American way of life during the periods of leave and liberty has a lasting impression. Most of them become stanch friends of the United States. This is very important because these are the officers and men who will provide the leadership for their respective navies in future years.

The contemplated loans are in keeping with our national policy toward each of the countries who will receive the vessels. These countries have the available manpower and capabilities of operating the ships contemplated for transfer. In most cases the recipient country is able to afford the additional operational expenses involved. However, in those cases where a country is unable to undertake the additional expenditures, the Department of the Navy has determined that overriding military considerations warrant additional United States support.

Each of the loans will be the subject of a formal loan agreement with the recipient foreign government, and will be for a period of 5 years, with an option by the President to renew the loans for additional periods of 5 years.

The recipient navies will have the use of the equipment and spare parts aboard the ships at the time of delivery. Even though the ships may be placed under the recipient government's flag, the United States retains title to the vessels and possession of a ship cannot be relinquished to a third party without the consent of the United States. Furthermore, the United States may repossess any of these ships if its own emergency defense situation requires it. The loan agreements also require that the ship be returned at the expiration of the loan in the same condition as when loaned, excluding fair wear and tear. However, the recipient would not be liable for loss or damage through enemy action of the loaned vessel.

The Committee on Armed Services has reported out this bill unanimously and has indicated its concurrence with the objectives of the bill. Accordingly, I recommend that this bill be approved and passed by the House.

Mr. BATES. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I shall be delighted to yield to my colleague from Massachusetts.

Mr. BATES. I want to commend the gentleman for the very convincing and comprehensive statement he has just made.

One of the most important aspects of H. R. 6952 from my point of view is the salutory effect its enactment will have on the shipbuilding industry and our mobilization potential.

The program of rehabilitating these ships which will be taken out of the reserve fleet will provide a substantive program of ship work for a period of about 3 years. The private shipbuilding industry has made remarkable improvement as a result of the current tanker shortage and other new construction of commercial and military vessels.

This ship rehabilitation program will do much to fill in the gaps in production schedules at naval shipyards throughout the country and help to maintain activity and employment at the Government yards at a high level.

Furthermore, our industrial mobilization base of manpower and equipment will be enforced through this work.

Even the reserve fleet will be favorably affected. Berthing and maintenance costs will be reduced by having these ships in operation and the ships themselves will be in operating condition, immediately available to us if our needs should so require.

Costs for the program, as a result of the activation charges being paid by many of the recipient countries, will only slightly bear on the national budget; it has been estimated that probably less than half the total cost of $89 million will have to be borne out of appropriated mutual security funds. I think that this is an extremely economical way for us to improve our mutual defense capabilities and to strengthen our own defenses.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I shall be glad to yield to the gentleman.

Mr. GROSS. Can the gentleman tell us something about the cost of the bill?

Mr. RIVERS. Certainly, if I can.

Mr. GROSS. At one point in the report under the heading "Fiscal Data" it says the cost will be $89 million. Under "Cost and Budget Data" in the same report it states that the transfer program will cost approximately $87 million. That is a difference of $2 million.

Mr. RIVERS. I understand the bill authorizes $89 million. That is the authorization. As a practical matter I do not think it will cost anywhere near that because the Defense Department and the Navy Department have assured the committee that wherever any recipient nation is able to pay for the expenses involved in the rehabilitation of these ships they will pay.

I think the cost will be much less than either $87 million or $89 million.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield.

Mr. VAN ZANDT. Section 3 of the bill reads as follows:

> SEC. 3. All expenses involved in the activation, rehabilitation, and outfitting, including repairs, alterations, and logistic support, of vessels transferred under this act shall be charged to funds programed for the recipient government under the Mutual Security Act of 1954.

Mr. RIVERS. I may say to the gentleman that whatever expenses are attached will be paid by those nations able to pay.

Mr. GROSS. But it can cost $89 million.

Mr. RIVERS. That is the maximum.

Mr. GROSS. I do not quite understand the following language of section 3:

> In the event that a loan is terminated by the United States prior to the expiration of the loan period, the Secretary of Defense may reimburse the recipient government on a pro rata basis for funds provided by it under the reimbursable provisions of the Mutual Security Act of 1954, as amended, in connection with the loan.

Will the gentleman explain?

Mr. RIVERS. That simply means that with respect to those countries who do pay for the costs of rehabilitating, if the ship is recalled by our Government we will, on a pro rata basis, return the funds which that foreign government had spent.

Mr. GROSS. Is there any information as to what countries are going to get the 3 destroyers and 1 submarine that will be purchased?

Mr. RIVERS. I would rather yield to the gentleman from Pennsylvania [Mr. VAN ZANDT] to answer that.

Mr. VAN ZANDT. I may say to the gentleman from South Carolina [Mr. RIVERS] I would be glad to give that to the gentleman privately.

Mr. GROSS. I am not insisting upon it. I was just wondering why, if certain countries can pay for these ships, why other countries cannot do likewise.

Mr. RIVERS. It is based solely on the ability to pay. I may say to the gentleman that this was very carefully screened by our Government, and they will insist that those countries that can pay for it must pay for it. We have that assurance. I may state to my distinguished friend from Iowa that we have been insisting on that. That is our assurance. I may also state that one of the recipient nations has paid for the rehabilitation of every ship it received. I know that of my own knowledge.

Mr. GROSS. I am not going to pursue the question further because, apparently, it is classified information, but I am wondering if any of them are going to India because I heard recently—I do not know whether it is true or not—that India has purchased an aircraft carrier from Great Britain at a reported price of $20 million. If India can buy ships from Great Britain or any other country, and we are giving ships to her under the terms of this bill, then there is something wrong. If they can buy them from Great Britain they can buy them from us.

Mr. RIVERS. I agree with the gentleman.

Mr. GROSS. Are any of these countries listed in the bill presently buying ships from Great Britain?

Mr. RIVERS. I do not know.

Mr. GROSS. That question was never asked when the bill was before the committee?

Mr. RIVERS. I do not know. India, however, is not included in this bill.

Mr. GROSS. Who is not?

Mr. RIVERS. India is not included in this bill.

Mr. GROSS. I see.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Is it not true that it is very important to have their good will and that it is very necessary to have their help at a later time?

Mr. RIVERS. I should certainly say so. The gentlewoman from Massachusetts has raised an extremely important aspect of this whole problem. You have gone to the core of this bill as it affects our friends in the Free World. We as individuals all need friends. Our country needs friends as well. This bill will go far toward cementing friendship with these countries. The lady has shown her usual perception in making this very important point.

Mrs. ROGERS of Massachusetts. We should have their good will, and possibly their help.

Mr. RIVERS. Yes. These nations have been carefully screened. I might say to the gentlewoman from Massachusetts that these countries have demonstrated that they are friends of this country. There is no nation getting any of these ships that cannot operate them and who has not demonstrated their willingness to be on our side.

Mr. WHITENER. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield to the gentleman from North Carolina.

Mr. WHITENER. Are these ships for the most part coming from the inactive fleet?

Mr. RIVERS. Yes.

Mr. WHITENER. They are not in active service?

Mr. RIVERS. They are from the reserve fleet.

Mr. WHITENER. I want to commend the gentleman from South Carolina for his magnificent presentation of this matter.

Mr. BROOKS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield to the gentleman from Louisiana.

Mr. BROOKS of Louisiana. When the gentleman states that these come from the reserve fleet, it means that when they are disposed of we will not have the required maintenance cost in the future under the terms of this law.

Mr. RIVERS. That is right.

Mr. BROOKS of Louisiana. Mr. Chairman, I want to rise to compliment the gentleman for his fine presentation of this bill and for the fine work he is

doing as a member of the Committee on the Armed Services, especially with reference to the Navy portion of the work of that committee. He is always most attentive and interested in the Navy Department and in connection with this bill he worked hard and conscientiously on it so that he might be fully versed on all of its details and the intricate facts involved when the time came for the bill to be considered on the floor of the House. I again compliment him on his fine presentation.

Mr. RIVERS. I thank my distinguished colleague for his remarks.

Mr. WIER. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield to the gentleman from Minnesota.

Mr. WIER. Will the gentleman kindly tell me as to what agency of our Government this $89 million is going to be charged against? In my opinion, this is a part of the general overall defense bill and should be included in the arms bill.

Mr. RIVERS. It comes from the military defense assistance program. That is part of foreign aid, called military assistance.

Mr. WIER. This will increase the military budget by another $89 million?

Mr. RIVERS. No; much of this money has already been appropriated.

Mr. VAN ZANDT. Mr. Chairman, I yield myself 9 minutes.

Mr. SCOTT of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from Pennsylvania.

Mr. SCOTT of Pennsylvania. I would like to ask the gentleman from Pennsylvania if the work which will be required in the rehabilitation of these vessels is to take place in American shipyards?

Mr. VAN ZANDT. That is true. The ships are in mothballs but they will be assigned to the various yards, and there prepared for transfer to the nations concerned.

Mr. SCOTT of Pennsylvania. So that these funds from the military defense assistance program will actually be a form of American aid in that they will keep American workmen employed in our naval and other shipyards, is that not true?

Mr. VAN ZANDT. That is true. In addition to the repair of these ships, we, will have the responsibility of training the crews, so that will be an additional expenditure on the part of the foreign governments that the naval yards and the people living in the vicinity of the naval yards will benefit from.

Mr. SCOTT of Pennsylvania. We have submarines and other vessels at the Philadelphia Navy Yard, too, and we have been very much concerned about keeping the level of employment above 10,000 in that yard in order not to lose through dispersion of skills the kind of trained hands and minds which otherwise would be lost, and I hope some portion of this program will be equitably allocated to the Philadelphia Navy Yard.

Mr. VAN ZANDT. The submarines which are in mothballs in the Philadelphia Navy Yard are involved in this program. They will be taken out of mothballs and overhauled at the Philadelphia Navy Yard, and in addition the crews would also be trained there for the submarines.

Mr. SCOTT of Pennsylvania. I know we count on the interest of the gentleman from Pennsylvania in seeing that our people continue to remain employed, and I thank the gentleman very much.

Mr. VAN ZANDT. I thank the gentleman.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from Iowa.

Mr. GROSS. Do I understand that these ships are to be rehabilitated and reactivated in navy yards or in private shipyards, or in both?

Mr. VAN ZANDT. In both.

Mr. GROSS. The gentleman is a member, I believe, of the Joint Committee on Atomic Energy. Is there any possibility under this legislation that any of our atomic-powered ships can be turned over to a foreign government?

Mr. VAN ZANDT. Under the provisions of the Atomic Energy Act of 1954, it would not be possible to turn over any of our nuclear-powered ships to a foreign government, because there is a very definite limitation contained in that law against a transfer of nuclear material, and our naval ships contain nuclear material.

Mr. GROSS. But there is no prohibition in this legislation.

Mr. VAN ZANDT. It is unnecessary. We discussed it in committee, and we thought it would be unnecessary because it is already covered in another law.

Mr. BROOKS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from Louisiana.

Mr. BROOKS of Louisiana. That was the specific point that I thought everybody was deeply interested in, and we were assured and reassured that such could not occur.

Mr. VAN ZANDT. The gentleman from Louisiana developed this point in committee and, as he mentioned, we were assured and reassured by spokesmen of the Navy Department that nuclear-powered ships were not involved in this legislation.

The assignment of the ships contemplated to be loaned under H. R. 6592 is part of our worldwide strategy. In particular, the loans to the NATO countries will serve to strengthen these allies in their assigned NATO missions. Antisubmarine warfare is a vital part of the military missions of each of these countries under the mutual defense organizations contemplated by NATO.

The lifeline to our European allies in time of war would be the bridge of ships which would supply the vital weapons, materials, and food which our allies would require.

Our potential enemies are well aware of this, and their war plans undoubtedly are based on the rapid destruction of our sea lines of communications. The largest submarine force the world has ever known in peacetime is poised to strike at this lifeline.

The program of ship loans set out in H. R. 6592 is designed to thwart this threat to our control of the oceans. Each of the countries to whom vessels will be loaned has an important assignment in the defense of its own adjacent ocean areas as well as a supporting raission in keeping the ocean lines of communication open. The ships which we intend to transfer, destroyers, destroyer escorts, and submarines, are all primarily suited for antisubmarine warfare and for training for antisubmarine warfare.

By supplying these ships to our allies, we effectively reduce the need for United States forces to perform many of the local antisubmarine warfare missions for these countries, and we also increase the overall readiness of the fleets of the Free World.

These ships, manned, operating and equipped with modern weapons in the hands of trusted allies, are far more valuable to our own war effort than the same ships would be lying idle, deteriorating slowly and becoming obsolete. Furthermore, we do not have the trained crews in peacetime for the operation of these vessels, and in time of war, months would be spent in organizing and training crews to man our reserve fleet vessels.

Our ability to reacquire these ships on short notice insures that they will be available if they are needed for our own military requirements.

You will notice that the bill permits a considerable amount of leeway in regard to the types and numbers of vessels which may be loaned in each of the areas set out in the bill, Europe, Latin America, and the Far East. In addition, there is a pool of seven destroyers, destroyer escorts, and submarines available for use to meet emergency needs of our allies.

This flexibility is needed for two reasons. First of all, as world conditions change from day to day the defense requirements of each of the countries listed in the bill are subject to change, and these changing needs can be met by assigning types or different numbers of vessels to them.

Secondly, many of these nations are operating with a minimum number of ships to meet urgent defense commitments. There is no reserve of vessels upon which they may draw. In the case of damage or loss of a vessel, the only way in which these defense commitments can be met is by either having the United States supply a vessel with crew to meet the commitment, or by rapidly transferring another vessel to the country. The latter is far the cheaper and more effective way of accomplishing this purpose.

From my own experience I can tell you that this program of ship loans is a valuable and effective part of our mutual-defense program. By supplying American ships, together with American training for the foreign crews which will man these ships, the United States is able to achieve a standard of training and equipment in foreign navies which supplements our own naval force and which exercises a far-reaching influence on the patterns of thought and motivation in these foreign navies.

Accordingly, it is my belief that this bill should be enacted by Congress as soon as possible and that Congress should continue to support this facet of

our mutual-security program. The purposes to be achieved by these ship loans and the effect of previous ship loans clearly demonstrate that for a relatively small expenditure of appropriated funds the navies of the Free World are greatly strengthened.

Mr. GROSS. Mr. Chairman, would the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from Iowa.

Mr. GROSS. The British are reducing the size of their Navy. Does the gentleman know whether they are selling their ships to other countries? Can the gentleman inform me what the British are doing in this respect?

Mr. VAN ZANDT. The British made a very drastic decision after the Bermuda Conference, to put many of their ships in mothballs and to scrap others. In addition they are making ships available to members of the Commonwealth such as the Union of South Africa, Canada, and so forth. They are simply taking ships out of the Navy, ships that they have been operating, and transferring them to other Commonwealth navies. Whether Britain may be selling or disposing of some of her ships to other nations we do not know. If the ships are sold, I imagine they are disposed of in that manner because Britain no longer has any use for them.

Mr. GROSS. I hope we do not discover that we are giving ships to countries that are able to purchase warships from Great Britain. I hope we do not discover that to be true when and if we enact this bill.

I should like to ask the gentleman a question about the pool of 7 ships that may be allotted anywhere in the world by the President.

Mr. VAN ZANDT. I think the gentleman is mistaken when he makes the statement that they may be allotted anywhere in the world by the President. They may be allotted only to those countries listed on page 1 of the committee report which accompanies this bill.

Mr. GROSS. Only to those countries?

Mr. VAN ZANDT. Only to those countries.

Mr. GROSS. Let us assume that the authority is limited to that. Is that a constant pool or does the pool diminish as a ship is allocated?

Mr. VAN ZANDT. The pool diminishes as the ships are allocated.

Mr. GROSS. That is not a constant pool over the length of the bill?

Mr. VAN ZANDT. It is not.

Mr. GROSS. You provide in this bill that these ship loans are renewable at the discretion of the President after a period of 5 years? Is that correct?

Mr. VAN ZANDT. That is correct, but before any additional ships can be loaned or disposed of by the Navy, the Navy must come to the House and Senate Armed Service Committees and ask for approval.

Mr. GROSS. The gentleman has talked about changing conditions, and I am sure he is correct in that. I am wondering if conditions might not change at the end of the 5 years so that the Congress would want to take another look at this loan program that is being offered here today. I wonder what the gentleman would think of an amendment to provide that we come back at the end of 5 years and look over this loan program again, rather than leave it discretionary with any President—I am not speaking of any one President, but any President—to renew it.

Mr. VAN ZANDT. In reply to the gentleman may I say that we have annually before us as a committee a ship construction program. In the course of considering that program we always spend some time in looking at the Navy as a whole, especially from the standpoint of the number of ships they have in commission, and the number of ships they have in reserve. If we think for a moment we are depleting our reservoir of reserve ships to the point that we are jeopardizing the security of our Nation as it is provided for by the Navy, I can assure the gentleman we will stop this program.

Mr. GROSS. That is not the only consideration. There is no denying the fact that there is a dictator in Cuba. It is proposed here to give some kind of combat vessel to Cuba. Cuba has a dictator, and there are South American dictators. Until recently there has been one in Colombia. I doubt that Congress ought here today turn over to any President or to any one committee of Congress the renewing authority for legislation of this kind. I think in view of the gentleman's answer I will be inclined to offer an amendment that the Armed Services Committee come back to Congress at the end of 5 years to renew this program.

Mr. VAN ZANDT. The gentlman has put the question to the gentleman from Pennsylvania as to whether or not he would support an amendment that would limit the loans under this bill to 5 years. I should like to refer that inquiry to the gentleman from South Carolina, who is handling this bill on the floor for the committee.

Mr. RIVERS. I would say that if the Congress wants to limit this to 5 years and come back to the Congress in 5 years, I feel certain I personally would not object to it. I cannot see any real harm in it.

Mr. VAN ZANDT. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, on page 2 of the committee report, in the fourth paragraph, appear these words:

> The proposal is designed to assist this country in carrying out its responsibilities in the North Atlantic Treaty area, the Far East, and in South and Central America.

May I ask whoever has charge of the bill or wishes to answer just what is meant by "responsibilities." Are those treaty obligations? Are they hard and fast responsibilities or commitments, or what are they?

Mr. RIVERS. Is the gentleman asking me?

Mr. HOFFMAN. I am asking anybody who wants to answer or who knows anything about it.

Mr. RIVERS. If the gentleman is asking me, I will attempt to answer it. I will be very glad to try to answer it. What line is that?

Mr. HOFFMAN. That is on page 2, the 2d line of the 4th paragraph—responsibilities. I am asking if that is a direct commitment or a treaty or just what it does mean.

Mr. RIVERS. As I said in my opening statement, we have treaties and agreements with 42 nations and agreements with 20 other nations and also the NATO countries. The agreements outline the responsibilities. All agreements carry responsibilities.

Mr. HOFFMAN. Of course, I know that we have treaties. I guess everyone in the House knows that. But, just what are these responsibilities? Have we by some treaty agreed to give these vessels or some vessels to some other nation?

Mr. RIVERS. We have not agreed to give these people any ships. That is why they are listed in this bill.

Mr. HOFFMAN. What do we agree to do?

Mr. RIVERS. I do not know specifically what the treaties contain.

Mr. HOFFMAN. What we are doing, if I understand this correctly, is that we are transferring or making it possible to transfer 19 ships—or not to exceed that, and an additional 21 ships.

Mr. GROSS. Mr. Chairman, if the gentleman will yield, it is about 49 ships—47 or 49.

Mr. HOFFMAN. I thank the gentleman from Iowa. He always makes a study of these bills. I do not know how he does it, but he seems to have some idea of what is in them. As I understand it, the gentleman in charge of the bill does not know about these responsibilities.

Mr. RIVERS. The gentleman in charge of the bill cannot tell you what is in the treaties. The treaties are available to all people including the gentleman from Michigan.

Mr. HOFFMAN. What the gentleman's answer amounts to is that the people in charge of this bill do not know what our obligations or responsibilities are except that there are—how many did the gentleman from Iowa say—49 vessels?

Mr. RIVERS. I say to the gentleman from Michigan that with the NATO countries and all of those countries we have agreements for a unified and collective security philosophy.

Mr. HOFFMAN. Yes, that is a broad general agreement. But, as I understand it, nothing is spelled out in it. We just agree to go and assist any one of those countries that may become involved anywhere.

Mr. RIVERS. That is my understanding of NATO.

Mr. HOFFMAN. All right, but even though they are not included, we now propose to give these 49 vessels to these countries; is that right?

Mr. RIVERS. To sweep their own front yards and their approaches to their countries and to relieve us of the things we are now doing. We are now doing this very work. We want to be relieved of the job that we are now doing. That is what we are doing to let these people do their own work. That is the theory and philosophy behind it. It helps us more than anybody else.

Mr. HOFFMAN. Here in the first paragraph, the very first words are:

Many requests for United States ships have been received since World War II from foreign countries and each has been carefully assessed in the light of individual country needs.

There is a flat statement that the committee has figured out just how many of these ships each nation should have. Where can I find—where can any Member of the House find, the reasons why, for example, any of these countries named here—especially the latter group including Cuba, Peru, Uruguay, and those in South America—where can we find evidence which shows how many ships they need and why they need them?

Mr. RIVERS. If the gentleman will read the rest of the paragraph, it says: "United States mobilization requirements, worldwide demands on United States resources, and the availability of mutual defense assistance funds."

This thing was screened by the Joint Chiefs of Staff and many considerations—many considerations go into it—the need for our reserve fleet, our active fleet, our worldwide commitments and many, many other factors. I cannot stand here and name them or make any attempt to name them. I cannot catalog them for the gentleman.

Mr. HOFFMAN. That is the very question out of which my difficulty arises. Apparently, we have entered into some broad general agreement to help anybody and everybody in the world who comes over here who wants something. Can the gentleman tell me the approximate value of, for example, the 19 ships or the 21 ships named on the first page?

Mr. RIVERS. I do not know the value of them now. I can tell you what a destroyer costs to build or a destroyer escort costs to build, and I can tell the approximate cost of the submarine.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. VAN ZANDT. Mr. Chairman, I yield the gentleman one additional minute.

Mr. HOFFMAN. What it appears to be is an attempt to go along with some overall agreement under which this Congress can give away and apparently it is the intent to give away practically everything that we have including, if I might venture to say so, the hair on our heads if we had it and the toenails on our feet to some other nation and for no more reason than is set forth in this report. It is a general, overall, broad statement that these countries want aid, but no one except God Himself knows whether they will be friendly toward us or in the enemy's camp, should war come.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield.

Mr. SPRINGER. I did not hear the first half of the remarks of the gentleman from South Carolina. Perhaps he explained it then. I wanted to ask this question:

I find only 42 ships instead of 45 in adding this up. Is it 42 ships involved instead of 45?

Mr. RIVERS. It is 49.

Mr. SPRINGER. In adding them up, I get only 42.

Mr. RIVERS. This is what the report says:

The ships to be loaned or sold are embodied in 3 categories which are as follows: 1 to be sold; 3 destroyers and 1 submarine to be loaned, and 30 destroyers and destroyer escorts and 8 submarines. Two of these submarines constitute renewal of an existing loan to the Netherlands; and a third to consist of a pool of seven ships to be loaned in the event of an emergency, all of which must be destroyers, destroyer escorts, or submarines. No other ships can be loaned under this authority.

Mr. SPRINGER. I find in adding up there are 19 to go to the European area, 21 to South America—that makes 40; and 2 to the Far East, making 42. Then there are 4 to be sold, and there are 7 that will be in the pool, but the report, as I understand it on page 1 says, "To authorize the transfer of naval vessels to friendly foreign countries"; to transfer by sale 4 ships and by loan 45 ships of the destroyer, escort, and submarine type. It seems to me there is a discrepancy.

Mr. RIVERS. That adds up to 49 ships, as I understand, 7 of which are in the pool.

Mr. SPRINGER. But there are not 45 ships on loan. There are only 42. I looked at the bill.

Mr. RIVERS. I understand it is 49, some of which are in the pool.

Mr. SPRINGER. On page 2 of the bill, I read as follows:

The Federal Republic of Germany, Greece, Italy, The Netherlands, Norway and Turkey not to exceed 19 ships; Latin American area (Argentina, Brazil, Chile, Colombia, Cuba, Peru and Uruguay and Venezuela) not to exceed 21 ships; Far Eastern area (Taiwan, and Thailand not to exceed 2 ships).

That makes a total of 42 ships on loan. That is the discrepancy I am asking about.

Mr. RIVERS. And 7 in the pool make 49.

Mr. BROOKS of Louisiana. If you will add in the pool, that gives you 49. On page 1 the reference to 45 was stricken out. Originally the bill said "Not to exceed 45 in number." That has been stricken out.

Mr. SPRINGER. The report does not conform to the bill. Am I correct?

Mr. RIVERS. I think the report and the bill are in complete agreement. Let me read page 1 of the report: "and by loan 45 ships."

Mr. BROOKS of Louisiana. And then four by sale.

Mr. RIVERS. That is correct.

Mr. SPRINGER. That makes 49, but I find only 42 in here for loan, in the bill.

Mr. RIVERS. Plus seven in the pool.

Mr. SPRINGER. I am talking about on loan. You say "45" in the report, and it adds up to only 42.

Mr. RIVERS. I understand it adds up to 49.

Mr. VAN ZANDT. Will the gentleman yield?

Mr. RIVERS. I yield.

Mr. VAN ZANDT. I think if you add 3 more ships that will be sold outright, then you will have a total of 45.

Mr. SPRINGER. That does not conform to the report. If you add the bill up, it only comes to 42, and that is why I ask about page 1 of the report and page 2 of the bill.

Mr. RIVERS. I can understand the confusion that has arisen with respect to the number of ships. We had exactly the same difficulty during the consideration of the bill in committee. May I explain it this way There are a total of 49 ships, all involved will go to the countries named in section 1 of the bill. Of the 49, 4 will be sold, and 45 will be loaned. The difficulty arises from the fact that the four ships to be sold appear twice in the bill. It was a difficult concept to put into legislative language, but the total result is, as I say, 45 to be loaned and 4 to be sold.

The four ships to be sold are to be sold to one of the countries in group 2, the Latin American area. You will note that this area would receive 21 ships, 17 of these would be loaned, and 4 would be sold, so that when we add the 19 ships for the European area the 21 ships for the Latin American area, the 2 ships for the Far Eastern area and a pool of 7 ships to friendly nations in an emergency, we come up with a total of 49. But of these 49, 4 will be sold, out of the 21, as I said, which are designated for the Latin American area.

I can understand the difficulty which the bill is having in this respect because the members of the committee during the detailed consideration of the bill had exactly the same difficulty.

Mr. SPRINGER. I thank the gentleman for his explanation and I will say that it is the somewhat complex drafting of the bill which caused the confusion.

I think the difficulty in understanding this bill arises from category 4 where a pool of 7 ships is created which may be loaned to friendly nations in an emergency. This category apparently will be retained and may be used at the discretion of the President when he believes there is an emergency on.

Secondly, it appears to me that beginning page 1, line 6, with these words, "Lend or otherwise make available to friendly nations from the reserve fleet" applied only to the 42 ships contained in the bill from line 10, page 1, through line 8, page 2.

From reading the report I think you you can see from the questions which have been asked by other Members that their understanding was the same as mine; namely, that language applied only to the 42 ships set out from line 10, page 1, through line 8, page 2.

It was this apparent discrepancy between the bill and the report with which I was most concerned.

Mr. RIVERS. I am glad the gentleman from Illinois has raised this question because I think a bill that is complex in its drafting has through his questioning become clear in its true meaning to all Members on the floor.

Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS of Louisiana. Mr. Chairman, I want to clear up one point brought out by our colleague from Iowa

[Mr. GROSS] in reference to the length of time the bill lasts. Page 3, section 5, provides:

The authority of the President to transfer naval vessels under this act terminates on December 31, 1959.

That does not give him 5 years in which to do it. It gives him only to the end of 1959.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BROOKS of Louisiana. I yield to the gentleman from Iowa.

Mr. GROSS. What are you going to do with the language of section 2 reading:

But the President may, in his discretion, extend any such loan for additional periods of not more than 5 years.

What is meant by that?

Mr. BROOKS of Louisiana. That refers to action which the President has already taken. The authority of the President under the bill terminates, except he has the right to renew a loan previously made. The bill terminates by 1959, not in 5 years. I think it is a better termination date than 5 years.

Mr. GROSS. I think we should have the other language out, so there will be no conflict.

Mr. BROOKS of Louisiana. There is no conflict at all. It terminates as of December 31, 1959, under its own terms. After that the President cannot make any loans.

Mr. GROSS. Then why not take it out?

Mr. VAN ZANDT. Mr. Chairman, I have no further requests for time.

Mr. RIVERS. Mr. Chairman, I ask unanimous consent that the bill be considered as read and open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The bill is as follows:

Be it enacted, etc., That notwithstanding section 7307 of title 10, United States Code, or any other law, the President may sell 3 destroyers and 1 submarine, and he may lend, or otherwise make available to friendly foreign nations, on such terms and under such conditions as he deems appropriate, destroyers, destroyer escorts, and submarine, not to exceed 45 in number. The President may promulgate such rules and regulations as he deems necessary to carry out the provisions of this act.

SEC. 2. Loans under this act shall be for periods not exceeding 5 years, but the President may, in his discretion, extend any such loan for additional periods of not more than 5 years. All loans shall be made on the condition that they may be terminated at an earlier date if necessitated by the defense requirements of the United States.

SEC. 3. All expenses involved in the activation, rehabilitation, and outfitting, including repairs, alterations, and logistic support, of vessels transferred under this act shall be charged to funds programed for the recipient government under the Mutual Security Act of 1954, as amended, or to funds provided by the recipient government under the reimbursable provisions of that act. In the event that a loan is terminated by the United States prior to the expiration of the loan period, the Secretary of Defense may reimburse the recipient government on a pro rata basis for funds provided by it under the reimbursable provisions of the Mutual Security Act of 1954, as amended, in connection with the loan.

SEC. 4. No vessel may be made available under this act unless the Secretary of Defense, after consultation with the Joint Chiefs of Staff, determines that its transfer is in the best interests of the United States. The Secretary of Defense shall keep the Congress currently advised of all transfers under this act.

SEC. 5. The authority of the President to transfer naval vessels under this act terminates on December 31, 1959.

With the following committee amendments:

On page 1, line 4, following the word "sell" insert the following: "(not to exceed."

On page 1, line 5, following the word "submarine" insert a closing parenthesis ")", and strike the words "and he may."

On page 1, line 6, following the word "nations," insert the following: "from the Reserve Fleet."

On page 1, lines 8 and 9, strike the words "not to exceed 45 in number," and insert in lieu thereof the following: "as follows: (1) NATO and European area (the Federal Republic of Germany, Greece, Italy, the Netherlands, Norway, and Turkey) not to exceed 19 ships; (2) Latin American area (Argentina, Brazil, Chile, Colombia, Cuba, Peru, Uruguay, and Venezuela) not to exceed 21 ships; (3) far eastern area (Taiwan, and Thailand) not to exceed 2 ships; and (4) a pool of not to exceed 7 such ships to be loaned to friendly nations in an emergency.

The committee amendments were agreed to.

Mr. RIVERS. Mr. Chairman, I offer an amendment at the request of the gentleman from Pennsylvania [Mr. GAVIN]. Unfortunately, the gentleman from Pennsylvania is in his district today on business of great importance to him, and he asked me to express to the House his regret that he could not be present to offer this amendment himself.

The Clerk read as follows:

Amendment offered by Mr. RIVERS: Insert on page 2, line 2, after "Norway" a comma and the word "Spain."

Mr. RIVERS. Mr. Chairman, Mr. GAVIN, because of his necessary absence from the city, has asked that I have inserted in the RECORD the following remarks relating to Spain:

As a result of recent conversations with Spain, the Department of Defense, in conjunction with the Department of State, has determined that there is a requirement for naval aid to Spain.

The omission of the name of Spain from this bill was the result of the fact that negotiations with Spain and determinations in connection with these negotiations to be made by the Joint Chiefs of Staff and the National Security Council had not been concluded at the time this bill was heard by the Armed Services Committee. I am happy that this determination has been made and that this amendment to the bill can be offered at this time.

The development of a modern naval force by Spain will aid greatly in our mutual-defense arrangements for the European area. The geographical position of Spain will make her a very valuable ally in time of war for the basing of antisubmarine vessels. I hope that the vessels which may be provided to Spain under this bill will provide a substantial improvement in the antisubmarine capability in her navy.

Mr. Chairman, I might say that of all our allies there is no country that has rendered us more help than has Spain. We have bases there, and all of these have been given to us by the Government of Spain. We have spent less to get more in Spain, I guess, than most countries with whom we are dealing. Spain is now included in this bill, and the reason it was not included to begin with is because certain studies were going on which had not been concluded. They have become concluded now.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. SIKES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SIKES: On page 2, line 4, after the word "Cuba" insert "Guatemala."

Mr. SIKES. Mr. Chairman, may I say that I have cleared this with the majority and the minority ranking members of the subcommittee, both of whom are experts in this field, and they have no objection to the amendment.

May I point out that this is permissive language; it is not mandatory, but it does make Guatemala eligible to share in the distribution of ships to Central and South America. It does not involve any additional ships. It makes that deserving nation eligible to share in the distribution which is proposed. It is my hope, however, that additional ships will be made available if it is found they are required for this purpose.

I have said many times, and I am sure my colleagues in the House will agree, that it is very important that we show our friendship to our sister republics of the Western Hemisphere and that we assist them where necessary to build and maintain a strong defense. I agree sincerely with the contention that the future of the United States rests in this hemisphere rather than in other parts of the world. I think it very obvious that Guatemala should be included in this eligibility list, because, if my memory serves me, Guatemala is the only nation where a Communist government has been thrown out. I would like for us to be sure that we show to the world our appreciation of Guatemala's brave struggle to remain a part of the democratic free world.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. BOW. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BOW: On page 3, insert a new section as follows:

"SEC. 6. No vessel or ship may be made available under this act unless the countries to which such vessels are to be transferred shall agree to waive criminal jurisdiction over troops of the United States stationed

within the country or territories of such nation."

Mr. RIVERS. Mr. Chairman, I make the point of order that the amendment is not germane. However, I shall be glad to reserve my point of order.

Mr. BOW. Mr. Chairman, as I submit this amendment today I assume the House knows that in a so-called friendly nation there is today an American soldier who has been turned over to the jurisdiction of that so-called friendly nation under the so-called Status of Forces Agreement. He was in uniform on an American reservation, on duty as a guard to protect American property. In his attempt to protect American property on an American reservation unfortunately a Japanese woman was killed. This American soldier in an American uniform, on American duty, it has now been agreed will be turned over to the Japanese authorities to be tried for manslaughter.

We have talked about the status of forces in the past and here today is a flagrant example. Are we going to protect American soldiers? Here we are again giving away or lending to friendly nations property worth millions of dollars, but we do not defend the American soldiers we send into these countries to help defend those nations.

Are we so interested in giving away or in lending property, in giving these opportunities to foreign nations, yet are not going to defend or protect the American servicemen abroad?

I say, Mr. Chairman, that I believe this amendment is in order. Section 4 provides that no vessel may be made available under this act unless the Secretary of Defense, after consultation with the Joint Chiefs of Staff, determines that its transfer is in the best interests of the United States. You say that the Joint Chiefs of Staff and the Secretary of Defense shall make a determination as to whether or not this is in the best interest of the United States. I think it is germane for the Congress to decide whether it is in the best interest of American servicemen as to whether or not criminal jurisdiction shall be waived before we turn these vessels over to these countries. I think the amendment is germane. This other provision would give these rights and limitations, so the amendment is germane.

I shall not belabor the subject. I think everyone knows the situation in Japan today, a so-called friendly nation, which is demanding the trial of an American soldier who was on duty.

Mr. Chairman, I hope sincerely that this amendment will be found to be in order, that my colleagues will today take this opportunity to serve notice on the world that situations such as exist in Japan today and in other foreign nations will not be tolerated by the United States, and that we intend to protect our American youth, our American servicemen, wherever they may be, that the flag will follow them, and that this Congress is interested not only in giving away property but in protecting the rights of those men.

Mr. RIVERS. Mr. Chairman, while I agree thoroughly with the sentiments of the gentleman, this bill deals only with the transfer of ships by the Department of the Navy. We cannot transgress on the jurisdiction of the Committee on Foreign Affairs in the realm of treaties and such matters. I agree with the gentleman from Minnesota [Mr. JUDD] who made it plain a while ago that they had the understanding with the gentleman from Iowa in the case of a man carrying out his duty, the State Department would defend him and that this would be breaking the faith with the gentleman from Ohio. This is purely and simply a transfer of ships, purely an agreement between the Navy Department, acting for the United States, and the recipient countries. While I agree with the gentleman's sentiments, I do not think it is in order at this time.

Mr. GROSS. Mr. Chairman, if I may be heard, the gentleman speaks of the responsibilities of the Committee on Foreign Affairs. Up to this point that committee has not recognized any responsibility in this field—as in many other fields, I may say.

The CHAIRMAN. Does the gentleman from Ohio desire to be heard?

Mr. BOW. Mr. Chairman, I again call the attention of the Chair to section 4 which gives the Secretary of Defense and the Joint Chiefs of Staff certain authority which does not go merely to the question of turning over these ships, but goes to the question of whether it is in the best interests of the Nation. I believe under the broad power contained there that this amendment is germane. This is another limitation against the transfer of ships. I do not know how else we can reach it. Of course, it is the question of a transfer of ships, but the transfer of ships under certain conditions. The conditions have been set forth by the committee and this is another condition under which these transfers may be made—namely, if they waive criminal jurisdiction.

Mr. RIVERS. Mr. Chairman, I must insist on my point of order.

The CHAIRMAN. The Chair is ready to rule. The gentleman from South Carolina makes a point of order against the amendment offered by the gentleman from Ohio [Mr. BOW] on the ground that the amendment is not germane. The Chair holds that the amendment consists of an unrelated contingency which is under the jurisdiction, as has been pointed out by the gentleman from South Carolina, of another committee of the House, namely, the Committee on Foreign Affairs. Therefore, the amendment is not germane and the point of order against it is sustained.

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 2, line 12, after the word "years", strike out the comma and insert a period and strike the remainder of line 12, all of line 13, and the first four words including the period in line 14.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. RIVERS. Is the effect of this amendment to limit this to 5 years?

Mr. GROSS. The effect of this amendment is to eliminate Presidential authority to renew these loans of ships for an interminable period.

Mr. RIVERS. In other words, the effect of this amendment is to let him have this authority for 5 years and then to come back to the Congress?

Mr. GROSS. Yes, come back to the Congress for further scrutiny and possible renewal.

Mr. RIVERS. I agree with the gentleman. I accept the amendment.

Mr. GROSS. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. GROSS].

The amendment was agreed to.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do so for the purpose of calling attention to the language on page 3 of the report which says that if a ship is damaged or lost through enemy action, a recipient country is exempt from liability for the damage or loss. My question is—what would happen for instance, if one of these ships should be sunk in one of the many revolutions in South America? What would happen then?

Mr. RIVERS. I do not think that would be regarded as an enemy action against the United States or in any joint venture involving the United States and our allies.

Mr. GROSS. Then could we collect for a ship or ships lost under such circstances?

Mr. RIVERS. I certainly hope that we could. Certainly I would be for it and I would try to make every effort to collect for it. We are not supposed to finance revolutions.

Mr. GROSS. Again that raises a question concerning the present revolution in Cuba. Suppose one or more of these ships that are supposed to go to Cuba is lost or damaged. There is a revolution in Cuba today. Would these ships be used in furtherance of Dictator Batista?

Mr. RIVERS. I would not want to say to the gentleman that these ships could not be used by any country to protect its own sovereignty.

Mr. GROSS. And further in the case of a revolution, would the ships be used to haul a dictator to some safe place of refuge?

Mr. RIVERS. I understand enemy action to mean a joint venture of our allies and ourselves for the common good. That is my understanding.

Mr. GROSS. I would hope that there would be some way to enforce the collection of our loss if one of these ships should be used in a revolution.

Mr. RIVERS. I think we should collect. I stand on my original statement.

Mr. GROSS. Mr. Chairman, I yield back the remainder of my time.

Mr. PELLY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Chairman, I felt a strong inclination to offer an amendment

to H. R. 6952 to strike out "Chile" and "Peru" as Latin American nations authorized to receive naval vessels under this bill. This was owing to the fact that both Chile and Peru have failed to agree with the United States as to offshore boundary limits and our fishing fleet has been subjected to unlawful acts over a period of years as a result. In certain cases I believe the very vessels we have transferred to these countries have been used against our fishermen whose boats have been boarded and taken into port for fines, and American fishermen have been humiliated and imprisoned.

I realize, Mr. Chairman, that our State Department protests such actions on the high seas—and also I fully appreciate that the losses of these fishermen are reimbursed by our Government.

Ordinarily I would point up the international dispute by seeking to block legislation such as H. R. 6952, but it is a defense measure and I will limit myself to a strong expression to the effect that our historic fishing rights must be upheld, and I trust our Coast Guard will not have to protect American citizens and property against our own naval vessels in the hands of and under loan to foreign nations.

The CHAIRMAN. Under the rule, the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair Mr. METCALF, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee had had under consideration the bill (H. R. 6952) to authorize the transfer of naval vessels to friendly countries; and, pursuant to House Resolution 250, he reported the same back to the House with sundry amendments adopted in Committee of the Whole.

(The previous question was ordered.)

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The Committee amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

ANNIVERSARY OF CUBAN INDEPENDENCE

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, today is the gladsome anniversary of Cuban independence, and to the government and people of the Republic of Cuba from this historic Chamber we send our warm congratulations and our affectionate greetings. The hearts of the people of our own land and the hearts of the people of the land we aided in the attainment of national sovereignty beat as one. No nations were ever closer interwoven by bonds of enduring sentiment.

On the occasion of my visit to Cuba in December of 1955, after an absence of 57 years, I felt the thrill of one who as a boy had dreamed of Cuba Libre, and had played a very humble part, and as a man grown into the sunset years had returned to find in the reality of the present a dream that had come true with a glorious framing exceeding the hope of the dreamer. Wherever the seeds of freedom are planted the very soil in which they are deposited takes on the hues of a rare radiance. Strange indeed if the soil of Cuba should not, in a very much magnified measure, be fertile for the growth of the seeds of freedom because for many, many long years, when the odds opposing were terrifying the sons and daughters of Cuba held firmly and uncompromisingly to their ideals of government for, of, and by the people with reverence for God and respect for the dignity of man.

I stood with reverence and in meditation at the tomb of José Martí, and the floral offering that, with bowed head, I placed at the tomb was my humble but very sincere tribute to the memory not only of this great poet and patriot but of all the men and women who, in the long roll of the years, had kept high the torch of Cuba Libre.

On the wall of my office in the House Office Building, facing me as I sit at my desk, is a large framed photograph of Gen. Emilio Nuñez, the 100th anniversary of whose birth I was privileged to mention on the occasion of the observance of Pan-American Day in this Chamber on April 14, 1955. He was one of the great men of his times, a leader in Cuba's fight for independence, and at all times a stout friend of the United States. His son is the permanent delegate of Cuba to the United Nations, and his grandson is an eminent physician in Washington.

When, 57 years later, President Batista pinned on me, much above what my service in Cuba as a boy just turned 16 had earned, the Order of Military Merit with distinction in white, I remarked:

Mr. President, I have two sweethearts. First, my own country, the United States. Then, your country, Cuba. They are so much alike in their love of freedom and the respect of the dignity of man.

And when I left Cuba, and the Cuban Army paraded in honor of the boy who had returned to Cuba in the sunset years, I fell on my knees and in embrace of the national banners kissed first the flag of my country and then the flag of Cuba—the emblems of my two national sweethearts in the order of my affection.

The Cubans' titanic struggle for liberty was long and bloody. Our relations with the people of the island were very close and sympathetic during their dark hours. Between 1848 and 1851 the United States was the scene for the organization by Narciso Lopez of several expeditions to free Cuba from Spain's grip. The attempts, however, failed. Again in 1868 the island people took up arms, and for 10 years patriots valiantly struggled to free their people from alien rule. Even in defeat which befell them, the gallant Cuban people determined to fight on until liberty was won.

In that troubled and ravaged island a sensitive young man was growing up. From the terror and ashes emerged the great José Martí—poet, soldier, leader of men. Before he was 20 he suffered imprisonment and exile. Most of his adult life he was a poor wanderer. Where he set foot in the other American Republics, he carried the story of bleeding Cuba. For a decade our own New York City served Martí as a base from which he planned and organized the revolutionary movement. During that time he toiled unceasingly to win adherents to the cause of Cuba Libre. Sadly, the heroic Martí did not live to see his beloved country free, for he died in battle shortly after the rebellion which he so nobly inspired had begun.

Martí had made many friends in the United States for the Cuban cause. As news of the revolution reached the United States, our people were horrified at the cruel repression wreaked on the Cuban people by the Spanish army. When, in 1898, the United States battleship *Maine* blew up in Habana Harbor, the United States gladly joined the Cuban revolutionaries to drive imperial Spain from its last foothold in America.

It is fitting that we share a deep sense of thanksgiving and pride with our Cuban neighbors on the attainment of their independence. American blood as well as Cuban blood was shed that Martí's free Cuba might become a reality. Moreover, the United States in the Cuban affair set an example for the whole world. Instead of seizing the opportunity for self-aggrandizement, Congress in a joint resolution which sent our military power into the conflict, also declared:

That the United States hereby disclaims any disposition or intention to exercise sovereignty, jurisdiction, or control over said island except for the pacification thereof, and asserts its determination when that is accomplished, to leave the government and control of the island to its people.

Cuba was a rich prize—the proverbial "Pearl of the Antilles." The United States, in an act rare for a powerful nation, followed the dictum of Congress. When the ravages of the long war years were cleaned up, the United States withdrew, leaving Cuba free to carve its own destiny. May 20, 1902, the day the lone-star flag of the newborn republic fluttered for the first time over free Cuba, is a proud page in United States history as well as that of Cuba.

The history of Cuban-American relations in subsequent years continues in the finest tradition of cooperation for mutual benefit. During World War II Cuba and the United States worked together to defend the Caribbean region.

But United States-Cuban relations are not based solely upon historical or strategic ties. The economic ties which bind us are very strong indeed. Last year our two-way trade with Cuba climbed to over

$968 million. Of this total, over a half-billion dollars consisted of Cuban purchases in the United States of articles from almost every State in the Union.

Last year Americans showed their interest and preference for Cuba in a dramatic fashion. Two hundred and sixty-one thousand Americans visited the charming island. They left behind them around $37 million, a sizable jump over the record $27 million of the previous year. Cubans traveled in the United States in great numbers also. Besides the economic harvest to the two countries, this interchange is the source of many direct personal contacts between Cubans and Americans and the basis for ever-growing understanding.

On this the 55th anniversary of the birth of the Cuban Republic, I am sure I speak for the Congress and for the people of the United States in sending greetings and best wishes to our friends in Cuba. May the next year bring them an ever increasing measure of peace and prosperity.

H. R. 6790: NATURAL GAS BILL, 1957

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DINGELL. Mr. Speaker, the natural gas bill of this year is not any different in its end effect from the gas bill of last year. Under either bill it is plain that the gas companies intend to and will raise prices all the traffic can bear. The only difference between the present bill and last year's is that this year's is sugar coated so it is much more difficult to fight. Any compromises that appear to be made in the bill are purely phony and are made by gas companies at the expense of the consumers who were neither adequately represented nor properly consulted. As a member of the House Interstate and Foreign Commerce Committee which is at present holding hearings on this measure, I am convinced that if the bill is passed a long and steady increase in gas prices to all consumers, both industrial and domestic, will result.

I wholeheartedly endorse the position taken by the governors of a number of States and expressed in a telegram sent May 13 to the Chairman of the House Interstate and Foreign Commerce Committee, the text of which has been released. The telegram reads:

Renewing the opposition expressed last year by governors of 12 States to the enactment of the Harris-Fulbright bill that would have amended the Gas Act of 1938, we the undersigned governors hereby state our unalterable opposition to the new Harris bill, H. R. 6790, on which your committee is holding hearings that began May 7 and are scheduled to continue through May 17. H. R. 6790 of 1957 is even harder on the consumer than the Harris-Fulbright bill of 1955–56. It purports to provide for regulation but, by outlawing cost as a factor in determining prices and by substituting "reasonable market price" for "just and reasonable price," it would legalize unconscionable increases in gas producers' prices. Such increases would be passed all along the line to the ultimate consumer. The record plainly shows that "reasonable market price" will mean charging all that the market will bear. Additional hundreds of millions of dollars annually in increased natural gas bills will have to be paid by consumers, if effective Federal regulation of sales by gas producers in interstate commerce is ended by enactment of this bill. The effectiveness of regulation of local gas rates by our State regulatory commission would be largely nullified if field gas prices were exempted from effective Federal or State regulation. In the absence of effective Federal regulation, producer prices will continue to skyrocket. Increasing gas prices invite increases in already high prices for competitive fuels. We call upon the members of the House Interstate and Foreign Commerce Committee to reject H. R. 6790.

G. Mennen Williams, Vernon Thomson, Abraham A. Ribicoff, Herschel C. Loveless, Edmund S. Muskie, Averell Harriman, George M. Leader, Dennis J. Roberts, Frank G. Clement, Orville L. Freeman.

THE MUTUAL-SECURITY PROGRAM

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. McVEY] is recognized for 30 minutes.

Mr. McVEY. Mr. Speaker, we shall soon have before us the consideration of the mutual-security program, better known to the public as the foreign-aid spending program. The amount of aid extended to foreign countries since the inception of this program has reached staggering proportions. The sum extended, together with interest carrying charges, now amounts to approximately one-half of our Federal debt, on which we pay annual interest in excess of $7 billion.

The aid which we have extended to foreign governments during the period beginning with World War II and extending to June 30, 1956, amounts to $109,934,648,000. This total does not include investments in the International Bank for Reconstruction and Development, $635 million, and in the International Monetary Fund, $2,750 million. These investments should be added to the foreign aid underwritten by the United States Government:

Summary of the aid

Grants in aid and lend lease, July 1 to 1940, to June 30, 1956	$97,223,702,000
Loans, July 1, 1940, to June 30, 1956	17,056,369,000
Repayment of loans	4,345,423,000
Summary total	109,934,648,000

The foreign aid program began with the lend-lease shipments on July 1, 1940. The extension of these huge sums during World War II is understandable. We were engaged in an all-out war, and we felt the need of winning that war at any cost. In the postwar years, however, one appropriation has followed after another. The Congress seems to have found no stopping place. Not enough thought has been given to the damage that may be done to the economy of our own country. We have seen other countries, to which we have given aid, balance their budgets and reduce taxes while we go on our lively way of taxing, spending, and unbalancing the budgets much of the time.

We have loaded upon our people more of a tax burden than all of the nations of the free world put together; we have seen our budgets outgrow the total budgets of all the free nations of the world; we have seen our dollar decrease in purchasing power to about one-half of its former value. Let us look for a moment at the decline in the purchasing power of our dollar.

In 1939, the purchasing power of the American dollar, according to the Consumers Index, was a little more than 100 cents. It declined gradually during World War II until it reached a level of 78 cents. It did not stop there. It continued to decline during the postwar years until in January 1953, its purchasing power was only 52 cents. It remained stationary there for 3 years, and there was hope that the purchasing power of the dollar had at last been stabilized. It was a sad awakening when in 1956 it began to decline again. Let us look at the record:

	Cents
1956:	
June	51.5
July	51.1
August	51.2
September	51.1
October	50.8
November	50.8
December	50.7
1957:	
January	50.4
February	50.2
March	50.1

It will be noted there has been a gradual decline in the purchasing power of the dollar since early 1956. The question is where will this decline stop. Will it reach eventually the point where it will hardly buy a newspaper? This situation has been reached in France, Italy, and various countries of the world. The French franc which was once worth 20 cents in our money now exchanges at the rate of 347 for $1; the lira which was once worth 20 cents now exchanges at the rate of 625 for $1. Similar stories can be said for other currencies in various parts of the world. It was Lenin who said:

The best way to promote a revolution in a country is for its currency to commit suicide.

It is well for us to ponder over this situation when we vote large expenditures of funds.

The belief held by some that our foreign-aid spending program is solely for the purpose of rebuilding the free nations of Europe and assisting them to rearm is erroneous. The fact of the matter is our foreign-aid spending program has encompassed most of the nations of the world. It is believed the taxpayers have a right to know where their money has gone, and with this in mind, the following information has been gathered from authoritative sources.

Lend-lease, July 1, 1945–June 30, 1956

Brazil	$3,616,000
Colombia	11,000
Dominican Republic	3,000
Guatemala	1,347,000
Mexico	553,000
Paraguay	2,000
Peru	237,000
Belgium	59,480,000

Lend-lease, July 1, 1945–June 30, 1956—Con.

United Kingdom	$341,462,000
Australia	12,300,000
India	3,000,000
New Zealand	2,300,000
China (Formosa)	729,418,000
Czechoslovakia	2,000
France	372,441,000
Greece	5,956,000
Iran	750,000
Italy (civilian supplies)	134,444,000
Netherlands	64,344,000
Poland	92,000
Saudi Arabia	1,591,000
U. S. S. R	277,254,000
Yugoslavia	76,000
Unspecified	29,364,000
Total	2,039,490,000

Grants in aid, July 1, 1945–June 30, 1956

Argentina	$198,000
Bolivia	49,576,000
Brazil	26,914,000
Chile	11,644,000
Colombia	9,496,000
Costa Rica	14,972,000
Cuba	1,705,000
Dominican Republic	3,223,000
Ecuador	9,710,000
El Salvador	5,675,000
Guatemala	81,770,000
Haiti	15,460,000
Honduras	6,734,000
Mexico	105,685,000
Nicaragua	11,701,000
Panama	10,802,000
Paraguay	9,102,000
Peru	17,437,000
Uruguay	2,183,000
Venezuela	2,207,000
Unspecified Latin America	327,945,000
Afghanistan	4,254,000
Albania	20,444,000
Austria	1,061,196,000
Belgium [1]	582,796,000
United Kingdom [2]	3,763,332,000
Australia	12,539,000
North Borneo	216,000
British Guiana	170,000
British Honduras	439,000
Leeward and Windward Islands	163,000
Canada	3,964,000
Ceylon	238,000
Federation of Malaya	695,000
Federation of Rhodesia	1,000
Gold Coast	174,000
Hong Kong	4,043,000
India	216,334,000
Jamaica	807,000
Malta	1,333,000
Nigeria	50,000
Pakistan	223,552,000
Sierra Leone	7,000
Singapore	55,000
Burma	20,956,000
China	2,200,208,000
Czechoslovakia	185,827,000
Denmark	247,634,000
Egypt	50,363,000
Ethiopia	9,872,000
Finland	3,522,000
France (includes possessions not listed separately)	4,334,036,000
Algeria	107,000
French Morocco	780,000
Tunisia	339,000
Germany, East	17,318,000
Germany, Federal Republic	3,793,559,000
Greece	1,677,991,000
Hungary	5,855,000
Iceland	29,758,000
Indochina	532,971,000

[1] Includes Luxembourg and the Belgian Congo.

[2] Does not include Bahamas $68,000; British East Africa $90,000; Gambia $34,000; Unspecified British Africa $15,000; the Sudan (now independent) $16,000.

Grants in aid, July 1, 1945–June 30, 1956—Continued

Indonesia	118,476,000
Iran	187,839,000
Iraq	8,902,000
Ireland	18,346,000
Israel	251,151,000
Italy-Trieste (includes Somaliland)	2,622,861,000
Japan and Ryukyu	2,581,666,000
Jordan	26,988,000
Korea	1,497,449,000
Lebanon	17,208,000
Liberia	6,981,000
Libya	27,931,000
Nepal	3,549,000
Netherlands and Surinam	911,788,000
Norway	236,482,000
Palestine	175,000
Philippines	763,531,000
Poland	364,978,000
Portugal and possessions	18,627,000
Saudi Arabia	4,255,000
Spain and possessions	116,654,000
Sweden	87,143,000
Switzerland	1,803,000
Syria	1,026,000
Tangier	17,000
Thailand	52,511,000
Turkey	495,068,000
U. S. S. R	465,434,000
Yugoslavia	734,304,000
Trust territories in Pacific	4,444,000
International organizations	1,126,325,000
Unspecified areas:	
Asia and Pacific [3]	3,113,623,000
Europe	11,393,213,000
Near East and Africa	1,746,502,000
South Asia [3]	
Others	402,612,000
Total	16,655,950,000
Economic-technical assistance	15,654,000

[3] Includes South Asia.

No one would challenge for one moment the motives behind the origin of this program. The nations of Europe had been devastated by the ravages of war. Their industrial potential had been largely destroyed. In the rebuilding process, our aid was badly needed. However this program began in 1948, supposedly for a 5-year period, but it has continued in force until the present day—notwithstanding the fact that many of the original recipients of aid have been balancing their budgets and reducing taxes. This situation has occurred in recent years when our own budget was running a deficit.

During these years, we have piled upon our people a taxload about equal to that of the free nations of the world combined, and a Federal debt almost twice as great as the other nations of the Free World put together. For many years, we have indulged in an unsound fiscal policy. During that time, we have piled up a Federal debt of approximately $275 billion—the greatest debt load that any nation has been called upon to bear since the dawn of history. We have seen the purchasing power of our dollar decline to a little more than 50 percent of its prewar value.

The decline of the American dollar has had a great impact upon the lives and fortunes of the American people. The value of life-insurance policies, time deposits, E, F, and G savings bonds has just about been cut in half. The misery caused the old-age pensioner and those, who with thrift, had saved something for their declining years is sad to relate.

The question today is, "Will the United States adopt a policy consistent with its resources and taxing power, or will it continue to distribute its largess to the entire world?"

In the light of facts here presented, it seems that, in addition to our efforts to make our Nation secure, we must make certain that we keep our economy strong and our currency sound. Would it not be better to think more of the homefront for a while and take a vacation from foreign-aid grants? We may be surprised how well other nations can get along without us.

Mr. BETTS. Mr. Speaker, will the gentleman yield?

Mr. McVEY. I yield to the gentleman from Ohio.

Mr. BETTS. I want to say to the gentleman that I always respect his judgment and opinion in matters of this kind. I think he has made a distinct contribution today.

Mr. McVEY. I thank the gentleman.

SCHOOL SHELTERS FOR AMERICAN SURVIVAL

The SPEAKER. Under previous order of the House, the gentleman from Oklahoma [Mr. EDMONDSON] is recognized for 45 minutes.

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, I want to talk today, for at least 45 minutes, about the life or death of America's children.

During the past few years, much more time than that has been spent on the floor of this House, in the discussion of matters affecting the health and well-being of our children.

We spent a number of hours, during the last session, talking about the problem of polio, and Government action to provide vaccine for this dread disease that has crippled so many of our boys and girls.

Many hours have also been spent in debating various ways to provide additional classrooms for children of school age.

I do not question either the wisdom or the need for these discussions and debates, and others like them, on this floor. No concern of Government is more farsighted, or sagacious, than a genuine concern for the health and safety of a nation's children.

I know in my heart that every Member of this House shares in this genuine concern, and devotes hours of study and thought to its problems.

Yet there is a field, Mr. Speaker, in which most of us in this body have too long been silent, inattentive, and irresolute.

With the exception of a farsighted few like the gentleman from California [Mr. HOLIFIELD], and the distinguished Member from Michigan [Mrs. GRIFFITHS], most of us have regarded the problem

of civil defense—and especially the problem of atomic shelters for our children—as a matter of only secondary responsibility, both for ourselves and for the Federal Government.

As a matter of fact, we have passed a law to that effect, placing primary responsibility for the entire matter of civil defense in State and local hands.

When I look at the RECORD for the 4 years and nearly 5 months that I have served in the Congress, I can find no glory and very little credit in my own position on this matter.

Nearly 3 years ago, I did take the floor to report to the House on an atomic raid drill which I had witnessed in one of Maryland's fine new schools, where two of our boys were then enrolled as students.

The sight of 6- and 7-year-old children, huddled on their knees with no protection but their own little desks, and within a few feet of tremendous glass windows surrounding the school, made an impression I have never been able to forget.

At that time, I asked this House:

> In the name of God, Mr. Speaker, must we wait until A-bomb and H-bombs begin to fall before providing adequate and safe emergency shelters for our children? It is shocking evidence of national complacency in a time of great world peril, that construction is not already completed in every target city of our Nation.
>
> The time to act on this national need is not next week, or tomorrow, but today.

That was in June of 1954, Mr. Speaker, and the Nation's school children are still waiting, on their knees and under their desks, for action by their Government's leaders.

I wish I could say that I have been hammering, at every opportunity and before every proper committee, for more attention by the Congress to this problem. The fact is, however, that I have been guilty for 3 years of the same inattention and irresolution that I have found in many colleagues.

There have been pressing problems on the part of business, on the part of our farmers, and from many other groups in the 2d Congressional District, and there has been the great disaster of a long drought, to account in part for the inattention.

There has also been the long and perhaps necessary debate on the possibility of evacuation as an answer to the dangers of atomic warfare, to account in part for the lack of resolution.

Only in recent months has it become crystal clear that the way of evacuation is the way of certain death for the great majority of our people and cannot stand alone as this Nation's answer and only alternative for atomic attack.

It was only last week, for example, that the Bureau of Public Roads advised the Federal Civil Defense Administration that road facilities alone made it impossible to move more than one-third of our city population to a point 15 miles from ground zero, with a warning time of 90 minutes before atomic attack.

Even with a warning time of 5½ hours, the Bureau reported there is absolutely no hope of exacuation of the total population in our larger cities, over present street and highway systems.

We have therefore come, Mr. Speaker, to the point which our colleague from California reached a good many months ago. On September 1, 1956, the American Legion heard these words from Congressman HOLIFIELD:

> The key to an effective civil defense * * * is a nationwide system of group shelters. Adequate shelters * * * are the one means of protection against all the effects of nuclear explosions—blasts, heat and radiation * * *. Other measures, such as evacuation and industrial dispersion, are secondary or supplemental measures.

On February 7, 1957, this same California Congressman, who has indeed been America's Paul Revere in this atomic age, had these words and this question for the Women's Forum on National Security:

> Unless we build a nationwide shelter system our other efforts, however energetic and well meaning, will come to little. * * * Casualties will be minimized only if shelters are near at hand—near enough to permit entry in a few minutes' time and equipped for 1 or 2 weeks of occupancy. * * * Our Nation has the resources for a shelter-building program. The question is not, can we afford to spend the money? We can. The question is, what will it cost in human life not to build the shelters?

And, on that point, our colleague from California also had the grim answer:

> If nuclear war comes and we do not have these shelters, it is estimated that 75 to 100 million people could be destroyed. We should start now to prevent the possibility of such a catastrophe.

Mr. Speaker, these chilling pieces of evidence are not the offhand and hasty conclusions of a single Member of this body, on the basis of casual study. The distinguished gentleman from California has been chairman of a subcommittee of the Committee on Government Operations which has been studying this problem for many, many months. In my office library are seven impressive volumes of testimony presented before this subcommittee, during hearings which continued from January 31 to June 27 of 1956.

The report of that subcommittee, submitted to this body on July 27 of last year and entitled "Civil Defense for National Survival," is one of the most thoughtful and challenging legislative reports I have ever read. To the members of the Holifield subcommittee, including the distinguished EDWARD A. GARMATZ, of Maryland; JOE M. KILGORE, of Texas; DANTE B. FASCELL, of Florida; MARTHA W. GRIFFITHS, of Michigan; WILLIAM L. DAWSON, of Illinois; CLARE E. HOFFMAN, of Michigan; R. WALTER RIEHLMAN, of New York; and GLENARD P. LIPSCOMB, of California, I want to express by personal appreciation for the great contribution represented by these hearings and this report.

In the foreword of that report, we find these initial conclusions:

> The catastrophe of nuclear war, we believe, could destroy civilization. Every effort therefore must be made to prevent such war. But until the foundations of universal peace are firmly established, other grave responsibilities must be discharged.
>
> This Nation must build and maintain, without delay, every factor of strength to deter war. The two most powerful deterrents we possess today are the military power to strike back against an aggressor's blows and the military defenses within the Nation.
>
> These military forces of offense and defense cannot guarantee that an aggressor will turn aside a mad impulse to strike. Neither can they wholly prevent the exposure of our people to death and destruction if such an attack comes.
>
> Confronted with these hard facts of the contemporary world, we must strive to increase the deterrent factors against war. The subcommittee believes that a third powerful deterrent can be created—to strengthen our capacity to substantially withstand attack, our national resiliency, by insuring the continuity of civil government and the protection of civilian life.

On the need for protection of civilian life, there is no division of opinion among civil defense or military authorities. One military witness after another, before the Holifield subcommittee, told our colleagues that effective measures for protection of our civilian population were not only urgently needed, but would also operate to reduce greatly the actual possibility of an atomic attack upon our country.

The subcommittee established under rules of this House to inquire into this problem has concurred in these conclusions.

Their chairman has submitted a bill, H. R. 2125, as a necessary first step to fix responsibility for a shelter program and effective civil defense in the Federal Government, and to establish a new Department of Civil Defense to carry out the policies of our Government in this field.

I hope we shall soon have the opportunity to vote on this bill, and to end the question of responsibility for civil defense, for all time.

Mr. Speaker, I do not believe we can afford to delay consideration of this important question until the next session.

We are passing up a priceless opportunity to strengthen our Government's hand in a critical time of negotiations on a world front, if we do not assert Federal responsibility in this field. The legislation would not only testify to our Government's resolution, but also to its readiness, to give full backing to our Nation's friends among the free men of the world. The knowledge that we are dealing from civilian readiness, as well as military strength, would be a strong argument against aggressive action on the part of any hostile nation in the future.

We are also passing up another priceless opportunity to take advantage of the many building programs now going on, all over the country, and to incorporate in this new construction the facilities necessary to provide atomic and disaster shelter for our people.

Is there any reason why a hospital should be constructed today—from which evacuation would be physically impossible for many patients under any conditions—without building into that hospital the features necessary to give protection against disaster and bombing attack?

Is there any reason why a new Federal building, or post office, should not have these protective features?

In West Germany, according to testimony before the Holifield subcommittee, laws have been enacted to require that shelter facilities be included in every new house constructed in cities over 10,000 in population—and this has been in effect since April of 1956.

Are we in the United States less farsighted, or less concerned about the safety of our people, than are the lawmakers of the West German Republic?

I do not believe that we are, but I cannot look at the new school buildings now under construction throughout the land, without being sick at heart over the lack of foresight we are showing.

Beautiful showpieces of modern masonry and glass, the new schools of our Nation are built without any regard for protection against external blast, fire, and fallout radiation from nuclear weapons. In the words of Congressman HOLIFIELD:

> The present school buildings which exist in our country today would become horrible deathtraps in the event of nuclear warfare.

And, during the coming fiscal year, we are going to build somewhere between 50,000 and 65,000 additional classrooms in our country, to meet the needs of our expanding school population, whether we pass a bill for Federal aid to education or not. Unless something is done in this Congress, many of those additional classrooms will be additional deathtraps for America's boys and girls, in the event of nuclear war or natural disaster.

Mr. Speaker, this is an opportunity and a challenge which we cannot afford to defer for another session of this body.

We do not have the authority to say, as they have said in some countries, that no building can be constructed without containing an atomic shelter.

We do have the authority, and the means, to say that we are going to establish certain Federal incentives to encourage the construction of atomic shelters to protect our people, in new buildings being provided across the country.

The logical place to begin such a program is in the Nation's schools—the same place where the polio-vaccine program was begun, a few years ago.

It would be a simple matter to provide for a program of Federal incentive payments in connection with the school-construction program in each of the 48 States, to insure that a portion of the new classroom space would meet Federal civil-defense requirements as an atomic and disaster shelter.

One architect has estimated that a Federal contribution of about $25,000, in a school with 500 enrollment, would make it possible to add bomb-shelter facilities to a multipurpose room already being constructed as an auditorium, a visual education room, a cafeteria, or a study hall.

I have talked this possibility over with school people in my section of the country, and have found them highly enthusiastic. The possibilities of the shelter for protection against tornadoes, cyclones, and hurricanes, as well as in the event of atomic attack, make it a school addition of great utility and desirability.

There is also interest and enthusiasm among the architects, who share in the apprehension over safety features of some modern school construction, in the event of disaster or bombing attack.

One well-known school architect, Mr. T. Ewing Shelton, has made available drawings of a bomb shelter easily and conveniently placed in a school of the future—and more than 200 of Mr. Shelton's Maximlite schools have been built in this country, some of them in eastern Oklahoma, but all of them without the provision of the needed shelter.

Addition of this shelter, according to Congressman HOLIFIELD, would represent "a tremendous improvement over conventional school buildings."

Some kind of shelter must be provided in these new schools, Mr. Speaker, to provide the safety which our children are entitled to in these perilous times, and also to provide a rallying point for each community that surrounds the school itself.

In order to place the issue of school bomb shelters before the House, and to stand on its own feet or as a companion measure for the Holifield bill, H. R. 2125, I have today introduced a bill which provides a formula for Federal incentives to secure construction of school bomb shelters at the earliest possible date.

I would like to ask unanimous consent to insert a copy of this bill, and a summary of its provisions, at the conclusion of these remarks.

In a few words, the proposal would authorize the Federal Civil Defense Administrator to match any local funds for schoolroom construction, on a 50–50 basis up to $50,000 of Federal funds for a single schoolroom, provided the schoolroom being constructed met Federal Civil Defense specifications for an atomic shelter. A limit of $100,000 in Federal funds is set for payment to any single school, and the bill provides an authorization of $100 million for the first year's operation of the program.

In terms of our national need, this is only a modest beginning, but it should make possible the construction of at least 2,000 shelters capable of protecting at least 1 million American school children, in the first full year of construction.

For the sake of our entire school population, and the country itself, the program should be accelerated by subsequent legislation at the earliest possible date, to provide a substantial atomic shelter on the grounds of every school in America.

If we build these shelters, and build them in time, we may never see the terror of atomic war, and we may never see them used for any purpose that is not peaceful and constructive.

If we do not build them, then we continue to place our entire faith in a military force which has told our own committees that it is physically and militarily impossible to prevent atomic attack upon our civilian population.

We also continue to place a blind and unreasonable faith in the proposition that America, for some reason or other, is immune from actual attack upon our shores—or that no enemy today will dare to begin atomic war against us.

In this regard, Mr. Speaker, the American people, and we in the Congress as well, are very much in the position of a great ostrich, with his head firmly in the treacherous and deadly sand of forgetfulness.

It seems only yesterday, in some ways, that our Nation learned a bitter and a painful lesson about the danger of underestimating a potential enemy. It was a lesson which we swore at the time, in the blood of our fallen dead, that we would never forget—and yet a lesson which we apparently have already forgotten.

I know there is not a man or a woman, gathered today in this Chamber, who cannot remember the day of December 7, 1941.

Here in Washington, D. C., it was a clear and a beautiful day.

Early in the afternoon of that day—while the sun was still rising over Pearl Harbor—I walked into a small restaurant on Connecticut Avenue to get lunch.

So long as I live, I will never forget the amazement, the shock, and the disbelief on the faces on the men and women in that restaurant, when the first news came of the bombing of Pearl Harbor.

The idea that the Japanese Nation would dare to attack the Stars and Stripes, would dare to drop bombs on American citizens, would dare to fly over American soil on a mission of destruction, was almost beyond American comprehension.

That such a deadly attack would occur in the very midst of peaceful negotiations, in our own Capitol, made the brutal fact of attack even more difficult to accept and comprehend.

As the minutes and the hours of December 7 went by, however, we heard additional facts to challenge our comprehension. We heard that Japanese planes and submarines had inflicted terrible damage upon the military forces of the United States.

We heard that the proudest and strongest units of the Pacific Fleet had been stricken. We heard that America's Air Force in the Far East had suffered crushing losses. We heard that hundreds of American citizens—in uniform and out of uniform—had lost their lives.

We heard that our Nation—despite its great military forces and the unflinching bravery of its fighting men—had not been prepared for the devastation and destruction of a sneak attack by a ruthless enemy.

In the blood and disaster of Pearl Harbor, the American people learned a tragic and terrible lesson.

We learned, all over again, that eternal vigilance is the price of liberty.

We learned, more brutally than ever before in American history, that a Nation dealing with pirates must not be surprised by acts of piracy.

We learned, all over again, the message of the Holy Scripture: "Be sober, be vigilant; because your adversary the devil, as a roaring lion, walketh about, seeking whom he may devour."

We learned that vigilance, in the dictionary sense and in a real sense, has meaning over and beyond watchfulness and caution, and also calls for provision for safety.

There was no vigilance at Pearl Harbor, in the sense of a real and watchful caution, coupled with provision for safety, and a full knowledge of the capability for evil and destruction in a bitter and determined enemy.

In the bitter days and weeks and years which followed Pearl Harbor, as the American people began the long and painful road from the valley of defeat to the heights of final victory, a new and a strong resolution was born in the hearts and minds of our citizens.

I believe that resolution can be stated in a simple phrase: "There shall never be another Pearl Harbor."

I do not question today, in the hearts and minds of all who listen to me here, the continued vitality of that resolution.

The determination to prevent another Pearl Harbor has led this Nation of ours to appropriate vast treasure, during the last 11 years, to support and maintain a mighty military organization.

We have spent billions of dollars to provide the fastest airplanes, the most powerful Navy, the most effective radar, a tremendous system of overseas bases and early warning devices.

We have created one of the greatest deterrents to aggressive attack the world has ever known, the Strategic Air Command, a coiled and ready fighting force capable of incredible retaliation from the air.

Patiently and bravely, the American people have paid the bills for these great forces of modern vigilance, in a ceaseless effort to prevent another Pearl Harbor.

If the wheels of military science had come to a stop on December 7, 1941, these remarks in 1957 would neither be necessary nor in order.

The state of American preparedness today is more than adequate to meet the dangers of 1941. From the standpoint of military readiness, and of military caution, we are stronger today than we were in 1941.

From another standpoint, however—from the standpoint of provision for safety—we are many times more vulnerable than we were in 1941.

The lesson of Pearl Harbor does not have real significance today, in this year of 1957, unless we add to that lesson another even more terrible lesson: the lesson of Hiroshima and Nagasaki.

In the flames and ashes of Hiroshima and Nagasaki, a new dimension was added to war in the 20th century. In the short time that it takes for a terrible explosion to send its cloud of dust and flesh into the air—the line of battle and danger was shifted from the Far Pacific to Main Street, United States of America.

Within 24 hours after the explosion at Nagasaki, the military leaders in every major capital were aware of a great new truth, the first axiom of atomic war: every man, woman, and child in a warring nation must now be considered available targets for the enemy.

The wheels of military science did not stop with the terrifying juggernaut of Hiroshima.

In a short time, as the knowledge of atomic science grew like Frankenstein's monster, we had atomic weapons many times as powerful as the bombs that shattered the Japanese people.

Then, on a dark day for all mankind, a new and even more terrible monster was created—the thermonuclear weapon, or hydrogen bomb.

In a single weapon, the men of war now have in their hands a destructive power and force greater than all the bombs which were dropped from the first hour to the last day of World War II.

With only 16 of these weapons, an Air Force general has been quoted, every large city in Europe can be wiped from the face of the earth.

In the same way, and with the same weapons, every city in America can also be wiped from the face of the earth—and the line of battle and danger therefore comes to pass from Main Street, U. S. A., to Elm Street, and Mulberry Street, and the street where you live, and street where I live.

It is for this reason, Mr. Speaker, that I speak today about a great and a terrible void in the state of preparedness of our Nation—a vacuum in our condition of vigilance which could mean a Pearl Harbor in every community of our beloved land, if something is not done about it.

Vigilance in 1957, I repeat once again, does not only mean military preparedness and caution, but it also means provision for safety.

In a world where women and children are now military targets, what provision for their safety has America made?

Can we face the world today, where another brink of war may be just beyond the horizon, and say with confidence: "There shall never be another Pearl Harbor"?

Can we look into the cold and implacable faces of the men who rule the Kremlin, and say with certainty: "These men will never dare to do what the leaders of Imperial Japan dared to do, in 1941"?

Can we read the bloody record of Poland, and Czechoslovakia, and Hungary, and Korea, and say with any assurance: "These men will never dare attack the Stars and Stripes"?

Mr. Speaker, we deal today, on the diplomatic front, with a group of international pirates every bit as dangerous, and unprincipled, and ruthless, as those we dealt with in 1941.

In the godless ideology of communism, we are confronted by a devil that also walks about the world "as a roaring lion, seeking whom he may devour."

If we fail to recognize this elemental fact, if we fail to measure and to comprehend the full capability for evil and destruction in Soviet communism, and if we fail to make full provision for safety against the danger of atomic attack—then we as legislators in this great hall are not the true sons of men and women who gave us the American heritage.

Let us, therefore, get on with the job of providing the vigilance that is the true price of America's precious liberty—and make provision for the safety of our people, in full recognition of the constitutional responsibility we all share.

The Constitution was enacted to "secure the common defense" of all the people, and to this Congress was given the responsibility of "all laws necessary and proper" to provide for that defense, and repel invasion.

We are late, Mr. Speaker, but with God's help we are not too late to live up to that responsibility.

For the sake of our children, and our neighbor's children, let us take the first step with provision for shelters in the Nation's schools, and let us take that step without further delay.

A bill to authorize Federal assistance to the States and local communities in financing a program of atomic and disaster shelters in the Nation's schools

Be it enacted, etc.,

SHORT TITLE

SECTION 1. This act may be cited as the "School Shelter Construction Act of 1957."

FINDINGS AND PURPOSE OF ACT

SEC. 2. The Congress finds that there is a serious and urgent need for atomic and disaster shelters in the Nation's schools requiring emergency action on the part of the Federal Government. It is the purpose of this act to provide a program for the solution of this problem by authorizing incentive payments to State educational agencies, for assistance on a grant basis to communities where this type of assistance can be most effectively utilized, as determined under priorities established by the State and approved by the Federal Civil Defense Administrator after consultation with the Secretary of Health, Education, and Welfare.

TITLE I—PAYMENTS TO STATE EDUCATIONAL AGENCIES

Authorization of appropriations

SEC. 101. There is hereby authorized to be appropriated for the fiscal year beginning July 1, 1957, not to exceed $100 million for making payments to State educational agencies under this title.

Allotments to States

SEC. 102. From the total funds appropriated for any fiscal year pursuant to section 101, the Administrator shall allot to each State an amount which bears the same ratio to the total funds so appropriated as the school-age population of the State bears to the total of the school-age population of all the States. As used in this section, the term "school-age population" means that part of the population which is between the ages of 5 and 17, both inclusive, as determined on the basis of the most recent estimates certified by the Secretary of Commerce.

State plans

SEC. 103. (a) Any State which desires to accept the benefits of this title shall submit to the Administrator through its State educational agency, a State plan which shall—

(1) provide that the State educational agency shall be the sole agency for administering the plan;

(2) set forth a program under which funds paid to the State under this title will be expended solely for school-shelter construction projects approved by the State educational agency;

(3) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State under this title; and

(4) provide an opportunity for a hearing before the State educational agency to each local educational agency within the State which applies for approval of a construction project under this title.

(b) The Administrator shall approve any State plan and any modification thereof

which complies with the provisions of subsection (a), but shall not finally disapprove any State plan or modification thereof without first affording to the State educational agency reasonable notice and opportunity for a hearing.

(c) Whenever the Administrator after reasonable notice and opportunity for hearing to the State educational agency, finds that—

(1) the State plan approved under this section has been so changed that it no longer complies with the provisions of subsection (a), or

(2) in the administration of the plan there is a failure to comply substantially with any such provision, he shall make no further reservations under section 104 (b) for projects in the State, and no further payments for any project directly affected by such failure, until he is satisfied that there is no longer any such failure to comply, or if compliance is impossible, until the State repays or arranges for the repayment of Federal funds which have been diverted or improperly expended. After notice as provided in this subsection to any State, the Administrator may suspend further reservations of funds for projects in the State, pending the making of findings under this subsection.

Payments to States

SEC. 104. (a) Payments under this title shall be made to those State educational agencies which administer approved plans and which furnish statements to the Administrator in accordance with this section. Each such statement shall set forth one or more projects approved by the State educational agency under the plan, the estimated cost of each such project, and the amount which the State educational agency desires to be paid for each project out of the State's allotment.

(b) Payments under this title shall not exceed 50 percent of the construction cost of the schoolroom meeting requirements for a shelter as defined in this act, and shall not exceed the sum of $50,000 for a single room, nor the sum of $100,000 for a single school building.

(c) Except as provided in section 105, the Administrator shall issue to each State educational agency furnishing a statement in accordance with subsection (a), a commitment reserving, out of the State's allotment, for each project included in the statement, the amount requested by the State educational agency for that project. The Administrator shall change any amount so reserved upon request of the State educational agency and receipt of an amended statement from such agency, but only to the extent the change is not inconsistent with the other provisions of this title. The Administrator shall pay the amount reserved to the State educational agency, through the disbursing facilities of the Department of the Treasury, upon certification by the State educational agency that the financing of the remainder of the cost of construction of the project has been arranged. Funds so paid shall be used exclusively to meet the cost of constructing the project for which the amount was reserved.

(d) If any project for which one or more payments have been made under this section is abandoned, or is not completed within a reasonable period determined under regulations of the Administrator, the State to which such payments were made shall repay to the United States, for deposit in the Treasury of the United States as miscellaneous receipts, the amount of such payments or such lesser amount as may be reasonable under the circumstances (as determined by agreement of the parties or by action brought in the Federal district court for the district in which such project is located).

Matching by States and local communities

SEC. 105. The administrator may issue or modify a commitment under section 104 only if the amount to be reserved under the commitment, plus any amounts paid or to be paid under other commitments previously issued under this title to the same State educational agency, does not exceed one-half of the sum of (1) the cost of constructing the project in question and (2) the total cost of constructing the projects for which such other commitments have been issued, and if the State educational agency certifies that the remainder of the cost of constructing the project in question will be paid out of funds other than funds paid by the administrator under Public Law 815, 81st Congress, as amended. Until actual construction costs are available, cost determinations under this section shall be made on the basis of the estimates furnished under section 104 (a).

Judicial review

SEC. 106. (a) If any State is dissatisfied with the administrator's final action under section 103, such State may appeal to the United States district court for the district in which the capital of the State is located. The summons and notice of appeal may be served at any place in the United States. The administrator shall forthwith certify and file in the court the transcript of the proceedings and the record on which he based his action.

(b) The court shall have jurisdiction to affirm the action of the Administrator or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the appropriate United States court of appeals and the Supreme Court of the United States, as provided in sections 1291 and 1254 of title 28 of the United States Code.

TITLE II—GENERAL PROVISIONS

Definitions

SEC. 201. For purposes of this act—

(1) The term "Administrator" means the (United States) Federal Civil Defense Administrator.

(2) The term "State" means a State, Alaska, Hawaii, Puerto Rico, Guam, or the Virgin Islands, except that for purposes of title I it also includes the District of Columbia, American Samoa, and the Canal Zone.

(3) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the governor or by State law.

(4) The term "State school-financing agency" means the single agency, official, governmental entity, or instrumentality of a State, designated or established by the State for purposes of this act.

(5) The term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of free public education in a city, county, township, school district, or political subdivision in a State; and includes any State agency which directly operates and maintains public schools or provides assistance for institutions having as a primary purpose the education of children under 18. If a separate public authority has responsibility for the provision or maintenance of school facilities for any local education agency or the financing of the construction thereof, such term includes such other authority.

(6) The term "schoolroom," except as otherwise provided herein, means classrooms and related facilities such as visual education rooms, band rooms, cafeterias, auditoriums, workshops and laboratories (including initial equipment, machinery and utilities necessary or appropriate for school purposes), for education which is provided as elementary or secondary education, in the applicable State, at public expense and under public supervision and direction, or in any institution having as a primary purpose the education of children under 18, for which the State provides funds and recognizes eligibility for shelter construction; and interests in land (including site, excavation, grading and improvement) on which such facilities are constructed.

(7) The terms "constructing" and "construction" mean the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, improving, or extending school facilities; and the inspection and supervision of the construction of school facilities.

(8) The term "shelter" means a room so planned and constructed as to provide protection against external blast, fire, and fallout radiation from nuclear weapons, as well as protection from other known types of explosion, tornado, hurricane, cyclone, and windstorm, and meeting standards and specifications established by the Federal Civil Defense Administration for such construction.

Utilization of other agencies

SEC. 202. In administering the provisions of this act, the Administrator is authorized to utilize the services and facilities of any agency of the Federal Government and, without regard to section 3709, as amended, of the Revised Statutes, of any other public or nonprofit agency or institution, in accordance with agreements between the Administrator and the head thereof. Payment for such services and facilities shall be made in advance or by way of reimbursement as may be agreed upon by the Administrator and the head of the agency or institution concerned.

Appropriation for Administration

SEC. 203. There are hereby authorized to be appropriated for each fiscal year to the Federal Civil Defense Administration and Department of Health, Education, and Welfare such sums as may be necessary for the administration of this act.

Delegation of functions

SEC. 204. The Administrator may delegate to any officer or employee of the Federal Civil Defense Administration any of his functions under this act except the making of regulations.

Assurance against Federal interference in schools

SEC. 205. In the administration of this act, no department, agency, officer, or employee of the United States shall exercise any direction, supervision, or control over the personnel, curriculum, or program of instruction of any school or school system.

SUMMARY OF PROVISIONS OF SCHOOL SHELTER CONSTRUCTION ACT OF 1957

The bill recognizes the urgent need for immediate construction of atomic and disaster shelters in the Nation's schools, both for provision of safety for our children and as a deterrent to atomic warfare.

It authorizes an initial appropriation of $100 million in Federal funds as incentive payments to the States for construction of shelters in the Nation's schools, providing for 50-50 sharing of actual shelter costs, up to a maximum of $50,000 Federal participation in a single shelter, with a ceiling of $100,000 Federal contribution to a single school.

Shelters constructed under the act would provide protection from explosion, tornado, hurricane, cyclone, and windstorm, in addition to protection against external blast, fire, and fallout radiation from nuclear weapons, under standards established by the Federal Civil Defense Administration. Many additional school and community uses could be made of the shelters.

Federal interference with personnel, curriculum, or program of instruction of any school or school system is prohibited under the act.

The bill places in the States the authority to allocate the funds to schools within their boundaries, requiring the States to formulate plans subject to approval by the Federal Civil Defense Administrator, after consultation with the Secretary of Health, Education, and Welfare.

Primary objective of the bill is the early construction of needed shelter facilities, and the States are given wide latitude as to multipurpose uses of the shelters and eligibility of participating schools in the program.

1957 goal is at least 2,000 shelters capable of protecting 1 million American schoolchildren, in the first year of construction under the act.

While this is admittedly a modest start falling far short of the Nation's need, it is a start, recognizing immediate budgetary problems as well as the need for wider public support for a more realistic program.

Unless there is an early and substantial improvement in world conditions, the program should be expanded by subsequent legislation at the earliest possible date, to provide for at least 10,000 shelters a year with the widest possible geographic and strategic distribution.

Added to strongly maintained and balanced military forces, an adequate national shelter program offers our best hope that no enemy will dare to launch an atomic attack upon the United States.

Should this hope fail, the shelters could mean the vital difference between life and death for this Republic, and for the American people.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to my distinguished colleague, the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Speaker, I first want to compliment the gentleman from Oklahoma [Mr. EDMONDSON] for the thought that he has given to the subject of civil defense in our Nation. Secondly, I want to thank him for the kindly references he has made to the Subcommittee on Military Operations which has spent the better part of 18 months studying this problem. I also want to thank him for the several different times that he has appeared on the floor and talked on the subject of civilian defense. Sometimes I feel that we are living in an unreal world when we are spending some $35 billion to $40 billion a year in military offensive and defensive measures and, yet, we are ignoring the factor of nuclear attack on our people. The best testimony before our subcommittee from members of the Chiefs of Staff and other expert military people has been that it would be impossible to forestall a partial breakthrough of enemy bombers coming in with nuclear bombs against the populated centers of our Nation. It is true that we would knock down a certain percentage of those bombers, but a great percentage of them—over half of them, according to the expert testimony—would get through. This means then that notwithstanding the fact that we are spending some $40 billion a year in military expenditures, we are still unable to protect the people in our populated centers.

The big cities would be the target areas of the Nation, and the object of enemy attack by an enemy nation. If that be true, it would seem only logical then that we would turn to the problem which faces us, namely, the problem of preserving the lives of our people in case such an event should come to pass. To those who say that this will never occur, I can only say prayerfully that I hope it will never occur, but I would point out to them the fact that this Congress is annually authorizing expenditures on the basis of the possibility that an enemy might attack this country with nuclear weapons. So, if there is no possibility of us being stricken by enemy attack, then we are wasting $40 billion a year and if there is a possibility, then it seems to me we would be well repaid to use our efforts and our thought and our judgment to establish an element of protection for the lives of our people and our school children, which has so concerned the gentleman from Oklahoma in his address. Referring to this latter part of building at least new schools in such a way that the children will have a chance of survival, I was very much intrigued and interested by the sketches which the gentleman has here, the originals of which I have seen, and which a firm of architects has described as what they seem to think would be an answer or at least a partial answer to this problem.

Now, without passing complete approval on the sketches that we have before us, but in comparing them with the types of buildings which we have today, and in which our children are going to school, I think it would be the judgment of anyone who had studied this problem that these sketches which provide for underground shelters and underground schoolrooms or aboveground corridors covered with concrete and with a thickness of 3 feet of earth, would fulfill the requirements which the tests out in Nevada have, to a certain extent, made known to us as being required, if we are going to have protection from radiation. This type of shelter which they envisage would also protect the children from the blasts and heat of atomic hydrogen weapons, providing they were not near to what we call the ground zero point of explosion.

It is true that people in most any kind of a structure that would be immediately under the point of explosion would be casualties. It is also true that for a distance of a mile and a half or 2 miles from the point of explosion of even a 10-million-ton TNT bomb you would start gaining in the saving of lives. It is estimated by Atomic Energy Commissioner Dr. Libby, who appeared before our committee, that all life would be extinguished above ground for 10 to 14 miles from zero in the explosion of a 10-million-ton bomb. Shelters can be built so that we would start gaining lives from 1½ to 2 miles from point zero, and from there out to 12 miles and even far beyond that, because the fire and blast effects would die out, but you would still have the danger of radioactive fallout. Dr. Libby testified before our committee that in the test in the Pacific in which the Japanese fishermen were burned—and incidentally they were some 80 miles from the point of explosion—that there was an area of 7,000 square miles which was contaminated with deadly radioactive fallout. This would be a strip of territory some 70 miles wide and 100 miles long. So you see that the downwind radioactive fallout from these bombs have even more lethal danger to them than that in the immediate explosion area, because it covers so much wider territory.

This is a subject which of course is very important and is very near to the interest of the gentleman from Oklahoma as it is to me. I want to compliment the gentleman from Oklahoma on bringing to the House his thoughts on this subject, and particularly the fact that he has introduced a bill which would make it possible for the Federal Government to assist some of these schools in Federal aid, provided we do have a Federal aid bill. I have studied his bill carefully, and I have requested from him permission to put in an identical bill along this line, which shows beyond any doubt how firmly I am convinced that the gentleman's bill is really a good bill. I do hope he will maintain his interest in this matter and that there will be some legislative action on these various bills for the civil defense of the people of our Nation.

Mr. EDMONDSON. I thank the gentleman very much and recognize that he speaks from the authority of long experience and study in this field.

I am also very grateful that he is introducing an identical bill to the one which I have introduced today, as a first step toward providing urgently needed shelters for our people.

I might say by way of correction of an impression that may have been created by one of the gentleman's concluding statements, that this bill is not dependent upon the Federal aid to education bill, but could stand and is intended to, as an independent measure, if necessary.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I am glad to yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. I think the gentleman from Oklahoma has rendered a real service to the Nation by speaking as he has this afternoon in the House concerning a very grave question. Sometimes I feel that the question he has discussed is so vast that it leaves a feeling of helplessness in the mind of the average Congressman, a feeling of "What is the use? There is nothing that can be done about it." But I do feel that the gentleman has suggested that there is decidedly something which the Nation can do about this matter.

One need have no other experience than watching a comparatively small atomic bomb explode, as many of us have in the past, to realize what great damage one of these new hydrogen bombs would do in comparison; and I would like to compliment the gentleman, Mr. Speaker, for doing what he is doing today, trying to awaken Congress to the need for something of this nature.

Mr. EDMONDSON. I am specially grateful to the gentleman for his kind remarks and for the interest he has taken in the subject.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from California.

Mr. HOLIFIELD. Shortly after the gentleman brought the architects who

were responsible for drawing these plans in connection with school construction to my office for me to look over their detailed plans, I arranged for them to have an interview with Dr. H. L. Bowman—he is the Civil Defense liaison engineer consultant of the Atomic Energy Commission—and a Mr. Lawrence Moore, who is the Acting Assistant Director for Architects and Engineers of the Division of Construction and Supply.

The reason why I wanted them to have this appointment with these people was for them to have the opportunity of showing their drawings and their plans for these school buildings, because I thought this in a way would be the test of the validity of their plans.

Without making the statement that these gentleman from the Atomic Energy Commission have approved these specific plans, I will say that they were impressed very much. I received a letter from the Atomic Energy Commission in regard to this appointment. One of the key thoughts of it to which I wish to call attention is these words, "the whole proposal makes sense"; in other words this has been so well thought out that these men in the Atomic Energy Commission who are dealing with construction and engineering recognize the saving qualities for human life that would be involved in this type of school-shelter proposal. I understand also from these same architects that they maintain they can build this type of school without any appreciable additional cost over the conventional type of school construction. Is that not true?

Mr. EDMONDSON. That is my understanding. I do, however, want to agree with the gentleman from California that while neither of us is here to champion any particular design, we feel that a service has been rendered by any architect who is willing to devote his time and interest to this problem and to present actual designs for study by our Atomic Energy and military officials.

Mr. HOLIFIELD. I can say that neither of us has any personal interest in this. The design is not patented. It is available to any school for study. Their own architects and engineers can alter it to meet local needs and situations. It has occurred to me that it might be especially valuable in the tornado and hurricane districts where there is need for this type of shelter.

Mr. EDMONDSON. I think the gentleman makes a very good point there, too.

I may say that the gentleman from California has been joined by the gentleman from Florida [Mr. BENNETT] and another gentleman from California [Mr. SISK] in the introduction of identical bills and several other Members have expressed an intention to introduce similar bills tomorrow.

ADMISSION OF MASSACHUSETTS LAWYERS TO PRACTICE BEFORE THE SUPREME COURT OF THE UNITED STATES

The SPEAKER pro tempore (Mr. HOLIFIELD). Under previous order of the House, the gentle lady from Massachusetts [Mrs. ROGERS] is recognized for 3 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I should like to express my great approval of the very fine and able and patriotic speech of the gentleman from Oklahoma [Mr. EDMONDSON], a great soldier and a great legislator.

I heed, and I hope all will heed, the warning. I, myself, cautioned against Japan and against Germany before World War II on the floor of Congress. I know very well that the country as a whole did not expect Japan to strike us, and so we were not prepared. I stated that both Japan and Germany understood only one thing and that was strength and preparedness. So I take special pleasure in thanking the gentleman from Oklahoma for his very fine remarks.

I am so very glad that the 41 very splendid women jurists from Massachusetts who were admitted to practice law before the Supreme Court today are in the gallery and had the pleasure and privilege of hearing his speech. At luncheon they had the pleasure and privilege of listening to a very fine and stirring address by a great soldier and tireless worker for national defense and fighter against communism by the majority floor leader [Mr. MCCORMACK] and an eloquent fighting speech stressing the price we must pay for a strong national defense if we are to maintain national peace, by our able and great minority floor leader and former Speaker [Mr. MARTIN].

We are very fortunate in having two such strong men from Massachusetts as our leaders in the Congress.

Mr. McCORMACK. Mr. Speaker, would the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I shall be very glad to yield to the gentleman.

Mr. McCORMACK. Mr. Speaker, I am very glad to join with the gentlewoman from Massachusetts in her appropriate expressions concerning this fine group of lawyers from Massachusetts who were admitted to practice today in the Supreme Court of the United States. It was a pleasure for me to participate at the luncheon that the distinguished gentlewoman from Massachusetts [Mrs. ROGERS] gave.

I should also like to state publicly on the floor of the House again what I have stated so many times both here and outside this Chamber, and what I stated downstairs in talking to the distinguished members of the Massachusetts bar, now members of the bar of the Supreme Court of the United States, that the gentlewoman from Massachusetts [Mrs. ROGERS] is one of the greatest Americans and one of the outstanding legislators I have ever served with.

Mrs. ROGERS of Massachusetts. I am overwhelmed. I thank the gentleman sincerely. He is always most gracious and kind. It was a great meeting downstairs and a great speech on the floor. The Chief Justice of the Supreme Court told the women jurists that they were the largest group of women from any State ever to be admitted to practice law in the Supreme Court of the United States.

He also said that they made a very fine appearance. The House can well imagine our great pride in these able lawyers and great patriotic Americans.

DIFFICULTY IN RECRUITING COMPETENT POST OFFICE PERSONNEL

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, the post office in St. Louis, Mo., has been having considerable difficulty in recruiting competent personnel to fill the existing vacancies. This has been going on for some time. It is my understanding that this problem is not confined to the St. Louis area, but is actually national in scope.

The situation is serious and requires an objective analysis to determine what is the matter. St. Louis is not an area of overemployment, although the market for competent employees is quite competitive.

Some have suggested that the civil-service examinations required are too difficult. I set forth the reports for examinations for the period of March 1956 to April 1957:

1. Number scheduled for examinations, 12,855.[1]

2. Number reported for examinations, 9,275, or 72 percent.

3. Number passed examinations: (a) clerks, 838, 9 percent of item 2 (0.090); (b) carriers, 445, 5 percent of item 2 (0.048), 14 percent.

Further breakdown of item 3 (a) (clerks): number requesting parttime only, 190; number female eligibles, 64; total, 254. Total clerks, 838, minus 254, leaves 584.[2]

Five hundred and eighty-four represents actual number of eligibles who were contacted for full-time substitute career clerks. This figure is equal to 6 percent (0.063) of the number who have participated in examinations.

4. This office at present has 300 vacancies in the clerical roster: Regular positions unfilled, 140; substitute positions unfilled, 160; total, 300.

5. Substitute carrier rosters filled and approximately 150 eligibles on carrier register.

6. It is felt that shortages in the clerk roster can be mainly attributed to night work and scheme study.

Others have stated that the postal service does not offer the same advantages paywise and as a career that exists in private employment for commensurate skills. Certainly it appears from an analysis of the skills needed in the postal service compared with the same type skills in private employment that the postal service in a high cost area like St. Louis is not in a competitive position either in starting salaries or in overall career possibilities.

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[1] Represents number of persons scheduled in 129 separate examinations. As of date of this report (April 19, 1957) examinations are being held twice daily, 5 days a week.

[2] Figure of 584 indicates eligibles who have been appointed or are not available. Clerk eligible register as of this date (April 19, 1957) is exhausted.

The House Post Office and Civil Service Committee has before it several bills dealing with the employment practices in the postal service. One set of bills has to do with proposed salary increases. One set has to do with union recognition. One set has to do with increases in retirement benefits. Apparently nothing is being done in the Committee on any one of these subject matters.

It certainly behooves the Federal Government not only to have good employment practices itself but it actually should be a leader rather than a tardy follower of private enterprise. There was a time when a career in the postal service was a mark of distinction. Perhaps this is still true although the old-time postal workers as well as the newer ones state that this is no longer so. Certainly the recruitment experiences in St. Louis in the past few years indicate that it is no longer true. This has serious implications for the future, not only of the people who have embarked upon careers in the postal service, but also for the public which counts upon speedy, efficient and courteous service from the Postal Department.

I am satisfied that the basic error in the employment practices of the Post Office Department is the failure to recognize and deal with union leaders of the postal employees' own choosing. I cannot understand why the postal unions have not received full and adequate recognition long before now. The union leaders have been fair in their approach by recognizing a basic truth that there can be no right of strike against the Federal Government. For the workers not to have the right through representatives of their own choosing to discuss employment practices with those who are responsible for administering the postal service is not only archaic, but stupid. The people who best know working conditions and who best can give suggestions for improving them are the workers themselves. I have many times stated that if unions did not exist smart management would create them as a part of good employment organization.

The basic problems that exist in the wage scales of the postal employees seem to arise from the fact that wages in the postal service are fixed on a national basis, and that job classifications are likewise national in scope. The reclassification of jobs is a never-ending one in a well-run modern-day organization. With automation moving at the pace it moves, constant reclassification becomes even more significant. Workers' organizations are of the greatest help in carrying on this task of reclassification. Yet the Federal postal service does not avail itself to any real extent of the help that the unions could give them in this area.

Recently, the Postmaster General took public exception to the $58 million cut in the Post Office Department's fiscal 1958 budget. In that budget was a request for 15,000 additional employees, an increase of 3 percent over last year's employment figure. Yet over the past few years the Pose Office Department has received appropriation for much new machinery and equipment designed, it was stated, to increase the productivity of the employees. The House Appropriations Committee report and hearings reveal that productivity in the postal service has increased markedly, as a result of the acquisition of this new machinery and I presume the adoption of new techniques. Certainly if there has not been a marked increased productivity, further explanation is in order from the Post Office Department on this matter.

Yet with increased productivity and an increase in only 1 percent of the mail to be handled along with a decrease in other services rendered by the Post Office Department, the Postmaster General requested the Congress to increase his employees by 3 percent. There has been no explanation of this request to date other than the statement that in certain areas, notably the suburban areas, there has been considerable increase in population. But in other areas there has been a decline of population. In rural areas there have been consolidations of post offices and substitutions of rural routes for others, thus releasing employees. The population increase over the last year has been less than the 3-percent increase in personnel requested by the Postmaster General.

The point of all this is that in private enterprise when there has been an increase in productivity of the employees through the use of new and better machinery and working techniques the employees rightfully come in for some of the gain derived therefrom by the way of increased wages and salaries. So our postal workers should come in for an increase based upon increased productivity if we are to have a good and modern set of employment practices.

Rather than get into the many details of good employment practices at this time, I prefer to again emphasize that recognition of unions of the workers' own choosing is the best way to be certain that the new techniques in employment practices are adopted and utilized by the Post Office Department. It is no wonder to me that we have not gone as far and as fast as private enterprise in the postal services with the archaic benevolent despotism existing under the present procedures. Our postal workers in effect have not been permitted to participate in making the postal service better and more efficient as have employees in private enterprise through the technique of good and strong labor unions led by dedicated and forward-looking labor leaders.

Finally, I would say a word about economy. The basic purpose of economy in the Federal Government is to preserve the integrity of the purchasing power of the dollar. The basic reason for preserving the purchase power of the dollar is to preserve the living standards of our people, particularly those who are dependent upon fixed pensions and wage scales for their income and have no capital investment with which they can hedge against inflation. Now if we are going to economize on the salaries of the people in the Federal Government we defeat the very purpose of the overall economizing. We adversely affect the standard of living of this large block of American people. The last place to economize in the Federal Government is in the salaries and wages of our Federal employees. For another reason, too, that economizing on peoples' salaries is not the road to further efficiency in the performance of their jobs.

Many of the postal employees in the St. Louis area have to hold down two jobs, to the detriment I might state of the efficient performance of both, and a detriment to the very concept of the 40-hour week. Yet to make ends meet to maintain their standard of living they must do this.

I am sending a copy of these remarks to the Postmaster General as well as the chairman of the Post Office and Civil Service Committee. I think we can greatly improve the employment practices in the Federal Government. The place to begin is in union recognition. Once the representatives chosen by the Federal employees are recognized by our Federal administration, I am satisfied that we will improve the Federal Service constantly so that once again service in the United States Post Office Department will be a mark of distinction.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. COAD (at the request of Mr. MCGOVERN), for the balance of the week, on account of official business.

Mr. SIKMINSKI (at the request of Mr. HOLIFIELD), for Monday and Tuesday, May 20 and 21, 1957, on account of death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. BAILEY, for 45 minutes, on tomorrow.

Mr. KEATING, for 30 minutes, on tomorrow.

Mr. EVINS, for 40 minutes, on tomorrow.

Mrs. ROGERS of Massachusetts, for 5 minutes, today.

Mrs. ROGERS of Massachusetts, for 5 minutes, on tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. BENTLEY and to include the text of the report on his recent visit to Poland.

Mr. JENSEN and to include a speech.

Mr. COLMER (at the request of Mr. BAILEY) and to include extraneous matter.

Mr. CRAMER and to include extraneous matter.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 413. An act to provide for transfer of title to irrigation distribution systems constructed under the Federal reclamation laws upon completion of repayment of the costs thereof; to the Committee on Interior and Insular Affairs.

S. 768. An act to designate the east 14th Street highway bridge over the Potomac River at 14th Street in the District of Columbia as the Rochambeau Memorial Bridge; to the Committee on the District of Columbia.

S. 999. An act authorizing the Secretary of the Interior to convey certain land to the State of North Dakota for the use and benefit of the North Dakota State School of Science; to the Committee on Interior and Insular Affairs.

S. 1556. An act granting the consent of Congress to the States of Montana, North Dakota, South Dakota, and Wyoming to negotiate and enter into a compact relating to their interest in, and the apportionment of, the waters of the Little Missouri River and its tributaries as they affect such States, and for related purposes; to the Committee on Interior and Insular Affairs.

S. 1794. An act to amend section 6 of the act approved July 3, 1890 (26 Stat. 215), relating to the admission into the Union of the State of Idaho by providing for the use of public lands granted therein for the purpose of construction, reconstruction, repair, renovation, furnishings, equipment, or other permanent improvements of public buildings at the capital; to the Committee on Interior and Insular Affairs.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 4897. An act making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On May 16, 1957:

H. R. 1544. An act to provide for the conveyance of certain real property of the United States situated in Cobb County, Ga., to the trustees of the Methodist Church, Acworth, Ga.

On May 20, 1957:

H. R. 4897. An act making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes.

ADJOURNMENT

Mr. EDMONDSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 2 minutes p. m.) the House adjourned until tomorrow, Tuesday, May 21, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

860. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Tennessee Valley Authority for the fiscal year ended June 30, 1956, pursuant to the Government Corporation Control Act (31 U. S. C. 841) (H. Doc. No. 178); to the Committee on Government Operations and ordered to be printed.

861. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill relating to the procedure for altering certain bridges over navigable waters"; to the Committee on Public Works.

862. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (5) of the Immigration and Nationality Act of 1952; to the Committee on the Judiciary.

863. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to Public Law 863, 80th Congress; to the Committee on the Judiciary.

864. A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation entitled "A bill to authorize certain persons to wear the uniform of a Reserve Officers' Training Corps"; to the Committee on Armed Services.

865. A letter from the Comptroller General of the United States, transmitting a report on the review of the Housing Authority of Jacksonville, Fla., May 1956, Public Housing Administration, Housing and Home Finance Agency, pursuant to the Housing Act of 1954, approved August 2, 1954 (42 U. S. C. 1435); to the Committee on Banking and Currency.

866. A letter from the Comptroller General of the United States, transmitting a report on the review of the Housing Authority of the City of Charleston, S. C., April 1956, Public Housing Administration, Housing and Home Finance Agency, pursuant to the Housing Act of 1954, approved August 2, 1954 (42 U. S. C. 1435); to the Committee on Banking and Currency.

867. A letter from the Secretary of the Treasury, transmitting copies of a quarterly report to the Congress on the progress of liquidation of the Reconstruction Finance Corporation to March 31, 1957; to the Committee on Banking and Currency.

868. A letter from the Secretary of Labor, transmitting recommendations relative to the financial reports and other information filed with the Secretary of Labor by labor organizations under subsections (f) and (g) of section 9 of the National Labor Relations Act, as amended; to the Committee on Education and Labor.

869. A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation entitled "A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes"; to the Committee on Government Operations.

870. A letter from the Acting Archivist of the United States, transmitting a report on lists or schedules covering records proposed for disposal by certain Government agencies, pursuant to the act approved July 6, 1945 (59 Stat. 434); to the Committee on House Administration.

871. A letter from the Secretary of Commerce, transmitting a report on war risk insurance and certain marine and liability insurance for the American public for the period as of March 31, 1957, pursuant to Public Law 763, 81st Congress; to the Committee on Merchant Marine and Fisheries.

872. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of the orders granting the applications for permanent residence filed by the subjects, pursuant to section 6 of the Refugee Relief Act of 1953; to the Committee on the Judiciary.

873. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (1) of the Immigration and Nationality Act of 1952; to the Committee on the Judiciary.

874. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 26, 1957, submitting a report, together with accompanying papers and illustrations, on a cooperative beach erosion control study of Santa Cruz County, Calif., prepared under the provisions of section 2 of the River and Harbor Act approved July 3, 1930, as amended, and supplemented (H. Doc. No. 179); to the Committee on Public Works and ordered to be printed with four illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FRAZIER: Committee on the Judiciary. House Concurrent Resolution 117. Concurrent resolution to commemorate the quadricentennial anniversary of the establishment of the first settlement in Florida; without amendment (Rept. No. 463). Referred to the House Calendar.

Mr. COOLEY: Committee on Agriculture. H. R. 6814. A bill to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products; without amendment (Rept. No. 465). Referred to the Committee of the Whole House on the State of the Union.

Mrs. GREEN of Oregon: Joint Committee on the Disposition of Executive Papers. House Report No. 466. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KILDAY: Committee on Armed Services. H. R. 7505. A bill to permit a retired officer of the Navy to be employed in a command status at Port Lyautey, Morocco; without amendment (Rept. No. 464). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 or rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. EDMONDSON:

H. R. 7621. A bill to authorize Federal assistance to the States and local communities in financing a program of atomic and disaster shelters in the Nation's schools; to the Committee on Armed Services.

By Mr. BENNETT of Florida:

H. R. 7622. A bill to authorize Federal assistance to the States and local communities in financing a program of atomic and disaster shelters in the Nation's schools; to the Committee on Armed Services.

By Mr. HOLIFIELD:

H. R. 7623. A bill to authorize Federal assistance to the States and local communities in financing a program of atomic and disaster shelters in the Nation's schools; to the Committee on Armed Services.

By Mr. SISK:

H. R. 7624. A bill to authorize Federal assistance to States and local communities in financing a program of atomic and disaster shelters in the Nation's schools; to the Committee on Armed Services.

By Mr. GUBSER:

H. R. 7625. A bill to amend the Federal Voting Assistance Act of 1955 to provide for the transmission and forwarding under such act of ballots, sample ballots, and other election material from governmental sources; to the Committee on House Administration.

By Mr. BERRY:

H. R. 7626. A bill to provide for the sale of certain lands to the Rosebud Sioux Tribe in South Dakota; to the Committee on Interior and Insular Affairs.

By Mr. HYDE:

H. R. 7627. A bill to amend title II of the Social Security Act to include Maryland among the States which may obtain social security coverage, under State agreement, for State and local policemen and firemen; to the Committee on Ways and Means.

By Mr. MASON:

H. R. 7628. A bill to amend part III of subchapter O of chapter 1 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. O'HARA of Illinois:

H. R. 7629. A bill to amend title IV of the National Housing Act, as amended (12 U. S. C. 1726), relating to insurance of savings and loan accounts, and to amend section 5 (1) of the Home Owners Loan Act of 1933, as amended (12 U. S. C. 1464), relating to termination of insurance of accounts; to the Committee on Banking and Currency.

By Mr. O'NEILL:

H. R. 7630. A bill to amend the Postal Field Service Compensation Act of 1955 to establish four longevity steps for postal field service employees, to accelerate the granting of longevity step increases, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BERRY:

H. R. 7631. A bill to provide for the sale of certain lands to the Oglala Sioux Tribe in South Dakota; to the Committee on Interior and Insular Affairs.

By Mr. PATTERSON:

H. R. 7632. A bill to amend the Federal Insurance Contributions Act to provide that, in determining whether two-thirds of the employees of a nonprofit organization have signed the waiver certificate required for social security coverage, employees covered by a State or local retirement system shall not be counted; to the Committee on Ways and Means.

By Mr. PELLY:

H. R. 7633. A bill to make the Civil Service Retirement Act amendments of 1956 applicable to certain persons who retired under the automatic separation provisions of the Civil Service Retirement Act prior to the enactment of such amendments; to the Committee on Post Office and Civil Service.

By Mr. REUSS:

H. R. 7634. A bill to increase the normal tax and surtax exemption, and the exemption for dependents, from $600 to $700, without inflation, and to reduce the percentage depletion for natural resources; to the Committee on Ways and Means.

By Mr. SCOTT of Pennsylvania:

H. R. 7635. A bill to permit one-half of the budget surplus for any fiscal year to be applied against the public debt and to provide that one-half of such surplus shall be applied as tax credits against individual income taxes; to the Committee on Ways and Means.

By Mr. SIKES:

H. R. 7636. A bill to provide for the conveyance to the State of Florida of a certain tract of land in such State owned by the United States; to the Committee on the Judiciary.

By Mr. SMITH of Wisconsin:

H. R. 7637. A bill to amend the Internal Revenue Code of 1954 to provide that recorded mechanic's liens shall have priority over unrecorded liens for Federal taxes; to the Committee on Ways and Means.

By Mr. TALLE:

H. R. 7638. A bill to amend the Small Business Act of 1953; to the Committee on Banking and Currency.

By Mr. THOMPSON of New Jersey:

H. R. 7639. A bill to create a Supply and Service Administration as a Department in the Department of Defense, to provide that at least 25 percent of the procurement contracts by the Administration shall be let to small business, to protect the Government's interest in certain patent rights, and for other purposes; to the Committee on Armed Services.

H. R. 7640. A bill to amend the act of August 31, 1956, to extend the time within which the report required by that act shall be made by the President's Advisory Commission on Presidential Office Space; to the Committee on Public Works.

By M. THOMSON of Wyoming:

H. R. 7641. A bill to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended, in order to promote the development of coal on the public domain; to the Committee on Interior and Insular Affairs.

By Mr. UDALL:

H. R. 7642. A bill to change the method of computing basic pay for members of the uniformed services, to provide term retention contracts for Reserve officers, and for other purposes; to the Committee on Armed Services.

By Mr. VAN PELT:

H. R. 7643. A bill to permit Cheddar cheese imported from foreign countries for the purpose of exhibition at the international Cheddar cheese scoring contest, to be held at Fond du Lac, Wis., to be admitted without payment of tariff, or subject to quota limitations, and for other purposes; to the Committee on Ways and Means.

By Mr. WITHROW:

H. R. 7644. A bill to amend the Trade Agreements Extension Act of 1951 with respect to escape clause procedure, and for other purposes; to the Committee on Ways and Means.

H. R. 7645. A bill to provide for the release of restrictions and reservations contained in instrument conveying certain land by the United States to the State of Wisconsin; to the Committee on Armed Services.

H. R. 7646. A bill to repeal the cabaret tax; to the Committee on Ways and Means.

By Mr. ZABLOCKI:

H. R. 7647. A bill to amend title II of the Social Security Act to provide that a widow who loses her entitlement to benefits by remarriage may, if otherwise eligible, become entitled immediately upon such remarriage to wife's insurance benefits on the basis of her second husband's wage record; to the Committee on Ways and Means.

By Mr. McCONNELL:

H. J. Res. 335. Joint resolution directing that the financial reports and other information filed with the Secretary of Labor pursuant to subsections (f) and (g) of section 9 of the National Labor Relations Act, as amended, be made available to the public; to the Committee on Education and Labor.

By Mr. SCHWENGEL:

H. J. Res. 336. Joint resolution to establish Civil War Centennial Commission; to the Committee on the Judiciary.

By Mr. ENGLE:

H. Con. Res. 176. Concurrent resolution authorizing the printing as a House document of certain material relating to the Central Valley project of California, and providing for additional copies; to the Committee on House Administration.

By Mr. THOMPSON of New Jersey:

H. Res. 258. Resolution to express the sense of the House with respect to procurement by the Department of Defense from small-business concerns; to the Committee on Armed Services.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to hunting and fishing on military reservations in California; to the Committee on Armed Services.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to give consideration to leasing or giving control to the Parker Dam County Recreation District the lands located within the boundaries of said district; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States relative to House Concurrent Resolution No. 1083, relating to the property on which Tyndall Air Force Base Reservation is located in Bay County, Fla.; to the Committee on Armed Services.

Also, memorial of the Legislature of the State of Minnesota, memorializing the President and the Congress of the United States to repeal excise taxes levied on the transportation of persons and property by common and contract carriers; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Missouri, memorializing the President and the Congress of the United States relative to going on record as endorsing the salary adjustment for postal employees commensurate with that in private industry; to the Committee on Post Office and Civil Service.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to provide for a Federal contribution to the Hawaiian home loan fund and for other purposes; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to amend the Hawaiian Organic Act so as to raise the maximum debt limitation; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 7648. A bill for the relief of Jennie Alpern and daughters Berthe F. and Bellina F. Alpern; to the Committee on the Judiciary.

By Mr. ASHLEY:

H. R. 7649. A bill for the relief of Thomas Samuel Minott; to the Committee on the Judiciary.

By Mr. BROWNSON:

H. R. 7650. A bill to provide for the sale of the Lockefield Gardens housing project to the Board for Fundamental Education, and for other purposes; to the Committee on Banking and Currency.

By Mr. CRETELLA:

H. R. 7651. A bill for the relief of Christos H. Skapoulis; to the Committee on the Judiciary.

By Mrs. GRANAHAN:

H. R. 7652. A bill for the relief of Religiosa Luigia Frizzo, Religiosa Vittoria Garzoni, Religiosa Maria Ramus, Religiosa Ines Ferrario, and Religiosa Roberta Ciccone; to the Committee on the Judiciary.

By Mr. GRIFFIN:

H. R. 7653. A bill for the relief of Otto Gray; to the Committee on the Judiciary.

By Mr. HENDERSON:

H. R. 7654. A bill for the relief of Richard M. Taylor and Lydia Taylor; to the Committee on the Judiciary.

By Mr. JUDD:

H. R. 7655. A bill for the relief of Alice Eirl Schaer (Mi On Lee); to the Committee on the Judiciary.

By Mr. LANKFORD:

H. R. 7656. A bill for the relief of Lt. Comdr. William E. Farrell, United States Naval Reserve, retired; to the Committee on Armed Services.

By Mr. McCONNELL:

H. R. 7657. A bill for the relief of Robert N. Jordan; to the Committee on the Judiciary.

By Mr. O'HARA of Illinois:

H. R. 7658. A bill for the relief of Mrs. Misao Obata; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H. R. 7659. A bill for the relief of James Edward Bundgaard; to the Committee on the Judiciary.

H. R. 7660. A bill for the relief of Dan Hill; to the Committee on the Judiciary.

By Mr SMITH of Virginia.

H. R. 7661. A bill for the relief of Dolores Cocke Moyano; to the Committee on the Judiciary.

By Mr. YOUNG:

H. R. 7662. A bill for the relief of Jimmie Thurmond; to the Committee on the Judiciary.

By Mr. ZELENKO:

H. R. 7663. A bill for the relief of Julio Alberto Chorie Alamo; to the Committee on the Judiciary.

By Mr. PATTERSON:

H. R. 7664. A bill for the relief of Dr. Carmela Maria Torre; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

247. By the SPEAKER: Petition of the executive director, commissioners, roads and revenue, Brunswick, Ga., petitioning consideration of their resolution with reference to endorsing a salary schedule for postal employees commensurate with that in private industry and which will give adequate recognition of the increased productivity of postal employees; to the Committee on Post Office and Civil Service.

248. Also, petition of the president, the Panama Canal Society of Chicago, Highland Park, Ill., petitioning consideration of their resolution with reference to urging enactment of legislation providing for the creation of an Independent Interoceanic Canals Commission to study and review all the problems involved in the matter of increased capacity for the canal, with recommendations in the premises; to the Committee on Merchant Marine and Fisheries.

249. Also, petition of the secretary, Roanoke Bar Association, Roanoke, Va., petitioning consideration of their resolution with reference to approving passage of H. R. 9, and H. R. 10; to the Committee on Ways and Means.

250. Also, petition of the secretary, Curley Creek Grange, Southworth, Wash., petitioning consideration of their resolution with reference to requesting their Congressional delegation in Washington to put up a relentless fight for the building of the Hells Canyon Dam; to the Committee on Interior and Insular Affairs.

EXTENSIONS OF REMARKS

Improper Activities in the Labor or Management Field

EXTENSION OF REMARKS

OF

HON. JOHN L. McCLELLAN

OF ARKANSAS

IN THE SENATE OF THE UNITED STATES

Monday, May 20, 1957

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a copy of a letter I received from the American Civil Liberties Union under date of May 15, 1957; a copy of my reply, dated May 18, 1957; and a news article which was published as a result of the letter I had received.

There being no objection, the correspondence and article were ordered to be printed in the RECORD, as follows:

AMERICAN CIVIL LIBERTIES UNION,
New York, N. Y., May 15, 1957.

The Honorable JOHN L. McCLELLAN,
Chairman, Select Committee on Improper Activities in the Labor or Management Field, Washington, D. C.

DEAR SENATOR McCLELLAN: Because of the American Civil Liberties Union's long-established concern about the abuses of democratic rights within labor unions, we have followed the proceedings of the Select Committee with great interest. Since 1942, when we prepared our first study on the subject, we have endeavored to have these abuses corrected. We believe that, as the labor movement has assumed a major position in our society, it is vital for it to assume the responsibility which comes with this status by safeguarding its members' intraunion rights of free speech, fair trial, and nondiscrimination.

So, when the select committee was appointed, we favored the investigation as leading possibly to an improved observance of democratic practices within the labor movement. We felt that this issue is a proper area of Congressional investigation, as information is needed before Congress can consider whether remedial legislation is necessary. We have also been glad to note the AFL–CIO's firm action toward removal of unethical practices, and hope this will aid internal democracy too.

We present this background because we do not wish the following comments to be misconstrued as an attack on the committee's objectives, for we are in accord with its purpose. In fact, our concern is that the committee's occasional lapses from fair procedure may lessen its contribution in the important field of internal union democracy. Granting the committee's frustration over the refusal of some witnesses fully to disclose information pertinent to its inquiry, we are sure you will agree that procedures violative of due process should not be used to achieve the desired objective.

We refer to two specific examples: the first concerns the recall of Dave Beck, president of the Teamsters Union, as a witness following his Federal indictment for income-tax evasion; and the second concerns your statement at a hearing, reported in the New York Times of March 28, following Beck's refusal to answer questions about misuse of union funds, "I don't know any word to describe it less than theft."

These examples, in our opinion, raise the disturbing question of the committee's functioning as a judicial body whose purpose is to convict, rather than a legislative body whose purpose is to gain information to assist in the framing of legislation. The decision as to guilt is a criminal matter to be determined in court, where all the judicial safeguards may apply in the course of a regular criminal trial. We do not believe it is within the purview of Congressional committees to make findings of guilt or innocence. It is this blurring of the line between judicial and legislative functions that aroused public opposition to the probes of Congressional bodies investigating communism in recent years. The problem is amplified in this instance when a witness is already under indictment and must stand trial in our courts.

We want to emphasize that we offer these comments not in defense of Mr. Beck or the Teamsters Union, but in defense of vital civil liberties principles which need constant affirmation, particularly when the power of Government is being exercised. To repeat our original statement, the good work and objectives of the committee can be jeopardized if procedures which invade constitutional guaranties are not fully observed. We respectfully urge that future hearings will not be marked by departures from the principles of due process.

Sincerely yours,

PATRICK MURPHY MALIN,
Executive Director.

MAY 18, 1957.

Mr. PATRICK MURPHY MALIN,
Executive Director, American Civil Liberties Union, New York, N. Y.

DEAR MR. MALIN: This acknowledges your letter of May 15.

The committee recalled Mr. Beck to testify for the purpose of giving him an opportunity to deny, refute, or explain the derogatory evidence the committee had received against him. Do you claim that is a violation of "civil liberties"? Had he not been recalled and given that opportunity, then no doubt you would have charged the committee was unfair and only willing to hear one side—, the testimony against him—without giving him an opportunity to defend himself or explain his actions.

Regarding your other complaint, may I say that the committee has not convicted Mr. Beck of any crime, although it is my belief that he has committed many criminal offenses. As an American citizen, as a Member of Congress, and as chairman of this Senate select committee, I reserve the right to express my views regarding testimony developed before the committee. That is a "civil liberty" I have not surrendered and do not intend to relinquish.

Sincerely yours,

JOHN L. McCLELLAN,
Chairman,

CIVIL LIBERTIES UNION RAPS ATTACK ON BECK

The American Civil Liberties Union today hit out at a remark by Senator JOHN McCLELLAN, Democrat, of Arkansas, that Dave Beck's handling of Teamster Union funds was theft.

The union wrote to Senator McCLELLAN that it approved the purpose of an investigation of Beck by a special Senate committee

of which Senator McCLELLAN is chairman. But it said the investigation has been marked by lapses of fair procedures.

Among these, the union said, was the Senator's comment, "I don't know any word to describe it but theft," in reference to Beck's use of teamster money. "The decision as to guilt is a criminal matter to be determined in court," the civil liberties group said.

Jefferson-Jackson Day Dinner Address by Hon. Wayne Morse, of Oregon

EXTENSION OF REMARKS

OF

HON. PAT McNAMARA

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Monday, May 20, 1957

Mr. McNAMARA. Mr. President, I send to the desk a copy of the address delivered by the able and distinguished senior Senator from Oregon [Mr. MORSE] at a Jefferson-Jackson Day dinner in Detroit, Mich., on Saturday, May 18, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

LET'S JOIN THE ISSUES

(Remarks by Senator WAYNE MORSE to Jefferson-Jackson Day Dinner, Detroit, Mich., May 18, 1957)

Governor Williams, reverend clergy, Senator McNAMARA, Lieutenant Governor Hart, my Congressional colleagues, all Democratic officials, and fellow Democrats, it is a high honor to be invited to speak to a Jefferson-Jackson Day dinner in Detroit, Mich., particularly at a time when the Democratic Party in this State is rising to a zenith of power and prestige that is almost unmatched elsewhere in this country. Your great Governor Williams has demonstrated an ability unusual in American politics, and that is a capacity not just to win an unprecedented number of terms in office for himself, but to lead his entire party to success in his State.

It is a great privilege to me to be at the meeting with my good friend PAT McNAMARA. He can close his ears for a minute while I talk about him. In 1954 I campaigned for PAT McNAMARA in Michigan. I knew I was campaigning for a true liberal, a fine man, and a great Democrat. His record in the Senate proves I was right. Pat is doing a wonderful job for Michigan and the Nation in the Senate of the United States. In my book of political qualifications for high office PAT McNAMARA rates with the best. He personifies courage. He inspires me with his honest independence of judgment. He has brains and please remember that there is no substitute for brains in public service.

Pat enjoys and deserves the esteem and respect of the Senate. Start reelecting him now because it is very important to Michigan and the country that he be kept in the Senate for many years to come.

It is not often that politicians do more than achieve their own success at the polls and in public affairs. It is rare, indeed, as American election statistics show, when the popularity of a candidate can be transferred to other candidates in sufficient numbers to help them win elections, and it is even more rare when a popular leader can sustain the gains of his party even when he is not on the ticket.

Governor Williams has been able to achieve that for the same reasons that a very few other State and National leaders have achieved it—because he has personified a program and policy of government that has served the general welfare of his State. He has brought vitality and liberalism to the Democratic Party in Michigan and made the party the true servant of the people. As a result its candidates have been elected to more State and local offices than Democrats have ever held in your State before.

I am proud to say that we have been making the same record in Oregon. Last fall we not only held the Senate and House seats we Democrats already had, but gained 2 more of Oregon's 3 Republican Congressional seats; we captured the statehouse, the lower house of the State legislature, and gained a tie with Republicans in the State senate, so that Democrats in Oregon, too, now hold more State and local offices than ever before in history.

Much has been made of the strong showing by our party in the Pacific Northwest last fall in face of the Eisenhower vote. I want to talk to you about the reason for that success, which is the same, I think, as the reason underlying your great victories here in Michigan.

Our example to the party nationally is essentially that in neither State have we provided Eisenhower and his administration with their political clothes, nor have we permitted Eisenhower to pose as a liberal while he carries out the traditional Republican policies of economic royalism. In both States Democrats have drawn the issues clearly and have taken their stand on the side of the welfare of the people and against Eisenhower's Republican policies of economic favoritism and special privilege. Thus I selected as my subject Let's Join the Issues.

Michigan has an outstanding example from its own history of why a party gains popular support and another party loses it. In the 1840's and 1850's the two national parties reached a complete stalemate on the most searching issue of the age—human slavery. The result was indecision, compromise, and evasion by the parties of an issue that was choking to death the American experiment.

As party conventions met and party platforms were drafted, they avoided coming to grips with the great issue of whether the institution of chattel slavery should be extended into the free territories. They sought to evade, to straddle, and to compromise on what was then the most divisive and paralyzing paradox of American life.

The Whig Party did not even survive its failure to face up to that issue. As its leadership hedged and compromised, its rank and file and its voting strength drifted away into new political organizations.

The State of Michigan helped give birth to the strongest and clearest voice that emerged from that welter of the 1850's. I understand that Wisconsin and Michigan dispute the actual founding of the Republican Party, but there existed in both States the desire for a political party through which firm and uncompromising opposition to the expansion of slavery could be expressed. A few candidates ran under the Republican label in 1854; in 1856 it offered the major opposition to the Democrats for the Presidency; by 1860 it captured the White House from a shattered and disorganized Democratic Party that had wound up with two candidates and two platforms.

I need not come to Michigan to relate to you the history of your State, but I would point it out to you as a graphic reminder of the futility of compromise on the great issues of human freedom and progress by a political party and the necessity for positive and unequivocating party policies. As a footnote to history, let me add that it was a declaration by independent Democrats in 1854 that furnished the greatest impetus to the founding of the Republican Party here in the Midwest. "Demagogs may tell," they wrote, "that the Union can be maintained only by submitting to the demands of slavery. We tell you that the Union can only be maintained by the full recognition of the just claims of freedom and man. The Union was formed to establish justice and secure the blessings of liberty. When it fails to accomplish these ends, it will be worthless, and when it becomes worthless it cannot long endure."

The same might well be said of a party, and of the Democratic Party. One hundred years ago, a strong stand for the just claims of freedom and man brought the Republican Party to the heights of power within 6 years of its founding. The failure to take such a stand ruined the Democratic Party for a generation and nearly caused its destruction.

It is to the credit of our party that it survived those years of political cowardice and impotence, which terminated in a shameful defense of human slavery and disunion. We should be proud of the fact that our party was able to recapture the tradition of Jefferson and Jackson, and to become again the symbol and vehicle of human progress in America.

That was because the Democratic Party remained, basically, the party of the workingman, the farmer, and the small-business man and under Cleveland, Woodrow Wilson, Roosevelt, and Truman it emerged in its best tradition. Where we dodge or equivocate on the great economic and social issues of our day, when we fail to stand for the general welfare of the American people and for programs needed to push back the limitations on human freedom, when we give aid and comfort and political support to a morally corrupt Eisenhower administration, we fail the true, historic mission of the Democratic Party and do not earn or deserve the support and votes of the people.

When we stick by our basic principles of fighting for the interests and welfare of all the American people, we have won elective office. I think that is the great lesson the national Democratic Party can learn from Michigan and from the Northwest.

We have opposing us in Washington a typically reactionary Republican administration, despite the new labels that are pasted on it, all the way from dynamic conservatism to Modern Republicanism. All of them boil down to synthetic idealism when it comes to an examination of what the administration is actually doing. On the great economic issues of today, on natural resources, interest rates, and on tax policies, the Eisenhower administration has proved over and over again that its purpose is to promote not the general welfare, but the welfare of the investor and profiteer. A study of American political history would show that the genuinely modern Republicans were Lincoln, Teddy Roosevelt, Gifford Pinchot, and George Norris; the Eisenhower administration's claim to being modern rests solely on chronology, and has no relationship whatever to development or historical progress.

I know of no more serious or far-reaching issue on which our party must draw the line against the Eisenhower administration and take forthright leadership than on that of conservation and preservation of our natural resources, of which water is among the most important.

Let us never forget that water is the greatest nourishment of the civilization of any nation. When I talk about conservation and full development of the natural resources of our great river basins—the Tennessee, the Missouri, the Columbia, and the rest, I am talking about the need for maintaining a high water table in order that we may maintain a high level of civilization. Without water, human and plant life is impossible. Lack of adequate water has doomed whole areas that once flourished. In the strife-torn Middle East, for example, there was four times the amount of land

under cultivation in Roman times as there is today.

It is urgent that the dimensions of our water problem be recognized, for it takes years and decades to achieve the means of adequate multipurpose water development. I predict that as our population grows, and our industry becomes more extensive, we will find that the adequacy of our water systems will be the ultimate limitation upon our capacity to grow.

It is within man's power to waste water or use it to the full. The most fearful waste is that which permits the destruction of sources of water by failure to protect watersheds and the irresponsible pollution of our God-given streams. The Democratic Party should carry the fight to the Republican Party on the water resources issue, because the Eisenhower administration has already made a sorry record against the future generations of American boys and girls by its various proposals for underdevelopment in our Nation's river basins. Its phoney partnership plan, for example, selling out the people's heritage of their own water rights to private utilities, will result in the cheating of future generations out of a full enjoyment of the maximum economic potentials of our river basins.

There can be no compromise of the principles inherent in this issue. I hold no brief for any Democrat in the Congress of the United States who gives aid and comfort and support to the Eisenhower administration's underdevelopment proposals because it is only through comprehensive development that we can protect the water rights of future generations, and assure the greatest benefits to the greatest number of our people.

We will make progress on comprehensive development when there is adequate recognition of the public interest, and protection is given it without evasion or equivocation.

The project that best dramatizes the water resource issue is the great Hells Canyon Dam issue. I am sure that none of you came to this meeting expecting to go home without hearing me mention this issue. I do so with great political relish, because it is one of the many Achilles' heels of this Republican administration.

The Hells Canyon Dam symbolizes the great difference between the private utility-controlled Republican administration of President Eisenhower and the program for the future of forward-looking Democrats.

The power to be generated at site and which Hells Canyon would make possible downstream will make possible new private enterprise with new plants and the businesses which spring up to serve new industrial communities. What the supporters of high Hells Canyon Dam want is a transfusion of low-cost power for a more vigorous private enterprise economy. A more balanced local economy will be achieved as population, with new purchasing power, grows. There will be a larger market for regional farm products and the manufactured wares of the whole country. This new economic vitality will be good for the whole country.

The Nation's farmers needs the new low-cost phosphate fertilizer which low-cost Hells Canyon power alone can make possible to the fullest extent. Farmers from the west coast to as far east as Ohio would benefit because cheap power from Hells Canyon Dam would make possible full use of the phospate deposits of Idaho and Utah, greater production of high concentrates of phosphate fertilizer, and reduced costs of fertilizers. Farm organizations owning phosphates beds in Idaho and Utah cannot now proceed with their plans for development because of the lack of an assured power supply at less than 4 mills per kilowatt-hour. Hells Canyon Dam site is uniquely situated within economic transmission distance of this great phosphate resource, and power from the dam can be made available at wholesale costs of approximately 3 mills, permitting full utilization of the phosphate beds.

Farm cooperatives through the West and Midwest expect to utilize Idaho-Utah phosphates, provided low enough power rates are available. Farmers in these regions could thereby save between $15 to $18 per ton for fertilizer. The combination of Hells Canyon power with the Idaho phosphate deposits has long been considered feasible, and as a result, the indirect benefits could be very large in the conservation of national phosphate and sulfur resources, encouragement of greater use of fertilizer, better soil conservation, and great yields per acre of food and fiber.

It does not take much foresight to know that in but a few decades our growing population will need a more abundant food supply. Expansion of agricultural capacity will require expansion of irrigation and reclamation. Even Interior Secretary Seaton has warned of that need.

That expansion cannot be accomplished economically without the historic aid of public power revenues for irrigation and reclamation projects. In Idaho and eastern Oregon especially, the future of irrigation and reclamation depends upon Hells Canyon as a Federal project. In 1953, when Secretary McKay withdrew former Secretary Chapman's opposition to the application for licenses by the Idaho Power Co., he mentioned that other possible dams might be pressed into service to provide power revenues for irrigation. Those alternatives are disappearing under the administration's resources policies. So-called partnership makes no provision for aid to irrigation.

These are the reasons why I am convinced that the Democratic Party has a great duty to oppose the political expediency of the Eisenhower administration in the field of natural resources, and to do it now by authorizing the Federal high Hells Canyon Dam. What Congress does or fails to do, and what the administration does or fails to do will have long-range and permanent effects. The floods and power shortages of the future, the economic consequences of full development or underdevelopment cannot be undone once the pattern is set. An inadequate low private utility dam built by the Idaho Power Co. cannot be repealed. A gerrymandered river cannot be reclaimed.

The Democratic Party must draw this issue of water conservation and full development of river basins with the Republican Party in a fight to the finish. We are right, and the voters will so decree in 1958 and in 1960 if we give no quarter, and stop providing the Eisenhower administration with the votes that will give away the people's heritage in their own natural resources which include th Hells Canyon Dam site.

A second issue which the Democratic Party must carry to the people of the country is fiscal policy—the tight-money policy the Republicans put into effect just 9 days after they took office in 1953. I have a lot of first-hand knowledge of this subject because I was the first to raise my voice in protest. Yet despite all the opposition put up since then against rising interest rates, and despite the fact that time and experience have proved we were right to oppose it, the administration has done nothing to reverse it.

The exercise by the Eisenhower administration of its executive discretion in fixing interest rates has shown these results: First, small business, which finances expansion mostly by borrowing instead of from profits as big business does, must now pay so much more to borrow that half the small and medium-sized companies which had bank credit lines in March of 1955 had been cut off by March of 1956; second, the rate of business failures has risen from 29 per 10,000 enterprises in 1952 to 48 per 10,000 in 1956. The Cabinet member who said in 1953 that "Big business is back in the saddle" was absolutely right. The depressed condition of small business proves that he was right.

The high interest rate policy of the Eisenhower administration is a throw-back to Republicanism of old—of McKinley and Coolidge—regardless of what is done to peddle it under the name of "Modern" Republicanism. It is a policy that lines the pockets of bankers, investors, and big-business men, and brings ruin to farmers and small-business men. Already, the Pacific Northwest has shown the effects of this policy in declining employment, and so have other sections of the country.

To many, the terminology of this economic issue is not dramatic, and lacks political sex appeal, but in my judgment, it is one of the most critical of all economic issues because if the tight money policy continues unchecked, it can put the country right back where the last Republican administration put it—in a first-class economic depression. The Treasury Secretary may very well be right when he says the country faces a depression that will curl our hair, but he cited the wrong reason. If one does occur, it will be as a result of his own tight money policy, and his tax policy of favoritism for big business.

An old, old issue that plagues the Nation and therefore the Democratic Party, too, because of the very fact that we are a national party, is that involving civil rights. I am not one to stand up in Detroit, or in Chicago, or in Cleveland, or New York and point to the South and say that that region of the country is the one that must start assuring its racial minority of equal protection of law, and social and economic opportunity. But I do say that the Democratic Party must show the way, and to the extent that we fail to do so, we fail the people and do not deserve their support.

The day when an eligible voter can be intimidated, or otherwise denied the exercise of this basic right of participation in self-government, belongs to the historic past. It is abhorrent to every principle on which our Nation is founded, and is therefore equally abhorrent to the principles of our party. That practice must be attacked wherever it occurs, and the voting privilege protected vigorously by all three branches of the Government.

Equivocation on suffrage and on equal protection of the law is intolerable and inexcusable, and will lose for the Democratic Party the confidence of millions of Americans who have every right to expect strong leadership from us. If we fail them, they will be right to turn away from the Democratic Party.

There are many other issues on which we must demonstrate leadership founded on the great moral principle of the Constitution that the objectives of our Government are the establishment of justice, the securing of liberty, and promotion of the general welfare. It is not enough that we work for the specific legislative and administrative proposals for farmers, working people, and small-business men that we have championed over many decades. There are new and confusing challenges we must come to grips with, such as the revolution in industrial and employment patterns as a consequence of automation, and whether the marvelous potential of power from atomic energy is to be put to its maximum use for all the people, or monopolized for private profit.

But above all, we must not compromise our party by compromising our principles. The examples of betrayal of the public trust by the Eisenhower administration in natural resources, in its domination by big business with continuing business interests, and its neglect of the people's need for help in the fields of education, civil rights, and social and employment security are already on record.

Let there be no equivocation or timidity in taking this record to the American people. When they know the facts about it, and when we have proved that we are the party of America's future, we will find that we have earned their votes on election day.

Armed Services Day Speech of Hon. John C. Stennis

EXTENSION OF REMARKS

OF

HON. WILLIAM M. COLMER

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1957

Mr. COLMER. Mr. Speaker, on Saturday last—May 18—on the occasion of Armed Services Day, the Honorable JOHN C. STENNIS, Senator from Mississippi, made a most impressive, thought-stirring, and logical address on the observance of this important day at Keesler Air Force Base, Biloxi, Miss.

Senator STENNIS, a member of the important Armed Services Committee of the United States Senate, in my judgment logically and appropriately pointed out that our Military Establishment is a two-edged sword. It can destroy as well as protect us. In the words of this able Mississippian:

The cost of maintaining the military preparedness necessary to insure our freedom can destroy the very freedom we seek to protect.

Again, he said:

We, as a nation, must learn to build and maintain our Military Establishment within the limits of our economy to absorb its frightening cost.

Mr. Speaker, at a time when the country is most conscious of the necessity for cutting unnecessary expenditures and at the same time obtain some relief from an all-peacetime-high taxation program, we think these sentiments are sound. Moreover, as we have repeatedly pointed out during the past decade, "Russia neither wants war nor peace." She is following the doctrine laid down by Lenin that the way to destroy the United States is to make it spend its way into bankruptcy.

Therefore, Mr. Speaker, we commend the statement of this outstanding Mississippian and express the hope that the Congress can and will make reasonable and justifiable cuts in this lion's share of the budget along with the other cuts that are being made. We think it can be done without in any wise weakening the Nation's defense.

Senator STENNIS' speech in full is as follows:

TWO STRIKING TRUTHS

First, I want, for myself, for Mississippi and the Nation, to commend the Army, Navy, Marine Corps, and the Air Force; the career men and the inductees; the officers and the enlisted men; the Reserves of each branch of the Service and our National Guard. In keeping with the finest traditions of American military service, they are doing their job in a manner in which all of us are rightfully proud. Our faith and trust in them is well placed; their record is the best. They are unequaled in courage, willpower, self-discipline and honor.

We, the people of America, who have the most at stake, owe them more than does any other country, in gratitude and appreciation. All the free world's people share this debt of gratitude, for our servicemen are the vanguard and the guardian of the world's peace and freedom.

Armed Forces Day is the day specifically set aside for them. No day of national recognition and acclaim is more deserving. When their sacrifices are considered, it is small homage indeed. I want to assure them here and now, however, that the heartfelt thanks of the American people are no less sincere on the other 364 days of each year.

The task they face is that of being the front line of world leadership.

This position, world leadership, neither sought nor wanted, was thrust on us—the youngest major power in the world. As a result of the catastrophic losses suffered by Great Britain and France in World War II, we suddenly found ourselves in a position we were not prepared to meet. We emerged from that war as the leading and most powerful nation in the world. We did not ask for this role, nor fully recognize its awesome responsibilities when it came. We are not accustomed to carrying its burdens; we do not have the centuries of diplomatic experience nor the trained personnel to meet this problem with assurance. Our way may have been faltering, but it has had no selfish motive. We have no aggressive aims to be furthered by its continuance.

It is to our credit, as the youngest major world power, that we realized the situation in time to salvage freedom and to protect ourselves. We have rapidly and soundly built the necessary military strength to meet the requirements of this new position in world affairs.

As a measure of the results we have achieved, and as a note of reassurance, let me give you the following outline of our striking power:

For the Army, the next year will see a strength of about 1 million officers and men, organized into 17 divisions, 9 regimental combat teams, 127 antiaircraft battalions, and a number of newly organized atomic support units; the Army Reserve will number 297,000 men in 1958.

Current plans for the Navy provide for 675,000 officers and men who will be assigned to 1,000 ships. A shipbuilding program includes construction of a nuclear-powered aircraft carrier and guided missile ships, 15 nuclear-powered submarines. Some 150,000 men will be included in Naval Reserve personnel.

The Marine Corps will have its 3 marine divisions and 3 air wings for a total of 200,000 men, equipped with a variety of atomic weapons.

By 1958 the Air Force will have its 128 wings. The B-36 bomber wings are being rapidly replaced by all-jet B-52 bombers. The KC-135 jet tanker production program will be continued. To man these planes there is a strength of 925,000 officers, enlisted men and cadets, with 80,000 Air Reserve personnel and 73,000 Air National Guardsmen. We have extensive radar warning networks.

The Air Force will be 50 years of age August 1 of this year, and in that period has grown from the initial order for a 3-man group "to study the flying machine and the possibility of adapting it to military purposes" to an organization requiring $17.7 billion annually for operations.

On January 16, 1957, three B-52 bombers completed nonstop flights around the world in 45 hours and 19 minutes, refueling in flight. They conclusively demonstrated that they can range to any target assigned anywhere in the world. This bomber can climb to over 50,000 feet and fly more than 650 miles per hour. The world's first supersonic bomber will soon be added as a member of the Strategic Air Command bomber team.

New research aircraft afford a glimpse of the manned aircraft of tomorrow. The X-1A has obtained a speed of over 1,650 miles per hour and flown an altitude of over 90,000 feet.

The guided missile, which I shall not undertake to discuss in detail, forecasts more perhaps than any other single weapon what the Air Force of the future will be like. The era of manned aircraft is not over, but the era of the unmanned missile in warfare is very much at hand.

What is the practical effect of this program in a world daily threatened by the inroads of international communism? Threats of a war in the Formosan area were not stopped by mere passage of a Congressional resolution. That resolution gave the approval of Congress to the continuous patrol of that area by two Navy aircraft carriers; deterring a new "brush fire war" by Communist aggressors in that troubled part of the world. All is quiet on the Formosan front.

The presence of the Sixth Fleet in the Mediterranean Sea, fully powered with all modern weapons, is the strong, silent force which has brought some stability to the Middle East. Without the presence of such a force, and the firm declaration by the United States in the Middle East Resolution, that area would probably already have been taken over by our adversaries.

From these instances in recent history, it is apparent that the United States has to maintain a strong military program—stronger than any other nation—and inferior to no combination of powers in the world.

So long as the international situation continues to be tense we must continue to be the mightiest military power. At the same time, to allay the fears of the neutrals, we must reemphasize that we build purely for the defense of freedom—never for aggression. Our granting the Philippines independence and conferring Commonwealth status on Puerto Rico have underscored this. No free nation need stand in fear of the United States.

This, then, is our obligation to ourselves and to the world: To maintain freedom's strongest arm.

But the cost of maintaining the military preparedness necessary to insure our freedom can destroy the very freedom we seek to protect.

For the year 1958, Congress has been requested to appropriate $38.5 billion directly to the Department of Defense for our largest peacetime military budget in history. This is more than 50 percent of the entire budget and does not include amounts for atomic energy development, foreign military aid, and other defense-connected items.

To illustrate the full impact of the increased cost of our vast military machine, the B-17 bomber used during World War II cost $250,000; the B-36 in use in the 1940's cost $3 million; the B-52 approaching use today costs $8 million. A World War II fighter cost $50,000; the present jet fighter costs from $700,000 to over $1,000,000. For a modern bomber there must be a stockpile and maintenance list of 46,000 line items, compared with 6,400 similar items in World War II, and $800,000 worth of ground equipment, as compared with $78,000 worth previously.

A modern submarine costs over $44 million, eight times as much as a World War II type. The largest World War II aircraft carrier costs $80 million; today's atomic carrier will cost over $300 million.

In the radar-atomic-missile age, all unit costs are continuing to soar.

This military striking power can be our downfall—not by any abuse of the power of its force—not by the corruption of our national or military leaders—but by the simple operation of basic laws of economics. We, as a nation, must learn to build and maintain our Military Establishment within the limits

of our economy to absorb its frightening cost. This challenge extends to us all.

I want to lay side by side two striking truths which we must face and adjust to in the years ahead.

1. Russia's primary attack on us is not by war but in forcing us into spending programs beyond the capacity of our free economy, and in causing us to squander our great natural resources. They have succeeded in straining our national economy through excessive Government spending.

Since the Russians completed their first atomic explosion in 1949, we have appropriated money for military programs in an atmosphere of fear. Our responsible military leaders lean all too far toward the attitude of asking for all that they can get. These two approaches must be stopped.

2. Our military appropriations have reached their peak. Increased preparedness in terms of more planes, more tanks, more carriers, more missiles, more atomic weapons, better training, better equipment, and better careers for personnel are all going to depend on the leadership shown by our military themselves in careful planning and a more efficient spending of available funds. It is their duty and their responsibility.

Congress has been told and the people have been told year in and year out that reductions in military spending cannot be made without wrecking the Nation's safety and security.

This simply is not true.

Every veteran who has served in our Armed Forces, and there are about 22,500,000 now living, was appalled at the waste involved in military operations. They know this waste continues. They know a better job can be done—defensewise—when this waste is eliminated.

The Congress has a degree of responsibility in connection with the overall cost of the military program. But they must rely on our responsible military leaders in learning what is actually needed.

The President has a high degree of responsibility, but even President Eisenhower must depend on the recommendations of admirals and generals.

So the professional military man, the career officer, has a special and peculiar responsibility with regard to economy and efficient planning. They have not fully accepted this phase of their obligations.

The Department of Defense has not fully accepted its responsibility for economy. Any department of Government asking for $38 billion a year must assume the primary and principal responsibility for maintaining a balanced economy in our Nation.

It is of little value to criticize without giving constructive examples or suggestions. Here are some examples of vast savings which can be planned only by professional military men:

1. At least some of the evils of useless duplication could be eliminated by military leadership through further unification of the three major branches of the military services. This duplication, the opposite of unification, is illustrated by our missile program. Each branch of the service has stoutly insisted on a vast program of its own, regardless of the vast expense involved in such duplication. The services bid against each other in this narrow and specialized field for the expensive materials, the limited number of industrial plants, and the small number of top-notch scientists who have become specialists in missiles. In this bidding against each other, they are running costs up for all.

These references do not discredit our professional military personnel, but they and the public must become aware of their new responsibility in this vast Military Establishment that will be our burden for the foreseeable future.

2. We now have 2,800,000 men under arms in all of the services combined. The total cost of salaries and maintenance for this force is $10.5 billion per year. Substantial savings can come through an expanded and extensive system of active Reserves for all branches of the service. Under the active Reserve program, prior military training can be utilized and further training continued through operation of Reserve units near the homes of the men. The per-man cost in war less than in the active service.

The times demand that our professional military leaders come forward with a strong and better Reserve program. This continuing challenge has not yet been met by our military leaders.

3. As a part of this personnel plan, I think we must go even further in establishing a system of permanent military careers extending from the lowest noncommissioned rank to the 5-star general. Through spreading the general popularity and appeal of such a career, we would eventually be able to abandon the peacetime selective service program.

These, in brief outline, present some of the serious major problems for which some effective solution must be found.

We realize, however, that real and permanent peace can never be the fruits of any military program, even though we must maintain the level of military preparedness necessitated by world conditions. I hope the Communist threat is ebbing because of the disillusionment of its unhappy people behind the Iron Curtain.

But the real hope for peace rests—not in armed might—but with the opportunity of freedom loving people everywhere to be free.

Newly independent nations, assuming their rightful places in the family of nations—the world community—must have the protection to keep that freedom. Their people, through the increased economic opportunities of an independent government, must have the experience of breathing freely.

Through independence, economic and political opportunities, and national respect, the desire for peaceful existence will become universal. On that day permanent peace will become a reality. This, as Americans, is our goal.

Atoms in Our Future

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Monday, May 20, 1957

Mr. KEFAUVER. Mr. President, I have just noted, in the first edition of a new magazine entitled The Western World, an excellent article entitled Atoms in Our Future, written by the Senator from New Mexico [Mr. ANDERSON]. The article deals in a very illuminating way with the use of atomic energy, and I know that all Members of Congress will enjoy reading it. Therefore, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ATOMS IN OUR FUTURE

(By CLINTON P. ANDERSON)

(Senator ANDERSON was for 2 years chairman of the Joint Congressional Committee on Atomic Energy. Prior to his election to the Senate from New Mexico in 1948, he had served for 3 years under President Truman as Secretary of Agriculture. Born in North Dakota of Swedish immigrant parents, he has spent most of his life in the American Southwest, where he founded his own insurance company in the early 1920's.)

Many Americans, trying to make sense out of the Suez crisis, have found it difficult to understand why a narrow strip of water can so quickly divide the nations of the world, can put them, indeed, into what is virtually two armed camps, and can find them standing like small boys drawing lines in the sand and daring each other to start a first-rate war.

It is difficult for Americans generally to realize how dependent the people of Western Europe are upon Middle Eastern oil. It takes a crisis such as the Suez to bring home to America the enormous dependence of a nation like England on the tankers and pipelines that bring to it the essential sources of energy out of the Middle East. If enough ships are sunk in the channel of the Suez Canal, the headlines the next day proclaim the possibility of oil rationing in much of Europe.

The very dependence of our traditional allies, England and France, upon the oil of the Middle East gives rise to the question as to what the future will be for atomic energy and how quickly the power of the atom may become the backbone of electric-energy generation in many parts of the world, and particularly in a country such as England. It also gives rise to speculation as to whether there may not be unusual and dramatic uses for which the atom may be harnessed—uses which could transform the whole industrial economy of vast areas of the earth now scourged by poverty and an unequal share of the world's energy resources and put into these areas unheralded wealth and unknown abundance. These would not be circumscribed by a temporary flow of oil, but instead a supply of power that would be virtually limitless and eternal might be found in the waters of the sea.

NO CEILING TO EUROPE'S ECONOMY

Atomic energy will not in a few years make the oil of the Middle East unnecessary to turn the wheels of European industry, yet it could, and I believe it will, remove the ceiling which oil now places upon the economy of Europe. Indeed, it could alter the power problem of a whole continent in his generation and of the whole world in the generations to come.

Let us start with this problem of the Middle East oil coming through the Suez Canal. Must it move that way? I think not. I say that because a field which seems to hold great promise for the future—and which also has immediate importance to all of us today because of the Suez Canal crisis—is that of nuclear ship propulsion.

As you probably know, the United States Navy, under Adm. Hyman G. Rickover, pioneered in this field. The U. S. S. *Nautilus* has been in operation, and very successful and remarkable operation at that, for many months now. Other nuclear-powered submarines are under construction, and the Navy in addition recently announced plans for its first large nuclear-powered surface ship. But this is only part—the military part—of the bright future ahead for nuclear ship propulsion. The era of the peacetime atomic-driven merchant ship is opening.

NUCLEAR TANKERS

During its previous session, the Congress of the United States passed legislation authorizing the construction of the first nuclear-powered merchant ship. I was very much in favor of this idea, and as chairman of the Joint Committee on Atomic Energy, I submitted a statement to the Senate committee which was considering this bill. In the summary of this statement I said:

"It would appear, on the basis of the technical information furnished us to date, that

our first step should be to design and construct a nuclear-powered oil tanker, and I hope that the Congress will provide the necessary authorizing legislation to proceed with this project."

When I submitted my recommendation a year ago in favor of an atomic oil tanker, I was acting on the basis of the best technical information I could obtain. The Joint Committee on Atomic Energy had spent many hours holding hearings on the subject of nuclear ship propulsion. We heard testimony from Admiral Rickover, from technical experts in the Atomic Energy Commission and the Maritime Administration, and from representatives of the private shipbuilding industry. On the basis of all this testimony, it seemed to me, as it seemed to others, that the oil tanker was the best bet because this was the type that would probably soonest be economically competitive, and which private industry would want to build.

To buttress this reasoning, I would like to refer to the report of the panel appointed by the joint committee to study the impact of the peaceful uses of atomic energy, known as the McKinney panel. This panel reached the following conclusion:

"Atomic propulsion should have the best chance of being competitive in the case of large, high-powered ships which carry heavy bulk cargoes in unlimited supply and spend the maximum amounts of time at sea. Ships with these characteristics could utilize the heavy investment in nuclear powerplants to the maximum advantage and could employ effectively the space saved by eliminating fuel supplies to increase the cargo payload. The Maritime Administration considers oil tankers and bulk ore carriers the best examples of these types of commercial vessels. A modern oil tanker, for example, has a very large cargo payload and spends up to 90 percent of its life at sea."

I believe that the McKinney panel reasoning is sound. If we have to put large capital investment in our engine plant—and we would have to, especially at first, in the case of atomic reactor propulsion plants—it makes only good sense to keep our ship underway a maximum amount of time in order to get our money's worth. Since oil tankers can be loaded and unloaded in a hurry, they can spend 90 percent or more of their time at sea, getting full use out of the nuclear engines. Oil tankers also hold promise, I believe, because of the possibility of using some of the oil cargo to act as a shield between the reactor and the operating crew.

Also, as pointed out by the McKinney panel report, a large portion of the United States merchant fleet will become obsolete and must be replaced during the period from 1960 to 1965.

And that leads to another point: The oil tanker field is a growing one and a good one in which the maritime nations may wish to invest. Smart investors and smart operators have been building larger and larger tankers and supertankers, with greater and greater capacities, to carry oil from the Middle East, from Venezuela, from the United States, and from other sources to the oil-hungry markets of the world.

Finally, there is the ugly specter of the Suez Canal crisis. As things look now, the countries which have been using it may no longer be absolutely sure of passage through the Suez Canal, and should plan other alternatives. A pipeline across Israel, the development of the new Algerian field—these may help. But as an additional ace in the hole, I believe that we should have large supertankers—and preferably nuclear-powered tankers—able to bypass the Canal and still deliver to Europe the oil that it may need. Many believe that these larger nuclear-powered tankers could carry oil to Europe around the Cape of Good Hope as cheaply as the present smaller tankers can carry it through Suez.

CONVERSION OF SEA WATER

But that is a problem brought on by a current difficulty. There are other problems which the world has faced for generations and which today the rising tide of population is making more urgent and difficult of solution. The problem of food is one of them and the problem of providing ordinary domestic water for human consumption and industrial use is another. To me, both are involved in recent studies on the possibility of converting sea water into potable water, a process which would at the some time provide power that might be utilized in the irrigation of now almost useless lands.

Through the years we have heard stories that the French have a plan for digging a canal from the Mediterranean into Africa; creating a salt-water lake in the middle of Sahara and thereby changing the climate of the world's greatest desert. That in itself is the sort of ambitious planning which the world needs and which many parts of the world must have if humanity is to be freed from constant pressures on its bread supply because of population growth. Recent reports on oil and mineral finds in this area may make realization more urgent.

Suppose nuclear fission offered a way of making sea water into usable drinking water. Suppose that great lake in the center of the Sahara Desert (assuming the French built their canal) could be sweetened for irrigation. Would there not be a rush of people who might want to live in that enticing climate? The fastest growing areas of the United States, populationwise, are the so-called lands of sunshine—Nevada, California, Arizona, New Mexico, Texas, and Florida. These States grow because people like the sun. They like to live in climates which are warmed by it and where, thanks to air conditioning, they can endure the heat of summer and need not suffer the discomforts of severe winters.

How much of a job is it, this production of sweet water from sea water, or from brackish ground water? In the United States, these possibilities have not been completely overlooked, as evidenced by the energetic studies being made by many cities. In addition, modest studies have been conducted for a number of years by industry and more recently by the Government of the United States directed toward developing a means for distilling salt water for agricultural and industrial uses. But they have all been on a small scale and few of the procedures investigated to date hold much promise of economic operation. Most have serious drawbacks to counter their advantages and almost all involve high capital costs.

Among the ideas tested are simple distillation, which requires enormous quantities of heat energy; vapor compression, which involves the inefficient transfer of heat to mechanical energy for the compressors; and solar evaporation—direct use of the sun's heat—which is free energywise, but prohibitively expensive as far as equipment is concerned.

THE ION EXCHANGE PROCESS

Still another method under test, and a rather ingenious one at that, is known as the ion exchange process. In this process salt is extracted from the water by passing it through a stack of semipermeable membranes. A small amount of electricity is used to drive the solution through the system. Although there are a few technical problems to overcome in the use of this method for large volumes of water of high saline content, some experts feel that in the long run this process may have the best chance of economic operation. In fact, such units are already being sold daily for use in producing potable water in desert areas of the Middle East at a cost of 20 to 30 United States cents per 1,000 gallons, and at the rate of tens of thousands of gallons per day.

But, at best, we are only scratching the surface of a problem whose implications are ever more serious. And here, may I suggest, we call on our friend, the atom. Why not harness the atom to fulfill the age-old dream of producing fresh water from salt? Difficult? Yes. Expensive? Probably. But in terms of saving great areas of the world from economic ruin and creating new areas into which population-pressed nations may expand, even saving the lives of people in times of drought, is any job too difficult? Is any project to expensive? I think the answer is obviously "no."

My suggestion is based on more than an abstract idea or dream. Modest studies have been going on for some time in the United States Atomic Energy Commission and in the National Laboratories at Oak Ridge and Los Alamos on this very problem. In addition, a number of industrial organizations have expressed interest in the idea in connection with projected plans for multipurpose nuclear plants.

A NEW TYPE OF REACTOR

The question is—how are we going to apply the atom to this job? Scientists who have studied this problem at my request have concluded that nuclear heating does not make the supercritical distillation process more feasible, since this process would be uneconomical from the equipment standpoint even if heat were free.

However, they have looked at other processes and have come upon the idea of a new type of reactor. They have suggested that we go all the way and choose a process which, while very wasteful of heat, requires only the simplest equipment—simple distillation. They suggest we build a low-cost, low performance reactor producing lots of heat at low temperatures. They suggest we use all the difference in temperature available between the reactor and the salt water to drive in heat in a single effect, giving the lowest requirement for heat transfer surface. Then, to keep maintenance costs down, they suggest we evaporate only one-fourth or less of the sea water in the still, so that less scale will form and the salt will be returned to the source in the undistilled portion.

A brief preliminary study indicates that such a low-performance breeder reactor could, provided it were extremely large, conceivably be built at very low cost per kilowatt of thermal capacity. This is because very large reactors have so little surface for their volume that not much more fuel and other materials are required than for a small reactor, since there is almost no leakage of neutrons per unit volume. The reactor they suggest is itself an unusual type, using a boiling slurry of heavy water. The heavy water constitutes almost the entire cost of the reactor, which appears to be less than $10 per kilowatt of thermal capacity. Although the quantities of all materials required are available, this type of reactor has never actually been designed, certainly not operated, and costs per kilowatt of this order.

These scientists are not timid men. They suggest that a project of this nature could be constructed at a cost from $600 million to $800 million and produce 1 billion gallons of fresh water per day, about 1 million acre-feet per year, at a cost, including amortization, replacement and maintenance, operation and fuel, of between 10 and 15 cents per 1,000 gallons.

One such plant operating at 100 million kilowatts would produce 3 percent of the total heat produced by man on the entire earth. The fuel consumption would be 40 tons per year of normal uranium, or the equivalent of 160 million tons of coal. Any attempt to build a smaller scale project would raise costs at once, since the reactor

would cost almost the same at even one-tenth the capacity.

NOT A JOB FOR PRIVATE INDUSTRY

I suggest that here is a project worthy not only of dreams and imagination, but of serious consideration. This is a project too costly for an individual city, indeed, for anything less than a country. It is a perfect example, it seems to me, where one or more nations might and should step in. No municipality and no private utility company can afford to gamble $800 million on a project which when completed might not work. But governments which have gambled billions of dollars on atomic energy can afford to make one more gigantic test to see if a domestic, industrial, and irrigation water problem so vital to all parts of the earth can be solved by the distillation of salt or brackish water.

The United States does not now need nuclear reactors so urgently as do some other parts of the world. We are fortunate in having relatively abundant supplies of coal, oil, and natural gas as well as enormous resources of falling water. We could undoubtedly expand our economy for the next quarter century without having to look to the power of the atom.

But that cannot be said of lands such as England, to which I have previously alluded, where supplies of coal are limited and where the cost of mining it will grow progressively higher. Today the British nuclear program is in high gear. The plant at Calder Hall is "on the line" and other plants will follow in rapid succession. The first plant is a producer of plutonium, as well as electricity, and by assigning some arbitrary value to the plutonium output, the electrical current rate can be placed wherever the Government desires. Later plants will be solely for the generation of electricity but the costs at Calder Hall have thus far been so much cheaper than expected that there is every reason to believe that the succeeding plants will be economically feasible and produce electricity at a rate between 7 and 10 United States mills. This figure, while unattractive at present in most of the United States, is feasible and desirable in Great Britain and would be acceptable in many other parts of the earth where combinations of circumstances, both natural and man-made, have resulted in development of high power costs.

THE ATOM HAS SAVED LIVES

We seldom think of lives saved by the atomic bomb, yet they far outnumber the casualties.

We hear it said that atomic power is too costly, yet how often do we hear that atomic energy is saving millions of dollars every year?

We seldom think of strawberries when atomic energy is mentioned. Yet atomic energy has produced the world's ugliest strawberry—and some of its biggest dandelions.

Present discoveries promise health and wealth and an ease of living beyond calculation. They hint at a dazzling array of day-to-day advances, at days filled with play and very little work, travel out among the stars, pushbutton weather, and even eternal life.

Does this sound too good to be true?

It does until you think of that ugly strawberry. Then you are reminded of dozens of astonishing discoveries, each almost too good to be true. The United States has been amazingly fortunate, it seems to me, in the atomic work which it has already been able to do in the fields of medicine, biology, and agriculture. Some persons say the atomic-energy medical potential is greatest of all.

In the words of Dr. Lee Edward Farr, chairman of the medical department at the Brookhaven National Laboratory, the potential for atomic energy in medicine is so great it amounts almost to frustration. "The opportunities," Dr. Farr says, "are so fruitful in almost any direction that we don't know which way to go." Even when a course is chosen, he relates, the sense of frustration tends to remain. "For every question we answer we uncover five questions we can't answer."

One outstanding job for atomic energy in medicine, Dr. Farr says, lies in "obtaining the necessary information for understanding the aging processes and for maintaining maximum health in the individual."

The studies have already led to remarkably successful treatments of certain diseases. One striking treatment that might be mentioned is one that has been developed for brain tumors. It can be accomplished without discomfort to the patient, although it involves literally billions of atomic explosions inside the patient's head.

Knowledge gained through atomic study in the medical field is being credited by those who keep track of such things with having saved more lives than the atomic bomb destroyed in the two attacks on Japan.

BETTER, CHEAPER FOOD

Recent atomic discoveries have also opened the door to better and cheaper food, greater variety, lower cost, and a steadier supply of seasonal varieties. These studies have been made possible at Brookhaven largely through radioisotopes, but much significant work has been done with irradiation by gamma rays, beta rays, and neutrons from very powerful sources. The radioisotope method provides tracer materials which permit scientists to peer into the life processes of plants and animals, and thus gain an accurate understanding of how these processes take place. The irradiation method produces profound changes in plant and animal tissues especially the genetic cells. Experiments based on the radioisotope tracer technique have produced much greater understanding of plant growth and the chemistry of plant nutrition. Scientists have learned similar things about animals. Using this knowledge they have perfected new fertilizers, vitamin and dietary programs, and have produced striking results.

Entirely new types of plants and fruits have been produced, on the other hand, through irradiation. By selecting the beneficial changes thus induced, the experiments have developed wheat resistant to black stem rust almost overnight, when older methods would have required almost 100 years to get the same result.

We have 2½ billion people in the world today and we will have more than 6 billion people in another century. These 3½ billion new mouths will present to us an enormous problem in the planting, gathering, harvesting, and processing of foodstuffs. They will create long lists of new requirements for homes, for schools, for transportation systems and for all the accompanying luxuries which civilization has sampled and decided that it likes. I refer to radios, television sets, air conditioning units, and a thousand and one new devices that we are building in our homes and installing in our office buildings. These are not to be solely the privilege of the rich, but seem destined to become the everyday utensils of people of all classes in all climates and all countries.

In the next century the world must produce the steel to build the factories that will make the television sets and the air conditioners. It must produce the cement and the building materials out of which hundreds of millions of new homes are to be constructed. It must fabricate the airplanes, the steamships, the trains that will haul food, fiber, and raw materials back and forth across the face of the earth. Nuclear power must be available universally to fill in the gape that our fossil fuels cannot supply. It will be used in every type of propulsion vehicle with the possible exception of automobiles. It will propel our railroads, our steamships, our tankers, our giant airplanes, and the very heavy trucks that will cross continents without a single stop.

A FORCE FOR WORLD UNITY

If I may also be permitted a guess, it is that in the long run the use of atomic energy will bring the world closer together. We shall have so many problems on the international control of the atom that in self-defense we shall be required to begin working closer together in international organizations. We have the problem of sanitation, for example. If atomic wastes are to be haphazardly dumped into the ocean, there can be widespread destruction of the fish life in a short time. The world which may become short of food in another century could not look upon such destruction with indifference. Therefore, we must have international control of the disposition of atomic wastes.

Furthermore, we must be careful about the discharge of fissionable material into the atmosphere. Strontium 90 does not affect all parts of the earth equally. Its dangerous effects may depend to some degree on the amount of calcium in the soil of a country. If calcium is available to be drawn into the bones, well and good. But if it is largely absent from the soil, then strontium 90 may replace it in people's bone structure with horrible effects.

One type of control may lead to another and endow us eventually with agreements and understandings that will ease the load of the statesmen of the future.

Finally, if I were asked to list the single greatest thing the atom can do for you and me, I think I would say "world peace." I firmly believe that our advancing atomic technology already has made full-scale, global war impossible, simply because it will mean the destruction of civilization as we know it. Is there any man so mad that he deliberately will start such a cataclysm? Further advances in technology offer to remove some of the traditional causes for war.

Man's quest for power has been blamed for past wars. Yet it has been suggested in studies made at McGill University for the Canadian Government that even our minds, our psychology, can be influenced by biological factors. Thus we may see a world of abundance undivided by disputes between nationalities, a world without war or want.

Then atomic energy will have become what the men of science first intended—a new dimension for the human spirit.

First District Florida Tabulation—1957 Questionnaire

EXTENSION OF REMARKS

OF

HON. WILLIAM C. CRAMER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1957

Mr. CRAMER. Mr. Speaker, again I have gone to the people of the four counties of the First District of Florida and have asked their opinion on the problems that face Congress today. Over 132,000 questionnaires were mailed and some 26,000 replies were received from my constituents, many of whom took the opportunity to reply at length to the problems presented. I would note at this time that the popularity of the President remains at a high level in the district and that particularly in foreign

affairs are his policies supported. It is interesting to note that there is no noticeable change from 1956 in opposition to civil rights legislation or Federal aid for school construction. Again, as last year, the people have indicated their desire to lower the national debt even ahead of a tax reduction but it appears the general desire for budget cuts reflected in both these benefits to the taxpayer is strong. I can assure this Congress, Mr. Speaker, that I shall fully consider these recommendations from the folks at home and, for the information of my honorable colleagues, under unanimous consent, I include in the RECORD at this time the full report on results of this questionnaire.

1957 Congressional questionnaire—Tabulation

	Percent	
	Yes	No
1. Should we risk Federal control of policy through Federal financing of school construction?	27	73
2. Do you approve President Eisenhower's general foreign policy?	60	40
3. Should present immigration laws—		
a. Have quotas increased?	17	83
b. Permit transfer of unused quotas to other nations?	52	48
c. Continue present quota limitations?	81	19
4. Do you favor reduced taxes for—		
a. Small business?	81	19
b. Individuals?	74	26
c. Everyone across the board?	37	63
d. No one at this time?	51	49
5. Should postal rates be raised to provide better service and facilities and to end the postal deficit?	59	41
6. Should we abolish the electoral college and elect the President by popular vote?	79	21
7. Should the United States join—		
a. Organization for Trade Cooperation?	71	29
b. International Atomic Energy Commission?	54	46
8. Should Congress enact the proposed broad civil-rights bill?	37	63
9. Should all Congressional committee hearings be open to press and public?	68	32
10. Should the President meet and confer with heads of "unfriendly" nations?	65	35

Report on Visit to Poland

EXTENSION OF REMARKS

OF

HON. ALVIN M. BENTLEY

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1957

Mr. BENTLEY. Mr. Speaker, under leave to revise and extend my remarks in the CONGRESSIONAL RECORD, I wish to insert the following text of my complete report on my recent visit to Poland during the congressional recess. A condensed version of this report is contained in the report of the Special Study Mission to Europe, which was released last week, of which I was a member. I also wish, at this time, to include my own recommendations on the question of economic assistance to Poland on which negotiations have been underway for some 3 months:

REPORT OF REPRESENTATIVE ALVIN M. BENTLEY, REPUBLICAN, OF MICHIGAN, ON HIS VISIT TO WARSAW, POLAND, APRIL 25–28, 1957

I. QUESTIONS AND ANSWERS

I arrived in Warsaw on Thursday evening, April 25, and departed Sunday morning, April 28. During the period April 26–27 I saw and interviewed all available officers of the American Embassy; all major Western newspaper correspondents; representatives of the Polish press; prominent members of the Polish Parliament (Sejm); as well as high-ranking officials of the Ministries of Foreign Affairs, Foreign Trade, and Agriculture. In all, 32 people were interviewed, and in virtually all cases the following questions were asked:

1. If American assistance is provided for Poland, how can we be sure that this assistance will benefit the Polish people?

2. How can we be sure that such assistance will remain in Poland and not be siphoned off elsewhere?

3. If assistance to Poland is successful in helping Poland to achieve its economic objectives, will this in turn have a contagious impact on other Eastern European countries?

4. What will be the most likely consequences if no assistance is provided?

5. What will be the effects of American assistance on Poland's political development?

6. How can aid to Poland be justified in terms of the national interest of the United States?

A variety of more detailed and technical questions was asked of Embassy and Polish officials. The answers to these will be reflected under my general observations, following a composite response to each of the above six questions which I believe are of major importance in considering the issue of aid for Poland.

The answer to the first question was, generally, that it was not possible to separate the benefits of assistance to the Polish Government from benefits to the Polish people themselves. Assistance from the West, specifically from the United States, is necessary to reduce Poland's dependence upon the East for essential imports. Western aid is also necessary to increase Poland's internal levels of economic activity in a way which will improve consumption standards, especially for the urban worker; and which will permit gradual decontrol by the State of important sectors of the Polish economy without exposure to unmanageable inflationary pressures. Poland does not command the resources to accomplish this alone; it cannot depend upon Eastern countries to satisfy these requirements in the interest of the planned reforms; it can therefore look only to the West.

In response to the second question, all sources gave the unqualified answer that the arrangements concluded last November 19 with the U. S. S. R. provided a measure of independence for Poland which would insure that aid would not be compulsorily siphoned out of Poland. Insofar as the Polish Government is concerned, United States assistance through long-term credits is clearly an important factor in increasing domestic production, improving the standard of living, and thus contributing to internal political stability.

The consensus in respect to the third question was that if Poland is able to strengthen her economic ties with the West, and thereby is able to continue with the relatively significant political and economic reforms already under way, other Eastern European countries would attempt to follow its course.

The query on denial of aid produced responses which differed in degree but not in substance. It was generally acknowledged that the Polish economy is in a very shaky state. There is a critical shortage of investment goods. The Government is having difficulty in making a rational distribution of available food supplies. There is a chronic shortage of consumer soft goods, and consumer durables are particularly scarce. Coal output has fallen sharply in the last 2 years, and there is widespread discontent among urban workers, which manifests itself at the plant level by sporadic slow-downs and strikes. By responding to political pressure and putting wage reforms into effect before the supply situation warranted, the Gomulka regime is also facing the likelihood of serious inflation.

What is needed, therefore, is a fairly sizeable and immediate injection of outside resources into the economy.

In view of the number of factors involved, of which American aid, though economically important, is only one, it is understandable that responses to the question of "no aid" varied from statements that denial of aid would be the direct cause of the collapse of the Gomulka regime to statements that this would cause widespread discouragement and apathetic resignation to the fact that renewal of ties with the most important Western nation was not possible. It was clearly not feasible, in the brief time available, to probe more extensively into the question of how far public opinion in Poland has really seized upon the aid issue as an important psychological symbol, the denial of which would have repercussions out of proportion to its true economic significance. American sources considered that the psychological factor was of considerable importance; many Poles thought it of crucial importance.

It was explicitly agreed among Americans and newspaper correspondents and implicitly suggested by many Poles that unless economic deterioration can be halted and unless Gomulka can push through his agrarian and industrial reforms, the regime is in considerable danger of collapse, possibly by late fall of this year. In view of the overwhelming superiority of Russian forces, there is little likelihood of an uprising such as occurred in Hungary, although revolt obviously cannot be fully discounted. On the other hand, the collapse of the regime would very clearly signal the end of the Polish experiment in relative freedom and the reimposition of a Stalinist regime with its concomitant apparatus of Soviet control.

Concerning the effects of American assistance on Poland's political development, there was general agreement that Poland has already reached the outer limits of political independence from the Soviet Union; and that, barring any shift in Russian policy, there would be no significant progress in the foreseeable future. It was also reaffirmed repeatedly that there was no intention of abandoning socialism; nor was there any likelihood that the authority of the Polish Communist party would be displaced. The only alternative is a Soviet-dominated Communist party.

The sixth question was asked only of Poles. The responses varied from descriptions of generalized benefits to suggestions of particular economic advantages to the United States as a consequence of extending economic assistance. In general it was pointed out that there is more individual freedom in Poland today than in any other Eastern European country. It was suggested, for example, that for the first time in modern Polish history no one is in prison on account of his political beliefs. It was stressed that it was

in the United States interest to encourage this development wherever possible, since to the extent that political and economic stability were restored in Poland, Poland would in turn be in a stronger position to influence the maintenance of peace in the general Eastern European area.

More specifically, it was suggested that it was in the United States interest to expand our commercial markets in Poland, and that in strengthening economic ties with Poland we would inevitably open the door to wider cultural contacts.

II. GENERAL OBSERVATIONS

In my view, recent developments in Poland represent an unanticipated and courageous evolution toward national economic and cultural independence within the limits imposed by the geographical circumstances that Polish territory is a line of communications between two Soviet Armies. Poland must, therefore, during the indefinite future remain within the Soviet orbit.

I am also of the opinion that the Polish regime is convinced that post-World War II Soviet hegemony in Eastern Europe, with its imposed police regimes and imposed Soviet economic doctrines, was primarily in the interests of future Russian security. It is on the basis of this conviction that the Gomulka regime is attempting to meet public pressures to liberalize domestic, religious, political, and economic life; but always in accordance with the premise that the United Workers Party (Communist) is the chosen political instrument and that the ties with the Soviet Union are for some time to come indissoluble.

On the international front this means no neutrality for Poland, and continued adherence to the Warsaw pact. On the domestic front this means a program for the abandonment of forced collections from the farms, the restoration of private shops, the introduction of quasi-private enterprise incentives in manufacturing, and the redirection of investment to provide a more sensible balance between heavy industry and consumer-goods industry.

In restoring the agricultural sector to a market economy, the Poles are making a drastic departure from Soviet economic doctrine. If the Gomulka experiment is successful, and is permitted to succeed, it will be historically important for the Western democracies as well as for all Eastern European satellites carefully to evaluate, in the light of their respective national interests, the development in Poland of an independent economic system operating partly on the basis of private enterprise and individual incentives, and partly on the basis of state ownership and control. This development is reported to be extremely disturbing and embarrassing to the Soviets, but the Poles appear to be convinced that Soviet intervention is unlikely as long as their military security ties with the U. S. S. R. are kept intact. Ultimately the Poles seem to see the possibility of a new era of peaceful coexistence, with Poland assuming a leading role as arbiter between Eastern and Western Europe.

Following are some brief observations based on discussions relating to specific economic problems:

1. Agriculture: The Gomulka regime is committed to discontinue forced collections of farm commodities. It is also committed to de-collectivise farm lands, encourage cooperatives, and develop a method for returning farms to private ownership. Abandonment of forced collections is the most critical political requireemnt, but in order to accomplish this the Poles estimate that they will need a 4-month reserve of wheat in order to discourage speculative hoarding and inflation, and to ensure essential consumption requirements. Ministry of Agriculture officials told me that this reserve should amount to 1.6 million metric tons, and that bread grains were probably the highest priority item in the negotiations for American credits. They also said that the Government needed a 6-month lead-time from the acquisition of the reserve to the announcement of discontinuance of forced collections. Thus, if the reserve was complete by next January, they could make the announcement in July and dismantle the collection administration. There was some difference of opinion as to when Poland would again be self-sufficient in wheat production, but there was general agreement that imports would be necessary for several years.

There is also a requirement for feed grains. During the past several years an imbalance has developed between the hog and cattle populations. Before the war the number of cattle exceeded the number of hogs; now the ratio is reversed. Feed grains are required to restore the ratio to normal and to reduce the reliance of hog farmers on bread grains for feed. If successful in this field, the Poles expect not only to improve the domestic protein diet but also to increase their exports of meat, meat products, poultry and dairy products to Western Europe and England.

2. Coal mining: The export from this basic industry has been falling off sharply. In 1955 it was 25 million tons; 1956, 19 million; and this year is expected to drop to 14 million. Output has also been reduced due partly to the abandonment of required overtime and Sunday shifts, partly to the movement of labor away from the mines, and partly to obsolescence of equipment and the necessity of opening up new mines.

Mining equipment is needed for modernization of old mines and for construction of new mines when current exploration has been completed. This year approximately 50 percent of Polish exportable surplus will go to Eastern Europe and 50 percent to the West.

If the modernization program is successful and future coal production meets expectations, domestic consumption and exports will increase. The Poles maintain that present levels of exports to the East will remain about the same since Eastern Europe has not been able to satisfy Polish requirements for producers durables, and that exports should increase to Western Europe since the latter is the main assured source of these requirements.

3. Cotton textiles: This is a sick industry, especially in the Lodz area where there is serious underemployment and social unrest. The Poles estimate that their industry can utilize up to 120,000 metric tons of cotton annually. At present they are almost solely dependent upon the U. S. S. R. for imports, which have been amounting to about 95,000 tons a year, with 70 to 75,000 coming from the U. S. S. R. and the remainder coming from Egypt as long-staple cotton and therefore unsatisfactory for their purposes.

Again, cotton is a high-priority item in their stated requirements from the United States, and in order to insure their independence from Soviet supply, they need to augment their inventory at once and will have, in addition, an annual recurring requirement for United States cotton for a long time to come.

With an improvement in the output of cotton textiles, the Poles are anxious to increase their exports of low-cost textiles to Africa and southeast Asia in return for essential raw materials imports.

4. Foreign trade: In general, there has been a shift in Poland's trade relationships since 1954. Before World War II, Poland's trade was predominantly westward. But by 1954, two-thirds of her trade was with Eastern Europe, 30 percent of which was with the Soviet Union. By 1956, however, 30 percent was with the Soviets, 30 percent with Eastern Europe, and 40 percent with the West. Poland is determined to increase her trade with the West, since this is the main reliable source of supply for the modern industrial equipment she needs.

III. GENERAL IMPRESSIONS

Based upon my experience as a Foreign Service officer in Budapest in 1949, I can affirmatively report that there is now a definite "thaw" in Warsaw. There is extensive evidence of this. In 1953, for example, I was refused a visa to enter Poland. In 1957 my visa application was filed in Washington, approved by Warsaw, and picked up in Vienna in less than a week's time. Passport and customs clearance at the airport was rapid and courteous.

In Warsaw itself, the reconstruction effort has been, and is, impressive. Between 1939 and 1944 the city was 70 percent destroyed. Of the destroyed sections, 75 percent has now been rebuilt. Reconstruction has been guided by one plan: To reproduce the prewar city exactly as it was. Even the medieval section has been duplicated as exactly as possible. This example of the depth and tenacity of Polish traditionalism and culture is interrupted by the freakish Soviet-built skyscraper, the Palace of Culture. The Poles resent this geological extrusion, but there is nothing that can be done about it. I was told, however, that the most popular event ever held in its largest auditorium was the time Glenn Miller's orchestra played for a capacity audience of 3,000 plus hundreds of standees.

Unlike other Eastern European capitals, including East Germany, there are no visible evidences of Soviet or of Communist Party propaganda, no red flags, no propaganda slogans across building fronts, no statues of Stalin, and no flag-decked superphotos. Even the Boy Scouts and Girl Scouts (much in evidence) have switched from red to green neckerchiefs.

Russian forces are nowhere in evidence, although I saw an occasional Polish unit marching in the streets. I was told that the Poles are about to abandon the Russian prototype uniform and return to the traditional Polish army uniform. In general, I was told that the army was loyal to the regime even though the deputy chief of staff and other general officers are still Russian. All Russian officers have been eliminated from the navy and air force. The army, I was informed, cannot be considered as a military asset to the Russians; on the contrary, in the event of trouble with the West, it would be a liability. Any independent Polish action against Soviet pressure, however, is limited to a period of about 2 weeks because of obsolete World War II equipment and Russian control of Polish logistics.

Uniformed civilian police are in evidence but only with small sidearms. If security police are present in force, they are not identifiable. I was told that, since the thaw, Polish reaction against earlier police practices is such that it is difficult for police to effect routine arrests without running the risk of being stoned.

The Parliament (Sejm) building has been reconstructed as it was before. Here again there is no evidence of Communist Party control. The only emblem, in the Sejm, behind the speaker's desk is the traditional Polish eagle. While the United Workers Party is in complete control when the Sejm votes, I was told that there is considerable multiparty give-and-take in closed sessions of parliamentary committees. The Poles also repeatedly expressed satisfaction with the newly won independence of their judiciary system.

There was no reticence on the part of Polish officials about meeting me. On the contrary, the Embassy was able to arrange an impressive number of meetings on very short notice. Generally, the Poles were cool at first, but seemed genuinely friendly as discussion developed. I assume that our conversations were recorded, but aside from an

obvious correctness in their references to the Soviet Union, they were quite willing to discuss substantive issues. They are uniformly anxious to improve their cultural ties with the West and especially with the United States; and satisfaction was always expressed in the new Ford Foundation student-exchange program. They are also anxious to retain the support of Communist China, and of Nehru. Both China and India fully backed their independence effort last fall by implication and they feel that this backing continues to constitute a powerful offset to more active Russian intervention in their affairs.

I should judge, however, that their cultural orientation toward the West is paramount. More than once, it was pointed out that Poland regained from Germany one-half of the territory lost to the U. S. S. R., thus moving the entire country westward and providing it with a much more homogeneous population than was the case prior to World War II.

If the Poles have demonstrated their attitude toward Russia by successfully withstanding the imposition of Soviet cultural patterns, they are also still very bitter toward Germany, although there is some evidence of relaxation in respect to East Germany. In response to a question, one high official said that, in his view, there was no solution to the German problem.

On several occasions I inquired specifically as to the feasible extent of United States official representation in Poland in connection with possible American economic assistance. The answers were always the same: Poland is seeking medium term, hard currency credits, repayable in dollars. Her repayment record has in the past been good, and will be again. It would be extremely embarrassing internationally and politically difficult internally, to admit the typical USOM and technical assistance teams. Because of the nature of the loan request, and their intentions for its use (i. e., they have no intention whatsoever of reexporting the loans to the East) there was no need for, nor could they tolerate politically, numbers of end-use checkers roaming around the country. They all agreed, however, that technicians required for the practical implementation of their machinery and equipment import programs would be welcome.

Finally, I should mention that Poland's reserves are at an all-time low, possibly $15 million. This is extremely low for a country with a total volume of trade of better than $2 billion per year. The dollar drought is so severe that I was informed that any desire to reopen Polish consulates in the United States would be inhibited by their inability to provide the necessary dollars. In this connection, I inquired about possible plans to attract American tourists by improving their hotel and transportation facilities. Most Poles admitted that tourism could be an excellent source of dollars, but they also admitted that their hotel standards and transportation facilities were still far below acceptable Western standards and that it would be some time before they could devote an adequate share of their resources for tourist facilities.

RECOMMENDATIONS

The question of economic assistance to Poland and (hopefully) to the other captive nations when circumstances permit must not be treated as an isolated example or even a series of such. It is foolish and shortsighted to think of repetitions of the present program for Poland which involve a process of scratching around and using several different existing authorizations to tot up funds sufficient for the contemplated purposes. Rather, there should be a separate Polish program of economic assistance which should be refended on its own merits and should stand or fail on the same. This would hold true for any other captive nation that was enabled to achieve a comparable degree of economic freedom.

To the question: Should there be economic aid for Poland? the answer must be: Certainly, to a limited degree. This opinion comes from one who has generally opposed foreign aid in any and all forms. It also comes from one who has always adhered to the policy of liberation, whether by evolutionary or revolutionary means, and who has advocated a policy by this Government of assisting either means by any and all resources at its disposal.

To return to the specific question of Poland, the desired aid is in two general forms: credit for the purchase of our surplus agricultural commodities, specifically wheat and cotton, and a transfer to the Export-Import Bank of sufficient funds to enable the extension of a line of credit for the purchase of modern mining machinery and other articles intended for increasing industrial and agricultural production. Authority for the second part already exists under the President's special fund; authority for the desired amount of the first part will exist when the Congress completes favorable action on the pending $1 billion surplus commodity legislation.

In spite of the fact that the Poles, due to their own 5-year plan, have requested credit on at least a 3-year basis, the present extension should be on a year-to-year basis, subject to termination by either party with the minimum of notice. The tenure of the present Polish Government is extremely uncertain, due to deteriorating economic conditions, and a successor to the Gomulka regime could conceivably be a customer with whom it would not be in our best interests to do business.

The important thing to remember is that we are not necessarily trying to bail the present government out of difficulties and problems caused by practices of its predecessors but rather to show the Polish people themselves that they are not forgotten by the West and that they can count on us for a limited amount of economic assistance. It is significant that the Polish press has only discussed the current negotiations in the most general of terms and the average Pole has little, if any, idea of the amounts under consideration. The mere announcement of American aid, whether of $100 or $300 million would serve as a tremendous morale booster. That is the effect that we want to have on the Polish people who are after all, our chief concern.

There should be certain conditions attached to the program. Long-range problems, such as claims and pre-war debts, can be deferred until the existing atmosphere improves. However, it would not be unreasonable to request the Poles to establish a counterpart fund of zlotys or, at least, if the credit is to be repaid partially in zlotys, to earmark a part for local expenditures by our Government. Such a fund could be used to improve the very drastic housing problem that faces American personnel in Poland today. It could be used to assist local expenses of a student exchange program and other costs of any expanded cultural interchange policy (which the Poles allege they are most anxious for). Another condition might also be the maintenance of a favorable exchange rate for American tourists, provided that accommodations and transportation are expanded sufficiently in this direction. There could and should be a definite agreement for the importation of private relief packages (regarding customs duties) from this country into Poland. There might even profitably be some settlement of the troublesome matter of dual nationality claims which have prevented the emigration of large numbers of Poles claiming American citizenship.

It is not believed that the Poles would agree at this time to the presence of numerous American personnel in connection with a program of economic aid. It is felt, however, that there would be no objection to the sending of qualified technical experts in connection with the coal-mining machinery and similar importations. This should definitely be a part of the final agreement reached.

Aid to Poland is definitely in the nature of a calculated risk. For this reason, the initial amount should be relatively small and subject to immediate stoppage. But the possibilities of the moral impact on the Polish people cannot be overestimated. Moreover, the obvious anxiety of the Polish government to free itself from economic subservience to the Soviet Union represents a trend that should only be encouraged. At worst, we will have gambled and lost $100 million. At best, we will have exploited a chink in the Soviet armor that could be more advantageous to us than even Tito's rift. It was generally agreed that other satellites would attempt to follow Poland's example, if successful.

The question is often raised regarding economic negotiations and general questions of trade between Poland and Communist-dominated countries of the Far East, such as Red China and North Vietnam. The actual amount of Polish trade with these two countries is relatively small and consists of Polish exports of manufactured products in exchange for the same agricultural commodities which Poland is now endeavoring to obtain from the United States. To the extent that the United States can supply alternate sources of supply of these commodities, it will relieve Poland's dependence on the Communist bloc for these vital commodities.

It is also a favorite question as to why we should, through aid to Poland, relieve the Soviet Union of any economic burden on the Soviet bloc which the Poles may have represented in the past. Rather than say that the Poles were a drain on the Soviets, the converse would be more correct. Because Poland was forced to sell coal to the Soviet Union at a price considerably below the world market and, as a consequence, suffered a loss of natural resources exceeding $600 million during the last several years. The Poles now appear to have achieved a much greater degree of economic independence in this respect and it would appear to be in our best interests to assist them to maintain this position.

Our policy of liberation suffered a near-disastrous setback last fall by our failure to assist the Budapest rebels. We can do little or nothing to assist liberation by revolution. We do have an opportunity, in Poland, to assist in a policy of liberation by evolution. We may gamble and lose but it is worth the risk. If we remain passive in the face of the present trend in Poland, limited as it is, we might as well discard the entire concept of liberation and accept the idea of coexistence between the free and slave worlds. It is for the foregoing reasons that I would support a program of economic assistance to Poland, subject to the foregoing conditions.

Speech of the Honorable Ben F. Jensen Before the 44th National Convention of the National Rivers and Harbors Congress, May 17, 1957

EXTENSION OF REMARKS

OF

HON. BEN F. JENSEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 20, 1957

Mr. JENSEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following speech

made by me before the 44th national convention of the National Rivers and Harbors Congress, May 17, 1957, Mayflower Hotel, Washington, D. C.:

Mr. President and fellow Americans, I consider it an honor to speak to the members of this organization who do so very much for the development of America through the protection of our natural resources.

The proper development of our great river valleys, such as the great Missouri Valley, is a national must, but it must be done in such a way as to assist in the perpetuation of our American way, and for the benefit of the people everywhere, and without infringement on our private enterprise system of government, which has made our country great.

I was asked to talk about public works appropriations, and I most certainly will do just that, but possibly in a different light than most of you might expect. Nevertheless, the things I will point out will, I am sure, have a great and constant bearing on the amount of funds Congress will appropriate for public works in the future.

The term "public works," as you know, covers a great many important Federal activities, navigation and harbor improvements, hydroelectric power dams, irrigation, reclamation, flood control, and atomic energy, for both war and peace. Therefore, the manner in which all these important activities of Government are handled might well determine the future of America. Hence, my responsibilities, and yours as members of this fine organization, cannot and must not be taken lightly. As good Americans, there are certain guideposts that must be followed to make sure that we achieve the desired results in all our doings.

You may ask what exactly does all this have to do with public works. My answer is "everything," for unless the American people are satisfied with the way public works are administered and paid for, the day will come when the people will demand of their servants in Congress that public works appropriations be cut to the bone, and remember that what the people want they generally get. I don't have to tell you that the great majority of the thinking American people today are economy minded, hence they will demand genuine national values for the money we spend for public works, along with all other expenditures of their tax dollars. And believe me, no one is more aware of that fact today than are the servants of the people, and which I am glad to say is having good effect.

HARBORS AND NAVIGATION

Now let us get right down to cases. First, let us take a good look at harbor improvements for which we are spending hundreds of millions of dollars annually for the improvement of dock facilities and for the dredging and deepening of harbors to accommodate barges and large ships for the benefit of wealthy, foreign water-carrier companies, as well as our own, and without $1 of reimbursement and little tax return into our Federal Treasury, while our railroads build, improve and maintain their own rights-of-way, rails and facilities, and pay a heavy county, State, and Federal tax, and our truckers pay heavy licenses to use the highways. So, to my way of thinking, this is a glaring example of inequality, and the time will surely come when the American people will demand that either we cut such expenditures to the bone, or that water-carriers pay at least a part of the expenses for navigation and harbor improvements.

HYDROELECTRIC POWER

Having been a member of the House Appropriations Committee for 15 sessions of Congress, which first acts on requests for funds to build hydroelectric and multipurpose dams, I feel that I have a pretty good idea as to where such dams should be built in order that the greatest benefit can be realized for the dollars expended. During that time I have personally inspected most of the proposed dam sites, along with other members of the Committee, before Congress appropriate funds for actual construction, in order to ascertain the feasibility of such poposed projects by personal contacts with the opponents and proponents of the proposed project.

I hasten to give due credit to the United States Army Engineers and the Bureau of Reclamation by saying that generally speaking we found the information given to the committee by the officials of these two Federal agencies to be accurate and factual. While it is true that most of the tax dollars we spend for hydroelectric production are returned to the United States Treasury over a period of years, which term is normally 50 years, very often private utilities are ready, willing and able to build such facilities with their own shareholders' money, and like all other private businesses, they pay heavy State and Federal taxes, which lightens the tax burden of all the people and squares with our private enterprise system of government. No tax of any sort is paid on revenues from federally build dams.

We must be mindful of the fact that about 4 million good American citizens own all the private utilities in the United States, and that they pay almost $1 billion in Federal income tax into our United States Treasury annually, and over half a billion dollars in local, county and State taxes annually from power revenues. Of course, every user of privately produced electric power pays his share of this tax when he pays his electric power bill. But let us not forget that it comes back to him in helping pay for schools, roads, etc., and that private electric rates have increased much less in cost than any other commodity, due primarily to the enormous increase in electric consumption, modernized facilities and efficint management.

During the past several years much has been said and written pro and con about Hells Canyon, which is a current issue. Let us take a quick look at the facts.

The proponents of the high Hells Canyon Dan want Congress to spend several hundred million dollars of all the American taxpayers' money to build a hydropower producing dam, so that the people in that area might have tax free, hence cheaper electric power, at all the American people's expense. The Idaho Power Co., a company owned by thousands of American people in every walk of life wants to build three lower dams, and in fact has already started with its own money under a Federal license by the Federal Power Commission, to build the lower dams, which will produce almost as many kilowatts of power as the high dam. And it is reliably estimated that they will pay Federal taxes into your United States Treasury, during the 50-year period, over $240 million.

Now why do I talk about that controversial issue here today? Simply because it pinpoints my contention that unless we keep private taxpaying enterprise in business, the day will come, and possibly sooner than some people expect, when our United States Treasury will be so completely empty that few dollars will be available for river and harbor development, or flood control, or even to pay old-age and veteran pensions, to say nothing about paying other necessary Federal obligations. After the Fabian Socialists of England, who masqueraded as the Liberal Party, got control of most of the electric energy in England, the rest of the socialization of England was a push-over, for he who controls the electric power of most any nation in this electric age can control that nation completely, and make no mistake about it. I am sure, however, that because of the good sense of the American people, that will not happen here, but let us be sure.

IRRIGATION AND RECLAMATION

Even though I represent a district outside of the 17 western reclamation States, I long ago took the position, after seeing the parched deserts of the Western States, that water was indeed liquid gold to the people of that great area. And because Federal appropriated funds for irrigation and reclamation are over a period of years paid back in annual installments to the Federal Treasury, and because the records will show that after such projects are in full operation, Federal taxes from the irrigators' profits run into the hundreds of millions of dollars annually, and because the crops raised on such irrigated lands have contributed less than 2 percent to our farm crop surpluses, I am sure that my support of irrigation and reclamation projects has been fully justified. I may say, too, that were it not for the vegetables raised on such irrigation projects, our vegetables would be costing us at least twice what they are today.

FLOOD CONTROL

Because every section of America has now, or has had in the past a flood problem, appropriated funds for flood control are not reimbursable, however, municipalities and counties do furnish land, build bridges, etc., in all cases where the Federal Government spends the taxpayers' money for flood-control projects, when such projects directly benefit the people of a respective area, and often local participation amounts to a considerable sum. In fact, I am happy to say that quite often the local governments will contribute more than is required of them in order to prove the need for Federal aid, which shows good faith and appreciation. May I say here and now that where such is the case, those projects receive special and sympathetic consideration by the members of the Appropriations Committee, for most of the members of the committee try to save the taxpayers' dollars wherever and whenever it is proper and possible to do so. May I suggest that your organization pass out that word to your people.

How well I remember the terrible devastating floods which occurred almost annually on the Missouri River before the dams were built upstream and before the farmers in that great watershed, one-sixth of the area of the United States of America, contoured and terraced their tillable land. I am sure that never again will such floods occur on that river. The Army engineers, the Bureau of Reclamation, working in cooperation with the Soil Conservation Service, will eventually solve all or most of our flood problems. Their efforts and accomplishments have already almost completely solved the flood problems of many river valleys, such as ours in the Missouri River Valley. Your organization has greatly assisted in this important task, and has given other organizations like yours inspiration and guidance.

ATOMIC ENERGY

Possibly atomic energy has not as yet been discussed to any great degree by your organization, but nonetheless, all of you as Americans are vitally concerned with its potential as an instrument of good or evil. To most Americans it is a baffling, unknown quantity, so to speak. However, we all know of its frightening destructive power as a weapon of war, and we are gradually learning of its use as a useful commodity for the development of power, and for many other purposes, including possible cures for human ailments. It has great possibilities for peaceful purposes.

As I sit in Public Works Committee hearings and listen to members of the Atomic Energy Commission and their scientists explain quite in detail to us, and mostly off the

record, as most of their testimony is classified, which means highly secretive, I like every member of the committee am impressed to say the least by their keen knowledge of every phase in the meticulous preparation of manufacturing and harnessing the atom, always conscious of the great responsibility which is theirs, not only for the safe and speedy development of a war bomb, but to a greater degree for all of us as a blessing to humanity as a peacetime commodity. Were it not for the unbounded trust I have in the ability and integrity of these great and devoted patriotic Americans, I would shudder to contemplate the ultimate results. Like a ferocious, wild horse in the hands of a tenderfoot, it is a dangerous article; but in the hands of experts it can be tamed and trained to serve its master.

Our Atomic Energy Commission and their scientists are thoroughly schooled and trained in the art of nuclear sciences, and I say to you again, I trust them to carry on effectively, safely and sanely for the benefit of all our peoples who have it in their hearts to be free. But here again we find people in high places who advocate and contend that the Congress should appropriate several hundred million dollars annually to build every kind of atomic reactor for peaceful uses, especially for the generation of mechanical power to eventually replace hydro and steam electric power, and again such plants would be free of Federal taxes, in spite of the fact that private taxpaying industry is ready, willing and able to build the atomic reactor plants for peaceful purposes, the revenues from which would be taxable, if the Government will underwrite all after the first $60 million of accident claims, with full Federal cooperation and supervision by the experts of the Atomic Energy Commission.

FEDERAL TAX-FREE BUSINESS

In spite of the fact that our United States Constitution provides that taxation shall be uniform, tax free—and in some instances interest free—business institutions, supported with Federal funds, have driven and will continue to drive Federal taxpaying, private competitors to the wall. This situation must be corrected to ward off the evil day of national bankruptcy and its customary aftermath of national socialism.

How long, I ask, for example, could the farmers of one State stay in business if the farmers of a neighboring State were furnished by the Federal Government all the money needed to buy farms, stock, and equipment, interest free and tax free? The result, of course, would be that the taxpaying, interest-paying farmers would soon be driven to the wall by being forced to sell their products at a far below cost price at the marketplace. If that should occur, even present farm prices would look high. So, again I plead with every good American to think twice before he or she supports any program which will cripple Federal taxpaying, private enterprise—from the farmer to the corner grocer to industry—whose revenue is so desperately needed by our United States Treasury, if for no other reason.

In conclusion may I say with all the sincerity and force at my command, that it will take the combined efforts of every American who wants to preserve our free institutions—our American heritage, if you please—to be ever on guard to see that taxpaying, private enterprise continues to operate here, always remembering that the power to not tax is also the power to destroy.

And so I beg of you to realize fully that unless great care is exercised in line with the warnings I have here so humbly and sincerely expressed, it may not be too far in the distant future when the peoples will no longer have the funds to carry on the much needed public works in which you are so greatly and properly interested. Thank you.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 21, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, Thou art the light of the minds that know Thee, the life of the souls that love Thee, and the strength of the thoughts that seek Thee.

Humbly and gratefully we acknowledge that Thou alone art able to guide us safely through the hours of this new day and to guard us against its perils.

Grant that we may see Thy wise and beneficent purposes in all the dispensations of Thy divine providence and always be eager to follow Thy gracious leading.

We earnestly beseech Thee that it may be our will to obey and serve Thee and our joy to please and glorify Thee.

Show us how we may promote the temporal interests and the spiritual welfare not only of our own beloved country but of all mankind.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 7221. An act making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HAYDEN, Mr. RUSSELL, Mr. CHAVEZ, Mr. ELLENDER, Mr. HILL, Mr. BRIDGES, Mr. SALTONSTALL, Mr. YOUNG, and Mr. KNOWLAND to be the conferees on the part of the Senate.

HAWAII

Mr. BURNS of Hawaii. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii.

There was no objection.

Mr. BURNS of Hawaii. Mr. Speaker, at midnight last night, the revenue bill adopted by the 29th Legislature of Hawaii was pocket-vetoed by the Governor of Hawaii. Were it not for the fact that the same thing happened 2 years ago, this would not be noteworthy. However, because it did happen 2 years ago and because of the grave, even vital, consequences of last night's action, it is not only noteworthy, it is alarming and most serious.

The abnegation of the American principles of government, the exercise of the will of an appointed executive in contradiction of the will of the people by their elected representatives—is a matter that deserves the careful attention and consideration of the Congress and the President of the United States. Its seriousness cannot be overemphasized.

In capsule form, the situation is:

First. That in 1954 the people elected a legislative majority other than that in control since 1900;

Second. That the 28th Hawaiian Legislature of 1955 passed 404 bills; the appointed executive vetoed 71;

Third. In 1956 the program of the 1955 legislature was a clear-cut issue before the voters;

Fourth. The voters unmistakably indicated their support by returning the majority elected in 1954 to office;

Fifth. The legislature of 1957 enacted bills in accordance with their campaign promises and, in principle, similar to those enacted in 1955.

The need for statehood is unmistakably demonstrated. When the definitely ascertainable will of the voters—American voters, if you please—is disregarded by an executive appointed by an authority 5,000 miles removed, the day of 1776 is here again. Our forefathers, the founders of this great Nation, would not tolerate this. They revolted and founded a new Nation whose Government derived its just powers from the consent of the governed.

Hawaii's people have no place to go but to statehood. That lies within the power of the Congress. Partisanship plays no part in this, nor is there any reflection on the character or integrity of any individual. The issue is: Are the people to run their own government by those whom they elect, or is an appointive executive to do the thinking of the people for them?

OPPOSING AID TO TITO

Mr. JARMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. JARMAN. Mr. Speaker, the time has come to cease adding to the military strength of the puppet dictator of Yugoslavia as a reward for his supposed rebellion against Moscow, which in reality has amounted to no more than a shrewd move to place himself in an enviable bargaining position with both parties in the

cold war and thus no more than a further manifestation of the greed and lust for power which has motivated all dictators of the Communist regimes.

The binding ties and loyalty of Tito to the Kremlin was dramatically illustrated during the historically unsurpassed totalitarian crushing of the Hungarian revolt, when escaped Hungarian freedom fighters were forcefully returned to their country for execution.

It should be obvious now that the Congress and the American people can no longer tolerate such unmoral intimacy with an actual enemy. It has never been the feeling of the Congress or the American people that aid to Communist-controlled puppets is a proper means of protecting our security.

There can be no question that in the event of an all-out war the loyalty of the Yugoslavian Government would be to its Russian prototype, and this country would have been responsible for increasing the war strength of an army under hostile direction. Our most recent experience in the last World War graphically illustrates that the lot of dictators is together. In the case of Yugoslavia, the pattern is obvious. Its philosophers are Communist ideologists, as are Russia's. Their whole philosophy of government is in complete contradiction to our own. In his quest to preserve Fascist control over the 17 million citizens of Yugoslavia, Marshal Tito would have but one course to follow in the event of war, which emphatically would not be to the best interests of the United States.

It is the duty of the Congress at this time to preserve the integrity of our country by refusing to compromise our high position among the free nations of the world with further gifts to a nation which is the antithesis of all this country stands for.

THE PRESIDENT'S BUDGET

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, the President of the United States last week took to the air waves and the television to go to the people in defense of his budget. I and many others have been waiting rather patiently for some members of the minority party to come to the defense of their political leader, the President, but they have not done so up to this time.

The U. S. News & World Report says the President is engaged in a dramatic struggle with the Democratic-controlled House to save his legislative program. Some 42 Democrats wired the President on the day following his speech, announcing their support of the budget in a way that would not cut national expenditures foolishly or endanger national defense. Today, to prove that he has a sense of humor, among other things, I received a letter from Sherman Adams thanking me and my fellow Democrats for supporting the President. I think this will make interesting reading for all in the RECORD.

THE WHITE HOUSE,
THE ASSISTANT TO THE PRESIDENT,
Washington, May 17, 1957.

The Honorable FRANK THOMPSON, Jr.,
House of Representatives,
Washington, D. C.

DEAR MR. THOMPSON: This will acknowledge your May 15 telegram cosigned by a number of your colleagues. The President appreciates your commending him for addressing the Nation in respect to the 1958 Federal budget and noted your various comments on this problem. He thanks you for your assurances that you and others in your party in control of this Congress will help advance administration programs already long delayed, and that you will do your best, as he has been doing and will continue to do, to keep the Congress from effecting crippling cuts in the budget.

Sincerely,

SHERMAN ADAMS.

NO GROUNDS FOR A VETO

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. O'BRIEN] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'BRIEN of Illinois. Mr. Speaker, tomorrow H. R. 2, the Lake Michigan water-diversion bill, will come to the floor of the House for a vote. The opposition to this meritorious measure, which twice has passed this body as well as the other body by overwhelming majorities, is confined to a very limited number of Members. It is supported on a strictly bipartisan basis by the entire delegation from the Chicago area; indeed, by all the Members of both parties from Illinois.

The few who oppose the bill—and they are a mere handful—have stated in newspaper interviews that in debate they will stress the danger of a Presidential veto. In order that my colleagues may be informed in advance of the fallacy of this argument, based upon the possibility of a Presidential veto, I am extending my remarks to include the lead editorial in this morning's Chicago Sun-Times, a newspaper that has never deviated from its support of President Eisenhower and is generally credited with being very close to the White House. The editorial follows:

NO GROUNDS FOR A VETO

If logic and reason prevail, a new Federal law should be enacted soon permitting an increase in the diversion of Lake Michigan water into the Illinois Waterway.

In recent years Congress has twice enacted such legislation, and it has twice been vetoed by President Eisenhower. However, the reasons that the President cited for his action no longer seem to exist.

Thus, if Congress enacts a diversion bill this year, as now seems likely, the President should logically sign it into law.

Tomorrow, the House is scheduled to debate and probably pass a bill by Representative THOMAS J. O'BRIEN (Democrat, Illinois) to increase the present diversion of 1,500 cubic feet per second to 2,500 feet. The extra diversion would be for a test period of 3 years, during which Army engineers would measure its effect on Great Lakes levels and on the Illinois Waterway.

Favorable Senate action on the measure is expected before the session's end.

In his previous vetoes, the President variously cited these objections to the diversion bills: (1) That the present rate of diversion is adequate for navigation in the Illinois Waterway and Mississippi River; (2) that more diversion might be harmful to navigation and hydroelectric power projects on the Great Lakes; (3) that Canada might be opposed to extra diversion; and (4) that increased diversion might adversely affect other States lying along the Great Lakes.

As recently pointed out in the Northwestern University Law Review, all of these objections have been answered wholly or partially by subsequent developments. An article by Anthony A. Olis, president of the sanitary district, and Robert A. Sprecher, special assistant attorney general of Illinois, brought out that:

The President himself dropped all reference to the first point between his first and second veto messages. On the second point, two expert studies concluded that the effect of increased diversion on Great Lakes navigation and power would be negligible. On the third point Canada interposed no objection to the recent increased diversion authorized by the United States Supreme Court on an emergency basis. The fourth point is answered in part by the two expert studies mentioned before and by the failure of other Great Lakes States, with the exception of Wisconsin, to object to the Illinois petition to the Supreme Court for emergency relief.

There are no more valid grounds for the President to object to the O'Brien bill, and we trust he will sign it.

POST OFFICE MORALE AND PUBLIC REACTION

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, I am bringing to the attention of the House a paragraph from Mary Stuart's widely read column in Heard and Seen, the weekly publication of her husband, William H. Stuart, for years political editor of the Chicago American and universally regarded in Illinois as the sage of politics. Mary Stuart is a brilliant writer and she has a brain as keen as a newly honed razor. Her column in Heard and Seen is, if not the best, certainly among the top 2 or 3 columns of the Nation, including all of the widely syndicated columns. Not since Benjamin Franklin has anyone in America produced a line of proverbs to compare with those with which Mary Stuart each week concludes her column.

Mary Stuart is not a rabble rouser. She is inclined if anything to be a bit on the conservative side, frequently a lot more than a bit. As a reporter and commentator she writes the impressions of one with a photographic mind. I make these observations on Mary Stuart in order that my colleagues may properly evaluate the significance of the paragraph from her current column that I am about to include in my remarks.

As my colleagues well know, I have been critical of the administration of the present Postmaster General. It has seemed to me that in his administration he has overlooked the human qualities. He has advocated and brought about a system of highly paid regional postmasters and has insisted that good men in the top echelons could not be had unless princely salaries were paid to them. Meanwhile he has overlooked the fact that the little fellows, but the very important fellows, who are the clerks and the mail carriers, also have to live. It certainly is not to the credit of the Post Office or to the Nation that the men who deliver our mail in Chicago and in other cities in Illinois are paid much less than the scale for common day laborers and that to eke out existence, their wives have to go out to work.

Meanwhile the Postmaster General has gone in in a big way for expensive frills. He has given us the stamp vending machine that plays a beautiful tune as we drop in the coin. He has erected great imposing clocks that use, goodness knows why, the military numerical timing. He has spent more money than all the postmasters general in history combined employing detectives to find whether postal clerks and carriers who took a day off on sick leave 10 years ago were really sick or feigning. All this, of course, has had the inevitable result of bringing Post Office morale to the lowest ebb in history.

What has been the effect upon the public? To me the answer was clear. It is the public that suffers when the morale among the postal workers is at a low ebb. It is the public that suffers when postoffice efficiency has been destroyed because the money goes to big salaries for those in the top echelon and for the installation of frills and innovations that ignore the human equations. This is my thinking, and there are those whose thinking is along another line. So I am leaving it to the photographic mind of Mary Stuart to give the answer of what really is the popular reaction to a policy of frills in substitution for human service.

With this introduction I commence the reading of the paragraph with which Mary Stuart begins her column in the issue of Heard and Seen of May 18, 1957. It reads:

I ran into a wild demonstration in the downtown post office. Wanting to buy some stamps, I found but one open window in the dozen-window room. A long line of people were waiting; I became 20th in line. They were the "low income" group—soiled hands and tired faces. Never have I seen such angry people. Shouts of, "They economize on us and spend our money in Washington. They spend all our money and give us no service; you voted for them Republicans; now you have them; foreigners live high on our wages." One woman said, "I can't pay my rent, while them foreigners get a tax cut." I said to her, "Why don't you write your Congressman?" "Oh," said she, "he ain't no good." Asked, "What's his name?" "I don't know." Finally, one more window opened. Said a voice, "They must have heard us." The startling thing was the quick anger of that class of voters, and how quickly the vituperation spread down the long line.

REDUCE THE FEDERAL DEBT BEFORE IT GETS OUT OF CONTROL

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, $7 billion a year.

That's just the interest on the Federal debt.

Seven billion dollars taken out of the earnings of the American people just to service the debt. Without one extra cent put aside to start paying off the principal. And before we count the many more billions required to run the Federal Government.

Seven billion dollars for interest alone.

Almost as much as the entire cost of operating the United States Government as recently as 1987.

Who ever heard of a person or a business increasing the mortgage year after year, and without making any provision for repayment? Such a course would soon lead to bankruptcy.

The Federal debt has zoomed from a mere $16 billion in 1932, to a staggering $275 billion in 1957.

The burden of high taxes, high expenditures, and a rising debt is becoming intolerable. The American people are beginning to clamor for some relief. The Boston Tea Party of 1957 was not just a publicity stunt, and the 50-cent dollar of today is not a joke.

By way of illustration, we would have to sell all the buildings, machinery, livestock, and everything else of tangible value in the United States, at their full assessed value, just to wipe out the Federal debt.

That is, if we had to do it immediately, and completely.

The public is beginning to resent the fact that there has been no realistic effort to reduce the national debt since the 1920's.

They know that now, during a period of unprecedented prosperity, is the time to make the start.

One of the most logical measures to effect a reduction in the Federal debt was introduced by Senator LEVERETT SALTONSTALL, of Massachusetts, this year.

Identified as S. 1738, it is a bill to provide for systematic reduction of the public debt. If and when enacted, it shall be known as the Public Debt Reduction Act of 1957.

This is a systematic plan, yet flexible enough to meet unforeseen circumstances in the future.

During periods of national emergency, or economic distress, the required reductions would not apply.

Under Senator SALTONSTALL's formula:

SEC. 3. (b) The public debt limit set forth in subsection (a) is hereby reduced as follows: (1) Effective on July 1, 1958, by an amount equal to 2 percent of the net revenue of the United States for the fiscal year ending June 30, 1957.

The percentage of reduction gradually increases until it levels at a 5-percent reduction, effective on July 1, 1961, and July 1, of each year thereafter, of net revenue received by the Federal Government.

In this formula, adjustments are made to net loss of revenue resulting from any revenue law enacted by the Congress, or resulting from any decrease in tax rates.

As this bill would require more revenue than spending, it would tend to make the responsible budgets.

Furthermore, by suspending reduction in the debt for a period of 2 years after any tax cut voted by Congress, it would provide an incentive for tax relief.

This is not a bludgeon measure. It is neither blind nor rigid. It is adjusted to meet all possible contingencies, such as war or depression, so that it would not handcuff the Federal Government in meeting its responsibilities during periods of genuine emergency should they occur.

It also makes allowance for increased economic activity and the needs of a growing nation.

With these safeguards provided for, it tackles one of the main problems of our National Government today: How to reduce the Federal debt and strengthen the Government's credit, for this has an important effect on economic activity and our standard of living. When any government goes too deeply into debt, inflation and collapse are not too far behind.

Reduction of the debt means reduction of the $7 billion that we pay each year in interest for the sole purpose of servicing that debt.

The more we save from this dead cost, could be applied to constructive uses by individuals and corporations.

There is a breaking point on mounting debt.

Public opinion has served warning that it believes this debt has reached a level where it could get out of hand.

Meanwhile, Communist strategy, through fear and force, is hoping that it may bring about our crackup from within.

Our national security therefore requires a gradual but sustained effort, made mandatory by law, to reduce the topheavy national debt.

HOUSE EMPLOYEES PAYROLL SIMPLIFICATION ACT

Mr. YOUNGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. YOUNGER. Mr. Speaker, today I am introducing a bill which may be cited as the "House Employees Payroll Simplification Act." I am sure every Member of the House will agree that no other process in the Federal Government needs simplification so badly as our own employees payroll. I am equally sure that if any bureau or agency of the executive branch used such a system to determine their payroll our Government Operations Committee would have them up for investigation at once and properly so.

As the system now stands we are subject to criticism for tolerating it, with the end result that the public is confused both as to the office salaries we pay and the allowance which we have for office hire. At least that is the way it works out; for even the columnists, who spend much time on the Hill, more frequently than not when mentioning the salary of some office secretary will use the base pay instead of the gross amount which results from the 7 different percentage and flat increases after they have been calculated and added to the base.

As a good example, the National Association of Manufacturers, an organization that has never been accused of not knowing its way around the Capitol, published a pamphlet this session called Your Congressman. On page 9 this statement is made and I quote:

A Representative is given a flat sum of $17,500 a year for hiring assistants. A Senator gets a few thousand more, the amount being determined by the population of his State. Three or four people can be hired in Washington for this amount.

Such examples merely compound the misinformation which the public receives. Under the present acts the $17,500 base allowance yields a gross annual allowance of $34,710 when the various additions are calculated as follows:

By employing the maximum number of 8 office employees and giving each employee the same base pay you start with a base—nearest amount divisible by $5—of $2,185 each. Then apply the seven formulas granted over the years as follows:

First, 20 percent increase of first $1,200; 10 percent additional from $1,200 to $4,600; 20 percent of $1,200 equals $240; 10 percent of $985 equals $98.50; total, $2,523.50.

Second, after applying the increases provided in paragraph 1, add an additional 14 percent or a flat $250 a year, whichever is the greater, but not to exceed 25 percent; 14 percent of $2,523.50 equals $353.29; total, $2,876.79.

Third, after applying the increases provided in paragraphs 1 and 2, add an additional increase of 10 percent—in lieu of overtime; 10 percent of $2,876.79 equals $287.68; total, $3,164.47.

Fourth, after applying the increases provided in paragraphs 1, 2, and 3, add an additional increase of $330; total, $3,494.47.

Fifth, after applying the increases provided in paragraphs 1, 2, 3, and 4, add an additional increase of 5 percent; 5 percent of $3,494.47 equals $174.72; total, $3,669.19.

Sixth, after applying the increases provided in paragraphs 1, 2, 3, 4, and 5, add an additional increase of 10 percent, but not more than $800 nor less than $300 a year; 10 percent of $3,669.19 equals $366.92; total, $4,036.11.

Seventh, after applying the increases provided in paragraphs 1, 2, 3, 4, 5, and 6, add an additional increase of 7½ percent; 7½ percent of $4,036.11 equals $302.70; total, $4,338.81.

The $2,185 annual base pay actually yields a gross annual salary of $4,338.81 or for the 8 employees $34,710 per year. My bill fixes the total clerk hire annual allowance at $35,000.

Another example is the maximum base pay allowed for any employee, which is $7,000. When this base pay is increased by the seven different steps it becomes a gross salary of $12,131.47, and my bill fixes the maximum salary in round numbers at $12,500.

Or, take another example of the minimum base pay allowed per year which is $5. When the 7 increases are added this $5 becomes a gross annual pay of $704.30 or over 140 times the base.

This bill will simplify the employee payroll as to the total amount allowed and in each individual case the actual salary paid; to the end that anyone who can read can understand our clerk hire allowance.

I believe this measure should pass in order for the House to be relieved of the criticism of so conducting its affairs as to compound confusion in the minds of our constituents relative to our allowance for clerk hire.

SOIL BANK

Mr. HILL. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. HOEVEN] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. HOEVEN. Mr. Speaker, on rollcall No. 74, I am recorded as not voting on the Harrison amendment, which eliminated appropriations for 1958 operation of the soil bank. I had arranged for a live pair against this amendment due to my confinement in the hospital for eye surgery. Through inadvertence, however, the pair was not recorded in the CONGRESSIONAL RECORD. It is my understanding that my pair against the amendment will be recorded in the permanent RECORD. In any event, I want my constituents to know that if present I would have voted against the Harrison amendment.

PROGRAM FOR BALANCE OF WEEK

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute to ask the majority leader if there is any change in the program for the balance of the week.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. McCORMACK. I am very glad my friend from Illinois asked that question.

I might say that House Concurrent Resolution 172 on the program for today will not be called up. That is taken off the program because there are taking place some consultations between the gentleman who introduced the resolution and the chairman and members of the District Committee. When it will be programed again is dependent upon circumstances over which I have no control.

The rest of the program is as previously announced.

Friday we will start general debate on the Defense Department appropriation bill.

Mr. ARENDS. That will be general debate all afternoon?

Mr. McCORMACK. General debate; yes.

COMMITTEE ON RULES

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a report on the so-called civil-rights bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to:

Mr. CHIPERFIELD, for 1 week on account of death in family.

Mr. MILLER of Maryland (at the request of Mr. ARENDS), for the balance of the week, on account of illness.

Mrs. SULLIVAN (at the request of Mr. CANNON), for an indefinite period, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. BAILEY, on Monday next, for 20 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. HUDDLESTON.

Mr. REUSS and include extraneous matter.

Mr. BASS of New Hampshire.

Mr. BROOMFIELD.

Mr. NEAL.

Mr. CHAMBERLAIN.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 358. An act to authorize the conveyance to the State of Wyoming of about thirty-seven and seventy-five one-hundredths acres of land comprising a part of Francis E. Warren Air Force Base;

S. 1274. An act to amend the act of March 3, 1911 (36 Stat. 1077), to remove restrictions on the use of a portion of the Springfield Confederate Cemetery, Springfield, Mo., and for other purposes.

MUTUAL SECURITY PROGRAMS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 182)

The SPEAKER laid before the House the following message from the President of the United States, which was read and

referred to the Committee on Foreign Affairs and ordered printed:

To the Congress of the United States:

The safety of our country, the preservation and strengthening of world peace, the minimizing of risk to American lives and resources in future years, all imperatively demand that we hold fast in our worldwide collective security effort.

In supplementing our country's defense, the tested and proven mutual security programs give the American people more security per dollar invested than any other expenditure they make.

In our most important task of all—the waging of peace—these programs lay firmer foundations than any other effort of our country.

For almost a decade every objective analysis has supported these views. This past year they have been convincingly reaffirmed. Congressional committees, the executive branch and distinguished private citizens have just examined these programs anew. On two fundamentals these groups have unanimously found:

First, that both the military and economic elements of our mutual security programs are essential to the security of the American people and to world peace.

Second, that these programs will continue for some years to come to be indispensable to the attainment of our country's goals in the world.

These recent studies again substantiate that these programs—

Strengthen our own defenses;

Advance our own interests through the stimulation and growth of the economies of less developed countries; and

Provide a necessary, powerful weapon with which to meet political and economic crises abroad that endanger our own vital interests.

Our grave responsibility, therefore, in this session of the Congress, is not only the continuance of these programs but also their continuance at a level dictated by the dangers we face—and the opportunities we have to counter them.

The recent studies have also generally agreed that these programs will be strengthened by a clearer identification of their principal elements with their purposes. I shall first refer to these elements of the programs and then discuss specific changes which I ask the Congress to adopt to improve their effectiveness.

First is defense assistance—our and other free nations' common effort to counter the Soviet-Chinese military power and their drive to dominate the world. That power continues to grow—in armaments, in nuclear capability, in its economic base. The Communist goal of conquering the world has never changed.

For our Nation alone to undertake to withstand and turn back Communist imperialism would impose colossal defense spending on our people. It would ultimately cost us our freedom.

For other free nations to attempt individually to counter this menace would be impossible.

We in our own interest, and other free nations in their own interest, have therefore joined in the building and maintenance of a system of collective security in which the effort of each nation strengthens all. Today that system has become the keystone of our own and their security in a tense and uncertain world.

Only if truly mutual—with mutual acts building mutual strength—can this system of collective security succeed.

On our part, in addition to our own forces at home and abroad, we provide military equipment and training for many countries as well as economic assistance to some to supplement their support of enlarged forces required in the common defense.

On their part, friendly nations man their forces and, in most cases, provide the greater part of their direct financial support. These nations also provide strategic sites for our own as well as their air, ground, and naval forces—sites essential to our combined capacity to deter aggression and defend our homelands.

In the last 8 years this Nation has furnished direct military assistance to these nations' forces in an amount approximating $17 billion. In the same period free world nations have put $107 billion into their own and the common defense.

Through this $17 billion we have helped develop and equip a free world strength of 200 divisions of friendly military forces.

They have some 27,000 aircraft.

They operate some 2,500 active combatant naval vessels.

This assistance which we have furnished and are furnishing our friends increases their ability to defend themselves against subversion from within and aggression from without.

It substantially strengthens the security of the United States.

By helping to stabilize world affairs, it heightens the prospects for a just and lasting peace.

This collective security effort has proved its value to the protection of America and the prevention of war. I give here a few of the historical incidents in which failure to give aid could have meant ultimate disaster for our country and world peace.

Had it not been for American assistance in 1947, Greece and Turkey would have succumbed to Communist power.

Had it not been for our assistance since 1948, the determination of Yugoslav leaders and people to develop their nation independently of Moscow might not have survived.

Had it not been for our assistance in 1954, strategic Vietnam and Southeast Asia would probably be lost today to the free world.

Today in Korea and Free China our assistance helps preserve national will and independence under the very muzzles of Communist guns.

Today in the Middle East our assistance helps to preserve the integrity of one of the most vital regions in the world as well as the independence of some of the nations in that area.

At this very time, when our prior efforts are bearing good fruit, while Soviet intrigue and power continue their probing and pressure in every critical area in the world, it would be supreme folly for our country either to stop these efforts or to cripple them through an overweening zeal to scrimp at their expense.

The second major element of our mutual security programs is economic development assistance and technical cooperation.

This part of the programs helps less developed countries make the social and political progress needed to preserve their independence. Unless these peoples can hope for reasonable economic advance, the danger will be acute that their governments will be subverted by communism.

To millions of people close to the Soviet and Chinese Communist borders political freedom is still new. To many it must still prove its worth. To survive it must show the way to another and equally essential freedom—freedom from the poverty and hopelessness in which these peoples have lived for centuries. With their new freedom their desire and their determination to develop their economies are intense. They are fixed upon raising their standards of living. Yet they lack sufficient resources. Their need for help is desperate—both for technical know-how and capital.

Lacking outside help these new nations cannot advance economically as they must to maintain their independence. Their moderate leaders must be able to obtain sufficient help from the free world to offer convincing hope of progress. Otherwise their peoples will surely turn elsewhere. Extremist elements would then seize power, whip up national hatreds, and incite civil dissension and strife. The danger would be grave that these free governments would disappear. Instability and threats to peace would result. In our closely knit world, such events would deeply concern and potentially endanger our own people.

The help toward economic development that we provide these countries is a means to forestall such crises. Our assistance is thus insurance against rising tensions and increased dangers of war, and against defense costs that would skyrocket here at home should tragedy befall these struggling peoples.

These revolutionary developments in distant parts of the world are borne on the crest of the wave sent out a century and a half ago by the example of our own successful struggle for freedom. The determination of the people of these nations to better their lot and to preserve their newly gained liberty awakens memories of our own noblest traditions. Our helping hand in their struggle is dictated by more than our own self-interest. It is also a mirror of the character and highest ideals of the people who have built and preserved this Nation.

The third major element of the mutual security programs is the special—often emergency—assistance we provide to help friendly nations through critical periods when violent political change, natural disaster, or other circumstances threaten both their stability and our own national interests.

In 1953, strategically located Iran, under an erratic leader, verged on communism and chaos. The Iranians succeeded in establishing a government

friendly to us and freedom. Our assistance gave them the additional strength needed to stabilize their nation and to consolidate their victory over violence and subversion.

Similar aid to Guatemala enabled republican government to survive there after a pro-Communist regime was overthrown in 1954.

In the many unstable regions of the world, Communist power is today probing constantly. Every weakness of free nations to being exploited in every possible way. It is inevitable that we shall have to deal with such critical situations in the future. In America's own interest, we must stand ready to furnish special assistance when threatened disaster abroad foretells danger to our own vital concerns.

The major elements of our mutual security programs are therefore still as urgently needed for our own security as ever before. But, as others have recently urged, I believe that these elements should be more clearly defined in order to facilitate more efficient and more economical administration. I recommend four specific changes in existing programs:

First, defense assistance programs should be separated from programs for economic development.

Second, defense assistance should be recognized and treated as an integral part of our own worldwide defense efforts.

Third, economic development assistance should be provided primarily through loans, on a continuing basis, and related closely to technical assistance.

Fourth; needs for special economic assistance should be met by funds authorized and appropriated specifically for this purpose.

To accomplish these purposes I recommend the following legislative actions:

First, I recommend that defense assistance, both military assistance and related economic support, be separated from economic development assistance.

We spend the largest part of our mutual security funds to strengthen friendly military forces through the use of two types of defense assistance:

One is military assistance—that is, guns, ammunition, tanks, planes, ships and other weapons which we furnish to military allies, plus training in the use of such weapons.

The other is defense support. Although superficially economic in purpose, this assistance enables friendly nations to maintain military forces and provide military facilities substantially greater than they could otherwise support.

The present arrangement of our mutual security programs does not clearly differentiate defense support assistance from economic development assistance. Until now, both military and defense support assistance have been joined with development assistance in one appropriation measure. In the process, economic development assistance for countries with which we have military assistance agreements has tended to lose its identity.

To remove uncertainty as to the character and purpose of our aid, I recommend a clear separation of military and defense support assistance on the one hand, from economic development assistance on the other. The program being submitted to the Congress provides for this separation.

The second legislative action I propose is this: that defense assistance appropriations be included as a separate title in the regular Department of Defense budget.

Our expenditures for defense assistance differ neither in basic purpose nor character from those for our own Armed Forces. Once incorporated in our own defense budget, they will become recognized here and abroad—as indeed they should be—as part of the military effort of the United States. To assure a continuing close coordination of all elements of the entire program, I also propose that these funds be appropriated to the President.

I recommend also that appropriations for both military assistance and defense support be pursuant to a continuing authorization enacted by the Congress. This would fittingly recognize that our own security requires continuance of these parts of our own military effort as long as Communist imperialism remains a menace to free peoples. This would also enable the Congress to consider simultaneously appropriations both for our own Armed Forces and for assistance to friendly forces. In this way, these two interrelated elements of our military budget can be better integrated and balanced, and the effectiveness of both increased. I recommend also that these defense assistance funds be authorized as our own military procurement funds are authorized, whether this be on the present basis—available until expended—or as it may be modified in the future. Policy guidance for both military assistance and defense support would, of course, be effected by the President through the Secretary of State.

For these two types of defense assistance programs in fiscal year 1958 I recommend appropriations totalling $2.8 billion in a separate title of the Department of Defense appropriation. Of this sum, $1.9 billion will be for military equipment and services. The remaining $900 million will be for defense support.

As a third major legislative action, I recommend that long-term development assistance be provided from a Development Loan Fund.

Our assistance to less developed countries can add only in limited degree to their own resources. Nevertheless, if so provided as to encourage these peoples to help themselves more than they can now, it can make a critical difference.

This objective requires a clear statement of our intention, in our own national interest, to help the people of less developed countries in their efforts to develop their economies. It requires also a greater assurance of continuity.

Development assistance programs are managed as effectively and economically as possible under the present system but suffer from major difficulties. One is that the present law makes funds available only from year to year with no assurance of continuity. Obviously, sound economic development is not a year-to-year undertaking but a continuing process. Another difficulty is closely related. Under present law funds are requested each year on the basis of estimated country programs. This leads to the establishing of levels of aid for each country that have to be prematurely formulated. Thereafter they become difficult to change without risking misunderstanding on the part of the countries we help.

In addition, even the personnel needed to administer these programs, most of whom must be highly skilled technically, cannot be assured of more than short terms of employment. This makes it exceedingly difficult to recruit and to hold good personnel.

Countries seeking and meriting our help should take increasing responsibility for carefully planning the projects which they need and can justify. It is no less important that our aid be geared to these projects and that our continued assistance be related to the progress being made in carrying out these projects.

That there may be greater continuity, efficiency, and economy, and other nations encouraged to greater self-help, I recommend that the Congress establish a development loan fund to finance specific projects and programs which give promise of contributing to sound development. This fund would be used not for short-term emergency requirements but for economic development of long-term benefit to the borrowing country.

I visualize that assistance from this fund would be provided essentially on a loan basis. Such loans should not compete with or replace such existing sources of credit as private investors, the International Bank, or the Export-Import Bank.

These loans should be made on a reasonable expectation of repayment in dollars or local currencies, even though we should recognize that this expectation would be based on confidence in the long-range development of the borrowing country and on hope for an improved international political climate rather than on presently demonstrable financial soundness.

The fund would closely coordinate its operations with existing lending institutions. It could directly and independently provide financing or do so in conjunction with such institutions. A major purpose would be to promote—not impede—the flow of private investment, and to this end the fund should have authority to engage in appropriate financing operations. Properly operated, it should increase sound activity by these other sources of credit and investment.

In order to avoid needless administrative duplication and to assure coordination with our foreign-policy objectives, I believe the fund should be established and administered in the International Cooperation Administration.

To achieve its objective, the fund should initially command sufficient resources to finance its operations during the coming 3 fiscal years. Only thus can we break away from the advance country

programing and other operating practices which now encumber and complicate the administration of development assistance. Lacking such assurance of continuity, the fund would be little more than a new name for continuing, with minor improvement, the present practices.

I ask the Congress, therefore, for an initial appropriation for fiscal year 1958 and also for authority for the fund to borrow from the Treasury in succeeding years, within stated limits. Such borrowing authority has been used to finance many other United States lending operations. I believe this financing mechanism is well suited to the character of the fund.

In order to get the fund underway in its first year, not less than $500 million should be appropriated—an amount which is included in the total request for new funds later presented in this message. I anticipate a substantial increase in sound requests for assistance in the following 2 years, as countries' development programs move forward. I therefore expect the fund to require capital of $750 million in each of the fiscal years 1959 and 1960.

In order to accomplish the purposes of the fund, sufficient capital must be provided now. To create a fund for long-term economic development while denying it the means to succeed would be to deceive ourselves, discourage our friends, and dissipate our money.

The technical cooperation program is one of the most valuable elements of our entire mutual security effort. It also should be continued on a long-term basis and must be closely related to the work of the fund. I therefore propose that the Congress authorize technical cooperation on a continuing basis while continuing to appropriate funds on a yearly basis as is done now. For fiscal year 1958 I request an appropriation of $152 million for this program.

"Special assistance" I recommend be established as a separate category of aid to serve three major purposes:

First, to provide primarily by grant, economic assistance to meet needs of importance to our country which cannot be properly met by the basic types of assistance.

Second, to meet unforeseen additional military or other requirements above the funds programed and requested. This I expect to be of particular importance during the initial year of the revised program.

Third, to be prepared to meet emergencies and contingencies that require waiver of certain restrictive legal provisions to protect the Nation's security interests. I request authority to waive these restrictions on the use of appropriated funds in the same amount as now provided. Part of the additional needs in the Middle East which I discussed before the Congress last January will be provided from such special assistance.

For these three purposes of special assistance—for which appropriations should be made annually—I request $300 million of new funds for fiscal year 1958. This sum includes $100 million to cover already anticipated requirements and $200 million for reserve and contingencies.

I should like to note especially one of these anticipated requirements. I refer to a program—malaria eradication—which will appear separately in the bill proposed to the Congress, but will be financed from the special assistance fund.

Malaria is today the world's foremost health problem. Each year it attacks 200 million people, bringing death to 2 million and causing enormous suffering and economic loss in many areas. Today it is practicable to end this scourge in large areas of the world. I propose that the United States join with other nations and organizations which are already spending over $50 million a year on antimalaria activities. In 5 years these activities are expected to eradicate this disease.

In addition to the programs already discussed, $113 million is required for multilateral programs, the program for peaceful use of the atom, and the administration of the nonmilitary programs.

It is especially important to continue our contributions to United Nations and other international programs in the fields of technical cooperation, assistance to refugees and migrants and children's welfare. These contributions, augmented by the contributions of other nations, will enable these organizations to continue their valuable work. I believe participation of the United States in these endeavors should be continued at substantially the present level. I also request continuance of our program to assist escapees from Communist despotism.

Before the United Nations General Assembly in December 1953, the United States first offered to assist other countries and to share with them its technology in the peaceful application of atomic energy. Our mutual security programs for fiscal year 1958 include additional funds to implement this offer by providing assistance in financing research reactors, other equipment, and services to the growing number of countries engaged in peaceful nuclear activities.

The total request for new funds for fiscal year 1958 is $3.865 billion, a sum $535 million less than estimated in my budget message last January. Nearly all of that reduction is made possible by savings in the military assistance program in an amount of $500 million, which, if carried over, can be used to meet program needs of fiscal year 1958. This sum is not deferred spending but a real saving. These savings are largely attributable to a reduction in spare parts requirements based on experience in the actual use of our equipment by the forces we are assisting, reduced needs resulting from better planning with our allies, and a continuing improvement of the administration of the program. I ask that this $500 million be carried over to fiscal year 1958.

We are—all of us—seeking to cut the cost of government. All of us want taxes reduced when possible without injury to our country.

There is, however, only one sound way for us to achieve a substantial tax reduction. That way is to succeed in waging peace, thereby permitting a substantial cut in our heavy military expenditures. A substantial cut in these expenditures, in the face of present world conditions, would be foolhardy.

Similarly, and for the same reason, refusal to give adequate support now for our crucial mutual security programs could hardly be more ill advised or ill timed. It would risk not only the ultimate attainment of the tremendous military savings to which we all aspire; by encouraging aggression and discouraging our friends, it would also risk forcing our own defense spending to a level far higher than it is today. In this kind of a gamble, American lives are just as much in the balance as American dollars.

The Congress must also weigh these facts:

First, a substantial cut in defense assistance would force a reduction in the strength of Allied forces. Thereby the risk of local Communist aggression would be increased. In order to forestall that, we would have to expand our own forces and station more of our youth abroad, or else supinely accept Communist expansion at the expense of the free world. I need hardly point out that such a procession of events would sooner or later force an increase in the number of young men inducted into our forces as well as a substantial increase in our own defense cost.

And second, we simply cannot afford to blight the hopes of the newly independent peoples who turn to the free world for help in their struggle for economic survival. Should we do so, these peoples will perforce be driven toward Communist or other totalitarian solutions to their problems.

I know of no precise relation between economic well-being and responsible political development. Yet continued poverty and despair are conditions that will foredoom moderate political life in these countries. If the best that these free governments can offer their peoples is endless hopelessness and grinding poverty, then these governments will surely fall. Certain it is that our peace, our political freedom, and our prosperity would not long survive the sweep of Communist despotism over these new nations.

Failure to provide adequate funds to help these struggling nations move forward could well become tragically expensive to every citizen in our country.

Our mutual security programs have become, during the past 10 years, proven instruments of tremendous power for winning our struggle for peace. The proposals I have made for their improvement stem equally from the legislative and the executive branches. I urge the Congress to join with me in giving these programs the strength which the present and future security of our Republic requires.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 21, 1957.*

PRINTING OF HEARINGS OF COMMITTEE ON APPROPRIATIONS FOR DEPARTMENT OF DEFENSE

Mr. JONES of Missouri. Mr. Speaker, by direction of the Committee on House Administration, I am going to call up four resolutions which have been reported by the committee and which have been cleared with the leadership on both sides of the aisle.

First, I call up the concurrent resolution (H. Con. Res. 174) authorizing the printing of additional copies of part 1 of the hearings on the Department of Defense appropriations for 1958 and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed for the use of the Committee on Appropriations, House of Representatives, 1,000 additional copies of part 1 of the hearings held by that committee during the current session on the Department of Defense appropriations for 1958.

Mr. LeCOMPTE. Mr. Speaker, will the gentleman yield?

Mr. JONES of Missouri. I yield.

Mr. LeCOMPTE. I wonder if the gentleman from Missouri is planning to explain that these resolutions have all been through the Committee on House Administration and that the resolutions were requested by certain committees for the operation of the committees. They are mostly for printing hearings or House documents. Would the gentleman care to tell the House the estimated cost of printing each of these resolutions? One of the resolutions is for the other body and the principle of comity between the two Houses would seem to almost compel us to pass that resolution without much of any argument or discussion because it is exclusively for the Committee on Foreign Relations of the other body.

Mr. JONES of Missouri. Mr. Speaker, I will be very happy to follow the gentleman's suggestion. This particular resolution, House Concurrent Resolution 174, relates to hearings before the Committee on Appropriations for the Department of Defense. There is a great demand for copies of these hearings. The cost of this particular printing is $3,727 for 1,000 copies. I might say that the committee gave much consideration to the printing of these hearings, and I think later on the committee will probably make a recommendation for a more judicious use of the hearings because these hearings cost a considerable amount of money.

I may say for the benefit of the Members that the first printing of 1,000 copies cost $16,000, so when you pick up this copy of the hearings for the Department of Defense appropriation, you are dealing with a $16 volume. Additional copies will cost $3.27 each. This committee is trying to cut down the cost of printing for you, but in view of the great demand it is necessary that these be printed.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

HOUSE REPORT ON UNITED STATES AID OPERATIONS IN IRAN

Mr. JONES of Missouri. Mr. Speaker, by direction of the Committee on House Administration, I call up the Resolution (H. Res. 229) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there be printed for the use of the Committee on Government Operations, House of Representatives, 2,000 additional copies of House Report No. 10, current Congress, entitled "United States Aid Operations in Iran."

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

TECHNICAL ASSISTANCE REPORT

Mr. JONES of Missouri. By direction of the Committee on House Administration, I call up the resolution (S. Con. Res. 24) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Committee on Foreign Relations 2,500 additional copies of Senate Report No. 139, current Congress, entitled "Technical Assistance."

The SPEAKER. The question is on the resolution.

The concurrent resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BONDING OF LIBRARY EMPLOYEES

Mr. JONES of Missouri. Mr. Speaker, by direction of the Committee on House Administration, I ask unanimous consent for the immediate consideration of the bill (H. R. 7234) to fix the responsibilities of certifying officers and disbursing officer of the Library of Congress.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., that hereafter, each officer and employee of the Library of Congress, including the Copyright Office, who has been duly authorized in writing by the Librarian of Congress to certify vouchers for payment from appropriations and funds, shall (1) be held responsible for the existence and correctness of the facts recited in the certificate or otherwise stated on the voucher or its supporting papers and for the legality of the proposed payment under the appropriation or fund involved; (2) be required to give bond to the United States, with good and sufficient surety approved by the Secretary of the Treasury, in such amount as may be determined by the Librarian of Congress, pursuant to standards prescribed by the Secretary of the Treasury, and under such conditions as may be prescribed by the Secretary of the Treasury; (3) be held responsible and accountable for the correctness of the computations of certified vouchers; and (4) be held accountable for and required to make good to the United States the amount of any illegal, improper, or incorrect payment resulting from any false, inaccurate, or misleading certificate made by him, as well as for any payment prohibited by law or which did not represent a legal obligation under the appropriation or fund involved: *Provided*, That the Comptroller General of the United States may, at his discretion, relieve such certifying officer or employee of liability for any payment otherwise proper whenever he finds (1) that the certification was based on official records and that such certifying officer or employee did not know, and by reasonable diligence and inquiry could not have ascertained, the actual facts, or (2) that the obligation was incurred in good faith, that the payment was not contrary to any statutory provision specifically prohibiting payments of the character involved, and the United States has received value for such payment: *Provided further*, That the Comptroller General shall relieve such certifying officer or employee of liability for an overpayment for transportation services made to any common carrier covered by title III, part II, section 322, of the Transportation Act of 1940, approved September 18, 1940, whenever he finds that the overpayment occurred solely because the administrative examination made prior to payment of the transportation bill did not include a verification of transportation rates, freight classifications, or land grant deductions.

SEC. 2. The liability of these certifying officers or employees shall be enforced in the same manner and to the same extent as now provided by law with respect to enforcement of the liability of disbursing and other accountable officers; and they shall have the right to apply for and obtain a decision by the Comptroller General on any question of law involved in a payment on any vouchers presented to them for certification.

SEC. 3. The disbursing officer of the Library of Congress shall (1) disburse moneys of the Library of Congress only upon, and in strict accordance with, vouchers duly certified by the Librarian of Congress or by an officer or employee of the Library of Congress duly authorized in writing by the Librarian to certify such vouchers; (2) make such examination of vouchers as may be necessary to ascertain whether they are in proper form, and duly certified and approved; and (3) be held accountable accordingly: *Provided*, The disbursing officer shall not be held accountable or responsible for any illegal, improper, or incorrect payment resulting from any false, inaccurate, or misleading certificate, the responsibility for which, under section 1 hereof, is imposed upon a certifying officer or employee of the Library of Congress.

Mr. JONES of Missouri. Mr. Speaker, a brief explanation of this bill is that it would provide for bonding certain responsible officers of the Library. It is in line with the practice of other departments of Government. I cannot tell you why it has not been done in the past, but the committee feels it is justified and that this action should be taken.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRIVATE CALENDAR

The SPEAKER. This is the day for the call of the Private Calendar.

The Clerk will call the first bill on the calendar.

A. C. ISRAEL COMMODITY CO., INC.

The Clerk called the bill (H. R. 5707) for the relief of the A. C. Israel Commodity Co., Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not

otherwise appropriated, to the A. C. Israel Commodity Co., Inc., New York, N. Y., the sum of $7,582.57. The payment of such sum shall be in full settlement of all claims of the said company against the United States for reimbursement of the amount paid (under protest) by such company on December 13, 1945, as damages for alleged violation, in connection with the sale by such company of imported chocolate bars, of price regulations established by the Office of Price Administration: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAIVING CERTAIN SECTIONS OF THE IMMIGRATION AND NATIONALITY ACT IN BEHALF OF CERTAIN ALIENS

The Clerk called the resolution (H. J. Res. 288) to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That, notwithstanding the provisions of section 212 (a) (9) and (19) of the Immigration and Nationality Act, Ramon R. Minjares may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

SEC. 2. Notwithstanding the provisions of section 212 (a) (9), (12), and (17) of the Immigration and Nationality Act, Mrs. Berna Lee Kelly may be admitted to the United States for peremanent residence if she is found to be otherwise admissible under the provisions of that act.

SEC. 3. Notwithstanding the provisions of section 212 (a) (6) of the Immigration and Nationality Act, the alien, Moisze Karp, may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

SEC. 4. Notwithstanding the provisions of section 212 (a) (9) and (17) of the Immigration and Nationality Act, Francisco Carapia Gaytin may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

SEC. 5. Notwithstanding the provisions of section 212 (a) (9), (17), and (19) of the Immigration and Nationality Act, Armando Dumas Guilien may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admisible under the provisions of that act.

SEC. 6. The exemptions provided for in this act shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

With the following committee amendments:

Page 1, line 3, strike out the word "provisions" and insert "provision."

Page 1, line 4, after the figure "(9)," strike out "and (19)."

The committee amendments were agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DONALD F. THOMPSON

The Clerk called the bill (H. R. 2264) for the relief of Donald F. Thompson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit the accounts of Donald F. Thompson, of Knoxville, Md., in the amount of $223.08. Such sum represents the overpayment of accrued leave after serving in the Armed Forces in Korea in 1951.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ELISE T. KIRK

The Clerk called the bill (H. R. 1412) for the relief of Mrs. Elise T. Kirk.

The SPEAKER. Is there objection?

Mr. AVERY. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

BENEDICT M. KORDUS

The Clerk called the bill (H. R. 1883) for the relief of Benedict M. Kordus.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Benedict M. Kordus, Milwaukee, Wis., the sum of $6,476.06. The payment of such sum shall be in full settlement of all claims of the said Benedict M. Kordus against the United States for payment of the disability compensation withheld from Matthew T. Kordus (Veterans' Administration claim No. XC-683714) pursuant to the provisions of Public Law 662, 79th Congress: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CARL A. WILLSON

The Clerk called the bill (H. R. 2083) for the relief of Carl A. Willson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Carl A. Willson, Hollywood, Calif., the sum of $216.62. The payment of such sum shall be in full settlement of all claims of the said Carl A. Willson against the United States for regular pay, overtime pay, night differential pay, and annual leave, and for reimbursement for travel performed from Los Angeles, Calif., to Oakland, Calif., as an employee of the Department of the Army, Quartermaster Procurement Agency Headquarters, Oakland, Calif., during the year 1951: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, lines 3 and 4, strike out "in excess of 10 per centum thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARTIN A. McGRORY

The Clerk called the bill (H. R. 4538) for the relief of Martin A. McGrory.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That Martin A. McGrory, commissioned warrant officer, Marine Corps, retired (serial No. 015990), is relieved of all liability to repay to the United States amounts paid to him as retired pay for the period beginning May 18, 1949, and ending December 31, 1954, both dates inclusive. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States full credit shall be given for all amounts for which liability is relieved by this section.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Martin A. McGrory an amount equal to the amounts which Martin A. McGrory would have received as retired pay for the period beginning on January 1, 1955, to the date of enactment of this act if during the period from May 18, 1949, to August 4, 1955, both dates inclusive, he had not been employed as Assistant Superintendent of the Home for the Aged and Infirm, a facility of the District of Columbia: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called the bill (H. R. 1848) for the relief of certain aliens.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Surma, David, Esther, Theodor, Rowena, Sargon, Marie, Rowena (daughter of Marie) and Piarim D-Mar Shimum, and Elishwa, Suity, Paul, Sophia, Surma, Eshaya, Virginia, George, Mersina, Sophia (daughter of Elishwa) Zaya, and Mrs. Khanna Zecharia, shall be held and considered to be classifiable as non quota immigrants under the provisions of section 101 (a) (27) (F) and section 204 of that act shall not be applicable in their cases.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY BARME ET AL.

The Clerk called the bill (S. 51) for the relief of Mary Barme and her two minor children Steran Barme and Dinah Barme.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mary Barme and her two minor children, Steran Barme and Dinah Barme, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEE CHONG TAIK

The Clerk called the bill (S. 94) for the relief of Lee Chong Taik.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of section 101 (a) (27) (A) of the Immigration and Nationality Act, the minor child, Lee Chong Taik, shall be held and considered the natural-born alien child of Mr. and Mrs. Otto V. Byhre, citizens of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPHINE SUYDAM

The Clerk called the bill (S. 124) for the relief of Josephine Suydam.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Josephine Suydam, shall be held and considered to be the natural-born alien child of Mr. John A. Suydam, a citizen of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JEW GIM GEE

The Clerk called the bill (S. 162) for the relief of Jew Gim Gee.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Jew Gim Gee, shall be held and considered to be the natural-born alien child of Jew Suey Thit, a United States citizen.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY C. FREDERICK

The Clerk called the bill (S. 184) for the relief of Mary C. Frederick.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is authorized and directed to pay to Mary C. Frederick, the widow of Alex J. Frederick (XC-11542142), a sum equal to the amount which would have been payable to her as death benefits for the period beginning March 24, 1950, and ending on May 2, 1952, on account of the death of the said Alex J. Frederick, had her application for such benefits been filed within 1 year from the date of the death of her husband.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PETER V. BOSCH

The Clerk called the bill (S. 189) for the relief of Peter V. Bosch.

Mr. AVERY. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

JOHANNES SUKEVAINEN

The Clerk called the bill (S. 271) for the relief of Johannes Sukevainen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of Johannes Sukevainen. From and after the date of enactment of this act, the said Johannes Sukevainen shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and order have issued.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING ADJUSTMENT OF IMMIGRATION STATUS OF CERTAIN FOREIGN SKILLED SPECIALISTS

The Clerk called the bill (S. 461) for the relief of Paul Yen-Hsiung Feng and his wife, Mary Stella Pao-Ching Feng, and their minor child, Joseph Shao-Ying Feng.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Paul Yen-Hsiung Feng and his wife, Mary Stella Pao Ching Feng, and their minor child, Joseph Shao-Ying Feng, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

With the following committee amendment:

Page 1, strike out all after the enacting clause and insert: "That, in the administration of the Immigration and Nationality Act, the Attorney General is authorized, pursuant to such terms and conditions as he may by regulations prescribe, to adjust the status of that of an alien lawfully admitted for permanent residence in the case of (A) an alien, physically present within the United States on May 1, 1957, who is the beneficiary of an approved visa petition for immigrant status under sections 203 (a) (1) (A) of the Immigration and Nationality Act filed on his behalf prior to the date of enactment of this act, and (B) his spouse and children physically present within the United States on May 1, 1957: *Provided*, That this act shall be applicable only to aliens admissible to the United States except for the fact that an immigrant visa is not promptly available for issuance to them because the quota of the quota area to which they are chargeable is oversubscribed. Upon the payment of the required visa fee and the adjustment of status under this act, the Attorney General shall record the aliens' lawful admission for permanent residence as of the date of the order adjusting status. Nothing contained in this act shall be held to repeal, amend, or modify any of the provisions of the act of June 4, 1956 (70 Stat. 241). Pursuant to such terms and conditions, and in accordance with such procedure, as he may by regulations prescribe, the Attorney General is authorized to grant nonquota status, and a nonquota immigrant visa shall be issued, to the spouse and child of any alien specified in clause (A) whose status has been adjusted under this act: *Provided*, That the marriage by virtue of which such relationship exists occurred prior to May 1, 1957; and definitions contained in section 101 (a) and (b) of the Immigration and Nationality Act shall be applicable to this act."

Mr. WALTER. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. WALTER to the committee amendment: On page 2, line 7, after the word "status" strike out the word "of" and substitute the word "to."

The amendment to the committee amendment was agreed to.

The committee amendent was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "An act to authorize the adjustment of immigration status of certain foreign skilled specialists."

A motion to reconsider was laid on the table.

JOHN (IOANNIS) LEGATOS

The Clerk called the bill (S. 754) for the relief of John (Ioannis) Legatos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, John (Ioannis) Legatos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELDUR EHA

The Clerk called the bill (S. 799) for the relief of Eldur Eha.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Eldur Eha shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BERNARD L. PHIPPS

The Clerk called the bill (H. R. 1376) for the relief of Bernard L. Phipps.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Bernard L. Phipps of Towson, Md., the sum of $100. Such sum represents the amount of the judgment for which Bernard L. Phipps was held liable to Mrs. Lawrence Langfelt on September 26, 1956, in a civil action in People's Court of Baltimore City, Md. This civil action was the result of an accident which occurred at the intersection of Joppa Road and Baltimore Avenue in Towson, Md., and which involved a United States mail truck being driven by Bernard L. Phipps, a motor-vehicle employee in the United States post office, Towson, Md. Such sum shall be paid only on condition that Bernard L. Phipps shall use such sum, or so much thereof as is necessary, to pay such judgment in full: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BEULAH I. REICH

The Clerk called the bill (H. R. 1501) for the relief of Beulah I. Reich.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $45,000 to Beulah I. Reich, of 1118 Grimes Avenue, Harlingen, Tex., in full settlement of all claims against the United States for personal injuries, hospital and medical expenses sustained as a result of an accident at the Hotel Villa Carola, Bad Neuheim, Germany, on September 9, 1949, such accident being caused by the negligence of employees of the United States Army engineers: *Provided*, That no part of the amount appropriated in this Act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$45,000" and insert "$10,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM H. BARNEY

The Clerk called the bill (H. R. 1552) for the relief of William H. Barney.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That William H. Barney, of Los Angeles, Calif., is hereby relieved of all liability to the United States arising out of his failure to perform Navy contract No. NOy-22897 (specification 25380; structural alterations, building No. 2-69 and vault, building No. 2-68, United States Naval Construction Battalian Center, Port Hueneme, Calif.). The said William H. Barney submitted his bid on October 24, 1950, and accepted notice to proceed on November 6, 1950, but he did not sign the contract, or enter upon its performance, on account of certain previously unforeseen costs of performance which would have caused him irretrievable financial loss.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDWARD J. MOSKOT

The Clerk called the bill (H. R. 1682) for the relief of Edward J. Moskot.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Edward J. Moskot, captain, United States Army, retired (serial No. O490596), is relieved of all liability to the United States (1) for any unpaid balance of amounts paid to him as salary by the Anniston Ordnance Depot Officer's Open Mess, Anniston, Ala., a nonappropriated fund activity of the United States Army, and (2) any amounts paid to him as retired pay from the United States Army for the period for which he received a salary from such officer's open mess.

Sec. 2. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States full credit shall be given for the amounts for which liability is relieved by this act.

With the following committee amendment:

On page 6, after the word "salary", insert "during the period February 9, 1954, to October 21, 1954, inclusive."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDWIN MATUSIAK

The Clerk called the bill (H. R. 1885) for the relief of Edwin Matusiak.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edwin Matusiak, Milwaukee, Wis., the sum of $50. The payment of such sum shall be in full settlement of all claims of the said Edwin Matusiak against the United States for reimbursement of the amount which he paid to settle the claims of Nic Kotrodimos for damages arising out of a collision which occurred on February 14, 1951, in Milwaukee, Wis., and involved a vehicle operated by the said Nic Kotrodimos and a vehicle owned by the United States and operated by the said Edwin Matusiak as an employee of the postal field service of the Post Office Department: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 5, strike out "in excess of 10 percent thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. RHEA SILVERS

The Clerk called the bill (H. R. 2070) for the relief of Mrs. Rhea Silvers.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

ALBERT A. HEINZE

The Clerk called the bill (H. R. 2075) for the relief of Albert A. Heinze.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

WILLIAM R. AND ALICE M. REARDON

The Clerk called the bill (H. R. 2340) for the relief of William R. and Alice M. Reardon.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

LEGAL GUARDIAN OF THOMAS BRAINARD, A MINOR

The Clerk called the bill (H. R. 4154) for the relief of the legal guardian of Thomas Brainard, a minor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $10,000 to the legal guardian of Thomas Brainard, a minor, of Waukegan, Ill., in full settlement of all claims against the United States for personal injuries, medical and hospital expenses sustained as the result of an accident in an underground, unguarded, broken steam line near quarters known as D-411 and D-412 at Misawa Air Base, Japan, on February 5, 1955: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$10,000" and insert "$8,500."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. M. E. SHELTON PRUITT

The Clerk called the bill (H. R. 4851) for the relief of Mrs. M. E. Shelton Pruitt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $150 to Mrs. M. E. Shelton Pruitt, of Santo, Tex., in full settlement of all claims against the United States. Such sum represents the amount she would have been entitled for funeral allowance of her son, Olin Shelton, XC-1 299 938, who died on June 26, 1953, and claim for funeral allowance was not made within the 2 years subsequent to the date of the veteran's burial: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 2, strike out "in excess of 10 percent thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF SHAREHOLDERS OF THE GOSHEN VENEER CO.

The Clerk called the bill (H. R. 6282) for the relief of the former shareholders and debenture noteholders of the Goshen Veneer Co., an Indiana corporation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles E. Gorham the sum of $87,283.93; to Nellie A. Gorham the sum of $15,403.05; to the estate of Ethel B. Dow the sum of $143,761.78; to Elizabeth Dow Snoke the sum of $56,477.84; to Barbara H. Dow the sum of $56,477.84; and to Dow M. Gorham the sum of $154,030.48, in full settlement of their claims against the United States, as sole shareholders and debenture note holders of the Goshen Veneer Co., an Indiana corporation having its principal place of business at Goshen, Ind., through (a) their surrender of de facto control of such corporation to representatives of the United States in reliance in good faith upon unfulfilled representations made by representatives of the Air Forces of the United States Army; (b) the furnishing of materials, and the fabrication and manufacture of plywood and other word parts, by such corporation during such period for the United States and for other Government contractors engaged in the manufacture of fighting, training, and transport airplanes for use by the Army Air Forces in the prosecution of the war; and (c) the eventual loss by such shareholders of their several equities in such corporation by reason of losses sustained by it in the course of its operation during such period: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dow M. Gorham, administrator of the estate of Charles E. Gorham, the sum of $12,750; to Dow M. Gorham, administrator of the estate of Nellie A. Gorham, the sum of $2,250; to Elizabeth Dow Snoke, administrator of the estate of Ethel B. Dow, the sum of $21,000; to Elizabeth Dow Snoke, the sum of $8,250; to Barbara Dow Bowen, the sum of $8,250; and to Dow M. Gorham, the sum of $22,500, former shareholders of the Goshen Veneer Co., an Indiana corporation, having its principal place of business at Goshen, Ind., representing the amounts reported by the United States Court of Claims to the Congress in response to House Resolution 814, 81st Congress, second session (Congressional No. 17865, decided March 2, 1954), in full settlement of their claims against the United States as a result of having lost their business by reason of an overexpansion of its facilities urged and encouraged by the War Department of the United States in anticipation of the requirements of the projected wartime wooden aircraft program and the subsequent abandonment of that program by the War Department before amortization could be effected: *Provided*, That no part of the amounts appropriated in this act in excess of 25 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LIEN-FU LO, ALSO KNOWN AS LUKE LO

The Clerk called the bill (H. R. 1417) for the relief of Lien-fu Lo, also known as Luke Lo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Lien-fu Lo, also known as Luke Lo, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELEANOR FRENCH CALDWELL

The Clerk called the bill (H. R. 1754) for the relief of Eleanor French Caldwell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Eleanor French Caldwell, who lost United States citizenship under the provisions of section 401 (e) of the Nationality Act of 1940, may be naturalized by taking prior to one year after the effective date of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said act. From and after naturalization under this act, the said Eleanor French Caldwell shall have the same citizenship status as that which existed immediately prior to its loss.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. THOMAS L. DAVIDSON

The Clerk called the bill (H. R. 4342) for the relief of Mrs. Thomas L. Davidson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Mrs. Thomas L. Davidson, who lost United States citizenship under the provisions of section 401 (e) of the Nationality Act of 1940, may be naturalized by taking, prior to 1 year after the date of the enactment of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer abroad, an oath as prescribed by section 337 of the Immigration and Nationality Act: *Provided*, That from and after naturalization under this act, the said Mrs. Thomas L. Davidson shall have the same citizenship status as that which existed immediately prior to its loss.

With the following committee amendment:

Page 1, line 10, strike out "Act: *Provided*, That from" and insert "Act. From".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called the resolution (H. J. Res. 316) for the relief of certain aliens.

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That for the purposes of the Immigration and Nationality Act, Roszi Berger, Chun Shu Chien, Shun Fu Chow, Yu Siu Feng Chow, Kuo Yang Chow, Kee Lee, Yuan Shun (also known as Yuan Shoon), Sun Chi Siao, Cheung Sing, Tek Tong Tan, Hsiung-Yuan Tang, and Madge Tang shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act. The number of refugees to whom permanent residence in the United States may be granted under the provisions of section 6 of the Refugee Relief Act of 1953, as amended, is hereby reduced by 12.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called the resolution (H. J. Res. 322) for the relief of certain aliens.

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That, for the purposes of the Immigration and Nationality Act, Ettore Penna, Mrs. Sirvart Minassian, Noel Kaiser, Sonja Spieker, David W. S. Ahn, and Margaret Y. A. Ahn shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to each alien as provided for in this act, if such alien was classifiable as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act in the case of Sonja Spieker.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FACILITATING ADMISSION OF CERTAIN ALIENS

The Clerk called the resolution (H. J. Res. 323) to facilitate the admission into the United States of certain aliens.

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Georgia Ziavras shall be held and considered to be the natural-born minor alien child of Mr. and Mrs. Charles Ziavras, citizens of the United States.

SEC. 2. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Osmar Toniolo shall be held and considered to be the natural-born minor alien child of Stanley Szczepanek, a citizen of the United States.

SEC. 3. For the purposes of the Immigration and Nationality Act, Sofia Kavadias shall be deemed to be a nonquota immigrant.

SEC. 4. For the purposes of the Immigration and Nationality Act, Goon Shee (Goon Ju Hai) shall be classifiable as a returning resident alien as defined in section 101 (a) (27) (B) of that act.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAIVING CERTAIN PROVISIONS IN BEHALF OF CERTAIN ALIENS

The Clerk called the joint resolution (H. J. Res. 324) to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That, in the administration of the Immigration and Nationality Act, Mrs. Christa Ernst, the fiancée of Sfc. Lester F. Druse, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Mrs. Christa Ernst is coming to the United States with a bona fide intention of being married to the said Sfc. Lester F. Druse and that she is found to be otherwise admissible under all of the provisions of the Immigration and Nationality Act other than section 212 (a) (9) and (12) of that act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Mrs. Christa Ernst, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Mrs. Christa Ernst, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Mrs. Christa Ernst as of the date of the payment by her of the required visa fee.

SEC. 2. Notwithstanding the provision of section 212 (a) (4) of the Immigration and Nationality Act, Wai Ling Vivian Wong may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

SEC. 3. Notwithstanding the provisions of section 212 (a) (9) and (10) of the Immigration and Nationality Act, Angus Learie may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

SEC. 4. Notwithstanding the provisions of section 212 (a) (9) and (19) of the Immigration and Nationality Act, Andres Amadeo Macha may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

SEC. 5. Notwithstanding the provisions of section 212 (a) (6) of the Immigration and Nationality Act, Mrs. Gabriella Mayer may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare may deem necessary to impose: *Provided*, That, unless the beneficiary is entitled to medical care under the Dependents' Medical Care Act (70 Stat. 250), a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

SEC. 6. Notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Verulo M. Herrera may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provision of that act.

SEC. 7. The exemptions provided for in this act shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GRANTING PERMANENT RESIDENCE TO CERTAIN ALIENS

The Clerk called the concurrent resolution (H. Con. Res. 171) favoring the granting of the status of permanent residence to certain aliens.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress favors the granting of the status of permanent residence in the case of each alien hereinafter named, in which case the Attorney General has determined that such alien is qualified under the provisions of section 4 of the Displaced Persons Act of 1948, as amended (62 Stat. 1011; 64 Stat. 219; 50 App. U. S. C. 1953):

A-7873192, Leyfell, Grzegorz also known as Gregory Leyfell.
A-9782530, Fa, Chiang Ming.
A-6544109, Klein, Salamon Joseph.
A-7362659, Klein Hajnal (nee Deutsch) alias Aurora Deutsch.
A-9694010, Shing, Lau.
A-6931611, Tyszkiewicz, Alice (nee Sikorski).
A-9633878, Kim, San Pan.
A-6034478, Muk, Mo.
A-7821901, Nisu, Einar.
A-6847848, Yang, Robert Hsi Yi.
A-6843374, Chen, Check-Taat.
A-9653839, Hong, Wong.
A-7243274, Valle, Antonio.
A-8082006, Babich, Renato.
A-6606525, Jordain, Ljoubitza also known as Perechitch (nee Vuco).
A-9229959, San, Ho Koen.
A-6752192, Fuchs, Albert or Wojciech or Wocjciech.
A-9732185, Fook, Lau.
A-2523837, Hsi, Yu Wen.
A-6707344, Hiz, Danuta Maria.
A-7082132, Bucich, Giuseppe.
A-6841558, Pachner, Alfred.
A-6841559, Pachner, Alice Jana.
A-7129796, Wong, Hung also known as Wimfred Hung Wong.
A-6847730, Kao, Chien-Yuan, now known as Eric Chien Yuan Kao.
A-9704790, Kazaks, Guris Arvids, also known as Juris Arvids Kazaks.
A-6624460, Miko, Istvan, also known as Stephen Miko.
A-8900433, Ming, Lee Kit, also known as Koo Chee Fong.
A-7863589, Musyczuk, Aniela, formerly Helena Knaperbaum.
A-6017702, Sih, Kwang Yue.
A-6620729, Sih, Tseng China nee Chou.
A-7863004, Teder, Adolf.
A-7095521, Kiremia, Evy Gustel.
A-7955554, Litynski, Zygmunt.
A-8021402, Litynski, Jadwiga Halina (nee Skowronek).
A-8021277, Litynski, Joanna Krystyna.
A-6590017, Drecun, Velimir.
A-9650933, Fat, Wong.
A-9509462, Fong, Han Ching.
A-8001248, Franza, Antonio De.
A-6282605, Gutnayer, Josef Marian, formerly Jerzy Marian Bielaszewski.
A-7991776, Gutnayer, Alice, formerly Alicja Dabroska (nee Luba Liberman).
A-7197519, Herman, Ferenc.
A-7197518, Herman, Marta.
A-10259354, Herman, Steven, or Istvan Herman.
A-7379127, Herman, Gabriel, or Gabor Herman.
A-6280014, Hoi, Lui Chang.
A-6271438, Hsu, Andrew Shih-Hsung.
A-9625490, Jere, Din Jung, or Ding Chong Jere, also known as Lau Sin or Lau Sing Jere.
A-7873100, Kuvara, Ivo.
A-7201504, Laboczinszky, Bela Balazs.
A-7841881, Mielniczuk, Metody.
A-6922256, Nebrasz, Wanda Helena.
A-7210105, Raykowski, Jan Wieslaw.
A-7210106, Raykowski, Jozefa.
A-7073633, Stepniak, Marian.
A-7980308, Surian, Giuseppe.
A-7095885, Torday, Steven.
A-7095884, Torday, Maria.
A-7286294, Torday, John.
A-6095160, Ching, Yuen-Heng Liu, also known as Grace Ching.
A-6095446, Ching, Chen-Shen, also known as William Ching.
A-6776849, Choukanoff, Boyan Petroff.
A-6776848, Choukanova, Ekaterina Boyanova.
A-9684352, Sum, Tang or Tang Some or Tang Sam.
A-7244902, Strelcs, Karlis Ilmars, also known as Karlis Ilmars Strelcs.
A-7136175, Martinek, Eva (nee Stanek).
A-8039762, Yick, Lee Yu, also known as Lee Ah Sik.
A-7983445, Kowalski, Theodore, formerly Tedeusz Kowalski.
A-9783695, Hing, Chan Chee.
0360-390186, Tigo, Chang Chao.
A-7176637, Wozniak, Seweryn Silvester.
A-5100014, Hai, Chou Teng.

The concurrent resolution was agreed to, and a motion to reconsider was laid on the table.

JOHN J. FARRELLY

The Clerk called the bill (H. R. 5341) for the relief of John J. Farrelly.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to grant to John J. Farrelly, St. Louis, Mo., extensions for a period of 3 years, 7 months, and 9 days, beginning September 1, 1957, with respect to certain oil and gas leases heretofore granted by the United States and identified as Denver 053930, 053931, 053934, 057169, 057169-A, and as Colorado 01233 and 01246. No annual rental payment shall be required with respect to any extension granted under this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOWARD S. GAY

The Clerk called the bill (H. R. 3281) for the relief of Howard S. Gay.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Howard S. Gay, Westfield, N. J., the sum of $984.30. The payment of such sum shall be in full settlement of all claims of Howard S. Gay against the United States for payment for accrued annual leave due him upon retirement from his employment with the Department of the Army: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. LEONARD O. ERICKSON

The Clerk called the bill (H. R. 4045) for the relief of Mrs. Leonard O. Erickson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Leonard O. Erickson shall be deemed to have elected under section 3 (b) of the Uniformed Services Contingency Option Act of 1953 to provide the annuity specified in paragraph (1) of section 4 (a) of such act to his wife. Notwithstanding his expressed intention to do so, the said Leonard O. Erickson was prevented by physical disability from exercising the right of election granted him by section 3 (b) of such act during his life.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE W. EDWARDS, JR.

The Clerk called the bill (H. R. 2964) to confer jurisdiction on the United States District Court for the Eastern District of Texas, Jefferson Division, to hear, determine, and render judgment on certain claims of George W. Edwards, Jr., against the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred notwithstanding the lapse of time, laches, statutes of limitations, or the amount in controversy, upon the United States District Court for the Eastern District of Texas, Jefferson Division, to hear, determine, and render judgment on the claims of George W. Edwards, Jr., of Marshall, Tex., against the United States—

(1) for title to three-fourths of the oil, gas, coal, and other mineral rights, of whatsoever nature, which a deed from the United States to Roy Snider and D. R. Snider, copartners under the trade name Snider Bros. Lumber Co., provided were reserved to the United States, upon, in, to, and under the two tracts of land described in section 3;

(2) for specific performance of any contract entered into between George W. Edwards, Jr., and the United States between January 1955 and June 1955, for the purchase by George W. Edwards, Jr., of such three-fourths of the oil, gas, coal, and other mineral rights, of whatsoever nature, upon, in, to, and under the two tracts of land described in section 3; and

(3) for an accounting of all moneys received and to be received by the United States under any lease or leases entered into with respect to the oil, gas, coal, and other mineral rights, of whatsoever nature, upon, in, to, and under the two tracts of land described in section 3, if the court finds that George W. Edwards, Jr., has title to such mineral rights, or decrees specific performance of any contract to sell such mineral rights to George W. Edwards, Jr.

SEC. 2. Suits on such claims shall be initiated, and appeals prosecuted, in the same manner as in the case of suits against the United States under section 1346 (b) of title 28 of the United States Code, and if so initiated the Secretary of Agriculture shall be a party to such suit, without service of process, and shall be subject to any orders or judgments rendered by such court.

SEC. 3. The two tracts of land referred to in the first section of this act were conveyed by the United States on November 13, 1944, to Roy Snider and D. R. Snider, co-partners under the trade name of Snider Bros. Lumber Co., by a deed recorded in volume 276, page 47, of the deed records of Harrison County, Tex. On December 5, 1944, Roy Snider and D. R. Snider, as Snider Bros. Lumber Co., conveyed such two tracts of land to Andrew J. Jackson, and his wife, Margaret A. Jackson, by a deed recorded in volume 276, page 95, of the deed records of

Harrison County, Tex. On September 16, 1949, Andrew J. Jackson, and his wife, Margaret A. Jackson, conveyed such two tracts of land to George W. Edwards, Jr., by a deed recorded in volume 342, page 634, of the deed records of Harrison County, Tex. Such two tracts of land are more specifically described as follows:

Tract 1: Unit No. 28. Situated in the Bailey Anderson survey, abstract No. 29, Harrison County, Tex., and being a part of a tract of 1,315.343 acres conveyed by the estate of Mrs. E. G. Robertson to the United States of America; beginning at an iron pipe in the east line of the Boards Ferry Road and being 204.9 feet north 78 degrees 59 minutes east and 30.9 feet south 25 degrees 01½ minutes east from the south corner of a tract of 26 acres conveyed by Dora Cook to the United States of America; thence with the east line of Boards Ferry Road south 78 degrees 59 minutes west 382.8 feet to an iron pipe; thence south 18 degrees 10 minutes east 4,045.7 feet to an iron pipe; thence north 54 degrees 29 minutes east 2,418.0 feet to an iron pipe; thence north 45 degrees 49½ minutes west 2,182.3 feet to an iron pipe; thence north 45 degrees 18 minutes west 1,591.4 feet to an iron pipe in the east line of Boards Ferry Road; thence with the east line of Boards Ferry Road south 50 degrees 58 minutes west 203.0 feet to the place of beginning, containing 128.783 acres of land, more or less.

Tract 2: Unit No. 29: Situated in the Bailey Anderson survey, abstract No. 29, Harrison County, Tex., and being a part of a tract of 1,315.343 acres conveyed by the estate of Mrs. E. G. Robertson to the United States of America; beginning at an iron pipe in the south line of Boards Ferry Road on the east bank of the Sabine River and being 31.5 feet south 25 degrees 29 minutes west from the south corner of a tract of 30.164 acres conveyed by Estella Davis to the United States of America; thence with the east bank of the Sabine River, as follows: south 25 degrees 29 minutes west 314.1 feet; south 0 degrees 09 minutes east 1,039.9 feet; south 15 degrees 06 minutes east 1,297.7 feet; south 15 degrees 30 minutes west 950.5 feet; south 85 degrees 20 minutes east 257.9 feet; south 25 degrees 47 minutes east 746.6 feet; south 16 degrees 41 minutes west 528.8 feet to an iron pipe; thence north 54 degrees 29 minutes east 1,900.0 feet to an iron pipe; thence north 18 degrees 10 minutes west 4,045.7 feet to an iron pipe in the south line of Boards Ferry Road; thence with the south line of Boards Ferry Road as follows: south 78 degrees 59 minutes west 420.0 feet; south 13 degrees 04 minutes west 208.8 feet; north 82 degrees 20 minutes west 209.1 feet to the place of beginning, containing 131.736 acres of land, more or less.

With the following committee amendment:

Strike all after the enacting clause and insert "That jurisdiction is hereby conferred notwithstanding the lapse of time, laches, statutes of limitations, or the amount in controversy upon the United States District Court for the Eastern District of Texas, Jefferson Division, to hear, determine, and render judgment on the alleged claims of George W. Edwards, Jr., of Marshall, Tex., against the United States relating to the title to three-fourths of the oil, gas, coal, and other mineral rights, of whatsoever nature, which a deed from the United States to Roy Snider and D. R. Snider, copartners under the trade name Snider Bros. Lumber Co., provided were reserved to the United States, upon, in, to, and under the two tracts of land described as follows:

"Tract 1: Unit No. 28. Situated in the Bailey Anderson survey, abstract No. 29, Harrison County, Tex., and being a part of a tract of 1,315.343 acres conveyed by the estate of Mrs. E. G. Robertson to the United States of America; beginning at an iron pipe in the east line of the Boards Ferry Road and being 204.9 feet north 78 degrees 59 minutes east and 30.9 feet south 25 degrees 01½ minutes east from the south corner of a tract of 26 acres conveyed by Dora Cook to the United States of America; thence with the east line of Boards Ferry Road south 78 degrees 59 minutes west 382.8 feet to an iron pipe; thence south 18 degrees 10 minutes east 4,045.7 feet to an iron pipe; thence north 54 degrees 29 minutes east 2,418.0 feet to an iron pipe; thence north 45 degrees 49½ minutes west 2,182.3 feet to an iron pipe; thence north 45 degrees 18 minutes west 1,591.4 feet to an iron pipe in the east line of Boards Ferry Road; thence with the east line of Boards Ferry Road south 50 degrees 58 minutes west 203.0 feet to the place of beginning, containing 128.783 acres of land, more or less.

"Tract 2: Unit No. 29: Situated in the Bailey Anderson survey, abstract No. 29, Harrison County, Tex., and being a part of a tract of 1,315.343 acres conveyed by the estate of Mrs. E. G. Robertson to the United States of America; beginning at an iron pipe in the south line of Boards Ferry Road on the east bank of the Sabine River and being 31.5 feet south 25 degrees 29 minutes west from the south corner of a tract of 30.164 acres conveyed by Estella Davis to the United States of America; thence with the east bank of the Sabine River, as follows: south 25 degrees 29 minutes west 314.1 feet; south 0 degrees 09 minutes east 1,039.9 feet; south 15 degrees 06 minutes east 1,297.7 feet; south 15 degrees 30 minutes west 950.5 feet; south 85 degrees 20 minutes east 257.9 feet; south 25 degrees 47 minutes east 746.6 feet; south 16 degrees 41 minutes west 528.8 feet to an iron pipe; thence north 54 degrees 29 minutes east 1,900.0 feet to an iron pipe; thence north 18 degrees 10 minutes west 4,045.7 feet to an iron pipe in the south line of Boards Ferry Road; thence with the south line of Boards Ferry Road as follows: south 78 degrees 59 minutes west 420.0 feet; south 13 degrees 04 minutes west 208.8 feet; north 82 degrees 20 minutes west 209.1 feet to the place of beginning, containing 131.736 acres of land, more or less.

"SEC. 2. Suits on such claims shall be initiated, and appeals prosecuted, in the same manner as in the case of suits against the United States under section 1346 (b) of title 28 of the United States Code, and the Secretary of Agriculture shall be made a party to such suit, and shall be subject to any orders or judgments rendered by such court."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLARIFYING THE IMMIGRATION STATUS OF CERTAIN ALIENS

The Clerk called the bill (S. 247) for the relief of Max Mazak Terian and his wife, Maria Terian.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Max Mazak Terian and his wife, Maria Terian, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the provisions of the Immigration and Nationality Act relating to the deportation of aliens within the United States on the ground that they were excludable at the time of entry as (1) aliens who have sought to procure, or have procured visas or other documentation, or entry into the United States by fraud or misrepresentation or (2) as aliens who were not of the nationality specified in their visas, shall not apply to an alien otherwise admissible at the time of entry who (a) is the spouse, parent, or a child of a United States citizen or an alien lawfully admitted for permanent residence; or (b) was admitted to the United States between December 22, 1945, and November 1, 1954, both dates inclusive, and misrepresented his nationality, place of birth, identity, or residence in applying for a visa: *Provided*, That such alien described in clause (b) shall establish to the satisfaction of the Attorney General that the misrepresentation was predicated upon the alien's fear of persecution because of race, religion, or political opinion if repatriated to his former home or residence, and was not committed for the purpose of evading the quota restrictions of the immigration laws or an investigation of the alien at the place of his former home or residence or elsewhere. After the effective date of this act, any alien who is the spouse, parent, or child of a United States citizen or an alien lawfully admitted for permanent residence and who is excludable because (a) he seeks, has sought to procure, or has procured, a visa or other documentation, or entry into the United States, by fraud or misrepresentation, or (b) he admits the commission of perjury in connection therewith, shall hereafter be granted a visa and admitted to the United States, if otherwise admissible, if the Attorney General in his discretion has consented to the alien's applying or reapplying for a visa and for admission to the United States. The definitions contained in section 101 (a) and (b) of the Immigration and Nationality Act shall be applicable to this act."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to clarify the immigration status of certain aliens."

A motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN REAL PROPERTY TO THE PORT OF PALM BEACH DISTRICT

The Clerk called the bill (H. R. 4945) to provide for the conveyance of certain real property in West Palm Beach, Fla., to the Port of Palm Beach District.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of General Services is hereby authorized and directed to convey to the Port of Palm Beach District, West Palm Beach, Fla., without consideration therefor, all right, title, and interest of the United States in and to the real property described in section 2. Such real property was conveyed to the United States without cost to the United States by such district, and has since been declared surplus to the needs of the United States and advertised for sale under the Federal Property and Administrative Services Act of 1949.

SEC. 2. The real property referred to in the first section of this act is more particularly

described as follows: The east 250 feet of the west 550 feet of the north 150 feet of the south 400 feet of the north 764.94 feet of Government lot 3, section 33, township 42 south, range 43 east.

With the following committee amendment:

Page 1, line 4, after word "directed", add a comma, strike the remainder of the bill, and insert in lieu thereof the following: "subject to the provisions of section 2, to convey to the Board of Palm Beach District, West Palm Beach, Fla., without consideration therefor, all right, title, and interest of the United States in and to that certain real property comprising approximately eighty-six one-hundredths of an acre and known as the customhouse and immigration station site, Riviera Beach, West Palm Beach, Fla., together with certain easement rights acquired therewith. The description of the land herewith authorized and directed to be conveyed shall be determined by the Administrator of General Services.

"SEC. 2. The Administrator of General Services shall in the conveyance of the aforementioned property reserve to the United States any easements which he may deem necessary to protect the public interest."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO PERMIT A RETIRED OFFICER OF THE NAVY TO BE EMPLOYED IN A COMMAND STATUS AT PORT LYAUTEY, MOROCCO

The Clerk called the bill (H. R. 7505) to permit a retired officer of the Navy to be employed in a command station at Port Lyautey, Morocco.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding any other provisions of law, the Secretary of the Navy is authorized to employ Capt. Christian Harold Duborg, United States Navy, upon retirement, in a command status at United States Naval Activities, Port Lyautey, Morocco.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CERTAIN SPOUSES AND MINOR CHILDREN OF CITIZENS OF THE UNITED STATES

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H. J. Res. 133) for the relief of certain spouses and minor children of citizens of the United States, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

Page 2, line 1, strike out all after "*Provided*," down to and including "act" in line 4 and insert: "That, except in the cases of beneficiaries entitled to medical care under the Dependents' Medical Care Act (70 Stat. 250), suitable and proper bonds or undertakings, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act: *And provided further*, That the exemption granted herein shall apply only to grounds for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act."

Page 3, line 6, strike out "land."

Page 3, line 6, after "Wong" insert: "Salvatore Adornetto, Mrs. Anni A. Anthony, Mrs. Antonietta Polintan Averitt, Mrs. Concetta Battaglini Bosio, Angelo Capitella, Mrs. Julia W. Chang, Mrs. Yu Yuk Chun, Mrs. Fukuko Kanda Deppiesse, Mrs. Yoshiko S. Estapa, Mrs. Maria Lourdes Figueras, Mrs. Olga M. Finartijs, Mrs. Virginia Montilla Gallego, Mrs. Cheng Kam Hou, Mrs. Mafalda Marchini Iacopucci, Mrs. Hiroko Nakagawa Irish, Rev. Gottfried G. Krodel, Mrs. Agnes Moreland McCall, Mrs. Edith D. McKinnis, Mr. Milenko Mijatovich, Jung Chew Ming, Lau Chung Oi, Gaetano Patrasso, Mychajlo Pawliczko, Michele Povia, Mrs. Wah Lung Price, Vittorio Quartarone, Mrs. Liliane Thurau, Mrs. Enrichetta Troncone, Mrs. Lydia Atienza Venzon, Mrs. Mitsuyo Shinbo Watanabe, and Mrs. Siv I. M. Woods."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. DAVIS of Georgia. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. CANNON. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 75]

Albert	Engle	Metcalf
Allen, Calif.	Fallon	Miller, Calif.
Ayres	Farbstein	Miller, Md.
Baring	Fenton	Miller, N. Y.
Barrett	Fisher	Morano
Bates	Fogarty	Morgan
Beamer	Fulton	Morris
Boggs	Garmatz	Murray
Bolton	Gavin	Norblad
Bonner	Granahan	Osmers
Bowler	Green, Pa.	Passman
Boykin	Gubser	Patterson
Bray	Hagen	Polk
Brooks, La.	Hardy	Powell
Byrd	Harris	Preston
Byrne, Pa.	Healey	Prouty
Cannon	Hébert	Reece, Tenn.
Carrigg	Hess	Rivers
Celler	Hoeven	Roberts
Chelf	Holland	Santangelo
Chiperfield	Holtzman	St. George
Christopher	James	Saylor
Chudoff	Judd	Shelley
Clark	Kearney	Sheppard
Coad	Kearns	Sieminski
Cole	Kelley, Pa.	Siler
Corbett	Kilday	Simpson, Pa.
Cunningham, Iowa	Kitchin	Sullivan
	Landrum	Thomas
Curtin	Lennon	Thomson, Wyo.
Curtis, Mo.	Loser	Tuck
Dague	McCarthy	Vinson
Dawson, Ill.	McConnell	Wharton
Delay	Magnuson	Wilson, Calif.
Dennison	Mailliard	Winstead
Diggs	Mason	Wolverton
Doyle	May	Zelenko
Eberharter	Merrow	

The SPEAKER. On this rollcall 316 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1958

Mr. MAHON, from the Committee on Appropriations, reported the bill (H. R. 7665) making appropriations for the Department of Defense for the fiscal year 1958, and for other purposes, which was read a first and second time and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. WIGGLESWORTH reserved all points of order on the bill.

LEGISLATIVE BRANCH APPROPRIATION BILL, 1958

Mr. NORRELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7599) making appropriations for the legislative branch for the fiscal year ending June 30, 1958, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1½ hours, the time to be equally divided and controlled by the gentleman from Washington [Mr. HORAN] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Arkansas.

The motion was agreed to.

Accordingly the House resolved itself into the Committee on the Whole House on the State of the Union for the consideration of the bill, H. R. 7599, with Mr. WALTER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. NORRELL. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, before proceeding to the bill under consideration by the Committee today, I would like to take this opportunity to extend my sincere thanks to the members of my committee, especially the gentleman from Washington [Mr. HORAN], the gentleman from Ohio [Mr. BOW], the gentleman from Ohio [Mr. KIRWAN], and the gentleman from New York [Mr. ROONEY]; also I would like to extend my thanks and appreciation to our clerk, Mr. Paul Wilson, the very able clerk of our committee.

Mr. Chairman, the legislative branch appropriation bill as reported by the committee carries a total of $78,470,285 for 1958. Following the custom of some years standing, the bill omits appropriations for the Senate including certain items under the expenditure supervision of the Architect of the Capitol which relate solely to the Senate. Such items will be added when the bill reaches the Senate. The bill is $2,208,343 below the budget estimates of $80,678,728. It is also below corresponding appropriations for 1957 by $11,664,198. The bill

includes $37,927,705 for the House of Representatives; $2,611,180 for such joint activities as the police force, Office of the Legislative Counsel, education of pages, and the like; $12,833,400 for items under the Architect of the Capitol excluding, as I indicated a moment ago, items relating solely to the Senate; $275,500 for the Botanic Garden; $11,647,500 for the Library; and $13,175,000 for congressional printing and binding and for the office of the Superintendent of Documents.

The committee has tried to write a good bill. I believe we have done about as good as we could under all the circumstances. As you know, the legislative appropriation bill is not a large bill and it is therefore impossible to make large reductions. The committee has reduced the budget estimates by about 2.7 percent. In dollars, that is $2,208,343. While the bill is materially less in total than appropriations for the current year, there are some increases above 1957. The net reduction of $11,664,198 below corresponding appropriations for 1957 of $90,134,483 as of this time can be explained in abbreviated fashion in this way:

First. There are decreases aggregating $16,346,000 brought about by reason of the fact that in fiscal year 1958, appropriation requirements for some of the major building projects now underway are materially less than 1957. Specifically, I refer to the extension of the east front of the Capitol, to the new House Office Building project, the Capitol Power Plant improvement program, and 1 or 2 small items.

Second. We have allowed increases totaling approximately $2,927,000 to maintain services at the present level, and this sum is to cover the new financial arrangement for retirement contributions, within-grade salary advancements under the classification law, the 1 day's pay in excess of the 52-week base, wage board and pay raises, and things of that kind. They are practically all mandatory one way or another and have to be provided if we are to maintain the services just at the present level.

Third. To keep our legislative establishment in reasonably good state of physical repair we include in the bill every year various maintenance, repair, and minor equipment items, mostly in appropriations for the Architect. Then the next year we drop those out and others come along. We ought to make reasonable provision for them and the result of this in the current bill is a net increase of about $36,000.

Fourth. Then there is another group of increased operating costs this year which account for $1,454,000 additional. Principally involved here are increased printing and binding costs for the Congress and appropriations to begin work on new editions of the United States and District of Columbia Codes of laws.

Fifth. There is a final group which is for new positions, additional personnel, where the committee felt it was justified in allowing a few additional people to keep up with the work. The amount involved is approximately $264,000 and practically all of it is in the Library of Congress. I will touch on that a little later.

When you add all of these up, Mr. Chairman, the result is a net decrease of $11,664,198 below appropriations for 1957.

Mr. Chairman, the details of the bill are set out rather fully in the committee report and the hearings so I shall not dwell at length on them. I would, however, like to comment just briefly on a few features of the bill.

HOUSE OF REPRESENTATIVES

We provide a total of $37,927,705 for all items under the House of Representatives. This is $752,680 less than the budget estimates but it is $1,966,965 above current appropriations, practically all of which is for the retirement-fund contribution item.

We had a request for an additional sum for the recording studio which is operated for the benefit of Members of the House. We were asked to provide four additional positions. The business is increasing but we did not feel justified in granting all four additional positions. We did, however, think we were justified in allowing two more positions to work in connection with a second television studio being established for use of the Members.

I am certain the House will be interested to know that we have held rather rigidly to the current level insofar as employment of personnel is concerned. I believe we have specifically authorized only two additional positions under the House of Representatives. As we point out in the report, Members, on their clerk-hire roll, do not come anywhere near hiring all the employees permitted by statute. Also, we noted that House committee staffs are just about at last year's level; in fact, I believe they are a few below what they were a year ago.

Another item I might mention is that under the stationery room a surplus which is not needed for operational purposes has accumulated over the past several years and we are recommending application of this surplus to new appropriation requirements and have reduced the bill on that account by an additional $80,000. We felt there was no compelling reason why we should not make use of this accumulation rather than appropriating new money.

VARIOUS JOINT OFFICES AND ITEMS

For the various joint offices and items a total of $2,611,180 is recommended. This compares with appropriations in 1957 of $2,578,135. We allowed 3 additional positions in the Office of the Legislative Counsel of the House. The testimony is that the volume of work has been increasing somewhat and this is to enable the office to keep up with it.

ARCHITECT OF THE CAPITOL

For all items coming under jurisdiction of the Architect of the Capitol for which we make appropriations in this bill, a total of $12,833,400 is recommended, a reduction of $741,300 below the estimates and, because of reduced requirements on certain of the major construction projects here on Capitol Hill, the total is also $15,680,600 below 1957 appropriations.

I might say that no funds were requested, or included in the bill, for the extension of the east front of the Capitol. Preliminary plans and estimates for this work are still in the course of development and, the committee was advised, when completed they will be presented to the Commission on the Extension of the Capitol for consideration.

We have provided the request of $7,500,000 for the additional House Office Building project. I know there is some interest on the part of some Members in this particular project, for which we have heretofore appropriated $15 million. There are a number of features and aspects to this particular project and I do not think it necessary to describe all of these in detail at this time. I would call the attention of interested Members to pages 44 and 45, and more particularly to pages 83 through 96 of the printed hearings, where there is set forth in quite some detail the present status of the project.

Under all of the items under the Architect, we have provided for only 9 additional employees. Five of those are elevator operators for 2 new elevators installed in the Senate wing of the Capitol Building. The other 4 are lower grade maintenance personnel in the 2 House Office Buildings. They are all explained in the hearings.

Aside from these items, we have provided for a number of maintenance and repair projects which come along just about every year, and will probably continue to do so if we are to keep our physical plant here on Capitol Hill in reasonably good condition.

BOTANIC GARDEN

Aside from the usual appropriation for ordinary operating expenses of the Botanic Garden, we had one other item of $587,000 requested to tear down the old delapidated greenhouses at the Garden and to provide for their replacement and relocation at the Poplar Point Nursery. We thought that item ought to be studied further and we have therefore left it out of the bill. It was the consensus of the committee that the possibility of locating these greenhouses and integrating them with the National Arboretum here in the District of Columbia, which is under the jurisdiction of the Department of Agriculture, ought to be fully explored. That possibility has not been studied and we suggest that it should be.

LIBRARY OF CONGRESS

For the Library of Congress, which as you know includes the Legislative Reference Service and the Copyright Office, we recommend a total of $11,647,500, which is $119,263 below the estimates, but it is $1,009,892 above 1957. About $700,000 of that increase is for the mandatory items such as the retirement contribution, within-grade promotions, and the like. We have allowed some additional employees for the Library. They asked for 66 additional. We have not gone quite that far, but they will be able to employ some additional personnel.

The Library of Congress is generally conceded to be the largest library in the

world. It is the richest in resources. It is an important part of the legislative establishment. It is of great value to the proper functioning of the Congress. Mr. Chairman, you may be interested to know that it has substantial and direct national defense value. Its vast collections are invaluable to the Military Establishment. This year, for example, and I think this has been going on for some years, the Department of Defense has allocated over $3 million to the Library for special studies and analyses using materials and skills found in the Library. For some years the collections of the Library have been increasing, but the basic personnel has remained almost static. They have had a chronic backlog situation over there—books, manuscripts, and other things of that sort piled up, not properly assorted, indexed, cataloged and put on the shelves promptly so that they will be available for use. We granted them some additional clerical personnel to improve that situation. We think it is justified under the circumstances. They are not large increases. On the contrary, they are rather modest but, as I said, the committee felt that we ought to try to do something about the situation.

We have allowed a handful of additional employees for the Legislative Reference Service. As most Members know, this is the Service which handles thousands upon thousands of inquiries for Members of Congress each year. It also works with many of the committees. The figures show that the volume of work is increasing slowly but steadily.

As the report shows, we have scaled down a number of the requests of the Library. We did not feel we could go quite as far as they proposed in each case.

There is another program administered by the Library having to do with braille and talking books for the blind. It is a very worthy program, and we approved the full request. This year, for the first time, the full amount authorized by the basic law is carried in the bill. This will permit some additional service to those unfortunate people which the program is designed to reach.

GOVERNMENT PRINTING OFFICE

Mr. Chairman, the remaining section of the bill has to do with congressional printing and binding and with the Office of the Superintendent of Documents. We have allowed the request for printing and binding. As to the Office of the Superintendent of Documents, which is a service organization, we have granted all but a very small portion of the estimates. He did not ask for any additional employees.

Mr. Chairman, I have tried to touch upon the principal highlights of the bill before you. As I indicated, we have tried to make reasonable provision for the operations of the legislative establishment. We have also tried to save a dollar here and there whenever we thought we could. I hope the House will find the bill to its satisfaction.

Mr. HORAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I should like to pay my respects to the chairman of this subcommittee. I think the gentleman from Arkansas [Mr. NORRELL], conducted complete hearings. I think the hearings make interesting reading and will answer questions that Members may have regarding the House of Representatives, the Office of the Architect of the Capitol, or the Library of Congress.

I do wish to point out that in the last 10 years the Library's collection has increased 67 percent while their personnel to take care of these collections has increased less than 5 percent. We felt that it was time that we helped the Library to catalog and properly display the materials they had in these collections.

The budget before the Committee, much of it, is mandatory. A good share of that is represented by the retirement fund which we have to appropriate for now. That is around $2,500,000.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield.

Mr. REES of Kansas. Is there anything in the appropriation bill that provides for the appropriation of funds for the extension of the front of the Capitol, about which we have heard so much?

Mr. HORAN. There are no funds here, but to be frank with the Committee I must say that we have had some studies made and we have obligated certain funds for architectural studies. Those are granted, however, on the usual fee basis that the Institute of Architects calls for. They are being obligated and paid for as those studies go ahead. But there is nothing in the present bill for the extension of the Capitol.

Mr. REES of Kansas. As the gentleman has said, the hearings are quite informative. Do I correctly understand that you are going to spend something over $1 million this year for the Congressional Hotel Building?

Mr. HORAN. It is stated in the report that $1,500,000 has been deposited in the courts to take care of the condemnation proceedings which are now in the courts.

Mr. REES of Kansas. It occurs to me that we might withhold some of these expenditures that are not absolutely necessary. I notice in the hearings you are going to spend about $9 million to revamp the New House Office Building. Is that correct?

Mr. HORAN. There are no funds in here for that purpose.

Mr. REES of Kansas. That is part of your program?

Mr. HORAN. That has already been authorized in previous years.

Mr. REES of Kansas. What funds are appropriated in this year for the office buildings?

Mr. HORAN. $7,500,000. That is for the acquisition of property.

Mr. REES of Kansas. About how much money is planned to be spent on the entire project?

Mr. HORAN. About $100 million.

Mr. REES of Kansas. Does not the gentleman really feel that in order to make a little saving we should withhold the expenditure of those funds now at least and postpone to a time when our country is more able to spend the money?

Mr. HORAN. Frankly, the program is underway. The gentleman's position would have come with a little more grace 3 years ago.

Mr. REES of Kansas. I agree with the gentleman, in respect to authorization, but even at this date, with the terrific amount of expenditure we have before us, it seems to me we can withhold it even now and save about $7,500,000. We can consider it at a later date. What does the gentleman think about that?

Mr. HORAN. I do not agree with the gentleman.

Mr. REES of Kansas. We might better have a so-called sunken garden out here than spend $7,500,000.

Mr. HORAN. The gentleman is entitled to his opinion and I am entitled to mine. I have no further answer for the gentleman.

Mr. REES of Kansas. It seems to me it is extravagance to be doing the thing right now. Surely we could put this expenditure off to a later date. I do not see the great need for it at the present time.

Mr. HORAN. We have the commitment made.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Iowa.

Mr. GROSS. Do I correctly understand that the remodeling of the two existing House Office Buildings will go forward?

Mr. HORAN. The Commission has that in abeyance at the present time.

Mr. GROSS. What does the gentleman mean when he says "has that in abeyance"?

Mr. HORAN. There is nothing in the bill for the remodeling of the Old or the New House Office Building.

Mr. GROSS. There is no money in this bill?

Mr. HORAN. There is no money in here for it.

Mr. GROSS. There is an authorization, but there is no money appropriated for it?

Mr. HORAN. There is no money in here for it. The gentleman from New Jersey [Mr. AUCHINCLOSS] is here. Perhaps he would like to give an explanation of this matter.

Mr. AUCHINCLOSS. I am a member of the Commission. At a recent meeting of the Commission the renovation of the Old and the New House Office Buildings was indefinitely postponed. It was estimated it would cost about $18 million to do that work, but it is not in the program right now, and it is not in this appropriation bill.

Mr. GROSS. May I ask a question of the gentleman from New Jersey?

Mr. HORAN. Surely.

Mr. GROSS. Then why proceed with the purchase of the Congressional Hotel?

Mr. AUCHINCLOSS. That came in with the condemnation proceedings to acquire the land. I would say to the gentleman that there are about 40,000 square feet of space occupied in the Old House Office Building by liaison officers, legislative counsel and such which would be moved to the Congressional Hotel. That would give us room and give us additional room for the use of our own Members as well as for the use of the committees that are very crowded for space now.

Mr. DAVIS of Georgia. Mr. Chairman, will the gentleman yield for a question?

Mr. HORAN. Surely.

Mr. DAVIS of Georgia. In discussing the remodeling of the Capitol Building with the gentleman from Kansas the gentleman from Washington said that there was no appropriation in this bill for that purpose.

Mr. HORAN. That is correct.

Mr. DAVIS of Georgia. There has been an appropriation in the past for that purpose; has there not?

Mr. HORAN. To enable them to employ architects and to make plans.

Mr. DAVIS of Georgia. What was the amount of that appropriation?

Mr. HORAN. I am informed that it is $17 million. It has not all been obligated, however. That is in the report.

Mr. ROONEY. Mr. Chairman, if the distinguished gentleman from Washington will yield, may I suggest that the amount of $17 million has been appropriated in 1956 and 1957 fiscal years.

Mr. HORAN. Seventeen million dollars.

Mr. DAVIS of Georgia. Could the gentleman state the amount of that which has been obligated and also what amount has been spent?

Mr. HORAN. We have some figures here. They have expended $2,138,401.

Mr. DAVIS of Georgia. And the balance is unobligated?

Mr. HORAN. That is right.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman further yield?

Mr. HORAN. I yield.

Mr. ROONEY. May I suggest in connection with the question of the gentleman from Georgia [Mr. DAVIS] that the amount of $2,138,401 is the total of obligations incurred in connection with this improvement and the actual expenditures up to March 1 of 1957 amounted to $189,388. The difference of $1,949,013 has, of course, been fully obligated.

Mr. Chairman, will the distinguished gentleman yield?

Mr. HORAN. I yield.

Mr. ROONEY. I believe the record with regard to the last question asked by the gentleman from California [Mr. BALDWIN] as to the legislative history of the additional House Office Building project would show that formal hearings were held in the 80th Congress by the House Committee on Public Works on the 13th of May, 1947. The bill was reported favorably in the House on May 28 of that year. It was amended to include the renewal of the plumbing in the Old House Office Building, within the scope of the plans.

This bill was passed by the House on June 16, 1947, and by the other body on June 26, 1947, and approved as Public Law 176 of the 80th Congress on July 11, 1947. In July 1947, the former Architect of the Capitol, David Lynn, submitted to the Congress a request for a supplemental appropriation amounting to $25,000 to carry out the provisions of this legislation. The item was not approved by the House Committee on Appropriations and the funds were accordingly denied at that time. Subsequently, at the direction of the House Office Building Commission, the present Architect of the Capitol, in February 1955, submitted to the Congress a request for a supplemental apppropriation in the amount of $25,000 to carry out the provisions of the public law to which I have just referred. Hearings on this request were held by the Legislative Subcommittee of the House Committee on Appropriations on March 4, 1955, and the item was approved and included in the Second Supplemental Appropriation Act, 1955, H. R. 4903, 84th Congress, as reported to the House on March 15, 1955.

While H. R. 4903, the bill reported to the House on March 15, 1955, was under consideration on the floor of the House, an amendment was offered to the bill by the gentleman from Texas, the distinguished Speaker of the House, Hon. SAM RAYBURN, as chairman of the House Office Building Commission, striking out the item of $25,000 for preliminary plans and estimates, and inserting in lieu thereof authorization for the acquisition of a site, planning and construction of an additional office building and other facilities and improvements for the House of Representatives. The amendment was endorsed by Congressman DONDERO, of Michigan, then ranking minority member of the House Committee on Public Works, and was adopted by the House and included in the bill as passed by the House, March 18, 1955.

That is some of the history of this important and much-needed program which started in 1947.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. I am sure the subcommittee does not have precise jurisdiction of what I comment about. It probably actually rests in the Commission to which the gentleman from New Jersey [Mr. AUCHINCLOSS] referred. But it is my impression from talking with my colleagues over several months, that this summer there will be widespread renovations of the old and the present new House Office Buildings. Members are going to be dispossessed and moved around, and nobody is clear as to what the mechanics of the proposition will be. The gentleman from New Jersey [Mr. AUCHINCLOSS] told us that is being held in abeyance, but many of my colleagues have indicated to me that if there is going to be a new third House Office Building, then why in the world do we not wait until the new third office building is finished and ready for occupancy. Then, when it is, why cannot all these renovations, whatever they are, and if they take place in the old and present new House Office Building, then take place, instead of tearing up everybody for the next 3 years. It seems to me from what I have heard that this is the brain child of some character described as "The Architect of the Capitol." He wants something to do, so he is going to get everybody busy for the next 3 years and have us running up and down these halls. Nobody is clear—at least I am not, as usual—as to what is going to take place around here. If the gentleman will yield further to the gentleman from New Jersey [Mr. AUCHINCLOSS], if he will permit himself to be interrogated, can he tell us something about that?

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman yield?

Mr. FLOOD. I have asked the gentleman to yield to the gentleman from New Jersey.

Mr. HORAN. I yield to the gentleman from New Jersey for reply to the gentleman from Pennsylvania.

Mr. AUCHINCLOSS. I am very much interested in what the distinguished gentleman has had to say. I am sure the Architect of the Capitol is anxious to keep busy, if possible. As far as I know, the Commission has no definite plans at all above renovating the old or the new House Office Buildings at this time. The acquisition of the Congressional Hotel was carried out under the acquisition of the land which was contiguous to the Capitol Grounds. Many of my colleagues have asked me if they were going to be dispossessed, and I have told them that there will be no action taken for a year at least, as far as the Congressional Hotel is concerned, but I am only a minority member of the Commission.

Mr. FLOOD. But a very distinguished one.

Will the gentleman yield further?

Mr. HORAN. Mr. Chairman, I think I had better yield the floor, because my colleague the gentleman from New York [Mr. ROONEY] is a member of this subcommittee, and he has not yet had an opportunity to address the House. I yield the floor, Mr. Chairman.

The CHAIRMAN. The gentleman from Washington [Mr. HORAN] has consumed 17 minutes.

Mr. NORRELL. Mr. Chairman, I yield 12 minutes to the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Chairman, I have obtained this time in order to answer, if I can, any questions that may be in the minds of Members of the House concerning the details of the pending appropriation bill.

First, if I may refer to the colloquy that just took place between my friend, the distinguished gentleman from Pennsylvania [Mr. FLOOD], the distinguished gentleman from New Jersey [Mr. AUCHINCLOSS], and the distinguished gentleman from Washington [Mr. HORAN], I shall say that I am quite surprised that my distinguished friend from Pennsylvania would make the statement he did about the Architect of the Capitol. In my humble opinion the present Architect of the Capitol is one of the finest gentlemen I have ever met, one of the most industrious men I have ever known; and he is a former Member of this body from the other side of the aisle.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. Not just now.

Mr. FLOOD. The gentleman mentioned my name; certainly he should yield to me.

Mr. ROONEY. I shall be glad to yield to the distinguished gentleman later.

Mr. FLOOD. I am sure you will.

Mr. ROONEY. Mr. Chairman, I want to explain, if I may, in a little more detail the situation with regard to when the alteration of the New and Old House Office Buildings might take place.

For every 3 Members who are moved out of the Old and New House Office Buildings only 2 can be moved back, as each 2-room suite is to be converted into a 3-room suite.

There appear to be three ways in which this matter may be solved. One way would be to delay the remodeling work until the new building is completed and occupied. This plan has great disadvantages from a time element and from a cost element.

Another way would be to utilize the Congressional Hotel and such additional structures as may be available for temporary housing of Members and to carry on the remodeling work in stages, perhaps 1 or 2 wings at a time, during the next 3 or 4 years.

The third way would be to erect a temporary structure or structures and to move Members into these structures and the Congressional Hotel in such numbers as to permit the remodeling work in the two House Office Buildings to be carried forward during the next 2 years.

As the gentleman from New Jersey, my distinguished friend [Mr. AUCHINCLOSS], has said, the Commission, which is composed of the Speaker of the House, the gentleman from Georgia [Mr. VINSON], and the gentleman from New Jersey [Mr. AUCHINCLOSS], has not yet resolved this question. I do not think this is the time or the place for us to resolve such a matter. This is the prerogative of the Commission. I feel that it is in the competent hands of these three highly distinguished gentlemen and I think that is the way we should leave it.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I shall now gladly yield to my distinguished friend from Pennsylvania.

Mr. FLOOD. I was sure the gentleman from New York would. This, of course, is the place, I would like to observe, to obtain information from this subcommittee or from any other of the Members who can give it to us. I know the complaints the Architect of the Capitol is faced with just as well as the gentleman from New York. Praise of his efforts is certainly merited and I join in that; but that has nothing to do with the case—tra-la. I would like to know who knows what the facts are.

The distinguished gentleman from New Jersey has given us a considerable amount of information that has been embellished by the gentleman from New York. That is precisely why I asked the gentleman to yield. I am momentarily encouraged about this situation for the first time.

I would urge upon the Commission and upon the Architect that no action be taken to renovate the existing office buildings until the new office building is completed and ready for occupancy. I merely make that as a suggestion.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman yield to me?

Mr. FLOOD. The gentleman has the floor.

Mr. ROONEY. May I suggest that he not spend too much time discussing this with the Architect of the Capitol?

Mr. FLOOD. You can be sure of that.

Mr. ROONEY. For the reason that the Architect of the Capitol is under the direction of the three members of the Commission; so I would respectfully suggest that he take this up with the three Members of the House who compose the House Office Building Commission.

Mr. FLOOD. I would like to say to the gentleman that that has been done in seriatum and in person over a series of months by half the Members of the House.

Mr. BALDWIN. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from California.

Mr. BALDWIN. As far as the east front of the Capitol is concerned, although there are no funds in this bill for that project, is it the feeling of the committee that there is any likelihood of actual construction in connection with this remodeling of the east front before we have an appropriation bill, say a year from now?

Mr. ROONEY. To be fair to the distinguished gentleman and the House, I am not in a position to make a statement one way or the other in that regard. I think that at such time as there may be brought to the floor of this House an appropriation bill containing some funds for this east Capitol-front project, no matter how small, that would be a good question. But, as matters stand, there is not a nickel in the pending appropriation bill for extension of the east front of the Capitol.

Mr. BALDWIN. I appreciate that, but there have been some funds appropriated in previous years. That means in theory at least that the Architect could start out on this project at any time.

Mr. ROONEY. As a matter of fact, exactly $17 million has already been appropriated by the Congress for extension of the east front.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from Virginia.

Mr. SMITH of Virginia. In response to the question the gentleman just asked as to whether or not we will have another appropriation bill for taking out the front of the Capitol, turning it around and putting it back again, I am informed that there is now in the budget an unexpended balance for that purpose of approximately $40 million. I know that situation exists. It seems to me there ought to be some way of getting at this thing and letting the House decide two questions: One is whether we want to expend all of this money in taking the front of the Capitol out and putting it back again, and the other question is an alternative that the gentleman from New York did not mention about the New House Office Building, that it would be economy to fill up the hole you have out there, cancel the appropriation and call it a day.

Mr. ROONEY. I may say to the gentleman from Virginia that that would be a very, very expensive hole filling. There has already been expended or obligated as of April 25, 1957, over $14,900,000. To abandon this project at this time, it seems to me, would be penny wise and pound foolish.

Mr. WIER. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Minnesota.

Mr. WIER. I want to pick up where this has been broken off. I have lived at the Congressional Hotel about 8 years now. I heard the gentleman from New York make mention a few minutes ago that this whole project, the Capitol improvement over here, the acquisition of land and the appropriation of money, is in good hands. The action took place originally as a rider on an appropriation bill. We came back here this year and we learned for the first time of the acquisition of these four blocks of property surrounding the Capitol Grounds. We learned that steps are being taken to acquire the Congressional Hotel. I just cannot justify an expenditure for a hotel that cost $10 million less than 10 years ago. It is the only place on the Hill where a number of us can find a convenient place to live. The gentleman justifies that by saying we are going to give all three rooms. I have been here 8 years and I have had plenty of room in my 2 offices. May I suggest that if you are going to give all of us three rooms, would the committee provide me with a sleeping room in that third room where your receptionist is supposed to sit in her lonesomeness?

Mr. ROONEY. May I say that if I lived in 1 place for 8 years I would certainly form an attachment for it. I think the acquisition of the Congressional Hotel immediately adjacent to the legislative properties up here on this side of the Capitol was an economical one. Only a million and a half dollars for the building exclusive of furnishings, was deposited in court. That is an amount less than the purchase price at the time the Congressional Hotel last changed hands. I hope we will all have spine enough to support this bill. The same thing is happening here today that happened over the years when we had legislation to increase our salaries.

Those who arose here on the floor and loudly objected to the increases in salaries were always the first in line at the Sergeant at Arms' window to collect their increased checks.

Mr. HORAN. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman, during the last several months all of us have written thousands of letters and made dozens of speeches complimenting ourselves on our efforts to economize. Of 9 appropriation bills considered by the House thus far we have cut 7.4 percent from the budget estimates. I also understand the committee is recommending a reduction in the defense bill of 5 percent. Now, today, when we get to talking about our own appropriation, we are doing real good. We are going to cut 2.7 percent.

Now, let me say this: Next year we are going to have to justify all of the budget

cuts, but the most difficult justification we are going to have to make is when we cut defense 5 percent and our own, 2 percent.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield to the gentleman from Texas.

Mr. DIES. I understand there has not been a 2.5 percent cut. What they are doing is comparing it with the bill last year, which had some nonrecurring items, and that there is absolutely no bona fide cut.

Mr. ROBSION of Kentucky. I notice that the two large items in the reductions proposed by the committee are that we will not remove the botanical gardens at this time; secondly, that certain money will not be spent on the Capitol Power Plant. Those are the two big items.

Now, may I say that during every term of Congress there comes at least one vote where the men are separated from the boys in this House. In my opinion, there is no better day for the test than today. Let us find out who really wants to economize in this Congress. That can best be determined by our actions with respect to ourselves, and we have that opportunity today. We have heard the old saying that charity begins at home, and we have practiced a lot of that in this Congress—we have been very charitable in our own appropriations over the years. But, let us bring out a new phrase today. Let us say that economy as well as charity should begin at home.

I am not a member of the subcommittee and I am not familiar with the technical details of this appropriation bill, but there are $80 million involved, and I hope that someone on the Appropriations Subcommittee will present amendments today for us to support to bring about real economy in this bill.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield to the gentleman from New York.

Mr. ROONEY. I should like to correct a statement just made with regard to some nonrecurring items and the committee having taken advantage of this. Yes, there were some nonrecurring items, and if we consider them the bill is reduced by $11,664,198. But, the fair comparative amount and the budget request for this legislative appropriation bill was $80,678,000, and that was reduced by $2,208,000. You cannot reduce it any more, because this is not the kind of a budget they have downtown in the departments. This is a solid, firm, honest, unwatered budget.

Mr. ROBSION of Kentucky. We have heard that before.

Mr. ROONEY. You have heard it from me before. And, do you know how many new and additional employees there are in it for the House of Representatives as such? Five; 5 additional employees, 2 technical employees for the recording studios and 3 in the office of the legislative counsel.

Mr. DIES. Mr. Chairman, if the gentleman will yield further, what does the gentleman think about the suggestion that we recommit this bill with instructions for the committee to pare it down at least 10 percent?

Mr. ROBSION of Kentucky. I think that is an excellent idea.

Mr. HORAN. Mr. Chairman, I yield 5 minutes to the gentleman from Washington [Mr. MACK].

Mr. MACK of Washington. Mr. Chairman, as a member of the House Committee on Public Works, and as a Member of Congress, I think most Members would like to know how a resolution calling for an expenditure of $25,000 for a survey as to the need of a new office building and the remodeling of the old buildings has grown suddenly into a proposal to spend $100 million to provide additional office space for the Members of the House of Representatives.

The House of Representatives consists of 435 Members, 2 Delegates, and 1 Resident Commissioner; 438 in all. The Architect of the Capitol in his testimony on page 93 in the Committee on Appropriations hearings said he contemplates spending $100 million at present cost for the construction of these office facilities. That means it is proposed we spend $230,000 per Member of this House to provide additional office space for the Members of the House of Representatives.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. I yield to the gentleman.

Mr. DIES. Does the gentleman honestly believe that any Member of Congress needs 3 offices?

Mr. MACK of Washington. This new office project will provide one additional office room, I understand, for each Member of the House of Representatives. The cost will be $230,000 a room. In other words, each Congressman will get one additional room at a cost of $230,000 to the taxpayers or $100 million for the 438 Members.

In my part of the country, towns of 10,000 or 25,000 population can build an entire city hall, to house a fire department, a police department, a city treasurer, a city clerk, the mayor and the city council for $230,000, which is what it is proposed to spend for additional office space for each Congressman.

This office-building project is extravagance at its worst. How can any Member of the House criticize the administration if the House spends so much money unnecessarily?

Mr. WIER. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. I yield to the gentleman from Minnesota.

Mr. WIER. In addition to the finances the gentleman mentioned growing like a mushroom from $25,000 to $100 million, I, likewise, find no authorization for any 3 Members of this House to take steps for the acquisition of 4 blocks of property here. The House has never had anything to say or to do about that.

Mr. MACK of Washington. This office building extravagance grew out of a small authorization resolution to spend $25,000 to study the feasibility of the construction of a new office building. I am not sure whether the $100 million estimate for the buildings even includes furnishings. These may be extra. I am almost certain that this building project will cost considerably more than $100 million eventually. The other body is constructing a new office building and today before our committee there was a bill to increase the authorization for that building by $2½ million to complete it. The House may have the same experience if it undertakes to spend the $100 million on these new offices for the Members of the House of Representatives.

Mr. HORAN. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. GEORGE].

Mr. GEORGE. Mr. Chairman, as a member of the Subcommittee on Public Buildings and Grounds since the 81st Congress, I have checked the record carefully and found that in the 80th Congress there was a $25,000 authorization for a study of this problem.

Neither the Subcommittee on Public Buildings and Grounds nor the Committee on Public Works has ever approved any of these proposed projects. We have never been asked to take any official action or to hold hearings on this project. Actually what happened is that in 1955 an appropriation was put in by the Committee on Appropriations, which bypassed the lack of authorization by the Committee on Public Works of the House. There were hearings held with reference to the Senate Building, on the Senate side. But we violated the regular orderly legislative procedure in the House of Representatives. That is the reason we are having this hassle today and that is the reason we are in trouble. The Committee on Appropriations took over the prerogatives of authorizing legislation in the House of Representatives.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. GEORGE. I yield to the gentleman.

Mr. ROONEY. I respectfully say that the gentleman is incorrect. There were formal hearings before the House Committee on Public Works in the 80th Congress, the bill passed the House and became Public Law 176 of that Congress. That was not an appropriation bill.

Mr. GEORGE. That was for the study. Then it came through on a supplemental bill, without hearings by our committee to determine the need which would justify what is being here proposed.

Mr. HORAN. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. BOW], a member of the committee.

Mr. BOW. Mr. Chairman, in my service in this House and my service on the Committee on Appropriations, I am sure I have never been accused of being a spender and many times I have been accused of being too strong for economy.

I am a little surprised at this debate today. We have carefully considered this budget. I felt that the committee had done an excellent job in its work on the budget. It came out with a unanimous agreement on this legislative budget. There were some items that we could have cut, perhaps, but items which had to do with service to Members, which do not stand out in the open here where people can stand up and complain about them.

I can say to you that some of those who are complaining now about the size of this budget have some of the responsibility for the large size of the legislative budget through the Folding Room and other ways. We have some people who have gone as high as 1,150,000 mailings through the Folding Room. There are many over 500,000. Figure that on the basis of what you would be paying at a 3-cent mailing charge, and the great economists here have run up a charge of about $34,500.

In other items we are going to have to break this down. I believe the Folding Room is a good operation when properly used to help Members advise their people, but it seems to me that here today in this debate we have seen the efforts of some to find places where they might make a record, while underneath all of this are these lists of those who have caused great expenditures in the distribution of these items. I shall not introduce this list in the RECORD at this time.

Mr. HOFFMAN. If the gentleman will yield, why not put it in as long as the gentleman has made the charge?

Mr. BOW. It seems to me that what we should do is take care of the Congress in a proper way. We have attempted in this bill to do just that.

There has been a suggestion that a 10-percent reduction be made. It seems to me that some of the Members speaking on the floor have had more experience with this budget than the Members who have sat for days going through it. Let them offer amendments where they think amendments should be made to reduce this bill. If there are places where this bill can be cut without affecting the services to the Members, I will certainly go along with them. Perhaps there is someone here who has not gone through this budget the way we have and still has some ideas as to how we may be able to make these 10-percent cuts.

On the question of the buildings, the Speaker of the House offered the amendment to the bill on the floor and it was carried by this House. It has been authorized by the House. Now because of this wave of economy it becomes popular to attack it.

Mr. NORRELL. Mr. Chairman, will the distinguished gentleman from Ohio yield?

Mr. BOW. I yield to the gentleman from Arkansas.

Mr. NORRELL. May I point out that percentagewise this legislative appropriation bill has been cut deeper than the Treasury-Post Office appropriations bill?

Mr. BOW. The gentleman is quite correct. I urge the House to look at this thing objectively as to the services not only to the Members but to your constituents, and then determine what best should be done. Let us not find some way to make the headlines on this. Let us get down to what we should have and what is proper for this Congress.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield.

Mr. REES of Kansas. Leaving out the headlines and all that, but in view of the fiscal situation as it exists today in May 1957, does not the gentleman think it might be well at least to withhold the unnecessary expenditures that are included in this bill, as long as we do not have to have them?

Mr. BOW. Yes; I think that is quite right I will say to the gentleman. I think those that are not necessary should be taken out. My friend, the gentleman from Kansas, knows that I do not like to spend a lot of the taxpayers' money. But, here we have construction which has been started, where millions of dollars have been invested and costs are going up and contractual obligations exist. I am wondering how much we will actually lose. If this were a new start on a building and this debate was on the question whether or not it was to go through and whether or not we were to have the building, I would say we should go along with the gentleman. But, here we have started the construction and we have made an investment. I am fearful that in the end we will lose money if we stop construction at this time. That is my opinion and that is the way I feel about it. You say to take out the matters that are not necessary. But this is the kind of situation we run into on these things. We had one serious matter before this committee. Just think what people could have said about us? I think it should have been done, and I will be perfectly honest and frank about it. We have down here at the foot of the hill some very old greenhouses that are a part of our responsibility. The equipment and the steam plant and so on is about to go out of operation. The buildings are about to fall down. In these greenhouses is housed the Widener collection of orchids worth a half million dollars. This is our responsibility. But, can you imagine what somebody might have said on this floor today if we were to have appropriated funds to protect those orchids—that the Members of Congress were trying to protect orchids. That is not in this bill. We took it out. I say to you, in my opinion, we should go forward with this building. I do not believe it is an economy to stop it. I believe in the long run, it will cost us more money. I say again to my colleagues, I believe this committee has done an excellent job of trying to bring before this body a fair budget. I want to join with the gentleman from New York—and there were a few laughs here at the time that we said this was an honest budget—I believe the legislative branch of the Government in this budget has shown the way that budgets should be submitted. Of course, we have cut some money out of some budgets, but the fact is that the items in those budgets were such where we could take them out. Would it have helped on this floor today, my colleagues, if the legislative branch would have put these things into this budget simply so that we could take them out? I think whoever submitted this budget should be congratulated on submitting what is an honest budget, and the fact is that we are not able to take it out. I can assure my colleagues that if there were any fat in this budget, the gentleman from Washington and I would fight to take it out and I am sure other gentlemen of the committee would do the same thing.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman from Ohio yield?

Mr. BOW. I yield.

Mr. ROONEY. I should like to call attention to the fact that the deferment of the construction of the new Senate Office Building is an example of costly delay. The authorized total fixed for the new building in 1948 was $20,600,000. The plans were completed in 1949. But the other body deferred construction of the new building until 1954. In the meantime, construction costs had risen 23 percent. In an endeavor to absorb this 23 percent rise in costs, one wing of the building had to be eliminated. During the period 1954 to 1957 there has been a further rise in construction costs of approximately 17 percent, and there is no present indication of a leveling off of construction costs.

Mr. BOW. I thank the gentleman for his contribution.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield.

Mr. BUDGE. I would like first to commend the subcommittee. I think it has done a rather searching job. I should also like to commend the gentleman from Ohio [Mr. BOW] for his record of economy in the Congress. It does appear to me, however, that there are some items in every appropriation bill which can be eliminated. It has been the policy of the House this year to keep employment as nearly as possible in all other departments not higher than the 1957 level. In the Defense Department appropriation bill reported to the House today, we are asking the Department of Defense to reduce its civilian employees by over 5,000. Now what justification, if the gentleman can enlighten me, is there to add 50 new employees just across the street in the Library of Congress?

Mr. BOW. The justification was given to the committee I will say to the gentleman. But, the gentleman has now touched on a point involving which there was some doubt in the mind of the gentleman from Ohio who is now speaking.

This is a unanimous report, however. The feeling was that there were backlogs of books that were very important, and other backlogs in the Library, which is the greatest library in the world today, and that they had been held down while other agencies in the past few years had been increasing, rather substantially, the number of employees. The Library has been held down over the years. In order to take care of these backlogs, those employees were necessary. I thought they made a fair case, but I quite agree this is one area where I thought perhaps we might not have an increase. But many items are there. There are Presidential papers, valuable historic documents that are in boxes. Other things should be done. I suggested to the committee that perhaps we should cut their overall appropriation for new materials so that they do not get so much of a backlog, but the gentleman has mentioned one item about which there could be some doubt.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. NORRELL. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. WIER].

Mr. WIER. Mr. Chairman, I think I ought to make it known to the gentleman from Ohio [Mr. Bow] that insofar as I was personally concerned I was not attacking the committee as such. Neither have I any desire to recommit this bill. Neither did I mention any other item except this acquisition of land and the funds with which to go through with this tremendous building construction program.

When I came back here in January I found, much to my surprise—and I thought I was attending meetings pretty well—that the House had proceeded, and I found there had been a rider attached to an appropriation bill a couple of years ago, calling for a certain amount of money. But I came here and I find that we are now in the process of taking over 4 blocks around the 2 House Office Buildings here. Then, lo and behold, I found, to my surprise, that they are now going to take over this $10 million hotel that is less than 10 years old and make committee rooms out of it. Then I really became disturbed.

As far as this bill before us today is concerned, I now have no quarrel, because my query is not in this bill. My inquiry seems to revert to the fact that $25,000 was appropriated 2 years ago for a study by the House Architect. But someone has said this $25,000 makes available $100 million for land acquisition and construction. As far as the proposed New House Office Building is concerned, I will go along with that. But I might suggest, as I suggested a few minutes ago, I have been here 8 years, and I say that this Congress has had many, many more problems and pressing businesses than they have today.

I have not heard too many complaints about the offices they have had. For myself, do not give me another room unless you are going to evict me from the Congressional Hotel, and if that happens then I will accept a sleeping room for that third room, proposed for all Members.

Mr. ROONEY. Will the distinguished gentleman from Minnesota yield?

Mr. WIER. I yield.

Mr. ROONEY. The gentleman makes a statement about taking over a $10 million hotel. Does not the gentleman think this Commission is entitled to some credit for taking it over for $1,500,000, exclusive of contents?

Mr. WIER. I doubt if you will get it for $1,500,000, and the gentleman from New York can hardly disagree with that.

Now that is my position. I was all set here today to inquire if there were any funds in this bill for the future acquisition and I find there are no funds. That was my concern here today.

Actually the Public Works Committee did authorize a $25,000 appropriation in the 80th Congress. The Public Works Committee of the House has never heard the evidence as to the need for another House Office Building; there has been no justification before the Appropriations Committee for authorizing such a project. It was put on by the appropriation of funds a couple of years ago in a supplemental bill. That is what has actually taken place.

Mr. ROONEY. Mr. Chairman, will the gentleman yield me time to reply?

Mr. NORRELL. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Chairman, a while ago the distinguished gentleman, our colleague from Idaho, made a statement with regard to the departments downtown being required by the House Appropriations Committee to keep employment for the present year to the level of last year. I should remind the gentleman from Idaho that he serves on the Interior Department subcommittee on appropriations and that his subcommittee recommended at least a thousand, and if my memory serves me right, twelve hundred or thirteen hundred additional employees over the present year.

The matter of the Library of Congress has been brought up. I believe it was in that connection that the gentleman from Idaho rose. The Library of Congress here in Washington is the largest library in the world; it has the richest and best collection in the world. It has had a chronic backlog of materials—books, maps, papers, and so forth—for years. They tell us that they reject much more material than they accept for the collections, yet they continue to have a tremendous backlog. Such a chronic backlog situation impairs the ability of the Library to render proper service to the Congress, including the service of the Legislative Reference Service.

In the past 10 years the collections in the Library of Congress have increased by 67.4 percent, whereas in the same period of time the basic staff has been increased by only 4.7 percent.

The Library of Congress, which is a great American public institution, requested 66 employees at a cost of $276,110. This committee recommended 50 of these at a cost of $213,318.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from Idaho.

Mr. BUDGE. Since the gentleman has seen fit to comment on the action of one of the subcommittees I would just like to keep the record straight by inviting the gentleman's attention to the fact that the percentage of reduction in the Interior bill was 11.8. The percentage of reduction in this bill is 2.7.

Mr. ROONEY. Does not the gentleman realize that in that bill there were added 12 or 13 hundred new and additional employees, where in this bill there are exactly 5 employees for the House of Representatives, 9 for the Architect of the Capitol?

Mr. BUDGE. I am not complaining about the 14 at this time; I simply ask what is the necessity for 50 additional employees across the street? I do not think they are necessary.

Mr. NORRELL. Mr. Chairman, I yield to the gentleman from Texas, our distinguished Speaker [Mr. RAYBURN] 5 minutes.

Mr. RAYBURN. Mr. Chairman, I think we are taking a big bite at a mighty little thing. The gentleman from Georgia [Mr. VINSON], the gentleman from New Jersey [Mr. AUCHINCLOSS], and I are members of the House Office Building Commission. We have been through this thing very, very thoroughly.

These projects have been authorized, and we have already spent several millions of dollars over here acquiring land. The excavation for the building is going on now. Are we by our action today by cutting off this $7,500,000 to carry on this project, going to abandon that property and let it grow up in weeds and leave a tremendous ugly hole in the ground over there?

Some Members say they have enough room. If you sat in my seat practically every day, you would find some member of a committee, some chairman of a subcommittee or some individual Member of the House coming in and saying, "I have got to have more room or I cannot transact my business."

Why, last year we rented a great deal of space downtown to put subcommittees in where they could hardly be found and where it was not justified in any fashion, but we had to go downtown to some office building and rent space.

Mr. Chairman, the sum of $7,500,000 to carry on this work up here is a mighty small amount compared to the $71,800,000,000 budget that we are now dealing with. I was talking to the gentleman from Missouri [Mr. CANNON] the other day and he stated about this new office building and expanding the Capitol and grounds:

> This is not a memorial. The Capitol of the United States and its office buildings are the workshop of the representatives of 160 million people and they need room in which to transact their business.

To abandon this thing after we have acquired all this ground and not go on with the initial steps of completing excavation and starting this building it would seem to me would be as false economy as anything on earth we could do at this time.

The Congress is pretty modest in taking care of itself in comparison with other departments of the Government. I might say that all of us take a very small amount for our salaries, for our help and for our convenience compared to the millions and even billions of dollars that are being spent in other places.

It cost money to make this room in which we are sitting safe. The gentleman from Ohio [Mr. MCGREGOR] was a member of that committee. It cost several million dollars to rehabilitate this building and the Senate. The roof above us here was ready to fall down upon us, but we went about the business—it took us 2 years—to make this Hall safe and the seating better. If many of you had been here a few years ago sitting on those hard seats you would be very grateful that you have a nice, soft seat to sit in today.

Let me repeat, there is hardly a day passes when some chairman of a subcommittee, or when some Member of the House, who is crowded for room, does not come to me and say: "I cannot transact the business of my committee unless I get more room somewhere."

Mr. Chairman, when I came here we were allowed $1,500 a year for clerk hire. I could transact my business on that because I doubt if I received 10 letters a day. Now the Members receive hundreds of letters a day. The Government has expanded into many avenues that Members are corresponded with by their constituents.

Let us not do this thing in the panic of economy when it is a bagatelle compared with what the whole budget is. I think I know better than any other man in this House, and the gentleman from Massachusetts [Mr. MARTIN] when he was Speaker knew it better than anybody here, that we need this additional room in order for the Congress of the United States to perform its functions, to serve itself and to serve the American people.

Mr. NORRELL. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, during the speakership of Champ Clark, a distinguished group from London visited Washington. The group included a number of members of the English Parliament and their wives. They visited the Capitol and called on the Speaker in his room, and while in conversation with Speaker Clark, two ladies standing to one side, spoke to each other in whispers. One said to the other, "Why, the Americans have their Capitol right in the slums."

At that time Chinatown was at the foot of the Hill, and dilapidated red brick buildings lined the street on the north. We have reclaimed the areas immediately west and north, and are now clearing the slums across the street from the Capitol on the south. Any principality in Europe the size of a Texas county, presents a more attractive appearance than the surroundings of the Capitol of the United States of America.

Belatedly we are at last clearing away the debris and the unsightly tenements which should have been removed long ago.

But the alterations are not being made for the sake of appearances and the development of beautiful vistas. These expenditures are for purely utilitarian purposes. This assembly is not a town council. The United States House of Representatives is burdened with responsibilities and problems of national and world importance. Every foot of space on Capitol Hill is crowded. There is a shortage of committee rooms; individual accommodations are inadequate; filing space is lacking, halls are blocked off to provide temporary rooms; the entrances to the Capitol itself are closed and corridors partitioned to afford cubbyholes for essential services. There is no place to park, no private dining rooms for luncheon conferences, no cafeterias for visitors. The whole place is bursting at the seams.

The need should not be met piecemeal. The proposed plans meet minimum requirements. It will be remembered that when the last House Office Building was erected the blueprints included an air-conditioning system. About the time construction started somebody got excited and scared our good friend, Jack Garner, and our friend from Cincinnati, Nick Longworth, and at the last minute they bluepenciled the air-conditioning system. They proceeded with the erection of the building, and on the very day it was completed they decided to put the air conditioning back in. But, of course, it was too late. There were all those steel beams, and those impenetrable concrete walls. They finally got the air conditioning back in but it has never worked satisfactorily from that day to this simply because somebody got excited about the cost at the last minute and thought we ought not to pamper Congressmen by putting in air conditioning. Let us not repeat that fiasco.

This House legislates not only for the Nation but for the world. We have a job to do. We must have elbowroom. We must have a workshop equipped for this Congress and all the Congresses to come.

Somebody said we ought not spend this money on ourselves. We are not spending it on ourselves. Many of us will not be here in the next Congress. Few of us will be here 10 years from now. We build for the people and their accredited representatives and we must equip them with facilities with which to discharge the responsibilities placed upon them.

And may I say just one word in behalf of the Library of Congress. Announcement has been made that an amendment will be offered reducing the appropriation carried by the bill for the Library.

The committee reduced the budget estimate. It is small enough as it is. And no item in the bill is entitled to greater consideration.

When in Europe some years ago—and I was not there at Government expense—our party was regarded with courteous forbearance. With supercilious and patronizing condescension, we were given to understand, in so many words, that while Americans were fairly successful in business, we had to come to Europe to see the great art galleries, museums, libraries, universities, and centers of culture.

The Library of Congress is the greatest library in the world. It is the visible, irrefutable evidence of the academic and intellectual achievement of the American people. It is convincing proof that we are not merely shopkeepers or moneygrubbers, as Kaiser Wilhelm insisted, but a people of culture, learning, and scientific progress equal, if not superior, to any on the globe. Let no action here on the floor today retard the continued growth and development of this national institution. Its accessions are outrunning its staff. England, France, and Germany each had a greater library than we had. But today we have the greatest library in the world. It demonstrates the fact that the people of America are intellectual. They are not mere moneygrubbers as some people over there would like to leave the impression that we are. We are an intellectual, we are an educated, we are a cultured people and we must maintain these institutions.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman.

Mr. GROSS. We also have the biggest Federal debt of any country in the world, do we not?

Mr. CANNON. That is true. But that debt did not grow by supporting this Library, because the Library has been starved for a number of years. That debt was imposed upon us in a way not at all related to the proposition we have before us today.

Mr. HORAN. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. MCGREGOR].

Mr. MCGREGOR. Mr. Chairman, I have listened with a great deal of interest to the arguments pro and con on this proposal this afternoon. First I want to say that I have no criticism whatsoever of the Committee on Appropriations. I think they have done a very fine job with the problem they are faced with; their hands are tied.

I am one who served on the Renovation of the White House Commission. I want to pay my respects to our distinguished Speaker. It was my privilege to serve with him on the commission for the renovation of this Chamber. And certainly I have the highest regard for his ability and fairness. When the chips are down, he is for saving money, if it is worth while saving. And if we can spend a dollar and get a $5 gain, he is for that. He has great ability and is always fair.

However, as the ranking member of the Committee on Public Works, I think I should call your attention to the fact that we have an orderly procedure in Congress. Our distinguished Speaker referred to the renovation of this beautiful Chamber. He served on the commission, and so did I. But how was that commission brought into being? By a legislative committee of this House considering a bill and providing an authorization which passed on the floor of this House, went to the Senate, and there went through the same procedure. That was the orderly process of legislation on a project similar to this.

Let us check the building in question, the New Office Building. We have had before our Committee on Public Works at least for 8 or 10 years the subject of the very building that is in controversy today. We turned it down, possibly because we did not know the things that our distinguished Speaker knew. But at least he never informed us of those things. We kept passing it by and we thought it was not needed and a good way to save some money.

Some time ago, in the 80th Congress, we did approve an authorization for $25,000 for planning and for a survey only. That was authorized by our committee, by the legislative committee. It came to the floor and was passed. That $25,000 planning and survey project has grown, like Topsy, until now it is over $20 million without any further authorization of the appropriate authorizing committee of Congress. It is a situation that we are faced with. I am somewhat like our distinguished Speaker. This thing has started, rightly or wrongly—wrongly, I believe—but I do not know what kind of jam you would get into if it were stopped.

I am pleading with you this afternoon, especially the Members on the Committee

on Appropriations, to quit legislating on an appropriation bill. I think we can serve warning now that in the future we are going to give them a real battle if they attempt to come in here and jump a preliminary survey and authorization of $25,000 to a contractual obligation of $22 million, including $1,500,000 for a hotel. I am telling you that something needs investigation. I certainly do not blame it on the Speaker or the Commission, but someone in my opinion has gone far beyond the scope of what was originally intended even by the appropriation authorization of the 80th Congress.

I checked a little bit ago. I used to be in the contracting business. I find there is no contract for our new building. This work is going on for the excavation, but there seems to be a dividing line between who is going to do the excavating and who is going to build the building. I am sure that when I call this to the attention of the Building Commission they will investigate it.

Let me tell you what is in the making. Here is a bill that has jumped from $25,000 to $22 million. Our committee this morning, without my vote and seven others, voted out a Senate bill, S. 1428, to authorize the furniture and furnishings for the additional office building of the United States Senate. We endeavored to ask how much money was involved. They said—the witnesses—"We do not know." It has always been a mutual agreement that the other body take care of their affairs and we take care of ours. I think the time has arrived when we as representatives of the American taxpayer should determine who is taking care of the taxpayer.

We understood that some chairs the Members of the other body would use would cost $600. The witness said he thought that was a little high, it was probably $400.

I said, "Are you going to accept bids?" "Oh, no," he said, "We are going to allow the Commission and the Architect of the Capitol to purchase the furnishings." I learned that one of the doors is going to cost $8,000. They are asking us to vote them a blank check and send it over to them—letting them buy without bidding whatever they want. Certainly we should know the amount of money to be spent and what it is for.

The bill, S. 1429, came out of our committee without my vote this morning authorizing the enlargement and the remodeling of the Senators' suites, making structural, mechanical, and other changes and improvements in the existing Senate Office Building. This is in addition to the new Senate Building now being constructed. I hope you will give consideration to making certain that the authorizing committees are given a chance to submit these proposals to you and that the Committee on Appropriations quit legislating on appropriation bills. Let us stop this spending unless it is absolutely needed. The people ask us to cut down expenditures, yet some in the Congress are asking us to spend about $150 million for buildings and furniture for our own use. We cannot cut other departments unless we are willing to stop or reduce our own expenditures. Economy starts at home, Mr. Chairman; let us lead the way in the economy move so we can balance the budget, reduce the debt, and reduce taxes.

Mr. HORAN. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, this is the day we feel sorry for Congressmen. We are just like the representatives of pressure groups that come in. We want economy, except when it affects us. That is their story. I do sympathize with our very distinguished Speaker. I recall that for 15 years I tried to get a decent place for us to eat, with a kitchen aboveground and not in a hole down in the ground. I did not get anywhere. My idea was not big enough. If I had asked for $25 million I might have gotten somewhere. Just a few moments ago the Speaker said, "What are you going to do with that hole in the ground?" He was referring to the hole where the new House building is going up. Well, real estate is going up and we might keep it. It might be a good investment. We might use it for a parking lot for the home folks when they come to see us. We might put some of this foreign aid money that we are appropriating, and which is wasted, in it. Some day we may need some of that money and at least we will know where the money is, which we do not know now. Nor do we know how it is spent.

I do not go along with the gentleman from Ohio [Mr. BOW] in his criticism of those who offer amendments. He rides hobby. Why not let the rest of us have our say, express our views when a bill comes to the floor? I cannot understand just what he is getting at or his reasons for what he is saying, except that the committee has put out a bill we should not touch. If I recall correctly, the Ohio delegation passed some sort of resolution indicating they were all for economy and that was not so long ago. But, today, the gentleman from Ohio comes along and if anyone questions what the committee did, offers an amendment, then he is some sort of—I cannot use the word—the rules of the House will not permit—but anyway anyone who questions what the committee did is some sort of an undesirable individual. I am afraid my friend from Ohio [Mr. BOW] has committeeitis or something. He assumes, well, in substance he said if he does not cut it out of the RECORD, that Members of the House have been before the committee asking for something and then when the bill comes to the floor of the House those Members take an opposite position. That is, that we are practicing—what is it—some kind of duplicity; I suppose you would call it using double talk. That we are on one side when we appear before the committee and then we are on the other side of the issue here on the floor of the House. Then we are accused of headline hunting. Well, who has not been headline hunting both before and after he gets to Congress. I do not know anyone seeking office who objects to publicity if it is favorable. I cannot understand why if that is the situation, if some of us have been deceiving the committee and if some of us have just been putting on a show to get our pictures or our names in the paper, why does not the gentleman name him or them and let us have it out. Maybe I am at the top of the list. All right—it will be publicity of some kind in any event. But, I say it is lacking in courage to go down in the well of the House and accuse Members of the House—a blanket indictment—of deceiving a committee or of taking an inconsistent position just for the sake of getting public support for reelection, and then refuse to name the offenders and to name those who actually voted or spoke like that, if anyone did. Maybe just a few of us—4 or 5 or more such number have not been as careful as we should or have overrated the importance of our talks.

I use the RECORD whenever I feel like it. This year I have not had inclination enough to send out talks. Of course, we have had a Republican President, and you cannot say as much about a President of your own party. They say that is not advisable. So I have not used the RECORD as much as I have at other times. It has not, in my judgment, been necessary. But use it to the utmost of your ability, and you never can keep up with the propaganda that comes out of the executive departments downtown. That, no matter which party is in power. You just cannot keep your people advised as to what is going on down here, not at least in a degree equal to that which the departments use. I cannot understand why, if we are not to be permitted to debate on the things in an appropriation bill, and if we are to be accused of political maneuvering every time we try, I do not understand why the Committee on Appropriations did not come in with a closed rule and shut us all off on amendments. But, since they have an open rule and having extended an invitation for debate and amendment by getting an open rule, why jump on us when we try to advance an argument in support of an amendment?

Now back to the bill. We will never have room enough to transact our business as Congressmen if we keep taking on additional duties. In that respect we are just like the executive departments. We get something today and we jump into something else tomorrow and so on indefinitely. You might give me 50 rooms and an adequate number of employees and I still could not serve all of the people who might seek help adequately—if I listened to all of them—is that not true? I am as crowded for room as anyone else. I am the ranking minority Member of a regular committee and I do not have any room for a minority staff. I do not have a private office of my own. Someone else is sitting in there all the time. That is all right with me. I can still attend to my business and so can the rest of you, in my opinion, at least if you want to. Of course, if you want a sleeping room in some hotel that is as the gentleman from Minnesota [Mr. WIER] suggested might be—if we took over the Congressional Hotel and gave each of us three rooms—a different matter. But, they gave us a nice davenport and they give us

air conditioning in the summer. We can sleep over there if we wish. But, the truth of the matter is that we will never have adequate room to transact our congressional business as long as we keep taking on additional activities and performing additional duties and as long as we follow along in one session, one day, one week making an authorization and the next week we come along and are told "you authorized it" and now you have to appropriate the money for it. Oh, yes—we will not practice any economy when it comes to our own business. Let us quit authorizing new projects extending old ones; give the overburdened taxpayer just a little relief.

The CHAIRMAN. All time has expired.

The Clerk will read.

The Clerk read as follows:

CONTINGENT EXPENSES OF THE HOUSE

Furniture: For furniture and materials for repairs of the same, including labor, tools, and machinery for furniture repair shops, and for the purchase of packing boxes, $231,800.

Mr. DAVIS of Georgia. Mr. Chairman, I offe. an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Georgia: On page 4, line 22, strike out "$231,800" and insert "$223,800."

Mr. DAVIS of Georgia. Mr. Chairman, I do not rise to offer any criticism of the subcommittee, the very able gentlemen who have presented this bill to the House of Representatives. I hope I will not indulge in intemperate language in my efforts to reduce this bill. I do think that matters have reached a pretty pass whenever one who undertakes to reduce a bill in an amount that he thinks is reasonable and proper, must be called a headline hunter and referred to as a demagog, and things of that kind. Certainly when an appropriation bill is under consideration, it not only is the right of every Member to offer an amendment if he deems it proper, but it is his duty to do it.

I regret that this amendment I am offering involves only the sum of $8,000, but that is all that is involved in this item that I am seeking to strike. If it were possible to reduce this bill more at this point, and I think it should be reduced by amending to cut out larger sums further along in the bill, of course I would be glad to do that, but we have to take the items as we come to them. This is the first item read in the bill which, in my judgment, should be reduced.

I have offered this amendment to reduce this item, the furniture item, by $8,000, to cut out the furnishing of trunks to the Members of the House. It has about reached the point where every time I turn around and look out into the front office it seems to me that I find a new trunk there. I have never asked for a trunk since I have been in the House. My storage room down in the basement of the building now has trunks in there that the wrapping paper has never been torn off of. I do not think, in the first place, that it is a proper item for the taxpayers to furnish trunks to Members of the House, and certainly not in the number and amount that they have been furnished since I have been a Member. I think this is a legitimate item for a cut. I do not see how it can be defended. It is true it is small, but we have to offer amendments to this bill by taking each item as we come to it. We ought to cut out the items that are unnecessary. I offer this amendment to cut $8,000 out for the item of trunks.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, this is really amusing—$8,000. Do you know what these packing boxes or trunks are for? When you new Members get along to adjournment time next year around the first of August, or thereabouts, and you are going home, in an attempt to be reelected to the House of Representatives, you want to bring the files that are in your office to your hometown so as to make out a case for your reelection. The gentleman from Georgia, because he has been here so many years and has so many of these trunks, wants to deny you an opportunity to bring your files and papers home.

That is what this amendment is, pure and simple.

Mr. Chairman, I ask for a vote on the pending amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia.

The question was taken, and on a division (demanded by Mr. ROONEY) there were—ayes 82, noes 76.

Mr. NORRELL. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. DAVIS of Georgia and Mr. ROONEY.

The Committee again divided, and the tellers reported that there were—ayes 79, noes 88.

So the amendment was rejected.

The Clerk read as follows:

Miscellaneous items: For miscellaneous items, exclusive of salaries unless specifically ordered by the House of Representatives, including the sum of $30,000 for payment to the Architect of the Capitol in accordance with section 208 of the act, approved October 9, 1940 (Public Law 812); the exchange, operation, maintenance, and repair of the Clerk's motor vehicles; the exchange, operation, maintenance, and repair of the folding room motortruck; the exchange, maintenance, operation, and repair of the post-office motor vehicles for carrying the mails; the sum of $600 for hire of automobile for the Sergeant at Arms; materials for folding; and for stationery for the use of committees, departments, and officers of the House; $1,985,000, and in addition, $80,000 to be derived by transfer from surplus in the stationery revolving fund: *Provided*, That, notwithstanding the provisions of section 401 of the Civil Service Retirement Act Amendments of 1956 (Public Law 854), the Clerk of the House is hereafter authorized to pay, from the contingent fund of the House, with respect to all officers and employees of the House who are covered by such act, the amounts, which, under the terms of such section 401, otherwise would be contributed from the appropriations or funds specified therein. As used in this paragraph the term "officers and employees of the House" means employees in the legislative branch whose salaries, wages, or other compensation are disbursed by the Clerk of the House of Representatives.

Mr. DAVIS of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Georgia: On page 5, line 10, strike out "$1,985,000" and insert "$1,885,000."

Mr. DAVIS of Georgia. Mr. Chairman, I am offering this amendment to reduce the item in this bill known as miscellaneous items by $100,000. On page 23 of the hearings there is set out a list of 20 items which come under this general subject of miscellaneous items. You will note if you refer to these hearings that for the 1957 fiscal year $1,065,000 was allocated. Of this amount only $606,501.66 was expended up to and including March 31, 1957. Nine months of the fiscal year have elapsed and there still remains unspent of that allocated sum, $458,498.34.

For the first 9 months of this year these funds were expended at the rate of $67,388 per month. For the remaining 3 months at the same rate of expenditure there would be left $256,498 at the end of the fiscal year.

In testifying about this, Mr. Roberts, on page 25 of the hearings, had this to say:

Mr. NORRELL. You also ask for $100,000 which, as far as I can see, is not specifically earmarked for any particular purpose. What has been your expenditure experience this year under the appropriation of $1,065,000?

Mr. ROBERTS. $606,501.66 through March 31, 1957.

Mr. NORRELL. Do you think that you need the entire amount of $1,100,000 increase?

Mr. ROBERTS. Well, we have estimated that there will be a balance of nearly $100,000.

Now, actually there will be a balance, if the same rate of expenditures is followed, of $256,498. Due to the fact that they expect a balance of $100,000, I have offered this amendment. It is a sound amendment. It does not jeopardize any necessary expense of the House. I have not cut any item in there. I am simply doing what I think is reasonable and proper and reducing a sum which everybody admits probably will result in a balance at the end of the year.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, I trust that the House will vote down this amendment. This amendment would cut $100,000 in the miscellaneous items part of the contingent expenses of the House—and they are contingent expenses—and it is impossible to exactly figure out these items far in advance. The committee has already deducted the amount of $180,000 of the total sum of $2,165,000 requested by the Clerk of the House.

Now, what would this cut apply to? Comparison was made with last year. The fact of the matter is that over $900,000 additional of this is required by law this year for the Government contribution to the retirement fund for the officers and employees of the House as the result of enactment of Public Law 854, 84th Congress. If we were to adopt this amendment would it result in economies on such things as cleansing materials,

supplies, towels, paper cups, soap, and other sundry items here in the Nation's Capital? Should we economize on necessary repairs to our typewriters? Should we economize on the payment of gratuities in connection with deceased employees of the House? Perhaps we should economize on the stationery for the standing committees and the temporary committees of the House?

Mr. DAVIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from Georgia.

Mr. DAVIS of Georgia. In the first place, let me say this: I think things have come to a pretty pass when a Member cannot offer an amendment without having some other Member accuse the Member of demagoguery.

Mr. ROONEY. May I say to the distinguished gentleman that I do not mean to be and have not been personal with him. The very $100,000 the gentleman now proposes to further deduct from the pending bill by means of this amendment has already been deducted by the committee. Are we going to disregard the unanimous vote of the members of the committee, including the gentleman from Washington [Mr. HORAN], and the gentleman from Ohio [Mr. BOW]? They concurred in this determination, and I am sure oppose the pending amendment.

Mr. DAVIS of Georgia. The gentleman knows that what I have stated to the House is accurate and correct.

Mr. ROONEY. No; I do not agree with his conclusions at all.

Mr. DAVIS of Georgia. Well, the facts speak for themselves. There will be left, if the same rate of expenditures is followed for the last 3 months of this fiscal year, $256,498.

Mr. ROONEY. Does not the gentleman from Georgia realize that he is referring to a period from the 1st of last July to March 31 of 1957, and that during part of that period they did not have these additional expenditures of over $900,000 in connection with the retirement fund? The situation is entirely different from what is claimed by the gentleman.

Mr. DAVIS of Georgia. Oh, no, indeed. The House was in session until August of last year, just as it will be this year. It was in session this year from January through March. I have stated—and the gentleman knows it—accurately the figures involved in this, and the gentleman knows further that the matter of retirement is not involved in this whatsoever.

Mr. ROONEY. If the distinguished gentleman from Georgia will please refer to page 25 of the printed committee hearings, he will find this question and answer:

Mr. HORAN. Your experience right now is that $900,000 is what the expenditure is for the contribution to the retirement fund.

Mr. LIVINGSTON. About $907,000.

That is part of the miscellaneous items of the Contingent Expenses of the House. Adoption of this amendment would not save anything, Mr. Chairman. These retirement contributions have to be made by law.

Mr. DAVIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman.

Mr. DAVIS of Georgia. The gentleman knows that this item of $907,000 is not involved in this amendment. That is taken care of otherwise and the gentleman knows it.

Mr. ROONEY. No; that is not so. And if the gentleman from Georgia will please read page 4 of the committee report he will find this:

Under the appropriation for miscellaneous items, contingent fund, the committee has approved language which will permit payment of the Government's share of the retirement contribution for all officers and employees from this one appropriation, similar to the arrangement of a few years ago with respect to the Government's contribution under the employees life-insurance program.

I do not know what further I can say to point out the facts in regard to this amendment.

Mr. DAVIS of Georgia. And the gentleman knows, also, that footnote 14 states that this item includes funds contained in the third supplemental appropriation bill, 1957, as passed by the House.

Mr. ROONEY. That has nothing to do with what I am saying.

Mr. COLMER. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I had not intended to say anything on this amendment.

Mr. TABER. Mr. Chairman, would the gentleman yield for a question?

Mr. COLMER. I yield.

Mr. TABER. In all the talk on this I have not heard a word in justification of why this is put to us twice as large as last year.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman yield, to answer that statement?

Mr. COLMER. I yield to the gentleman from New York.

Mr. ROONEY. I will say to my distinguished friend, the ranking minority member of the House Committee on Appropriations, that it is by reason of the very testimony and the language in the report which I have just read. The $907,000 additional in this item is for the Government's contribution to the officers and employees retirement fund, occasioned by the enactment of Public Law 854, 84th Congress which did not become effective until some months after the start of this fiscal year.

Mr. COLMER. Mr. Chairman, we have our own utensils here in this appropriation bill for the conduct of our own House. In the appropriation bills that have preceded this, we have made cuts of roughly 8 percent. This is a comparatively small bill. It is not going to affect the budget a great deal whether you cut it or you do not cut it. The trunk item is a small item. I voted for the amendment because I feel that these trunks are unnecessary; that we should treat all of these appropriation bills alike. We cannot economize only on those things that do not affect us and only on those things on which we want to economize. We too must make some sacrifice.

I am sorry that some Members get emotional when we get into one of these legislative appropriation bills. I am sure that my good friend from New York [Mr. ROONEY] did not intend to reflect upon the statesmanlike conduct of my friend from Georgia [Mr. DAVIS].

Mr. ROONEY. Mr. Chairman, will the gentleman kindly yield at that point?

Mr. COLMER. I yield.

Mr. ROONEY. May I assure the gentleman and the House that that is the fact. The gentleman from Georgia [Mr. DAVIS] and I have been friends now for many, many years.

Mr. COLMER. I am glad my friend feels that way. But I think it is very unfortunate that we get into these emotional hassles. I have a great affection for the gentleman from New York, who said that these trunks were going to be taken home to get you reelected. I want to say to you that in my humble judgment, if you do not economize, if you do not cut this tremendous budget, when you go home there will not be enough trunks or packing boxes to take home to get you reelected.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. COLMER. I yield to the gentleman.

Mr. ROBSION of Kentucky. The remark was made that $8,000 is not a very large item to us. I think we must continue to tell ourselves that $8,000 or $8 million may not be a big item to us, but to the person who has to pay it, it is a tremendous item.

Mr. COLMER. I agree with the gentleman.

We have had appropriation bills before us and we have cut them. We are going to have other bills coming up here. We are going to have bills affecting large sums of money and we are going to be told that they go to the very heart of the Nation's defense, and so forth. Yet we are going to cut those bills. What I am trying to say to you is this: This country is tax conscious as it has never been before. It is budget conscious as it has never been before. When you are dealing with a thing as sensitive as your own household you had better be able to show when you get those packing boxes and trunks home that you are willing to make a little sacrifice on your own part as well as to make the people at home do a little sacrificing.

I think this is a very important matter. I do not believe it should be treated lightly. I hope there will not be any more references to demagoguery, and that someone who has made a study of this problem, as the gentleman from Georgia has, as he always does, will not be charged by implication or otherwise with being anything other than sincere. The gentleman from Georgia [Mr. DAVIS] is one of the most sincere men in this House. There are few if any who are more consecrated to duty or who work harder at the job of trying to economize and retrench in these matters.

I wish we had more of his statesmanlike stature.

Mr. NORRELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this bill has already been cut. We have made every cut we thought we should. We ought not to cut anything else, unless we want to impair some of the services to the Members of Congress.

Mr. HORAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I want you to know that we took into consideration the list of necessary housekeeping items shown on page 23, and we had before us the budget request for that list. You add to it $907,000 for retirement. We found out that there was going to be $100,000 left over, and that there would be a transfer, so we cut it $180,000. On an item that is as tight as is this item here, I do not know how you can do any more cutting without working a hardship on the Members. These are necessary items. The retirement item was mandatory. We had no other recourse. I hope we can have a vote on this amendment because the issue is very clear.

Mr. WHITTEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take the floor at this time to urge some degree of caution in dealing with this legislative appropriation bill. I had nothing to do with shaping the bill up or with setting the figures in it other than going along in the Appropriations Committee when this subcommittee brought the bill here.

We all recognize that this is the time when we need to economize throughout Government by all kinds of economizing. It is so easy for the Members to feel that the way to prove they are economy minded is to show that they cut their own appropriations for the operations of the legislative body. On that I wish to urge that the amendments be considered on their respective merits.

I have heard good friends of mine, and I hope you all are, through the years say that we did not do enough investigating, that we had inadequate staffs to be properly informed to meet the problems that we have here in the legislative body. Personally I have had investigations made annually on any bill I have handled. We have submitted to us this year a budget of more than $70 billion for the total Government. We need to really cut that. How well we will do that job will depend on how well we will run the legislative end of this Government, which is the source of our means of finding out what is going on in the rest of the Government and how much and how well we can do the job of reducing overall Government spending, will largely depend on what we do here toward providing the help to get the facts. No one here holds the gentleman from Georgia in any higher respect than I do. I think he is an outstanding Member of this Congress. However, I do not believe he is any more economy minded than I am. But, I do think it would ill become me because I have been here some 15 or 16 years to say that new Members should not have any means of taking their files home to serve their people. Now, if you say after so many years you should not have any more packing boxes provided to get these records home, that is one thing, but to refuse any service to the new Members is unsound. But, I remember the first time that I was here—I had to get out and beg and try every place in the world to borrow a packing case so that I could get my records back home to my district. I want to tell you something else, talking about office space. I oppose a good many of the things here. I think we are going too far in remodeling the old buildings. But, in the Committee on Appropriations I have felt that we should have public hearings through the years. I firmly believe if we had public hearings and the people could see the efforts we make to try to hold down expenditures and if they could see the other side representing the departments trying to get the funds, I think it would save us hundreds and hundreds of millions of dollars each year. But, do you know there is not a room to be had around this Capitol for the Appropriations Committee where you can have the public? I have been on a subcommittee where we actually had to climb down a grapevine to get to it and where witnesses who were trying to get to the hearings could not find us. We have had witnesses come from all over the United States and stand out in the corridor for hours waiting to testify for 5 minutes, and they had to wait because we could not get them in the room. I say this. Let us economize in this bill where it is sound to economize, but let us not do it just to show we are great economizers while we even cut off our own means of trying to learn something about a $71 billion budget. It is false economy to do that just to make a record here. It is always sound to cut out money that is not needed to be spent. We have appropriated in other bills funds to pay those who retire. The fact that a man happens to work for Members of Congress around the Capitol here, trying to help us meet our responsibility, I think means that we should give him the same treatment so far as providing funds for his retirement as we give to the folks downtown in the way of Federal contribution. I say again let us go at this thing on a sound basis. Let us economize where it is good economy, but let us not just make unwarranted cuts to prove to the country that we even cut the services here which, in turn, enable us to serve the people.

Mr. TABER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think we ought to know what this is that we are voting on. An attempt has been made by the gentleman from Georgia to reduce this appropriation from $1,985,000 by $100,000. They said that there would be $100,000 less out of the balance which remains, and, therefore, they cut off $100,000. If you take the old figures and subtract the $100,000 from the $1,065,000 that is available this year, you would get a figure of $964,000. According to the testimony which I get from page 25 of the hearings, there is $907,000 required for the retirement contribution. But, the $907,000 and the $964,000 make $1,871,000. But, there is available for this purpose by transfer $80,000 from the stationery revolving fund so that you subtract the $80,000 from that and you get a figure of $1,791,000.

Now that appropriation could stand a cut to that figure, instead of just the $100,000 that the gentleman from Georgia has knocked off. Why can we not be honest about it and approach it according to the evidence in front of us? If we do not do that on the things that are meant for our own use, how are we going to have the respect of the people back home?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. DAVIS].

The question was taken; and on a division (demanded by Mr. ROONEY), there were—ayes 101, noes 94.

So the amendment was agreed to.

The Clerk read as follows:

Speaker's automobile: For purchase, exchange, hire, driving, maintenance, repair, and operation of an automobile for the Speaker, $8,000.

Automobile for the majority leader: For purchase, exchange, hire, driving, maintenance, repair, and operation of an automobile for the majority leader of the House, $8,000.

Automobile for the minority leader: For purchase, exchange, hire, driving, maintenance, repair, and operation of an automobile for the minority leader of the House, $8,000.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the Clerk just read 3 items in the total amount of $24,000 for automobiles for the leadership of the House. I am sure those gentlemen ought to be comfortable and safe in the vehicles they ride in.

My attention was called not long ago to 4 new Cadillacs and 1 new Chrysler Imperial that went to the Pentagon, with special doors 6 inches higher than the standard doors, so that the occupants could get in and out of them without removing their top hats and homburgs. Those Cadillacs and the Chrysler Imperial are rented to Pentagon officials for $500 a year. I have always been intrigued by this lend-lease proposition and how it works. I wonder if there is anyone in the Chamber who could tell me how this lend-lease of Cadillacs and Chryslers at the Pentagon works. How do they manage to rent Cadillacs and Imperials over there for $500 a year?

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I will be glad to yield to the gentleman if he can shed any light on the matter.

Mr. HAYS of Ohio. I think maybe I can. If you will notice the close liaison between the big brass in the Pentagon and General Motors I think that might explain it.

Mr. GROSS. I doubt very much that that is an answer to the inquiry I made.

I renew my question: I wonder if anyone on the Appropriations Committee has ever gone into this. These Cadillacs cost $10,000 apiece, still they are able to rent them for $500 a year.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman yield?

Mr. GROSS. Yes, I shall be pleased to yield to the gentleman.

Mr. ROONEY. This is something that has been discussed in the Appropriations

Committee, and some feelers were put out with regard to getting General Motors to give the legislative branch, and as a matter of fact certain other agencies of Government for which the taxpayers carry the burden, the privilege of renting a car for only $500 a year, but we apparently do not have the relationship that the members of the Cabinet and others have with General Motors, so we have not succeeded.

Mr. GROSS. Can the gentleman tell me who takes up the slack between the $10,000 cost and the rental at $500 a year?

Mr. ROONEY. It is my understanding that this slack is taken up by the taxpayers. It is indeed unfortunate that we cannot get General Motors to become more munificent and let us have three cars for the Speaker and majority and minority leaders.

Mr. GROSS. How is the slack taken up? Can the gentleman tell me? Just how is this differential made up?

Mr. ROONEY. The maintenance of one of our automobiles would be about $1,752 a year.

Mr. GROSS. That is not what I am getting at. I am trying to find out how General Motors and Chrysler can provide the Pentagon and other agencies of the Government $10,000 cars at a rental of $500 a year.

Mr. ROONEY. Probably at the expense of their stockholders and the American taxpayers through deductions of the loss on tax returns.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. WHITTEN. I am sorry I cannot answer the gentleman specifically, but in the bill for the armed services appropriation that we reported out today, I point out in the hearings that we have, through the military, in the case of 50 leading corporations in 5 years given them $80 billion of contracts, and the stock of those companies has increased from 57-plus to 149-plus per share. Spending $80 billion with these corporations in 5 years and their stock practically tripling in value—and I am speaking in broad general terms, for I do not want to get into any one individual company—it just looks on the face of it that they thought it was good business to lose money on furnishing these cars.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Certainly I yield; I am looking for information.

Mr. HALLECK. I am looking for information too. We hear a lot of conversation about the close association between General Motors and the present administration. It is my understanding that the matter of leasing cars to the White House has prevailed for a long time. They have been leased under this similar arrangement and from time to time from different automobile manufacturers.

Now, I want somebody on the Appropriations Committee who has been on the committee quite a while to get up and say whether or not that understanding by me is correct.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes; I yield to the gentleman.

Mr. ROONEY. I would most certainly agree with the gentleman from Indiana that automobile companies have furnished cars under such arrangement to the White House in the past.

But I think the gentleman from Ohio [Mr. HAYS] was talking about this extending to other areas of Government in Washington, to each one of the Cabinet officers.

Mr. HAYS of Ohio. That is right.

Mr. HALLECK. Mr. Chairman, will the gentleman yield further?

Mr. GROSS. I yield.

Mr. HALLECK. I do not know what the gentleman from Ohio had in mind. Possibly that is my own fault, but let us keep this thing on the plane where it ought to be, and let us not try to develop out of the arrangement that there is for the leasing of cars in the executive branch some sort of sinister connection that somebody would like to make political capital out of, because this is a practice that has prevailed for a long time and was not started by this administration. I never heard any question about it before.

So it seems to be that somebody is trying to make a mountain out of a molehill.

(By unanimous consent Mr. GROSS was allowed to proceed for 3 additional minutes.)

Mr. GROSS. I want to say that I am not trying to make a mountain out of any molehill. I am seeking information. If officials of this Government are to be provided with Cadillacs and other automobiles, let us either provide them on the basis of appropriations, buy them for these officials, or let us know how they are provided on any other basis.

Mr. SHEPPARD. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from California.

Mr. SHEPPARD. I may say to the gentleman that I recently had occasion to look into the issue because I was informed that a Cadillac 75 was being leased for $500 a year for the service of a Secretary in one of our military branches. I happen to operate an automobile the same as many of the rest of you do and I know I cannot operate my automobile for $500 a year. So I was very much intrigued at the economic appeal that was involved. In trying to run it down through the Cadillac service here locally, I was advised that for a period of time three automobile manufacturing firms have supplied cars to the White House and some Cabinet members for a very small consideration as good public relations. Recently that program has been expanded to include those with certain secretarial status in the military. However, to the best of my knowledge and from the information I secured at that time, there was nothing indicated whereby the same courtesy would be extended to the leadership of the House or the Senate. I would like to say to my colleagues who are present at any time that becomes a general practice, let me in on it, because I cannot run my car for $500 a year.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. Maybe the automobile value on resale would be greater on an automobile used by the Secretary of Defense than by any other individual.

Mr. SHEPPARD. I may say to the gentleman if we are going to distribute the prestige on our own personality, I will participate with the gentleman.

Mr. HAYS of Ohio. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I did not have any ulterior or sinister motive in what I said at all. If the shoe is pinching some of the gentlemen on the Republican side, that is too bad. But I have a little more information for you. When I was talking about the liaison at the Pentagon—it could have gone back prior to this administration and maybe it did—I was talking about the fact that 93 percent of the non-public-works items that are purchased by the Department of Defense are not purchased by bid but are purchased by negotiation. You can make out of that whatever you like. You can boo or you can do anything else you like, but that is a fact, and I did not get that information from an unreliable source. It stands to reason that if you do not have to bid and you can negotiate the price, it would be good business to do a couple of favors for the negotiators.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Ohio.

Mr. McGREGOR. I am sure the gentleman wants to be fair. He is familiar with the fact that negotiations can follow the acceptance of bids. Many times bids are called for and received, then those bids are negotiated, depending on classification.

Mr. HAYS of Ohio. That is true, and I recognize that fact. You will not find any of the companies are negotiating at a loss. I do not think you will find that any of these negotiations are from, shall we say, eleemosynary motives?

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Mississippi.

Mr. WHITTEN. The record that we released today will show, as I said earlier, that the stock of the 50 major corporations that had contracts with the Defense Department in the last 5 years have increased from an average of $57 a share to $149 a share. But from that you would take it that they have been doing all right through their negotiations.

Mr. HAYS of Ohio. I think the evidence would indicate that.

Mr. PRICE. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Illinois.

Mr. PRICE. I would like to call attention to the fact, since the gentleman from Ohio [Mr. McGREGOR] offered a contribution, that there are two forms of competitive bidding. There is the open competitive bidding, which gives everybody an opportunity to bid, and then there is competitive bidding by invitation. Most of these defense orders are by invitation, not open competitive bidding.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from New York.

Mr. ROONEY. What has all this to do with the $500 a year Cadillac?

Mr. HAYS of Ohio. Well, I will tell the gentleman what it has to do. They are giving these $500 a year Cadillacs to people with whom they are negotiating, and in addition to all of this, they are charging off the loss they take against their income tax.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, notwithstanding what the gentleman from Ohio [Mr. HAYS] has said, all through his talk runs the implied charge that there is something rotten and crooked in connection with the administration dealing with industrial companies. Now the gentleman asks where the administration buys its automobiles, the Cadillacs, and other cars. Well, you cannot get them in Ohio. Ohio does not make them. The aircraft industry is located in California and down in Texas. I assume that these industries want to make a little money, some money, anyway, for their stockholders. They want to give jobs to people. Millions of jobs. They do fairly well at their job. And, if the figures are correct, General Motors and some of the other automobile companies in Michigan contribute quite substantially through taxation, through the wages they pay to millions, small as they are compared to the sums that the gentleman from Ohio and I receive toward the expenses we have here. I do not know what the purpose of the gentleman's argument is—otherwise than to smear. Perhaps it is to abolish all industry if it gets to a certain size. The administration undoubtedly buys autos of General Motors and other auto dealers because they have cars for sale. If Governor Williams, of Michigan, keeps on with his tax program and puts it across, if Mr. Reuther goes along with him, perhaps General Motors, Ford, Chrysler, and every other industry in Michigan will be forced to go to some other State. Apparently that is the purpose—no, that is not the purpose of Williams and Reuther. The real purpose is to get more money, of course, for Governor Williams and for Mr. Reuther to spend to get more political power. That is the idea. And it is probable that if they succeed in their purpose they will force industry out of Michigan. Will those two bright boys then create and maintain jobs for those who lose out?

I think it does seem, though there is something strange—I cannot understand why—when they want to make all of these New Deal international ideas work, why they always go back and get some representative from industry, a conservative, a reactionary, to come into the Cabinet and save what is left. There would not be anything left if these bright fellows who have these theories and practice continued extravagance, if they operated our economy. But, when they get in power they always go back and get some businessman, and the larger the industry which he controls, the more people he employs, the greater the benefit he is to the State, the Nation and the more—wha. is the word, I ask the gentleman from Indiana—the greater the vituperation heaped upon him—the more vicious is the attack from the other side; the more vicious, unfounded, and unsubstantiated is the attack which comes from a certain, a very small section on the other side. You let any decent, reputable man who has made a success in life take a position in the administration, right off the bat someone charges him with being unpatriotic, overly greedy, unscrupulous in his method. It is a difficult thing to understand. Just why some individuals cannot believe that anyone is decent, honest, sincere, patriotic, is a query not always answered. It is difficult to understand why any decent, reputable citizen wants to take a place of responsibility with any administration, Democrat or Republican, in view of what all too often follows.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Indiana.

Mr. HALLECK. I just want to commend the gentleman for that statement. I have said publicly, and I say it again and stand on it, and I think the people of this country understand it, and that is that it was about time we had some able people in these high places in Government even if they have been successful somewhere else before they got there. Now, I would like to ask the gentleman who comes from Michigan, where these automobiles are made, this question. Of course, we all know that Cadillac is made by General Motors. My understanding is that heretofore four automobile companies made chauffeur driven cars or cars to be chauffeur driven: Lincoln, Chrysler, Packard, and General Motors. At the moment I am pretty sure that Chrysler does not make such a car any more. I know that Packard does not make such a car any more. The Lincoln that I used to see around the White House so often, I have not seen any of them anywhere. I do not know whether they are making such a car any more or not. But, actually, as I say, we might as well be fair about this and not try to draw implications that are not there. As the gentleman so well says, instead of doing and saying these things to discourage able people from making the sacrifices that many of them do make to come in and help out in this Government of ours, we ought so to conduct ourselves as to encourage men to give of their time and their services, patriots as they are, because, believe me, it is a good thing that we have them.

Mr. HOFFMAN. I am afraid to say anything more on the floor, along this line because I recall when we had the Department of Health bill up here and someone offered an amendment—and I ventured to support it—all those who supported the amendment were referred to by implication at least as wanting to kill people, wanting to let them die from lack of protection from the Food and Drug Administration, or something of that nature. That thought ran along all the way through the debate. According to the words of the gentleman from New York, and the implications thereof, if anyone offers an amendment—well, it is just too bad. It must be offered because of an improper motive. I have been wondering why some of the committee spokesmen bother to give us a bill under a rule which permits amendments and which we can debate; why they do not just take over the running of the universe, and let it go at that.

Mr. ROONEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I should like to congratulate the distinguished gentleman from Indiana [Mr. HALLECK] upon his splendid defense of General Motors and Cadillac, and to report to the House that within the last 2 minutes, I have been advised by Mr. Harry Livingston, the disbursing clerk of the House of Representatives, that within the past 6 months efforts were made and negotiations were had with the Washington district manager of Cadillac, to obtain three $500-a-year automobiles for the Speaker, the majority leader, and the minority leader, but that the request was turned down. I was advised further that the Vice President, however, has one of these $42-a-month Cadillacs.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman.

Mr. GROSS. I want to commend the leadership of the House for turning them down.

Mr. ROONEY. That is not the point. The disbursing clerk did not turn them down. He was ready to take them for $42 a month. As a matter of fact, I suppose there are some others of us here who would be perfectly willing to accept $42 a month limousines if we were not placed under any undue obligation for them.

Mr. GROSS. I think they ought to all be turned down.

Mr. PILLION. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman.

Mr. PILLION. Is our Government so financially embarrassed and is it so lacking in self respect that it must accept subsidies of $2,000 or $3,000 per car in these instances?

Mr. ROONEY. I think that is a very good point, I will say to the gentleman from New York.

The Clerk read as follows:

PENALTY MAIL COSTS

For expenses necessary under section 2 of Public Law 286, 83d Congress, $2,081,000, to be available immediately.

Mr. JONES of Missouri. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise at this time to comment on this penalty mail cost which is in the amount of $2,081,000. I think many Members will recall that last year I attempted to get an amendment in the postal bill and it was, I think, misunderstood by several Members. I am not

going to offer an amendment to reduce this amount but I do propose to try to get an amendment adopted when that postage-rate bill comes up to limit some of the franking that is done by Members of the House to the districts that they represent, and in the case of the Members from the larger metropolitan areas, to limit it to the areas they serve. I am referring only to the printed matter which is sent through the mail. That will reduce this item considerably.

Another thing, to show you that we could do a lot of saving here in the House, although it is going to require some legislation to do it, I hold in my hand part I of the Department of Defense Appropriation Hearings for 1958. As was said earlier in the day, this volume, which is available to each Member of the House, represents a cost of $16. That is for this one volume. This stack of books here on the table represents the entire hearings on the Department of Defense. When we request these to mail out, I think many of us do not realize the amount of money involved.

I think it would be timely for us to consider some changes in our House rules to restrict the sending of these hearings to people who have some official use for them, and to make some charge to people who do not have use for them or who make requests for them just out of curiosity. I am not proposing that we charge $16 for a volume like this, but if we place a charge of a dollar on it that would at least exclude a lot of people who would ask for it only out of curiosity and who would only throw it away.

We all know our storerooms, not our individual storerooms but those in the Capitol, are filled with copies of reports and hearings. In the Committee on House Administration we are trying to work out some plan to restrict the amount of printing that is done. But on this particular item, if we would give more attention to limiting the mailing under the frank, and I am not referring to the first-class mail, the letters you write to your constituents, but limit the mailing to the districts you serve, and if perhaps the Members would give a little more thought to the matter before they mailed out copies like this at $16 apiece, we could bring about some economy. I hope when the proper bill is before us we will give some attention to that point.

Also, I think that we sometimes yield to people who request us to insert speeches in the CONGRESSIONAL RECORD, and when we do insert such speeches in the RECORD and mail them out through the folding room, we add the cost of the folding room, the cost of the envelopes that are furnished free, and the cost of the postage, and as a result the whole bill goes up.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman from Texas.

Mr. POAGE. If the Members would heed the suggestions of the gentleman from Missouri we could actually save some money and not just talk about it. I commend the gentleman on suggesting something practical here today. It is one of the few practical speeches I have heard.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman from Massachusetts.

Mr. BOLAND. I think the gentleman makes a good point with reference to the charge that could be levied for these hearings and also the amount of material that goes into them. If the gentleman thinks those volumes are large, wait till we get to the volume that will be turned in by the Subcommittee on Public Works to the full Committee on Appropriations.

Mr. JONES of Missouri. I thank the gentleman.

The Clerk read as follows:

CAPITOL BUILDINGS AND GROUNDS

Capitol Buildings: For necessary expenditures for the Capitol Building and electrical substations of the Senate and House Office Buildings, under the jurisdiction of the Architect of the Capitol, including minor improvements, maintenance, repair, equipment, supplies, material, fuel, oil, waste, and appurtenances; furnishings and office equipment; special and protective clothing for workmen; uniforms or allowances therefor as authorized by the act of September 1, 1954, as amended (5 U. S. C. 2131); personal and other services; cleaning and repairing works of art, without regard to section 3709 of the Revised Statutes, as amended; purchase or exchange, maintenance and operation of passenger motor vehicle; not to exceed $300 for the purchase of necessary reference books and periodicals; not to exceed $500 for expenses of attendance, when specifically authorized by the Architect of the Capitol, at meetings or conventions in connection with subjects related to work under the Architect of the Capitol; $897,100.

Mr. HOFFMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN: On page 14, line 18, strike out "$1,258,000" and insert "$1,250,000."

Mr. HIESTAND. Mr. Chairman, I make the point of order that we have not reached the point in the bill at which the gentleman's amendment is in order. I have an amendment to offer to page 14, line 2. I do not want to lose my right to offer that amendment.

The CHAIRMAN. The gentleman from California was on his feet.

Mr. ROONEY. Mr. Chairman, I think the point is that the Clerk had not read beyond line 2 of page 14. The amendment of the gentleman from Michigan pertains to line 18 of that page.

Mr. HOFFMAN. Mr. Chairman, I will be glad to yield. I would like to do something to please the gentleman from New York [Mr. ROONEY].

The Clerk read as follows:

Amendment offered by Mr. HIESTAND: On page 14, immediately after line 2, insert the following: "*Provided*, That no funds provided in this section and no funds heretofore appropriated shall be expended to carry out the extension, reconstruction and replacement of the central portion of the United States Capitol authorized by the paragraph of the legislative appropriation act, 1956, which is under the heading 'Capitol Buildings and Grounds' and which begins with the words 'Extension of the Capitol'."

Mr. ROONEY. Mr. Chairman, I make a point of order against the amendment on the ground that it is not germane to this bill. It refers to funds which are not included in this bill, and further it is legislation upon an appropriation bill.

Mr. HIESTAND. Mr. Chairman, will the gentleman reserve the point of order?

Mr. ROONEY I shall be glad to reserve the point of order.

The CHAIRMAN. The gentleman from New York [Mr. ROONEY] reserves the point of order against the amendment. The gentleman from California [Mr. HIESTAND] is recognized.

Mr. HIESTAND. Mr. Chairman, I appreciate the courtesy of the gentleman from New York. I would like to explain briefly what this is and what it is not, just so we can determine whether it is subject to a point of order or not. It does not have to do with the New House Office Building expenditure. It does not have anything to do with the amount in the budget for the extension of the Capitol, because there is no such amount. It does have to do, however, with the obvious intent of the committee in recommending that we do defer additional cost for the extension of the Capitol. We are all aware of the measure which went through; it has been discussed, to extend the Capitol. I respect the distinguished Speaker and the problem that he faces in the proposition he put to us. May I suggest, however, that the three main purposes for the extending of the Capitol or expanding it or facelifting it or whatever you want to call it, are first of all the great need for additional committee rooms and hearing rooms. We agree that that is needed. Second, for eating facilities, and everybody here agrees that that is needed. Third, for parking facilities, and everyone knows that we need that. May I suggest, Mr. Chairman, that these needs are being met far more rapidly than if we were to go ahead and expand and extend the Capitol itself. They are being met just as quickly as possible by the construction of a new House Office Building which will provide committee rooms and hearing rooms, and relieve the space shortage here in the Capitol.

The second need, the added eating facilities are also being supplied in that way. Third, that the added property acquisition for the House Office Building has provided much additional parking space. My purpose in introducing this amendment was, to carry out the obvious intent of the committee which would simply defer this Capitol expansion until we had a chance to utilize the new space in the House Office Building. I suggest that if we can defer this, it would be wise and it would be good economy. Much has been said about economy beginning at home. Certainly, I am sure, most of us agree. This Capitol facelifting was authorized and appropriated on the floor of the House without a hearing at that time. Yes, I know there were some hearings way back, but the Committee on Public Works did not have a chance at it. I suggest there are many architects, members of the Institute of American Architects who do not agree with the desirability of lifting the front of the Capitol at all. The fact

of the matter is that the majority would seem to be of that opinion. If we say nothing in this bill about this Capitol expansion, Mr. Chairman, the Architect will be authorized to continue to spend money and I am apprehensive and I am sure many Members may be apprehensive that before the year is out, he will have spent so much more money from the previous appropriation, that we shall be obliged to carry on and see him finish the job.

My amendment, therefore, I believe is in order, considering the circumstances.

Mr. ROONEY. Mr. Chairman, I renew my point of order.

The CHAIRMAN (Mr. WALTER). The gentleman from New York [Mr. ROONEY] makes the point of order that the amendment is not in order. The amendment very definitely relates to an appropriation heretofore made. Therefore, the Chair is of the opinion that the amendment is legislation and therefore subject to the point of order. The Chair sustains the point of order.

Mr. HIESTAND. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. HIESTAND: On page 14, line 2, after the period, insert "None of the funds provided shall be used for prosecuting the project of lifting out the front of the Capitol."

Mr. ROONEY. Mr. Chairman, a point of order.

The Clerk has already read beyond that point.

The CHAIRMAN. The gentleman's amendment comes too late.

Mr. HIESTAND. May I suggest it is in the same section.

The CHAIRMAN. No. This is page 14, line 4.

The Clerk will again report the amendment.

The Clerk read as follows:

Amendment offered by Mr. HIESTAND: On page 14, line 2, after the period, insert "None of the funds provided shall be used for prosecuting the project of lifting out the front of the Capitol."

Mr. ROONEY. Mr. Chairman, I renew the point of order against the amendment, that it is legislation on an appropriation bill.

The CHAIRMAN. The Chair is of the opinion that the same objection applies to this amendment as applied to the last amendment, and the Chair therefore sustains the point of order.

Mr. HIESTAND. Mr. Chairman, may I speak to that point?

May I suggest that the amendment just submitted deals with $897,100, which has just been read this morning? I submit it is in order because it could not have been applied to any other fund. The first amendment did apply to previous appropriations.

The CHAIRMAN. But the Chair would call attention to the fact that there is nothing in this paragraph, as the Chair understands it, that relates to that particular project or work.

Mr. TABER. Mr. Chairman, if the Chair will hear me just a moment.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. TABER. Beginning on line 8, page 13, it reads:

For necessary expenditures for the Capitol Building and electrical substations of the Senate and House Office Buildings, under the jurisdiction of the Architect of the Capitol.

That means that money is available for all sorts of activities of the Architect of the Capitol, relating to the entire group of buildings.

The CHAIRMAN. Of course, the gentleman conveniently stops at the comma on line 11 and did not read up to the next comma, "including minor improvements."

By no stretch of the imagination could this be considered a minor improvement.

The Chair sustains the point of order.

The Clerk will read.

The Clerk read as follows:

House Office Buildings: For maintenance, including equipment, waterproof wearing apparel, uniforms or allowances therefor as authorized by the act of September 1, 1954, as amended (5 U. S. C. 2131), miscellaneous items, and for all necessary services, $1,258,000.

Mr. HOFFMAN. Mr. Chairman, I offer an amendment which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN: On page 14, line 18, strike out "$1,258,000" and insert "$1,250,000."

Mr. HOFFMAN. Mr. Chairman, this is a very small cut. Even though it is small, it might be considered a declaration of independence, a determination to economize where it will neither cost us any votes nor do any harm. Nobody ought to vote against it because of any fear of what might happen at election time. It can be supported, because without the $8,000 we will nevertheless get all the real advantages that the $8,000 will give us.

If you will refer to page 67 of the hearings, you will see that there is the testimony that was offered to justify the appropriation to replace the revolving door at the northwest corner of the Old House Office Building at street level. The reason given is that that revolving door is in such condition that you could not get anyone out of the building if they had to be taken out on an ambulance stretcher. Well, that is a laudable purpose, all right, enough, but does it take $8,000 to make a door for that purpose? The height is not any more than 10 feet, surely; it is somewhere between 6 and 8 feet wide. We are familiar with it even though many of us are in the New House Office Building. People ought to be able to get out of that door quickly if there was an emergency. It has served very well for some 23 years. But we are told times have changed. Perhaps this is advanced because of some threat from Russia. That is the usual reason or answer for spending. Maybe they think somebody is going to die suddenly because of their vote or because the Communists might get him. But, whatever the reason may be, they want to get in and out of that door quickly.

Is there anyone here who thinks a door for that entrance or exit should cost that much money? Why, even in the old house I live in, some 50 years old, some of the doors swing both ways. Could they not put a door on one side to swing in and out and a door on the other side to swing both ways, so if they wanted to get out quickly they could just prop them back, leaving the whole 6 or 8 feet wide open?

This is just a suggestion in connection with economy. This cannot hurt or help me election day. You cannot accuse me of demogoging, so you cannot make that argument stick.

To adopt this amendment would just be a declaration of independence on our part, an indication of economy, even in the case of a few dollars where it can be saved without hurting anybody. We will not make a large cut in these bills. The cut will not cause Russia to attack us.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. GROSS. This is also supposed to be a panicproof door.

Mr. HOFFMAN. No. A door to serve the occupants in the event Russia says she is coming in, or it may be to help Congressmen get out when our constituents come here and get after us.

Mr. GROSS. That is to get away from panic-stricken taxpayers.

Mr. HOFFMAN. When they check up on us if we vote for some of these items. If we do not give them some relief from the tax burden, do not quit sending their dollars abroad.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, perhaps I ought to first say that some of us are afraid the gentleman from Michigan might not get out through that door.

Mr. HOFFMAN. Oh, I am over in the other building.

Mr. ROONEY. These are the justifications submitted by the Architect of the Capitol:

Replacement of revolving door, Old House Office Building: This is a wooden revolving door, installed in 1932, located at the northwest corner of the building, on New Jersey Avenue, at street level. Replacement parts for this door are no longer available and the door is becoming progressively hazardous. This door, being at street level, is used for wheelchairs and stretcher patients, as well as by Members, employees, and the public. The door has deteriorated to such an extent that it is now almost impossible to collapse it in order to get equipment in and out of the building. It is proposed to replace this door with a new bronze, panicproof, automatic collapsible revolving door, with bronze border lights and transoms, similar to the bronze doors installed at the main and Library corner entrances to the Old House Office Building, $8,000.

In this connection I might say that in 1951 a similar door was installed in the House Office Building at another point at a cost of $7,750. There are four such doors here in the Capitol Building. One of them is the door at the head of the steps as you go out, the east door to the House side of the Capitol on this level. Those four were installed at a cost of $27,709.

I suggest that this is a perfectly reasonable replacement item. The Architect cannot get parts for the old door. I have read you what he had to say about this and I am going to leave it to the good

judgment of the House whether or not you want to economize to the extent of $8,000 on an item such as this.

Mr. LONG. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. Yes, I yield to the gentleman from Louisiana.

Mr. LONG. I think this door could be described as being in the same fix as the Republican Party is in at the present time.

Mr. ROONEY. I hesitate to say that at this moment. I want to defeat this amendment, because I really believe this is not a good time to economize on this item.

Mr. HOFFMAN. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. HOFFMAN moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. ROONEY. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. ROONEY. In view of the fact that the gentleman has an amendment pending, is the gentleman from Michigan entitled to offer such a motion?

The CHAIRMAN. Yes. This is a preferential motion and is in order.

Mr. HOFFMAN. Mr. Chairman, with apologies to the gentleman from New York [Mr. ROONEY], may I say it would not have been necessary to take this 5 minutes had he yielded to me for a half minute. The gentleman does not talk about the cost of the door. He says that a new door is necessary. Sure, suppose everybody concedes that. He talks about an old door, he talks about some other doors. I am speaking on why the bill should be sent back to the committee with the enacting clause stricken. To show our people we are not just talking, not voting economy when our own funds are being considered.

He talks about other doors that cost $27,000. Is that any reason why we should pay $8,000 for a door that everyone knows can be installed for far less than $8,000? Because we paid $27,000 twenty-odd years ago is no reason why we should pay $8,000 when you can get one just as serviceable though not as beautiful for $2,000 or for $1,000. That is typical of the argument the gentleman usually makes.

The point is this: Over in the northwest corner of the Old House Office Building there is an old door. Let us concede for the purpose of the argument it is no longer any good, that it ought to be replaced. Maybe just because after 23 years someone has discovered it is not up to date. All I am trying to do is to get the Committee to adopt an amendment which will at least indicate that we want to cut on something where we can cut without hurting anybody. Sure, the amount is small, but if we will not cut a small item we will pass by the large ones. The sole question is whether you can put a door in a 10 by 8 or smaller hole for less than $8,000. That is all there is to it.

Mr. Chairman, I ask unanimous consent to withdraw my motion.

Mr. ROONEY. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending preferential motion to kill the bill in order to protect the rights of my distinguished friend the gentleman from Michigan [Mr. HOFFMAN]. If the pending preferential motion were adopted, and the enacting clause stricken, the gentleman from Michigan would not get his pay check for the period beginning July 1, 1957.

Mr. Chairman, I urge defeat of the gentleman's preferential motion so that the gentleman from Michigan may get his pay check.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Michigan [Mr. HOFFMAN].

The motion was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. HOFFMAN].

The amendment was rejected.

The Clerk read as follows:

Acquisition of property, construction, and equipment, additional House Office Building: To enable the Architect of the Capitol, under the direction of the House Office Building Commission, to continue to provide for the acquisition of property, construction, and equipment of an additional fireproof office building for the use of the House of Representatives, and other changes and improvements, authorized by the Additional House Office Building Act of 1955 (69 Stat. 41, 42), $7,500,000.

Mr. RAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RAY: On page 14, line 19, strike out the paragraph beginning in line 19 on page 14 to and including line 2 on page 15.

Mr. RAY. Mr. Chairman, I think we need to get some facts straight that have been somewhat confused here today. We face a $100 million project. Eight million dollars of that involves the acquisition of property. That property has been acquired so that that $8 million is behind us.

We face $64 million for the construction of an additional office building. That, for all practical purposes, is ahead of us. We face $9 million for remodeling of the Old House Office Building. That has not been started. We face $9½ million for changes in the New House Office Building. That means that something like $82 million will be expended if plans under which estimates were made go ahead. The plans for those three projects were approved generally a year ago this month. No contracts have been let. No specifications have been put out for bids. None are ready. They have spent one-million-three-hundred-thousand-and-some-odd dollars for the new sewer under the land that is to be occupied by the proposed buildings. Specifications for the structural steel and certain foundation work will be ready next month or perhaps 2 months from now and are expected to be put out for bids immediately afterward. The other parts of the new building will have specifications and requests for bids a good many months later. But, once this step is taken, putting out bids and making a contract for the foundation work and the steel work, there will be no chance to take a serious look at the question of whether the operation should continue. That chance exists today. The purpose of my amendment is to permit, if the House adopts it, a new study by the House committees of the plans that are being proposed and of the cost.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. RAY. I yield to the gentleman from Georgia.

Mr. VINSON. What additional study? The gentleman from New York states that the purpose of his amendment is to defer further work so the Commission can make further study.

Mr. RAY. No. So the House can make other studies. There has been no study by a committee of the House. There is a continuing and indefinite authority under which the Architect of the Capitol, with the approval of the three distinguished Members of the House who are the House Office Building Commission, may make contracts to carry out plans which the Architect may provide and for which he may have the approval of the Commission. And, they are all distinguished, conscientious men. The Architect can make contracts without waiting for specific appropriations. The legislative authority is broad and covers the plans that the Architect, with the approval of the Commission, may specify.

Mr. VINSON. I wish the gentleman would try to clear up who is to make the study. Is it the House Commission or is it the legislative committee that ordinarily has control of public works matters?

Mr. RAY. That is not covered in this amendment.

Mr. VINSON. I am talking about what is running through the gentleman's mind.

Mr. RAY. I have before the Committee on Rules now a resolution asking for the appointment of a special committee, no Member of which shall be a Member of the House Office Building Commission, which shall make forthwith a study of the plans and report to the House whether the work should go ahead or should be stopped. But, that is not covered by this amendment.

Mr. VINSON. Then, the sum and substance of the gentleman's resolution before the Committee on Rules is to take complete authority away from the House commission and to give it to some other group in the House to determine whether or not a building of this character or a building at all shall be built?

Mr. RAY. If that resolution comes out, that would be the effect. It may not come out in that way.

Mr. VINSON. Will the gentleman point out wherein does he think the House commission, consisting of the Speaker, the distinguished gentleman from New Jersey [Mr. AUCHINCLOSS], and your humble servant, have in any way failed to meet our responsibility?

Mr. RAY. I do not know, sir. I think there is a great deal of concern among Members of the House who simply do

not know. No plans have been placed before the House.

Mr. VINSON. Does not the gentleman know and does not the House know that after an open debate on an appropriation bill the language was written in creating a House commission or, rather, giving authority to the House commission to do this construction and to take charge of the construction of this new office building?

Mr. RAY. I recall no such debate.

Mr. VINSON. Does not the gentleman also know that whenever legislation is offered on an appropriation bill it is subject to a point of order? And legislation of this magnitude was so thoroughly understood by every Member of the House that they had ample opportunity to object by simply making the point of order against the legislation.

Mr. RAY. I did not know enough to make that objection at that time.

Mr. VINSON. That may be true, although I doubt it. But the balance of the House knew because here in this appropriation bill for 1955, chapter 12, there is a whole chapter dealing with this subject matter and any Member of the House could have had it stricken out by simply making a point of order against it. This was strictly legislation on an appropriation bill.

Mr. RAY. Was that the $25,000 appropriation?

The CHAIRMAN. The time of the gentleman from New York [Mr. RAY] has expired.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending amendment.

I should first like it understood that the House Committee on Appropriations did not have this project from the very beginning, but this Subcommittee on Appropriations is now standing 100 percent by it after over $14,900,000 has already been either expended or obligated by law.

In the month of March—to be exact, March 18, 1955—and I am going to read from the CONGRESSIONAL RECORD, volume 101, part 3, page 3204, an amendment with regard to this project was offered on the floor of the House to a then pending supplemental appropriation bill by the distinguished gentleman from Texas, the Speaker of the House, the Honorable SAM RAYBURN. The gentleman from New York, my distinguished friend, Mr. RAY, said awhile ago that there was no debate, or any chance to discuss this matter in the House. Well, let us turn to page 3205 of the RECORD of that day and we find that one of the most distinguished Members of the House for many years, the gentleman from Michigan, Mr. Dondero, who was previously chairman of the House Committee on Public Works, had this to say at that page:

Mr. Chairman, I should like to close my remarks by saying this. I have never been charged in this Chamber with being one who is willing to spend the people's money for nothing. I am known here as a conservative.

And parenthetically I should say that he was, as everyone knows who served with genial, courtly Charlie Dondero. He continued:

But here is an amendment which I think we should all support in the interest of the common welfare of the American people.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I am happy to yield to the distinguished gentleman from Georgia, a member of the Commission.

Mr. VINSON. The committee of which the gentleman from Michigan, Mr. Dondero, was chairman, had jurisdiction of that kind of legislation. He felt so keenly that he had no objection to it that he was willing to permit legislation to be written on an appropriation bill covering this matter. Whenever anyone writes legislation on an appropriation bill it calls attention of the House more definitely to the matter than when it is covered merely in a general authorization bill. So the distinguished gentleman from Michigan, Mr. Dondero, when this amendment was offered by our distinguished Speaker, was calling attention of the House to the fact that he and his committee had no objection to writing this legislation into the very heart of an appropriation bill.

Every Member of the House knew every phase about it, and the amendment was so drawn it went into every detail. That is exactly what the Commission has been doing. We have been complying with what the House gave its unanimous consent for the Commission to do.

Mr. ROONEY. Mr. Chairman, I shall conclude my remarks by reading some further statements of the highly respected and conservative gentleman from Michigan, Mr. Dondero, in the debate on that date. He said:

I happen to walk through the hallways of this Capitol Building nearly every day, and have for a good many years. I notice, and I am sure other Members have noticed, that partitions have been built setting off parts of the hallways or corridors in order to obtain more office space. The same has been done over in the new and old House Office Buildings. They have had to cut off some of the hallways in order to obtain more office space.

Certainly, the people of the United States would be willing for us, as representatives of a great Nation, to have sufficient space in order to carry on the business of their Government. I do not think there will be any objection to it.

There was no objection to it although it was legislation on an appropriation bill, and it was adopted. Contrary to what the gentleman from Ohio, my distinguished friend [Mr. MCGREGOR], has said, the Committee on Appropriations had nothing to do with it except that it happened to have on the floor of the House the bill which became the vehicle for instituting the additional New House Office Building. Now, after having expended or authorized by law over $14,900,000, I do not think it is good sense. I do not think it is good economy to delay the construction of this building at this time.

Mr. RAY. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from New York.

Mr. RAY. I think the remarks that have been made by the gentleman from New York and the gentleman from Georgia confirm my statement. I merely said I did not recall debating it. I do recall the two statements made by our distinguished Speaker and by Congressman Dondero, but I do not recall debates. What I am proposing is that there be a House study, and if the vote is registered in favor of this amendment I think it will mean the sentiment of the House is in favor of a House study of the merits of the projects.

Mr. GROSS. Mr. Chairman, I rise in support of the amendment, and not for the purpose of further study by a commission, committee, or anything else. I rise because I think this $65 million House Office Building ought to be stopped dead in its tracks exactly where it is today. It ought to have been stopped last year, and I tried to stop it. I am no Johnny-come-lately to the proposition of opposing this big expenditure which can easily be postponed until the condition of our taxpayers and finances of our Government are in better shape.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Georgia.

Mr. VINSON. The gentleman was here in 1955. He sat in his usual seat and contributed then just as he does now to all debate. Why did he not stop it in 1955 when we had to get unanimous approval before it could go through?

Mr. GROSS. I did not know, in the first place, that I was completely answerable to the gentleman from Georgia for all of my actions and activities here.

Mr. VINSON. Of course the gentleman is not answerable to me, but he had an opportunity in 1955 to stop it.

Mr. GROSS. Let me say to the gentleman, better late than never. I do not know where I was in 1955, but the gentleman knows I tried to stop it in 1956 before a spade of earth was turned. Does not the gentleman know that? And I did not get the votes last year.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to my friend from Michigan.

Mr. HOFFMAN. If the gentleman had control of the votes that the gentleman from Georgia [Mr. VINSON] had, he might have succeeded.

Mr. GROSS. That is correct.

Mr. HOFFMAN. He bosses the House around every once in a while, and all for its good.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. ROONEY. I am sure the gentleman from Iowa understands and I am sure the gentleman from Michigan understands that just one Member had to get up on the floor to make the point of order that it was legislation on an appropriation bill. You did not need any votes at all.

Mr. GROSS. I am sorry, but I am not the parliamentarian that the gentleman from New York is. I am sure he can discover all the points of order on all the bills that are brought to the floor of the House.

Mr. HOFFMAN. Moreover, neither the gentleman from Iowa nor the gentleman from Michigan is the guardian of their consciences over there. They ought

to be able to act once in a while on their own.

Mr. GROSS. That is right, and I wonder why some members of the Appropriations Committee write so much legislation in appropriation bills when the rules forbid it.

Let us hold up this project until we see what is done with the foreign giveaway bill. If that is cut to the bone, and all the fat is fried out, perhaps there will be some money left for another House Office Building. The fact that there is a big hole in the ground for the basement of this building does not bother me in the least. Let that hole in the ground stand as a testimonial to the first real economy bomb that the House of Representatives has dropped in its own backyard.

Mr. AUCHINCLOSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have been a member of the House Building Commission for about 8 years. When I first became a member of the Commission we had the great problem of working out the reorganization of the different committees in the House. It was quite a problem to allocate the proper number of rooms and the proper locations for the new committees. We soon discovered that there was a lack of space and a lack of room and the condition became worse as the days and years went by. The Commission was made up of the gentleman from Massachusetts, Mr. Martin, our former and late colleague, the gentleman from Illinois, Mr. Sabath, and myself. We found that there was more activity on the part of the Congress. There was more demand on the part of the Members, and on the part of the chairmen of the subcommittees for space. That problem was constantly on our doorstep. We closed off every hallway in the Old House Office Building in order to provide additional space. Committees had to rent space downtown. We acquired space for committees in the Health, Education, and Welfare Building. Today, at a cost of about $12,000 or $15,000, I believe, the George Washington Inn has been renovated to accommodate the demand for additional space. The caucus room was divided up for additional space. It is a crucial situation. As a result of that demand, I introduced a bill which was, perhaps, the forerunner of this entire legislation. The bill called for a survey of the Old House Office Building to build additional offices on the top floor of that building and a new building in the courtyard. That bill passed the House and $25,000 was authorized for that study. Eventually, it was amended on motion of our distinguished colleague, the gentleman from Texas, Speaker RAYBURN, to enlarge its scope so that we could go ahead with the study. It was further amended when it went to the other body. It came back to the House and the amendments of the other body were agreed to. It became law. Now, we have already put about $15 million in this building which has been authorized. We are asking in this bill for $7½ million more which is to be used to purchase the steel and to start the foundations for this New House Office Building. The Commission, and I think the distinguished gentleman from Georgia will bear me out, has already deferred any action in renovating and changing the present office buildings which we now occupy.

That expense has been eliminated from the program for the time being. If we do not proceed with this building now, I can say, as a man who has had a little experience in business, and I can add from the point of view of commonsense, it will be much more expensive when we start over again, if we defer it for a year or even less. Such a policy is poor economy. I am just as much for economy as anyone is, and so are my folks back home, but there is a real reason why we should go forward with this project, because it is in the interests of our constituents, to enable us to go ahead and do our work efficiently and effectively for the benefit of the country.

It is contemplated that in this new building there will be eight of the larger committees located, with ample space for a staff and for hearings. There will be additional offices for Members, but the whole program is subject to review. I am sure I speak for the Commission, although I am only a small minority, that we welcome suggestions; we welcome criticisms; but, for the love of commonsense, do not let us stop this project which has been going on and gathering momentum and being considered and studied for the past 6 or 7 years.

Mr. HORAN. Mr. Chairman, I rise in opposition to the amendment, but mainly for the purpose of asking our subcommittee chairman that since everybody has made up his mind on this matter and the issue is before us, why can we not limit debate at this time.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 10 minutes, with the last 5 minutes reserved for the distinguished gentleman from Georgia [Mr. VINSON].

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MACK of Washington. Mr. Chairman, I rise in support of the amendment, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MACK of Washington. Mr. Chairman, there is provision in this bill that the House appropriate $7,500,000 to let contracts and start work on the construction of a gigantic new House office space building project. If we vote this $7,500,000 we are in fact obligating ourselves not only to spend this $7,500,000 but, in the future, to provide $85 million more to carry out the project, as it has been outlined by the Architect of the Capitol on page 93 of the hearings. The Architect of the Capitol testified before the Appropriations Committee and said this new building project together with the remodeling of the two present office buildings will cost $100 million.

If we vote this $7,500,000 today, we will be committing ourselves to go ahead with the entire $100 million project.

Admittedly, already about $15 million has been spent or obligated, most of it for the purchase of a site. It still will require $85 million to complete this project as contemplated and outlined by the Architect of the Capitol. If we vote for this $7,500,000 we are in fact approving and giving the go-ahead signal for the entire project. It is turn back now or never. That is why I am voting against this $7,500,000 proposal. I am against obligating Congress to spend $100 million on this project.

How can any Member of the House hereafter criticize the administration for extravagant spending if we ourselves by voting for this $7,500,000 vote approval of this grandiose office space project which will cost the taxpayers $100 million.

The Architect of the Capitol in his testimony before the Appropriations Committee said that the cost of the gigantic housing project for Congressional offices would be: acquisition of site, $8 million; construction and equipment of the new office building—we already have two office buildings—$64 million; remodeling of present Old House Office Building including construction of a garage in the courtyard, $9 million; remodeling of the present New House Office Building including construction and equipment of a cafeteria in the courtyard, $9,500,000; architectural and engineering fees, $5,230,000; construction of new sewer, $1,327,000; and administration and miscellaneous, $2,943,000—a total of $100 million.

The Architect furthermore admitted that if labor or material costs increase that the building probably will cost more than the $100 million.

The new building project will include underground garage parking space for 1,600 automobiles.

Many Members of Congress are advocating economy. We ought to practice what we preach and vote against this unnecessary $100 million extravagance.

Let us of the House practice the economy many are now preaching and struggle along with the 2 to 3 office rooms each House Member has today.

The CHAIRMAN. The gentleman from Georgia [Mr. VINSON] is recognized.

Mr. VINSON. Mr. Chairman, I want to thank the gentleman from New York for obtaining time for me to make a few observations.

There is very little I can add to the statement made by the member of the Commission, the distinguished gentleman from New Jersey [Mr. AUCHINCLOSS]; but I do want to say there is no intention at this time to begin to repair and make changes in the Old House Office Building or the present New House Office Building. The Commission is of the opinion that we should concentrate on the construction of the third House Office Building.

There is no idea in the mind of the Commission that the Congressional Hotel will be torn down. It is too valuable a piece of property and there is too much use for it for any such wasteful proposal as that to be considered.

Let me remind you that in 1955 when the Speaker offered his amendment, every Member of the House knew it was

subject to a point of order. From that stage on, the Commission has been going along with the aid and assistance of the Architect, and we have mapped out a definite, concrete program.

Some $15 million has already been made available. Some $14,900,000 had already been obligated and it is being spent.

In the pending bill we are asking for $7,500,000 to carry the work forward. It would be false economy after spending $15 million to stop and say: "We are not going to do that which Congress approved 2 years ago." Where does it place Congress? Marching up the hill one day, and marching down the hill the next. Such a course would only show the American people that Congress is not thinking projects out clearly.

Mr. MEADER. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield.

Mr. MEADER. I would like to commend the gentleman for his statement and say that this expansion of the facilities of Congress, in my judgment, has been too long delayed.

Mr. VINSON. Of course it has; of course it has.

The gentleman from New York [Mr. RAY] said he had introduced a resolution which is now pending before the Rules Committee to make an investigation of this whole project. To my way of thinking that carries a little criticism of the distinguished Speaker, the distinguished gentleman from New Jersey, as well as myself.

I think we are not subject to any criticism in what we have done. We know exactly what we are doing, and we are doing it because you gave us the approval to do so.

I certainly trust that you today will not say: "We are going to stop you right in your tracks and are going to say it is in the interest of economy." I think it certainly would be in the interest of false economy; because if you delay it, then year by year the cost is going up. When the appropriation bill for the Department of Defense comes before you for consideration you will find out that one of the contributing factors to the increased budget is a constant increase in the cost of hardware and material. The longer you put this project off the more the cost will be.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. As a matter of fact, these buildings are not buildings for Members of Congress, they are buildings of the people?

Mr. VINSON. Of course, they are.

Mr. McCORMACK. In order to permit the elected officials of the people to more efficiently represent them, is that correct?

Mr. VINSON. That is correct.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Texas.

Mr. DIES. Will any of this $7,500,000 be used to change or renovate the Congressional Hotel?

Mr. VINSON. No. Let me read from a statement:

Plans and specifications for the excavation, sheet piling, foundation piling, and foundation for the new building are expected to be completed by August 1, 1957, and a contract awarded shortly thereafter, and work under the contract completed by the fall of 1958, at an estimated cost of $7,440,000.

This is to carry on the very next step of the program. I sincerely and respectfully request that the House reject the pending amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. RAY].

The question was taken; and on a division (demanded by Mr. RAY) there were—ayes 73, noes 132.

So the amendment was rejected.

The Clerk read as follows:

LIBRARY OF CONGRESS

Salaries and expenses: For necessary expenses of the Library of Congress, not otherwise provided for, including development and maintenance of the Union Catalogs; custody, care, and maintenance of the Library Buildings; special clothing; and expenses of the Library of Congress Trust Fund Board not properly chargeable to the income of any trust fund held by the Board; $5,875,000.

Mr. BUDGE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BUDGE: Page 17, line 8, strike out "$5,875,000" and insert "$5,720,020."

Mr. BUDGE. Mr. Chairman, in this session of the Congress the first two appropriation bills went through the House of Representatives with additional employees. Since that time I think that the House has very well demonstrated that it does not feel that the other departments of the Government of these United States should employ additional persons at this time. In the Department of Defense appropriation bill which was reported by the Committee on Appropriations today there is a reduction in civilian employment of over 5,000 people. The bill before us today, in three separate items following down the page, and all referring to the Library of Congress, adds 50 new employees to this arm of the legislative branch of the Government. If there is anything which we should do in this august body, it should be to treat ourselves as we attempt to treat the other agencies of the Government.

When I first made inquiry as to the purpose of these 50 additional employees at a cost of $213,000 in direct salary costs, I was informed that they were spread generally throughout the Library of Congress and that a substantial portion of them were to work in the program for the blind which is carried on by the Library of Congress. I find that only one such employee is called for in this bill; only 1 out of the 51 new employees. The other 50 do not represent any critical type of employment as near as I can determine. They are simply additional people to handle a lot of things in the Library of Congress that the Library of Congress actually has no business accumulating. They not only store books over there, but you can find almost any article that is made by man that is being stored in the Library of Congress.

I think just to be consistent that we should certainly deny to an arm of our own legislative branch increased employees at this time. The purpose of this amendment is simply to retain the employment in the Library of Congress at exactly the same level which it has this year with the exception of the additional employee which is granted later in the bill for the program which is carried on for the blind. I certainly do not feel that that employee should be eliminated, but I do feel that the 50 who are called for in the general classifications should be eliminated. There was certainly no better case made by the Library of Congress for the employment of these individuals than has been made by a great many other agencies which wanted to increase their personnel over the 1957 level.

Mr. Chairman, I do not believe that the American people at this particular time want us adding additional civilian employees. I think that the subcomittee that worked on this bill was very cognizant of that fact in that throughout the bill there are very, very minor increases in personnel with this one exception of 50 new employees in general classifications for the Library of Congress. I hope that we can be consistent in our efforts of economy and economize in our own legislative branch as we have asked the executive branch to economize, and I hope that the amendment will be agreed to.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Chairman, amendments drawn hastily on the floor of the House or in full committee always wind up with the creation of a distorted factual situation. The distinguished gentleman from Idaho, my good friend [Mr. BUDGE] is a member of the Interior Department Subcommittee on Appropriations.

Mr. BUDGE. Mr. Chairman, will the gentleman yield in view of his statement made just now?

Mr. ROONEY. Just a moment; please do not interrupt me at this point. The gentleman from Idaho made no objection when the Interior Department was recently allowed a substantial number of new and additional employees. A while ago I said I though the number was over 1,000, possibly 1,100 to 1,200; but I have checked since and now find that his subcommittee allowed 1,600 new and additional employees for the Interior Department in the coming fiscal year.

The gentleman's pending amendment does not concern 1,600 employees and it does not concern 50 employees. It would concern merely 35 employees at a cost of $148,980. And what grade employees are they? Why, for the most part, they are little GS-3's and 4's and 5's, like most of the people who work over there in the Library of Congress.

Please do not forget that this is the largest library in the world, and as I pointed out before it has the richest and the best collection of items in the world.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from Washington.

Mr. HORAN. I think this is all wrapped up in the fact that in the last 10 years the collections in the Library have increased by more than 67 percent while the personnel there have increased less than 5 percent.

Mr. ROONEY. The gentleman is exactly right. I want to point out something that I did not point out awhile ago during general debate. In the Library of Congress they annually carry out about $3 million a year of work in connection with national defense. The Department of Defense depends upon the Library of Congress for many special projects and analyses. The Library of Congress is a valuable source of both materials and skills for this purpose. The collections in the Library of Congress, which are so far behind in backlog that it is deplorable, should be kept in good shape to facilitate the Department of Defense work each year, for which the Library of Congress is reimbursed to the extent of $3 million. I have already pointed out that a chronic backlog situation impairs the ability of the Library to render proper service to the Congress, including the service rendered by the Legislative Reference Service.

These are only 35 employees and, as the distinguished Speaker of the House said earlier today, this $148,000 is a mere bagatelle in President Eisenhower's huge budget.

Mr. BUDGE. Mr. Chairman, will the gentleman yield to me?

Mr. ROONEY. I now gladly yield to my distinguished friend from Idaho.

Mr. BUDGE. Mr. Chairman, I simply wanted to correct the gentleman from New York as to this amendment being drawn in haste. I thought I explained to the gentleman from New York and the membership of the Committee of the Whole House that there are 3 amendments that I had in mind, which would affect 50 employees. I resent the remark of the gentleman that the amendment was not properly drawn. It was properly drawn and the gentleman knows it.

Mr. ROONEY. Does not the gentleman understand that his amendment and the amount of money involved in it, refers not to 50 employees but to 35 employees?

Mr. BUDGE. I understand that perfectly well.

Mr. ROONEY. Then why did the gentleman tell the Committee of the Whole that his amendment referred to 50 employees?

Mr. BUDGE. I explained that I had 3 amendments, that there were 2 amendments to follow this, and that the total involved 50 employees. That is the only way you can reduce the number of employees, by individual amendments to each item. And the gentleman knows it.

Mr. ROONEY. Mr. Chairman, you are not going to appreciably reduce the President's budget by such an amendment as this which concerns only $148,000; affecting 35 minor employees over in the Library of Congress. And as was pointed out by the distinguished gentleman from Washington [Mr. HORAN], the collections there have increased, in 10 years, by 67 percent whereas the basic staff has been increased only to the extent of 4.7 percent.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from Virginia.

Mr. GARY. Is it not a fact that the books and periodicals housed in the Library of Congress are absolutely useless unless they are properly stacked and cataloged; and that you have to have an adequate force to catalog them and stack them properly?

Mr. ROONEY. That is exactly so.

Mr. Chairman, I suggest that the pending amendment be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho [Mr. BUDGE].

The question was taken; and on a division (demanded by Mr. BUDGE) there were—ayes 57, noes 89.

So the amendment was rejected.

Mr. BUDGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I had two other amendments at the Clerk's desk which I shall not offer in view of the action on this amendment.

I do feel that it is rather unfortunate that when we offer an amendment in all seriousness and sincerity with regard to things in which we believe that there should be responses made which reflect upon either our integrity or our ability. I have studied this matter very carefully. I received the information from sources which I knew were accurate. I attempted to explain to the House that it required three amendments to reach the 50 employees that were being added by this bill to the Library of Congress. I offered this particular amendment at the only place it could be offered to reduce the initial number of employees. Had the action been favorable I would have attempted to see that the other two were adopted.

I hope that in the further consideration of appropriation bills those of us who happen to believe in economy and want economy will not be constantly impugned upon the floor of the House.

Mr. ROONEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do hope that I was not being given a lecture during the course of the remarks of my distinguished friend, the gentleman from Idaho. I do hope the gentleman was not trying to do that. I deal with facts and I am by nature vehement in my statements with regard to what I believe are the facts, but I never attack the integrity or standing of a Member of the House of Representatives.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Idaho.

Mr. BUDGE. I distinctly heard the gentleman say that the amendment was drawn hastily on the floor of the House. The gentleman's point was that it was poorly drawn.

Mr. ROONEY. If the gentleman persists in going into that, may I say he presented a similar amendment last Thursday when this bill was before the full committee. I have the figures right here on this very copy of the bill I had at that time. The gentleman then sought to reduce this item, not by $148,000, but by $212,318. But the latter amount included not only salaries and expenses of the Library of Congress but the Legislative Reference Service, the distribution of card catalogs, and books for the blind.

Mr. BUDGE. If the gentleman will yield further, I do not want to prolong this but one reason for the failure of the original amendment was that the Members were led to believe it would affect the number of people who were to be employed and work on this program for the blind. I would ask the gentleman if it is not the fact that only 1 of the approximately 50 employees is to work on that program.

Mr. ROONEY. That is the fact, but that one employee would have been denied the books for the blind program if the gentleman's amendment had been adopted in full committee last Thursday morning. That is the point.

The Clerk concluded the reading of the bill.

Mr. NORRELL. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. WALTER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7599) making appropriations for the legislative branch for the fiscal year ending June 30, 1958, and for other purposes, had directed him to report the bill back to the House with an amendment with the recommendation that the amendment be agreed to, and that the bill, as amended, do pass.

Mr. NORRELL. Mr. Speaker, I move the previous question on the bill, and the amendment thereto, to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. GROSS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. GROSS. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion offered by the gentleman from Iowa.

The Clerk read as follows:

Mr. Gross moves to recommit the bill, H. R. 7599, to the Committee on Appropriations with instructions that the appropriation of

$7,500,000 for the acquisition of property, construction, and equipment, additional House office building be stricken from the bill.

Mr. NORRELL. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. GROSS) there were—ayes 51, noes 117.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and I make the point of order that there is no quorum present.

Mr. McCORMACK. Mr. Speaker, we have an agreement that in case of a rollcall today the rollcall will go over until tomorrow.

I ask unanimous consent, Mr. Speaker, that further consideration of this bill be postponed until tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Mr. Speaker, reserving the right to object, does that mean there will be no rollcall tomorrow if the gentleman can head it off?

Mr. McCORMACK. I can only make one promise to the gentleman, that I will not be a party to trying to stop the gentleman from having a rollcall. I can only speak for myself.

The SPEAKER. The Chair will state this, that there can be a rollcall in the House any time a sufficient number of Members rise to ask for it.

Mr. McCORMACK. I am simply trying to carry out an agreement once made.

Mr. GAVIN. Reserving the right to object, Mr. Speaker, I think that just in the spirit of fair play, some 30 members of the Pennsylvania delegation who had to be home on account of election, should be protected. Everybody cannot be here.

Mr. GROSS. Well, who is scheduling the legislation?

Mr. GAVIN. I am only talking in behalf of the Members from Pennsylvania who could not be here.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

Mr. BASS of New Hampshire. Mr. Speaker, I object.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 12 minutes p. m.), the House adjourned until tomorrow, Wednesday, May 22, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

875. A letter from the Secretary of Defense, transmitting a draft of proposed legislation entitled "A bill to provide additional facilities necessary for the administration and training of units of the Reserve components of the Armed Forces of the United States,"; to the Committee on Armed Services.

876. A letter from the Acting Secretary of the Navy, relative to the transfer of one 45-foot crash boat, hull No. C-7597, to the North Eastern Naval Cadets, Inc., Hackensack, N. J., pursuant to title 10, United States Code, section 7308; to the Committee on Armed Services.

877. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Federal home-loan banks for the fiscal year ended June 30, 1956 (H. Doc. 181); to the Committee on Government Operations and ordered to be printed.

878. A letter from the Comptroller General of the United States, transmitting a report on the review of the Richland, Wash., Appraisal Office, Federal Housing Administration, Housing and Home Finance Agency, September 1956, regarding the appraisal of commercial properties in Richland, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Banking and Currency.

879. A letter from the Acting Secretary of the Treasury, transmitting a supplemental report covering claims paid on account of correction of military records of the Coast Guard which were inadvertently omitted from previous reports, pursuant to Public Law 220, 82d Congress; to the Committee on Armed Services.

880. A letter from the Secretary of the Army, transmitting a report of the number of officers on duty with the Department of the Army and the Army General Staff on March 31, 1957, pursuant to Public Law 581, 81st Congress; to the Committee on Armed Services.

881. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, relative to the case of Mary Elizabeth Handlovitz, A-4961824, involving suspension of deportation, and requesting that it be withdrawn and returned to the jurisdiction of this Service, pursuant to the Immigration and Nationality Act of 1952; to the Committee on the Judiciary.

882. A letter from the Secretary of Defense, transmitting the Fourth Biennial Report of the Secretary of Defense listing all currently available authorization for military, naval, and Air Force public works projects for which adequate funds have not been appropriated as of December 31, 1956, pursuant to Public Law 564, 81st Congress; to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JONES of Missouri: Committee on House Administration. House Concurrent Resolution 174. Concurrent resolution authorizing the printing of additional copies of part 1 of the hearing on the Department of Defense appropriations for 1958; without amendment (Rept. No. 467). Ordered to be printed.

Mr. JONES of Missouri: Committee on House Administration. House Resolution 229. Resolution authorizing the printing of additional copies of House Report No. 10, entitled "United States Aid Operations in Iran"; without amendment (Rept. No. 468). Ordered to be printed.

Mr. JONES of Missouri: Committee on House Administration. Senate Concurrent Resolution 24. Concurrent resolution authorizing the printing of additional copies of Senate Report 139, entitled "Technical Assistance"; without amendment (Rept. No. 469). Ordered to be printed.

Mr. JONES of Missouri: Committee on House Administration. H. R. 7294. A bill to fix the responsibilities of certifying officers and disbursing officer of the Library of Congress; without amendment (Rept. No. 470). Ordered to be printed.

Mr. MAHON: Committee on Appropriations. H. R. 7665. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes; without amendment (Rept. No. 471). Referred to the Committee of the Whole House on the State of the Union.

Mr. COLMER: Committee on Rules. House Resolution 259. Resolution for consideration of H. R. 6127. A bill to provide means for further securing and protecting the civil rights of persons within the jurisdiction of the United States; without amendment (Rept. No. 472). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MAHON:

H. R. 7665. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes.

By Mr. ASHLEY:

H. R. 7666. A bill to amend Public Law 587 by permitting the withholding by the Federal Government from wages of employees of certain taxes imposed by municipalities; to the Committee on Ways and Means.

By Mr. BUCKLEY (by request):

H. R. 7667. A bill to amend the Public Buildings Act of 1949, to authorize the Administrator of General Services to name, rename, or otherwise designate any building under the custody and control of the General Services Administration; to the Committee on Public Works.

By Mr. DINGELL:

H. R. 7668. A bill to repeal the excise tax on the use of safe-deposit boxes; to the Committee on Ways and Means.

H. R. 7669. A bill to increase from $4,200 to $6,200 the amount of annual earnings which may be taken into account in computing benefits under title II of the Social Security Act and which are subject to social-security taxes; to the Committee on Ways and Means.

By Mr. EBERHARTER:

H. R. 7670. A bill to amend the Internal Revenue Code of 1954 to provide that clubs shall not be denied exemption from corporate income taxes if they would be exempt from such taxes as benevolent life-insurance associations but for their activities as clubs; to the Committee on Ways and Means.

By Mr. FLYNT:

H. R. 7671. A bill to amend section 116 (4) of chapter 10 of the Federal Bankruptcy Act, to make certain equipment trust provisions applicable to aircraft and aircraft equipment of air carriers; to the Committee on the Judiciary.

H. R. 7672. A bill to amend paragraph (4) of section 13 of the Interstate Commerce Act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. GUBSER:

H. R. 7673. A bill to adjust the compensation of officers and employees of the United States, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 7674. A bill to amend the Tariff Act of 1930 by placing beta-ray spectrometers on the free list; to the Committee on Ways and Means.

By Mr. LATHAM:

H. R. 7675. A bill to amend the Internal Revenue Code of 1954 to encourage the establishment of voluntary pension plans by individuals, to promote thrift, and to stimulate expansion of employment through investment; to the Committee on Ways and Means.

By Mr. LESINSKI:

H. R. 7676. A bill to provide for a program of Federal loans to assist States and local communities in building schools; to the Committee on Education and Labor.

By Mr. PORTER:

H. R. 7677. A bill to authorize Federal assistance to the States and local communities in financing a program of atomic and disaster shelters in the Nation's schools; to the Committee on Armed Services.

By Mr. RAINS:

H. R. 7678. A bill to provide an annual income program for owners of small tracts of land who develop thereon approved commercial forestry, and to assist in such development; to the Committee on Agriculture.

By Mr. REUSS:

H. R. 7679. A bill to provide that for the purpose of disapproval by the President each provision of an appropriation bill shall be considered a separate bill; to the Committee on the Judiciary.

By Mr. ULLMAN:

H. R. 7680. A bill to provide for the construction by the Secretary of the Interior of the Bully Creek Dam and other facilities, Vale Federal reclamation project, Oregon; to the Committee on Interior and Insular Affairs.

By Mr. WESTLAND:

H. R. 7681. A bill to authorize the Secretary of the Interior to convey certain land with the improvements located thereon to the Lummi Indian Tribe for the use and benefit of the Lummi Tribe; to the Committee on Interior and Insular Affairs.

By Mr. ULLMAN:

H. R. 7682. A bill to amend the Federal Power Act, as amended, with respect to allowances in the cost of service and accelerated amortization and liberalized depreciation for income-tax purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. YOUNGER:

H. R. 7683. A bill to simplify payroll administration in the House of Representatives by providing that the salaries of certain employees of the House and the clerk hire allowance of Members, shall consist of aggregate annual amounts rather than basic annual amounts plus additional amounts, and for other purposes; to the Committee on House Administration.

By Mr. GUBSER:

H. J. Res. 337. Joint resolution to provide that an aircraft carrier shall be named the *Enterprise;* to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROYHILL (by request):

H. R. 7684. A bill to provide that the Secretary of the Navy shall transfer to David J. Carlson and Gerald J. Geyer certain interests of the United States in an invention; to the Committee on the Judiciary.

H. R. 7685. A bill for the relief of Mrs. Eldrey L. Whaley; to the Committee on the Judiciary.

By Mr. COLLIER:

H. R. 7686. A bill for the relief of S. N. T. Fratelli Gondrand; to the Committee on the Judiciary.

By Mr. COLLIER (by request):

H. R. 7687. A bill for the relief of Ante Pavkovic; to the Committee on the Judiciary.

By Mr. DEVEREUX:

H. R. 7688. A bill for the relief of Filbert L. Moore; to the Committee on the Judiciary.

By Mr. DONOHUE:

H. R. 7689. A bill for the relief of Mrs. Angela Maria Stala-Labellarte; to the Committee on the Judiciary.

H. R. 7690. A bill for the relief of Giovanni Pagano; to the Committee on the Judiciary.

By Mr. FINO:

H. R. 7691. A bill for the relief of Fernando Del Bove; to the Committee on the Judiciary.

By Mr. HAYS of Arkansas:

H. R. 7692. A bill for the relief of Mrs. Cyrus Andrew Ashcraft; to the Committee on the Judiciary.

By Mrs. KELLY of New York:

H. R. 7693. A bill for the relief of Sofie Schneid and Carmen Delores Schneid; to the Committee on the Judiciary.

By Mr. WALTER:

H. J. Res. 338. Joint resolution for the relief of certain aliens; to the Committee on the Judiciary.

H. J. Res. 339. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; to the Committee on the Judiciary.

H. J. Res. 340. Joint resolution to facilitate the admission into the United States of certain aliens; to the Committee on the Judiciary.

By Mr. LANE:

H. Res. 260. Resolution providing for sending the bill H. R. 3320 and accompanying papers to the Court of Claims; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

251. By Mr. DEROUNIAN: Petition of the North Sea Mine Force Association, Inc., petitioning consideration of their resolution with reference to the action of Congressman LIPSCOMB in submitting a bill, H. R. 761, to recognize the naval service performed in sweeping the North Sea of mines in 1919 as service in World War I, these men being exposed to great danger, having suffered a high percentage of fatalities and permanent injuries, without extra pay, bonus, or other emolument; to the Committee on Veterans' Affairs.

252. By Mrs. ST. GEORGE: Petition of Middletown Chamber of Commerce, Middletown, N. Y., in support of the individual and corporate tax-reduction program of the National Association of Manufacturers; to the Committee on Ways and Means.

253. By the SPEAKER: Petition of the recording secretary-general, National Society, Daughters of the American Revolution, Washington, D. C., petitioning consideration of their resolution with reference to commending the Federal Bureau of Investigation and the service rendered by Congressional committees investigating matters pertaining to internal security; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Michigan Week

EXTENSION OF REMARKS

OF

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1957

Mr. BROOMFIELD. Mr. Speaker, I hope that our fellow Congressmen will join all of us from the Michigan delegation in our celebration of Michigan Week. Originated in 1954, Michigan Week has become an increasingly important event in our State.

The purpose of Michigan Week is best pointed up by the State legislature's resolution summoning the people of Michigan to celebrate the period in which residents of our State and of other States may become better acquainted with Michigan's boundless advantages and opportunities in industry, natural resources, agriculture, recreation, and culture.

We in Michigan could point with pride toward some of the outstanding physical features of our State: The 3,121 miles of inland seashore, the 11,000 inland lakes, the unexcelled fishing and hunting, the forest-fringed streams, all of which are unparalleled in the United States.

Or we might point out the 19 million acres of green-wooded vacation lands, the historic land of Indians, French, and furs. Or the winter wonders of skiing and tobogganing on slopes unexcelled this side of the Alps.

Instead, we want to draw your attention to the heart of a Nation. To a State whose sinews helped spell victory for the Allied Forces during World War II. To a State which has resumed its role as the top producer of automobiles once the battles were won.

I hope you will join with me in celebrating Michigan Week. In commemoration of this event, I am sending you a scale model of one of our State's projects donated by Chrysler Corp.

I agree that all of you have beautiful States to visit. Some of you have historic spots which are unrivaled in the world in their significance. But the fact remains that very few of you would ever have the pleasure of visiting these wonders if it were not for our leading item of manufacture—the automobile.

Michigan Week is a 7-day celebration by the People of Michigan proclaiming their freedom, their blessings, and their hopes for the future. It is a celebration by the people of Michigan that proclaims their togetherness through their active cooperation as members of such groups as churches, schools, business and civic associations, veterans' organizations, labor unions, and luncheon clubs. In this way Michigan Week dramatically illustrates the fact that each individual in Michigan contributes to his State and also gains something from it.

Michigan Week points up the significant fact that the place where people live is an important unifying influence in their lives, an influence which can be made more favorable through the understanding, the will, and the action of all the people.

All of this concept is symbolized in the official Michigan Week emblem, the illustration of the proud robin chirping, "Its great to live in Michigan."

During Michigan Week the robin, official State bird, sings its message over the radio and on TV, in newspapers, in publications, and through all other forms of mass communication. Official Michigan Week banners, posters, buttons, bumper strips, and other materials, created by the State committee and produced at printing cost, are distributed to participating Michigan Week committees in every county in the State.

The Michigan flag bearing the State coat of arms, with its history dating back to 1837, is given special prominence during Michigan Week. It is proudly displayed with the American flag at meetings and events, and in public places.

The togetherness of Michigan people becomes a vibrant living fact in the events of Michigan Week celebrated in cities, towns, and villages each day throughout the State. All segments of community life take part in meetings, programs, talks, and discussions. Veterans' organizations conduct Operation Facelift to spark and to carry through community improvements; community forums consider what Michigan needs in the next 10 years to improve the livelihood of its citizens; Wolverine frontiersman awards are made to distinguished Michigan individuals for their attainment in opening new frontiers to the people of their Nation and State; and national sports figures are named to the Michigan Sports Hall of Fame.

The ideas, plans, and projects of Michigan Week which deepen the unifying belief that "its great to live in Michigan," help create the will to make Michigan even greater in the future.

Discharge Petitions

EXTENSION OF REMARKS

OF

HON. CHARLES E. CHAMBERLAIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1957

Mr. CHAMBERLAIN. Mr. Speaker, discharge petitions have been the subject of much discussion here in the House during recent weeks. Under leave to extend my remarks, I would like to define briefly my personal position with reference to such petitions. To me, an important legislative principle is involved.

While I am not opposed to the rules of the House providing for discharge petitions, I do believe the taking of legislation from the consideration of the properly designated committee disrupts the orderly functioning of the legislative process. For this reason, I am presently of the opinion that I will adhere to a policy of not signing any discharge petitions. Mr. Speaker, I have confidence in the committees of the House. Although they may not always act the way I might wish, nor as rapidly, nevertheless, our committee system has served the legislative branch of the Government well.

Presently, discharge petitions are on the desk in connection with the civil rights bill and also a bill providing increased salaries for postal employees. I have stated publicly before, and I wish to state again, that I will support the civil rights legislation as recommended by the President. However, I do not propose to sign such a discharge petition, as I do not believe it is sound legislative policy.

Likewise, I am sympathetic with respect to the problems of the postal employees and believe there is merit in their request for a salary adjustment, in some amount. Again, I do not propose to sign the discharge petition for the reasons that I have just stated.

I make this statement in order that my position may not be misunderstood by either the supporters or the opponents of the pending legislation that I have mentioned.

A Program To Help the Depressed Poultry Industry

EXTENSION OF REMARKS

OF

HON. PERKINS BASS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1957

Mr. BASS of New Hampshire. Mr. Speaker, under unanimous consent, I include in the CONGRESSIONAL RECORD a statement made by me before Subcommittee No. 6 of the Select Committee on Small Business of the House, which is investigating the present production crisis in the poultry industry. The survival of this industry is of vital importance to the people of my district in New Hampshire, and I call this problem to the attention of the Members of the House:

STATEMENT OF HON. PERKINS BASS, UNITED STATES REPRESENTATIVE, SECOND DISTRICT OF NEW HAMPSHIRE, BEFORE SUBCOMMITTEE NO. 6, SELECT COMMITTEE ON SMALL BUSINESS, HOUSE OF REPRESENTATIVES

Mr. Chairman, the poultry industry is a very important part of the economy of the Second District of New Hampshire which I am privileged to represent in Congress. Just less than 50 percent of all of our agricultural income in New Hampshire is derived from this key industry and this industry is sick. It is sick because tremendous overproduction of poultry products has brought prices in the broiler, egg, and hatchery markets down to an all time low. Scores of once healthy poultry businesses in New Hampshire have thereby been destroyed or imperiled.

For some months, I have investigated in detail this problem and I am pleased to offer to the committee for its earliest consideration and possible recommendation a seven point program of executive action. This is an emergency program dictated by the severe poultry crisis. My program attempts to provide an immediate Government assist to the poultrymen in the form of direct Government and related purchasing programs. However, at the same time it attempts to restrict other Government agencies from extending credit where such credit would expand poultry production. This degree of coordination is essential if we are to constructively attack the overproduction problem. In addition to programs of purchasing and credit restrictions, I believe we must increase our present efforts to stimulate consumption of poultry products at home and abroad.

And finally, Mr. Chairman, I believe we need a detailed investigation of integration and its effects. Integration has been charged with much of the difficulties that the poultry industry is experiencing. A detailed investigation by the Justice Department is important if we are to take constructive remedial action, and this investigation could do much to clear the air.

My program is as follows:

1. The President of the United States shall direct the various credit agencies of the Government to cease granting loans to poultrymen where such loans are for the purpose of expanding egg and broiler production. This ban to continue until the Secretary of Agriculture shall decide that present acute overproduction has ended.

2. The Congress shall direct the Attorney General to conduct an investigation of the operation, effect and possible violation of antitrust legislation of the so-called integration system of poultry production and marketing and that the Attorney General shall report his findings to the Congress by January 1, 1958, and take what other steps are required.

3. The Secretary of Agriculture shall continue and expand the present research programs to stimulate the consumption of poultry products.

4. The Secretary of Agriculture shall encourage procurement officials of the military services and other Federal agencies to expand the purchasing and use of poultry products.

5. Government purchases of poultry products to the fullest extent possible shall be made locally.

6. The Secretary of Agriculture should utilize his authority to the fullest extent possible to distribute poultry products through the school lunch program and other authorized outlets. He should also encourage the local school lunch procurement agencies to purchase and utilize poultry products.

7. The Secretary of Agriculture should utilize under Public Law 480 the authority to increase sales of poultry products in foreign markets.

Mr. Chairman, the poultrymen of New Hampshire need our help. In the past, Congress has not failed other small farmers and businessmen. Let us not fail the poultrymen.

Salute to Station WBRC-TV

EXTENSION OF REMARKS

OF

HON. GEORGE HUDDLESTON, JR.

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1957

Mr. HUDDLESTON. Mr. Speaker, the Department of Defense tonight is honoring television station WBRC-TV, at Birmingham, Ala., for its outstanding contributions to the Armed Forces Reserve program. It is significant indeed that WBRC-TV is the first television station in the United States to receive the

Defense Department's highest award for Reserve activities.

The Reserve program is, of course, vital to our national security and, therefore, needs the support of everyone. It is encouraging that the management of WBRC–TV has worked so closely with reservists and Reserve functions. As a mass communication medium, this television station has promoted the Reserve program in its news and special events programing. In addition, the station management has afforded its own employees every incentive to become reservists.

The credit for this unselfish policy is due to Mr. George B. Storer, Sr., head of the Storer Broadcasting Co., and Mr. J. Robert Kerns, vice president and managing director of WBRC–TV. They have not forgotten its obligation to the public interest. It has been their considered judgment that it is of the utmost importance and certainly in the public interest to support the Reserve activities of the various services 100 percent.

A majority of WBRC–TV's staff are members of the Reserve. When their units hold encampments or go on maneuvers, the employees are granted leave with full pay without having their vacation periods affected. This in itself is a patriotic gesture. Also, the station allows reservists use of its meeting rooms and other facilities.

WBRC–TV has furthered the Reserve program in many ways. News Director Leo Willette has regularly featured Reserve news on his news programs. Many special events, such as Armed Forces Day and Veterans' Day, have been telecast. Reservists have been invited as special guests on many shows. The Reserve story has been effectively told through the concerted efforts of the entire WBRC–TV staff.

Mr. Gary Arnold, a staff announcer, who is a technical sergeant in the Air Force Reserve, has been among the Reserve's most active boosters. It was he who first called attention to WBRC–TV's many activities in behalf of the Reserve program. His initial recommendation fast met with official approval. In notifying Mr. Kerns of the award, Secretary of Defense Wilson wrote, in part:

The award is provided to express the Department's appreciation for the outstanding cooperation to reservists and Reserve activities achieved through the personnel policy you have established. You have thus encouraged and assisted your reservists in fulfilling their military obligations. Such patriotic foresight provides real assistance to the success of our defense effort, and the Department is deeply grateful.

Here is the text of the citation which will be formally presented to WBRC–TV tonight:

WBRC–TV, an affiliate of the Storer Broadcasting Co., Birmingham, Ala., is cited for outstanding cooperation with reservists and Reserve activities. This organization has encouraged its employees to participate in Reserve activities by such cooperative policies as providing leave, in addition to annual vacation, for Reserve training, with the difference between civilian and military pay reimbursed; sponsoring guest radio and TV appearances of Reserve members; featuring special Armed Forces news features; telecasting military functions such as Armed Forces Day, Veterans' Day, and other special events; allowing the reservists the use of its meeting rooms, bulletin boards, and equipment; and providing company facilities for Reserve activities. This award is presented as tangible evidence of the appreciation of the Department of Defense.

WBRC–TV's patriotic policy of actively cooperating fully with reservists and Reserve activities is to be highly commended. I hope this station's outstanding contribution to the Reserve program will serve as a pattern and incentive to many other organizations.

We are proud to salute WBRC–TV for its significant contribution to our national security.

Channelization of the Ohio River

EXTENSION OF REMARKS

OF

HON. WILL E. NEAL

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1957

Mr. NEAL. Mr. Speaker, in appropriating funds for civil works when economy in Government spending is a universal watchword, due consideration should be given to those projects of proven economic value.

Channelization of the Ohio River has proven its economic soundness beyond all estimates claimed by its original sponsors. The replacement program substituting high-level dams, each of which will eliminate three or more obsolete structures, is well underway. To delay the progress of this program by failure to appropriate sufficient funds will result in substantial financial loss to the Federal Treasury as well as the huge investments along the river course for utilization of vastly increased traffic. There can be no economy in withholding funds from well-established programs that have in the past and will continue to prove their economic value.

The postwar years have witnessed an industrial and economic renaissance in the Ohio Valley. Everywhere along the main stream and its tributaries, industry is seeking new sites for plant construction. Chemicals, aluminum, iron and steel, vast new electric power plants, and other basic industries have been attracted to the valley by its excellent labor force, its boundless deposits of coal and chemical brines, and above all, by that most precious of all natural resources—water—water both for drinking and for industrial processing and for efficient low-cost transportation of bulk freight.

These new billions of investment on which the economic resurgence of this great region is based, have been drawn by the magnet of reduced transportation costs. And that enormous economic incentive has been provided by the original Ohio River canalization to a stable 9-foot depth completed in 1929. The irony is that the original project was outmoded before it was complete. Designed to handle 13 million tons of freight annually, the canalized river carried 22 million tons in 1929. In 1955 the river carried 71.5 million tons, 37 percent more than the estimated traffic for the St. Lawrence Seaway in 1965.

But that enormous traffic burden, carried in tows often more than 1,000 feet in length through 600-foot locks, has taxed the aging facilities to the utmost. Breakdowns are frequent. Many of the locks are in an advanced state of deterioration, and the threat of collapse is increasingly serious. Delays from traffic congestion impose excessive costs. And recently, the crowding has become so serious that the safety of crews, vessels, and cargoes is imperiled.

The advantages of low-cost transportation, which are the keystone in the arch of the valley's prosperity, are being eroded by the inadequacies of existing navigation facilities.

This development is particularly serious for the State of West Virginia. The position of our great State as the No. 1 coal-producing State in the Union depends upon low-cost water transportation access to distant markets. For 90 percent or more of our coal is sold outside the State. It is the literal truth that the welfare of the 46 percent of our labor force engaged in the coal industry is directly dependent upon the maintenance of efficient low-cost transportation on the Ohio River.

Not only will failure to correct the deficiencies of the Ohio River navigation systems injure our coal industry, it will soon begin to retard the development of industry which has of late years brought new life and prosperity to river communities which suffered long from poverty, stagnation, and neglect.

These are the reasons why we in West Virginia are vitally interested in the United States Army engineers' long-range modernization plan for the Ohio River. Already the Congress has wisely provided funds for a significant beginning of that program. Four great modern locks and dams are now under construction on the Ohio, which will eliminate 13 small inadequate structures. The new facilities will provide deeper, more stable pools for navigation; they will sharply reduce locking time, cut maintenance costs, and eliminate bottlenecks and the dangers of collapse of old facilities in the portions of the river which they will serve. They will augment water supply for homes and industry and they will create recreational benefits of untold value. But they are only the first steps. And no one of those under construction, nor all of them together will solve the problem until the entire job is done. For the Ohio is one river, not a series of disconnected segments. It takes only one bottleneck to impede the mounting volumes of through traffic which move not only from one end of the river to another but to remote destinations on the Mississippi, the Great Lakes, and the Gulf coast.

This great integrated modernization project must move forward with all possible dispatch to completion, if the Ohio River Basin, the industrial heart of the Nation, the atomic center of America, is to play its full part in the development of our economic potential for prosperity in peace and strength in time of war.

Every consideration of sound planning for the national welfare and security argues for orderly and efficient progress of the overall program, as a national project of the highest priority. Unnecessary delay or postponement of projects of such compelling urgency in a period of rising construction costs, is a false economy. The capabilities of the agency charged with construction responsibility and maximum efficiency of scheduling and construction should be the sole factors in determining the progress of the work. By these standards the urgently needed New Richmond locks and dam above Cincinnati should be commenced in fiscal 1958 and sufficient money appropriated for advance planning on the Pike Island project above Wheeling to permit construction on that essential project to begin in fiscal 1959.

Opinion and Comment From the Fifth District of Wisconsin

EXTENSION OF REMARKS

OF

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 21, 1957

Mr. REUSS. Mr. Speaker, my 1957 Opinion Questionnaire was recently sent out to obtain the views of my constituents on four questions. More than 1,000 replies were received, and I have just tabulated the results. I am sure that many of my colleagues will be interested in the results, and in the supplementary comments volunteered by my constituents.

1957 OPINION QUESTIONNAIRE

Question No. 1:

Congressmen have different theories on how best to serve the citizens they represent. For example:

Type A, in order to promote private or local interests of his constituents most effectively, may follow the line of least resistance and avoid fighting hard on controversial questions.

Type B may go to bat vigorously for what he believes in, even though by so doing he may antagonize other Congressmen and thus be less able to obtain his colleagues' support for measures of special concern to his own district.

If you had to make a choice, would you think it better to be a type A or type B Congressman?

Answers: Type A, 14 percent; type B, 86 percent.

"I think a fighter is always respected, even by his colleagues," was a typical comment. Another: "I dislike anyone taking a back seat—too timid to speak on issues. I believe in giving them hell."

Some persons checked type B with evident hesitation, expressing the view that the proper ground lay somewhere between A and B.

I would like to see my Congressman be firm and bat vigorously on issues where principles are involved, but a compromising give-and-take attitude may be wise in other cases—

One woman said.

It requires study, shrewd judgment and a good personality to trade votes effectively—

Commented another.

And a dentist came up with this one:

How about a type C, a vigorous diplomat?

PRESIDENTIAL LEADERSHIP

Question No. 2:

Do you feel that President Eisenhower is or is not providing adequate leadership?

Answers: Is, 33 percent; is not, 67 percent.

On the affirmative side, there were partisan comments:

Ike has given the Government back to the people after 20 years of mismanagement.

And nonpartisan ones:

I feel the President is not satisfying either party 100 percent but watching the interests of all the people, or at least he is trying to.

A number of those who thought that the President had failed in leadership expressed either their sympathy or liking for him. Some felt he faced an impossible task requiring superhuman abilities; others mentioned the handicap of ill health; a number saw him as the victim of his own party's obstructionism.

A few specific criticisms:

I think the inadequate national leadership of the present administration is indicated by the apparent confusion regarding the budget.

Ike has failed to utilize his capabilities by not getting men in his Cabinet who would implement, and not question, policies which the President calls his own; by not taking a strong, clear stand on desegregation, and by talking morals when things get rough (Hungary and Suez) and sitting idle when at least some of his principles could be given effect.

President Eisenhower should devote more time for his pay and less to his play.

REPUBLICANS COMMENT

The most bitter attacks seemingly came from members of the President's own party. For example:

Ike is wrong. He has lost his head. I have been a Republican all my life but I am sorry I voted for him. We should bring our own men back home and mind our own business.

Or this one:

The big crusade that began in 1952 has bogged down and will remain so because the real Republicans have been driven into silence by the offensive nature of much of the present administration's program.

And finally:

President Eisenhower's attitude toward inflation—his continuation of policies inaugurated by the Democrats—is appalling. He is creating untold hardships among people, especially old people, with fixed incomes. He is also eliminating the middle class which was the very backbone of this Nation. I'm looking for a new party.

REDUCE TAXES OR DEBT?

Question No. 3:

It appears that the Federal budget now under consideration cannot only be balanced, but a surplus obtained. In your opinion, for which purpose should a surplus be primarily used—for a general tax reduction, or to reduce the national debt?

Answers: Tax reduction, 48 percent; debt reduction, 52 percent.

Those favoring debt reduction argued that the surplus would be too small to give real tax relief; that the national interest calls for debt reduction in good times no matter how attractive tax relief might seem; that failure to reduce the debt merely hands it on to our children and grandchildren; and that tax cuts may be penny wise, pound foolish acts, not only leaving the debt undiminished but also, if achieved by haphazard budget slashing, jeopardizing programs such as foreign aid and defense which will determine whether our country and our children have a peaceful, independent future.

Those who argued for immediate tax reduction had equally strong reasons.

You take my take-home pay of $90.31 every 2 weeks and I cannot afford high taxes—

One person wrote.

I think there should be a general tax reduction because my husband earned $4,056.50 total income last year and we are a family of 4 so we paid in $254 in Federal taxes plus $33.96 in State taxes, and yet our minimum in order to have a decent living standard is supposed to be $5,592. With that we would be able to buy more things, and we sure need a lot of essentials, and that would put more people to work and they will pay taxes too—

Said a housewife.

One woman wrote that, although she believed in reducing debt, personal and governmental—

Psychologically we have reached a point of frustration because of hidden taxes and double and triple taxes on money earned, and it is therefore time to reduce taxes.

Some called particularly for tax reduction for the low income groups, not only on grounds of greatest personal need but also on the contention that increasing the purchasing power of those who spend the major part of their income would provide a boost to the whole economy.

ENTERTAINING DICTATORS

Question No. 4:

Do you think that the United States should invite the chiefs of other nations to be official guests of this country, even if the governments they represent are totalitarian dictatorships?

Answers: Yes, 57 percent; no, 43 percent.

Those who opposed expressed fear or pessimism concerning the results of such visits, assuming that the visitors would represent unfriendly powers.

One man said that "We Americans are so easy going and trustful" that foreign visitors would "pick up a lot of information about our country which could be of great value to them."

Others doubted that such visits would win friends or diminish antagonisms toward us. Some linked arguments against foreign visitors to their opposition to foreign aid programs in general:

It seems every time a chief from another nation is our guest all he wants is money. Let's use this money for the benefit of Americans.

Those who answered "Yes" frequently qualified their replies. They suggested that the visitors and their staffs be closely supervised and that lavish red-carpet welcomes be avoided. Many said that such visits should be carefully timed and their potential benefits weighed in terms of our country's self-interest and the development of a more peaceful world.

The conviction that international tensions can be removed only through contact and negotiation appeared in most of the comments favoring visits by foreign leaders.

"We should not be afraid to show our democracy to anyone" and "Let them see our capitalist country so they get impressed as to how much better life is here" were two typical remarks.

Many replies pointed out that totalitarian governments would not just dissolve if we ignore them. As one said:

While I am opposed to the type of government in some countries, such as China and Yugoslavia, I feel we cannot pretend they don't exist by refusing to recognize them or refusing to invite them to our country as official guests. We must begin somewhere if we want to solve our international problems.

SENATE

WEDNESDAY, MAY 22, 1957

The Chaplain, Rev. Frederick Brown HARRIS, D. D., offered the following prayer:

Eternal God, whose law is truth, and whose statutes stand forever, on each new day we lift with grateful hands the cup of our freedom, crimson with its great cost, conscious that a large part of our lives is our heritage. Thou hast commissioned us to be the trustees of a precious birthright which is our inheritance.

Strengthen the hands, we beseech Thee, of those who here by the will of the people are privileged in this day of high destiny to mold the future by what they do with the past. May the spangled flag of this free land ever be the symbol of hope for the oppressed and the coerced and exploited everywhere. In these grim days, when for power and greed, human rights are mocked and betrayed, may we still labor on with vision and valor for the enthronement on earth of Thy reign of law and love, of equity and righteousness—never doubting the final triumph of Thy redeeming purpose for all Thy children of every race, under all skies. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Monday, May 20, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 51. An act for the relief of Mary Barme and her two minor children, Steran Barme and Dinah Barme;

S. 94. An act for the relief of Lee Chong Talk;

S. 124. An act for the relief of Josephine Suydam;

S. 162. An act for the relief of Jew Gim Gee;

S. 184. An act for the relief of Mary C. Frederick;

S. 271. An act for the relief of Johannes Sukevainen;

S. 754. An act for the relief of John (Ioannis) Legatos; and

S. 799. An act for the relief of Eidur Eha.

The message also announced that the House had passed the bill (S. 1463) to amend the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House passed the following bills of the Senate, with amendments, in which it requested the concurrence of the Senate:

S. 247. An act for the relief of Max Mazak Terian and his wife, Maria Terian; and

S. 461. An act for the relief of Paul Yen-Hsiung Feng and his wife, Mary Stella Pao-Ching Feng, and their minor child, Joseph Shao-Ying Feng.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 24) authorizing the printing of additional copies of Senate Report 139, entitled "Technical Assistance."

The message further announced that the House had agreed to the amendments of the Senate to the joint resolution (H. J. Res. 133) for the relief of certain spouses and minor children of citizens of the United States.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 1214. An act to authorize the President to award the Medal of Honor to the unknown American who lost his life while serving overseas in the Armed Forces of the United States during the Korean conflict;

H. R. 1376. An act for the relief of Bernard L. Phipps;

H. R. 1417. An act for the relief of Lien-fu Lo, also known as Luke Lo;

H. R. 1501. An act for the relief of Beulah I. Reich;

H. R. 1552. An act for the relief of William H. Barney;

H. R. 1682. An act for the relief of Edward J. Moskot;

H. R. 1754. An act for the relief of Eleanor French Caldwell;

H. R. 1848. An act for the relief of certain aliens;

H. R. 1883. An act for the relief of Benedict M. Kordus;

H. R. 1885. An act for the relief of Edwin Matusiak;

H. R. 1987. An act to provide for an additional payment of $40,000 to the village of Highland Falls, N. Y., toward the cost of the water filtration plant constructed by such village;

H. R. 2083. An act for the relief of Carl A. Willson;

H. R. 2264. An act for the relief of Donald F. Thompson;

H. R. 2964. An act to confer jurisdiction on the United States District Court for the Eastern District of Texas, Jefferson Division, to hear, determine, and render judgment on certain claims of George W. Edwards, Jr., against the United States;

H. R. 3246. An act to authorize the exchange of lands at the United States Naval Station, San Juan, Puerto Rico, between the Commonwealth of Puerto Rico and the United States of America;

H. R. 3281. An act for the relief of Howard S. Gay;

H. R. 3370. An act to amend section 1871 of title 28, United States Code, to increase the mileage and subsistence allowances of grand and petit jurors;

H. R. 3625. An act to amend section 214 of the Interstate Commerce Act, as amended, to prevent the use of arbitrary stock par values to evade Interstate Commerce Commission jurisdiction;

H. R. 4045. An act for the relief of Mrs. Leonard O. Erickson;

H. R. 4154. An act for the relief of the legal guardian of Thomas Brainard, a minor;

H. R. 4342. An act for the relief of Mrs. Thomas L. Davidson;

H. R. 4511. An act to declare a certain portion of Back Cove at Portland, Maine, to be nonnavigable water of the United States;

H. R. 4538. An act for the relief of Martin A. McGrory;

H. R. 4851. An act for the relief of Mrs. M. E. Shelton Pruitt;

H. R. 4945. An act to provide for the conveyance of certain real property in West Palm Beach, Fla., to the Port of Palm Beach District;

H. R. 5237. An act to authorize the Secretary of the Navy to furnish supplies and services to foreign vessels and aircraft, and for other purposes;

H. R. 5341. An act for the relief of John J. Farrelly;

H. R. 5707. An act for the relief of the A. C. Israel Commodity Co., Inc.;

H. R. 5811. An act to amend subdivision b of section 14, discharges, when granted, of the Bankruptcy Act, as amended, and subdivision b of section 58, notices, the Bankruptcy Act, as amended;

H. R. 6282. An act for the relief of the former shareholders and debenture noteholders of the Goshen Veneer Co., an Indiana corporation;

H. R. 6744. An act to amend Public Law 472, 81st Congress, as amended, relative to the attendance of professional personnel of the National Advisory Committee for Aeronautics in graduate schools;

H. R. 6952. An act to authorize the transfer of naval vessels to friendly foreign countries;

H. R. 7234. An act to fix the responsibilities of certifying officers and disbursing officer of the Library of Congress;

H. R. 7505. An act to permit a retired officer of the Navy to be employed in a command status at Port Lyautey, Morocco;

H. J. Res. 185. Joint resolution to implement the convention between the United States of America and Norway, which entered into force on November 9, 1948, for disposition of the claim against the Government of the United States of America asserted by the Government of Norway on behalf of Christoffer Hannevig;

H. J. Res. 230. Joint resolution to suspend the application of certain Federal laws with respect to personnel employed by the House Committee on Ways and Means in connection with the investigations ordered by House Resolution 104, 85th Congress;

H. J. Res. 288. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens;

H. J. Res. 316. Joint resolution for the relief of certain aliens;

H. J. Res. 322. Joint resolution for the relief of certain aliens;

H. J. Res. 323. Joint resolution to facilitate the admission into the United States of certain aliens; and

H. J. Res. 324. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

The message further announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

H. Con. Res. 171. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens; and

H. Con. Res. 174. Concurrent resolution authorizing the printing of additional copies of part 1 of the hearings on the Department of Defense appropriations for 1958.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 358. An act to authorize the conveyance to the State of Wyoming of about thirty-seven and seventy-five one-hundredths acres of land comprising a part of Francis E. Warren Air Force Base;

S. 1274. An act to amend the act of March 3, 1911 (36 Stat. 1077), to remove restrictions on the use of a portion of the Springfield Confederate Cemetery, Springfield, Mo., and for other purposes; and

H. J. Res. 133. Joint resolution for the relief of certain spouses and minor children of citizens of the United States.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED OR PLACED ON THE CALENDAR

The following bills and joint resolutions were severally read twice by their titles and referred, or placed on the calendar, as indicated:

H. R. 1214. An act to authorize the President to award the Medal of Honor to the unknown American who lost his life while serving overseas in the Armed Forces of the United States during the Korean conflict;

H. R. 1987. An act to provide for an additional payment of $40,000 to the village of Highland Falls, N. Y., toward the cost of the water filtration plant constructed by such village;

H. R. 3246. An act to authorize the exchange of lands at the United States Naval Station, San Juan, P. R., between the Commonwealth of Puerto Rico and the United States of America;

H. R. 5237. An act to authorize the Secretary of the Navy to furnish supplies and services to foreign vessels and aircraft, and for other purposes;

H. R. 6744. An act to amend Public Law 472, 81st Congress, as amended, relative to the attendance of professional personnel of the National Advisory Committee for Aeronautics in graduate schools;

H. R. 6952. An act to authorize the transfer of naval vessels to friendly foreign countries; and

H. R. 7505. An act to permit a retired officer of the Navy to be employed in a command status at Port Lyautey, Morocco; to the Committee on Armed Services.

H. R. 1376. An act for the relief of Bernard L. Phipps;

H. R. 1417. An act for the relief of Lien-fu Lo, also known as Luke Lo;

H. R. 1501. An act for the relief of Beulah I. Reich;

H. R. 1552. An act for the relief of William H. Barney;

H. R. 1682. An act for the relief of Edward J. Moskot;

H. R. 1754. An act for the relief of Eleanor French Caldwell;

H. R. 1848. An act for the relief of certain aliens;

H. R. 1883. An act for the relief of Benedict M. Kordus;

H. R. 1885. An act for the relief of Edwin Matusiak;

H. R. 2083. An act for the relief of Carl A. Willson;

H. R. 2264. An act for the relief of Donald F. Thompson;

H. R. 2964. An act to confer jurisdiction on the United States District Court for the Eastern District of Texas, Jefferson Division, to hear, determine, and render judgment on certain claims of George W. Edwards, Jr., against the United States;

H. R. 3281. An act for the relief of Howard S. Gay;

H. R. 3370. An act to amend section 1871 of title 28, United States Code, to increase the mileage and subsistence allowances of grand and petit jurors;

H. R. 4045. An act for the relief of Mrs. Leonard O. Erickson;

H. R. 4154. An act for the relief of the legal guardian of Thomas Brainard, a minor;

H. R. 4342. An act for the relief of Mrs. Thomas L. Davidson;

H. R. 4538. An act for the relief of Martin A. McGrory;

H. R. 4851. An act for the relief of Mrs. M. E. Shelton Pruitt;

H. R. 5707. An act for the relief of the A. C. Israel Commodity Co., Inc.;

H. R. 5811. An act to amend subdivision b of section 14—Discharges, when granted—of the Bankruptcy Act, as amended, and subdivision b of section 58—Notices—the Bankruptcy Act, as amended;

H. R. 6282. An act for the relief of the former shareholders and debenture note holders of the Goshen Veneer Co., an Indiana corporation;

H. J. Res. 230. Joint resolution to suspend the application of certain Federal laws with respect to personnel employed by the House Committee on Ways and Means in connection with the investigations ordered by H. Res. 104, 85th Congress;

H. J. Res. 288. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens;

H. J. Res. 316. Joint resolution for the relief of certain aliens;

H. J. Res. 322. Joint resolution for the relief of certain aliens;

H. J. Res. 323. Joint resolution to facilitate the admission into the United States of certain aliens; and

H. J. Res. 324. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; to the Committee on the Judiciary.

H. R. 3625. An act to amend section 214 of the Interstate Commerce Act, as amended, to prevent the use of arbitrary stock par values to evade Interstate Commerce Commission jurisdiction; and

H. R. 4511. An act to declare a certain portion of Back Cove at Portland, Maine, to be nonnavigable water of the United States; to the Committee on Interstate and Foreign Commerce.

H. R. 4945. An act to provide for the conveyance of certain real property in West Palm Beach, Fla., to the Port of Palm Beach District; to the Committee on Government Operations.

H. R. 5341. An act for the relief of John J. Farrelly; to the Committee on Interior and Insular Affairs.

H. R. 7234. An act to fix the responsibilities of certifying officers and disbursing officer of the Library of Congress; to the Committee on Rules and Administration.

H. J. Res. 185. Joint resolution to implement the convention between the United States of America and Norway, which entered into force on November 9, 1948, for disposition of the claim against the Government of the United States of America asserted by the Government of Norway on behalf of Christoffer Hannevig; placed on the Calendar.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 171) favoring the granting of the status of permanent residence to certain aliens, was referred to the Committee on the Judiciary, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress favors the granting of the status of permanent residence in the case of each alien hereinafter named, in which case the Attorney General has determined that such alien is qualified under the provisions of section 4 of the Displaced Persons Act of 1948, as amended (62 Stat. 1011; 64 Stat. 219; 50 App. U. S. C. 1953):

A–7873192, Leyfell, Grzegorz, also known as Gregory Leyfell.

A–9782530, Fa, Chiang Ming.

A–6544109, Klein, Salamon Joseph.

A–7362659, Klein Hajnal (nee Deutsch), alias Aurora Deutsch.

A–9694010, Shing, Lau.

A–6931611, Tyszkiewicz, Alice (nee Sikorski).

A–9633878, Kim, San Pan.

A–6034478, Muk, Mo.

A–7821901, Nisu, Einar.

A–6847848, Yang, Robert Hsi Yi.

A–6843374, Chen, Check-Taat.

A–9653839, Hong, Wong.

A–7243274, Valle, Antonio.

A–8082006, Babich, Renato.

A–6606525, Jordain, Ljoubitza, also known as Perechitch (nee Vuco).

A–9229959, San, Ho Koen.

A–6752192, Fuchs, Albert or Wojciech or Wocjciech.

A–9732185, Fook, Lau.

A–2523837, Hsi, Yu Wen.

A–6707344, Hiz, Danuta Maria.

A–7082132, Bucich, Giuseppe.

A–6841558, Pachner, Alfred.

A–6841559, Pachner, Alice Jana.

A–7129796, Wong, Hung, also known as Wimfred Hung Wong.

A–6847730, Kao, Chien-Yuan, now known as Eric Chien Yuan Kao.

A–9704790, Kazaks, Guris Arvids, also known as Juris Arvids Kazaks.

A–6623460, Miko, Istvan, also known as Stephen Miko.

A–8900433, Ming, Lee Kit, known as Koo Chee Fong.

A–7863589, Musyczuk, Aniela, formerly Helena Knaperbaum.

A–6017702, Sih, Kwang Yue.

A–6620729, Sih, Tseng China nee Chou.

A-7963004, Teder, Adolf.
A-7095521, Kiremia, Evy Gustel.
A-7955554, Litynski, Zygmunt.
A-8021402, Litynski, Jadwiga Halina (nee Skowronek).
A-8021277, Litynski, Joanna Krystyna.
A-6590017, Drecun, Velimir.
A-9650933, Fat, Wong.
A-9509482, Fong, Han Ching.
A-8001248, Franza, Antonio De.
A-6282605, Gutnayer, Josef Marian, formerly Jerzy Marian Bielaszewski.
A-7991776, Gutnayer, Alice, formerly Alicja Dabroska (nee Luba Liberman).
A-7197519, Herman, Ferenc.
A-7197518, Herman, Marta.
A-10259354, Herman, Steven, or Istvan Herman.
A-7379127, Herman, Gabriel, or Gabor Herman.
A-6280014, Hoi, Lui Chang.
A-6271438, Hsu, Andrew Shih-Hsung.
A-9825490, Jere, Din Jung, or Ding Chong Jere, also known as Lau Sin or Lau Sing Jere.
A-7873100, Kuvara, Ivo.
A-7201504, Lahocsinszky, Bela Balazs.
A-7841881, Mielniczuk, Metody.
A-6922256, Nekrasz, Wanda Helena.
A-7210105, Raykowski, Jan Wieslaw.
A-7210106, Raykowski, Jozefa.
A-7073633, Stepniak, Marian.
A-7980308, Surian, Giuseppe.
A-7095885, Torday, Steven.
A-7095884, Torday, Maria.
A-7286294, Torday, John.
A-6095160, Ching, Yuen-Heng Liu, also known as Grace Ching.
A-6095446, Ching, Chen-Shen, also known as William Ching.
A-6776849, Choukanoff, Boyan Petroff.
A-6776848, Choukanova, Ekaterina Boyanova.
A-9684352, Sum, Tang or Tang Some or Tang Sam.
A-7244302, Streles, Karlis Ilmars, also known as Karlis Ilmars Strelcs.
A-7138175, Martinek, Eva (nee Stanek).
A-8039762, Yick, Lee Yu, also known as Lee Ah Sik.
A-7983445, Kowalaki, Theodore, formerly Tedeusz Kowalski.
A-9783695, Hing, Chan Chee.
0300-390186, Ngo, Chang Chao.
A-7176637, Wozniak, Seweryn Silvester.
A-5100014, Hai, Chou Teng.

COMMITTEE SERVICE

On motion of Mr. BRICKER, and by unanimous consent, it was

Ordered, That Mr. IVES be, and he is hereby, excused from further service as a member of the Committee on Banking and Currency, and assigned to service on the Committee on Appropriations.

That Mr. CAPEHART be, and he is hereby, assigned to service on the Committee on Government Operations.

That Mr. CASE of New Jersey be, and he is hereby, excused from further service, as a member of the Committee on the District of Columbia and the Committee on Post Office and Civil Service and assigned to service on the Committee on Banking and Currency and the Committee on Rules and Administration.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Interior Subcommittee of the Committee on Irrigation and Reclamation was authorized to meet today during the session of the Senate.

On request of Mr. DIRKSEN, and by unanimous consent, the Monopoly Subcommittee of the Committee on the Judiciary, holding hearings on Senate bill 1356, was authorized to meet today during the session of the Senate.

On request of Mr. JOHNSTON of South Carolina, and by unanimous consent, the Committee on Agriculture was authorized to meet during the session of the Senate today.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that on Thursday next, at 2:30 o'clock p. m., the Senate Special Committee on Disarmament of the Committee on Foreign Relations, together with members of the Senate Foreign Relations Committee and members of the leadership on both sides of the aisle, be permitted to meet in executive session with the Secretary of State and Mr. Stassen, during the session of the Senate on that day.

The VICE PRESIDENT. Without objection, it is so ordered.

PRINTING OF ADDITIONAL COPIES OF PART 1 OF HEARINGS ON DEPARTMENT OF DEFENSE APPROPRIATIONS FOR 1958

The VICE PRESIDENT. The Chair lays before the Senate a concurrent resolution of the House of Representatives, which will be read for the information of the Senate.

The concurrent resolution (H. Con. Res. 174) was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed for the use of the Committee on Appropriations, House of Representatives, one thousand additional copies of part 1 of the hearings held by that committee during the current session on the Department of Defense appropriations for 1958.

Mr. HAYDEN. As a courtesy to the House of Representatives, Mr. President, I ask unanimous consent that the concurrent resolution be considered and agreed to at this time.

The VICE PRESIDENT. Is there objection?

There being no objection, the concurrent resolution was considered and agreed to.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, to act on the nominations on the Executive Calendar, beginning with the new reports.

The motion was agreed to; and the Senate proceeded to consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nominations of Michael D. Eddy, Jr., and Dodd D. Weatherly, to be postmasters at Brave, Pa., and Carrollton, Tex., respectively, which nominating messages were referred to the Committee on the Judiciary.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. GREEN, from the Committee on Foreign Relations:

Harold M. Randall, of Iowa, a Foreign Service officer of class 1, to be representative to the seventh session of the Economic Commission for Latin America of the Economic and Social Council of the United Nations.

By Mr. HILL, from the Committee on Labor and Public Welfare:

James N. Winblad, and sundry other candidates, for personnel action in the Regular Corps of the Public Health Service;

Leland A. Hanchett, and sundry other candidates, for personnel action in the Regular Corps of the Public Health Service;

Emil E. Palmquist, and sundry other candidates, for personnel action in the Regular Corps of the Public Health Service, and

Henry C. Huntley, and sundry other candidates, for personnel action in the Regular Corps of the Public Health Service.

The VICE PRESIDENT. If there be no further reports of committees, the nominations on the calendar will be stated, beginning with the new reports.

UNITED STATES ATTORNEYS

The Chief Clerk proceeded to read sundry nominations of United States attorneys.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations of United States attorneys be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

UNITED STATES MARSHALS

The Chief Clerk proceeded to read sundry nominations of United States marshals.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations of United States marshals be considered en bloc.

The VICE PRESIDENT. Without objection, they will be considered en bloc; and, without objection, they are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be immediately notified of nominations confirmed today.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

THE PRESIDENT'S MESSAGE ON MUTUAL-SECURITY PROGRAM

Mr. JOHNSON of Texas. Mr. President, I ask your indulgence while I make a few brief observations on the message

sent to the Congress by the President yesterday.

I have studied the message carefully. There are many details which remain unclear. There are some propositions which must be examined thoroughly to determine whether they have merit.

But in the course of the message, the President laid down some general principles which, in my opinion, go a long way to meet the needs of our foreign policy. I congratulate the President for some of the decisions he has made.

I address my remarks particularly to the proposal that we shift from direct grants to a loan program which will help other people to help themselves.

This is a concept which I believe will have a great deal of appeal to thoughtful citizens of our country. It is one which I have discussed many times with officials of this administration and with my colleagues in the Senate.

Mr. President, this is a nation which does not seek to create satellites and which realizes that an attempt to buy friends is foredoomed to failure. We seek only to help other countries maintain their independence and their self-respect.

I believe it is self-evident that the United States can take good care of itself in a world of free nations. We need fear only a situation in which the rest of the world is controlled by a monolithic bloc ruled by ruthless dictators.

For this reason, I have consistently favored programs which will help other people maintain independence, and have been highly skeptical of all programs which will make them the recipients of charity.

I favor the concept of loans which will be repaid, and which will lead to self-respect, rather than dependence. I favor the concept of the International Atomic Energy Agency—one of the most imaginative but sound proposals of recent years.

The latter is now before the Senate Foreign Relations Committee, and I understand that the members are now engaged in clarifying some of the language. It is my hope that it can soon be reported to the Senate for action by the Senate.

The foreign-relations authorization bill is now before the Senate Foreign Relations Committee. Hearings were started there this morning. We shall proceed with full attention to that measure until it is reported to the Senate, which I hope can be done by the end of next week.

Mr. President, the question of how much money can safely be devoted to our mutual-security projects is a matter of judgment. Congress cannot exercise its judgment until it has all the facts and all the details. The Foreign Relations Committee is now proceeding to get the facts and the details.

We will be prudent, we will be careful, we will be cautious. We will not forget the admonitions of our Nation's highest fiscal officer concerning our needs for a sound fiscal structure.

The mutual-security program is not sacrosanct, as the President himself has demonstrated by cutting $500 million from his original estimates.

But the President has helped us greatly by reexamining the principles of the program in line with our requests, and I want to assure him and the Nation that our consideration of his recommendations will be conducted in the spirit of serving the best interests of the entire Nation.

Mr. DIRKSEN. Mr. President, I listened with great interest to the observations of the majority leader and his concurrence in the general principle of foreign aid.

In addition to the work which will be done by the legislative committee, the Appropriations Committee, of course, will examine very meticulously into the matter. I apprehend that most persons, certainly, do not realize the volume of evidence, testimony, and justifications that are examined every year in connection with the foreign-aid program. When it comes to us, it is broken down country by country and item by item. Having had the experience of serving on the committee dealing with foreign aid, I can testify to the long, sustained hearings and to the laborious and painstaking work which has been done with respect to every item in the bill.

I concur in the statement made by the majority leader that the amounts and the dimensions finally must lie within the judgment of Congress. But certainly we shall be realistic about the matter in pursuing that principle, and especially so since all groups, including our military leaders and the businessmen who have gone abroad, have indicated that there must be an aid program.

It is, then, our responsibility, insofar as possible, to eliminate waste and extravagance, to inject a maximum of efficiency into the program, and to make sure that every American dollar which is expended in that field does efficient duty in behalf of our security program, for, when all is said and done, mutual security must be justified on the ground that it makes a distinct and vital contribution to the security posture of the United States.

So, Mr. President, I congratulate the majority leader on the statement he has made, and I am confident that from our various deliberations and our pursuit of the matter in the various committees of the Senate we shall contrive a satisfactory and substantial result.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. JOHNSON of Texas. I thank the Senator very much for his generous statement.

Mr. BUSH. Mr. President, will the Senator yield to me?

Mr. DIRKSEN. I yield.

Mr. BUSH. I am very much impressed by what the Senator has just said. I congratulate him on his remarks. I wonder if he will permit me to ask unanimous consent to have printed in the RECORD at this point an editorial from the New York Times dealing with the subject on which the Senator from Texas and the Senator from Illinois have spoken.

Mr. DIRKSEN. Yes.

Mr. BUSH. Mr. President, I ask unanimous consent that the editorial be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IN DEFENSE OF FREEDOM

In a message to Congress yesterday, backed by an appeal last evening to the Nation, President Eisenhower has sought to mobilize all available political and moral forces in defense of an adequate and reformed mutual-security program which false economy and political ambition would cut to pieces only at grave risk to American safety. He solemnly warned that this program, misnamed foreign aid and sneered at by some as a giveaway, is an essential element of our own defense against an increasingly powerful Communist bloc bent upon world domination.

Without putting it in so many words, the President's messages in effect ask Congress and the Nation to choose between two alternatives. One is to live as a free nation in a free world guarded by collective defense and developed by mutual aid and trade to which every nation contributes for our common welfare and prosperity. The other is to live in Fortress America, a regimented garrison state in which an increasing share of our manpower and resources would have to be devoted to guarding the ramparts of our own frontiers. In helping free nations to prosper and to defend themselves we help ourselves to avert the second alternative, and in doing so we serve both our own best interest and our ideals.

In support of this basic thesis President Eisenhower advanced some arguments. The United States has spent $17 billion on mutual security during the last 8 years. But the recipient nations have spent $107 billion on their defense, which has also served our own. As a result, we have lined up on our side 200 divisions, 27,000 aircraft, and 2,500 naval combat vessels, and we have also many bases abroad for a forward defense. That is more defense per dollar than we could possibly get in any other way.

As the President further pointed out, our mutual-security program helped to save countries such as Greece and Turkey, Iran, Korea, Vietnam, Free China, the Middle East, Guatemala, and even Yugoslavia from Soviet domination. How much more dangerous the world would be, had these countries slid into the Soviet orbit. If we should now cripple our mutual-security program, compelling other countries to reduce their defenses and slow down their economic progress, we would be forced to compensate the loss of defensive power abroad by increasing our own defenses at many times the present cost and still court the danger of aggression and war.

After cutting his original request by $535 million for a carryover into next year, President Eisenhower now asks for a total of $3,965,000,000. This still looks like a large sum, but is only nine-tenths of 1 percent of the gross national product. What is more, nearly two-thirds of it, or $2.8 billion, is earmarked for direct or indirect military support, and it is to be welcomed that this support is henceforth to be included in our regular defense budget. That is a reform long overdue, to avert a common misunderstanding.

This leaves only about $1 billion for economic, technical, and humanitarian assistance to help free nations to withstand both the lure and the pressure of Communist totalitarianism, and such aid is to consist henceforth primarily of loans advanced by a revolving and ultimately self-replenishing loan fund that should also stimulate the flow of private investments.

We are confident that the Nation will respond to the President's appeal and that Congress will in the end act accordingly.

Mr. SMITH of New Jersey subsequently said: The President's message of yesterday to the Congress, and his challenging television broadcast to the country, present a soundly analyzed breakdown of our national mutual security program. The issue he presents is the security of our people. That security is inevitably allied to the security of the entire free world.

We cannot reject or seriously cripple the President's program without grave danger not only to our own survival as a free nation, but also the survival of civilization itself.

Mr. President, I ask unanimous consent that this statement appear in the RECORD in connection with the support earlier today by the Senator from Texas [Mr. JOHNSON] of the President's message.

The VICE PRESIDENT. Without objection, it is so ordered.

STATEMENT BY SECRETARY DULLES ON MUTUAL SECURITY PROGRAM

Mr. CAPEHART. Mr. President, I ask unanimous consent that the statement made by Mr. John Foster Dulles, Secretary of State, before the Foreign Relations Committee this morning, may be printed in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY THE HONORABLE JOHN FOSTER DULLES, SECRETARY OF STATE, BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE, WEDNESDAY, MAY 22, 1957

I have come before you to discuss the authorization which we are requesting for our future mutual security programs.

As noted by the Senate special committee, the money we spend abroad is not on a single program. So-called foreign aid is a term that is given to several quite distinct programs. Each of these is addressed to different purposes. Each employs separate means. Each must be considered on its own merits.

It is to these distinctive programs that I address myself.

I shall try, in each case, to tell what foreign policy purpose the program serves.

I shall explain how the executive branch believes that these purposes can, in the next fiscal year, be better defined and better served.

There are, in essence, four major programs.

First, the mutual defense assistance program, which provides weapons and military equipment and economic support for allied military forces and facilities;

Second, the development assistance program, which helps free countries achieve economic growth;

Third, the related technical assistance program through which we share our skills with these countries;

Fourth, the special assistance programs, through which we meet particular needs and emergencies that cannot be met by the three preceding programs.

I. MUTUAL DEFENSE ASSISTANCE

I do not have to review with you the magnitude of the Soviet and Chinese Communist military threat, or the fact that no free country can obtain adequate security through its own resources alone.

This fact has led to the creation of a collective security system which binds us and 42 other free countries in a common defense against a common peril.

Since 1950, we have provided around $17 billion in military equipment plus supporting economic assistance to our allies' military programs. During this same period, our allies have spent over $100 billion for defense, and they have provided manpower for the armed forces of the free world, and they have provided sites for highly valuable bases for our and their forces.

Without our assistance, these allies' military programs could not have been carried out. With these programs, we are enabled to spend far less on our own military programs, and to achieve far greater security, than would otherwise be the case.

Collective security is truly a case in which the whole is greater than the sum of the parts. And the instrument which creates the whole out of these parts is our mutual defense assistance program.

This program consists of two elements:

First, the provision of military equipment to friendly forces. This is what, in the past, has usually been called military aid.

Second, economic aid given to allied countries to compensate their economies for contributions made to the common defense, when these countries cannot unaided make the contribution judged necessary. Many of the less developed countries, such as Korea, Formosa, and Vietnam, cannot maintain the desired forces without some outside help, and sometimes the provision of essential facilities for the common defense involves burdens for which compensation is appropriate.

In the past, much, but not all, of this aid, has been called defense support. But the phrase has also been used to include assistance to some of these same countries for other purposes, such as economic development.

This labeling produced misunderstanding, both at home and abroad. We believe that what in the past has been called defense support should hereafter be confined to what is distinctly given to enable a country to provide an effective military contribution.

Development assistance to stimulate economic growth should be dealt with separately.

For fiscal year 1958 we are asking for $1.9 billion for the provision of weapons and military equipment, and $900 million for true defense support. This totals $2.8 billion. It is approximately three-fourths of what we are asking the Congress to appropriate for all the mutual security programs.

Both these types of defense assistance—military equipment and support—have more in common, in point of purpose, with other elements of our own defense program than they do with other types of foreign aid. They contribute to and maintain our military security just as expenditures for our own forces do.

The is why the President has recommended that defense assistance should be recognized and treated as an essential element of our own worldwide national-defense effort To do this effectively, he requests that appropriations for military assistance and for related defense support should now be so authorized that hereafter they may be included as a separate part of the regular appropriations for the Department of Defense. Both would continue under the policy guidance of the President and the Secretary of State.

Requirements for defense are substantial, but they are necessary. We are, of course, actively seeking a sound and safeguarded basis for reciprocal reductions of armaments, which weigh heavily upon our country, the Soviet Union, and, indeed, nearly all nations.

It is not easy to reach such an agreement. Experience has demonstrated that agreements with the Communists are not dependable so long as they are merely based upon paper accords. Good faith is not a factor which can be relied on to assure continued adherence by Communists to the terms of an agreement. Therefore, the free nations cannot safely reduce their military strength merely in reliance upon promissory agreements by the Soviet rulers to reduce correspondingly. We do not, and will not, rely upon Soviet promises alone. There must be adequate means to verify performance and to gain increased protection for the free world against surprise attack. We do seek an agreement that will be in the mutual interest of the parties, an agreement that would decrease the danger of war.

We find it hard to believe that the Soviet rulers will not in their own self-interest eventually accept such mutual supervision and control as will permit of lightening the burden of armament, and will provide to both sides a better prospect for a just and durable peace.

We do not know today whether the Soviet leaders consider that the benefits of an armaments agreement justify their submitting to a system of adequate inspection.

But even on the most hopeful estimate, the first steps of armaments reductions will have to be carefully calculated and carefully taken. It would be folly now, in the absence of a safeguarded agreement for the inspected reciprocal reduction of armaments, to weaken in any manner the collective-security system which provides the greatest deterrent against aggression at the least cost.

II. ECONOMIC DEVELOPMENT

I turn now to the economic development aspect of mutual security.

We propose the establishment of a development loan fund to assist the economic development of other independent nations. The Senate special committee has found that this "is in the interest of the United States." This statement is particularly, though not exclusively, applicable to 19 new nations which have come into existence since the end of World War II. These nations contain nearly a third of the world's population. Most of them are close to the Soviet-Communist China bloc. They are nations where poverty is age-old. The per capita annual incomes of most of the peoples of these nations is well below $100 a year. Their food production is at levels of bare subsistence, inadequate for hard productive work.

It is important to us that the people of these nations should remain free, that their strategic lands should not fall under Communist control, that their resources should be available to their own people and in commerce with other free nations.

For generations these people have fatalistically accepted stagnation. But now their mood is different. Two intense emotions now grip the peoples of these new nations. The first is a desire to maintain and strengthen their newly won political freedom. The second is a determination to raise their pitifully low standards of living and get started quickly on the inevitably long road to economic betterment.

But the obstacles to growth are substantial. There is a shortage—sometimes an absence—of technicians. The governments are inexperienced. With incomes at the barest subsistence levels, very little can be saved and invested. Without outside help, the prospects of economic growth are indeed very slim.

These people are determined to move forward. If they do not succeed, there will be increasing discontent which may sweep away their moderate leaders of today and bring to power extremist leaders who will resort to extremist measures fostered by international communism.

Today hundreds of millions in these countries seek the answer to this simple question: Do political independence and freedom mean economic growth? If these peoples do not feel that in freedom they get growth, then freedom will be on its way out in much of the world.

It is in our interest to help to demonstrate that freedom and growth go hand in hand. That is the conclusion of your special committee as it is of the President.

The question then becomes what is the most economical and effective way to do this?

The recommendation of the President and the conclusion of your own special committee is that this should be done through the establishment of a development loan fund.

How should such a fund work?

For the past few months the executive branch has given lengthy and detailed study to many aspects of this question. We have had advice from many quarters. We have reached a number of conclusions. These conclusions are sufficiently firm, detailed, and well founded to make us feel that the fund should be founded now, without another year's delay.

What are some of the essentials?

First, the recognized purpose of the fund should be to assist the less-developed free countries to get economic growth underway.

Second, the fund would operate on terms of repayment. A substantial part of its activities should be in loans, but it should also be empowered to use other banking and financing arrangements, such as credits and guaranties, in carrying out its purposes. It could not, however, make grants. Its loans would be made available on repayment terms less rigid than those of existing institutions. Repayment could be in foreign currencies, as well as dollars, and interest could be waived or suspended.

The fund would primarily be an instrumentality of foreign policy, and as such take greater financial risks than those acceptable to existing institutions. The fund's expectations of repayment would be based, however, on confidence in the long-range future of the nation it is helping. If the fund achieved its object, as I believe it would, then confidence would prove justified.

Third, the fund would seek cooperation with private investors and established lending institutions. It could participate in joint financing with private investors, the World Bank, or the Export-Import Bank, adjusting its own repayment claims to those of these others. It would not loan its funds where other loans and private investment were available. Properly administered, the fund would not reduce but would increase the effective flow of activity through normal channels of finance.

Fourth, the fund could be used only for development projects and programs which seem technically and economically sound and which could be expected to contribute to the economic progress of the borrowing country and to the long-range interest of the United States in the welfare of that country. It would not be used to meet emergencies or other needs for short-term assistance. Continued financing by the fund to any country would depend upon that country's record of performance.

Fifth, a substantial part of the financing undertaken by the fund would be devoted to basic public works such as transport, communication systems, power installations, harbors, irrigation and drainage projects—the capital needed to create the economic environment in which private initiative can come into play. The fund could also use its resources to support local development banks and private enterprises engaged in developing the countries we seek to help.

Sixth, the fund should be established upon a basis of continuity with sufficient capital for several years operations. As I said here last month, economic development is a long-term process. It is not an annual event. If our assistance is to be useful at all, it should be provided on a sustained basis that is consistent with the long-term nature of the job to be done.

It is not necessary that all the capital of the fund be provided at once. But it is essential that there be initial provision for future availability. For this reason the President has asked that there be provided this year an appropriation of initial capital and the authority to borrow additional capital from the Treasury in the second and third years. Such borrowing authority has been used to capitalize other United States lending agencies. These additional funds which would be borrowed from the Treasury would not be available for obligation until such second and third year. However, the fact that they would be available will give the countries we wish to help and our own administrators the assurance they need to plan ahead.

This new approach we contemplate requires that we get away from annual authorizations or appropriations. These inevitably tend toward a system of illustrative programs as a basis for justifications. These are not compatible with the assurance of continuity essential to good planning and to the new long-term loaning concept. They are not compatible with cooperation with such organizations as the IBRD and Export-Import Bank which operate on a long-term businesslike basis with established capital.

The President has requested an appropriation of $500 million to be available for the fund in fiscal year 1958, and authority to borrow $750 million in fiscal year 1959 and the same sum in fiscal year 1960. Any unobligated balances of any year would be carried forward as part of the fund's working capital.

The sums the President has requested are conservative figures. The two reports made to your special committee which relate to a development financing program both conclude that a loan fund to be effective should be able to finance development activities at a higher rate than at present. This was also the conclusion of the International Development Advisory Board, which recommended that "the initial congressional appropriation for the fund should be sufficient for a substantial increase in capital investment and technical assistance programs." Another study, that of the Research and Policy Committee of the Committee for Economic Development, has suggested an initial 5-year program at the rate of $1 billion per year in addition to our existing level of expenditures for economic assistance.

One of the witnesses before your special committee rather aptly compared economic development with getting an airplane off the ground. You have to achieve a certain minimum rate of speed to take off. It would not be prudent to invest our resources in development programs which are too small to offer any hope of eventually achieving a self-sustaining rate of growth.

What of the future cost and direction of financing under the fund? There is a popular idea that the underdeveloped areas are a bottomless pit. In reality, as the Committee on Economic Development says in its report: "The amount that can be productively invested in the underdeveloped world is not enormous but is in fact rather strictly limited." The duration of the need for financing of the kind the fund would supply is also reasonably limited. It is not our purpose to finance the development of these nations to the level of our own economy. It is rather our purpose to help them gain a momentum of economic progress which will make it possible for them to go forward on their own capital formation, with outside assistance confined to private investment and other normal sources of financing.

We should think of the fund as a long-term operation but not as going beyond the time when it serves the enlightened self-interest of the United States. As it serves its purpose, the calls upon it should decline.

III. TECHNICAL COOPERATION

There is universal agreement that the technical cooperation program is valuable and should be continued on substantially the present basis. The executive branch so recommends.

We believe, furthermore, that this program has proved its worth as a long-term instrument of United States policy and that it should be authorized on a continuing basis.

The President has recommended an appropriation of $168,900,000 for this program next year.

This figure includes, in addition to our regular bilateral program, our contribution to the technical assistance program of both the Organization of the American States and the United Nations.

Last year the Congress recommended that our proportionate contribution to the United Nations expanded program of technical assistance should be reduced in fiscal year 1958 to 33⅓ percent from the present level of 49 percent. Since that date, the Subcommittee on Technical Assistance of the Foreign Relations Committee has recommended in its final report that this proviso be reconsidered. This report favored a reduction of the percentage of the United States contribution but urged that "precipitous action to this end should not be taken" and noted that a reduction to 33⅓ percent in 1 year might have deleterious effects on this important United Nations activity. We agree with these conclusions and believe that any reduction should be phased over several years. The President has accordingly recommended that the level of our contribution be set at 45 percent for fiscal year 1958.

IV. SPECIAL ASSISTANCE

The final category of our aid is special assistance.

There are some programs, like the malaria eradication program, that do not fit into any of the preceding categories.

There will inevitably be occasions when it will be in our national interest to furnish assistance to friendly nations which is not designed to support our common defense effort and which could not properly be handled through the development fund or technical assistance.

There are bound to be emergency situations which we cannot foresee and there are bound to be efforts we need to support without prospect of repayment.

International communism is constantly probing to discover and exploit weak points within the Free World. We cannot tell in advance where these weak points will develop or the amount of pressure which international communism will bring to bear. We must have reserve funds which can be thrown into the breach if we are to conduct successfully the "cold war" in which international communism has engaged us.

During the past few years there have been emergency situations in many places where immediate grant aid was necessary. Such situations have arisen in relation, for example, to Iran, Jordan, Hungarian refugees, and Guatemala. It can be soberly estimated that international communism would have gained spectacular victories and that freedom would have suffered tragic defeats, if the President had not had substantial discretionary funds to use to meet unpredictable emergencies. The fact that the President has had such funds has meant on net balance a vast saving to the cause of freedom to which we are dedicated.

Aid of this nature is designed to meet immediate needs, not to finance long-term programs. It is appropriate that it should be authorized anew each year.

The President has asked for the authorization of an appropriation of $300 million for special assistance.

This figure includes three separate elements. Approximately one-third of it has already been programed for firm requirements, such as our malaria eradication plan

and certain special country programs. Another third is designed to provide for recognized but unprogramed needs, including further assistance for the Middle East under the American doctrine. In addition, we need continuation of the Special Presidential Fund to meet unforeseen contingencies.

V. CONCLUSION

The total program which I outline reflects the results of the intensive study which has been given to this subject during the past year. Such study has been given by the executive branch of Government, by both Houses of Congress, and by special groups of qualified persons who have been asked by the President and by the Congress to study this problem.

These studies indicate no substantial disagreement as to the need of mutual security programs dealing both with military and nonmilitary matters. There is also, we believe, an unusual consensus as to the general order of magnitude which these programs should assume. There is also a large measure of agreement that our mutual security programs can be better organized than has been the case heretofore. The executive branch of Government shares that view and it is reflected in the President's message and the proposed legislation, and in this presentation.

Let me recall, in conclusion, that the Constitution of the United States specifies as among the basic purposes of our Government to "provide for the common defense * * * and secure the blessings of liberty to ourselves and our posterity." Under today's conditions a common defense is most effectively promoted, and the blessings of liberty most effectively secured, by the mutual security programs I have described.

We know full well that this committee has ably and conscientiously studied this whole problem. We have taken into account its views, particularly as expressed in the report of the Senate Special Committee, published on May 13. The executive branch of Government welcomes, and will seek to merit, the cooperative spirit which is manifested by this committee.

VALUE OF FLOOD CONTROL

Mr. JOHNSON of Texas. Mr. President, the heavy floods in Texas during the past 2 months have made us more conscious than ever of the tremendous value to our State of flood-control and water-conservation projects authorized by Congress and carried out cooperatively by the Federal, State, and local governments.

Among these projects are dams on the Colorado River that protect a rich farming section from the flood damage which used to come periodically.

Colorado County, named for the river, is included in this area. I have just been informed by the Honorable J. M. Rutta, county judge of Colorado County, that damage estimated at between $1.5 million and $2 million was prevented during recent floods by the dams the Government had built on the Colorado River. In the town of Columbus, the county seat, I have been told by the Honorable H. P. Meyer, mayor, that damage estimated at $700,000 was averted.

I ask unanimous consent that the telegrams from Judge Rutta and Mayor Meyer be printed in the RECORD at the conclusion of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibit A.)

Mr. JOHNSON of Texas. Mr. President, this information on flood damage prevented in a single Texas county emphasizes the fact that money appropriated by the Congress for necessary flood-control and water-conservation projects represents a sound investment—an investment that pays heavy dividends.

That is something we shall want to keep in mind as we proceed to consider, in the near future, the public works appropriation bill. That bill will give us an opportunity to make more of these investments.

EXHIBIT A

COLUMBUS, TEX., *May 20, 1957.*

Senator LYNDON JOHNSON,
United States Senate,
Washington, D. C.:

If present floods had matched the flood of 1935, the estimated damage to Columbus would have been near $700,000.

Mayor H. P. MEYER.

COLUMBUS, TEX., *May 20, 1957.*

Hon. LYNDON B. JOHNSON,
United States Senate,
Washington, D. C.:

The value Colorado County property saved from the recent floods by the dams on the Colorado River is estimated at one and one-half to two million dollars.

J. M. RUTTA,
County Judge, Colorado County.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour, for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business. I ask unanimous consent that there be a limitation on statements of 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED SUPPLEMENTAL APPROPRIATIONS, DISTRICT OF COLUMBIA (S. Doc. No. 42)

A communication from the President of the United States, transmitting supplemental appropriations for the District of Columbia, in the amount of $2,254,900, for the fiscal year 1958, in the form of amendments to the budget for said fiscal year (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

REPORT ON CERTAIN PUBLIC WORKS BY SECRETARY OF DEFENSE

A letter from the Secretary of Defense, transmitting, pursuant to law, his report, listing all currently available authorization for military, naval, and Air Force public-works projects for which adequate funds have not been appropriated, as of December 31, 1956 (with an accompanying report); to the Committee on Armed Services.

REPORT ON NUMBER OF OFFICERS ON DUTY WITH DEPARTMENT OF ARMY AND ARMY GENERAL STAFF

A letter from the Secretary of the Army, transmitting a report of the number of officers on duty with the Department of the Army and the Army General Staff on March 31, 1957 (with accompanying papers); to the Committee on Armed Services.

PROPOSED TRANSFER OF ONE CRASH BOAT TO NORTH EASTERN NAVAL CADETS, INC., HACKENSACK, N. J.

A letter from the Acting Secretary of the Navy, reporting, pursuant to law, that the Department of the Navy proposed to transfer to the North Eastern Naval Cadets, Inc., Hackensack, N. J., one 45-foot crash boat, hull No. C-7597, with engines; to the Committee on Armed Services.

REPORT ON EXPORT CONTROL

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on export control, covering the first quarter of 1957 (with an accompanying report); to the Committee on Banking and Currency.

CERTIFICATION OF ADEQUATE SOIL SURVEY AND LAND CLASSIFICATION, AINSWORTH UNIT, SAND HILLS DIVISION, MISSOURI RIVER BASIN PROJECT, NEBRASKA

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, that an adequate soil survey and land classification has been made of the lands in the Ainsworth unit, Sand Hills division, Missouri River Basin project, Nebraska, and that the lands to be irrigated are susceptible to the production of agricultural crops by means of irrigation (with an accompanying paper); to the Committee on Interior and Insular Affairs.

CERTIFICATION OF ADEQUATE SOIL SURVEY AND LAND CLASSIFICATION, FARWELL UNIT, MIDDLE LOUP DIVISION, MISSOURI RIVER BASIN PROJECT, NEBRASKA

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, that an adequate soil survey and land classification has been made of the lands in the Farwell unit, middle loup division, Missouri River Basin project, Nebraska, and that the lands to be irrigated are susceptible to the production of agricultural crops by means of irrigation (with an accompanying paper); to the Committee on Interior and Insular Affairs.

SUPPLEMENTAL REPORT ON PAYMENT OF CLAIMS ARISING FROM CORRECTION OF MILITARY RECORDS OF COAST GUARD

A letter from the Acting Secretary of the Treasury, transmitting, pursuant to law, a supplemental report on the payment of claims arising from the correction of military records of the Coast Guard (with an accompanying report); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAME

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Mary Elizabeth Handlovitz from a report relating to aliens whose deportation has been suspended, transmitted to the Senate on January 15, 1957 (with an accompanying paper); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of Oregon; to the Committee on Armed Services.

"House Joint Memorial 17

"To the Honorable Senate and the House of Representatives of the United States of America, in Congress Assembled:

"We, your memorialists, the 49th Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

"Whereas one of the most vital national defense needs is a ready reserve of experienced shipyard personnel and the preservation and development of fully equipped and operating shipbuilding facilities on both east and west coasts; and

"Whereas the Pacific coast shipbuilding industry and the people dependent upon it are in a comparative depression condition; and

"Whereas favoritism practiced by the Federal Government in the assignment of shipbuilding and repair contracts has substantially contributed to this condition; and

"Whereas current Federal allocation policies are not giving the Pacific coast shipyards enough repair and conversion work to keep their personnel resources in all skill categories up to the level of minimum needs; and

"Whereas the Nation is being placed in increasing jeopardy relative to national defense due to these allocation policies; and

"Whereas the Portland area and other important areas within the State of Oregon which are equipped and capable of conducting full scale shipbuilding and repair and conversion operations are suffering economically as a result of these policies; and

"Whereas the Navy's program of ship repair and conversion has discriminated against Pacific coast interests; and

"Whereas as an example of this discrimination, two 'mothballed' cruisers recently departed from the Pacific coast for conversion at a cost of approximately $14 million at booming east coast shipyards, while Pacific coast shipyards, which the Navy is pledged to support under legislation enacted by the Congress last July, remain relatively idle; and the Navy has acknowledged that this transfer will cost the taxpayers $426,000 in addition to the cost of the conversion of these two ships, irrespective of which yard carries out the conversion; and

"Whereas a continuation of these policies of discrimination will pyramid the competitive advantage enjoyed by the east coast shipyards at the expense of Pacific coast shipyards and will eventually threaten the existence of Pacific coast shipbuilding altogether: Now, therefore, be it

"Resolved by the House of Representatives of the State of Oregon (the Senate jointly concurring therein), That the President and the Congress of the United States be memorialized to see that every effort of the Federal Government be expended to cease discrimination favoring east coast shipyards as against Pacific coast shipyards in matters of shipbuilding and ship repair and conversion and that intervention by the Federal Government through the awarding of contracts and the establishment of policy be such as to encourage the continued existence and the further development of the Pacific coast shipbuilding industry; and be it further

"Resolved, That copies of this memorial be sent to the President and Vice President of the United States, and to all members of the Oregon congressional delegation.

"Adopted by house April 30, 1957.

"Adopted by senate May 8, 1957.

"EDITH BYNON LOW,
"Chief Clerk.

"PAT DOOLEY,
"Speaker of House.

"BOYD R. OVERHULSE,
"President of Senate."

A concurrent resolution of the Legislature of the State of Florida; to the Committee on Armed Services:

"House Concurrent Resolution 1083

"Whereas the property on which Tyndall Air Force Base Reservation is located in Bay County, Fla., was acquired through condemnation proceedings by the United States of America during the national emergency of World War II at a price far below the actual value; and

"Whereas that unused portion of this property, comprising some 4,000 acres, commonly referred to as Red Fish Point, was declared surplus by the United States Government in 1949 and which was withdrawn August 5, 1955; and

"Whereas the acquisition of this land was made at a sacrifice by the former owners of said land; and

"Whereas this sacrifice by said former owners contributed materially to the war effort and was made to a great degree out of patriotism and good citizenship of said former owners; and

"Whereas a portion of that land known generally as the Red Fish Point property has not been utilized by the Air Force and is not presently serving the public purpose; and

"Whereas much of the Red Fish Point property is still not being utilized by the Air Force for a public purpose; and

"Whereas, in equity and good conscience, the former owners of said land should be entitled to a preference to repurchase said property if it again is declared to be surplus: Now, therefore, be it

"Resolved by the house of representatives of the State of Florida (the Senate concurring), That the Congress of the United States is hereby requested to adopt legislation providing that the United States Air Force reevaluate the status of this property and if it is not needed for a public purpose then make the property available to the public, giving the former owners a first option to purchase said land at a value in accordance with that value as placed on it by the United States Government in 1941, adjusted to reflect any increase or decrease due to the removal of any homes or buildings by the United States Government; be it further

"Resolved, That a copy of this resolution be sent immediately to the Speaker of the House of Representatives of the United States, to the President of the Senate of the United States, and to each member of the Florida delegation in the United States Congress.

"Filed in office, secretary of state, May 16, 1957."

A resolution adopted by citizens of Newton, Mass., and vicinity, relating to improving the economic conditions of the Indians (with accompanying papers); to the Committee on Interior and Insular Affairs.

A letter, in the nature of a petition, from the Religious Freedom Committee, Inc., New York, N. Y., signed by Janice M. Roberts, Secretary, relating to the appointment of a special committee of the Senate to hear charges against the Subcommittee on Internal Security of the Judiciary Committee; to the Committee on the Judiciary.

Resolutions adopted by the 66th Continental Congress of the National Society of the Daughters of the American Revolution; to the Committee on the Judiciary.

JOINT RESOLUTION OF LEGISLATURE OF WISCONSIN ON POSTAL EMPLOYEES' SALARIES

Mr. WILEY. Mr. President, I was pleased to receive this morning a resolution which had been adopted by the State Senate and Assembly of Wisconsin, bearing upon adequate and appropriate compensation for faithful postal workers who serve each and every one of us.

I submit this joint resolution, and ask unanimous consent that it be printed in the RECORD, and be thereafter appropriately referred to the Post Office Committee on Post Office and Civil Service.

There being no objection, the joint resolution was referred to the Committee on Post Office and Civil Service, and, under the rule, ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 59

A joint resolution memorializing Congress to enact H. R. 2474 and S. 27 relating to a salary schedule for postal employees commensurate with that in private industry

Whereas employees of the United States postal service have greater work loads and responsibilities than ever before; and

Whereas the work of the Post Office Department is being performed in an efficient manner and is deserving of increased compensation: Now, therefore, be it

Resolved by the senate (the assembly concurring), That the Legislature in the State of Wisconsin endorses a salary schedule for postal employees commensurate with that in private industry and which will give adequate recognition to the increased productivity of postal employees, and to that end urges the Congress of the United States to vote for and support H. R. 2474 and S. 27; and be it further

Resolved, That a copy of this resolution be sent to the Presiding Officers of the United States Senate and House of Representatives and to each Member of Congress from Wisconsin.

ROBERT G. MAROTZ,
Speaker of the Assembly.
ARTHUR L. MAY,
Chief Clerk of the Assembly.
W. P. KNOWLES,
President of the Senate.
LAWRENCE R. LARSEN,
Chief Clerk of the Senate.

(The VICE PRESIDENT laid before the Senate a joint resolution of the Legislature of the State of Wisconsin, identical with the foregoing, which was referred to the Committee on Post Office and Civil Service.)

RESOLUTION OF WISCONSIN LEGISLATURE ON LIFE AND SERVICES OF HON. JOSEPH R. McCARTHY

Mr. WILEY. Mr. President, this morning I received from Lawrence R. Larsen, chief clerk of the Senate of the State of Wisconsin, the text of Senate Joint Resolution 84, which was recently adopted by the Wisconsin State Legislature.

This joint resolution expresses the condolences of the assembled legislators of Wisconsin to the family and friends of my late colleague, the late junior Senator from Wisconsin, Mr. McCarthy.

The joint resolution sets forth facts in the career of my colleague.

I know this joint resolution will be of interest to my associates, and I ask that it be printed at this point in the body of the RECORD.

There being no objection, the joint resolution was ordered to lie on the table, and, under the rule, to be printed in the RECORD, as follows:

Senate Joint Resolution 84

A joint resolution relating to the life and public service of Senator Joseph R. McCarthy

The citizens of Wisconsin are shocked and grieved to learn of the untimely passing of Senator Joseph R. McCarthy at Bethesda Naval Hospital in Maryland on May 2, 1957. Few people sensed the seriousness of the Senator's last illness.

Senator McCarthy was born November 14, 1908, at Grand Chute, Wis. He received his early education in the Underhill Elementary School of his home community, the name of which school was recently changed to McCarthy School in honor of the Senator. While an elementary school student he conducted a poultry business on the farm of his father, Timothy. This farm the Senator recently purchased. In 1929 he enrolled in the Manawa High School where he completed the prescribed 4-year course in a single year, graduating in 1930. In addition to his high school work, he owned and managed a country grocery store. In 1930 after his graduation he started a similar store in Shiocton.

In the fall of 1930 he enrolled in the engineering school at Marquette University, but 2 years later he transferred to the law department, and in 1935 completed the prescribed 6-year course in 5 years. While attending Marquette he was completely self-sufficient, paying his own way by working as a boxing coach and operating a filling station at night. Six hours after his graduation from Marquette he had opened a law office in Waupaca.

In 1936 he become associated with the law office of Michael Eberlein, a prominent Shawano attorney, which association lasted about 3 years.

Senator McCarthy's political career which was to occupy the rest of his life began in 1936 when he became president of the 7th district Young Democratic Club and ran unsucessfully for the office of district attorney in Shawano county.

In 1939 the Senator entered the race for circuit judge of the 10th circuit and won a 3-cornered race. In 1945 he was reelected to the bench without oppcsition.

Meanwhile, early in 1942, he received a commission in the Marine Corps and served in the Pacific theater until December 1944 when he returned to the political arena. During his tour of duty he was granted leave of absence to run against the incumbent Senator, ALEXANDER WILEY in the Republican primary of 1944, but he was defeated.

Following his military career he began his campaign for the Senate seat of Robert M. La Follette whom he defeated in the primary of 1946 by a very close margin. The Senator's campaign which occupied more than a year was considered one of the best organized campaigns seen in this State. The Senator then went on to win the general election. He was reelected in 1952. His self-confidence in challenging the younger La Follette, one of the Nation's most capable legislators, was an early indication of McCarthy's aggressive conduct in a turbulent career in the years to come.

The Senator's career mounted after 1950 when he came to grips with the issue of communism. History will record him as one of the most aggressive and courageous fighters against communism among the members of the United States Senate and the man who strove to awaken the public to the dangers and immediacy of communism in our Government. Because of his continuous and courageous fight agains the threat of communism, he became the most controversial United States Senator of the century. During the peak of his career his name was before the public daily and the people followed every move he made avidly. A man of firm convictions, he had strong friends and equally firm opponents. Many who disagreed with his methods admired his devotion to the cause he espoused, and his courage of conviction. As a result of his activity he was awarded many citations from civic and patriotic organizations.

Senator McCarthy is survived by his wife, Jean, a daughter, Tierney Elizabeth, three brothers, Stephen and Howard of Appleton and William of Chicago, and two sisters, Mrs. Olive Kornely and Mrs. Anna Mae Long of Appleton.

In view of the high office to which the people of Wisconsin twice elected Senator Joseph R. McCarthy and the devotion to his country for which he did in fact lay down his life; be it

Resolved by the senate (the assembly concurring), That the legislature express its deep sorrow at the untimely passing of the Senator and express to his wife and other survivors their most heartfelt condolences for their loss; and be it further

Resolved, That this resolution be spread upon the journal and that copies be sent to each of the immediate surviving family, to the Secretary of the United States Senate, to Senator ALEXANDER P. WILEY and Congressman JOHN W. BYRNES.

ROBERT G. MAROTZ,
Speaker of the Assembly.
ARTHUR L. MAY,
Chief Clerk of the Assembly.
W. P. KNOWLES,
President of the Senate.
LAWRENCE R. LARSEN,
Chief Clerk of the Senate.

COMPENSATION OF POSTAL EMPLOYEES—STATEMENT

Mr. HUMPHREY. Mr. President, one of the most vital pieces of legislation currently pending in Congress is S. 27, the postal employees salary bill. As a cosponsor of this proposed legislation, I have been in close touch with interested groups in Minnesota, including the National Federation of Post Office Clerks Local No. 125, under the splendid leadership of Patrick J. Nilan.

I have recently received from local 125 a statement in support of S. 27. I ask unanimous consent that it be printed in the RECORD, and appropriately referred.

There being no objection, the statement was referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

NATIONAL FEDERATION OF
POST OFFICE CLERKS,
LOCAL No. 125,
Minneapolis, Minn., May 13, 1957.

To Our Friends in the United States Congress:

We have taken the liberty to make a few brief statements as to the reason the post office clerks are now asking for a salary increase and hope you will find time to help us in securing the salary bills now before the committees in Congress.

Postal employees have a right to a wage that is at least fairly comparable to wages paid in private industry for people of equal skill, intelligence and training, and to conditions which the Federal Government itself requires private industry to establish and maintain for its employees. That is the core of our requests, it is the basis for the bills that have been introduced in the Congress, and it is the objective for which we strive. The salary bills are H. R. 2474 in the House and S. 27 in the Senate.

In the last 6 years, we have received one small salary raise and that came with the reclassification bill with biweekly pay periods, showing no increase in the paycheck. Our people in the postal system are required, by necessity, to work part-time jobs, have our wives work, our children are forced out of schools and colleges, all in order to provide our families with a bare minimum existence, which is not possible now with our present paychecks. The salary legislation now before Congress would recognize the inadequate salaries paid all post office employees within the service. Dollar-wise, post office clerks in 1939 were the highest paid among 33 groups included in a survey from the Bureau of Labor Statistics, United States Department of Labor, Earnings and Hours Series. Today, in 1957, they rank 22d among this same group and only 11 of those included in the survey have a smaller gross weekly wage. The 33 groups referred to in this survey are a representative cross section of the working population and does not include the building trades, whose work is regarded as seasonal.

Postal workers have fallen far behind during the last 8 years in salary adjustments and now get from $1,000 to $2,000 less a year for work requiring similar skills. During the last 3 years post office personnel has been increased by only 3 percent, while the volume of work has increased 11 percent in the same period.

Recruitment of personnel has also become a major problem due to the inadequate salaries. The new man, or sub as he is referred to, comes into the post office with high regard to the caliber of position he has, and, for a while, working 11, 12 or more hours a day, earns a decent wage. However, upon being promoted from a sub to a regular clerk or carrier he no longer can work the unlimited hours as before, and he now takes a salary drop, enough to make him leave the service after he has just about become a qualified clerk or carrier. His basic salary upon becoming a regular employee is $3,660 per year, which leaves him $120 every 2 weeks for a family of 3 after deductions, not including any State taxes or bond deductions. The great turnover of postal people results from the low salary paid when a man or woman gets the regular status. Now, in many offices, it is difficult, if not impossible, to recruit the high caliber of post office employee that is desired for the safe and proper handling of the United States mail, because of the inadequate salaries.

May we bring to your attention the salary resolution approved unanimously by the Minnesota State Legislature and signed by Gov. Orville L. Freeman on March 8, 1957. To shorten this we will give you the resolves:

"Now, therefore, be it—

"*Resolved*, That the house of representatives of the State of Minnesota (with the Senate concurring) endorses a salary schedule for the postal employees commensurate with that of private industry and which will give adequate recognition of the increased productivity of postal employees; and be it further

"*Resolved*, That a copy of this resolution be transmitted to the Presiding Officers of the Senate and the House of Representatives and to each Member of Congress from the State of Minnesota."

This demonstrates our Minnesota Legislature recognizes the need for a salary adjustment to meet the increased cost of living and increased productivity of postal employees.

Also let us add from the remarks of Congressman Edwin H. May, Jr., of Connecticut, in the house of representatives on Wednesday, March 20, 1957:

"Within the memory of man now living, the postal service was a career that men entered proudly, and carried on with unflagging devotion. But times have changed. Wages have lagged and working conditions have either deteriorated or remained static. And that once splendid morale has also begun to disappear. That is the priceless ingredient that makes the difference in postal service. The Postmaster General who first recognizes this fact will be a great one."

Now, morale is a great factor in employment, be it on a beach in Normandy or in the Post Office in Minneapolis. We can tell you that we do not have that factor in our office in Minneapolis, simply because so many have regretted even entering the service and now living with an eternal struggle to try to get by. Our office in Minneapolis never

had so many complaints about unpaid debts as are coming in now, and the postal manual, section 744.434 states, "Employees shall meet their obligations promptly so there will be no cause for embarrassment or criticism." But, in the face of our present salary we have no alternative but to be subject to criticism under this article. Last month the Government reported that the cost of living had reached an alltime high for the 6th consecutive month. Postal employees are caught in the middle, on static salary and no "bargaining rights." The President requested the Heller Associates to make a survey in a large midwestern city in 1955, the purpose being to find out how much money is required for a family of four to live comfortably. The report showed the salary to be $5,440 a year. Top-grade post-office clerks, level 4, now get $4,410 or $1,000 less a year than it took 2 years ago to live comfortably.

If we may continue, we would like to illustrate a few items from the Minneapolis Star-Journal and the Minneapolis Morning Tribune that have been printed in recent weeks. These statements refute the argument that we (postal employees) are starting a new round of inflation, which some people in Washington are suggesting.

"Contractors reach accord with 8 unions." Quote, "As of yesterday, the Associated General Contractors agreement provides for a 15-cent hourly increase with additional 15-cent increases May 1, 1958 and May 1, 1959. It put the following wage scales into effect: carpenters, $3.15 an hour, cement masons $3.25 an hour, laborers, $2.40 an hour, etc."

"Pay boost averts city milk strike." Quote: "Inside workers and drivers will receive pay increases of 13 cents an hour. Rates of inside workers will go to $2.53 an hour."

"District 89 teachers get $200 hikes." District 89 is the Golden Valley Independent School District, located just west of the city of Minneapolis.

"Pay boosts of 15 cents for plasterers." Quote: "The increase effective now brings their scale to $3.25 an hour, with similar boosts of 15 cents each May 1 during the 3 years of the contract."

"Pay increase ordered for servicemen." This is a direct result of the study made by the Cordiner Committee.

"Four hundred county employees voted pay hike."

"City recommends 15 percent pay increases for laborers and truckdrivers." Quote: "Laborers affected now are making $2.25 to $2.30 an hour, drivers $2.30 an hour before this increase will take effect."

In the light of all these recent pay increases, only since May 1, 1957, in Minneapolis, how can anyone state, with any authority, that the proposed raise for postal employees will start a new round of wage increases, and start a new inflation spiral. We are barely hanging on and would like to get an increase, to bring us up to where we can pay our just debts.

Very truly yours,

PATRICK J. NILAN,
President.
RAYMOND R. MATTSON,
Legislative Chairman.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Appropriations, with amendments:

H. R. 5788. An act making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1958, and for other purposes; (Rept. No. 371).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, without amendment:

H. R. 2493. An act to authorize the Secretary of the Interior to permit the construction of a bridge and road across Chincoteague National Wildlife Refuge, and for other purposes; (Rept. No. 372).

By Mr. GREEN, from the Committee on Foreign Relations, without amendment:

S. J. Res. 64. Joint resolution to implement the convention between the United States of America and Norway, which entered into force on November 9, 1948, for the disposition of the claim against the Government of the United States of America asserted by the Government of Norway on behalf of Christoffer Hannevig; (Rept. No. 370).

GENERAL GOVERNMENT APPROPRIATIONS

Mr. JOHNSON of Texas. Mr. President, the general Government appropriation bill, which covers largely items for the White House, including the President's salary, and so forth, was reported by the senior Senator from Washington [Mr. MAGNUSON]. I am aware of no controversial features in the bill. The report is available, and the printed hearings are available. This is one of the relatively small appropriation bills.

I have talked with the Senator from Delaware [Mr. WILLIAMS] and the Senator from Illinois [Mr. DOUGLAS], who maintain constant surveillance over all appropriation bills. It is agreeable to them to consider the bill today. If we can do so, we may avoid the necessity of roll calls tomorrow and a session on Friday.

I therefore ask unanimous consent that it may be in order later in the day to proceed to the consideration of the general Government appropriation bill.

The VICE PRESIDENT. Is there objection to the request of the Senator from Texas?

Mr. SALTONSTALL. Mr. President, as a member of the subcommittee, I agree with what the Senator from Texas has said. So far as I know there is no controversial feature in the bill.

The VICE PRESIDENT. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GREEN (for himself and Mr. WILEY) (by request):

S. 2130. A bill to amend further the Mutual Security Act of 1954, as amended, and for other purposes; to the Committee on Foreign Relations.

(See the remarks of Mr. GREEN when he introduced the above bill, which appear under a separate heading.)

By Mr. WILEY (for himself and Mr. WATKINS):

S. 2131. A bill to provide that the dates for submission of plan for future control of property and transfer of the trust property of the Menominee Tribe shall be delayed; to the Committee on Interior and Insular Affairs.

By Mr. YOUNG:

S. 2132. A bill for the relief of Leonard C. Fink; to the Committee on the Judiciary.

By Mr. SALTONSTALL:

S. 2133. A bill to authorize the appointment of citizens of Guam to the United States Military Academy, the United States Naval Academy, and the United States Air Force Academy; to the Committee on Armed Services.

By Mr. LAUSCHE:

S. 2134. A bill for the relief of Junior Yoo Luhta; to the Committee on the Judiciary.

By Mr. LAUSCHE (for himself and Mr. NEUBERGER):

S. 2135. A bill for the relief of a certain Korean war orphan; and

S. 2136. A bill for the relief of Mark Raymond Johnson (Ray Whang) and Lance Holt Johnson (Lance Whang); to the Committee on the Judiciary.

By Mr. ALLOTT:

S. 2137. A bill to provide for registration, reporting, and disclosure of certain welfare, benefit, and pension plans; to the Committee on Labor and Public Welfare.

By Mr. MAGNUSON:

S. 2138. A bill to amend the Canal Zone Code to make certain changes in the fiscal obligations of the Panama Canal Company; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. CASE of South Dakota:

S. 2139. A bill for the relief of Robert Lloyd Painter; to the Committee on the Judiciary.

By Mr. NEUBERGER (for himself and Mr. MORSE):

S. 2140. A bill to provide for the increase of the monthly rates of pension to widows and former widows of deceased veterans of the Civil War whose deaths were nonservice connected; to the Committee on Finance.

(See the remarks of Mr. NEUBERGER when he introduced the above bill, which appear under a separate heading.)

By Mr. MORSE (for himself, Mr. CLARK, and Mr. CASE of New Jersey):

S. 2141. A bill to authorize the District of Columbia to borrow from the United States Treasury not to exceed $70 million for public school construction and improvements; to the Committee on the District of Columbia.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. HOLLAND (for himself and Mr. KUCHEL):

S. 2142. A bill to amend section 8c of the Agricultural Adjustment Act (of 1933), as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, so as to provide for the extension of the restrictions on imported commodities imposed by such section to all imported citrus fruits, and to sliced figs, dried figs, and fig paste; to the Committee on Agriculture and Forestry.

By Mr. CASE of New Jersey:

S. 2143. A bill to validate the salary overpayments made to certain officers and employees incident to the salary adjustment provisions of the Federal Employees Salary Increase Act of 1955, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MORSE (for himself and Mr. NEUBERGER):

S. 2144. A bill to provide for the construction by the Secretary of the Interior of the Bully Creek Dam and other facilities, Vale Federal reclamation project, Oregon; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. MARTIN of Pennsylvania:

S. 2145. A bill to amend the Tennessee Valley Authority Act of 1933 in order to authorize the Tennessee Valley Authority to undertake certain financing activities, to require it to charge just and reasonable rates and to require certain payments to the United States, and for other purposes; to the Committee on Public Works.

(See the remarks of Mr. MARTIN of Pennsylvania when he introduced the above bill, which appear under a separate heading.)

By Mr. GOLDWATER:

S. 2146. A bill for the relief of William F. Peltier; and

S. 2147. A bill for the relief of Chong Sook Rhee; to the Committee on the Judiciary.

By Mr. IVES:

S. J. Res. 95. Joint resolution granting the consent of Congress to an agreement or compact between the State of New York and the Government of Canada providing for the continued existence of the Buffalo and Fort Erie Public Bridge Authority, and for other purposes; to the Committee on Foreign Relations.

By Mr. MAGNUSON:

S. J. Res. 96. Joint resolution to establish the U. S. S. *Enterprise* (CV-6) in the Nation's Capital as a national shrine; to the Committee on Armed Services.

(See the remarks of Mr. MAGNUSON when he introduced the above joint resolution, which appear under a separate heading.)

MUTUAL SECURITY ACT OF 1957

Mr. GREEN. Mr. President, on behalf of myself, and the senior Senator from Wisconsin [Mr. WILEY], by request, I introduce, for appropriate reference, a bill to amend further the Mutual Security Act of 1954, as amended, and for other purposes.

The bill has been prepared by the executive branch to carry out the recommendation of the President made in his message to Congress which has just been received by the Senate.

The senior Senator from Wisconsin and I are introducing the proposed legislation in order that there may be a specific bill to which Members of the Senate and the public may direct their attention.

As usual, I reserve my right to support or oppose the bill, or any part of it, as well as any suggested amendments to it, when the bill is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill may be printed at this point in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2130) to amend further the Mutual Security Act of 1954, as amended, and for other purposes, introduced by Mr. GREEN (for himself and Mr. WILEY), by request was received, read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Mutual Security Act of 1957."

SEC. 2. Title I, chapter 1, of the Mutual Security Act of 1954, as amended which relates to mission assistance, is further amended as follows:

(a) Amend section 103, which relates to authorization, as follows:

(1) Strike out subsection (a) and substitute the following:

"(a) There are hereby authorized to be appropriated to the President such sums as may be necessary from time to time to carry out the purposes of this chapter, which sums shall remain available until expended."

(2) In subsection (b), strike out "and of section 124."

(3) In subsection (c), add at the end thereof the following new sentence: "When appropriations made pursuant to this section are used to furnish military assistance on terms of repayment within 3 years or earlier, dollar repayments, including dollar proceeds derived from the sale of foreign currency received hereunder to any United States Government agency or program, may be credited to the current applicable appropriation and shall be available until expended for the purposes of this chapter, and, notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, repayments in foreign currency may be used for the purposes of this chapter.".

(b) In section 104 (a), which relates to infrastructure, strike out in the first sentence the words between "Organization," and "out of funds"; strike out "$780,000,000" in the first sentence and substitute "$1,000,000,000"; strike out the second sentence; and in the last sentence strike out ", as heretofore agreed upon,".

(c) In section 105 (b) (3), which relates to conditions applicable to military assistance, strike out the words between "Asia" and ", the President."

(d) Amend section 107, which relates to waivers of law, as follows:

(1) In subsection (a), strike out "1262 (a), and title 34, United States Code, section 546 (e)" and substitute "7307 (a)."

(2) In subsection (b), strike out "Revised Statutes 1222 (10 U. S. C. 576)" and substitute "title 10, United States Code, sections 3544 (b) and 8544 (b)."

(e) Repeal section 108, which relates to transfer of military equipment to Japan.

SEC. 3. Chapter 2 of title I of the Mutual Security Act of 1954, as amended, which relates to southeast Asia and the Western Pacific, and direct forces support, is hereby repealed.

SEC. 4. Title I, chapter 3, of the Mutual Security Act of 1954, as amended, which relates to defense support, is further amended as follows:

(a) Amend section 131, which relates to General authority, as follows:

(1) In subsection (a), before "designed" in the first sentence, insert "specifically."

(2) Strike out subsection (b) and substitute the following:

"(b) There are hereby authorized to be appropriated to the President such sums as may be necessary from time to time to carry out the purposes of this chapter, which sums shall remain available until expended."

(3) Strike out subsection (c), and redesignate subsection "(d)" as subsection "(c)."

(b) Repeal section 132, which relates to the Korean program.

SEC. 5. Title I, chapter 4, of the Mutual Security Act of 1954, as amended, which relates to general provisions relating to mutual defense assistance, is further amended as follows:

(a) In section 142 (b), which relates to agreements, strike out in the first sentence "chapter 2 or" and "or under title II."

(b) Repeal section 143.

SEC. 6. Title II of the Mutual Security Act of 1954, as amended, which relates to development assistance, is further amended by striking out the heading of the title, "Development Assistance", and substituting "Development Loan Fund"; by striking out subsections (a) and (b) of section 201; by redesignating subsection (c) of section 201 as subsection (d) of section 537 and striking out therein "this title" and "411 (c)" and substituting, respectively, "section 400" and "411 (b)"; and by inserting the following new sections:

"SEC. 201. Declaration of Purpose: The Congress of the United States recognizes that the progress of free peoples in their efforts to further their economic development, and thus to strengthen their freedom, is important to the security and general welfare of the United States. The Congress further recognizes the necessity of assistance to such peoples if they are to succeed in these efforts. The Congress accordingly reaffirms that it is the policy of the United States, and declares it to be the purpose of this title, to assist, on a basis of self-help and mutual cooperation, the efforts of free peoples to develop their economic resources, increase their productive capabilities, and raise their standards of living.

"SEC. 202. General Authority: (a) There is hereby established a fund to be known as the 'Development Loan Fund' (hereinafter referred to in this title as 'the Fund') to be used by the President to finance activities and transactions carried out pursuant to authority contained in this title.

"(b) To carry out the purposes of this title, the President is hereby authorized to make loans, credits, or guaranties, or to engage in other financing activities or transactions (not to include grants or direct purchases of equity securities), to or with such nations, organizations, persons or other entities, and on such terms and conditions, as he may determine, taking into account (1) whether financing could be obtained in whole or in part from other free-world sources on reasonable terms, (2) the economic and technical soundness of the activity or transaction, and (3) whether the activity or transaction gives reasonable promise of contributing to the development of economic resources, increase of productive capacities, or improvement of standards of living in furtherance of the purposes of this title. The Fund shall be administered so as to support and encourage private investment and other private participation furthering the purposes of this title. The authority of section 401 (a) of this Act may not be used to waive the requirements of this title, nor may the authority of section 501 of this Act be used to increase or decrease the funds available under this title.

"SEC. 203. Capitalization: (a) There is hereby authorized to be appropriated to the President without fiscal-year limitation, for advances to the Fund, not to exceed $500,000,000. In addition, unless disapproved in the appropriation act appropriating funds pursuant to the authorization contained in the preceding sentence, the Secretary of the Treasury is authorized and directed to make, beginning in the fiscal year 1959, loans to the Fund in amounts needed to cover obligations incurred against the Fund. Except as provided in section 204 (b) of this act, the maximum amount of obligations incurred against the Fund during the fiscal year 1958 shall be $500,000,000, during the fiscal year 1959 shall be $750,000,000, and during the period beginning in the fiscal year 1960 shall be $750,000,000; and any unused portion of the maximum applicable to any period shall be added to the maximum applicable to the succeeding period.

"(b) For purposes of the loans provided for in this section, the Secretary of the Treasury is authorized to use the proceeds of the sale of any securities issued under the Second Liberty Bond Act as now in force or as hereafter amended, and the purposes for which securities may be issued under the Second Liberty Bond Act are hereby extended to include this purpose. The President shall determine the terms and conditions of any advances or loans made to the Fund pursuant to this section.

"SEC. 204. Fiscal Provisions: (a) All receipts from activities or transactions under this title shall be credited to the Fund and, notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law relating to the use of foreign currencies or other receipts accruing to the United States, shall be available for use for purposes of this title.

"(b) The President is authorized to incur, in accordance with the provisions of this title, obligations against the Fund in amounts which may not at any time exceed the assets of the Fund. The amount of such obligations also may not exceed the limitations specified in section 203 (a) of this Act, except that, to the extent that assets of the fund other than capitalization provided pursuant to section 203 (a) are available, obligations may be incurred beyond such limitations. The term 'assets of the Fund' as used in this section shall mean the amount of liquid assets of the Fund at any given time, including any amount of capitalization authorized pursuant to section 203 (a) of this Act, which has not been advanced or loaned to the fund as of such time. The Fund shall be available without fiscal-year limitation for any obligations or expenditures in connection with the performance of functions under this title, including repayment of loans made to the Fund pursuant to section 203 (a) of this Act.

"(c) In the performance of and with respect to the functions, powers, and duties vested in him by this title, the President shall prepare annually and submit a budget program in accordance with the provisions of the Government Corporation Control Act, as amended; and he shall cause to be maintained an integral set of accounts which shall be audited by the General Accounting Office in accordance with principles and procedures applicable to commercial corporate transactions as provided by the Government Corporation Control Act, as amended, and no other audit shall be required.

"SEC. 205. Powers and Authorities: In carrying out the purposes of this title, any officer or agency of the United States designated to exercise authorities provided for hereunder may, in addition to other powers and authorities provided in this Act or elsewhere, and as the President may direct, enter into, perform, and modify contracts, leases, agreements, or other transactions, on such terms as may be deemed appropriate, with any agency or instrumentality of the United States, with any foreign government or foreign government agency, or with any person, partnership, association, corporation, organization, or other entity, public or private, singly or in combination; accept and use gifts or donations of services, funds, or property (real, personal or mixed, tangible or intangible); contract for the services of attorneys; determine the character of and necessity for obligations and expenditures under this title, and the manner in which they shall be incurred, allowed, and paid, subject to provisions of law specifically applicable to Government corporations; acquire and dispose of, upon such terms and conditions and for such consideration as such officer or agency shall determine to be reasonable, through purchase, exchange, discount, rediscount, public or private sale, negotiation, assignment, exercise of option or conversion rights, or otherwise, for cash or credit, with or without endorsement or guaranty, any property, real, personal, mixed, tangible, or intangible, including, but not limited to, mortgages, bonds, debentures (including convertible debentures), liens, pledges, and other collateral or security, contracts, claims, currencies, notes, drafts, checks, bills of exchange, acceptances, including bankers' acceptances, cable transfers, and all other evidences of indebtedness or ownership (provided that equity securities may not be directly purchased, although such securities may be acquired by other means, such as by exercise of conversion rights or through enforcement of liens, pledges, or otherwise, to satisfy a previously incurred indebtedness), and guarantee payment against any instrument above specified; issue letters of credit and letters of commitment; collect or compromise any obligations assigned to or held by, and any legal or equitable rights accruing to, such officer or agency, and, as such officer or agency may determine, refer any such obligations or rights to the Attorney General for suit or collection; and otherwise take any and all actions determined by such officer or agency to be necessary or desirable in making, carrying out, servicing, compromising, liquidating, or otherwise dealing with or realizing on any transaction or activity authorized by this title."

SEC. 7. Title III of the Mutual Security Act of 1954, as amended, which relates to technical cooperation, is further amended as follows:

(a) In section 304, which relates to authorization, strike out subsections (a) and (b) and substitute the following: "There are hereby authorized to be appropriated to the President such sums as may be necessary from time to time to carry out the purposes of this title."

(b) Amend section 306, which relates to multilateral technical cooperation, as follows:

(1) Strike out the text of subsection (a) and substitute the following:

"$15,500,000 for the fiscal year 1958 for contributions to the United Nations Expanded Program of Technical assistance: *Provided*, That, notwithstanding any other provision of law, the United States contribution to this program for the calendar year 1958 may constitute as much as, but shall not exceed 45 percent of the total amount contributed to the program for that period.".

(2) Strike out the text of subsection (b) and substitute the following:

"$1,500,000 for the fiscal year 1958 for contributions to the technical cooperation program of the Organization of American States.".

SEC. 8. Title IV of the Mutual Security Act of 1954, as amended, which relates to other programs, is further amended as follows:

(a) Insert before section 401 the following new section:

"SEC. 400. Special Assistance.—There is hereby authorized to be appropriated to the President for the fiscal year 1958 not to exceed $300 million for use on such terms and conditions as he may specify for assistance designed to maintain or promote political or economic stability or for assistance in accordance with the provisions of this act applicable to the furnishing of assistance under title I, section 304, section 405, or section 407 of this act. $100 million of the funds authorized to be appropriated pursuant to this section for any fiscal year may be used in such year in accordance with the provisions of section 401 (a)."

(b) Amend section 401, which relates to special fund, as follows:

(1) Strike out the title of this section and substitute "President's Special Authority."

(2) In subsection (a), strike out "to be appropriated under subsection (b) hereof" in the first sentence and substitute "for such use by section 400 of this act"; before ", in furtherance of" in the first sentence, insert "or any act appropriating funds pursuant to authorizations contained in this act"; and strike out the second sentence.

(3) Strike out subsection (b).

(4) Redesignate subsection "(c)" as subsection "(b)."

(c) In section 402, which relates to earmarking of funds, strike out all preceding "shall be used" in the first sentence and substitute "Of the funds authorized to be made available in the fiscal year 1958 pursuant to this act (other than funds made available pursuant to title II), not less than $175 million."

(d) Amend section 403, which relates to special assistance in joint control areas, as follows:

(1) In subsection (a), strike out the subsection designation "(a)"; and in the second sentence strike out all following "the President" and substitute "for the fiscal year 1958 not to exceed $11,500,000 to carry out this section.".

(2) Strike out subsection (b).

(e) Amend section 405, which relates to migrants, refugees, and escapees, as follows:

(1) In subsection (a), strike out the words between "appropriated" and "such amounts"; and strike out the last sentence.

(2) In subsection (c), strike out the words between "appropriated" and "for contributions" and substitute "for the fiscal year 1958 not to exceed $2,233,000."

(3) In subsection (d), strike out the words between "President" and "for continuation" and substitute "for the fiscal year 1958 not to exceed $5,500,000."

(f) Amend section 406, which relates to children's welfare, as follows:

(1) In subsection (a), strike out the subsection designation "(a)"; and strike out all following "exceed" and substitute "$11 million for the fiscal year 1958 for contributions to the United Nations Children's Fund.".

(2) Strike out subsection (b).

(g) In section 407, which relates to Palestine refugees in the Near East, strike out the first two sentences in subsection (a) and substitute in lieu thereof the text of the present subsection (b); strike out the subsection designation "(a)"; and strike out subsection (b).

(h) In section 408, which relates to the North Atlantic Treaty Organization, strike out in subsection (a) the words between "appropriated" and "such amounts."

(i) Amend section 409, which relates to ocean freight charges, as follows:

(1) Strike out the text of subsection (c) and substitute "There is hereby authorized to be appropriated to the President for the fiscal year 1958 not to exceed $2,200,000 to carry out the purposes of this section.".

(2) In subsection (d), strike out all preceding "to pay" in the first sentence and substitute "In addition, any funds made available under this Act may be used, in amounts determined by the President,"; and strike out the second sentence.

(j) In section 410, which relates to Control Act expenses, strike out the words between "President" and "for carrying out" in the first sentence and substitute "for the fiscal year 1958 not to exceed $1,300,000."

(k) Amend section 411, which relates to administrative and other expenses, as follows:

(1) In subsection (b), strike out the words between "President" and "for necessary" and substitute "for the fiscal year 1958 not to exceed $35 million"; strike out "and section 124"; and before the period at the end of the subsection, insert "and functions under the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U. S. C. 1691 and the following) performed by any agency or officer administering nonmilitary assistance."

(2) Strike out subsection (c), and redesignate subsections "(d)" and "(e)" as subsections "(c)" and "(d)", respectively.

(l) Repeal section 412, which relates to Chinese and Korean students.

(m) Repeal sections 419 and 421, relating, respectively, to World Health Organization and Food and Agriculture Organization, which repeals shall not be deemed to affect amendments contained in such sections to acts other than the Mutual Security Act of 1954, as amended; and add the following new sections:

"SEC. 419. Atoms for Peace: (a) The President is hereby authorized to furnish from funds made available pursuant to this section, in addition to other funds available for

such purposes, and on such terms and conditions as he may specify, assistance designed to promote the peaceful uses of atomic energy abroad. There is hereby authorized to be appropriated to the President for the fiscal year 1958 not to exceed $7 million to carry out the purposes of this section.

"(b) The United States share of the cost of any research reactor made available to another government under this section shall not exceed $350,000.

"(c) In carrying out the purposes of this section, the appropirate United States departments and agencies shall give full and continuous publicity through the press, radio, and all other available mediums, so as to inform the peoples of the participating countries regarding the assistance, including its purpose, source, and character, furnished by the United States. Such portions of any research reactor furnished under this section as may be appropriately diestamped or labeled as a product of the United States shall be so stamped or labeled.

"SEC. 420. Malaria Eradication: The Congress of the United States, recognizing that the disease of malaria, because of its widespread prevalence, debilitating effects, and heavy toll in human life, constitutes a major deterrent to the efforts of many peoples to develop their economic resources and productive capacities and to improve their living conditions, and further recognizing that it now appears technically feasible to eradicate this disease, declares it to be the policy of the United States and the purpose of this section to assist other peoples in their efforts to eradicate malaria. The President is hereby authorized to furnish to such nations, organizations, persons, or other entities as he may determine, and on such terms and conditions as he may specify, financial and other assistance to carry out the purpose of this section. Funds made available pursuant to authorizations contained in this act (other than title I, chapter 1, and title II) may be used to carry out the purpose of this section."

SEC. 9. Title V, chapter 1, of the Mutual Security Act of 1954, as amended, which relates to general provisions, is further amended as follows:

(a) Amend section 503, which relates to termination of assistance, as follows:

(1) Strike out the subsection designation "(a)"; and in the last sentence of subsection (a) strike out "subsection" and substitute "section."

(2) Strike out subsection (b).

(b) In section 504 (a), which relates to small business, strike out "chapters 2 and" and substitute "chapter."

(c) Amend section 505, which relates to loan assistance and sales, as follows:

(1) In subsection (a), strike out "Assistance" in the first sentence and substitute "Except as otherwise specifically provided in this act, assistance"; and after "commodities" both times it appears in the second sentence, insert ", equipment, materials,".

(2) In subsection (b), strike out the first sentence; and strike out "shall" both times it appears in the second sentence and substitute "may."

(d) In section 509, which relates to shipping on United States vessels, strike out the first sentence.

(e) In section 511 (c), which relates to retention and return of equipment, after "materials" the first time it appears, insert "on a grant basis"; and strike out "other than equipment or materials sold under the provisions of section 106)."

SEC. 10. Title V, chapter 2, of the Mutual Security Act of 1954, as amended, which relates to organization and administration, is further amended as follows:

(a) In section 527 (c), which relates to employment of personnel, after "shall be entitled" in paragraph (1), insert ", except to the extent that the President may specify otherwise,"; and before the period at the end of paragraph (2), insert ": *Provided, however*, That the President may by regulation make exceptions to the application of section 528."

(b) In section 534, which relates to reports, after "504,", insert "202, 400,".

(c) In section 535 (b), which relates to cooperation with nations and international organizations, before "in furtherance of" in the first sentence insert "consistent with and"; and strike out "and within the limitations" in the first sentence.

(d) Amend section 537, which relates to provisions on uses of funds, as follows:

(1) In the opening clause of subsection (a), within the parentheses, strike out "and section 124."

(2) In subsection (a), paragraph (1), strike "1957" and substitute "1958."

(3) Amend the text of subsection (a), paragraph (10), to read "rental or lease outside the continental limits of the United States of offices, buildings, grounds, and living quarters to house personnel; maintenance,. furnishings, necessary repairs, improvements, and alterations to properties owned or rented by the United States Government abroad; and costs of fuel, water, and utilities for such properties;".

(4) In subsection (a), paragraph (17), strike out "or" preceding "(iii)"; and after "another", insert ", (iv) when he is temporarily absent from his post under orders, or (v) when through no fault of the employee storage costs are incurred on such furniture and effects (including automobiles) in connection with authorized travel."

(5) In subsection (c), strike out the words preceding "funds"; change "funds" to "Funds"; and strike out "in the fiscal year 1957."

(6) Add the following new subsection:

"(e) Funds available under this act may be used to pay costs of training United States citizen personnel employed or assigned pursuant to section 527 (c) (2) of this act (through interchange or otherwise) at any State or local unit of government, public or private nonprofit institution, trade, labor, agricultural, or scientific association or organization, or commercial firm; and the provisions of Public Law 918, 84th Congress, may be used to carry out the foregoing authority notwithstanding that interchange of personnel may not be involved or that the training may not take place at the institutions specified in that act. Such training shall not be considered employment or holding of office under title 5, United States Code, section 62, and any payments or contributions in connection therewith may, as deemed appropriate by the head of the United States Government agency authorizing such training, be made by private or public sources and be accepted by any trainee, or may be accepted by and credited to the current applicable appropriation of such agency: *Provided, however*, That any such payments to an employee in the nature of compensation shall be in lieu of or in reduction of compensation received from the Government of the United States."

SEC. 11. Title V, chapter 3, of the Mutual Security Act of 1954, as amended, which relates to repeal and miscellaneous provisions, is further amended as follows:

(a) In section 543, relating to saving provisions, insert the following new subsections:

"(d) Funds appropriated pursuant to provisions of this Act repealed by the Mutual Security Act of 1956 or the Mutual Security Act of 1957 shall remain available for their original purposes in accordance with the provisions of law originally applicable thereto. The repeal by the Mutual Security Act of 1957 of sections 121, 131 (c) and 132 of this act shall not be deemed to affect the authority contained in the third sentence of section 121, or the authorities contained in the last sentence of section 131 (c), that part of the first sentence of section 132 (a) which relates to payment of ocean freight charges on shipments to Korea for relief without regard to the requirements of section 409, and section 132 (d). References in any act to provisions of this act repealed or stricken out by the Mutual Security Act of 1957 are hereby stricken out; and references in any act to provisions of this act redesignated by the Mutual Security Act of 1957 are hereby amended to refer to the new designations."

(b) Amend section 544, which relates to amendments to other laws, as follows:

(1) Repeal subsections (a), (c), (d), (e), (f), (g), (h), and (i), which repeals shall not be deemed to affect amendments contained in such subsections to acts other than the Mutual Security Act of 1954, as amended; and redesignate subsection "(b)" as subsection "(a)."

(2) Add the following new subsection:

"(b) Public Law 174, 79th Congress, as amended, is hereby further amended by striking out the proviso at the end of section 2."

(c) In section 546 (b), relating to construction, strike out "Atomic Energy Act of 1946, as amended (42 U. S. C. 1801)" and substitute "Atomic Energy Act of 1954, as amended (42 U. S. C. 2011)."

(d) Repeal section 547, which relates to reduction of authorizations.

(e) In section 549, relating to special provision on availability of funds, strike out "chapter 3 of title I" and strike out the comma following "title III."

AMENDMENT OF CANAL ZONE CODE, RELATING TO FISCAL REQUIREMENTS OF PANAMA CANAL COMPANY

Mr. MAGNUSON. Mr. President, I introduce, for appropriate reference, a bill which would amend sections 246 and 249 of the Canal Code in order to adjust fiscal requirements of the Panama Canal Company. The Members of the Senate will recall that last year the Senate Interstate and Foreign Commerce Committee held lengthy hearings and ultimately reported favorably S. 2167, which, among other things, contained the fiscal adjustments incorporated in the bill now introduced. As a result of some improvements in the administrative practices, and as a result of continually changing circumstances, last year's bill has been scaled down considerably.

I ask unanimous consent that a memorandum explaining the proposed legislation be inserted in the RECORD at this point.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the memorandum will be printed in the RECORD.

The bill (S. 2138) to amend the Canal Zone Code to make certain changes in the fiscal obligations of the Panama Canal Company, introduced by Mr. MAGNUSON, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The memorandum presented by Mr. MAGNUSON is as follows:

MEMORANDUM TO ACCOMPANY DRAFT LEGISLATION AMENDING SECTIONS 246 AND 249 OF THE CANAL ZONE CODE

Section 1 of this legislation would amend section 246 of the Canal Zone Code so as to provide a statutory credit to the Canal Zone Government in its annual cost of operation for (a) the net cost of providing customs and immigration services for the Republic of Panama; (b) of providing school services to nonresidents of the zone other than employees or dependents of employees of the Canal Zone Government or the Panama Canal Company; and (c) one-half of the Federal income taxes derived from United States employees in the Canal Zone employed by the Zone Government, the Panama Canal Company, and the military agencies.

Under present law, the net cost of operation of the Canal Zone Government approximating $10 million per year is required to be covered into the Treasury annually out of revenues from the Panama Canal Company. What the legislation would seek to accomplish is a more equitable distribution of these Zone Government costs between the Company itself and the Federal Government.

It has long been a bone of contention that the Panama Canal Company should use its revenues (derived 80 to 90 percent from tolls and 10 to 20 percent from the employees in the zone) to pay for the cost of supplying free schooling to nonresidents of the zone which free schooling has been determined to be a necessary political gesture to certain outside interests, including certain families in the Republic of Panama. There is a further bone of contention that the providing of immigration and custom services to the Republic of Panama by United States authorities is likewise a political gesture and a service not within the scope of the legislative obligations of the Panama Canal Company. This legislation would remove this annual burden from the Canal Zone Government and hence from the Panama Canal Company by providing a statutory credit for the expenses involved. It would, however, require no additional appropriations from the Federal Government.

The matter of crediting the Canal Zone Government for a portion of the Federal income taxes derived from the personnel residing in the zone is one which is not a new one for Congress to consider. The tolls payers and the employees in the zone have for a number of years supported legislation which would require the Canal Zone Government to bill back to other Federal agencies, including Defense Department, Immigration, Customs, Post Office, etc., those costs which in other jurisdiction are paid directly from Federal appropriations. In the 84th Congress, S. 2167, reported favorably by the Senate Commerce Committee, included such a provision. However, as a result of discussions between the industry and the Panama Canal Company, it is now recognized that such a scheme of billbacks could prove administratively clumsy and that a statutory credit for income taxes paid in the zone is a more logical solution to the problem.

The legislative history leading up to the passage of Public Law 841, the primary law governing canal operations, would indicate that the Company is statutorily required to pay the net cost of Canal Zone Government on the theory that it is in lieu of taxes that it would have to pay if it were a private corporation. It is entirely consistent with this theory to apply revenues in the form of appropriate credits, as well as in the form of cash revenues, in the computation of the net cost to the zone government. The legislation proposed herewith is, therefore, consistent with congressional intent and simply identifies the proportion of Federal income taxes paid which should logically be used as an offsetting credit in computing the net cost of the zone government.

At present, approximately $7.5 million is paid in private income taxes by United States citizens in the Canal Zone. None of these taxes are spent directly by the Federal Government for either the Company or the Canal Zone Government, since both of these entities are self-supporting. In effect, it may be said that local government services are being paid for twice—once by the Canal Company in meeting the net government costs, and again by the individual taxes for which no local credit is given.

Naturally, a portion of any citizen's tax goes to the tremendous Federal expenditure for national defense and security from which United States citizens in the zone directly benefit. It would, therefore, be ignoring that overall obligation to suggest that all income taxes paid by all citizens in the zone be credited to the expenses of running the local Government. But part of the income-tax revenues from United States citizens in the zone should go to pay for a portion of the cost of Federal, State, or municipal services in that area, such as police, fire, sewerage, schools, roads, as well as general Government costs. Even if 50 percent of the estimated $7.5 million paid annually in income taxes were to be credited to the zone government, it still would represent a smaller share of local contribution to local services than is true in other United States local governments.

There is indeed a clear precedent for a full 100 percent income-tax plowback. In other Territorial jurisdictions, under Guam, Puerto Rico, and the Virgin Islands, the full income taxes paid by the citizens therein are paid to the treasury of the Territory for local allocation (U. S. C., title 48, secs. 1421h, 1397, and 734). And although there are political differences between the Canal Zone and United States Territories as regards local government autonomy, the principle is sufficiently analogous as to warrant careful consideration of a tax credit in the zone. Furthermore, whatever the nature of these local government costs, that is whether they are ones which are ordinarily handled in the United States by local taxing authorities or by Federal, the fact remains that they are now borne by the Panama Canal Company in its annual reimbursement to the Treasury and they are paid in lieu of taxes. (H. Doc. No. 460, 81st Cong., p. 14.)

At the time of consideration of Public Law 841 in 1950, United States citizens in the Canal Zone were not paying Federal income taxes. Congress acted on the assumption that there were no other tax revenues from the zone and that, therefore, the Company should pay for all net Government costs without any tax credit. At about the same time, however, and by independent noncoordinated action, Congress also extended the income tax to employees in the Canal Zone, which became effective in 1951. Since that time, various suggestions have been made for legislation to provide for some form of income-tax plowback, agency reimbursement to the Company, or other devices to correct the inequitable financial burden placed upon the Company in reimbursing for necessary local government services. It has been determined that an income-tax credit is the fairest and least controversial device to accomplish this.

In seeking this tax credit, it is important to note that it will not place upon the employee customers in the zone any greater burden than they now have, and further it will not affect the income to the United States Treasury from these individuals, since the tax payments will continue to go directly to the Federal Treasury. The tax credit will not affect the prices of employee services either up or down, since the net cost of the Canal Zone Government is not reflected in the prices charged by the Company. Therefore the proposal does not harm the Canal Zone taxpayer, it merely gives realization and recognition to the fact that his taxes are in part contributing something to the Government services which he enjoys, and which he would be paying for in any other United States jurisdiction.

There is one inherent advantage in this scheme which should be mentioned finally. At present, residents in the zone have no voting franchise and often feel they have little to say about normal Government matters. It stands to reason that if 50 percent of their income taxes were to be reflected in a tax credit to the Zone Government that their interest in local government matters would be greatly increased; and it would mitigate the touchy problem of citizens in the zone being told they have no legitimate say in the local government, because they pay no taxes to the local government.

Section 2 of the proposed legislation would amend section 249 of the Canal Zone Code so as to set up an emergency borrowing authority of $10 million upon which the Company-Government could call in the event Congress is not in session and an operational emergency should arise.

The source of the $10 million fund would come from the so-called emergency fund of $10 million which is now held on the Company books derived from previous surpluses, and provided for in the statute in section 254. Simultaneous with the provision for the borrowing authority would be the abolishment of this fund and amending language requiring that it be paid into the Treasury.

Under section 254 of title 2 of the Canal Zone Code, the Panama Canal Company is already authorized to borrow for temporary periods from this $10 million emergency fund which the Company itself was required to establish in 1948. The draft legislation would simply change the authority to borrow from its own internal $10 million fund and transfer this borrowing authority to a $10 million fund held by the Treasury.

Enactment of the proposed legislation would relieve the company of the obligation to pay interest on the $10 million fund as the paying into the Treasury of this amount of money reduces the interest-bearing investment of the Company. It stands to reason in corporate accounting practice that the holding of funds in excess of normal requirements requires a heavier interest burden than to borrow the money as needed, and only pay interest on the borrowed funds. This principle has the support of the administration and on April 24 a formal request was forwarded to the Congress by the Secretary of the Panama Canal Company for introduction and enactment of legislation to accomplish this.

INCREASED PENSIONS FOR WIDOWS OF CIVIL WAR AND SPANISH-AMERICAN WAR VETERANS

Mr. NEUBERGER. Mr. President, on May 6 the House of Representatives unanimously passed H. R. 358, to increase from $54.18 to $75 the monthly pensions payable to widows and former widows of deceased veterans of the Spanish-American War, and I understand that 83,200 widows will benefit from this legislation. This is a most meritorious bill, and I hope that the proposed legislation will receive the prompt approval of the Senate Finance Committee and be reported to the Senate. The present pension of only $54.18 is wholly inadequate, and should be increased to the modest $75 a month.

I feel that it is only simple justice, however, that the pension for Civil War widows be increased to $75 a month. Certainly if the Spanish-American War widows are to receive a needed increase in their pension, the Civil War widows are equally deserving, if not more so, because of their advanced age—and thus this need for more medical care and hospitalization.

The average age of Civil War widows is now 82, and equity demands that the 4,492 Civil War widows—as of March 31, 1957—receive an increase in their extremely modest pension. At the present time, 4,241 Civil War widows receive

$54.18 monthly, the same as Spanish-American War widows. Some 107 widows are receiving additional amounts because their husbands' deaths were caused by service-connected disability, and 144 Civil War widows are receiving varying benefits under special acts.

Mr. President, on behalf of my colleague, the senior Senator from Oregon [Mr. MORSE], and myself, I introduce for appropriate reference, a bill to increase monthly pension benefits to $75 for widows of deceased veterans of the Civil War. I do not feel that the small number of Civil War widows should be overlooked.

Mr. President, Mrs. Matie V. Heller, of Glendale, Oreg., a widow of a Civil War veteran, has recently written to me and called to my attention the oversight of the House of Representatives. I hope that the Senate Finance Committee will amend the proposed legislation for Spanish-American War widows to include the widows of veterans of the Civil War. This to me seems only fair.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2140) to provide for the increase of the monthly rates of pension to widows and former widows of deceased veterans of the Civil War whose deaths were non-service connected, was received, read twice by its title, and referred to the Committee on Finance.

LOANS FOR PUBLIC SCHOOL CONSTRUCTION IN THE DISTRICT OF COLUMBIA

Mr. MORSE. Mr. President, the physical plant of the Washington school system is at a critical point today. Grammar schools with enrollments of 1,250 and 1,485 bear witness to the need for a substantial building program. The population shift to the suburbs which causes so much concern to local leaders in business is in my judgment related to the desire on the part of parents to obtain for their children education in modern schools. Schools that have the proper facilities, and schools that have a lower enrollment, thus permitting more attention to be paid each child, are in this day and age a necessity.

The situation now is at a critical point. Expensive remedies are needed. Washington, D. C., unlike most cities of comparable population in this country does not possess at present the power to borrow, or to issue bonds which would finance on a sound basis the construction of the buildings so urgently needed.

The Congress of the United States has in this matter a responsibility to the District that is unique. It was to enable the Congress to discharge this responsibility that on May 2, 1957, I introduced S. 1982. Today, it is for the same purpose that I propose to introduce a bill designed to achieve the same end, but by a variant method.

I am not wedded to the specific details of either method, but I am concerned to see that the goal is met. Which of the methods is most practical and desirable in attaining the goal can best be determined on the basis of the hearings; hearings, I might add, that should be held at an early date.

My colleagues on the Education Subcommittee of the Committee on the District of Columbia are also much concerned with this matter, and as an expression of that concern join with me today in sponsoring the bill I am introducing.

Mr. President, on behalf of myself and the distinguished and able Senator from Pennsylvania [Mr. CLARK] and the Senator from New Jersey [Mr. CASE], I send to the desk for appropriate reference a bill which contains the views of the District of Columbia Congress of Parents and Teachers on a suggested method of providing for the financing of needed school construction.

I ask unanimous consent Mr. President, that the bill be printed in the RECORD at the conclusion of my remarks, and appropriately referred.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2141) to authorize the District of Columbia to borrow from the United States Treasury not to exceed $70 million for public school construction and improvements, introduced by Mr. MORSE (for himself, Mr. CLARK, and Mr. CASE of New Jersey), was received, read twice by its title, referred to the Committee on the District of Columbia, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) the Commissioners of the District of Columbia are authorized to borrow from the United States, for the exclusive purpose of financing public school capital outlay projects in the District of Columbia, including site acquisition, construction, purchase of equipment, and improvements, such sums, not exceeding in the aggregate $70 million as may be appropriated therefor pursuant to subsection (c) of this section.

(b) The Secretary of the Treasury is authorized, on behalf of the United States, to make loans to the District of Columbia, in the manner provided by section 3, out of moneys appropriated therefor pursuant to subsection (c) of this section.

(c) There are authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, for the 5 fiscal years beginning with the fiscal year ending June 30, 1959, and ending with the fiscal year ending June 30, 1963, such sums, not exceeding in the aggregate $70 million, as may be necessary for making loans to the District of Columbia authorized by this act. Funds appropriated pursuant to this subsection shall remain available until expended for the purpose of making loans to the District of Columbia for such purpose.

SEC. 2. The Commissioners of the District of Columbia shall submit, for each fiscal year beginning with the fiscal year ending June 30, 1959, and ending with the fiscal year ending June 30, 1963, in connection with their request for the appropriation for such fiscal year authorized by subsection (c) of the first section—

(1) a list of the public school capital outlay projects proposed to be commenced during such fiscal year the cost of which is to be defrayed from the proceeds of loans received under the authority of this act;

(2) a statement showing the need for each such project; and

(3) itemized cost estimates for each such project and the fiscal year or years in which such costs will be incurred.

SEC. 3. (a) The Secretary of the Treasury shall, upon request of the Commissioners of the District of Columbia, loan to the District of Columbia, out of moneys appropriated pursuant to subsection (c) of the first section, such sums as the Commissioners may request. Any such loan shall be effectuated by transferring on the books of the Treasury the amount requested to the general fund of the District of Columbia. Sums transferred pursuant to this section shall remain available, for defraying the costs of public school capital outlay projects, until expended.

(b) Interest shall be paid on any loan made pursuant to this act at such rate as would, in the opinion of the Secretary of the Treasury, be the lowest rate available to the District of Columbia on the date such loan is made, if the District of Columbia were authorized by law to issue and sell obligations to the public, at the par value thereof, in a sum equal to the amount of such loan, maturing serially over a comparable period of years in comparable installments of principal and interest, and secured by a first pledge of and lien upon all the general fund revenues of the District of Columbia. Interest shall begin to accrue, with respect to any loan, on the date on which such loan is made in the manner prescribed by subsection (a) of this section.

(c) Any loan made pursuant to this act, together with interest thereon, shall be amortized in 25 annual installments, as prescribed by the Secretary of the Treasury.

(d) There are authorized to be appropriated, out of any moneys in the Treasury to the credit of the general fund of the District of Columbia, for the fiscal year ending June 30, 1960, and for each fiscal year thereafter until all loans, together with interest thereon, made pursuant to this act have been amortized, such sums as may be necessary to amortize, in accordance with the provisions of subsection (c) of this section, all loans made pursuant to this act.

BULLY CREEK DAM, OREG.

Mr. MORSE. Mr. President, on behalf of myself and my colleague, the junior Senator from Oregon [Mr. NEUBERGER], I introduce, for appropriate reference, a bill to provide for the construction by the Secretary of the Interior of the Bully Creek Dam and other facilities, Vale Federal reclamation project, in Oregon.

All Oregon recalls with deep concern the tremendous flood damage that occurred in February of this year in eastern Oregon, in the vicinity of the Malheur and its tributaries, including Bully Creek. Bully Creek has been one of the principal causes of flood damage in the area it courses.

By way of contrast, fertile farmlands in close proximity to Bully Creek thirst for water during the growing season.

Bully Creek Dam would bring not only flood control, but supplemental irrigation water for 32,000 acres now under irrigation in the Vale project, and irrigation for 3,000 additional acres.

The bill would provide excellent multiple-purpose development of a great natural resource of eastern Oregon. I urge prompt and favorable action on this proposed legislation.

Mr. President, I ask that the bill be appropriately referred, and I ask unanimous consent that the bill be printed in the RECORD at this point in my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the bill will be printed in the RECORD.

The bill (S. 2144) to provide for the construction by the Secretary of the Interior of the Bully Creek Dam and other facilities, Vale Federal reclamation project, Oregon, introduced by Mr. MORSE (for himself and Mr. NEUBERGER), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized to construct, operate, and maintain the Bully Creek Dam, Reservoir, and related minor facilities as features of the Vale Federal reclamation project, Oregon. In so doing he shall be governed by the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto) except as otherwise provided in this act. Said construction, however, shall not be commenced until the Vale Oregon Irrigation District shall have obligated itself, by amendment of its repayment contract approved by the act of October 27, 1949 (63 Stat. 941), or otherwise, to repay such portions of the Federal costs of constructing, operating, and maintaining the facilities herein authorized as the Secretary finds properly allocable to irrigation, such repayment to be accomplished during a period ending concurrently with completion of repayment of its existing obligation and on terms substantially similar to those on which that obligation is being repaid.

SEC. 2. (a) The Secretary is authorized, in connection with the works herein authorized, to construct basic public recreation facilities and to arrange for the operation and maintenance of the same by an appropriate State or local agency or organization. He is also authorized to acquire approximately 10 acres of land near Bully Creek Dam for recreation purposes.

(b) In addition to those costs of constructing the works authorized in this act which the Secretary finds to be properly allocable to flood control, recreation, and the preservation and propagation of fish and wildlife, those costs of operating and maintaining the works, or the reasonable capitalized value of the equivalent thereof, which are allocated by the Secretary to these purposes shall be nonreimbursable and nonreturnable under the reclamation laws. Before the works are transferred to the Vale Oregon Irrigation District for care, operation, and maintenance the district shall have agreed either to operate them in such fashion, satisfactory to the Secretary, as to achieve the benefits on which these allocations are predicated or to assume such allocations as an additional repayable and returnable obligation.

SEC. 3. There are hereby authorized to be appropriated such sums as may be required to carry out the purposes of this act.

Mr. NEUBERGER subsequently said: Mr. President, the Bully Creek Dam and Reservoir for which authorization is sought in the bill introduced today by colleague the senior Senator from Oregon [Mr. MORSE] and myself is vitally needed for the improvement of agriculture in Malheur County, Oreg.

Primary objective of the Bully Creek project is to provide supplemental water for 32,000 acres of the Vale irrigation project which now have an inadequate supply. Collateral flood control benefits from the Bully Creek unit also are of considerable significance to this eastern Oregon farm area.

In 1955 the irrigators of the Vale project suffered a serious water shortage and a consequent loss of farm income. Yet only a few weeks ago, late in February, water swept down Bully Creek in such volume that canals and other irrigation facilities, farmland, homes, roads, and utility installations were extensively damaged by flood waters. The situation was so acute that Senator MORSE; the able Congressman from the district, AL ULLMAN, and I asked the President to designate it as a disaster area. Subsequently, the President allocated emergency disaster funds for relief of the flood-stricken area.

Cycles of flood and drought have plagued this section of Malheur County for generations. Elimination of recurrent disaster from drought and disaster from flood requires the addition of storage capacity at the Bully Creek site. It is my understanding that existence of the Bully Creek Reservoir during the recent high-water period would have controlled the crest of the flood, thereby eliminating the need for Federal disaster relief and saving the residents of the area from the ravages of flash floods. Instead of floods in February, the water would be available in the crucial growing periods of July and August for the benefit of crops.

The bill authorizes the Secretary of the Interior to construct, operate, and maintain the Bully Creek Dam, reservoir and related minor facilities as features of the Vale project. Prior to construction, the bill provides that the Vale Irrigation District shall amend its present repayment contract to reimburse the Federal Treasury for the costs allocated to irrigation. This repayment is to be accomplished during the period of the existing contract on terms substantially the same as those covering present project works.

The bill also authorizes the Secretary to construct basic public recreation facilities and to arrange for the operation and maintenance of these features by an appropriate State or local agency.

Construction of the Bully Creek Dam and reservoir in Malheur County will be another forward step in full and comprehensive use of water resources. It is my hope that Congressional action on the project can be completed at an earlier date so that its benefits can be enjoyed by the people of Malheur County.

ESTABLISHMENT OF THE U. S. S. "ENTERPRISE" AS A NATIONAL SHRINE IN THE DISTRICT OF COLUMBIA

Mr. MAGNUSON. Mr. President, I introduce, for appropriate reference, a joint resolution, which I hope will, after being referred to the appropriate committee, be quickly reported to the Senate. The joint resolution is based on the effort to establish a public shrine in connection with the U. S. S. *Enterprise*.

For some months now, the establishment of such a shrine has been the object of a group of us who served in the Navy, particularly those of us who served on the well-known aircraft carrier *Enterprise*, which was the flagship of Admiral Halsey, and took part in every major engagement in the Pacific, and has been the subject of many motion pictures and many naval stories. The *Enterprise* is, of course, one of the greatest ships in the history of the entire Navy, and is fondly called the Fighting Lady, although she never was hurt very much. Let me add that the chevrons on her stack finally required so much space that sometimes we thought we might have to raise her stack a little.

But now—as happens to both men and ships—the *Enterprise* is about to be retired.

Many of us, through a citizens group headed by Admiral Halsey, have decided it would be well to have a public subscription, and it is going very well. A number of us are on the committee, which has for its purpose the endeavor to see whether an appropriate naval shrine can be established in Washington, D. C.

There was some question about where it might be placed, if sufficient funds were raised to obtain the *Enterprise* from the Navy. It has been generally decided—and the groups in many sections of the country favor this—that it might be well for the shrine to be established somewhere in Washington, D. C.

Some legislation is required for that purpose, and that is the purpose of the joint resolution which is sponsored by a large number of Senators. We have conferred with many naval officers and other prominent citizens, and there is agreement that an appropriate shrine should be established in Washington, D. C. A number of uses might be made in that connection of the hangar deck of the *Enterprise*.

However, action must be taken very quickly, before the *Enterprise* is taken to the scrap pile.

Therefore, Mr. President, I am introducing the joint resolution, which, in effect, states the intent of the Congress in that connection. The joint resolution provides that the *Enterprise* shall be released by the Navy and shall be acquired by the Enterprise Association, a nonprofit association, and its leader, Fleet Admiral Halsey, and shall be established in the Nation's Capital as a national shrine, at no expense to the United States.

Mr. President, I am hopeful that the committee to which the joint resolution is referred will report it very quickly, so as to enable the Senate to take action to have established in the city of Washington an appropriate shrine which both the present and the future citizens of the country can view and can hold in respect.

The VICE PRESIDENT. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 96) to establish the U. S. S. *Enterprise* (CV-6) in the Nation's Capital as a national shrine, introduced by Mr. MAGNUSON, was received, read twice by its title, and referred to the Committee on Armed Services.

AUTHORIZATION FOR COMMITTEE ON APPROPRIATIONS TO REPORT APPROPRIATION BILLS AND JOINT RESOLUTIONS, WITH NOTICES OF MOTIONS TO SUSPEND THE RULE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that during adjournments or recesses of the Senate during the remainder of the 1st session of the 85th Congress, the Committee on Appropriations be, and it is hereby, authorized to report appropriation bills, including joint resolutions, with accompanying notices of motions to suspend paragraph 4 of rule 16 for the purpose of offering certain amendments to such bills or joint resolutions, which proposed amendments shall be printed.

Mr. DIRKSEN. Mr. President, reserving the right to object, only for the purpose of inquiry—I believe this is the usual request which is made at about this time during a session. Insofar as I know there is no objection to it.

Mr. JOHNSON of Texas. The Parliamentarian has suggested this procedure, since the Senate has been meeting only 3 days a week. For example, yesterday the Committee on Appropriations ordered the general Government matters appropriation bill to be reported but the chairman of the committee could not file a report because the Senate was in adjournment. Normally, we present a request that the chairman be permitted to file a report notwithstanding a recess or adjournment of the Senate, but that was not done. This unanimous-consent agreement will cover the remaining appropriation bills, some 8 or 9.

Mr. President, I request action on my unanimous-consent request.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I should like to announce that the Committee on Appropriations yesterday ordered reported the general Government matters appropriation bill. I think the distinguished chairman of that committee has filed a report with the Senate. That bill, as recommended, carries appropriations approximately $11,000 under those carried in the House bill.

As all Senators know, the bill affects only the appropriations for the President and the White House. So far as the Senator from Texas is aware, there is no controversy as to the bill.

I wish to invite the attention of all Senators to this matter, however, so that in case they care to review the report or the hearings, they may do so. After they have had an opportunity to do that, we may ask, if there is no objection and no controversy, that that appropriation bill be considered by the Senate, notwithstanding the fact that it has not lain over 3 days.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, May 22, 1957, he presented to the President of the United States the following enrolled bills:

S. 358. An act to authorize the conveyance to the State of Wyoming of about 37.75 acres of land comprising a part of Francis E. Warren Air Force Base; and

S. 1274. An act to amend the act of March 3, 1911 (36 Stat. 1077), to remove restrictions on the use of a portion of the Springfield Confederate Cemetery, Springfield, Mo., and for other purposes.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. BYRD:

Address delivered by him on the occasion of the completion of the restoration of St. Luke's Church, at Smithfield, Va., on May 19, 1957.

By Mr. WILEY:

Statement prepared by him and sundry articles on the progress of Wisconsin and other States in aiding the mentally retarded.

By Mr. JAVITS:

Address entitled "A People's Call for Action," delivered by Senator THYE at a meeting of the combined Jewish Appeal of Chicago and the United Jewish Appeal, in Chicago, Ill., on May 16, 1957.

By Mr. SALTONSTALL:

Excerpts from the Salute to Ghana broadcasts on February 28 and March 4, 1957.

By Mr. CAPEHART:

Address delivered by the Secretary of Agriculture before the Republican regional conference, Cincinnati, Ohio, May 17, 1957.

By Mr. O'MAHONEY:

Article entitled "Theodore Roosevelt: His Relations With Labor."

CRITICISM OF THE PRESIDENT BY SENATOR MORSE

Mr. BRIDGES. Mr. President, I must say that it was with shock that I read in the newspapers of May 19 that the senior Senator for Oregon [Mr. MORSE] called President Eisenhower and Teamster Union President Dave Beck, "two of the same kind of immoralists." According to the press, he did this May 18, 1957, in Detroit, where he spoke at a Jefferson-Jackson Day dinner.

I believe a United States Senator is entitled to complete freedom of speech. That is why I, for one, voted against the censure of the late Senator Joseph McCarthy. But, I believe that unwarranted statements which are certainly untrue and false, both by inference and in fact, such as made by the Senator from Oregon [Mr. MORSE] are in poor taste.

The International News Service quoted Senator MORSE as saying:

> The President is reaching into the pockets of working people for interest-free money to finance these private companies, just as Beck reached into the coffers of his union.

From the press accounts, the senior Senator from Oregon seems to have been referring to the development of water power in the Northwest by private companies.

Then, the senior Senator from Oregon is quoted as saying:

> This is the most politically immoral administration in our history. Compared to it, Harding was a hero and Grant was a statesman.

It is a most shocking thing, in my estimation, to compare the President of the United States with a man who has pleaded the fifth amendment more than 200 times before a bipartisan Senate committee when asked about his handling of union funds for his own benefit—a man who on Monday of this week was judged by his fellow union officers as unfit to continue longer to be associated with them in the highest echelons of trade unionism.

The speech of the senior Senator from Oregon to which I am adverting was made at a Jackson-Jefferson Day dinner.

Mr. President, both Jefferson and Jackson are revered statesmen of America's great past. They are honored by both Democrats and Republicans as having made important and valuable contributions to our way of life.

It is very fitting that the Democratic Party should pay tribute annually to these two great figures. It may not be so fitting, but certainly is inevitable, that the patriotic dinners where such tribute is paid are subject to a certain amount of political speechmaking.

The idea, I suppose, is to fire loyal organization workers. Judging by the Republican victories in 1952 and 1956, they probably need all the fire they can get.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. CAPEHART. Does the Senator not feel that it was an undeserved, unwarranted, almost unbelievable, and unprecedented attack upon the President? Does the Senator not think it will hurt the able Senator from Oregon much more than it will anybody else? I cannot conceive of a man making such statements. If he made that statement on the floor of the Senate, is it not a fact that he would have been called to order?

Mr. BRIDGES. I think the Senator from Oregon certainly went further than I believe it is proper to go in criticism of the President of the United States in comparing him to a Dave Beck, who is before the bar of the Senate, or a committee of the Senate, in order to avoid testimony damaging to himself, and who invoked the fifth amendment 200 times.

Mr. CAPEHART. Does the Senator not think if the Senator from Oregon had made the statements on the floor of the Senate, he would have been called to order?

Mr. BRIDGES. I believe so.

Mr. CAPEHART. And certainly would have been censured.

Mr. BRIDGES. I do not know about that.

Mr. CAPEHART. He would have been subject to censure.

Mr. BRIDGES. I will say to the Senator from Indiana I do not believe in censuring a United States Senator.

Mr. CAPEHART. I remember that the Senator who made the statements was one of those in the forefront of those censuring our late colleague on this side of the aisle.

Mr. BRIDGES. I believe the statement of the Senator from Indiana is correct. The senior Senator from Oregon was in the forefront of those censuring the late Senator Joe McCarthy or statements he made. I opposed the censuring of Senator McCarthy, as was the Senator from Indiana recorded, but I defend the right of a Senator to make any

statement. In this instance what was said was in poor taste and went too far.

Mr. CAPEHART. There is no question about that. I think the only person harmed by it was the senior Senator from Oregon himself.

Mr. BRIDGES. My distinguished colleagues are no doubt aware that there are several ways to build political fires. Some are fair attacks designed to bring the important issues of our times before the voters. Others, regrettably, are simply assaults upon the character of honest, decent men like the President of the United States, Dwight D. Eisenhower.

I read with great dismay and sadness that the senior Senator from Oregon had seen fit to call our present Government the morally corrupt Eisenhower administration. I was further saddened by the fact that this flat assertion was apparently only backed up with innuendoes.

There must always be room on the American political scene for honest differences of opinion. Without such differences, democracy fails. But I do not believe that character attacks and personal assaults are parts of honest differences of opinion.

I think the presentation of great issues to the American people and the sharp difference of opinion on such issues are a part of America, and one of the things that have helped to make this country great. But I believe that personal assaults and character attacks create a bad political climate in the United States in which good men shy away from public office.

Character attacks are not in conformity with my ideas of honest differences of opinion.

So far as I am aware, no Member of the Senate believes in government by character assassination. This, I am sure, applies to the distinguished senior Senator from Oregon.

I could not help but make this statement, and I notified the senior Senator from Oregon that I was going to make it. I showed him that courtesy. I regret that the Senator from Oregon saw fit to use this language and to make these charges against the President of the United States.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. BUSH. I wish to compliment the distinguished senior Senator from New Hampshire for bringing this matter before the Senate. I think this is one of the most unhappy and unfortunate things that has happened since I have been a Member of this body. I feel personally offended that any colleague of mine would liken the President of the United States to Dave Beck, in view of all that has happened here within the past few weeks and all the revelations made by our own Senate committee.

Mr. President, I believe that a public apology is in order from the senior Senator from Oregon for the very offensive statements which he has made about the President of the United States. Dwight Eisenhower has devoted his entire life to the service of his country. Nobody, heretofore, has ever accused him of being dishonest or immoral in his relations of any kind with the public, with the voters, with the soldiers, or the people anywhere in the world.

I hope the distinguished Senator from Oregon, for whom I have great respect, and who has always been an advocate of fair play—and a very ardent and outspoken one—will apologize as I have suggested.

Several Senators addressed the chair.

The PRESIDING OFFICER (Mr. CotTON in the chair). Does the Senator from New Hampshire yield, and if so to whom?

Mr. BRIDGES. I yield to the Senator from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. President, I am deeply concerned by the subject which has just been called to our attention by the distinguished senior Senator from New Hampshire [Mr. BRIDGES] and other Senators. I had noticed the item myself, and I feel compelled to join with what my colleagues have said about what seems to me to be a shocking statement about the President of the United States.

To charge that President Eisenhower and David Beck are the same kind of men and guilty of similar offenses is so preposterous that it is impossible for those of us who admire and love the President to sit in our seats and not raise a solemn protest.

I am sorry to say that this seems to be in line with what has been appearing from the Democratic opposition. In the New York Times of April 30 Mr. Arthur Krock called our attention to the following in his column:

> Under its new direction the Democratic Digest hews strictly to the party line as drawn by the national committee and publishes only material which specifically advances this line. Therefore the following from the May issue is official:
>
> "Emerging from this first 100 days of the second (Eisenhower) term is an image of an irritable, aging, and nervous President who doesn't concentrate on his work, takes many opportunities to get away from his desk, who is nettled by the criticism he is getting, who is uninformed and isolated by a 'palace guard' that feeds him only one-page memos, who is rapidly losing control of his party and has already lost around the world much of the respect which he built up during World War II."

It is shocking to me that in public life we cannot debate issues honorably and refrain from personalities, as the Senator from New Hampshire has said. I sincerely hope that my good friends on the other side of the aisle realize that these personal attacks on one of the greatest men of our day and age cannot do otherwise than either infuriate the American people, or bring into disrespect our great leader and pour contempt upon the high office of the President of the United States.

It is a source of profound regret to me to hear such thoughtless words from one of our colleagues who, although I have disagreed with him in his political views, I have always held in high personal esteem.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I thank the Senator.

Mr. President, I commend the Senator from New Hampshire for bringing this subject to the Senate floor, and for what he has said. I am proud to have had the privilege of attending meetings of the legislative leaders at the White House for the past 4 years. I can only say that if there is in public life today any man who has won the support and the franchise of our people at the polls to a greater degreee than has the President of our country I have not found him, and I have never seen a man who has been more sincere in advocating what he believes to be for the public good and in trying to do what he considers to be for the best interest of the public than has President Eisenhower. I have yet to find any such man.

President Eisenhower approaches every problem on the basis of what is for the best interest of the public, not what is going to help him politically or even what is going to help the Republican Party politically. His consideration always is, What is for the best interest of the public? That is certainly not an immoral way of approaching governmental questions.

Mr. President, there is a great difference of opinion, and a proper difference of opinion as to how to approach the subject of the conservation of waterpower. I personally have believed the subject should be approached from the point of view of individual and private enterprise and local interests, where it is possible to do so, and that the Federal Government should enter the picture when the project is too vast to be undertaken by private enterprise. That is a question of a difference of policy. It is a question of judgment.

Certainly it is not only improper but it is indecent to liken the President of the United States to a man such as Dave Beck. Certainly the President is not taking money from the hard-earned savings of people when he advocates building power dams with private capital rather than with public funds. It could be argued on the other side that there would be a waste of public funds. So there is no question involved of taking money from other persons' pockets.

Mr. President, the statement as to immorality and the statement likening the President to Dave Beck shocked me. It is inconceivable that any man could make such statements regarding the President of the United States.

Several Senators addressed the Chair.

The PRESIDING OFFICER. To whom does the Senator from New Hampshire yield?

Mr. BRIDGES. I yield to the Senator from Kansas [Mr. SCHOEPPEL].

Mr. SCHOEPPEL. Mr. President, I thank the Senator from New Hampshire.

I wish fully and completely to subscribe to and associate myself with the statement made by the distinguished senior Senator from New Hampshire.

I, too, was one of those who stood on this floor when the resolution of censure was considered by the Senate, and voted against censure. I think I have a fair regard for the doctrine of free speech, even in political arenas. But this transcended the bounds of decency and fair play.

I think the speech of the Senator from Oregon was in bad taste. It imputed to the President of the United States immoral conduct for which there is absolutely no justification. The speech was completely and totally unfounded.

I feel, as does the Senator from New Hampshire, that even in the political arenas there are ground rules which should be maintained and respected. I regret exceedingly that the Senator from Oregon [Mr. MORSE] saw fit to make that speech, if he is reported correctly.

Mr. PURTELL. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from Connecticut.

Mr. PURTELL. I wish to commend the senior Senator from New Hampshire for bringing this matter to the attention of this body. I regret it was necessary to do so.

I wish to associate myself with the remarks of my other colleagues, who have preceded me in discussing this incident. I wonder if the Senator who made the unfortunate remarks recognizes the aid and comfort he was giving to those who are enemies of this country. I wonder if he recognized the impact this statement would have upon the minds of youths who read the article in the press.

I wonder if he understands the harm which has been done, not only to the Office of the Presidency, but to the offices of all others in the administration.

I wish to tell the senior Senator from New Hampshire that I very greatly regret the need for discussing this subject on the floor of the Senate. I hope the Senator from Oregon will do what was suggested by my colleague from Connecticut, because I think he owes to this dedicated man, this man whose whole life shows a dedication to public service, an apology on the floor of the Senate.

Mr. MARTIN of Pennsylvania. Mr. President——

Mr. BRIDGES. I yield to the Senator from Pennsylvania.

Mr. MARTIN of Pennsylvania. Mr. President, I wish to commend the senior Senator from New Hampshire for bringing this subject to the attention of the Senate. No Member of the Senate believes more firmly in free speech and in discussing the various questions confronting our own country in a free and open way than I do.

The President of the United States is probably the foremost citizen of the world. Time after time the people of the United States have shown their great confidence in our President. In these troubled times it seems to me that it is most inopportune to have a statement made such as that made by the senior Senator from Oregon the other night.

The ancestors of the President of the United States came from the Commonwealth of Pennsylvania. They are of Pennsylvania Dutch stock. They are always loyal, true, honest, and aboveboard. The President of the United States, Dwight D. Eisenhower, has upheld the ideals of that great type of citizenship.

I wish to express on the floor of the Senate my appreciation for the words of the senior Senator from New Hampshire.

Mr. POTTER. Mr. President——

Mr. BRIDGES. I yield to the Senator from Michigan.

Mr. POTTER. Mr. President, I regret that this attempt at character assassination of a President took place in my home State of Michigan. It was a dark, black day in my State when such a statement was made.

The people of the great State of Michigan know, trust, and respect Dwight D. Eisenhower. I am sure that the attempt made by the senior Senator from Oregon will have no effect upon the respect and loyalty of the people of my State for our great President.

Mr. GOLDWATER. Mr. President——

Mr. BRIDGES. I yield to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I am surprised and not a little shocked by my good friend from Oregon. I remember, when I was serving my first year in the Senate, sitting in the chair of the Presiding Officer many a Friday afternoon for 4 or 5 hours and listening to lengthy discourses by the senior Senator from Oregon. I listened with interest to his speeches, because they were based upon study. I was always enraptured by the sense of fairness of the senior Senator from Oregon. He always objected to smears. It seems to me that following his successful campaign last year I heard him make some remarks on the floor of the Senate about smears. So I was surprised to hear that the Senator from Oregon had made such uncomplimentary and uncalled for remarks about the President of the United States, particularly when he based his charge on an act which was passed by a Democratic Congress back about 1946 or 1947, an act which the Democrats have never seen fit to repeal, but to which they now object very violently.

Therefore, I am particularly surprised at the remarks which have been attributed to the senior Senator from Oregon. I hope they were erroneously reported, because I have always noted with a great deal of interest his desire to be fair toward everyone.

Like the senior Senator from Oregon, I am well acquainted with the vicissitudes of a hard campaign. I believe that anyone who can confine himself to political objectives in a political campaign is to be commended.

I read from a reprint entitled "Morse Speaks His Mind," which was printed by Mr. Beck's union. The senior Senator from Oregon referred to—

> Perversion of the Taft-Hartley Act by the Eisenhower National Labor Relations Board—

Again:

> I know of no group in American labor that has suffered more from the present administration than the teamsters.

I do not know whether the teamsters would agree with that statement at the present time.

I have great admiration for any man who, in the heat of a strong political campaign, can confine himself to political issues, and refrain from attacking personally his adversery or the President of the United States. It comes as a complete surprise to the junior Senator from Arizona that the senior Senator from Oregon would so far depart from his frequently announced policy of fairness and squareness in political campaigns.

Mr. CARLSON. Mr. President——

Mr. BRIDGES. I yield to the Senator from Kansas.

Mr. CARLSON. Mr. President, as the junior Senator from Kansas, the home State of President Eisenhower, I feel that I would be remiss in my duty if I did not commend the Senator from New Hampshire for calling this subject to the attention of the Senate.

It is not easy for me to comment on statements made by Members of the United States Senate, either on the floor or off the floor. This is especially true when it comes to statements made by the senior Senator from Oregon [Mr. MORSE] whom I respect.

I cannot, however, sit supinely by when he, as he did in Detroit last week, calls President Eisenhower and David Beck "two of the same kind of immoralists."

I shall not discuss the record of Mr. Beck. His background and his actions in dealing with the members of his organization have been thoroughly aired by a senatorial committee.

The statement of the Senator from Oregon that the President is immoral and accusing him of immorality is not only unfair, but is, in my opinion, contrary to the fact.

The record speaks for itself, and I know personally of no one inside of Congress or out who can honestly accuse the President of any selfish, personal, or partisan motive. I challenge anyone to submit evidences of any unworthy act or underhanded activities to advance either his own finances or those of any member of his family.

Despite what some may say, in his career of public service, his sincerity, his loyalty, his truthfulness, and devotion to the welfare of all of our people are unequaled.

I sincerely regret the necessity for these remarks.

Mr. THYE. Mr. President, I have listened to the remarks of the distinguished Senator from Kansas [Mr. CARLSON], and I agree with what he has said. I agree with them because he has expressed my feelings about this matter.

I have a great admiration for the distinguished senior Senator from Oregon [Mr. MORSE], and I therefore regret exceedingly the statement attributed to him in the press criticizing President Eisenhower.

I have a strong feeling about President Eisenhower, and about his conduct of the office of President. He is a man of great sincerity, deep integrity, and he is certainly one who at all times has been mindful of the great trust which has been reposed in him by the people of this Nation. For that reason, I regret exceedingly that it is necessary for us to speak our feelings concerning the remarks which have been attributed in the press to the distinguished senior Senator from Oregon.

Mr. ALLOTT. Mr. President, we of Colorado, consider President Eisenhower our adopted son. His wife, Mamie Doud,

was born in Colorado. The President has spent much of his time in our great State. I know that when the people of Colorado read the reports in the newspapers concerning the statement attributed to the senior Senator from Oregon, they will be shocked, disappointed, and hurt.

Dave Beck has not been convicted of any crime; but the news about him printed in the newspapers has shocked the country down to its very roots. A statement comparing our beloved President, a man who has demonstrated not only leadership and intelligence, but courage throughout his lifetime, with a man of Dave Beck's character, is certainly an overstatement; and I am sure no Senator would want to make such a statement either on the floor or elsewhere.

Therefore I join the distinguished senior Senator from New Hampshire and my other colleagues in expressing my very strong disapproval of the statements attributed to the senior Senator from Oregon.

Mr. REVERCOMB. Mr. President, I desire to subscribe wholeheartedly to the remarks which have been made by the distinguished senior Senator from New Hampshire.

I have always accorded to everyone, regardless of party, the right to express his views and to differ with me or with any other official of the Government.

I feel, however, that the remarks of the senior Senator from Oregon, which have been quoted here this morning, go far beyond propriety, and are injurious and dangerous to the Nation, insofar as anyone may accept the viewpoint of the Senator from Oregon.

However, I doubt very much that the veterans of this country, who served under General Eisenhower, and the people throughout the Nation and throughout the world, who have come to know him, however much they may agree or disagree with the President and his policies, will agree with the Senator from Oregon. The people everywhere know and realize that President Eisenhower leads one of the most respectable administrations in the history of this Nation.

Comparing the President personally with one who is charged with immoral and dishonest acts goes far beyond all reason. The senior Senator from Oregon knows full well that throughout the years that we have served together in the Senate I have always accorded to him, as I have to others, the right of free expression.

But there is a limit to what is right. Like the distinguished Senator from New Hampshire, who has so eloquently expressed his feelings, I feel that that limit has been transgressed in this case.

The respected administration of President Eisenhower, and the respected position which the President has taken, will stand against any assault of this kind. Every man who respects fair play must deplore and condemn what has been said against the President in this unwarranted attack.

Mr. WILLIAMS. Mr. President, I wish to join the Senator from New Hampshire [Mr. BRIDGES] and my other colleagues in taking exception to what I consider to be an ill-considered and what I am sure, knowing the senior Senator from Oregon as I do, was an unintentional remark. Certainly no one who knows President Eisenhower questions his sincerity or his integrity or his honesty. His record needs no defense either in this country or abroad. I doubt whether ever in the history of our country we have had a man in the White House who commands as much respect, not only of our own people but of the people of the world, as does President Eisenhower.

Certainly he has done much to restore dignity and respect to the office of President of the United States. Therefore I am proud to join my colleagues in taking exception to any remark questioning his integrity.

Mr. HICKENLOOPER. Mr. President, I certainly approve of the Senator from New Hampshire bringing this matter to the attention of the Senate. In doing so, however, I am conscious of a feeling of grief and disappointment. I came into the Senate on the same day the senior Senator from Oregon entered this body. I have had personal affection for him for all these years, and in spite of the fact that we do not always find ourselves in political or ideological agreement, that personal affection has continued.

Therefore, I was profoundly shocked when I read in the newspaper the statement attributed to him, making a completely unwarranted comparison on standards of morality between Dave Beck and the President of the United States. Certainly, one thing can be said of the President, regardless of political agreement or disagreement, so far as parties are concerned, and that is that no one has successfully impugned his honesty, his motives, or his dedication.

The remark of the Senator from Oregon is very unfortunate, indeed. I certainly believe in free speech, and do not believe in inhibiting the right of public officials to express themselves in the public interest, whether I agree with them or not.

I am not certain whether I am disillusioned or not because of this circumstance, but I am grieved and shocked. I think the statement made by the Senator from Oregon was utterly out of place.

I was one who felt that facts justifying the so-called censure of Senator McCarthy had not been established, to the point of warranting a vote of censure. I said at that time that I disagreed with and criticized certain things which Senator McCarthy had said, but I could not bring myself to vote for official censure.

I submit to the Senator from New Hampshire that the statement attributed to the Senator from Oregon is far more odious, far less considerate of the President of the United States and all that his office connotes, than anything which Senator McCarthy ever said, regardless of the interpretation.

I shall make one more observation. I have watched with care the pages of certain newspapers which trumpet so loudly and so speedily every time a Member of Congress suggests that there might be subversive influence in some area of the United States; newspapers which trumpet so loudly that human and civil rights are being trampled upon by even a suggestion.

I have watched closely, but I have not seen any of those newspapers call attention to the odium which surrounds the statement made by the senior Senator from Oregon.

I regret this happening perhaps more than any other single incident in my almost 13 years in the Senate. I regret it because, as I said a moment ago, of my personal and continuing affection for the Senator from Oregon over the years, and my respect for his freedom and courage to speak out; and, yes, for his long-continued defense of persons who, it might be said, were attempting to blacken the character of other persons in times past.

I regret and I am grieved by the circumstances. I thank the Senator from New Hampshire for bringing the matter to the attention of the Senate, because I think he has done a public service.

Mr. CASE of New Jersey. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. CASE of New Jersey. I join with my colleagues in the feeling that the remark as it is reported was extremely inappropriate and altogether without justification. It is so unlike the senior Senator from Oregon and so much of a departure from the standards which all of us who know and admire him have come to expect of him that I am confident we will be advised that his statement was not intended in the way in which it was reported.

But, of course, the President needs no defense on the ground of honor from any of us. However, we are glad that it appears that the need exists to make any defense which might be appropriate.

It has occurred to me, as I have listened to these remarks, that there is a need which the President has, and a very great one, namely, for the support of the things for which he stands in the way of legislative programs, in the way of his conduct of the defense of this country and of our relations with other countries.

So at the same time as I join in this colloquy, I wish to make very strongly the point that our emphasis ought not to be diverted by a defense, which is unnecessary, of character, from a defense of his leadership of this country in its hour of great peril.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. DIRKSEN. When I was a youngster, I committed to memory a little couplet, which comes back to me today. I cannot identify its source; I think it goes like this:

> He who is noble, kind in thought and action, needs not a weapon.
>
> Though by death surrounded, virtue defends him.

The President needs no defense. The Senator from New Jersey [Mr. CASE] has well emphasized and pinpointed that fact. The President's nobility, his kindness in action, his kindness in deed and

in thought, speak for themselves. So he needs no defense from this floor.

But assuming the correctness of the statement which was ascribed to the distinguished senior Senator from Oregon, I should say that those statements pain me for quite another reason than any so far elaborated on the floor of the Senate.

I remember, in 1945, coursing around the world when some rather testy things were said in the Senate of the United States. They were promptly headlined in the newspapers in India, in Iran, in Iraq, in Tel Aviv, and in Jerusalem. Nothing detrimental is uttered affecting public service, there is no personal castigation and no demeaning of a public character, which does not find its way to the front page. So it is from that fact that false impressions are created concerning a state of disunity in our own blessed country.

I hope, as a general matter, that we can be a little more circumspect in the way in which we talk about one another. We can speak and still maintain the intensity of our political disagreements. But to do so does not call for personal castigation and reflection upon character.

I can only hope, out of a sense of pain and distress, rather than anger, that we can watch our tongues and make certain that false impression are not created abroad, impressions which can do no good to the esteem of this country, its people, and its noble and beloved leader.

Mr. CURTIS and Mr. NEUBERGER addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New Hampshire yield; and if so, to whom?

Mr. BRIDGES. I yield first to the Senator from Nebraska.

Mr. CURTIS. Mr. President, I cannot refrain from speaking out on this matter. I have a very high regard for the Senator to whom these words are attributed, and I feel a very close personal tie. I am in hope that the reports are wrong.

While it is true that the President of the United States needs no defense, it is also true that the most precious thing which any man has is his character. There is one thing which, when it is destroyed, is irreplaceable—a man's character.

To impute immorality to the President of the United States is unthinkable. I cannot let this time pass by without commenting upon the comparison made of the President of the United States with Dave Beck, a man whose insane desire for money was so great that he robbed the widow of his best friend. I would not compare my worst enemy with Dave Beck.

In the business of government under a plan of free speech, there will always be disagreements. We want that condition to prevail. We will always criticize viewpoints on policies and opinions. We would not have it otherwise.

But there is one common denominator which is essential to everyone in public life, and that is honesty and morality. Without them no man is fit to serve.

The President of the United States is one of the most exemplary citizens in our land. His public and private life, from the standpoint of character, morality, devotion, and the principles that make our country great, is sound.

Mr. NEUBERGER. Mr. President, will the Senator from New Hampshire yield, that I may ask a question of the Senator from Illinois?

Mr. BRIDGES. I yield.

Mr. NEUBERGER. First, I may say that I do not know what speech made off the Senate floor is being talked about; I have not read it or heard it. I do not know the basis of these addresses. But I was present during the full time of the brief remarks made by the able Senator from Illinois.

The Senator from Illinois spoke about the impact abroad when very sharp words are uttered by us about one another in American public life. I have no doubt there may be some validity to that statement.

But what does the distinguished Senator from Illinois think the impact is abroad when the leading Senators of the party of the President of the United States continually depart from his views on major aspects of his foreign policy?

Mr. DIRKSEN. Mr. President, that is a wholly substantive question. There would probably be no impact whatsoever. The real interest comes when there is personal vilification of some leader in this country, because somehow such statements always seem to merit huge black headlines.

Mr. NEUBERGER. In other words, is there no interest abroad when the minority leader of the Republican Party in the Senate and the ranking Republican Member of the Senate, in terms of service, team together, for example, to offer an amendment to a foreign policy bill, and the amendment is opposed by the President of the United States? Is there no interest abroad in such action?

Mr. DIRKSEN. There is interest, Mr. President; but I see no analogy there, because, after all, there can be honest and good-faith disagreement on questions of policy. But is my friend, the Senator from Oregon, intimating or implying that it must be surcharged with a great deal of fire, brimstone, epithets, vilification, and invidious comparisons?

Mr. NEUBERGER. This is certainly not what I am implying. But I have been very much interested in sitting here and listening to the many fine encomiums uttered across the aisle about the President of the United States; but I cannot help but wonder why the authors of those fine encomiums do not support the President more in the various aspects of the President's foreign policy.

Mr. DIRKSEN. In this case, we are dealing with a personal assault upon the President of the United States, if the report of the press conference in Detroit is correct. When it comes to foreign policy, I have disagreed with the President upon occasion, but in the utmost of good faith; and I think it is a testimony to the vitality of our own free system, when people abroad are able to say that Members of the Senate and Members of the House of Representatives can disagree, and disagree intensely, with the President of the United States. That is simply testimony to the virility of the American system.

Mr. NEUBERGER. In other words, the Senator from Illinois would even have us believe that it might have a favorable impression abroad to have the President's own party at times desert him on matters of foreign policy, so long as that is done in good will?

Mr. DIRKSEN. I have no way of knowing what the impression abroad might be.

Mr. NEUBERGER. But the Senator from Illinois does know the impact abroad of a statement by the senior Senator from Oregon, although he does not know what the impact is when leading members of the Republican Party in the United States Senate constantly disagree with the foreign policy of the President of the United States.

Mr. DIRKSEN. Such disagreements do not bring into focus a question of character or reputation, which is what we are dealing with in this instance. It was a personal assault on the President of the United States, when the President was compared with a man—from the State of the Senator from Oregon, incidentally——

Mr. NEUBERGER. Who is that?

Mr. DIRKSEN. Dave Beck.

Mr. NEUBERGER. He is not from my State.

Mr. DIRKSEN. He is from the area, and close enough, I think.

We are confronted, then, with a wholly personal controversy in which character and reputation are involved, and that is altogether different.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Massachusetts will state it.

Mr. SALTONSTALL. Is the Senate still proceeding in the morning hour?

The PRESIDING OFFICER. Yes; and the Senator from New Hampshire apparently still has the floor.

Mr. BRIDGES. Mr. President, I wish to conclude my remarks by saying that I regret that the distinguished minority leader, the senior Senator from California [Mr. KNOWLAND], is not present today, because he would have liked to participate in this colloquy. But he is unavoidably out of town.

Mr. MORSE. Mr. President——

The PRESIDING OFFICER (Mr. COTTON in the chair). The Chair recognizes the Senator from Oregon.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Oregon yield?

Mr. MORSE. I shall yield in a moment. First, Mr. President, I wish to say that I rise to a question of personal privilege, to answer the statements which have been made about the senior Senator from Oregon. But first, Mr. President, if I may do so without losing my right to the floor, I shall be delighted to yield to any other Republican Senators who still may wish to pay their disrespects to me, because the complete record should be made by them before I reply.

Mr. LONG. Mr. President, will the Senator from Oregon yield for 1 minute to me?

Mr. MORSE. I yield to the Senator from Louisiana.

Mr. LONG. Mr. President, I completely admire and respect every Member of this body. In the interest of orderly procedure, I believe that the rules of the Senate should be obeyed.

I feel it my duty to point out that much of the remarks which have been made today in the Senate, during the last half hour, have been in violation of rule XIX of the Senate, which I now read:

> No Senator in debate shall, directly or indirectly, by any form of words, impute to another Senator or to other Senators any conduct or motive unworthy or unbecoming a Senator.

Mr. President, perhaps all of us from time to time do things which might be in error or might be mistaken. But there is no rule which states that it is a violation of the rule for a Member of the Senate, when outside the Senate, to express himself in a speech in almost any way he may care to do.

However, I believe Senators should obey all the rules of the Senate; and when that is done, I believe we shall get along better with one another and shall have better procedure. I believe it is the duty of the Chair to enforce the rule I have read.

Mr. MORSE. Mr. President, I should like to comment for a moment on the observation of the Senator from Louisiana.

So far as I am concerned, I would always waive any right I may have under rule XIX, because I believe that, whenever any Member of this body feels that my course of action should be subject to criticism, that Member should have perfect freedom to stand on the floor of the Senate and express himself in regard to the Senator from Oregon.

I shall discuss, however, in the course of my major remarks, some of the parliamentary problems which have been raised by the discussion this morning.

Mr. McNAMARA. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Michigan.

Mr. McNAMARA. Mr. President, I do not rise to defend Dave Beck. However, it should be stated that he has been charged with illegal as well as unethical acts; but, in all fairness, he has not been judged guilty of violating any law. Therefore, he should be considered innocent until proven guilty. That is in the American tradition.

Now, Mr. President, is it too bad to compare one Republican with another Republican at a Democratic gathering?

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. There is one thing I am proud of. I am proud that we live in a nation where we have a right to speak out and say whatever we believe, so long as we do not commit a criminal act. I, for one, am not here condemning the Senator from Oregon, but I should like to say that, from what has been said here on the floor of the Senate this morning, I do not believe that it has been brought out that there is a distinction between Beck's activities and the activities of the President of the United States. Beck did know what he was doing. I doubt whether the President of the United States fully knows what he is doing at times when acting in behalf of the people of the United States.

I am glad this matter has been brought up, in order that we may look into the question fully and see what is taking place here in the United States. The President, we all admit, was a military man. As a military man he was, of course, one of the head military men, a general. He was used to sitting back and practically doing nothing but giving orders, and letting one general run a particular activity and letting another general run another activity.

I am sorry to say that since he became President of the United States he has been doing the same thing, and that transactions are occurring in the executive departments of which he has no knowledge. He is still running the executive department like a top general getting others to run his job. If that is good for the people of the United States, I should like to hear someone explain how it is.

Mr. MORSE. Mr. President, on the basis of personal privilege, I ask unanimous consent to take a few minutes to reply to the criticisms which have been made of the senior Senator from Oregon on the floor of the Senate today.

I realize the Senate is operating in the morning hour, and I realize there is supposedly a 3-minute rule operating in the morning hour. I shall certainly not confine myself to 3 minutes in reply to attacks made upon me, and I think Senators will agree that the nature of the discussion is such that I should be allowed to proceed in such time as I feel is necessary to reply to these attacks.

I ask unanimous consent so to do.

The PRESIDING OFFICER. The Chair desires to settle one matter. The Senator from Oregon has asked unanimous consent that he may proceed for such time as he deems necessary, without being restricted by the 3-minute rule.

The Chair desires to state to the Senator from Oregon that in the absence of objection the Chair permitted the same privilege to be extended to the senior Senator from New Hampshire [Mr. BRIDGES] for an extended period, having every intention of recognizing the Senator from Oregon immediately and according him that privilege, anyway.

The Senator from Oregon has properly asked for that privilege. Is there objection? The Chair hears none, and the Senator from Oregon is recognized.

Mr. MORSE. Mr. President, it will not be necessary for me to speak at any great length to answer the attacks which have been made upon me on the floor of the Senate this afternoon.

I first wish to thank my friend, the Senator from New Hampshire [Mr. BRIDGES], for the courtesy of notifying me in advance that this discussion was going to be held on the floor of the Senate.

I may say, facetiously, Mr. President, that it is rather interesting to note so many Republicans rallying around the President on the floor of the Senate in response to what they consider to be a personal attack upon him. I am always interested, however, in the differences in the discussions in the cloakrooms by Republicans about Eisenhower and those on the floor of the Senate.

Mr. President, in dead seriousness I turn to the subject matter itself. I think it is an interesting commentary that in our country, in our time, a United States Senator is subjected to the type of criticism which has been leveled against me today because I have expressed my serious disagreements with the President of the United States and because I have indicated that I have very little respect for the political morality of the man who is President of the United States.

I have great respect for the office of the presidency of the United States, but I thought it was pretty well known that I do not have very much respect for the present occupant of the office of President of the United States for reasons which I have expressed on and off the floor of the Senate a great many times, and some of which I shall reiterate today.

I said nothing in my Detroit speech that I have not said on the floor of the United States Senate or before the Kefauver committee, investigating the political immorality of the policy of this administration in connection with accelerated tax amortization writeoffs. I refer my colleague from New Hampshire and my other colleagues to the CONGRESSIONAL RECORD of April 29.

Next, I wish to comment on the symbolism of this discussion today. Apparently we have gone so far down the road of police-state attitudes in America that we have reached the point, in the minds of some, where a President of the United States is to be put on a pedestal, beyond personal criticism, even when an elected official of the Government believes he should be subjected to and is deserving of such criticism.

I recognize that in police states one may not criticize the head of the state. If he does, he either goes to jail or is liquidated. But I did not know that we had reached the point in America where, in the minds of many, if any Senator subjects the President of the United States to what is believed to be honest and deserved criticism, the suggestion should be made that perhaps he should be subjected to a resolution of censure in the Senate.

Let us take that issue first. I invite the Republican Policy Committee to introduce a resolution of censure against the Senator from Oregon for any comments he has made against the President, on or off the floor of the Senate. Let us try the Senator from Oregon under that resolution, in accordance with the rules of the United States Senate. I believe in calling the bluff of those who throw out such innuendoes. If there is a Senator on the other side of the aisle who believes that the Senator from Oregon should be tried in the Senate under a resolution of censure for what he has said about Dwight D. Eisenhower, let him introduce the resolution and let us get on with the trial. Let me tell Senators what I think would happen. Not one of the Senators on the other side of the aisle would vote for such a resolution when it was taken up.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from New Hampshire.

Mr. BRIDGES. The Senator from New Hampshire very clearly stated that he felt that it was the right of a United States Senator to have complete freedom of speech, and that was one of the reasons why he voted against the censure resolution directed against the late Senator McCarthy, of Wisconsin. The Senator from New Hampshire in no way intimated that there should be formal censure of the Senator from Oregon. He merely was critical of the remarks of the Senator from Oregon, stating that he thought they were out of character.

Mr. MORSE. We will let the record speak for itself. I think the Senator from New Hampshire, when he reads the RECORD—and I trust it will not be changed—will agree that the implication was clear in the remarks of the Senator from Indiana [Mr. CAPEHART]. In fact, the Senator from Indiana [Mr. CAPEHART], suggested that the Senator from Oregon would be subject to a point of order if he repeated his Detroit speech criticisms of Eisenhower on the floor of the Senate.

Mr. President, I do not intend to be drawn in by a diversionary tactic in regard to the distinction between the charges which have been made here today against the Senator from Oregon and the charges which were made under the censure resolution involving the late Senator McCarthy, of Wisconsin.

Let us get the record perfectly straight. I have said for many months that I believed this administration is honeycombed with political immorality; and I believe it. I do not intend to remain silent and fail to express my sincere beliefs about this administration because of criticism by my colleagues in the Senate, or in any other forum.

Consider, for example, the question of accelerated tax-amortization certificates. What I said on April 29 on the floor of the Senate, what I said before the Kefauver committee last Friday, and what I said in Detroit last Saturday, I reiterate today. Let me say to the Senator from New Hampshire that the newspaper quotations he has read are not accurate. I used even stronger language in Detroit in criticism of the President than the International News Service copy indicates. I believe my speech was recorded on tape. I intend to obtain a transcript of what I actually said, and insert it in the RECORD as soon as it can be obtained.

CONGRESSIONAL POLICY ON ACCELERATED AMORTIZATION

I have pointed out, in my statements with regard to the tax amortization certificate program, that if one reads the congressional debates at the time the legislation providing for accelerated tax-amortization certificates was passed, he will find that the purpose of the legislation was to encourage American industry to build plants essential for the successful prosecution of the war, which plants, when the war was over, would be of little productive value for our civilian economy. That is why Congress enacted that legislation.

Go to the CONGRESSIONAL RECORD and read the purposes of the legislation. It was sound legislation for the purpose intended. I never was one to criticize American industry because it did not proceed to build rapidly plants which would be obsolete immediately after the war was over so far as civilian production was concerned.

CONGRESSIONAL INTENT NOT FOLLOWED

But I say that it never was the intent of the Congress that tax-amortization certificates should be used as a means of giving interest-free loans to private utilities such as the Idaho Power Co., at the expense of millions of dollars out of the pockets of the taxpayers of the country. A private utility plant such as that of the Idaho Power Co. not only is useful long after it is built, but is of such a nature that the amortization or depreciation period under the regular depreciation program is much shorter than the period of productive life of the dams and electric plants.

In fact, the latest figures I have studied show that the depreciation period ought to be increased at least from 50 to 70 years. We have reason to believe that many of these dams will be very profitable for 100 or 150 years.

But here we have a tax-benefit gimmick for big business which is used by this administration, with the full knowledge and consent of the President of the United States. It calls for tax amortization and depreciation over a 5-year period. It is agreed by economists who have written on this subject that it amounts, in fact, to an interest-free loan to the private utilities, at a great saving to the private utilities, but at a great cost to the taxpayers of the country.

Mr. GORE. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. GORE. Could it possibly have been for the purpose of bringing about the construction of the project, when the project had been under construction for 6 months?

Mr. MORSE. That is one of the facets of the problem. If we go into the substantive problem connected with this particular incident, that is one of the facets. I intend to discuss the substantive features of the accelerated tax amortization program at some length at a later date. However, I wish to speak today about the issue of political morality which I raise in connection with the administration's policy with regard to the tax amortization certificates.

COMPARISON WITH BECK INTEREST-FREE LOANS

I said on April 29 on the floor of the Senate; I said before the Kefauver committee; I said in Detroit Saturday night; and I repeat today on the floor of the Senate, that in my code of ethics and political morality—and if the Senator from Indiana thinks I am subject to a point of order, let him, or any colleague of his, raise the point of order now, on the floor of the Senate, and we shall try it out under the rules of the Senate—I cannot see any distinction between Dave Beck reaching his hands into the pockets of the teamsters of his union and taking out of those pockets what amounts to an interest-free loan, and, in doing so, embezzling or stealing from the individual teamsters what amounts to interest money which would accumulate into great value, and an administration headed by Dwight D. Eisenhower putting its hands into the pockets of the taxpayers and taking out of those pockets an interest-free loan, involving millions of dollars, over the years, belonging to the taxpayers, and giving that interest saving to the Idaho Power Co.

Furthermore, I say that it constitutes a prostitution of the original intent of the tax amortization law. I stand on that statement, and I charge again today that in my book of political ethics the President of the United States is guilty of political immorality

That is not the only act of political immorality of which I think the President is guilty. It is not the only reason why I think his administration is honeycombed with political immorality. I take my colleagues to the Dixon-Yates incident, and I point out that, as the Senator from Tennessee [Mr. GORE] well knows, the President of the United States, on the basis of the record, must be charged with personal knowledge that a man was taken from Wall Street and put into the White House itself to advise the administration in regard to the Dixon-Yates deal. In my judgment, the Dixon-Yates scandal was rotten throughout and a good example of political immorality. The Dixon-Yates scandal was so smelly that the Attorney General of the administration, Mr. Brownell, proceeded to take the necessary legal steps to set aside the Dixon-Yates contract.

I charge on the floor of the Senate today, as I charged throughout my campaign last fall, and as I have said before on the floor of the Senate, that in my judgment no one can square the acts of Dwight D. Eisenhower, as President of the United States, in connection with Dixon Yates with political morality.

Senators may disagree with me, of course. In my judgment, however, his record on Dixon Yates is not a record that is politically moral.

Let us turn now to another item in the long list of a bill of particulars that will stand to the discredit of Dwight D. Eisenhower in the pages of American history.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. GOLDWATER. Will the Senator indulge me to ask one question on a subject previously referred to by him before he gets too far away from it? I did not have the figures in front of me at the time.

Mr. MORSE. Certainly.

Mr. GOLDWATER. What the junior Senator from Arizona wishes to have made clear is this. Does the senior Senator from Oregon feel that a company that applied under the law for tax amortization, in 1952, has been illegally granted the tax amortization?

Mr. MORSE. Oh, no. I am very glad the Senator from Arizona has asked that question. The President was asked about that situation in his press conference the other day. I paraphrase his reply, because I do not have the exact quotation, but the President said, in effect, that he thought the time had come when we ought to stop granting tax amortization certificates in such cases. He went on to say, however, that he was satisfied that what was done in behalf of the Idaho Power Co. was perfectly legal.

I do not raise any question as to whether it was legal. However, let me say to the Senator from Arizona that when I taught my law students in my course on legal ethics, I taught them that staying within the letter of the law did not necessarily mean that conduct was moral.

Mr. GOLDWATER. Mr. President, will the Senator yield further?

Mr. MORSE. Let me finish this point first. The test of morality is not the test of legality. The test of whether a person is following a moral course of conduct is not the same as the test of whether a person is staying within the letter of the law.

If the President of the United States had read the debates which occurred at the time the law was passed in the first instance, he would long ago have made it clear to his Office of Defense Mobilization that he wanted no grant made to a private utility on the basis of any defense theory, namely, that a private utility ought to get this kind of giveaway handout in order to promote the defense of the United States.

When a private-utility plant is built, it constitutes a civilian-production plant which will last for years to come. It was not within the original intent of Congress in passing the law that this was the use to which the so-called accelerated tax amortization program was to be put.

Mr. GOLDWATER. Mr. President, will the Senator yield further?

Mr. MORSE. I yield.

Mr. GOLDWATER. To sum up this portion of my question, then, as I understand, the senior Senator from Oregon does not say that it was illegal. Therefore, would the Senator say that the action which was taken by the ODM was legal?

Mr. MORSE. I do not say it was illegal. I say it was immoral.

Mr. GOLDWATER. That is the point I wanted to clear up.

Mr. MORSE. I have never said it was illegal. I simply said it was immoral. This administration has taken the position, in its discussion of this whole question of water-resource development on the Snake River by the Idaho Power Co. that this will be done without cost to the taxpayers.

Some of us stated on the floor of the Senate as long as 2 years ago and more—and the CONGRESSIONAL RECORD will bear me out—that it would not be done without cost to the taxpayers. The senior Senator from Oregon as long as 2 years ago at least, warned that if we followed the course of action of the administration, the taxpayers would have to pay a substantial part of the cost of the Idaho Power Co. dams with money taken out of the taxpayers' pockets by way of an accelerated tax-amortization grant. That is what this interest-free loan amounts to. Apparently the fact is counted on that the average citizen will not take the time to figure out what the interest saving to the Idaho Power Co. amounts to.

Mr. GOLDWATER. To preface my next question I should like to make it clear to the senior Senator from Oregon that in my remarks on this subject I attempted to indicate to the Senate that I shared many of the misgivings of the senior Senator from Oregon about the tax amortization program. However, the senior Senator from Oregon has been in the Senate since, I believe, 1944 or 1946.

Mr. MORSE. Since 1945.

Mr. GOLDWATER. In the State of Oregon there have been approved, since 1951, eight of these amortization plans, amounting to $82,654,000. The junior Senator from Arizona has been a Member of the Senate since 1953. Although he may be wrong, he does not recall the senior Senator from Oregon speaking out against the immorality of giving public utilities in his State the same treatment.

Mr. MORSE. The Senator from Arizona a few minutes ago was kind enough to refer to some reports the senior Senator from Oregon made in the Senate on Friday afternoon in 1953. I refer to the reports I made for the Independent Party in 1953 and 1954.

The Senator from Arizona will find that one of my reports on behalf of the Independent Party was a major speech, of some length, in protest against this kind of giveaway of taxpayers' money. I spoke out against the misuse of tax amortization certificates then. I will get that speech for the Senator from Arizona and I will reintroduce it into the RECORD. However, he will have to wait until I get back to my office to consult the index.

Mr. GOLDWATER. I shall be glad to look it up myself. I should like to ask another question about the senior Senator from Oregon speaking out against the immorality of three such decisions which were reached prior to 1953. They amounted to, roughly, in the neighborhood of $34 million or $35 million.

Mr. MORSE. What cases did that involve?

Mr. GOLDWATER. The Pacific Power & Light Co., for $19,628,000; the Portland General Electric Co., for $14,469,000; and the Portland General Electric Co. for $1,375,000.

Mr. MORSE. I believe the Senator from Arizona will find that there is no question about the record showing that I have been opposed to this whole procedure. It may be that prior to 1953, in the middle of the Korean war when these particular cases may have arisen, the senior Senator from Oregon did not say anything about them. The point is that wartime certificates are a far different thing from tax writeoffs in peacetime for plants that are useful in normal civilian production. However, I will check into the matter and let the Senator know.

Mr. GOLDWATER. I thank the Senator from Oregon for yielding. I simply wanted to help him maintain his usual consistency. I did not want him to wander off into the lovely realms of inconsistency.

Mr. MORSE. I am always glad to have any help I can get from the Senator from Arizona.

Mr. GORE: Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. GORE. I hold in my hand the New York Times for today, in which there is published an article writen by Mr. Allen Drury. In the article, Mr. Drury reports that Mr. Gordon Gray, the Administrator of the Office of Defense Mobilization, six times on yesterday claimed what is described as the executive privilege and hereby refused to tell a committee of the United States Senate about conversations or discussions occurring between himself and members of the White House staff with respect to the rapid tax writeoff giveaway to the Idaho Power Co.

Would the Senator from Oregon mind expressing his view as to the identity of political privilege with political morality or the lack thereof, with respect to its use?

COMMENT ON CLAIMS OF EXECUTIVE PRIVILEGE

Mr. MORSE. I may say to the Senator from Tennessee, as one who has spoken many times on the matter of the separation of powers and the prerogatives of the Executive, that I have always respected the right of the Executive and its spokesmen to exercise the right of privilege. But exercising the right of privilege does not mean that once exercised, it is not subject to comment.

I would not take away from any fellow American the right to plead the fifth amendment. But when one pleads the fifth amendment his action certainly is subject to comment.

Mr. Gray, under the separation of powers doctrine, probably had the right yesterday to plead privilege. I have the riglit to express my suspicion as to why he pleaded privilege, because I do not think that all that went on behind the closed doors of this administration in regard to the particular matters concerning which Gray was examined would stand up under public disclosure. That is my suspicion. I think what it would disclose is more favoritism to American big business, on a discriminatory basis, against the interest of the taxpayers. It is another example, in my judgment, of what characterizes this administration in the form of political immorality.

For example, the Senator from Tennessee [Mr. GORE], made a very detailed study of campaign expenditures. In my judgment, it is very interesting to compare the contributions which were made to this administration with the benefits that certain selfish economic interests have received from the administration, and to see the close relationship between the campaign contributions and those benefits including tax amortization benefits.

I merely wish to mention a point or two more concerning what I consider to be a betrayal of the standards of political morality which I think ought to characterize any administration.

OTHER EXAMPLES OF POLITICAL IMMORALITY IN PRESENT ADMINISTRATION

I take the Senate back to Inauguration Day, 1953, when I stood up on the floor of the Senate and protested the immediate confirmation of the nominations to the Cabinet. In the days which followed, a historic debate occurred. I remember the Senator from Tennessee [Mr. KEFAUVER], and I speaking at great length against the appointment of Mr. Harold Talbott to be Secretary of the Air Force. Let the record speak for itself. In that speech, I warned the Senate that if it confirmed the nomination of Talbott, there would be trouble with him over a conflict of interests before he was out of office.

All one had to do was to read the testimony of Talbott before the committee. I read every word of it, and I was satisfied that he had not learned anything since 1918, growing out of the Charles Evans Hughes investigation of the Talbott's Aircraft Co. in regard to a conflict of interests in World War I. It was a notorious and infamous scandal of political immorality on the part of Talbott then.

There was trouble with him after his nomination had been confirmed. When some of us announced that we would speak in the Senate each day on the matter until Talbott either resigned or was fired, the record will show that, day after day, I stood up and called upon the President of the United States to dismiss him. Talbott finally resigned.

This administration then gave Talbott a medal for distinguished civilian service in the Pentagon Building. I replied, making a charge of political immorality against the administration and said that instead of giving Talbott a medal, President Eisenhower should have given him a chisel, because he was a chiseler.

Mr. President, I now wish to mention the question of political immorality when it comes to handling the Nation's natural resources. In my judgment, history will record against this administration a shocking betrayal of the rights of future generations of American boys and girls in the natural resources of the United States. This administration is following, in the field of natural resources, a program of underdevelopment of the river basins of America, when what the future generations of American boys and girls must have is the full development of our river basins. I cannot square such action with high standards of political morality.

I think this administration has a terrific trust imposed upon it by God over our natural resources. They are given to our country for our use, not for our depredation and exploitation.

That brings me to the whole attitude of this administration toward water. That is why, on the floor of the Senate the other day, I said I was convinced that the trouble with the President is that he simply does not know the facts about our national resource problems. People can suffer out of ignorance, Mr. President, even when that ignorance flows from the President of the United States.

The greatest resource our country has is water. The future civilization of America will be dependent upon water. The Senator from Illinois [Mr. DIRKSEN] made, in my judgment, a good speech before a water congress the other day, in which he recognized the importance of the preservation and the conservation of water. But the program of this administration in connection with the underdevelopment of the water resources of America constitutes, in my judgment, a great wrong against future generations of American boys and girls.

As I said in the Senate on April 29, let us remember that as the water table of a nation goes down, its civilization goes down. America's water table is going down. Dwight D. Eisenhower, in my judgment, owes it to the American people to change the course of action of his administration in the field of natural resources. He is following a course of favoritism toward the exploiting policies of monopolistic interests to such a shocking degree as to justify my charge of political immorality against the President.

As I study the wrongdoings of this administration on issue after issue, I cannot square them with political morality. That is my judgment. Let me say that no Republican is going to take my judgment away from me. Let me say that, in my opinion, the time should never come when in the Senate of the United States, or off the floor of the Senate, a United States Senator, with the obligations he owes to the people of his State, should ever be silenced to the slightest degree in expressing his opinion of a President of the United States who, in that Senator's judgment, has betrayed a great public trust.

I close by saying that it is a little amusing, too, to think of the criticisms which have been made by Republicans of past Presidents to the effect of their being soft on communism, implying that they almost engaged in a traitorous course of action. It is not very becoming, I may say respectfully, to hear criticisms made by such Republicans of one who makes the charge I make against Dwight D. Eisenhower, and documents it with the specific examples which, in my opinion, support the charge.

Of course, it does not make me happy to have a President in whom I have so little confidence. Nevertheless, I believe, Mr. President, contrary to some of the expressions made on the floor of the Senate today, that the American people are becoming wise to what is happening to them in regard to the sanctimonious and pontifical pronouncements and professings of this administration about its alleged high level of political morality. I have tested it, and, in my opinion, I have found it sorely wanting.

Mr. DIRKSEN. Mr. President, I have listened with great attention to my distinguished friend, the Senator from Oregon. He knows that I have always entertained a deep and abiding affection for him, even though our differences on public matters have been great and sharp.

But today, in seeking to defend his position, it seems to me he has been all around Robin Hood's barn, but has not finally come to grips with the issue.

The fact is that after the hearings before the McClellan committee, a certain character has been identified in the public mind with the name of Dave Beck. That has been followed by an indictment, and that can only manifest a certain impression upon the people of the United States. It is the comparison between Dave Beck and the President of the United States to which we on this side of the aisle violently object; and all the vehemence and all the eloquence of the distinguished Senator from Oregon will not wipe out the fact that it was in bad taste to say such a thing. That is where we shall leave the record.

There is no desire on my part to submit or pursue a censure resolution, and I doubt whether that is seriously entertained by any Member on this side of the aisle.

I still contend that Senators can be gentlemen one with another—regardless of whether they disagree violently over fast tax writeoffs and Hells Canyon dams; but it is not necessary for Senators to demean each other in public in a way which certainly will go to all the corners of the earth. Argue all that the Senator from Oregon will, he was still in bad taste when he said it. I am willing to leave the matter right there.

Mr. CAPEHART. Mr. President, I wish to speak briefly about this matter, particularly after listening to the Senator from Oregon.

I heard the able Senator from Oregon say he had absolutely no confidence in President Eisenhower. Mr. President, I remember being in Chicago, at the Republican National Convention, a little over 4 years ago; and I remember that on that occasion the Indiana delegation sat directly behind the Oregon delegation. In fact, if I correctly recall, the Oregon delegation had the front seats. If I also remember correctly, the chairman of the Oregon delegation was the able Senator from Oregon [Mr. MORSE].

Mr. MORSE. Mr. President, will the Senator from Indiana yield for a correction?

Mr. CAPEHART. I yield.

Mr. MORSE. The chairman of the delegation was the man I defeated last fall. [Laughter.]

Mr. CAPEHART. Very well. However, Mr. President, I remember very distinctly that the able Senator from Oregon was a Republican delegate there. I remember that the Oregon delegates wore very high hats on which appeared the words "We Want Ike." I remember that the Oregon delegates stood up and were "whooping it up" for Eisenhower—so much so, in fact, that we who were delegates from Indiana, and who sat directly behind the Oregon delegates, could not see; and I remember that the able Senator from Oregon was among the most enthusiastic supporters of Eisenhower.

Mr. MORSE. Mr. President, at this point will the Senator from Indiana yield again to me?

Mr. CAPEHART. No, Mr. President; I wish to finish my statement.

Mr. MORSE. I wish to make a fleeting comment.

Mr. CAPEHART. No, Mr. President, I wish to complete my statement.

Mr. President, at that time the Senator from Indiana was in favor of Senator Taft. At that time the able Senator from Oregon was a Republican. He sat on the Republican side; he was a Republican delegate. That was only a little more than 4 years ago.

At that time the Senator from Oregon was an enthusiastic supporter of President Eisenhower. Now he has said President Eisenhower is immoral, and the Senator from Oregon has compared President Eisenhower with Beck; and today the Senator from Oregon has said he has no confidence in President Eisenhower—and all in the short period of a little more than 4 years.

Mr. President, either the Senator from Oregon was wrong 4 years ago or he is wrong today, or, stated in the opposite way, either the Senator from Oregon was correct 4 years ago or he is correct today. But 4 years ago he was wearing one of the big hats bearing the words "We Want Ike."

Mr. President, I am not going to have too much confidence or put too much credence in the opinions and statements of a man who, in the short period of 4 years, completely, 100 percent, changes his position. I cannot understand how anything the President of the United States has done would justify such a change of position by the able Senator from Oregon, who some 4 years ago was jumping up and down and helping nominate President Eisenhower, and was for him. I think I can understand the English language fairly well. I think I can understand problems fairly well. I know of nothing the President has done in the meantime that would cause a man to change his politics and change his position and change his mind, and would make him wish to associate the name of the President of the United States, the name of the very man he was so enthusiastically in favor of, 4 years ago, with that of Dave Beck.

I would not be speaking about this matter now, and I do not think other Senators would be, if the Senator from Oregon had not compared the President of the United States with a man who is under indictment for income-tax evasion in the State of Washington.

I simply cannot forget the days when the Senator from Oregon sat on this side of the aisle. I rather liked him then, and I kind of like him now; but I simply cannot quite understand why people can follow a man who changes position so many times and so often.

Mr. GOLDWATER. Mr. President, will the Senator from Indiana yield to me?

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Does the Senator from Indiana yield to the Senator from Arizona?

Mr. CAPEHART. I yield.

Mr. GOLDWATER. The Senator from Indiana is discussing a matter to which I referred just before he entered the Chamber, namely, the question of the consistency or inconsistency of the senior Senator from Oregon.

The junior Senator from Arizona is inclined to believe that the senior Senator from Oregon is fairly consistent, because on June 10, 1955, the Corvallis (Oreg.) Gazette-Times noted the following in an editorial it published:

> On May 9, 1952, this same Mr. MORSE stood on the platform in the Corvallis Community Center Building and said before several hundred Republicans that Mr. Truman couldn't be criticized for his intentions or his motives, but he could be for his judgment.
>
> Then he added: "The Creator didn't give him the ability to deal with the problems he has to deal with as President."

Mr. President, will the Senator from Indiana yield to me again so that I may make a further comment about the consistency or inconsistency of the senior Senator from Oregon?

Mr. CAPEHART. I yield.

Mr. GOLDWATER. The San Francisco Chronicle interviewed the senior Senator from Oregon [Mr. MORSE] and reported the following on December 12, 1951:

> "The Democratic Party," he said, "is bankrupt for leadership and the administration is honeycombed with corruption and malfeasance in office."

The only question I have is, What does it take to please the senior Senator from Oregon? He has gone through two Presidents, and he is unhappy. He has run through two parties, and he is unhappy. Perhaps the tripartisan approach suggested by a Senator on the other side of the aisle will offer him another haven in which to go and heap abuse on some other President.

Mr. CAPEHART. I can tell what it is. He loves the headlines; he loves to see his name printed in the newspapers; and that is one way to get his name there.

Mr. MORSE. Mr. President, will the Senator from Indiana yield to me?

Mr. CAPEHART. I yield.

Mr. MORSE. The Senator has commented about my original support of the present President. Of course, that was before I was disillusioned. As one of my colleagues has pointed out, it is like a woman who got into a divorce court, where she said, "You do not really know a man until you are first married to him."

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. GOLDWATER. I should like to complete this little documentation of the inconsistency of the Senator from Oregon. I should like to read from the Seattle Times of October 4, 1946. That goes away back, but, on reading it, one can look into the history of the inconsistency of the Senator from Oregon.

The article reads:

> "It is obvious," said MORSE, "that the CIO is in bed with Harry Truman and it is worried about the fact that the rank and file of American workers are becoming sick and tired of the political bargaining and political expediency of the Democratic political machine of the Missouri-Pendergast gang, of which Truman is the head."

I do not think the Senator can say the CIO is in bed with the Republican Party, so that statement, I believe, will show some of the inconsistency on that point.

THREE HUNDRED AND FIFTIETH ANNIVERSARY OF AMERICAN DAIRY INDUSTRY

Mr. AIKEN. Mr. President, on June 4 a unique ceremony commemorating the 350th anniversary of the American dairy industry will be held at historic Jamestown, Va.

It may be true that the first milk cows were brought to this continent long before the English settled at Jamestown in 1607, for it is considered likely that the early Vikings brought their own cattle with them when they came to America many years before the immortal voyage of Columbus. Jamestown, however, was the site of the first permanent colony on the North American mainland, and the birthplace of the American dairy industry.

The first settlers to arrive at Jamestown on May 14, 1607, brought with them cheese, butter, and beef, preserved in salt. These stores proved to be totally inadequate, and in that first year, the early records tell us, the colonists looked around for available meadows which might be used for pastureland.

The subsequent sufferings of the early colonists are well known. Starvation and disease brought miseries that were sharpened by the hostility of the Indians. Something had to be done to establish a fairly reliable source of essential nutrients. So it was that in 1611 the first 100 milk cows were brought to Jamestown.

Writers later in that century noted the large numbers of dairy cattle in Virginia, for even in those days cows meant fresh meat and rich milk, butter, and cheese—all basic ingredients of good health, and the keys to survival in that unfriendly wilderness.

When we realize the importance of dairying to the early colonists, not only in Virginia but all along the coast from Jamestown to the cow pasture in Boston Common, it is especially appropriate that one of the first big ceremonies of June Dairy Month is to take place at Jamestown.

While we view with deep respect the role that dairying has played in the last 350 years, it is the dairy industry of today that commands our attention at this time.

The science of animal husbandry has grown rapidly since the days of colonial America, until the dairy aspect alone boasts more than 23 million cows producing a total of some 127 billion pounds of milk this year.

Many herds now average over 10,000 pounds of milk per cow annually, while the United States average is 6,000 pounds of milk per cow per year. Only a few years ago the average was only 4,200 pounds per cow, so there has been an increase of almost 50 percent per cow in just a few years.

As for milk consumption, the per capita average is slightly under 700 pounds, compared with 607 pounds in 1940. This decline is traceable largely to the promotion efforts of competitive products and the changing diets of people.

Our dairy people unfortunately were too inclined to depend on Government

to solve their problems while this downtrend was developing.

Today they are acutely aware of the competition and the situation, and are employing the most modern promotion methods to raise per capita consumption of milk to higher levels.

Today's dairy industry, while still largely a family farm occupation, is employing the very latest techniques in milk production, packaging, and advertising.

My own State of Vermont, I am proud to say, has been one of the first to recognize the necessity for meeting competition with modern advertising and sales techniques. Through their own joint efforts our dairymen have succeeded in materially increasing the consumption of milk in their New England milksheds. At the same time they have vigorously culled their herds in the interest of more efficient production. And what has been going on in New England, Mr. President, has been going on in nearly all the dairy areas of the United States.

The results have shown that this kind of self-help has resulted in higher incomes for dairymen at a time when the American farmer is plagued by a surplus of production.

Dairying is the most important single source of agricultural income, with a capital investment estimated at more than $14.6 billion, an annual production level in excess of 127 billion pounds, giving employment to 2 million or more people, including those who work on the farms.

The dairy industry accounted for more than $4.5 billion in milk sales last year.

In addition, the dairymen supplied most of the Nation's veal and about one-fifth of the beef.

When there is included cash income from dairying, beef, and veal, dairying leads all types of agriculture in farm income.

To handle this enormous business, there are about 25,000 processing plants and factories receiving milk from America's milk-producing farms.

They convert this milk into dairy products for general sale, and trucks haul more than 300 million pounds of milk from the farm to factory or railroad siding every day.

About half of the 60 billion quarts of milk prepared for retail sale each year are delivered to the doorsteps of American homes on an every-other-day basis.

The role that has been played by cooperative dairy organizations in the development of our dairy industry is most impressive.

Between 1841 and 1851, cooperative associations developed in many areas of our country.

One of the earliest of these was a cheese factory in Connecticut. Other cheese cooperatives were started in New York State and Wisconsin.

By 1913 there were 1,187 dairy cooperative associations doing some $60 million worth of business annually.

By 1925–26 this number had grown to 2,197 dairy co-ops doing a business of $535 million annually for their 460,000 members.

By 1927–28 there were 2,479 cooperative dairy associations, the largest number on record up to that time.

The business in that year totaled only $620 million, while in 1954–55 the total number of dairy cooperatives had declined to 1,824 doing a business in excess of $3 billion.

This decline in the total number of cooperatives was, of course, due to the larger size of the plants and the greater efficiency of their management.

Today almost 96 percent of the total volume of our dairy cooperative comes from marketing dairy products.

The other 4 percent of their income comes from the marketing of other farm products, purchasing supplies, and performing special services.

In addition to the 800,000 co-op farmers working closer together to solve dairy problems, thousands more participate as nonmembers in the resulting benefits.

To illustrate further the scope of today's dairy industry, the 1954 agriculture census showed that there were 1.5 million farms selling dairy products. Five hundred and forty-seven thousand of these farms were getting more than half their income from milk, cream, or butter.

So great has been our capacity to produce dairy products that in these times of farm surpluses the dairy farmers of America have had to use aggressive methods to increase sales and decrease production.

The number of milk cows increased by some 3.3 million in the 1938–45 period and by another 4.7 million in the 1945–52 period.

Since then, there has been a decline, through vigorous culling of herds, with a resulting decrease of some 32,000 head, the lowest total herd since 1929. The large decreases have come since January 1, 1954, when there were 23,896,000 head of milking cows. This figure was cut 434,000 head by January 1, 1955, another 221,000 by January 1, 1956, and a 193,000 reduction was recorded on January 1, 1957.

A significant byproduct of this great industry is that it has played an essential role in the development of a Nation comprised of the healthiest people in the history of the world.

This achievement was not plotted on any Government planning boards, nor was it merely a matter of divine accident.

Since earliest times Americans have depended upon dairy products as a major element in their diet.

With this essential food occupying a basic place of everyday importance in their diets, Americans have increased the average length of life, and reduced mortality rates.

I recognize that there are other factors which have played a part in giving to our people such a high level of good health, but the importance of good dairy food cannot be minimized.

While there are many problems facing dairy farmers today, I know that these problems will be solved by the efforts of our self-reliant dairy farmers.

Therefore, it is with considerable pride that I join in paying homage to the American dairy industry, a pillar of strength and good health in modern America.

INVESTOR-OWNED POWER REACTOR PROJECTS

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a tabulation on investor-owned power reactor projects, which was handed to me by William Webster, president of the New England Electric System.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Investor-owned power reactor projects

Utility	Type	Design	Construction	Completion	Kilowatts (electric)	Construction	Location
Pacific Gas & Electric Co	Boiling water	General Electric	Bechtel Corp	1958	3,000	$4,000,000	Vallecitos, Calif.
Yankee Atomic Electric Co	Pressurized water	Westinghouse	Stone & Webster; Westinghouse.	1960	134,000	[1] 35,000,000	Rowe, Mass.
Power Reactor Development Co	Fast breeder	Atomic Power Development Associations.	Commonwealth Associations Architectural Engineers; United Engineers & Constructors; Construction Engineering.	1960	100,000	43,000,000	Monroe, Mich.
Consolidated Edison Company of New York.	Pressurized water	Babcock & Wilcox		1960	275,000	70,000,000	Indian Point, N. Y.
Commonwealth Edison Co Nuclear Power Group	Boiling water	General Electric	Bechtel Corp	1960	180,000	45,000,000	Dresden, Ill.
American Gas & Electric and others	High temperature prototype to be selected from 3 proposals.			1961–62	13,000	15,000,000 31,000,000	Ohio.
Florida Power Group	Gas cooled, heavy water moderated.	General Nuclear Engineering.		1962	134,000	55,000,000	Florida.
Northern States Power and others		Allis Chalmers	Pioneer Engineering & Service Co.	1962	60,000	20,000,000 to 25,000,000	Minnesota.

[1] Plus escalation.

Investor-owned power reactor projects—Continued

Utility	Type	Design	Construction	Completion	Kilowatts (electric)	Construction	Location
Pennsylvania Power & Light		Union Carbide Nuclear, Westinghouse CAPA.		1962	150,000	[1] $45,000,000	Pennsylvania.
Middle South Utilities	Evaluating 5 proposals				15,000 to 30,000	[2] 15,000,000	Southeast area.
New England Electric System	Type still open			1964	200,000	[2] 60,000,000	New England.
Pacific Gas & Electric	Advanced type pressurized or boiling water, intend for 3d round PDRP.			[3] [4]	130,000	[2] 39,000,000	California.
American Gas & Electric	Type awaits outcome of prototype.				200,000	[2] 60,000,000	Ohio Valley area.
Total					1,609,000	527,000,000	
Not included above are:							
Carolina Virginia Nuclear Power Associations.	3d round PDRP	General Nuclear Engineering.					South Atlantic area.
Pacific Power & Light and others [4]							
Texas Group [4]							
AEC—Duquesne				1957			
AEC (North American)—Pacific Gas & Electric.	Sodium-graphite			1957			
American & Foreign Power Co							Latin America.
Manila Electric Co.—General Public Utilities.	2 boiling water and 1 organic moderated.						Philippines.

[1] Reasonable guesses.
[2] Large scale.
[3] Site purchased; no definite plans public.
[4] No plans public as yet. Announced $10 million program in May 1957, to study fusion reaction for power with General Dynamics.

Source: Atomic Energy Commission, Semiannual Report for July to December 1956, appendix 14. Atomic Industrial Forum, Inc., Forum Memo for March 1957 pp. 9–14

CARE APPROACHING AGREEMENT WITH POLISH GOVERNMENT

Mr. WILEY. Mr. President, I was delighted to receive word today that agreement has been reached in principle between CARE—the Cooperative for American Remittances to Everywhere—and the Polish Government for a resumed CARE program in Poland.

This is welcome news to all friends of Poland throughout the world, including all Americans, for we are delighted at the opportunity of providing self-help for the Polish people through this great instrumentality—CARE.

CARE is more than a humanitarian organization to feed the hungry. It is that, and much more. I need only point out, for example, that CARE can render important service to the Polish people through its program of providing self-help, small tools, and equipment, over and above the essential food, plus the textiles and books which can be used to good advantage.

I send to the desk the text of a release being issued today, which describes the tentative results of a visit which was just made to Poland by Mr. Richard W. Reuter, executive director of this nonprofit international aid agency. I ask unanimous consent that the text of this release be printed at this point in the body of the RECORD.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

CARE PLANS TO OPEN FULL SERVICE TO POLAND
JULY 1

NEW YORK, May 22.—A full-scale CARE program will be launched in Poland on completion of contractual details now being worked out with the Polish Government.

Richard W. Reuter, executive director of the nonprofit international-aid agency, who has just returned from a 10-day trip to Poland to clarify the program details with Polish Government officials, announced today that agreement in principle had been reached on all major points.

Under these tentative arrangements, CARE will open an office in Warsaw on July 1, with two of its American employees stationed in that city as resident representatives.

Prime emphasis will be placed on providing CARE self-help tools and equipment with initial distributions to vocational training centers, hospitals, and other institutions. Still under negotiation is the question of a designated program for delivery of standard CARE food and textile packages to relatives and friends named by the American donors. An institutional feeding program, using specified United States surplus agricultural commodities, is also planned.

The Polish Ministry of Labor and Social Welfare was named by the Polish Government as the liaison agency to complete negotiations. The Ministries of Health, Foreign Affairs and Foreign Trade also participated in the Warsaw discussions.

"I have been authorized to release this information to the American press," Mr. Reuter said, "with the addition that talks are continuing in an effort to work out the numerous details necessary before formal agreement is possible. I understand a similar statement is being issued to the Polish press by the Polish Government."

The designated-package program, Mr. Reuter explained, presents special problems because it involves several ministries and affects customs practices. All CARE contracts call for customs-free entry of the agency's supplies.

If the agreement is signed, as expected, it will mark the return of CARE to one of the first countries to receive postwar relief aid from the agency. From May 1946 through December 1949 over $2¼ million worth of designated CARE packages were delivered in Poland. Slated to head the reopened CARE office is Edward T. Greaves, formerly of Jersey City, N. J., an 11-year veteran of the agency's overseas staff, who accompanied Mr. Reuter to Warsaw for the negotiations.

Throughout their trip, Mr. Reuter reported, he and Mr. Greaves met nothing but friendliness from both the officials and the Polish people. They traveled freely through Warsaw, Lublin, and a half-dozen smaller cities and were taken on a tour of six institutions (hospitals, orphanages, rehabilitation centers).

In the institutions, Mr. Reuter was impressed by the high level of professional care, but he noted a discouraging lack of technical equipment, tools, and recreational material. The CARE self-help program, which provides such supplies where needed, was enthusiastically praised by the officials with whom he conferred. The ministries involved in the administration of the institutions are now drawing up lists of priority needs for CARE's consideration, he stated.

Of food and other consumer goods that might be delivered, Mr. Reuter explained:

"Though there is no starvation in Poland, and probably very little actual hunger, there are shortages of specific items. Citrus foods, for example, fresh or canned, are virtually unobtainable. Milk distribution is spotty."

Price is most likely to be a limiting factor, he added. Using the new exchange rate, monthly wages average $50 for workers and $70 for white-collar employees. But a pair of shoes costs $8; a shirt, $4; a pound of coffee, $6.

"Life is not easy for the people of Poland," he concluded. "Through CARE, the people of America could be of real assistance. The present CARE program balance, with self-help emphasis, would be particularly helpful in Poland. I expect that a satisfactory agreement will be signed shortly."

Mr. Greaves will be transferred to Warsaw from his present post as CARE mission chief in West Germany. Assisting him will be Anthony Matulewicz, of Philadelphia, Pa., former assistant in Panama and Colombia, who speaks, reads, and writes Polish.

GOVERNMENT SPENDING

Mr. ROBERTSON. Mr. President, never in my previous service in the Congress has greater concern been expressed by the rank and file of the people of this Nation over the Government's spending program which has necessitated the continuation of wartime taxation 12 years after the end of World War II. The Appropriations Committees of the House and Senate are closely scrutinizing every item in the President's budget for fiscal 1958 with a view to effecting every possible economy consistent with national safety and the general welfare.

On yesterday, the Joint Committee on Defense Production, of which I am now chairman, learned that a part of the vast spending since 1950 has been due to

losses under the Defense Production Act exceeding $850 million on materials contracted for by the Government for private as well as public use, plus a revenue loss growing out of the tax amortization program of ODM, estimated by the Secretary of the Treasury at $3 billion, but by others at a much higher figure.

The Joint Committee on Defense Production plans to continue this study of losses under the Defense Production Act, including a very large loss on a nickel-purchasing program when ODM forced the General Services Administration to contract for nickel from the Freeport Sulphur Co. at a much higher price than had been offered by Bethlehem Steel, plus another potential loss if the International Nickel Co. can substantiate its claim that the Government must give it the same type of deal that Freeport Sulphur got.

Today, Mr. President, I wish to emphasize the fact that if we are to reduce expenditures and then have a reduction of taxes, there are many phases of the present high cost of government that need to be studied.

ORDER FOR CALL OF THE CALENDAR

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that at the conclusion of action on the pending business, it be in order to proceed to the consideration of unobjected-to bills on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

MUTUAL SECURITY PROGRAM—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 182)

Mr. JOHNSON of Texas. Mr. President, the message of the President of the United States on the mutual-security program, transmitted to the Senate today, was received by the House on yesterday and printed in full in the RECORD on pages 7299 to 7302.

I ask unanimous consent that the message be laid before the Senate and referred to the Committee on Foreign Relations, without being read.

There being no objection, the Presiding Officer laid before the Senate a message from the President of the United States, relating to mutual-security programs, which was referred to the Committee on Foreign Relations.

(For President's message, see House proceedings of May 21, 1957, pp. 7299–7302, CONGRESSIONAL RECORD.)

PUBLIC SUPPORT OF THE PRESIDENT'S POSITION ON THE FOREIGN-AID PROGRAM

Mr. JAVITS. Mr. President, today we have heard some interesting statements with respect to confidence in the character of the President. I yield to no one in my admiration for support of, and belief in, the character of the President; and I have shown that on many battlefields.

It is my deep conviction that right now the President is even more interested in support of his program than he is in support by means of statements of our confidence in him as a person—gratifying as they are to any man, regardless of the cause.

So, Mr. President, I am very glad to report that the reaction to the President's speech of last night on foreign aid, which he considers—and rightly so, and I think that is as patriotic a duty as any he can perform while he is in office—essential to the security of the United States, is running very well; and the communications coming from my State this morning are 10 to 1 in favor of what the President spoke about last night, when he called for support for the foreign-aid program of the United States.

Since the President of the United States has been taking this fight to the people, I have begun to note, Mr. President, a dramatic shift in public opinion on the budget; and it is tremendously encouraging to me, as a fighter on the side of the President, and for his programs, to see public opinion finally begin to crystallize in support of the programs endorsed by a huge majority of the American people, first in 1952 and again in 1956.

Mr. President, as history is written, it is these endorsements of his program which are the greatest certification of the extent to which the American people believe in the President and which will prove to be the most gratifying to him.

THE MUTUAL SECURITY PROGRAM

Mr. CASE of New Jersey. Mr. President, the President has made a forthright and unmistakably clear statement of the stakes involved in our mutual security programs. Plainly stated, the issue comes down to a choice of security or saving—spending dollars now or spending billions and endangering American boys later.

Today's budget breaking has great appeal, but there is a greater responsibility upon all of us—to continue the security of our Nation. The President, with his wealth of experience in peace and in war, has stated unequivocably that the program he is seeking is a minimum for the adequate defense of this Nation. As the President has said, "There is no waste so colossal as war itself." And the mutual security programs "are totally dedicated to the prevention of that most appalling kind of waste."

I can think of no better way to summarize my views on the budget for the mutual security programs than to repeat the conclusion of the President's statement:

> These, then, are the kinds of help and action that make up our mutual security programs, for which I have asked the Congress to appropriate less than $4 billion—one-twentieth of our national budget. This is not a mathematical guess or an arbitrary sum. It reflects economies already achieved in some aspects of military aid.
>
> It is a reasoned figure.
>
> And, considering the issues at stake, it is a minimum figure.
>
> I know of no more sound or necessary investment that our Nation can make. I know of no expenditure that can contribute so much—in the words of the Constitution—to our "common defense" and to securing the blessings of liberty for ourselves and our posterity.
>
> To see all the day-to-day results of these programs in concrete terms is not always easy. They operate in distant lands whose histories, even their names, seem remote. Often the results are not swift and dramatic, but gradual and steady. They operate in a way rather like police or fire protection in our own cities. When they are least in the news, they are really doing the most effective work.
>
> We live at a time when our plainest task is to put first things first. Of all our current domestic concerns—lower taxes, bigger dams, deeper harbors, higher pensions, better housing—not one of these will matter if our Nation is put in peril. For all that we cherish and justly desire—for ourselves or for our children—the securing of peace is the first requisite.
>
> We live in a time when the cost of peace is high.
>
> Yet the price of war is higher and is paid in different coin—with the lives of our youth and the devastation of our cities.
>
> The road to this disaster could easily be paved with the good intentions of those blindly striving to save the money that must be spent as the price of peace.
>
> It is no accident that those who have most intimately lived with the horrors of war are generally the most earnest supporters of these programs to secure peace.
>
> To cripple our programs for mutual security in the false name of economy can mean nothing less than a weakening of our Nation.
>
> To try to save money at the risk of such damage is neither conservative nor constructive.
>
> It is reckless.
>
> It could mean the loss of peace. It could mean the loss of freedom. It could mean the loss of both.
>
> I know that you would not wish your Government to take such a reckless gamble.
>
> I do not intend that your Government take that gamble.
>
> I am convinced of the necessity of these programs of mutual security—for the very safety of our Nation. For upon them critically depends all that we hold most dear—the heritage of freedom, from our fathers, the peace and well-being of the sons who will come after us.

I am happy to report that the response so far received in my office to the President's speech indicates that the great majority of the American people share the President's convictions and are wholeheartedly behind the mutual security program.

THE PRESIDENT'S FOREIGN AID REQUESTS

Mr. BYRD. Mr. President, in presenting his foreign aid appropriation requests for fiscal year 1958, the President last night omitted mention of the total amount which would be available.

He asked for $3.9 billion in new appropriations. This would be in addition to $6.2 billion of unexpended balances remaining in previous appropriations. The total available, beginning July 1, for expenditure would be $10.1 billion. This is in addition to $0.8 billion in foreign currencies available outside the budget.

It will be contended that most of these unexpended balances are obligated, but foreign aid obligations are not always

firm and they have been deobligated, reserved, transferred, time and time again.

Not only did the President, in effect, request a total of $10.1 billion to be available in foreign aid during the coming fiscal year, but he also proposed a whole new foreign loan program on a permanent basis. For this new loan program he requested $500 million in direct appropriations for the coming year and asked for authority to spend an additional $1.5 billion out of the United States debt in fiscal years 1959 and 1960 to increase the capital in this proposed new foreign loan program.

To date foreign aid has cost $63.5 billion, according to official figures compiled by the United States Department of Commerce. Most of this has been added to the Federal debt on which American taxpayers will be paying, with interest, for years to come.

Congress should have a complete blueprint of authority to spend for foreign aid. American taxpayers should be informed, without confusion, as to: First, the $6.2 billion of balances in previous appropriations available to be spent; second, the $3.9 billion in new appropriations requested; third, the $0.8 billion in foreign currencies owed to and owned by the United States available for foreign aid expenditure outside the budget in the coming year; and, fourth, the $1.5 billion requested for the new foreign loan program in future years.

ORDER FOR CONSIDERATION OF GENERAL GOVERNMENT MATTERS APPROPRIATION BILL, 1958

Mr. JOHNSON of Texas. Mr. President, I should like to announce that at the conclusion of the call of the calendar the majority leader will move the consideration of H. R. 5788, the general Government matters appropriation bill.

PRINTING OF ADDITIONAL COPIES OF THE REPORT ENTITLED "THE INTERNATIONAL PETROLEUM CARTEL"

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the concurrent resolution (S. Con. Res. 26) to print additional copies of the report entitled "The International Petroleum Cartel."

Mr. O'MAHONEY. Mr. President, the unfinished business is a concurrent resolution reported by the Committee on Rules and Administration authorizing the printing of 3,000 additional copies of the report entitled "The International Petroleum Cartel." This concurrent resolution, unanimously reported by the committee, calls for a reprint of the document, of which the Superintendent of Documents, when it was first printed, sold 5,100 copies at $1.50 each. When printed again, the reprints will be placed on sale at $2 a copy.

The Superintendent of Documents has advised us that it is his intention to order 1,500 additional copies for sale to the public. The demand is great, and I suspect it will be essential for the Superintendent of Documents to order additional copies.

I know of no objection to the adoption of the concurrent resolution, and I trust it may now be acted upon.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 26) was agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there shall be printed 3,000 additional copies of the report entitled "The International Petroleum Cartel," a staff report to the Federal Trade Commission submitted to the Subcommittee on Monopoly of the Senate Committee on Small Business, which was printed as a committee print during the 82d Congress, 2d session. Such additional copies shall be for the use of the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary.

ROADSIDE ADVERTISING

Mr. NEUBERGER. Mr. President, the Subcommittee on Public Roads of the Senate Committee on Public Works is currently considering legislation for the control of roadside advertising along the 41,000-mile-long Interstate Highway System to be constructed under the provisions of the Highway Act of 1956.

Two principal measures are now before the subcommittee. S. 963, which I introduced in January, provides that the Secretary of Commerce will promulgate recommended standards of billboard control. States which agree to accept these standards would be entitled to include within the highway costs, of which the Federal Government contributes 90 percent, the cost of acquiring or otherwise eliminating advertising rights within 500 feet on either side of the rights-of-way. The other proposal, drafted by Federal Highway Administrator Bertram D. Tallamy at the subcommittee's request, would award cooperating States three-fourths of 1 percent of highway costs. Both of these measures reject the philosophy of a Department of Commerce proposal to impose billboard control by penalizing those States which decline to participate.

The Senator from Tennessee [Mr. GORE], the able chairman of our subcommittee, has indicated his willingness to consider any reasonable compromise bill which may win the support of a majority of the subcommittee. I am entirely in accord with this view, but it must be a reasonable bill. I have no pride of authorship in S. 963. I am interested only in the end result—initiation of a program to protect the traveling public whose taxes will build the new highways against being made an unwilling captive audience for commercial advertisers. The Federal Government has a substantial and legitimate interest in preserving the natural view along the new interstate highways for the enjoyment of millions of motorists who will finance this great transportation development.

There is no question but that the Government, with the cooperation of the States, can accomplish this goal while fully protecting the real interests of tourist facilities and services whose business depends upon attracting travelers off the highways to their locations. The proposals which we are considering would include provisions for informational signs within a reasonable distance approaching the exits of the limited-access highways, from which the traveler would learn of resorts, motels, restaurants, garages, and other facilities available to him from the highway access point which he is approaching. There is a basic distinction between that sort of informational advertising and the customary huge billboards which proclaim the merits of some beer, automobile, cigarette, or other nationally sold product.

Mr. President, I am hopeful that the subcommittee on Public Roads will soon act on billboard-control legislation, and that the full Public Works Committee and the Senate will accept their recommendation. The wide public interest in this proposal continues to be evidenced both by the volume of letters I have received in support of my bill and by the continued attention given it in the press.

At this point, I ask unanimous consent to have printed in the RECORD, as fitting examples of this public interest, an editorial from the Portland Oregonian of May 14, an editorial from the Christian Science Monitor of May 16, an editorial from the Harvard Law Record of April 25, and an article by Mr. Henry J. Stern in the same issue of the Harvard Law Record, analyzing the issues brought before the roads subcommittee in its billboard-control hearings.

There being no objection, the editorials and article were ordered to be printed in the RECORD, as follows:

[From the Portland (Oreg.) Oregonian of May 14, 1957]

CARROT OR STICK?

The old question whether the carrot or the stick is the better inducement has been raised in Congress in connection with proposed legislation to protect the 41,000-mile Interstate Highway System against too many billboards. The carrot appears to be winning out.

Last year Senators ALBERT GORE, of Tennessee, and RICHARD L. NEUBERGER, of Oregon, attempted to apply the stick by including in the original $25 billion interstate highway bill an anti-billboard clause. This ran head-on into the States right issue and was deleted. This year Senator NEUBERGER tried the carrot. A bill introduced left co-operation up to the States and under it the Federal Government would have paid 90 percent of the cost of buying up advertising rights in 500-foot strips adjoining the superhighways.

The administration, through Secretary of Commerce Sinclair Weeks, sought to induce cooperation of the States by resorting to the stick again. States which did not agree to billboard regulation, under this plan, would receive only 85 percent of the highway construction costs from the Federal Treasury instead of 90 percent. The Senate public roads subcommittee rejected that suggestion.

Then Bertram D. Tallamy, Federal Highway Administrator, came up with another carrot. He suggested that cooperating States receive a bonus in place of penalizing noncooperators. States which agree to join in the program would receive 90¾ percent of highway construction costs instead of 90 percent.

Senator GORE thinks a compromise measure, incorporating this bonus and also some

concessions on signs "in the interest of the traveling public" for which motels and other businesses off the main highways had argued, will be approved by his subcommittee.

If the modern, new highways are to be protected from an overabundance of signs, now is the time to do it before the 13-year rebuilding program gets too far under way. Compromise and the carrot, one hopes, will result in preserving the beauty of the countryside as well as giving off-the-road businesses a fair break.

[From the Christian Science Monitor of May 16, 1957]

A BILLBOARD CARROT

Hopes for strong legislation to control billboards on the new 41,000-mile National Highway System have been trimmed almost to the vanishing point. The Senate Public Roads Subcommittee has apparently given up the attempt to goad the States into effective action by withholding 5 percent of Federal funds unless billboards were regulated. It leans rather toward the reward method.

There is much to be said for using a carrot instead of a stick to obtain State action. But the compromise bill now favored provides a very tiny carrot. It would add three-quarters of 1 percent to the 90 percent of total costs which the Federal Government now provides for the joint highway building program. This bonus may induce States to apply minimal restrictions. And Senator GORE and his colleagues on the committee must believe it is the best they can get.

But the history of this proposal is another sad commentary on the way in which concentrated private interests are able to thwart the diffuse general interest. Public opinion has been strongly and widely expressed in favor of controls. That the billboard business in this case would be created by the public funds made it all the more reasonable to control it in the public interest.

Let's hope that the little carrot now promised will prove attractive. But it looks so small that the battle will probably have to be fought all over again in each State. Even so it can be won if citizens will show that they care enough.

[From the Harvard Law Record of April 25, 1957]

BILLBOARD REGULATION

A new 41,000-mile system of interstate highways will be constructed over the next 13 years. Ninety percent of the cost of the roads will be paid by the Federal Government; the States will pay 10 percent. The money will be raised by taxes on highway users, who will pay increased levies on gasoline, diesel fuel and tires.

Whether billboards should be allowed to line the sides of these highways is a question now before Congress. Despite widespread public sentiment for regulation of billboards, it is unlikely that Congress will act.

The case for regulation has been gaining increasing acceptance in recent years. Court decisions, once hostile to State laws and city ordinances on billboards, are now almost unanimously in favor of regulations. Some States, including California and New York, have banned billboard advertising near the thruway and freeway systems.

It is beginning to be recognized that part of making a limited-access toll-road attractive to motorists is the banning of billboards.

Advocates of billboard control stress the scenic beauties of the United States. "Will motorists travel these swift economic highways with an unlimited view of the scenic grandeur of the American countryside? Or will our new transportation arteries become monotonous corridors walled with commercial signboards?" asks Senator RICHARD L. NEUBERGER, of Oregon. Will the motorist "instead of seeing stirring vistas of mountains and rivers be confronted by blatant demands that he buy a particular brand of liquor, soap or chewing gum?"

Actually, the motorist is more likely to be asked to buy automobiles, gasoline or beer than chewing gum or soap. Of the 25 companies that spent over $1 million on billboards last year, 4 sell cars, 7 sell gasoline, and 9 are breweries. But regardless of what is being sold, the billboard blots out the scenery with equal effectiveness.

SAFETY STUDIES QUOTED

Driver safety is also relied on as an argument by opponents of billboards. They cite a Minnesota Traffic Department study to show that more accidents occur on roads which have heavy billboard concentrations. The time a driver spends reading a billboard cannot be spent watching the road. If a driver spends 5 seconds reading a signboard, his car, going at 50 miles per hour, will have traveled 367 feet. Furthermore, billboards are often placed on curves where extra attention to driving is needed.

The State of New York, and other States, have gone to great expense recently to build overhead signs informing drivers about approaching intersections. These authorities believe it is safer to keep the motorist's eyes on the road.

As far as can be determined, public opinion supports regulation. In a March 1957 Trendex News poll, 65.9 percent of a nationwide sample favored billboard control, and 25.9 percent opposed regulation. A poll of 10,000 motorists taken by the Automobile Club of Maryland resulted in a 19-1 margin for billboard control.

The Neuberger bill and the administration bill proposed by Secretary of Commerce Sinclair Weeks are before the Senate Subcommittee on Public Roads. Both would encourage the States to restrict billboards on the Interstate System. The Neuberger bill uses the carrot, promising to pay 90 percent of the cost which the States would incur in buying scenic easements to prevent the construction of billboards. The Weeks bill uses the stick; it would cut off 5 percent of Federal-aid appropriations to States that do not agree to regulate billboards.

The Neuberger bill is preferable for one reason—it is the only bill with a chance of passage. The proposal to penalize the States for refusal to comply with the suggested Federal standards has run into strong opposition on States rights grounds. It is also attacked as a breach of faith, taking back money that has already been appropriated unless new conditions are met.

In theory, we can get billboard control without paying for it; either by legislation or by zoning. These methods have been upheld in some State courts and rejected in others; applied to the Interstate System, they are likely to be found valid by the United States Supreme Court. But politically speaking, such regulation would be almost impossible to achieve, since it would be opposed by farmers as well as roadside business and the billboard industry.

The cost of billboard control has been estimated at $6,000 per mile for the new roads. But this is less than 1 percent of the cost of construction. And the easements will never be cheaper to buy than at the time the road is being built.

Can the vast public that will use, and pay for, the new highways speak strongly enough to overcome the opposition of the interests who profit from billboards? It is on its success in meeting tests of this kind that our democracy will be judged.

[From the Harvard Law Record of April 25, 1957]

CONGRESS WEIGHS BILLBOARD BAN ON NEW INTERSTATE ROAD SYSTEM

(By Henry J. Stern)

The 50-year-old struggle for billboard regulation reaches a crisis this year as Congress considers plans to keep billboards off the new Federal Interstate Highway System.

Previous battles have been fought in State legislatures, city councils, zoning boards, and courts. Now Congress is involved with the question of whether advertising should be permitted along the 41,000 miles of new roads to be built in the next 13 years.

The early cases in the field struck down attempts by cities to regulate the billboard. Gradually regulation came to be accepted—first under the near-legal fiction that billboards were health hazards, later under the police power and for esthetic reasons.

Once billboards predominated among advertising mediums. But today, radio, television and periodicals take large slices of the advertiser's dollar, and billboards are not as essential to business as they once were. But the outdoor advertising industry does a $150 million a year business, and employs 20,000 people.

EUPHEMISMS EMPLOYED

One policy of the advertising industry is the outlawry of the word "billboard." Admen refer to the boards as "poster panels" or "painted bulletins." The reason for this is public aversion to the idea of a billboard. Many motorists associate the boards with police lying in wait. Others see the boards as place behind which immoral acts are performed. The result of these concepts, most of which were more prevalent 20 years ago than now, has been to leave the word "billboard" with connotations that the advertising industry wishes to avoid. But in the vernacular, "billboard" has remained strongly entrenched.

The primary antagonists of the billboard industry are a group of citizens who oppose the signboards on basically esthetic grounds. America's senior billboard fighter is Albert S. Bard, LL.B., 1892, who has been battling signboards ever since he was appointed to a special committee on the subject by New York City Mayor William J. Gaynor in 1913. For many years, Mr. Bard was counsel to the National Roadside Council, a group that is now defunct. He has filed amicus curiae briefs in cases involving billboard regulations, including the significant decision of *United Advertising Corp. v. Borough of Raritan* (11 N. J. 144, 93 A. 2d 362 (1952)). In that case Justice William J. Brennan, Jr., LL.B., 1931, then a member of the New Jersey Supreme Court, distinguished signs relating to the business conducted on the property from the outdoor advertising business. This distinction is important, because some regulation exempts signs advertising business conducted on the premises. Both the Neuberger bill and the administration bill now before the Senate contain this exemption.

Citing the Supreme Court's decision in *Cusack Co. v. Chicago* (242 U. S. 526, 37 Sup. Ct. 190, 61 L. Ed. 472 (1917)), Justice Brennan wrote:

"It has long been settled that the unique nature of outdoor advertising and nuisances fostered by billboards and similar outdoor structures located by persons in the business of outdoor advertising, justify the separate classification of such structures for the purpose of governmental restriction and regulation."

LIMITED RESTRICTIONS

But the courts have not so far allowed a fairly large city to keep out billboards. Also, it is much more difficult to get billboards demolished than to prevent their erection, so many cities which have recently zoned areas to keep billboards out must continue to allow the outdoor structures already built.

In general, city and State regulation of billboards has been upheld in recent years. But these regulations usually apply to residential or retail zones. The Interstate Highway System will be built in large part through open country, where there now is no zoning.

The billboard industry's case against regulation is that it is a legitimate medium of advertising, and that the regulation in question is designed to kill the medium by preventing it from developing it along the roads which will carry the largest amounts of traffic and are therefore most suitable for its purpose.

The question Congress is now facing is whether to encourage the States to regulate billboards along the new roads. Two years ago, a plan for Federal acquisition of billboard rights for the area adjacent to the right-of-way was deleted from the bill at the insistence of Senator Walter F. George, who said that the provision in the bill violated States' rights.

This year a new effort is underway to regulate billboards. Two proposals have been introduced to accomplish this objective, by Sen. RICHARD L. NEUBERGER and by Secretary of Commerce Sinclair Weeks. The plans differ in the inducements they provide for the States to regulate billboards.

Under the Neuberger bill, the Federal Government would pay 90 percent of the cost to the States of acquiring scenic easements. Under the Weeks plan, the States would be penalized 5 percent of their Federal road building allotment if they did not agree to a program of billboard regulation.

THE NEUBERGER BILL

Under both bills, certain types of signs would be allowed. These include official road signs, notices that the property on which the sign is located is for sale or for rent, and signs advertising a business conducted on the premises. The administration bill would go further and allow billboards in areas specifically zoned for commercial and industrial purposes.

Although the exception for commercially zoned areas is reasonable in theory, it leaves open the possibility that States may zone a strip surrounding a highway for commercial purposes, thus frustrating the intent of the agreement.

Under the administration bill, States could acquire the necessary easements either by eminent domain proceedings under the police power or by purchase, at the discretion of the State. Agreements would be reached under this plan between Federal and State officials on specific State proposals for billboard regulation.

At hearings held last month in Washington, supporters and opponents of the proposed bills testified before the Senate Public Roads Subcommittee. An unusual lineup of witnesses appeared on both sides of the question, which was regarded by the Senators, at least on the surface, as a nonpartisan issue.

Testifying in favor of regulation or prohibition of billboards were conservationists, naturalists, planners, architects, the American Automobile Association and women's clubs. On the other side were roadside businessmen, advertising agencies, and labor unions.

The antibillboard speakers for the most part argued on the basis of safety and scenery. It was pointed out that highway users will pay the cost of the new roads in gasoline taxes. Billboards were assailed as the only form of advertising which utilizes public facilities, built at public expense. Since the value of the billboard is created by the presence of the road, it was argued that the State which creates the road should prevent its commercial exploitation.

THE MOSES PLAN

Park Commissioner Robert Moses, of New York, whose antibillboard article in the December issue of Harper's was reprinted and mailed to all Members of Congress, proposed a bill that would ban all advertising within 500 feet of the right-of-way by direct Federal action. Mr. Moses argued that the Federal Government is paying 90 percent of the roads' cost, and in the act of 1956, has declared them to be a "National System of Interstate and Defense Highways."

"They are instrumentalities of interstate commerce and national defense," he said. "Congress has both the moral responsibility and the legal right to protect them by Federal law against commercial billboards which would mar the scenic beauty and endanger the safety of travel." Mr. Moses opposes the Neuberger proposal to pay for the purchase of advertising rights. "The motorists who will pay billions of dollars in fuel and excise taxes for the construction of this new highway network should not be called upon to contribute additional sums to buy up the advertising rights which do not now exist," he stated.

Opponents of the proposed regulation believe that their industry is being singled out unfairly for attack. They stress advertising's contribution to the national economy, and object to the imposition of what they consider are the esthetic standards of a minority.

Existing State and local regulation provides adequate safeguards for the policing of outdoor advertising, the industry argues. Furthermore, intrusion of the Federal Government into this area—a field traditionally regarded as one of State control—would be an unwise infringement of States rights, it is maintained.

It is not State governments, however, that are raising the cry of States rights. According to W. A. Bugge, president of the American Association of State Highway Officials, who testified March 28, a total of 29 of 38 State highway departments favor regulation of outdoor advertising on Federal roads. But most of the State officials oppose the administration proposal as a breach of good faith.

Senator NEUBERGER charges that the billboard lobby is invoking States rights because it is more powerful in State legislatures and can more easily defeat regulation of billboards on the State level.

A strong presentation against the proposed bills was made by former Senator Scott W. Lucas, now representing the Roadside Business Association. He called the proposed bills extraneous to the construction and improvement of highways. Mr. Lucas forecast delays in the program if the bill was adopted because of lengthy litigation that would follow a State's attempt to use the police power for esthetic purposes.

The former Senator raised the specter of the threat to other forms of advertising. He said that under the Neuberger bill pigsties and junkyards could border the roads, but not a billboard advertising a motel. Mr. Lucas said that 100 percent of motel patronage, 82 percent of hotel business, and 33 percent of restaurant receipts come from motorists.

CONCLUSIONS

The billboard question is unique because it presents a novel lineup of interests on each side. It is not a labor-management, North-South, or internationalist-isolationist dispute. It is not a partisan political issue, yet it is a subject of very real disagreement.

It is unlikely that Congress will act on the subject of billboard regulation. The outdoor advertising business has been relatively restrained in recent years in the number and placement of signboards, and although the public is unsympathetic, it is not indignant. Although some States would ban billboards along the Interstate System on their own, a majority would allow them.

The trend of State legislation, supported by court decisions, has been in favor of strict billboard regulation on high-speed limited-access roads. Outdoor advertising, although unchallenged in industrial areas, will find it difficult in the years ahead to stay on the new Interstate System.

As public esthetics develops as a factor in legislation, this heretofore permitted medium is coming into increasing conflict with local ordinances and zoning. No matter what decision Congress reaches, the battle of the billboards is likely to be fought out on the State and local level for the next generation.

STATEMENT BY AMERICAN CIVIL LIBERTIES UNION ON JURY TRIAL AMENDMENT TO CIVIL RIGHTS LEGISLATION

Mr. CASE of New Jersey. Mr. President, I should like to call the attention of my colleagues to a statement which the American Civil Liberties Union has released today opposing the jury trial amendments to the civil rights bill.

As Senators know, the heart of the attack upon the right to vote bill (S. 83), now pending before the Senate Judiciary Committee, is the allegation by its opponents that persons cited for contempt of court under the bill's provisions would be denied the right to jury trial.

The bill in question would permit the Attorney General to bring a civil suit in the Federal district courts to enjoin State officials or others from depriving citizens of their right to vote. In the normal court case, of course, the party who is enjoined from a given course of action can be expected to comply with the court's order. Contempt cases arise only when the court's order is disobeyed.

It is in the latter kind of case that opponents of right to vote legislation now seek to impose a jury trial.

The injection of this issue into the discussion of S. 83 has engendered confusion not only in the press but in Congress as well. No supporter of constitutional rights likes to be charged with denying another's rights, particularly a right so fundamental as trial by jury. And much of the public does not understand that neither the Constitution nor prior legal precedent provides for a jury trial in contempt cases of the kind which might arise under S. 83.

It is, therefore, particularly gratifying to note the Civil Liberties Union's release today of a lucid and concise analysis of the jury trial amendment.

During its long career the Civil Liberties Union has steadfastly refused to temporize with any of our constitutional liberties. For this reason, its opposition to the jury trial amendment assumes particular significance at this time.

The jury trial is, of course, one of our most prized institutions of justice. While our Constitution does not guarantee jury trial in contempt cases, Congress has on occasion extended the right to jury trial to cases where the Constitution does not require it. I, for one, appreciate fully

the jury's value as a check upon the arbitrary exercise of governmental power. But I am convinced that it has no place in so-called civil-rights legislation.

As the ACLU's memorandum points out:

While there is always need to guard vigilantly against the misuse of Government power, including injunctions which are too broad and restrain constitutional activity (as we have recently argued is the case in the Clinton, Tenn., injunction), there is also need to prevent weakening of the power of our courts to uphold the law of the land. The right of equal treatment under law is fatally undermined when community sentiment blocks the enforcement of law.

Enforcement of the law has been undermined in some sections of the country where community sentiment has blocked effective enforcement of the right to vote. If court orders are to be respected in cases of this kind in which the Federal Government seeks to uphold public policy, the courts must be able to punish contemptuous acts. In conclusion, I quote once more from the ACLU's memorandum:

To grant jury trials in the civil-rights legislation would protect officials who are failing to do their duty in protecting the constitutional rights of citizens. Jury trials in contempt cases growing out of such legislation would give a privileged position to State officials who might defy Federal judges upholding the law of the land.

Mr. President, I ask unanimous consent that the statement from the American Civil Liberties Union be printed in the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ACLU STATEMENT ON JURY TRIAL AMENDMENT TO CIVIL RIGHTS LEGISLATION

The American Civil Liberties Union believes that all Americans are entitled to all the civil liberties guaranteed in the Constitution, free speech and association, due process and equality before the law. To advance equality before the law for all Americans, particularly the Negro citizens of the South who have been denied equal treatment, the ACLU is supporting Federal legislation toward this objective—bipartisan legislation suggested by the administration and backed by influential leaders in the Democratic Party.

The key sections in this legislation authorize the Federal Government to seek by the civil remedy of injunction a more effective protection of the right to vote and other constitutional rights, against deprivation especially by State officials. This is proposed to insure more effective protection for Negroes against intimidation, coercion and physical assault which prevent their voting and enjoying other constitutional rights. The need for this civil relief was pointed up by the Attorney General, in his testimony of February 14, 1957, before the Senate Subcommittee on Constitutional Rights:

"Criminal prosecutions of course cannot be instituted until after the harm actually has been done, yet no amount of criminal punishment can rectify the harm which the national interest suffers when citizens are illegally kept from the polls. Furthermore, criminal prosecutions are often unduly harsh in this particular field where the violators may be respected local officials."

Civil rights legislation has been blocked for years by the filibuster and other devices. This year it is being opposed especially on the ground that persons who are charged with contempt of a Federal court injunction restraining interference with the right to vote will not receive a trial by jury. Opponents of the legislation correctly state that under present law, although a person charged with criminal contempt is generally entitled to a jury trial when the enjoined acts would be a violation of the criminal law, he is not entitled to it in a case where the United States has brought the action for injunction, as would happen under the proposed civil rights legislation.

The right of trial by jury is rooted deep in our constitutional guarantees, to prevent the power of Government being used as a weapon of oppression, among other purposes. The American Civil Liberties Union has been a vigorous defender of this right, even in some areas where it is not strictly required constitutionally, because of our strong belief that the abuse of governmental power can be limited by juries, which represent a cross-section of community sentiment rather than the views of a single judge. This concern for the citizen's liberty has made us apprehensive of broadening the power of Federal courts to prohibit criminal conduct under the threat of punishment for criminal contempt, as indicated in our February 27 statement on the Clinton, Tenn., case. That case concerned John Kasper and 16 other anti-integrationists who were arrested for contempt of the court order enjoining them from interfering with the Clinton school integration program.

The Constitution guarantees jury trial only in criminal cases, and in civil suits involving more than $20; there is no such guarantee in contempt cases. Until 1914, Congress made no provision at all for jury trials in contempt proceedings. Then, in the Clayton Act, it allowed jury trials in contempt cases where the acts were also violations of Federal or State criminal laws except, in order that the Federal Government might carry out its functions and enforce the laws of the land, in cases to which the United States is a party. Another exception was made in 1932, when the Norris-La Guardia Anti-Injunction Act accorded labor unionists jury trials when they were charged with contempt of court injunctions in strike situations.

The absence of a jury trial in suits brought by the Government is not unusual. There are at least 28 other laws under which the United States is authorized to seek injunctions, without provision for jury trials; these include the antitrust laws, the Atomic Energy Act, the Fair Labor Standards Act, the Securities and Exchange Act and acts affecting the Interstate Commerce Commission and Federal Trade Commission. Moreover, jury trials in contempt proceedings are not generally required under the constitutions or laws of the States, including the Southern States.

After full and careful study of the possible need for a jury trial amendment to the proposed civil rights legislation, we are convinced that the present jury trial argument is chiefly a contrived obstruction to defeat the desperately needed civil-rights legislation. So, we are vigorously opposed to any amendment requiring a jury trial.

What are the reasons for the ACLU's opposition to the jury amendment?

1. While there is always need to guard vigilantly against the misuse of Government power, including injunctions which are too broad and restrain constitutional activity (as we have recently argued is the case in the Clinton, Tenn., injunction), there is also need to prevent weakening the power of our courts to uphold the law of the land. The right of equal treatment under law is fatally undermined when community sentiment blocks the enforcement of law. The injunction is an effective legal technique to protect constitutional rights. As the Attorney General pointed out in his testimony, this method of protection would seek to prevent State officials from committing acts violative of a criminal statute. It is far better for all concerned—including those officials—to enjoin these acts before they are committed than to prosecute after the harm has been done. The main point to be kept in mind is that the proposed legislation aims simply at providing more effective enforcement of voting and other constitutional rights for all citizens.

2. Supporters of jury-trial amendments contend that to grant power to the courts to restrain criminal conduct would circumvent due process. However, before a person is enjoined he is entitled to all the guaranties of a fair hearing, with every opportunity to prove the invalidity of the application for the order. He also has a full right to appeal to higher courts, a check on arbitrary decisions. Even temporary restraining orders are issued only if the Government's affidavits show clearly that an immediate and irreparable loss will be suffered, so that no notice can be given and a hearing held. Then hearings on temporary restraining orders are quickly scheduled; the orders are of minimal duration; preliminary injunctions cannot be issued without notice and a hearing, which gives the defendants an opportunity to be heard. Then, at the trial for a permanent injunction, the Government has to present its case that there is a threat of irreparable injury; the defendants are represented by counsel, they may confront and cross-examine witnesses and present information to show that the injunction is unwarranted. Finally, if the order is disobeyed, it must be established beyond reasonable doubt that the disobedience was willful before a person can be punished for criminal contempt. The act of disobedience is an act of contempt of court, not an act violating a criminal statute, and it is penalized in order to maintain the court's traditional and indispensable authority to uphold the law—and the due process requirements provide a safeguard against the fear that Federal judges will not administer justice impartially, because of regarding violation of their injunctions as a personal affront or because of owing loyalty to the national administration under their appointment by the President.

3. A major argument advanced for the jury-trial amendment is the alleged discriminatory treatment of persons disobeying an injunction to guarantee civil rights, as compared with the treatment of labor unionists under the Norris-La Guardia Act. But the very purpose of the Norris-La Guardia Act was to support a congressional policy, that workers should be free to organize and bargain collectively; it was passed for the very reason that judges had been going beyond the law. As Senator PAUL DOUGLAS said, in a brief submitted to Congress on the jury-trial question on April 18:

"In the decades prior to the 1932 • • • courts would issue injunctions and use their contempt power indiscriminately, not to prevent violations of law but to prevent labor organization and freedom of collective bargaining. Decades of such demonstrated hostility by the courts to labor and its interests prompted Congress to implement the growing national policy in the labor field by specifically curtailing the Federal injunctive power in many areas of labor litigation and by providing that juries rather than judges determine whether contempt had been committed."

In short, the jury trials granted under the Norris-La Guardia Act were included to protect people against oppressive government. To grant jury trials in the civil-rights legislation would protect officials who are failing to do their duty in protecting the constitutional rights of citizens. Moreover, Congress subsequently limited the Norris-La Guardia Act jury trial provision by providing in the Taft-Hartley Act that such provision would not be applicable to injunctions sought by the United States under the new act.

The current congressional proposals to strengthen our civil-rights laws are the least dramatic and most cautious approach to the enforcement of basic constitutional rights. Their purpose is not to punish, but to prevent infringement of the right to vote. Jury trials in contempt cases growing out of such legislation would give a privileged position to State officials who might defy Federal judges upholding the law of the land.

Mr. JAVITS. Mr. President, I wish to compliment my colleague, the Senator from New Jersey, for inviting the attention of the Senate to the document he has just offered, which refers to the key question on the proposed civil-rights legislation, the right to a trial by jury on a contempt citation brought by the United States Government.

I believe the procedure mentioned is nothing but begging the question. The procedure of citation for contempt is a time-honored method of procedure, and I am very glad to see that other organizations, in addition to those which are discussing the matter here, are coming to grips with it. I compliment the Senator from New Jersey for bringing this statement of the American Civil Liberties Union to the attention of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CANNON, Mr. THOMAS, Mr. KIRWAN, Mr. WHITTEN, Mr. ROONEY, Mr. TABER, Mr. JENSEN, Mr. H. CARL ANDERSEN, and Mr. CLEVENGER were appointed managers on the part of the House at the conference.

ONE HUNDRED AND FORTY-THIRD ANNIVERSARY OF NORWEGIAN INDEPENDENCE

Mr. HUMPHREY. Mr. President, this past weekend Norwegians and people of Norwegian descent celebrated "Syttende Mai," commemorating the 143d anniversary of Norwegian independence.

It is a great tribute to the great nation of Norway that this rugged land, washed along its cliffbound coasts by the Arctic Ocean, the North Sea, and the Atlantic Ocean, not only has withstood the forces of nature, but for a century and one-half has withstood attacks against its freedom and independence with equal courage, integrity, and perseverance.

One hundred and forty-three years ago, on May 17, 1814, a group of courageous and determined patriots met near Oslo to promulgate a liberal constitution, which has served as a guide for freedom-loving people the world over ever since.

This band of patriots showed the keen forethought that is a mark of Norwegian character.

The world was in conflict everywhere. Britain and the United States were still entangled in the War of 1812; just a few days before the British had attacked and destroyed the forts at Oswego, N. Y. Mexico was in revolt against the Spanish Government. Napoleon was sent to Elba and the Bourbon dynasty was restored. All Europe, in a reaction to Napoleon's onslaught, seemed bent toward the "days of old."

But the people of Norway, though in a state of unrest, were looking ahead. They carefully studied the recently adopted constitutions of the United States, France, and Spain, and drafted a document of their own. They declared their independence with this constitution on May 17, 1814.

Charles XIII of Sweden, recognizing that the courageous Norwegians could not be intimidated, accepted the constitution before the year was out, declaring Norway a free, independent, indivisible and inalienable state, united in brotherhood to Sweden.

Through the years, many have learned that Norwegians cannot be intimidated.

Who will forget their dramatic role in World War II? Not only did they put up courageous battle against Nazi Germany against overwhelming odds, but later fought an unrelenting underground struggle that will forever stand in relief in the annals of history.

Norway, a nation like our own, born to democracy and dedicated to peace, today has refused again to be coerced by her gigantic neighbors, and has taken a forthright stand with the West in the North Atlantic Treaty Organization and in the United Nations.

Sons and daughters of this sturdy Scandinavian country first came to the United States in 1825, bringing with them the love of hard work, a cast of individualism, a sense of craftsmanship and a devotion to the cause of democracy and freedom. More than a million Norwegians and Norwegian descendants are in the United States today, and more than one-fourth are located in my State of Minnesota. Through my mother, a native of Christiansand, Norway, I am happy to count myself among them. But all Americans, whatever their ancestry, rejoice today that Norway remains one of our greatest and most steadfast friends.

Mr. President, I desire now to advert to another subject.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

THE RISING COST OF LIVING AND CORPORATION PROFITS

Mr. HUMPHREY. Mr. President, on March 8 I made a short statement in the Senate in which I took issue with administration charges and innuendoes that rising prices were largely due to the wage demands of American workers.

Much to my surprise I soon thereafter began receiving newspaper articles from all sections of the country attacking my speech, and by coincidence all the columns were markedly similar both in terms of reporting what I said and in the criticism thereof. It was evident that the columnists who so readily and enthusiastically commented upon my speech had not taken the time to read it, for if they had they would not have written as they did.

One of the widely circulated attacks on my remarks appeared in the April monthly bulletin of the United States Chamber of Commerce Economic Intelligence. On April 26 I wrote to the editor of this bulletin in an effort to answer this editorial.

I ask unanimous consent that a press release issued on that date containing the text of my letter to the editor of Economic Intelligence be printed in the RECORD at this point in my remarks.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

SENATOR HUMPHREY REPLIES TO CHAMBER ATTACK ON PRICE-PROFIT ISSUE

Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, today released a reply to a recent attack upon him as a profit-baiter which appeared in the April issue of the United States Chamber of Commerce's monthly bulletin Economic Intelligence. Continuing his discussion of the relationship between profits and recent price rises, the Minnesota legislator reasserted and amplified comments he had made on the Senate floor in recent weeks. In answering the chamber's editorial attack upon him, the Senator commented, "It is unfortunate that the name of United States Chamber of Commerce should have been associated with this careless muddying of the waters instead of with what should be our common and serious effort toward objective economic analysis."

The text of his letter, as released by Senator HUMPHREY, follows:

"DEAR MR. EDITOR: The current issue of Economic Intelligence devotes a page to an attack on profit baiting. Among those singled out for ridicule is a well-known United States Senator from the Midwest. According to your comments this Senator 'echoed the same line' as the AFL–CIO 'when he said higher prices were due to "enormous profits."' "

"About 2 months ago when the discussion of who is to blame for rising prices was being carried on, I volunteered the suggestion that perhaps those who were pinning all the blame on labor for demanding wage increases were overlooking the relationship between rising prices and the level of profits. I then cited what I believed to be enormous profits of two large corporations, as illustrations of what I had in mind.

"If you wish to call me a 'profit baiter' that is your right, Mr. Editor. However, I shall continue to recite the facts when I believe the public is being deliberately misled on an important issue of public policy—such as the relationship between wages, prices, and profits and our economic well-being.

"In this connection, I wonder if you would include in the 'profit baiter' category the First National City Bank of New York, whose March 1957 Monthly Letter on Business and Economic Conditions characterizes the 1956 profits of 2,550 leading corporations as generally high earnings.

"Rather than attempt to persuade the public that industry profits in 1956 were abnormally low for an inflation year, as your April issue does, the First National City Bank states quite candidly: 'The generally high earnings of 1956 reflected benefits flowing from the record sums invested over the past few years for expanding and modernizing plant and equipment, lowering costs, and improving efficiency.'

"Thus the First National City Bank's analysis confirms my contention that the high prices of 1956 were in fact related to the level of corporate profits. In view of the record sums invested in expanding and

modernizing plant and equipment over the past few years, and the visible results in improved efficiency and lowered costs, why was it necessary for certain large corporations to raise prices in 1956 as much as they did? Why should not the consumer have received the benefit of the reduction in costs—past as well as prospective?

"At the present time the appliance industry is in a recession. What is industry's answer? Here is the answer of one large corporation in the appliance industry. The New York Journal of Commerce, April 4, 1957, states:

"'WESTINGHOUSE PLANS PRICE HIKES

"'BALTIMORE, MD.—Westinghouse Electric Corp. hopes to widen its profit margins substantially during the second half of this year. The company plans to do this by increasing prices on apparatus and industrial products after July 1, Gwylym A. Price, president and chairman indicated at the annual meeting of stockholders.'

"The Journal of Commerce then notes that 'Mr. Price told stockholders that Westinghouse is "gearing production schedules realistically to potential market requirements. We are stressing the need for reasonable profits rather than seeking mere volume."

"'This would represent a reversal of thinking for Westinghouse which like most companies in its industry, in the past has stressed high volume operations and share competition.'

"I wonder to what extent a price and production policy, which stresses 'the need for reasonable profit rather than seeking mere volume,' conforms to the Chamber's view of how 'competitive markets' operate?

"In this connection perhaps you would wish to comment on the statement by Roger Blough, chairman of the board of the United States Steel Corp. last May at the annual stockholders meeting, that in order to meet the corporation's financial requirements for expansion and modernization there 'simply is no other course' than the 'method of raising prices from time to time * * * as circumstances require and permit.'

"This statement was made several months prior to the steel wage adjustment. It was a statement of the corporation's proposed pricing policy in the future. Prices would be raised to increase profits, so that the corporation could finance all of its modernization and expansion internally without resort to outside sources.

"Inasmuch as your publication has attacked me as a 'profit-baiter,' I believe it is fair of me to ask whether you support what Ben Fairless has called 'the historical American way and a completely appropriate means of acquiring funds for financing new facilities or expanding old ones—financing through the sale of new stock.' Or do you support what Clarence Francis appropriately named the 'costless capital way of financing,' by raising prices to the consumer?

"Surely the membership of the chamber of commerce is wise enough to recognize that it cannot have it both ways. If corporations with sufficient market power are to raise prices in order to obtain expansion capital, how can we say that the free market is allocating resources and investible funds?

"I must say in conclusion that I was frankly surprised at the level of economic literacy displayed in your April issue attacking me for suggesting that high profits were related to high prices. I doubt that you proved to many readers how uninformed I am or how ludicrous such charges are, by your meaningless statistical comparisons (such as comparing increases in compensation of employees with corporate profits, for what purpose only the chamber economist knows). I suggest that you might have asked whether the level of profits in 1955 and 1956 did not account for an unprecedented record level of investment (the most active factor in the entire inflationary picture), and whether recent profits levels did not account for earnings of stockholders and bondholders rising at a much more rapid rate than any other group in the economy.

"Had your article carefully analyzed the data so as to present reasonable conclusions regarding current levels of corporate profits, their effect on the economic stability of the Nation, and the relative positions of the various economic groups making up the Nation, you might have rendered a useful and constructive service. You might have found for example, that the level of profits in 1955 and 1956 stimulated an expansion in the rate of real investment in plant and equipment five times faster than the rate of growth of real consumption. You might have found also that the level of profits for the period 1952 to 1956 was high enough not only to support a record level of investment, but in addition to raise dividend payments to corporate stockholders 50 percent faster than the increase in total labor income over the same period. You might have found, too, that personal interest income received by bondholders since 1952 had risen at a rate 86 percent faster than the rise in total labor income.

"At a time when we can ill afford to sustain even minor economic setbacks, due to the inescapable international commitments we must carry, it is unfortunate that the name of the United States Chamber of Commerce should have been associated with this careless muddying of the waters, instead of being a part of what should be our common and serious effort toward objective economic analysis.

"Sincerely,

"HUBERT H. HUMPHREY."

Mr. HUMPHREY. Mr. President, the editorial in Economic Intelligence was typical of others which quoted me as saying that the increasing cost of living was due to the enormous profits of big corporations. As a matter of fact, nowhere in my Senate speech did I make any such statement nor did I intend to imply that such was the case. What I did say was that the administration must share responsibility for price increases and that inflation cannot be halted by pious admonitions and ineffectual monetary policies.

I am sorry that some newspaper critics misconstrued my remarks for I feel that what I said is basically sound. There is something seriously wrong with the administration's monetary policies which have brought about increased prices, financial difficulties to farmers, a serious drop in home construction, and a profit squeeze for more and more small and medium-size businesses—and even in many instances for large corporations which are in a competitive situation and do not dominate the market.

I do not object to large corporations making healthy profits. That is to be expected in an expanding economy such as ours. But I do think there is something definitely amiss with a monetary policy which permits some large corporations to make record-breaking profits while literally millions of small business firms are finding the going increasingly difficult. The responsibility for this situation must rest upon the shoulders of the administration which in its efforts to control inflation has failed miserably.

Consequently, Mr. President, I welcomed all the more the recent announcement of the distinguished chairman of the Senate Finance Committee that his committee will investigate the Nation's financial condition with special emphasis on public and private debt, taxes, and high interest rates. On April 29 I wrote to Senator BYRD and the other members of the Senate Finance Committee enclosing a memorandum in which I summarized my own views on the issue now facing us in monetary policy.

I ask unanimous consent that a news release of that date containing the text of my letter to the Senator from Virginia [Mr. BYRD] and the memorandum which I sent to the Senate Finance Committee be printed at this point in my remarks.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

SENATOR HUMPHREY SUGGESTS ISSUES FOR SENATE MONETARY STUDY

Senator HUBERT H. HUMPHREY (Democrat, Minnesota), today presented to the Senate Finance Committee his suggestions for the committee's forthcoming study of the Nation's "financial condition." In a letter to Senator HARRY FLOOD BYRD (Democrat, Virginia), Finance Committee chairman, Senator HUMPHREY pointed particularly to the need for investigating the administration's tight money policy. He expressed the hope that the contemplated study by the Finance Committee will be both "sweeping and incisive."

"A policy which was intended to bring about greater stability in the economy has thus in fact accentuated elements of instability," Senator HUMPHREY declared.

"The time has come for a realistic reappraisal of monetary policy—its role and goal in our economy. It is my earnest hope that the Senate Finance Committee will undertake that task to the full extent and scope which the situation requires."

The text of Senator HUMPHREY's letter to Senator BYRD follows:

"DEAR SENATOR BYRD: It was with considerable interest and gratification that I lesrned the decision of the Senate Finance Committee to investigate the Nation's financial condition with special emphasis on public and private debt, taxes, and high interest rates. The committee in general, and you in particular as its chairman, merit the highest commendation for this decision. I can think of no subject which is more deserving of careful Senate committee attention.

"No one who is at all interested in these subjects will deny their complexity. I recognize not only the complexity involved but my own amateur standing compared with the committee's experts in this field. Nevertheless I have, as you know, had a special interest in one aspect of your forthcoming study—the aspect of credit policies and interest rates.

"Consequently I am taking the liberty of sending to you and the other members of the committee my general comments on this issue in the form of the attached memorandum. I should also like to take this occasion to ask that this memorandum be printed as a part of your forthcoming hearings.

"I shall await these hearings and your committee report with the greatest interest. Meanwhile you have my thanks for your attention and my best wishes for this important study.

"Sincerely,

"HUBERT H. HUMPHREY."

The text of Senator HUMPHREY's memorandum to the Senate Finance Committee is attached:

"ISSUES IN MONETARY POLICY

"Memorandum to: Senate Finance Committee.

"From: Senator HUBERT H. HUMPHREY.

"Re: The Committee's forthcoming study of the Nation's financial conditions.

"Mr. Chairman, no recent economic issue has aroused greater interest and caused more discussion than this administration's tight-money policy.

"This policy is of the utmost importance to every citizen. Its implications are far reaching. In many respects the theory behind the tight-money policy goes right to the fundamentals of our economic system. I hope the investigation now contemplated by the finance committee will be both sweeping and incisive. With that in mind, I submit the following comments and suggestions.

"CAUSE FOR CONCERN

"The reason why there is so much interest and discussion of the tight-money policy is that a number of disturbing facts have emerged which are a cause of serious concern to the American people.

"People are disturbed over the current economic situation. They are asking how long general monetary controls, with their higher and higher interest rates and uneven impact on home building, small business, and agriculture can be maintained without causing permanent damage to the national economy.

"DANGERS OF TIGHT-MONEY POLICY

"We have heard from the inception of this policy in 1953 that it was needed to preserve the purchasing power of the dollar, to curb undue bank-credit expansion, to prevent excessive capital spending booms, and to keep our prosperity on an even keel. Those are desirable objectives. But some of us have maintained that general monetary controls and higher interest rates are no panaces.

"First we have pointed out that general credit restraint restrains only the weaker segments of our economy which do not contribute to inflationary pressure.

"Second, we have said that the policy of renouncing support of the Government bond market and of raising Federal Reserve rediscount rates would have little or no influence on the ability of commercial banks to expand their loans if they wanted to. We have said that the net result would be to raise interest sharply on the public debt and to boost bank profits.

"Third, we have said that credit restraint and higher interest rates should retard, and make more expensive, projects of a high social priority—housing, schools, hospitals, and other community facilities.

"Fourth, we have pointed out that higher borrowing costs would tend to raise consumer prices in important areas, such as utilities and housing, and not stabilize them.

"Fifth, we have said that instead of slowing down capital spending by business, the expectation of rising interest rates would encourage businessmen to speed up their programs to avoid the higher costs of borrowing.

"Sixth, we opposed the tight-credit policy because, instead of promoting economic stability and growth, we believed it would tend to accentuate instability and retard economic growth.

"After 5 years of tight money, I think we can demonstrate that it did not produce the results it was supposed to, but that, unfortunately, it has produced the opposite and harmful results we feared it would. Let us take a look at what has and what has not been accomplished.

"WEAKER SEGMENTS DISCRIMINATED AGAINST

"When credit is made scarce and costly, all groups should feel the effects of restraint equally. But such has not been the case in the past few years. The consensus is that credit restraint has worked special hardship on (1) small-business concerns, (2) home builders, most of whom are small-business men, and (3) farmers.

"Dr. Raymond Saulnier, chairman of the President's Council of Economic Advisers, testified before the Joint Economic Committee, January 28, 1957:

"'Certain aspects of that policy [tight money] seem to me to have been undesirable. Now, two in particular have been mentioned directly. One is the effect on housing, on home building, and home purchases; the other is the effect on small business.'

"Commenting further on the small-business squeeze, Dr. Saulinier stated:

"'Increasingly, small-business concerns—not concerns in trouble, but concerns of pretty good quality—were finding it difficult to meet their credit needs through the private banking system.'

"Farmers have felt the effects of the squeeze in two ways—lower prices for the things they produce and higher interest rates on money borrowed to increase farm resources and improve efficiency with new equipment.

"A recent Federal Reserve survey of farm-loan interest rates shows that the small farmer, with a net worth of under $10,000, paid an interest rate of up to 7.9 percent on a $500 loan to purchase farm real estate, a rate as high as 8.6 percent if the purpose was for intermediate investment, and a rate of 7.5 percent for a current production loan. Interest charged on installment loans to farmers averaged 10.7 percent.

"TIGHT MONEY HAS NOT REDUCED AMOUNT OF LENDING

"When the administration renounced the support of Government bonds at par and endorsed the Federal Reserve policy of raising rediscount rates from 1¾ percent in 1953 to 3 percent in 1956, it rationalized this as necessary to curb the inflationary expansion of bank credit.

"Apart from pushing interest rates to a 25-year peak, the policy had little effect on the willingness of commercial banks to make the loans they wanted to.

"From 1952 to 1956 commercial banks increased their loans by $25 billion or 40 percent. Four-fifths of this credit expansion took place in 1955–56 when Government bonds fell to new lows and when rediscount rates reached new highs.

"INTEREST ON FEDERAL, STATE, AND LOCAL DEBT INCREASED

"Higher interest rates on Treasury issues caused interest on the public debt to increase. At the end of December 1956, the increase in interest rates alone, over the rates prevailing in December 1952, caused an annual increase of $931 million in interest on the public debt. If the entire public debt were refinanced at the rates prevailing at the end of 1956, the increase would have been close to $2 billion a year in interest charges.

"Higher interest rates also boosted State and local government interest charges. In 1952 State and local interest charges amounted to $724 million. In 1955 it was $1,059 million. In 1952 the proportion of debt service to total current expenditures for State and local governments was 2.2 percent. In 1955 it was 4.6 percent, or more than double.

"Higher interest rates have seriously hampered the Treasury savings bond program. In 1956 redemptions rose at an alarming rate. In order to cover the cash drain, the Treasury Department had to step up its weekly offerings of 90-day bills. This in turn merely served to drive up the short-term rate higher and higher, until in early 1957 it threatened to force another increase in the Federal Reserve rediscount rate.

"At the present time the Treasury Department is asking Congress to approve a higher rate on savings bonds. This, of course, will further increase the interest charge on the debt.

"BANKS MAIN BENEFICIARIES OF HIGHER RATES

"Commercial banks have been the main beneficiaries of the higher interest rates. Banks have expanded both their loans and investments and are receiving higher rates of return on both. In 1955 insured commercial banks interest on Government obligations totaled $1½ billion compared to $1.1 billion in 1952. Net profits after taxes for these banks rose from $990 million in 1952 to $1,156 million in 1955.

"Further record profits were reported in 1956. For the first quarter of 1957, the New York Times reports that despite a slowdown in business loans the largest New York banks are 'chalking up operating earnings at least 10 percent greater than last year' (New York Times, Sunday, March 31, 1957).

"EFFECTS ON SCHOOLS AND HOUSING

"The community and the country have a special interest in adequate funds for schools. When a school district cannot compete in the price paid for funds with enterprises bidding for credit to be used in constructing office buildings, hotels, restaurants, and the like, it means that taxes will have to be raised or there will be no additional schools.

"Both situations have occurred. School districts have had to pay higher and higher interest rates on their issues. Between 1952 and 1955 interest on school bond issues of local school districts has increased from $94 million to $169 million, nearly double. In the same period direct general expenditures by local school districts for education has risen only 60 percent.

"Housing has been seriously curtailed by reason both of the restriction of mortgage credit and of the higher interest rates. The rate of nonfarm per capital home construction declined 25 percent in 1956 below 1955, and was 35 percent below the 1950 rate.

"With population recording its largest annual gain in history in 1956, the prospects of a housing shortage are becoming quite real. The bulk of the decline in homebuilding has been in the moderate priced housing units financed under VA and FHA.

"EFFECT ON CONSUMER PRICES

"It has been argued that the tight money policy limited spending and the competition for goods and services which bids prices up.

"The effect of higher financing costs in the prices of certain consumer cost-of-living items has been completely ignored.

"A comparison of the cost of living in 1956 with that for 1952 shows that the cost of goods was lower in 1956 than in 1952. This was particularly true of foods and reflected the decline of farm prices and incomes. It was also true of apparel, of household appliances, and of house furnishings. In these latter cases, it reflected the squeeze of tight credit on more competitive sectors of the economy including particularly the retail sector where, despite the rise in basic commodity prices such as steel, appliances have declined in price.

"In contrast to the lower prices for goods, consumers were paying substantially higher prices for services in 1956 than they paid in 1952. These increases were in large part due to higher costs of borrowed funds.

"This was particularly true of housing and utility rates.

"Mortgage interest rates are up at least 25 percent above their 1952 level. If various

discounts and fees are taken into account, the increase is even higher. The average income family wishing to buy a moderate priced home today will pay an extra $2,500 to $3,000 in financing charges, over the life of a 30-year $10,000 home mortgage, than they would have paid in 1952.

"Higher financing costs and restricted home production are reflected in higher rents. The rent index of the cost of living has risen 12.5 percent since 1952 and outside of the cost of medical care is responsible for most of the increase in the consumers price index since then. Another important service item that has gone up is the cost of gas and electricity. Since 1952 this component of the consumers price index has increased 7 percent.

"As far as the cost of utilities' borrowings are concerned here is an illustration from my own State of Minnesota. During the week of March 4, 1957, the Minnesota Power & Light Co., offered some $12 million of 30-year first mortgage securities on the market. These funds were for its construction program, needed to meet the continued increased demand for utility services. The issue carried an interest coupon of 4¾ percent whereas a similar issue sold in July 1951 carried an interest rate of only 3⅝ percent. Yet despite the higher 1⅛ percent interest yield, the issue met with only fair response. Prior to the actual bidding for these securities four investment banking groups withdrew. When the issue was finally marketed, it was at a net interest cost $3,855,600 higher over the life of the issue than it cost in 1951.

"The experience of the Minnesota Power & Light Co. has been duplicated by utilities all over the country. Electric, gas, and telephone utilities have been paying higher and higher rates on new borrowings to finance expansion. On March 13, 1957, the Wall Street Journal reported that a survey of over half the Nation's public service commissions showed the tight money market of the past 2 years is about to raise a little mischief with consumers' electricity, telephone, and gas bills.

"The utilities were all citing higher borrowing costs in filing applications for rate increases.

"These higher borrowing costs for utilities and for builders of new dwellings have shown up markedly in the cost of living already and will continue to do so.

"EFFECT ON THE BUSINESS INVESTMENT BOOM

"The Federal Reserve Bank of Philadelphia in its Business Review, December 1956 stated:

"'A good part of the inflationary tendencies that cropped up in 1956 came from the strong surge of business spending on capital equipment. By the end of this year capital spending will probably be about 20 percent higher than in 1955.'

"This comment by the Federal Reserve Bank of Philadelphia is, to put it mildly, one of the greatest understatements of the year. The facts are that between 1954 and 1956 corporate outlays on plant and equipment, on expansion of inventories, and on financing customers' receivables, rose by $19.9 billion or 90 percent.

"Bank borrowing, mortgage loans, and the securities markets provided more than half, or $10.4 billion, of the needed new corporate financing. The remainder, or $9.5 billion, came from the resources of the corporations themselves—retained profits, depreciation and amortization, and a reduction of liquid assets.

"The effects of tight money may actually have stimulated capital expenditures rather than retarded them.

"The Department of Commerce publication, Survey of Current Business for February 1957, noted that 'bank borrowing by corporations was particularly heavy last year, the increase being about $2 billion greater than the rise of $3 billion in 1955.'

"Commenting on the reasons behind the stepped-up bank borrowing by corporations, the survey stated:

"'To some extent this greater dependence on bank sources may reflect a tendency to rely temporarily on short term funds pending a more certain appraisal of the market for longer term borrowed funds, the cost of which was rising sharply and steadily throughout the year.'

"Contrary to the theory behind the tight money policy, high interest rates did not stop the big corporations. They avoided the higher market rates by tapping the traditional small business credit source, short term commercial bank funds. And when the small-business man came to his banker, he found that the big corporations had been there and dried the well.

"In commenting on the business investment boom of 1956, it is also pertinent to ask to what extent business pricing policies were affected by the decisions to step up investment.

"When it became obvious that the tight money policy was not effectively curbing the rise in prices as it was supposed to, we were told that labor costs were being forced up by excessive union wage demands and that this was the reason for the price increases.

"I should like to call attention to a fact that should not be overlooked. Large companies rarely go outside to finance expansion. Instead, they finance expansion through retained profits plus depreciation and amortization. And if these internal sources are deemed to be inadequate to cover expected needs, then the companies raise their prices to the consumer.

"This has been admitted by officials of both the United States Steel Corporation and the Standard Oil Company of New Jersey in connection with their recent price increases.

"The chairman of the Board of United States Steel Corp. advised the company's stockholders at the annual meeting May 7, 1956, that their financial projections showed they would be $140 million short of needed expansion capital—on the basis of 1955 reinvested profits (the largest in history); normal depreciations; plus amortization. He then proposed to the stockholders that the method to use to get expansion capital 'is by raising prices from time to time—as circumstances require and permit.'

"In the case of the Standard Oil Company of New Jersey, minutes of the board of directors meeting of December 13, 1956, disclose that projections made of future expenditures for modernization and expansion, measured against expected revenues from crude prices at current levels plus continuance of present dividend policies, indicated that 'for the first time in many years the consolidated group is faced with the prospect of being unable to generate internally sufficient cash to cover replacements, modernization, and expansion to the degree required.'

"The price increases which Standard Oil put into effect made it unnecessary for the company to go outside to make up for its earlier estimated deficiency of internal financing.

"That the price increases of 1956 were related to corporate estimates of their profit requirements in the light of 1957 expansion and dividend commitments is disclosed by two recent developments.

First, the SEC has disclosed that manufacturing firms plan to rely to a greater extent than in 1956 on internal funds to finance expansion.

Second, the New York Journal of Commerce (April 2, 1957) reports:

"'The rising price trend is helping to sustain corporate profits in the face of a flattening out of sales and cost increases.'

"ELEMENTS OF INSTABILITY

"A policy which was intended to bring about greater stability in the economy has thus in fact accentuated elements of instability.

"One of the immediate consequences of the 1953 tight money episode was the 1954 recession. It has been estimated that the 1954 recession cost the economy about $30 billion in gross national production. This includes the actual decline of $15 billion plus the estimated increase of $15 billion which we should have expected from normal expansion in 1954.

"This setback had a number of unstabilizing consequences. First of all it led, as the Chairman of the Federal Reserve Board has testified, to a panicky reaction which eased credit far more than would have been necessary under other conditions. In the second place, it led to a decision to stimulate capital investment at a faster pace than would have been necessary if the 1954 downturn had not occurred.

"The result of the 1954 recession was first to set in motion measures that overcorrected, and then to produce the decision to clamp on even sharper restraints.

"Here we are in early 1957 faced by the fact of an emerging downturn induced by the overly restrictive monetary policies of 1956. Now we run the risk of remembering the lessons of 1954 and hesitating to ease up too soon and too fast. The danger is that we may err on the side of prolonging credit restraints too long thereby risking a recession that will be deeper and last longer than it should.

"This is one illustration of the way in which the policy designed to bring stability has instead introduced instability into the economy.

"Another example is the behavior of prices over the past 5 years. The policy of general monetary restraint is aimed at suppressing inflation by achieving average price stability. Thus, as long as the index which measures the average of all prices is stable, then it is assumed that the monetary authorities have performed their task successfully. But economic stability cannot be guaranteed by average price stability. Indeed the stability of an economy depends upon the relationships that individual commodity prices bear to one another over time, as well as the relationship of interest rates and wage rates to one another and to commodity prices. The movements of these various commodity prices, wage rates, and interest rates determine the way in which income will be distributed among the population. Most important of all, it will affect the balance between investment and consumption.

"Looking at the movement of commodity prices from 1952 to date, what do we find? Beneath the surface of average stability, we find that some prices have declined too far while others have risen too fast. For example, we find that prices received by farmers have declined 22 percent while industrial wholesale prices have increased nearly 10 percent. And among the industrial commodities we note that metals and metal-products prices have increased 20 percent and machinery prices are up 13 percent while textile products and apparel prices are down 5 percent.

"And if we look at retail prices, we note that while steel prices have advanced substantially, appliance prices have declined substantially.

"So within the overall picture of apparent price-stability trends in important segments were divergent and showed significant shifts from the overall pattern.

"Apart from these commodity price movements, there were other diverse movements. For example, while hourly wages in manufacturing went up 18 percent from 1952 to 1956; interest rates on Government-guaranteed home mortgages went up more than

25 percent; bond yields on the highest grade corporate bonds went up 26 percent; yields on 3-month Treasury bills went up 51 percent; and the SEC composite index of stock prices went up 80 percent.

"All of these diverse commodity price, wage rate, interest rate and stock price movements had an effect on the flow of income to various income groups in the economy.

"Overall national income rose 18 percent between 1952 and 1956. However, farm proprietors' income fell 23 percent over the same period. Corporate profits rose 21 percent while personal income rose only 19 percent. Wages and salaries went up 23 percent while interest income went up 42 percent and dividends rose 33 percent.

"Instead of a picture of stable economic relationships, we find a pattern of instability that has emerged over the period when tight money and rising interest rates were supposed to be bringing about greater stability. Farm proprietors incomes have dropped by about one-fourth while corporate profits have risen at a rate 10 percent faster than personal incomes and 16 percent faster than the national incomes. Moreover, dividend income has been increasing at a rate 50 percent greater than wages and salaries and interest income has been rising nearly 100 percent faster than wages and salaries.

"In short what we find is a much greater rate of gain among recipients of investment income than in other sectors of the economy. Consequently, it is not surprising to find investment outlays also showing a much greater expansion than other segments of the economy. Thus comparing the real increase in consumption from 1953 to 1956 with the real increase in private investment, the latter grew at a rate of 23 percent or almost double the 12-percent increase in the former.

"Such a relationship is highly unstable and cannot be sustained. A policy which stresses the desirability of higher and higher interest rates to encourage more and more savings to channel into capital investment will only serve to accentuate that instability.

"The time has come for a realistic reappraisal of monetary policy—its role and goal in our economy. It is my earnest hope that the Senate Finance Committee will undertake that task to the full extent and scope which the situation requires.

"April 22, 1957."

Mr. HUMPHREY. I have been pleased to note, Mr. President, certain reassurances of the relationship between profits and prices are now taking place even within the business community. I ask unanimous consent that a quotation from the May 6, 1957, issue of Time magazine in connection with this issue be printed at this point in my remarks.

There being no objection, the quotation was ordered to be printed in the RECORD, as follows:

For months Wall Street has been talking about a profit squeeze as if it were an indisputable fact for industry as a whole. Last week, as a flood of first-quarter-earnings reports poured out, the profit squeeze proved to be more fiction than fact. The firms that could not offset rising costs with increased business were far outnumbered by those that showed profits still on the upgrade. The profit squeeze did show up in the sense that earnings often failed to keep pace with the increase in sales. But overall corporate profits for 1957's first quarter were expected to tie, or even exceed, the $16.6 billion profit total reported in 1956's first quarter. Yet such is the psychology of the boom that many businessmen, accustomed to record after record, wanted nothing less than a zoom on top of the boom.

Mr. HUMPHREY. Similarly, Mr. President, an article which appeared in the May 1, 1957, Wall Street Journal indicates that there were several interesting elements contributing to the picture of last quarter's highest net earnings in history for the United States Steel Corp. The net gain in quarter earnings by United States Steel was in the face of a drop of shipments. The chairman, Mr. Roger M. Blough, announced that the improvement of profit percentage was due primarily to lower cost operations. This description hardly squares, Mr. President, with certain recent editorial outbursts attributing price rises to wage increases.

I ask unanimous consent that excerpts from the article to which I have just referred be printed at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

UNITED STATES STEEL FIRST QUARTER NET HIT $115 MILLION, HIGHEST FOR ANY 3 MONTHS; SALES INCREASED—COSTS CUTS CITED—OUTPUT DROP TO 90 PERCENT OF CAPACITY IN SECOND PERIOD PREDICTED

NEW YORK.—United States Steel Corp., enjoyed for the first 3 months this year the highest net earnings it has ever reported for any quarterly period.

This result was achieved on an increase in sales to a record for any first calendar quarter, but in the face of a decline from a year earlier in tons of steel products shipped.

These were the highlights of the giant corporation's quarterly financial statement, issued yesterday right after directors met and declared the same dividend of 75 cents a share on the common stock as for recent previous quarters.

The new income was slightly more than $115 million, as compared with $104 million each in the preceding quarter and in the first quarter of 1956. Per share of common stock, the profit was equivalent to $2.03, against $1.83 in each of the other two periods.

Although shipments were down for the quarter to 6,600,000 tons from 6,800,000 a year earlier, production was at a new high for any first quarter. It represented 95.7 percent of present record capacity. However, the rate of output has now fallen and Roger M. Blough, chairman, estimated that for the second quarter United States Steel will operate at about 90 percent of capacity.

Asked to explain the gain in first quarter earnings in the face of a drop in shipments, Mr. Blough said the primary reason was low cost operations resulting from the efforts of the operating people to get their costs down. The net income rose to 9.9 percent of sales from 9.5 percent a year earlier. "We have had some price increase effect," he went on, explaining the gain in dollar volume, "but primarily the continuous attention to lower cost operations is the basic reason" for the improvement in profit percentage.

Mr. HUMPHREY. An effort to assess the recent campaign to blame labor for inflation has just been made by Alexander Uhl in a release entitled "More Fiction Than Fact" by Press Associates, Inc.

I ask unanimous consent that Mr. Uhl's analysis be printed at this point in my remarks.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

MORE FICTION THAN FACT—DRIVE TO BLAME LABOR FOR INFLATION STEPPED UP—REAL CAUSES PLAYED DOWN

(By Alexander Uhl)

WASHINGTON.—The drive to blame organized labor for inflation is picking up speed once again. Meanwhile, evidence is piling up that there are many vital inflationary factors that are being carefully ignored.

Only a few days ago the Nation's top Business Advisory Council of the Commerce Department met at Hot Springs, Va., to talk about the economy. Reporters do not attend the sessions, but are briefed instead. They wrote that the BAC stressed "the impact of impending wage increases on prices."

About the same time the Eisenhower administration was declaring flatly that it would not support wage boosts for Government workers because of the inflationary effect such increases might have.

Finally, there are few issues of business newspapers that do not hammer on the theme that the cost of living has increased because of "soft wage" boosts wrung from helpless corporations by a ruthless "labor monopoly."

On the other hand there is increasing evidence that the overly simplified thesis that wage increases are almost solely responsible for price increases is meeting with stiffening resistance. It is now being pointed out that there are other vital causes of inflation that are being totally ignored.

The Department of Labor, in a current study on productivity, costs, and prices, warns that it is dangerous to assume that one single factor is the cause of price boosts.

"Prices," the report says, "are subject to numerous influences of changing market conditions and costs of production and a change in price cannot be explained by reference to any single factor, even one as large as labor costs. Where the figures indicate that prices and unit costs showed about the same increase, or that one or the other showed a greater increase during a particular year or period of years, this should be taken as a description of what happened and not necessarily as an explanation of what caused the change. An increase in unit costs may lead to an increase in price, but conversely an increase in price can result in strong pressure for increases in wages."

What are some of the factors, other than wages, that are helping to cause an increase in the cost of living?

1. What about exorbitant profits?

Senator HUBERT H. HUMPHREY, Minnesota Democrat, has charged that "enormous profits have played a role in the inflation picture."

HUMPHREY has pointed out that between 1952 and 1956 profits rose so high that they stimulated an investment boom in plant and equipment five times faster than the rate of growth of real consumption; that dividend payments had gone up 50 percent faster than "the increase in total labor income over the same period" and that "personal interest income received by bondholders since 1952 had risen at a rate 86 percent faster than the rise in total labor income."

Talk of a "profit squeeze" that was supposed to be developing because of increased labor costs was deflated by the conservative news magazine Time which analyzed first quarter profits for 1957 and declared that "the profit squeeze proved to be more fiction than fact."

2. What about "administered" price boosts that have no real connection with wage boosts?

More and more evidence is being presented to show that powerful corporations have deliberately increased prices, not merely to cover added wage costs, but to pile up profits to be used in covering expansion or modernization costs.

United States Steel has been accused of using its 1955 wage boosts as an excuse to raise prices more than twice as much as the increased wage costs. Congressional committees have flatly accused the oil industry of taking advantage of the Suez crisis to boost prices with no relationship whatever

to wage increases. President Walter P. Reuther, of the United Automobile Workers, has accused the automobile industry of boosting prices without relation to wages or productivity and is demanding an investigation of the so-called cost-price squeeze.

3. What about increased interest costs? One of the results of the administration's "hard money" policy has been to boost interest rates in every sector of the economy. These higher rates are showing up in increased housing costs and higher gas, electric, and telephone utility rates.

4. Accelerated amortization also is playing its role in stimulating the inflationary boom in industrial expansion. Treasury Secretary George M. Humphrey has estimated that quick writeoffs granted business in 1956 will cost the Government roughly $3 billion in interest costs. He has warned that such writeoffs have "the stimulating effect which can temporarily add to inflation with the possibility of a lag later." Accelerated writeoffs directly raise prices by increasing charges against production.

5. Finally, examination of the Consumers Price Index shows that the largest boosts in living costs have not been confined to areas directly affected by wage increases in themselves. Rent, for example, has gone up almost 26 points since 1950, one of the largest boosts in the index. The medical care index has advanced 31 points since 1950 although the overall index has advanced only 17 points during the same period.

Some efforts are now being made in Congress to track down the whole question of wages, prices, and profits and their relationship. Organized labor for many years has been calling for such an investigation. It still is.

Only a partial attack on the problem is being made. Representative VICTOR L. ANFUSO, New York Democrat, is chairman of a subcommittee that is studying food cost trends in an effort to find out why the farmer gets so little and the housewife has to pay so much for the family groceries.

Again Senator JOSEPH C. O'MAHONEY is pressing hard on an investigation into price boosts by the oil companies and Senator BYRD is organizing an inquiry into Government fiscal policies which include the "hard money" policy.

These are not the sweeping investigations into what President Walter P. Reuther, of the United Automobile Workers, has called a rigged inflation based on prices arbitrarily set by a handful of executives of the major corporations, but they are clear evidence that the problem of inflation cannot be limited merely to putting the blame on wage boosts won at the collective-bargaining table.

Mr. HUMPHREY. Mr. President, we have just had another indication that profits are still going up. The President's Council of Economic Advisors has raised its estimate of corporate profits in the fourth quarter of last year and has just made a preliminary calculation that profits in the first quarter of 1957 remained unchanged.

I ask unanimous consent that an article which appeared in the New York Times for May 20, 1957, be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ECONOMIC COUNCIL RAISES FIGURE FOR PROFITS IN FOURTH 1956 QUARTER

WASHINGTON, May 19.—The President's Council of Economic Advisers has raised its estimate of corporate profits in the fourth quarter of last year, and has made a preliminary calculation that profits in the first quarter of this year held about unchanged.

The Council estimated profits before taxes in the fourth quarter of 1956 were at a record rate of $46,700,000,000 a year after adjustment for seasonal factors. For the first quarter of 1957, it estimated the figure was $46,500,000,000. Estimated profits after taxes showed the same degree of stability.

The Council's upward revision of its fourth-quarter estimates resulted in an increase in its estimate for the full year. The Council put 1956 profits before taxes at $43,700,000,000. Its earlier estimate was $43,400,000,000. Either way, it was a record.

The record rate of profits in the fourth quarter followed a declining trend in the three preceding quarters.

The earlier estimate for the fourth quarter was $45,800,000,000.

The Council's new figures, released by the Joint Economic Committee of Congress, give this picture of overall corporate finances in the first quarter of 1957 (all quarterly figures are annual rates, seasonally adjusted):

Profits before taxes $46,500,000,000; tax liability $23,500,000,000; profits after taxes $23 billion; dividend payments $12,300,000,000; undistributed profits $10,700,000,000.

The figures for the fourth quarter of 1956 were: Profits before taxes $46,700,000,000; tax liability $23,600,000,000; profits after taxes $23,100,000,000; dividend payments $11,900,000,000; undistributed profits $11,200,000,000.

The new full-year statement was: Profits before taxes $43,700,000,000; tax liability $22,100,000,000; profits after taxes $21,700,000,000; dividends $12 billion; undistributed profits $9,700,000,000. The after-tax profits figure was second only to the $22,100,000,000 of 1950.

Profits in the first quarter of this year were about 6½ percent higher than a year ago. The profit rate declined by almost $3 billion a year between the fourth quarter of 1955 and the first quarter of 1956, whereas they were practically stable between the comparable 1956–57 quarters.

Mr. HUMPHREY. But this profit rise, Mr. President, has not been evenly distributed. Allow me in this connection to quote from an article by one of our foremost economists, John Kenneth Galbraith, which appeared in the February issue of the Atlantic Monthly. Referring to the tight-money policy of the administration, Dr. Galbraith writes:

It would be hard to find a policy better designed to encourage the large and the strong at the expense of the small and the weak. When banks must limit credit, they are impelled to protect their oldest, strongest, and most reliable customers. These in general will be the larger firms * * *. As a result the burden of the cut falls on newer, weaker, less reliable, and smaller borrowers * * *.

But the larger and stronger firm has other advantages quite apart from its warmer reception at the bank. Its resources may make it more or less independent of loans not only for operations but also for expansion. And the market power of the large firm allows it to pass higher interest costs along to its customers in higher prices. This the farmer and smaller businessman cannot do.

The effects of monetary policy to date have accorded with these expectations. Smaller businessmen and farmers, having failed to experience the privileged treatment they are supposed to receive at the banks, have been complaining bitterly. The big corporations are evincing no similar distress. The failure rate of small-business firms is now higher than for years. Earnings of small firms are at best unexceptional. At the other extreme, earnings of very large firms are near record levels, and their share of all corporate assets has been increasing.

Dr. Galbraith goes on to warn us—

that monetary policy, as it is now being practiced, is a magnificent instrument for promoting centralization. A move at the present time to repeal the antitrust laws would, without doubt, excite considerable opposition. But it might contribute less markedly to industrial concentration than a long continuation of monetary restraints in their present form.

Not only is tight money jeopardizing small business, but it is not even accomplishing what it set out to do, namely, stop inflation. Prices keep right on going up, much to the anguish of every consumer in the land. The administration cannot escape its responsibility for this state of affairs by asserting that higher wages are to blame. This just is not the case. I want to make it clear, also, that I am not claiming that profits of big corporations are the basic cause of rising prices. But I am troubled over the fact that the Republican Party's monetary policies have enabled a segment of big business to amass record earnings while many smaller competitors find profits becoming slimmer all the time.

The distinguished former President of the United States, Mr. Harry S. Truman, devoted a major portion of his remarks to this subject at the Democratic dinner held here in Washington on May 4. President Truman's speech deserves the attention of every American. and I ask unanimous consent that it be printed at this point in my remarks.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM REMARKS BY FORMER PRESIDENT HARRY S. TRUMAN AT DEMOCRATIC DINNER, WASHINGTON, D. C., MAY 4, 1957

I always like to come back to Washington. I have so many friends here, and they are so good to Mrs. Truman and me that it is always a joy to be with them.

This time, however, I wanted to come to Washington not only to see my old friends, but for an additional reason. I've been reading in the papers in Missouri about some of the things that were going on in Washington, and these things are pretty hard to believe. I thought I had better come here and do a little first-hand checking.

In particular, I wanted to find out what was actually going on about the budget.

The papers said that the President had sent to the Congress the biggest peacetime budget in history. They added that the President said the budget had been carefully prepared, that it was balanced, and that it was well adapted to meet the needs of the present and future. So far, so good. I thought that was a reasonable attitude for a President to take toward a budget he was sending to the Congress. I thought it was the most natural thing in the world for a President to approve of his own budget.

I made and submitted eight budgets myself when I was in the White House. I knew what was in every one of them. When I sent a budget to the Congress and said that was what I thought it would take to run the Government of the United States, I meant it.

In my opinion, making the budget is one of the President's most important duties. Through the budget he controls the executive branch and expresses his policies. Through the budget he renders the account of his financial stewardship to the Congress and to the people. Responsible government depends on the budget. If the budget is not treated as a serious matter, the whole Federal Government is thrown into confusion and anarchy.

But in this case, the very day the President sent his budget to the Congress his Secretary of the Treasury came out against it, and said Congress ought to cut it. If

they didn't, he said, we would have a depression that would curl your hair.

From out in Independence, this looked peculiar, but I could understand it. In my time I had a Cabinet officer or two—and a general—who disagreed publicly with me on a major matter of policy—at least once. So I could believe that the Secretary of the Treasury would do such a thing, and I only wondered how long he would continue to be the Secretary of the Treasury.

Great was my surprise, therefore, when a few days later the President said he agreed with his Secretary of the Treasury, and it was the duty of the Congress to cut his budget. I found it hard to believe my eyes. I changed my glasses and tried another newspaper, but it still said the same thing.

Then I got completely confused. One day the President would say the Congress ought to cut his budget, and then a week or so later he would say that if Congress made any deep cuts it would seriously impair great programs of vital importance to the safety and welfare of the people.

After a time it dawned on me that there was a political method in this apparent madness. The purpose was to shift all the blame for the size of the budget from the President to the Congress. Then, if Congress didn't cut it, they could be condemned as wasteful spenders—and if they did cut it they could be called heartless reactionaries—but in either case the President would be above the battle, and he would still be popular with everybody.

My Democratic friends in Congress began getting carloads of propaganda mail, giving them the dickens because the budget—of a Republican President—was so big. Why didn't the Chamber of Commerce and the National Association of Manufacturers have those letters sent to the White House, where they ought to go, instead of to the Democratic Members of Congress? Well, I'll let you guess.

The Democratic leaders of Congress got mad at all this—and I don't blame them—and the House adopted a resolution asking the President to explain just where he thought the budget could be cut.

At this point the administration got tangled up in its own maneuvers. They got their signals badly mixed. On April 3 the President said there was no chance for a substantial cut such as $2 billion, while on the very same day, and at the very same hour, the Under Secretary of the Treasury said the budget should be cut about $2 billion.

Out in Independence, not being able to shake the habits of an earlier and less enlightened era, I was amazed. I thought there might even be some resignations.

But, no. I was wrong. The next day the Under Secretary of the Treasury explained—to an incredulous Senate committee—that he and the President were in perfect agreement. He said, and I quote, and, honestly, I am not making this up:

"Well, Senator, we both gave some figures. When you pull them out of the air, you can do most anything. You are dealing with a $72 billion budget. Until we get the figures actually, it is a guessing game. But I do want to say there is complete agreement between the Treasury and the President on policy."

Two weeks afterwards, they came up with some actual figures. I guess they stopped pulling them out of the air. And whose figures do you think they were? The President's? No; they were the figures of the Under Secretary of the Treasury. On April 18, the President sent a letter to Congress saying that they could cut the budget by $1,800,000,000—almost the $2 billion of cuts the Under Secretary of the Treasury had mentioned.

Some rather unkind people said this showed they had been wrong in their ideas about who runs the Government. They said it wasn't the Secretary of the Treasury after all—it was the Under Secretary.

However that may be, the figures in the President's letter of April 18, recommending cuts of $1,800,000,000 in his own budget, turn out to be illusory. They are not really cuts at all. Some are bookkeeping tricks, some are the postponement of actual needs that will have to go back into the budget next year or the year after, and some are just pious hopes. It's mostly a proposition of robbing Peter to pay Paul, and that, in my opinion, is no way to reduce a budget. But it may be a way of putting Congress on the spot, and that is what it was intended to be.

This kind of political bunk played with the budget, this sort of evasion and buckpassing, is creating an atmosphere in which it may be impossible for the Congress to deal with the budget on any rational basis. A wave of hysteria is sweeping the country in favor of budget cuts. When the President won't defend his own budget, nobody is going to defend it for him—nobody.

This imposes a heavy responsibility upon the Democratic majority in Congress. They not only have to perform the normal legislative function of the Congress. They also have to try as best they can to fill the vacuum left by the failure of Executive leadership. Thus far the Democrats in Congress have done extremely well in meeting this almost impossible situation. I commend them heartily, and express the hope that they will have the wisdom and the stamina to see us through.

For my part, I cannot tell whether the budget is too large or not. I do not have all the facts that one must have to answer that question. But I do know that this is a big country and a growing country. We have enormous resources and great productive power. We can afford to spend what it takes to provide for the welfare and safety of our people. I want us to spend wisely and efficiently, and not 1 cent more than necessary. And I want us to get our money's worth for every dollar we spend. But I want us to spend enough to do the vital jobs that have to be done. Our national economy is strong enough to support a budget of the size recommended by the President if that is what it takes to do the job, and all this talk about it bringing on a depression that will curl your hair is nonsense.

But I will tell you what can bring on a depression. It's the tight money policy and high interest rates. This is a reversion to the trickle down theory that has guided the Republican Party from the time of its inception. It is a means of transferring income from the poor who need it to the rich who don't. The results are increasing maladjustments in our economy, with danger signals rising higher on every hand.

And of course, one of the worst results of the tight money policy is that it increases the costs of the Federal Government. If the Secretary of the Treasury and the Under Secretary of the Treasury would stop trying to run the whole Government, and settle down to their own jobs, and manage the Government's debt properly, they could make a cut in the budget that would result in a surplus.

But I do not suppose they will do that. I do not expect the present members of the Cabinet to do anything as simple, obvious, and as much in the public interest as that. My visit to Washington has convinced me of that. It has confirmed all the strange things I have heard back home about the goings-on in Washington.

But it has also given me new hope and faith. I see a great showdown coming in these next few years on the most critical issues of domestic policy. On the issues of the budget, fiscal management, high interest rates, the growth of the economy, the exploitation of our resources, and the spread of monopoly. I foresee a last great onslaught by the manipulators of special privilege who work behind the propaganda smokescreen of the present administration. They are going to make a last great effort to take over the economic control of the country before they are thrown out of office in 1960. But I have hope and faith in the Democratic Party and in the Democratic leadership I have seen in Washington. I believe they are going to resist this concerted offensive of private greed, and, with the help of the people, I believe they are going to resist it successfully. The Democrats, once more, are going to preserve and expand the resources and the opportunities of the American people.

Mr. HUMPHREY. Mr. President, it was because of my concern over the issue of monetary policy that I made my March 8 statement on the Senate floor. It is because of my continuing concern over this matter that I shall continue to speak up on the issue of tight money, as long as I feel that what I have to say is in the public interest. I shall do so despite the criticism which one has to expect from certain parties in interest. I only hope that my critics in newspaper circles, trade circles, and elsewhere will endeavor to read my full statements before charging me with destroying faith in our free economy.

STATEMENT BY SENATOR ALLOTT IN CONNECTION WITH DEPARTMENT OF AGRICULTURE AWARDS

Mr. HRUSKA. Mr. President, at the request of the senior Senator from Colorado [Mr. ALLOTT], I ask unanimous consent to have printed in the RECORD at this point a statement which he made in connection with honor awards to outstanding officials and scientists of the Department of Agriculture, on yesterday.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ALLOTT

Yesterday the Secretary of Agriculture made the annual honor awards to outstanding officials and scientists of the Department of Agriculture who performed notable services during the past year.

Colorado is honored that some of these awards have gone to its citizens.

Joe H. Elsworth of the Forest Service in Colorado Spring has received a Superior Service Award for invaluable initiative, originality and skillful direction of subordinates in operating the regional sign shop and Pike National Forest maintenance operations in a consistently superior manner.

Mr. Elsworth, who has been with the Forest Service since 1935, has served as a planting foreman and district crew foreman. He is responsible for the regional sign shop, maintenance operations of the Pike National Forest, and the construction and prefabrication of the regional recreational facilities. He was born in Woodland Park, Colo., and attended Colorado State College of Education.

Another native son of Colorado received a Superior Service Award. George W. Sanderson, of the Soil Conservation Service, in Cavalier, N. Dak.

EDUCATIONAL TELEVISION PROJECTS

Mr. MAGNUSON. Mr. President, on Friday, May 17, I introduced S. 2119, a bill, the importance of which cannot be overestimated. On its introduction,

I inserted a very brief statement explaining the provisions and purposes of the bill.

Today I should like to amplify somewhat upon the facts which I think make such legislation of first importance in the field of proper utilization of our television medium.

S. 2119 is a modest proposal. It will initiate the use of television in our public schools and colleges and in adult training programs in each of the several States and Territories on a small scale.

The bill proposes to make grants not in excess of $1 million to each State which agrees to provide the land and buildings and the cost of operation and maintenance for television facilities. The grants are to be used exclusively for the purchase of actual equipment and facilities required in educational television projects.

Since it is estimated that such equipment and facilities will cost approximately $200,000 to $250,000 per unit, it is expected that each State will be able to establish 4 or 5 stations under the authorization of this legislation.

At the outset of the development of television in this country, 250 channels were wisely set aside for educational purposes. Most of the channels remain unused at the present time. I am convinced that unless the Federal Government takes the initiative, offers the impetus, and contributes to the cost, the great educational potential from these channels will be lost.

We have all heard many times about the existing and growing problems of public education. We know that there are serious shortages of teachers and of buildings, and that each of these shortages grows worse with each passing day. The use of television facilities in our public schools and colleges will strike directly at these existing shortages, and while this medium cannot alone eliminate them, the extent of the contribution toward the solution of these problems which television can make is tremendous.

Today we have a public-school population of 37 million students. By 1965 that school population will have increased to 41 million.

With a constantly declining number of our adults entering the teaching profession, it becomes essential that we take steps immediately to reduce our requirements for the increased teacher population that our future schoolchildren will need. Already school standards are declining. The quality of education we furnish our children is, in my judgment, more important than any other single responsibility that faces us today.

We speak of survival today too often, perhaps, in terms of military security. Equally often we neglect to think of our survival in terms of our educational level, which, in a democracy, is vital.

Education is the means through which our country achieves its highest objectives and dreams. With ever-increasing complexities in technical progress, a lack of education for all people, or inferior education to any substantial number, threatens the very perpetuation of our country.

The use of educational television will meet these needs with the least cost and in the most expeditious manner.

While educational television is in its bare infancy, we are not without knowledge of its capabilities. One educational leader has put its potential this way. Dr. Thomas Clark Pollock, of New York University, has said, "It now seems clear, however, that television offers the greatest opportunity for the advancement of education since the introduction of printing by movable type."

Television is a powerful means of communication. Its message may be transmitted live, or by the use of training films. In addition to black and white transmission, we have already observed the added educational advantages of successful color transmission.

One of the first organizations to use educational television has been our Armed Forces. All of the evidence available on the effectiveness of the Armed Forces television training programs is highly favorable.

Considerable experimentation has already taken place in scattered areas of the country by our public schools and colleges. Approximately 26 or more of the larger school systems have educational television programs, with 18 of these school systems participating in the owning and operation of television channels reserved for education.

In a recent excellent report on the subject of education, "Schools for Tomorrow: an Educator's Blueprint," Dr. Alexander D. Stoddard, who was, for 10 years, chairman of the Educational Policies Commission of the National Education Association, reported on the present status of educational television. I ask unanimous consent that the extract from Dr. Stoddard's report dealing with the status of educational television be printed in the RECORD at this point in my remarks.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PRESENT STATUS OF EDUCATIONAL TELEVISION

Let us take a look at this point as to just how far we have gone in the use of television in the educational programs of schools and colleges. The situation is about this:

1. Television has been used extensively as a means of informing the public about school and college programs and needs.

2. In many places adult education classes of various kinds are conducted over television, both with and without formal accrediting.

3. A large number of colleges are telecasting general and specific information programs for the public at large, including many of cultural as well as practical value.

4. Many colleges are giving regular on- and off-campus courses for credit, using both open and closed circuits for this purpose.

5. Numerous school systems are conducting very effectively regular telecasts of many kinds of enrichment or supplementary subject matter to be used at the option of the individual teacher.

6. Television is used to bring to the school or college live experiences of educational significance, such as a coronation, a Presidential inauguration, a political convention, or even a world series.

7. At least one large school system (Pittsburgh) experimented, during the school year 1955–56, with the teaching of elementary school subjects (reading, arithmetic, and French at the fifth-grade level) to classes of normal size in their regular classrooms. The teacher was present and participated both before and after in teaching the lesson involved in the telecast. A news release by Superintendent Dimmick on July 5, 1956, indicated that the television classes made at least a year's progress in each of the three subjects during the year of the experiment. In some cases the progress was more than that of the control groups and in some cases less. It should be remembered that the experiment involved comparison of results from old and tried teaching procedures with new and relatively unknown techniques and means of teaching.

8. In another large school system (St. Louis) 1 elementary-school subject (second-grade spelling) and 2 ninth-grade subjects (English composition and general science) were taught for the semester beginning February 8, 1956, to large groups of about 100–150 pupils each, on a self-contained basis. That is, regular teachers did not supplement the teaching done by television. This was and is a highly significant experiment. Superintendent Hickey reports, as of September 1956, that results so far indicate that in English composition and general science (the spelling experiment continues for another semester and results will not be available in this subject until next spring), "Students in large group television classes in ninth-grade English composition and ninth-grade general science showed a degree of achievement at least equal to that of control classes, taught in the conventional manner." Here again results from the old ways are compared with results from a very new means of teaching.

9. What may prove to be one of the most significant experimental studies in the educational television field is the new project at Washington County, Md. (Hagerstown). A brief description of this project is quoted from Television in Our Schools:

"Especially interesting is a 5-year experimental project just announced by Supt. William M. Brish, of the Washington County (Md.) Board of Education, to begin in September 1956. Jointly financed by the local board of education, the Radio-Electronics-Television Manufacturers Association, and Ford Foundation's Fund for the Advancement of Education, the project is directed, basically, to an experimental study of the possibilities of improving instruction, at all grade levels and in all major curriculum areas, through systematic and functionally integrated use of closed-circuit television. The experimental pattern envisages organizing present teachers and supervisors into specialized "teaching teams" employing new instructional techniques based on the findings of educational TV studies of the past few years, and utilizing techniques of visual illustration unique to television. Various presentation types will be tried in an attempt to develop optimum lesson formats for the various subject areas and for various age groups, and special attention will be directed to devising workable techniques for handling individual differences in pupil-learning rates."

10. An interesting innovation in direct teaching by television has been initiated at the University of Nebraska. About 150 students in 6 small high schools near Lincoln are being taught first-year algebra through a combination television-correspondence course taught by the University. The students watch and listen to the television program for 20 minutes daily, at 10:30 a. m. Coordinated with this is the correspondence course prepared by the University. Students send their assignments to the extension division for correction and criticism. This experiment is unique in that it involves a combination of television instruction and correspondence study in which several towns are making simultaneous use of a course.

11. There have been very few other studies of the possible direct use of television as an integral part of the school program, as contrasted with the studies being conducted somewhat generally in the colleges. However, there are a few scattered situations in which high-school sciences, some phases of music, 1 or 2 modern languages, and literature are being taught on a very limited scale. Several school systems are contemplating doing even more in the use of television in direct instruction. A very ambitious plan is under way at Pittsburgh in recording high school physics on film for use in telecasting. A project in the Chicago public schools involving the teaching of several junior college subjects through an open-circuit educational television channel is in effect at this time.

12. A reservoir of films especially made for use over television has been accumulated at the Educational Television and Radio Center at Ann Arbor. These films are available for use by educational channels and on commercial channels under educational sponsorship. They are adapted both for regular course and general usage, although they are predominantly of the former type. But the range of subject matter is extensive and, on the whole, the quality of the film substance and teaching techniques is high.

Mr. MAGNUSON. Dr. Stoddard, who is an expert educator with long years of practical experience, concludes that television will fit perfectly into the learning process at every level. From the experiments already conducted, he is convinced that, if used wisely, educational television can open an entire new vista of achievement in the field of public education.

The legislation I have introduced is intended to launch our country firmly upon the path of bringing into our educational system the tremendous advantages and opportunities afforded by the television medium. Its cost in actual dollars is modest—approximately $50 million. Its rewards, in realistically confronting one of our most difficult problems today, are so great as to be virtually unmeasurable.

I urge each of my colleagues to give careful thought and study to this bill. I intend to schedule hearings on it in the Interstate and Foreign Commerce Committee at the earliest possible date. If every Member of Congress and the public will examine this measure carefully, I know they will support it. Its purposes are both sound and essential. Its cost is low and the returns can be phenomenally high. I am hopeful the Senate will be able to act favorably upon it at a very early date.

THE CALENDAR

The PRESIDING OFFICER (Mr. COTTON in the chair). In accordance with the agreement heretofore entered into, the calendar will now be called for the consideration of measures to which there is no objection.

BILLS, ETC., PASSED OVER

The following measures were announced in order and, on objection by Mr. CLARK, were passed over:

A concurrent resolution (S. Con. Res. 2) to create a joint congressional committee to make a full and complete study and investigation of all matters connected with the election, succession, and duties of the President and Vice President.

A resolution (S. Res. 24) to amend rule XIV of the Standing Rules of the Senate.

A bill (S. 913) to provide permanent authority for the Postmaster General to establish postal stations at camps, posts, or stations of the Armed Forces, and at defense or other strategic installations and for other purposes.

A bill (H. R. 4815) to provide permanent authority for the Postmaster General to establish postal stations at camps, posts, or stations of the Armed Forces, and at defense or other strategic installations, and for other purposes.

A concurrent resolution (S. Con. Res. 20) authorizing an investigation by the Federal Trade Commission into the activities and practices of companies engaged in the production, distribution, or sale of newsprint in interstate commerce.

A bill (S. 495) to authorize the acquisition of the remaining property in square 725 in the District of Columbia and the construction thereon of additional facilities for the United States Senate.

A bill (S. 728) to authorize the acquisition of the remaining property in squares 725 and 724 in the District of Columbia for the purpose of extension of the site of the additional office building for the United States Senate.

A bill (S. 1164) to make the evaluation of recreational benefits resulting from the construction of any flood control, navigation, or reclamation project an integral part of project planning, and for other purposes.

A bill (S. 1639) to provide for the suspension of the vesting of alien property and the liquidation of vested property, under the Trading With the Enemy Act.

A bill (H. R. 2146) to amend the Small Reclamation Projects Act of 1956.

The resolution (S. Res. 126) providing additional funds for a study of juvenile delinquency in the United States was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. PURTELL. Over, by request.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 864) to provide for the transfer of certain lands to the State of Minnesota was announced as next in order.

Mr. CLARK. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2051) to amend the Atomic Energy Act of 1954, as amended, and for other purposes, was announced as next in order.

Mr. CLARK. Over.

The PRESIDING OFFICER. The bill will be passed over.

CONSTRUCTION OR REMODELING OF VESSELS IN SHIPYARDS IN CONTINENTAL UNITED STATES

The bill (S. 534) to amend section 702 of the Merchant Marine Act, 1936, in order to authorize the construction, reconstruction, or remodeling of vessels under the provisions of such section in shipyards in continental United States was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 702 of the Merchant Marine Act, of 1936, is amended by striking out "in domestic yards, on the Atlantic and Gulf and Pacific coasts," and inserting in lieu thereof "in shipyards in the continental United States."

TRANSPORTATION ON CANADIAN VESSELS

The bill (S. 886) to provide transportation on Canadian vessels between ports in southeastern Alaska and between Hyder, Alaska, and other points in southeast Alaska or the continental United States either directly or via a foreign port, or for any part of the transportation was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, until June 30, 1958, notwithstanding the provisions of law of the United States restricting to vessels of the United States the transportation of passengers and merchandise directly or indirectly from any port in the United States to another port of the United States, passengers may be transported on Canadian vessels between ports in southeastern Alaska, and passengers and merchandise may be transported on Canadian vessels between Hyder, Alaska, and other points in southeastern Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation.

RETIREMENT OF CERTAIN FORMER MEMBERS OF THE COAST GUARD

The Senate proceeded to consider the bill (S. 1446) to amend title 14, United States Code, so as to provide for retirement of certain former members of the Coast Guard Reserve, which had been reported from the Committee on Interstate and Foreign Commerce with an amendment on page 2, line 1, after the word "training," to insert "or who had completed at least 20 years of active service other than active duty for training," so as to make the bill read:

Be it enacted, etc., That section 755 of title 14, United States Code, is amended by adding thereto a new subsection (f) to read as follows:

"(f) Any former member of the Coast Guard Reserve, other than a temporary member, honorably discharged or discharged under honorable conditions from the Coast Guard Reserve after February 18, 1941, and before January 1, 1949, who at the time of his discharge had completed at least 30 years of active service in the Armed Forces other than active duty for training, or who had completed at least 20 years of active service other than active duty for training the last 10 of which he served in the 11-year period immediately preceding his discharge, shall upon his request be placed on the retired list of the Coast Guard Reserve and shall be entitled to pay, only after being placed on the retired list, at the rate of 50 percent of his active-duty rate of pay at the time of discharge."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF SOCKEYE SALMON FISHERY ACT OF 1947

The Senate proceeded to consider the bill (S. 1806) to amend the Sockeye Salmon Fishery Act of 1947, which had been reported from the Committee on Interstate and Foreign Commerce with amendments on page 1, line 8, after the

word "salmon," to strike out "fishery" and insert "fisheries"; on page 2, line 5, after the word "The," to insert "term," and, in line 20, after the word "salmon," to strike out "fishery" and insert "fisheries"; so as to make the bill read:

Be it enacted, etc., That section 2 (a) of the Sockeye Salmon Fishery Act of 1947 (61 Stat. 511) is amended to read as follows:

"(a) Convention: The word 'convention' means the convention between the United States of America and the Dominion of Canada for the protection, preservation, and extension of the sockeye salmon fisheries of the Fraser River system, signed at Washington on the 26th day of May 1930, as amended by the protocol to the convention, signed at Ottawa on the 28th day of December 1956."

SEC. 2. Section 2 (e) of such Act is amended to read as follows:

"(e) Sockeye salmon and pink salmon: The term 'sockeye salmon' means that species of salmon known by the scientific name Oncorhynchus nerka, and the term 'pink salmon' means that species of salmon known by the scientific name Oncorhynchus gorbuscha."

SEC. 3. Such Act is further amended by striking out "sockeye salmon" wherever used in such act, except in subsections (a) and (e) of section 2, and inserting in lieu thereof "sockeye salmon or pink salmon."

SEC. 4. Section 7 (a) of such Act is amended by striking out "fishery" and inserting in lieu thereof "fisheries."

SEC. 5. The amendments made by this Act shall take effect on the date of entry into force of the protocol, signed at Ottawa on December 28, 1956, between the United States of America and Canada to the convention for the protection, preservation and extension of the sockeye salmon fisheries of the Fraser River system, signed at Washington on May 26, 1930.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

INCREASE IN RETIRED ANNUITIES OF CIVILIAN TEACHING STAFFS

The bill (H. R. 5832) to increase the retired annuities of the civilian members of the teaching staffs of the United States Naval Academy and the United States Naval Postgraduate School was considered, ordered to a third reading, read the third time, and passed.

STEVEDORING AND TERMINAL SERVICES TO COMMERCIAL STEAMSHIP COMPANIES

The bill (H. R. 2797) to amend title 10, United States Code, to authorize the Secretary of a military department to furnish stevedoring and terminal services and facilities to commercial steamship companies, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

ENLARGEMENT OF EXISTING WATER SUPPLY FACILITIES FOR SAN DIEGO, CALIF., AREA

The bill (H. R. 2781) to amend the act entitled "An act to authorize the Secretary of the Navy to enlarge existing water supply facilities for the San Diego, Calif., area" was considered, ordered to a third reading, read the third time, and passed.

SALE OF DEGAUSSING EQUIPMENT

The bill (H. R. 4285) to authorize the sale of degaussing equipment by the Department of the Navy to the owners or operators of privately owned merchant ships of United States registry was considered, ordered to a third reading, read the third time, and passed.

ISSUANCE OF CHECKS BY DISBURSING OFFICER OF THE POST OFFICE DEPARTMENT

The bill (S. 916) to provide for the issuance of checks and continuation of accounts when there is a vacancy in the office of the disbursing officer for the Post Office Department and for other purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in case of the death, resignation, or separation from office of the disbursing officer for the Post Office Department the accounts of such disbursing officer may be continued and payments made in his name by the assistant disbursing officers designated by the Postmaster General or designated by any official of the Post Office Department authorized by the Postmaster General to make such designation, for a period of time not to extend beyond the last day of the second month following the month in which such death, resignation, or separation shall occur. Such accounts and payments shall be allowed, audited, and settled, and the checks signed in the name of the former disbursing officer for the Post Office Department shall be honored in the same manner as if the former disbursing officer for the Post Office Department had continued in office. The former disbursing officer for the Post Office Department, his estate, or the surety on his official bond, shall not be subject to any legal liability or penalty for the official accounts and defaults of the assistant disbursing officers acting in the name or in the place of the former disbursing officer, but such assistant disbursing officers and their sureties shall be responsible therefor.

HERBERT C. HELLER

The bill (S. 1169) for the relief of Herbert C. Heller was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Civil Service Commission is authorized and directed to pay, out of the civil service retirement and disability fund, to Herbert C. Heller, of Wilton, Conn., an amount equal to interest at 3 percent per annum compounded annually, on the refund of retirement deductions which was due him upon his separation from Government service, from the date of such separation to the date of payment of such refund, such payment having been delayed for a period of approximately 11 years because of an error in the computation of the length of his allowable service.

BILL PASSED OVER

The bill (S. 1740) to authorize the payment from the employees life insurance fund of expenses incurred by the Civil Service Commission in assembling and maintaining the assets and liabilities of certain beneficial associations was announced as next in order.

Mr. CLARK. Over, Mr. President.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF SECTION 505 OF THE CLASSIFICATION ACT OF 1949, AS AMENDED

The bill (S. 1884) to amend section 505 of the Classification Act of 1949, as amended, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 505 of the Classification Act of 1949, as amended, is amended by adding at the end thereof a new subsection as follows:

"(f) "The National Security Council is authorized, subject to the procedures prescribed by this section, to place 2 additional positions in grade 18, 1 additional position in grade 17, and 2 additional positions in grade 16 of the general schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grades by subsection (b)."

EXEMPTION FROM TAXATION OF CERTAIN PROPERTY OF THE NATIONAL ASSOCIATION OF COLORED WOMEN'S CLUBS, INC., DISTRICT OF COLUMBIA

The bill (S. 105) to exempt from taxation certain property of the National Association of Colored Women's Clubs, Inc., in the District of Columbia, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the real estate described as lot No. 78 in square No. 178, situated at 1601 R Street NW., in the city of Washington, D. C., owned by the National Association of Colored Women's Clubs, Inc., is hereby exempt from all taxation so long as the same is owned and occupied by the National Association of Colored Women's Clubs, Inc., and is not used for commercial purposes, subject to the provisions of sections 2, 3, and 5 of the act entitled "An act to define the real property exempt from taxation in the District of Columbia," approved December 24, 1942 (56 Stat. 1091; D. C. Code, secs. 47–801b, 47–801c, and 47–801e).

EXEMPTION FROM DISTRICT OF COLUMBIA SALES TAX OF SALE OF MATERIALS FOR CERTAIN WAR MEMORIALS

The bill (S. 1576) to exempt the sale of materials for certain war memorials in the District of Columbia from the District of Columbia Sales Tax Act was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 128 of the District of Columbia Sales Tax Act, as amended (63 Stat. 112; D. C. Code 47–2605) is amended by adding at the end thereof the following:

"(r) Sales of material to be incorporated permanently in any war memorial authorized by Congress to be erected on public grounds of the United States."

SEC. 2. The amendment made by the first section of this Act shall be effective only with respect to sales taking place on and after January 1, 1957.

ELIMINATION OF FINANCIAL LIMITATIONS OF THE AMERICAN HISTORICAL ASSOCIATION, DISTRICT OF COLUMBIA

The bill (S. 1586) to eliminate the financial limitations on real and personal estate holdings of the American Historical Association in the District of Columbia was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act to incorporate the American Historical Association," approved January 4, 1889 (25 Stat. 640), is amended by striking out in the second sentence thereof "only as may be necessary to its lawful ends to an amount not exceeding $500,000" and inserting in lieu thereof: "as may be necessary to its lawful ends."

SEC. 2. The real property situated in square 317, in the city of Washington, D. C., described as lot 23, owned, occupied, and used by the American Historical Association, is exempt from all taxation so long as the same is so owned and occupied, and not used for commercial purposes, subject to the provisions of sections 2, 3, and 5 of the act entitled "An act to define the real property exempt from taxation in the District of Columbia," approved December 24, 1942 (56 Stat. 1089; D. C. Code, secs. 47–801b, 47–801c, and 47–807e).

PURCHASE OF GUN MOUNTINGS AND CARRIAGES FOR GUNS FOR USE AT HISTORICAL SITES

The bill (H. R. 2018) to permit the purchase from the District of Columbia Reformatory at Lorton, Va., gun mountings and carriages for guns for use at historical sites and for museum display purposes was considered, ordered to a third reading, read the third time, and passed.

ADDITIONAL REVENUE FOR THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (H. R. 6258) to amend the act entitled "An act to provide additional revenue for the District of Columbia," approved August 17, 1937, as amended, which had been reported from the Committee on the District of Columbia with an amendment to strike out all after the enacting clause and insert:

That subsection (b) of section 3 of title IV of the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937 (50 Stat. 681), as amended (sec. 40–103 (b), D. C. Code), is amended by striking class C of such subsection and inserting in lieu thereof the following:

"Class C. For each trailer, when the manufacturer's shipping weight of the chassis, plus the weight of the body, is less than 500 pounds, $8; 500 pounds or more but less than 1,000 pounds, $12; 1,000 pounds or more but less that 1,500 pounds, $20; 1,500 pounds or more but less than 2,500 pounds, $32; 2,500 pounds or more but less than 3,500 pounds, $46; 3,500 pounds or more but less than 6,000 pounds, $60; 6,000 pounds or more but less than 8,000 pounds, $74; 8,000 pounds or more but less than 10,000 pounds, $92; 10,000 pounds or more but less than 12,000 pounds, $122; 12,000 pounds or more but less than 16,000 pounds, $152; 16,000 pounds or more, $182: *Provided*, That in determining the total weight of a trailer subject to the provisions of this class C, there shall be excluded, in computing such weight, the weight of any special equipment which is subject to taxation as tangible personal property under subsection (e) of this section."

SEC. 2. Subsection (b) of section 3 of title IV of said act approved August 17, 1937 (50 Stat. 681), as amended (sec. 40–103 (b), D. C. Code), is amended by inserting between classes D and F the following:

"Class E. For each motor vehicle classified by the Commissioners or their designated agent as an antique motor vehicle on the basis of a finding that such vehicle was manufactured prior to January 1, 1930, and is owned solely as a collector's item, with its use limited to participation in club activities, exhibits, tours, parades, and similar uses, but in no event for general transportation, $5."

SEC. 3. The first proviso of paragraph (c) of section 3, chapter 6, of title 40 of the Code of Laws of the District of Columbia, 1951 edition, relating to issuance of congressional tags, is amended by inserting after the phrase "to the elective officers and disbursing clerks of the Senate and the House of Representatives" a comma and the words "the Chief Clerk of the Senate, the Parliamentarian of the Senate, the Deputy Sergeant at Arms, Auditor, and Procurement Officer of the Senate."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

RETIREMENT OF PUBLIC-SCHOOL TEACHERS IN THE DISTRICT OF COLUMBIA

The bill (S. 923) to amend the act for the retirement of public-school teachers in the District of Columbia was announced as next in order.

Mr. WILLIAMS. Mr. President, may we have an explanation of the bill?

Mr. CLARK. The bill amends the act for the retirement of District of Columbia schoolteachers, in order to give them substantially the same benefits as are now available to employees of the Federal and District Governments under the Civil Service Retirement Act. The bill is identical with Calendar No. 329, H. R. 6454, which has already been passed by the House of Representatives.

The effect of the bill is to increase annuities for school employees and widows about 25 percent, and surviving children from 50 to 100 percent.

Does the Senator desire a more elaborate explanation of the bill?

Mr. WILLIAMS. I wonder how the bill differs from the provisions of the Civil Service Retirement Act. There is no provision for an appropriation, I notice.

Mr. CLARK. The cost to the District under the bill would be small before 1959. By that time, however, an annual appropriation of $867,200 would be necessary to maintain a level financial reserve.

Mr. WILLIAMS. There is no provision in the bill for an appropriation, as I understand.

Mr. CLARK. That would be a matter for the Committee on the District of Columbia to consider when the time comes for that, as well as for the Committee on Appropriations. There is no need for an immediate appropriation.

Mr. WILLIAMS. Is this not the proper time?

Mr. CLARK. The authorization is contained in the basic retirement statute.

Mr. JOHNSTON of South Carolina. Mr. President, the Committee on Post Office and Civil Service has given this bill considerable study. It was thought at one time that it ought to be referred to our committee. However, we have studied the bill, and it is about in line with the Civil Service Retirement Act. There is only one feature that is different, and that deals with teachers paying up for time they have been out of service.

Mr. WILLIAMS. Does it use the same formula that is provided in the Civil Service Retirement Act with reference to the computation of annuities?

Mr. CLARK. Yes; it does. That is my understanding.

Mr. WILLIAMS. It uses the same formula that is contained in the Civil Service Retirement Act?

Mr. CLARK. That is my understanding.

The PRESIDING OFFICER. Does the Senator from Pennsylvania ask that the Senate proceed to the consideration of the House bill?

Mr. CLARK. I ask unanimous consent that the Senate proceed to the consideration of the House bill.

The PRESIDING OFFICER. The clerk will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 6454), to amend the act for the retirement of public school teachers in the District of Columbia, and for other purposes.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment proposed to the bill, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill (S. 923) is indefinitely postponed.

EXEMPTION FROM TAXATION OF CERTAIN PROPERTY IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (S. 1264) to exempt from taxation certain property of the National Trust for Historic Preservation in the United States in the District of Columbia, which had been reported from the Committee on the District of Columbia with amendments on page 2, line 4, after the word "from", to insert "all", and in the same line, after the word "taxation", to strike out "national and municipal", and, in line 7, after the word "States", to insert "and is not used for commercial purposes, subject to the provisions of sections 2, 3, and 5 of the Act entitled 'An Act to define the real property exempt from taxation in the District of Columbia', approved December 24, 1942 (56 Stat. 1091; D. C. Code, secs. 47–801b, 47–801c, and 47–801e)"; so as to make the bill read:

Be it enacted, etc., That certain property in the District of Columbia described as lots No. 42, 43, 44, 45, and 46 in the subdivision of lot No. 36 in square No. 167, as

said subdivision is recorded in the office of the Surveyor of the District of Columbia in book W. B. M., at folio 293, now known as lot 46 and lot 809, in square No. 167, together with the improvements theron and the furnishings therein, being premises No. 748 Jackson Place NW., known as Decatur House, owned by the National Trust for Historic Preservation in the United States, a corporation chartered by Act of Congress, approved October 26, 1949, be exempt from all taxation, so long as the same is used in carrying on the purposes and activities of the National Trust for Historic Preservation in the United States, and is not used for commercial purposes, subject to the provisions of sections 2, 3, and 5 of the Act entitled "An Act to define the real property exempt from taxation in the District of Columbia", approved December 24, 1942 (56 Stat. 1091; D. C. Code, secs. 47-801b, 47-801c, and 47-801e). Use of the premises by agencies of the United States of America or by the Truxtun-Decatur Naval Museum of the Naval Historical Foundation for museum purposes and conference accommodations shall not affect the exemption from taxation provided for herein. Any real estate taxes, penalties or interest on the aforesaid property which may be due to the District of Columbia with respect to periods after the property was acquired by the National Trust for Historic Preservation in the United States shall be abated.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RETIREMENT OF OFFICERS AND MEMBERS OF THE METROPOLITAN POLICE FORCE AND OTHERS—BILL PASSED OVER

The bill (S. 1770) to provide for the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, and of certain officers and members of the United States Secret Service, and for other purposes, was announced as next in order.

Mr. WILLIAMS. Mr. President, may we have an explanation of the bill?

Mr. CLARK. The purpose of this bill, which if enacted may be cited as the "Policemen and Firemen's Retirement and Disability Act Amendments of 1957," is to give the members coming under such act benefits substantially similar to benefits given by the Civil Service Retirement Act Amendments of 1956 to officers and employees covered by the Civil Service Retirement Act of May 29, 1930, as amended.

The bill provides credit for prior Federal and District Government service in computing total Police or Fire Department service for pension eligibility. It also provides credit for military service, except where such military service was subject to social security deductions.

It provides non-service-connected disability benefits of 2 percent of the basic salary at the time of retirement, but must have completed 5 years of police or fire service.

It provides for disability benefits for service-connected injuries from a permissible maximum of 50 percent to a minimum of 66⅔ percent with a maximum of 70 percent, contingent upon the required service which would determine such eligibility. This provision was the result of an attempt to equalize benefits arising from the Federal Employees Compensation Act available to civilian employees of the Federal and District Governments, but heretofore denied police and firemen.

Does the Senator desire a more elaborate explanation?

Mr. WILLIAMS. How does the formula provided in the bill for the computation of annuities compare with that prevailing under the regular Civil Service Retirement Act?

Mr. CLARK. It is my understanding that it is identical. However, I should like to check with the staff on that point.

There is one major change involved. After 20 years' service in the police and fire departments, the percentage of the annuity is computed on the basis of 3 percent, instead of 2 percent.

Mr. WILLIAMS. I may say to the Senator from Pennsylvania that I recognize there is need for adjustment in this particular system, but I wish to know just what we are doing. Under existing law, policemen and firemen draw less than is available under the regular Civil Service Retirement Act, although it should be pointed out that policemen and firemen are now paying less for retirement. However, under the bill, the amount of their contribution would be raised to 6½ percent, which is the same amount paid by regular civil service employees under the Civil Service Retirement Act. I have no objection to that phase of the bill. I have no objection to raising the benefits whereby they will get the same return. That too is only fair. However, I wonder whether the Senator is quite right when he says that the formula under the bill, if passed, will be the same as under the Civil Service Retirement Act except for the one exception he has noted. Even with that exception, I wonder whether the Senator is absolutely correct.

Mr. CLARK. The members of the staff of the Committee on the District of Columbia advise me that the policemen and the firemen in the District of Columbia under this bill would get a maximum of 70 percent of their salaries on retirement, whereas under the Civil Service Act a pensioner gets 80 percent.

Mr. WILLIAMS. With that exception are we to understand that the bill provides an identical formula with that contained in the Civil Service Retirement Act?

Mr. CLARK. That is my understanding.

Mr. WILLIAMS. Under the Civil Service Retirement Act the formula is based on 1½ percent of the salary for the first 5 years. For the second 5 years it provides 1¾ percent of the salary. Thereafter it provides for 2 percent. Under the bill, 2 percent is provided for the first 20 years and 3 percent thereafter. This appears to be a rather major change.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. WILLIAMS. I am merely asking a question of the Senator from Pennsylvania trying to get it clear what the bill does.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. JOHNSTON of South Carolina. We have a different rule of computation with respect to the FBI, for example, and that rate is above what the other civil service employees receive.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. MANSFIELD. I should like to point out that as every Senator probably knows, the Police Department in the District of Columbia has been faced with a very difficult situation because of the fact that it is in competition with the Federal Government.

The Federal Government offers more in the way of benefits, fringe and otherwise, than does the Police Department here. The District of Columbia Police Department has had to advertise over the television and radio in order to get recruits. I would be willing to wager that no other police department in the country has the problems confronting it which the District of Columbia Department has. All of us know what the department did at the time of the transit strike a year or so ago. I think that because of the attitude shown by the policemen at that time, the cheerfulness with which they gave up their vacations and their leaves of absence, favorable impression was made upon Congress and the people who live in the District.

Only last Friday there was a bus pilgrimage to Washington by a group of citizens from outside the District. On that occasion, the District of Columbia Police Department canceled all leaves. The policemen returned to duty, worked overtime, and conducted themselves admirably.

Those two examples could be multiplied scores of times to indicate the type of difficulties and the problems which confront the District of Columbia Police Department.

So I think that in passing a retirement bill of this kind, we will be giving due and proper recognition to a force which thoroughly deserves it and which has earned it on the basis of merit. I think that the passage of the bill will bring about stability and a lessening of the number of resignations which have been taking place, not only within the past year, but also within the past few weeks, when, according to my knowledge, there were 7 or 8 more resignations under consideration.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. CLARK. I will yield to the Senator from Delaware in a moment but I should like to say, for the record, that my friend from Delaware was correct when he said that initially the rate proposed in the bill is 2 percent, whereas it is only 1½ percent under the normal Civil Service Retirement Act. The reason is that the normal occupation of policemen and firemen is a hazardous one. That is the justification for having increased the pension rate to 2 percent initially, instead of having the rate of 1½ percent, which applies to the normal Civil Service Retirement Act.

Mr. WILLIAMS. If the Senator from Montana will pull down the flag, I should like to say that I have not taken any exception to the work of the police department here. I made a statement in the beginning that I think an adjustment in the retirement system in the police and fire departments is overdue. I am perfectly in accord with the plan to raise the contribution rate to 6½ percent, the same as it is under the Civil Service Retirement Act, and to pass a bill which will provide the same benefits as are accorded to employees under the Civil Service Retirement Act. I am willing to give the same benefit to law enforcement officers of the District as presently extended to Federal law enforcement officers, but I think my question is entirely proper. I asked whether the bill provides the same pension benefits as the Civil Service Retirement Act. First, we were told it does. It now develops that it does not. I am merely trying to establish what the bill does. If we want to just compliment the department let us pass a simple resolution of commendation. But Senators who are being asked to vote on a retirement bill should be in a position to know what the bill provides.

We have now agreed that there are two differences between the bill and the regular Civil Service Retirement Act. Are there any other differences? If there are, I think we ought to know about them.

Mr. MANSFIELD. The Senator from Delaware certainly misjudged the motives of the Senator from Montana when he made his statement, because I certainly was not impugning in any way the Senator's questions or his right to ask questions. I think he is doing a good job, though, as he has always done.

However, I thought there ought to be a declaration to the effect that the District of Columbia does have a fine police force, all things considered, probably one of the best, if not the best, in the entire country; that they are entitled to this kind of consideration; and that I was hopeful, on the basis of merit, that this privilege could be extended to the police department, so that in the end there could be a more permanent police force, with fewer resignations, and a greater degree of morale.

Mr. WILLIAMS. I am perfectly in accord with that statement. I said in the very beginning of my remarks that I thought there should be a retirement system comparable with that furnished to police officers on the Federal Government payroll. I am perfectly willing to vote for any bill which will bring their retirement system up to date, but I do not see how that can be done by voting for a bill when apparently the bill's sponsors do not know what the bill contains. That is the point to which I was directing my questions.

I again ask the question, are these the only other differences?

Mr. CLARK. I must say to the Senator from Delaware in all candor that I have not personally made a detailed examination of the bill. I am advised by the staff of the committee before which the testimony was taken that I have told the Senator all the substantial changes in the bill.

I have, however, a detailed, section-by-section analysis, comparing the bill with the Civil Service Retirement Act. I should be happy to read the section-by-section analysis if my friend from Delaware would care to have me do so.

Mr. WILLIAMS. I am perfectly willing to have the Senator read it into the RECORD, but I still come back to the question, because I think he should know the answer. Are there any other changes in the bill which are vastly different from the regular Civil Service Retirement Act? If we do not know, I think the bill should be passed over until we can have an answer from someone who does know.

Certainly, it is a sad state of affairs if none of the sponsors of the bill can explain what it contains. My questions can't be that complicated.

Mr. JOHNSTON of South Carolina. In studying the bill, I find its provisions to be the same as those which apply to the FBI, except in one particular. After the policemen and firemen reach the age of 50, the rate goes from 2 percent to 3 percent. To offset that, the policemen and firemen then have a ceiling of 70 percent. The FBI has a ceiling of 80 percent.

There is another feature in the bill which is a little different from the Civil Service Retirement Act.

The FBI falls under the workmen's compensation law. The bill now under consideration takes care of the policemen and firemen from the retirement fund.

Those are the differences, as I see them, from the general law. The only consideration is whether there is enough difference, with the raising of the rate from 2 percent to 3 percent, and then fixing the ceiling at 70 percent instead of 80 percent, to raise any particular question.

Mr. CLARK. I am prepared to say to my friend from Delaware, on the basis of what I have learned, that he has been told all the substantial differences between the bill and the Civil Service Retirement Act. If the Senator has any doubt, I shall be only too happy to read the exact changes between the bill and the Civil Services Retirement Act, in order that he himself may determine whether I have properly used the word "substantial."

Mr. WILLIAMS. I think it would be well to place an analysis of the bill in the RECORD, but, as I understand the situation, we now have found four major differences between this bill and the regular Civil Services Retirement Act.

Mr. CLARK. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an analysis of the bill, showing the section by section differences between S. 1770 and the Civil Service Retirement Act.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

Comparison analysis of salient features contained in the measures listed: Present Police and Firemen's Retirement and Relief Act; proposed Commissioners' Policemen and Firemen's Retirement and Disability Act, S. 1770; and the Civil Service Retirement Act

Feature	Present police and firemen retirement law	Commissioners' bill	S. 1770	Civil Service Retirement Act
Employee contribution.	5 percent of basic salary	6½ percent of basic salary	Same	Same.
Coverage	Automatic for officers and members of Metropolitan Police, Fire Department, District of Columbia, U. S. Park Police, White House Police and elective for members of U. S. Secret Service Division, after 10 years of service (other than clerical) directly related to protection of the President on so electing, all funds to individuals' credit in the civil service retirement fund must be transferred to the general revenues of District of Columbia.	Same	Same	Automatic for Federal employees generally unless employment is temporary, intermittent, or subject to another Federal retirement system.
Creditable service	No credit for prior civilian employment in Federal or District of Columbia Government.	All honorable employment of the type affording coverage.	Same	Same, except for "honorable" requirement.
		Any honorable civilian service in any branch of the Federal Government (including federally owned or controlled corporations, Gallaudet College, and municipal government of the District of Columbia) for which retirement deductions were made, performed prior to covered employment.	Same	Same, except for "honorable" requirement; allows credit also for service in Pan American Sanitary Bureau.
		Leaves of absence without pay granted during covered employment while performing military service; other leave without pay up to 6 months in any calendar year.	Same	Same, except full time is also allowed for leave without pay while receiving Federal employees' compensation benefits.

Comparison analysis of salient features contained in the measures listed—Continued

Feature	Present police and firemen retirement law	Commissioners' bill	S. 1770	Civil Service Retirement Act
Creditable service—Continued	No credit, etc—Con.	Periods of active honorable Federal military service rendered prior to separation on which title to benefits is based, unless receiving military retired pay which is not (1) based on service-connected disability incurred in enemy combat or from an instrument of war or (2) awarded under title III of Public Law 810, 80th Cong. No credit allowed for military service performed after December 1956 if social-security benefits are payable to employee, his widow, or children.	Same	Same, except no credit may be allowed for military service performed after December 1956 if social-security benefits are payable to employee, his widow, or children.
		Furlough to military service from covered position terminates after 5 years of military service, but not before Dec. 31, 1957.	Same	Same, except earliest termination date is Dec. 31, 1956.
Deposit and past service.	No provision	Deductions refunded under any Federal retirement system must be deposited before service involved may be credited.	Same	Same.
	do	No provision	No provision	Civilian service since Aug. 1, 1920, is subject to deposit of applicable deductions, plus interest. Deposit is optional. If not made, the service is credited but the annuity otherwise payable is reduced by 10 percent of the unpaid deposit.
General service requirements (annuity title).	No minimum service period	Same	Same	At least 5 years' creditable civilian service, including 1 year's covered employment out of last 2 unless separation is by death or for disability retirement.
Compulsory retirement (immediate annuity).	At or after age 60, regardless of length of service at discretion of District of Columbia Commissioners or head of employing department.		Same	At or after age 70 with 15 years' service. The President is authorized to make exemptions from this requirement if deemed in the public interest. The President has delegated this authority to the Civil Service Commission as regards non-Presidential employees.
Optional retirement (immediate annuity).	Age 55 after 25 years service, 50 percent.	Age 50, 20 years of service, 40 percent; age 55, 25 years of service, 50 percent. (Service must be police or fire service.)	Age 50, 20 years of service, 40 percent. (Service must be police or fire service.)	Age 50, 20 years of service (hazardous law enforcement duty); age 62, 5 years of service; age 60, 30 years of service; age 55, 30 years of service (reduced annuity).
		Limitations: Member must give at least 60 days' advance notice of retirement. The 50-20 option may be suspended when proper authorities determine existence of an emergency likely to endanger the public.	Limitations: Same notice but age requirement, 50. Suspension of option by chiefs of White House, Park Police, and Secret Service Division, respectively, of Commissioners in determining existence of an emergency tied in with Commissioner's determination.	Limitations: 50-20 retirement requires recommendation of department head and approval by CSC.
Conditions for disability retirement (immediate annuity).	No provision (not in line of duty)	Disability not incurred in line of duty—after 5 years' police or fire service: Disability not due to vicious habits, intemperance, or willful misconduct, precluding further service with the Department.	Same	After 5 years' civilian service. Total disability for position held, not due to vicious habits, etc., within 5 years preceding onset of disability.
	Disability incurred in line of duty after any length of service: Injury or disease acquired during performance of duty which permanently disables for such duty.	Same if disability not due to vicious habits, etc.	Same	No provision other than above. (However, similar special protection for work-connected disease or injury is provided by the Federal Employees' Compensation Act.)
		Duration of disability annuity: For life unless individual is found recovered or restored to earning capacity prior to age 55.	Same	Same, except that age 60 is the age specified for this purpose.
	No provision	Earning capacity is deemed restored if in each of 2 succeeding calendar years income from wages or self-employment is 80 percent or more of current rate of pay for position from which retired.	Same	Same.
		Annuity terminates (1) on any Federal reemployment, (2) 1 year from date of medical examination showing recovery, or (3) 1 year from date determined restored to earning capacity subject to provisions of preceding paragraph.	Same	Same.
Separation benefits.	Refund of deductions without interest prior to retirement for any reason.	Refund of deductions without interest or charge if separated before eligible to retire.	Same	Refund, or after 5 or more years' civilian service, a choice of refund or deferred annuity starting at age 62.
Computation of basic annuity.	Not to exceed 50 percent of salary at time of retirement.	Basis: Final basic salary and years (and full months) of service.	Same	Basis: Average salary for high 5 consecutive years of allowable service and years (and full months) of service. Commissioners recommendations are same as for Federal law-enforcement officers.
	No provision	Standard formula: 2 percent of final basic salary times years of service.	2 percent of final basic salary times years of service for 20 years; 3 percent of final basic salary times years of service in excess of 20 but not to exceed 70 percent.	1½ percent or $25 plus 1 percent, of high 5 salary, times years of service up to 5; plus 1¾ percent, or $25 plus 1 percent of high 5 salary, times years of service over 5 up to 10; plus 2 percent, or $25 plus 1 percent of high 5 salary times years of service over 10.

Comparison analysis of salient features contained in the measures listed—Continued

Feature	Present police and firemen retirement law	Commissioners' bill	S. 1770	Civil Service Retirement Act
Computation and so forth—Con.	Minimum disability annuity (no provision).	Nonservice connected, 40 percent of final basic salary; service connected, 66⅔ percent of final basic salary.	Same	Benefit may not be less than smaller of (a) 40 percent of high 5 salary, or (b) annuity computed under basic formula after increasing actual service by the time between separation date and date employee will attain age 60.
	Maximum annuity (all types) 50 percent of final basic salary.	70 percent of final basic salary	Same	80 percent of high 5 average salary.
Annuity reduction	No provision	No provision for reduction to provide survivor annuity to named spouse. Spouse's basic survivor annuity is provided automatically without reduction in retiree's benefit.	Same	Reduction to provide named spouse with survivor annuity of 50 percent of base amount designated (all or any part of earned annuity) is the sum of: 2½ percent of 1st $2,400 used as a base for spouse's survivor annuity plus 10 percent of any amount over $2,400 used as the survivor's annuity base.
	do	Same	Same	Reduction to provide survivor annuity of 50 percent of reduced rate to person (with insurable interest) named by unmarried retiree: 10 percent of full annuity plus 5 percent for each full 5 years the named survivor is younger than the retiree. Maximum reduction is 40 percent.
	do	Reduction to provide an increased benefit to spouse or child eligible for automatic survivor's annuity: 10 percent of full annuity. Annuity otherwise payable automatically to named survivor is increased by amount of reduction applied against the benefit of the retiree, less 5 percent for each full 5 years named survivor is younger than retiree, with maximum of 40 percent in survivor's amount.	Same	No provision.
Death benefits	Automatic survivor annuities eligibles: "Widow": Surviving wife married to member during covered employment.	Same. "Dependent widower": Surviving husband married to member during covered employment.	Same. "Dependent widower": Surviving husband married to member during covered employment.	"Widow": Surviving wife married to employee at least 2 years next prior to death, or mother of issue by their marriage. "Dependent widower": Surviving husband— (a) married to employee at least 2 years next prior to death, or the father of issue by their marriage; (b) incapable of self-support due to disability, and (c) dependent on employee for more than ½ his support.
	Child: Unmarried child, under age 18 or incapable of self-support due to disability incurred before 18; includes adopted child, stepchild, or recognized natural child who received ½ its support from member in regular parent-child relationship.	Same	Same	Essentially same.
	Basis for annuity: Death during covered employment after any length of service, or after having retired under any provision, provides basis for automatic annuity to all types of eligibles.	Same	Same	Death during covered employment after at least 5 years' civilian service provides basis for automatic annuity to all types of eligibles. Death after retirement provides basis for automatic annuity to child eligibles only. Retiree's spouse receives annuity only if named for benefit under reduced annuity election at retirement.
	Annuities provided: To widow: Not to exceed $125 per month.	To widow or dependent widower: Greater of (a) $1,800; (b) 30 percent of basic salary at death, or of basis on which retiree's annuity at death was computed.	Same. To widow or dependent widower.	To widow or dependent widower: 50 percent of employee's earned annuity—computed on high 5 salary and actual service.
	To each child (if spouse survives): Not to exceed $25 per month.	Least of (a) $600; (b) $1,800 divided by the number of children; (c) 40 percent of basic salary at death, or of basis on which retiree's annuity at death was computed divided by number of children.	Same	To each child dependent on deceased for more than half of support (where spouse also survives): (a) $600; (b) $1,800, divided by number of children; (c) 40 percent of former employee's high 5 salary divided by number of children.
	To each child (if no spouse survives): Not to exceed $25 per month.	Least of (a) $720; (b) $2,160 divided by number of children; (c) 50 percent of basic salary at death, or of basis on which retiree's annuity at death was computed, divided by number of children.	Same	To each child (if no spouse survives): Least of (a) $720; (b) $2,160 divided by number of children; (c) 50 percent of former employee's high 5 salary, divided by number of children.
	Elective survivor annuities: No provision.	Spouse or child of retiree named for on increased survivor annuity receives such benefit (equal to or less than reduction in retiree's rate) coterminous with automatic survivor annuity.	Same	No provision.
	No provision	No provision	No provision	To widow or widower designated at time of retirement: 50 percent of amount elected by the retiree as the base for spouse's survivor annuity.
	do	do	do	To named survivor (with insurable interest): 50 percent of retiree's reduced rate.

Comparison analysis of salient features contained in the measures listed—Continued

Feature	Present police and firemen retirement law	Commissioners' bill	S. 1770	Civil Service Retirement Act
Death benefit—Con.	Duration of survivor annuities: To widow: Begins 1st of month in which death of former member. Ends upon death or remarriage.	To widow or dependent widower: Same.	To widow or dependent widower: Same.	To spouse: Automatic benefit begins 1st of month following death of employee; elective benefit 1st of month in which retiree's death occurs. Ends upon death or remarriage, and, in case of dependent widower, or his becoming capable of self-support.
	To child: Begins 1st of month following death of former member. Ends at death, marriage, age 18, or (if over 18) on becoming capable of self-support.	Same	Same	Same.
	No provision	No provision	No provision	To person named (with insurable interest): Begins 1st of month in which retiree's death occurs. Ends upon death.
	Lump-sum benefits where there are no survivors; refund without interest.	Accumulated deductions are payable in a lump sum under a specified or precedence only if member dies prior to retirement leaving no survivors eligible for annuity.	Same	Similar provision made plus provision for lump-sum return of any balance of retirement account not paid out in form of annuity, upon termination of all rights to retirement and survivor annuity.
	No provision	Accrued annuity remaining unpaid at death of retiree or survivor is payable under a specified order of payment.	Same	Similar provision.
Medical, hospital service.	Member temporarily disabled by injury or disease incurred in line of duty is provided needed medical, surgical, and hospital treatment at expense of the District of Columbia, where necessity for such treatment is certified by the Commissioners of the District of Columbia.	Same	Same	No provision.
Funeral expenses	Commissioners of the District of Columbia are authorized to pay up to $250 to defray funeral expenses of a member dying in service.	Authorization increased to $300	Same	Do.

Mr. WILLIAMS. I have another question. Under the Civil Service Retirement Act, annuities are computed on the basis of the average of the 5 highest years of an employee's salary. Under the bill now before us, how are annuities computed?

Mr. CLARK. In the bill, it is computed on the basis of the last year's salary. It is my understanding that that is the same as the procedure followed for retirement from the FBI.

Mr. JOHNSTON of South Carolina. What was the Senator's question?

Mr. CLARK. On what basis is the percentage of retirement annuity computed? Under the Civil Service Retirement Act, it is on the basis of the average of the 5 highest years. In the bill, it is on the basis of the last year's salary.

Mr. JOHNSTON of South Carolina. I think that is correct.

Mr. WILLIAMS. Under the bill, as I understand, the computation will be made on the basis of the last year's salary?

Mr. CLARK. That is correct.

Mr. WILLIAMS. Is that not a substantial difference?

Mr. CLARK. It is a question of judgment.

Mr. WILLIAMS. If a person can have his annuity computed on the basis of his 5 highest years' salary, there would be a substantial difference, would there not?

Mr. CLARK. I find myself in agreement with the Senator.

Mr. WILLIAMS. So we now find another major difference between the bill and the Civil Service Retirement Act.

Another question, under the Civil Service Retirement Act, once a person is retired and his annuity has been computed, it remains constant unless Congress itself changes the annuity. It not that correct?

Mr. CLARK. That is my understanding.

Mr. WILLIAMS. Under this bill, how are annuities computed after retirement?

Mr. CLARK. It is my understanding that under the bill, if the salaries are increased, the retirement benefits also are increased.

Mr. WILLIAMS. That is different from the regular retirement act, is it not? And is not that again another substantial difference between the bill and the Civil Service Retirement Act?

Suppose salaries are raised $2,000 or $3,000, the retirement annuities will be increased automatically, which is not true under any other plan.

Mr. JOHNSTON of South Carolina. Out of fairness, it should be said that that is no change from the present law.

Mr. WILLIAMS. I am not talking about any change from the present law. This bill if enacted repeals present law and enacts a new one. I am talking about the bill before us. In the beginning, we were told that the bill was substantially the same as the present Civil Service Retirement Act.

I repeat what I said in the beginning: I am perfectly willing to support the bill, which raises the contribution rate to 6½ percent to provide benefits for these particular employees equal to the benefits provided under the Civil Service Retirement Act. But, Mr. President, in view of the fact that there seems to be such a lack of understanding of the bill in general, I feel compelled to suggest that it go over until at least the sponsors find out a little more about it. I think that should be done, in all fairness.

I ask the author of the bill whether he feels that way.

Mr. MANSFIELD. Mr. President, I am one of the cosponsors of the bill; the author of the bill is the Senator from Nevada [Mr. BIBLE], a member of the Committee on the District of Columbia, who is not in the Chamber at the moment.

I suggest that the Senator who objects move that the bill go to the foot of the calendar, so that in the meantime the Senator from Delaware will have an opportunity to examine the proposed changes, as outlined, and see whether they fit in with his ideas.

Mr. WILLIAMS. I have seen the proposed changes, and that is why I am asking questions.

What amazes me is that those who introduced or sponsored the bill and are presenting it on the floor now, know so little about it. Unquestionably we have developed here that there is a substantial difference between the provisions of the bill and the corresponding provisions of the Civil Service Retirement Act. The question puzzling me is, How many other differences are there?

Mr. MANSFIELD. Mr. President, the Senator from Delaware should not be so amazed, because after all, the bill was discussed in the Committee on the District of Columbia, after it was introduced by the Senator from Nevada [Mr. BIBLE], with the cosponsorship of some of us who felt that something should be done for these policemen and firemen. After consideration in the Committee on the District of Columbia, the bill was reported to the Senate and placed on the calendar. I am sure the Senator from Delaware understands that.

Mr. WILLIAMS. I understand that, but who understands the bill well enough to explain what is in it? I am willing to have this group extended the same benefits as those extended to law-enforcement officers under the Civil Service Retirement Act, and I am perfectly willing to support such a bill when it is brought into accord with that act. But at the present time it is not in accord. For instance, we now find the bill provides benefits substantially greater than those which the members of the FBI or the agents on the narcotic squad receive.

If extra benefits are to be provided the District of Columbia policemen and firemen, then let the bill be so presented with a clear statement to that effect, and then the Senate will know what it is doing when acting on the bill. But it should not be presented on the basis of providing benefits comparable to those provided under the regular Civil Service Retirement Act, when in reality the bill does nothing of the sort.

Mr. CLARK. Mr. President, we on this side of the aisle were amazed that no Member on the Republican side asked that the bill go over in the first instance.

I am happy to have had this colloquy with the Senator from Delaware, which I am sure has enlightened many Members of the Senate. I wonder whether the Senator from Delaware wishes to have the bill go over.

Mr. WILLIAMS. Mr. President, under the circumstances, I feel compelled to ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The next bill on the calendar will be stated.

BILLS PASSED OVER

The bill (S. 555) to authorize the construction, operation, and maintenance of the Hells Canyon Dam on the Snake River between Idaho and Oregon, and for related purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 60) to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado, was announced as next in order.

Mr. CLARK. Over.

The PRESIDING OFFICER. The bill will be passed over.

CONDEMNATION OF INSANITARY BUILDINGS IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (S. 1269) to amend the act entitled "An act to create a Board for the Condemnation of Insanitary Buildings in the District of Columbia, and for other purposes," approved May 1, 1906, as amended, which had been reported from the Committee on the District of Columbia, with amendments, on page 3, line 9, after the numerals "10," to insert "(a)"; in line 17, after the word "located," to strike out "as" and insert "at"; and, at the top of page 5, to insert:

(b) In case such notice is served by any method other than personal service, notice shall also be sent to the owner by ordinary mail.

So as to make the bill read:

Be it enacted, etc., That subsection (d) of section 2 of the act entitled "An act to create a Board for the Condemnation of Insanitary Buildings in the District of Columbia, and for other purposes," approved May 1, 1906 (34 Stat. 157; title 5, ch. 6, D. C. Code, 1951 edition), as amended, is amended by striking "same manner as general taxes are collected in the District of Columbia," and inserting in lieu thereof "manner provided in section 7 of this act."

SEC. 2. (a) Section 7 of said act, as amended, is amended (1) by striking "in the same manner as general taxes are collected in the District of Columbia," and inserting in lieu thereof "as provided in this section"; and (2) by inserting immediately before the period at the end of said section the following: ": *Provided further*, That the taxes authorized to be levied and collected under this act may be paid without interest within 60 days from the date such tax was levied. Interest of one-half of 1 percent for each month or part thereof shall be charged on all unpaid amounts from the expiration of 60 days from the date such tax was levied. Any such tax may be paid in three equal installments with interest thereon. If any such tax or part thereof shall remain unpaid after the expiration of 2 years from the date such tax was levied, the property against which said tax was levied may be sold for such tax or unpaid portion thereof with interest and penalties thereon at the next ensuing annual tax sale in the same manner and under the same conditions as property sold for delinquent general real estate taxes, if said tax with interest and penalties thereon shall not have been paid in full prior to said sale."

(b) Any tax levied pursuant to such act approved May 1, 1906, as amended by the act approved August 28, 1954, which was levied after the effective date of such act of August 28, 1954, and prior to the effective date of this section, shall, for the purpose of computing interest thereon, be deemed to have been levied as of the effective date of this section.

SEC. 3. Section 10 of such act, as amended, is amended to read as follows:

"SEC. 10. (a) Any notice required by this act to be served shall be deemed to have been served when served by any of the following methods: (a) when forwarded to the last known address of the owner as recorded in the real estate assessment records of the District of Columbia by registered mail, with return receipt, and such receipt shall constitute prima facie evidence of service upon such owner if such receipt is signed either by the owner or by a person of suitable age and discretion located at such address: *Provided*, That valid service upon the owner shall be deemed effected if such notice shall be refused by the owner and not delivered for that reason; or (b) when delivered to the person to be notified; or (c) when left at the usual residence or place of business of the person to be notified, with a person of suitable age and discretion then resident or employed therein; or (d) if no such residence or place of business can be found in the District of Columbia by reasonable search, then if left with any person of suitable age and discretion employed at the office of any agent of the person to be notified, which agent has any authority or duty with reference to the land or tenement to which said notice relates; or (e) if any such notice forwarded by registered mail be returned for reasons other than refusal, or if personal service of any such notice, as hereinbefore provided, cannot be effected, then if published on three consecutive days in a daily newspaper published in the District of Columbia; or (f) if by reason of an outstanding unrecorded transfer of title the name of the owner in fact cannot be ascertained beyond a reasonable doubt, then if served on the owner of record in a manner hereinbefore provided. Any notice to a corporation shall, for the purposes of this act, be deemed to have been served on such corporation if served on the president, secretary, treasurer, general manager, or any principal officer of such corporation in the manner hereinbefore provided for the service of notices on natural persons holding property in their own right; and notices to a foreign corporation shall, for the purposes of this act, be deemed to have been served if served personally on any agent of such corporation, or if left with any person of suitable age and discretion residing at the usual residence or employed at the usual place of business of such agent in the District of Columbia."

(b) In case such notice is served by any method other than personal service, notice shall also be sent to the owner by ordinary mail.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CHILDREN BORN OUT OF WEDLOCK

The Senate proceeded to consider the bill (S. 1708) to amend the act entitled "An act relating to children born out of wedlock," approved January 11, 1951, which had been reported from the Committee on the District of Columbia, with amendments on page 2, line 6, after the word "administer", to strike out "oaths" and insert "oaths, or before any person duly authorized to administer oaths"; in line 14, after the word "words", to strike out "Health Officer" and insert "Health Officer of the District of Columbia"; and, in line 17, after the word "designated", to strike out "agent." " and insert "agent"."; so as to make the bill read:

Be it enacted, etc., That the first sentence of section 15 of the act entitled "And act relating to children born out of wedlock," approved January 11, 1951 (sec. 11-963, D. C. Code, 1951 edition) is amended to read as follows: "Whenever a certified copy of a marriage certificate is submitted to the Commissioners of the District of Columbia or their designated agent, establishing that the previously unwed parents of an illegitimate child have intermarried subsequent to the birth of said child and the paternity of the child has been judicially determined or has been acknowledged by the husband before said Commissioners or their designated agent, or has been acknowledged in an affidavit sworn to by such husband before a judge or the clerk of a court of record, or before an officer of the Armed Forces of the United States authorized to administer oaths, or before any person duly authorized to administer oaths and such affidavit is delivered to said Commissioners or their designated agent, a new certificate of birth bearing the original date of birth and the names of both parents, shall be issued and substituted for the certificate of birth then on file."

SEC. 2. That subsection (b) of section 16 of such act (sec. 11-964 (b), D. C. Code, 1951

edition) is hereby amended by striking therefrom the words "Health Officer of the District of Columbia" and inserting in lieu thereof the words "Commissioners of the District of Columbia or their designated agent".

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF COMPULSORY SCHOOL ATTENDANCE AND SCHOOL CENSUS ACT RELATING TO THE DISTRICT OF COLUMBIA

The bill (S. 1842) to amend the act entitled "An act to provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes," approved February 4, 1925, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the first sentence of section 1 of article II of the act entitled "An act to provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes," approved February 4, 1925 (43 Stat. 807; sec. 31-208, D. C. Code, 1951 ed.), is amended by striking therefrom "all children between the ages of 3 and 18 years permanently or temporarily residing in the District of Columbia, and annually thereafter or as frequently", and inserting in lieu thereof "all children under the age of 18 years permanently or temporarily residing in the District of Columbia and as frequently thereafter."

CONFERRING OF DEGREES BY DISTRICT OF COLUMBIA TEACHERS COLLEGE

The bill (S. 1906) authorizing the conferring of appropriate degrees by the District of Columbia Teachers College on those persons who have met the requirements for such degrees, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That (a) the Board of Education of the District of Columbia is hereby authorized to make all necessary rules and regulations for the organization and government of the District of Columbia Teachers College, and to fix the terms and conditions for the admission to and graduation from such college.

(b) Upon the recommendation of the president and faculty of the District of Columbia Teachers College, the said Board of Education is further authorized to prescribe courses of study to be pursued at such college, and to provide for the conferring of appropriate degrees for work performed, in course, upon those persons who have met the requirements for such degrees.

REMOVAL FOR CAUSE OF MEMBERS OF BOARD OF EDUCATION, DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (H. R. 192) to provide that members of the Board of Education of the District of Columbia may be removed for cause, which had been reported from the Committee on the District of Columbia, with an amendment, on page 1, at the beginning of line 7, to strike out, "is amended by inserting immediately after the second sentence the following new sentence: 'The judges of the United States District Court for the District of Columbia shall have power to remove any member of the Board of Education at any time for adequate cause affecting his character and efficiency as a member.'" and insert "is amended by inserting '(a)' immediately after 'SEC. 2.' and by adding at the end thereof the following new subsection: '(b) The judges of the United States District Court for the District of Columbia shall have power to remove any member of the Board of Education at any time for adequate cause affecting his character and efficiency as a member, after a public hearing on a verified complaint filed by the United States Attorney for the District of Columbia, or one of his assistants, and on issues framed by a verified answer. The United States District Court of the District of Columbia is empowered to promulgate rules to carry out the purpose of this subsection.'"

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

BILLS PASSED OVER

The bill (H. R. 4136) to extend the period within which the Export-Import Bank of Washington may make loans, was announced as next in order.

Mr. PURTELL. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 53) to consolidate into one act the laws administered by the Veterans' Administration relating to compensation, pension, hospitalization, and burial benefits, and to consolidate into one act the laws pertaining to the administration of the laws administered by the Veterans' Administration, was announced as next in order.

Mr. CLARK. Over.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF SECTION 4 OF THE INTERSTATE COMMERCE ACT, AS AMENDED

The bill (S. 937) to amend section 4 of the Interstate Commerce Act, as amended, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 4 (1) of the Interstate Commerce Act, as amended (49 U. S. C. 4 (1)), is amended to read as follows:

"(1) It shall be unlawful for any common carrier subject to this part or part III to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through rate than the aggregate of the intermediate rates subject to the provisions of this part or part III, but this shall not be construed as authorizing any common carrier within the terms of this part or part III to charge or receive as great compensation for a shorter as for a longer distance: *Provided*, That upon application to the Commission and after investigation, such carrier, in special cases, may be authorized by the Commission to charge less for longer than for shorter distances for the transportation of passengers or property, and the Commission may from time to time prescribe the extent to which such designated carriers may be relieved from the operation of the foregoing provisions of this section, but in exercising the authority conferred upon it in this proviso, the Commission shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed; and no such authorization shall be granted on account of merely potential water competition not actually in existence: *Provided further*, That any such carrier or carriers operating over a circuitous line or route may, subject only to the standards of lawfulness set forth in other provisions of this part or part III and without further authorization, meet the charges of such carrier or carriers of the same type operating over a more direct line or route, to or from the competitive points, provided that rates so established over circuitous routes shall not be evidence on the issue of the compensatory character of rates involved in other proceedings: *And provided further*, That tariffs proposing rates subject to the provisions of this paragraph requiring Commission authorization may be filed when application is made to the Commission under the provisions hereof, and in the event such application is approved, the Commission shall permit such tariffs to become effective upon 1 day's notice."

ESTABLISHMENT OF PERIODS OF LIMITATION FOR ACTIONS AT LAW UNDER INTERSTATE COMMERCE ACT, ETC.—BILL PASSED OVER

The bill (S. 377) to establish the finality of contracts between the Government and common carriers of passengers and freight subject to the Interstate Commerce Act, was announced as next in order.

Mr. PURTELL. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. MAGNUSON. Mr. President, did I correctly understand that the Senator from Connecticut asked that calendar 340, Senate bill 377, go over?

Mr. PURTELL. Yes. I did so by request. I understand that an amendment providing that the measure shall not be applicable in time of war may be proposed. I believe that at present the bill does not contain such a provision.

Mr. MAGNUSON. That is correct; it does not. Does the Senator from Connecticut know who proposes the amendment?

Mr. PURTELL. It was discussed briefly prior to the call of the calendar. There is no objection to the bill. If an amendment providing that the bill shall not apply during war is offered on the floor, I shall be glad to withdraw the objection.

Mr. MAGNUSON. We would like to have the bill passed. I see no objection to such an amendment.

Mr. PURTELL. I should be glad to propose the amendment, or perhaps the Senator from Washington wishes to propose it.

Mr. BRICKER. Mr. President, I should like to ask several questions regarding such an amendment. Is it the understanding of the Senator from Connecticut that, under such an amendment, the limitation would begin to run at the end of war?

Mr. PURTELL. It is my understanding that the limitation would apply only during war, and that the 2-year period would begin immediately at the end of war, and the 3-year period similarly.

Mr. BRICKER. I think the bill should go over.

Mr. PURTELL. Mr. President, the Senator from Ohio suggests that the bill go over. I believe it should go over; and if that is done, then, between today and the next call of the calendar, we can take care of the matter referred to.

Mr. MAGNUSON. Mr. President, I know the Senator from Ohio, who is the author of the bill, is anxious to have it passed.

Mr. PURTELL. I so understand. However, the Senator from Ohio agrees that we should take time to look carefully into the matter to which reference has been made.

Therefore, Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

BILL PASSED OVER

The bill (S. 943) to amend section 218 (a) of the Interstate Commerce Act, as amended, to require contract carriers by motor vehicles to file with the Interstate Commerce Commission their actual rates or charges for transportation services, was announced as next in order.

Mr. CLARK. Over.

The PRESIDING OFFICER. The bill will be passed over.

RELIEF OF CERTAIN ALIENS

The Senate proceeded to consider the joint resolution (H. J. Res. 247) for the relief of certain aliens, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 9, after the name "Capone", to strike out "Pearl (Pik Chun) Ma, Ying Lun Ma,"; on page 2, line 22, after the word "Act", to strike out "Roger Eugene Caillaud,"; at the beginning of line 24, to strike out "Kerttu Poutiainen Mayblom,"; on page 3, after line 7, to strike out:

SEC. 3. The Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bonds, which may have issued in the cases of John William Forbes Petch and Mrs. Tsuma Ueda. From and after the date of the enactment of this Act, the said John William Forbes Petch and Mrs. Tsuma Ueda shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued.

And, after line 16, to strike out:

SEC. 4. For the purposes of the Immigration and Nationality Act, Paolina Toscano shall be held and considered to have been lawfully admitted to the United States for permanent residence as of August 18, 1925, upon payment of the required visa fee.

The amendments were agreed to.

The amendments were ordered to be engrossed, and the joint resolution to be read the third time.

The joint resolution was read the third time and passed.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

The Senate proceeded to consider the concurrent resolution (H. Con. Res. 89) approving the granting of the status of permanent residence to certain aliens, which had been reported from the Committee on the Judiciary, with amendments, on page 6, after line 5, to strike out "A-6197692, Kuo, Hsiao Lan."

After line 6, to strike out "0200 86579, Kuo, Hsiao Mei nee Yen."

On page 27, after line 8, to strike out "A-6386992, Wong, Yen Leong."

And, on page 37, at the beginning of line 5, to strike out "A-8881704" and insert "A-6881704."

The amendments were agreed to.

The concurrent resolution, as amended, was agreed to.

MARIA ADELAIDE ALESSANDRONI

The bill (S. 80) for the relief of Maria Adelaide Alessandroni was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Maria Adelaide Alessandroni shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

TSUI YUNG WONG

The bill (S. 153) for the relief of Tsui Yung Wong was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Tsui Yung Wong shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

GEORGIOS IOANNOU

The bill (S. 160) for the relief of Georgios Ioannou was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Georgios Ioannou shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

JOHN G. MICHAEL

The bill (S. 164) for the relief of John G. Michael was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. PURTELL. Mr. President, reserving the right to object—although I shall not object—may we have a brief explanation of the bill?

Mr. EASTLAND. Mr. President, the purpose of the bill is to enable a former naturalized United States citizen to regain his citizenship, which was lost because of residence abroad. The beneficiary of the bill is a 57-year-old native of Turkey who first entered the United States on July 4, 1919, at Lewiston, N. Y., and was admitted at that time for lawful permanent residence. On January 21, 1934, he became a naturalized citizen of the United States; and in March of the same year he returned to Greece, to marry his childhood sweetheart. For various reasons, he has remained in Greece since that date, and was held to have lost his United States citizenship under the provisions of section 404 (b) of the Nationality Act of 1940, the provisions of which became effective in October 1946.

The beneficiary has 3 children, 2 of whom are presently in the United States, attending school.

Under the provisions of section 404 (b) of the Nationality Act of 1940, a naturalized citizen of the United States lost his nationality by residing continuously for 3 years in the territory of the foreign country of which he was formerly a national. The effective date of this provision was extended several times because of World War II. Although the beneficiary had hoped to return to the United States prior to the effective date of October 14, 1946, it is my understanding that he suffered considerably at the hands of the German occupation troops in Greece, during the war years, as a United States citizen, and, as a result of his imprisonment, contracted a serious arthritic condition. Because of these circumstances, he was unable to avail himself of the privilege of returning to the United States prior to the effective date of the expatriating provision contained in section 404 (b).

It appears to me that there are sufficient equities in the case to justify permitting the beneficiary to return to the United States and resume his United States citizenship.

Mr. PURTELL. I thank the Senator from Mississippi, and I have no objection to the passage of the bill.

There being no objection, the bill (S. 164) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That John G. Michael, who lost United States citizenship under

the provisions of section 404 (b) of the Nationality Act of 1940, may be naturalized by taking, prior to 1 year after the date of the enactment of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, an oath as prescribed by section 337 of such act. From and after naturalization under this act, the said John G. Michael shall have the same citizenship status as that which existed immediately prior to its loss.

DANIELA RENATA PATRICIA ZEI

The bill (S. 499) for the relief of Daniela Renata Patricia Zei was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Daniela Renata Patricia Zei, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Patrick N. Dinon, citizens of the United States.

STANISLAV MAGLICA

The bill (S. 583) for the relief of Stanislav Maglica was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Stanislav Maglica, shall be held and considered to be the natural-born alien child of Mrs. Amelia Maglica, a citizen of the United States.

ANTON REVAK

The Senate proceeded to consider the bill (S. 592) for the relief of Anton Revak, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 7, after the word "Act", to insert "and upon compliance with such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act. This exemption shall apply only to a ground of exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (6) of the Immigration and Nationality Act, Anton Revak may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act and upon compliance with such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act. This exemption shall apply only to a ground of exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ATHENA NICHOLAS EUTERIADOU

The bill (S. 755) for the relief of Athena Nicholas Euteriadou was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Athena Nicholas Euteriadou shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

THELMA MARGARET HWANG

The bill (S. 788) for the relief of Thelma Margaret Hwang was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Thelma Margaret Hwang shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

GIUSEPPE BAFFO

The bill (S. 798) for the relief of Giuseppe Baffo was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Giuseppe Baffo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

VIDA LETITIA BAKER

The bill (S. 833) for the relief of Vida Letitia Baker was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Vida Letitia Baker shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

DAVID AJUELO AND OTHERS

The bill (S. 834) for the relief of David Ajuelo, Roza Ajuelo, Victoria Ajuelo, and Lizet Ajuelo was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, David Ajuelo, Roza Ajuelo, Victoria Ajuelo, and Lizet Ajuelo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

SYDNEY DOUGLAS CATCHPOLE

The bill (S. 849) for the relief of Sydney Douglas Catchpole was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Sydney Douglas Catchpole shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

KUO YORK CHYNN

The bill (S. 908) for the relief of Kuo York Chynn was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Kuo York Chynn shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

SATOE YAMAKAGE LANGLEY

The bill (S. 988) for the relief of Satoe Yamakage Langley was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of paragraph (12) of section 212 (a) of the Immigration and Nationality Act, Satoe Yamakage Langley may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That this act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this act.

MATSUE HARADA

The bill (S. 1112) for the relief of Matsue Harada was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Matsue Harada shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

KIYOSHI TAKAHASHI AND OTHERS

The bill (S. 1147) for the relief of Kiyoshi Takahashi, Kyoko Takahashi, and Nosomu Takahashi was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Kiyoshi Takahashi, Kyoko Takahashi, and Nosomu Takahashi shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct three numbers from the appropriate quota for the first year that such quota is available.

CHONG YOU HOW AND OTHERS

The bill (S. 1376) for the relief of Chong You How, his wife, Eng Lai Fong, and his child Chong Yim Keung was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Chong You How (also known as Edward Charles Yee), his wife, Eng Lai Fong, and his child, Chong Yim Keung, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

JANOS SCHREINER

The bill (S. 1833) for the relief of Janos Schreiner was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of section 101 (b) (2) of the Immigration and Nationality Act, Janos Schreiner shall be held and considered to be the natural father of Miss Maria Lukats, a citizen of the United States.

MITSUKO A. HACHITA

The bill (H. R. 1400) for the relief of Mitsuko A. Hachita was considered, ordered to a third reading, read the third time, and passed.

RHODA ELIZABETH GRAUBART

The Senate proceeded to consider the bill (S. 525) for the relief of Rhoda Elizabeth Graubart, which had been reported from the Committee on the Judiciary with an amendment in line 7, after the word "fee", to strike out "Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available," so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Rhoda Elizabeth Graubart shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TIKVA POLSKY

The Senate proceeded to consider the bill (S. 526) for the relief of Tikva Polsky, which had been reported from the Committee on the Judiciary with an amendment, in line 7, after the word "fee", to strike out "Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for first year that such quota is available", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Tikva Polsky shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

OLEG ANTONOWYCZ

The Senate proceeded to consider the bill (S. 553) for the relief of Oleg Antonowycz, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That, notwithstanding the provision of section 212 (a) (6) of the Immigration and Nationality Act, Oleg Antonowycz may be issued a visa and be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such act, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act: *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HELGA BINDER

The Senate proceeded to consider the bill (S. 785) for the relief of Helga Binder, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 5, after the word "be", to insert "issued a visa and be", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of paragraph 9 of section 212 (a) of the Immigration and Nationality Act, Helga Binder may be issued a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act, and if the proposed marriage between the said Helga Binder and Sfc. James L. Benson, a citizen of the United States, occurs not later than 6 months after the date of the enactment of this act: *Provided*, That this act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ALICE EIRL SCHAER

The Senate proceeded to consider the bill (S. 1035) for the relief of Alice Eirl Schaer, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Alice Eirl Schaer (Mi On Lee), shall be held and considered to be the natural-born alien child of Mr. and Mrs. Walter Paul Schaer, citizens of the United States, and notwithstanding the provisions of section 212 (a) (6) of the said act, the said Alice Eirl Schaer (Mi On Lee) may be issued a visa and be admitted to the United States under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare may deem necessary to impose: *Provided*, That if the said Alice Eirl Schaer (Mi On Lee) is not entitled to medical care under the Dependents' Medical Care Act (70 Stat. 250), a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act: *And provided further*, That the exemption provided herein shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SALVATORE PANTANO

The Senate proceeded to consider the bill (S. 1089) for the relief of Salvatore Pantano which had been reported from the Committee on the Judiciary, with an amendment in line 5, after the word

"be", to insert "issued a visa and be", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Salvatore Pantano may be issued a visa and be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground of exclusion of which the Secretary of State or the Attorney General had knowledge prior to the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ROBERTO MARIO BETTINZOLI

The Senate proceeded to consider the bill (S. 1390) for the relief of Roberto Mario Bettinzoli, which had been reported from the Committee on the Judiciary, with an amendment on page 1, line 7, after the word "fee", to strike out "Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Roberto Mario Bettinzoli shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HEUI SIK MIN AND OTHERS

The Senate proceeded to consider the bill (S. 614) for the relief of Heui Sik Min and others, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 4, after the word "Act", to strike out "Heui Sik Min and his wife,"; at the beginning of line 5, to strike out "their" and insert "her", and, in the same line, after the word "children", to strike out "David Pyong Wha Min,"; and in line 6, after the name "Min", where it appears the second time, to strike out "and daughter-in-law Gloria Yong Hiu Min" and insert "George Pyong Yu Min, and William Pyong Soo Min"; so as to make the bill read:

Be it enacted, etc., That, for the purpose of the Immigration and Nationality Act, Mary Pu Keul Min, and her children, Susan Pyong Soon Min, Sally Pyong Yun Min, George Pyong Yu Min, and William Pyong Soo Min shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Mary Pu Keul Min, and her children, Susan Pyong Soon Min, Sally Pyong Yun Min, George Pyong Yu Min, and William Pyong Soo Min."

LOUTFIE NOAMA

The Senate proceeded to consider the bill (S. 749) for the relief of Loutfie Noama, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 4, after the word "Act", to strike out "Loutfie Noama" and insert "Loutfie Kalil Noma (also known as Loutfie Slemon Noma or Loutfie Noama)", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Loutfie Kalil Noma (also known as Loutfie Slemon Noma or Loutfie Noama) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Loutfie Kalil Noma (also known as Loutfie Slemon Noma or Loutfie Noama)."

NINA MASLOVA GREENBERG

The Senate proceeded to consider the bill (S. 1589) for the relief of Nina Maslova Greenberg, which had been reported from the Committee on the Judiciary, with amendments, in line 3, after the word "provisions", to strike out "of paragraph (28) (c) (v)", and, in line 4, after "(a)", to insert "(28) (C) (v)", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (28) (C) (v) of the Immigration and Nationality Act, Nina Maslova Greenberg may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act. This act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

IMPROVEMENT OF HOUSING

The bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes was announced as next in order.

Mr. PURTELL. Over.

The PRESIDING OFFICER. The bill will be passed over.

CONVEYANCE OF THE REVERSIONARY INTEREST IN CERTAIN LANDS, STATE OF TEXAS

The bill (H. R. 1983) to provide for the conveyance of the reversionary interest of the United States in certain lands to the Clint Independent School District and the Fabens Independent School District in the State of Texas, or to either of them, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MORSE. Mr. President, the bill (H. R. 1983) would authorize the Secretary of State on behalf of the United States to:

First. Waive the United States reversionary interest in 40 acres of land heretofore conveyed to certain Texas school districts by the United States for school purposes.

Second. Provide for an exchange of the 40 acres of land between the school districts and a third party, for land of not less than equivalent area and value, and

Third. Assure that the United States would receive a reversionary interest in the exchanged land.

Mr. President, I am satisfied, after studying this bill carefully, that it does not violate the Morse formula. The bill and the accompanying report make it clear that United States should receive an interest in the exchanged lands that is of equivalent value to the reversionary interest which would be given up.

My only concern is that of making absolutely certain that the implementation of the bill is handled so as to avoid any possible loss of the Government's interest in the lands to be exchanged. I assume that the language of the bill referring to a "reversionary interest," at page 2, line 25, contemplates the execution of a deed to the United States by some third party conveying the 40 acres to be received by the school districts in the exchange transaction. Therefore, I want to make this legislative history of the matter, because I think it will be all that will be necessary in order to carry out the purpose of the bill.

I assume further that the United States would then, in carrying out the intent of the bill and of the parties, execute a conveyance or conveyances through the Secretary of State to the Clint and Fabens School Districts, subject, however, to a reversionary interest of the same type as that which was held originally by the Government. The language of section 3 of H. R. 1983, when read in conjunction with the language of section 2, would appear to authorize the execution and delivery of such instrument of title.

I would hope, Mr. President, that the transaction would be handled along the lines I have outlined, because if the exchanged lands were to be deeded by the third party to the Clint and Fabens School Districts, with a contingent executory interest provided for the United States, a question would be presented as

to the possible application of the rule against perpetuities to such contingent executory interest. I would much prefer to avoid that question by having the transaction handled correctly in the first instance.

If the understanding of the acting majority leader, the Senator from Pennsylvania [Mr. CLARK], coincides with my understanding of the way in which this bill would be implemented, I am satisfied that the Federal Government would receive full compensation by way of an exchange, and that it would receive a contingent interest of a value equivalent to that which it now holds. On the basis of that understanding, the bill should be passed.

Mr. CLARK. Mr. President, my understanding is the same as that of the Senator from Oregon.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill (H. R. 1983) was ordered to a third reading, read the third time, and passed.

ATOMIC ENERGY AND THE QUEST FOR PEACE—ADDRESS BY HON. FRANCIS O. WILCOX

Mr. SMITH of New Jersey. Mr. President, on Saturday, May 18, before the National General Assembly of the United World Federalists in Boston, Mass., the Honorable Francis O. Wilcox, Assistant Secretary of State, delivered a notable and very pertinent address on the subject Atomic Energy and the Quest for Peace. It will be recalled that Assistant Secretary Wilcox was for some years chief of staff of the Foreign Relations Committee, and he is one of the best informed men in Washington on world affairs.

I ask unanimous consent that the address to which I have referred be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY THE HONORABLE FRANCIS O. WILCOX, ASSISTANT SECRETARY OF STATE FOR INTERNATIONAL ORGANIZATION AFFAIRS, BEFORE THE NATIONAL GENERAL ASSEMBLY OF THE UNITED WORLD FEDERALISTS, SOMERSET HOTEL, BOSTON, MASS., MAY 18, 1957

ATOMIC ENERGY AND THE QUEST FOR PEACE

Introduction

The Department of State has for years watched with interest the activities of your organization. We have come to know it as an effective proponent of a point of view which is not identical with our own, but whose general direction and purpose stir a deep moral response among men of good will.

As you know, we have honest differences of opinion as to the practicability and desirability of some of your ultimate objectives. But we do appreciate the responsible way in which your officers seek to develop a better understanding among the American public within your field of activity. We appreciate, too, the distinction you draw between your ultimate aims, on the one hand, and what can be done today and tomorrow, on the other, to move toward a better organized international life.

Tonight, I shall discuss what I believe is a very important step toward this goal, one that has gone too largely unnoticed. I refer to the establishment of an International Atomic Energy Agency, which is now far advanced toward realization. My intention is to review briefly what this new Agency is, how it came about, why those who have dealt with it consider it of such great importance to the United States. I want also to touch on the principal objections which critics of the Agency are making. Every now and again in the course of world history, mankind is confronted with a vision, a great challenge, which may substantially alter the course of human affairs. I believe we are now confronted with such a challenge.

Evolution of the peaceful uses proposal

This is a timely topic. This week in Washington, the United States Senate is considering the Statute of this Agency, as a treaty, which President Eisenhower has submitted for approval and consent to ratification. The Statute has been signed by the United States and 79 other countries. The decision facing the Senate is an urgent and momentous one. Ratifications have already been deposited by Guatemala, the Soviet Union, Switzerland, Byelorussia, Rumania, Pakistan and Austria. When the United States ratifies, we shall be one step closer to the objectives declared by President Eisenhower in his Atoms for Peace Proposal before the United Nations General Assembly, in December 1953, to "find a way by which the miraculous inventiveness of man shall not be dedicated to his death, but consecrated to his life."

The true significance of this proposal becomes apparent when it is seen against the background of this atomic era which we have entered.

It was in December of 1942, under the stadium at the University of Chicago, that we first proved that our theories about the nature of the atom and the relationship of mass and energy were accurate. For it was there that the first controlled nuclear chain reaction took place, and it was then that the scientists presented society with both a great blessing and an awesome problem.

The forces of nature recognize no moral code. If unleashed as an uncontrollable weapon of war, this miraculous force could destroy mankind and leave the earth barren and uninhabitable. If used for peaceful purposes, it could bring an unprecedented era of progress and advancement. Remember that locked in a single pound of uranium is the potential energy equivalent to nearly 3 million pounds of coal. Remember, too, that the horizons for improvement in agriculture and industry, with the help of the atom, are unlimited.

The United States realized early that it could not expect to have a monopoly on nuclear energy forever. It would be vital to the world that there be some form of international control over such a potentially destructible force. To this end, the United States, in 1946, submitted the Baruch plan to the United Nations. This called for the creation of an International Atomic Development Authority within the framework of the United Nations. The organization would have had the exclusive power to manufacture and control the use of all atomic materials and make sure that no nation could come into the possession of atomic weapons.

Fulfillment of this unprecedented offer to abandon atomic weapons, made by the only nation possessing them, was denied to the world by the Soviet Union which refused to agree to any effective system of inspection and control. The reason soon became clear. While long and frustrating negotiations were being carried on in the United Nations, the Soviet Union was working feverishly to perfect its own atomic capability.

On the 29th of September 1949, President Truman announced that the U. S. S. R. had successfully detonated an atomic device. The atomic monopoly was broken. The atomic weapons race was on. The needy world awaiting the benefits inherent in the atom would have to bide its time.

However, we never gave up our hope for the eventual harnessing of atomic energy for peaceful uses. The primary question was whether or not this could be done on an international scale without an overall disarmament agreement between the Free World and the Soviet bloc.

But by the fall of 1953 President Eisenhower decided that international cooperation in the development of atomic energy for peaceful uses need not wait upon settlement of the more complex problem of a comprehensive system of disarmament.

On December 8, 1953, he delivered his now historic address before the United Nations and declared that the benefits of the atom should no longer be withheld from a waiting world. He proposed the pooling of fissionable materials from the world's atomic stockpiles, and the pooling of world technology and scientific manpower in an International Atomic Energy Agency.

There was an electric response from the members of the United Nations in support of the President's proposal—from all but the Soviet Union. It rejected the United States proposal and repeated its insistence on a ban—in fact unenforcible—on the use of nuclear weapons as a prior condition to the formation of a worldwide atoms-for-peace program.

What followed is an excellent example of the moral suasion which can be exerted by the members of the United Nations on important issues. The United States pressed forward in negotiations without the Soviet Union, but with seven other states advanced in atomic energy. This group produced the initial draft statute for the International Atomic Energy Agency. In a new departure in international treatymaking, it was circulated to the 84 members of the United Nations and the specialized agencies for suggestions and comments.

The negotiating group was expanded in the fall of 1955 to include the Soviet Union, which had now finally decided to join. They seemed to recognize the wisdom of the old maxim—"if you can't lick 'em, join 'em." This was an essential forward step. The Soviet Union obviously saw only disadvantage in continued opposition to an idea of such worldwide appeal.

By the summer of 1956, the enlarged group had produced and unanimously accepted a revised draft. In September 1956, representatives of 81 governments and 7 specialized agencies met in New York at the United Nations headquarters. It was the largest international conference ever held. The statute was put under the microscope and reviewed, article by article. Over 100 proposed amendments were introduced. The amendments that were adopted, all of which were acceptable to the United States, clarified and broadened some provisions of the statute and made it stronger and more representative.

Ten critical years had elapsed since the United States first proposed to turn its atomic monopoly to the benefits of the world. Now the first positive step had been taken. Through our efforts and the growing pressure of world opinion, the Soviet Union had been induced to enter into serious negotiations on the peaceful uses of atomic energy.

The concept of this Agency represents the ideas and ideals of the United States as stated by President Eisenhower in his December 1953 speech. It is not only a bold and imaginative new step toward the harnessing of atomic energy for the benefit of mankind; it is also a means whereby nuclear materials for weapons may be limited, reduced, and diverted from destructive purposes. It could become the keystone of a new era of atomic energy development free from the terrible fears of an unlimited arms race.

Functions and responsibilities of the International Atomic Energy Agency

The Agency of which I speak is within our grasp but it has not yet come into being. Whether it is established and, more important, whether the United States plays a full and constructive role in its operation and development, depends in no small part on the understanding and support given to it, now and in the future, by individuals like yourselves and the organization you represent.

Organizationally, the Agency will be made up of a general conference of all members of the United Nations, a board of governors numbering 23, and a director general. Power will reside primarily in the board of governors representing the more advanced countries in nuclear development plus a balanced geographical distribution. The general conference in which every nation has an equal voice, will have important powers of review, recommendation, and approval. A director general will be the chief executive officer of the Agency, selected by and responsible to the board. He will appoint and direct the staff of the Agency which will carry on day-to-day operations.

So much for the structure of the Agency. Once organized, what will it do? By the terms of its statute, the International Atomic Energy Agency is to "seek to accelerate and enlarge the contribution of atomic energy to peace, health, and prosperity throughout the world." The Agency is also to insure that its assistance is not used to further any military purpose.

The first job of the Agency is to accelerate the spread of atomic knowledge. At present, this knowledge is confined to a few countries. This siutation must be changed if the full promise of atomic energy is to be realized. The Agency will be a clearinghouse for information on atomic energy. It will stimulate the interchange of ideas, of scientists and experts. It will have a crucial role to play in the all-important task of training new cadres of scientists and technicians throughout the world. It will develop worldwide standards for protection of health and safety, and for the problem of waste disposal which looms large in the atomic age. These activities have great value in themselves, and will also encourage the search for new knowledge through research.

In addition to assisting the flow of ideas, the Agency will promote the application of atomic energy to basic human needs. Most important is the nuclear research reactor and the nuclear power reactor, which holds vast potential for countries with little or only high cost conventional fuel. Almost as dramatic is the multitude of uses of radioactive isotopes in medicine, agriculture, and industry. We estimate that American industry alone will soon save nearly $5 billion a year through the use of spectacular isotope techniques. It would be impossible now to place a dollar amount on the value of isotopes in reserach and medicine in the treatment of cancer, leukemia, and other dread diseases.

To do these jobs, the Agency will act as a pool for fissionable materials and as a channel for delivering them to the user country. These materials are to be supplied by member states on a reimbursable basis, unless otherwise agreed.

The United States has already announced that it will provide 5,000 kilograms of uranium 235 on terms to be agreed upon. In addition, we will match the sum total of all other contributions made until July 1960. The United Kingdom and the Soviet Union have also made small offers of fissionable materials to the Agency.

The Agency's most important responsibility begins when an allocation of fissionable material has been made. The safeguards system written into the statute is, I believe, one of the most significant developments in international relations in our time. I will not attempt to describe these controls in detail here, but I would emphasize that they will insure that one of the primary objectives of the Agency—that the assistance it makes available is not used for military purposes—is met. As laymen, we are aware of the double-edged nature of atomic energy, that the material which fuels a reactor is potentially fuel for a bomb.

Great pains have been taken to guard against wrongful use of the materials intended for peaceful use. These far-reaching controls, although they will apply only to projects developed with Agency help, have been unanimously accepted by the nations which will participate in the Agency.

Peaceful uses and disarmament

I wish to devote a few minutes to what I would like to call the submerged assets of the proposed Agency. There is in the International Atomic Energy Agency a potential for peace which you will not find in its statute. It has been very little heralded and largely overlooked. This is the very positive relationship the Agency may have to the solution of disarmament and international security problems.

In his Atoms for Peace speech before the General Assembly in 1953, President Eisenhower made this expectation clear. He expressed the hope that his proposal would help "to open up a new channel for peaceful discussions, and initiate at least a new approach to the many difficult problems that must be solved * * * if the world is to shake off the inertia imposed by fear, and is to make positive progress toward peace."

This hope has been borne out. The negotiations for the establishment of the International Atomic Energy Agency have so far been notably successful in opening this new channel for peaceful cooperation between the East and the West in a field of vital importance and symbolic significance for world peace. I am convinced that the very existence and successful functioning of the Agency may in time help to improve other aspects of international relations.

For example, the Agency may ease the way toward solution of some of the most difficult problems in the disarmament field. Specifically, the Agency can help in moving toward international control over nuclear weapons. In our disarmament discussions with the Soviet Union on this subject, the major area of disagreement has been the problem of controls.

However, the inspection and controls provided in the statute of the Agency have won worldwide approval, including that of the U. S. S. R. It is possible that the establishment and operation of such a system under Agency auspices would demonstrate the workability of international control and accustom the international community to the procedures involved. The confidence bred of experience is transferable. Our hope is that it will be easier to develop disarmament controls as a result of our experience with peaceful uses control.

The specter of nuclear war is at present held at arms length by the equilibrium that has developed between the atomic forces of East and West. If the possession of nuclear weapons spreads much beyond the United States, the United Kingdom, and the U. S. S. R., this equilibrium will be upset. If a fourth country, and a fifth, and perhaps half a dozen others, should obtain such weapons, the control problem would become infinitely more complicated.

The establishment of the Agency, and with it an internationally accepted system of controls, is urgent. Peaceful development of the atom throughout the world cannot be stopped. The question is, will it be done in safety or will it be done in chaos. The time we have is dangerously short. With the Agency system, other countries can be supplied with nuclear materials without simultaneously spreading the nuclear weapons threat. Peaceful development of the atom will proceed in the open, in the full light of day. Governments will become assured that their neighbors will not secretly produce nuclear weapons out of peaceful uses assistance. There will be a reduced temptation to produce their own in self-defense.

Anything other than international control would be both wasteful and dangerous. Each supplier nation would then have to establish its own control standards. Such unilateral standards, however good to begin with, would be eroded away in the process of economic and political competition between the suppliers of fissionable materials.

Answering the Agency's critics

During the past week I have spent considerable time at the Senate hearings on the proposed Agency. Both inside and outside Congress legitimate questions are being raised. People want to know whether the creation of this Agency and our membership in it is consistent with our foreign policy objectives and in the interests of the United States and its security.

"How can we be sure," it is asked, "that the nuclear materials to be provided on a worldwide scale for peaceful purposes won't be diverted and made into atomic bombs?" In answering this question I might point out that we would not be asking the Senate to ratify this treaty if we were not satisfied on this all-important matter.

Throughout the negotiations leading to the statute, the United States has emphasized the importance, indeed the absolute necessity of sound safeguard provisions. The United States position was sustained by the overwhelming majority of nations, and firm, thorough procedures are provided for.

Article XII of the statute sets out in detail the rights and responsibilities of the Agency in this field. The design of specialized equipment such as reactors is to be examined and approved to assure that effective safeguards can be applied. Complete records must be kept by receiving nations and progress reports made to the Agency. The Agency must also approve the means by which used nuclear fuels are processed. Materials produced as a byproduct must either be used for peaceful purposes under continuing Agency safeguards, or must be stored in Agency facilities. To verify all of these procedures and commitments, international inspectors will have free access at all times to all places, data, and persons involved with Agency projects.

This is the heart of the statute. For the first time in history a large number of states have declared their willingness to admit international inspectors within their boundaries, in the larger interests of international peace and security. This is a breakthrough of significance for the future.

In addition, there are other almost automatic safeguards which are inherent in the materials and equipment involved. For example, fuels for reactors supplied through the Agency will not be of the quality required for making weapons. Any nation which seized this material would not be able to make bombs out of it for months, and then only with expensive and complicated equipment and advanced technical knowledge.

The state thus attempting to violate the statute would be subject to immediate action. Further Agency assistance would be stopped, and the multi-million dollar facilities the country had built before receiving the materials would be useless. Meantime the international community would take whatever other measures might be necessary.

I consider that it is extremely unlikely that any member receiving Agency assistance would attempt deliberately to misuse it, and if they did miscalculate and take such reprehensible steps, they would gain no net military advantage.

The possibility has also been raised that an effort might be made secretly to siphon off material of military value and perhaps to hide it away in some remote place. There are natural, as well as manmade, safeguards against even this eventuality. For example, material taken from the core of reactors is highly radioactive, and would be immediately lethal unless handled with great care by heavy, complex machinery from behind massive concrete and metal shielding. Such activity could not in any case go unnoticed.

From all these factors I think it is apparent that man and nature conspiring together can provide a system which will assure adequate safeguards for all assistance given through the Agency and which will foster man's welfare rather than encourage any sinister intentions he might have.

Questions of a political nature, too, have been raised. For instance, it is asked, "Will United States materials and assistance go to Communist countries, perhaps eventually to be used against us?"

One of the most important services this agency can perform is to stimulate East and West to cooperate in a field of great mutual interest. Membership is open to all members of the United Nations and the specialized agencies, regardless of political orientation.

It is therefore true that United States materials furnished to the Agency could go to Communist countries. But with it will go the safeguards and controls I have described. In effect, this means that any satellite country, precisely like any other country receiving assistance, would have to open itself to continuing international inspection.

The American people have a legitimate concern as to what our part in the Agency will cost. "Does this mean," you may ask, "that the United States will be giving away vast quantities of nuclear materials or perhaps picking up the tab for the entire program?"

I hasten to assure you that this is not a so-called give away program. The statute is crystal clear on this point. Countries that furnish materials, services, equipment or facilities to the Agency are reimbursed unless they specifically agree to make a gift. The board of the Agency is to establish a scale of charges for the assistance it renders.

The United States offer of 5,000 kilograms of uranium 235 to the Agency is not an outright gift. It is banked by us and made available on terms to be agreed upon after the Agency comes into existence. There will, of course, be administrative expenses for the Agency, such as salaries and office expenses. It is estimated that the budget for these items for the first year will be in the neighborhood of $6 million. If the United States contributes one-third, which is the maximum allowed by Congress without specific authorization, our bill would be about $2 million. This is a relatively modest investment in an organization of such great promise.

It has been stated that the United States participation in the Agency could result in our giving away secret information. This, of course, is not true. Member states which provide materials and knowledge decide themselves what information they wish to make available to the Agency, while receiving states are obliged by the statute to inform the Agency of any discoveries made with Agency help. Clearly, we stand to add to our atomic information, not dissipate it.

I think you know that the United States has already developed an extensive bilateral atoms for peace program. We already have agreements with over 40 individual nations. "Why is it necessary," it might be asked, "to establish an international organization in this field? Won't the Agency duplicate what is already being done?"

I have tried to show that the Agency approach offers important advantages which are impossible to obtain through bilateral agreements alone. Nations will not always be willing to accept unilateral inspection by another state. Political and commercial competition among supplying countries could result in diluting and weakening the safeguards standards if we were to follow the road of bilaterals alone. I have touched on the relationship between the Agency and disarmament, and the avenue it opens for East-West cooperation. In addition, the Agency will make possible more economic use of nuclear materials and trained manpower which is scarce. Also, there will be a pooling of new discoveries made with Agency assistance by its recipients.

We all realize that the exact pattern of future scientific development is not always predictable and will not necessarily be restricted to those states with which we have bilateral relationships. The United States itself, therefore, may gain, in ways not now known, from research conducted with Agency help.

In some quarters there have been expressions of concern that the new Agency might provide an opportunity for Red China to seek international recognition. Is it possible for Red China to become a member of the Agency?

In all stages of development of the Agency to the present, it has been the government of the Republic of China that has represented China. It is this government that attended the conference which drafted the statute and that signed the statute. It is the government that will represent China in the Agency.

The only way the Red Chinese can be seated in any United Nations Agency is to challenge successfully the credentials of the representatives of the Republic of China. Our experience in the United Nations over a number of years makes us fully confident that this challenge, if made, will be roundly defeated. The prospective membership of the Agency should not differ substantially from that of the 11th General Assembly of the United Nations which, in November of last year, voted 47 to 24 to support the United States position on the question of Chinese representation.

Finally, the question is asked: "How can this Agency really work, since it has no final authority to enforce its rules and decisions?"

I know that the problem of sanctions is one of particular interest to the American people. As long as we are in a world of nation states, we will have to live with this question. However, the International Atomic Energy Agency has at its disposal a type of sanction not available to other international organizations except the United Nations itself. There the use of sanctions is often inhibited by the veto.

The Agency will be empowered, by a simple majority vote of its Board of Governors, to cut off further assistance in cases of violation. It can also demand return of fissionable and other materials already provided. This would affect not only new projects but the continuance of old ones.

If the Agency develops as an important instrument of international cooperation in this field, it is highly unlikely that any state which relied upon it for assistance would want to cut itself off from such a source of assistance, information, and supply.

There is always the remote hazard that an irresponsible government might suddenly seize plants and materials located in its territory. This could only be done by overt action. It would immediately become known to all the world and would invite rapid retaliation. The incident would then become a matter for collective political action by states whose security might be endangered, or by the United Nations. The Agency system, however, will reduce this possibility by lessening the advantages which would be gained by seizure and by insuring an early warning of aggressive intent.

Conclusion

As I mentioned at the outset, the statute of this Agency is before the United States Senate for its ratification. We are presented with a rare challenge to reaffirm our leadership in the fight to bring the energy of the atom to the benefit of all mankind. We must not fail to meet this challenge. It is theoretically possible, by the terms of the statute, for the Agency to come into being without the United States. Such a turn of events to me is unthinkable. It would have disastrous implications for our leadership in this field.

The vast potentialities for good in the atomic energy field can scarcely be conceived. The greatest need today is for knowledge. As the demand grows for nuclear power, for research, for isotopes, for the many varied applications of the atom, the International Atomic Energy Agency will become the means whereby the nations of the world can work in peace and harmony toward mutual development.

The world has grown too small to keep the wonders of atomic energy the exclusive property of a few states. If the spread of atomic knowledge is to be, then let it be done in a controlled and safeguarded way. This the Agency would assure.

The negative aspects of man's greatest discovery have so far dominated the atomic age. We have become beset with fears of the disaster that would result by the misuse of this awesome power. Now we have the opportunity to turn with equal energy and hope to the constructive side.

In this Agency one means is at hand.

It is for these overriding reasons that we have given such unyielding support to the creation of this Agency. We visualize it as a means whereby mankind can reach new heights of understanding, cooperation and welfare. With the proposed Agency we hold the key that can, in time, open the wonders of the atom to the benefit of all. We can hope in the words of Secretary Dulles that, "the splitting of the atom might conceivably lead to a unifying of the now divided world."

APPROPRIATIONS FOR THE EXECUTIVE OFFICE OF THE PRESIDENT AND SUNDRY GENERAL GOVERNMENT AGENCIES FOR FISCAL YEAR 1958

Mr. MAGNUSON. Mr. President, I move that the Senate proceed to the immediate consideration of H. R. 5788.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5788) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1958, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

AMENDMENT OF TENNESSEE VALLEY AUTHORITY ACT OF 1933—BILL INTRODUCED

Mr. MARTIN of Pennsylvania. Mr. President, I introduce for appropriate reference a bill to amend the Tennessee Valley Authority Act of 1933 in order to

authorize the Tennessee Valley Authority to undertake certain financing activities, to require it to charge just and reasonable rates, to require it to make certain payments to the United States, and for other purposes.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2145) to amend the Tennessee Valley Authority Act of 1933 in order to authorize the Tennessee Valley Authority to undertake certain financing activities, to require it to charge just and reasonable rates and to require certain payments to the United States, and for other purposes, introduced by Mr. MARTIN of Pennsylvania was received, read twice by its title, and referred to the Committee on Public Works.

Mr. MARTIN of Pennsylvania. Mr. President, before explaining the purposes of the bill I should like to touch briefly on the most serious situation which confronts the American people today, namely, the astronomical size of the Federal budget, and the unbearable burden of taxes necessary to support it.

Our people are greatly disturbed about this grave matter. I am convinced that the only way the tremendous burden of taxes can be lightened and the budget reduced with safety to our national security is to consider the various spending agencies one by one, and examine their every aspect with care and good judgment. The purpose of this study should be to devise ways and means of getting these activities off the backs of the taxpayers and at the same time advance the worthy purposes of the agencies.

In like manner, the various sources of tax and other revenues of the Treasury should be examined with equal care and good judgment. The Treasury secures its funds from three major sources—taxes, borrowings through sale of securities to the public, and payments into the Treasury from the various agencies that are conducting business and quasi-business operations.

We have had before the Congress, and still have, an example of a Federal undertaking that should be examined in the manner I have described, to see what adjustments can be made for the benefit of both the taxpayers and the section of the country directly affected by the Agency. I refer to the Tennessee Valley Authority.

The annual report of the Tennessee Valley Authority for the fiscal year 1956 shows that the total assets of the Agency on June 30, 1956, were in excess of $2 billion. The funds which have been appropriated by Congress, plus the transfers of property, as of the same date, total slightly under $2 billion. I have had a tabulation prepared to show the proportionate share of the latter figure borne by the people of each State of the Union.

It shows that the people of my State, Pennsylvania, have furnished more than $147 million of the total—which is almost six times as much as Tennessee's share of less than $25 million. I think each Senator will be equally interested to see the share which the people of his State have contributed to this undertaking.

Mr. President, I shall not take the time of the Senate to read the tabulation to which I have referred, but I ask unanimous consent that it be printed in the RECORD at this point in my remarks.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Proportionate share of States in TVA appropriations of $1,977,500,000 (includes $45,200,000 of transfers of property from beginning) in fiscal year 1934 through fiscal year 1956.

	Millions of dollars
Alabama	20.4
Arizona	7.7
Arkansas	11.3
California	172.8
Colorado	18.6
Connecticut	35.0
Delaware	9.1
Florida	27.9
Georgia	26.9
Idaho	5.7
Illinois	150.9
Indiana	46.5
Iowa	27.5
Kansas	21.2
Kentucky	21.6
Louisiana	22.3
Maine	8.1
Maryland	36.8
Massachusetts	68.2
Michigan	102.0
Minnesota	34.8
Mississippi	11.1
Missouri	52.0
Montana	6.5
Nebraska	16.0
Nevada	2.8
New Hampshire	5.5
New Jersey	67.8
New Mexico	5.9
New York	294.1
North Carolina	29.7
North Dakota	5.3
Ohio	120.0
Oklahoma	21.0
Oregon	19.6
Pennsylvania	147.3
Rhode Island	10.7
South Carolina	13.6
South Dakota	5.7
Tennessee	24.7
Texas	84.0
Utah	6.7
Vermont	3.4
Virginia	29.3
Washington	31.8
West Virginia	15.6
Wisconsin	40.8
Wyoming	3.4
District of Columbia and possessions	29.9
Total TVA appropriations including transfers of property, fiscal year 1934 through fiscal year 1956	1,977.5

NOTE.—Proportionate shares borne by each State based on allocation of the Federal tax burden among the States and possessions as calculated by the Council of the State Chambers of Commerce and averaged for the fiscal years 1949 through 1956.

Mr. GORE. Mr. President, will the Senator yield?

Mr. MARTIN of Pennsylvania. I am happy to yield.

Mr. GORE. The distinguished and able senior Senator from Pennsylvania a few moments ago cited from the record that the TVA has assets of $2 billion. The able Senator now refers to the contribution of his State and other States to the TVA.

Would the Senator not think it would be more accurate to describe these amounts as portions of investment in the TVA, or Pennsylvania's share in the assets of the TVA?

I raise this question because under our budgetary system—which I think is fallacious—a capital investment in a dam, which has an earning capacity and will have an earning capacity for perhaps 50 years or even longer, is treated in the self-same way as are expenditures for Government salaries, foreign aid, the building of a battleship, research and development, or expenditures of some other temporary or transitory nature. For that matter, expenditures for acquisition of valuable capital assets are accounted for in the budget in the same way as is some expenditure which is completely wasteful.

Here $2 billion has been invested in the TVA. Certainly it has, in the opinion of the junior Senator from Tennessee, proved to be a very sound and very profitable investment, because the net profits from the power operations of TVA last year amounted to more than $53 million.

Here is an investment in the development of a great river valley of the United States. It is not treated in exactly the same way as are projects for the development of the Ohio Valley, the Monongahela Valley, or other projects in the region represented by the able Senator, but all such projects are capital investments for the improvement and development of the country.

I suggest to the able Senator that the people of his State, through the payment of taxes to the Federal Treasury, have assisted the Federal Government in making this wise and sound investment. I am delighted that the able Senator has called attention to the enormous assets, of more than $2 billion, which are real assets of the United States Government, the United States Treasury, and the people of the United States.

Mr. MARTIN of Pennsylvania. I appreciate very much the fine and sensible comments of the junior Senator from Tennessee. I wish that all the money which the United States has invested could have been invested in projects which would make a return. All I am trying to do in this bill is to make the program equitable for all areas of the United States. I do not wish to see one section of the United States have an advantage over another section when it comes to inviting industry into that particular section. I am sure that the junior Senator from Tennessee, with his great fairness and patriotism, will, when he studies the bill which I have introduced, be very much in accord with what I am suggesting.

Mr. GORE. Mr. President, will the Senator further yield?

Mr. MARTIN of Pennsylvania. I yield.

Mr. GORE. I wish to express to the able Senator my appreciation for the pleasant association which I have enjoyed with him. He and I serve on the Senate Committee on Public Works. Although I have served on several committees in both Houses of Congress, it has not been my privilege as yet to serve on any committee on which the personal equation is so pleasant, or which affords opportunity for such joyful association among the membership of the committee as that enjoyed by the members of our committee. I have always found the able Senator from Pennsylvania tolerant, understanding, and very generous toward his colleagues. I shall look forward with a great deal of interest to reading and studying his bill.

Mr. MARTIN of Pennsylvania. The junior Senator from Tennessee is very kind. We have enjoyed a very fine and close association in our work on the Public Works Committee. I frankly confess that when I came to the Senate I did not feel that a great deal of importance attached to the Committee on Public Works. I now find it to be an extremely important committee. I have changed my opinion with respect to a great number of projects throughout the United States.

The very able and distinguished Senator from Tennessee has been extremely helpful in trying to prepare a program which will make for a better, stronger, and greater United States. The time has come when we must put in more time studying these various projects.

Many persons have said to me, "You are going back to the horse-and-buggy days, because you are advocating navigation on our rivers." Traffic has become so heavy that it is necessary to improve our rivers whenever it is possible to do so.

Mr. President, the problem of financing the continued expansion of TVA's electric operation assumes alarming proportions when viewed against a backdrop of congressional appropriations and transfers of property over the years, now aggregating nearly $2 billion. An extensive construction program, reaching indefinitely into the future, threatens to eat up more and more funds supplied by our citizens everywhere by way of the Federal tax route.

Today, with the urgent budget situation confronting us, it is even more essential to resolve the problem in the best interest of all of our citizens.

Let me hasten to point out that this does not mean that TVA is to be done away with or that I am here advocating such a step. But it does seem to me that we must all agree that TVA as it stands today has developed far beyond expectations and in many respects has become quite a different undertaking than what was originally contemplated when the TVA Act was passed almost a quarter century ago. I think, too, that we must give practical consideration to the facts as they presently exist and find a sound and realistic solution to the problem of supplying the power needs of the TVA area, in terms of adequate service to the people within the TVA area as it now stands; in terms of necessary facilities to provide such service; and in terms of financing the required facilities by appropriate measures under congressional control so as to take care fairly of the beneficiaries of TVA service and, at the same time, to protect fully the taxpayers of the country.

Any bill affecting TVA should continue and strengthen the control of the Congress over this vast business undertaking; not lessen or surrender it. The people of the United States have every right to expect the Congress to safeguard their interests in this matter.

Customers of TVA should contribute, through their bills for electric service, their fair share of taxes, not only at the State and local level, but at the Federal level as well. To the extent that, as a part of the business operations of the Nation, TVA escapes contributing its fair share, its customers are being subsidized and the taxpayers of the country are making up the deficiency in addition to their proper share.

Another serious defect in the TVA Act as it now stands has become increasingly apparent in recent years. Under the act, the Authority is not required to pay interest on any part of the investment of Federal funds in the TVA project.

In my judgment, there should be a study of the rates, contracts, and allocations of TVA, and the responsibility for this study should be placed in the Federal Power Commission. The Commission is qualified. It is the only agency of the Federal Government having complete and continuing records and information from which sound conclusions can be reached consistent with the directives of Congress.

For the reasons I have outlined, I have prepared a bill which will take the TVA off of the backs of the taxpayers, and provide a means by which the future power needs of the area can be fully met without undue burdens being imposed on local power users. This bill would:

First. Strengthen the control of the Congress over TVA and its operations;

Second. Limit the TVA to its present service area;

Third. Bring badly needed revenues to the United States Treasury and to local taxing bodies;

Fourth. Protect the interest which the Federal taxpayers now have in the undertaking;

Fifth. Remove TVA from the political arena;

Sixth. Permit TVA, under strict regulation by the Congress, to issue bonds to provide new facilities, thus giving to the TVA area an assured means of carrying out needed expansion programs without appropriations by the Congress;

Seventh. Leave TVA in an extremely favorable competitive position;

Eighth. Give to TVA's customers the protection of Federal Power Commission regulation;

Ninth. Take an important and constructive step toward meeting the present critical budget and tax situation that confronts us.

I believe that the bill I have introduced will, if enacted, accomplish these purposes.

Mr. President, I now ask unanimous consent to have printed in the RECORD at this point in my remarks a statement and supporting data in further explanation of this bill.

There being no objection, the statement and supporting data were ordered to be printed in the RECORD, as follows:

FINANCING TVA ON A BUSINESS BASIS

The taxpayers of this country are entitled to fair treatment in respect to every one of the taxes paid to the Federal Government—personal income taxes, Federal income taxes on business, and excise taxes. Each one of these taxes is paid by individual citizens. Many citizens believe that income taxes on business are paid out of profits, but that is not so. The businesses are collecting agencies only. Federal income taxes on business are an operating expense, and are so considered in the regulations prescribed by the Federal Government itself. The businesses and industries that pay them must include them in the price of the goods or services they sell, for there is no other source of the money if the business is to continue in existence.

I know of no more unfair and un-American situation for one man to be taxed, and another man in the same situation not to be taxed. The perpetuation of such unfairness can only lead to serious disaster.

No interest payments have been made on the hard-earned dollars that the people of my State have invested in TVA over the nearly 25-year period it has been in existence. I believe that it is only fair to them that some provision be made for the use of this tax money and for its eventual repayment.

In this the rights of the people of Pennsylvania are no different than the rights of every other homeowner, farmer, and businessman, small and large throughout the country, whose tax moneys have developed and supported this Federal venture for many years.

Now consider for a moment what has been taking place in the TVA area. The Tennessee Valley Authority was created by the Congress in 1933. It had for its main purpose, improving navigation and providing for flood control on the Tennessee River and its tributaries; providing for reforestation and the use of marginal lands; developing the area agriculturally and industrially; and operating Government properties at and near Muscle Shoals, Ala. The generation of electric power was to be incidental.

TVA is now of age. We may say that all of the primary purposes for which it was presumably established have been accomplished—navigation has been provided over the entire course of the Tennessee River from Knoxville to the river's mouth; all the dam and reservoir sites have been developed and the maximum degree of flood control achieved; substantial agricultural and industrial development has taken place and the Federal Government has located certain of its more important atomic energy projects in the TVA area.

But what about the incidental generation of electric power? The TVA itself in its latest report points out that all the major hydroelectric sites have long since been developed. Over the past few years, power construction has been largely devoted to steam plants, with the result that steam electric generation in fiscal 1956 totaled 43.1 billions of kilowatt-hours, almost three times the 14.4 billions of kilowatt-hours produced in the hydro plants of TVA's integrated system. Today this agency of the Federal Government has constructed in the Tennessee Valley region the largest single electric power system in the United States.

The problem of financing the continued expansion of TVA's electric operation assumes alarming proportions when viewed against a backdrop of congressional appropriations and transfers of property over the years, now aggregating nearly $2 billion.

An extensive construction program, reaching indefinitely into the future, threatens

to eat up more and more funds supplied by our citizens everywhere by way of the Federal tax route. In the previous session of Congress and again in this session, bills have been introduced to amend the TVA act. A number of major changes are proposed, including one purporting to remove TVA from being a public burden and an ever-present congressional fiscal problem—proposals which in my judgment, however, involve the fiscal responsibilities of the United States Government and, in the same instance, the integrity of the Congress.

It does not seem necessary to engage in lengthy discussion of the questionable features of the legislation submitted during the 84th Congress to permit TVA to issue so-called revenue bonds to finance capital additions to its power system. The frailties and harmful effects of such legislation were adequately covered by the analysis which I submitted at the time. For the most part, the legislation now before the Congress repeats the shortcomings of the earlier proposals; and so the whole problem of what to do about TVA remains.

Today, with the urgent budget situation confronting us, it is even more essential to resolve the problem in the best interest of all of our citizens.

Let me hasten to point out that this does not mean that TVA is to be done away with or that I am here advocating such a step. But it does seem to me that we must all agree that TVA as it stands today has developed far beyond and in many respects has become quite a different undertaking than what was originally contemplated when the TVA Act was passed almost a quarter century ago. I think, too, that we must give practical consideration to the facts as they presently exist and find a sound and realistic solution to the problem of supplying the power needs of the TVA area—in terms of adequate service to the people within the TVA area as it now stands; in terms of necessary facilities to provide such service; and in terms of financing the required facilities by appropriate measures under congressional control so as to take care of fairly the beneficiaries of TVA service and, at the same time, to protect fully the taxpayers of the country.

There are many phases of the problem, not the least of which has to do with the financial operations of the Authority.

In the light of the heavy financial burden imposed by National, State, and municipal budgets of recent years, considerable attention has been given to finding a way for TVA to finance its own future and thus avoid, if possible, the continuance of substantial appropriations and endless debate by the Congress. The Directors of TVA point out that available funds from TVA's operations are insufficient to meet their capital needs. In recognition of this inadequacy of funds, it has been suggested that TVA be empowered to issue bonds secured by power revenues.

There are real dangers lurking behind so-called revenue bonds, if they should be issued without the strictest kind of control by the Congress and the Federal agencies that are qualified to regulate such matters.

Any bill affecting TVA should continue and strengthen the control of the Congress over this vast business undertaking; not lessen or surrender it. The people of this country have every right to expect the Congress to safeguard their interests in this matter. They have no other protection.

Furthermore, the public has every right to expect the Congress so to direct TVA's business operations under the same rules that it makes and enforces for private business and without preferential treatment in the process. Let me call to your attention several of the rules that private business must meet, but that do not apply to TVA. These are most serious defects in the present situation, and which for the most part would be continued if any of the pending bills should become law.

For example, customers of TVA should contribute, through their bills for electric service, their fair share of taxes, not only at the State and local level but at the Federal level as well. To the extent that, as a part of the business operations of the Nation, TVA escapes contributing its fair share, its customers are being subsidized and the taxpayers of the country are making up the deficiency in addition to their proper share.

Obviously here is a situation where the users of TVA power—and I am speaking here particularly about the large industrial power consumers—are not paying through their power rates any amounts for Federal taxes, and entirely inadequate amounts for State and local taxes.

I do not have to tell you how necessary it is to plug tax loopholes of this kind that now exist to the detriment of the present Federal taxpayers. State and local bodies are also in a tight tax situation, and a fair and equitable payment in lieu of taxes to them would be most helpful in building new schools and in other ways helping them meet other urgent community needs.

Another serious defect in the TVA Act as it now stands has become increasingly apparent in recent years. Under the act, the Authority is not required to pay interest on any part of the investment of Federal funds in the TVA project.

The Comptroller General has consistently called the inequity in this situation to the attention of Congress and repeatedly recommended that the Authority be directed to pay interest on the Government's investment in the power program.

I agree with that contention and in my opinion the interest rate on the taxpayers' investment in TVA should be the same as that provided for the public in the purchase of revenue bonds. The public investor in TVA and the taxpayer investor in TVA should be treated on the same basis.

Moreover, the interest payments should be based not only on the appropriation investment, but also on the more than $355 million of accumulated net income, which instead of being paid to the Treasury, has been held out by TVA and used to build power facilities. Under the present law none of the $355 million of accumulated net income would be returned to the Treasury, although it constitutes just as real a contribution on the part of the taxpayers as the appropriations made by the Congress.

Furthermore, I feel very strongly that the present obligation of TVA to repay the taxpayers' investment in its power operations should be preserved.

Now, I direct your attention to the sale of power by TVA to its customers. The TVA report for fiscal 1956 indicates that over 57 percent of the power sold went to Federal agencies, with about 14 percent going to large industries. Some 29 percent was sold to four large municipalities and co-ops and if you were to analyze the disposition of this segment, you would find something less than 15 percent of TVA power goes to the farmers and residences of the region. So in spite of the clamor often raised, the small consumer is not the principal beneficiary of TVA.

Further, TVA's report shows the average rate paid by the Federal agencies in fiscal 1956 for the huge block of power they take to be 4.09 mills per kilowatt-hour. This is substantially more than the average of 3.85 mills charged by TVA to private industry, with some of its power sales to the big private industries being at an average rate as low as 3.03 mills per kilowatt-hour. On the other hand, the power furnished to Federal agencies is mainly at high-load factor and includes a large amount of non-firm service, so that it should logically be at a very low average rate. Thus it would appear highly possibly that because of this questionable rate differential, taxpayers' money used to pay the TVA power bills of the Government agencies is in effect providing a further subsidy for other customers of TVA.

This whole matter of the propriety of TVA's rates has been given serious attention by the Comptroller General in his various audits and he has indicated the need for a thorough investigation.

There is great lack of uniformity in the responsibility for approval of rates for the sale of power from Federal projects. Just recently, there was submitted to the members of the Interior and Insular Affairs and Public Works Committees of this body a memorandum dated January 4, 1957, in connection with Senate Resolution 281 to evaluate land and water resources conservation and development. In connection therewith, the several Federal and State agencies and others were asked to submit their views and suggestions. In responding to this request, the Federal Power Commission pointed out that under the Bonneville and Fort Peck Acts and the Flood Control Act of 1944, the Commission has been given responsibility generally for the approval of rates for the sale of power produced by projects constructed by the Corps of Engineers. The Congress has given the Commission no such general authority with respect to the rates charged by TVA. The Commission's statement urges, and I find much to commend its position which I believe soundly conceived, that the Congress should give the Commission complete authority to regulate rates for the sale of power from all Federal projects, including authority to initiate rate changes. In my judgment, there should be a study of the rates, contracts, and allocations of TVA, and the responsibility should be placed in the Federal Power Commission. The Commission is qualified and is the only agency of the Federal Government having complete and continuing records, from which sound conclusions can be reached consistent with the statutory directives of Congress.

In the sale of this power, TVA has entered into numerous contracts, the details of which cannot help having a significant bearing on its future commitments. As the load continues to grow throughout the TVA system, the extent to which TVA has obligated itself contractually becomes a highly important factor in the construction of new plants and facilities. This is directly related to the fact that in fiscal 1956, as TVA's report shows, it became necessary to add 1,469,500 kilowatts of installed capacity, an increment, as the report says, "second in size only to the 1,734,300 kilowatts added in fiscal 1955." And I might add that here is the primary reason for the very great demand for more and more money to support this huge Federal venture.

I can find nothing in the TVA Act which specifically commits the Federal Government or TVA to insure in perpetuity the future power needs of any industry, or, indeed, the region. Nevertheless, you will find in the latest annual report an attempt by TVA to rationalize the thesis that it seems to have adopted, that the Federal Government has accepted responsibility for supplying the power needs of the region without limit. Proceeding on this theory, TVA, by action of its Directors, embarked on an extensive and costly program of steam-generating capacity additions. This was revealed last year during the deliberations over the second supplemental appropriations bill in which TVA requested funds to build an additional generating unit at the John Sevier

plant. It developed that letters of intent had been issued on the basis of an opinion of TVA's general counsel covering the acquisition of the equipment for this new unit with the expectation of financing the costs in 1956 from power proceeds without additional congressional approval. Subsequent to this disclosure, and at the request of the Honorable JOHN TABER, the Comptroller General submitted a statement in the form of a letter dated March 26, 1956. Among other things, the letter disclosed that the TVA Directors had, on January 17, 1956, authorized the awarding of other letters of intent covering the acquisition of major equipment for six other steam-electric generating units.

The Comptroller General pointed out that, "in effect, the TVA board of directors has authorized the initiation of a major expansion program which will add 1,170,000 kilowatts of installed capacity to its system and will cost an estimated $178 million." The Comptroller General also pointed out that this expansion program had not been reviewed or approved by the Congress.

It seems to me that past events emphasize the need for the Congress to take steps to prevent their happening in the future. More, not less, control is needed if we are to meet our responsibilities to the people of this country.

For the reasons I have just outlined, I have prepared a bill which will take the TVA off of the backs of the taxpayers, and provide a means by which the future power needs of the area can be fully met without undue burdens being imposed on local power users. This bill would:

1. Strengthen the control of the Congress over TVA and its operations;

2. Limit the TVA to its present service area;

3. Bring badly needed revenues to the United States Treasury and to local taxing bodies;

4. Protect the interest which the Federal taxpayers now have in the undertaking;

5. Remove TVA from the political arena;

6. Permit TVA, under strict regulation by the Congress, to issue bonds to provide new facilities, thus giving to the TVA area an assured means of carrying out needed expansion programs without appropriations by the Congress;

7. Leave TVA in an extremely favorable competitive position;

8. Give to TVA's customers the protection of Federal Power Commission regulation;

9. Take an important and constructive step toward meeting the present critical budget and tax situation that confronts us.

We are nearing the end of a quarter of a century operation of TVA. As it has developed, the primary objectives for which it was conceived have largely been accomplished. As it has grown, its character has altered. What was originally looked upon as a relatively minor part has since become the dominant element. The present TVA act does not, in my opinion, result in effective control by the Congress over many of TVA's activities. The problems inherent in TVA's future are assuming startling proportions. The time would seem to have arrived for the Congress to solve these problems, not only from the standpoint of the people in the Tennessee region, but also in the interest of the taxpayers in all the States who, over the years, have borne the financial burden of building up this mighty enterprise.

I believe that the bill I have prepared will accomplish these purposes.

SUBSTANTIATING DATA

The electric operations of TVA, originally confined to marketing the output of hydro-generating stations at multiple-purpose dams, are now the major operation of the Authority. The main reliance for the generation of energy is its steam-electric stations. At the present time, 70 percent of the generating capacity owned by TVA, is steam-electric.

In order to meet the future power needs of the TVA area, large additional sums of money will be required. The Congress is showing increasing concern over requiring the taxpayers to finance the necessary program, especially in view of the fact that it will continue indefinitely.

Thus, it becomes important to the people of the country, as well as those living in the TVA area, that the Congress give searching attention to the need for adequate Congressional control over TVA's activities and the nature and extent to which public funds should continue to be furnished to an agency which has already realized the stated primary objectives of the legislation which established the agency.

The TVA Act of 1933 gave no indication that the Federal Government was contemplating an extensive business operation. Over the years, however, the power operations of the Authority, except for methods of financing and certain special privileges not available to ordinary business concerns, have become identical in character and methods of operation with those of the electric companies which serve the greater part of the Nation.

For example, the TVA Act of 1933 gave no indication that the incidental power operations of the Authority would extend outside the confines of the valley. Section 4 (j) of the act says "The Corporation * * * shall have power to construct dams, reservoirs, powerhouses, power structures, transmission lines, navigation projects, and incidental works in the Tennessee River and its tributaries and to unite the various power installations into one or more systems by transmission lines."

Despite this provision, the TVA system was expanded by expropriation of existing utilities until its service areas cover about 80,000 square miles, about half of which are outside the Tennessee River Basin. But in recent years the service area has remained the same. The geographic size of the TVA electric system has become stabilized at the present boundaries. This should be confirmed by the Congress to prevent further and unwarranted expansion.

The Federal taxpayers have financed TVA. To June 30, 1956, appropriations by the Congress and transfers of property previously built by means of appropriations, total $1,977,504,277.

The Federal appropriations are only a part of the contribution which the Federal taxpayers have made to TVA.

TVA has made a profit on its power operations which to June 30, 1956, had totaled $355,286,690. This project belongs to the Federal taxpayers who have financed the project. The money, however, has never been paid into the Treasury. It has been used to expand the property and operations. Therefore, the Federal taxpayers have an additional amount of $355,286,690 invested in the project.

TVA has, however, made certain repayments into the United States Treasury. Exclusive of the repayment of $65,072,500 of bonded indebtedness (which has all been paid off), they total $179,827,284.

Thus the Federal taxpayers have made direct contributions to TVA as follows:

Appropriations and property transfers	$1,977,504,277
Retained earnings	355,286,690
Grand total	2,332,790,967
Less repayments	179,827,284
Remainder outstanding, June 30, 1956	2,152,963,683

TVA has divided the above sums as follows:

	Power	Other	Total
Appropriations	$1,345,193,221	$587,074,360	$1,932,267,581
Transfers of property	19,365,206	25,871,430	45,236,696
Retained earnings	355,286,690		355,286,690
Total	1,719,845,177	612,945,790	2,332,790,967
Repayments	145,059,019	34,768,265	179,827,284
Remainder	1,574,786,158	578,177,525	2,152,963,683
Prepaid rents and contributions in aid of construction	774,362		
Total assets in power program (see p. A-4, 1956 TVA report)	1,575,560,520		

The above figures represent what appears on the books of TVA. There are additional items, however, which should be considered.

Early in the history of TVA, certain writeoffs were made in respect to a portion of the Government properties that were turned over to the Authority which totaled over $92,500,000. This was a direct loss to the Federal taxpayers. One of the results of the writeoff was that the 64,000-kilowatt Wilson steam-electric station was taken on the TVA books at zero dollars. It has been in operation ever since. While a portion of the writeoff may have been justified, it seems evident that a substantial part, especially that applying to Wilson Dam and Wilson steam-electric station, was greater than indicated by the facts.

The Comptroller's audits have not covered certain work done for TVA by other governmental agencies in the early years of the Authority's existence, and which has not appeared on TVA's books. For example, the CCC furnished labor on the reservoirs, rights-of-way, and pole setting for transmission lines, office buildings, and on the streets and sewer system at Norris town. The WPA also did work on the project, and so did the Army engineers.

No estimate of the value of the work done for TVA by other departments of the Government is available.

Interest at 3 percent on the funds employed by TVA in its power operations per TVA books would have totaled as follows:

Total interest at 3 percent	$337,011,775
Interest paid on funded debt	10,679,703
Remainder not paid	326,332,072

In respect to the payment of interest, the Comptroller General said in the 1956 audit of TVA:

"We have consistently recommended that the Authority be directed to pay interest on the investment in the power program and, if necessary for this purpose, that the rate of repayment to the Treasury of the investment as fixed by law, be modified."

The task force of the Hoover Commission computed the total taxes that TVA should have paid to June 30, 1953. Extending this estimate to June 30, 1956, gives a grand total of all taxes of $345,300,000. Based on

utility company experience over the same years the estimate works out as follows:

Federal taxes	$209,000,000
State and local taxes	136,300,000
Total taxes that should have been paid	345,300,000
Less payments in lieu of State and local taxes	41,400,000
Total deficiency in payments of Federal, State, and local taxes by TVA	303,900,000

However, TVA does not pay any Federal taxes. This means that the burden of the Federal taxpayers is heavier than it would be if TVA paid its full share of taxes like any other business does.

Thus the burden of the Federal taxpayers in respect to TVA is in two parts. The first is the visible part, which can be identified upon the books of the Authority, and the second is the invisible part, which while it is ignored by TVA and does not appear on its books, is nevertheless very real in respect to the taxpayers who put up the money to build the facilities for the TVA's power business.

Federal taxpayers' burden in TVA

Visible per TVA books:	
Appropriations and property transfers	$1,977,504,277
Retained earnings	355,286,690
Total per books	2,332,790,967
Hidden (estimated) and not on books:	
Lost Federal taxes on power operations	209,000,000
Interest (net) on taxpayers' investment in power	326,332,072
Writeoffs	92,500,000
Total hidden costs	627,832,072
Total taxpayers' burden before repayments	2,960,623,039
Repayments to U. S. Treasury	179,827,284
Total taxpayers' burden as of June 30, 1956	2,780,795,755

TVA's operations can be divided into those that produce income, and those that do not. For the fiscal year 1956, the TVA reported as follows:

Operation	Revenues from services	
	Amount	Percent of total
Power	$221,642,216	89.24
Fertilizer and munitions	[1] 17,018,280	6.85
Work for other departments and agencies	[2] 9,705,405	3.91
Total	248,365,901	100.00

[1] Operated at a loss in 1956.
[2] Done on a reimbursable basis.

In the same fiscal year, TVA carried on operations from which it received no revenue, as follows:

Operation:	*Expense for fiscal year 1956*
Navigation	$2,681,430
Flood control	2,512,574
Resource development	1,018,807
Loss on fertilizer and munitions in 1956	1,127,746
Total	7,340,557

TVA divides its property and operating expenses between power, which makes a profit under the Authority's accounting practices, and the other operations, which produce no revenue or operation at a loss.

This practice requires allocations of a substantial part of the property and expenses, which have been questioned from time to time.

Unless a change is made in the TVA setup, it is evident that the Authority will continue to be a growing burden on the Federal taxpayers in perpetuity.

The future administration of TVA should meet the following requirements:

1. There should be firm congressional control in keeping with the recommendations of the Comptroller General in his 1955 audit of TVA.

2. Its service area should be limited to the service area of its present resale customers. TVA should be prohibited from serving any additional direct consumers, without specific legislative approval. These new requirements, however, should be so worded as to permit TVA to exchange power and energy with other utilities.

3. The Federal Power Commission should supervise the accounts, rates, conditions of service and related matters of TVA. Congress has set up this agency to assume the burden of control over electric utilities, and its authority should be extended to cover TVA, which is the largest electric system in the United States.

4. Future operations and financing should be on a basis which would avoid any burden on Federal and local taxpayers.

The territorial limits of TVA have never been set forth. The TVA system has expanded and grown over the years with the result that, at the present time, nearly half of the area served with TVA power and a number of its plants, now lie outside the Tennessee River Basin. With no prescribed geographical area, TVA could continue to widen its operations limited only by its ability to finance. If there is to be further expansion of TVA, it should have the considered attention and specific approval of the Congress.

The first step in establishing a sound financing plan which would relieve the burden of TVA on the Federal taxpayers to the greatest possible extent, would be to allow TVA to issue bonds up to an amount not to exceed $750 million at any one time, to be secured only by power revenues of TVA. The term of such bonds should not be more than 50 years, but a shorter period should be permissible if better terms could be so obtained. To prevent any possible misunderstanding it should be made plain that the bonds would not be obligations of the Federal Government, would be fully taxable in respect to principal and interest at the Federal, State, and local level, could be used only to finance facilities to be owned and operated by TVA, and would be issued only with the consent of the Congress and with the approval of other Federal agencies having jurisdiction.

As the second step in establishing a sound financing plan, TVA should be required to charge rates sufficient to:

1. Pay all operating expenses, including services of other agencies and departments in its behalf.

2. Set aside annually an appropriate amount for depreciation.

3. Pay to the taxing authorities—Federal, State, and local—taxes consistent with those paid by other taxpaying businesses.

4. Pay all service charges on the bonds.

5. Pay into the Treasury an appropriate return on the taxpayers' equity in TVA's power assets.

6. Repay over their remaining life—say over a period of 40 years—the taxpayers' investment in existing power facilities.

TVA should pay its full share of all taxes including Federal taxes, just as all taxpaying businesses in the United States are required to do. The determination of the amount of Federal taxes which the TVA should pay should be delegated to the Federal Power Commission. This agency is fully qualified for the task and would be able to establish fairly and accurately the amount of Federal taxes which TVA should bear.

In fairness to the taxpayers of the States and the communities in which TVA operates, the properties and operations of TVA should be subject to taxation at State and local levels on the same basis as any other citizen. This would protect and strengthen the financial position of the local taxing bodies within the TVA area. It would provide more complete local control over their tax resources. In making such a provision, Congress would be helping the States and their political subdivisions to meet better their own fiscal problems by providing new sources of funds for the construction and operation of schools, hospitals, highways, and similar functions.

TVA has never paid any return or interest into the United States Treasury. It should do so at a rate identical with the average interest rate of the bonds issued by TVA. This insures that the "return" on the taxpayers' investment will be treated on the same basis as investment made by public bondholders of TVA.

The taxpayers' investment in TVA for fiscal year 1956 was as follows:

	At end of fiscal year—	
	1955	1956
Net U. S. Treasury funds exclusive of bonds outstanding	$1,217,387,039	$1,219,490,468
Accumulated net income	301,427,523	355,286,690
Total	1,518,814,562	1,574,786,158
Average for year	$1,546,800,360	

At an interest rate of 3¼ percent, the annual return on the taxpayers' investment in TVA's power facilities would amount to $50,271,000.

The effect of the changes proposed by the plan outlined herein is illustrated by comparing TVA's income statement for fiscal year 1956 with an income statement for the same year after the necessary adjustments have been made to conform with the requirements of the plan.

Power operations, fiscal year 1956, revenues and expenses

	Millions of dollars	
	Actual	Adjusted
Revenues from the sale of electric energy	$221	$274
Rents and other revenues	1	1
Total operating revenues	222	275
Operating expenses, exclusive of depreciation and payments in lieu of taxes	126	126
Depreciation	38	38
Payments in lieu of taxes:		
Federal income	0	[1] 37
Other than Federal income	4	[1] 23
Total operating expenses	168	224
Net revenue from operations	54	[2] 51

[1] Payments in lieu of taxes foregone for the purposes of this comparison have been based on the study of the Hoover Commission. It seems probable that the findings of the FPC would approximate the figures shown.
[2] Requirement for interest (return) on taxpayers' investment in TVA's power facilities would be about $50 million.

The comparative cash position for fiscal year 1956 is outlined in the following table:

Power operations, fiscal year 1956, cash requirements exclusive of construction

	Millions of dollars	
	Actual	Adjusted
Operating expenses, exclusive of depreciation and payments in lieu of taxes	126	126
Payments in lieu of taxes:		
Federal income	0	37
Other than Federal income	4	23
Interest, 3¼ percent	0	0
Sinking fund	0	0
Repayment of appropriation investment	59	[1] 39
Return on average appropriation investment at 3¼ percent	0	50
Cash surplus	33	0
Total	222	275

[1] Minimum payment under proposed plan.

It should be noted that an increase of only 24 percent in the revenue from the sale of power would be ample to meet the requirements of this plan. This would not be as drastic as it might appear at first glance.

For example, municipalities and co-ops served by TVA purchased $65.9 million worth of power in fiscal year 1956. During that period their combined net income was $26.9 million. Thus, taken as a whole, these municipal retail bodies could stand a TVA rate increase of 39 percent without raising rates to their ultimate consumers.

The direct industrial customers of TVA, other than Federal agencies, during fiscal year 1956 paid an average of 3.85 mills per kilowatt-hour for their energy. This compares with 6.98 mills paid by the large lighting and power sales of the distributors of TVA power, and 9.13 mills for large light and power sales for the entire utility industry.

Of course, any increase in rates charged by TVA to its customers would not necessarily be an across-the-board adjustment but could be distributed so as not to impose an unreasonable burden on any of them in accordance with a fair determination by the Federal Power Commission made after public hearings.

Any adjustments in TVA's charges for power that might be required call not only for technical competence but a high degree of impartiality in the treatment of the problem. The TVA board and staff, though competent, should not in fairness be put in the position of making the final determination of the propriety of its charges to TVA power users. The best interests of both TVA and its customers can be served by placing the responsibility for regulation of TVA's rates in the Federal Power Commission. The Commission itself has suggested such action to the members of the Senate Committees on Interior and Insular Affairs and on Public Works in connection with Senate Resolution 281 as recently as January 4, 1957. The Federal Power Commission, as an agency of the Congress, is eminently qualified by experience and knowledge to undertake this task and, furthermore, has expressed its willingness to do so. Making the Commission responsible for equitable charges to TVA's customers consistent with fair treatment of the taxpayers would seem to be a sound solution.

It seems evident that TVA will get through the fiscal year 1957 without experiencing any financial difficulty.

Examination of the 1958 budget of the United States indicates that under the present rates and methods of operation, TVA can carry forward its construction program through fiscal 1958 without substantially affecting its cash position. The budget shows the following figures:

	Thousands of dollars			
	1956	1957	1958	1958 [1]
Cash requirements:				
Operating expenses (excluding depreciation)	128,024	137,965	153,182	153,182
Payments to general fund of U. S. Treasury	45,000	30,000	10,000	10,000
Retirement of bonds held by U. S. Treasury	14,000	--------	--------	--------
Total	187,024	167,965	163,182	163,182
New construction	64,270	82,626	104,919	104,919
Total	251,294	250,591	268,101	268,101
Net change in assets and liabilities	(915)	3,747	873	873
Total	250,379	254,338	268,974	268,974
Cash resources:				
Operating revenues	219,979	236,684	257,046	257,046
Less liquidation of advance collection of revenues	250	220	209	209
Balance	219,729	236,464	256,837	256,837
Appropriations by Congress	47,112	27,418	8,224	--------
Appropriations by Congress rescinded	--------	(6,500)	--------	--------
Total	266,841	257,382	265,061	256,837
Balance	16,462	3,044	(3,913)	(12,137)
Cash:				
Beginning of period	42,919	59,381	62,425	62,425
End of period	59,381	62,425	58,512	50,288

[1] Excluding appropriations.

The figures speak for themselves. They show that in fiscal 1958 with a nominal appropriation by Congress of $8,224,000 new construction requirements of $104,919,000 can be met while the cash at the end of 1958 is maintained at $58,512,000 only $3,913,000 below that shown for the end of fiscal 1957. The last column indicates that even if Congress made no appropriation for TVA in fiscal 1958 cash remaining would still be substantial, amounting to more than $50 million. Thus it would appear that under present conditions TVA can undertake new construction of between $95 million and $100 million without the necessity of obtaining additional appropriations from Congress or other funds from outside sources.

The consummation of the proposals made herein would be advantageous to:

1. The TVA area and its people.
2. The taxpayers of the Nation.
3. The Congress of the United States.

TVA and the people it serves, would in the end receive the greatest benefit. For the first time since 1933 the Authority would stand on its own feet, and pay its way like any sound business should. It could no longer be charged with luring industries away from other areas by the offer of low-cost subsidized power, and prospering at the expense of other portions of the Nation through subsidy and special privilege.

For the first time, TVA would have a sound, forward-looking financial program. By proper handling of its rates, TVA could generate enough cash which, when combined with the right to issue bonds, would enable TVA to carry forward an extensive construction program without the need for appropriations by the Congress.

GENERAL GOVERNMENT MATTERS APPROPRIATIONS, 1958

The Senate resumed the consideration of the bill (H. R. 5788) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1958, and for other purposes.

Mr. MAGNUSON. Mr. President, the bill under consideration covers funds for the various divisions or subdivisions of the Executive Office of the President, the Emergency Fund for National Defense, American Battle Monuments Commission, Foreign Claims Settlement Commission, and Subversive Activities Control Board, for fiscal year 1958.

The amount of the bill is $16,010,370, which is $11,000 less than the House bill, and $4,911,500 less than the budget estimates.

The committee recommends a reduction for special projects in the Executive Office of $125,000, and an increase is recommended for the office of Defense Mobilization of $114,000, which is a fixed charge on the retirement fund.

The unobligated balance is added to the emergency fund of the President, for which we have appropriated $1 million each year. For the next fiscal year we also recommend an appropriation of $1 million for the Emergency Fund. However, there is on hand $900,000 as an unexpended balance, which will carry over. Therefore, there will be available $1,900,000.

In the House version of the bill there is language which would transfer five supergrades to the National Security Council. It is recommended that this language be stricken in view of the fact that there is a bill on this subject pending before the Committee on Post Office and Civil Service.

A proviso is added to the general provision fixing the maximum amount allowable for purchase of automobiles, to allow for special equipment for law enforcement and intelligence agencies. That includes also police cars and fire cars, and equipment of that kind.

Before we discuss the bill, Mr. President, if there is to be any discussion of it, I ask unanimous consent that the committee amendments be agreed to en bloc, that the bill as thus amended be regarded for the purpose of amendment as original text, and that no points of order be waived.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

Under the heading "Title I—Executive Office of the President—Special Projects," on page 3, line 2, after the word "specify", to strike out "$1,500,000" and insert "$1,375,000."

Under the subhead "National Security Council—Salaries and Expenses," on page 4, line 18, after the figures "$700,000", to strike out the colon and *"Provided*, That, in accordance with section 505 of the Classification Act of 1949, as amended, but without regard to the numerical limitations contained therein, the National Security Council is hereafter authorized to place two additional positions in grade GS-18, 1 additional position in grade GS-17, and 2 additional positions in grade GS-16 of the general schedule established by said act." ,

Under the subhead "Office of Defense Mobilization—Salaries and Expenses," on page 5, line 8, after the word "appropriation", to

strike out "$2,100,000" and insert "$2,214,000", and, in line 9, after the word "which", to strike out "$150,000" and insert "$182,000."

Under the heading "Funds Appropriated to the President—Emergency Fund for the President, National Defense," on page 6, line 14, after the figures "$1,000,000", to insert a comma and "together with the unobligated balance on June 30, 1957, of the appropriation granted under this head for the fiscal year 1957."

Under the heading "Foreign Claims Settlement Commission—Salaries and expenses," on page 9, at the beginning of line 4, to strike out "$15,000" and insert "$18,500."

Under the heading "Subversive Activities Control Board—Salaries and expenses," on page 9, line 18, after the word "exceed," to strike out "$20,000" and insert "$30,000."

Under the heading "Title II—General Provisions—Departments, Agencies, and Corporations," on page 10, line 4, after the figures "$1,950," to insert a colon and "*Provided*, That the cost of any special feature or equipment required for the use of the vehicle in carrying out investigative, law enforcement, or intelligence duties shall be in addition thereto."

Mr. DOUGLAS. Mr. President, I wonder whether the Senator from Washington will yield so that I may ask him some questions.

Mr. MAGNUSON. I yield to the Senator from Illinois.

Mr. DOUGLAS. I congratulate the Senator from Washington on the work he has done on this appropriation bill. Am I correct in understanding that during the past 5 years the amount which the President has been asking for the conduct of the Executive Office has greatly increased?

Mr. MAGNUSON. It has greatly increased. The grand total for the Executive Office, which includes the Executive Mansion, the National Security Council, the Office of Defense Mobilization, the emergency fund for the President, special projects, the Bureau of the Budget, the Council of Economic Advisers, the Office of Defense Mobilization, and the President's Advisory Committee on Government Organizations has increased in this way: In 1952 the grand total was $13,746,000.

Mr. DOUGLAS. That figure included funds appropriated for emergency national defense expenses.

Mr. MAGNUSON. I will give the subtotals for the Executive Office during each year.

For 1952, for the Executive Office, the amount was $8,166,000. In 1953, it was $8,725,000. In 1954, the amount was $9,050,000. In 1955 it was $8,532,000. In 1956 it was $10,395,000. In 1957 it is $10,715,000. The estimate for 1958 is $12,047,000.

Mr. DOUGLAS. The President wanted to get an increase in the cost of running the Executive Office of almost 50 percent from 1952. Is that correct?

Mr. MAGNUSON. The Senator is correct. For the White House Office proper—and this is a little amusing, of course, in light of some statements which were made in 1952, but I am not one who wants to deny any President what he thinks he needs—in 1948, which was the year when Mr. Truman was elected, and in 1949, when he took office as a result of the election, the White House estimates were $969,000. In 1952, they went up to $1,883,000. In 1953 they were $1,953,000. In 1954, they were $1,800,000. In 1955, the figure was $1,895,000 or $1,900,000, practically. In 1956, the figure was $1,882,000. In 1957 it was $1,875,000. For 1958, the figure is $2,051,000.

Mr. DOUGLAS. Am I correct in understanding that for the White House Office the President is asking for a figure which is twice as great as it was in 1948?

Mr. MAGNUSON. The Senator is correct. Those are the figures. I remember that in 1952, a great many statements were made to the effect that Mr. Truman was spending too much money. It was suggested that the yacht *Williamsburg* be withdrawn from service because it cost too much to operate. There was a great deal of talk about that line. I do not believe that any President should be denied what he thinks he needs.

Therefore, we have not cut the amount. However, I am glad that the Senator from Illinois has brought this matter to the attention of the Senate. There has been a great deal of what might be called the pot calling the kettle black.

Mr. DOUGLAS. Mr. President, do I understand correctly that, according to the House hearings, at pages 210 and 211, the White House has 72 mechanical, maintenance, and domestic employees; and that the President has 272 employees in the White House Office?

Mr. MAGNUSON. The Senator is correct. The hearings before the House committee show the number of employees in the White House. They are broken down also as to mechanical and maintenance employees.

Mr. DOUGLAS. On page 210 of the hearings the number of mechanical, maintenance, and domestic force employees is shown as 72. On page 211 the number of employees, shown in the third column, is 272.

Mr. MAGNUSON. The Senator is correct.

Mr. DOUGLAS. That makes a total of 344. Is that correct?

Mr. MAGNUSON. The Senator is correct.

Mr. DOUGLAS. In addition to that, there is the Secret Service, which is carried in the Treasury Department budget. The duties of the Secret Service are largely confined to the protection of the President. Therefore the figure before us does not include the cost of the Secret Service or the White House Police. Is that correct?

Mr. MAGNUSON. The Senator is correct.

Mr. DOUGLAS. May I ask if the naval aide, the military aide, and the air aide are included in this budget, or whether they are carried under the appropriations for the Department of Defense?

Mr. MAGNUSON. They are not included. They are under the appropriations for the Department of Defense.

Mr. DOUGLAS. And any assistants they may have are also provided for in the Department of Defense appropriations. Is that correct?

Mr. MAGNUSON. The Senator is correct.

Mr. DOUGLAS. May I ask about the helicopters? There has been some publicity to the effect that two helicopters have been ordered for the President's use. I understand they will cost approximately $201,000 each. May I ask if they are included in the President's budget, or whether they are going to be in the budget of the Department of Defense?

Mr. MAGNUSON. They are in the Department of Defense budget. They are to be furnished to the President by the Department of Defense. The maintenance, of course, and personnel, will be under the Department of Defense.

Mr. DOUGLAS. Then, am I to understand also that the cost of the airplane used by the President and aircrew are not included in the President's budget, but are carried in the appropriations for the Air Force?

Mr. MAGNUSON. The Senator is correct.

Mr. GORE. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. GORE. It seems to me I recall someone said that any further reduction in the national defense budget would impair the security of the country and the peace of the world. Would that be true of the two helicopters?

Mr. MAGNUSON. The two helicopters are in the Defense budget. I imagine any curtailment would hit the helicopter division as well as other divisions.

Mr. DOUGLAS. According to newspaper reports, the two helicopters have been ordered. Can the Senator from Washington inform me whether they have been authorized by Congress?

Mr. MAGNUSON. I cannot answer that question. It is my best impression that as such they have not been authorized by Congress, but that the Department of Defense, in its general authorization, has the authority to order helicopters and then to assign them to this particular tour of duty.

Mr. DOUGLAS. To what degree does Congress, the legislative body of the country, have any control over the budget of the executive department, if the executive department is always able to get personnel expenditures charged to other departments without specific authorizations by Congress?

Mr. MAGNUSON. Congress has very little control over it. Of course, the President of the United States is the Commander in Chief of the Armed Forces, and it devolves upon the Armed Forces to furnish him with what he thinks he may need.

I suppose, as to helicopters for use at the White House, the only thing the Committee on Appropriations can do is to state in the report that none of these billions of dollars for defense shall be used for the purchase of helicopters for use at the White House. Such a statement could be placed in the report. Whether Mr. Wilson would abide by such a direction, I do not know.

But Congress has never passed upon this matter; and as the Senator from Illinois well points out, it is not included in this budget.

The budget provides for a mechanical and maintenance force, and a domestic force consisting of a maitre d'hôtel, housekeeper, assistant housekeeper, first butler, second butler, a third butler, head chef, second cook, 4 cooks, valet, 5 doormen, 5 housemen, head laundress, pantrywoman, and 8 maids.

Mr. DOUGLAS. I think the Senator has made an error. I think there are four butlers. There is a first butler and a second butler, and then there are two other butlers. So that would be a third and a fourth butler.

Mr. GORE. Is this Republican economy?

Mr. DOUGLAS. Is it Republican simplicity?

Mr. MAGNUSON. Provision is made for a mechanical and maintenance force, which includes a foreman gardner and 13 gardners—men who work around the White House and who are necessary for its maintenance.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. DIRKSEN. Once upon a time there was a President of the United States by the name of Franklin Delano Roosevelt. He loved nothing so much as to get aboard a Navy yacht and get himself away from the cares and fevers of his official chores for a little while. Nobody ever quarreled about that.

Mr. Roosevelt's successor was a President by the name of Harry Truman, of Missouri. He also loved to get out on a yacht now and then and steam up and down the Potomac River and Chesapeake Bay.

That yacht was charged to Navy appropriations, not to the executive branch. I am advised that the maintenance and care of the yacht, and all that went with it, every year far exceeded the entire budget for the two helicopters which are being so abundantly discussed on the Senate floor at present.

So we cannot have it both ways. The cost of maintaining the yacht was charged to defense appropriations. In this instance, we are asked to supply two helicopters, so that the President can more expeditiously pursue his duties. If my friends can make any political capital out of that, let them do so.

Mr. MAGNUSON. I do not think either the Senator from Illinois or the Senator from Washington are trying to make political capital out of this. If we were, we would not have approved the item. If helicopters are what the executive branch needs, I think it should have them. But in 1952, the Republican administration was yelling to high heaven about the high cost of Government.

In this instance, the President is asking for the amount which he thinks is needed. I think the President of the United States should be entitled to what he thinks he needs to maintain the dignity of the White House and for the incidental duties which are necessary for its operation.

All I am saying is that this is somewhat amusing, because I remember reading in 1953, immediately after the inauguration, that the first task of this businesslike administration would be to stop the reckless spending of money, including the spending at the White House, and that the administration was going to abandon the yacht *Williamsburg*.

President Truman used the *Williamsburg;* of course, he did. I was a guest on that yacht frequently, as the Senator from Illinois knows. That was President Truman's only recreation. Harry Truman did not play golf. He did not play bridge. He plays another form of cards. [Laughter.] But cruising on the *Williamsburg* was his only recreation. No one objected to the President of the United States cruising up and down the Potomac if he wanted to. He was in close touch with the affairs of the Government, as is the present President when he is playing golf or wherever he may be.

What the Senator from Illinois and I are trying to point out is that it is somewhat amusing to read the statements about what the present administration is doing, and then to recall the appropriation of $900,000 which Mr. Truman had in the years he was in office. Now it is over $2 million—more than double the amount in Mr. Truman's administration.

I think the public are entitled to know this and to make some comparisons. We are not objecting to the amount. We did not cut it one dollar. We never have. We did not cut the appropriaton for the White House in either Mr. Truman's or Mr. Roosevelt's administration. I do not know what the Roosevelt budget was, but I suppose it was around $900,000. But now it is more than $2 million. That is all right, but I do not like someone who asks for $2 million, and who is going to get it, to point his finger at the man who ran the White House with $900,000, and who happened to use a yacht in which to cruise up and down the river.

It was said at the beginning of this administration that it would be a businesslike administration, and that all frills would be eliminated. I do not know about the helicopters. Someone said the other day that we should recommend 3 or 4 helicopters, because it was stated in the press that if the President could save 10 minutes time in getting to the airport by using a helicopter, he should have a helicopter for all of his travels, because that would mean that he could spend twice as much time in the White House as he spends there now. So helicopters were highly recommended. I think that if the President can save time with them, he ought to have them.

I have watched the appropriations for the past 6 or 7 years in 2 administrations. Now the amount is doubled. In 1952, Mr. Truman was severely criticized because he cruised on the river in the *Williamsburg*. But his budget for the White House was less than half what the present budget calls for.

Mr. DOUGLAS. Mr. President, will the Senator further yield?

Mr. MAGNUSON. I yield.

Mr. DOUGLAS. Did the Senator from Washington notice the appropriations for the Bureau of the Budget?

Mr. MAGNUSON. Yes; they are included in the bill.

Mr. DOUGLAS. That is the agency which rides herd on other Government agencies; is it not?

Mr. MAGNUSON. Yes.

Mr. DOUGLAS. I find that in 1952 the Bureau of the Budget spent $3,608,000. For 1958, the President has asked for $4,400,000, an increase of $800,000, or almost 25 percent. Does not the Senator think that some good advice to the Bureau of the Budget would be: "Physician, heal thyself"?

Mr. MAGNUSON. I think that would be appropriate. The House allowed $4,200,000, which is $270,000 more than last year's figure. No appeal was made, so we have left the amount the same as the House figure.

Mr. DOUGLAS. But does not the Senator think it a good principle that the Bureau of the Budget should practice what it preaches?

Mr. MAGNUSON. I think that is what they should do. But the amounts for all the executive departments are up—Executive Mansion and Grounds, Council of Economic Advisers, Office of Defense Mobilization; in fact, all of them are up, except the amount for special projects, from which we cut $125,000. All the others are up in varying percentages.

Mr. DOUGLAS. Does the Senator from Washington have any estimate of the total cost of running the White House and the Executive Office of the President? If we include helicopters, special airplanes, and other capital expenditures chargeable to other departments; if we include personnel, guards, and police for the President; if we include naval aides; if we include all the other items, does the Senator from Washington have any idea of what the total cost to the taxpayers is?

Mr. MAGNUSON. I do not have that information, Mr. President, but I think it probably would be from 70 percent to 80 percent more than the amount requested here, and perhaps more than that. It might be double, if salaries were included.

Mr. DOUGLAS. The Senator from Washington is very careful in his statements, and what he is saying is that it probably amounts to a total of $3,500,000 or $4 million. How far we have come from the days of Thomas Jefferson, who greeted the people while he was wearing wool stockings, and acted as his own butler; and how far we have come from the days of Grover Cleveland, who had only one secretary in the White House, and who answered the telephone himself.

Mr. MAGNUSON. I rather wish Mr. Eisenhower would answer the telephone himself, at the White House, it might be very helpful.

Mr. DOUGLAS. Of course that would be impossible, these days.

Mr. MAGNUSON. Of course the office has grown.

Mr. DOUGLAS. I do not desire to be critical of the President, whoever he may be. I desire to let the President have whatever he wishes within some limits.

However, there is no check except by means of public opinion, on these expenditures. If Members of Congress are critical of the President, they are said to be attacking him improperly. As a result, criticism tends to be stifled, and Members of Congress hesitate to move to make cuts in the budget.

However, the corollary of that situation should be that the President must exercise self-restraint; is that not correct?

Mr. MAGNUSON. Yes. Of course, today the White House has to make many more expenditures than it had to make in the past. But the Senator from Illinois is correct; and one who occupies the White House is pretty much on his own honor in dealing with such matters, which are the requirements of the job.

Mr. DOUGLAS. We do not wish to be carping as regards the President's expenditures; instead, we wish to be generous to him. So we say, in effect, "Take whatever you wish." Is that an approximately correct statement of our position? But should he not restrain his desires?

Mr. MAGNUSON. Yes.

Mr. GORE. And he wishes to have about twice as much as the previous President wished to have; is that correct?

Mr. MAGNUSON. That is correct.

Mr. DIRKSEN. Mr. President, I wish to be sure that the RECORD in this case is correct.

In 1952, the appropriations for the White House amounted to $1,883,615. In 1957, they were $1,875,000. There is a very substantial difference between those two figures and the estimates for 1958. But I point out that during the past 5 years there have been quite a number of pay increases; and inasmuch as 80 percent of the White House budget is devoted to salaries for personal services, I think the present budget, under the Presidency of Dwight David Eisenhower, compares very favorably, if not better than that, with previous ones. On that basis, Mr. President, I am quite content to let the RECORD stand.

Mr. MAGNUSON. Yes, Mr. President; and I wish to add that there has never been any cloak over this matter. The White House submits its budget, based on what it needs. The House of Representatives happened to put the comparison in the RECORD; and I read the House figure.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H. R. 5788) was passed.

Mr. MAGNUSON. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MAGNUSON, Mr. HILL, Mr. ELLENDER, Mr. ROBERTSON, Mr. DIRKSEN, Mr. SALTONSTALL, and Mr. MUNDT the conferees on the part of the Senate.

AMENDMENT OF MEDALS OF HONOR ACT

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1463) to amend the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle, which was, in lines 9 and 10 strike out " 'Appropriations" and insert "SEC. 3. Appropriations."

Mr. MAGNUSON. Mr. President, the House amendment is a technical one; it merely adds a section number and heading.

I move that the Senate concur in the amendment of the House of Representatives.

The motion was agreed to.

AMENDMENT OF THE SMALL RECLAMATION PROJECTS ACT, 1956

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 293, House bill 2146, to amend the Small Reclamation Projects Act of 1956. Our purpose is to have the bill made the unfinished business.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 2146) to amend the Small Reclamation Projects Act of 1956.

ORDER FOR ADJOURNMENT TO TOMORROW, AT NOON

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until tomorrow, at 12 o'clock noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

PAY, RETIREMENT BENEFITS, AND WORKING CONDITIONS OF FEDERAL GOVERNMENT EMPLOYEES

Mr. NEUBERGER. Mr. President, for the past few days I have been presiding, as subcommittee chairman, over the subcommittee charged with looking into the pay, retirement benefits, and working conditions of employees of the Federal Government. This is a subcommittee of the Senate Committee on Post Office and Civil Service. I must confess that I have been extremely disturbed—both as a citizen and as a Senator—regarding what we have found.

We have discovered that in numerous instances, particularly in the Post Office Department, the men and women who are employed by the United States Government are working for pay which does not permit an American standard of living.

Employment by the United States Government was once considered a blue-ribbon opportunity. But, by contrast, our committee is learning that now nearly all other types of employment pay far more generous and far more rewarding salaries than those paid to Federal Government workers, especially to employees of the Post Office Department.

We are discovering that the Post Office Department employees, at a wide variety of levels, earn an average of approximately $4,400 a year, as compared with salaries of from $5,000 to nearly $7,000 in many trades which formerly paid their practitioners less than the salaries earned by United States Government employees. It does seem to me that the citizens who handle the mail, who sort the mail, who protect the mail, who process the mail, and who deliver the mail, for the greatest Government of the free world, should at least be able to earn salaries which would enable them to have an American standard of living.

Our subcommittee has discovered thus far that, in many instances, letter carriers and postal clerks cannot take their vacations because they must use their vacation time to go to work at extra jobs in order to meet outstanding bills. In addition, many of these men must undertake other jobs even while they are working for the Post Office Department.

I received a letter from a postal worker in Salem, Oreg., who said that, in addition to his 40-hour week in the Post Office Department, he had to work at pumping gas in a filling station for an additional 30 hours a week. Unless he did that, he could not live off his postal pay. Do we desire such conditions in America?

I have communicated with Mr. Everett E. Mallon, a secretary of a branch of the National Association of Letter Carriers, at Portland, Oreg., asking him to obtain for me family budgets from some of his members. Mr. Mallon has sent to my office some letters from men who are carrying mail in Portland, Oreg., and from their wives. I think these family budgets and family-expense figures speak for themselves. There is very little I can add to embellish them. They tell a human story and a dramatic story. It is a story which I, as a Senator, am not too proud of. I regret that such difficulties are foisted on employees of our Government.

I believe Members of the Senate should see these letters, because ultimately it is my hope that the subcommittee and later the full Committee on Post Office and Civil Service will report a postal-pay bill to the Senate for action. It is my opinion that an examination of these letters will convince the Members of the Senate that some upward adjustment must be made in postal pay, in order to be fair and equitable to these men and women who are giving so much loyal and efficient service to the United States Post Office Department in particular, and to the United States Government in general.

In conclusion, I ask unanimous consent that these letters, which have been obtained for me by Mr. Everett E. Mallon, of the National Association of Letter Carriers, be printed in the body of the RECORD at the conclusion of these brief remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF LETTER CARRIERS,
Portland, Oreg., May 20, 1957.

Hon. RICHARD L. NEUBERGER,
Senator from the State of Oregon,
Senate Office Building,
Washington, D. C.

HONORABLE SIR: Please find enclosed two more budgets of letter carriers here in Portland, Oreg.

Please advise me if there should be any other way that I may be of assistance to you.

Thank you again for your fine work in behalf of the letter carrier.

Respectfully yours,
EVERETT E. MALLON,
Secretary, Multnomah Branch, No. 82, NALC.

PORTLAND, OREG., *May 17, 1957.*

Hon. Senator NEUBERGER: Mr. Mallon asked me to write you concerning our need for a postal-pay increase.

My husband has been carrying mail for 11½ years, since his discharge from the Air Corps, and expects to make it his career.

His take-home pay is now $151.55 every 2 weeks. We have four children. Two of them are preschoolers, making it almost impossible for me to go to work to supplement our income and still be fair to my children.

I shall endeavor to give you our approximate monthly expenses. As you can see we could surely use a pay increase so we could allot more for food and be able to save some regularly. At the present our life insurance is our only savings. My husband and I each have a policy and we have $500 endowments for each of the children.

Food	$80.00
Home mortgage payment	65.00
Gas heat	15.00
Electricity	10.00
Telephone	5.50
Garbage	1.50
Water	1.50
Clothing—includes shoes and repair	7.50
Life insurance	28.50
Hospital insurance	10.00
Medical and dental	10.00
Church and charities	10.00
Auto expense (includes insurance)	25.00
Gifts	5.00
Credit Union (loan to pay for washing machine)	17.00
Miscellaneous	12.00
Total expense	303.50
Monthly income	$303.10

We hope that these figures may be some help to you in securing us a pay increase.

At the present time we do not feel that the postal pay is equal to other workers in the same class of people.

Yours truly,
Mrs. TRAVERS ALBRECHT.

Letter carrier, 7A grade, 14 years' service, $4,510 annual pay, $3,652.48 take-home pay

Monthly budget for three, no other income:	
Monthly pay	$375.83
Take-home pay	304.37
Water (bill bigger in summer so this is average)	2.00
Telephone	4.29
Garbage	1.50
Electric (electric heat, too), 5-year average	11.00
Daily paper (30-cent tip to boy for good service)	2.25

Letter carrier, 7A grade, 14 years' service, $4,510 annual pay, $3,652.48 take-home pay—Continued

Doctor and dentist	$10.00
Miscellaneous (as family clothing, gifts, household needs)	20.00
Home loan payments (includes property tax), 10 years old, $3,286.98 balance due	50.00
Loan from credit union ($394 balance; this is our cushion, like washing-machine repair, auto repair, replace refrigerator, or pay too big doctor or dentist bill)	30.00
Food (staples as sugar, flour, coffee, tea, etc.)	40.00
My allowance (busfare, meat, fresh vegetables, etc.)	40.00
Son's allowance (for needed school supplies)	4.00
Insurance (includes fire, mortgage, hospital family plan, auto license, auto insurance, and life)	39.97
Monthly expenses	255.01
Dad's pocket money (for upkeep of car, gas, fishing, bowling, lodge dues, union dues, and family entertainment. When something comes up or we are too far behind, we go to the credit union. It has been slowly increasing)—gives him $12.14 a week	49.36

At one time we planned to bank $10 a month and did. We closed the account over 3 years ago.

Our son is ready for college this fall. I believe it our duty as parents to give him some financial help, but how?

Sincerely,
ALMA K. OTTMAN.
C. A. OTTMAN.

MAY 18, 1957.

NATIONAL ASSOCIATION OF LETTER CARRIERS,
Portland, Oreg., May 19, 1957.

Hon. RICHARD L. NEUBERGER,
Senate Office Building,
Washintgon, D. C.

HONORABLE SIR: Please find enclosed some of the material you requested of me on my recent visit to your office.

I regret that I was unable to get all of this material together at this mailing, but the rest will follow tomorrow. I will have some additional budgets that will give you a better cross section of our people, and their financial problems.

May I express the sincere thanks of our membership for your keen interest in their welfare, and of your kind attention in this matter.

With every good wish, I am,
Respectfully yours,
EVERETT E. MALLON,
Secretary,
Multnomah Branch No. 82, NALC.

UNITED STATES POST OFFICE DEPARTMENT, REGIONAL OFFICE, STATEMENT OF EARNINGS AND DEDUCTIONS

E. E. Mallon, 17 years. Note: 2 meritorious grades, $4,610 annual pay; biweekly take-home pay $134.74 plus $3.75 for bond.

Payroll No. 544000; hours, 80; gross pay, $177.31; taxes: Federal, $22.50; State, $3.54; deductions: retirement, $11.53; life insurance, $1.25; bonds, $3.75; net pay, $134.74.

[From the Portland Oregonian of May 16, 1957]

SALARY HIKES ACHIEVED IN TIGHT BUDGET BY CUTTING CITY SERVICES

A $15,914,955 general fund budget which will go before the city council Wednesday for acceptance comes within $30,000 of an estimate made 6 weeks ago.

That figure was approximately $15,888,000. And the council, working as a working committee since April 2, has managed to keep its cake and eat it, too.

Wage adjustments for nearly all of the three-thousand-one-hundred-odd employees on the city payroll have been offered when there was no new revenue.

The council promised to include the salary hikes last November. Two attempts to win voter approval of them failed.

It was accomplished by chopping some $700,000 out of city services. New purchases were scratched, programs were cut, and about 140 jobs were done away with.

Though jobs cuts will reflect in totals, only a few regular municipal employees were let go. In most cases, temporary, seasonal, and vacant positions were unfiled.

Included in the wage adjustments are raises for the councilmen, mayor, and almost 50 other council-appointed positions.

That increase amounts to approximately $21,000. The mayor's salary will go up to $12,880 and the commissioners to $11,080.

Some others slated to benefit by more pay are:

City attorney, $9,840 to $10,840; chief deputy city attorney, $9,000 to $10,600; top engineers, health officer, police, and fire chiefs, $9,840 to $10,840.

Thirteen hundred firefighters and policemen will get 3-step wage boosts amounting to from $48 to $60 a month. Only 14 percent of the employees, generally clerical and administrative positions, will get no increase.

The big cuts show clearly in appropriations for new equipment, from $700,000 to $213,000 in the new budget. Money to be allowed for operation and maintenance is $250,000 less than the approximate $3 million which was budgeted last year.

The budget was wrapped up late Tuesday night and readied for council acceptance at the regular Wednesday meeting. Later in the day it will go to the county tax supervising and conservation commission for review.

"As budgets go," commented Commissioner Bean, "this is without doubt the tightest I've seen in my 8 years as finance commissioner."

Mayor Terry Schrunk, a newcomer to city financial problems, made this prophetic observation after he scanned the bone-clean departmental allowances:

"The public must realize that most of our equipment and maintenance needs have only been deferred. It will mean additional expenses in later years."

[From the Portland Oregonian of May 17, 1957]

JUDGES, POLICE PAY HIKE VOTED

STATE HOUSE, SALEM.—Three bills granting pay raises to supreme court justices, circuit court judges, and State police cleared the senate Wednesday and went to the house.

Supreme court justices' salaries would be increased by $2,500 a year, from the $13,500 they get now to $16,000.

Circuit court judges would be raised $2,000, from $11,000 to $13,000.

State police would get their pay increase in two steps, the first on July 1 this year and the next on January 1 next year.

The police raises would range from $540 a year for privates to $780 a year for lieutenants and captains.

Hon. Senator NEUBERGER: At the request of Mr. Mallon, I have drawn up a monthly budget plan to show what the average income of a United States postal employee is after 2½ years' service and what the monthly expenses of our family of 5 are. Our take-home pay every 2 weeks is $112.

House payment	$75.00
Household expenses	17.60
Fuel	15.00
Grocery bill	80.00
Car expenses	20.00
Hospital bill	15.00
Doctor bill	10.00
Total	$232.60

Left off my list are the items like cleaning bill, clothing the family, union dues, and life insurance fees. This is taken out of whatever we might have left over at the end of the month.

MRS. CARL E. LEHUR.

PORTLAND, OREG.

PORTLAND, OREG., *May 17, 1957.*

Hon. RICHARD NEUBERGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR NEUBERGER: Having been informed by Secretary Mallon, of Branch 82, National Association of Letter Carriers, of your desire to secure information relative to the adequacy of current postal wage levels, I herein submit a statement of my personal financial status.

As the father of two children, and with my wife expecting another in September of this year, I am constantly aware of the difficulty involved in providing the necessities of life for my family on my present wage. I am earnestly seeking, if possible, to avoid following the example of many postal employees who have given up their careers in the service to find work which was more nearly capable of providing sufficient income with which to meet the present high cost of living.

My monthly take-home pay as a regular carrier with 2 years of service is $250.

Here are the items in our monthly budget:

House payment	$64.00
Mortgage insurance	11.03
Life insurance	5.79
Hospital insurance	6.85
Electricity	8.00
Telephone	7.00
Water, garbage disposal, and daily newspaper	5.00
Fuel	15.00
Transportation	15.00
Food	70.00
Credit union	40.00
Total	247.67

The credit union payment is for our car (1949 Pontiac), our stove, and medical bills.

Outside of our hospital insurance we have no allowance for medical or dental expenses, or drugs. We have no way of providing in our budget for clothing, recreation, or incidentals. For these items that arise from time to time we are forced to divert money allowed for food or some other necessary expense.

I served during World War II and the Korean crisis in the Air Force and am now a member of the Air National Guard for which I receive a small check quarterly. Other than that I have no outside income. I receive a great deal of satisfaction in acting as chairman of our local blood donor committee, but find that between the time required in fulfilling my obligations to our regional blood program and to the Guard, as well as to my family, it is virtually impossible for me to earn a significant amount of extra money off the job to supplement my regular income.

I am aware of your interest and appreciate your splendid efforts, both past and present, in our behalf.

Respectfully,

DONALD L. SMITH.

MONTHY AND YEARLY BUDGET

Louis L. Stone, 32, letter carrier, 8½ years' service; Beverly J. Stone, 29, housewife; Janis, 6; Leslie, 5; Michael, 2.

1956 income	$4,406.75
Federal income tax	183.60
State income tax	88.02
Withheld	271.62
Retirement and life insurance	319.28
Total income	3,815.85

Expenses

	Monthly	Yearly
Food and milk	$90.00	$1,080.00
House payment, insurance and taxes	50.00	600.00
Car payment	30.00	360.00
Furnace payment	30.00	360.00
Insurance:		
(1) Furniture (every 3 years)	26.00	
(2) G. I.	10.00	120.00
(3) Life insurance for boys	4.00	48.00
(4) Hospital (Blue Cross)	8.95	107.40
Utilities: Water, electricity, and garbage	13.00	156.00
Fuel oil	13.40	160.00
Taxes (property)	1.50	18.00
Church and charities	4.00	48.00
Car expense: Gas, oil, and license	30.00	360.00
Medical and dental	10.00	120.00
Phone	4.30	51.60
Clothing	5.00	60.00
Newspaper	2.00	24.00
Club dues and union dues	3.00	36.00
Vacation		20.00
Dry cleaning and shoe repair	2.00	24.00
Total	311.15	3,753.80

This budget does not account for gifts, amusements, household repairs or replacement of furniture or emergencies. When the income does not meet the current expenses the food and car expenses are cut to meet the payment.

Our only savings have been through our share account with the Postal Credit Union from loans made with them. We would like to be able to save for our children's future education, but so far have been unable to, except for the two boys' insurance.

Most of our entertainment is in our home with friends and family. Our hobbies of home decorating, sewing, and car repair help eliminate the labor cost. Vacations are spent camping with the family, in State and national forest areas where facilities are furnished and the cost is low.

This account is figured on a minimum basis and does not include items that occur frequently which are unforeseen.

I hope this will be some help to you in finding out where our money goes and what it is used for. A postal pay raise is essential if we are to maintain a balanced economic status.

Sincerely,

BEVERLY J. STONE.
LOUIS L. STONE.

PORTLAND, OREG., *May 18, 1957.*

HON. RICHARD NEUBERGER: I would appreciate very much if you would give all your support to pay bills S. 27 and H. R. 2474.

We sure do need a raise in pay, with everything going up in prices.

I am a mail carrier from Portland. I have 5 years in the Postal Service, if we don't receive a good pay raise this year I will have to quit the post office and try to get a better paying job. (I know there are plenty of them around.)

I am trying to support a family of four children, and a wife on my postal wages, and it can't be done.

My take-home pay amounts to $133.01 every 2 weeks, or $266.02 a month. Out of that amount here are a few things I've got to do with the money.

House payment	$55.00
Lights	11.50
Heating, fuel	15.00
Food	140.00
Furniture	16.00
Gasoline	15.00
Telephone	4.02
Doctor bills, medicine, and so on	15.00
Total	271.52

As of now I am over the $266.02 I make. Also I have clothing to buy, union dues to pay, medical insurance to pay, and life insurance for the family. So you can see that I need a raise in pay. I know you will do all you can to help us out. So please back up our pay bills.

Thanks a lot.

I remain,

LOUIS P. SCHERTZ.

UNITED STATES POST OFFICE DEPARTMENT—REGIONAL OFFICE, STATEMENT OF EARNINGS AND DEDUCTIONS

Fours: 80. Gross pay, $150.38. Taxes: Federal, $3.60; State, $3. Deductions: Retirement, $9.77; life insurance, $1. Net pay: $133.01.

MONEY WE PAY OUT A MONTH

My husband Lawrence Kadolph has worked for the Post Office Department 10 years. This is for our family of four. Our yearly pay is $4,410. Our yearly take-home pay is $3,695.90. Our monthly pay before any deductions are taken out $367.50; take-home pay, $307.10.

House payment	$48.00
Car payment	76.00
Insurance	20.00
Groceries	80.00
Electric bill	9.00
Garbage	1.25
Gas bill for the car	10.00
Hospital and doctor bills	10.00
Branch 82 dues	2.25
Paper	1.95
Telephone bill	4.29
Taxes on our house	17.50
Oil for heat	12.00
Water	1.40
Entertainment and clothes	10.00
Total	303.64

MRS. LAWRENCE L. KADOLPH.

MUNICIPAL CIVIL SERVICE BOARD,
Portland, Oreg., May 17, 1957.

Senator RICHARD NEUBERGER,
Washington, D. C.

DEAR SIR: For your information the current salary rates for firefighter and police patrolman are $326–354–384. After July 1, 1957, they will be $368–400–432.

Very truly yours,

CHESTER LOCKE,
Personnel Examiner II.

WAGE RATE SCHEDULE, BUILDING AND CONSTRUCTION TRADES COUNCIL OF PORTLAND AND VICINITY, JANUARY 1957

Asbestos Workers Local 36

	Per hour
Mechanic	$3.25
First year improver	2.075
Second year improver	2.30
Third year improver	2.50
Fourth year improver	2.85

(Plus 10 cents per hour health and welfare.)

(25 cents additional for foremen. All overtime double time.)

Boilermakers Local 72

	Per hour
Mechanic	$3.45
Helper	3.15
Foremen	3.95
Assistant foremen	3.70
Boilermaker blacksmith	3.45
Helper	3.15

(Plus 7½ cents health and welfare.)
(All overtime double time.)

Bricklayers Local No. 1

	Per hour
Bricklayer	$3.65
Stone mason	3.65
Tuck pointer	3.65
Block layer	3.65
Tile setter (Apr. 11, 1957, $3.30)	3.15
Terrazzo workers	3.15
Marble masons	3.50

(Plus 10 cents an hour health and welfare.)

(Foreman: Minimum of 25 cents an hour additional, 3 men or more, 50 cents additional. All overtime double time.)

Building Laborers Local 296

	Per hour
Building laborers	$2.35
Laborers working for plumbers	2.45
Hod carriers	2.75
Gunite:	
Nozzlemen	2.70
Nozzle tenders	2.55
Tenders to plasterers, bricklayers, masons, and mixing or handling dryer or topping for cement finishers	2.75
Marble, terrazzo (Apr. 7, 1957, $2.75)	2.65
Tile setters tender (Apr. 7, 1957, $2.60)	2.50
Scouring of concrete	2.55
Sandblasting, w/wet sand	2.55
Sandblasting, w/dry sand	2.70
Labor on fire jobs—Handling charred materials and debris	2.55
Pipelayers, cribbing and shoring, grading and sewer work	2.55
Tarpot operator, applicator, hand or nozzle (applying hot, protective material or material of oil or asphalt base)	2.55
Form strippers on swinging scaffold, chair, or belt when used in place of scaffolding	2.55
Pavement breaker, chipping gun; bush hammer, vibrator operator, jackhammer, concrete power buggy and all power tools, unless otherwise listed	2.55
Gasoline power tamper	2.55
Building wreckers, building and house movers	2.55
Decontamination and pest-control operators	2.55
Powdermen	2.70

(Plus 10 cents an hour health and welfare.)

(Foremen, additional: $1 per 8-hour day when supervising 4 men or less on placement of concrete; $1 per 8-hour day when supervising 6 men or less on all other work; $2 per 8-hour day when supervising more than the aforementioned number of men. All overtime double time. Time and one-half will prevail when tenders work with cement finishers.)

Carpenters District Council

	Per hour
Journeymen	$2.90
Form strippers	2.90
Manhole builders (concrete form construction)	2.90
Members working on charred material (building construction only)	3.025
Saw filers	3.05
Stationary power-saw operators	3.05

Riggers, burners, and welders (applicable journeymen rates under the classification)

(Plus 10 cents an hour health and welfare.)

(Foremen: 25 cents an hour above journeyman rate. All overtime double time.)

Carpenters Local 738

	Per hour
Floorlayers, sanders, and finishers	$3.025

(Plus 10 cents an hour health and welfare.)

(All overtime double time.)

Cement Masons Local 555

	Per hour
Cement masons	$3.00
Mastic workers	3.125
Composition workers	3.125
Gunite men	3.125
Trowel and power-grinding machine operators	3.125
Swinging and hanging scaffold workers	3.125

(Plus 10 cents an hour health and welfare.)

(Foremen: 3 men including foreman, or less, $3.125; 4 men including foreman, or more, $3.25. Time and one-half for overtime, except double time for Saturdays, Sundays, and holidays.)

Construction and General Laborers Local 320

	Per hour
General laborer	$2.35

(Plus 10 cents an hour health and welfare.)

Electrical Workers Local 48

	Per hour
Journeyman wireman	$3.20
Cable splicer (while splicing cable)	3.55
General foreman	3.85
Foreman	3.55

(Plus 10 cents an hour health and welfare; plus 1 percent pension fund.)

(All overtime double time.)

Elevator Constructors Local 23

	Per hour
Mechanic	$3.34
Helper	2.34
Foreman	3.76

(All overtime double time.)

Glass Workers Local 740

	Per hour
Journeymen	$2.825

(Plus 10 cents an hour health and welfare; plus 11 cents an hour vacation pay.)

(All overtime double time, except first 2 hours on regular workdays, which is time and one-half.)

Hardwood Finishers Local 1330

	Per hour
Journeymen (April 1, 1957, $2.495)	$2.395
Spraymen (April 1, 1957, $2.645)	2.545

(Time and one-half after 8 hours. Double time for Saturdays, Sundays, and holidays.)

Iron Workers Local 29

	Per hour
Structural and bridge	$3.25
Ornamental	3.25
Welders and riggers	3.25
Reinforcing concrete or rodmen	3.05

(Plus 10 cents per hour health and welfare.)

(Foremen: Minimum of 25 cents per hour additional. All overtime double time.)

Lathers Local 54

	Per hour
Metal	$3.05
Wood	3.05

(Plus 10 cents per hour health and welfare, plus 15 cents per hour vacation pay.)

(All overtime double time.)

Linoleum, Carpet, and Soft Tile Layers Local 1236

	Per hour
Journeymen	$3.05

(Time and one-half for Saturdays, and from 4:30 p. m. to midnight on weekdays. After midnight, Sundays and holidays, double time.)

Millmens Local 1120

	Per hour
Cabinetmakers and machinemen	$2.36

(Plus $11 per month health and welfare.)
(All overtime double time.)

Millwrights Local 1857

	Per hour
Journeymen	$3.15

(Riggers, burners, and welders, applicable journeymen rates under the classification.)

(Plus 10 cents per hour health and welfare.)

(All overtime double time.)

Painters Local 10

	Per hour
Painters, brush	$2.90
Paperhangers	3.025
Tapers	3.025
Bridge and structural steel	3.025
All work over 100 feet	3.35
Bituminous	3.025
Sandblasters and spray painting	3.025

(Plus 7½ cents per hour doctor and hospital.)

(General foremen, $0.25 per hour additional. Foremen, $0.125 per hour additional. Time and one-half for overtime.)

Pile Drivers Local, No. 2416

	Per hour
Pilemen, bridgemen, wharfbuilders	$3.00
Piledriver, riggers	3.00
Boom men	3.10
Burners and welders	3.00
Divers' tenders	3.10

(Plus 10 cents an hour health and welfare.)

(Foremen on above classifications not less than $3.35. All overtime double time.)

Plasterers Local, No. 82

	Per hour
Journeymen	$3.35

(Plus 10 cents an hour health and welfare.)
(All overtime double time.)

Plumbers Local, No. 51

	Per hour
Journeymen	$3.30

(Plus 10 cents an hour vacation pay, plus 10 cents an hour health and welfare.)

(General foremen, minimum of 65 cents an hour additional; foremen, minimum of 35 cents an hour additional. All overtime double time.)

Roofers Local, No. 49

	Per hour
Journeymen	$3.10
Application of coal tar products	3.15

(Plus 7½ cents an hour health and welfare.)

Foremen, minimum of $0.125 an hour additional. Double time for overtime, April 1 to October 1. Time and one-half, October 1 to March 21. Sundays and holidays always double time.)

Sheet Metal Workers Local, No. 16

	Per hour
Journeymen	$3.10
Helpers	2.35

(Plus 7½ cents an hour health and welfare; plus 6½ cents an hour vacation pay.)

(Time and one-half for overtime, including Saturdays. Double time for Sundays and holidays.)

Shipwrights Local, No. 1020

	Per hour
Journeymen	$2.90

(Plus 10 cents an hour health and welfare.)
(All overtime double time.)

Sign Painters Local 428

	Per hour
Journeymen	$3.24
Helpers	2.70

(Time and one-half overtime week days. Double time Sundays and holidays.)

Steamfitters Local 235

	Per hour
Journeymen	$3.30

(Plus 10 cents per hour vacation pay; plus 10 cents per hour health and welfare.)

(General foremen, minimum of 65 cents per hour additional. Foremen, minimum of 35 cents per hour additional. All overtime double time.)

Teamsters Local 162

	Per hour
"A" frame truck with load-bearing surface	$2.52
Concrete buggies (power operated)	2.50
Drivers and helpers handling sacked cement, add 15 cents per hour.	
Dump trucks, side, end, and bottom dumps, including semitrucks and trains:	
6 yards and under	2.50
Over 6 yards and including 10 yards	2.60
Over 10 yards and including 20 yards	2.80
Over 20 yards and including 30 yards	2.90
Over 30 yards	3.00
Dumptors	2.60
Greasers and tiremen	2.50
Lift jitney or handy andy (all sizes)	2.50
Loader and/or leverman on concrete dry batch plant (manually operated)	2.50
Lumber carrier drivers	2.65
Oil distributor driver and leverman	2.55
Solo flat bed and miscellaneous body, (0 to and including 4 tons)	2.50
Solo flat bed and miscellaneous body trucks (over 4 tons and including semitrailer and truck and trailer not to exceed 10 tons)	2.50
Tank trucks, takes rate of the equipment on which the tank is mounted, or the rating of the equipment pulling the tank.	
Team drivers	2.55
Transit mix or wet mix trucks:	
3 yards and under	2.50
Over 3 yards	2.60
Truck helper, steady	2.50
Truck repairmen (when used)	2.80
Trucks, semitrailer and truck and trailer (over 10 tons, including low beds)	2.55
Two-wheeled power tractor with trailer:	
9 yards and under	2.80
Over 9 yards and including 20 yards	2.90
Over 20 yards	3.00
Warehousemen (warehouse parts and tool men)	2.50
Winch truck (takes classification of truck on which winch is mounted.)	

(Plus 7½ cents per hour health and welfare.)

(Foremen and/or truck dispatchers (when used), $.125 per hour above the majority of the journeymen supervised. Time and one-half daily and Saturdays, Sundays, and holidays double.)

ADJOURNMENT

Mr. MANSFIELD. Mr. President, under the previous order, I move that the Senate stand in adjournment until tomorrow at 12 o'clock noon.

The motion was agreed to; and (at 4 o'clock and 12 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Thursday, May 23, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 22, 1957:

UNITED STATES DISTRICT JUDGE

Robert Van Pelt, of Nebraska, to be United States district judge for the district of Nebraska, vice John W. Delehant, retired.

UNITED STATES ATTORNEY

Jack Chapler Brown, of Indiana, to be United States attorney for the southern district of Indiana for a term of 4 years. He is now serving in this office under an appointment which expires July 31, 1957.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 22, 1957:

UNITED STATES ATTORNEYS

Lloyd H. Burke, of California, to be United States attorney for the northern district of California, for a term of 4 years.

Frederick W. Kaess, of Michigan, to be United States attorney for the eastern district of Michigan, for a term of 4 years.

John O. Henderson, of New York, to be United States attorney for the western district of New York, for a term of 4 years.

Harold K. Wood, of Pennsylvania, to be United States attorney for the eastern district of Pennsylvania, for a term of 4 years.

A. Pratt Kesler, of Utah, to be United States attorney for the district of Utah, for a term of 4 years.

UNITED STATES MARSHALS

Saul Hale Clark, of Idaho, be be United States marshal for the district of Idaho, for a term of 4 years.

Clement W. Crahan, of Iowa, to be United States marshal for the northern district of Iowa, for a term of 4 years.

George W. Beach, of New Mexico, to be United States marshal for the district of New Mexico, for a term of 4 years.

William E. Smith, of New York, to be United States marshal for the eastern district of New York, for a term of 4 years.

Howard C. Botts, of Ohio, to be United States marshal for the southern district of Ohio, for the term of 4 years.

Bernard A. Boos, of South Dakota, to be United States marshal for the district of South Dakota, for a term of 4 years.

William Budd Parsons, of Washington, to be United States marshal for the western district of Washington, for a term of 4 years.

Noah W. Riley, of Wyoming, to be United States marshal, for the district of Wyoming, for a term of 4 years.

WITHDRAWALS

Executive nominations withdrawn from the Senate May 22, 1957:

POSTMASTERS

Michael D. Eddy, Jr., Brave, Pa.
Dodd D. Weatherly, Carrollton, Tex.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 22, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Eternal God, our Father, Thine is the strength which supports and sustains us; the holiness which allures and enchants us; the wisdom which inspires and guides us; the pardoning grace which forgives our sins and transgressions.

Take our feeble and faltering spirits and make them the sanctuaries and centers of Thy divine light and power.

Hear us in our prayers of intercession and supplication for the poor and needy in the stricken areas of our beloved country, and all whose lives are beshadowed by sorrow, haunted by fears, and baffled by perplexities.

Help us to believe that Thy kingdom of truth and righteousness, of peace and good will, is slowly emerging out of the welter of confusion and uncertainty in which we are living and laboring.

To Thy name we ascribe all the praise. Amen.

The Journal of the proceedings of yesterday was read and approved.

MEMBERSHIP OF JOINT COMMITTEE ON INTERNAL REVENUE TAXATION

The SPEAKER laid before the House the following communication, which was read by the Clerk:

COMMITTEE ON WAYS AND MEANS,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 16, 1957.

Hon. SAM RAYBURN,
Speaker of the House of Representatives.

MY DEAR MR. SPEAKER: Pursuant to section 8002 of the Internal Revenue Code of 1954 the following 5 members of the Committee on Ways and Means have been designated as members of the Joint Committee on Internal Revenue Taxation for the 85th Congress: JERE COOPER, chairman; WILBUR D. MILLS; NOBLE J. GREGORY; DANIEL A. REED; THOMAS A. JENKINS.

Cordially yours.

JERE COOPER.

CALL OF THE HOUSE

Mr. KLUCZYNSKI. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 76]

Albert	Durham	Mason
Allen, Calif.	Elliott	Miller, Calif.
Ayres	Fogarty	Miller, Md.
Baker	Garmatz	Morano
Baring	Granahan	Morgan
Beamer	Green, Pa.	Murray
Betts	Gubser	O'Neill
Boggs	Henderson	Passman
Boland	Hoeven	Polk
Bowler	Holland	Powell
Byrd	Holtzman	Preston
Byrne, Pa.	James	Riehlman
Chelf	Kearney	Saylor
Chiperfield	Kearns	Sieminski
Christopher	Kelley, Pa.	Siler
Chudoff	Kirwan	Sullivan
Coad	Lennon	Taylor
Cooley	Loser	Wolverton
Dawson, Ill.	McConnell	Zelenko
Dennison	Martin	

The SPEAKER. On this rollcall 373 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

LEGISLATIVE BRANCH APPROPRIATION BILL, 1958

The SPEAKER. The unfinished business before the House is the motion of the gentleman from Iowa [Mr. GROSS] to recommit the bill (H. R. 7599) making appropriations for the legislative branch for the fiscal year ending June 30, 1958, and for other purposes.

Without objection, the motion will again be reported.

The Clerk read as follows:

Mr. GROSS moves to recommit the bill, H. R. 7599, to the Committee on Appropriations with instructions that the appropriation of $7,500,000 for the acquisition of property, construction, and equipment, additional House office building be stricken from the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 176, nays 206, not voting 51, as follows:

[Roll No. 77]

YEAS—176

Abbitt	Dorn, S. C.	Nicholson
Abernethy	Dowdy	Nimtz
Adair	Dwyer	Norblad
Alexander	Fenton	O'Hara, Minn.
Alger	Fino	O'Konski
Allen, Ill.	Flynt	Ostertag
Andresen, August H.	Ford	Patterson
Andrews	Forrester	Pelly
Ashmore	Frelinghuysen	Pillion
Avery	Fulton	Poff
Ayres	Gathings	Prouty
Baldwin	George	Radwan
Barden	Griffin	Ray
Bass, N. H.	Gross	Reed
Bates	Gwinn	Rees, Kans.
Baumhart	Haley	Rhodes, Ariz.
Becker	Harden	Riehlman
Belcher	Harrison, Nebr.	Robsion, Ky.
Bentley	Harrison, Va.	Rogers, Tex.
Berry	Harvey	Sadlak
Betts	Hemphill	St. George
Bolton	Henderson	Schenck
Bosch	Herlong	Scherer
Bray	Heselton	Schwengel
Broomfield	Hiestand	Scott, Pa.
Brown, Mo.	Hill	Scrivner
Brown, Ohio	Hoffman	Scudder
Brownson	Holmes	Seely-Brown
Budge	Holt	Sheehan
Burdick	Jackson	Shuford
Bush	Jensen	Simpson, Ill.
Byrne, Ill.	Johansen	Smith, Calif.
Byrnes, Wis.	Jonas	Smith, Kans.
Canfield	Judd	Smith, Va.
Carrigg	Kean	Smith, Wis.
Cederberg	Keating	Stauffer
Chamberlain	Kilburn	Taber
Chenoweth	Kilgore	Talle
Church	Knox	Teague, Calif.
Collier	Krueger	Tewes
Colmer	Laird	Thomson, Wyo.
Corbett	Lane	Tollefson
Coudert	Latham	Tuck
Cramer	LeCompte	Utt
Cretella	Lipscomb	Vorys
Cunningham, Nebr.	McCulloch	Vursell
Curtin	McDonough	Wainwright
Curtis, Mass.	McGregor	Weaver
Curtis, Mo.	McIntire	Westland
Dague	McIntosh	Wharton
Davis, Ga.	McVey	Wigglesworth
Dawson, Utah	Mack, Wash.	Williams, Miss.
Dennison	Marshall	Williams, N. Y.
Derounian	Matthews	Wilson, Calif.
Dies	May	Wilson, Ind.
Dixon	Miller, Nebr.	Winstead
Dooley	Miller, N. Y.	Withrow
Dorn, N. Y.	Minshall	Younger
	Moore	
	Mumma	

NAYS—206

Addonizio	Gray	Norrell
Andersen, H. Carl	Green, Oreg.	O'Brien, Ill.
Anderson, Mont.	Gregory	O'Brien, N. Y.
Anfuso	Griffiths	O'Hara, Ill.
Arends	Hagen	O'Neill
Ashley	Hale	Osmers
Aspinall	Halleck	Patman
Auchincloss	Hardy	Perkins
Bailey	Harris	Pfost
Barrett	Haskell	Philbin
Bass, Tenn.	Hays, Ark.	Pilcher
Beckworth	Hays, Ohio	Poage
Bennett, Fla.	Healey	Porter
Bennett, Mich.	Hébert	Powell
Blatnik	Hess	Price
Blitch	Hillings	Rabaut
Bolling	Holifield	Rains
Bonner	Horan	Reece, Tenn.
Bow	Hosmer	Reuss
Boykin	Huddleston	Rhodes, Pa.
Boyle	Hull	Riley
Breeding	Hyde	Rivers
Brooks, La.	Ikard	Roberts
Brooks, Tex.	Jarman	Robeson, Va.
Brown, Ga.	Jenkins	Rodino
Broyhill	Jennings	Rogers, Colo.
Buckley	Johnson	Rogers, Fla.
Burleson	Jones, Ala.	Rooney
Cannon	Jones, Mo.	Roosevelt
Carnahan	Karsten	Rutherford
Celler	Kee	Santangelo
Chudoff	Keeney	Saund
Clark	Kelly, N. Y.	Scott, N. C.
Clevenger	Keogh	Selden
Coffin	Kilday	Shelley
Cole	King	Sheppard
Cooper	Kirwan	Sikes
Cunningham, Iowa	Kitchin	Simpson, Pa.
Davis, Tenn.	Kluczynski	Sisk
Delaney	Knutson	Smith, Miss.
Delley	Landrum	Spence
Dempsey	Lanham	Springer
Denton	Lankford	Staggers
Devereux	Lesinski	Steed
Diggs	Long	Teague, Tex.
Dingell	McCarthy	Teller
Dollinger	McCormack	Thomas
Donohue	McFall	Thompson, La.
Doyle	McGovern	Thompson, N. J.
Eberharter	McMillan	Thompson, Tex.
Edmondson	Macdonald	Thornberry
Engle	Machrowicz	Trimble
Evins	Mack, Ill.	Udall
Fallon	Madden	Ullman
Farbstein	Magnuson	Vanik
Fascell	Mahon	Van Pelt
Feighan	Mailliard	Van Zandt
Fisher	Meader	Vinson
Flood	Merrow	Walter
Forand	Metcalf	Watts
Fountain	Michel	Whitener
Frazier	Mills	Whitten
Friedel	Montoya	Widnall
Gary	Morris	Wier
Gavin	Morrison	Willis
Gordon	Moss	Wright
Grant	Moulder	Yates
	Multer	Young
	Natcher	Zablocki
	Neal	

NOT VOTING—51

Albert	Elliott	Mason
Allen, Calif.	Fogarty	Miller, Calif.
Baker	Garmatz	Miller, Md.
Baring	Granahan	Morano
Beamer	Green, Pa.	Morgan
Boggs	Gubser	Murray
Boland	Hoeven	Passman
Bowler	Holland	Polk
Byrd	Holtzman	Preston
Byrne, Pa.	James	Rogers, Mass.
Chelf	Kearney	Saylor
Chiperfield	Kearns	Sieminski
Christopher	Kelley, Pa.	Siler
Coad	Lennon	Sullivan
Cooley	Loser	Taylor
Dawson, Ill.	McConnell	Wolverton
Durham	Martin	Zelenko

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hoeven for, with Mr. Holtzman against.
Mr. Taylor for, with Mrs. Sullivan against.
Mr. Polk for, with Mr. Boggs against.
Mr. Beamer for, with Mrs. Granahan against.
Mr. Kearns for, with Mr. Garmatz against.
Mr. James for, with Mr. Byrd against.
Mr. Siler for, with Mr. Durham against.
Mr. Allen of California for, with Mr. Kelley of Pennsylvania against.
Mr. Mason for, with Mr. Zelenko against.
Mr. McConnell for, with Mr. Miller of California against.
Mr. Morano for, with Mr. Fogarty against.
Mr. Kearney for, with Mr. Baring against.
Mr. Saylor for, with Mr. Albert against.
Mr. Gubser for, with Mr. Byrne of Pennsylvania against.
Mr. Chiperfield for, with Mr. Green of Pennsylvania against.

Unitl further notice:

Mr. Sieminski with Mr. Baker.
Mr. Preston with Mr. Martin.
Mr. Dawson of Illinois with Mr. Miller of Maryland.
Mr. Boland with Mrs. Rogers of Massachusetts.
Mr. Holland with Mr. Wolverton.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on passage of the bill.

Mr. NORRELL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 279, nays 93, not voting 61, as follows:

[Roll No. 78]

YEAS—279

Abbitt	Cunningham, Iowa	Hébert
Abernethy	Curtin	Henderson
Adair	Dague	Hess
Addonizio	Davis, Ga.	Hill
Alexander	Davis, Tenn.	Hillings
Allen, Ill.	Delaney	Holifield
Andersen, H. Carl	Delley	Horan
Anderson, Mont.	Dempsey	Hosmer
Andrews	Denton	Huddleston
Arends	Devereux	Hull
Ashley	Dies	Hyde
Ashmore	Diggs	Ikard
Aspinall	Dingell	Jarman
Auchincloss	Dollinger	Jenkins
Avery	Donohue	Jennings
Bailey	Dooley	Jensen
Barden	Dorn, N. Y.	Johnson
Barrett	Dorn, S. C.	Jones, Ala.
Bass, Tenn.	Dowdy	Jones, Mo.
Bates	Doyle	Judd
Baumhart	Eberharter	Karsten
Beckworth	Edmondson	Kee
Belcher	Engle	Keeney
Bennett, Fla.	Evins	Kelly, N. Y.
Bennett, Mich.	Fallon	Keogh
Blatnik	Farbstein	Kilday
Blitch	Fascell	Kilgore
Bolling	Feighan	King
Bolton	Fenton	Kitchin
Bonner	Fino	Kluczynski
Bow	Fisher	Knutson
Boyle	Flood	Landrum
Bray	Flynt	Lane
Breeding	Forand	Lanham
Brooks, La.	Forrester	Lankford
Brooks, Tex.	Fountain	LeCompte
Brown, Ga.	Frazier	Lesinski
Brown, Mo.	Frelinghuysen	Long
Brown, Ohio	Friedel	McCarthy
Broyhill	Fulton	McCormack
Buckley	Gary	McDonough
Burdick	Gavin	McFall
Burleson	Gordon	McGovern
Bush	Grant	McIntire
Canfield	Gray	McMillan
Cannon	Green, Oreg.	Mack, Ill.
Carnahan	Gregory	Madden
Carrigg	Griffiths	Magnuson
Cederberg	Hagen	Mahon
Celler	Hale	Mailliard
Chamberlain	Haley	Matthews
Chenoweth	Halleck	Meader
Christopher	Harden	Merrow
Chudoff	Hardy	Metcalf
Clark	Harris	Michel
Clevenger	Harrison, Nebr.	Miller, N. Y.
Coffin	Harrison, Va.	Mills
Colmer	Harvey	Morris
Cooper	Haskell	Morrison
Corbett	Hays, Ark.	Moss
Cretella	Hays, Ohio	Moulder
	Healey	Multer

Natcher	Rogers, Tex.	Thompson, La.
Neal	Rooney	Thompson, N. J.
Norrell	Roosevelt	Thompson, Tex.
O'Brien, Ill.	Rutherford	Thomson, Wyo.
O'Brien, N. Y.	Sadlak	Thornberry
O'Hara, Ill.	Santangelo	Trimble
O'Neill	Saund	Tuck
Osmers	Schenck	Udall
Ostertag	Scherer	Ullman
Patman	Scott, N. C.	Vanik
Perkins	Scott, Pa.	Van Pelt
Pfost	Scudder	Van Zandt
Philbin	Seely-Brown	Vinson
Pilcher	Selden	Vorys
Poage	Sheehan	Vursell
Porter	Shelley	Walter
Powell	Sheppard	Watts
Price	Shuford	Westland
Rabaut	Sikes	Whitener
Radwan	Simpson, Pa.	Whitten
Rains	Sisk	Widnall
Reece, Tenn.	Smith, Miss.	Wier
Reuss	Smith, Va.	Wigglesworth
Rhodes, Pa.	Spence	Williams, Miss.
Riley	Springer	Willis
Rivers	Staggers	Wilson, Ind.
Roberts	Steed	Winstead
Robeson, Va.	Talle	Wright
Rodino	Teague, Tex.	Yates
Rogers, Colo.	Teller	Young
Rogers, Fla.	Thomas	Zablocki

NAYS—93

Alger	Heselton	Pelly
Ayres	Hiestand	Pillion
Baldwin	Holt	Poff
Bass, N. H.	Jackson	Prouty
Becker	Johansen	Ray
Bentley	Jonas	Reed
Berry	Kean	Rees, Kans.
Betts	Keating	Rhodes, Ariz.
Bosch	Kilburn	Riehlman
Broomfield	Knox	Robsion, Ky.
Brownson	Krueger	St. George
Budge	Laird	Schwengel
Byrne, Ill.	Latham	Scrivner
Byrnes, Wis.	Lipscomb	Simpson, Ill.
Church	McCulloch	Smith, Calif.
Collier	McGregor	Smith, Kans.
Coudert	McIntosh	Smith, Wis.
Cramer	McVey	Stauffer
Cunningham, Nebr.	Macdonald	Taber
Curtis, Mo.	Mack, Wash.	Teague, Calif.
Dawson, Utah	Marshall	Tewes
Dennison	May	Tollefson
Derounian	Miller, Nebr.	Utt
Dixon	Minshall	Wainwright
Dwyer	Moore	Weaver
Ford	Mumma	Wharton
George	Nicholson	Williams, N. Y.
Griffin	Nimtz	Wilson, Calif.
Gross	Norblad	Withrow
Gwinn	O'Hara, Minn.	Younger
Herlong	O'Konski	
	Patterson	

NOT VOTING—61

Albert	Durham	Machrowicz
Allen, Calif.	Elliott	Martin
Andresen, August H.	Fogarty	Mason
Anfuso	Garmatz	Miller, Calif.
Baker	Gathings	Miller, Md.
Baring	Granahan	Montoya
Beamer	Green, Pa.	Morano
Boggs	Gubser	Morgan
Boland	Hemphill	Murray
Bowler	Hoeven	Passman
Boykin	Hoffman	Polk
Byrd	Holland	Preston
Byrne, Pa.	Holtzman	Rogers, Mass.
Chelf	James	Saylor
Chiperfield	Kearney	Sieminski
Coad	Kearns	Siler
Cole	Kelley, Pa.	Sullivan
Cooley	Kirwan	Taylor
Curtis, Mass.	Lennon	Wolverton
Dawson, Ill.	Loser	Zelenko
	McConnell	

So the bill was passed.

The Clerk announced the following pairs:

Until further notice:

Mr. Kirwan with Mr. Martin.
Mr. Holtzman with Mr. Allen of California.
Mrs. Sullivan with Mr. Beamer.
Mrs. Granahan with Mr. Taylor.
Mr. Garmatz with Mr. Hoeven.
Mr. Albert with Mr. Cole.
Mr. Sieminski with Mr. Chiperfield.
Mr. Kelley of Pennsylvania with Mr. McConnell.
Mr. Zelenko with Mr. Mason.
Mr. Machrowicz with Mr. Miller of Maryland.
Mr. Dawson of Illinois with Mrs. Rogers of Massachusetts.
Mr. Byrd with Mr. Gubser.
Mr. Byrne of Pennsylvania with Mr. Curtis of Massachusetts.
Mr. Green of Pennsylvania with Mr. Baker.
Mr. Durham with Mr. James.
Mr. Anfuso with Mr. Hoffman.
Mr. Polk with Mr. Kearns.
Mr. Preston with Mr. August H. Andresen.
Mr. Boggs with Mr. Siler.
Mr. Boland with Mr. Wolverton.
Mr. Hemphill with Mr. Kearney.
Mr. Baring with Mr. Morano.
Mr. Fogarty with Mr. Van Zandt.
Mr. Miller of California with Mr. Saylor.

Mr. COUDERT changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. NORRELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. VORYS. Mr. Speaker, I am voting to cut out the $7.5 million appropriation for going ahead with the House Office Building plans. I have great affection and respect for the members of this Building Commission, the Speaker, the gentleman from Georgia [Mr. VINSON], and the gentleman from New Jersey [Mr. AUCHINCLOSS]. I am willing to confess that I have not kept myself up to date on their plans. I think we need some more parking space, better cafeteria facilities, and more space for committees. But I did not realize, until I studied these hearings and heard today's debate, that the Commission is proposing to spend $100 million on their plans, that all of this will cost $230,000 per Congressman.

I do not need a third office room. I think the plans are too fancy, too elaborate. In any case, I do not think we need to go ahead with this project now, when building costs are so high and the demand for materials creates additional inflationary pressures. The Commission has acquired the necessary real estate. They can make some additional parking space, and then mark time on this project. I hope they will reconsider some of the elaborate plans we hear about, and cut the cost of the whole project. I know of no way to obtain such reconsideration except to cut out this appropriation today.

MORE ABOUT THE PROPOSED HOUSE OFFICE BUILDING PROJECT

Mr. RAY. Mr. Speaker, yesterday the House considered at some length the cost of an additional House Office Building and related projects, and this morning the House voted 206 to 176 against a motion which was aimed at eliminating a seven-and-a-half-million-dollar appropriation for continued work on that project. I now present the project costs on a per Member basis.

The entire cost of the project, including committee rooms, and so forth, is estimated at $100 million. Dividing that by 438, the number of Members in the House of Representatives plus the 3 Territorial Delegates, we get a cost of $228,000 per Member. Taking the cost of the additional office building itself and considering only the $64 million yet to be spent, and dividing that by 170, the number of 3-room suites to be in the building, we get $376,000 per Member's suite. On the same basis, the remodeling of the present Old House Office Building and the present New House Office Building would run to $66,000 for each 3-room suite to be provided in those buildings.

I submit that these figures establish that continuation of this project at this time is reckless and extravagant in the extreme and that the motion to recommit the bill, H. R. 7599, should have been adopted.

Mr. BOLAND. Mr. Speaker, when the roll was called on recommital and on final passage of the legislative branch appropriation bill, I was not recorded. I was unavoidably detained on official business with another Government agency. Had I been present, I would have voted against recommittal and for final passage.

At the time of the markup of this bill by the full Appropriations Committee, I made my views known to my colleagues on the committee. Yesterday, in the Committee of the Whole, I voted against the amendment to strike out funds for the construction of an additional House Office Building. I did so because I recognize the dire need for additional space for committees, committee chairmen, and committee staffs. Committee work is perhaps the most important function of the Members of this House. Without adequate facilities, this function suffers. It would not be economically wise to defer this program. Some $15 million has already been spent and it would be poor judgment to cut it off now.

However, Mr. Speaker, I do find fault and said so in committee with one part of this program. And that is the provision for alterations to the Old and New House Office Buildings. This entails the possible spending as reported in the hearings of some $18.5 million. I am pleased to note that this bill does not carry any money for fiscal year 1958 for remodeling of these buildings. There ought to be another long, careful, and hard look taken with respect to this particular part of the program. Alterations are to be made so as to provide three-room suites for all Members. The vast majority of Members need a three-room suite as much as they need another hole in their heads. Present facilities are entirely adequate to take care of the Members except with reference to committee chairmen. The committee chairmen, as I understand it, will get their needed space in the additional House Office Building. There is absolutely no justification for any alterations to the present House Office Buildings. I hope the House Office Building Commission will come to that same conclusion and

will not recommend or approve this phase of the program.

Mr. CUNNINGHAM of Nebraska. Mr. Speaker, I did not support H. R. 7599, the appropriation bill for the legislative branch, because it contained items I believed to be unnecessary and which should have been stricken from the bill.

I specifically opposed the expenditure of $7,500,000 to begin the construction of a third House office building. This initial expenditure would ultimately lead to a total outlay of $100 million, as it was pointed out in the debate that in addition to the new office building it was planned to remodel the two existing buildings and add other improvements.

To me this was the one real economy test which this session of the Congress had to face. It is interesting to note that those who profess their beliefs in economy the loudest were the ones who fought the hardest for this expenditure of the taxpayers' dollars.

Personally, I find my two-room suite to be adequate for my needs. I find that it allows me to do my work efficiently and that is all that I am concerned with.

So far the House has made sizable reductions in the appropriation bills which it has had before it during this session. However, many of these reductions amount to "paper cuts" and in my opinion few real economy cuts have been made. Had the House voted to reject the new building plans for a third House office building, then it could say truthfully that it was interested in economy. But the House failed to do so.

I was proud to have joined with 175 of my colleagues in opposing this spending program by the House of Representatives and my conscience is clear.

PERMISSION TO SIT DURING SESSIONS OF THE HOUSE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the Committee on Small Business may be allowed to sit during general debate in the sessions of the House through the remainder of the week.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

THIRD DEFICIENCY APPROPRIATION BILL

Mr. CANNON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. CANNON, THOMAS, KIRWAN, WHITTEN, ROONEY, TABER, JENSEN, H. CARL ANDERSEN, and CLEVENGER.

A BILL TO INCREASE CERTAIN RETIREMENT ANNUITIES

Mr. DAWSON of Utah. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DAWSON of Utah. Mr. Speaker, I have today introduced a bill to remedy an inequity which Congress itself, I am sorry to say, has done more than its share to create.

The bill would increase annuities to Federal employees who retired before October 1, 1956, a class of annuitants who did not share in the increased benefits granted last year to subsequent retirees.

These people—indeed, all persons who have retired on a fixed income—represent the real human tragedy of the inflation encouraged, if not brought on, by freehanded Government spending. In the prolonged inflationary cycle, rising costs have carried wages and salaries along with them so that, while the active worker's higher income may be illusionary in part, at least he has not lost ground.

But consider the person living, or trying to live, on retirement income. He has not even the comfort of illusion. To him it is only too real that as prices go up and up, his fixed income buys less and less.

Out of salaries which were not always adequate, these Government workers of whom I speak paid into their retirement funds good 100-cent dollars. Now that they have retired, we give them back 50-cent dollars. What kind of confidence game is that?

In all fairness, we owe it to these retired workers to maintain their buying power somewhere near the level which they in good faith thought they were to have for their later years.

This bill, which would grant only modest and reasonable increases in the annuities upon which many of these people are wholly dependent, is the short-term answer to the problem they face. Of greater importance in the long run, not only to these former workers but to all persons living upon retirement income now or in the future, is the arrest of the inflationary cycle.

To the total cost of our Federal Government, this bill would add only the well-known drop in the bucket. It is, incidentally, the first bill I have introduced this session which would add, however little in proportion, to the cost of our Government. Still, it illustrates in principle the frightening self-perpetuation of astronomic Government spending: the spending pumps the economy, sending up the costs, requiring more spending, and so around and around the circle.

The lasting answer must be to bring our Federal spending back into reason, reduce the national debt, and put the brakes on rising costs and taxes which are squeezing our workers and strangling our retired workers.

But until that has been accomplished, I believe passage of this legislation is an obligation incumbent upon us. I urge immediate and favorable action on this proposal.

DIVERSION OF WATER FROM LAKE MICHIGAN

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 254 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2) to authorize the State of Illinois and the Metropolitan Sanitary District of Greater Chicago, under the direction of the Secretary of the Army, to test, on a 3-year basis, the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway, and for other purposes. After general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. MADDEN. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, this resolution provides for an open rule and 2 hours of general debate on the bill.

H. R. 2 authorizes the State of Illinois and the Metropolitan Sanitary District of Greater Chicago, under the supervision of the Secretary of the Army, to withdraw from Lake Michigan, in addition to all domestic pumpage, a total annual average of 2,500 cubic feet of water per second to flow into the Illinois Waterway which is the Illinois River and connecting channels including the Chicago Drainage Canal. This diversion would continue on a test basis for a period of 3 years, during which time the Secretary of the Army, through the Army Engineers, will study the effects of the increased diversion and make a report to Congress, with recommendations, before January 31, 1961. The estimated cost of the study and report authorized is $430,000, the major part of this amount to be used to cover the pollution and sanitary aspects of the study.

The Corps of Engineers, in a report dated January 29, 1957, pointed out that the estimated reduction in the generation of hydroelectric energy at plants in New York and Ontario, representing 72 percent of the total plants involved, would be about 1 percent of the total energy production. The report further states that the lowering of lake levels that would result from the 3-year diversion would be from three-eighths to five-eighths of an inch, and that the temporary lowering effects of the 3-year

diversion would affect navigation adversely during low lake stages, but concluded the effect on navigation would be small and of a temporary nature.

During recent years great damage has resulted to property owners along the shores of Lake Michigan in northern Indiana. When a violent storm comes from the north or northwest this area suffers greatly from water flooding the coastline and doing great damage to buildings and property adjacent to the south shore of Lake Michigan.

The Corps of Engineers stated that lowering of the lake level from three-eighths to five-eighths of an inch that would result from a 3-year trial diversion would tend to be beneficial in lessening possible damage to property located on the south shore.

The large steel industries in my district who depend upon millions of tons of lake shipping have not protested to me that this small diversion of water would in any way affect shipping on the Great Lakes.

The Rules Committee has provided adequate time for all those interested to present their views. I, therefore, urge the adoption of House Resolution 254 so the House may proceed to the consideration of H. R. 2.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I yield to the gentleman from Illinois.

Mr. YATES. The lowering that would take place, to which the gentleman referred, namely, three-eighths of an inch, is what the Army engineers estimate will occur over the entire 3-year period in Lake Erie and five-eighths of an inch in Lakes Michigan and Huron?

Mr. MADDEN. Yes; over the entire 3-year period.

Mr. YATES. At the conclusion of the experiment, in the event the Congress no longer authorizes an additional flowage of water, in a relatively short time the lake will resume its normal level?

Mr. MADDEN. That is correct. There has been considerable agitation in the northern area of Indiana in regard to that situation. Now, I do not know whether a small three-eighths inch diversion over a 3-year trial period is going to help us in northern Indiana, but I know it is not going to do us any harm.

The Committee on Rules provided 2 hours' debate for this legislation, which I do not think it is going to take, but nevertheless the committee made that provision.

I now yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, the gentleman from Indiana has so excellently stated the proposition before us that I do not feel that I should take much time, and I shall be brief. But, the facts remain that after extensive hearings the Committee on Public Works reported this bill favorably by a vote of 18 to 6. We had quite a lengthy discussion before the Committee on Rules, and, if my recollection is right, I believe there was only one member of the Committee on Rules that opposed the bill.

Now, what does this amount to? It merely means that they may use but three-eighths of an inch more water for this diversion from Lake Michigan down the Illinois River. Coming from Illinois, I have not received any letter from anyone disapproving this bill. Everyone seems to favor it.

Now, the question arises, Well, who is going to be harmed if this bill passes? I do not think anyone will be harmed, because the bill provides that the Secretary of the Army shall at all times have direct control and supervision of the amounts of water directly diverted from Lake Michigan. In plain words, that means that at any time it appears that this diversion is going to be harmful to anyone, in any way, the Secretary of the Army has the right and the power and he is ordered and directed to stop it.

So, Mr. Speaker, I reiterate that inasmuch as the Committee on Public Works held extensive hearings and by a vote of 3 to 1 favored this bill, and that of the total membership of the Committee on Rules only one was opposed to the rule, I submit that the rule should be adopted.

Mr. Speaker, I yield 10 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, this resolution, House Resolution 254, would make in order the consideration of a bill which has been a matter of controversy for a great many years. Under the provisions of the bill, the city of Chicago would be permitted to divert anywhere from 1,500 to 5,000 cubic feet per second of water from Lake Michigan and the Great Lakes system.

As the gentleman from Illinois [Mr. ALLEN] has said, this would be done under the supervision of the Army Corps of Engineers. However, the only supervision that the engineers would actually have under the provisions of this bill would be to decide whether it should be as little as 1,500 feet at times and as much as 5,000 cubic feet per second of diversion at other times.

For many, many years, Chicago has been attempting, very frankly, to use the waters of the Great Lakes, and of all that great transportation system, for its own particular benefit. In my part of the country we have to have sewage disposal plants so efficient that the water which flows therefrom to our streams is pure, and will not in any way pollute them. But in Chicago, despite the fact they have spent considerable money on sewage disposal systems, they still use the Illinois River as a sort of drainage ditch, often filled with sewage and pollution. Now they want to use the waters of the Great Lakes to wash all this sewage down into the Mississippi.

Back in 1930 the city of Chicago was diverting 10,000 cubic feet per second of water from Lake Michigan and the Great Lakes. The other States which were affected, because the waters of the Great Lakes were being lowered and transportation was being interfered with, brought suit in th United States Supreme Court. The Supreme Court issued an order that the city of Chicago should not divert more than 1,500 cubic feet per second. Ever since that time Chicago officials have constantly been attempting and endeavoring; and I certainly do not blame any Chicagoan or Illinoisan for promoting his own self-interest in this matter—to get authority to divert more water—but I do not like them to do so to the consequent danger, and bad effects, upon the people of my State and all the other States touching upon the Great Lakes. Ever since 1930, when that Supreme Court decision was handed down, Chicago has been attempting to get more and more water for diversion from the Great Lakes.

Twice now the Congress has passed a bill on this matter, and I realize there is a pretty well organized effort behind this legislation, and I take my hat off to the gentleman who originated the bill and has worked very assiduously and ably for the benefit of his own constituents, but a bill of this nature was passed in the last two Congresses and both times promptly met with the veto of the President of the United States, because it is his duty, it is his responsibility, to protect the interests of all the people of this country, including those of the people of the other States besides Illinois which have some shorelines on the Great Lakes.

No one knows exactly what may happen as a result of such new water diversion. Tests have shown that dropping the water level of the Great Lakes by only 1 inch means that 100 tons of shipping, on the average, in each vessel on the Great Lakes, is lost. Of course, you remember during the war period what a terrible struggle it was to get enough iron ore down through the Great Lakes to supply our steel mills, in order to produce needed steel for the national defense. Not only that, but this bill affects the shore property along the Great Lakes in all these other States.

The officials of every State, outside of Illinois, on the Great Lakes have, of course, opposed this legislation and spoken against it.

We are now spending, under legislation passed in this Congress not long ago, to hundreds of millions, and probably billions of dollars on developing the St. Lawrence Seaway and the Great Lakes for international shipping.

Every bit you lower the water level of the Great Lakes, the more water you take out, the more you have to deepen the ship channels, and the more money you have to spend on those channels for use by seagoing vessels and also the ships now operating on the Great Lakes. And, by the way, there is more freight tonnage hauled in ships on the Great Lakes than in all the American freight ships that sail the seven seas of the world.

So it is something of importance to us as to whether we are not only going to injure these other States, and take away water that belongs to those States as well as it does to Illinois, but will also make our entire St. Lawrence Seaway system more costly and make more difficult the use of the various ports in the other States along the Great Lakes, if we vote for a bill which has been opposed, and I think still is, by the President of the United States. I want to predict right now he will veto this legislation if we pass it.

Then there is one other thing I wish to mention quickly. The Army engineers have just completed a survey and study of this proposal, and have submitted it to the State Department. Right now, under the auspices of the State Department, an international commission, made up of members from this country and members from Canada, is attempting to work out some sort of agreement as to the use of the waters of the Great Lakes. It must be remembered that these waters belong not only to the United States and to the States bordering the Great Lakes but to Canada as well, which country has an interest in this bill.

I am sure you will find the passage of this legislation has not been recommended by the administration, but that instead the position of the administration is directly opposite, and that by the approval of this bill we will of course be interfering with the international conference now going on between American and Canadian officials to decide what action should be taken in connection with the waters of the Great Lakes.

I think the simplest way to get rid of this bill, and to have a lot of time and expense, is just to defeat the rule, and leave the bill where it is, and where it has been placed twice by vetoes of the President, in the dead-letter box up on the Speaker's table.

Mr. MADDEN. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Speaker, the gentleman from Ohio is, as we all know, a very able Member of this House. In this particular instance I think he speaks from historical antagonisms rather than from present facts.

A mere perusal of the bill will show that the gentleman's statement regarding the varying amount of diversion authorized presently from 1,500 cubic feet per second to 5,000 cubic feet per second is not encompassed by this bill. Presently the Metropolitan Sanitary District of Greater Chicago is authorized to withdraw from Lake Michigan 1,500 cubic feet per second by law. This is under the terms of the decision of the Supreme Court of the United States issued in 1930, to which the gentleman from Ohio referred. It is true that Chicago, prior to that time, was withdrawing 10,000 cubic feet per second. But in that decision there is another clause to which the gentleman from Ohio did not refer and that recognized the right of the Congress of the United States to increase the amount of water which the Sanitary District of Chicago could withdraw from the Great Lakes, if the Congress in its wisdom so decided.

The opponents of the bill have testified before the Committee on Public Works and I am sure they will say to the House today that this is a matter that should be left to the Supreme Court of the United States rather than to the Congress.

This is not true. I read from the decision of the Supreme Court in 281st United States Reports, page 179, petition on the part of the State of Wisconsin against Illinois in which Justice Holmes speaking for the Court said:

> All action of the parties and the Court in this case will be subject, of course, to any order that Congress may make in pursuance of its constitutional powers and any modification that necessity may show should be made by this court.

The decision goes on further and says:

> The amount of water ultimately to be withdrawn unless Congress may prescribe a different measure is relatively small.

Now, those quotations are taken from the actual decision of the Supreme Court of the United States.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield.

Mr. BROWN of Ohio. Of course, the United States Supreme Court historically has always held in making a decision that certain things shall be effective unless the Congress changes the law.

Mr. YATES. That is correct.

Mr. BROWN of Ohio. And they follow the law; is that not correct.

Mr. YATES. That is correct.

Mr. BROWN of Ohio. What they were saying in that decision is that Chicago's taking of 10,000 cubic feet of water per second out of the Great Lakes for sewage disposal purposes should be stopped and that they should be enjoined and they should not be permitted to take more than 1,500 cubic feet per second unless the Congress by law decides otherwise. The Congress can give away the Great Lakes, if they want to.

Mr. YATES. That is right. That is why we are here. We are asking the Congress of the United States not to authorize the city of Chicago to withdraw 10,000 cubic feet of water per second as they were doing prior to 1930. What we are asking the Congress of the United States to do is to permit us to withdraw an additional 1,000 cubic feet per second, which will increase the amount we withdraw to 2,500 cubic feet per second.

Mr. BROWN of Ohio. Then, my statement as to what the Supreme Court actually held, that they did enjoin the city of Chicago from withdrawing all this extra water and limiting it to 1,500 cubic feet per second is correct.

Mr. YATES. It is correct, but it is not appropriate.

Mr. BROWN of Ohio. Well, that is the gentleman's opinion, of course.

Mr. YATES. That is correct, just as you say that what you say is appropriate. I pointed out to the gentleman that he is still voicing historical antagonism.

Mr. VANIK. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield.

Mr. VANIK. Is it not the purpose then of this legislation to circumvent the decision of the Supreme Court?

Mr. YATES. On the contrary, it is to carry out the Supreme Court decision rather than to circumvent it. The gentleman heard me a few seconds ago when I read from the decision itself in which it was stated that the Congress may authorize an additional amount of water to be withdrawn by the Sanitary District of Chicago and we are now in the Congressional forum at the present time requesting the Congress to give us that additional amount of water—for test purposes, let me point out—and not on a permanent basis. We are asking here only that we be authorized to withdraw 1,000 cubic feet per second under direct control of the Corps of Army Engineers for an experimental period of 3 years. During that time the Army engineers will determine what the effects have been so that all the States on the Great Lakes may know and so that the Public Health Service of the United States, which is involved in this too, may know what the pollution effect will be as the result of these tests.

Mr. VANIK. But the body of the law which supports that Court decision supports the proposition that water should not be withdrawn.

Mr. YATES. On the contrary, the decision itself says that water may be withdrawn. The Congress has twice approved this bill. We are asking the Congress to again approve this bill. I want to point out one thing further in respect to what the gentleman from Ohio said about the Presidential veto. I have here the copy of the letter that the President of the United States wrote to Hon. EVERETT MCKINLEY DIRKSEN on August 9, 1956, in which he commented on his veto. The President said this:

> THE WHITE HOUSE,
> *Washington, August 9, 1956.*
>
> DEAR EVERETT: I am deeply appreciative of your repeated personal expressions of interest in H. R. 3210, a bill relating to the diversion of water from Lake Michigan into the Illinois waterway. Because of your interest, I am especially sorry that I found it necessary to veto the bill for the reasons set forth in the attached message.
>
> I should like to call your attention especially to one passage in the veto message. You will note that I have requested the Department of State to open discussions with the Canadian Government in respect to this matter, and also that I have requested the Department of Defense to expedite certain essential reports we shall need before this matter can be completed. Of this I assure you when the needed information is at hand we shall move as rapidly as circumstances will permit to obtain a solution of this matter so important to the city of Chicago.

The report of the Army engineers, to which the President referred in his letter to Mr. DIRKSEN, has already been obtained. Those reports indicate that over the 3-year experimental period the effect on the level of Lake Erie on which Ohio borders will be three-eighths of 1 inch, overall, for the 3-year period. Not for 1 year but for 3 years.

Mr. MCGREGOR. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield.

Mr. MCGREGOR. I think the gentleman wants to be fair.

Mr. YATES. The gentleman wants to be fair.

Mr. MCGREGOR. I would like to suggest to the gentleman that the Supreme Court's ruling on April 21, 1930, said that there will be no more diversions under the present law. The gentleman has said that if the Congress wants to change that law, then the Supreme Court will again be asked for a ruling. Is it true that under existing law, under the decision handed down by the Supreme

Court on April 21, 1930, no more water can be diverted?

Mr. YATES. The gentleman is exactly wrong. I read from a decision of the Supreme Court in which the diversion of 1,500 cubic feet per second is authorized by that decision. The gentleman stated that the decision did not authorize the diversion of any water. The decision authorized the diversion of 1,500 cubic feet per second. In addition, the Court made reference to the fact that the city of Chicago was going to construct modern facilities, and it said this:

Perhaps the complainants would not be very insistent with regard to the 1,000 or 1,500 cubic feet per second which earlier in this case they seemed to admit to be reasonable, if their demand were allowed that the domestic pumpage be purified and returned to the lake—a demand not contemplated by their bill. But purification is not absolute. How nearly perfect it will be with the colossal works that the defendants have started is somewhat a matter of speculation. The master estimates that with efficient operation the proposed treatment should reach an average of 85 percent purification and probably will be 90 percent or more. Even so we are somewhat surprised that the complainants should desire the effluent returned.

The gentleman from Ohio [Mr. BROWN] says that people in Ohio are being endangered by this. Yet the City of Cleveland is putting all of its waste back into Lake Erie. The city of Milwaukee is putting all of its waste back into Lake Michigan. The city of Detroit is putting all of its waste back into Lake Michigan. The city of Chicago has these alternatives with respect to its waste disposal: We can either put all of our waste back into Lake Michigan, which is a situation that I do not want to contemplate and I am sure the opponents of the bill would not want to contemplate, or it can move its waste into the Illinois Waterway down to the Gulf of Mexico, along the Mississippi River.

We are a growing community. As a growing community the problem of waste disposal is a growing problem. We can only dispose of our waste into Lake Michigan or we can send it into the Illinois Waterway. What this bill proposes to do is to permit us to continue our present system of disposing of it in the Illinois Waterway, to take care of the needs of a growing community without further increasing the contamination problem in the lake. We in the city of Chicago want to deal with this problem in a reasonable manner.

Mr. SHEEHAN. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield.

Mr. SHEEHAN. In response to an inquiry directed to you by the gentleman from Ohio, my memory is that when the Supreme Court wrote its opinion they had a stipulation that the flow was to be limited until such time as Chicago had completed its sewerage construction, which they have done.

Mr. YATES. The gentleman is right. The sanitary district of Chicago is now considered to be one of the engineering marvels of the world, because of the high peak of engineering excellence it has attained with respect to sewage disposal.

The Sanitary District of the City of Chicago has met the terms of the decree of the Supreme Court completely. That is why we are now before Congress. There is nothing more that we can do in an engineering way; we can only seek to solve our problem we think through the use of additional water.

We want this test in order to find out whether or not it will be harmful to the other States surrounding our community if water be withdrawn. We do not believe it will be. We want to find out by actual test. One would think that our neighbors would want to see this question resolved on the basis of fact, not fancy.

Mr. ALLEN of Illinois. Mr. Speaker, I would like to compliment the gentleman from Illinois [Mr. YATES] on the presentation he has made, but it is very apparent to me that he has been well schooled by the gentleman from Illinois [Mr. O'BRIEN], who has worked faithfully and steadily on this bill for many years.

I yield 2 minutes to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Speaker, over the past 3 years I have had a chance to go into this matter in considerable detail.

May I say in the beginning that this does not affect me in the State of Illinois; I have no constituents whatever who would be affected regardless of what action this House takes, so I think I am in a position to speak rather impartially.

My investigation reveals, as far as I can tell, that there would be no material damage done to anybody as a result of allowing this test to take place over a 3-year period. All of the evidence indicates that the lowering of this lake would not be above a maximum of three-eighths of an inch, and probably not over one-eighth of an inch per year.

I want to be as intellectually honest about this as I can, and I want, therefore, to say to the people of Chicago that if as a result of this test it shows that material harm is being done I certainly would have a chance to review my position to favor this matter at this time and to be against it at a later time.

From all I can find out about this matter this test certainly should be made, especially after these people spent all these years getting their sanitary district in a position where they can, without harm to the remainder of Illinois, put sewage into the Illinois River at a faster rate than they are at the present time. That appears to be the situation insofar as the investigation that was made by the committee showed and the investigation which I have made.

I want to say that at this time this bill has my backing.

Mr. BYRNES of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. I suggest that if the gentleman cannot find any damage that will result from this bill he had better look at the report of the Army engineers that has been forwarded to the Congress; and I would ask him to explain away the loss which is pointed out by the Corps of Engineers—a loss in dollars and cents—to New York and the power developments in New York, Ontario, and Quebec of a maximum of $918,000 to a minimum loss of $408,000 by reason of the reduction of the power facilities with a compensating increase at the Lockport area in Chicago of only $202,000.

There certainly is a loss in dollars and cents. I refer the gentleman to the report of the Corps of Army Engineers.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentlewoman from Illinois [Mrs. CHURCH].

Mrs. CHURCH. Mr. Speaker, I rise in support of Mr. O'BRIEN's bill, H. R. 2—identical to H. R. 212, which I introduced myself—which authorizes the State of Illinois and the Metropolitan Sanitary District of Greater Chicago, under the direction of the Secretary of the Army to test, on a 3-year basis, the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway by 1,000 cubic feet per second. This legislation, in similar form, has previously twice passed both the House and the Senate.

Mr. Speaker, I would like to state at the beginning that I speak not as a Member of Congress from the city of Chicago. In fact, my own northern Illinois district, the 13th, lies—except for 2 half precincts—completely outside of the metropolitan area. I speak today, representing my own interest and the great interest of my district in support of legislation which we know to be essential to the health and well-being of the entire Greater Chicago area. We deem it, in fact, legislation for the better health and well-being of all communities, no matter how far distant, through which the waters, starting in Chicago, are carried down State and throughout the long progress of the waterway.

I would admit that my primary interest was first aroused in this situation at the time that my entire district was alerted to the dangers of an overflooding Lake Michigan. In 1954 I pointed out to you that such damage to the Illinois shore of Lake Michigan for a 1-year period, from the spring of 1951 to the spring of 1952, totaled $11,288,000. I further pointed out that during this same period of high lake levels, the total damage on the United States shores of all the Great Lakes amounted to $61 million. Even though, admittedly, the decrease in the lake level as a result of increasing the diversion from 1,500 cubic feet of water per second to 2,500 cubic feet of water per second, as proposed in this bill, would be almost infinitesimal—estimated at three-eighths of an inch for the 3-year test period—any prospect of relief that could be given to the individuals, cities, and park districts on the lake front would indeed be a boon.

Our emphasis, however, is on the need for greater water diversion to better facilitate the operation of the great facilities of the Sanitary District of Chicago.

At the time that the present 1,500 cubic foot limitation was set, a statement was made in the report of 1933, as follows:

It does not appear possible to arrive at a conclusive determination whether this flow will afford suitable sanitary conditions on the waterway after the sewage purification plants at Chicago have been completed and placed in operation.

Since that report was made, the Sanitary District of Chicago is now, and has been since 1950, providing complete treatment for substantially all of its sewage; but still the Sanitary District testifies that there is serious pollution in the upper 50 to 60 miles of the Illinois Waterway and that there can be no marked improvement until more fresh water is available.

In addition, a greater flow is necessary for the adequate expansion of the increasing commercial use of the Illinois Waterway. I am sure that you all know that since the 1,500 cubic feet per second water diversion limitation was set, commerce on the Illinois Waterway has increased from 200,000 tons per year to considerably over 20 million tons per year. Industry in the Chicago area has expanded greatly; and the population has increased so greatly that the present 1,500 cubic feet of water per second diversion is no longer adequate—neither for a commercially useful waterway nor for satisfactory sanitary conditions.

In fact the situation became so bad along the Illinois Waterway last fall, due to the low water levels, that traffic thereon had to be suspended; and there was even great danger of contamination to drinking water systems in small communities downstate along the Illinois Waterway. As a result, in November of 1956, the State of Illinois requested and received the necessary emergency relief—with the Supreme Court approving an increase in the water diversion from Lake Michigan into the Illinois Waterway from 1,500 cubic feet per second to an average of 8,500 cubic feet per second, under the direction of the Corps of Engineers, until January 31, 1957. This provided necessary temporary help and further pointed out the advantages of this proposed survey to study the effects of increased water diversion for a 3-year period. Furthermore, during this temporary increased diversion, none of the injuries did occur which have been feared by the opponents to this legislation, even though the increase was much, much greater than that proposed in the bill presently under consideration.

In the 83d and in the 84th Congresses, both House of Congress voted overwhelmingly for this legislation. It is my sincere hope that when passed by the Congress again, H. R. 2 will receive the approval of the President, since I believe that the objections cited in his previous veto messages have been or are being met. The first point of the President's veto message was based on his statement:

Existing diversions are adequate for navigation on the Illinois Waterway and the Mississippi River.

This objection can now be discounted by the fact that the water in the Illinois Waterway was so low last fall as to stop all traffic thereon, necessitating the emergency action to increase the diversion to 8,500 cubic feet per second.

The second, third, and fourth points of the President's veto message were as follows:

2. All methods of control of lake levels and protection of property on the Great Lakes should be considered before arbitrarily proceeding with the proposed increased diversion.

3. The diversions are authorized without reference to negotiations with Canada.

4. Legitimate interests of other States affected by the diversion may be adversely affected.

It would appear to me that points 2 and 4 have been met by the fact that the Corps of Engineers has completed its studies, which are contained in Senate Document No. 28, 85th Congress; and that this report points out that the estimated lowering in lake levels during the 3-year test period of increased water diversion proposed in H. R. 2 would be only three-eighths of an inch. This situation would not or could not adversely affect shipping and would have no significant effect on the production of power.

In an effort this year to help meet in advance and in adequate time any objections that could possibly call for a Presidential veto on the third point, a subcommittee was appointed early in this session—consisting of Mr. O'BRIEN, Mr. YATES, and myself—to urge the State Department and the President to negotiate with Canada for a friendly agreement on the increased diversion. These negotiations are now proceeding and are being expedited. It is my hope and expectation that such action will clear the way for Presidential approval of H. R. 2. I therefore urge the Congress today to give its usual prompt approval to this necessary legislation.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the remainder of my time to the gentleman from Wisconsin [Mr. WITHROW].

Mr. WITHROW. Mr. Speaker, it has been said repeatedly that there would be no damage done by reason of the diversion of 1,000 cubic feet of water per second from Lake Michigan, and it has been said that there would be only the lowering of three-eighths of an inch in the lake level of Lake Michigan. While I do not think that is so very important, it does not give us the proper perspective when we speak of fractions of inches. However, I do want to correct that statement in this regard.

When General Person was before the Committee on Public Works I questioned him as to the drawing off of an additional 1,000 cubic feet of water per second from Lake Michigan. General Person testified that the drawing off of 1,000 more cubic feet of water per second would mean a lowering of Lake Huron and Lake Michigan of five-eighths of an inch and that it would lower Lake Erie three-eighths of an inch and that it would lower Lake Ontario three-eighths of an inch. Now, the taking off of that much water, additional diversion from Lake Michigan, will affect every one of the Great Lakes with the possible exception of Lake Superior, and make no mistake about that. It is a huge volume of water.

Now, I would like to come down to this point. I asked General Person how much that additional diversion would affect the tonnage per normal vessel on the Great Lakes, particularly on Lake Michigan. General Person stated to me that we are facing the possibility of a reduction in shipping tonnage of possibly 85 tons per ship, on normal ships, on Lake Michigan. I have here the testimony of Admiral Spencer who at one time was head of the Coast Guard, I believe, and Admiral Spencer said this in regard to the diversion bills, which were similar bills. Admiral Spencer said that the bills under consideration—and they included a diversion of 1,000 cubic feet per second, the same as this bill—the bills under consideration could reduce existing vessel capacity by as much as 4 million tons per year. These are facts and certainly they contradict the statement that there is no damage to be done by reason of the proposed diversion of 1,000 cubic feet per second.

Now, going further we find this. As I said before, this diversion will affect every one of the Great Lakes with the possible exception of Lake Superior. It will affect the flow of water in the Niagara River, and that is terribly important, for this reason. I have here a report of the Chief of Engineers submitted in February 1957.

The minimum estimated energy losses from a 3-year increase in diversion as based on existing plants will be 72,800,000 kilowatt-hours in the United States plants and 115,200,000 kilowatt-hours in Canadian plants, for a total estimated loss of 188 million kilowatt-hours.

That is in existing plants.

The maximum estimated losses from a 3-year increase in the diversion as based on existing and proposed plants are 148,700,000 kilowatt-hours in the United States plants and 294,300,000 kilowatt-hours in Canadian plants, for a total estimated loss of 443 million kilowatt-hours.

Certainly that is quite a loss. At the present time we are having an international conference. Do you think for one moment, in view of the fact that the Canadian Government will lose all of these millions of kilowatt-hours, all of this water to generate power, they are going to agree to this additional diversion? And, therefore, how can the President, in good conscience, do anything else than veto this piece of legislation?

Mr. Chairman, here we are in the process of bringing into being the St. Lawrence Seaway. We are trying now to fix up the connecting channels. As a matter of fact, we are about to authorize that corporation to sell bonds to the extent of $140 million. It seems to me that if we are to permit a diversion that will lower the lake level to any degree whatsoever, we are working at cross-purposes with the completion of the St. Lawrence Waterway.

Mr. Chairman, I would like to call your attention at this time to the fact that the cities and communities along the Great Lakes that have harbors are doing everything within their power and spending thousands and in some cases millions of dollars to bring into being the St. Lawrence Seaway, and here we are seriously considering H. R. 2, which, if

enacted into law, would hinder to a degree at least the realization of this great project.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. MADDEN. Mr. Speaker, I yield such time as he may desire to the gentleman from Wisconsin [Mr. REUSS].

Mr. REUSS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. REUSS. Mr. Speaker, H. R. 2 is unnecessary and unwise.

The Supreme Court has jurisdiction over water diversion. It can grant permanent or temporary relief to Chicago when the need is shown, and has done so.

The Corps of Engineers has studied this matter over many years, and reported its findings. That study shows clearly that increased diversion would have harmful effects on navigation and power.

To say that a 3-year study will tell us the permanent effect of increased diversion is to say that a traffic count taken Monday, Tuesday, and Wednesday will tell us how wide a highway we will need in 20 years.

Our relations with Canada are at stake in this matter. Increased water diversion from the Great Lakes by American cities and States could well injure Canadian ports and power developments. Certainly we must not offend our good neighbor to the north by taking precipitous, unilateral action on water diversion.

Secondly, the President has twice vetoed this bill, and was on sound ground in so doing. In addition to his concern over our relations with Canada, the President has pointed out that all other means of solving the problems which greater water diversion is supposed to solve should be fully explored, and that means must be provided to protect navigation, power and shoreline rights.

The State Department is in the process of conducting discussions with Canada on the subject of increased diversion, and other executive departments have the matter under study. Certainly H. R. 2 should not be acted upon until these discussions have been concluded and a report made. If this is not done, I am sure that a third veto will result.

Canada still has the matter under consideration and the Ottawa Government is consulting with the Provinces involved. The reports I have are that the Provinces are disturbed at the loss of hydroelectric power and other harmful effects. They were not favorable to extra diversion.

Mr. MADDEN. Mr. Speaker, I yield such time as he may desire to the gentleman from Wisconsin [Mr. JOHNSON].

Mr. JOHNSON. Mr. Speaker, I should like to commend the gentleman from Wisconsin [Mr. WITHROW], a member of the Public Works Committee, for the wonderful statement he has made in opposing this legislation. I should like to associate myself with him in his position on this proposed legislation.

Mr. MADDEN. Mr. Speaker, at this time I yield such time as he may desire to the gentleman from Wisconsin [Mr. ZABLOCKI].

Mr. ZABLOCKI. Mr. Speaker, I am opposed to the rule on the Great Lakes water diversion bill because I am strongly opposed to this legislation. I had voted against it when it was before this House during previous Congresses, and I testified against the bill before us in March of this year when it was considered by the Committee on Public Works.

Lake Michigan is not a bathtub to be filled or drained at the pleasure of the Chicago Sanitary District. It is a part of a complicated drainage basin which affects the welfare of 7 States and 2 nations. No change should be made in the operation of the basin without due and careful consideration of the interests of all parties concerned.

I realize that the legislation before us proposes a limited increase in the rate of water diversion through the Chicago Sanitary Canal on a 3-year basis. There is no evidence, however, that the proposed rate will fulfill the wishes and the needs of the Chicago Sanitary District. On the contrary, if we consider the weight of earlier experience, we can reach the conclusion that the increase proposed in the bill merely constitutes a wedge to open the floodgates.

The large-scale drainage through the Chicago Sanitary Canal had permanently lowered the levels of the Great Lakes by 6 inches and caused extensive damage and loss to the people of the Great Lakes States before it was finally curtailed by the Supreme Court decision in 1930.

We do not want to see that happen again. We cannot, in justice, advance the interests of a single community at the expense of the city of Milwaukee, and of numerous other communities located on the shores of the Great Lakes.

For these reasons, I do not believe that this is sound legislation and I am opposed to it.

Mr. MADDEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and on a division (demanded by Mr. BROWN of Ohio) there were—ayes 69, noes 35.

Mr. BROWN of Ohio. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently, a quorum is not present.

The Doorkeeper will close the doors, the Sergeant-at-Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 267, nays 102, not voting 64, as follows:

[Roll No. 79]

YEAS—267

Abbitt	Anderson, Mont.	Avery
Abernethy	Andrews	Bailey
Addonizio	Anfuso	Baldwin
Alexander	Arends	Barden
Alger	Ashmore	Barrett
Allen, Ill.	Aspinall	Bass, Tenn.
Andersen, H. Carl	Auchincloss	Bates
Belcher	Hagen	Norrell
Bennett, Fla.	Hale	O'Brien, Ill.
Blatnik	Haley	O'Brien, N. Y.
Blitch	Halleck	O'Hara, Ill.
Boggs	Harden	O'Hara, Minn.
Boland	Hardy	O'Neill
Bolling	Harris	Osmers
Bonner	Harrison, Va.	Patman
Bow	Hays, Ark.	Patterson
Boykin	Healey	Pelly
Boyle	Herlong	Perkins
Brooks, La.	Hill	Pfost
Brooks, Tex.	Hillings	Philbin
Brown, Ga.	Holifield	Pilcher
Brown, Mo.	Holmes	Poage
Brownson	Holt	Poff
Broyhill	Horan	Porter
Buckley	Huddleston	Price
Budge	Hull	Rabaut
Burleson	Hyde	Rains
Bush	Ikard	Rees, Kans.
Byrne, Ill.	Jarman	Rhodes, Ariz.
Byrne, Pa.	Jennings	Rhodes, Pa.
Canfield	Jensen	Riley
Cannon	Jones, Ala.	Rivers
Carnahan	Jones, Mo.	Roberts
Carrigg	Judd	Robeson, Va.
Chenoweth	Karsten	Robsion, Ky.
Christopher	Kee	Rodino
Chudoff	Keeney	Rogers, Colo.
Church	Kelly, N. Y.	Rogers, Fla.
Clark	Keogh	Rogers, Tex.
Clevenger	Kilday	Rooney
Coffin	Kilgore	Roosevelt
Collier	King	Rutherford
Colmer	Kirwan	Sadlak
Cooper	Kitchin	Santangelo
Corbett	Kluczynski	Saund
Cretella	Knutson	Scherer
Cunningham, Iowa	Landrum	Scott, N. C.
Curtis, Mass.	Lane	Scott, Pa.
Curtis, Mo.	Larham	Seely-Brown
Dague	Lankford	Selden
Davis, Ga.	LeCompte	Sheehan
Davis, Tenn.	Long	Shuford
Dawson, Utah	Loser	Sikes
Delaney	McCarthy	Sisk
Dempsey	McCormack	Smith, Kans.
Denton	McDonough	Smith, Miss.
Devereux	McFall	Smith, Va.
Dies	McGovern	Springer
Diggs	McIntire	Staggers
Dixon	McMillan	Stauffer
Dollinger	McVey	Taile
Donohue	Macdonald	Teller
Dorn, S. C.	Machrowicz	Thompson, N. J.
Dowdy	Mack, Ill.	Thompson, Tex.
Doyle	Mack, Wash.	Thomson, Wyo.
Edmondson	Madden	Thornberry
Engle	Magnuson	Trimble
Evins	Mahon	Tuck
Fallon	Mailliard	Udall
Farbstein	Marshall	Ullman
Fascell	Matthews	Van Zandt
Fenton	May	Vinson
Fisher	Merrow	Vursell
Flood	Metcalf	Wainwright
Flynt	Michel	Walter
Forand	Miller, Nebr.	Watts
Forrester	Mills	Weaver
Fountain	Montoya	Westland
Frazier	Moore	Whitener
Friedel	Morgan	Whitten
Fulton	Morris	Widnall
Gary	Moss	Wier
Gavin	Moulder	Wigglesworth
George	Multer	Williams, Miss.
Grant	Mumma	Willis
Gray	Natcher	Winstead
Green, Oreg.	Neal	Wright
Gregory	Nicholson	Yates
	Nimtz	Young

NAYS—102

Adair	Cunningham, Nebr.	Henderson
Ashley	Curtin	Heselton
Ayres	Dellay	Hess
Bass, N. H.	Dennison	Hiestand
Baumhart	Derounian	Hoffman
Becker	Dingell	Hosmer
Bennett, Mich.	Dooley	Jackson
Bentley	Dorn, N. Y.	Jenkins
Berry	Dwyer	Johansen
Betts	Feighan	Johnson
Bolton	Fino	Jonas
Bosch	Ford	Kean
Bray	Frelinghuysen	Keating
Broomfield	Griffin	Kilburn
Brown, Ohio	Griffiths	Knox
Burdick	Gross	Krueger
Byrnes, Wis.	Gwinn	Laird
Cederberg	Harrison, Nebr.	Latham
Chamberlain	Harvey	Lipscomb
Cole	Haskell	McCulloch
Coudert	Hays, Ohio	McGregor
Cramer		McIntosh

Meader	Riehlman	Utt
Miller, N. Y.	St. George	Vanik
Minshall	Schenck	Van Pelt
Norblad	Schwengel	Vorys
O'Konski	Scrivner	Wharton
Ostertag	Scudder	Williams, N. Y.
Pillion	Simpson, Ill.	Wilson, Calif.
Prouty	Smith, Calif.	Wilson, Ind.
Radwan	Smith, Wis.	Withrow
Ray	Taber	Younger
Reece, Tenn.	Teague, Calif	Zablocki
Reed	Tewes	
Reuss	Tollefson	

NOT VOTING—64

Albert	Gordon	Murray
Allen, Calif.	Granahan	Passman
Andresen, August H.	Green, Pa.	Polk
Baker	Gubser	Powell
Baring	Hébert	Preston
Beamer	Hemphill	Rogers, Mass.
Bowler	Hoeven	Saylor
Breeding	Holland	Shelley
Byrd	Holtzman	Sheppard
Celler	James	Sieminski
Chelf	Kearney	Siler
Chiperfield	Kearns	Simpson, Pa.
Coad	Kelley, Pa.	Spence
Cooley	Lennon	Steed
Dawson, Ill.	Lesinski	Sullivan
Durham	McConnell	Taylor
Eberharter	Martin	Teague, Tex.
Elliott	Mason	Thomas
Fogarty	Miller, Calif.	Thompson, La.
Garmatz	Miller, Md.	Wolverton
Gathings	Morano	Zelenko
	Morrison	

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Gordon for, with Mr. Polk against.

Mr. Hébert for, with Mr. Kearney against.

Mr. Dawson of Illinois for, with Mr. Taylor against.

Mr. Holtzman for, with Mr. Kearns against.

Mr. Garmatz for, with Mr. Baker against.

Until further notice:

Mr. Morrison with Mr. Martin.

Mr. Thompson of Louisiana with Mr. Morano.

Mr. Miller of California with Mr. James.

Mr. Durham with Mr. Allen of California.

Mr. Fogarty with Mr. Chiperfield.

Mrs. Granahan with Mr. McConnell.

Mrs. Sullivan with Mr. Mason.

Mr. Green of Pennsylvania with Mr. Miller of Maryland.

Mr. Hemphill with Mrs. Rogers of Massachusetts.

Mr. Kelley of Pennsylvania with Mr. Saylor.

Mr. Byrd with Mr. Hoeven.

Mr. Baring with Mr. Siler.

Mr. Albert with Mr. Simpson of Pennsylvania.

Mr. Celler with Mr. Beamer.

Mr. Zelenko with Mr. Gubser.

Mr. Powell with Mr. Wolverton.

Mr. Preston with Mr. August H. Andresen.

The result of the vote was announced as above recorded.

The doors were opened.

Mr. BLATNIK. Mr. Speaker, I move that the House resolves itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2) to authorize the State of Illinois and the Metropolitan Sanitation District of Greater Chicago, under the direction of the Secretary of the Army to test, on a 3-year basis, the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 2, with Mr. WILLIS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. BLATNIK. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, the matter of additional diversion of Lake Michigan waters at Chicago on a temporary test basis has been under consideration by the Congress for a number of years. It was heard by the committees in the 82d, 83d, and 84th Congresses and was passed by the 83d and 84th Congresses but vetoed on both occasions. The present bill which has been reported by the Committee on Public Works must be viewed in the light of changed conditions since the last time it was considered in the 84th Congress. The bill in the last Congress and its predecessor were vetoed for reasons which have either now been removed or which have every prospect of being removed in the near future. I want to present enough of the background and facts to the Members so that there will be a clear understanding why favorable action now appears to be warranted.

The bill (H. R. 2) would authorize the State of Illinois and the Metropolitan Sanitary District of Greater Chicago, under the supervision and direction of the Secretary of the Army, to withdraw an additional 1,000 cubic feet of water per second to flow into the Illinois Waterway for a period of 3 years from enactment. This amount of 1,000 cubic feet per second is in addition to the presently authorized diversion of 1,500 cubic feet per second, and is also in addition to domestic pumpage. The bill provides that the Secretary of the Army shall study the effects of the increased diversion and shall report, with recommendations, to the Congress the results of such a study on or before January 31, 1961. In this study, the Public Health Service of the Department of Health, Education, and Welfare shall assist the Secretary of the Army in those aspects of the study relating to pollution and public health. The Corps of Engineers will carry on the actual studies on the effect on lake levels with respect to navigation and power.

There is a long history to the diversion problem. The amount diverted was as much as 10,000 cubic feet per second in 1928, but through a decree of the United States Supreme Court, issued April 21, 1930, the diversion was reduced to 1,500 cubic feet per second in addition to domestic pumpage. The effective date of the reduction was established in the decree as December 31, 1938. This diversion was increased under Supreme Court order on a few occasions, some in the interest of pollution abatement and some as war emergency measures in the interest of navigation. These diversions were for periods in 1940, 1942, and 1944. In December of 1956, the Supreme Court permitted an additional diversion, increasing gradually to a total of 7,000 cubic feet per second, exclusive of domestic pumpage. On January 28, 1957, the Court extended this temporary diversion to February 28, 1957, at which time extreme low-water stages on the Mississippi River below the mouth of the Illinois River had become sufficiently improved to permit the discontinuance of the increased emergency diversion. The purpose of this increase was to assist navigation through an unusually severe low-water period.

In vetoing a similar bill in the 84th Congress, the President's memorandum of disapproval was based, among other things, on a need for additional information on the effects of the increased diversion, and as a result, the Bureau of the Budget requested, through channels, that the Corps of Engineers prepare a special report as soon as possible under the existing authority for a comprehensive report on water levels of the Great Lakes. This report has now been prepared and submitted to the Congress, to the Bureau of the Budget, to the State Department, and to other interests. It is dated January 29, 1957, and is contained in Senate Document No. 28, 85th Congress.

The Chief of Engineers found that the temporary increase in the diversion of 1,000 cubic feet per second for 3 years would have temporary effects that would reach a maximum in about 3 to 3½ years, and then gradually diminish and disappear in about 15 years after the temporary diversion was discontinued. The lowering of the water surface on Lakes Michigan, Huron, Erie, and Ontario would be only three-eighths of an inch. There would be no effect on Lake Superior. The effect of decreased outflow on hydroelectric plants in New York and Ontario, representing 72 percent of the total involved, would be only a small fraction of 1 percent of the total energy production at the plants affected. The actual amount would vary, depending upon when the diversions are started and when proposed additional hydroelectric plants are put into operation. There would be some increase in hydroelectric power production at the existing Lockport plant in the Illinois Waterway, which would partly offset the decrease on the Niagara and St. Lawrence Rivers. According to the report of the Chief of Engineers, the remaining effects of the lake level lowering would be too small to measure in monetary terms.

The Committee, in reporting H. R. 2, was cognizant of the grounds upon which the bills in previous Congresses were vetoed. In the 84th Congress, the veto was based on three points.

The first was the lack of information on the effect of the diversion on lake levels. This matter has now been resolved by completion of the report of the Chief of Engineers, which shows that the temporary diversion would cause a minor loss in hydroelectric power production and the other effects, such as on navigation and shore front property, would be too small to measure.

The next point concerned the lack of agreement with Canada on the matter of diversion. The State Department has furnished its views to the committee and has pointed out that talks are now finally under way. The State Department called attention to the value of the report of the Corps of Engineers as an indispensable element in a joint examination of the subject with Canadian

authorities. It pointed out that the report provides the relevant information which the President advised having on hand before proceeding further. All that is left, therefore, of the basis for the veto as far as this second point is concerned, is the fact that the discussions between the United States and Canada now under way have not been finally concluded. The most recent information from the State Department indicates that every effort is being made to expedite these deliberations. The majority of the committee, however, feels that the bill should not be retarded or stopped since the basic objection on this point should no longer be an overriding consideration.

The last point concerns the objections of some of the States to the diversion. The fact that the diversion is only temporary and for the purpose of study, that the effects have been demonstrated to be either minor or too small to be measurable, and the fact that downstream interests are safeguarded by limiting the maximum diversion to 5,000 cubic feet per second and prohibiting diversion during times of flood, all make it apparent that this last point is no longer a valid reason for objecting to the bill.

In summary, it appears that a large part of the objections upon which the previous vetoes were based have now been removed or mitigated, and therefore, Mr. Chairman, I urge favorable action on H. R. 2.

Mr. WITHROW. Mr. Chairman, will the gentleman yield?

Mr. BLATNIK. I yield to the distinguished gentleman from Wisconsin.

Mr. WITHROW. The gentleman said that most of this damage was speculative. I know the gentleman wants to be fair. But we have a report from the Chief of Engineers in regard to the loss of power, which report we have not had heretofore. That report was just made, in February of this year.

Mr. BLATNIK. The gentleman is correct. That report was made in answer to the objections raised by the administration in vetoing the bill. One of the points the veto message carried was that we should have this preliminary report or survey by the Corps of Engineers. It has been completed and is now available to us. The facts show that the results would be either negligible or so small as not to be of much consequence. The second survey, the sanitary report, which will be the major part of the survey, has not been carried out at all and cannot be carried out until we pass this legislation.

Mr. WITHROW. But in no way did the report approve this legislation.

Mr. BLATNIK. It neither approved nor disapproved. It merely gave an estimate of the situation and the results were either too small to be measured or so small as to be hardly of any significance at all.

Further details will be submitted by the gentleman from Illinois [Mr. O'BRIEN], the distinguished leader of the delegation of 16 of his colleagues from his State in support of this proposed legislation.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. BLATNIK. I yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. The gentleman refers to the engineers' study that has been filed and he says that the damage found would be either negligible or of no consequence. The gentleman is familiar with the finding as far as the power loss is concerned in the St. Lawrence and New York and Canadian areas is he not?

Mr. BLATNIK. We have those figures.

Mr. BYRNES of Wisconsin. Does the gentleman say that that is inconsequential as far as the loss is concerned?

Mr. BLATNIK. Yes; it is estimated that the loss may run anywhere from $400,000 to $900,000 a year with a gain elsewhere of $200,000, making a net loss of approximately $500,000 or $600,000.

Mr. BYRNES of Wisconsin. And the gentleman considers that very inconsequential?

Mr. BLATNIK. Yes, spread over the Great Lakes area.

Mr. BYRNES of Wisconsin. That is in one area; that is not the whole of the Great Lakes. That is just in the New York and Canadian area.

Mr. BLATNIK. Yes.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. BLATNIK. I yield to the gentleman from Illinois.

Mr. YATES. The gentleman from Wisconsin makes much of the point of a possible monetary loss which may be attributable to this diversion. The report of the Army engineers states the figures upon which the gentleman from Wisconsin made his statement. That report goes on to point out that this loss, to which the gentleman refers, is a fraction of 1 percent of the total amount of power generated in the area which will suffer the monetary loss.

Mr. BYRNES of Wisconsin. Does that make a $600,000 loss inconsequential, because the total power developed may be somewhere in the millions and therefore relatively that is small in amount? It is still a $600,000 loss that this experiment is going to create in the area as far as power is concerned; and you cannot get away from it.

Mr. YATES. I certainly can get away from it. I can get away from it by pointing out first that two diversions from Canada into Lake Superior have already raised the level of the lake by five-eighths of an inch above its normal level. Therefore, there is more water in the Great Lakes than would be taken out by this bill. That is one way I can get away from it. The second way I can get away from it is to point out that much more important than the monetary loss that may be involved in this legislation is the possibility of human loss, of illness, of pollution, the sanitary problems that may be created as the result of not being able to try this experiment. The gentleman talks about the monetary loss. I think this House is equally interested in the human problems, the solution of which are wrapped up in passage of this bill.

Mr. BYRNES of Wisconsin. If the gentleman will yield, on the health point the gentleman recalls that the Sanitary District of Chicago went before the Supreme Court and made certain allegations—this was a number of years ago—as to the health situation. They even painted in their petition the fact that people were dying because of the problem of the sewage canal.

Mr. YATES. And they were.

Mr. BYRNES of Wisconsin. What did the Supreme Court find in that decision? They found there was no justification for the allegations made in the complaint of the Chicago Sewage District. That was several years ago. If your situation has not improved in that period, I would say that Chicago is sleeping.

Mr. YATES. Let me assure the gentleman that Chicago is not sleeping.

The gentleman referred to an excessive withdrawal by our community. Prior to 1930, we did not have the engineering facilities with which to deal with the problem. We have built those facilities in our community. The fact still remains that even though we have attained a peak of engineering efficiency in the development of the sewage facilities, 10 percent still remains after treatment. This cannot be disposed of by engineering improvements. Therefore, we need this legislation to determine whether or not we can dispose of the residue without harm to the State of Wisconsin or the other States bordering the Great Lakes.

Mr. KNOX. Mr. Chairman, will the gentleman yield?

Mr. BLATNIK. I yield to the gentleman from Michigan.

Mr. KNOX. On the question that was raised by the gentleman from Illinois [Mr. YATES], I might state that as far as Lake Superior is concerned Lake Superior is so low at the present time that it was necessary for the International Joint Commission to order a restriction on the flow of water from Lake Superior into the St. Marys River, which is the normal feeder for the lower lakes, by 10,000 cubic feet per second. It was necessary for the Government-owned powerplant at Sault Ste. Marie, Mich., which supplies the power for the operation of the Sault locks, to shut down unit 10 because of the low water in Lake Superior.

Mr. YATES. The Army engineers in this report that was submitted in accordance with the President's request point out that there will be no loss of water in Lake Superior as the result of this test in Chicago.

Mr. BLATNIK. Here is an example of what I mean by speculation and some confusion. We hear discussion about Lake Superior. We have always known and have again been informed by the gentleman from Illinois, quoting from the report, that this has no effect on Lake Superior.

Mr. SMITH of Wisconsin. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Chairman, I am opposed to further diversion of water from Lake Michigan to the Illinois Drainage Canal, hence I am opposed to the bill that is now before us for consideration.

Mr. Chairman, all of the States that border on the Great Lakes hold title to the waters of those lakes as a public trust to protect and preserve them for the benefit of present generations and generations that will follow.

Diversion of these waters from the Great Lakes will materially injure the interests of more than 50 million people who today reside in the Great Lakes area and who are today the beneficiaries of this great natural resource.

Diversion of water from the Great Lakes to other areas is injurious to the commerce that prevails on those lakes and this constitutes a major factor in the economy of all the States bordering on the Great Lakes.

It must be obvious to all that for a period of more than 100 years tremendous public expenditures have been made and are continuing to be made for the improvement of port facilities throughout the Great Lakes, which facilities will be injured by any impairment of the natural levels of these lakes.

Likewise it is important to point out that the Government of the United States and the Government of the Dominion of Canada have also expended and are expending large sums of public money in the development of the St. Lawrence Seaway which I believe will be considerably injured by the impairment of the lake levels that presently exist.

Mr. Chairman, there is presently pending in this House a request for a substantial increase in appropriations for the development of the St. Lawrence Seaway. In fact the amount requested about doubles the amount originally authorized. So there is this great investment by our Government and by the Dominion of Canada. Are we going to impair these investments?

Recently, Mr. Chairman, at a conference of the lake States the following resolution was adopted:

Be it resolved, That this conference of State, municipal, and industrial officials, speaking directly for and on behalf of the 50 million citizens of this region, hereby expresses unalterable opposition to any diversion of water from the Great Lakes watershed and specifically urges the Congress of the United States to defeat legislative attempts by the Chicago Sanitary District, the State of Illinois, and other groups outside the Great Lakes area which would pillage the natural resources vested by law and by specific Supreme Court decision in the people of the Great Lakes watershed and which would violate the rights of the people of the Great Lakes and Canada under existing treaties between the two Nations.

It is interesting to note, Mr Chairman, that in the letter of transmittal from the Department of the Army, office of the Chief of Engineers, dated January 29, 1957, Maj. Gen. E. C. Itschner admits that the increase in the diversion from Lake Michigan at Chicago would effect the levels and outflows of Lakes Michigan, Huron, Erie, and Ontario, and the St. Lawrence River, all of which are downstream, but they would not affect the levels of Lake Superior, which is upstream. The temporary increase in the diversion of 1,000 cubic feet per second for 3 years would have temporary effect that would reach a maximum in about 3 to 3½ years, then gradually diminish and disappear about 15 years after the temporary diversion was discontinued. The effects of a permanent diversion would increase progressively to a maximum in about 15 years and would then continue permanently at that amount. Thus there would be permanent impairment of lake rights.

General Itschner, in his full report to the Senate committee—Senate Document No. 28—on page 40, states the effect on navigation of an increase in water diversion at Chicago, as follows:

Commerce on the Great Lakes has been a very vital factor in development of the entire Great Lakes region. The area tributary to the Great Lakes is rich in natural resources and has extensive fertile agricultural areas which give rise to the large amount of commerce on the Great Lakes. The major portion of Great Lakes commerce passes between the lakes. Ample natural depths for navigation are generally available in the open lakes. In their natural state the channels connecting Lakes Superior and Huron and Lakes Huron and Erie were very shallow for long reaches. Extensive dredging has been required in about 140 miles of these connecting channels to provide adequate depths for interlake navigation. In addition, the construction of locks was required near the head of the St. Marys River for navigation to bypass the 21-foot drop through the rapids at Sault Ste. Marie. The Straits of Mackinac connecting Lakes Michigan and Huron are wide and deep but dredging of several shoals has been necessary in the approaches to the straits to provide suitable channels for navigation.

The Great Lakes possess few natural harbors. The mouths of tributary streams, and to a lesser extent the lee sides of islands and points of land afforded shelter for vessels during the early years. However, extensive improvements have been required to develop harbors by constructing protective structures such as piers and breakwaters and by dredging channels from deep water to the docks in protected harbor basins or in the inner river channels.

Experience on the Great Lakes has clearly demonstrated that vessel owners have always taken full advantage of the improved depths provided for navigation. There are today and it is expected that there will continue to be many vessels in the Great Lakes fleet that are required to load at reduced drafts except during times when levels of the lakes are at high stages. Consequently, lowering of lake levels resulting from an increase in diversion from Lake Michigan at Chicago will adversely affect Great Lakes navigation. The magnitude of this effect will vary with the amount and duration of the increase in diversion.

Mr. Chairman, for the reasons that I have stated, I believe it is incumbent upon me as one of the Representatives from the great State of Wisconsin to oppose H. R. 2. If there is need for further sewage treatment by the city of Chicago this is the responsibility of that great municipality. I urge the defeat of this bill.

Mr. BLATNIK. Mr. Chairman, I yield to the gentleman from Illinois [Mr. O'BRIEN], the author of the bill H. R. 2, such time as he may require.

Mr. O'BRIEN of Illinois. Mr. Chairman, this bill has twice been approved by the Congress. It was passed by the 83d and 84th Congresses only to be vetoed by President Eisenhower. I have filed the bill again because its objective is so vital to the people of the State of Illinois and because I have reason to believe that the principal objections raised by the President and which provoked his veto may be eliminated.

The bill was passed twice before because it provides for an intelligent and commonsense approach to a very difficult problem which confronts the State of Illinois.

Chicago is one of the great industrial communities of the world. As an industrial city it has the burden of disposing of a tremendous amount of waste products, and as a matter of fact, its human and industrial waste is the greatest in the United States—greater even than New York City itself. And Chicago is growing and will continue to grow, thereby multiplying its waste disposal problems enormously.

To meet this problem the Metropolitan Sanitary District of Greater Chicago has built a sewage-disposal system which is perhaps the finest of its kind in the world. It has the finest and most modern equipment in the world, purchased at a cost of hundreds of millions of dollars, all paid for by the citizens who live in Cook County. The engineering processes of the system permit a 90 percent purification which is the highest degree obtainable. It is for the treatment of the 10 percent balance that we need a small amount of additional water from Lake Michigan.

We believe that the small amount of additional water will not be injurious to any of the communities who live on the Great Lakes. We do not know this for sure. And that is the purpose of this bill—to find out. It proposes to conduct a test for 3 years under the direction of the Corps of Army Engineers. We are now withdrawing 1,500 cubic feet per second from Lake Michigan. This test would permit us to withdraw an additional 1,000 cubic feet per second. This is certainly not an unreasonable amount.

Let me emphasize that this is only an experiment. It is not permanent diversion. It will end in 3 years and all during this time it will be conducted under the direct supervision of the Army engineers. It will give us the opportunity we desperately need to find out whether the increased amount of water taken will actually be harmful to the communities that depend upon the water of the Great Lakes for one reason or another.

We are faced with the necessity to eliminate increasingly noxious fumes and the possible contamination of the drinking water system of some communities along the Illinois Waterway. We want to avoid that unhealthy and unsanitary condition without hurting any of our neighbors. All we ask is your approval to permit us to make this test. Passage of H. R. 2 will give us that opportunity.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of Illinois. I yield.

Mrs. CHURCH. I have asked the gentleman to yield so that I may express to him personally and for the city of Chicago and for the entire metropolitan area, which the sanitary district serves, my appreciation for what the gentleman

has done to make this legislation possible. For his persistence, his patience, and his outstanding cooperation, we are grateful. I hail my colleague from Illinois [Mr. O'BRIEN] as the leader in this movement.

Mr. O'BRIEN of Illinois. I thank the gentlewoman. I want to say, too, that the gentlewoman did her share in helping us to succeed, as I am sure we will today.

Mr. COLLIER. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of Illinois. I yield.

Mr. COLLIER. This afternoon in the argument there have been proposed up to now actually two objections. One is the apparent fear of pollution of the waterways, and the other, of course, is the fact that three-eighths of an inch would be conceivably reduced from the lake level. I would just like to point out, if I may, that actually pollution in the water would not be increased by this program. In reality, it would be lower by volume by reason of the increasing of the flowage into the waterway. Secondly, when we are talking about three-eighths of an inch over a 3-year period, I do not think we should lose sight of the fact that by the normal process of nature each year—and this is according to figures of the Army engineers—the variation in the water levels of the 5 Great Lakes is from 12 to 22 inches per year. That is the normal situation, and we are speaking about three-eighths of an inch over a span of 3 years.

Mr. McGREGOR. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I would like to answer the distinguished gentleman from Illinois [Mr. YATES] who seemed to infer that no one had opposed this, and it should become a law. This is the third time that this particular legislation has been before this House. I might refer you to the fact that it has been vetoed twice. For what reason? For the simple reason that the President had asked the Army engineers, in conjunction with Canadian officials, to make surveys relative to this subject, and a report. That report was submitted by the Army Engineer Corps on February 18, 1957. Immediately upon receipt of that report of the Army engineers the President appointed a Commission to work in conjunction with our Canadian officials to determine what should be done about that report. The President, in his veto message on two occasions, called attention to the fact that they had already recognized that there was a problem there but he thought that the fact that we were dealing with our Canadian friends they should be in on the survey to determine what would be fair and equitable. I repeat, the Army engineers made their report on February 18, 1957, and a commission was appointed, and that commission has been working and is working now and submitting their findings to their respective countries.

I read the report of the Department of State relative to this subject:

> In view of the fact that negotiations with Canada are under way, the State Department would prefer that the proposed legislation not be enacted until the conclusion of the joint examination now being undertaken by the two countries. It does not seem appropriate to proceed with a measure which will have tangible consequences in both countries while bilateral discussion of those consequences is still in process.

Now, do we want to embarrass not only our own Government but the Canadian Government and go through with this legislation and say that we must do so and so without regard to the Commission working for an equitable solution? That Commission is going to report. It will probably be only a few weeks. They may do the very thing you want to do, but let us not slap our Canadian neighbors in the face and give no regard to the Commission that is working on this very subject. That is my plea this afternoon.

Mr. BOYLE. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield to the gentleman from Illinois.

Mr. BOYLE. Does the gentleman really feel that Canada has any proprietary interest in this bill?

Mr. McGREGOR. Yes, I do. Let me answer the gentleman's question. Let me ask the gentleman this: Does he consider Canada a good neighbor of ours?

Mr. BOYLE. I think she is a wonderful neighbor, and Canada has expressly said that she has no legal concern for this inland lake whatsoever.

Mr. McGREGOR. Will the gentleman put that in the RECORD, that "Canada has no concern for this inland lake whatsoever" and I am using his exact words?

Mr. BOYLE. I will as soon as I get an opportunity.

Mr. McGREGOR. I will be very happy. Does the gentleman deny that we have a Commission now operating between Canada and the United States in order to resolve this problem?

Mr. BOYLE. I submit we have a Commission, but I further submit that I have already included in the RECORD, 2 or 3 weeks ago, an editorial from one of the prominent newspapers in Canada saying that they cannot understand why in the name of heaven our State Department continues to talk about Canadian interests in Lake Michigan, because confessedly Canada has absolutely no concern for it under the treaty of 1909.

Mr. McGREGOR. The gentleman is wrong and the record will show that Canada is interested and has been cooperative. I am not going to yield to the gentleman to make a speech. He can make a speech in his own time. I challenge the gentleman to dispute it. There is a Commission appointed and they have been working to solve the many problems. Why not let them make their report.

There is a commission from Canada meeting with a like commission from the United States to study the engineers' report and then make a finding.

Mr. WITHROW. The reason Canada is so vitally interested in this diversion of water from Lake Michigan is the fact that under the estimate of the Army engineers the minimum estimated energy loss for a 3-year increase in diversion for Canada is 115 million kilowatt-hours. Certainly they are interested in that; and until that matter has been cleared up and some sort of concession made they are not going to agree. Of course they are interested and rightfully so.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I do not want to consume too much time, but the gentleman yielded to me. I yield to the gentleman.

Mr. YATES. I want to point out that under the treaty for the diversion of water between the United States and Canada which was negotiated in 1909, and under which the Commission to which the gentleman referred is now operating, the Commission can determine the equitable flow of water between the two countries. Under that treaty Lake Michigan was specifically excluded as being an inland lake and not affecting the flow of water from Canada.

Mr. McGREGOR. We are coming right back to the original argument. The Commission is holding meetings; they are in conference. Let us give them an opportunity to submit their views.

I want to say something to my far western friends, many of whom are expecting to send their grain and produce through the St. Lawrence Waterway, that if you reduce the depth of water 1 inch it will mean the loss of 100 tons carrying capacity. What is it going to mean to the St. Lawrence Seaway? It will have a like effect on Michigan. So again I remind you who are thinking of sending some of your agricultural products through this seaway, do not forget that 1 inch means 100 tons.

We are going to have to rely upon experts. I am of the definite opinion that I know nothing about the water level situation. I repeat, we have appointed a board of Army engineers; they have made their report. Canada has done likewise, and those commissions are now operating. Let us be fair, let the experts give us their opinion at least, and then we can take it up.

I want to read the last paragraphs of the veto message of President Eisenhower:

> Although I am fully aware of the seriousness of some of the problems confronting the Chicago area and the State of Illinois, the record on H. R. 3210 affords no basis for me to change my position in the matter. Accordingly, under the circumstances, I am convinced that the bill should not be approved.
>
> I am asking the State Department to engage in discussions with the Canadian Government in an attempt to work out a solution to these problems as soon as all pertinent facts are available.

Let us give the commission an opportunity.

I would like to summarize and include opinions of some of our State officials as well as Federal.

Mr. Chairman, again we have for our consideration H. R. 2, which is a bill to authorize the State of Illinois and the Metropolitan Sanitary District of Greater Chicago of diverting some of the water from Lake Michigan into the Illinois Waterway.

Mr. Chairman, may I give a brief résumé of previous bills on this subject?

In the 83d Congress a similar bill, H. R. 3300, was presented and passed and was

vetoed by the President. Again in the 84th Congress H. R. 3210 was presented to us and it was again vetoed by the President.

Mr. Chairman, by permission given to me in the House, I insert the President's veto message on H. R. 3210 under date of August 9, 1956. May I quote from a portion of the President's veto message:

> A comprehensive report by the Corps of Engineers which will include consideration of the best methods of obtaining improved control of the levels of the Great Lakes and of preventing recurrence of damage along the shores is nearing completion. I am asking the Secretary of Defense to expedite completion of this report.

I would also like to quote further from the veto message of the President and I quote:

> I am unable to approve the bill because • • • (2) all methods of control of lake levels and protection of property on the Great Lakes should be considered before arbitrarily proceeding with the proposed increased diversion, (3) the diversions are authorized without reference to negotiations with Canada, and (4) the legitimate interests of other States affected by the diversion may be adversely affected.

The report of the Army engineers referred to has now been submitted. The Army engineers submitted this report in February 1957. This report has been forwarded to a commission, a group of which represents Canada and a group which represents the United States.

That Commission is working now, Mr. Chairman, trying to determine an equitable solution to this problem and it certainly seems to me that in fairness to all parties concerned we should delay the consideration of this legislation until the discussions with the Canadian Government are completed and a definite agreement be entered into. I am not going into the details of the merits or demerits because I am sure that those who will follow me and are members of the subcommittee that handled this legislation will give you full details of just what the proposal will do.

Mr. Chairman, I would like to just point out a few things for consideration. At the present time the water supply in the Great Lakes is diminishing. This stage of the water has been for several years and is now downward. Some months ago we heard the sponsors of the St. Lawrence Seaway tell us that its construction and development was primarily for the people to provide a deepwater channel for the Great Lakes. Lowering of the lake levels by even so much as 1 inch will certainly result in increased costs and maintaining port facilities. The cargoes carried by the vessels to these ports are of vital importance to our industry and the lowering of this water 1 inch means about 100 tons less each payload for each ship. You can readily see what it will mean to the shippers of this area. This is only a touch, Mr. Chairman, and I am sure more factual information will be furnished by my colleagues. However, may I stress upon you this one point. The same conditions exist now, namely, that the Commission made up of individuals representing the Canadian Government and individuals representing the United States Government are now trying to work out an equitable agreement. Please let us be fair with that Commission and wait until they file their report.

Mr. Chairman, I am inserting in my remarks the very fine statement made by the attorney general of Ohio, the Honorable William Saxbe. I also am enclosing a copy of a letter from the State Department under date of February 14, 1957, in which the State Department asks that the legislation be postponed. I also am inserting for the RECORD, Mr. Chairman, a letter from our Governor of Ohio calling a meeting of a governor's conference. I also am enclosing the results of that governor's conference. Also enclosed is a telegram from Governor O'Neill received yesterday.

In conclusion, may I quote from the statement of the Department of State:

> In view of the fact that negotiations with Canada are underway, the State Department would prefer that the proposed legislation not be enacted until the conclusion of the joint examination now being undertaken by the two countries. It does not seem appropriate to proceed with a measure which will have tangible consequences in both countries while the bilateral discussion of those consequences is still in process.

STATEMENT OF WILLIAM SAXBE, ATTORNEY GENERAL OF OHIO

I appreciate the opportunity of appearing before this committee to speak for the State of Ohio in opposition to the bills providing for the diversion of the waters of the Great Lakes into the Illinois Waterway, via the Chicago Sanitary Canal.

In prior sessions of the Congress, the policy of the State of Ohio has been to oppose any legislative action which would permit diversion of water from Lake Michigan in excess of that amount permitted by the decree of the Supreme Court of the United States entered April 21, 1930.

From time to time, of course, there may be emergency circumstances which will warrant the diversion of additional water. The Supreme Court has adequate authority and jurisdiction to authorize increased diversion in such emergency situations. For example, in the fall of 1956, when the State of Illinois petitioned the Supreme Court for a temporary modification of the decree of April 21, 1930, to permit an additional diversion, the State of Ohio, an original complainant, interposed no objection to the Illinois application. We did not waive our previous objections to diversion and expressly reserved the right to take such a position in any further proceedings before the Court. The basis for this policy formulation was upon the representation that there was temporary emergency.

To reiterate, the policy of the State of Ohio has been consistent in opposing diversion. The increase of commerce in the Great Lakes region, and the growing demand for industrial, domestic and navigational water has resulted in recurrent water shortages. This in conjunction with the lowering of the water tables and other water resources from natural causes makes it apparent that water conservation and supply is now of paramount importance to the public welfare.

History confirms the wisdom of this policy. The waters of the Great Lakes, like all other natural resources, are not unbounded and unlimited. The supply of water into the Great Lakes varies from time to time, sometimes that supply is abundant; sometimes it is not. At present, the supply is diminishing. The stage of the water of the Great Lakes is now and has been downward for several years and there is no indication that the downward trend is abating. I am informed that the levels of the Great Lakes fluctuate in a 23-year cycle, the most high point of such cycle was reached during 1952. It would appear that these levels would be expected to decrease for at least the next 7 years. In October 1952, for example, the mean stage of Lakes Michigan and Huron was 581.95 feet above sea level. In October 1956 the mean stage for those lakes was 579.97 feet above sea level, showing that within the 4-year period the level had been lowered by 1.98 feet. In October 1952 the mean stage for Lake Erie was 573.27 feet above sea level, while in October 1956, the mean stage was 572.56, indicating a lowering of the mean stage of 0.71 foot.

Congress, after many years of debate and consideration, finally authorized the construction and development of the St. Lawrence Seaway, the primary purpose of which is to provide a deep-water channel for the Great Lakes. The ports on the Great Lakes now exceed in importance in many instances even the large deep-water ports on both coasts. The seaway, of course, will further increase the importance of these ports. Ohio cities will participate in the increased commerce the deep-water route will bring. Our cities along Lake Erie from Toledo to Conneaut are planning for the expansion of their port facilities and for the deepening of their harbor channels.

Lowering of the lake levels by even so much as 1 inch will certainly result in increased costs of constructing and maintaining port facilities, and thereby increase the financial burden.

The cargoes carried by the vessels to these ports are of vital importance to the industrial complex of northern Ohio. It is important to the industry involved and to the ultimate consumers of their products that cost of transporting raw materials to feed these industries be kept at the lowest possible point. Adm. Lyndon Spencer, testifying on behalf of the Lake Carriers Association before this committee in the 84th Congress, mentioned that these carriers determine their loadings very carefully, even as close as a 30-inch clearance. In the newer ships a 1-inch loss in draft results in the loss of 100 tons of cargo. This, of course, means that transportation expenses are raised.

As I understand it, one of the purposes of the St. Lawrence Seaway is to enable port cities on the Great Lakes Waterway to accommodate oceangoing bottoms. Thus it would seem that the legislation presently before this committee is at cross purposes with the desired objectives of the St. Lawrence Seaway project. On the one hand the affected States are to increase deep-water facilities, and on the other hand permission is given to lower water levels.

This bill attempts to meet the previous objections to a permanent diversion of water from Lake Michigan by providing for a 3-year temporary diversion and a study of its effects. The State of Ohio views this as an attempt of the "camel to get his nose in the tent," and feels that once the authority to divert additional water has been granted by congressional action, it will be continued. The tendency of temporary projects and measures to become permanent is well known to all of us in public life.

Further demonstrating the camel's nose in the tent idea, when the State of Illinois in January of 1957 sought an extension of the temporary modification order of December 17, 1956, they pleaded in their application that by reason of the diversion of water permitted under the order of December 17, 1956, the emergency existing in the Chicago Sanitary District and Illinois Waterway had terminated. Upon this representation, States of Ohio and Wisconsin then objected to any further diversion other than that diversion permitted by the original Supreme

Court decree of April 21, 1930. Even after such admission, the State of Illinois obtained an additional 30-day diversionary period from the Court.

If this authority is granted to the Chicago Sanitary District and the State of Illinois, it will set a precedent for such diversions by other governmental authorities in the United States or Canada. Surely they would have a right to insist that they be given the same privileges with respect to diversion that the Chicago Sanitary District is granted in this bill. There have been proposals in Ohio in recent years that water from Lake Erie be diverted to points in Ohio situated in the Ohio River watershed.

Although there are other serious problems, such as the constitutionality of such legislation, possibly of conflict with existing international treaties and agreements, which are well worthy of consideration, I have restricted my comments to discussing the problems which directly affect the people of the State of Ohio. I wish to thank the committee for affording me the opportunity of appearing before you to express the views of the State of Ohio on this problem.

DEPARTMENT OF STATE,
Washington, February 14, 1957.

The Honorable CHARLES A. BUCKLEY,
Chairman, Committee on Public Works,
House of Representatives.

DEAR MR. BUCKLEY: Reference is made to your letter dated January 11, 1957, and this Department's letter of January 14, 1957, concerning your request for a report on H. R. 2, to authorize the State of Illinois and the Metropolitan Sanitary District of Greater Chicago, under the direction of the Secretary of the Army to test, on a 3-year basis, the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway, and for other purposes.

Attention is invited to the statement concerning H. R. 3210, which was similar legislation in the 84th Congress, by Marselis C. Parsons, Jr., Director of the Office of British Commonwealth and Northern European Affairs of this Department. His testimony, with a memorandum on legal questions and a note dated February 13, 1956, from the Canadian Embassy, is printed in hearings of a subcommittee of the Senate Committee on Public Works on H. R. 3210 at pages 53–65.

At the close of the last session of the 84th Congress, H. R. 3210 was passed but was disapproved on August 10, 1956, by the President. In his memorandum of disapproval he said in part:

"A comprehensive report by the Corps of Engineers which will include consideration of the best methods of obtaining improved control of the levels of the Great Lakes and of preventing recurrence of damage along the shores is nearing completion. I am asking the Secretary of Defense to expedite completion of this report. This report is in addition to the technical report on the effects of an increased diversion into the Illinois Waterway which has been made by the Joint Commission. I think it would be unwise to proceed with the diversion in the manner proposed in H. R. 3210 until all relevant information has been obtained, particularly since objections to the proposed diversion have been registered by the Canadian Government in its note dated February 13, 1956, and additional objections filed by legal advisers of the States of Wisconsin, Ohio, and New York.

"Although I am fully aware of the seriousness of some of the problems confronting the Chicago area and the State of Illinois, the record on H. R. 3210 affords no basis for me to change my position in this matter. Accordingly, under the circumstances, I am convinced that the bill should not be approved.

"I am asking the State Department to engage in discussions with the Canadian Government in an attempt to work out a solution to these problems as soon as all pertinent facts are available."

The Department has been advised by the Chairman of the United States Section of the International Joint Commission that two reports of its International Lake Ontario Board of Engineers are available for use in any discussion of this subject with Canadian officials and that it is not expected that further studies by its board of the proposed diversion will be necessary.

The special report of the Corps of Engineers, mentioned by the President in his memorandum has now been transmitted for clearance to the Director of the Bureau of the Budget. As soon as the official report is received by this Department, a conference with Canadian officials on this subject will be arranged at the earliest possible date.

In the circumstances it is believed that action respecting this legislation should be postponed until the results of the projected conference with Canadian officials can be made available to the committee.

The Department has been informed by the Bureau of the Budget that there is no objection to the submission of this report.

Sincerely yours,
ROBERT C. HILL,
Assistant Secretary
(For the Secretary of State).

THE STATE OF OHIO,
OFFICE OF THE GOVERNOR,
State House, Columbus, April 18, 1957.

To all Members of the United States House of Representatives and United States Senate.

From: Great Lakes States.

GENTLEMEN: On Friday, April 12, at my invitation official representatives of every Great Lakes State except Illinois, together with a large number of municipal and port authority officials and representatives of the substantial commercial interests of this region, met at Cleveland, Ohio, to discuss legislation now pending before the United States House of Representatives permitting an increased diversion of Great Lakes water through the Illinois Waterway.

This conference unanimously adopted the resolution attached to this letter, expressing the unalterable opposition of these States to this attempt to rob our people of a natural resource possessed by them and which possession has been specifically recognized and protected by the United States Supreme Court.

May I urge each of you to consider this resolution and may I call upon you to protect the paramount interest of our States in this body of water? If you would like to review a complete transcript of this conference, please so advise me.

Very truly yours,
C. WILLIAM O'NEILL,
Governor of Ohio.

RESOLUTION ADOPTED BY GOVERNOR'S CONFERENCE, CLEVELAND, OHIO, APRIL 12, 1957

Whereas the States of New York, Pennsylvania, Ohio, Indiana, Michigan, Wisconsin, and Minnesota hold title to the waters of the Great Lakes under a high public trust to protect and preserve them for the benefit of some 50 million of their citizens; and

Whereas any diversion of these waters from the Great Lakes watershed materially injures the interest of these 50 million citizens in this natural resource; and

Whereas the commerce of the Great Lakes is a major factor in the economy of the region made up of these States and of the Nation itself, specifically in the coal, chemical, steel, and utility industries and public hydroelectric facilities; and

Whereas diversion of Great Lakes water outside the Great Lakes watershed materially injures the above-described commerce and the above-described industries; and

Whereas tremendous public expenditures have been made in and are continuing to be made in the improvement of port facilities throughout the Great Lakes, which facilities will be materially injured by any impairment of the natural levels of the lakes; and

Whereas the Government of the United States and the Government of the Dominion of Canada have expended and are expending tremendous public funds in the development of the St. Lawrence Seaway, which development will be materially injured by any impairment of the natural level of the lakes; and

Whereas the Congress of the United States has authorized the deepening of the connecting channels of the Great Lakes involving further tremendous expenditures of public funds, which deepening will be directly reduced by any impairment of the natural level of the lakes: Now, therefore, be it

Resolved, That this conference of State, municipal and industrial officials, speaking directly for and on behalf of the 50 million citizens of this region, hereby expresses unalterable opposition to any diversion of water from the Great Lakes watershed and specificially urges the Congress of the United States to defeat legislative attempts by the Chicago Sanitary District, the State of Illinois and other groups outside the Great Lakes area which would pillage the natural resources vested by law and by specific Supreme Court decision in the people of the Great Lakes watershed and which would violate the rights of the people of the Great Lakes and Canada under existing treaties between the two nations; and be it further

Resolved, That a copy of this resolution be transmitted to the Vice President of the United States as President of the Senate, the Speaker of the House of Representatives, the chairman of the Senate and House Committees on Public Works and to each Member of Congress from the States participating in this meeting.

COLUMBUS, OHIO, *May 21, 1957.*

Representative J. HARRY MCGREGOR,
House Office Building,
Washington, D. C.

I am informed H. R. 2 authorizing diversion of Great Lakes water through Illinois Drainage Canal to be considered on the floor of the House this week. This is a direct attempt to take a natural resource belonging to our citizens which has been vested in them by decree of the United States Supreme Court. This State has consistently opposed such efforts for almost half a century. I urge you to oppose this bill.

C. WILLIAM O'NEILL,
Governor of Ohio.

Mr. BLATNIK. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. KLUCZYNSKI].

Mr. KLUCZYNSKI. Mr. Chairman, I rise in support of H. R. 2. This bill authorizes an increase in diversion of water from Lake Michigan into the Illinois Waterway, in the amount of 1,000 cubic feet per second, in addition to the present amount of 1,500 cubic feet per second annual average now authorized by permit of the Secretary of the Army pursuant to the 1930 decree of the Supreme Court of the United States.

The bill directs the Secretary of the Army to make a study of the effect in the improvement in the conditions of the Illinois Waterway by reason of this increase in the diversion and to report the study results to Congress before January 31, 1961, with the Army's recommendation as to the continuation, increase or decrease as to the proper diversion amount. The Army made a report to Congress in 1933, when a diversion of 5,000 cubic feet per second, plus domestic pumpage, was authorized, and stated that while in their judgment, aside from sanitary requirements, a minimum average diversion of 1,500 cubic feet per second plus domestic pumpage as ultimately authorized by the Supreme Court decree would meet the needs of a commercially useful Illinois Waterway, a further study should be made when the sewage purification plants had been completed and placed in operation by the Metropolitan Sanitary District of Greater Chicago.

That time has now arrived and no studies as to the Illinois Waterway on this phase have been made since 1933.

At the hearings before the House Public Work Committee of the 82d Congress in June 1952, the Army engineers recommended an increase in diversion and authorization for the further study, recommended in 1933. They stated 3 years would be required for such study. The Committee on Public Works in the 82d Congress favorably recommended similar bills following the Army engineers' recommendations.

In the 83d Congress, H. R. 3300 was introduced by Representative Jonas, of Illinois. This measure was passed by both the House and Senate. However, it was pocket vetoed by the President after the adjournment of the 83d Congress.

In the 84th Congress H. R. 3210 was passed by the House and Senate and again vetoed by the President.

H. R. 2 was introduced in the present Congress to meet the objections of the President and contain the following sections which were not in H. R. 3300 which was vetoed.

First. The maximum direct diversion from Lake Michigan shall not at any time exceed a flow of 5,000 cubic feet per second;

Second. The Secretary of the Army shall at all times have direct control and supervision of the amounts of water directly diverted from Lake Michigan;

Third. The Secretary of the Army shall not allow any water to be directly diverted from Lake Michigan to flow into the Illinois Waterway during times of flood in the Illinois, Des Plaines, Chicago, or Calumet Rivers.

The Committee on Public Works was requested to consider the following in their hearings on water diversion:

(a) The serious damage along all the shores caused by the present unprecedented high levels of the Great Lakes.

(b) The interest of navigation and interstate commerce both on the Great Lakes and the Illinois Waterway.

(c) Conditions in the port of Chicago and the Illinois waterway existing since the completion of the sewage-treatment program by the Metropolitan Sanitary District of Greater Chicago.

I firmly believe that this legislation is in the best interests, not only of the Cook County area, but of the entire Midwest.

The Illinois Waterway is steadily increasing in importance. It connects the two most important waterway systems in the Nation, namely, the Great Lakes and the Mississippi River. An additional diversion of 1,000 cubic feet per second of water from Lake Michigan, in addition to the presently authorized 1,500 cubic feet per second, would provide a clean stream and improve navigation. It would result in a marked improvement in the Chicago sewage system, and would lead to a drop in the level of Lake Michigan.

I know that some of my colleagues are concerned with the effect that this legislation may have on the Great Lakes water levels. I want to reassure them that we are also concerned with those water levels, but this legislation will have no material lowering effect on these lakes, a mere three-quarter inch on Lakes Michigan and Huron and only about one-half inch on Lakes Erie and Ontario and, as the report shows, these effects would not be realized until several years after the increased diversion commenced. The bill provides for the increased diversion only for a period of 3 years, after which the Corps of Engineers will file its complete study report, on which the right to further diversion will depend.

The chief opponents of this legislation are the Great Lakes Carrier Association. Let me tell the Members of the House that I would be the last man in this Congress to harm the shippers of the Great Lakes.

I have been a member of the House Committee on Public Works for a number of years and have always supported legislation beneficial to the Lake Carriers' Association such as the St. Lawrence Seaway, and was the sponsor for the widening of the Cal-Sag Canal which means so much to the Lake Carriers' Association and the shippers of the Great Lakes.

As for the shipping interests, I doubt whether anyone can seriously contend that three-fourths inch lowering can materially affect the shipping to the extent as to outweigh the needs, necessities, and benefits to the residents of Cook County.

There has been some talk of opposition from downstate Illinois, because of the fears of pollution from the filth and slime of the cities downstream. This objection has been adequately met by the assurances that in times of high water in the rivers, the increased diversion would not be used.

Instead of polluting downstream waters, the heavier flow will provide the means to freshen the waterway. The improved sewage-treatment methods used by the Metropolitan Sanitary District of Greater Chicago will help the purification of the water.

Frankly, I see no basic reason why anyone should oppose the adoption of this bill. I sincerely hope and trust it will be enacted by the House by a substantial majority.

Mr. McGREGOR. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin, a member of the committee [Mr. WITHROW].

Mr. WITHROW. Mr. Chairman, I think we all ought to realize by now that, based on the report of the Corps of Engineers there is going to be damage done by reason of this diversion of a thousand cubic feet per second from Lake Michigan.

Secondly, I wish to point out a few projects in the United States. For instance, I would like to take you over to Niagara Falls, the Niagara project which will come into being, something we perhaps have overlooked. We are going to divert water from the river above Niagara Falls through a huge covered canal to form a lake, and below that lake we will have the Lewiston power project in New York? How are they going to get that water? We are going to divert the water from the Niagara River, but are they going to divert it 24 hours a day? No.

They are going to divert the water at certain hours of the night; then, they are going to permit the water to flow over Niagara Falls so that the beauty and the scenery and the falls will not be destroyed and the lake level may be built up. To say there is not a shortage of water in that area is ridiculous. The diversion of this thousand feet of water per second is going to make it more acute and that fact is recognized by the Corps of Engineers. So the people of New York should be particularly interested in this matter.

Mr. Chairman, I hold in my hand a letter dated April 18, 1957, addressed to: All Members of the United States House of Representatives and United States Senate, signed by the Honorable C. William O'Neill, Governor of Ohio, reading as follows:

THE STATE OF OHIO,
OFFICE OF THE GOVERNOR,
State House, Columbus, April 18, 1957.

To: All Members of the United States House of Representatives and United States Senate.

From: Great Lakes States.

GENTLEMEN: On Friday, April 12, at my invitation official representatives of every Great Lakes State except Illinois, together with a large number of municipal and Port Authority officials and representatives of the substantial commercial interests of this region, met at Cleveland, Ohio to discuss legislation now pending before the United States House of Representatives permitting an increased diversion of Great Lakes water through the Illinois Waterway.

This conference unanimously adopted the resolution attached to this letter, expressing the unalterable opposition of these States to this attempt to rob our people of a natural resource possessed by them and which possession has been specifically recognized and protected by the United States Supreme Court.

May I urge each of you to consider this resolution and may I call upon you to protect the paramount interest of our States in this body of water? If you would like to review a complete transcript of this conference, please so advise me.

Very truly yours,
C. WILLIAM O'NEILL,
Governor of Ohio.

The resolution referred to in that letter is as follows:

RESOLUTION ADOPTED BY GOVERNOR'S CONFERENCE, CLEVELAND, OHIO, APRIL 12, 1957

Whereas the States of New York, Pennsylvania, Ohio, Indiana, Michigan, Wisconsin, and Minnesota hold title to the waters of the Great Lakes under a high public trust to protect and preserve them for the benefit of some 50 million of their citizens; and,

Whereas any diversion of these waters from the Great Lakes watershed materially injures the interest of these 50 million citizens in this natural resource; and

Whereas the commerce of the Great Lakes is a major factor in the economy of the region made up of these States and of the Nation itself, specifically in the coal, chemical, steel, and utility industries, and public hydroelectric facilities; and

Whereas diversion of Great Lakes waters outside the Great Lakes watershed materially injures the above described commerce and the above described industries; and

Whereas tremendous public expenditures have been made in and are continuing to be made in the improvement of port facilities throughout the Great Lakes, which facilities will be materially injured by any impairment of the natural levels of the lakes; and,

Whereas the Government of the United States and the Government of the Dominion of Canada have expended and are expending tremendous public funds in the development of the St. Lawrence Seaway, which development will be materially injured by any impairment of the natural level of the lakes; and

Whereas the Congress of the United States has authorized the deepening of the connecting channels of the Great Lakes involving further tremendous expenditure of public funds, which deepening will be directly reduced by any impairment of the natural level of the lakes: Now, therefore, be it

Resolved, That this conference of State, municipal and industrial officials, speaking directly for and on behalf of the 50 million citizens of this region, hereby expresses unalterable opposition to any diversion of water from the Great Lakes watershed and specifically urges the Congress of the United States to defeat legislative attempts by the Chicago Sanitary district, the State of Illinois and other groups outside the Great Lakes area which would pillage the natural resources vested by law and by specific Supreme Court decision in the people of the Great Lakes watershed and which would violate the rights of the people of the Great Lakes and Canada under existing treaties between the two Nations; and be it further

Resolved, That a copy of this resolution be transmitted to the Vice President of the United States as President of the Senate, the Speaker of the House of Representatives, the chairman of the Senate and House Committees on Public Works and to each Member of Congress from the States participating in this meeting.

There are a good many people who are vitally interested in this diversion because it affects every one of the Great Lakes with the possible exception of Lake Superior.

Mr. Chairman, I hope that the pending bill will be defeated.

Mr. BLATNIK. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, I am taking these 2 minutes merely to predict that the Dominion of Canada, as a result of the conference now underway and following a long study and conversations with provincial authorities, will approve of this diversion and that, after the House and the Senate have passed the O'Brien bill, the President enthusiastically will sign it. It is just that simple. What is proposed is definitely to the advantage of the entire Great Lakes region.

All this is an experiment. If there is damage to anybody the work will be stopped immediately by the United States Government. Chicago certainly would not want to hurt her neighbors in any way. Moreover, Chicago also is to be an ocean port as a result of the St. Lawrence Waterway development, in fact the biggest of them all, and her own interest knocks into smithereens the argument of our friends from Wisconsin and Ohio that she is conspiring in some strange and mysterious way to lower the water of Lake Michigan so that ships of ocean draught cannot enter the harbors of the Great Lakes. The fact is that we on the Great Lakes have suffered more from high than from low water. At this time and with the prospect of fresh drains of water into the Great Lakes, which as yet cannot be measured, the wisest of the engineers are unable to calculate what will prove to be the normal level of water in the lakes. Commonsense and what time will prove to be the mutual interest of all the Great Lakes cities command that there should be no delay in the enactment of the O'Brien bill into law and the commencement of a test diversion under the supervision of the Corps of Army Engineers which will be stopped the very moment there is substantial harm to anyone.

The professed fears of harm resulting from the experimental diversion of a mere 1,000 additional units of water from great big Lake Michigan are actually fantastic. In this dramatization of the shadow our friends from Wisconsin and Ohio have overlooked the substance. Having no facts or logic to support their contentions, they necessarily must fall back on fantasy.

I am confident that the bill will pass the House and the Senate and that it will be signed by the President. I am equally confident that after the reexamination of the subject matter that the Canadian Government has made the position of the Dominion will be in conformity with the position of Chicago.

The united delegation from the Chicago area, comprising both Democrats and Republicans, on a strictly bipartisan basis, in supporting this proposed legislation, have had the wise and inspired leadership of the Honorable THOMAS J. O'BRIEN, and for this we are indebted to the gracious and distinguished Congresswoman from Illinois [Mrs. CHURCH] because it was on her nomination and insistance by all his colleagues that Congressman O'BRIEN accepted an assignment that he had wished to give to another. The entire House knows the diligence with which TOM O'BRIEN has kept to his mission, and when later today his bill finally has passed, the hand of every Member of the House, whether he voted for or against the measure, will be reached out to grasp TOM O'BRIEN'S hand in warm congratulation.

Mr. McGREGOR. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. FORD].

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Ohio.

Mr. VORYS. Mr. Chairman, if what the gentleman from Illinois and other proponents have said is true, namely, that they are confident Canada is going to approve of this whole business, then, certainly, they would not object to having this bill recommitted until we can get the report from the joint study with Canada. In that way we will avoid an international incident and will avoid slapping a friendly neighbor in the face. If they have the courage of their convictions it seems to me these proponents would joint in a motion to recommit the bill until there is a report from the International Commission.

Mr. FORD. Mr. Chairman, the thing that bothers me primarily about this legislation is the fact that for a 3-year period there is a survey authorized with an additional diversion of 1,000 cubic feet per second. Now, supposing this diversion is authorized, the diversion does take place and then thereafter the Army engineers come up with a recommendation that in their opinion there should be no additional diversion over the 1,500 cubic feet per second. I, in the debate a year or two ago, asked the gentleman from Illinois if under those circumstances would he and the others who are the proponents of this bill then bow to the recommendations of the Corps of Engineers and would not seek additional diversion over the 1,500 cubic feet per second. When I asked the question of the gentleman from Illinois, and when I asked others, not one of the proponents would admit that they would bow to the recommendations of the Corps of Engineers. I do not challenge their good faith, but I say that by this legislation what they are seeking to get is the camel's nose under the tent, and once they get that additional diversion, then they will not be amenable to the diversion going down to the present level even though the Corps of Engineers makes the recommendation. So, in my judgment, this legislation is simply an effort to get the diversion up regardless of the consequences, and once it is up, then they will never retract and go back to the lower level, even though the Corps of Engineers may recommend that it is detrimental and harmful to the Great Lakes and the areas surrounding it.

In my district I have about 30 or 40 miles that borders on Lake Michigan. I would like to show you some pictures that appeared in a newspaper, the Grand Rapids Herald, one of which indicates a tanker which is transferring oil from the tanker to tanks on the land. You will note from this picture that the ship cannot get up to the dock. Why? Because in the last year the level of Lake Michigan has gone down 1.8 feet. The net result is that this tanker cannot operate effectively and efficiently.

Now, here is a picture of some water intake structures that the city of Grand Haven built out into the water of Lake Michigan to supply water for the city of Grand Haven, a community of about 10,000 people. This picture, taken this spring, indicates that this water intake, as you can see, is more than 7 feet out of the water at the present time. If the lake goes down farther, I am not so sure that this new system to supply water for the city of Grand Haven will operate effectively. So, when we talk about pollution in the Illinois area, we

in Michigan, those who have relied on an adequate level of the lake, must be concerned about the water supply in the communities in that area.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Illinois.

Mr. YATES. The gentleman referred to the colloquy that he and I had some years ago when the bill was previously on the floor. The gentleman will remember that I said that I could not speak for my whole community in replying to his question as to whether, in the event the experiment indicated that its continuance would be detrimental, that we would not then present our petition to the Congress again. The gentleman at that time, as I recall our colloquy, asked for a postponement of the legislation on the further ground that the Corps of Engineers was in the process of making a study, and that it would be best to postpone consideration of the legislation until the Corps of Engineers completed that study. The gentleman knows now that the Corps of Engineers has completed that study. Although they have neither recommended nor disapproved the proposed experiment, the Corp of Engineers has estimated, on the basis of its study, that over the 3-year period the sum total of the entire loss in lake levels would be five-eighths of an inch in Lakes Michigan and Huron and three-eighths of an inch in Lake Erie. This is according to the report of the Corps of Engineers.

I now ask the gentleman whether his opposition has been dissipated as a result of the statements by the Corps of Engineers that for the most part such an experiment would have minimal injurious effects upon the surrounding area.

Mr. FORD. The gentleman has stated the facts correctly. At the same time I feel that even with this report, the responsible individuals in the executive branch of the Government are not satisfied that we ought to proceed with this legislation. And since even with this report they cannot favorably recommend the legislation, it seems to me that we should take more time before we enact the legislation.

Mr. YATES. Mr. Chairman, if the gentleman would yield further, I think the gentleman has drawn an erroneous conclusion from a logical base. The fact that the Corps of Engineers did not recommend the legislation does not mean they are opposing it. It was not their function, as they point out in the report, either to recommend or to disapprove. They were merely to present the facts, leaving to the Congress the decision whether to make the test or not. The fact that they made no recommendation does not mean per se that they disapprove the test.

Mr. FORD. Is it not also true that those in the executive branch of the Government who have access to this report by the Corps of Engineers do not feel that they can come forward and favorably recommend the enactment of the legislation?

Mr. YATES. The gentleman speaks of superiors in the executive branch. To whom does the gentleman refer?

Mr. FORD. Based on the attitude of responsible people in the executive branch of the Government, I understand that no one representing the so-called higher authorities in the executive branch of the Government has come forward and favorably recommended this legislation. So, based on that situation as we find it today, it seems to me that it would be unwise to proceed with any program that might have an injurious and detrimental effect not only on shipping, on recreation and water supply, but other programs that are affected by the level of the lakes.

In addition, I must say this—and I emphasized it to begin with, but I want to reemphasize it now—the people who are the prime proponents of this legislation are not willing to say that they will abide by the recommendations of the Corps of Engineers, if those recommendations are contrary to their wishes.

Mr. YATES. Would the gentleman take my statement as being indicative of what the whole Chicago community would be willing to do or not do?

Mr. FORD. I would accept the gentleman's statement for he is a very able and very energetic proponent of this legislation, and a Member for whom I have the highest personal regard.

Mr. YATES. I reciprocate the gentleman's regard and admiration. I have the highest esteem for the gentleman as well. That is why, knowing the gentleman's affection for facts and for logic, and knowing that he would be persuaded by the empirical approach rather than by any theoretical or fanciful arguments, I would ask, Does the gentleman not agree with me that the best and surest proof as to what is likely to result from the 3-year experiment would result from the test itself? After that we will be in a position to appraise what the effect would be.

Mr. FORD. Providing the people who are the proponents are willing to go on record—the gentleman and others who are the proponents of this legislation—that they would abide by the decision. I hope the legislation is defeated.

Mr. BLATNIK. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. VANIK].

Mr. VANIK. Mr. Chairman, the issue involved in this debate transcends the local conflict between the Chicago area and the many communities of the lower lakes which are competing for use of the Great Lakes waters. It also transcends the traditional competition between the seaboard ports and the ports of the Great Lakes. The question is, Should one community, Chicago, for its own purposes be permitted to withdraw water from the Great Lakes, which are the property of this Nation, Canada, and the citizens of the several States?

There have been conflicts in Congress before over water. On this subject, no individual Member can feel indifferent to the issues involved. The harmful and wrongful precedents established by this legislation will at some time or another or in some way affect every single Member of this House.

To the people, who constitute the wealth of this land, the fresh-water supplies are America's prime asset and must be guarded.

Increasing water needs and the falling water table of the several States are rapidly approaching a national crisis. Ohio, Indiana, Pennsylvania, New York, and even Illinois are threatened with reduced water tables, along with an increase in their populations. As a matter of fact, more and more communities as far away as 100 miles from the Great Lakes are looking to the day when they can tap the Great Lakes for a water supply for life, for industry, and for their very sustenance. We can anticipate a tremendous development of urban growth along the New York Thruway, and the Pennsylvania, Indiana, and Ohio Turnpikes. Some day there will be one continuous band of cities along these highways. These new communities are going to need water, and the only source for that water is the Great Lakes Basin.

Secondly, the commerce of the Great Lakes cannot be placed in jeopardy by the self-interest of one city. In Cleveland the huge ore-carrying vessels drag their bottoms in the mud of a shallow river in order to reach their unloading berth. We cannot afford any loss of water in this part of the Great Lakes. We have tremendous investments in shipping facilities, and we would be exposed to the adverse effect of a lowered level if this legislation were to become law. It would have a disastrous effect along the entire Great Lakes seaway, as has been previously indicated.

Chicago's need for water is not for life but for waste. To permit that city to flush its industrial wastes into the lower Illinois and Mississippi downstate areas is a wrongful act, and those people in the lower areas who believe they will enjoy a bonanza of water for commerce will soon discover they have received an increased gallonage of pollution.

Chicago says it needs this water to preserve its public health, and at the same time it boasts of its tremendous sewage-disposal facilities and the tremendous sums that have been spent to eliminate pollution. The fact of the matter is that the city of Chicago has not spent more but less per capita for pollution control than most of her sister cities along the Great Lakes Basin. As a matter of fact, the Chicago area is doing next to nothing to treat the tremendous quantities of industrial waste which are generated in that area. I do not know about the other cities, but my city is building an interceptor sewer below the level of the river from which the effluent and industrial waste will be pumped up into a sewage-disposal plant.

It seems to me that the tremendous waste generated by the steel industries, the oil and the chemical plants in industrial areas is of paramount national concern. The only way our cities can approach this problem is by building adequate industrial waste disposal plants. There is not enough water in the Great Lakes to supply local needs, present and future, and still permit Chicago the special privilege of flushing its industrial wastes down the drainage canal. If this legislation becomes law,

it will give Chicago another 3 years to defer that which ought to be done now and what eventually must be done, and that is the construction of adequate sewage disposal and treatment facilities—adequate enough to treat tremendous volumes of industrial waste.

The day is near when no form of pollution will be permitted to contaminate either our air or our water, and the sooner we face up to that day, the sooner we make Chicago, Cleveland, and all the other Great Lakes cities face up to that day—the better for all of America. I hope this legislation will be defeated.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McGREGOR. Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. CRAMER], a member of the committee.

Mr. CRAMER. Mr. Chairman, I rise in opposition to this resolution. I would like to point out for the following reasons. We hear a lot about economy today. Here is a place where legitimately there can be cut some $435,000 in future expected appropriations by not approving this authorization. Secondly, I want to point out the fact, and it has been pointed out previously, that there is not a single department that has favorably recommended this resolution. The Army engineers have taken a neutral attitude on the matter. The State Department is in opposition to it. The President has vetoed it twice. No department has indicated a favorable report on it. It is a little difficult for me to conceive—just a few minutes ago the House voted on an authorization and an appropriation for a $100 million new House Office Building, which never went before the Committee on Public Works. I think it is time we recognized the established rules of the House of Representatives not only in this, but in all instances—that where there are no favorable reports from the departments, that that be given adequate weight by the committee, which, in my opinion, was not done in this particular instance. Much has been said with regard to the President's position concerning this legislation and his reasons for the veto. So far as I am concerned in reviewing those four reasons for the veto, and I will review them very briefly, these are the facts. With regard to No. 4, it still remains in full force and effect:

The legitimate interests of other States affected by the diversion may be adversely affected.

That is neither refuted nor discussed in the report.

Secondly, with regard to No. 3:

The diversions are authorized without reference to negotiations with Canada.

In the committee report on page 7 with regard to that, the committee said in regard to the negotiations with Canada, the State Department pointed out these were now proceeding. There is no question but what the State Department opposes this bill, and that position is just as valid today as it was at the time of the President's previous vetoes on this measure.

With regard to number two of the President's veto message:

All methods of control of lake levels and protection of property on the Great Lakes should be considered before arbitrarily proceeding with the proposed increased diversion.

That is the question which seems to be in the committee report indicated to be on page 7—and again I quote—"satisfactorily settled by the engineers." That is in the report. It is anything but satisfactorily settled. Now I want to point this out in the committee hearings themselves. The Army engineers in their report had these statements to make which, in my opinion, show that if you accept the evaluation of the Corps of Army Engineers on this project on the face of the report that is presently before the committee, there will unquestionably be an adverse overall result of this project. Let me give you the very facts as stated by the Corps of Army Engineers through General Person on page 21 of the committee hearings. In that respect of the hearings, what they said with regard to specific points that the Corps of Army Engineers had under consideration at that time. With regard to point number one, these are the benefits, these are the detriments on this project, which the committee has said in its report has been "satisfactorily settled." I say that they have been unsatisfactorily settled. They have been adversely settled. Here are the facts—number one.

These are the findings of the Army engineers upon which the proponents of this legislation are largely basing their efforts.

An adverse effect on hydroelectric energy generation at Niagara and St. Lawrence plants, evaluated, in part, at from $408,000 to $918,000, depending on the timing and the amount of future additions to generating capacity.

No. 3. Changes in theoretical dependable capacity which are not considered susceptible of monetary valuation—

Is the second objection to the bill.

It has been testified in the report to the effect that it would mean 100-ton light load on the part of all ships involved under this decrease in the height of the water resulting from water diversion as the Army engineers found would be the result. The cost of this would be substantial.

I want to point out that the Department of Public Works Committee has approved a $35 million increase in the St. Lawrence Seaway authorization, and has recommended it to the House. That means a total of $140 million that has been authorized for the St. Lawrence Seaway. To increase the depth of one portion of the St. Lawrence Seaway to the extent of 2 inches would cost in excess of $5½ million. The cost of overall deepening by 1 inch would be tremendous. The loss due to light loading at the rate of 100 tons per ship likewise would result in a substantial loss.

The CHAIRMAN. The time of the gentleman from Florida [Mr. CRAMER] has expired.

Mr. McGREGOR. I yield the gentleman 2 additional minutes.

Mr. CRAMER. So I say to you that when you consider the Army engineers' report—and I want to read these other two points:

5. Temporary effects on Great Lakes navigation tending to be adverse, but not practicable of measurement in monetary terms.

The report also presented data to show that similar considerations, in amounts that would be somewhat greater and more susceptible of measurement and evaluation, would be involved if there were a permanent increase in the diversion.

The only reason for this 3-year study is an attempt to make this a permanent project. That statement on the part of the engineers is a significant fact.

I point out the fact that the statement of the Assistant Secretary of State appears on page 25 of the hearings in opposition to the bill.

I point out further that the additional reason contained in point 3 of the President for his objection to this bill still remains as valid as it was before. I point out with regard to point No. 3, in the President's objection, the committee states in its report the fact that the diversion is only temporary, for the purpose of a study and the fact that downstream interests are safeguarded by limiting the maximum diversion to 5,000 cubic feet per second and prohibiting diversion during times of flood. This would seem to indicate that there is no reason to take a different point of view than has been taken by the President with regards to the action of the last two Congresses.

That still remains as an effective objection as it has been at any previous time, because there is no question about it but what this is intended to be a permanent project. The request for this additional money is largely on the basis of the needs for determination on the part of the Health Department.

But before I go to that, let me say with regard to the opposition to this bill, the distinguished previous Governor, now Senator from the State of Ohio, FRANK LAUSCHE, had this to say, and I think this is critical in the consideration of this legislation; the determination of the needed diversion is now before and will continue to be before the United States Supreme Court and if at any time the parties involved feel they need additional water and can prove it is needed they can get it, but the Supreme Court at no time asked for additional diversion. Therefore, as Senator LAUSCHE said in his statement before this committee, "the Court also retains jurisdiction so that any of the parties to the original action can at any time apply for relief. Therefore, adequate means are already available to protect the rights of interested parties without the necessity of legislation." Therefore I say to you that as far as I am concerned the validity of three of the objections on the part of the President continue to remain and we are doing nothing but inviting an additional veto on the part of the President by passing this legislation.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. CRAMER. I yield.

Mr. VORYS. The gentleman is familiar with the practice of asking the Army engineers for their opinion on whether projects are economical and feasible and so forth.

Mr. CRAMER. Exactly.

Mr. VORYS. Does the gentleman not consider it significant, in view of the conclusions on the facts that the gentleman has just so ably reported to Congress, that the proponents of this project have not asked the engineers for their opinion?

Mr. CRAMER. They have received no favorable opinion from any governmental agency and the engineers' statement before the committee in my opinion is unfavorable.

The CHAIRMAN. The time of the gentleman from Florida has again expired.

Mr. BLATNIK. Mr. Chairman, I yield 5 minutes to the gentleman from Louisiana [Mr. BOGGS].

Mr. BOGGS. Mr. Chairman, I listened a few moments ago with considerable interest to the distinguished gentleman from Ohio [Mr. VANIK], who sought to leave the impression that the only affirmative interest in this proposal comes from the city of Chicago; and he made certain other references to that great city which I am quite certain the able representatives from Chicago are capable of answering.

I doubt if I shall consume all of the 5 minutes to which I am entitled, but I take this time to point out that the entire Mississippi Valley has an interest in this legislation. I realize, of course, that when we legislate, particularly in matters affecting the different sections of our Nation, that it is incumbent upon us as best we can to balance the equities between the various regions of our great country.

This legislation is directly of interest to the commerce on the Mississippi River and its tributaries. Last fall, as all of you know who read the report, the water was so low in the Illinois River, particularly at the Alton Lock dams in the lower Illinois, that the vast commerce which flows up that river was practically unable to move. That meant that most of the oil, petroleum, fuel oil, and other bulk commodities which go to the large cities of the Midwest were unable to move through the Mississippi River and the Illinois River.

At that time the Supreme Court ordered an increase in diversion from Lake Michigan and provided additional water for those locks and made possible the movement of the cargoes into the city of Chicago. So I think it is to gainsay the facts to have this body believe that this is simply a matter in which Chicago happens to be interested.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. Surely, I shall be glad to yield.

Mr. FORD. Suppose that in the future should this legislation be approved, that water in the Mississippi and its tributaries was high; would the people downstream want to be faced with legislation which by law increases the diversion from 1,500 cubic feet per second to 2,500 cubic feet per second? Or would they prefer to leave the increase or decrease to the discretion of the Supreme Court?

Mr. BOGGS. I think the gentleman really poses a hypothetical question.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. No; I have already yielded to the gentleman.

Mr. Chairman, I understand the measure before this body provides for a 3-year test; it is not permanent legislation. I know the gentleman has expressed some fear about its permanency, but I do not know how you would reach any satisfactory conclusion unless you permitted this test to be made.

The amount of diversion involved here is so small, relatively speaking, considering the capacity of the Mississippi River system, that its effect upon flood conditions in areas which are subject to flood, even if you had the maximum, I think would be imperceptible.

And I might say further that as far as I can see from a study of the report, that the effect is also imperceptible in the gentleman's area. I cannot believe that three-eighths of an inch, or one-quarter of an inch or an inch in bodies of water of the magnitude of Lake Michigan, Lake Erie, or Lake Huron could conceivably have any adverse effect, or for that matter have any perceptible effect. So it seems to me that in attempting to balance the equities between Canada and the United States, between the Great Lakes region and the Mississippi Valley region, between the city of Chicago and the other communities involved—Cleveland, for instance—this is a minimum. This is simply a test run to see what transpires, then to effect an equitable adjustment, if possible, as a result of the data so gathered.

I trust this measure will be adopted.

Mr. McGREGOR. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois, a member of our committee [Mr. BYRNE].

Mr. BYRNE of Illinois. Mr. Chairman, as a member of the Committee on Public Works and as a member of the subcommittee on Rivers and Harbors and Flood Control, I listened with a great deal of interest to my colleague from Florida who in the interest of economy stood here and opposed this pending legislation.

I come from the Chicago area, the southwest side of the city of Chicago. I want to commend the dean of the Illinois delegation, the gentleman from Illinois [Mr. O'BRIEN], and I also want to commend the able remarks of the gentleman from Illinois [Mr. YATES] as well as the remarks of the gentlewoman from Illinois [Mrs. CHURCH], the gentleman from Illinois [Mr. COLLIER], and those who might follow me.

It was only recently—I believe in the last week or two—when a precedent was established here on the floor of the Congress in connection with certain legislation that was proposed and in which some $50 million, was recommended, and finally enacted into law, the theory of the legislation being the creation and the encouragement of communities and towns to begin the construction of sewage disposal plants. Undoubtedly the fact that communities should be encouraged is something that we are all interested in. The thought behind that legislation was that the Federal Government would provide money as a beginning so that local communities could carry on and start building proper disposal plants.

We in the city of Chicago have not followed that procedure because in 1930 the Metropolitan Sanitary District of Greater Chicago was created and that district began spending money in the local community. Up to the present time it has spent some $300 million.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. KLUCZYNSKI. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois.

Mr. BYRNE of Illinois. Mr. Chairman, in the city of Chicago approximately $300 million have been spent to create a proper sewage disposal plant. As a result of that, if we will look at the testimony taken by our committee, it will be found that has reached the point of efficiency of about 90 percent. In the Chicago area the Sanitary District of Chicago is taking care of a population of 4½ million people and, in addition to that, it is taking care of industrial waste that would be equivalent to the sewage of 3,800,000 people a total of 8,300,000 people. As was so ably expressed by the gentleman from Louisiana, this is but an experiment. All that we are asking the Congress of the United States is to give us an opportunity to continue an experiment so that we can divert an additional amount of water in order to take care of that additional 10 percent that remains after the 90 percent we are handling so capably.

Mr. Chairman, this is a reasonable request. Chicago has established an excellent precedent in doing a good job and it has been doing a good job right up to the present time. This bill should be passed by the House.

Mr. McGREGOR. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. DENNISON].

Mr. DENNISON. Mr. Chairman, I am strenuously opposed to the passage of this bill, H. R. 2. Its passage would result in vast inequities to millions of people who use and obtain their livelihood along the shores of the Great Lakes and in my opinion, this is but the beginning of a permanent raid on the waters of these lakes for the benefit of one special group and one special area.

The ultimate effect of this unprecedented use of our public natural resources would be disastrous to the welfare and economy of those who have been led to believe, by the act of this very body in creating the Great Lakes-St. Lawrence Seaway, that the shores and the resources of our lakes would remain inviolate.

It is my great privilege to represent the 11th Congressional District of Ohio which is situated in the northeastern section of Ohio, the northern border of which contains approximately 60 miles of shoreline on Lake Erie. This area,

particularly along the lake, is one of the fastest growing industrial areas in the entire United States and this is so because of the ingenuity and the vision of the men and women who have dedicated their lives to the economic betterment of the area and also because of the hope and the promise which the act of this very body gave to them in approving the plan and the construction of the Great Lakes-St. Lawrence Seaway. Many new industries have located in this dynamic area which I represent and many more will continue to do so. We must, however, remain true to our pledge which is implicit in our support of the Great Lakes-St. Lawrence Seaway, namely, that the water of Lake Erie and of all the Great Lakes, will be made available equally to all those who border on its shores.

What are some trying to do today who support this bill? We have only to read the hearings before the Subcommittee on Rivers and Harbors of the Committee on Public Works and we find therein that this proposed diversion of water for the exclusive benefit of the city of Chicago will result in a lowering of the water level of Lake Erie by three-eighths of an inch and will reduce the carrying capacity of each ship that henceforth shall sail the Great Lakes by 85 tons per ship. The testimony of no less an authority than Linden Spencer, president of the Lake Carriers Association, indicated that the potential loss from the additional diversion at Chicago to the United States fleet, alone, would be nearer 1,200,000 tons annually and if the Canadian fleet is included, would be nearer to 1,500,000 tons annually.

Just a few months ago hearings were held in my district at the cities of Fairport Harbor, Conneaut, and Ashtabula, inquiring as to the advisability of deepening the channels in the harbors thereof so that ships ultimately using the Great Lakes-St. Lawrence Seaway will have adequate facilities at which to dock. What is the effect of this bill, H. R. 2, on this project which Congress has already sponsored? Clearly, it would be to vitiate to a great extent the benefits which this body has heretofore agreed are necessary to the welfare and the preservation of our national economy.

Opposition to this measure is not only shared by those of us who represent areas fronting on the Great Lakes, but by many others. I have just received a telegram from C. William O'Neill, Governor of Ohio, in which he states as follows:

> I am informed H. R. 2, authorizing diversion of Great Lakes water through Illinois drainage canal, to be considered on the floor of the House this week. This is a direct attempt to take a natural resource belonging to our citizens which has been vested in them by decree of the United States Supreme Court. This State has consistently opposed such efforts for almost half a century. I urge you to oppose this bill.

In his state of the Union message, President Eisenhower declared:

> Water is rapidly becoming our most valuable natural resource and when neglected can be a destroyer of both life and wealth.

This is no time to tamper with this precious commodity. This is no time to deplete our most valuable natural resource. This is the time to consider carefully and wisely how best our water resources can be used for the benefit of our whole economy and not just a small area around Chicago.

Much has been said today about this bill being the "camel's nose under the tent." I heartily concur, for if we pass this measure, what is to prevent the same interests from coming in 3 years hence or even a year hence, demanding the right to more water on the basis of alleged need created by normal population increases and, citing as a precedent the very bill we are asked to vote upon today.

I say to you once again—a piecemeal diversion of water from the Great Lakes by and for the benefit of one community or one State, wherescever situated, is a dangerous precedent and one which we cannot conscientiously support, particularly at a time when it is so incumbent upon this Nation to conserve every resource that it has—not only for the welfare of its own people but for its own national security.

Mr. McGREGOR. Mr. Chairman, I ask unanimous consent that the gentleman from Ohio [Mr. HENDERSON] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HENDERSON. Mr. Chairman, I am opposed to the enactment of H. R. 2. I voted against the rule and it is my intention to vote against the bill itself. This bill has been up before the Congress on two previous occasions. Hearings have been held on three previous occasions. The President vetoed similar legislation in the 83d Congress and again in the 84th Congress. He gave as his reasons for the veto the following: First, that existing diversions were adequate for navigation in the Illinois Waterway and the Mississippi River. Second, all methods of control of lake levels, and protection of property on the Great Lakes should be considered before arbitrarily proceeding with the increased diversion. Third, the diversions are authorized without reference to negotiations with Canada. And fourth, legitimate interests of other States affected by the diversion may be adversely affected.

Mr. Chairman, I believe that the last two of those reasons should be considered very seriously by the Congress. Very definitely we will be affecting water rights of our neighbors to the north, the Dominion of Canada. In diverting waters, we are setting a precedent which might lead toward diversions by Canada to which we might object, but because of the diversions undertaken by this country, we would be in a poor bargaining position. Then too, it might lead to serious differences of opinion with the Dominion of Canada in the event the 3-year period authorized by this bill were to be extended.

I feel sincerely that if the provisions of this bill were to be exercised by the city of Chicago for a period of 3 years that there would be tremendous pressure brought to bear upon Congress to continue the authorization indefinitely, even though at the end of the 3-year period Canada might object to such continuation.

Much of the economic progress of the Great Lakes States and, in fact, the United States has been attributable to lake shipping. The tonnage on our Great Lakes has exceeded all expectations. We are presently developing the St. Lawrence Seaway so that additional tonnage in ocean-going vessels can be shipped from our Nation to all parts of the world. There is a suspicion that diversion of water might adversely affect the development of the St. Lawrence Seaway and, Mr. Chairman, where there is even a suspicion it would seem to me to be very wise to act carefully in the face of it.

The northeastern part of the United States is dependent, in part, upon electricity generated by the waters flowing from our Great Lakes. Anything which we might do in this Congress which would reduce the flow of that water might endanger our hydroelectric resources. The Governor of our great State of Ohio, William O'Neill, has expressed opposition to this plan. Other members of the State government of Ohio and of other States bordering on the Great Lakes have opposed this legislation. I feel that it is a step this Congress should not take and that this proposal should be rejected.

Mr. McGREGOR. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. McVEY].

Mr. McVEY. Mr. Chairman, I should like to associate myself with those who favor the passage of H. R. 2, a bill to increase the diversion of water from Lake Michigan to the channels of the Chicago Sanitary District. H. R. 2 provides for an increase in the diversion of water from Lake Michigan of 1,000 cubic feet per second. The present rate of diversion, as you have been told, is 1,500 cubic feet per second. I do not wish to discuss the results to be obtained from this additional diversion of water and the present need for it. I wish to correct an impression which prevails among a great many people, including some who should be well acquainted with the sewage treatment plants in the city of Chicago. I should like to recite a portion of an editorial of the Chicago Daily Tribune on this particular subject. This excerpt from the editorial follows:

> The Financial Post of Toronto, in a front page editorial, urges Chicago to build a sewage treatment plant instead of "trying to grab more Great Lakes water to flush its raw sewage down into the Mississippi." For nearly a century, the newspaper said, Chicago has been trying to avoid the expense of building a sewage treatment plant.
>
> Such ill informed statements could be ignored if they appeared in a minor newspaper without resources to hire a competent staff or to maintain a library, but the Financial Post is considered an important business weekly, a star in the crown of Canadian journalism. On occasions it has been used by the Government to enunciate its policies. There is no excuse for such a newspaper to be as benighted as the editorial indicates.

At today's prices, the total value of the sanitary district's facilities runs into millions of dollars. I am told there are three such plants. According to the record, their total cost was approximately $150 million. In addition to this amount, the Chicago Sanitary District has invested $180 million on interceptor sewers. Another $100 million has been spent on canal projects in connection with sewage disposal.

It should be understood that Chicago does not flush its raw sewage down into the Mississippi. The difficulty in this situation rests upon the fact that the waters at present lack oxygen and have too much nitrogen, making a need for more fresh water from the lake. It is my purpose to present to you the fact that the city of Chicago has done a splendid job in its attempt to properly dispose of its sewage problem. No city in the world has made a greater effort in this respect than has Chicago.

It is my opinion that the additional diversion of 1,500 cubic feet per second will not in any way interfere with shipping facilities of the ports bordering on Lake Michigan. The fact that the level of the lake varies so greatly during the cycle which extends from 7 to 14 years should be conclusive evidence of the fact that this additional diversion, which, according to the Army engineers, would lower the lake level less than 1 inch, should not be a matter that disturbs anyone. Another thing that should be repeated, perhaps, and remembered, is the fact that this bill provides for a 3-year trial only, and if during that time the facts do not bear out the information which we have received from the Army engineers, a change will be in order to remedy any situation then existing. It is my pleasure to support H. R. 2, and I hope it will be approved by the Congress.

Mr. KLUCZYNSKI. Mr. Chairman, I ask unanimous consent that the gentleman from Illinois [Mr. GORDON] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GORDON. Mr. Chairman, I rise in support of H. R. 2. As one of the cosponsors of identical legislation, I have for many years supported the purpose of this legislation, authorizing the State of Illinois and the Metropolitan Sanitary District of Greater Chicago, under the direction of the Secretary of the Army, to test the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway.

I wish to commend the able chairman of the Committee on Public Works and our colleagues on that committee for their forthright report recommending the passage of this bill. It was my privilege to appear before them and urge favorable action on this proposal, and it is quite evident from their hearings and report that they have considered the measure thoroughly and objectively.

The enactment of this legislation is essential to the proper handling of the flow of sewage through the Illinois Waterway. The diversion of water during the test authorized in the bill would affect the levels and outflows of Lakes Michigan, Huron, Erie, and Ontario, and the St. Lawrence River but would not affect the levels or outflows of Lake Superior. A temporary increase in the diversion of 1,000 cubic feet per second would have temporary effects, according to the Corps of Engineers, which would reach a maximum between 3 to 3½ years and gradually diminish and disappear about 15 years after discontinuance of the temporary diversion. The committee report points out that the Corps of Engineers stated that the lowering of lake levels from three-eighths to five-eighths of an inch that would result from the 3-year diversion would tend to be beneficial in lessening possible damage to shore property during storms and high lake stages, but the lowering effect is too small to permit monetary evaluation.

Mr. Chairman, the bill as reported by the Committee on Public Works contains safeguards limiting the flow from Lake Michigan and provides that the Secretary of the Army shall at all times have direct control and supervision; also that the Secretary of the Army shall not allow any water to be directly diverted from Lake Michigan during times of flood in the Illinois, Des Plaines, Chicago, or Calumet Rivers.

In view of the able testimony received by the committee in support of this bill and the facts developed in the committee report, I urge my colleagues to join with me in supporting H. R. 2. I hope it will be promptly enacted into law.

Mr. McGREGOR. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. SHEEHAN].

Mr. SHEEHAN. Mr. Chairman, I rise in support of H. R. 2. I rise also for the purpose of trying to straighten out some of the statements which have been made. One of the previous speakers said something to the effect that Chicago flushes waste down the river, and also that Chicago flushes industrial waste down the drainage canal. At no time is any raw sewage or any raw industrial waste of any kind flushed down the Chicago drainage canal. Everything within the city of Chicago and the Chicago Sanitary District is completely treated by the sewage treatment facilities of the sanitary district of Metropolitan Chicago.

Last year it was pointed out that 1 of the 7 mechanical wonders of the world was the sewage treatment facilities of the Chicago Sanitary District. Therefore, any claim to the effect that raw sewage is flushed down the river, or raw material waste is flushed down the river is unfounded and, in my opinion, untrue.

Reference was made to the fact that this bill will cost $430,000. There is nothing in the bill providing any appropriation or asking for any appropriation. It is estimated that some money will be asked for. However, $385,000 of the $430,000 to be asked would cover the pollution and sanitary aspects of the study which would be undertaken by the United States Public Health Service.

As the gentleman from Illinois [Mr. BYRNE] so well pointed out, we have recently voted a huge sum of money for the study of pollution and of sanitary facilities and there is no reason why the Public Health Service, the Corps of Engineers, or anyone should ask for any additional money to make further studies.

I would also like to point out that certain Members have been quite concerned about loss of money in Canada through loss of production of electrical energy. Also they are quite concerned about a loss of money to boat operators and other commercial enterprises. It seems to me that we have to weigh the benefits of health and sanitation against mere dollars. Anything that concerns the health and welfare of the people ought certainly to be put far above any pecuniary or monetary considerations.

I would also like to point out that the reason this bill is here—and I wish to emphasize this—is that in the original treaty of 1909 with Canada, diversion of water in Lake Michigan was established at 10,000 cubic feet per second. In the Supreme Court decision of 1929 or 1930, the Supreme Court stated that until such time as the city of Chicago had completed its sewage treatment facilities, the amount was to be cut to 1,500. We have completed those facilities.

The Supreme Court in that decision pointed out the fact that once the city of Chicago completed its sewerage facilities program, they could come back to the Congress to find out where they could go from there. The city of Chicago and the Sanitary District of Cook County has completed the installation of all the treatment facilities. Therefore, they come back to the Congress. As it turned out, they did not have to come back to the Congress because the Supreme Court in its temporary decision of several months ago, raising the flow to 8,000 cubic feet per second recognized that they, too, have jurisdiction in this matter.

I might say that some allegations have been made here that the reason they need the water is to flush Chicago sewage down the river. Mr. Chairman, no additional flushing will be done whether more or less water is provided, because all of the effluent, that which remains after a 97 percent treatment of the sewage—and there is not a single city in the world or a country in the world that has as efficient a sewage treatment plant as the city of Chicago has—after that effluent is all done with, that is what is put into the river. The downstate communities, and along the Mississippi River, would get the same amount of effluent whether or not any additional water is provided. Therefore it would be in the interest of health and of the sanitation of the rest of the country to add more water on the very simple principle that anything that is diluted, and the more it is diluted, the less objectionable it will be or it will become.

It has been pointed out that with the addition of additional water, more life will grow in the streams, both animal life by way of fish, and plant life, will prosper and grow.

Mr. KLUCZYNSKI. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. GRAY].

Mr. GRAY. Mr. Chairman, as a member of the Subcommittee on Public Works it has been my pleasure to work for the passage of H. R. 2. Without giving the Army Corps of Engineers this increased

diversion, there is no possible way to determine whether or not damage will result. I might say to the opponents of this legislation that the engineers may stop this diversion at any moment they feel it is causing material damage. The great metropolitan area of Chicago is badly in need of this diversion, and I am happy to join with my distinguished colleague, the Honorable TOM O'BRIEN, and other sponsors of this legislation in urging its enactment. I am proud to have introduced a companion measure to H. R. 2.

Mr. McGREGOR. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. GRIFFIN].

Mr. GRIFFIN. Mr. Chairman, as the representative of 11 counties in northwestern Michigan, 7 of which border on Lake Michigan, I rise to voice my vigorous opposition to H. R. 2, which would divert additional Lake Michigan water into the Illinois Waterway.

H. R. 2 is not a bill which serves the national interest, as such. It is a special, or local, bill and is not general legislation.

The extent of diversion at the present time—1,500 cubic feet per second—is adequate for navigation purposes. To the extent that the Congress considers factors other than navigation, I submit Congress is extending beyond its legitimate scope.

Brig. Gen. J. L. Person, Assistant Chief of Engineers for Civil Works, has testified that the Lake Michigan level would be affected in 3 years by at least five-eighths inch. He testified further that Great Lakes cargo ships are now operating within an inch of the lake bottom in many places.

Much has been said on the floor today to the effect that no appreciable damage or harm will result if H. R. 2 is passed. As a specific example proving that serious damage will result, I wish to point to a situation in my district at Manistee.

Lake Manistee lies inland and is connected with Lake Michigan by a channel about 6,400 feet long through the Manistee River. A difference in level of even 1 inch is a very serious matter as far as navigation in this channel is concerned.

At the present time at least three manufacturing firms at Manistee are paying a surcharge amounting to many thousands of dollars a year because cargo boats are not now able to load to capacity and navigate the channel. Accordingly, it is clear that even so little a change in level as 1 inch can have a serious, detrimental and expensive effect in areas far removed from Chicago.

Of course, many people in my district are concerned about the effect that the lowering of water level will have upon their valuable lake front real estate.

While this concern of individual property owners is entitled, I submit, to serious consideration, I would like also to focus the attention of the House upon the great investment which the Federal Government, and particularly this Congress, has at stake in this matter. The protection of huge Federal investments should be of particular concern in these days when Members of Congress, as well as their constituents, are especially economy conscious.

To date, Congress has already authorized $105 million of borrowing authority toward this country's share of developing the St. Lawrence Seaway.

A bill has been introduced in the House in this session seeking authorization of an additional $35 million, which will make the total cost of this vast project $140 million.

The purpose of the St. Lawrence Seaway development, of course, is to enable deeper draft, oceangoing vessels to use the Great Lakes ports.

The legislation to divert Great Lakes water is working directly contrary to, and at cross-purposes with, the seaway project.

If the diversion proposal should become law, the cost of the entire St. Lawrence Seaway development project must be reevaluated. The expense for deeper and deeper dredging would inevitably add vast sums to the overall cost of the project.

Accordingly, it should be clear that the cost of providing sewage disposal for the Chicago area, which should be financed locally by that municipality, would be borne in part not only by Lake Michigan property owners, but also by all taxpayers of the United States who are underwriting the St. Lawrence Seaway.

We have been told that the bill provides only for a 3 year "test"; but, of course, if Chicago is permitted to depend on more Great Lakes water to meet its sewage-disposal problems during the next 3 years, the same pressures now in evidence will be exerted with equal force 3 years from now. This is the "foot in the door" which can only set a dangerous precedent. If the requested Chicago diversion is permitted, there will be no consistent reason for refusing other diversion requests which can only result in irreparable damage to the vested property rights of thousands and thousands of Lake Michigan real-estate owners.

On behalf of the people of my district, and in the interest of the country as a whole, I respectfully urge the House to reject H. R. 2.

Mr. McGREGOR. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. TEWES].

Mr. TEWES. Mr. Chairman, it seems to me that recently the House has been legislating with sugary phrases. Last week we eliminated the soil bank program on the ground that it was a "temporary injunction." Today we are going to affect permanently the welfare of millions of people living on Lake Michigan on the ground that this is a mere "test" proposal.

The issue here is not simply a "test." The issue is actually much greater than that: Shall we open a Pandora's box to these people by establishing a principle which has wide ramifications?

We are told that there will be a mere three-eighths of an inch diversion of water from Lake Michigan. That may be true for the purposes of the "test." However, Illinois indicated back in 1930 that once given a green light it is willing to go to extreme lengths when it removed 6 inches from Lake Michigan for these same purposes.

We are told the test may remove 4 million tons of cargo yearly from Lake Michigan. The issue again is not the 4 million tons in the "test" but the additional millions that will be affected once the precedent has been established.

We are told that the test will affect only 72 million kilowatt-hours presently generated by these waters, but this legislation actually opens the door to future tampering with billions of such units of energy.

We are told here that the test is intended to help solve the sewage problem of Chicago. But this bill sets the pattern for greater diversions to facilitate navigation and even to improve the water supply of southern States.

So the issue here I say again is not the simple "test" which the Chicago spokesmen would have this House believe. The issue is much greater: Shall we here sublimate the interests of riparian States to any and all raiders who can show some benefit from diversion?

And let us not be deceived. Contrary to the inferences which have been left here the damage to the lake States from this legislation will be great. The Supreme Court has affirmed this fact on several occasions; the President has confirmed this fact in his veto message. The Corps of Engineers has made similar findings in its reports.

This is not a test. This is permanent legislation.

In behalf of the people of Wisconsin I voice my vigorous objection to this bill and ask the Members of the House to support us in our protest.

Mr. McGREGOR. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. LAIRD].

Mr. LAIRD. Mr. Chairman, the issue before us on H. R. 2 today has been quite effectively stated by the gentleman from Wisconsin [Mr. WITHROW], a member of the Committee on Public Works. In his statement before the House he adequately and effectively pointed out to the Members today the effect of this legislation on the shipping on the Great Lakes, the effect of this water diversion on the development of power in the Great Lakes area, and the effect of this proposed diversion on the health of many of the communities on the Great Lakes.

It seems to me that it is well for us to pause and reflect upon another bill which was recently reported out of the Committee on Public Works, a bill which would increase the authorization for revenue bonds for the St. Lawrence Seaway from $105 million to $140 million. The St. Lawrence Seaway was passed and approved by the Congress as a vehicle by which commerce, labor, agriculture, and business would be benefited throughout the area of the Midwest. The breadbasket of the United States would have access to the Atlantic Ocean through this Great Lakes Seaway. The Committee on Public Works at the same time they reported out the bill to increase the borrowing authority for this seaway project reports out a bill which will lower the water levels of the Great Lakes. H. R. 2 will add to the cost of every harbor development in the Great Lakes area and will lower the amount of tonnage that can be carried on every ship on the Great Lakes.

It seems to me that this action of the committee in approving H. R. 2 should certainly not be supported by the House today. We are affecting the commerce, the industry, and the health of the entire Middle West breadbasket area of the United States by going along with this diversion to take care of a local sewerage problem in the city of Chicago. It is my sincere hope that the House today will not go along with this diversion of water from Lake Michigan.

Mr. KLUCZYNSKI. Mr. Chairman, I yield 10 minutes to the gentleman from Chicago [Mr. BOYLE].

Mr. BOYLE. Mr. Chairman, at this juncture of the debate, it is quite apparent that the House understands pretty generally the import and the language of H. R. 2, which has been commonly referred to during the course of this debate as the O'Brien lake diversion bill. Of course, today, one of the greatest problems facing our country is the problem of the development and the conservation of our water resources. Flood, drought or pollution in any one area of our country not only adversely affects the immediate region, but indirectly affects the entire United States. Such is the case with the project which the committee is considering here today.

Mr. HOFFMAN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and one Members are present, a quorum.

Mr. BOYLE. Mr. Chairman, H. R. 2 and the companion bills introduced including my own bill, H. R. 570, would authorize the State of Illinois and the Metropolitan Sanitary District of Greater Chicago under the direction of the Secretary of the Army to test on a 3-year basis the effect of increasing the diversion of water from Lake Michigan into the Illinois waterway. I submit this legislation follows the suggested course of conduct announced by the Supreme Court of the United States in the case of State of Wisconsin against the State of Illinois in volume 281, at page 198, where the Court said:

> All action of the parties and the Court in this case will be subject, of course, to any order that Congress may make in pursuance of its constitutional powers and any modifications that necessity may show should be made by this Court.

Following that language, the Court as late as December 17, 1956, did order additional increase in diversion in the following language:

> Per curiam: In view of the emergency in navigation caused by low water in the Mississippi River, paragraph 3 of the decree in these causes issued on April 21, 1930, is temporarily modified to permit the diversion to and including the 31st day of January 1957, from the Great Lakes-St. Lawrence system into the Illinois Waterway and the Mississippi River of such amount of water not exceeding an average of 8,500 cubic feet a second, in addition to domestic pumpage, as the Corps of Engineers, United States Army, shall determine will be useful in alleviating the emergency with respect to navigation currently existing without seriously interfering with navigation on the Illinois Waterway, at such times and in such amounts as the Corps of Engineers shall direct. The entry of this order shall not prejudice the legal rights of any of the parties to these causes with respect to any other diversion of the waters involved. After January 31, 1957, all provisions of the decree entered on April 21, 1930, shall remain in full force and effect until further order of this Court.
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> Whereas an order temporarily modifying the decree in these cases has this day been made because of an existing emergency; and
>
> Whereas other prompt action to relieve the emergency may be required during the modification period in furtherance of the order: It is
>
> *Ordered*, That all such matters be referred to Mr. Justice Burton, circuit justice for the seventh circuit, with power to act.

From December 17 to December 23, 1950, the diversion exclusive of domestic pumpage, was increased gradually to a daily average rate of about 7,900 cubic feet per second. From December 17, 1956, to January 11, 1957, the diversion was at an average rate of about 7,500 cubic feet per second and domestic pumpage was at an average rate of 1,660 cubic feet per second. The increased diversion resulted in a lowering of the levels of Lake Michigan and Huron by about 0.01 foot on January 11, 1957.

On January 28, 1957, the Court further extended the modified temporary diversion authorized on December 17, 1956, to February 28, 1957. No further extension was requested since extreme low-water stages had been sufficiently bettered by that time.

Of course, the people of Chicago will derive great benefits from the project, but the charge that it would be for the "benefit of a single community" does not hold true.

The Illinois Waterway, into which the additional water would flow, is not simply a Chicago project, but an integral, important and very long section of the great inland waterway that connects the Great Lakes and the Gulf of Mexico. Now that the St. Lawrence seaway project is underway, many more seagoing vessels will be able to reach and operate on the Great Lakes. The United States, in order to benefit fully from this great project, needs to develop all means of allowing the maximum amount of shipping to reach the Gulf of Mexico from the Great Lakes via the Mississippi River. The diversion of this water from Lake Michigan into the Illinois Waterway is one step toward making this possible.

Along this same line, I would like to mention the Calumet-Sag project, which is now actively in progress, at an estimated Federal cost of $80 million. When this channel is widened and improved, the benefits that will accrue when the cheaper mode of shipping is made possible will go to the entire Nation.

Development of all means of transportation has been encouraged for national defense. If this country should ever be subjected to bombing by an enemy nation, our roads and railroads might conceivably be put out of commission. Under these conditions, transportation by water might play a most important role in the defense of the entire country.

It has been charged that to divert an additional 1,000 cubic feet per second of water from Lake Michigan on an experimental basis would endanger shipping by lowering the lake level in essential ports. However, evidence shows that the withdrawal of this amount would reduce the lake level only five-eighths of an inch. It is difficult to understand how so little a reduction could handicap shipping appreciably.

The property owners that surround Lake Michigan could benefit from this slight lowering because of the diversion—certainly more than any shipping would be damaged. The lake is ringed with cities and with homes, resorts, and industrial properties which have suffered hundreds of millions of dollars of property damage from high waters of the lake in recent years. On Chicago's Outer Drive, expensive detours have had to be constructed, to avoid floodwaters on the drive. These properties could be given relief without endangering shipping on the lake.

Although I mention the pollution problem last, it is surely not the least of the problems which could be met in part by this legislation. Even with complete treatment of sewage, there is still a serious pollution problem in the upper reaches of the Illinois Waterway. Not only would the people of Chicago and the vicinity welcome cleaner water in the waterway, but it is in the interest of the entire country that this serious pollution problem be solved.

Certainly the insanitary conditions and water contamination in the Chicago River, which is a part of the port of Chicago, are a deterrent to navigation. The poor quality of the water means higher cost of upkeep, and has an adverse effect on the morale of the crews and on the conditions affecting commerce on the waterfront. Increased diversions would materially improve the situation.

For the safety and the health of the people of the area, and for the benefits that will be derived by the entire country, I urge passage of this bill.

We are faced here today with the proposition of whether we are going to let not only the city of Chicago, and not only Illinois, but all of those areas that touch on the Illinois Waterway, get a test of 3 years.

The physical facts warrant support of this fine piece of legislation. The objections heretofore set out in the two previous veto messages have been cured, and the legislation, if passed by this body, will clear the Senate and will be enacted into law.

I yield back the remainder of my time, Mr. Chairman.

Mr. McGREGOR. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. KNOX].

Mr. KNOX. Mr. Chairman, my colleague from Minnesota, the chairman of the subcommittee handling this legislation, yielded to me when he had the floor and I spoke briefly on conditions that existed in Lake Superior. It has been

stated that Lake Superior has no effect upon this legislation at all. I differ with the opinion of those who say that Lake Superior is not a contributing factor. Lake Superior is the main stem of water flow into the lower lakes.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. KNOX. I will yield later.

Lake Superior is so low, as far as water levels are concerned, that the International Joint Commission saw fit in the month of March to cut back the waterflow from Lake Superior into the St. Marys River and on down into Lake Huron and Lake Michigan by 10,000 cubic second-feet. This water was used for the generation of power by the Michigan Northern Power Co. to supply power for the Union Carbide Co. Of course it was disastrous as far as the Union Carbide Co. was concerned, because they had to curtail 50 percent of their operations, which caused a heavy layoff of their employees.

Two weeks ago when I was home I discussed water levels with the engineer in charge at Sault Ste. Marie, Mich., and he informed me that the curve rule had not changed in Lake Superior, which means there is still going to be a curtailment of 10,000 cubic second-feet of waterflow out of Lake Superior on down into the lower lakes.

It has been said that this diversion would amount to three-eighths of an inch decrease by diverting 1,000 additional cubic second-feet. All right. If conditions remain the same in Lake Superior, then possibly Lake Michigan may drop another foot. As far as the Chicago drainage canal is concerned, it has been said that they were going to use it for flushing purposes. That may be true to some degree; but—if we are going to be consistent in legislation which we have passed whereby we have appropriated $50 million to assist in the construction of sewage-disposal plants—for what purpose? To clean up our streams, our lakes and our rivers. So why should we start to divert water for flushing purposes? In my opinion, I think it is about time that all of the States along the Great Lakes and connecting waters should take advantage of the legislation which Congress has enacted, and get their houses in order and stop the pollution of the streams, rivers, and lakes of our Nation.

Now we go a little further and must consider the St. Lawrence Seaway. If you are going to divert water that will lower the levels in the connecting channels of the Great Lakes, indirectly it is going to call upon the Congress once again to appropriate additional funds in order to maintain the 27-foot depth of channel required by law. Is that what you want? Do you want to continue to divert these waters so we will have to appropriate additional funds in order that we may be able to maintain the 27-foot depth which is controlled by legislation as far as the St. Lawrence Seaway is concerned.

In addition to these problems that are facing the people of the Great Lakes area we have all of our harbors, and we are having difficulties in the harbors along the Lake Michigan shore at this time because of low water. There once again we will be called upon to appropriate funds for the deepening of these harbors so the ships may be able to get into the harbor to load cargo and discharge cargo for that particular area.

In conclusion, Mr. Chairman, I hope the legislation will be defeated.

Mr. KLUCZYNSKI. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. ZABLOCKI].

Mr. ZABLOCKI. Mr. Chairman, I had not intended to take any time on this legislation. I notice, however, that the printed record of the hearings held before the Subcommittee on Rivers and Harbors of the Committee on Public Works on legislation to increase Lake Michigan water diversion does not contain a copy of the statement which I submitted to the committee on this subject.

I am given to understand that the omission was inadvertent.

Mr. BLATNIK. Mr. Chairman, will the gentleman yield?

Mr. ZABLOCKI. I yield.

Mr. BLATNIK. I say to the gentleman from Wisconsin that I was presiding at the hearing when the gentleman from Wisconsin appeared. He presented an excellent statement. I express regret that the testimony he presented at that time was inadvertently omitted. I wanted to confirm the gentleman's statement.

Mr. ZABLOCKI. I thank the gentleman. I would, therefore, Mr. Chairman, like at this point to include in the RECORD the full text of my statement presented during the hearings and expressing my opposition to this legislation and the reasons therefor.

(The statement referred to follows:)

The legislation to authorize an increased water diversion through the Chicago sanitary canal has been considered by Congress on several previous occasions. It has even reached the White House, only to be vetoed by the Chief Executive. In each instance in the past, these efforts to use the waters of Lake Michigan to the advantage of a single community, and without regard to the interests of other parties concerned, have met with failure. I sincerely hope that this will occur again, and I would like to briefly outline my reasons for taking this position.

In the first place, Lake Michigan is not a bathtub or a tank to be filled or drained at the pleasure of the Chicago Sanitary District. It is a part of a complicated drainage basin which affects the welfare of seven States, and two Nations. No change should be made in the operation of the basin without due and careful consideration of the interests of all parties concerned—parties which include the people of Canada and the people of seven Midwestern States. The haste with which legislation authorizing an increased rate of diversion through the Chicago sanitary canal has been rushed through Congress in the past—and may be rushed again—suggests that the interests of all parties concerned are not being given due consideration.

Now I know that the proponents of this legislation will cite the 1957 Corps of Engineers report on the effect on Great Lakes and St. Lawrence River of an increase of 1,000 cubic feet per second in the diversion at Chicago, to substantiate their claim that the interests of other parties have been considered, and to show that the legislation before your committee will not appreciably endanger the welfare of anyone concerned.

I cannot agree with such contentions. I shall tell you why.

Back in 1930, after almost 40 years of litigation between Chicago and the other States of the Great Lakes area, the Supreme Court of the United States pointed out that the Chicago water diversion up to that time had caused a permanent lowering of 6 inches in the level of the Great Lakes; that it had greatly damaged lake commerce by decreasing the cargo capacity of lake vessels; that it had damaged beaches, fisheries, and recreational areas; and that it had caused a permanent lowering of the water table in the Great Lakes region with great resulting damage to docks, harbor facilities, and building foundations.

For this reason, the Supreme Court ruled that the rate of diversion then in effect through the Chicago Sanitary Canal should be reduced gradually from 10,000 cubic feet per second to 1,500 cubic feet per second. The decision of the Court had proved to be wise.

Now the point I want to make is this: Large-scale drainage through the Chicago Sanitary Canal had permanently lowered the levels of the Great Lakes by 6 inches in the past, causing extensive damage and loss to the people of the Great Lakes States.

The 1957 report of the Corps of Engineers concerns itself with the possible effect of increasing the water diversion in Chicago by 1,000 cubic feet per second. This increase—which amounts to only a fraction of the original rate of diversion—will, we are told, lower the lake levels by 1 inch.

Now the questions that we must ask ourselves are these: Just how significant is a 1-inch drop in the level of the Great Lakes; and, will the Chicago Sanitary District—which formerly needed diversion at the rate of 10,000 cubic feet per second—be content with a 1,000 cubic-foot increase in the established rate of 1,500 cubic feet?

The Corps of Engineers' report answers the first question. It states, on page 50, that the experience of vessel operations on the Great Lakes clearly shows that they are affected, and promptly respond, to changes of depth as small as 1 inch. This indicates that a permanent lowering in the level of the Great Lakes of 1 inch will affect—and affect adversely—the shipping and other interests on the Great Lakes. When this 1-inch drop will come on top of very low and declining water levels—which we are experiencing at present—its effect will be even more serious.

As to the second question, I believe that past experience can guide us to the right answer. When we consider the original diversion rate through the Chicago Sanitary Canal, and the emergency rate recently put into effect, we must recognize that the 1,000-cubic-foot figure mentioned in the Corps of Engineers' report, and in the proposed legislation, is only the wedge to open the floodgates.

We must, therefore, carefully consider the full implications of the proposal pending before your committee. It would, in effect, advance the interest of a single community at the expense of the city of Milwaukee and of other communities located on the shores of Lake Michigan. For that reason, I do not believe that this is sound legislation, and I am opposed to it. I hope that your committee will table this measure.

The problem of the Chicago Sanitary District can undoubtedly be solved—but it should be solved through the consent of all interested and affected parties. This is the proper way. The problem should not be solved in an arbitrary and discriminatory fashion through the passage of special legislation. The bills before the committee propose the latter course and, as such, should be defeated.

Mr. McGREGOR. Mr. Chairman, I yield the balance of the time on this side to the gentleman from Wisconsin [Mr. BYRNES].

The CHAIRMAN. The gentleman from Wisconsin is recognized for 9 minutes.

Mr. BYRNES of Wisconsin. Mr. Chairman, I think we all recognize the great value and emphasis that is put on water today. It is a problem in all areas of the country; and that, I suppose, is one of the basic reasons why this is a controversial issue and does generate some emotion and conflict at least between the particular areas that are immediately involved in the problems raised by this bill.

I am not at all criticizing my colleagues from Chicago for being vehement in their attempt to accomplish for the Sanitary District of Chicago that which the sanitary district has been unable to get through all other legitimate channels. They have a perfect opportunity if they have a sound case to go to the Supreme Court. They have done so, and the Supreme Court has found that their position in petitioning for additional diversions has not been reasonable.

They have gone to the President of the United States. They went to President Roosevelt at one time to get an order; they have gone to public health authorities to get orders; they have gone every place, but always upon an analysis of the situation that exists they have been turned down. They now move into the political area and attempt to get here what the sanitary district has been unable to get in other ways.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Illinois.

Mr. YATES. The gentleman does not contend that the Congress has not jurisdiction, does he?

Mr. BYRNES of Wisconsin. Not at all. I am simply suggesting that you have today, without coming to Congress, an avenue of relief if you are entitled to it. That avenue is the Supreme Court which you have gone to in the past. That case is not a closed case. It has been reopened. It is not closed today. You can petition that Court tomorrow for an increase in diversion and that Court will hear your petition and decide the facts. It did so, in fact, as recently as last January. In December last a petition was filed before the Court asking for the right to divert additional waters because of a peculiar problem that the district had at that time. The Supreme Court granted them the authority for additional diversion. They went in again in February and obtained an extension of time for that diversion.

Mr. BLATNIK. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Minnesota.

Mr. BLATNIK. By the gentleman's own statement the Court decided there was merit in the request?

Mr. BYRNES of Wisconsin. On a temporary basis, I remind the gentleman, the Court put in a cutoff date and the cutoff date has arrived.

Mr. BLATNIK. As the gentleman further stated, the request has come up several times and in every instance approved, although on a short-term basis. This problem keeps on recurring and recurring and we attempt by this 3-year survey to conclusively come up with some data from which we can reach a final decision as to what should be done.

Mr. BYRNES of Wisconsin. The gentleman is missing the point. The problem as we see it in the Great Lakes States and in Canada is the problem of a permanent diversion or a continuing diversion over a period of time. The Supreme Court has also said that there should be a limitation of 1,500 cubic feet per second as far as a continuing diversion is concerned. The Court also said, and we agree, that there are temporary situations and that when Chicago can prove, and when the sanitary district can prove, that there is an urgent situation existing, then they may come before the Court and the Court will grant them relief. To me that is the proper way for this matter to be solved.

Mr. Chairman, the gentleman from Ohio [Mr. VANIK] put his finger on part of the problem here and that is that the principal question is whether Congress will authorize the taking of water belonging to the 8 Great Lakes Basin States for the benefit of 1 city, Chicago, to the damage of 50 million people residing in the rest of the Great Lakes Basin States. That is the fundamental issue. They think they are going to be more successful here than they were in court. That same question was before the Court and the Court said that as far as Chicago's share of this water was concerned it should be limited to 1,500 cubic feet.

Mr. Chairman, I am not going into the question of lake tonnage. That has been discussed. It is clear there is going to be an adverse effect on lake tonnage; you cannot get away from that. The gentlemen on this committee which reported this bill know that we have inadequate ports along Lake Michigan today as far as depth is concerned. There are hearings and reports by the Corps of Engineers that increases in depths of channels are needed. This is going to make them that much more inadequate.

We also have the dollars and cents findings of the Corps of Engineers as to actual loss and damage that will result from even the 3-year experiment. The engineers have found a possible power loss valued at a maximum loss of $918,000 and a minimum of $408,000 offset only by an increase in a power potential of $202,000 in Illinois.

My Chicago friends pretend to be so reasonable; they are willing to write off a loss to the New York area and the Quebec area and the Ontario area of $918,000, so that they can get an additional advantage of the $202,000. Is that being reasonable? I put it up to this Congress.

Now, all of these findings of the Corps of Engineers are based on a temporary 3-year diversion, but remember this, the purpose of this bill looks toward the objective of a permanent diversion, because it is the purpose of the temporary experiment to see whether they can make the diversion permanent. There will be much greater losses when the diversion covers a longer term.

Let me point out again that Chicago has the means to obtain a temporary diversion and even a permanent diversion. The court has not said that they would not at any time consider raising the 1,500 cubic feet per second diversion to some higher amount on a permanent basis. They said they would, depending upon the facts presented to the court. So if the need was there, they could go to the court today and get a permanent diversion of 2,500 or 3,000 or whatever was reasonable and equitable as far as the rights of all of the parties were concerned.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Illinois.

Mr. YATES. Does the gentleman want to deny us the right to come to Congress rather than go to the courts? The gentleman stated that we have a right to come to the Congress. Why would he limit our right to obtain relief?

Mr. BYRNES of Wisconsin. The gentleman comes here with tears in his eyes and complains that they have no place to go and the Congress has to bail them out. I say that is not true.

Mr. YATES. We have not said that at all nor have we indulged in such dramatics.

Mr. BYRNES of Wisconsin. You have ample avenues available based on the facts if you simply take the avenues presently open to you.

Mr. YATES. That is not true at all. We say we have two possible remedies, the courts and the Congress. The gentleman cannot limit us to one of them.

Mr. BYRNES of Wisconsin. I urge that this important issue, affecting a great watershed, 2 nations and 8 Great Lakes States should be decided by the judicial processes and not by this political method.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That, in order to provide a basis for a study of the effect of increased diversion of water from Lake Michigan upon the Illinois Waterway and the degree of improvement in such waterway caused thereby, the effect of such increased diversion upon commerce among the several States and navigation on the Great Lakes and the Illinois Waterway, and the extent to which such increased diversion may affect the level of Lake Michigan, authority is hereby granted to the State of Illinois and the Metropolitan Sanitary District of Greater Chicago, under the supervision and direction of the Secretary of the Army, to withdraw water from Lake Michigan, in addition to all domestic pumpage, at a rate providing a total annual average of not more than 2,500 cubic feet of water per second, to flow into the Illinois Waterway during the 3-year period which begins on the date of enactment of this act, subject to the following limitations:

(1) The maximum direct diversion from Lake Michigan shall not at any time exceed a flow of 5,000 cubic feet per second;

(2) The Secretary of the Army shall at all times have direct control and supervision of the amounts of water directly diverted from Lake Michigan; and

(3) The Secretary of the Army shall not allow any water to be directly diverted from Lake Michigan to flow into the Illinois Waterway during times of flood in the Illinois, Des Plaines, Chicago, or Calumet Rivers.

Mr. MICHEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MICHEL: On page 2, line 21, strike out the period and insert a semicolon and the word "and"; and immediately below line 21 insert the following:

"(4) With respect to the regulation of flows along the Illinois River, particularly at Pekin, Ill., the diversion authorized by this act in accordance with this section will be regulated with the objective of maintaining a uniform flow at Pekin of 8,000 cubic feet per second when such uniformity of flow is feasible, as determined by the Chief of Engineers and the Secretary of the Army, and when maintenance of this uniformity will not conflict with or interfere with the preceding provisions of this section."

Mr. MICHEL. Mr. Chairman, I should like to preface my clinching argument for adoption of my amendment with a few introductory remarks for which there was no time during the course of general debate.

Inasmuch as the Illinois River runs diagonally through my congressional district for a little better than a hundred miles, we have a definite interest in any proposed increase in diversion. Except for the last year or two, downstate Members of Congress from Illinois have generally been opposed to any increase.

I have taken the position that an increase of 1,000 cubic feet per second would serve a number of good purposes provided that the controlling of the daily rate of diversion is regulated to a degree by the Corps of Engineers downstream at Pekin, Illinois. As a matter of fact, I introduced a bill to that effect, H. R. 6260.

I sought by my testimony before the committee to regulate the diversion as a means of giving us a more uniform flow in the river throughout the year.

There seems to be little question that the main cause of the death of thousands of fish in the river last fall was the rapid lowering of the water level. Any quick change of the water level for any reason, aside from an outright emergency, is inexcusable.

Such changes are not only destructive to fish and wildlife, but are highly inconsiderate of the people whose land lies adjacent to the river.

Sudden shifts of the water level cause the destruction of those recreational pursuits which we have come to enjoy downstream.

I have been told that the increased diversion would increase the oxygen content of the river and would be of major benefit to fish and wildlife. Better control of low-water flow assists materially in the spawning activities of fish life. It is also my belief that a better quality of water would tend to develop a better grade and type of fish. Higher low-water stages would provide better duck hunting facilities. Reduction of diversion during the fall months in past years has tended to dry up many small pools of water that could have been used for duck hunting purposes.

I point out these advantages to the sportsmen and conservationists as the objections to increased diversion in Illinois in years past have come principally from these quarters.

There are other benefits to be derived downstream with a properly controlled increase in diversion.

Ground water levels all over the State are declining and in the Illinois River Valley the underground water level definitely fluctuates with the river level. Any raising of the low-water level, therefore, has a corresponding beneficial effect on the level of the underground water supply.

As a matter of fact, the situation is so critical that the Peoria Water Works Co. has already constructed four river-water infiltration pits into which some 12 to 15 million gallons of river water is put into our underground water supply and plans are underway to construct a water purification plant. In addition to Peoria, Jacksonville, Winchester, and Galesburg have already found it necessary to do likewise in the future.

During the low-flow period of the Illinois River, there is an inadequate supply of sufficient water to provide proper cooling for major industrial and power plants. Continued industrial development will require more and bigger power plants with a corresponding increase in demand for more cooling water during low stages in the river. Increased flow of cooler Lake Michigan water would increase the efficiency of industrial and powerplant cooling systems.

Higher low-water levels would eliminate the costly operation of reducing river barge payloads due to low-river water levels. With the rapid increase of river shipping this is becoming more and more important.

A comparison of figures for tonnage carried on the Illinois Waterway indicate a growing traffic on the river. At Peoria, for instance, total tonnage for 1956 was over 18 million tons, an increase of 2 million tons over the previous year.

In the past, ice breaking during the winter months has been a costly operation, both from the standpoint of icebreakers and tow barges. During the past few months of this last winter that emergency resulted in the order by the United States Supreme Court for a temporary increase in diversion.

It seems to me that for as many years as this matter has been kicked around we ought to take the logical and sensible approach and authorize this increase in diversion for an experimental study period of 3 years to determine once and for all what the effects actually will be.

Inasmuch as the bill reported out of the committee is acceptable to me as far as it goes, but does not make mention of maintaining a uniform flow downstream, I have offered an amendment which will accomplish this purpose.

Mr. BLATNIK. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Minnesota.

Mr. BLATNIK. Mr. Chairman, as per the committee report, we have no objection to the amendment; in fact, the language is exactly the same as that incorporated in the committee report, and it was fully the intent of the committee that this particular feature be carried out which we thought would be done without spelling it out in specifics. So we have no objection to the amendment.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Ohio.

Mr. McGREGOR. Mr. Chairman, I want to say that the gentleman from Illinois has also submitted the amendment to the minority side and we concur in the statement of the majority and accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The amendment was agreed to.

PROGRAM FOR THE BALANCE OF THE WEEK

Mr. ARENDS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to ask a question of the majority leader and that is whether there is contemplated any change in the program either for tomorrow or Friday.

Mr. McCORMACK. Tomorrow there are two bills scheduled; the judges' bill and a bill from the Armed Services Committee suspending troop ceilings. Those will be in order.

If there is sufficient time we shall take up H. R. 6548 to amend the Universal Military and Training Service Act as regards persons in the medical, dental and allied specialist categories; that is, if that can be disposed of tomorrow.

As announced heretofore on Friday general debate will begin on the Department of Defense appropriation bill.

Mr. ARENDS. And there will be a continuation of the consideration of the Department of Defense bill on Monday?

Mr. McCORMACK. Yes.

Mr. ARENDS. I thank the gentleman.

Mr. BYRNES of Wisconsin. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I apologize for taking more of the Committee's time; but I had intended during the time allotted to me to discuss another aspect of this matter which I do not think has been mentioned today. That is the principle that is involved with respect to the international aspect of these waters; that is, the Great Lakes waters, which are boundary waters and other waters that are boundary waters.

What we do in connection with this matter may have an effect upon other waters that are involved between the United States and Canada. In fact, I think this action here may directly affect the matter of the treatment of the waters of the Columbia River and the Kootenai River, which rise in Canada in the Northwest. We know Canada is now proposing to divert from those rivers about 29,000 cubic feet per second of water into a project of its own the result of which will be to reduce the amount of water that will flow into the United

States side. This can have a very serious effect, if it is done, upon some of our very important power developments in the Northwest. For instance, it has been said that this would do very great injury to installed and projected American powerplants, such as the Grand Coulee, the Chief Joseph, the McNary, the John Day, the Dalles, and the Bonneville Dam.

Here today we are talking about diverting waters of the Great Lakes which will damage Canada. And there is no question about it. The Corps of Engineers' finding is that part of the power loss is going to be a loss to Canada. Canada has in the past and has continued to express its opposition to the diversion, not the diversion as far as it relates to Lake Michigan, which I agree with the gentleman from Illinois is not necessarily considered a boundary lake, but what is done in Lake Michigan does affect the boundary lakes, the other Great Lakes, so that Canada's interest is very definite and has always been very apparent.

We are talking here about the Lake Michigan water which will then affect the Canadian situation as far as the other lakes are concerned. Canada is talking about diverting rivers and waters in the Northwest. I sound this note of warning: If we go ahead, and permit diversion at Chicago, we certainly have no right to make any objections to Canada as far as their proposals to divert waters out of the Columbia River and the Kootenai River. We know that in connection with each one of those dams and the power developed from them the consequences are going to be enormous.

Again, when we talk about water we are talking about a very important element, an element of very high value. We are talking about all of its consequences. I hope the House when it votes on this measure will not vote on it lightly.

Mr. BOYLE. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Illinois.

Mr. BOYLE. The gentleman by either implication or plain language does not want this House to assume that it has any right to tell Canada what it is going to do in the lakes?

Mr. BYRNES of Wisconsin. There is a very serious question as what our status is under the treaty of 1909. I say, let us not get ourselves in a position where we violate the treaty of 1909 and thus be put in a position where we cannot insist that Canada respect the treaty of 1909.

Mr. BOYLE. If you are going to say that the treaty of 1909 expressly excluded Lake Michigan, you have to accept it.

Mr. BYRNES of Wisconsin. It did not exclude action that we might take that would have an effect upon the other border lakes. If we act in diverting Lake Michigan and that has an effect on the border lakes, we are very definitely affecting that treaty.

Mr. BLATNIK. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, in the closing minutes of this debate I wish to pay my tribute to the dean of the Illinois delegation for the magnificent service he has rendered in connection with this bill. I have been privileged to serve with Mr. O'BRIEN for a number of years. In this bill particularly I have seen his wisdom, his energy, and his ability displayed to such a point that I feel confident as a result of his efforts this bill will be passed. I pay this tribute to him because of the action he has taken in an effort to press the State Department to bring its negotiations with Canada to a conclusion promptly. The State Department is historically reluctant to engage in such negotiations with our neighbor to the north.

On May 10, as a result of the letters he has forwarded to the State Department, he received a communication from the Assistant Secretary of State, reading in part as follows:

As you will recall from earlier correspondence, the subject of increased diversion of water from Lake Michigan into the Illinois Waterway was discussed in detail some time ago with officials of the Canadian Embassy here in Washington. Since then the Department of State has learned from the Canadian Embassy that Canadian engineers are now considering the proposal. The Canadian Embassy has also advised the Department that the Canadian Government considers that this matter is of direct concern to certain of the Provincial governments and that consultations with these Provinces are underway.

We hope for an early and successful disposition of the matter.

I return now to my colloquy with the gentleman from Wisconsin [Mr. BYRNES] and call the attention of the House to another day, to May 8, 1952. On that day, the gentleman from Wisconsin [Mr. BYRNES] was not so concerned with the negotiations on waterways with our neighbor to the north, Canada. At that time the gentleman from Wisconsin and myself, together with 33 other Representatives from districts which border on the Great Lakes, addressed a communication to President Truman. I will read from that communication asking the President to take some action to relieve the pressure of water from the Great Lakes, and asking Canada to cease diverting its waters into the Great Lakes. Let me read the communication. Listen to what our communication said at that time:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 8, 1952.

His Excellency, the President,
Hon. HARRY S. TRUMAN,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: A disaster of major proportions is slowly spreading across the midcontinent of the United States as a result of the steadily rising waters of the Great Lakes.

For many months now, we have sought by every means at our command to arouse the proper executive department of the Federal Government to take bold and forthright action to alleviate and curb this creeping catastrophe. To date we have been met at many points by evasions, by flat refusals to act, or by timorous pleadings that nothing could be done without the cooperation of the Canadian Government. On the other hand, we are glad to say that the Corps of Engineers is currently making a comprehensive survey of the damage caused by the high waters and that the Reconstruction Finance Corporation, the Department of Agriculture and the Housing and Home Finance Agency are investigating the extent to which they can render emergency assistance to the affected States.

Mr. President, the causes of these high waters are in part manmade. In at least two instances, the lake levels have been substantially raised as the result of authorizations extended to Canada by this Government (of questionable legality, to begin with) to accommodate Canadian commerce or augment Canada's hydroelectric power potential. No quid pro quo was asked for these great concessions, nor did they redound in any way to the benefit of this country or its citizens. Quite the contrary. They were solely for the benefit of the Canadian economy.

Today, in part as a result of these substantial concessions, as well as other causes, the Great Lake shores are being inundated at an alarming rate. Damage has been unofficially estimated at a billion dollars as the property and fortunes of tens of thousands of American citizens are engulfed and wiped out by the encroaching waters.

Mr. President, you can check this creeping tide of disaster, if you will, by directing your executive agencies, including the Departments of State, Justice and the Army, as well as the International Joint Commission, to take the action which they have the power to take under the law to alleviate this critical situation. To delay further, on the ground that this Government cannot act without Canada is to deepen the widespread and growing apprehension that interests of the citizens of this country are no longer the first and major concern of this Government.

You have indicated a humanitarian concern for the distressed citizens of the Missouri and Mississippi River Valleys, whose homes and fortunes were swept away by the recent floods. We earnestly urge you to manifest a similar concern for the residents of the Great Lakes Basin, whose plight is no less dire, by directing your executive agencies to inaugurate remedial and preventive action in their behalf forthwith.

We remain, sir, respectfully yours,

This letter was sent to the President of the United States by 35 Members of the House on May 8, 1952, at a time just as we, in Illinois, feel at the moment the State Department was not pressing for action in as expeditious a manner as it might have done. The State Department has been historically a slow vehicle to move. At the present time, it is trying to arrive at an agreement with the Canadian Goverment, but the fact remains that on other occasions we have sought to obtain Executive action without the necessity of obtaining prior approval from the Government of Canada. The gentleman from Wisconsin and I both sought such action in 1952. There is such a situation now. It is perfectly proper while negotiations are going on to ask this Congress to act upon this matter.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield.

Mr. BYRNES of Wisconsin. I think, as Members of Congress, we have a right to complain against the action of Canada at that time increasing an already bad situation which we had because of the

tide cycle of the lake which was unusually high.

Mr. YATES. I agree with the gentleman.

Mr. BYRNES of Wisconsin. Our complaint was against manmade actions in the lake. Now we are complaining against an effort to make manmade actions to reduce our lake level.

Mr. YATES. The reduction will be minimal. I do not believe Canada will object. At any rate, part of the flow from these Canadian Waterways are still discharging into Lake Superior and will counteract whatever diversion Illinois may be authorized to make under this bill.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. As soon after the date of enactment of this act as is possible, the Secretary of the Army shall cause a study to be made of the effect on Lake Michigan and on the Illinois Waterway of the increased diversion authorized by the first section of this act, and the improvement in conditions along the Illinois Waterway which may result from such increased diversion. The Secretary of the Army shall report to the Congress on or before January 31, 1961, the results of such study. Such report shall contain recommendations with respect to continuing the authority to divert water from Lake Michigan into the Illinois Waterway in the amounts authorized by this act, or increasing or decreasing such amounts.

Mr. BLATNIK (during the reading of the bill). Mr. Chairman, I ask unanimous consent that further reading of the bill be dispensed with and the bill be considered as read and be printed.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOFFMAN. I ask unanimous consent, also, Mr. Chairman, to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Chairman, there was so much confusion yesterday when the Committee had under consideration an appropriation bill which carried an item for the construction of a House Office Building and an amendment was offered to strike that item that something should be said to straighten out the situation. Several times we were told that the amendment which authorized the expenditure for this new House Office Building had previously been offered and accepted without objection from those who now opposed the appropriation. Either directly or by implication it was charged that we had been negligent then, should not now complain.

The charge that we did not object when the authorization was made—that we were not diligent—is without merit—the record so shows.

Permit me to quote some of yesterday's statements which charge we did not then, that is, on March 18 of 1955, oppose the construction of this new building.

I read from the CONGRESSIONAL RECORD, May 21, 1957, pages 7329–7330:

Mr. VINSON. Does not the gentleman know and does not the House know that after an open debate on an appropriation bill the language was written in creating a House commission or, rather, giving authority to the House commission to do this construction and to take charge of the construction of this new office building?

Mr. RAY. I recall no such debate.

Mr. VINSON. Does not the gentleman also know that whenever legislation is offered on an appropriation bill it is subject to a point of order? And legislation of this magnitude was so thoroughly understood by every Member of the House that they had ample opportunity to object by simply making the point of order against the legislation.

Mr. RAY. I did not know enough to make that objection at that time.

Mr. VINSON. That may be true, although I doubt it. But the balance of the House knew because here in this appropriation bill for 1955, chapter 12, there is a whole chapter dealing with this subject matter and any Member of the House could have had it stricken out by simply making a point of order against it. This was strictly legislation on an appropriation bill.

* * * * *

Mr. ROONEY. * * * In the month of March—to be exact, March 18, 1955, and I am going to read from the CONGRESSIONAL RECORD, volume 101, part 3, page 3204, an amendment with regard to this project was offered on the floor of the House to a then pending supplemental appropriation bill by the distinguished gentleman from Texas, the Speaker of the House, the Honorable SAM RAYBURN.

* * * * *

Mr. VINSON. * * * Every Member of the House knew every phase about it, and the amendment was so drawn it went into every detail. That is exactly what the Commission has been doing. We have been complying with what the House gave its unanimous consent for the Commission to do.

Mr. ROONEY. * * * There was no objection to it although it was legislation on an appropriation bill, and it was adopted. Contrary to what the gentleman from Ohio, my distinguished friend [Mr. MCGREGOR], has said, the Committee on Appropriations had nothing to do with it except that it happened to have on the floor of the House the bill which became the vehicle for instituting the additional New House Office Building.

* * * * *

Mr. GROSS. I yield to the gentleman from Georgia.

Mr. VINSON. The gentleman was here in 1955. He sat in his usual seat and contributed then just as he does now to all debate. Why did he not stop it in 1955 when we had to get unanimous approval before it could go through?

Mr. GROSS. I did not know, in the first place, that I was completely answerable to the gentleman from Georgia for all of my actions and activities here.

Mr. VINSON. Of course the gentleman is not answerable to me, but he had an opportunity in 1955 to stop it.

Mr. GROSS. Let me say to the gentleman, better late than never. I do not know where I was in 1955, but the gentleman knows I tried to stop it in 1956 before a spade of earth was turned. Does not the gentleman know that? And I did not get the votes last year.

* * * * *

Mr. ROONEY. I am sure the gentleman from Iowa understands and I am sure the gentleman from Michigan understands that just one Member had to get up on the floor to make the point of order that it was legislation on an appropriation bill. You did not need any votes at all.

Permit me to answer the charge there was no objection to the authorization of the item yesterday under consideration—that no objection was made—that every possible available objection was made by me, your humble servant.

On March 18, 1955, an appropriation bill was before the Committee of the Whole House on the State of the Union. An amendment was offered by the gentleman from Texas [Mr. RAYBURN] authorizing the construction of an additional new House Office Building.

The gentleman from Missouri [Mr. CANNON], without seeking recognition by the Chairman or being recognized by him, accepted the amendment.

As the Clerk was reading the amendment and before he finished and as he finished, the Member from the Fourth District of Michigan was on his feet seeking and repeatedly demanding recognition to make a point of order.

I was not at first given recognition and then when recognized was told that my point of order came too late.

Permit me to read the rule:

A question of order on an appropriation in any such bill [appropriation bill], joint resolution, or amendment thereto may be raised at any time. (Rules of the House of Representatives, 85th Cong., rule XXI, sec. 4, p. 439.)

That there may be no further uncertainty from the RECORD of March 18, 1955, let me read:

The Clerk read as follows:

"CAPITOL BUILDINGS AND GROUNDS

"Capitol Grounds: For reconstruction, repair, alteration, and improvement of the areas of the United States Capitol Grounds located above and in the vicinity of the legislative garage, situated north of Constitution Avenue between New Jersey Avenue and Delaware Avenue, including expenditures for personal and other services and all other necessary items, $611,000, to remain available until expended.

"House Office Buildings: To enable the Architect of the Capitol, under the direction of the House Office Building Commission, to carry out the provisions of Public Law 176, 80th Congress, approved July 11, 1947, relating to erection of an additional House Office Building, including accommodations for parking automobiles, $25,000."

Mr. RAYBURN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

"Amendment offered by Mr. RAYBURN: On page 19 strike out all of lines 5 through 10, inclusive, and in lieu thereof insert:

"'CHAPTER XII—A

"'ADDITIONAL HOUSE OFFICE BUILDING

"'SEC. 1201. There is hereby authorized to be constructed on a site approved by the House Office Building Commission, in accordance with plans to be prepared by or under direction of the Architect of the Capitol and to be submitted to, and approved by, such Commission, an additional fireproof office building for the use of the House of Representatives, including such necessary access facilities over or under public streets and such other appurtenant or necessary facilities as may be approved by such Commission.

"'SEC. 1202. (a) If the site upon which the building authorized to be constructed by section 1201 of this act is not within the United States Capitol Grounds as defined in the act entitled "An act to define the area of

the United States Capitol Grounds, to regulate the use thereof, and for other purposes," approved July 31, 1946 (40 U. S. C., secs. 193a–193m), the Architect is authorized to acquire such site by purchase, condemnation, or otherwise, and upon acquisition of such site and completion of the building, such building, and the grounds, sidewalks, and facilities surrounding it shall be subject to the provisions of (1) the act of May 4, 1907, as amended (40 U. S. C., sec. 175) (relating to the control, supervision, and care of the House Office Building), and (2) the act entitled "An act to define the area of the United States Capitol Grounds, to regulate the use thereof, and for other purposes," approved July 31, 1946 (40 U. S. C., sec. 193a–193m).

"'(b) Any proceedings for condemnation brought under subsection (a) shall be conducted in accordance with the act entitled "An act to provide for the acquisition of land in the District of Columbia for the use of the United States," approved March 1, 1929 (16 D. C. Code, secs. 619–644).

"'SEC. 1203. For carrying out the purposes of this act there is hereby appropriated $2 million, to remain available until expended; and there are hereby authorized to be appropriated such additional sums as may be necessary to carry out this act.

"'SEC. 1204. This subchapter may be cited as the "Additional House Office Building Act of 1955."'"

Mr. CANNON. Mr. Chairman, in view of the emergency involved, and the urgent need of the facility for which the appropriation is proposed, the committee accepts this amendment and approves the expenditure.

Mr. HOFFMAN of Michigan. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN of Michigan. I make the point of order against the amendment that it is legislation on an appropriation bill.

Mr. CANNON. Mr. Chairman, the point of order comes too late.

The CHAIRMAN. The point of order does come too late.

Mr. HOFFMAN of Michigan. How does it come too late when I was on my feet seeking recognition before the gentleman was recognized?

The CHAIRMAN. The gentleman, as chairman of the committee, was recognized first.

Mr. HOFFMAN of Michigan. That is to say the rule that requires recognition of the chairman of a committee would deprive another Member from making a point of order?

The CHAIRMAN. No. Did the gentleman address the Chair?

Mr. HOFFMAN of Michigan. I did address the Chair before the Clerk finished reading.

The CHAIRMAN. That was not the proper time.

Mr. HOFFMAN of Michigan. I was on my feet and addressed the Chair before the Clerk finished and as soon as he finished. Now, if I have to shout louder, I can do that.

The CHAIRMAN. The Chair could not recognize the gentleman until the Clerk had finished reading.

Does the Committee get the significance of that ruling? Here is a Member of the Committee on his feet addressing the Chairman, attempting to make a point of order but because someone on the committee had accepted the amendment or risen to accept an amendment, the Member from Michigan is not recognized. One addressing the Presiding Officer for the purpose of making a point of order is entitled to recognition even though another Member has the floor—is engaged in debate. You hear that ruling almost every day.

Did you ever hear of a more absurd, a more unfair, a more arbitrary ruling than one which denied me recognition to make the point of order either because it came too late or because a member of the committee in charge of the bill demanded recognition? Of course, the responsibility for the ruling rests ultimately not with the Chairman of the Committee, but with the Parliamentarian.

Every Member of this House knows—I say he knows if he knows anything at all about the rules of parliamentary procedure—that a point of order can be made, as rule XXI, subsection 4, says, at any time; otherwise how could a legislature get a quorum to legislate or proceed at all in an orderly manner? Without that rule and its observance a legislative body cannot function.

If I were in charge or control of either party, all I would have to do to avoid points of order, avoid observance of all rules, get legislation I wanted passed, would be to have members of the committee in charge of a bill sit here and every time anyone made a point of order have a member of that committee get up, for, under the ruling of the Chair as shown by the RECORD, the member of the committee in charge of the bill must be recognized in preference to the Member who wants to make a point of order. The point of order would always come too late.

I say that is arbitrary. It is unfair. It is absurd, and there is no question about it.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. HOFFMAN. Mr. Chairman, I ask unanimous consent to proceed for 30 seconds.

The CHAIRMAN. Without objection the gentleman is recognized for 30 seconds.

There was no objection.

Mr. HOFFMAN. In the Committee yesterday we on this side who were opposed to this appropriation were accused of sitting on our hands and keeping our mouths shut when the matter originally came up. That just is not the fact. The RECORD so shows.

Now, what more could I have done? What could I have done, other than appeal from the ruling of the Chair—usually a futile gesture—than what I did do? I realize that sometimes I do make too much noise but I can get a whistle if that is necessary to get recognition under the present rules.

At the time I made no argument either for or against the merits of the bill. With that issue I was not then concerned. I was all hot and bothered on the point of order. I stated that I was not finding fault with the substance of the amendment—my concern was in striking it from the appropriation bill—as it should have been. Discussing a pro forma amendment I then said:

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word.

(Mr. HOFFMAN of Michigan asked and was given permission to revise and extend his remarks.)

Mr. HOFFMAN of Michigan. Mr. Chairman, I am not finding fault with the substance of this amendment offered by the gentleman from Texas [Mr. RAYBURN], our Speaker.

For 15 years I have been trying to get a decent place for Congressmen to eat, entertain their homefolk, and still have the time to perform their duties. But I have not seen any amendment come from that side of the aisle, I have not seen any amendment offered by the gentleman who is offering this amendment to do anything to provide that which everyone knows we need, which we have needed for 20 years. But that is not my point at all. My point is this.

I have been told from the well of the House, by the Speaker, who offered this amendment, that this is one of the greatest deliberative bodies in the world. I have heard that more than once from the gentleman from Texas [Mr. RAYBURN], and on several occasions the gentleman has coupled with it the statement that our proceedings should be orderly and in accordance with the rules of the House—the House which he dearly loved.

Yet, while we are supposed to be operating under rules to which the gentleman has called our attention, what happened today, just a few moments ago? The Members of the House saw what happened. The gentleman from Texas [Mr. RAYBURN] offered an amendment which was obviously in violation of a House rule. I was on my feet seeking recognition by the Chair, for I saw the gentleman from Missouri [Mr. CANNON] standing by the Speaker on the other side of the aisle. I knew I must make my point of order before debate on the amendment began. At least twice while the amendment was being read I addressed the Chair seeking to make a point of order—when the Clerk finished reading I again addressed the Chair, saying, "Mr. Chairman, a point of order." Twice I addressed the Chair—and in no whisper. Instead of giving me the recognition to which I was entitled, the Chair recognized the gentleman from Missouri, a member of the committee, who being recognized, said my point of order came too late. It did not come too late. It was made at the proper time, but apparently on advice of someone I was refused the recognition to which I was entitled under the rules. I do not charge any conspiracy between that gentleman and the gentleman from Texas [Mr. RAYBURN]. Oh, no; I do not charge that at all. But what they did was to so arrange things so that the gentleman in the chair, as was not his prerogative, instead of recognizing me when I was trying to obtain recognition, both before the Clerk had just finished reading and after, recognized the gentleman from Missouri [Mr. CANNON]. So, by their procedure, they did what? They deprived a member of the minority, a Member of the House from the Fourth District of Michigan, of the opportunity, under the rules, an opportunity which he should have, a right given him by the rules of the House, to which the Speaker has so often asked us to adhere, to make a point of order. How can a Member make a point of order if, when on his feet, in a loud voice, almost a shout, addressing the Chair, he says, "Mr. Chairman," then adds, "A point of order, Mr. Chairman," when the chairman refuses to see him. If that is legislating deliberately, all right. I will say that that is what I call a gag rule, an arbitrary ruling or procedure, which deprives a Member of the House, which on this occasion deprived the Member from Michigan, of a privilege, of a right, that is given him under the rules of the House, rules under which the amendment of the gentleman from Texas [Mr. RAYBURN] was out of order. The statement of the Chair that he could not recognize me before the Clerk finished reading, if followed, would prevent the making of a point of order when the House was out of order—an absurdity. Moreover, I was on my feet addressing the Chair, as 50 Members of the House well know, when the Clerk finished reading the amendment.

If you like that kind of procedure, all right. But do not ever come around to me and do not ever cry babylike, from the well of the House, of a fancied violation of the rules—do not preach or cry to me about the sacredness of the rules of the House, about something that may happen over here on this side. And it was all so unnecessary. Why not the legislation in the amendment in a bill in the regular way—sent to a committee? Was there something requiring secrecy, haste? Was there an emergency? Rules made for me to obey are rules for all to follow.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. RAYBURN].

The amendment was agreed to.

By unanimous consent, the pro forma amendments were withdrawn.

Mr. TABER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I come from one of those States which will suffer as a result of the lowering of the water level of Lake Ontario. Frankly, the people of my State do not approve of this bill. They feel it will destroy valuable rights and embarrass them very much.

At the present time we have a very low level of Lake Ontario, and the diversion permitted by this bill, if it is passed, will aggravate it a little more. Under all of the circumstances, it seems to me that the House of Representatives and the legislative body at the other end of the Capitol should not at this time create a diversion which would harm people living along Lake Erie, Lake Ontario, Lake Huron, and the northern parts of Lake Michigan. If we attempt to do this, we are destroying the riparian rights of all the people all along that line. You are going to make it a great deal more difficult for them to maintain a pure water supply and to take care of the shoreline. A lowered shoreline means lots of exposed land, diseased weeds, and all that sort of thing which will result in an unhealthy condition. The Congress should not try to do something which will destroy the rights of one set of people.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WILLIS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 2) to authorize the State of Illinois and the Metropolitan Sanitary District of Greater Chicago, under the direction of the Secretary of the Army to test, on a 3-year basis, the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway, and for other purposes, pursuant to House Resolution 254, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. McGREGOR. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. McGREGOR. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. McGREGOR moves to recommit the bill, H. R. 2, to the committee on Public Works until the bilateral discussions between the United States and the Dominion of Canada with respect to the further diversion of water from Lake Michigan have been concluded.

Mr. BLATNIK. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. McGREGOR. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 143, nays 225, not voting 65, as follows:

[Roll No. 80]

YEAS—143

Adair
Alger
Andersen, H. Carl
Ashley
Avery
Ayres
Baldwin
Bass, N. H.
Bates
Baumhart
Becker
Bennett, Mich.
Bentley
Berry
Betts
Bolton
Bosch
Bow
Bray
Broomfield
Brown, Ohio
Brownson
Budge
Burdick
Byrnes, Wis.
Cederberg
Chamberlain
Clevenger
Cole
Coudert
Cramer
Cretella
Cunningham, Iowa
Curtin
Curtis, Mass.
Dague
Dennison
Derounian
Devereux
Diggs
Dingell
Dixon
Dooley
Dorn, N. Y.
Dwyer
Feighan
Fino
Ford
Frelinghuysen
George
Griffin
Griffiths
Gross
Hale
Halleck
Harden
Harrison, Nebr.
Harvey
Haskell
Hays, Ohio
Heselton
Hess
Hiestand
Hill
Hillings
Hoffman
Holmes
Holt
Horan
Hosmer
Jackson
Jenkins
Johansen
Johnson
Jonas
Kean
Keating
Kilburn
Knox
Laird
Latham
LeCompte
Lesinski
Lipscomb
McCulloch
McDonough
McGregor
McIntosh
Mack, Wash.
May
Meader
Miller, Nebr.
Miller, N. Y.
Minshall
Moore
Neal
Nimtz
Norblad
O'Hara, Minn.
O'Konski
Osmers
Ostertag
Pelly
Pillion
Poff
Prouty
Radwan
Ray
Reece, Tenn.
Reed
Rees, Kans.
Reuss
Rhodes, Ariz.
Riehlman
St. George
Schenck
Scherer
Schwengel
Scrivner
Scudder
Seely-Brown
Simpson, Ill.
Smith, Wis.
Taber
Talle
Teague, Calif.
Tewes
Thompson, Tex.
Thomson, Wyo.
Tollefson
Utt
Vanik
Van Pelt
Vorys
Wainwright
Weaver
Westland
Wigglesworth
Williams, N. Y.
Wilson, Ind.
Withrow
Younger
Zablocki

NAYS—225

Abbitt
Abernethy
Addonizio
Alexander
Allen, Ill.
Anderson, Mont.
Andrews
Arends
Ashmore
Aspinall
Auchincloss
Barden
Barrett
Bass, Tenn.
Beckworth
Belcher
Bennett, Fla.
Blatnik
Blitch
Boggs
Boland
Bolling
Bonner
Boykin
Boyle
Breeding
Brooks, La.
Brooks, Tex.
Brown, Ga.
Brown, Mo.
Broyhill
Buckley
Burleson
Byrne, Pa.
Canfield
Cannon
Carnahan
Carrigg
Celler
Chenoweth
Christopher
Chudoff
Church
Clark
Coffin
Collier
Colmer
Cooper
Corbett
Cunningham, Nebr.
Curtis, Mo.
Davis, Ga.
Dawson, Utah
Delaney
Dellay
Dempsey
Denton
Dies
Dollinger
Donohue
Dorn, S. C.
Dowdy
Doyle
Eberharter
Edmondson
Engle
Evins
Fallon
Farbstein
Fascell
Fenton
Fisher
Flood
Flynt
Forand
Forrester
Fountain
Frazier
Friedel
Fulton
Gary
Gathings
Gavin
Granahan
Grant
Gray
Green, Oreg.
Gregory
Hagen
Haley
Hardy
Harris
Harrison, Va.
Hays, Ark.
Hesley
Hébert
Herlong
Holifield
Huddleston
Hull
Ikard
Jarman
Jennings
Jensen
Jones, Ala.
Jones, Mo.
Karsten
Kee
Keogh
Kilday
Kilgore
King
Kirwan
Kitchin
Kluczynski
Knutson
Landrum
Lane
Lanham
Lankford
Long
Loser
McCarthy
McCormack
McFall
McGovern
McMillan
McVey
Macdonald
Machrowicz
Mack, Ill.
Madden
Magnuson
Mahon
Mailliard
Marshall
Matthews
Merrow
Metcalf
Michel
Miller, Calif.
Mills
Morgan
Morris
Morrison
Moss
Moulder
Multer
Mumma
Natcher
Nicholson
Norrell
O'Brien, Ill.
O'Brien, N. Y.
O'Hara, Ill.
O'Neill
Patman
Patterson
Perkins
Pfost
Philbin
Pilcher
Poage
Porter
Powell
Price
Rabaut
Rains
Rhodes, Pa.
Riley
Rivers
Robeson, Va.
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Rooney
Rutherford
Sadlak
Santangelo
Saund
Scott, N. C.
Scott, Pa.
Selden
Sheehan
Shelley
Shuford
Sikes
Sisk
Smith, Kans.
Smith, Miss.
Smith, Va.
Spence
Springer
Staggers
Stauffer
Steed
Teague, Tex.
Teller
Thompson, La.
Thompson, N. J.
Thornberry
Trimble
Tuck
Udall
Ullman
Van Zandt
Vinson
Vursell
Walter
Watts
Whitener
Widnall
Wier
Williams, Miss.
Willis
Winstead
Wright
Yates
Young

NOT VOTING—66

Albert
Allen, Calif.
Andresen, August H.
Anfuso
Bailey
Baker
Baring
Beamer
Bolton
Bowler
Byrd
Chelf
Chiperfield
Coad
Cooley
Davis, Tenn.
Dawson, Ill.
Durham
Elliott
Fogarty
Garmatz
Gordon
Green, Pa.
Gubser
Gwinn
Hemphill
Henderson
Hoeven
Holland
Holtzman
Hyde
Kearney
Kelley, Pa.
Krueger
Lennon
McConnell
Martin
Mason
Miller, Md.
Montoya
Morano
Murray
Passman
Polk
Preston
Roberts
Rosevelt
Saylor
Schwengel
Sheppard
Siler
Simpson, Pa.
Smith, Calif.
Sullivan
Taylor
Thomas
Thomas
Wharton
Whitten
Wilson, Calif.
Wolverton
Zelenko

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Polk for, with Mr. Judd against.
Mr. Kearney for, with Mr. Gordon against.
Mr. Taylor for, with Mr. Dawson of Illinois against.
Mr. Kearns for, with Mr. Holtzman against.
Mr. Baker for, with Mr. Garmatz against.
Mr. Hoeven for, with Mr. Anfuso against.
Mr. Beamer for, with Mr. Zelenko against.

Mr. Allen of California, for with Mr. Robsion of Kentucky, against.
Mr. Gwinn for, with Mr. Roberts against.
Mr. Gubser for, with Mr. Fogarty against.
Mr. James for, with Mr. Baring against.
Mr. McConnell for, with Mr. Bailey against.
Mr. Saylor for, with Mr. Kelley of Pennsylvania against.
Mr. Wharton for, with Mr. Green of Pennsylvania against.
Mr. Henderson for, with Mr. Davis of Tennessee against.
Mr. Wilson of California for, with Mrs. Sullivan against.
Mr. Krueger for, with Mr. Durham against.

Until further notice:

Mr. Albert with Mr. Martin.
Mr. Hemphill with Mr. Chiperfield.
Mr. Roosevelt with Mr. Hyde.
Mr. Whitten with Mr. August H. Andresen.
Mr. Byrd with Mr. Mason.
Mr. Elliott with Mr. Morano.
Mr. Preston with Mrs. Rogers of Massachusetts.
Mr. Sieminski with Mr. Simpson of Pennsylvania.
Mr. Holland with Mr. Siler.
Mr. Sheppard with Mr. Smith of California.
Mr. Chelf with Mr. Wolverton.

Mr. CLARK changed his vote from yea to nay.

Mr. BECKWORTH changed his vote from yea to nay.

Mr. FEIGHAN changed his vote from nay to yea.

Mr. SCRIVNER changed his vote from nay to yea.

Mr. MILLER of New York changed his vote from nay to yea.

Mr. SCHWENGEL changed his vote from yea to nay.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. The question is on the passage of the bill.

Mr. WITHROW. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 223, nays 144, not voting 66, as follows:

[Roll No. 81]

YEAS—223

Abbitt
Abernethy
Addonizio
Alexander
Allen, Ill.
Anderson, Mont.
Andrews
Arends
Ashmore
Aspinall
Auchincloss
Barden
Barrett
Bass, Tenn.
Beckworth
Beennett, Fla.
Blatnik
Blitch
Boggs
Boland
Bolling
Bonner
Boykin
Boyle
Breeding
Brooks, La.
Brooks, Tex.
Brown, Ga.
Brown, Mo.
Broyhill
Buckley
Burdick
Burleson
Bush
Byrne, Ill.
Byrne, Pa.
Canfield
Cannon
Carnahan
Carrigg
Celler
Chenoweth
Christopher
Chudoff
Church
Clark
Coffin
Collier
Colmer
Cooper
Corbett
Cunningham, Iowa
Curtis, Mo.
Davis, Ga.
Dawson, Utah
Delaney
Dellay
Dempsey
Denton
Dies
Dollinger
Donohue
Dorn, S. C.
Dowdy
Doyle
Edmondson
Engle
Evins
Fallon
Farbstein
Fascell
Fenton
Fisher
Flood
Flynt
Forand
Forrester
Fountain
Frazier
Friedel
Fulton
Gary
Gathings
Gavin
Granahan
Grant
Gray
Green, Oreg.
Gregory
Hagen
Haley
Hardy
Harris
Harrison, Va.
Hays, Ark.
Hesley
Hébert
Herlong
Holifield
Huddleston
Hull
Ikard
Jarman
Jennings
Jensen
Jones, Ala.
Jones, Mo.
Karsten
Kee
Keogh
Kilday
Kilgore
King
Kirwan
Kitchin
Kluczynski
Knutson
Landrum
Lane
Lanham
Lankford
Long
Loser
McCarthy
McCormack
McFall
McGovern
McMillan
McVey
Macdonald
Machrowicz
Mack, Ill.
Madden
Magnuson
Mahon
Mailliard
Marshall
Matthews
Merrow
Metcalf
Michel
Miller, Calif.
Mills
Morgan
Morris
Morrison
Moss
Moulder
Multer
Mumma
Natcher
Nicholson
Norrell
O'Brien, Ill.
O'Brien, N. Y.
O'Hara, Ill.
O'Neill
Patman
Patterson
Perkins
Pfost
Philbin
Pilcher
Poage
Porter
Powell
Price
Rabaut
Rains
Rhodes, Pa.
Riley
Rivers
Robeson, Va.
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Rooney
Rutherford
Sadlak
Santangelo
Saund
Scott, N. C.
Scott, Pa.
Selden
Sheehan
Shelley
Shuford
Sikes
Sisk
Smith, Miss.
Smith, Va.
Spence
Springer
Staggers
Stauffer
Steed
Teague, Tex.
Teller
Thompson, La.
Thompson, N. J.
Thompson, Tex.
Thornberry
Trimble
Tuck
Udall
Ullman
Van Zandt
Vinson
Vursell
Walter
Watts
Whitener
Widnall
Wier
Williams, Miss.
Willis
Winstead
Wright
Yates
Young

NAYS—144

Adair
Alger
Andersen, H. Carl
Ashley
Avery
Ayres
Baldwin
Bass, N. H.
Bates
Baumhart
Becker
Belcher
Bennett, Mich.
Bentley
Berry
Betts
Bosch
Bow
Bray
Broomfield
Brown, Ohio
Brownson
Budge
Byrnes, Wis.
Cederberg
Chamberlain
Clevenger
Cole
Coudert
Cramer
Cretella
Cunningham, Nebr.
Curtin
Curtis, Mass.
Dague
Dennison
Derounian
Devereux
Diggs
Dingell
Dixon
Dooley
Dorn, N. Y.
Dwyer
Feighan
Fino
Ford
Frelinghuysen
George
Griffin
Gross
Gwinn
Hale
Halleck
Harden
Harrison, Nebr.
Harvey
Haskell
Hays, Ohio
Heselton
Hess
Hiestand
Hill
Hillings
Hoffman
Holmes
Holt
Horan
Hosmer
Jackson
Jenkins
Johansen
Johnson
Jonas
Kean
Keating
Kilburn
Knox
Laird
Latham
LeCompte
Lesinski
Lipscomb
McCulloch
McDonough
McGregor
McIntire
McIntosh
Mack, Wash.
May
Meader
Miller, Nebr.
Miller, N. Y.
Minshall
Moore
Neal
Nimtz
Norblad
O'Hara, Minn.
O'Konski
Osmers
Ostertag
Pelly
Pillion
Poff
Prouty
Radwan
Ray
Reece, Tenn.
Reed
Rees, Kans.
Reuss
Rhodes, Ariz.
Riehlman
Robsion, Ky.
St. George
Schenck
Scherer
Scrivner
Scudder
Seely-Brown
Simpson, Ill.
Smith, Calif.
Smith, Kans.
Smith, Wis.
Taber
Talle
Teague, Calif.
Tewes
Thomson, Wyo.
Tollefson
Utt
Vanik
Van Pelt
Vorys
Wainwright
Weaver
Westland
Wigglesworth
Williams, N. Y.
Wilson, Ind.
Withrow
Younger
Zablocki

NOT VOTING—66

Albert
Allen, Calif.
Andresen, August H.
Anfuso
Bailey
Baker
Baring
Beamer
Bolton
Bowler
Byrd
Chelf
Chiperfield
Coad
Cooley
Davis, Tenn.
Dawson, Ill.
Durham
Eberharter
Elliott
Fogarty
Garmatz
Gordon
Green, Pa.
Griffiths
Gubser
Hemphill
Henderson
Hoeven
Holland
Holtzman
Hyde
James
Judd
Kearney
Kearns
Kelley, Pa.
Krueger
Lennon
McConnell
Martin
Mason
Miller, Md.
Montoya
Morano
Murray
Passman
Polk
Preston
Roberts
Rogers, Mass.
Roosevelt
Saylor
Schwengel
Sheppard
Siler
Simpson, Pa.
Sullivan
Taylor
Thomas
Wharton
Whitten
Wilson, Calif.
Wolverton
Zelenko

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Judd for, with Mr. Polk against.
Mr. Gordon for, with Mr. Kearney against.
Mr. Dawson of Illinois for, with Mr. Taylor against.
Mr. Holtzman for, with Mr. Kearns against.
Mr. Garmatz for, with Mr. Baker against.
Mr. Roberts for, with Mr. Hoeven against.
Mr. Fogarty for, with Mr. Beamer against.
Mr. Bailey for, with Mr. Allen of California against.
Mr. Kelley of Pennsylvania for, with Mr. Gubser against.
Mr. Green of Pennsylvania for, with Mr. James against.
Mrs. Sullivan for, with Mr. McConnell against.
Mr. Durham for, with Mr. Saylor against.
Mr. Preston for, with Mr. Wharton against.
Mr. Albert for, with Mr. Henderson against.
Mr. Sieminski for, with Mr. Wilson of California against.
Mr. Byrd for, with Mr. Krueger against.
Mr. Roosevelt for, with Mrs. Bolton against.

Until further notice:

Mr. Anfuso with Mr. Martin.
Mr. Zelenko with Mr. Morano.
Mr. Baring with Mr. Siler.
Mr. Sheppard with Mr. Simpson of Pennsylvania.
Mrs. Griffiths with Mr. Wolverton.
Mr. Whitten with Mr. Hyde.
Mr. Elliott with Mr. Chiperfield.
Mr. Davis of Tennessee with Mr. Mason.
Mr. Chelf with Mr. Miller of Maryland.
Mr. Passman with Mrs. Rogers of Massachusetts.
Mr. Cooley with Mr. Schwengel.
Mr. Eberharter with Mr. August H. Andresen.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed, H. R. 2.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday for the next 2 weeks be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DEPARTMENTS OF STATE AND JUSTICE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION BILL, 1958

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6871) making appropriations for the Departments of State and Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. ROONEY, PRESTON, SIKES, MAGNUSON, CANNON, COUDERT, BOW, CLEVENGER, and TABER.

SMALL-BUSINESS MEN'S ASSOCIATION

Mr. PORTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. PORTER. Mr. Speaker, 425 Members of this House accepted invitations to a dinner held last night at the Mayflower Hotel celebrating the 20th anniversary of the National Small-Business Men's Association. The president of this association, Mr. L. M. Evans, made a speech which can only be described as ignorant, insulting, and irresponsible. He told us, who had gathered there to do honor to small-business men, that the country would be better off if there were a fence around Washington, that without us; that is, legislative, judiciary, and executive branches, the country would soon close ranks and be better off.

He told us New York should not tell Tennessee what to do, Ohio should not tell Kentucky, and so on, in other words on the national level the denial of a union of States.

It was plain to me he did not represent nor did he speak for the small-business men I know and respect. It was also plain that his anarchistic point of view was based on ignorance of our Government, not knowledge; on his complete failure to understand what "United" in United States means.

Mr. Evans enjoined us to remember, in connection with cutting the budget and taxes, that we could fail to be reelected. What he seemed to forget, or not understand at all, was that we had been elected and that we were all doing our best according to our knowledge and belief as to our duty. That his ignorance extended to the simplest matters regarding our system of government was indicated when he spoke of Representatives as having 4-year terms of office. It is a sad day for small-business men when such as Mr. Evans lead them and purport to speak for them.

FEDERAL EXCISE TAX ON RENTAL OF SAFE DEPOSIT BOXES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DINGELL. Mr. Speaker, I have introduced legislation which will repeal sections 4286 and 4287 of the Internal Revenue Code, which relate to the Federal excise tax on the rental of safe deposit boxes.

This tax was originally instituted in 1932 as an emergency measure to provide the Federal Government with additional revenue. At that time the rate of tax imposed was 10 percent of the amount collected in rentals on those boxes. In 1940 this tax was increased to 11 percent. One year later, with the outbreak of the Second World War, it was increased to 20 percent. The Excise Tax Reduction Act of 1954 reduced it to 10 percent—the rate which currently prevails.

In the fiscal year 1956 this tax produced $5,512,000 in revenue for the Federal Government. A table is enclosed at the end of my statement showing the amount collected each year since this tax was first adopted.

It has been estimated that there are at least 12 million renters of safe deposit boxes. Generally, the rents range from $2 to $8 a year for the average-size box.

I am seeking the abolition of this tax for the following reasons:

First of all, this tax works a hardship on those persons renting safe-deposit boxes. For the most part, these renters are not wealthy, but are persons of modest means who use the boxes more for the protection of the deed to their home, their life-insurance policies, and other important papers, rather than for the storage of stocks and bonds. This tax, superimposed upon the many others levied by the Federal, State, and local governments only adds to the tax burden of those renting the boxes.

Second, this tax produces such a small amount of revenue annually, that with the time and labor spent by the Government in collecting it, it represents little more than a nuisance tax. The $5,512,000 collected in 1956 was only 0.007 percent of the $75,112,649,000 received from all sources. The loss in revenue which would result from the abolition of this tax would be partially offset by an increase in income-tax collections from safe-deposit-box companies and banks whose earnings would rise from the increased usage of these boxes.

Third, safe-deposit boxes are essential for the safekeeping of one's personal possessions and should not be taxed in the same manner as luxury or nonessential items. As the law now stands, no distinction is made by the Federal Government in the rate imposed on safe-deposit-box rentals and on such less essential items as cosmetics, furs, and jewelry—the same rate applies to each of these articles.

Fourth, this tax is burdensome on safe-deposit companies which are dedicated to the promotion of thrift, savings, and the protection of personal possessions. This arises from the fact that this tax discourages some individuals from renting the boxes. Therefore, as long as it remains in effect, the operations of these safe-deposit companies and banks are handicapped.

Fifth, repeal will tend to encourage the rental of safe-deposit boxes. This in turn will stimulate purchases of Federal savings bonds which the Government is constantly seeking to encourage. Without safe-deposit boxes in which to place their bonds, individuals tend to resist Treasury bond drives.

Finally, while there was some justification for this tax during the war when the Federal Government was compelled to tap every possible source of revenue, this argument does not hold today.

The repeal of this tax is now long overdue. I, therefore, ask your consideration and approval of my bill seeking its repeal.

Federal tax collections on the use of safe-deposit boxes, fiscal years 1933–56

1933	$2,365,041
1934	2,715,851
1935	2,317,619
1936	1,997,410
1937	2,039,714
1938	2,013,159
1939	1,980,525
1940	1,988,934
1941	2,215,898
1942	3,662,536
1943	6,070,096
1944	6,593,675
1945	7,311,450
1946	7,857,166
1947	8,560,125
1948	9,081,103
1949	9,461,317
1950	9,554,488
1951	9,568,647
1952	10,210,796
1953	10,368,153
1954	9,318,000
1955	5,568,000
1956	5,512,000

Source: U. S. Treasury Department, Internal Revenue Service. Annual Report of the Commissioner of Internal Revenue. Annual volumes for the years indicated. Washington, U. S. Government Printing Office.

SOCIAL SECURITY BENEFITS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DINGELL. Mr. Speaker, one of the major problems of our time is the great difference between the amount of money a worker gets in his last pay check before he is forced to retire, and the amount he receives in his first social-security benefit. The average social-security benefit today is about $63 per month—or just $756 a year. On the other hand, the average wage in manufacturing today is about six times this amount. I am, therefore, introducing a bill which will help to equalize this striking drop in income upon retirement by

raising the maximum used for social-security benefit and tax purposes from $4,200 to $6,200 a year.

As you know, social-security benefits are computed on the basis of the worker's taxable wages. One of the primary purposes of this method of computing benefits is to preserve an appropriate relationship between a worker's earnings and his retirement income. It follows, therefore, that if maximum creditable wages are not closely related to existing wage levels, this cardinal principle of the system is distorted.

When the social-security system was established in 1935 the desirability of this relationship was clearly recognized. The wage base established at that time covered all earnings of almost all workers. In 1938, for instance, only 5.9 percent of all male workers were earning more than $3,000 a year, the wage base at that time. Since that time the wages have risen by more than 300 percent. But the taxable wage base for social-security purposes has been increased by only 40 percent. By 1954 the situation had gotten so bad that 61 percent of all full-time male workers—the family breadwinners of our country, were earning more than the wage base, $3,600 at that time. In the 1954 amendments, Congress recognized this startling disparity by increasing the base to $4,200. But this increase was woefully inadequate at the time because 42 percent of all male workers were still earning more than $4,200 a year. By 1955 this percentage had risen to about 50 percent. Thus the gap between income during working years and income in years of retirement continues to grow at a frightening rate. However, if my amendment is enacted, bringing the wage base up to $6,200, all but 10 percent of male workers will have all their earnings credited under social security. This will return the system to its original purpose of providing a wage base that will include all the earnings of almost all American workers.

What will this increase in the wage base mean in terms of social-security benefits? The maximum benefit for a worker retiring in the future because of age or disability will be increased from the present $108.50 per month to a more reasonable figure of around $140 per month. His widow, who now receives only $81.40, would be entitled to benefits of over $100 a month. And the combined family benefit of a retired husband and wife will be increased from $162.80 to around $200 per month. Thus social-security benefit payments would be brought more nearly into line with the increased salaries and living costs now prevailing in America.

It should be noted that the new wage base will not increase social-security taxes for workers earning less than $4,200. The maximum increase to the employer and the employee will amount to just $3.75 per month. For workers receiving more than $4,200 but less than $6,200 the added tax will be proportionately less. In view of the higher benefits provided, this is certainly a good investment, and one which could not be purchased at a comparable price in private insurance.

The newly covered professional groups who, in general, have earnings which exceed the present wage base, would be afforded much better protection for their retirement years. A recent study by the Department of Commerce shows, for example, that as long ago as 1954, 75 percent of the Nation's independent lawyers had incomes of $4,000 or more per year.

Moreover, this amendment would have the effect of reducing the level premium cost of the social-security program by around 0.40 percent of payroll. This saving will allow liberalizations of other aspects of the program. It would, for instance, more than cover the cost of increasing the earned-income exemption for retired workers from the present $1,200 per year to $1,800, as proposed in my bill, H. R. 7669, which is also designed to help adjust retirement income to the rising cost of living.

This is an improvement in our social security system which is long overdue. As early as 1954 the A. F. of L. and CIO supported the Lehman-Dingell bill, which would have brought the wage base up to $6,000 to keep pace with rising wage levels. It conforms with the philosophy of the Advisory Council on Social Security, appointed by the Senate Finance Committee of the 80th Congress, as to what constitutes an appropriate wage base. The Advisory Council stated:

> Since the American system of relating benefits to past wages rests on the principle that considerations of individual security and individual incentive require a relationship between benefits and the previous standard of living of the retired person, benefits must be increased for higher paid wage earners as well as for workers in the lower income brackets.

Mr. Speaker, I urge early action on the part of the Congress with respect to this most important matter. In so acting we will bring our social security system into line with the basic idea of assuring an American worker a retirement income which is more closely related to the income he received during his working years. It will enable him to maintain a more decent standard of living at a time of rising living costs. We have a serious obligation to the aged and disabled men and women in our country to enact this legislation.

DEBATE ON THE SECOND APPROPRIATION BILL, FISCAL YEAR 1955

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, I understand that this afternoon without notice to me and during my absence from the floor on official business in the other body at the other end of the Capitol, my distinguished friend, the gentleman from Michigan [Mr. HOFFMAN], mentioned my name three times during the course of some remarks he made. I am at a loss at this moment to know what the gentleman said, but I understand from hearsay that he referred to the debate and colloquies had during the course of the consideration in the House of the second Appropriation bill of fiscal year 1955, had on March 18, 1955. I think the best answer I may make at this moment, without knowing what remarks the gentleman from Michigan made, is by way of incorporating at this point in the RECORD the language beginning at the point where the gentleman from Texas, our distinguished Speaker, offered an amendment to that bill, CONGRESSIONAL RECORD, volume 101, part 3, in the third column of page 3204, down to and including all of the following page 3205, and then to the point where the amendment of the gentleman from Texas was agreed to in the first column of page 3206. The matter I refer to is as follows:

Mr. RAYBURN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

"Amendment offered by Mr. RAYBURN: On page 19 strike out all of lines 5 through 10, inclusive, and in lieu thereof insert:

"'CHAPTER XII-A

"'ADDITIONAL HOUSE OFFICE BUILDING

"'SEC. 1201. There is hereby authorized to be constructed on a site approved by the House Office Building Commission, in accordance with plans to be prepared by or under direction of the Architect of the Capitol and to be submitted to, and approved by, such Commission, an additional fireproof office building for the use of the House of Representatives, including such necessary access facilities over or under public streets and such other appurtenant or necessary facilities as may be approved by such Commission.

"'SEC. 1202. (a) If the site upon which the building authorized to be constructed by section 1201 of this act is not within the United States Capitol Grounds as defined in the act entitled "An act to define the area of the United States Capitol Grounds, to regulate the use thereof, and for other purposes," approved July 31, 1946 (40 U. S. C., secs. 193a–193m), the Architect is authorized to acquire such site by purchase, condemnation, or otherwise, and upon acquisition of such site and completion of the building, such building, and the grounds, sidewalks, and facilities surrounding it, shall be subject to the provisions of (1) of the act of May 4, 1907, as amended (40 U. S. C., sec. 175) (relating to the control, supervision, and care of the House Office Building), and (2) the act entitled "An act to define the area of the United States Capitol Grounds, to regulate the use thereof, and for other purposes," approved July 31, 1946 (40 U. S. C., sec. 193a–193m).

"'(b) Any proceedings for condemnation brought under subsection (a) shall be conducted in accordance with the act entitled "An act to provide for the acquisition of land in the District of Columbia for the use of the United States," approved March 1, 1929 (16 D. C. Code, secs. 619–644).

"'SEC. 1203. For carrying out the purposes of this act there is hereby appropriated $2 million, to remain available until expended; and there are hereby authorized to be appropriated such additional sums as may be necessary to carry out this act.

"'SEC. 1204. This subchapter may be cited as the "Additional House Office Building Act of 1955."'"

Mr. CANNON. Mr. Chairman, in view of the emergency involved, and the urgent need of the facility for which the appropriation is proposed, the committee accepts this amendment and approves the expenditure.

Mr. HOFFMAN of Michigan. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN of Michigan. I make the point of order against the amendment that it is legislation on an appropriation bill.

Mr. CANNON. Mr. Chairman, the point of order comes too late.

The CHAIRMAN. The point of order does come too late.

Mr. HOFFMAN of Michigan. How does it come too late when I was on my feet seeking recognition before the gentleman was recognized?

The CHAIRMAN. The gentleman, as chairman of the committee, was recognized first.

Mr. HOFFMAN of Michigan. That is to say the rule that requires recognition of the chairman of a committee would deprive another Member from making a point of order?

The CHAIRMAN. No. Did the gentleman address the Chair?

Mr. HOFFMAN of Michigan. I did address the Chair before the Clerk finished reading.

The CHAIRMAN. That was not the proper time.

Mr. HOFFMAN of Michigan. I was on my feet and addressed the Chair before the Clerk finished and as soon as he finished. Now, if I have to shout louder, I can do that.

The CHAIRMAN. The Chair could not recognize the gentleman until the Clerk had finished reading.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I should like to ask the chairman of the Appropriations Committee what is the emergency that compels us to construct a new office building, and what is going to be the cost of this building?

Mr. RAYBURN. Mr. Chairman, if the gentleman will yield, I can say this to the gentleman, that if he were on the House Office Building Commission and had a dozen people coming to him every day asking for additional space, why he would understand something about the necessity for building a building that gives us more space. They do need this building very badly, and this is a start on it; I think a good start. Of course, I must admit that this Commission that is going to handle it is a very fine Commission, because the gentleman from Texas [Mr. RAYBURN] is a member of it.

Mr. GROSS. I would agree with that.

Mr. RAYBURN. And the gentleman from Georgia [Mr. VINSON], and one of the finest men of the House and a man who probably knows more about public buildings than anyone, the gentleman from New Jersey [Mr. AUCHINCLOSS]. I do not think this Commission is going to run wild on anything. But I do know that we need additional space here to carry on efficiently the work of the Members of the House of Representatives.

Mr. GROSS. Mr. Chairman, may I inquire of the gentleman from Texas [Mr. RAYBURN], is this going to be an ornamental type of building again, or is it going to be a functional type of building? What are we getting into here?

I am concerned, and deeply concerned, because things are happening out in the State of Iowa today that are not good for the economy of the State or of this country. Let me say to the gentleman that last year 54 percent of the farmers of the State of Iowa did not make sufficient income to pay a State income tax. I am concerned—and I want the gentleman to understand that I make this inquiry in the utmost sincerity—about this spending situation. We are putting up buildings on the Capitol Grounds, tremendous structures, and a great deal of money is going into them. I want to know the necessity for these expenditures.

Mr. RAYBURN. I think it is very necessary for the Members of the Congress, in order to serve the State of Iowa, as well as the other 47 States, to have the instruments and the room in which to work to perform their duties.

Mr. DONDERO. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I just came into the Chamber to hear part of the debate going on over the amendment offered by the gentleman from Texas [Mr. RAYBURN].

I happen to walk through the hallways of this Capitol Building nearly every day, and have for a good many years. I notice, and I am sure other Members have noticed, that partitions have been built setting off parts of the hallways or corridors in order to obtain more office space. The same has been done over in the new and old House Office Buildings. They have had to cut off some of the hallways in order to obtain more office space.

Certainly the people of the United States would be willing for us, as representatives of a great Nation, to have sufficient space in order to carry on the business of their Government. I do not think there will be any objection to it.

Mr. HALLECK. Mr. Chairman, will the gentleman yield to me?

Mr. DONDERO. I yield.

Mr. HALLECK. I should like to commend the gentleman for the statement he has made. I have not had as close a connection with the matter of proper housing to carry on the functions of the House of Representatives as has been had by the gentleman who has just spoken or the gentleman from Texas [Mr. RAYBURN]. However, I have been sufficiently close to the matter to know that as the responsibilities of the Congress have increased in recent years, we have found ourselves in all sorts of additional activities. Different functions must be carried on. I know of my own knowledge that we need additional space, and I sincerely hope that this amendment will be adopted and that we may get on with the construction of this building that I say is justified and necessary.

Mr. DONDERO. Mr. Chairman, I should like to close my remarks by saying this: I have never been charged in this Chamber with being one who is willing to spend the people's money for nothing. I am known here as a conservative. But here is an amendment which I think we should all support in the interest of the common welfare of the American people.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am not finding fault with the substance of this amendment offered by the gentleman from Texas [Mr. RAYBURN], our Speaker.

For 15 years I have been trying to get a decent place for Congressmen to eat, entertain their homefolk, and still have the time to perform their duties. But I have not seen any amendment come from that side of the aisle; I have not seen any amendment offered by the gentleman who is offering this amendment to do anything to provide that which everyone knows we need, which we have needed for 20 years. But that is not my point at all. My point is this:

I have been told from the well of the House, by the Speaker, who offered this amendment, that this is one of the greatest deliberative bodies in the world. I have heard that more than once from the gentleman from Texas [Mr. RAYBURN], and on several occasions the gentleman has coupled with it the statement that our proceedings should be orderly and in accordance with the rules of the House—the House which he dearly loved.

Yet, while we are supposed to be operating under rules to which the gentleman has called our attention, what happened today, just a few moments ago? The Members of the House saw what happened. The gentleman from Texas [Mr. RAYBURN] offered an amendment which was obviously in violation of a House rule. I was on my feet seeking recognition by the Chair, for I saw the gentleman from Missouri [Mr. CANNON] standing by the Speaker on the other side of the aisle. I knew I must make my point of order before debate on the amendment began. At least twice while the amendment was being read I addressed the Chair seeking to make a point of order—when the Clerk finished reading I again addressed the Chair, saying, "Mr. Chairman, a point of order." Twice I addressed the Chair—and in no whisper. Instead of giving me the recognition to which I was entitled, the Chair recognized the gentleman from Missouri, a member of the committee, who being recognized, said my point of order came too late. It did not come too late. It was made at the proper time, but apparently on advice of someone I was refused the recognition to which I was entitled under the rules. I do not charge any conspiracy between that gentleman and the gentleman from Texas [Mr. RAYBURN]. Oh, no; I do not charge that at all. But what they did was to so arrange things so that the gentleman in the chair, as was not his prerogative, instead of recognizing me when I was trying to obtain recognition, both before the Clerk had just finished reading and after, recognized the gentleman from Missouri [Mr. CANNON]. So, by their procedure, they did what? They deprived a member of the minority, a Member of the House from the Fourth District of Michigan, of the opportunity, under the rules, an opportunity which he should have, a right given him by the rules of the House, to which the Speaker has so often asked us to adhere, to make a point of order. How can a Member make a point of order if, when on his feet, in a loud voice, almost a shout, addressing the Chair, he says, "Mr. Chairman," then adds, "A point of order, Mr. Chairman," when the Chairman refuses to see him. If that is legislating deliberately, all right. I will say that that is what I call a gag rule, an arbitrary ruling or procedure, which deprives a Member of the House, which on this occasion deprived the Member from Michigan, of a privilege, of a right, that is given him under the rules of the House, rules under which the amendment of the gentleman from Texas [Mr. RAYBURN] was out of order. The statement of the Chair that he could not recognize me before the Clerk finished reading, if followed, would prevent the making of a point of order when the House was out of order—an absurdity. Moreover, I was on my feet addressing the Chair, as 50 Members of the House well know, when the Clerk finished reading the amendment.

If you like that kind of procedure, all right. But do not ever come around to me and do not ever cry babylike, from the well of the House, of a fancied violation of the rules—do not preach or cry to me about the sacredness of the rules of the House, about something that may happen over here on this side. And it was all so unnecessary. Why not the legislation in the amendment in a bill in the regular way—sent to a committee? Was there something requiring secrecy, haste? Was there an emergency? Rules made for me to obey are rules for all to follow.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. RAYBURN].

The amendment was agreed to.

Now, it may be that here on the floor this afternoon the distinguished gentleman from Michigan, my dear friend, was making a later extension of remarks than his lengthy extension of remarks of March 18, 1955.

In any event, it is clear from the foregoing that the gentleman's point of order came too late and that the rulings of the Chair were not extended.

These remarks of the gentleman from Michigan following the Chair's ruling that the point of order came too late are highly interesting.

Mr. HOFFMAN of Michigan. Mr. Chairman, I am not finding fault with the substance of this amendment offered by the gentleman from Texas [Mr. RAYBURN], our Speaker.

The amendment he referred to created the additional New House Office Building for which further funds were approved by a rollcall vote of the House earlier today.

NO TIME TO GAMBLE WITH OUR SECURITY

Mr. PELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, Friday the House will take up the defense appropriation bill, which is probably the most important legislation we will consider at this session of Congress.

Members of Congress, particularly those of us who are not members of committees having jurisdiction over the armed services, to a large extent are going to have to depend on the President and more informed opinions as to the security needs of the United States. In the past personally I have looked to the committee itself as a composite viewpoint of those who have studied the defense program over a great many years.

Right now, however, I am apprehensive that in cutting the administration's budget request by $2.5 billion the committee may have gone too far. The general public demand for a reduction in Federal spending should not influence us here. Each one of us has the responsibility of acting on the basis of facts, and then later being prepared to defend what we do to our constituents. Personally I can defend my economy votes thus far, but when it comes to the security of the Nation I draw a line. I admit the number of factors on which we have to make a decision are almost too technical and involved for a layman. So, on this particular appropriation I shall not lend my vote to any position that means giving this Nation less than 100 percent ability to defend itself. I frankly don't dare support economy as against maximum security. So I shall support President Eisenhower's budget request in every instance where there is doubt, because I know he has the best background and advisers on which to evaluate and analyze the overall requirements of our military establishments. Friday I will forsake the role of one seeking to reduce the Federal budget. I intend to support the full defense funds asked for, unless the committee has discovered unnecessary waste or a nonessential expenditure of public funds. This is no time to take risks of any kind, and that same viewpoint likewise will guide my thinking when it comes to the defense aspects of foreign aid. I do not believe we can safely curtail expenditures in defense items the way we have been doing with other agencies of the Government.

GOVERNORS APPEAR IN SUPPORT OF APPROPRIATION FOR UPPER COLORADO PROJECT

Mr. DIXON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DIXON. Mr. Speaker, it is unusual for governors of four great States in our country to unitedly file statements before the Appropriations Committee in the interest of one common problem. That very thing happened yesterday when Gov. Steve L. R. McNichols of Colorado and Gov. George Dewey Clyde of Utah appeared in person before the Appropriations Committee in the interest of the appropriation for construction of the Colorado River storage project; and Gov. Milward Simpson of Wyoming and Gov. Edwin L. Mechem of New Mexico presented testimony through their official representatives.

Now the case made by the governors for the appropriation was briefly as follows: The upper Colorado Basin is one of great abundance in natural resources and scenic grandeur. It is an area which produces some 90 percent of the uranium mined in this country. The oil shale deposits of western Colorado contain the world's greatest coal deposits. Our lands are capable of producing specialty crops and of sustaining large numbers of sheep and cattle. Yet the all important factor in the development of these resources and enterprises is the water which flows from the winter snows that fall in the upper States and the electrical energy which it will generate.

The governors were unanimous in pointing out to the committee that 99 percent of the Federal investment in the Colorado River storage project will be paid back to the Federal Treasury by the users of water and power. However, repayment cannot begin until construction is completed. On this basis the testimony presented showed that it was economically sound to make substantial appropriations for construction in order to get the project complete and revenues returning to the Treasury.

Governor Clyde stated that the favorable construction contract for the Glen Canyon Dam was $27 million below the Bureau of Reclamation estimate. This favorable development since the issuance of the President's budget request would justify an increase in the project appropriation from $25 million to $33 million.

The merits of the Colorado River storage project are many and have been well established. In view of the approval by the Congress in passing authorization, the governors urged that the project be carried through to a speedy completion in order that construction and material price increases would not place additional burdens on the people who repay the costs of the project.

Governor Clyde, who is by training and 35 years of professional experience an eminent hydrologist, reiterated that the Colorado River is one of the Nation's greatest unharnessed resources and that the Colorado River project is the means of putting to use wasting water, and will in no way adversely affect the rights of downstream water users.

Governor Clyde assured the committee that he and the governors of the other upper-basin States, and the people of the four States, are not at all unmindful of the fiscal problems faced at this time; that they are fully aware of the need for economy, and in harmony with efforts to attain it.

True economy in this instance can be best achieved by a sustained, adequate construction schedule that will provide a rapid return of benefits from the investment.

The governors were unanimous in pointing out that this project is a capital investment that would not only be repaid directly by the users of water and power, but that similar projects had returned to the Treasury more than four times the total construction costs in taxes.

This is not a project we are going to debate. It is not only authorized but it is a project that is under construction. Already $13 million has been wisely spent. Federal interests dictate that we keep it moving ahead at a high level of construction.

LEGISLATIVE APPROPRIATION BILL

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I did not support the bill, H. R. 7599, considered earlier today, being known as the legislative branch appropriation bill, for the reason it contained items I believe should be deleted therefrom. They are items about which I inquired when the bill was being debated in Committee of the Whole yesterday.

I do not see the justification for spending the item of $7,500,000 to start construction of a new office building for Members of the House. The disturbing thing is that is a part of a proposed expenditure of $100 million for this project. The members of the Appropriations Committee gave us that information yesterday.

I regret that I take issue with the distinguished leadership of the House. I feel in view of the condition of our Treasury, as well as the demand for economy everywhere, the expenditure of these funds at this time is ill advised. The need of saving the funds is far greater than the need of a new office building.

PERSONAL ANNOUNCEMENT

Mr. CURTIS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CURTIS of Massachusetts. Mr. Speaker, by inadvertence I missed rollcall No. 78 on the passage of the bill H. R. 7599. Had I been present I would have voted "Yea."

PAN AMERICAN AUDIT

The SPEAKER. Under the previous order of the House, the gentleman from Wisconsin [Mr. LAIRD] is recognized for 15 minutes.

Mr. LAIRD. Mr. Speaker, during the recent hearings before the Committee on Appropriations on the Commerce Department budget, considerable attention was given to the request of the Civil Aeronautics Board for additional personnel in its field audit section.

As a member of the subcommittee of the Appropriations Committee that handles the Department of Commerce appropriations, let me say that our subcommittee gave careful thought and thorough consideration to the request of the CAB.

The Chairman of the Board, a distinguished citizen of my native State of Wisconsin, the Honorable James R. Durfee, testified that the Board was handicapped in conducting audits of airline operations in connection with the determination of subsidy requirements. Because of staff limitations, it has not been possible, in prior years, to subject the carriers to the thorough examination which one would expect in view of the extensive subsidy payments which have been made by the Federal Government.

The Chairman was most persuasive, and despite the desire of the committee for curtailment of Federal expenditures, it was our conclusion that a modest additional expenditure for the employment of 25 additional field auditors might well enable the Government to reclaim vastly greater sums in subsidy improperly claimed by United States flag carriers. The House subsequently concurred in this action of the committee.

Since this House action was taken, I have had occasion to examine two orders of the Civil Aeronautics Board relating to the activities and the subsidy payments of a certificated United States air carrier, Pan American World Airways.

The first of these, Order No. E-11103, institutes a general investigation of the relationships between Pan American and its farflung subsidiary companies, including 13 domestic and foreign-flag airlines and 14 other businesses which range from a hotel in Fairbanks, Alaska, to a real estate company in the Middle East.

The second order, No. E-11146, reopens the record in the Transatlantic Final Mail Rate case, docket No. 1706, for further proceedings.

This order alleges that Pan American has failed to charge subsidiary companies proper costs for leased aircraft, has absorbed ground-service costs of subsidiaries, has failed to bill affiliates with proper charges for airport services and overhead costs, has improperly charged depreciation costs, has failed to allocate overhaul costs to subsidiaries, and in numerous instances has deviated from the Board's uniform system of accounts or has failed to observe accepted accounting principles in the keeping of its books and records.

As a result of these practices, the CAB alleges, Pan American has received excessive operating costs and increased its subsidy requirement. The preliminary audit, which is far from complete and touches only a portion of the Pan American operation, indicates, according to the order, that Pan American has claimed excessive subsidy amounting to as much as $6,500,000. This is separate from an amount of nearly $6 million in excessive subsidy which the Board has already alleged that Pan American claimed in 1954 in its Pacific division.

The Civil Aeronautics Board states in its order that completion of the audit may disclose other discrepancies requiring further exploration. It points out that the information developed in the current audit was not apparent from the reports filed with the Board by Pan American and could not have been determined from the type of audit which the staff was hitherto equipped to perform.

The information relates not only to practices of Pan American in respect to the charging for services to affiliates, but also to the actual accounting practices of the carrier as related to the Board's regulations. The Board indicates that because of staff limitations, it has been handicapped in performing thorough audits of Pan American, and necessarily has been required to rely in ratemaking more extensively than it preferred upon the information supplied to the Board by Pan American, in which procedure the Board feels it was entitled to assume that Pan American's reports and filing were correct.

Mr. Speaker, since the creation of the Civil Aeronautics Act in 1938, Pan American revenues have exceeded $1½ billion. Of this amount, which includes the revenues of Panagra, of which Pan American owns 50 percent, more than $300 million has been received from the Treasury of the United States, in the form of mail pay and subsidy. It is estimated that in subsidy alone, Pan American has received from the Government in excess of $200 million.

These are staggering sums, Mr. Speaker, and should serve to focus attention on the importance of the Civil Aeronautics Board proceedings to which I have referred, and upon the wisdom of the House in providing additional staff for the CAB. If the allegations of the CAB prove to be correct with respect to the preliminary audit of Pan American, and if similar discoveries are made in the remainder of Pan American's operations, the Government may recapture huge sums from Pan American. This would be a welcome result at a time when all of us are concerned with holding the taxpayer's burden to a minimum.

In analyzing the CAB orders, however, two thoughts occur to me.

The order with respect to Pan American subsidy appears to reopen the record only with respect to the Atlantic division, despite the fact that Pan American has been heavily subsidized in all its divisions—the Atlantic, Latin American, Pacific, and Alaska divisions, as well.

It occurs to me that if analysis of one division reveals the questionable practices indicated in the order, a thorough analysis of the other divisions might be equally fruitful, and I hope this is the intention of the CAB.

Secondly, the order reopens the record only during the years 1946–53. Pan American has been receiving subsidy since the passage of the Civil Aeronautics Act in August of 1938, and many of the carriers' agreements with subsidiary corporations were in existence at that time.

In view of this fact, it would seem appropriate that the CAB should study the years between 1938 and 1946, as well.

I am aware, of course, that at the time these orders were issued, the CAB could rely only upon the personnel then authorized, and may well have restricted the investigation because of staff limitations. Now, however, if the appropriation for additional field auditors receives the approval of the President and the Congress, it should be possible for the CAB to audit the entire Pan American operation throughout the years in which it has received subsidy payments from the Federal Government.

In view of the revelations which resulted from the preliminary work by the audit staff, and the promising probability that the Government will recover substantial sums of money improperly claimed by Pan American in the form of subsidy, it is my hope that the CAB will make the Pan American audit as thorough and searching as possible. In view of the grave nature of the charges made in the orders of the CAB, Pan American, if these charges are without merit, should welcome a complete and thorough investigation.

HEARINGS ON ATOMIC-HYDROGEN WEAPON RADIATION

The SPEAKER pro tempore (Mr. EDMONDSON). Under previous order of the House, the gentleman from California [Mr. HOLIFIELD] is recognized for 5 minutes.

Mr. HOLIFIELD. Mr. Speaker, as I informed the House on May 7, a special subcommittee of the Joint Committee on Atomic Energy will hold public hearings beginning on Monday, May 27, and extending through June 12 on the problem of radioactive fallout from nuclear weapons explosions. In my opinion, this is one of the most important and vital questions which the Joint Committee and the Congress have to consider in the present session.

Ever since the original announcement of the hearings, I have had hundreds of letters from people here in this country and overseas expressing concern over the fallout problem and over the effects of fallout on human beings, livestock and agriculture. Many of these people

frankly state that they are confused over the mass of conflicting statements being made on all sides, and express the hope that these hearings will serve to dispel some of this confusion through bringing together in one forum the best scientific opinion available.

There is no question that the people of this country and in foreign nations alike are deeply troubled by this problem. They are afraid for themselves and for their children, and are bewildered by claims and counterclaims which are often based on inaccurate information or emotional considerations.

It is the intention of the subcommittee to approach the fallout problem in an objective manner and through the presentation of expert testimony to arrive at a better understanding of what we are up against.

I would like permission to insert in the RECORD at this point, Mr. Speaker, a copy of the list of expert witnesses invited to the hearings and a detailed outline describing the scope and content of the hearings.

The SPEAKER pro tempore (Mr. EDMONDSON). Without objection, it is so ordered.

There was no objection.

The matter referred to is as follows:

CONGRESS OF THE UNITED STATES, JOINT COMMITTEE ON ATOMIC ENERGY—THE NATURE OF RADIOACTIVE FALLOUT AND ITS EFFECTS ON MAN—OPEN HEARINGS, MAY 27–JUNE 7, 1957—TENTATIVE TIME SCHEDULE AND LIST OF EXPERT WITNESSES INVITED

MONDAY, MAY 27

Morning

10 a. m.

Dr. Charles L. Dunham, Division of Biology and Medicine, Atomic Energy Commission. I. Introduction.

10:30 a. m.

Dr. Mark Mills, University of California Radiation Laboratory. II. Background Information—Radioactivity and Radiation. III. Background Information—Controlled Fission and Fusion Reactions and Their Potential as a Source of Hazard.

Afternoon

2 p. m.

Dr. Alvin C. Graves, Los Alamos Scientific Laboratory. Dr. Frank Shelton, Armed Forces special-weapons project. Gen. Alfred D. Starbird, Division of Military Application, Atomic Energy Commission. V. The Production of Radiation and Radioactivity by Detonating Nuclear Weapons.

3:15 p. m.

Dr. W. W. Kellogg, Rand Corp. VI. Atmospheric Transport, Storage, and Removal of Particulate Radioactivity.

TUESDAY, MAY 28

Morning

10 a. m.

Dr. Lester Machta, United States Weather Bureau. VI. Atmospheric Transport, Storage, and Removal of Particulate Radioactivity.

11:15 a. m.

Dr. Gordon Dunning, Division of Biology and Medicine, Atomic Energy Commission. VII. Local Fallout: The Mechanisms by Which It Can Affect Man and the Measures He Can Take To Minimize Exposure.

Afternoon

2 p. m.

Dr. Lyle Alexander, Department of Agriculture. VIII. Delayed Fallout: The Behavior in Geological and Physical Processes and the Mechanisms by Which Delayed Fallout Enters Into the Biological Processes and Reaches Man.

3 p. m.

Dr. Forrest Western, Division of Biology and Medicine, Atomic Energy Commission. VIII. Delayed Fallout: The Behavior in Geological and Physical Processes and the Mechanisms by Which Delayed Fallout Enters Into the Biological Processes and Reaches Man. IX. A Detailed Discussion of the Occurrence of Strontium 90 and Cesium 137 in the Atmosphere, Biosphere, and Its Uptake and Behavior in Man.

3:45 p. m.

Dr. Roger Revelle, Scripps Institute of Oceanography. VIII. Delayed Fallout: The Behavior in Geological and Physical Processes and the Mechanisms by Which Delayed Fallout Enters Into the Biological Processes and Reaches Man.

WEDNESDAY, MAY 29

Morning

10 a. m.

Dr. Merrill Eisenbud, New York Operations Office, Atomic Energy Commission. IX. A Detailed Discussion of the Occurrence of Strontium 90 and Cesium 137 in the Atmosphere, and Biosphere, and Its Uptake and Behavior in Man.

10:45 a. m.

Dr. J. L. Kulp, Columbia University, Lamont Geological Laboratory. IX. A Detailed Discussion of the Occurrence of Strontium 90 and Cesium 137 in the Atmosphere, Biosphere, and Its Uptake and Behavior in Man.

11:30 a. m.

Dr. William F. Neuman, University of Rochester School of Medicine and Dentistry. IX. A Detailed Discussion of the Occurrence of Strontium 90 and Cesium 137 in the Atmosphere, Biosphere, and Its Uptake and Behavior in Man.

Afternoon

2 p. m.

Dr. Wright Langham and Dr. E. C. Anderson, Los Alamos Scientific Laboratory. IX. A Detailed Discussion of the Occurrence of Strontium 90 and Cesium 137 in the Atmosphere, Biosphere, and Its Uptake and Behavior in Man.

MONDAY, JUNE 3

Morning

10 a. m.

Dr. H. L. Friedell, the School of Medicine, Western Reserve University. X. The Effects of Radiation on Man.

10:45 a. m.

Dr. Austin Brues, Argonne National Laboratory. X. The Effects of Radiation on Man.

11:30 a. m.

Dr. E. P. Cronkite, Brookhaven National Laboratory. X. The Effects of Radiation on Man.

Afternoon

2 p. m.

Dr. Ernest Pollard, Biophysics Department, Yale University. X. The Effects of Radiation on Man.

2:45 p. m.

Dr. Edward Lewis. California Institute of Technology. X. The Effects of Radiation on Man.

3:30 p. m.

Dr. Hardin Jones, University of California Radiation Laboratory.

TUESDAY, JUNE 4

Morning

10 a. m.

Dr. James F. Crow, Genetics Department, University of Wisconsin. Dr. Bentley Glass, Johns Hopkins University. X. The Effects of Radiation on Man.

11:15 a. m.

Dr. A. H. Sturtevant, California Institute of Technology. Dr. H. J. Muller, University of Indiana. X. The Effects of Radiation on Man.

Afternoon

2 p. m.

Dr. W. L. Russell, Oak Ridge National Laboratory. X. The Effects of Radiation on Man.

2:30 p. m.

Dr. Lauriston Taylor, National Bureau of Standards. X. The Effects of Radiation on Man.

3 p. m.

Dr. William B. Looney, Massachusetts General Hospital. X. The Effects of Radiation on Man.

3:30 p. m.

Discussion.

WEDNESDAY, JUNE 5

Morning

10 a. m.

Dr. W. F. Libby, Commissioner, Atomic Energy Commission. XI. The Impact of the Present State of Affairs: Summary, Interrelationships, and Implications on Policy.

11:15 a. m.

Dr. Ralph Lapp. XI. The Impact of the Present State of Affairs: Summary, Interrelationships, and Implications on Policy.

Afternoon

2 p. m.

Dr. Walter Selove, Department of Physics, University of Pennsylvania. XI. The Impact of the Present State of Affairs: Summary, Interrelationships, and Implications on Policy.

3 p. m.

Discussion. XI. The Impact of the Present State of Affairs: Summary, Interrelationships, and Implications on Policy.

THURSDAY, JUNE 6

Morning

10 a. m.

Dr. Dunham and other AEC and Government witnesses. XII. The Impact of the Present State of Affairs: What Should the Research Program in the Physical, Geological, Biological, and Medical Sciences Be?

Afternoon

2 p. m.

Drs. Warren, Kulp, Brues, Crow, and others. XII. The Impact of the Present State of Affairs: What Should the Research Program in the Physical, Geological, Biological, and Medical Sciences Be?

GUIDANCE TO THOSE PRESENTING TESTIMONY

Scope of hearings

The hearings will deal primarily, but not exclusively, with the scientific (physical, geological, biological, and medical) subject matter associated with radioactive fallout. Matters of program, money, and policy as they relate to the scientific research aspect will be dealt with. The hearings will also deal for background purposes with scientific subject matter in topics related to weapon-caused fallout such as fallout from reactor accidents, and the biological effects of radioactivity caused by events other than fallout.

Approach of hearings

The hearings are to educate the committee and the public about fallout, how it originates, what happens to it, why it constitutes a hazard, what our sources and methods of getting information are, how adequate our knowledge is, and what the program in research for the near-future should be. The hearings thus amount to a report on the progress of research. But because fallout is of intense concern to the

committee and the public from a hazards point of view, and because of differences of opinion as to the facts and conclusions as to fallout hazards and their control, a special effort will be made, by means of the hearings, to assemble and disseminate information that is understandable and useful.

The record of the hearings should help competent persons to make the following sorts of judgments:

1. What actual experimental, clinical, or operational data is a given result based on.
2. How good is existing data on a given subject.
3. How good is our understanding of the phenomena for which data are being collected; how good are the hypotheses used to relate data to arrive at results.
4. What are the results, as opposed to the conclusions, of work to date.
5. What data should be collected urgently, because such data might never again be available assuming a continuation of tests.
6. What further should be done by way of standardizing definitions, assumptions, etc.;
7. What information can specifically be earmarked for use by civil defense and other agencies as working information?

Plan of presentation

The following order of presentation has been worked out:

I. An organized presentation by expert witnesses chosen from qualified persons in particular scientific fields:

A. Presentation of "background statements" by experts in the field of physics, meteorology, geology, biology, and medicine, to be followed by questioning confined to and appropriate for the statement but not broadening the subject matter.

B. Presentation of detailed statements on specific topics that should be examined carefully because they are particularly relevant, important or controversial.

C. Presentation of testimony designed to pull things together and point out the impact of the situation as it stands:

1. What we know, what we can predict and how surely we can predict it; what we don't know.
2. What action might serve to change the situation.

NOTE.—Oral presentation by expert witnesses should attempt to present scientific data in a form understandable to informed laymen. More detailed and technical data may be submitted for the record to supplement oral presentation.

II. An open presentation by those working in the field, or interested members of the public who requested an opportunity to testify before the committee.

MAIN TOPICS OF THE ORGANIZED PRESENTATION

The organized presentation will be broken down into the following main topics:

I. Introduction.
II. Background Information—Radioactivity and Radiation.
III. Background Information—Controlled Fission and Fusion Reactions and Their Potential as a Source of Hazard.
IV. The Natural Occurrence of Radioactivity and Radiation.
V. The Production of Radiation and Radioactivity by Detonating Nuclear Weapons.
VI. Atmospheric Transport, Storage, and Removal of Particulate Radioactivity.
VII. Local Fallout: The Mechanisms by Which It Can Affect Man and the Measures He Can Take To Minimize Exposure.
VIII. Delayed Fallout: The Behavior in Geological and Physical Processes and the Mechanisms by Which Delayed Fallout Enters Into the Biological Processes and Reaches Man.
IX. A Detailed Discussion of the Occurrence of Strontium 90 and Cesium 137 in the Atmosphere, Biosphere, and Its Uptake and Behavior in Man.
X. The Effects of Radiation on Man. Somatic Effects—Pathology. Genetic Effects. Methods and Standards of Radiation Protection as Applied to Fallout Problems. Specific Questions for Discussion.
XI. The Impact of the Present State of Affairs: Summary, Interrelationships, and Implications on Policy.
XII. The Impact of the Present State of Affairs: What Should the Research Program in the Physical, Geological, Biological, and Medical Sciences Be?

("Oral" denotes topic to be presented before JCAE orally, but may be read from prepared text.)

("Insert" denotes topic to be presented by a prepared statement to be inserted in the record but not presented orally.)

("Bibliography" denotes topic that should be covered, in addition to the above, by some references to the literature.)

Any one or all of these methods of presentation may be indicated for the topics below.

I. Introduction (oral) (to be preceded by opening statement by the hearing committee chairman to orient for the record the purpose, scope, and approach of the hearings).

A brief discussion for JCAE orientation, along the following lines:

A. The general nature of radioactivity and radiation.

B. Why radioactivity, radiation, and nuclear energy are closely associated.

C. Man's relationship to radioactivity and radiation.

D. The general nature of the biological effects of radioactivity and radiation.

E. The nature of the impact of applying nuclear energy for man's benefit on the health of individuals and on the health and welfare of the population as a whole.

F. Some factors that might be considered in deciding whether or not the hazards associated with radiation and radioactivity are worth risking to try to get the benefits expected from applying nuclear energy.

II. Background information—radioactivity and radiation (oral, insert if desired, bibliography if desired).

A. The nature of radioactivity and radiation.

B. Mass, energy, and radiation.

C. Quantum and corpuscular radiation.

1. Energy relationships, the radiation field, definition of roentgen.
2. Fundamental particles.

D. Reactions of radiation with matter:

1. Ionization and energy transfer.
a. Definitions, quantitative relationships.
b. Specific ionization.
c. Chemical and physical changes.
2. Penetration, absorption, attenuation, etc., of radiation.
a. Definitions, quantitative relationships.
3. Induced radioactivity.
4. Secondary radiations.

E. The phenomenon of radioactive decay:

1. Modes of decay, decay chains, etc.
2. Definitions: Half-life, average life, decay constant, curie, relation between mass, half-life, and curie for different isotopes.

F. Neutron radiation: 1. Special characteristics.

G. Neutron fission and fission chain reactions:

1. Fission, number of neutrons released, energy spectrum, prompt and delayed neutrons, fraction of total.
2. Fission energy release, its nature and distribution by type (radiant, kinetic, potential, etc.), primary and secondary fission energy.
3. Fission products: yield versus mass number, physical and chemical properties (particle size, vapor condensability, water solubility, etc.).

(a) Radioactive decay of fission product mixtures, the simple models.

(b) The limits of validity of the $t^{-1.2}$ law.

H. Nuclear fusion and thermonuclear processes:

1. Contrasts between fusion and fission, relationship to binding energy, energy and neutron release per unit weight of material consumed, etc.
2. Products and energy produced, including neutrons, gamma rays, and alpha particles.
3. Radioactivity of fusion products.

J. Particle accelerators and X-ray machines as sources of radiation and radioactivity.

1. The potential radiation hazards associated with accelerators.

III. Background information—controlled fission and fusion reactions and their potential as a source of hazard (oral).

A fairly brief discussion for orientation, along the following lines:

A. Controlled fission reactions and nuclear reactors:

1. Types and characteristics of neutron chain reactions as employed in reactors.
2. Prompt and delayed neutrons and their role in control.
3. Other reactor characteristics that lend themselves to application for control.
4. Types and characteristics of reactors (from hazards standpoint):

(a) Research, test, power, production.
(b) Liquid fuel, solid fuel, homogeneous.

5. Sources of radiation and radioactivity hazards from reactor operation, associated chemical processing, and waste disposal, including liquid and gaseous effluents (bibliography, including recent AEC report).

B. Controlled thermonuclear reactions:

1. Contrast control problems with fission reactor situation.
2. Compare as potential source of radiation and radioactivity hazard:

(a) Time schedule for controlled TN development.
(b) Possible place in meeting power demand of future.

IV. The Natural Occurrence of Radioactivity and Radiation (oral, inserts, and bibliography.)

A review and discussion of this topic, citing as appropriate such treatments as appear in the National Academy reports, the U. K. Medical Council report, The World Health Organization report (Sievert), the Government of India study, the statement by Dr. Warren Weaver (Hearings, Foreign Relations Subcommittee, January 16, 1957), the British Journal of Radiology (29, pp. 409–417, 1956), and Dr. Libby's article in Science.

A. Naturally occurring radioactive materials and decay products and radiations.

B. Cosmic radiations, composition, characteristics, effect of altitude.

C. Spontaneous fission and induced radioactivity.

D. Measurement methods and limitations of the data.

V. The production of radiation and radioactivity by detonating nuclear weapons (oral, inserts, bibliography).

A. Description of nuclear weapon explosion:

1. Heat, blast, radiation, and neutron production in a bomb—rough models for scaling and attenuation.
2. Division of radiant energy into:

(a) Prompt gamma and X-rays.
(b) Kinetic energy of neutrons—induce activity and cause direct damage.
(c) Potential energy which will manifest itself as:
(1) Direct fission product activity.
(2) Induced radioactivity (e. g., C-14).

B. The effect of weapon type and size from the point of view of fallout produced, both local and delayed.

C. The effect of the type of burst on the radiation and radioactivity resulting and on the fallout produced—

1. Air bursts.
2. Ground or surface bursts.
3. Underground bursts.
4. Underwater bursts.

VI. Atmospheric Transport, Storage, and Removal of Particulate Radioactivity (oral, inserts, bibliography).

A. The types of fallout defined and described, and the conditions under which each type is produced—physical characteristics of particles, cloud formation, condensation, etc.

B. Local fallout:

1. The predictability of local fallout:

(a) Theory of predicting fallout.
(b) Models of radioactivity within the cloud (both Nevada and PPG), dependence on type and yield of weapon and type of scavenging material.
(c) Meteorological transport, examples of fallout under different winds, and in massive attacks.
(d) Uncertainties in model and meteorology.
(e) Weathering and redeposition of particles.
(f) Decay.

2. Observed patterns of local fallout:

(a) Patterns of external radiation in Nevada and the PPG.
(b) Radiation levels as a function of time. Radiation dose to unprotected persons as a function of time of fallout from fallout.
(c) Fractions of fallout observed locally.
(d) Factors affecting patterns of fallout.
(e) Physical, chemical, and radiochemical properties.
(f) Deposition of toxic materials.

C. Intermediate and delayed fallout:

1. The production and distribution of fallout in the atmosphere:

(a) Dependence on height of burst, yield, type of explosion, and scavenging material.
(b) Observed or inferred physical, chemical, and radiochemical properties, with special reference to fractionation.
(c) Division of material: (local), tropospheric, and stratospheric; determining conditions.

2. Transport through and removal from the atmosphere:

(a) The stratosphere:
(1) Transport, mixing, possible methods of removal.
(2) Storage time; cumulative worldwide fallout as a function of time; predictions of future fallout from single event; from past weapons tests.
(3) Sources of information; measurements and estimates of radioactivity in stratosphere.
(b) The troposphere:
(1) Tropospheric removal processes; storage time:
(a) Precipitation, interception, dry deposition.
(2) Possible regions of unusual removal (fallout) because of meteorology or topography:
(a) Exposure to prevailing winds and the sometimes accompanying effect, orographic rainfall.
(b) Effect of large bodies of water on the distribution of fallout on adjoining land areas.
(3) Meteorology tracking and other discussion of transport.

3. Observed deposition on the ground:

(a) Geographical distribution; dependence on physical factors.
(b) Physical, chemical, and radiochemical properties, with special reference to fractionation.
(c) Measurement techniques and limitations of the data: (1) gummed paper, (2) gauze, (3) pots, collection of rainfall, and (4) soil samples.

4. Quantitative predictions of future fallout:

(a) From past tests.
(b) From future tests.

D. Interrelationships between study of fallout and study of meteorology; contributions of fallout studies to meteorology.

VII. Local fallout: The mechanisms by which it can affect man and the measures he can take to minimize exposure (oral, inserts, bibliography).

A. The relative importance of external radiation compared with internal radioactive emitters for the local fallout situation;

1. The source of the external radiation:

(a) Properties.
(b) Decay.

2. Internal emitters:

(a) Radioiodine, inhalation and ingestion.
(b) Other emitters.

B. Shelter and shielding and their effects.

C. Other immediate emergency measures that can reduce hazard.

D. Dose and dose-rate vs. time.

VIII. Delayed fallout: The behavior in geological and physical processes and the mechanisms by which delayed fallout enters into the biological processes and reaches man (oral, inserts, bibliography).

A. The relative importance of internal emitters compared with external radiation in general for the long-run fallout situation (other than local fallout).

1. Factors of interest; criteria for deciding what radiation and which emitters should be worried about:

(a) Yield.
(b) Half-life.
(c) Physical distribution.
(d) Physical, chemical, and radiochemical properties.
(e) Uptake by plants from soil.
(f) Uptake by animals and man from diet, water, and air.
(g) Retention and distribution in man.

NOTE.—This topic up to this point is primarily an orientation for the detailed treatment to follow in the remainder of this and the following topics.

B. Deposition on and migration in soil and transport by surface waters.

1. Dependence on chemical properties:

(a) Strontium.
(b) Cesium.
(c) Plutonium.
(d) Rare earths.

2. The effect of river basin and ground water flow patterns; the effect of porous substructure such as Idaho lavas; the effect of inland sinks such as Salton Sea.
3. Effect of soil type and rock structure.
4. Mechanisms for fallout penetration into soil.
5. Decay.

C. The effect of agricultural practices on the distribution of fallout.

1. Possibilities for modifying agricultural practices.
2. Possibilities for liming soils.

D. The effect of fallout on water supplies for human, agricultural, and industrial use.

1. Possibilities for water treatment.

E. Possibilities for modifying present food collection and distribution and handling systems to guard against hazard.

F. Behavior in oceans mixing above thermocline, waste disposal techniques and ultimate effects.

G. Entry into biological processes including man's food chain.

1. Deposition and retention on surfaces of vegetation.
2. Uptake by vegetation from soil:

(a) Characteristics for various plants and various radioactive materials:
(1) Strontium.
(2) Cesium.
(3) Rare earths.
(4) Plutonium.
(b) Dependence on soil characteristics.
(c) Other factors: decay, biological half-life, effective half-life.

3. Soil-plant discrimination factors.
4. Uptake by marine life and algae.
5. Uptake by animals, animal products, and man.

H. Retention and decay in animals and man.

1. Distribution of fallout in body tissues, fluids, milk.

(a) Tendencies for localization.
(1) Radioiodine.
(b) Dependence of equilibrium values on effective half-life.

2. Discrimination factors (preferential uptake of particular fallout products by particular species of plants, animals, and man); types and how measured or inferred.

(a) Experiments for determining discrimination factors.
(b) Numerical values for the various factors.
(c) Combining values for the individual factors.

IX. A detailed discussion of the occurrence of strontium 90 and cesium 137 in the atmosphere, biosphere, and its uptake and behavior in man (oral, inserts, and bibliography).

NOTE.—Sr-90 will be outlined in detail below.

A. Distribution, storage time, and fallout rate from atmosphere.

1. Combination of local and worldwide fallout of Sr-90 resulting from fractionation; long half life; stratospheric holdup and mixing; decay.

B. Deposition on soil and plants—variations of Sr-90 level in environment as a result of weapons detonated in a relatively short period of time—from a few months to 2 or 3 years:

1. Predicted fallout as a function of mixing and time.
2. Effects of retention of fallout on surfaces of vegetation.

C. The calcium model as a basis for predicting Sr-90 behavior:

1. Similarities and differences in behavior in the biosphere and in man:

(a) How much do we know about calcium?
(b) How much do we know about strontium?

2. Influence of amount of calcium in soil, diet; dilution and discrimination:

(a) Dependence of occurrence of Sr-90 in animal and plant life on calcium in soil and diet.
(b) Practicability of controlling occurrence of Sr-90 by adding calcium to soil and diet.
(1) Calcium additives to milk.
(c) Removal of Sr-90 from foods.
(1) Calcium considerations.

D. Deposition in man—varieties of Sr-90 level:

1. Function of age and time and location.
2. Observed occurrence in man and corresponding observed occurrences in soil and food.

E. Observed occurrence of Sr-90 in soil, food, and man (brief summary with detailed supplementary insert).

F. Predicted occurrence from weapons tests held prior to 1957:

1. Relation to accepted concentration standards (the basis of which is to be discussed later).

NOTE.—Cs-137 will be outlined below.

G. Distribution in the physical environment:

1. Half-life, stratospheric storage, chemical properties, similarities to potassium.
2. Deposition.

H. Occurrence in food supplies; probable sources:

1. Potassium model for discussing behavior of Cs-137 in biosphere.

J. Observed occurrence in humans—relationship to acceptable concentrations, on basis to be discussed later.

K. Predicted occurrence in humans as a result of weapons tests to 1957.

X. The effects of radiation on man (oral, inserts, bibliography).

SOMATIC EFFECTS—PATHOLOGY

A. Introduction and orientation: distinction between somatic and genetic effects, between acute effects of high level radiation

and long-term effects of low level radiation and radioactivity, between damage per se and the standards developed to protect against damage.

B. Early effects of exposure of animals and man to external radiation:

1. Gamma and X-radiation: syndrome of radiation sickness:

(a) Fallout on Marshallese: Rongelap, Uterik.

(1) Children recently returned to Marshall Islands.

(b) Los Alamos incidents.

(c) Other examples—radium.

2. Beta radiation—beta burns:

(a) Marshallese.

(b) Other examples—radium.

C. Early effects of exposure to internal radiation.

D. What are the criteria for picking out the harmful radioelements included in fallout?

1. How sure are we that all the harmful ones have been picked out:

(a) Strontium.

(b) Cesium.

(c) Rare earths.

(d) Plutonium.

(e) Iodine.

E. Delayed effects due either to single massive doses or to protracted chronic exposure; enumeration of effects of interest; dose dependence:

1. Examples.

2. Relationships between the two types of dosings.

F. Mechanisms and responses of man to radiation and radioactivity:

1. Briefly review chain of events:

(a) Physical effects.

(b) Biochemical and chemical effects.

(c) Cellular effects.

(d) Effects on whole organism.

2. Processes of physical interaction—physical effects:

(a) Significance of alpha, beta, gamma rays, and neutrons in the process.

(b) Significance of these rays with regard to penetration and whether introduced within the organism or arising from outside.

3. Chemical and biochemical changes:

(a) Direct effect of ionization on vital cell molecules.

(b) Indirect effects as a result of ionization of water in the presence of oxygen.

(c) Relationship and importance.

4. Cellular changes:

(a) Range of sensitivity of cells (list most sensitive, gonads, to least sensitive, nerve, muscle, bone).

(b) Relate sensitivity of nucleus to cytoplasm.

5. Effects on the whole organism:

(a) Range of survival dose on mammals (guinea pigs 200 r, rabbits 800 r).

(b) Compare with nonmammalian radiation (virus, for instance, 1,000,000 r).

(1) Point out species variation and position of man.

6. Clinical syndrome in man (nausea and vomiting, hematopoietic depression, epilation, bleeding, etc.).

(a) Special place of hematopoietic response to radiation.

(b) Delayed effects:

(1) Reduced longevity (a) reduction in life expectancy—validity of concept at low levels of radiation.

(2) Production of leukemia and neoplasms (tumors).

G. Relationships of damage mechanisms to dosages:

1. Aplastic anemia, leukemia, and cancer as a result of exposure to radiation:

(a) Doses at which observable damage occurs; relationship of probability of damage to dose and dose rate; latent periods; doubling doses; relationship to tissue irradiated.

(b) Relative importance of cancer and leukemia under various conditions: external source; exposure of various critical organs to radiation from external and internal sources: lungs, gut, thyroid, skeleton, etc.

GENETIC EFFECTS

H. The nature of genetic effects: evidence, experience, data.

J. Relationship between radiation and change in mutation rate:

1. Natural mutation rate (2 percent).

2. Dose necessary to double mutation rate (50 r).

3. Apparent linear nonthreshold relationship between dose and effects.

4. Cumulative character of genetic effects.

5. Mechanics of introducing and eliminating mutants in genetic pool.

K. Predicted increase in mutation rate as a result of postulated increase in radiation levels from fallout.

1. Effects on population, as individuals and as a whole.

METHODS AND STANDARDS OF RADIATION PROTECTION AS APPLIED TO FALLOUT PROBLEMS

L. Standards for external-radiation effects: the concepts and definitions relating the amount of damage to the amount and kind of radiation causing the damage:

1. Definitions and concepts behind the units used for dose rate, cumulative dosage, biological effectiveness, etc.: the r, rad, rem, RBE; ionizing density; linear energy transfer.

2. Kinds of radiation and varying conditions of exposure.

3. Simplifying assumptions to get practical standards.

4. Calculation of dose and dose rate resulting from several kinds of radiation acting together.

5. Calculation of dose and dose rate resulting from one or several kinds of radiation acting on different parts of the body.

M. Standards for internal-radiation effects:

1. Definition and concepts behind the measurement of internal body burdens and dosages; the models used:

(a) Maximum permissible concentration.

(b) Safety factors.

(1) Population versus occupational dose.

(2) Young versus adult.

(3) Whole body versus localized dose.

(c) Relationships between internal and external radiation dose.

2. Calculation of cumulative dose rates and dosages from external radiation and internal radiation of various kinds and under various conditions of exposure.

N. Philosophy: The assumptions and models behind the establishment of the standards:

1. Historical trends to the present and trends for the future.

2. The validity of the assumptions now used in the light of up-to-date knowledge.

3. Possibility of hazards resulting from low-level exposure: threshold considerations:

(a) Why do we not know whether or not there is a threshold for each of the various radiation effects of interest? How and when can we improve knowledge on this point?

(b) A radiologist may believe that the existence of a threshold is probable or he may not—what are the pros and cons?

(c) What about the acceptability of the currently recommended standards under either belief of (b)?

4. The probable trend of the standards for the future:

(a) Will new standards have to be developed to cover certain hazards not now adequately protected against?

(b) Are the standards defined in such a way that they can be ranked for any given situation so that the proper standard among several can be chosen to give the least likelihood of hazardous exposure? Is there any ambiguity if several standards apply?

(c) Do there now exist, or are there likely to be, different standards in use by the United States and other governments, or by the United States, and States, and municipalities?

SPECIFIC QUESTIONS FOR DISCUSSION

A. All low-level effects are extrapolations from high-level effects. How secure is this extrapolation? Discuss its relationship to the nonthreshold character of genetic effects, and to the question of threshold of bone cancer.

B. Are there any distinctions between temporary and permanent (long term) damages, between repairable and irreparable damage?

C. Are there special criteria for small groups of persons as compared with large populations with regard to radiation? Is there a difference between small and large populations? Between large populations and the whole population? Does the distinction apply only to genetic effects?

D. Discuss the known effects of radiation on such aspects of the human being as mental posture, personality, intelligence, other, etc.

E. Are there any chemical reinforcements of body defenses against radiation? What about drugs recently announced as being of possible use for X-ray dosages?

F. What is to be gained or lost by the recordkeeping recently proposed for each person covering his lifetime history of radiation dosage?

G. How much radiation and radioactivity was man naturally exposed to and medically exposed to before weapon firing began?

H. Are the dosage standards for individuals and populations adequate for S-90? What are the factors for genetics, skeleton age, age of individual, health of person, etc.?

J. How adequate is the radium model as a basis for predicting the Sr-90 damage in man?

K. What is the behavior of radioiodine in man from a damage and dosage point of view? What about Cs-137, C-14, etc.?

L. Is the biological effect of Sr-90 and its daughter Y-90 similar or the same as that of external radiation of any sort?

XI. The Impact of the Present State of Affairs: Summary, Interrelationships, and Implications on Policy (oral, inserts, bibliography).

A. In essence, what is the state of our knowledge in the areas discussed as relevant to the fallout problem; what do we know about:

1. The amount of radiation and radioactivity released by weapons fired to date:

(a) By the United States.

(b) By others.

2. The amount of local and delayed fallout created by these weapons.

3. Where this fallout is:

(a) How much has decayed.

(b) How much has fallen out and where.

(c) How much is still up there and where.

4. What has happened to the ground fallout that has fallen out:

(a) How much got on or in soil and where.

(b) How much got on plants.

(c) How much got in the ocean.

(d) How much got elsewhere.

(e) How much of all this has decayed after it fell out.

(f) How much has directly affected man as external radiation.

(g) How much as internal radiation.

5. The mechanisms by which fallout gets distributed in the atmosphere and on the earth.

6. The mechanisms by which fallout gets into the biosphere and to man—or gets to man directly.

7. The mechanisms by which exposure to fallout leads to damage.

8. The amount of damage, if any, that man has so far sustained from fallout.

9. The mechanisms and measurement of biological damage from radiation.

10. The relationships between damage and dose.

B. Using the knowledge now available, how well can one predict—and how would one predict—the following:

1. The amount of fallout still to fall out from weapons already fired.

2. Where this fallout will fall out.

3. What will happen to it:

(a) How much will decay or otherwise be harmless.

(b) How much will directly affect man as internal or external radiation.

(c) How much damage, if any, man will suffer from it.

C. Using the knowledge now available, how much information does one need to postulate concerning the characteristics of future weapon firings (test or war) so that one could predict with a certainty appropriate for policy-making purposes the same sort of information as discussed above for future firings?

1. Is such a prediction possible even assuming unlimited information concerning the firing characteristics? How would it be made?

2. Is a postulated rate of firing (yield per unit time) meaningful? What in principle does "present rate of firing" mean? Is a postulated rate of firing sufficient information by itself for making the sort of prediction named here?

3. How does one take into account such problems as divers sites of firing, firing of weapons whose characteristics are not known, differences in weapon type and burst?

4. Are the present criteria for biological damage adequate and are the related measurements adequate so that one could predict with a certainty appropriate to policy-making the future hazard, if any, owing to future weapon firings—even if he could forecast how much fallout there would be and what would happen to it? If the criteria are adequate how are they put together?

5. If one had before himself a working definition of hazard that was satisfactory from a moral or ethical, social, political, and economic point of view, and if this definition was stated in terms of measureable or observable phenomena in nature (including man), does sufficient information exist so that he could determine, again with a degree of certainty appropriate to policy-making, whether or not a hazardous situation exists now or will exist in the future for various possible circumstances of weapon firings and radioactive fallout? Could he determine the degree of hazard? If their answers are "no," is it possible to state what information is lacking and how it might be obtained?

XII. The Impact of the Present State of Affairs: What Should the Research Program in the Physical, Geological, Biological, and Medical Sciences Be? (oral, inserts, bibliography):

A. Information sources and distribution:

1. Do and must private research groups depend on the Government, particularly the AEC, for most of their data? To what extent does the depth and breadth of the research program rest on what the Government is doing and on what the Government is willing to turn over to private research institutions?

2. Is scientific information adequately and promptly distributed and available?

3. To what extent are Government classification and other information-withholding mechanisms interfering with the distribution of information to the public and to scientific groups?

4. How much and what kind of data on radioactive fallout remains classified? What justification is given by AEC and other Government agencies for continued classification of such information? How much effort does the Government make to let it be known that material has been declassified after that action has actually occurred?

5. Is information exchange occurring properly between the United States and foreign countries and the U. N.? Is the United States adequately represented on international scientific and policymaking groups related to this problem?

B. The research program: What is the extent of research on radioactive fallout?

1. Is the AEC presented with a conflict of interest when it is required to act on the one hand as an agent in developing nuclear weapons, and on the other hand as an agent in providing safeguards against weapon hazards? If a conflict does exist, what would be effective ways of removing or at least minimizing it?

2. How much of the research is being done by the Government and how much by private research groups under Government sponsorships and with Government funds?

3. Are there serious soft spots in either the experimental or theoretical aspects of the sciences related to fallout; in particular are there any that limit a thorough understanding of the civilian and military implications of fallout?

4. How well is the research program in balance?

5. Is the general level of the research program adequate in view of the obvious policy implications of fallout in such areas as weapons testing, nuclear weapons bans, civil defense, the military posture?

6. Is the scope of inquiry on fallout problems broad enough so that it is not likely that the United States could be surprised by an enemy using the properties of fallout in a manner that we have no notion of how to cope with?

7. Is the atmospheric, biospheric, and medical sampling program adequate? Should more work be done, for example, on determining the normal incidence of bone cancer in areas of various background levels?

8. What, if any, data should be sought after urgently on grounds that it may never again become available assuming tests continue; that is, what virgin data and what check points should be found?

9. Should the United States prepare, through cooperative programs, to process fallout samples from all parts of the world?

10. Are Federal funds made available for fallout research adequately protected?

11. Is cooperation between Government and non-Government research adequate?

12. If the program is inadequate, should Congress increase appropriations for fallout research?

C. JCAE information:

1. Should the results of fallout research be made available to and reviewed by the JCAE as well as the AEC?

2. Would the creation of a special group of scientists be an effective way of reviewing information and resolving differences of opinion?

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I should be glad to yield to the majority leader.

Mr. McCORMACK. The people of the country are indebted to the gentleman from California for the dedicated public service he has rendered in many respects, and in the important field into which his committee is going to make inquiry, which is another piece of evidence of the dedicated public service of the gentleman from California.

This is a very important field, one about which very little is known by the public generally. Yet it is a field that affects the very life and existence of every human being.

I want to congratulate the gentleman for the legislative journey and inquiry that his subcommittee under his leadership is going to make and express the hope that the newspapers of the country in informing our people on this very important subject will cover the hearings as broadly as possible, because the subject matter of the hearings is of vital importance to every human being.

Mr. HOLIFIELD. I thank the majority leader for those remarks. I want to say that it is the intention of this subcommittee, which is composed of most of the members of the Joint Committee on Atomic Energy, by the way, to do a very objective job in this field. We do not intend to enter into discussions of morality or philosophy or politics in this particular set of hearings. What we are really concerned about is to bring together into one document as much of the scientific opinion as we can get from the most credible witnesses on this very important subject. There will be differences of views, but the views will be based on differences of opinion of highly qualified scientists. We will not go into the field of the laymen in order to get an opinion, during this particular series of hearings. These will be scientists. I have invited between 35 and 40 of the most famous scientists in America. They do not all agree on these subjects, but they are all qualified professionally to testify on the various subjects which we shall take up in these hearings. It is our intention to do an objective job so that the Congress and the editors of the papers and magazines and any other persons interested in this subject can at least go to one place in order to get a compendium of vital information on this subject.

We are going to try, although this will be difficult, to get our scientific witnesses to testify in laymen's language, which can be understood by the lay reader. We are going to try as far as possible to make it understandable to the general public.

Mr. BURNS. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Hawaii.

Mr. BURNS. I want to compliment the distinguished gentleman from California, an outstanding leader in this field. The problem is of great concern to the people of Hawaii. The tests that are being conducted in the Pacific have increased the radiological content of the air there. The hearings the gentleman from California is holding are most timely and needed in order to give the people some understanding of the problem and to show whether their fears are justified or not justified. Again, I compliment the able and distinguished gentleman from California on holding these hearings.

Mr. DEROUNIAN. Mr. Speaker, I notice on the ticker an AP release dated today at 4:12 in behalf of our distinguished colleague, the gentleman from New Jersey [Mr. THOMPSON], and I note the time—the present time is 5 minutes to 6. He has already released the speech he is supposed to have delivered, berating

the so-called Eisenhower Republicans for not supporting the President. I would trust, since he has not given the speech, that when he does, the facts therein will be more accurate than his release time. That reminds me of a time an opponent was running against me. He issued a release that he had spoken at a certain place, that at such meeting he had received a great amount of applause. The next day, it was revealed he had never been at the meeting at all.

Now, I assume that the gentleman from New Jersey [Mr. THOMPSON] has gotten some of his percentage figures from the Congressional Quarterly. I assume that he believes that these figures are correct and nonpartisan in nature. May I commend to the House an insertion in the CONGRESSIONAL RECORD, volume 102, part 11, page 15395, by our colleague, the gentleman from California [Mr. UTT] giving some facts about the Congressional Quarterly:

First, the publication is owned and published by Nelson Poynter, of St. Petersburg, Fla., and it has no official connection with the Congress of the United States. Mr. Poynter is also the owner and publisher of the St. Petersburg Times, a publication which is undeniably New Deal in its sympathies, and certainly in its editorial slanting of the news.

Of course, I have no quarrel with what position any newspaper takes.

Second, Mr. Poynter is not unknown to the members of the House Un-American Activities Committee, and the official files of that body show that Mr. Poynter is listed as initiating sponsor of the organization known as Independent Citizens Committee of the Arts, Sciences, and Professions. The official files show that his name was carried on the letterhead of that committee, and his association with the committee was reported in the Communist Daily Worker of December 24, 1944.

In a separate report entitled "Review of the Scientific and Cultural Conference for World Peace Arranged by the National Council of the Arts, Sciences, and Professions" the Committee on Un-American Activities stated:

"The meeting was sponsored by a Communist-front organization known as the National Council of the Arts, Sciences, and Professions. The National Council of the Arts, Sciences, and Professions is a descendant of the Independent Citizens Committee of the Arts, Sciences, and Professions which was repudiated in 1946 by Harold L. Ickes, its chairman, because of its Communist character."

Mr. Poynter's pious protestations of political unbias are clouded seriously by the strong New Deal flavor of his St. Petersburg newspaper and by the fact that files of the House Committee on Un-American Activities reveal that Press Research, a publication also organized and published by Nelson Poynter, was an admittedly biased periodical.

To complete the picture, records indicate that Mr. Poynter served with the Office of War Information under a Democratic administration.

And I do not begrudge his having had a political job.

The files of the House Un-American Committee also show that Mr. Poynter was a member of the Political Action Committee and that he arranged with a Mr. C. B. Baldwin, assistant chairman of the PAC of CIO, to give PAC free copies of his publication even though they were prepared for other clients who were paying for the service.

May I say further that the Congressional Quarterly does not speak for the executive branch of the Eisenhower administration nor for the Republican Party. In reading Congressional Quarterly statistics, all the above ought to be taken into consideration.

THE PRESIDENT'S LEGISLATIVE PROGRAM

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New Jersey [Mr. THOMPSON] is recognized for 30 minutes.

Mr. THOMPSON of New Jersey. Mr. Speaker, last night, and on Tuesday night of last week, President Eisenhower felt constrained to bypass the Congress and go to the people in defense of his spending program. This is a unique expedient, the need for which was quite obvious. The need is worthy of our attention, Mr. Speaker, and I shall now discuss it—not only for the benefit of the House, but for the President and his assistant, Sherman Adams, as well.

I have said "for the President and Sherman Adams as well" because neither of these estimable gentlemen seems to realize, as yet, where their problem lies.

On two occasions in the last week, General Eisenhower dispatched messages to Republican meetings calling for the election of a Republican Congress in 1958 so that "responsibility can be fixed." It is obvious that the President does not realize where his support and opposition are coming from, and I, therefore, presume to tell him.

As to Governor Adams—he suffers from the same lack of knowledge, for on May 17 he wrote to me, among others, thanking me for my support and asking for more. To my knowledge, he did not write to a Republican Member—but I shall soon demonstrate why.

Mr. Speaker, until this week the House had voted 31 times on measures important enough to the President for him to have expressed his opinion on them. The statistics show an amazing fact—the Democratic Members of the House supported him 57 percent, the Republicans a mere 44 percent.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield at this point for a clarification of his statement?

Mr. THOMPSON of New Jersey. Yes, and then I will decline to yield further.

Mr. FRELINGHUYSEN. I am wondering about the 31 votes that were considered important. Is this based on the Congressional Quarterly's compilation?

Mr. THOMPSON of New Jersey. That is right.

Mr. FRELINGHUYSEN. That referred to nine votes in the Senate.

Mr. THOMPSON of New Jersey. The Senate has not voted on as many items as we have as yet. If the gentleman does not mind, I will continue with my statement, and will yield later.

Had he known this, I am sure the President would have called for even more Democrats in 1956. This need not concern us, however, for—whatever he calls for—the President will have an even more Democratic Congress in 1958.

In the CONGRESSIONAL RECORD, volume 101, part 8, page 10266, on July 11, 1955, the gentleman from New Jersey, the Honorable PETER FRELINGHUYSEN, noted the third anniversary of President Eisenhower's nomination. My distinguished colleague's insertion was signed by 54 Republican Members representing all those elected in the 83d or 84th Congress. They came from 25 States, representing 294 electoral votes, quite an impressive array.

Our Republican friends and colleagues urged the President to seek a second term in their statement. They noted that—

Dwight David Eisenhower was elected in 1952 by an overwhelming majority of the American people because they believed him to be uniquely qualified to lead our country in a time of crisis.

The 54 intrepid "moderns" asked Ike to run again "to solidify our gains and complete our program (because) we Republican Members of Congress believe President Eisenhower should remain in office for a second term." Well, Mr. Speaker, we must here concede that he did so and by an overwhelming vote at that. Following his great victory in 1956, the Republicans talked more than ever of his mandate to lead the Nation—through them, of course.

The signers of the petition of the gentleman from New Jersey, went on to say:

In the atomic age * * * it is vital that our Nation be led by a man with great experience in the international field and one who possesses patience, firmness, understanding, and courage.

Now, we all know that the President is courageous—his war record and his sallies on behalf of his budget prove the fact. Most of all, though, he has demonstrated patience. Many a lesser man would have become exasperated with his party before this.

The President is, as our Republican friends say, "understanding," too. He understands that he is a "lame duck" under the 22d amendment and that he is being abandoned by many of his former Republican followers.

As to his firmness, the claim of the 54 signers may yet be proved but, to date, President Eisenhower has shown no evidence of that trait.

I have quoted for you the reasons given by the 54 Republicans in their 1955 statement for Ike to lead them again. Their candidate was elected again to lead them, but have they followed? Let's look at the record.

Alas, these 54 Republicans who importuned so eloquently, are not all with us in the 85th Congress. One or two did not seek reelection and 3 or 4 were defeated, but 49 remain. According to volume XV of the nonpartisan Congressional Quarterly of May 16, 1957, the Presidential support score of these 49 is 34.5 percent. Yes, Mr. Speaker; they have supported the leader of their party, the man they so wanted to follow, all of the 34.5 percent of the time so far in the 85th Congress. Need I say that he has not led them 65.5 percent of the time? Following is an alphabetical list of the

Republican signers with their support and opposition scores taken from the tables of Congressional Quarterly:

	Supported	Opposed
Alger (Texas)	9	91
Avery (Kansas)	45	55
Baldwin (California)	91	9
Bass (New Hampshire)	23	73
Baumhart (Ohio)	50	50
Becker (New York)	14	82
Bentley (Ohio)	23	73
Bolton (Ohio)	------	------
Bosch (New York)	14	86
Broyhill (Virginia)	32	68
Cederberg (Michigan)	27	73
Chase (Nebraska)	------	------
Coon	------	------
Cramer (Florida)	32	64
Cretella (Connecticut)	18	14
Curtis (Massachusetts)	64	36
Derounian (New York)	18	73
Dixon (Utah)	66	65
Dorn (New York)	50	50
Fino (New York)	41	50
Fjare	------	------
Frelinghuysen (New Jersey)	64	32
Gubser (California)	41	50
Hamerson (Ohio)	18	77
Hiestand (California)	27	73
Holt (California)	36	50
Hosmer (California)	35	59
Hyde (Maryland)	64	36
Johansen (Michigan)	23	77
Jonas (North Carolina)	18	62
Knox (Michigan)	59	41
Krueger (North Dakota)	14	82
Laird (Wisconsin)	27	73
Lipscomb (California)	18	82
Mailliard (California)	27	59
Minshall (Ohio)	16	82
Pelly (Washington)	77	23
Pillion (New York)	18	73
Poff (Virginia)	32	68
Ray (New York)	32	68
Rhodes (Arizona)	59	41
Robsion (Kentucky)	45	55
Scherer (Ohio)	9	73
Schwengel (Iowa)	73	27
Siler (Kentucky)	5	82
Teague (California)	27	73
Thomson (Wyoming)	32	68
Utt (California)	14	77
Wainwright (New York)	23	73
Weaver (Nebraska)	27	73
Westland (Washington)	50	50
Wilson (California)	41	45
Young (Nevada)	------	------
Younger (California)	32	68

Mr. Speaker, on May 16, the very day following President Eisenhower's TV-Radio plea on behalf of his budget, 42 Democrats sent him the following telegram:

As Democratic Members of Congress, who have, in the national interest, resisted irresponsible budget cuts, we welcome your belated decision to go to the people in defense of your budget.

Whereas your speech contained political overtones and implications which, in our opinion were irrelevant and unnecessary, it was on the whole a constructive defense of the Federal budget.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I am delighted to yield to my distinguished leader.

Mr. McCORMACK. Was a reply received in answer to that telegram?

Mr. THOMPSON of New Jersey. Yes; we had a reply from Sherman Adams.

Mr. McCORMACK. Oh, you received a reply from Sherman Adams.

Mr. THOMPSON of New Jersey. In which reply, he thanked us and asked for more support.

We must observe your failure to note that much of your current difficulty over the budget comes from members of your own party, most, if not all, of whom you recommended for support by the electorate in the elections of last November.

We are, nonetheless, willing to cooperate with you in your efforts to stem the reckless economy drive which constitutes a threat to our national defense and to the general welfare of the United States.

We are for sound economies, and support many of the recommendations that have been made by the Appropriations Committees of the House and Senate.

We urge further studies which, we believe, can bring about savings in the operation of the Defense Establishment, while at the same time increasing the efficiency of the armed services.

We approve your determination to press for the enactment of school construction legislation and for other measures necessary to meet the Federal Government's responsibility in meeting the needs of our growing economy and population.

In a statement issued on January 30 of this year 80 Democrats announced their support of a program which in many ways parallels your own legislative requests.

We said at that time that, "if a sufficient number of so-called modern Republicans join in support of the program there will be no difficulty in securing passage of legislation to carry it out."

Parenthetically, I might add that the school bill is a classic example of that. If 90 to 100 Republican votes are produced for it, it is certain of passage this year.

It is our hope that you will act to curb those members of your own Cabinet whose statements and actions are endangering your own program, and that you will undertake to persuade Members of your own party in Congress to support your program.

We will do our part in the best interests of all the people of the United States.

You will note that we welcomed the President's belated effort but pledged our support of our national defense and the general welfare of the United States. We meant just that. We, too, approve of economy and, indeed, have worked for it, but we do not intend to contribute our votes to an irresponsible slashing of the arteries of the public good and the national defense.

Let us look at the record of the 42 Democrats on the same votes used for the 54 Republicans. Yes, Mr. Speaker, we have supported President Eisenhower 77.3 percent and have voted against him only 22.7 percent. Of course, Mr. Speaker, Mr. Eisenhower is not leading us—we never asked him to do as the 54 Republicans did. Mr. Eisenhower simply is adopting great Democratic programs from previous administrations. We are being absolutely consistent, but are our Republican friends?

Following is the list of signers of the telegram of May 16 with their support and opposition scores, also taken from Congressional Quarterly:

	Supported	Opposed
Eugene J. McCarthy (Minnesota)	73	27
Frank Thompson, Jr. (New Jersey)	77	23
Lee Metcalf (Montana)	82	18
John C. Kluczynski (Illinois)	82	18
John Lesinski, (Michigan)	86	14
Henry S. Reuss (Wisconsin)	86	14
Coya Knutson (Minnesota)	77	23
Abraham J. Multer (New York)	80	20
Al Ullman (Oregon)	82	18
D. S. Saund (California)	77	18
Edith Green (Oregon)	64	27
Charles O. Porter (Oregon)	82	18
Melvin Price (Ohio)	95	5
Leonard Farbstein (New York)	77	18
Chet Holifield (California)	77	23
A. S. J. Carnahan (Missouri)	82	9
Charles A. Boyle (Illinois)	55	45
Chester A. Vanik (Ohio)	73	27
Thomas E. Morgan (Pennsylvania)	86	9
Kathryn E. Granahan (Pennsylvania)	82	18
Thaddeus M. Machrowicz (Michigan)	82	18
Charles H. Brown (Missouri)	86	27
George H. Christopher (Missouri)	86	14
Louis C. Rabaut (Michigan)	82	14
Byron G. Rogers (Colorado)	80	88
Gracie Pfost (Idaho)	82	18
Martha W. Griffiths (Michigan)	82	18
John J. McFall (California)	86	14
James Roosevelt (California)	64	18
B. F. Sisk (California)	73	27
Lester R. Johnson (Wisconsin)	82	18
George M. Rhodes (Pennsylvania)	91	9
Wm. J. Green, Jr. (Pennsylvania)	68	5
Earl Chudoff (Pennsylvania)	77	23
James A. Byrne (Pennsylvania)	73	18
Wm. A. Barrett (Pennsylvania)	77	18
George P. Miller (California)	82	9
Peter W. Rodino, Jr. (New Jersey)	77	23
Hugh J. Addonizio (New Jersey)	77	23
Harlan Hagen (California)	91	9
Frank M. Clark (Pennsylvania)	73	18
John D. Dingell (Michigan)	82	18
Alfred E. Santangelo (New York)	82	18

Mr. Speaker, the foregoing support and opposition scores were listed only for the 53 friends of our colleague from New Jersey who wanted Ike to lead them and for the 42 Democrats who signed the wire of May 16. Now, I would like to tell you about the leadership of both parties in the House.

Our friends across the aisle are led by these distinguished and respected gentlemen, Mr. MARTIN, Mr. ARENDS, and Mr. HALLECK, who nominated General Eisenhower at San Francisco. Here are their support and opposition scores to date, according to Congressional Quarterly:

	Supported	Opposed
Martin	55	45
Arends	59	36
Halleck	39	41

Our leaders, on this side, are the distinguished and beloved gentleman from Massachusetts [Mr. McCORMACK] and the gentleman from Oklahoma [Mr. ALBERT]. Here are their support and opposition scores, also from Congressional Quarterly:

	Supported	Opposed
McCormack	95	5
Albert	95	5

Now, Mr. Speaker, do you see why I am so presumptious as to suggest that the President and Governor Adams do not realize where their program trouble arises? I shall write to them enclosing the statistics set forth in this little effort.

On January 30, 1957, some 80 Democrats announced their legislative desires and concluded that document with the following:

If a sufficient number of so-called modern Republicans join in support of the program, there will be no difficulty in securing passage of legislation to carry it out.

That program parallels, in many ways, the President's legislative program. I still believe, Mr. Speaker, that if the President and Mr. Adams can finally lead the modern Republicans to follow the Democrats on a course of responsible action, great things can be accomplished for the people of the United States. We await them with a simple admonition—34.5 percent support of their President is not enough.

Mr. BASS of New Hampshire. Will the gentleman yield? He used my name.

Mr. THOMPSON of New Jersey. I yield to the gentleman from New Hampshire, although I do not recall using the gentleman's name.

Mr. BASS of New Hampshire. I understood the gentleman to use my name or mention it in connection with one of the groups of Members.

Mr. THOMPSON of New Jersey. We will not quibble about that.

Mr. BASS of New Hampshire. Will the gentleman not agree with me that in using these percentage figures that if they are to be of any use they must be fair and accurate?

Mr. THOMPSON of New Jersey. Yes, and I might point out that the Republican campaign committee issued them to each and every incumbent Member of Congress who paraded them up and down the land last year, practically went about the land asking people to support them and the incumbent President.

I now yield to my friend from New Jersey [Mr. FRELINGHUYSEN] whose name I did mention.

Mr. FRELINGHUYSEN. I do not want to interrupt the line of questions the gentleman from New Hampshire had in mind, for I am sure he had not finished, but now that I have the opportunity, I would like to say it seems to me that the gentleman from New Jersey would have made a better demonstration and showing if he had given us some idea as to the nature of the votes which he considers of such crucial importance in support of the Eisenhower program.

Mr. THOMPSON of New Jersey. The gentleman from New Jersey has been specific about them.

Mr. FRELINGHUYSEN. I do not understand what the gentleman means.

Mr. THOMPSON of New Jersey. Fourteen of them, I think there are 14 areas in the Health, Education and Welfare bill and the slashes that were made or attempted to be made here.

The President, the Secretary of Labor, Mr. Mitchell, the Secretary of Health, Education and Welfare, Mr. Folson, in separate and in unified statements said they could not be cut.

Mr. FRELINGHUYSEN. If we could take a specific instance instead of generalities—I would like to ask the gentleman to be specific.

Mr. THOMPSON of New Jersey. I do not know how much more specific one could be.

Mr. FRELINGHUYSEN. The gentleman has failed to be specific at all.

Mr. THOMPSON of New Jersey. I am very sorry. I have not had any help from my friend from New Jersey. I find, although we agree on many things——

Mr. FRELINGHUYSEN. How about the sewage disposal proposal, which was one of the items in the HEW appropriation bill?

Mr. THOMPSON of New Jersey. That is included.

Mr. FRELINGHUYSEN. That is definitely one the President did not approve which Congress approved and it was not on the administration program.

Mr. THOMPSON of New Jersey. I may say to the gentleman that his version might be quite correct from his point of view, but my recollection is different, and I am sure that the newspapers which have not been listed in any subversive activities, like the New York Times, lists President Eisenhower, Secretary Mitchell, and Secretary Folsom as saying that the items in their budget were absolutely needed and could not be cut and should not be cut. If the gentleman wants to vote one way or the other and if the President does not care about stream pollution, that is all right. You can argue if you want with these statistics. I quote them from the CONGRESSIONAL RECORD. These are taken from the CONGRESSIONAL RECORD.

Mr. FRELINGHUYSEN. I fail to understand the gentleman's argument and it is for the sake of clarification that I am asking these questions. The gentleman is taking a curious position. He wants the majority leader to err, too. I would like to get an indication of the voting which caused the majority leader to be 95 percent for the Eisenhower program. You have intimated that perhaps the defense budget has already come up and has been included. I suggest very strongly that this particular presentation from the Congressional Quarterly, whether or not it is normally unbiased, which I doubt, is not a very accurate reflection of anything.

Mr. THOMPSON of New Jersey. It is the reflection that the gentleman of New Jersey supported the President 83 percent of the time and was against him 17 percent. Is that inaccurate?

Mr. FRELINGHUYSEN. I say it is entirely inaccurate unless we know what the specifics are, and there is indicated where we are in favor or opposed to certain legislation.

Mr. THOMPSON of New Jersey. I am glad to know that.

Mr. FRELINGHUYSEN. I would like the gentleman to elucidate on that.

Mr. THOMPSON of New Jersey. Is the gentleman asking a question now?

Mr. FRELINGHUYSEN. A combination of questions and comment.

Mr. THOMPSON of New Jersey. It certainly is.

Mr. FRELINGHUYSEN. I want to get the gentleman's own position.

Mr. THOMPSON of New Jersey. I will not object to the gentleman asking for time by unanimous consent afterward, but let me use a little bit of my time to answer some of his comments.

Mr. FRELINGHUYSEN. I would welcome that.

Mr. THOMPSON of New Jersey. Now, as to the majority leader and the gentleman from New Jersey desiring to wear I Like Ike buttons, that is not so in a political sense. But he is the President of the United States and I am very pleased wherever he is right to support him, as is the majority leader.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The simple answer is that the President agreed with me 95 percent of the time.

Mr. THOMPSON of New Jersey. I now yield to the gentleman from New Hampshire.

Mr. BASS of New Hampshire. I would like, if I may, to develop my first question for about a minute, if the gentleman does not mind. I hold in my hand a list of the 22 rollcall votes that were taken in the House, on which these scores are based.

Mr. THOMPSON of New Jersey. There were 31.

Mr. BASS of New Hampshire. Twenty-two. Nine were in the Senate and 22 in the House.

Mr. THOMPSON of New Jersey. Yes.

Mr. BASS of New Hampshire. Fourteen of those 22 were on the amendments offered to the Health, Education, and Welfare appropriation bill.

Mr. THOMPSON of New Jersey. Yes.

Mr. BASS of New Hampshire. So that if somebody voted for all of those amendments, then voted with the President on everything else, namely, the Mideast doctrine, the corn bill, the Patman resolution, the USIA request, and I will not go on, his score would be 37 percent for Eisenhower?

Mr. THOMPSON of New Jersey. I would suppose that might be correct.

Mr. BASS of New Hampshire. I do not consider that a fair or accurate formula and I think it is most misleading. Take the soil bank, that was not included in this, and that was one of the most important pieces of legislation.

Mr. THOMPSON of New Jersey. That will be included in a subsequent one. I have no quarrel with the gentleman from New Hampshire and his interpretation of this. I am merely presenting it as I see it, I am presenting it as this nonpartisan publication sees it.

Now, I am sure that the gentleman from New York does not mean that every name that appears in the Daily Worker——

Mr. BASS of New Hampshire. New Hampshire.

Mr. THOMPSON of New Jersey. I had reference to the gentleman from New York who anticipated this. I am sure that every name which appears in the Communist Daily Worker is not a subversive, and I know nothing about the tactics employed or the thinking employed by the gentleman from New York in his reference to subversive lists and the fact that a person worked for a Democrat or was in the Democratic Cabinet or anything else. That is irrelevant to this thing.

I merely say to you people who asked your President to run so hard for you that you have aided and abetted—notwithstanding your point of view to me—that you have aided and abetted the headlong dash for the President's program to go down the drain.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I think the additional observation might well be made that on the record that exists, the President's problem is to regain the leadership of his own party, because their party is split, they are disrupted, they are in revolt against him, and the problem of the President of the United States is to get control of his own party again, and if talking to the people is for the purpose of operating upon the Republican Members of Congress, why, that is an advisable step. But, the record shows that the Democratic vote is absolutely consistent with the best interests of the people.

Mr. THOMPSON of New Jersey. Mr. Leader, would you not agree with me that the President said in his press conference last Wednesday morning that he was not going to go after anybody in the Congress? No one suggested, as I recall, that he picked up the bludgeon or used any unorthodox or immoral or unethical methods. It was suggested that he call them in. Is that not so?

Mr. McCORMACK. The gentleman's recollection, in substance, is correct. My statement is—and I think the gentleman will agree with me—that the President, for whom we have sympathy in his relationships with his own party, is the political leader of the Republican Party. But, he is our President

Mr. THOMPSON of New Jersey. That is quite so.

Mr. McCORMACK. But the record shows that the Republican Party in Congress is in revolt against him, man to man, the great majority of them, and the poor President's job is to try to get back, as political leader, control of his own party to help him out as President of the United States. Might I also say in connection with his foreign administration program that he will get more support from the Democrats on that than he will from his own party.

Mr. THOMPSON of New Jersey. I quite agree.

Mr. McCORMACK. The very night before he sent up his message I was asked in a press conference about that, and I said I thoroughly supported him, because in foreign affairs we have got to give the President power and the weapons to carry out the policies of our country in the national interest of our own country.

Mr. THOMPSON of New Jersey. I quite agree with my distinguished leader, and I might say that it is our responsibility, setting this aside, to act in the best interests of the United States. The President as the President is certainly not our political leader. Fortunately for us he has adopted a great many principles of the previous administration, and we have supported him, but our obligation is to maintain the national defense of the United States and the public welfare of the United States. That is what we have been doing; that is what 80 Democrats offered to do and have reiterated their offer, and we just hope that you wonderful fellows over there will join us. We get lonesome just working for Ike. We need a little help.

Mr. BASS of New Hampshire. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from New Hampshire.

Mr. BASS of New Hampshire. I would just like to ask this one question: Does the gentleman feel that the formula that was used on all these percentage figures is a fair and accurate one as it relates to Eisenhower support?

Mr. THOMPSON of New Jersey. Yes, in context, considering the statements made by the President in his press conference, if one is patient enough to read it carefully and understand it, and considering the statements by Mr. Mitchell and Mr. Folsom with respect to the specific legislation concerned with this, I think they are absolutely fair.

Mr. BASS of New Hampshire. What the gentleman is saying, then, is that a vote on a $30,000 reduction is equal to a vote on the Mid-East resolution?

Mr. THOMPSON of New Jersey. As a single vote, why, certainly, it must be. Let me say this to my friend from New Hampshire. The fact of the matter is that a $30,000 reduction in the Office of the Secretary of Labor, in his judgment, might perfectly well be as important to that Department as a vote on a $1 billion bill in another department.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Speaker, I want to compliment the gentleman on his exposition tonight and the statistics that he has put in the RECORD. I come from the great city of Los Angeles. We are blessed with two Republican newspapers there. They take me to task because I happen to be voting for democratic ideas and democratic principles.

I was somewhat amused in looking over this list at some of my Republican colleagues from California. I find some of them give me a 77-percent credit of voting for the policies and principles which the President advocated, but some of my Republican colleagues I found were down as low as 14 percent, and many of them around 25 percent and 30 percent. I am wondering if these Republican newspapers that claim they are so fair, will give me a little line, just a line on the back page, next to the Safeway grocery ad, saying that HOLIFIELD supported the President 77 percent of the time, while our Republican Congressmen varied from 14 percent, most of them I think, up to about 50 percent.

Mr. THOMPSON of New Jersey. I hope they do that for my friend from California.

Mr. HOLIFIELD. Of course, I want the gentleman to know that they have always opposed me in elections.

Mr. THOMPSON of New Jersey. Oh, we would expect that.

Mr. HOLIFIELD. And, of course, I do not seek their support, nor do I expect their support. I do not happen to need it, because the people in my district believe in the general welfare of the country. They believe in foreign aid, they believe in a strong defense, and, of course, I try to represent them in that way.

Mr. THOMPSON of New Jersey. Talking about newspapers, is it not interesting to the gentleman from California that our friend from New York referred to the St. Louis Post-Dispatch as a New Deal newspaper. It has become New Deal because it supported Stevenson in the last election, the first Democratic candidate for the presidency, in many, many years that it supported, in 1956. It was not New Deal from 1952 to 1956, because it was for Eisenhower.

Does the gentleman have that experience in California?

Mr. HOLIFIELD. I have that experience, except that I never have had the experience of a metropolitan newspaper supporting the Democratic candidate for the Presidency.

Mr. THOMPSON of New Jersey. We have not either, but I should like to experience that, too.

Mr. KEAN. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to my friend from New Jersey.

Mr. KEAN. It seems to me that this colloquy proves that the Republicans are still the ones who are for economy and the Democrats are the ones who are still for spending.

Mr. THOMPSON of New Jersey. In a sense I agree with the gentleman, the distinction being that we are for responsible economy and you are not. We consider that if the President of the United States says that he needs X number of dollars for economic assistance abroad, that he possesses the knowledge, he possesses the intelligence, which we do not. We have to rely upon him and we intend to.

Mr. KEAN. Mr. Speaker, I think the gentleman from New Jersey has some intelligence. He says he does not have the intelligence. He referred to the President as saying that he has intelligence "which we do not."

Mr. THOMPSON of New Jersey. Oh, no. I have the highest regard for everyone on the gentleman's side of the aisle and especially for the gentleman from New Jersey [Mr. KEAN], and for my friend, the gentleman from New Jersey [Mr. FRELINGHUYSEN]. I just happen to disagree with these gentlemen on this matter.

Mr. FRELINGHUYSEN. Mr. Speaker, in view of the interesting nature of this discussion, I should like to ask unanimous consent that the gentleman from New Jersey [Mr. THOMPSON] be granted an additional 10 minutes so we can at least get some of the questions we would like to aim at him answered, if that is going to be possible.

The SPEAKER pro tempore. The gentleman would have to make that request after the other special orders of the day that are scheduled. We have a special order to follow the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Speaker, I would like to make that request now.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

Mr. EVINS. Mr. Speaker, I object.

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Wisconsin.

Mr. LAIRD. Now that we have decided that the Republicans are for economy and the Democrats are against economy, which the gentleman from New Jersey [Mr. THOMPSON], has admitted——

Mr. THOMPSON of New Jersey. You read the RECORD in the morning and you will see what I said. I said we are for responsible economy.

Mr. LAIRD. How phony some of these rollcalls are you are attempting to use as your criteria for determining support of the President.

Mr. THOMPSON of New Jersey. The Congressional Quarterly did that.

Mr. LAIRD. I am talking about how phony this basis is the gentleman is using, that was published in the Congressional Quarterly.

THE TVA—A GREAT NATIONAL ASSET—BUDGET CUT—YET TIRADE OF MISREPRESENTATION CONTINUES—CHAMBER OF COMMERCE SPOKESMAN PRESENTS FALSE PICTURE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Tennessee [Mr. EVINS] is recognized for 40 minutes.

Mr. EVINS. Mr. Speaker, I have always respected the integrity of the United States Chamber of Commerce whose officials so often appear before various committees of the Congress to present the point of view of the chamber on legislative matters or to provide informational testimony in fields in which its members have authoritative knowledge. I have not always agreed with the position of the chamber of commerce and, indeed, on some matters I have disagreed strongly. But I have always assumed that when representatives of the chamber of commerce appear before our committees to present their position that they were accurately and faithfully stating the viewpoint of the chamber and of its members. I am sorry to say that I have been shocked to discover that this assumption is not always justified by the facts.

My colleagues may have noticed in the press that recently Mr. Louis V. Sutton, president of the Carolina Power & Light Co., testified before the House Public Works Committee, representing himself as a spokesman for the chamber of commerce. In his testimony, Mr. Sutton opposed the various plans for giving the TVA authority to finance its future power operations through the sales of bonds and then announced a 10-point program for liquidating the TVA by selling out this agency of our Government to his own fraternity—the private utilities. Mr. Sutton gave the committee to understand that he was presenting, not his own views, but the views of the chamber of commerce—that the chamber of commerce had adopted resolutions advocating the sale of the TVA. I, along with many others, was shocked by the reports of this testimony. Mr. Speaker, I have clear evidence that Mr. Sutton did not present the positions of the chamber of commerce accurately but indeed misrepresented it and that as a consequence members of the committee concerned, as well as the general public, assumed some things which were not true. Misrepresentation in any instance is deplorable, but the false slant of Mr. Sutton's testimony in this instance should not and must not go unanswered.

The implications of the situation, if permitted to be continued, could mean the undermining of our system of Government. As we all know, the Congress legislates based upon facts and information given to our committees and we should not permit people in high positions to falsify facts to the Congress. This situation seems to me to go to the root of the relations between Congress and the various organizations labeled "lobbies." Let me make clear that in using this word for the sake of simplicity, I do not desire to give it derogatory connotation. I think the right of such organizations to present their point of view to Congress is well based in constitutional rights and, indeed, I am sure we all recognize that this function of responsible lobbies can and does serve a needed and useful purpose. But, as I am also sure we are all aware, the Congress has faced a number of problems in connection with the activities of such organizations and in fact, we have attempted, with very poor success, to deal with those problems through legislation. One of the things we have tried to establish is the answer to the question: Whom, exactly, do these people represent? The situation to which I am addressing my remarks suggests that in the future we must also inquire more closely into the question: Do these people accurately present the point of view of the people they purport to represent?" In the present instance—the case of the Carolina Power & Light Co.—I think the facts clearly demonstrate that the man who appeared as the official representative of the chamber of commerce and who assured the committee that his statement represented their views was, in fact, speaking only for himself, or mainly for himself and his industry—the private utilities, the private power lobby. This is a matter which should be of real concern to the chamber of commerce as well as the Congress. I believe that the committees of Congress concerned would be justified in recalling Mr. Sutton for further examination concerning his official responsibilities with the chamber. Certainly we know of his position with the Carolina Power & Light Co. and can thus be assured of his personal prejudices and selfish intents. I believe that in the future all committees should demand clear evidence that statements purporting to give the official position of any organization do, in fact, just that.

Mr. Speaker, certainly the members of the committee were entitled to assume from Mr. Sutton's testimony that the chamber of commerce had officially acted on these specific matters—the TVA self-financing plan and the 10-point plan for eventual sale of the TVA. But, Mr. Speaker, that assumption is by no means borne out by the facts. The fact is that, in conveying the impression to the committee that they had been approved by the membership of the chamber of commerce, Mr. Sutton and his accomplice, Mr. Richard W. Smith, were misrepresenting the facts and misleading the commtitee.

Moreover, Mr. Speaker, this is not an isolated instance but apparently a continuing attempt to mislead the Congress that goes back at least 2 years. At that time the very same Mr. Sutton and his very same confederate, Mr. Smith, appeared before the Senate Public Works Committee, which was holding hearings on a TVA self-financing bill. There they also testified against the self-financing bills and presented a similar 10-point program for destroying the TVA. And once more they managed to convey the impression that their statement was the official chamber position. At that time Senator KERR, Democrat, of Oklahoma, also tried to determine just how accurately the testimony reflected the views of the chamber of commerce.

The impression there given, from a careful examination of the testimony, was that the chamber had endorsed and approved Mr. Sutton's plan for the sale of TVA. He promised to document this fact by supplying additional evidence for the record. There is nothing in the record of the hearings to indicate that he fulfilled his promise.

With reference to Mr. Sutton's more recent testimony, the reports of the press on it indicated that he was purporting also to present official chamber policy. To make sure that the press reports were accurate, I asked the chamber of commerce for a copy of the officially adopted policy on which Mr. Sutton's testimony was based. In the course of the telephone conversation, Mr. Donald W. Van Tuyl, who is a water resources assistant in the natural resources department of the United States Chamber of Commerce, admitted that neither the "10 point program" nor the proposal for the sale of the TVA, nor the statement opposing the TVA self-financing bills had ever been submitted for a referendum to the membership of the chamber. He said that Mr. Sutton's testimony was based on "general policy declarations on water resources adopted by such referendums." He was asked to read the portion of the policy declarations which dealt with the TVA and replied that no portion of them dealt with the TVA specifically and by name. In fact, he said that there was no statement—indeed no mention—of the TVA whatever.

When Mr. Van Tuyl advised that the policy declarations were general, he was very correct. They are so general that, Mr. Speaker, believe it or not, the TVA is never even mentioned in them. Nor is there in them any reference whatever to the TVA self-financing plan. Mr. Speaker, there is no mention in it whatever of any plan to sell the TVA's power facilities. In fact, Mr. Speaker, I can find nothing in the policy declarations on natural resources which corresponds directly to the 3 most important proposals of Mr. Sutton's 10-point program.

His first proposal suggests the establishing of a policy which would cut off the TVA entirely from any further appropriations and also from any possibility of selling its bonds to the public. The final proposal would permit private

or public power agencies to purchase all or any part of TVA power facilities. He would dismember a great efficient agency bit by bit. The second would also facilitate dissolution of the TVA by permitting customers of the TVA to buy power elsewhere or to build their own powerplants. There is nothing in the water resources policy booklet of the chamber which resembles any of these proposals.

It is clear from these policy declarations that the chamber does not approve of Federal development of water resources and particularly of the power aspects of such developments. But nowhere do I find either stated or implied the proposal that Federal power projects should either be starved to death or sold to private interests. I maintain that there is a tremendous difference between these two positions. I know several people, for example, who believe in the TVA and who believe that its effect on the private-utility business has been salutary, but who also believe that one such yardstick is enough and no others should be established. Such people might easily vote for the chamber's various declarations so far as they affect the future, but would oppose Mr. Sutton's 10-point plan for destroying the TVA.

I suppose that Mr. Sutton would justify the derivation of his "10-point program" by saying that it was consistent with the general policy adopted by the chamber membership. But Mr. Speaker, that is not what Mr. Sutton told the committees. He told them it was chamber policy. And, Mr. Speaker, there is a vast difference between consistency and identity.

Let me make clear that while I would not agree with such a decision, I should not object to the chamber of commerce expressing its views in opposition to the self-financing plan, or other views it might officially entertain. And it may well be that if the chamber had actually referred such proposals to its members it would have received the necessary two-thirds majority to adopt them as official policy. But the fact is that these proposals were not submitted for approval. Until they are approved, a mere dues-paying member should not be permitted to use the name of the chamber of commerce to make false statements and to attack a great agency of the Government that is serving not only the people of a great region but also the Nation as a whole.

Mr. Speaker, when a man purports to represent an organization and tells us that he is presenting the official views of the organization but in actual fact is presenting proposals which can be derived from those official declarations only by tortous logic, and loose inference, I think he can fairly be said to be misrepresenting the organization and its members. Moreover, Mr. Speaker, there is, in my view, a serious question of propriety when this is done before a committee of the Congress. Therefore, I am suggesting that the committees concerned recall Mr. Sutton for further examination to determine whether other proprieties or even laws have been violated. Moreover, this apparently deliberate attempt to mislead the Congress and the public before committees of both the House and the Senate seems to me to indicate the need for legislation that will protect us against similar masquerades by lobbyists for the private power monopolies or other irresponsible interests.

Mr. Speaker, many of us in Congress from the TVA area have been bewildered by one aspect of this matter. We know that most people in our area are for the TVA and for a sound self-financing plan. We know this includes many members of local chambers of commerce. Indeed, on numerous occasions, the local chambers of commerce in my district have to my certain knowledge joined with other organizations in support of the TVA and otherwise have shown their approval of the TVA. Under these circumstances, I for one, have often wondered whether those local chambers of commerce were ever given the opportunity to vote on these anti-TVA pronouncements made on behalf of the chamber of commerce. We know now, of course, that the answer is that they have not. But after reading the general policy declarations—I repeat, general policy declarations—adopted by the chamber, the mystery disappears. There are indeed numerous statements and recommendations in these policy declarations which TVA supporters would have no difficulty in supporting for the simple reason that they are already in effect. And, therefore, I would not be at all surprised to learn that many of our TVA friends who belong to the chamber may have voted for some of the policy declarations in the belief that such a vote was not at all inconsistent with their support of the TVA.

For example, point No. 2 of Mr. Sutton's 10 points would require the TVA to establish rates which, I quote, "reflect all costs, including interest, taxes, and amortization on a sound accounting basis." We who are most familiar with TVA have long maintained that TVA rates do already reflect these factors. I would like at this point to have inserted in the RECORD a simplified balance sheet of TVA power operations for the last year. This report, on power operations, expenses, and income gives a clear picture of TVA's operations:

Balance sheet of TVA power operations 1956

SOURCES OF POWER

	Billions (kilowatt-hours)	Percent capacity	Cost (kilowatt-hours)	Cost (millions)
TVA dams [1]	11.598	51	1.02	[2] $12.236
TVA steam plants	43.068	95	2.66	[3] 114.731
Alcoa dams [2]	1.456	47		
Cumberland dams [4]	1.369	35	3.7	5.062
Purchased power [5]	.278		3.0	.838
Net interchange [6]	.394		3.65	1.438
Total	58.153		2.413	134.315

[1] Because of dry weather hydro generation was far below potential.

[2] Includes depreciation.

[3] 13 dams owned by Alcoa are operated in coordination with TVA system, their output is delivered to TVA lines and TVA delivers somewhat more than equivalent to Alcoa from its lines.

[4] Cumberland River dams are operated by Corps of Engineers but TVA purchases the power through Southeast Power Administration.

[5] When TVA is short of power it buys power from private power companies; price varies with circumstances.

[6] TVA is part of gigantic power grid which includes adjoining private power companies; power is interchanged both ways and payment is made for net balance.

Disposition of power

	Billions (kilowatt-hours)	Price (kilowatt-hours)	Revenue (millions)
		Mills	
Sales to distributors	15.548	4.26	66.072
Sales to industries	7.227	3.85	27.795
Sales to Federal agencies	30.512	4.09	124.930
Interdivisional sales	.558	3.76	2.102
Total sales	53.845	4.19	220.902
Shop use	.003		
To Alcoa	1.908		
Transmission losses	2.496		
Total	58.153	3.8	220.902

Operating expenses

Generation expense	$107,360,592
Purchased power	838,980
Net interchange	1,428,987
Transmission	6,015,487
Account and collecting	152,033
Sales promotion	520,684
In lieu of taxes	4,147,654
Administrative	7,077,875
Other expenses	103,215
Depreciation	38,095,699
Total	167,741,206

Income

Power sales	$220,902,537
Rents, etc (other income)	739,679
Total	221,642,216
Net operating profit	53,901,010
Interest on debt	41,842
Refunding debt	14,000,000
Repayment to Treasury	45,000,000
Total	59,041,843
Drawn from reserves	5,140,938

This balance sheet shows that last year the TVA made a profit of $53 million after deducting all generation, operating and administrative expenses, depreciation and payments in lieu of taxes.

I want to call attention to the $4 million the TVA paid in lieu of taxes. This represents 5 percent of receipts from all customers except the Federal Government itself, as provided by the TVA Act. But, let me point out that this is not the total of taxes TVA's customers pay in their power bills. The 151 distributors who actually sell power to homes, stores and fatcories paid an additional $7 million. So that in all the TVA and its distributors paid more than $11 million in taxes and in lieu of tax payments. This represents 6.4 percent of the electric bills paid by the purchasers of power in the area. By way of comparison, in the areas of the private power companies neighboring the TVA, the taxes paid represent from 4.8 percent to 11.3 percent of the total power bill paid by their customers. Therefore, the plain fact is that the State and local governments in the TVA area get a higher percentage of the total power bill in taxes than some surrounding States get from the power bills collected by neighboring private monopoly utilities.

Throughout the Nation as a whole, the taxes paid by private power companies have increased by 147 percent since 1937—the year private power companies ceased to operate in the TVA area. But the taxes paid by the TVA and its distributors have increased by nearly 175 percent. So that it seems a pretty good assumption that the TVA States and

local governments are actually receiving more in taxes than they would have if they were still being served by private power companies. Indeed, I suspect that the impetus which the TVA yardstick has given to the enterprise of the private power companies has increased the taxes collected by local governments in all the States.

The provisions of the TVA Act in respect to the payments in lieu of taxes have long been considered a model and have often been cited as an example which ought to be followed in other Federal developments. In view of this, it is not hard to imagine that even a stanch TVA proponent might have approved the policy declaration of the chamber dealing with taxes which, incidentally, reads:

> The State and local governments should be paid for the taxes they would have secured had the business been owned and conducted by a taxpayer.

It seems that actually, TVA's operations are considerably more generous than the chamber declaration demands.

UNITED STATES TREASURY PAYMENTS

Last year the TVA made total payments to the Treasury of $59 million. Fourteen million dollars of this was to retire the last of the bonds whose proceeds were used to buy the property of the private power companies. Incidentally, those bonds were retired some 10 years ahead of their maturity. The remaining $45 million was a direct payment into the United States Treasury under the repayment provisions of the law.

At this point, Mr. Speaker, I ask unanimous consent to have reproduced in the RECORD a simplified statement of the sources of TVA capital:

Sources of TVA capital

Total cost of completed powerplant	$1,588,464,205
Reserves and funds for future use	59,381,134
Inventories	24,574,901
Total	1,672,420,240
Appropriated by Congress	1,253,500,168
Property transfers [1]	19,365,266
Bond proceeds [2]	65,072,500
Total from Uncle Sam	1,337,937,934
Less:	
Redemption of bonds by TVA	65,072,500
Repayment to Treasury [3]	145,059,019
Total repaid by TVA	210,131,519
Net Government investment	1,127,806,415
TVA profits and depreciation invested in plant	339,943,913
Total TVA investment	549,943,913

[1] TVA started with transfer of Wilson Dam and other Federal property at Muscle Shoals.

[2] TVA sold $65,000,000 in bonds to RFC and Treasury to purchase private power facilities. These bonds are now entirely retired about 10 years in advance of maturity.

[3] TVA is required to repay the Federal investment within 40 years; it is presently years ahead of the schedule of repayment.

Summary: ⅓ of the total cost of completed powerplant came from income from TVA's power operations and ⅔ represents the net investment of the Federal Government.

The TVA has now repaid a total of $210 million of the Government's investment. The act of 1948 which requires the TVA to make this repayment calls for a schedule which would return the investment in 40 years. Mr. Speaker, I want to call the attention of those who have questioned the good faith of the directors of the TVA to the fact that the TVA is far ahead of the prescribed legal schedule. In fact, if it continued to repay at the rate it has been paying, it would return the entire investment in less than 25 years. I note that the officially adopted policy declarations of the chamber of commerce calls for repayment of indebtedness in water resources projects on a 50-year basis and most other Federal projects are set up on a 50-year schedule. Again, Mr. Speaker, it would seem that the TVA is going beyond what the official chamber policy calls for.

The minimum payments required under the 1948 act, providing for repayments into the Treasury through June 30, 1957, will be $33 million. The total payments made have been $226,500,000—an amount far in excess of the statutory annual requirements.

Besides being ahead in its repayment schedules, the TVA has invested $339 million in capital improvements. This is considerably more than the depreciation of the plant. In other words, while repaying the investment at a rate almost twice as fast as the law requires, the TVA has also added to the value of the property so that its depreciated value is greater today than the actual investment of the Government. Mr. Speaker, this comes pretty close to realizing the old paradox of "eating your cake and having it too."

One more thing, and perhaps the most remarkable of all, while the TVA's customers have thus paid or repaid a large part of the cost of the system and eventually will pay or repay the entire cost of it, this great asset will continue to belong to the Government—all the people of the United States. What a contrast there is here in profit for Uncle Sam between the TVA and those prides of private power monopolies—Electric Energy Inc., and the Ohio Valley Electric Generating Co. In those cases the private power companies invested 5 percent—only 5 percent, I repeat—of the total cost and under the terms of their contract with the Atomic Energy Commission, Uncle Sam pays in his power bill all the costs, including depreciation, taxes and all. And when Uncle Sam is finished paying for 95 percent of the plant, it will belong 100 percent to the private power companies who own it, and not the Government—all the people—as in the case of TVA.

Let us look at these proposals that the TVA should pay both interest on the Federal investment and amortization which would eventually return the total cost. I have examined these proposals and I do not know of a single one that proposes any change in the ownership of the TVA.

Under the chamber of commerce repayment policy on this point the TVA's power customers would, through their power bills, pay off the mortgage with interest but would never acquire any ownership equity in the TVA. Now, personally, I have no objections whatever to the Federal Government owning the TVA. In fact, I think it would be folly to give up Federal ownership of the TVA. But I am very tired of so-called businesslike solutions of the TVA problem that contain such ridiculously unbusinesslike gimmicks. One sometimes becomes provoked at people who tell us that the TVA should be treated like any other business and who then come up with proposals that outrage the very basic principles of equity on which our business laws are based.

It is true that the act of 1948, calling for these payments to the Treasury, did not call them interest. But let us, for the sake of seeing how closely the TVA approaches the recommendations of the chamber of commerce, examine this figure in terms of what would be required if we label part of these annual payments "interest" and part of them "repayment."

The total investment of the Federal Government in the TVA power system was $1,337,000,000. As nearly as I can verify, the average cost of money to the Treasury last year was not more than 2½ percent. Assuming this, the interest on the Federal investment would amount to about $33 million. The chamber in one of its policy declarations, calls for repayment of investment in not more than 50 years. Assuming this 50-year period, the annual amortization would be about $26 million. So that the $59 million actually paid to the Treasury last year would cover more than both interest and amortization.

In any event, Mr. Speaker, we see that the TVA is at present living up to the recommendation of the chamber of commerce, that rates for Federal power should be high enough to—I quote from their official policy declaration—"reflect all costs, including interest, taxes, and amortization on a sound accounting basis."

I note that Mr. Sutton proposes that in addition to all this the TVA ought to make payment in lieu of income taxes. This type of proposal can lead to argument which has no end, involving as it does all sorts of contradictions, including that of Uncle Sam paying taxes to himself—taking money out of one pocket and putting it into another, both pockets belonging to Uncle Sam. However, I gather that the point of the proposal is that rates should be high enough to include such a return or its equivalent to the Government, and thus come closer to corresponding with the rates of private utilities. The trouble with such proposals is that they overlook the fact that the TVA differs tremendously from a private utility. For one thing, the TVA is strictly a wholesaler of power and private utilities are retailers and thus get a more profitable share of the market. Furthermore, the history of private utilities shows clearly that they operate on the principle of charging all the traffic will bear. In any event, the profit motive is paramount in their operations. The TVA, on the other hand, is charged by law with selling power at the lowest possible rates and in establishing it, Congress made clear that its motive was to provide a yardstick of competi-

tion by example. Furthermore, Uncle Sam is the TVA's best customer. The United States Government buys 56 percent of all the power the TVA sells and almost 60 percent of all the power it generates. Uncle Sam, therefore, has a vital interest in keeping his power bill as low as possible. It should be remembered that the Federal Government has two interests in TVA rates—on one hand the interest of the only stockholder and on the other hand that of the largest customer. I repeat, the United States Government takes 56 percent of all TVA-produced power.

These differences make comparison difficult and I personally believe, irrelevant. But let us strain the point and make such a comparison and make it over the entire life of the TVA.

Mr. G. O. Wessenauer, Manager of TVA's Power Division, has made this comparison in the past before the Subcommittee on Public Works Appropriations. I can summarize his position in a few words thus:

Between 1933 and June 30, 1956, the TVA had a total revenue from power operations of roughly $1,238,000,000. Its total operating costs amounted to $504 million, payments in lieu of taxes to $41 million, and depreciation to $227 million. These costs total $872 million. Interest at 2 percent, which would represent the average cost of Government money during the period would have totaled $183 million to bring the total costs to $1,055,000. This would leave $183 million for the total net profit before taxes. A typical private utility with the same gross revenue would have paid Federal income taxes of about $140 million. Thus, there would have remained a margin of $43 million of net profit after taxes.

Speaking of income taxes, I wonder just how much income tax the private utilities actually pay nowadays. My colleagues are well aware of the rapid amortization scandals under this administration. For example, I learned on solid authority, that Mr. Sutton's own Carolina Power & Light Co., has received tax certificates totaling $48 million. These certificates gave the company $21 million in actual tax relief. In other words, because of this gimmick, Mr. Sutton's company paid Uncle Sam $21 million less in income taxes than it would have had to pay under normal amortization procedures.

I wonder if the House is aware that the private power companies all together have received $1.4 billion in such tax relief and that the total subsidy they will derive from the tax certificates issued to date will amount to $4.7 billion—or nearly $5 billion. I think this is an abominable subsidy when we consider that private utilities operate on a guaranteed profit basis.

I note that the other day the Secretary of the Treasury testified before the Senate Finance Committee that the Treasury has to borrow $3 billion annually to make up the loss of revenue which results from these tax certificates to businesses. I note too that the Treasury is now having to pay more than 3 percent interest on borrowed money. It has been established that these tax certificate subsidies amount to an interest-free loan from Uncle Sam. But, Mr. Speaker, it is obvious that the private utilities are not only receiving this loan without interest, but that it is costing the Treasury and, therefore, the taxpayer in excess of $100 million a year in interest to make up losses additionally for these subsidies to the private utilities.

In view of these facts, I marvel at the gall of Mr. Sutton and his fellow private power monopolists. Enjoying a clear Federal subsidy, they deplore the successful operation of TVA which benefits the people of the area and the Nation. Enjoying interest-free loans, they demand that the TVA pay both interest and amortization. Enjoying the most generous relief from income taxes anybody has ever received, they propose that Uncle Sam pay income taxes to himself.

TVA—A PARTNERSHIP WITH PEOPLE OF THE AREA

The Carolina Power & Light spokesman makes a big point in the importance of participation or partnership by local interests in Federal power projects. This is something we in the Tennessee Valley also believe in and practice. I would like to read an editorial from the Voice of the Valley of Nashville, Tenn.—which addresses itself to this point as follows:

A TRUE PARTNERSHIP

> In our first issue we published the balance sheet of the TVA itself. In the second issue we published the balance sheet of the 149 principal distributors of TVA power. The entire TVA power system consists of both of these combined.
>
> We have seen that the Federal Government now has a net investment of $1,127,000,000 in the TVA; and that TVA's customers have invested $550 million through their power bills in the TVA plant. In addition we have seen that the cities, co-op members, and customers of the distributors have invested $257 million in the distribution systems in one way or another; and the Federal Government has invested some $144 million in loans or grants to the distributors. Thus, the total Federal investment now is approximately one and a quarter billion; and the total investment of the people of the valley and the consumers of TVA power is about $775 million.
>
> Here then is a true partnership—not in mere words and advertising slogans—but in honest United States dollars and cents. Furthermore, the senior partner, Uncle Sam, is at no disadvantage despite his higher investment. The junior partner—the people and power consumers of the valley—will eventually pay the entire cost of both the TVA and the distribution systems through their power bills. The junior partner will then own the entire assets of the distributors; but even after the entire cost of the TVA itself is repaid, the TVA itself, with its far larger assets, will still belong to Uncle Sam.

Mr. Speaker, the chamber of commerce has no firmer friend and supporter than the Nashville Banner, a great conservative Southern newspaper, whose officers and executives have been very active in affairs of both the Nashville Chamber of Commerce and in national chamber activities. On the day following Mr. Sutton's testimony, the Banner editorialized in part as follows:

> The major premise presented by Louis V. Sutton is, in the Banner's judgment, unsound. Baldly put, it urges Congress to sell these installations, which would mean abolishing public power facilities, and converting the whole regional establishment to hands of private operation.
>
> Let it be observed just here that such suggestion could not mean restoration of the properties as such to these private hands, for the installations in question did not exist until the Federal Government created them. It is not, therefore, a matter of original equity.

Mr. Speaker, why are people like Mr. Sutton driven by their hate of the TVA to taking such desperate steps as this deliberate misrepresentation of a great national organization? The TVA is not the only Federal agency concerned with producing and marketing power. A number of projects in the Nation involve or will involve far greater investments of Federal funds. For example, the total cost of all projects involving power in the Columbia River Basin, constructed, under construction, or authorized by Congress will amount to $3,884,000,000. I want to hasten to add that I am not opposed to these great projects. In fact I am proud of them and commend their success. In the Missouri River Basin, where under the Pick-Sloan plan, 12 tremendous multipurpose dams are already built or being built and 2 more are authorized; the total cost will run to $5,560,000,000—almost 3 times bigger in Federal investment than the TVA. In the Arkansas-White-Red River Basin, the expenditure will be $2,263,000,000. In the Colorado River Basin, the estimates call for expenditures of $1,587,000,000. The total cost of the Central Valley project in the far West also, I understand, will exceed the cost of the TVA. The Great Lakes-St. Lawrence power project will involve a $600 million investment of American funds for American interests alone.

So why the opposition, so singular to TVA?

I believe the answer lies largely in the fact that the TVA has been the most successful in forwarding the purposes for which it was created, and particularly in providing that competition whose lack in the utility business brought on the great utility scandals of the twenties and thirties. We have learned in this country that nothing stimulates real enterprise—private enterprise, if you please—like good efficient competition. A giant private monopoly needs the force of competition to drive its best effort and the TVA yardstick has provided the competition, by example, for the private utility companies. The effect of that competition has been greatest immediately surrounding the TVA area, and among those who have been driven by this competition is Mr. Sutton's Carolina Power & Light Co. It is in the areas surrounding the TVA that the electric consumer has made the greatest savings in reduced rates. Strangely enough, those private power companies have not suffered from the reduced rates. On the contrary, the records of the Federal Power Commission show that whereas the profits of all United States class A and B utilities have risen almost 300 percent since 1937, the profits of the 9 private power companies surrounding the TVA have risen almost 650 percent. Maybe Mr. Sutton has not liked being driven by the competition by

example provided by the TVA, but his stockholders have every reason to be pleased with their increase of business profits. For the fact is that the private utilities neighboring the TVA have, in the past 20 years, acquired more customers, sold those customers far more power, made more profits doing that, and paid more dividends to their stockholders than ever before. The record shows that the TVA has helped instead of hindered their business. Mr. Sutton and his fellow private monopolists are, I fear, too gluttonous in their appetites for profit.

Concerning the proposal that TVA's territory be limited—the true facts are that TVA has not expanded outside its present territory. It does not even serve all the territory it could serve legally under the authority given it by the TVA Act, and the agency has made clear that it has no intention of extending its present service area. The TVA has too big a problem trying to find enough power to serve its present area. But we know that the mere threat of actual physical competition provides the most effective way of holding down the cost of electricity to the people in the surrounding area as well as to the people of the Nation as a whole.

The TVA has demonstrated that the American concept of high volume production and high volume consumption works just as profitably in the utility business as in the automobile, grocery, or any other business. Unwilling at first, the private utilities are now quite commonly applying TVA methods to their own operations. They, too, are now building larger steam plants, close to the source of fuel, on rivers where they can benefit from low-cost transportation; and they are finding that by doing this they can profitably serve industries like the aluminum industry which require vast quantities of low cost power. They, too, are now encouraging the all-electric home with its huge use of electricity and find they can make greater net profits through such high use at lower rates. But though the private utilities have learned many lessons from TVA, they do not seem to be able to forgive the teacher for driving the lesson home. They continue to oppose at every turn.

Mr. Speaker, as we knew 2 years ago the President recommended that additional power-generating facilities of the TVA should be financed through the issue of bonds. At this moment the appropriate committees of both Houses of Congress are holding hearings on bills which would effectuate this recommendation. Pending the enactment of such legislation, the President has for three successive budgets recommended no appropriations for power-generating facilities, stating that the TVA's needs for new capacity would be met by proceeds from bonds when appropriate legislation was passed, and the last two budgets submitted by the President included authorizations for new units to be financed by bond proceeds only after Congress passed the enabling legislation.

And, Mr. Speaker, mention of the budget reminds me that the TVA budget is about to come before the Appropriations Committee and I would like to make one comment about it. We have been largely concerned in this session with trying to cut the biggest peacetime budget ever presented to Congress. I can assure my colleagues of the House that you will not have to worry about any fat in the TVA budget. It has been trimmed, sliced, cut, and quartered by the expert butchers of the Budget Bureau until I can assure you that there is certainly no fat in the TVA budget for next year. There is little meat. It has been cut to the bone.

Opposing appropriations, the President submitted proposals for legislation authorizing it to issue bonds and these proposals with amendments have been embodied in bills presented in the Senate by Senator KERR and in the House by our colleagues, Congressmen DAVIS of Tennessee and JONES of Alabama. The Budget Bureau submitted to the last Congress a most restrictive and unworkable, so-called self-financing bill on behalf of this administration; and in the other body Senator COOPER, of Kentucky, among others, has introduced an amended version offered as a compromise proposal.

It is 3 years since the President made his first proposal for self-financing the TVA, and 2 years since Congress began to consider these measures. Meanwhile, the TVA has received no appropriations for increasing its power capacity. TVA's ability to meet the power needs of its area is becoming desperately limited.

A crisis caused by a shortage of power would deprive our people of the power needed for normal growth and would severely threaten the ability of the area to enjoy, on equal terms, the opportunity for development with the rest of the Nation.

The people of the TVA area have been thwarted on every hand and from many fronts—appropriations have been denied, opposition has been expressed against any possible further use of surplus corporate funds; and now sincere efforts to pass a workable and equitable self-financing plan are being opposed.

For years, the opponents of the TVA have been telling us that they are opposed to financing TVA's power operations through appropriations and suggesting that TVA go to the open money market for funds for additional capacity. That is precisely what the legislation now being considered by Congress proposes. For years the enemies of TVA have been saying that they had no desire to destroy the TVA but merely wanted to remove the TVA from dependence on the Treasury. That is precisely what this legislation proposes. Despite his own expressed misgivings about the TVA, the President has said that he wants to maintain the TVA at maximum efficiency but he insists that he wants to free the Treasury of the financial burden for TVA's power functions. That is precisely what the Davis-Jones & Kerr bills would accomplish.

For years now, men like Mr. Sutton of Carolina Light & Power Co., and other private power monopolists have lobbied to bring to a standstill one of the greatest and most successful experiments in democracy. They have managed this partly by means of a multimillion dollar a year barrage of propaganda, based on half-truths and much of it, indeed, on bold falsehoods. They have found a loophole in our laws dealing with truth in advertising, which apparently permits them to peddle those half-truths, misrepresentations and even outright lies, with impunity.

They have attained so much influence in the highest reaches of this administration that for example, the Federal Power Commission appears to be dedicated primarily to the task of seeing to it that the private utility interests get first choice of all the best remaining hydroelectric sites, and the Office of Defense Mobilization, that they receive enough tax certificate grants to pay for the dams out of their tax savings.

Mr. Speaker, it now appears that the private utility interests will not be satisfied with anything short of complete destruction of the world's greatest example of integrated river resource development; it appears that their strategy is to cripple and starve the TVA until such a time as they can move in and take over—no doubt with generous assistance from the administration in the form of tax relief or some other gimmicks they have not yet revealed. That is their secret goal. And in trying to achieve this goal, it is evident that they will stop at nothing—including the desperate measure of trying to mislead Congress by appearing before its committees disguised as representatives of the chamber of commerce and trying to palm off their own views as the official views of others.

Mr. Speaker, I am confident that the people of the United States will not permit this plot to destroy one of the Nation's most valuable assets to succeed. But meanwhile, whatever our differences on the issue of the TVA, I am sure my colleagues will agree that not even Mr. Sutton should be permitted to get away with this apparently deliberate attempt to mislead Congress and the public by masquerading as a spokesman of the chamber of commerce and misrepresenting the chamber's official policy declarations. I, therefore, call again on the appropriate committees of the Congress to look further into this matter of private utility lobbying and subsidy payments to the private power trusts, not only with respect to the instances here discussed, but also to determine how we can protect ourselves against similar misrepresentations and attempts to mislead in the future. Surely, Mr. Speaker, there must be a limit somewhere to our toleration of the unscrupulous tactics of greedy self-interests and the private power monopolies. The public interest must be protected.

Mr. METCALF. Mr. Speaker, will the gentleman from Tennessee yield?

Mr. EVINS. I yield to the distinguished gentleman from Montana.

Mr. METCALF. Mr. Speaker, I want to compliment the gentleman from Tennessee for his usual brilliant analysis of some of the problems that affect the advocates of public power. I was pleased that the gentleman from Tennessee mentioned the development that is going on in the Columbia and the Missouri Basins,

that great watershed of the Columbia and Missouri, both rising in the district that I represent. It is because of the development of TVA and the principle of yardstick power, the example they have set in the Tennessee Valley, that we have had the development and the progress—the industrial development in the Northwest—that we have had.

I want to assure the gentleman, as I know he has assured the Members of my area, the great Northwest, that we regard these great water resources as American developments and not as regional developments. The TVA is a part of the district that I represent just as surely as the development of the Columbia is in the interest of the district of the gentleman from Tennessee. I appreciate the analysis of the fast tax write-offs, this great fraud of rapid amortization for the utilities. I know that the gentleman has brought a valuable message to the people all over America in developing the needs of the Tennessee Valley for greater assistance. I assure the gentleman that he will have the support of the people of all the regions of this great country.

Mr. EVINS. I thank the gentleman for his contribution. Mr. Speaker, may I say that I have known that the gentleman was not provincial in his outlook. He, too, has been a great champion of the people of his area and of the Nation. These projects, I should like to repeat in conclusion, do not serve just a region of the country; they serve the Nation as a whole and we should be proud of them all over this great country; the upper Colorado storage project, Grand Coulee, and those in the Northwest; the Missouri River Basin development, the St. Lawrence and others. To take a narrow, regional, provincial attitude is certainly erroneous, wrong, in my judgment.

THE PRESIDENT'S LEGISLATIVE PROGRAM

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. DEROUNIAN] is recognized for 20 minutes.

Mr. DEROUNIAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and also to extend my remarks in the RECORD immediately after the remarks of the gentleman from Hawaii [Mr. BURNS].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DEROUNIAN. Mr. Speaker, I listened with great interest to the remarks of my colleague from New Jersey [Mr. THOMPSON], and I see he has made the news ticker again, so it has been a profitable evening for him.

I shall not deny that he has every right to disagree with me or other members of my party or anyone else, for that matter, and he does disagree with a lot of others because a sizable bloc in his party does not see eye to eye with him. In fact, I can ask the question today, "Which Democratic Party are you talking about, the South, Mr. THOMPSON's, or the middle-of-the-road Democrats?"

I was pleased to hear of the solicitude the gentleman from New Jersey [Mr. THOMPSON] has for our President. He recited words of tenderness for him today. I am wondering what he thought of him, though, last June 25, when he inserted in the CONGRESSIONAL RECORD a sort of nasty article about the President's health, scurrilous in nature, in my opinion, complete with innuendoes. He said at that time that he thought the American people ought to have the opportunity to read the views of a certain columnist, well known for his journalistic inaccuracies. I am glad that the gentleman from New Jersey [Mr. THOMPSON] has reconsidered his position and that he truly feels for the President of the United States.

The gentleman from New Jersey and I disagree in several respects. For example, last year he thought that Alger Hiss should not be denied the right to speak at Princeton University. I disagreed with him then.

Mr. THOMPSON of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. DEROUNIAN. I yield.

Mr. THOMPSON of New Jersey. I never said that Alger Hiss was all right to speak at Princeton University, I simply defended the right of the university to invite him. I would do the same thing now. I also would defend the right of any university to have anyone speak to them, because I have great faith in our universities.

Mr. DEROUNIAN. Yes, and the gentleman at that time—and I disagree with him again—did not think that any harm would come from having a Nazi torturer come and talk to Princeton University. I quote from the CONGRESSIONAL RECORD, volume 102, part 5, page 6164. Mr. Tumulty, who is no longer here, said:

> Would you want the Nazi, Sepp Dietrich, to talk at Princeton?
>
> Mr. THOMPSON of New Jersey. I do not see what harm it would do to have Dietrich talk there. I do not see what harm it does when you know what a person is. No debating society will ever be able to cloak Alger Hiss, and no American could ever cloak him with respectability. I feel that very strongly.

I would not even let Sepp Dietrich into this country, the one who murdered thousands and thousands of innocent victims whose only crimes were that they happened to be of the Jewish faith.

Mr. THOMPSON of New Jersey. I trust that the gentleman is not taking that out of context to imply that I approve of Sepp Dietrich's actions and the pogroms of Dietrich, Hitler, or anyone else.

Mr. DEROUNIAN. I am certainly not charging that.

Mr. THOMPSON of New Jersey. I am defending the right of an American university and of American universities to free speech.

Mr. DEROUNIAN. That is correct.

Mr. THOMPSON of New Jersey. I said further I would not even object to Mr. Tumulty's speaking at Princeton University. If I were president I would not invite him, but I would not object to him or you or anyone else.

Mr. DEROUNIAN. To compare Sepp Dietrich with Mr. Tumulty is unthinkable.

Mr. THOMPSON of New Jersey. I agree with that.

Mr. DEROUNIAN. Naturally, I do not charge the gentleman from New Jersey with approving such tactics, but certainly it points out the area of difference there is between us. In an article by Ray Tucker in yesterday's newspaper Mr. THOMPSON is called the leader of the Roosevelt Democrats, and that is all right with me, but the people ought to know it. Furthermore, the gentleman from New Jersey [Mr. THOMPSON] took the leadership in signing a manifesto, a "liberal manifesto," as he calls it. I would hope that Mr. THOMPSON is not for economy, because his program, if enacted, it has been estimated, will cost about $4.5 billion over the President's program on a yearly basis. I do not agree with that. I think that the taxpayers deserve a break. I was for economy before it became so fashionable this year, and so were most of my Republican colleagues.

Mr. THOMPSON of New Jersey. That article by Mr. Tucker is fair except in one respect, that it says that Mr. THOMPSON is the head of the group, and this is anything but so. Mr. THOMPSON in this instance was one of the leg men assigned by his seniors, with whom he was in agreement, to go get signatures. I did it.

Mr. DEROUNIAN. The gentleman agrees with the statement that he is challenging the Rayburn-Johnson leadership; is that right?

Mr. THOMPSON of New Jersey. Oh, absolutely not. I do not agree. I might point out too, I think it would be helpful now that I have disowned the allegation that I am a leader in any way, it would be flattering if I were in fact, but I am not, I wonder if the gentleman would insert that article in the RECORD.

Mr. DEROUNIAN. I will be happy to insert it in the RECORD at your request, and I yield to you for that purpose at this time.

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent that the article of Mr. Tucker of May 21 be inserted in full at this point in the RECORD.

Mr. DEROUNIAN. If my friend would send it to his constituents in his district, I am sure it would help him.

The SPEAKER pro tempore. Did the gentleman from New York [Mr. DEROUNIAN] make a further request?

Mr. DEROUNIAN. Mr. Speaker, I just made a comment.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The article referred to is as follows:

LIBERAL DEMOCRATS AID IKE—SUPPORT HIS DOMESTIC, FOREIGN PROGRAMS

(By Ray Tucker)

WASHINGTON.—A cohesive and cosmopolitan bloc of 80 "Roosevelt Democrats" may be responsible for saving President Eisenhower's domestic and foreign program from sabotage by Republican and Democratic conservatives, if it can be saved by their support and Ike's television crusade.

Frequently opposing the Rayburn-Johnson leadership, they vote almost solidly in the

House for his proposed expenditures to continue and expand New Deal-Fair Deal reforms.

The group is headed by Representative Frank Thompson, Jr., a Trenton, N. J., Democrat, and it paraded its ultraliberal manifesto in the CONGRESSIONAL RECORD on January 30, 1957.

Its platform is prolabor, antibusiness, and it favors extensive foreign aid. It advocates large outlays for social services, health, schools, Federal relief of all kinds, and Federal development of all natural resources.

It parallels closely the legislative proposals recently advanced by the Truman-Stevenson-Harriman faction under the auspices of national chairman Paul M. Butler's national advisory committee. In fact, the Thompson group virtually serves as the Butler Democrats' operating agency on Capitol Hill.

The bloc of 80 representatives clashes completely with the southern Democrats' wing, and it has only one member from below the Mason and Dixon line. In fact, Dixie spokesmen frequently refer to them as Roosevelt radicals, a title to which they do not object.

The 80 are mainly from such metropolitan centers as New York, Philadelphia, Chicago, Detroit, and Los Angeles. Forty represent those places, and 20 come from smaller but good-sized communities.

Their urban background explains their viewpoint on such issues as labor, racial questions, immigration, foreign affairs, and social welfare problems.

They pitch their appeal to the municipal electorates that favored F. D. R. and Truman, and kept the Democrats in power for 20 years.

Ten represent mining areas, ranging from the coal regions of the Appalachian region to the Western States which produce copper, uranium, lead, gold, silver, etc. Another 10 come from farming States of the upper Middle West, where the Farmer-Labor Party once dominated politics.

However, the predominantly urban bloc shows scant interest in agricultural problems and relief. Although they generally vote solidly on other issues, they frequently split 50–50 on more generous benefits for the farm population.

The group's lineup on a few key questions reflects its ultraliberal philosophy:

Eisenhower's Middle East doctrine—66–10 in favor.

To reduce appropriations for the Health, Education, and Welfare Department's projects—unanimously against cuts.

For grants to States for public assistance and unemployment compensation—62–2 for, and 74–1 for unemployment compensation.

To reduce $70 million for such United Nations activities as labor, health, education, etc.—64–2 against.

To defer payment of interest on British loan—55–6 in favor.

For Speaker RAYBURN's investigation of alleged conservative trend by independent agencies and commissions—58–2 in favor.

For congressional rather than Presidential commission's investigation of the administration's monetary policy—70–1 in favor.

Representative WRIGHT PATMAN, Texas Democrat, sponsored the demand for House-Senate inquiry into Ike's money program. Since PATMAN is an advocate of "easy money," Senator HARRY F. BYRD quietly stepped in, and the Senate entrusted the assignment to a committee headed by the conservative Virginian.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. DEROUNIAN. I yield.

Mr. FRELINGHUYSEN. Mr. Speaker, I think we should be encouraged, we Republicans, by the solicitude which the leadership on the opposition side has shown concerning the problems which the Republicans may or may not be facing as of today, and in particular by the remarks of the majority leader indicating that we can count on consistent earnest and active support from their side of the President's program. The truth of the matter is, of course, that very little of the President's program has been considered or enacted at this session of the Congress. The basic problem in connection with the presentation of Mr. THOMPSON is that we have gotten a very poor indication of just what it is that the Congressional Quarterly thinks is important or crucial in the question of votes. I suppose that Members of Congress are accustomed to lots of clear examples of fuzzy thinking, but I think we have had a classic one here today. We have had lots of innuendoes, implications, and insinuations but very few facts. The fear has been expressed that perhaps the Republicans are falling away from their President and that the Democrats are going to have to do something about it in order to avoid irresponsible cuts in the budget. Our basic position, and the one we have been trying to make, is that the particular article from the Congressional Quarterly is thoroughly unreliable. If an analysis shows that the Democratic leadership by 95 percent are in favor of particular votes and the Republican leadership is certainly not in favor, it seems to me we should take a second look at the nature of the particular legislative proposals.

Mr. METCALF. Mr. Speaker, I wonder if the gentleman from New York would yield to me so that I may direct an inquiry to him.

Mr. DEROUNIAN. Mr. Speaker, I decline to yield at this time.

Mr. FRELINGHUYSEN. I think our basic position as I was saying, Mr. Speaker, is that we are very much aware of the weakness of the argument as presented both by the gentleman from New Jersey, and more particularly by the article in the Congressional Quarterly. The gentleman from New Jersey has indicated that Democrats, or at least he and the people who are gathered around him, are in favor of responsible cuts. Of course, that is not the basic issue here although it may be involved in the particular issues which the Congressional Quarterly took a look at to see whether or not we were supporting the President's program. The truth of the matter is, and I think the gentleman from New York has pointed it out, that the gentleman from New Jersey [Mr. THOMPSON] has advocated and is on the record as having advocated increased programs, Federal programs, that would increase the demands on the budget by about $5 billion a year. So we have him on record, according to his own statement, I believe, as a spendthrift—that may not be the exact word, but there are indications, I think, generally speaking, that those particular votes which the Congressional Quarterly is using are economy votes and certainly not votes on whether or not we are supporting the President's program. In addition to the Middle East resolution, we have had very few Presidential support votes. I think the vote on the soil bank bill is as good an example as I can think of, yet I recall the gentleman from New Jersey [Mr. THOMPSON] voted against that—a clear case of a failure to support the President on an important issue whereas he may be claiming credit now for supporting him on particular budget requests.

It seems to me that this is a basic indictment of the Democratic leadership for having recommended lowered amounts from the Appropriations Committee than the President requested. It is, again, a repudiation of those Democrats who offered the amendments which wolud have cut certain of these items in the Health, Education, and Welfare bill. So it is not getting anywhere to show the weakness of the Republican Party to say that the Democrats are against irresponsible cuts or to imply that perhaps the Republicans are not against irresponsible cuts.

Mr. METCALF. Mr. Speaker, will the gentleman yield?

Mr. DEROUNIAN. I cannot yield at the moment.

Mr. THOMPSON of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. DEROUNIAN. I yield.

Mr. THOMPSON of New Jersey. I might point out that in his letter of May 17 to me Mr. Sherman Adams, the Assistant to the President, said this, talking about the President:

> He thanks you for your assurances that you and others in your party will help advance the administrative programs * * * and that you will do your best, as he has been doing, and will continue to do, to keep the Congress from effecting crippling cuts in the budget.
>
> Sincerely,
>
> SHERMAN ADAMS.

Now, the gentleman from New Jersey said I would spend $5 billion more. I do not disavow anything I said I would support, but I do not have any figures available on the cost of any of those programs.

I said, for instance, along with 79 of my colleagues, that I was in favor of Federal aid for school construction; which, indeed, I am. I supported the bill and voted identically with my friend from New Jersey on it in the committee, and I would expect that we will vote identically as most of our delegation when the bill reaches the floor of the House.

Now, with respect to my spending, I might say that I do not accuse the gentlemen from New York, New Jersey, or anywhere else of trying to harpoon anyone; I am just simply using statistics which are taken from the CONGRESSIONAL RECORD.

Mr. DEROUNIAN. If the gentleman will permit——

Mr. THOMPSON of New Jersey. May I finish one more statement please?

Mr. DEROUNIAN. I yield the gentleman about 20 seconds. My time is running out.

Mr. THOMPSON of New Jersey. I regret the inclusion of the Hiss debate; I think it is irrelevant to this, but I will reiterate my remarks made at that time. I do not think that we undertook to discuss our personal political philosophies.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. DEROUNIAN. I yield.

Mr. FRELINGHUYSEN. I think the point the gentleman from New Jersey [Mr. THOMPSON] has just made demonstrates part of the problem which he faces. He has failed to take a look at what the Congressional Quarterly actually shows. He referred to 31 issues; actually, there were only 22. He should take a further look at that before stating what will be required specifically in order to justify the increased program advocated.

As I pointed out, these are commitments that if carried out would aggregate $5 billion.

Mr. METCALF. Mr. Speaker, will the gentleman yield?

Mr. DEROUNIAN. I decline to yield at the moment. I will yield later if I can.

Mr. FRELINGHUYSEN. If the gentleman will yield, I think the remarks of the gentleman from New Jersey are thoroughly objectionable. He indicated that the President had bypassed the Congress in going directly to the people to discuss over television the need and the reasons for the amount of the requests he has put in the 1958 budget.

I do not think any fairminded Democrat or Republican either could possibly say there was any bypassing of the Congress in the President of the United States explaining just what is in the budget request which he has submitted. Certainly the President has been cooperative and supplied us with the necessary information. He has responded to the resolution passed by this body to suggest areas in which the budget might be safely cut; and it seems to me that his relationships both with the Democrats and with the Republicans in this matter are impeccable.

Certainly it ill behooves the gentleman to belittle what the President is trying to do in explaining to the country the need, and the serious need, of the requests that he is making in this budget.

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. DEROUNIAN. I yield to the gentleman from Wisconsin.

Mr. LAIRD. Mr. Speaker, the discussion we have had here this evening proves beyond doubt that the Congressional Quarterly and the basis on which it assesses Members of Congress, as far as support for or against the President, is completely unreliable. All we have to do is to look at some 20 rollcalls the gentleman from New Jersey and the Congressional Quarterly use and we find that 14 of them were taken on one piece of legislation, yet each of the 14 economy votes was given the same weight percentage by the Congressional Quarterly as the rollcall on the Mideast resolution. How phony can this publication get?

Only last year the Congressional Quarterly deliberately misrepresented the position of the President of the United States on the Federal Aid to Education bill. The President of the United States clearly stated that Federal Aid to Education should be disbursed only on the basis of need. The Congressional Quarterly deliberately took the rollcall on a per capita distribution school construction vote and used the rollcoll as the President's program. This per capita distribution formula had the complete opposition of our President. Even this year the new Commissioner of Education in testimony before the Appropriation Committee completely rejected distributing Federal educational aids on a per capita basis. The Congressional Quarterly deliberately misrepresented the votes of every Member of this House. The rollcalls which were used by the Congressional Quarterly and the article used by the gentleman from New Jersey are completely false from the standpoint of weighing the importance of each individual vote. It is a deliberate attempt by an organization that is the New Deal mouthpiece to try to misconstrue the position of the Republican Party in this House of Representatives. The Republican Party has always been the party of fiscal responsibility. The wing of the Democrat Party to which the gentleman from New Jersey [Mr. THOMPSON] belongs has always been for big spending and deficit financing. The owners and editors of the Congressional Quarterly belong to the same wing of the Democrat Party as the gentleman from New Jersey.

Mr. METCALF. Mr. Speaker, will the gentleman yield?

Mr. DEROUNIAN. I yield to the gentleman for a half a minute.

Mr. METCALF. I wish either the gentleman from New Jersey [Mr. FRELINGHUYSEN] or the gentleman from Wisconsin [Mr. LAIRD], one of those gentlemen who has been attacking the weighting of the Congressional Quarterly, would explain something to me, because I am interested in it, due to the fact that I am attacked at every election for not supporting the President and I am somewhat chagrined. Would the gentleman explain how we should weigh these various rollcalls? How would you weigh the difference between a rollcall on contribution to the World Health Organization and a rollcall in support of the President's Middle Eastern proposition?

Mr. FRELINGHUYSEN. I would say on that that I would certainly not myself make an effort at delivering a major speech on the basis of such thoroughly unreliable information which everybody should realize does not represent support or opposition to anybody.

Mr. DEROUNIAN. May I say in conclusion, that the remarks of the gentleman from New Jersey [Mr. THOMPSON], the remarks of my colleague from New Jersey [Mr. FRELINGHUYSEN], the gentleman from Wisconsin [Mr. LAIRD] and I, point out the difference in the Republican-Democratic philosophy of taxation and economy to the people of the country. My district demands and deserves economy. My people would like a cut in taxes. I have a responsibility as their Representative to do whatever I can in that regard without endangering our national security or other necessary functions of the Government. I am going to continue to do just that. President Eisenhower is not against Congress exercising its prerogatives; in fact he is in favor of it; he has told us that wherever we can conscientiously find places to cut we ought to go ahead and do so. I am in support of our President. He is a great President and I wish the Democrats, who control this Congress, would support him with votes, rather than occasional honeyed words, uttered at times when it appears to be to their political advantage.

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, I seem to have somehow quite unwittingly disturbed my friend from New York and some others. I would like to make it perfectly clear that I in no way impugn their motives, their records or the motives of the President of the United States. I simply was calling attention to the fact that there are going to be things coming up for votes in the future and I think that those of us who believe in certain parts of the President's program will have to unite if they are enacted into law.

I refer to foreign aid, I refer to military assistance, I refer to the defense budget, I refer to Federal aid for school construction, I refer to civil rights legislation and so on. I have supported them, and the majority in the past Congress on the other side of the aisle have supported them, and I hope we can return to that once this idiotic economy fever has passed.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I would like to suggest to the gentleman that his speech today has lent precious little cement to any possible unity between his faction of the Democratic Party and the Republicans. It seems to me that he was relying on an awfully weak premise in his specific attack on 54 Republicans who backed up and will continue to back President Eisenhower.

Mr. THOMPSON of New Jersey. Mr. Speaker, I was not asking for unity between the Republican Party and the Democratic Party. That is obviously not only unhealthy but it is impossible. We have difficulties which the gentleman from New York [Mr. DEROUNIAN] alluded to. I do not know about three parties, but we have had splits here, and we have had them just as you are having them today. The point is, I have been talking about the national defense and the welfare of the people of the United States. I apologize if I have offended anyone. It was not my intention to do so, and I just simply took the time to make that clear. Especially I do not want to offend my delightful friend from New Jersey.

Mr. FRELINGHUYSEN. It seems to me, if the gentleman had confined his remarks to national defense and the national welfare, there would not have been as much controversy or at least as much discussion as there was today.

Mr. THOMPSON of New Jersey. Possibly so, but I think it is very healthy, and I thank the gentleman for remaining.

ECONOMY IN GOVERNMENT

Mr. CANFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CANFIELD. Mr. Speaker, I am very sorry at this time of the day to have to make this observation about the debate we have just heard. I do not believe that my good friend, the gentleman from New Jersey [Mr. THOMPSON], has been promoting harmony on his side of the aisle. Now, the gentleman who should be here to hear this debate today is the distinguished gentleman from Missouri [Mr. CANNON] who heads the House Committee on Appropriations. It is the House Committee on Appropriations that is reporting out these bills effecting, some of them, drastic cuts in the President's budget. The gentleman from New Jersey has called the drive a reckless economy drive. Who is the leader on the floor with respect to this drive? None other than the distinguished gentleman from Missouri [Mr. CANNON], chairman of our House Committee on Appropriations. And I am so sorry that he cannot be here to make known his views.

Mr. THOMPSON of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. My friend from New Jersey is in part right. I think that the chairman of the Committee on Appropriations and its ranking minority member have worked very closely together to effect these cuts. I note that the record of my distinguished friend from New Jersey [Mr. CANFIELD] in opposition to what I would call irresponsible cuts is even better than mine.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. SIEMINSKI (at the request of Mr. KLUCZYNSKI) for today, May 22, 1957, on account of death in family.

To Mrs. ROGERS of Massachusetts for 2 days, Wednesday, May 22, 1957, and Thursday, May 23, 1957, on account of congressional business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. SADLAK for 10 minutes tomorrow.

Mr. HOLIFIELD for 5 minutes today, to revise and extend his remarks and include extraneous material.

Mr. THOMPSON of New Jersey, for 30 minutes, today.

Mr. BRAY, for 15 minutes, tomorrow.

Mr. EVINS, for 40 minutes, today.

Mr. DEROUNIAN, for 20 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. WILLIS and to include extraneous matter.

Mr. COLE and to include extraneous matter.

Mr. HILLINGS (at the request of Mr. ARENDS).

Mr. NIMTZ (at the request of Mr. ARENDS) and to include extraneous matter.

Mr. MCGREGOR to revise and extend his remarks made in Committee and to include extraneous matter.

Mr. RIVERS and to include a speech by Mr. BONNER.

Mr. METCALF and to include extraneous matter.

Mr. DIGGS.

Mr. PHILBIN and to include a speech.

Mr. YATES to revise and extend remarks made in Committee of the Whole and to include extraneous matter.

Mr. CANNON (at the request of Mr. YATES) and to include a letter.

Mr. RHODES of Pennsylvania (at the request of Mr. MCCORMACK).

ENROLLED JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 133. Joint resolution for the relief of certain spouses and minor children of citizens of the United States.

ADJOURNMENT

Mr. METCALF. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 29 minutes p. m.), the House adjourned until tomorrow, Thursday, May 23, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

883. A letter from the Acting Secretary of the Interior, transmitting a report certifying that an adequate soil survey and land classification has been made of the lands in the Ainsworth unit, Sand Hills division, Missouri River Basin project, Nebraska, and that the lands to be irrigated are susceptible to the production of agricultural crops by means of irrigation, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

884. A letter from the Acting Secretary of the Interior, transmitting a report certifying that an adequate soil survey and land classification has been made of the lands in the Farwell unit, Middle Loup division, Missouri River Basin project, Nebraska, and that the lands to be irrigated are susceptible to the production of agricultural crops by means of irrigation, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

885. A letter from the Secretary of Commerce, transmitting the 39th quarterly report on export control for the first quarter of 1957, pursuant to the Export Control Act of 1949; to the Committee on Banking and Currency.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BLATNIK: Committee on Public Works. H. R. 5726. A bill to clarify the general powers, increase the borrowing authority, and authorize the deferment of interest payments on borrowings, of the St. Lawrence Seaway Development Corporation; with amendment (Rept. No. 473). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MCCORMACK:

H. R. 7694. A bill to constitute the General Services Administration a Department of General Services; to the Committee on Government Operations.

By Mr. BAILEY:

H. R. 7695. A bill to authorize Federal assistance to the States and local communities in financing a program of atomic and disaster shelters in the Nation's schools; to the Committee on Armed Services.

By Mr. BROOKS of Louisiana:

H. R. 7696. A bill to authorize certain persons to wear the uniform of a Reserve Officers' Training Corps; to the Committee on Armed Services.

H. R. 7697. A bill to provide additional facilities necessary for the administration and training of units of the Reserve components of the Armed Forces of the United States; to the Committee on Armed Services.

By Mr. CELLER:

H. R. 7698. A bill to amend the Clayton Act, as amended, by requiring prior notification of corporate mergers and acquisitions, and for other purposes; to the Committee on the Judiciary.

By Mr. DAWSON of Utah:

H. R. 7699. A bill to increase annuities payable to certain annuitants from the civil-service retirement and disability fund, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. FULTON:

H. R. 7700. A bill to protect the public health by amending the Federal Food, Drug, and Cosmetic Act so as to provide for the safety of chemical additives in food; to the Committee on Interstate and Foreign Commerce.

H. R. 7701. A bill to exempt from tax assessments paid by club members for capital improvements; to the Committee on Ways and Means.

By Mr. GARMATZ:

H. R. 7702. A bill to authorize the Secretary of Commerce to sell certain war-built dry-cargo vessels to TMT Trailer Ferry, Inc.; to the Committee on Merchant Marine and Fisheries.

By Mr. McGOVERN:

H. R. 7703. A bill to amend the public assistance provisions of the Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. MAY:

H. R. 7704. A bill to provide for promotion by merit of employees in the postal field service and to establish uniform procedures for examination and appointment of candidates for promotion to supervisory positions in the postal field service; to the Committee on Post Office and Civil Service.

By Mr. MONTOYA:

H. R. 7705. A bill to amend the act of June 20, 1910, relating to the admission of New Mexico into the Union, to permit the State of New Mexico to achieve greater diversity in the prudent investment of moneys from lands held in trust; to the Committee on Interior and Insular Affairs.

By Mr. NORRELL:

H. R. 7706. A bill to entitle members of the Army, Navy, Air Force, or Marine Corps retired after 30 years' service to retired pay equal to 75 percent of the monthly basic pay authorized for the highest enlisted, warrant, or commissioned grade in which they served satisfactorily during World War I, and for other purposes; to the Committee on Armed Services.

By Mr. STAGGERS:

H. R. 7707. A bill to provide that standard time shall be the measure of time for all purposes and to authorize Congress to establish daylight saving time for any year by concurrent resolution; to the Committee on Interstate and Foreign Commerce.

By Mr. THOMSON of Wyoming:

H. R. 7708. A bill to amend section 6 of the act approved July 10, 1890 (26 Stat. 222), relating to the admission into the Union of the State of Wyoming by providing for the use of public lands granted to said State for the purpose of construction, reconstruction, repair, renovation, furnishing, equipment, or other permanent improvement of public buildings at the capital of said State; to the Committee on Interior and Insular Affairs.

H. R. 7709. A bill to permit desert-land entries on disconnected tracts of lands which, in the case of any 1 entryman, form a compact unit and do not exceed in the aggregate 320 acres; to the Committee on Interior and Insular Affairs.

By Mr. BROYHILL:

H. R. 7710. A bill to provide for the lump-sum payment of all accumulated and current accrued annual leave of deceased employees; to the Committee on Post Office and Civil Service.

By Mr. DEMPSEY:

H. R. 7711. A bill to amend the act of June 20, 1910, relating to the admission of New Mexico into the Union, to permit the State of New Mexico to achieve greater diversity in the prudent investment of moneys from lands held in trust; to the Committee on Interior and Insular Affairs.

By Mr. DORN of New York:

H. R. 7712. A bill to authorize the Secretary of Commerce to sell certain war-built dry-cargo vessels to TMT Trailer Ferry, Inc.; to the Committee on Merchant Marine and Fisheries.

By Mr. LESINSKI:

H. R. 7713. A bill to amend the Civil Service Retirement Act to eliminate the reduction in annuity elected for a spouse when such spouse predeceases the person making the election; to the Committee on Post Office and Civil Service.

By Mr. MILLER of New York:

H. R. 7714. A bill to amend title II of the Social Security Act to include New York among the States which may obtain social security coverage, under State agreement, for State and local policemen and firemen; to the Committee on Ways and Means.

By Mr. PHILBIN:

H. R. 7715. A bill to amend section 207 of the Legislative Reorganization Act of 1946, to provide that the Boards for the Correction of Military or Naval Records shall give consideration to satisfactory evidence relating to good character and conduct in civilian life after discharge or dismissal in determining whether or not to correct certain discharges and dismissals, and for other purposes; to the Committee on Armed Services.

By Mr. COUDERT:

H. J. Res. 341. Joint resolution providing for the observance and commemoration of the 200th anniversary of the birth of the Marquis de Lafayette; to the Committee on the Judiciary.

By Mr. RADWAN:

H. J. Res. 342. Joint resolution granting the consent of Congress to an agreement or compact between the State of New York and the Government of Canada providing for the continued existence of the Buffalo and Fort Erie Public Bridge Authority, and for other purposes; to the Committee on Foreign Affairs.

By Mr. DEMPSEY:

H. Con. Res. 177. Concurrent resolution favoring congressional recognition of the National Cowboy Hall of Fame and Museum to be located at Oklahoma City, Okla.; to the Committee on Interior and Insular Affairs.

By Mr. DORN of South Carolina:

H. Res. 261. Resolution to authorize the Committee on Ways and Means to conduct an investigation and study of the administration, operation, and enforcement of the Internal Revenue Code of 1954 for the purpose of devising a different system of raising revenue for the operation of the Federal Government; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Oklahoma, memorializing the President and the Congress of the United States to pass H. R. 358 without delay, pertaining to increasing pensions to widows of veterans of the Spanish American War; to the Committee on Veterans' Affairs.

Also, memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to enact H. R. 2474 and S. 27 relating to a salary schedule for postal employees commensurate with that in private industry; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALGER:

H. R. 7716. A bill for the relief of Theodoros Chokas, Ioannis Chokas and Efrosini Chokas; to the Committee on the Judiciary.

By Mr. BAILEY:

H. R. 7717. A bill for the relief of Mrs. Elizabeth Meta Goldbeck Milam; to the Committee on the Judiciary.

By Mr. BARTLETT:

H. R. 7718. A bill for the relief of Roy Hendricks, of Mountain View, Alaska; to the Committee on the Judiciary.

By Mr. BATES:

H. R. 7719. A bill for the relief of Juno Andrews; to the Committee on the Judiciary.

By Mr. BENNETT of Florida:

H. R. 7720. A bill for the relief of Viola Belger; to the Committee on the Judiciary.

By Mr. DONOHUE:

H. R. 7721. A bill for the relief of Sister Ignatia (Maria Nicodemia Wilhelmina Kohlmann), Sister Charlotte (Marie J. Mathijsen), Sister Laurentia (Johanna Gertrude Theresia Smeets), Sister Bernardine (Maria Hendrika Hegeman), Sister Petronella (Johanna Monica Plasmans), and Sister Raymonde (Wilhelmina Grada Weyn); to the Committee on the Judiciary.

By Mr. DOOLEY:

H. R. 7722. A bill for the relief of Pauline S. Clouston and daughter Katrine Mary Clouston; to the Committee on the Judiciary.

Mr. GORDON:

H. R. 7723. A bill for the relief of Josephine Kus; to the Committee on the Judiciary.

By Mr. GRANT:

H. R. 7724. A bill for the relief of AlaLu Duncan Dillard; to the Committee on the Judiciary.

By Mr. LAIRD:

H. R. 7725. A bill for the relief of Shisuko Sese Sheveland; to the Committee on the Judiciary.

By Mr. McDONOUGH (by request):

H. R. 7726. A bill for the relief of Jose Vicente Becerra; to the Committee on the Judiciary.

By Mr. PHILBIN:

H. R. 7727. A bill for the relief of Tso Liang; to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 7728. A bill for the relief of Doctor Julia Ramirez Santos; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H. R. 7729. A bill for the relief of August Widmer; to the Committee on the Judiciary.

By Mr. SADLAK:

H. R. 7730. A bill for the relief of Wladyslaw Kazmierczak; to the Committee on the Judiciary.

By Mr. SAUND:

H. R. 7731. A bill for the relief of Yuke Chang Ng, his wife, Way Poon Lee Ng, and their minor son, Bok Chiang Ng; to the Committee on the Judiciary.

By Mr. SHEEHAN:

H. R. 7732. A bill for the relief of Mrs. Zofia Rylska and her son, Maciej Rylski; to the Committee on the Judiciary.

By Mr. TEWES:

H. R. 7733. A bill for the relief of Arnie M. Sanders; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

254. By Mr. CRETELLA: Resolution of the Public Utilities Commission, State of Connecticut, concerning H. R. 2809, Federal safety requirements for natural gas pipelines; to the Committee on Interstate and Foreign Commerce.

255. By Mr. NIMTZ: Petition of 34 students and priests of the Sacred Heart, Divine Heart Seminary, Donaldson, Ind., submitted by Frater Claude M. Meyer, S. C. J., urging the prevention of any loosening of trade restrictions with Red China, either by the United States or her allies, and the prevention of any recognition of Red China whatsoever; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

Wisconsin in Forefront of Efforts for Mentally Retarded

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Wednesday, May 22, 1957

Mr. WILEY. Mr. President, I send to the desk a statement and appended articles on the heart-warming performance of the State of Wisconsin and the fine job increasingly being done in other States for the mentally retarded in our population, especially for mentally retarded youngsters. I ask unanimous consent that the statement and the appended articles be printed in the CONGRESSIONAL RECORD.

There being no objection, the statement and articles were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

I was pleased to note in the Milwaukee Journal of last Sunday an article describing a helpful session, which was held at the Milwaukee Vocational School, looking toward the solution of a problem which has stirred the hearts of countless Americans.

This session was a slow-learners institute. It was designed to shed light on how to provide educational and related assistance for the 1½ to 3 percent of our population which falls into what has been described as the "mentally retarded group," especially the youngsters in that classification.

AAMD MEETING TODAY

Today is, I believe, an appropriate occasion to refer to the important progress which is being made on behalf of the slow learners, because on this very day in Hartford there is convening the American Association on Mental Deficiency's annual convention.

It will hear many leading experts discuss various phases of this mental deficiency problem.

SPLENDID WORK OF NARC

I have in my hand the text of an article from the April 1957 issue of the newspaper Children Limited, which describes this convention. This newspaper is published by the National Association for Retarded Children—a splendid nonprofit organization of parents and friends of the mentally handicapped.

In looking through every issue of this newspaper, one finds encouraging signs of what is being done on a National, State, and local basis.

Infinitely more, however, needs still be done. We have barely scratched the surface in helping the retarded. Infinitely more youngsters are not receiving adequate attention than are receiving adequate attention.

But at least we are on our way. Progress is being made, thanks to the devoted efforts of parents, educators, doctors, psychologists, and others.

ARTICLES SHOW PROGRESS IN BADGER STATE

Naturally, I am especially pleased that my own State is helping to lead the way, although far more needs be done in Wisconsin as elsewhere.

In the April 1957 issue of Children Limited there was, for example, a brief article describing how the University of Wisconsin in Milwaukee, in cooperation with the Wisconsin Council for Mentally Retarded Children, is recruiting teachers for retarded youngsters.

In the February 1957 issue was an article describing how Msgr. J. W. Feider, chaplain of the St. Coletta School for Exceptional Children in Jefferson, in my State, has surveyed the problem of religious training for retarded youngsters.

In the December 1956 issue there was depicted how the former Governor of my State, the Honorable Walter Kohler, served as honorary chairman for State Retarded Children's Week campaign.

In the April 1956 issue was an article on the formation of Phi Mu Sigma fraternity, a grand group which I was pleased to address last year (as described in the May 7, 1956, RECORD). Phi Mu Sigma is a professional fraternity for teachers of the mentally retarded.

I have selected these Wisconsin references in Children Limited merely as an illustration. These particular articles show what one State is doing at the grassroots and what, I hope, all 48 States will do and can do on behalf of these youngsters.

"NO LESS PRECIOUS"

The worthy theme of the national association is that these retarded youngsters are "no less precious" than any other youngster.

One article in the February issue of this year was well entitled "For Children Limited, Love Unlimited."

With true love, with real understanding, with expert direction, with generous contributions, we can go a long way toward fulfilling our deepest responsibilities to these youngsters and to adults as well.

REPORT BY WORLD HEALTH ORGANIZATION EXPERTS

This is not a problem affecting just a small limited group. It is a problem which affects a vast number of Americans, and naturally, it is a problem not limited to our shores alone. I point out for example the important 48-page publication, The Mentally Subnormal Child, a report prepared by a joint expert committee convened by the World Health Organization with the participation of the United Nations, ILO and UNESCO.

Let us therefore each do our part in whatever way we can toward meeting this challenge.

ARTICLES FOR CHILDREN LIMITED

There follows now the various brief articles. All are from Children Limited, published by the NARC, with the exception of the Milwaukee Journal article to which I have referred.

[From Children Limited for April 1957]

AAMD CONVENTION SLATED MAY 21–25

Connecticut Gov. Abraham A. Ribicoff will greet delegates to the first general session May 22 of the American Association on Mental Deficiency's annual convention in Hartford.

Registration will begin May 21 and the annual meeting will conclude with the installation, May 25, of the association's new president, Chris J. DeProspo.

Section meetings during the convention will deal with all aspects of work with the mentally retarded, including education, medicine, social work, psychology, administration, and parent liaison.

Dr. Romaine P. Mackie, chief of the Section on Exceptional Children and Youth of the Office of Education, and Dr. Leonard J. Duhl, psychiatrist from the Professional Services Branch of the National Institute of Mental Health, Department of Health, Education and Welfare, will address a public meeting May 22.

Rudolph P. Hormuth, specialist in services for mentally retarded children of the United States Children's Bureau, will describe the material and child health program for mentally retarded children at a sectional meeting May 22, chaired by Dr. George Tarjan, superintendent of Pacific State Hospital in California.

Another panel on May 22 will deal with a social work approach to the problems of the mentally retarded and their families. It will be headed by Mrs. Sadie E. Smith, director of social services at the Columbus State School, Ohio.

Language and speech of the mentally retarded will be discussed in a section meeting May 23. Dr. Ross H. Copeland, administrative assistant to the superintendent of the Muscatatuck (Ind.) State School, will chair the panel and present the results of a national survey of speech and hearing services for the retarded in State institutions.

Play and music therapy, hypnosis with the mentally retarded, and parent counseling will be among topics discussed at a psychology sectional meeting May 23 headed by Dr. Harold Michal-Smith of Flower and Fifth Avenue Hospitals.

Armond Carr, NARC secretary, will be a participant in a section meeting May 24 to discuss teamwork between parents and the administrator of a program for the mentally retarded.

Other panelists will discuss the roles of religion and recreation in the life of retarded children at residential facilities.

Another panel on the 24th will deal with the role of parents in a program for the mentally retarded. Dr. Arthur T. Westwell, an AAMD past president, will preside.

Manford Hall, NARC consultant on community services, will chair a discussion of Community Casework Help to Families in Dealing With the Problems of Mental Retardation.

[From the Milwaukee Journal of May 19, 1957]

SLOW LEARNER PARLEY TOPIC—PROGRESS IS SEEN

Parental shame and widespread ignorance about mentally retarded children is slowly being overcome, parents and teachers attending a slow learner institute at the vocational school were told Saturday.

About 300 persons heard problems of the mentally retarded outlined by Dr. Reynold Jensen, professor of pediatrics and psychiatry at the University of Minnesota, and Dr. Ignacy Goldberg, educational consultant for the National Association for Retarded Children, New York City.

The institute this year, seventh of its kind, dealt with the emotions of the mentally retarded child.

"We no longer need to be ashamed, or to shun, disregard, or avoid the difficult, unpleasantries associated with the problem," Dr. Jensen said.

PROGRESS IN 10 YEARS

"We have learned at long last that it can be studied, and worked out. There has been a correction of an attitude about a stubborn but real problem facing society. We can talk about it, think about it, and make plans for the future."

Ten years ago, he said, a meeting such as Saturday's could not have been held because of the shame associated with the retarded child.

Help for parents of mentally retarded children has been among the most important reasons why the problem is being studied widely, Dr. Jensen said. But progress has been important only in the past 7 years—

starting with the creation in 1950 of the National Association for Retarded Children—and there is much to be learned.

Between 1½ and 3 percent of the Nation's population falls into the mentally retarded group, but the estimate might be low, he said. More research may help find the true extent of the problem as well as answers to it, he suggested.

WISCONSIN A LEADER

"Today, polio no longer needs to be feared as much as it was 2 or 3 years ago," he said, and added that with the proper research and understanding such progress might be made with the mentally retarded.

Some research is being conducted by the National Association for Retarded Children, Dr. Goldberg said.

There has been enough speculation and misunderstanding of how much training a mentally retarded child should be given, he said.

Special classes are being offered for the trainable child throughout the United States, he said, adding that Wisconsin was offering classes before many other States.

[From Children Limited for April 1957]

WISCONSIN ARC, UNIVERSITY OPEN JOINT DRIVE TO RECRUIT TEACHERS

The University of Wisconsin in Milwaukee, in cooperation with the Wisconsin Council for Mentally Retarded Children, is conducting a recruitment drive for teachers of retarded children.

Future Teachers of America clubs in 25 high schools have been offered a special program on the opportunities available in teaching retarded children.

The program, under the direction of Robert L. Erdman, associate professor in the university's department of exceptional education, consists of background material on teaching retardates, showing of the film Tuesday's Child, and a group discussion on the NARC publication If This Is Not for You.

The FTA clubs have responded enthusiastically to the proposed program, according to the council, and definite dates are now being scheduled. In several cases, FTA groups have invited other school and community organizations to attend the meetings.

[From Children Limited for February 1957]

CATHOLIC DIOCESES THROUGHOUT UNITED STATES SURVEYED ON RELIGION FOR RETARDED

Monsignor J. W. Feider, chaplain of the St. Coletta School for Exceptional Children in Jefferson, Wis., has completed a survey of the 131 Roman Catholic dioceses in the United States to ascertain the scope of religious training offered to Catholic retarded children.

The basic purpose of the study, according to Monsignor Feider, is "to formulate and recommend an ideal diocesan program of religious training for mentally retarded children on all levels."

Special consideration will be given to religious training of mentally handicapped children in public institutions and to a program within the parish for those remaining at home, the monsignor said.

Questionnaires were sent to the superintendents of schools in each Catholic diocese in the United States. Returns indicate that 7 dioceses have special day school programs, with a total of 26 classes and a total attendance of 520 pupils.

In 25 percent of the dioceses, mentally handicapped children are included in the regular school program for religious instruction. Special instruction to prepare mentally retarded children for reception of the sacraments is given by 7 percent of the dioceses contacted.

The text and teacher's guide most frequently used in giving religious training to retarded children is "My Guide to Heaven," published by St. Coletta School in Jefferson. "My Guide to Heaven" is a catechism of essential doctrine written by Monsignor Feider.

Full-time chaplains serve in 15 public institutions for the retarded. In a majority of cases, local pastors provide religious instruction and spiritual care for residents in public institutions.

Monsignor Feider cautioned that his findings represent the results of responses to his questionnaire and may not present a comprehensive picture of Catholic efforts on behalf of the mentally retarded child.

In a letter that accompanied his questionnaire, Monsignor Feider wrote:

"According to reliable statistics available, there are in the Nation 640,000 mentally handicapped Catholic children between 30 and 80 I. Q.

"Of this number only about 2,000 are definitely known to be receiving religious instructions in preparation for reception of the sacraments.

"There is serious question as to the lot of the remaining 638,000 children in the matter of religious instruction and training with a view of receiving the sacraments."

The questionnaire requested information on special day school programs, I. Q. levels of children receiving training, teaching personnel employed, texts used, program of preparation for reception of the sacraments and parochial school provision for retarded children.

Other questions related to availability of chaplains.

[From Children's Limited for April 1956]

FRIENDS OF THE SLOW LEARNERS FORMED AS PROFESSIONAL EDUCATION FRATERNITY

Phi Mu Sigma (literally, "friends of the slow learners") is a new professional fraternity for prospective teachers of the mentally retarded.

Plans for organizing the fraternity were begun on the campus of Wisconsin State College, Milwaukee, in 1953. This is the first year the group has functioned as a formal organization.

The fraternity lists its objectives as these:

"To foster better understanding of mentally handicapped children.

"To promote finer relationships between the parent and teacher of the mentally handicapped child.

"To educate the public to the existence and the special problems of such children.

"To familiarize and orient entering students to the field of mental deficiency.

"To promote and maintain professional growth by the continued contact with other workers in the field."

To help achieve these goals the fraternity carries on special projects and holds year-round professional and social meetings. Speakers, movies, and demonstrations have served as programs for the meetings.

The fraternity has also helped distribute materials for Retarded Children's Week, helped take retarded children to the circus, sponsored bulletin-board displays at the college on opportunities in teaching retarded children, and made a film dealing with the teaching of the retarded as a career.

Membership in the fraternity is open to any student who is registered as a major in the education of the mentally handicapped, and who has attained an overall scholastic average of C.

The official fraternity key is offered to pledging students who have earned at least 25 points doing service in behalf of Phi Mu Sigma.

Members of the Wisconsin State group are hopeful that other chapters of Phi Mu Sigma will be started soon on college and university campuses throughout the United States.

The fraternity recently voted to present special merit awards and citations to six persons who have contributed to the field of promoting the welfare of mentally retarded children and adults.

The six selected are President Eisenhower, Gov. W. J. Kohler, of Wisconsin, Roy Rogers and Dale Evans, Dr. Salvatore DiMichael, and Dr. Samuel A. Kirk.

The fraternity is also giving recognition to the parent organization in Wisconsin which has contributed scholarships for prospective teachers of the retarded at Wisconsin State.

The awards will be presented at ceremonies to be held at the college May 4.

Address by Hon. Harry F. Byrd, of Virginia, at St. Luke's Church, Smithfield, Va.

EXTENSION OF REMARKS

OF

HON. HARRY FLOOD BYRD

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 22, 1957

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a speech I delivered on the occasion of the completion of the restoration of St. Luke's Church at Smithfield, Va., May 19, 1957.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SPEECH BY SENATOR HARRY F. BYRD, DEMOCRAT, OF VIRGINIA, ST. LUKE'S CHURCH, SMITHFIELD, VA., MAY 18, 1957

Mr. Day, officers and directors of the historic St. Luke's restoration, distinguished guests and friends, I am pleased to participate in this ceremony today for many reasons. I am honored to be in the presence of my friend, Henry Mason Day, and others responsible for restoration of historic St. Luke's and their guests and friends.

I salute Mr. Day and I want to pay my tribute to him. I do so not as a Virginian but as an American. It is to him that we owe the restoration of this church, one of the great landmarks of the world. His indefatigable work and his determination to succeed have made possible the great privilege we enjoy today, which will be passed on to all future generations. An opportunity, such as this, to rededicate ourselves to our God and our country is indeed a high privilege.

As we assemble here in this fine old church, now so faithfully restored, I experienced mixed sensations. They are peaceful and solemn, and they are sensations of pride and responsibility. It is inspiring to stand in this church, the oldest standing Protestant Church in America, built in 1632.

We are reminded of the great chain of historic events our forebears set in motion here in these James River environs. Here indeed was a case of the infinitely small being infinitely great.

It was in this quiet corner of tidewater Virginia, 350 years ago last Monday, that the small band of founders in three small ships landed at Jamestown and lived one of the great moments in history.

It was a moment of greatness because these men and their stanch followers built with such soundness and vision that a new world slowly but surely began to form. They were great men in whom nature succeeded. They were men who made religious use of life.

Here respect for individual rights and responsibilities was established.

Here the dignity of man was acknowledged.

Here the rights of free enterprise and initiative were encouraged.

Here truth to God, and truth to self were practiced.

On this foundation was built the first representative government in the new world—the House of Burgesses, the predecessory of our State legislatures and the National Congress.

Material results are but the tardy sign of invisible activity. The courage to hope, and live, and build for a better world was the great legacy the founders bequeathed their descendants. From this came their fortitude to fight for liberty when it was threatened, and win the independence of a great nation.

The achievements incident to the American Revolution were the immediate inspiration for the French, and since that time the cause of democratic freedom has been spreading in ever-widening sphere. Today the United States stands as a beacon of hope in the world.

So it is thrilling to come to this section of Virginia whence sprung the ideal of democracy. Here in this old churchyard sleep the dead whose mighty hopes for the future made them men.

They include some of the settlers who came to this parish in 1622 with Edward Bennett. They came with high hopes, and despite adversity, they "hung out" and ultimately the settlement prospered to make its indelible contribution to a great new country.

There could be no more noble shrine to the memory of those God-fearing settlers than this—the restored Old Brick Church, and no more sacred place of worship and rededication for this and future generations. It is a place of deep and tranquil inspiration, which nourishes, purifies and ennobles the soul of man.

As I look with admiration at this church, in its restoration of today, I am moved by the fact that it is a powerful symbol of the fruits of slowly won peace, the fruits of industry, of constitutional government, and above all it is a symbol of the will of man to express his belief in God in the most fitting way possible.

Of the 522 people residing in the parish in 1634, all must have contributed either from his purse, his crops, his strength, or the fullness of his heart toward rearing this worthy place of worship. It is work, to whatever end, that gives flavor to life.

We know that in the 17th century, the colonial church here was not only the center of religious life in the parish, but it was also the center for secular affairs. In a real sense, it symbolized the parish.

In the case of St. Luke's, the church served also as one of the 5 sites in Virginia where the court of the colony was permitted to convene. Even now there seems to be a feeling of official status about the edifice. Perhaps it is best expressed in the quiet dignity of the Gothic architecture.

We have but to look around at the interior detail to see the painstaking care of the original construction. Everywhere there is evidence of the lofty purpose and continuant devotion to a great and lasting project.

In retrospect, it would seem that there is a parallel between the long days spent in construction of the magnificent old church, and the construction of the Virginia Colony. Both were built on firm foundations. Both endured the hardships of growth in a scarcely civilized, but verdant land. Both looked confidently to the future, with an inspiring mission under God.

Despite the toll of time, in the long span of its three and a quarter centuries, the church continued to stand and serve as a house of worship. And finally in our own time when the old church was threatened with total destruction, men and women of patriotism and good will all over this Nation joined in the great effort for its restoration. Many of these fine people are here today. I can imagine their sense of pride and satisfaction. Theirs has been an undertaking well done in accordance with their desire and power.

Good repair is like liberty. It is not a continuous state. We must everlastingly work at it. Fortunately, in this country, foundations for our freedom were set deep in the Virginia soil, like the foundations of old St. Luke's. Like the church, the edifice of our constitutional democracy was constructed slowly but surely, with the toil and sacrifice of our citizens. Like "Old Brick," our form of government has served us well for centuries. We must guard it vigilantly against the forces of decay from within and the forces of evil from without.

I was thrilled to be with the Vice President of the United States at Jamestown on Monday and to stand where a nation was born—and that Nation today is the most powerful in the world—the United States of America.

At the end of the 17th century, the entire colony of Virginia numbered 80,000 people. The wilderness was fast being settled all along the coast—from Maine to Florida. A steady tide of migration was pushing up the rivers and bays, and far back into the interior to the mountains. In the splurge of growing and building and creating, the little hamlet of Jamestown was soon forgotten. Brambles and bushes grew up over the ancient landmarks and ruins. Later, 2 or 3 resident tobacco farmers cleared some of these away, and their plows passed over the graves of the forgotten dead.

Now, in the year 1957, a reverent and grateful country turns again to the place of its beginnings. The multitude of Americans who visit Jamestown during the coming months will do well to remember that the very soil beneath their feet is mixed with the mortal dust of thousands of men, women, and children who perished there that a nation, our Nation, might live.

I am proud to be present on the occasion of the completed restoration of St. Luke's Church, for it is a tangible expression of our determination to keep faith with those who have gone before us in the service of our democracy and our God. I know all of you will join me in prayerful rededication to these high purposes.

The Importance of Encouraging People-to-People Friendship Between Nations

EXTENSION OF REMARKS

OF

HON. LEVERETT SALTONSTALL

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Wednesday, May 22, 1957

Mr. SALTONSTALL. Mr. President, the importance of encouraging people-to-people friendship between nations has been brought into focus recently by the visit of the Vice President and several Members at the independence celebrations in the new nation of Ghana, and the extended tour by the delegation to other parts of the vast continent of Africa.

It is also important that, in addition to official visits, and the visits by growing numbers of American citizens, efforts be made to improve the communication of words and ideas between North America and Africa. It is of particular interest to me that a special series of international broadcast programs have been beamed on Africa for the past several months from a 50-kilowatt transmitter located at Scituate, Mass., owned and operated by the World Wide Broadcasting System, under the direction of a pioneer in international broadcasting, Mr. Walter S. Lemmon. Each day the broadcasts of WRUL—the Voice of Freedom—are beamed across the Atlantic to a growing number of listeners in all parts of Africa. The Voice of Freedom began this new program service to Africa on February 28, with a special broadcast, Salute to Ghana, by Vice President NIXON and several Members of Congress. Since then, WRUL has continued to broadcast a number of special programs to Liberia, Nigeria, and other nations in that vast and friendly continent.

Because of the importance of the Voice of Freedom's Spotlight on Africa programs, I ask unanimous consent that excerpts from the Salute to Ghana broadcasts be printed in the CONGRESSIONAL RECORD, in connection with my remarks. The excerpts include brief statements by Vice President NIXON; the Senator from Rhode Island [Mr. GREEN]; myself; Representative FRANCES BOLTON; Representative BARRATT O'HARA of Illinois; and Representative DIGGS, of Michigan.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

REMARKS BY VICE PRESIDENT NIXON

It gives me great pleasure to join with WRUL—the "Voice of Freedom"—in this radio salute from America to the new nation of Ghana, on the west coast of Africa.

As an American from the State of California—on the west coast of America—I cannot help but think of the days of our early pioneers as they explored, settled, and developed our gold coast on the Pacific—and by constitutional measures joined California to the Union of States some 107 years ago.

This week we salute the 5 million African citizens of the Gold Coast and the triumph they have achieved in gaining the independence of Ghana by peaceful, parliamentary means after nearly a century of colonial rule. It is a remarkable tribute to these changing times that Ghana now achieves her independence by peaceful means, and at the same time continues her association with the British, as the first Negro state to achieve full membership in the Commonwealth.

Ghana, like my own native California, is rich in tradition, in natural resources, and the pioneering spirit to get things done. Thanks to the progress of the 20th century in communications, transportation, agricultural and industrial techniques, and the all-important problems of improved health conditions and expanded educational facilities, Ghana is destined to play an important part in the making of a better world.

I am looking forward to my visit to this vital part of Africa, and joining in the independence celebrations in Accra, the capital of Ghana. I know I will be among people who are friendly to America for there is a blood relationship between millions of our American citizens and the citizens of Ghana, through their ancestors who came to America from the Gold Coast years ago. Today freedom and independence have become a reality for these citizens on both sides of the Atlantic and I look for growing friendship and cooperation between the peoples and the Governments of our two Nations.

I wish to thank Mr. Walter Lemmon and the World Wide Broadcasting System for beaming this special series of broadcasts to West Africa this week, and the part WRUL—

the Voice of Freedom—is playing in encouraging people-to-people friendship between North America and the two great equatorial continents of Africa and South America.

REMARKS BY SENATOR THEODORE FRANCIS GREEN, OF RHODE ISLAND

Congratulations and best wishes to you, the people of Ghana, on this historic occasion. With the birth of the new State of Ghana, a former dependent territory will enter the community of nations, independent and free.

The United States of America has traditionally been sympathetic with those peoples who have by their labor obtained independence and self-government. Ghana has already demonstrated its capacity to direct its own affairs in the world society. It now will rest with its leaders to carry forward its own economic and social development.

Ghana's independence marks a significant advance of Africa's peoples toward self-government. This process will, of course, continue as the spirit of independence is matched by experience and increased capacity for self-government.

As we rejoice with the people of Ghana, Americans are moved to reflect upon the earliest days of our own great Republic. Then a weak Nation, we needed the assistance of older nations in charting our course across the turbulent seas of our destiny. Ghana, too, will require such assistance. Because we in America are conscious of the problems which every new nation faces, we have gladly demonstrated our support of new governments which seek to develop stable and democratic ways of life for their peoples.

During my recent visit to your beautiful country, I was deeply impressed by the warm friendliness of your people and by the sincerity and devotion to purpose of your leaders. It is not only my hope but also my conviction that the continuing friendship between our peoples will provide an enduring basis of mutual understanding and respect.

To all you people of Ghana—my warmest greetings and my heartiest good wishes on this great day in your history.

GREETINGS TO THE NEW REPUBLIC OF GHANA, AFRICA, BY SENATOR LEVERETT SALTONSTALL, REPUBLICAN, MASSACHUSETTS, OVER STATION WRUL, BOSTON

I am glad to join Vice President NIXON and my colleagues in Congress who are taking part in this broadcast in a radio salute to the new nation of Ghana.

In the United States, we have watched the establishment of Ghana as a free country with the greatest of interest. We have been especially pleased that this has been achieved entirely through peaceful means, by the enlightened cooperation of both the citizens of Ghana and the British Government.

We know that the name Ghana is a significant one, going back to a free nation of a thousand years ago, and that the new Ghana is a symbol of the ancient traditions and aspirations of her people, now realized once again.

The people of my own State of Massachusetts and Americans everywhere are, I feel sure, confident that the relations between the United States and Ghana will be friendly and close, and characterized by lasting good will.

I should like to point out that this broadcast is being transmitted from Boston, the capital city of my State, over International Radio Station WRUL.

Good luck to Ghana.

EXCERPTS OF REMARKS BY CONGRESSWOMAN FRANCES P. BOLTON, OF OHIO

I can assure you that the World Wide Broadcasting System is honoring me to appear in this special salute program to Ghana.

I was thrilled with Africa, with every country of Africa, and to me the future is so great and so much lies ahead for its peoples and ours as we try to understand Africans and they us.

When you realize that three of the United States fits into Africa, you get a sense of the hugeness of that continent.

One gets a feeling that coming out of the very earth is the demand for a free and full life.

We have much to give in the way of technical assistance, help along the line of education, hospital, training of people for health work, which has been part of my life. The difficulty has been that we have to deal with the mother country, but now with the emergence of the new nation of Ghana, we go directly to them.

I'd like to bow to the women of Africa because they know today that they are the heart of Africa, and I have talked with enough of them and they are eager to be educated and play their part. I'm old-fashioned enough to feel that the women should guide the home, protect the children and bring them up. We do so much quietly that way. I'd urge them to be quiet, but forceful in what they do.

REMARKS BY CONGRESSMAN BARRATT O'HARA OF ILLINOIS

In the heart of every American there is joy that on March 6 of the year 1957 there will have come to the freedom-loving people of Ghana the priceless treasure of independence. Forever, March 6 will be an anniversary date of celebration for all peoples everywhere who love freedom and who know that in the climate of freedom the horizons ever are broadening and the dignity of man brought closer to the plane intended by the God of us all. In my district on the south side of the city of Chicago in Illinois, as in many other Congressional districts in the United States, are many fine men and women, our fellow Americans in the United States in the task of making this, our country, a better land for all men, whose ancestors came from this rich domain now at long last again to take its proud place in the community of free nations. When Ghana, unshackled from the old colonial chains, goes forward in national independence to a great future, in a rebuilding world, the men and women and children in my district, and other Congressional districts of the United States from coast to coast, will be on their knees giving prayers of thanks for the triumph that has culminated the long and courageous struggle of the people of Ghana, thanks that in the independent State of Ghana—first colony south of the Sahara to attain independence—the torch of freedom will be borne forever by the sons and daughters of freedom to light all Africa into a new day of equality of brotherhood and of human dignity. To the government and to the people of Ghana, our salute of victory and our affection that in the companionship together in all the good works of free people will endure forever.

REMARKS BY CONGRESSMAN CHARLES C. DIGGS, JR., OF MICHIGAN

Hello, friends, this is CHARLES C. DIGGS, JR., one of three Negro Americans who are Members of the Congress of the United States.

I am speaking to you from my home city, Detroit, Mich., United States of America, the automobile manufacturing capital of the world. It is an exalting privilege to greet and salute your distinguished Prime Minister, Nkrumah, his official family, and you, the people of Ghana, on the occasion of the celebration of your independence. It seems to me that the birth of this new African nation could not have happened at a moment more potent in this era of world history. The hopes of millions of Africans are, indeed, centered on the Gold Coast as it picks up the reins of full self-government. But, added, are the hopes of millions of people of all nations, of all races and creeds, both enslaved and free. Today, the concepts of freedom and of self-government are being challenged; and all men who believe in the glory and rightness of the free way of life have a vital stake in the ongoing struggle for its preservation and, thus, in the survival of any people who declare their independence.

For Ghana, there is a burning promise of national greatness in what you have done in the years leading to this point. You have been skillful engineers in coupling your own vehicles for passage to freedom. Your faith in the common man, your goals of political independence, your positive action toward the reality of self-government; these are, historically, the great faiths and pursuits of a democracy-minded people. And we are triumphant with you that they persevered during a century of colonialism, and we stand grateful with you that they have been honored by the grant of independence. That, under vigorous, dedicated leadership, you have been alert to the educational, scientific, industrial, and agricultural gains which must be made for the achievement of national success; and that you have been preparing for this time of independence when you would be called upon to show your self-sufficiency; and that you are resolute in your determination to cultivate and utilize the full resources of the people and your nation's natural wealth toward this end: all of this foretells your triumph in economic independence. Two major goals of national life are counterparts of the goals of private life; one is the fulfillment of greatest individual potential—this is represented in your national objectives—and the other is utilization of the fruits of your works to the betterment of international welfare. This latter, to the gratification of the free world, you have embodied in your aim to work with other nationalistic, democratic, socialistic movements in Africa and other continents in abolishing all forms of national and racial oppression, economic inequality among nations and among races and peoples to support all action for world peace. We who rejoice with you through these days are mindful of the arduous road you must travel to realize your dreams in the life of your nation and our common dreams in the life of the world. And we are also dedicated to the proposition that this light of freedom in Ghana will grow and grow, until its rays, with ours, light up all the dark places of the earth, bringing an enduring social order of peace and good will and, for all men, freedom from oppression and want. America salutes you. We pray with you for a strong nation under God, with freedom and justice for all.

A People's Call for Action

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Wednesday, May 22, 1957

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a distinguished speech by the Senator from Minnesota [Mr. THYE]. The speech is entitled "A People's Call for Action," and was delivered before a meeting of the Combined Jewish Appeal of Chicago and the United Jewish Appeal, at the Standard Club, in Chicago, on May 16.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A PEOPLE'S CALL FOR ACTION

(Address by the Honorable EDWARD J. THYE, United States Senator from Minnesota, before a meeting of the combined Jewish Appeal of Chicago and the United Jewish Appeal Standard Club, Chicago, Ill., Thursday, May 16, 1957)

Mr. Chairman and fellow Americans, I am honored to be able to participate with you tonight in this United Jewish Appeal campaign meeting under the sponsorship of the combined Jewish Appeal of Jewish.

Before I proceed any further, permit me to pay tribute to the honorary general chairman of the 1957 United Jewish Appeal, the Honorable Herbert Lehman. During the years I worked with him in the United States Senate, I came to know him as a man of high dedication to his country and a man of unquestioned integrity. Senator Lehman was always devoted to the cause of humanitarianism, whether it was in this great nation or in connection with problems of peoples in foreign lands. I am confident that he will have a profound effect upon the success of your current campaign to raise much needed funds for the United Jewish Appeal.

I am aware that men of all faiths are present here tonight to join hands in a cause which transcends religious boundaries. Each one of you individually is participating in the writing of one of history's most dramatic chapters. Every human emotion is involved in this campaign. The future welfare of people you may never meet depends upon the success of your efforts and contributions. You are, by your participation, engaged in an international political struggle between the forces of freedom and the forces of oppression. You are engaged in refugee resettlement and rehabilitation work. You are involved in reshaping the destiny of a nation and its people. In a very real sense you are helping to reconstruct the original cradle of human civilization.

Tonight, I shall not attempt to speak on the equities involved in the political struggles of the Middle East in which Israel plays such a key role. I would rather address my remarks to the humanitarian needs of millions of individuals such as you and I who have been caught up in the cross currents of the struggle for freedom which is taking place in the world today.

In December of 1956, I had the opportunity to visit Europe and to receive first-hand accounts of Polish and Hungarian uprisings which touched off a series of explosive international developments. I observed refugees who fled from their homelands in their quest of freedom. These were people who could no longer tolerate the yoke of oppression. They were willing to give their lives so that others might enjoy the freedoms which we take for granted. Their needs were the basic needs of men and women everywhere. They needed food, shelter, jobs, and clothing.

In addition they needed encouragement, spiritual communion, and the knowledge that they were wanted. In the weeks and months following October 29, 1956, we witnessed a genuine outpouring of brotherly love and concern for these people throughout the world.

The people in the United States responded to these needs in a display of unselfish humanitarian concern for the millions of refugees who came out of Hungary.

The United Jewish Appeal played a vital part in that effort and seeks to continue its programs through your present contribution of time and money. In the Emergency Rescue Fund alone you are seeking to assist a minimum of 100,000 persons.

The Jewish refugees who are streaming from the boundaries of oppression are seeking freedom and the right to pursue honorable lives in an atmosphere of peace.

Within the ranks of today's refugees you will find men and women from all walks of life and of all ages. There are thousands of children involved in this exodus. There are families who have been able to move together and there are families whose members have been separated and who seek each other. They too, need clothes, food, shelter, and employment. There is a need for education of the children, medical attention for the sick, and welfare and relief programs. This is the type of task which challenges the imagination and initiative of all of us.

The nation of Israel has opened up its doors to a never-ending number of Jewish refugees who seek entrance to their homeland. Israel is a young nation which is currently engaged in an effort to maintain its sovereignty, independence, and freedom. The people of this nation have made great strides in the past 9 years.

It is a nation of approximately 2,000,000 inhabitants who live in an area comparable to the State of New Jersey. It has traditionally been an agricultural country. We recall the stories and pictures of the shepherds and their flocks moving about the countryside in search of pasture and water. Limited crops were grown. Olives, citrus fruits, melons, and a few vegetables represented the basic agricultural output. Today, approximately 1 million acres of land are under cultivation; 132,000 acres are used for grazing; and 130,000 acres are planted in forests. Beef cattle have come into prominence, cotton has been introduced as a crop, sugar beet is processed in local refineries, and peanuts constitute an important crop. In 9 short years, the people of Israel have greatly expanded their agricultural economy.

Israel has also made great economic progress with its industry and the development of its labor forces. This has not been accomplished without difficulties. Israel has experienced serious inflation which poses a problem to the continued development and growth of its industrial economy. We in the United States are very sensitive to the byproducts of inflationary trends.

Added to the problem of inflation has been the problem of absorbing the refugees which continue to reach the shores of Israel. It is now anticipated that another 100,000 will come in the calendar year of 1957—principally from Hungary, Poland, and Egypt. Israel as a nation is doing its best to meet these problems. In 1948, for example, there were 280,000 gainfully employed; in 1956 the number had reached about 600,000. This integration has taken place without serious social dislocation.

This growth in the labor force has resulted in a great increase in production. The national income in Israel has increased considerably in recent years. In 1955, the increase in total real income was 9 percent and this was accomplished while taking in about 30,000 new workers whose production was probably somewhat below that of experienced workers.

This rapid growth has been stimulated by large investment during the past 9 years. This type of heavy capital investment will be required over many years to come if Israel is to continue to develop economically. There is a need to replace external investment to a certain extent by capital investment from private savings within the country. However, with a population of immigrants, most of whom arrived with few personal belongings, it is natural that savings have been invested in household and durable goods.

Israel's industry, while expanding, is dependent to a great extent on the outside world for capital, raw materials, and markets. She has been drawing heavily on both private and public foreign capital to make up her unfavorable balance of trade, and to finance settlement and development programs. Contributions to the Israeli Government by the purchase of bonds and contributions to Israeli institutions by world, and especially, American Jewry have constituted principal outside sources of funds. The productivity of Israel must continue to expand if it is to compete in the world markets.

Israel is seeking to improve its trade relations with the European countries in the next few years. Up to this point, United States aid and German reparations have allowed these two nations to dominate the supply of goods to Israel.

This brief résumé of Israel's current economic status illustrates two things: The tremendous strides which have been made in the short period of 9 years and the fact that Israel still needs assistance in her attempts to become more self-sufficient and to further strengthen her economy.

Through all of this one can observe the struggle of a nation and the personal needs of its people and its potential citizens. Through your work in the next few weeks, you will contribute in a very real sense to the building of a nation and to the resettlement of individuals who turn to Israel for refuge.

The refugees you will assist are a tired people physically, mentally, and emotionally. Many have merely existed during past years while holding out dreams of a life sometime in the future. Certainly many of the children have been subjected to disillusionment without the opportunity for the dreams and hopes of free youth. In recent months, some force has set them free and they are making their way toward Israel or some other free nation. They do not seek relief. They seek opportunity. Opportunity to work, to build a family, to contribute to society, to worship, and to give something in return. These are opportunities which you and I enjoy with each passing day. It is a part of our life and has been for all of our years.

Today we have an opportunity to show our thankfulness for the blessing which has been bestowed upon us. By responding to the United Jewish Appeal, you will play a key role in the rebuilding of a nation dedicated to freedom and world peace. Equally important, you will play a role in the rebuilding or resettlement of a human life.

Address by Secretary of Agriculture Ezra Taft Benson in Cincinnati, Ohio

EXTENSION OF REMARKS

OF

HON. HOMER E. CAPEHART

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 22, 1957

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of an address delivered by Secretary of Agriculture Ezra Taft Benson before the Republican Regional Conference in Cincinnati, Ohio, on May 17, 1957.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SECRETARY OF AGRICULTURE EZRA TAFT BENSON BEFORE REPUBLICAN REGIONAL CONFERENCE, CINCINNATI, OHIO, MAY 17, 1957

It is a privilege to participate in this Republican regional conference.

I like your conference theme, "Concentrate on '58," because it expresses sharply and clearly what we Republicans must do to win control of the 86th Congress. As one who has had some firsthand experience with the problems which arise through divided responsibility, I can attest to the need for a Republican Congress to bring our administration programs to full fruition and thus pave the way for another great victory in 1960.

It seems to me particularly appropriate that we are meeting in Cincinnati, the birthplace and the home of the late Senator Robert A. Taft. He was truly a giant in our party and in the United States Senate where he served so long and so ably. He and I had a common ancestor several generations back, but I am even more proud of my kinship with Bob Taft's ideals.

The senatorial campaign he waged in 1950 was, in my opinion, one of the most effective in the annals of American political history. It brought him a smashing victory and it was based primarily upon just two things: Honest discussion of the issues and good, hard work—sweat, if you please.

We Republicans have the issues today. As we concentrate on 1958, let's expend the sweat that is required to bring those issues squarely before every voter in the Nation. If we do that, victory is assured.

It seems to me that the one, big, burning, overriding issue of our time involves the maintenance of peace—for without peace all other issues could be obliterated overnight. Such matters as civil rights, foreign trade, and farm price supports would become meaningless in a nuclear holocaust with not even taxes but only death as the one certainty.

Therefore, it should be clear that the political party which can best serve the Nation today is the party which can best preserve peace. I say, and the record says it far more eloquently than any man could, that party is the Republican Party.

Our party provided the leadership that brought peace with honor to our country, ending the long, stalemated Korean war—a so-called little war, but still one big enough to have cost us 157,530 casualties. President Dwight D. Eisenhower got us out of that war and he has kept us out of others. Uneasy though the state of world peace may be, it is important to remember that the difference between even an uneasy peace and war can be the difference between life and death.

By none of this do I mean even to imply that there is a war party within the United States. There is not. What I am saying is that the Republican Party, on the record, is best qualified to preserve the peace—a just and lasting peace.

Since this is true and since the preservation of peace is paramount in the hearts and minds of our people, why should we not say it again and again and again?

Oh, I know that our political opposition would like to shift the area of debate to other subjects. Sometimes they recognize our own strengths better than we do.

As we concentrate on 1958, let's put first things first. Let's keep our campaign on a positive basis. Let's emphasize our strengths—for we have many. Let's take the affirmative side of the debate and leave the negative to the Democrats.

In recent weeks there has been some tendency for the initiative to slip away from the Republican Party on the important issue of Government economy.

To me it is such an elemental fact that the Republican Party is the party of economy—of sound fiscal policies—that I can't quite believe my ears when I hear some Democrats of the "tax and tax and spend and spend and elect and elect" philosophy talking about cutting the budget. Frankly, I had never expected to live so long.

As Republicans we must meet squarely the issues of the budget and fiscal responsibility.

We have a 1958 budget with projected expenditures of more than $71 billion. It is admittedly a bigger budget than most Americans, including the President of the United States and the Secretary of the Treasury, would like to see. But the fundamental question involved here is simply this: Is it a bigger budget than we need to do the job that confronts our Government? Can we spend less and still preserve the peace that all of us want and the various services the Federal Government must provide?

Expenditures proposed for the next fiscal year are $2.9 billion larger than for the current one. Of that increase, $2.6 billion—or 90 percent—involves major security programs such as defense, atomic energy activities, mutual assistance, etc.

More than three-fifths of the budget—some $45 billion—is devoted to the job of waging peace. This is a tremendous sum. Yet the direct costs to the United States of World War II were $310 billion. The costs of another war would be incalculable.

Yes, as the President pointed out in his second inaugural address, the price of peace comes high today. Can we afford to make available less than the minimum amount which he has said is required for our own security?

Personally, I would sooner accept the considered judgment of President Eisenhower on the question of our defense needs than that of any other living man.

Moreover, I believe that we need to keep the size of the budget in perspective. We need to view it relatively not only to the programs and policies it is designed to implement but also in relationship to the continued population and economic growth of our Nation. The proposed 1958 budget represents some 16 percent of the gross national product, as compared with 20 percent for the last Truman budget year of 1953.

We need to remember that during the last 4 years of unprecedented prosperity our total output of goods and services had increased by more than $65 billion, or 18 percent. Over those same 4 years our population has grown by more than 11 million, or 7 percent.

Another fact: During the past year our per capita income rose almost $80. Federal spending on a per capita basis under the proposed budget would be up about $10.

Now, two other important facts with respect to this budget:

1. The projected budget calls for total outlays of $71.8 billion. The last proposed Truman budget called for expenditures of $78.6 billion—and this at a time when there were fewer Americans, earning and producing much less.

2. The projected administration budget is expected to be in balance for the third straight year—something this country has not seen in a quarter of a century. By way of contrast, the last proposed Truman budget carried a deficit estimated at approximately $10 billion.

As we "concentrate on 1958", let's stack the record of Republican accomplishments in the field of Government economy against the sorry spectacle of financial irresponsibility displayed by our predecessors. Honestly folks, I don't believe the opposition really wants to debate this.

On the issue of Federal taxes, you will recall that it was the Republican 83d Congress that provided the greatest tax cut in all history back in 1954. Its direct benefits to American taxpayers have already reached the staggering total of $35 billion. It was the Republican 83d Congress that voted the only other sizable tax reduction in recent history.

Let's match the Republican record of tax cuts against the opposition record of tax increases as we concentrate on 1958.

There are many additional positive accomplishments of this Republican administration that need restating and reemphasis from time to time. You know we may be inclined to take some of these things for granted because they are a part of our basic philosophy. Here are some things we can point to:

1. Government competition with private business has been substantially reduced. Some 500 commercial-type businesses operated by the Government in competition with private business have been discontinued. I speak from some personal experience on this because when I became Secretary of Agriculture, I discovered that as a member of the Virgin Islands Corporation Board I was also representing the Federal Government in the hotel business and a variety of other enterprises.

"Our" hotel—and I use the word "our" in quotes—was called Blue Beard's Castle, and it was quite a plush establishment at the time it was built by the Federal Government back in 1934. For a hostelry operating in the "red" as deeply as this one was, the use of the word "blue" in its name seemed singularly inappropriate. We sold it, and the Government was out of another business venture.

2. The rapid rise in living costs has been checked. This administration has nearly brought to a halt the violent, galloping inflation and the progressive cheapening of the dollar which marked the Truman administration.

Recently, you will recall, the advisory council of the Democratic National Committee had the temerity to point to rising living costs. The New York Times pegged that one just right. I would like to read a brief excerpt from their editorial on the subject.

"But who is responsible for the fact that living costs reached their present plateau? Consumer prices have risen, since 1946, all told, from roughly 78 to almost 119, or 41 points. But 37 of those points were accounted for before Mr. Eisenhower came to office, only 4 since the end of 1952. In other words, talk about new highs for the cost of living is neither more nor less than an attempt to confuse the fact that while the costs of living rose 47.5 percent under Mr. Truman in the 7 years, 1946–52, their rise during the nearly 4½ years of Mr. Eisenhower's administration has been 3½ percent."

3. Free enterprise has been encouraged. The faith of our party in the free-enterprise system is being vindicated anew. Today more Americans are at work in more businesses, producing, earning, and investing more than ever before in our history. Private enterprise is providing a record number of jobs at the highest wage rates ever. And all of this is happening without the stimulus of war.

4. As the party of Lincoln we are expected to move continuously forward in the field of human rights, and we are doing just that. The United States is providing a haven for tens of thousands of refugees from Communist tyranny. Racial discrimination on many fronts is giving way before the unsensational but constant, day-to-day efforts of the administration. Progress in the field of civil rights which gained its greatest momentum in 1953 and 1954, when the Nation had both a Republican President and a Republican Congress, has been slowed somewhat by a Democratic Congress, but it will not be denied.

As we concentrate on 1958, let's make these points again and again.

Now I assume that when Meade Alcorn invited me to appear here, he expected me to devote a part of my talk to the farm situation. This I propose to do now, although I might preface my remarks by saying that there must be an easier way to make a living than by being Secretary of

Agriculture. It's a job that inevitably invites more brickbats than bouquets, particularly during a period of adjustment in agriculture such as the one through which we are now passing.

Between now and the 1958 elections, we shall again be hearing politically inspired charges about the agricultural situation, and we must be prepared to meet them head on with cold, hard facts.

We'll be hearing that the family farm is disappearing—that it's on the way out. The truth is that farms are increasing in size because modern technology makes it possible for the farmer and his family to operate larger units. But it is also true that today—as 25 years ago—96 percent of the farms in this country are family operated.

Moreover, the efforts of this administration to attack specifically the problems of small farmers through the rural-development program have been stymied by the Democrat-controlled 84th and 85th Congresses. We have been denied the funds required to implement this program even on a modest basis.

We'll undoubtedly hear again, as we have in the past, that the agricultural economy is virtually bankrupt. Certainly no one will deny that agriculture is in a cost-price squeeze, but nevertheless farm assets are at an all-time high and so are farm real-estate valuations.

We'll be hearing that rigid price supports or some bob-tailed version of the Brannan plan are the answers to the farm problem. The truth is that many of agriculture's present ills developed because we continued fixed, wartime price supports too long after the situation they were designed to meet had ended. As for the Brannan plan, it's a hodgepodge of socialistic nonsense that neither farmers, farm organizations, nor Congress itself has ever shown any disposition to accept.

We'll probably see the administration's soil bank used as a whipping boy by the political opposition—the same people who a few short months ago were claiming it as their very own. Now they are attempting to blame it for all of the shortcomings of the old parent programs whose weaknesses made the soil bank necessary.

Now I should like to list some positive accomplishments of this administration—accomplishments in which we, as Republicans, can take genuine pride:

1. The St. Lawrence Seaway is under contruction. This will bring enormous benefits to agriculture through lower transportation rates.

2. Five million farmers and farmworkers have been brought into the social-security program. For years farmers had helped to pay the costs of this program every time they bought anything, but not until the Eisenhower administration were they permitted to share in the benefits.

3. Farmers have received new tax benefits. There was, of course, the 10-percent income-tax reduction received by all taxpayers, but in addition to this farmers were given accelerated tax write-offs for equipment, special deductions for certain conservation practices, and a refund of taxes collected on gasoline used on the farm.

4. Emergency programs to assist farmers hit by drought, flood, and other natural disasters were instituted promptly.

5. Farm credit facilities have been broadened and made more effective.

6. Determined efforts to regain lost export markets have been undertaken. The result is that shipments of American farm goods abroad during the present crop year are running at the highest rate in history.

7. Research appropriations to aid farmers have been more than doubled.

8. Most important of all, the long slide in farm income has been halted and reversed. Net farm income in 1956 was 4 percent higher than for the previous year. A further increase is expected in 1957.

Sixty percent of the much-advertised decline in the parity ratio occurred before the present administration took office. Ninety percent of the decline came while high rigid wartime price supports were in effect.

The much-publicised decline in net farm income began 10 years ago. Incomes have declined every year since then but two. One was the wartime year, 1951; the other a year of peace, 1956.

The peak of net farm income was reached in 1947. Gross cash farm income from marketings is higher today than it was 10 years ago. The reduction in net income is a result of higher costs, not lower gross income.

Tonight I want to talk about the road ahead for agriculture.

Much attention has been focused on the huge stocks of farm products owned by or under loan to the Government—stocks which now represent an investment of $8.2 billion. Agriculture is faced not only with the necessity of reducing these stocks; there is the even greater challenge of using constructively the abundant production which, year after year, is likely to flow to market from American farms.

This great outpouring of agricultural abundance is the result of improved technology, of course. But it is also partly the result of a prolonged period of incentive prices—incentives supplied first by the market place and then by law.

Price support policies of the past are responsible, to a degree, for the presently overexpanded agricultural plant. While the technological revolution undoubtedly supplied the means for increasing output, the support program helped provide the incentives. And while these policies increased production on the one hand, they choked off consumption on the other. The result is an accumulated stock and a continuing production of farm products greater than our growing population can assimilate unless adjustments are made.

How can we best make the adjustments called for by the prospect of agricultural abundance?

Can we reduce production? For 25 years we have tried to control production by restricting the acreage of a few selected crops. Yet total production has increased even more rapidly than the increase in our population. The evidence of the past quarter century is that farmers offset acreage controls by fertilizing more heavily, increasing the yield per acre. And they use the acres diverted out of one crop to produce other crops.

Shall we sell these surplus commodities abroad? Yes, we should and we are. Agricultural exports this year are at an alltime high. We sell our commodities for dollars, both for cash and for credit. We sell them for foreign currency, and we barter them for strategic materials. Yet there are limits—and we may be approaching them—to what we can do in the way of selling our abundance abroad.

Shall we give the commodities away? Yes, we should within prudent limits, to the extent that we can do so constructively. This past fiscal year we donated more than 2 billion pounds of farm products to public agencies, charitable organizations and needy persons at home and abroad.

Shall we put a part of our excess productive capacity into the soil bank? Yes, and we are doing this, chiefly through the acreage-reserve program. But this is temporary and costly. It would be difficult to justify the continued payment of such sums as would be needed to operate a permanent acreage-reserve program. And a permanent program which subsidizes nonproduction is contrary to our tradition.

Shall we destroy food, or let it spoil? No, we should not, and we have exercised every safeguard to prevent spoilage. Our people would not condone such moral bankruptcy or such economic waste. The capacity to produce abundantly is a blessing; the challenge is to make wise use of this abundance.

Is there any way out of this impasse? I am convinced that the answer is "yes."

We can so price our products that we reduce the incentive for overproduction.

We can price our products so they will move into use.

We can move away from acreage-control programs that do not control.

We can expand markets for industrial and nonfood uses—as we are doing in our increasingly vigorous research programs.

We can, above all, build up our markets for livestock products—milk, meat, and eggs—wholesome, tasty, nutritious foods that people can and will purchase in greater quantities if the price is attractive.

We can consume more of our food in the form of livestock products. We have been moving toward an animal agriculture during the past 20 years and we can move further.

We can give special attention to the problems peculiar to small farmers—as we are doing in the rural-development program.

The present mandatory price support-acreage control program for corn, based on legal formulas, has the opposite philosophy. Its objective is scarcity. Corn acreage, cut back by the control program, is now at the lowest level in 66 years. This program has reduced corn acreage in the Corn Belt and increased it in California, Washington, Oregon, and other areas. The corn producing area has been spread out and diluted. Nineteen years ago, when the commercial corn area was laid out for acreage control purposes it included parts of 12 States. Now it includes parts of 24.

But even more amazing is the size of the corn allotment in the commercial area. In 1938 the allotment totaled 40.5 million acres; for 1957 the allotment is 37.3 million acres. With a smaller pie being cut into more pieces, is it any wonder that most corn producers here in the Corn Belt prefer to ignore their allotments?

Corn is the major feed grain, far exceeding in importance all the other feed grains combined. But the other feed grains are moving up. But cutting back on corn, the program has provided an opportunity for an expansion in the acreage of competing feed grains such as barley and sorghum grain.

Are corn farmers willing to move in the direction of competitive pricing, more freedom and growing markets?

It appears they are. More than 61 percent of the corn farmers who voted in last fall's referendum expressed a preference for greater freedom to plant, coupled with greater flexibility of price supports. Yet, because the law required a two-thirds vote to carry, corn farmers today continue under a program which the majority of them have disapproved.

We now have this interesting situation:

A clear majority of the corn farmers voting in the referendum have expressed a willingness to move toward greater freedom of operation and greater reliance on our marketing system. Yet the law has not been changed. In fact, efforts to obtain more realistic corn legislation were beaten down in recent months in both the House and the Senate. In both instances a majority of Republicans supported the bills while a majority of the Democrats opposed them.

Is there not the courage to strike a legislative blow for freedom when the people directly concerned have, in effect, requested it?

We have heard, until now, that economic freedom is lost because the people most concerned bargain it away in exchange for security. The leaders of the people, we are told, cannot stand against the strong popular urge for what is considered to be economic security.

But how shall we then explain a circumstance in which the people themselves request less Government interference, but their Government will not relax its paternalistic grip?

We have come a long way indeed, in this land of liberty, when we continue to impose on a particular group of farmers, against the will of the majority, control programs which do not control, and support programs which pile up surpluses and lose markets. Let's remember this as we concentrate on 1956.

There are more than 200 farm products for which we are authorized to provide price supports. For six of these, corn among them, programs are in effect to control production and to support prices according to a legal formula.

These 6 commodities bring in only 25 percent of our farm income.

Yet for these six commodities, surpluses are greater, costs are higher, infringements on individual liberty are more extensive, international relations are placed in greater jeopardy, and farm complaints are more vociferous than for all the other of the 200 commodities combined.

Farmers who produce certain commodities, such as soybeans and livestock, have demonstrated that realistic pricing can build markets and increase net income.

Our present need is not to stimulate production to meet the demands of war. Our need is for agricultural adjustments to accommodate the tremendous technological revolution through which agriculture is passing. And it is time to make further program changes called for by these new conditions.

Most of the professional research institutions which have studied the problem have said so.

The corn farmers, voting with both their corn planters and their referendum ballots, have said so.

These voices are being heard in a growing crescendo.

We should ever lend our ears to voices raised in behalf of freedom, responsibility, and enterprise. The most glorious pages of history result from giving audience to the plea for freedom; the darkest pages result from its denial.

The Republican Party has a long and glorious history in the never-ending battle for human freedom. We must and we will continue to give leadership in that great cause.

Freedom can come to full flower only in a world at peace. Therefore, the achievement and maintenance of a just and lasting peace remains the major objective of this administration.

May God give us the strength and wisdom to attain that objective.

Goshen News Honored

EXTENSION OF REMARKS

OF

HON. F. JAY NIMTZ

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1957

Mr. NIMTZ. Mr. Speaker, it is with genuine pride that I call the attention of my colleagues to the fact that one of the most coveted honors in the field of journalism has been won by a newspaper in the Third Congressional District of Indiana. The newspaper is the Goshen News, of Goshen, Ind., and the award was the 1957 Ayer cup for excellence in typography, makeup, and printing.

The Goshen News was chosen by the judges for this great honor in competition with 823 other newspapers of all sizes in the United States. Of particular note is the fact that the News, with a circulation of only 7,745, is the smallest newspaper ever to have won the Ayer cup.

Under leave to extend my remarks in the RECORD, I would like to include a letter of congratulations to Frank L. Haskell, publisher of the News, together with an article by R. C. Lehman, managing editor, which appeared in that newspaper under date of May 15, 1957:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 11, 1957.

Mr. FRANK L. HASKELL,
Publisher, Goshen News,
Goshen, Ind.

DEAR BUD: It was with extreme pleasure and pride that I read of the award of the N. W. Ayer cup to the Goshen News for excellence in typography. It is my understanding that you won this award in competition with 823 other newspapers in the United States.

Please extend to your staff my congratulations upon winning this award and bringing this great honor and distinction of the newspaper publishing world to the Third District of Indiana.

Kindest personal regards to you and the Goshen News family.

Sincerely yours,

F. JAY NIMTZ,
Member of Congress.

CONGRATULATORY EXPRESSIONS POUR IN TO THE NEWS FOR WINNING AYER AWARD

(By R. C. Lehman)

Ever since announcement was made a month ago of the awarding of the Ayer Cup for excellence in typography, makeup, and printing to The Goshen News, messages of congratuations have poured into The News office. They have come from every part of the country, from Maine to Texas and from Alaska to Florida. They have come largely from the publishers of other newspapers—professionals of the craft whose praise is especially sweet to our ears—but they have also come from representatives of every facet of the printing trade, from public officials, and from friends who have no connection at all with the industry.

There have been so far well over a hundred formal letters and telegrams in addition to the countless telephone calls and personal congratulations. They have come from some of the biggest newspapers in the Nation and from some of the smallest, from papers far away and from our neighbors here in Indiana. The volume of messages has been so great and the value and significance of the award has been so stressed in them that even we here at The News, who were really overwhelmed at receiving the award, are only now beginning to realize how truly great a distinction has been conferred on The News. The News was chosen in competition with 823 other daily English language newspapers by N. W. Ayer & Son, of Philadephia, as being the best, regardless of size, in typography, makeup, and printing. In other words The News was chosen as making the best appearance to the eye of any of the entries, which included many if not most of the largest newspapers published in this country.

ACCOUNTS OF AWARD

Many newspapers carried extensive accounts of the awards. The Christian Science Monitor was one which published a long account, together with a two-column 6-inch reproduction of the front page of the winning issue of The News and a history of the paper. The Monitor itself received third honorable mention for papers in its class of over 50,000 circulation. The News circulation is 7,745, and is the smallest newspaper ever to have received the top award. The Monitor was among those who sent a message of congratulations to The News.

Among other newspapers heard from were the New York Daily News, which has the largest circulation of any newspaper on this continent. Robert G. Shand, managing editor, sent his congratulations. And separately, from the White House correspondent of this same newspaper, Francis M. Stephenson, a onetime resident of Goshen and well known here, came another letter which said: "You not only put out a good looking paper from a typographical side but you publish one of the newsiest papers."

From closer at home was a letter from Philip Maxwell of the Chicago Tribune, extending congratulations, and another from Quentin P. Gore of the Chicago Sun-Times who said "It is a notable achievement." Barry Bingham of the Louisville Courier-Journal and the Louisville Times, said: "I feel sure that you must share my conviction that no newspaper can achieve maximum effectiveness unless its appearance makes an appeal to the eye of the reader. Your success in this direction in a community the size of Goshen is really outstanding."

FROM FAR NORTH

From Sitka, Alaska, came a letter from Franklin R. Hoff of radio station KSEW asking for a tape recording of an interview on the subject, stating that "we would not only broadcast this on KSEW but also send it to the four stations on the Midnight Sun network and the Northern Light Broadcasting Co. at Cordova. This must have been a great moment for the man who is responsible for the makeup that won the prize."

Franklin D. Schurz, editor and publisher of the South Bend Tribune, wrote: "I think you have an excellent newspaper and I am sure that it will continue to improve and grow in the future." From the same newspaper also came congratulations from Paul Neville.

W. L. White, of the Emporia (Kans.) Gazette, another famous newspaper, has asked for a copy of the prize-winning issue, and Charles Reynolds, news editor of the Des Moines Register and Tribune, who also has an Elkhart County connection, wrote: "It made me proud of my home area. I showed several issues of your paper to various people on our staff here and they agreed that you put out a neat, distinctive paper." Mr. Reynolds is a son of Mr. and Mrs. Robert Reynolds, of New Paris, and his wife is the former Frances Beck, of Goshen.

Some writers hinted a little wryly but good naturedly of feelings of jealously or envy. A. W. McCall, editor of the Daily Tribune at Grand Haven, Mich., a friend of the publisher of the News, wrote, "I thought you were going to bring your foremen up to this area sometime (to see how the Tribune operated.) Maybe it would be better if we came down to see you." Malcolm Bauer, associate editor of the Oregonian, at Portland, Oreg., wrote, "Congratulations on your winning the Ayer award. You have our respect and envy." Dale Stafford, editor of the Daily News at Greenville, Mich., said, "For years I have been entering newspapers and to date I haven't received an honorable mention, so I know how difficult it is to get the prize." John Stingle, of the Los Angeles Examiner, wrote, "Congratulations on your achievement from one of the losers," and a communication from the Manchester Evening Herald, Manchester, Conn., is signed "Jealously, Louis Mandell, news editor."

LETTER FROM GOVERNOR

Harold W. Handley, Governor of Indiana, wrote to the editor of the News that "It is with a great deal of pride I read that an Indiana newspaper, the Goshen News, has been awarded the coveted Ayer Cup for typographical excellence. Please convey my heartiest congratulations to all members of the News family for the vital part each has

played in bringing national recognition not only to your newspaper but to the community and State it so proudly represents."

Another letter of congratulations also came from F. JAY NIMITZ, the Indiana Third District's Representative in Congress.

The Honorable Carl Vinson

EXTENSION OF REMARKS

OF

HON. STERLING COLE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1957

Mr. COLE. Mr. Speaker, on yesterday, the Secretary of Defense, Mr. Charles E. Wilson, was host to the members of the Armed Services Committee of the House, members of the Joint Chiefs of Staff, and other distinguished persons in the field of aviation, at a luncheon in his office at the Pentagon to provide an opportunity for the National Aeronautic Association to present the Elder Statesmen of Aviation award to our distinguished colleague, the Honorable CARL VINSON, chairman of the Armed Services Committee of the House.

It was my privilege to be present on this occasion and join with my colleagues in paying tribute to our great chairman.

After preliminary introductory remarks by Thomas Lamphier, president of the association, a eulogy of Mr. VINSON was made by Mr. John P. Victory, chairman, Committee on Elder Statesmen of Aviation, National Aeronautic Association. His remarks were as follows:

Mr. Secretary, Mr. VINSON, and honored guests, when Orville Wright made the first successful flight of an airplane in 1903, there was but small realization by the world of the future impact of that event upon the progress of civilization and the destinies of nations. Likewise the election of Hon. CARL VINSON, of Georgia, to the United States Congress 3 months after the start of World War I, did not forecast the significance of the contributions he would make to American aviation. On September 12, 1925, there occurred the first of a long series of events which were to bring to bear on the future of American aviation the devotion, talents, and wisdom of this budding statesman from Georgia.

At that stage in our history, World War I had intervened. Airpower, for the first time in history, had become an instrument of warfare. But 7 years after the close of that war, military aviation in the land of its birth was still in its infancy. On June 30, 1925, the Army had about 1,400 planes, of which 396 were designated "standard planes," a term which we understand today as meaning "combat ready." The Army Air Service, as it was then known, had 912 officers.

Naval aviation had 398 service airplanes, of which 218 were with the fleet and the remainder in reserve. Naval aviation had 623 officers, of whom 377 were pilots. It had one carrier, the *Langley*, which was a converted collier used chiefly for experimental purposes.

There was a more or less popular movement in those days to unite Army and Navy aviation into one separate organization, to discontinue the surface fleet, and to limit the Navy to submarines. Had such policies been adopted in 1925, it would have been quite difficult, to say the least, for America to have carried the war to Japan during World War II. The country is indebted to farsighted and responsible officials in those days who kept America's military policy on an even keel. Among those men of vision, courage, and statesmanship was our guest of honor today, Congressman CARL VINSON, of Georgia. He was one of nine men appointed by President Coolidge as members of the President's Aircraft Board, commonly known as the Morrow Board, in honor of its Chairman, Dwight W. Morrow.

That Board of distinguished Americans was appointed September 12, 1925, "for the purpose of making a study of the best means of developing and applying aircraft in national defense and to supplement the studies already made by the War and Navy Departments on that subject."

After extensive hearings, the Morrow Board separated the wheat from the chaff, and made such sound and solid findings and recomendations, that for the first time in our history an entire program of legislation proposed by an investigative body was enacted into law. For example, the Morrow Board recommended and the Congress approved 5-year aircraft procurement programs for the Army and Navy; assistant secretaries for aeronautics in the Departments of War, Navy, and Commerce; and enactment of the Air Commerce Act that became the legislative cornerstone for the remarkable development of civil and commercial aviation in America. Approval by the Congress of these and other recommendations of the Morrow Board marked the true beginning of the transition of airpower from infancy to adulthood.

Among other important steps were: The change of the name of the Army Air Service to Army Air Corps; representation for Army aviation on the Army General Staff; making permanent the principle of extra pay for flying duty; and renewed emphasis on the procurement of additional personnel for flight training and duty, as well as new and improved types of aircraft. Practically the same recommendations were made with reference to naval aviation, and it is significant to note that each of these recommendations was subsequently fully implemented, the Congressman from Georgia being the author of a number of the legislative proposals which resulted from the Board's recommendations. So, for the first time in the peacetime history of our Nation, aviation as an instrument of national defense received the full blessing and support of the highest echelons of our Government.

The dominant role of airpower in World War II was universally recognized. Following that war, and the establishment of a separate Department of the Air Force, economy again threatened the growth of aviation. Here again came Mr. VINSON's vision and statesmanship. He was the author of legislation providing for a 70-group Air Force. He successfully led a fight for additional funds for more planes for the Air Force, and this in the face of a then current economy drive in the Congress. He was the author of the Air Force Organization Act. He was the author of the Marine Corps Organization Act, which gave that organization its first statutory charter, with 3 combat divisions and 3 air wings. He has consistently and successfully led the support of naval aviation.

As Chairman of the House Armed Services Committee, he guided the difficult hearings which resulted from the B-36 controversy in 1949. Faced with serious dissension among the military services, he directed the Committee inquiry in such a manner as to allay the fears of service personnel and preserve the steady growth of aviation in the military services. He then defined national airpower as follows: "The national airpower consists of the military airpower of the various services, plus commercial aviation, plus the national industrial and manpower resources pertaining to aviation." That definition was adopted by the Committee and remains the guiding policy of the Nation today.

Elected to the Congress on November 3, 1914, Mr. VINSON is now serving his 43d consecutive year in the House of Representatives. He was Chairman of the Naval Affairs Committee for 16 years, and is now serving his 7th year as Chairman of the House Committee on Armed Services.

In the judgment of the National Aeronautic Association, the long and fruitful legislative career of CARL VINSON, Congressman from Georgia, and his steadfast and farsighted support of modern facilities for aeronautical research as the foundation of air progress; his support of the fullest practicable development of airpower by an independent Air Force, and of air arms inseparable from the Army, Navy, and Marine Corps, stamp him as a most constructive and influential public servant in the Congress of the United States. Over a long period of years he has, with exceptional competency and vision, provided for the vitally important development of all segments of airpower, and has demonstrated outstanding leadership in providing a sound legislative basis for the national security. On this record the National Aeronautic Association proudly designates CARL VINSON "Elder Statesman of Aviation."

At the conclusion of Mr. Victory's statement, Secretary of Defense Wilson read to the assemblage the citation, which is as follows:

The board of directors of the National Aeronautics Association of the United States of America, pursuant to authority duly vested in it, does hereby constitute and designate CARL VINSON elder statesman of aviation in recognition of his significant and enduring contributions over the years to the progress of aeronautics, and his demonstrated qualities of patriotism, integrity, and moral courage worthy of emulation.

Mr. VINSON then responded in a very effective, moving, and appropriate manner with the following statement:

Mr. Secretary, Mr. Lamphier, Dr. Victory, my colleagues, and distinguished guests, I deeply appreciate the high honor that the National Aeronautic Association has conferred upon me by designating me an elder statesman of aviation.

There are times in a man's life when it seems almost impossible to find either the voice or the words to express the emotion of the human heart. Today is such an occasion in my life.

For you, to ascertain the deep feelings that surge within me, I urge you to look beyond my simple words, and understand the gratitude, that I have for the honor which has been bestowed upon me, and for the overly generous things that have been said.

To you—the officers and members of the National Aeronautic Association who have selected me for this award, to the civilian and military leaders of our Nation, and to you my colleagues of the Congress honoring me by your presence—I want to express my deep appreciation.

This is an occasion which I shall remember to the last day of my life.

Fate has been kind to me. I have been privileged to be a Member of the Congress for almost 43 years.

During that time, I have experienced the trials and tribulations of three wars, followed by the elation of victory, and the gratitude that our great Nation continues to survive, prosper, and champion the cause of freedom throughout the world.

During this same period, I have been privileged to observe and perhaps make a modest contribution in legislation to the irresistible growth of American aviation.

To me, it seems but yesterday that our Nation's aircraft flew at speeds of scarcely 100 miles an hour, with a maximum range of 200 miles, and the ability to carry only the smallest types of military weapons and bombs.

I must confess that I had unbounded faith in the future of aviation when I sat as a member of the Morrow Board in 1925 and assisted to the best of my limited ability in writing a legislative program to chart aviation as an important weapon in our national defense. But I am frank to say that my vision did not forecast the status of aviation as it is today.

In the brief space of about 30 years, we were destined to be in the jet-atomic age, with manned aircraft traveling three times the speed of sound, carrying atomic and hydrogen weapons so devastating that they defy the mind of man.

But even now, the inventive genius of man is bringing us into an age of rockets and missiles of such speeds and capabilities as to further defy imagination.

Who knows what vistas will yet be opened through the further genius of man in this great field of aviaton.

In recalling the progress of aviation over the past 43 years, I can only conclude, that its future will be as startling as its past.

While its pathway has not always been smooth in the legislative halls—it has seen its ups and downs—I am deeply gratified that my contributions, small as they may have been, have helped in keeping American aviation high in the sky.

We who write the law, formulate the policies, and provide the money—all of which is important—nevertheless play but a minor role in the full development of aviation. The greater contribution to American aviation is made by the men and women who labor at the drafting boards, the scientists at the wind tunnels, the engineers at the test laboratories, and above everyone else, those brave and patriotic officers and men who have in the past and are now dedicating their lives to the actual operation of manned aircraft who proudly wear on their uniforms the insignia of the pilot's wings.

So long as this Nation remains militarily strong, we will be a free people. Our national defense must ever be the paramount concern of the Nation.

I have no hesitancy in saying that today the capabilities of American aviation are of such powerful and forceful character as to provide the Nation with the shield of protection that gives us the peace we enjoy at this hour.

As the years slip by, my life has been greatly enriched by my association of over 40 years with the officers, men, and civilian heads of our armed services, as well as our leaders in government, research, and the aviation industry.

This scroll, so beautifully inscribed, will be placed in an honored spot in my home and will be one of my most prized possessions. And as the shadows of the long, long night begin to fall across my pathway, it will ever be a reminder to me that in my humble and feeble way, I tried to make some contribution for the benefit of our beloved country.

I thank you from the bottom of my heart.

Steamship "Matsonia" To Strengthen American Merchant Marine

EXTENSION OF REMARKS

OF

HON. PATRICK J. HILLINGS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1957

Mr. HILLINGS. Mr. Speaker, it was recently my pleasure to inspect the steamship *Matsonia*, the fourth and newest of the Matson Lines "white ships," recently reconstructed at Newport News, Va.

Interior design was carried out under the direction of Harry Neafie, a New York industrial designer and stylist who spent 2 years researching the colors of the Pacific with the aid of 19 prominent American artists. Hawaiian motifs have been carried out in bamboo, teak wood, leather, Venetian glass mosaic, gold and silver leaf, and lava stone, as well as abalone shells, feathers, and flowers. Indirect lighting has been installed throughout the ship, unusual effects being achieved with the use of mirrors and tropical plants.

The ship is complete in special shops and services, some of which are a swimming pool, beauty and barber shop, photo workshop and print shop, motion-picture equipment, a hospital complete with operating table and 4 separate wards, and kennels accommodating 12 pets.

Completely air-conditioned, the *Matsonia* provides its 760 first-class passengers with facilities to select the temperature of their own staterooms. Safety as well as comfort is a prime feature of this liner which totals 638 feet in length and 82 feet in width. Two radar sets and a thermostatically controlled sprinkler system are present in addition to the latest aids to navigation. There are 560 telephones, 1 in each stateroom and in all public areas, shops, offices, and officer quarters. Three hundred loud speakers are strategically installed throughout the ship for programs and announcements. The all-electric galley is one of the most modern kitchens to be found anywhere and is furnished with eight ranges, a bakery, and a butcher shop.

The *Matsonia* will travel the California-Hawaii route made famous by the Matson Navigation Co., currently under the very able presidency of Mr. Randolph Sevier. Her 26,000 tons will be driven by a twin-screw, geared turbine propulsion plant to maintain a cruising speed of 20.5 knots. Alternate crossings from Los Angeles and San Francisco will be completed in 4½ days, thus the *Matsonia* with 165,693 cubic feet of dry cargo space is forging another link in our trade with the Pacific and Hawaiian Islands. In addition to this contribution to increased trade, the *Matsonia* will help strengthen the United States Merchant Marine, inasmuch as she will be readily available as a troop carrier in the event of war.

Michigan Week

EXTENSION OF REMARKS

OF

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1957

Mr. DIGGS. Mr. Speaker, throughout the State of Michigan this week, May 19–25, citizens will be celebrating Michigan Week, a special observance calling to mind the rich heritage, resources, and opportunities of Michigan, as well as its contributions to the rest of the Nation and world. Special tributes and celebrations will take place in educational, civil, social, and political groups, being highlighted by an exchange of mayors in 48 communities, and recorded by press, radio, and TV.

The theme of this celebration, appropriately enough, is It's Great to Live in Michigan. Michiganders mean this—for Michigan has much to offer. It has amazing variety in both types of industry and in the varied origin of its people. It is an example of dynamic progress—in both astounding production of material goods as well as enlightened ideals and goals.

Michigan's variety is reflected in its three leading industries—manufacturing, agriculture, and the tourist trade. Michigan ranks first in the manufacturing of automobiles, pharmaceuticals, adding machines, foundry products, machine tool accessories, ranges and heating devices, paint and heavy chemicals. Detroit, its largest city, is the industrial capital of the world. No other major city, on a per capita basis, has as many factory workers or as large a volume of manufactured products. Michigan is also a leading producer of such products as furniture, paper products, furnaces, chemicals, and cements. Already America's largest inland world trade center, Michigan is eagerly awaiting the completion of the St. Lawrence Seaway to realize the vast potential it will bring, enabling Michigan to become an even larger and more effective international trade center.

Simultaneous with a greater production of goods, Michigan has set an impressive example by its constant striving for recognition of the dignity, rights, and human worth of every individual, and a higher standard of living for all. The struggle to realize these ideals is being waged by the practical idealism, imagination, and industry of dedicated labor unions, enlightened management, numerous social organizations, and State and local government. Recent concrete evidence of the effectiveness of their efforts is a fair employment practices law, and that thousands of refugees have found new lives in Michigan.

Agriculturally, Michigan leads the Nation in the production of sour cherries, navy beans, cantaloups, celery, cucumber pickles, and strawberries for market, and ranks second and third in many other fruit and vegetable categories. Hand in hand with food production, however, one notes that Michigan is also a leader in agricultural research and development. Michigan established the first agricultural college, Michigan State College, which itself founded the first horticultural laboratory, first short course in dairying, first hybridization of corn, and first building in America for teaching scientific agriculture. Not only does MSU continue exploring new horizons in agriculture and horticulture, but it is sharing its knowledge with the rest of the world, as evidenced in educational missions established in such far-flung places at Okinawa, Colombia, and India.

The tourist trade, which ranks as the leading industry in two-thirds of the State, balances the concentration of mechanical industry perfectly by offering 11,037 lakes, the longest shoreline of any State—3,121 miles—bordering 4 of the 5 Great Lakes, scenic farm and forest land, and renowned fishing and hunting facilities. All types of sports abound, from skiing to swimming, golf to baseball. Supplementing these natural resources, Michigan leads the Nation in number of State parks and prepared campsites—5,200—available to the public, topped off by a friendly and generous people, happy to greet visitors and help them enjoy the wonders of their State.

In addition to contributions through industry and natura' resources, Michigan has contributed in large measure to the cultural, intellectual, and social advancement of our country. From her early schools, libraries, and cultural and philanthropic groups have emerged many illustrious scholers and statesmen, and institutions such as the Detroit Symphony, Museum of Art, Cranbrook Academy of Art, Greenfield Village, and the Edison Institute, to mention a few. Michigan boasts an excellent and expanding school system with several outstanding State and private colleges. The University of Michigan has consistently forged ahead with important "firsts": the first major university to admit women—1870—first school of public health, first school of natural resources, the only center for Japanese studies in tht United States. The Ford Foundation supplies one outstanding example of philanthropic work on a worldwide basis, making a profound contribution on the present and future by supplying funds to organizations doing research in the field of social advancement.

Although justly rejoicing in accomplishments of the past and present, Michigan gives every evidence of being well aware of the revolutionary future fast dawning: the perils and promise of automation, atomic energy, revolutionary concepts of time and space, the dangers of communism, and the crusade of civil rights for all, as aptly described in the Michigan Declaration of June 2, 1956. Proud of past accomplishments, and cognizant of the present, Michigan is quietly and diligently working forward toward a new era of peace and prosperity for all.

Address of Hon. Herbert C. Bonner, of North Carolina, at Maritime Day Celebration

EXTENSION OF REMARKS

OF

HON. L. MENDEL RIVERS

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1957

Mr. RIVERS. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include therewith an address by the Honorable HERBERT BONNER on the occasion of Maritime Day, Charleston, S. C., May 21, 1957.

Mr. Speaker, no man in the Nation has done more for our fourth arm of defense—our merchant marine—than has this distinguished chairman of the great Committee on Merchant Marine and Fisheries. He is rightfully entitled to the name of "Mr. Merchant Marine." Mr. BONNER knows what it means to be without this indispensable force of security. He is in the process now of bringing our American-flag vessels into the greatest tonnage in the world. His wonderful address to my people in Charleston reflects his understanding and knowledge of this important national defense organization.

Mr. Speaker, also included herewith is a newspaper account of Mr. BONNER's speech from the Charleston News and Courier, May 22, 1957.

The address and article follow:

REMARKS BY HON. HERBERT C. BONNER, DEMOCRAT, NORTH CAROLINA, CHAIRMAN OF THE HOUSE COMMITTEE ON MERCHANT MARINE AND FISHERIES, AT MARITIME DAY CELEBRATION AT CHARLESTON, S. C., MAY 21, 1957

I am pleased to be your guest in the great and historic port of Charleston to celebrate National Maritime Day and to commemorate the 138th anniversary of the sailing of the American steamship *Savannah* across the Atlantic. This history-making event, originating in your neighboring State in the Port of Savannah, was the first voyage by a steam vessel across any ocean.

As Chairman of the Committee on Merchant Marine and Fisheries in the House of Representatives, I am particularly concerned about the growth and development of the port cities of our country—and their adequacy to serve the needs of the Nation in both peace and war.

As a North Carolinian, and your neighbor, I view with personal pride the growth and increasing importance of the South Atlantic ports, and the significant contribution which they are making to the economic welfare of the Nation.

Because this harbor afforded a natural haven for ships and could be easily defended by both land and sea, Charleston became an important port in earliest colonial times following the settlement of the Carolinas.

As early as 1682, she was sending steady supplies of naval stores, tar, pitch and rosin to the islands in the Carribean. In the days prior to the Revolutionary War, rice and indigo became her chief items of commerce, while in the succeeding years to come, cotton and tobacco were to gain considerable prominence.

Although a leading port, Charleston did not develop without difficulty. With mounting pressures from other port areas in an expanding economy, coupled with the disadvantage of unfavorable rail rates, ocean tonnage declined.

The proud part played by the port and city of Charleston through the War Between the States—a struggle against tremendous odds—left scars that were not fully healed until the early part of the century when she became an important military center.

Since World War II, your port has made remarkable progress. Under the guidance of your progressive-thinking Ports Authority, she has managed to more than double the amount of her pre-World War II tonnage.

Today, she ranks among America's leading ports, and great quantities of cargoes move across her highly mechanized and modern facilities.

Maritime Day is a major national anniversary, one of deep significance to this country whose origins and growth developed from commerce on the seas. Our gathering here tonight is being repeated all over the country by thousands of informed Americans who know the part that our maritime commerce has played in making the United States—from pioneer beginnings—the greatest Nation on earth.

This occasion is being celebrated in recognition of the lessons of history that have taught us that we must develop and maintain a strong merchant marine if we are to continue to enjoy the bounteous blessings of this great and productive country of ours and remain secure from forces from without that would destroy our culture and our way of life.

Usually when we talk of the progress of our merchant marine we talk in terms of commodities, of tonnages and dollars of exports and imports, of deadweight tons and speed of ships, of numbers of shipways and area of terminal facilities. In time of war we talk of ships sunk compared with ships built. The statistics and figures on these things are impressive and revealing as to our progress.

But, in this year of 1957 when we are enjoying a growth and expansion of economy unprecedented in the history of the world, I want to talk about people and not statistics. I want to pay tribute to the men of the American merchant marine who build and man our ships in peace and war.

Three times in the past 40 years the American merchant marine has been called upon for seemingly superhuman efforts to meet the common enemy. Each time our maritime industry has met the challenge and performed miracles of production to speed the final victory.

Today, in the midst of peace and prosperity, let us not forget the thousands of merchant mariners who died without military honor or other recognition when their ships were torpedoed, bombed and shelled during 4 years of World War II—just a few short years ago. These men—over 5,000 of them—died for what we have today. Through their efforts, and those of their brave shipmates, the Allied Forces were able to deliver the most devastating blow any enemy has yet encountered. Indeed, the movement of ships manned by these courageous men was the greatest logistic feat the world has ever known.

The impact of World War II was first felt by American citizens on the night of September 3, 1939, aboard the British passenger liner *Athenia*. As the *Athenia* was calmly steaming on a westward course off the Scottish Hebrides, her 1,400 passengers—300 of whom were Americans—were busy listening to radio reports of the new war. In her wake, 120 miles away, was the American freighter *City of Flint*, also sailing on a westward course. Shortly after 9 p. m., the *Flint's* radio operator was seen rushing to the ship's captain. His message told a tragic tale; the *Athenia* has been torpedoed. While the Berlin radio denied that a U-boat was responsible, and captured German records later showed that Admiral Karl Doenitz, Hitler's chief submarine commander, had ordered to let the *Athenia* pass, this incident foretold what American seamen were soon to face.

After participating in the rescue of survivors from the *Athenia*, the *City of Flint* returned to New York, discharged her passengers, and again sailed westward. But this time, she was seized by a German battleship and ordered to proceed to Germany as a prize of war. Fortunately, before reaching her destination, she was intercepted by the British Navy and released to return home.

Within the first month of the war, German subs had sent over 30 ships to the bottom; Britain had declared a blockade on Germany, which threatened our own shipping; and, over 60,000 Americans were trapped abroad.

The next incident involving an American ship was the attempted seizure of the freighter *Mormacsea*, which was caught by the Germans in a Norway port. The story is told that her captain personally guarded the gangplank and defied the Nazis to pass. After 6 days, she was permitted to sail.

After President Roosevelt's famous "Arsenal of Democracy" speech, in which he declared that the United States would supply any nation who fought against Germany and Italy, things grew worse. On November 8, 1940, we lost our first merchant vessel, the freighter *City of Rayville*. As she sailed along the Australian coast, she is said to either have struck a mine or was torpedoed. Following this incident, in May 1941, the United States freighter *Robin Moor* was torpedoed off Africa. During the same month, the President declared a national emergency, followed by his famous "shoot on sight" order. In the succeeding months, just before Pearl Harbor, 3 more United States ships were torpedoed.

Shortly after Pearl Harbor, the Matson liner *Lurline* sailed from Honolulu under strict naval orders not to deviate from course. As she journeyed along, her 800 passengers were told of a distress message received from the United States freighter *Cynthia Olson*. Since that time, no one has ever heard from the *Olson's* crew of 33 and 2 soldiers.

A more terrifying incident occurred when the United States freighter *Lahaina* was sunk. On the night of December 10, 1941, as she was steaming off the Hawaiian Islands, shells from the deck guns of a Jap sub tore into her without warning. The survivors of her crew quickly manned lifeboats. The Japs approached one of the boats, trained a machinegun on her helpless crew, then suddenly submerged. Although most of her crew were able to escape in open boats, this incident was the beginning of a merciless campaign, marked by the ruthless slaughter of helpless survivors.

As more and more of these incidents occurred, seamen began to shout "give us the guns" and "give us the chance to fight back." But the Navy was needed elsewhere, a goodly portion of our fleet having been destroyed at Pearl Harbor.

In these first frantic days of open warfare, there were few reports of victory over the enemy.

The situation became so bad that President Roosevelt in January of 1942 asked Congress for appropriations to build some 1,700 ships within a 2-year period. This was the beginning of our Liberty fleet, affectionately called by the late President "the fleet of ugly ducklings." These ships were destined to carry over 75 percent of our total overseas cargo.

But, before this program could be launched, the Germans had already begun their Atlantic coast massacre. Up to that time, over 1,000 Allied ships had been sunk with only 66 German losses. Under the personal direction of Admiral Doenitz, the Atlantic operation started with the sinking of the United States tanker *Allen Jackson* off Cape Hatteras, which claimed the lives of 22 men. Within 2 months, this operation caused the loss of 145 ships and 600 lives.

With complete mastery over the Atlantic, the Germans next moved into the Caribbean and the Gulf. Here, they concentrated on tankers which were supplying the RAF with high octane gasoline. Only five naval vessels had been assigned to this highly strategic area. The enemy assult was led by the sinking of the United States freighter *Virginia*, with 13 casualties off the Mississippi River; followed by the torpedoing of the United States tanker *David McKelvy* which was making way out of Corpus Christi.

And, I am sure there are those among you here tonight who saw the oil-soaked, tragic litter of our South Atlantic beaches, grim reminders of the fate of unsung heroes within sight of their own shores.

A New York Times editorial graphically gave this picture of the merchant sailor in wartime:

"Tankermen and other men of the American merchant marine literally go through fire to carry supplies to our Armed Forces in remote lands. Each week they are pulled or washed up out of the sea, after incredible hardships, or after death amid vast stretches of flaming oil. Quietly, when their burns are healed, their long thirst or hunger satisfied, the survivors slip out of port again with more supplies, with more oil and gasoline for our fighting planes and tanks. Many come through 3 or 4 sinkings, yet do not hesitate when new ships are ready. No one turns in the street to admire their uniforms. They wear no uniform. No one steps up to the bar to buy them drinks. No moist-eyed old ladies turn to them in the subway to murmur "God bless you." The cop on the beat, gentle with the tipsy soldier or the unsteady gob, is apt to put his nightstick to the britches of a merchant sailor who has tippled heavily in the town's bars to celebrate his rescue from the sea."

By Independence Day of 1942, 3,000 merchant seamen had been killed, and before this operation was over, 3 million tons had been sunk.

From 1942 through 1945, the Allies maintained perhaps the most dangerous supply line of the entire war—on this run to the free Russian port of Murmansk, American seamen delivered over 16 million tons of cargo in over 1,000 separate convoys. The objective was to stave off Hitler's attacks on the Russians. Veterans of Arctic convoy duty truly deserve recognition as heroes. Not only did they encounter heavy enemy opposition, but they were also opposed by extremely adverse weather conditions.

In late June of 1942, Hitler personally directed the attack against the ill-fated convoy PQ-17, composed of 36 ships, 22 of which were American. With some 200 German planes in the air, the convoy commander was forced to order his ships to scatter and proceed. As the surviving ships altered course, German U-boats, lurking in the background, moved in. Before the end of this tragic engagement, 23 ships had been sunk.

The vicious struggle to cut America's vital supply lines was fought throughout the world.

In the lonely waters of the Southern Hemisphere, the Axis claimed 86 United States ships and 1½ million tons of cargo.

In this ruthless warfare, friend often could not be distinguished from foe until it was too late. As the Liberty ship *Stephen Hopkins* sailed out of Capetown, she met two merchant vessels, both flying neutral colors. Both vessels quickly unmasked and fired direct hits on the *Hopkins*. Before the surprised Liberty went down, 1 of her crew, an engineroom cadet, chose to remain on board. Singlehanded, he fired five 50-pound sheels scoring hits on 1 of the enemy vessels. In an open boat, a few yards away, his shipmates saw him destroyed by the enemy. Only 15 survived, after 2,000 miles in an open boat. Time after time, Allied shipping was caught off guard in this theater of battle.

One of the few ships caught by the Japs in these waters was the United States freighter *Henry Knox*. After sinking her, the enemy removed the food and water from the lifeboats, and only 28 men survived after 11 days afloat. This was one of many examples of cruelty experienced by American seamen in fighting the Japs.

Although the Navy had won notable victories in the Pacific, it was realized that final victory was dependent upon the occupation of Japanese territory. To this end, merchant seamen were required to maintain a supply line of over 6,000 miles across the Pacific. In support of our troops at such unfamiliar places as Guadalcanal, Attu, Kiska, Okinawa, Luson, and many more, merchant mariners served valiantly.

In the meantime, over 100 merchant and naval vessels had formed in the Mediterranean for the Allied invasion of Africa. And, nearly 500 more were to participate in the next jump to Sicily.

The winning of the war depended upon gigantic supply movements in American built ships, manned by American merchant mariners who went to the fighting fronts side by side with their brothers in the Armed Forces. In his book, Crusade in Europe, President Eisenhower spoke of the services of the American merchant mariner as being "with a devotion to duty and a disregard to danger and hardship that defies any attempt to describe."

Although the loyalty and heroism of the American seafarer was responsible for delivering the goods to feed our global military machine, there are many others whom we should remember and pay tribute to on this Maritime Day.

Foremost among these is our late great President, Franklin Delano Roosevelt, who, when others were criticizing the American maritime industry and complaining of the cost of Government aid, had the understanding and foresight to call for legislation to reestablish our merchant fleet on the high seas and rehabilitate our impoverished shipbuilding industry. The Merchant Marine Act of 1936, sometimes called the magna carta of the American merchant marine, resulted from Roosevelt's dynamic call for action. As the result of his insight and perception the outbreak of war in Europe found us with a sound nucleus of shipbuilding skills from which to expand into the gigantic merchant ship construction program which spelled the difference between victory and defeat. The enactment of the 1936 act and President Roosevelt's direction for the commencement of a destroyer building program in the middle thirties found us at the entry of the war with an invaluable, though not numerically large, pool of fast modern ships.

Then I want to mention another of the great ones in our maritime war effort—Vice Adm. Emory Scott Land—who was Chairman of the Maritime Commission and War Shipping Administrator throughout the conflict. It fell to dynamic Jerry Land's lot to guide and execute our vast program of ship construction which astounded the world with a fabulous output of nearly 6,000 large merchant ships in less than 4 years; to establish a recruitment and manning program and a system of training schools for all classes of seamen; and to operate, in coordination with our allies, the farflung global supply system to satisfy the competing demands of the military leaders in the several theaters of war. The President's directions to Admiral Land were brief and concise: "Give me ships as fast as you can." That was all. But Jerry Land and the devoted men around him overcame all obstacles. His outstanding performance deserves the praise and gratitude of every American.

Others who fought the good fight on the home front were the hundreds of thousands of Americans in our wartime shipbuilding industry who performed production feats never before dreamed of. With only a small nucleus of management and skilled personnel in our shipyards at the start of the war, we had to create new yards all over the country and train patriotic citizens in the many difficult and unfamiliar shipyard trades. They, too, met their challenge and their production record will forever stand as a monument to American vitality, as well as a reminder that we must have, at all times, a strong and adequate American-flag merchant marine.

It is to all of these people, great and small, who took part in all of the phases of our

wartime effort that I salute and pay tribute to tonight.

With the coming of peace again most of those who served during the war returned to other pursuits when their services were no longer needed. Time may never again be on our side, so in remembering the men of the merchant marine in war, let us never forget our need for those same men in our merchant marine in times of peace.

I think it would be appropriate to close with the lyrics of the King's Point Academy song, "Heave Ho":

"Heave Ho! my lads, Heave Ho!
It's a long, long way to go,
It's a long, long pull with the hatches full,
Braving the wind, braving the sea
Fighting the dangerous foe.
Heave Ho! my lads, Heave Ho!
Let the seas roll high or low.
We can cross any ocean,
Sail any river,
Give us the goods and we'll deliver.
Damn the submarines!
We're the men of the Merchant Marine."

[From the Charleston (S. C.) News and Courier of May 22, 1957]

ROLE OF MARITIME SERVICE IS CITED—JOINT MEETING OF SEVEN GROUPS HEARS BONNER

Tribute was paid here last night to the American Merchant Marine at a meeting of seven maritime groups. The fleet was cited as an arm of war and an economic base for peace.

United States Representative HERBERT C. BONNER, Democrat, of North Carolina, told a banquet meeting that much of the Nation's prosperity depends on continued growth of the Merchant Marine. The event, held at the Country Club of Charleston, commemorated World Trade Week and National Maritime Day.

BONNER traced the growth of the United States merchant fleet and made special note of such vessels during World War II. He is chairman of the House Committee on Merchant Marine and Fisheries. He also noted the importance historically and the development of the port of Charleston.

RIVERS ATTENDS

About 150 persons attended the banquet. BONNER was introduced as "Mr. Merchant Marine" by Representative L. MENDEL RIVERS of Charleston. James J. Lamb, president of the Propeller Club here, presided.

Other sponsoring organizations represented were the Port of Charleston, Greater Charleston Chamber of Commerce, State Ports Authority, Charleston chapter of the National Defense Transportation Association, Maritime Development Association of South Carolina, and the Charleston Pilot's Club.

BONNER said he was particularly concerned about the growth of port cities and their adequacy to serve the Nation in peace and war.

"As a North Carolinian, and your neighbor," he said, "I view with personal pride the growth and increasing importance of the South Atlantic ports, and the significant contribution which they are making to the economic welfare of the Nation."

He said the local port rose in importance during Colonial days and during the War Between the States. But he said the port did not develop without difficulty.

TRACES PROGRESS

"Since World War II," he continued, "your port has made remarkable progress. Under the guidance of your progress-thinking Ports Authority, she has managed to more than double the amount of her pre-World War II tonnage."

"Today, she ranks among America's leading ports, and great quantities of cargoes move across her highly mechanized and modern facilities."

He noted the economic importance of sea commerce as commemorated by Maritime Day. Bonner then traced the struggle and heavy losses in ships, cargoes and crews during World War II.

"Today, in the midst of peace and prosperity, let us not forget the thousands of merchant mariners who died without military honors * * * during World War II—just a few short years ago."

LEADERS PRAISED

Bonner praised leaders in building the merchant fleet, the shipbuilding industry and the seamen. He said:

"It is to all these people, great and small, who took part in all of the phases of our wartime effort that I salute and pay tribute to tonight."

He and Representative RIVERS were commissioned "6-star admirals" in the naval section of the Sumter Guard. They also were given $100 and $200, respectively, in Confederate money to take back with them to Washington.

Special guests included local Naval, Air Force and Army officers, State and local officials and business and maritime leaders.

Dr. Ernest V. Abbott Honored for Outstanding Service to Sugar Industry

EXTENSION OF REMARKS
OF
HON. EDWIN E. WILLIS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 22, 1957

Mr. WILLIS. Mr. Speaker, it is a great pleasure and most gratifying to me, as Member of Congress from Louisiana's Sugar Bowl, and to the entire sugar industry, to join in congratulating and commending Dr. Ernest V. Abbott, of Houma, La., who on yesterday received a superior service award from the United States Department of Agriculture.

Among employees recognized for their outstanding service and presented with awards by Secretary of Agriculture Benson during the Department's annual honor awards ceremony, Dr. Abbott was cited for leadership in the production of improved disease-resistant commercial sugarcane varieties and for basic research on sugarcane diseases, establishing him as a world authority in this field.

Dr. Abbott, who is in charge of the sugarcane research station at Houma, has been employed by the Department of Agriculture for 26 years. He entered the Government service as an assistant pathologist in 1930, was promoted to pathologist in 1942, and to senior pathologist in 1948. In 1950 he was promoted to his present title as principal pathologist.

Through the high quality of his research and leadership which he has demonstrated in the field of pathology, Dr. Abbott is recognized as an outstanding authority on sugarcane diseases, throughout the world. His ability is indicated by the fact that he is called upon for advice by his colleagues in the Department of Agriculture, by State experiment stations, and by sugarcane pathologists and breeders in many parts of the United States and foreign countries. He has served as consultant on sugarcane problems in Formosa and South America and has been a leader in connection with the work of international committees on diseases and the evaluation of their importance. An honorary life membership in the American Sugar Cane League was bestowed upon him in appreciation of his distinguished service to the sugarcane industry of Louisiana.

Among Dr. Abbott's specific accomplishments is his work in sugarcane breeding activities that have resulted in producing high yielding disease-resistant varieties for Louisiana and other areas. This serves as an outstanding example of the control of epidemic plant diseases through breeding. Some of the principal varieties developed commercially as the result of these investigations are C. P. 44-101, C. P. 29-116, C. P. 29-320, C. P. 34-120, C. P. 36-105, C. P. 47-193, and C. P. 48-103.

According to Department reports, C. P. 44-101 occupies more than 50 percent of the current acreage devoted to sugarcane production in Louisiana, while C. P. 48-103 has the highest sugar content early in the season of any variety ever produced by the Department and grown commercially in Louisiana.

For these and other very valuable contributions, Dr. Abbott is indeed deserving of the honors that have been paid him, and the sugar industry is fortunate indeed in having the great benefit of his talent and services.

Theodore Roosevelt's Relations With Labor

EXTENSION OF REMARKS
OF
HON. JOSEPH C. O'MAHONEY
OF WYOMING
IN THE SENATE OF THE UNITED STATES
Wednesday, May 22, 1957

Mr. O'MAHONEY. Mr. President, as vice chairman of the Theodore Roosevelt Memorial Commission, I ask unanimous consent to have printed in the RECORD an article entitled "Theodore Roosevelt: His Relations With Labor." This material has been prepared by the Legislative Reference Service of the Library of Congress, and is thoroughly documented.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THEODORE ROOSEVELT: HIS RELATIONS WITH LABOR

Theodore Roosevelt was "by nature a conservative," wrote Hermann Hagedorn, "(but) he recognized * * * that true conservatism demanded a just reappraisal of industrial and economic conditions, and prompt, far-reaching remedial action."[1] One of the peculiarities of Roosevelt's career was that despite his conservative nature, his initial distrust and suspicion of the labor movement were gradually but steadily moderated until, toward the end of that career, he had become

[1] Encyclopedia Britannica, 1953 edition, vol. 19, p. 538.

an ardent and outspoken champion of labor causes.

In his first political post, New York State assemblyman, Roosevelt opposed almost every piece of legislation sponsored or favored by the unions. He fought the movement to abolish convict contract labor. He opposed and helped defeat in 1882 bills to increase the wages of New York City laborers. He was hostile to the attempt to increase the salaries of New York City firemen and police.[2] He opposed several measures to regulate and shorten hours of work. He thought that men who worked 14 and 16 hours a day were unfortunate, but he "refused to countenance the sort of legislation which contemplated an interference with the rights of individual employers."[3] In short, as he put it, he did not "pretend to have the interest of workingmen at heart."[4]

Reform, however, was always a major interest for Roosevelt and he made exceptions in his generally antilabor position when the problems of women, children, and public health were concerned. During the campaign by the New York labor and reform forces against conditions in the tenement house cigar manufacturing industry, Roosevelt was appointed to the legislature's investigating committee. "As a matter of fact," he later wrote, "I had supposed I would be against the legislation * * * for the respectable people I knew were against it. * * * However, my first visits to the tenement-house districts in question made me feel that, whatever the theories might be, as a matter of practical commonsense I could not conscientiously vote for the continuance of the condition which I saw."[5] Thereafter he vigorously supported bills to abolish tenement-house manufacturing, not because labor unions supported the legislation but almost despite that support. The law was a necessary "hygienic measure."[6] He told Governor Grover Cleveland, while pleading for the governor's approval for the legislation, that he was "opposed to most trade union measures, but this bill was an exception to the rule."[7]

As the Republican candidate for mayor of New York City in 1886, Roosevelt enjoyed the support of the most conservative elements of the city. He ran third to Tammany's Abram S. Hewitt and to the candidate of the labor movement, Henry George.

Roosevelt was to change many of his ideas about labor, but he never gave up his vigorous opposition to labor violence. He was furious at the Haymarket rioters of 1886.[8] As a member of the New York Police Board, he was zealous in efforts to quell violence. The New York Times commented, shortly after Roosevelt's appointment, that "for a mob, the force had neither fear nor favor, and for a mob of strikers it was peculiarly prompt and thorough".[9] To union leaders, Roosevelt asserted that he was "a strong believer in the rights of labor" but that he was "all the more bound to see that lawlessness and disorder were put down, and that no rioter was permitted to masquerade under the guise of being a friend of labor."[10] In

[2] Hurwitz, Howard Lawrence. Theodore Roosevelt and Labor in New York State, 1880-1900. New York, Columbia University Press, 1943, pp. 97-99.

[3] Ibid., p. 101.

[4] Ibid., p. 94.

[5] Roosevelt, Theodore. Theodore Roosevelt, an Autobiography. New York, Macmillan, 1916, p. 81.

[6] Hurwitz, Howard Lawrence. Op. cit., p. 82.

[7] Ibid., p. 88.

[8] Pringle, Henry F. Theodore Roosevelt, a biography. New York, Harcourt, Brace, 1956, p. 78.

[9] New York Times, July 14, 1895, as quoted by Hurwitz, p. 155.

[10] Hurwitz, Howard Lawrence. Op. cit., p. 162-163.

1895 he wrote, "The reckless labor agitator who arouses the mob to riot and bloodshed is in the last analysis the most dangerous of the workingman's enemies. This man is a real peril; and so is his sympathizer, the legislator, who to catch votes denounces the judiciary and the military because they put down mobs."[11]

GOVERNOR OF NEW YORK

By the time he became Governor of New York, Roosevelt's views on labor causes had become quite favorable; and he pursued his goals with his usual energy. About a third of his first message to the legislature he devoted to a discussion of the need for better enforcement of existing labor legislation and the passage of rigid factory laws. Poor enforcement he attributed, at least in part, to the fact that employees rarely complained "for fear of being discharged." He recommended that the "enforcement of the entire body of legislation relating to labor be placed under the board of factory inspectors."[12] In addition, he announced plans to eliminate unlicensed employment bureaus, settle strikes with the aid of the bureau of mediation and arbitration, improve the work of the bureau of labor statistics, and speed up the municipal courts' handling of wage disputes.[13]

In his second annual message to the legislature he devoted less space to labor. For the most part he pointed to the record of his first year. The only major recommendation he made was for the passage of an employers' liability law.[14]

His record as governor in the field of labor legislation was impressive. Roosevelt worked vigorously to secure the passage of a sweatshop law to make buildings used for manufacturing purposes meet decent health standards in order to be licensed. He was convinced that "the uneconomic, unwholesome, and un-American sweatshop system [must] disappear from our industrial life."[15] The legislature responded with a law providing for additional factory inspectors, licensing of tenements in which manufacturing was carried on, labeling of tenement-made goods, and the extension of the powers of the factory inspector. Roosevelt's interest in this matter was so acute that, in 1900, he personally toured the tenement sweatshop districts to inspect for violations of the law, the first such visit by a Governor of New York.

Although he failed to secure the enactment of an employers' liability law, he did sign a mass of labor bills. Among the more important were those which required licenses for tenement house manufacturers, increases in the size and power of the factory inspector, the creation of a tenement house commission whose findings resulted in much legislation to improve housing conditions, regulation of the working hours of women and children, the protection of women and children from dangerous machinery, building equipment inspection for workers' safety, amendment and extension of the mechanics' lien laws, reduction of the hours of drug clerks, and provision for the prosecution of violators of the 8-hour law and prevailing rate of wages on State work. In addition, he signed bills giving a salary increase to New York City public-school teachers, for the registration of laborers for municipal employment so that preference might be given according to the date of application, to amend the law requiring seats for women in factories to include waitresses in a hotel

[11] Hart, Albert Bushnell, ed. Theodore Roosevelt Cyclopedia. New York, Roosevelt Memorial Association, 1941, p. 293.

[12] Hurwitz, Howard Lawrence. Op. cit., p. 214.

[13] Ibid., p. 215.

[14] Ibid., p. 220.

[15] Ibid., pp. 192-193.

or restaurant, for the prosecution of labor law violators by district attorneys in any county on complaint of the factory inspector, and for the publication of a quarterly bulletin on labor conditions.[16]

Roosevelt failed to gain the legislature's consent to some of his proposals. Under pressure from retail merchants, the lawmakers refused to transfer the enforcement of the mercantile law of 1896, which regulated the work of women and children in stores, from the New York City Board of Health to the State factory inspector. He was not able to obtain State supervision of private employment agencies. And he vetoed a bill relating to safety appliances on scaffolding for the use of employees because it might have forced the use of a certain patented device by all builders.[17]

"I know we should work for humanity," Roosevelt told the City Club in New York in 1899, "but I also know that it is dangerous to interfere with relations between employer and employed."[18] At first he was reluctant to approve legislation regulating labor's hours and wages, but he signed the law for an 8-hour workday and prevailing rate of wages on State work because, he said, it was "wise for the State to set a good example" and because he regarded the general tendency toward an 8-hour day as "healthful."[19]

"I believe in shortening the hours of labor and I am happy to say that we have passed in New York State a very drastic 8-hour law for public employment," he wrote. "It is the kind of progress which should be made very slowly and with caution."[20]

Roosevelt was, of course, acutely conscious of the influence of labor leaders. One of the first things he did on arriving in Albany was to ask various labor leaders to come to see him. He sought a wide range of opinion on labor measures, conferring with national as well as local labor leaders, rival union groups, and intellectuals in the labor movement. He sympathized with labor's disappointment over the failure of the legislature to pass an employers' liability law and did his best to secure its passage.[21]

Despite the achievements of his administration, Roosevelt remained an object of suspicion to many labor men, chiefly because of his propensity for the use of troops in industrial disturbances. The slightest threat of violence, and Roosevelt was ready to rush troops to the scene of the dispute. He did so in the Croton Dam strike, and was prepared to do so in the Buffalo grain shovelers strike and the New York City street railway strikes. The critics of this policy he accused of truckling to the labor vote.[22]

In the opinion of one commentator, Roosevelt, as Governor, had not reached the point where he was willing to accept organized labor as a bargaining power with rights equal to those of employers and government. He resented the persistent pressure which labor placed upon him and in his correspondence expressed disgust for labor's methods. He had hoped for the approval and admiration of trade-union men, but his best efforts failed to win appreciation.[23]

PRESIDENT

Still feeling his way in the Presidency, Roosevelt's first annual message to the Congress was essentially cautious in tone. He asked for, and later was granted, the creation

[16] Hurwitz, Howard Lawrence. Op. cit., pp. 220-221, 226-239.

[17] Ibid., p. 221.

[18] Quoted by Hurwitz. Ibid., p. 226.

[19] Ibid., pp. 226, 228.

[20] Ibid. From Roosevelt's letter to C. B. Carter, Nov. 15, 1900. P. 230.

[21] Hurwitz, pp. 217, 220.

[22] Ibid., p. 297.

[23] Hurwitz, Howard Lawrence. Op. cit., p. 297.

of a Department of Commerce and Labor. He requested the maintenance of the tariff to protect labor and the reenaction of the Chinese Exclusion Act. He asked for legislation to do away with the competition of convict contract labor in the open labor market, to enforce the 8-hour law, to protect women and children from excessive hours of labor, night work, and unsanitary conditions. He praised the efforts of labor unions, but cautioned that "the chief factor in the success of each man * * * must ever be the sum total of his own individual qualities and abilities."[24]

Implementing his policies, he tried to remedy the lax enforcement of the Federal 8-hour law by Executive action, helped push through Congress laws improving working conditions of miners in the Territories, supervising employment agencies in the District of Columbia, and protecting street railway motormen and conductors in the District. Also for the District, legislation was passed to safeguard factory employees against accidents and to control child labor. Roosevelt urged the Congress to pass a workmen's compensation law for the protection of Government employees, but accepted a watered-down version of his original proposals. He consoled himself with the thought that it was the best he could get and that at least it committed the Government to the right policy.[25] Roosevelt also obtained legislation to improve railroad safety standards, and to regulate the number of consecutive hours of duty for railroad workers.[26] He urged the Congress, in later messages, to prohibit child labor throughout the Nation and particularly requested a model child-labor law for the District of Columbia.[27] When the Supreme Court declared unconstitutional the Employers' Liability Act relating to common carriers, he suggested that the Congress reenact the law to meet the objections of the Court.

The most dramatic event concerning labor during Roosevelt's Presidential tenure occurred during the coal strike of 1902. The striking miners, under the leadership of John Mitchell and the United Mine Workers, were opposed by mine operators who refused to negotiate. George F. Baer, spokesman for the operators, declared that "the rights and interests of the laboring man will be protected and cared for—not by the labor agitators, but by the Christian men to whom God in His infinite wisdom has given control of the property interests of this country."[28]

As the strike dragged on, a national coal shortage developed, and as conciliatory gestures emanated only from the union, public sentiment began to swing to the miners. Roosevelt felt compelled to act (although there was great doubt as to his legal powers in the matter), both to protect the public interest and because he feared the political repercussions of a coal famine.[29]

He called a conference of both parties at the White House. Mitchell offered to accept the findings of a commission to be appointed for the purpose of examining the union's complaints, but Baer bluntly refused. The meeting ended in failure and the strike went on.

Roosevelt now decided to intervene even more directly. He secretly drew up a plan whereby the Army would take over the mines and run them as receiver. The owners were indirectly notified of the President's intentions and capitulated under this pressure. They requested the President to set up an arbitration commission. That body was duly appointed and granted the miners a 10 percent increase, reduced the working day to 8 and 9 hours for different types of work, and set up a special body to settle disputes arising during the 3 years the award was to be in effect.[30]

The President did not hesitate to displease labor leaders if he felt himself in the right. He later wrote:

"If I were a factory employee, a workman on the railroads, or a wage earner of any sort, I would undoubtedly join the union of my trade. I believe in the union and I believe that all men who are benefited by the union are morally bound to help to the extent of their power in the common interests advanced by the union. Nevertheless, irrespective of whether a man should or should not, and does or does not, join the union of his trade, all the rights, privileges, and immunities of that man as an American and as a citizen should be safeguarded and upheld by the law."[31]

Roosevelt implemented this stand by reinstating a Government printer who had been dismissed because he did not belong to the union: The President resisted the protests of Gompers and other labor leaders on this question, despite the impending presidential election of 1903.

Roosevelt's final thoughts on labor policy are probably best embodied in the Progressive Party's labor plank in 1912. These included:

Effective legislation to prevent industrial accidents, occupational diseases, overwork, involuntary unemployment, and other injurious effects incident to modern industry;

The fixing of minimum safety and health standards for the various occupations, and the exercise of the public authority of State and Nation to maintain such standards;

The prohibition of child labor;

Minimum-wage standards for women;

The prohibition of nightwork for women and the establishment of an 8-hour day for women and young persons;

One day's rest in seven for all wage-workers;

The 8-hour day in continuous 24-hour industries;

The abolition of the convict contract labor system;

Publicity as to wages, hours, and conditions of labor;

Standards of compensation for death by industrial accidents and diseases which would transfer the burden of lost earnings from the families of working people to the industry, and thus to the community;

The protection of home life against the hazards of sickness, irregular employment, and old age through the adoption of a system of social insurance adapted to American use.[32]

[24] Messages and Papers of the Presidents. Richardson, James, ed. New York, Bureau of National Literature, vol. XIII, pp. 6649–6650.

[25] Roosevelt autobiography. Op cit., p. 477.

[26] Cahill, Marion Cotter. Shorter Hours. New York, Columbia Univ. Pr., 1932, p. 84.

[27] Messages and Papers of the Presidents, vol. XV, pp. 7341–7342.

[28] Quoted in Dulles, Foster Rhea. Labor in America. New York, Crowell, 1949, p. 191.

[29] Ibid., p. 192.

[30] Dulles, Foster Rhea. Op. cit., p. 193.

[31] Roosevelt autobiography. Op. cit., pp. 495–496.

[32] Roosevelt Cyclopedia. Op. cit., p. 291.

Excise Tax Exemption for Neighborhood Nonprofit Swimming Pool Groups

EXTENSION OF REMARKS

OF

HON. GEORGE M. RHODES

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1957

Mr. RHODES of Pennsylvania. Mr. Speaker, in March 1956 I introduced a bill, H. R. 10113, 84th Congress, to exempt amounts paid as dues and initiation fees to neighborhood nonprofit swimming pool organizations from the 20 percent Federal excise tax imposed on "social, athletic, or sporting clubs" under section 4241 of the Internal Revenue Code of 1954. The Internal Revenue Service had previously held that such payments to these nonprofit swimming pool groups were subject to the 20 percent excise tax.

As I told the House on March 21, 1956, I feel that these organizations serve many useful purposes in providing healthy recreational outlets for our children, young people and their parents. They furnish, on a privately financed, nonprofit basis, recreational facilities which many local communities have been unable to supply because of already burdensome tax rates. The purpose of the bill was to provide the needed incentive to assist such local organizations to build their own swimming pool facilities.

It was my feeling that these nonprofit swimming pool organizations, because of their many unique characteristics, were not intended to be taxed within the definition of this section of tax law relating to "social, athletic, or sporting clubs." The proposed legislation was designed to give these groups statutory exemption, just as is now enjoyed by certain fraternal societies, orders, and associations under this section of the law.

The bill was referred to the Subcommittee on Excise Tax, Technical and Administrative Changes of the House Ways and Means Committee, whose chairman is the able and distinguished gentleman from Rhode Island [Mr. FORAND]. After a study of the organization and purposes of these nonprofit neighborhood swimming pool groups, the subcommittee made language revisions in the bill and made it a part of the omnibus excise tax measure introduced by Congressman FORAND last July (H. R. 12298, 84th Cong.).

The subcommittee conducted hearings on this omnibus excise tax bill in late November and early December of last year. Several witnesses representing nonprofit swimming pool groups testified in favor of the tax-exemption provision of the bill. They described the objectives, recreational values, and operating procedures of their groups and stressed the adverse effects of the 20 percent Federal excise tax on the growth of swimming pool associations in other communities. Many other such groups filed statements and resolutions in support of the tax-exemption provision of the bill.

In its report to the full committee the Forand subcommittee recommended favorably the repeal of the excise tax on dues and fees paid to these nonprofit swimming pool organizations. This exemption was also approved by the full committee and is now included in the current excise tax revision bill, H. R. 7125, introduced on May 2, 1957, by Congressman FORAND. It is my understanding that the formal report is now being prepared and that the bill will soon be favorably reported to the House.

Meanwhile, coincidental with the above-mentioned action on the bill to

give statutory tax exemption to these groups, a petition for refund of a payment of this tax was filed by a Mr. and Mrs. Robert J. McIntyre, of Rockville, Md. They were required by the Commissioner of Internal Revenue to pay $25 excise tax on their initial payment of $125, by which they were granted membership in the Twinbrook Swimming Pool Corp., a nonprofit neighborhood swimming pool group of the type referred to in my bill. The petition for refund was not acted on by the commissioner within the required 6 month period, and suit was filed for recovery of the tax in the United States District Court for the District of Maryland, Baltimore. The plaintiffs were represented by Mr. Ralph R. Sachs, a Washington attorney residing in the Rockville community, who himself is a member of the Twinbrook swimming pool group.

The decision in this case was rendered by Judge W. Calvin Chesnut on May 14, 1957. Judge Chesnut ruled that dues and fees paid to this nonprofit swimming pool organization are exempt from the 20 percent Federal excise tax because it is not, in effect, a social, athletic, or sporting club or organization. He therefore directed a refund of the $25 tax to the plaintiffs.

I was naturally elated at Judge Chesnut's ruling in this case because it upholds the position taken in seeking statutory exemption for these groups. His ruling takes into account the beneficial purposes of nonprofit swimming pool organizations in providing needed recreational facilities in the community and, in my opinion, is a sound, equitable, and logical decision.

Judge Chesnut's decision in this case does not, however, eliminate the necessity for enactment of the statuatory exemption from the tax on these groups, as provided in H. R. 7125. The Government has 60 days from the date of the decision to file an appeal. This action would, of course, withhold refunds under this decision of the court, pending the outcome of the appeal. However, if the pending legislation is acted upon favorably by the House in the interim period, an appeal may not be taken, since in view of the subsequent Congressional action the matter would then be moot.

Mr. Speaker, under leave to extend my remarks in the RECORD, I include the text of Judge Chesnut's decision in this case. I am sure that the many interested swimming pool groups and individuals all over the country will want to read this decision.

The decision follows:

IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MARYLAND—ROBERT J. MCINTYRE AND CLARE MCINTYRE *v.* UNITED STATES OF AMERICA, FILED MAY 14, 1957, CIVIL ACTION No. 9125

CHESNUT, DISTRICT JUDGE

This is a suit to recover an excise tax which the plaintiffs were required by the Commissioner of Internal Revenue, to pay under title 26, United States Code Annotated, section 4241, which imposes a 20 percent tax on initiation fees and annual membership dues in excess of $10 paid by members of social, athletic, or sporting clubs, or organizations.[1] The plaintiffs' husband and wife, became original members of the Twinbrook Swimming Pool Corp. and made an initial payment thereto of $125 for so-called life membership. They also paid $25 to cover the 20 percent tax on their initial payment, which was paid by the corporation to the district collector under protest. A petition for refund was duly filed and not having been acted on within 6 months, this suit has resulted. All procedural requirements for the suit have been duly met.

The principal question in the case is whether the Twinbrook Corp. is a social, athletic, or sporting club or organization. The case has been submitted for decision on a written stipulation and a considerable amount of oral testimony, from which I find the following relevant and important facts:

1. The Twinbrook Corp. was duly formed in 1955 under the general incorporation laws of the State of Maryland. It conducts a swimming pool with appropriate bathhouse facilities situated in a generally residential area of the city of Rockville, which is the county seat of Montgomery County, Md., the population of which is said now to be about 15,000. The size of the pool is 60 by 165 feet with a depth of 2½ to 5½ feet. It is situated on a tract of land of about 5 acres acquired by the club after, on its application, the city authority had rezoned the particular land to allow its use for the particular purpose. The land was acquired and the pool facilities constructed at a cost of about $125,000.

2. The purpose of the club as stated in its certificate of incorporation was "to provide a swimming pool or pools and other facilities to its members." It is a nonprofit, nonstock corporation. Its organization, membership, and government are provided for by its bylaws.

3. The principal provisions of the by-laws which are relevant here are:

Membership is limited to 600 persons or families owning residential property or business places within a designated portion of the city of Rockville. The holders of each original membership were required to pay an initial fee of $125 and an additional sum of $25 to be applied to the payment (under protest) of the 20 percent excise tax referred to. The privileges of membership involving principally the use of the swimming pool were accorded to the holders of the 600 initial memberships upon the payment of annual dues of $10; and the pool could be used by them and their dependent children and by certain occupants of their respective households, not including employees. The holders of these initial membership certificates were designated as "life members" in the by-laws. The certificates of membership were transferrable on certain conditions, not here important or relevant. Permission could be given by the corporate authorities on prescribed conditions for the use of the pool by children sponsored by various civic or philanthropic organizations, without charge, or at times for a very nominal charge to defray extra cost of maintenance.

4. The motivation for the formation of the corporation was due to the public-spirited initiative of a few civic leaders who realized the importance of having additional recreation facilities for the Twinbrook area. At first an effort was made to have the public authorities of Rockville provide for the swimming pool at the taxpayers' expense; but when this proved to be impossible of accomplishment, these civic leaders determined to provide for the creation of a swimming pool at private cost of those members of the local community who would be willing to provide funds for the project. Very shortly the 600 memberships were acquired and the necessary funds raised for the acquisition of the land and construction of the pool, aided by a mortgage loan obtained from private banking sources. Much of the work in building the pool was performed either at cost or gratuitously by interested parties. In one sense the project was in substance a community enterprise. This is well expressed in a summary by a quotation from the brief of counsel for the Government as follows

"The plaintiffs have sought to go behind the certificates of incorporation and the by-laws. They have introduced evidence to show that the organizers of the pool project acted with the highest possible motives in organizing and carrying through their scheme to build a pool facility. They showed that the members of the corporation were interested in providing a wholesome summer meeting place for themselves and their children. They demonstrated the appeal of their project by showing that many people gave their labor free of charge to build the pool and that others contributed materials and land at cost. The use of the pool has been in keeping with the high motives of those who organized its construction. Many worthwhile organizations have been allowed to use the facility at a minimal charge.

"The plaintiffs have proved and the Government has not disputed that by a concerted community effort the 600 members of the pool corporation have provided themselves with a pool facility which was not forthcoming from the local government of Rockville, Md., and have demonstrated a willingness to let worthwhile outside organizations share the fruits of their efforts."

5. The only activity of the corporation has been the operation of the pool. The evidence does not show that there have been any other entertainments of a social nature such as dinners or other meetings of the membership. The only social features are those which naturally occur in connection with the use of the pool. With respect to athletics, there have been no competitive or purely athletic features for the use of the pool other than the bathing and swimming therein.

Coming to the applicable law, I find that the statute (now title 26, s. 4241) was originally enacted in substantially its present form as a tax excise measure in 1917. The Government contends, and the plaintiffs deny, that on the principles established by the adjudicated cases the corporation should be classed as a social, athletic, or sporting organization. I do not conclude that the Government's contention is sound under the controlling facts.

There have been many judicial decisions applying the statutory provision to the varied

[1] 1: S. 4241. Imposition of tax.

(a) Rate: There is hereby imposed—

(1) Dues or membership fees: A tax equivalent to 20 percent of any amount paid as dues or membership fees to any social, athletic, or sporting club or organization, if the dues or fees of an active resident annual member are in excess of $10 per year.

(2) Initiation fees: A tax equivalent to 20 percent of any amount paid as initiation fees to such a club or organization, if such fees amount to more than $10, or if the dues or membership fees, not including initiation fees, of an active resident annual member are in excess of $10 per year.

(3) Life membership: In the case of life memberships, a tax equivalent to the tax upon the amount paid by active resident annual members for dues or membership fees other than assessments, but no tax shall be paid upon the amount paid for life membership. In such a case, the tax shall be paid annually at the time for the payment of dues by active resident annual members.

(b) By whom paid: The taxes imposed by this section shall be paid by the person paying such dues or fees, or holding such life membership.

facts of particular cases with naturally varying results. There seems to be no Supreme Court decision upon the subject but some principles are, I think, well established. (1) Particular cases are not to be decided merely upon the literally stated name or purpose of the club; but rather from the nature and particular character of its actual activities; (2) a club or organization not originally properly classified as a social or athletic organization may nevertheless by a change in its activities become properly so classified; (3) the mere fact that there is some kind or degree of social intercourse between the members is not of itself controlling because every organization of individuals which brings the members into personal contact from time to time must necessarily include to some extent social relationships; (4) if the predominant purpose and activities of the club are primarily for the promotion of some common interest or objective and the social contacts of the members in connection with the furtherance of that object are only incidental, the organization should not be classified as a social club.

After reviewing many of the decided cases, I think the most clearly and concisely stated principle to be applied is to be found in the opinion of Judge Green, speaking for the Court of Claims in one of the earlier cases dealing with the application of this section. *Army & Navy Club of America* v. *United States* (53 F. 2d. 277 (1931)). It is this case which has been cited by counsel for the Government in support of its position. The facts of that case are, however, quite different with regard to the social aspects of the club as compared with those in the instant case. At page 282 the opinion in that case summarizes the matter by saying:

"* * * if the predominant purpose of the organization is not social, and its social activities are merely incidental to the furtherance of this different and predominant purpose, then the club is not a social one within the meaning of the law. But both of these matters must exist in order to create an exemption from the tax."

In that case the facts found by the court warranted the conclusion that the Army & Navy Club was a social organization within the meaning of the statute. Certiorari was applied for but denied by the Supreme Court. (285 U. S. 548 1932.)

In adopting and applying that principle to the facts here found, I conclude that the Twinbrook Corp. is not a social organization. Its predominant purpose is not social but the conduct of a swimming pool as a recreation center for the benefit of residents of a certain community area. Its qualifications for membership are based on local and not personal considerations. The personal contacts that necessarily occur from the use of the pool by its members and their children and other so-called underprivileged children, to whom the facilities of the pool are accorded by permission of the officers and directors of the corporation, are only those incidentally arising from the use of the pool.

I think it unnecessary to review in any detail the facts appearing in the many judicial decisions which have been cited respectively by counsel for the parties. It will be found that in those cases where the club has been held to be a social organization, the basis of the conclusion is to be found in the degree and extent of the social features in proportion to the whole activities of the club. It is not necessary that the purely social gatherings or entertainments constitute a majority or even a very large minority of the whole activities; provided the social aspects are in and of themselves, while possibly only a byproduct, yet nevertheless are an important substantial feature of the club promoting membership therein of those who may be more interested in the social acquaintances and contacts to be formed than in the major functional purposes of the club. Thus a downtown luncheon club in a large metropolis with luxurious dining rooms, reading rooms, with elaborate cuisine and lounging facilities and opportunity for recreational activities such as billiard and card tables, has been held to be a social club within the meaning of the statute. But in such a situation the social aspects of the club are, I think, more than merely incidental as in the present case. See *Duquesne Club* v. *Bell* (127 F. 2d 363 (3d Cir. 1942)); *Turks Head Club* v. *Broderick* (166 F. 2d 877 (1st Cir. 1948)). Some other cases where the club has under the facts been properly classified as social are: *Lake of the Forest Club* v. *United States* (137 F. 2d 843 (10th Cir. 1943)); *Town Club of St. Louis* v. *United States* (68 F. 2d 620 (8th Cir. 1943)).

On the other hand where the social aspects of the club are only minor and subordinate and principally incidental, the organization has been held not to be social in its nature within the meaning of the statute. *Washington Club* v. *United States* (49 F. 2d 658 (Court of Claims, 1930)); *Builders' Club of Chicago* v. *United States* (58 F. 2d 503 (Court of Claims, 1932)); *California State Auto Association* v. *Smyth* (77 F. Supp. 131 (D. C. N. D. Cal. 1948)); reversed on other grounds (175 F. 2d 752, cert. den. 338 U. S. 905); *Squantum Association* v. *Page* (7 F. Supp. 815 (D. C. R. I. 1934)); *Engineer's Club of Dayton* v. *United States* (133 F. Supp. 72 (D. C. S. D. Ohio, 1955)); *Rockefeller Center Luncheon Club* v. *Johnson* (131 F. Supp. 703 (D. C. S. D. N. Y. 1955)); *Furniture Club of America* v. *United States* (67 F. Supp. 764 (D. C. N. D. Ill. 1946)); *Malibu Lakeside Mutual Water Co.* v. *United States* (97 F. Supp. 542 (D. C. S. D. Cal. 1951)).

I have examined the Treasury regulations applicable to the statute. I do not find in them any provisions inconsistent with the principles heretofore stated; but on the whole the judicial decisions are generally consistent with them. Section 101.24 provides in substance that organizations having social, athletic, or sporting features are presumed to be included under the statute unless and until it appears to the contrary. Section 101.25 with respect to social clubs provides in part:

"Any organization which maintains quarters or arranges periodical dinners or meetings, for the purpose of affording its members an opportunity of congregating for social intercourse, is a 'social * * * club or organization' within the meaning of the Code, unless its social features are not a material purpose of the organization but are subordinate and merely incidental to the active furtherance of a different and predominant purpose, such as, for example, religion, the arts, or business. The tax does not attach to dues or fees of a religious organization, chamber of commerce, commercial club, trade organization, or the like, merely because it has incidental social features, but if the social features are a material purpose of the organization, it is a 'social * * * club or organization' within the meaning of the Code."

Counsel for the Government has not pressed the point that the Twinbrook Corporation is an athletic club, if it is held not to be a social club within the statute; and I do not find any adequate basis for classing it as an athletic club. No case has been called to my attention by counsel that would support the contention that it is. While swimming is, of course, a kind of athletics in the general sense of that term, I do not think that the nature of this swimming pool is such that it makes the corporation an athletic or sporting organization within the statute. In its actual activities the use of the pool is largely for children, and the evidence is that there have not been any competitive swimming events. The athletic exercise involved in swimming is, of course, a merely muscular activity incidental to the exercise itself, which is primarily a matter of recreation similar to that of tennis, golf, or other unorganized amateur sports. And in support of this view, counsel for the plaintiffs call attention to the tax regulation effective January 1, 1956, s. 101.26—

"Athletic or sporting clubs: The possession and use of a gymnasium, swimming pool, or other athletic facilities by an organization having religious or philanthropic social service for its exclusive or predominant purpose do not bring the organization within the class of athletic or sporting clubs or organizations."

I think the same principle must apply in determining whether a club is an athletic organization within the statute that we have seen to apply in the case of whether it is a social club; that is to say, where the athletic features are only incidental to the main purpose and activities, the organization should not be classed as athletic within the meaning of the statute. For the converse on the facts, see *Block Hall, Inc.* v. *United States* (57 F. 2d 918 (Court of Claims, 1932)).

The plaintiffs also contend that, even if the Twinbrook Corporation should be classed as a social organization, nevertheless the tax paid by the plaintiffs should be recovered by them because it was based on the amount paid by them for acquisition of a life membership in the corporation. On the contrary, counsel for the Government contend that the sum of $125 paid by the plaintiffs on the organization of the corporation was an initiation fee and not a fee for life membership. The statute, 26 USCA. s. 4241 (a) (2) provides that the 20 percent tax is payable on initiation fees where the amount is in excess of $10; while section 4241 (a) (3) provides—

"Life memberships—In the case of life memberships, a tax equivalent to the tax upon the amount paid by active resident annual members for dues or membership fees other than assessments, but no tax shall be paid upon the amount paid for life membership. In such a case, the tax shall be paid annually at the time for the payment of dues by active resident annual members."

It will be remembered that the amount of dues paid by active resident annual members does not exceed $10 a year, and therefore under the statute no tax is payable upon the amount paid for life membership. But if the payment of $125 made by the plaintiffs was an initiation fee and not a fee for life membership, then the tax was payable if the corporation was a social or athletic organization. As I have decided that the Twinbrook Corporation was not a social, athletic, or sporting organization, it is not necessary to decide this second question; but as it has been fully argued by counsel on both sides, I will state my opinion upon it.

The principal factors to be considered here are the incidents and characteristics of the membership certificate issued to the plaintiffs for which they paid the sum of $125. This appears from the bylaws. In the first place it is to be noted that the certificate is called a life membership although this is not of itself conclusive. While the certificate gives to the holders the privileges of membership in the corporation so long as they respectively live and hold the certificate as husband and wife, subject, however, to termination of membership upon transfer of the certificate to others on the conditions provided for in the bylaws (not seemingly important here), or until expulsion from membership under stated conditions, it is important to note that the certificate does not of itself entitle the holders or their children to the use of the swimming pool except upon the payment of annual dues of $10. Counsel for the Government argues that the term "life membership" as used in the statute should be read in the light of common understanding of what constitutes life membership in a club; and contend that this common understanding is that a life member of a club is one who is exempted during his lifetime from the payment of annual dues. It is said to be a commutation of the amount of annual dues. In addition the argument is that on looking at the conditions leading to the formation of the Twinbrook Corporation and its objective of obtaining and operating a swimming pool, it is apparent that the cost of the undertaking was met only from the initial contributions in the way of payments of $125 for each of the 600 membership certificates; and that therefore in reality the money so paid by each holder of a certificate constituted in effect if not in name an initiation fee. In addition attention is called to the Treasury Regulation No. 101.26 relating to initiation fees.[2] It provides in part that "under the code the term 'initiation fees' includes any payment, contributions or loan required as a condition precedent to membership, whether or not any such payment, contribution, or loan is evidenced by a certificate of interest or indebtedness or share of stock, and irrespective of the person or organization to whom paid, contributed, or loaned."

The scope of this definition of initiation fees seems to be broad enough to include the payment by the plaintiffs in this case, despite the bylaws provision that the certificate constitutes "life membership," which, as I have said, is not conclusive; and despite also the fact that the kind of payment made in this case by the plaintiffs is probably not within the ordinary understanding and practice of what is an initiation fee. Probably the general understanding of an initiation fee required to be made to acquire membership in a club is where a new member is elected to membership in a going club and the initiation fee is required in the nature of equalizing the position of the old members with the new members, with respect to their interests in the club assets.

If, therefore, the common understanding of the terms "initiation fee" and "life membership" are to be applied here, it seems that the kind of payment made by the plaintiffs does not clearly come within the general understanding of either.

[2] Sec. 101.26 (as amended by T. D. 5349, 1944 Cum. Bull. 639):

Initiation fees: Any amount paid as initiation fees to a club or organization coming within the provisions of section 1710 is subject to the 20 percent tax imposed by the code, as amended (a) if such fees amount to more than $10, or (b) if the dues or membership fees (not including initiation fees) of an active resident annual member are in excess of $10 per year.

Under the code the term "initiation fees" includes any payment, contribution, or loan required as a condition precedent to membership, whether or not any such payment, contribution, or loan is evidenced by a certificate of interest or indebtedness or share of stock, and irrespective of the person or organization to whom paid, contributed, or loaned. It is not material whether the applicant has any hope or expectation of a return of his payment upon resignation, death, or other circumstances, nor is it material to whom he pays the money. For instance, if a golf club requires incoming members as a condition precedent to membership to purchase either from it or from retiring members a share of stock, the tax attaches to any such payment for the stock regardless of the fact that it represents a property interest in the assets of the club. Likewise, if the purchase of a share of stock in a landholding corporation is a necessary precedent to membership in the club, the amount paid for such share of stock is taxable. In the case of a transfer of stock from a retiring member the club should collect the tax on the amount paid by the new member for the stock as well as tax on any transfer fee required from the new member.

There is no evidence in this case that the terms "initiation fees" and "life membership" have any certain and definite meaning in their application to the subject matter here involved; and counsel have not referred the court to any applicable judicial opinion as to the meaning of either term, with the exception of *Biddle* v. *Rothensies* (C. C. H. 1942, 2 U. S. T. C. Civil No. 1762, U. S. D. C.). Eastern district of Pennsylvania, dealing with what was called a proprietary membership in the well-known Merion Cricket Club of Philadelphia. While in that case the membership was held to be equivalent to a life membership as referred to in the statute, I do not find the conclusion reached necessarily controlling in principle of this case where there is a different factual situation.

It is clear enough from what has been said that there is a very meager basis in the evidence for the decision on the point. Looking at the matter from a practical and realistic standpoint, what occurred is simply this. Certain residents and property owners of a particular neighborhood decided to build and operate a swimming pool as an additional recreation facility. To defray the cost, individuals owning in whole or in part 600 separate properties in the neighborhood, agreed to contribute the sum of $125 each to the project. In carrying out the plan a corporation was formed which authorized the issuance of so-called life-membership certificates to 600 house or property holders, and evidently to meet the current cost of operation of the pool when built, the certificate holders were required to pay annual dues of $10 for the use of the pool. The question is whether payments so made are more properly to be called initiation fees or the acquisition of life membership. Neither term would seem to be precisely applicable. Clearly the mere designation of the certificate as constituting life membership is not of itself controlling. The nature and effect of the whole transaction is the more important consideration.

While the question is certainly not free from great difficulty, I take the view that looking at the realities of what occurred, the payments are more nearly to be considered initiation fees than constituting life membership. As the statute does not define the term "life membership" (which is nontaxable) and as the regulation as to initiation fees does in terms seem to include the kind of a payment made by the plaintiffs in this case, the better view seems to be that the payment would be taxable as an initiation fee, if the Twinbrook Corp. should be held to be a social, athletic, or sporting organization.

For these reasons I conclude that the plaintiffs are entitled to a judgment in their favor for the return of the $25 tax paid by them. The clerk is instructed to enter judgment accordingly in favor of the plaintiffs for $25.

W. CALVIN CHESNUT,
United States District Judge.

Clinton Turn Verein 90th Anniversary

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1957

Mr. PHILBIN. Mr. Speaker, on Sunday, May 19, the Clinton, Mass., Turn Verein celebrated its 90th anniversary with 250 guests in attendance at impressive exercises conducted at Turner Hall.

It was my distinct privilege and honor to be guest speaker on this outstanding occasion and under unanimous consent I include in the CONGRESSIONAL RECORD the text of my remarks before this distinguished and patriotic organization.

The guests included many officers of the Massachusetts Turn Vereins and 16 members of the Clinton Turn Verein, all members of the organization for 50 or more years, who were paid special tribute during the 90th anniversary celebration. These 50-year members are Herman J. Brockelman, Frederick J. Krauss, Charles F. Lamlein, Christian Ploss, Arthur E. Wohlrah, Charles M. Schwab, Paul A. Schneider, Gustave H. Gleisburg, Robert Jendrick, George H. Lamlein, Edward T. Onrda, John A. Schott, Albert W. Schneider, Alfred Scheid, Oswals Heinold, and Robert Hillner.

The Honorable Morris N. Gould, associate judge of the Clinton District Court, was a brilliant master of ceremonies and the Honorable Werner Hollebem, German Consul, extended the warm greetings and congratulations of West Germany to the gathering.

The text of my speech follows:

It is a great privilege as well as a real pleasure to be with you on this truly historic occasion when we are celebrating the 90th anniversary of the Clinton Turn Verein.

As you all so well know, I come here today not only as the Congressman from this great district in our beloved Commonwealth with its hundreds of thousands of loyal Americans, but I come here also as your neighbor, dear friend and a proud fellow member of this distinguished organization. There is no group anywhere that I more greatly admire for achievement and fine citizenship, and there is no group of its kind that I am bound to any more closely by enduring bonds of lifelong friendship, fellowship, and affection, or for whom I have greater respect and higher regard, than this one I have the honor to address today.

Of course we can all be proud of the sterling record that has been made by our Clinton Turn Verein throughout the years. It is heartwarming and inspiring when we reflect as we do today, upon the history of our group, to note that for so long a time it has so outstandingly served our community and our country as well as cherished needs of our own membership.

So many men and women have devoted themselves in such a true spirit of dedication to the great objectives and valuable activities of Turn Verein that I could not even begin to mention them. Their contributions, which have been so significant, so meaningful, and so beneficial, are worthy of our recollection and profound gratitude. We can be especially proud and especially grateful for the imagination, genius, ability, and devotion of those who had the vision and the spirit to establish this organization, as well as those who have carried its unblemished banner with such fervor, loyalty, and wholesome results from the time it was founded up to this very hour.

Because of the historic aspect of these exercises, it may be appropriate for me, as briefly as I can, to allude to the origin, background and progress of Turn Verein. The first noteworthy fact is that Turn Verein is a German institution which was founded in the early part of the 19th century by a great gentleman and far-sighted thinker named Friedrick Ludwig Jahn for the purpose of furthering physical education. Today, as we know, the activities of the Turners have been expanded to include people of different nationalities and faiths and to include not only physical training but mental training as well. In addition, the Turners have collected libraries, established schools, and founded a newspaper and have engaged in

many other activities designed to improve the individual and benefit the civic and patriotic welfare of the Nation.

It is interesting to note that the first Turn Verein in America was founded in the city of Cincinnati way back in the year 1848, largely due to the efforts of Friedrick Hecker, one of the heroes of the German Revolution.

Like the old Turn Verein in Germany, the American Turner Society had as its slogan: Frish, frohm, froh, frei, which for the benefit of my good Irish friends who have happily become so prominent in this organization today, and others who may not understand the beautiful, rich German language, means bold, devout, gay, and free.

At the time the basic purpose of the organization was stated as follows: "cultivation of rational training, both intellectual and physical, in order that members may become energetic, patriotic citizens of the Republic, who could and would represent and protect common human liberty by word and deed." How well these objectives have been realized is best attested by the clean living, high character, industrious habits, unsurpassed citizenship and lofty patriotism of those who embrace this organization.

During the Civil War, for example, not so long after the organization came into being, the Turners played an important part. The renowned 20th New York Regiment in that war consisted only of Germans. The Ninth Ohio Regiment was made up predominantly of Turners. Several other regiments consisted wholly or in part of Turners. It is reported that over 51 percent of the total membership of the organization at the time served during the Civil War, and it can be said to the everlasting credit of our illustrious society that that example continued to be followed in every succeeding war and conflict in which our country was engaged, wherein the Turners and the descendants of the German people in this country have played such a prominent part, and exemplified an imperishable record of loyalty, devotion, and willingness to sacrifice their lives, if necessary, for the perpetuation of American ideals and the American Republic.

At the close of the Civil War the Turn Vereins of the East and West were reunited and a new Turn Zeitung was established with New York as a center. The Turners, back from the war, now turned their attention and activities to gymnastic and cultural pursuits. The clubs reached a high level during the late 1860's and during the 1870's which was about the period that our own fine club was established here in Clinton.

Always of forward-looking philosophy and progressive viewpoints and principles, the Turners advocated many reforms that were later adopted by the Nation. As early as 1871, recognizing the great worth, zeal, and influence of women, they advocated woman suffrage. For many years they urged that gymnastics be taught in schools until finally schools throughout the country began instructions in gymnastics which brought and are still bringing such untold benefits to American children in many generations. The Turners advocated every good cause and are famous for their moderation in all things.

In 1948 the Turners celebrated their centenary in the city of St. Louis and the program included not only competitions in gymnastics, but also of track and field events, basketball and volleyball. Competitions were held also in song writing, poetry and essay writing and singing contests which have always been one of the most restful and enjoyable activities of the Turners.

Women's auxiliaries of Turn Verein have been generally established and competitions are now open to women as well as men and the outstanding work that the women have done and are doing is not only well known, but is a source of great pride to all of us.

Today the Turners have a far-reaching educational program. The Turner Society appeals to every member of the family, and that is why Turnerism has been so valuable in enriching wholesome family life here in Clinton and in many other places. Not only the women but the young folks have been brought into this happy mingling of free spirits seeking agreeable human companionship, seeking to promote good causes and seeking to build up strength in the individual and the family and the community because they realize well that this, in turn, means strength for the entire Nation.

In Clinton the Turners have conferred innumerable and immeasurable benefits upon our community life, upon the quality of our citizenship, upon our civic spirit, our social relationships and upon the development of understanding, tolerance and strong friendships that bind us together regardless of origin, race or creed, in a union devoted to bring out the best in the individual and in the community and aiming for the highest goals given to free American citizens in our land to unbounded opportunities. That encouragement to high aspirations is one of our greatest needs of the hour in this confused and bewildering era.

There is a lesson that we can all take from the story of the early Turners and the early German settlers. They came to this country fired by a fierce impulse for its freedom and its opportunities. They were scrupulously honest, industrious and willing to work. They had unflagging energy and they were prudent and frugal in their ways, yet always charitable, generous and just. While they never forgot the rich heritage they had left and while they kept it alive in all its breadth and fullness in their homes, their families and in this very Turn Verein, they never lost sight of basic human and spiritual values. They had superlative faith in their Creator and unshakable faith in free institutions. They were loyal in the way of life they had brought with them, and they were loyal even unto death to the great new country of which they became such proud and worthy adopted sons and daughters.

Their constant aim was to preserve and protect this country, and they opposed and they denounced and they fought, just as their descendants here today do, the terrible plague of godless communism and subversion that stalks through the world working to dismember nations and condemn individuals to the role of serfs and slaves. Yes, my friends, you may search the whole world over, you may comb every nook and cranny of America, but you will never find more devout people, better Americans, or more loyal and devoted citizens of this great land than those who founded and for so many years carried on with such fruitful and happy results the Turn Verein that we today hail with so much pride and joy.

Judged by every measure, they were great citizens and great Americans and great human beings. In accordance with Turner traditions an the spirit of their own great homeland they were bold, as real men should be when the occasion requires, they were devout, as we all must be, they were gay, as every person desires to be, and they were free, as all men and women everywhere yearn to be and were destined to be by Him who gave them life and gave them liberty at the same time.

I have many happy memories of this hallowed place and the many wonderful people who frequented it and made it what it is. Here, like most of you, I have spent happy hours, and I have known some of the greatest people, some of the warmest, finest friends that it has ever been anyone's high privilege and good fortune to know. Here, in truth, there has been friendship, there has been brotherhood, there has been tolerance, understanding and affection, there has been that gay and buoyant spirit which we call "Gemutlichkeit," there has been adherence to high ideals, there has been the cultivation of loyal and lofty Americanism, there has been the exaltation of underfiled family life and the free, expansive development of the individual. Above all, there has been a grateful acknowledgment of the Supreme Being, and the confidence and faith that He will, in time, if we but persevere in that faith, show us the pathway to peace and to justice.

And so, my friends, with this magnificent legacy which is ours handed down to us from the past by such loving souls and spirits that we almost speak of them with bated breath, let us rejoice in this happy celebration of what their hands and minds have wrought. Let us be thankful for all that they have done for our Turn Verein, for Clinton and for our country and in a real spirit of humility, as well as deep appreciation, let us rededicate ourselves to their unfinished work in this great society, in our beautiful town so deserving of our help and in our great free country which today needs loyal citizens to defend it against the ravages and threats of tyranny more than ever before in its history.

And let us proudly hold the banners of Turnerism aloft and continue, as our predecessors did, to exemplify its finest traditions.

May our noble and beloved Turn Verein, under God, enjoy many more returns of this happy birthday celebration. Let us all pledge ourselves anew to its great cause and to the cause of freedom and justice for all.

Statement by Hon. George McGovern, of South Dakota, in Regards to Senate Concurrent Resolution 3 and House Concurrent Resolution 160

EXTENSION OF REMARKS

OF

HON. LEE METCALF

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1957

Mr. METCALF. Mr. Speaker, our colleague, the gentleman from South Dakota [Mr. MCGOVERN], well stated the case for a point 4 program for the American Indians in his recent appearance before a subcommittee of the other body.

Mr. MCGOVERN and I are cosponsoring companion measures to Senate Concurrent Resolution 3, by the senior Senator from Montana, Senator MURRAY, to extend to the first Americans the same type of economic assistance that we have extended to the people of underdeveloped areas of other parts of the world.

Mr. MCGOVERN's concern for the welfare of our Indians—and for the communities which serve them—predates his election to the Congress. Therefore, it is not surprising that he has taken such an active interest in this important policy declaration. Mr. MCGOVERN's statement follows:

STATEMENT OF REPRESENTATIVE GEORGE MCGOVERN BEFORE SUBCOMMITTEE ON INDIAN AFFAIRS OF SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS RE SENATE CONCURRENT RESOLUTION 3 AND HOUSE CONCURRENT RESOLUTION 160, MAY 13, 1957

Mr. Chairman and members of the committee, I am very much pleased to have this opportunity to testify before you today in support of Senate Concurrent Resolution 3. I have a very special interest in this item of

legislation as I am the sponsor of a companion resolution, House Concurrent Resolution 160, in the House of Representatives, where it is also sponsored by the gentleman from Montana [Mr. METCALF].

I sponsored this resolution because of my deep concern over the status and conditions of the Indian people of my State. Anyone who has visited the Indian reservations of South Dakota will agree that there are few places in our country where people live in greater misery, in greater want of the basic necessities of human life. And what is most disturbing about their situation is that, with some localized exceptions, nothing truly constructive is being done to improve present-day conditions.

On the Indian reservations of the State of South Dakota, you find a population of more than 30,000, a population which is constantly growing, subsisting on what is far below a minimum living standard. The great economic advances of our Nation have passed these people by. And the gap between them and the rest of the country is constantly widening. It is essential that a sincere effort be made to close it.

For many years we have been appalled by the statistics on infant mortality, tuberculosis, mortality from infectious disease, and the short life span generally on Indian reservations. Recently, the Congress has given vigorous support to the efforts of the Public Health Service to improve Indian health conditions. But the service soon recognized that as long as Indians from early childhood on suffer from malnutrition, and live crowded into unhygienic shacks, the chances of success of any public health program are severely limited.

Malnutrition and poor housing conditions, in turn, are simply the result of extreme poverty. These factors also breed all the other social ills on Indian reservations, just as they do in other areas: crime, juvenile delinquency, and social disorganization. Beyond that, they lead to a general climate of disillusionment, hopelessness, and despair, which makes it extremely difficult for a younger generation to lead the Indian people toward a better future.

Let me make it clear that in describing present-day conditions on Indian reservations, I am not approaching this problem in a partisan manner. I would certainly hope that in dealing with the problems of human misery among Indians we can achieve bipartisan cooperation.

As my remarks so far have indicated, I believe that improvement of the economic status of Indians would help solve many ills which today beset them. But what I have seen in my State is that conditions instead of getting better, are rapidly deteriorating.

Living in an agricultural State, being dependent on agriculture, the Indians of South Dakota have, of course, suffered from the general decline in agricultural income in recent years. But they have suffered more than the rest of the population. If you ask a South Dakota Indian today as to what constitutes the most important problem on his reservation, he will tell you that it is land sales. When you ask him whether it is not true that these sales are voluntary, he will tell you that they are, but only in a technical sense, as it is sheer need which forces people to sell their land.

From my observations I find that most Indians who sell their land have not made a satisfactory adjustment to life off the reservation. They either stay on their reservation, becoming an even greater burden to the other members of the tribe, or move off to the Indian slum areas of our cities, which certainly does not constitute any visible improvement of their status.

In trying to tackle the problems of the Indians of South Dakota, the Bureau of Indian Affairs has placed great emphasis on its relocation program, which tries to place reservation Indians in industrial jobs in cities like Chicago. In many cases this program has undoubtedly succeeded. In cases in which it has failed, it was surely not for lack of sincere effort. But anyone who knows the Indian reservations and the Indian people of our State, knows that for a long time to come relocation cannot be the sole answer.

Something must be done for the Indians who stay on the reservations or who eke out a meager existence in the slums of our cities. It must be done in recognition of the fact that the Indian communities of the Dakotas are here to stay for some time to come, both because many Indians want it that way, and because there is no realistic alternative.

The resolution before you recognizes these basic facts. It lays down a policy under which we would extend to our own Indian people the same type of economic assistance that we have extended to the people of underdeveloped areas of other parts of the world. Isn't it almost self-evident that if the Indian people of Bolivia or Guatemala qualify for our economic and technical assistance, the Indian people of the United States, our own citizens, should have the same benefits?

By extending this assistance we would be discharging a moral debt to the first Americans. We would also be making a sound investment, for better economic conditions for Indians would not only reduce Indian health and welfare costs, but, by eliminating these pockets of squalor, would raise the economic level of entire areas, affecting non-Indians as well as Indians.

This resolution is by its very nature a mere policy declaration. It would necessarily have to be followed up by concrete actions of both the executive branch and the Congress. But I would hope that by passing this resolution, we can help inaugurate an era in which we can, for once, be proud of what we are doing for our Indian people.

Extravagant Hoover Commission Recommendations for Savings

EXTENSION OF REMARKS

OF

HON. CLARENCE CANNON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1957

Mr. CANNON. Mr. Speaker, under leave to extend remarks in the RECORD, I include reply to the letter of Chairman Clarence Francis, of the Citizens Committee for the Hoover Report, received May 16, 1957, as follows:

MAY 16, 1957.

Hon. CLARENCE CANNON,
Chairman, Committee on Appropriations, House of Representatives, Washington, D. C.

DEAR MR. CANNON: I am writing with reference to your remarks on the floor of the House on May 14, 1957. In your address you seriously questioned whether actual economies can result from the recommendations of the bipartisan Hoover Commission. The Citizens Committee has looked into this question with considerable care and would like to furnish you with the results of its study.

In this connection, our research department prepared the attached special research memorandum No. 11, entitled "Specific Examples of Savings, Capital Returns, and Increased Revenues Resulting From Reports and Recommendations of the Bipartisan First (1947–49) and Second (1953–55) Hoover Commissions." This study covers only a part of the total recommendations but it does document some $2.8 billion in savings. All of these figures are either taken directly from, or based upon, statements made by officials of the executive branch or by the Comptroller General of the United States.

With respect to the first Hoover Commission, the committee has looked into five specific areas of economy. The results of the survey indicated that economies in these five areas had resulted, as follows:

	Million
General Services Administration	$677.0
Veterans' Administration (cancellation of hospital beds)	545.0
Post Office Department (post and postal cards only)	72.0
Reconstruction Finance Corporation (abolition of)	474.4
Defense Department	569.5
Total	2,337.9

Additional results of the work of the first Hoover Commission would doubtless be found in other areas of Government but I think these figures are sufficient to make the point. Definite economies of substantial size are traceable to the first Hoover report through the statements of the agencies themselves.

With respect to the second Hoover Commission, the Citizens Committee has also made a study of some of the savings which so far can be attributed directly or indirectly to the Commission's findings. The results of this survey are as follows:

	Million
Treasury Department	$20.3
General Services Administration	131.7
Federal Housing Administration	.5
Interior Department	.6
Commerce Department	19.3
Veterans' Administration	13.6
Post Office Department	56.0
Health, Education, and Welfare Department	2.2
Defense Department (10 percent of total economies)	235.9
Total	480.1

Here we would like to point out that only 39 percent of the 314 recommendations of this second Commission have been installed in whole or in part. Many of them have been installed rather recently, so that considerable time must pass before results can become evident. An example is the legislation providing a cost-accounting system for the Federal Government. Installation alone will take several years.

May I emphasize that these figures cover only a part of the total Federal operation and that they are meant simply to illustrate the fact that substantial savings have been certified by responsible governmental agencies. To study completely the budgets of all departments and agencies over a span of 9 years would involve the task of compiling and comparing material on approximately 11,000 pages, with an average of at least 50 items per page, or more than 550,000 separate budget items. In our view, there are additional and very substantial savings which would be divulged by a more thorough study than that which we have been able to undertake.

In conclusion allow me to refer to the subject of appropriations on an annual accrued expenditure basis as provided in H. R. 2494 currently before the House. Varying estimates have been made as to the savings which might come to the taxpayer through this measure. We would like to point out that substantial economies might flow from a reduction in the so-called "carry-over" funds—that is, unspent funds available from appropriations in previous years.

These funds are today estimated to be in the neighborhood of $50 billion. As a most conservative estimate, a thorough scrutiny of such funds might lead to a reduction of only 1 percent—and this is a minimum. This alone would be $500 million per year. It is our feeling that the savings would be considerably more substantial.

Thank you very much for hearing our views on this matter.

Sincerely yours,

CLARENCE FRANCIS.

SPECIAL RESEARCH MEMORANDUM NO. 11, CITIZENS COMMITTEE FOR THE HOOVER REPORT—SPECIFIC EXAMPLES OF SAVINGS, CAPITAL RETURNS, AND INCREASED REVENUES RESULTING FROM REPORTS AND RECOMMENDATIONS OF THE BIPARTISAN FIRST (1947–49) AND SECOND (1953–55) HOOVER COMMISSIONS

Much current controversy centers around the record peacetime Federal budget of $71.8 billion for fiscal 1958. There is general agreement on the need for economy but widespread debate over specific cost-cutting proposals.

The question then arises: "Are substantial savings available through adoption of the recommendations of the bipartisan Hoover Commission?"

In the following pages, the Research Department of the Citizens Committee lists some examples of concrete economies, capital returns, and increased revenues clearly attributable to the work of the bipartisan first (1947–49) and second (1953–55) Hoover Commissions.

Four points should be noted:

1. This list traces $2.3 billion in aggregate economies to recommendations of the first Hoover Commission and $480.1 million to the second—a total of some $2.8 billion for both to date.

2. This is a partial list, intended only to illustrate broadly the principle that specific economies are available through adoption of Hoover Commission recommendations.

3. These examples are based almost entirely on official reports of the Federal departments and agencies concerned.

4. Most of the examples are based directly on Hoover Commission recommendations, but some are byproducts of the Commission's work, illustrating the ways in which a document like the Hoover report can stimulate economy-consciousness in governmental operations.

Five Congresses and two administrations have had a hand in the bipartisan effort through which some 72 percent of the proposals of the first Hoover Commission and, to date, 39 percent of the second have been adopted. The process of effectuation following adoption is often a long one and the results, when obscured by sudden developments such as the Korean action, are difficult to identify.

The fact remains that definite savings of a major nature, far greater than the totals shown by these examples, have been made. It may be reasonably concluded, therefore, that substantial additional economies remain available in the unenacted 61 percent of the second Commission's recommendations.

Attached are:

1. Appendix A (specific examples of savings, capital returns, and increased revenues resulting from the reports and recommendations of the bipartisan first (1947–49) Hoover Commission).

2. Appendix B (specific examples of savings, capital returns, and increased revenues resulting from the reports and recommendations of the bipartisan second (1953–55) Hoover Commission).

An examination of these two appendixes indicates the figures are almost entirely official statements of the Federal departments and agencies. In only two of the scores of specific figures here quoted has the Citizens Committee's Research Department posed its own estimate; and in these two cases, the estimates are premised upon official figures.

APPENDIX A

SPECIFIC EXAMPLES OF SAVINGS, CAPITAL RETURNS, AND INCREASED REVENUES RESULTING FROM THE REPORTS AND RECOMMENDATIONS OF THE BIPARTISAN FIRST (1947–49) HOOVER COMMISSION

The first Commission on Organization of the Executive Branch of the Government was created by unanimous act of Congress on July 7, 1947. The Commission was empowered to "study and investigate the present organization and methods of operation of all departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government."

The Commission divided up its total project of studying the executive branch into a series of major-purpose activities and functional problems. Twenty-four task forces were created. Some of these dealt primarily with Cabinet departments, while others centered on broader categories of interest. The task force reports were completed in the late summer and autumn of 1948; and the Commission reported to Congress during the first 6 months of 1949. Most of the reports had minority opinions and dissents, proving that the recommendations were not accepted without a good deal of examination.

In enumerating the savings, capital returns and increased revenues attributable to the first Hoover Commission, the Citizens Committee covers five major areas. They are: the General Services Administration, the Veterans' Administration, the Post Office Department, liquidation of the Reconstruction Finance Corporation, and the Department of Defense. These estimates are not all-encompassing of the whole area of savings effected by the first Hoover Commission. They are chosen merely to illustrate some of the financial benefits which demonstrably have resulted from the recommendations of the Commission.

1. THE GENERAL SERVICES ADMINISTRATION

It should be remembered that there would be no General Services Administration had it not been for a specific recommendation of the first Hoover Commission. In February 1949 the Commission recommended to Congress that responsibility for three internal service operations, Supply, Records Management, and the Operation and Maintenance of Public Buildings, be placed in an Office of General Services with a director appointed by the President (Report on Office of General Services—Supply Activities, Recommendation No. 1). The agency was created by the Federal Property and Administrative Services Act later in that year.

The agency's annual reports have stated economies, as follows:

Fiscal year and savings[1]

		Million
1951		$81.0
1952		127.3
1953		130.6
1954		147.6
1955:		
(a) Personal property	$168.7	
(b) Real property	14.6	
(c) Records	3.6	
(d) Administrative	3.6	
		190.5
Total		677.0

[1] Stated officially by Jess Larson and Edmund Mansure, the 1st 2 General Services Administration Administrators, and found in the GSA Annual Reports.

2. THE VETERANS' ADMINISTRATION

Cancellation of congressional authority to build 16,000 hospital beds for the Veterans' Administration was the biggest savings item in this field. (Report on Medical Activities, p. 6.) There are various methods by which nonrecurring or onetime savings like a hospital cancellation can be amortized. The Citizens Committee used a 5-year basis in making its estimates, believing that the normal patient load accretions would cause such construction to be authorized again toward the end of such period. However, good economic conditions, important reductions in the incidence of tuberculosis, new drugs and medical techniques, and a number of other factors have mostly deferred this construction program, perhaps indefinitely. Hence, while the committee's 5-year amortization estimate seemed a reasonable basis when the estimate was made, it may have been too short for this particular case.

The aggregate saving of $545 million is shown as follows:

Fiscal year and savings[1]

	Million
1951	$67
1952	97
1953	127
1954	127
1955	[2] 127
Total	545

[1] Bed construction amortized without interest factor over a 5-year period; operation and maintenance costs carried on an annual basis, starting in 1952, at ½ of full annual figure of $60,113,000; and at full figure thereafter.

[2] Construction cutback was fully amortized according to Citizens Committee basis by June 30, 1954, but annual operation and maintenance savings of $60,113,000 would continue thereafter.

3. THE POST OFFICE DEPARTMENT

The most notable achievement here was the increase in the price of penny post and postal cards from 1 cent to 2 cents. (Report on the Post Office, Recommendation No. 8.) Congressional action on this Hoover Commission proposal led to an average annual revenue increase of $7.4 million—$5 million in fiscal year 1952, and an aggregate total of $32 million thereafter on postal cards. The aggregate revenue thus added has been $37 million through fiscal 1956.

To this can be added revenues from increasing penny post cards from 1 to 2 cents, which are estimated by the Post Office Department to have returned another aggregate of $35 million. This is necessarily an estimate since the postal accounting system compounds these revenues into the normal sale of 1-cent stamps.

The total, thus, is $72 million.

The rate on postal cards and post cards had stood at 1 cent since May 13, 1873, except for a temporary 1-cent increase during World War I.

4. THE RECONSTRUCTION FINANCE CORPORATION

In its report to Congress on Federal business enterprises in March 1949, a task force of the first Hoover Commission recommended the liquidation of the Reconstruction Finance Corporation. The Commission itself recommended drastic cutbacks in lending, but did not recommend total liquidation. However, the combined efforts of these two groups resulted in its termination effective September 28, 1953.

For the most accurate description of the capital returns realized from the Reconstruction Finance Corporation in liquidation, a direct quotation is taken from the 1956 annual report of the Treasury Department:

"After giving effect to assets transferred to other Government agencies under the provisions of the RFC Liquidation Act and Reorganization Plan No. 2, of 1954, there remained for liquidation loans, securities, and commitments amounting to $592,200,000. By June 30, 1956, this portfolio had been reduced to $117,800,000. The total reduction of these assets was $474,400,000, of which $114,300,000 was accomplished during the year.

"The proceeds realized from liquidation of the Corporation's assets are returned to the Treasury. In the fiscal year 1956, there was paid into the Treasury from cash on hand and amounts realized during the year a total of $150 million."[1]

5. THE DEPARTMENT OF DEFENSE

The major segment of savings and budget reductions achieved from the original Hoover Commission fell within the Department of Defense, and these were most substantial. Some were annually recurring and some were nonrecurring, but, in the 1949–50 period, $569,675,000 of a total of over $1.5 billion saved in the Defense Department can be linked with Hoover Commission recommendations.

Due to the outbreak of hostilities in Korea, many of these Defense savings were immersed in the necessarily increased expenditures for war. Thus it is impossible to go beyond this point with regard to savings. Most savings effected by the Defense Department after the Korean war relate to the work of the second Hoover Commission and are dealt with later in appendix B of this memorandum.

The savings of $569,675,000 for 1949 and 1950 and stemming in whole or in part from the Commission and its task force are as follows:

	Savings[1] (million)
Lowered cost of recruiting program	$2.3
Lowered cost of printing and binding	2.3
Inactivation of administrative vehicles and substitution of civilian type vehicles for heavy military type vehicles	11.9
Inactivation of facilities surplus to peacetime needs	169.2
Lowered cost of petroleum reserves	.5
Lowered cost of classified project	2.1
Restrictions on civilian travel	.4
Bringing the rating structure of enlisted men into line with actual distribution and the structure plan for fiscal year 1951	9.9
Institution of the monetary maintenance allowance system in lieu of issue-in-kind	13.8
Curtailing and closely examining requirements for issuance of change of station travel orders	3.6
Lowered cost of quarters allowances for enlisted personnel resulting from adjustments in the rating structures	1.9
Early discharges, releases to CAD officers, and lower requirements for recruit outfits	9.5
Reduced requirement for operation of aircraft	5.0
Decrease in depot and base supply and maintenance	4.2
Lower fuel requirements from reduction in steaming hours of the active fleet and operation of a smaller fleet	2.6
Rescheduling and combining cargo shipments	7.9
Lowered operating expenses of ships other than fuel	3.0
Adjusting schedules for ship overhauls, reevaluation of scope of work required for individual ships, and accomplishment of increased self-maintenance by ships' crews	$10.0
Decrease in the total communications requirements for the Department of Defense including those resulting from the operation of AFSA	6.6
Reduced procurement of organizational clothing, motor transport spare parts, general supply items, signal supply items, and curtailment of repairs, upkeep, and improvements for Marine Corps	1.0
Lower level of support for courts-martial, chaplain supplies, miscellaneous schools, etc	.7
Curtailment of major repairs and replacements and general maintenance of naval facilities	7.6
Savings through consolidation of Reserve training facilities, joint use of facilities and inactivation of some smaller training vessels while at the same time extending the training schedules of some of the larger vessels which will accommodate greater numbers of Reserve personnel for training	13.5
Reevaluation of research and development projects	17.2
Cancellation of the quinquennial overhauls of reserve fleet vessels and reduced preservation and maintenance of other war reserves	13.5
Curtailment of information and education activities	.3
Employment of better traffic policies and procedures in the operation of a central Military Land Traffic Office	1.6
Reduction of leased space after consolidation of activities	.07
Reduction and unification of military attaché office staffs	1.4
Lower cost of planned field exercises	.5
Savings in maintenace and operation of hospital facilities	5.3
General appropriation reprograming by deferred maintenance, personnel reductions or turn-over, lower level of operation in order to absorb wage board and other pay increases	156.5
Flying hours reduced	57.7
Reevaluation of industrial mobilization	25.9
Total	569.5

[1] From Semiannual Report of the Secretary of Defense, July 1–December 31, 1949, pp. 53–55.

[1] Annual Report of the Secretary of the Treasury, for the fiscal year ended June 30, 1956, p. 138.

CONCLUSION

It will be noted that all the examples cited in appendix A, except those relating to the Veterans' Administration and the Post Office, are taken wholly from official reports and releases of executive branch departments and agencies, and, in those two cases, the estimates are based upon official figures.

These examples, to repeat, are simply intended to illustrate the point that concrete economies can be substantiated. They do not by any means represent the probable total of all such economies if all departments and agencies could have been included in this study.

The total of this partial list is itself impressive, however:

	Million
General Services Administration	$677.0
Veterans' Administration	545.0
Post Office Department	[1] 72.0
Reconstruction Finance Corporation	[2] 474.4
Department of Defense	569.5
Total	2,337.9

[1] Increased revenues.

[2] Capital returns.

APPENDIX B

SPECIFIC EXAMPLES OF SAVINGS, CAPITAL RETURNS, AND INCREASED REVENUES RESULTING FROM THE REPORTS AND RECOMMENDATIONS OF THE BIPARTISAN SECOND (1953–55) HOOVER COMMISSION

The second bipartisan Hoover Commission was created in cognizance of the need for continued study and improvement of Federal administration. The Brown-Ferguson Act (Public Law 108, 83d Cong., 1st sess.) provided for a second Commission on Organization of the Executive Branch of the Government. It was passed without a dissenting vote in either House. President Eisenhower signed the bill on July 10, 1953.

The new Hoover Commission was assigned the responsibility of recommending methods and procedures for: Reducing expenditures to the lowest amount consistent with efficient performance of activities; eliminating duplication of functions; consolidating services of a similar nature; abolishing those activities not necessary to efficient conduct of Government; eliminating those functions which compete unnecessarily with private enterprise; defining responsibilities of officials, and relocating independent agencies directly responsible to the President into departments or other agencies.

The major difference between the first Hoover Commission and the second lies in the fact that, while the first Commission was directed to concern itself with the procedural aspects of Federal administration, the second Commission was, in addition, instructed to go beyond this, to raise the substantive question of whether a given Federal activity should be continued or discontinued regardless of the efficiency or lack of efficiencies with which that activity was being administered.

The Citizens Committee estimates that $480.1 million has resulted in savings from the second Hoover Commission recommendations already put into effect. The figures listed in this appendix reflect those savings made during the year 1955 and thereafter, with a few from 1954.

The examples here cited are all taken from official reports. While most are directly attributable to the Commission's recommendations, some are byproducts, due in whole or in part to the stimulus of the Commission's proposals.

1. THE TREASURY DEPARTMENT

New management programs were installed as well as audit studies, evaluation of the revenue accounting system, operational cost reports, and workload statistics. These and other managerial information leading to savings resulted wholly or in part from the recommendations of the second Hoover Commission.

Total net space requirements were reduced. Programs were carried on to provide more suitable and efficient space and facilities. Related activities have been put under one roof to provide for more efficient operations. Much effort has been devoted to improving and modernizing accounting systems within the Department. In many Treasury activities new, modern equipment was installed.

The origin of these savings can be traced to the stimulus of Hoover Commission recommendations on central accounting and reporting, spread of workload, discontinuance of detailed appropriation and receipts accounts, and methods of recovery of capital sums to the Treasury. The savings for 1955 and 1956 are detailed as follows:

Fiscal year 1955[1]

	Million
Savings in cartage costs	$0.1
Reductions in export control operations	.1

[1] Annual report of the Secretary of the Treasury on the state of the finances for the fiscal year ended June 30, 1955.

Fiscal year 1955—Continued

	Million
Procedural and organizational realinements in the Bureau of the Public Debt	$0.4
Conversion of disbursing accounts	.2
Closing of four regional accounting and disbursing offices	.2
Installation of mechanical equipment in the Division of Disbursement	.2
New system for correspondence control	.6
New form of index card maintenance	.2
Reduction in supervision by Internal Revenue storekeepers	.4
Discontinuance of coinage operations at two offices	.4
Disposal of excess properties by the Coast Guard	.9
Transfer of three Coast Guard supply depots to the Navy	.2
Decommissioning of 10 Coast Guard vessels	1.6
Better utilization of personnel	.2
Overall reduction due to improved methods and procedures	4.6
General management improvement program in the Bureau of Accounts	.6
Reorganization improvements in the Bureau of the Mint	.6
Total	11.5

Fiscal year 1956: Improved management actions saved a total of $8 million—Annual recurring savings—$6 million [1]

Revised procedures for the examination of printed products in the Bureau of Engraving and Printing	$0.3
Revisions in taxpayer-assistance programs in Internal Revenue	2.8
Extended use of mechanical and electrical equipment	.1
Transfer of Coast Guard supply facilities to the Navy	.2
Disposal of one supply base	1.0
Transfer of 46 parcels of property to General Services Administration for disposal	.4
Disposal of surplus vessels by the Coast Guard	.2
Space and equipment utilization survey in the Bureau of Customs released space valued at and declaration of surplus equipment	.5 .1
Customs Bureau reductions in manpower, space, and equipment	.8
Management improvement program in the Division of Disbursement	.6
Savings on an annual basis (recurring) from the Management Improvement program	.6
Elimination of duplicate sets of records [2]	1.0
Reorganization of the Bureau of Accounts and the Savings Bond Division (recurring)	.2
Total	8.8

[1] Items 1 through 11 obtained from the annual report of the Secretary of the Treasury on the state of the finances for the fiscal year ended June 30, 1956.

[2] Accounting and Auditing Developments in the United States General Accounting Office—United States Government Printing Office, 1957.

2. THE GENERAL SERVICES ADMINISTRATION—FISCAL YEAR 1956

Many new savings factors have been introduced into the General Services Administration since the second Hoover Commission completed its work. An accrued cost system of accounts was established, and large reductions in paperwork resulted from the creation of a single fund for administrative operations. Expansion of electric accounting-machine operations brought about savings in several accounting processes throughout the administration. A performance-analysis system was installed to measure performance in terms of accomplishments and cost. Finally, the internal audit program was more clearly defined so as to emphasize the review of internal controls on an agencywide basis.

These improvements embrace the Hoover Commission recommendations for storage and distribution, paperwork management, procurement, property management, records management, stockpiling and warehousing, and surplus-property distribution within the General Services Administration. The record of savings for the General Services Administration in 1956 is listed below:

	Million
More efficient telecommunications service [1]	$1.0
Continued utilization of real property transfers	5.7
Records management surveys	4.3
Releasing of storage space	.7
Curtailed expenditures for new cabinets	2.3
Curtailed expenditures for transfer cases	.4
Transfer, instead of new procurement, of property	95.0
Repair and rehabilitation of equipment instead of new purchase	1.2
Improved audits and financial management	1.0
Reduction of motor vehicle fleet (recurring) [2]	20.0
Improved payroll procedures [3]	.1
Total	131.7

[1] Annual report of the Administrator of General Services for the year ending June 30, 1956 (items 1 through 9).

[2] GSA press release, February 17, 1956.

[3] 8th Annual Progress Report under the Joint Program To Improve Accounting in the Federal Government, 1956.

3. THE FEDERAL HOUSING ADMINISTRATION

The opportunity for administrative savings does not exist in as great a degree in the Federal Housing Administration as it does in other Departments or agencies.[1] However, management improvements for FHA in 1955 were responsible for savings of approximately $0.5 million.

It is as a result of recommendations of the first Hoover Commission that the Housing and Home Finance Agency embraces all Federal activities in the housing field except the Veterans' Administration and the Farmers' Home Administration. The Federal Housing Administration naturally falls within the scope of the Agency. Recommendations of the second Hoover Commission regarding the Federal Housing Administration are, for the most part, concerned with authority and studies of mortgage-loan insurance. These would be extremely hard to evaluate in terms of savings. General management improvements are most indicative of the savings made by the Federal Housing Administration and appear below.

Fiscal year 1955 [1]

	Million
Management improvements in Comptroller's Division—expected to effect annual savings in personal services of	$0.2
Records management economies	.2
Better use of space, and printing economies	.1
Total	.5

[1] Twenty-second annual report, Federal Housing Administrator, for year ending December 31, 1955.

4. DEPARTMENT OF THE INTERIOR

The Interior Department also participated in accounting reviews and cost-type budgeting. The Department also continued to examine internal functions in order to discontinue those activities which were in competition with private enterprise. This directly follows the recommendations of the second Hoover Commission. In addition, the Department proceeded to dispose of unneeded real property and to better organize field organizations. Much progress was made in records management and also in the area of general administration.

Evidence of the influence of Hoover Commission recommendations on business enterprises, paperwork management, and disposal of surplus property can be clearly seen in the savings shown here.

Fiscal year 1955 [1]

	Million
Decrease in volume of reclamation records	$0.1
Disposition of excess property, Bureau of Mines	.2
Total	.3

[1] 1955 Annual Report, Secretary of the Interior, Partnership in Resource Conservation and Development, for the fiscal year ended June 30, 1955.

Fiscal year 1956 [1]

	Million
Reduction in volume of stored records, releasing space and equipment worth approximately	$0.2
Transfer of surplus property to other agencies	.1
Total	.3

[1] 1956 Annual Report, Secretary of the Interior, the Conservation of Natural Resources, for fiscal year ended June 30, 1956.

5. THE DEPARTMENT OF COMMERCE

A modified accrual basis of accounting is also being used by the Commerce Department. The full benefit of this system is yet to be realized, but some economies have been made. The Department has also installed modern electronic machines which have greatly simplified paperwork management. Space transfers, reduction of inventories, new filing methods, consolidation of records space, and sale of surplus property have effected savings of more than $19 million. Again, these management improvements are in accord with recommendations of the second Hoover Commission. Those savings which can clearly be identified are set down as follows:

Fiscal year 1955

	Million
Transfer of space from Army to Panama Canal Company [1]	$0.8
Reduction of inventories of the Panama Canal Company [1]	3.0
Simplified methods and modern electronic aids in taking the 1954 business census [2]	4.0
Reorganization and clearance of filing systems [3]	0.2
New cost control study by the Maritime [3]	0.3
Elimination of paperwork in Bureau of Public Roads [3]	0.5
Reduction of records storage space [3]	1.5
Sale of the Inland Waterways Corporation [3]	9.0
Total	19.3

[1] Annual Report of the Comptroller General of United States, 1955, 84th Cong., 2d sess., H. Doc. No. 255.

[2] Commerce Department release, Apr. 8, 1956, G655.

[3] Contained in special report to Congressional committee.

6. THE VETERANS' ADMINISTRATION

Improvements in management and administration in the Veterans' Administration brought about significant results. Cost studies and new purchase practices were established, as well as control summaries and cost-type budget schedules. Procedural improvements in hospital administration were highly gratifying in light of the Hoover Commission recommendations. Progress was also made in the transfer and destruction of records and in the application of work simplification techniques.

The savings made by the Veterans' Administration clearly reflect the second Hoover Commission's recommendations applying to administrative procedure, medical supplies, storage operations, supply depots and distribution, and business-type services. The Veterans' Administration has adopted the Hoover Commission's principle that paperwork management places heavy proper emphasis on controlling the creation, maintenance, and use of records as well as storage and disposal. Achievements along these lines have been noteworthy, as may be seen by the savings figures:

Fiscal year 1955 [1]

	Million
Reduction in ratio of employees to patients in VA hospitals resulted in saving in salaries of approximately	$6.0
Cost studies in Department of Medicine and Surgery stimulated improved management at field stations	.7
Improved purchasing practices of items such as proprietary drugs and hearing aids	.4
More economical use of office space—release of excess space	.3
Redistribution of supplies	.2
Transfer of VA records to GSA Federal Records Center	.3
Disposal of unnecessary records	.2
Application of work simplification techniques	.2
Reduction of depot inventories within VA	.2
Transferring accounting functions of loan guaranty divisions to finance divisions in regional offices, resulting in elimination of approximately 65 positions	.4
Redistribution of excess personal property within the VA	2.1
Total	11.0

[1] Administrator of Veterans' Affairs—Annual Report, 1955.

Fiscal year 1956 [1]

	Million
Development of electric accounting procedures for loan accounting	$0.2
Procurement of thorazine at one depot with direct delivery to each station	.2
Microfilming of records eliminated annual expenditures for microphotographic equipment	.2
Transfer of adjustment and refund functions	.2
Release of filing equipment for other VA departments	.1
Reorganization of regional offices and transfer of work	.9
Consolidation of divisions at 10 VA hospitals	.5
Disposition and transfer of records	.2
Improved procedures and controls in supplies and services	.1
Total	2.6

[1] Administrator of Veterans' Affairs, annual report for fiscal year ending June 30, 1956.

7. POST OFFICE DEPARTMENT

The first Hoover Commission recommended improved accounting and budgeting procedures, and a comprehensive cost-control system for the Post Office Department. The new Hoover Commission emphasized real-property management and maintenance along with general reorganization of the Department. In following these recommendations the Postal Establishment has made substantial savings. Considerable progress has been made in modernization of controllership and management programs, conversion to punched card checks, the establishment of a reports management program, development of accurate measures of cost, improved classification of accounts, transportation procedures, and paperwork management. Savings stimulated in whole or in part by the Commission for the years 1955 and 1956 are as indicated.

Fiscal year 1955 [1]

	Million
Discontinuance of over 1,100 post offices	$1.5
Consolidation of 333 rural delivery routes with other rural routes	1.0
Change from advance authorization of space to "space used" agreements with railroads	10.0
Discontinuance of city distribution in 180 railway post offices	.4
Replacement of RPO service by closed pouch or star route service on 193 trains	4.0
Elimination of duplication in weighing magazines and newspapers	1.8
Total	18.7

[1] Annual report of the Postmaster General, fiscal year ending June 30, 1955.

Fiscal year 1956

	Million
Discontinuance of 813 post offices [1]	$1.1
Revised plant arrangement and mechanization of New York City west side terminal [1]	.8
Survey of all star routes in the southeastern States [1]	.2
Special agreements with rail and highway carriers for moving mail equipment [1]	.7
Modernization of financial and accounting practices [2]	20.0
New procedure for controlling overages from the sale of stamped envelopes [2]	.2
Discontinuance of city distribution for 120 cities in 200 RPO's [2]	.5
Discontinuance of RPO and closed pouch service on 900 trains [2]	8.0
Improved practices in dispatching and loading [2]	.1
Authorization of multielement rates and mileage equalization and 13 trunkline carriers [2]	5.1
Centralization of money order audit operation [2]	.5
Reduced printing costs through adoption of punch-card certificate form [3]	.1
Total	37.3

[1] Annual report of the Postmaster General, fiscal year 1956.

[2] Interim report, the Postmaster General to the President of the United States, September 30, 1956.

[3] Report on installation of industrial-type controllership, July 1, 1953, to June 30, 1956, Bureau of Finance, Post Office Department.

8. THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

This department, although relatively new, has made significant contributions in its measures of economy. Improvements have been made in accounting operations and general management procedures.

Fiscal years 1955 and 1956 (2-year totals) [1]

	Million
Freeing office equipment for reuse elsewhere in the Government	$0.7
Reduction in floorspace	.2
Reduction in motorized equipment	.2
Abolition of offices and divisions	.1

[1] Contained in special report to Congressional committee.

Fiscal years 1955 and 1956 (2-year totals)—Continued

	Million
Management improvements in Bureau of Old-Age and Survivors Insurance	$1.0
Total	2.2

9. THE DEPARTMENT OF DEFENSE

Two-thirds of the second Hoover Commission's recommendations apply to the Department of Defense. Improvements were underway in the Department even before the Commission completed its report; and, during the period the Commission was working, many were developed in cooperation with the Commission's task forces. Others have resulted directly from the recommendations of the Commission.[1]

Economies shown here are taken from official Defense Department reports and also from reports on the joint accounting program by the Comptroller General. While not all the economies listed can be directly attributed to the Hoover Commission, a substantial portion directly flows from the recommendations of both the first and second Commissions. It is here estimated—and most conservatively—that 10 percent of the total economies reported in the following pages can reasonably be attributed to the Commission's work. In fact, a logical case could be made for a far higher percentage. The total reported by the Department was $2,359 million, 10 percent of that is $235.9 million.[2]

Fiscal year 1955

During the fiscal year 1955, major emphasis was placed on improvements in supply management. In the field of standardization of stocks the beneficial effects of a new cataloging program were immediately evident. Standardization actions eliminated many items from military supply systems and developed common standards and specifications for commercial and military components. The Department estimated that savings from standardization of stocks in 1955 were $29 million.[4]

Similar improvements were made in the management of excess stocks. Increased efficiency was also achieved in the use of storage space. The introduction of uniform reporting systems made possible more cross-servicing in storage activities and the transfer of facilities from one department to another. An annual saving of $30 million resulted from the closing of 17 Army supply depots. When 6 of these depots were transferred to the Air Force, $16 million was saved in lieu of new construction costs. Improved transportation rate negotiations saved approximately $48 million.[5]

Work simplification is an integral part of the overall management improvement effort

[1] Also the FHA is essentially a self-supporting Federal agency.

[1] Action already taken on the second Commission's recommendations regarding food and clothing will eventually lead to substantial economy. This applies primarily to the "head count" on a service installation whereby the number of meals served is restricted to the number of personnel on that post. Food was ordered and meals prepared on the basis of an estimated total number of personnel. Because substantial percentages of the estimated total number were on leave, ill, or not present for a variety of reasons, this led to a great waste of food. The task force on food and clothing estimated that if this and other of its recommendations were fully implemented, a savings of $200 million a year would be possible.

[2] The use of the conservative 10-percent estimate also takes account of duplications (e. g.) as between reports of the Department and of the Comptroller General.

[4] Semi-annual report of the Secretary of Defense, January 1 to June 30, 1955, p. 42.

[5] Ibid., p. 43.

of the Army. The Defense Department estimated that a $13 million saving resulted from improvements installed by supervisors trained in this field.[8]

The Army financial management plan brought about many improvements in installation accounting and better use of stock inventories. Cutbacks in inventory levels have brought about the greatest monetary savings, according to Defense Department figures; $585 million in excess capital was relinquished in 1954 through reductions in stock, and $700 million in 1955.[7]

The Navy also contributed greatly to general economy and management improvements within the Department of Defense. Studies were made of the accounting features of cross-servicing and monetary accountability procedures. Audits of contractors' claims and other accounting and audit work brought about substantial savings. The Navy was able to save an estimated $123.5 million in the cost of materiel procurement.[9]

Air Force management underwent the same comprehensive study, and the Secretary of the Air Force estimated that $440 million was saved in contract costs resulting from improved audit procedures (this combines actual and potential reductions).[10]

Fiscal year 1956

The joint accounting improvement program carried on during the period January 1, 1956, to September 30, 1956, is illustrative of savings made in the Defense Department during that year. According to the Comptroller General of the United States, better management practices and financial improvements in the Department resulted in savings of $202 million.[11]

Improvements in inventory control resulted in the relocation of supplies and the saving of 250,000 square feet of space. It eliminated 187 different records for various financial inventory categories and brought about discontinuance of overlapping stocks of similar supply items. These measures reflected an estimated saving of approximately $133,000 per year. Method improvements based on a management study of in-transit warehouse procedures effected an estimated saving of $150,000. The indirect material inventory has been decreased by $381,000.[12]

Improved direct labor efficiency in the Department brought about a saving of $625,000.[13]

An internal review of inventory at the Long Beach Naval Shipyard resulted in a reduction of approximately $307,000 in ship stores insurance items. A ship stores inventory purification program at the San Francisco Naval Shipyard resulted in a reduction of approximately $386,000.[13]

At the Pearl Harbor Naval Shipyard, elimination of duplicate records and the abolition of 74 supply department positions through transfer of items saved $339,000.[14]

This joint program to improve accounting to which we refer, also highlights the internal audit program within the Department of Defense. It estimates that savings in the cost of Government procurement amounted to $166.4 million in fiscal year 1956.[15]

A navywide review of records, resulting in the elimination of duplicate records, saved an estimated $400,000. Reduction of stock-fund inventory at one naval activity amounted to $2.8 million as the result of an audit. At still another activity, disposition of excess stocks in the amount of $600,000 was instituted.[16]

CONCLUSION

As in dealing with the first Hoover Commission, it must be emphasized here that the departments and agencies used do not constitute the total areas of economies. While these figures are merely representative, they are perhaps the most illustrative ones obtainable.

Savings and financial returns are primarily limited to the years 1955 and 1956 because the second Hoover Commission's recommendations were mainly implemented in those years.

It is evident that savings in the Department of Defense constitute the greatest proportion of savings in the areas covered. This is valid because two-thirds of the second Hoover Commission's recommendations directly apply to the Defense Department.

The compilation of savings from recommendations of the second Hoover Commission and the corresponding departments and agencies is condensed as follows:

	Millions
Treasury	$20.3
General Services	131.7
Federal Housing	.5
Interior	.6
Commerce	19.3
Veterans	13.6
Post Office	56.0
Health, Education, and Welfare	2.2
Defense (at 10 percent)	235.9
Total	480.1

MAY 20, 1957.

Mr. CLARENCE FRANCIS,
Chairman, Citizens Committee for the Hoover Report, 777 14th Street, N. W., Washington 5, D. C.

DEAR MR. FRANCIS: Am glad to have your letter of May 16 concerning the Hoover Commission recommendations and my remarks on them in the House on Tuesday, May 14, 1957. Am especially glad to have a copy of the study made by your committee listing certain savings claimed to have resulted from the two series of Hoover Commission reports.

Permit me to correct you on one point. At no time have I said that no economy whatever can be expected to result from adoption of Commission recommendations. Certainly out of the multitude adopted, there will be some savings, somewhere, however small. Have at no time contended otherwise. So, you erroneously conclude when you state that I "seriously questioned whether actual economies can result from the recommendations of the bipartisan Hoover Commission". I have stated or inferred, or both, and offered support thereof, and now repeat that—

1. The second Hoover Commission pointedly failed to list specific estimates of savings.

2. Failing this, it prominently listed the bloated estimates of savings made by the various task forces, and then made the sweeping and unsupported statement that adoption of the recommendations would produce enough savings to balance the budget and reduce taxes.

3. These grossly exaggerated, unbelievably fantastic claims have been advertised and sold to the American people. The people have been sold a bill of goods by your Citizens Committee and others. This is unfair to them and to their representatives in the Congress. Furthermore, it is a disservice to whatever worthwhile suggestions the Commission may have made.

4. Thus misled, the people have been bombarding the Congress demanding adoption of all the Hoover Commission recommendations and thus save billions—the most oft-used figures are $5 or $5½ billions.

5. The Hoover Commission recommendations to the contrary notwithstanding, Federal expenditures have consistently increased since the first Commission reported in 1949. All recommendations adopted, so far as can authoritatively be determined, have had no appreciable effect in reduction of the budget.

6. Perhaps the most absurd claim of all is that billions can be saved merely by adopting the budget and accounting reforms, the key feature of which is the proposed change to the so-called accrued expenditure basis of making appropriations. The original claim of savings was advertised as $4,000,000,000.

Sound appropriating processes are so vital to protection of the people's tax funds, and the claim of savings attributed to the proposed changes therein are so utterly groundless, that the fallacy of this accrued expenditure proposition must be exposed. I consider it in the public interest to undertake to persuade you and the Citizens Committee to see the preposterous dimensions of both the claim of savings and the shortcomings of the proposal itself. You are of course aware of the genesis of the $4 billion estimate of savings. The task force merely expressed "belief" that such savings could "reasonably be expected". At your national conference here in Washington last February, the Commission chairman stated that "there are savings estimated at over $3 billions to be had" by adoption of the accrued expenditure technique. Basis for that estimate was not given.

This accrued expenditure idea was apparently conceived in ignorance of certain budgetary and legislative facts of life. Those who persist in stirring the people to agitate for its adoption have seemingly accepted without question the faulty premises on which the idea rests. The first premise is that the Congress has lost control of the purse strings by reason of existence of billions of unexpended appropriation carryover balances and that adoption of the accrued expenditure method would eliminate or at least drastically reduce such balances, thus recouping control of the purse. Every day the Committee on Appropriations receives letters, pamphlets, and bulletins from across the country so stating. But they are sadly in error—exactly 180 degrees off. This system, if adopted, would not result in any reduction whatsoever in carryover balances. What would happen would be a large reduction in "appropriation" balances and an equally large increase in contract authorization balances, with no change in total unexpended carryover balances. That is an indisputable fact—it simply cannot be successfully denied. And contract authorization balances are just as important as appropriation balances. A government obligation or contract can and would be just as valid under one as under the other and, furthermore, once granted would result in just as much eventual spending. So, the first premise is completely without substance. It is unnecessary here to discuss the question in detail, but there is no substance to the contention that control of the purse has been lost merely because of large carryover balances, or for that matter, lost at all. Congress has absolute power in its hands, right now, to appropriate or not appropriate, as it sees fit.

You state that "as a most conservative estimate, a thorough scrutiny of such funds (carryover balances) might lead to a reduction of only 1 percent—and this is a minimum. This alone would be $500 million per year. It is our feeling that the savings would be considerably more substantial". This statement unmistakably shows that

[8] Ibid., p. 130.
[9] Ibid., p. 132.
[10] Ibid., p. 207.
[11] Ibid., p. 270.
[12] The Eighth Annual Progress Report Under the Joint Program To Improve Accounting in the Federal Government, 1956, by the Comptroller General of the United States.
[13] Ibid., p. 40.
[14] The Eighth Annual Progress Report Under the Joint Program To Improve Accounting in the Federal Government, 1956, by the Comptroller General of the United States, p. 41.
[15] Ibid., p. 45.
[16] Ibid., p. 45.
[17] Ibid., p. 49.
[18] Ibid., p. 50.

you, like so many others, apparently do not fully understand present procedures. And unfortunately, it also shows that you make the mistake of indulging, as did the task force and others, in broad, unsupportable generalizations in this respect. You twice indicate that reduction of carryover balances "might" lead to savings—a minimum of $500 million, you say. You "feel" that the savings would be considerably more substantial. Mr. Hoover says over $3 billion in savings are to be had through adoption of the plan. Why do you say "might"—why not offer some specific evidence of the basis for whatever estimate you produce?

You suggest "thorough scrutiny" of carryover balances. The Hoover Commission and those who advocate its recommendations have led the people to believe that Congress does not now scrutinize these carryover funds when considering requests for additional appropriations, or at best gives inadequate attention to them. Nothing could be further from the truth. It is standard operating procedure of the Committee on Appropriations to do so. Carryover balances should of course be held to absolute minimum and so should new appropriations. It is amazing that anyone would suggest that a mere change in the way appropriations are now stated would somehow more or less automatically assure closer examination of carryover balances. They are examined now. If it be contended that such examination is sometimes inadequate, certainly it is somewhat naive to expect that a mere procedural change would impart closer scrutiny.

Possibly the worst feature of the plan is that it would mean automatic return to the use of contract authority, a procedure abandoned generally some years ago. The Committee on Appropriations found from hard experience that contract authority costs the taxpayers more money in the long run. It has a certain appeal, and that is its principal defect. Experience demonstrated time and again that a request for direct appropriation received more searching scrutiny than a request for contract authority. It was often easier to secure acceptance of what was frequently said to be "merely contract authority". But once granted it results in eventual expenditure just as much so as under the usual direct appropriation method. It is the more costly method and for that reason, not only would the accrued expenditure idea not save $4 billion, or $3 billion, or $500 million, it would not save a single dollar. The Director of the Budget, Mr. Brundage, went so far as to say he always carefully avoided any mention of savings. When pressed to elaborate, he said he "felt satisfied" that the plan would save "several million dollars". It not only would not save money, past experience with contract authority suggests beyond reasonable doubt that it would actually cost money. Assume you are aware that just two months ago the Committee on Appropriations approved a report of a special subcommittee appointed to study the proposition because it so importantly concerns the business of the Committee. The Members of that subcommittee are experienced in legislative matters. They know something about the business of appropriating. They concluded that the idea "has disadvantages and offers no improvement".

The propaganda campaign to pressure the Congress into enacting the second Hoover Commission reports is strikingly similar to the one following the first Commission reports several years ago. That became so confused and ridiculous that, as you doubtless know, the Senate Committee on Government Operations issued a report in January 1953, reviewing the situation. The committee, the report stated, was "unable to find any sound basis for the unsubstantiated estimates of savings claimed by some of the proponents".

Have not had time to fully evaluate the many pages of detailed savings included with your letter, totaling $2,337.9 millions for the first Commission and $480.1 millions for the second Commission. They are described as being "clearly attributable" to the work of the two Commissions. First inspection of the lists, however, discloses some amazing items. For example:

1. Lower fuel requirements from reduction in steaming hours of the active fleet and operation of a smaller fleet. Claimed savings, $2.6 millions.

2. Flying hours reduced. Claimed savings, $57.7 millions.

This is the first knowledge at hand that steaming and flying hours or size of the fleet of the Navy was ever influenced by the Hoover Commission.

3. Lowered cost of classified project. Claimed savings, $2.1 millions.

Did the Commission in fact secure this saving?

4. General appropriation reprogramming by deferred maintenance, personnel reductions or turnover, lower level of operation in order to absorb wage board and other pay increases. (Defense Department) Claimed savings, $156.5 millions.

Is it a certainty that the Hoover Commission secured this item?

There are many others in the lists. You submit no conclusive evidence on which they can be accepted as a whole at face value.

The proposition at issue, however, is the recommendations of the Second Commission. On these you fail to substantiate the exaggerated claims of savings being made in their behalf. That is the issue.

Sincerely,

CLARENCE CANNON,
Chairman.

SENATE

THURSDAY, MAY 23, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of all grace, we turn to Thee for refuge from the noise and hurry of the world about us. Help us, being in it, not to be of it. May we fear only to be disloyal to the best we know, to betray those who love and trust us, and to disappoint Thy expectations concerning us. In a world where we see the dreadful penalties of selfish human separations, in this anguished generation we would dedicate ourselves as builders of bridges across all the dividing gulfs which mar and rend this divided earth.

Help us this new day to meet its joys with gratitude, its difficulties with fortitude, its duties with fidelity. Deliver us from petty irritations and resentments which dim the far look. Bring us to the ending of the day unashamed and with a quiet mind. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Wednesday, May 22, 1957, was approved, and its reading was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 6871) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ROONEY, Mr. PRESTON, Mr. SIKES, Mr. MAGNUSON, Mr. CANNON, Mr. COUDERT, Mr. BOW, Mr. CLEVENGER, and Mr. TABER were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2. An act to authorize the State of Illinois and the Metropolitan Sanitary District of Greater Chicago, under the direction of the Secretary of the Army to test, on a 3-year basis, the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway, and for other purposes; and

H. R. 7599. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1958, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 1400. An act for the relief of Mitsuko A. Hachita;

H. R. 1983. An act to provide for the conveyance of the reversionary interest of the United States in certain lands to the Clint Independent School District and the Fabens Independent School District in the State of Texas, or to either of them, and for other purposes;

H. R. 2018. An act to permit any State of the United States or any political subdivision of any such State to purchase from the District of Columbia Reformatory at Lorton, Va., gun mountings and carriages for guns for use at historic sites and for museum display purposes;

H. R. 2781. An act to amend the act entitled "An act to authorize the Secretary of the Navy to enlarge existing water supply facilities for the San Diego, Calif., area in order to insure the existence of an adequate water supply for naval installations, and defense production plants in such area," approved October 11, 1951;

H. R. 2797. An act to amend title 10, United States Code, to authorize the Secretary of a military department to furnish stevedoring and terminal services and facilities to commercial steamship companies, and for other purposes;

H. R. 4285. An act to authorize the sale of degaussing equipment by the Department of the Navy to the owners or operators of privately owned merchant ships of United States registry;

H. R. 5832. An act to increase the retired annuities of the civilian members of the teaching staffs of the United States Naval Academy and the United States Naval Postgraduate School; and

H. R. 6454. An act to amend the act for the retirement of public schoolteachers in the District of Columbia, and for other purposes.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H. R. 2. An act to authorize the State of Illinois and the Metropolitan Sanitary District of Greater Chicago, under the direction of the Secretary of the Army to test, on a 3-year basis, the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway, and for other purposes; to the Committee on Public Works.

H. R. 7599. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1958, and for other purposes; to the Committee on Appropriations.

COMMITTEE SERVICE

On motion of Mr. KNOWLAND, and by unanimous consent, it was

Ordered, That the following be the members on the part of the minority of the Select Committee on Small Business:

Senator EDWARD J. THYE, of Minnesota.
Senator LEVERETT SALTONSTALL, of Massachusetts.
Senator ANDREW F. SCHOEPPEL, of Kansas.
Senator BARRY GOLDWATER, of Arizona.
Senator THOMAS H. KUCHEL, of California.
Senator JACOB K. JAVITS, of New York.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Internal Security Subcommittee of the Committee on the Judiciary was authorized to meet today during the session of the Senate.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, to act on the new reports on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report was submitted:

By Mr. GREEN, from the Committee on Foreign Relations:

Executive C, 85th Congress, 1st session. A protocol between the United States and Canada to the Convention of May 26, 1930, for the Protection, Preservation, and Extension of the Sockeye Salmon Fisheries in the Fraser River System; without amendment (Executive Rept. No. 2).

The VICE PRESIDENT. If there be no further reports of committees, the nominations on the calendar will be stated, beginning with the new reports.

UNITED NATIONS

The Chief Clerk read the nomination of Harold M. Randall, of Iowa, to be Representative of the United States of America to the 7th session of the Economic Commission for Latin America of the Economic and Social Council of the United Nations.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

PUBLIC HEALTH SERVICE

The Chief Clerk proceeded to read sundry nominations in the Public Health Service.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Public Health Service nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

DEPARTMENT OF THE NAVY

Mr. JOHNSON of Texas. Mr. President, it is my plan to ask the Senate, while it is in executive session, to proceed to consider the nomination of J. Sinclair Armstrong, of Illinois, to be an assistant Secretary of the Navy. However, inasmuch as certain Senators who are interested in the nomination are not available at this time, I shall ask the Senate to postpone until a later time the consideration of that nomination.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour, for the introduction of bills and the transaction of other routine business. In that connection, I ask unanimous consent that statements be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, when morning business is concluded, I plan to ask the Senate to proceed to the consideration of the nomination of J. Sinclair Armstrong, of Illinois, to be an Assistant Secretary of the Navy. I ask the attachés to notify Senators on both sides of the aisle.

PROPOSED APPROPRIATION OF AN ADDITIONAL SUM FOR COMPLETION OF INTER-AMERICAN HIGHWAY

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize appropriation of an additional sum required for completion of the Inter-American Highway, which, with the accompanying papers, was referred to the Committee on Public Works.

PETITION

The VICE PRESIDENT laid before the Senate a concurrent resolution of the Legislature of the State of Oklahoma, which was referred to the Committee on Finance, as follows:

Enrolled House Concurrent Resolution 538

A concurrent resolution memorializing the Congress of the United States of America to pass H. R. 358 without delay

To the Senate and House of Representatives of the United States in Congress assembled:

Whereas H. R. 358 is pending before the Congress of the United States to increase pensions to widows of veterans of the Spanish-American War; and

Whereas the passage of this measure is necessary to adjust such pensions in accordance with the increase of the cost of living: Now, therefore, be it

Resolved by the House of Representatives of the 26th Oklahoma Legislature (the honorable Senate concurring therein), That the Congress of the United States of America be, and it hereby is, requested to pass H. R. 358 without delay; and be it further

Resolved, That a duly certified copy of this resolution be sent to the Senate of the United States and one to the House of Representatives of the Congress of the United States, and a copy to all Members of the Oklahoma congressional delegation.

Adopted by the house of representatives the 25th day of April 1957.

B. E. HARKEY,
Speaker of the House of Representatives.

Adopted by the senate the 9th day of May 1957.

COWBOY PINK WILLIAMS,
President of the Senate.

REPORT OF A COMMITTEE

Mr. GREEN. Mr. President, from the Committee on Foreign Relations, I report an original resolution, extending to January 31, 1958, the authority of the Special Committee to Study the Foreign Aid Program, and I submit a report (No. 373) thereon.

The VICE PRESIDENT. The report will be received and the resolution will be placed on the calendar.

The resolution (S. Res. 141) was placed on the calendar, as follows:

Resolved, That Senate Resolution 35, agreed to January 30, 1957, is hereby amended by striking out June 30, 1957, wherever it appears therein, and inserting in lieu thereof, January 31, 1958.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSON of Texas (for Mr. HENNINGS):

S. 2148. A bill to amend section 3 of chapter 324 of the act of June 11, 1946 (60 Stat. 238) to clarify and protect the right of the public to information; and

S. 2149. A bill to authorize the Secretary of Health, Education, and Welfare to make grants from funds obtained under the Trading With the Enemy Act to assist the States and local communities to provide facilities for older persons including the surviving parents of veterans of World War II and the Korean conflict; to the Committee on the Judiciary.

(See the remarks of Mr. JOHNSON of Texas when he introduced the above bills, which appear under a separate heading.)

By Mr. JOHNSON of Texas (for Mr. HENNINGS and Mr. GREEN):

S. 2150. A bill to revise the Federal election laws, to prevent corrupt practices in Federal elections, and for other purposes; to the Committee on Rules and Administration.

(See the remarks of Mr. JOHNSON of Texas when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY:

S. 2151. A bill for the relief of Rosemarie Eggebraaten; to the Committee on the Judiciary.

By Mr. CASE of South Dakota:

S. 2152. A bill to provide for the acquisition of lands by the United States required for the reservoir created by the construction of Randall Dam on the Missouri River and for rehabilitation of the Indians of the Crow Creek Sioux Reservation, South Dakota, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BARRETT (by request):

S. J. Res. 97. Joint resolution to establish certain national policies for Federal water and power projects in accordance with the recommendations of the Commission on Organization of the Executive Branch of the Government; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. BARRETT when he introduced the above joint resolution, which appear under a separate heading.)

PRINTING OF ADDITIONAL COPIES OF HEARINGS ON S 963, CONTROL OF ADVERTISING ON INTERSTATE HIGHWAYS

Mr. CHAVEZ submitted the following resolution (S. Res. 139), which was referred to the Committee on Rules and Administration:

Resolved, That there be printed for the use of the Committee on Public Works of the United States Senate 800 additional copies of the hearings on Control of Advertising on Interstate Highways, Senate bill 963, held by that committee during the current session of Congress.

PRINTING OF ADDITIONAL COPIES OF SENATE REPORT NO. 130, 85TH CONGRESS, 1ST SESSION, ENTITLED "JUVENILE DELINQUENCY"

Mr. KEFAUVER submitted the following resolution (S. Res. 140), which was referred to the Committee on Rules and Administration:

Resolved, That there be printed for the use of the Committee on the Judiciary 3,000 additional copies of Senate Report No. 130, 85th Congress, 1st session, entitled "Juvenile Delinquency," with sundry footnotes.

EXTENSION OF AUTHORITY OF SPECIAL COMMITTEE TO STUDY THE FOREIGN AID PROGRAM

Mr. GREEN, from the Committee on Foreign Relations, reported an original resolution (S. Res. 141) extending to January 31, 1958, the authority of the Special Committee to Study the Foreign Aid Program, which was placed on the calendar.

(See the remarks of Mr. GREEN when he reported the above resolution, which appear under the heading "Report of a Committee.")

INTRODUCTION OF BILLS ON BEHALF OF SENATOR HENNINGS

Mr. JOHNSON of Texas. Mr. President, on behalf of the Senator from Missouri [Mr. HENNINGS], I introduce three bills.

Yesterday, I visited the Senator from Missouri, who is in Bethesda Naval Hospital, where he is undergoing treatment for gall stones. I announce for the benefit of his friends, that he is resting comfortably; and all of us hope he will return to the Senate in a few days.

I ask unanimous consent to have printed in the RECORD statements prepared by the Senator from Missouri, relating to each of the bills just introduced.

The VICE PRESIDENT. The bills will be received and appropriately referred; and, without objection, the statements will be printed in the RECORD.

The bills, introduced by Mr. JOHNSON of Texas (for Mr. HENNINGS) were received, read twice by their titles and referred, as indicated:

To the Committee on the Judiciary:

S. 2146. A bill to amend section 3 of chapter 324 of the act of June 11, 1946 (60 Stat. 238) to clarify and protect the right of the public information.

The statements accompanying Senate bill 2148 are as follows:

STATEMENT BY SENATOR HENNINGS

I introduce, for appropriate reference, a bill to amend 5 U. S. C. 1002, the public information section of the Administrative Procedure Act.

This bill may be considered a companion to S. 921, which I introduced earlier in this session. Both are the result of studies made by the Senate Judiciary Subcommittee on Constitutional Rights, of which I am chairman, and deal with the vital subject of freedom of information and opposition to unwarranted secrecy in Government.

S. 921 amends an old Federal "housekeeping" statute to make it clear that authorization for agency heads to keep official records "does not authorize withholding information from the public or limiting the availability of records to the public."

The bill I am introducing today seeks to restore the original intention of Congress to the pertinent section of the A. P. A., as I understand it to have been, namely, to insure that the public receives adequate information from administrative agencies concerning their activities and procedures, to the maximum extent consistent with necessary requirements for protection of the national defense and security.

Paradoxically, many agencies have been citing this law as grounds for refusing to make information available to the public. This trend can be reversed, apparently, only by statutory amendments which will clarify some unfortunate, loose terminology now found in the statute but not properly defined.

When the provisions of the bill I am introducing today were made public several weeks ago, Secretary of Defense Wilson issued a public statement that the bill "either ignores or seeks to repeal the constitutional separation of powers, which nearly 170 years of experience has demonstrated to be one of the keystones supporting our great form of government."

I do not care to become involved in a public quarrel with Mr. Wilson, but I cannot let his statement stand unchallenged. He is dead wrong in saying that this bill either ignores or seeks to repeal the constitutional separation of powers. The bill does neither.

As I stated at the time its provisions were first made public, this bill is an outgrowth of the work of the Constitutional Rights Committee during the past year dealing with freedom of information, and was drafted only after long and detailed study. Careful consideration was given to every aspect of the bill, including the respective rights of the people, the rights and powers of the executive departments affected, and the rights and powers of Congress. It neither ignores nor seeks to repeal the constitutional principle of the separation of powers.

Under the circumstances, it is very difficult to understand what prompted Mr. Wilson's remark. In fairness to him, I think he should be given the opportunity to explain in detail just what it is about the bill that bothers him. Accordingly, when the bill is referred for consideration to the Constitutional Rights Committee—as I expect it to be—I will make every effort, as chairman of that committee, to see that Mr. Wilson is one of the first persons invited to testify about the bill's merits or demerits.

I attach herewith a statement I have prepared on this bill and S. 921 to be printed in the RECORD as part of my remarks. The two bills, together with this explanatory statement, will be circulated among executive departments, commissions, boards, administrative agencies, and independent Government offices, for their official comments. I also intend to send the two bills to officers and representatives of news-gathering associations for any observations and suggestions they may care to offer. And, as I have previously announced, it is contemplated that the constitutional rights subcommittee will conduct public hearings in the general area of freedom of information.

STATEMENT BY SENATOR THOMAS C. HENNINGS, JR., ON PROPOSED AMENDMENTS TO TITLE 5, UNITED STATES CODE, SECTION 22 AND TITLE 5, UNITED STATES CODE, SECTION 1002

In recent years, there has been an increasing tendency in this country toward secrecy in the conduct of governmental affairs. The trend toward secrecy has become so pronounced, in fact, that for the past year the Senate Subcommittee on Constitutional Rights has been making a careful and detailed study of the extent to which restrictions on freedom of information may be infringing the constitutional rights of the people, and it plans to continue this study during the coming year.

The staff of the Subcommittee on Constitutional Rights has found many instances of what appear to be clearly unwarranted withholdings of information from both the public and Congress by various governmental departments and agencies. When the departments and agencies involved have been asked to show by what authority they justify such withholdings, they frequently have cited and attempted to rely upon section 22 and section 1002 of title 5 of the United States Code.

If we turn to section 22 and section 1002, however, and delve into their legislative history and the purposes for which they were enacted, we find that they were in no way intended to authorize many of the limitations on the availability of information for which they have been cited.

It is to eliminate, or at least sharply curtail, the unjustified citation of section 22 and section 1002 as authority for withholding information about public affairs that the following amendments to these sections have

been prepared. The effect of these amendments should be to force Federal officials to seek proper statutory warrant, or presidential directives of indisputable constitutionality, for their decisions to keep information from the public.

PROPOSED AMENDMENT TO TITLE 5, UNITED STATES CODE, SECTION 22 (S. 921)

Section 22 of title 5 of the United States Code now reads:

"SEC. 22. Departmental regulations

"The head of each department is authorized to prescribe regulations, not inconsistent with law, for the government of his Department, the conduct of its officers and clerks, the distribution and performance of its business, and the custody, use, and preservation of the records, papers, and property appertaining to it."

This section was enacted in 1789 and its language has remained unchanged since then. The language of the section is simple, and on its face its purpose is obvious. It is a mere housekeeping statute, authorizing department heads to make regulations regarding the internal, day-by-day operations of their departments, including the routine handling of records and papers and their preservation for historical and other reference purposes. Nothing is said about authority to withhold information from the public, and there is nothing in the legislative history of the section to show that Congress intended it to bestow such authority.

Despite the obviously limited purpose of section 22, it has been cited, as noted above, to justify withholding from the public, including the press and other interested persons, information pertaining to public affairs. To stop such misuse of section 22, I introduced in the Senate on January 29, 1957, S. 921, a bill which is pending now before the Subcommittee on Constitutional Rights.

S. 921 would amend section 22 to read as follows:

"SEC. 22. Departmental regulations

"The head of each department is authorized to prescribe regulations, not inconsistent with law, for the government of his department, the conduct of its officers and clerks, the distribution and performance of its business, and the custody, use, and preservation of the records, papers, and property appertaining to it. This section does not authorize withholding information from the public or limiting the availability of records to the public."

The addition of the proposed new sentence should restore section 22 to its original housekeeping function, and should prevent department and agency officials from reading into the language of the section a grant of authority to censor which was never intended. It will not interfere with the proper classification of military secrets nor will it jeopardize defense security in any way.

PROPOSED AMENDMENT TO TITLE 5, UNITED STATES CODE, SECTION 1002

Section 1002 of title of the United States Code presently reads:

"SEC. 1002. Publication of information, rules, opinions, orders, and public records

"Except to the extent that there is involved (1) any function of the United States requiring secrecy in the public interest or (2) any matter relating solely to the internal management of an agency—

"(a) Every agency shall separately state and currently publish in the Federal Register (1) descriptions of its central and field organization including delegations by the agency of final authority and the established places at which, and methods whereby, the public may secure information or make submittals or requests; (2) statements of the general course and method by which its functions are channeled and determined, including the nature and requirements of all formal or informal procedures available as well as forms and instructions as to the scope and contents of all papers, reports, or examinations; and (3) substantive rules adopted as authorized by law and statements of general policy or interpretations formulated and adopted by the agency for the guidance of the public, but not rules addressed to and served upon named persons in accordance with law. No person shall in any manner be required to resort to organization or procedure not so published.

"(b) Every agency shall publish or, in accordance with published rule, make available to public inspection all final opinions or orders in the adjudication of cases (except those required for good cause to be held confidential and not cited as precedents) and all rules.

"(c) Save as otherwise required by statute, matters of official record shall in accordance with published rule be made available to persons properly and directly concerned except information held confidential for good cause found."

This section, enacted June 11, 1946, is the public information section of the Administrative Procedure Act. Its legislative history shows clearly that Congress intended that the section should serve as a means of insuring that the public would receive adequate information from administrative agencies about their operations and procedures. As stated by the Senate Judiciary Committee in 1946:

"(Section 1002) was drawn upon the theory that administrative operations and procedures are public property which the general public * * * is entitled to know or have the ready means of knowing with definiteness and assurance" (S. Doc. 248, 79th Cong., 2d sess., 198).

It is ironic—but the studies of the Subcommittee on Constitutional Rights show that it is a fact—that this statute, "drawn upon the theory that administrative operations and procedures are public property which the general public is entitled to know," has frequently been invoked by administrative agencies as authority for denying information to the public.

Part of the explanation for this perversion of section 1002's original purpose seems to lie in the way the section presently reads. Some of its terms and phrases are vague and undefined, giving agency officials wide latitude in interpreting and applying them. Included among these terms and phrases are:

1. Any function * * * requiring secrecy in the public interest.
2. Any matter relating solely to the internal management of an agency.
3. Required for good cause to be held confidential.
4. Matters of official record.
5. Persons properly and directly concerned.
6. Information held confidential for good cause shown.

The amendments now proposed are aimed at tightening the language of section 1002 by replacing these loose terms and phrases with language of more definite meaning, and making it clear beyond any doubt that the basic purpose of the section is to insure the dissemination of the maximum amount of information reasonably possible.

Section 1002 as it is proposed to be amended would read as follows:

"SEC. 1002. Public information

"In order to provide adequate and effective information for the public—

"(a) Organization and forms: Every agency shall separately state and promptly file for publication in the Federal Register and the Code of Federal Regulations: (1) Descriptions of its central and field organizations, including delegations by the agency of final authority; (2) statements of the general course and method by which its functions are channeled and determined, including the nature and requirements of all formal or informal procedures available; (3) descriptions of all forms for public use and instructions related thereto including a statement of where and how such forms and instructions may be obtained; and (4) every reorganization, amendment, or revision of the foregoing.

"(b) Rules: Every agency shall separately state and promptly file for publication in the Federal Register and in the Code of Federal Regulations: (1) All procedural rules; (2) rules relating to the availability of information to the public; (3) all statements of general policy or interpretation formulated and adopted; (4) all other rules; and (5) every amendment, revision, or repeal of the foregoing.

"(c) Orders and opinions: Every agency shall promptly file its orders and opinions, or make them available to the public in accordance with a rule published in the Federal Register and the Code of Federal Regulations, stating where and how they may be obtained, copied, or examined. No order or opinion shall be valid or effective until it has been published or made available for public inspection.

"(d) Public records: Every agency shall promptly make available to the public, in accordance with a published rule stating where and how such records may be obtained, examined, or copied, all records, files, papers, and documents submitted to and received by the agency. Public records include, but are not limited to, all applications, petitions, pleadings, requests, claims, communications, reports, or other papers, and all records and actions by the agency thereon, except as the agency by published rule finds that withholding is required by subsection (f) hereof. Every individual vote and official act of an agency shall be entered of record and made available to the public.

"(e) Effect of failure to publish: No rule, order, opinion, or public record shall be relied upon or cited by any agency against any person unless it has been duly published or made available to the public in accordance with this section. No person shall in any manner be required to resort to any organization or procedure not so published.

"(f) Exceptions: The provisions of this section shall not require disclosure of subject matter which is (1) specifically exempt from disclosure by statute, (2) required to be kept secret in the protection of the national security, or (3) of such a nature that disclosure would be a clearly unwarranted invasion of personal privacy; however, nothing in this section authorizes withholding of information or limiting availability of records to the public except as specifically stated in this subsection."

The proposed changes should go far to make of section 1002 the public information section it was originally intended to be.

S. 2149. A bill to authorize the Secretary of Health, Education, and Welfare to make grants from funds obtained under the Trading With the Enemy Act to assist the States and local communities to provide facilities for older persons including the surviving parents of veterans of World War II and the Korean conflict.

The statement accompanying Senate bill 2149 is as follows:

STATEMENT BY MR. HENNINGS

I introduce for appropriate reference a bill to authorize funds obtained from the Trading With the Enemy Act to assist the States and local communties in providing facilities for older persons.

First of all, I would like to say a few words about why I propose that these particular funds be used. I think that the time is long overdue for the question of the disposition of alien property to be completely settled. Congress has held innumerable and extensive hearings, the ground has been

covered and discussed to the point of exhaustion, and still very little action has been taken. Even today, we have a bill that will prevent further liquidation of seized enemy assets. I have signed the minority report to this bill, and one of my reasons for so doing is that I want no part of any additional delaying procedures. I also read in the papers that the Attorney General has indefinitely delayed his sale of the stock of General Analine, ostensibly because of the pendency of litigation affecting the properties. This certainly represents a departure from the Department's previous position that an early sale was extremely desirable.

Also, as a matter of principle, I am against return of the property to the Germans and Japanese. Such a giveaway would transfer to the United States taxpayers a burden that the defeated German and Japanese Governments agreed to bear. In addition—and this is an important point—this money would bestow an enormous windfall on a small number of leading German industrial firms which helped to build up the Nazi regime. We would also be violating agreements made with our allies. Moreover, there is no precedent in international law that would support the theory that the property should be returned. Consequently, I deeply believe that the property should stay in this country, and it is certainly going to do no one any good unless it is put to some use. I am convinced that—in addition to paying our own citizens for damages incurred during the war—we can divert some of these funds into a program that the whole country needs and wants and that will be of tangible benefit to everybody.

The program I propose is one to benefit our older citizens. First, I want to point out why I think our older citizens should be the ones to benefit from this money. Quite simply, of all the people in America today, I think that they are the ones who need help the most. Unquestionably, in this regard, the parents of veterans who died in the service of their country should be the first to benefit because they no longer have the help of their children upon whom they would normally depend. In addition, America has entered a new phase of its social development. Our rapidly increasing older population, together with lengthening life expectancy, have brought about many complex problems that we, as a nation, must solve.

There are many opportunities for older persons to make genuine and important contributions in their later years, and I am convinced that there is an increasing duty on the part of the Congress, the States, the communities, and the individual citizens to establish community services for those who need some assistance. We must give some kind of help to these older people, so that they may better employ the skills and resources that they have gained throughout their life. Lacking the stimulation of activity and human contacts, many of our older people are receding into premature tages of deterioration, and our hospitals, mental institutions, and old-age homes are strained to the breaking point.

To the extent we succeed in meeting the challenge of utilizing our older people's full capacities, we shall continue to build and make secure our Nation's strength. I am convinced that without some help, the growing numbers of old people will become a terrible social, medical, and financial burden to their children and to our total economy.

The money with which I propose to give this assistance is not coming out of the Federal budget. It is frozen money, which we obtained as a result of World War II. The money is in hand. It should be spent for a worthy purpose that would benefit the whole country.

My bill is designed to help the communities—on a 50-50 matching basis—in purchasing, building or remodeling, according to their own needs and desires, any combination of three kinds of facilities:

1. Community center which includes, insofar as possible, recreational, educational, and counseling programs.
2. A dormitory-like center for older people who do not need constant medical care, but cannot manage adequately for themselves.
3. Housing units with separate, complete apartments suitable for occupancy by one or two older persons.

Local rental agencies shall be authorized to rent and manage this property. The dormitory center shall be managed by the local community, or whomever the local community designates. Rental fees should not exceed the individual's reasonable ability to pay.

Studies undertaken by the Committee on the Aging in the Department of Health, Education, and Welfare, and by leading private authorities, give unequivocal proof that community centers are one of the major needs for older persons. Some communities have already established such centers and their success is almost phenomenal. Likewise, there is an undeniable need for homes for the older people who are feeble, but not sick. Currently, almost no help is provided for these persons. They do not belong in, or cannot afford, nursing homes, and yet they cannot manage for themselves. My proposal would give them the security of food and shelter and would save them from being candidates for expensive care in institutions. In regard to the housing units, practically every community that has surveyed the needs of its older people, places high priority on having adequate housing facilities. Of course, the problem of increasing the supply of housing for the aged is an essential element of the basic problem of increasing the general availability of housing. I hope that the money made available in my bill will stimulate public and private agencies in their overall planning.

There are 10 million older peope who do not have a regular employment income, and a majority of these are having trouble making ends meet. These people lack activity and human contact and, in many cases, are burdensome to themselves and the society around them. I know that my bill will help these people and will go a long way toward making them, once again, useful, productive, and happy members of this great democracy of ours.

By Mr. JOHNSON of Texas (for Mr. HENNINGS and Mr. GREEN):

To the Committee on Rules and Administration:

S. 2150. A bill to revise the Federal election laws, to prevent corrupt practices in Federal elections, and for other purposes.

The statement accompanying Senate bill 2150 is as follows:

STATEMENT BY SENATOR HENNINGS ON BEHALF OF HIMSELF AND THE SENATOR FROM RHODE ISLAND, MR. GREEN

I introduce, for appropriate reference, a new election bill.

At the beginning of the current session, on January 9, 1957, I introduced an election bill which was given the number S. 426. For this reason I wish to add a few words of explanation why I thought it necessary to introduce today a new legislative proposal.

Bill S. 426 is, with one exception, a restatement of the bill introduced by me on January 21, 1955—bill S. 636—and commonly referred to as the clean elections bill. Only in one point have I deviated from the scheme of my original bill. As title IV of S. 426 I have introduced amendments to section 315 of the Communications Act of 1934. My participation in the past election campaign has shown to me that the unrestricted provision for granting equal broadcast time to candidates represents an imposition on broadcasters and the public in that it opens radio and television to misuse by insignificant splinter parties, or even crackpots. It therefore appeared reasonable to me to adopt the remedial provisions of the bill sponsored during the last session by the distinguished majority and minority leaders.

Otherwise there is identity between S. 636 and S. 426. Both include a wide definition of the term "political committee," which subjects in Federal reporting provisions any such committee handling $100 or more for the purposes of election campaigns. Both bills define the term "election" as to include primaries which, as we know, in some States amount to elections, and which generally are an integral part of the Federal elective process.

In the majority of the States, seekers of Federal office can become candidates for election only by means of a primary vote. Identical also are the limitations on campaign spending and both bills provide for a strict system of reporting campaign contributions and expenditures so that the money aspect of elections should unfold itself as openly as possible before the American people.

It is our thought that these provisions would greatly improve the Federal election process. Clean elections must afford a reasonable chance to any candidate and any political party to present their cause to the voters in an adequate fashion. In our view, these ends can be achieved when provision is made for realistic limitations on campaign spending and full disclosure of the sources of campaign financing. None of the bills, however, which I introduced heretofore expressed the idea that clean elections can be established only by means of shackling the political freedom of our citizens. Both bills avoid petty paternalism and policelike supervision of citizens' activities in connection with Federal elections, as suggested in some recent legislative proposals.

The bill I have just introduced shares the spirit of its predecessors and, substantially, the wording. Yet it must be considered a new bill because of two new provisions which I wish to explain.

In former bills the activity of political committees was made dependent on the authorization of candidates they would like to support. No political committee was permitted to accept contributions or to make expenditures without such an authorization. According to the original scheme, this provision did not apply to political committees supporting candidates for President and Vice President as well as to political committees which are subdivisions of a party legally existing under State laws. And yet, in spite of these exceptions, doubts were raised in some quarters as to the constitutional validity of the authorization provision. It was said that the right to grant or to withhold authorization would constitute the candidate a censor of the political activities of his fellow citizens. It was thus argued that the provision would be a violation of the right of free speech and of the right of free assembly guaranteed by the first amendment to the Constitution.

With this position, I could not agree at the time and do not agree now. It is reasonable to draw a line between political freedom and the right to raise and spend funds in connection with the exercise of this freedom. It is indeed my own belief that while the First Amendment guarantees freedom of speech and freedom of assembly, it does not prevent Congress from regulating and licensing the operation of money raising and money spending where such use of funds may contribute to the distortion of the very freedom of speech and assembly.

In spite of this belief of mine, I have modified the authorization provision. I do not wish that it should stand in the way when we take action on the pending election bills. Under the new section 201 (a) the candidate is still responsible for the financial

operations of political committees authorized by him. Yet, the lack of such authorization does not prevent unauthorized political committees from accepting contributions and making expenditures for the benefit of the candidate. At the same time, the candidate is required to make public the names of political committees acting under his authorization and every political committee, in its turn, is required to state whether or not it acts with the authority of the candidate. In this manner, the authorization requirement acquires a political and moral emphasis instead of its original stress on financial responsibility. It forces the candidate to disclose to the prospective voters his political affiliations.

The second major modification incorporated in the new bill relates to the system of administration of the Election Act. The administration of the existing election laws exhibits considerably laxity of enforcement. The Clerk of the House of Representatives, who is at present entrusted with oversight in matters of elections, does not possess sufficient independence and authority. For this reason, the new bill charges the Comptroller General with the administration of the proposed Election Act (section 207 and passim).

I shall not dwell on the other new characteristics of the election bill just introduced. I shall just remark in passing that I have made the income-tax-deduction bill, S. 920, title V, of the new bill. This would provide for tax exemption on account of political contributions, in order to stimulate as many small givers as possible to participate in the financing of our election campaigns.

In concluding my brief remarks I would like to add with all emphasis and conviction at my disposal that we have delayed election reform for far too long. I say this though I am not an advocate of hasty legislative measures. I believe that time and common interest contribute valuable legislative ideas and proposals. I believe, however, that in regard to election reform, we have turned from seeking new ideas to mere restatement of well known evidence of abuses and corrupt practices. Instead of the effort of passing new election laws, we have recently devoted ourselves to the effort of technically perfecting the presentation of evidence. In these circumstances, delays are futile. It is time that words should cease and action be taken.

NATIONAL POLICIES FOR FEDERAL WATER AND POWER PROJECTS

Mr. BARRETT. Mr. President, by request, I introduce, for appropriate reference, a joint resolution to establish national policies for Federal water and power projects, which has been prepared after many months of detailed study by the Chamber of Commerce of the United States, through its highly specialized departments.

The Senate Committee on Interior and Insular Affairs, along with the Public Works Committee, will soon consider a report on Senate Resolution 281, which deals with the same subject matter, namely, the guides for evaluating and considering, with respect to the executive and legislative branches of the Government, proposals for the development of water resources.

I am certain that the joint resolution I am now introducing does not cover the complete problem which is constantly before the Congress in connection with water-resource projects, but I think it has a great deal of merit, and could be considered along with several other measures and proposed legislation in this field.

The VICE PRESIDENT. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 97) to establish certain national policies for Federal water and power projects in accordance with the recommendations of the Commission on Organization of the Executive Branch of the Government, introduced by Mr. BARRETT (by request), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

COMPACT BETWEEN STATE OF NEW YORK AND GOVERNMENT OF CANADA—ADDITIONAL SPONSOR OF SENATE JOINT RESOLUTION

Mr. IVES. Mr. President, on yesterday I introduced the joint resolution (S. J. Res. 95) granting the consent of Congress to an agreement or compact between the State of New York and the Government of Canada providing for the continued existence of the Buffalo and Fort Erie Public Bridge Authority, and for other purposes. The name of my very able colleague, the junior Senator from New York [Mr. JAVITS], was supposed to appear on the joint resolution as a co-sponsor, with me. However, inadvertently his name was omitted. Therefore, I ask unanimous consent that the name of the junior Senator from New York [Mr. JAVITS] be added as a co-sponsor of Senate Joint Resolution 95.

The VICE PRESIDENT. Without objection, it is so ordered.

NOTICE OF CONSIDERATION OF CERTAIN NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

Mr. GREEN. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today the nominations of 97 persons for appointment to the Foreign Service, and Consular and/or Diplomatic appointments for Foreign Service officers, staff officers, and Reserve officers.

Notice is given that these nominations will be eligible for consideration by the Committee on Foreign Relations at the expiration of 6 days in accordance with the committee rule.

THE FULBRIGHT SCHOLARSHIP PROGRAM

Mr. FULBRIGHT. Mr. President, Newsweek magazine in its forthcoming issue will carry an informative news article about the exchange of persons program which is supported by our Government.

Mr. President, in the press in recent days there has been considerable discussion of the action taken by the Senate on the United States Information Agency appropriation. On yesterday Mr. Marquis Childs complained, in his article, about that action.

I think the article in Newsweek is a very good answer to that complaint, and I recommend it to my colleagues as a very informative article on one of the important programs of the Government.

In my opinion, as between the overt propaganda of the USIA and the Exchange, the Exchange is the more effective. If we could divert funds from some of the less effective activities to USIA, I should have no objection to having that done.

I ask unanimous consent that the article from Newsweek be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FULBRIGHT PILGRIMS

At home and abroad, the Fulbright scholarship program has had its share of critics. But the most sacrosanct of its appraisers, the academic circles of Europe, seemed this week to have become nearly unanimous in praise of the program as it faced its second decade.

A candid observation by a biology professor at the 500-year-old Albert Ludwig University in Freiburg: "Since the Fulbrighters came in we've have to revise completely our notions about the peaks that the American educational system can achieve."

At the London School of Economics and Political Science, where more than 100 Fulbright scholars have studied, Dr. Ann Bohn said: "They are, almost without exception, first class. The program is one of the best things to come out of America in years."

One effect of the program in its first decade, according to Dr. John F. Mead, executive secretary of the West German Fulbright Commission, has been "gradually to give bearers of Fulbright scholarships a distinction not unlike that usually associated with the ultra-choice Rockefeller, Guggenheim, Ford, and even Rhodes scholarships."

Since the first Fulbright scholars went abroad in 1947, a total of 27,739 students, teachers, research scholars, lecturers, and technical specialists have received Fulbright help. Of these, more than 11,000 were Americans who received not only travel money but living expenses and scholarships. (Foreigners who come to America receive only travel grants from Fulbright funds.) By the end of June, next year's American scholars will have been chosen on the basis of character, interview, scholastic background, and type of study project.

Intangible values: Despite the enthusiasm felt abroad about the Fulbrighters, the program has not always had smooth sailing at home. The cost of the project, which was set up at the suggestion of Senator J. WILLIAM FULBRIGHT, Arkansas Democrat, is met by the sale of American surplus materiel left abroad after the Second World War. Since then, Congress has authorized supplementary funds. It is these supplementary funds, under congressional debate again last week, which have been the sore point. A year ago, FULBRIGHT himself felt the Republican administration "is completely wrong; in cutting this modest program. * * * The outlay is small, only $20 million per year, as compared to billions under the others." FULBRIGHT now feels that the program "hasn't remade the world, but it has a good prospect to in the long run. * * * The values of the program are intangible, like religion."

Quite tangible is the difficulty of American students in adjusting to the slower pace of European learning. Some, like Eunice M. Wood, 29, an ichthyologist with an M. A. from Mount Holyoke, feel frustrated by the fact that they cannot cram enough into the period abroad. Miss Wood, now working for a second year at the Laboratoire de Physiologie Générale in Paris, thinks that it would take me 4 to 5 years to finish my project here, but I could do it in 2 or 3 years in America.

In contrast, Warren Zimmerman, 22, a summa cum laude Yale graduate who is studying English history at King's College, Cambridge, says that "almost all conversation and leisure is subtly melded into the pursuit of ideas. The pace is easy, but then you have all those months before examinations to spread yourself and soak up the place."

Sam P. Lyon, 29, of Chicago, agrees: "All the Fulbrighters I've met seem to have a pretty well-conceived notion of where they are going." Lyon is now completing work at Ludwig Maximilian University in Munich for his dissertation on the Sovietization of Czechoslovakia. He differs from most of the 700 Fulbrighters in Europe in that he is married, has a 2-year-old daughter, and is older than most.

In Munich now, he finds the lectures excellent, well-prepared, full of information and profound thoughts, and presented in an atmosphere of intellectual alertness.

The millionaires: The thing which worries Lyon most is money, and this is a primary concern for many of the Fulbrighters. Europeans, the scholars say, still seem to think all Americans are millionaires and tend to take advantage of the scholars financially. Harriet Polt, 24, a San Francisco girl studying Austrian and American literature at the University of Vienna, discovered that she was paying the whole of her landlady's monthly gas bill—an item described on her bill as washing dishes in hot water.

Perhaps the most impressive effect of the Fulbright program is that a large part of the students return to the United States with a strong urge to become teachers. "This phenomenon," said Dr. Mead last week, "makes it likely 10 years from now, the majority of the top teaching positions, above all in the humanities and social sciences, might be filled with ex-Fulbrighters—all of whom have had at least a full year abroad in their specific field. This extended international outlook might bear tremendous importance to an entire generation to follow."

Mr. FULBRIGHT. Mr. President, in the early part of last October, the Institute of International Education held in New York a conference on the subject of the Arts and Exchange of Persons. The distinguished President of the Institute opened the conference with a statement; and the Director of the Worcester Art Museum, Francis Henry Taylor, formerly Director of the Metropolitan Museum, made an excellent statement entitled "European Curiosity About American Culture."

These statements are pertinent to our present consideration of the exchange program and the United States Information Agency, and I ask unanimous consent that they be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

THE ARTS AND EXCHANGE OF PERSONS

(Report of a conference on the Arts and Exchange of Persons held October 4 and 5, 1956, at the Institute of International Education, New York City)

Conference advisory council: Gilbert W. Chapman; Aaron Copland; Robert W. Dowling; A. Conger Goodyear; G. Lauder Greenway; Arthur A. Houghton, Jr.; David M. Keiser; Grayson Kirk; Lincoln Kirstein; Robert Lehman; Pierre Monteux; Mrs. John D. Rockefeller III; Theodore Roszak; Mrs. Henry Potter Russell; Mrs. George Hamlin Shaw; Edward M. M. Warburg.

PROGRAM

October 4, morning session: Chairman, Edward M. M. Warburg.

Addresses by Francis Henry Taylor and Senator J. WILLIAM FULBRIGHT.

Afternoon: Panel meetings.

October 5, morning session: Chairman, Kenneth Holland. Reports from the panel chairmen.

This conference was made possible by a grant from the New York foundation.

"BACKGROUND OF THE CONFERENCE

"(By Kenneth Holland, president, Institute of International Education)

"The Institute of International Education called this conference on the arts and exchange of persons to explore the role of the artist in interpreting the culture of his own country to others; to review the opportunities for exchanges in the creative arts; to identify the artistic fields and geographical areas needing attention; and to determine the most effective methods for international exchanges in the arts.

"We wanted to know how important foreign experience is to the creative artist, what the roles of government and of private agencies are in the exchange of artists, and how effective the exchange of artists is without provision for exchange of their works.

"For this purpose we invited creative artists, performing artists, representatives of foundations and organizations concerned with the arts, program administrators and cultural representatives of foreign governments to discuss these questions with us.

"We at the Institute, have always assumed that all programs of exchange of artists, whether at the student, trainee, or higher professional level, contribute to the enrichment of all cultures, to better understanding among people of all nations, and to the development and advancement of the individual's artistic career. Much has recently been said about the need to counteract the cultural propaganda offensive of the Soviet Union which stresses their cultural achievements and disparages those of the United States. While this is an important factor, there are more basic reasons underscoring the values of exchanges in the arts.

"In most parts of the world, cultural and spiritual life hold a predominant place in the life of the people. Their impressions of us are formed by what they believe to be our way of life and our cultural patterns. We have been pictured as a materialistic society, interested only in money and gadgets, and lacking in sensitivity. It is important that the rest of the world know and understand the cultural and spiritual life in the United States and since the arts transcend language barriers, national barriers and political barriers, they are in a strategic position to convey to other peoples the real values of American life.

"At the same time, the United States has much to gain from exchanges in the fields of the arts. In a speech before the International Council of the Museum of Modern Art on May 12, 1955, George F. Kennan made the following statement: '* * * however great the importance of international cultural exchange from the standpoint of our relations with other countries * * * this is not the main reason why we Americans have need for cultural contacts with other peoples at this time. The main reason lies rather in our own need as Americans for just this sort of enrichment of our national spirit. I'm persuaded that any really creative development * * * is intimately connected with international contact and is, in fact, unthinkable without it. To test the proof of that proposition, I think, you only have to glance at the roots of our own American culture and see how varied they are and from how many types of soil, both in time and in space, they spring. No such culture could ever have developed in isolation, and, what is more important to us today, I'm sure that no such culture can continue to retain its spiritual vigor if it is kept in isolation.'

"Since its formation in 1919, the Institute has promoted and administered a limited number of exchanges in the creative arts. From 1919 through 1955–56, more than 2,200 persons in the arts fields received grants for exchange study through the Institute. In the period from the academic year 1949–50 through the academic year 1955–56, approximately 1,100 American students in the arts studied abroad and approximately 550 foreign students in the arts studied in the United States (in both instances these figures refer only to art students holding grants administered by IIE).

"Programs in this field, however, were very small until 1946 when the Fulbright Act was passed by Congress. The largest and most significant of exchange programs in the arts has been the Fulbright program. Nearly 1,700 American and foreign art students have been awarded Fulbright grants to study abroad since 1948–49. In 1955–56, out of a total of 1,000 Fulbright awards in all fields to United States students, 152 were granted to young artists.

"Fewer in number, but no less significant, are the Buenos Aires Convention awards administered for the Department of State by IIE since 1953. The Convention for the Promotion of Inter-American Cultural Relations, known as the Buenos Aires Convention, was signed in 1936 and has since been ratified by 17 countries, including the United States. The objectives of this program are similar to those of the Fulbright. The Convention provides for the annual exchange of two graduate students of each of the participating countries. Painting, sculpture, music, and folk art may be studied in many of the participating countries. Currently, American students in Latin America on BAC fellowships include two painters, one in Haiti, the other in Peru. Two young painters who won awards in 1954–55 have just returned from Peru and Venezuela, and in the previous year the arts were represented by a student of theater in Costa Rica, and a student of contemporary Mexican drama in Mexico.

"In a letter published in the October 1956 News Bulletin of the IIE, the grantee now in Peru wrote: 'everywhere, people are drawn to the painter and when he is out sketching here, or wandering through museums, he is likely to be approached for conversation, and this sometimes leads to an invitation for dinner.' Of the Indians in the jungle he wrote:

"'They had no understanding of my drawings since the only drawing they know of is what they put on their own bodies, a linear pattern that conforms in part with the muscular contours. * * * These Indians and their surroundings will probably have the greatest influence on any work [although] it may be years before the effects of Peru (except for the subject matter) turn up in my work.'

"Awards given by foreign governments, foreign universities, private foundations and educational organizations are also administered by the Institute. Most of these awards do not cover the entire expenses of a year of foreign study, but in some cases it is possible for a scholarship winner to obtain a supplementary Fulbright grant to cover transportation. Students in the arts may apply for these awards, which are given by the Governments of Austria, Denmark, France, Italy, Mexico, the Netherlands and Sweden, and by universities, national societies and private organizations for study in Germany, Italy, and Spain. In Mexico, graduate students in architecture have the opportunity of being assigned as apprentices to leading architects of the country.

"The traffic, however, is not all one way. IIE is also responsible for introducing foreign artists into the United States, although the

number of those who come here is smaller than the number of American artists who go abroad under similar programs. Perhaps the members of this conference can tell us why relatively few foreign students apply for scholarships to study the arts in the United States. In 1953, for example, of 2,000 fellowships awarded through IIE to foreign nationals for study in this country, only 60 went to students of the fine arts.

"Under a grant from the Rockefeller Foundation in 1949, the Institute administered what it believes was the first large-scale planned program for the exchange of creative artists. This program brought 22 young artists from 10 European countries, Canada, and Mexico, in the fields of music, painting, sculpture, drama and writing. These young creative artists received scholarships for summer study and attended such centers as the Berkshire Music Center, the Boston Museum School, the Wellesley Summer Theater and the Harvard University Summer School.[1]

"In 1950, the program was renewed under a grant from the Rockefeller Foundation, and in 1952, the Institute again administered an international arts program under a grant from the Rockefeller and Ford foundations. In 1950, 19 young creative artists, and in 1952, 23 creative artists in the fields of painting, sculpture, theater, the dance, music, literature, and architecture came to the United States from Europe, Asia, Africa, and Latin American countries.

"A young Nigerian was able to take back to his country a knowledge of the silk-screen process of art reproduction; a New Zealand writer was tremendously interested in the possibilities of developing in the outlying communities of his own country the civic radio system which he found in Louisville, Ky.; a Japanese girl discovered basic ballet techniques and methods of choreography which she believed would enable her to translate classical Japanese folk gestures and expressions into modern ballet movements. American artists and art groups found much to interest them in the visitors, and one lasting result was the planning of a long-term exchange of architectural photographs between leading American and Japanese photographers to supplement the selection made available through the United States Information Service in Japan. Many of the visiting artists gave talks at a number of universities on some aspect of artistic development in their country.

"The visiting artists, who as intellectuals were fully aware of the propaganda purposes for which 'cultural congresses' and other such exchanges can be used, were impressed by the absence of any attempt to influence them toward a particular attitude or point of view. They recognized the absence of political overtones, of any effort to introduce political issues into discussion of the arts. They appreciated the program's emphasis on mutual problems in the arts, no matter what the country, and on the contribution of the individual artists to the cultural heritage of mankind. The following paragraph from the final report submitted by John Reece Cole, writer from New Zealand, stresses this point:

" 'The kind of experience that the international arts program affords the artists is almost unique. In a world that places so much emphasis on utility, on the scientist and the technician, it is rare to find such consideration given to the humane arts. It is probably rarer still to have the opportunity to travel, to attend an international gathering and to study in one's chosen field with complete personal freedom; freedom from chauvinistic flag waving, political manifestos, or approved lines in the arts. This is heartening indeed. I feel strongly that this particular aspect of the program will do more than anything to promote international understanding and good will.'

"We shall continue to encourage cultural exchange both by publicizing the need for further exchanges in the arts and by enabling the work of young artists to be seen and heard. We hope also to find, in cooperation with groups active in the arts and with interested individuals, new ways to improve and increase exchange of persons in these fields."

EUROPEAN CURIOSITY ABOUT AMERICAN CULTURE

(By Francis Henry Taylor, Director, the Worcester Art Museum)

"Not only have I had an opportunity in the last 2 years of going abroad in a much more leisurely fashion than I was ever able to do when I was at the Metropolitan Museum, but I have also had an opportunity to meet many kinds of groups in various places. I have, in that 2-year period, driven 6,000 miles through Europe, rather slowly, and I have spoken in 38 different European cities. I feel that I know something of the climate of opinion and the sense of curiosity which was latent in the discusisons I had about America and Europe.

"We are an unknown quality. There is virtually no American history taught in Europe, with the exception, I think, of 1 or 2 chairs at Oxford and Cambridge and at the University of London and possibly St. Andrews. On the Continent there is scarcely anything that we would call a chair of American history. Certainly, in France, until very recently, no such thing has existed except perhaps in the College de France. I remember, going back to my teaching experience in Chartres, how fascinated my pupils in the lycee were to learn even the most elementary things about this country, things that are so elementary to us that we never think of them.

"There is a time lapse, I believe, between the visual experience gained through motion pictures about the Western World and the literary experience which seems to underlie the foreigner's ideas about us. In other words, the elite are fairly conversant with the American novel, they know a little bit about American poetry and they are quite familiar with our gadgets, our iceboxes, our electric stoves, and automobiles. But they have no knowledge whatever of the things that make up our American atavism and our American historical climate.

"This is the experience of the average child who goes to the lycee at 8 or 9 and comes out a bachelor of arts at 19. He has heard of Christopher Columbus. He has heard rather nice things about the courage and virtue of the French missionaries in Canada in the 17th and 18th centuries. He has also done a certain lipservice to the memory of Lafayette. Then, because of fortuitous circumstances, as the author was very admirably translated into French, he knows the Leather Stocking Tales of James Fenimore Cooper almost by heart, and also because they were translated extremely well and are almost better in French than English, the short stories of Edgar Allen Poe. That brings us to the Civil War which, of course, was of no importance except that we thwarted the ambitions of Napoleon III in Mexico by the injunction of the Monroe Doctrine. Then there was a time lag in which some fortunes were made, not very properly, and imperialism finally reared its ugly head in the Spanish-American War.

"It is a pity, they say, that we didn't do quite what we should have in 1914 and 1918. And so it goes.

"There is very little real knowledge of American history or American life. Wherever I went, I talked chiefly about the background of American culture. It was the question period that was always the time I enjoyed the most and which brought out in the open this latent curiosity about us which is felt everywhere in Europe. Even in the most modest provincial circumstances the same curiosity existed that one encountered in the most sophisticated areas and the great capitals.

"I don't want to speak to you today about the techniques employed in the presentation of your own spheres of interest in the arts abroad. You know a great deal more about that than I do. But I would like to make a few observations.

"First and foremost, I think there has been too great a reluctance on the part of our professors, and I am speaking of people who go into the higher brackets of the Government exchanges rather than the students out of college, to go into the provincial cities abroad on exchange grants.

"This past winter I wanted to collect material for a book on the history of art in the 19th century. I wanted to see what the tycoons in the 19th century collected, so my wife and I took a car and visited the industrial cities of England, Ireland, and Wales. In Belfast and all through Lancashire and Derbyshire, we saw a tremendous poverty of knowledge about anything existing outside the immediate area, and particularly a skepticism about the various facets of the so-called American spiritual life.

"I want to touch upon the question of European's reaction to our American claims for life of the spirit in the United States. We have spent rather too much time in trying to teach our grandmothers how to suck eggs and they don't like it. Rightly or wrongly, they feel that practically the only one thing left to them of their native pride is their culture. We have pauperized them in virtually every other way. They find consolation in parading a certain inherited sophistication, if you want to call it that, or belief in their superior ability to understand the life of the mind.

"Of course, that is just nonsense. It is up to us to present the American life of the spirit in terms that justify our own belief in it. But I am afraid we are not doing it because we have not been giving them the things that go into the roots of American civilization. Nationally speaking, the roots of American civilization are now about as old as the roots of any of the nations of Europe. Yet I do not mean to imply by this that the 300 years of American history are comparable with the 1,000 years of development of France and Italy. I do mean, nevertheless, that the existing form of government and mode of operations is as old and conservative in this country as it is anywhere abroad. In fact, too often, rather more so.

"What the Europeans want to know is where do we have points in common in our past and how do they apply to the present. I think that we should place more emphasis than we do upon the background material of our Nation. For instance, one of the things that is most misunderstood in Europe is the American reaction to the concept of colonization. I found in talking with European audiences that when I explained to them that we too had had our colonial period but that it differed from the European in that our colonial expansion was between the Atlantic seaboard and the Pacific; and that we had gone through the same necessity to occupy new territories that they had, only there was space on the American continent for us to do it between the boundaries of our own Nation. Then they understood that we did have something in common, that we were not just being holier than thou on the question of colonialism.

"There are hundreds of similar things that can be stressed—the expansion of the West, the opening of the frontier. For instance, there was shown 3 or 4 years ago in Dallas a perfectly extraordinary exhibition called The Fabulous West. It was based primarily on the work of Professor Prescott at the University of Texas, who has done such impressive work in presenting the development of the civilization of the plains.

"All of those things are interesting to people abroad because they reflect in actuality the very things which they have read about in the American novel. Among the novels that are very much read, particularly in France, are the novels of Willa Cather. One of Ours, for example, is a book that means a good deal to them because, for the first time, they begin to understand that we have not got a static peasantry such as they have in Europe, that each generation promotes itself into a new and higher stratification of society.

"Those are the things that I think we should emphasize. We should, of course, continue to show exhibitions of our best artists, but we should also bear in mind that there is a fairly sophisticated group of artists in this country today who have acquired a great deal of internationalism and have virtually ceased being American.

"I found a tremendous interest, incidentally, in the ashcan school. In the first place, the phrase ashcan was something that was both romantic and completely incomprehensible to them. In our discussions, it led to comments on the city life of New York as it had developed since the 1890's. Again they saw these things in terms of their reading and they really wanted to know more.

"What I want to emphasize is this need for satisfying this deep-seated curiosity. The best way we can satisfy it is by sending to Europe people of sufficient maturity and breadth of experience who are willing not only to visit the capitals but who are willing to go out into the sticks. I can't claim any virtue for having done so. I had a motive. I wanted to go to the midlands for my own research. But I am very glad I did from other points of view.

"I know one of the things that is weighed in the balance is whether an applicant for a foreign study award is mature enough and competent enough in his craft to make the best of the year he gets abroad. I don't think, really, that at the student age level, competence or experience are matters of deep importance. The essential thing is to pick the right people to go abroad—those who will understand what they see and who will get a rich orientation about Europe. Then they will come home and create American sympathy for European culture. Since the Fulbright program is a two-way street, I think it is just as important for us to bring over alert, keen young minds from Europe who are going to take America as they see it and not as it has been handed to them by the propagandists in their own countries."

[1] At the end of the summer, the group met at Columbia University for a conference on world understanding through the arts. They evaluated their summer's experience, gave a theatrical performance and exhibited some of their paintings, sculpture and writings.

ANALYSIS OF UNOBLIGATED BALANCES AVAILABLE AT THE END OF FISCAL YEAR 1958

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter and analysis which I have received from the Director of the Bureau of the Budget, Percival Brundage, in response to a request I made of him for a breakdown of the unobligated balances as of June 30, 1957, which are to be a part of the 1958 budget.

There being no objection, the letter and analysis were ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., May 17, 1957.

Hon. LEVERETT SALTONSTALL,
United States Senate,
Washington, D. C.

MY DEAR SENATOR SALTONSTALL: In compliance with the request in a note you handed me in a Leaders' meeting a short time ago, there is attached a detailed analysis of unobligated balances estimated to be available at the end of the fiscal year 1958. This analysis supplies a complete breakdown of the data shown in table 7 of the 1958 budget.

The total unobligated balances of all kinds of authorizations are expected to amount to something over $25 billion as you suggested at the Leaders' meeting last week. In addition, of course, there will be obligated balances of some $45 billion which must be held to pay on delivery for goods and services already ordered. The most significant portion of the unobligated total from the standpoint of the annual budget is that for regular appropriations. They amount to about $9 billion, the figure I mentioned at the meeting. Of these appropriation balances $7.9 billion are in the Department of Defense and are made up of amounts in the major procurement accounts to cover commitments under long-term contracts which have not reached the legal obligation stage. Examples are funds to cover obligations for electronic and communications equipment to be placed on ships after delivery, initial spare parts, and funds for short lead time components which can be made available at the appropriate time in the production schedule. I believe we should continue to follow the sound procedure of fully funding the procurement of all items necessary for the full operation of such major things as airplanes, tanks, and ships when the initial appropriation is made. We would lose budgetary control of these programs if we adopted a policy of partial funding for such items.

The largest remaining part of the unobligated balances is expected to be in authorizations to expend from debt receipts. This would amount to about $12 billion. A large part of this is in the nature of standby authority to support Government guaranty and insurance programs of various kinds. For example, this total includes $3 billion which by law must be available on call of the Federal Deposit Insurance Corporation, $1,750 million to insure the liquidity of the Federal Home Loan Bank System, and $500 million for flood-indemnity operations. There is also included $2,540 million required by law to be available to the International Bank for Reconstruction and Development should the need arise. In addition to the $500 million for flood indemnity mentioned above, approximately $2.4 billion is in the Housing and Home Finance Agency to cover various commitments for which the Housing Agency will need authority but which will not have reached the stage of legal obligations.

Over $600 million is shown as balances of contract authorizations. Nearly all of this is for the Housing and Home Finance Agency and covers commitments of the same kind mentioned above.

There are expected to be over $3.5 billion remaining unobligated in revolving and management funds. About $2.2 billion of this is in the Department of Defense, and represents the unobligated portion of the capital of the various industrial and stock funds. Nearly $600 million is expected to be unobligated in the Federal Housing Administration fund which supports the various mortgage-guaranty operations of the Federal Housing Administration.

In considering all these balances it is well to note that about $15 billion, or 59 percent, of them are for purposes for which no new authority is being requested for 1958.

In preparing the 1958 budget we gave very careful consideration to the use of balances wherever possible in lieu of requesting new authority for 1958. The passage of time may uncover additional balances, however, I do not believe these will be large. Their use to reduce the amount of new obligational authority provided in 1958 would not affect budget expenditures for that year.

Sincerely yours,

PERCIVAL BRUNDAGE,
Director of the Bureau of the Budget.

Analysis of certain large unobligated balances in the 1958 budget document

[In millions]

Description	June 30, 1958	Remarks
BALANCES OF PRIOR AUTHORIZATIONS FOR EXPENDITURE		
Appropriations enacted or recommended:		
Independent offices:		
National Advisory Committee for Aeronautics: Construction and equipment.	$37	Total funding of long-term construction projects. New authority requested for modernization of and addition to existing research facilities.
Veterans' Administration: Hospital and domiciliary facilities.	99	Total funding of long-term construction projects. New authority requested for replacement or modernization of existing facilities and construction of new hospitals, etc.
Farm Credit Administration: Federal intermediate credit banks investment fund.	40	Available by law as a revolving fund for investment in capital stock of Federal intermediate credit banks. No new authority requested in 1958.
Department of Agriculture: Removal of surplus agricultural commodities.	175	Permanent appropriation permanently available for obligation; legal limit on unobligated balance is $300 million annually. New authority (30 percent of customs receipts) available for expanding foreign and domestic market outlets for farm commodities.
Department of Commerce:		
Establishment of air navigation facilities	63	Reserved to finance installation of equipment on order and anticipated for future delivery. New authority requested for modernization and buildup of air safety program.
Ship construction, maritime activities	17	Commitments under long-term contracts which at this time are not bona fide obligations, such as amounts held out for changes in the course of construction. New authority requested for ship construction-differential subsidies, research and development, and replacement of vessels (acquisition cost).

Analysis of certain large unobligated balances in the 1958 budget document—Continued

[In millions]

Description	June 30, 1958	Remarks
BALANCES OF PRIOR AUTHORIZATIONS FOR EXPENDITURE—con.		
Appropriations enacted or recommended—Continued		
Department of Defense—Military:		
Military construction, Army Reserve Forces	24	Contingent upon availability of State funds for construction of National Guard armories. New authority requested to provide training and storage facilities for National Guard and Army Reserves.
Procurement and production, Army	816	Commitments under long-term contracts which at this time are not bona fide obligations, such as electronic and communications equipment to be placed in ships after delivery by the manufacturer. Other examples are initial spare parts, and funds for short lead-time components which can be made available at the appropriate time in the production schedule. New authority requested to maintain the national security.
Research and development, Army	20	
Marine Corps procurement	141	
Aircraft and related procurement, Navy	1,619	
Shipbuilding and conversion, Navy	1,001	
Procurement of ordnance and ammunition, Navy	39	
Military construction, Naval Reserve forces	21	
Research and development, Navy	19	
Aircraft and related procurement, Air Force	3,624	
Procurement other than aircraft, Air Force	490	
Research and development, Air Force	60	
Military construction, Navy	30	Commitments under long-term contracts which at this time are not bona fide obligations, such as electronic and communications equipment to be placed in ships after delivery by the manufacturer. No new authority requested in 1958.
Department of Health, Education, and Welfare: Grants for hospital construction, Public Health.	86	Balance of 2-year appropriation available contingent upon approval of plans and specifications in long-term planning span. New authority requested to defray part of construction costs incurred by States and Territories.
Department of the Interior: Federal aid in wildlife restoration.	10	Contingent upon availability of State funds on a matching basis. Committed but not a bona fide obligation. New permanent authority (equal to tax revenue from firearm, shell and cartridge manufacture) for wildlife conservation projects and related costs.
District of Columbia: Loans for capital outlay	36	Unused loan authority for highway improvements and expansion and improvement of the water system. New authority requested for same purpose.
Other	78	
Total, balances of appropriations enacted or recommended	8,545	
Appropriations proposed for later transmission:		
Independent offices: Tennessee Valley Authority	20	Unused authority to borrow from the public to finance public works. New authority requested for an additional unit at an existing steam plant.
Housing and Home Finance Agency: Payment for flood indemnity operations.	40	Available for contingencies under the Federal Flood Insurance Act. New authority requested for subsidy contributions, payment for services rendered by private organizations, etc.
Department of Commerce: Area assistance	42	Unused corpus to be paid into revolving fund over 4-year period for assistance to areas of persistent and substantial unemployment.
Department of Defense—Military: Public works and other military programs.	529	See explanation for other DOD balances above.
Other	2	
Total, balances of appropriations proposed for later transmission.	633	
Grand total, balances of appropriations	9,178	
Authorizations to expend from debt receipts:		
Funds appropriated to the President:		
Expansion of defense production	355	Contingency reserve for changes in costs and other conditions of materials (purchase and resale program) extending as far as 1965. No new authority requested in 1958.
Investment in discharge of investment guaranty liabilities, Mutual Security Act.	12	Unused guaranty authority needed to maintain program on a going basis. No new authority requested in 1958.
Independent offices:		
Investment in Federal Deposit Insurance Corporation	3,000	Available for the insurance of individual bank deposits. No new authority requested in 1958.
Export-Import Bank of Washington fund	831	Unused borrowing authority. No new authority requested in 1958.
Investment in Federal Home Loan Bank Board	1,000	Available to insure the liquidity of the home loan bank system against economic downturns. No new authority requested in 1958.
Federal Savings and Loan Insurance Corporation	750	
Housing and Home Finance Agency:		
Investment in public facility loans	64	Uncommitted lending authority. No new authority requested in 1958.
Investment in urban renewal	443	Uncommitted authority to lend to local agencies. No new authority requested in 1958.
Investment in flood indemnity operations	500	Available to cover flood insurance losses. No new authority requested in 1958.
Loans for secondary market operations	98	Required to backstop or indirectly guarantee an estimated $800,000,000 outstanding debentures sold to the public. No new authority requested in 1958.
Low-rent public housing program fund	844	Primarily for temporary financing of construction of low-rent projects by local authorities. No new authority requested in 1958.
Department of Agriculture:		
Loans, Farmers' Home Administration	371	Unused balance of 5-year loan authorization. No new authority requested in 1958.
Commodity Credit Corporation fund	60	Uncommitted portion of long-term borrowing authority provided by CCC charter. No new debt authority requested in 1958.
Treasury Department:		
International Bank for Reconstruction and Development	2,540	Available to cover unpaid subscriptions in capital stock of the bank should the need arise. No new authority requested in 1958.
Investment in civil-defense program	246	Contingency reserve held for emergency lending. No new authority requested in 1958.
Other	17	
Total, balances of authorizations to expend from debt receipts.	11,131	
Authorizations to expend from debt receipts proposed for later transmission:		
Housing and Home Finance Agency:		
Investment in secondary market operations	$700	See above.
Investment in college housing loans	175	Commitments which are not bona fide obligations conditional upon submission of an acceptable full loan application. New authority requested to finance reservations of funds incurred in the program.
Investment in special assistance functions	45	Reserve for unforeseen contingencies. New authority requested to increase mortgage participation program.
Other	9	
Total, balances of authorizations to expend from debt receipts proposed for later transmission.	929	
BALANCES OF CONTRACT AUTHORIZATIONS		
Legislative branch: Acquisition of property, construction and equipment, additional House Office Building.	12	Unused portion of permanent or multiyear authorizations granted to enable completion of long-term projects. No new contract authority requested in 1958. Appropriation to liquidate requested in 1958.
Housing and Home Finance Agency: Capital grants for slum clearance and urban renewal.	295	Unused portion of permanent or multiyear authorizations granted to enable completion of long-term projects. No new contract authority requested in 1958.

Analysis of certain large unobligated balances in the 1958 budget document—Continued

[In millions]

Description	June 30, 1958	Remarks
BALANCES OF CONTRACT AUTHORIZATIONS—continued		
Department of Commerce:		
Grants-in-aid for airports	23	Unused portion of permanent or multiyear authorizations granted to enable completion of long-term projects. New contract authority granted in Federal Airport Act (Public Law 211, Aug. 3, 1955) through 1959. Appropriation to liquidate requested in 1958.
Forest highways	22	Unused portion of permanent or multiyear authorizations granted to enable completion of long-term projects. Multiyear authority granted in Federal-Aid Highway Act of 1956 for construction and maintenance at roads in or near national forests. Appropriation to liquidate requested in 1958.
Department of the Interior:		
Road construction and maintenance, Bureau of Indian Affairs.	12	Unused portion of permanent or multiyear authorizations granted to enable completion of long-term projects. Multiyear contract authority granted in Federal-Aid Highway Act of 1956 for construction and improvement of roads in Indian reservations. Appropriation to liquidate requested in 1958.
Construction (liquidation of contract authorization), National Park Service.	32	Unused portion of permanent or multiyear authorizations granted to enable completion of long-term projects. Multiyear contract authority granted in Federal-Aid Highway Act of 1956 for construction and improvement of roads in national parks.
Contract authorizations proposed for later transmission: Housing and Home Finance Agency: Capital grants for slum clearance and urban renewal.	250	Unused portion of permanent or multiyear authorizations granted to enable completion of long-term projects. New contract authority requested to permit orderly progress in program of fund reservations for local urban renewal projects.
Other	13	
Total, balances of contract authorizations	659	
BALANCES IN REVOLVING AND MANAGEMENT FUNDS		
Independent offices:		
Farm Credit Association:		
Production on Credit Association Investment fund	88	In order to assure an uninterrupted cycle of operations, revolving and management funds must maintain an unused balance minimum to their recurring requirements. No new authority requested in 1958.
Agricultural marketing revolving fund	44	
Federal Home Loan Bank Board: Federal Savings and Loan Insurance Corporation.	291	
Small Business Administration revolving fund	24	
Tennessee Valley Authority fund	35	In order to assure an uninterrupted cycle of operations, revolving and management funds must maintain an unused balance minimum to their recurring requirements. New authority requested to finance that portion of the agency's program not covered by carryover balances or receipts from operations.
Veterans' Administration:		In order to assure an uninterrupted cycle of operations, revolving and management funds must maintain an unused balance minimum to their recurring requirements. No new authority requested in 1958.
Direct loans to veterans and reserves	41	
Veterans' special term insurance fund	51	
Housing and Home Finance Agency.		
Management and liquidating functions fund	30	In order to assure an uninterrupted cycle of operations, revolving and management funds must maintain an unused balance minimum to their recurring requirements. No new authority requested in 1958.
Federal Housing Administration fund	555	
Department of Agriculture:		
Federal Crop Insurance Corporation fund	19	
Disaster loans, etc., revolving fund	50	
Department of Commerce: Vessel operations revolving fund	34	
Department of Defense—Military:		
Army industrial fund	209	
Army stock fund	585	
Marine Corps stock fund	59	
Navy industrial fund	732	
Navy management fund	10	
Navy stock fund	115	
Air Force industrial fund	106	
Air Force stock fund	256	
Department of Defense—Civil: Emergency fund, Panama Canal Company.	10	In order to assure an uninterrupted cycle of operations, revolving and management funds must maintain an unused balance minimum to their recurring requirements. Contingency fund for emergencies. No new authority requested in 1958.
Other	51	
Total, balances in revolving and management funds	3,543	
Grand total	25,439	

The VICE PRESIDENT. Is there further morning business?

CALL OF THE ROLL

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Church	Hickenlooper
Anderson	Clark	Hill
Barrett	Cooper	Holland
Beall	Cotton	Hruska
Bennett	Curtis	Humphrey
Bricker	Dirksen	Ives
Bridges	Douglas	Jackson
Bush	Dworshak	Johnson, Tex.
Butler	Eastland	Johnston, S. C.
Byrd	Ellender	Kefauver
Capehart	Ervin	Kennedy
Carlson	Flanders	Kerr
Carroll	Fulbright	Knowland
Case, N. J.	Gore	Lausche
Case, S. Dak.	Green	Long
Chavez	Hayden	Magnuson
Malone	O'Mahoney	Smith, Maine
Mansfield	Pastore	Smith, N. J.
Martin, Iowa	Purtell	Stennis
Martin, Pa.	Revercomb	Symington
McNamara	Robertson	Thurmond
Monroney	Russell	Thye
Morse	Saltonstall	Wiley
Morton	Schoeppel	Williams
Mundt	Scott	Yarborough
Neuberger	Smathers	Young

Mr. MANSFIELD. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from Delaware [Mr. FREAR], the Senator from Missouri [Mr. HENNINGS], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

The Senator from Georgia [Mr. TALMADGE] is absent by leave of the Senate attending the Inter-American Trade Conference in Rio de Janeiro, Brazil, as a representative of the Senate Agriculture Committee.

Mr. DIRKSEN. I announce that the Senator from Colorado [Mr. ALLOTT] is absent on official business.

The Senator from Arizona [Mr. GOLDWATER], the Senator from New York [Mr. JAVITS], the Senator from California [Mr. KUCHEL], the Senator from Michigan [Mr. POTTER], and the Senator from Utah [Mr. WATKINS] are necessarily absent.

The Senator from Indiana [Mr. JENNER], the Senator from North Dakota [Mr. LANGER], and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The PRESIDING OFFICER (Mr. SCOTT in the chair). A quorum is present.

PROPOSED ANTARCTIC COMMISSION

Mr. WILEY. Mr. President, I am pleased to confirm a statement I have heretofore made regarding a proposal

which I have already discussed with a good many of my colleagues.

It is my intention late next week to introduce a bill to establish an Antarctic Commission.

This bill for the first time will establish a coordinated American policy and program to assure fullest protection of the national interests of the United States in the Antarctic.

Such an Antarctic Commission represents the great dream of one of America's finest servants who has now unfortunately passed on—the late Rear Adm. Richard E. Byrd. Admiral Byrd had worked on the plans for this proposed legislation for a long period of time. He realized, as did many of the coworkers, that America's experience with the Antarctic has been fragmentary, irregular, uncoordinated, and haphazard.

America's explorers in the Antarctic have performed magnificently, as they are now performing. But we as a nation have lacked an effective follow through.

We have allowed Antarctic responsibilities to be splintered among various Federal agencies, none of whom has ever come up with a systematic program to protect the interests of our flag in that region.

So I desire today to issue a warm invitation to my colleagues, with many of whom I have communicated by letter and in person, that they join with me in cosponsoring the bill I propose to introduce. It will be known, appropriately enough, as the Byrd Antarctic Commission bill.

At the time I introduce this bill I will present the full story of the case for it.

For the present, however, as a ready reference to my colleagues, I ask unanimous consent that a very brief memorandum on this subject be printed at this point in the body of the CONGRESSIONAL RECORD.

I may say that any of my colleagues who wish to analyze this proposed bill in detail are warmly invited to communicate with my office so that the draft copy can be made available to them.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

WHY THE BILL FOR THE BYRD ANTARCTIC COMMISSION IS ESSENTIAL

This new body, to be known as the Byrd Antarctic Commission, will, for the first time, assure that the United States protects its long-range strategic interests in the Antarctic—military, territorial, commercial aviation, scientific, and mineralogical.

The Commission will assure an end to the appalling waste which has occurred, because our Government has failed to compile and utilize even a fraction of the mountains of findings of the various past expeditions.

The Byrd expeditions of 1928–30, 1933–35, 1939–41, and 1947–48 were magnificent feats.

But never have we, as a nation, had effective followthrough. We have not had the coordination of all the many Federal agencies' interests which, Admiral Byrd and other pioneers always felt, was desperately needed. Ours has been an on-again, off-again national interest—in spurts. It has not been a steady, consistent, evolving national program, designed to make sure that America capitalized fully on the Antarctic.

Now, the Russian threat, and other nations' extensive territorial claims there, make it imperative that we get on the beam and stay on the beam permanently.

Post-IGY: The International Geophysical Year, to which we are now contributing, ends in December 1958. After that, we should not simply "close up shop" in the Antarctic, i. e., close up our bases and go home. Instead, we should keep many of the bases open—which would be at comparatively minor cost—and then follow through on our own intensive United States program there.

Organization: And so, the proposed bill would establish the Byrd Antarctic Commission in the executive branch. The Commission would be an independent agency. It would have a 12-man expert advisory council, a Director and Deputy Directors, all of whom would be appointed by the President, with the advice and consent of the Senate. There would be a small administrative staff, as well.

Purposes: The purpose of the Commission would be to collect and coordinate all of the elements of America's Antarctic program (which are now scattered among Federal agencies and private groups). It would bring together under one roof the tremendous historical, documentary files relating to past United States Antarctic expeditions. It would supervise the preparation of scientific and historical publications and maps, cataloging, and preserving of Antarctic scientific photos, and other documents.

Funds: It is expected that the appropriations necessary for the initial operation of the Commission and for each fiscal year thereafter would approximate $500,000. This would not, however, include the operation of any stations in Antarctica, if such were to be operated by the Commission.

The Commission would not interfere with the normal prerogatives and responsibilities of the Cabinet Departments like State, Commerce, Interior, Defense—all of whom have important obligations in this area.

THE FEDERAL BUDGET

Mr. WILEY. Mr. President, on several occasions I have commented on the Federal budget issue.

I should like to add a few observations today.

The President should continue to act as the liberal leader of the Nation and should not be deterred by "scare propaganda" seeking to reduce the budget. Extreme conservatives will not bolt the Republican Party.

It is clear that every thinking American would like to see any possible waste or extravagance in the budget eliminated. Every thinking American would like to see the way paved for sound tax reform and tax reduction at the earliest possible date.

But in my judgment, the so-called budget-economy issue has become the subject of more scare propaganda, more false alarms than any issue within recent memory.

Some of the propaganda from extreme conservative sources which has poured into the Congress would lead us to believe that "if Congress does not slash 3, 4, or 5 billion dollars from the budget, then the country is going to ruin." Such a scare is utter nonsense.

The United States Chamber of Commerce which, on many occasions, has rendered great service to the Nation, has unfortunately chosen to whip up much of this extreme scare propaganda.

In my judgment, the propaganda is a complete exaggeration, and the country should see right through it.

NOT ONE-TENTH OF 1 PERCENT OF WISCONSIN HAS URGED BUDGET SLASH

The so-called deluge of economy mail, which is supposed to have descended on the Congress, does not actually add up to representing more than the tiniest fraction of the total adult population of the United States.

The "economy" mail has admittedly been sizable, and I, for one, welcome civic-minded mail on the budget or any other issue. But it has not come from as much as one-tenth of 1 percent of the adult population of my State, for example.

The whole intent of the scare propaganda has been to try to force the Congress into ruthless, blind slashes of the budget—the domestic budget and the mutual-security budget.

The scare propaganda has been designed, as well, to try to force the President far to the right and to have him hack away at his own budget, irrespective of consequences to the Nation.

I am pleased, however, that the President has twice gone to the Nation through radio and television, to demonstrate that he is not misled by the scare propaganda and that he is not retreating.

He should not in the slightest be deterred by the empty threats of any extreme conservatives "to bolt" the Republican Party. All sorts of reports have been made to the effect that "the Republicans" are allegedly "bitterly disappointed" with Ike, because of the high budget.

These reports are so much eyewash, in that they do not actually speak for the mass of the Republican Party. Of course, a small fraction of the Republican Party—men of great wealth—might like to see the President slash the budget to pieces. But that does not mean that it is "the Republican Party" which wants the budget cut to pieces.

So far as the extreme conservatives in the Republican Party are concerned, the fact is they have no place to go but the Republican Party. They cannot go to the Democratic Party. From 1933 on, through almost uninterrupted years of deficit financing the Democratic Party showed not the slightest interest in the size of the Federal budget. All of a sudden, this year, when the budget is to be balanced, our Democratic friends "discovered" the budget as a so-called "issue."

THIRD PARTY OF THE RIGHT IS A FINANCIAL "RATHOLE PROJECT"

The extreme conservatives have threatened to bolt to a "Third Party." But in my judgment, the record of so-called "Third Parties of the Right" show that they are utterly ineffectual, and every thinking person recognizes them to be such.

The Third Party, of the Right, is not a threat to the Republican Party. It is little more than a financial rathole down which a few rich people may care to pour their money in a futile effort to push America into reaction and isolationism.

In my judgment, the President should not and must not move down the road to reaction. That would be the path of Republican suicide and the President knows it.

The President should keep moving instead in the direction of a liberal policy for the Nation—one which builds, one which recognizes, as his budget recognizes, the need to improve the Nation's schools, which recognizes the problems of the Nation's consumers, farmers, its old folk, its needy citizens.

HOW PRESIDENT'S SECOND TERM WILL BE JUDGED

When the history of Dwight D. Eisenhower's Second Term is written, very little space will be reserved by the historian for whether the Congress managed to cut 1 billion or 1.1 or 1.2 billion dollars from the President's budget. But the historian will report whether, during the President's second term, he met the crucial challenge of world peace, the challenge of over-crowded schools, the challenge of declining farm income.

FALSE ECONOMY ON SCHOOLS OR FOREIGN POLICY

Again, I wish to make it perfectly clear that I am just as much interested in reasonable economy, as is any other Member of the Congress.

But I do not believe in so-called economy which stuffs 60 or 70 children into many of the Nation's classrooms like "sardines." Many classrooms are firetraps. They can only be occupied by children 4 hours a day, because 60 or 70 more "sardine children" must be packed in during the next shift, 4 hours later. That is not economy, in my judgment.

So, too, I do not believe in a false economy, which would allow South Vietnam or South Korea, or Formosa, or Thailand, or any other free land to fall into the hands of Communist China.

The 85th Congress will not receive recognition and praise from history if it allows itself to become panic stricken by the scare propaganda about the budget. Rather, it will receive credit from history if it acts, with statesmanship, to meet its tremendous responsibilities at home and abroad, in this Atomic Age, while fulfilling its responsibility as a trustee of the people's savings.

Finally, I point out that if one were to believe the scare propaganda which has poured into the Congress, one would think that this Republican administration is controlled by a Socialist President with a Socialist Cabinet and Socialist agency heads, all of whom are determined to spend the people's resources like water.

Such a picture is utter nonsense. It is utterly contrary to the effort which is being made by the administration for reasonable economy.

This is a growing country, with growing needs and growing requirements. We cannot turn the clock back.

I WILL NOT BE PANICKED BY SCARE PROPAGANDA

I, for one, refuse to be panicked by the so-called deluge of budget mail. In the first place, it is not a deluge of mail. In the second place, even if it were, it has been artificially whipped up. In the third place, it does not speak for more than 5 percent of the Members of either party. In the fourth place, it is my responsibility to help keep this country at peace, and to help keep it strong. Those are my No. 1 and No. 2 responsibilities, and I refuse to be party to any "hacksaw" action which would destroy those objectives.

SUPERIOR SERVICE HONOR AWARD TO LAWRENCE A. CHATTO

Mrs. SMITH of Maine. Mr. President, on last Tuesday, May 21, at 10:30 in the morning, the Secretary of Agriculture presented the annual Superior Service Awards of the Department of Agriculture. I wish very much that I could have been there to join in the honor given to Lawrence A. Chatto of Orono, Maine, the Maine State Administrative Officer of the Agricultural Stabilization and Conservation Committee, who received one of the awards for outstanding service in the position he holds.

Unfortunately, I could not be present for at that very time I was testifying before the Senate Agriculture Committee urging the enactment of my bill, S. 1393, the National Potato Labeling bill.

Just at the same time when Lawrence Chatto was being honored for the outstanding service he had given the farmers of the State of Maine, I was continuing my efforts to be of greatest service and assistance to the potato farmers of Maine. It is unfortunate that these two events were happening at the same time, and that I was thus prevented from being in attendance at the awarding of the honor to Mr. Chatto. But it is gratifying that these two events did happen at the same time—they were both serving the best interests of the farmers of the State of Maine.

ORDER FOR ADJOURNMENT TO MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until Monday, at 12 o'clock noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

CIVIL RIGHTS

Mr. JOHNSON of Texas. Mr. President, earlier in the day our colleague, the senior Senator from North Carolina [Mr. ERVIN], appeared at the desk of the majority leader and stated that he desired recognition for the purpose of asking the permission of the Senate to insert a brief statement in the RECORD and to include certain views he intends to file with the Judiciary Committee. He was forced to leave before he could get recognition.

Therefore, Mr. President, on behalf of the senior Senator from North Carolina, and at his request, I ask unanimous consent that he be allowed to insert the statements in the RECORD, including a statement in the nature of minority views which he will subsequently file with the Senate if and when the bill is reported.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. JOHNSON of Texas. I desire to make it clear, Mr. President, that the statements will appear under the name of the senior Senator from North Carolina, since I am merely acting at his request in the matter.

Mr. ERVIN. Mr. President, the able and distinguished senior Senator from South Carolina [Mr. JOHNSTON] and I have prepared a statement of our views in respect to the civil-rights bill now pending before the Congress. Owing to the importance of the subject, I ask unanimous consent that the statement be printed at this point in the body of the RECORD as a part of my remarks.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

In urging the rejection of S. 83, we seek to preserve the American constitutional and legal systems for all Americans of all races and all generations.

Diligent efforts are made to present S. 83 in the guise of a meritorious and mild bill. S. 83 is, in truth, as drastic and indefensible a legislative proposal as was ever submitted to any legislative body in this country.

When all is said, it is not surprising that this is so. S. 83 is presented to Congress at a time when never-ending agitation on racial subjects by both designing and sincere men impairs our national sanity, and diminishes in substantial measure the capacity of our public men to see the United States steady and to see it whole.

S. 83 is based on the strange thesis that the best way to promote the civil rights of some Americans is to rob other Americans of civil rights equally as precious and to reduce the supposedly sovereign States to meaningless zeros on the Nation's map.

The only reason advanced by the proponents of S. 83 for urging its enactment is, in essence, an insulting and insupportable indictment of a whole people. They say that southern officials and southern people are generally faithless to their oaths as public officers and jurors, and for that reason can be justifiably denied the right to invoke for their protection in courts of justice constitutional and legal safeguards erected in times past by the Founding Fathers and the Congress to protect all Americans from governmental tyranny.

Congress would do well to pause and ponder this indisputable fact: The provisions of S. 83 are far broader than the reason assigned for urging its enactment. If these provisions can be used today to make legal pariahs and second-class litigants out of southerners involved in civil-rights cases, they can be used with equal facility tomorrow to reduce other Americans involved in countless other cases to the like status.

The drastic provisions of S. 83 are even more surprising than the thesis of its proponents or the reason given by them for urging its enactment. They ignore the primary lesson taught by history, that is, that no man is fit to be trusted with unlimited governmental power.

If S. 83 should be enacted by Congress and successfully run the constitutional gantlet, it would vest in a single fallible human being, namely, the temporary occupant of the office of Attorney General, regardless of his character or qualifications, autocratic and despotic powers which have no counterpart in American history and which are repugnant to the basic concepts underlying and supporting the American constitutional and legal systems.

This is true for these reasons:

1. S. 83 is deliberately designed to establish a new procedure for the enforcement or vindication of the civil rights of private persons at public expense, and to confer upon the Attorney General the despotic power to grant or withhold the supposed benefits of the new procedure at his uncontrolled discretion. In consequence, S. 83 offends the basic American concepts that ours is a government of laws rather than a government of men and that courts are created to administer equal and exact justice according to certain and uniform laws applying alike to all men in like situations.

2. S. 83 is deliberately designed to vest in the Attorney General the autocratic and despotic power to nullify State laws duly enacted by State legislatures in the undoubted exercise of the legislative power reserved to the States by the 10th amendment. As a consequence, S. 83 is wholly incompatible with the constitutional doctrine of the sovereignty and indestructibility of the States. Even apart from this consideration, S. 83 is inimical to proper Federal-State relations because it proposes to place in the hands of the Attorney General a legal club by which he can browbeat State and local officials into submission to his will and thus assume control of what are essentially State or local governmental matters.

3. S. 83 is deliberately designed to confer upon the Attorney General the autocratic and despotic power to rob State and local officials and other Americans involved in civil-rights disputes of these basic and invaluable safeguards created by the Founding Fathers and Congress to protect all Americans from bureaucratic and judicial tyranny; namely the constitutional right of indictment by grand jury, the constitutional right of trial by petit jury, the statutory right of trial by jury in indirect contempt cases, and the statutory right to the benefit of limited punishment in indirect contempt cases. S. 83 undertakes to do these things by a perversion of the powers of equity.

4. S. 83 is deliberately designed to empower the Attorney General to establish government by injunction in the place of government by law in the civil-rights field.

5. The provisions of S. 83 are so worded as to empower the Attorney General to institute and prosecute at public expense lawsuits as numberless as the sand for the avowed benefit of any alien, citizen, or private corporation within the territorial jurisdiction of any of the 48 States.

The other provisions of S. 83, which look to the creation of a Civil Rights Commission and the establishment of a Civil Rights Division in the Department of Justice, are subject to these grave objections:

S. 83 provides for the establishment of a roving Presidential Commission on Civil Rights with drastic subpena and hearing powers to wander to and fro over such portions of the face of the United States as it may select to investigate such vague matters as unwarranted economic pressures and such unlimited matters as developments constituting a denial of equal protection of the laws. The establishment of such Commission is wholly unnecessary because committees of Congress are well equipped to make such investigations as may be necessary in the premises. Furthermore, the establishment of such Commission is likely to be productive of much evil because its activities will foment controversies in racial matters and inevitably give rise to the charge that it is being used to exploit so-called minority groups for political purposes. S. 83 also provides for the establishment of a new Civil Rights Division in the Department of Justice which will necessarily have to be staffed by innumerable employees at an expense which no one can now estimate.

We will now discuss these matters in some detail.

I

S. 83 is deliberately designed to establish a new procedure for the enforcement or vindication of the civil rights of private persons at public expense, and to confer upon the Attorney General the despotic power to grant or withhold the supposed benefits of the new procedure at his uncontrolled discretion. In consequence, S. 83 offends the basic American concepts that ours is a government of laws rather than a government of men and that courts are created to administer equal and exact justice according to certain and uniform laws applying alike to all men in like situations.

Our ancestors appraised at its full value the everlasting truth embodied in Daniel Webster's assertion that "whatever government is not a government of laws is a despotism, let it be called what it may."

Consequently they based the governmental and legal systems of America upon these fundamental concepts:

1. That our Government should be a government by law and not a government by men—a government in which laws should have authority over men, not men over laws.

2. That our courts should administer equal and exact justice according to certain and uniform laws applying in like manner to all men in like situations.

Parts III and IV of S. 83 specify, in substance, that "the Attorney General may institute for the United States, or in the name of the United States but for the benefit of the real party in interest," a new civil action or proceeding to enforce or vindicate certain supposed civil rights of private citizens.

By these words, the bill proposes to do these two things: (1) To establish a new procedure for the enforcement or vindication of certain supposed civil rights of private persons at the expense of the taxpayers; and (2) to confer upon one fallible human being, namely, the temporary occupant of the office of Attorney General, whoever he may be, the despotic power to grant the benefit of the new procedure to some persons and withhold it from others.

The proposed law is not to be operative at all unless the Attorney General, acting either with or without reason, so wills. This is not government by law. It is government by the whim of the Attorney General.

It is to be noted, moreover, that the new procedure to be authorized by the bill is to be used for and against such persons only as the Attorney General may select. This being true, the bill is utterly repugnant to the fundamental concept that courts are created to administer equal and exact justice in compliance with certain and uniform laws applying in like manner to all men in like situations.

There is always danger that discretionary governmental power may permit the public officer in whom it is reposed to rule arbitrarily without the restraint of law. As a consequence, no legislative body should ever adopt any statute conferring discretionary governmental power upon any public officer unless such statute satisfied the only valid test of the advisability of legislation of this nature. The test is the evil a bad public officer may do under the proposed law rather than the good a good public officer may do under it.

S. 83 cannot satisfy this test. If it were enacted, it would vest in the temporary occupant of the office of Attorney General, regardless of his character or qualifications, absolute power to act or refrain from acting in the premises at his uncontrollable discretion. Thus the proposed law would constitute a political weapon of the first magnitude which any Attorney General, who happens to be a pragmatic politician, could pervert from its avowed purposes to curry favor with some groups or to browbeat State officials into submission to his will.

This is a despotic power which no good Attorney General ought to want and no bad Attorney General ought to have.

Americans who believe that bad laws are the worst sort of tyranny may rest their hope that the 85th Congress will reject S. 83 upon the fact that no previous Congress has ever enacted into law any legislative proposal so repugnant to the basic concepts underlying our governmental and legal systems.

In closing this phase of our report, we wish to comment briefly on the circumstance that S. 83, if enacted, would permit the Attorney General to sue for the supposed benefit of full-grown and mentally competent Americans without their consent or even against their will. If an American has any civil right which ought to be honored by all under all conditions, it is his civil right not to be embroiled in a lawsuit in the capacity of a supposed beneficiary without his consent or against his will.

II

S. 83 is deliberately designed to vest in the Attorney General the autocratic and despotic power to nullify State laws duly enacted by State legislatures in the undoubteded exercise of the legislative power reserved to the States by the 10th amendment. As a consequence, S. 83 is wholly incompatible with the constitutional doctrine of the sovereignty and indestructibility of the States. Even apart from this consideration, S. 83 is inimical to proper Federal-State relations because it proposes to place in the hands of the Attorney General a legal club by which he can browbeat State and local officials into submission to his will and thus assume control of what are essentially State or local governmental matters.

The men who composed the Constitutional Convention of 1787 comprehended in full measure the everlasting political truth that no man or set of men can be safely trusted with governmental power of an unlimited nature. In consequence, they were determined, above all things, to establish a government of laws and not of men.

To prevent the exercise of arbitrary power by the Federal Government, they inserted in the Constitution of the United States the doctrine of the separation of governmental powers.

In so doing, they utilized the doctrine of the separation of powers in a twofold way.

They delegated to the Federal Government the powers necessary to enable it to discharge its limited functions as a central government and left to the States all other powers. It was this use of the doctrine of the separation of powers which prompted Chief Justice Salmon P. Chase to make these memorable remarks in his opinion in *Texas v. White* (7 Wall. 700):

"Not only, therefore, can there be no loss of separate and independent autonomy to the States through their union under the Constitution, but it may be not unreasonably said that the preservation of the States, and the maintenance of their governments, are as much within the design and care of the Constitution as the preservation of the Union and the maintenance of the National Government. The Constitution, in all its provisions, looks to an indestructible Union, composed of indestructible States."

In their other utilization of the doctrine of the separation of powers, the members of the Convention of 1787 vested the power to make laws in the Congress, the power to execute laws in the President, and the power to interpret laws in the Supreme Court of the United States and such inferior courts as the Congress might establish. Moreover, they declared, in essence, that the legislative, the executive, and the judicial powers of the Federal Government should forever remain separate and distinct from each other.

Since the two Governments, Federal and State, exist within the same territorial limits, it is obviously indispensable to the proper functioning of both of them for each of them to exercise its powers in such a manner as not to interfere with the free and full exercise of the powers of the other (11 Am. Jur., Constitutional Law, sec. 174).

History makes it crystal clear that the Constitution of the United States would never have been ratified by the requisite number of States if they had not been assured that it would be so amended as to embrace the principle enunciated by the 10th amendment. This amendment declares that "the powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively or to the people."

The legislatures of the several States have adopted statutes which establish public

school systems, and confer upon the local and State school officials and school boards charged with the supervision of their operation the authority and the duty to determine by simple and inexpensive administrative procedures whether any parent, school child, or teacher is being deprived of any right secured by the constitution or laws of the State or the Constitution of the United States and to grant relief accordingly. Examples of statutes prescribing administrative remedies of this nature may be found in *Cook v. Davis* (178 F. (2d) 595), and *Carson v. Board of Education of McDowell County* (227 F. (2d) 789).

The legislatures of the several States have likewise enacted statutes which regulate the conduct of elections, prescribe the qualifications for voting, and confer upon the supervising local and State election officials and boards the authority and the duty to determine by simple and inexpensive administrative procedures whether persons applying for registration possess the qualifications for voting and whether the right of any citizen possessing the qualifications for voting is being denied or abridged contrary to the 15th and 19th amendments on account of race or sex and to grant relief accordingly.

In adopting these statutes, the several States have undoubtedly acted within the scope of the powers reserved to them by the 10th amendment. Moreover, the statutes relating to elections find additional sanction in article I, section 2, and the 17th amendment which stipulate, in effect, that persons are entitled to vote for Senators and Congressmen if they possess the qualifications prescribed by the laws of their States "for electors of the most numerous branch of the State legislatures" (*Breedlove v. Suttles*, 302 U. S. 277).

Statutes prescribing administrative remedies are not peculiar to the fields of education and suffrage. They are commonplace in the scores upon scores of areas in which Federal and State agencies, boards, and commissions administer governmental functions, or regulate business activities affecting the public.

It is, indeed, no exaggeration to say that statutes prescribing administrative remedies are essential to the operation of Government in this complex age. They are, moreover, a wise utilization of the truth that experience is the most efficient teacher of all things. They afford the men who are experienced in the matters administered or regulated by Federal and State agencies, boards, and commissions, opportunities to review by relatively simple and inexpensive procedures their initial actions, and to correct any error revealed by such reviews. By so doing, they reduce to a minimum the necessity for resort to vexatious litigation in the courts.

For these reasons the Supreme Court of the United States and all other judicial tribunals in this country adopt and enforce this salutary, sensible, and long-settled rule of judicial administration, namely: No one is entitled to resort to the courts for judicial relief until he has used and exhausted the prescribed administrative remedy. As this is not a legal brief, we refrain from citing the hundreds upon hundreds of Federal and State court decisions upholding this rule. We will, however, call attention to the able opinion of that great liberal jurist, Justice Louis D. Brandeis, in *Myers v. Bethlehem, Shipbuilding Corp.* (303 U. S. 41, 51), which cites numerous decisions of the Supreme Court of the United States in support of his observation that "the rule has been most frequently applied in equity where relief by injunction was sought." It is not strange that this should be so. The rule resembles the doctrine of equity that a litigant has no standing in equity where he has an adequate remedy at law.

An excellent exposition of the rule and of the wisdom of one of the reasons underlying it in cases involving State agencies appears in the opinion of the United States Court of Appeals for the Fourth Circuit in the recent case of *Carson v. Board of Education of McDowell County* (227 F. (2d) 789). It is noted in passing that the chief judge of this circuit is the Honorable John J. Parker, one of the greatest American jurists of all time.

The court of appeals made these statements in the Carson case:

"An administrative remedy is thus provided by State law for persons who feel that they have not been assigned to the schools that they are entitled to attend; and it is well settled that the courts of the United States will not grant injunctive relief until administrative remedies have been exhausted * * *. This rule is especially applicable to a case such as this where injunction is asked against State or county officers with respect to the control of schools maintained and supported by the State. The Federal courts manifestly cannot operate the schools. All that they have the power to do in the premises is to enjoin violation of constitutional rights in the operation of schools by State authorities. Where the State law provides adequate administrative procedure for the protection of such rights, the Federal courts manifestly should not interfere with the operation of the schools until such administrative procedure has been exhausted and the intervention of the Federal courts is shown to be necessary. As said by Mr. Justice Stone in *Matthews v. Rodgers, supra* (284 U. S. 525): 'The scrupulous regard for the rightful independence of State governments which should at all times actuate the Federal courts, and a proper reluctance to interfere by injunction with their fiscal operations, require that such relief should be denied in every case where the asserted Federal rights may be preserved without it.' Interference by injunction with the schools of a State is as grave a matter as interfering with its fiscal operations, and should not be resorted to 'where the asserted Federal right may be preserved without it.'"

The rule does not bar the right of any person to resort to the courts for judicial relief for a supposed or threatened injury. It merely postpones his power to exercise such right until he uses and exhausts the administrative remedy available to him without obtaining relief. A statement made by the Supreme Court of the United States in *United States v. Illinois Central Railroad Co.* (291 U. S. 457, 463, 464) is peculiarly appropriate at this point:

"The constitutional question raised by appellees, therefore, vanishes from the case, because the Commission concedes and stands ready to grant every administrative procedural right that appellees are lawfully entitled to claim. If the preliminary order be erroneous in any particular, it is susceptible of correction by the Commission upon the hearing thus provided for. It will be time enough for appellees to seek the aid of a court of equity when they shall have fully availed themselves of this administrative remedy, and the Commission shall have taken adverse action. Until then they are in no situation to invoke judicial action."

S. 83 is calculated and intended to confer upon a single Federal executive officer, to wit, the Attorney General, the autocratic and despotic power to nullify at his absolute and uncontrolled election, in particular civil-rights cases selected by him, State statutes prescribing administrative remedies which were enacted by State legislatures in the undoubted exercise of the legislative power reserved to the States by the 10th amendment.

S. 83 undertakes to do this by certain legal jargon embodied in parts III and IV. It is as follows:

"The district courts of the United States shall have jurisdiction of proceedings instituted pursuant to this section and shall exercise the same without regard to whether the party aggrieved shall have exhausted any administrative or other remedies that may be prescribed by law."

If Congress should approve this monstrous proposal it would stamp with its approval this queer legal result:

1. When the Attorney General elects to extend the benefit of the novel procedure to one citizen, he automatically nullifies State statutes prescribing administrative remedies in respect to such citizen, thereby freeing such citizen from the operation of the salutary, sensible, and long-settled rule of judicial administration that no one is entitled to judicial relief for a supposed or threatened injury until the prescribed administrative remedy is exhausted.

2. But when the Attorney General withholds the benefit of the novel procedure from another citizen, State statutes prescribing administrative remedies remain in full force, and such citizen cannot resort to the courts for judicial relief for a supposed or threatened injury until the prescribed administrative remedy is exhausted.

Inasmuch as the advocates of the proposal under consideration assure Congress that it is ideally adapted to prevent any State from denying "to any person within its jurisdiction the equal protection of the laws," the singular legal result which would flow from the enactment and operation of the proposal seems peculiarly ironic and paradoxical. This is true because the phrase, "equal protection of the laws," implies, when it is used in a procedural sense, that all persons may appeal to courts for both relief and defense under like conditions, with like protection and without discrimination (*Sexton v. Barry*, 233 F. (2d) 220).

Happily for America one may search the legislative annals of our country without finding anything corresponding to the monstrous proposal that a single Federal executive officer, to wit, the Attorney General, should be given the autocratic and despotic power to nullify valid State laws in particular cases to be selected by him.

It is submitted in all sincerity that the proposal is utterly repugnant to the constitutional doctrine of the indestructibility and sovereignty of the States, that Congress itself is without authority to nullify State statutes enacted by State legislatures in the undoubted exercise of the legislative powers reserved to the States by the 10th amendment, and that Congress cannot delegate to a Federal executive officer an authority not possessed by it.

It would be well for our country if those who advocate this unprecedented proposal would pause and ponder these words:

"Every journey to a forbidden end begins with the first step, and the danger of such a step by the Federal Government in the direction of taking over the powers of the States is that the end of the journey may find the States so despoiled of their powers, or—what may amount to the same thing—so relieved of the responsibilities which possession of the powers necessarily enjoins as to reduce them to little more than geographical subdivisions of the national domain. It is safe to say that if, when the Constitution was under consideration, it had been thought that any such danger lurked behind its plain words, it would never have been ratified. *Carter v. Carter Coal Co.* (298 U. S. 238, 295, 296)."

Even apart from such considerations as this, S. 83 cannot be reconciled with a due regard for sound Federal-State relations.

S. 83 is aimed in large measure at State and local officials, such as members of election and school boards, who render essential governmental services at State and local levels for little or no compensation out of a sense of public duty.

If S. 83 should be enacted by Congress and survive the test of constitutionality, it would

vest in the Attorney General, whoever he might be, tremendous power in the civil-rights field.

The argument that any occupant of the office of Attorney General could be safely trusted to wield this tremendous power wisely ignores the first fact of governmental life, that is, that power corrupts and tremendous power corrupts tremendously.

Federal officers have been notorious in all periods of our history for encroaching on the governmental domain of the States. Indeed, they have been justly charged on occasion with being thieves of jurisdiction.

If S. 83 should become law, it would furnish the Federal Government with ready means for usurping the functions and power of State and local governments in vital areas of our life.

By resorting to civil actions and proceedings under S. 83, the Attorney General could virtually convert Federal district courts into administrative branches of the executive department of the Federal Government for the management of elections, schools, and similar activities of a local nature.

Moreover, the notion that the occupant of the office of Attorney General could not exert the tremendous power embodied in S. 83 without first obtaining a decree from a Federal court is utter nonsense.

If the occupant of this office should happen to be a pragmatic politician, or a so-called civil-rights zealot, or a person susceptible to coercion by pressure groups, he could employ S. 83 as an intimidating club, and thereby control or demoralize State and local government in such vital areas as elections and public education.

Here is how the Attorney General could operate in a case of a State or local election or school official, who denies registration to an applicant for voting rights on the ground that he does not possess the qualifications prescribed by State law "for electors of the most numerous branch of the State legislature," or who declines a parental request for the assignment of a school child to a particular school on the ground that the requested assignment is not calculated to promote the educational interest of the child:

The Attorney General, acting through a subordinate, could politely threaten the State or local official in this wise: "If you don't register this man or assign this child to that school, I'll put the law to you in an action or proceeding under S. 83 in which all the legal and financial might of the Federal Government will be arrayed against you and in which you will be denied such basic safeguards as the right of trial by jury."

The State or local official could do 1 of 3 things. He could submit to the threat, and thus permit a Federal officer to dictate how the functions of a State or local office are to be discharged. He could relinquish his State or local office, and thus escape further harassment and hazard. And, finally, he could stand up and fight for his convictions, even to the point of defending a lawsuit in a Federal district court, which might sit in a place far removed from his home. If he should pursue the last course and win, he could conceivably bankrupt himself in defraying the cost of his successful defense. If he should pursue the last course and lose, he could conceivably wind up with a virtually unlimited fine or a virtually unlimited jail sentence simply because his convictions as to how the duties of his State or local office ought to be performed might differ from those of the Attorney General and a one-man Federal court.

Congress would commit an unspeakable folly if it should enact a bill whose provisions are susceptible to such grave abuses in the field of Federal-State relations.

III-A

The Constitution and Congress have established these basic safeguards to protect all Americans from bureaucratic and judicial tyranny: The constitutional right of indictment by grand jury; the constitutional right of trial by petit jury; the constitutional right to confront and cross-examine adverse witnesses; the statutory right of trial by jury in indirect contempt cases where the alleged contemptuous act constitutes a crime under Federal or State law; and the statutory right of the benefit of limited punishments in indirect contempt cases of the same nature.

If one is to understand the laws and institutions of today, he must know the events of yesterday which gave them birth. For this reason, we deem it necessary to consider the origins of relevant constitutional and legal safeguards.

The founders of our Government were wise men. They knew that tyranny uses the forms of law to crush those who oppose her will. They knew that the right of trial by jury is the best security of the people against governmental oppression. They knew that the surest test of the credibility of a witness is his confrontation and cross-examination by the adverse party.

They knew the history of the long struggle of the English people to secure and preserve such basic legal safeguards as the right of trial by jury and the right to confront and cross-examine adverse witnesses.

They knew the history of the repeated efforts of tyrannical kings and subservient parliaments to deprive the English people of the benefits af such legal safeguards.

They knew the history of the court of star chamber and rightly deduced from it "that the rights and liberties of the people will not long survive in any country where the administration of the law is committed exclusively to a caste endowed with boundless discretion and a long term of office, no matter how learned, able, and honest its members may be" (United States Circuit Judge Henry C. Caldwell in the American Federationist for May, 1910).

They knew the history of Chief Justice Jeffreys and his bloody assizes and rightly inferred from it that tyranny on the bench is as objectionable as tyranny on the throne.

They knew that in 1765 the British Parliament, at the instigation of King George III and his ministers, enacted the Stamp Act and other measures whereby they deprived American colonists of the right of trial by jury in cases arising under the revenue laws by a device astoundingly similar to that invoked by S. 83, namely, "by extending * * * beyond its ancient limits * * * the jurisdiction of the courts of admiralty" in which trial by jury was not available.

They knew that the Stamp Act Congress, which was attended by delegates from nine of the Thirteen Colonies, forthwith met in New York and adopted the Colonial Declaration of Rights of October 19, 1765, condemning this action of Parliament on the ground "that trial by jury is the inherent and invaluable right of every British subject in these Colonies."

They knew that in 1764 and 1768 the British Parliament, at the urging of King George III and his ministers, enacted the Sugar Act and the statute known as 8 George III, chapter 22, whereby they deprived American colonists of the right of trial by jury in cases arising under the laws relating to trade and revenue by a repetition of the device resembling that invoked by S. 83, namely, "by extending * * * beyond their ancient limits * * * the powers of the courts of admiralty" in which trial by jury was not available.

They knew that the First Continental Congress adopted the Declaration of October 14, 1774, denouncing this action of the British Parliament on the ground that American colonists were "entitled to the common law of England, and more especially to the great and inestimable privilege of being tried by their peers of the vicinage according to the course of the law."

They knew that the Declaration of Independence assigned the fact that American colonists had been deprived "in many cases of the benefits of trial by jury" as one of the "injuries and usurpations" requiring the American colonies to dissolve their political bands with England.

They knew "that tranquillity was not to be always anticipated in a republic"; "that strife would rise between classes and sections, and even civil war might come"; and "that in such times judges themselves might not be safely trusted in criminal cases, especially in prosecutions for political offenses, where the whole power of the executive is arrayed against the accused party" (argument of Jeremiah S. Black in *Ex parte Milligan*, 4 Wall., 1, 64).

They knew "that what was done in the past might be attempted in the future," and "that troublous times would arise, when rulers and people would become restive under restraint, and seek by sharp and decisive methods to accomplish ends deemed just and proper; and that the principles of constitutional liberty would be in peril, unless established by irrepealable law" (opinion of the Court in *Ex parte Milligan*, 4 Wall., 1, 120).

They knew that the best part of the inheritance of America from England was the right of trial by jury both in criminal cases and in suits at common law. For these reasons, the founders of our Government enshrined these guaranties in the Constitution.

That "the trial of all crimes, except in cases of impeachment, shall be by jury." Article III, section 2.

That "no person shall be held to answer for a capital, or otherwise infamous offense, unless on a presentment or indictment of a grand jury, except in cases arising in the land or naval forces, or in the militia, when in actual service in time of war or public danger" amendment V.

That "in all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed, * * * and to be informed of the nature and cause of the accusation; to be confronted with the witnesses against him; to have compulsory process for obtaining witnesses in his favor, and to have the assistance of counsel for his defense" amendment VI.

That "in suits at common law, where the value in controversy shall exceed $20, the right of trial by jury shall be preserved" amendment VII.

At the time of the ratification of the Constitution, courts of equity existed in the several States, either in conjunction with, or independent of, the courts of law. The basis of the jurisdiction then exercised by courts of equity, which historically function without juries, was the protection of private rights of property.

In stating that courts of equity historically function without juries, we do not overlook the circumstance that the chancellor or judge of such a court has discretionary authority to call an advisory jury to his aid. An advisory jury is not a jury, however, in the real sense of the term because the chancellor or judge is at liberty to reject its verdict and act solely on his own findings.

In some of the cases cognizable by them at the time of the ratification of the Constitution, courts of equity used restraining orders and temporary and permanent injunctions. The role of the restraining order and the temporary injunction was to preserve the status quo in respect to property in dispute until the conflicting claims to it could be determined in a trial on the merits, and the role of the permanent injunction was to secure the enjoyment of the property by the person adjudged its owner in the trial on the merits. Restraining orders and injunctions did not issue to inhibit

criminal acts except in cases where such acts threatened irreparable injury to property rights.

Courts of equity punished disobedience to restraining orders and injunctions by fines or imprisonment in proceedings for contempt conducted by chancellors or judges without juries.

It seems appropriate to note at this point changes occurring in the field of equity since the ratification of the Constitution. Since that time many States have extended the right of trial by jury to issues of fact arising in actions of an equitable nature. As this has not been done on the Federal level, actions of an equitable nature are still triable on the merits by judges without juries in district courts of the United States.

Beginning with the Interstate Commerce Commission Act of 1887, Congress has adopted 28 statutes creating new public rights and corresponding new public wrongs. The new public rights are enforcible by injunctive process as rights of the United States in its capacity as a sovereign nation in actions brought by the United States or specified Federal officials or agencies. The new public wrongs are punishable in the manner prescribed by law for other crimes. A painstaking analysis makes it obvious that each of the 28 statutes is clearly distinguishable from S. 83. In consequence, we refrain from further comment upon them.

The injunctive process is susceptible to abuse. This is particularly true when its use is extended beyond its ancient limits to the field occupied by criminal law. Some of the objections to the use of the injunctive process in this field are well stated by a legal writer in these words:

"The objections to 'criminal equity' are that it deprives defendant of his jury trial; that it deprives him of the protection of the higher burden of proof required in criminal prosecutions; that after imprisonment and fine for violation of an equity injunction, defendant may be subjected under the criminal law to punishment for the same acts; that it substitutes for the definite penalties fixed by the legislature whatever punishment for contempt a particular judge may see fit to exact; that it is often no more than an attempt to overcome by circumvention the supposed shortcomings of jurors; and that it may result, or induce the public to believe that it results, in the arbitrary exercise of power or in government by injunction" (43 C. J. S., Injunctions, sec. 150).

Happily, the use of the injunctive process was confined in large measure to "its ancient limits" during the first century of our national existence.

Unhappily, however, its susceptibility to abuse was clearly revealed at the end of that period when courts of equity, acting on the allegations of employers that such action was necessary to protect their property rights from irreparable injury, converted the extraordinary writ of injunction to ordinary and wholesale use to defeat the efforts of labor to secure fair wages and reasonable working conditions.

The most shameful story in the judicial annals of America was written during the ensuing years when courts of equity robbed labor of its right to trial by jury, its right to freedom of the press, and its right to freedom of speech by substituting government by injunction for government by law.

Space and time preclude a review of the numerous episodes in this shameful story. Consequently we must content ourselves with calling attention to only one of them—the one recorded in the case of *Gompers v. The United States* (233 U. S. 604).

In that case Samuel Gompers, one of the wisest and most patriotic labor leaders of America of all time, was charged with contempt of court because of his alleged disobedience to an injunction issued by a Federal court of the District of Columbia on the application of Bucks Stove & Range Co., which undertook to defeat by the injunctive process the demands of its striking employees for better working conditions.

A Federal judge sitting without a jury adjudged Gompers guilty of contempt and sentenced him to jail for disobedience of the injunction because he had truthfully stated orally and in print that no law compelled his hearers and readers to buy a stove manufactured by Bucks Stove & Range Co.

Compers managed to escape actual service of the jail sentence merely because the Supreme Court held on his appeal that the contempt proceedings had not been initiated within 3 years after the violations alleged, and in consequence the trial judge had lost his power to punish Gompers for contempt under the 3-year statute of limitations.

The abuse of the injunctive and contempt processes in industrial controversies prompted Congress to enact in 1914 as a section of the Clayton Act a statutory provision extending the right of trial by jury under certain circumstances to respondents in proceedings to punish violations of injunctions as indirect contempts of court. An indirect contempt is one committed outside the presence of the court.

This statutory provision is now embodied in somewhat altered phraseology in sections 402 and 3691 of title 18 of the United States Code.

Under these sections, a respondent, whether a natural person or a corporation, charged with an indirect contempt for violation of an injunction is entitled to a jury trial if the act charged as a violation of the injunction is also a crime under an act of Congress or the laws of the State in which it was committed. It is noted, in passing, that virtually all violations of the civil rights of others constitute crimes under both Federal and State laws.

Sections 402 and 3691 of title 18 of the United States Code confer another substantial right upon a respondent who is a natural person in case he is convicted. While they provide that he may be "punished by fine or imprisonment or both," they set definite limits to his punishment by specifying that he canont be required to pay a fine to the United States in excess of $1,000 or subjected to imprisonment for a term in excess of 6 months.

Sections 402 and 3691 of title 18 of the United States Code stipulate in express terms that their salutary provisions do not apply "to contempts committed in disobedience of any lawful writ, process, order, rule, decree, or command entered in any suit or action brought or prosecuted in the name of, or on behalf of, the United States."

Borah of Idaho, Norris of Nebraska, Walsh of Montana, and the other liberal Senators of that day favored extending the right of trial by jury to all persons charged with indirect contempts arising out of alleged violations of injunctions.

In a magnificent speech pointing out that such right was secured to the people by constitutional or statutory provisions in a number of States, Walsh declared that "the most perfect judicial systems ever known are those of which the jury forms an essential part"; that "trial by jury * * * is the greatest school in self-government ever devised by the ingenuity of man"; that "Jefferson * * * maintained all his life that cases in chancery should be tried before a jury"; that "there is not an argument that can be advanced or thought of in opposition to trial by jury in contempt cases that is not equally an argument against the jury as we now know it"; and that "instead of being an attack on the court, the proposal to submit to trial by jury alleged contempts not committed in the presence of the court is a plan to restore to the Federal courts the confidence and good will which the people ought to bear toward them, but which, unfortunately, by a liberal and sometimes inconsiderate exercise of the power to issue injunctions and to punish as for contempt, has, among certain classes of citizens, been all but forfeited."

Borah denounced with rare eloquence the provisions now embodied in sections 402 and 3691 of title 18 of the United States Code denying the right of trial by jury and the protection of limited punishment to persons charged with "contempts committed in disobedience of any lawful writ, process, order, rule, decree, or command entered in any suit or action brought or prosecuted in the name of, or on behalf of, the United States."

In offering an amendment to strike out this provision, Borah said that "the effect of this amendment is to provide for jury trial in contempt cases in actions brought by the Government the same as when actions are brought by private individuals"; that "every argument * * * in favor of the right of trial by jury upon the part of one citizen of the United States is equally applicable to the right of trial by jury upon the part of every other citizen of the United States"; that "the right of the citizen to have his guilt or innocence determined by his peers * * * cannot be changed by reason of the fact that a particular party happens to be a plaintiff in one case and another party a plaintiff in another case"; and that the provision denying persons charged with indirect contempts trial by jury in case the injunction alleged to have been violated was issued in a suit brought by the United States "offends every sense of justice * * * and every principle of free institutions and equal rights."

Reed of Missouri made these trenchant remarks in support of the Borah amendment:

"I believe that if it is right to submit questions involving the right of life to a jury it is not dangerous to submit to a jury a mere question of contempt. If we can safely repose in a jury the power to try all questions of property, all questions affecting the honor of the citizen, all questions affecting the liberty of the citizen * * * there is nothing unsafe in submitting to the same kind of tribunal, summoned in the same way, the simple question of fact has this corporation or that individual violated the order of the Court * * *. So, Mr. President, I feel that it is safe, that it is proper, to support the amendment offered by the Senator from Idaho. I believe that the dignity and authority of the courts will remain unimpaired. At the same time judges inclined to tyrannical practices or who are influenced by prejudice or passion will find a wholesome check has been placed upon unjust and arbitrary punishment."

The Borah amendment was rejected by the narrow margin of three votes. The amendment to the Clayton Act did not suffice to end many of the abuses of the injunctive and contempt processes in industrial controversies. This was due in large part to the failure of the amendment to extend the benefits of jury trials and limited punishments to persons charged with indirect contempts based on supposed violations of injunctions issued in actions brought "in the name of, or on behalf of, the United States," and to persons charged with indirect contempts based on supposed violations of injunctions enjoining acts themselves not illegal under Federal or State laws.

Congress undertook to remedy these defects insofar as labor was concerned by the Norris-LaGuardia Act, adopted in 1932. One of the salient provisions of this act is now embodied in changed phraseology in section 3692 of title 18 of the United States Code which reads as follows:

"In all cases of contempt arising under the laws of the United States governing the issuance of injunctions or restraining orders in any case involving or growing out of a labor dispute, the accused shall enjoy the right to a speedy and public trial by an impartial jury of the State and district wherein the contempt shall have been committed. This section shall not apply to contempts

committed in the presence of the court or so near thereto as to interfere directly with the administration of justice nor to the misbehavior, misconduct, or disobedience of any officer of the court in respect to the writs, orders, or process of the court."

In advocating the adoption of the Norris-LaGuardia Act, Senator Norris said:

"I agree, that any man charged with contempt in any court of the United States, * * * in any case, no matter what it is, ought to have a jury trial. * * * It is no answer to say that there will sometimes be juries which will not convict. That is a charge which can be made against our jury system. Every man who has tried lawsuits before juries, every man who has ever presided in court and heard jury trials, knows that juries make mistakes, as all other human beings do, and they sometimes render verdicts which seem almost obnoxious. But it is the best system I know of. I would not have it abolished; and when I see how juries will really do justice when a biased and prejudiced judge is trying to lead them astray I am confirmed in my opinion that after all, our jury system is one which the American people, who believe in liberty and justice, will not dare to surrender. I like to have trial by jury preserved in all kinds of cases where there is a dispute of facts."

In conclusion this phase of our report, we assert that no sound reason exists for enacting the provisions of S. 83 into law. This is true because existing Federal statutes afford ample remedies for the protection or vindication of all civil rights created by the Constitution or laws of the United States by means of criminal prosecutions by the United States, private actions at law for damages by the party aggrieved, and private suits in equity for injunctive relief by the party aggrieved.

To be sure, the defendants in the criminal prosecutions are accorded the right of indictment by grand jury, the right of trial by petit jury, and the right to confront and cross-examine adverse witnesses guaranteed to them by article III and the fifth and sixth amendments; the defendants in the private action at law for damages are accorded the right of trial by jury guaranteed to them by the seventh amendments; and the defendants in the private suits in equity for injunctive relief are accorded the benefits of jury trials and limited punishments secured to them by sections 402 and 3691 of title 18 of the United States Code in the event they are charged with contemptuous acts which are also crimes under Federal or State law.

Surely no one who loves the American constitutional and legal systems ought to object to these things.

III—2

S. 83 is deliberately designed to confer upon the Attorney General the autocratic and despotic power to rob State and local officials and other Americans involved in civil rights disputes of these basic and invaluable safeguards created by the Founding Fathers and Congress to protect all Americans from bureaucratic and judicial tyranny, namely: the constitutional right of indictment by grand-jury; the constitutional right of trial by petit jury; the statutory right of trial by jury in indirect contempt cases; and the statutory right to the benefit of limited punishment in indirect contempt cases. S. 83 undertakes to do these things by a perversion of the powers of equity.

The coverage of parts 3 and 4 of S. 83 extends to the civil rights defined either expressly or implied by sections 1971 and 1985 of title 42 of the United States Code. While section 1971 relates solely to the right to vote, section 1985 is concerned in general terms with all rights arising under "the privileges or immunities" and "the equal protection of the laws" clauses of the 14th amendment and in specific terms with definite rights arising under "the due process of law" clause of the 14th amendment and other articles of the Constitution. These things being true, S. 83 covers in substantial measure the entire spectrum of civil rights.

Deprivations or violations of the civil rights defined either expressly or impliedly by sections 1971 and 1985 of title 42 of the United States Code are punishable as crimes under other Federal statutes in criminal prosecutions instituted by the Federal Government. This is true because some of the deprivations or violations constitute felonies under sections 241, 372, and 1503 of title 18, and the other deprivations or violations constitute misdemeanors under sections 242, 243, and 594 of title 18.

Parts 3 and 4 of S. 83 specify, in essence, that whenever any persons have engaged or are about to engage in the deprivation or violation of any civil right expressly or impliedly defined by section 1971 or section 1985 of title 42 of the United States Code "the Attorney General may institute for the United States, or in the name of the United States but for the benefit of the real party in interest, a civil action or other proper proceeding for redress, or preventive relief, including an application for a permanent or temporary injunction, restraining order, or other order."

When this legal verbiage is recast in simple words, it means this: S. 83 proposes to confer upon the Attorney General the absolute power at his uncontrolled discretion to bring civil actions or proceedings of an equitable nature, in which juries are not available, to enforce or vindicate by injunctive and contempt processes the civil rights expressly or impliedly defined by sections 1971 and 1985 of title 42 of the United States Code.

The objective of S. 83 is to vest in the Attorney General the autocratic power at his absolute discretion to bypass, circumvent, and evade the constitutional rights of indictment by grand jury and trial by petit jury of State and local officials and other Americans in civil rights disputes arising under sections 1971 and 1985 of title 42 of the United States Code.

This objective is revealed with complete clarity by the statement made by Attorney General Brownell before the Subcommittee on Constitutional Rights of the Senate Committee on the Judiciary on February 14, 1957, as well as by an analysis of S. 83 in the light of relevant constitutional and statutory provisions.

Defendants in civil-rights cases will likewise often be deprived of their constitutional right to confront and cross-examine adverse witnesses if S. 83 is enacted by Congress. This is an inevitable consequence of the practice which prevails in actions for injunctive relief. Restraining orders and temporary injunctions are ordinarily issued by courts upon the most unsatisfactory evidence known to man, that is to say, Ex parte affidavits or pleadings drafted by partisan lawyers and attested by partisan witnesses not subject to confrontation and cross-examination by the adverse party. When a restraining order or temporary injunction is issued upon Ex parte affidavits or pleadings and the main object of the action becomes a fact accomplished during the pendency of the action as a result of the coercive influence of the restraining order or temporary injunction, as is frequently the case, the court will thereafter refuse to try the action on its merits on the ground that the matter originally at issue has become moot, thereby rendering it impossible for the defendant to confront and cross-examine the adverse witnesses.

The provision that the civil actions or proceedings are to be brought "for the United States, or in the name of the United States" is inserted in S. 83 for the deliberate purpose of depriving State and local officials and other Americans charged with indirect contempts for supposed violations of injunctions issued in civil-rights cases arising under sections 1971 and 1985 of title 42 of the United States Code of the benefits of jury trials and limited punishments to which they would otherwise be entitled under sections 402 and 3691 of title 18 of the United States Code.

This purpose is revealed with complete clarity by the speech which Assistant Attorney General Olney made before the Ninth Annual Conference of the National Civil Liberties Clearing House on April 5, 1957, as well as by an analysis of S. 83 in the light of relevant judicial decisions and statutes.

If this purpose should be consummated by the enactment of S. 83 in its present form, State and local officials and other Americans charged with indirect contempts for supposed violations of injunctions in civil-rights cases would be triable by judges without juries. Furthermore, they would be subject in such event to punishment under section 401 of title 18 of the United States Code by fines or imprisonments having no maximum limits whatsoever save those vague limits implied by the nebulous declarations of the eighth amendment that excessive fines shall not be imposed, nor cruel and unusual punishments inflicted. *United States ex rel. Brown* v. *Lederer* (140 F. (2d) 136); *United States* v. *Green* (140 F. Supp. 117). Federal courts have upheld the power of judges to sentence respondents to jail on trials without juries under section 401 of title 18 of the United States Code for 2 years (*Hill* v. *United States ex rel. Weiner* 300 U. S. 105; *Conley* v. *United States*, 59 F. (2d) 929), 3 years (*United States* v. *Hall*, 198 F. (2d) 726; *United States* v. *Green*, 140 F. Supp. 117), and 4 years (*United States* v. *Thompson*, 214 F. (2d) 545).

As one contemplates the efforts of the proponents of S. 83 to rob Americans involved in civil-rights disputes of such basic constitutional and legal safeguards as the right of trial by jury by a procedural device virtually identical with that employed by the British Parliament, at the urging of King George and his ministers, to rob American colonists of their right of trial by jury, he recalls observations made in the opinion in *Ex Parte Milligan* (4 Wall. 1, 120), where the Supreme Court vacated a sentence of death pronounced upon a civilian by a military commission in violation of the basic safeguards guaranteed by the Constitution.

After stating that the founders of our Government inserted the constitutional guaranties of indictment by grand jury, trial by jury and confrontation of adverse witnesses in the Constitution because wisdom and experience had demonstrated them to be necessary to protect those accused of crime from tyrannical rulers and "the clamor of an excited people," the Supreme Court said:

"Time has proved the discernment of our ancestors; for even these provisions, expressed in such plain English words, that it would seem the ingenuity of man could not evade them, are now, after the lapse of more than 70 years, sought to be avoided. Those great and good men foresaw that troublous times would arise, when rulers and people would become restive under restraint, and seek by sharp and decisive measures to accomplish ends deemed just and proper; and that the principles of constitutional liberty would be in peril, unless established by irrepealable law. The history of the world had taught them that what was done in the past might be attempted in the future."

And, now, after the lapse of more than 90 additional years, history repeats itself. The proponents of S. 83 attempt again "what was done in the past." They seek to avoid and evade in respect to State and local officials and other Americans involved in civil rights disputes basic constitutional and legal safeguards "expressed in * * * plain English words" for the security of all Americans.

The proponents of S. 83 justify their advocacy of its astounding provisions by laying to their souls the Machiavellian unction that the end they have in view excuses the evil they propose. They solicit the support of others for their proposal by these arguments: That the Federal Government is compelled by existing laws to depend solely on criminal prosecutions in cases involving alleged deprivations or violations of civil rights; that criminal prosecutions are "cumbersome," slow, and "often unduly harsh"; that "jurors are reluctant to indict and convict" defendants in criminal prosecutions for alleged deprivations or violations of civil rights; that S. 83 is merely designed to lodge in the Federal Government an additional power to bring civil actions of an equitable nature in which the comparatively mild injunctive process is to be employed to redress or prevent deprivations or violations of civil rights; and that the proposed injunctive process is superior to criminal laws because it would afford the Federal Government means of preventing the commission of crimes in the civil-rights field.

The argument that criminal prosecutions are "often unduly harsh" on defendants in civil-rights cases and that such defendants would be benefited by subjecting them to "the comparatively mild injunctive process" instead of criminal prosecution is rather intriguing because of its source. This argument is advanced by Government attorneys, who confess their fear that they might lose some of the civil-rights cases they wish to win if they are required to convince jurors of the truth of their allegations by the oral testimony of cross-examined witnesses according to the practice prescribed by the Constitution. Congress would do well to beware of Government attorneys when they profess to bear gifts to those they are obligated to prosecute.

The arguments that criminal prosecutions are "cumbersome" and "slow," and that "jurors are reluctant to indict and convict" are identical with those given for the establishment of the Court of Star Chamber, the enactment of the acts of Parliament depriving American colonists of the right of trial by jury, and the congressional opposition of former days to the jury-trial provisions of the Clayton and Norris-La Guardia Acts.

In commenting on this subject in his famous dissenting opinion in *Hopkins* v. *Oxley Stave Co.* (83 F. 912, 924, 925), Judge Henry Clay Caldwell, who served with rare distinction as presiding judge of the United States Circuit Court of Appeals for the Eighth Circuit, said:

"It is said by those who defend the assumption of this jurisdiction by the Federal courts that it is a swifter and speedier mode of dealing with those who violate or threaten to violate the laws than by the prescribed and customary method of proceeding in courts of law; that it is a shortcut to the accomplishment of the desired object; that it avoids the delay and uncertainty incident to a jury trial, occasions less expense, and insures a speedier punishment. All this may be conceded to be true. But the logical difficulty with this reasoning is that it confers jurisdiction on the mob equally with the chancellor. Those who justify or excuse mob law do it upon the ground that the administration of criminal justice in the courts is slow and expensive, and the results sometimes unsatisfactory. It can make little difference to the victims of shortcut and unconstitutional methods, whether it is the mob or the chancellor that deprives them of their constitutional rights. It is vain to disguise the fact that this desire for a shortcut originates in the feeling of hostility to trial by jury * * *. A distrust of the jury is a distrust of the people, and a distrust of the people means the overthrow of the government our fathers founded."

Happily for liberty and justice in America, the founders of our Government hated judicial tyranny more than they loved judicial haste, and for that reason spurned the argument that criminal prosecutions are cumbersome and slow. Believing, as they did, that all persons ought to be weighed in the same legal balance, they likewise rejected the argument that justice ought to descend from her pinnacle in particular cases for fear that jurors might acquit some persons who, in the opinion of Government lawyers, deserve punishment.

The argument that S. 83 is a comparatively mild bill is destitute of validity. Those who advance it are like Job. They multiply words without knowledge.

Let us weigh the argument of mildness in the light of what S. 83 would empower the Attorney General and a one-man Federal court to do to defendants in civil-rights cases. And let us, when so doing, remember that the overwhelming majority of these defendants will be State and local officials, who render essential governmental services at State and local levels for little or no compensation out of a sense of public duty, and who will be haled into court, in the final analysis, simply because their ideas as to how their public duties should be performed differ from those entertained by the Attorney General or his underlings.

Under S. 83, the defendants in all civil actions or proceedings instituted by the Attorney General for the avowed purpose of protecting or vindicating any supposed civil rights defined either expressly or impliedly by sections 1971 and 1985 of title 42 of the United States Code are to be automatically deprived by circumvention of these substantial and invaluable rights: (1) Their rights under the Constitution to indictment by grand jury and trial by petit jury on the charges made in the civil actions or proceedings; (2) their right under the Clayton Act to trial by jury on indirect contempt charges in subsequent contempt proceedings arising out of alleged violations of restraining orders, temporary injunctions, or permanent injunctions issued in the civil actions or proceedings; and (3) their rights under the Clayton Act and sections 241, 242, 243, 372, 594, and 1503 of title 18 of the United States Code to the benefit of the limited punishments prescribed by Congress for the acts and practices allegedly committed by them. After the Attorney General robs the defendants of these constitutional and legal safeguards by the devious device of using civil actions or proceedings under S. 83 instead of criminal prosecutions, the one-man Federal court, which convicts them of contempts on trials without juries, may punish them for the contempts by fines or prison sentences having no fixed or known limits whatever.

The legal woes of the defendants do not necessarily end when they have suffered all these things at the hands of the Attorney General and the one-man Federal court. Since S. 83 does not remove their liability to criminal prosecution, they may still be subjected to punishment under the criminal law for the same acts. They could not plead double jeopardy in such event, because they would be punished in the contempt proceeding for disobeying injunctions and in the criminal prosecutions for committing crimes.

This brings us to the argument that the injunctive process proposed by S. 83 is superior to criminal laws because it would afford the Federal Government means of preventing the commission of crimes in the civil-rights field.

This argument is pressed with vigor by those who would deprive defendants in civil-rights cases of such basic rights and benefits as the right of trial by jury and the benefit of limited punishment.

The argument is lacking in intellectual strength. It rests solely upon the fallacy that courts of equity can prevent crimes in some manner other than by fear of the penalties attending the violations of injunctions.

The prohibition of the equity court adds nothing of a deterrent nature to the prohibition of the criminal laws. This is so because criminal laws and courts of equity have no preventive whatever except the fear of punishment. When all is said, criminal laws and injunctions undertake to prevent forbidden acts in exactly the same way, i. e., by threatening to punish their commission by fine or imprisonment. There is no sound reason for believing that laymen, unversed in the niceties of contempt and criminal processes, would fear the sentence of a court of equity more than the sentence of a court of law.

The only use of the term "equity" in the Constitution is in the stipulation of article III, section 2, that the "judicial power shall extend to all cases, in law or equity, arising under this Constitution, the laws of the United States, and treaties, made, or which shall be made under their authority."

While the founders of our Government were at pains to have the Constitution specify that criminal prosecutions and suits at common law are to be tried by jury, they did not insert in that instrument any express limitation upon courts of equity.

Adequate reasons existed for this omission.

At the time of the adoption of the Constitution, writs of injunction and other equitable remedies were used for the protection of property rights only. As was made clear by the commentary of Alexander Hamilton on the extent of the authority of the Federal judiciary, which has been preserved in The Federalist as Essay No. 80, the founders of our Government contemplated that the equitable jurisdiction of the Federal courts would be exercised within similar limits.

When they placed in article III, section 2, the emphatic, and unambiguous declaration that "the trial of all crimes * * * shall be by jury," the founders of our Government intended these plain English words to mean exactly what they said. They believed that this constitutional declaration possessed sufficient vigor to thwart the efforts of those who would convert courts of equity into courts of star chamber and rob Americans of their right of trial by jury by the devious device of extending the powers of equity beyond their ancient limits.

History makes this manifest: If they had dreamed that Americans could be constitutionally robbed of their right of trial by jury by perverting injunctions and contempt proceedings from their historical uses to the field of criminal law, the people of the United States would have rejected the Constitution out of hand. If one is tempted to question the validity of this assertion, let him read Judge Story's affirmation that the omission from the original Constitution of the guaranty of jury trial in suits at common law later embodied in the seventh amendment raised an objection to the Constitution which "was pressed with an urgency and zeal * * * well-nigh preventing its ratification."

We submit that the constitutional declaration "the trial of all crimes * * * shall be by jury" does possess the vigor attributed to it by the founders of our Government, and that in consequence it necessarily invalidates by implication any proposal to rob Americans of their right of trial by jury by extending the injunction and contempt processes of equity to the criminal field. If this is not true, this solemn constitutional declaration is but an empty pledge expressed in idle and ironic words.

If power can be conferred upon Federal courts to suppress crime in the civil rights field by injunctions and contempt proceedings in trials without juries, there is no sound reason why power cannot also be conferred upon such courts to suppress in like manner any and all crimes in the whole catalog of crimes.

In concluding this phase of our report, we quote from an article by Judge Henry Clay Caldwell, which appeared in the American Federationist in May 1910:

"These mandatory provisions of the Constitution are not obsolete, and are not to be evaded or nullified by mustering against them a little horde of equity maxims and obsolete precedents which had their origin in a monarchial government having no written constitution. No reasoning and no precedents can avail to deprive the citizen accused of crime of his right to a jury trial guaranteed to him by the provisions of the Constitution, 'except in cases arising in the land or naval forces, or in the militia, when in actual service in time of war, or of public danger.' These exceptions serve to emphasize the right and to demonstrate that it is absolute and unqualified both in criminal and civil suits, save in the excepted cases. These constitutional guaranties are not to be swept aside by an equitable invention which turns crime into a contempt and confers on a judge the power to frame an extended criminal code of his own, making innocent acts crimes punishable by fine or imprisonment without limit, at his discretion" (American Federationist, May 1910).

IV

S. 83 is deliberately designed to empower the Attorney General to establish government by injunction in the place of government by law in the civil-rights field.

While diligent efforts are made to present S. 83 as a mere proposal to permit the Federal Government to use orthodox equitable actions or proceedings to enforce or vindicate civil rights, the truth is that S. 83 is based on a perversion of equity powers from their proper functions, a repudiation of the first requisites of equity jurisdiction, and a usurpation of the powers reserved to the States by the 10th amendment.

S. 83 proposes that the injunctive and contempt processes be used for purposes which bear no more resemblance to the ancient and proper uses of those processes "than the milky way bears to the sun." As we have already pointed out, injunctions were used at the time of the ratification of the Constitution to conserve property in dispute between private litigants and the Founding Fathers contemplated that such writs would be restricted to similar usage by the Federal courts. To be sure, other statutes have been enacted by Congress to authorize the use of injunctions in lieu of executions to enforce awards made under the Workmen's Compensation and Longshoremen's Compensation Acts and to enforce public rights belonging to the United States in its capacity as a sovereign nation. S. 83 goes many bow-shots beyond these other acts. This is true because it perverts the powers of equity beyond their ancient and proper uses to enforce the criminal laws of the Nation in the field of civil rights.

S. 83 repudiates these two basic rules of equity jurisdiction: (1) The rule that a litigant has no right to invoke the aid of a court of equity where he has an adequate remedy at law, and (2) the rule that equitable proceedings must be brought in the name of the real party in interest. The Federal Government has an adequate remedy by criminal prosecutions for any and all public wrongs arising out of deprivations or violations of the civil rights of individuals (43 C. J. S., Injunctions, sec. 150). Private persons have adequate remedies by private actions at law for damages and private suits in equity to redress or vindicate any and all actual or threatened denials of their civil rights. Parts III and IV of S. 83 specify that the new actions or proceedings to be authorized by it are to be brought "for the United States, or in the name of the United States, but for the benefit of the real party in interest." By this phraseology S. 83 stipulates in express terms that the new actions or proceedings are not to be brought in the name of the real party in interest. While we do not deny to anyone so minded the privilege of arguing that the United States has a sentimental interest in all persons within its borders enjoying their civil rights, we do assert without fear of successful contradiction that the United States has no legal interest whatever in actions or proceedings to vindicate the political or personal rights of individuals, even though they may be denominated civil rights. If it did, there would be no occasion for enacting S. 83, because the United States would possess the right to sue for this purpose under existing civil-rights statutes. We deem it not amiss to repeat that the provisions of parts III and IV of S. 83 providing that the new actions or proceedings are to be brought "for the United States, or in the name of the United States" are deliberately designed to deny defendants in civil-rights cases the right of trial by jury and the right to the benefit of limited punishments in proceedings for indirect contempt which they would otherwise enjoy under sections 402 and 3691 of title 18 of the United States Code.

The provisions of parts III and IV of S. 83 purporting to confer upon the Attorney General the autocratic and despotic power to nullify State laws prescribing administrative remedies has this twofold objective: (1) To abrogate the long-settled rule of judicial administration that no one is entitled to resort to the courts for judicial relief until he has used and exhausted the administrative remedies, and (2) to permit the Attorney General, acting with the sanction of a 1-man Federal court, to usurp the power of the State to determine, in the first instance, matters committed to the State under our constitutional system, such as whether a person applying for voting rights possesses the qualifications prescribed by State law for electors "of the most numerous branch of the State legislature" or whether the educational welfare of a particular child requires or justifies assignment to a particular school.

The powers of equity are thus perverted, the first principles of equitable jurisdiction are thus repudiated, and the powers of the State are thus usurped to establish government by injunction in place of government by law in the field of civil rights, and to insure that the government by injunction so established is not to be subject to any limitation whatever except that unknown and unpredictable quality called judicial discretion.

What is government by injunction? Government by injunction is government according to the personal convictions, inclinations, or notions of individual judges rather than government by certain and uniform laws applying alike to all men in like situations.

This being true, it is no wonder that Lord Camden, one of England's greatest lawyers, declared:

"The discretion of a judge is the law of tyrants; it is always unknown; it is different in different men; it is casual and depends upon constitution, temper, and passion. In the best it is ofttimes caprice; in the worst it is every crime, folly, and passion to which human nature is liable."

Edmund Burke, the great English statesman, used somewhat milder language in pointing out the dangers inseparable from government by injunction. He said:

"The spirit of any sort of men is not a fit rule for deciding on the bounds of their jurisdiction; first, because it is different in different men and even different in the same at different times, and can never become the proper directing line of law; and next because it is not reason but feeling, and when once it is irritated it is not apt to confine itself within its proper limits."

Government by injunction is abhorrent to those who love our constitutional and legal systems for these reasons:

1. Government by injunction denies to litigants the right to invoke for their protection basic constitutional and legal safeguards created by the Founding Fathers and Congress to protect all Americans from tyranny.

2. Government by injunction reduces the courts from the status of judicial tribunals to the status of administrative agencies of the executive department of the Government.

3. Government by injunction inevitably tends to bring the courts into disrepute.

4. Government by injunction may extend beyond prohibitions of lawless acts to make crimes of innocent acts and to coerce community conduct.

It is unnecessary to elaborate upon the first of these propositions. We pointed out in detail in section II-B of this report that S. 83 is deliberately designed to confer upon the Attorney General the autocratic and despotic power to rob State and local officials and other Americans involved in civil-rights disputes of those basic and invaluable safeguards created by the Founding Fathers and Congress to protect all Americans from bureaucratic and judicial tyranny; namely, the constitutional right of indictment by grand jury, the constitutional right of trial by petit jury, the statutory right of trial by jury in indirect contempt cases, and the statutory right to the benefit of limited punishment in indirect contempt cases.

This brings us to a consideration of the second and third propositions, which are interrelated.

Proponents of S. 83 urge injunctions to enforce civil rights on the theory that southern jurors do not convict in such cases. Let us examine this theory. What is charged, summarily and without substantiation, is that all southern jurors are utterly faithless to their oaths and duties. Else the proponents must maintain that the very possibility of acquittal, which is present in every jury trial, is reason enough in civil-rights cases for bypassing the jury. Thus the jury system is the pillar of liberty save where southerners and civil rights are concerned. Then, they say, it becomes a stumbling block to justice.

Yet, when it is suggested that the injunctive power is susceptible to grave abuse, these proponents say that such suggestions are an affront and a dishonor to the judiciary. Such suggestions are an affront, they say, despite the indelible record of judicial abuse of injunctions issued in labor disputes. While the advocates of S. 83 do not hesitate to indict the whole southern community as lawless, they would except the Federal judge as though he, in receiving the judicial robes, discards the passions and the clouded eyes which they attribute to all other southerners.

We would remind them of the words of Clarence Darrow given on March 23, 1900, before the House Judiciary Committee then considering limitation of injunctions in labor disputes. He said:

"I am not making any charges against the courts they are just like the rest of us. They go upon the bench with exactly (the same) surroundings in which they have lived."

He said further:

"If you give men arbitrary power, the tendency is to enlarge from year to year and from day to day; the tendency of the courts is to reach out and take more and more power."

And we would commend to them these words of United States Circuit Judge Henry Clay Caldwell:

"Honesty and ability do not exempt from error, and when coupled with error they become dangerous gifts. After all, the human skull is but the temple of human errors, and judicial clay, if you analyze it well, will be found to be like all other human clay. The rule is without exception that whenever the exclusive power of making or administering the law is committed

for any extended period to a single man or a few men—to a caste—the progressive restriction of the liberty of the people follows" (American Federationist for May 1910).

In saying that judges are fallible like other men, we do not assail the judiciary. We merely suggest that the provisions of S. 83 ought to be tested in the light of that fact and in the light of judicial history. This history shows that the Federal courts lost the respect and confidence of the people during the tragic years when government by injunction prevailed in labor controversies. George Wharton Pepper, eminent Philadelphia lawyer and statesman, attributed such loss of confidence to the fact that the Federal courts were assigned "the burden of solving for us our legislative and executive problems" growing out of industrial warfare. Pleading for the adoption of adequate means to restore confidence in the Federal courts, Mr. Pepper asked a question which bears repeating in view of the provisions of S. 83. His question was simply this: "To maintain such confidence must we not confine the courts to the sphere in which the creators of our constitutional system intended them to live and move and have their being?" (address before the American Bar Association, 47th annual meeting, 1924).

George W. Norris, the great liberal Senator from Nebraska, proposed the Norris-La Guardia Act, which severely restricted the issuance of injunctions and provided jury trials in cases of indirect contempt, as the most efficacious means for restoring confidence in the Federal courts. In a Senate speech on February 23, 1932, advocating the passage of the act, he pointed out:

"Is it any wonder that there has grown up a feeling of resentment against some of the actions of some Federal judges? Is it any wonder that there has gradually grown up in the minds of ordinary people a feeling of prejudice against Federal courts? Is it surprising that there should develop a sentiment against life tenure for Federal trial judges? Can anyone doubt that such action on the part of the Federal judiciary has gradually developed in the minds of ordinary people a fear that where a system of jurisprudence prevails which enables one man, endowed with a life tenure of office, to write a law and then order its enforcement, and then, refusing a jury, to try alleged offenders and punish them at his own sweet will, it will eventually lead us to the common knowledge and belief that where such things exist, as Blackstone says, 'There can be no public liberty.'

"It is difficult to see how any civilized people would indefinitely submit to such tyrannical treatment, and indeed, it would undoubtedly be true that there would not have been submission if this procedure were general and applied to all classes of people."

The proponents of S. 83 spurn the wise counsel of George Wharton Pepper. They propose that Federal courts of equity be extended far beyond the "sphere in which the creators of our constitutional system intended them to live and move and have their being." They propose, moreover, that the Attorney General be clothed with autocratic power whereby he can virtually convert Federal district courts into administrative agencies of the executive department of the Federal Government for the management of schools, elections, and other similar activities of a local nature in the civil-rights field.

In addition, they propose that Federal district judges be placed in a position identical to that described by Senator NORRIS in the quotation set forth above. Under S. 83 the Federal district judge, acting as both judge and jury, will be projected into the middle of the civil-rights controversy whose issues are highly charged with emotionalism and partisanship. On one side of the controversy will be ranged the legal and financial might of the Federal Government and on the other the State or local official who performs governmental services for little or no compensation out of a sense of public duty. Regardless of the merits of the particular case, the controversy will be viewed and interpreted as a conflict between the Federal and State Governments.

In this atmosphere and under these circumstances the single judge must decide, in the first instance, whether or not to issue an injunction and, in the second instance, whether or not to cite for contempt. In many cases he must so decide on the basis of affidavits drawn by partisan lawyers and executed by witnesses who are not subject to cross-examination.

In any proceedings for contempt for any alleged violation of the injunction, the judge is compelled to enact the varied and conflicting roles of lawmaker, injured party, prosecutor, judge, and jury.

And there are other subtle factors present, which may, consciously or unconsciously, influence the judge's decision. One is the very human danger that the judge may view an alleged violation of his own injunction as a personal insult to himself. Another is that the judge, as a Presidential appointee, may interpret his role as that of furthering the particular policies of government or even of his party.

Surely no judge ought to be compelled to act under such circumstances. And surely any decision which he may make under such circumstances will be suspect by considerable portions of the public as having been induced by some unworthy motive.

This being true, the very procedure established by S. 83 will tend to bring the courts into public disrepute, no matter how honest or intelligent the judiciary may be. For this reason we attempt to maintain the respect in which honest tribunals should be held when we urge the rejection of S. 83, whose unwise procedure is calculated to bring all judicial tribunals into disrespect.

The fourth proposition, that injunctions may extend beyond prohibitions of lawless acts to include acts which are innocent and may coerce community conduct, is amply shown by an injunction presently in force relating to school integration. There is now in Clinton, Tenn., an injunction in force which enjoins these things: "hindering, obstructing, or in anywise interfering with the carrying out of the aforesaid order of the court (the integration order of January 4, 1956), or from picketing Clinton High School, either by words or acts or otherwise." Where do we find the State or Federal statute which prohibits speaking, writing, or peaceful picketing? Of course there is none. But the injunction has declared this law and these legal acts are made crimes.

And who is enjoined in Clinton, Tenn., from these acts? The injunction, issued on August 29, 1956, and made permanent on September 6, 1956, was against six named defendants, "their agents, servants, representatives, attorneys, and all other persons who are acting or may act in concert with them." Yet the county attorney is quoted to have said that "this injunction has no limits; it applies to everyone everywhere, be they minors, adults, inside or outside of any building in this (Anderson) county." And on December 6, 1956, 16 persons, not parties to the suit, nor alleged in the writ of attachment to be "agents, servants, representatives, attorneys" or in active concert with the original defendants, were cited for criminal contempt of the injunction for alleged disturbances near the school grounds. These defendants, now 6 months later, are awaiting trial.

We do not believe that the Clinton case has lessened the tension or ill will in the community and we do not believe that the injunction has strengthened the trust and confidence of the people in the judiciary. Indeed, this single case should point out the grave dangers in the extension of the injunctive process proposed by S. 83 where additionally, unlike the Clinton defendants, the defendants would have no right to jury trial.

The thoughts of William S. Dunbar, posed in 1897 in the Law Quarterly Review, are worth heeding:

"It should not be forgotten that no course is more dangerous than to justify the exercise of a doubtful power by the supposed necessities of a particular emergency. Courts must adhere to fixed principles, lest the departure today by a present emergency itself justify tomorrow a departure inspired by some sinister motive. Courts of equity can in no event be made to replace permanently an able and honest administration of its duties by the executive branch of the Government. The attempt to do so may achieve a temporary success but ultimately will result in a lowering of the standard of the judiciary or a disregard of its decrees."

V

The claim of its proponents that S. 83 is simply a proposal to lodge in the Federal Government a limited power to enforce or vindicate by injunctions and contempt proceedings the right to vote and a few other civil rights of members of so-called minority groups is without foundation. If it should be enacted by Congress, S. 83 would empower the Attorney General to institute and prosecute at public expense lawsuits "as numberless as the sand" for the avowed benefit of any aliens, citizens, or private corporations within the territorial jurisdiction of any of the 48 States.

S. 83 is presented by its proponents as a simple proposal to lodge in the Federal Government a strictly limited power to prevent or redress by injunctions and contempt proceedings deprivations or violations of a limited number of civil rights of persons belonging to so-called minority groups.

This claim is without foundation. If S. 83 is enacted by Congress, it will empower the Attorney General to carry on litigation at the public expense for the supposed benefit of any alien, citizen, or private corporation within the territorial jurisdiction of any of the 48 States in instances "as numberless as the sand."

This is true because S. 83 specifies, in essence, that the Attorney General may bring civil actions or proceedings of an equitable nature to suppress by injunctions and contempt proceedings conspiracies, either consummated or unconsummated, to deprive any person or class of persons, either directly or indirectly, of "the equal protection of the laws" in violation of the 14th amendment (42 U. S. C., sec. 1985 (3)).

While the prohibition of "the equal protection of the laws" clause of the 14th amendment applies only to a State acting through an agency or instrumentality of its government, the scope and coverage of the clause are exceedingly broad.

The clause "means, and is a guaranty, that all persons subjected to State legislation shall be treated alike, under like circumstances and conditions, both in privileges conferred and in liabilities imposed" (16A C. J. S., Constitutional Law, sec. 502). The benefits of the clause extend to all aliens and all citizens of all races as well as to all private corporations within the territorial jurisdiction of any of the 48 States.

These things being true, S. 83, if enacted by Congress, would empower any Attorney General to litigate at public expense virtually all claims of virtually all aliens, citizens, and private corporations within the jurisdiction of the State in question that they have suffered intentional discrimination by the action of State or local officials taken under State statutes or municipal ordinances, or orders or regulations made under them, pertaining to elections; public education; business and trade; labor; charges,

prices, and interest; railroads, motor carriers, telegraph companies, public warehouses, and other public utilities; ad valorem, income, inheritance, license, and sales taxes; local public improvements; highways and streets; buildings; fish and game; the keeping of animals; civil remedies and procedure; crimes and criminal procedure; and all other matters committed by our system of government to State control.

Congress would be exceedingly unwise if it should approve a bill authorizing any Attorney General to open at the expense of the taxpayers a whole Pandora's box containing so many legal miseries.

VI

S. 83 provides for the establishment of a roving Presidential Commission on Civil Rights with drastic subpena and hearing powers to wander to and fro over such portions of the face of the United States as it may select to investigate such vague matters as "unwarranted economic pressures" and such unlimited matters as "developments constituting a denial of equal protection of the laws." The establishment of such commission is wholly unnecessary because committees of Congress are well equipped to make such investigations as may be necessary in the premises. Furthermore, the establishment of such commission is likely to be productive of much evil because its activities will foment controversies in racial matters and inevitably give rise to the charge that it is being used to exploit so-called minority groups for political purposes. S. 83 also provides for the establishment of a new Civil Rights Division in the Department of Justice which will necessarily have to be staffed by innumerable employees at an expense which no one can now estimate.

S. 83 proposes that Congress authorize the establishment of a roving Presidential Commission with authority to wander to and fro over the face of such portions of the United States as it may select for the purpose of investigating such vague matters as "unwarranted economic pressures by reason of color, race, religion, or national origin" and such unlimited matters as "economic, social, and legal developments constituting a denial of equal protection of the laws" under the 14th amendment.

There is absolutely no justification for the establishment of any such Presidential Commission. If it should be of the opinion that there is any occasion for conducting investigations in this particular field, Congress should conduct such investigations through the instrumentalities of existing Congressional committees, which are operated by men who are elected by the American people to legislate for them and who will necessarily take the political consequence of any errors committed in such investigations. The members of the Presidential Commission would not be responsible to anyone for any action which they might take.

It is submitted, moreover, that it would be exceedingly unwise for Congress to create a Presidential Commission as proposed by S. 83. Such a Commission could harass the American people beyond measure in the proposed investigations, because the bill contains no indications whatsoever as to what the phrase "unwarranted economic pressures" means, and because "the equal protection of laws" clause of the 14th amendment is so broad as to cover every economic, political, and other activity carried on under State statutes and municipal ordinances.

Some idea of the meaning attributed to the nebulous phrase "unwarranted economic pressures" by organizations advocating S. 83, may be obtained by a reading of the testimony taken before the Subcommittee on Constitutional Rights of the Senate Committee on the Judiciary. One of these organizations presented a witness before the subcommittee who testified that a bank had brought "undue economic pressure" upon his father, a member of a so-called minority race, by calling upon his father to pay his bank note when it fell due.

The Presidential Commission would undoubtedly be productive of great evils. This is true because the bill impliedly solicits the testimony of maladjusted persons suffering from delusions of persecution in the area of racial relations. Besides, it contemplates that the Commission would avail itself of the services of "voluntary * * * personnel" who will undoubtedly entertain in most cases fanatical opinions in the area in which the Commission is to operate. As a consequence of these matters, the activities of the Commission would undoubtedly foment considerable bitterness in the area of racial relations.

In addition, the Commission could be readily used as a means of exploiting so-called minority groups for political purposes.

S. 83 also proposes that Congress authorize the establishment of a new Civil Rights Division in the Department of Justice. In view of the fact that pressure groups would insist that this Division act as guardian for so-called minority groups, no one can foretell at this time the number of officers who will inevitably be required to exercise the autocratic and despotic powers which S. 83 is calculated and intended to confer upon the Attorney General. All that one can predict with any degree of certainty at this time is that the Attorney General would employ "swarms of officers to harass our people, and eat out their substance."

When all is said, S. 83 is deliberately designed to confer upon the Attorney General autocratic and despotic powers which may befit the office of commissar of justice in a totalitarian country, but which are incompatible with the office of chief law officer of a republic having a government of laws rather than a government of men.

Undoubtedly Daniel Webster had such tyrannical governmental actions in mind as those proposed by S. 83 when he uttered these eloquent words:

"Other misfortunes may be borne, or their effects overcome. If disastrous wars should sweep our commerce from the ocean, another generation may renew it; if it exhaust our Treasury, future industry may replenish it; if it desolate and lay waste our fields, still, under a new cultivation, they will grow green again, and ripen to future harvests.

"It were but a trifle even if the walls of yonder Capitol were to crumble, if its lofty pillars should fall, and its gorgeous decorations be all covered by the dust of the valley. All these may be rebuilt.

"But who shall reconstruct the fabric of demolished government?

"Who shall rear again the well-proportioned columns of constitutional liberty?

"Who shall frame together the skillful architecture which unites national sovereignty with State rights, individual security, and public prosperity?

"No, if these columns fall, they will be raised not again. Like the Colosseum and the Parthenon, they will be destined to a mournful and melancholy immortality. Bitterer tears, however, will flow over them than ever were shed over the monuments of Roman or Grecian art; for they will be the monuments of a more glorious edifice than Greece or Rome ever saw—the edifice of constitutional American liberty" (Daniel Webster, 1832).

THE SECOND BATTLE OF GETTYSBURG

Mr. HOLLAND. Mr. President, everyone knows that old soldiers like to talk over old battles and old campaigns. No one has ever surpassed old commanders as "second guessers" and "Monday morning quarterbacks," and probably no one ever will. Let us hope so, at any rate.

In recent days there has been much talk in press, radio, television, and almost everywhere else about the so-called second Battle of Gettysburg—the discussion of that famous battle by two great commanders, each of them almost as famous as Gen. Robert E. Lee.

I have noted in the New York World-Telegram of Tuesday, May 14, an editorial entitled, "And on Another Field," which I think may place the recent discussion between General Eisenhower and Field Marshal Montgomery in a more mellow perspective. I read this editorial into the RECORD as a part of my remarks, as follows:

AND ON ANOTHER FIELD

It was a rather wet, foggy morning last Sunday in the Ardennes Forest of France, as well as at Gettysburg.

No one noticed the gray-clad shade of Gen. Robert E. Lee and the blue-faded wraith of Gen. George C. Meade jeeping leisurely over the historic battleground in amiable conversation.

"And this," said General Meade to Lee, "is where von Rundstedt massed the cream of the German Army for a last-ditch counterattack that Christmas of 1944."

"Yes," said Lee. "He had alined his forces to the south there along the 50 miles from Monschau Forest to Trier. This was his desperate, final attempt to change the whole course of the war."

"What about General Eisenhower's intelligence?" asked Meade.

"It was completely in the dark," said Lee, "when the Germans' Sixth Armored Army rushed in. The Allied defense was thin and the Germans hit in two columns. On the north they carved out a salient 10 miles wide and 6 miles deep. Their southern column, executing a pincers movement over that way, penetrated 5 miles. That was the opening of what they called the Battle of the Bulge."

"Where was Montgomery?" asked Meade.

"He was tidying up the battle area and massing to protect Antwerp—to the rear."

"So the Germans broke through," said Meade, shaking his head.

"They did, indeed," said Lee.

"An absolutely monstrous thing," said Meade.

"I would have sacked them both," said Lee.

"You're so right, Bob," said Meade. And the two shades—old soldiers once bitter rivals—solemnly shook hands in agreement at last.

VISIT TO THE SENATE BY JUNIOR CLASS of LaSALLE HIGH SCHOOL, CUMBERLAND, MD.

Mr. BEALL. Mr. President, I have the honor today to present the junior class of the LaSalle High School of Cumberland, Md. They are making their annual visit to Washington, and are at present in the Senate gallery. I ask that the members of the class rise, so that Senators may see them.

[The members of the class rose in their places, and were greeted with applause, Senators rising.]

The PRESIDING OFFICER. The Senate is very happy to welcome you here today.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed

to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. If there be no reports of committees, the clerk will state the remaining nomination on the Executive Calendar.

DEPARTMENT OF THE NAVY

The Chief Clerk read the nomination of J. Sinclair Armstrong to be an Assistant Secretary of the Navy.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to this nomination?

Mr. KEFAUVER. Mr. President, I intend to vote against confirmation of the nomination of Mr. J. Sinclair Armstrong to be an Assistant Secretary of the Navy, and I wish to explain why.

I take this step reluctantly, for ordinarily I believe in allowing the President to have whomever he wants in his Cabinet and subcabinet. Since President Eisenhower has been in office, I have opposed the confirmation of only one other nomination that has come before the Armed Services Committee, of which I am a member. Literally thousands of nominations have passed through the Armed Services Committee during those 5 years.

The other one to which I objected was that of Harold E. Talbott to be Secretary of Air.

Time has indicated that I was correct in that instance. I believe that I am correct in this one also.

In my opposition to Mr. Armstrong, there is nothing of a personal nature involved. Mr. Armstrong is a likeable man personally. He has simply shown himself to be unworthy of one high post, namely, Chairman of the Securities and Exchange Commission, and I see no reason to entrust him with another.

Let me, very briefly, tell Senators why I cannot endorse by my vote the nomination of this man, and then I shall be glad to answer any questions, for I am very familiar with this case.

Members of the Senate will recall that 2 years ago in July 1955 in hearings before the Subcommittee on Antitrust and Monopoly of the Senate Judiciary Committee, there was developed strong and compelling evidence of a conflict of interest in the handling of the so-called Dixon-Yates matter.

Members of the subcommittee, both Republicans and Democrats, participated actively in those hearings, as did the then chairman of the Joint Committee on Atomic Energy, the distinguished Senator from New Mexico [Mr. ANDERSON].

The conflict arose because of the dual role played by Adolphe Wenzell, then a vice president of the First Boston Corp., which served as financial agent for the Dixon-Yates combine, and at the same time a consultant for the Bureau of the Budget. Mr. Wenzell simultaneously worked on the Dixon-Yates contract for both parties. The subcommittee felt this was such a conflict that the contract was null and void, and the Justice Department—the Attorney General—and the Atomic Energy Commission now agree with us. In a pleading filed in the United States Court of Claims in the case of Mississippi Valley Generating Co. against United States—which is the suit of the Dixon-Yates group for alleged damages growing out of this case—the Justice Department, in the brief which it filed, maintained:

> The alleged agreement is contrary to public policy, unlawful, and null and void by reason of the activities of one Adolphe H. Wenzell, a salaried vice president of First Boston Corp., of New York City.

What was Mr. Armstrong's role in all this? He was Chairman of the Securities and Exchange Commission, a quasi-judicial, independent agency, an arm of the Government, which had to pass on the Dixon-Yates financing under the law as enacted by Congress. The case was proceeding before a trial examiner, Mr. Ewell. The case, as Senators will remember, was hotly contested. This was no pro forma proceeding before the Securities and Exchange Commission.

There was a series of controversies and questions raised as to whether the SEC, under the law, could approve the application for financing on behalf of the Dixon-Yates organization. Among the questions raised was whether the Holding Company Act had been and was being violated. There was very deep interest in the matter. There was also involved the question of whether, since TVA had not signed the contract, it would be affected by the contract. Therefore, a very serious judicial proceeding was under way before the hearing examiner of the SEC in connection with the Dixon-Yates financing.

The State of Tennessee and others, opposing the plan of financing, were represented by attorneys. The Dixon-Yates interests were represented by attorneys from New York. The Government had attorneys in the hearing room.

All these persons were present, secure in their belief that they were proceeding in a judicial way, with everything up and above board, according to the laws of evidence and quasi-judicial proceedings. But they were not. Their feeling of security was misplaced. For everything was not happening in that hearing room, where the hearing was taking place. Some shots were being called in the dark. Decisions affecting the proceedings in that room were being made over the telephone. On one end of the line was Sherman Adams, assistant to the President. On the other end of the line was J. Sinclair Armstrong, the Chairman of the Securities and Exchange Commission, the man entrusted by all those present to conduct the hearing in a judicial manner, to give them their day in court, to be truly an independent chairman of an independent agency.

The record is all here. It shows what happened. It shows that Mr. Sherman Adams called Mr. Armstrong at his home on Saturday afternoon, June 11, 1955, as Mr. Armstrong says, on a matter of great emergency. He asked that the Commission consider holding up its hearing scheduled for the following Monday, June 13, before the hearing examiner of the FCC.

What was significant about that hearing? It was the day on which Adolphe Wenzell was scheduled to testify before the hearing examiner. The whole sordid story, until then locked in the closets, might have been and would have been revealed during the course of the testimony. It was the intention of the attorneys for those opposing the Dixon-Yates financing to show by their questions directed to Mr. Wenzell, on that Monday, June 13, 1955, that Mr. Wenzell was engaged in a dual role, which constituted a conflict of interest, a conflict of interest which Mr. Brownell later on found made the contract null and unenforcible.

It was also the day, June 13, 1955, on which the House was scheduled to and did consider an appropriation of $6½ million for transmission lines from the Dixon-Yates proposed plant across the river to Memphis, Tenn. It was the day on which this issue was to be debated sharply in the House of Representatives, with great interest in the issue, and with newspaper stories on the question of whether there would be an appropriation made for TVA to build the Fulton steam plant or whether there would be an appropriation of $6½ million to build the transmission line across the river from Arkansas to Memphis, Tenn.

Obviously, Sherman Adams did not want this conflict of interest and the part played by Mr. Wenzell revealed at the same time the House was considering the appropriation.

I am certain that if the information which was later developed by the Subcommittee on Monopoly and Antitrust of the Committee on the Judiciary about the conniving of Wenzell and the part he played in this conflict of interest had been brought out, as it would have been if the SEC hearing had continued on that Monday, June 13, it would certainly have caused a great deal of interest, and probably would have changed the vote in the House of Representatives.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. CARROLL. Do I understand correctly from the able Senator from Tennessee that a hearing was in progress before the SEC, with a trial examiner presiding at the hearing, and that that proceeding was interfered with by a Commissioner of the Securities and Exchange Commission as a result of a telephone call from the White House?

Mr. KEFAUVER. The Senator is correct. It was as a result of an urgent call on the Saturday afternoon before the Monday when the hearing was to be continued.

Mr. CARROLL. Will the Senator from Tennessee inform the junior Senator from Colorado how long the hearings had been proceeding before the trial examiner of the SEC?

Mr. KEFAUVER. The proceedings had been before the trial examiner for considerably more than a month. The hearings had been held from day to day before the trial examiner on the bond financing of Dixon-Yates, or the Mississippi Valley Generating Co.

Mr. CARROLL. Then, although the proceedings had been going on for some

weeks, on Saturday, June 11, a telephone call came, not to the trial examiner—and there was no official motion made before the trial examiner for a postponement—but to the Chairman of the SEC, asking the Chairman to postpone the hearing. Is that correct?

Mr. KEFAUVER. The Senator is correct. Mr. Sherman Adams called Mr. Armstrong on Saturday afternoon at Mr. Armstrong's home, and asked him to postpone the hearing before the examiner. The hearing which was to take place on Monday was a continuation of the previous hearings.

Mr. CARROLL. As I understand from the able Senator's statement, the significance is that on the following day Wenzell was to testify before the trial examiner?

Mr. KEFAUVER. Wenzell was scheduled to testify on Monday, June 13, at the proceedings before the SEC, which was scheduled to begin at 10 o'clock a. m. That was the same day the House of Representatives was scheduled to and did take up the sharply contested appropriation bill concerning the Dixon-Yates transmission line.

Mr. CARROLL. Is it not true that, according to administrative law, when a trial examiner begins a proceeding, he sits in judgment, very much as a judge does in a court of law, to hear all the evidence, upon which he will base his decision; which is subject to review by the Commission, in this case the SEC, which is an arm of Congress?

Mr. KEFAUVER. The Senator is entirely correct. Mr. Armstrong himself testified and Mr. Timbers, the attorney for the SEC, testified that of course the proper procedure and the regular procedure would have been for him to appear before the examiner and to state his reasons for the request. They said that never in their experience had they known of the Government interfering with and ordering an examiner to postpone a hearing, as was done in this case: or, it might be added, without even telling the examiner or the attorneys what the reason was, but leaving them absolutely in the dark as to why the matter was taken out of the hands of the examiner, and without telling them why the hearing order was postponed.

Mr. CARROLL. What Government department attorneys were concerned with this particular case?

Mr. KEFAUVER. Of course, the attorneys for the Securities and Exchange Commission were present. Attorneys from the Atomic Energy Commission were there as observers. High-level attorneys from the Department of Justice were present, including Mr. George S. Leonard, Mr. Warren Burger, and Mr. McGinnis. That is set forth on page 396 of the hearings before the Judiciary Subcommittee. Also present were Bill Mitchell, who, I believe, was General Counsel for the Atomic Energy Commission, and a Mr. Morrison, an observer from the Atomic Energy Commission. They were not told the reason for the postponement; they were in the dark as much as anybody else.

Mr. CARROLL. Is the Securities and Exchange Commission an arm of Congress?

Mr. KEFAUVER. The Securities and Exchange Commission is an arm of Congress, charged with the duty of enforcing and carrying out in a judicial manner the Securities and Exchange Act and the Holding Company Act.

Mr. CARROLL. So actually, if I interpret correctly the statement of the Senator from Tennessee, if the Sherman Adams was the Sherman Adams I have in mind, the Presidential assistant at the White House, he belongs to the executive branch of the Government. Here was a case of the executive branch of the Government interfering with a quasi-judicial function of the Securities and Exchange Commission, which is an arm of Congress, to get a continuance, not from the trial examiner, but from the Chairman of the Commission himself, who would ultimately have to pass upon the decision of the trial examiner.

Mr. KEFAUVER. That was exactly what was done; and the whole thing was secretive.

Mr. CARROLL. I thank the Senator from Tennessee.

Mr. KEFAUVER. I thank the Senator from Colorado.

Mr. Adams told Mr. Armstrong, according to testimony, that there were some Government attorneys who were out of town who might want to consider whether the Government should intervene with respect to the testimony of Adolphe Wenzell.

This, it seems to me, was a phony excuse, because, as has been brought out in the colloquy with the Senator from Colorado, lawyers in high positions from the Department of Justice and the Atomic Energy Commission had been present and were present at the hearing before the examiner.

Mr. HILL. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. HILL. I have before me what purports to be a copy of the Senator's address. As I understood the Senator, he said that Mr. Adams stated that certain Government lawyers, who were then out of town, might want to intervene. As I read the Senator's address, I wonder if he did not mean to say that it was Mr. Armstrong who made the statement to the other members of the Commission.

Mr. KEFAUVER. Mr. Sherman Adams first called Mr. Armstrong on Saturday afternoon on a matter of urgency, and told Mr. Armstrong that certain Government attorneys wanted to consider whether they should intervene and object to the testimony of Wenzell. He said they were Government attorneys who were out of town. Then, as I shall point out later, Mr. Armstrong related that information to the other members of the Commission.

Mr. HILL. Did Mr. Adams state who the Government attorneys were, or what their capacity was, or whom they might represent, so far as the Government was concerned?

Mr. KEFAUVER. He apparently did not tell Mr. Armstrong. There was evidently some indication later that the attorneys about whom he was talking were Mr. Gerald D. Morgan, counsel for the President, and the Attorney General, Mr. Herbert Brownell.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. MORSE. I commend the Senator from Tennessee for his documentation of what I think is so typical of the malfeasance of this administration. Am I correct in my understanding that the nomination which is before the Senate is that of a man by the name of Armstrong?

Mr. SALTONSTALL. Mr. President, would the Senator from Oregon be willing to speak a little louder?

Mr. MORSE. Am I correct in my understanding that the nomination we are considering is that of a man by the name of Armstrong, who, following a telephone conversation with the President's No. 1 adviser, Mr. Sherman Adams, postponed a hearing of the Securities and Exchange Commission, and that the interesting part of the timetable was that the postponement was to be until after the House Appropriations Committee had held its hearings in connection with an appropriation which involved the very agency which the man headed?

Mr. KEFAUVER. The Senator is correct in everything except that it was not the House committee; it was the House of Representatives itself, which, on the floor, was passing upon an appropriation which involved the very matter which would come out adversely to the administration before the SEC. The appropriation was acted upon; and immediately after it was acted upon, the hearing before the examiner took place.

Mr. MORSE. I may say, good naturedly, that this simply affords me further amusement at the consternation of my Republican colleagues when I point out the proof of the political immorality of this administration. This is one other bit of evidence.

Mr. KEFAUVER. I thank the Senator from Oregon for his question.

Mr. President, I said that the suggestion of the Assistant to the President in calling up Mr. Armstrong that some high Government attorneys might desire to intervene was on its face phony, because the Government attorneys from the Department of Justice and the Atomic Energy Commission were in attendance. It is well known that the Department of Justice has hundreds of lawyers, including Deputy Attorney Generals; and if anyone wanted to have the hearing postponed for any legitimate reason, he could have appeared before the hearing examiner and stated the reasons. He could have made an application or a motion before the hearing examiner in open session. If his superiors had desired to intervene, all the attorney would have had to do was to make a motion stating the reasons for the postponement, and let the question be considered in the open, because that would have been the judicial way in which to handle the matter. Sherman Adams' and Sinclair Armstrong's way was above and beyond the law. Their way was one of dealing under the table, not above it.

Mr. HILL. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. HILL. As the Senator said, those hearings had been proceeding for some days.

Mr. KEFAUVER. For many weeks.

Mr. HILL. Certainly it was not contemplated that the hearing before the trial examiner would end on that particular Monday. There would have been plenty of time for anyone to file a motion, present a petition, or make any request he saw fit to make.

Mr. KEFAUVER. Oh, yes.

Mr. HILL. Certainly it was not contemplated that there would be an end of the hearing at, say, 12 o'clock noon on that particularly Monday.

Mr. KEFAUVER. The Senator is entirely correct. After the hearing had been postponed upon the telephone call of Adams, and after the appropriation bill had been acted upon, the hearings started again, and continued for several weeks.

Nevertheless, Mr. Adams, in speaking to Mr. Armstrong, said he had another problem, the appropriation bill in the House, and that, anyway, the whole matter might be academic soon, because the city of Memphis might build its own steam plant.

To this Mr. Armstrong says he answered, "That is no concern of mine."

So the only conclusion one can draw is to be gleaned from the little bits of testimony which it has finally been possible to pull out of Mr. Armstrong. Mr. Adams pleaded executive privilege and would not tell us anything.

I surmise that what happened, and had to happen, was that Mr. Adams, knowing that Wenzell's testimony, developed on that Monday, might defeat the administration's position in the House of Representatives on the appropriation bill, called Mr. Armstrong urgently on Saturday afternoon and told him that Wenzell was going to testify; that all the conflict of interest which might appear or be disclosed would adversely affect the debate in the House of Representatives, and that he should take the bull by the horns and postpone the hearings, although such action would deprive the public and the Members of the House of Representatives of very important testimony, which they needed, and which would have affected the outcome in the House of Representatives. Mr. Armstrong did what he was requested to do.

Mr. Armstrong fulfilled well the capacity of errand boy, or messenger boy, for someone who asked him to act outside the judicial course. He met with the other Commissioners on Monday morning, June 13, 1955. He called an extraordinary meeting at 9:30 a. m. When the other Commissioners were present, he told them only a part of the story, only a part of the telephone conversation. He told them that certain Government lawyers were out of town, and might want to intervene. They decided to postpone the hearing. Mr. Armstrong, having excluded the Secretary of the Commission, Mr. DuBois, from the meeting, then called in the secretary and dictated minutes, saying that the hearing before the trial examiner was continued, but giving no reasons. They did not even tell the trial examiner, Mr. Ewell, the reason why the hearing had been first postponed and then continued.

The scene in the hearing room that morning was one of surprise. There were present at that time the high-paid lawyers from New York, who were representing Dixon-Yates, and also Government attorneys, including the attorneys for the Atomic Energy Commission. Also present were the attorneys representing the State of Tennessee, and other attorneys. All of them were in the hearing room, before the trial examiner. Subsequently an order continuing the hearing was issued. No date was set for resumption of the hearing, because apparently they did not know when the House of Representatives would complete the debate on the appropriation bill.

The trial examiner testified that he was surprised. The attorneys for Dixon-Yates were surprised, and they tried to find out why the hearing was postponed. The attorney for the opponents went so far as to file with the Commission a motion asking the Commission to state the reason why the hearing before the trial examiner was so unexpectedly and so surprisingly postponed. But the motion—by means of which the attorneys were trying to ascertain the reason, which Mr. Armstrong refused to state—to disclose the reason why the hearing was postponed, was summarily dismissed by Mr. Armstrong.

Mr. Armstrong, dutiful to his outside conversations, if not to the parties before his court, immediately after ordering the hearing postponed on Monday, June 13, called Sherman Adams on the telephone and assured him that the hearing had been continued and that the job had been done. The House, denied knowledge of the skullduggery, passed the appropriation bill, and acted in favor of the administration's position, by a vote of one-hundred-and-ninety-odd to one-hundred-and-sixty-odd—in other words, a closely contested vote.

Then, on Thursday, June 16, after the House had acted, the hearing before the Securities and Exchange Commission was resumed.

That was not the only instance, Mr. President, in which Mr. Armstrong participated in conferences with only one side. Others were detailed at the hearings. Nor do I wish to indicate that he freely admitted these things. Instead, they had to be dragged out of him; and in the course of the examination, he tried to mislead the committee. He constantly coupled with his plea of immunity a protestation that he did not mean to indicate thereby that there were any conversations.

Mr. President, Mr. Armstrong has not changed his stripes. He still protests; and the record of the hearing conducted last week by the Armed Services Committee indicates that in his opinion it is all right to have secret telephone conversations and to act in the dark in regard to quasi-judicial matters, so long as the assistant to the President of the United States requests them. He has not changed his role from that of a puppet dancing to the strings manipulated by an unseen hand.

Mr. President, I am glad, indeed, that the Senator from Wyoming [Mr. O'MAHONEY] is present, because throughout those appearances he asked Mr. Armstrong many, many questions; and the Senator from Wyoming knows how hard it was finally to bring out, bit by bit, the pieces of testimony from which we finally developed the truth about this situation.

Mr. O'MAHONEY. Mr. President, will the Senator from Tennessee yield to me?

The PRESIDING OFFICER (Mr. SCOTT in the chair). Does the Senator from Tennessee yield to the Senator from Wyoming?

Mr. KEFAUVER. I am very happy, indeed, to yield to my colleague, the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I wish to make the record clear, by stating that I sat in diligent attendance upon the hearings held by the Antitrust and Monopoly Special Committee on the Dixon-Yates contract proposal, and that the statements which have been made by the Senator from Tennessee to my personal knowledge represent exactly the situation which occurred there.

Without question, there was design on the part of subordinates in the White House, headed by Mr. Adams, to direct the action of the Securities and Exchange Commission in such a manner as to promote the Dixon-Yates contract. The Government agencies involved—including the Bureau of the Budget, the Securities and Exchange Commission, and other branches of the Government—were acting in unison, under instructions from White House subordinates as to what to do. To my mind, that was a violation of the established method for the operation of independent agencies and quasi-judicial tribunals which are established by law. So far as I now recall, all the laws creating such bureaus and quasi-judicial agencies were carefully drafted so as to prohibit partisan control. The objective in every instance was to provide bipartisan operation of the independent agencies of the Government, so as to guarantee a fair hearing to the citizens and the corporations appearing before them.

Of course, I acknowledge that under Democratic Presidents—for instance, under the Presidency of Franklin D. Roosevelt—appointments to some of the Commissions were extended to liberal Republicans—the type of Republican who, in the language of the day, is called a Modern Republican. There is no doubt about that. But the language used by Congress in creating the Commissions, namely, that not more than a majority in any case shall belong to one political party, is an indication of the intent of Congress to make certain that the organizations, commissions, boards, and quasi-judicial agencies would be impartial in their judgment upon matters affecting the public interest.

What has happened? I know personally that when Mr. Truman became President, it was his policy to appoint well-known members of the other party to

positions of this character. It was Mr. Truman who, when he wished to join the Congress in establishing a Commission on Reorganization of the Government, sought a former President of the other political party, Mr. Herbert Hoover, and made him President of the Commission, the duty of which was to recommend reorganization of the Federal Government.

When a vacancy occurred on the Supreme Court, Mr. Truman nominated, and the Senate confirmed, Mr. Harold Burton, at that time a Republican Senator. There was no question about the fact that Senator Burton was not a supporter of Mr. Truman or of Mr. Truman's policies. Senator Burton belonged to the other party. He was selected by Mr. Truman because he felt that Senator Burton would be a representative of bipartisanship upon the Supreme Court of the United States.

In recent years there has been a very sad development, Mr. President. That is why I am glad the Senator from Tennessee is making these representations today. Under the Hoover Commission, for the purpose of economizing in expenditures, there was made a recommendation that the law be changed so as to give the President the power to appoint the chairman of each of the various boards and commissions, and that the chairman should have the right to handle by himself the so-called houskeeping functions of the agency. In other words, he was to be the head of the purchasing department, he was to be the head of the personnel department. He was to be head of the expenditures department, whatever it might be. He was to carry on those functions which would be most effective in reducing the cost of operation. But it was carefully provided that he should have no authority or power to direct the policy of the commissions.

After the administration changed there developed a new procedure which resulted in the expansion of the power of the chairman of these commissions over the decisions to be rendered. It was notable in the CAB. Not only was that true, but then the practice began of sending telephone messages from the White House to the chairman or head of a board or commission, by which he was directed, or it was suggested to him, that it would be desirable, in the view of the White House, to have a certain policy followed.

I am convinced, from what we saw in the Dixon-Yates case, and in the hearings which the Senator from Tennessee so ably handled, that the President of the United States did not know what his subordinates were doing, and that they were operating without his knowledge.

I think the revelations which were made with respect to the grants of tax amortization clearly indicate that subordinates in the White House have attempted to frame the policies of ODM, and in some instances have framed them. The same is true all through the Government under this administration.

The sad fact is that the President, for whom I have the highest personal respect, has been under burdens which make it impossible for him to handle all the details of various matters. That cannot be done. I did not hesitate to say to Admiral Strauss, the head of the Atomic Energy Commission, during the investigation which the Senator from Tennessee carried on, that, in my opinion, he had deceived his own President in the recommendation he made for the scuttling of TVA, and the building of a private power company to do what the city of Memphis wanted itself to do.

Mr. CARROLL. Mr. President, will the Senator from Tennessee permit me to ask the Senator from Wyoming a question at this point?

Mr. KEFAUVER. First let me say to the Senator from Wyoming I certainly agree with him and appreciate the observations he has made and his analysis of what has been happening in the commissions. I hope that if this debate accomplishes nothing else, it will at least serve the useful purpose of putting these arms of Congress—the quasi-judicial commissions—on notice that they are responsible to Congress, and that they should conduct fair hearings, without being led around and interfered with and dictated to by officials in the executive branch of the Government or by outsiders.

I think I should make the observation that while the President undoubtedly did not know this conversation was taking place—many things are happening of which he does not know about, and which I am sure he would not condone—nevertheless, I do not see any evidence on his part of criticizing or stopping this kind of thing, which must eventually come to his attention.

Mr. O'MAHONEY. Mr. President, if the Senator will permit, we must give the President credit for having finally canceled the contract.

Mr. KEFAUVER. Yes. We do give the President credit for having finally canceled it, but it was only after evidence was brought out by congressional committees, which the President should have known about, in my opinion, that the contract was determined to be null and void.

Mr. O'MAHONEY. The Senator is quite correct. That is true.

Mr. CARROLL. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. The Senator from Tennessee has the floor. If the Senator from Colorado desires to ask me a question, I shall try to answer it, with the indulgence of the Senator from Tennessee.

Mr. KEFAUVER. I yield to the Senator from Colorado for that purpose.

Mr. CARROLL. I thank the Senator, and will proceed with the understanding that he will not lose the floor.

As a new Senator, I wish to say that, with reference to the $6½ million appropriation which was then under discussion in the House of Representatives, here was a witness, Wenzell, who was going to appear before a quasi-judicial body to give testimony which might throw light upon the debate which was to begin in the House of Representatives——

Mr. KEFAUVER. Which was bound to throw light on it.

Mr. CARROLL. As a new Senator, I wish to say if the courageous and distinguished Senators from Tennessee, Wyoming, and Alabama were not raising the issue, I would not know, and the public would not know, what is the background of this situation. Normally, we would accept the recommendation of the Chief Executive and take his choice as to an Assistant Secretary of the Navy, because we want to approve the Chief Executive's wishes, unless there are serious objections raised. However, as the distinguished Senator from Wyoming pointed out, just yesterday we observed another example of interference—yea, and dictation—from a group in the White House in a similar situation that will cost the taxpayers millions of dollars.

Mr. O'MAHONEY. Billions of dollars.

Mr. CARROLL. Did the Senator from Wyoming say billions of dollars?

Mr. O'MAHONEY. I said billions of dollars.

Mr. CARROLL. I was thinking of a specific case, so I said millions of dollars.

The Senator from Wyoming, it seems to me, has been very charitable and generous, as he always is, in his remarks about responsibility in this type of case. But somewhere along the line we have got to fix responsibility upon some person.

We have now seen—at least, I have seen—in a short time two instances of the same individual functioning, from the White House, where considerable sums of money are involved.

This is the question I want to ask: "Upon what meat doth this our Caesar feed that he is grown so great?" Is it not Presidential power that permits him to reach into this department and that department changing decisions, stopping quasi-judicial decisions, transforming and changing policies affecting millions of dollars? If we cannot hold the head of the Government responsible, whom can we hold responsible? If I may use a biblical expression, is this the voice of Jacob, with the hand of Esau? Where are we going to fix the responsibility for this short of skullduggery?

Then I ask the last question. I do not know the gentleman whose nomination is before this body. I would not impugn his character or his family relations. But the question is, Is he of sound, independent character, as a public servant, one who can reach his own decisions, or will he again be one who will be subject to manipulation from persons who want to interfere with important decisions, especially as in the case which the distinguished Senator from Tennessee has outlined?

I have asked 2 or 3 questions, and I sincerely trust the Senator will answer. I know my distinguished friend, the Senator from Wyoming, is informed of procedures under administrative law and the functions of a trial examiner. A trial examiner should not be interfered with in the middle of a trial.

Mr. O'MAHONEY. Mr. President, if the Senator from Tennessee will permit me to answer, I can say, with respect to Mr. Armstrong, that in the first place, when he was giving his original testimony and seeking to claim executive privilege as to his conversation with Sherman Adams, he felt that he was under the influence of the White House in

this respect: A call had come to him from the man who was recognized in the public eye as the President's right arm. He would naturally assume that Mr. Sherman Adams was acting for the President, with the full knowledge and consent of the President. It was natural, therefore, that he would do his best to refuse to give the committee of Congress the information which was sought. So I asked him if he would not, after the adjournment of the committee that day, consult the Attorney General and ask the Attorney General whether he should not tell the story fully, because it dealt with a question of public policy. He did consult the Attorney General, and the next day he was much more free with his testimony with respect to what had happened; and it confirmed what the Senator from Tennessee has now said.

I wish to invite attention to the fact that the President of the United States delivers his messages to Congress, or sends them here to be read. He makes television broadcasts and radio broadcasts. He is seen by the people delivering these statements of policy. He also conducts press conferences. But I have never yet heard of any press conference conducted by Mr. Sherman Adams. I have never yet heard that Mr. Adams was willing to allow the press to come into his office and interrogate him about the patterns of policy which he is carrying out as the delegated representative of the President.

I say without any hesitation that if the President of the United States is willing to confront a press conference and answer the questions which are propounded, then the "Assistant President" should do likewise, particularly when the policies involve alleged violations of law.

The danger which we now confront is that there may be built up in the White House an interior army of executives who will operate not only the executive agencies, but the quasi-judicial boards, and deprive the people of the United States of free and open hearing and adjudication of their disputes in public under the law. When pressure is brought by the White House upon those who are filling places created by law for the purpose of performing certain functions, and, because of the expression of a desire that comes by telephone from the White House, their judgment is diverted from the evidence that is produced, then we have lost—completely lost—the division of powers in this country.

It seems to me the Senator from Tennessee is performing a fine public service by inviting the attention of the Senate to what transpired in this matter. I am firmly of the belief that every person nominated for an executive office, when he comes before a committee of the Senate which is considering the confirmation of his nomination, should be required to stand up and take an oath that, if confirmed, he will serve the public in the position for which he has been nominated without fear or favor, without political pressure, and according to the evidence adduced. I have taken the occasion myself, as chairman of a few subcommittees of the Committee on the Judiciary, to administer such an oath, and I have never yet found any official who was not willing to take it.

I thank the Senator for permitting me to answer the question.

Mr. CARROLL. I thank the Senator from Wyoming for his very fine remarks.

Mr. KEFAUVER. I thank the Senator from Wyoming for his splendid statement and observations. I feel they are particularly pertinent and important, because the Senator from Wyoming, with his long service in the Senate of the United States and his interest in quasi-judicial commissions, has greater experience in connection with the legislative background, and better understands all of these commissions and laws than, in my opinion, any other Member of the Senate.

Mr. DIRKSEN and Mr. BEALL addressed the Chair.

Mr. KEFAUVER. Before yielding to other colleagues, in answer to the question of the Senator from Colorado [Mr. CARROLL] as to whether Mr. Armstrong has changed his opinion about the desirability of letting somebody on the outside tell him what to do, I wish to say that he has not. Only a few days ago, before the Committee on Armed Services, Mr. Armstrong said again that he thought it was a perfectly proper thing to postpone this hearing on the basis of a private telephone call from Sherman Adams.

I think I should also point out at this time, since we have talked about whether the President knew what Mr. Adams was doing, we not only invited Mr. Adams to testify on several occasions, but we wrote him several letters, copies of which were sent to the President, urgently asking Mr. Adams to give us information about his participation in this matter. He pled privilege all the way through, and the President never told Mr. Adams to testify, or to answer those letters.

Mr. DIRKSEN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Illinois?

Mr. KEFAUVER. I yield to the Senator from Illinois.

Mr. DIRKSEN. Mr. President, I wish to interpose this observation at this stage of the proceedings: I have enjoyed the moral lecture we have had this afternoon, and I enjoyed the moral lecture we had yesterday. I merely wish to indicate now that after a while we will set the record straight.

Mr. KEFAUVER. I will listen with much interest to the statement of the Senator from Illinois. If he knows of any misstatement of fact which has been made up to this point, I should be very glad to have it pointed out.

The testimony is all recorded in black and white. I have cited no part of this transaction which is not borne out fully, and even more fully than I have stated, by the testimony in the record, by the words of Sinclair Armstrong himself, and by other testimony which is in the record.

Mr. HILL and Mr. JACKSON addressed the Chair.

Mr. KEFAUVER. I yield to the Senator from Alabama.

Mr. HILL. Is it not true that there is not a question here of a moral lecture, but that the question is one which involves the chairman of an independent, quasi-judicial agency, not an officer in the executive branch of the Government under the President of the United States, or under the White House. The question involves the chairman of a commission created by Congress and beholden to Congress, a commission which is supposed to be entirely independent and entirely quasi-judicial in its actions.

The duty and responsibility of the chairman of this Commission was to make certain that he performed his work as chairman of the Commission entirely independent of any requests, pressures, or demands from the executive branch—from the White House or anyone in the White House. The chairman and the members of these independent, quasi-judicial commissions, who are faithful to their duties, will perform their duties and meet their responsibilities without in any way being subject to any requests, demands, or pressures from the White House, or from any other agency on the outside.

Mr. KEFAUVER. The Senator from Alabama is entirely correct. If that is not so, then these independent commissions have no place in our Government. In order to have confidence in the Government and the commissions, the parties who appear before them must know that they are to receive fair consideration, and that someone on the outside will not be able to dictate the turn of the case.

In my opinion there can be no doubt, as I shall show later in greater detail, that the decision in this case was dictated by the executive department of the Government, and that the decision as to what the Securities and Exchange Commission was to do was determined by Mr. Demmler and Mr. Armstrong before the Commission ever met to consider the evidence which was presented and the arguments of lawyers.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield to my distinguished colleague from Washington.

Mr. JACKSON. Did Mr. Armstrong ever make a disclosure for the record in connection with the proceedings before the Securities and Exchange Commission, giving the reason or reasons for the postponement of the hearing set for June 13?

Mr. KEFAUVER. I appreciate the question of the Senator from Washington. I am glad he has brought this subject up.

Mr. Armstrong refused even to tell the examiner, the attorneys for the parties who were present, or the attorneys for the Government agencies who were present, why the hearing had been postponed.

One of the parties in opposition to the financing filed a motion before the Commission asking the reason for this unusual procedure. The motion was summarily dismissed, without any explanation whatsoever. Mr. Armstrong never told the reason until we finally got it out of him bit by bit, in sworn testimony before the subcommittee of the Committee on the Judiciary.

Mr. JACKSON. As I understand, in the proceedings before the Securities and Exchange Commission no reason was given by him.

Mr. KEFAUVER. Not only did he not tell any reason, but he refused to tell any reason, and even dismissed a motion asking for a reason.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. SALTONSTALL. I intend to make a statement in my own time. The Senator from Washington may not be present when I make my statement. I wish the record to be clear that this postponement was granted by the unanimous vote of the full Securities and Exchange Commission.

Mr. KEFAUVER. Upon the recommendation of Mr. Armstrong, who told only half the story.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. DIRKSEN. The Senator knows full well that the Commission could not adjourn without a vote of the Commission, or the approval of the majority. As the Senator from Massachusetts points out, the action was taken unanimously, and no side was prejudiced. Moreover, the chairman was under no obligation whatsoever to tell the examiner, or anyone else on the Commission's staff, the reason for the postponement of the meeting.

Mr. KEFAUVER. I can only say that that is a very poor way to conduct a judicial proceeding. Mr. Armstrong himself said that never in his experience had the Commission interfered with a hearing before an examiner. Mr. Timbers, the attorney, who has been with the Commission for a long time, said that he had never before known of a situation like this. Certainly, in the orderly procedure, if anyone wished a postponement, he should have filed a motion with the hearing examiner, stated the reasons, and given the other side an opportunity to reply. The examiner should have an opportunity to pass on the request one way or the other; and if the parties were not satisfied they could appeal to the Commission.

In this case there was a remarkable procedure. Mr. Armstrong told the Commission only that some high Government attorneys might consider whether they wanted to intervene, and recommended that the Commission follow the unusual procedure of ordering the hearing examiner to continue the hearing. He did not tell the Commission that Sherman Adams was interested in the testimony and the debate on the Hill with reference to the Dixon-Yates appropriation. Members of the Commission were entitled to have that information.

After having made the unusual order continuing the hearing, Mr. Armstrong showed that everything was not aboveboard, because he refused to tell the reasons.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. CARROLL. Let me say to the the Senator from Tennessee that all these actions are governed by the plain, simple rules of common sense. Why did this incident happen? It is clear to me, from hearing the statement of the Senator from Tennessee and from reading the hearings, that the reason the call was made was that someone wanted to hold off the hearing because the debates were coming up in the House of Representatives, involving $6.5 million, in connection with an issue which had great political portent. That is why the call was made from the executive branch to this arm of the Congress, a quasi-judicial agency, to hold up a hearing, because both a policy and money were involved.

That is not only a moral issue. It is a legal issue. If such a thing were to happen in the State of Colorado, and if there should be some interference with a trial examiner by a public utility commissioner, the newspapers would tear him apart. The people do not want politicians interfering with judicial or quasi-judicial hearings or decisions. Perhaps so many things have happened around Washington and we have become so callous and indifferent to the public interest that we are no longer able to manifest a sense of indignation. This case involves a violation of fundamental legal rights, which, in turn, are based upon moral rights, to which the Senator from Illinois has so lightly referred.

Again, let me say to the Senator from Tennessee that I commend him for an excellent presentation, and for his courage and forthrightness in going into this subject, when it might very easily have slid by and not have been called to the attention of the public and of the Senate.

What is the real issue involved? In the words of the Senator from Wyoming [Mr. O'MAHONEY], is this a public servant who will render service in the public interest? Or will he be bound by some partisan consideration, and allow himself to be manipulated by telephone calls? Will he act in the public interest? That is the issue upon which we are passing today.

Again I thank the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, the Senator from Colorado has made a fine contribution to this consideration, and a very excellent statement of the general duty of quasi-judicial commissions, which I hope will be useful to our Government and our people.

Mr. SALTONSTALL rose.

Mr. KEFAUVER. Does the Senator from Massachusetts wish me to yield to him?

Mr. SALTONSTALL. No. I thought the Senator was about to conclude.

Mr. KEFAUVER. I am only getting started.

Mr. President, I regret that more Members of the Senate are not present. It is very difficult for me to understand how anyone can have confidence in Mr. Armstrong if he will consider, one by one, the events which took place, all of which are documented, with page references in the RECORD, to which I can refer to support any statement I make.

I wish to list, one by one, briefly in summary, the points which show that the nominee is unfit for this office, based upon his record at the Securities and Exchange Commission, and based upon his testimony before the subcommittee.

First, Mr. President, he showed that he did not have the proper conception of government, particularly with reference to an arm of Congress, a quasi-judicial agency, when he let a man from the outside call him up and give him information which was not on the record, and when he let someone on the outside dictate to him what his recommendation should be in this quasi-judicial agency, the Securities and Exchange Commission. In other words, when he let himself be pushed around and handled by Sherman Adams, he did not come up to the qualifications for the high office to which he has been named.

Second, Mr. President, in presenting the matter to his fellow members on the Securities and Exchange Commission, he failed and neglected to tell them the part in which the skulduggery was contained. That is, he failed and refused to tell them that the reason why Sherman Adams called him and asked him to continue the case was that he did not want the information about Wenzell to get out before the public at the time when the House of Representatives was considering the appropriation bill.

Mr. President, a chairman of a commission, mindful of his public duty, would not only have been disgusted with a request of that sort, but he would have been even more determined than ever to see that the facts were publicized. It was his duty to see to it that any information from the SEC which Members of the House of Representatives should have was disclosed promptly, so that they could have the benefit. But, no, joined in the conniving and the conspiracy, and let the hearing be continued over until after the House had acted.

Third, Mr. President, obviously the excuse he gave to his fellow commissioners, that certain Government attorneys wished to intervene, was phony. It was phony because topflight Government attorneys from the Department of Justice and the Atomic Energy Commission were present at the hearing before the hearing examiner. They were capable of making any motion that had to be presented. The very idea that the assistant to the President should have to call the chairman of the commission on Saturday afternoon, on the ground that somebody in the Department of Justice might desire to intervene, is silly and phony on its face. That alone should have put Mr. Armstrong on guard.

Fourth, Mr. President, he joined in and played a part in a scheme to suppress information which Congress was entitled to have. It was information of the kind which was going to come out from Mr. Wenzell, which later resulted in the Attorney General himself saying that "the alleged agreement is contrary to public policy, unlawful, and null and void by reason of the activities of one Adolphe Wenzell."

Yet this man joined in the scheme to prevent the House of Representatives from having that testimony.

That shows that Mr. Armstrong is not entitled to public trust.

Mr. President, Mr. Armstrong misused his position as chairman in interfering with the hearing before the examiner. He excluded the clerk of the Commission when the Commission was meeting. He secreted the reasons from the examiner and the parties. He dismissed the motion of the State of Tennessee when it sought to find out the reasons for the postponement.

Mr. President, in my opinion what I have recounted is more than sufficient to show that Mr. Armstrong did not measure up to the trust placed in him as Chairman of the SEC, and that no trust should be placed in him now.

But that is not all, Mr. President. Let us see what else Mr. Armstrong did. The telephone call from Sherman Adams came on Saturday afternoon, June 11. The hearing scheduled for Monday, June 13, was called off. The appropriation bill was acted upon in the House of Representatives. The hearing before the SEC was resumed on Thursday, June 16.

On July 12 of the same year, Mr. Armstrong was called before the Judiciary Subcommittee of the Senate. On his first appearance, in answer to the question as to whether someone in the executive department of the Government had telephoned him about calling off the hearing, he pleaded immunity and refused to testify.

Anyone familiar with the nature of the agency, who recognizes that the SEC is an arm of Congress, not of the executive branch of the Government, would know that the privilege did not apply to an arm of Congress; and the SEC is an agency of the Congress itself.

Mr. Armstrong was not justified in refusing to testify. The Senator from Wyoming [Mr. O'MAHONEY] pointed that out to him very clearly. However, he refused to testify. He went to see the Attorney General, and the Attorney General said he should testify.

He came back on July 13, the following day. At that time he said that Sherman Adams had called him on Saturday afternoon about two attorneys who might wish to intervene and to object to the testimony of Wenzell. I asked him time and time again, "Have you made a full disclosure?"

I invite Senators to look at page 9 of the hearings before the Committee on Armed Services, at which time, on July 13, Mr. Armstrong said that he had made a full disclosure.

Mr. Armstrong said, as appears at page 381 of the hearings before the Judiciary Subcommittee:

> Senator KEFAUVER, I have given you the whole story.

Again, at page 382, I asked him whether there was not any other information he ought to give the committee. He said:

> Mr. Chairman, I have just stated that the SEC has made full disclosure to the subcommittee on this matter in this statement that I have just read.

Again, at page 384, I asked Mr. Armstrong:

> Are you willing now to tell us of the conferences that you have had with people in the executive branch of the Government with reference to this case?

Mr. Armstrong said:

> I have made full disclosure on that subject.

I then asked him:

> Have you told us about all the conferences that you have had?

Mr. Armstrong said:

> Yes, sir.

How can anyone ask a clearer question as to whether a person has told the whole story or whether he has told us about the conferences? He answered:

> Yes, sir; I have told the whole story.

Mr. President, he had not told the whole story; not by a long shot.

Then, after having said that he had told the whole story, I asked him the question:

> Well, did Mr. Sherman Adams tell you about the appropriation bill pending in the House of Representatives, and asked you to continue this hearing because of the pendency of that appropriation?

After having said he had told the whole story, he refused to answer that question.

Mr. President, it is difficult for me to understand how trust can be put in a man who so testified.

He refused to testify again. Then, finally, he came back on July 20, and told us about the other part of the telephone conversation, about the pendency of the appropriation bill in the House of Representatives.

There is a very important other part which I hope my colleagues will consider. On July 13, when Mr. Armstrong came the second time, I asked him about other conferences with people in the executive branch of the Government. He said he had told the whole story.

The next time he appeared was on July 20. Between July 13 and July 20 we had received some information which indicated that he had not told us the truth when he said he had had no other conferences with the executive branch of the Government. We had obtained information that in August 1954, Mr. Demmler, then the Chairman of the SEC, and Mr. Armstrong, a member of the SEC, had gone to the Atomic Energy Commission and had met with top representatives and lawyers of the AEC—I believe that representatives of the Department of Justice also were there—for the purpose of telling the Atomic Energy Commission how they would have to draw up and present the contract in order to get SEC approval of the bond financing and the equity financing when the matter came before the SEC.

Mr. President, this is vitally important. Before the trial of the case was ever started, Mr. Armstrong and Mr. Demmler met with the officials of the SEC and other agencies of the Government to tell them how to prepare the case, so as to be sure they would win it. As Mr. Demmler said, "We went before them to explain the hurdles they would have to go over."

What were some of the hurdles? One was the fact that the TVA had not signed the Dixon-Yates contract. Another was that the power was not going to be used for national defense at all, but was to be for the use of the consumers of the city of Memphis. Another one was that, on the face of things, this plan probably violated the Holding Company Act, because it brought together two holding companies, the Southern Co. and the Middle South Utilities Co., in one operation, whereas they were not adjacent to each other.

At that secret meeting, where the AEC and the others were told how to present the case in order to get the approval of the SEC, a meeting held in the dark, behind the backs of the parties, behind the backs of the contestants, before the case was ever heard, although they knew it was coming up for hearing, Mr. Demmler and Mr. Armstrong explained to those present how to present the case in order to be sure to win it.

Mr. Demmler and Mr. Armstrong were there, participating in the discussion. Their advice was that the case would have to be brought under the national defense aspect, just as the OVEC case was. OVEC was the Ohio Valley Electric Corp., comprising a group of companies in Ohio which had joined together to furnish electricity to the atomic energy installation at Portsmouth, Ohio. The parties were told by Mr. Demmler and Mr. Armstrong that the case should be brought under the national defense aspect in order to get by the Securities and Exchange Commission.

Mr. President, did you ever hear of anything like that? Parties were coming before the Securities and Exchange Commission, thinking they would get a fair hearing, thinking they could present the facts; but the case had already been decided. The hearing before the SEC was a farce. Mr. Demmler and Mr. Armstrong had already told the Atomic Energy Commission and others exactly how to present the case in order to get a favorable ruling. The people who were opposing the case were simply going through the motions. The parties had a right to believe that the case had not been decided. They had a right to believe that there had not been secret meetings in which Mr. Armstrong had engaged, and in which he had told the Atomic Energy Commission exactly how to present its case.

In my experience, I have never seen or heard of the commissioners of a quasi-judicial agency, an arm of Congress, meeting with interested parties and telling them exactly how they should present their case in order to get a favorable ruling. I have never heard of such a meeting held in the dark, even before the hearing of the case began.

Not only did Mr. Demmler and Mr. Armstrong violate their trust in doing that; but Mr. Armstrong testified on July 13 that he had had no other conference. Yet when we discovered and when he knew we had discovered, about the August 1954, conference, he finally had to admit that such a conference had been held. That testimony will be found on page 15 of the hearings before the Senate Committee on Armed Services. The

testimony makes reference to the other hearings.

The hearings show that Mr. Demmler and Mr. McDowell, from the Securities and Exchange Commission; Mr. Cook, of the Atomic Energy Commission, and Mr. Joseph Campbell, a member of the Atomic Energy Commission, were all at the secret meeting.

Mr. President, what will happen to people who have hearings before the SEC and who think they will receive a fair and impartial hearing; who think they can present evidence and have it acted upon honestly? Here was an instance when the Commissioner himself, Mr. Armstrong, had already met with certain interested parties and told them how to present their cases in order to get him to decide the case favorably. Of course, they presented the case as suggested and simply went through the motions of a hearing.

No one can tell me, Mr. President, that any person who would be a party to such a proceeding is entitled to have his nomination confirmed for a high position. Furthermore, Mr. Armstrong told an untruth about what happened. When he was asked if he had had other meetings of the kind described, he said, "No"; that he had told the whole story. But when he found out that we knew there had been another meeting, he had to admit it himself.

Mr. President, if any of my colleagues wish to ask any questions about any of the meetings or any of the dates to which I have referred, I have here the documentation to show them, if they wish to ask about it or see it.

In considering this nomination, there is something more important than Mr. Armstrong or Mr. Wenzell or Mr. Sherman Adams or Dixon-Yates, or any of the other persons about whom I have been talking. Here is a case history of the sorry decline of the status of quasi-judicial agencies of the Government; a decline from places where a citizen can go to get a fair and open hearing, to political offices where no one can be certain that his case will be decided on the merits, where no one can be sure that a secret call, hurriedly made, by someone interested in the executive branch of the Government, may not dictate what a commission is to do.

J. Sinclair Armstrong, at the behest of Sherman Adams, played his full role in this decline, and he still does. Anyone who is so lacking in a sense of responsibility and in fitness will not have my vote, as a Member of the Senate of the United States, to fill another important post. I cannot in good conscience vote for the confirmation of the nomination of this man.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. FULBRIGHT. The Senator realizes, of course, does he not, that the confirmation of this nomination will improve the quality of the SEC?

Mr. KEFAUVER. That is something I have not thought about. It is very likely that the confirmation of this nomination will improve the quality of the SEC. I do not know who will follow Mr. Armstrong on the SEC, but I hope that whoever is nominated will improve the quality of the SEC.

However, I think too much of the Navy to impose upon the defense establishment of the United States, with my vote, a man who not only has been shockingly unconscionable about what he has done in the SEC, but who has told an untruth, time and time again in the record, about what he has done.

Mr. FULBRIGHT. I realize that the Senator is a member of the Committee on Armed Services, but I do not think he should be so partisan in his approach. The SEC happens to be under the jurisdiction of the Committee on Banking and Currency. I am quite willing to have Mr. Armstrong go on to the Navy. I think his discretion in the Navy will be far less than it is in the SEC.

Mr. KEFAUVER. There may be something to what the Senator from Arkansas says. I can see how the Senator, reading this record, will have a sense of relief. But it is my understanding that Mr. Armstrong is to be in charge of the finances of the Navy. I do not mean to imply that he would not handle the finances correctly, but that is a very important position. A man who will take his orders from Sherman Adams and do anything Mr. Adams calls upon him to do, and who will then conceal it and not tell the truth about it, is not, I think, the man the Senate wants to have handling the finances of the Navy.

For my part, I wish to say that although I join the Senator from Arkansas in not wanting Mr. Armstrong to be Chairman of the Securities and Exchange Commission, I do not want him to serve in either position.

Mr. President, I yield the floor.

Mr. SALTONSTALL. Mr. President, I desire to speak briefly in support of confirmation of the nomination of J. Sinclair Armstrong, of Illinois, to be an Assistant Secretary of the Navy.

In my opinion it is fundamental that a presidential nominee has a presumption in his favor, from the simple fact that he has been selected and nominated by the President. Unless the nominee is clearly unfit to perform the duties of the office for which he has been nominated, or unless there are serious questions respecting his integrity, I believe that a presidential nomination should be confirmed. I have attempted to follow this precept irrespective of the political affiliation of the President making the nomination. In the present case, Mr. Armstrong is clearly fit, on his record, to perform the duties of the office to which he has been nominated. Certainly there is no question about his integrity; his record and his experience in life bear that out.

Mr. Armstrong's professional qualifications to serve as Assistant Secretary of the Navy for Financial Management have not been questioned. He was graduated from Harvard University cum laude, and from the Harvard Law School.

In Chicago, he was a member of one of the most reputable law firms in the Middle West. His law practice was supplemented by legal work for the Navy during World War II, and by his experience, first as a member, and later as Chairman of the Securities and Exchange Commission. Such education and experience should enable him to serve effectively in the position for which he has been nominated.

The opposition to Mr. Armstrong relates solely to the postponement of a hearing before an examiner of the Securities and Exchange Commission on the financing of the much contested Dixon-Yates contract. As Chairman of the Securities and Exchange Commission, Mr. Armstrong was called to testify before the Subcommittee on Antitrust and Monopoly, of the Senate Committee on the Judiciary, during the 84th Congress. That was the subcommittee of which the distinguished senior Senator from Tennessee [Mr. KEFAUVER] was chairman, if I understand correctly.

Mr. KEFAUVER. That is correct.

Mr. SALTONSTALL. Mr. Armstrong testified, among other things, that on the afternoon of Saturday, June 11, 1955, he received a telephone call from Governor Adams, the assistant to the President. Governor Adams requested that a hearing scheduled for June 13 be postponed because of the absence from Washington to two Government officials whose advice would be important to a decision as to whether the Government should intervene in the SEC proceedings. Mr. Armstrong relayed this request to the other members of the Commission early in the morning of June 13, and the postponement of the hearing was granted. Although it has been suggested that the purpose of the postponement was to prevent the publication of information which might have militated against favorable consideration of an appropriations bill pending in the House on June 13, to me it is highly signficant that the decision to postpone was made by the full Commission, instead of by Mr. Armstrong acting arbitrarily. It also appears that the decision to postpone was a unanimous one.

Another instance in which Mr. Armstrong's actions have been assailed is his request of the advice of the Attorney General respecting the application of the doctrine of executive privilege and the extent to which Mr. Armstrong might testify about his conversation with Governor Adams. The Securities and Exchange Commission exercises quasi-judicial powers, in addition to administrative ones. For many purposes this status has served as the basis for differentiating the SEC and similar regulatory agencies from purely executive agencies of the Government. Without attempting to pass judgment on whether the Chairman of an Agency such as the SEC should seek his legal opinions from the Attorney General, the record will show that Mr. Armstrong sought this counsel in compliance with suggestions and recommendations of the members of the subcommittee before which he was testifying.

In summary, Mr. President, my conclusion is that none of Mr. Armstrong's actions in this matter were improperly motivated. I urge that the nomination of Mr. Armstrong, to be an Assistant Secretary of the Navy, be confirmed. I believe that Mr. Armstrong is fully qualified; I believe he is a man of integrity and character; and I believe his experience and education qualify him for the office for which he has been chosen.

Mr. CASE of South Dakota. Mr. President, the junior Senator from South Dakota is a member of the Committee on Armed Services and was present during the appearance of Mr. J. Sinclair Armstrong before the committee the other day following his nomination by the President for the position of an Assistant Secretary of the Navy. It was the first time I had ever met Mr. Armstrong. So far as I know, I had never talked with him before in my life. I had never had the privilege of being in a committee where he appeared. So I approached this subject without any prejudice, without any preconceived ideas about the matter in any way, shape, or form.

I heard the statement made by the distinguished Senator from Tennessee before the committee. I have heard a good deal of his remarks here today. I examined the record of the testimony before the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary during the hearings in the Armed Services Committee the other day, and on the basis of that examination I asked Mr. Armstrong certain questions that pertain to the central issue before the Senate.

I know of no one who makes any point against Mr. Armstrong on the ground that he lacks the educational or professional qualifications for the position to which he has been appointed. He was an outstanding attorney. He had studied accounting, in addition to having his law degree. He is acquainted with the operations of the Navy to a certain extent, and, in fact, had some experience with it. He has had experience in several administrative positions.

The opposition to the confirmation of his nomination revolves around whether or not he conducted himself properly as Chairman of the Securities and Exchange Commission, specifically with reference to the suspension of hearings which were being held before an examiner of that Commission in June 1955.

The testimony, I think, is perfectly clear on these points: That on June 11, a Saturday, Mr. Armstrong received a telephone call at his home from Sherman Adams, assistant to the President, suggesting the Securities and Exchange Commission might consider the postponement of the hearing before the examiner for a few days, while responsible attorneys for the Government determined whether or not they desired to intervene.

On the following Monday morning, the 13th of June, Mr. Armstrong presented the matter to the Commission. By unanimous vote, they directed him to advise the hearing examiner that they would like to have the hearing suspended for a few days, pending the determination of this matter, which he did, and the hearing was suspended until 2 days later, when, on further communication or conversation between Mr. Armstrong and Governor Adams, Mr. Armstrong was advised that the Government attorneys had decided that they did not care to intervene. Whereupon, the Commission directed that the hearing be resumed, and it was resumed, either on that afternoon of Wednesday or the following day, Thursday, June 16.

The questions at issue hang upon whether or not there was good faith in the actions of Mr. Armstrong. Apparently, when he first appeared before the Subcommittee on Antitrust and Monopoly, he had been asked to testify with reference to his conversation with Governor Adams, and he declined to testify, on the ground of privilege, unless the privilege were waived.

As I gathered from statements before the committee the other day, pursuant to a suggestion made, the chairman of the Securities and Exchange Commission, Mr. Armstrong, consulted the Attorney General as to whether or not privilege could be exercised with reference to the conversation. In any event, the privilege was waived, if privilege existed, and Mr. Armstrong did testify with respect to the reasons given by Mr. Adams to him, and in turn, by him, Mr. Armstrong, to the Commission, for suspending the hearings.

Subsequently, it was asked whether or not that was all of the conversation. Mr. Armstrong again cited privilege, but agreed to see if privilege might be waived on that question. Privilege was waived, and he testified then as to the second part of the conversation.

I should like to read at this time, if I may, a few excerpts from the testimony, not before the Armed Services Committee the other day, but before the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary.

Mr. Armstrong was testifying, and I quote from the record:

> In conformity with the last paragraph of the Attorney General's opinion letter which I have just read into the record——

Mr. KEFAUVER. Mr. President, will the Senator yield? Will the Senator give us the page from which he is reading?

Mr. CASE of South Dakota. I am reading from the excerpt which was given in the hearings before the Armed Services Committee the other day, and, by reference, the quotation is taken from page 279 of the hearings of the subcommittee of the Judiciary Committee. That appears beginning on page 26 of the hearings before the Armed Services Committee. I now read from the hearings:

> In conformity with the last paragraph of the Attorney General's opinion letter which I have just read into the record, I should like to inform the subcommittee that the action of the Securities and Exchange Commission on Monday, June 13, 1955, in voting to continue temporarily the debt-financing hearings then pending before the Commission upon the applications of Mississippi Valley Generating Co., Middle South Utilities, Inc., and the Southern Co. was based upon the following information conveyed by me as Chairman of the Commission to my fellow Commissioners that morning at approximately 9:30 a. m.:
>
> That on Saturday, June 11, 1935, I received a telephone call from the assistant to the President of the United States, Hon. Sherman Adams, inquiring as to whether the Commission would consider the advisability of a brief adjournment of the debt-financing proceedings then pending before the Commission in the Mississippi Valley Generating Co. matter, for the reason that certain Government attorneys——
>
> Senator O'MAHONEY. What was that date, may I ask?
>
> Mr. KEEFE. Saturday, June 11.
>
> Mr. ARMSTRONG. Saturday, June 11.
>
> For the reason that certain Government attorneys interested in this proceeding were away from the city of Washington and they desired an opportunity to determine whether the United States Government which is a party to the power contract between the Atomic Energy Commission and the Dixon-Yates companies, might wish, in the public interest, to seek permission of the Commission either to intervene or to participate as amicus curiae in the pending debt financing proceedings, specifically for the purpose of interposing objections to further testimony of the Witnesses Linsley and Wenzell.
>
> In response to Governor Adams' inquiry, I stated that I would be glad to convey his request to the full Commission for whatever action the Commission might deem appropriate.
>
> Accordingly on Monday, June 13, 1955, I stated to the Commission in substance the conversation I had had with Governor Adams on the previous Saturday as above set forth.
>
> After due deliberation the Commission voted to continue the hearings in the debt-financing proceedings, subject to reconvening at the call of the Commission and so instructed the hearing examiner, Mr. Ewell.
>
> We have available, and I should like to have placed in the record at this point, certified copies of the Commission's minutes of June 13, 1955, reflecting the action thus taken by the Commission as well as related action by the Commission in response to an inquiry by Hearing Examiner Ewell.
>
> The certified copies are being prepared and will be here in just a few minutes.

That was the direct testimony of Mr. Armstrong, that what he presented to the Commission was the request by Governor Adams that they consider continuing the hearing over until certain Government attorneys, who were away from the city of Washington, who were interested in the proceeding, could determine whether or not they wished to intervene in the proceeding, since the Government itself was a party to the contract with Dixon-Yates.

Then I asked Mr. Armstrong a direct question about the second portion of Governor Adams' telephone call. The Senators will recall that the able Senator from Tennessee [Mr. KEFAUVER], in referring to the matter, has invited attention to the fact that there was a second part of the Adams conversation which was not disclosed in the first testimony, but subsequently was disclosed when privilege was waived. That second portion of Governor Adams' call related to the pending action in the House of Representatives.

There are two things to be determined about that, it seems to me, Mr. President. One is whether or not that portion of the conversation was repeated to the Commission, in order to determine whether the Commission based its action upon that. The second is whether the chairman himself regarded it as germane or pertinent to the portion of Governor Adams' conversation which suggested the continuation of the hearing.

I asked Mr. Armstrong this question:

> Mr. Armstrong, I would like to ask you whether or not, when you presented the matter to the Commission, you stated to

them anything about the portion of Governor Adams' telephone conversation with you in which he referred to the House of Representatives?

Mr. ARMSTRONG. To the best of my recollection, the answer is, "No."

This was Mr. Armstrong's testimony the other day before the Committee on Armed Services.

Then I asked him:

Did you state to them that the reason you were proposing it or the reason that Sherman Adams proposed it was for the reason you state here? [Reading:]

"That certain Government attorneys interested in this proceeding were away from the city of Washington and they desired an opportunity to determine whether the United States Government * * * might wish, in the public interest, to seek permission of the Commission either to intervene or to participate as amicus curiae."

Mr. ARMSTRONG. Yes, sir; that is absolutely the basis on which I told them.

Then I asked Mr. Armstrong what he had to say with respect to the second part of the conversation, and I read to him his testimony before the subcommittee on Antitrust and Monopoly of the Committee on the Judiciary, where he had been asked questions with respect to that part of the conversation during which Governor Adams said that another matter was involved, namely, the pendency of the appropriation bill in the House of Representatives.

I invite the attention of Senators now to the record of hearings before the Armed Services Committee, on page 27 of which is a quotation from page 765 of the hearings before the Subcommittee on Antitrust and Monopoly:

Senator LANGER. Yes. Mr. Armstrong has repeatedly made a statement that he has given us the entire conversation on June 11.

Senator KEFAUVER asked you, sir, whether or not Mr. Adams, when you talked with him, mentioned the fact that the appropriation bill was pending over there in the House and you refused to answer. You have not answered it to this day.

Mr. ARMSTRONG. Oh, Senator, I have.

Mr. TIMBERS. He certainly has testified fully about that.

I then continued to read from the testimony given before the Subcommittee on Antitrust and Monopoly:

Mr. ARMSTRONG. I testified fully and completely on that subject. I said during the course of the conversation the governor stated that he had another worry and another concern, namely, that this TVA appropriation was pending in the House, and I answered that that does not concern the SEC, and he said, "That is right."

That is, that Governor Adams assured Mr. Armstrong that was right. Then Mr. Armstrong continued, and said:

I testified to that fully and completely. I testified to everything that was said between Governor Adams and myself on June 11.

Then I asked Mr. Armstrong:

You have indicated this morning that this was the portion of the first Adams conversation which you regarded as not being a part of the conversation relative to the Dixon-Yates matter.

And Mr. Armstrong said:

That is correct, sir.

Senators may wish to read the rest of the conversation or colloquy, but I have read the gist of it, and the heart of it. Mr. Armstrong did not regard the latter part of Governor Adams' conversation, relating to the pendency of the appropriation bill in the House of Representatives, as any concern of the Securities and Exchange Commission, and testified that he so stated to Governor Adams at the time, and that Governor Adams said, "That is right."

The record is perfecly clear—and there is nothing in the record to indicate anything else—that when Mr. Armstrong presented the matter to the Securities and Exchange Commission he presented it solely upon the basis of the suggestion that the Government attorneys were out of town, and that they wished a little more time to determine whether or not they should intervene. The record is perfectly clear, and there is nothing to the contrary, that Mr. Armstrong made no reference to the pendency of the appropriation bill before the House of Representatives when he brought the matter to the attention of the Commission. The Commission acted solely for the reason which was suggested, and they acted unanimously, and unanimously directed that the hearings be continued.

If Senators can find in that procedure anything that would warrant some of the terms the Senator from Tennessee has used today, they will have to look for something which I was unable to find by going through the record.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I certainly saw nothing scheming, nothing shady, and nothing disreputable in that. It was a straightforward statement.

On that basis, I can see no reason for failing to vote to confirm the nomination by the President of Mr. Armstrong to be an Assistant Secretary of the Navy.

Mr. BUSH and Mr. KEFAUVER addressed the Chair.

Mr. CASE of South Dakota. I yield first to the Senator from Connecticut [Mr. BUSH].

Mr. BUSH. Mr. President, I think Senators should all be very grateful to the distinguished Senator from South Dakota for so completely clarifying the record. Those who know the Senator from South Dakota realize that he is always meticulous in detail on such important matters, and what he has just said certainly confirms that impression which we all have of him. I am only one of those, I am sure, who are very grateful to him for the clarification of this record, which is full of what I consider to be political attacks upon a very fine young man. I think that there are contingent objectives involved, in addition to the objective of attempting to destroy the career of a young man who has very faithfully served our Government.

Fortunately, we have in the record some statements about him, such as that from his own Senator, the Senator from Illinois [Mr. DIRKSEN]. I should like to place in the RECORD at this point a brief quotation from what was said by the Senator from Illinois when he introduced Mr. Armstrong to the Armed Services Committee. He said:

Two years later, after his confirmation, he was made the Chairman of that Commission. I come here with a great degree of pride this morning in presenting him for new responsibilities in the Navy.

I have had the opportunity to observe his work in the Government, and I think he is one of the most talented and most capable men who has come into the public service.

Skipping a few lines—

I have watched him in his capacity as a member of the Commission, and I have observed him as Chairman of the Commission; and when you stop to think how ranging this function is in all sections of the country, I think he has done a truly superb piece of work.

From a veteran like the distinguished Senator from Illinois, I think that is very high praise, indeed. It should be very convincing to Senators.

I wish to say in that connection that, as a member of the Committee on Banking and Currency, I voted to confirm the nomination of Mr. Armstrong as a member of the Securities and Exchange Commission in 1953. He has lived up to our very high expectations for him as a member of the Commission, and for the past 2 years as its chairman. I have found him to be in all respects a most thorough and hardworking man, a very conscientious man, and a thoroughly honest man. He is very direct, and is the last person in the world who would attempt to conceal anything of importance from a committee of the Senate. I think the allegations which have been made about him are most unfortunate, indeed.

Again, I thank the Senator from South Dakota for clarifying the record. I wish to associate myself completely with his endorsement of Mr. Armstrong, and to express the hope that the Senate will confirm the nomination by an overwhelming majority.

Mr. CASE of South Dakota. I thank the Senator from Connecticut for his very fine remarks.

I now yield to the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, I thank the Senator for yielding.

The Senator from South Dakota has discussed various parts of the Armstrong record. I invite the attention of the Senator to the fact that, on page 9 of the hearings before the Armed Services Committee, Mr. Armstrong made it very clear that he had told about all the conferences he had had with persons in the executive branch of the Government with reference to this case. This testimony was given on June 13. Between that time and June 20, when he returned, we learned that Mr. Armstrong had been to the Securities and Exchange Commission with Mr. Demmler, on August 3, 1954, just about the time the case was to be presented to the Securities and Exchange Commission, to give them instructions about how to get over certain hurdles in order to get the financing approved. I wonder what the Senator from South Dakota thinks of that—first, as to the propriety of meeting secretly with parties interested in the contract, when the other parties were not present; and, secondly, with respect to his refusal to tell about such a conference, and his absolute declaim that there had been such a conference.

Mr. CASE of South Dakota. The junior Senator from South Dakota has not had occasion to look up the references with respect to the appearance with Mr. Demmler. I do not recall that that question arose before the Armed Services Committee the other day. However, I did endeavor to determine whether or not Mr. Armstrong considered that he had made a complete disclosure under the first waiver of privilege. I invite the Senator's attention to page 28 of the hearings before the Armed Services Committee, near the bottom of the page:

Senator CASE. You did not communicate that second part of the conversation, neither to the Commission, nor did you regard it as a part of the matter on which you had the release of the privilege the first time?

Mr. ARMSTRONG. Yes, sir.

Senator CASE. So, consequently, you had made a complete disclosure of the portion of the conversation relating to the Dixon-Yates matter by the first testimony?

Mr. ARMSTRONG. That is absolutely correct.

Senator CASE. When you sought a release of privilege on the latter part of the conversation, it was for the purpose of meeting the committee's desire to know what the balance of the conversation was about?

Mr. ARMSTRONG. Yes, sir.

Senator CASE. And you testified to that, even though you did not regard it as bearing upon the decision of the Commission to ask the examiner to suspend the hearing?

Mr. ARMSTRONG. That is correct, Senator CASE.

Mr. KEFAUVER. I may say to the Senator from South Dakota that in the hearing before the Armed Services Committee I did refer to the fact that there had been another conference about the case with other officials. That is in my original statement. The Senator will find, on page 656 of the Antimonopoly Subcommittee record, and also at the bottom of page 15 of the hearings before the Armed Services Committee, that, after having said that he had made full disclosure of all the meetings with others in the executive department, he finally admitted this meeting. A part of the colloquy in that connection is set forth on page 15. It is set forth in full in the hearings before the Antimonopoly Subcommittee, at page 656 and following. I read from page 657:

Senator KEFAUVER. Well, the purpose of the meeting, I take it, was that it was contemplated that soon the matter would be before the Commission in connection with the equity and capital financing of Dixon-Yates.

Mr. ARMSTRONG. That is right.

Then Mr. Demmler explained further as to the purpose of the meeting, namely, how to get over certain hurdles.

Mr. CASE of South Dakota. The portions of pages 13, 14, 15, and 16 of the hearings before the Armed Services Committee to which the Senator refers are excerpts from prior records. The junior Senator from South Dakota had not, perhaps, heard all of that when the Senator was reading it. I am not sure whether it was read, or whether it was placed in the RECORD as an excerpt.

Mr. KEFAUVER. If the Senator will look at the middle of page 11 of the hearings before the Armed Services Committee, he will see that I called attention to this subject in a prepared statement in the following language:

To climax his performance in this matter, he finally decided to relate to the subcommittee other conferences which were held with representatives of other agencies of the Government. Mr. Armstrong could not explain why, in the course of his earlier appearances before our subcommittee—see page 384—he claimed that he had made full and complete disclosure with respect to conferences with other agencies.

At page 656 of the printed hearings before the Antimonopoly Subcommittee reference is made to the meeting which he had with former Chairman Demmler and representatives of the Atomic Energy Commission.

Mr. CASE of South Dakota. As the junior Senator from South Dakota stated at the outset of his remarks, he is not familiar with every part of the record. He had not met Mr. Armstrong before this subject came before the Armed Services Committee the other day. I endeavored, during the time the nomination was pending there, to examine as many points as possible in the earlier record. I could not read a book of 600 or more pages and be sure that I found everything that might be contained in that book. I did not find the reference to which the Senator from Tennessee adverts, but I did note that when Mr. Armstrong appeared before the committee the Senator from Tennessee asked him whether he was prepared to tell us about any other conferences he had had affecting the Dixon-Yates matter, and Mr. Armstrong replied that he would be delighted to do so. Mr. Armstrong then proceeded to testify with reference to the meeting of August 19, 1955. Therefore, in any event, he testified relative thereto.

There are two other little side issues of the matter now under discussion. One is whether the telephone call should have been made by Governor Adams. That I am not in a position to say. I knew nothing about it before it came out in this record. In any event, Governor Adams' nomination is not before the Senate. Furthermore, so far as making the suggestion, or of leaving it to the subordinate Government attorneys who were present at the hearing, is concerned, the entire Commission was apprised of the fact that Governor Adams had made the call.

The other collateral issue that developed was as to whether or not the Attorney General was the proper person for Mr. Armstrong to consult in seeking a release of privilege so that he could testify as to the conversation.

The chairman, the Senator from Georgia [Mr. RUSSELL], raised that point, and said that, so far as he was concerned, he would think that possibly the Chairman of the Securities and Exchange Commission should have access to the solicitor for the SEC or the Attorney General. Therefore, Mr. Armstrong, in going to the Attorney General for the release of privilege, was following the suggestion of the chairman of the committee.

Since he was following the suggestion of the chairman, who was conducting the hearing, an i, I may add, because of the fact that the author of the communication was in the executive branch of the Government, and the authority would therefore rest with the author of the communication, no further attention was given to that point. We felt it was appropriate for the Chairman of the Commission to be guided by the opinion given by the Attorney General, since it had been suggested by the chairman of the committee that he seek his opinion.

In summary, then, it seems to me that we have a situation in which Mr. Armstrong did act in good faith. We have the nomination of a man who is qualified to hold the position to which he has been nominated, and I hope the Senate will confirm his nomination overwhelmingly.

Mr. DIRKSEN. Mr. President, in the colloquy between the senior Senator from Tennessee [Mr. KEFAUVER] and the Senator from Colorado [Mr. CARROLL], the Senator from Colorado used the terms "callousness" and "disregard of responsibility." It occurs to me that in connection with this case there is such a thing also as suspicion of the motive and suspicion of an official of Government to the point where the official, who was doing his very best, who was honorable in every respect, and whose motives and actions were unimpeachable, can be destroyed.

I see here some suspicion of Mr. Armstrong, all because of a set of circumstances which never for a moment persuaded me that anything sinister had occurred.

If I were to take one by one the items which I believe argue for the confirmation of Mr. Armstrong's nomination, I would first of all say that there is nothing in the record whatever which impeaches his character, and that there is nothing by way of reflection upon his honesty, his integrity, his honorable action as a Government servant and as the Chairman of a regulatory agency of Government with quasi-judicial capacities and functions.

There is nothing in the record from any side to impeach his character, and it stands out, as it always has, as absolutely unimpeachable.

Second, Mr. President, I argue in his behalf his educational background. At this point I ask unanimous consent to have printed in the RECORD the details with respect to his education and background as they appear at pages 3 and 4 of the hearings before the Committee on Armed Services.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Education: Allen-Stevenson School, New York City, 1923–29; Milton Academy, Milton, Mass., 1929–34 (graduated with distinction for high scholarship); Harvard College, Cambridge, Mass., 1934–38 (graduated bachelor of arts cum laude); Harvard Law School, Cambridge, Mass., 1938–41 (graduated doctor of laws); further study at Northwestern University School of Commerce (accounting department), 1942–44, 1946–48.

Legal qualifications: Passed New York State bar examination, June 1941, but not admitted to New York bar because moved to Chicago, July 1941; admitted to Illinois State bar, November 1941. Also member of the bars of United States District Court for the Northern District of Illinois, Eastern Division; United States Court of Appeals,

Seventh Circuit; United States Supreme Court.

Professional experience: Associated with Isham, Lincoln & Beale, 72 West Adams Street, Chicago, Ill., 1941–45. United States Naval Reserve, February 1945 to June 1946. Lieutenant (junior grade) assigned to Office of the General Counsel, Navy Department, Washington, D. C. Legal work relating to Navy contract termination and surplus property disposal. Associated with Isham, Lincoln & Beale, July 1946 to 1950. Became member of the firm January 1950. Legal work relating principally to corporation law and finance and, to some extent, to municipal finance. Resigned effective July 16, 1953. Appointed by President Eisenhower a member of the Securities and Exchange Commission. Assumed office July 16, 1953. Appointed Chairman of the Commission May 25, 1955. Representative of the Securities and Exchange Commission on the President's Conference on Administrative Procedure.

Professional associations: Chicago Bar Association (member, committee on corporation law, 1951–53), American Bar Association, Federal Bar Association, American Law Institute, American Judicature Society.

Other activities, education or charitable: A director or trustee of the following agencies affiliated with the Chicago Community Fund: United Charities of Chicago (member, legal aid committee, family service committee, personnel practices committee); Chicago Maternity Center (executive committee); Scholarship and Guidance Association. Also a director or trustee of Francis W. Parker School, Elizabeth McCormick Memorial Fund (Child Welfare), Schweppe Foundation (medical research), Chicago Tennis Patrons, Inc. (resigned from these in 1953).

Social: Saddle and Cycle Club of Chicago, Harvard Club of New York City, Chevy Chase Club, Chevy Chase, Md.

Hobbies: Tennis, golf.

Politics: Republican: 42d Ward Republican Organization (Chicago), 42d Ward Republican Business Men's Committee.

Church affiliation: Protestant Episcopal: St. Chrysostom's Church, Chicago, Ill.

Family status: Married Elisabeth Stillman, of New York, N. Y., June 1940; children: Katherine Chase Armstrong, 15; James Sinclair Armstrong, Jr., 13; Stephen Howard Armstrong, 10; Robert Stillman Armstrong, 8.

Mr. Armstrong was appointed to the Securities and Exchange Commission by President Eisenhower in July 1953 and on May 25, 1955, was designated by the President as Chairman of the Commission.

A graduate of Harvard College (A. B. cum laude, 1938) and the Law School of Harvard University (LL. B., 1941) Mr. Armstrong had been engaged in the general practice of law in Chicago, Ill., since 1941, first as an associate, and, from 1950, as a partner in the firm of Isham, Lincoln & Beale.

He passed the New York State bar examination in June 1941 and was admitted to the bar of the State of Illinois in November 1941. From 1942 to 1944 and from 1946 to 1948, he engaged in further study in the accounting department of the School of Commerce of Northwestern University. He is also admitted to the bars of the United States District Court for the Northern District of Illinois, Eastern Division; United States Court of Appeals, Seventh Circuit; and the United States Supreme Court.

From 1945 to 1946, he served in the Office of the General Counsel of the Navy Department in Washington, D. C., being separated to inactive duty as a lieutenant (junior grade). While a member of the Securities and Exchange Commission, he served as the Commission's representative on the President's Conference on Administrative Procedure.

He is a Republican and a member of the American, Federal, and Chicago Bar Associations, and, of the latter association, was a member of its committee on corporation law from 1951 to 1953.

He is also a member of the American Law Institute and the American Judicature Society, and has been active in charitable work, serving variously as a director or trustee of the United Charities of Chicago, Chicago Maternity Center, Scholarship and Guidance Association of Chicago, Francis W. Parker School, Elizabeth McCormack Memorial Fund, Schweppe Foundation, and the Chicago Tennis Patrons, Inc.

He is also a member of the Saddle and Cycle Club, Harvard Club of New York, and the Chevy Chase Club, Chevy Chase, Md.

A Protestant Episcopalian, he married the former Elizabeth Stillman, of New York, N. Y., in June 1940, and they have 4 children: Katherine Chase Armstrong, 15; James Sinclair Armstrong, Jr., 13; Stephen Howard Armstrong, 10; and Robert Stillman Armstrong, 8.

Mr. DIRKSEN. Mr. Armstrong is a graduate, with honors, of Harvard College. He received his law degree at Harvard. Then he went to Northwestern University and pursued accounting for a number of years. He then associated himself with one of the outstanding law firms in the State of Illinois. At long last he came to Washington to enter public service. Before he ever entered public service, he had the responsibility, even as a young man, of passing on nearly $1 billion worth of securities. That in itself speaks eloquently for his capacity, his sense of responsibility, and the confidence that the people in the business world repose in his judgment.

Along with all that, he is a family man, with a family of four fine children. I know the whole family quite well.

So, Mr. President, here is a young man of 42 years with an outstanding educational background. Certainly, if Government has ever needed a man of such talents, it needs him today.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MALONE. I should like to ask the Senator from Illinois some questions. Has there ever been a time when Mr. Armstrong's integrity was questioned?

Mr. DIRKSEN. I have no idea that it ever has been. I have never heard his integrity assailed.

Mr. MALONE. The Senator probably would know, if it had been, would he not?

Mr. DIRKSEN. I should think so.

Mr. MALONE. Did he do a fair job in the SEC where he served as Chairman?

Mr. DIRKSEN. I may say to the distinguished Senator from Nevada that I was in the House of Representatives, long ago, when the SEC was created. I was on the Committee on Appropriations of the House, and later in the Senate, when from time to time appropriations for the SEC were considered. I remained in rather close contact with the SEC. There was an opportunity, therefore, to observe the work of the Commission. I believe Mr. Armstrong has done superb work in the public interest, not only as a member of the SEC, but as its administrative head and as its Chairman.

Mr. MALONE. Has any Senate committee ever brought him before it to question his actions as a member of the SEC?

Mr. DIRKSEN. Does a Senate committee ever call an administrative head before it?

Mr. MALONE. No. Has any Senate committee ever questioned Mr. Armstrong's integrity and honesty of decisions in the SEC?

Mr. DIRKSEN. Every Senate committee has jurisdiction over the matter and can properly call before it any administrative head.

Mr. MALONE. Has any committee ever questioned his integrity or said that he had betrayed his trust or lacked integrity in making his decisions?

Mr. DIRKSEN. Let me ask the Senator from Nevada whether the purport of his question is to indicate that it is a rather singular procedure which is taking place at the present time.

Mr. MALONE. No; it is to determine whether Mr. Armstrong has ever been accused of betraying his trust in public office.

Mr. DIRKSEN. None that I know of. To me it is rather singular that 2 years after he was brought before the Judiciary Committee that this matter should recur again.

There was ample opportunity in 2 years, if there was anything wrong with Mr. Armstrong, to impeach him and to assail him; but no effort was made until an adequate vehicle came along, in the form of the President's nomination of Mr. Armstrong as an Assistant Secretary of the Navy.

Mr. MALONE. If the Senator will yield further, I should like to ask my final question. Does he agree with me that if there is no question of integrity, no question of ability, and no question of loyalty, should not the President of the United States be able to appoint a man of that character to any responsible position to which the President desires to appoint him?

Mr. DIRKSEN. That is my notion about it. Some years ago I became curious about a certain person in Government, and I wondered whether his nomination could be recalled.

I searched the record, and I found some decisions to the effect that once the Senate has confirmed a nominee, his nomination cannot be recalled. I then discussed the matter with the late Senator Taft. He said the President is enentitled to latitude in such matter, and unless there is an impeachment of character or there is something in sharp derrogation of the man's integrity, the President's judgment should not be assailed.

Mr. MALONE. Over the period of the 11 years I have been a Member of the Senate I have voted to confirm the nominations of a good many persons to high office, persons with whose previous decisions and general attitude I might not have agreed, but as to whom there was no question of integrity, character, or loyalty to the United States of America. I assumed that the President of the United States had the right to appoint persons in whom he had confidence, and I voted for them.

Mr. DIRKSEN. It should be pointed out that before Armstrong was ever appointed to the SEC, there was the usual rundown by the Federal Bureau of Investigation. The FBI submitted its raw file to the committee. An opportunity was afforded to know what Armstrong's neighbors, friends, and associates, and everyone else, thought about him. You can bet all the tea this side of the Rocky Mountains, Mr. President, that if there is something in derogation of one's character, the FBI is pretty certain to find it.

Mr. MALONE. So far as this man is concerned, there is no question about him in the FBI report, is there?

Mr. DIRKSEN. None whatsoever.

The first point I make in behalf of Sinclair Armstrong is that he is a man of character, and his character has not been impeached in the course of this proceeding.

The second point I make is that he has mental endowment. He has the education, the background, and the experience to fill the position to which he has been chosen, as he had the background to fill the office of Chairman of the Securities and Exchange Commission.

The third point I make is that the whole Dixon-Yates matter was invested with public interest; so notwithstanding the fact that the SEC is at once an administrative agency and is also quasi-judicial in character, this matter was not in a vacuum. Not only the legislative branch, but the executive branch of the Government, also, had an interest in the matter.

I followed this proceeding pretty carefully. I appeared with Sinclair Armstrong before the Committee on the Judiciary, when he came before the Senator from Tennessee [Mr. KEFAUVER]. I sat and gave him encouragement, as a matter of fact, because I knew the type of person he really was. I told him to speak his piece. I would do it for any witness, no matter what his political identity might be, if I thought he was correct.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. BUTLER. I had the pleasure of sitting beside Mr. Armstrong at one of the hearings. I am certain he was perfectly frank that day, and perfectly willing to answer any questions which he felt were within the scope of the ruling of the Attorney General.

Mr. DIRKSEN. Indeed so.

Mr. BUTLER. As a matter of fact, he conferred with me on several occasions as to how the questions should be answered. I think it was as a result of one of those questions that there was a request for the opinion of the Attorney General.

Mr. Armstrong was most anxious to give any information he could, without having the legislative branch invade the rights of the executive branch.

Mr. DIRKSEN. The Senator is quite right.

I make the point that the whole Dixon-Yates matter was invested with public interest. That is a cue to what finally happened. It is rather interesting to note that the President was assailed again today and accused of not knowing what was going on. In the same breath, we hear it said that we ought to do something more about implementing the Hoover reports, because there is too much of a burden upon the President of the United States. The President must depend upon his administrative advisers and counselors.

When a matter is invested with public interest, what is wrong with the Assistant to the President calling up an administrative head? Do we live in a vacuum today? I think not. What was the purport of the conversation? It has all been pretty well developed. The fact is that the Attorney General was out of town. He is the principal law officer of the Government. Still another legal adviser to the White House was out of town.

All that was involved in the conversation, in the first instance, was whether or not in the public interest there might be an adjournment of the hearing before the Commission until it could be determined whether one or more of the principal law officers, besides those who had sat in with the Commission, might be present as amicus curiae, a friend of the court. What was wrong with that?

After all, the President was assailed up and down the hill about the Dixon-Yates contract. I reemphasize that that contract was invested with a public interest. The President had a right to follow it through if he wanted to. So did Governor Adams. I see nothing wrong with calling up the head of a quasi-judicial body for the purpose of ascertaining whether that body would not be willing to have the top Government lawyers sit in as friends of court while the proceeding was in process to validate or to get a judgment from the Commission concerning the financing of the securities to be issued under the Dixon-Yates contract.

When the Commission did adjourn, under what circumstances did it adjourn? It adjourned only after Sinclair Armstrong conveyed the message to the Commission. Then the Commission voted unanimously to adjourn. It was not Sinclair Armstrong who adjourned the Commission. He submitted the question to his fellow Commissioners. They took a vote, and they voted that in the public interest they might adjourn. So they did adjourn.

Was Dixon-Yates prejudiced? Was the citizens' counsel from Tennessee prejudiced? Was any other group or party in interest prejudiced? In no way whatsoever. There was a postponement until it could be determined whether the top legal officers of the Government might be back in town and then could sit in on what was at once an administrative and also a quasi-judicial proceeding. What was wrong with that?

Our distinguished friend from Tennessee has taken a molehill and by a judicious accretion of words has made a mountain out of it, as much as to say that we live in a vacuum today. How strange that peculiar moral or immoral implications are read into a matter like this.

I said earlier that I am getting so that I enjoy the sermonizing, the homilies, and the moral lectures we receive on the Senate floor. One would think that everybody in Government was suspect today, as if there is no honor, as if there is no integrity, in the people who serve the public interest.

Sinclair Armstrong is one of the most honorable men I have ever encountered in my lifetime. I would put my hand in the fire in his behalf. So when it comes to the charge that the session was postponed, as if there were something ulterior about it, or as if it were going to have an impact upon a measure pending before the House Committee on Appropriations, what an amazing thing it is, because, as Armstrong so well testified, it was not any of his concern.

I have here the hearings before the Committee on the Judiciary. We covered a great many pages, I may say to my friend, the distinguished Senator from Maryland [Mr. BUTLER]. On page 631, here is the colloquy:

> Senator KEFAUVER. And just exactly what did he say about the pendency of the legislation coming up Monday in the House of Representatives?

The Senator was referring, of course, to what Governor Adams might have said.

> Mr. ARMSTRONG. Well, as I have just testified to, and as I recollect it right at this minute, he said, "I have got another problem to worry about this week."
>
> Senator KEFAUVER. To worry about this week?
>
> Mr. ARMSTRONG. The TVA appropriation coming up in the House of Representatives.
>
> And I said, "That doesn't concern me," and he said, "That's right."

It was no concern of his whatsoever. That was the testimony of Mr. Armstrong on that point. But it is made to appear that there was a peculiar implication involved which would be a reflection upon his conduct and his integrity.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. KEFAUVER. Will the Senator read the next question and answer?

Mr. DIRKSEN. I shall be delighted to do so.

> Senator KEFAUVER. Well, why do you think he mentioned Wenzell's testimony and the House of Representatives at the same time?
>
> Mr. ARMSTRONG. I have no idea.
>
> Senator KEFAUVER. Did he tell you that he didn't want Wenzell's testimony to get to the Members of the House?
>
> Mr. ARMSTRONG. He did not.

Those are the answers. If I am wrong, then, of course, the record is wrong. It certainly is not my transcript.

So what is there to the argument that there was a postponement of a session of the Securities and Exchange Commission—having in mind that perhaps it might have some bearing on a $6,500,000 appropriation bill pending in the House of Representatives.

It was stated by the distinguished Senator from Tennessee [Mr. KEFAUVER] that Mr. Armstrong did not tell Mr. Ewell, the examiner, and did not tell the Commission staff and did not tell the committee staff and did not tell this person or that person. He ascribed no reason why the hearing was postponed. Did he have to? Was there an obligation upon him to do so? Was there any duty upon the Chairman of the Securities and Exchange Commission to say, "The reason we postpone it is as follows," and to make an explanation? It would be

amazing, indeed, if that had to be done. That judgment was made because they were waiting to see whether certain Government lawyers ought to be in attendance at the time, as "friends of the court," and nothing more; and that is all that can ever be made out of that portion of the case.

It is also said that Mr. Armstrong was playing fast and loose because he invoked privilege. Mr. President, I have seen executive privilege invoked a good many times in my life. Nowhere did I see it invoked oftener, I expect, than during the 6 weeks we spent under television lights in the caucus room of the Senate Office Building, in connection with the Army-McCarthy controversy, where there came the interdiction, on Executive order, which follows a line of precedents going back to George Washington, in connection with the first controversy he had with the first Congress of the United States. It is rather interesting that we belabor the whole question of executive privilege, but thus far Congress has never undertaken to do anything about it. Certainly, I am not going to belabor that issue today, because it stands off by itself.

Mr. BARRETT. Mr. President, will the Senator from Illinois yield to me?

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Does the Senator from Illinois yield to the Senator from Wyoming?

Mr. DIRKSEN. I yield.

Mr. BARRETT. I quite agree with the last remark of the distinguished Senator from Illinois; but it occurs to me that if an error was made by Mr. Armstrong in conferring with the Attorney General on the matter of executive privilege—and I believe that is subject to question—nevertheless, to be perfectly fair, Mr. Armstrong did so at the instance and request of the distinguished Senator from Tennessee [Mr. KEFAUVER]. So certainly, it seems to me, it would be unfair and improper to criticize Mr. Sinclair Armstrong now for doing the very thing he was requested to do.

Mr. DIRKSEN. The Senator from Wyoming is correct. The question of privilege was interposed three times; and after consultation with the Attorney General it was withdrawn with respect to two of the points. But I ask my friend, the Senator from Wyoming, where does one go to obtain an opinion as to whether a certain matter lies within the interdiction of privilege or whether it does not, if one does not go to the Attorney General?

Mr. BARRETT. Certainly in this particular instance, I say to my distinguished colleague from Illinois, the Senator from Tennessee [Mr. KEFAUVER] felt precisely as the Senator from Illinois feels now; and the Senator from Tennessee suggested to Mr. Armstrong that that was exactly where he should go.

I would say there is some question as to whether an official of an independent agency should call upon the Attorney General for advice, or whether such an official should act independently, on the basis of his own judgment. But, regardless of that, in this case Mr. Armstrong pursued the course which was suggested to him by the distinguished Senator from Tennessee.

Mr. KEFAUVER. Mr. President, since my name has been mentioned, will the Senator from Illinois yield to me?

Mr. DIRKSEN. I yield.

Mr. KEFAUVER. It should be borne in mind that when Mr. Armstrong first came before the subcommittee, he came there with his attorney. Mr. Armstrong based his alleged privilege upon a letter the Attorney General had written Secretary Wilson, which had to do, as I recall, with certain testimony in the Army-McCarthy hearings. It was our position—as made very clear to Mr. Armstrong and to his attorney, Mr. Timbers, by the Senator from North Dakota [Mr. LANGER] and particularly by the Senator from Wyoming [Mr. O'MAHONEY] and myself—that we did not feel that he, Mr. Armstrong, had a privilege to withhold information from a competent Congressional committee, because he was chairman of an agency of the Congress. It was Mr. Armstrong who insisted that the letter written by the Attorney General to Mr. Wilson gave him, Mr. Armstrong, some privilege. Then it was the Senator from Wyoming [Mr. O'MAHONEY] who said—and I am sure that finally, when we could not get any information from Mr. Armstrong, I joined in saying it—"We do not think that is what it means. We do not think you have any privilege. We think the Attorney General would agree with us; and we suggest that you or your attorney talk with him with reference to the Wilson letter and the privilege which you are asserting today."

Mr. DIRKSEN. Mr. President, let us put the privilege in the instant case in its complete light. In the first place, the Senator from Tennessee [Mr. KEFAUVER] sent to Mr. Armstrong, on June 27, 1955, a letter, of which the last pertinent paragraph read as follows:

> I should like to inquire from you whether any request or representation was made to the Commission with respect to the suspension of the hearings. I should also like to inquire whether any representation was made to the Commission by any official or representative of the Government asking that the hearing scheduled for June 13 be canceled, or whether such cancellation was discussed by the Commission with any officials or representatives of any other branch of the Government.

There is the nub of it. That is what was before Sinclair Armstrong when he had to determine whether privilege was involved. He could have gone to Mr. Timbers, his own counsel. But what happens when one goes to a man with whom one is associated day after day? How easy it would be to impeach his judgment and finding on the ground that it was more or less self-serving of his own agency, since both of them worked in the same Government shop.

The proper person from whom to obtain that advice was the Attorney General; and that is precisely the person from whom Mr. Armstrong obtained it. Then, after he was released from the first two items in which privilege was involved, he could respond so far as the rest of the inquiry was concerned.

Mr. President, what is left of the case? There is the question of whether there was any impact upon the appropriation bill then pending in the House of Representatives. Mr. Armstrong testified that Mr. Adams did not say he did not want "Wenzell's testimony to get to the Members of the House." There was the question of whether Adolphe Wenzell's testimony would affect that appropriation bill. In my considered judgment, it would not have had the slightest impact on it, and Mr. Armstrong made that clear. He said that Mr. Adams did not say that he—Mr. Adams—did not want "Wenzell's testimony to get to the Members of the House." That is shown at page 631 of the hearings.

Then Mr. Armstrong testified that he did not "surmise" that that was the case. There was a good deal of surmising and assuming in the matter. That will also be found on page 631.

Mr. Armstrong also testified that personally he did not know of the fight which had been carried on in the Appropriations Committee with respect to the transmission line. That is also shown on page 631 of the hearings.

Then Mr. Armstrong repeated his earlier testimony that he told Governor Adams that the matter in the House of Representatives was not "any concern of mine."

In addition, Mr. Armstrong testified that he was not impressed by the fact that proposed legislation pending in the House of Representatives was mentioned in the same conversation. I would not be, either, Mr. President. In the Government atmosphere, those things happen almost every day, and one does not link one of them with the other.

Finally, Mr. Armstrong testified that Mr. Wenzell's testimony was not held up because of what was going on in Congress.

Mr. President, there is the whole record. It is extremely difficult for me to understand why there are read into Mr. Armstrong's conduct, into his words, into the conversation with Governor Adams, or into Mr. Armstrong's appeal to the Attorney General, in connection with the question of privilege, any implications which would in any way have an effect upon Mr. Armstrong's character, his capacity as a public servant, his reputation for honorable dealings, and the excellent job he has done in the Government for the people of the United States, in one of the most responsible regulatory agencies we have.

Mr. President, there is the whole case. What do you make of it, Mr. President? I make of it exactly nothing, because I sat through the testimony, and I re-echo the question which is in my mind, namely, how strange it is that, 2 years after all this was ventilated before the Senate Committee on the Judiciary, it has to come back now on the floor of the United States Senate.

There was ample opportunity to impeach Mr. Armstrong. There was ample opportunity to file a charge against him. There was ample opportunity to haul him up before the Senate, because that

is one of the prerogatives of the legislative branch. But in all that time, nothing was done. Criticism came only when the President sent his nomination to the Senate, so that he might assume greater responsibilities in the public service as an Assistant Secretary of the Navy.

There is the case. If Senators want a yea and nay vote on the question of confirmation, I am willing to summon Senators into the Chamber, because I have a pretty fair idea how the Senate is going to vote under these circumstances. I do not wish to inconvenience any of my colleagues this afternoon, but if any Senator wants a record vote, I am willing to have one, because I expect Sinclair Armstrong to go far in the public service, endowed as he is with talent, capacity, character, and honor. I want to be sure that the record is clear as to what transpired in this whole proceeding that emanated from the Dixon-Yates controversy of more than 2 years ago.

Mr. President, I yield the floor.

Mr. NEUBERGER. Mr. President, I desire that the record shall show that I intend to vote against the nomination of J. Sinclair Armstrong to be Assistant Secretary of the Navy. The able senior Senator from Tennessee [Mr. KEFAUVER] is to be commended for his efforts to protect the public interest. The Senator from Tennessee has always tried to protect the public interest and the public welfare in matters such as this. In my opinion, he is doing so in his efforts to prevent the confirmation of the nomination of Mr. Armstrong. That is why so many of us value the courage and leadership of the Senator from Tennessee.

Mr. KEFAUVER. I appreciate very much the remarks of the junior Senator from Oregon.

I have no desire to debate this matter further, Mr. President. I merely wish to add that I am convinced that on this record Mr. Armstrong showed himself to be unworthy of the trust that was placed in him as Chairman of the SEC. I see no reason why we should place greater confidence in him. I am certain that any Member of the Senate, including the Senator from Illinois, if he were a party to a contest before the SEC, or if he were a lawyer before the SEC representing a litigant, would feel that the SEC was being very poorly run, and improperly so, if, in the first place, before the hearing started, a member of the SEC got together with one of the interested agencies and went over all the hurdles to be surmounted and how the case was to be presented in an SEC proceeding. Such a procedure makes a farce out of a hearing before that quasi-judicial agency. The case was decided before it was started. Mr. Armstrong and Mr. Demmler had advised the parties how to present the case, and what their opinions were.

I am certain any party to a proceeding before the SEC, or any lawyer before the SEC, and many of my colleagues are lawyers, would feel very much disturbed over the fact that a fair hearing had not been had, if somebody interested in a matter on trial was calling on the telephone, and that telephone call resulted in a dictation of how the SEC was going to be run, and whether the hearing was going to be continued for some purpose.

Mr. President, I want the RECORD to show my opposition to Mr. Armstrong's nomination. I hope the proceedings today will serve the public purpose of letting some of the other quasi-judicial agencies, which are arms of Congress, know that at least some Members of the Senate think that they ought to decide cases on the facts presented under rules of evidence, and not let their agencies or commissions be affected by telephone calls from somebody on the outside, knowledge of which is secretly kept from the parties to the controversy, even though the somebody may be an assistant to the President of the United States.

I shall not ask for a yea and nay vote, but I think we should have a quorum call in order that more Senators can be present to vote.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KEFAUVER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is, Will the Senate advise and consent to the nomination of J. Sinclair Armstrong, of Illinois, to be an Assistant Secretary of the Navy.

The nomination was confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be immediately notified.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair) laid before the Senate a message from the President of the United States submitting sundry nominations, which were referred to the Committee on Foreign Relations.

(For nominations this day received, see the end of Senate proceedings.)

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 51. An act for the relief of Mary Barme and her two minor children Steran Barme and Dinah Barme;

S. 94. An act for the relief of Lee Chong Talk;

S. 124. An act for the relief of Josephine Suydam;

S. 162. An act for the relief of Jew Gim Gee;

S. 184. An act for the relief of Mary C. Frederick;

S. 271. An act for the relief of Johannes Sukevainen;

S. 754. An act for the relief of John (Ioannis) Legatos;

S. 799. An act for the relief of Eldur Eha; and

S. 1463. An act to amend the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle.

AMENDMENT OF THE SMALL RECLAMATION PROJECTS ACT, 1956

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 2146) an act to amend the Small Reclamation Projects Act of 1956.

Mr. JOHNSON of Texas. Mr. President, I do not desire to foreclose any Senators from making statements at this time. However, before the Senate discusses the bill I shall wish to suggest the absence of a quorum.

A WATER RESOURCE PROGRAM FOR OREGON

Mr. NEUBERGER. Mr. President, tapping of the navigation and power potential of the waterways of the Pacific Northwest provides an opportunity for improving the economic status of a vast section of the United States. In support of this objective, I have had an opportunity this week to submit material to appropriations subcommittees of both the House and Senate, urging expansion of water-resource improvements in the State of Oregon.

One of the barriers to a larger volume of waterborne commerce on the Columbia River is the fact that the ship channel from Vancouver, Wash., to The Dalles has not been maintained to the authorized depth of 27 feet. Along with other worthwhile projects, I have urged the committees to appropriate funds necessary to open this section of the Columbia to deep-draft vessels. Accomplishment of this work would extend, by 85 miles, the inland route of the Columbia which could be traveled by oceangoing vessels.

Improvement of this and other water resources of Oregon is of vital importance to my home State. I ask consent to have printed in the body of the RECORD a portion of my statement to the House and Senate Appropriations Subcommittees on a water-resource program for Oregon, especially with respect to improved inland navigation on the Columbia River, where it cuts through the great Cascade Mountain Range.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

I am urging a greater amount of investment for improvement of Oregon's rivers and harbors because such action is necessary to stimulate the State's lagging income level and to achieve the greater degree of prosperity which will be possible from fuller use of the region's great potential for navigation, power, irrigation, and flood control.

The State of Oregon is blessed with unique, natural advantages in the way of water resources. But in recent years the Federal Government's responsibility for development of navigable waterways and for construction of flood-control facilities in Oregon has lagged far behind the need. It is well to point out, I believe, that the President's budget allocations for Oregon multipurpose projects during the coming fiscal year are some 40 percent below the level for the current year. I would like to emphasize to the committee that the granting of funds for the vitally needed projects I am urging in my statement will still leave the total some 20 percent below the sum appropriated for Oregon projects for fiscal 1957, and far below the total granted for water-resource improvement before the present administration came into power.

PER CAPITA INCOME DOWN

In the year 1937 per capita incomes in Oregon—and that means every man, woman, and child—were $9 below the national average. In 1938 they rose to $17 above the national average. A steady climb then set in, until in 1943 Oregon incomes were $299 higher than the average for the Nation. They dropped back somewhat in 1945 and 1946 to $147 above the average. Then they shot back to $202 above the national average during the year 1947. Since that time Oregon incomes have ominously and alarmingly been dropping behind in relationship to those prevailing in the United States as a whole.

Let's look at what has happened. These have been Oregon's per capita income levels as related to the entire country since that time:

1947	$202 above
1948	189 above
1949	180 above
1950	111 above
1951	102 above
1952	97 above
1953	23 above
1954	5 below
1955	13 below
1956	10 below

Thus, from 1947 through 1956, an elapsed period of 10 years, it may be said that Oregon's per capita incomes have steadily and inexorably dropped with respect to their comparison to the national average. It is obvious that we are not sharing in what has been described as the Eisenhower boom, although Oregon also was on the economic toboggan during the period when involvement in the Korean war had produced inflationary pressures and additional buying and selling activity.

What has been happening in Oregon, to cause the State to slide off the national rate of growth and expansion so far as economic development is concerned?

I have mentioned that Oregon attained quite a high pinnacle of incomes in 1947. It so happens that the period from 1939 to 1947 was the one decade in our history when manufacturing employment in the Pacific Northwest grew faster than in the entire Nation—329 percent for our region as contrasted with 284 percent for the whole United States. In addition, manufacturing employment in the Northwest expanded 67 percent as compared with a national growth of only 50 percent.

Some persons may contend that this growth during the decade from 1939 to 1947 was due to World War II. Armament needs dictated greatly expanded industrial production. That is quite true. Yet the whole country was involved in World War II, as well as the Pacific Northwest. But I think the more basic reason for the mushrooming of manufacturing in the Northwest during the 1939–47 period was that it marked the era when the Bonneville Power System's low-cost Federal kilowatts first came on the line. That situation did occur in the Northwest alone. No other region of the Nation shared in this 2-mill industrial power.

INCOME AND RESOURCE USE RELATED

Since 1953, there has been a great slowdown in starting new Columbia Basin projects needed to met the energy demands of the Pacific Northwest. As shown by the table of income in Oregon, the decline in per capita level coincides with curtailment of the Federal program for Columbia River Basin development. This is a fact which speaks for itself.

The relationship between development of Oregon's water resources and the economic health of the area seems apparent. This fact alone justifies Congressional action to provide funds for start of construction on John Day lock and dam project. This will add 1,100,000 kilowatts to the power storehouse of the Columbia River power system. Besides this vast contribution to the energy base of the Pacific Northwest, John Day Dam will complete the last slack-water navigation link between Bonneville Dam and the mouth of the Snake River, greatly enhancing the opportunities for inland-water transportation. As now planned by the Corps of Engineers, John Day Dam also would provide 500,000 acre-feet of surcharge flood-control storage. I would like to remind the committee of the Army engineers' statements that a minimum of 27 million acre-feet of flood-control storage is needed in the Columbia Basin to prevent destructive floods like the disastrous occurrence of 1948. Yet the entire Columbia Basin has only approximately 9 million acre-feet of flood-control storage—about one-third of the minimum needed.

The President's budget contains not a cent for construction of the great John Day project, although the Corps of Engineers will have completed the preconstruction planning by the end of the current fiscal year. The President has recommended expenditure of Federal funds in other regions for construction of dams with fewer benefits and far less dependable volume of water. I urge the committee to reverse this policy of discrimination against the people of the Columbia River Basin by approving an appropriation of $8 million to start the construction of John Day lock and dam.

WHY NEGLECT OF POWER AND FLOOD CONTROL?

The administration's neglect of the power and flood-control needs of Oregon again is reflected in the budget through inadequate allocations for further planning of the Green Peter-White Bridge multipurpose project. I urge the committee to override the administration's recommended sum of $225,000 and provide, instead, the $500,000 which will substantially complete preconstruction planning of this additional link in the Willamette Basin project system.

Aside from the inadequacy of the administration's provisions for Pacific Northwest power needs, perhaps the next largest field of neglect concerns development of Oregon's navigation potential. The Columbia River is the only navigable waterway in the North American continent to slice through a major mountain range. The inland water route through the Cascade Range offers extensive possibilities for tapping the resources of the rich inland empire, and as a means of transport for industrial and agricultural products. Yet vast stretches of this peerless inland waterway are choked with silt and underwater obstructions.

I urge the committee to approve a total amount of $2,325,000 to start the work needed to open a 27-foot-deep channel on the Columbia from Vancouver to The Dalles. The section of this improvement from Vancouver to Bonneville Dam has been authorized since 1937. The extension from Bonneville to The Dalles was approved by Congress in 1946. Since 1949, the channel has been maintained only to a depth of 15 feet, although the project is authorized for a depth of 27 feet and width of 300 feet.

The present condition of the channel is completely inadequate to meet the needs of the rapidly expanding area. Immediate action on the Vancouver to The Dalles channel restoration is justified by the potential river tonnage of agricultural products which apparently is available as soon as the present barriers to transportation are removed. One of the Nation's great wheat-producing regions lies in eastern Oregon and eastern Washington. The channel development would make it possible for oceangoing vessels to tap prospective bulk-cargo tonnage of inestimable amounts. Opening of The Dalles to ocean vessels would greatly improve cost factors which influence sale of surplus grain to the Orient.

DEEP-DRAFT CHANNEL TO THE DALLES

I have been informed that the Harvey Aluminum Co. has indicated its initial requirements of alumina will necessitate the annual movement of 18 round trip ocean vessels from the Orient by the end of 1957. By the year 1960—if sufficient power is available to permit increase of aluminum production—the company plans to double its plant capacity. This means that in a period of little more than 4 years, this company alone would need the ore cargo of 36 oceangoing vessels. After 1961, I am told, bauxite cargoes will take the place of alumina shipments at this plant, and on the basis of the company's requirements, the number of ship movements is expected to double. However, these requirements cannot be met through shipments from oceangoing vessels unless the proposed channel improvements are completed.

I wish that it were possible for members of the committee to witness for themselves the embryonic industrial development which is under way along both sides of the 85-mile stretch of the Columbia affected by this channel project. I am sure that the committee will be pleased to know that chambers of commerce, port commissions, utility districts, and commercial interests throughout the area are unanimous in their support of the Vancouver-The Dalles improvement. I am pleased that a number of residents from Oregon have come to present detailed information to the committee about the needs for this project and the benefits which will accrue from its completion. I will not take the time of the committee to go further into the justification for this section of Columbia River navigation improvement, but I feel sure that, after listening to individuals from the area most vitally affected, the committee will see that by investment of a relatively modest sum, widespread benefits will result.

The burgeoning of commerce on the Columbia River below Vancouver has exerted great pressure on the present capacity of the authorized and developed 35-foot channel from the mouth of the river to Portland-Vancouver. Actually, the channel depth has placed serious limitations on the type and amount of traffic which can traverse this section of the river. I have discussed with shippers, ship operators and port officials the need for reexamination of the presently authorized channel. As a result, Senator MORSE and I asked the Senate Public Works Committee to authorize by resolution a re-

survey of the channel from the mouth of the Columbia to Portland-Vancouver. The committee has given its approval to this request, and we have been advised by the Corps of Engineers that a total of $125,000 is needed for this investigation. In view of the fact that the work cannot be completed in 1 year, I am joining other members of the delegation in requesting an appropriation of $40,000 for this purpose.

CHANNEL STUDY NEEDED

I also ask the favorable consideration of the Committee of the Budget allocation of $1,150,000 for work which will essentially complete dredging of the Columbia's channel at the mouth to a depth of 48-feet. The committee wisely approved the start of this project 2 years ago, and I am pleased to report that this improvement last fall made possible movement of the largest shipment of wheat ever to leave the Columbia River. By virtue of the greater channel depth, a ship was at last able to cross the perilous Columbia River bar with a record load of grain.

I mention this advance in Oregon's seaborne commerce because it illustrates the expansion of shipping which also would be possible if improvement were undertaken at Garibaldi Basin, Chetco River, Coos-Millicoma River, Rogue River at Gold Beach and other sections of Oregon. I wish to join with other members of the Oregon delegation in urging the maximum amounts usable by the Corps of Engineers in advancing these projects during the coming fiscal year. Details of these projects are set forth in the chart which accompanies my statement, and I will not impose on the committee's time by more lengthy explanation of their vital functions. All play a major role in the economic future of the communities in which they are located, and evidence developed by the Army Engineers fully justifies their development. Because the budget provides adequate sums for continuing the work on The Dalles dam and lock, Cougar Reservoir, and Hills Creek Reservoir, I will not burden the record with comment, other than to say that the power and other multipurpose benefits are needed to meet the immediate requirements of the region.

Because of the breakdown in implementing the Federal flood-insurance program, I hope that the committee will take immediate action to set up a far more adequate local protection flood control than now exists in Oregon. For several years the annual appropriation for Willamette River Basin bank-protection work has been limited to $300,000. There is no apparent justification for freezing the sum at such a low level. Obviously it is inadequate because this phase of the Army engineers' work is falling further and further behind schedule.

Hundreds of acres of fertile Willamette Basin farmland has been inundated in recent floods. Farmers throughout the district have written to me of the loss they are suffering because funds are not on hand to do the necessary bank-protection work. Because of the very serious soil erosion and flooding problems present throughout the Willamette Basin, I urge the committee to provide a total of $800,000 for bank-protection projects, and $446,000 for the Amazon Creek unit.

I also call attention of the committee to the need for continuing and launching river-basin examinations and surveys on the Rogue River, Grande Ronde, Crooked River, Coquille River, Umpqua River, and Yamhill River and for completion of the review of the corps' 308 report on the entire Columbia Basin. This work is essential to carry out and plan in advance for water resource utilization of the future.

IRRIGATION EXPANSION SOUGHT

In connection with the Bureau of Reclamation projects, the committee should know that increased interest has been evidenced by local interests in determining the feasibility of irrigating vast sections of land in the humid western section of Oregon. Farms in this portion of Oregon have adequate rainfall during most of the year, but during the vital growing season the water supply is inadequate. Because of rising farm production costs and lower farm prices, they have been caught in a financial wringer. If irrigation were available during crucial growing periods, per-acre yield would be greatly improved. This would contribute greatly to the total income available from farming units. I urge the committee to provide funds adequate for the Bureau of Reclamation to continue its work on such projects as the Red Prairie-Mill Creek unit, the Dallas-Monmouth unit, Molalla unit, Hopewell unit, Bully Creek, and Yamhill unit. I also join with my Oregon colleagues in urging approval of the budgeted amounts for Crooked River, Wapanitia, Deschutes, Klamath, Arnold, Talent, Baker, Pendleton, Post, The Dalles western and eastern divisions, and upper Owyhee.

I thank the members of the committee for their indulgence in listening to my plea for a vastly expanded water-resources program for Oregon. I recognize that it is broad in scope. But it is also broad in the objectives it will achieve. Water is one of Oregon's most priceless assets, and I have tried to give recognition to the fact that we are merely the temporary stewards of these resources and not their permanent owners. They are a legacy which we must pass on in as good condition as they came down to us. I believe the adoption of the water-resources program which I have outlined to the committee will discharge the obligation of the Congress to present and future generations. It will greatly aid progress in Oregon.

PROPAGANDA OF THE SWISS WATCH CARTEL

Mr. CURTIS. Mr. President, five of Switzerland's largest cigarette manufacturers have sent a representative to the United States to confer with Maryland tobacco and Agriculture Department officials on the problems of the Swiss tobacco industry in obtaining Maryland tobacco. The representative, Mr. Schurch, spoke to Maryland tobacco growers in the courthouse in Upper Marlboro on Friday, May 10. What he said is interesting not only to tobacco growers, but to those who are interested in the American watch industry. I understand that Mr. Schurch, when asked whether his statements regarding tobacco had any relation to the Swiss watch industry, replied with an emphatic "No."

I would like to have printed following my remarks a report on this meeting which appeared in the Washington Star. Mr. Schurch made it very clear that the Swiss cigarette makers have not been able to get enough Maryland tobacco for a number of years. In a published statement he said:

> In recent years there has never been enough of the high grades available to meet Swiss requirements, and stocks of fine Maryland tobacco are low. The bulk of the medium grades are purchased by the big American manufacturers who use a very small percentage of Maryland leaf in their blends.

Contrast this effort to get Maryland farmers to raise more tobacco for the Swiss tobacco industry with the propaganda of the Swiss watch cartel. Not many months ago, the Watchmakers of Switzerland, the propaganda agency of the Swiss watch cartel, circulated throughout all of the tobacco growing areas in the United States a statement that—

> The Swiss would like to buy more United States produced farm products such as tobacco grown in Maryland. But their ability to do this is being sharply curtailed by high tariffs and other restrictions aimed at Swiss watches, with the American farmer being the ultimate victim.

This is another example of the misleading tactics of the Swiss watch cartel. They have been trying to make Americans believe that the steps our Government is taking to save the United States watch industry are injuring Swiss-American trade in other products. These misrepresentations are, of course, efforts to generate pressure on the Government to leave the American watch market to the Swiss.

The Swiss already have 80 percent of the American jeweled-watch market and a large proportion of the non-jeweled-watch and clock market.

The same tactics have been used with respect to cotton, fruit, and manufactured products.

There seems to be no way to make the propagandists for the Swiss watch cartel stick to the truth. But I do not believe that they are deceiving as many people as they think.

Mr. President, I ask unanimous consent to have printed in the RECORD, following my remarks, the article from the Washington Star to which I have referred.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MARYLAND WARNED ON TOBACCO CUTBACK—LOSS OF SWISS MARKET CALLED A POSSIBILITY

(By J. L. Michael)

Maryland's tobacco industry today faces a direct warning that it may lose its best foreign market unless the Federal acreage control, price-support program is revised.

The warning was voiced last night by Fritz Schurch, spokesman for five of Switzerland's largest cigarette manufacturers.

Mr. Schurch, managing director of United Tobacco Factories, Neuchatel, Switzerland, presented the Swiss viewpoint to more than 200 tobacco and business men gathered in the Upper Marlboro Courthouse.

Also present were several members of the Legislative Council's recently appointed tobacco subcommitee.

FEAR DROP IN SUPPLIES

Mr. Schurch made it clear that Swiss cigarette makers fear that continued reductions in planting quotas and land placed in the soil bank will lower supplies of type 32 leaf to such an extent that substitutes must be sought.

The central purpose of his talk, Mr. Schurch said, was to "stress the fact that acreage controls applied to all Maryland growers may lead to loss of the Swiss tobacco market."

He proposed, instead, selective acreage control, to be achieved by drastic changes in present rules. Under his plan, farmers who produce tobacco suitable for use in Swiss-Maryland cigarettes would be wholly or partially exempted from quota restrictions.

WOULD HAVE TWO GROUPS

That would, in effect, mean that administrators of the control-support program would be called upon to divide Maryland

planters into two groups—acreage uncontrolled good farmers and acreage-limited not-so-good farmers.

"Reasonable persons will agree," said Mr. Schurch, "that it would be unwise to punish a farmer who raises a crop of fine-quality Maryland tobacco for which there is strong demand at interesting prices because a less-efficient farmer has produced a surplus of undesirable tobacco which went into Government stocks and stayed there."

Several persons told Mr. Schurch in a question-and-answer period that higher prices would provide the best stimulus.

"Set the price at $1 a pound," said John B. Morsell, president of the Southern Maryland Tobacco Cooperative, "and you will get 40 million pounds."

STUDY GROUP URGED

At the suggestion of Dr. Paul Nystrom, director of the State extension service, and Walter W. Bowling, president of the Southern Maryland Farm Bureau, sponsors of the meeting, the group voted to appoint a committee to study the question.

Mr. Schurch said he came to the United States to confer with Maryland tobaccomen and Agriculture Department officials on Swiss-Maryland problems and he expects to remain here indefinitely.

He indicated that the factories he represents are willing to contract for purchase of all Maryland tobacco of the grades they use at prices above Federal minimums.

Mr. Schurch said that more than half of all cigarettes made in Switzerland are of the Maryland type and that the demand is increasing. Switzerland, he related, is the only country in the world where cigarettes made of 85 to 90 percent of the highest grades of type 32 are preferred by a majority of smokers.

RELY ON MARYLAND SUPPLY

Because of the formula, said Mr. Schurch, Swiss-Maryland cigarette makers must rely exclusively on the quality of Maryland tobacco.

In the last few years the Swiss, who buy about 30 percent of Maryland's normal $20-million annual production, have not been able to fill their poundage requirements, Mr. Schurch said. At the same time, he added, large quantities of low- and medium-grade leaf have been taken over by the Government.

Setting out of more plants per acre and heavier fertilization, a practice used in Southern and Burley Belts to obtain larger yields from smaller quotas, will not work in Maryland, in Mr. Schurch's opinion.

"By so doing, yields can be increased about 20 percent; but not 1 pound will be of Swiss quality," he declared.

"If the quality factor should be adversely affected," Mr. Schurch said, "the demand for Maryland-type cigarettes could fall like a house of playing cards."

"Maryland," he told the meeting, "now has the opportunity to retain Switzerland as a buyer of its best tobacco, but by one false move this market can be destroyed."

MARITIME DAY EXERCISES—ADDRESS BY SENATOR KNOWLAND

Mr. BUTLER. Mr. President, in New York City yesterday at the Maritime Day celebration of the Propeller Club for that great port, our esteemed colleague, the minority leader, the Senator from California [Mr. KNOWLAND], delivered a splendid address. The Senator has long been known as a great, good, and far-sighted friend of all segments of the American merchant marine. His speech yesterday served vividly to reemphasize that fact, and I ask unanimous consent to have it printed in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY HON. WILLIAM F. KNOWLAND, OF CALIFORNIA, MARITIME DAY EXERCISES, ROCKEFELLER CENTER, NEW YORK, N. Y., WEDNESDAY, MAY 22, 1957

I am glad to be here with you today to help celebrate in an appropriate ceremony our National Maritime Day. As most of you know, Maritime Day has been set aside by the Congress and the President to provide an occasion for the American people to focus their attention on the accomplishments and importance that this Nation's strong and healthy merchant marine plays in the lives of our people, to their economic well-being in peacetime and to their security in time of war.

One hundred and thirty-eight years ago today, an American merchant vessel, SS *Savannah*, started from our shores on the first transatlantic voyage ever made by a steamship. Since that time our country has gone through two world wars and the recent conflict in Korea in which the Nation's merchant marine played a primary and patriotic roll. Today our Government, in partnership with the construction industry, has already demonstrated its leadership in harnessing the force of atomic power for submarines. At the present time two atomic powered submarines are in operation and preparation has been made for the construction of 15 additional atomic submarines.

Our progress in this field has given a new stimulus to those vitally interested in a strong merchant marine and Congress has now supplied approval and appropriations for the construction of the first atomic powered merchant vessel. There is no question in my mind but that the application of nuclear energy to this Nation's merchant fleet is as necessary and will be as successful as it has been to the development of our Nation's defense plans in the construction of atomic powered submarines. According to the present schedule the keel for the first atomic merchant vessel will be laid by Maritime Day next year and plans have already progressed for the construction of two atomic powered bulk carrier vessels including tankers and ore carriers. The Merchant Marine industry has indicated its belief and confidence in this Nation's future by formulating a ship construction program which will require an expenditure of nearly $2 billion, 90 percent of which will be contributed by private industry itself.

At the present time there are contracts for over 88 oceangoing merchant ships for construction or conversion in American shipyards. The Congress of the United States stands firmly behind a strong American merchant marine and will be always ready and willing to participate in programs to insure that our merchant fleet stands first among the merchant marine fleets of the world.

We have heard it said that the merchant fleet is the fourth arm of this Nation's defense and in this day and age of continuing international crisis, it becomes more important than ever before in our Nation's history that we permit no weaknesses in the defense of our country to occur.

Our first President, George Washington, stated the problem as follows:

"We should not overlook the tendency of war to abridge the means, and thereby at least enhance the price of transporting productions to their proper markets. I recommend it to your (Congress') serious reflection how far and in what made it may be expedient to guard against embarrassments from these contingencies by such encouragement to our own navigation (merchant marine) as will render our commerce and agriculture less dependent on foreign bottoms which may fail us in the very moments most interesting to both these great objects."

The American people, upon learning the facts, will never approve of policies that compromise principle for expediency. Today, at home and abroad, we face tremendous problems that require a rededication of ourselves to a renewed faith in our free way of life. The menace of international communism still exists and still has its objective the destruction of free governments and individual liberty everywhere in the world.

Despite a massive Soviet propaganda buildup that is growing in volume regarding their peaceful intentions the following facts cannot be successfully disputed.

1. The Soviet Union has violated every international agreement or treaty it has had with a non-Communist power.

2. The Soviet Union to date has been unwilling to agree to any effective inspection system that would give equal protection to the free world.

3. If our atomic defensive capability was eliminated the Soviet-Communist strength in conventional forces would be sufficient to overwhelm Western Europe, the Middle East, and Asia.

4. There has been no reliable information indicating any change in long-term Soviet-Communist strategy—the destruction of human freedom everywhere.

5. Despite the well-advertised smiles of Khrushchev in the summer of last year, the inherent totalitarian blood lust of the Soviet Communist system was demonstrated by the ruthless crushing of freedom in Hungary in November.

No prudent person can ignore these facts.

The Communist bloc may be likened to an arsonist. With stealth and a penny box of matches he could destroy a great metropolitan area were it not for an extensive and expensive fire-alarm system and fire-fighting system.

There have been suggestions made that the full air inspection suggested by the President be modified so that in exchange for our air inspection over Siberia that the Soviets be allowed to inspect Alaska and all of the United States west of the Mississippi.

As an American, a westerner, and a Californian, I must in candor state that such a compromise proposal does not appeal to me. It sounds too much like a Communist recipe for rabbit stew of equal parts—one horse to one rabbit.

As long as the menace of international communism exists we must maintain a strong national defensive force in the air, on the land, on the sea, and this, of course, includes an adequate and modern merchant marine.

We also need to constantly encourage our allies abroad to face the facts and carry their fair share of the defense burden. This Nation cannot and should not be expected to do the job alone.

I believe we are at one of the great crucial turning points of history.

International communism which 40 years ago imposed its will upon the people of Russia has in the meantime, by conquest, subversion, and international blackmail, extended its power to where over 900 million people are enslaved behind the Iron Curtain.

Probably not as much as 10 percent of that number can be considered hard-core Communist Party members.

Never before in history have so few imposed their ruthless totalitarian will upon so many human beings.

Since the fall of Dienbienphu on May 7, 1954, international communism has added no territory and no people to its monolithic structure.

Since 1954, within the Communist empire cracks have been showing up which are of great significance.

1. The riots in East Germany and East Berlin.

2. Restlessness in Poland leading to the Poznan outbreak and the temporary attempt to placate the liberty-loving Poles with a respectable Communist regime as if in fact there could be such an unlikely monstrosity.

3. The Hungarian revolt with its lesson that unarmed people can rise up, seize arms, drive out a secret police control and can only be destroyed when divisions of a foreign power are used to crush a victory the Hungarian freedom fighters had already won.

4. The strains and stresses, economic and otherwise, within Communist China, some of which were reported on Sunday, May 5.

5. The repudiation of $65 billion worth of Soviet Union bonds which is not only indicative of fiscal problems within the U. S. S. R. but a reemphasis, if any is needed, that Soviet commitments are not worth the paper upon which they are written.

6. The failure of the established agricultural and industrial programs in the Soviet Union and in most of the captive states.

Responsible men and women, in and out of government, must ask themselves these questions:

Would the world be a better place in which to live if the Godless international Communist tyranny should disintegrate? Can communism's political system endure if its economic base collapses? Can even a ruthless police state hold its people in subjugation if their economy cannot produce the minimum requirements of food, clothing, housing and a modest number of consumer goods?

At such a time it does not make sense to me that the United States and our free allies would embark upon a program to rescue the Communist world from its own evil shortcomings.

While the Communist world is reaching a crisis in its economic and political life it is now proposed:

1. That our allies open wider the doors of trade in both strategic and nonstrategic materials to Communist nations.

2. We assume the burden of supplying $100 million of credits to the Polish Communist regime. They in turn continue to supply strategic coal to the Soviet Union as well as other production which will strengthen the Soviet economy and hence its totalitarian government.

The Polish Communist government of Gomulka made loans and credits available to the Communist North Vietnamese of Ho Chi-minh and the Chinese Communists of Mao Tse-tung while their negotiators were in Washington seeking American aid.

We have already contributed over $1,200,000,000 to sustain Tito-type communism in Yugoslavia. It has been announced that we will send more jet fighting planes to Communist Yugoslavia.

We have many good and stout allies (free China on Formosa, Korea, Turkey, Pakistan, Vietnam, Thailand, and the Philippine Republic) that need more jet planes. All of them should have a priority over Tito's Yugoslavia.

I do not favor taxing the American people to support Communist economic or political systems abroad.

Other nations have been or now are larger in land area, in population, and in natural resources. Yet they have not been able to give to their people the freedom and the standard of living Americans have enjoyed.

As important as is the productive capacity of our Nation and its military strength, these are not the factors which alone could preserve our freedom or enable us to maintain a free world of free men. The inner strength of America has not been its great cities, its huge industrial plants, its extended transportation systems or its variety of natural resources as important as these are.

The factors which made America an inspiration to the rest of the world grew out of our Declaration of Independence, the Constitution of the United States and the spiritual values which the founders of our Republic recognized and by which they were guided.

We have recognized that there is a higher moral law to which governments are also accountable. We have humbly acknowledged the divine inspiration which has made and preserved us as a Nation.

We have read of and been inspired by the action of George Washington in kneeling in prayer during the dark days of Valley Forge and of Lincoln doing the same during his lonely vigil in the White House during the darkest days of the Civil War.

The priceless ingredient for our people has been our constitutional form of Government which guarantees our religious, personal, and economic freedom.

It was Lincoln who said:

"Fellow citizens, we cannot escape history * * * the fiery trial through which we pass will light us down to the latest generation * * * we, yes even we here, have the power and bear the responsibility * * * in giving freedom to the slave we assure freedom to the free * * * we shall nobly save or meanly lose this last best hope on earth."

THE AMERICAN MERCHANT MARINE—PRIZE ESSAY OF MISS JANE DENMEAD McCORMICK

Mr. BUTLER. Mr. President, for the past 22 years the Propeller Club of the United States has conducted an essay contest among the high-school students of the United States and its Territories for the purpose of bringing to the American citizen the realization that an adequate merchant marine is essential to the economy and defense of our Nation.

I am proud to announce that Miss Jane Denmead McCormick, of 576 West University Parkway, Baltimore, Md., has this year been awarded a national prize for her outstanding essay entitled "The American Merchant Marine: Its Importance to the American Farmer, Miner, Manufacturer in World Trade." As her prize, Miss McCormick will receive a marvelous round-trip voyage abroad one of the fine Moore-McCormack Lines ships from New York to the east coast of South America.

I ask unanimous consent to have printed in the body of the RECORD Miss McCormick's essay, and a copy of the covering letter from Mr. T. P. Wynkoop, national president of the Propeller Club of the United States, which brought it to my attention.

There being no objection, the letter and essay were ordered to be printed in the RECORD, as follows:

THE PROPELLER CLUB
OF THE UNITED STATES,
New York, N. Y., May 24, 1957.

Hon. JOHN MARSHALL BUTLER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR BUTLER: We feel sure you will be pleased to learn of the good fortune of Jane Denmead McCormick, 576 West University Parkway, Baltimore, Md., who has just been awarded a national prize in the 1957 Harold Harding memorial essay contest for an outstanding paper on the subject The American Merchant Marine: Its Importance to the American Farmer, Miner, Manufacturer in World Trade. She will receive a wonderful voyage on the Moore-McCormack Lines, Inc., New York to east coast of South America and return. Her work reflects great credit on the student, also her school and State.

The Propeller Club has conducted this contest for the past 22 years for high-school students in the United States and its Territories, as a means to widen their educational horizons, and assist them in becoming aware of the problems they shall meet in the future.

We are endeavoring, with all the resources at our command, to bring to the American citizen the realization that an adequate American merchant marine is very important for the economy and defense of our Nation. With the knowledge this student has obtained, through research, we feel at least some progress has been made.

Knowing your interest in the welfare of the citizens of your State, especially those of the younger generation, we take the liberty to acquaint you of her success and enclose a copy of the prize-winning essay for your perusal.

Cordially,

T. P. WYNKOOP,
National President.

THE AMERICAN MERCHANT MARINE: ITS IMPORTANCE TO THE AMERICAN FARMER, MINER, MANUFACTURER IN WORLD TRADE

(By Jane Denmead McCormick)

"It is the lifeline of America's hopes and ambitions and ideals, the very tool of commerce and trade without which our economy would collapse." This statement could refer to none other than the American merchant marine, the very backbone of our Nation's foreign trade.

Even in its infancy our country recognized the tremendous value of the merchant marine by insisting upon the enactment of measures which would protect and encourage it. Thomas Jefferson was a stanch advocate of the American merchant marine. He asserted that shipping and sea commerce were essential to American industry and economic balance.

American shipping had to struggle and fight against tremendous odds to gain every inch of the power and prestige that it attained. It had to outwit and outbattle pirates, buccaneers, and privateers, and in 1812 it had to shed its blood for the unique theory that the oceans were the common property of all.

Following this assertion of supremacy the American merchant marine continued to prosper in such a degree that it soon vied with Great Britain for the title "mistress of the seas." But this honor was short lived for in about the middle of the 19th century it started to go into a near-fatal decline. The opening of the West, the need of capitalists, and the use of steamboats by England and France were a few of the numerous reasons for this decline.

With the exception of the sudden boom that lasted only as long as World War I, the rebirth of the American merchant marine did not occur until 1936 when Congress scraped together all existing maritime agencies and boards of the past and created the United States Maritime Commission. Then given two feet to stand on the American merchant marine began again to prosper, halted only momentarily by the Second World War.

This revival of the merchant marine was imperative to the well-being of the American exporters, because they "were placed at a disadvantage in their competition with exporters of those nations upon whose ships they depended." For a nation to whom importing and exporting is so important to place its shipping affairs in foreign hands would be like putting a juicy steak in the open jaws of a lion and asking him not to clamp down upon it.

Importing and exporting are definitely important to the national economy. For instance, take exporting in regard to the farmer. He exports 40 percent of his raw cotton, 30 percent of his rice, rye wheat, and grain sorghum crops, and 20 percent of his tobacco, soybean, and dried and evaporated fruit crops. Aside from the land produce there

is also the livestock to consider. Meat products make up a large portion of his export trade.

Where would the farmer be without the American merchant marine? Would he be as likely to make a profit on these products if he had to depend on foreign merchant marines? Maybe in the beginning, yes, but if this became a foreign monopoly it would eventually lead to his destruction.

Besides those who work on the soil there are also those who work below the soil who depend greatly on exporting. The miner exports almost half of his copper sulfate product and about one-fifth of his sulfur, petroleum coke, lubricating oil, and carbon black. Huge quantities of iron and steel are exported annually. Is not the American merchant marine of obvious advantage to him?

Last in this consideration comes the American manufacturer, the most important of all. His exports are innumerable and exceed all others. Some of these are textile machinery, sewing machines, tractors, graders, printing machinery, typewriters, motor trucks, locomotives, automobiles, paper, radio apparatus, cotton cloth, and chemical specialties, to name only a few of the million items.

In view of these facts we can safely say that "to these industries the export market obviously spells the difference between profit and loss." But this is only one side of the advantages that the American merchant marine has to offer to the farmer, miner, and manufacturer.

Exporting is just one-half of foreign trade; the other half lies in imports. We have to import all of our coffee, tea, cocoa, bananas, and sugar cane, and most of our natural rubber, tin, raw silk, industrial diamonds, graphite, mercury, and so on. All of these products are used daily by the farmer, miner, and manufacturer, either directly or indirectly. "We are gradually becoming more and more dependent upon foreign sources for supplies of certain materials in which we have hitherto been self-sufficient." The American merchant marine plays an integral part in obtaining these necessary products.

Evidently the American merchant marine "renders a high return to our Nation on a relatively small Government investment." It also makes a very direct monetary contribution to our domestic economy. Take, for example, the meals served to passengers and crew members annually represents approximately $55 million. Since American ships purchase their supplies in the American market, this means a very substantial contribution to our farm economy.

It is estimated that the American merchant marine consumes 3 million light bulbs and 9 million bars of soap. Also taking into consideration the American ships' purchases of such items as linens, glassware, dishes, washing machines, etc., "it is evident that our merchant marine affects almost every segment of our economy."

The American merchant marine is certainly essential to our economy and most deserving of the acclaim and pride of every American citizen. It is an invaluable aid to the farmer, miner, and manufacturer. It not only takes their products to market and brings back commodities essential to their livelihood, but also actually buys itself some of their products. Where else could they find a service that is so profitable and at the same time assures "the benefits of national security, stable commercial operations, and a continuity of trade development and promotion"?

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OPERATION BOOK DRIVE—TRINIDAD

Mr. BUTLER. Mr. President, many valuable aspects of our American merchant marine, from the commercial and national defense standpoints, are often brought to the attention of the public. However, seldom do we stop to consider the tremendous social force it exerts in our behalf on foreign shores. I should like to call attention to a new and most commendable book distribution program recently inaugurated by the Alcoa Steamship Co. for the island of Trinidad. I ask unanimous consent to have an article from the Baltimore Evening Sun of May 1, 1957, and an editorial from the Baltimore Morning Sun of May 3, 1957, printed in the body of the RECORD.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Baltimore Evening Sun of May 1, 1957]

CALYPSO ISLE HUNGRY FOR YANKEE BOOKS

(By Philip Robbins)

The carefree Caribbean island of Trinidad has an abundance of Calypso singers and steel bands, but a serious dearth of books of all types. It also has closer links to Baltimore than most of us realize.

In the last few weeks, the island's literary situation has been improved by more than 3,000 volumes, about 800 of them donated by persons in this area.

That number of books may be small compared with Trinidad's population of about 700,000 persons, but the program is just underway.

The Alcoa Steamship Co. conceived the idea of Operation Book Drive—Trinidad. The company hopes to have a shipment of books abroad each one of its ships that sail every second week from Baltimore for Port of Spain, the island's colorful capital.

AID TO UNITED STATES RELATIONS

Edward R. Collins, Alcoa's Baltimore manager who was general manager in Trinidad before coming here, reports that the drive can have an important effect on United States relations in the Caribbean.

From the information he's received, the books donated by Baltimoreans and persons in a dozen other cities have gotten as joyous a reception in Trinidad as Calypso has recently been accorded in the United States.

"Naturally, it's good for us," he said, "as our company and its parent concern are the second largest United States interests in Trinidad.

"But what we are really enthusiastic about is that the books mean so much more to the people there than anyone here can realize."

NEW ARITHMETICS NEEDED

As an example, Mr. Collins pointed out that Trinidad has had no arithmetic books with which to teach the decimal system since the coinage basis was changed from pounds sterling to fractions of West Indian dollars more than a year ago.

The first shipment of arithmetic texts, donated by a New Jersey school and received in the island just short of 2 months ago, was better than a shipment of gold, Mr. Collins says.

The people of the island, not living in a mechanical society, have been particularly handicapped in work with American firms that involves mechanical skills.

But although technical books are still among the most desired, any sort of books will be gratefully accepted, Mr. Collins emphasized.

WHERE THE BOOKS GO

Many of the general books, along with magazines, are being distributed in hospitals, correctional schools, and homes for the aged as well as in the regular school system.

The drive began among Alcoa employees in the States, and has now expanded so that the company is asking anyone with worthwhile books to give them.

The procedure is simple, Mr. Collins said. Write or call the Alcoa Baltimore office with a description of the donations and instructions as to where and when to pick them up.

The steamship company will do the rest.

The day may not be far off when the Mighty Spoiler, Sparrow, or another of the Calypso kings of Trinidad may sing:

"Since the Yankees came to Trinidad
They make the schoolchildren mighty glad;
Trinidad poor but the U. S. rich,
With a little education we can make a switch.
Mother and daughter gone to college,
Working for that Yankee knowledge."

[From the Baltimore Morning Sun of May 3, 1957]

PRIVATE PRACTICE

Amid the hubbub caused by congressional proposals to cut United States Information Agency funds, it is a good thing to remember that all our friends overseas are not made officially by Government-sponsored cultural contacts. Often, a private agency can do as much as, and sometimes more than, official propagandizers.

There is a small but pleasant instance in the Alcoa Steamship Co.'s book drive, which is asking for good books for the natives of Trinidad, who apparently are hungry for educational reading matter. The company hopes to have a shipment of books aboard every ship sailing from Baltimore to Trinidad (they sail every second week) where the

cargo is sure of an enthusiastic welcome. There will be magazines, too, for schools and hospitals and homes for the aged. The plan, quietly launched and privately carried out, is the sort of thing individuals can do far more gracefully, and with less redtape, than any official agency.

RAPID TAX AMORTIZATION CERTIFICATES INVOLVING OREGON

Mr. DWORSHAK. Mr. President, in the light of criticism directed at the Office of Defense Mobilization for its action in the Idaho Power case, especially from some of our colleagues from the Pacific Northwest, I feel that it is only fair that information concerning rapid tax amortization certificates involving Oregon should be presented.

In order that rapid tax amortization may be seen in clearer perspective and not viewed in terms of an individual case taken out of context, I ask unanimous consent to insert in the body of the RECORD an Associated Press dispatch from Washington, D. C., published in the Idaho Daily Statesman May 18, 1957.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ODM LISTS WRITEOFFS FOR 97 OREGON FIRMS

WASHINGTON,—Nearly 400 corporations in the Pacific Northwest have been granted certificates during the last 7 years for an accelerated rate of depreciation on construction for tax purposes.

The Office of Defense Mobilization has said the effect of the program is to allow the companies to take larger than normal depreciation deductions during the first 5 years.

This is offset by smaller-than-normal deductions after the first 5 years. A committee of the Senate currently is considering repeal of this provision of the tax laws in favor of a more limited program.

ODM reports showed that 35 certificates had been issued in Idaho; Montana had 43; Oregon had 97; and in Washington State there were 223.

ODM lists these certificates in Oregon, with corporations, estimated cost of facilities and amounts subject to amortization in parentheses:

Hanna Coal Ore., Riddle, $3,566,000 ($3,031,000); Paulus Bros. Packing, Salem, $177,000 ($97,000); Lamb-Weston, Weston, $241,000 ($60,000) $222,000 ($56,000); Roseburg Lumber, Roseburg, $1,543,000 ($463,000), $1,667,000 ($667,000); C. D. Johnson, Toledo, $127,000 ($51,000), $59,000 ($24,000), $755,000 ($302,000); Pope and Talbot, Oakridge, $149,000 ($59,000), $66,000 ($26,000); Weyerhaeuser Timber, Springfield, $2,760,000 ($1,380,000), $2,296,000 ($918,000); Weyerhaeuser Timber, Klamath Falls, $3,046,000 ($1,218,000); W. A. Woodward Lumber, Cottage Grove, $523,000 ($288,000); Gardiner Lumber, Gardiner, $863,000 ($259,000), $1,950,000 ($780,000);

Willamette Builders Supply, Aumsville, $447,000 ($179,000); Edward Hines Lumber, Westfir, $1,331,000 ($665,000); Springfield Plywood, Lane County, $116,000 ($58,000); Valley Plywood, Junction City, $249,000 ($125,000); United States Plywood, Mapleton, $106,000 ($48,000), $57,000 ($26,000); Astoria Plywood, Astoria, $1,226,000 ($490,000);

Brookings Plywood, Brookings, $1,231,000 ($493,000); Menasha Plywood, North Bend, $257,000 ($103,000); Coquille Plywood, Coquille, $1,654,000 ($662,000); Bohemia Lumber, Culp Creek, $225,000 ($124,000); Martin Bros. Box, Oakland, $30,000 ($20,000); Oregon Fibre Products, Pilot Rock, $5,816,000 ($2,908,000); Cascades Plywood, Lebanon, $1,015,000 ($406,000);

Hanna Nickel Smelting, Riddle, $22,000,000 ($18,700,000); Harvey Machine, The Dalles, $65,250,000 ($55,462,000); National Metallurgical, Springfield, $433,000 ($372,000); Wah Chang Corp., Albany, $1,492,000 ($1,119,000); Eugene Truck & Machine, Eugene, $133,000 ($66,000); Astoria Marine Construction, Astoria, $42,000 ($28,000); Southern Pacific, Klamath Falls, $2,356,000 ($942,000), Springfield $91,000 ($36,000), Eugene $4,775,000 ($1,910,000);

Archer-Daniels-Midland, Condon & Ione, $55,000 ($28,000), $39,000 ($20,000); Jordan Elevator Co., Jordan Siding, $32,000 ($13,000); Terminal Ice Cold Storage, Woodburn, $567,000 ($312,000); California-Oregon Power, Klamath County, $13,871,000 ($9,016,000); Oil Terminal, Medford, $332,000 ($133,000); Texas Co., Coos Bay, $154,000 ($62,000); Screw Machine Products, Portland, $656,000 ($328,000), $359,000 ($251,000);

Powder Power Tool, Milwaukee, $247,000 ($124,000); Northwest Industrial Laundry, Portland, $50,000 ($35,000); McCormick and Baxter Creosoting, Portland, $144,000 ($58,000); Timber Structures, Portland, $330,000 ($198,000); Multnomah Plywood, Portland, $626,000 ($251,000); Publishers Paper, Oregon City, $122,000 ($49,000);

Pennsylvania Salt Manufacturing, Portland, $1,498,000 ($749,000), $702,000 ($421,000); Pacific Carbide and Alloys, Portland, $92,000 ($46,000); Industrial Air Products, Portland, $78,000 ($50,000); Standard Oil of California, Portland, $80,000 ($40,000); Shell Oil, Portland, $146,000 ($59,000), $226,000 ($91,000), $118,000 ($47,000);

Permanente Cement, Portland, $307,000 ($92,000); Oregon Steel Mills, Portland, $246,000 ($172,000); Electric Steel Foundry, Portland, $359,000 ($269,000), $149,000 ($97,000); Reynolds Aluminum, Troutdale, $475,000 ($320,000); Union Carbide and Carbon, Portland, $2,368,000 ($1,539,000);

Hyster Co., Portland, $1,165,000 ($641,000), $12,000 ($6,000), $431,000 ($216,000); Iron Fireman Manufacturing, Portland, $124,000 ($80,000); Tektronix Inc., Portland, $16,000 ($7,000), $292,000 ($102,000); Cascade Manufacturing, Portland, $111,000 ($100,000); Spokane-Portland-Seattle Railway, Portland, $23,000 ($9,000).

Oregon-Washington Railroad and Navigation, Portland, $65,000 ($26,000); West Coast Fast Freight, Portland, $450,000 ($270,000); Northwestern Ice and Cold Storage, Portland, $35,000 ($23,000); Portland Ice Cold Storage, Portland, $44,000 ($24,000); Silver Eagle, Portland, $150,000 ($90,000); Babbidge Holt, Portland, $64,000 ($38,000); Western Union Telegraph, Portland, $1,300,000 ($52,000).

Portland Central Electric Estacada, $4,250,000 ($2,762,000), $13,300,000 ($8,645,000); California Bag & Metal, Portland, $41,000 ($31,000), $69,000 ($52,000), $58,000 ($38,000); Schnitzler Steel Products, Portland, $158,000 ($103,000), $120,000 ($78,000); Bell Oil Terminal, Portland, $165,000 ($66,000); Douglas Oil Company of California, Portland, $195,000 ($78,000); M. L. Edwards, Garden Home, $12,000 ($7,000); Portland General Electric, Portland, $2,750,000 ($1,375,000), $22,260,000 ($14,469,000); and Pacific Power & Light, Portland, $26,170,000 ($19,628,000).

DENVER POST EDITORIALS CONDEMN QUICK TAX WRITEOFFS AND SUBSIDY TO IDAHO POWER CO.

Mr. MORSE. Mr. President, I think it would be particularly fitting to have appear in the RECORD immediately following the remarks just made by the Senator from Idaho some comments taken from a series of editorials in the Denver Post with regard to the giveaway to the Idaho Power Co. of millions of dollars of the money of the taxpayer by this administration, in keeping with the pattern of political immorality which has honeycombed it from inauguration day in 1953. So I should like to read a few quotations from these editorials.

The heading of the first one, which is dated May 9, 1957, is "Who's Being Suckered Now?"

The editorial reads in part as follows:

Slowly but surely, there is unfolding the eye-opening story of a $25-billion concession to United States industry, in the name of "fast tax writeoffs," in the guise of national defense, and at the expense of the Nation's taxpayers.

President Eisenhower, Treasury Secretary Humphrey and irate Senators and Congressmen led by Virginia's Senators BYRD and ROBERTSON said it is time to curtail what has become one of the most enduring and most abused wartime emergency programs.

This is the first of several editorials which will explain the accelerated tax amortization program (commonly called fast tax writeoffs), how it started, how it works, how much it has cost, and why it precludes budget cuts and a general tax reduction.

Fast tax writeoffs are a form of subsidy to private industry to encourage production and expansion. The intent, when first enacted in World War II coincident with the excess profits tax, was to stimulate construction of defense plants and output of military supplies.

As I have said on the floor of the Senate, and repeat today, the subsidy which American big business has been getting from the Eisenhower administration by way of the tax giveaway into the coffers of big business makes an agricultural subsidy look like peanuts.

It is about time the American people were told the kind of holdup this administration is committing upon them—within the law, it is true. However, as I have said before, and as I say again, the trouble with the immorality of this administration, or the characteristic of the immorality of this administration, is that it does its political stealing within the law. But that does not make it moral. It is politically immoral to use for that purpose a tax writeoff law which was placed on the statute books in the first instance for the purpose of encouraging the construction of wartime plants which would not be of great value for civilian production after the war. I was for that kind of a tax writeoff bill, and I voted for it, because I saw no reason why American industry, large or small, should be required, in behalf of the people, to build war plants which would be of practically no value for civilian production after the war was over, and which would become obsolete. Of course, I thought that under those circumstances there should be a quick tax writeoff, as a part of the war cost.

But it was never intended—and I ask Senators to read the congressional debates at the time—that the Eisenhower administration should make use of that kind of law in order to give to the Idaho Power Co. an interest-free loan which will involve a handout of millions of dollars over the years, when we consider

the interest savings made possible by the accelerated tax amortization certificate, and compute the interest on a reasonable basis. That is what the Denver Post points out in the series of editorials I am placing in the RECORD, buttressing the position which I have taken in opposition to the conduct of the Eisenhower administration in this field in recent years in connection with rapid tax amortization.

The time has come for the American people to know what is happening to them by way of taking their hard-earned tax dollars and giving them to a private utility as an interest-free loan. That is what it amounts to, as the Denver Post points out in this series of brilliant editorials.

The time has come to call a halt to this kind of giveaway. This administration has been pontifically and sanctimoniously telling us that the Idaho Power Co. will proceed with a program of low dams on the Snake River without cost to the taxpayers? Whom does the President of the United States think he is fooling? Some of us read. Some of us study. We recognize that we owe to the American people the duty of getting the facts on these issues.

The most kindly thing I can say about the President in connection with this issue is that he obviously did not study it.

I suppose he is in pretty much the same position he occupied at his press conference at the time of the Dixon-Yates scandal, when Doris Fleeson, a very wonderful newspaper woman in this city, asked the President what he had to say about the report which was on file, by a majority of the then members of the Atomic Energy Commission, and a brief which was also on file, by two members—there were only two members at that time—of the Tennessee Valley Authority Board of Directors, in opposition to the Dixon-Yates contract. What was the President's reply? He did not know about it.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. MORSE. I said then, and I repeat today, that he ought to get someone in his palace guard who will keep him informed. The President ought to be told what the facts are about these matters.

I now yield to the Senator from Idaho.

Mr. DWORSHAK. The Senator from Idaho has no desire to defend the rapid tax amortization program in peacetime. He invites attention to the fact that the Korean War ended almost 4 years ago, and asks the Senator from Oregon whether at any time during that interim he has used his dynamic capabilities to introduce legislation to terminate that particular program in peacetime?

Mr. MORSE. The Senator from Oregon spoke out against it during that period of time. I will supply the Senator from Idaho with copies of the statements which I made during that period in opposition to this kind of tax amortization program. I have heretofore taken the position—and I take it again today—that we cannot justify an accelerated tax amortization program for anything but a plant which will be obsolete when the war is over. That is what all of us voted for when we voted for the law in the first place.

What has happened is that administrations, including the one before this, in some instances—and I have criticized the previous administration on this account—used the law wrongfully, in my opinion, for purposes other than those for which the law was enacted in the first place.

Mr. President, I now go back to the Denver Post editorials, because they are a devastating account of what is happening in regard to the accelerated tax amortization certificates:

> With war's end, the excess profits tax ended soon thereafter. And the fast writeoff program lapsed. It was revived with the reimposition of an excess profits tax at the outset of the Korean conflict. That excess profits tax died on December 31, 1953, but fast tax writeoffs are still in effect.
>
> Since the Korean peace of 1953, more taxes have been written off under this ostensible emergency wartime program than during all of World War II.

That is how far the Eisenhower administration has gone in its giveaway of unwarranted benefits to American big business. We have almost reached the point, in the minds of some people, at least, that when the name of Dwight D. Eisenhower is mentioned, we are expected to bow three times from the waist. I do not intend to bow, in view of this kind of record.

To the contrary, I intend to disclose to the American people the sorry record he is making. That is what I intend to do.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. MORSE. I say that Dwight D. Eisenhower, as my President and as President of 170 million other Americans, has had the moral duty to see to it that this kind of giveaway to big business was stopped. He had the authority and the power to do it. He had the power to make clear to the Office of Defense Mobilization that he wanted it stopped. He did not do it. The Senator from Idaho asks me whether I at any time introduced legislation in regard to this matter. I ask the Senator from Idaho whether the President of the United States ever issued an order to bring this to a stop. He could have done it. Of course, he did not.

Now I yield to the Senator from Idaho.

Mr. DWORSHAK. The Senator from Idaho, as did the Senator from Oregon, attended the National Republican Convention at Chicago in June 1952. The Senator from Idaho recalls vividly——

Mr. MORSE. The convention was held in July; was it not?

Mr. DWORSHAK. It was in June. The Senator from Idaho recalls very vividly that the Senator from Oregon was one of the most active delegates present at the convention. He was an ardent supporter of the nomination of Dwight D. Eisenhower as the Republican standard-bearer for the Presidency. Does the Senator from Oregon deny it?

Mr. MORSE. Oh, I am not only not denying it, but I have publicly confessed it as one of my great mistakes. It was before I was disillusioned. I did not know him really at that time. I know him now from his record. That is why in 1956 I thought he ought to be defeated.

I am satisfied that had the American people known all the facts of this administration, he would have been defeated. But he has been protected by such a reactionary press curtain of concealment of the truth of his administration that the people just now are beginning to wake up to what is happening in the Eisenhower administration. The American people are beginning to get an understanding of this kind of program on the part of the administration. People do not like it. I say this good-naturedly to the Senator from Idaho, although I do not agree with him on many things, that unless things are changed very quickly in the Senator's party, there will be a great many fewer seats over there occupied by Republicans than there are now.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. MORSE. The American people are going to take an accounting of the Republican Party in November 1958. That is my prediction.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. DWORSHAK. The senior Senator from Oregon apparently does not recall that last October one of our national periodicals published an article written by Paul Hoffman in which he read the senior Senator from Idaho out of the Republican Party.

Mr. MORSE. I think it would be a great mistake to read the senior Senator from Idaho out of the Republican Party. I think he is one of the great symbols of the Republican Party.

Now I wish to go back to the editorial:

> In the last 6 years, fast tax writeoffs totaling $23 billion have been approved for nearly 22,000 plant expansions or constructions.
>
> Fast writeoffs mean that favored industry can defer the payment of certain income taxes by depreciating their new facilities faster over the first 5 years and paying higher taxes thereafter. At the end of the depreciation period, say 20 to 25 years, the same amount of taxes is supposed to have been paid as if no tax writeoffs were granted.
>
> But there are recognized authorities and public utilities commissions which have argued that this deferment really amounts to a permanent and discriminatory tax reduction for a growing industry.
>
> Regardless of whether the same amount of taxes is paid in the long run, Secretary Humphrey has testified that fast writeoffs of the last 6 years will cost the Government $3 billion in interest.

I repeat that statement:

> Secretary Humphrey has testified that fast writeoffs of the last 6 years will cost the Government $3 billion in interest.

Mr. President, that is a double-barreled shotgun that is used against the American taxpayer. First private companies like the Idaho Power Co. are saved interest. Then the taxpayers are soaked because the Treasury must borrow money which it otherwise would have in its possession; and then it has to pay interest on the money. In that way the American taxpayer is shot at twice. That is what the Denver Post is pointing out.

The Denver Post quotes the Secretary of the Treasury as saying that this means a loss to the taxpayers of $3 billion in interest alone. Yet some people become shocked and concerned because I say unkind things about the President of the United States. I have been mild so far in regard to what ought to be said in order to describe this kind of betrayal of the public trust.

Now let me go back to the editorial. It says:

> This is because fast tax writeoffs actually are interest-free Government loans to industry. The Government, in turn, has to borrow the funds which industry otherwise would pay in taxes, and the Government must pay interest to get its money.

That is what I call the double-barreled shotgun.

> Meanwhile, industry keeps the revenue it ordinarily would pay in taxes if there were no fast writeoff provisions. It can invest those funds, earn enough from them to pay off the deferred taxes when due after 5 years, and still retain a profit. Or it can use those deferred tax funds as interest-free money to finance more expansion.
>
> This kind of tax reduction for favored groups, as Secretary Humphrey says, only postpones the day when general tax reduction can be enjoyed by all the people.
>
> And it is a perversion of the free-enterprise system, the tax laws, and the intent of Congress when the initial defense purpose of such an emergency wartime program is subverted to the selfish peacetime interests of industry.

Mr. President, I ask unanimous consent that the entire editorial in its continuity be printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Denver Post of May 9, 1957]

WHO'S BEING SUCKERED NOW?—I

Slowly but surely, there is unfolding the eye-opening story of a $23 billion concession to United States industry, in the name of "fast tax writeoffs," in the guise of national defense, and at the expense of the Nation's taxpayers.

President Eisenhower, Treasury Secretary Humphrey, and irate Senators and Congressmen led by Virginia's Senators BYRD and ROBERTSON say it is time to curtail what has become one of the most enduring and most abused wartime emergency programs.

This is the first of several editorials which will explain the accelerated tax amortization program (commonly called fast tax writeoffs), how it started, how it works, how much it has cost, and why it precludes budget cuts and a general tax reduction.

Fast tax writeoffs are a form of subsidy to private industry to encourage production and expansion. The intent, when first enacted in World War II coincident with the excess-profits tax, was to stimulate construction of defense plants and output of military supplies.

With war's end, the excess-profits tax ended soon thereafter. And the fast writeoff program lapsed. It was revived with the reimposition of an excess-profits tax at the outset of the Korean conflict. That excess-profits tax died on December 31, 1953, but fast tax writeoffs are still in effect.

Since the Korean peace of 1953, more taxes have been written off under this ostensible emergency wartime program than during all of World War II. In the last 6 years, fast tax writeoffs totaling $23 billion have been approved for nearly 22,000 plant expansions or constructions.

Fast writeoffs means that favored industry can defer the payment of certain income taxes, by depreciating their new facilities faster over the first 5 years and paying higher taxes thereafter. At the end of the depreciation period, say 20 to 25 years, the same amount of taxes is supposed to have been paid as if no tax writeoffs were granted.

But there are recognized authorities and public utilities commissions which have argued that this deferment really amounts to a permanent and discriminatory tax reduction for a growing industry.

Regardless of whether the same amount of taxes is paid in the long run, Secretary Humphrey has testified that fast writeoffs of the last 6 years will cost the Government $3 billion in interest.

This is because fast tax writeoffs actually are interest-free Government loans to industry. The Government, in turn, has to borrow the funds which industry otherwise would pay in taxes, and the Government must pay interest to get its money.

Meanwhile, industry keeps the revenue it ordinarily would pay in taxes if there were no fast writeoff provisions. It can invest those funds, earn enough from them to pay off the deferred taxes when due after 5 years, and still retain a profit. Or it can use those deferred tax funds as interest-free money to finance more expansion.

This kind of tax reduction for favored groups, as Secretary Humphrey says, only postpones the day when general tax reduction can be enjoyed by all the people.

And it is a perversion of the free-enterprise system, the tax laws, and the intent of Congress, when the initial defense purpose of such an emergency wartime program is subverted to the selfish peacetime interests of industry.

Mr. MORSE. Mr. President, the second editorial is entitled "Fast Tax Writeoffs Promise Multi-Billion-Dollar Concessions."

This editorial was published in the Denver Post, which has supported Republican candidates, including President Eisenhower. It is a voice in the field of journalism and republicanism.

I wish to say—and I hope he can live it down; I hope he will not be embarrassed by the compliment I pay him on the floor of the Senate—that Palmer Hoyt is a great editor. I am certain my friend, the Senator from Idaho [Mr. DWORSHAK], will smile at this with me, because he knows a little about politics in my section of the country. No man was more responsible for my coming to the Senate in the first place than was Palmer Hoyt. I have joshed him about it. I told this story on him in Denver not so long ago, and he was very good natured about it.

In 1944, it was Palmer Hoyt, then the editor of the Portland Oregonian, who first came to me and urged me to run for the United States Senate. He got a little group together to urge upon me that I make the run. Now, I must quickly add that we all expected I would be defeated. I had no expectation of winning. I have always referred to myself as a political accident. Nevertheless, I have always been very appreciative of the friendship, both political and personal, of Palmer Hoyt when he was the editor of the Portland Oregonian. He left our State and went to Denver, where he is now the editor of the Denver Post.

An interesting thing about Palmer Hoyt is that, once he becomes convinced that a wrong is being done, no partisan consideration will stop him in his attempt to right the wrong.

As one studies these editorials, there can be no doubt that this great Republican editor of the Denver Post realizes that a serious wrong is being done to the taxpayers of the country by the accelerated-tax-certificate program.

Mr. President, I ask unanimous consent to have the second editorial printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FAST TAX WRITEOFFS PROMISE MULTI-BILLION-DOLLAR CONCESSION—II

Since the Korean war began, 229 kinds of industry have received $23 billion in "fast tax writeoffs" for construction of 22,000 new plants or additional facilities for national defense.

Many of these industries can claim only a slim, if indeed any, connection with primary defense activities. Now the program has been pared to eight more-or-less essential defense categories. But the tax writeoffs allowed during the last 6 years will cost the United States taxpayer $3 billion in interest alone.

Over 20 to 25 years, industry may pay the same amount of taxes with or without special privileges of fast tax writeoffs, but there is some doubt. Meanwhile, the Government must borrow heavily to make up for the billions in taxes which preferred industry is permitted to "defer" for 5 years.

In effect, fast tax writeoffs are interest-free Government loans (of the taxes it otherwise would have collected) to private industry. It's the same as if the Government lent $100 at no interest to an individual who buys a savings bond with it. In 10 years his investment would pay off the loan and leave him a $25 profit.

The purpose of fast tax writeoffs is to offer industry an incentive to expand toward certain defense mobilization goals. This tax gimmick constitutes a subsidy, by way of temporary 5-year tax relief, to stimulate industrial development faster than civilian needs require.

Senator BYRD, chairman of the Senate Finance Committee, has opened a congressional inquiry into fast tax writeoffs. He contends they have been broadened far beyond Congress' original intent. He describes the program as a "hidden cost" which makes it "more difficult to balance the budget or reduce the tax burden of taxpayers not receiving such a benefit."

At BYRD's order the staff of the joint congressional committee on internal revenue taxation investigated fast writeoffs last year, and its report of December 27, 1956, recommended sharp modification or repeal.

The electric power industry was chosen as the first case study. During the Korean war, $4.2 billion of private electric utility expansion was approved for fast writeoff of $1.9 billion, postponing taxes on that amount of income for 5 years after completion of the new plants.

Writeoffs for power companies were not suspended until January 1, 1956, and in the last 12 months $281,080,113 in additional writeoffs were granted on applications filed before that deadline. More applications are being accepted now, against some future date when writeoffs may again be approved to keep the Nation's power capacity at 20 percent above normal, in order to provide energy for defense needs and possible full mobilization at any time.

Senator ROBERTSON, chairman of the Joint Congressional Committee on Defense Production, has joined BYRD in criticizing fast writeoffs and special tax considerations for private utilities, and steel companies, too.

As of last October, the Nation's steel corporations still had $1.2 billion worth of applications on file for defense writeoffs when, Senator ROBERTSON observed, any new steel plants "will be built for purely peacetime production."

Through 1956 it has been estimated that fast tax writeoffs have cost the Government a total of $5 billion in taxes. Because of construction schedules and 5-year tax deferrals, none of this sum will even begin to be collected until 1961, if then.

There is a question whether fast writeoffs merely postpone taxes, or whether they amount to a "thinly concealed tax reduction." Most utility regulatory bodies and various congressional committees have ruled fast writeoffs are tax deferrals, but the Pennsylvania, Washington, and Wisconsin commissions and a committee of the National Association of Railroad and Utilities Commissioners regard them as tax reductions.

The consensus of the courts and commissions is that tax deferrals belong to the utility until they become due, beginning after 5 years. This gives large interest-free funds to expanding companies during a time of high tax and interest rates, while the taxpayers foot the interest on funds the Government has to borrow to offset the corporate income taxes it isn't collecting.

And practically speaking, neither utility stockholders nor customers gain any benefit from increased dividends or lower rates because fast writeoffs, as generally interpreted and applied, offer no direct or immediate advantages to them.

Mr. MORSE. Mr. President, I shall read one paragraph from the second editorial:

In effect, fast tax writeoffs are interest-free Government loans (of the taxes it otherwise would have collected) to private industry. It's the same as if the Government lent $100 at no interest to an individual who buys a savings bond with it. In 10 years his investment would pay off the loan and leave him $25 profit.

That is the kind of man Palmer Hoyt is—precise; capable of taking highly complicated questions and bringing them down to the simple truth. The example he used is, I think, a fine example, which illustrates the position the Senator from Oregon has taken for some time in his protests against giveaways.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. DWORSHAK. I should like to know, if Palmer Hoyt has been the editor of the Denver Post for the past several years, why has he not editorialized and endeavored to do something sooner than now about ending the program which he denounces and condemns so vigorously?

Mr. MORSE. I cannot speak for Palmer. I am sure he would answer the question if the Senator wrote to him about it. I would not even presume to guess why he has not said something about this before—if he has not. I do not know whether he has or not. But I would not be a bit surprised if Palmer, like many other persons, simply was not aware of what was going on in this particular field of this administration's activities. But he has caught up with them; and having caught up with them, we have what I think is a great contribution by him to this subject.

The second editorial was published on May 10, 1957. The next one, published on May 12, 1957, is entitled "Fast Tax Writeoffs Are Public Subsidies." I ask unanimous consent that this editorial be printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FAST TAX WRITEOFFS ARE PUBLIC SUBSIDIES

The granting of fast tax writeoffs of $65,199,134 to Idaho Power Co. has brought congressional attack upon the Government's entire rapid depreciation program for the delay of corporate income taxes.

Last year, pending Senate hearings, 19 Senators and Congressmen asked the Office of Defense Mobilization to delay approval of Idaho Power tax writeoffs on two small dams it is building on the Snake River in place of a bigger, multipurpose, Federal Hells Canyon Dam.

Idaho Power filed for the writeoffs in 1953, but action was held up until the Federal Power Commission issued the dam-site licenses and the courts passed on the FPC findings.

While the Hells Canyon case was being fought out in Congress, before the FPC and in the courts, the ODM closed out tax writeoffs for electric-power companies on January 1, 1956. Nevertheless, in the last 12 months it O. K.'d $281 million in fast tax writeoffs from 69 electric utilities which applied before the deadline, including Idaho Power.

Fast tax writeoffs were enacted during World War II to encourage defense production by offering an incentive to offset an excess-profits tax. After the war both the tax and the writeoff lapsed, to be revived in 1950 with the Korean war. In 1953 the excess-profits tax again died, but fast writeoffs were retained in the Internal Revenue Code of 1954 and are still in effect, 4 years after the war's end.

This tax gimmick has been used by 229 kind of industry to help finance $39 billion worth of construction on 22,000 new plants or expanded facilities. Fast tax writeoffs allow them to postpone taxes on $23 billion of that sum for 5 years.

In effect, fast tax writeoffs are subsidies to favored industries for economic expansion. They amount to an interest-free Government loan, because funds which companies otherwise would pay in normal income taxes can be withheld and used for 5 years before they begin to fall due. Meanwhile the Government borrows to make up for the deficiency in tax revenues—at a cost to the United States estimated at $3 billion so far in interest.

The tax writeoff program has been cut to eight essential defense industries now, but it can be enlarged at will by the ODM when and if it decides tax concessions again become necessary to attract private industry into various direct or indirect defense activities.

Last year Senators BYRD, chairman of the Senate Finance Committee, and ROBERTSON, chairman of the Joint Congressional Committee on Defense Production, declared the tax writeoff program had burgeoned far beyond the intent of Congress. They ordered investigations, set committee hearings, and asked ODM to hold up pending applications—particularly Idaho Power's.

BYRD wrote the ODM that the "original and continuing purpose of this wartime legislation has been to expedite production essential to national defense." In peacetime, he added, "such special privilege can be justified only in exceptional and rare cases." ROBERTSON informed the ODM that "none of these power projects can meet the test of the accelerated amortization law as being essential to the defense effort." That goes, he said, for steel plants, too.

Arthur Flemming, then ODM director, replied that the needs of the civilian economy would not influence writeoff decisions, and that "defense incentives should be used strictly for defense purposes." As of last October, Flemming listed $8.7 billion in pending writeoff applications from then ineligible industries and $4.6 billion in eligible writeoff requests.

In December the staff of the Joint Committee on Internal Revenue Taxation reported on the whole tax writeoff program, under orders from BYRD, and pointedly criticized its application to the electric power industry. Modification of the law so as to include only actual defense activities, or complete repeal, was recommended.

Then on April 29, 3 days before BYRD's Senate Finance Committee was scheduled to open hearings into the writeoff program in general and Idaho Power in particular, ODM granted the Idaho Power applications. Flemming had been replaced 3 months earlier by Gordon Gray, "Eisenhower Democrat," former Assistant Defense Secretary, and Army Secretary under Truman.

Senators MORSE, MANSFIELD, and O'MAHONEY joined BYRD and ROBERTSON in denouncing the ODM action. One of the first witnesses in the Byrd committee hearings was Treasury Secretary Humphrey, who testified fast tax writeoffs had already cost the Government $5 billion in taxes and $3 billion in interest. And President Eisenhower said he agreed with Humphrey and BYRD that the program should be curtailed.

Mr. MORSE. Mr. President, I wish it were possible to print cartoons in the CONGRESSIONAL RECORD, because they sometimes are the greatest editorials which are written. I have a "honey" here. It shows four characters, not lean and hungry looking, but plush. They are singing. Across their chests is written "Favored Industries."

Then there is a lovely old woman sitting in an old lady's rocker, and knitting away with yarn that is entitled "Fast Tax Writeoff."

The caption of the cartoon is: "'M' Is for the Money That You Made Me."

That is the title of the song: "'M' Is for the Money That You Made Me."

Even the cartoonists are getting wise to this gimmick.

The fourth editorial, dated May 13, 1957, is entitled "So This Is Why Private Power Is Preferable to Public Power." I should like to read a couple of paragraphs from the editorial:

The "fast tax writeoffs" given Idaho Power Co. for 2 dams on the Snake River amount to a $30 million interest-free Government loan, a subsidy from the United States taxpayers which over the years will yield the private utility $329 million.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. MORSE. I am delighted to yield.

Mr. BARRETT. I think the people ought to have the facts with reference to the action taken by the Federal Power Commission and the Office of Defense Mobilization. As has been pointed out, the Senator from Oregon well knows that similar action was taken in the case of many companies in his own State and elsewhere in the Pacific Northwest. This is not a writeoff in any way, shape, or form, as the Senator knows; it is merely rapid tax amortization. It does not amount to anything like $300 million. The taxes involved are less than $30 million—approximately $27,500,000.

The Idaho Power Co. will be required to pay back to the Government the entire $27,500,000 starting after the 5th year;

14 years thereafter, they will have repaid the Government half of it; and 20 years after that they will have repaid the entire amount to the Government. Did the Senator from Oregon object when similar tax amortizations were granted to some 900 other utility companies in the Pacific Northwest?

Mr. MORSE. I have already answered that question several times in this debate. I am also going to give the Senator from Wyoming my past speeches in opposition to this type of giveaway, any time, anywhere, to private utilities in my State, in Wyoming, or anywhere else. I have been against them consistently. I think they are wrong.

I voted for the tax amortization law in the first place for the use for which it was intended in the first place, namely, to build war plants which would have no civilian production use, or little such use, after the war. That has been my position.

Mr. BARRETT. Mr. President, will the Senator further yield?

Mr. MORSE. Oh, surely.

Mr. BARRETT. I may say to the Senator that the fast tax writeoff privilege granted by the Office of Defense Mobilization has been used very sparingly so far as my State is concerned, but it has been used in the Senator's State of Oregon to build plants which have afforded many employment opportunities to the people there and have made possible the development of industries at the expense of the Federal Government.

Mr. MORSE. I say to my friend from Wyoming, even if his description is accurate, that that does not make it right, wherever it is used. I will be glad to discuss with the Senator from Wyoming on the floor of the Senate any specific cases which the Senator from Wyoming wishes to mention. But I wish to correct the impression that the Senator from Wyoming is leaving in the RECORD that this action will not, at the taxpayers cost, come to benefits totaling $329 million.

Before the Senator from Wyoming came into the Chamber, I quoted from the editorials, the Secretary of the Treasury, who himself admits it is costing the taxpayers $3 billion by way of direct interest costs. I am going to correct the Senator's statement because I think it needs to be corrected.

When the Senator says it is not going to cost any such amount of money, what he forgets to put in the RECORD is that after the Idaho Power Co., or company X, Y, or Z, gets one of the interest giveaways it makes great savings over the 5-year period. They do not take the money and bury it somewhere and get no interest on those savings. When Palmer Hoyt in his editorial writes about the $329 million benefit at the cost of the taxpayers, he is figuring, quite properly, the interest return on the money which the taxpayers had a right to expect the Idaho Power Co. would pay if the money had not been given to the Idaho Power Co. in the first place.

What the Senator from Wyoming apparently wants us to fall for is a failure on the part of the average citizen to take out his pencil and compute the interest costs.

Mr. BARRETT. Mr. President, will the Senator from Oregon yield to me?

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from Oregon yield to the Senator from Wyoming?

Mr. MORSE. Of course I yield.

Mr. BARRETT. I am sure the Senator from Oregon does not want to leave with either the Senate or the people of the country any misrepresentation of my position.

Mr. MORSE. That is quite true.

Mr. BARRETT. I wish to ask the Senator from Oregon specifically, here and now, whether Mr. Palmer Hoyt or anyone else in the United States has suggested to him that the action taken by the Office of Defense Mobilization involves $329 million, insofar as the Idaho Power Co. tax amortization is concerned?

Mr. MORSE. I shall read it right out of Palmer Hoyt's editorial:

The "fast tax writeoffs" given Idaho Power Co. for 2 small dams on the Snake River amount to a $30 million interest-free Government loan—a subsidy from United States taxpayers which over the years will yield the private utility $329 million.

Mr. BARRETT. Mr. President, if the Senator from Oregon will yield further to me——

Mr. MORSE. I yield.

Mr. BARRETT. I wish to say that nothing could be further from the truth than that statement. As a matter of fact, if the Senator from Oregon will permit me to make an observation at this point, I wish to have the record show precisely what happened: The Idaho Power Co. was granted the license by the Federal Power Commission, which, by the way, is an agency of the Congress of the United States; and furthermore, I can say that the senior Senator from Oregon had as much to do with the action taken by the Federal Power Commission as did the President of the United States, in fact, more, because this action by the Office of Defense Mobilization was authorized by the vote of the senior Senator from Oregon and the votes of other Members of this body at a time when the President of the United States was in the service.

Mr. MORSE. I want the Senator from Wyoming to complete his statement; but I cannot let him make that kind of a misstatement about the Senator from Oregon. The Senator from Oregon never authorized the Office of Defense Mobilization to prostitute the accelerated tax amortization law which Congress passed. My criticism is that the Office of Defense Mobilization and the President of the United States have been prostituting that law; they have been misusing that law; they have been using it for purposes never intended by Congress when the law was passed.

Mr. BARRETT. I say that has been done repeatedly, over 900 times, without any objection on the part of the Senator from Oregon.

Mr. MORSE. Mr. President, again I must say that the statement of the Senator from Wyoming is not true, and the record will belie his statement.

Mr. BARRETT. Mr. President——

Mr. MORSE. I yield.

Mr. BARRETT. If the Senator from Oregon will permit me to make an observation, let me say that the facts, as I see them, in this case are very simple:

First, after the Idaho Power Co. was granted the license by the Federal Power Commission, after hearings which took more than 151 days, and covered 20,000 pages of testimony, the Idaho Power Co. determined, first, that it would construct the Oxbow Dam, which would supply its needs in Idaho. The Federal Power Commission itself—because of the shortage of power in the States of Oregon and Washington—insisted that the Idaho Power Co. build, first, the Brownlee Dam, which would generate twice as much power as would the Oxbow Dam, and later build the Oxbow Dam.

As a result, the Idaho Power Co. spent $67 million, or is spending $67 million, to construct the Brownlee Dam, and will spend $35 million to construct the Oxbow Dam.

Then the Office of Defense Mobilization said that because of the fact that it made a contribution to the Pacific Northwest pool and relieved the shortage in the State of the Senator from Oregon, the Idaho Power Co. was entitled to a rapid tax amortization of approximately two-thirds of the expenditures on those dams. As a result, the taxes which were saved for a period of 5 years, temporarily—or the rapid tax amortization over the first 5 years—amounted to $27,500,000, or $5,500,000 each year; and after the 5 years, the Idaho Power Co. was required to start paying back every penny of the $27,500,000.

Consequently, Mr. President, the statement made by the distinguished senior Senator from Oregon is completely erroneous.

Mr. MORSE. Well, Mr. President, that is interesting. I read all the statement of the Senator from Wyoming, in almost the same language, in private-utility-company literature. I wish to say it is the typical private-utility story, but it does not conform with the facts. The Senator from Wyoming cannot erase the facts, as pointed out in the editorials by Mr. Palmer Hoyt, and as stated by the Secretary of the Treasury himself.

Mr. President, the Republicans should get together on this matter; they should not have the Secretary of the Treasury tell the American people it will cost the taxpayers $3 billion in losses, and then have the Senator from Wyoming say on the floor of the Senate that it will not cost the taxpayers of the country any loss at all. I say, good-naturedly, that the Republicans should get together on this matter; and I say that it will cost the taxpayers of the United States $3 billion; and, as Palmer Hoyt points out, what it amounts to is that the taxpayers of the United States will pay a large share of the costs of the Idaho Power Co. dams.

Mr. BARRETT. Mr. President, does the Senator from Oregon desire to have this body understand that the Secretary of the Treasury said that the action taken by the Office of Defense Mobilization in the Idaho Power Co. case will cost the people of the United States $3 billion?

Mr. MORSE. Mr. President, I am sorry that the Senator from Wyoming was not in the Chamber when I made my statement on that matter.

Mr. BARRETT. But I have been in the Chamber.

Mr. MORSE. Then the Senator from Wyoming did not understand my recent statement.

Mr. BARRETT. I should like to have the Official Reporter read the statement the Senator from Oregon made.

Mr. MORSE. Very well; let the statement be read.

The PRESIDING OFFICER. The Official Reporter will read the statement referred to.

The Official Reporter (Herbert N. Budlong) read as follows:

Mr. MORSE. Well, Mr. President, that is interesting. I read all the statement of the Senator from Wyoming, in almost the same language, in private-utility-company literature. I wish to say it is the typical private-utility story, but it does not conform with the facts. The Senator from Wyoming cannot erase the facts as pointed out in the editorials by Mr. Palmer Hoyt, and as stated by the Secretary of the Treasury himself.

Mr. President, the Republicans should get together on this matter; they should not have the Secretary of the Treasury tell the American people it will cost the taxpayers $3 billion in losses, and then have the Senator from Wyoming say on the floor of the Senate that it will not cost the taxpayers of the country any loss at all. I say good naturedly that the Republicans should get together on this matter; and I say that it will cost the taxpayers of the United States $3 billion; and, as Palmer Hoyt points out, what it amounts to is that the taxpayers of the United States will pay a large share of the costs of the Idaho Power Co. dams.

Mr. MORSE. Mr. President, does the Senator from Wyoming take the position that that statement by me is addressed to the Idaho Power Co.?

Mr. BARRETT. Yes. That is what we have been discussing today.

Mr. MORSE. That is not correct. I have been discussing, in my entire speech, the loss the taxpayers of the United States will suffer as a result of this tax amortization program. I had quoted, before the Senator from Wyoming came to the floor, the Secretary of the Treasury; and in my present statement I am referring to that quotation. The Secretary of the Treasury had pointed out that the taxpayers of the United States have, under this program, lost $3 billion in interest. That is what the Senator is referring to.

Mr. BARRETT. Mr. President, we have been discussing for 20 minutes the Idaho Power Co. case, and nothing more.

Mr. MORSE. Mr. President, that is not accurate, either. I have been discussing the whole program of accelerated tax amortization; and I have referred to the Idaho Power Co.; and I have quoted from an editorial published in the Denver Post, which states that this particular example will at the cost of the American taxpayers benefit the company some $329 million; and the Senator from Wyoming rose to deny that statement.

Mr. DOUGLAS. Mr. President——

Mr. BARRETT. Mr. President, will the Senator yield to me for just one question?

The PRESIDING OFFICER. To whom does the Senator desire to yield?

Mr. MORSE. I yield first to the Senator from Wyoming.

Mr. BARRETT. Does the Senator from Oregon contend that the action taken by the Office of Defense Mobilization on the two dams in Hells Canyon will cost anybody $329 million?

Mr. MORSE. I am saying we gave to the Idaho Power Co. the benefit of $329 million. I say we took out of the pockets of the taxpayers a great many millions of dollars in interest that ought to have been left in the pockets of the taxpayers, and gave them to the Idaho Power Co., as Palmer Hoyt is pointing out in the editorial.

Mr. BARRETT. I am not asking anything about what Palmer Hoyt said. I am asking what the Senator from Oregon——

Mr. MORSE. Palmer Hoyt happens to be my documentaton. What the Senator from Wyoming apparently does not like is that I have authorities who back me up and who say the program is costing the American people great sums of money—the Secretary of the Treasury and the editor of the Denver Post.

Mr. BARRETT. The Senator is trying to confuse the issue. The issue I am trying to present at this time involves only the action taken by the ODM in regard to the Federal Power Commission's action on the two dams on the Snake River, where the Idaho Power Co. is involved, and where the expenditures are a trifle over $100 million and the rapid tax amortization amounts to less than $30 million. Now the Senator from Oregon adopts the reasoning of the editor of the Denver Post and contends it is going to cost the Federal Government $329 million, and, furthermore, he makes the statement in spite of the fact that, under the law at the present time, the Idaho Power Co. will be required to pay back to the Government the entire tax amortization after 5 years from the commencement of the contract.

Mr. MORSE. I should like to quote another authority. I read from the CONGRESSIONAL RECORD of yesterday, at pages 7365–7366. The Senator from Virginia [Mr. ROBERTSON] had this to say:

On yesterday, the Joint Committee on Defense Production, of which I am now chairman, learned that a part of the vast spending since 1950 has been due to losses under the Defense Production Act exceeding $850 million on materials contracted for by the Government for private as well as public use, plus a revenue loss growing out of the tax amortization program of ODM, estimated by the Secretary of the Treasury at $3 billion, but by others at a much higher figure.

Mr. DWORSHAK. Mr. President, will the Senator yield at that point?

Mr. MORSE. I yield.

Mr. DWORSHAK. Is the Senator from Oregon in general agreement with the figure set by the Secretary of the Treasury, a $3 billion loss from this program for 6 years?

Mr. MORSE. It is his figure. I would like to assume he knows what he is talking about.

Mr. DWORSHAK. The Senator from Oregon is contending the Government will lose $300 million from this specific grant by ODM to the Idaho Power Co. Is that correct?

Mr. MORSE. I am saying the Idaho Power Co. is going to get the benefit of $325 million I do not think it ought to get. I am saying what we have to do is compute the money the Idaho Power Co. makes in savings of interest as a result of this kind of handout.

Mr. DWORSHAK. If the $300 million loss in one specific tax amortization case is one-tenth of the total loss the Senator from Oregon and the Secretary of the Treasury claim resulted from the entire program, how can the Senator explain that, notwithstanding almost 23,000 separate tax amortization cases being made, the Idaho Power Co. will have one-tenth of the amount, but it is only one of 23,000 cases? Will the Senator explain that?

Mr. MORSE. I will be glad to ask the Secretary of the Treasury, if the Senator would like to have me do so, to break down his figure.

I have been reporting to the Senate of the United States what the Secretary of the Treasury has said. I am satisfied he is substantially right, and I am satisfied Senators on the other side of the aisle cannot erase, no matter how much they may try to erase, the great giveaway of this administration to the Idaho Power Co. by way of the interest savings out of the pockets of the American taxpayers. I think the fact cannot be erased that, in so doing, the purpose of the act has been prostituted in the first place.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Illinois.

Mr. DOUGLAS. Is it not true that the $3 billion estimate of loss which was made by the Secretary of the Treasury is a minimum estimate, the most conservative estimate?

Mr. MORSE. That has been said. The Senator from Virginia [Mr. ROBERTSON] said yesterday that there were those who thought it was much more than $3 billion. I do not know.

Mr. DOUGLAS. Is it not true that, on the minimum estimate, the direct loss of interest on the subsidy given to the Idaho Power Co. is $30 million?

Mr. MORSE. The direct loss?

Mr. DOUGLAS. Yes. I do not want to misquote the Senator from Idaho. He admits to a direct loss of $30 million.

Mr. DWORSHAK. The Senator from Idaho did not mention $30 million. The Senator from Illinois is confusing the statement of the Senator from Idaho with that of the Senator from Wyoming.

Mr. DOUGLAS. Does the Senator from Oregon not think a subsidy of $30 million is a very large sum?

Mr. MORSE. I think a subsidy of $1, under this law, cannot be morally justified.

Mr. DOUGLAS. But $30 million is a very large figure, is it not?

Mr. MORSE. It is a terrific figure.

Mr. DOUGLAS. It is 30 percent of the cost of the two dams.

Mr. MORSE. That is what Palmer Hoyt has been trying to indicate, when he points out that the taxpayers paid for a part of the dams.

Mr. DOUGLAS. Did not the President and the administration say that the dams of the Idaho Power Co. would be constructed without the loss of a dollar to the American taxpayers?

Mr. MORSE. That is a point I shall make.

The editorial proceeds:

Senator BYRD has called the Idaho Power grant "an utterly indefensible act, because the law providing for the rapid writeoff depreciation was intended to apply only to those industries which were engaged in defense operations."

More than that, the Idaho Power case throws a whole new light on the Eisenhower partnership policy on development of the Nation's water and power resources.

* * * * *

But the Idaho Power dams, as finally licensed by the Federal Power Commission, will produce less power and flood control than a high Federal Hells Canyon Dam at one of the finest remaining sites.

However, the FPC said Idaho Power development of the Snake wouldn't cost the taxpayers a cent.

This is the point of view of the Senator from Illinois, to which I call his attention. I continue to read:

The company told Senator WATKINS, one of its supporters, that it would not seek a fast tax writeoff. In full-page advertisements in leading national magazines, the electric-power industry assured taxpayers Idaho Power would save them the $300 to $400 million cost of a Federal Hells Canyon Dam.

Administration spokesmen advanced the Idaho Power plan as a prime example of the partnership philosophy which reputedly offers comprehensive river development by local interests, without Federal power monopoly or cost.

The last paragraph I wish to read from the Denver Post editorial of May 13 is as follows:

Apart from its dubious defense contribution, the Idaho Power plan for the middle Snake raises these questions: This is comprehensive river development, as required by the Federal Power Act? This is partnership, as espoused by the Eisenhower administration? This is a savings to the taxpayers, as promised by the electric-power industry?

Of course, the answers are perfectly clear. This is a giveaway to favored business groups by the present administration.

I believe I have already obtained consent, Mr. President, to have the entire editorial printed in continuity in the RECORD. If I have not, may I do so at this time?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SO THIS IS WHY PRIVATE POWER IS PREFERABLE TO PUBLIC POWER?—IV

The fast tax writeoffs given Idaho Power Co. for two small dams on the Snake River amount to a $30 million interest-free Government loan—a subsidy from United States taxpayers which over the years will yield the private utility $329 million.

Senator BYRD has called the Idaho Power grant "an utterly indefensible act, because the law providing for the rapid writeoff depreciation was intended to apply only to those industries which were engaged in defense operations."

More than that, the Idaho Power case throws a whole new light on the Eisenhower partnership policy on development of the Nation's water and power resources.

Since 1950, more than 900 private utilities have been issued fast tax writeoffs on $3.34 billion to induce them to build powerplants. The utilities keep what they would pay in taxes without writeoff privileges, and put the money to work against the day 5 years hence when their postponed taxes begin to fall due.

At the end of 20 or 25 years the same amount of tax is supposed to be paid, with or without fast writeoffs. But no interest is charged on these tax deferrals, whereas the Government must "buy" the money to replace taxes utilities are postponing. So far, the writeoff program has cost the rest of the taxpayers $3 billion in interest and saved favored industry $5 billion in taxes.

Now the Idaho Power Co. finds itself in a congressional maelstrom again because it repeatedly assured the public that it could develop Hells Canyon as well as the Federal Government, and at no cost to the taxpayers.

But the Idaho Power dams, as finally licensed by the Federal Power Commission, will produce less power and flood control than a high Federal Hells Canyon Dam at one of the finest remaining sites.

However, the FPC said Idaho Power development of the Snake wouldn't cost the taxpayers a cent. The company told Senator WATKINS, one of its supporters, that it would not seek a fast tax writeoff. In full-page advertisements in leading national magazines, the electric power industry assured taxpayers Idaho Power would save them the $300 million to $400 million cost of a Federal Hells Canyon Dam.

Administration spokesmen advanced the Idaho Power plan as a prime example of the partnership philosophy which reputedly offers comprehensive river development by local interests, without Federal power monopoly or cost.

Then, a few days ago when the public power cause at Hells Canyon was all but lost, the Office of Defense Mobilization ignored 2 congressional committees and approved Idaho Power applications for fast tax writeoffs totaling $65,199,134, or two-thirds the cost of its 2 dams.

Gordon Gray, ODM Director, told the Senate Finance Committee that it was only fair to grant the Idaho Power writeoffs because the company filed for them 'way back in 1953, and met all the requirements of 900 other electric-power company writeoffs.

In a critical report on defense writeoffs for private industry, the staff of the Joint Committee on Internal Revenue Taxation said last December that electric-power company writeoffs are virtually automatic. When the electric-power expansion goal is open (it is closed for the time being), any applicant can get at least a 35-percent writeoff, up to a 65-percent maximum, unless the company is located in a target area.

Idaho Power got 65 and 60 percent, respectively, on its Brownlee and Oxbow Dams, although their power production will be barely sufficient to meet the load growths of its own customers—with little, if any, left over for defense industries.

It would appear that the farther power plants are from defense activities—like remote Hells Canyon—the faster they can be written off. This is supposed to promote decentralization of industry in the interest of national security.

Apart from its dubious defense contribution, the Idaho Power plan for the Middle Snake raises these questions: This is comprehensive river development, as required by the Federal Power Act? This is partnership, as espoused by the Eisenhower administration? This is a savings to the taxpayers, as promised by the electric-power industry?

Mr. MORSE. The last editorial is from the May 14 Denver Post, entitled "Stop the Plunderbund."

I desire to read three paragraphs from this editorial, but I ask unanimous consent that the entire editorial be printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

STOP THE PLUNDERBUND—V

Finally it is obvious that the intent of Congress in enacting fast tax writeoffs during World War II and the Korean war has been broadened far beyond original defense purposes into a multi-billion dollar peacetime subsidy to private industry.

How this came about and whether it is god or bad can be debated. The important thing is to recognize fast tax writeoffs for what they are, appraise them as such, and decide where to go from there.

Fast tax writeoffs amount to interest-free Government loans to private industry. Since 1950, they have allowed 229 kinds of industries to postpone income taxes on $23 billion for at least 5 years. In the meantime, the Government borrows at the average taxpayers' expense to make up for the taxes it is not collecting from privileged industries.

In turn, industry has taken advantage of this wartime tax gimmick to build 22,000 new or bigger plants in a $38 billion capital expansion of the national economy. The cost to the rest of the taxpayers, so far, is estimated at $3 billion in interest and $5 billion in deferred corporate income taxes.

Much of the industrial expansion stimulatd by the fast tax writeoff subsidy, or incentive as some prefer to call it had only the slimmest relationship with basic military activities and probably would have come about as normal growth anyway.

There are those, like Arthur Flemming, former ODM Director, who argue convincingly that in this nuclear missile age, industry is the frontline of defense, the mobilization base which will be first and hardest hit and which must launch the Nation's recovery and retaliation. Others contend the intent of Congress was not so much to promote defense industry as it was to encourage general economic expansion.

That may be so, but if it is then let's drop the defense disguise, acknowledge fast tax writeoffs as a public subsidy to private industry in the interest of national security, and judge them on their merits.

Senators BYRD, chairman of the Senate Finance Committee, and ROBERTSON, chairman of the Joint Committee on Defense Production, would repeal fast tax writeoffs now, except for strictly military development of new weapons. The administration has offered a milder but still drastic curtailment.

In addition to the apparent and immediate loss of Government revenues, BYRD says such special wartime inducements tend in peacetime to create unfair competition, overexpansion and damage to smaller unprivileged concerns. Senator MORSE points out the administration has abandoned its campaign pledge to reduce taxes for small business because the Treasury cannot afford it.

Fast tax writeoffs for private power companies have drawn the heaviest congressional fire. BYRD and ROBERTSON argue that private utilities are guaranteed their profits as a regulated industry and cannot qualify under the law for fast tax writeoffs. MORSE charges fast tax writeoffs, like the $65 million granted to Idaho Power Co., show up the Eisenhower partnership policy as a cynical hoax that gives away public damsites for

incomplete private development, and then subsidizes inadequate dams with multi-million dollar tax handouts from the public Treasury.

But fast tax writeoffs have an even greater national impact on the average citizen and taxpayer. They affect both the size of the budget, because of hidden interest charges, and the taxes everybody else must pay.

Senator MANSFIELD, we think, summed up this broader analysis in sound and simple terms when he said during Senate attack on the Idaho Power grant:

"We are confronted with the highest peacetime budget in our history. There is considerable talk about a tax reduction. However, there will not be any tax reduction unless there is a reduction in the budget * * *.

"But, nevertheless, the administration is, in effect, making it even a bigger budget by the amortization of such projects as this one, because funds which should be coming into the Treasury, for the purpose of tax cutting and lowering the debt, are being used to perpetuate a system which has long outlived its usefulness."

Mr. MORSE. The editorial states:

Finally it is obvious that the intent of Congress in enacting fast tax writeoffs during World War II and the Korean War has been broadened far beyond original defense purposes into a multi-billion-dollar peacetime subsidy to private industry.

The editorial goes on to say:

In addition to the apparent and immediate loss of Government revenues, BYRD says much special wartime inducements tend in peacetime to create unfair competition, overexpansion and damage to smaller unprivileged concerns.

* * * * *

But fast tax writeoffs have an even greater national impact on the average citizen and taxpayer. They affect both the size of the budget, because of hidden interest charges, and the taxes everybody else must pay.

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"But, nevertheless, the administration is, in effect, making it even a bigger budget by the amortization of such projects as this one, because funds, which should be coming into the Treasury, for the purpose of tax cutting and lowering the debt, are being used to perpetuate a system which has long outlived its usefulness."

I feel that the Senator from Montana [Mr. MANSFIELD] summarized very well, in the brief statement he made on the floor, I believe on April 29, in protest of the ODM order which granted this tax writeoff to the Idaho Power Co. His statement is quoted in the editorial.

Mr. LAUSCHE. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield to the Senator from Ohio.

Mr. LAUSCHE. Is the Senator from Oregon a member of the committee which has been discussing what action should be taken as to quick writeoffs for tax purposes?

Mr. MORSE. No, I am not. I testified before the Kefauver subcommittee, but I am not a member of the committee.

Mr. LAUSCHE. Is the Senator from Oregon able to express an opinion as to whether there will be presented to the Senate, in this session, legislation which would bring to an end this right, which has been exercised as he has described?

Mr. MORSE. I can give the Senator assurance such a legislative proposal will be presented. I had hoped we would be able to get the matter handled by administrative action, but that obviously is not going to be the case. I have not, at least to this date, observed such action. If other Senators do not introduce such a proposal before I have prepared mine. I shall introduce a measure on this subject.

Mr. LAUSCHE. Earlier in the remarks of the Senator from Oregon it was stated that some public utility commissions throughout the country have expressed the conviction that the writeoff the Senator is discussing will become a permanent writeoff.

Mr. MORSE. That is what the editorial said.

Mr. LAUSCHE. Has the Senator from Oregon analyzed that assertion in sufficient detail so as to be able to give any information as to how the conclusion was reached?

Mr. MORSE. No, I have not; but that will be done.

Mr. LAUSCHE. I thank the Senator very much.

Mr. MORSE. I wish to thank the Senator from Ohio.

I yield the floor.

JET FLIGHT ACROSS THE ATLANTIC OCEAN ON THE 30TH ANNIVERSARY OF THE LINDBERGH FLIGHT

Mr. THYE. Mr. President, on Monday last one of our jet fighters, an Air Force F-100, flew across the Atlantic from La Guardia Field to Paris, a distance of 4,203 miles, in 6 hours 36 minutes. This jet fighter was named *The Spirit of St. Louis II*, and its trans-Atlantic flight was made 30 years after the historic solo flight by Charles A. Lindbergh. It took Lindbergh more than 30 hours to make his Atlantic crossing in 1927, and in 1897—30 years before Lindbergh's flight—it required about 6 days to cross the Atlantic by steamship.

I desire to emphasize, Mr. President, that in a short span of a little more than 50 years—within our lifetime—the time required for crossing the Atlantic has been reduced from something like 6 days down to a mere 6 hours. This fact illustrates very vividly how close we have brought ourselves to our European neighbor nations and their affairs.

Charles A. Lindbergh spent his boyhood days in Little Falls, Minn. An article appeared in the St. Paul Sunday Pioneer-Press last Sunday marking the 30th anniversary of his solo crossing of the Atlantic, and I ask unanimous consent to have this article printed in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LITTLE FALLS RECALLS LINDY'S LONE FLIGHT

(By Allen Doetr)

LITTLE FALLS, MINN.—Lindbergh flew the Atlantic 30 years ago Monday.

When folks here in his home town heard the news, they closed down everything and cut loose in one of the biggest celebrations in the city's history. Three months later, when the flier came home, they did it all over again, only bigger.

This year there will be no celebration.

A few more persons than usual probably will drive down the west side of the Mississippi River to prowl through the Lindbergh family home. Teachers may take a few minutes to tell their students the tale.

But the date, like its hero, has been obscured by time. And that is just what Charles Augustus Lindbergh, Jr., wants.

To most people, Lindbergh is the man of the legend his flight has become—a thin, young blond in an aviator's helmet, the boy men called Slim, or Lucky Lindy, or the Lone Eagle.

A few people here know him as a slightly balding man of 55 who avoids publicity and people, returns rarely and secretly to his hometown, and lives quietly at Scott's Cove, Darien, Conn.

"It seems the older he gets, the more shy he gets," said Arthur Ohlund, superintendent of Lindbergh State Park.

"He always was quiet. Never had many real close friends," said Martin Engstrom, a merchant who has known the Lindbergh family for years and is one of the home-town people closest to the flier.

Charles Lindbergh grew up here, the son of Congressman Charles A. Lindbergh, who represented the Sixth District from 1907 to 1917. A fiery independent, the elder Lindbergh was mentioned as a candidate for Governor on Teddy Roosevelt's Progressive Party ticket in 1912 and later was linked with the Nonpartisan League and the Farmer-Labor Party.

In 1917, he wrote an isolationist book Why Is Your Country at War? and became the target of violent attacks that were to be echoed when his son took a similar stand before World War II.

Young Lindbergh was a tinkerer who drove an early-model car and later a motorcycle around Little Falls. He farmed the family property for 2 years after he was graduated from high school in 1918 and then went to the University of Wisconsin.

No one here was too surprised when he quit after 2 years and went to Missouri to become a flier. From then until his flight to Europe he was in the air—as a parachutist, as a barnstorming stunt flier, as an Air Service officer and as a mail pilot.

He returned home several times, once to pilot his father on a campaign before the elder Lindbergh died in 1924.

His retreat from the public began almost as thousands of enthusiastic Frenchmen swarmed around him after his landing in Paris.

He accepted three awards—the $25,000 Orteig prize for the Paris flight, $25,000 for a Latin American air tour and a Guggenheim grant to tour the United States to promote commercial aviation. Other offers were turned down. Trophies and medals went into a St. Louis museum.

By the time Lindbergh arrived in Minnesota, 3 months after his flight, he was refusing press interviews and avoiding crowds, except to make speeches about aviation. The overwhelming adoration of the public had become too much for the shy Swede from Little Falls.

The tragic kidnaping and murder of his son in 1932 drove him to Europe seeking

peace and quiet. Threat of World War II brought him back.

Lindbergh toured German aircraft plants and fields—at the request of United States officials, it was later revealed. He mingled with Nazi brass. In a situation he could not escape without compromising his mission he accepted a medal from Herman Goering.

Impressed with German power, he reported to Washington, then to the American people, urging the United States to stay out of the war.

In Minneapolis, May 10, 1941, he told 12,000 persons, "We are not in a position to win this war for England." He said Britain should negotiate a peace with Germany.

Some Americans remembered the Goering medal and called Lindberg traitor. President Roosevelt called him "Copperhead," which hinted the same thing.

Here in his home town, though, "People thought he had the right idea," said Martin Engstrom. "We are conservative people and Colonel Lindbergh's attitude sort of reflected the part of the country he was from."

Dr. Austin Engel, of Minneapolis, was a resident of Little Falls from 1925 to 1953 and mayor from 1940 to 1944.

"I don't think the people of Little Falls ever felt like so many other people did about Colonel Lindbergh's stand," Mr. Engel said. "Most of us decided to wait it out and see if time would prove him right or wrong."

But, most people were less tolerant. Colonel Lindbergh resigned his commission and the Government would not take him back. He served in obscurity during World War II as a civilian consultant. In the South Pacific he flew 50 combat missions as a civilian and shot down Japanese planes.

Following the war, the story of his service, including the truth about the trips to Germany and the Goering medal, slowly unfolded. In 1953 President Eisenhower recommissioned and promoted him to general. Today he is adviser to the Air Force and to airlines and aircraft manufacturers.

Officially, the park and home were given the State as a memorial to Congressman Lindbergh.

"The colonel always tries to make it very clear he has nothing to do with it," said Park Superintendent Ohlund.

"Occasionally," he added, "we get a visitor who still resents the colonel's politics and wants to talk about them."

There has been no regular community observance of the Lindbergh flight since the colonel returned in June 1927. But businessmen here, stimulated by the recent movie based on the book, Spirit of St. Louis, which won for Lindbergh a Pulitzer prize in 1954, are trying again to get the idea rolling.

"It makes more sense to have a Lindbergh day here each year than it does to have, say, a Jesse James day in Northfield," said Chamber of Commerce President Al Spielman.

The State centennial committee is trying to get one of the duplicates of the Lindbergh plane, the Spirit of St. Louis, which were created for the motion picture. (The original is in the Smithsonian Institution in Washington, D. C.)

AMENDMENT OF SMALL RECLAMATION PROJECTS ACT

The Senate resumed the consideration of the bill (H. R. 2146) to amend the Small Reclamation Projects Act of 1956.

Mr. DOUGLAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOUGLAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CLARK in the chair). Is there objection?

Mr. BARRETT. I object.

The PRESIDING OFFICER. Objection is heard.

The clerk will resume the calling of the roll.

The legislative clerk resumed the calling of the roll.

Mr. DOUGLAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ANDERSON. Mr. President, the pending bill has been reported unanimously by the Committee on Interior and Insular Affairs. It results from the passage, a year ago, of the Small Projects Reclamation Act. We had a very difficult time with the Small Projects Act. I served as chairman of the conference committee which dealt with the bill for a period of more than a year. The conferees could not resolve their difficulties. Finally, after the passage of other legislation, it was agreed that a Small Projects Act might finally be enacted.

The conference committee finally agreed to a bill at the very end of the session. The conference report was adopted and the bill was sent to the President of the United States with a number of other legislative measures.

At the conclusion of the session of Congress, the President of the United States, after he had read the Small Reclamation Projects Act, particularly the provision requiring reports to be made to the Committee on Interior and Insular Affairs of the Senate and to the Committee on Interior and Insular Affairs of the House, was disposed to veto the Small Projects Act. A veto message was, in fact, in preparation.

Members of the Senate Committee on Interior and Insular Affairs called at the Office of the President and tried to intercede on behalf of the bill, and requested that the bill be not vetoed, because it represented countless hours of endeavor and because it would be bad if it were to be vetoed at that time.

The President finally asked one Member of the Senate if he thought the Senate would be disposed to correct the portion of the bill to which he took exception if he gave his approval to the bill which was then before him. The Member of the Senate to whom the question was addressed gave as strong a commitment as he could, and stated that he would endeavor to have sent to the President a bill incorporating the change the President desired. That Member of the Senate communicated with me. When the Senate resumed its session this year, one of the first things we did was to approve an amendment to the act, in order to carry out the commitment which the Member of the Senate had given, although unauthorized, to the President of the United States.

I wish to say here and now that I appreciate the action which the Senator took, and I appreciate the confidence which the President expressed that Congress would try to make good on that pledge.

My interest in this matter is to try to show that when a bill contains a defect to which the President takes exception, and a Member of the Senate pledges himself to try to correct it, there is upon us an obligation to endeavor to have Congress correct the defect as soon as we possibly can and to correct it in a manner satisfactory to the President.

Several bills came before the Committee on Interior and Insular Affairs. One bill, introduced by the able Senator from Utah [Mr. WATKINS] very nearly conformed to the desires of the President. There was also a bill introduced by the able Senator from Wyoming [Mr. BARRETT] which was not exactly what the President had suggested, but was perhaps more acceptable to him than was the bill which had passed the House.

Communications were had with members of the Bureau of the Budget and with representatives of the Department of the Interior, and it was felt that the best procedure to follow would be to send to the President the bill which had been passed by the House of Representatives. I think I should say that to the Senator from Utah and the Senator from Wyoming, who introduced bills which are more nearly in line with the President's desires.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. BARRETT. I appreciate the remarks of the distinguished Senator from New Mexico. I may say that in my judgment the pending bill meets the objections of the President of the United States, and that it will not interfere with the operations of the Small Projects Act. We are anxious to get this worthwhile piece of legislation on its final way in a form which will be satisfactory to the President of the United States. It will mean a great deal to the Western States.

There was a serious conflict in the conference committee a year ago between those, on the one hand, who wanted to retain in Congress the sole and exclusive authority to legislate on and to authorize these projects one by one, and those, on the other hand, who wanted to leave it within the discretion of the Secretary of the Interior.

After all, this bill is a compromise, as most legislation is, and I believe it is quite acceptable. I hope the Senate will pass the House bill without amendment.

Mr. ANDERSON. Mr. President, I thank the Senator from Wyoming for his statement. I think it would be appropriate to read from the President's statement of August 6, 1956:

> I have approved this bill only because the Congress is not in session to receive and act upon a veto message—

I think that is clear enough language to indicate that the President would have preferred to veto the bill.

It should be borne in mind that this legislation comes about as the result of a long study made by the reclamation States. In that study it was pointed out that there are many small reclamation projects involving only a few million dollars, and that it seems to be a mistake to require Congress to act on each one of those small projects.

For example, there was in my own State a project which would cost only a million dollars. It provided for a very large repayment on the part of the property owners. Congress spent a long time on it. The bill was finally passed and it was sent to the President for his approval. He disapproved of it, objecting to specific language. Long hearings were held again, and finally a measure was sent to the President which he could sign.

The original bill in this instance, H. R. 5581, contained the provision that on certain small projects, the State engineer, fully familiar with the project, should prepare a report, that the regular governmental agencies of the State should act upon it—the water conservation board, for example, or some other group—and that the project should then be submitted to the Secretary of the Interior, and if he felt it was all right, he would approve it. We felt it was a good bill.

It would take away from Congress some of the bills that tended to clutter up the calendar. However, when it got to the President, he took exception to the fact that the bill contained a provision to which he could not agree. I should like to read the language of the President.

The language I wish to quote from the President's message is this:

> Specifically, a provision found in section 4 (c) is seriously faulty. The section provides that—"* * * no such contract shall be executed by the Secretary prior to 60 calendar days * * * from the date on which the project proposal has been submitted to both branches of the Congress for consideration by the appropriate committees thereof, and then only if neither such committee, by committee resolution and notification in writing to the Secretary disapproves the project proposal within such period: *Provided*, That if both such committees, in the same manner and prior to the expiration of such period, approve the project proposal, then the Secretary may proceed to execute the contract: *Provided further*, That in the event either committee disapproves the project proposal, the Secretary shall not proceed further unless the Congress has approved the same.

The President then said:

> This language would thus require, before a project negotiated under the act is allowed finality, a further act by the legislature.

He said:

> Furthermore, the negotiation and execution of a contract is a purely executive function. Although the Congress may prescribe the standards and conditions under which executive officials may enter into contracts, it may not lodge in its committees or Members the power to make such contracts, either directly or by giving them the power to approve or disapprove a contract which an executive officer proposes to make.

Then I read this language from the Chief Executive:

> I believe it to be my duty to uphold the constitutional principle that only the Congress can make laws and only the executive branch can administer them.

The committee has considered the objection on the part of the President. It has felt that while some Members do not wholly subscribe to the objection, the President was well within his rights in making it. A majority of the committee agreed with the President, and the committee has undertaken to live up to the commitment which was made; namely, that an attempt would be made to pass a bill which would clear up the difficulty and send it to the President.

The President would have preferred that the entire section be stricken out. The committee felt that Congress does have the power of the purse. Therefore, it says, in the language of the bill, that the contract may be approved, but that no appropriation shall be made under it until the matter has been presented to Congress. I think that may result in almost the same thing, but it does keep the powers in their proper alinement. The President has the right to make contracts; Congress has the power of the purse and the right to approve grants of money. Therefore, we have dealt with the matter as the committee felt was best, by approval of the House language.

I may say that while I personally prefer, perhaps, the bill introduced by the able Senator from Wyoming [Mr. BARRETT], I felt it was important to take, if possible, the language of the House bill in order that we might not get into a tangle with the House at a subsequent time in a conference.

If I had not been the chairman of the committee of conference for more than a solid year during the previous disagreement with the House, I might feel a little bolder toward having a disagreement with the House on this issue.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. ANDERSON. I am happy to yield.

Mr. BARRETT. Is that not a good reason why the bill which has come from the House should be passed by the Senate without any changes whatsoever?

Mr. ANDERSON. Yes, I think it is; but I understand the Senator from Illinois has an amendment with reference to the 160-acre limitation.

I only say, as I have indicated previously, that I think our first obligation is to try to correct the part of the bill to which the President took exception. If we add to the bill a provision relating to the 160-acre limitation, which I hope we will not do, but which the Senate has a perfect right to do, then, of course, the proposed legislation will lie dormant, because it will never be agreed to in conference.

Therefore, we will have to refuse to do what the Members of the Senate attempted to pledge Congress to do, namely, to correct the language to which the President took exception.

I fully agree that no Member of the Senate has a right to pledge anyone else, and the individual who attempted to handle this matter realized that himself, but simply told the President of the United States or his officers that an attempt would be made to pass the necessary measure. I think an attempt ought to be made to do it. Therefore, I feel that the bill as passed by the House should be passed by the Senate without amendment, and should be sent to the White House as promptly as possible.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. BARRETT. Was it not the intention of the committee that if the bill which came from the House was passed by the Senate, action then would be taken on the proposal by the distinguished Senator from Illinois [Mr. DOUGLAS]?

Mr. ANDERSON. I do not want to have the word "action" construed as meaning favorable action. But if the Senator will permit me to modify it and say that a hearing would be held on the bill of the Senator from Illinois, I am willing to agree to that meaning.

Mr. BARRETT. I accept that modification. I did not mean by "action," favorable action, by any means.

Mr. ANDERSON. The point I have made steadfastly is that the President signed a bill which he would otherwise have vetoed on the ground that Congress imposed an improper restriction on the Secretary of the Interior. I think his point is a valid one and that Congress should proceed to correct the language. Had that general promise not been given the President, he would have exercised his power to veto the bill.

The States which are involved are most anxious to get the program underway. They have had a committee at work on the matter for a long time. The very able State engineer of Nevada and the water commissioner of New Mexico have been the chief sponsors of the proposed legislation, but all the Western States have participated in it. The State of California has a tremendous interest in the bill. There are a great many irrigation projects which should be acted upon, particularly in a time of water scarcity, such as we have now throughout the West, and the States should not have to come to Congress each time to get specific approval. The States themselves are well qualified, have excellent staffs, and can handle projects running up to a few million dollars. But when a large project such as the recent project in the Colorado Basin is considered, which runs into the hundreds of millions of dollars, we all recognize that such a project does not belong in the jurisdiction of a State water department. The bill does not deal with that sort of project at all, but deals with small reclamation projects, which the States and the local governments have adequate facilities to handle.

I close by saying that in this instance I feel Congress should act as promptly as it can, to assure the President of the United States that when he has reluctantly given his approval to a bill, and has done so not because he disagrees with the general purpose of the bill—because he agrees with it fully—but disagrees with the provision whereby reports would have to be submitted to certain committees of Congress, Congress will show him the courtesy of passing, as quickly as possible, a bill which carries out the understanding the President had as to what properly should be included in the legislation.

Therefore, I hope the bill without the amendment will pass, and will go to the President as promptly as possible.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. DOUGLAS. Mr. President, I think I should say for the RECORD that an informal agreement has been reached between the Senator from New Mexico, who is in charge of the bill, the then acting minority leader, the junior Senator from Illinois [Mr. DIRKSEN], and myself that there will be no vote upon the bill tonight, but that there will be a discussion of the measure, so that the RECORD may be more complete when the vote comes on Monday.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. KNOWLAND. I might say that I came into the Chamber after some of the discussion had taken place. I did not realize and did not know that there had been a formal agreement entered into concerning the bill.

Mr. DOUGLAS. There was an informal agreement reached with the acting minority leader.

Mr. KNOWLAND. I understand that. What I am getting at is that I have since heard that the majority leader was hopeful that the Senate could proceed to take action on the bill tonight.

Mr. DOUGLAS. I may say that I should like to have action taken on the bill tonight. That was why I asked that the order for the quorum call be rescinded. But the acting minority leader said that some Senators on his side of the aisle were not present and that he did not want a vote tonight. I was merely trying to be helpful to absent Senators. Therefore, I agreed not to have the quorum call concluded.

Mr. DIRKSEN. Mr. President, what my colleague says is substantially correct. But shortly thereafter it was intimated to me that the majority leader still wanted action taken on the bill tonight, and of course I could not speak for him.

Mr. ANDERSON. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. Certainly.

Mr. ANDERSON. I wish to say to the Senator from Illinois that I would prefer to have the Senate take action on the bill tonight. I think the bill should be disposed of, and I think the Senate can safely act upon it.

If the Senate attaches a 160-acre limitation to the bill, I believe the Senate will merely be saying "Let the bill die." But that is a matter for the Senate to decide.

Mr. MORSE. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. I yield.

Mr. MORSE. I have no objection to having the Senate take action tonight; but I shall have to send to my office now, for the material I had in the chamber a short time ago. Since then, I have returned it to my office, because I believed that the purpose was to have Senators make a record on the bill tonight, so as to have it available for absentee Senators to read in the RECORD, and to have the Senate vote on the bill on Monday.

Mr. DOUGLAS. I thought that was the agreement, too.

Mr. President, I am ready to remain here until midnight tonight, if necessary, in order to develop a full, live quorum of the Senate to deal with this measure.

Mr. President, who has the floor?

The PRESIDING OFFICER (Mr. CLARK in the chair). The Senator from Illinois has the floor.

Mr. DOUGLAS. Mr. President, I submit, and send to the desk, an amendment which I propose to the bill; and I ask that the amendment be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 3 after line 7, it is proposed to insert the following:

> (d) Section 5 is further amended by striking out "and" at the end of clause (e); by striking out the period at the end of clause (f) and inserting in lieu thereof a semicolon and the word "and"; and by inserting after such clause (f) the following:
>
> "(g) provisions conforming to the excess land requirements set forth in the third sentence of section 46 of the act of May 25, 1926 (44 Stat. 649), if the project furnishes irrigation service."

Mr. DOUGLAS. Mr. President, the amendment restores to the small-projects bill the so-called 160-acre limitation which was in the bill as it passed the Senate last year but which was omitted from the bill when it was finally passed and signed in 1956, which limitation is not included in the amending bill as it now appears before the Senate.

This principle of acreage limitation for the use of water was included in the original Reclamation Act of 1902 at the instance of 2 great Americans: Theodore Roosevelt, then President of the United States, and Francis G. Newlands, of Nevada. They are the original authors of the reclamation policy of this country. This policy was affirmed in the act of 1926.

So the purpose of the amendment I am proposing is to make the small-projects bill conform to the historic limitation upon the use of water.

I believe I should point out just what that original limitation is. It is called a 160-acre limitation provision; but it is not really that, because the 160-acre limitation applies to each entrant. So a man could have 160 acres credited to him, and his wife could have 160 acres credited to her; and if only the 2 of them comprised the family, they would therefore have a total of 320 acres thus credited to the family. However, if the man had a son, and if the son had a wife, each of them could have an additional 160 acres each, or a total additional acreage of 320, in which case the family could have a total limitation not of 160 acres but of 640 acres, or one square mile, or a full section, to which water would be furnished. If, in addition, the man had a daughter, and if the daughter had a husband, each of them could have a limitation of an additional 160 acres, or an additional 320 acres for the 2 of them, making a total limitation for the family of 960 acres upon which the Government would furnish water. So I wish to point out that the 1902 and 1926 provisions are somewhat elastic.

The second qualification I wish to point out is that this is not a limitation upon the amount of land a man can own. It is not really a land law, and it places no limitation whatsoever upon the acreage a man can own. It places a limitation upon the number of acres to which the Government will furnish water. That is a very essential point which needs to be realized from the very beginning.

Why was the principle of this acreage limitation applied in the original reclamation law, and why has it been part of the historic reclamation policy of the Government? It was adopted because the representatives of the United States felt that the water which was financed by the Federal Government should be used to protect the family-sized farms, and should not be used to give a further advantage to the big estates. In other words, it was part of the historic land policy of the United States which provided for 160 acres under the Homestead Act, passed during the Civil War, and which, when carried into effect, established the family-sized farm as the basis for farming throughout the Middle West; and it was intended that the same principle should be applied to the more arid regions where water would be furnished.

Mr. President, in this connection let me say that when irrigated land is used as orchard land, 160 acres is a very large farm. I think a living can be made on citrus farms of 30 acres or 40 acres. In the case of apple orchards, 160 acres is a very big farm indeed. Yet this is permitted under the so-called 160-acre limitation, which—as I have shown—is not really a 160-acre limitation at all, but can be expanded to 320 acres, 640 acres, or possibly even 960 acres.

Mr. President, this is the issue which I am trying to have established: That the resources which the United States Government furnishes for irrigation should be used, insofar as possible, to foster and protect the family-sized farms, rather than to foster and protect the huge estates and the enormous land holdings which characterize certain portions of California and the Southwest.

I believe it should be noted that on ordinary irrigation projects in the past, the Federal Government furnished the capital for the investment in irrigation. That was paid back out of irrigation earnings, and increasingly out of power earnings, as well, over a period of from 40 to 50 years. But no interest was paid on those advances made by the Federal Government. So, in effect, up to the present time, what has happened has been that the taxpayers of the United States have advanced interest-free loans over long periods of time for irrigation purposes.

I know that in the pending bill there is a slight departure from that principle—in subsection (c) of Public Law 984, which is the law the present bill amends, namely, that the cost of water put on land in excess of 160 irrigable acres for one entrant is to be repaid, not only with the principal but also with the average rate of interest, to the nearest one-eighth of 1 percent, which the Government has to pay.

Nevertheless, unless there is an acreage limitation, the financial resources

of the Government and the superior borrowing power of the Government will be used to provide irrigation on individual holdings in excess of 160 acres, and therefore that will be an indirect subsidy to the large holdings.

There is another advantage which accrues to those whose land is irrigated and to the irrigation interests of the so-called 17 semi-arid States, namely, that when the principal is repaid, it is my understanding that that sum does not go back into the general Treasury, but is used for future reclamation projects. So once the appropriation is made—and in this case the interest is paid—the taxpayers never get the money back. It becomes the basis for further advances to additional irrigation projects.

I may say that the irrigation law as it stands with these provisions is an eloquent tribute to the political power of the semiarid States in the United States Senate.

Now, Mr. President, let me say that this is not merely a sectional issue, or primarily a sectional issue. While the Small Projects Act in its present form is confined to the 17 semiarid States, or the so-called reclamation States, it should be noted that the practice of irrigation is moving east to the Mississippi River. I have in my hand a report by the Department of Commerce and the Department of Agriculture called Irrigation in Humid Areas from the 1954 Census of Agriculture which points out that in 1954 21,000 farms and a total of approximately 588,000 acres outside of the 17 States were irrigated. In 1 State 132,000 acres were thus irrigated. So that irrigation is moving out from the semiarid States into the country as a whole. I may say, parenthetically, that probably water applied to the land in the States east of the Mississippi will yield a larger return and produce larger crops than will water applied to land in high altitudes in the so-called semiarid States.

Therefore, Mr. President—and this is the point—we who live in the Middle West do not want to have any future development of Government fostered irrigation in our section of the country used to build big farms. We want, instead, to have it used to protect and to conserve as much as possible the small farms.

This may seem to be a minor matter, but it is a major consideration. The principle of acreage limitation embodied in the acts of 1902 and 1926 has suffered very severe erosion, both by special legislation and by administrative rulings.

I remember that when the Colorado-Big Thompson project was before this body, I offered an amendment to apply the 160-acre limitation to the project, and was voted down. That limitation was omitted from the Small Projects Act of last year. Although I was successful in getting it included in the Senate bill, it was knocked out in conference. The acreage-limitation provision is not included in the Fryingpan-Arkansas project, which has been reported by the committee, and which will shortly be before the Senate.

So, what we are seeing, Mr. President, is steady attrition by legislative action. As new projects are authorized, the 160-acre limitation, which we have heretofore regarded as basic, is omitted from proposed legislation. I believe nearly all Senators are familiar with the fact that there has been administrative failure to enforce the limitations in other irrigation projects, notably those of the Central Valley of California.

A tremendous struggle has taken place over irrigation in California. In California there were in force the old Mexican land laws under which enormously large estates, running into the tens of thousands of acres, and in some cases hundreds of thousands, were created. The owners of those large estates wanted to have the Federal Government make big investments in irrigation projects and to furnish water to as much land as they wished, and tear up the 160-acre limitation. A struggle took place on the floor of Congress, and before administrative tribunals, over the issue in the State of California, and in effect I think I can say that the opponents of acreage limitation have largely won.

We have gone very far, therefore, in reversing—without openly saying we are doing so—this historic American policy of fostering the family-sized farm. I regard this as one of many tendencies in America which are extremely dangerous and against the public interest.

This is not merely an academic belief on my part. Shortly after I was elected to the United States Senate in 1948, I went to California for a vacation. I wanted to take a busman's holiday, and so I spent a number of days traveling by auto through the great Central Valley in California. I started at the northern part of the valley, a little south of Sacramento, and I journeyed to the very southernmost tip of the Central Valley.

I shall never forget an experience which I had on one evening and the succeeding morning. One evening, just as dusk settled down, I came into a town on the west side of the valley. It was a town of several thousand inhabitants, according to the census. I found four stores in the town. One was a tavern. One was a pool hall and short-order restaurant. One was a general store, where the chief items sold seemed to be overalls—I believe on the Pacific coast they are called Levi's—rough work shoes, rough flannel shirts, and rough woolen stockings. There was another store, somewhat battered and dilapidated. That was all.

What kind of town was this and what was around it? It was a town which was the center for a series of big estates. There were a few owners of estates, but the estates were worked by large numbers of farm laborers, mostly Mexicans and Mexican-Americans. It was a sight such as I have seen in Sicily and in southern Italy, but not a sight which I like to see in the United States of America. It was not an American community. It was a community which might be characteristic of Sicily, or it might be characteristic of Spain, where land holdings are concentrated, where the land is worked by poor peasants, and where the whole cultural level of the community is at a low level and has never been allowed to rise.

The next morning I went to the east side of the valley, and there I saw another community of approximately the same size. It was a community which contained some 40 or 50 stores, several doctors, several dentists, a number of churches, and while the business section was not particularly attractive, it was no more unattractive than that in the average American town. I journeyed along the residential streets of that town. I found that there were lawns, trees, flower-beds, decent homes, and backyards. I found the town much like the communities in the Middle West and New England, where one finds this type of American life.

The reason why the town on the east side of the valley was different from the one on the west side lay in the difference in land ownership. The land of the town on the east side of the valley was split up into small holdings. There was an independent farming group, with family-sized farms. Many of the people lived in town and went into the countryside to cultivate the farms. Others supported the traders and professional men and the churches. It was the type of town which we see in the Middle West, and the type of town which as a boy I used to see in New England, before I grew up and was fortunate enough to go to the Middle West.

I think there is no doubt as to which town is more in conformity with American aspirations and ideals. It is, of course, the latter type.

Mr. President, the pending bill is a small part of a great issue, to my mind, the greatest issue which is before America. That issue is sometimes said to be bigness. I prefer to say it is hugeness or giantism. It is the issue of whether both economic and political power are to be concentrated among the few, or whether it is to be diffused among the many.

There has been too much of a tendency in America for manufacturing constantly to become concentrated in fewer and fewer firms, each one of them huge. The five largest industrial concerns in this country last year had, I believe, a gross business of $30 billion. I suppose the 200 largest concerns control considerably over half of the industrial property and resources of the country.

The same tendency toward giantism is found in our banks. I have examined the figures—and I think I put them in the record, in connection with the financial institutions and bank-holding company bills—which show that in city after city 1 or 2 banks control the vast proportion of the financial resources of the community.

Much the same thing is happening in the field of retail trade, with chain stores and giant stores driving out the small merchant. In part this occurs because of economic advantage, but in part it is fostered by law as well.

We now find the same tendency in agriculture. We have lost 600,000 farms in this country since 1952. In that year there were 5.5 million farms in America. The most recent estimate is 4.9 million farms. The farms which have gone out of existence have been the small farms.

The land has not gone out of cultivation. The small farms have been bought up by the owners of large farms, so the result has been that the average size of the farm has increased. Unless the agricultural policy of the country and of the administration is reversed, we are going to have a further decline in the number of farms.

Now come the proposals for these irrigation projects and the proposal to put the financial resources of the Government behind the huge farms and the huge plantations equally as much as they are behind the small farms.

Mr. President, I think we should know what we are doing. If we wish to line up with giantism, if we wish to line up with huge enterprise, if we wish to have an America which will have a relatively few masters and a large number of serfs, if we wish to introduce 20th century feudalism, we should vote down my amendment and pass the bill in its present form.

If we wish to try to reverse this tendency—if we wish to try to hold on to the smaller, self-sufficing farms, which produce independence of thought, because men have their living under their feet, then I suggest that the amendment I offer should be adopted.

There is no use smiling about this matter. This is no laughing matter at all; it is very serious. We are faced with one of the major decisions which we have to make from day to day and year to year.

If we wish to vote for giantism, we should go ahead and vote that way, but let us know and let the country know precisely what it is we are voting for.

Mr. President, the claim has been made that we should not amend the bill because to do so would be to break faith with the President. I hold in my hand the letter from the Department of the Interior dated March 20, 1957, addressed to the Senator from Montana [Mr. MURRAY], the chairman of the Committee on Interior and Insular Affairs, relating to the Fryingpan-Arkansas project.

I wish to read from page 15 of the report what the Assistant Secretary of the Interior said:

> While the provisions of the bill are not unprecedented—witness, for one example, the exemption by the act of June 16, 1938 (52 Stat. 764), of lands of the Colorado-Big Thompson project—there must be considered the relative weight of such considerations as, on the one hand, the substantial benefits from other project sources which the irrigators will be receiving and, on the other hand, the desirability of not disturbing those farms of an existent agricultural economy which already receive a substantial portion of their water requirements from nonproject sources.

That is a polite hint that the Secretary of the Interior would not look with disfavor upon a provision which in the Fryingpan-Arkansas project, would include the 160-acre limitation feature. If he would not look with disfavor upon that in the Fryingpan-Arkansas project certainly he would not look upon it with disfavor so far as the Small Reclamation Projects Act is concerned.

In a letter from the Bureau of the Budget on page 19 of the same report there is the following statement:

> The Bureau of the Budget believes that the question of excess land limitation should be dealt with on an overall basis rather than case by case.

I do not think we need fear a Presidential veto, but if there should be a Presidential veto I would be perfectly willing to meet that issue headon, because I have never thought that the Congress of the United States should subordinate its views and its decisions on public policy to what the opinion of the Executive might be. I have felt that we should vote for what we believe to be correct, and then, if the Executive disapproves, let him veto the measure, and we will fight it out in the field of public opinion.

Another objection which has been mentioned is that the House will never consent to such an amendment. I wish to say that if the House is wrong, as I believe it would be if it rejected this provision, then let us vote our convictions, rather than say that the House will not consent or that the President will not consent. The argument that the House would not consent did not deter Senators from almost the same States that are primarily involved in this issue from pressing for the adoption of the tungsten amendment earlier this week.

What we are doing in act after act is to give up the principle of acreage limitation, for which generations before us have struggled, and which they thought had been embodied in the laws of the United States.

Mr. ANDERSON. Mr. President, let me say, in comment upon what has been said by the Senator from Illinois, that I believe that a Small Projects Act does not enter the field of giantism. These are extremely small projects, and the only purpose in passing the act was to try to free the Congress of the United States from the detailed consideration of them, and permit individual States to submit them to their own water conservation boards and handle them through their State engineers.

I quite agree with the Senator from Illinois that, in connection with this particular legislation, we are not worried about a Presidential veto. What I am worried about is that we may not send to the President legislation which will give him an opportunity to have the Small Projects Act put in what he regards as the proper form.

I know something about the long hours that have been devoted, in the States and in the Congress, to the effort to get this legislation through. Therefore I believe it desirable to send a bill to the President, and not to try to prevent a bill from getting to him.

Of course, what the able Senator from Illinois said about the historic American policy in our reclamation program is true. I agree with him. But we were dealing with a completely different situation in the early days of reclamation. There was a time when an individual could file a desert entry. Try to find a piece of ground in the United States on which to file a desert entry today. At one time I filed a desert entry, and I allowed other members of my family to file them. In all, we filed on a total of some 10,000 acres available in the Rio Grande Valley. That was in 1922 or 1924. But there has not been an acre of that type of land available for 15 years.

The original act of 1902 was based upon a situation in which a great dam would be built, and water would be placed upon land which never had had a crop upon it before. That was happening in the Salt River Valley of Arizona. It happened in many other parts of the country.

This bill is designed to apply primarily to those regions which receive almost enough rainfall, but have periods of drought. In such periods of drought supplemental water is needed. The question of supplemental water has entered into the very things about which the Senator from Illinois has been speaking.

In the Colorado-Big Thompson project, Congress blotted out the 160-acre limitation, because it was not creating new lands. It was dealing with lands which were already under cultivation, where the rainfall varied from 10 to 14 inches a year, and where there was no absolute assurance of a crop year after year. An effort was made to make supplemental water available, so that if there were a moisture shortage, that land could be served.

The Senator from Illinois mentioned the Arkansas-Fryingpan project. The area served by the Arkansas-Fryingpan project is land now under cultivation. It is not sought to bring a whole series of new acres into cultivation. This project involves land which has normally almost enough rainfall. A crop is made almost every year.

During the past 3 or 4 or 5 or 6 years of drought, the farmers in that area have had a very difficult time. However, the reason why the 160-acre limitation was omitted from the Colorado-Big Thompson and the Arkansas-Fryingpan projects was that water was being fed to farms already under cultivation. There is, therefore, an entirely different situation than exists when we are dealing with a brand new project.

There might have been mentioned also the San Luis project in Colorado, in connection with which the 160-acre limitation was omitted. Why? Because a great deal of the land was devoted to the fattening of cattle. One man might have 2,000 acres under his control. I can testify, from knowledge of the area in Colorado served by that project, that a man with 2,200 acres in the San Luis project could not make as much off it, if he fed his cattle well, as a man could make if he had half an acre of alfalfa seed in the area near Yuma, Ariz.

The question of the family-sized farm is a somewhat difficult one. Give me an acre of vegetables in the Salinas, Calif., area, and I will trade for it several hundred acres of irrigated land in other parts of the country. The family-sized farm in the Salinas area might easily be 1 acre. Are we going to start writing limitations for that particular area, and say that the family-sized farm in that area shall be only 1 acre?

This problem has been before the committee recently. Many years ago in the

House of Representatives I was a member of the committee which considered the Columbia Basin Act. I was greatly interested in it, because, as a representative of the Federal Emergency Relief Administration, I had participated, in the early days, in trying to put a dam across the Columbia River, as a make-work project. Subsequently a great dam was constructed. Then the problem was, What shall we do with the land?

At that time the best possible planning was done, and it was decided that 80 acres would be enough, that only about 30 acres should be planted in ordinary crops, and the rest should go into pasture. Yet within the past few weeks Senators from the States affected have come to the Senate Committee on Interior and Insular Affairs asking for the removal of the 80-acre limitation, and for a substantial increase in it.

There has been a change in our farming methods since 1902. Whether we like it or not, a change has taken place in 55 years. Many times I have referred to the fact that on my particular farm in New Mexico I can remember when there were 40 workers in the haying crew. Two workers do it today, but they do it with machinery which costs a great deal of money. There has been a change in the ability of a man to make a living by farming a few acres.

If the Senator from Illinois desires an explanation as to why we lost 500,000 to 600,000 farms, he needs only to find out that in the present generation a man has difficulty buying the equipment necessary to make it possible for him to farm. There have been a great many changes. The able Senator from North Dakota [Mr. YOUNG] was commenting to me not long ago about what his children had to pay to start in the farming business, as compared with what he had to pay. Now it is necessary to buy a minimum of $10,000 worth of machinery. When my father came from Sweden, eventually to begin farming in the Dakotas, he had no $10,000 to put into agricultural machinery. He needed one horse and a plow to walk behind. Those days are gone. To say that every provision that was in the act of 1902 must be religiously followed now is to overlook entirely the fact that there has been a change from some of the great projects, such as that served by the Roosevelt Dam in Arizona, to a project in which a very small check dam can provide supplemental water.

The States desire an opportunity to build such projects, and I think they ought to have it. I do not believe that we are abandoning the 160-acre limitation project by project, but I point out that this particular bill is one which it is not necessary to pass to leave the 160-acre limitation situation as it is. The Congress has no obligation to pass this particular bill if it does not wish to do so. We can continue to let the small projects be reported to the Senate Committee on Interior and Insular Affairs, and considered by the Subcommittee on Irrigation and Reclamation. We can continue to let them come before the House committee for consideration, place them on the calendars of the Senate and House, and debate and discuss them. We can do it that way if that is the will of the Senate and of the House. But the purpose of the Small Projects bill was to take the small projects away from the Congress and let the various States handle them. That is the sole purpose of the bill.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. MALONE. Was not one of the purposes of the bill with respect to the relatively small projects to give the States more responsibility in organizing the projects and in participating in the cost?

Mr. ANDERSON. Yes. I will say to the able Senator from Nevada that time after time in the consideration of this bill we were told that there would be projects running as high as $500,000, which the State Water Engineer had gaged. He knew exactly what the flow was in the stream. He knew about the size of dam which it was necessary to construct. Generally speaking, it was an earth dam. He could very quickly say, "This project could be constructed for a few hundred thousand dollars."

However, if the Bureau of Reclamation is to make a study of it, they must apply a wholly different yardstick. They begin to wonder how many tons of concrete will have to go into the project. I am not critical of the Bureau of Reclamation. I think it is a very wonderful organization indeed. However, I say it is like getting the finest mechanic in the garage to wash one's car. It does not require quite that much skill.

The construction of these small projects does not require the type of engineering work which the Bureau of Reclamation must put into a Grand Coulee Dam, a Bonneville Dam, or a Glen Canyon Dam, or a dam of that kind.

Therefore we feel it is desirable that the States which already have a water resources board or an engineer who is familiar with water problems, and which generally have a stream gager who is gaging the water in the streams, should work up the project in the State and then send it to the Department of the Interior. The Department would then check on the sufficiency of it, based on its own established yardstick, and if the Department liked it, it could approve it, subject only to study by Congress as to what its feasibility might be.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. ANDERSON. I yield again to the Senator from Nevada; then I shall yield to the Senator from Illinois.

THE SMALL PROJECTS ACT PROPOSED 160-ACRE LIMITATION

Mr. MALONE. I wish to emphasize the work that will be done by the area to be benefited and the State in which the project is located through the State putting up a reasonable amount of money in advance to help pay for the engineering that the Bureau of Reclamation must do to determine whether or not the plans submitted are feasible. The home folks submit the plans and specifications together with a water-supply study to be approved by the Department of Interior.

Therefore, as the Senator from New Mexico has already stated, in that way the expensive and time-consuming work that the Bureau of Reclamation would normally have to do is done by the State engineer or the engineer for the district, and a great deal of money may be saved.

The work by the State or district would include water-supply studies, borings for dam site, and plans and specifications.

Mr. ANDERSON. I remind the Senator from Nevada that in the previous Congress, or possibly it was the Congress before that, there was reported from the Committee on Interior and Insular Affairs, of which both the Senators from Nevada and I are members, a bill which permitted local reclamation districts to construct their own canals instead of requiring the Bureau of Reclamation to do a great deal of it. It was based on the fact that in the State of California alone it was found that a substantial sum of money could be saved—in some cases as much as 50 percent—by doing that work. That resulted in a saving to the Federal Government. I believe that by making use of the facilities possessed by the States themselves we will save a substantial sum of money.

I think that is very much worthwhile.

Mr. MALONE. If the Senator will yield further I should like to make a very brief statement. I listened to the Senator's statement with reference to the 160-acre limitation. I should like to say in that regard that the 160-acre limitation has been removed from several projects after they have been authorized for the very reason that in many desert areas farmers have been making a living on lands that had only a small amount of water for a part of their lands—that is a late priority for water from the stream system, therefore, it required more acreage for a family unit.

Then on most of these anticipated projects the storage or pumping as the case may be is to stabilize the water on such land, rather than to bring in new areas.

We started under the Reclamation Act in 1922, in the arid and semiarid areas of the West, to build dams for irrigation and incidentally furnish flood control. In the humid areas the flood control is paid for by the Government under certain specified conditions.

A farmer might have 300 or 400 acres, on which he had only enough water for partial irrigation, with a small acreage with a full water right.

However, as it becomes more feasible—and I know the Senator is entirely familiar with this—water is worth more as time goes on, and a small project or large project suddenly becomes feasible, and then the water is stabilized on these lands that have been partially irrigated, because of the stabilized water supply.

There have been very few acres of new land under an irrigation project, for a number of years. Organizing such projects and performing the engineering work was my profession before coming to the Senate.

The idea of the Small Projects Act was that when there was involved a project that was within the limitation set in the bill, without going through all the formalities that are required by the Bureau of Reclamation, it was thought and I think rightly so that the Government can

be properly safeguarded without doing all the detailed work. It can be likened to calling in a consulting engineer after a project is set up. The consulting engineer is paid a good fee, and he is brought in to examine the tests of the dam site and the water supply and general feasibility and adequacy of the plans and specifications, but he does not do the detail work.

I have listened to the debate and I know that the Senator from Illinois is very earnest in what he is saying. However, I do believe that there are certain aspects of the bill that he has not fully considered. I would appreciate it if he would consider further the purport of the bill already passed and signed by the President and the pending committee amendment designed to meet the President's suggestion.

Mr. DOUGLAS. Mr. President, I have great faith in both the Senator from New Mexico and the Senator from Nevada, but for the sake of the RECORD I should like to make the following reply.

First, let me say that I have not been criticizing the provisions which are in the pending bill. I have been criticizing the fact that it does not include the 160-acre limitation. I am criticizing what the bill omits rather than what it includes.

My good friend from New Mexico says that there is no need to fear that the bill will foster big farmers, because we are dealing with small projects. A small project is defined as one where the capital advance is less than $5 million.

Perhaps in the Southwest, where people deal in big figures, $5 million is a small sum. I assure the Senator, however, that in the Midwest we regard $5 million as quite a figure. Quite a big project can be built with a capital investment of $5 million. Furthermore even if the project is small, the water can be furnished to a few big owners. In other words, small projects do not mean small farmers. It is possible to have a valley, which will be irrigated at the cost of a few hundred thousand dollars or a few million dollars, but that valley may be held by 1 or 2 or 3 owners, so that the benefits will go to the large farmers, not to the small farmers.

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). Will the Senator from Illinois acquaint the Presiding Officer with whatever limitation might be in the bill concerning the size of farms which can be supplied with water?

Mr. DOUGLAS. As I read the bill, there would be no limitation, except that on land in excess of 160 acres for one entrant the owner would have to pay not merely the capital amount but also the average rate of interest on Government securities. But there would be no limitation on the amount of water which could be furnished on land in excess of 160 acres.

I see the Senator from New Mexico [Mr. ANDERSON] nodding his head, so I take it he thinks my statement is accurate.

Mr. ANDERSON. Yes, I do; but I point out that the bill tries to correct a situation concerning another subject. I think we had a full discussion of the 160-acre limitation in the other bill. I am only trying to say that we have fought that out. We now want to get this bill passed.

Mr. DOUGLAS. I do not wish to bring up history, but it so happens that the senior Senator from Illinois was successful in having the 160-acre limitation included in the Senate bill. Then the conference report, which knocked out that provision, was brought up in the Senate before I could get to the floor, and I found, therefore, that I was faced with an accomplished fact. I have always felt very unhappy about the speed with which that report was acted on by the Senate, before I could reach the floor, make a protest, and ask the Senate to stand by its original decision.

Mr. ANDERSON. I think I might remind the Senator from Illinois that there was no yea-and-nay vote on his amendment. We took the Senator's amendment to conference and tried to have it adopted by the House. The House was adamant in refusing to accept it. There was no attempt made to slide something past the Senator from Illinois. If a yea-and-nay vote had been had on the floor, the Senator's 160-acre amendment would have met the same fate, I am quite certain, that it has met on the Fryingpan-Arkansas project and the Big Thompson project. The 160-acre limitation does not seem to be feasible.

The Senator from Illinois was very anxious to have his amendment included. We agreed to take it to conference and see if the House conferees would agree to it. They would not.

Mr. DOUGLAS. May I inquire of my good friend from New Mexico why they would not accept it?

Mr. ANDERSON. Because it is not a practical limitation to apply when supplemental water is being supplied. If one is starting originally to develop an irrigation district, and the land which is being developed has only the water that comes on the ground, then the 160-acre limitation applies.

The reason there has been difficulty in California on the Central Valley project is that there is enough water there, generally speaking; therefore, the 160-acre limitation does not apply.

In the Colorado-Big Thompson project, there is almost enough supplementary water; therefore, the 160-acre limitation does not apply.

Mr. DOUGLAS. The argument that the 160-acre limitation did not apply in the case of supplemental water confused the Senator from Illinois for some years, until he went to California and the Southwest and discovered what the real situation was. Virtually all of the land has some water on it, either from natural causes, by rainfall, or by pumping underground water through wells.

If it is said that the 160-acre limitation applies only where there is no water, either from the heavens or from subsurface deposits, then one is really saying that the 160-acre limitation should not apply at all, because I do not think there is an acre of land in the United States, even around Yuma, Ariz., where there is not some rainfall. Furthermore, it is the practice in most of those areas to pump water from the subsurface deposits.

Mr. ANDERSON. I only remind the Senator from Illinois that in California, to which he referred, there are at least two very large projects which I have visited. One of them has 45,000 acres; the other has 60,000 acres. That land is irrigated by pumping projects. We cannot restrict the amount of acreage on a pumping project anywhere in the United States.

Mr. DOUGLAS. The Senator from New Mexico, able, and thorough, and practical student of irrigation that he is, has missed the initial point I made; namely, that the 160-acre limitation is not on ownership. One can own as much land as he wants. The point is merely that the amount of water promised by the Federal Government has to be restricted on entries of less than 160 acres. I may say that in the case of a man and wife, the acreage is 320. If there is a son, and the son is married, the amount is 640 acres. If there are two children—they need not be male children; they can be daughters—and if they are married, that makes 960 acres.

Mr. O'MAHONEY. Mr. President, will the Senator yield for a moment?

Mr. DOUGLAS. I yield for a question.

Mr. O'MAHONEY. Yes; I should like to ask the Senator a question. Does the Senator realize that he is applying a rule which properly belongs to reclamation projects where there is an opportunity for the settler to settle upon open land?

In a case such as is embraced in the bill, where there is no free land to which a settler can go, where the land is already in private ownership, and where there is more than 160 acres in a farm or a ranch, and where the projects are small and the holdings are small, the only purpose is to supply additional water so that those who must live on the land can get the water which is needed to grow their crops.

Does not the Senator realize that if the 160-acre limitation were applied to such projects, it would force the present owners off the land, and it would be impossible to induce settlers who are within the definition of the 160-acre amendment, which the Senator offers, to settle upon the land, because they would not have land enough?

Mr. DOUGLAS. It really pains me to have my good friend from Wyoming make such an argument as that. I read the debates which occurred in this body some 10 years ago, before I came here, when the then senior Senator from California, Mr. Downey, argued just as the Senator from Wyoming is arguing now. If my memory serves me right, the Senator from Wyoming then punctured this argument and first convinced me that this position was wrong.

Mr. O'MAHONEY. That I completely acknowledge. I would take the same position now, I think.

Mr. DOUGLAS. I may say that I profited so much from the position taken then by the Senator from Wyoming that my eyes were opened to what was happening, because the Senator from Wyoming pointed out that the water was

being furnished by the Federal Government, and the legal question was not how large a man's holdings should be, but under what conditions would the Government furnish him water?

I see the Senator from Wyoming smiling and nodding his head.

Mr. O'MAHONEY. Certainly.

Mr. DOUGLAS. So in effect he admits I have given the correct version of the position he took 10 years ago in the great debate here, when he tangled with a former Senator from California, Mr. Downey, and defended the rights of the small farmers.

Mr. O'MAHONEY. The Senator from Illinois has confused the facts of the California case with the facts which arise in the dry-land States where the bill will have effect.

Mr. DOUGLAS. I have traveled through the Central Valley, and it is certainly a dry-land area in the absence of water coming down from the mountains.

Mr. O'MAHONEY. But that area has an undersurface supply.

Mr. DOUGLAS. Virtually every area has an undersurface supply.

Mr. O'MAHONEY. I can show the Senator areas all over the United States where the water level is sinking, sinking, sinking all the time, making it impossible for the farmer to live.

The position of the Senator from Illinois is one which would destroy existing farms and existing small ranches in the hopeless effort to bring settlers into an area where the 160-acre limitation on farms would not apply at all.

Mr. DOUGLAS. Mr. President, the Senator from Wyoming mistakes the issue. These large land holdings would get additional water on 160 acres, 320 acres, or possibly 640 or 960 acres, and the value of the land would be enormously increased. But under my amendment the Federal Government would ration the water—as it needs to do—so that water would not be furnished to holdings in excess of the acreage limitation.

Mr. President, that might have the effect of inducing some of the big landholders to sell to smaller holders. I see nothing wrong in that; the land would not go out of cultivation. We would simply be reversing the trend which has been occurring over the country; and in that way there would be an increase in the number of smaller farms, instead of so many large farms, or a smaller number of large-sized farms and a larger number of small-sized farms.

Mr. President, the Senator from New Mexico tried to reduce the argument of the Senator from Illinois to an absurdity by saying that he knew of land where a living could be made from one acre. I think probably that is true in certain cases; but I pointed out that probably a living could be made from 20 acres of citrus fruit, and possibly from 60 acres of apples, or perhaps less. Then he said that I was proposing that such a farmer be limited to 20, 30, or 40 acres. Mr. President, I am not proposing anything of the sort. My proposal would permit such farmers to have water on 160 acres, or, if the farmer was married, on 320 acres; or, if the farmer was married and had a married child, on 640 acres.

By means of what we are proposing, the desires of orchardists beyond the dreams of avarice would be met; and it really pains me to see the erstwhile great defender of small farms now become an apologist for the big holders. It really hurts me, because the Senator from Wyoming [Mr. O'MAHONEY] has been the foremost defender in the Senate of the United States of the rights of small business and small agriculture.

Mr. MALONE. Mr. President, will the Senator from Illinois yield to me?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Nevada?

Mr. DOUGLAS. I yield.

Mr. MALONE. Mr. President, I think the distinguished Senator from Wyoming [Mr. O'MAHONEY] still fights for that particular cause. He lives in one of those areas, as do I.

As a matter of fact, I think the Senator from Illinois has already debated that point sufficiently. However, it makes no sense at all to anyone living in the desert area to fix an ironclad limitation on the amount of land which can be benefited by the Federal Government in connection with advancing money for irrigation or flood control, for the reason that the climate in the arid areas is entirely dependent on elevation and latitude. Nevada is a good example; Nevada is 600 miles long and 400 miles wide. In southern Nevada, freezing temperatures are seldom reached, although once in a while there might be a little skim of ice on the trough of water from which horses drink. But in northern latitudes there are some places on the Humboldt River, where land is irrigated, where the temperature reaches 60 degrees below zero. Thus, as between those two places, there is a complete reversal of temperature conditions. So when we speak of land in the latitude of Las Vegas and land in the latitude of Wells, Nevada, we are speaking of complete opposites. Anything west of the meridian about halfway between east Kansas and west Kansas is semiarid; and anything in Colorado or farther west is arid. So we might as well provide a limitation of 2 acres or 20 acres; that would be just as logical as one of 160 acres.

If the Senator from Illinois will examine each project, he will find that even after Congress has imposed a limitation in such cases—as Congress often has done—it has been submitted to the Secretary of the Interior, and later has come back to Congress if the limitation was not feasible.

Therefore, if we were to provide a limitation in the case of irrigation projects, we would have to have a report on each project, before we would have any idea about how much land would be required.

In the case of a large project, there probably would have to be 4 or 5, or even 8 or 10 different limitations, because no one limitation would fit any project I know about, and I have had to do with practically all of the projects west of the Rockies; and I was consulting engineer for the central California project, to which reference has been made many times; and I was State engineer for the Hoover Dam; and I was in that business just before I came to the Senate. So I point out to the Senator from Illinois that such a limitation is not practical at all.

Previous to the present time, we argued the matter of the limitation; that was done in connection with another bill, which was passed by the Senate and was sent to the House of Representatives; and thereafter the House passed the bill, which went to conference, and finally the conference report was approved, and the bill was signed, and became law.

Today, we are trying to meet an objection. I do not understand that the President was adamant about the matter; but he suggested that there was a violation—and he may be correct, in view of the way the other measure was worded—of the reparation of powers within the Government.

Mr. President, on page 4 of the report, Report No. 293, on the pending bill, H. R. 2146, there is an explanation which I ask unanimous consent to have printed at this point in the RECORD.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

EXPLANATION OF THE BILL

H. R. 2146 amends the Small Projects Act to provide a 60-calendar-day period (not to include periods of adjournment of either the Senate or the House of Representatives) for review of the Secretary of the Interior's findings and approval of small projects, which are required to be transmitted to the Congress. This period gives the Senate and House Interior and Insular Affairs Committees an opportunity to examine and act upon the project proposals, and to notify both appropriations committees in the event of disapproval of any project proposal. The appropriation of funds may be made at any time after the expiration of the 60-day period without notification of disapproval by either of the legislative committees. If either of the legislative committees disapprove a project proposal, appropriation of funds may be made only upon enactment of legislation authorizing the project in the usual manner. These procedures are not prerequisite to the appropriation of funds to be expended for construction, pursuant to the terms of the Small Reclamation Projects Act, of facilities whose construction had theretofore been authorized under the Federal reclamation laws.

Mr. MALONE. Mr. President, the explanation merely reviews the situation under the existing act, Public Law 984 of the 84th Congress. Under its provisions, a period of 60 days is provided for review of the findings and approval by the Secretary of the Interior of small projects. This period gives the Senate and the House Interior and Insular Affairs Committees an opportunity to examine the project proposals, and to notify the Appropriations Committees of the Senate and the House of Representatives in the event of disapproval of any project proposal. If either of the legislative committees disapproves a project proposal, the appropriation of funds may be made only upon action on the floor of the House of Representatives and the floor of the Senate in passing in the regular way a measure authorizing the project.

So the suggestion was not that the act be repealed; but we are trying to make the act meet the suggestion the President has made, so he will not find any constitutional objection.

That is all I have to say to the senior Senator from Illinois. I understand the point he is trying to make, but I merely offer the information as a practical matter, since I was in the business 30 years before I came to the Senate.

Mr. DOUGLAS. Mr. President, I appreciate the comments of the Senator from Nevada, and I recognize their constructive purpose.

The point has been made that the bill does not refer to the Central Valley project, in California, but refers to other projects. I hold in my hand the hearings on the small projects bill as of 1955; and on page 45 there is the following statement which was made by Mr. W. A. Alexander, of Porterville, Calif., when he appeared before the committee:

STATEMENT OF W. A. ALEXANDER, ENGINEER, PORTERVILLE, CALIF.

Mr. ALEXANDER. I am chief engineer and manager of one of the districts in the project. I have here a statement that I would like to file with the committee of some resolutions from the districts authorizing our appearance, and also I would like to file for the record my statement.

(The statement referred to follows:)

"STATEMENT OF W. A. ALEXANDER BEFORE SENATE INTERIOR AND INSULAR AFFAIRS COMMITTEE, HON. CLINTON P. ANDERSON, CHAIRMAN, IN SUPPORT OF LEGISLATION TO PROVIDE INTEREST-FREE MONEY TO CONSTRUCT IRRIGATION DISTRIBUTION SYSTEMS

"I am W. A. Alexander, engineer from Porterville, Calif., appearing before your committee in support of legislation to provide interest-free money for construction of irrigation distribution systems by local interests. I have been authorized, along with Howard Stoddard, consulting engineer from Los Banos, Calif., to represent the following irrigation and water districts located under the Central Valley project of California who are receiving or anticipate obtaining a water supply from this project:

	Acreage
"Lower Tule River Irrigation District	102,000
Saussalito Irrigation District	17,170
Tulare Irrigation District	75,514
Terra Bella Irrigation District	13,365
Orange Cove Irrigation District	25,435
Chowchilla Water District	64,067
Shafter-Wasco Irrigation District	37,528
South San Joaquin Municipal Utilities District	61,629
Lindsay-Strathmore Irrigation District	15,368
Lindmore Irrigation District	27,478
Stone Corral Irrigation District	4,927
Total acreage	444,501"

He was testifying on what later became the small projects bill.

Mr. ANDERSON. Not at all. The Senator is talking about a wholly different bill. I mentioned the fact that we put through a bill relating to small irrigation districts handling their own distribution systems. The Senator has talked about that bill. It has nothing to do with the small projects bill.

Mr. DOUGLAS. This is headed "Small Projects-Distribution Systems."

Mr. ANDERSON. That is right, "distribution systems." There is a difference between construction of a dam and the distribution system below the dam.

Mr. DOUGLAS. This is headed "Small Projects"—hyphen—"Distribution Systems."

Mr. ANDERSON. That is true. It has nothing to do with the Small Projects Act whatsoever.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. DOUGLAS. Before I do, I should like to clear up this point. In these hearings there is printed on page 1, one of the bills before the committee and on which these hearings were held. I quote from Senate Resolution 164, 84th Congress, 1st session, section 2 (d); which is printed on page 1:

The term "project" shall mean, first, any undertaking or feature or unit undertaking having an estimated cost of not to exceed $5 million—

Which is the precise limitation placed in the bill before us. As I understand it, the hearings I have before me were the only ones held on the original bill. I know of no others.

Mr. ANDERSON. We got into a wrangle. We divided the distribution system from the other and passed it in a separate bill. If the Senator will notice carefully, the acreage is 75,000; and at $200 an acre, it does not stay under the $5 million limitation.

Mr. DOUGLAS. I would appreciate it if the Senator from New Mexico would put into the RECORD support for that statement.

Mr. ANDERSON. I would say, roughly speaking, that 75,000 acres, at $200 an acre, I do not think would come within the $5 million limitation. As a result, I do not believe any of the projects the Senator has read would necessarily be regarded as small ones.

I would go even further, and would say to him there is a tremendous amount of confusion involved. Far be it for me to say that what the Senator has read was not read in the best of faith, but we get into difficulty. The able Senator from Louisiana [Mr. LONG] had some provisions that related to drainage districts and things of that general nature. We finally came to the conclusion that we had better divide the proposed legislation into two parts. I am quite certain the Small Projects Act was not primarily intended to apply and did not apply to the interest-free distribution act, which we passed ahead of the Small Projects Act.

Mr. DOUGLAS. I thought the division was on geographical lines, in which provision for the 17 States included in the Small Projects Act was put in one separate bill, and provision for the rest of the country was put into another bill. California has always been one of the so-called 17 reclamation States, which are included in the Small Projects Act and which are covered by the present bill.

Mr. ANDERSON. The remembrance of the Senator from Illinois is exactly correct, and small projects in the State of California will still be eligible under the interest-free distribution system act, but the distribution system bill was passed as a separate bill and signed by the President long ahead of this particular legislation.

Mr. DOUGLAS. The lower Tule River project involves a total cost of $880,000, but comprises 102,000 acres.

Mr. ANDERSON. Eight dollars an acre? It could not possibly be. Did the Senator say 102,000 acres? Let me say to the Senator from Illinois that the heading of the hearings contains a hyphen, indicating hearings were held on two bills at the same time. I only wish to say I have dealt with a great many irrigation projects while in the Congress, probably running into hundreds.

Mr. DOUGLAS. The acreage figures on page 46 differ from the figures on page 45. On page 45 the acreage is given as 102,000. On page 46 the acreage to be served is given as 49,958 acres, with an average cost of $17.62 an acre.

Mr. ANDERSON. That must refer to a distribution system. I only say to the Senator from Illinois that I have made this statement to him because I recognize that when hearings are held jointly the testimony can be confusing. Just the day before yesterday we started hearings and we heard Governor Clyde, of Utah, for a few minutes on a bill that relates to a wholly different subject. His testimony would be contained in the same record of the hearings, and would possibly be confusing.

Mr. DOUGLAS. Is it the contention of the Senator from New Mexico that the Central Valley California project, about which I have read, would not come under the Small Projects bill?

Mr. ANDERSON. Yes, very definitely.

Mr. DOUGLAS. That none of them would?

Mr. ANDERSON. May I differentiate the projects in California and the Central Valley project——

Mr. DOUGLAS. I think these are all Central Valley projects.

Mr. ANDERSON. All the Central Valley projects are outside the scope of the Small Projects Act. The Central Valley projects run into the hundreds of millions of dollars. I think the last time I checked, the amount was well over $1 billion for all of them. That has no relation to this type of project at all, but there are certain narrow fingers of land involved, and the witness testified as to one near Hemet, Calif., where a narrow finger of land is available, with a small amount of land on each side of the river. That is the type of project we feel is desirable under this bill.

Mr. DOUGLAS. Mr. President, I yield the floor.

Mr. JOHNSON of Texas. Mr. President, under the previous order, the Senate, when it concludes its deliberations, will adjourn until Monday. It had been hoped that a vote could be taken on the pending measure this evening. The Senator from Oregon tells me he plans to address the Senate for about 10 minutes. There are several Senators who have engagements and who have been inquiring about whether we would conclude by 7 o'clock. I express the hope it will be possible, because at the conclusion of the address by the Senator from Oregon I propose to suggest the absence of a quorum. I notify the attachés of the Senate of that fact now, so they can take judicial notice of this announcement. As

soon as the roll is called for a quorum, I hope we may have a standing vote on the pending measure.

Mr. MORSE. Mr. President, I shall be very brief in regard to this matter. I think the legislative history of the bill, however, should be made tonight, because I do not believe we shall finish with this problem tonight, so far as final legislation is concerned.

Of course, what I want to point out, Mr. President, is that if we are going to make a change in the acreage limitation, we ought to do it now, and agree upon a policy which will apply to different types of fact situations in the field of agriculture.

The Senator from New Mexico [Mr. ANDERSON] has clearly shown that great changes have occurred in American agricultural techniques since 1902. I go along with him in that regard, but I do not go along, Mr. President, with the idea of removing entirely all limitations. That is what is being attempted in this bill. In my judgment, a very bad precedent is set when there is removed the 160-acre limitation. I do not know what limitations are left once that limitation is removed.

I believe now is the time for us to agree upon a policy of limitation which will be applicable, as the Senator from New Mexico pointed out, to changes in agricultural techniques since 1902. So I wish to give the Senate a little bit of history on this matter tonight, for the purposes of future reference.

When I presented a statement before the Subcommittee on Irrigation and Reclamation of the Committee on Interior and Insular Affairs on March 13, I pointed out that the bills under consideration by the Subcommittee on Irrigation and Reclamation relating to the 160-acre excess land limitation of the reclamation law were of the utmost importance, I thought, as raising an important question of public policy.

As a cosponsor, with the Senator from Illinois and my colleague from Oregon, of S. 1425, I have urged its favorable consideration. It would amend the Small Projects Act, enacted last year, by applying the historic antimonopoly 160-acre limitation of the reclamation law.

A brief review of this proposal and the legislative history of the Small Projects Act is a necessary background. In 1955, when the original bill, S. 2442, was before the Senate, a 160-acre limitation was added by floor amendment proposed by the Senator from Illinois [Mr. DOUGLAS] and by me, with the support of the junior Senator from Oregon [Mr. NEUBERGER], who had filed separate views objecting to the omission of such a provision.

It should be recalled that the bill was reported to the Senate on May 4, 1955, but the bill was not scheduled for consideration until July 28, 1955, in the closing days of the session of the Senate. I think there is real doubt that Senate passage would have been possible had an extended debate developed on the proposed amendment.

The bill remained in conference almost 1 year. Once again it came to the floor of the Senate very late in the session, on July 20, 1956. In the confusion of the closing days of the session the 160-acre provision was lost in the shuffle. Public supporters of the antimonopoly provision had little opportunity to mobilize, and the measure became law without the traditional provision of the 160-acre limitation.

Now pending before the Senate is a proposal to change the project approval procedure. So far, little has been done under the act. Under the circumstances, it seems to me that amendments to the act to include the basic 160-acre limitation are very important.

The Small Projects Act authorizes a $100 million program. That is a lot of money. I think I am correct in stating that so far as that amount of money is concerned, it is interest-free.

Mr. President, I wish to stress the public interest, the public rights, and the public policy involved in this measure. At least to the extent indicated every citizen everywhere in the Nation has a little vested interest in this program, and I think we ought to decide as a matter of public policy what our formula should be by way of an acreage limitation. I think now is the time to do it.

I believe we will establish a bad precedent, so far as future change is concerned, and indeed, we will put a roadblock in the way of future change, once we pretty well establish that at least in this field we can go ahead without any limitations at all.

That is what bothers me, Mr. President. We are dealing here with a matter which involves a considerable amount of public money. If we pass the bill, I think we turn the benefits over really without any limitations, unchecked, to the big operators. I do not think that is good public policy.

It may be that I will find myself in complete agreement with the Senator from New Mexico [Mr. ANDERSON] as to modifications of the 160-acre limitation provision, in view of the changes in agriculture that have occurred in this country since 1902. I am perfectly willing to try to work out some such flexible formula which will be adaptable to different agricultural conditions in different parts of the country, or, for that matter, different conditions in the same region.

What I do not like is that it seems to me I would be voting away here the very principle of acreage limitations. The original public-policy purpose of the reclamation law remains, so far as public contributions are concerned. We passed the law in the first instance, I think, because we wished to encourage the development of the land by the family.

It is very easy to say that the family sized farm has changed in size in different parts of the country, but I think one could find out, as to any particular region, what it is. Then we could have a flexible formula which would provide a limitation, which would protect the family sized farm and at the same time prevent what I think is the great benefit which will accrue to the corporate farms in many sections of the country if we start weakening the family sized farm, 160-acre limitation.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. O'MAHONEY. I can understand the Senator's being troubled by a consideration of the kind that he suggests. Of course, if we had the area upon which settlement could be made in family sized farms that would be a splendid thing to do.

The Hells Canyon Dam, for which the Senator has made such a great fight, is currently described as the only remaining power site in America of any size. I cite that to the Senator to show that the arable land in the United States has practically disappeared. The land which is capable of being brought into settlement by farmers who want only 160 acres has practically disappeared.

It was in 1939 that we had to amend the reclamation law so as to provide for the multiple-purpose projects, because there is no land left which is capable of raising a crop which will repay the cost of irrigating it. That is the situation which confronts us.

All we are proposing in the bill under consideration is to deal with the existing irrigated areas, which have been irrigated by private enterprise in the best manner possible, but which need supplemental water. The owners find that they cannot continue to exist as producing farmers unless they get additional water.

When we increase the size, it does not mean an increase in the size for settlement, but it merely means permitting the existing farms to get supplemental water. In order to make certain we were not serving the big interests, we have provided in this proposed legislation a specific limit in dollars as to the projects that could be taken.

Mr. MORSE. I understand that.

Mr. O'MAHONEY. Let us legislate realistically under the conditions that now exist, and not carry over a theory that was good when arable land was available.

Mr. MORSE. I understand the point of view of the Senator from Wyoming, but this is the point where I leave him: Under this bill there is no limitation whatsoever on the amount of land that can be bought by a great farm corporation, for example. I am perfectly willing to readjust the family-sized farm formula so that these areas can be provided with irrigation.

As the Senator from New Mexico [Mr. ANDERSON] pointed out earlier in the debate, 160 acres just will not do the job. But because 160 acres will not do the job, here it is proposed to blow the ceiling out completely. There would be no ceiling, and there could be bought any amount desired.

Mr. O'MAHONEY. What the Senator argues for would blow the existing farmers right off the land.

Mr. MORSE. No. What I am arguing for is that in this legislation we ought to reach some agreement as to a formula which will be based upon a realistic family-size farm area, and not simply provide under this bill that we can proceed, as the Senator from Illinois [Mr. DOUGLAS] has said, to adopt giantism in American agriculture and have no limitation whatsoever. I am not wedded to this 160-acre limitation. What I do not go along with is the other extreme—if the 160-acre limitation is an extreme position—of no limitation whatever.

The Small Projects Act authorizes a $100 million program. Interest-free loans will be made to enable local groups to undertake reclamation and irrigation projects. Such loans are of immense value to the beneficiaries of the project. If they are justified in the general public interest, the direct beneficiary should be willing to conform to historic public policy.

If the facts are such, as the Senator from New Mexico leads me to believe, that a good case could be made for the proposition that we ought to change the 160-acre limitation, let us change it to meet this particular situation. What I am objecting to is the elimination of all limitations in the bill.

The historic public policy is that where public resources are employed, the benefits should be widely distributed among small farmers, and not conferred upon large landowners. As the Senator from Illinois points out, this policy goes back to the early 19th century. It was perpetuated in the Homestead Acts. It is rooted in the Reclamation Law of 1902, and preserved in all subsequent amendments.

It may be that some revision of the 160-acre limitation is sorely needed so as to make it more adaptable to different agricultural conditions in the reclamation States. In some areas, as was pointed out by the Senator from New Mexico [Mr. ANDERSON], an economic farm may be 320 or 500 acres; or it may be 30 or 40 acres, depending upon the kind of land. His point was that in some of the very rich areas of California half an acre or an acre would be better than several hundred acres in some of the arid areas. I know that to be so. But I think the problem should be considered on a scientific basis, and that any necessary changes should be enacted in a law of general application, with due regard and protection for the antimonopoly policy and promotion of the affirmative purpose of encouraging small family farms, which have been the foundations of reclamation for so long.

I have been heard to say before—and I should like to put it into the RECORD again tonight—that if I were asked to name the two things which I think are of the greatest importance in maintaining the American way of life, I would name home ownership in the city and family farm ownership in the country. I do not like to see them destroyed to any extent by a policy which would remove entirely the limitation which has done so much to develop the family farm in the places where we have our irrigation areas.

I understand that the Senator from Montana [Mr. MURRAY], chairman of the Committee on Interior and Insular Affairs, has requested the Department of Agriculture to make a study upon which a revision of the size of the acreage limitation could be based.

I am in favor of such a study, and of its application; but I am against establishing a precedent here tonight in regard to the small projects bill which would enable anyone to say, "The Congress passed a bill which entirely removes the acreage limitation."

Therefore I urge the Senate to adopt the amendment of which the Senator from Illinois [Mr. DOUGLAS] is the author, and of which I am one of the cosponsors. It would continue, at least for the time being, the 160-acre limitation, until we can revise it—as we probably should—on the basis of the kind of study called for by the Senator from Montana [Mr. MURRAY].

There is more than money involved in this issue. The reclamation policy will have a deep and enduring effect upon the pattern of agriculture in the West. The availability of water is the determinative factor for expanded agricultural capacity. The law will determine who shall participate in the use of water made possible by projects undertaken with Federal assistance. We can encourage family farming or promote the trend toward larger corporate enterprises, depending upon our steadfastness in adhering to the acreage limitation principle or its abandonment.

I am willing to modify the principle, so far as modification of the acreage limit is concerned; but I am not ready tonight to vote for a bill which, I am afraid, would be subject to the interpretation, by those who wish to encourage big farming, or giantism, as the Senator from Illinois has called it, that "The Senate has set a precedent. No longer is acreage limitation considered by the Senate of any great importance in our reclamation laws."

Exceptions are bad precedents. The least we can say about this bill is that it is an exception. I do not like to make such exceptions.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. ANDERSON. There is not one line in the bill which touches the 160-acre limitation. It is an effort to correct an undesirable situation in connection with small projects. The bill does not touch the 160-acre limitation. If we can get the bill through, we shall try to make it possible to correct the situation which any of us think is bad.

Mr. MORSE. Mr. President, will the Senator check me in my statement of fact? Am I correct when I say that my conclusion from a study of the bill is that it contains no limitation whatsoever?

Mr. ANDERSON. The bill which was previously passed—I believe it was House bill 1881, passed in 1955, and again in 1956—contained no limitation. This bill does not deal with the 160-acre limitation in any way. It would merely change the provision of the original bill, which provided that the House Committee on Interior and Insular Affairs, and the Senate Committee on Interior and Insular Affairs, should have the right to disapprove the contracts once the Secretary of the Interior had entered into them.

The executive department took the position that the making of a contract was an executive function, and I subscribe to that contention. Therefore we base our position on the power of the purse, and we say that no appropriation shall be made unless the projects come before the Congress. Nothing else is involved in the bill.

Mr. MORSE. If we were to adopt the Douglas amendment, we would at least place in the bill a limitation which some of us thought should have been in the original bill, the omission of which we have been protesting ever since.

Mr. ANDERSON. I grant that the proposed amendment would establish a limitation. I only say to the able Senator from Oregon that giantism is not developed by means of these tiny projects. Giantism is developed by means of very large projects.

This week we held hearings on a project in Idaho with respect to which the total cost is to be $40 million. Thirty-nine million is to be paid from power revenues. $800,000 is to be charged to irrigation, and only $750,000 or a tiny fraction of the cost, will be paid by the irrigators.

We have exhausted the best dam sites. We have used up a great deal of the best land. We are now trying to make it possible for people who have moved into certain limited areas to enlist the aid of the Federal Government in obtaining an additional water supply.

I know the concern of the Senator from Oregon with respect to the 160-acre limitation. I have voted to include it in bills almost as many times as has the Senator from Oregon—although not quite as many times.

We felt that the proposal which is now before us was the best decision we could make.

Mr. MORSE. Mr. President, I shall conclude with this observation: When we start dealing with descriptive terms, such as "giantism," it is important to get down to definitions. The Senator from New Mexico says there is no reason to fear giantism in connection with projects such as these. The Senator from Illinois [Mr. DOUGLAS] has already pointed out that the cost of the projects may run as high as $5 million. When I think of that financial ceiling, and then think of local communities in the West where it might be applied, so far as the economy of such localities is concerned, giantism could develop, because if an individual corporate farming concern comes into a given locality in one of the irrigated areas and proceeds to buy up anywhere near $5 million worth of property, there is constituted a giant corporate farm which, from that time on, will exercise great economic influence on that locality.

In fact, if there are two or three of them in the area, there will be what the Senator from Illinois has referred to as modern feudalism, economically speaking. I do not mean that there will be control over the individual lives of the citizens, but certainly control over their economic welfare. It is a form of modern feudalism, and therefore I shall continue to support my colleague's amendment.

Mr. NEUBERGER. Mr. President, I do not intend to burden the time of the Senate at this late hour. I merely wish to state for the RECORD that on this issue

I support the enlightened position taken by my colleague from the State of Oregon and by the Senator from Illinois [Mr. DOUGLAS].

If we are to change the 160-acre limitation, which has been in effect in the West almost since the days of the frontier, we should do it in separate legislation, directed particularly to that issue. I do not believe we should attempt to modify so greatly the 160-acre limitation in this small projects bill. It is a separate question entirely.

That is all I have to say on this important issue at this time, Mr. President.

Mr. JOHNSON of Texas. Mr. President, I hope the attachés of the Senate will notify absent Senators that we want as many Senators as possible present before we vote on the pending bill. Therefore, Mr. President, I suggest the absence of a quorum, and I appeal to all Senators to please bear with us until we can be visited by some of our absent friends.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask for a division on the Douglas amendment.

Mr. DOUGLAS. That is quite acceptable to me. I was about to ask for a division. Before the vote is taken, I would appreciate having the Clerk read the amendment. Then, if I may, I should like to speak for about 1 minute to explain the amendment.

The PRESIDING OFFICER. The amendment will be read for the information of the Senate.

The LEGISLATIVE CLERK. On page 3, after line 7, it is proposed to insert:

(d) Section 5 is further amended by striking out "and" at the end of clause (e); by striking out the period at the end of clause (f) and inserting in lieu thereof a semicolon and the word "and"; and by inserting after such clause (f) the following:

"(g) provisions conforming to the excess land requirements set forth in the third sentence of section 46 of the act of May 25, 1926 (44 Stat. 649), if the project furnishes irrigation service."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois.

Mr. DOUGLAS. Mr. President, the amendment puts into the Small Reclamation Projects Act the acreage limitation of 160 acres for each entry which was originally embodied in the Reclamation Act of 1902 and the act of 1926, but which was not included in the small projects bill passed last year or in the bill now before the Senate.

The purpose of the amendment is to carry out the historic American policy of having additional water supplied by the Government furnished for lands which do not exceed 160 acres for each entry, which in the case of a husband and wife would be 320 acres; and which, if they have children, would be from 480 to 960 acres, or an additional 160 acres for each member of the family.

The amendment is an attempt to continue the historic American policy of furthering the development of small farms, and to check the development of big plantations and big farms.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. I commend the Senator from Illinois for his fight in this matter and for the consistency with which he has forwarded the program of the 160-acre limitation.

I regret that I was not present in the Chamber to share in the debate, but I associate myself with the very worthy efforts of the Senator from Illinois, and assure him of my support.

Mr. ANDERSON. Mr. President, I should like to take one minute of the time of the Senate to say that we who favor the bill do not feel the 160-acre limitation question should ever have come into this discussion.

The small reclamation projects bill was sent to the White House last year. The President expressed his intention of vetoing it. A member of the Senate Committee on Interior and Insular Affairs sent word to the White House that he felt the provision to which the President objected could be corrected. The President then signed the bill.

We have tried in good faith in this bill to meet the objection of the President.

The 160-acre limitation was not in the original bill. If it goes into this bill, then, of course, the pledge which a Member of the Senate sought to make on behalf of the Senate will not be carried out.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. BARRETT. I think it should be made abundantly clear to the Senate that the section of the Small Projects Act under consideration does not apply to public lands, and the matter of an entry on public lands is not involved. The bill provides in that section that where water is provided to privately owned lands in excess of 160 acres interest must be paid to the United States for the construction costs on all lands in excess of 160 acres. It applies solely to privately owned lands.

Mr. ANDERSON. The Senator is correct.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Illinois. Has the Senator from Illinois asked for a division?

Mr. JOHNSON of Texas. The Senator from Texas asked for a division. May we have the division?

The PRESIDING OFFICER. All those in favor of the amendment will stand and be counted.

Mr. NEUBERGER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Oregon will state it.

Mr. NEUBERGER. Is the division on agreeing to the amendment of the Senator from Illinois?

Mr. JOHNSON of Texas. Mr. President, let it be made abundantly clear that the Chair has asked that Senators who favor adoption of the amendment of the Senator from Illinois [Mr. DOUGLAS] stand at this point. All Senators should realize that the vote now being taken is on the question of the adoption of the amendment of the Senator from Illinois.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois. A division has been requested, and the Senate will now proceed to divide.

On a division, the amendment was rejected.

Mr. DOUGLAS. Mr. President, will the Presiding Officer state for the sake of the RECORD the approximate number of Senators who voted for the amendment and the approximate number of Senators who voted against the amendment?

The PRESIDING OFFICER. That is not done, under the practice and rules of the Senate.

The bill is still open to amendment. If there be no other amendment to be proposed, the question is on the third reading of the bill.

Mr. DOUGLAS. Mr. President, my eyes may not be entirely sharp, and I may not have noted accurately; but I counted 10 Senators as voting in favor of adoption of the acreage-limitation amendment, and approximately 20 Senators as voting in opposition to adoption of that amendment. I should like to have that statement a part of the RECORD.

The PRESIDING OFFICER. The Chair has already announced the result of the division on the question of agreeing to the amendment.

If there be no other amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 2146) was ordered to a third reading, read the third time, and passed.

Mr. DOUGLAS. Mr. President, although my eyes may not be the sharpest, yet I wish to state that it seemed to me that the following Members of the Senate voted in favor of adoption of the acreage-limitation amendment: Namely, the senior Senator from Oregon [Mr. MORSE], the junior Senator from Oregon [Mr. NEUBERGER], the senior Senator from Tennessee [Mr. KEFAUVER], the junior Senator from Tennessee [Mr. GORE], the junior Senator from Rhode Island [Mr. PASTORE], the senior Senator from Maine [Mrs. SMITH], the senior Senator from Vermont [Mr. AIKEN], the junior Senator from Pennsylvania [Mr. CLARK], the junior Senator from Minnesota [Mr. HUMPHREY], and the senior Senator from Illinois [Mr. DOUGLAS].

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to announce, for the information of the Senate, that on Tuesday, at 2:30 p. m., the Senate expects to receive Chancellor Konrad Adenauer, who will address the Senate. I should like to have all Senators informed of that fact.

From today, the Senate will adjourn until Monday. Under our present plan, the Senate will not meet on Thursday of next week, inasmuch as it is Memorial Day, and customarily the Senate does not meet on that day.

We plan to have the Senate hold a session on Friday of next week, but Senators may expect that on that day there will be no quorum calls, and no business will be transacted, other than the making of insertions in the RECORD, if the wishes of the leadership are followed. The purpose of having the Senate meet on Friday is to permit the Senate to take a recess or adjourn from that day to the following Monday.

In the case of the following week, I cannot give assurances that certain days will be reserved for committee work by Senators, and to permit them to handle their office work. Probably it will be necessary to return to the schedule of meeting daily, if the Senate then has a calendar which will occupy the attention of Senators. I should like to have all Senators put on notice of that fact.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, May 23, 1957, he presented to the President of the United States the following enrolled bills:

S. 51. An act for the relief of Mary Barme and her two minor children Steran Barme and Dinah Barme;

S. 94. An act for the relief of Lee Chong Taik;

S. 124. An act for the relief of Josephine Suydam;

S. 162. An act for the relief of Jew Gim Gee;

S. 184. An act for the relief of Mary C. Frederick;

S. 271. An act for the relief of Johannes Sukevainen;

S. 754. An act for the relief of John (Ioannis) Legatos;

S. 799. An act for the relief of Eldur Eha; and

S. 1463. An act to amend the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle.

THE HOUSING ACT OF 1957

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 374, House bill 6659, the so-called housing bill.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes, which has been reported from the Committee on Banking and Currency with an amendment.

Mr. JOHNSON of Texas. Mr. President, we do not plan to have the Senate debate the bill this evening. I hope I shall be able to get in touch with the distinguished Senator who will be in charge of the bill, and that the Senate will proceed to its consideration and discussion on Monday and on such other days next week as may be necessary. I have been attempting all day to reach him by telephone, but have been unable to do so. Accordingly, it may be that we shall have to change our plans in that respect.

SECOND ANNUAL STAFF CONFERENCE OF COMMUNITY SERVICES, AFL-CIO

Mr. MORSE. Mr. President, my attention has been called to a very interesting article written by Sidney Zagri, director of community relations for the teamsters union. The article was published in the St. Louis Labor Tribune of May 9, 1957. Mr. Zagri writes a column for that labor newspaper, and he is a very able columnist. I am pleased to ask unanimous consent to have the article printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

YOUR COMMUNITY AND MINE

(By Sidney Zagri)

ATLANTIC CITY, N. J.—The second annual staff conference of community services, AFL-CIO, here at the oceanfront in Atlantic City has not only the stimulus of the ocean breeze, but the fresh approach of its able director, Leo Perlis. In his keynote address, he debunked the "arrogance of humility" and the "arrogance of ignorance"—the dual barriers to responsible leadership by labor in the new complex field of community responsibility. He also leveled both barrels at the trend toward conformity, respectability, and "policy by headlines"—and called on labor leadership to vigorously meet the challenge of basic community issues in the spirit of nonconformity. He made the plea not only for effective work within community organizations but for a total approach in terms of the reorganization of the community.

This vigorous, creative approach presents a striking contrast to the labor leadership in some circles striving for respectability and conformity. Too many of our labor leaders are making decisions conforming to the editorial policy of their favorite newspapers. It was said of a prominent international union president recently that his union policies are largely determined by the reaction of the New York Times. He has become a victim of his own press relations. This type of thinking is partially responsible for the witch hunt going on within labor at a time when it is needed most—when all of labor is under attack. It accounts for opportunistic tinkering with constitutional liberties by placing punitive consequences on the use of the fifth amendment by any union official.

Here at the community services conferences, we find in Leo Perlis one labor official not to be stampeded by a jingoistic press, by a conformist trend within labor, or by the opportunistic incitement of those who would have him join the wolfpack. Instead, he has kept his eye on the ball, on the principal tasks confronting labor at the community level.

He has instilled in his staff an awareness of the power structure and before he approaches a community-organization job that power structure is carefully analyzed and understood. He frankly admits that it is not labor who calls the shots in community services even in cities where labor is strong. He asked the question "Who calls the shots in Pittsburgh—the steelworkers, in Detroit—the autoworkers, in Seattle—the teamsters? In these three, as well as in all American cities, the shots are called by the bankers and industrialists." Thus, we are faced with the problem of conforming to what is and accepting this domination as inevitable, or of responding to the challenge of organizing the community in terms of achieving first-class citizenship for labor in the councils of the communities of this country.

How we effect changes in the power relations within a community calls for deep understanding of our community structure and the role of labor in this structure. The organization of labor at the community level, therefore, is a more difficult job than organizing the unorganized in the shops. It calls for more ingenuity, more trained staff, and more of the instruments of education and propaganda to counteract the communitywide influences of the mass media largely in the control of banker-industrialists of the community.

It is this difficult job that community services is undertaking with varying degrees of success in over 60 cities of this country. In this pioneering effort, the AFL-CIO has not provided Perlis with labor-paid personnel at the community level.

This is the great weakness of the program. The labor staff representatives are paid by the community fund organization. "He who pays the piper calls the tune," is an old cliché but still quite true. In so far as a conflict of interest exists—and as Perlis points out the industrialist calls the shots—the staff representative of labor is forced to "walk on eggshells" and to "dance between the raindrops." His prime area of effectiveness under this arrangement is limited and circumscribed by the area of agreement, or to put it another way, the program that is acceptable to the industrialist who calls the shots. Within these limitations, the community services program has effectively established labor as a factor in the health and welfare programs of a community. It has also been able to develop rank and file leadership in these areas.

The important question for the future is this: Can the broad social action program envisioned by Perlis become a reality within the framework of the present community fund structure, or will it become necessary for labor to finance its own staff at the community level to achieve results in the spirit of nonconformity and controversy as the first prerequisite in achieving first-class citizenship for labor?

WITHDRAWAL OF OREGON FROM THE PACIFIC NORTHWEST GOVERNOR'S POWER POLICY COMMITTEE

Mr. MORSE. Mr. President, Gov. Robert D. Holmes, of the State of Oregon, announced recently the reasons why the State of Oregon is withdrawing from the Pacific Northwest Governors' Power Policy Committee. I ask unanimous consent that a statement released by the very able Governor of my State be printed at this point in the RECORD, as a part of my remarks. I wish to commend our Governor for his courage and statesmanship in withdrawing from the Pacific Northwest Governors' Power Policy Committee, because, as he points out very clearly in the statement, there was good reason for the withdrawal. Of course, I would add that the domination of the policies of the committee by the private utilities is all the reason I would need, anyway.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Gov. Robert D. Holmes said Wednesday he was chopping off a program through which Oregon's two previous Republican Governors had contributed nearly $8,000 of State funds for promotion of so-called partnership power development.

The action also removes Oregon from the Pacific Northwest Governors' Power Policy Committee which Governor Holmes described as an arm of the private power lobby.

Governor Holmes said the records show that unapproved reports of the committee's technical engineers had been used recently to support Idaho Power Co.'s position in the Hells Canyon dispute before Congress and the Federal Power Commission.

"Besides that," the Governor said, "the committee has made no contribution to industry or development of the State of Oregon."

Records show that the late Gov. Paul L. Patterson, under whose administration Oregon became involved in the policy committee, and former Gov. Elmo Smith had authorized payments from the executive department funds to Portland General Electric Co. totaling $7,577.63, Governor Holmes said.

Governor Holmes said the case had been under investigation since he took office January 14, and that during that time he felt a moral obligation to authorize continuation of monthly payments though no contract had ever existed.

Oregon's share, bigger by almost twice than any other contributor's, went into a fund for expenses of Ebasco Services, a private firm which actually makes the studies for the committee. Governor Holmes described the Ebasco organization also as an arm of the private power lobby.

"Except for propaganda for partnership power," Governor Holmes said, "we could have gotten the same information supplied by Ebasco Services from the advance program of Bonneville Power Administration for nothing."

Compilations of billings for 1956 alone showed members contributed over $20,000 of which the major 15-percent share was paid by Oregon taxpayers, Governor Holmes said. "This is a case of State funds being contributed to further a cause in direct contradiction to what the taxpayers clearly demonstrated by their vote."

Records also show that 2 reports, 1 of them never approved by the committee, have been used by the Pacific Northwest Power Co. in Federal Power Commission hearings and before the Senate Interior and Insular Affairs Committee to support arguments for Idaho Power Co.'s opposition to a high Federal dam in Hells Canyon.

This has in effect misleadingly lent the weight of Northwest governors to the partnership program, though the last meeting of the policy committee was held in October 1955, over a year and a half ago, Governor Holmes said.

Governor Holmes said correspondence indicated Governor Patterson took on the 15-percent share for the State with the intention of collecting portions of it from Oregon's public power groups and PUD's. But all the public utility districts except one naturally declined to contribute on the basis that the program held no possible benefit.

TRIBUTE TO JOSEPH P. ADAMS, FORMER MEMBER OF THE CIVIL AERONAUTICS BOARD

Mr. MORSE. Mr. President, I had planned to make a speech today in paying my respects to Joseph P. Adams, a former member of the Civil Aeronautics Board, whom President Eisenhower did not reappoint. I think Mr. Adams made a fine record of public service on the Civil Aeronautics Board; and I should like to have the privilege of paying my compliments to him. Therefore, I ask unanimous consent that my speech be printed at this point in the body of the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

The public interest suffered another blow when President Eisenhower let the term of CAB member, Joseph P. Adams, expire without reappointment. According to the press, this was a victory for Secretary of Commerce, Sinclair Weeks, who is said to have influenced the President against Colonel Adams. Be that as it may, it is unquestionably a break for the monopolistic airline interests that have come to regard the CAB as their special protector. Joseph Adams never countenanced such a narrow view of the agency on which he served nearly 6 years.

For 6 years Joseph P. Adams was the "great dissenter" on the CAB—a conscientious protestant against CAB decisions that invariably kept the skies closed to the vigor of new competition and consistently overlooked the interests of the traveling public.

For too long the CAB has regarded its primary functions as twofold: (1) To preserve and protect the dwindling number of certificated "grandfather" passenger carriers, and to see to it that there is no intruder into the charmed circle; and (2) to act as referee and traffic manager for those 12 companies, whose enthusiastic appetite for a bigger slice of an ever-bigger pie sometimes requires a little fatherly arbitration.

In his understanding of the Board's duties and responsibilities, member Adams differed sharply with the majority. Very simply, Joseph Adams had read and digested the Civil Aeronautics Act and its legislative history, and he knew that "regulation" was only part of the CAB's duties. He knew there was a promotional obligation also. He expressed his feelings this way in one of his dissents:

"I disagree with the majority in their decision to ignore this vacuum in our present air transportation system. [He was speaking of the need for low-fare air coach service.] I believe that it is the duty and responsibility of this Board to direct a national air transportation policy and not to confine our efforts to the day to day approval or disapproval of matters brought to our attention."

Again, Adams said on another occasion when he was in the minority:

"I believe that a proper fulfillment of the objectives laid down for us by the Congress in section 2 of our act requires that we promote, develop and encourage air transportation as well as controlling it and regulating it—but in exercising any of these powers we must have the public interest uppermost in our minds."

The CAB's view of competition is a dim one. It has always clung to the position that instead of introducing new competition to provide better service, it should assume that the certificated carriers will meet all demands. Adams repeatedly attacked this position. In the Transcontinental Coach-Type Service case, the CAB turned thumbs down on the nonskeds on the ground that he certificated lines were capable of carrying the burgeoning air coach traffic by expanding their services. Protesting this view, Adams wrote:

"It seems to me that the question of 'capability' is completely beside the point. A much more important query, I believe, is, Will the certificated carriers do so, or even, on the basis of the entire record here, have they done so in the past and are they doing so now? This 'theory of capability' inevitably forces its proponent to the philosophy of 'preservation of the status quo'; a philosophy which at best is a strange one for the Board to adopt in the regulation and promotion of an industry as dynamic as the airline industry."

Joseph Adams brought to the Civil Aeronautics Board a practical aviation background and a consummate regard for the public interest. He was a Marine Corps flyer during the war. Following this experience he served as State director of aeronautics for the State of Washington, and was responsible for putting through a model State aviation act. His 6-year term on the CAB, which expired December 31, 1956, was notable for the fact that he was nobody's man but the people's. Such a man has become a rarity in the recent history of Federal regulatory commissions created by Congress.

As might be expected from an official who serves no interest but the public's, Joseph Adams introduced common sense into the opinions and orders of the agency he served. It is regrettable that this common sense had to find expression in dissenting opinions all too frequently.

More and more the CAB has become the shield of a growing monopoly in air transportation. It has taken the position that any type of nonsubsidized initiative in aviation constitutes a diversion of traffic from the major airlines. This argument of diversion is made even in such cases as air coach, where the independents clearly created their own market. It is made even in the face of air transport's amazing growth—a growth of close to $100 million a year. Repeatedly the Board arrives at its decisions by reasoning from the narrow premise that any certificated airline's desires must, in the long run, prove beneficial to the general public and to the industry as a whole. It has been the habitual position of the CAB that the public interest is synonymous with the betterment of the lot of the certificated airlines. In other words, what benefits the 12 major carriers—it used to be 16—is therefore good for the public. As all of us know, this is not necessarily so.

Over 5 years ago Joseph Adams was attempting to prod the major airlines into low-cost air coach service as a means toward the goal of mass air transportation. At that time the irregular airlines had entered their fifth year of coach-type operations. In the year 1950 alone they had carried close to half a million passengers. In a famous dissent, Adams pointed out that to the extent of those half-million passengers the certificated airlines had failed to fulfill the requirements of the traveling public for low-priced airline service. To that extent they had not met their obligations under the Civil Aeronautics Act.

Adams pointed out that it was CAB's duty to see to it that service was provided. He strongly dissented from the Board's refusal to grant exemptions to one or more irregular carriers to provide transcontinental coach service under CAB control. At the time he wrote his opinion the great San Francisco-Oakland Bay area of California was completely without transcontinental certificated air-coach service after 5 years of aid-coach operation by the irregulars. Of the three largest transcontinental certificated airlines, two were offering a total of only two daily round trip coach flights and the third carrier offering none. As Adams pointed out with justifiable irony: "Under the majority decision in this case * * * these are the operators who are to develop and promote low-fare air coach and mass transportation travel across this country."

It was only with the greatest reluctance that the certificated airlines entered the field of air coach after fighting it for years. But air coach proved to be such a travel-stimulator that it now accounts for over 40 percent of all air travel, and the revenues have helped to get the major airlines off Federal subsidy. And Joseph Adams, the farsighted "father of aircoach," now gets his reward in the form of unceremonious dumping from the Civil Aeronautics Board.

For the first time in its 18-year history, the Civil Aeronautics Board is today conducting a general passenger fare investigation. That such an investigation is long overdue seems hardly necessary to say. As a matter of significant fact, such an investigation was started in 1952, but called off abruptly a year later. This reversal brought sharp dissent from Adams and fellow member Josh Lee, a former member of the Senate.

Incidentally, it has been brought out in testimony before the Subcommittee on Anti-Trust and Monopoly of the House Judiciary Committee just how the 1953 fare investigation happened to be called off. The vote was 3-2. The controlling vote was cast by member Harmar Denny—still a member of the CAB—who had voted for the investigation when it was initiated in 1952. Testimony showed that Mr. Denny's vote switch followed a visit from Mr. Stuart Tipton, at that time a lobbyist for, and now president of, the Air Transportation Association, the trade association of the certificated airlines.

One item which had originally prompted the investigation was the $1-per-ticket fare increase which the Board had granted the airlines in 1952. This increase, incidentally, was vehemently opposed by Adams. It has cost the air traveler close to $100 million in the last 4½ years.

In his 1953 dissent against calling off the fare investigation which has only recently been reinstituted under pressure from the Anti-Trust Subcommittee, Adams made this eminently sensible comment:

"For 14 years, although many thousands of individual fare changes have been filed by our air carriers, and although at various times basic methods of constructing air fares by them have been drastically altered, this Board has never investigated the overall fare structure of the air transportation industry to determin whether the charges made for passenger services by the air carriers are in fact reasonable. The effect of the majority decision here is to perpetuate this obvious vacuum in the work of the Civil Aeronautics Board and I refuse to be a party to such continued neglect of our statutory duty."

Many of us are familiar with the exorbitant rates charged by the international airlines in their worldwide flights. It will interest Members of the Senate to know that these fares are uniform among the airlines and are set by a global, cartel-like organization known as the International Air Transportation Association. These fare schedules are then presented as a fait accompli to the various national regulatory bodies and approval is generally a formality. In 1953 a number of these fare agreements—involving our own international airlines as well as those of foreign countries—were filed with CAB for approval. Despite pious expressions of concern by the CAB majority over transatlantic fare increases the new schedules were approved.

Joseph Adams, however, dissented—in 34 well-chosen words:

"In light of the increase in fares across the North Atlantic which appears to me to be completely unjustified, I dissent from the majority's approval of the resolutions adopted at the IATA Traffic Conferences."

Another Adams dissent, this one dated December 17, 1954, protested a trunkline's acquisition of a local service carrier and pointed out its possible significance. The merger had been approved by the Board majority. But Joe Adams, the public's servant on the CAB, had this to say:

"Adoption of the majority opinion here will inevitably lead to numerous future cases where other trunklines will attempt (and perhaps successfully) to change the characteristics of their route systems—not in the proper new route case forums, but through the simple expedient of buying out other local air service carriers. I cannot subscribe to any such program of chaos."

Perhaps Joseph Adams' most famous dissent was delivered in an enforcement action against North American Airlines, a group of irregular airlines whose management pioneered air coach service back in 1946. This enforcement action, which consisted of outright revocation of the carriers' operating authority, is now in the courts. In his dissent Adams pointed to the great contributions of the revoked airline both in terms of price and service, and declared:

"I view the present * * * enforcement case as simply another in a series of matters which can and should be decided in the best interests of our traveling public if we, as a matter of policy, wish to stress our promotional and developmental obligations; or which can be decided otherwise if we are overly concerned with exercising our regulatory powers. The majority, I believe, has adopted the latter course and certainly from the standpoint of the traveling public, either servicewise or pricewise, this decision is an unfortunate one."

It is true that the circuit court of appeals has affirmed the CAB order in this case. But the court simply upheld CAB's authority to act as it did, and declined to look into the serious economic and public interest issues raised in Adams' dissent. I understand an appeal will be taken to the Supreme Court.

On November 28, 1951, Adams showed his keen appreciation of justice and of legal proprieties when he dissented in an opinion covering a complex labor problem. Here, as a result of the merger of two airlines, conditions had to be imposed for the integration of seniority of the employees of the two lines. Adams protested the action of the Board compromising the strict length-of-service tests as the yardstick for seniority. He wrote:

"This method, in my opinion, is a dangerous precedent and will destroy any validity or interpretation presently associated with the phraseology length of service as used in labor contracts."

Another notable Adams dissent protested the abandonment of Philadelphia as an international airport.

No better example exists of the CAB's desire to court the favor of the certified airlines than the decision to abandon Philadelphia. Pan American and Trans World Airlines provided international service to Philadelphia, the third or fourth largest city in the United States. These carriers, knowing full well that Philadelphians traveling internationally would journey anyhow whether airplanes came to their airport or not, sought permission to abandon the international flights to that city. The Board granted them permission to suspend transatlantic service to Philadelphia in one of the feeblest justifications ever to come out of an agency which distributed over half a billion dollars in subsidies in 6 years. The Board pleaded that the cost to the Government, in the form of mail pay, was not warranted by the service. The cost to the Government would amount to $37,500 per year. To provide a metropolitan area of 4 million with international air service at the expenditure of such a sum, according to Member Adams, "appears not only reasonable but highly proper."

As a result of its restrictive practices the CAB has over the years become tethered to its own mistakes. Today it regards competition as an attack not on the certificated carriers, but on itself. Aviation has become a blue sky club, and the CAB is little more than the doorman who sees to it that nonmembers do not crash the exclusive preserves which are reserved for the charter members. And in the case of air transportation the only charter members are those of the class of 1938.

Joseph Adams, practically alone among the members of the CAB, seemed to realize that the Board had wantonly thrown away its finest and most effective regulatory instrument—the instrument of competition. The Board knows only the check reign. It never uses the spur. It keeps aviation at a walk, retarding, hobbling, stifling, holding back every attempt to broaden and expand aviation by the simple introduction of free competitive enterprise into this hothouse industry.

Joseph Adams' dissents as a member of the Civil Aeronautics Board stand as an airways beacon—pointing the way to much-needed competition in an essentially monopolistic industry. They stand also as a challenge to a Federal agency charged with regulations and development of air transportation in the public interest but which too often acts on behalf of narrow private interests.

The only crime of Joseph Adams—Marine pilot, CAB member, public servant—was his consistently-expressed belief that the air traveler deserved a better break than he was getting. For this heresy he has been cast down, and his public career has been sacrificed to the greed of entrenched interests which Congress has allowed the Civil Aeronautics Board to protect and defend.

The Committee on Interstate and Foreign Commerce, headed by the distinguished senior Senator from the State of Washington, has jurisdiction over the Civil Aeronautics Board. I fervently hope it will look very closely at the policies and practices of the CAB to determine how far it has strayed from carrying out the Congressional intent as expressed in the Civil Aeronautics Act of 1938. I should like to see it conduct a thoroughgoing examination of the CAB's historical refusal to admit new competition into the trunkline passenger field. It can begin such an examination when it receives from the White House the nomination of Joseph Adams' successor.

I earnestly hope the result will be an expression of congressional insistence that the things for which Joseph Adams stood—new competition and the encouragement of mass air transportation in the interests of the traveling public—were the things we had affirmatively in mind when we gave civil aviation its charter nearly 19 years ago.

SOME PRACTICES OF THE IDAHO POWER CO.

Mr. MORSE. Mr. President, I have before me an article by Ed Emerine, of the Boise Journal, dealing with some of the practices of the Idaho Power Co. I would not want anyone to think that my criticisms of the Idaho Power Co. are foreign to any point of view within the State of Idaho. Therefore, I ask unanimous consent to have printed at this point in the body of the RECORD, as a part of my remarks, the article in which Mr. Emerine brings out some very interesting things about the Idaho Power Co., and gives further proof in justification of the position the senior Senator from Oregon has taken in criticism of the policies of that company.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COMMENTS BY THE EDITOR

(By Ed Emerine)

It's your money Idaho Power will use. When T. E. Roach, president of Idaho Power Co., talks about "cash generation" and uses other confusing language to assure us poor suckers that "Idaho Power will pay back every cent of the taxes it owes," he makes sure that he doesn't get specific and spell it out in dollars and cents.

The ODM has just offered Idaho Power Co. a cash subsidy that will have to come out of your pocket—there's no other way to figure it. Using a defense certificate, IPCO will amortize its investment rapidly. The company will intercept the tax money which the consumer has paid. Instead of your tax money going into the Federal Treasury, it becomes "cash generation" for IPCO to be used as part of the financing of the low dams. As soon as actual power generation starts, your money will begin to earn a profit for the power company.

Then, to make up the deficit for not having received the tax money you have paid Idaho Power Co., the Federal Government—your Uncle Sam—will either raise taxes on you and everybody else, or borrow the money at interest, and the taxpayer—you, gentle reader—will pay again so that Idaho Power Co. can have an interest-free loan—of your money.

Mr. Roach brands all this as "distortion of fact and wholly misleading." He denies this slick deal will save Idaho Power Co. any money or relieve it of paying Federal taxes. There is, however, no assurance or guaranty that Idaho Power Co. will ever pay those back taxes. The deferral certificate is not a contract or note. It is an outright deduction and current tax forgiveness. How could any tax collector go through the power company's books 5 or 10 years from now and spot those forgiven millions of dollars? And you must remember that those millions were taken out of your pocketbook and bank account. And even if Idaho Power Co. wanted to pay those back taxes, all it could do would be to add them to your light and power bill so that you would pay the second time, while the rich and fat stockholders back East sit and clip coupons on IPCO stock. (You are also paying those coupon clippers, for an additional 6 percent or more is added to your light bill for that very purpose.)

Idaho Power Co. has been enjoying these writeoffs for years. It's time the whole mess was brought out into the light so the people can see what's happening.

Labor leader or Idaho Power, both are immoral. Senator WAYNE MORSE, of Oregon, pointed out in the United States Senate the other day that when a labor-union leader takes $200,000 or $400,000 "or X amount of dollars" for an interest-free loan to himself, he commits an act of immorality. And perhaps it is illegal, and the Internal Revenue boys will pour on the heat. But when the Eisenhower administration gives Idaho Power Co. an interest-free loan—not of thousands but of millions of dollars—it is perfectly legal, and Internal Revenue will do nothing about it.

Certainly the Office of Defense Mobilization had the right, under the law, to make this gift to Idaho Power Co.—at the taxpayers' expense. But, as Senator MORSE pointed out, it is an act of immorality.

The administration is putting its hands into the taxpayers' pockets to give this benefit of millions of dollars to Idaho Power Co. We agree with Senator MORSE when he says it is rotten. And perhaps there is no better word for it.

Just figure out what you will lose. Whether you live in Idaho, or Oregon, or Wyoming, or Alabama, or Kansas, the Hells Canyon bill in the House and Senate are important to you. If they do not pass, here are a few things the people of the United States—not just in Idaho and Oregon—will lose:

First of all, a great dam site—the greatest remaining dam site in the United States—one that should be developed for the good of all the people in the Nation.

Annually, you will lose 400,000 kilowatts of power. (You will get along with less electricity and pay more for it.) Lost also will be 3 million acre-feet of flood control and storage. Even the Eisenhower administration admits that, and is trying to find other sites to build other dams to make up for lost storage in case Idaho Power Co.'s small dams at Brownlee and Oxbow are built. Lost will be the recreational value of a big lake and more shoreline.

Getting right down to dollars and cents, here is another factor: If a high Hells Canyon Dam is built, it will provide electric energy at a lower cost than IPCO's small dams. In 50 years, the Hells Canyon project will pay back every cent put in it, and will not cost the taxpayers a dime. At the end of 50 years, the people will own it.

If Idaho Power Co. goes on with its deal, you will pay higher rates for 50 years—and at the end of a half-century of your paying and paying, you won't own a nut, bolt, wire, switch, or a piece of rock on Brownlee Dam. It will still belong to Idaho Power Co.

You have a vote on this project. You can be counted on one side or the other. You should vote on it. You can do it right now. Get a piece of paper and write your sentiments and your thoughts. Write to Senator HENRY DWORSHAK and Senator FRANK CHURCH. Address them "Senate Office Building, Washington, D. C." Write Representative HAMER BUDGE and Representative GRACIE PFOST. Address them "House Office Building, Washington, D. C." And write President Dwight D. Eisenhower, himself, the White House, Washington, D. C. Do this at once, for the Congress will vote on Hells Canyon during May.

Write a letter—write 5 or 6 of them. Or send postal cards. But do your duty now, so that generations to come will not be short-changed, too.

BUSINESS DEDUCTIONS BY UTILITY COMPANIES

Mr. MORSE. Mr. President, my attention has been called to an article that appeared in Sage, a newspaper published in Cactus, Ariz., on February 21. The author, Mrs. Lillian Stough, a sister of Mr. John Gilliland, president of the District of Columbia Congress of Parents and Teachers, and a former student of mine at the University of Minnesota, has some pointed remarks to make concerning the manner in which the huge private utility companies, through the use of educational advertisements, attempt to deceive the American people about the cost and the benefits received from full utilization of our great river basins, such as the Tennessee, the Missouri, and the Columbia.

At a time when economy is the watchword, perhaps my colleagues on the Finance Committee, in their never-ending search for additional revenues, might like to take a long look at this legitimate business deduction of the utility companies to see if here is a loophole that might, in the public interest, be sealed off.

To be frank about it, at the present time the public is paying the cost of these advertisements in large measure. The advertising, given the monopoly status of the private utility, can serve only the purpose of influencing a political decision.

I have no quarrel with the private power companies attempting to propagandize their point of view; I only question whether the public Treasury ought to bear the cost. By excluding such advertising from tax exemption in large part, these companies could then continue their program, but at a cost to their own dividend receivers, rather than, as at present, to the taxpayer.

Because of the provocative nature of the article, Mr. President, I ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EDITOR'S CORNER

(By Lillian Stough)

A crazy mixed-up argument is being handed out these days by the advertising brains of those so-called business-managed light and power companies. The line is being put out via full page ads in just about every national magazine that this writer has opened up lately.

"Are you aware of this strange use of your tax money?" the ad asks, and it makes the claim that your taxes are being used to help pay the electric bills for the people of Tennessee, who (and the ad doesn't mention this part of it) pay lower bills because of TVA.

Actually, the value to the entire Nation (including you) of such national defense essentials as TVA is incalculable. And actually they do pay their own way over a period of years.

But this is not exactly the point here.

Now, dear patrons of the local "business managed" light and power company, are you aware of this strange use of your money—that you used to pay your "business-managed"—and doubtlessly plenty high—electric bill? Who else is paying for these full page ads? Not the people of Tennessee, for sure. And your Government does not get any benefit out of it either, because advertising is a "legitimate" expense; it's deductible. If the private power companies pay a big tax, it's for one reason, and only one: their profits are big. And they are spending millions of your money to keep it that way. Every successful publicly owned power project is a threat, for the simple reason that through them the people learn that there might be a better way and a less costly one, to provide light and power than through franchised private monopolies. Of course, this is dangerous talk. People who engage in it get called names. And they very likely will not receive any of those nice juicy ads from the huge private combine of "business-managed light and power companies."

RADIATION HAZARDS

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a speech I made recently on the subject Radiation Hazards. In the speech I called for a cessation of the testing of hydrogen bombs, which in my judgment are jeopardizing the health of a great many people on this globe, to the detriment of the prestige of the United States.

Mr. President, at a later date I shall discuss this subject at greater length; but I should like to have this speech printed at this point in the RECORD, as a part of my remarks; and I wish to have printed along with my speech a letter I have received from Mr. Martin R. Haase, of Annapolis, Md.; and a Declaration of Conscience, by Albert Schweitzer, on the same subject, because I think the great religious leader and great humanitarian, Albert Schweitzer, is issuing a challenge to Christians around the world to put into practice, in connection with the testing of hydrogen bombs, what I consider to be great moral teachings.

There being no objection, the speech, letter, and article were ordered to be printed in the RECORD, as follows:

RADIATION HAZARDS

(Address by Senator MORSE over Oregon radio stations on May 4–May 10, 1957)

Fellow Oregonians, last fall perhaps the most far-reaching and profound issues that developed between the two presidential candidates and, to a large extent, between the Democratic and Republican Parties, was the question of continuing to explode nuclear weapons.

In a statesmanlike and humanitarian pronouncement, Adlai Stevenson called upon the American Government last year to take the initiative in ending nuclear explosions so that mankind might be spared the dreadful effects of radioactivity released by nuclear explosions.

I joined in making that appeal because I fear the consequences of pursuing a policy in the name of national security whose results can be just as terrifying as the threat we think we are guarding against; for the effects of increased radioactive elements in the atmosphere and eventually in our water and food are insidious. Make no mistake about it. They are real threats to our health.

Radiation diseases are primarily diseases of the blood whose effect upon the individual is slow but very deadly. More devastating is the effect of radiation upon future generations. Reproductive cells are particularly vulnerable to radiation, even when the individual's health is not otherwise impaired. We know enough about genetics to know that damage to these cells can be and often is, revealed in succeeding generations.

Because the administration opposed any change in the American policy of testing our hydrogen bombs periodically, no action was taken to end the tests. Subsequently, the Russians have held their own tests of nuclear bombs in Siberia, the traces of which are easily detected in Japan and even in the United States.

Following the most recent Russian tests, the Japanese radio has been warning the public that the atmosphere was rapidly becoming contaminated from Soviet tests, and advising housewives to boil drinking water and wash all fresh fruits and vegetables.

Two very important voices have been raised this last month that have pointed up the seriousness of radioactive fallout from nuclear-bomb tests. The first was that of Dr. Matsushita, a personal representative of the Japanese Prime Minister, whose mission has been to urge a halt in these tests in conferences with Government officials. He is speaking on behalf of the Japanese people, who are experiencing the aftereffects of the only two atomic bombs dropped on inhabited areas as well as the effects of experimental explosions.

Dr. Matsushita said: "If the United States continues the tests, it would lose its moral influence in Asia."

Another great world leader has spoken. Pope Pius has voiced his great sympathy for what Dr. Matsushita is trying to accomplish. As he did at Christmas of 1955 and in his Easter message this year, the Pope warned mankind against the destructive power of nuclear weapons. "In the case of natural disaster," the Pope told the Japanese envoy, "one cannot but bow before what happens at the command of the Almighty. But if catastrophe were to occur by man's perverse will for domination—with all the reprisals implied in it—how could such action not be condemned by every righteous soul?"

Another strong protest against any more nuclear tests came recently from the great religious leader, humanitarian, and winner of the Nobel peace prize, Dr. Albert Schweitzer. In an appeal broadcast to 50 nations of the world, Dr. Schweitzer described some of the serious effects of radioactive particles upon human health and on future generations. "It must be remembered," he said, "that even the weakest of internal radiation can have harmful effects on our descendants."

"From official and unofficial sources we have been assured time and time again," said Dr. Schweitzer, "that the increase in radioactivity of the air does not exceed the amount which the human body can tolerate without any harmful effects. This is just evading the problem. Even if not directly affected by the radioactive material in the air, we are indirectly affected through that which has fallen down, is falling down, and will fall down.

"None of the radioactivity of the air, brought into existence by the exploding of atom bombs," says Dr. Schweitzer, "is so unimportant that it may not, in the long run, become a danger to us through increasing the amount of radioactivity stored in our bodies."

The administration, speaking through our Secretary of State, Mr. Dulles, has rejected the pleas that we stop our own testing of nuclear weapons and challenge the Soviet Union to do the same. Mr. Dulles says the ending of nuclear tests now is—and I quote him—"impractical." He takes the view, and he so states in his most recent press conference, that present testing does not appear to have any appreciable effect upon the health situation, and until scientific evidence becomes more conclusive on the point, this Government will continue its experiments as needed, or until international control of these weapons is assured.

I say to the Secretary of State that such a narrow view of the national safety is not enough. The introduction of uranium and hydrogen explosives into warfare demands a new vision and foresight on the part of our national leadership. What will we have saved, if, by proving that we can match the Soviet Union in nuclear weapons, we and the Russians set loose radioactivity that increases the incidence of cancerous bone and blood diseases and produces mutation in human reproduction that alters the human race?

It is quite true that the present scientific evidence is not conclusive as to the effects of the radioactivity released by the present rate of bomb testing. This is primarily because the evidence will not be in, for final evaluation, until tens and hundreds of years from now, when present life spans have had time to show the effects of increased radiation and when future generations have been born.

One of the most authoritative scientific voices raised in support of suspension of tests has been that of Doctor William Neuman, a professor of biochemistry who heads a research project in this field for the Atomic Energy Commission. Doctor Neuman has said that it will take at least 10 years to discover how much cancer and leukemia will be caused by the deadly radioactive strontium which has been released by nuclear explosions. Pointing out that there is presently no treatment at all for the kind of bone cancer induced by radioactive strontium, Doctor Neuman has warned that a point of no return may be reached by heedless dumping of this element in the atmosphere.

Another warning has come from a Nobel prize-winning geneticist, Doctor H. J. Muller of the University of Indiana. He takes issue with a report by the Atomic Energy Commission which minimized the effects of radiation on unborn generations. Doctor Muller has asserted that "attempts in high places" to deny the damaging hereditary effects of radiation from atomic tests has weakened public morale and led to defeatist propaganda.

The upshot of these warnings has been a series of resolutions passed by the Federation of American Scientists, calling for an immediate worldwide agreement banning any further bomb tests. On many occasions, outstanding scientists in the fields of physics, genetics, and biochemistry have directed similar appeals, both as groups and as individuals, to the United Nations and to the governments doing the testing, urging that they stop.

They are entirely willing to concede to Secretary Dulles and to Admiral Strauss of the Atomic Energy Commission, who has scoffed at these dangers from the tests, that scientific knowledge of the effect of radiation on human life is incomplete, and that no definite conclusions can yet be reached about where the danger point really lies.

But they are worried about it, and worried enough to raise their voices against a continuation of tests until we do know just where the danger level is.

A few days ago, our spokesman in the disarmament talks taking place in London, Mr. Harold Stassen, stopped off at the Augusta golf course to report to the President on the progress being made toward disarmament. There has been some reason to feel that progress has been made in these talks. Since the danger we are risking now by continuing the tests is very real, and could mean the ruin of future generations, I would call upon the American Government to give a new impetus to disarmament by halting its nuclear test explosions right now, and challenging the Soviets to do the same. Development of our weapons can continue—and I certainly want it to continue—without their being detonated. And such an announcement by us would put the Soviet Union in the position of continuing them alone, in face of worldwide religious and scientific objections and in the face of worldwide public opinion. It could well mean the tests would be stopped entirely, by everyone.

This is not a matter in which the security interest of one generation of Americans can take precedence over all other considerations. When we are warned by such great religious and spiritual leaders as Pope Pius and Doctor Schweitzer that we are tempering with the forms of human beings and threatening all future life, we must stop, look and listen.

That is why I wired every major American radio and television network to urge that the Schweitzer statement be reported in full to the American people. A cessation of bomb tests by this country would be in keeping with the highest American tradition. It could mean the salvation of future generations, and would not, in my judgment, expose the American people to any threat of Soviet superiority of weapons so long as we continue our research and development.

As Schweitzer has said, to fail to consider the importance of increased radioactivity and its consequences would be a folly for which humanity would have to pay a terrible price. The American Nation must do everything within its power to lead humanity away from such a folly.

Fellow Oregonians, I have raised this very vital issue on this broadcast today because it gives you a good example of the type of problem that has to confront me as a member of the Foreign Relations Committee of the Senate. And I ask you the question, What would you do about this problem? Because, you see, here is an issue that demonstrates very clearly what I have said so many times in Oregon when I have urged you to support me only if you want me free to exercise an honest independence of judgment on the facts as I find them. And so, on this issue, as a member of the Foreign Relations Committee, I have before me a whole body of scientific data and information. I have before me the views of many scientists. And the interesting thing is that, uniformly they have urged that we consider the danger of radioactivity.

On the other side we have the military point of view. We have the political view of those that seem to think that we've got to continue to make these tests in order to scare Russia. But the fact is that Russia is making the tests too. And what I think we ought to do is follow where the scientific facts lead. And from the standpoint of the scientific facts in my judgment there is no moral obligation on the part of this administration to continue these tests. In fact, I think the continuation of these tests cannot be justified on the grounds of morality. And I think as a great religious nation we have the duty to follow the scientific facts, and we ought to be exercising world leadership in insisting that all

nations: the United States, Great Britain, France, Russia and all other nations, stop the testing of nuclear bombs in order to give assurance that future generations of boys and girls will not have their health ruined by a shortsighted course of action in our generation by a stubborn insistence that, in the name of military security, we continue to test these weapons and endanger the health of the world.

ANNAPOLIS, MD., *May 7, 1957.*

Senator WAYNE MORSE,
Washington, D. C.

DEAR SENATOR MORSE: You are to be commended for your efforts to get the press and radio to carry Dr. Schweitzer's appeal to stop nuclear weapons tests. I think the menace of radiation damage to the human race is the most important issue today. It transcends all other matters which may seem big at the moment but are insignificant in the long term view.

Perhaps you have already done so, but I think the full text of Dr. Schweitzer's message should be read to the Congress and become part of the CONGRESSIONAL RECORD. I would be happy to contribute $25 to help defray the cost of printing copies so they could be distributed to arouse the public from its apathy.

Respectfully yours,

MARTIN R. HAASE.

[From the Saturday Review of May 18, 1957]

A DECLARATION OF CONSCIENCE

(By Albert Schweitzer)

Since March 1, 1954, hydrogen bombs have been tested by the United States at the Pacific island of Bikini in the Marshall group and by Soviet Russia in Siberia. We know that testing of atomic weapons is something quite different from testing of nonatomic ones. Earlier, when a new type of giant gun had been tested, the matter ended with the detonation. After the explosion of a hydrogen bomb that is not the case. Something remains in the air, namely, an incalculable number of radioactive particles emitting radioactive rays. This was also the case with the uranium bombs dropped on Nagasaki and Hiroshima and those which were subsequently tested. However, because these bombs were of smaller size and less effectiveness compared with the hydrogen bombs, not much attention was given to this fact.

Since radioactive rays of sufficient amount and strength have harmful effects on the human body, it must be considered whether the radiation resulting from the hydrogen explosions that have already taken place represents a danger which would increase with new explosions.

In the course of the 3½ years that have passed since then [the test explosions of the early hydrogen bombs] representatives of the physical and medical sciences have been studying the problem. Observations on the distribution, origin, and nature of radiation have been made. The processes through which the human body is harmfully affected have been analyzed. The material collected, although far from complete, allows us to draw the conclusion that radiation resulting from the explosions which have already taken place represents a danger to the human race—a danger not to be underrated—and that further explosions of atomic bombs will increase this danger to an alarming extent.

This conclusion has repeatedly been expressed, especially during the last few months. However, it has not, strange to say, influenced public opinion to the extent that one might have expected. Individuals and peoples have not been aroused to give to this danger the attention which it unfortunately deserves. It must be demonstrated and made clear to them.

I raise my voice, together with those of others who have lately felt it their duty to act, through speaking and writing, in warning of the danger. My age and the generous understanding so many people have shown of my work permit me to hope that my appeal may contribute to the preparing of the way for the insights so urgently needed.

My thanks go to the radio station in Oslo, the city of the Nobel Peace Prize, for making it possible for that which I feel I have to say to reach far-off places.

What is radioactivity?

Radioactivity consists of rays differing from those of light in being invisible and in being able to pass not only through glass but also through thin metal discs and through layers of cell tissue in the human and animal bodies. Rays of this kind were first discovered in 1895 by the physicist Wilhelm Röentgen of Munich, and were named after him.

In 1896 the French physicist Henry Becquerel demonstrated that rays of this kind occur in nature. They are emitted from uranium, an element known since 1786.

In 1898 Pierre Curie and his wife discovered in the mineral pitchblende, a uranium ore, the strongly radioactive element radium.

The joy caused by the fact that such rays were at the disposal of humanity was at first unmixed. It appeared that they influence the relatively rapidly growing and relatively rapidly decaying cells of malignant tumors and sarcomas. If exposed to these rays repeatedly for a longer period, some of the terrible neoplasms can be destroyed.

After a time it was found, however, that the destruction of cancer cells does not always mean the cure of cancer and also, that the normal cells of the body may be seriously damaged if long exposed to radioactivity.

When Mme. Curie, after having handled uranium ore for 4 years, finally held the first gram of radium in her hand there appeared abrasions in the skin which no treatment could cure. With the years she grew steadily sicker from a disease caused by radioactive rays which damaged her bone marrow and through this her blood. In 1934 death put an end to her suffering.

Even so, for many years we were not aware of the grave risks involved in X-rays to those constantly exposed to them. Through operating X-ray apparatus thousands of doctors and nurses have incurred incurable diseases.

Radioactive rays are material things. Through them the radioactive element constantly and forcefully emits tiny particles of itself. There are three kinds. They are named after the three first letters of the Greek alphabet, alpha, beta, gamma. The gamma rays are the hardest ones and have the strongest effect.

The reason why elements emit radioactive rays is that they are in a continuous state of decaying. The radioactivity is the energy liberated little by little. There are other elements besides uranium and radium which are radioactive. To the radiation from the elements in the earth is added some radiation from space. Fortunately, the air mass 400 kilometers high that surrounds our earth protects us against this radiation. Only a very small fraction of it reaches us.

We are, then, constantly being exposed to radioactive radiation coming from the earth and from space. It is so weak, however, that it does not hurt us. Stronger sources of radiation, as for instance X-ray machines and exposed radium, have, as we know, harmful effects if one is exposed to them for some time.

The radioactive rays are, as I said, invisible. How can we tell that they are there and how strong they are?

Thanks to the German physicist, Hans Geiger, who died in 1945 as a victim to X-rays, we have an instrument which makes that possible. This instrument is called the Geiger counter; it consists of a metal tube containing rarefied air. In it are two metal electrodes between which there is a high potential. Radioactive rays from the outside affect the tube and release a discharge between the two electrodes. The stronger the radiation the quicker the discharges follow one another. A small device connected to the tube makes the discharge audible. The Geiger counter performs a veritable drum-roll when the discharges are strong.

There are two kinds of atom bombs—uranium bombs and hydrogen bombs. The effect of a uranium bomb is due to a process which liberates energy through the fission of uranium. In the hydrogen bomb the liberation of energy is the result of the transformation of hydrogen into helium.

It is interesting to note that this latter process is similar to that which takes place in the center of the sun, supplying it with the self-renewing energy which it emits in the form of light and heat.

In principle, the effect of both bombs is the same. But according to various estimates the effect of one of the latest hydrogen bombs is 2,000 times stronger than the one which was dropped on Hiroshima.

To these two bombs has recently been added the cobalt bomb, a kind of super atom bomb. It is a hydrogen bomb surrounded by a layer of cobalt. The effect of this bomb is estimated to be many times stronger than that of hydrogen bombs that have been made so far.

The explosion of an atom bomb creates an unconceivably large number of exceedingly small particles of radioactive elements which decay like uranium or radium. Some of these particles decay very quickly, others more slowly, and some of them extraordinarily slowly. The strongest of these elements cease to exist only 10 seconds after the detonation of the bomb. But in this short time they may have killed a great number of people in a circumference of several miles.

What remains are the less powerful elements. In our time it is with these we have to contend. It is of the danger arising from the radioactive rays emitted by these elements that we must be aware.

Of these elements some exist for hours, some for weeks, or months, or years, or millions of years, undergoing continuous decay. They float in the higher strata of air as clouds of radioactive dust. The heavy particles fall down first. The lighter ones will stay in the air for a longer time or come down with rain or snow. How long it will take before everything carried up in the air by the explosions which have taken place till now has disappeared no one can say with any certainty. According to some estimates, this will be the case not earlier than 30 or 40 years from now.

When I was a boy I witnessed how dust hurled into the air from the explosion in 1883 of the island Krakatoa in the Sunda group was noticeable for 2 years afterward to such an extent that the sunsets were given extraordinary splendor by it.

What we can state with certainty, however, is that the radioactive clouds will constantly be carried by the winds around the globe and that some of the dust, by its own weight, or by being brought down by rain, snow, mist, and dew, little by little, will fall down on the hard surface of the earth, into the rivers, and into the oceans.

Of what nature are these radioactive elements particles of which were carried up in the air by the explosion of atom bombs and which are now falling down again?

They are strange variants of the usual nonradioactive elements. They have the same chemical properties, but a different atomic weight. Their names are always accompanied by their atomic weights. The same element can occur in several radioactive variants. Besides iodine 131, which lives for 16 days only, we have iodine 129, which lives for 200 million years.

Dangerous elements of this kind are: Phosphorus 32, calcium 45, iodine 131, iron

55, bismuth 210, plutonium 239, cerium 144, strontium 89, caesium 137. If the hydrogen bomb is covered by cobalt, cobalt 60 must be added to the list.

Particularly dangerous are the elements combining long life with a relatively strong efficient radiation. Among them strontium 90 takes the first place. It is present in very large amounts in the radioactive dust. Cobalt 60 must also be mentioned as particularly dangerous.

The radioactivity in the air, increased through these elements, will not harm us from the outside, not being strong enough to penetrate the skin. It is another matter with respiration, through which radioactive elements can enter our bodies. But the danger which has to be stressed above all the others is the one which arises from our drinking radioactive water and our eating radioactive food as a consequence of the increased radioactivity in the air.

Following the explosions of Bikini and Siberia rain falling over Japan has, from time to time, been so radioactive that the water from it cannot be drunk. Not only that: Reports of radioactive rainfall are coming from all parts of the world where analyses have recently been made. In several places the water has proved to be so radioactive that it was unfit for drinking.

Wellwater becomes radioactive to any considerable extent only after longer periods of heavy rainfall.

Wherever radioactive rainwater is found the soil is also radioactive—and in a higher degree. The soil is made radioactive not only by the downpour, but also from radioactive dust falling on it. And with the soil the vegetation will also have become radioactive. The radioactive elements deposited in the soil pass into the plants, where they are stored. This is of importance, for as a result of this process it may be the case that we are threatened by a considerable amount of radioactive elements.

The radioactive elements in grass, when eaten by animals whose meat is used for food, will be absorbed and stored in our bodies.

In the case of cows grazing on contaminated soil, the absorption is effected when we drink their milk. In that way small children run an especially dangerous risk of absorbing radioactive elements.

When we eat contaminated cheese and fruits the radioactive elements stored in them are transferred to us.

What this storing of radioactive material implies is clearly demonstrated by the observations made when, on one occasion, the radioactivity of the Columbia River in North America was analyzed. The radioactivity was caused by the atomic plants at Hanford, which produce plutonium for atomic bombs and which empty their waste water into the river. The radioactivity of the river water was insignificant. But the radioactivity of the river plankton was 2,000 times higher, that of the ducks eating plankton 40,000 times higher, that of the fish 15,000 times higher. In young swallows fed on insects caught by their parents in the river the radioactivity was 500,000 times higher, and in the egg yolks of water birds more than 1 million times higher.

From official and unofficial sources we have been assured, time and time again, that the increase in radioactivity of the air does not exceed the amount which the human body can tolerate without any harmful effects. This is just evading the issue. Even if we are not directly affected by the radioactive material in the air, we are indirectly affected through that which has fallen down, is falling down, and will fall down. We are absorbing this through radioactive drinking water and through animal and vegetable foodstuffs, to the same extent as radioactive elements are stored in the vegetation of the region in which we live. Unfortunately for us, nature hoards what is falling down from the air.

None of the radioactivity of the air, created by the explosion of atom bombs, is so unimportant that it may not, in the long run, become a danger to us through increasing the amount of radioactivity stored in our bodies.

What we absorb of radioactivity is not spread evenly in all cellular tissue. It is deposited in certain parts of our body, particularly in the bone tissue and also in the spleen and in the liver. From those sources the organs which are especially sensitive to it are exposed to radiation. What the radiation lacks in strength is compensated for by time. It works day and night without interruption.

How does radiation affect the cells of an organ?

Through being ionized, that is to say, electrically charged: This change means that the chemical processes which make it possible for the cells to do their job in our body no longer function as they should. They are no longer able to perform the tasks which are of vital importance to us. We must also bear in mind that a great number of the cells of an organ may degenerate or die as a result of radiation.

What are the diseases caused by internal radiation? The same diseases that are known to be caused by external radiation.

They are mainly serious blood diseases. The cells of the red bone marrow, where the red and the white blood corpuscles are formed, are very sensitive to radioactive rays. It is these corpuscles, found in great numbers in the blood, which make it possible for it to play such an important part. If the cells in the bone marrow are damaged by radiation they will produce too few or abnormal, degenerating blood corpuscles. Both cases lead to blood diseases and, frequently, to death. These were the diseases that killed the victims of X-rays and radium rays.

It was one of these diseases that attacked the Japanese fishermen who were surprised in their vessel by radioactive ashes falling down 240 miles from Bikini after the explosion of a hydrogen bomb. With one exception, they were all saved, being strong and relatively mildly affected, through continuous blood transfusions.

In the cases cited the radiation came from the outside. It is unfortunately very probable that internal radiation affecting the bone marrow and lasting for years will have the same effect, particularly since the radiation goes from the bone tissue to the bone marrow. As I have said, the radioactive elements are by preference stored in the bone tissue.

Not our own health only is threatened by internal radiation, but also that of our descendants. The fact is that the cells of the reproductive organs are particularly vulnerable to radiation which in this case attacks the nucleus to such as extent that it can be seen in the microscope.

To the profound damage of these cells corresponds a profound damage to our descendants. It consists in stillbirths and in the births of babies with mental or physical defects.

In this context also, we can point to the effects of radiation coming from the outside.

It is a fact—even if the statistical material being published in the press needs checking—that in Nagasaki, during the years following the dropping of the atom bomb, an exceptionally high occurrence of stillbirths and of deformed children was observed.

In order to establish the effect of radioactive radiation on posterity, comparative studies have been made between the descendants of doctors who have been using X-ray apparatus over a period of years and descendants of doctors who have not. The material of this study comprises about 3,000 doctors in each group. A noticeable difference was found. Among the descendants of radiologists a percentage of stillbirths of 1.403 was found, while the percentage among the nonradiologists were 1.222.

In the first group 6.01 percent of the children had congenital defects, while only 4.82 percent in the second.

The number of healthy children in the first group was 80.42 percent; the number in the other was significantly higher; viz, 83.23 percent.

It must be remembered that even the weakest of internal radiation can have harmful effects on our descendants.

The total effect of the damage done to descendants of ancestors who have been exposed to radioactive rays will not, in accordance with the laws of genetics, be apparent in the generations coming immediately after us. The full effects will appear only 100 or 200 years later.

As the matter stands we cannot at present cite cases of serious damage done by internal radiation. To the extent that such radiation exists it is not sufficiently strong and has not lasted long enough to have caused the damage in question. We can only conclude from the harmful effects known to be caused by external radiation to those we must expect in the future from internal radiation.

If the effect of the latter is not as strong as that of the former, it may become so, through working little by little and without interruption. The final result will be the same in both cases.

Their effects add up.

We must also remember that internal radiation does not have to, in contrast to that coming from the outside, penetrate layers of skin, tissues, and muscles to hit the organs. It works at close range and without any weakening of its force.

When we realize under what conditions the internal radiation is working, we cease to underrate it. Even if it is true that, when speaking of the dangers of internal radiation, we can point to no actual case, only express our fear, that fear is so solidly founded on facts that it attains the weight of reality in determining our attitude. We are forced to regard every increase in the existing danger through further creation of radioactive elements by atom-bomb explosions as a catastrophe for the human race, a catastrophe that must be prevented.

There can be no question of doing anything else, if only for the reason that we cannot take the responsibility for the consequences it might have for our descendants.

They are threatened by the greatest and most terrible danger.

That radioactive elements created by us are found in nature is an astounding event in the history of the earth and of the human race. To fail to consider its importance and its consequences would be a folly for which humanity would have to pay a terrible price. We are committing a folly in thoughtlessness. It must not happen that we do not pull ourselves together before it is too late. We must muster the insight, the seriousness, and the courage to leave folly and to face reality.

This is at bottom what the statesmen of the nations producing atomic bombs are thinking, too. Through the reports they are receiving they are sufficiently informed to form their own judgments, and we must also assume that they are alive to their responsibility.

At any rate, America and Soviet Russia and Britain are telling one another again and again that they want nothing more than to reach an agreement to end the testing of atomic weapons. At the same time, however, they declare that they cannot stop the tests as long as there is no such agreement.

Why do they not come to an agreement? The real reason is that in their own countries there is no public opinion asking for it. Nor is there any such public opinion in other

countries, with the exception of Japan. This opinion has been forced upon the Japanese people because, little by little, they will be hit in a most terrible way by the evil consequences of all the tests.

An agreement of this kind presupposes reliability and trust. There must be guaranties preventing the agreement from being signed by anyone intending to win important tactical advantages foreseen only by him.

Public opinion in all nations concerned must inspire and accept the agreement.

When public opinion has been created in the countries concerned and among all nations, an opinion informed of the dangers involved in going on with the tests and led by the reason which this information imposes, then the statesmen may reach an agreement to stop the experiments.

A public opinion of this kind stands in no need of plebiscites or of forming of committees to express itself. It works through just being there.

The end of further experiments with atom bombs would be like the early sunrays of hope which suffering humanity is longing for.

Mr. MORSE. I cannot bring myself to give continued support, in the name of defense, to a hydrogen-bomb policy which I have become satisfied is not only endangering the lives of millions of innocent people, but may very well mar the lives of future generations.

ADJOURNMENT TO MONDAY

Mr. JOHNSON of Texas. Mr. President, pursuant to the order previously entered, I move that the Senate stand in adjournment until Monday next at 12 o'clock noon.

The motion was agreed to; and (at 7 o'clock and 13 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, to Monday, May 27, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 23, 1957:

DIPLOMATIC AND FOREIGN SERVICE

Ivan B. White, of Washington, now a Foreign Service officer of class 1 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

The following-named persons, now Foreign Service officers of class 2 and secretaries in the diplomatic service, to be also consuls general of the United States of America:

W. Wendell Blancké, of New York.
Olcott H. Deming, of Connecticut.

The following-named persons for appointment as Foreign Service officers of class 2 consuls, and secretaries in the diplomatic service of the United States of America:

Eric E. Oulashin, of Maryland.
Philip Raine, of the District of Columbia.

The following-named persons, now Foreign Service officers of class 3 and secretaries in the diplomatic service, to be also consuls general of the United States of America:

William C. Affeld, Jr., of New Jersey.
Mervyn V. Pallister, of Michigan.

Thomas W. Simons, Sr., of the District of Columbia.

Charles D. Withers, of South Carolina.

Knox Lamb, of Mississippi, for appointment as a Foreign Service officer of class 3, a counsel, and a secretary in the diplomatic service of the United States of America.

The following-named persons for appointment as Foreign Service officers of class 4, consuls, and secretaries in the diplomatic service of the United States of America:

Roger G. Gifford, of Virginia.
Hugh C. Reichard, of California.
Edward H. Widdifield, of California.

Robert H. Miller, of Washington, for promotion from Foreign Service officer of class 6 to class 5 and to be also a consul of the United States of America.

The following-named persons for appointment as Foreign Service officers of class 5, consuls, and secretaries in the diplomatic service of the United States of America:

Miss Doris Meltana Luellen, of California.
Miss Josephine D. Wharton, of Florida.
Thomas A. Fain, of Oklahoma.

Robert E. Barbour, of Tennessee, now a Foreign Service officer of class 6 and a secretary in the diplomatic service, to be also a consul of the United States of America.

The following-named persons for appointment as Foreign Service officers of class 6, vice consuls of career and secretaries in the diplomatic service of the United States of America:

Dwight M. Cramer, of Nebraska.
Frank D. Durfey, of Minnesota.
Andrew J. Fink III, of California.
Richard Forschner, of New Jersey.
Miss Ellen Gavrisheff, of Texas.
Ralph M. Kearney, of Illinois.
George A. Mailloux, Jr., of Rhode Island.
Mrs. Louise deCourcy O'Grady, of Florida.
Miss Geraldine M. Oliva, of Oregon.
John H. Seate, of Texas.
Miss Eleanor M. Shields, of California.
Joseph Terranova, Jr., of Maryland.

The following-named persons for appointment as Foreign Service officers of class 8, vice consuls of career and secretaries in the diplomatic service of the United States of America:

George A. Anderson, of Iowa.
Michael S. Bank, of New York.
Richard C. Barnum, of Ohio.
Richard D. Belt, of Ohio.
Robert O. Blucker, of California.
Michael P. Boerner, of Maryland.
Miss Kathleen C. Bruguiere, of California.
Thomas B. Cummings, of California.
Ralph Estling, of California.
Miss Alta F. Fowler, of Virginia.
Rogelio Garcia, of New York.
James L. Gorman, of Oregon.
John T. Haldane, of the District of Columbia.
Ashley C. Hewitt, Jr., of California.
William P. Keasbey, Jr., of California.
Lowell C. Kilday, of Wisconsin.
Robert A. Krier, of New York.
Nelson C. Ledsky, of Ohio.
Perry W. Linder, of California.
W. Douglas McLain, Jr., of Illinois.
Miss Barbara J. Marvin, of California.
Noble M. Melencamp, of Kansas.
Alan C. Mencher, of California.
James K. Powell, of Texas.
Kenneth N. Rogers, of New York.
Peter Sebastian, of New York.
John P. Shumate, Jr., of California.
Herbert D. Swett, of California.
John J. Taylor, of Tennessee.
Richard H. Thompson, of Indiana.
John T. Vanderveen, of California.
Donald B. Wallace, Jr., of Indiana.
Leonard A. Warren, of California.
Alfred J. White, of the District of Columbia.
Edward E. Wright, of Lousiana.

The following-named Foreign Service staff officers to be consuls of the United States of America:

Joe B. Cox, of Ohio.
John C. Donnell, Jr., of Washington.
N. Marbury Efimenco, of Michigan.
Clyde J. Hanna, of California.
William J. Herget, of Maryland.
Wilford J. Kramer, of Illinois.
James M. McDonald, Jr., of New Jersey.
Roger P. Ross, of California.

The following-named Foreign Service reserve officers to be consuls of the United States of America:

Orville H. Bathe, of California.
Donald C. Ide, of Washington.
Sanford S. Marlowe, of Virginia.
William Grant Parr, of Nebraska.
Samuel R. Sanders, Jr., of Virginia.

The following-named Foreign Service reserve officers to be vice consuls and secretaries in the diplomatic service of the United States of America:

Duane A. Rames, of Virginia.
Harold M. Young, Jr., of California.

The following-named Foreign Service reserve officers to be vice consuls of the United States of America:

Robert G. Brewster, of Illinois.
Robert K. Heathman, of Florida.
Alfred Scheip, of Missouri.
Alvin L. Smith, Jr., of Florida.

The following-named Foreign Service reserve officers to be secretaries in the Diplomatic Service of the United States of America:

John E. Baker, of Virginia.
George W. Edman, of Massachusetts.
Frank F. Friberg, of Massachusetts.
Maurice J. Gremillion, of Texas.
John H. Leavitt, of Virginia.
Joseph F. McEvoy, of Florida.
John P. McKnight, of North Carolina.
William E. Nelson, of New York.
Bruce T. Odell, of Massachusetts.
Miss Evelyn M. Schwarztrauber, of Illinois.
Howard E. Stone, of California.
Maurice F. W. Taylor, of California.
Ghosn J. Zogby, of Virginia.

CONFIRMATIONS

Executive nominations confirmed by the Senate Thursday, May 23, 1957:

DEPARTMENT OF THE NAVY

J. Sinclair Armstrong, of Illinois, to be an Assistant Secretary of the Navy.

UNITED NATIONS

Harold M. Randall, of Iowa, to be the representative of the United States of America to the seventh session of the Economic Commission for Latin America of the Economic and Social Council of the United Nations.

PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service subject to qualifications therefor as provided by law and regulations (for appointment):

To be senior surgeons

Henry C. Huntley
Kazumi Kasuga

To be senior assistant surgeon

Edward V. Evarts

To be senior scientists

F. Earle Lyman
George W. Pearce

To be senior assistant scientist

Alfred L. Brophy, Jr.

To be senior assistant nurse officer

Ava S. Dilworth

The following candidates for personnel action in the Regular Corps of the Public Health Service:

To be senior assistant surgeons

James N. Windblad
John R. Lapp
John F. Commerford
Irving Mauer

Charles M. Bowyer
Samuel C. Alexander, Jr.
Bernard Kliman
John R. M. Phelan
C. Hunter Montgomery
Jack C. Robertson

To be assistant surgeons

Philip H. Geisler
Ellsworth Y. Ching
Ferdinand R. Hassler, Jr.
George H. Christ
Joseph M. Torruella
S. Ross Fox, Jr.
Kenneth N. Beers
David N. Smiley
Stanley R. Mohler
Richard I. Myers

To be senior assistant scientist

Thomas M. Asher.

To be senior assistant nurse officer

Catherine Wegner.

The following candidates for personnel action in the Regular Corps of the Public Health Service, subject to qualifications therefor as provided by law and regulations:

To be senior surgeon

Emil E. Palmquist.

To be senior assistant surgeons

Ernest E. Musgrave.
Aubrey F. Haynes.

To be assistant dental surgeon

James W. Miller.

To be senior scientist

Richard A. Ormsbee.

To be medical directors

Leland A. Hanchett
Fred Morse
Edgar W. Moreland
Paul T. Erickson
Ralph B. Hogan
Glenn S. Usher
Robert R. Smith
Robert L. Zobel
Travis P. Burroughs
Harry Heimann
Robert L. Cherry
Henry W. Kassell
R. Frank Reider
John B. Vander
Isidor Abrahamer
Welby W. Bigelow
Lewis H. Hoyle
Michael B. Shimkin
Joseph C. Sturgell
Benno K. Milmore
William J. Brown
Benjamin Highman
Daniel J. Daley
George F. Ellinger
John F. Oesterle
Gabriel P. Ferrazzano
Joseph H. Gerber
Horace De Lien
Clarence L. P. Hebert
Leslie W. Knott
Robert J. Anderson
William H. Stimson
William S. Baum
Kenneth W. Chapman

To be senior surgeons

Wayland J. Hayes, Jr.
Leonard T. Kurland
Thomas A. Burch
Alan D. Miller
Louis B. Thomas
Robert B. Dorsen
Robert P. Grant
Wilton M. Fisher
Richard S. Yocum
Murray C. Brown
Roy P. Lindgren
Robert H. Dysinger
Vincent E. Price
Robert B. Neu
Robert M. Farrier
Stewart M. Sessoms
Sheldon Dray
Donald Harting
Henry D. Smith
Henry C. Savage
Charles E. Smith

To be surgeons

Leslie T. McClinton
G. Gilbert Ashwell
Winthrop E. Hoyle
Tracy Levy
Sarah E. Stewart
Kamehameha K. Wong
Ernest C. Siegfried
John M. Buchness
Lester R. Nagel
John J. Walsh
Joseph A. Gallagher
Alexis I. Shelokov
Mirriam D. Manning
Maurice L. Sievers
Clermont S. Powell
Robert N. Phillip
John K. Irion
Agamemnon Despopoulos
John M. Lynch
Calvin R. MacKay
Joseph E. Jack
Daniel Steinberg
George W. Metcalf
William H. Stewart
Harry Y. Spence

To be senior assistant surgeons

Elbert E. Hines
John F. Ice
C. Lowell Edwards
Roy E. Tolls
Michael W. Justice
David H. Looff
John R. Trautman
Irwin B. Kaplan
Thomas E. Kiester
Neely E. Pardee
Gordon S. Siegel
John G. Mahaney
Ted L. Flickenger
James T. Worlton, Jr.
Donald A. Neher
Ralph J. Zecca
Duane L. Hanson
George C. Hottinger
Herman L. Smith
Leon N. Branton
Arnold R. Haugen

To be dental directors

William W. Calhoun, Jr.
Harry G. Trautman
Donald J. Galagan
Joseph E. Unsworth
Clovis E. Martin
James O. Blythe, Jr.

To be senior dental surgeons

Peter J. Coccaro
Richard P. French
Peter B. Drez

To be dental surgeons

Oswald Spence
William B. Savchuck
Carl J. Witkop, Jr.
Biagio J. Cosentino
John E. Frank
James E. Kelly

To be senior assistant dental surgeons

Robert R. Kelley
Calvin M. Reed
Winston H. Bowman
W. Frederick Schmidt
Stanley D. Sheriff
Bernard A. Yenne
E. Duane Oakes
Harry H. Hatasaka
James R. Dow
William D. Bowker
Howard B. Hancock
Ivan T. Shaurette
Robert A. Hesse

To be sanitary engineer directors

Hayes H. Black
Joseph E. Flanagan, Jr.
James G. Terrill, Jr.
August T. Rossano
M. Allen Pond
Ralph J. Vanderwerker
Russell W. Hart
Charles D. Yaffe
Robert R. Harris
Malcolm C. Hope
Harry G. Hanson
Wesley E. Gilbertson
Callis H. Atkins

To be senior sanitary engineer

Alfred E. Williamson, Jr.

To be sanitary engineers

Ronald E. Bales
Gerald N. McDermott
James A. Westbrook
Ronald G. Macomber
Charles E. Sponagle
Lester E. Blaschke
Donald E. Pecsok
Robert P. Moffitt
William H. Davis, Jr.

To be senior assistant sanitary engineers

Gene B. Welsh.
Ernest D. Harward.

To be assistant sanitary engineers

Archie E. Becher
James G. Gardner
Harry C. Vollrath III
Jules B. Cohen

To be pharmacist director

Guy H. Trimble.

To be senior pharmacists

Joseph P. Crisalli.
Victor F. Serino.
Arthur W. Dodds.

To be pharmacists

Joseph J. Hackett
John A. Scigliano
Richard F. Bolte
Allums F. Smith
Henry W. Beard
Alfred A. Rosenberg
Richard R. Sherwood

To be scientist directors

Jerry W. Carter, Jr.
Charles G. Dobrovolny
Malcolm J. Williams
Clarence M. Tarzwell
Harold M. Skeels
Emlen J. Bell
Howard M. Kline
Carl L. Anderson
Louis Block
Lewis J. Cralley
Pope A. Lawrence

To be senior scientists

Lewis J. Sargent.
Archie D. Hess.
William H. Ewing.

To be scientists

Harold J. Fournelle
William R. Carroll
Roy W. Chamberlain
Robert K. Ness
Clarence A. Sooter
William F. Durham
Leo Kartman
Jack J. Monroe
Bill H. Hoyer
Robert Holdenried
Charles R. Maxwell

To be senior assistant scientists

Seymour Rubenfeld
Donald S. Blough
Donald S. Boomer
Kenneth W. Walls

To be senior sanitarians

Nell McKeever.
Mary Jo Kraft.
Milton Wittman.

To be sanitarian

Wallace W. Jonz.

To be senior assistant sanitarians

Richard A. Steinmetz.
Grace M. Littlejohn.

To be senior veterinarian

Raymond J. Helvig.

To be veterinarians

Robert E. Kissling.
Ladd N. Loomis.
Karl R. Reinhard.

To be senior assistant veterinarians

Anton M. Allen.
Kenneth O. Quist.

To be nurse directors

Marion Ferguson
Hazel Shortal
Margaret K. Schafer
Donna Pearce
Lorena J. Murray
Elsie T. Berdan

To be senior nurse officers

Emily M. Smith
Margaret Denham
Helen M. Danley
Mildred Struve

To be nurse officers

Elizabeth W. Maher
Philomene Lenz
Loretta C. Parsons
Mabel N. Hay
Madge M. Neill
Myra I. Johnson
Jennie N. Rakich
Margaret M. Cahalan
Florence E. McKerrow
Lillian S. Dick
Florence E. Gareau
Mary E. Allen
Katherine Bastress
Albina A. Bozym
Mildred F. Barnett
Frances S. Wolford
Catherine N. McDuffie
Grace E. Mattis
Mary G. Damian
Mary R. Lester
Dorothy L. Connors
Merilys R. Porter
Hilda A. Nivala

To be senior assistant nurse officer

Dorothy C. Calafiore.

To be therapist

Nellie L. Evans.

To be senior assistant therapist

Royce P. Noland.
Dean P. Currier.

To be assistant therapist

Arthur J. Nelson.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 23, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Eternal and ever-blessed God, Thou hast entrusted our chosen representatives with a high vocation and charged them with heavy responsibilities.

May Thy Holy Spirit reveal unto them its glorious opportunities and interpret its sacred meaning.

Grant that in times of misgiving and foreboding they may feel Thy gracious presence and be endowed with Thy conquering power.

Inspire them to plan wisely, pray fervently, and labor faithfully for everything that is well-pleasing unto Thee.

In Christ's name we bring our petitions. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McBride, one of its clerks, announced that

the Senate had passed without amendment bills and a concurrent resolution of the House of the following titles:

H. R. 1400. An act for the relief of Mitsuko A. Hachita;

H. R. 1983. An act to provide for the conveyance of the reversionary interest of the United States in certain lands to the Clint Independent School District and the Fabens Independent School District in the State of Texas, or to either of them, and for other purposes;

H. R. 2018. An act to permit any State of the United States or any political subdivision of any such State to purchase from the District of Columbia Reformatory at Lorton, Va., gun mountings and carriages for guns for use at historic sites and for museum display purposes;

H. R. 2718. An act to amend the act entitled "An act to authorize the Secretary of the Navy to enlarge existing water-supply facilities for the San Diego, Calif., area in order to insure the existence of an adequate water supply for naval installations and defense production plants in such area", approved October 11, 1951;

H. R. 2797. An act to amend title 10, United States Code, to authorize the Secretary of a military department to furnish stevedoring and terminal services and facilities to commercial steamship companies, and for other purposes;

H. R. 4285. An act to authorize the sale of degaussing equipment by the Department of the Navy to the owners or operators of privately owned merchant ships of United States registry;

H. R. 5832. An act to increase the retired annuities of the civilian members of the teaching staffs of the United States Naval Academy and the United States Naval Postgraduate School;

H. R. 6454. An act to amend the act for the retirement of public-school teachers in the District of Columbia, and for other purposes; and

H. Con. Res. 174. Concurrent resolution authorizing the printing of additional copies of part 1 of the hearings on the Department of Defense appropriations for 1958.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills, a joint resolution, and a concurrent resolution of the House of the following titles:

H. R. 192. An act to provide that members of the Board of Education of the District of Columbia may be removed for cause;

H. R. 6258. An act to amend the act entitled "An Act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937, as amended;

H. J. Res. 247. Joint resolution for the relief of certain aliens; and

H. Con. Res. 89. Concurrent resolution approving the granting of the status of permanent residence to certain aliens;

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5788. An act making appropriations for the Executive Office of the President and sundry Government agencies for the fiscal year ending June 30, 1958, and for other purposes.

The message also announced that the Senate insists on its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. HILL, Mr. ELLENDER, Mr. ROBERTSON, Mr. DIRKSEN, Mr. SALTONSTALL, and Mr. MUNDT to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1463. An act to amend the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 80. An act for the relief of Maria Adelaide Alessandroni;

S. 105. An act to exempt from taxation certain property of the National Association of Colored Women's Clubs, Inc., in the District of Columbia;

S. 153. An act for the relief of Tsui Yung Wong;

S. 160. An act for the relief of Georgios Ioannou;

S. 164. An act for the relief of John G. Michael;

S. 499. An act for the relief of Daniela Renata Patricia Zei;

S. 525. An act for the relief of Rhoda Elizabeth Graubart;

S. 526. An act for the relief of Tikva Polsky;

S. 534. An act to amend section 702 of the Merchant Marine Act, 1936, in order to authorize the construction, reconditioning, or remodeling of vessels under the provisions of such section in shipyards in the continental United States;

S. 553. An act for the relief of Oleg Antonowycz;

S. 583. An act for the relief of Stanislav Maglica;

S. 592. An act for the relief of Anton Revak;

S. 614. An act for the relief of Mary Pu Keul Min, and her children Susan Pyong Soon Min, Sally Pyong Yun Min, George Pyong Yu Min, and William Pyong Soo Min;

S. 749. An act for the relief of Loutfie Kalil Noma (also known as Loutfie Siemon Noma or Loutfie Noama);

S. 755. An act for the relief of Athena Nicholas Euteriadou;

S. 765. An act for the relief of Helga Binder;

S. 788. An act for the relief of Thelma Margaret Hwang;

S. 798. An act for the relief of Giuseppe Baffo;

S. 833. An act for the relief of Vida Letitia Baker;

S. 834. An act for the relief of David Ajuelo, Roza Ajuelo, Victoria Ajuelo, and Lizet Ajuelo;

S. 849. An act for the relief of Sydney Douglas Catchpole;

S. 886. An act to provide transportation on Canadian vessels between ports in southeastern Alaska, and between Hyder, Alaska, and other points in southeastern Alaska, or the continental United States, either directly or via a foreign port, for any part of the transportation;

S. 908. An act for the relief of Kuo York Chynn;

S. 916. An act to provide for the issuance of checks and continuation of accounts when there is a vacancy in the post office of the disbursing officer of the Post Office Department, and for other purposes;

S. 937. An act to amend section 4 of the Interstate Commerce Act, as amended;

S. 988. An act for the relief of Satoe Yamakage Langley;

S. 1035. An act for the relief of Alice Eiri Schaer (Mi On Lee);

S. 1069. An act for the relief of Salvatore Pantano;

S. 1112. An act for the relief of Matsue Harada;

S. 1147. An act for the relief of Kiyoshi Takahashi, Kyoko Takahashi, and Nosomu Takahashi;

S. 1169. An act for the relief of Herbert C. Heller;

S. 1264. An act to exempt from taxation certain property of the National Trust for Historic Preservation in the United States in the District of Columbia;

S. 1269. An act to amend the act entitled "An act to create a Board for the Condemnation of Insanitary Buildings in the District of Columbia, and for other purposes," approved May 1, 1906, as amended;

S. 1376. An act for the relief of Chong You How (also known as Edward Charles Yee), his wife, Eng Lai Fong, and his child, Chong Yim Keung;

S. 1390. An act for the relief of Roberto Mario Bettinzoli;

S. 1446. An act to amend title 14, United States Code, so as to provide for retirement of certain former members of the Coast Guard Reserve;

S. 1576. An act to exempt the sale of materials for certain war memorials in the District of Columbia from the District of Columbia Sales Tax Act;

S. 1586. An act to eliminate the financial limitations on real and personal estate holdings of the American Historical Association and to exempt from taxation certain property of such association in the District of Columbia;

S. 1589. An act for the relief of Nina Maslova Greenberg;

S. 1708. An act to amend the act entitled "An act relating to children born out of wedlock," approved January 11, 1951;

S. 1806. An act to amend the Sockeye Salmon Fishery Act of 1947;

S. 1833. An act for the relief of James Schreiner;

S. 1842. An act to amend the act entitled "An act to provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes," approved February 4, 1925;

S. 1884. An act to amend section 505 of the Classification Act of 1949, as amended;

S. 1906. An act authorizing the conferring of appropriate degrees by the District of Columbia Teachers College on those persons who have met the requirements for such degrees, and for other purposes; and

S. Con. Res. 26. Concurrent resolution to print additional copies of the report entitled "The International Petroleum Cartel."

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the Joint Select Committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 57–11.

SUBCOMMITTEE OF COMMITTEE ON THE JUDICIARY

Mr. WILLIS. Mr. Speaker, I ask unanimous consent that Subcommittee No. 3 of the Committee on the Judiciary be given permission to sit during general debate on Monday, May 27.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

REPEAL OF CABARET TAX

Mr. MAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MAY. Mr. Speaker, the time is now before us for the Congress to give earnest consideration to repeal of the inequitable and discriminatory 20 percent cabaret tax. There is no longer any real or valid excuse for this tax to remain on the books. The contribution that it makes to the Federal Treasury has dropped in a period of 10 years from $72 million to $43 million. Clearly the effect of this taxation has reached a point of diminishing return.

The plain and indisputable fact is that we are retaining a tax that contributes only $42 million to the Treasury but, at the same time, contributes materially to unemployment and depression in the music industry. It is estimated, after thorough study, that over 200,000 musicians are deprived of earning a living in their chosen profession largely because of the unwillingness on the part of the public to add 20 percent to their entertainment bill.

Many of these musicians are working in other industries. Their return to their chosen profession would open up jobs for others who are now unemployed.

It would be only a short time until the Treasury would collect more than $43 million from the reopened places of entertainment and the many additions to the Nation's work force.

I was recently honored to have Secretary of Labor James P. Mitchell on a radio program with me. In answer to one of my questions on this tax, Secretary Mitchell stated, "I think that the cabaret tax is discriminatory legislation and I think that it should be repealed, because it is not conducive to employment in the musicians' field."

EXCISE TAX TECHNICAL CHANGES ACT OF 1957

Mr. COOPER. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight Friday, May 24, 1957, to file a report on the bill (H. R. 7125) to make technical changes in the Federal excise-tax laws, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

THE AUTHORIZED PERSONNEL STRENGTHS OF THE ARMED FORCES

Mr. THORNBERRY. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 257 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7143) to amend the act of August 3, 1950, as amended, to continue in effect the provisions relating to the authorized personnel strengths of the Armed Forces. After general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. THORNBERRY. Mr. Speaker, House Resolution 257 makes in order the consideration of H. R. 7143 unanimously reported by the Committee on Armed Services.

The resolution provides for an open rule and 1 hour of general debate on the bill.

Under section 2 of the Universal Military Training and Service Act, the Armed Forces are authorized a personnel strength of approximately 2,005,000. This ceiling was first suspended by the act of August 3, 1950, and further extended in 1954 until July 31, 1957.

H. R. 7143 proposes to continue in effect this suspension of the personnel strengths of the Armed Forces until July 31, 1959, the date when the authority to induct individuals into the Armed Forces expires.

If the suspension of the limitation, as proposed by H. R. 7143, is not continued, it would be necessary to reduce the strength of the Armed Forces by about 800,000.

The legislation is recommended by the Department of Defense and the Bureau of the Budget offers no objection. The proposal will cause no increase in the budgetary requirements of the Department of Defense.

The Committee report complies with the Ramseyer rule and I urge the adoption of House Resolution 257 so the House may proceed to the consideration of this measure.

Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I reserve the balance of my time.

Mr. THORNBERRY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AMENDING UNIVERSAL TRAINING AND SERVICE ACT AS REGARDS PERSONS IN MEDICAL, DENTAL, AND ALLIED SPECIALIST CATEGORIES

Mr. THORNBERRY. Mr. Speaker, by direction of the Committee on Rules I call up the resolution (H. Res. 256) providing for the consideration of H. R. 6548, to amend the Universal Military Training and Service Act, as amended, as regards persons in the medical, dental, and allied specialist categories, and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6548) to amend the Universal Military Training and Service Act, as amended, as regards persons in the medical, dental, and allied specialist categories, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Armed Services now in the bill and such substitute for the purpose of amendment shall be considered under the 5-minute rule as the original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. THORNBERRY. Mr. Speaker, I ask unanimous consent that on page 2, line 4, the last word "the" be stricken out and the word "an" be inserted in lieu thereof.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The resolution was amended accordingly.

Mr. THORNBERRY. Mr. Speaker, House Resolution 256 provides for the consideration of H. R. 6548, a bill to amend the Universal Military Training and Service Act, as amended, as it pertains to persons in the medical, dental, and allied specialist categories. The bill was reported with amendment from the Committee on Armed Services.

The resolution provides for an open rule and 2 hours of general debate on the bill. The rule would make it in order to consider the substitute amendment recommended by the Armed Services Committee now in the bill without the intervention of any point of order, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill.

H. R. 6548 provides authority for the President to issue calls for physicians, dentists, and allied specialists for duty in the Armed Forces in lieu of calls under the so-called Doctor Draft Act which is scheduled to expire July 1, 1957. The calls will be limited to individuals who were deferred on or after June 20, 1951. Furthermore, individuals born prior to June 20, 1925, will not be affected. Thus, no physician or dentist will be inducted or involuntarily ordered to active duty under the provisions of this legislation who exceeds the age of 34.

The Department of Defense asked the Committee on Armed Services to increase the ratio of physicians from 3 per thousand troop strength to 3.4 per thousand troop strength. The Committee on Armed Services, however, adopted the ratio of 3 per thousand troop strength which will mean a total number of 4,100 physicians will be called on an involuntary basis in the next 2 years. The requirement for dentists is based on a ratio of 2 per thousand troop strength which means that 2,700 dentists will be called.

The bill will continue in effect the National Advisory Committee and the local and State committees who advise the Selective Service System with respect to the selection of needed physicians and dentists and allied specialists.

The proposed legislation also reiterates existing law in several instances. These provisions will, I am sure, be fully outlined and explained by members of the Armed Services Committee.

The bill provides a termination date of July 1, 1959, so the entire subject may be completely reviewed prior to that date.

The Department of Defense concurs in the amendments adopted by the Committee on Armed Services.

The committee report complies with the Ramseyer rule and I urge the adoption of House Resolution 256 so the House may proceed to the consideration of H. R. 6548.

Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker, late yesterday afternoon the gentleman from New York [Mr. ROONEY] seemed to feel that I had done something I should not have done. I mentioned his name three times as I did a couple of times that of the gentleman from Georgia who is now here, but neither of whom was on the floor then and had not been told that reference to him would be made. Now, it is not my understanding that either the rules or any consideration of warm personal friendship requires any Member to advise another Member he will be mentioned when debate is on. One might not know what is up on the floor for consideration. Unless one is being critical of some Member or of some of his views or if one is taking a Member to task, you might well advise him about it and that I will always do. But where you have gentlemen, especially like the gentleman from Georgia [Mr. VINSON] and the gentleman from New York [Mr. ROONEY]—why they have so many duties and their time is so occupied that it would be an imposition for me to tell them that they should come to the floor because he or his views will be mentioned. Suppose one wanted to say something praiseworthy about someone. If any apology is due to anyone, I am glad to apologize. I notice the gentleman from Georgia [Mr. VINSON] shakes his head. Or, I would be glad to apologize to the gentleman from New York [Mr. ROONEY] and each and every other Member of the House who may feel aggrieved right now.

Mr. THORNBERRY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CHIEF JUDGES OF CIRCUITS AND DISTRICT COURTS

Mr. SMITH of Virginia. Mr. Speaker, I call up the resolution (H. Res. 255) providing for the consideration of H. R. 985, a bill to provide that chief judges of circuit and district courts shall cease to serve as such upon reaching the age of 70, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 985) to provide that chief judges of circuits and district courts shall cease to serve as such upon reaching the age of 70. After general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

I yield myself such time as I may require.

Mr. Speaker, this rule makes in order a bill relating to the Federal Judiciary. As you all know, now a senior judge of a circuit or a senior judge in a district where there is more than one judge, performs executive functions—administrative functions of the office. It involves a great deal of purely administrative work and is quite a burden in itself. This bill merely provides that when such justice who is the senior presiding justice of the court, either in a circuit or in a district, reaches the age of 70, he shall be relieved of the administrative functions, and they shall be performed by the next judge in order of seniority.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Does this in any way deprive him of his other duties, or prevent him from performing his other duties?

Mr. SMITH of Virginia. Not at all. It is really a measure in behalf of those elderly judges in order to relieve them of purely administrative functions that can be just as well performed by some other member of the court.

Mr. HOFFMAN. But not of the judicial functions?

Mr. SMITH of Virginia. When I referred to judicial functions, I meant the trial of cases. These are administrative duties of the office. As you will realize, in a circuit which involves several States, there are considerable administrative duties that can better be performed by some member of the court whose burdens are not so heavy.

Mr. HOFFMAN. Would it be comparable to giving all Members of the House who are past 75 or 80 years an assistant?

Mr. SMITH of Virginia. The gentleman and I have both been here for some years, and we are both reaching that unfortunate age.

Mr. HOFFMAN. Oh, I am past it long ago.

Mr. SMITH of Virginia. As a matter of fact, we have already passed the Biblical time of threescore years and 10. I am sure the gentleman will agree with me that any of the administrative burdens we could be relieved of would be helpful.

Mr. HOFFMAN. Well, it would be helpful, of course.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. MASON. We do have administrative assistants to relieve us of the details of the office, or some of us, who have passed three score years and ten. We could not attend to our legislative duties otherwise.

Mr. SMITH of Virginia. It is true not only of the elderly Members but true of the boys in this body, and even the ladies. They need them.

Mr. HOFFMAN. Will the gentleman yield again?

Mr. SMITH of Virginia. I yield.

Mr. HOFFMAN. I would like to have it distinctly understood that the gentleman from Illinois [Mr. MASON], when he is talking about these duties is speaking exclusively for himself, at least not for the Member from the Fourth District of Michigan. I still get along.

Mr. SMITH of Virginia. I yield to both of you.

Mr. Speaker, I do not know of any opposition to the rule.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. O'HARA of Illinois. Will the gentleman inform me how old Oliver Wendell Holmes was when he rendered some of the great decisions of the Supreme Court?

Mr. SMITH of Virginia. I know he was a very remarkable man and he did render some very fine decisions, but this is not a question of that kind. This is a question of relieving him of the piddling administrative duties of that office.

Mr. O'HARA of Illinois. Will the gentleman tell me how old Mr. Justice Brandeis was?

Mr. SMITH of Virginia. I do not keep any tally on the ages of the members of the Court or of the Congress.

Mr. O'HARA of Illinois. Did the gentleman from Virginia read the report of the committee wherein the argument in support of this bill is based upon the experience of business that after a man gets along in life he loses his ability?

Mr. SMITH of Virginia. I do not happen to agree with that.

Mr. O'HARA of Illinois. Mr. Speaker, I raise the point of a quorum.

Mr. SMITH of Virginia. I would be glad to yield to the gentleman time to present his views if he desires.

Mr. O'HARA of Illinois. I think this is one bill of sufficient importance that the Members ought to be here to hear everything that is said.

The SPEAKER. The Chair will say to the gentleman from Illinois that in all probability the bill made in order by this rule will be the last one to be called up today.

Mr. O'HARA of Illinois. Then, Mr. Speaker, I withdraw my point of order.

Mr. SMITH of Virginia. Mr. Speaker, I yield to the gentleman from Illinois.

Mr. ALLEN of Illinois. Mr. Speaker, we do not desire any time on this side.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SUSPENSION ON TROOP CEILINGS IN THE ARMED FORCES

Mr. MILLER of California. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7143) to amend the act of August 3, 1950, as amended, to continue in effect the provisions relating to the authorized personnel strengths of the Armed Forces.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7143) with Mr. BASS of Tennessee in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from Georgia [Mr. VINSON] will be recognized for 30 minutes and the gentleman from Illinois [Mr. ARENDS] for 30 minutes.

Mr. VINSON. Mr. Chairman, the bill will be handled on the majority side by the distinguished gentleman from California [Mr. MILLER].

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I yield myself 15 minutes.

The CHAIRMAN. The gentleman from California is recognized.

Mr. MILLER of California. Mr. Chairman, the instant bill would amend the Universal Military Training and Service Act by extending until July 1, 1959, the present ceiling placed on the Armed Forces under the provisions of the act of August 3, 1950.

Under section 2 of the Universal Military Training and Service Act the Armed Forces are authorized a personnel strength of approximately 2,005,000.

Presently there are 2,800,000 people in the three branches of the Armed Forces. The authority for these 2,800,000 men expires on July 31 of this year. If the present bill is not enacted it would be mandatory for the Armed Forces to be cut back to 2,005,000. That is 795,000 less than are now in the forces. This would create a condition, I am sure, none of us would want to see. The bill extends the ceiling for another 2-year period. I am certain that the necessity for this bill is obvious to all of us.

Mr. ARENDS. Mr. Chairman, I yield myself such time as I may use.

Mr. Chairman, as the gentleman from California has just said, the purpose of this bill is obvious. It is a very simple extension of the present law on the subject and it is absolutely necessary and vital to the maintenance of our Armed Forces that we have at the present time.

Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, I have been noticing in the papers—which is it?—Russia and Germany, 2 or 3 of the countries, are reducing their armed forces. I have been noticing also that the next war is to be fought not so much by men as by new weapons. War will require more skilled men, perhaps not so many as at present.

I would like to ask the gentleman from Illinois or the gentleman from California, in charge of this bill, a question. Before you answer, may I say that I read, too, that the President, and I am supporting the President, said we do not need so many men. Why do we need a continuation of so many men or employees?

Mr. ARENDS. This is the recommendation of the Joint Chief of Staff for the coming year. For the information of the gentleman, I will say that we are down 50,000 below what we were last year.

Mr. HOFFMAN. That is not an answer. All the gentleman is saying is that the staff wants them. Of course, the armed services is made up of individuals, just like the rest of us, and they want to grow and extend. We do not blame them for that. Maybe they think it is necessary for the protection of the country, and perhaps it is. What reason do they give as to why the present number of men should be continued to be drafted—and, as I understand it, they are under the control of the armed services for 8 years?

Mr. ARENDS. This is a recommendation, not only of the Joint Chiefs of Staff but of the President of the United States and it comes in here with the unanimous report of the Committee on the Armed Services of the House as to what we deem to be the needed requirements in manpower for the coming fiscal year.

Mr. HOFFMAN. For all of whom I have the greatest respect, but, at the same time, should not the country be told somewhere, other than in these reports or by the action of the House, the real reason why, after spending I do not know how many billion dollars—some say $160 billion—to prevent war, we need the same number of men in the armed services? That is what I want to know, the real reason.

I have the greatest respect, as has everyone else in the House, for the members of the committee, for the President and for the Joint Chiefs of Staff. But these young men are being sent abroad and being maintained over there with their families—and with that I have no fault to find. As long as they are drafted and sent away, maybe the families should go along. But tell me why?

Mr. MILLER of California. There has been a constant decrease in the number of armed services since cessation of hostilities in Korea. There has been a constant cut. The ceiling under the Universal Military Training Act is 2,500,000. We have decreased it.

We presently have 2.8 million men. We have reached that point from the peak of over 5 million. Now, the several branches of the armed services, under the direction of the Joint Chiefs of Staff, with the consent of the President and the committees of this House, find it possible to reduce and will continue to reduce the number of people in the armed services, but it has to be done in an orderly manner. If we do not pass this bill, it will force by January 31 a reduction of 800,000 or 795,000, almost 40 percent of the present strength of the armed services. And I am sure that you could not efficiently reduce the armed services in a month and a half by that time. On the other hand, it is necessary that we keep the present posture of defense until people in high places are in a position to tell us that we can in an orderly manner reduce it. There is nothing in the bill that requires them to stay at 2.8 million, and I join the gentleman in the hope that we can soon, in an orderly way, even go below that. We are asking for the extension of the law for 2 years, when it can again be examined.

Mr. HOFFMAN. Well, now, all right. That sounds reasonable enough.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. VINSON. Mr. Chairman, I yield the gentleman an additional 5 minutes.

Mr. HOFFMAN. Let me repeat, that sounds all right and reasonable enough, but this is the point I am trying to get at. I am trying to get some information. Over the last 10 or 15 years or more we have been sending billions abroad to buy friendship, to induce the people to fight the battles in which we might be interested—that is, the theory is that they will do the fighting and we will get out of it or will not need to do it—because of those appropriations, and we have been following that policy until billions and billions of dollars have gone abroad. Now, has that not lessened our need for a large armed force, or have we wasted that money? One or the other must be true.

Mr. MILLER of California. If you ask me that question, I would say to get that evaluation you will have to go to your Secretary of State and some of the other people involved.

Mr. HOFFMAN. Oh, the Secretary of State is not home enough. I cannot see him. He is away most of the time.

Mr. MILLER of California. He is your Secretary of State.

Mr. HOFFMAN. No, no, he is not my Secretary of State. I do not have any.

Mr. MILLER of California. I cannot take the responsibility of apologizing for him. That is his responsibility.

Mr. HOFFMAN. Just a moment.

Mr. MILLER of California. The gentleman asked me a question.

Mr. HOFFMAN. But you are not answering. You are talking about the Secretary of State. I am not asking about his views. I am asking about your reasons as to why, after all these expenditures abroad, we still must have the same number of men.

Mr. MILLER of California. I misunderstood the gentleman. I thought he asked me if by reason of the expenditures on the military assistance we have made abroad it made it possible to reduce the armed services. I am stating that through the Security Council and the Secretary of State and others we will have to evaluate it. You can evaluate it here in Congress when bills for that sort of thing come up. We are concerned with the military side of our defense. We are concerned with having a Military Establishment of 2.8 million people, which the Committee on Armed Services is satisfied is a reasonable force to keep in being at this particular time.

Mr. HOFFMAN. All right.

Mr. MILLER of California. We are concerned with the orderly reduction of it. Now, those are the facts. The other things are collateral. I wish that I could answer the gentleman's question, but he has been here longer than any of us, and he knows all of these facts himself.

Mr. HOFFMAN. Then, if I understand the gentleman's statement correctly—and I thank him for it—it amounts to this, that we should have a reduction in the armed services but that the law must be extended for 2 years so that they can make an orderly reduction. Is that what it amounts to?

Mr. MILLER of California. I said if there is a reduction, it must be an orderly reduction. Now, from time to time the whole matter is evaluated; it is continuously being studied, and it can be reduced. I am not going to say that it should be reduced at this time. I say at this particular time that 2.8 million men is a modest number to have in our armed services. But that is my opinion as against that of the gentleman.

Mr. HOFFMAN. Mr. Chairman, the answer I get as a Representative and as a servant of my people, when I ask why do we need all these men in the armed services, is that the Secretary of State thinks we do, the Joint Chiefs of Staff think we do, the armed services think we do, perhaps the President thinks we should have that many, although I recall something about his saying that the number should be reduced.

The answer, then, seems to be that, in spite of the fact that we are spending all this money for foreign aid to induce other nations to take over part of the responsibility which might fall on us if we become involved in war; in spite of the fact that we are spending millions upon millions—yes, billions, I guess—for new weapons, and I am not finding any fault with that—in spite of all those things, it is still necessary for us to have 2 million-plus men in the armed services.

Where are we getting, and when, if ever, will be the end? Or are we to be a nation under the military? The folks want to know why you have to have these men after those things to which I referred have been done. That is what they want to know. And it is no answer to tell them that somebody else wants it.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman.

Mr. GROSS. I was unable to get here when this debate started, because of a committee session. I wonder if the gentleman has ascertained, with our so-called allies cutting back their troop strength, notably the British, it is incumbent upon us to maintain our strength or perhaps increase our strength in Western Europe?

Mr. HOFFMAN. The only answer, apparently, I can get to the situation is that under this new philosophy, whatever it might be called, we have taken over, without any request so far as I know, the obligation to tell the whole world—they call them free nations and free people sometimes—that they should think and do what we think is for their best interest and for the best interest of everyone else. That is to say, we have become the policeman of the world; not only that, but the instructor, both religious—well, I do not know whether we want to get into religion or not; perhaps I had better not insist upon that. They want the Indians to eat beef. They want the Chinese to eat wheat instead of rice. We are just trying to remake the universe. And I have never found anything in either the Ten Commandments or in the Scriptures that tells us to do that.

I cannot get from those in charge of the bill any reason why we should continue to be the only nation which has drafted citizens for, let us say, 8 years to fight the wars which someone else may cause.

Mr. MILLER of California. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. KILDAY].

Mr. KILDAY. Mr. Chairman, I feel that the RECORD should indicate just exactly what we are doing here, and the purpose and necessity for it. First of all, when we are talking about military strengths, we could be talking about any one of three figures. The first would be authorized strength; second, appropriated strength, and third, actual strength.

Authorized strength represents a figure under an authorization, such as we have under any other authorization. The bill we have under consideration affects that strength, the authorized strength.

The appropriated strength is that number of men who can be maintained on active duty under the money appropriated by the Congress for that particular fiscal year.

The actual strength is that number of men who have actually been enlisted or inducted and maintained on active duty.

We have always had these three varying strengths. Of course, the appropriated strength must be within the total amount authorized, so that we cannot have more money appropriated than the number of men authorized in the authorizing legislation. Of course, the actual strength must be some number within that for which the funds have been appropriated.

We are now projecting a military program of 2,800,000 men.

The permanent law on troop strength provides for only 2,005,000, so that with 2,800,000 as the projected strength and the permanent authorization of only 2,005,000, unless we extend the present suspension of that 2,005,000 ceiling after July 1 we face a demobilization of a substantial portion of our Armed Forces.

It is not a question of what the military wants. It is not a question of what the Joint Chiefs of Staff and the Security Council or anyone else might want. Our military program is based upon the evidence developed before our Committee on Appropriations as to the number of men whom it is anticipated to maintain on active duty during the fiscal year. The recommendation from that committee comes here and we here in this House have fixed the strength of our Armed Forces at 2,800,000. We have a provision of law the suspension of which must be extended in order to prevent a partial demobilization.

Of course we all know that this program has been justified on the basis of the number of divisions in the Army that will be on active duty, 17, I believe, is the fiscal 1958 figure. We have formulated a program as to the number of wings in the Air Force that shall be maintained. We have been attempting to get the 142 wings into 137 and now back to 128 wings.

The necessity for suspending this limitation is that we must maintain that force which is now in being and that we have worked for years in order to reach. As to whether the treaties and agreements we have with foreign nations would permit us to reduce at this time, I know of no reason why we should expect that. Remember that at the end of hostilities in Korea we had on active duty approximately 3,400,000 men. We are now down to 2,800,000. You ask me about reducing below 2,800,000. I think it would be just as reasonable as for me to ask you to tell me how many more men we would have to have on active duty if we did not have the NATO forces or any of the other agreements we have with foreign nations.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman has mentioned South Korea. South Korea was a United Nations action, was it not? That is, it was declared to the world as being a United Nations action?

Mr. KILDAY. That is true.

Mr. GROSS. There is a United Nations armistice in effect.

Mr. KILDAY. Yes.

Mr. GROSS. It is a military armistice. Will the gentleman tell us the troop strength of the United Nations in South Korea other than the South Koreans and the United States?

Mr. KILDAY. I do not know what the troop strength may be of other nations in Korea. I do not know what their troop

strength may be in NATO or SEATO or anywhere else. What I think I do know is that 2,800,000 Americans in the Armed Forces is the minimum required for our own safety, and that is the only figure in which I am interested. I am not willing to risk disaster or defeat because some other nation with which we have an agreement is not doing its full part. I am concerned with the interest and the welfare of the United States alone.

Our military leaders have submitted to this Congress and this Congress has confirmed an Armed Forces strength of 2,800,000 as the minimum for our own safety. This bill permits us to maintain after July 1957, 2,800,000, rather than dropping back to 2,005,000. I am supporting this bill which permits us to maintain what the Congress has found to be the minimum necessary for our present safety. This is the purpose of the bill, and I hope it passes.

The CHAIRMAN. If there are no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That section 1 of the act of August 3, 1950, chapter 537, as amended (68 Stat. 27), is further amended by striking out the words "July 31, 1957" and inserting the words "July 1, 1959" in place thereof.

Mr. SHEEHAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am not posing as a military authority. I am not a member of the Committee on Armed Services. I have very little knowledge of the exact military requirements of the United States, but I would like to address myself to the Members of the House in posing some questions that arise in my mind on this bill. I have read extensively—I know what is happening from reading the newspaper reports and from the magazine reports and so on. There arises in my mind some questions as to why we need 2,800,000 men. First of all, it is my opinion from reading many of the scientific journals—and we are told today that the atom capabilities now have been developed to the point where they can be reduced, and carried in a missile the size of a thimble. In other words, our field equipment is such that atom war shells can be delivered with firing equipment of very small caliber. You do not need an airplane to drop it. It can be fired by a cannon, I understand now, as small as 75 millimeters. If that is so, in the event of a future war, no country would permit a great number of men to be gathered together because it would be signing their death warrants. It seems to me from all that I have read that there is the question involved of maintaining the number of wings of fighter airplanes. Our latest B-58 bombers, if my memory is correct, are capable of flying over 1,000 miles an hour. I understand we have a very few jet fighters that are capable of that speed.

There is no reason why we should be wedded to any concept of military forces or strategy because of what has happened in the past. It seems to me, and I do not know the answer, that any large force required by this country would be required only in the event we needed an occupation force and that any war with any prospective enemy would be based on an atom war in which missiles would be the primary force used. And, if, and when, such a war were completed, occupation forces would be needed to occupy the other country. Then, it seems to me, would be the time when a large manpower force would be required. It has been stated that we had 3,400,000 men during the Korean police action. Whether they were United Nations forces or not, we supplied the greater number of them. Here we are technically at peace with all of this modern equipment and modern atom missiles, and we still have 2,800,000 men on hand, or at least being asked for. It seems to me that somewhere along the line, we should revise our thinking. We are also adequately informed and know that any future war would be, as I said before, fought primarily with guided missiles and atom warheads and men would be needed merely as occupational men. We are training today, and I understand with the 6 months' military training program being practically oversubscribed, we would at all times be able after a war of some duration, be it long or short, to train military men as occupational people—assuming, of course, that we win the war. With that thought in mind, certainly it does not make sense to teach a lot of men how to handle rifles and things like that when our main concern will be military policing and occupational men versed in government.

So it would seem to me, from the knowledge we have before us in this country that great and serious questions arise as they do arise in my mind as to why such a huge force is necessary. I do not think as Representatives in the Congress of the United States that we can blindly agree with everything that the Committee on Armed Services and the military men tell us because most of us go on the general assumption, and as we know the military men operate—they always want more than enough. If the taxpayers are to get any protection, and if we are to look at our common defense needs from a practical standpoint, certainly we should analyze this question of such a tremendous manpower pool which the military is keeping unto themselves.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, like the gentleman from Illinois [Mr. SHEEHAN], I pose as no expert in any sense on military matters, but I am very much concerned about what we are doing over this world, and what a lot of other people apparently are not doing.

A few minutes ago I raised the question of the troop strength in South Korea, which is supposed to be a joint action, that is, a United Nations action. As far as I know, and beyond the United States, there are no foreign troops in South Korea, except perhaps some gold braid representing other countries. Our so-called allies and friends are still conspicuous by their absence in South Korea. It is my understanding that we have two or more full divisions in South Korea. My question, which I would like to have answered, is why these other nations are not contributing, so that we can withdraw or at least cut down our troop strength there?

Since there is no answer to that question, let us take a look at NATO. I recall a joint meeting of Congress in the Library of Congress back in 1951 when the then General Eisenhower addressed Members of the House and Senate. If I remember correctly, at that time he talked in terms of the necessity of about 90 divisions to throw up a shield against communism in Western Europe; in the NATO force which was then to be established. Nothing approaching 90 divisions was ever obtained.

A short time ago the new Supreme Commander of NATO, according to the newspapers, said that the much smaller force could still be substantially reduced by virtue of the new weapons that had been developed. But the United States is still maintaining 5 divisions, at least that is my understanding, 5 divisions in NATO, with the British cutting down their troop strength and the French practically completely out of NATO; so that we carry the entire load.

The question I ask is "Why?" I think some member of the Committee on Military Affairs ought to be able to give me some of the answers as to why all of these other countries cut down on their troop commitments and yet we maintain or increase our troop strength overseas. To that and previous questions all I get is silence.

Mr. Chairman, I yield back the remainder of my time.

Mr. MILLER of California. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Under the rule, the Committee will rise.

Accordingly the Committee rose; and Mr. MCCORMACK having assumed the Chair as Speaker pro tempore, Mr. BASS of Tennessee, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill (H. R. 7143) to amend the act of August 3, 1950, as amended, to continue in effect the provisions relating to the authorized personnel strengths of the Armed Forces, pursuant to House Resolution 257, he reported the same back to the House.

The SPEAKER pro tempore (Mr. MCCORMACK). Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

Without objection, a motion to reconsider was laid on the table.

AMENDING THE MILITARY TRAINING AND SERVICE ACT

Mr. KILDAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6548) to amend the Universal Military Training and Service Act, as amended, as regards persons in

the medical, dental, and allied specialist categories.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 6548 with Mr. BASS of Tennessee in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from Texas [Mr. KILDAY] will be recognized for 1 hour and the gentleman from Illinois [Mr. ARENDS] for 1 hour.

The gentleman from Texas is recognized.

Mr. KILDAY. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, since 1950 we have had on the books a special doctors and dentists draft law. Under the provisions of that law doctors, dentists, and allied specialists are subject to induction because of their professions, and they are subject to induction up to a maximum age of 46 years.

The special doctors and dentists draft act will expire by its terms July 1, 1957. It is not proposed to extend or attempt to extend the special doctors and dentists draft law which will expire on July 1, 1957.

After July 1, 1957, doctors, dentists, and allied medical specialists will be subject to induction the same as any other individual. They will come within the provisions of the general Universal Training and Service Act, and they are subject to induction in exactly the same manner as everyone else. That, of course, will mean that should there be any doctors 26 years of age or under who have not discharged their military obligations they would be subject to induction the same as any other young man 26 years of age or younger.

In addition there has been on the books since about 1951 a provision that any person who is deferred from military service because of his occupation, whether it be as a student or in a critical industry, or for any other reason, shall remain liable to induction until age 35 rather than 26 as is the case of those who have not had any deferment.

Therefore, after July 1, 1957, doctors, dentists, and allied specialists will be subject to induction the same as anyone else. There are, of course, a good many young men coming out of our colleges and universities who have been deferred in order to complete their college course, or in order to complete a course in engineering, or law, the sciences, dentistry, medicine, and things of that kind. They all have the same obligation and they are subject to induction until the same age.

However, under the basic law you cannot call men in any category other than a category as to ages. Therefore, in order to secure the doctors and dentists which we must have for the armed services we would be required to induct all others within the same age category and we would be inducting some people who were not wanted because they were not needed at the time. We would have to take many thousands of men in order to secure the relatively few doctors and dentists that are needed. Therefore, this bill does nothing other than to provide that physicians, dentists, and allied specialists in the medical field may be called for induction. Actually, it is not anticipated that a single one will be inducted. As a matter of fact, they will all be permitted to apply for and will receive commissions in the Medical and Dental Corps of the various military departments.

There is an element of discrimination here in that they are going to be called when other young men in their same age brackets are not called. That may be somewhat discriminatory. However, the young lawyer, for instance, who is coming out of college and is subject to induction can anticipate being inducted as a recruit and progressing gradually to private, then to private first class. In other words, he can anticipate entering the Army and beginning his service at $78 per month. The physician who goes on active duty will be immediately commissioned as a captain and will be entitled to special pay because he is a physician. If he has dependents his minimum pay will be $624.88 per month. If he does not have dependents his minimum pay will be $607.78 per month. The dentist going on active duty will serve for 1 year as a first lieutenant, at the end of which time he will be eligible for promotion to captain. So that the dentist going on active duty who has dependents would draw a minimum of $577.48 per month. If he does not have dependents he will draw $560.38 per month. The slight discrimination against requiring him to go in because of his profession is counterbalanced by the amount of compensation he receives, and the rank he receives when he enters the service.

This bill has been endorsed by the American Medical Association and the American Dental Association. They take the position, as has the Assistant Secretary of Defense for Health and Medicine, that there is an element of compulsion necessary to motivate young doctors who are completing their education to enter the military service and to enter it without delay.

We have at the present time, as to dentists, a ratio in the service of 2 dentists for 1,000 men in our military service. It will be necessary to call 1,100 dentists during the fiscal year 1958 and 1,600 in the fiscal year 1959.

As to physicians the ratio is 3 physicians per 1,000 troop strength. There will be available in the pool approximately 3,542 physicians in the fiscal year 1958 who will be eligible for commissions and for involuntary call to active duty under the terms of this bill. From this number we expect to call approximately 1,400. In the fiscal year 1959 the physician pool will increase to 4,087 and, as I have stated, we will need 1,700. Among the dentists we will need 1,100 out of the approximately 1,478 available in 1958 and 1,600 out of the available pool of 2,020 in the fiscal year 1959.

The vast majority of these will be young men who are just completing their medical education and instead of going into private practice and beginning practicing in their communities they will serve for a perod of time in the military service, so that there is no interference or disruption in the medical care of the civilian population.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from California.

Mr. TEAGUE of California. I am interested as to whether the committee has considered extending this same principle to graduate engineers.

Mr. KILDAY. No. That question by itself, has not been considered by the committee. The gentleman will probably recall that this special draft legislation had its inception about 1950 when the Korean incident arose. We found ourselves in a critical condition as far as physicians were concerned. At that time we had a very large pool of young doctors and dentists who had been educated either in whole or in part at Government expense. They had been so educated during World War II. Some were deferred and permitted to remain in medical school. A great many were in the ASTP program where they drew their full compensation in the rank in which they were serving, and the only duty they were assigned to was as a student in a medical school. During the hearings I asked two questions: Do you remember how many doctors were in the pool who received assistance prior to graduation and also as to the number who had accepted Reserve commissions. There were 7,500 of those young men who had received their medical education (as well as other Government assistance) while other men had been fighting. When Korea began there were 33 who had entered the medical reserve corps of the various services, so that in 1950, when we found this critical shortage of medical personnel, we had a pool of young men who everybody believed owed a little bit of service to the United States. So, in its inception, the Doctors Draft Act had a very strong foundation in equity behind it, and we secured the services of young men who I imagine we thought would have been almost 100 percent in the reserve corps, and we found that out of 7,500 only 33 were in the Reserve and therefore subject to call. So, I do not believe we have the same position in equity for these young engineers who have received no assistance from the Government. So far as I know, we are doing pretty well as far as engineering personnel is concerned.

Mr. TEAGUE of California. I thank the gentleman.

Mr. COLLIER. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Illinois.

Mr. COLLIER. Did I understand the gentleman to say that there were at the present time two dentists for each 1,000 military personnel, or roughly that?

Mr. KILDAY. That is the ratio, yes.

Mr. COLLIER. Basically, are those dentists used to treat military personnel at the present time?

Mr. KILDAY. Yes. At the present time they would be used exclusively for military personnel. Bear in mind that on December 7, 1956, the new Medical Care Act went into effect. Prior to that time dental care was available to members of the Army and the Air Force in military hospitals but not available to dependents of Navy and Marine Corps personnel in Navy hospitals. The Medical Care Act withdrew it from all, so now the dentists on active duty are treating military personnel and some few retired personnel.

Mr. COLLIER. Is it not true, though, at the present time, there are dentists and doctors in various parts of the globe, as a matter of fact in Germany at the present time, whose services are rendered almost entirely to civilian personnel or civilians of those countries?

Mr. KILDAY. I will have to amend my statement of a while ago. Dental care is given to dependents outside the continental limits of the United States and in very limited remote areas in the United States, and that will be necessary. You cannot very well send a man overseas and permit him to take his family and not provide dental care for that family. I do not know of any situation in which they are taking care of German citizens which is what I understood the gentleman to indicate.

Mr. COLLIER. I will say to the gentleman that I have a letter from one of my constituents who is a dentist, who is with a medical detachment in Germany, who has informed me that by and large most of the patients that he has treated were German civilians, in no way attached to the families of military personnel.

Mr. KILDAY. I am sure the committee would be glad to get the information, without revealing the dentist's name, so that we may examine into it. I suppose there may be some German civilians working for our military forces who are entitled to such care; but I believe we should be informed on that, and I would appreciate it personally if the gentleman made that information available to the committee.

Mr. Chairman, the question of the number of dentists and doctors in the service is always a rather troublesome thing. This does nothing with reference to the ratio. The ratio is fixed by permanent law of a long time ago, but for quite a long period of time the ratio of dentists to troop strength has been 2 per thousand, and for some time the ratio of physicians has been 3 per thousand of troop strength. This has no effect one way or the other on that. It is true there was a statement that they anticipated going to a higher ratio, and the committee in its report has stated that it does not feel, as long as there is any degree of compulsion on physicians and dentists, that that ratio should be changed. That is reflected in our report.

Mr. Chairman, I believe I have covered all there is in the bill. I feel it should be adopted.

Mr. BRAY. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I think the matter has been very adequately explained by the gentleman from Texas [Mr. KILDAY].

Two years ago the committee was very interested in eliminating the doctors' draft as soon as possible, feeling that there was a certain amount of discrimination against doctors. That has been very adequately explained also by the previous speaker. We thought at that time that it might be possible entirely to eliminate this by this time, but we found it could not quite be accomplished, although this legislation almost eliminates what we call the doctors' draft.

I want to explain the reason why I state that. It says that no one born prior to June 20, 1925, will be affected by this draft, which means that this year no on beyond the age of 32 will be drafted, and at the end of this time that this bill extends the doctors' draft no one beyond the age of 34, will be drafted and then only those who have been presently deferred that is except those under 26 who would be subject to the general draft.

This is discriminatory legislation to a certain degree. But it is necessary that we have an adequate number of doctors and dentists for the Armed Forces.

In 1950, when this bill was first passed, they were allowed to draft doctors and dentists up to the age of 50, which did cause a great deal of hardship in many communities where doctors had been practicing for many years. Each time the matter came before the committee the age has been lowered. Now no one will be drafted under this bill at any time over the age of 34. The Medical Department of the armed services wanted to increase the number of doctors to 3.4 for each thousand and gave considerable reason for that. The committee was very much opposed to that. That is not in the bill, but in the report it is indicated that the committee is opposed to increasing the percentage of doctors beyond the 3 per thousand, which ratio has been in existence for some time.

I believe the dental force was left at 2 per thousand, which ratio has been in existence for a long time.

As stated earlier, we trust that it will not be necessary to extend this law in the future unless there is some emergency unforeseen at this time.

The CHAIRMAN. Under the rule, the substitute amendment recommended by the Committee on Armed Services, now in the bill, for the purpose of amendment shall be considered as an original bill. The Clerk will read the committee substitute.

The Clerk read as follows:

That section 4 (a) of the Universal Military Training and Service Act (50 U. S. C. App. 454 (a)) is amended by inserting the following new paragraph before the last paragraph thereof:

"No person in the medical, dental, and allied specialist categories shall be inducted under the provisions of this subsection if he applies or has applied for an appointment as a Reserve officer in one of the Armed Forces in any of such categories and is or has been rejected for such appointment on the sole ground of a physical disqualification."

SEC. 2. Section 4, Universal Military Training and Service Act, as amended (50 U. S. C. App. 454), is amended by adding the following new subsection at the end thereof:

"(1) (1) Subject to section 2 of this title, the President may order to active duty (other than for training), as defined in section 101 (22) of title 10, United States Code, for a period of not more than 24 consecutive months, with or without his consent, any member of a Reserve component of the Armed Forces of the United States who is in a medical, dental, or allied specialist category, who has not attained the 35th anniversary of the date of his birth, and has not performed at least 1 year of active duty (other than for training). This subsection does not affect or limit the authority to order members of the Reserve components to active duty contained in section 672 of title 10, United States Code.

"(2) For the purposes of computation of the periods of active duty (other than for training) referred to in subsection (1), credit shall be given for all periods of 1 day or more performed under competent orders, except that no credit shall be allowed for periods spent in student programs prior to receipt of the appropriate professional degree or in intern training.

"(3) Any person who is called or ordered to active duty (other than for training) from a Reserve component of the Armed Forces of the United States after September 5, 1950, and thereafter serves on active duty (other than for training) as a medical, dental, or allied specialist for a period of 12 months or more shall, upon release from active duty or within 6 months thereafter, be afforded an opportunity to resign his commission from the Reserve component of which he is a member unless he is otherwise obligated to serve on active military training and service in the Armed Forces or in training in a Reserve component by law or contract.

"(4) Any physician or dentist who meets the qualifications for a Reserve commission in the respective military departments shall, so long as there is a need for the services of such a physician or dentist, be afforded an opportunity to volunteer for a period of active duty (other than for training) of not less than 24 months. Any physician or dentist who so volunteers his service, and meets the qualifications for a Reserve commission shall be ordered to active duty (other than for training) for not less than 24 months, notwithstanding the grade or rank to which such physician or dentist is entitled."

Mr. KILDAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Page 4, line 16, strike out "Subject to section 2 of this title, the" and insert in lieu thereof "The."

Mr. KILDAY. Mr. Chairman, this is a technical amendment. Section 2 of the Universal Military Training and Service Act deals with limitations on the Armed Forces which are now under suspension and will under other legislation be suspended until July 1, 1957. It is purely a technical amendment.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. KILDAY. Mr. Chairman, I ask unanimous consent that the further reading of the committee substitute be dispensed with and that it be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The remainder of the committee substitute is as follows:

SEC. 3. Section 4 (j), Universal Military Training and Service Act, as amended (50 U. S. C. App. 454 (j)), is reenacted with the following amendments:

(A) Strike out the words "as referred to in subsection (1)" in the first sentence; and

(B) Strike out "fifty-first" and insert "thirty-fifth" in the last sentence of the second paragraph.

SEC. 4. Section 5 (a) of the Universal Military Training and Service Act (50 U. S. C. App. 455 (a)) is amended by striking out the third proviso and inserting the following in place thereof: *"Provided further*, That nothing herein shall be construed to prohibit the President, under such rules and regulations as he may prescribe, from providing for the selection or induction of persons by age group or groups or from providing for the selection or induction of persons qualified in needed medical, dental, or allied specialist categories pursuant to requisitions submitted by the Secretary of Defense: *And provided further*, That, notwithstanding any other provision of law, except section 314 of the Immigration and Nationality Act (8 U. S. C. 1425), no person who is qualified in a needed medical, dental, or allied specialist category, and who is liable for induction under section 4 of this title, shall be held to be ineligible for appointment as a commissioned officer of an Armed Force of the United States on the sole ground that he is not a citizen of the United States or has not made a declaration of intent to become a citizen thereof, and any such person who is not a citizen of the United States and who is appointed as a commissioned officer may, in lieu of the oath prescribed by section 1757 of the Revised Statutes, as amended (5 U. S. C. 16), take such oath of service and obedience as the Secretary of Defense may prescribe."

SEC. 5. Section 5 of the Universal Military Training and Service Act (50 U. S. C. App. 455) is amended by adding the following new subsection at the end thereof:

"(c) Notwithstanding any other provision of law, any qualified person who—

"(1) is liable for induction; or

"(2) as a member of a Reserve component is ordered to active duty,

as a physician, or dentist, or in an allied specialist category in the Armed Forces of the United States, shall, under regulations prescribed by the President, be appointed, reappointed, or promoted to such grade or rank as may be commensurate with his professional education, experience, or ability: *Provided*, That any person in a needed medical, dental, or allied specialist category who fails to qualify for, or who does not accept, a commission, or whose commission has been terminated, may be used in his professional capacity in an enlisted grade."

SEC. 6. Section 6 (b), Universal Military Training and Service Act, as amended (50 U. S. C. App. 456 (b)), is amended by adding at the end of paragraph (5) the following new clause:

"(E) periods of active duty performed by medical, dental, or allied specialists in student programs prior to receipt of the appropriate professional degree or in intern training."

SEC. 7. Section 6 (d), Universal Military Training and Service Act, as amended (50 U. S. C. app. 454), is amended by adding the following new subsection at the end thereof:

"(4) It is the sense of the Congress that the President shall provide for the annual deferment from training and service under this title of the numbers of optometry students and premedical, preosteopathic, preveterinary, preoptometry, and predental students at least equal to the numbers of male optometry, premedical, preosteopathic, preveterinary, preoptometry, and predental students at colleges and universities in the United States at the present levels as determined by the Director herein."

SEC. 8. Section 7 of the act of September 9, 1950, chapter 939 (64 Stat. 826), as amended, is amended to read as follows:

"SEC. 7. This act, except for section 3 and section 5, terminates at the close of June 30, 1957."

SEC. 9. This act takes effect July 1, 1957, and shall terminate on July 1, 1959.

Mr. GROSS. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Chairman, I take this time to call attention to the fact that this legislation, as well as the preceding legislation, is made necessary in part by the fact that our so-called allies overseas are failing to carry their share of the load.

I call to your attention the speech made in April 1957 to the British Parliament by the Right Honorable Duncan Sandys, Defense Minister of Great Britain, who said, in one of his recommendations with respect to the military of Great Britain:

The Government has accordingly decided to plan on the basis that there will be no further call-up under the National Service Acts after the end of 1960.

Those acts refer to compulsory military training.

That is how Britain proposes to discharge her obligations to the rest of the world; to end all conscription, drastically cut military manpower and spending for that purpose.

I want to say here and now that increasingly, if I am permitted to sit in this Congress, I am going to oppose these extensions of our troop ceilings, extensions of drafts, and so forth. If foreign nations have not the will to take care of themselves, they who are more vulnerable to attack than we are, if they have not the will to provide the manpower, the troops, and so forth, to take care of themselves; to make their fair share of the contribution to their own defense, then it is about time that we in this country call a halt to sending troops over there.

A moment ago a question was raised about dental care for the dependents of servicemen overseas. We would not have nearly as many dependents overseas and there would not be the requirement for professional people in the Armed Services if foreign countries were contributing their fair share of military manpower. I am going to be increasingly unwilling to saddle upon the youth of America and the taxpayers of America the responsibilities and costs that foreign countries ought to be assuming themselves.

How much longer are we going to be duped by these foreign governments and some of our own people?

The CHAIRMAN. The question is on the committee amendment, as amended.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose and the Speaker pro tempore [Mr. McCORMACK] having resumed the Chair, Mr. BASS of Tennessee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 6548) to amend the Universal Military Training and Services Act, as amended, as regards persons in the medical, dental, and allied specialist categories, pursuant to House Resolution 256, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read a third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

The SPEAKER pro tempore. Without objection, a motion to reconsider will be laid on the table.

O. MAX GARDNER AND CLYDE ROARK HOEY

Mr. KILDAY. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. WHITENER] may extend his remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. WHITENER. Mr. Speaker, in the hall of the house of representatives in Raleigh, N. C., tonight portraits of two of the late distinguished residents of the 11th Congressional District of North Carolina will be unveiled. These portraits are being presented to the State of North Carolina by the respective families of the late O. Max Gardner and the late Clyde Roark Hoey.

These distinguished men rendered service to their State and Nation which I believe is unsurpassed by any two residents of any one Congressional district. Each of them was the recipient of great trust by their people. Neither of them ever faltered in the performance of those trusts.

O. Max Gardner attended what is now known as North Carolina State College and was later graduated from the University of North Carolina. In 1908 he was selected by the late Josephus Daniels as State organizer of the Young Men's Democratic Clubs of North Carolina. In 1910 he was elected to the State senate where he served again in 1914 and 1915. In 1916 he was nominated and elected as lieutenant governor of North Carolina. Because of his excellent performance of duty in that position he was elected in 1928 as governor of our State.

Under his administration as governor many governmental reforms were instituted which are today adhered to in the State of North Carolina.

Upon the completion of his service as Governor, O. Max Gardner established a law office in Washington, D. C. He was eminently successful and was regarded as one of the outstanding lawyers in the Nation's Capital.

On many occasions Governor Gardner was called upon by President Franklin D. Roosevelt to render service to the Federal Government. In 1946 he was named by President Truman as Under Secretary of the Treasury, where he served until he was designated by President Truman to become Ambassador to the Court of Saint James's.

As Governor Gardner was about to depart from the port of New York to assume this important role in world affairs, he was stricken by death and this Nation was deprived of the great service and leadership which he would have given in that high post.

He was always active in public affairs, but I think that his philanthropic pursuits and his desire to be of service to his fellow man and to the Baptist Church, which he loved so much, even transcended his public service.

Many of you knew the late Senator Clyde R. Hoey. He was a kindly, Christian man whose service in many capacities in Government always received the plaudits and approval of a majority of the people of his State.

Senator Hoey was an outstanding Methodist layman. He was always alert to take advantage of the opportunity to practice and preach the basic fundamentals of Christian living.

He attended the public schools and was graduated from the law department of the University of North Carolina. While studying law he was editor and publisher of the Cleveland Star and maintained his interest in newspaper work for some time after taking up the active practice of the law.

His many talents and his capacity for hard work soon caused the members of the public and of the bar to recognize him as one of the outstanding attorneys of our State.

While still a young man, he was elected and served for two terms in the State house of representatives. In 1902 he was elected and served a term as a member of the State senate. Therefore, in 1913 he became Assistant United States Attorney for the Western District of North Carolina where he served with great ability for 6 years.

When the late Edwin Y. Webb retired from Congress in 1919 Senator Hoey succeeded him and served only one term, declining to be a candidate for renomination in 1920.

Until 1936 Senator Hoey engaged in the private practice of law and appeared in many of the most renowned cases in the annals of the courts of North Carolina. In that year he was elected to serve as Governor of the State of North Carolina. For the next 4 years his leadership brought about many progressive steps in the advancement of the economy and the government of the Tar Heel State. He was perhaps the most popular Governor who has served North Carolina in modern times, and it was said that there were few, if any, schoolhouses in North Carolina in which he did not speak at one time or the other during his service as Governor.

In 1944 Senator Hoey commenced his service in the United States Senate where he continued to serve until his death on May 12, 1954.

His service in the Senate reflected great credit upon North Carolina and upon the Congressional district which I am privileged to represent at this time.

Mr. Speaker, while these two good men departed this world some time ago, the memory of their respective services to the people will remain indelibly carved upon the minds of all who were privileged to know them or to become familiar with their records of service.

I am delighted that I shall be privileged to attend the ceremonies in their honor tonight in our State capital at Raleigh and to join with many friends of these deceased leaders in paying tribute to their lives and their works. I commend their families upon their generosity in presenting to the State of North Carolina the portraits of their distinguished kinsmen.

JUDGES OF CIRCUIT AND DISTRICT COURTS

Mr. CELLER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 985) to provide that chief judges of circuits and district courts shall cease to serve as such upon reaching the age of 70.

The SPEAKER pro tempore. The question is on the motion of the gentleman from New York [Mr. CELLER].

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 985) to provide that chief judges of circuits and district courts shall cease to serve as such upon reaching the age of 70, with Mr. BASS, of Tennessee, in the Chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. O'HARA of Illinois. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Seventy-eight Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 82]

Albert	Engle	Morano
Allen, Calif.	Garmatz	Murray
Andresen, August H.	Gordon	Norrell
	Gray	Passman
Ashley	Green, Pa.	Patman
Ayres	Gubser	Patterson
Bailey	Hemphill	Pilcher
Barden	Hillings	Polk
Baring	Hoeven	Powell
Barrett	Holifield	Prouty
Betts	Holland	Reece, Tenn.
Bowler	Holtzman	Robsion, Ky.
Breeding	James	Rogers, Mass.
Burdick	Jenkins	Saylor
Byrd	Johansen,	Scherer
Canfield	Kearney	Schwengel
Cannon	Kearns	Siler
Carnahan	Kelley, Pa.	Steed
Carrigg	Kelly, N. Y.	Sullivan
Chelf	Kitchin	Taylor
Chenoweth	Kluczynski	Tollefson
Chiperfield	LeCompte	Vanik
Coad	Lennon	Westland
Cooley	Lipscomb	Widnall
Coudert	McGovern	Wilson, Ind.
Davis, Tenn.	McIntire	Wolverton
Dawson, Ill	Machrowicz	Zelenko
Eberharter	Miller, Md.	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BASS of Tennessee, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill H. R. 985, and finding itself without a quorum, he had directed the roll to be called when 341 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. CELLER. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Chairman, I appreciate very much the courtesy of the gentleman from New York [Mr. CELLER] in granting me this time to announce to the House the death of Walker S. Buel, the political correspondent for the Cleveland Plain Dealer here in Washington for the past 37 years.

Mr. Buel, who was well known to most Members of this House, died in a local hospital at 11:55 this morning, after a very short illness.

He was truly one of the great newspapermen of America. He was recognized by all newspaper people as perhaps the outstanding political reporter serving in the press galleries here in Washington.

It has been my pleasure and my privilege to have had the friendship and the companionship of Mr. Buel for more than 40 years. He was well known; especially well known to all of the Ohio delegation. For many years he was the ranking member of the Gridiron Club here in Washington, and was the author of most of the wonderful sketches which enlightened and gave enjoyment to all those who attended the famous Gridiron dinners during the past few decades. Known as "Mr. Gridiron" the passing of Mr. Buel has been an especial loss to that great organization.

Mrs. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON. Mr. Chairman, we who make our homes in Cleveland, where the Plain Dealer brings us our news, are deeply saddened by the death, this noon, of one of the stalwarts of the newspaper world—Walker Buel.

His fine reporting, his ability to paint word pictures in brilliant or subdued colors, has made his column and all his writing of moment to us. Adjustment will come hard, I fear. His wit, his kindly humor, his fairness and honesty have been of far more influence than he in his modesty ever knew.

To his lovely and devoted wife and his family, go my understanding and heartfelt sympathy. And I shall hope that they may be able to feel in tune with James Martineau's prayer that—

We seem to have given him back to Thee, dear God, who gavest him to us. Yet, as Thou didst not lose him in the giving, so we have not lost him by his return. Not as the world giveth, givest Thou, O Lover of Souls! What Thou givest, Thou takest not away. For what is Thine is ours always, for we are Thine. And life is eternal; and love is immortal; and earth is only a horizon; and a horizon is nothing save the limit of our sight. Lift us up, strong Son of God, that we may see further; cleanse our eyes that we may see more clearly; draw us closer to Thyself, that we may know ourselves

nearer to our beloved who are with Thee. Prepare us for that happy place that where they are and Thou art, we may be. Amen.

Mr. MINSHALL. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Ohio [Mr. MINSHALL].

Mr. MINSHALL. Mr. Chairman, I concur in everything that has been said here by the gentlewoman from Ohio [Mrs. BOLTON] and the gentleman from Ohio [Mr. BROWN] about my good friend, Walker Buel. Walker Buel was not only a distinguished newspaperman, a great newspaperman—he was peerless in his field. His passing will leave a great void not only in the Washington but national scene. His standard of reporting the news could well serve as a model for all—he was preeminently fair and forthright. His word was his bond, and he was always willing to give of his sound, judicious and able counsel.

I, too, should like to express my very deepest sympathy to his family.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Ohio [Mr. BOW].

Mr. BOW. Mr. Chairman, I should like to join my colleagues in paying tribute to Walker Buel and his great service in the newspaper field. All of us of northern Ohio will miss the very fine contributions Mr. Buel has made.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Ohio [Mr. McGREGOR].

Mr. McGREGOR. Mr. Chairman, I want to join my colleagues in paying respects to the late Walker Buel. He was a great counselor, a guiding hand to all who believed in the principles of this great republic.

Mrs. McGregor joins me in extending our sympathy to Mrs. Buel and the family.

Mr. McCULLOCH. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Ohio, [Mr. McCULLOCH].

Mr. McCULLOCH. Mr. Chairman, I, too, wish to join my colleagues in saying a word or two about Walker Buel. He was a great newspaperman. He wrote for a great newspaper. He will be missed not only in northern Ohio, but wherever the Plain Dealer goes all over America.

Mr. DENNISON. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Ohio [Mr. DENNISON].

Mr. DENNISON. Mr. Chairman, I join with my colleagues on both sides of the aisle today in expressing my sadness upon the death of Walker S. Buel, head of the Washington bureau of the Cleveland Plain Dealer. Although I have only known Mr. Buel personally for a short time, I have known him by reputation for many years as an outstanding newspaperman, dedicated to reporting the facts as he saw them.

He was a part of the great tradition of fine newspaper coverage which has been the trademark of the Cleveland Plain Dealer, which he so ably represented here in Washington.

I wish to extend my deepest sympathy to Mrs. Buel and their family upon their loss.

Mr. FEIGHAN. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Ohio.

Mr. FEIGHAN. Mr. Chairman, Walker Buel was a close friend of mine. He was a man whose warmth of personality made friends for him wherever he went. I feel a personal loss in his passing, though the loss to the public is much greater. Walker Buel in my opinion epitomized everything fine in a newspaperman. His writings and reports were always objective, honest, accurate, sincere, and unbiased. I regret indeed his passing.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. HAYS of Ohio. It was a deep shock to me to hear of the death of Walker Buell. I have been reading his column for more than 20 years and have known him well for the past 9 years. He indeed was an outstanding newspaperman. As has been said, his column will be missed all over Ohio and wherever the Plain Dealer went. I would like to join those who have preceded me in expressing my deep sympathy to his family.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Ohio.

Mr. VORYS. Mr. Chairman, I want to add my voice to those who have spoken in sorrow and in tribute on the passing of Walker S. Buell, my close personal friend for many years. He was an able and distinguished journalist. He understood what makes Washington tick. He was wise and witty, a delightful companion, a reliable friend. My heart goes out in sympathy to his lovely wife, his family, and his great circle of friends. We will mourn his passing, and cherish his memory through the years.

Mr. BROWN of Ohio. Mr. Chairman, I am sure every Member of this House who has known Mr. Buell joins me and those who have spoken in expressing our great regret over his passing and in extending our sympathy to his wife and family.

Mr. Chairman, I ask unanimous consent that all Members of the House be permitted to extend their remarks at this point in the RECORD on the late Walker Buell, and I again express my appreciation to the gentleman from New York [Mr. CELLER] for yielding this time.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MARTIN. Mr. Chairman, I was very sorry to learn of the death of Walker Buel. He was an outstanding member of the Washington press corps for many years. He was not only a very able reporter; he was also honorable and fair. I considered it a privilege to have him as a friend for over 30 years. Walker Buel will be greatly missed by all who knew him. I extend my deepest sympathy to his widow and family.

Mr. BAUMHART. Mr. Chairman, when a great Washington reporter like Walker Buel passes on, we in Congress, especially those of us from the Ohio delegation who knew him so well, feel a great personal loss.

We sense that an equally great public loss is involved, too, because as perhaps few others in American life, we recognize that a well-informed and capable press is a keystone in the formation of public opinion and therefore exerts tremendous influence on the conduct of our unique American political system.

Walker Buel, whose friendship I was proud to share for nearly 30 years exemplified the highest traditions of alert, competent, and fair-minded reporting. His writings always bore an indelible mark of integrity on them and earned him universal respect throughout a career that spanned the most momentous 38 years in our Nation's history, the Wilson-to-Eisenhower era.

Anyone who knew Walker also knew that every story he ever filed represented many hours of laborious checking and rechecking. He was not content until he had uncovered all the facts of a news development and had presented those facts to his readers in the most lucid and incisive manner.

Our hearts go out to Walker's widow and two sons. We hope that the words we speak so sorrowfully today will properly convey to them the warm regard and respect we felt for their departed loved one.

Mr. VANIK. Mr. Chairman, Thursday the Washington press corps suffered the loss of one of its most popular and highly respected members, Mr. Walker S. Buel, head of the Cleveland Plain Dealer bureau in Washington for the past 37 years as well as chief Washington correspondent for the Cleveland News during the past 3 years. His death was caused by complications resulting during abdominal surgery.

Mr. Buel was born in Springfield, Ohio, on January 15, 1890, and was educated at Buchtel College and Western Reserve University. In 1912 he joined the Cleveland Plain Dealer and covered the Cleveland city hall and the statehouse in Columbus, Ohio, in 1917. In 1919 he became head of the Washington bureau of the Cleveland Plain Dealer.

Mr. Buel was elected to membership in the Gridiron Club in 1922 and served as its president in 1932 and as treasurer of the organization during the past 12 years. He was acclaimed for his many contributions to the famous Gridiron shows.

Through James C. Hagerty, White House Press Secretary, President Eisenhower expressed his regrets at losing a "very old and very dear friend." Mr. Hagerty described Mr. Buel as "truly a great gentleman and a distinguished reporter."

Following are several of the many editorials which appeared in newspapers of this country and which pay deserved tribute to this distinguished citizen:

[From the Cleveland Plain Dealer of May 24, 1957]

WALKER SHOWERS BUEL

Death comes to every man, but to some it is given that their influence will live on through the impact of their personalities on others, the opinions they molded and the

institutions they helped to build. Such is the case with Walker S. Buel, whose life was dedicated to this newspaper during more than one-third of the time it has existed. He was a part of the Plain Dealer, and the Plain Dealer was a part of him.

It is with sadness that we record his passing, but even sadness cannot exclude the memories of glorious days when he mingled with the great and the near-great and reported and interpreted momentous events in the Nation's capital for readers of this newspaper. He was on intimate terms with Presidents and Cabinet members, with Senators and Representatives, with politicians, and bureaucrats during the period which witnessed the transfer of more and more power from the State capitals to Washington and during which Washington became, for all practical purposes, the capital of the free world.

And there were days of fun, too, when, as one of the leading spirits of the famed Gridiron Club, he wrote lyrics and fashioned barbs which, always in good taste and never too harsh, deflated the egos of those in the seats of power and periodically reminded them that they were answerable to the people through the instrumentality of a free press.

We at the Plain Dealer knew him affectionately as "Sitting Buel," a nickname coined by his colleagues when he first developed the technique, which is now common practice, of utilizing the radio and television for fast coverage of Presidential campaigns and national conventions. Many a time, sitting in his compartment on a Presidential campaign train, or the workroom at a national convention, he was able to flash news of important events while his colleagues were fighting their way through crowds or waiting for packed elevators to get to telephones or wire facilities.

The reporters who worked with Walker at national conventions also knew him as "Papa Buel" and "The Good Provider," nicknames he was justifiably proud of being called. For he always saw that his associates were well taken care of in the way of lodgings and provender. But when it came time to work, there was no letdown, no relaxation, either for him or for his staff, until the paper had been put to bed and the wire had closed for the night.

The Plain Dealer is a better newspaper because of what Walker Buel put into it. That is the reward every dedicated newspaperman strives for. Regretfully we say farewell to one who achieved it.

[From the Cleveland Press of May 24, 1957]

THAT WALKER S. BUEL BYLINE WILL BE GRIEVOUSLY MISSED

To oldtimers in the newspaper business, it seems as if it were only yesterday that Walker S. Buel, a tall gangling youth, was covering the justice courts in Cleveland and cutting his eyeteeth on less important stories.

The Plain Dealer reporter had all the attributes of a good newspaperman, an inquiring mind, the faculty of making and keeping friends, the ability to put into words what he found out.

It was not surprising that Mr. Buel moved on to Columbus, where he was legislative correspondent for a couple of years, and then to Washington.

He knew all the Presidents from Warren G. Harding to Dwight Eisenhower, and was on easy terms with Senators and Congressmen. The newspaper profession loses an able craftsman with his death.

[From the Cleveland News of May 24, 1957]

WALKER S. BUEL, WASHINGTON STAR

Walker Showers Buel, chief of the Washington news bureau of this paper and the Cleveland Plain Dealer, who had served there for nearly 40 years, was a fine political editor and writer, whose death ends one of the longest careers of the kind in the Capital.

Schooled on the Plain Dealer staff starting in 1912, Mr. Buel became a political expert in print by instinct, and was the newspaper's politics reporter here and in Columbus before his Washington career. Such men as Newton D. Baker, James M. Cox, Maurice Maschke, and Vic Donahey, whose campaigns he reported in those days, became his lifelong friends and admirers. Seven Presidents of the United States knew and liked him for his great fairness, perspicacity, and warm-hearted companionship. The Gridiron Club of Washington correspondents turned to him for its top wit and music for every dinner-show for more than 30 years. The Ohio-born boy who grew to national stature never lost his modesty or his kindness, and the personal sense of loss for us is considerable.

[From the Washington Evening Star of May 24, 1957]

WALKER S. BUEL

Walker S. Buel, who died yesterday at 67, was a veteran of 45 years on the staff of his distinguished newspaper, the Cleveland Plain Dealer. He was a senior, a widely known and respected member of the Washington corps of correspondents, which he joined in 1919. In his newspaper life he witnessed many changes in the personnel and practices of journalism and in the customs and attitudes of the readers to whom he reported. Yet one of the qualities which so endeared him to his colleagues and to an unusually large number of friends here and around the country was that they found so little change in Walker Buel. Disabilities of advancing age and recurring illness failed to dim a gay enthusiasm and zestful interest which kept him young. He was a shrewd and competent recorder and critic of the art of politics. He never watched its repetitive patterns through the tired eyes of a cynic; he looked forward to them as fresh adventures in reporting, new items for "my column." He had become a delightful fixture, in the columns of the newspaper he served so long and so well; in the Gridiron Club, of which he was the beloved dictator, and in the hearts of so many friends who found his courage, his loyalties and prejudices, his optimism and unyielding determination the sources of strength and comfort.

[From the Washington Post and Times Herald of May 26, 1957]

WALKER S. BUEL

Washington has lost a newspaperman who was a professional in the best sense of the word with the death on Thursday at 67 of Walker S. Buel. As a correspondent here for the Cleveland Plain Dealer since 1920, Walker Buel chronicled the politics of seven administrations with an unfailing sense of the high drama beneath the facade of everyday political maneuver. He remained unstaled by cynicism despite his long tenure, and—like every good newspaperman—he retained the enthusiasm of a cub reporter when he came upon a startling news development or a provocative item for his ably written and deservedly influential column.

Walker Buel's many friends in the National Press Club will remember him both for his almost courtly manners and his infectious humor. In a city where Potomac air sometimes puffs out the shirt and turns men into statuary prematurely, Walker Buel was in large part responsible for the success of the Gridiron Club. The satiric skits he contributed helped redress the balance in this frequently all-too-solemn Capital. A shrewd observer, a lucid writer, and a stanch friend, Walker Buel won the confidence and affection not only of men high on the pyramid of political power, but of his colleagues as well.

Mr. CELLER. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WALTER], the author of the bill.

Mr. WALTER. Mr. Chairman, the measure under consideration was reported unanimously by the Committee on the Judiciary. It merely relieves the senior circuit and district court judges of the housekeeping duties connected with such positions.

I introduced a similar bill several years ago at the request of a senior circuit judge who has since retired, but this bill is recommended to the House by the Judicial Conference of the United States. All of the judges affected desire this legislation. The American Bar Association approved it at its last meeting, and some local bar associations have also. The Attorney General of the United States has recommended the bill, as has the executive committee of the Attorney General's Conference on Court Congestion and Delay in Litigation.

Certainly by no stretch of the imagination could this be considered a reflection on these elderly judges or else they would not request this legislation. This bill is here because they feel that these duties should be performed by the younger men.

It will affect in the circuits Judge Hutcheson of the Fifth Circuit, who is 77, Judge Simons of the Sixth Circuit, who is 80, Judge Gardner of the Eighth Circuit, who is 89, and Judge Denman of the Ninth Circuit, who is 84.

As far as the district court judges are concerned, the ages are comparable.

It certainly seems to me that in this day and age—when there are so many housekeeping chores—these judges ought not to be required to perform them, when you consider the fact that they all sit and have to write opinions and perform their other judicial services.

I do not know what more there is to say about this legislation. Certainly I cannot see any legitimate opposition to it.

Mr. FEIGHAN. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I yield to the gentleman from Ohio.

Mr. FEIGHAN. I congratulate the gentleman on his very explicit explanation of this bill, but it seems to me reasonable that the age limitation be reduced to 70, so that undue burdens would not be placed upon these elderly distinguished jurists.

Mr. WALTER. I strongly suspect that within a very short time there will be an attempt made to amend the bill, because actually, as the gentleman well knows, there were two judges who did not want to be relieved of these duties because they felt that by so doing perhaps some of the patronage that they enjoyed might be interfered with. That was the reason the age was changed from 70 to 75.

Mr. LONG. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I yield.

Mr. LONG. This does not provide for compulsory retirement; does it?

Mr. WALTER. This is not retirement in any sense of the word. Under the law, the senior circuit judge is required to make assignments and perform other administrative duties. This bill relieves him of those duties. It does not compel

retirement and it in no wise affects his tenure of office as a judge. He is, as you know, appointed, in effect, for life.

Mr. LONG. I thank the gentleman.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KEATING. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the Committee on Court Administration of the Judicial Conference of the United States has given a great deal of study to means of relieving congestion in the Federal courts.

A part of the program, which is evolving as a result of the committee's study, is a recommendation that chief judges of circuits and district courts cease to serve as such upon reaching the age of 70.

We should remember that this recommendation has been made by the judges themselves, based upon years of experience.

A chief judge is responsible not only for the execution of his judicial duties, but in addition, must supervise and direct the numerous administrative details of the circuit or district. The purpose of H. R. 985 would be to relieve senior judges of these extra duties in order that their judicial experience may be best utilized in their later years.

While the Committee of the Judicial Conference recommended that chief judges be relieved of their administrative duties upon reaching the age of 70, it was the opinion of the Committee on the Judiciary that those duties could be performed without undue hardship until the age of 75, and the original bill was amended accordingly.

Mr. Chairman, although the enactment of H. R. 985, will not, of itself, solve the problem of congestion in Federal courts, it is my opinion that it represents a constructive and progressive forward step necessary to the solution of the problem. I urge favorable action on this bill.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield.

Mr. HOFFMAN. Does this proposed legislation have the support of the administration?

Mr. KEATING. It has been recommended by the Attorney General, yes.

Mr. HOFFMAN. Is there any assurance that if Members vote for it, the Congressional Quarterly will count it in on the score?

Mr. KEATING. I am not familiar with the way the Congressional Quarterly compiles its statistics.

Mr. HOFFMAN. I can enlighten the gentleman a little bit. They do not regard the facts. They put in 14 marks on 1 vote, that is, they multiplied 1 vote 14 times when they gave the majority leader credit for voting in favor of the administration 95 percent of the time. They had to count 1 vote 14 times in order to get that figure.

Mr. KEATING. I am always glad when the majority leader is in support of the administration.

Mr. HOFFMAN. So am I. I wish he would do it at election time.

Mr. KEATING. I am sure I share the gentleman's views.

Mr. CELLER. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. O'HARA].

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to my good friend from Michigan.

Mr. HOFFMAN. Will the gentleman please say a word for those of us who are older?

Mr. O'HARA of Illinois. I will do my best, although I think the distinguished gentleman from Michigan is the best proof that youth is eternal.

I had never thought that I would be in this well in disagreement with that great liberal, my fond friend, "MANNY" CELLER of New York. During the years I have followed his leadership, always fighting discrimination wherever its ugly head was raised. It was never a matter of who or what was the target for discrimination. It was discrimination itself we were fighting—discrimination which is the poison that destroys both individuals and States.

Now because a few Federal judges have been allegedly disagreeable, and there is a desire to get rid of them, it is proposed for the first time in the history of this Congress to enact a law discriminating against age.

My good friend "MANNY" CELLER knows that when people of evil minds seek to create a prejudice against those of any group they begin by picking out a few individuals of disrepute and falsely holding them up as representatives of all the people of that group. This is the strategy of hatred as old as mankind. Now because there may be 2 or 3, or perhaps more, disagreeable Federal judges, who have reached the age of 75, we are asked to legislate on the conclusion that all persons of 75 or over are to be judged by the measure of these few exceptions.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Illinois. I yield.

Mr. ROGERS of Colorado. Does the gentleman know at what age Federal employees must retire under the civil-service law?

Mr. O'HARA of Illinois. By any law enacted by this Congress or by the rules of the Civil Service Commission?

Mr. ROGERS of Colorado. Do you know what that law is?

Mr. O'HARA of Illinois. I know the Civil Service Commission has for some positions an age range. At 75 a person might not qualify for a job requiring hard manual labor. This does not mean that he would be disqualified for duties as a presiding judge.

Mr. ROGERS of Colorado. Is not that age 70—compulsory retirement at 70?

Mr. O'HARA of Illinois. That I do not know. But I can tell the distinguished gentleman from Colorado who at the tender age of 34 was a great Attorney General of the State of Colorado, and now when he is 57 is a mighty good Congressman; I can tell him that one of the greatest wastes from which our country is suffering is in compulsory retirement and the refusal to employ thoroughly competent persons merely because of their age. Many persons not yet 40 have had the doors of employment slammed in their faces. We are increasing the span of human life, and at the same time we are increasing the difficulty for one past 35 to get a job. Many of the personnel managers of our business concerns frankly say to applicants over 35, and otherwise qualified, "We cannot employ you, because it costs us a great deal of money to educate and train a worker, and we must have enough years of his prime remaining to get our money back." I know of many young men and women who have gone place after place, and they could not find employment, because they had passed 35. I do not want to see this Congress put into the laws of the land that concept.

Mr. Chairman, in the historic hall in which we are meeting there is a richness of tradition in which we are enveloped as we pursue our legislative duties. In this Chamber in every generation have been young Members and those of greater years and experience and Members, too, who were near the close of their years of service. This would not be the greatest deliberative body in the world if those who constituted its membership were of one age group. Each group makes its contribution and the combined contribution of all the groups working together in mutual respect and in friendly understanding is the triumph of democratic government.

Today is the first time in the history of this historic body the question of age is being raised to destroy the democratic unity that long has prevailed in this body and to separate its Members, not by the measure of character but by the dates of a calendar. For the first time in the history of the Congress of the United States we are asked to write into the laws of the land a new and a startling rule that men are not to be judged by what they are but by the number of years that they have lived. The proponents of this bill will say that it relates only to judges in the Federal courts, and is intended merely to divest those who have reached the age of 75 of the burden of administrative duties. But what is the argument that is given in support of this position? Let me read from pages 2 and 3 of the report of the committee, and I respectfully ask that all my colleagues carefully weigh the implications:

> Nevertheless, it cannot be denied, as indicated in the experience of private business, that the toll of years has a tendency to diminish celerity, promptitude and effectiveness.

When on April 15, 1957, I objected to this bill being called on the Consent Calendar the distinguished gentleman from Colorado [Mr. ROGERS] said:

> I may say to the gentleman that we have a number of judges who are past the age of 75 and who insist upon handling mere details of the administrative functions of the court with the result it has impared the efficiency of some of the district courts and some of the circuit courts.

That well may be true that there are judges who are not as chief justices good and wise administrators. But to say that their lack of qualification is due to the fact that they are 75 years old

or older and that it follows therefore that one who has reached the age of 75 is lacking in the necessary qualifications is open to the challenge of every Member of this body who takes the time to look around.

The great and beloved Speaker of the House, probably the most efficient presiding officer in the world, as evidenced daily in this Chamber and on occasions as chairman of great national conventions nominating candidates for President and Vice President of the United States, is 75. Because 1 or 2 judges in the Federal courts lack poise and respect for the rules of courteous deportment are they to be accepted as the criterion or are we to accept as the guide to our thinking the performance of the Members of this body who are 75 or older?

The chairman of the Committee on Appropriations, the distinguished gentleman from Missouri, is well past 75. But every night until close to midnight he is at work in his office on the 7th floor of the New House Building. I know because he and I are always the last to leave the building.

Are we to write into the law of the land the implication that CLARENCE CANNON lacks administrative ability because 1 or 2 judges in district courts are probably at 75 just as impossible as they were at 21?

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Illinois. I am glad to yield to the gentleman from Michigan.

Mr. HOFFMAN. Now that my distinguished friend has started out on a new House Office Building and its occupants, and the older men, I do not think he intended to, but if you did, will you leave me out of it? Because the folks in my district, some of them, are still emphasizing the fact of my age, and I do not want any more of these self-starters for me.

Mr. O'HARA of Illinois. I may say to the gentleman from Michigan that I understand he works as long or even longer than the gentleman from Missouri [Mr. CANNON]. He is certainly a prodigious worker. But it happens that because of the location of our respective residences the gentleman from Michigan leaves by the front door and the gentleman from Missouri and the gentleman from Illinois by the back door.

The distinguished gentleman from North Dakota, USHER BURDICK, in his college days was one of the great football players of this Nation. Every day you see him on the floor of this House, and he is as physically active and as mentally alert as he was when he was a star of the gridiron. Because some judge who probably at 21 was not too alert and not too popular with his mates at 75 is a prototype of what he was at 21, are you to accept him as a criterion and close your eyes to that which is daily before you in the dynamic performance of USHER BURDICK?

Let me read again the sentence on pages 2 and 3 of the report of the committee:

> Nevertheless it cannot be denied, as indicated in the experience of private business, that the toll of years has a tendency to diminish celerity, promptitude and effectiveness.

I will admit that in some private businesses age has been made a factor in obtaining employment. I have talked to many discouraged and disillusioned young men who have sought to obtain employment and have been turned away because they were 39 or 40. This results from a policy that some private businesses have adopted not to employ anyone past 35 years of age on the calculation that it costs the employer a fantastic amount of money to train the worker and that there must be a sufficient number of years of his prime left for the employer to recoup on his investment.

I do not want this Congress to give countenance to that policy. The committee, in basing its argument for this bill on the grounds that it is recommended by the experience of private business, has made that the issue upon which we will soon be voting. I shall ask for a rollcall, and I depend upon the forthrightness of my colleagues whether they intend to vote for this bill or against this bill to join with me in the demand for that rollcall.

There are in this body many Members who have reached the age of 75. I am proud to be among that number. The very moment that I cannot do my job, the very moment that I cannot keep at my desk in the hours of the night as well as in the hours of the day, I will not wish to be a Member of the Congress. As Oliver Wendell Holmes, Justice of the Supreme Court of the United States, the great dissenter, said on his 90th birthday: "For to live is to function. That is all there is in living."

And meanwhile, Mr. Chairman, if we are to place upon men the measure of age, I prefer to be judged, even though I am very humble in comparison with their measure, not by 2 or 3 disagreeable Federal judges, but by BRENT SPENCE, who never once has entered the well of the House that he did not speak with a clearness and clarity that reflected the working of a brain that time had made only the keener; TOM O'BRIEN, DAN REED, NOAH MASON, CLARE HOFFMAN, JOHN TABER, CHARLIE VURSELL, Mrs. ROGERS, and others in this body who have grown richer in all the qualities of leadership and of statesmanship with every passing year. I may not always agree in philosophy and on measures that come before us with all my colleagues who have reached the age of 75, but in none have I ever detected any proof to substantiate what the report of the committee says is the experience of private business that celerity, promptitude, and effectiveness diminish with the increasing years that the good Lord has allotted.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. KEATING. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. O'HARA of Illinois. Mr. Chairman, I thank the gentleman for yielding me the additional 5 minutes in which I wish to refer to Oliver Wendell Holmes. He was 91 years old when he retired from the Supreme Court of the United States. After he had reached and passed his 75th birthday he wrote those great dissenting opinions that established respect for legislative authority. What lawyer is there in this body who would dare say that when he reached 75 Mr. Justice Holmes "as indicated by the experiences of private business" had begun to find "that the toll of years has a tendency to diminish celerity, promptitude and effectiveness." Poppycock. At 90 Mr. Justice Holmes would have shamed them to death, singlehanded.

Mr. Justice Brandeis, one of the greatest jurists that ever graced a court, was 83 years of age when he resigned from the Supreme Court bench. What lawyer is there in this body who would dare to say that when Mr. Justice Brandeis reached 75 he became prey to diminishing celerity, promptitude and effectiveness?

Mr. Chairman, I have profound respect for the membership of the great Committee on the Judiciary and for several of its members I hold a deep affection and I appreciate its problems. I appreciate that there are some chief justices who might wish to be divested of administrative chores, and others whose divorcement from the responsibilities of administation might be in the best interest of the courts. But there is no justification of attaining the desired objective in this manner. Let us understand clearly what this bill does. By its implication it casts a reflection on every Member of this body who is 75. It casts a reflection upon the memory of Mr. Justice Brandeis. It casts a shadow upon the memory of Mr. Justice Holmes. For the first time in the history of this Congress it will write into the laws of the land the dictum that persons in the Federal judiciary are not to be measured by their integrity, their ability, their industry and devotion, but by their age.

Mr. Chairman, I hope this bill will be sent back to the committee for further study. The keen legal minds of the learned members of the Judiciary Committee surely can find some better way of meeting the problems of the courts than legalizing age discrimination.

Mr. Justice Holmes was buried on his 94th birthday. More than half his fortune of $553,000 he left to the United States of America without restriction.

It is scarcely complimentary to the memory of this outstanding American jurist to pass an act about 2 decades after his death stating in substance that at 75 he was not competent to hold the office of chief justice of a Federal district court.

Mr. KEATING. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Chairman, I do not know how much we should argue about age here because to me and those of my district everything is relative.

Mr. Chairman, may I say that recently I attended a banquet in honor of the oldest living Mason of the United States, who was 100 years old. I enjoyed that banquet very much. During the course of the meal I heard some gentleman behind me say, "I will be 91 shortly."

When the opportunity presented itself I turned around to visit with this distinguished gentleman. The 91-year-old was watching the 100-year-old autograph menus and doing a fine job of it. The only thing about him was he was a little hard of hearing, but he autographed menus in a very legible hand.

I said to this 91-year-old, "You say he is all right, he is in fine shape? How about you?" He said, "I am all right." I said, "Are you 91?" He said, "Yes, I am." I said, "That is fine, you are here as a 91-year-old youngster to attend this celebration in honor of a 100-year-old man." I asked him, "Do you get about very much yourself? Do you go out nights?" He said, "Oh, yes, I enjoy myself thoroughly. I like to attend things like this, particularly when it is honoring an individual like Mr. Decker."

He said, "There is only one thing the matter with this program." I asked him what that was and he said, "They are drawing it out too long. The first thing you know they are going to wear that old man out."

Mr. CELLER. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I want to state at the outset that I have the most affectionate regard for the gentleman from Illinois [Mr. O'HARA]. I respect his opinion, but I must gently but firmly disagree with him.

There was no intention by the offering of this bill to rid the bench of any specific chief judge. What we do is to say that they shall not have the added burdens of administration of the courts. We do not do anything with regard to their judicial functions whatsoever. Now, we simply state that they shall not have the administrative burdens of the chief judgeship. Those are for the most part housekeeping and time-consuming chores, such as the court's personnel and the like. That is all we do by this bill.

Now, the names of distinguished judges were offered here today: Mr. Justice Holmes, Mr. Justice Brandeis, both late lamented distinguished judges. They would be unaffected if they were judges and we had passed this bill, because they were not chief judges and also this bill does not touch the Supreme Court. This bill only refers to those who are the senior judges of the circuit and district courts; that is, the court of appeals or the District court.

Now, if we are going to be consistent, in accordance with what the gentleman from Illinois says, we would have to repeal all of our civil service compulsory retirement acts. As you know, you must retire, when you are in the Federal service, at 70 years of age. We also provide for the voluntary retirement of our Federal judges when they reach 65 years of age if they have 15 years of service, or if they reach the age of 70 with 10 years of service. But, that is no reflection upon any of those judges who seek voluntary retirement.

Now, most industrial concerns provide for compulsory or mandatory retirement at 65. There is no reflection on those men who are thus compelled to retire. With reference to Congress, Members of Congress can stay here at any age, but there is a big difference between a Member of Congress and a member of a court. If a judge, for example, becomes senile, becomes inefficient, or becomes a drunkard—they could not properly carry on their duties; we are practically helpless; we cannot do anything except by impeachment, because they are appointed in effect for life. But, if a Congressman is guilty in that way, there are sanctions; the electorate simply does not reelect him.

Now, I have a letter of great interest here which I received from Judge Denman, head of the ninth judicial circuit, which reads as follows:

UNITED STATES COURT OF APPEALS,
NINTH JUDICIAL CIRCUIT,
San Francisco, Calif., May 3, 1957.

Hon. EMANUEL CELLER,
Chairman, Judiciary Committee,
House of Representatives,
House Office Building,
Washington, D. C.

DEAR MR. CELLER: I am strongly in favor of requiring the administration of the courts of appeal and multiple judge district courts by persons under 70 years of age, for the reasons hereafter stated.

In the fiscal year 1956 in my 84th year I was able to write 57 fully considered opinions on final judgments, none of which has been reversed and but one of which is now pending in the Supreme Court. On the administrative side, the court's heavy arrearages in 572 cases pending at the beginning of that year were reduced so that but 349 were pending at the end, by my procuring of the participancy of circuit judges of other circuits and many of our own district judges. This came about by an extraordinary inherited longevity from the families of both my parents, with many immediate ancestors living into the late nineties and one to 102.

However, I have know a number of able judges whose energy and drive has begun to fade in their sixties and early seventies and their litigants have suffered from it.

It is much better that the few of us who have such an inheritance should give up our administrative work at 70 than have the litigants subject to the courts' delays and arrearages from those who are less fortunate.

Very faithfully yours,
WILLIAM DENMAN,
Chief Judge.

He is not worrying about this bill. Of course we have increased the age to 75.

I would be the last man in the world to cast any reflection upon old age, on anyone in general or anyone in particular. I have the greatest respect for old age.

I remember hearing the great concerts conducted by Toscanini when he was 89 years of age. And I know that Beethoven wrote his best symphonies when he was over 80, although deaf.

Barney Baruch, away over 80, is still the elder statesman. And Churchill was just as strong at 80 as he was at 70.

I remember Orlando, who was a little fellow, and the way he bounced around at 91. I met him when he was one of the Big Four, during the First World War He married a third time when he was 91. He was a chain smoker. I never saw a man with the great energy that Orlando had, at 91 years of age.

I remember from the days when I was a kid Longfellow's poem "We Who Are About To Die Salute Thee."

I might read it, if the Members will bear with me for a moment.

But why, you ask me, should this tale be told
To men grown old, or who are growing old?
It is too late! Ah, nothing is too late
Till the tired heart shall cease to palpitate.
Cato learned Greek at eighty; Sophocles
Wrote his grand Oedipus, and Simonides
Bore off the prize of verse from his compeers,
When each had numbered more than fourscore years.
And Theophrastus, at fourscore and ten,
Had but begun his Characters of Men.
Chaucer, at Woodstock with the nightingales,
At sixty wrote the Canterbury Tales;
Goethe at Weimar, toiling to the last,
Completed Faust when eighty years were past.
These are indeed exceptions; but they show
How far the gulf-stream of our youth may flow
Into the arctic regions of our lives,
Where little else than life itself survives.

That was Longfellow and what he said those many years ago is still true today, and I am sure the gentleman from Illinois [Mr. O'HARA] will agree with me. But that does not weaken one iota the bill that is before us.

Mr. O'HARA of Illinois. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Illinois.

Mr. O'HARA of Illinois. I understood the distinguished gentleman from New York to say that in the case of a judge who was a drunkard and a disgrace to the court, there was nothing we could do about it. I should like to ask two questions. First, is he more apt to be a drunkard and a disgrace at 75 than at 35?

Mr. CELLER. No. I just cited that to show that in the case of the judiciary we are powerless to remove. We cannot remove these judges except by impeachment.

Mr. O'HARA of Illinois. Can we not impeach a judge?

Mr. CELLER. It is not a question of how old they are. They could be drunkards at 40 or at 80. But when it comes to somebody else, such as a Member of the House, he is subject to the scrutiny of the electorate who can take action.

Mr. O'HARA of Illinois. I am asking the gentleman whether or not a judge, in the case of a drunkard or one guilty of disgraceful conduct, would not be subject to impeachment.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Not only is their tenure for life, but under the law, when a man becomes a chief judge, he keeps those duties until he leaves the bench.

Mr. CELLER. That is correct. Finally I want to say that I know of some men who are old at 40 and some who are young at 80. I remember what Emerson said:

We do not count a man's years until he has nothing else to count.

The CHAIRMAN. The time of the gentleman from New York has expired. All time has expired, and the Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That subsection (a) of section 45 of title 28 of the United States Code is amended to read as follows:

"(a) The circuit judge in regular active service who is senior in commission and under 70 years of age shall be the chief judge of the circuit. If all the circuit judges in regular active service are 70 years of age or older the youngest shall act as chief judge until a judge has been appointed and qualified who is under 70 years of age."

With the following committee amendments:

Page 1, line 6, strike out "seventy" and insert "seventy-five."

Page 1, line 8, strike out "seventy" and insert "seventy-five."

Page 2, line 1, strike out "seventy" and insert "seventy-five."

Page 2, line 1, strike out "age." " and insert "age, but a judge may not act as chief judge until he has been a member of the court for 1 year." "

The committee amendments were agreed to.

Mrs. PFOST. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I live in a judicial district served by only two Federal judges. We in Idaho are fortunate in having as our senior judge a former Governor of the State. He is an able, an active, and a most efficient chief judge.

Judge Chase Clark became 73 on August 20 of last year. If this bill is passed he will therefore be relieved of his administrative duties on August 20, 1958—just a little over a year from now.

This means that the people of Idaho will be deprived of Judge Clark's seasoned judgment, his abundant wisdom, and his vast experience at a time when they are critically needed. I do not want to see this happen, and I am confident the people of my State feel exactly as I do. I am therefore going to vote against this bill.

The Clerk read as follows:

SEC. 2. Subsection (a) of section 136 of title 28 of the United States Code is amended to read as follows:

"(a) In each district having more than one judge the district judge in regular active service who is senior in commission and under 70 years of age shall be the chief judge of the district court. If all the district judges in regular active service are 70 years of age or older the youngest shall act as chief judge until a judge has been appointed and qualified who is under 70 years of age."

With the following committee amendments:

Page 2, line 8, strike out "seventy" and insert "seventy-five."

Page 2, line 10, strike out "seventy" and insert "seventy-five."

Page 2, line 13, strike out "seventy" and insert "seventy-five."

Page 2, line 13, strike out "age." " and insert "age, but a judge may not act as chief judge until he has been a member of the court for one year." "

The committee amendments were agreed to.

The Clerk read as follows:

SEC. 3. The amendments to sections 45 and 136 of title 28 of the United States Code made by this act shall take effect at the expiration of one year from the date of enactment of this act.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BASS of Tennessee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 985) to provide that chief judges of circuits and district courts shall cease to serve as such upon reaching the age of 70, pursuant to House Resolution 255, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read a third time.

The SPEAKER. The question is on the passage of the bill.

Mr. O'HARA of Illinois. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. O'HARA of Illinois. I am opposed to the bill, Mr. Speaker.

The SPEAKER. The Clerk will report the motion offered by the gentleman from Illinois.

The Clerk read as follows:

MR. O'HARA of Illinois moves to recommit the bill H. R. 985 to the Committee on the Judiciary for further study.

The SPEAKER. The question is on the motion to recommit.

Mr. O'HARA of Illinois. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. HOFFMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently, a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 47, nays 292, not voting 93, as follows:

[Roll No. 83]

YEAS—47

Abbitt
Adair
Alexander
Anderson, Mont.
Andrews
Ashmore
Blitch
Bolling
Bonner
Christopher
Colmer
Denton
Dies
Dowdy
Fallon
Flynt
Fogarty
Fountain
Gray
Harris
Harrison, Va.
Hays, Ohio
Herlong
Karsten
Keeney
Lanham
Loser
McMillan
Mack, Ill.
Magnuson
Metcalf
Miller, Calif.
O'Hara, Ill.
Plost
Poff
Price
Riley
Rivers
Robeson, Va.
Scott, N. C.
Tuck
Ullman
Whitener
Wier
Williams, Miss.
Winstead
Yates

NAYS—292

Abernethy
Addonizio
Alger
Allen, Ill.
Andersen, H. Carl
Arends
Aspinall
Auchincloss
Avery
Baldwin
Bass, N. H.
Bass, Tenn.
Bates
Baumhart
Becker
Beckworth
Belcher
Bennett, Fla.
Bennett, Mich.
Bentley
Berry
Betts
Blatnik
Boggs
Boland
Bolton
Bosch
Bow
Boykin
Boyle
Bray
Brooks, La.
Brooks, Tex.
Broomfield
Brown, Ga.
Brown, Mo.
Brown, Ohio
Brownson
Broyhill
Budge
Burleson
Bush
Byrne, Ill.
Byrne, Pa.
Byrnes, Wis.
Canfield
Cannon
Carrigg
Cederberg
Celler
Chamberlain
Chenoweth
Chudoff
Church
Clark
Clevenger
Collier
Cooper
Corbett
Cretella
Cunningham, Iowa
Cunningham, Nebr.
Curtin
Curtis, Mass.
Curtis, Mo.
Dague
Davis, Ga.
Delaney
Dellay
Dempsey
Dennison
Derounian
Devereux
Dingell
Dooley
Dorn, N. Y.
Dorn, S. C.
Doyle
Dwyer
Elliott
Engle
Evins
Farbstein
Fascell
Feighan
Fenton
Fino
Fisher
Flood
Forand
Ford
Forrester
Frazier
Frelinghuysen
Friedel
Fulton
Gary
Gathings
Gavin
Granahan
Grant
Green, Oreg.
Gregory
Griffin
Griffiths
Gross
Gwinn
Hagen
Hale
Haley
Halleck
Harden
Hardy
Harrison, Nebr.
Harvey
Haskell
Hays, Ark.
Henderson
Heselton
Hess
Hiestand
Hill
Hoffman
Holmes
Holt
Horan
Hosmer
Huddleston
Hyde
Ikard
Jarman
Jennings
Jensen
Johansen
Johnson
Jonas
Jones, Ala.
Jones, Mo.
Judd
Kean
Keating
Kee
Keogh
Kilburn
Kilday
Kilgore
King
Kirwan
Knox
Knutson
Laird
Landrum
Lane
Lankford
LeCompte
Lesinski
Lipscomb
Long
McCarthy
McConnell
McCormack
McCulloch
McDonough
McFall
McGovern
McGregor
McIntosh
McVey
Macdonald
Machrowicz
Mack, Wash.
Madden
Mahon
Mailliard
Marshall
Martin
Matthews
May
Meader
Merrow
Michel
Miller, Nebr.
Miller, N. Y.
Mills
Minshall
Montoya
Moore
Morgan
Morris
Morrison
Moss
Moulder
Murray
Natcher
Neal
Nicholson
Nimtz
Norblad
Norrell
O'Brien, N. Y.
O'Hara, Minn.
O'Konski
O'Neill
Osmers
Ostertag
Patman
Pelly
Perkins
Pillion
Poage
Porter
Powell
Rabaut
Radwan
Rains
Ray
Reece, Tenn.
Reed
Rees, Kans.
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Riehlman
Roberts
Robsion, Ky.
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Rooney
Roosevelt
Rutherford
Sadlak
Santangelo
St. George
Saund
Schenck
Scott, Pa.
Scrivner
Scudder
Seely-Brown
Selden
Sheehan
Shelley
Sheppard
Sieminski
Sikes
Simpson, Ill.
Simpson, Pa.
Sisk
Smith, Kans.
Smith, Miss.
Smith, Va.
Smith, Wis.
Spence
Springer
Staggers
Stauffer
Taber
Talle
Teague, Calif.
Teague, Tex.
Teller
Tewes
Thomas
Thompson, La.
Thompson, Tex.
Thomson, Wyo.
Thornberry
Trimble
Udall
Utt
Van Pelt
Van Zandt
Vinson
Vorys
Vursell
Wainwright
Walter
Watts
Weaver
Westland
Wharton
Whitten
Wigglesworth
Williams, N. Y.
Willis
Wilson, Calif.
Withrow
Wright
Young
Younger
Zablocki

NOT VOTING—93

Albert
Allen, Calif.
Andresen, August H.
Anfuso
Ashley
Ayres
Bailey
Baker
Barden
Baring
Barrett

Beamer	Green, Pa.	Murray
Bowler	Gubser	O'Brien, Ill.
Breeding	Healey	Passman
Buckley	Hébert	Patterson
Burdick	Hemphill	Philbin
Byrd	Hillings	Pilcher
Carnahan	Hoeven	Polk
Chelf	Holifield	Preston
Chiperfield	Holland	Prouty
Coad	Holtzman	Rogers, Mass.
Coffin	Hull	Saylor
Cole	Jackson	Scherer
Cooley	James	Schwengel
Coudert	Jenkins	Shuford
Cramer	Kearney	Siler
Davis, Tenn.	Kearns	Smith, Calif.
Dawson, Ill.	Kelley, Pa.	Steed
Dawson, Utah	Kelly, N. Y.	Sullivan
Diggs	Kitchin	Taylor
Dixon	Kluczynski	Thompson, N. J.
Dollinger	Krueger	Tollefson
Donohue	Latham	Vanik
Durham	Lennon	Widnall
Eberharter	McIntire	Wilson, Ind.
Edmondson	Mason	Wolverton
Garmatz	Miller, Md.	Zelenko
George	Morano	
Gordon	Multer	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hemphill for, with Mr. Hébert against.

Until further notice:

Mr. Holtzman with Mr. Hoeven.
Mr. Holifield with Mr. Beamer.
Mr. Kitchin with Mr. Widnall.
Mr. Anfuso with Mr. Patterson.
Mr. Zelenko and Mr. Morano.
Mr. Green of Pennsylvania with Mr. Cramer.
Mr. Holland with Mr. Cole.
Mr. Carnahan with Mr. Mason.
Mr. Vanik with Mr. Miller of Maryland.
Mr. Albert with Mr. Gubser.
Mrs. Sullivan with Mr. Allen of California.
Mrs. Kelly of New York with Mr. Ayres.
Mr. Byrd with Mr. Kearney.
Mr. Bailey with Mr. Kearns.
Mr. Hull with Mr. Scherer.
Mr. Baring with Mr. Smith of California.
Mr. Shuford with Mr. Taylor.
Mr. Kluczynski with Mr. Wilson of Indiana.
Mr. Barrett with Mr. Dixon.
Mr. Dawson of Illinois with Mr. Chiperfield.
Mr. Philbin with Mr. Coudert.
Mr. Donohue with Mr. Latham.
Mr. Durham with Mr. McIntire.
Mr. Ashley with Mr. Prouty.
Mr. Barden with Mr. George.
Mr. Buckley with Mr. August H. Andresen.
Mr. Dollinger with Mr. Baker.
Mr. Garmatz with Mr. Hillings.
Mr. Gordon with Mr. Burdick.
Mr. Preston with Mrs. Rogers of Massachusetts.
Mr. Pilcher with Mr. Siler.
Mr. Multer with Mr. Tollefson.
Mr. Healey with Mr. Wolverton.
Mr. Polk with Mr. Krueger.
Mr. Kelley of Pennsylvania with Mr. Jackson.
Mr. Breeding with Mr. Jenkins.
Mr. Thompson of New Jersey with Mr. Schwengel.
Mr. Coffin with Mr. James.
Mr. O'Brien of New York with Mr. Dawson of Utah.

Mr. WILLIAMS of Mississippi changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

The title was amended so as to read: A bill to provide that chief judges of circuit and district courts shall cease to serve as such upon reaching the age of seventy-five."

A motion to reconsider was laid on the table.

GENERAL SERVICES ADMINISTRATION

Mr. McCORMACK. Mr. Speaker, my remarks are addressed to a bill I have introduced—H. R. 7694—which would in essence give Cabinet status to the General Services Administration. This need was brought to my mind by the size of the budget we are being called upon to consider at this time. The President should have all the assistance he can summon in the discharge of his duties. The Cabinet should have broad-gaged advisers in the public interest. It is only perhaps an oversight that Cabinet status is not afforded GSA, the agency to which Congress gave the important standards, you recall, of "economy, efficiency, or service."

This is not a proposal to elevate or honor just another agency. My bill would gain for the President immediate contact with his property manager, his chief purchasing agent for critical and strategic materials, his civilian supply officer, archivist and records keeper, his civilian transportation and public utility management consultant. More than any other member of his official family, the Administrator of this agency was given sweeping powers to coordinate the activities of the executive agencies. The results of these efforts are not best carried to the ear of the President by the spokesmen of the departments and agencies subject to the GSA Act. This information the President needs first hand. His budget and operating programs would have strong validity then; he would know his soft areas; he would be confident in his areas of strength.

GSA serves the entire executive branch but with proper independence—which is as the Congress intended. Cabinet status now will demonstrate a desire to aid the President by assuring access to an objective view from an agency conceived by the Congress and the first Hoover Commission, to provide it, and also be beneficial to the taxpayers.

I have a number of other advantages to mention in connection with my bill; they are:

(a) GSA is the service agency of the executive branch and is familiar with the programs, and in fact performs many functions of the present Cabinet complement.

(b) It is a logical Cabinet member as it would provide a reporting center for many small Government organizations, nominally reporting to the President, but in fact reporting to no one. This was a circumstance deplored by both Hoover Commissions.

(c) Public Law 152, 81st Congress, created GSA—Cabinet status would strengthen it and render its mission a less difficult assignment, especially when directly supported by the Presidential knowledge it could develop by reason of being a member of the official family.

(d) GSA as an agency in size is almost as large as the Department of Justice and much larger in personnel than the Department of Labor as well as some other departments. If the functions it performs were diffused, as they were previous to our passing Public Law 152, 81st Congress, the number of personnel would have to be doubled. You recall that GSA welded 5 agencies into 1 unit to perform services common to all departments and agencies; so its existence further and to that extent avoids duplication of function elsewhere. Cabinet status could smoke out any lone agency holdouts against these desires of the Congress or the Hoover Commissions.

(e) Cabinet meetings now include the Director of the Bureau of the Budget, the "Secretary of Peace," the Administrator of Civil Defense, Office of Defense Mobilization, and others. However, the GSA Administrator should not be included on an informal basis, based on personality or some concept of incidental invitation, his general interest and knowledge of agency programs, his operating responsibilities in servicing them, underscore his contribution to any President.

(f) His responsibilities in the national stockpiling, transportation, and Government buildings, as well as his residual public-works experience as successor in functions Federal works agency, offer him for inclusion as a Cabinet member in the National Security Council. His responsibilities in Federal civil defense, foreign-aid procurement, and shipment, Operation SAGE of the Air Force are among security considerations within his scope of attention.

Lastly, there is as we know a matter of protocol downtown that often impedes the effectiveness of congressional enactments. For instance, a matter of mutual interest to a secretary and an administrator is unfortunately referred most times to an assistant secretary—so policy is often not decided because while the administrator has power of decision, an assistant secretary may not. This is a good argument from a practical viewpoint for Cabinet status.

This proposal was considered at the time of the original enactment of the law establishing that agency under the provisions of the Federal Property and Administrative Services Act of 1949, as amended—63d Statute, page 377. However, it was decided to defer that action until the then new agency would function and operate.

You will recall how this agency, GSA was created by the Congress without dissent in either this House or the other body. It was a major achievement of the first Hoover Commission.

Eight years of operations have gone by, a second Hoover Commission has reviewed its work, reaffirming the executive-legislative wisdom of its establishment. To the extent of its financing, it has performed well. Every session of the Congress seemed to add new duties, although we must be equally frank to say that we did not overburden it with funds. Under Administrators Jess Larson, E. F. Mansure, and now Franklin G. Floete, it has sought to make an effective contribution to the work of the executive branch,

only cabinet status can render it more effective.

My proposal is not a partisan matter, you will recall my bill in the 82d Congress to relieve the workload of the President which that Congress enacted. I have maintained an abiding interest in the matters that can accord any measure of relief to any President from the crushing burden of that office. I want for him the best assistance, removal of mere detail, and access to available information from those qualified to give it. I believe my bill is a constructive step and must come to be recognized by passage of this proposal or by a reorganization plan submitted to this body, in the interests of economy, efficiency, or service.

PACKERS AND STOCKYARDS ACT

Mr. HILL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. HILL. Mr. Speaker, I am today introducing a bill to amend the Packers and Stockyards Act.

The Packers and Stockyards Act provides an integrated regulatory program with respect to the marketing of livestock and live poultry and the meat packing industry, its primary purpose being to prevent unfair practices and insure free competition in the marketing of livestock and livestock products and byproducts and poultry, thus, protecting the producers of livestock and poultry from unfair, discriminatory, or unreasonable practices or charges and members of the meat packing industry and the public from the harm which flows from unfair practices, restraint of trade, and monopolistic practices with respect to the marketing of livestock, its products and byproducts and poultry. The changes in the method of marketing livestock in recent years, particularly those resulting from changes in modes of transportation and decentralization of packing and marketing facilities, and the changes in the marketing of meat, meat food products, and livestock products, such as the integration of limited slaughtering and preparation of meat and meat food product activities with substantial retail distribution and other activities, have given rise to the need for clarification of the jurisdiction of the Secretary of Agriculture over activities and practices of the livestock and meat packing industries.

The purpose and effect of the amendments to the Packers and Stockyards Act which I have introduced are to allow the Secretary of Agriculture to concentrate the Department's efforts on regulating those who are principally engaged in the livestock, meat packing, and poultry industries. The activities of such persons have the most direct and substantial impact upon the interest of producers of livestock and live poultry.

Under these amendments those having an interest in such industries, but not principally so engaged, would not be freed from regulation with respect to their practices but would be subject to the jurisdiction of the Federal Trade Commission.

I append a copy of the bill.

A bill to amend the Packers and Stockyards Act, 1921, as amended, regulating interstate and foreign commerce in livestock, livestock products, dairy products, poultry, poultry products and eggs, to clarify the jurisdiction of the Secretary of Agriculture thereunder, and for other purposes

Be it enacted, etc., That the Packers and Stockyards Act, 1921, as amended (42 Stat. 159, as amended; 7 U. S. C. 181 et seq.), is amended as follows:

(1) By amending section 201 (7 U. S. C. 191) to read as follows:

"SEC. 201. When used in this act—

"The term 'packer' means any person principally engaged in the business (a) of buying livestock in commerce for purposes of slaughter, or (b) of manufacturing or preparing meats or meat food products for sale or shipment in commerce, or (c) of buying livestock in commerce for purposes of slaughter and of manufacturing or preparing meats or meat food products for sale or shipment in commerce, or (d) of manufacturing or preparing livestock products for sale or shipment in commerce, but no person engaged in such business of manufacturing or preparing livestock products shall be considered a packer unless also engaged in any business referred to in clause (a) or (b) above.";

(2) By striking the words "It shall be unlawful for any packer or any live poultry dealer or handler to:" at the beginning of section 202 (7 U. S. C. 192) and inserting in lieu thereof "It shall be unlawful for any packer or live poultry dealer with respect to any activity, or any other person with respect to buying livestock or live poultry for purposes of slaughter, to:"; and

(3) By inserting after the word "person" in the second sentence of section 503 (7 U. S. C. 218b) the word "principally."

WHO LIKES IKE?

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, this morning it was my privilege to read with amusement, as well as with interest, yesterday's debate made on the floor, but which fortunately I did not hear—because otherwise I might have participated and interfered with the continuity of thought.

The contest seemed to be an attempt to determine whether the Republican or the Democratic leadership, and party organizations and individual members of the two parties, were the more consistent in their admiration and support of Ike. That is, which party—the members of which party—were really and honestly entitled to wear an "I like Ike" button.

Strange as it may seem to those of us who are familiar with the facts, the determination of the issue, that is, as to who really loved Ike and supported him, was to be based upon certain statements and figures carried in the Congressional Quarterly.

Just why anyone with a knowledge of that publication's bias and inaccuracy should use it as a source of information is a mystery.

True, the title "The Congressional Quarterly," assumed by the publication, in the minds of many implies that it is an official congressional publication, similar perhaps to the CONGRESSIONAL RECORD. The contrary is true, as has several times been pointed out.

In July of last year—CONGRESSIONAL RECORD, volume 102, part 11, page 15395—the gentleman from California [Mr. UTT] called attention to the fact that the Congressional Quarterly was owned and published—and I quote—"by Nelson Poynter, of St. Petersburg, Fla."

Mr. UTT, on that occasion, further stated that he was not implying that Mr. Poynter or his wife were "necessarily Communists, Communist sympathizers, or fellow travelers," but, he added, that "it must be admitted by even the most casual observer that they have been keeping 'biased' company." Mr. UTT added:

Mr. Poynter's pious protestations of political unbias are clouded seriously by the strong New Deal flavor of his St. Petersburg newspaper and by the fact that files of the House Committee on Un-American Activities reveal that Press Research, a publication also organized and published by Nelson Poynter, was an admittedly biased periodical.

To complete the picture, records indicate that Mr. Poynter served with the Office of War Information under a Democrat administration.

The files of the House Un-American Committe also show that Mr. Poynter was a member of the Political Action Committee and that he arranged with a Mr. C. B. Baldwin, assistant chairman of the PAC of CIO, to give PAC free copies of his publication even though they were prepared for other clients who were paying for the service.

The hearings also contained admissions that the Poynter publication, Press Research, contained the personal opinions of Mr. Poynter and his managing editor. If further evidence than the above is needed to determine Mr. Poynter's strong personal prejudices toward the New Deal philosophy, a look at some of these Press Research reports should satisfy even the most skeptical.

Another statement indicating the biased character of the Congressional Quarterly will be found in the CONGRESSIONAL RECORD, volume 102, part 9, page 12784, where a Member of the other body, among other things said:

Raymond Moley has written a series of articles which review the support President Eisenhower has received from the two parties in the Congress. In Newsweek for July 16, on the newsstands today, under the title, "Who Helps Ike?" he analyzes the methods used by the Congressional Quarterly to rank Members of the Congress in their support of President Eisenhower.

The Congressional Quarterly, as most everyone knows, is used by many newspapers as an objective source of information on Capitol Hill. It is for this reason that I am particularly interested in the current piece by Mr. Moley which shows that the Congressional Quarterly's methods of ranking the Congress has an inherent statistical bias in favor of the Democrats.

The Congressional Quarterly is owned by Henrietta and Nelson Poynter, who also publish the St. Petersburg, Fla., Times. They endeavor to give the impression of being completely nonpartisan, and that they are only doing a factual piece of reporting. The

number of newspapers who depend upon the Congressional Quarterly for their political analyses attests to their success in creating this appearance of objectivity.

Mr. Poynter is, of course, entitled to his own political beliefs. However, it is a matter of record that he was a member of the National Citizens Political Action Committee, which was organized to work for the reelection of President Roosevelt in 1944. The group who constituted the National Citizens Political Action Committee, were the extreme leftwing Democrats as well as independents with strong leftwing leanings.

The St. Petersburg Times, it might also be noted, gave its editorial support to Claude Pepper, a leftwing Democrat, in his last race for the Senate when he was successfully opposed by Senator SMATHERS. In view of this record, Mr. Poynter can hardly be regarded as a disinterested reporter.

The Congressional Quarterly was established in 1945, and its address at that time was 732 17th Street NW., Washington, D. C. Prior to the first issues of the Congressional Quarterly, Mr. Poynter operated a similar service at the same address known as Press Research.

The Dies committee held hearings in connection with their investigation of the National Citizens Political Action Committee on October 4, 1944, which shed considerable light on the political sympathies of Mr. Poynter, and on the activities and personnel of Press Research.

If the reader is interested further, information as to the nature of this publication and its editorial views will be found by a reference to the CONGRESSIONAL RECORD, volume 102, part 11, pages 15068–15072.

But, back to yesterday's debate on the issue as to who did or did not "like Ike." The gentleman from Massachusetts [Mr. MCCORMACK], the very capable floor leader of the party which is in control of the Congress, was credited with voting 95 times to support the President, with 5 votes against Ike's policy. That stanch Republican, likewise from Massachusetts, JOE MARTIN, minority leader, was listed as having voted but 55 times in support of the President, 45 times against his policy.

That record, if based upon the facts, or if accurate, would seem to indicate one of two things. Either that Ike, in making his determination as to party affiliation, made an unpardonable error when he accepted the Republican nomination, or the gentleman from Massachusetts, the Democratic Party leader, should openly and publicly have supported Ike during the last campaign. Either the President or our delightful friend from Massachusetts [Mr. MCCORMACK] is in the wrong political pew.

No one, however, should be too greatly disturbed by the charges or misstatements carried in the Congressional Quarterly. Other than Drew Pearson, it is doubtful if any more inaccurate or biased statements are put out than those publicized by the Quarterly.

It not only is publicized under a deceptive name, "The Congressional Quarterly," but the foundation on which it rests its conclusions is intentionally selected and used to mislead.

For example, in its tabulation of votes for and against Ike's so-called policy, 14 votes are on one bill. That is to say, the Congressional Quarterly multiplies 1 vote just 14 times, then uses the total as part of its findings.

A New Deal publisher, one who has shown so much interest in left wing publications, who undoubtedly is engaged in a legitimate money-making enterprise, but under a misleading name, and who obviously does not state the facts, should not be seriously considered by anyone seeking an accurate knowledge of what is happening in the Congress. The Daily Worker would be as reliable and accurate a source.

Apparently, the purpose of the publisher of the so-called Congressional Quarterly is to make money, further his political objectives, regardless of facts.

Ike has frequently said he did not expect or want a yes-man Congress. Ike certainly knew when he accepted the nomination of the Republican Party that Republicans were free thinkers and free wheelers. If he did not then know, he has since learned, that the average Republican has rather firm convictions and that he will not for political support abandon those convictions. It is my understanding that, with that in mind, Ike accepted the nomination and the support of those who were thoroughly disgusted with and afraid of New Deal candidates and policies.

The Democratic Party is as deeply divided on issues as is the Republican Party. It is ridiculous for anyone to intimate that the members of any party, consisting as it does of millions of individuals, will ever channel their words, their thoughts, or their votes down one avenue. If that policy were followed, we might just as well call in a dictator. Few, if any, of us want that.

If, after reading the proceedings in the House of late yesterday afternoon, anyone is in doubt as to who really likes Ike, information can be obtained by reading the proceedings in the other body—yesterday's RECORD, pages 7354–7363.

Evidently the Members of the House occasionally enjoy, indulge, in the political sport of needling each other as to who is or is not supporting a very popular President endeavoring to do what he thinks is best for the country.

REDUCTION OF FEDERAL INCOME TAXES

The SPEAKER. Under previous order of the House, the gentleman from Connecticut [Mr. SADLAK] is recognized for 10 minutes.

Mr. SADLAK. Mr. Speaker, I need not remind my colleagues in the House of the demands of all our citizens for more effective control of Federal spending and tax reduction as soon as possible. I am sure that their mail reflects this desire as much as does the correspondence pouring into my office.

On March 23, 1957, I introduced H. R. 6452 with the hope that this would provide a basis for a sound solution to the dual problem of ever-increasing Federal spending based on increased yields from our high and discriminatory income tax rates.

My bill would provide tax reductions in all brackets for personal income taxpayers and would also reduce the corporate tax over a period of 5 years. The scheduled tax reductions would result in a top rate of 42 percent for both the personal and corporate tax.

In other words, my bill not only would reduce taxes, but would reform the present rate structure with the greatest long-term benefit going to key people in the middle income ranges and to small-business men. Rate reduction rather than new complex mitigating devices is the basic answer to the tax problems of small business. My bill would provide these reductions and, further, would introduce a new and important principle into our tax law; that is, that the unincorporated business should not pay a higher top rate of tax than a corporation.

H. R. 6452 anticipates that the almost $15 billion of tax reductions it provides for would be paid for out of the revenue growth resulting from the high level operation of our economy. However, it also recognizes that any of the scheduled tax reductions could be postponed for a period of 1 year and not more than once if budget balance was threatened. This means that the 5 years of reductions could be spread over a maximum of 9 years.

This latter feature of H. R. 6452 is attracting increasing interest as evidenced by the mail I have been receiving from all over the country.

It appears from the interest of our citizens in H. R. 6452 that they are strongly in favor of Congressional action which would set up a series of forward-scheduled tax reductions and at the same time control Federal spending rather than wait for onetime tax reduction when a substantial budget surplus is actually at hand, but not knowing when such a reduction would take place again and not being sure that the emergency-enacted rate structure would be reformed to meet the needs of our growing population.

I am, of course, heartened by the progress being made to reduce Federal spending in the 1958 budget, but am aware that the effect of some of these reductions will not be appreciable until later fiscal years.

However, I am disturbed by reports that the estimated surplus of $1.8 billion for fiscal 1958 will be somewhat less than this figure and, further, I am disturbed by the widespread feeling that we cannot look forward to lower taxes until a surplus of somewhere between $3 to $5 billion is in sight.

For these reasons, I would like to point out to my colleagues that even if substantial spending reductions do not show up in fiscal 1958, my bill could be enacted and the first reductions go into effect January 1 next without impairing budget balance. If the first of the five reductions contained in H. R. 6452 went into effect on January 1, 1958, the revenue effect in the fiscal year 1958 would be only about $1 billion.

The reason my bill would have only a $1 billion revenue effect in fiscal 1958 is that only half of the effect of the personal tax cut would occur in fiscal 1958 and none of the corporate reduction would be reflected in that fiscal year. The cost, of course, would be greater for each of the succeeding years, but the

competition between increased spending and lower taxes that would be set up by H. R. 6452, I am certain, would result in spending control that would easily permit all of the reductions to take place with little or no resort to the postponement procedures.

The effectuation of the first of the reductions under my bill, I feel certain, would give our citizens renewed confidence and spur them to greater economic effort when they realize that similar reductions would be forthcoming over the immediate years ahead. In other words, tax cuts properly applied, instead of resulting in net revenue loss, should result in substantial future revenue gain because of the release of funds to further economic growth.

We have a recent illustration of this economic contention. In 1954, taxes were reduced a total of $7.4 billion which it is now estimated have resulted in total tax savings of a minimum of at least $25 billion. Despite this tax saving enacted in 1954, overall Federal revenue has increased in the fiscal years 1955, 1956, and 1957 an estimated net amount in excess of $11 billion. Clearly, this tax reduction resulted in substantial net revenue gain and I am convinced that such would be the case if my bill were enacted.

For the information of my colleagues, I should like to call to their attention the following sampling of my mail since I introduced H. R. 6452. I am particularly gratified at the support I have received from my own State of Connecticut, but my colleagues will note that I have heard from every section of the country, and while I have not had time to check because of the heavy volume of mail, I believe that I have heard from every one of the 48 States.

FROM CONGRESSMAN SADLAK'S MAIL BAG ON H. R. 6452

This is a sound basis on which to proceed to gradually reduce the back breaking burden of taxation we have so long been enduring. (J. R. N., April 10, 1957, Bath, Maine.)

You are working in the interest of a tremendous share of the population which needs and must get relief from overwhelming tax burdens. (G. A. B., April 16, 1957, Greenwich, Conn.)

Your bill * * * will go a long way toward returning to me the discretionary power to determine myself the uses to which I want to put the income I have earned. (H. E., April 16, 1957, New York, N. Y.)

By far the most practical and most urgently needed piece of legislation this or any Congress in recent years has had an opportunity to consider. (G. B., April 11, 1957, Short Beach, Conn.)

I have talked with many accountants and I have not yet found one who is not strongly in favor of the bill. (L. C. A., April 12, 1957, Hartford, Conn.)

I want to let you know that the effort you are making * * * is greatly appreciated by me and I am sure by very many of your constituents and millions all over the country. (G. P. M., April 16, 1957, New York, N. Y.)

In my judgment offers advantages for all taxpayers over the several other proposals which have appeared in the press. (W. C., April 15, 1957, Milford, Conn.)

I do want to congratulate you for coming up with something that makes sense. (H. C. S., April 15, 1957, Torrington, Conn.)

Please know that from out here in the Midwest the merits of your H. R. 6452 are obvious. * * * Your bill is a step in the right direction and you are to be commended for it. (T. W. B., April 8, 1957, Alton, Ill.)

Painless and seems to restrain wild spending by our Government. * * * It is hoped that popular approval will influence your committee and the Congress to pass it. (H. F. P., April 15, 1957, Collinsville, Conn.)

Would be quite a stimulant to individuals to invest, and small businesses to expand, both supplying a greater abundance of products at a lower consumer cost. (H. S. C., April 5, 1957, Ansonia, Conn.)

These reductions, based on the increase to be realized from economic growth, are both feasible and realistic. (E. J. F., April 19, 1957, Memphis, Tenn.)

Represents a forward step toward tax relief for individual citizens as well as business, and thus it is good for the many rather than the few across the whole country. (D. E. W., April 17, 1957, Framingham Center, Mass.)

We * * * compliment you on the courageous stand that you have taken. * * * We are certainly in agreement with your thoughts that there is something fundamentally wrong with a tax structure which penalizes hard work, risk taking, and achievement. (W. C. D., April 5, 1957), Manchester, Conn.)

Deserves whole-hearted support from both parties. In the minds of the voting public it should be the most popular bill that has been put in the hopper in many years. (F. I. N., April 3, 1957, New Haven, Conn.)

It has renewed my faith in our democratic processes. (L. H. R., April 8, 1957, San Francisco, Calif.)

Believe your gradual tax cutting bill an excellent one * * * flexible enough for the Government to work under, yet clearly sets the pattern for reduction in spending. Good luck. (T. J. W., April 15, 1957, South Norwalk, Conn.)

May I congratulate you and wish you the best of luck on this fine bill. (R. L. N., April 16, 1957, Winsted, Conn.)

You are to be congratulated most heartily for the forthright manner in which this bill attacks the really serious problems of our present highly discriminatory income-tax rates. (H. F., April 15, 1957, Detroit, Mich.)

This is a note of appreciation and encouragement from a fellow citizen and to inform you that I am writing certain members of the Ways and Means Committee urging favorable consideration of your bill. (R. C., April 15, 1957, Stamford, Conn.)

A healthy approach to tax reductions and Federal spending. * * * The final result should leave more after-tax income dollars for personal determination or choice in spending. (D. Y., April 16, 1957, Chappaqua, N. Y.)

A measure which is long overdue. (R. L. P., April 5, 1957, Montville, Conn.)

Deserves the support of your fellow members of the Ways and Means Committee and of all Representatives. * * * Thank you for your thoughtful patriotism. (F. E. S., April 16, 1957, Coraopolis, Pa.)

I want you to know that we are behind you. (H. W. S., April 15, 1957, Bridgeport, Conn.)

You are certainly to be congratulated upon the forthright approach which you are taking to the problem. (H. D. K., April 12, 1957, Peoria, Ill.)

I sincerely hope that this sensible piece of legislation will get the support of our legislators. (L. A. D., April 15, 1957, Naugatuck, Conn.)

A pleasure to support your bill. * * * Is certainly a credit to yourself and the people of Connecticut. (E. S. M., April 15, 1957, Botsford, Conn.)

You are to be complimented on your courage in introducing this type of bill. * * * I'm sure you will find many persons who agree with your objective. (R. I. C., April 15, 1957, Peoria, Ill.)

The objectives * * * must meet with the approval of every taxpayer. (W. G., April 12, 1957, New Britain, Conn.)

I wish it success in passing. (L. T. H., April 15, 1957, St. Louis, Mo.)

A logical solution to our growing tax burden. We hope this bill will receive favorable action. (C. M. P., April 15, 1957, Stratford, Conn.)

It seems to me * * * an extremely sensible solution to one of our greatest problems. I strongly urge * * * public hearings on this fine piece of tax legislation. (R. W. G., April 15, 1957, Danielson, Conn.)

We express our appreciation * * * America may preserve her economy. (H. C. S., April 16, 1957, Chicago, Ill.)

Nothing could be more constructive toward the sound development of our domestic economy. (W. P. B., April 2, 1957, Fort Worth, Tex.)

Statesmanlike approach to taxes * * * my sincere congratulations. (H. M. H., April 12, 1957, East Hartford, Conn.)

Would require our Congress to keep Government spending within realistic and reasonable bounds. (N. B. B., April 15, 1957, Hartford, Conn.)

We're counting on men such as you. (A. S., April 1, 1957, Bloomfield, Conn.)

This bill most certainly has my approval and will receive my support * * * My confidence has been restored quite somewhat by the deep thought put into H. R. 6452. (W. H. F., April 4, 1957, Waterbury, Conn.)

It is my humble opinion that this deserves very serious consideration. Tax relief * * * seems essential if the American economy is to retain proper incentives for the development of future leadership. (B. W., April 3, 1957, New Haven, Conn.)

We * * * commend you on your action in introducing this bill to the Congress and we would certainly be most happy to do anything in our area to assist you in gaining support for the bill. (C. S. C., April 9, 1957, Elyria, Ohio.)

Your approach to the problem seems to me eminently sound and I sincerely hope that it can command the support which I believe it deserves. (R. W. S., April 10, 1957, Worcester, Mass.)

You will have our every assistance by informing as many people as we possibly can of your proposals to reduce this (tax) burden. (B. J. V., April 10, 1957, Poughkeepsie, N. Y.)

I compliment you on the introduction of this measure and I hope it may be enacted into law. (A. W. B., April 4, 1957, Bridgeport, Conn.)

My appreciation to you for the courage to introduce a bill for a reduction in taxes. (H. A. G., April 5, 1957, Bridgeport, Conn.)

Had we enough statesmen of your stature in Washington in past years, we would not be now dangling over the precipice of socialism as is unfortunately the case. (L. B. L., April 11, 1957, Altavista, Va.)

I think you are to be congratulated by people in all walks of life for your very able presentation of this subject. * * * Your action * * * confirms the opinion that I have long held that Connecticut has not in many years had more capable representation in Washington than it is receiving from you. (M. W. P., April 2, 1957, West Hartford, Conn.)

This is one of the most constructive pieces of legislation that has been introduced for a long time, and should receive the approval of not only businessmen, but every man, woman, and child in the country. (E. M. P., April 3, 1957, West Hartford, Conn.)

This is a practical and feasible plan which, if adopted, would strengthen our national economy and greatly benefit people at all levels of income. I congratulate you on your wisdom and foresight in introducing this bill. (C. D. M., April 5, 1957, Meriden, Conn.)

This approach is the best solution to this problem which has been suggested and you are to be complimented on it. (T. P. B., April 11, 1957, Quincy, Ill.)

Great gratification * * * that our Representative at Large from the State of Connecticut has taken the initiative and introduced a tax-cutting bill. (N. H. P., April 5, 1957, South Norwalk, Conn.)

The most constructive step yet taken in the direction of reducing the heavy taxation with which we are all burdened and at the same time keeping our budget in balance. (G. L. T., April 5, 1957, Bridgeport, Conn.)

You are to be highly congratulated on your efforts to bring about a very necessary reduction of both individual and corporate taxes. * * * Continue your efforts in bringing about this much needed legislation. (J. H. W., April 4, 1957, Danbury, Conn.)

Makes a great deal of sense to me. (R. G. T., April 11, 1957, Winona, Minn.)

High time we started down the path of tax reduction. * * * You are to be congratulated for your forthrightness in meeting the problem head on. (R. M. B., April 7, 1957, New Haven, Conn.)

A constructive move. * * * Scheme is more sensible and has more chance of success than an immediate one for which sufficent preparation has not been made. (S. M. C., April 5, 1957, New Britain, Conn.)

There is complete agreement on my part with the approach you are taking. You certainly are to be congratulated on this proposal, which will help meet one of the pressing problems of our times. (B. L. O., April 11, 1957, St. Paul, Minn.)

Action such as the bill you have introduced is essential if this country is to continue free and prosperous. (C. B. S., April 8, 1957, New Haven, Conn.)

I have had very favorable reports from various persons I have spoken to about this bill. (H. C. B., April 8, 1957, East Hampton, Conn.)

Something that is long overdue and should be presented in all fairness to small businesses as well as individuals. (D. E. H., April 12, 1957, Peoria, Ill.)

My congratulations for your forward look. (A. D. B., April 8, 1957, New Haven, Conn.)

I am sure you are well aware of the growing concern over Government expenditures and I commend you for this businesslike program of brinking the income-tax structure down to reasonable levels. (R. L. W., April 5, 1957, New Britain, Conn.)

A very important legislative step, and you are to be congratulated on taking it. (E. S. G., April 8, 1957, Hartford, Conn.)

We believe that your bill provides a sound approach to the tax-reduction problem and we hope that its gets full support of Congress. (W. D. S., April 15, 1957, Racine, Wis.)

I think you have approached the matter of tax reduction along well-conceived lines, and I feel that it is a reasonable and practical solution. (H. B. D., April 19, 1957, Nashville, Tenn.)

I am greatly encouraged by your approach. * * * Some action needs to be taken along the lines of your proposal to restore to individuals and corporations, the incentives which have largely disappeared under present tax laws. (J. F. W., April 19, 1957, Cincinnati, Ohio.)

It sounds very reasonable and practical. (R. A. M., April 12, 1957, Stafford Springs, Conn.)

We are watching this bill with keen interest. (F. B. G., April 12, 1957, Meriden, Conn.)

A decisive step in the right direction to relieve unreasonable and pyramiding taxes prevalent for so long. (E. E. S., April 17, 1957, Glen Falls, N. Y.)

It is the work of a statesman and will relieve the present unbearable heavy tax load. (R. S. L., April 19, 1957, Louisville, Ky.)

The sooner you can get that bill passed both in the House and the Senate, everybody will be pleased. (J. O. K., April 12, 1957, New Haven, Conn.)

Sincere gratitude for your aggressive efforts to cut the total tax bill, which certainly is a "must." (M. D. C., April 19, 1957, Westbury, N. Y.)

Fine job you have done on this bill and assure you of my respect and confidence. (D. W. P., April 12, 1957, Plymouth, Conn.)

This is something we have needed for some time * * * best wishes for the successful passage of this bill. (B. G. B., April 12, 1957, South Norwalk, Conn.)

In my opinion, it illustrates some very clear thinking on a subject which is of national importance and offers a solution both to the taxpayers of this country and to the departments of Government. (A. A. L., April 12, 1957, Middletown, Conn.)

I hope that you will be able to arrive at a constructive, concrete, legislative result along the lines that you have suggested in H. R. 6452. (W. R. H., April 22, 1957, New York, N. Y.)

I commend you upon the practicality of your approach to this problem of creeping confiscation and upon the boldness and clarity of your presentation. (J. W. H., April 23, 1957, Wallingford, Pa.)

Tax reform of this kind is long overdue and I wish you success in your efforts. (L. T., April 24, 1957, Hagerstown, Ind.)

The proposed legislation ties together two problems—increasing expenditures by the Government with inflationary results, and the current tax structure which prevents small-business men, professional people and others from acquiring and providing the risk capital needed by our expanding economy—and provides a realistic solution. (L. G. P., April 19, 1957, Schenectady, N. Y.)

I hope your bill will pass so that I might be in better shape to look after some of my bills. (S. L., April 13, 1957, New Britain, Conn.)

Believe your H. R. 6452 bill has many beneficial features to business and individuals. Hope you are successful in securing its passage. (O. B. H., May 1, 1957, Seattle, Wash.)

Would lay down a firm commitment on the Congress to keep its word to the American people that it intends to lighten the almost unbearable load that is being added year by year until now, the saturation point is practically here. (J. J. B., April 13, 1957, Milford, Conn.)

It strikes me as being a very sound piece of legislation and is also most timely. (E. D. W., April 24, 1957, New Orleans, La.)

This is "must" legislation to encourage the availability of risk capital for the continued advance of our standard of living. (C. N. F., April 19, 1957, Stafford Springs, Conn.)

Keep up the good work. (T. M. M., April 17, 1957, El Dorado, Ark.)

I sincerely hope your bill will receive the support it deserves. (W. E. S., April 24, 1957, Hendersonville, N. C.)

A sane and reasonable approach to the solution of a problem which is becoming extremely serious. (H. R. W., April 17, 1957, Scotia, N. Y.)

Your bill * * * serves as a much-needed damper on Federal spending. (D. A. S., April 27, 1957, Erie, Pa.)

I heartily approve of your actions and congratulate you for your stand on such an important issue. (C. R., April 19, 1957, West Hartford, Conn.)

It travels so effectively in the direction that we think Government tax policy should take that it will have our wholehearted support. (W. J. G., April 23, 1957, Milwaukee, Wis.)

This is most assuredly a step in the right direction and I wish you every possible success in your undertaking. (E. C. B., April 17, 1957, Houston, Tex.)

I feel that the Sadlak bill goes a long way toward remedying the gross inequities in our tax system. (R. H. W., April 19, 1957, Wilton, Conn.)

I have written to my Representative * * * expressing my opinion that your bill should be given his unqualified support. (A. C. B., April 29, 1957, Hickory, N. C.)

It appears to me as though the people are fed up with the confiscatory and punitive taxes now in effect and I see no reason why your bill should not pass both Houses with a substantial majority. (G. D. M., April 29, 1957, Duncan, Okla.)

I think that your general plan for a 5-year schedule of tax reduction is well thought out. * * * I think it is a definite step in the right direction, and I would like to give my wholehearted support to a bill of this kind. (E. G. C., May 1, 1957, Westerly, R. I.)

It is good to see your alertness to this income-tax burden, which has become a malignant growth on the economy of our Nation. (C. E. V., April 18, 1957, New Haven, Conn.)

We think this is one of the best bills that has been introduced so far for the reduction of taxes that will be beneficial to all of the people of our country. (D. T. J., April 18, 1957, Birmingham, Ala.)

Sincere congratulations for your forthright, courageous, and timely stand on tax reduction. I join with the many people over the Nation in wishing, and hoping, and working for the complete success of your program. (W. M. D., April 18, 1957, Schenectady, N. Y.)

This bill has the overwhelming support of all citizens who have any knowledge of it. (K. A., May 8, 1957, Denver, Colo.)

I congratulate you on this very sensible piece of legislation. (H. M. T., April 23, 1957, Atlanta, Ga.)

The bill shows that careful research has been done before it was submitted, and I am sure you will find wide public support for it. (E. B. C., April 24, 1957, Hartford, Conn.)

Allow me to applaud most heartily your introduction of H. R. 6452. (H. P. B., April 23, 1957, Louisville, Ky.)

My sincere commendation and appreciation for the real contribution which you are endeavoring to make to the people of America. (G. G. K., April 19, 1957, Baltimore, Md.)

Congratulations on * * * H. R. 6452 leaving more tax dollars for personal choice in spending, also leaving a few extra dollars for risk taking in high income groups. (R. S. B., April 30, 1957, Salt Lake City, Utah.)

Meritorious and deserves the benefit of scheduled public hearings. (W. J. B., April 16, 1957, Bristol, Conn.)

May your courageous approach in this area stimulate the thinking and action of all your colleagues toward the reduction of high taxes. (R. R. P., April 19, 1957, Timonium, Md.)

I agree very much with your point concerning the risk-taking factor and the factor on accumulation of new capital. (W. W. N., April 18, 1957, Cleveland Heights, Ohio.)

Bravo. * * *. Your proposal in H. R. 6452 is one of the most outstanding pieces of progressive future thinking legislation I have seen in quite some time. (W. E. W., April 18, 1957, Bridgeport, Conn.)

Workable and it makes sense. It has neither too much nor too little. (J. H. A., April 18, 1957, South Bend, Ind.)

I am very much interested. * * * Would you be kind enough to send me 100 copies. (J. M. H., May 13, 1957, Charleston, S. C.)

I hope and urge that you leave no stone unturned to obtain passage of this legislation. (K. D. S., April 17, 1957, East Cleveland, Ohio.)

I believe there is a compelling need for legislation of this type to relieve the strangling effect of the present heavy tax burden upon our entire economy. (C. H. H., April 16, 1957, Liverpool, N. Y.)

H. R. 6452 would be good for individual citizens, good for business, and those business serves, good for the security of our Nation, and thus good for the many across

the whole country. (E. E. B., April 18, 1957, Wynnewood, Pa.)

Commonsense approach to a tax reduction program. (L. H. M., April 18, 1957, South Bend, Ind.)

I have attached for your information and encouragement a copy of the letter I sent to my own Congressman urging the adoption of your bill. (F. J. W., April 16, 1957, Schenectady, N. Y.)

I would like you to know that the thoughts expressed in your speech give me considerable encouragement and hope that efforts such as yours may result in a more realistic Federal tax system. (H. J. C., April 17, 1957, Ipswich, N. H.)

In our opinion your bill would be greatly beneficial to the country's economy. (J. P. H., April 22, 1957, Niles, Ohio.)

My friends and I are very much interested in * * * H. R. 6452. (J. L. A., April 24, 1957, Chicago, Ill.)

Of vital importance to every citizen and the Nation as a whole (K. G. A., April 17, 1957, Scotia, N. Y.)

It is certainly most refreshing to note a carefully considered appraisal of our important Federal tax policies, together with what I am convinced are sound proposals that would lead to their significant improvement. (C. S. L., April 23, 1957, Norwalk, Conn.)

We believe your bill would benefit all earners in all income tax brackets. (D. O. D., April 23, 1957, Waynesboro, Va.)

Most encouraging development in the entire field of Federal tax legislation * * * will have wide public support. (C. R. O., April 23, 1957, New York, N. Y.)

I heartily approve of your bill to reduce the percentage brackets in the income tax system. I wish you all possible success. (R. C. W., April 22, 1957, Cleveland, Ohio.)

I congratulate you on the fine bill * * * you have presented. I wish you every success. (J. T. W., April 23, 1957, New Haven, Conn.)

My congratulations to you for an unusually well balanced approach to the problem. (C. S. H., April 18, 1957, Alplaus, N. Y.)

H. R. 6452 should receive favorable action. May I congratulate you on this practical and intelligent approach. * * * Thank you for your efforts in behalf of the taxpayer. (J. H. M., April 22, 1957, Knoxville, Tenn.)

One of the most important bills introduced in Congress. (A. S. R., April 23, 1957, New Haven, Conn.)

Your proposals are most enlightening. * * * I want to commend you for your courageous and forward-look attitude. (G. R. F., April 23, 1957, New York, N. Y.)

It is worthy of the support of your fellow Congressmen, both Republican and Democrats, and hope it will be enacted into law. (F. G. R., April 23, 1957, Jacksonville, Fla.)

The bill you have designed holds promise. (J. B. C., April 22, 1957, Birmingham, Ala.)

We are certainly interested * * * and you are to be commended for your action. (J. M. D., April 22, 1957, Boise, Idaho.)

In the public interest promptly to schedule public hearings on H. R. 6452. The proposed bill certainly embodies some very constructive thinking as well as an ingenious approach to curb irresponsible spending. (R. K., April 23, 1957, Springdale, Conn.)

I sincerely hope your recommendations will be given serious and favorable consideration by all who have responsibility for framing legislation affecting the bright future we're aspiring to. (H. N. S., April 23, 1957, New Lebanon Center, N. Y.)

Your efforts * * * are very much appreciated. (V. L. C., April 22, 1957, Portland, Oreg.)

My congratulations for your courage and statesmanship when you introduced your bill, H. R. 6452. * * * I assure you it is most encouraging to see the grasp of this situation you have. (N. W. K., April 18, 1957, Roanoke, Va.)

A sound approach in curbing the present inflationary rise and trend of Government spending. (H. A. O., April 23, 1957, Stratford, Conn.)

Congratulations to you on this fine piece of legislation. (H. J. M., April 22, 1957, Brooklyn, N. Y.)

You are deserving of congratulations and high praise for the introduction of such a sound and equitable tax bill as H. R. 6452. (F. W. D., April 18, 1957, Grand Rapids, Mich.)

I think you have approached the matter of tax reduction along well-conceived lines, and I feel that it is a reasonable and practical solution. (H. B. D., April 19, 1957, Nashville, Tenn.)

My congratulations to you on your clear thinking and action which is designed to benefit all Americans and relieve all taxpayers. (A. N. W., April 17, 1957, St. Louis, Mo.)

Congratulations for the ingenuity shown by you in the drafting of tax reduction bill H. R. 6452. (C. S. S., April 23, 1957, Jacksonville, Fla.)

I think you would * * * be interested in a song introduced last week at the Kiwanis Club. The words are attached hereto. The melody is that of the Whiffenpoof song.

"We're taxpayers all
Let's face the facts—
Tax, tax, tax
For dear Uncle Sam
We break our backs—
Tax, tax, tax
Men of Kiwanis, all are we,
Taxed from here to eternity,
God have mercy on such as we,
Tax, tax, tax."

(J. H. I., April 22, 1957, New Haven, Conn.)

We are all for you and we think your proposal is very timely and I know that there are many people that I have talked to that feel the same way about these reductions that you do. Please keep up the good work. (F. T. S., April 24, 1957, Roanoke, Va.)

Sincerely believe this to be one of the most constructive pieces of tax legislation introduced in many years. (P. H. H., April 23, 1957, Birmingham, Ala.)

It is seldom that I find myself in such complete agreement with the views of someone else. I am sure that your proposed tax reductions would be a boon to all Americans. (J. R. M., April 16, 1957, Fairfield, Conn.)

Bill is fundamentally sound and good for the country. (J. N. P., April 19, 1957, New Hartford, N. Y.)

Sound forward thinking and the needed deterrent to increasing Federal spending. (F. E. H., April 17, 1957, Teaneck, N. J.)

The time is long overdue for some relief for the American taxpayer and your bill is so drawn that it does give relief to all groups. (A. E. L., April 16, 1957, Hartford, Conn.)

Your bill, I am sure, can ultimately bring about a balanced budget, and fair and equitable taxation program for individual incomes. (M. J. D., April 16, 1957, Ossining, N. Y.)

My gratitude for your splendid efforts * * * your tax relief bill H. R. 6452 is exceptionally good. (W. J. M., April 16, 1957, Schenectady, N. Y.)

My hat is off to you on your bill, H. R. 6452. It is the most sensible approach I have seen of reducing taxes which are so oppressive to everyone. (H. H. C., April 16, 1957, Hartford, Conn.)

Best of luck to you in success with your tax-relief bill, H. R. 6452. (J. R. P., April 17, 1957, Chappaqua, N. Y.)

I am heartened by your tax-relief bill, H. R. 6452. (C. W. L., April 17, 1957, New York, N. Y.)

It is a sensible, workable and necessary piece of legislation. (C. L. E., April 18, 1957, Waterbury, Conn.)

Very much pleased with your action and with the principal features of this bill. (L. L. P., April 18, 1957, Larchmont, N. Y.)

AGRICULTURAL EXPORTS UNDER PUBLIC LAW 480

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. LAIRD] is recognized for 20 minutes.

Mr. LAIRD. Mr. Speaker, Public Law 480, the Agricultural Trade Development and Assistance Act of 1954, was enacted by the 83d Republican Congress in July of 1954 with strong bipartisan support. The bill which was aimed at putting our mounting agricultural surpluses to constructive use abroad had four major purposes:

First. It authorized the sale of commodities to friendly countries for their own currencies. This enabled us to open up markets in many countries of the world, particularly underdeveloped nations, which desired to buy our commodities but which were short of the necessary foreign exchange.

Second. It authorized the use of Commodity Credit Corporation surpluses in meeting emergency relief needs abroad such as the victims of floods or earthquakes.

Third. It encouraged and expanded the barter program under which surpluses are exchanged for strategic materials. In other words, it provided for the exchange of farm surpluses for foreign-produced critical materials which would be useful in the event of international emergency.

Fourth. It encouraged the use of surpluses by American private relief and church agencies to help feed needy persons abroad on a continuing basis.

OVERALL RESULTS OF TITLE I, PUBLIC LAW 480

Operations under the law have grown rapidly in volume. Agreements were signed during the first year the law was effective, 1954–55, totaling $488 million at CCC cost and $362 million at export market value. In 1955–56, new agreements were signed in the amount of $1 billion at CCC cost and $686 million at export value. To date this year, additional agreements negotiated total $1.4 billion at CCC cost and $939 million at export market value. Thus, in 9 months of 1956–57 new agreements were concluded almost as large in total as in the previous 2 years.

Included in agreements signed to date are: Wheat, 430 million bushels; feed grains, 75 million bushels; rice, 22 million hundredweight; tobacco, 145 million pounds; cotton, 2.5 million bales; fats and oils, 1.6 billion pounds.

I think it would be useful to clarify one point—that is, the difference between CCC costs and export-market value. As you know, the fund limitation in the law is in terms of CCC costs. This means that the authorization is charged the full cost of any commodities supplied under the program. Such costs include the cost of acquisition and carrying charges of price-support commodities, processing, transportation, and handling charges. Thus, during 1955–56 a bushel of wheat delivered to port resulted in an average charge of about $3.30 to the authorization. The foreign buyer paid about $1.65 a bushel which was the prevailing export price and this was the amount he was required to pay

in his own currency. In general, to date the authorization has been charged $3 for every $2 worth of commodities purchased by foreign buyers.

Looking at results another way, exports in 1954–55 were small, totaling about $73 million at export value or about 2 percent of total agricultural exports. In 1955–56 title I shipments jumped to $435 million which was 12 percent of agricultural exports. In the first 8 months of 1956–57, title I exports averaged about $60 million monthly, 16 percent of our farm exports. And this rate should hold for the balance of the year. This is solid evidence of the contribution the title I program has made and is continuing to make to the booming export outlook.

The current $3 billion authorization is virtually exhausted at the present time. Agreements have been signed for almost $2.9 billion at CCC cost and the small balance will be used in a very short time. That is why action should be taken promptly on the administration's request for additional funds. I understand that hundreds of millions in new requests have been received which cannot be considered until new funds are made available.

TOTAL UNITED STATES AGRICULTURAL EXPORTS AND TITLE I OF PUBLIC LAW 480

I am sure all of us heartened by the progress which has been made in expanding agricultural exports. These exports have increased in value from about $2.8 billion in 1952–53 to $3.5 billion in 1955–56. On a volume basis, the increase was even more impressive. Last year's exports were the highest in quantity for the last 30 years.

The gain in exports is proceeding at an accelerated rate during the current season. For the first 8 months of 1956–57, overseas shipments totaled about $3.2 billion in value. This is 50 percent higher than the export total on the same date last year. It appears that for the entire 1956–57 season our agricultural exports could total as much as $4.5 billion. The attainment of such a level would mean new all-time highs in both value and volume, far above previous records.

The improved export outlook results from many factors including a stepped-up program to dispose of price support stocks and more competitive export pricing policies, particularly for cotton, greater needs abroad because of poor crop conditions, some forward buying abroad because of the uncertainty resulting from the situation in Suez and behind the Iron Curtain, and the effects of special surplus disposal programs especially those undertaken under title I of Public Law 480.

Very briefly, it appears that the title I program has had the following major commodity effects:

First. The program is largely responsible for the commitment of the rice surplus accumulated from the 1953, 1954, and 1955 crops and a part of the potential surplus from the current crop—this has materially strengthened marketing conditions for rice producers during the current season.

Second. Title I has made a major contribution to a tremendous expansion in wheat and wheat flour exports during the current season which could total as much as 450 million bushels. This would make possible a reduction in surplus wheat stocks of about 50 million bushels, the first reduction in carryover in 5 years.

Third. Exports of nearly 600 million pounds of cottonseed and soybean oil moved under the foreign-currency program during 1955–56, which helped to raise our total exports of vegetable oils to a new record level—this was the major factor in maintaining firm soybean prices to producers last year and it kept soybeans and cottonseed out of CCC hands under the support program.

Fourth. Title I exports of over 100 million pounds of lard made in 1955–56 have been of material help along with other actions taken by the Department of Agriculture in the present strength in hog prices.

Fifth. Public Law 480 exports of 71 million pounds of tobacco last year represented about three-fifths of the increase in tobacco exports as compared with the previous year and helped push exports to the highest level in 10 years.

Sixth. Title I programs were responsible for the movement of over 20 percent of total cotton exports last year despite the fact that prices were not competitive most of the year and the movement of as much as 1½ million bales of cotton this season which will help swell cotton exports to the highest level in 23 years.

TITLE I, PUBLIC LAW 480 COMMODITY HIGHLIGHTS

DAIRY PRODUCTS

Dairy products sales for foreign currency under title I of Public Law 480, are helping us keep the commodities (butter, cheese, nonfat dried milk) under the price-support program down to a current basis. Out of 800 million pounds of nonfat dried milk, over 15 million pounds are disposed of under title I, Public Law 480. India is expected to import about 10 million pounds of this 800 million pounds. Twenty to twenty-five million pounds out of 150 million pounds of butter will be disposed of under this program. It is expected that about 5 million pounds of cheese will be taken under title I during the next fiscal year. During the program to date the major countries involved in programing the cheese have been Israel, Greece, and Korea. USDA is now able to take care of the surpluses on a seasonal basis so that it can dispose of everything acquired by CCC under the price-support program.

RICE

The story on rice must certainly be most welcome to rice producers. At the beginning of the current year about 22 million bags on a milled rice basis were in CCC inventory or under loan. By June 30, CCC stocks should be cut in half. This huge reduction in surpluses will result from a record export year of about 25 million bags. And about two-thirds of these exports are being made under title I programs with India, Korea, Pakistan, and Indonesia. Thus, in the space of 12 months expanded export disposals largely stimulated by Public Law 480 are resulting in the liquidation of the rice surplus accumulated from the 1953, 1954, and 1955 crops and a substantial part of the potential surplus from the current crop. Rice producers are benefiting from improved marketing conditions for the current crop and 1957 marketings will not be depressed by the weight of heavy surpluses.

WHEAT

The surplus holdings of wheat have grown larger each year since 1952–53. But in 1956–57 for the first time in 5 years the surplus should be reduced by about 50 million bushels.

The reversal in surplus accumulations is due almost entirely to expanded exports which have risen from 220 million bushels in 1953–54 to 344 million last year. The Department of Agriculture some time ago estimated wheat and flour exports for the current season at a minimum of 415 million bushels. Now it appears that exports should reach 450 million bushels.

A large share of the credit for this gratifying outlook must go to Public Law 480 and particularly to title I. Exports for foreign currency have increased from 24 million bushels in 1954–55 to 93 million bushels last year and are expected to equal or exceed 150 million bushels this year. Much of these shipments are going to countries like India which is finding it possible to expand consumption of wheat as the result of their ability to make purchases in their own currency.

The possibility of a cut in the surplus wheat stockpile is even brighter for 1957–58. With prospects good for continued high-level exports and a substantial reduction in wheat production because of the soil-bank program, the reduction in the wheat carryover at the end of next season should be much larger than the 50 million bushels in sight this year.

COTTONSEED AND SOYBEAN OIL

The programing and shipment of cottonseed and soybean oil under title I in 1955–56 was the key factor in keeping cottonseed and soybeans out of CCC hands. These activities have added millions of dollars to the incomes of soybean and cottonseed producers. Nearly 600 million pounds of these oils were shipped abroad under the foreign currency program last year and this helped push edible oil exports to a record level of almost 1.2 billion pounds, about 55 percent higher than the previous record level. The large exports of oils together with record exports of soybeans kept soybeans and cottonseed above support levels last year. Despite the fact that farmers placed about 30 million bushels of soybeans under price support in 1955–56, only a few thousand bushels were taken over by CCC and these were sold easily.

The record 1956 harvest of 456 million bushels of soybeans, almost 84 million bushels higher than last year's level, made marketing conditions look dark last fall. But again title I has proved of great help. For the entire season, combined exports of cottonseed and soybean oil should approximate last season's record with the continued strong help of Public Law 480.

LARD

Lard exports which totaled about 625 million pounds in 1955–56 have done much to ease the pressure on the livestock industry. Public Law 480 title I shipments accounted for 100 million pounds of this total. This was of material assistance in reaching this export total. It is expected that lard exports under the foreign currency program will be at the same level this year. These exports helped to bolster lard prices during the last few months which in turn contributed to the improvement in prices that hog producers have been experiencing.

TOBACCO

Tobacco exports last year of about 580 million pounds were the highest in 10 years and about 115 million pounds more than in 1954–55. About three-fifths of this increase over the previous year resulted from exports financed under the title I program. The program helped to increase stocks in a number of countries, such as the United Kingdom. It also opened up a new postwar market for tobacco in Korea. The usual marketing requirements under the program have been an important factor in helping increase dollar sales, which accounted for 88 percent of our total tobacco exports in 1955–56.

This year tobacco exports, although expected to be high, may be down to 500 million pounds. The decrease will result from greater competition from other exporting countries, and foreign-buyer resistance to price rises in stronger flavored tobacco and to those varieties of flue-cured tobacco produced last year, which lack flavor and aroma. The title I program will help to prevent a further decline in exports by moving about 55 million pounds of tobacco abroad this year.

COTTON

The big news in cotton is without doubt that American cotton is fully competitive in world markets. This has been the outstanding factor in prospects for exports of at least 7 million bales this year, more than triple last year's low level. Additional factors were rising consumption abroad and a desire to add to low inventories. This sharp change in export outlook means that for the first time in 6 years instead of adding to the existing surplus, carryover stocks should be reduced by more than 2 million bales.

But title I helped to move cotton last season, and the large programs negotiated last year are helping considerably with the strong export movement this year.

In 1955–56 we exported only 2.2 million bales of cotton. This was primarily because our prices were not competitive in world markets during most of the season. But title I helped to keep exports from going lower. Such foreign currency shipments were responsible for about 22 percent of last year's exports. And it is interesting to note that countries with which there were title I cotton programs last season took 99 percent as much cotton as they did the season before, whereas non-Public Law 480 countries took only 40 percent as much cotton in 1955–56 as the year before.

Japan is an outstanding example. We exported 833,000 bales to that country for dollars and yen in 1955–56 which was almost 30 percent higher than exports in the previous year. The United Kingdom, on the other hand, with which there was no program reduced their takings from us by 64 percent.

I repeat that this year, the major reason exports are zooming is because of competitive pricing and so far 7 million bales have been sold for export by CCC. But the fact that title I agreements were outstanding on August 1, 1956 for the movement of about 1.2 million bales of cotton gave considerable strength to the market. Traders could buy with confidence that in addition to improved dollar markets mainly in Europe, cotton purchased could be moved in large volume to title I countries which in most cases are short of foreign exchange. This year it appears that exports under the title I program may be as high as 1½ million bales. And much of this is going to countries like India, Spain, Indonesia, Burma, and Pakistan whose purchases of cotton from us would otherwise be severely limited because of foreign exchange difficulties.

HOW TITLE I, PUBLIC LAW 480 FOREIGN CURRENCIES ARE USED

Commodities are sold under title I of Public Law 480 for foreign currencies. The $3 billion current authorization will result in payments of approximately $2 billion. The $1 billion difference reflects the cost of commodities to the Government under the price support program and the lower world market prices at which commodities are sold for foreign currency.

In round figures, about one-fourth of the $2 billion total will be used to meet United States expenses abroad. This use will return dollars to the Commodity Credit Corporation. Examples of such use are the construction of United States military bases in Spain and Turkey, and the construction of housing for United States military personnel and their dependents in the United Kingdom. About one-tenth will be given to our allies to strengthen their military forces. These funds are being used in the same way as foreign aid defense support funds, and certainly they cut down on the amount of foreign aid dollars that would otherwise have to be appropriated for this purpose.

About 6 percent of the $2 billion will be used for a variety of purposes including the purchase of strategic materials for the United States national stockpile; the purchase of goods for other friendly countries; grants for economic development; the international educational exchange program; translation and publication of books and other literature; and for help to American colleges abroad.

Somewhat less than 2 percent of the total will be used by the Department of Agriculture to develop longer-time commercial markets for agricultural commodities abroad. This program clearly supplements the regular market development work carried on by the Department. These activities are conducted in cooperation with United States trade associations and they give promise of helping boost commercial exports long after the Public Law 480 program has ended.

The largest part of the currency, over half the total, will be loaned to participating countries for economic development. There is no question that these loans help to reduce the amount that the Congress would otherwise have to appropriate for the foreign-aid program. And certainly it makes sense to use our surpluses as capital to help in the development of other friendly countries. As their economies expand, they will be better commercial customers for our farm products.

I would like to point out that many people have referred to title I as a giveaway program. This is not true. Many of the countries receiving loans of foreign currency under title I are also receiving loans, primarily for the import of American industrial materials, from either the Export-Import Bank or the World Bank. If Public Law 480 loans are not regarded as a sound investment, then none of the loans made directly or indirectly with United States funds are a sound investment to these countries. Furthermore, it should be pointed out that the loans are to be repaid, and as repayments take place, they may be used to meet the dollar expenses of the United States in the participating countries.

WHY THE TITLE I, PUBLIC LAW 480 EXTENSION SHOULD BE LIMITED TO 1 YEAR AND $1 BILLION

The Department of Agriculture has requested a 1-year extension in the time in which new agreements may be negotiated under title I of Public Law 480, and an increase of $1 billion in title I funds.

There is general agreement that this disposal program has worked effectively. However, some have suggested that the program should be extended for 2 or 3 years and the funds increased by $2 or $3 billion, rather than the limited extension and addition proposed by the Department of Agriculture.

I believe we should support the recommendations of the Department of Agriculture for the following reasons:

First, an additional $1 billion will permit the same or a larger rate of shipments in 1957–58 as during the current year. This year title I shipments will be about $700 million. Of the agreements already signed, a balance will remain for shipment in fiscal year 1958 of about $400 million. The additional $1 billion will result in new programs totaling about $650 million at export value. About two-thirds of this amount should be shipped in fiscal year 1958. So it is evident that actual shipments next year will be at least as large as this year.

Second, the rate of new programing at a $1 billion annual rate compared favorably with the rate of new agreements signed in the past. Some have assumed that the Department of Agriculture's request represents a decrease in the rate of new agreements, since about $1.4 billion in new agreements have been negotiated since last July 1. We should keep in mind that of this total about $500 million represents second- and third-year portions of the 3-year agreements with India and Brazil. Thus, the $1 billion

request compares favorably with the programing done during the current year if the fiscal year 1957 and 1958 parts of 3-year agreements are excluded.

Third, a 1-year extension assures that the Congress will take another look at this law during the next session of Congress to decide if it should be extended further or altered. After all, our major aim is to sell our agricultural products for dollars. Public Law 480 was passed as a temporary measure to help move the accumulated surplus into channels which did not have dollars to pay us. We are making progress in whittling down the surplus. I think it is healthful for us to have a periodic review of the progress made in surplus disposal. During this review we can also take a close look at the way in which the disposal tools are being used, and whether any changes should be made.

And fourth, and this is entirely a personal reason, I am happy to support request for an authorization from an agency which says do not give us more money than we request. It is refreshing and most unusual. The people in the Department of Agriculture know this program. If they thought they should use more funds effectively, I am sure they would have asked for more. They have done a good job—let us go along with their recommendation.

THE HUN SCHOOL CREW OF PRINCETON, N. J., COMES TO TOWN

Mr. SIEMINSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SIEMINSKI. Mr. Speaker, in a few days, on Saturday, the 25th of May, many crews of the Schoolboy Rowing Association of America will compete for the national championship in the 23d annual 8-oar rowing classic here on the Potomac.

One of the crews coming to Washington is the Hun School Crew of Princeton, N. J. They will be my guests, and I deem it an honor to have them as my guests, for lunch tomorrow in the Speakers' Dining Room. I attended the Hun School of Princeton.

It was my honor, my privilege, and my pleasure, Mr. Speaker, on May 25, 1929, 28 years ago, to stroke the Hun School crew to victory in the American Henley Regatta to win the Franklin Challenge Cup on the Schuylkill River in Philadelphia. Mrs. Stotesbury, that great lady of ladies, presented the trophy and gave each member of our crew a pewter platter.

As the New York Times put it, on pages S-1 and S-3 of the sports section in the Sunday issue of May 26, 1929, the gruelling race was rowed as follows:

HUN SCHOOL LEADS KENT

(By Robert F. Kelley)

PHILADELPHIA, May 25.—The schoolboy crews opened the 8-oared racing with a blistering mile sprint that shattered the record for the course and found Johnny Schulz's Hun School 8 outlasting Kent School to shoot over the line at the finish ahead of a gruelling race a half length in front.

West Philadelphia Catholic High, after staying for almost the entire distance with the leaders, fell back in the last quarter mile. Germantown Academy was never a serious threat.

Hun School led pretty much over the entire course, with Kent losing a bit of water in the first half of the race, with poor steering. The New Jersey schoolboys rowed a pretty race and had enough left at the finish to stand off a determined challenge from Kent that made the finish a thrilling one.

Hun's time at 4:50½ broke the record of 5:04⅖ set by West Philadelphia in 1927.

It was a beautiful race, Mr. Speaker, a beautiful race. Father Sill's Kent school crew was terrific. What fighters. They had Bo Bates and others on it. Mrs. Stotesbury was thrilled with the race.

And as we gather in the Speakers' Dining Room tomorrow, I trust that the Hun school crew of 1957, here to row on the Potomac this Saturday on May 25, will forgive me if I hark back, for just a moment, to another May 25, 28 years ago, in 1929, to pay my respects to our crew then, as I do to the Hun crew now. It is something to set a record that has lasted 28 years, is it not?

On the 1929 Hun crew we had, as the New York Times listed it:

Bow, Kerr; No. 2, Wood; No. 3, Davis; No. 4, Roome; No. 5, Williams; No. 6, Myer; No. 7, Waltz; stroke, Sieminski; coxswain, Kennedy.

That was a great day 28 years ago, Mr. Speaker. The lead lines in the article of the New York Times lists some spirited crews: "Columbia Is Beaten in 150-Pound Race"; "Harvard Crew Wins Title From New Yorkers by Half Length in American Henley"; "First Defeat For Losers"; "Will Not Change Plans for Trip Abroad—Yale 3d, Penn 4th, and Princeton 5th"; "Hun School Leads Kent"; "Princeton Freshmen Beat Penn and Navy Plebes—Codman Victor in Feature Singles."

I have taken the floor at this time, Mr. Speaker, to invite the entire membership of the House to view the 23d annual schoolboy rowing classic on the Potomac this Saturday. The Evening Star and the Washington Post and Times Herald carry details and will report the Regatta. It promises to be a thriller.

George Washington High School is the defending champion. Washington and Lee High School of Arlington, Va., is the favorite. They recently covered the mile course in Philadelphia in 5: 01.8.

But if the spirit of May 25, 1929, the 4 minute 50 4/5 seconds spirit is alive, as I am led to believe that it is, then I think that the Hun school crew of 1957 will show the boys open water at the finish line, beating even our 1929 performance. Good luck, Hun.

Facts on the 1957 Hun School crew are as follows:

Coach: C. Alan Inglesby. Mr. Inglesby is also dean of students.

Manager: J. Hooker Hamersly, Tuxedo Park, N. Y.

Coxswain: Yung Wong, Taipei, Formosa.

Stroke: C. Norman Jones, Clayton, Mo.

No. 7: William S. Hagenbuch, Princeton, N. J.

No. 6: James B. Campbell III, Princeton, N. J.

No. 5: Thomas D. Tilton, Jr., Lawrenceville, N. J.

No. 4: Charles J. Barren, Port Allegany, Pa.

No. 3: Saud Faisal, Saudi Arabia.

No. 2: Fred M. Blaicher, Princeton, N. J.

Bow: Bruce C. Beckman, Sea Girt, N. J.

Spares: Philip H. Foote, Short Hills, N. J.; Henry Huber, Mexico, D. F.; Arthur A. Blaicher, Princeton, N. J.

This year's record: 2 wins, 1 loss.

In closing, Mr. Speaker, I look forward with great pleasure to meeting the Hun School crew in my office tomorrow at around 11:45 a. m. With them will be Dr. and Mrs. Paul Chesebro. Dr. Chesebro is headmaster of the Hun School, founded in 1914 by Dr. John Gale Hun.

From my office, we will proceed to the Speaker's Dining Room. After lunch, the boys will take a spin on the Potomac. They will attend a banquet tomorrow night. On Saturday, they will row their hearts out.

May their memories 28 years hence, in 1985, be as pleasant as mine are of 1929, and will be, of 1957.

It is not known whether the Stotesbury Cup was formerly known as the Franklin Challenge Cup, renamed after Mrs. Stotesbury passed on. The schoolboy regatta on the Schuylkill is 32 years old, starting in 1925.

With the Hun School of today, as it was with Dr. Hun in 1914, the word was always boy: As Dr. Chesebro says in his booklet on the school:

A boy is the future in microcosm, the past forgiven, the world made new. A boy is unformed loyalties, asking guidance. He is strength looking for purpose. He is doubt demanding an honest answer.

Dr. Hun's life work was to point out that answer. He believed from the establishment of his school until his death in 1945, that any normal boy could learn with good instruction. He knew a boy's past record could often be misleading, could tell of the failure of those who had dealt with the boy. Dr. Hun knew a boy has more future than past.

Good luck, boys.

COMMITTEE ON RULES

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until midnight tonight to file a privileged report.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

TRANSFER OF TWO NAVY DESTROYERS TO THE SPANISH NAVY AT SAN FRANCISCO

Mr. SHELLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SHELLEY. Mr. Speaker, on May 15, 1957, under the authority previously granted by Congress, Vice Adm. Robert L. Dennison, United States Navy, commander of the 1st Fleet, delivered title of two United States destroyers to His Excellency, D. Jose Maria De Areilza,

Ambassador of Spain, as respective representatives of the Government of the United States of America and the Government of Spain.

As a native San Franciscan, I am indeed proud of the fact that these two American combat vessels were delivered to the naval forces of Spain in the city of San Francisco. This pride stems from the fact that actually there could have been no more appropriate place for such a transfer of title in view of the historical background of San Francisco and, indeed, all of California. San Francisco Bay was first discovered by the great Balboa, a Spanish explorer, who immediately upon seeing it recognized its value as a seaport, its importance as a base for naval and military operations, and foresaw at that early time its growth as the great metropolitan center of the Pacific coast.

California as a State is rich in Spanish tradition. The first culture brought to California was actually brought in by the Franciscan Friars who built the missions along El Camino Real—the King's Highway—from the Mexican border to Sonoma in northern California. Practically all of those missions still stand and are in use today as a reminder to Californians and all Americans of this generation of our relationship with Spain in the early days of our history. As a matter of fact I, myself, was confirmed in the Mission Dolores Church in San Francisco, which was the last of the missions founded by Father Junipero Serra, whose remains still rest in Mission San Carlos below Monterey, Calif.

We are a State which has, among its population, a great many people who are natives or descendants of the Spanish-speaking countries. In fact the language of Spain is more widely used and understood in California than the language of any country other than our own. The Christian traditions left by the Spanish founders of California still prevail in that great State.

Mr. Speaker, I deem it an honor to make these few brief remarks commemorating this occasion and under unanimous consent I include with my remarks the presentation address made by Vice Adm. Robert L. Dennison and the acceptance address made by His Excellency the Ambassador of Spain, D. Jose Maria De Areilza.

The addresses follow:

ADDRESS DELIVERED BY VICE ADM. ROBERT L. DENNISON, USN, COMMANDER FIRST FLEET, ON THE OCCASION OF THE TRANSFER OF TWO UNITED STATES NAVY DESTROYERS TO THE SPANISH NAVY ON MAY 15, 1957, AT SAN FRANCISCO, CALIF.

Mr. Ambassador, distinguished guests, officers and men of the Spanish and United States Navies, ladies and gentle en, we are honored to have with us the Ambassador from Spain. His presence underlines the importance of this occasion to the Spanish Government and to our own. We are also honored by the friendly interest of other great nations as expressed by the gracious presence of their representatives.

I am pleased to be here to represent the Chief of Naval Operations, Admiral Burke, and to present his greetings.

It is a pleasure for me, for my colleagues in the United States Navy, and for my Government to see this further stride in the direction of friendly relations between ourselves and Spain.

It is only natural that we, in the Navy of our country, which has a seafaring tradition as old as our history, should feel a strong common bond with the navy of a nation which has made seafaring tradition through the centuries.

The history of Spanish maritime adventure was written in deeds by men of daring, imagination and seafaring genius when others of the Old World feared the open seas. Then our country was still a wilderness, awaiting the coming of those mariners for its discovery, its exploration, and its development. Much of our country was first visited by explorers from Spain.

Today we appreciate and admire the great vision of the Spanish mariners who, even in those days, were thinking and acting in global terms.

The culture of Spain is the proud heritage of many of our good neighbors in this hemisphere, and in large areas of our own country.

This particular occasion is important to me, as a representative of the United States Navy, for reasons far beyond its meaning as a sign of friendship between our peoples. The transfer of these ships is one of many steps designed by the leaders of two proud navies, in these trying and challenging times, to advance our common cause.

These fine ships come from our own arsenal. They are being transferred to the friendly foreign navy of Spain with the mutual belief that they will add effective strength and prestige to the Spanish Navy.

Aggressive forces abroad are pursuing the domination of the entire world and all its peoples. These forces are dedicated to a purpose directly opposed to our own. Our purpose is peace. These forces must be deterred by every available means. This must be clear to the peoples of our two countries.

Through three agreements, signed in 1953, the United States and Spain acknowledged the need of one for the other in the common defense of the Free World. The Joint Resolution passed by Congress on April 12 clearly reaffirms the position of the United States in support of Spanish membership in the North Atlantic Treaty Organization.

Collective security assumes an importance far greater than ever known before. It is a basic necessity for survival of the Free World. Strength is the only deterrent.

For these reasons, we are happy to see the growing strength of the Spanish Navy on the side of the West.

It is more than sentiment that prompts rejoicing in seeing ships come alive again as we do on this occasion. As they warm to their task of training sailormen in the arts of naval warfare, they carry with them our pride and our confidence in their integrity. These ships, which have served so well under the Stars and Stripes, will now proudly fly the flag of Spain, and under it will challenge the forces of aggression.

We recognize the compliment which is implicit in the incorporation of these ships into a navy of a nation long used to building, as well as sailing, its own fine ships. We hope and believe that these ships, added to the naval strength coming from the Spanish building yards, will perform well in company with the products of Cartagena and Ferrol.

It is fitting that the United States ship *Capps*, which served so valiantly in the great battles of the Pacific, will bear the name of *Lepanto*, the battle in which, nearly 400 years ago, the ships and seamen of Spain served to keep the freedom of the seas in the Mediterranean.

It is also fitting that the United States ship *David W. Taylor*, which until today has borne the name of America's greatest naval constructor, should become *Almirante Ferrandiz*, and honor the man who did so much for the development of the Spanish Navy of today.

Your Excellency, as you accept these ships, I would ask you to accept with them the hand of friendship and the very good wishes of the people of the United States.

Captain Blanco, as from one sailor to another, and from one navy to another, I, and also the service I represent, wish to express our highest esteem and best wishes toward the officers and men of the Spanish Navy.

To the officers and men who form the crews of the *Lepanto* and the *Almirante Ferrandiz*, we wish a good voyage, fair winds, and happy sailing.

ADDRESS GIVEN IN SAN FRANCISCO, CALIF., ON MAY 15, 1957, BY HIS EXCELLENCY THE AMBASSADOR OF SPAIN IN WASHINGTON, D. JOSE MARIA DE AREILZA, COUNT OF MOTRICO, ON OCCASION OF THE RECEPTION OF TWO DESTROYERS GIVEN TO SPAIN BY THE GOVERNMENT OF THE UNITED STATES

Admiral, it is with deep satisfaction that I receive, in the name of my government, these two naval units, which in pursuance of our present agreements of military cooperation, will now pass to our fleet.

I am deeply touched by the fact that this brilliant ceremony is taking place in the marvelous bay of San Francisco, to which our sailors gave a name and a place in the maps more than two centuries ago and in which today, names as Alcatraz, Yerbabuena, San Mateo, Vallejo, and many others are a living proof of our former presence.

You may be sure that the Spanish Navy, whose historical tradition made possible the California epic, will know how to utilize these ships, using them for the prime motive for which they are assigned—train our personnel in the employment of the most modern equipment used in naval warfare, and keep our navy in top condition.

Our fleet today is not very powerful, neither in number or in tonnage, but the old strategic concepts are now changing due to the revolutionary advances of the nuclear technology. Now the strategy, as the medicine, is more of a preventive science than a healing one and bases its hopes more in the capacity of reprisal to avoid a war, than in the war itself, which if it was nuclear, would mean for all of us a universal hecatomb.

That is why today the fighting morale, the spirit of service and the loyalty to the principles or ideals by the men that constitute the Navy are as important as the number of ships or the modern armament that they carry.

The Spanish Navy, whose whole life is molded in the dies of honor and patriotism, will always serve during peace and wartime the cause of the Christian West which is also the cause of the Free World. It will do it working in an intimate and chivalrous comradeship with the United States Navy.

The generosity of your act transferring these ships to us, and the near entrance in service of the naval base at Rota, the most important base the United States is going to have abroad, reinforces once more the bonds of our agreement.

I would like to ask, if it is possible, for more units of this type to be able to complete the training of a young and numerous body of officers who are full of enthusiasm and hunger of knowledge. They want to know the new techniques used in modern ships.

In the Atlantic as in the Mediterranean, the navy that discovered America, the navy that circled for the first time the roundness of the earth, the navy that won the battle of Lepanto—that decisive battle of Christianity and whose name will be carried by one of these new ships—will honor its pledges and will cooperate intimately in the defense of the free seas against the increasing danger of a Communist world tyranny.

MEDICAL CARE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, on May 6, 1957, I introduced H. R. 7238 which will provide proper yet minimum medical services to sick senior citizens of this great country, the bedridden, the handicapped, and disabled of all ages, and the crippled and maimed children. I believed, as did many of you on both sides of the aisle, that Congress, in its wisdom, had so provided the old, the sick, the blind, and the handicapped in 1956 (the 84th Congress) by enactment of Public Law 880. I now find, as many of you have also discovered, that in the closing days of the 84th Congress, a provision was written into Public Law 880 and this provision will prohibit States from providing the adequate medical services intended by Congress for the old, the sick, the blind, and the handicapped. This provision, unless corrected by the enactment of my bill, will, on July 1, 1957, curtail also the existing medical services for aged and sick recipients of public assistance.

Public Law 880 interferes with the administration of medical care by the several States. Centainly Congress did not intend this by enactment of Public Law 880. We probably made it necessary for thousands of our beloved, the sick, bedridden, and enfeebled patients in our great religious, charitable, and municipal hospitals to be declared legally incompetent so a conservator would be appointed to handle their affairs.

The economy of many of our States will be seriously affected by this provision in Public Law 880. The States are looking to us to correct this error. Many State legislatures have recessed. They made State appropriations for public assistance and medical services based upon their understanding of the intent of Congress, which I, and most of you believed was to provide proper yet minimum medical services for our needy citizens.

The present provision in Public Law 880 will lead to a system of confused administration and will create doubt, uncertainty, anxiety, and fear for hundreds of thousands of our country's aged, sick, and blind, plus the crippled and fatherless children. The economy and solvency of many of our great voluntary charitable hospitals and, indeed, the very continued existence of some of them, is threatened by the potential loss of funds if Public Law 880 is not amended. My bill is designed to correct and forthrightly correct this mistake.

The majority of the members of this body are already informed and familiar with this problem. The State directors of public welfare unanimously endorse this legislation. They desire its enactment. Our sick and our poor citizenry need and merit this relief.

For years the American Hospital Association, the American Medical Association, the American Dental Association, the American Public Welfare Association, and the American Public Health Association have strongly advocated and have strongly endorsed a system of purchasing medical care on behalf of the needy-sick-poor by the vendor-payment method. That is the American way of life today. Indeed, you and I have our medical and hospital bills paid in our behalf by either nonprofit or commercial insurance companies from whom we purchase such protection. Can we do less for the needy sick? Or equally undesirable, should we do differently and more meagerly for our less fortunate aged, sick, blind, and disabled? H. R. 7238 guarantees medical care, assures payment for medical care, and reaffirms the intent of Congress in passage of Public Law 880. It will not cost 1 cent more than we intended to spend when we passed Public Law 880.

H. R. 7238 is concerned with the more effective distribution of Federal funds for medical care. It serves to simplify administrative practices. It rescinds interference with State methods of assistance and accomplishes and is, in fact, what Congress intended in 1956. I urge your approval of H. R. 7238.

SECTION-BY-SECTION ANALYSIS OF H. R. 7238

SECTION 1

The first section contains a short title to amend the public assistance provisions of the Social Security Act to provide a more effective distribution of Federal funds for medical and other remedial care. The first section also repeals part I of title III of the Social Security Amendments of 1956 (Public Law 880) effective August 1, 1956. The date of repeal is established as August 1, 1956, since part I of title III would not have become effective until July 1, 1957.

The repeal of this part I of title III of the Social Security Amendments of 1956 reaffirms the definition of old-age assistance in section 6 of title I of the Social Security Act, of aid to dependent children in section 406 (b) in title IV of the Social Security Act, of aid to the blind in section 1006 of title X of the Social Security Act, and of aid to the permanently and totally disabled in section 1405 of title XIV of the Social Security Act.

Part I of title III of the Social Security Amendments of 1956 would have compelled the States, effective July 1, 1957, to provide money payments for medical and remedial care for recipients of public assistance within the Federal matching formula of part V of said amendments, and vendor payments for the special medical matching formula in said part I of said amendments. This would have compelled, effective July 1, 1957, two distinct methods of administration of medical and remedial care for public assistance recipients, and would create confusion and misunderstanding for recipients of public assistance, State and local welfare departments, and the professional suppliers of medical and remedial care.

SECTION 2

The second section amends section 3 (a) of the Social Security Act by adding clause (4) to provide the special matching formula for medical and remedial care for old-age assistance recipients in the same manner as had been provided in clause (4) of part I of title III of the Social Security Amendments of 1956.

SECTION 3

The third section amends section 403 (a) of the Social Security Act by adding clause (4) to provide the special matching formula for medical and remedial care for aid to dependent children recipients in the same manner as had been provided in clause (4) of part I of title III of the Social Security Amendments of 1956.

SECTION 4

The fourth section amends section 1003 (a) of the Social Security Act by adding clause (4) to provide the special matching formula for medical and remedial care for recipients of aid to the blind in the same manner as had been provided in clause (4) of part I of title III of the Social Security Amendments of 1956.

SECTION 5

The fifth section amends section 1403 (a) of the Social Security Act by adding clause (4) to provide the special matching formula for medical and remedial care for recipients of aid to the permanently and totally disabled in the same manner as had been provided in clause (4) of part I of title III of the Social Security Amendments of 1956.

SECTION 6

The sixth section makes the effective date of this act July 1, 1957 in the same manner as had been provided in part I of title III of the Social Security Amendments of 1956.

The entire bill makes it unmistakably clear that States may elect to establish a program of medical and remedial care by purchasing all such medical and remedial services directly from medical suppliers or by purchasing a portion of such medical and remedial services from the suppliers of medicine and making money payments directly to public assistance recipients for a portion of the medical and remedial services necessary.

LIST OF STATES IMMEDIATELY AND VITALLY CONCERNED

California, Connecticut, Florida, Illinois, Indiana, Iowa, Kansas, Louisiana, Maine, Massachusetts, Michigan, Minnesota, Missouri, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Utah, Washington, Wisconsin.

Territories: Alaska, Hawaii, Puerto Rico, Virgin Islands.

A SALUTE TO MADISONVILLE, KY., AND HOPKINS COUNTY

Mr. NATCHER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. NATCHER. Mr. Speaker, I would like to take this means of saluting Madisonville, Ky., and Hopkins County.

On May 25, 1957, Madisonville, Ky., and Hopkins County will celebrate their 150th birthday. In 1791 Daniel Boone and Col. Richard Henderson carved from the wilderness Henderson County and other counties adjoining Hopkins County. Ten years later Robert McGary and others designated to perform the task removed from Henderson County that section known as Hopkins County. On founding day Robert McGary and Solomon Silkwood offered 40 acres of their land for the use of the city which was named Madisonville in honor of James Madison. In 1810 Madisonville had a population of 37, and the last census in 1950 shows a population of 11,132.

A firm belief in the future is held by the citizens who compose this progressive city and county. Long known as "the best town on earth," Madisonville has the natural resources and outstanding people which make a city great. The Madisonville Messenger has all the attributes of an excellent newspaper. In publishing all the news, the Messenger serves as a forum of public opinion, and its strong editorial column provides a guide in formulating policies which are to the best interests of all the people. Radio station WFMW serves its listeners by broadcasting local and national news and by providing entertainment.

Hopkins County is not only one of the great coal producing counties in Kentucky, but it is rich in agricultural commodities producing both burley and dark tobacco, wheat, corn, and many other agricultural commodities. The Western Kentucky Coal Co. is one of the largest suppliers of coal in America, and, in addition, there are several other prominent coal companies in Hopkins County.

The city has for its mayor, David Parish, an outstanding citizen and successful businessman. Madisonville has all the characteristics which make it a wonderful city in which to live—lovely homes, recreation centers, parks, churches of every denomination, and a highly creditable school system. Hopkins County is the home of three excellent hospitals: Outwood Veterans' Administration Hospital, Kentucky Tuberculosis Hospital, and Hopkins County Hospital. Eminent men from every walk of life have come from Hopkins County. The Madisonville Bar Association has long been recognized throughout Kentucky for its excellent lawyers, and the medical, dental, and other professions have enjoyed the same reputation.

The people of Hopkins County and Madisonville are justifiably proud of their many achievements in the past, and the future promises even greater accomplishments. This progressive city possesses the unbeatable combination of an abundance of natural resources and citizens with a fine community spirit.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. PROUTY (at the request of Mr. MARTIN), through May 27, on account of illness.

Mr. HEMPHILL (at the request of Mr. PRESTON), for the remainder of the week, on account of illness.

Mr. DAVIS of Tennessee, for the balance of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. LAIRD, for 20 minutes, on today.

Mr. BRAY, for 15 minutes, on Monday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. LANE and to include extraneous matter.

MYS. KEE.

Mr. PELLY and to include a speech of Senator BUTLER, of Maryland.

Mr. CURTIS of Missouri (at the request of Mr. ARENDS).

Mr. REED and include related matter.

Mr. HOSMER (at the request of Mr. KEATING).

Mr. THOMPSON of New Jersey.

Mr. ASHMORE and to include a speech by Mr. HEMPHILL.

Mr. HARRIS (at the request of Mr. McCORMACK) and to include extraneous matter.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1400. An act for the relief of Mitsuko A. Hachita;

H. R. 1983. An act to provide for the conveyance of the reversionary interest of the United States in certain lands to the Clint Independent School District and the Fabens Independent School District in the State of Texas, or to either of them, and for other purposes;

H. R. 2018. An act to permit any State of the United States or any political subdivision of any such State to purchase from the District of Columbia Reformatory at Lorton, Va., gun mountings and carriages for guns for use at historic sites and for museum display purposes;

H. R. 2761. An act to amend the act entitled "An act to authorize the Secretary of the Navy to enlarge existing water-supply facilities for the San Diego, Calif., area in order to insure the existence of an adequate water supply for naval installations, and defense production plants in such area," approved October 11, 1951;

H. R. 2797. An act to amend title 10, United States Code, to authorize the Secretary of a military department to furnish stevedoring and terminal services and facilities to commercial steamship companies, and for other purposes;

H. R. 4285. An act to authorize the sale of degaussing equipment by the Department of the Navy to the owners or operators of privately owned merchant ships of United States registry;

H. R. 5832. An act to increase the retired annuities of the civilian members of the teaching staffs of the United States Naval Academy and the United States Naval Postgraduate School; and

H. R. 6454. An act to amend the act for the retirement of public-school teachers in the District of Columbia, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 51. An act for the relief of Mary Barme and her two minor children Steran Barme and Dinah Barme;

S. 94. An act for the relief of Lee Chong Taik;

S. 124. An act for the relief of Josephine Suydam;

S. 162. An act for the relief of Jew Gim Gee;

S. 184. An act for the relief of Mary C. Frederick;

S. 271. An act for the relief of Johannes Sukevainen;

S. 754. An act for the relief of John (Ioannis) Legatos;

S. 799. An act for the relief of Eldur Eha; and

S. 1463. An act to amend the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle.

SENATE BILLS AND CONCURRENT RESOLUTION REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 60. An act for the relief of Maria Adelaide Alessandroni; to the Committee on the Judiciary.

S. 105. An act to exempt from taxation certain property of the National Association of Colored Women's Clubs, Inc., in the District of Columbia; to the Committee on the District of Columbia.

S. 153. An act for the relief of Tsui Yung Wong; to the Committee on the Judiciary.

S. 160. An act for the relief of Georgios Ioannou; to the Committee on the Judiciary.

S. 164. An act for the relief of John G. Michael; to the Committee on the Judiciary.

S. 499. An act for the relief of Daniela Renata Patricia Zei; to the Committee on the Judiciary.

S. 525. An act for the relief of Rhoda Elizabeth Graubart; to the Committee on the Judiciary.

S. 526. An act for the relief of Tivkva Polsky; to the Committee on the Judiciary.

S. 534. An act to amend section 702 of the Merchant Marine Act, 1936, in order to authorize the construction, reconditioning, or remodeling of vessels under the provisions of such section in shipyards in the continental United States; to the Committee on Merchant Marine and Fisheries.

S. 553. An act for the relief of Oleg Antonowyycz; to the Committee on the Judiciary.

S. 583. An act for the relief of Stanislav Maglica; to the Committee on the Judiciary.

S. 592. An act for the relief of Anton Revak; to the Committee on the Judiciary.

6. 614. An Act for the relief of Mary Pu Keui Min, and her children Susan Pyong Soon Min, Sally Pyong Yun Min, George Pyong Yu Min, and William Pyong Soo Min; to the Committee on the Judiciary.

S. 749. An act for the relief of Loutfie Kalil Noma (also known as Loutfie Siemon Noma or Loutfie Noama); to the Committee on the Judicary.

S. 755. An act for the relief of Athena Nicholas Euteriadou; to the Committee on the Judicary.

S. 785. An act for the relief of Helga Binder, to the Committee on the Judiciary.

S. 788. An act for the relief of Thelma Margaret Hwang; to the Committee on the Judiciary.

S. 798. An act for the relief of Giuseppe Baffo; to the Committee on the Judiciary.

S. 833. An act for the relief of Vida Letitia Baker; to the Committee on the Judiciary.

S. 834. An act for the relief of David Ajuelo, Rosa Ajuelo, Victoria Ajuelo, and Lizet Ajuelo; to the Committee on the Judiciary.

S. 849. An act for the relief of Sydney Douglas Catchpole; to the Committee on the Judiciary.

S. 886. An act to provide transportation on Canadian vessels between ports in southeastern Alaska, and between Hyder, Alaska, and other points in southeastern Alaska, or the continental United States, either directly or

via a foreign port, for any part of the transportation; to the Committee on Merchant Marine and Fisheries.

S. 908. An act for the relief of Kuo York Chynn; to the Committee on the Judiciary.

S. 916. An act to provide for the issuance of checks and continuation of accounts when there is a vacancy in the post office of the disbursing officer of the Post Office Department, and for other purposes; to the Committee on Government Operations.

S. 937. An act to amend section 4 of the Interstate Commerce Act, as amended; to the Committee on Interstate and Foreign Commerce.

S. 988. An act for the relief of Satoe Yamakage Langley; to the Committee on the Judiciary.

S. 1035. An act for the relief of Alice Eirl Schaer (Mi On Lee); to the Committee on the Judiciary.

S. 1089. An act for the relief of Salvatore Pantano; to the Committee on the Judiciary.

S. 1112. An act for the relief of Matsue Harada; to the Committee on the Judiciary.

S. 1147. An act for the relief of Kiyoshi Takahashi, Kyoko Takahashi, and Nosomu Takahashi; to the Committee on the Judiciary.

S. 1169. An act for the relief of Herbert C. Heller; to the Committee on the Judiciary.

S. 1264. An act to exempt from taxation certain property of the National Trust for Historic Preservation in the United States in the District of Columbia; to the Committee on the District of Columbia.

S. 1269. An act to amend the act entitled "An act to create a Board for the Condemnation of Insanitary Buildings in the District of Columbia, and for other purposes," approved May 1, 1906, as amended; to the Committee on the District of Columbia.

S. 1376. An act for the relief of Chong You How (also known as Edward Charles Yee), his wife, Eng Lai Fong, and his child, Chong Yim Keung; to the Committee on the Judiciary.

S. 1390. An act for the relief of Roberto Mario Bettinzoli; to the Committee on the Judiciary.

S. 1446. An act to amend title 14, United States Code, so as to provide for retirement of certain former members of the Coast Guard Reserve; to the Committee on Merchant Marine and Fisheries.

S. 1576. An act to exempt the sale of materials for certain war memorials in the District of Columbia from the District of Columbia Sales Tax Act; to the Committee on the District of Columbia.

S. 1586. An act to eliminate the financial limitation on real and personal estate holdings of the American Historical Association and to exempt from taxation certain property of such association in the District of Columbia; to the Committee on the District of Columbia.

S. 1589. An act for the relief of Nina Maslova Greenberg; to the Committee on the Judiciary.

S. 1708. An act to amend the act entitled "An act relating to children born out of wedlock," approved January 11, 1951; to the Committee on the District of Columbia.

S. 1806. An act to amend the Sockeye Salmon Fishery Act of 1947; to the Committee on Merchant Marine and Fisheries.

S. 1833. An act for the relief of Janos Schreiner; to the Committee on the Judiciary.

S. 1842. An act to amend the act entitled "An act to provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes," approved February 4, 1925; to the Committee on the District of Columbia.

S. 1884. An act to amend section 505 of the Classification Act of 1949, as amended; to the Committee on Post Office and Civil Service.

S. 1906. An act authorizing the conferring of appropriate degrees by the District of Columbia Teachers College on those persons who have met the requirements for such degrees, and for other purposes; to the Committee on the District of Columbia.

S. Con. Res. 26. Concurrent resolution to print additional copies of the report entitled "The International Petroleum Cartel"; to the Committee on House Administration.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 1400. An act for the relief of Mitsuko A. Hachita;

H. R. 1963. An act to provide for the conveyance of the reversionary interest of the United States in certain lands to the Clint Independent School District and the Fabens Independent School District in the State of Texas, or to either of them, and for other purposes;

H. R. 2018. An act to permit any State of the United States or any political subdivision of any such State to purchase from the District of Columbia Reformatory at Lorton, Va., gun mountings and carriages for guns for use at historic sites and for museum display purposes;

H. R. 2781. An act to amend the act entitled "An act to authorize the Secretary of the Navy to enlarge existing water-supply facilities for the San Diego, Calif., area in order to insure the existence of an adequate water supply for naval installations and defense production plants in such area," approved October 11, 1951;

H. R. 2797. An act to amend title 10, United States Code, to authorize the Secretary of a military department to furnish stevedoring and terminal services and facilities to commercial steamship companies, and for other purposes;

H. R. 4285. An act to authorize the sale of degaussing equipment by the Department of the Navy to the owners or operators of privately owned merchant ships of United States registry;

H. R. 5832. An act to increase the retired annuities of the civilian members of the teaching staffs of the United States Naval Academy and the United States Naval Postgraduate School;

H. R 6454. An act to amend the act for the retirement of public-school teachers in the District of Columbia, and for other purposes; and

H. J. Res. 133. An act for the relief of certain spouses and minor children of citizens of the United States.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 2 minutes p. m.) the House adjourned until tomorrow, Friday, May 24, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

886. Under clause 2 of rule XXIV, a letter from the Assistant Secretary of Defense (Supply and Logistics) transmitting reports on Army, Navy, Air Force, and Military Petroleum Supply Agency prime contract procurement actions with small and large concerns for work in the United States for the first 9 months of fiscal year 1957, pursuant to Public Law 268, 84th Congress, was taken from the Speaker's table and referred to the Committee on Banking and Currency.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HARRIS: Committee on Interstate and Foreign Commerce. A report on International Health; without amendment (Rept. No. 474). Referred to the Committee of the Whole House on the State of the Union.

Mr. TRIMBLE: Committee on Rules. House Resolution 263. Resolution for consideration of H. R. 3753, a bill to enable the Secretary of Agriculture to extend financial assistance to desert-land entrymen to the same extent as such assistance is available to homestead entrymen; without amendment (Rept. No. 475). Referred to the House Calendar.

Mr. O'NEILL: Committee on Rules. House Resolution 264. Resolution for consideration of H. R. 6974, a bill to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes; without amendment (Rept. No. 476). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 265. Resolution for the consideration of S. 469, an act to authorize the United States to defray the cost of assisting the Klamath Tribe of Indians to prepare for termination of Federal supervision, to defer sales of tribal property, and for other purposes; without amendment (Rept. No. 477). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BONNER:

H. R. 7734. A bill to exempt certain teachers in the Canal Zone public schools from prohibitions against the holding of dual offices and the receipt of double salaries; to the Committee on Merchant Marine and Fisheries.

By Mr. FRAZIER:

H. R. 7735. A bill to amend title 28 of the United States Code, so as to provide for the appointment of one additional district judge for the eastern district of Tennessee; to the Committee on the Judiciary.

By Mr. GRAY:

H. R. 7736. A bill to incorporate the Veterans of World War I of the United States of America; to the Committee on the Judiciary.

By Mr. HARRIS:

H. R. 7737. A bill to amend the act of March 3, 1901, to give the Secretary of Commerce authority to acquire land for field sites for the National Bureau of Standards, to undertake the construction and improvement of buildings, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KEATING:

H. R. 7738. A bill for the relief of the State of New York; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 7739. A bill to amend the Internal Revenue Code of 1954 to reduce from 10 percent to 5 percent the manufacturers excise tax on certain truck bodies; to the Committee on Ways and Means.

By Mr. CURTIS of Missouri:

H. R. 7740. A bill to amend the Internal Revenue Code of 1954 to reduce from 10 percent to 5 percent the manufacturers excise tax on certain truck bodies; to the Committee on Ways and Means.

By Mrs. KNUTSON:

H. R. 7741. A bill to extend for 3 years the Hospital Survey and Construction Act; to the Committee on Interstate and Foreign Commerce.

By Mr. ROOSEVELT:

H. R. 7742. A bill to restore certain public lands of the United States within the Angeles National Forest to location and entry under the mining laws of the United States; to the Committee on Interior and Insular Affairs.

By Mr. HILL:

H. R. 7743. A bill to amend the Packers and Stockyards Act, 1921, as amended, regulating interstate and foreign commerce in livestock, livestock products, dairy products, poultry, poultry products and eggs, to clarify the jurisdiction of the Secretary of Agriculture thereunder, and for other purposes; to the Committee on Agriculture.

By Mr. KEATING:

H. J. Res. 343. Joint resolution proposing an amendment to the Constitution of the United States relative to disapproval of items in general appropriation bills; to the Committee on the Judiciary.

By Mr. HERLONG:

H. J. Res. 344. Joint resolution to authorize the Secretary of Commerce to sell certain coal-burning vessels to certain citizens of the Federal Republic of Germany; to the Committee on Merchant Marine and Fisheries.

By Mr. BERRY:

H. Con. Res. 178. Concurrent resolution favoring congressional recognition of the National Cowboy Hall of Fame and Museum to be located at Oklahoma City, Okla.; to the Committee on Interior and Insular Affairs.

By Mr. LANE:

H. Res. 262. Resolution establishing a select committee of the House to choose five outstanding persons (none of whom shall be living) who have served in the House of Representatives; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT:

H. R. 7744. A bill to authorize the conveyance of certain lands in Alaska to Martha L. Babinec as administratrix of the estate of Laurence Starna, deceased; to the Committee on Interior and Insular Affairs.

By Mr. JAMES:

H. R. 7745. A bill for the relief of Piera Dioni; to the Committee on the Judiciary.

By Mr. KEATING:

H. R. 7746. A bill for the relief of Elmer L. Conrad and others; to the Committee on the Judiciary.

By Mr. McCARTHY:

H. R. 7747. A bill for the relief of Michelle Germain Cormier Albrecht (nee Michelle Germain Cormier); to the Committee on the Judiciary.

By Mr. McCONNELL:

H. R. 7748. A bill for the relief of Gaudencio C. Cristobal, M. D.; to the Committee on the Judiciary.

By Mr. McINTOSH:

H. R. 7749. A bill for the relief of Anton Bering; to the Committee on the Judiciary.

By Mr. MADDEN:

H. R. 7750. A bill for the relief of Anneliese F. Meinssen; to the Committee on the Judiciary.

By Mr. PHILBIN:

H. R. 7751. A bill for the relief of Mrs. Ingrid Goguen; to the Committee on the Judiciary.

By Mr. UTT:

H. R. 7752. A bill for the relief of Wintford Jesse Thompson; to the Committee on the Judiciary.

By Mr. VORYS:

H. R. 7753. A bill for the relief of Hisako Hadaway; to the Committee on the Judiciary.

By Mr. YOUNGER:

H. R. 7754. A bill for the relief of Mrs. Faustina Albright; to the Committee on the Judiciary.

By Mr. ZABLOCKI:

H. R. 7755. A bill for the relief of Zdenka Elizabeth Wukovich; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII.

256. Mr. HORAN presented a petition of Mrs. C. S. Stauffer and 17 citizens of Spokane, Wash., and vicinity urging the Congress to pass legislation prohibiting alcoholic beverage advertising on television broadcasts, which was referred to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

The Canada Council and Drew Pearson

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1957

Mr. THOMPSON of New Jersey. Mr. Speaker, in his syndicated column Drew Pearson on Sunday, May 19, 1957, made a statement which I feel must be rectified or it will do untold damage to the friendly relations that have existed from the very beginning between the United States and Canada.

In fairness to Mr. Pearson, I am confident that it is misinformation rather than ill will which is responsible for this egregious error.

Mr. Pearson said this in the course of an article on American-Canadian relations at this time: "Parliament just voted $200 million to set up the Canada Council, ostensibly 'to encourage Canadian arts, letters, and sciences' but actually to combat United States influence in Canada."

As soon as I read this I got in touch with the Canadian Embassy in Washington and, fortunately, was furnished with articles from several leading Canadian newspapers which puts the matter in the proper light.

In view of these articles, which I include here, I think it is up to Mr. Pearson to review the matter in an early article which will present the true facts about the Canada Council.

The Members of this House are, of course, aware of the fact that the arts are an international language whose ends are peace and understanding between peoples.

The international exchange of art and artists is carried on under the Fulbright Act, the Smith-Mundt Act, and the Humphrey-Thompson Act, measures adopted by the Congress in recent years.

As a matter of fact, President Eisenhower told the Congress in his 1955 message on the state of the Union that—

> In the advancement of the various activities which will make our civilization endure and flourish, the Federal Government should do more to give official recognition to the importance of the arts and other cultural activities.

In an historic speech before the Conference on the Arts and Exchange of Persons, held by the Institute of International Education in New York City on October 4 and 5, 1956, Senator J. WILLIAM FULBRIGHT had this to say:

> So, I feel, the more I see of it, that exchanges in the field of the arts can be made a very important influence in our international relations. Perhaps that should not be said. I suppose one should be interested in art for art's sake. It is an interest and end in itself and that is a perfectly legitimate attitude for those of you who practice it. For my part, I want to use art to help the human race avoid committing suicide.
>
> It was an extraordinary, mysterious thing that in 1914, after 100 years of relative peace, the most civilized peoples of the world fell upon one another and tried to commit suicide. I have never heard a satisfactory reason for it, nor do I know why they fought. None of the reasons, economic, racial, or political, make any sense to me. I think it was a wholly irrational thing. Perhaps the human race is not capable of ever achieving peace or a rational international relationship. But I think there is sufficient chance to justify exerting ourselves in a field which has never been tried; that field is the exchange of persons and exchanges of the arts. Such exchanges may result in mutual understanding and sympathy.
>
> Contemplation of the fine arts or even competition among peoples in this field does not lead to bloodshed and hatred, as competition in the field of economics tends to do. I often think of the story they tell about Lenin, who refused to listen to music because it tended to soothe his passions and made him less forceful and cruel. If that story is true, and I rather think it is, it encourages me in the direction I hope we are moving.

I include here articles from the Financial Post, Toronto; the Toronto Star; the Ottawa Journal, and the New York Times which may be helpful to Mr. Drew Pearson in arriving at a true assessment of the aims of the Canada Council.

The Reverend Sister Elizabeth Parente, MPF, music director of Villa Victoria Academy, Trenton, N. J., recently wrote me, in part, as follows re my own interest in the arts:

> Permit me at this time to commend you most highly for introducing a bill for Federal aid for the arts. It is one of the finest moves ever made. The arts and sciences should work together, and there should be equal emphasis on both. Our country should never hesitate to make great use of the one and only universal language—music. There are no boundary lines with this art.

If there is one thought I can leave today with those leaders in Government and private life who have worked so

fruitfully to establish the Canada Council, it is this line by the Reverend Sister Parente:

The arts and sciences should work together, and there should be equal emphasis on both.

The United States and Canada should never hesitate to make great use of the one and only universal language, music. There are no boundary lines with this art.

In the hands of the Canada Council for the Arts, Humanities, and Social Sciences the vast sum of $100 million has been placed to develop ways for the arts and sciences to work together with an equal emphasis on both.

A new day is dawning in Canada; indeed, the sun that is lighting Canada may encourage leaders in the United States to give new emphasis and importance to our own cultural activities to peaceful ends.

The above-mentioned articles follow:

[From the Toronto Financial Post of March 2, 1957]

SUBSIDY OF ARTS NOTHING NEW, BUT NATIONAL PATTERNS VARIED

(By John P. Maclean)

OTTAWA (Staff).—When the Canada Council starts distributing money to support Canadian art, music, drama, and letters, it will be following a course which most of the Western nations have followed for a long time.

It will probably look abroad for some guidance about what other countries do, and it will find great variation both in the amount of public funds devoted to cultural activities, and in the way they are distributed.

In the United States the only relevant comparisons are with private foundations like the Guggenheim, Rockefeller, or Ford Funds. And none of them can provide a complete parallel to the Canadian problem.

(The chairman-designate of the Canada Council, Brooke Claxton, has already been quizzing the directors of the principal United States foundations.)

But the United States is about the only major country of the West where private bequests are adequate to provide the main support for arts, letters, and social sciences.

In most countries, the private patron of the arts has long been too rare and too poor. Public funds have been filling the gap, more or less fully, in most of Western Europe for generations.

The Canadian plan is characteristically Canadian. It seeks as usual to blend the methods of the Old World with those of the dominant country of the New World.

The public is to provide an original endowment of $50 million. (And this, incidentally, is a precedent new to the democratic world. Cultural funds are usually a straight part of the parliamentary appropriation each year.)

But the Government recognizes this is quite inadequate for the development of Canadian talent. It is relying on private donors to supplement it.

If Canadians are not rich enough to establish huge foundations of their own on the United States model, at least some of them can add to the thin Government capital.

One such offer has already been received—prematurely, since it came before there is a Canada Council. It was from a Toronto widow, offering $200,000 for the encouragement of ballet. Government hopes this first swallow will herald a real summer of private gifts and bequests.

The most culture-conscious nations of the West now include: United Kingdom, France, Italy, Germany, Austria, Russia, Belgium, Holland, and the Scandinavian countries.

ITALY

In Italy, the federal authority cooperates with local authority in many projects, keeps a close eye on culture through a part of the Ministry of Instruction.

Since World War II the National Government has spent an average of $5 million a year just to refurbish war-damaged buildings. Top-rated movie companies get special tax deals (for instance the proceeds of a special levy on foreign films) to spur production of such cinematic gems as Bicycle Thief.

WEST GERMANY

In West Germany, plays, operas and ballet in a recent year received subsidies of $22 million; museums and art galleries got $5.3 million. Chief support comes from the provinces or states, plus private donations.

RUSSIA

In Russia, the Bolshoi Theater, operating two large theaters in Moscow, receives about $11 million a year in subsidies for opera and ballet. Live drama in some 30 theaters in Moscow is subsidized, while provincial theaters also receive assistance.

Here's how the United Kingdom and France have and are aiding culture on a nationwide scale:

UNITED KINGDOM

Guide and mentor of British culture at present is the Arts Council, chartered in 1946. It grew out of the World War II-spawned Council for the Encouragement of Music and the Arts.

CEMA began in late 1939, was set up in 1940 with an initial £25,000 grant from the Pilgrim Trust, then headed by Lord Macmillan, Minister of Information. John Maynard Keynes, the economist, headed CEMA from 1942 to his death in 1946.

In 1945, the British Government decided CEMA should be continued in peacetime. Treasury, instead of Education, took it over, renamed it the Arts Council.

It's not a government department, doesn't resemble some foreign ministries of art. It is composed of not more than 16 persons, experts in one or more fields of art, who are picked by the Chancellor of the Exchequer but are not responsible to him.

It has a small specialist staff: Secretary-general, deputy secretary, and finance officer; directors for art, music, and drama. Staff totals 97.

Arts Council money comes in annual grants from Parliament. The hope is that as soon as United Kingdom finances are past the wolf-at-the-door stage the annual grant will become a statutory amount.

At present the Arts Council submits its requests to Parliament, has them scrutinized by committees on public accounts and on estimates. The auditor-general checks the books.

In 1955–56 Parliament granted £820,000 (up from the first, 1945–46 grant of £235,000). Simplified, the books show the money went £614,000 to general art expenditure, £97,000 to general operating costs, £76,000 to the Scottish committee, and £33,000 to the Welsh committee.

The £614,000 was split:

1. Music, £514,000.

Covent Garden got £250,000; Sadler's Wells, £100,000; Intimate Opera Society at the lower end of the scale got £1,000.

Three of the big orchestras, London Philharmonic, Liverpool Philharmonic, and City of Birmingham Symphony each got £12,000, and the Society for the Promotion of New Music got £800.

2. Drama, £65,000.

Old Vic got a total of £18,500 and Royal Vic got £10,000. The Playhouse, Kidderminster, got £39 9s.

3. Art, £23,000.

Exhibitions took £19,000 but grants went to such as the Finsbury Art Group (£40) and the Open Air Exhibition of East Anglian Sculpture (£20).

4. Poetry, £1,000.

Help for Spoken Poetry got £497 10s. 4d, and the Cley Women's Institute got £3 11d.

5. Festivals, £6,000.

Bath Festival Society and Cheltenham Arts Festivals each got £1,000; at the bottom of the list, Hovingham Festival drew £90.

6. Arts centers and clubs, £3,000.

7. General arts activities, such as Langley Moore Museum of Costume (£350) were given close to £2,000.

All groups which are subsidized are nonprofit. In fact, the Arts Council is incorporated as a charity and prohibited from using its money for profit-seeking purposes.

All money goes to the support of professional, not amateur activity.

MAIN PURPOSE

Main purpose of the arts council, according to its charter, is to preserve and improve standards of performance in the various arts. This means, in effect, support of a limited number of institutions where the highest standards can be developed. Prime example is the Sadler's Wells Ballet at Covent Garden.

Intention is to get—and keep—powerhouses of opera, music, and drama in London, see that culture is spread throughout the nation by frequent tours.

Outlook in the United Kingdom is for more money to go to the arts council. It now, with local authorities' help, spends only about £1 million.

This compares with about £465 million for education (it's calculated about £50 million of this goes into in-school culture), £13 million for public libraries, £3 million for art galleries and museums.

Arts council is, therefore, bucking for about £2.5 million a year. This, it thinks, would support a proper program plus a long-term capital projects rebuilding plan.

The projection of British culture abroad is conducted by the British council.

In 1955–56 it spent £2.8 million, broken down: £1.8 million in foreign countries, £.5 million in colonies, £.4 million in Commonwealth countries, and £.1 million in colonial development and welfare.

FRANCE

Culture in France comes under a special branch of the ministry of education called Direction-Generale des Arts et des Lettres.

Head is a secretary of state for fine arts who reports to the minister of education still, although there's a growing feeling education and culture shouldn't be mixed.

Arts et Lettres has five divisions:

1. Direction des Musees de France.

There are about 900 museums, including 30 considered national ones like Le Louvre.

Close to $3 million was spent—$1 million for salaries, $400,000 for maintenance expenses, $300,000 in subsidies to local museums, and about $1 million in capital construction and equipment. Six $300-a-year scholarships were given to students at the Louvre school.

2. Service des Spectacles et de la Musique.

Promotion of theater attractions and musical programs isn't allowed to clash with artistic freedom.

Money distributed in 1956 went to L'Opera and L'Opera-Comique (total of more than $3.5 million), Comedie-Francaise ($1 million), and the Theatre National Populaire ($200,000).

Regular subsidies are given on the advice of a panel of experts to the best performances in private theaters and to talented young playwrights looking for a push to get started. There's an annual $3,500 prize for the best play produced by an amateur society. Total cost, about $200,000.

Another $200,000 goes to help various drama festivals throughout France. The International Festival, now a regular feature of the Paris season, gets $125,000.

Some $300,000 goes to other theatrical enterprises throughout the country, for general expenses. In addition, about $285,000 went to provincial organizations to produce operas of various kinds.

About $1 million went into capital project subsidies for the building of theaters, conservatories, art and music schools.

The National Conservatory of Dramatic Art got $300,000.

More than $600,000 was spent to support music. The National Conservatory of Music got about $360,000 and another $100,000 for scholarships; various other municipal groups a total of $130,000; Les Jeunesses Musicales, $35,000; ballet companies, $15,000; and composers (who also get help with the cost of printing their scores), $20,000.

Writers get little, but are in line to get more. At present there's an annual prize of $1,800 awarded to a well-known writer as a kind of recognition for general excellence. A newly formed Culture Bank will begin providing social-security benefits to struggling young writers from state funds and with revenue from established writers' royalty contributions.

3. Service des Lettres.

Important among its activities is a general responsibility to promote celebration of special literary events. Some $70,000 was spent in 1956.

4. Service de l'Enseignement et de la Production Artistique. Under teaching and artistic production come: Schools of fine arts, decorative arts, and architecture; state-controlled tapestries and ceramics industries; official commissions to painters, sculptors, engravers and tapestry makers.

Some $1.4 million in salaries and $500,000 in maintenance went into the state schools—Ecole Nationale des Beaux-Arts and the advanced Ecole Francaise de Rome, for example. Each has a strong program of scholarships.

Official commissions worth $450,000 were ordered in 1956 for decoration of public buildings, official residences and universities.

5. Direction de l'Architecture.

In 1956 this bureau spent $7.2 million on maintenance of historical monuments and $5 million on restoration; for example: $2 million for the Chateau de Versailles.

Total budget for archeological works ($70,000 in 1956) and preservation of historical sites and general expense is a substantial $30 million.

[From the New York Times of January 9, 1957]

CANADA PLANNING CULTURE COUNCIL—ENDOWMENT OF $50 MILLION AND FUND FOR COLLEGES ASKED OF PARLIAMENT

(By Raymond Daniell)

OTTAWA, January 8.—The Government's plans for aiding the cultural development of Canada were revealed today at the opening of the 5th and last session of the 22d Parliament.

They included the establishment of a Canada Council for the Arts, Humanities, and Social Sciences with a $50,300,000 endowment for scholarships and assistance to artists, musicians, dancers, writers, and scholars.

Another grant of $50 million was requested for the council to help Canadian universities' construction projects to keep pace with the increasing demands upon them.

The Government also sponsored a measure to provide for the division of the National Museum of Canada into two institutions to be known as the Canadian Museum of Human History and the Canadian Museum of Natural History.

The cultural council was proposed 5 years ago by the Royal Commission on National Development in the Arts, Letters, and Sciences, headed by Vincent Massey, now Governor General.

SPEECH FROM THRONE READ

It was he in his tricorn hat and full regalia as representative of Queen Elizabeth II, who read the speech from the throne, containing the Government's recommendations. The speech was delivered in the red upholstered senate chamber before an audience that included most of the diplomatic corps.

ECONOMIC REPORT MADE

For years the Liberal government of Prime Minister Louis St. Laurent has hesitated to propose the council, because of uncertainty about the reaction in Quebec, a party stronghold.

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[From the New York Times of May 5, 1957]

CANADA COUNCIL INITIATES ACTION—GROUP WITH $100 MILLION FUND TO PROMOTE CULTURE HOLDS FIRST MEETING

(By Tania Long)

OTTAWA, May 4.—The Canada Council, which recently was armed with $100 million for the promotion of Canadian culture, got down to work last week to plan a program that will go into effect this fall.

The first meeting of the newly appointed Council was attended by Governor General Vincent Massey and four executives of United States foundations.

It was Mr. Massey, before he became representative of the Crown in Canada, who headed the royal commission that recommended the establishment of the Canada Council to assist the arts, humanities and social sciences.

The guests from the United States were Dean Rusk, president of the Rockefeller Foundation; W. McNeil Lowry, vice president of the Ford Foundation; Stephen H. Stackpole, executive associate of the Carnegie Corp., and John Marshall, director of the Rockefeller Foundation.

One of the first acts of the council was to establish a factfinding body to conduct a survey into what is already being done by private and public bodies for the promotion of cultural matters in Canada.

An executive committee of seven also was set up to deal with the day-to-day developments of interest to the council between full council meetings, which are planned to take place three times a year. The permanent staff will consist of five officers under Dr. A. W. Trueman, former National Film Board commissioner, and about a dozen stenographers.

Brooke Claxton, chairman of the council, has said the council will make every effort to keep operational expenses down.

The Canada Council will have $50 million to invest, the revenue from which will be used for grants to deserving cultural enterprises. These grants are estimated at about $2 million a year.

Mr. Claxton said at the close of the 2-day meeting that the council in 4 years would have as much money to devote to the arts as the Rockefeller Foundation has spent in Canada in 44 years.

The remaining half of the $100 million will be used to assist universities in constructing more buildings for the teaching of the arts and sciences. University building is drastically insufficient for the growing demand in Canada.

A meeting with university heads will be held by the council in June to work out a formula for making the grants.

Address by Hon. John M. Butler, of Maryland

EXTENSION OF REMARKS

OF

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1957

Mr. PELLY. Mr. Speaker, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an important address delivered by the Honorable JOHN M. BUTLER, the distinguished senior Senator from Maryland. This speech was given at a dinner of the Port of Washington, District of Columbia, Propeller Club on National Maritime Day, May 22, 1957. The Senator's remarks on our merchant marine and in particular in reference to the Panama Canal merit the careful reading of all Members of Congress.

The address follows:

Mr. Chairman, members of the Propeller Club, ladies and gentlemen, I always look forward with a great deal of pleasure to Maritime Day. It gives me an opportunity to renew old friendships in the maritime fraternity and, I hope, to make some new ones. And it usually affords an opportunity to talk a little about maritime matters.

This evening, there are several thoughts I should like to discuss with you. But before so doing, may I join with you in paying tribute to the steamship *Savannah*. One hundred and thirty-eight years ago today—on May 22, 1819—she left her home port of Savannah, Ga., on the first transocean voyage by any steamship. Twenty-five days later she arrived in Liverpool.

It took the Congress somewhat longer to recognize the significance of that historic voyage. One hundred and fourteen years later—to be exact, in 1933—the Congress finally passed a joint resolution designating each May 22 as National Maritime Day.

Think for a moment what a lonely, dangerous, and great adventure for American capital and American seamen that trip of the little steamship *Savannah* must have been. Remember, it took place only 7 years after the War of 1812. In those early days when sailing ships ruled the waves and steam vessels were considered infernal contraptions, I doubt that many people were as respectful of the owners, and officers, and crew of the *Savannah* as they should have been. Instead of recognizing them as forerunners of things certain to come, most of their contemporaries must have considered the *Savannah* and her crew outright freaks.

However, they are rightly honored today by countless celebrations all over the United States for the feat they accomplished and for their courage and wisdom. That courage and wisdom has been a sound investment and we as a Nation—and the entire world for that matter—are the beneficiaries of their brave deeds.

Now, my friends, I want to touch briefly on a few general matters of vast importance to the American merchant marine.

First, a word about American shipbuilding. Here we have much for which to be thankful.

However, with the shortage of steel plate as it is, we have nothing about which to be complacent. At last count, there were 118 oceangoing ships building or on order in privately owned American shipyards.

In addition, the Navy is now building 43 ships in private yards. Compared to the fact that in May 1954 not a single American yard had received an order for an oceangoing vessel for more than 18 months, I think

we have done well in the short span of 3 years.

Within the framework of free enterprise, and without the need for govermental controls, the steel companies must produce the types and quantities of steel plate which our private shipyards must have if our ships are not to be built in foreign yards. I am confident that the steel industry will meet this pressing challenge.

I have been extremely pleased to observe that high-ranking Government officials and industry leaders are cooperating closely on many matters of advanced maritime research and development.

To overcome the tremendous competitive advantage possessed by foreign low-wage maritime nations, it is incumbent upon us to exploit to the fullest the advantages we have in the way of advanced technological know-how. Bold, brave maritime research, performed by private industry, with a maximum of Government cooperation, is needed now, more than ever before, as we stand at the threshold of replacing our war-built merchant fleet. Some of the same spirit and courage which brought about the epic voyage of the *Savannah* will serve us well in these days when we are trying to design and build ships, and shoreside facilites, to serve—continuously and effectively—the commercial and defense needs of this country.

Our tramp fleet is doing well—all things being considered. Unfortunately, the tramp owners are not replacing their fleets with vessels built in American yards. In fact, what profit they are now making comes from cargoes they obtain under the provisions of the cargo preference, or 50-50 bill. This I firmly believe. These cargoes, as you know, are generated in large part by Public Law 480, our surplus agricultural disposal program.

The continued existence of our tramp fleet depends in large measure on the preservation and perhaps extension of our cargo preference bill. For that matter, the continuation of what prosperity our subsidized lines are enjoying also depends on this vital law.

A word concerning the cargo preference bill.

First, it is my present intention to introduce later in this session of the Congress a bill which will require that at least 75 percent of all Government-financed cargoes must be carried aboard privately owned American-flag vessels. Such a measure seems fully justified. First, cargoes generated by our own Government should be carried in major, not equal, part by privately owned vessels flying our flag if they are available to perform the service at market rates reasonable for such vessels. Second, I am hopeful—and perhaps this is wishful thinking—that foreign aid, especially that of a non-defense nature, will in the near future take a sharp decline. I cannot believe that the American taxpayer is going to stand for many more shipments of jet planes to Yugoslavia, and the like.

If foreign aid declines, thereby making it possible to give some long-overdue tax relief to our people, there will be less giveaway cargoes carried by our own vessels unless we boost their share.

In the hearings which should result from the introduction of such a bill, I will be particularly interested to learn how the Government agencies charged with the administration and implementation of the present cargo preference law are in fact carrying out their responsibilities. There are rumors that one or more construe the law as authorizing them to refrain from offering Government-generated cargoes to American-flag vessels in excess of 50 per cent of such cargoes. Certainly it was the intention of the Congress that the requirement that at least 50 per cent be carried by American-flag vessels would establish a minimum and not a ceiling on the American-flag share.

If administrative abuses are taking place in disregard of the spirit of the Congress and the express language of the statute, now is the time for the Congress to take appropriate steps to put an end to these practices and omissions.

In this inquiry, it will be important to ascertain how the agencies administering and implementing the present cargo preference law go about offering American-flag vessels their share. I would think it grossly unfair for an agency to first assign 50 percent of the tonnages to foreign-flag vessels; and thereafter offer, on a short-notice basis, the remainder to American-flag ships. Such a practice undoubtedly would afford the American-flag vessels too little time to make adequate arrangements. It would prevent them from preplanning their participation and might cause undue rate squeezes.

Such a practice might give an unsympathetic agency an excuse to grant or recommend waivers, thereby permitting shipment via foreign-flag vessels. If this practice exists, it must be stopped.

And ladies and gentlemen, these hearings should establish the policies of the agencies in allocating cargoes as between conference and nonconference United States lines.

I would be remiss this evening if I did not say a word or two about the splendid job done by the administration—legislatively and administratively—to encourage American-flag lines to begin an orderly, phased replacement of their war-built fleets. As we all know, probably the most serious problem confronting the American Merchant Marine today is the orderly replacement of over 1,000 privately owned vessels by the end of 1966. Over 900 of these vessels will be 20 years old, or older, between 1962 and 1966. Firm committments for the construction of at least 21 ships have already been made; and, with such well-conceived plans as its "trade-in and build" program, the Maritime Administration and the shipping industry are intelligently facing up to the problem.

Now, ladies and gentlemen, I would like to direct your attention to a certain matter which I believe vitally affects the defense of this Nation—a vital matter which could directly affect the American Merchant Marine. I refer to the recently accelerated campaign to bring about the internationalization of the Panama Canal.

One of the greatest maritime investments of the United States was the Panama Canal. It has proven indispensable to our maritime commerce and to our national defense.

On May 6, 1957, in my weekly newsletter, I predicted, and I quote: "With jurisdiction of the Suez Canal still in delicate imbalance, it can be anticipated that the call for internationalization of the Panama Canal will soon be sounded by the far left quarter of the political spectrum."

We did not have long to wait. According to the Washington Star of May 8, 1957, the cry to give away the Panama Canal was made on May 7 right here in Washington.

Dr. Norman Cousins, editor of the Saturday Review, declared in all seriousness that America should give up control of the Panama Canal and place it under the jurisdiction of the United Nations; the United Nations, let us not forget, where Soviet Russia has equal voting power with the United States in the Security Council and where she can completely frustrate the work of that body with the veto.

Dr. Cousins saw what he considered a "fortunate" opportunity for the United States to show the world that it practices what it preaches in insisting on the internationalization of the Suez Canal.

Disregarding the completely different historical backgrounds of the two waterways, he expressed the belief that, and I quote: "We are in the fortunate position of being able to use the canal" to help bring peace to the troubled Middle East. To continue quoting: "Our relations with the Arab countries would profit more from such an example than from the kind of military aid that is now being sought," Dr. Cousins claimed.

This dangerous brand of naive idealism during these peririlous times when hard-headed realism should be at a premium must not be allowed to gain the upper hand in the conduct of our international affairs. I will go even further and say that if the United States internationalizes the Panama Canal at this dangerous juncture in international relations it will sign the death warrant for the entire Western Hemisphere.

As a passionate advocate of world government, Dr. Cousins has often proposed fuzzy-minded schemes, designed to relegate the United States to the position of a mere vassel state in a world government where we would pay the lion's share of the cost and be out-voted on every issue. Of course, if one is willing to give away the entire country, it is not surprising that he might also want to give away the canal.

There is little or no analogy between the Panama Canal and the Suez Canal.

The juridical basis for American control of the Panama Canal rests in three important treaties; 1901, 1903 and 1914.

There is one overriding fact which must be kept ever in mind: The Panama Canal and the Panama Canal Zone for all practical purposes is the sovereign territory of the United States of America. The United States has permanent rights to occupy, use, and defend the area; and the canal is available to the commercial vessels and warships of all nations, without discrimination, except during wartime.

We foresaw its importance and under the inspired leadership of Theodore Roosevelt and Col. George W. Goethals of the Army engineers, dug it, paid for it by the terms of the treaty, and authorized its secured sovereignty under the Canal Zone until the end of time. Any attempt to abrogate or nullify that treaty is strictly an affair between the United States of America and the Republic of Panama and no unilateral decision can be made to change the status quo.

No other nation or combination of nations—and this would include the United Nations—has a right or even the legal means to upset this status quo.

The Suez Canal, on the other hand, has been operated by the private corporation which created it. This company is incorporated in accordance with the laws of France, has Egyptian nationality, and is international in character. It hold concessionary rights to operate the canal until 1968, after which the waterway was to revert to the Egyptian Government.

The net investment of the United States in the Panama Canal, which has been called the greatest engineering feat of all times, as of June 30, 1955, was $368,004,765. To this staggering sum must be added the very heavy costs over the years for the maintenance of the Armed Forces on the Isthmus for defense purposes.

The Suez Canal, on the other hand, is a 105-mile lockless waterway cut across barren desert land and cost only about $92,-414,000 to construct. The cutting of this channel across the Isthmus from the Mediterranean to the Red Sea, was mere child's play, compared to the construction of the Panama Canal. In fact, when the work at Panama was at its height, the American Government was excavating the equivalent of a Suez Canal every 15 months—and it took 10 years to build the Panama Canal.

To claim that because the United States advocates the internationalization of the Suez Canal it must, to be consistent and show good faith and to earn good will, internationalize the Panama Canal, is utterly ridiculous.

If this brand of perverted logic is to be the criteria for the conduct of our affairs, then the next step would be to internationalize the Erie Canal or the St. Lawrence Seaway. I have no doubt but that some of our more dedicated internationalists would rejoice if we did just that. But so long as I am a United States Senator, I shall jealously guard the sovereign rights of this Nation and its pledged word in treaties with other nations.

I can readily understand the motivation of some of those in our midst who would like to see the most valuable maritime possession of the United States lying outside its continental limits internationalized. For it is an established fact that it is a fundamental object of Soviet Russian foreign policy to place the Panama Canal under Communist control.

There have been reliable reports that, to accomplish this, Communist agitators, trained at the State College of Political and Economic Science at Prague, Czechoslovakia, the propaganda educational center of international communism, are being sent to Central America to direct it.

This dedicated effort of international communism to wrest control of the canal from the United States is not something new or novel.

On March 25, 1954, before the Internal Security Subcommittee of the United States Senate, Mr. Spruille Braden testified that this Communist agitation has been going on for some time. Mr. Braden, our former Ambassador to Colombia and former Assistant Secretary of State for Latin American affairs, said, and I quote: "Going back to 1941, when I was in Colombia, I began sounding warnings to the State Department about the menace of communism in this hemisphere, and during the war—1943 and 1944—there were repeated dispatches in which I said that this is the gravest peril we face and that after the war it is going to be most serious."

Then Mr. Braden revealed to the subcommittee evidences that pro-Soviet officials of the State Department tried in vain to sabotage America's interests in the Panama Canal through the United Nations.

We have seen in the past 10 years the deadly tentacles of international communism spread first over eastern Europe and the Balkans; then over China; and then into southeast Asia. Now we see these tentacles probing the Middle East and Africa. The wanton death, destruction, and human slavery which they have left in their wake is a matter of history. We know the masterminds of the Kremlin have their eyes leveled on the Central American and South American land mass. We know that those deadly tentacles are probing in that area. A thrust was made in Guatemala only to be repulsed by the stout-hearted patriots of that nation. The key to the control of Central and South America—and eventually the United States—is the Panama Canal. If that waterway can be wrested from American control, Communist infiltration into this hemisphere would be made manifestly simple.

Free, uninterrupted use and control of the Panama Canal is absolutely vital to our domestic and foreign commerce.

It brings Seattle 7,800 miles nearer to New York; San Francisco 8,800 miles nearer to New Orleans; Honolulu 6,600 miles nearer to New York than by the Strait of Magellan. With respect to the foreign commerce of this Nation and the free world, the importance of the canal is equally impressive.

The United States, by virtue of the Monroe Doctrine, has always assumed an inherent responsibility for the defense of the Western Hemisphere. The long journey of the U. S. S. *Oregon* around Cape Horn from the Pacific Ocean to the theater of the war with Spain in the Caribbean waters, in 1898, served to impress upon the American mind the absolute necessity of a canal across the Isthmus of Panama for this defense. Now that the canal has been built, it stands as a veritable Gibraltar for the American defense of this hemisphere.

This suicidal proposal to dissolve American control of the Panama Canal has been voiced by many Americans in high place and low. I do not charge that these people are necessarily pro-Communist. I do charge, however, that the proposal itself, should it be carried out, would place the right hand of international communism at the very throat of the Western Hemisphere.

Dr. Cousins, I am confident, is sincere in his proposal. I am sure that he is motivated by the highest ideals and seeks only a world of peace and harmony. However, these are trying times when dubious experiments in good will must not be allowed to take precedence over hardheaded realism. For the very survival of our Nation and the entire Free World hangs in the balance.

Thank you very much.

Report on International Health

EXTENSION OF REMARKS

OF

HON. OREN HARRIS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1957

Mr. HARRIS. Mr. Speaker, as chairman of the Interstate and Foreign Commerce Committee, I have filed today with the House of Representatives a report on international health. The report summarizes testimony given by the Public Health Service and the Department of State at hearings held during the 84th Congress on the organization and financing of, and the participation of the United States in, international health programs.

On this occasion I released the following statement which explains the circumstances which led to the preparation of the report:

Congressman OREN HARRIS, Democrat, Arkansas, chairman of the Interstate and Foreign Commerce Committee, announced today the filing with the House of Representatives of a report on international health. The report summarizes testimony given by the Public Health Service and the Department of State at hearings held during the 84th Congress on the organization and financing of, and the participation of the United States in, international health programs.

"While at this time, the committee does not offer any conclusions with respect to the role which the United States plays in international health programs," Congressman HARRIS stated, "the programs are of such scope and far-flung character that it seemed appropriate to make public for the benefit of the Congress and the American people, this summary of testimony, thus bringing together in one place information available on the organization and financing of, and United States participation in, international health programs."

Congressman HARRIS pointed out that the release of this report coincided with the annual meeting at the Assembly of the World Health Organization in Geneva, Switzerland, in which Congressman JOHN E. FOGARTY, Democrat, Rhode Island, the chairman of the Subcommittee on Labor, Health, Education, and Welfare of the Appropriations Committee, and Congressman CHARLES A. WOLVERTON, Republican, New Jersey, the ranking minority member of the Committee on Interstate and Foreign Commerce, were participating as congressional advisors to the United States delegation. Mr. HARRIS expressed the opinion that Mr. WOLVERTON's designation as one of the congressional advisors to this important meeting constituted a recognition of the committee's continuing interest in, and contributions to, the field of international health.

Congressman HARRIS called attention to the possible overlapping of activities of the several agencies operating in the field of international health. He stated that, while it appeared that substantial efforts had been made to avoid unnecessary duplication through full exchange of information and formal consultation among the officials concerned, it was not clear whether all had been achieved in this respect that may be desired. Congressman HARRIS indicated that the Committee would give its attention to this problem in its continuing scrutiny of international health programs.

Congressman HARRIS pointed out that the Committee on Interstate and Foreign Commerce has legislative jurisdiction in the field of health, and that in the exercise of its responsibilities in this field, the Committee in the past had frequent occasion to inquire into international health programs in different parts of the world. These inquiries included the operation of the Public Health Service in foreign countries, and the health and quarantine problems attending the facilitation of international air commerce. Previous reports of the Committee on Interstate and Foreign Commerce, however, dealt only with international health activities in particular functional fields or in particular geographic areas. The instant summary is intended to supply comprehensive background information for future inquiries in this field.

Speech of Hon. Robert W. Hemphill, Lancaster, S. C., Armed Forces Day, May 18, 1957

EXTENSION OF REMARKS

OF

HON. ROBERT T. ASHMORE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1957

Mr. ASHMORE. Mr. Speaker, under leave to extend my remarks I desire to include an address delivered by Hon. ROBERT W. HEMPHILL, Member of Congress, Fifth District of South Carolina, at the Armed Forces Day celebration in Lancaster, S. C., on Saturday, May 18.

The address follows:

SPEECH OF HON. ROBERT W. HEMPHILL, LANCASTER, S. C., ARMED FORCES DAY, MAY 18, 1957

Mr. Chairman, distinguished guests, ladies, and gentlemen, it is a privilege to be with you today and join and have a part in the celebration of Armed Forces Day in the great county of Lancaster.

This is the first speaking engagement I have accepted in the district since the Congress convened, and I am delighted to be here among so many friends and with such pleasant recollections of my past association with you in the courthouse and elsewhere.

America today is, from a military standpoint, at a stage of development and preparedness which most of us believe vital at all times. Because of improved methods of communication, our people are alerted and

aware of world conditions which make necessary the maintenance of experienced Armed Forces.

The two major factors affecting current defense policies are the persistent threat to the security of the United States and the rapid scientific and technological developments in recent years.

The first requires the continued maintenance of a ready and flexible defense establishment to deter aggression of any size. The second demands special emphasis on an effective research and development effort and the progressive adjustment of the Armed Forces to take advantage of the new weapons and equipment available.[1]

The Western Hemisphere cannot hope to win the world race in numerical manpower. We have neither the initial number of people, the time, nor the inclination to match the hordes of China, Russia, and their satellites.

As Americans we have refused to sacrifice our standards of living in order to have numerical advantage. Before World War II we were criticized for this attitude, but the American soldier of World War II in combat warfare proved that our way of life makes for the best men and the best soldiers.

I am thankful that I live in a country which has never debased its national philosophy by the support of brothels for the productivity of humanity in a manner such as was exhibited in Nazi Germany in the 1930's.

Since we cannot put into the field great numbers of soldiers, sailors, and airmen, we must concentrate on smaller units, highly specialized, with striking power trained to near perfection.

Improvement in aircraft in recent years has inaugurated a new air age and almost daily some new weapon, or improvement, takes its place in this the supersonic decade. Guided missiles of all types—surface to surface—surface to air—air to air—and air to surface, are augmenting our retaliatory and defensive strength and implementing the offensive power of each arm of our service.

On June 30, 1956,[2] we had 1,026,000 men in the Army, some 83,000 less than a year earlier, and although the force level declined, combat effectiveness continued to improve and is unparalleled in modern military history. Our Navy is at the approximately same strength, having a manpower increase of only 9,000 men. We have superior carriers, mobile airfields, to carry the nuclear warheads, and, because of mobility and evasive potentialities less likely to suffer as a target than stationary land air bases.

The Air Force added 10 new weapons during the fiscal year 1956 and only last week added a vital type aircraft capable of performances which 10 years ago were only a dream.

Our objective is to see that war does not occur. Our present military leaders operate on the assumption that the Communist threat to our national security is one of the present and of the future, and that we must be adaptable to new weapons and new techniques. Our new weapons do not eliminate, at any time, our need for good men and women. In the Air Force, particularly, we face the problem of spending vast sums in training personnel, only to lose their technique because private business has more to offer at the end of the enlistment period. The Congress has attempted by various legislations to offset this situation. I speak of the Dependent's Medical Care Act of 1956, of the Military Public Works Act of that year, as well as the inclusion of the soldiers in the Federal Social Security System. Effective January 1, 1957, survivors received increased benefits and well they should.

You and I as citizens want the best. In typical American fashion, we demand it. We expect it in the future, and we believe that those who serve in our Armed Forces today, including those in our Reserve programs, are the best on earth. Unfortunately, we cannot complete the defense picture by citing military strength alone. In the event of a nuclear war, triggered by some fanatic across the water, we find upon us certain catastrophe, the limits of which no man can accurately predict. For the first time in mankind's history partial defense is not enough to protect our citizens from atomic-hydrogen weapons so powerful that one bomb could destroy the great city of Los Angeles.

We are confronted with these harsh facts of the contemporary world. We must strive to increase the deterrent factors against war. The two most powerful deterrents we possess today are the military power to strike back against an aggressor's blows and the military defenses within the Nation. Our third powerful deterrent can be created—to strengthen our capacity to substantially withstand attack, our national resiliency, by insuring the continuity of civil government and the protection of civilian life. For want of a better phrase we speak of "civil defense."[3]

Nonmilitary defense is as much a necessity to our survival as any weapon or any branch of the service. In the event of war, we must face such necessities as organization, cooperation, and authority. We must be able to quickly inventory, not only the damage, but the surviving raw and manufactured materials. Otherwise, you could conceivably be permitting people to make jukeboxes out of the only steel that might be left.[4]

In the testimony before the congressional subcommittee, known as the Holifield Military Operations Subcommittee, Committee on Government Operations, the former Governor of Nebraska, Hon. Val Peterson, now Administrator, Federal Civil Defense Administration, brought out the fact that in the past wars we have had the luxury of time. We could organize and get ready. His statement before the committee was, "I think it is absolutely clear that if we are not prepared when the first atomic bomb falls, we just can't get prepared following the explosion of the first bomb assuming that we have a large attack."[5]

Suppose the supply of drinking water in some area was completely contaminated. What would be the effect on the population? To what authority could we turn? What productive capabilities would remain if a single hydrogen bomb can release more destructive explosive power than all of the bombs dropped on Europe and Japan during World War II? It is estimated that we dropped the equivalent of 2½ million tons of TNT on Europe as compared with the equivalent explosive power of 12 million tons of TNT in the first hydrogen bomb, which has since been improved to twenty-or-more million tons.

Now I have talked of men and of weapons and of fear, and of war, and now let us talk about people. Our Western civilization is neither more able to fight nor ready to defend, than we ourselves. The fiber of the individual must be as strong as his forebears.

At the risk of increasing the trend toward statism, I believe we should develop our national pride, drumbeat loyalty to our country, inoculate the young and the old with the determination that we must survive regardless of the impending or realized catastrophe.

Many military men will tell you that military effectiveness for any length of time is dependent upon supply. Supply, called logistics by the soldier, means civilians. Civilians mean Americans like you, who in World War II produced for and fed the American fighting force, sacrificing daily in the war effort.

We must support our military. We must give them more than money and weapons. We must give them our moral support, evidenced by our appreciation of their effort and our acknowledgment that the uniform of the American military man, except for the cloth of the church, is the garment of highest honor.

We must be prepared on the home front. We should back up our civil defense with all the power at our command. We must have a determination for peace, but we must also have the determination that my child and your child would better die for the United States than live under the heel of a foreign tyrant.

I speak of these things because it is my conviction that our ultimate victory will be achieved by our spiritual, mental, and moral preparedness. We are people with a heritage of hardships and conquest over those hardships. If any enemy believes us prepared in mind and body, individually or nationally, there will be no war.

Weapons are no defense to bacteriological and psychological warfare, and propaganda. A sudden flare on the horizon—a hysterical announcement over the radio or television—an untrue newscast describing unheard-of destruction and potential dislocation, the American people would in less than an hour be put to the test.

The determination to fight or not to fight would still be left with the civil authorities. The decision of the Government might be made upon what they believe the American people wanted in such time of crisis.

So all of us here can realize that this is our day and our generation, and whether we wear the uniform, or have worn it yesterday, or have been civilians who backed up the Armed Forces, paid the taxes, produced and gave the soldier the moral backing, we must face the perils of our age.

The mind and the heart and the attitude of each American here is foremost for this country. I join with you in the determination we will not let America down.

United States Armed Forces—A Power for Peace

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1957

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include my speech for the Armed Forces Day on May 18, 1957, which was carried over several Boston radio stations.

UNITED STATES ARMED FORCES—A POWER FOR PEACE

Ladies and gentlemen of the radio audience, Saturday, May 18, is Armed Forces Day.

It marks the eighth annual observance of the day that we set aside to salute our fellow Americans who are serving in the Armed Forces.

They in turn, at their duty stations throughout the world, will emphasize our country's power for peace, during the period from May 12 through May 19.

On Sunday, May 12, your attention was called to the religious aspect of our Nation's 20th century crusade for international understanding and peace.

Saturday, May 18, will be devoted to public displays and demonstrations by the Armed Forces.

Sunday, May 19, the power for peace theme will highlight the fact that our capacity to defend freedom gives us the opportunity to work for that day when it will be impossible for any nation to employ aggression as an instrument of national policy.

As civilians, it is incumbent upon us to honor the full significance of Armed Forces Day. To realize that as Europe declines in prestige and power, we have thrust upon us a graver and more weighty responsibility. This responsibility is both moral and military, and the two are sides of a single shield, which is America's power for peace.

Our Armed Forces will be the hosts—and you, the guests—on Armed Forces Day.

Millions of men, women, and children will attend open house programs at our posts, bases, and units all over the world. They will be entertained by service bands, and thrilled by precision parades. They will view some of the latest weapons we have developed for defense. They will learn how the Armed Forces operate—on land, sea, and in the air.

During the ages of sail and steam, with two broad oceans to isolate us from conflicts elsewhere, we only maintained token military forces. With the world wars of this century, our allies bore the brunt of the fighting until we could raise, train, and equip enough military strength to turn the tide of battle.

In this age of atomic bombs and guided missiles, however, we shall not be given any time to make up for lack of preparedness.

Until the Communists abandon their fanatical ambition to enslave the world, we must have the retaliatory force to strike back hard, should they mount a massive and surprise attack against our homeland.

It is no secret that the Communists could cripple us in the first few minutes of an attack if our guard is down. Unopposed, they could devastate us in the first few hours of war.

As Gen. Nathan F. Twining, Air Force Chief of Staff, has said: "The long-range airplane coupled with the nuclear bomb has forever erased our ability to buy time."

As a result, we are maintaining the largest peacetime Armed Forces in the history of our Nation.

For this security, the average American has to pay hundreds of dollars each year in Federal taxes.

Much as we have to sacrifice for this purpose * * * we recognize the necessity for it.

Without it we would invite enslavement by the Communists.

The cost of this insurance policy for peace is over $40 billion a year. Ninety percent of this is spent on the upkeep of our own Armed Forces both in the United States and on bases that ring the Communist Empire. The other 10 percent is spent for assistance to our allies.

The rulers of Soviet Russia are engaged in an all-out effort to become superior to us in military power, in their drive to extend Communist control over the rest of the world. They are devoting one-seventh of Russia's gross national productive effort to military expenditures. They are spending over $500 million a year for foreign propaganda alone.

The way in which Russian Communist tanks ruthlessly suppressed the heroic struggle of the Hungarian people to recover their independence, is a recent and frightening example of the fate that we would suffer, if we ever allow the Communists to gain the upper hand in military strength.

United States military bases gird the globe. They stand ready and alert at the frontiers of the Free World, all of which is on guard. As Secretary of State John Foster Dulles said: "If we were relatively feeble in relation to the vast military power possessed by unscrupulous men, then we would not be the master of our own destiny."

Thus, we must first be militarily strong if we are to gain lasting peace.

International communism, led by the rulers of Soviet Russia, respects only power. To deal with the Soviets successfully, we must first possess power they will respect. Having such power, we are than in a position to negotiate with them on other issues and strive for measures that will ultimately change their thinking and their actions.

Our Armed Forces possesses this deterrent power.

Our Armed Forces possess this deterrent maintained in peacetime. It is deployed on 3 continents, and its representatives are stationed in 73 countries. Our soldiers' presence along the iron and bamboo curtains is heartening evidence to our allies that we share their perils; that we stand ready to oppose aggression or to preserve the peace.

Atomic missiles have greatly increased the Army's firepower. The Army is constantly moving forward in the technological race for better weapons and for better organization and tactics for atomic warfare. An example of modernization is the recently reactivated 101st Airborne Division, whose new organization makes it completely air transportable. Also introduced during the past year were the M-56 self-propelled 90-mm gun, the helmet radio, and the mechanical mule.

The Navy, which successfully engineered the first nuclear-powered ship, the submarine *Nautilus*, is constructing others of the same advanced design. These vessels, armed with guided missiles and torpedoes, will be capable of sustained high speeds under water, and almost indefinite endurance without refueling.

Two guided-missile cruisers, the *Boston* and the *Canberra*, have joined the fleet. The heart of the Navy's striking power is the modern attack aircraft carrier, since naval aviation is the most important offensive element of the Navy, as well as being a most necessary defensive element. The aircraft carrier *Saratoga*, sister ship of the *Forrestal*, was commissioned last year, and another, the *Ranger*, was launched, and two more are on the way. Our carrier forces are daily being strengthened as older planes are replaced by new supersonic fighters and high-performance jet medium bombers capable of delivering nuclear warheads at a great distance. Today, our Sixth and Seventh Fleets are standing by in overseas trouble areas, ready for any eventuality, adding another dimension to our total deterrent power for peace.

The Air Force is daily increasing its effectiveness. In its nuclear weapons and its ability to deliver them thousands of miles away, the Strategic Air Command provides the principal deterrent to the Communists * * * our ability to strike back to the heartland of the enemy. The Tactical Air Command, equipped with fighters and light bombers, presents a deterrent to local wars and provides combat air support for Army ground forces. TAC now has nuclear weapons aerial refueling, and the growing ability to move by air from bases in the United States, to bases anywhere in the world. The Continental Air Defense Command, has improved its capacity to destroy attacking aircraft. Supersonic interceptors, equipped with air-to-air guided missiles, are becoming a functional part of our defense units.

As a combat force in readiness, the Marine Corps plays a vital role in preserving our Nation's security. The nature of beach assault has been radically altered by helicopters, which speed up operations, permit easy initial dispersion and then concentration to knock out enemy defenses and lay enemy coastlines open to helicopterborne assault while our ships are well out at sea. At the Marine Corps Development Center at Quantico, Va., still more new tactics, equipment, and techniques are under study, emphasizing speed and flexibility in the use of modern weapons.

The Coast Guard maintains constant watch against possible threats of subversion and sabotage to ships and waterfront areas. Its icebreakers take part in resupply missions to Thule Air Force Base in Greenland, and to weather stations in the far north. The chain of Loran stations, one of the Coast Guard's most important navigational aide systems, extends all the way from Greenland to Tokyo. This provides valuable assistance to transoceanic ships and aircraft.

Power for peace is based first, then on United States military might. It is based, secondly, on a system of alliances and cooperation with other free nations. It depends, thirdly, on the homefront * * * on the productive and technological abilities of our country, and on the unity of purpose and dedication to principle that unite us as a people. And, finally, it is inspired by prayer and Divine Guidance, to give us the strength and the opportunity to secure freedom and promote international cooperation.

Our men and women in uniform invite you to attend their open house programs. To see the reviews, the equipment, and the installations. And, in every way possible, to honor Armed Forces Day.

Witness, for yourself the strength of our defenses.

And appreciate the part that you play in maintaining the power for peace, which is the enlightened policy of the United States.

Prospects for Tax Reduction—The Past Is Prologue

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1957

Mr. REED. Mr. Speaker, it is currently popular political sport for elected representatives of the people to speak in a knowing manner about tax reduction. Much of this discussion stems from politically motivated efforts to impress the people with the fact that the political proclaimer not only promised tax reduction "firstest," but that he also promised the "mostest." In early April when these tax-cut promises began to reach their full crescendo, I labeled them as "premature" and pointed out that for the most part they were being uttered by those who have traditionally been among the ranks of the spenders in Congress.

These premature political promises were made before the committees of Congress had made any substantial progress in the consideration of appropriation bills. These premature political promises were made before a review had been made of estimates of Federal receipts for the fiscal years 1957 and 1958.

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[1] Department of Defense Semiannual Report of the Secretary of Defense, January 1, 1956–June 30, 1956.

[2] Department of Defense Semiannual Report of the Secretary of Defense, January 1, 1956–June 30, 1956.

[3] Twenty-fourth Intermediate Report of the Committee on Government Operations.

[4] Twenty-fourth Intermediate Report of the Committee on Government Operations.

[5] Civil Defense for National Survival, hearings before a Subcommittee on Government Operations, 84th Cong., 2d sess.

The spenders in Congress in promising tax relief before sufficient consideration had been given to appropriation bills and before revised estimates of tax receipts were available were premature in their pronouncements. They also were indicating a determination to use the proverbial meat-ax approach to budget reduction without regard to the national need for the goods and services provided for the people of our Nation under the proposed expenditure program provided in the 1958 budget. That these political proclaimers were premature in their tax reduction promises has now been demonstrated by publication of the revised estimates of Federal receipts for fiscal years 1957 and 1958 by the staff of the Joint Committee on Internal Revenue Taxation. These estimates indicate a substantially reduced budgetary surplus for each of the fiscal years involved as follows:

TABLE 1.—*Receipts, expenditures, and surplus of the Federal Government, actual for fiscal 1956, estimates for fiscal years 1957 and 1958*

[In billions of dollars]

	Actual, 1956	Estimated, 1957		Estimated, 1958	
		January budget estimates	May staff estimates	January budget estimates	May staff estimates
Receipts	68.2	70.6	70.7	73.6	74.3
Expenditures	66.5	68.9	69.5	71.8	73.0
Surplus	1.6	1.7	1.2	1.8	1.3

Fiscal responsibility in the conduct of our Federal affairs demands that these minimum surpluses be preserved and that we avoid deficit financing that would result from either a further increase in Federal expenditures or an unjustifiable tax reduction in advance of substantially less Federal spending.

Mr. Speaker, I believe that my record in the House of Representatives clearly demonstrates that no one has sought tax reduction with greater consistency or more earnestly than I have. I have always believed that the people rather than the Federal Government could more effectively spend the taxpayer's dollar. My tax philosophy has been predicated on three cardinal principles: First, the Nation's tax policy must provide sufficient revenue for the conduct of essential governmental affairs; second, that policy must fairly and equitably apportion the tax burden among our citizens according to ability to pay; and third, that tax policy must stimulate the dynamic development of our free enterprise economy and remove those influences which stifle the development of individual initiative and enterprise.

In the caption to these remarks I have indicated that the past is prologue. Because previous events portend the future, I believe it is appropriate at this time to review the tax record of each of the two major political parties in the United States so that the American people can derive a realization as to the causes of the current tax problems that beset us and an indication as to which party is more likely to provide our citizens with responsible tax reduction in the future.

With the advent of the 16th amendment, on March 1, 1913, the Federal income tax collector visited the American people and he has since continued that visit without interruption. In September 1916 the Federal estate tax collector began his visit with the American people and he too has stayed without interruption. In addition the Federal excise tax collector has plagued our American families with sporadic visits, particularly during the First World War when a host of these excise taxes descended upon us. Most of these World War I excises were repealed by the Republican Revenue Acts of 1921, 1924, 1926, and 1928, but they were all dusted off and revived as part of the blessings of the New Deal and they grew in size and number under Democrat paternalism. The Republican Party in 1954 substantially reduced and in some instances repealed these excises.

During the period from 1919 to date the Democratic Party has been responsible for 14 increases and 3 reductions in individual income taxes. During this same period the Republicans were responsible for 9 tax reductions and 1 tax increase in individual income taxes. The Democrats' fiscal tax policy has traditionally been dedicated to the principle of tax and tax, spend and spend. By consistent and I might add—unconscionable, adherence to this Democratic policy, the Democrat Party has broadened the tax base and increased the tax rates every time that party has been in power. Starting with a personal exemption for a single person of $3,000 and an exemption for a married couple of $4,000, the Democrat Party through a series of tax increases reduced the personal exemption until it reached a level of $500 for a taxpayer and each of his dependents in 1942. This Democrat reduction in the exemption level not only meant that more of a taxpayer's income was subject to tax, but it also meant that millions more Americans were required to pay taxes. In addition to decreasing the personal exemptions the Democrat Party piled tax rate increase on top of tax rate increase.

On the other hand the traditional fiscal policy of the Republican Party has been tax reduction, expenditure reduction, and debt reduction. It is no mere chance occurrence that under this Republican fiscal policy the two greatest tax reductions to ever occur in the history of our Nation were Republican-sponsored. During the Republican 80th Congress, tax reduction legislation was enacted that saved the American taxpayers an estimated $5 billion annually. During the Republican 83d Congress tax reduction occurred in the total amount of $7.4 billion. In the CONGRESSIONAL RECORD, on page 6143, I inserted a factual description of the accomplishments of the Republican Party in achieving tax reduction and expenditure reduction. To further inform my colleagues in the House about the tax record of the Nation's two major political parties, I will insert in the RECORD at this point a summary table of Federal individual income-tax exemptions and first and top bracket rates for the period from 1913 through 1957. By reference to the years indicated in the left-hand column of the table, the party responsibility for tax changes can be determined.

TABLE 2.—*Federal individual income tax exemptions and 1st and top bracket rates 1913–57*

Income year	Personal exemptions					Tax rates			
	Single	Married				1st bracket		Top bracket	
		Dependents				Rate	Amount of income	Rate	Income over—
		No	1	2	3				
						Percent		*Percent*	
1913–15	$3,000	$4,000	$4,000	$4,000	$4,000	1	$20,000	7	$500,000
1916	3,000	4,000	4,000	4,000	4,000	2	20,000	15	2,000,000
1917	1,000	2,000	2,200	2,400	2,600	2	2,000	67	2,000,000
1918	1,000	2,000	2,200	2,400	2,600	6	4,000	77	1,000,000
1919–20	1,000	2,000	2,200	2,400	2,600	4	4,000	73	1,000,000
1921	1,000	[1] 2,500	2,900	3,300	3,700	4	4,000	73	1,000,000
1922	1,000	[1] 2,500	2,900	3,300	3,700	4	4,000	56	200,000
1923	1,000	[1] 2,500	2,900	3,300	3,700	3	4,000	56	200,000
1924	1,000	2,500	2,900	3,300	3,700	[2] 1½	4,000	46	500,000
1925–28	1,500	3,500	3,900	4,300	4,700	[2] 1½	4,000	25	100,000
1929	1,500	3,500	3,900	4,300	4,700	[2] ¾	4,000	24	100,000
1930–31	1,500	3,500	3,900	4,300	4,700	[2] 1½	4,000	25	100,000
1932–33	1,000	2,500	2,900	3,300	3,700	4	4,000	63	1,000,000
1934–35	1,000	2,500	2,900	3,300	3,700	[2] 4	4,000	63	1,000,000
1936–39	1,000	2,500	2,900	3,300	3,700	[2] 4	4,000	79	5,000,000
1940	800	2,000	2,400	2,800	3,200	[2] 4.4	4,000	81.1	5,000,000
1941	750	1,500	1,900	2,300	2,700	[2] 10	2,000	81	5,000,000
1942–43 [4]	500	1,200	1,550	1,900	2,250	[2] 19	2,000	88	200,000
1944–45	500	1,000	1,500	2,000	2,500	23	2,000	[5] 94	200,000
1946–47	500	1,000	1,500	2,000	2,500	19	2,000	[5] 86.45	200,000
1948–49 [4]	600	1,200	1,800	2,400	3,000	16.6	2,000	[5] 82.13	200,000
1950 [3]	600	1,200	1,800	2,400	3,000	17.4	2,000	[5] 91	200,000
1951 [3]	600	1,200	1,800	2,400	3,000	20.4	2,000	[5] 91	200,000
1952–53 [6]	600	1,200	1,800	2,400	3,000	22.2	2,000	[5] 92	200,000
1954–57 [6]	600	1,200	1,800	2,400	3,000	20	2,000	[5] 91	200,000

[1] If net income exceeds $5,000, married person's exemption is $2,000.
[2] After earned income credit equal to 25 percent of tax on earned income.
[3] Before earned income credit allowed as a deduction equal to 10 percent of earned net income.
[4] Exclusive of Victory tax.
[5] Subject to maximum effective rate limitation: 90 percent for 1944–45, 85.5 percent for 1946–47, 77 percent for 1948–49, 87 percent for 1950, 87.2 percent for 1951, 88 percent for 1952–53, and 87 percent for 1954–55.
[6] Additional exemptions of $600 are allowed to taxpayers and their spouses on account of blindness and/or age over 65.

The Democrat Party did not content itself with merely increasing individual income taxes and excise taxes. Table 3 sets forth corporation income tax rates for the period 1909 through 1957 indicating the corporate tax changes. By referring to dates in the left-hand column of the table it is possible to determine the action taken with respect to corporate tax rates by our two major political parties.

TABLE 3.—*Corporation income-tax rates, 1909–57*

Calendar year	Reduced rates on small corporations	General rate
1909–13	$5,000 exemption	1
1913–15	No exemption after Mar. 1, 1913	1
1916	No exemption	2
1917	do	6
1918	$2,000 exemption	12
1919–21	do	10
1922–24	do	12½
1925	do	13
1926–27	do	13½
1928	$3,000 exemption	12
1929	do	11
1930–31	do	12
1932–35	No exemption	13¾
1936–37	Graduated normal tax ranging from 8 percent 1st $2,000; over $40,000.	15
1938–39	Graduated surtax on undistributed profits ranging from 7 percent to 12½ to 16 percent 1st $25,000 over $25,000.	[1] 19
1940	14.85 to 18.7 percent 1st $25,000; 38.3 percent $25,000 to $31,964.30; 36.9 percent $31,964.30 to $38,565.89; over $38,565.89.	24
1941	21 to 25 percent 1st $25,000; 44 percent $25,000 to $38,461.54; over $38,461.54.	31
1942–45	25 to 29 percent 1st $25,000; 53 percent $25,000 to $50,000; over $50,000.	40
1946–49	21 to 25 percent 1st $25,000; 53 percent $25,000 to $50,000; over $50,000	38
1950	23 percent 1st $25,000; over $25,000	42
1951	28¾ percent 1st $25,000; over $25,000	50¾
1952–57	30 percent 1st $25,000; over $25,000	52

[1] Less adjustments: 14.025 percent of dividends received and 2½ percent of dividends paid.

In addition to the tax changes indicated in table 3, the Democrat Party enacted excess profits taxes during the three wars in which our Nation became involved while the Democrat Party was in control of our Federal Government. The World War I excess profits tax was in effect from 1917 to 1921, the World War II excess profits tax was in effect from 1940 to 1945, and the Korean war excess profits tax was in effect from 1950 to 1953.

Despite the ever-increasing tax burden imposed on the American people by the Democrat Party, that party has also led our Nation down the path of unbridled inflation, deficit financing, and mounting public indebtedness. That fact is demonstrated by table 4, which I will include as a part of my remarks at this point showing budget receipts and expenditures and public debt for the fiscal years 1915 through 1958.

TABLE 4.—*Budget receipts and expenditures and public debt*

[Fiscal years. In billions of dollars]

Fiscal year	Budget receipts	Budget expenditures	Surplus or deficit	Public debt at end of year
1915	0.7	0.7	−0.1	1.2
1916	.8	.7		1.2
1917	1.1	2.0	−.9	3.0
1918	3.6	12.7	−9.0	12.2
1919	5.1	18.4	−13.4	25.5
1920	6.6	6.4	+.3	24.3
1921	5.6	5.1	+.5	24.0
1922	4.0	3.3	+.7	23.0
1923	3.8	3.1	+.7	22.3
1924	3.9	2.9	+1.0	21.3
1925	3.6	2.9	+.7	20.5
1926	3.8	2.9	+.9	19.6
1927	4.0	2.8	+1.2	18.5
1928	3.9	2.9	+.9	17.6
1929	3.9	3.1	+.7	16.9
1930	4.1	3.3	+.7	16.2
1931	3.1	3.6	−.5	16.8
1932	1.9	4.7	−2.7	19.5
1933	2.0	4.6	−2.6	22.5
1934	3.1	6.7	−3.6	27.1
1935	3.7	6.5	−2.8	28.7
1936	4.1	8.5	−4.4	33.8
1937	5.0	7.8	−2.8	36.4
1938	5.6	6.8	−1.2	37.2
1939	5.0	8.9	−3.9	40.4
1940	5.1	9.1	−4.0	43.0
1941	7.1	13.3	−6.2	49.0
1942	12.6	34.0	−21.5	72.4
1943	22.0	79.4	−57.4	136.7
1944	43.6	95.1	−51.4	201.0
1945	44.5	98.4	−54.0	258.7
1946	39.8	60.4	−20.7	269.4
1947	39.8	39.0	+.8	258.3
1948	41.5	33.1	+8.4	252.3
1949	37.7	39.5	−1.8	252.8
1950	36.5	39.6	−3.1	257.4
1951	47.6	44.1	+3.5	255.2
1952	61.4	65.4	−4.0	259.1
1953	64.8	74.3	−9.4	266.1
1954	64.7	67.8	−3.1	271.3
1955	60.4	64.6	−4.2	274.4
1956	68.2	66.5	+1.6	272.8
1957 est	70.7	69.5	+1.2	271.5
1958 est	74.3	73.0	+1.3	270.2

NOTE.—The change in the public debt from year to year reflects not only the budget surplus or deficit but also changes in the Treasury's cash balances, the effect of certain trust fund transactions, and direct borrowing from the public by certain Government enterprises.

It is significant to note that with the advent of the New Deal in 1933 our Federal Government consistently engaged in deficit financing until the Republican-controlled 80th Congress when Republican fiscal policy provided lower taxes, less Federal spending, budgetary surpluses, and debt reduction. It is also significant to note that the fiscal years 1956 through 1958 provide for budgetary surpluses and that the last time that we had 3 successive years of budgetary surpluses occurred with respect to the fiscal years 1928 through 1930—again under the leadership of the Republican Party.

Mr. Speaker, much has been said about the proposed budget for fiscal year 1958. It is likely that much more will be said about it in the months to come. I have previously expressed both regret and misgiving that the President's budget message to the Congress called for such a high level of Federal expenditures. I would call attention to the fact that much of the current criticism of the budget comes from that very vocal group that is composed of the traditional spenders in Congress—the group that has consistently voted in opposition to economy measures, in favor of an ever-increasing Federal bureaucracy, in support of legislation piling a tax on a tax, and in support of measures that have inevitably resulted in mounting public indebtedness.

A review of fiscal statistics supports the great Republican record for economy and gives further evidence to the indictment of the Democrat Party as the spenders. During the period of the Republican 83d Congress there was a sharply declining total of Federal spending from 1953 to 1955, and under the Democrat controlled 84th Congress there was an equally sharp rise from 1955 through 1958. The total budget reduction in the first phase was approximately $10 billion and the total increase in the second phase was approximately $8 billion.

It is significant to note that the fiscal year 1955 was the pivotal point in the recent budget record—it was the year of lowest Federal spending. It is also significant to note that fiscal year 1955 represented a budget that had been prepared by a Republican administration supported by a Republican Congress. In the 84th Congress the Democrat majority resumed its practice of piling expenditure on expenditure through the enactment of new and expanded Federal programs. In the 84th Congress the Democrats provided for nearly 200 new or increased programs largely imposing Federal-aid programs on the States. These Federal-aid programs in effect taxed the citizens of the States and then doled the money back to the States for programs that the States could better operate themselves if Federal taxes were reduced so that State taxes could be made adequate to finance the programs.

Mr. Speaker, no expenditure can be made by the executive branch of the Government unless it has been authorized by the Congress. The authorization may take the form of an appropriation, either current or permanent, or an authority to spend from debt receipts. Consequently the amount of expenditure in any year by the executive branch is determined by the action of Congress. There is, therefore, a responsibility on the Congress to act with deliberate restraint in the expansion of existing programs and in the beginning of new programs. We must recognize our responsibility to the needs of the whole Nation as distinct from the special interests of articulate organized minorities.

Mr. Speaker, it is estimated that the burden of Federal spending programs under the 1958 budget upon my State of New York will be approximately $11 billion. A comparable figure for California is $7 billion, for Texas $3 billion, and for Virginia $1 billion. The allocation of burden among the other States in our great Nation is equally as alarming. It is apparent that one of our most urgent national responsibilities is to spend less, not more. I would stress the fact, however, that in achieving these expenditure reductions the Congress must act with the greatest wisdom possible so as not to impair our national security and so as to continue those Federal programs that are essential and that can be performed most efficiently by the Federal Government.

Mr. Speaker, reduced Federal expenditures, reduced Federal taxation, and reduced Federal indebtedness are essential objectives that we must achieve if we are to realize the maximum development of our national potential under the American free enterprise system. The record that I have cited conclusively demonstrates that the greatest hope of attaining these objectives lies with the Republican Party and

the fiscal principles for which that party stands. It is well to remember the record of the past in evaluating the promises of tax reduction uttered by the Democrat spenders in Congress whose adherence to the Democrat program of tax and tax, spend and spend, has made the restoration of our Federal Government to a position of fiscal integrity such an arduous task.

The Area Redevelopment Bills Versus Foreign-Aid Programs

EXTENSION OF REMARKS

OF

HON. ELIZABETH KEE

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1957

Mrs. KEE. Mr. Speaker, as I listened to the President of the United States deliver his talk to the American people this past Tuesday evening, May 21, I was forcefully reminded that there is presently pending in the Congress legislation the purpose of which is to establish an effective program of Federal aid to economically depressed areas within the United States where excessive and persistent unemployment, want and deprivation still exist.

Actually, three versions of this proposed legislation have been introduced in the House as exemplified by H. R. 1239 and 2527, H. R. 6215, and H. R. 1949, which I have been privileged to introduce. These bills might best be identified as representing respectively the conservative, the moderate and the liberal points of view with respect to a domestic rather than a foreign-aid program.

Briefly, all of these bills would—to a more or less generous extent—provide for loans and grants by the Federal Government to economically depressed areas of the country which have been officially designated "industrial and rural redevelopment areas." These Federal loans and grants would be used to assist such areas in the financing of industrial and commercial projects, the acquisition of land sites, the construction, rehabilitation and alteration of industrial plants and useful public facilities, the purchase of machinery or equipment, and the technical advice and planning needed to restore the economies of these depressed areas.

In addition the Federal Government would also be authorized to provide suitable training and retraining programs, and to make weekly subsistence payments to the unemployed workers in these areas during such training periods.

Mr. Speaker, let me assure you that this legislation is of the utmost importance to West Virginia—as it is to the States of Illinois, Pennsylvania, Kentucky, Massachusetts, Minnesota, and other regions of the United States where hardship, hunger, and dire poverty still linger in the shadows of the great overall national prosperity.

I have before me a report to which I would respectfully call the attention of our colleagues. It is the report "Federal Assistance to Labor Surplus Areas" which was prepared by the Legislative Reference Service of the Library of Congress at the request of the Chairman of the Committee on Banking and Currency of the House. Through it there runs, like the recurrent theme in a great symphony, the recorded story of West Virginia's economic woes and unemployment problems.

Tabulated and analyzed in the report are lists of West Virginia's numerous areas of substantial labor surpluses; her 17 counties—representing 25.7 percent of the State's total population—that are among 315 counties nationally, having the lowest farm income and levels of living; the lack of industrial diversification which causes unemployment; and the technological changes and increased productivity in the basic bituminous coal mining industry which has created depressed conditions in Kentucky and Illinois as well as West Virginia. One has only to turn the pages of this report to understand why the enactment of an area redevelopment bill is so essential to the present and future economic progress and prosperity of our State.

Mr. Speaker, President Eisenhower has also indicated his support of such legislation. But the bills he favors—the so-called administration bills—place a limitation of $50 million upon the amounts which can be spent for the purposes of such legislation, whereas the bills which Senator Douglas and I have introduced would provide revolving funds for loans and grants of up to $225 million in any 1 year.

For some time now, I have felt that it was high time we in West Virginia saw something more of the much-vaunted great prosperity of the Nation than a bunch of beautiful statistics. But I never felt more strongly on this subject than I did as I listened to the President address the Nation last week on the subject of his proposed spending for mutual security and foreign aid. Indeed, some of the things he said made me feel for a moment that he must be talking about Scranton and Wilkes-Barre, or Lowell, Mass., or possibly Ronceverte, Welch, and Williamson, W. Va., instead of a foreign land 3,000 miles away across a wide expanse of ocean.

The freedom of nations—

The President said—

can be menaced not only by guns—but by the poverty that communism can exploit. You cannot fight poverty with guns. You cannot satisfy hunger with deadly ammunition.

And a little later in his speech, talking of the burden of poverty borne by the people of the 19 nations which have won their political independence since World War II, he said:

In these lands no government can justly rule or even survive which does not * * * offer its people hope of progress * * *. We seek to help these people to help themselves. We cannot export progress and security to them. Essentially, they must achieve these for themselves. But there are practical ways by which we can help * * *. Because their inherited poverty leaves these people so little for savings * * * they need the help of some capital to begin essential investment in roads, dams, railroads, utilities * * * the sinews of economic strength.

Our program of technical cooperation * * * will cost $150 million next year—

He declared.

Mr. Speaker, I am prompted to agree with much that the President had to say in this second of his TV talks in defense of his huge spending proposals for the next fiscal year. Much as I desire to see substantial cuts in the budget and eagerly as I am willing to work for constructive economies in Government spending, yet I am forced to recognize that the mutual security and foreign aid programs are of tremendous importance to this Nation. But not more important than bread and milk for coal miners' children, good jobs for their fathers, new industries and increased business activity for economically depressed American towns and cities, and bigger markets, better roads and higher incomes for American farmers.

I am not willing to vote nearly $4 billion of our taxpayers' money to pay the bills of mutual security abroad and nothing to fight the poverty that communism can exploit—here at home.

Address by Hon. James B. Utt, of California, at the Dedication of St. Judes Hospital, Fullerton, Calif.

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1957

Mr. HOSMER. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD I include a dedication speech made by the Honorable JAMES B. UTT, of California, at the dedication of the St. Judes Hospital in the city of Fullerton, Calif.

I feel that it contains historical data of general interest and expresses the humanitarian spirit of our citizens for the welfare of their fellowmen.

The speech follows:

Mr. Chairman, His Eminence Cardinal McIntyre, Mother Superior, reverend fathers, Sisters of St. Joseph, ladies, and gentlemen. I am deeply and humbly grateful for the honor that you have bestowed upon the office which I represent and it is a pleasure for me to have a small part in this very happy occasion for the city of Fullerton and for all of Orange County. I offer my hearty congratulations to all of my friends here for their fine community spirit upon the erection of this hospital for the much needed community service which it will render.

The Sisters of St. Joseph of Orange are loved and admired throughout the State of California and have established an excellent reputation in Fullerton through the operation of their Santa Maria Convalescent Home and I know that the people of Fullerton are grateful that the Sisters have expanded their operations here to include this hospital of 127 beds and 32 bassinets. The dedicated Sisters of St. Joseph are carrying on the work and tradition begun by Father Serra over 180 years ago in this great State of ours. Under the direction and encouragement of Antonio Bucareli, the greatest viceroy which

Spain sent to the New World, Father Serra established the great chain of missions, from San Diego to San Francisco, to minister to the physical and spiritual needs of the native population. How many times Father Serra strode over this very highway between the Mission San Juan Capistrano and the mission at San Gabriel, none of us will ever know, but I do believe that he contemplated the very things that have transpired in this great State, including the hundreds of hospitals and churches, and to him should be given great credit for establishing the early Christian civilization of our State. That is why his statue is in the Hall of Fame in Washington. Perhaps he paused to rest on this very spot. I can see him sitting there, his eyes closed in contemplation, his face turned to Heaven, and saying, "Someday by the grace of God, there will be a house of mercy built upon this hilltop.'" Prophetic? Yes; but here it is.

It is fitting on this occasion, when the hospital is being formally dedicated in the name of St. Jude and thereby placed under his patronage, that we turn our thoughts to the life of this saint and recapture what little is known of his life through scripture and through tradition, and to thereby better understand the suitability of dedicating a hospital to him. I am not a theologian and, therefore, do not wish to be held in strict account for the impressions which I have gathered concerning him. Even the scholars differ somewhat in their interpretation of the scripture, but I shall choose to ignore controversy and uncertainty and to give you the impressions which I have gathered over the years.

Saint Jude is the author of the last and the shortest of the Epistles in the New Testament. He was 1 of the 12 Apostles and 1 of the 4 sons of Alphaeus. His family was a close relative of the Blessed Virgin Mary. His family name was Thaddeus and he was often referred to as Jude Thaddeus.

After the crucifixion and resurrection of Christ, Jude did not long remain in Jerusalem as did his brother, James, but, following the admonition of his Master, "Go ye into all the world and preach the gospel," he went into Mesopotamia and into Syria preaching the gospel, and proclaiming the acceptable year of the Lord, performing many miracles and converting many souls to Christianity among the gentiles. Tradition has it that he always wore the image of his Saviour upon his breast. One of his most noted miracles was the healing of the King of Edessa, to whom Christ had promised to send one of his Disciples. The story is told that the King, having heard of the healing powers of Jesus, sent for Him to come to Edessa and cure him of leprosy. Jesus could not go at that time but sent word that he would send one of his Disciples. The King then sent a young artist to paint a picture of Jesus.

In the presence of Christ and beholding the light of His countenance, he became so entranced and so dazzled he could not paint a single stroke. Upon seeing this, our Saviour took the canvas, and held it in front of his face. The image was transferred upon it. It is believed that Jude was then commissioned to go to Edessa, although he did not leave until some time after the Resurrection. From there he went into Persia and joined another Apostle, Simon the Canaanite, where they continued to preach and to convert.

Saint Jude never referred to himself as a relative, but rather as a servant of Jesus Christ. He preached amid untold sufferings and persecutions in countries which had sunk into the depths of immorality and idolatrous worship. Magicians and high priests of idolatry tried to destroy the effect of these two great Apostles, but were unsuccessful. Jude was always considered a symbol of hope in healing the most desperate cases, he never failed to respond to the call for help by the hopeless, the sick and the dying, and like most of the disciples, his life came to a violent end through martyrdom. Both Jude and Simon met martyrdom together and therefore share the same feast day of October 28, as brothers in martyrdom and the Kingdom of Heaven,, not as brothers in the flesh, although he did have a blood brother by the name of Simon.

Tradition has adopted St. Jude Thaddeus as a patron of hope in desperate cases and it is most fitting that this hospital should be dedicated to him, for nowhere is hope more essential than for those who enter as patients and for those who labor in the hospital as doctors and nurses. They need to know with deepest confidence that we are all in the hand of God. They need the inspiring and vitalizing awareness that there is no illness nor injury that God cannot cure, whether through miraculous and spiritual powers or through the working of his providence through physical beings. We must always remember that He who permits suffering also supplies the grace and strength to endure it.

In this massive structure of steel and stone, are the gifts of the rich and the gifts of the poor, all cemented together by the sacrifice of the Widow's Mite, but steel and stone and the most modern equipment do not in themselves fulfill the demands of this or any hospital. It must have the skilled talents of the surgeon and of the doctor, the tender ministrations of the nurses and the dedicated spiritual inspiration of the Sisters of St. Joseph, to complete the mission.

There are three distinct facets of such a hospital, yet all of them within the same solid sphere of human and spiritual service.

First, there are those who will enter this hospital, but will not return to their home and to their friends, but who will make final preparation for that long journey across the river which marks the boundary of that unknown land where they will go to dwell in the eternal mansions of Heaven. It is good that our Heavenly Father stretches forth his hand and gathers in His little children—that they may find a perfect peace and a perfect rest. While we who are left behind my grieve, we must remember that death is the beginning of a new and beautiful life and we may better understand what the Psalmist meant when he said, "Precious in the eyes of the Lord is the death of his Saints."

Second, there are those who will enter this hospital and through the surgeon's skill, the doctor's care and the dedicated ministrations of the nurses and of the Sisters, will be cured and will return to their homes and to their families, rejoicing.

There is a third facet which commands unbounded considerations of joy and hope, and that is the maternity ward. Here the noble and gallant mothers will enter into this hospital and give birth to the forthcoming generation. To witness this greatest miracle of God, creates within us a surge of faith and causes us to "lift up our eyes on high and behold who hath created these things," and to know that He hath made them a little lower than the angels and hath crowned them with glory and honor. What potential there will be in these 32 bassinets—or any 1 of them—perhaps another Einstein or another Lincoln—perhaps another Billy Graham or even a Bishop Sheen. Time only will tell. So, this hospital is dedicated to Saint Jude, the Patron Saint of Hope, and to those who will labor in this hospital, to those who will suffer and die here, to those who will suffer and be healed, but most of all to those babies who will be born in Saint Jude's Hospital, may I give the concluding message of Saint Jude as given in the Saint James version of his epistle. "Now unto Him who is able to keep you from falling and to present you faultless before the presence of His Glory with exceeding joy, to the only wise God, our Saviour, be glory and honor, dominion and power now and ever. Amen."

The Congressional Quarterly Is Neither Authoritative Nor Nonpartisan

EXTENSION OF REMARKS

OF

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1957

Mr. CURTIS of Missouri. Mr. Speaker, yesterday under special order the gentleman from New Jersey [Mr. THOMPSON] discussed the President's legislative program with particular reference to the party allegiance of the Members of the House who allegedly were or were not supporting this legislative program.

The sole authority for determining whether a Member of the House was or was not supporting the President was the Congressional Quarterly, a private publication presumably for profit published by Henrietta and Nelson Poynter, who are also publishers of the St. Petersburg, Florida Times.

The gentleman from New Jersey [Mr. THOMPSON] refers to this private publication as "nonpartisan." The publication refers to itself as "The Authoritative Reference on Congress". Neither, in my judgment, is correct.

EXTREME PARTISANSHIP

The documentation of extreme partisanship on the part of the Congressional Quarterly was made by Senator SCHOEPPEL (Kansas) last year and appears in the CONGRESSIONAL RECORD, volume 102, part 11, pages 15068–15072, under the title "Analysis by Congressional Quarterly of Congressional Support of President Eisenhower." This was a followup of some remarks Senator SCHOEPPEL made at the time he placed an article by Raymond Moley accusing the Congressional Quarterly of extreme partisanship. In the CONGRESSIONAL RECORD, volume 102, part 9, pages 12784–12785, in his remarks of July 27, 1956, Senator SCHOEPPEL very properly places a letter from Mr. Poynter which undertakes to refute the charge of partisanship made by Mr. Moley and the Senator in his July 16 remarks.

If Mr. Poynter has made any reply to the charges of partisanship appearing in the July 27, 1956 CONGRESSIONAL RECORD, I have been unable to find it. I would be happy to place any reply that may have been made or any reply that might now be made answering the charges of extreme partisanship in the CONGRESSIONAL RECORD.

The Congressional Quarterly for the week ending May 17, 1957, devotes several pages to "Individual Eisenhower Support and Opposition Scores Through May 12, 1957, and for the 84th Congress" of both House and Senate Members. The manner in which these alleged support and opposition scores are computed

show basic partisanship and are designed seemingly only for one purpose, to deceive whomever might read them.

26 ROLLCALL VOTES

Although there were only 26 rollcall votes in the House, 22 rollcall votes were used, apparently as a base for the scores. Yet the votes used were not set out in the article so that a reader could judge for himself whether the vote was on an issue that the President had clearly stated his position. The first vote of the House, of course, was for the Speaker. Presumably, this vote was used in the base and thus prevents Congressman McCormack, of Massachusetts, the Democratic majority leader, from receiving a 100-percent Eisenhower support instead of 95 percent.

The fact that 14 votes were on 1 appropriation bill and followed a basic pattern was unmentioned. Furthermore, it is obvious that President Eisenhower could not have specific views on budget cuts which in many of these 14 items were less than a million dollars. One item was for $30,000. Following such a point of view would rule out any person serving on the Appropriation Committee from ever performing his constitutional duty of reviewing the executive budget, if he was at the same time to support the Executive then in office. The same principle applies to the individual Members of the Congress.

Although the 14 budget-cut votes were obviously used in the base apparently the vote on the Democratic proposed resolution to ask the President to recommend to the Congress how to cut the budget was not included. There were three rollcall votes on this matter, on the rule, on recommital, and the passage of the bill itself. Majority Leader McCormack was a ringleader in this partisan anti-Eisenhower maneuver. Or perhaps the Congressional Quarterly did not use in the base rollcall No. 31 which was designed to permit Congressman Patman to investigate the national monetary policies. This was very definitely an anti-administration maneuver again led by the majority leader, Congressman McCormack. Or perhaps rollcall No. 60 was eliminated which called for the investigation of the various Federal boards, commissions, and so forth, by a House committee. This, too, was a definite antiadministration maneuver led by the Majority Leader McCormack. Yet Congressman McCormack, according to the Congressional Quarterly, has only one antiadministration vote.

There should be little question in any citizen's mind that the Democratic Senators and Congressmen as a group are not behind the Eisenhower administration. As loyal opponents—and this is as it should be—they criticize Secretary Dulles and our foreign policy. Hardly a day goes by on the floor of the House when some Democratic Member does not make some uncomplimentary remarks about Secretary of Defense Wilson. What the Democrats call the "hard money" policy lies at the base of their constant attack on the Treasury Department and the fight over tax reduction led by partisan Democrats is not in the too distant past and is certainly in the immediate future. The Justice Department under Attorney General Brownell is a constant target for the Democratic Congressmen. The Department of Agriculture and Secretary Benson certainly are unaware of any support they have received from the Democratic leadership in the Congress. The basic dispute in the handling of private and public power, the leasing of mineral rights and so forth, in the Department of Interior divides Democrats from the administration constantly. The handling of TVA by the administration and the control of atomic energy involve basic differences between Democrats and this administration. The list could be enlarged and at the appropriate time I will undertake to do that.

NOT AUTHORITATIVE

The purpose of these remarks has been to point out that the Congressional Quarterly is not nonpartisan; it is not authoritative. On the contrary it is highly partisan and it speaks out for a certain school of political thinking. I have no objection to it or any other magazine or newspaper taking the position it wishes to take, but I do object to the deception that is being used in taking that position.

I think it is time that the Congress did something about the Congressional Quarterly using the name "Congressional" and using the line "The Authoritative Reference on Congress" on its title page. This deceives the public and should not be permitted.

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 24, 1957

The House met at 12 o'clock noon.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. McCormack). The Chair lays before the House the following communication:

The Clerk read as follows:

MAY 24, 1957.

I hereby designate the Honorable JOHN W. McCormack to act as Speaker pro tempore on today.

SAM RAYBURN.

PRAYER

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Most merciful and gracious God, as we again turn to Thee in prayer, wilt Thou fill our minds with the truth that emancipates and our hearts with the love that consecrates.

Grant that by Thy grace we may be the masters over our troubles and temptations, our doubts and discouragements, our fears and frustrations.

In thought, word, and deed may we seek to be worthy followers of Him who lived the victorious life and went about doing good.

May we be builders of a social order in which righteousness and justice shall rule and the spirit of love and brotherhood shall be triumphant over hatred and strife.

Show us how we may have a larger part in helping to mingle all the members of the human family into an alchemy of friendship and good will.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 2146. An act to amend the Small Reclamation Projects Act of 1956.

APPROPRIATIONS FOR EXECUTIVE OFFICE OF THE PRESIDENT AND SUNDRY GENERAL GOVERNMENT AGENCIES, 1958

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5788) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1958, and for other purposes, with Senate amendments thereto, and ask for their immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent to consider en bloc the amendments of the Senate numbered 1, 2, 3, 4, 6, and 7.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Clerk read the amendments as follows:

Page 3, line 2, strike out "$1,500,000" and insert "$1,375,000."

Page 4, line 18, strike out all after "$700,000" down to and including "act" in line 25.

Page 5, line 8, strike out "$2,100,000" and insert "$2,214,000."

Page 5, line 9, strike out "$150,000" and insert "$182,000."

Page 9, line 4, strike out "$15,000" and insert "$18,500."

Page 9, line 18, strike out "$20,000" and insert "$30,000."

Mr. ANDREWS. Mr. Speaker, I move that the House concur in the amendments of the Senate numbered 1, 2, 3, 4, 6, and 7.

Mr. FENTON. Mr. Speaker, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Pennsylvania.

Mr. FENTON. Will the gentleman be kind enough to explain his purpose to the House?

Mr. ANDREWS. Mr. Speaker, the motion which I have just made, and another to follow, will dispose of the general Government matters appropriation bill for 1958. The House cut the estimates by $4,900,500 when it passed the bill on March 13. On Wednesday, the other body reduced the total of the bill by an additional $11,000 by changing two appropriation figures. The other body also made several adjustments in limiting amounts, struck out some House-approved language—a proper legislative bill has been substituted—and inserted language in two instances. It is my intention to move to disagree to the two language items inserted by the Senate, and to agree to the other changes. The detail involved in each amendment is:

Amendment No. 1: Reduces appropriation for "Special projects" by $125,000.

Amendment No. 2: Strikes out language providing five supergrade positions for the National Security Council. Separate legislation to accomplish this has been reported.

Amendment No. 3: Increase appropriation for the Office of Defense Mobilization by $114,000.

Amendment No. 4: Increases limitation for Interdepartmental Radio Advisory Committee by $32,000.

Amendments Nos. 6 and 7: Increase travel limitations for the Foreign Claims Settlement Commission and the Subversive Activities Control Board.

(Mr. FENTON and Mr. ANDREWS asked and were granted permission to revise and extend their remarks.)

The SPEAKER pro tempore (Mr. McCormack). The question is on the motion.

The motion was agreed to.

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent to consider en bloc Senate amendments numbered 5 and 8.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the amendments.

The Clerk read as follows:

Senate Amendment No. 5: On page 6, line 14, insert "together with the unobligated balance on June 30, 1957, of the appropriation granted under this head for the fiscal year 1957."

Senate Amendment No. 8: On page 10, line 4, insert "*Provided*, That the cost of any special feature or equipment required for the use of the vehicle in carrying out investigative, law enforcement, or intelligence duties shall be in addition thereto."

Mr. ANDREWS. Mr. Speaker, I move that the House disagree to the amendments of the Senate numbered 5 and 8.

Mr. FENTON. Would the gentleman be kind enough to explain these two amendments?

Mr. ANDREWS. Amendment No. 5 makes available the unobligated balance for President's Emergency Fund—National Defense. The action of the other body would be in violation of the rules of this House, and furthermore, the amount of $1 million provided annually has proven more than ample over the past several years. I shall move to disagree on this item.

Amendment No. 8 provided that certain special equipment required on automobiles for police work be in addition to the dollar limit contained in section 201. The purpose of this amendment may well be desirable, but the House Committee should hear the need. In addition, the words used appear hastily drawn and do not provide a practical limit on the extent to which such special devices can be supplied to the various Government agencies. This is the other amendment on which I shall move to disagree.

Mr. FENTON. Will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Pennsylvania.

Mr. FENTON. As the gentleman knows, we have discussed this matter in subcommittee and are in agreement with the actions which the gentleman proposes to take.

Mr. ANDREWS. I thank the gentleman.

The SPEAKER pro tempore. The question is on the motion.

The motion was agreed to.

Without objection, a motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the resolution (H. J. Res. 247) for the relief of certain aliens, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 1, lines 9 and 10, strike out "Pearl (Pik Chun) Ma."

Page 1, line 10, strike out "Ying Lun Ma."

Page 3, line 1, strike out "Roger Eugene Cailiaud."

Page 3, line 3, strike out "Kerttu Poutiainen Mayblom."

Page 3, strike out lines 12 to 20, inclusive.

Page 3, strike out all after line 20 over to and including line 3 on page 4.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. WALTER]?

Mr. MARTIN. Reserving the right to object, Mr. Speaker, I would like to inquire of the gentleman from Pennsylvania, as I understand, this has been approved by the ranking minority member of the gentleman's committee?

Mr. WALTER. Yes. Actually, what happened was this: The Senate struck from the resolution seven names and they did it because certain information was not available. We had the information but the Senate did not. So, pending such time as they received this information, the names had been stricken from the resolution, but we believe and we know there will be another resolution later.

Mr. MARTIN. I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. WALTER]?

There was no objection.

The Senate amendments were agreed to.

Without objection, the motion to reconsider was laid on the table.

STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the resolution (H. Con. Res. 89) with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the concurrent resolution.

The Clerk read the amendments as follows:

Page 6, strike out line 6.

Page 6, strike out line 7.

Page 27, strike out line 9.

Page 37, line 5, strike out "A-8881704" and insert "A-6881704."

Mr. MARTIN. Mr. Speaker, reserving the right to object, will the gentleman explain the amendment?

Mr. WALTER. This amendment deletes three names withdrawn by the Bureau of Immigration and Naturalization from the resolution they sent to us some time ago.

Mr. MARTIN. And this action has the approval of the ranking minority member of the committee?

Mr. WALTER. That is correct.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

THIRD SUPPLEMENTAL APPROPRIATION ACT, 1957

Mr. CANNON submitted a conference report and statement on the bill H. R. 7221, making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes.

PROGRAM FOR NEXT WEEK

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, I take this time in order to ask what the program will be for next week.

Mr. BOGGS. Mr. Speaker, the program for next week is as follows:

If we conclude general debate on the Defense Department appropriation bill today, we will begin to read the bill for amendment on Monday. The reading of the bill will probably continue through Tuesday.

There will be no rollcalls on Tuesday because of a primary in Kentucky.

Upon conclusion of the Defense Department appropriation bill, we have scheduled the following bills:

H. R. 6974, extend Agricultural Trade Development and Assistance Act.

S. 469, termination Federal supervision, Klamath Indians.

H. R. 3753, agriculture, loans homesteaders, and desertland entrymen.

Thursday is Memorial Day. There will be no business on that day. The House will meet and adjourn over to Monday.

Friday there will be no session.

ADJOURNMENT OVER

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

WILLIAM S. GIRARD

Mr. LONG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include related matter.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. LONG. Mr. Speaker, a very serious matter stands before the people of the United States at this very moment, one which demands the positive action of every citizen. I refer to the case of Specialist 3/c William S. Girard, of Ottawa, Ill., who may be released for trial to Japanese authorities by Adm. Miles S. Hubbard. This young man, while performing his assigned duties, fired a mortar shell that killed a Japanese woman in Japan on January 30 while she was on the Camp Weir military firing range without authorization. The incident, while extremely regrettable, was purely an accident and it should be borne in mind that the victim was trespassing in an area clearly marked as dangerous by virtue of the fact that it was an established firing range.

I cannot, for the life of me, understand why the authorities who have jurisdiction over this matter should permit this sort of thing to happen. Here is a young man in the service of our country, while in the performance of his official duties, purely by accident was involved in a mishap wherein the victim was entirely at fault and a trespasser in a restricted area. It rankles my soul to think that an American citizen should be turned over to stand trial in a foreign court according to the rules and precedence of a foreign land, a land which opposed our own United States in mortal combat only a few short years ago.

It should be kept in mind that customs and traditions vary in every nation and likewise do laws and the various types of punishment which may be imposed for the violation of such laws. Our system of justice in the United States and in the military are based on our way of thinking, and if our system was not a good one, it would not be in use today. We should not permit citizens of our country to be subjected to the court procedures of a foreign nation wherein the entire viewpoint could be completely different from our own.

I think it is high time that we, here in the Congress, wake up and take corrective measures. We draft our young men and send them to the four corners of the world to serve our country in foreign lands. Surely we should send with them the protection of this great Government of ours.

Mr. Speaker, I have received the following telegram which I should like to include:

ALEXANDRIA, LA., *May 24, 1957.*

Congressman GEORGE S. LONG,
Washington, D. C.:

The Alexandria Chapter Reserve Officers Association requests you use your influence to keep S/3C William S. Girard from being tried by a Japanese civilian court. We further request that you use your influence to keep any member of our military forces from being tried by a foreign civil court.

Capt. EARL F. HENDRICKS,
Retired Executive Secretary, The Alexandria Chapter Reserve Officers Association.

AMERICAN COUNCIL TO IMPROVE OUR NEIGHBORHOODS

Mr. REUSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. REUSS. Mr. Speaker, I wish to bring to the attention of the House the fact that the American Council To Improve Our Neighborhoods, the nonprofit public-service organization, commonly known as ACTION, is having a special Congressional showing of its moving-picture presentation entitled "Our Living Future," at 8 o'clock Monday evening, June 3, at the Statler Hotel in this city.

Our Living Future will be here to climax its 8-month tour of 100 cities of our Nation. It is a progress report to us on the urban problems caused by overcrowding and blight and the reaction of officials and the public to these problems. It shows the many efforts being made to improve homes, neighborhoods, and communities and to eliminate and prevent slum conditions in a great number of cities, small as well as large.

The directors of ACTION will be delighted if you are able to attend this show. I believe that you will find it interesting and instructive.

The evening after the presentation for the Members of the Congress, there will be a public showing at the Lisner Auditorium of the George Washington University. This second showing is under the auspices of the Commissioners of the District of Columbia, the Commissioners' Urban Renewal Council, and its affiliated organizations.

ACTION's directors include these distinguished members from the Washington area: Mr. William G. Carr, executive secretary, National Education Association; Mrs. T. S. Chapman, former president, General Federation of Women's Clubs; Dr. Dorothy Ferebee, medical director, Howard University; Mr. George Garret, president, Federal City Council; Mr. Philip Graham, president and publisher, the Washington Post Co.

EXTENDING FINANCIAL ASSISTANCE TO DESERT LAND ENTRYMEN

Mr. MARSHALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MARSHALL. Mr. Speaker, the Committee on Rules yesterday granted a rule providing for 1 hour of debate on H. R. 3753, a bill to enable the Secretary of Agriculture to extend financial assistance to desert-land entrymen to the same extent as such assistance is available to homestead entrymen.

It is my purpose, Mr. Speaker, to inform the House that while I remain opposed to the bill, I am not opposed to the rule permitting debate of this bill by the House. My opposition to the bill stems from what I believe to be an erroneous statement in the report. The report says:

> This bill would not require any additional appropriation at this time. Available direct and insured loan funds would be adequate to permit loans to be made under the amendment, and the administrative expense funds would absorb the cost of making, insuring, and servicing such loans.

It may be true that additional administrative money will not be required, but I want to point out to Members of the House that we are presently acting upon the third supplemental appropriation bill, which includes loan funds for the Farmers Home Administration. These loan funds are required for existing applications. No new funds to carry out the proposals made in H. R. 3753 are provided in either the third supplemental or in the regular appropriation bill for the Department of Agriculture recently passed by the House.

While our subcommittee heard considerable testimony from the Farmers Home Administration in justifying their request for funds, this new proposal was not considered by us.

In reading the report, I find no indication of the amount of money required for such loans and any limitation would have to be established by the Committee on Appropriations in making the funds available. Before passing a bill of this kind, it would seem that Members of the House ought to be given more information about the amount of money which may be required.

As I said before, there may be a certain amount of satisfaction in the old dream of making the desert bloom, but the House ought to consider if this is the time for such an undertaking. We do have an accumulation of agricultural surpluses. The Department of Agriculture blames these supplies for depressing the market. Is it then advisable for this same Department to make loans to increase production in desert areas? Members of the House deserve an opportunity to debate and decide so important a question. I take this opportunity to acquaint Members with some of the questions involved in this bill which will soon come before the House.

PROSTHETIC APPLIANCES

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I have just witnessed a most remarkable demonstration of prosthetic appliances for veterans, civilians, and little children. I would like to express my deep appreciation to the House for passing some years ago a bill that authorized yearly $1 million in research on prosthetic appliances. It was because of Col. Robert F. Alton and the Walter Reed amputees that the bill was introduced. It is another thing that we must be grateful to the veterans for. Since that time, under General Strong's chairmanship, with money expended through the VA, marvelous cures have been accomplished working with the veterans and with the civilians. The House passed that bill unanimously some years ago, and every year they have continued the appropriation. I do not believe you ever appropriated $1 million more wisely or one that would thrill your hearts more if you could have seen that demonstration.

The exhibition was held before the Committee on Labor and Public Welfare. Senator LISTER HILL, of Alabama, the chairman of that committee, presided. He has been tireless in both veterans and civilian rehabilitation.

LIST OF PARTICIPANTS IN DEMONSTRATION BEFORE THE COMMITTEE ON LABOR AND PUBLIC WELFARE, UNITED STATES SENATE, MAY 24, 1957

Gen. F. S. Strong, Jr., chairman, Prosthetics Research Board, National Academy of Sciences—National Research Council.

UPPER-EXTREMITY PROSTHETICS

Dr. Charles O. Bechtol, associate professor of orthopedic surgery, Yale University.

First Lt. Sheila McDonnell, AMSC, physical therapist, Walter Reed Army Hospital.

Mr. William E. Hitchcock, prosthetics instructor, Postgraduate Medical School, New York University.

Amputee demonstrators

Mr. Daniel J. Dennehy, Mt. Rainier, Md. (above-elbow amputee).

Pfc. Jack R. Northrup, Washington, D. C. (shoulder-disarticulation amputee).

Mr. Lewis A. Rice, Frederick, Md. (elbow-disarticulation amputee).

Sgt. Alonzo Spencer, Appomattox, Va. (below-elbow amputee).

LOWER-EXTREMITY PROSTHETICS

Dr. Cameron B. Hall, clinical professor, Department of Surgery (Orthopedics), School of Medicine, University of California at Los Angeles.

Miss Irene Waters, physical therapist, Institute of Physical Medicine and Rehabilitation, New York University.

Mr. Charles Hennessy, prosthetics instructor, School of Medicine, University of California at Los Angeles.

Amputee demonstrators

Miss Mary Heasty, Fairfax, Va., (hip-disarticulation amputee).

Mr. Herbert Kramer, Little Neck, N. Y. (above-knee amputee).

Mr. Leonard McCarthy, Trenton, N. J. (below-knee amputee).

CHILD-AMPUTEE PROSTHETICS

Dr. George T. Aitken, consulting orthopedist, Michigan Crippled Children Commission.

1st Lt. Sheila McDonnell, AMSC, physical therapist.

Amputee demonstrators

Diana Beckett, Beltsville, Md. (below-elbow amputee).

Donna DeYoung, Grand Haven, Mich. (bilateral knee-disarticulation amputee).

David J. Dodge, District Heights, Md. (below-elbow amputee).

Eugene Sanchez-Saavedra, New York, N. Y. (elbow-disarticulation amputee).

VOCATIONAL REHABILITATION AND PROSTHETICS

Mr. James J. Segars, supervisor, physical restoration, State Department of Education, Atlanta, Ga.

Dr. Harriet E. Gillette, director of physical medicine and rehabilitation clinic, Atlanta, Ga.

CALL OF THE HOUSE

Mr. SCRIVNER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. BOYLE. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 84]

Addonizio	Feighan	Nicholson
Albert	Fino	O'Brien, N. Y.
Allen, Ill.	Fogarty	Passman
Andresen, August H.	Garmatz	Patterson
Anfuso	Gordon	Perkins
Ashley	Green, Oreg.	Philbin
Barrett	Green, Pa.	Pilcher
Bass, N. H.	Griffin	Pillion
Baumhart	Gubser	Polk
Beamer	Gwinn	Powell
Belcher	Healey	Preston
Betts	Hemphill	Prouty
Blatnik	Hillings	Rains
Blitch	Hoeven	Reece, Tenn.
Bonner	Holland	Robsion, Ky.
Bosch	Holtzman	Rodino
Bowler	James	Sadlak
Bray	Jenkins	St. George
Buckley	Kearney	Saund
Byrne, Pa.	Kelley, Pa.	Saylor
Carnahan	Kelly, N. Y.	Scherer
Celler	Kirwan	Schwengel
Chelf	Kitchin	Scott, Pa.
Chiperfield	Kluczynski	Sikes
Chudoff	Knutson	Siler
Clark	Lesinski	Simpson, Pa.
Coad	McCulloch	Steed
Cooley	McGovern	Sullivan
Coudert	McIntire	Taylor
Davis, Tenn.	May	Teller
Dennison	Miller, Md.	Thomson, Wyo.
Dollinger	Miller, Nebr.	Thornberry
Dowdy	Moore	Tollefson
Eberharter	Morano	Vursell
Edmondson	Morgan	Watts
Elliott	Morrison	Whitener
Fallon	Multer	Wilson, Ind.
Farbstein	Murray	Wolverton
		Zelenko

The SPEAKER pro tempore (Mr. McCORMACK). On this rollcall 313 Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

CONGRESSIONAL QUARTERLY

Mr. LAIRD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. LAIRD. Mr. Speaker, in today's mail I received a letter from Mr. Thomas N. Schroth, executive editor of the Congressional Quarterly. This letter calls my attention to the fact that in my remarks on page 7461 of the CONGRESSIONAL RECORD of May 22, 1957, I indicated that the vote used by the Congressional Quarterly with reference to support or opposition to the President's position on Federal aid to school construction was the vote on final passage. Mr. Schroth calls to my attention the fact that the vote used by the Congressional Quarterly with reference to support or opposition to the President's position on school-construction legislation was the vote on the so-called Powell amendment.

On May 22, 1957, I did not have the Congressional Quarterly before me, and on checking the Congressional Quarterly today I find that the rollcall used was on the so-called Powell amendment, and at this point in the RECORD I would like to insert my letter of August 2, 1956, addressed to Mr. Schroth.

The letter follows:

MARSHFIELD, WIS., *August 2, 1956.*

Mr. THOMAS N. SCHROTH,
Executive Editor,
Congressional Quarterly,
Washington, D. C.

DEAR MR. SCHROTH: I was indeed surprised to read a copy of your letter of July 13 addressed to Mr. John Denson, editorial director of the Newsweek magazine.

In your letter you stated that President Eisenhower was opposed to the Powell anti-segregation rider to the school-aid bill. It is true that President Eisenhower did not favor the original Powell amendment. However, you will find upon checking into this matter further that President Eisenhower did support the Powell amendment as finally passed and voted on by the House of Representatives. There was a great deal of difference between the original Powell amendment and the amendment which was finally voted on by the House of Representatives. The final Powell amendment was, as you know, merely a one-sentence statement of support for the United States Supreme Court decision on school segregation. The Republican leadership in the House was advised before this vote was cast not only of the President's position, but also of his position relative to the establishment of a "need test" in the distribution of any Federal school-construction aid to the 48 States. The statement which you made undoubtedly does apply to the original Powell amendment, but you are completely in error as to the President's position regarding the final Powell amendment, which was adopted on a rollcall vote and supported by the entire Republican leadership.

With best wishes and kindest personal regards, I am,

Sincerely yours,

MELVIN R. LAIRD,
Member of Congress.

Mr. Speaker, I certainly believe that, regardless of whether the rollcall on final passage or the rollcall on the Powell amendment was used, the point which I made in my statement of May 22, 1957, still stands. The use of either of these rollcalls deliberately misrepresents the position of a majority of the members of my party as regards their support of President Eisenhower's legislative program.

CHIEF JUDGES OF CIRCUIT AND DISTRICT COURTS

Mr. CRAMER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. CRAMER. Mr. Speaker, I ask inclusion in the RECORD of my position on H. R. 985, a bill to provide that chief judges of circuits and district courts shall cease to serve as such upon reaching the age of 70, pursuant to H. R. 255. I was not present at the time of a vote on the motion to recommit having to leave the House and travel to Portland, Maine, where I was asked, as a member of the House Committee on Public Works, to address the State meeting of the Maine Good Roads Association. If I were present I would have voted "Nay" on the motion. I wish to indicate my support of this legislation.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1958

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7665) making appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes.

Pending that motion I would like to make an arrangement with the gentleman from Massachusetts with regard to time for debate. I suggest that general debate continue throughout this afternoon, the time to be equally divided between the gentleman from Massachusetts [Mr. WIGGLESWORTH] and myself, and later in the day reach an understanding as to the time for ending general debate.

Mr. WIGGLESWORTH. That is agreeable to me, Mr. Speaker. I do not believe it will be possible to finish general debate today, but I think we can arrive at an agreement later in the day when we see how things are moving.

Mr. MAHON. I might say for the benefit of the Members that after we get into this bill and move rapidly on Monday we may even be able to have a vote on Monday. That, of course, would depend on the mood of the House.

The SPEAKER pro tempore. Will the gentleman from Texas inform the Chair if there is any additional request beyond his motion to go into the Committee of the Whole?

Mr. MAHON. There is no additional motion or request at this time except that general debate continue throughout the day. We will see if we can make a further arrangement later in the day.

Mr. WIGGLESWORTH. The time to be equally divided.

Mr. MAHON. Yes, the time to be equally divided between the gentleman from Massachusetts and the gentleman from Texas.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7665) with Mr. KEOGH in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the consent agreement debate will continue throughout the day, the time to be equally divided between the gentleman from Massachusetts [Mr. WIGGLESWORTH] and the gentleman from Texas [Mr. MAHON].

The gentleman from Texas is recognized.

DEFENSE APPROPRIATION BILL

Mr. MAHON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, a very brilliant May day sun beams down upon the Capitol today and I hope it is a good omen and that in this debate on the Defense Department appropriation bill we may throw some light on the most tremendous appropriation bill of this session, probably the most important bill of the year. It is the $33½ billion defense bill for the operation of the Army, Navy, Air Force, and the Marines for the fiscal year beginning July 1, 1957. There are no funds provided herein for military public works.

Mr. Chairman, I took my pencil a couple of days ago after having listened to a statement which I thought could hardly be believed and I discovered that since the birth of Christ there had only been about a billion minutes. Today we are talking about a $36 billion budget. There is no one in the Congress or in the administration, no one person, who could possibly comprehend every program and every detail of such a gigantic undertaking of our Government.

Again we have the defense appropriations bill before us. Again we talk of war and peace, debate the adequacy of the budget, seek to evaluate the threat to American security, and argue about the comparative strength of the United States of America and the U. S. S. R.

We agree again that the best hope for the world lies in good will and better understanding among the nations, but we hastily add, and properly so, that we must keep up our guard lest we invite aggression. We say again that any defense program is relatively cheap if we can continue to deter a major war, avert economic collapse within our country, and move toward an era of peace and good will.

INTERNATIONAL SITUATION

It would be of little benefit for me to discuss the international situation. All the Members of this body have their own views and no one can be absolutely certain about the future or the accuracy of his own views or the views of others. Personally, I am not aware of any drastic change since we considered the Defense appropriations bill last year except that, as a result of advances in weapons, in the event of war all countries would be placed in a much more hazardous position.

WEAPONS OF WAR

As to weapons of war in being or in prospect, I would now like to make a general observation. No nation can get a corner on the weapons of war. The vulnerability of all mankind to destruction in war continues to increase with every passing month. No nation can or will for long have a corner on any important weapon though some may temporarily have more effective types and more of them. Among the cavemen there was no corner on rocks and clubs. No nation made effective for long a corner on gunpowder. We had hoped to be the only nation possessing the atomic bomb for a much longer period of time. But this hope was impossible of fulfillment and this awesome weapon of destruction is still in its infancy from the standpoint of development and ultimate possession among nations.

We are now in a nip-and-tuck contest with the U. S. S. R. for the development of ballistic missiles, the so-called ultimate weapon, which will race toward the target with an atomic warhead at speeds up to 15,000 miles per hour and with intercontinental range. Great progress is being made in this area. We are testing the intermediate range ballistic missiles and will soon have the intercontinental ballistic missile under active test. Operational intercontinental ballistic missiles will be in the arsenal of the United States of America within a few years, and there is no reason to conclude that the U. S. S. R. will be far behind.

Even though all research and development on new weapons should be stopped abruptly at this moment, the world know-how in mass destruction of people and property is already so great there can be no real hope for civilization as we know it unless all-out war between the east and the west can be averted. The President was frightfully accurate when he said there is no alternative to peace.

IF WAR COMES—ATOMIC

The testimony as to the probable nature of the next war contained in the first part of volume 1 of the hearings is most interesting. It is clear to me that if war comes, either big or little, a war of any real significance, atomic weapons will be used.

I caution against the claim—the wishful thinking—that inasmuch as we were prepared for gas warfare in World War II, and gas was not used, it follows that if world war III comes, atomic weapons will not be used. Such a comparison completely misses the mark.

There is every likelihood that in the next war of any significant magnitude, if it comes, atomic weapons will be used and will be decisive. To accept any other conclusion is dangerous. In my judgment, one of the major deterrents to war between the east and west is the firm conviction by the leadership of both sides that such a war would be atomic in character and bring about unspeakable destruction on both sides, making even victory by either side a wholly unacceptable goal.

I repeat again what President Eisenhower said, "There is no alternative to peace." That significant sentence needs to be emphasized until the whole world accepts it. Then our peace efforts will succeed.

RIVALRY AMONG SERVICES

Some rivalry among the services may be in the public interest but the present tensions and rivalries among the services

are unwholesome and dangerous. Dangerous for the reason that rivalry which greatly promotes excessive duplication causes defense costs to become so great that the economy of the Nation may be jeopardized. The American taxpayer is pretty tolerant but there is a point beyond which he very probably will not go in peacetime. Defense costs are necessarily going to be high, and if those costs include excessive waste of money and manpower, the defense program may grow more inadequate from year to year. We cannot get a dollar in value for a dollar spent with rivalry running riot.

The new weapons we are now perfecting and the weapons that are likely to be developed over the next decade will be fabulously expensive.

The country cannot afford to provide these new weapons and also support an outmoded military structure which promotes unwholesome interservice rivalry and duplication.

The basis for the tensions among the services is real and understandable. The tensions could readily be eased if defense weapons were static in nature. But we are going through a revolution in weapons and in concepts of warfare. The guided missile, particularly the ballistic missile, is creating a drastic change in thinking and in plans. Missiles were of minor importance in the military budget of a few years ago. In the current budget nearly 3 billion—a billion more than it cost to develop the atomic bomb and use it—is provided for the missile program. We will always have manned aircraft, particularly for transport, but missiles will supplant manned aircraft to a very great degree within a few years, and to a marked degree in 10 years, and military planners in the Pentagon are already working on programs for the 1960's.

Able and ambitious officers have devoted their careers to 1 of the 3 services. Will they have a place in the sun in the 1960's or will their careers go into decline? The present presumption is that any service which fails to have a part in the utilization of intermediate range and intercontinental ballistic missiles will be relegated to a lesser role. I may be oversimplifying the picture but it should be clear to all that the stakes are high and that the desperate struggle for power and position among the services is quite understandable, and real, and quite expensive and wasteful, I may add.

The vested interests of military personnel as reflected in our present departmental and military organization concepts must be set aside in the broader interests of all. But we must make it possible for our men in uniform to set aside their vested interests and be somewhat secure in their careers.

A part of the answer is a greater degree of unification instead of tension and disunity, something approaching a merger. People who do not think these tensions exist have not looked for months as some of us have into the faces of our military leaders who have earnestly pleaded for appropriations and discussed problems of defense.

It has been argued that the means of locomotion and movement is no longer a valid basis for a military force. They were valid in the old days, but they are no longer valid as a basis for military organization and command. I leave that problem to others, but it is worthy of exploration, particularly in the executive branch of the Government and in the Congress.

Speaking broadly and with some degree of oversimplification, let me say this: It would appear that under present circumstances each of the three services is seeking to be prepared to do the entire job—fight the whole war. This, of course, is not the announced policy of each service, and I am speaking loosely in order to make my point clear. The Army wants a strategic-type missile so it can attack distant targets and will not be dependent on the Air Force even for reconnaissance. The Navy wants a strong air and missile capability to take care of its own strategic needs and concepts. The Air Force may well want to keep its strategic aircraft mission even after missiles have replaced the strategic mission of manned aircraft. The real battle at present results, of course, from the anxiety which arises over the question of who will dominate the picture in the missile-atomic age. All of these individuals are looking to the future, and for this they should not be condemned. The country must have military officers possessing vision and courage. However, it is imperative that some logic and order be injected into this extremely unhealthy situation. The time has come to tear down the costly iron curtain which separates the services.

President Eisenhower, for whom I have the profoundest respect, is the one man in our Nation who, by reason of position, prestige, experience, and ability, can step into this picture and bring order and effectiveness and a saving of tax dollars out of a situation which promises something approaching colossal waste and havoc generally.

NEED FOR STABLE PROGRAM

I should like to approach this problem from a little different slant and commend it for your consideration. The great problems of the world which seem to bar a settlement between the United States of America and the U. S. S. R. continue to exist, and we must continue big and expensive armament programs. This sort of thing can go on for years, and it no doubt will. In 10 years at $35 billion a year for the Armed Forces we would spend $350 billion, approximately the cost of World War II.

It would seem that since we are in a long-range defense program we ought to fix a figure for defense spending which is within the bounds of reason and stay with it in a general way pending a decisive change in world conditions. As long as there is no fixed policy, and admittedly a ceiling should not be completely arbitrary, each of the three services is striving manfully, and that is an understatement, to edge upward defense spending each year. Each service wants far more than it gets each year. Real economy of money and manpower is too painful to the military services. The American people have found the high cost of living troublesome, and we find economy in our personal budgets a bit painful. The Defense Department finds economy too painful to bear. The military prefer what is from their standpoint the easier remedy, which is the increasing total expenditures and appropriations from year to year. To compress more defense into the same number of dollars or into fewer dollars would cramp the style of the military in the doing of things as they are accustomed to do them. They want no part of it.

This policy would be painful to the military; the up-up policy of more and more spending is painful to the taxpayers. Who, therefore, will be served, the will of the Pentagon or the will of the people? A clearer military fiscal policy setting as a target say $35 billion per year would probably tend to change the direction of military thinking. The present emphasis is on how to get more and more money out of the Congress and the taxpayers. The alternative emphasis would be how to get more and more defense out of the dollars provided. That is the only course that will save us from bankruptcy through present trends.

During calendar year 1953, President Eisenhower's first year, he did not submit a formal budget. He submitted his first budget in January 1954 for the fiscal year beginning July 1, 1954. This budget, the first real Eisenhower budget, totaled something over $29 billion, excluding military public works. There were some extenuating circumstances from carryover funds, but that was the first 100-percent Eisenhower budget for the Defense Department, $29 billion plus. But now, 4 years thereafter, the budget is $38 billion. I am dealing in some oversimplification of the problem, perhaps, but I want to make the point crystal clear, that at this rate funds for the Army, Navy, and Air Force will before too long exceed $40 billion and edge on upward to $50 billion. And that does not include foreign military aid, atomic energy, and other related programs. If we do not take steps to save ourselves, nobody else is going to do the job for us. The stakes are high, and the battlelines are drawn. The taxpayer's head is on the block, and the taxpayer's security is also at stake. Vast savings could be made. And do not tell me that we could not have a reasonable and adequate defense program for approximately $35 billion a year rather than $38 billion a year, as presently budgeted. That figure edging upward, as I have pointed out, must be studied carefully. Somebody must call a halt and rethink this problem and do something about it. So we have called a halt in a very modest and delicate way. Under the Constitution, it is our authority to raise and equip defense forces.

REDUCTIONS OF BUDGET

When the committee began consideration of this bill in January, I did not think that we could cut $2½ billion from this budget because I think military budgets are getting better in many ways. They are better prepared and better presented. In dealing with budgets of this type there is no room for partisanship. In matters of security, we are all

in the same boat. One cannot be a Democrat or a Republican. One must be an American. There is no alternative. In my judgment, no political benefits are to be gained in raising or reducing defense budgets. Cutting the defense budget could be an extremely dangerous business. We have proceeded with the greatest care and caution. Nothing can be permitted to transcend the interest and the welfare of the people of our country. This morning, as I thought of this problem, I wrote a line which I hope may be helpful. We tried to make the cuts in this bill so that if war should break out next month or next year or the year after, there would be no additional hazard to our country. I think that is a worthy objective.

There is one thing we must avoid at all costs. We cannot afford to embark upon a course of gradually whittling away at our defense program. We cannot start a trend toward a position of military weakness which would inevitably lead toward a national policy of appeasement, which we know is the road to war. I repeat, what we said in the committee report. We must become adjusted to an indefinite period of high level defense costs without costly peaks and valleys. That is the policy which the committee and the Congress and the executive branch have followed since the Korean war—a high level and stable defense program. It is utter folly, however, to conclude that the Congress in exercising its duties under the letter of the United States Constitution cannot properly adjust and revise upward or adjust and revise downward within safe limits the defense budget.

For a period of 4 months now, experienced men, members of the committee and members of the staff, have studied in detail the various budget programs and amounts of funds estimated as necessary to implement those programs—and bear in mind that the budget is nothing more than an estimate, the preparation of which begins more than 18 months before the end of the fiscal year for which appropriations are made.

We found, for example, that $516 million could be subtracted from the Army budget for procurement and production purposes. The Army would not concede this but later the President substantially agreed with the Committee on Appropriations on April 18 when he made the following statement:

> The House may wish to give attention to an additional item of $516 million requested for Army procurement and production. The existing authority, granted by the Congress during the Korean war, plus certain reimbursements received since then have made it unnecessary to request new spending authority for this purpose in recent years. Beginning in fiscal year 1959, the Army's need for such spending authority will recur. The $516 million item is requested now to enable the Army to phase efficiently into this new period to ease the impact of the adjustment in fiscal year 1959. At the expense of efficient programing, the sum can be withheld if the House so chooses. Such action would, of course, increase by $516 million the large amount that will have to be authorized for Army procurement and production in fiscal year 1959.

The executive branch has made some concessions, but bear in mind that none of them were made prior to the time we began our examination of the budget and discovered certain weaknesses.

While the budget did recommend certain transfers of surplus cash resulting from stock and industrial fund operations, such recommended transfers would have had no effect on reducing the overall obligational and expenditure authority for the Department of Defense in 1958. A thorough review of stock and industrial fund operations in the Army and Navy convinced the committee that these excess funds could more appropriately be transferred to the pay of personnel of the Army and Navy which are 1-year appropriations.

Some have argued that of the approximately $2\frac{1}{2}$ billion reduction, that $1.2 billion may be considered as bookkeeping adjustments and that this reduction would not reduce expenditures in 1958 by 1 cent. Those who make that claim must agree that the $1.2 billion represents a bona fide reduction in the budget for 1958 and of funds previously provided. The funds transferred from the stock fund account of previous years could have been expended for the expansion of stock fund inventories. They were available for that purpose and could have been so used without prior approval of Congress. The transfer of these funds to regular activities of the Department thereby reducing the total availability to the Department must, it seems to me, be regarded as good business practice which should produce some savings.

As to the reduction of $516 million in the Army for procurement and production, I am not convinced that it will have any adverse effect on an orderly procurement program for the Army. Although funds cannot be obligated until they are appropriated, the procurement programs always have been developed by each of the services months, and even years, prior to the time that appropriations are made. I feel that when excess authority continues to remain on the books of the services, the less chance there is for efficient and orderly procurement and close review of requirements by the services and by Congress.

An editorial writer in the Evening Star yesterday afternoon said that we should restore the $1,200,000,000 cut. He said all the rest of the cuts were paper cuts. He said we ought to restore the $1,200,000,000 because we had been warned that any cut could mean ultimate disaster. I say that if we ever have a military dictatorship in the United States it will be because the people elect to the Congress men of so little courage and devotion to duty, that they jump through the hoop every time reckless statements are made calculated to embarrass the Congress in the eyes of the people.

So this editorial writer, in discussing the budget, condemns the inclusion of an item which he says is a million dollars wasted. Let us grant that there is some merit in his argument as to the $1 million he wishes to save, but he does not raise one finger to question the need of the $1 billion he blindly wishes to spend. I refer him to that portion of some very authoritative writing wherein it is said that the scribes and Pharisees had a tendency to strain at a gnat and swallow a camel. I am afraid the editorial writer simply had not had the opportunity to study the defense budget.

DEFENSE BUDGETS

How do you find out about defense budgets? At 10 o'clock in the morning you go into the committee room and you pore over these stacks of volumes and programs, past and proposed, and you talk to the witnesses, big and small, civilian and military, and at noontime you suspend for a time. Later in the afternoon you go back into this closed room and sit there until 4 or 5 o'clock. You do this the next day and the next day and the next week and the next month and you do this for about 4 months each year. I know the editorial writer would not mean to indicate that there is not enough intelligence in Congress to study the defense budget and find out where you could cut just a few dollars in the interest of the Nation.

I do not blame Secretary Wilson and the President for defending the budget. They more or less have to defend the budget. If they keep on giving here and giving there, confidence is lost. So the Defense Department put its foot down and said, "This is it." That is all right and I do not quarrel with that attitude as a practical proposition. Now there is no man in a Cabinet position who has sat and studied this budget continuously as long as the gentleman from Massachusetts [Mr. WIGGLESWORTH], and others who have sat on this committee. Cabinet officers do not have the time or the opportunity. The job does not lend itself to that. They are out doing other things. They are busy in the operation of the program. There is no place for the expression of an attitude in an editorial or otherwise which would point scornfully at the Congress, and say intolerantly, "Mr. Congress we have no patience with you. Give what you are asked to give without regard to your views." I say to those people that they miss the mark in their appraisal of what our democracy really is. In making that statement I make no reference to the President or the members of the Cabinet, or Government officials because they have been tolerant in their views with respect to this problem.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. SCRIVNER. I do not know whether the gentleman said exactly what he meant to say or not. In all the years I have been a member of this committee I have not felt the resentment that you have expressed for the lack of respect for Members of Congress. Every witness is a champion for his cause, but I do not recall that any member of the Cabinet or any of the witnesses who appeared before us ever did show any sign of contempt for the members of this committee or Congress as a whole.

Mr. MAHON. I appreciate the gentleman's reference, and may I say that we get the finest of cooperation from all the people in the Department of Defense

in their appearance before us. They show the utmost respect for Congress and for the committee. I made no application whatever to those people. I find them very good men, and I resent some of the charges that are made against them from time to time, because under a system which lends itself to waste they are trying to do a good job.

ISSUES INVOLVED

I would like to discuss for a moment the broad issues that are drawn here. The real issue in this contest between the Pentagon and the Congress is: Are we going to agree with increasing defense budgets, or shall we insist that we compress more defense into the same or a fewer number of dollars?

Here is the issue: Shall we provide the Defense Department with a total spending authority throughout next year in the sum—get this, please—are we to provide the Pentagon with a total spending authority next year in the sum of $68,900,000,000 that was requested, including carryover funds—shall we provide the Pentagon next year with $68,900,000,000? Or shall we provide it with only $66,900,000,000 as suggested in this bill?

Shall we provide in new spending authority next year the budget figure of $36 billion or the committee bill of $34 billion? That is the issue.

Putting it another way: Shall we provide in the bill that the Pentagon may have $8\frac{1}{2}$ billion carryover at the end of the next fiscal year of unobligated funds? Or shall that figure be kept in the area of $7 billion?

Putting it another way, shall we as a Government, the executive and the legislative branches, look the overburdened taxpayer in the face and say to him: We propose to tighten our belts and try to provide more defense for fewer dollars next year and get new added defense for $34 billion, which, with a carryover of the unexpended funds, will give a total for spending next year of $67 billion. When we carry forward military public works funds, the amount available to the Pentagon next year would be in excess of $71 billion.

I challenge the assumption that there is no way to secure more economy in defense spending.

The question is about like this, Mr. Chairman, Shall we give the Pentagon every dollar it requests? Shall we, in a sense, give the services a blank check? Shall we abdicate our constitutional responsibility and authority? Or shall we carefully and cautiously weigh all the factors involved like men of experience and courage ought to do, and try to provide just an equitable amount that is needed, and show our regard for the people from the standpoint of their tax dollars as well as their security, exercise our will and our judgment, and the will and the judgment of the people we represent?

Shall we be mere yes-men or "yeomen" in the service of the people who elected us to the high position which we hold?

PERIL POINT BUDGET

There seems to be some impression that this is a peril-point budget; and that is a good word. I want to commend whoever selected it for the attack on what the House has done in this budget. We did hear from Secretary Wilson—and I have great admiration for him. In a letter to me on May 15 in response to my question, Has there been any change since along about January when you were before us?

He wrote a very good letter, stating in part:

> The budget as submitted to you is already an austere one and represents a great push for economy. A good case could be made for increasing it somewhat rather than decreasing it. In the opinion of many of us it is already a peril point budget.

Now, what does the Pentagon mean by "peril point" budget? It is not the same conception of the budget that you and I would have. For example, in this budget which was submitted—and it is a budget they are asking us to approve—there are $516 million, half a billion, for Army procurement that we discovered would not be required for obligation at all in the next year, yet it was in the budget. I have already referred to that. The President when he reported as to how his budget might be cut agreed with us in the stand we take today that the Army did not need this $516 million. I do not know whether you could drive a truck through this peril point budget or not, but you can subtract a half billion dollars and everyone says it will not hurt anything or anybody, except that the Army is a little unhappy about it.

The previous statements I have made about the stock-fund money indicates that little peril was involved there.

I must add that the budget took some note of these funds. Some of it had already been pinpointed in the budget.

The people write and say that Congress should get control of the purse strings, the Congress should control spending. We took control of this $590 million in stock funds and we applied it to pay of the Army and Navy. We thereby reduced the obligational authority, the right to spend money by the Pentagon to that extent. In this bill we have reduced the right of the Pentagon to spend money to the extent of $2.5 billion. The actual reduction insofar as the bill before you is concerned is $1,996,000,000. That is where the cut is, but in the overall spending, including availability from previous years, it is $2.5 billion. We went through the hearings and justifications and we said, "Why can you not save here, why can you not save there?" Finally we came out with a $2.5 billion figure.

SPECIFIC REDUCTIONS

We did not cut Air Force aircraft. There is some duplication in the programs in the Navy. We said to the Navy: "According to the testimony, you now appear to be ready to make up your mind on two planes that are practically identical. Make up your mind and we will give you the money for the one that you need."

The gentleman from California [Mr. SHEPPARD], chairman of the Navy panel, will explain that better later today.

We cut aircraft and related procurement for the Air Force by $354 million. But there is a lot in the aircraft and related program, such as modification of aircraft, spare parts, expansion of industrial facilities, and so forth. They wanted over $600 million for modification of aircraft. We cut that down to the extent of about $83 million.

Witnesses came in and wanted $2.3 billion for spare parts for aircraft. We found that they have over $9 billion in inventory in this item and hundreds of millions of dollars of spare parts which are of no use whatever. We said: "You have got to do a more realistic job." We have cut $200 million out of this item. We tried to make reductions in some other area where we thought we might encourage a greater degree of economy and better planning.

We even cut missiles a bit, but nobody is going to suffer greatly because we nicked this program about $75 million. After all, the entire departmental budget for missiles totals about $3 billion. We only made a slight cut. There are more than 40 different types of missiles under development. Each service wants a complete assortment of missiles to do the whole job. There is considerable duplication and waste in this area and we are pushing them, therefore, for better unification of that program. A new czar has been appointed with greater authority and I think it is going to be productive of good.

The mother with a large family is never going to get economy among her flock of children if she gives them everything they want. If she gives them less and asks them to do a little better they will do a better job and they will be better citizens. A little more discipline in Government would be in order.

We made cuts in amounts requested for travel. Have you ever talked to those boys who go from one side of the continent to the other and then overseas within a period of 1 or 2 years? We have hammered on this problem for years, and this year we whacked off a few million dollars from travel in an effort to enforce some degree of economy in this area.

Well, we were asked for funds to pay what the German Republic will probably pay. We cut that out. It is a bookkeeping reduction.

But, let me say this, that all of the reductions to which we have referred in the $2.5 billion are bona fide reductions. They are not just paper reductions. They are reductions in the funds available for expenditure in the Department of Defense in the coming fiscal year.

Now, I have been speaking here somewhat at random and in a general way in regard to the budget. I do not want to press this thing too far.

Mr. WIER. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Minnesota.

Mr. WIER. I am interested in these carryover items that each agency of government seems to have available. How far back do these unexpended, unobligated funds run? They do not run for just 1 year, do they?

Mr. MAHON. Some of them, and a very tiny fraction, would run back as far as 5 years, but generally it is over the period it takes to build a carrier

or series of aircraft, 2 or 3 years. And, speaking of the carrier, we have put into the bill the first nuclear aircraft carrier amounting to $314 million. The powerplant has not been perfected. It might have been wise to have delayed it 1 year, but we did not want to deny the Navy, that is, the majority of us did not want to deny the Navy, the privilege of going ahead on one of these nuclear carriers. But, we make it very clear in the report, and I want to make it very clear now, that in my judgment next year this nuclear carrier will not have progressed to the point where we will know whether or not it will be capable of doing the job, and I do not anticipate that the Congress next year will provide an additional nuclear carrier, because this thing has got to be looked at for a much longer time before we will be sure of our decision in that field.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Illinois.

Mr. MASON. The gentleman is giving us the clearest and the finest picture of this forest of defense that I have ever heard. It is a magnificent picture that he is presenting. It is very enlightening, and I feel that I personally have secured from the picture already the information and the need for this defense and the possibilities of reducing the overall appropriation. I commend the gentleman very highly for this excellent picture that he has painted for us.

Mr. MAHON. I want to say to my friend from Illinois that those words of high commendation would have been discounted somewhat coming from some of my colleagues, but from such a conservative friend as the gentleman from Illinois I am overwhelmed, and I thank him. Seriously, I am greatly honored to have such a high compliment from one of the ablest Members of the House.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Illinois.

Mr. ARENDS. I, too, agree that the gentleman's statement has been very splendid and very informative, and I was very anxious to hear all of it. There are some items which we can discuss later on as we go through this bill, but one particularly intrigued me as the gentleman discussed it, and that was with relation to the possibility of rivalry within the services. We all agree that the disturbance caused by rivalry between the services is not healthy, but I hope the gentleman does not go so far as to say that the only way to cure it is with a single Chief of Staff.

Mr. MAHON. I had no thought of making that decision. The Germans said they lost World War II because they did not have a single Chief of Staff, but I do not think we want to go that far.

Mr. ARENDS. I do not, either.

Mr. MAHON. I think my friends here realize that we have been too generous with the Department of Defense from time to time during the years because of our desire not to hurt the program. We cannot play havoc with the defense of our country. It transcends any political consideration. We all know that it is bad politics to whittle away at the security of the country. So there are no political considerations involved. Nobody in his right mind would want to cut this budget except in a sincere desire to get more for the taxpayer, and at the same time secure an adequate defense program that we can sustain during a long period of years and actually tighten and strengthen the defense of this country. And, I want to say this, and we all agree, with a total availability of $67 billion next year which includes a carryover in estimated unobligated funds of $10 billion, a $1 billion cut can be lived with.

I read in the paper this morning where someone was quoted as being fearful that if we cut the budget by $1.2 billion we would take away from the President his chips in the international poker game. It would be a sad admission to say that a $1.2 billion cut will deprive our country of its initiative and its status and its posture in international affairs. Certainly we would not collapse by a change of $1.2 billion in a $67 billion availability. Do not let us sell America short. Do not let us sell the servicemen short in the eyes of America and in the eyes of the world.

So I, for one, will not admit that this great country, with all its genius and capability cannot have a reasonably adequate defense program, with new appropriations of $34 billion and a total availability next year of $67 billion.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to my able friend from Mississippi.

Mr. COLMER. Mr. Chairman, like the gentleman from Illinois [Mr. MASON], I have been sitting here in almost amazed admiration at the splendid picture that the gentleman from Texas [Mr. MAHON] has painted of this program. I want to commend him for that statement. I thought that I would wait until he had finished before saying anything, but since he has been interrupted already, I did want to make that observation.

I want also to comment on this, and I assume perhaps the gentleman will comment upon it. That is the thought that some of us have advanced here for the past decade, that Russia wants neither war nor peace, but she wants to follow the Lenin doctrine of destroying the United States by requiring that it spend itself into bankruptcy. I think the gentleman will agree that that thought is gaining more and more substance.

As the gentleman knows, I have talked to him through the years about this very program; that this is not sacred, that the Members of Congress and particularly of the Committee on Appropriations have just as much right to have their views considered, as do those in the Pentagon.

I commend the gentleman for his statement.

Mr. MAHON. I thank the gentleman very humbly.

We are spending about 10 percent of our gross national product on defense. The Soviets are spending much more. That is one of the problems here. I believe the experts estimate that the Soviets are spending nearly one-third of their national product on defense.

The problem is, if we try to solve all our difficulties in international policy and in the military field just by spending more and more money; if that is the only answer we can come up with, then we are headed for disaster and that which the gentleman from Mississippi [Mr. COLMER] has so well pointed out.

We are moving toward a $40 billion and ultimately a $50 billion budget and we are moving to the point when the people, in a state of revulsion, might say, "No," and then we will cut these defense funds too low and we will be weak, as we were before Korea, a dangerous prospect.

We were woefully and inadequately prepared prior to Korea. We cannot let that condition come about again. We must stand firm for a stable, long-range program that gives us what we need.

I should like to say to the gentleman from Mississippi further that too high a budget creates more inflation. You get more money and you keep on spending and get less and less for what you spend.

In the second place, there are a limited number of scientists, and there is all sorts of competition for these scientists by these big corporations with Government contracts. They are trying to get these skilled engineering people one from the other. We are using about all we can get in the defense program.

OTHER ECONOMY CONSIDERATIONS

Then there is another thing involved here. There are some decisions that need desperately to be made and that have not been made. We should not go too far with some of these programs until we have made some decisions.

Another thing, certainly we need at this hour to encourage some economy, and as long as we consider this budget as absolutely untouchable we will never get the economy we seek.

Mr. CANFIELD. Mr. Chairman, will my good friend, the gentleman from Texas, yield?

Mr. MAHON. I yield to my able friend from New Jersey.

Mr. CANFIELD. In filing his report on the defense appropriation bill 1 year ago this month, that is, to provide funds for the current fiscal year of 1957, the very distinguished and very able gentleman from Texas, chairman of the committee, had this to say in part:

> Advances in Soviet education in the scientific and engineering fields could under present conditions result in their overcoming our present marginal superiority in the development of advanced and up-to-date weapons and equipment without which war, as it is known today or as it will be fought in the future, cannot be won—if it can be said that either antagonist can win a war in this age.

Then the gentleman went on to say this:

> The committee and the Congress, as a result of testimony and recent evidences of Soviet progress in weapons development, are greatly concerned over the continuing trend in this area and feel that an immediate and bold approach must be made if we are to solve this pressing problem.

A year ago the gentleman and his committee were telling the Defense Establishment, "Get busy and engage in a bold approach to meet this challenge of the Soviet." What is his comment on that approach today?

Mr. MAHON. That is a very interesting question. I did not realize last year that those words would read so well this year. I hope the words in the report last year and the words in the current report and what we say today, this year, and next year, will continue to read well, come war or come peace.

In the contest for power between Soviet Russia and the United States, Soviet Russia is closing the gap and getting strong faster than the United States is getting stronger. They are seeking to overhaul us in this race from an industrial standpoint and a military standpoint. They have not done it yet, but the threat is always there.

So what do we do about it? We try to build a defense program that is adequate to meet our requirements. Last year the Pentagon made a mistake. You would think from some recent reports that this would never happen.

Last year officials told us the Soviets were building the long-range intercontinental bomber faster then we were building it and that we were in jeopardy. So we gave them a reasonably adequate appropriation in the House. When the bill went over to the other body, on the basis of this announcement from the Pentagon, that body gave them some $800 million more for the B-52 and other aircraft programs, in order to meet this threat the Pentagon said existed. But, late last year, after Congress had adjourned, officials revised the estimate and they said the situation was not as they had portrayed it earlier in the year, that they had misinformed us. We did not find out about it until we started the hearings this year. Then, we were told that the information given to us last year was not correct. So that is the situation with respect to that matter. I said again last year, and I say it again this year: Get busy in the Pentagon with your essential defense programs and make a bold approach to these problems, particularly to resolve these differences and to end these rivalries and get busy in the promotion of economy and a better program for the defense of the country. Particularly in the field of ballistic missiles, the sky is the limit—and I say this for all to hear—from the standpoint of the committee and the Congress—the sky is the limit in the most highly competitive field now between the Soviet Union and the United States, and that is in the ballistic missile area. Hundreds of millions and billions of dollars are available and we say: Do not pull any punches. To tell you the truth, I looked at the ballistic missiles program last fall. I want to say publicly, and as I have said before, officials are doing a magnificent job in trying through a crash program—pretty wasteful in money—to be the first to develop this so-called ultimate weapon.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I would like to raise my voice also in tremendous appreciation of the very wonderful presentation of the gentleman's bill. It is a very remarkable performance, one of the most remarkable I have ever listened to in the Halls of Congress. I would also like to thank the gentleman for his extreme courtesy always. I would like to ask the gentleman this. Perhaps I will not ask the question. But I would like to say for myself and speak in the deepest appreciation of what our very great Secretary of National Defense Charles Wilson has done. Under him, we have the greatest military might and national defense in the world today.

Mr. MAHON. Mr. Chairman, I do appreciate the gentlewoman's very generous words of encouragement and I share her esteem for Secretary Wilson.

Mrs. ROGERS of Massachusetts. I thank the gentleman.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. ABERNETHY. I commend the gentleman for his very fine statement. His remarks in support of this bill are excellent and I am in agreement with them. Knowing the gentleman as I do, his sincerity, patriotism, and devotion to duty, I am sure the gentleman has not sacrificed the security of our country simply to write a record of economy into this bill. Nevertheless, I wish the gentleman would tell the House whether or not he resolved all doubts as to the advisability of cuts in favor of the Pentagon?

Mr. MAHON. My feeling is that I would rather provide too much than too little. We cannot take chances with the security of our country. I do not think there is any doubt but that we have provided an adequate sum so that no missile program which deserves to be promoted will be seriously affected, and no aircraft program is to any degree in serious jeopardy.

Mr. ABERNETHY. In brief, then, the gentleman and his committee, or at least the majority of the committee, and particularly the gentleman have played it absolutely safe by resolving all doubts in favor of the Penatgon and security?

Mr. MAHON. I would say we have resolved all doubts in favor of strength.

Mr. ABERNETHY. Yes; then to put it that way, the gentleman has resolved all doubts in favor of strength; is that correct?

Mr. MAHON. That has been our objective. I am pleased that my friend has raised this significant question.

One of my colleagues the other day asked me if the Committee was confident that reasonably adequate funds were being provided for research and development. I pointed out that we were providing well in excess of $1½ billion for research and development specifically, but that the total funds provided in the bill for research and development, experimental models of aircraft, missiles, and so forth would run the grand total in the broad sense for research and development to about $5 billion. This program ought to be adequate. Certainly the sums involved are very big indeed.

Mr. Chairman, having received unanimous consent to revise and extend my remarks, I wish to insert at this point some material which I did not have time to present in my statement to the House.

I made reference to the need for a greater degree of unification among the services and I made reference to the President in discussing that subject. I would like to make the following additional references to the problem:

Last week at his press conference the Pulitzer prize-winning reporter of the New York Times asked President Eisenhower about the problem of unification among the services, and I quote below portions of the colloquy:

> JAMES RESTON, of the New York Times. Going back to the budget, sir, some observers, some very well experienced men, including your old friend, Vannevar Bush, have said on the budget that the problem is essentially the old question of the unification of the services, the elimination of duplication, the agreement upon a strategic plan, and so on. Could you comment on that, and give us your impression of what progress has been made on that?
>
> Answer. Well, as you people, some of you here, you older ones, may know, in 1946 and 1947 I was a great supporter of unification.
>
> I had come back from a war where I had responsibility of commanding all services, dealt with all services, and I thought the day of the separate services was really gone. And I thought we could bring this about. Well, I encountered a very fierce opposition, but I stuck to my guns.
>
> Now, there never was produced a law that, I believe, would have been the best, because there was nothing in that law that give—gave anyone, any one official, the specific job of uncovering all of the possible duplications, making certain that we were—all of our logistics and supply problems were met in the most economical manner.
>
> Now, I think Mr. Bush, Dr. Bush, may be overestimating to some extent the savings that are to be made there. But I still believe they are considerable, and if we could today get rid of service prejudices, to the point of such things as real unification in hospitalization and doctors, in depots where it can be done, and distribution, supply, procurement, a lot of these things, I believe there was—there is a chance to save money.
>
> Now, this, of course, has its limits. After you are purchasing in a certain amount, it doesn't save a great deal to purchase in double that amount except as it eliminates the competitive factor.
>
> If you and I are both trying to get 5,000 blankets, and there is only one factory making blankets on a very limited scale, we would run the price up against ourselves very hurriedly. That kind of thing could be eliminated.
>
> But progress is being made, that is the hopeful part about it. Progress is being made, but is not as fast and it is not as complete, and I certainly hope when I was preaching and praying for unification, which never did take place quite in the form that I thought it should be.
>
> Question. I think the point Dr. Bush was trying to get at, sir, was not the question primarily of procurement, but the question of the philosophy of the Joint Chiefs.
>
> Answer. Yes.
>
> Question. And his charge was that there was a kind of tacit agreement among the Chiefs so that one would not oppose the demands of the other, and you came out not with 1 war plan but with 3 war plans, as he put it.
>
> Answer. Yes. Well, I don't believe that, I don't believe there is three war plans, but I do believe this: That each one, trying to protect very earnestly the, what he believes

should be his own capabilities, and to get the things for him, for example, guided missiles of all kinds, every kind of bomb. They—I believe then that the war plans are not clear enough in fixing responsibility, possibly, and we could do it cheaper there.

The clear implication of this colloquy is simply this: That the President concedes that sayings could be made if we could get rid of prejudices and unnecessary duplications in the three armed services. It is perfectly clear that the President, and the President alone, is in the position to lead the way.

I should now like to insert in the RECORD some excerpts from our committee report on the defense appropriation bill which we are now considering. I would call attention to table I, which gives a summary of appropriations:

TABLE I.—*Summary of appropriations*

Title	Appropriations, 1957	Budget estimates, 1958	Recommended in bill, 1958	Bill compared with— Appropriations, 1957	Bill compared with— Budget estimates, 1958
Title I—Offices of the Secretary of Defense	$14,950,000	$17,175,000	$16,350,000	+$1,400,000	−$825,000
Title II—Interservice activities	649,875,000	687,825,000	682,375,000	+38,500,000	−5,450,000
Title III—Department of the Army	7,572,290,000	8,465,000,000	[1] 7,239,428,000	−332,855,000	−1,225,572,000
Title IV—Department of the Navy	9,989,790,000	10,487,000,000	[2] 9,801,355,000	−188,435,000	−685,645,000
Title V—Department of the Air Force	16,477,625,000	16,471,000,000	15,801,720,000	−675,905,000	−669,280,000
Total	34,698,523,000	36,128,000,000	33,541,225,000	−1,157,298,000	−2,986,775,000

[1] In addition, $400,000,000 to be derived by transfer: $350,000,000 from the Army stock fund and $50,000,000 from the Army industrial fund.
[2] In addition, $190,000,000 to be derived by transfer: $70,000,000 from the Navy industrial fund, $100,000,000 from the Navy stock fund, and $20,000,000 from the Marine Corps stock fund.

I now insert pages 7, 8, 9, and 10 of the report. These pages contain authoritative information in regard to the reductions which we have provided in the bill and obligational and expenditure figures. The figures used exclude previous appropriations and appropriations in the budget for military public works:

REDUCTIONS IN BUDGET

It is to the above background of facts and conditions that the committee gave continued recognition in its consideration of the fiscal 1958 requirements of the Department of Defense, excluding military construction. The inescapable conclusion, however, is that so long as present world conditions prevail, a defense program calling for high level expenditures, but without costly peaks and valleys, will have to be continued.

The total amount of the estimate, $36,193,000,000, contained in the President's budget included $65 million for military construction, Army and Navy Reserve forces. This amount is deleted from the bill and comparative tabulations for the reason that the amount requested exceeded the still outstanding authority. It is understood that a bill to increase and extend this authority is now under consideration. The committee will subsequently consider this item on the basis of authority made available.

The budget estimate, as indicated, in the preceding tabulation, is reduced by $2,586,775,000, and the recommended appropriation of $33,541,225,000 is $1,157,298,000 below the amount appropriated for 1957. Of this total reduction in new obligational and expenditure authority, the amount of $1,996,775,000 represents a direct reduction in the Defense budget, and $590 million is a reduction in funds appropriated in prior years, but currently available to the Department for obligation and expenditure under stock and industrial fund operations. This surplus cash is recommended for transfer to items of appropriation contained in the accompanying bill, and, accordingly, is added to the amount of $33,541,225,000, resulting in total obligational authority for items in the bill of $34,131,225,000, or a net reduction of $1,996,775,000 in the budget estimates.

Although the above amount of $590 million is recommended for transfer to the regularly budgeted items which were considered by the committee it should not be regarded as a paper cut. It is a reduction in that amount in total obligational and expenditure authority requested by the Department for fiscal year 1958. In explanation, it should be stated that these funds, differing from directly appropriated funds only as to purpose and methods by which they are administered, are just as much a part of the Department's financial resources as all other funds which, on the books of the Treasury, are credited to the Department of Defense.

With respect to the direct reduction of $1,996,775,000 in the budget request, two specific amounts, which are parts of this total, should be mentioned.

The first is the reduction of $516 million in the Army request for procurement and production. The President, in his recent message to the House of Representatives on possible reductions in the Federal budget, suggested that this amount which is estimated to remain unobligated as of June 30, 1958, could be considered for deletion. As of March 31, the amount available to the Army for procurement and production during 1957 is $3,421,366,000. Obligations against this amount through March 31 total $884,522,000. Fiscal year 1958 obligations are estimated at $1.5 billion. This would indicate that the Army will not only have adequate financing for this item through fiscal year 1958, but that a sizable unobligated balance will remain even with this large reduction in the budgeted amount of $583 million.

The second item is the amount of $125,741,000 which is deleted from the total request on the assumption that the Federal Republic of Germany will continue to render goods and services in the equivalent amount rendered during 1957. It is understood that negotiations on the extent of German Republic contributions are now in progress. The delay experienced in building up the military forces of the West German Republic necessities continued heavy burdens in that area by our military.

Certain items of reduction in requested new authority are based on additional recoupments, in both 1957 and 1958, resulting from price redeterminations and announced stretchouts of certain programs. Increased unobligated balances over amounts estimated when the 1957 bill was considered, and on the basis of which certain appropriations were recommended for 1957, made further reductions possible.

In effecting these reductions, the committee was particularly cautious in seeking not in the slightest to jeopardize the projected increase in military striking power, in particular, or the national security in general. It is convinced that even when the more or less uncontrollable cost increases of $576 million in 1958 over 1957, subsequently shown, are included, the total of over $45 billion in carryover and new obligational authority is fully adequate for continuation of the planned buildup of our Defense Establishment.

More detailed explanations of reductions effected by the committee are contained in following portions of the report covering the three Services and other activities of the Department.

OBLIGATION SUMMARY

The tabulation on the following page shows in summary form, actual or estimated, the total funds available for obligation for fiscal years 1956, 1957, and recommended for 1958. Amounts for military public works are not included.

The matter of large unobligated balances in the Department of Defense at the end of each fiscal year has been a subject of discussion and analysis during every hearing on the Department's request for funds. Much has been said and written on the subject for many years, and in some instances, unfortunately, by individuals possessing no grasp of the subject. It is, admittedly, a difficult matter to explain to anyone not in constant touch with the workings of the Department of Defense.

It must be borne in mind that procurement activities of the Department are, and must be, continuing in nature. The procurement of aircraft, ships, guided missiles, and hundreds of other major items of equipment cannot, for reasons of efficiency and economy, take cognizance of or be limited to a specific period of time.

The primary reason for large unobligated balances is the practice of full funding of programs. Committee actions on requests of the Department are taken on the basis of programs presented for approval and programs approved. Funds necessary to carry out the approved program are made available through the appropriation procedure.

Although a program has been approved and funded for the procurement of a given number of certain aircraft, the entire number may not be contracted for at the same time, or even during the same fiscal year. The result is an unobligated balance as of June 30. Further, many components of all aircraft, especially the shorter leadtime items, are ordered on a time schedule so that delivery will be phased in as required for installation.

A program is approved for the procurement of a specific number of a certain guided missile. Development and improvement of this missile is constantly going on. A sought-for solution to a technical problem may occur early in the fiscal year, justifying procurement of a certain number of missiles. Unforeseen technical difficulties may preclude the obligation of any appropriated funds by June 30. The result is an unobligated carryover. Aside from this aspect, most missiles contain hundreds of components which must be placed on order at intervals as required for assembly.

It takes several years to build a major combatant vessel. Although the full cost thereof is provided in appropriations, only the cost of the hull may be obligated during the first year. Propulsion equipment, armament, electronics, and subsequent costs for testing, etc., will not be obligated for until the following year or more. The result, again, unobligated balances.

Delays encountered as a result of technical difficulties, preparation of specifications, protracted negotiations with contractors, etc., are also elements which create unobligated balances. The main consideration is the program. The fact that balances, representing a portion of funds appropriated for a program, are on hand as of June 30 does not

mean that the funds are not required to complete that program.

Another point, generally overlooked, is the requirement of law that all obligations must be firm commitments of the Government. Although a contract may have reached the signature stage and there is no question of its validation, it cannot be recorded as a valid obligation until all legal requirements have been met.

The military services each year prepare analyses of their estimated unobligated balances. The total for each activity under each appropriation is broken down into (a) amounts reserved for outstanding commitments for specific programs; (b) amounts required for completion of approved programs, (c) amounts applied to requirements for ensuing year; and (d) unprogrammed amounts. All of these categories are considered by the Office of Secretary of Defense, the Bureau of the Budget, and the committee when requests for each succeeding year are reviewed. What appear to be requests for funds in excess of program requirements are denied, or rescinded.

The matter of unexpended balances needs no discussion since these balances consist of the above-described unobligated balances, plus funds obligated for specific goods and services, the bills for which remained unpaid as of June 30. Funds in amounts equal to obligations incurred are reserved, but remain in the Treasury.

[Millions of dollars]

Fiscal year	Unobligated carryover [1]	New authority	Congressional transfers and rescissions	Reimbursements	Total available	Obligations
1956	11,889	31,893	−766	4,902	47,918	36,000
1957 (estimated)	11,536	34,735	−47	2,535	48,759	38,562
1958 (estimated)	10,017	[2] 34,131		1,278	45,426	39,601

[1] Excludes expired balances.
[2] Includes $590,000,000 to be transferred from stock and industrial funds.

EXPENDITURE SUMMARY

Funds available for expenditure and the actual and estimated expenditures for fiscal years 1956, 1957, and 1958 are given below. Amounts are exclusive of military public works.

The budgeted total expenditures of the Department for the fiscal year ending June 30, 1957, is $36,000 million of which, it was estimated 33,917 would be for functions excluding military public works and items proposed for later transmission to the Congress.

Latest estimates of 1957 expenditures furnished by the Office of Secretary of Defense indicate that total expenditures will approach nearer $38 billion. Most of the increase is due to the higher rate of expenditures for aircraft and guided missiles.

[Millions of dollars]

Fiscal year	Unexpended carryover [1]	New availability	Congressional transfers and rescissions	Total available	Expenditures
1956	42,583	31,932	−2,411	72,104	33,756
1957 (estimated)	35,817	34,784	−795	69,897	[2] 35,917
1958 (estimated)	32,803	34,180		66,983	[3] 35,704

[1] After lapses to Treasury surplus fund.
[2] Based upon latest Department of Defense estimates, reflecting an increase of approximately $2 billion over budget estimates.
[3] Based on budget estimates.

I wish to insert at this point a general statement in regard to the actions of the committee with respect to the Air Force.

Air Force

Total request in this bill	$16,471,000,000
Committee recommendation	15,801,720,000
Reduction in request	669,280,000

The reduction in Air Force estimates are summarized in a few brief statements. I will not discuss these items in detail. Interested Members can find a detailed explanation of the reduction in the committee report beginning on page 65.

First. A $354 million reduction in aircraft and related procurement from a total request of $6,200,000,000, as follows:

(a) A $195,500,000 reduction in the $2,359,700,000 request for spare parts. The total estimate for spare parts has been increasing but the formula on which requirements for such items are based is supposedly decreasing. The committee found that preproduction and development costs carried in the estimate were causing the increase. Accordingly, a reduction has been made in the amount of $175 million. In addition, a $20,500,000 reduction has been made on the basis of reduced flying hours.

(b) Seventy-five million dollars has been cut from the $1,520,500,000 requested for missiles. The Air Force is continuing work on a number of questionable missiles. They are buying what the committee feels are too many of certain types of missiles.

(c) Eighty-three million five hundred thousand dollars has been cut from the $633,500,000 estimate for modification of aircraft. The purpose of this reduction is to check this growing program and force a review.

Second. A $100 million reduction in procurement other than aircraft from a request of $1,225,000,000 to hold this appropriation to the 1957 level or slightly below.

Third. A $12 million reduction in research and development to emphasize the need for economy.

Fourth. A $162,880,000 reduction in operation and maintenance from a requested $4,225,000,000, as follows:

(a) Seventy five million two hundred and fifty-five thousand dollars to reflect a reduction of 500,000 in flying-hour program.

(b) Twenty-one million nine hundred and twenty thousand dollars for the contribution of Western Germany to the support of the Air Force in Germany.

(c) Sixteen million nine hundred and fifty thousand dollars in travel to hold the travel estimate to the 1957 level and in line with the numbers of civilian and military personnel.

(d) Sixteen million dollars for procurement of furniture and the maintenance of housing units that will not be ready as soon as previously programed.

(e) Ten million dollars for major repairs, because the total increase requested appeared excessive.

(f) Two million eight hundred thousand dollars for printing requested on the assumption that certain authority to buy printing along with items of equipment and in the equipment price might not be extended.

(g) Two million dollars reduction in the procurement operating budget to balance the request between other objects of expense and decreasing personnel.

(h) Fourteen million nine hundred and fifty-five thousand dollars in training support to keep the budget for this program in line with the training workload.

(i) Three million dollars in Korean resupply program because the Air Force wanted $7 million to do a job previously done by the Army for $3,500,000.

Fifth. A $38,400,000 reduction in military personnel from a requested $3,840,000,000 to reduce the number of changes in station moves and generally hold down expenses.

Sixth. A $2 million reduction in the $57 million requested for Reserve personnel pay on the basis that the Air Force will not be able to attain the numbers estimated for the Reserve program in 1958. This is still $6 million over the program for 1957.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 30 minutes.

Mr. Chairman, this bill comes to you today after 78 days of hearings, morning and afternoon, by your subcommittee.

The work of that subcommittee is reflected in six volumes of hearings, over 6,200 pages in length, and in the committee report before you, 115 pages long.

The subcommittee has worked long and conscientiously, and I express my appreciation to the majority members of the subcommittee, for their consideration, particularly to the chairman, and to the members of the Navy panel, with whom I personally served; and to our highly competent expert staff, five in number, whose help has been invaluable.

IMPORTANCE OF MILITARY POWER

Mr. Chairman, this bill is in all probability the most important bill that will come before this session of the Congress.

It is vitally important because it provides for the maintenance and development of adequate military power, upon which is dependent not only the

United States of America but the entire free world.

It is this military power, combined with that of our allies, which has maintained peace in the world in recent years.

It is this military power which has compelled the Kremlin to abandon military aggression, at least for the time being, and to resort to other tactics in the field of the cold war.

Military power is language that is understood by any potential enemy today.

Without adequate military power it is impossible to wage peace. No one here, I know, would knowingly jeopardize adequate military power.

DANGER OF JEOPARDIZING MILITARY POWER

This bill is also important because of the fact that it carries $33.5 billion of appropriations, plus another $590 million of transferred funds, or a total of $34.1 billion, and because it deals with requests aggregating $36.1 billion, or about half of the entire Federal budget for 1958.

By reason of its very size it presents on the one hand the opportunity for substantial reductions in the budget figures, and on the other hand the danger that those reductions may be excessive.

Personally, it is my opinion that the reductions recommended by the committee are deeper than they should be.

PROGRESS UNDER SECRETARY WILSON

In view of what has been said, Mr. Chairman, I want to emphasize certain facts in recent history in connection with the consideration of this bill. It is easy to criticise in general terms without supporting facts.

Let us go back to fiscal 1954.

That was the first full year in which Secretary Wilson was in charge of the Department of Defense.

For that year, the budget was reduced by the administration and by the Congress in the amount of $6.3 billions below the figures previously submitted by President Truman.

In the following year, fiscal 1955, a further reduction of $5.3 billion was made. In other words, a total reduction in the budget of $11.6 billions was made in those first 2 years.

That reduction, Mr. Chairman largely made possible the reduction in our annual tax burden of $7.4 billion, now aggregating almost $25 billion, the largest tax reduction in the history of this country.

The request which the Defense Department submitted for fiscal 1958, and which is now before us, is still $2.6 billion below the figures of President Truman for 1954; and it requires only 8.7 percent of our gross national product as compared with 11.2 percent in fiscal 1954.

Furthermore, Mr. Chairman, in the past 4 years very great progress has been made toward efficiency and economy. Military personnel has been reduced to the extent of 775,000 with, of course, tremendously increased fire power all along the line. Civilian personnel has been reduced 400,000—250,000 at home, 150,000 overseas. There is a 5,000 reduction in the budget now before us.

If you will examine the justifications for the increases we have under consideration you will find time and time again that the increase involved is substantially offset by savings that have been effected during the past year in the Department of Defense.

Many of us are interested in the recommendations of the second Hoover Commission. I call your attention to the fact that the record indicates that out of 351 recommendations in reference to the Department of Defense, 320 have been partially or fully implemented.

Every year for the past 4 years I have asked the Department of Defense to submit for the record a summary of the steps taken with a view to bringing about economy and efficiency during the preceding year. You will find reference to them in each of my major statements on this bill on the floor in the last few years. You will find the reports in full in the applicable committee hearings.

This year is no exception to the rule, and if you will look at page 173 of the hearings on the Defense Department you will find 66 pages—66 printed pages—listing steps taken in the direction of economy and efficiency just in the calendar year 1956.

Secretary Wilson modestly states:

> I believe great progress has been made in achieving greater economy and efficiency in the day-by-day operations of the Defense Department. Organizations and procedures throughout the Defense Department have been improved. Obviously, there is always room for further improvement and we are still working on it.

Assistant Secretary McNeil, who, as you know, has served for many years under both Democratic and Republican administrations, puts it this way: "There is a dramatic story in the last few years of improvement in the whole Department of Defense."

But for that dramatic story, Mr. Chairman, the budget before us today would be billions of dollars in excess of what it is.

SECRETARY WILSON

In my opinion, Mr. Chairman, Secretary Wilson is the greatest Secretary of Defense we have had. The country is indebted to him for the great contribution which he has made.

He began life, as we all know, at the bottom of the ladder, rose to be head of the greatest corporation in the world, took over his present position 4 years ago at great financial sacrifice, and has done much to bring the Department toward a businesslike administration from the chaotic conditions which existed when he took over.

UNCONTROLLABLE INCREASES

Mr. Chairman, the budget request for this year is just about a billion and a half dollars in excess of the funds appropriated for the current year. That is an increase of a little under 5 percent.

I want to point out, however, that the budget was submitted in the light of certain important factors which it is necessary to keep in mind.

In the first place, it was submitted in the light of new duties, new obligations, devolving upon the Department, such as the contribution to the civil service retirement fund, the demands of dependent medical care legislation, survivors benefit legislation requirements, and other items summarized on page 13 of the report. These items aggregate $576 million. Here they are:

Cost increases

	1957	1958	Increase
Civil service retirement fund	------	$301	$301
Extra day for civilian pay	------	20	20
Deutschemark support	------	127	127
Payment of claims	$11	15	4
Survivors benefits	68	130	62
Retired pay	515	555	40
Dependent medical care	41	63	22
Total	635	1,211	576

The budget was also submitted in the light of increasing price levels which are estimated for the last 12 months at 4 percent for labor and 6 percent for materials. Incidentally, no provision is made in the budget for price increases in the fiscal year 1958, which are highly probable.

It was also submitted in the light of increasing cost and complexity in weapons and equipment, in this nuclear-supersonic guided-missile atomic-weapon era in which we are living. Each new model, as you know, becomes more expensive than the last.

Referring to this fact, Secretary Thomas pointed out during the course of his testimony that a World War II submarine cost about $5 million whereas today a nuclear submarine costs $45 million. A World War II 5-inch shell cost about $100; a Terrier missile today costs $6,200. A World War II fighter plane cost about $120,000; today a comparable plane costs $1,200,000.

You will find other examples in the committee report at page 12.

Mr. Chairman, I call your attention also to the fact that the initial requests of the three armed services for the fiscal year 1958 were reduced to the extent of $12 billion by the Secretary of Defense and the President before being transmitted to the Congress.

That is perhaps not unusual, but it is certainly evidence of a desire to hold expenditures to the minimum.

OUTLINE OF CONTEMPLATED MILITARY POWER

Now, Mr. Chairman, what does this overall expenditure contemplate in terms of military power for 1958?

Briefly, to give a general outline of the picture, it contemplates a total Regular armed force of 2.8 million men, about the present level, with increased firepower all along the line, and with a combat ratio of 64 percent as compared to 52 percent in December 1952.

It contemplates a Reserve force of 1,049,000 men, an increase of about 63,000 as compared to the force at the end of this fiscal year.

THE ARMY

The Army will have 1 million men. It will have 17 divisions, 2 divisions less than at present, but it will also have an increase in other types of organization, notably in atomic support units. The divisions are to be somewhat smaller, but they will have more overall power and be better suited for modern warfare. Real progress is reported in terms of mobility, communications, Reserve strength, and, of course, firepower.

THE NAVY

The Navy is to have 675,000 men, 983 ships in the active fleet, and about 1,411 ships in the reserve fleet. It will also have something like 10,000 planes in its active inventory. The Navy is moving steadily from a conventional Navy to a nuclear-powered guided-missile Navy. It reports greatly increased cruising range, greatly increased speed, greatly increased firepower, and predicts that it can soon encircle the entire periphery of Russia and reach almost any portion of Russian territory. We have and shall continue to have the greatest seapower in the world.

THE MARINE CORPS

The Marine Corps will remain at 200,000 men with 3 divisions and 3 wings. The divisions are to be slightly reduced in size, but are to have increased firepower. The adoption of the so-called vertical airlift is expected to increase the efficiency of the corps materially.

THE AIR FORCE

The Air Force will have 925,000 regulars, 128 wings in addition to 27 for the Guard and 24 for the Reserve Corps. The figure 128 compares with 98 as of January 1, 1953 and 48 just prior to the Korean war. Planes in many instances are to be increased 50 percent per wing. The overall power of the 128 wings now in contemplation will be considerably greater than that contemplated for the 137 wings which we have previously talked about.

If we add up the active inventories of the planes of the Army, the Navy, and the Air Force, we will find that we have almost 40,000 planes in the active inventory as well as several thousand others in an inactive status.

The record indicates that while we are behind Russia in certain types of planes, primarily those in which Russia is most interested, such as tactical bombers and day fighters, we have marked superiority in other types which are the types that are most necessary for us, such as the strategic bomber, all-weather interceptors, and transports.

General Twining tells us that our relative position is better now than it was expected to be a year ago, and states that we can deliver far greater firepower on more targets than ever before. The record indicates also that if we add United States airpower to allied airpower and compare it to Russian airpower plus captive nation airpower, the balance is heavily on the side of the Free World.

MISSILES

We are spending great sums of money, as we all know, in the missile field. There are many types of them and they are in various stages of research development and operation for all three branches of the services; surface-to-surface, surface-to-air, air-to-air, and air-to-surface.

We have made rapid progress. Dr. Furnas, the Assistant Secretary of Defense in charge of Research and Development states clearly on the record that in his opinion America is well ahead of Russia in the ballistic missile field, both with reference to the IRBM and the ICBM.

CONTINENTAL DEFENSE

Continental defense is also calling for very large expenditure and that expenditure is increasing. It is vital, however, and is proceeding according to schedule. It is proceeding as rapidly as possible under existing conditions.

FORCE GOALS

Generally speaking, we have been building and are maintaining tremendous offensive and defensive military power.

That power is vital in view of the fact that Russia has an army three times the size of our own, the second largest navy in the world, including over 400 submarines and an air force which is powerful and steadily increasing in strength.

The force goals recommended are designed to give us a military power capable of dealing with the initial phases of any type of war, global or otherwise; a military power providing an ample base for rapid expansion when necessary; a military power which can play its part in a balanced allied force representing the Free World, a military power which we can carry over the years without undermining our economic strength.

The force goals recommended are considered adequate. This seems to be the unanimous opinion of all concerned.

Secretary Wilson had this to say in this connection:

> We have now and through this proposed budget will continue to have, the military power required for the support of our foreign policy and for the security of the United States as well as our responsibility to the Free World as a whole.

I also quote Admiral Radford, who stated:

> I feel that we have a Military Establishment today which is responsive to almost any situation that can be foreseen and within a reasonable period of time we can take care of anything. We are respected. Our power is respected.

Under leave to extend my remarks, I include at this point in the RECORD a table entitled "Military Personnel Strengths":

Military personnel strengths (excluding reimbursables)

[In thousands]

	Actual end strengths		Projected					
			End strengths			Average strengths		
			June 30, 1957			Fiscal year 1957		
	June 30, 1956	Dec. 31, 1956	Approved fiscal year 1957 funding	Revised in fiscal year 1958 estimates	June 30, 1958	Approved fiscal year 1957 funding	Revised in fiscal year 1958 estimates	Fiscal year 1958
Department of Defense:								
Officers	340.5	348.7	349.9	345.3	345.9	352.4	348.8	344.6
Enlisted	2,445.0	2,418.0	2,502.9	2,438.8	2,442.4	2,465.8	2,429.4	2,437.2
Subtotal	2,794.5	2,766.7	2,852.8	2,784.1	2,788.3	2,818.3	2,778.2	2,781.8
Officer candidates	11.1	13.0	12.4	11.6	11.7	13.5	13.6	12.5
Total	2,805.6	2,779.7	2,865.2	2,795.7	2,800.0	2,831.8	2,791.8	2,794.3
Total personnel by service:								
Army, excluding cadets	1,023.2	988.9	1,043.5	998.2	998.0	1,031.8	997.5	994.5
Cadets	1.7	2.4	1.8	1.8	2.0	2.3	2.3	2.5
Total Army	1,024.9	991.3	1,045.3	1,000.0	1,000.0	1,034.1	999.8	997.0
Navy, excluding midshipmen, cadets, and OCS	663.8	665.6	672.0	668.5	668.5	664.5	668.2	660.0
NAVCADS	2.5	2.3	1.6	1.8	1.7	1.8	2.1	1.8
Midshipmen	3.6	3.8	3.5	3.6	3.5	3.6	3.7	3.6
OCS and AOCS	(1)	1.4	1.1	1.1	1.3	2.0	2.2	1.5
Total, Navy	669.9	673.1	678.2	675.0	675.0	671.9	676.2	675.9
Marine Corps	200.8	200.8	205.7	200.0	200.0	205.0	200.9	200.0
Air Force, excluding aviation cadets and cadets	906.7	911.4	931.6	917.4	921.8	917.0	911.6	918.3
Aviation cadets	3.0	2.6	3.9	2.8	2.5	3.3	2.8	2.4
Cadets	.3	.5	.5	.5	.7	.5	.5	.7
Total, Air Force	910.0	914.5	936.0	920.7	925.0	920.8	914.9	921.4

[1] OCS and AOCS are included in the Navy enlisted strength on June 30, 1956, but are shown separately after that date.

Mr. BALDWIN. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from California.

Mr. BALDWIN. The gentleman mentioned a few minutes ago the discrepancy between the number of submarines in this country and the number possessed by Russia. Can the gentleman inform the House as to whether the budget reductions made by the committee will slow down the submarine construction program over the one proposed in the budget?

Mr. WIGGLESWORTH. I certainly hope not. I am confident that they will not.

Mr. COLE. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from New York.

Mr. COLE. Early in the gentleman's statement he indicated some concern that there were some areas in the

recommendations of the Committee on Appropriations where it thought the cuts were perhaps too deep. Is the gentleman in a position to advise us at this time what those areas are?

Mr. WIGGLESWORTH. If the gentleman will permit me to complete my statement, I shall discuss that a little before I conclude.

Mr. COLE. I thank the gentleman.

DOLLARS AND CENTS

Mr. WIGGLESWORTH. Turning now to the matter of dollars and cents, Mr. Chairman, I call attention to the two tables in the committee report appearing on page 8 and page 10 of the report. You will see in those two tables the picture presented in terms of availability, in terms of unexpended balances, and in terms of unobligated balances.

OBLIGATION SUMMARY

The tabulation below shows in summary form, actual or estimated, the total funds available for obligation for fiscal years 1956, 1957, and recommended for 1958. Amounts for military public works are not included.

[Millions of dollars]

Fiscal year	Unobligated carry-over [1]	New authority	Congressional transfers and rescissions	Reimbursements	Total available	Obligations
1956	11,889	31,893	−766	4,902	47,918	36,000
1957 (estimated)	11,536	34,735	−47	2,535	48,759	38,562
1958 (estimated)	10,107	[2] 34,131		1,278	45,426	39,601

[1] Excludes expired balances.
[2] Includes $590,000,000 to be transferred from stock and industrial funds.

EXPENDITURE SUMMARY

Funds available for expenditure and the actual and estimated expenditures for fiscal years 1956, 1957 and 1958 are given below. Amounts are exclusive of military public works.

The budgeted total expenditures of the Department for the fiscal year ending June 30, 1957, is $36 billion, of which, it was estimated, 33,917 would be for functions excluding military public works and items proposed for later transmission to the Congress.

Latest estimates of 1957 expenditures furnished by the Office of Secretary of Defense indicate that total expenditures will approach nearer $38 billion. Most of the increase is due to the higher rate of expenditures for aircraft and guided missiles.

[Millions of dollars]

Fiscal year	Unexpended carry-over [1]	New availability	Congressional transfers and rescissions	Total available	Expenditures
1956	42,583	31,932	−2,411	72,104	33,765
1957 (estimated)	35,817	34,784	−795	69,807	[2] 35,917
1958 (estimated)	32,803	34,180		66,983	[3] 35,704

[1] After lapses to Treasury surplus fund.
[2] Based upon latest Department of Defense estimates, reflecting an increase of approximately $2 billion over budget estimates.
[3] Based on budget estimates.

You will note that based on the original budget request there would be available for expenditure in fiscal 1958 the sum of $66.9 billion, or about $3 billion less than available in the current fiscal year; and available for obligation the sum of $45.4 billion or $3.3 billion less than available in the current year.

I may mention in this connection also that the record indicates that the unexpended balance figure has been reduced since 1953 by about $24 billion, and that the unobligated balance figure in the same period of time has been pulled down about $7 billion.

COMMITTEE ACTION

The action recommended by the subcommittee as a whole appears in a brief table entitled "Summary of Appropriations" on page 2 of the committee report, which under leave to extend my remarks, I include at this point in the RECORD:

Summary of appropriations

[Thousands of dollars]

Title	Appropriations, 1957	Budget estimates, 1958	Recommended in bill, 1958	Bill compared with— Appropriations, 1957	Bill compared with— Budget estimates, 1958
Title I—Office of the Secretary of Defense	14,950	17,175	16,350	+1,400	−825
Title II—Interservice activities	643,875	687,825	682,375	+38,500	−5,450
Title III—Department of the Army	7,572,280	8,465,000	[1] 7,239,425	−332,855	−1,225,575
Title IV—Department of the Navy	9,989,703	10,487,000	[2] 9,801,355	−188,438	−685,645
Title V—Department of the Air Force	16,477,625	16,471,000	15,801,720	−675,905	−669,280
Total	34,698,523	36,128,000	33,541,225	−1,157,298	−2,586,775

[1] In addition, $400 million to be derived by transfer: $350 million from the Army stock fund and $50 million from the Army industrial fund.
[2] In addition, $190 million to be derived by transfer: $70 million from the Navy industrial fund, $100 million from the Navy stock fund, and $20 million from the Marine Corps stock fund.

You will note that it is indicated that budget requests amounting to $36,128,000,000 if the recommendations are approved will be reduced to $33,541,000,000, giving a total reduction of $2,586,000,000, and a reduction below the current year level of $1,157,000,000.

It should be emphasized, however, as I view the overall picture that about $1,433,000,000 of the total reduction of $2,586,000,000 will have little or no effect on the military operations of the armed services.

A reduction of $516 million in Army production and procurement has been effected in accordance with the suggestion of the President, because it is not needed for obligation until fiscal 1959.

A reduction of $590 million has been effected by substituting excess funds in stock funds and industrial funds of the Army, Navy and Marine Corps for new funds called for by the budget.

A reduction of about $200 million has been effected as the result of savings and unobligated balances in the Navy Department.

A reduction of $127 million has been effected, on the assumption that the equivalent sum in deutschemarks will be made available as heretofore for the support of our Armed Forces overseas by the German Government.

Those four reductions aggragate $1,433,000,000 leaving a balance in cuts, what I might term real cuts, of about $1,150,000,000 or a little more.

That balance, as I view the picture, is applied roughly: $200 million to the Army, $300 million or perhaps a little more, to the Navy, and $650 million to the Air Force.

Mr. Chairman, so far as I know there is no objection, or very little objection on the part of the Department of Defense, to the four items aggregating $1,433,000,000.

Objection has been raised to a large portion of the $1,150,000,000.

The latter sum percentagewise amounts to an overall cut of just about 3 percent. It is not great from a percentage angle. But, $1 billion is $1 billion after all.

As I have already stated, I personally believe that the cuts that have been made are deeper than they should be, particularly in the light of rising costs to be anticipated in fiscal year 1958.

Without going into detail at this time, I might mention by way of example as far as the Army is concerned, a reduction of $254 million in its request for operation and maintenance, of which $104 million is a deutschemark reduction. I am sure the able gentleman from Michigan [Mr. FORD], chairman of the Army panel, will go into that item at the proper time.

I might also mention with respect to the Navy that there appear to be 2 or 3 cuts which may prove to be too heavy, and which might well justify, if assumptions are not realized, a request for supplemental funds.

I have been particularly concerned about the Air Force, because under the recommendations of the committee the Air Force is to receive $676 million less for 1958 than it received in 1957. The greatest reduction recommended is in respect to aircraft and related procurement in the amount of $354 million, resulting in a reduction as compared with the current fiscal year of over $1 billion. This appropriation deals with planes, with missiles, with spare parts, and with their modernization.

I do not think the recommendation can be justified, particularly as it comes on top of two other heavy Air Force cuts, $100 million in respect to procurement other than aircraft, and $162.8 million in respect to operations and maintenance.

Mr. Chairman, I think that is about all I shall say on the bill at this time.

I repeat that I know we all want to make all possible cuts, provided those cuts can be made safely. I know we all agree that it would be a tragedy to make any cut which would impair the fighting power of the Armed Forces at this critical period in the history of the world. I know also, Mr. Chairman, that there is no Member of this House who would knowingly contribute to that end.

The CHAIRMAN. The gentleman from Massachusetts has consumed 38 minutes.

Mr. MAHON. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. SHEPPARD], Chairman of the Navy Panel.

Mr. SHEPPARD. Mr. Chairman, I want at this time to pay my compliments to my fellow members of the Defense Department Subcommittee with whom I have worked for many years. In particular do I want to express my appreciation to the members of the Navy panel of the subcommittee. They have been most diligent in their efforts in formulating this bill and I am deeply appreciative of their cooperation. I have worked with them for many years and can say that we have a most harmonious relationship and enjoy a relaxation in our work which is made possible only by the confidence which we have in each other.

Mr. Chairman, may I express appreciation for myself and my colleagues on the Navy panel to the former Assistant Secretary of the Navy for financial management, the Honorable William B. Franke. As Assistant Secretary, Mr. Franke was also the Comptroller of the Navy. His consistent attendance at our hearings, his ready availability combined with his intimate and detailed knowledge of the Navy. Its budget and its problems, were valuable assets to us in our deliberations. He has set an example for his successor and for those who occupy similar positions in our Government that is worthy of emulation. We shall miss him as the Comptroller, but look forward to working with him as the Under Secretary of the Navy.

The budget estimates for the Navy as considered by the committee total $10,487,000,000. The committee recommends $9,801,355,000, a reduction of $685,645,000. This is $188,438,000 less than the funds appropriated for fiscal year 1957.

The total reduction of $685,645,000 is made up of three major items: First, $190 million is derived from the transfer of excess funds from the Navy and Marine Corps stock funds and the Naval Industrial Fund to the appropriation for military personnel, Navy; second $400 million has been deleted from major procurement estimates; third, $95,645,000 has been deleted from estimates for annual operating funds and minor procurement. Of course the details of these reductions will be found in the committee report, starting on page 42.

The major procurement reduction of $400 million is comprised of the following: First, $80 million in the request for Marine Corps procurement largely because of unrealistic unobligated balances; second, $120 million from aircraft and related procurement based on savings in future repricing determinations in the various programs and by directing the Navy to make an earlier decision on which of two allweather fighter aircraft—F8U3 or F4H1—it shall place in production; third, a reduction of $120 million in the shipbuilding and conversion request based on a $40 million reduction because of savings in prior year programs as a result of contracts let since the formulation of budget estimates, $60 million because of future savings through repricing determinations, a $2 million reduction in administrative expenses and $18 million through the deletion of the request for the conversion of an existing ship to a seaplane tender, and fourth, a reduction of $80 million in the procurement program for ordnance and ammunition largely because of a large, unrealistic unobligated balance and the fact that reimbursement from the sale of shelf items to MDAP countries are not included in this budget estimate. It is estimated that some $10 million of these funds will be available to apply to the regular ordnance procurement program.

Now may I point out to you some of the items which this bill does include. Funds contained therein will provide for the operation of an active fleet at an approximate level strength of 983 active ships.

Operating aircraft will number approximately 11,200 of which slightly less than 10,000 will be in daily operational status. This strength is approximately equal to fiscal year 1957 but contains a larger number of modern, supersonic aircraft. The bill provides for the procurement for approximately 1,200 aircraft.

The funds will provide for the construction of 19 new ships and 11 major conversions. Included are a nuclear propelled attack carrier of the Forrestal class, 5 guided missile destroyers, 4 nuclear submarines, including 3 with guided missile launching capabilities. Included in the conversions are one attack carrier and a guided missile cruiser.

I would like to comment briefly on two committee actions on the shipbuilding appropriation request. The request of the Navy for the construction of a nuclear-powered attack carrier has been approved. As is stated in the committee report, this carrier will be a major step forward in the operation of combatant surface ships. Due to its unique propulsion the carrier will be able to operate at high speeds for long periods of time. It will represent a tremendous advance in the development of nuclear propulsion and in the striking power of the fleet.

I must emphasize, however, that this must be regarded as a new venture into the field of combatant surface ships. No other such ship has been built. The Navy and the Atomic Energy Commission have been more than successful in the adaptation of nuclear propulsion to submarines. There is no reason to doubt but what they will meet with equal success in the adaptation of this propulsion to surface craft, but until they do this must be regarded as a prototype vessel. Therefore, in approving these funds it should be clearly understood by the Navy and the Congress that the committee is not approving the entire program of the Navy for 5 additional nuclear-powered carriers in the next preceding 5 years. It is the desire of the committee that requests for funds for these carriers be withheld until such time as the ability of the Navy and the shipbuilding industry to produce such an acceptable ship in an efficient and economical manner has been more clearly demonstrated. In other words, let us see where we are going before we waste money trying to get there.

The committee has deleted funds for the conversion of an existing ship to a seaplane tender. The primary purpose of this ship is to tend the large seaplanes, such as the P6M, better known as the Seamaster. This conversion involves a rather radical change in the accommodations within the ship and in its external configuration. As you know, the Navy has experienced some difficulty with the Seamaster program. I am certain that time will prove the feasibility of this plane, but as yet that time has not come. The committee believes that this ship should be stricken from the shipbuilding program until the Navy has more basic data with reference to the large seaplanes, especially the F6M and the other new planes which have been funded in the present budget.

Now let me turn to a problem which has been a concern for many years, the submarine threat to our control of the seas. I wish that every member of the House could have been privileged to have attended the top-secret hearing on our antisubmarine warfare capabilities which the Navy panel had during our deliberations on this bill. Security prevents my divulging the contents of these hearings on the floor of the House, but I can assure you that your Navy and your Defense Department are making rapid strides in containing and destroying this threat to our control of the seas. If I might quote the words of the Chief of Naval Operations as they apply to research and development activities:

> We also are pushing harder our antisubmarine warfare research and development than we otherwise would. That is probably the greatest thing. We are putting everything we can into getting all the scientists and everybody that has an idea to develop antisubmarine warfare technique.

Another major feature of the antisubmarine warfare effort is in the field of ordnance. The program approved by the committee for fiscal year 1958 will provide for the introduction of several new weapons systems to the fleet for antisubmarine warfare. Advances have

been made in antisubmarine warfare ammunition and weapons which can be used against the modern submarines of any potential enemy, and these items are now being introduced into the fleet. This program includes funds for the purchase of 4 new types of torpedoes, 3 of which can be launched from surface vessels. One of these three is also a submarine-launched torpedo. All of these new, high-performance torpedoes have a basic antisubmarine mission. Provision has also been made for the first increment of a program to outfit 50 active fleet destroyers with a new antisubmarine weapons system. This will increase the potential of the active fleet destroyers greatly beyond that which they now enjoy. Funds in this bill also provide for the purchase of four new types of mines. One of these is ready for production and three more for final evaluation. All of these can be used for antisubmarine purposes. Funds in this bill will allow these new mines to be phased into service use.

The ships in the program approved by this bill will greatly improve the Navy's antisubmarine warfare capability. Practically every ship in this program will have a strong antisubmarine warfare capability. The three heavy cruisers being converted will have long-range sonar and antisubmarine weapons. The guided-missile destroyers and submarines will have greatly improved submarine detection and destruction equipment. Of course the carriers, with their modern planes to seek out and destroy submarines, submarine planes, and to assist in hunter-killer operations, remain one of our most valuable assets in this field.

You will be interested in the statement Rear Adm. F. D. Warder, Director of the Underseas Warfare Division, Office of the Chief of Naval Operations made to the Committee, with which I am in accord. He said:

> Today we believe we can meet the challenge of the Soviet submarine fleet in contesting our control of the seas. We are devoting great effort in research and development to insure that we retain this capability for the future.

Such efforts must be continued and can be continued quite adequately within the funds appropriated in this bill.

The position of the Navy in our military posture is unique. Through the Marine Corps it must be prepared to fight on the ground and in amphibious operations. Through Naval aviation it must be prepared to fight in the air and to assist our Air Force when required to do so. Yet, with it all, it must be primarily prepared to maintain our control of the seas.

It must be ready to play its part in the defense of this country and in the projection of our military power, in coordination with the other services, throughout this world wherever it is necessary for the protection of our Nation.

It must be prepared to play its part in the so-called total war—on land, on the sea and in the air. At the same time it must be prepared to maintain its essential position for the so-called small or limited war.

Needless to say it must continue to act in support of our foreign policy as it has been called upon to do on many occasions in the past. The recent actions of the Sixth Fleet in the Mediterranean area continue to clearly demonstrate the capability of the Navy in this respect.

These diversified objectives must be met if the Navy is to portray its proper role in this Nation's defense efforts. It can be met only by a balanced seapower program, capable of employing the latest nuclear, guided missile and other technological developments in successful operation against an enemy no matter where he might be.

No single portion of the Navy's program can be emphasized at the expense of another. All elements must be in proper balance. It is as important that the Navy have the proper number of amphibious craft as it is that they have the proper number of carriers. It is as important that submarines be modern, well equipped and operated in the proper manner as it is that they have the most modern supersonic airplanes flying in the fleet.

Failure to maintain this balanced seapower can only lead to formulation of ineffectual naval power completely incapable of realizing the objectives which must be attained if this Nation and the free world are to continue to exist.

This Free World of which we speak is actually a large oceanic confederation, tied together through lifelines maintained on the oceans of this world. The raw materials which keep the industrial heart of this Nation running move to a large extent over our sea lines of communication. If this country and the Free World are to survive we must maintain supremacy of the seas. It is the primary mission of our Navy to control these seas.

The United States has not been alone in recognizing the need for strong sea power. One of the major changes in the military posture of the various countries of this world has been the unprecedented efforts the Soviet Union has made since World War II to build up its Navy. It stands today as the chief threat to our control of the seas. I believe that the bill before you will provide funds for a Navy capable of maintaining our supremacy of the seas. Future budget submissions must continue to make provisions for such a Navy. I do not think I need to reiterate to you that supremacy of this country on the seas as well as in the air and on the land be maintained.

Mr. Chairman, our Armed Forces exist today primarily as a power for peace.

The first Secretary of Defense, the Honorable James V. Forrestal, once said:

> There can be no question, however, that the maintenance of well balanced and effective sea-air power vested in the United States is the most potent guaranty of world peace that can be provided.

I echo those words to you today. Such power combining, as it does, the capabilities of our Army, Navy, and Air Force all with the blessings of Almighty God, whose desire for peace transcends even ours, combine to give this Nation the greatest guaranty for world peace that can be provided. Such a guaranty will exist only so long as we continue to place our trust in God and do our part by providing military forces capable of maintaining supremacy in the air, on the land and on and under the seas.

Mr. HOFFMAN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Fifty-four Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 85]

Addonizio	Fino	Nicholson
Albert	Flynt	O'Brien, N. Y.
Allen, Ill.	Fogarty	O'Neill
Andresen, August H.	Frelinghuysen	Passman
Anfuso	Garmatz	Patterson
Arends	Gordon	Philbin
Ashley	Green, Oreg.	Pilcher
Ayres	Green, Pa.	Pillion
Barrett	Griffin	Polk
Bass, N. H.	Gubser	Porter
Baumhart	Halleck	Powell
Beamer	Healey	Preston
Belcher	Hemphill	Prouty
Betts	Hillings	Rabaut
Blitch	Hoeven	Rains
Bolling, Mo.	Holifield	Reece, Tenn.
Bonner	Holland	Robeson, Va.
Bowler	Holtzman	Robsion, Ky.
Boykin	Horan	Rodino
Bray	Jackson	Sadlak
Buckley	James	St. George
Byrne, Pa.	Jenkins	Saylor
Carnahan	Jennings	Scherer
Carrigg	Jones, Ala.	Schwengel
Celler	Kearney	Scott, Pa.
Chelf	Kearns	Seely-Brown
Chiperfield	Kelly, N. Y.	Shelley
Christopher	Kilburn	Sikes
Chudoff	Kirwan	Siler
Clark	Kitchin	Simpson, Pa.
Coad	Kluczynski	Smith, Calif.
Cooley	Knutson	Smith, Va.
Coudert	Lesinski	Spence
Davis, Tenn.	Lipscomb	Springer
Dawson, Ill.	McCulloch	Steed
Dellay	McGovern	Sullivan
Dies	McIntire	Teague, Tex.
Diggs	Mason	Teller
Dollinger	May	Thomson, Wyo.
Dorn, N. Y.	Miller, Md.	Thornberry
Edmondson	Miller, Nebr.	Tollefson
Elliott	Miller, N. Y.	Watts
Fallon	Morano	Whitener
Farbstein	Morgan	Wilson, Ind.
Fascell	Morrison	Wolverton
Feighan	Multer	Zelenko

Accordingly the Committee rose; and the Speaker pro tempore having resumed the chair, Mr. KEOGH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 7665, and finding itself without a quorum, he had directed the roll to be called, when 286 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. BALDWIN. Mr. Chairman, will the gentleman yield?

Mr. SHEPPARD. I yield to the gentleman from California.

Mr. BALDWIN. My question involves the Pacific Fleet. On page 56 of the committee report there are four sentences as follows:

> Another major problem of concern to the Committee is the matter of fleet maintenance. As reported by the Pacific and Atlantic Fleet, the material condition of ships in these range from barely satisfactory to good. The trend of unsatisfactory condition is increasing. Already, the overall condition of amphibious ships in the Pacific Fleet is termed "barely satisfactory."

This implies that the Pacific Fleet is in worse condition than the other fleet. Has the committee taken any steps to see that this fleet will be in a similar state of readiness as the other fleets we have?

Mr. SHEPPARD. Answering the gentleman's question, the first assumption is correct, some elements of the Pacific Fleet are in less desirable condition than is true of the Atlantic Fleet. We have emphasized the fact in our report and in the hearings with the Navy that we want those ships brought into an adequate position as rapidly as possible and it is our understanding they are going to comply.

Mr. BALDWIN. I thank the gentleman.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 45 minutes to the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. Mr. Chairman, at the outset I would like to comment on some of the statements made by our committee chairman, the gentleman from Texas [Mr. MAHON], with whom I first started serving on the Military Appropriations Subcommittee involving the Army and Navy in 1946. Neither he nor I nor any member of this committee makes any claim to knowing everything. We do not claim to see all, we do not claim to know all, and certainly we do not hear all. We do realize that each of us has our own individual responsibility as a Member of the House of Representatives, and particularly as a member of the Committee on Appropriations dealing with funds for the Defense Department.

DUTIES AND RESPONSIBILITIES

We realize, too, that the President and the Secretary of Defense and all the secretaries and the military officers have their duties and responsibilities which we expect them to accept and fulfill just as we have our duties and responsibilities which we ourselves must accept and fulfill. But, one of the fundamental principles upon which this great Republic was founded, a representative republic, was that the control of the military should be under the civilian portion of the Government, especially Congress and for that reason very strong constitutional limitations were placed upon the availability of funds for the military department. We are in a position in between the military and the public. We must see to it that the needs of the defense are fulfilled, and yet we must see to it that the military does not run rampant and that the people, the payers of the taxes, must not be too unnecessarily hurt. That is what is commonly called the control of the purse.

The gentleman from Texas [Mr. MAHON] did point out that military budgets have a habit of going up and up and up. That is true in any administration. And, I can foresee the time, if we continue to develop some of the fields of science that we are now entering, that you may well see in the next few years military defense requests as high as $75 billion and perhaps $100 billion, because a strong national defense is not cheap.

ADMINISTRATION ECONOMY

In spite of the fact that this has been a $36-billion request presented to us, through the President, through the Bureau of the Budget, and through his budget message, had it not been for the great economies which have been achieved in the last 4 years under this administration and under Secretary of Defense Wilson and those working with and under him, you might well have been here today faced with a request for as much as $45 billion. These economies have been recognized by all of the members of the committee and every one of the witnesses who have come before us has received very high praise from them.

LOOKING BACK

Now, we can all look back. I can remember a lot of things, looking back. As a matter of fact, I can recall that in 1954, just about now or maybe a little later in the year, we were considering the first request which came to us under the Republican administration. We did a pretty good job whittling on that. Of course, the funds had been requested in President Truman's last budget request. We cut that quite a few billion dollars, and then we even reduced President Eisenhower's revised request by $1.3 billion. There are some people who are now going pretty strong for economy who at that time wanted to increase that first budget in 1954 from $1.5 billion to $2 billion. And, I can recall last year there was a move on—and it was accomplished—to force upon the Defense Department $900 million for which they had made no request. Then we can look a little further back to the pre-Korea days and remember that the Congress of the United States provided funds for an increase from 48 to a 70-wing Air Force, and the funds for that increase were frozen. Hindsight is always better than foresight, but all the way through I believe the committee has done a very fair and well-reasoned job with the task we had before us.

BILLION DOLLARS

Now, I am going to make a little different presentation than those normally seen in the House. I suppose some of you have seen this stack here, this bundle. Now, if those were $1,000 bills, which they are not, that stack, that little package there, would represent $1 million. That would be 1,000 thousand-dollar bills. That is only $1 million. This stack is about 8 inches high. We are talking about a lot of money, and maybe this will make you understand just a little bit what we are talking about. A billion dollars is one thousand million. That would make a stack of thousand-dollar bills right at 8,000 inches high. That is 666 feet. The Washington Monument, as is shown on this chart, is 555 feet. So just $1 billion would make a stack of thousand-dollar bills 111 feet higher than the Washington Monument. What we are talking about here are 34 stacks of $1,000 bills such as I have described.

If you want to go just a little further in the realm of mathematics, just figure how many $100 E-bonds the taxpayers are going to have to buy just to provide for 1 year's request for national defense.

The next chart shows in a pictorial way a comparison of the breakout of the military forces. You will notice that we have provided for the Air Force $15,801,000,000 and a military strength of 921,400. Next, we have provided for the Navy $9,801,000,000, for a total strength of 875,900 of which 200,000 are United States marines. And third, the Army is provided with $7,239,000,000, with a military strength of just under 1 million, namely: 997,000 men.

BIG BUSINESS

The Department of Defense is the biggest business in all the world. We are now talking funds which you can roughly break it out this way. About one-third of what we are providing goes for military pay and allowances. About one-third goes for what we call hardware. It goes for planes, tanks, guns, missiles, and so forth. The other third goes to operate and maintain the various bases we have in the services, including civilian pay, water, lights, fuel, paint. The very items required to maintain a municipality and a home.

This next chart shows how widespread we are. Throughout the world we are operating over 1,000 bases—1,068 bases ranging all the way from a small radar outpost or an early warning outpost on up to your gigantic bases and depots involving thousands upon thousands of acres. Seven hundred and thirty-three of those bases are here in continental United States. The remainder, 335, are outside.

Here, on this chart, you see what you are getting into in the way of expenditures, here is what the military is operating. With these funds they are operating 48,000 airplanes of various sizes, shapes, and descriptions all the way from a little puddle jumper up to the newest and latest B-52 bombers.

You are paying for the operation of nearly a million—780,000 trucks, cars, tanks, and jeeps—and just under 3,000 ships. And they are not all in the Navy. The Army operates a few vessels themselves.

FUEL COST

Let us take just the sheer cost of fuel. The consumption is tremendous. Every minute of every day there are at least 1,000 military planes in the air upon some kind of a mission. It may be on an alert; it may be on a test flight; it may be on training; it may be on transport; it may be on any one of a number of missions. But every minute of every hour a thousand planes are in the air. One of our newest and latest jet engines, just one of them in 10 minutes consumes more fuel than the average 8-cylinder automobile consumes in a year.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I must yield to my genial chairman.

Mr. MAHON. The gentleman is making a most unusual and fascinating presentation. In connection with some of the figures the gentleman is giving, I got some figures today which I think are of

interest about aircraft. Last year the takeoffs and landings of all American aircraft, civilian and military, came to a grand total in excess of 55 million. Considerably more than one-half of the takeoffs and landings were of military aircraft. I thought that might be an interesting contribution to the figures the gentleman gave.

Mr. SCRIVNER. I thank the gentleman for his contribution.

But, to proceed with the subject of fuel cost, the cost of fuel and oil alone is fantastic. That is why we express many times the necessity for cutting down to the barest possible minimum the matter of flying hours. For fuel and oil only for a B-52 the cost is $330 an hour. For the B-36 it is $272. For the B-47 it is $198 an hour. For the new jet tanker it is nearly $250 an hour. These costs are just for fuel and oil alone. For other planes, refer to the table on page 1164, part 1, Department of Defense hearings.

This chart shows the 1956 figures. You can see here that each year we are called upon to procure right out $1 billion worth of fuel; that is, a thousand million dollars' worth of fuel, or 220 million barrels.

I said a minute ago that our military operation is the biggest business in the world. We have built, as you will see from this chart, and we maintain, 51,000 miles of roads and streets. That is enough pavement to take you twice around the world. We have built and we maintain 4,500 miles of runway 150 to 250 feet wide. We operate over 12,000 miles of railroad. That is halfway around the world. The military communications alone cover 191,000 miles, 7⅔ times around the world. Yes; this is big business, and the bigger it is the more opportunity there is for economy and good management.

UTILITIES USED

The electric-light bill alone is a tremendous thing. To operate and maintain and provide power for all of these more than a thousand bases and all of the operations thereon we have consumed over 6 billion kilowatt-hours. The water consumption itself is a billion gallons a day, more than New York City, as shown by this chart before you.

GROCERY BILL

The grocery bill to keep these men fed, and they are the best fed in all the world, is $650 million. This next chart gives you an idea where those millions go. Listen to some of these figures. If the housewives think they have a shopping problem to take care of their families, look at what, among many other items, Uncle Sam has to buy to take care of his 3 million: 386 million pounds of flour, 300 million pounds of beef, 107 million pounds of chicken, 68 million pounds of frozen vegetables, 60 million pounds of coffee, and it is all good to the last drop, 24 million pounds of frozen fruits, and 12 million pounds of frozen juices.

The defense business is big business. It is the biggest business in all of the world.

On the corner of the committee table is a stack of 6 volumes of hearings, 7,000 pages. As the gentleman from Texas [Mr. MAHON] told you a while ago, we started our hearings early in January starting at 10 o'clock in the morning and running until 4:30 and 5 o'clock every evening up to about 10 days ago. We had hundreds of military and civilian witnesses before us. But, almost half of the testimony is not printed and properly not printed. As a matter of fact, in these 7,000 pages there is far more information than we should ever be called upon to print. It certainly would be most helpful for us if the Soviet legislative body would hold hearings and then print them for us to read so that we could know everything that they plan to do just as we put the information here in our hearings. It would be helpful if our news reporters could listen to their debates, just as representatives of the Russian press can do here. We have cut it down some for security reasons. However, there is still too much printed.

Of course, I am sure that all of the Members here on the floor and elsewhere realize that it is never pleasant for a Member of the House to find himself at variance in his views with his President, particularly when that President is of his own political party. But, the conclusions I have reached on this bill after these months of hearings and after much discussion I have reached just as honestly and conscientiously as he arrived at his conclusions.

As much as I admire President Eisenhower, I do not believe, I cannot believe, that he has any greater love of country or any greater concern over its security than I do.

All of the conclusions reached by this committee were not unanimous. I had differing views from some of the other Members. But, after we sat down and argued back and forth, and finally came to a conclusion, I approved of the report which the staff and the members of the committee have prepared. It is 100 pages long and one of the most complete and concise reports that this committee has ever furnished to the House of Representatives. We have put our finger on each one of the reductions which we made and the reasons why they were made. I differed, for instance, with the gentleman from Texas. He was stressing the fact that there were $71 billion or $76 billion available for expenditures as soon as this bill is passed. Expenditure is not the important item. It is the amount of obligations and unobligated funds. If you will look at page 8, you will see what I am talking about in the way of unobligated funds. In other words, it is money for which there has been no contract made. Those carryover unobligated balances since the Korean war have been big. They have been cut down and cut down. There is about a billion dollars' decrease in this unobligated balance, or there will be by the end of 1958. We felt that it should be still smaller because they will have $10 billion; that is, ten thousand million dollars of unobligated funds with which they can do many things if they find themselves running short.

A-POWERED CARRIER

Personally I felt that, in view of the glowing predictions of the capabilities of the admittedly experimental—page 55, report—A-powered carrier, it might be well if the Navy would forego completion of the conventional powered carrier authorized a year ago, for which the blueprints are not yet complete and use those funds if they wanted an A-carrier. Personally, I would rather delay construction a year or so and have the reputedly superlative atom-powered carrier which would be with the fleet for 30 years, rather than an already obsolete though new conventional powered carrier and at the same time save two hundred and fifty to three hundred million dollars. My view did not prevail. The committee provided funds for the A-powered carrier. In fact, I question whether the atom-powered carrier is worth its eventual cost of half a billion dollars.

Since I have been on the Navy Appropriations Subcommittee since 1946, I have watched this carrier program grow. I remember when the first Key West conference was called. That was at a time when there was some discussion about this first big heavy experimental carrier. They said it was going to be a prototype. The Key West conference provided for it. I can remember the then Air Force Chief of Staff, upon his return from Key West, being asked if he had given his approval to the carrier. He said, "No, I was told the Navy would have it." And before that first carrier was even completed, they talked about six carriers. Then one of the Secretaries of the Navy some years ago said that there was going to be 10, that they wanted 1 new carrier each year. Now their goal is 15 supercarriers. In view of that, perhaps, you can understand why I predicted a few moments ago that this defense cost could very well run to $75 billion or $100 billion a year in a few years time.

I have felt that the Navy should do still more on antisubmarine warfare, in view of the constantly repeated story they have been telling us for years about how many more submarines the Russians have than we.

NO AIR FORCE PLANE REDUCTION

I should stress emphatically that there has been no reduction in the funds for Air Force planes. Somebody must have given the President some erroneous advice.

But just to show you that we do not take these things blindly, we do not accept the word of these military men as gospel. They are men of honor. They tell us the truth, but they do not always tell all the truth. In other words, if you get the right question they will give you the honest answer, but they volunteer nothing.

JET TANKERS

The Air Force did not make all the efforts that they should have converting some of our planes, of which we had a great number, into satisfactory tankers, instead of asking for a fleet of new jet tankers. In connection with those jet tankers I have every reason to believe that they were really procured because of the desire on the part of the Air Force to have a fleet of jet transports. On the last page of the Air Force hearings you

will find a statement that will bear out some of the reasons why I believe that that is what was being done. We found that the Navy has done a very good job of converting from their conventional types to fuelers.

The Air Force could have done that and have saved quite a few hundred million dollars.

As a matter of fact they are now experimenting with transforming a B-50, according to a recent issue of Air Force Times.

SPARES

The committee, and myself particularly, have been quite critical for a number of years about the Air Force program of procurement and airplane spares and spare parts. It is hard to control, but now we are coming into a new field of spares and spare parts, guided missiles, which will be even more difficult, but for a period of years, as a result of the constant hammering by this committee, there has been improvement made in the spare part procurement program. There have been at least $5½ billion saved in this one program as a result of this hammering by the committee. More must be done. But even now they have more than $9 billion worth of spare parts on hand, and this provides for the procurement of quite a few more. The ultimate disposal of those spare parts runs into a great deal of money. Recently the Air Force disposed of about $60 million worth of J-47's which they overprocured. That is only a part of the overprocurement. As a matter of fact, as it relates to this one item in the budget, we could have very well been justified in making a further reduction right at $125 million and still left this program at the level that they had in 1957.

SERVICE RIVALRY

One point that the gentleman from Texas [Mr. MAHON] made that I agree with: As the hearings proceeded it became quite evident to us that all branches of the service felt that it and only it had the sole responsibility of safeguarding this country, and that it should have everything in its hands necessary to fight and win any war any time any place, whether it was an all-out atomic war or just a small brush fire. There must be a complete restudy of the roles and missions of the services; and the cardinal principle must be that all our military forces are fighting under one flag and that they have just one goal; it is a joint goal, shared, that is, the security of this republic.

There is enough glory, there is enough responsibility, and there is enough work to be shared and spread among all the services, and there is not any one service paramount to the other, in my opinion; they are all needed, and the interservice rivalry must be replaced by interservice teamwork.

DEFENSE STUDY NEEDED

As I said, there ought to be a new study made to clearly define the roles and missions as they now exist and then I feel that there should be a realistic test made as to some of the claims which each of the services is making.

When the Navy comes in you get their presentation and you just could not quite believe they knew there was such a thing as the Air Force; and when the Air Force comes in you can hardly believe that they understand there is a United States Navy. Then the Army comes in and they believe that both the Navy and the Air Force are purely supporting forces for the Army.

At any rate, some of the claims on all sides are overoptimistic, and now is the time to find out and not later. You ought to ask some questions like this: How effective is our Navy against submarines?

How invulnerable is a carrier against detection and destruction by airplanes?

How good are our bombers and our raiders?

Can a carrier task force be located and kept under surveillance and finally destroyed?

Both the Air Force and the Navy cannot be right in their contentions.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman.

Mr. VORYS. Is the gentleman permitted to give us an outline of what the answers are?

Mr. SCRIVNER. I have a suggestion here. It is not the ultimate answer, of course, but some of these suggestions I am throwing out so that some place, somewhere maybe somebody will pick up the ball and run with it.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield for a question?

Mr. SCRIVNER. I shall be pleased to.

Mr. McGREGOR. The gentleman is making a splendid statement. I am wondering if the RECORD tomorrow will show the various charts the gentleman referred to?

Mr. SCRIVNER. Only as I have explained them.

The Defense Department or perhaps some outsiders ought to do this—ought to sit down and make some studies. Now, we are talking about A-bombs and H-bombs, we are talking about megaton yield, thousands of times greater than the yield of TNT. One plane today can carry more potential death and destruction by 1 drop in 1 bomb than all of the planes carried in all of the sorties during all of World War II in both the Pacific and the Atlantic. These bombs are expensive. They are explosive, of course. Somebody ought to tell us how much it is going to cost to deliver a megaton bomb, whether it is an atom bomb or a hydrogen bomb, by missile, by bomber, by carrier, by submarine. Somewhere, some place, there ought to be an answer as to which is the best and the most economical method.

You know and I know that all of our services cannot be kept perpetually at peak effort to fight an atomic war all the time, one which may never come; and the plans should be more clearly made for some possible smaller wars. It should be quite clear that one small war calls for entirely different plans and programs than the big ones. Yet the roles and missions are entirely different in these different emergencies. They ought to be more closely arrayed with the strategic, the tactical and defense plans in connection with the carrying out of some of the ideas expressed by the chairman of the committee, the gentleman from Texas [Mr. MAHON].

NEW DEFENSE APPROACH

The gentleman from Texas herein has referred to the problems of our present military organization in the light of modern weapons development. I agree almost completely with what he has said in that the present basic concepts behind our ground, sea, and air division of military responsibility is no longer valid. Men at all levels in the military services recognize this fact. Military science is somewhat confused because the old concepts on which the present military organization, and strategy, have been based are changing as a result of more modern weapons, particularly in the atomic missiles and to a certain extent the aircraft fields.

I am convinced that vast sums can be saved if our concepts of military organization are realined to take the best advantage of atomic armed missiles, aircraft, and other weapons and by eliminating the previously mentioned present rivalries and tensions that exist between the services as now constituted regarding the roles and missions that they are to carry out, and the weapons which they are to use. If this is not done, vast sums will be wasted.

To accomplish this end it will be necessary to realine the 3 services into 3 basic commands without regard for the present Army, Navy, Air Force approach to the problem. These three basic commands, I feel, should be strategic, tactical, and defense. The present Department of the Army, Navy, and Air Force as they are now constituted would have to be given the job of support only as their basic assignment, and this support, would of course, be in the areas which they are equipped to supply. However, all three services, as presently constituted, would be involved in each major command insofar as they have a basic contribution to make somewhat as the Air Defense Command now operates. Of course, the strategic command would be primarily an Air Force operation, but it would include Navy carrier task forces that might have a strategic capability. The strategic forces would of course also include the long-range missile capabilities of any of the services including the capability of launching missiles from submarines offshore. The tactical force would be predominantly Army, but would include close air support, short range tactical missiles, the airlift service transport capability and the job of keeping shipping lanes open to the areas where such tactical forces may be involved. While I say such a tactical force would be predominantly Army, it would, of course, include sizable portions of all three services as presently constituted including the Marine Corps. The defense force would, of course, be primarily an air and missile defense effort. This air and missile defense command would be predominantly air, for the present, but would naturally have to include Army antiaircraft and antimissile forces,

much as now set up. It would also include those portions of the Navy forces involved in offshore patrol and close-in antisubmarine defense. It would eventually involve the development of an antiballistic missile defense capability.

There is nothing too radical in these ideas. Much has been written in recent years along these lines and the services themselves are more or less setting up their forces along such lines. The element that is radical in this suggestion is that the present Joint Chiefs of Staff structure and functions would, of necessity, be abolished and rightly so, because at the present time the Joint Chiefs appear to be operating more as independent representatives of the individual services and their advocates of the service points of view to see which can get the biggest slice of the money and manpower, rather than to develop grand defense strategy.

Mr. Chairman, the missile program is now the popular horse to ride. Jet bombers are costly, carriers are costly, and each service has an idea of its own as to its particular popular weapon. They want everything new and do not like to give up everything old. That is the reason we have a lot of stuff in depots and have saved some money in operation and maintenance by disposing of some of this material.

COST FOR NEXT 10 YEARS

Somebody ought to sit down and work up by next January when we return a compilation of figures showing what the ultimate cost of all of these very popular and necessary programs are going to be over the next 10-year period. Secretary Humphrey made a statement that something could happen which would make your hair curl. When you see some of these figures for a 10-year program I would expect your hair to sizzle. It would run into countless millions. I do not know how many hundreds of billions it would run into, but somebody should find out and tell us so that we can find out where we are going.

Mr. GROSS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Sixty-nine Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 86]

Addonizio	Bray	Elliott
Albert	Buckley	Engle
Allen, Ill.	Burdick	Fallon
Anderson, Mont.	Byrne, Pa.	Farbstein
Andresen, August H.	Carnahan	Feighan
Anfuso	Carrigg	Fino
Arends	Celler	Flynt
Ashley	Chelf	Fogarty
Barden	Chiperfield	Frelinghuysen
Barrett	Christopher	Garmatz
Bass, N. H.	Clark	Gordon
Baumhart	Coad	Gray
Beamer	Cooley	Green, Oreg.
Belcher	Coudert	Green, Pa.
Bennett, Mich.	Curtin	Gregory
Betts	Davis, Tenn.	Griffin
Blitch	Dawson, Ill.	Gubser
Boiling	Delay	Halleck
Bonner	Dempsey	Haskell
Bow	Diggs	Healey
Bowler	Dollinger	Hébert
Boykin	Dorn, N. Y.	Hemphill
	Dwyer	Hillings
	Edmondson	Hoeven
Holifield	Moore	Scott, Pa.
Holland	Morano	Seely-Brown
Holtzman	Morgan	Shelley
Horan	Morrison	Sikes
Hyde	Multer	Siler
Jackson	Murray	Smith, Miss.
James	Nicholson	Smith, Va.
Jenkins	O'Brien, N. Y.	Smith, Wis.
Jennings	Passman	Staggers
Jones, Ala.	Patterson	Stauffer
Kearney	Philbin	Steed
Kelley, Pa.	Pilcher	Sullivan
Kelly, N. Y.	Pillion	Taylor
Kilburn	Polk	Teague, Tex.
Kirwan	Powell	Teller
Kitchin	Preston	Thomson, Wyo.
Kluczynski	Prouty	Tuck
Knutson	Rains	Vinson
Lesinski	Reece, Tenn.	Vursell
Lipscomb	Robeson, Va.	Watts
McCulloch	Robsion, Ky.	Whitener
McGovern	Rodino	Williams, Miss.
McIntire	Sadlak	Wilson, Ind.
Mason	St. George	Wolverton
May	Saylor	Zelenko
Meader	Scherer	
Miller, Md.	Schwengel	

Accordingly the Committee rose; and Mr. McCORMACK having resumed the chair as Speaker pro tempore, Mr. MILLS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 7665, the Department of Defense appropriation bill, 1958, and finding itself without a quorum, he caused the roll to be called, when 280 Members responded to their names, disclosing that a quorum was present, and he submitted herewith a list of the absentees for printing in the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Kansas [Mr. SCRIVNER] will resume.

SAVINGS

Mr. SCRIVNER. Mr. Chairman, as I pointed out earlier, the Defense Establishment is the biggest business in the world. Secretary Wilson has proven his ability as a businessman and as Secretary of Defense; many improvements have been made under his direction. Hundreds of millions of dollars have been saved. Economy and efficiency in many instances have replaced waste and duplication, but more must be done. However, no matter how good the top directors may be, results must be obtained down where the expense is incurred. Few, if any, of our regular officers have had business training. Entering the service as they do at an early age, they have had no experience in business management. None of the academies can furnish this. Neither can the services.

ECONOMY AT BASE LEVEL

As pointed out in the report, economy and self-restraint must start at the base level if costs of operating our far-flung bases is ever to be reduced.

GREENBACK POULTICE

Many references have been made during the hearings to the difficulty of keeping men in the service. Nearly every remedy suggested was a greenback poultice—more pay. That seemed to be the only answer. The reports that we have indicate that it is not the lack of pay that is the big reason for leaving the service. Unsatisfactory family life, frequent changes of station, desire for more education, all were more often given as reasons than pay. After many years of committee criticism some progress has been made in stabilizing assignments. Much more must be done.

Here again I find myself in disagreement with the majority of the committee, because I personally do not think too much of the suggestions made as they relate to the so-called Cordiner report.

RECRUITER

Work and effort is the answer to the manpower problem. What can be done in the way of recruiting is well demonstrated by a recent new article from Fort Riley, Kans., showing that M. Sgt. George R. Patton had reenlisted 667 men since 1954. A reasonable estimate of the savings to Uncle Sam just by his action alone amounts to better than $2 million; and what Sergeant Patton has done others most certainly can.

ENGLAND CUTS BACK

During the hearings headlines were carried of England's proposed military reductions for reasons of economy, a move which seemed to be generally approved as necessary. We need economy too, so why should not we make some reductions? Our defense program does have a tremendous impact on our taxpayers, too; and inflation proves as great a power in wrecking this Nation as Russia.

Prime Minister MacMillan of England, a nation right under the threat of Soviet guns, planes, and missiles, said:

Insurance is a good thing, but overinsurance is debilitating.

So England is going to cut their fighter force; they are going to reduce the size of their army; they are going to end conscription. They are going to missiles, most of which, I assume, Uncle Sam will furnish.

Yet, when we suggest a modest reduction of $1,200,000,000 which it actually is, we are "wrecking the national defense." I do not believe it. And despite what some may say, our lead is not lost. Certainly, Russia has improved in many lines, but the only way to go when you are down is up, and they were down; yet although we are right at the top we still continue to climb.

UNITED STATES POWER

Our Strategic Air Force has been, it is now, and it will continue to be with these funds, capable of striking and destroying targets anywhere in the world. When you realize that one of today's bombers can carry more potential destruction on one trip than was carried by all of our planes on all of their trips in World War II, as I have mentioned previously, in both the Atlantic and Pacific, you can see we are well and perhaps overly insured at the cost of a very high premium.

Mr. Chairman, today we have and this bill will continue, the biggest and best Air Force in the world; it provides the biggest and best Navy in the world. It gives us the best, though not the biggest Army in the world. Our troops are, on the whole, the best paid, the best dressed, the best equipped, the best entertained, the best housed, the best cared for troops in all the world; and the funds provided by this bill as reported by the committee will maintain that supremacy.

Mr. MAHON. Mr. Chairman, I ask that our distinguished colleague, the gentleman from Arkansas [Mr. NORRELL], may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. NORRELL. Mr. Chairman, I wish to relate for the information of my distinguished colleagues in the House both the history of the establishment of the Army and Navy General Hospital at Hot Springs, Ark., and the reasons why, in my judgment, the recent proposals of the Republican administration and the Department of Defense to close this exceptionally fine hospital are unwise from the viewpoint of national defense, unsound from the viewpoint of the national economy, and wholly unjustified in depriving great numbers of military-service personnel and their dependents, in active and retired status as well as veterans of all wars, of the outstanding medical facilities available for the specialized treatment of victims of such crippling diseases as polio and arthritis.

I want to urge the Members of Congress to review the facts, to evaluate the position taken by the Department of Defense, and to determine whether this legislative body is willing to be guided by its long experience in the knowledge of our fundamental responsibility to provide hospital and medical care for military personnel and their dependents—whether this can be accomplished adequately, readily, and economically, both now and in the event of a national emergency, through the continued operation and use of this exceptional hospital at Hot Springs, Ark.

The Army and Navy General Hospital has the distinction of being the only service hospital established by a special act of the Congress. It was in 1882 that Senator John A. Logan, of Illinois, introduced a bill in the Senate authorizing an appropriation of $100,000 to build a 30-bed hospital at Hot Springs, Ark.

Senator Logan had served as General in the Union Army under General Grant. During his prominent service in the United States Senate he became seriously ill and went to Hot Springs for medical care. The restoration of his health, his intimate knowledge of the beneficial use of the thermal waters in many other cases, and the naturally healthful and beautiful environment of the site of Hot Springs led to the decision to introduce the bill. Within 30 days the bill passed the Senate, and was thereafter passed quickly by the House and approved by President Chester A. Arthur. Subsequently, it was President William McKinley who issued the executive order to the Surgeon General to admit honorably discharged soldiers of the Civil and Spanish-American Wars to the Army and Navy Hospital at Hot Springs, when the capacity of the hospital was not required by active-duty personnel.

The record of service of the hospital over a period of 4 decades was unquestionable. In 1929 the late Senator Thaddeus Caraway introduced a bill to rebuild and enlarge the Army and Navy Hospital. This proposal was carried in a House measure which increased the number of beds from 169 to 425, and the bill passed both legislative bodies and was approved by former President Herbert Hoover.

At the outbreak of World War II, the hospital was filled beyond its capacity, with more than a thousand patients. There were 2,000 Veterans' Administration applications for hospitalization on the waiting list. Thus in 1942 the Department of the Army purchased an adjacent 466-room hotel, later referred to as the Eastman Annex, to provide additional facilities.

In 1943 the Surgeon General designated the Army and Navy Hospital as 1 of 2 arthritic centers. The treatment and care provided was so successful that thousands of American military men afflicted with rheumatic diseases were returned to useful life.

The hospital was staffed during the war years by such famous arthritis specialists as Dr. Phillip Hinch, who received a Nobel award for his work with cortisone, and who is the rheumatologist with the Mayo Foundation. Dr. Hinch and the other top-ranking medical men from civilian life set up the techniques of physical therapy and medical procedures in use at the Army and Navy Hospital. At the end of the war, when these men returned to civilian practice, a regular Army officer carried on their work as a rheumatologist and served as chief of medicine at the Hospital until 1952. Treatment for arthritic, rheumatic, and polio patients continued to be the primary function of the hospital: 1,100 of these patients in 1947 and in 1948. The physical medicine department of the institution kept up an average of a thousand treatments each month during those years, accounting for an amazingly high record of men returned to useful life.

The thermal waters that are piped into the hospital from the Government-owned springs are an important part of the treatment, just as thermal baths mechanically heated are used in treatment at the Mayo Foundation. Rheumatologists point out that while remarkable strides have been made in the treatment of arthritis by the use of cortisone and ACTH and many other medicines, there is no question that hot thermal baths are important in its treatment.

The city of Hot Springs itself is an important factor in the hospital's treatment of its more seriously affected patients. Unique among American cities, it accommodates wheel chair patients with ramps instead of curbs at the street intersections. Special sections in its theaters are reserved for wheel chair patients. Waiters, cab drivers—every resident—accepts the wheel chair patient as one of hundreds of thousands of visitors annually who come to Hot Springs seeking relief from the excruciating pain and limitations of arthritis and polio.

Medical authorities agree that this attitude in the city is a psychological factor of inestimable value in the treatment provided. Patients who usually cannot move about are able to go from the Army and Navy Hospital into the life of a busy city, and are thus immeasurably encouraged.

The physical plant of the hospital is as modern as any in the world, and has been widely known as one of America's finest medical institutions. The present main building, a nine-story reinforced concrete structure veneered with light face brick and trimmed with limestone, was completed in 1933. It contains 200,000 square feet of floor space. The entire post, located on a 28-acre landscaped slope of Hot Springs Mountain, has a total of 59 buildings. The Department of the Army has spent millions of dollars in making the plant up to date in every respect, and only several years ago added air conditioning. As an example, two stainless steel Hubbard tanks were installed for nonambulatory patients, including burn cases, and these provide a mechanical massage with moving water. There is a $100,000 therapeutics pool, specially equipped with an electric lift that permits polio and acute arthritic patients to be lowered into deep water for aiding exercise of wasted muscles. No other Army hospital has such a pool for treatment.

At the height of its capacity operation in World War II and the late 1940's, the hospital had a patient load in excess of the 600 men for which it was designed, and a staff of more than 60 physicians, including outstanding specialists in half a dozen fields. During its long operation for the Armed Forces, important divisions of the hospital were the general medicine section, where many repatriated prisoners of the Japanese were treated for malaria and other illnesses incurred in distant countries during the war; the neuropsychiatry section; a special cardiovascular section for heart patients; a women's section for women members of the Armed Forces; an orthopedic section in charge of all polio treatment; a radiology section specializing in X-ray an radium therapy; and laboratory, dental, pharmaceutical and similar services. In a single year, more than 11,000 patients were treated with radium or X-ray for cancer, tumors or spinal arthritis; and the Army and Navy Hospital is 1 of only 3 United States Army hospitals with facilities for such treatment.

Among the many citizens of the city of Hot Springs who deplore the Army's proposal to close the hospital, none are more deeply concerned than the more than 400 families of retired Army men who have chosen Hot Springs as their permanent home. Many settled in Hot Springs in order to receive needed treatment for service-connected disabilities as outpatients of the hospital.

In January of 1955 the Defense Department ordered the Army and Navy Hospital to be placed on a stand-by basis by March 1, and closed on June 30 of that year. In spite of the fact that the House committee had said in its report on the appropriation bill that "It is the sense of the committee that the Murphy General Hospital in Waltham, Mass., and the Army-Navy Hospital in Hot Springs, Ark., should remain open and continue to be operated and therefore recommends the additional funds in the amount of $1,700,000 to be applied

to the purpose" and that the Senate committee had included language in the bill, concurred in by the House, that both Murphy and Army-Navy shall be continued in operation, the Department proceeded, in defiance of the expressed will of Congress, to close the hospital. No sooner had it completed the closing in late June, after denuding the plant of all movable equipment and transferring the personnel, at great expense to the Government, than it announced its reopening in September. The Army-Navy Hospital was reopened in September with only a skeleton staff.

After 4 months of operation the Department again in January of 1956 announced the closing of the Army-Navy Hospital by September of that year. Before the announced intention of the Department again to close the hospital was accomplished, Congress passed the Armed Forces medical care bill which became Public Law No. 569 of the 84th Congress. In its report accompanying that bill the House Committee on Armed Services said:

> The proposed legislation does not contemplate any new expansion of the medical facilities for the uniformed services; nor, on the other hand, does it contemplate any reduction in the medical facilities of the uniformed services that are now in existence or planned.

The Congress again, in the Department's appropriation for fiscal year 1957 expressed its will that the two hospitals be continued by making the same provisions for their operation as for the previous year. In the report of the House committee, concern was expressed over the apparent attitude of the Department to ignore the directive of Congress stating:

> While the Army-Navy Hospital was reopened no effort was made to operate it as much more than a dispensary. Only a token number of doctors were assigned and due to this it was deemed that only a limited number of patients could be sent to the hospital. This resulted in an average patient load of 40 or less. The committee feels that a wholehearted effort should be made to operate the hospital in a proper manner that will be to the good of the Army and its personnel.

Since the closing of the hospital at Hot Springs and its reopening within 3 months on a dispensary basis, urgent appeals have come to me from time to time from service personnel and their dependents for treatment or surgery at the Army-Navy Hospital not available there due to the Department's failure to equip and adequately staff the hospital. Those patients are entitled to treatment, under the law, and have to be sent to other hospitals at greater distances. We have not had full patient loads at the Army-Navy Hospital, not because of a lack of patients, but because of the Department's actions in diverting patients to other hospitals.

Army-Navy is the only existing major service hospital in a geographically central location, the others all being in the East, the West and the Far West of the Nation, where they are more vulnerable to attack. The other such hospitals are:

Approximate distance from Hot Springs (central United States)

	Miles
At Army posts:	
Madigan, Ft. Lewis (Tacoma) Wash.	2,400
Beaumont, Ft. Bliss (El Paso) Tex.	900
Brooke, Ft. Sam Houston (San Antonio) Tex.	500
Letterman, Presidio of San Francisco, Calif.	2,100
Not at Army posts:	
Valley Forge, Phoenixville, Pa.	1,200
Fitzsimons, Denver, Colo.	1,000
Walter Reed, Washington, D. C.	1,100
Murphy General, Boston, Mass.	1,500

When the United States back in the 1880's had a total population of 50 million people we had a need for a 30-patient Army-Navy Hospital at Hot Springs. During four major conflicts since that time we have had great need for it, and it has been known and loved by thousands of patients from the lowliest private to and including Gen. John J. Pershing who was a patient there on numerous occasions. At least one of our former Presidents has been there for treatment from time to time. We presently have a population of 170 million and many many thousands of service men, active and retired, with dependents. In the present state of world conditions, no hope is now to be seen that we shall not continue to need the services which the Army-Navy Hospital affords. We cannot afford the closing of this superb institution, in its unequaled location sheltered from enemy attack, and potentially adequate for the finest treatment medical science can provide for the men and women who have borne, and who are bearing, the burden of our Nation's defense. The Congress created this hospital. There is and there will remain a continuing need for its specialized facilities for rheumatic and other diseases, and I feel that this Congress will wisely insist upon the continued operation of the Army-Navy hospital by the administrative branch.

Mr. Chairman, I wish to include in the RECORD certain letters attesting the opposition of individuals and organizations to the proposal of the Department of Defense to close the Army-Navy hospital, one of which is from Hon. CHARLES E. BENNETT, Member of the House from the Second Congressional District of Florida:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., November 6, 1953.

President DWIGHT D. EISENHOWER,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: It has come to my attention that there is a proposal to close the Army and Navy General Hospital at Hot Springs, Ark. As you undoubtedly know, this hospital is very modern and up to date and takes advantage of the presence of unlimited quantities of naturally hot water in the treatment of polio, arthritis, etc. The institution has been in existence a great many years, and I understand that there is ample room for its expansion through the utilization of the Eastman Annex, an existing adjacent structure which was, and is, owned by the Government and which was used for this purpose during the peak loads of World War II. I was personally a patient in this hospital. I was treated there for polio for about a year and a half near the close of World War II. I believe that the institution is a very fine one, modern and well equipped. In addition, the spirit of the community is conducive to the recovery of patients who need assistance in walking. The community has provided ramps at all the street intersections and is very hospitable and understanding to men in the service, and particularly to those with difficulties. Also, the immediate proximity of the Hot Springs National Park and other recreational facilities make the town a delightful place for convalescence.

It would seem to me to be very unwise to close this institution, and it would be difficult for me to see how any economy could be effected by such a move. I sincerely hope that the matter will be reconsidered and that the hospital can be retained.

With kindest regards, I am,
Sincerely,

CHARLES E. BENNETT,
Member of Congress.

NOVEMBER 5, 1953.

Senator RICHARD B. RUSSELL,
Senate Office Building,
Washington, D. C.

THE HONORABLE RICHARD B. RUSSELL: There are two suggestions which I would like to bring to your attention in the interest of economy and good government. First, is there any need for the various branches of the Government to have their own medical service, such as the Army, the Navy, Coast Guard (maritime seamen), veterans, and now the Air Force. It is believed that hospitals could be strategically located to take care of the needs of all branches of the Government, thereby having better talent and better operation at considerable less cost. Certain hospitals could specialize thereby giving all personnel better treatment.

Second, the closing of the Army and Navy Hospital at Hot Springs, Ark., is quite a blow to service personnel, particularly those retired and the community of Hot Springs.

In order to acquaint you with the value this hospital has been to me, I will give you a brief history of my case. I developed arthritis in line of duty and was sent here for treatment in 1947 by the military service. It gave me a great deal of relief and I returned to duty. Sea duty aggravated my arthritic condition so I was retired from military service in 1948.

Since that time, I have been going to Hot Springs semi-annually for the baths and treatment. The excruciating pains are greatly relieved during the treatment and baths. However, as time passes they gradually build up, so that at the end of 6 months, it is very necessary that I return for treatment. It is suggested that the Army and Navy Hospital be kept operating and specialize in treating of arthritic and polio patients as they are extremely well equipped for this purpose.

Your consideration and action in the above suggestions will be greatly appreciated.

Respectfully yours,

Lt. Comdr. J. S. LOEWUS,
United States Coast Guard, Retired.

NOVEMBER 5, 1953.

The Honorable ROBERT S. KERR,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I am writing this letter as a former resident of Oklahoma City, having married an Oklahoma City girl and all my in-laws still reside in Oklahoma. I bought a home and lived in Oklahoma City from 1948 to 1953. For economical reasons I sold my home and moved to Hot Springs, so that I would be near the Army and Navy hospital, which offers me the treatments I needed for arthritis.

Having moved to Hot Springs and being here a month, our Defense Department suddenly decided to close the Army and Navy

hospital which serves all active and retired personnel in the great Southwest. It being the only hospital specializing in arthritic and polio patients, the Defense Department, up until the present time, sent all patients with these conditions to this great hospital.

If this hospital is closed, it would be a great blow to the Defense Department as well as the great Southwest, which your State of Oklahoma could and would be affected by all the retired and active personnel in this great Southwest.

I am writing this letter as a former resident of Oklahoma and now as a retired Air Force major that came here to receive the treatments offered.

Yours truly,

Maj. ALFRED S. CARTER,
Army Air Force, Retired.

HOT SPRINGS, ARK., *November 4, 1953.*

Congressman W. F. NORRELL

DEAR SIR: I am writing to you in behalf of the Army and Navy Hospital in Hot Springs.

I have been a sufferer of arthritis for 34 years, since I was a child. Have been in hospitals in Alabama, Tennessee and Georgia. In 1938 my mother wrote to President Roosevelt about getting me in Warm Springs, Ga. He advised her to bring me to Hot Springs, Ark., which she did, a helpless cripple.

After 6 weeks I could walk without my crutches. I came here for the baths each year and have since been fortunate enough to marry a retired army man. We now own our little three-room home in Hot Springs, and for the first time in my life I live a happy, normal life. The thermal baths and treatment I get at the Army and Navy Hospital have kept me from being an invalid for life. If the hospital is closed we will have to move near another Government hospital and it will be impossible for me to come back to Hot Springs and pay for the baths on our retired pay.

So you can understand what this hospital means to me. It's the difference between years of more suffering or being able to stay here in Hot Springs where I can get the benefit of the baths and be free from all pain. The doctors at the Army and Navy will take the brace off my foot and leg next week and I will be able to walk without it. I'm only praying that if I do have to give up my home and these curative waters here in Hot Springs that I won't have to have the brace put back on.

Respectfully yours,

Mrs. HUGH GROVE.

CRANSTON, R. I., *November 4, 1953.*

Hon. JOHN FOGARTY,
Representative from Rhode Island,
House Office Building,
Washington, D. C.

DEAR REPRESENTATIVE FOGARTY: I was shocked when word reached me that the Defense Department had ordered the Army and Navy General Hospital, Hot Springs, Ark., closed and placed on a standby basis as of March 1, 1954.

This great medical institution is distinctly equipped to aid our service personnel in recovering from such crippling diseases as polio and arthritis and its personnel treated represents 48 States and Alaska.

The facilities of this hospital greatly aided me in the recovery from polio.

Therefore, I request and urge you to take the necessary action to see that the doors of this great humanitarian institution remain open so that others may receive the services as I have.

Respectfully,

ROBERT W. BATES,
President, Army and Navy Polio Veterans' Association.

OCTOBER 23, 1953.

The PRESIDENT,
The White House,
Washington, D. C.

Mr. PRESIDENT: We, members of the newly organized group to be known as the Army and Navy Polio Veterans Association, now holding our first convention at Hot Springs National Park, Ark., today passed a resolution of deep despair and concern, after reading press releases stating that this distinctively equipped institution, known as the Army and Navy General Hospital, which so greatly benefited us, would close its doors to all future service personnel after October 31 and discontinue all service after March 1, 1954.

Our resolution sets forth:

"Whereas no other military or veterans hospital is supplied with natural hot water such as is found available here; and

"Whereas we who have banded ourselves together in this nationwide organization, which currently numbers approximately 275 members representing the 48 States and Alaska, received results here from both the hydro and physical therapy treatments, and pray others in the service will not be denied these treatments in this ideal setting where all the main sidewalks and public buildings are constructed with wheelchair ramps to ease travel and to facilitate the individual patient's ability to transport himself from place to place without the aid of others, thus making the patient more self-reliant and self-sufficient, and where all public service people and citizens in general have been accustomed for generations to look out for the welfare of the physically handicapped without fanfare; and

"Whereas we feel that this town and hospital are peculiarly equipped for the handling of victims of infantile paralysis, arthritis and other rheumatic diseases, due to years of service to those crippled by said ailments; and

"Whereas because of the sympathetic understanding of this community and its citizens definitely contributing to the uplifted morale of the individual patients, which helps to hasten their recovery;

"Therefore our group humbly appeals to you to see that every effort be made to keep this great humanitarian institution open."

Respectfully,

ARMY AND NAVY POLIO VETERANS ASSOCIATION,
By ROBERT W. BATES, *President.*

THE USE OF RADIOACTIVE SPRING WATER AND ITS EFFECTS AS OBSERVED AT HOT SPRINGS, ARK.

(By Francis J. Scully, M. D.)

(Abstract of a paper read before the 58th annual meeting of the Arkansas Medical Society in Hot Springs, Ark., May 4, 1933)

The effect of the radioactive properties of natural spring waters has long been a subject of great interest. Natural spring waters have been used since primitive times in the treatment of disease, and judging from the results that are obtained, there can be no doubt as to their value as a curative agent. Whether the radioactive properties of the water is the essential factor, or whether the results are due to the proper application of the waters, has brought about considerable controversy.

Many natural spring waters are radioactive, some to a greater degree than others. As the waters that supply the spring pass up through the earth containing radium ores, they either take up some of the radium salts and carry them in solution, or they absorb the gaseous emanation—radon, which is held in solution until the water has been exposed to the air for some time. In either event the waters become radioactive.

Radium has been shown to be a very unstable element and slowly undergoes disintegration. Various rays are given off as it breaks down and in addition there is also thrown off a gaseous emanation—radon. This emanation is rapidly diffused into the surrounding air and is readily soluble in water. When it comes in contact with other substances, the radioactive properties of the emanation are imparted to them. Radium emanation can be taken into the body by drinking water in which it is held in solution, or it can be breathed in with the air or vapors arising from the radio-active spring waters.

Observation has shown that radium emanation has a powerful influence on the human body. Certain tissues of the body are more strongly affected than others, particularly the blood-making organs, and the lymphatic tissues. Radium emanation activates cell function and facilitates the elimination of waste products and toxins. There is an increase in the intensity of the vital energy of the cells. We know that the vital energy of the growth and repair is most active in young children and that it gradually diminishes as the individual grows older. It has been found that radium emanation has the effect of strengthening or fostering this vital energy.

One must understand that the action of the emanation is transient. When water containing the emanation is taken by mouth, only part of it is broken up in the body, the larger part being quickly excreted through the lungs. This excretion takes place rapidly, nearly 80 percent being eliminated in the first hour, and all free emanation being excreted in 4 to 5 hours. This rapidity of elimination emphasizes the fact that no dangerous accumulation can occur in the body. It also indicates that small doses of the emanation are effective in producing the stimulating effects noted after its use. It has been observed that the effects of radium emanation are more marked about the fourth day of treatment, as it requires about that length of time to build up a saturation in the body. This reaction is probably due to the stimulation of the body cells and it subsides when the waste products have been eliminated. It is generally most marked in weak individuals and indicates the necessity for proper directions before taking such treatment.

The effect on the body from radium salts is quite different from that of radium emanation, particularly in its late effect. By taking water which contains even a very small amount of radium salts in solution, there is a gradual accumulation in the body. Since the action of radium is long continued, the effect of any accumulation in the body persists for a long time and may lead to serious consequences and a gradual failure in health. From this it will be seen that there is no comparison in the use of radium salts and radium emanation. In using radium emanation, the amount present in the body is always diminishing and at a known rate, so that proper doses can be given and repeated according to the results obtained, whereas with radium salts, the action continues indefinitely and finally leads to the destruction of vital tissues in the body. It is well, therefore, to recognize that water which contains radium salts in solution in appreciable amounts, can have a dangerous effect, whereas radium emanation can be employed for a long period of time without any danger whatever. I wish to emphasize this very strongly in view of the apprehension and misunderstanding that have arisen about the effects of radioactive spring waters.

While practicing in Hot Springs, I have had an opportunity to observe the effects of the baths and the drinking of these natural radioactive spring waters here, and to note the role that the radioactive properties play in the results that are obtained. As we have just noted, radium emanation has a very powerful effect on body functions.

There is a general stimulation of the circulation, an increase in metabolism, an increase in the elimination of waste products and toxins, an increase in the nervous tone, and a stimulation of the vital energies of the body cells. With this effect we should see beneficial results in conditions of faulty elimination, impaired circulation, anemia, and nervousness. Such results have been obtained.

The thermal waters of Hot Springs, Ark., come from 47 springs located at the base of Hot Springs Mountain. All have been found to be radioactive. Tests were made several years ago by Professor Boltwood, of Yale University, and he found the waters to be radioactive, and it is to be emphasized that he found this radioactivity to be due to radium emanation and not to radium salts in solution. During the past year Professor Schlundt, of the University of Missouri has been studying the radioactive properties of these thermal spring waters. Since the waters from all the springs are now collected in a common reservoir before distribution to the various bathhouses, he made tests on the water from the reservoir. Tests were taken each day for a time to determine whether there was any variation in the radioactivity, and it was found that the activity of the waters remains practically uniform and compares favorably with well-known European springs.

There are 19 bathhouses in Hot Springs, which are completely equipped for the hydrotherapeutic application of these thermal waters. These bathhouses are the equal of any in this country and those of the continental European spas. In the application of these waters a certain amount of radium emanation is absorbed by the body in the different procedures of the bath and also by the taking of the spring waters internally.

If it is admitted that radium emanation which is dissolved in water is beneficial, why would not drinking of water which has been exposed to radium be just as good as the natural radioactive spring water? Why could not one take water that has been artificially made radioactive, and have just as good results as coming to Hot Springs for treatment? The answer is that if only the effects that are due to the radioactive principle are sought, and if the benefits derived from taking the baths and drinking the water here were due solely to the radioactive principle of the water, there could be no advantage in coming to Hot Springs. But the effects and benefits derived from the Hot Springs thermal waters are not wholly due to its radioactive properties, but are due as well to the careful and regulated application of these thermal waters to the body.

Heat, when applied to the body in its various ways such as the hot baths, hot packs, and vapors, has a very definite and beneficial effect which is due wholly to the stimulation from the hot water itself. It is this effect we expect when we have our patients drink the hot water and take these baths. The radioactivity of these thermal waters gives an additional advantage in their therapeutic application. We feel fortunate in having this benefit to add to the effects that are obtained by the proper use of the hot water itself. It has been found that radioactivity combined with heat acts far more quickly and this may account for the greater benefits that are obtained from bathing in natural hot radioactive spring water.

A large percentage of the patients coming to Hot Springs now are suffering from arthritis or chronic rheumatic disorders. Many of these are completely relieved, and the large majority are improved. It is surprising at times to see the rapidity with which these cases improve, to note the reduction in the swelling of the joints, and the decrease in the stiffness and soreness in the muscles and ligaments. The relief from pain is often very striking. I realize, of course, that there are some advanced cases with low vitality and exhausted bodily resources who do not seem to obtain any benefits. Some do not remain long enough to get the best results. One cannot expect chronic joint changes of years' duration to be cleared up with a course of 21 baths. It generally requires a longer time with the rest periods between courses of baths, and in addition competent medical supervision with proper attention to foci of infection, proper elimination, building foods, and manipulative exercises to aid in bringing about the recovery of these patients. The early stages of infectious joint diseases as well as the associated rheumatic disorders, neuritis, neuralgia, and muscular rheumatism are also benefited.

In gout the results are equally striking. There is a decrease in the swelling and discomfort, due to the stimulation of the purin metabolism and the increased elimination of uric acid salts. This agrees with the results observed by Burnham who found that the action in many cases, if not every case, was a favorable one.

In such conditions as chronic malaria, and chronic kidney disease in which there are toxins and waste products retained in the body, the action of the radioactive water has proven very beneficial. There is an increased activity of the kidneys and a general stimulation of the body functions, so that the waste products are rapidly eliminated.

Heart disorders, especially those associated with high blood pressure are often greatly relieved. There is a relaxation of vessel spasm especially in the peripheral circulation which allows the blood pressure to fall in this way relieves the heart of the extra burden it has been carrying. Regulated baths have a tonic effect on the weakend heart muscle, and bring about a more normal muscular tone.

The blood-making organs are also stimulated as seen by the increase in red cells and in their iron content. The increase in white cells and in their iron content. The increase in white cells also gives increased resistance to infections. Patients with secondary anemia are therefore greatly benefited.

In nervous conditions, small doses of emanation have a pronounced sedative and anodyne action. Nervous restlessness and sleeplessness are often greatly benefited. Large doses, however, have the opposite effect, which indicates the need of medical advice, in employing these baths in nervous disorders.

When radioactive waters are taken by mouth there is a stimulation of the digestive ferments. Due to this effect, beneficial results have been obtained in catarrhal conditions of the stomach and bowels, as well as in the liver and gall bladder disturbances. When absorbed and distributed through the body, it gives a more normal function of the ductless glands.

Another interesting observation is the ability of the patient to tolerate larger doses of medicine than usual. Such drugs as iodides, salicylates, mercury, and quinine can be given in large doses, or over a longer period of time without toxic effects. This has allowed more intensive treatment to be carried out on those patients who are taking the baths.

I realize, of course, that one cannot attribute all these results that have been obtained to the radioactive properties of the water, but there is no doubt that results are achieved here that cannot be duplicated elsewhere with ordinary waters. While the claims for radium emanation have been exaggerated at times, one has only to observe the results that have been, and are now being obtained here to overcome any skepticism he may have in regard to its value.

SUMMARY

1. Radium therapy in the form of radium emanation has a stimulating effect on cell metabolism and in fostering the vital energy of the body cells.

2. There is a marked difference in the results from the use of radium salts and radium emanation. The emanation has no dangerous aftereffects and can be used for a long period of time without serious consequences.

3. Repeated small doses of radium emanation give the best results.

4. The thermal waters of Hot Springs, Ark., are radioactive, due to the presence of radium emanation in solution.

5. Radioactivity gives an additional benefit to the various hydro-therapeutic applications of thermal waters.

6. Chronic inflammatory disorders such as chronic arthritis and rheumatism and those resulting from faulty elimination are especially benefited by its use.

7. The proper and regulated application of these spring waters is the essential factor in the beneficial effects that have been observed. The radioactivity facilitates, or adds to the results obtained.

LEO N. LEVI MEMORIAL HOSPITAL,
Hot Springs National Park, Ark.

The Leo N. Levi Memorial Hospital, a nonsectarian institution with 116 beds, accepting all races and creeds, was founded by B'nai B'rith, the largest and oldest of the Jewish Service Organizations in Hot Springs, Ark., in 1914.

The reason that this community was selected was for this particular type of institution was because of the famous thermal waters found here. It has been supported by this national organization for this reason.

There are some ten and one-half million Americans afflicted with arthritis. Approximately 1 million of this number has rheumatoid arthritis, which is the crippling type. There is more arthritis of all forms in this country than there is heart disease, cancer, tuberculosis, and diabetes combined. The arthritic diseases constitute a heavy drain annually on our economic resources, costing America more than 100 million days lost for work, school, or other productive activities.

World War I alone caused 35,000 cases of arthritis in veterans, who are receiving disability compensations for arthritis, and with the added burden of those from World War II plus the Korean situation it is probable that between 75,000 and 100,000 veterans alone are drawing disability compensation from our Government because of some form of this disease.

A patient who is sent to the Leo N. Levi Memorial Hospital by the B'nai B'rith organization throughout the United States, is the so-called "failure" of medical treatment. The majority of them have received treatment using all known arthritic drugs, including the "wonder drugs," and physical and hydrotherapy in modern medical centers.

So far in 1953, we have given approximately 19,000 days of patient care, and while we have not cured a single patient of this dread disease, we have been able to return 39.6 percent to gainful employment, have dismissed 47 percent of our patients moderately improved, 8.9 percent slightly improved, and only 4.5 percent unimproved. We must bear in mind that we have nothing to offer the patient that he cannot receive elsewhere, except the use of the thermal waters of Hot Springs. While the research departments in all the big institutions in the United States are hunting for the cause and cure, and while we too, are striving to find the answer, our greatest asset is at the present time the hot springs of Hot Springs, Ark.

Our out-patient clinic department functions for those persons not financially able to pay for their treatment in any of the private clinics here, but who need medical help while they are receiving baths from the United States Government free of charge. So far in 1953, we treated 754 persons in this outpatient department.

The Leo N. Levi Memorial hospital is nonsectarian and receives its support solely from contributions given through the B'nai B'rith throughout the United States. Since our budget is approximately $400,000 a year, we are certainly showing results or we would not be able to continue to operate.

Respectfully submitted.

(Mrs.) FANNIE B. MCLAUGHLIN, R. N.,
Administrator.

Leo N. Levi Memorial Hospital, Hot Springs, Ark., statistics for the first 9 months for 1951, 1952, and 1953

	1951	1952	1953
Number of patients admitted	1,479	1,069	345
Number of patient-days	20,976	15,453	18,452
Number of arthritic patients	209	214	345
Number of arthritic patient-days	12,498	9,348	18,452
Number of nonarthritic patients	1,270	855	------
Number of nonarthritic patient-days	8,480	6,105	------
Average daily stay, arthritic	56.3	43.6	53.4
Average daily census, arthritic	43.6	32.9	67.5
Number of outpatients arthritic clinic	616	629	754
Percentage schedule of results of patient treatment:			
Unimproved	7.2	7.9	4.5
Slightly improved	10.0	8.9	8.9
Moderately improved	55.5	51.5	47.0
Greatly improved (returned to gainful employment)	27.3	31.7	39.6

Mr. MAHON. Mr. Chairman, I yield 20 minutes to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, I hope that I can have the attention of the membership. What I hope to say is not easy to say and I have learned that in saying it it is not easy to get attention and if you get attention it is not easy to get any acceptance by American business or much attention by those who get news to the people. I say that not in a desire to get any personal acclaim about this situation because I have had the opportunity to obtain some information that goes very deeply into the matter that is before us today.

First, let me say there are many things you could quote from the witnesses who have appeared before our committee, there are many things that should be considered in determining how much appropriations you should have for the military. Presumably, we need this great National Defense Establishment because of the intention of Russia and because of the ability of Russia to carry out that intention. If I am correct, if that is the reason for this defense expenditure, the prime question that any reasonable man would wish to make up his mind as to how much and where and how would be the facts on Russia's ability to strike the United States. I want to say to you that if you agree with me on that, we are following in this country a ridiculous procedure to determine how much national defense appropriation we should have.

I wish to say now that the intelligence agency—and I use that advisedly because everybody knows the true name, I understand it is not right to call it—that agency which makes its determination as to Russia's ability does not come before our committee. We do not hear from those who make the estimates as to what Russia's capacity and ability is. We do not even hear them. We hear the people to whom they have talked. We get it second hand.

Mr. Chairman, we have had so little information whose accuracy we had any chance to pass on, in my judgment, that last fall I asked that I be permitted to go to Russia and see if all information was hidden from our people because of the Iron Curtain, and I was surprised at what I found. I asked permission to go, and before I went I was told things that were important to our country, and I say this here for the first time, things that our people thought were important to our security. And then when I got there the Russians would invite you to take pictures of them.

Mr. Chairman, Russia is a country largely of dirt roads and 35-mile-per-hour trains. I rode through the heart of White Russia. There I saw tourist hotels half completed and highways under construction. They were so proud to tell you that next year tourists drive from Brest, which is the principal western entry, all the way to Moscow on a completed highway. They had built a western-type waiting room and had an English-speaking headwaiter. I was in and around Moscow and down through the heart of the Ukraine. You could drive 200 or 300 miles and not see a hard-surfaced side road. You could drive the main highway, which had about 2 inches of blacktop, and see the farmers with grain spread over half the highway trying to get it to dry.

I grant you I did not learn all about Russia in the period I was there, but I will say that I lived with our top people who work for our Government and who speak the Russian language; I rode on trains on which the Russian soldiers would offer you a drink, which, incidentally, we did not do. Upon learning we were Americans they were friendly as they could be and asked about your country. I talked to the average people over there and in English, because, apparently, they teach English in the schools.

Mr. Chairman, do not misunderstand me. I am not talking about the Communists in control of the Government and as to their intent. As far as I know, it is exactly like our military leaders tell us. But why is it on this committee where supposedly I should hear the truth from our top military people, a man in my situation, where I am supposed to be informed when I go to the place I find it the opposite to what I have been led to believe?

When I got there I found trains pulled by old coal-burning engines. I am talking about the railroad through the heart of the country, the mainline that runs from Brest, on the border of Poland, right to the capital, on the mainline, down through the heart of the White Russia. Why is it that we are not told that Russia only has about 90 million Russians and the rest of them speak various other languages and are scattered all over one-sixth of the world with little transportation and little communication. Now, with a government that is controlled at the top by the Communists, they can throw their weight behind any one thing. We went out to see this great Moscow University. You can drive in Berlin and see 2 blocks as fine as any place you will find any place in the world, but get away from those 2 blocks and get back a little distance, and you will see the rest of it lags far behind. As you go through Russia, that is typical. Where the weight of government has been thrown behind anything they can make a shining example, but away from that example, you will find they lag back on a 1910 basis. Now, I cannot believe that our people in the military do not know that. I cannot believe that they are ignorant of that, when I went as freely as I did into the areas that we went into. I just cannot believe it. Why is it that the next Chief of Staff of this country told our committee that after all Russia is the only country that has a jet-propelled civilian air transport service and then quit, leaving what amounts to a false impression? I said to him, "Why don't you tell the rest of it?" "You know most of their passenger planes are 2-motored. They are in aviation so far as passenger service, about like we were in this country 20 years ago. Not only do they not have jet-transport civilian service; they do not have any other civilian airplane service that compares with any country in Western Europe." What made him admit it? Because I rode the air service; I rode the lines in Russia. Now, they are a rough, rugged people, but they, by and large, lack a whole lot of coming up to the standards we have.

Now, let me repeat again. I have wondered why our people don't admit the evident. As you go there and talk to our people over a 2-week period, our folks who work there, and you realize that our military people are saying that the Russians are putting more and more of their production in the military, our people over there say it is not true; that they have given more and more attention to agriculture in recent years, and our military witnesses, when I faced them with it, were unable to back up their charge. Now, why is it that we are in this situation and continuing to go ahead? Again, I do not know what Russian intentions are. I said what our people say it is. May I say further that some people question why there is an Iron Curtain. My friends, it is not to hide strength; it is to hide weakness. By skillfully pulling this curtain back and letting the West see down the slot and see Moscow University, and they tell you that they will have more scientists than all the rest of the world and by hiding the rest, an impression is formed. You can look at corn and see where the frost has ruined it. And, yet they will tell you that the frost has not hurt the corn and their production will exceed the West. Well, if you have any knowledge of farming, you will see that that is not so. It makes you wonder why that is. I can understand the Russian wishing to make big but false claims. What is bad is that apparently our military wishes to claim they believe such big claims. I wonder why.

I think my distinguished chairman made a marvelous presentation to you here today. I could not do any better, and I am sure, as good a job of presenting the facts and figures in this overall bill which he did, which you need to have and which I know you ought to have, but

I am taking this time to point out something else which needs pointing out. I subscribe to what my chairman said, and he handled it so marvelously. But, this is a situation that I think somebody else or somebody needs to point out, too. Now, let us get down to this situation. How can anyone conscientiously say the cuts in this bill will jeopardize or hurt anything?

In the Air Force alone—listen to this—in the Air Force alone on the 1st of July they will have $17 billion unspent, though committed. They start off the next year with $17 billion in cash. July 1 they will have $3.7 billion not even obligated. The Air Force appropriation is in 8 parts, and within each of those 8 parts there is the right of transferability. Now, in this bill we give them $15 billion plus more. At the end of next year, at the end of July 1, 1 year from now, they will have as much then on hand as is appropriated in this bill. Is there any way to say that they cannot meet any emergency that might arise in the next 12 months? If there is not, why so much complaint about this? I will tell you why. I have tried to analyze the complaint of our top leaders. Let me repeat. The whole of the defense necessity is built on Russia, her intent and her capability. And the people who make the determination as to that capability do not even come before our committee. We do not hear from those who build up those figures. I have every reason to question the indications that I do get second hand. But if what I think is true, why all this agitation about this bill?

As the chairman has said, there is a carry-over in the bill of more than $8 billion. I will tell you why it is. It is because to a degree we have our civilian economy wrapped up in military spending. I have before me a list of the names of 50 corporations with whom we have spent $80 billion in 5 years. This information is in the hearings. In 5 years the value of the stocks of those corporations has increased from $57 a share to $149 a share. They are doing pretty well, it strikes me, with Government contracts.

Why is it, if the Navy, Air Force and Army have all these funds and will wind up the year with just as much money as we appropriate here, with the right of transferability, that there is so much screaming about getting more money? It is because your aircraft factories, your business people want the Department of Defense to enter into more and more contracts.

I have before me the report of the aircraft industry as of April 4. It shows that the aircraft industry this year has made a net profit of 3.9 percent of total sales. That is an increase from last year when the figures was 3.7 percent. Yet the cost of these facilities was largely provided by the Government. The companies had no risk worthy of the name. Whatever money they did put up, the Government permitted them to take a 5-year markoff instead of the usual 20 years.

I am not condemning the planes produced by aircraft factories. They have done a wonderful job. However, aircraft industry, before we even act on this bill, has a backlog of contracts of over $4 billion. It looks to me like they should be satisfied.

May I say again, when we get to where we cannot reduce this bill, in this case in actuality by $1,200,000,000 and with all this carryover of funds, and with all these profits the record shows have been made, then it is representative of the fact that we are getting our economy tied into this appropriation. And what does that mean? It means that here is the secret of your inflation. The military has such a great share of the total number of scientists, with the competition for the ones that remain by industry, that it jacks up the cost of all scientists. And under the type of contracts we have with these people who produce for the Government we find the reflection in the overall cost, which really means very little to them.

Not only that, but if we analyze the matter further, we can cut this amount of money out, and tell the Department of Defense to cut out these wasteful practices.

We had military procurement policies and practices investigated last year. I will not repeat the findings here. You will find them in last year's hearings. Suffice it to say it was so bad that Secretary Wilson said it made him "sad" and "mad" to know his Department had such a poor record with our committee.

They are promoting General LeMay to become Assistant Chief of Staff of the Air Force. Incident to promoting General LeMay there will be 177 changes in command throughout the world at a cost of untold thousands upon thousands of dollars. The Prussians in ancient Germany never asked for any more than we find our military asking for in this day and time. Three hundred and fifty thousand dollars was requested of our committee to build a home for the Chairman of the Joint Chiefs of Staff, and the poor Vice President of the United States has to buy his own home.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman.

Mr. SCRIVNER. I think the gentleman will find that that request, which by the way was not granted, included not merely a home, but some other installations including some emergency communications.

Mr. WHITTEN. That is right. The Chief of Staff could not rely on the tremendous setup that we have at the Pentagon and everywhere else; he wanted a duplicate set in his own home. But the total amount is $350,000, and I am glad our committee has not approved that.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Iowa.

Mr. GROSS. I should like to know if this home is still to be built on Government-owned land.

Mr. WHITTEN. The request was for it to be constructed at Fort McNair, so I assume it would be, as far as that is concerned. So there is no cost as to the land.

There are other things that are rather ridiculous. This intelligence agency, whose name I cannot afford to call because everybody already knows it, after I came back and made this report on what we did see over there, varied their estimates and said, "We overestimated Russia last year."

Last week one of the agents of that agency came to our Appropriations Committee looking for another agent of that agency. When the clerk asked him, "What is his name? Who are you looking for?" He said, "Under the rules, I cannot tell you his name." The clerk said, "How in the world do you ever expect me to find him?"

Is it not ridiculous? When you turn any group loose not having to report to anybody you have a group that is likely to be irresponsible, you have one that is likely to give to your military the highest possible estimate of Russia's capacity because then they cannot be found short.

What we need now, as I see it, is a chance to go along and be sure that we do not wreck ourselves before the game starts. We need to keep ourselves where, when the military put out the call that they really need it, we will know they are not crying, "Wolf, wolf." And we need it worse than you think.

I asked Admiral Radford when he was before our committee, "Admiral, can you tell me in the history of the world of a single major country that ever started spending more than half of its annual appropriations on the military over a long period of time which did not end up in a war?" He could not name a single one.

We had before our committee a distinguished German scientist, whose name I shall not repeat. He participated in the German war in World War II. He said, "Yes, Mr. WHITTEN, one of the major causes, in my judgment, of World War I and World War II was the fact that the German civilian economy had gotten wrapped up in military expenditures." So it was in Japan and so it has been everywhere else.

I like to think we are smarter than other peoples. I think that is natural of any nation. But I say the danger signal it out. When you see top military people telling you only part of the truth—I did not say misrepresent or lie, as the gentleman from Kansas has said—if you can ask them the right questions they will tell you the truth, but it is pretty hard for those of us who are merely laymen and not military experts to think of the right questions all the time.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. I want to join with the gentleman in his statements in regard to the economic abilities of Russia. The Joint Economic Committee made studies of that matter that I think will bear out what the gentleman has been saying. I personally made some studies in one area, which was transportation, because it seemed to me that was one field that you could not hide from our intelligence. I think that the proof of what the gentleman has seen and what others have seen and what any real study indicates is exactly

what the gentleman says, that Russia is about a 1910 country. The main thing I want to know, and the gentleman asked that question, too, is why that information is not printed throughout this country because it is available to the press. I have put remarks in the RECORD right along this line. I commend the gentleman for bringing this very important matter to the attention of the Congress.

Mr. WHITTEN. I thank the gentleman. I am sure he agrees with me. In raising these points, I am treading where angels fear to tread, for I buck all the vested interests. I had better say this right here and now—I have voted for national defense appropriations and I am going to vote for this one. You cannot afford to get caught short not supporting national defense. So I am going to support it. So I can say these things. I want to say again I am not professing that I have learned all about Russia in the time that I was there even though I did travel early and late and had our top people with me all the time. What I am saying is this. From my observation and what I learned from our top people who have been there, it was the direct opposite to the impressions conveyed to me by our top military people. I cannot say that my impressions or what I learned from my people is correct. Neither can I say that what the military tells us secondhand from our Intelligence is incorrect. But, I do say that they are at such wide variance that there is no excuse in the world not to have the primary source, the Intelligence Agency before the Congress in connection with what is the real capacity of Russia. I sincerely believe our military helps hold up the Iron Curtain. That is a serious charge, but I can document evidence to support my belief. That is all I say. May I say, and I will not call names, but we have had investigations that have had nationwide publicity under the names of Senators and Congressmen, and it was testified before our committee that those investigations started off accepting as the starting point that Russia has this—this—and this, conclusions of the Intelligence Agency. But, the hearings did not dig into the soundness of these estimates.

May I say again, the crux of the whole thing is—what is Russia's ability to do something, and it was testified here that conditions have changed since a number of years ago, today air fields surround Russia, which air fields are under the control of the United States or under the control of its allies. Some of these leaders who are trying to get all the money in this budget, and who testified before our committee, admitted that in their judgment it would be suicidal under present conditions for Russia to strike anywhere because of the ability of this Nation and its allies to retaliate. Let me repeat again. In my judgment, we are getting about 70 cents worth of defense for each dollar spent, and I can cite the record to show places where we are wasting the other 30 percent. We have reached the point where any community in this country which wants a new payroll comes before the committees here to ask for a defense establishment in their community. We pass laws letting the President distribute the benefits of this public spending. We passed a law that you could not buy more real estate unless you got the approval of a committee of this Congress. The committee has largely ended up being the group to determine where you put it and not whether you put the Defense Establishment anywhere. I can show you page after page where they have approved more and more acquisitions. Then, do you know what the military does? Presumably, to get more support in Congress, in our committee now there is another $1,500,000,000 request for more public works, two-thirds of which are in United States. In order to line you all up behind this new request, after they have all of these other things, they list them by States so that each one of you can see that there is something in your State and, surprisingly there is, not only in each one of the States, but also in the Territories and the possessions.

What have I done? I have tried to point out some danger signals, to sound some warnings. I have tried to do it in this report by filing "additional views." I am not at variance with my chairman and the very fine men with whom I work on this committee. They do a marvelous job with a terrific problem. I say again if Russia intends all these things, the crux of it is: What is her ability? And the starting point to handle that or any other national policy matter is to go to the heart of how sound are our estimates with reference to that ability. We get it secondhand. I could cite you, if I had the time, example after example, which would convince you we do not get such information because somewhere they want contracting with more and more big companies for more and more profits. It is a serious thing that I am trying to point out to you today. It is a hard thing to get anyone to pay any attention to. There are too many papers and too many magazines that are interested in their advertisers and the advertisers get the money to advertise from those with contracts with the Military Establishments. It is a round, round robin. Think, my friends, of what has happened to every other country that has thought its prosperity was tied to its military machine.

Everyone knows the military power of the United States and its allies far exceeds that of Russia. If we doubled our military machine by giving more and more contracts to companies which not only almost trebled their stock value in 5 years but doubled that. What we need is more courage to stand up for right. We already have the means.

Mr. CURTIS of Missouri. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Chairman, I asked permission to extend my remarks immediately after the remarks of the gentleman from Mississippi [Mr. WHITTEN] so that I could call the attention of the House to some remarks I made on the floor on February 15, 1957, concerning Russia's economic and military strength. These remarks are pertinent to the debate on this military appropriation bill, particularly with the emphasis that the gentleman from Mississippi, a member of the Appropriations Military subcommittee, has made. I again commend him for taking this little understood and therefore courageous position.

Incidentally, I disagree with the statement in the subcommittee's report on page 3 "The nature and extent of a military threat against the United States and its allies appears, in certain respects, to have somewhat abated." I think the threat such as it is just as real and strong, if not somewhat stronger, than it was a year ago. What has happened is that the committee members are obviously beginning to get a better understanding of just what that threat consists. That threat, in my judgment, should be overestimated rather than underestimated. There is little question in my mind that the budget as presented by the subcommittee still overestimates considerably Russia's military and economic capabilities so whatever error there may be in estimates is still on the safe side.

Hereafter follows the statement I made on the floor of the House minus the article by Charles Benedict to which I refer. The article is well worth reading and appears on pages 2552–2553 of the CONGRESSIONAL RECORD of February 25, 1957:

RUSSIA'S ECONOMIC AND MILITARY STRENGTH

Mr. CURTIS of Missouri. Mr. Speaker, I am inserting into the RECORD an article appearing in the January 19, 1957, issue of the Magazine of Wall Street by Charles Benedict, entitled "As I See It! The Seriousness of Russia's Economic Deficiencies," along with some remarks of my own which I excerpted from a speech I recently made on this general subject.

For some time I have been concerned about the assumption that seems to prevail in this country that Russia is a strong economic and military threat to the United States and to the non-Communist world. That Soviet Russia is an ideological threat, I have believed for some time. I have also felt that much more than has been done should be done to meet this threat. The Comintern and its successor, the Cominform and the present successor of this head of international communism, whatever may be its undisclosed name, is all too real. Yet it is this reality which is denied by many people in this country and the economic and military assumption which is believed.

The Joint Economic Committee has made some studies about the economic condition of Soviet Russia. I made some personal studies on one aspect of the Soviet economy. I chose a specific economic item because I felt it was necessary to concentrate in order to obtain knowledge beyond generalities. I chose transportation for the following reasons: No strong economy can exist without good transportation. No modern war can be waged any length of time without a strong economy and indeed without good transportation. Transportation developments are almost impossible to hide from intelligence.

What do the studies of Russia's transportation system reveal? A strong and modern railroad system and rolling stock? A highly developed highway system? With trucks? An internal waterway system and shipping? A highly developed air transport system with airports, facilities, and transport planes? Pipelines for transporting petroleum? A

coastline transportation system with coastal shipping and port facilities?

The answer to these questions is available to anyone who wants to do a little studying and a little questioning of people who have visited Russia and used any of the transportation facilities available. The answer is that Russia's transportation system is inadequate to an extreme degree. This answer should revise the thinking of even the strongest believer in overestimating rather than underestimating the strength of an enemy. The article of Charles Benedict comes to the conclusion that a great hoax has been perpetrated by Russia, another Potemkin display.

If this thesis is at all correct, the United States has been playing up Russia's game of bluff. Russia's game of bluffing whom? Not the United States, but the countries on its perimeters and the countries of the non-Communist world. The bluff serves two purposes: One, the obvious one, the creation of fear, of potential military strength and aggression; two, the less obvious one, but by far, in my judgment, the most dangerous, the creation of the impression that if Russia is this strong militarily and economically, then maybe the system of communism is not so bad after all. Maybe it is a pretty good system.

Right now the Asiatic and African world is watching two countries, Red China and India, to see which is able to industrialize and modernize the best. Red China is following the Communist pattern. India though, hardly following the private enterprise system—which is really the best—is following a system which is not communistic. If China wins, then the Communists will have won a tremendous victory. By the nature of things, China cannot win because communism is contrary to human nature. But there is a good part of the world watching to see. They are watching because they half believe that Russia has already accomplished these results under communism. They half believe it not because Russia has said it, because they disbelieve Russian propaganda as we do, but because the United States has said it, not only in words but in action. Our newspapers and periodicals are full of Russia's alleged prowess. Our military budgets translate these words into deeds.

A good bit of this Russian buildup comes from our own Military Establishment's propaganda machine which uses this theme to bolster its requests for appropriations. The biggest lobby by far in Washington, D. C., is the Military Establishment and it utilizes almost all techniques known to any lobby group to promote its interests. The Military Establishment is dedicated and loyal to our country, in fact, it is this very dedication which seems to make it blind to what is the welfare of our country. It goes back to a simple attitude of mind—no supply sergeant was ever busted for having too much supplies, but many a supply sergeant has been busted for not having enough of each particular thing thought to be needed at a specific time. The Military Establishment is led by dedicated leaders who remember the twenties and early thirties when it was so starved that it could not carry out its basic function to defend our society against external forces. They are determined to see that this does not happen again. But, in doing this and pursuing their course, and using the tactics they have used and are still using, they are hurting the ability of our country to meet the problems that face us in the world today. They are playing up Russia's game of bluff.

A few months ago we had a rash of news stories and statements from people who should know better about Russia's amazing and tremendous advancement in educational training. In tracing back to find out where this all came from it became quite apparent that a study by Nicholas DeWitt, Russian Research Center, Harvard University, published a book entitled "Soviet Professional Manpower, Its Education, Training and Supply"—1955—was the source for almost all of it. However, if anyone really read the book, which was a very fine scholarly work, he would not have become greatly alarmed. He would have seen what was quite obvious, that Russia was very far behind the Western world in scientific, as well as all other forms of education, and that the Russian leaders had decided to put on a forced draft to catch up, but that in putting on the forced draft they were committing some rather basic mistakes in education. Furthermore, that they were somewhat dependent upon outdated Western civilization material for much of their teachings. But basically what should have been seen is the very thing some people saw, if Soviet Russia was freeing up its educational system, it was sowing the seeds for destruction of communism. Education, search for the truth, and communism do not go along together. And, indeed, is that not what is happening? Russia did put on this forced draft in its endeavor to catch up educationally and throughout Russia there is the rumbling of revolt.

But, in the meantime, by our playing up the Russian move in education, partly I suppose to force our own educational system to get a move on, we played right into the Russian game of bluff. Our people in education were so desirous, just like our Military Establishment, to channel funds into our educational programs that they used any argument near at hand to promote this end. The Russian threat was readily available and so, without examining the situation as people in education are supposed to be trained to do, they went out and played up Russia's game.

I picked up a piece of information in Denmark last December when I was there discussing trade and economic problems. I was asking what the Baltic countries were doing in reference to gasoline and oil supplies with the closing of the Suez Canal. In the course of the conversation, it was mentioned that Finland had made a deal with Russia to get some Russian oil. I asked how the oil was being delivered and was interested to hear the reply. It was being shipped by boat from the Black Sea through the Dardanelles, through the Mediterranean, through the North Sea, thence to the Baltic Sea, and so to Finland. Yes, indeed, Russia has an imposing transportation system.

However, I conclude with one sobering remark. A flash fire, such as a sudden atomic attack, can cause vast damage even though the fire burns itself out in the space of a few minutes. We do need to take precautions against this kind of a development, but this is hardly the kind of development we are spending much of our wealth and efforts on. In fact, by confusing ourselves, we are not maintaining the concentration necessary to face this real military danger.

Mr. MAHON. Mr. Chairman, I yield 18 minutes to the gentleman from Alabama [Mr. ANDREWS], a member of the Committee on the Navy Panel.

Mr. ANDREWS. Mr. Chairman, as a member of the Navy Panel of the Department of Defense Subcommittee, it has been my particular responsibility to review the budget estimates of the Navy. I would like to discuss with you briefly our committee action on some of these estimates.

Never in the history of our Military Establishment has a military service undergone such far-reaching changes in so short a time as our Navy. In only a short period of time, the Navy has passed from battleships to guided-missile cruisers, from steam to nuclear power, from gunpowder to nuclear weapons, from reciprocating-type planes to modern supersonic jet aircraft, from conventional submarines capable of firing only torpedoes, to nuclear-powered submarines capable of launching torpedoes and long-range guided missiles.

These changes are being made at a time when the overseas responsibility and commitments of this country have broadened as never before until today they cover virtually the whole free world. As these responsibilities and commitments have broadened, so have the responsibilities of the Navy.

The vigilance, readiness, and combat capability of the Sixth Fleet in the Mediterranean and the Seventh Fleet in far eastern waters stand as constant reminders to the free world and to those behind the Iron Curtain of the power for peace which lies at the heart of our military policy. They stand ready to act at a moment's notice. They are striking forces poised to spearhead any attack against any enemy which would threaten the welfare of this Nation or the peace of the Free World. They are eloquent symbols of the desire and ability of this Nation to preserve the peace of the world. The bill before you continues to make such a navy possible.

Now let me talk for a few minutes with you about the fourth military service of this country, the Marine Corps.

This bill provides support for a Marine Corps of three combat divisions, three Marine Air Wings, and the necessary supporting troops. The strength of the Corps during fiscal year 1958 will be maintained at a level of 200,000 personnel. These forces represent an integrated, trained, and ready team. In the words of the Commandant of the Marine Corps:

> They are prepared to fight in a general war, a small war, or a limited war, but above all, they are ready to fight.

The advent of nuclear weapons into modern warfare has seen changes in the overall operational methods of the Marine Corps and in equipment necessary to support their activities. They have developed a new vertical assault technique for amphibious landings which, with its characteristics of speed and mobility, make them more potent than they have even been in the past. This bill makes provision for implementation of this new doctrine.

Yes; this bill makes reductions in the estimates of the Marine Corps, but it in no way impairs their fighting efficiency or their ability to procure the necessary materiel which they have programed for the coming fiscal year. For example, the funds provided by the committee together with estimated unobligated balances, will provide approximately $282,700,000 for Marine Corps procurement in fiscal year 1958. This is a sufficient amount to enable the Marine Corps to undertake their full procurement program of $215 million projected in the President's budget and leave a sufficient unobligated balance at the end of the fiscal year to achieve the necessary continuity in the program for the following year.

The deployment of the Marine Corps emphasizes their role in our defense posture. The 2d Marine Division and the 2d Marine Air Wing are on the east coast in North Carolina, ready to project their coordinated power in any troubled area in the Mediterranean, Near East or Middle East. A battalion landing team of this division, and from time to time appropriate air elements from the Second Marine Aircraft Wing, are maintained on station with the 6th Fleet in the Mediteranean. A small but powerful unit prepared for any task assigned it, and in a position to do it quickly.

The 1st Marine Division and the 3d Marine Aircraft Wing are stationed on the west coast in California. From there, embarked aboard ships of the Navy, they can contend with any emergency in the Pacific in a matter of days.

The third major deployment is perhaps most important of all. The 3d Marine Division and the 1st Marine Aircraft Wing are located at various bases in the Pacific and Far East. Plans and work are under way to station this force, less units composing the 1st Marine Brigade, on Okinawa, not as a garrison force but as a force undergoing training and continuously prepared to move out on short notice. From these locations, it is within easy striking distance of any potential trouble spot in the Far East.

Past history and recent events have proven again and again the importance of having marines deployed in overseas areas. In such a manner, they are instantly available for any emergency in any trouble spot of the world. The funds recommended by your committee in the accompanying bill are based on a continuation of this deployment and will enable the Marine Corps to fulfill its traditional role in the Military Establishment of this country as our Nation's force in readiness.

In this day of nuclear weapons and modern warfare the ability of the Navy to fulfill its objective of maintaining supremacy of the seas, depends in a large degree on the success of their research and development programs. In the past and in the present these research and development programs have contributed and are still contributing greatly to the ability of the Navy to maintain control of the seas. Their ability to maintain such control in the future will depend to a large degree upon the continued success in the research and development programs.

Your committee has recommended $495 million for this program for fiscal year 1958, $3 million more than that made available in fiscal year 1957, but a reduction of $10 million in the budget estimates. As pointed out in the report the committee is not satisfied with the coordination of the research and development program within the Navy, nor of the need for some of the various and sundry studies and programs presented in the justification of this appropriation request. We believe that with the exercise of proper coordination and in the application of intelligence priority to the program that the Navy can accomplish its overall research and development program within the amount recommended by the committee. Should this not prove sufficient in the event of some breakthrough in the research and development field ample emergency authority has been provided by the committee in the appropriation of the Office of the Secretary of Defense to meet these needs.

Let us look at some of these programs which have been funded in this bill. The Navy has a peculiar problem with reference to aircraft. Catapult takeoffs and arrested landings necessitate the construction of aircraft with more severe requirements in many areas than are needed for operation from conventional airfields. Development of these aircraft not only insure the continuation of essential aircraft for the various carrier task forces, but also permit the current Navy-Marine Corps development of shore based catapult and arresting gear for advanced base and amphibious operations. Development of this system will eliminate the need for time consuming construction of expensive airfields in advance areas.

The new vertical assault technique of the Marine Corps requires a continued development of weapons and equipment required for this modern amphibious type operation. Many gains have already been achieved but much remains to be done, such as reducing the size and weight of weapons and equipment and increasing their effectiveness and efficiency.

The enemy submarine threat as well as the desirability of our utilizing the undersea areas as an avenue of attack poses research and development problems that demand solution. Last summer, for example, a group of the best scientists and engineers in the country gathered together to take a very close look at the many problems involved in providing the Navy with increased future capabilities in undersea warfare, in an era when nuclear powered submarines carrying guided missiles and exploiting modern weapons are a fact. This group known as project NOBSKA made certain recommendations which have already resulted in some of the programs of the Navy being reoriented. The other recommendations are even now studies. Together they give the Navy an excellent avenue of approach to the providing of the essential materiel necessary to counter the submarine threat and to exploit these undersea areas to our advantage.

Particularly does the Navy have an interest in the requirement for basic research. Many of the present and future problems of the Navy can be solved only with information derived from basic research now being done or programed. Such effort must be continued for these findings may well hold the key to the ability of the future Navy of our country to maintain control of the seas.

Our investment in research and development assures us that just as today our Navy will be an effective force employing the most modern weapons of its day and capable of any action our Nation requires of it.

Now may I turn to the guided missile program of the Navy. Approximately $500 million is made available in the current bill for guided missile procurement exclusive of research and development.

No longer are guided missiles in the Navy something to dream about for the future. Air-to-air missiles such as the Sparrow and the Sidewinder are even now in our fleet aircraft. Surface-to-air missiles such as the Terrier already installed on cruisers in our active fleet, the Petrel, an air-to-surface missile, is in use by patrol squadrons. The Regulus missile, a surface-to-surface long-range missile for the bombardment of targets of Navy interest, is at sea in submarines as well as in surface combatant ships. Soon the Regulus II missile, a much faster, higher flying and more powerful missile than Regulus I will be flying off ships and land-based tests will be coming to a close and it will take its place aboard surface vessels and submarines as a powerful attack weapon in the fleet. The surface-to-air missile Talos is even now being readied for fleet introduction. The Bullpup, an air-to-surface missile, will be procured with funds contained in this bill.

Progress is being made on the fleet ballistic guided missile known as the Polaris. Funds are not only contained in the bill for the continuation of this missile program, but also for advanced materiel to be procured for a submarine in the 1959 program that is intended to launch this missile.

All of the combatant surface ships in the 1958 construction program have guided missile capabilities. Three of the four nuclear-powered submarines are planned to be guided-missile launchers.

The Navy has won its battle to provide the fleet with operational guided missiles. It will continue to stay ahead in that battle due to research and development programs.

There is, however, one matter of considerable concern which is now beginning to have a greater influence than ever before on the guided missile program, that is the matter of missile unit cost. We are now beginning to purchase or program large numbers of missiles to outfit the fighting forces of the Navy. It is a costly proposition. The total bill is reaching what has been termed astronomical proportions. This is the final battle which must be won. Even as we devote time and scientific talent to developing more and more missiles the Navy and others concerned must devote a great deal of time and talent to reducing the unit costs of our various guided missiles. Every dollar must be utilized to the maximum unless we are to spend ourselves into a disaster while we seek to prevent one with our Armed Forces. We cannot permit ourselves to be virtually priced into second place in the guided missile field due to high unit costs. In the words of Rear Adm. John E. Clark, Director of the Guided Missile Division of the Chief of Naval Operations, "the Navy's guided missile story is a success

story," a story however, "which now must be protected from the always deadly virus of unreachable high unit costs."

The military success of this country has always been founded on teamwork. Teamwork involving mutual trust and support between the Navy, the Army, the Marine Corps and the Air Force. This is as it should be. Such teamwork must be continued if our military effort is to be a successful one. Yet this teamwork does not stop with the military services. You and I as Members of Congress, the people in and out of Government service, in our universities, in our industry, in the districts which we represent, are all members of this team. The military efforts of this country will progress in a large degree in direct relation to the support we give them. I do not mean today that as Members of Congress we should blindly appropriate funds on their every estimate, or grant their every request; they must all be screened with careful and deliberative study. I think your committee has done that as evidenced in this bill. I trust that we will continue to do that in the future and that the same careful deliberations and spirit of cooperation and confidence will be displayed by all of us whether in this Chamber, back in our districts, or anywhere by all who call themselves members of this American team.

Mr. HOFFMAN. Mr. Chairman, I make the point of order that a quorum is not present.

Mr. MAHON. Will the gentleman withhold that for a moment?

Mr. HOFFMAN. I will be glad to withdraw it if we get unanimous consent that somebody else is not going to make it.

Mr. MAHON. We have one more speaker, and we will close at 5:30, if that will be satisfactory.

Mr. HOFFMAN. May I inquire of my colleague from Iowa: Are you going to make a point of no quorum?

Mr. GROSS. Is the gentleman going to withdraw his point of order?

Mr. HOFFMAN. If you agree you are not going to make one.

Mr. GROSS. Let the gentleman withdraw if he wants to.

Mr. HOFFMAN. I am waiting. Well, I will pass the buck to you. I will withdraw it for the moment.

Mr. GROSS. I make the point of order that a quorum is not present.

Mr. MAHON. Will the gentleman withhold that for 1 minute?

Mr. GROSS. Yes; I will wait for 1 minute.

Mr. MAHON. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I want to pay tribute, if I may, to my colleagues who are members of the defense subcommittee. This is a committee where we work for months each year on defense appropriations. One needs a passion for anonymity to serve on this committee. The hearings are not public; they cannot be. We work during the long days and months in an effort to serve the best interests of the Congress and the country, and I am inspired when I hear as I have today the speeches of my colleagues on the subcommittee. Others will speak during the further debate which will resume Monday.

The Democratic members in order of seniority on the subcommittee are as follows: The gentleman from California [Mr. SHEPPARD], the gentleman from Florida [Mr. SIKES], the gentleman from Arkansas [Mr. NORRELL], the gentleman from Mississippi [Mr. WHITTEN], the gentleman from Alabama [Mr. ANDREWS], the gentleman from South Carolina [Mr. RILEY], and the gentleman from Pennsylvania [Mr. FLOOD].

The Republican members in order of seniority on the subcommittee are as follows: The gentleman from Massachusetts [Mr. WIGGLESWORTH], the gentleman from Kansas [Mr. SCRIVNER], the gentleman from Michigan [Mr. FORD], the gentleman from Maryland [Mr. MILLER], and the gentleman from New York [Mr. OSTERTAG].

I have listed the members of the subcommittee as being Democrats or Republicans. Actually, there is practically no partisanship in the committee, all members devoting themselves to the best interests of the country without reference to partisan politics.

I want to mention members of the staff with whom we work on the defense bill. They are Mr. Corhal Orescan, Mr. Samuel Crosby, Mr. Frank Sanders, Mr. Earl Silsby, and Mr. Ralph Preston. They work tirelessly and effectively and the Congress and the people are fortunate to be so well served by men dedicated to the public good.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I am glad to yield to my friend from Iowa.

Mr. GROSS. May I say that it is for the reason that we have had many fine statements and I suspect there will be more to come that I made the point of order of a quorum not being present; because I think there ought to be more Members on the floor to hear the statements made on a bill involving $36 billion.

Mr. MAHON. Mr. Chairman, I do not quarrel at all with my good friend from Iowa.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. MCCORMACK) having resumed the chair, Mr. MILLS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 7665) making appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes, had come to no resolution thereon.

LIMITATION OF DEBATE ON H. R. 7665

Mr. MAHON. Mr. Speaker, I should like to confer with the gentleman from Massachusetts [Mr. WIGGLESWORTH] as to the remaining time for debate. The indications are that about 4 hours equally distributed between the gentleman from Massachusetts and myself would be reasonably adequate to finish the debate. If the gentleman is agreeable to that, I ask unanimous consent that the remainder of general debate be limited to not more than 4 hours, with the time to be equally divided between the gentleman from Massachusetts [Mr. WIGGLESWORTH] and myself.

Mr. WIGGLESWORTH. Mr. Speaker, that is entirely agreeable.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the gentleman from Arkansas [Mr. NORRELL] be permitted to include appropriate extraneous matters in the remarks which he made this afternoon.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members who have spoken on the bill may have permission to revise and extend their remarks and insert appropriate extraneous matter.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

FEDERAL EXCISE TAX LAWS

Mr. COOPER. Mr. Speaker, I offer a resolution (H. Con. Res. 179) and ask unanimous consent for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed 12,400 additional copies of the report to accompany H. R. 7125, a bill to make technical changes in the Federal excise tax laws; of which 7,500 copies shall be for the use of the Committee on Ways and Means; 4,200 copies for the House document room; 500 copies for the Senate document room; and 200 copies for the use of the Committee on Finance.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. BURLESON. Mr. Speaker, may I advise the Chair that the report on the resolution just passed is on the Clerk's desk.

COMMITTEE ON GOVERNMENT OPERATIONS

Mr. MILLS. Mr. Speaker, I ask unanimouse consent to address the House for 1 minute.

Mr. SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MILLS. Mr. Speaker, at the suggestion and request of the gentleman from Massachusetts [Mr. MCCORMACK], I announce that the Committee on Government Operations will have a meeting at 10 o'clock on next Tuesday in room 1501 to consider the bill H. R. 6711, to extend the Reorganization Act of 1949. This is done in order that Members interested in the legislation may be on notice of this meeting and the consideration of this bill.

FEDERAL TAX LAWS AS THEY PERTAIN TO DEPLETION ALLOWANCES

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, for some time I have advocated a reevaluation of the Federal tax laws as they pertain to the extractive industries with particular reference to the depletion-allowance theory.

On April 15, 1957, the St. Louis Post-Dispatch had an editorial titled "Millions Congress Overlooks," in which they discussed the tax depletion allowance. On April 18, 1957, I wrote to the editors of the St. Louis Post-Dispatch, explaining my interest to them on this subject matter and discussing it at some length. On May 7, 1957, I wrote to Congressman JERE COOPER, chairman of the House Committee on Ways and Means, formally requesting that the Committee on Ways and Means hold hearings on this subject. I sent a copy of this letter to Secretary of the Treasury Humphrey. On May 17, 1957, I received a reply from Secretary Humphrey setting forth his views with respect to hearings by the Ways and Means Committee on this subject.

I have not received a reply from the chairman of the Ways and Means Committee in answer to my letter of May 7, to date. However, I believe that it is most important in this time of need of the Federal Government for revenue and of equalizing the tax structure among the many segments of our economy to move promptly toward a reevaluation of our tax laws as they affect the extractive industries. I am making this material public because of the general interest in this matter. The proper way to begin is to have hearings by the Ways and Means Committee.

[From the St. Louis Post-Dispatch of April 15, 1957]

MILLIONS CONGRESS OVERLOOKS

Surely Congress is not going to go to the end of its present session without doing something about the oil-tax depletion allowance.

The utmost hullabaloo is being raised about reducing outgo for foreign aid, for the Post Office, for schools, or for anything at all. Yet here are many millions being lost to the Treasury every year for no good reason, and only a handful of Senators are willing to do so much as stand up and be counted on either side.

The oil-depletion allowance is intended in theory to give oil companies incentive to explore for new oil reserves. Last year reserves of crude oil and natural gas stood at a record high, yet the depletion allowance still offers special incentives to the discovery of still more.

Thanks to the depletion allowance, the oil companies enjoy an advantage over all other kinds of business. They can deduct 27½ percent of their net income before figuring their income tax, up to half their gross income. Accordingly, in the last 31 years, during which income taxes for most corporations have risen from 14 to 52 percent, income taxes for some oil companies have gone down to as little as nothing.

Superior Oil Co. earned $10 million in 1953, but instead of paying income taxes it collected a credit of $100,000 from the United States Treasury. The following year it earned $12,500,000, paid no income taxes, and collected $500,000 in credits. The depletion allowance even goes abroad. A syndicate of American oil companies known as Arabian-American earned $272 million in Saudi Arabia in 1955 without paying Uncle Sam a nickel.

Senator WILLIAMS, of Delaware, has proposed scaling the allowance down to 20 percent, which he estimates would recover $250 million a year in income taxes for the Treasury. Senator DOUGLAS, of Illinois, alternatively proposed keeping the figure as it is for companies earning less than $1 million a year, and reducing it to 15 percent for companies with $5 million or more of taxable income.

Neither Senator could get enough colleagues to raise their hands to force a rollcall vote, which would go on the record—and only a fifth of those present was required. The only Senators who responded to Mr. WILLIAMS' appeal were DOUGLAS, AIKEN, of Vermont, POTTER, of Michigan, LAUSCHE, of Ohio, JAVITS, of New York, and NEUBURGER, of Oregon. Two years ago WILLIAMS, DOUGLAS, and AIKEN had tried with similar unsuccess to compel individual Senators to take sides. Again the other day the Senators, in a supine exhibition of political cowardice, simply shouted down the proposals.

There is justification for some limited amount of depletion allowance to compensate for the risks the oil industry takes in exploring new reserves. The amount allowed is excessive, constituting a drain on all other taxpayers to afford a bonanza for a few. Talk in Congress of saving the taxpayers' money will ring most hollowly as long as these particular millions go on being squandered.

APRIL 18, 1957.

To the Editors of the St. Louis Post-Dispatch, St. Louis, Mo.

GENTLEMEN: I read with interest your editorial of Monday, April 15, 1957, entitled "Millions Congress Overlooks," referring to the Federal tax deduction permitted the owners of oil and gas wells for depletion in the amount of 27½ percent of the income derived from these properties.

For several years I have advocated a new look at the depletion allowances permitted under our Federal tax laws for mineral deposits (including oil and natural gas). I am convinced that the percentage depletion allowances do not accurately reflect the actual depletion experienced under modern methods of extraction. Furthermore, the estimates which the percentage figures reflect need not be so arbitrary in the light of modern knowledge of what mineral wealth actually exists in producing mines and wells. Our tax laws should reflect the knowledge we now possess about the extraction of oil, gas, and other minerals, rather than the knowledge we had 30 years ago.

However, if we are going to take a look at this matter, I think it would be helpful to throw more light on the subject. Furthermore, if we are going to make a political issue out of it, we should take a real look at the politics involved.

In the first place, the Senate of the United States has very little to say about initiating any changes in the Revenue Code. The Constitution quite clearly bases the power to initiate tax laws in the House of Representatives. So it is less important to know what Senator WILLIAMS or Senator PAUL DOUGLAS or Senator LYNDON JOHNSON thinks about this matter, even though they may talk a lot about it, and more important to know what Speaker SAM RAYBURN and the 15 Democrat members and 10 Republican members of the Ways and Means Committee think about it.

The oil-depletion allowance is not intended in theory to give oil companies incentive to explore for new oil reserves. This may be one of its practical results. The theory behind the oil-depletion allowance is constitutional. The 16th amendment gives the Federal Government the power to tax income, but not principal. Any mining operation involves the return of capital. A mine is worth so much at any given time, but the owner of the mine, as he continues to extract the mineral, lessens the value of the mine and when the mine itself is exhausted the mining property has little value.

The difficulty in applying the income tax to mining operations comes from the fact that it is hard to know just how much mineral is in the mine (or oil in the well) at a given time. If it could be determined exactly how much was there, an actual figure for capital could be used instead of an estimated figure. Furthermore, if an owner is to replace his capital investment and remain in the mining business, he cannot just go out on the market and purchase his replacement. To bring out this point, by contrast, anyone in a manufacturing business can replace his wornout machinery by buying on the market new machinery. To replace the capital investment lost through mining, one must resort to exploration for a new ore body. The capitalization of the costs for exploration then becomes another complicating factor in computing what is income and what is return of capital in the mining business.

Discovery depletion was first adopted in applying income taxation to the mining industry to permit the capitalization of moneys spent searching for new mineral deposits. Because discovery depletion was difficult to figure accurately and apply (particularly in equal fashion to mineral deposits blocked out before the income tax law became effective and mineral deposits discovered and blocked out after the income tax law became effective), percentage depletion was adopted for oil and gas in 1926 for metal mines, coal, and sulfur in 1932 and later on for other minerals. There is no question of inequality as between citizens in the tax laws applicable to gas and oil production. Any citizen or any group of citizens derive the same benefits if they go into this occupation. The laws have been on the books ever since the income tax law first went into effect over 40 years ago. If, indeed, the oil and gas businesses were especially lucrative, there would be an excess of investment in the oil and gas industries. Some argue that this is the case. The test of this is, Do we have adequate oil and gas reserves in the United States of America and available to the United States of America? Some argue that we have more than adequate reserves. Others argue that we do not. This is one basis for determining whether our depletion percentages are producing good or bad economic results.

Essentially, the oil and gas industries attract public notice, because there is a large element of gamble in the business. There are many losers, but the winners are few and the amount they win is large. An examination of only the winners gives a very distorted view of gambling, so an examination of those who have become wealthy in the oil and gas industry gives a very distorted view of the industry and permits the industry to become the butt of demagogs. However, unlike gambling, the oil and gas industry is essential to our society. Governmental regulation or Government operation would not

result in a better performance in the search and development of oil and gas discoveries. A healthy private enterprise system seems to produce the best results. This is not entirely theory. Many nations have resorted to semigovernmental systems over a period of years with very mediocre results.

However, rather than to judge what the economic effects of our tax laws are on the oil and gas industry in relation to our overall economy, inasmuch as the question is not one of extremes, I think the important thing to judge is whether the tax laws as written actually provide an accurate measuring stick for what is truly capital return and what is income in our mineral extraction industries. If the measuring stick is accurate, I am satisfied the economic effects will be beneficial. If the measuring stick is inaccurate to the extent that more capital is moved into this area of human endeavor than would normally go in, but for the tax structure, then the economic effects might be detrimental. On the other hand, there are areas in our economy which for various reasons we decide should be subsidized through Government flat. Perhaps oil and gas production is such an area.

My own conclusions are that oil and gas production is not an area where we need subsidization and, even if it were, I would rather get the matter out in the open so that we would be conscious of the fact that we were subsidizing it. Then we would be in a position of making some decisions as to how much it should be subsidized. Subsidy through tax laws is subtle and easy and, in my judgment, one of the greatest dangers to our traditional system of government.

I believe that the present depletion percentages do not accurately measure what is capital return and what is income in the oil and gas industries. I am not prepared, without further study, to say what figure would be most realistic. However, I believe it is quite important that the Ways and Means Committee undertake an objective study at once to determine what percentage figure would be more realisic to measure what is capital return and what is income. It is entirely possible that a better formula than an industrywide formula, such as percentage depletion is, can now be devised in light of our increased geological knowledge.

Sincerely,

THOMAS B. CURTIS.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 7, 1957.

Hon. JERE COOPER,
Chairman, House Committee on Ways and Means, Washington, D. C.

DEAR MR. COOPER: In 1955 a subcommittee of the Joint Economic Committee on economic aspects of our Federal fiscal policies conducted some studies entitled "Federal Tax Policy for Economic Growth and Stability." One chapter of these studies was devoted to the impact of Federal taxation on natural resources development. The papers prepared by the experts on this subject appear on pages 419–493 of the Joint Committee print, "Papers submitted by panelists appearing before the subcommittee on tax policy." The interrogation of this panel of experts by the subcommittee appears on pages 350–411 of the printed hearings before the subcommittee on tax policy, December 5–16, 1955.

The work of the Joint Economic Committee is limited to a consideration of broad governmental policies and the effects of these policies on our economy. The committee does not cover specific legislation, nor does it propose specific legislation.

Congressman WILBUR MILLS was chairman of this subcommittee and I was a member of it. Both of us being members of the Ways and Means Committee were undoubtedly stimulated in our interrogation of the panel experts by our interests in specific tax legislation.

For some time, I have advocated a reevaluation of the Federal tax laws as they pertain to the extractive industries with particular reference to the depletion allowance theory.

Discovery depletion was first adopted in applying income taxation to the mining industry to permit the capitalization of moneys spent searching for new mineral deposits. Because discovery depletion was difficult to figure accurately and apply (particularly in equal fashion to mineral deposits blocked out before the income tax law became effective and mineral deposits discovered and blocked out after the income tax law became effective), percentage depletion was adopted for oil and gas in 1926, for metal mines, coal, and sulfur in 1932, and later on for other minerals.

I believe it is important that the Ways and Means Committee do undertake to reevaluate our tax laws in this area as soon as possible and, for this reason, I am putting in writing a formal request to you as chairman that this be done.

Perhaps this is a subject matter that the subcommittee of the Ways and Means Committee headed by Congressman MILLS can properly go into.

If there are any reasons why you feel that the Ways and Means Committee should not or cannot go into this subject at this time, I would appreciate knowing what these reasons are. Furthermore, if it is simply a question of timing rather than desirability that this be done, I would appreciate your advising me at what time the Ways and Means Committee might undertake this work.

I am further moved to make this formal request of you as chairman of the Ways and Means Committee in light of the action taken by several Senators recently to modify our depletion laws through amending H. R. 4090, a bill to extend the corporate and excise tax rates, on the Senate floor. In my judgment, such basic laws should not be changed in such a fashion and without proper study by the Ways and Means Committee. Certainly, the House of Representatives should seek to avoid the subversion of the Constitution which clearly provides that tax bills must originate in the House of Representatives. The House can lose this basic right, however, through a failure to move in and exercise this right in matters which require action as I feel is the situation in this instant case.

Sincerely,

THOMAS B. CURTIS.

THE SECRETARY OF THE TREASURY,
Washington, May 17, 1957.

Hon. THOMAS B. CURTIS,
House of Representatives, Washington, D. C.

DEAR TOM: Many thanks for sending me a copy of your letter of the 7th to the Honorable JERE COOPER, advocating a reevaluation of the Federal tax laws relative to the extractive industries, with particular reference to the depletion allowance theory. I am interested to know of your concern with the subject.

As you know, I feel that while in a general way the practical effects of the present depletion provisions are carrying out our general national purposes, I certainly would not object to a thoroughgoing, complete study, with hearings, to determine whether any changes might be required for the future best interests of the country as a whole.

Best to you.

Sincerely,

GEORGE HUMPHREY.

THE EISENHOWER MIDDLE EAST DOCTRINE

Mr. OSMERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. OSMERS. Mr. Speaker, residents of New Jersey's Ninth Congressional District, which I represent, support the Eisenhower administration's Middle East doctrine by a 2½-to-1 ratio, according to replies received so far to my 1957 questionnaire.

More than 11,000 replies have already been received from approximately 40,000 questionnaires which I mailed out recently. Fifty-four percent replied "yes" to the question: Do you favor using United States military force to prevent Communist aggression and expansion in the Middle East? Twenty percent replied in the negative, and 26 percent were undecided.

Continued economic aid to friendly and neutral nations was favored by nearly 4 to 1, or 76 percent to 20 percent. But of those favoring continued aid, there was a 3-to-1 ratio favoring such aid at reduced cost. Only 4 percent were undecided on continuing aid.

Aid with restrictions to Communist nations was opposed by a 2-to-1 margin with 59 percent against and 31 percent in favor, and 10 percent undecided.

Sixty-one percent were opposed to cutting the Federal budget to a point where domestic programs and services are curtailed. Thirty-one percent favored such cutting, and 8 percent were undecided.

Replies show heavy support for some of the bills introduced by me. My proposal for a complete review of budget and tax policies by qualified citizens and Congressmen was favored by 91 percent. Such a review is provided for in my bill, H. R. 6028.

Immediate tax relief for small business was favored by 72 percent, with only 14 percent opposed and 14 percent undecided. My bill, H. R. 6027, affords such relief.

Federal scholarship aid for scientific and technical training for qualified students as called for in my H. R. 1976, was approved by 80 percent of those replying, with 17 percent opposed and 3 percent undecided.

My H. R. 6951 and House Resolution 80, which seek to end employment discrimination due to age, were approved by an overwhelming 93 percent.

As a possible repercussion of current Congressional investigations into labor-management rackets, 67 percent of the replies favored Federal supervision of pension and welfare funds, with 23 percent opposed and 10 percent undecided.

An increase in postal rates on all classes of mail to cover the Post Office Department deficit was favored by 70 percent, opposed by 20 percent, with 10 percent undecided.

Eighty-one percent of those replying favored the prohibition of billboards on new Federal highways, a measure which has my strong support. Only 10 percent were in favor of permitting billboards, with 9 percent undecided.

Six months' active duty training for all new reservists and National Guard enlistees was supported by 73 percent of those who replied. Seven percent opposed it, and 20 percent were undecided.

Replies are still coming into my office in fairly heavy numbers. Those who have filled out and returned these questionnaires have really helped me in my efforts to represent my constituents intelligently.

Mr. Speaker, I wish to emphasize a statement which I have made before, namely, that there is no single method as helpful to me in determining the feelings and wishes of my constituents as the replies which I receive from these annual questionnaires. I want to thank publicly, especially those who have sent detailed comments on the various questions covered and other public issues.

Here is a summary of percentage replies:

Do you favor—	Yes	No	Undecided
1. Using United States military force to prevent Communist aggression and expansion in the Middle East?	54	20	26
2. Continued economic aid to friendly and neutral nations?	76	20	4
3. Aid with restrictions to Communist satellite nations?	31	59	10
4. Complete review of budget and tax policies by qualified citizens and Congressmen (my H. R. 6028)?	91	4	5
5. Cutting the Federal budget to a point where domestic programs and services are curtailed?	31	61	8
6. Immediate tax relief for small business (my H. R. 6027)?	72	14	14
7. Raising postal rates on all classes of mail to cover deficits?	70	20	10
8. Federal supervision of pension and welfare funds?	67	23	10
9. Federal scholarship aid for scientific and technical training of qualified students (my H. R. 1976)?	80	17	3
10. 6 months active duty training for all reservists and new National Guard enlistees?	73	7	20
11. Ending employment discrimination due to age (my H. R. 6951 and H. Res. 80)?	93	4	3
12. Keeping billboards off new Federal highways?	81	10	9

HOUSING

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. Mr. Speaker, I take this time to inform the Members of the House, who recently passed the housing bill, that the Banking and Currency Committee of the other body has reported out a housing bill which, I understand, will come to the floor of the other body for action early in the coming week.

What they do in the other body may become of particular interest to the House when the result of their actions is brought to the House by the conference committee on the housing legislation.

The Banking and Currency Committee of the other body has made a number of radical changes in the bill this body passed. However, today in order to keep the House informed, I will confine my remarks only to the college housing part of the bill.

First, I would like the Members of the House to know that the Banking and Currency Committee of the other body, in reporting the bill, leaves the interest rate to the Government at the present 2⅞ percent compared with the House bill recently passed providing an increase in interest rate on Government loans for college housing to 3½ percent.

I would like also to point out that the Banking and Currency Committee of the other body increased the additional loan fund of $150 million for college housing which amount was requested by the Administrator Mr. Cole, to $200 million, an increase of $50 million over the action taken by the House.

It is important to note that the Banking and Currency Committee of the other body provided that $25 million of the amount be reserved for "building housing for nursing students and interns at a public or private hospital."

This is a new project that does not have the approval of the college housing agency, and certainly should be defeated in the other body or later in a conference by the Members of the House.

As the ranking minority member for the House Appropriations Subcommittee for Independent Offices, before which the representatives of the Housing and Home Finance Agency came and testified at length, and from a subsequent study I made of the housing bill, I would like to give a short review of the act with particular reference to the college housing section.

Re pertinent facts about college housing loans.

The act was written in 1950 providing that the Housing and Home Finance Agency with the help of the Treasury would fix the interest rates. The rates they set for the first 5 years averaged 3.05 percent.

Then the Congress, in 1955, amended the statute and lowered the interest rate the colleges should pay the Government to 2⅞ percent, which exists to the present time.

This liberality on the part of the Congress with the taxpayers' money caused wealthy universities and educational institutions to flood the Housing and Home Finance Agency with five times as many applications for loans in 1956 and 1957 as had been received during the previous several years.

Lowering these interest rates caused the tax-exempt, well-financed educational institutions to quit borrowing from commercial sources, insurance companies, and so forth, with the result that of the last $60 million in loans for college housing, all were financed by the Federal Government. Low interest rates have driven private lenders out of the market.

The officers of the Housing and Home Finance Agency, seeking to correct the matter, testified before the Banking and Currency Committee, urging the interest rates be raised. That committee recently reported the bill to the House, raising the rates to 3½ percent, which was approved without any objection. Certainly the Senate bill keeping the rates at 2⅞ percent should be amended to an increase of 3½ percent, as passed by the House.

It is ridiculous for the Government to pay 3½ percent for money and loan the funds at 2⅞ percent to tax-exempt wealthy colleges at a loss of ⅝ percent.

The House approved an additional loaning fund of $150 million for college housing, and, in this instance, the committee of the other body raised that amount of loan fund $50 million over the amount requested by Administrator Cole for college housing, and over the amount passed by the House, to a total of $200 million of which they start a new program by reserving $25 million of the amount of $200 million proposed by the Senate for building housing for nursing students and interns, at public or private hospitals. This is a new project that does not have the approval of the college housing agency, just another camel getting his nose under the tent.

If adopted, this will open the door to the extension of this program—not only to the building of homes for student nurses and interns—and is not limiting the program to its original intent for higher educational institutions exclusively.

This new program should be stopped before it is extended to the unnecessary building of housing for nursing students and interns, at public or private hospitals. No one can justify the initiating of this new program.

The Finance Committee bill of the other body increases the total loan funds to $950 million, and keeps the interest rate at about 2⅞ percent. It also provides the new project for nursing and intern facilities, for both public and private hospitals. Certainly this new project has no place in college housing.

MORE FUNDS AUTHORIZED THAN NEEDED

Here are documented facts:

Since the act was passed in 1950, only $403,081,000 has been firmly committed for loans. Of this $403,081,000, only $178,917,214 has been loaned. Of this amount, only $169,319,000 has been spent for the purchase of bonds, and, in addition to this, only $9,598,214 has been advanced for the purpose of beginning construction on college housing projects.

In addition to the $178,917,214, $224,163,785 has been firmly committed, or obligated, for executed contracts.

This brings the total amount of money that has been firmly committed, or obligated, or loaned to $403,081,000. This is the total amount of money that has been obligated out of the authority they now have of $750 million for the 7 years in which this program has been in operation.

If the Senate bill is passed, as written, it will increase the obligatory authority for the college housing agency $50 million over Mr. Cole's request for 1958, to a total of $950 million—Mr. Cole, the Administrator, requested $900 million.

This will give them over the $403,081,000, which they have committed but have only spent $178,917,214, an authorization advance backlog of $546,919,000.

If the Senate bill is amended, as it should be, increasing the interest rates to 3½ percent, it will greatly reduce the request for Government finances, because tax-exempt educational institutions will largely go back to private enterprise to secure the major part of their funds, as they did before the interest rate was lowered in 1955 from 3½ to 2⅞ percent.

This points up the fact that if it took 7 years to firmly commit only $403,081,000, it will doubtless take another 7 years to firmly commit the balance of $546,919,000, and if the interest rate is raised to 3½ percent, as it should be, there is good reason to believe that the amount of funds provided for in the Senate bill will not be committed within the next 10 years.

It would seem to me that if we are ever going to reduce the budgets for the future, it is incumbent upon the House and Senate to reduce authorizations. I think the House made a mistake in adding $150 million to this authorization, and it would appear that the Senate is about to make a greater mistake by increasing the authorization to $200 million instead of $150 million, and its greatest mistake of initiating a new program of living quarters for student nurses and interns, in public and private hospitals, at a token cost of $25 million this year—another case of the camel getting his nose under the tent.

The history and facts of college housing, as above related, would seem to sufficiently justify the Congress in disapproving the $200 million, and holding the authorizations to $750 million in order to let the construction program of college housing use up, if it can, all the $346,919,000 yet uncommitted as of March 31, 1957.

SMALL BUSINESS

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ROOSEVELT] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, the distinguished chairman of the Senate Committee on Small Business, the Honorable JOHN J. SPARKMAN, introduced a resolution which clearly sets out the problems faced by small business in securing a fair share of the procurement dollars spent by the Department of Defense.

I have today introduced a similar House resolution with the hope that if the Senate and House each enact such a declaration of principle, it will have an important effect upon the Department of Defense, and thus, render a real service to the thousands of small-business concerns who can afford no lobbyists or large staffs in Washington, and who, therefore, must depend on the elected representatives of the people to defend their rights.

THE PANAMA CANAL

Mr. HAYS of Arkansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute for the purpose of acquainting the Members with certain problems in connection with the Panama Canal and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HAYS of Arkansas. Mr. Speaker, one of the key events in our Nation's history was the acquisition on May 4, 1904, of the Canal Zone coupled with the construction of the Panama Canal, 1904–14, inaugurated by President Theodore Roosevelt.

It was my special privilege to attend, on May 18, 1957, the 22d annual meeting of the Washington chapter of the Panama Canal Society consisting of former officials, engineers, and employees who were engaged in the construction of the great waterway or in its subsequent operation and maintenance; also members of the Foreign Service and Armed Forces who have served on the Isthmus. Thus, its membership is representative of the various professions, skills, and occupations that have contributed toward the historic project.

The officials of the society were Col. George S. Brady, president; Alexander E. McClure, vice president; and Gustav C. Hertz, secretary-treasurer. The committee on arrangements consisted of Joseph A. Cheeseman, chairman, and Stephen Latchford.

Among the guests were: one colleague, the gentleman from Kentucky, Hon. Eugene Siler, Dr. Edward L. R. Elson, pastor of the National Presbyterian Church; Col. Robert W. Fojt, president of the Marine Equipment Board; Capt. James W. Farmer; Dr. Charles S. Collier, professor of law, George Washington University; one of my esteemed professors in my own legal training some years ago; Dr. Arno C. Fieldner, Fuels Technologist of the Bureau of Mines; Mrs. Gaillard Sherman Rogers; Dr. Louis M. Sears, professor of history emeritus, Purdue University; Mrs. Ruth Shipley, former head of the Passport Division, State Department; and Dr. Charles C. Tansill, professor of American history and diplomacy, Georgetown University.

Dedicated to all those directly identified with the construction, maintenance, operation, sanitation, protection, and defense of the Panama Canal, the occasion was outstanding, and, indeed, of historic character.

The principal address was by the Hon. Maurice H. Thatcher, sole surviving member — 1910–13 — of the Isthmian Canal Commission, life-long student of Isthmian problems, and distinguished former member of Congress from Kentucky. The second speaker was Capt. Miles P. DuVal, United States Navy, retired, well-known historian of the Panama Canal, recognized authority on its operational problems, and author of the terminal lake-third locks plan for its major improvement.

Dr. Charles S. Collier, who has studied the legal questions involved in the current debate, also spoke briefly.

The subject of the very timely discussion was Suez and Panama. The speakers contrasted and compared the situations presented by the two great interoceanic canals.

Under leave to extend my remarks, I include the addresses of Governor Thatcher, Captain DuVal, and Professor Collier, as follows:

ADDRESS OF HON. MAURICE H. THATCHER

Mr. President, distinguished guests, old-timers, members of the society, and friends, because of the increasing discussion at home and abroad concerning the question as to whether the recent seizure of the Suez Canal by Egypt constitutes any precedent as to whether Panama may have any right to claim ownership and control of the Panama Canal, it has been deemed appropriate for this annual meeting of our society to hold this discussion. Certainly the subject of any proposals for surrender by the United States of all the rights, power, and authority concerning the Panama Canal and the Canal Zone, either to Panama or to some international authority, is one to engage the attention of our citizens generally, particularly the old-timers whose efforts and sacrifices so greatly contributed to the success which our Nation achieved in the construction of the great water link at Panama. What I shall say on the subject will be said in good spirit, without any personalities involved, and for the purpose of stating my views for whatever they may be worth.

Our limited time today will not permit any extended discussion, but I shall strive to point out certain distinct differences between the two situations—the one at Suez and the other at Panama. I shall address myself especially to the treaty arrangements providing for the construction of the Suez Canal and of the ownership involved, and offer a brief reference to our treaty with Panama in 1903, leaving to Captain Du Val—an eminent authority and historian on the Panama Canal—the task of stating in more detail pertinent provisions of our several treaties with Panama.

SUEZ CANAL

The political status of the two canals—the Suez and Panama—are to be contrasted. The Suez Canal was constructed under a concession granted in 1854 by the Khedive of Egypt to Ferdinand de Lesseps which authorized the latter to organize a private company—designated as the Universal Suez Maritime Canal Company—for the purpose of constructing, maintaining, and operating that waterway. The grant involved ran for 99 years, commencing from the day of the opening of the canal for operation. Under the concession the Egyptian Government was to receive an annual stipend of 15 percent of the net profits derived from the operation of the canal. All necessary lands, etc., were available to the company which might be necessary for the work. The concession was supplemented and amended by that of January 5, 1856, but did not change the period of the concession. At the time of these concessions Egypt was a part of the Ottoman Empire, of which Turkey was the dominant member, and ratification was made by the Sultan of the Empire. Under the grants thus accorded de Lesseps organized the required company, which sold stock to individual investors and obtained the required funds, and successfully accomplished the great task which he had thus undertaken. The concessions included formal provisions requiring the canal to remain open as a neutral passage to all the merchant ships of the world. The canal was begun in 1860 and put into successful operation upon its completion in 1869.

On October 29, 1888, there was signed at Constantinople a convention or treaty by

Germany, Austria-Hungary, Spain, France, Italy, The Netherlands, Russia and Turkey with respect to the free navigation of the Suez Canal. Great Britain, though named as a signatory, did not sign but did respect the convention, and formally adhered to it through the Anglo-French agreement of April 8, 1904.

I can only refer briefly to the 1888 convention or treaty. It provided that the Suez Maritime Canal should always be free and open in time of war as in time of peace to every vessel of commerce or war without distinction of flag. Other supporting provisions were included in this convention, with the territorial rights of Turkey reserved. The latter provision is to be contrasted with the cession of sovereignty of the Canal Zone strip in Panama. Until the recent seizure of the Suez Canal by Egypt, it was governed by the concessions to de Lesseps and the convention of 1888. The indicated seizure was clearly in contravention of the provisions in those documents and contrary to all international law, which is to the effect that one nation cannot abrogate by itself the treaty provisions based on appropriate considerations and before the end of the prescribed period. There must be mutual abrogation. Hence, the action of Nasser in Egypt was without authority of treaty or international law, and in derogation of both, and was largely motivated by a desire for revenge because of his failure to procure from the United States and Great Britain funds for the Aswan dam project. Of course, Soviet influence was back of Egypt. The lease period for the Suez Canal had only about 12 years to run from the date of Nasser's action. The waterway would pass automatically to Egyptian ownership and control in 1968; but the unexpired leasehold was of substantial value. Nasser thus undertook to confiscate valuable property of shareholders of the company, which was, indeed, a ruthless act.

PANAMA CANAL

Now let us turn to Panama. The case there is altogether different. The Suez Company was organized as a private undertaking, with a commercial company and with the operation of the canal as a source of profit. Under the company it was operated successfully and profitably, and, as I have stated, with 15 percent of the net profit to Egypt. As to Panama, in addition to the basic indemnity paid to the Panamanian Government of $10 million, the United States paid first to Panama an annuity of $250,000; subsequently increased to $430,000; and under a recent treaty raised to $1,930,000. Also, under the last-named treaty, the United States is according to the Panamanian Government and its people certain additional benefits of substantial character.

After the failure of the French attempt to construct the Panama Canal, no other nation or authority could have constructed it. Only the United States was in a position to undertake the work, and our Government did undertake it agreeably to treaty arrangements with Great Britain and the Republic of Panama; and at its own cost did construct it. All informed persons know something of the battle for the location of the proposed Isthmian Canal, which resulted in the choice of Panama; and they know something also of the fact that Panamanian independence grew out of the situation thus presented. The United States also, agreeably to the treaty of Colombia of 1922, paid to that country the sum of $25 million—Panama before that country's secession in 1903, having been part of Colombia.

The task of construction was a formidable one and what seemed to be insuperable difficulties had to be mastered. Yellow fever and malaria, together with other tropical diseases, held the Isthmus of Panama in their grip, and Panama was known as one of the world's worst pestholes. Adequate sanitation had to be established before there could be any hope of success in the American undertaking, and the sanitary miracle that followed was brought about by American skill and leadership, headed by General Gorgas. In order to accomplish the task in hand, our Government negotiated a treaty with Panama, immediately upon the independence of the latter—November 1903—whereby the newly created nation gave to the United States, for stated considerations, authority to construct from ocean to ocean through the center of the country, the canal; and also transferred to the United States, as stated in the treaty, complete sovereignty over the 10-mile zone strip through which the canal was to extend; as well as very broad powers as to sanitation, expropriation of additional lands for use of the canal, and the like. It is pertinent that in this connection, I refer to article II of that treaty, which states that the Republic of Panama grants to the United States in perpetuity "the use, occupation, and control" of a 10-mile-wide strip from ocean to ocean, being necessary for the construction, maintenance, operation, sanitation, and protection of the canal, with a like grant for other lands, islands, and waters outside the zone deemed necessary and convenient for the indicated work.

Article III provides as follows: "The Republic of Panama grants to the United States all the rights, power, and authority within the zone mentioned and described in article II of this agreement, and within the limits of all auxiliary lands and waters mentioned and described in said article II, which the United States would possess and exercise if it were the sovereign of the territory within which said lands and waters are located to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power, or authority."

The United States would not, and could not, have undertaken the work except for these and other grants named in the treaty of 1903. Not only was the canal to be built, but it had to be maintained and operated, in perpetuity; and this our Government, in that treaty, obligated itself to do. As already indicated, the treaty also provided, article XIV, for the payment of our Government to the Republic of Panama of $10 million upon the ratification of the treaty, and an annual payment of $250,000, beginning 9 years later. These payments were to be in addition to certain other benefits to Panama indicated in the treaty.

In connection with the work of the United States Government as to the construction of the canal, it must be borne in mind that not only has our Government expended hundreds of millions of dollars in the work of constructing, sanitating, maintaining, operating, and defending the canal, but also some of our Nation's finest men and women serving in the canal enterprise on the Isthmus in the earlier days died of yellow fever, malaria, the plague, and other deadly ailments. Their supreme sacrifice contributed a priceless contribution to the American effort at Panama.

Whatever may be thought of the provisions in the basic treaty of 1903, between Panama and the United States, touching the nature of the authority, ownership, and control which the United States may have with respect to the canal and the Canal Zone, certainly there can be no question of such control and authority so long as the canal is maintained and operated by the United States agreeably to the terms of the various pertinent treaties involved. I certainly heard of no authoritative suggestion during my official service on the Isthmus adverse to the authority of the United States in the canal and the Canal Zone. It was a part of my duties there to represent the Isthmian Canal Commission in all its relations with the Panamanian Government.

The question of residual ownership may be more or less of an abstract or theoretical character, because the right and authority of the United States over the Canal Zone and the canal have been fully exercised ever since the treaty of 1903. The United States must be able to police and protect the immediate territory adjacent to the canal in order to maintain and operate the canal. Therefore, the zone strip was agreed on at the outset as the necessary permanent region to pass to the control and authority of the United States.

If for any reason the United States should abandon the maintenance and operation of the canal, it is not likely that it would care to retain any control or authority over the zone strip, whatever its rights, if any, might be in that connection. It must be kept in mind that the United States and Panama are mutually pledged as to the perpetual operation, maintenance, and control of the canal. These questions, it seems to me, should be dealt with realistically and not otherwise.

There isn't the slightest doubt of the fact that if the United States had not given adequate protection of the Panama Canal in World Wars I and II and in the Korean war, the enemies of the United States would have utterly destroyed it. The protective process required to preserve the canal and its operation has—first and last—cost the United States the vast sum which the Nation's taxpayers have furnished. No other government, source, or authority has contributed a dollar for this purpose or for the sanitation, maintenance, and operation of the canal.

Moreover, the basic cost to the United States in adding the protective installations required has run to many millions of dollars, aside from the added cost of maintaining troops on the isthmus and in the isthmian regions for protective purposes. These items constitute in their collective way a very strong consideration, which, in my judgment, should preclude surrender by the United States of its control, maintenance, and operation of the canal to any other authority. Certainly in no proposal of which I have ever learned has there been any suggestion whatsoever as to reimbursement to the United States as a condition precedent to such surrender.

The United States has scrupulously performed its treaty obligations to operate the canal on equal terms for all. So long as the United States continues this policy there can be no adequate reason for its surrender of the canal to another authority.

As to the Panama Canal, permit me to make this further observation. It is well known that the Communist powers and the Communist adherents throughout the world favor such surrender of authority and control of the canal henceforth, preferably to an international body. It is also well known that there are those in our own land and in other free countries, unrealistic idealists, who favor such internationalization, hoping that the indicated surrender would constitute another example on the part of a free country to inspire Communist powers with the spirit to show a like magnanimity in their dealings with other nations. Most of the free nations have pretty well been liquidated in the past few years, and instead of taking the examples thus set before them as matters for emulation, the Communist powers have built upon the fading strength of the free nations. And so it would undoubtedly be if the United States made such surrender. In the event of war between the free nations and those of the Communist world, the latter would strive to destroy the Panama Canal, if their military interests seemed thus to require, and this would be true even if an international authority was in control of it.

Because of the situation now presented as to the Panama Canal and its future, I believe

that it would be wise—and indeed absolutely necessary—that the position of the United States be made very clear on the subject of the canal; and that to this end it would be timely and well for the Congress of the United States to declare in some appropriate declaration its attitude on the subject. It seems that all the propaganda—and I assure you there is a great deal of it—has been on behalf of such surrender, and chiefly for internationalization.

There is, I fear, something of tension arising between the United States and Panama because of the increasing demands and requests by Panama for greater benefits claimed because of the presence and operation of the canal. This situation is to be deplored, because as between Panama and the United States all questions that affect the two countries should be settled amicably through the orderly processes of negotiation. It is inevitable that differences will from time to time arise, and ofttimes there will be very strong differences involved. But destiny has linked the two Nations together and thus far they have been able to solve their differences in mutual respect, and these processes should continue in the future. Otherwise, both of the nations will suffer. In this connection, I may say that if reliance cannot be placed upon treaty agreements, then I do not know how questions arising under them can be solved. Those agreements should be fully respected by both parties; and to this end, of course, I favor the implementation by the Congress and our executive branches of any agreements now or hereafter arising which may require implementation. On the other hand, I adjure our Panamanian friends who are in authority to stand with us squarely on the treaty arrangements which have provided for the construction, maintenance, operation, sanitation, and protection of the canal; and if there are differences in interpretations, these should be resolved—not under emotions of nationalistic zeal on either side—but in the spirit of amity. If basic facts can be agreed on, solutions are much easier of achievement.

In this general connection permit me to say that during my Isthmian tenure I found among the Panamanians some of the finest, dearest friends I have ever known. They were of the independence era, and some of them had been leaders in the independence movement. They possessed high character and courage. Some of them occupied the chief posts of the Panamanian Government; and they always cooperated in the fullest and most effective manner in the work of the canal. Not in a single instance did they ever fail to deal promptly and satisfactorily with any request which it was my duty to submit in behalf of the Isthmian Canal Commission with respect to the construction of the canal. Accordingly, here and now—as always in the past—I make most grateful acknowledgment.

Therefore, in the light of history and experience, and based on the just and realistic consideration involved, it is undoubtedly for the best interests of the United States and those of Panama, as well as for the best interests of the world at large, that the United States continue in the control and operation of the Panama Canal in accord with treaty agreements and obligations.

ADDRESS OF CAPT. MILES P. DU VAL

Mr. President, Governor Thatcher, distinguished guests, ladies, and gentlemen, you have just heard an historic address by an historic personality. A full answer to Governor Thatcher's suggestion would involve a complicated story on which many volumes have been written. Yet, when reduced to its essentials, it is relatively brief and simple. Moreover, the diplomatic story of the Panama Canal is a topic that appeals strongly to all ever associated with the great enterprise.

The story starts with events in the last half of the 19th Century. At that time the United States and Great Britain were diplomatically deadlocked in a struggle for control of the Nicaragua route, which was then the most favored site for a canal. With these two great powers thus preoccupied, French private interests launched upon their tremendous effort to build a canal at Panama, 1879–89, under concessionary arrangements with Colombia, Panama, then being a portion of that country.

Ending in a colossal failure that created a political crisis in France, this ill-fated attempt had far-reaching consequences. It brought the Panama Canal route to the front in world opinion. It demonstrated that the task of building an interoceanic canal was too vast an endeavor for private enterprise, and that it would require the support of a strong government. It aroused the interest of the United States in completing the venture.

Fortunately, technical engineering and sanitation developments by that time had reached the stage that would make the canal undertaking possible. The United States, which had learned much from its program of transcontinental railroads, was well prepared for the undertaking.

One of the first important steps in the great American saga was to resolve the deadlock with Great Britain from the restrictions of the 1850 Clayton-Bulwer Treaty, which had deprived the United States of exclusive control of any Isthmian canal.

After prolonged negotiations conducted by Secretary of State John Hay and Lord Pauncefote, the British Ambassador, the diplomatic situation was cleared in what was the first of the three great canal treaties, the Hay-Pauncefote Treaty, of November 18, 1901, which was proclaimed on February 22, 1902.

What did this treaty accomplish? Superseding the 1850 treaty, it recognized the exclusive right of the United States to construct and manage any Isthmian canal. It also adopted the principal points in the Convention of Constantinople of 1888 for the Suez Canal as rules for the operation and neutralization of the American canal.

These rules included the basic provision that the canal shall be "free and open" to "vessels of commerce and of war of all nations" that observe them on terms of "entire equality" with tolls that are "just and equitable." They also authorized the United States to "protect it against lawlessness and disorder."

The next year, in a historic congressional struggle between advocates of the two proposed canal sites, which has been described as the battle of the routes, Panama won with the passage of the Spooner Act, approved June 28, 1902. This act authorized the President to acquire from the Republic of Colombia the perpetual control of a strip of land across the isthmus for canal purposes. But diplomatic difficulties intervened.

In the ensuing crisis, which followed rejection by Colombia of the Hay-Herran Treaty between that country and the United States, Panama seceded from Colombia and declared its independence on November 3, 1903, a day still commemorated in Panama as Independence Day.

The result was that the second basic canal treaty, known as the Hay-Bunau-Varilla Treaty of November 18, 1903, was negotiated between the United States and Panama, instead of Colombia.

This treaty, in compliance with provisions of the Spooner Act, granted to the United States "in perpetuity" the "use, occupation and control" of the Canal Zone for the "construction, maintenance, operation, sanitation, and protection" of the Panama Canal. It also guaranteed the independence of the Republic of Panama.

The agreement further stipulated that Panama granted to the United States "all the rights, power, and authority" within the Canal Zone and certain auxiliary areas that the United States would "possess and exercise" as "if it were sovereign of the territory." And quite significantly, this was granted "to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power, or authority."

That the intention of the authors of the Hay-Bunau-Varilla Treaty was to provide for perpetual control of the Canal Zone and the Panama Canal by the United States as required by law is evidenced by the fact that the key word, "perpetuity," is used six times in the treaty. Another interesting provision was the grant to the United States of the power of "eminent domain" in the Republic of Panama, as necessary for the "construction, maintenance, operation, sanitation, and protection" of the canal.

A third important international agreement was the Thomson-Urritia Treaty of April 6, 1914 between the United States and Colombia. Proclaimed March 30, 1922, this treaty likewise recognized the independence of Panama and the title to the Panama Canal and Panama Railroad as "vested entirely and absolutely in the United States." It extended to Colombia essentially the same canal rights with respect to tolls for the transit of troops, materials, and ships of war as were granted to Panama in the Hay-Bunau-Varilla Treaty.

These three international agreements complete the treaty edifice upon which the ownership and control of the Panama Canal by the United States rests. They were the logical results of a long series of historical events and experience at both Suez and Panama.

The Hay-Bunau-Varilla Treaty of 1903 was the high-water mark of United States "rights, power, and authority" in the Isthmian area. The structure remained in effect for 35 years unchanged. It still constitutes the diplomatic foundation of the Panama Canal.

The approach of World War II served to precipitate some changes in the original Hay-Bunau-Varilla Treaty as embodied in the Hull-Alfaro Treaty proclaimed in 1939. Its provisions included abrogation of the guarantee of the independence of Panama by the United States and of the right for the exercise by the United States of "eminent domain" in the Republic of Panama. It raised the original annuity of $250,000 to $430,000, and extended other special benefits to Panama.

A second postconstruction treaty in 1955 between the United States and Panama raised the annuity from $430,000 to $1,930,000, and authorized substantial additional benefits to Panama.

In this connection, however, it should be stated that the United States has not given up the major "rights, power, and authority" granted "in perpetuity," under its 1903 Hay-Bunau-Varilla Treaty for the "construction, maintenance, operation, sanitation, and protection" of the Panama Canal. The United States still has jurisdiction over the Canal Zone and Panama Canal as if it were sovereign of the territory and, in accordance with treaty, "to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power, or authority."

ADDRESS OF PROF. CHARLES S. COLLIER

Mr. Chairman, distinguished guests, and members of the Panama Canal Society, the opportunity which you have so graciously accorded me to say a few words on this occasion comes to me unexpectedly. But I shall endeavor to respond to the best of my ability.

There are three currents of propaganda adverse to the interests and rights of the United States in relation to the Panama Canal, which have become increasingly important as well as conspicuous during the last few months. The first of these is propaganda for turning over the management and operation of the canal to an international

commission of some sort. This idea has been stressed recently by writers like Mr. James P. Warburg, who believes that such a move would set an example that would influence Colonel Nasser and other leaders in Egypt, and would thus solve the Suez crisis. I would like to say right here that I believe this hope or expectation is entirely groundless. Nasser is not interested in the Panama Canal. It is of no direct importance to Egypt. He would never think of giving up his special advantages at Suez from which he expects to derive great diplomatic gains throughout a long future, merely to imitate an abdication policy of the United States at Panama, if the United States were so hasty and unwise as to adopt such a policy. All the evidence goes to show that Nasser is thinking along entirely different lines.

But there is another factor in world opinion that works in favor of the suggestions for an international commission, and that is the general idealistic sentiment in favor of the development of the United Nations. But the charter of the United Nations does not contemplate any such administrative activity as this, and there is no machinery for it. From the world viewpoint, the Panama Canal had best be left in experienced hands, where competence and impartiality of operation methods have been proven. This is one field where the Soviet veto should never be allowed to operate, nor should the dark and pernicious forces of communistic policies and rivalries, Asiatic as well as Russian, even when they operate through United Nations agencies or commissions, be allowed to disrupt or interfere with the successful administration of our great canal. It actually is of little present economic importance to the Communist despotisms. Their interest in Panama is purely political and military. This is so obviously a case where an ounce of prevention is worth more than several pounds of cure.

The second current of propaganda and diplomatic pressure toward weakening the control of the United States at the Panama Canal comes from Panama itself. The United States has always maintained a genuine "good neighbor policy" toward Panama. There can be no doubt that the general economic property of the people of Panama is founded upon the service of the canal, which was built by the enterprise, skill, and energetic leadership of the Government of the United States as well as by the investments of many hundreds of millions of taxpayers' dollars, taken from the taxpayers of the United States. The benefits in sanitation alone throughout the Canal Zone, and auxiliary lands, as well as throughout Panama's own territory have been of immense, indeed of incalculable, value to all the people of Panama.

Yet, some of the spokesmen for Panama do not seem satisfied with the present arrangements, that are so beneficial to both nations on the basis of true mutuality. They have recently sought further concessions such as the transfer of both terminal stations of the Panama Railroad to Panama jurisdiction, which has in consequence been authorized by the treaty of 1955. But this transfer was against the natural logic of railroad operation and may prove very harmful to the United States.

But we should not overlook another distinct factor which animates the high-minded and generous among our Panamanian friends, and that is their idealistic notions of territorial sovereignty over the entire Isthmus. But responsibility and power must go together. If the United States is to bear the responsibility before world opinion for the successful operation and maintenance of the Canal, it must have complete power over the Canal Zone and the auxiliary lands, power of government, sovereign power in all respects, just as the language of the treaty of November 1903, the Hay-Bunau-Varilla Treaty so plainy provided.

Now there is a third source of adverse propaganda against our regime at the Panama Canal, and that is of course the Communist powers. The Soviet Government desires ardently to weaken the United States, and will employ any means whatever toward this end. If they can diminish our control at Panama at all, this will be just so much gain for their overall plans. To weaken the United States is to weaken the only power which can prevent world domination by the Communist bloc. In this worldwide context, it is supremely important to keep the United States strong and mighty. This is an objective that outweighs almost all other considerations. We must rely on our Latin-American friends to perceive and act upon this central truth. The larger nations of South America, Brazil, Argentina, Chile, indeed all the Latin-American states have everything to lose and nothing to gain from any diminishing of the power and the ownership rights of the United States at Panama.

There is another aspect of this Soviet propaganda, that I would like to stress. It happens that the free nations of the world have had control over the great strategic waterways of the world, not only at Panama, but at Suez, at the Kiel Canal in Germany, and at the Bosphorus and the Dardanelles in Turkey. Their long control at Suez has already been terminated.

I want particularly to stress the point as to the position of our magnificent ally Turkey, for I believe this has not been mentioned here today. If Russia could lure and mislead the nations of the world to attempt to impose the control of a mixed international commission upon navigation at the Bosphorus and the Dardanelles, what a terrific victory that would be for the advance of Soviet domination, not only in the Near East, but over the whole world. What a fatal blow that would be to the safety and indeed to the very independence of Turkey. Yet the casuistical arguments that are today employed by Soviet propagandists against our position at Panama could equally well be employed against Turkey's position at the Bosphorus and the Dardanelles. And this would be true both from a legalistic and from a factual point of view. Let us guard and preserve our own rights and interests at Panama, while we at the same time guard and preserve the rights and interests of one of the most important and one of the most reliable of all our allies, Turkey, at the eastern gates of the absolutely vital Mediterranean Sea.

I would like to close with one concrete suggestion, which I have not heard mentioned here today. Let us get rid of the Panama Canal Corporation—and turn the canal properties back to the direct ownership of the United States itself. The United States built the canal at the expense of the United States Treasury. There is not a dollar of private investment involved. The United States long operated and maintained the canal under its own name, and with no disguise over its ownership or its territorial sovereignty. Then, late in the day, so to speak, the Panama Canal Corporation was established to act as an agency for the United States Government, which owns all of the corporate stock. The invaluable physical properties constituting the canal and its auxiliary installations were all turned over legally to this Corporation.

Now I believe this was all a mistake. It was a first step toward divorcing the United States from the canal. American legal technicians and bureaucrats may look upon the Panama Corporation as if it were merely a bureau or arm of the United States Government. But to foreigners all over the world, even foreigners who are well informed in a general sense, this arrangement suggests that there is an independent capitalistic corporation interposed between the United States Government and the canal management. They infer that the Panama Canal Corporation is like the Union Pacific Railroad, originally a United States corporation, or even more closely similar to the ill-fated Suez Canal Corporation, whose rights were wantonly invaded with so much apparent success by Colonel Nasser's government, on the pretext and with the legalistic excuse of paramount territorial sovereignty as against the rights of purely private property. The suggestion offered by the Egyptian Government was that a private capitalistic corporation was being nationalized and private property was being taken for public use.

Now it is obvious to us here today that the Panama Canal Corporation has a very different character from the Suez Corporation. But this may not be obvious to all the world. The presence of this gigantic corporation at Panama beclouds the issues. It hides the real role of the United States Government as the owner with the interests and rights of ownership, as well as the powers of a sovereign over the entire Canal proposition. The Panama Canal Corporation somehow conceals the truth of the matter and creates distorted impressions in the minds of many persons all over the world, who have not had the opportunity to think the matter through, and thus to understand the real truth of the situation.

So why not get rid of this Corporation? Let us abolish this corporate veil which hides or partially distorts the truth for so many people. Let Congress turn the canal and all the properties back to the United States Government itself. Let the canal be run by a bureau or agency of the United States Government named directly by the President, and all of whose members can be removed by him at any time. I believe this would create a different atmosphere. I know I should sleep more securely if this step were taken!

Mr. Chairman, ladies, and gentlemen, I want to thank you all most cordially for your earnest attention and generous response.

After the addresses, on motion of William R. McCann, of Hopewell, Va., distinguished engineer, formerly associated with the Isthmian Canal Commission, 1907–14, the society unanimously adopted the following resolutions:

RESOLUTIONS OF THE PANAMA CANAL SOCIETY OF WASHINGTON, D. C., ADOPTED MAY 18, 1957

Whereas communistic influences in this country and in the world at large have long been insistent that the United States surrender all its authority for the control and operation of the Panama Canal to an international body or some other authority; and

Whereas certain noncommunistic elements, at home and abroad, have also urged that the canal be internationalized; and

Whereas the United States, under solemn treaty agreements and guaranties, assumed the great risks and obligations involved, and at huge cost to the United States Government and its taxpayers undertook and consummated the construction of the Panama Canal, and has since successfully maintained and operated it, in strict accordance with treaty provisions, for its use by all the ships of the world without discrimination; and has effectively protected, at its own expense, the canal and the Canal Zone during two World Wars and the war in Korea; now, therefore be it

Resolved by the Panama Canal Society of Washington, D. C., at its annual meeting in Washington, on May 18, 1957, as follows:

1. That the society believes that every just and wise consideration favors the retention, in perpetuity, by the United States of all its sovereign rights, power, and authority with respect to the Panama Canal

and the Canal Zone, as guaranteed by existing treaties.

2. That the society is also of the judgment that such retention by the United States of all its sovereign rights, powers, and authority embodied in such treaties will be for the best interests, not only for the United States and Panama, but, as well, for the world at large.

3. That it is the further judgment of the society that, in view of the situation now presented, the Congress of the United States should, at the earliest possible date, declare its views on this important subject—which, as the society would respectfully urge, should be a reaffirmation of the long-standing Isthmian policy, based on the solemn treaty agreements providing for the construction of the Panama Canal and for the perpetual maintenance, operation, sanitation, and protection of the canal and the Canal Zone.

4. That copies of these resolutions be furnished to the appropriate committees of the Congress, and to the press.

Following the discussion, Congressman SILER stated to the assemblage that he was much pleased therewith, and indicated his approval of the proposed policy declaration by the Congress concerning the Panama Canal recommended by Governor Thatcher; with which view I fully concur.

So timely was the subject matter of the meeting, and so constructive its approach toward the current situation, that I believe this account of its principal features merits a place in the annals of the Congress. Moreover, the information developed therein should aid the Congress in formulating a reasoned policy and is commended for study by all agencies concerned with the canal question. The people of Panama can be assured, at all stages of policy formulation and implementation, of the desire of the people of America to preserve their friendship and good will through fair treatment and close cooperation.

THE HELLS CANYON DAM

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Oregon [Mr. ULLMAN] is recognized for 30 minutes.

Mr. ULLMAN. Mr. Speaker, recently each Member of Congress received a brief bulletin isued by the Council of State Chambers of Commerce entitled "The Many-Lived Hells Canyon Bill." I have carefully examined this bulletin and find it grossly inaccurate. As the Congressman from the congressional district in Oregon adjacent to the Hells Canyon damsite, I would like to make a brief analysis of some of the glaring misrepresentations contained in this publication.

The general thesis of the bulletin is that the benefits to be achieved from the high dam at Hells Canyon and the 3 small dam program of underdevelopment advocated by the Idaho Power Co. are approximately equal. Based on this erroneous premise, the bulletin rapidly reached the equally erroneous conclusion that the Idaho Power Co. should be allowed to continue its desecration of the Snake River. In setting forth this thesis, the council is guilty of both the sin of commission and omission.

From any conceivable standpoint, the high dam at Hells Canyon is infinitely superior to the proposed three small dams. From the standpoint of prime power capability, the high Federally constructed dam has approximately a 300,000 kilowatt advantage. And considering power potential from the standpoint of salable firm power, the high dam could produce approximately 1,238,400 kilowatts of power as compared to the 853,000 kilowatts that the 3-dam scheme could produce.

The same superior benefits exist when one considers flood control, navigation, or recreational benefits. The high dam holds out the possibility of 3,880,000 acre-feet of storage capacity, while Idaho Power Co.'s program of underdevelopment would only supply 1 million acre-feet.

Power revenues from the high Federal dam would be used to aid in the development of irrigation and reclamation projects in the basin. Not one dime of revenues from the private power project would go into anything except profits to private investors. Development of the scenic splendors of the Snake River Basin would be lost forever.

In this context, it is interesting to consider the bulletin's chronology of the Hells Canyon dispute. Certainly, here, the sin of omission is very obvious. The council's chronology stresses the fact that the Federal Power Commission held extensive hearings and that staff engineers of the Commission had spent many man-hours studying the various proposals for development of the Snake River prior to licensing of the Idaho Power Co. What the bulletin fails to mention is that Congress had previously authorized the Corps of Engineers and the Bureau of Reclamation to study development potentialities of the Snake River. Consonant with this authorization, these agencies made the requisite study and concluded that full development of the river necessitated a high storage dam at Hells Canyon. The findings of the corps and the Bureau were also supported by the Federal Power Commissioner examiner who heard the Hells Canyon case and who, at the termination of more than a year's hearings, concluded:

> The facts seem to point to the inescapable conclusion that with the marked and substantial advantage of the Government's credit, the high dam would be dollar for dollar the better investment and the more nearly ideal development of the Middle Snake (p. 55 of FPC examiner report).

Yet, there is no indication of this in the council's bulletin. There is only the flat statement that the FPC on August 4, 1955, issued a license to Idaho Power Co. for construction of three dams. Nor is there any indication in the bulletin that this decision was a blatant refusal to accept factual engineering conclusions because of political pressures emitting from the highest political circles.

Mr. Speaker, the council's bulletin also provides erroneous information concerning the cost of the high dam at Hells Canyon, and who will pay that cost. According to the council, Hells Canyon "would have imposed a wholly unnecessary burden of one-half billion dollars on the Nation's taxpayers." The latest cost estimate concerning the high Hells Canyon Dam is $366 million. Of this, approximately 85 percent, or $311 million, is reimbursable. What this means is that over $311 million will be repaid into the Treasury, plus interest, by ratepayers in the Pacific Northwest. Hells Canyon will pay itself out and at the end of a 50-year period it will not have cost the taxpayers or the Federal Government a single penny. It will be owned by the taxpayers and will continue to annually bring into the Federal Treasury millions of dollars.

From any standpoint, the high Hells Canyon Dam is one of the soundest investments in which the Federal Government could possibly engage.

The council bulletin relies heavily on the fact that construction of the Brownlee Dam by the Idaho Power Co. has already begun, and that subsequent abandonment of the private project would cost the taxpayers dearly since Idaho Power Co. would have to be reimbursed. It is completely erroneous to state that the American taxpayers will be charged with the cost of reimbursing the power company. The fact is that such reimbursement will be made by the ratepayers of the region. Certainly such payments will not add more than a fraction of a mill to the cost of power, and certainly this fraction of a mill is insignificant when the additional benefits to be achieved by construction of the Federal project are fully weighed.

Mr. Speaker, I cannot help but note in passing that the bulletin makes no mention of the present condition of the Brownlee Dam site. Certainly, by implication, the council's bulletin attempts to paint a glowing picture of progress being made by Idaho Power Co. and of the large expenditures which the company has paid out. I find no mention whatsoever of the fact that the Snake River is still flowing in its old channel, that there is no way of knowing how much damage was done to the earthen core by the flood of last February, nor that the channel-construction works will probably remain underwater until late this summer. Nor do I find reference to the fact that the Federal Power Commission has recently admitted that basic changes in design are being contemplated and that these plans have not even been approved at this time by the FPC.

Mr. Speaker, I find it extremely striking that a bulletin issued by an organization often given to the issuance of sanctimonious platitudes concerning the high level of Federal spending should fail to mention that the Idaho Power Co. is a recent recipient of rapid tax writeoff certificates which are going to cost the Federal Government millions of dollars. On April 25, 1957, the Office of Defense Mobilization issued rapid tax-amortization certificates to the power company and, thus, the taxpayers were brought in to bail out the power company and to underwrite the cost of private development of the Snake River.

Mr. Speaker, this inexcusable and indefensible transfer of funds out of the taxpayers' pockets into the pockets of the stockholders of this sprawling private utility has been roundly and rightfully condemned by responsible Senators and Congressmen. Issuance of these certificates also belies the empty contention of the power companies that underdevelopment through the three low-dam scheme would not cost the taxpayer 1 cent.

For the issuance of these certificates means that the Idaho Power Co. will be virtually freed from all Federal income tax for a period of 5 or 6 years, thus draining the Federal Treasury of approximately $30 million. And let us bear in mind that such savings will not be passed on to the ratepayers, but in all probability will be made available directly to stockholders either in dividends or in a reinvestment program. And when all depreciation is written off, the private utility company will merely raise rates to cover any possible deficiency.

Yet, no mention of this form of banditry is made in the bulletin of the Council of State Chambers of Commerce. Instead, the bulletin breaks down the supposed cost of the Hells Canyon Dam for each of the States. No mention is made of the fact that most of this money would be reimbursed to the Federal Government by the ratepayers. I suggest that the council analyze the cost to the Federal Government of the tax writeoff certificates issued to Idaho Power Co. and break that amount down by State to determine how much the taxpayers of each State will have to pay for this giveaway. I also suggest that they clearly point out that this loss will bring no benefits to taxpayers or to the Nation, and that there will never be any reimbursement of this giveaway.

Mr. Speaker, if the information contained in this bulletin is typical of that issued by the Council of State Chambers of Commerce, I fear that this council is nothing more than a puppet of the private utility syndicates. If so, it should clearly be labeled as such. This bulletin gives every indication that the council has joined the highly suspect group which is dedicated to the further plundering of our natural resource heritage.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mrs. ROGERS of Massachusetts, for 5 minutes, today.

Mr. BAILEY, for 45 minutes, on Tuesday next.

Mr. ULLMAN, for 30 minutes, today.

Mrs. ROGERS of Massachusetts, for 5 minutes, on Monday next, and to revise and extend her remarks and include extraneous matter.

Mr. FLOOD, for 1 hour, on Wednesday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mrs. GRANAHAN.

Mr. POWELL (at the request of Mr. SANTANGELO).

Mr. CEDERBERG and to include an article which is estimated by the Public Printer to cost $481.25.

Mr. CURTIS of Missouri after general debate today on the subject of tax depletion allowances and to include extraneous matter.

Mr. SAYLOR (at the request of Mr. ARENDS) and to include extraneous matter.

Mr. WIGGLESWORTH to revise and extend his remarks on the floor today and to include tabular and extraneous matter.

Mr. HOFFMAN and to include excerpts.

Mr. ROGERS of Texas.

Mr. FEIGHAN.

Mr. POWELL (at the request of Mr. FLOOD).

ADJOURNMENT

Mr. FLOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 14 minutes p. m.), under its previous order, the House adjourned until Monday, May 27, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

887. A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation entitled "A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, regarding advertised and negotiated disposals of surplus property"; to the Committee on Government Operations.

888. A letter from the Chairman, Federal Power Commission, relative to submitting the financial statements of proceeds derived from licenses issued by the Federal Power Commission under the Federal Power Act and stating that they were inadvertently omitted from the information transmitted on December 31, 1956; to the Committee on Interstate and Foreign Commerce.

889. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill for the relief of Kiyohito Tsutsui"; to the Committee on the Judiciary.

890. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation entitled "A bill to authorize appropriation of an additional sum required for completion of the Inter-American Highway"; to the Committee on Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CANNON: Committee of conference. H. R. 7221. A bill making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes (Rept. No. 478). Ordered to be printed.

Mrs. GREEN of Oregon: Joint Committee on the Disposition of Executive Papers. House Report No. 479. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Concurrent Resolution 179. Concurrent resolution authorizing the printing of additional copies of the report to accompany H. R. 7125, a bill to make technical changes in the Federal excise-tax laws; without amendment (Rept. No. 480). Ordered to be printed.

Mr. FORAND: Committee on Ways and Means. H. R. 7125. A bill to make technical changes in the Federal excise tax laws, and for other purposes; without amendment (Rept. No. 481.) Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AVERY:

H. R. 7756. A bill to amend the Watershed Protection and Flood Prevention Act with respect to measures for erosion control; to the Committee on Agriculture.

By Mr. HALE:

H. R. 7757. A bill to amend section 382 of the Communications Act of 1934 to provide an exemption from the requirements of part III of title III of the act in the case of certain vessels; to the Committee on Interstate and Foreign Commerce.

By Mr. McGOVERN:

H. R. 7758. A bill to provide for the acquisition of lands by the United States required for the reservoir created by the construction of Randall Dam on the Missouri River and for rehabilitation of the Indians of the Crow Creek Sioux Reservation, S. Dak., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. REUSS:

H. R. 7759. A bill to amend the Internal Revenue Code of 1954 with respect to the time prescribed for depositing tax payments in Government depositaries; to the Committee on Ways and Means.

By Mr. SISK:

H. R. 7760. A bill to amend section 8e of the Agricultural Adjustment Act (of 1933), as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, so as to provide for the extension of the restrictions on imported commodities imposed by such section to all imported citrus fruits, and to sliced figs, dried figs, and fig paste; to the Committee on Agriculture.

By Mr. VAN PELT:

H. R. 7761. A bill to provide for the issuance of a special postage stamp to commemorate the National Flag Day; to the Committee on Post Office and Civil Service.

By Mr. JONAS:

H. R. 7762. A bill to amend section 223 of the Revenue Act of 1950, so that it will apply to taxable years ending in 1954 to which the Internal Revenue Code of 1939 applies; to the Committee on Ways and Means.

By Mr. EVINS:

H. R. 7763. A bill to limit the transmission of advertising circulars and pieces of advertising as third-class (bulk) mail; to the Committee on Post Office and Civil Service.

H. R. 7764. A bill to amend the antitrust laws by vesting in the Federal Trade Commission jurisdiction to prevent monopolistic acts or practices and other unlawful restraints in commerce by certain persons engaged in commerce in meat and meat products, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BYRD:

H. R. 7765. A bill to provide for assisting the States in the improvement and extension of the National System of Interstate and Defense Highways, and for other purposes; to the Committee on Public Works.

By Mr. KEAN:

H. J. Res. 345. Joint resolution authorizing the erection on public grounds in the city of Washington, D. C., of a memorial to the dead of the 2d Infantry Division, United States Forces, World War II, and the Korean conflict; to the Committee on House Administration.

By Mr. COOPER:

H. Res. 266. Resolution providing for printing additional copies of a study entitled "Internal Revenue Administration, Progress Report of the Subcommittee on Internal Revenue Taxation"; to the Committee on House Administration.

By Mr. RIVERS:

H. Res. 267. Resolution maintaining the headquarters for Eastern District United States Court; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H. Res. 268. Resolution favoring the award to small-business concerns of a fair share of purchases and prime contracts made by the military services; to the Committee on Armed Services.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to the relationship between Federal and State Governments; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States requesting that statehood be granted to Alaska and Hawaii during the current session of the Congress; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 7766. A bill for the relief of Morris Rokowsky; to the Committee on the Judiciary.

By Mr. CRETELLA:

H. R. 7767. A bill for the relief of Domingos Vaz Gomes; to the Committee on the Judiciary.

By Mr. CURTIS of Massachusetts:

H. R. 7768. A bill for the relief of Tuberculosis and Health Association, Inc.; to the Committee on the Judiciary.

By Mr. EVINS:

H. R. 7769. A bill for the relief of Col. Benjamin Axelroad; to the Committee on the Judiciary.

By Mr. JACKSON:

H. R. 7770. A bill for the relief of Mrs. Jeannine Simone Bouchard, and her husband, Paul Bouchard; to the Committee on the Judiciary.

By Mr. O'HARA of Illinois:

H. R. 7771. A bill for the relief of Heinz August Schmars; to the Committee on the Judiciary.

By Mr. O'NEILL:

H. R. 7772. A bill for the relief of Ursula Holzapfel; to the Committee on the Judiciary.

By Mr. SANTANGELO:

H. R. 7773. A bill for the relief of John Tatakis (Ioannis P. Tatakis); to the Committee on the Judiciary.

By Mr. SHEPPARD:

H. R. 7774. A bill for the relief of Otilio Estrada-Gonzales; to the Committee on the Judiciary.

By Mr. SISK:

H. R. 7775. A bill for the relief of Hermine Keshishyan; to the Committee on the Judiciary.

H. R. 7776. A bill for the relief of Constante Saguiling Nuval Tacata; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 7777. A bill for the relief of Sgt. John F. Baughman; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

You Can Have Good Mail Service, If—

EXTENSION OF REMARKS

OF

HON. ELFORD A. CEDERBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 24, 1957

Mr. CEDERBERG. Mr. Speaker, recently the people of our Nation have suddenly become interested in the operation of the Post Office Department, but many of the problems involved in the terrific task of handling about 60 billion pieces of mail a year are not generally known.

Recently, the U. S. News & World Report arranged an exclusive interview with Postmaster General Arthur E. Summerfield who has provided the readers of that publication with first-hand answers to many of the questions presently being discussed with respect to the Post Office Department. This interview appears in the current issue of U. S. News & World Report and I feel that it is sufficiently enlightening to be included at this point in the CONGRESSIONAL RECORD:

Mr. SUMMERFIELD. Before I answer your questions, I wish to make some general observations. The spotlight of nationwide publicity has been focused on the Post Office Department recently to an unprecedented degree.

This interest grew out of the inadequacies of our budget, which led to a forced cutback in accustomed mail service over the weekend of April 13, 1957.

While we did not plan it this way, this emergency has probably been helpful for the Post Office Department.

Today many more citizens understand that their post office must have everybody's help if this Nation is to have the postal service our people deserve and expect.

The Post Office Department faces many serious problems.

Its buildings are out of date, overcrowded, poorly located.

It lacks modern equipment and is struggling to handle an ever-growing volume of mail by old-fashioned hand-labor methods.

It is charging 1932 prices for most services. Meanwhile its costs have more than doubled, just as household and business expenses have.

It loses more than half a billion dollars a year. It losses total total more than $5 billion since 1945.

No one in the present management of the Post Office Department is satisfied with the mail service. We know it is better than it was, but we also know it is not good enough. You can have good mail service if certain things are done.

We have plans well underway to attain our goal, which is the next-day delivery of a letter between any two cities in the United States.

In the meantime, the Department has two immediate objectives.

The first is to increase postage rates on first-, second-, and third-class mail so that the Department can operate on a more nearly break-even basis. Doing so would mean that the actual users of the mails would pay more of the costs which are now paid by the taxpayers.

And a half billion dollars of new revenue a year from more equitable postal rates would help balance the Federal budget and contribute to tax reductions.

The second objective is to accelerate a long-range—possibly 10-year—program to build and modernize post-office buildings and develop modern mechanical and electronic equipment to speed mail through post offices 30 to 50 percent faster than is now possible. Unless the buildings and equipment of the Post Office Department are modernized, we face a gradual deterioration and eventual breakdown of our postal service as the mail volume continues to increase.

Now, you've been hearing some misleading statements for a long time. These imply that the Post Office is a "great public-service organization" and as such has always lost a great deal of money, and that isn't any different from the Department of Agriculture, the Department of Defense, the Treasury or any of the other departments of the Government which are supported mainly by general tax funds. This is sheer propaganda disseminated by a few large mail users receiving subsidies.

The fact is that the Post Office Department, from 1900 to 1940, lost on an average only $33 million a year. During that period the Post Office Repartment absorbed in this $33-million figure the cost of franked mail for Members of the Congress, distribution of mail for other departments of the Government, and airline subsidies.

You will note on the chart [see page 66] that I omit the years from 1941 through 1945, the reason being that those were war years, and during periods of national emergency the Defense Department takes care of the cost of distribution of service mail, which throws the Post Office Department into the black—or did—on an average of $33 million a year during those particular years. So for accuracy's sake, we eliminate those 5 years.

From 1946 to 1956 the postal deficit jumped to an average of $445 million a year, and the total deficit in those years exceeded $5 billion, all of which became part of the national debt. On this, the Treasury is paying interest currently at the rate of about $125 million a year.

Most citizens are budget-conscious today, and rightfully so. Everyone knows that the Government has the largest budget in peacetime history. But so is our gross national product, and so are the demands which must be met by Government to assure the Nation's security.

It is vital to the Nation's welfare that budget cuts not be made in a haphazard manner or for partisan political purposes. As far as the Post Office Department is concerned, it is essential that any budget review be based on an understanding of the facts that differentiate this huge businesslike operation within Government from other branches of the executive department.

In 1952, the last year under my predecessor, Postmaster General Jesse Donaldson, the deficit in the Post Office Department was $720 million, an alltime high. [See photo-chart on page 67.] In 1953, we succeeded in reducing it to $625 million, and progressively to $222 million in 1956, and in 1957, which ends on this coming June 30, an estimated $211 million and an estimated $178 million in 1958.

This reduction, exceeding $500 million, was due to efficiencies and economies through management improvements, increased parcel-post and foreign mail rates, payment of postage by Congress and Government agencies, and transfer of airline subsidies from the Post Office Department to the Civil Aeronautics Board. These airline subsidies now can be scrutinized by the appropriations committees of the Congress—which they never had an opportunity to do before—because heretofore the Post Office had to pay as a subsidy the figure the Civil Aeronautics Board submitted to us, and we had nothing to say about it. They set the rates and the amount of the subsidy, and we, of course, had to pay it.

So when we asked to have this changed, we did it for two reasons: One, I wanted to have a clean budget in the Post Office Department. Second, I believe in the processes that we have developed through the years in this country where the appropriations committees should have a chance to review carefully all budgets, including airline subsidies.

AS DEFICIT WAS CUT, CONGRESS ADDED NEW EXPENSES

Meanwhile, as the basic postal deficit was being reduced, new expenses were being added, mostly by actions of the Congress. They added 25 millions in 1953 to our costs, 47 millions in 1954, another 105 millions in 1955, another 242 millions in 1956 and another 304 millions in 1957—and an estimated amount of $473 million in 1958.

This $473 million includes such items as these: Pay increases of $207 million; fringe benefits of $59 million; retirement-fund contributions, $132 million; increase in capital expenditures over 1952 of $47 million. Now this last was the only item over which the Post Office Department had any influence—for the replacement of worn-out equipment of one kind or another in the post offices throughout the country, and new equipment for new post offices. Finally, there was $28 million in rate increases for the railroads in 1953, making, as I say, a total of $473 million.

Furthermore, the estimated $651 million deficit in 1958 does not include pending rail-rate increases, further employee pay increases or fringe benefits, and the facilities-modernization program of the Department costing a minimum of $110 million per year for the next 5 years.

The meaning here is simple. If we had continued to operate under 1952 standards, we would today have a yearly postal deficit in excess of $1 billion.

So I feel that the administration has done its homework insofar as an effective effort is concerned to improve its efficiency and reduce the deficit of the Post Office Department during the past 4 years.

It is a rather common practice to complain about the number of people on the Federal payroll.

But let's see what has happened in the Post Office Department.

In 1949, there were 517,690 employees on the Post Office payroll.

In 1952, there were 523,757.

In 1955, there were 511,613, and in 1956 there were 508,587.

None of these figures includes the temporary employees we add at Christmastime. So again, in this area, we feel we have improved our efficiency. And we haven't done that by firing employees on a wholesale basis. The reductions are due to attrition, retirement, and deaths among our 500,000 employees.

The recent dilemma of the Post Office Department in requiring more money to continue accustomed mail service through the fourth quarter of this fiscal year was due primarily to the high rate of prosperity the Nation is enjoying, and to reasons beyond our control.

The Post Office Department needed an additional $47 million because the American people are now sending nearly three-fourths of a billion more pieces of mail this year than we estimated 18 months ago that they would; because we must pay the higher wages to postal employees voted by the Congress; and because 1.3 million more homes and 250,000 more business concerns needed delivery service. To have denied these American citizens regular mail service would have been unthinkable.

COULD NOT SPEND MONEY WE DID NOT HAVE

The need for extra money—supplemental appropriations, they are called—is common and often unavoidable in the Post Office Department. In the past 20 years additional funds were needed in all expect 3 years. During these 3 years, 1953, 1954, and 1955, the Eisenhower postal administration returned $235 million of unspent money to the Treasury out of funds appropriated to the Post Office Department by the Congress.

The need for this additional money to continue regular mail service the last quarter of this fiscal year was first made known to the Senate committee last July. Subsequently, the House committee was so advised, as indicated in the record of their January 15, 1957, hearings. The formal request for these needed funds was sent to them on March 12, 1957, by the Bureau of the Budget. They had ample knowledge and time to have prevented this curtailment of mail service.

In taking the step we had to take on April 13, the Department acted in accordance with established practices and the statutory provisions of the law in regard to supplementary appropriations.

To have continued without appropriations would have been in violation of the anti-deficiency law. As President Eisenhower emphasized in his April 17 press conference, we could not spend money we did not have.

The recent publicity about the Department has also focused the spotlight on another phase of our financial problem which most Americans did not understand—namely, that there is a very small percentage of postal expenditures over which the postal management has direct control.

For example, our budget for next year calls for expenditures of about $3.25 billion. Of this huge sum, 96 percent goes for pay of employees, transportation of mail, and occupancy of postal buildings. Postal salaries and fringe benefits are set by the Congress, the rates we pay to railroads and airlines for carrying mail are set by other governmental agencies, and the costs of utilities and communications are largely fixed by other regulatory bodies.

This leaves approximately 4 percent, about $140 million, of the total budget of $3.25 billion for items over which the Department can exercise any real discretionary control—and even that is limited.

TWENTY PERCENT MORE MAIL WITH FEWER EMPLOYEES

Some critics say we could save money by being more efficient and thereby using fewer employees. The answer is that we have been doing that, and the meat-ax approach does not lend itself to either efficiency or good employee morale. Efficiency in the postal service is built by day-to-day improvement at 38,000 places of business. Our record in this respect is a good one and can be wrapped up in 1 simple statistic: We are today handling 20 percent more mail than 6 years ago with fewer employees.

The same is true of transportation. We are today spending $50 million less, comparatively, for transportation per year than 4 years ago, despite the large increase in the volume of mail.

We are all very conscious, in the Post Office Department, of this fact: It's a Government monopoly, and as a monopoly we have to be particularly careful to recognize our responsibility to the postal patrons of this country, which number all of our 170 million fellow Americans. We have tried to do that. We also recognize this fact—which I called to the attention of the appropriations committees of Congress—that the Post Office Department is the one major department of the Government which can identify every service it renders to any individual.

When a person buys a stamp or a series of stamps for the mailing of a letter or a package or parcel, he is paying whatever price the Government of the United States through the Congress is charging for this service, and he has a perfect right to expect that service is going to be provided, because he is paying a specific charge for every service he receives.

Now, then, if we curtail after people have paid their money for that service, we commit a breach of trust. They have no other place to go to mail first-class letters; they have only the Post Office. So I say that, if they are not paying enough for the postal service which they receive—which is true, they are not—that is the responsibility of the Congress of the United States. It is not the fault of the American mail user. He is paying all that the law says he should pay.

You hear a great deal of conversation about the service that foreign countries provide their people and the rates they charge. But the emphasis is usually on service without reference to cost.

We have studied several countries in Europe and we have calculated the number of square miles in area they serve, also what they pay their experienced postmen on an annual basis, and what they charge for a domestic letter rate. I think these are very illuminating figures.

The average square miles served by these countries total 105,808. In the United States, your Post Office Department serves 3,022,387 square miles.

These countries pay their experienced postmen on an average $1,502 a year; whereas the United States Government pays it experienced postmen an average of $4,410 a year.

The average domestic letter rate charged by these same countries is 4.4 cents for a 1-ounce letter, as against 3 cents in America.

These other governments operate their post office either on a break-even basis or at a profit. Our neighbor, Canada, does it consistently on a profitable basis.

Now I'll be glad to answer questions.

Question. Is it true that foreign postal service is a good deal better than our service here?

Answer. It may be better in certain areas of Europe, but the conditions vary so much it's like trying to compare apples and oranges. By the way, I was interested in observing the other day a report that came out of a meeting of the postal unions in Europe—I don't mean employee organizations, but the union of post office departments of various countries—to the effect they are planning on reducing the number of deliveries a day. They have already done that in several instances, reflecting their increase in costs of labor over there. All of the countries in Western Europe are in that group.

POST OFFICE A UNIQUE BUSINESS

Question. Would you say that the Post Office Department is a unique business?

Answer. Certainly in this respect, we cannot set the prices for our goods and services.

Question. Who sets the prices?

Answer. Congress.

Question. Can you change them?

Answer. We can't change them on the first-class mail, airmail, second-class mail, and

third-class mail. The Postmaster General does set the prices on fourth-class mail, which is parcel post, with the consent of the Interstate Commerce Commission. We are required under the law to operate the parcel post service on a break-even basis, and we have done so.

Question. You say you can't fix the price of the transportation of your mail by train or airplane? Who fixes that?

Answer. The Interstate Commerce Commission sets the rates paid to the railroads, and the Civil Aeronautics Board sets the rates to be paid to the airlines.

Question. So you are in a business where somebody else fixes the rates of what you have to pay, and somebody else fixes the rates of what you can charge for the service itself?

Answer. That is correct.

Question. Who fixes the pay of the employees of your Department? As a head of a business, can you fix the pay?

Answer. No. The Congress of the United States fixes it.

Question. Then your budget has to reflect any increases in pay voted by the Congress?

Answer. Yes.

Question. And then, when you go back to Congress to get enough money to pay for your freight, transportation, employees, and also to get your prices established, can they decide to make you run at a deficit if they want to?

Answer. They can and have.

Question. In other words, they fix your deficits, too?

Answer. They do.

Question. That's not very much like a private business, is it?

Answer. No, and it isn't a sound way to run a governmental agency, I might add. Other countries don't do it that way.

I feel that if the Members of Congress were familiar with all of the ramifications of the Post Office Department, the various items that affect its operation, they could more intelligently adjust the various items to reality.

Question. Your customers are the public. If your customers want service and you run out of service, what are you going to do?

Answer. We should take steps to prevent a recurrence of the April 13 episode, when we curtailed mail service on the week end.

Commonsense would seem to indicate that the Department should have a more flexible means of getting the money it needs to carry extra mail volume. Then, when we sell more stamps and have to provide more service, the extra revenue would be reflected automatically in our spending authority without any of the fuss and fury which arose last month. If estimated mail volume falls off, as it undoubtedly will from time to time, then the Department certainly should not spend as much money as it originally estimated.

Question. In a private business, if you run out of goods, don't you just tell a customer to come back in a couple of weeks?

Answer. That's right.

Question. But you can't say that?

Answer. No. We did that partially for 24 hours on April 13, and you know the reaction.

Question. Did the public react violently to it?

Answer. Violently by some, but many others seemed content not to get any mail on Saturday.

Question. What was the nature of the protest—did they blame the Post Office Department more than Congress?

Answer. Not when they understood. At first, they believed some of the statements that were made on the floor of the House and in statements to the press wherein some members of the Appropriations Committee were blaming the Postmaster General for a so-called arrogant attitude and so on—but when the facts were released to the press and over the air, the change was almost instantaneous.

Question. In most businesses, the head of the business can estimate the demand for his product and get enough supply to take care of the demand. What means do you have for estimating the demand for your product?

Answer. Well, we take the figures for the previous year, and years prior to that previous year, and we can pretty well judge the trends. We study the economic situation that exists in the country at the time—the volume of mail that's being used—and we come up with a reasonably accurate figure.

When you consider that we're talking about 60 billion pieces of mail a year, that we can come up with a figure within 1 billion of that, that's not too inaccurate.

Question. There must be a lot of money received from the sale of stamps. Does that go to the Department at all?

Answer. No; not a penny of it. It goes immediately to the Treasury of the United States.

CONGRESSIONAL APPROPRIATIONS ONLY SOURCE OF FUNDS

Question. And how do you get it out of the Treasury to use?

Answer. Only by appropriation of the Congress.

Question. If you had all the money from the sale of stamps as a revolving fund, would you run out of money?

Answer. It all depends upon whether or not other expenses have been added over and above what they were the year before—for instance, an increase by Congress in salaries and wages or fringe benefits. Sometimes those increase more rapidly than revenue increases from all classes of mail.

Question. By stamps, do you mean revenue from all classes of mail or service?

Answer. All revenues—registered mail, c. o. d., parcel post, airmail—all classes of mail.

Question. Is the cost of printing the stamps charged against you?

Answer. Oh, yes; we pay the Bureau of Engraving and Printing for those, at a price set by them.

Question. When your budget is made up, do you get any use of these receipts?

Answer. Oh, no.

Question. You have a deficit figure here of $545 million. Do you count receipts from stamps in that?

Answer. Yes, in order to determine the amount of the deficit, but that's entirely different. The revenues that come in go to the Treasury.

Question. Then, for operating purposes you don't have it, but it's credited on the books to your Department?

Answer. That's right.

Question. Have you restored all the cuts in service you made a few weeks ago?

Answer. Nearly so. However, we have restricted the Saturday deliveries in business areas to 1 a day, which is adequate, and in most cities of the United States to 2 deliveries a day in business areas on weekdays, with a few exceptions in the larger cities, which get 3 deliveries in business areas on weekdays.

Question. Do you think the American people expect their mail to be delivered the day afterward in towns and cities within a reasonable distance?

Answer. Yes—they either expect it or they want it.

Question. Are they getting it?

Answer. They're getting it in many, many instances, but in many they are not. We're not satisfied with the service. While we have improved it substantially, we are still unsatisfied.

There are two places in which we can improve the delivery of mail. One is to reduce the time it takes a letter to be processed from the time it arrives in the post office until the time it leaves, and the other is to reduce the time in transportation betwen cities. The reason we have so much difficulty—the real bottlenecks—are within post offices.

You must realize that the Government has appropriated no new fund by direct appropriation for the building of any new post offices since 1936. It is since 1938, up until the present time, that this country has had its greatest growth—its greatest expansion in all lines of business.

We're doing business in outmoded, outgrown post offices and we have not been provided the funds by the Congress to do the necessary research work to design modern pieces of equipment that could be used to reduce the demands for floor space per letter, or to reduce the time it takes to process a letter.

It has only been in the last 4 years, really, that any sums of any amount worth mentioning have been appropriated to the Department for the purpose of research. We have used those sums that have been provided us very effectively to date. I have several things I would like to point out to you that we have been able to do in that regard.

To improve mail service in the instances where the distances involved are not great—particularly in the large metropolitan areas—necessitates more efficient handling of the mail within the post offices. We haven't even the simplest fixed conveyors, so familiar to everyone who has been connected with industry, that have been available to private industry for many, many years. We have very, very few post offices in the country that have such equipment at all. We are still forced to use old hand-truck methods to push mail around the floor from one operation to another—all of which takes up floor space, wastes time and is inefficient and costly.

In the meantime, mail volume, as you know, has doubled over the last 20 years. So mechanization of the post offices is absolutely essential to an improvement in the mail service.

Question. Well, isn't there something that is lacking in the transportation? As an example: A special delivery letter of importance to us was put in the post box at 12:30 noon on Saturday and postmarked Princeton, N. J., at 5 p. m., left there in time to get to Trenton promptly by truck, but arrived in Washington at 4 a. m. on Monday and was delivered to us at 7:55 a. m.—36 hours to go 150 miles. We needed that letter on Sunday. That isn't usual, is it?

Answer. That was over the weekend?

Question. Yes. Is it because of Sunday and you don't have transportation?

Answer. Oh, we have transportation over weekends. Of course, we use a minimum force on Sunday within the post offices. We do take care of the incoming and outgoing mail. But, again, that probably is a result of some of the restrictions and some of the curtailment necessitated by this $6 million that the Congress did not appropriate to us out of the $47 million that we requested.

Question. It is much more costly to use the telephone or telegraph than a 3-cent stamp—

Answer. Too many people just fail to realize that the mail service in the United States is the most important system of communications that we have. I think that is one thing, maybe, that will come out of this recent difficulty we had with the Appropriations Committee of the Congress: The public has had its attention focused upon the Post Office and the importance of the service it renders.

TWENTY-FIVE YEARS OF 3-CENT LETTERS

Question. How long ago did you put the 3-cent stamp into effect?

Answer. In 1932. There has been no increase since that time.

Question. How many times since then has the Post Office Department—in this and preceding administrations—recommended a rate higher than 3 cents and not gotten it?

Answer. We have recommended an increased first-class rate to the 83d, 84th, and 85th Congresses.

Question. What is the highest that was recommended—5 cents?

Answer. Yes, 5 cents is the most. We considered recommending or requesting 5 cents this time, and it was quite apparent after a survey was made of the Congress that they would not give serious consideration to 5 cents at this time.

Question. Do you need a 5-cent rate?

Answer. Yes, we should have 5 cents.

Question. So you had to come back to 4 cents. You haven't got that yet, have you?

Answer. No. The hearings have been concluded in the House Civil Service and Post Office Committee and they have reported a bill out.

Question. Are there any pressure groups fighting increased rates on first-class postage?

Answer. Yes, but the pressure groups are confined, principally, to a few of the larger magazine publishers and some third-class mailers of advertising matter. Some of these large users of second and third-class mail also resist an increase in the first-class.

I think the reasoning behind their actions is that, if the first-class rate increase is granted, the public would insist that second-class and third-class rate increases be also made. As far as the general public is concerned, the polls—and there have been many of them taken in the last 2 years—indicate very clearly that the general public wants the Post Office Department to pay its own way. The last poll that I saw, taken by one of the Congressmen, showed that 91 percent of the people would favor an increase in postage rates in order to put the Post Office Department on a pay-as-you-go basis.

Question. What is the principal argument made by the publishing industry against increasing mail rates, and what is your answer to it?

Answer. Oh, some large publishers say they just can't afford to pay any more postage than they are paying. On the other hand, some are very frank and completel candid about it, and say that they not only can but should.

Question. You're talking mainly about periodicals now?

Answer. Yes, I am speaking about some of the leading magazines in this country, who believe the rates should not be higher. Strangely enough, it's usually the smaller magazines who can least afford to pay an increase that recognize that statesmanship is a responsibility of people in business as well as of people in Government, and they are perfectly willing to pay for an increase. Their testimony before the various committees in Congress will clearly prove that.

COST IF MAIL GOES FREE

Question. What is your answer to the argument that the Post Office Department should be a service department and, therefore, should in large part be paid out of the general taxes collected from industry and the public?

Answer. I'm very frank in my reply. If it is really true that the Post Office Department is strictly a service organization, then we shouldn't charge anything for mail service—let everybody use it at no cost at all, and pay for all the expenses out of the general fund. Mind you, I don't want to see that.

Question. What would it cost the public if you did that?

Answer. Three and a quarter billion dollars a year.

Question. Is it the general feeling in Congress that the Post Office Department should operate at a deficit—that is, as a service organization?

Answer. There is a feeling in the Congress that there probably are some items that should be considered public service and paid for by all taxpayers. For instance, free mail to the blind, certain below-cost rates to fraternal organizations and religious organizations. Again, in order to follow our policy of having a clean budget, we have requested the Congress to pass legislation which would provide for reimbursement to the Post Office Department for a sum of approximately $27 million a year, which covers the postal-rate discounts on these various public-service items.

You see, those who oppose postage-rate increases use those figures in a very exaggerated degree. They blow the figures up from $27 million to several hundred million.

Question. Does that also cover Congressional-franking privileges?

Answer. No, that's already being taken care of. The Post Office Department is paid for carrying Congressional and Government mail.

Question. Do you expect to get a 4-cent rate this year?

Answer. Yes; I'm very confident we'll get it.

Question. What about the airmail rate? Will that go up, too?

Answer. Yes; that will go up to 7 cents.

Question. When you break down that deficit—what's the deficit in each postage class?

Answer. It is approximately $270 million a year in second-class mail. It's approximately $230 million for third-class mail, and about $30 million for first-class mail. This is without providing a proper charge at all for the preferential service which first-class mail does receive over and above the other classes of mail. If service values are considered, we calculate that first-class mail loses $346 million a year.

Question. Would the 4-cent rate still leave a deficit in the first class?

Answer. We would just about break even on first-class. It now costs more than 4 cents for a 1-ounce, first-class letter.

HIGHER RATES, LESS MAIL

Question. Do you think if you raised the rates for mail you would have less of it?

Answer. Yes; I think one of the major factors that have resulted, for example, in the great increase in third-class mail the past several years has been a ridiculously low rate. It is just so cheap that people use it very carelessly. That's why some people call it "junk" mail. There was a time when people used third-class mail rather selectively. When third-class mail first came into being, it was charged 97 percent of its cost. Of course, it went down a great deal since 1932 in relation to the revenue received from it and what it costs to handle it.

I think a substantial increase in third-class mail is not only in order, but it is long past due, and I think it will have the effect of probably improving the caliber of third-class mail. The quality of it, I think, will be higher; I think it will be more readable to the public and more acceptable to them.

Question. Would there be as much?

Answer. I would think, naturally, it would reduce the quantity of it somewhat.

Question. We haven't talked about parcel post. Why should the Government carry parcel post? Why not leave that to the express companies to carry?

Answer. The express companies do not have the facilities to handle small packages. For instance, there are 70 percent of our post offices that cannot be reached directly by train connections. You see, there are a great many fewer passenger-carrying and mail-carrying trains in this country today than there were 20 years ago.

Question. If they receive enough volume, couldn't they use automobiles to deliver just as you do?

Answer. It seems that the more business the express companies have, the greater their losses seem to be.

Question. The Parcel Post Association recently issued a statement contending that you are paying a $100-million subsidy to the railroads and paying them more for carrying your parcel post than the railroads are charging the express company for handling express packages in the same cars. What is your answer to that?

Answer. Well, in the first instance, the railroads, of course, own the express company. If they care to give them a below-cost charge, I guess maybe that is their prerogative. At least, that's the policy they follow. So far as our paying the railroad as a subsidy, that is not true. The rates we pay are fixed by the Interstate Commerce Commission.

Question. If you could do your own negotiating with the railroads, do you think you could do a better job than, say, the Interstate Commerce Commission does?

Answer. In 1953, the railroads had requested from the Interstate Commerce Commission an increase of about 45 percent. We have the right, under the statute, to negotiate with the railroads—we exchange our figures and costs. We finally adjusted that with the consent of the Interstate Commerce Commission to a 10-percent increase.

Question. Have you encouraged the use of vending machines for the sale of stamps?

Answer. Yes; we have.

Question. What effect has the use of vending machines had on the increase in mail?

Answer. I dont know as to the increase in mail, but it reduces the clerk hire in post offices and is a great convenience to the public. We don't have to keep the stamp windows open as long hours today with the vending machines that we have.

Question. You have vending machines in the post office buildings too, haven't you?

Answer. Yes. Those are machines that we developed through our research. We only have a few hundred of them so far. We've had several models built and we've installed them in the post offices, and we are trying to perfect them.

Question. Are those in the drugstores yours, too?

Answer. No, those are privately owned.

PROFIT FROM MACHINES

Question. Do you encourage private companies to put out vending machines?

Answer. Surley.

Question. To save you the time for your clerks?

Answer. Yes, and it is more convenient for the patrons to buy stamps at more places.

Question. They make a profit on them?

Answer. Sure.

Question. Why can't you make that profit?

Answer. By law, the Post Office Department cannot charge more than face value for stamps.

Question. Do you have any control over how much they charge in those machines—such as 10 cents for three 3-cent stamps?

Answer. No.

Question. On that question of the operation of the profitmaking business versus the public service, is it your point that the Department should pay for itself in entirety—that there should be no public-service operations whatever? Where do you draw the line?

Answer. No, not necessarily. I think a reasonable amount should be set aside for public-service items that are actually identifiable as such. Aside from that we should operate on an approximate break-even basis. In fact, the statutes now require Government agencies to charge whatever it costs to provide a direct service for any identifiable person—in fact, all departments in the Government are supposed to operate on that basis, but we can't go beyond because of the action of the Congress itself.

Question. What is the lag between postage increases and pay increases for your employees?

Answer. There has been no rate increase in first-class mail since 1932. Since that time, there has been $1.3 billion of annual increases in salaries, wages, and fringe benefits to employees.

Question. Have you any scientific method of figuring out what the increases in the other classes of mail should be, other than the first class? First class is easy—you add a cent to the postage and make it 4 cents, but you have all kinds of percentages for the others. How do you arrive at your conclusions as to the equitability of those different percentages?

Answer. Let's take first class: Traditionally, the Post Office Department charged much more than the bare cost of handling first-class mail. In 1932, first-class mail paid about 30 percent more than the allocated costs. In so doing, the Congress recognized the principle that users should pay for the preferential service that first class receives over other classes of mail. However, that situation has changed because of the long delay in the increase in first-class mail rates, so now we are actually running in the red on first-class mail.

Question. First-class mail is costing you more, in other words?

Answer. That's right, the revenue has not kept pace with expenses, which have more than doubled since 1932. About 3 years ago we set up a committee of long-time skillful career people in the Post Office Department who know rate problems, and asked them to study and prepare a recommendation for a system which would provide some recognition in our costs for differences in service between the classes of mail.

In our cost-ascertainment report, we follow the formula which they developed. Under this formula, for example, instead of asking second-class mail to pay the loss of about $270 million that I previously mentioned, we calculate it should pay something around 100 million, after we had allowed for the difference in service factors.

Let me point out that what we are actually asking for in rate increases of 60 percent in second class will produce only around $33 million by the end of the fourth year.

The reason that we did not ask for a larger increase than 60 percent on second-class mail is very simple: The Congress, by its failure to increase the rates from time to time as costs have increased, has permitted publishers to set up their mail-distribution systems on a below-cost mail-service charge. You can't correct that—or you should not correct it, in my opinion—by one stroke of the pen, because you would create a hardship that would fall heavily upon the smaller publishers of the country.

I think Congress can correct this over a period of years in gradual steps rather than to do it at one time, because the effect would be too serious if done otherwise. That's why we proposed four annual increases of 15 percent each.

We're very conscious of the fact that the power of Government should never be used to destroy any important segment of the economy of this Nation.

Question. You spoke of the improvements in service that have been made. What are the principal improvements that you feel have been made during your 4 years?

Answer. We are moving more than a billion 3-cent letters a year by air between important cities of this country. We're doing it for less money than we were previously paying the railroads, insofar as the net cost of the Department is concerned, and we are delivering them up to 48 hours faster.

We have introduced certified mail, which is a cheaper service than registered mail.

Mailers can now put a first-class letter in a package by paying the additional postage for the letter.

We have installed modern mobile equipment—you may have noticed some of the new mail trucks that we are using today which are lightweight, three-quarter-ton trucks as against two-and-a-half-ton trucks that were used by our predecessors through the years—at a great reduction in the cost. They move more rapidly and cost far less originally and are cheaper to operate.

We have mobilized letter carriers in a number of areas in the country with equipment which we ourselves have designed, and, incidentally, we are very proud of some of these new mail trucks that we have developed because they have now become standard production in the automobile plants of this country.

And there are many more things in mechanization of post offices that will move mail faster.

Question. What is the story of the trouble you had recently in getting a supplemental appropriation to continue accustomed mail service the balance of this fiscal year?

Answer. The facts speak for themselves. I first advised the Appropriations Committees in July of 1956 of the need for a supplemental appropriation for 1957—it was quite apparent at that time that we would need more money to handle the increased volume of mail.

We informed the chairman of the Senate subcommittee—the Deputy Postmaster General informed him and the ranking member of that committee in July 1956—of the need of a supplemental in 1957 of approximately $53 million. They said it was too late—it was too close to the time the Congress adjourned. So we next notified the Appropriations Committee of the House on January 15, 1957, and I will quote from the record:

"Mr. J. VAUGHAN GARY (chairman of the subcommittee of the House Committee on Appropriations): What additional supplemental appropriation will you request for 1957?

"Mr. Maurice H. Stans (the Deputy Postmaster General, who was then testifying): We're asking the Bureau of the Budget to clear, so that we can present it to this committee, a request for $53 million."

That included the $47 million that we finally requested officially. That was last January.

Now it is true that the official notification did not come from the Bureau of the Budget until, I believe, March 12, which still gave ample time for the full Appropriations Committee to meet and to report out a bill in order to give the Congress a chance to act.

I approached the subcommittee of the House Appropriations Committee with a very realistic appraisal of the whole situation, emphasizing its seriousness. I said to them, "Gentlemen, if you insist on denying us this supplemental, for reasons which I cannot imagine, do you realize what curtailment of the service that means, because that is approximately a 40-percent cut in the expenses over which we have any control? It means that curtailment of service will be very serious; it will seriously affect the economy and the welfare of the people of this country."

I have here with me the communications that I had with Mr. J. VAUGHAN GARY on April 3, and on April 4 to Congressman CLARENCE CANNON, the chairman of the full committee.

Question. Have these been published?

Answer. They have not. I also have another letter to Congressman CANNON on April 9.

BEHIND THE WEEKEND CUT

Question. What do they show?

Answer. I will read one to you. This went to the Honorable CLARENCE CANNON, chairman of the Committee on Appropriations, under date of April 4:

"With total reluctance, we are laying plans for curtailment of postal services to meet the cut imposed yesterday by the Appropriations Subcommittee on a requested supplemental appropriation for fiscal 1957.

"We believe the seriousness of these required curtailments warrants consideration by the entire Congress at the earliest possible date as to the advisability of this course.

"To that end I would appreciate it if you would expedite urgently the action and report of the Appropriations Committee to the House, so that, if further funds are voted, they will be available before too much damage is done to the service."

If you have heard some comments about the Postmaster General being arrogant, demanding, and all that sort of thing, I submit to you that this language is far from demanding.

I had asked Chairman J. VAUGHAN GARY, of the subcommittee, on April 3 if he would not call an urgent meeting of the subcommittee to consider action on this important matter, and on April 9 I sent this letter to Mr. CANNON:

"DEAR MR. CHAIRMAN: Through the medium of a special issue of the Postal Bulletin, copy of which is enclosed, orders have gone to all our post offices to curtail services in order to meet the situation caused by lack of funds during the current fourth quarter of this fiscal year. These orders are effective at specified dates, beginning Saturday, April 13.

"I am most sincere in saying to you that I hope the Congress can take action on our supplemental appropriation before these service curtailments become effective.

"If the full money we actually need is voted to us, it would prevent a great disservice to the people of the United States. Anything you can do to move up action by the House Appropriations Committee would be very helpful in ending present confusion and avoiding unnecessary damage to the postal service and the morale of its employees, and would have my sincere appreciation.

"Would you not be willing to hold a meeting of your committee early in the week so that Congress can act promptly and definitely, and we can advise postmasters as to the extent to which these orders may be withdrawn?"

Question. Did he act on that?

Answer. No. The only information I received from him was this letter on April 5:

"The Committee on Appropriations today adopted the following resolution: *Resolved*, That the chairman be directed to announce to the Postmaster General and the press that an additional appropriation of $17 million be approved for postal operations, and that on April 12 of this committee will consider the matter of any further appropriations up to the total of $47 million."

That prompted my other letters I have just read to you.

Question. Is there any explanation of why they postponed action?

Answer. You have heard the comments made on the floor of the House.

WHO WAS RESPONSIBLE?

Question. But it still doesn't explain why the public lost this weekend of mail service. The responsibility for that isn't clear——

Answer. Oh, yes; it it is very clear. The responsibility was solely upon the chairman of the Appropriations Committee of the House of Representatives, who failed to call his full committee into session to vote out a bill which could have immediately gone to the floor and had action on the part of the whole Congress.

Question. On the flexibility in cutting your budget, you have said that 96 percent of your expenditures go for the pay of employees, transportation of mail, occupancy of postal buildings, and that only 4 percent, or $140 million leaves you with any discretionary control. What sort of discretionary control do you have over the $140 million? What do you use that for?

Answer. You are correct. Approximately 4 percent, about $140 million of the total budget of $3.25 billion, is for items over which the Department can exercise any real discretionary control, and even that is limited.

Question. Is that for stamps and trucks, etc.?

Answer. This is the money we use to print stamps, buy trucks and pens and the hundreds of other items needed in the operation of 38,000 post offices, and to provide research in better ways to handle mail. Certainly none of these items can or should be cut to any sizable degree. Some equipment purchases can be postponed, but that doesn't save money in the long run.

Well, we are now curtailing the purchase of supplies and materials and living out of inventory—that is one item, though it is nothing more than a deferment of costs. We have done that in lieu of curtailing the service. We delayed the payments for new uniforms to employees—excepting those that were contracted for and were to be paid for during the month of April, until the first of July. Again, it's a further deferment.

To save $6 million in the weeks that we have left in this fiscal year, it just isn't in the cards.

Question. In your budget of $3.25 billion, if you are spending 96 percent for pay and transportation and the occupancy of postal buildings; if you are paying that much, that leaves you with only 4 percent for your stamps and trucks and other operations of the post offices. Where can you make any cuts in your operation?

Answer. Just by curtailing services, or the delay of purchases of necessary equipment and supplies.

Question. You have said that the Post Office is handling 20 percent more mail than 6 years ago with fewer employees.

Answer. That's right, and less than a 2 percent comparable increase in cost.

Question. Do you have some pretty clear indications of what the Post Office Department could do in the way of mechanized equipment and new developments if you had the money?

Answer. Yes. We just dedicated the first mechanical letter-sorting machine in the postal service in Silver Spring, Md. I'd just like to outline some of the other items:

We have been working hard to correct the deplorable old-fashioned mail-handling methods of the Post Office. With limited funds we have been working to develop mechanical and electronic machines and equipment, better use of floor space and more efficient buildings. We have made real progress, and we are on the threshold of a number of major developments.

FOUR MILLIONS TO RESEARCH

This year we will spend $4 million for research. While this is small for an operation of our size, it is 10 times the research program of 1952.

Now, right at that point, I want you to know that, when we came in 1953, we had to set up a research department. We had to seek out skilled engineers and scientists around the country and bring them into Washington. You know the competition there is for men in that particular category in the country.

We are working with the Bureau of Standards and 11 outstanding engineering firms and research firms in developing mechanical and electronic equipment to move mail in and out of big-city post offices more rapidly. This, in the simplest terms, is our bottleneck, and we can lick it within the foreseeable future if the Congress will appropriate the money to buy the equipment and to modernize our buildings so that mail can be speeded through the offices in 30 to 50 percent less time than is now possible.

Now, here are some of the developments: In Baltimore we are operating the first mechanical parcel-post sorting machine with electronic memory system—the first one. We are soon going to test two competing systems in other offices.

In Detroit—this is an installation I personally inspected 2 weeks ago—we have installed a conveyor system to move letter mail through its handling and distributing operations. It is a beautiful piece of equipment, and it is a pleasure to look at. The employees are happy, it is speedy, and it will pay for itself within 24 months.

Question. Is it a sort of conveyor-line process?

Answer. Yes.

Other installations are underway: In the new Silver Spring, Md., mechanical letter-sorting machine—without touching the letters, but by pressing buttons—a clerk distributes more than 300 different sortations.

Question. Does that sort them to different destinations?

Answer. Yes; 300 combinations. In Chicago we have under installation our first power-and-free overhead conveyor system to move mail from receiving platforms to temporary storage, to work areas and out to shipping platforms.

You see, the question of space in these big metropolitan centers is terribly serious. Chicago and New York are badly congested, and Detroit and Los Angeles as well.

We will bring in the mail in this Chicago installation and put it on an overhead conveyor system, by turning the bags upside down and hooking them on, and they will go to the areas where they are wanted as they are called for. Then they go over the tables—merely open the bag and the mail falls out. But the floor space you save.

I would dare say in the New York post office that 20 percent of the usable floor space is used up by nothing but trucks that people have to push around from one place to another. There just isn't any rhyme or reason to it.

NEED FOR MECHANIZATION

Even the simplest forms of mechanization that I am familiar with personally from my experience in industry for the past 30 years, which are so obviously needed and so inexpensive to buy, have not been available to the Post Office Department.

Question. Why is that? Wouldn't Congress give you the money?

Answer. Congress did not provide the money, although in one year in the previous administration the Appropriations Committee did insist that a certain amount of money be used for research—they did it themselves—which indicates to me that there wasn't a realization of the necessity of that sort of work being done by some of my predecessors. But to me it's kind of an old story, and I've seen so much of it all my life and I am interested in this kind of program.

Question. You've started a number of ambitious programs: this mechanization thing you're referring to, the lease-purchase program which apparently had to be shelved, the rural consolidation program which you haven't been able to push through because of opposition—aren't all of those things dependent in the last analysis on your ability to live with Congress and sell them these ideas?

Answer. To a considerable degree, yes. That's true. Let's take these point by point.

Let's take the lease-purchase program. We had two leasing methods that we requested the Congress to provide. They so hamstrung the lease-purchase program by regulations and referrals back to committees for approval and whatnot that, together with higher interest rates, it became inoperative.

However, we also received from Congress the authority to enter into a direct-leasing program, where we would go out and option a piece of property for the Post Office Department by an assignable option. We would then design a building for that property, and then we would ask for public bids on the acquisition of the property and the erection of the building to our specifications. That is the device that we have used so effectively. We have built approximately 1,600 new post offices—true, most of them have been small ones—throughout the country under the direct-leasing program. It has been wonderfully effective.

Question. But how many under the lease-purchase program?

Answer. One has been awarded and is under construction at Saint Marys, Ohio, and two others have been awarded.

Question. Under the direct-leasing program, the Government never actually becomes the owner of that building as it would under the lease-purchase?

Answer. No, it doesn't, but we've been able to get very attractive rentals because we've been able to convince prospective landlords of the desirability of having Uncle Sam as a tenant, and consequently we have been able to make very attractive term leases, which in some cases are as long as 30 years for properties built to our own design and specifications.

Question. But that direct-leasing program is an ancient program, going way back——

Answer. Not on the basis we have it today, no. It was a very restricted procedure before. We've eliminated a lot of the things that were undesirable in the previous leasing arrangements.

For instance, now we study an area, we determine the need for a building, the type of the building, the size and location, and quietly option the most desirable piece without any publicity, so we don't run into competition and inflated prices. The rentals we're paying, incidentally, per square foot compare very favorably to the rentals we were paying for the outmoded, old-fashioned buildings that we were occupying. It has been an amazing experience, really.

Question. What has been the impact of the change in American life from cities to suburbs on the mail service?

Answer. Oh, yes. That's one of the reasons for our increase in costs; that's one of the reasons we had to install 4,000 new carrier delivery routes every year. We have thousands of extensions of city and rural routes to take care of these changes in the character of neighborhoods. As you know, there's any number of building projects even around Washington where there are 100, 200, or 300 new homes built in a group. Those people all want their mail and we have provided them with mail service—all across the country.

Question. Are there collecting centers as well as distributing?

Answer. That's right.

PLANNING AHEAD

Question. It makes your rural operations much more expensive, doesn't it—much less rewarding?

Answer. Well, you see, there's not a single activity of the Post Office that stayed dormant during this 4 years. We've anticipated these changes and recognized what we should do about them, and the proof of how effective we have been is those figures I showed you there—the decrease in the amount of the deficit, the operating deficit of the Post Office Department over the last 4 years. We're giving better service at less cost.

Question. What about your efforts to close a lot of the small post offices for the sake of economy? Are you being hamstrung in that by local communities and by Members of Congress?

Answer. There were 41,000 post offices when we came in, and now there are something

less than 38,000. We have been successful to that degree.

In no instance do we close a small post office without providing the patrons of that post office with equal or better service than before, by the substitution of rural routes. Mail now comes to their box in front of their home rather than to a small post office miles away where they have to go to get it.

What happens is that, when these people in the neighborhood find that their little post office is going to be closed, they do not want to lose the identification of their particular community, and they sometimes become rather emotional about it. Even though it costs the Government several thousands of dollars a year to maintain it with poor service, they get up petitions, and quite often those petitions are initiated by someone in the post office who doesn't want to lose a job, and they converge on their Congressman. It is difficult, but we have been successful in this gradual process.

Question. Does the Congressman put pressure on the Post Office Department not to close the office?

Answer. Well, he asks us to resurvey the matter and see if we can really justify it, and, if we can, we usually are able to convince the Congressman, but it takes time to do those things.

Question. Don't many of your employees work short hours, comparatively, at fairly good pay, and, over all, don't they have probably some of the best jobs in Government?

Answer. We think they are. We think that the Post Office Department not only provides an opportunity for a career, but it also provides an opportunity for substantial income and security.

MILLIONS SAVE STAMPS

Question. Is the sale of commemorative stamps increasing?

Answer. Oh, yes. The last estimate I saw indicated there were about 12 million stamp collectors in this country. Philately is becoming more and more popular, and I think it is a splendid cultural hobby. The Department makes money on a commemorative stamp because many of them are not actually used for mail service.

Question. Are you planning to leave the Cabinet?

Answer. I have no plans to do so, and I am quite confident the President has no plans for me to leave in the foreseeable future. I can only point out to you that the objectives of the Eisensenhower administration for better mail service at less cost to the taxpayers have not yet been fully realized. My job is not finished.

Question. As the Nation grows, the mail grows; is that it?

Answer. It's bound to—as long as boys and girls are falling in love, getting married and having babies, you are going to have more mail.

Question. In the March 3, 1950, issue of U. S. News & World Report we had an interview with Postmaster General Donaldson of the Truman administration, and we asked him if "the problem of the postal deficit can be licked in due time in this country." He replied:

"Yes, I think it can. The Post Office Department is probably facing its worst financial problem in the history of the postal service. But that's not due to the fault of any of the people in the postal service. It's like any other business—the costs have mounted over which we have little or no control, and nothing has been done to increase the revenues in the Department while much has been done to increase the costs, in the way of legislation and orders of regulatory bodies that fix the charges for transportation of the mails."

What do you think of this answer?

Answer. Well, history repeats itself. That's exactly my view today.

"Liberty and Justice for All"—Remarks to Students of Dimner Beeber Junior High School

EXTENSION OF REMARKS

OF

HON. KATHRYN E. GRANAHAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 24, 1957

Mrs. GRANAHAN. Mr. Speaker, it was my honor and privilege last Friday to meet with the faculty and students of the Dimner Beeber Junior High School, 59th Street and Malvern Avenue, in my district of Philadelphia, and to discuss with them the concepts of liberty and justice.

Some years ago, my husband spoke at this same school and was tremendously impressed by the caliber of the teachers and the students. He told me he was proud to be the Congressman for such a group. I can now fully appreciate his feelings at that time, for when I spoke there, I was most impressed in exactly the same way.

The children of Dimner Beeber Junior High showed a sense of maturity and responsibility and civic awareness one finds really surprising among junior high age groups, and the deportment of the student body was truly outstanding. The principal, Mr. E. Orton, has every right to be proud of his faculty and students.

Mr. Speaker, under unanimous consent of the House, I submit for inclusion in the CONGRESSIONAL RECORD my remarks at the Dimner Beeber Junior High School that day, as follows:

LIBERTY AND JUSTICE FOR ALL—REMARKS BY CONGRESSWOMAN KATHRYN E. (MRS. WILLIAM T.) GRANAHAN, AT DIMNER BEEBER JUNIOR HIGH SCHOOL, PHILADELPHIA, MAY 17, 1957

It is a great pleasure, and an honor, too, for me to have this opportunity to speak to you today on the great phrase out of our pledge of allegiance, "with liberty and justice for all."

Children in school sometimes find it a little difficult to read much deep meaning into the high-sounding words and the noble expressions in our great patriotic documents. Much that is in the Declaration of Independence sounds strange to us today—the words are often unfamiliar ones and the thoughts are of issues long ago and known to us only through our study of history. They do not seem to have too much current meaning sometimes.

The Constitution is one of the greatest documents ever written by human beings, but again, to the boy or girl in school, it may deal with very little that seems familiar and with a whole lot that seems altogether out of your daily experience.

So, too, the concepts—liberty and justice.

It probably becomes monotonous to you to hear your teachers and your parents and people in public life constantly telling you the day will come when these concepts are more meaningful—and will be real to you in everything you do.

It is no reflection on your youth that we who are older keep repeating this idea. For we, too, were all once in school and more concerned about what we might wear at graduation, or what celebrations there would be at the end of the school year, or what we would do on the school picnic, or how much money we would have to spend on vacation plans, than we were about the immigration laws, or the idea of political freedoms or economic freedoms.

It is only where justice and freedom have been unknown for periods of time—or where the threat to destroy them is ever-present—that these great concepts become more personal to each individual, including those in school.

So I want to say right now, I am not going to lecture you about how glad you should be to live in America rather than somewhere else. I know you all know how lucky you are. Let's not go around pointing fingers at each other and saying be grateful, because it is not necessary.

But let us do this—you in your school activities and in your day-to-day life at home and at church or synagogue and among your friends, and I will try to do the same in the Congress of the United States—let us translate the words liberty and justice into their real meaning to us by being good friends with each other and listening to the other fellow's point of view, and making sure the other fellow gets his fair share in all instances.

For after all, that is what this country is supposed to be based on. That is what we want it to be—a true democracy where all are equal before the law and none of us need be ashamed of our racial or religious or economic background.

For while we do not have equal wealth, or equal brainpower, or equal physical characteristics—we are all different in every way—and yet we do have this great and precious thing of equal opportunity and equal justice under law.

Those of you who have been in Washington and have seen the majestic Supreme Court building across from the Capitol have seen the inscription, "Equal Justice Under Law," over the entrance. It is not just a phrase which sounds good or looks good carved in the marble. It is the basic concept of America. It is what makes our country the wonderful place we know.

There are times when one or another of us has occasion to wonder if the words are really true. We hear instances of individuals who are railroaded to jail for crimes they did not commit. We hear of poor folks who get less than justice because they are pitted against rich and powerful adversaries.

And you might be inclined then to say: "Aw, there is no justice."

But stop a moment and just consider one thing. Consider this.

When and how and under what circumstances do you hear of these instances in which justice is not evenhanded; in which some individual who is not rich and powerful loses out unfairly to another?

You hear about these things in the newspapers, in Congress, over the radio or television, in the pulpit of your house of worship, or in the conversation of friends and neighbors—and you hear about them because some one or some group—or the Government itself—has moved in to correct an injustice.

Frequently it is the courts which do it. Sometimes it is public opinion. Often it is a newspaper. But always it is some American or American institution which is moved to act by what is right and by what is just. Just remember that.

Right now we have many problems in this country. They are not always being solved as quickly or as well as we would like. As a Member of Congress I sometimes get impatient over the slowness of things—over the slowness of progress. I have introduced some bills which seem to be dying on the vine, pigeonholed in committee. One is to change the immigration laws to allow more good people who would make good Americans to come to this great country as your relatives and mine came here. Little seems to happen on this bill. I get discouraged over it, sometimes.

But friends in the Congress tell me that the issue is not dead and will not die. That like-minded Members will continue to work to correct the injustices of the present law as they affect some groups.

And as I see Congress in action I have reason to believe that decent-minded people will succeed in achieving any good purpose, but it takes work and patience and constant plugging away.

The Congress can move fast in an emergency. It can move at lightning speed when there is a sudden crisis involving our country or our defense.

But normally it moves slowly, deliberately. It takes infinite pains. It examines every comma and looks twice at every period. Everything the Senate does is painstakingly reviewed by the House, and vice versa. Bills may pass one House or another many times before the other one even agrees to consider them. Issues are sometimes resolved by the plain and ordinary and remarkable procedure of just letting them lie around long enough until time takes care of a bad situation.

That is not my idea of the right way to operate. We should face up to these problems and act on them.

But sometimes we seem to lack not only the will but the wisdom to know how to act on them or what to do.

For it is not always a simple matter of righting a wrong or improving a bad situation. What we do to help one group or another in our midst may react adversely on some other group. Bills to help a particular industry hurt another industry. Proposals to help one part of the country may react to damage the economy of another.

This is not an argument for delay. It is rather an explanation for why there sometimes are delays.

Basically all Members of Congress want to do the right thing for the country. But our views differ on this frequently. A majority can always act, but not always in such a way as to assure the justice of a majority cause. Sometimes it is a minority which has justice on its side. What then?

The answer is we must examine each proposal and each proposition with as much intelligence and as much objectivity as possible—as we can bring to bear on the subject. And we must sometimes pray for guidance—yes, it is often that hard to know the true path of justice and liberty.

By liberty, can we mean the complete freedom of everyone to do always whatever he likes, regardless of how many people get hurt in the process? No, it cannot mean that.

But what it can mean, and should mean, is that we dare not discriminate against any group because of race, creed, or color. We dare not have one type of justice for the rich, and another for the poor. We dare not bow and scrape before one group because they are powerful, and ride roughshod over another, because they have no way of getting back at us.

In short, we have to be decent with each other. We have to recognize the elementary human dignity in each person.

And we have to pass the kind of laws which also recognize human rights, and human needs, and human dignity.

We do not always succeed. When we fail, we should be told about it. It should be called to our attention. Americans have a right and a privilege to speak up and protest when they see a miscarriage of justice.

The more we watch out for the other fellow's liberty, the safer our own will be.

The more we protest injustice to someone else, the less likely are we to have injustice practiced on us.

The more we join in common undertakings to help the whole group, the whole school, the whole community, the whole country, the better off each and every one of us is going to be.

That may be stating it too simply. But to me, that's simply what it all amounts to.

I am still a new Member of Congress. I have much yet to learn about the work. But I hope I never learn that to be a successful Member of Congress one has to unlearn the principles of decency and dignity and justice and friendship which to me are so fundamental to the democratic process. I am sure it will not be necessary.

And you boys and girls, as you grow older and take part in the life of the community, will find no better guides than the words "liberty and justice for all."

Representative Powell Calls for a Third Force in American Life

EXTENSION OF REMARKS

OF

HON. ADAM C. POWELL, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, May 24, 1957

Mr. POWELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following excerpts from a speech given by me on the occasion of the prayer pilgrimage for freedom, at the Lincoln Memorial, Washington, D. C., on Friday, May 17, 1957, at 12 noon:

REPRESENTATIVE POWELL CALLS FOR ESTABLISHMENT OF A THIRD FORCE IN AMERICAN LIFE

We meet here today in front of the Lincoln Memorial because we are getting more from a dead Republican than we are getting from live Democrats and live Republicans.

We must face the basic dishonesty and increasing hypocrisy of our two political parties. Only the politically free Supreme Court views the American scene against a background of morality and uncompromising legality and acts accordingly.

In the north and south amongst Republicans and Democrats we find a studied contempt of the law of the land—the Supreme Court decisions. Even the proponents of civil rights legislation have made deals behind the scenes to emasculate the present bill or see that it is passed only in one House. As for the executive branch, it refuses to exercise the massive majesty and prestige of its office as it should.

I begged the Democratic Party directly through the national chairman, Paul Butler, to speak out during its national meeting May 5. They absolutely refused to say one word concerning the bombings, outrages, persecutions, and present civil rights legislation now being considered by a Democratic-controlled Congress.

Therefore, it is mandatory that we establish a third force. A force that will be nonpartisan, but political; nonracial, but for the time being led by our Negro clergy who have given the greatest spiritual witness of any group in this century; nondenominational, inviting men of all faiths to follow. It must be housed only in the churches, led only by the clergy, powered through prayer with the masses acting in unity.

The NAACP is now being driven underground. The technique of the South is to outlaw the NAACP for the sole purpose of preventing it from presenting cases in local and State courts. This will be an insurmountable roadblock to prevent the NAACP from reaching the Supreme Court. We can through this third force raise funds and channel those funds to the NAACP to continue its monumental work and where they are blocked, present cases ourselves using the same NAACP lawyers.

We shall use as our techniques—based solely on passive resistance nationally and locally wherever the situation calls for such action—work stoppages, economic boycotts, mass demonstrations, sitdown strikes, slowdowns, picket lines, and above all, political unity irrespective of party, for and against individual candidates. Through these techniques we can turn the tide from hypocrisy to honesty; from flaunting the law to respect for the law. We will welcome and we will aid openly or through the underground those white church groups, Protestant, Catholic, and Jewish, who are on our side—the right side, the legal side, the moral side.

Smoke 'Em Out

EXTENSION OF REMARKS

OF

CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 24, 1957

Mr. HOFFMAN. Mr. Speaker, with a staggering national debt, a $7.4 billion annual interest charge, a $70-plus billion budget, and taxpayers entitled to relief, will someone please tell me why the Congress—supposedly the people's Representatives—have insisted on keeping in operation the expensive and unneeded Murphy Army Hospital in Waltham, Mass.; the expensive and unneeded Army-Navy Hospital in Hot Springs, Ark.?

The very efficient Secretary of the Army, Wilber Brucker, Michigan's former Attorney General and Governor, has vigorously protested this waste.

Congressman FORD, who represents Kent and Ottawa Counties, and who is a member of the subcommittee and the full Committee on Appropriations, which will bring the bill carrying these items to the floor, has called attention to the fact that the 1956 and 1957 appropriation bills kept these two hospitals in operation, despite the fact they were not needed.

Congressman FORD further disclosed that, notwithstanding the efforts of the Department to comply with the congressional directive to keep the hospitals operating by funneling patients to them from other areas, this year there was an average of but 68 to 77 patients a day in the 405-bed Arkansas hospital, while the hospital staff carried 313, doctors, nurses, military, and civilian attendants—4½ attendants for one patient. The Murphy 450-bed hospital had a patient load of from 85 to 95 a day, and it, too, carried a staff of over 300 doctors, nurses, military, and civilian attendants—3½ attendants to one patient.

The Congress often charges the Executive Departments—and especially the armed services—with being responsible for the waste of our tax dollars. For this waste in operating these two hospitals, is not the Congress responsible?

Our colleague, Mr. FORD, further discloses that closing the two hospitals, turning the Massachusetts one into an Army engineers headquarters, would save $746,500 next year and approximately $1,043,000 each year thereafter.

Heretofore, the appropriation has gone through under a closed rule, which prevented a point of order being made against the bill. This year, the Member from the Fifth District, Mr. FORD, is determined that, if a similar rule is proposed, he will ask for a record vote; that, in any event, he intends to fight the appropriation when the bill comes before the House.

Unless the Congress supports him, it will have no logical reason for complaining about waste or extravagance in Executive Departments.

The House is continually investigating the influences behind wasteful appropriations. It certainly would be interesting to know who is responsible for continuing in operation these two unneeded expensive hospitals. I shall, of course, vote to put them to other use.

Do We Have an Immigration Policy in Concert With the Demands of Our Time?

EXTENSION OF REMARKS

OF

HON. MICHAEL A. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, May 24, 1957

Mr. FEIGHAN. Mr. Speaker, earlier today I spoke before the Westmoreland County Bar Association, at Greensburg, Pa., on the subject Do We Have an Immigration Policy in Concert With the Demands of Our Time?

Members of Congress are aware that President Eisenhower as well as Members of Congress have made a number of proposals relating to our immigration laws. I have made a careful study of all these proposals and have talked with a considerable number of our colleagues about them. This led me to make a proposal which I outlined for the first time in my talk before the Westmoreland County Bar Association. Because of the importance of this issue, I urge Members of this House to read my remarks and study the proposal which I have made. Under leave granted, I insert my address delivered to the Westmoreland County Bar Association:

DO WE HAVE AN IMMIGRATION POLICY IN CONCERT WITH THE DEMANDS OF OUR TIME?

(Address of Hon. MICHAEL A. FEIGHAN, United States Representative, 20th Ohio District, before the Westmoreland County (Pa.) Bar Association luncheon at Greensburg, Pa., on Friday, May 24, 1957)

For the greater part of our history we have encouraged immigration into our country. During colonial days the attractive opportunities offered by the new world caused many European rulers to impose regulations in order to prevent people from emigrating to our shores. The American colonists resented the restrictions imposed on emigration to the New World by the European monarchs because our Declaration of Independence, in the list of indictments against the King of Great Britain, lists among the injuries and usurpations that "he has endeavored to prevent the population of these States; for that purpose obstructing the laws for naturalization of foreigners; refusing to pass others to encourage their migration hither * * *."

Despite efforts made by the European monarchs to prevent the population of the original colonies and later the United States, the opportunities of the free world were so appealing that immigrants flowed into the United States at such a rate that by 1820 the population had jumped to about 10 million people from a population of 4 million in 1790. Congress then concerned itself with the conditions of travel confronting prospective immigrants as they faced the long journey to the promised land. There were many disturbing reports in Europe and here at home of the appalling conditions in which immigrants were carried across the Atlantic Ocean. Descriptions of the horrors of steerage space prompted Congress to enact a series of laws limiting the number of passengers on each vessel, forcing the shipping lines to provide sufficient water and food for the journey and to keep complete lists of all passengers on board including such data as age, sex, occupation, country of which they were citizens, and the place of their destination. From this it should be clear that Congress in the year 1820 took steps to encourage full-scale immigration to the United States.

In 1863 Congress enacted the Homestead Act which permitted aliens who had filed their declaration of intention to become citizens to then acquire homesteads. This was another specific measure enacted by Congress to encourage immigration from Europe to our shores.

Congress also passed the Chinese Exclusion Act known as the Coolie Act. Discovery of Gold in California brought large numbers of Chinese to that State, which apparently caused great concern that our West Coast would soon be overrun by unlimited numbers of Chinese. This Chinese Exclusion Act was repealed in 1943.

These developments in large measure account for our growth as a sparsely settled country of 4 million people in 1790 to a great world power of more than 170 million people today.

There have also been sporadic efforts in Congress since 1798 to restrict and otherwise regulate immigration into the United States. The alien and sedition laws of 1798 were the first. Those laws required 14 years of residence as a requisite to citizenship rather than the 5 years residence required today. The President was authorized by these laws to expel forthwith "dangerous aliens" and to imprison those who resisted expulsion. Since the alien and sedition laws were first enacted for a 2-year period, they lapsed by default because Congress would not re-enact them.

Other exclusion laws were then enacted refusing admission to prostitutes and procurers. Shortly thereafter laws excluding mentally deficient persons, stowaways, chronic alcoholics, and vagrants were enacted.

It was not until 1921 that we began to limit the number of immigrants to be admitted each year. The first quota statute was signed into law by President Warren G. Harding on May 19, 1921. Under that law the number of immigrants permitted to enter the United States was fixed at 357,803 annually, that figure being based on the number of foreign-born persons who lived in the United States, according to the census of 1910.

The second quota law was enacted in 1924 and contained a feature which has become known as the national origins formula. Under the law of 1924, 154,657 immigrants are admitted each year. This formula provides that the annual quota for each country is one-sixth of 1 percent of the number of inhabitants in the continental United States as determined by the census of 1920, whose ancestry has been traced to the country for which a quota was determined. Some countries were assigned no quota whatever. All orientals were excluded.

That same quota system arrived at in 1924 remains as the cornerstone or control factor governing our entire immigration system today. Some minor alterations have been made in it, such as assigning a minimum of 100 quota to countries of the world which hitherto had no quota whatever. No basic changes have been made which would reflect an alteration in the 1924 policy.

Our nonquota intake of immigrants is not based solely on geographical factors.

In addition to nations of independent countries of the Western Hemisphere, we admit under the present law, outside of the quota, all wives, husbands, and minor unmarried children of United States citizens, regardless of their place of birth. Here the numbers are by no means alarming, but it may be worth mentioning that the number of nonquota immigrants admitted from such countries as Greece, Italy, Spain, Holland, and a few others, runs about equal to the number of quota immigrants admitted from those countries. All these countries have relatively small quotas.

It is also interesting to note that the first law excluding subversives from admission into the United States was passed by Congress in 1903. A subversive was then defined as an "anarchist," but this same statute excluded "persons who believe in or advocate the overthrow by force or violence of the United States Government." A review of the background of that particular piece of legislation indicates the clear intent of Congress to protect our country from the influx of ideologies and political tactics originating in the atmosphere of historic Russian despotism. It is against this background that I would like to discuss briefly with you our present immigration policy and its relation to the realities of the world in which we live.

The national origins formula creates a situation in which a large number of quota numbers are authorized for countries which do not need them because the record shows they do not utilize them. Specifically, I refer to Great Britain and Ireland. On the other hand, the national origins formula provides very small quotas for countries which today are seeking settlement opportunities for a portion of their population as a necessary step to attaining economic stability, and maintaining an equilibrium in Government. I refer specifically to such countries as Italy, Greece, and the Netherlands. There is a third category of countries whose tragic situation warrants special mention. I refer to those countries under Communist occupation such as Hungary, Poland, Lithuania, Estonia, Latvia, Rumania, Czechoslovakia, among others. Natives of those countries who have been forced to find religious or political asylum in the free world look to us as the traditional haven for the oppressed and the unwanted. There is little we can do under our regular immigration laws to help these victims of totalitarianism because the already small quotas assigned to them under the national origins system has been mortgaged by 50 percent for as many as 100 years in some instances.

The most glaring inadequacy of our national origins formula is that it requires the application of a hard, fixed, and unrealistic mathematical formula to a world situation in which our concern for the human factors must be foremost.

As a consequence, we wind up each year in the position of having on the one hand a very large number of quota numbers left over from countries that neither need nor want them and on the other hand a very long line of applicants for admission who are natives of countries whose sons and daughters played an important role in shaping the destiny of our great country in past generations.

The best examples I can cite to demonstrate just how impractical the national-origins formula is in terms of our political responsibilities in this upset world are the following:

In 1947 President Truman appealed to Congress for emergency legislation to admit a

reasonable number of displaced persons into the United States. In his message to Congress urging action he noted our regular immigration laws made it impossible for us to cooperate with other free nations in bringing about a solution to a grave postwar problem. There were 1½ million persons from Central and Eastern Europe residing in Germany, Austria, and Italy who refused to return to their homelands for fear of loss of their lives or liberties at the hands of the Communist regimes then in control of their homelands. After extensive public hearings, controversy and prolonged debate, Congress enacted emergency legislation in 1948 to admit 205,000 displaced persons. That law was amended in 1950 because the original number of admissions authorized was insufficient to cover our fair share toward resolving the displaced persons problem. The authority for admission was raised to 401,000 persons.

In 1953, President Eisenhower, during his first year in office, sent Congress a message asking for emergency legislation to help resolve the problems of overpopulation in Europe and to provide haven for a reasonable number of the many new victims of Communist tyranny who were daily escaping into free Europe and Asia. Among the arguments advanced by President Eisenhower in support of this proposal was that unless Western Europe found some solution for its problem of overpopulation, there could be little hope for the economic stability envisioned by our foreign-aid program which, by that time, had cost the American taxpayer more than $26 billion.

Congress again passed another emergency immigration bill authorizing the admission of some 207,000 special immigrants over a 3-year period.

Even before the expiration of President Eisenhower's emergency immigration program, our country was faced with still another major immigration crisis. The Hungarian freedom revolution of last October and the ruthless Russian suppression of that gallant try for freedom produced a new category of refugees. In the month of November and December 1956, well over 100,000 Hungarians had found it necessary to flee from their homeland after the Russians reinvaded, killing some 60,000 Hungarians and then putting another alien regime in charge of their affairs. That freedom revolution caught the Free World by surprise, because so many of the leaders had been misled into believing that total revolution against the Russian tyrants was impossible.

When the free Western Powers failed to take any practical action in support of the Hungarian freedom fighters, the conscience of the American people demanded that immediate asylum should be given to some of the latest victims of Russian tyranny and reprisal. The result was that President Eisenhower directed the admission of 21,500 Hungarian refugees in Austria on a parole status, with the understanding that this arrangement would continue until Congress took action one way or another on his decision. The President's authority to direct such action under existing law has been subject to question. As of May 20, 1957, the number of Hungarian refugees admitted to the United States was 32,295, of which 6,284 came under immigrant visas issued pursuant to the Refugee Relief Act of 1953, as amended, and 26,011, came under the parole operation. Nevertheless, the fact remains that unless the President took the action he did, it would not have been possible for the United States, the historic haven for the oppressed and unwanted, to do much of anything to help the Hungarian refugees in Austria. This helplessness would have been demonstrated at a time when most of the small but free nations of the world were opening their doors wide to the Hungarian patriots.

I hesitate to think about the position we will be in should the East Germans or the Poles or the people of some other oppressed nation behind the Iron Curtain erupt into total revolution against the Russian Communists. Should this happen, we will undoubtedly be faced again with a tremendous refugee problem caused by the brutal methods used by the Russians in suppressing such freedom revolutions. I would like to think that future revolutions against communism would not result in a large influx of political refugees into the Free World, but I am afraid the absence of a dynamic foreign policy toward the captive nations forbids my entertaining that happy thought.

You might be interested in an observation I made in a speech on the floor of the House on February 8 last year on the occasion when Congress received President Eisenhower's latest message on immigration policy. In commenting on the need for a more elastic policy than now exists, I said, and I quote: "The likelihood exists that so long as the conspiracy of communism exists in this world and continues its inhumanities and tyrannies against people, we will continue to have refugees who plead with us for religious and political asylum." The Hungarian revolution which followed in October of last year underscores the importance of our facing up to that cold reality because the very same situation applies today as applied on February 8, 1956 when I first made the statement. Moreover, the circumstances that compelled me to make that statement have not changed in the least.

To sum up, I consider that our present immigration policy as reflected by the controlling laws is outdated, inadequate, and certain to cause us not only embarrassment, but the loss of respect and friendship of millions of people who look to us as the defenders of human freedom and the hope of a better world of tomorrow. The national origins formula applies to conditions prevalent in 1921 and 1922. It has no practical relationship to the political demands of the modern day. Events of the past 12 years leave no doubt that we must effect major changes in our basic immigration laws so that we may have an immigration policy to support our best national interests.

There is so much emotion and lack of knowledge surrounding our immigration laws that any effort to bring about sudden and drastic change in them will be met by a number of very serious obstacles. It seems to me therefore, if any real change is to be effected in these laws it must come gradually. Accordingly, I have worked out a proposal which does not abruptly discard the national origins formula, but does open the way for the demonstration of what may be a better system of allocating quota numbers than the national origins formula.

It is estimated that each year there are some 65,000 authorized but unused quota numbers. I propose that the unused quota numbers for the past 3 years be reauthorized for use for a period of 3 years. These unused quota numbers would then be allocated semiannually with the following criteria to serve as guideposts in making specific allocations:

1. The desirability of bringing into the United States annually a number of persons possessing technical and professional skills and specialized experience found to be in short supply in the American labor market. A determination would need to be made that such services will be substantially beneficial to the national economy.

2. Our traditional position of providing a haven for victims of totalitarian aggression who have found it necessary to flee their homelands because of persecution or fear of persecution based upon their religious or political views. In the present world circumstances, special account should be taken of those escapees from communism who fled from their homelands because of acts they had taken against the regimes in control.

3. The desirability of reuniting families and relatives. There are in the United States a considerable number of families who have found asylum here while members of their immediate families are still living in distant lands. There are also native born Americans who are anxious to have relatives abroad admitted into the United States for permanent residence. To reunite these broken families is to act in concert with our political philosophy which holds that the family is the basic unit of society.

To make the allocations of these unused quota numbers and all determinations connected therewith, a board or commission will be necessary. Such board or commission would initiate studies and investigations and would be in touch with departments and agencies of the Government in any way concerned with immigration policy. It would be made up of five members, appointed by the President, with the advice and consent of the Senate.

Congress would be notified semiannually of all allocations made of quota numbers and such allocations would become effective unless Congress took action disapproving them.

The makeup of this proposed commission or board is critical to the success of the proposal. Obviously, individuals appointed to the commission must possess the highest qualifications backed by a long record of devotion to the public interest. The commission must be completely devoid of partisan politics just as it must be composed of individuals experienced in withstanding undue pressure or promises. The terms of office should be, if the plan proves to be feasible, for 10 years and with salaries provided to make possible the availability and time of the best talents in the country.

After this proposed pilot project has been in effect several years, I believe that with wise administration the feasibility of eliminating the national origins formula without doing violence to our national interest, will in my opinion, have been demonstrated. If the plan proves otherwise, Congress would simply not renew the 3-year authority and the project would be automatically terminated. In either case, the debate about our national origins system could be resolved once and for all on the basis of facts and not emotion and prejudice.

Fourteen years of service on the Committee on the Judiciary, together with a careful study of the many new political responsibilities which have been thrust upon us as a Nation in recent years, led me to offer this proposal. It is one way of creating an elastic and realistic policy which will permit us to adjust our immigration system to the most urgent demands put upon our leadership as a nation. I believe that our present immigration policy has failed to meet the test of time or the tide of human events.

It is time for a change, and I sincerely hope that the changes we must make will be based upon an honest recognition of the heavy responsibilities which are ours in a world which must avoid world war III, and find the way to a just and lasting peace.

A Salute to Pan American World Airways

EXTENSION OF REMARKS

OF

HON. ADAM C. POWELL, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, May 24, 1957

Mr. POWELL. Mr. Speaker, many of our colleagues recognize the necessity of

assisting the Puerto Rican people in obtaining for themselves more than general menial chores.

Pan American Airways long ago pioneered service to San Juan and made it possible for a rapid exchange of persons, knowledge, and culture between the mainland and the Commonwealth of Puerto Rico. Hundreds of thousands of people have been flown between San Juan and the United States via Pan American Airways. In the first 3 months of this year alone, Pan American has flown more than 1,000 tons of cargo between New York and San Juan.

However, I believe that Pan American's finest accomplishment was achieved recently when this great international airline commissioned 33 new stewardesses at its Miami base. Twenty-three of those girls are Puerto Ricans and they will soon be flying on Pan American Clippers to all points of the Pan American system to South and Central America and the Caribbean.

Mr. Speaker, I salute Pan American World Airways for its conscientious industry and making available to its passengers the service of these 23 Puerto Rican girls who, I am sure, will render to Pan American a service for which the airline can be additionally proud.

Residual Oil Imports

EXTENSION OF REMARKS

OF

HON. JOHN P. SAYLOR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 24, 1957

Mr. SAYLOR. Mr. Speaker, President Eisenhower is to be commended for his forthright attitude toward the oil imports problem. I was gratified to hear that the President had announced that there is reason to believe that alien oil is entering the United States in such quantities as to threaten to impair the national security. The White House at the same time ordered the Honorable Gordon Gray, Director of the Defense Mobilization, to begin an immediate investigation and take the action necessary to keep import levels in conformity with the stipulated provisions of the national security amendment to the Trade Agreement's Extension Act of 1955.

In the course of Mr. Gray's work, I trust that he will take a very close look into the residual oil imports situation. I remind him that the report of the Presidential Advisory Committee on Energy Supplies and Resources, which was basic to the development of the national defense amendment, very definitely treated residual oil as a separate problem. Let me read two paragraphs from that report:

The committee believes that if the imports of crude and residual oils should exceed significantly the respective proportions that these imports of oils bore to the production of domestic crude oil in 1954, the domestic fuels situation could be so impaired as to endanger the orderly industrial growth which assures the military and civilian supplies and reserves that are necessary to the national defense. There would be an inadequate incentive for exploration and the discovery of new sources of supply.

In view of the foregoing, the committee concludes that in the interest of national defense imports should be kept in the balance recommended above. It is highly desirable that this be done by voluntary, individual action of those who are importing or those who become importers of crude or residual oil. The committee believes that every effort should be made and will be made to avoid the necessity of governmental intervention.

Obviously, Mr. Speaker, any action which fails to consider residual oil separately would be of no value whatsoever to the protection of the domestic bituminous coal and anthracite industries. If a limitation on imports is enforced, and a specific quantitative restriction on residual oil is not included, then, of course, residual oil could conceivably make up the major portion of the total imports. The amount of residual oil coming into this country at the present time comprises too great a peril to our defense structure to tolerate this condition any longer. Fortunately the coal industry last year increased production over the alarmingly low level to which it had fallen in 1955; however, output is still far below what it would be if Government policies on imports and on other matters affecting the industry were fair and proper.

Government officials and fuel experts from private industry acknowledge that coal will have to accept a progressively greater share of the responsibility to meet increasing energy needs of the future, yet there is a glaring lack of concern for the industry's immediate welfare.

Coal producers must, of necessity, be given an opportunity to build up their resources. The coal miner needs to have steady work if he is expected to remain at this occupation. Today's labor force consists of trained engineers and technicians who, through experience and devotion to their jobs, have helped to make America's mining industry the most productive in all the world. They must be encouraged to stay in mining communities if they are to be ready to produce the fuel that will be needed in succeeding years. This encouragement will not come with 2 or 3 days of work per week; nevertheless, reduced workweeks and completely shut-down mines are imminent unless a more realistic approach to coal's problems is taken by Congress and the executive department.

One glance at the year's production figures will explain why a feeling of insecurity persists among mine operators and the labor force. To remove this tension and provide a spirit of optimism in mining towns requires positive action here in Washington.

Last year, when the bituminous coal industry reached an output level of 500 million tons, there was a popular tendency to assume that the problems of the industry had been overcome and that the upward trend would continue at a healthy rate on into the future. One of the factors that many analysts overlooked was a production chart extending back sufficiently far to provide a sound basis of comparison with other periods. For 10 years ending in 1956, average production amounted to just 500 million tons, which was below even the 1920–29 average and is prima facie evidence that 1956 cannot be considered any great shakes for the coal industry. There is no cause for rejoicing in the 1956 figure.

Coming down through the first portion of 1957, we might very well expect to find that at least the moderate gains made in 1956 over the preceding year were holding fast. Any upward movement, regardless of the rate of ascendancy, would constitute a stimulating development. The blunt truth, however, is that there is no increase in coal production to report at this time. Through May 4, bituminous coal production amounted to approximately 175 million tons, a decrease of some 3 million tons under the figure covering the corresponding period for 1956. Anthracite production is also down, with commercial production through May 4 almost 10 percent below the preceding year's output. The anthracite industry has been so hard hit in recent years that heaven knows it cannot withstand further losses brought about by unreasonable Government policies. As you see, in both the anthracite and bituminous industries, the anticipated gains have failed to come about. Production is down. A strong and sustained demand must be recorded during the remaining months if any substantial improvement is to be recorded for the year.

Now, here is what has happened in residual oil imports. Ten years ago the foreign residual oil entering this country's markets amounted to just about 45 million barrels. A relentless upsurge then got underway, and the coal industry has been suffering ever since. President Eisenhower took notice of the situation when he appointed a Cabinet Committee on Fuels and Energy Resources in 1954. It was that committee which recommended that imports of crude and residual oils be held at the respective proportions that such imports bore to domestic production in 1954. The 1954 figure on residual oil imports was 129 million barrels. For 1956 it was almost 162 million barrels, which in energy equivalent is a little less than 39 million tons of bituminous coal.

I trust that Mr. Gray will refer to the remarks of Members of the House and Senate when the bill to extend the Trade Agreements Act was debated in 1955. He will learn that it is the unequivocal intent of Congress to restrict oil imports to these designated levels. Even such a limit is far from a just mitigation for the producers and the laboring forces in the bituminous coal and anthracite industries. It will at least protect them from extended piracy on the part of international oil shippers.

1957 Graduates From Gruver, Tex., High School

EXTENSION OF REMARKS

OF

HON. WALTER ROGERS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, May 24, 1957

Mr. ROGERS of Texas. Mr. Speaker, it was my great pleasure this week to welcome to Washington the 1957 high school graduates from Gruver, Tex., which is located in the 18th Congressional District of Texas that I have the honor to represent. The occasion of their visit to this Chamber was likely noted by this body in view of the fact they were, in my opinion, one of the finest looking and the most well-behaved groups we have seen for some time. They were accompanied by the principal of Gruver High School, Mr. Ralph Eddins and Mrs. Eddins, and Gruver Elementary School Principal Mr. J. T. Hoy and Mrs. Hoy. This group has worked long and hard toward the realization of their senior trip and they are, I believe, to be commended for their selection of an educational itinerary. These 26 sons and daughters of Texas were Misses Barbara Wright, June Sloan, Luanna Olsen, Margaret Montgomery, Marietta Luttrull, Esther Kauffman, Kathryn Knutson, Jolene George, Rachel Harris, Suellen Hawkins, Gwen Arthur, Mary Lou Beamer, Barbara Charon, Adeline Dahl, Bonnie Drake, Janet Eddleman and Mary Lou Gordon; and Messrs. David Shapley, Charles Beck, Fred Sturman, Billy Cox, E. C. Denns, Donald Heath, Dale Irwin, Larry Lewis, and Byron Peddy.

SENATE

MONDAY, MAY 27, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father, God, as once more we bow in the peaceful stillness of this Chamber of freedom, where in the past fateful decisions have molded the life of the Nation, guide by Thy wisdom, we beseech Thee, the pending decisions of this body, entrusted with vast power that awes and solemnizes our hearts. Dedicate Thy servants here, as they speak and act, to the yet unfinished task of winning the kind of a world for which brave men have died.

Steady us with the assurance that Thy righteous purposes for mankind are even now being worked out, in spite of the denials and betrayals of willful and blinded men. Make plain to our understanding that legislative enactments and economic adjustments in themselves cannot bring social salvation, except as they are undergirded by spiritual reliance and a sustaining strength not our own, without which we labor in vain, without which all else is as futile props against a decaying house that the Lord hath not made. In the name of the Redeemer, we ask it. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Thursday, May 23, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the amendments of the Senate numbered 1, 2, 3, 4, 6, and 7 to the bill (H. R. 5788) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1958, and for other purposes, and disagreed to the amendments of the Senate numbered 5 and 8 to the bill.

The message also announced that the House had agreed to the amendments of the Senate to the joint resolution (H. J. Res. 247) for the relief of certain aliens.

The message further announced that the House had agreed to the amendments of the Senate to the concurrent resolution (H. Con. Res. 89) approving the granting of the status of permanent residence to certain aliens.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 985. An act to provide that chief judges of circuit and district courts shall cease to serve as such upon reaching the age of 75;

H. R. 6548. An act to amend the Universal Military Training and Service Act, as amended, as regards persons in the medical, dental, and allied specialist categories; and

H. R. 7143. An act to amend the act of August 3, 1950, as amended, to continue in effect the provisions relating to the authorized personnel strengths of the Armed Forces.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 179) authorizing the printing of additional copies of the report to accompany H. R. 7125, a bill to make technical changes in the Federal excise-tax laws, in which it requested the concurrence of the Senate.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the President pro tempore:

H. R. 2146. An act to amend the Small Reclamation Projects Act of 1956; and

H. J. Res. 247. A joint resolution for the relief of certain aliens.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H. R. 985. An act to provide that chief judges of circuit and distict courts shall cease to serve as such upon reaching the age of 75; to the Committee on the Judiciary.

H. R. 6548. An act to amend the Universal Military Training and Service Act, as amended as regards persons in the medical, dental, and allied specialist categories; and

H. R. 7143. An act to amend the act of August 3, 1950, as amended, to continue in effect the provisions relating to the authorized personnel strengths of the Armed Forces; to the Committee on Armed Services.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Subcommittee on Welfare and Pension Funds of the Committee on Labor and Public Welfare and also the Antimonopoly Subcommittee of the Committee on the Judiciary were authorized to meet during the session of the Senate today.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to announce, for the information of the Senate, that the Senate will not be in session on Thursday. There will be a routine session on Friday. We do not anticipate any rollcalls on that day. If it is necessary to clear up the calendar, the Senate will be in session on Tuesday and Wednesday of this week.

Again, I should like to call attention to the fact that on tomorrow, at 2:30 p. m., the Senate will receive a very distinguished visitor, Chancellor Konrad Adenauer, who will appear on the floor.

GENERAL GOVERNMENT MATTERS APPROPRIATION BILL, 1958

The VICE PRESIDENT laid before the Senate a message from the House of Representatives, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
May 24, 1957.

Resolved, That the House agree to the amendments of the Senate numbered 1, 2, 3, 4, 6, and 7 to the bill (H. R. 5788) entitled "An act making appropriations for

the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1958, and for other purposes," and disagree to the amendments of the Senate numbered 5 and 8 to said bill.

Mr. HAYDEN. Mr. President, last Wednesday the Senate passed H. R. 5788, the general Government-matters appropriation bill for 1958 and requested a conference on the Senate amendments. On Friday, the House considered the amendments, and agreed to all but two of them, namely, No. 5 and No. 8.

Amendment No. 5 inserted language to add the unobligated balance to the emergency fund for the President for national defense. Without this additional balance, the emergency fund will have $1 million for 1958, the same as for the past 2 years. Very little use was made of the fund last year, and its purpose is to provide for unforeseen problems which may arise.

Amendment No. 8 inserted language adding a proviso to section 201 which allowed the cost of any special feature or equipment on automobiles required for law enforcement and similar activities to be in addition to the ceiling fixed for the purchase price of such automobiles. The intention of the Senate amendment was to correct a situation occasioned by a recent ruling of the Comptroller General which upset a previous ruling dating back to 1938, under which such special equipment had been allowed beyond the price ceiling. The House, however, considers the proviso to be too broad in scope, and prefers that more restricted language be submitted as a budget estimate in regular procedure.

In the absence of the Senator from Washington [Mr. MAGNUSON], I have checked with the other conferees on the bill, and find them agreeable to receding from these two amendments, in order that final action be taken on the bill.

Therefore, Mr. President, I move that the Senate recede from its amendments No. 5 and No. 8.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Arizona.

The motion was agreed to.

Mr. JOHNSON of Texas. Mr. President, I had intended to make a statement on the matter, but I shall not, inasmuch as the motion of the Senator from Arizona has been agreed to.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour, for the introduction of bills and the transaction of other routine business. In that connection, I ask unanimous consent that statements be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

ADDITIONAL FACILITIES FOR TRAINING OF CERTAIN COMPONENTS OF ARMED FORCES

A letter from the Secretary of Defense transmitting a draft of proposed legislation to provide additional facilities necessary for the administration and training of units of the reserve components of the Armed Forces of the United States (with accompanying papers); to the Committee on Armed Services.

REPORT ON MILITARY PRIME CONTRACTS WITH BUSINESS FIRMS IN THE UNITED STATES FOR EXPERIMENTAL, DEVELOPMENTAL, AND RESEARCH WORK

A letter from the Assistant Secretary of Defense, Supply, and Logistics, transmitting, pursuant to law, a report on military prime contracts completed with business firms in the United States for experimental, developmental, and research work, during the first 9 months of fiscal year 1957 (with an accompanying report); to the Committee on Banking and Currency.

PROPOSED INCREASE OF APPROPRIATIONS FOR HOSPITAL CENTER IN DISTRICT OF COLUMBIA

A letter from the Administrator, General Services Administration, Washington, D. C., transmitting a draft of proposed legislation to increase the authorization for appropriations for the Hospital Center and facilities in the District of Columbia and for other purposes (with an accompanying paper); to the Committee on the District of Columbia.

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949, RELATING TO OPTIONS IN CERTAIN LEASES OF GOVERNMENT PROPERTY

A letter from the Administrator, General Services Administration, Washington, D. C., transmitting a draft of proposed legislation to amend section 203 (c) of the Federal Property and Administrative Services Act of 1949 and to permit the exercise of options contained in certain leases of Government property (with an accompanying paper); to the Committee on Government Operations.

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949, RELATING TO CERTAIN SURPLUS PROPERTY

A letter from the Administrator, General Services Administration, Washington, D. C., transmitting a draft of proposed legislation to amend the Federal Property and Administrative Services Act of 1949, as amended, regarding advertised and negotiated disposals of surplus property (with an accompanying paper); to the Committee on Government Operations.

AUDIT REPORT ON FEDERAL HOME-LOAN BANKS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on Federal home-loan banks, supervised by the Federal Home Loan Bank Board, for the fiscal year ended June 30, 1956 (with an accompanying report); to the Committee on Government Operations.

CANCELLATION OF CERTAIN CHARGES AGAINST INDIVIDUAL INDIANS AND TRIBES OF INDIANS

A letter from the Under Secretary of the Interior, transmitting, pursuant to law, a copy of an order canceling certain charges existing as debts due the United States by individual Indians and tribes of Indians (with accompanying papers); to the Committee on Interior and Insular Affairs.

PROPOSED CONCESSION CONTRACT, OREGON CAVES NATIONAL MONUMENT, OREG.

A letter from the Under Secretary of the Interior, transmitting, pursuant to law, a proposed concession contract in Oregon Caves National Monument, Oreg. (with accompanying papers); to the Committee on Interior and Insular Affairs.

PUBLICATION ENTITLED "TYPICAL ELECTRIC BILLS, 1957, CITIES OF 50,000 POPULATION AND MORE"

A letter from the Chairman, Federal Power Commission, Washington, D. C., transmitting, for the information of the Senate, a copy of its newly issued publication entitled "Typical Electric Bills, 1957, Cities of 50,000 Population and More" (with an accompanying document); to the Committee on Interstate and Foreign Commerce.

FINANCIAL STATEMENTS OF PROCEEDS DERIVED FROM CERTAIN LICENSES ISSUED BY THE FEDERAL POWER COMMISSION

A letter from the Chairman, Federal Power Commission, Washington, D. C., transmitting, pursuant to law, financial statements of proceeds derived from licenses issued by the Federal Power Commission under the Federal Power Act (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

KIYOHITO TSUTSUI

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of Kiyohito Tsutsui (with an accompanying paper); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of California; to the Committee on Agriculture and Forestry:

"Assembly Joint Resolution 26

"Joint resolution relative to a congressional investigation of the poultry production industry

"Whereas the poultry industry is a most important segment of California's agricultural economy; and

"Whereas a long period of depressed prices has created serious problems for the poultry producers in the State of California; and

"Whereas the natural advantage of proximity to California's important and expanding consumer markets appears to be vitiated by reason of shipment into the State of poultry from areas with lower health and inspection standards than are required of poultry producers in the State of California; and

"Whereas congressional action may well be required to solve this vexing problem and preserve the California poultry industry from destructive inequalities: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the Congress of the United States to conduct such investigations as may be necessary to develop a program of legislation to insure equitable conditions for production of poultry throughout the Nation; and be it further

"*Resolved*, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Interior and Insular Affairs:

"Assembly Joint Resolution 16

"Joint resolution relative to the relationship between Federal and State Governments

"Whereas recent decisions of the United States Supreme Court have indicated that the permissible area of State activity in certain fields has materially narrowed and the power of the Federal Government has been materially increased at the expense of State governments; and

"Whereas it has been held by the Supreme Court that a State law requiring a permit for the construction of a hydroelectric plant on a nonnavigable stream need not be complied with inasmuch as the waters involved were on 'reserved lands' of the Federal Government and that the Federal Government had the power to regulate the use of waters on all such lands; and

"Whereas prior to this decision the view widely prevailed that all nonnavigable waters a part of the public domain were subject to the plenary control of the States, with no distinction as to whether the waters were on reserved lands or on lands subject to private acquisition and disposal under public land laws; and

"Whereas when it is considered that over 46 percent of all land in this State is owned by the Federal Government, any interpretation of this Supreme Court decision to the effect that State laws regulating the appropriation and use of waters are inapplicable to waters on or originating on Federal lands would result in a serious disruption in the orderly development and utilization of the waters in this State by State and local agencies, and a substantially similar situation exists in most of the other Western States; and

"Whereas the Supreme Court has also recently held that no compensation need be paid, in Federal condemnation proceedings along a navigable stream, for that portion of the value attributable to the riparian nature of the land, on the ground that the land was held subject to the dominant navigational servitude of the Federal Government: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the Congress of the United States to enact legislation similar to the 'Western Water Rights Settlement Act of 1957' proposed in the current session of Congress by Senator BARRETT of Wyoming, for the exclusive purpose of removing all doubts as to the validity of existing water rights acquired under State laws, and to provide that the future acquisition of unappropriated waters in each State, navigable and nonnavigable, must be in compliance with State laws; and be it further

"*Resolved*, That the chief clerk of the assembly be directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A resolution of the Legislature of the State of Florida; to the Committee on Finance:

"House Memorial 905

"A memorial to the Congress of the United States of America urging that no restrictions be placed upon the import of crude and residual fuel oils

"Whereas the industries and businesses of Florida are almost entirely dependent upon the use of fuel oil and Florida is one of the largest users of fuel oil in the country; and

"Whereas refining processes are improving and more gasoline and other more valuable products are being produced from a barrel of crude leaving less fuel oil; and

"Whereas the production of residual fuel oils within the United States is not sufficient to supply the fuel oil requirements of the United States and its people; and

"Whereas the United States is consuming 57 percent of the free world's petroleum supply and has only approximately 20 percent of the free world's proven petroleum reserves; and

"Whereas it is in the interest of the United States to conserve its petroleum supply; and

"Whereas the continued imports of crude and fuel oils is necessary to the economy and public welfare of the United States and is essential in the public interest to the maintenance of a competitive price level that is just and fair to the users; and

"Whereas efforts have been made in the past and attempts may be made in this Congress to impose restrictions upon the imports of crude and fuel oils: Now, therefore, be it

"*Resolved by the Legislature of the State of Florida*, That the Congress of the United States is hereby memorialized and respectfully urged that no restrictions be placed upon the import of crude and residual fuel oils;

"That copies of this memorial be transmitted forthwith by the secretary of state of the State of Florida to the President of the United States, the President of the Senate, and the Speaker of the House in the United States Congress, and to each of the Senators and Representatives in the United States Congress; and

"That a copy of this memorial be spread upon the journal of both the Senate and the House of Representatives and sufficient copies thereof be delivered to the press."

A resolution of the Legislature of the State of Nebraska; to the Committee on Labor and Public Welfare:

"Legislative Resolution 27

"Whereas secondary boycotts are used by the officials of labor unions to bring economic pressure upon neutral employers of employees to compel workmen to join labor organizations, to force union members to switch their union affiliation, and to win collective bargaining contract demands; and

"Whereas organizational or racket picketing is a technique used by some labor union officials to bring economic pressure upon an employer to make him force union membership on his employees; and

"Whereas secondary boycotts and racket picketing interfere with and disrupt the right of free collective bargaining and voluntary union membership guaranteed in section 7 of the Labor-Management Relations Act; and

"Whereas the hot-cargo clause in contracts of unionized carriers avoids the responsibility of these carriers in rendering adequate service to the general public; and

"Whereas the use of the secondary boycott by the teamster union gravely affects the welfare of numerous Nebraska communities; and

"Whereas there is now pending in the Senate of the United States, S. 76, introduced by CARL T. CURTIS, of Nebraska, a bill to make illegal all forms of the secondary boycott and to outlaw racket picketing: Now, therefore, be it

"*Resolved by the members of the Nebraska Legislature in 68th session assembled*,

"1. That the legislature respectfully memorializes the Congress of the United States to amend the Labor-Management Relations Act to and completely these types of unfair labor practices.

"2. That authenticated copies of this memorial be transmitted to the President of the Senate and the Speaker of the House of Representatives of the United States, to each of the United States Senators and Representatives from Nebraska, and to the Secretary of Labor of the United States in Washington, D. C.

"DWIGHT W. BURNEY,
"*President of the Legislature.*

"I, Hugo F. Sirb, hereby certify that the above is a true and correct copy of Legislative Resolution 27, which was passed by the Legislature of Nebraska in 68th regular session on the 22d day of May 1957.

"HUGO F. SIRB,
"*Clerk of the Legislature.*"

A resolution of the Senate of the State of Illinois; to the Committee on Foreign Relations:

"Senate Resolution 51

"Whereas Specialist Third Class William S. Girard, a resident of Ottawa, Ill., and a member of the United States Army stationed in Japan, has been indicted by a Japanese court on a charge of manslaughter arising from the death of a Japanese citizen; and

"Whereas the circumstances which led to the death of the Japanese citizen show that she was injured on a United States Army military reservation while engaged in activities prohibited by the United States Army, and that at the time of the injury, William Girard was performing duties as a sentry of the United States Army; and

"Whereas under the terms of a status of forces treaty the Japanese Government has demanded that SP/3 Girard be surrendered to the Japanese courts for trial; and

"Whereas to surrender William Girard to the jurisdiction of the Japanese courts, to be tried for an alleged offense committed on a United States Army military reservation while in the performance of his duties, will result in the denial to this American citizen of the protection and rights which are guaranteed to all American citizens by the Constitution and laws of the United States. Furthermore, it would be a great injustice to deny to this American serviceman the rights and privileges which he is sworn to defend; and

"Whereas if William Girard is to be subject to a trial, he should be tried by an American tribunal which will guarantee to him all the rights and privileges to which he is entitled, and which is free of the prejudices existing against American servicemen in foreign countries: Therefore be it

"*Resolved by the Senate of the 70th General Assembly of the State of Illinois*, That we condemn and protest any action which would surrender William Girard to the jurisdiction of the Japanese courts for trial; that we condemn any status of forces treaty which subjects American servicemen to foreign jurisdictions and deprives them of constitutional rights and privileges as American citizens; that we respectfully request the President of the United States, the Secretary of State, the Secretary of Defense, and the Congress of the United States, to take such action as will prevent William Girard from being brought to trial by the Japanese Government in the Japanese courts; and that a suitable copy of this preamble and resolution be forwarded by the secretary of state to the President of the United States, to the Secretary of State, to the Secretary of Defense, to the United States Senate, and to the House of Representatives of the United States.

"Adopted by the senate, May 22, 1957.

"JOHN WM. CHAPMAN,
"*President of the Senate.*

"EDWARD E. FERNANDES,
"*Secretary of the Senate.*"

Three concurrent resolutions of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"House Concurrent Resolution 37

"Whereas there is pending in the Circuit Court of the First Judicial District of the Territory of Hawaii a condemnation suit,

Law No. 16696, wherein the Territory is condemning the Fishery of Mokauea; and

"Whereas although said condemnation suit was commenced on August 29, 1941, and there has been no final adjudication thereof, the Territory has transferred by quitclaim deed to one of the claimants to an undivided interest in and to the said Fishery of Mokauea, namely the Hawaiian Dredging Co., Ltd., a portion of the said fishery to wit, 1.634 acres of 71,170 square feet of wharfage land that abuts the Hawaiian Dredging Co., Ltd., plant by quit-claim deed dated August 6, 1952; and

"Whereas the said exchange mentioned above was executed under sections 4534 and 4535 of the Revised Laws of Hawaii, 1945, said sections 4534 and 4535 being expressly cited in the said quit-claim deed; and

"Whereas said exchange was executed upon the recommendation of the then Land Commissioner of Public Lands and approved and signed by the Governor of the Territory; and

"Whereas said exchange although benefiting the Hawaiian Dredging Co., Ltd., a claimant of an undivided interest in and to said fishery of Mokauea may have prejudiced the rights of other claimants of undivided interest in and to said fishery; and

"Whereas the rest of said claimants in and to the said fishery of Mokauea are willing to abide by a judicial determination of their interest and the extent thereof, if any, in and to said fishery: Now, therefore, be it

"Resolved by the House of Representatives of the 29th Legislature of the Territory of Hawaii (the Senate concurring), That the Congress of the United States is hereby respectfully requested to enact legislation authorizing the Commissioner of Public Lands of the Territory of Hawaii to effect an equitable exchange of public lands in the Territory of Hawaii with those claimants to the Fishery of Mokauea who will have judicially established their interest and the extent thereof, if any, in and to the said fishery in the condemnation proceedings mentioned above or in any other judicial proceeding in the Territory; and be it further

"Resolved, That certified copies of this concurrent resolution shall be forwarded to the President of the United States, the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States and to the Delegate to Congress from Hawaii."

"House Concurrent Resolution 69

"Whereas pursuant to the provisions of section 6-61 of the Revised Laws of Hawaii 1955, the board of trustees of the Employees' Retirement System of the Territory of Hawaii is composed of 7 trustees of whom one is the treasurer of the Territory who serves ex-officio; 3 are appointed by the Governor; 3 are members of the system elected to serve as trustees by the employees; and

"Whereas questions have been raised regarding the provisions of paragraph 1 of section 80 of the Hawaiian Organic Act as to whether the board of trustees of the Employees' Retirment System is legally constituted and whether it constitutes a board of public character; and

"Whereas as a consequence thereof there is serious doubt as to whether the provisions for the elections of members respective to said board as well as the action taken heretofore by such trustees are valid; and

"Whereas the Legislature of the Territory of Hawaii believes that the confirmation of the election of the member-trustees and ratification of their acts and the acts of the board of trustees since their election thereto are necessary; and

"Whereas the Legislature of the Territory of Hawaii sincerely believes in the principle that the members of the retirement system should be represented on the board of trustees by persons of their own choosing: Now, therefore, be it

"Resolved by the House of Representatives of the 29th Legislature (the Senate concurring, That the Congress of the United States is hereby respectfully requested to:

"1. Amend section 80 of the Hawaiian Organic Act by inserting after the words 'boards of public character that may be created by law;' the following: *'Provided, however*, That the legislature may provide for the election of some of the members of the board of trustees of the employees' retirement system of the Territory by the officers and members of the territory or counties';

"2. Ratify and confirm the election of members of the board of trustees of the Employees' Retirement System of the Territory heretofore elected by the officers and employees of the Territory and counties; and be it further

"*Resolved*, That certified copies of this concurrent resolution be forwarded to the President of the United States, the President of the Senate, and the Speaker of the House of Representatives of the United States and the Delegate to Congress from Hawaii."

"House Concurrent Resolution 71

"Whereas the employees of the Commissioner of Public Lands of the Territory of Hawaii do not enjoy the benefits of civil-service status: Now, therefore, be it

"Resolved by the House of Representatives of the 29th Legislature of the Territory of Hawaii (the Senate concurring), That the Congress of the United States be requested to amend the organic act so that the subagents, clerks, and other employees of the Commissioner of Public Lands of the Territory of Hawaii shall continue in employment subject to suspension, demotion, and dismissal as provided in the civil-service laws of the Territory of Hawaii as amended from time to time; and be it further

"*Resolved*, That certified copies of this resolution shall be forwarded to the President of the United States, the President of the Senate, and the Speaker of the House of Representatives of the United States, and the Delegate to Congress from Hawaii."

A resolution of the Legislature of the Virgin Islands; to the Committee on Public Works:

"Resolution petitioning the Congress of the United States for the extension of Federal aid to highway programs to the Virgin Islands

"Whereas existing programs of Federal aid to the various States and Territories in the construction and maintenance of highways do not include the Virgin Islands; and

"Whereas the need for adequate roads exists throughout the Virgin Islands, which is of primary importance especially to the farmers of these islands in marketing their produce, and also as and adjunct to the business of tourism; and

"Whereas the Congress has recognized the urgency of Federal assistance to the various States and Territories in the building of the highways of America; and

"Whereas in this part of America, it is most urgent that such Federal aid be extended: Therefore be it

"Resolved by the Legislature of the Virgin Islands, That the Congress of the United States and the appropriate committees of its Houses are urged to take immediate and effective action to provide for the extension of Federal aid to highways programs to the Virgin Islands; and be it further

"*Resolved*, That a copy of this resolution be sent to the President of the Senate, the Speaker of the House of Representatives, the respective chairmen of the Senate and House Committees on Public Works, Interior and Insular Affairs, the Secretary of the Interior, the Director of Territories and Insular Affairs, and the Governor of the Virgin Islands.

"Thus passed by the Legislature of the Virgin Islands on May 21, 1957.

"Witness our hands and the seal of the Legislature of the Virgin Islands this 21st day of May A. D. 1957.

"AUBREY A. ANDUZE,
"*President.*"

[SEAL] "JOHN D. MERWIN,
"*Legislative Secretary.*"

A telegram, in the nature of a petition, from O. L. Hilde, Minneapolis, Minn., relating to the President's budget; to the Committee on Appropriations.

A resolution adopted by the American Bottlers of Carbonated Beverages, Washington, D. C., favoring reductions in the proposed 1958 fiscal budget; to the Committee on Appropriations.

A letter, in the nature of a petition, from Elizabeth A. Riley, Miami, Fla., favoring the enactment of legislation to raise the compensation pay of certain war veterans; to the Committee on Finance.

A letter, in the nature of a petition, from Charles Jones, New York, N. Y., relating to world peace; to the Committee on Foreign Relations.

A resolution adopted by the Republican Women's Study Club of Glendale, Calif., relating to Federal aid to education; to the Committee on Labor and Public Welfare.

The petition of Alma Hoey, relating to the deficit in the Post Office Department, and so forth (with an accompanying paper); to the Committee on Post Office and Civil Service.

A resolution adopted by the District of Columbia Department of the Catholic War Veterans, Washington, D. C., favoring the enactment of legislation to provide a memorial for Gen. John J. Pershing; to the Committee on Public Works.

A resolution adopted by the members of the Eighth District Republican caucus, at Green Bay, Wis., relating to the life and public service of the late Senator Joseph R. McCarthy, of Wisconsin; ordered to lie on the table.

A resolution adopted by the Minnesota Valley Cooperative Light & Power Association, Montevideo, Minn., favoring the enactment of Senate bill 555, to authorize the construction, operation, and maintenance of the Hells Canyon Dam on the Snake River between Idaho and Oregon, and for related purposes; ordered to lie on the table.

STATEHOOD FOR ALASKA AND HAWAII—JOINT RESOLUTION OF OREGON LEGISLATURE

Mr. NEUBERGER. Mr. President, I have received today a copy of Senate Joint Memorial 7, which was adopted by the Legislature of the State of Oregon to urge the admission of Alaska and Hawaii to statehood during the present session of Congress.

The people of Oregon have long supported full statehood for these two Territories, both of which are close and familiar to us who live on the Pacific coast. We are eager to welcome them to full and equal citizenship in our Nation, and to have their elected representatives join us in the Congress. As a member of the Subcommittee on Territories of the Senate Committee on Interior and Insular Affairs, I shall urge action on the statehood bills as soon as the subcommittee can meet, as the hearings on these bills have already been completed and printed, and the record is clear and ready for action.

Mr. President, I ask unanimous consent that Senate Joint Memorial 7 of the

Oregon Legislature may be printed in the RECORD.

There being no objection, the joint resolution was referred to the Committee on Interior and Insular Affairs, and, under the rule, ordered to be printed in the RECORD, as follows:

Senate Joint Memorial 7

To the Honorable Senate and the House of Representatives of the United States of America in Congress Assembled:

We, your memorialists, the 49th Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

Whereas the people of Alaska and Hawaii have shown their capacity to govern themselves; and

Whereas the people of the Territories of Alaska and Hawaii have consistently and willingly observed and performed all of the duties of other citizens of the United States; and

Whereas to allow these modern communities of loyal Americans to continue to share the burdens and responsibilities of citizenship without the right fully to govern themselves in the manner of our States, without both voice and vote on the floors of Congress, and without vote for the President of the United States, is to continue to violate the sacred democratic principles which guided our great country's fight for independence over a century and a half ago; and

Whereas the people of the State of Oregon have many economic, social, and cultural ties with the people of Alaska and Hawaii and have a keen interest in seeing statehood granted to the Territories of Alaska and Hawaii; and

Whereas both Houses of the Congress of the United States are once again considering legislation which would grant statehood to Alaska and Hawaii: Now, therefore, be it

Resolved by the Senate of the State of Oregon (the House of Representatives jointly concurring therein), That the Congress of the United States be memorialized to grant statehood to Alaska and Hawaii during the current session of Congress; and be it further

Resolved, That copies of this memorial be sent to the President of the United States of America, to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States, to the chairmen of the committees of the Congress which are considering statehood for Alaska and Hawaii, to the Oregon congressional delegation and to the Delegates to Congress from Alaska and from Hawaii.

The VICE PRESIDENT laid before the Senate a joint resolution of the Legislature of the State of Oregon, identical with the foregoing, which was referred to the Committee on Interior and Insular Affairs.

INCREASED COMPENSATION FOR POSTAL EMPLOYEES — RESOLUTION OF ARKANSAS SENATE

Mr. McCLELLAN. Mr. President, I present for appropriate reference, a resolution adopted by the Senate of the State of Arkansas, relating to increased compensation for postal employees. I ask unanimous consent that the resolution may be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Post Office and Civil Service, and, under the rule, ordered to be printed in the RECORD, as follows:

Whereas Senate bill 27 and House bill 2474, now pending in the Congress of the United States, would provide for a pay raise for postal employees; and

Whereas this pay increase will affect 7,200 postal workers in Arkansas and will bring an additional $8,750,000 into our State each year; and

Whereas recent studies have conclusively shown that the wage rates of postal employees have lagged far behind wage increases to workers in private industry; and

Whereas it is believed that the wages of postal employees should be brought more closely in line with wages paid to individuals in private industry: Now, therefore, be it

Resolved by the Senate of the first extraordinary session of the 61st General Assembly of the State of Arkansas:

SECTION 1. That the Senate of the State of Arkansas does hereby encourage the Congress of the United States to pass pending legislation which would provide for pay increases to postal employees.

SEC. 2. That upon adoption of this resolution, a copy of the same shall be mailed by the secretary of the senate to Senator JOHN L. McCLELLAN and Senator J. W. FULBRIGHT.

Adopted.

ARTHUR SHIREY,
Secretary.

REVISION OF POSTAL LEGISLATION—RESOLUTION

Mr. YOUNG. Mr. President, I think the North Dakota Press Association should be commended for the resolution which it adopted favoring revision of legislation proposed by the United States Post Office Department. I ask unanimous consent that the resolution be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED AT THE ANNUAL CONVENTION OF THE NORTH DAKOTA PRESS ASSOCIATION AT MINOT, N. DAK., APRIL 27, 1957

Whereas the deficit of the United States Post Office Department is approaching $1 billion a year; and the said Department is becoming an increasingly serious burden upon the Public Treasury; and

Whereas costs of doing business and maintaining the usual postal services have greatly increased; and

Whereas it is desirable that the Department be placed on as nearly a self-supporting basis as possible; and

Whereas it is most equitable that the increased cost be paid, so far as practicable, by the users of the postal services: Now, therefore, be it

Resolved, That the North Dakota Press Association petition the Congress of the United States to approve the postal rate revision legislation proposed by the United States Post Office Department.

By the committee:

HOWARD DOHERTY,
Chairman, Killdeer, Killdeer Herald.
FERN LEE,
Towner, Mouse River Farmers Press.
HARRY E. POLK,
Williston, Williston Herald.
S. H. FARRINGTON,
Harvey, Harvey Herald.
GRANT HELGESON,
Hankinson, Hankinson News.

Moved, seconded, and adopted unanimously at Minot, N. Dak., on this date, April 27, 1957.

Attest:

ORION COLE,
President, Hatton Free Press, Hatton, N. Dak.
F. J. FROESCHLE,
Secretary, Ranson County Gazette, Lisbon, N. Dak.

PROPOSED LEGISLATION ON BEHALF OF VETERANS WITH SERVICE-CONNECTED DISABILITIES—LETTER AND RESOLUTION

Mr. WILEY. Mr. President, I was pleased to receive in the morning mail a letter and a resolution from Adj. Charles R. Kettle, of the Department of Wisconsin Disabled American Veterans.

The resolution, urging support of H. R. 6191, was unanimously adopted by the Disabled American Veterans annual eighth district conference in Milwaukee recently.

As we know, H. R. 6191 proposes to extend for 1 year the period during which a person may be determined eligible for disability payments under the social-security program.

In addition, it would provide that social-security benefits for disabled veterans would not be reduced because of VA payment for service-connected disabilities.

As we recall, H. R. 6191 passed the House on March 28, 1957.

I am glad that our colleagues on the Senate Finance Committee presently have the bill under consideration, and hope that it will be reported out soon.

Aware that amendments are being considered, I shall naturally be happy if improvements can be made.

I am hopeful, however, that the general objective of the bill will be adhered to.

Moreover, I would urge all the members of the Senate to view this proposal sympathetically when it comes to the floor of the Senate.

I ask unanimous consent to have printed at this point in the RECORD the letter from Adjutant Kettle, and the text of the resolution adopted by the national eighth district conference.

There being no objection, the letter and resolution were ordered to be printed in the RECORD, as follows:

DISABLED AMERICAN VETERANS,
DEPARTMENT OF WISCONSIN, INC.,
Hanover, Wis., May 24, 1957.

Hon. ALEXANDER WILEY,
United States Senate Building,
Washington, D. C.

DEAR SENATOR WILEY: The enclosed resolution was unanimously adopted by the Disabled American Veterans' annual national eighth district conference in Milwaukee, Wis., on April 28, 1957. The district is comprised of the States of Illinois, Wisconsin and Michigan.

You are respectfully requested to actively support the enactment of H. R. 6191.

Sincerely yours,

CHARLES R. KETTLE,
Department Adjutant.

RESOLUTION URGING DELETION FROM THE SOCIAL-SECURITY LAWS PROVIDING FOR BENEFITS TO TOTALLY DISABLED PERSONS AT AGE 50, THE CLAUSE WHICH REDUCES THE SOCIAL-SECURITY BENEFITS BY ANY AMOUNT A VETERAN RECEIVES FROM THE VA FOR HIS DISABILITIES

Whereas the social-security laws were amended in the last previous session of Congress to provide for benefits to totally disabled persons at age 50; and

Whereas this amendment imposed a restriction that reduces the social-security benefit by any amount a veteran receives for disability compensation paid for war disabilities, and is, therefore, discriminatory

against veterans as compared to civilians who never went to war; and

Whereas the bill H. R. 6191 has been unanimously reported by the House Ways and Means Committee, eliminating the restriction on compensation payments: Now, therefore, be it

Resolved, That the Eighth District Conference of the Disabled American Veterans, assembled this 27th and 28th of April, 1957, in Milwaukee, Wis., go on record supporting H. R. 6191 and urge that department adjutants of the States comprising the eighth district conference send letters to all Congressmen and Senators, requesting their support for this legislation; and be it further

Resolved, That a copy of this resolution be sent to the DAV national director of legislation, Mr. Omer Clark.

Approved April 28, 1957, by the National Eighth District Conference of the Disabled American Veterans assembled in Milwaukee, Wis.

CHARLES R. KETTLE,
Adjutant, Department of Wisconsin, DAV, Hanover, Wis.

ASSISTANCE FOR POLAND—RESOLUTION

Mr. JAVITS. I present a copy of a resolution adopted at a great mass meeting of Americans of Polish extraction held in Buffalo, N. Y., on May 3, urging upon our Government the policy of giving the people behind the Iron Curtain in Poland some hope that they have a friend who will give them humanitarian support in the way of food and medicine. I ask unanimous consent that the resolution may be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

At a mass meeting commemorating the adoption of the Polish Constitution of the 3d day of May, held at the Polish Union Hall, 761 Fillmore Avenue in the city of Buffalo, N. Y., the following resolution was unanimously adopted:

"Whereas the year 1957 marks the 166th year of the adoption of the Polish Constitution of May 3, 1791, which document was the most liberal and the most democratic constitution of its day; and

"Whereas the Republic of Poland has been deprived of her political independence and has suffered the loss of approximately one-half of her eastern territory and 13 million of her citizens having been unjustly and arbitrarily absorbed by the Soviet Union; and

"Whereas the Soviet Union still dominates what remains of the Republic of Poland with her Red army, inspite of the uprisings of the people in the city of Poznan in June 1956, and the upheaval in October 1956 in Warsaw, and the elections that were held in January 1957; and

"Whereas many of these unfortunate events that followed the end of World War II were conceived and agreed upon at the now infamous Conferences of the Big Three at Teheran and Yalta; and

"Whereas recently many Polish citizens have been repatriated by the Soviet Union from slave-labor camps, sick, hungry, and destitute, and in need of immediate medical attention, housing, and food; and

"Whereas the Soviet Union has for the past 12 years exploited the Republic of Poland economically through bad industrial planning, collectivization of her farms, socialization of small private enterprise, and the removal of her natural resources to a degree that she has become totally impoverished; and

"Whereas American sympathy for downtrodden and freedom-loving Poland has been evidenced by over 90 percent of the American press, radio, and television, and in addition thereto the Ford Foundation has given a concrete example of said love and affection by granting and setting aside upward of half a million dollars for cultural and educational purposes, under which grant there will be an exchange of students and ideas between the two peace-loving nations; and

"Whereas the present western boundaries of Poland on the Oder and Neisse Rivers have been historically Polish territory through the ages; and

"Whereas communism continues to threaten our own liberties in these great United States of America through infiltration into our schools, into our factories, into Government agencies and various other institutions and organizations: Now, therefore, be it

"*Resolved*, As Americans dedicated to the freedom of all nations, we feel duty bound in the name of justice and equity to take firm stand in defense and restoration of the just rights of our ally, the Republic of Poland; be it further

"*Resolved*, That the decisions of the Teheran and Yalta conferences concerning Poland and other nations, arrived at without their representation, be revoked and repudiated entirely; be it further

"*Resolved*, That we protest against any change in the present western boundaries of Poland as presently constituted, inasmuch as they have always been historically Polish; be it further

"*Resolved*, That we petition our Government to remain alert and extremely vigilant to the assumed 'new look' of the present leaders of the Soviet Union until such time as they roll back the Iron Curtain and free the captive peoples of Poland and other enslaved nations; be it further

"*Resolved*, That we further petition our Government to extend immediate financial and economic assistance to the Republic of Poland to help the repatriated citizens that need immediate medical assistance, and to the nation as a whole which was exploited and impoverished by the Soviet Union for the past 12 years; be it further

"*Resolved*, That we commend and compliment the trustees of the Ford Foundation for their generous grant of financial assistance to promote and encourage culture and education between America and Poland; be it further

"*Resolved*, That we petition our Government to continue to eradicate communism from our land and our institutions, and that it continue to take all necessary steps for our defense that we remain prepared on land, on the sea, and in the air against all possible aggressors; be it further

"*Resolved*, That we as loyal citizens of the United States of America, hereby repeat our pledge of loyalty and allegiance to our great and beloved country; be it further

"*Resolved*, That copies of this resolution be sent to the Secretary of State, John Foster Dulles, and to our Congressman, Hon. Edmund P. Radwan; also to Hon. Jacob Javits and Hon. Irving M. Ives, United States Senators, and to the trustees of the Ford Foundation.

"Resolution committee:

"MICHAEL E. ZIMMER,
"*Chairman, Judge, City Court of Buffalo.*
"CASIMER T. PARTYKA,
"*Judge, City Court of Buffalo.*
"JOSEPH S. MATALA,
"*Director of Real Estate, City of Buffalo.*
"ANN MIKOLL,
"*Deputy Corporation Counsel, City of Buffalo.*

"Dated: Buffalo, N. Y., May 5, 1957."

FINANCING OF PART-TIME FARMERS—RESOLUTION

Mr. WILLIAMS. Mr. President, at a recent meeting of the Delaware State Farm Bureau, a resolution opposing subsidization and Government financing of part-time farmers was adopted.

In view of the plight of full-time farmers who are attempting to make a living from producing for an already glutted market, such a program to loan to part-time farmers for agricultural production only tends to aggravate the problems of full-time farmers.

I ask unanimous consent that this resolution be incorporated at this point in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas we are living in a rapidly changing world, and whereas farming methods and conditions must keep pace with the development of a more economic and more efficient way of farming to meet the rising demand for uniform, high quality, low cost food, we conscientiously and urgently oppose the subsidization or support of inadequate, inefficient, and uneconomic part-time farms at the expense of the taxpayer.

PROPOSED MUSEUM OF AMERICAN ART—RESOLUTION

Mr. HUMPHREY. Mr. President, the Twentieth Century Club, a District of Columbia organization of over 500 women from various parts of the country, has recently adopted a resolution supporting S. 966, a bill I have introduced to establish a Museum of American Art.

I ask unanimous consent that the resolution be printed at this point in the RECORD, and be appropriately referred.

There being no objection, the resolution was referred to the Committee on Rules and Administration, and ordered to be printed in the RECORD, as follows:

Whereas the Civil Service Commission Building is an excellent example of Greek revival architecture and should be preserved, and whereas the Smithsonian Institution has in its possession many fine examples of American art without sufficient housing for them, and whereas such a museum would be of great assistance in preserving American art: Now, therefore, be it

Resolved, That the Twentieth Century Club, meeting in regular session May 2, hereby requests that the Committees on Rules and Administration refer S. 966 and H. R. 4002 to the proper committees in Congress in order that hearings may be held and favorable action taken on the bills; and be it further

Resolved, That copies of this resolution be sent to the chairmen of the Rules and Administration Committees, to Senator HUMPHREY, Congressman THOMPSON, and, later, the chairmen of the committees to which the bills are referred.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MONRONEY, from the Committee on Interstate and Foreign Commerce, with an amendment:

S. 1366. A bill to amend the act entitled "An act to authorize the construction, protection, operation, and maintenance of public airports in the Territory of Alaska," as amended (Rept. No. 374).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 1566. A bill for the relief of Arthur Sew Sang, Kee Yin Sew Wong, Sew Ing Lin, Sew Ing Quay, and Sew Ing You (Rept. No. 375);

H. R. 1451. An act for the relief of Cecelia Vaccaro (Rept. No. 378);

H. R. 1765. An act for the relief of Ellen G. Marinas (Rept. No. 379);

H. R. 1837. An act for the relief of Elda Mondillo (Rept. No. 380); and

H. J. Res. 289. Joint resolution to facilitate the admission into the United States of certain alien children (Rept. No. 376).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

H. R. 1359. An act for the relief of Mrs. Theodore (Nicole Xantho) Rousseau (Rept. No. 381).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 1581. A bill for the relief of Shew Shei Lan and Chow Shong Yep (Rept. No. 377).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service, without amendment:

S. 25. A bill relating to effective dates of increases in compensation granted to wage board employees (Rept. No. 382).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee of the Judiciary:

Maurice Augustus Crews, of Pennsylvania, to be an Assistant Commissioner of Patents, vice Arthur W. Crocker, elevated;

William B. Somers, of North Carolina, to be United States marshal for the middle district of North Carolina; and

Albert W. Saegert, of Texas, to be United States marshal for the western district of Texas.

By Mr. HRUSKA, from the Committee on the Judiciary:

J. Lee Rankin, of Nebraska, to be Solicitor General of the United States.

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Thirty postmaster nominations.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSON of Texas:

S. 2153. A bill to authorize the issuance of a special series of stamps as a tribute to the surveyors of the United States; to the Committee on Post Office and Civil Service.

By Mr. BEALL:

S. 2154. A bill to provide for the appointment of an additional judge for the Juvenile Court of the District of Columbia; to the Committee on the District of Columbia.

By Mr. CASE of New Jersey:

S. 2155. A bill for the relief of Vera Lovrecek; to the Committee on the Judiciary.

By Mr. DIRKSEN:

S. 2156. A bill to fix the fees payable to the Patent Office and for other purposes; to the Committee on the Judiciary.

By Mr. CHAVEZ:

S. 2157. A bill to authorize appropriation of an additional sum required for completion of the Inter-American Highway; to the Committee on Public Works.

By Mr. CHAVEZ (by request):

S. 2158. A bill relating to the procedure for altering certain bridges over navigable waters to the Committee on Public Works.

By Mr. CLARK (for himself, Mr. HUMPHREY, Mr. JAVITS, Mr. LONG, Mr. MAGNUSON, Mr. MORSE, Mr. MURRAY, Mr. NEUBERGER, and Mr. CASE of New Jersey):

S. 2159. A bill to provide for the establishment of a Department of Housing and Urban Affairs and for other purposes; to the Committee on Government Operations.

(See the remarks of Mr. CLARK when he introduced the above bill, which appear under a separate heading.)

By Mr. SPARKMAN (for himself, Mr. FULBRIGHT, Mr. CLARK, Mr. HILL, Mr. O'MAHONEY, Mr. KEFAUVER, and Mr. HUMPHREY):

S. 2160. A bill to make capital more readily available for financing small business and thus to promote, foster, and develop the domestic and foreign commerce of the United States, and for other purposes; to the Committee on Banking and Currency.

(See the remarks of Mr. SPARKMAN when he introduced the above bill, which appear under a separate heading.)

By Mr. GOLDWATER:

S. 2161. A bill to amend the act of August 14, 1955 (69 Stat. 725); to the Committee on Interior and Insular Affairs.

By Mr. CHAVEZ:

S. 2162. A bill for the relief of Yee Kung Sun; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 2163. A bill for the relief of Estrellita C. Suyama; to the Committee on the Judiciary.

CONCURRENT RESOLUTION

Mr SMATHERS submitted a concurrent resolution (S. Con. Res. 33) requesting the President to return the enrolled bill S. 1463 to the Senate, which was considered and agreed to.

(See concurrent resolution printed in full, which appears under a separate heading.)

PROPOSED DEPARTMENT OF HOUSING AND URBAN AFFAIRS

Mr. CLARK. Mr. President, on behalf of the Senator from Minnesota [Mr. HUMPHREY], the Senator from New York [Mr. JAVITS], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the senior Senator from Oregon [Mr. MORSE], the Senator from Montana [Mr. MURRAY], the junior Senator from Oregon [Mr. NEUBERGER], the Senator from New Jersey [Mr. CASE], and myself, I introduce, for appropriate reference, a bill to provide for the establishment of a Department of Housing and Urban Affairs, and for other purposes.

Mr. President, two-thirds of the population of the United States lives in urban areas. We must adapt the administrative structure of the Government to the changes brought about by the fact that the United States has changed in the last half century from a predominantly rural nation to one predominantly urban.

We cannot ignore what this population explosion means. Metropolitan growth is posing one of the greatest challenges of the second half of the 20th century. We cannot meet this challenge with Government machinery designed for the 19th century.

This bill, if enacted, would create a new Department of Housing and Urban Affairs. This Department would provide stronger leadership for the Government's housing and civil defense programs, coordinate existing Federal programs which are urban-oriented, fix responsibility for research and policy recommendtion, and give representation to the urban population at the top levels of the Government in the same manner as the rural population is represented by the Department of Agriculture.

The new Department would be made up initially of the Housing and Home Finance Agency and the Federal Civil Defense Administration. These two agencies combined are larger in size and volume of expenditure than several of the existing departments. The bill also provides for the transfer of other functions to the new Department by directing the President to transfer those functions and agencies which would further the purposes of the bill. The President has authority to make such transfers under existing reorganization legislation.

Since the bill is essentially a reorganization of existing functions of Government, it would inaugurate no new operating programs. It would result in no increased expenditure, except perhaps minor expenditures for research, and these would be offset by savings through improved administrative coordination of the agencies being consolidated.

The principle of creating a Department of Urban Affairs has had support from the administration.

The last new Federal department was created in 1953, when the Federal Security Agency was raised to Cabinet status and renamed the Department of Health, Education, and Welfare. This bill follows essentially the same procedure, since it would elevate to Cabinet status the Housing and Home Finance Agency, with the Federal Civil Defense Administration added.

Mr. President, I ask unanimous consent that the bill may lie on the table for 1 additional legislative day, in order that Senators may have the opportunity to join as additional cosponsors.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will lie on the table, as requested by the Senator from Pennsylvania.

The bill (S. 2159) to provide for the establishment of a Department of Housing and Urban Affairs and for other purposes, introduced by Mr. CLARK (for himself and other Senators) was received, read twice by its title, and referred to the Committee on Government Operations.

PROPOSED NATIONAL INVESTMENT COMPANY ACT OF 1957

Mr. SPARKMAN. Mr. President, I introduce, for appropriate reference, a bill to make capital more readily available for financing small business, and thus to promote, foster, and develop the domestic and foreign commerce of the United States, and for other purposes.

In this connection, I should like to say that this bill is really a redrafting of a bill I introduced earlier in the year, at the beginning of this Congress, Senate bill 719, for the purpose of establishing national investment companies.

The committee has been doing considerable work on the bill. It represents a new writing of the old bill. Hearings will be held shortly before the Small Business Subcommittee of the Committee on Banking and Currency, under the chairmanship of the distinguished Senator from Pennsylvania [Mr. CLARK]. I am very hopeful that some legislation along this line may be enacted.

I may say that I am joined in the sponsorship of this measure by my colleague, the senior Senator from Alabama [Mr. HILL], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Pennsylvania [Mr. CLARK], and the Senator from Minnesota [Mr. HUMPHREY].

I, of course, would welcome any other sponsors who might see fit to join in the sponsorship of the bill, and I certainly commend it to the careful consideration of all Members of the Senate.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2160) to make capital more readily available for financing small business and thus to promote, foster, and develop the domestic and foreign commerce of the United States, and for other purposes, introduced by Mr. SPARKMAN (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Banking and Currency.

HOUSING ACT OF 1957—AMENDMENTS

Mr. SPARKMAN (for himself, Mr. FULBRIGHT, and Mr. CLARK) submitted amendments, intended to be proposed by them, jointly, to the bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. CAPEHART submitted amendments, intended to be proposed by him to House bill 6659, supra, which were ordered to lie on the table and to be printed.

Mr. CAPEHART (for himself and Mr. KNOWLAND) submitted amendments, intended to be proposed by them jointly to House bill 6659, supra, which were ordered to lie on the table and to be printed.

Mr. BEALL submitted an amendment, intended to be proposed by him, to House bill 6659, supra, which was ordered to lie on the table and to be printed.

Mr. BENNETT submitted amendments, intended to be proposed by him, to House bill 6659, supra, which were ordered to lie on the table and to be printed.

Mr. BRICKER (for himself and Mr. BUSH) submitted amendments, intended to be proposed by them, jointly, to House bill 6659, supra, which were ordered to lie on the table and to be printed.

Mr. BUSH. Mr. President, I submit amendments, intended to be proposed by me, to the housing bill, H. R. 6659, and ask that they be printed and ordered to lie upon the table.

Mr. President, the first point at which to capture control of Federal spending and lending is when the Congress establishes limits on programs in authorization bills.

The housing bill which is now the Senate's pending business contains authorizations far in excess of the levels recommended in President Eisenhower's budget. The total amount of authorizations recommended in the bill is $2,105,800,000, as compared with the budget recommendations of $925 million.

The amendments I intend to propose will give Senators interested in economy an opportunity to reduce the authorizations in the bill by $450 million. I anticipate that other Senators will offer additional amendments reducing the authorizations in the bill by another $500 million, making the grand total of possible reductions nearly $1 billion.

My amendments would:

First. Reduce the authority of the Federal National Mortgage Association to borrow directly from the Treasury from $2,100,000,000 to $1,700,000,000, eliminate a proposed limit of 1 percent on the amount of FNMA's fees and charges for its commitment and its purchase of mortgages under its special assistance programs, and eliminate proposed authority for FNMA to make direct construction loans in competition with private lenders.

Second. Reduce the increase in the authorization for college housing loans from $200 million to $150 million as recommended by the administration, eliminate a hidden subsidy to colleges by requiring payment of interest at a rate which the Treasury itself must pay on its long-term obligations, and prevent an expansion of the program to include divinity schools and hospitals among institutions eligible for college housing loans.

Mr. President, I ask unanimous consent that the amendments, together with statements in explanation of the amendments be printed in the RECORD following these remarks.

The VICE PRESIDENT. The amendments will be received, printed, and lie on the table; and, without objection, the amendments and explanations will be printed in the RECORD.

The amendments and explanations presented by Mr. BUSH are as follows:

PROPOSED AMENDMENT TO SECTION 202 RELATING TO TREASURY DEPARTMENT BACKSTOP FOR FNMA SECONDARY MARKET OPERATIONS

Amend section 202 by striking out "$2,100,000,000" on page 31, line 14, and substituting "$1,700,000,000."

STATEMENT IN SUPPORT OF PROPOSED AMENDMENT

Section 202 of the bill would increase the amount of FNMA's secondary market obligations that the Secretary of the Treasury may hold by $750 million (from $1.35 billion to $2.1 billion). The Treasury backstop authority would thereby be made equal to the FNMA's proposed general borrowing authority under the bill.

The administration has recommended an increase in the amount of the Treasury backstop of $350 million, rather than $750 million. A $350 million increase would be fully adequate to reinforce the FNMA general borrowing authorization. It has never been contemplated that the FNMA would call upon the Treasury as a source for all, or even a major portion, of its secondary market funds.

PROPOSED AMENDMENT TO SECTION 203 RELATING TO FNMA FEES AND CHARGES IN ITS SPECIAL ASSISTANCE PROGRAM

Amend section 203 by striking out the designation "(a)" on page 31, line 15, and by striking out all of subsections (b) and (c), starting on page 31, line 16, and ending on page 32, line 13.

STATEMENT IN SUPPORT OF PROPOSED AMENDMENT

Section 203 (b) of the bill would establish a 1-percent ceiling on the amount of FNMA's fees and charges "for its commitment and its purchase" of mortgages under its special assistance program. Subsection 203 (c) would apply this ceiling retroactively to certain commitment contracts.

Existing law does not undertake to limit FNMA's fees and charges. FNMA has not abused its discretion in this matter. The FNMA now charges a commitment fee of 1 percent and, if the mortgages are delivered, a purchase and marketing fee of one-half of 1 percent. Under section 203 (b) of the bill, the total fees would be reduced to 1 percent. The policy of charging a one-half of 1 percent purchase fee which is not collected unless the mortgage is sold to FNMA under the commitment contract should be retained. The fee serves as an inducement to the mortgage originator to seek to place the mortgage with a private investor instead of FNMA. Neither should the 1-percent commitment fee be lowered. Under existing conditions in the money market, a lower fee would be unduly attractive, and would encourage the investment of Government funds in mortgages which might otherwise be purchased by private investors.

It is desirable, if private investors are to be encouraged to invest their funds in the special assistance type of mortgage, that FNMA under its special assistance program should not purchase at terms substantially more lenient than those of private investors. Thus, the cumulative effect of subsections 203 (b) and (c) must be considered in conjunction with subsection (a), which would continue the requirement that FNMA pay at least 99 percent of par in this program.

It is true that the FNMA's commitment and purchase fees in connection with military housing mortgages under the Capehart program now total only 1 percent and that the purchase price is set at par. However, these special terms are appropriate in connection with military housing which is needed by the Government itself for occupancy by servicemen and which is built on military posts. In that program the Government, rather than private persons, is the beneficiary of the more liberal terms.

PROPOSED AMENDMENT TO STRIKE OUT SECTION 207 RELATING TO PROPOSED FNMA AUTHORITY TO MAKE CONSTRUCTION ADVANCES IN ITS SPECIAL ASSISTANCE PROGRAM

Strike out section 207 (p. 34, lines 1 through 14).

STATEMENT IN SUPPORT OF PROPOSED AMENDMENT

Section 207 of the bill would permit FNMA to make direct construction loans from various authorizations included under the special assistance functions. This provision would put FNMA in the originating or primary loan market, where it would be in direct competition with private lenders. This invasion of the field of private lending is unnecessary. FNMA has purchased hundreds of millions of dollars worth of mortgages where the short-term construction funds have been made available by private lenders. Private lenders are willing to make this type of construction loan in reliance on FHA commitments to insure the mortgage and FNMA commitments to purchase the mortgage. Section 207 of the bill is unneeded legislation.

PROPOSED AMENDMENT TO SECTION 601 OF THE BILL RELATING TO COLLEGE HOUSING AUTHORIZATION AND ELIGIBILITY REQUIREMENTS

Amend section 601 as follows:

1. Strike out all of subsection (a) (p. 51, lines 3 through 9) and substitute the following:

"(a) Section 401 (d) of the Housing Act of 1950 is amended by striking out '$750,000,000' and inserting in lieu thereof '$900,000,000.'"

2. In subsection (b), strike out clauses (2) and (3) (p. 51, line 17, to p. 52, line 8) and renumber clauses (4) and (5) as (2) and (3), respectively.

STATEMENT IN SUPPORT OF PROPOSED AMENDMENT

Section 601 would increase the revolving fund for college housing loans by $200 million and would add two categories of eligible borrowers to the college housing program. One category is divinity schools, which do not now receive aid because of constitutional legal questions, and the other class is hospitals which operate schools of nursing or which are approved for medical internships by recognized authority.

The administration, upon the basis of balancing the needs of the college housing program against other budgetary needs, has recommended that the college housing revolving loan authorization be increased by $150 million. Section 601 of the bill provides for a $200 million increase, and the proposed amendment would provide for the $150 million increase recommended by the administration.

Under the proposed amendment, the college housing loan program will be enabled to proceed at a reasonable volume consistent with other budgetary demands. In this connection it should be noted that, in addition to the $150 million increase which would be made available under the proposed amendment, it is estimated that there will be unallocated at the end of the current fiscal year about $92 million of presently authorized funds.

The proposed amendment would also strike from the bill the provisions making divinity schools and hospitals eligible for college housing loans. Loans for divinity schools will undoubtedly give rise to long-drawn-out litigation under the first amendment to the Constitution. Since the questions of legality arise under the Constitution, they cannot be finally settled by act of Congress alone. In view of these difficulties it appears more desirable to permit the construction needs of divinity schools to continue to be financed on the basis of private contributions and loans.

Hospitals are not now eligible under the college housing program because they do not offer at least a 2-year program fully transferable toward a baccalaureate degree. Of course, colleges and universities which operate medical schools and nursing schools in partnership with hospitals are now eligible under the law. In the case of hospitals whose student nurses and interns are not registered in colleges and universities, Federal grants for housing, as well as for other hospital facilities, can be made under the Hill-Burton program.

It should be noted, too, that, while the bill would earmark $25 million for housing loans to hospitals, this would only be a small beginning. The American Hospital Association estimates that $150 million is required. There are 5,500 hospitals in the country, and most of them have interns. There are also 1,100 nursing schools. This new program can, therefore, take on enormous dimensions once it gets underway. It can also serve as a precedent for loans for other types of schools which are not affiliated with colleges or universities.

STATEMENT IN SUPPORT OF PROPOSED AMENDMENT TO SECTION 601 RELATING TO COLLEGE HOUSING INTEREST RATE

Subparagraph (c) which would be added to section 601 of the bill would require the Housing Administrator, in making college housing loans, to charge a rate equal to that payable by him to the Treasury plus one-fourth of 1 percent. The present law provides for a similar spread, except that if the resulting rate is less than 2¾ percent, the higher rate must be charged. However, because of the different base to which the one-fourth-percent differential would be applied under the provisions of the next subsection (which changes the formula fixing the interest rate paid by the Administrator on funds borrowed from the Treasury for college housing loans) as compared with the present law, the net result under present market conditions, would be to change the college housing loan interest rate from 2⅞ percent to 3½ percent.

Subparagraph (d) which would be added to section 601 of the bill would provide that college housing funds borrowed by the Administrator from the Secretary of the Treasury shall bear interest at a rate, calculated each calendar quarter, based on the current average market yield on all outstanding marketable obligations of the United States having a remaining maturity of 15 or more years. This formula would be in place of the formula now in the law which bases the interest rate on the average rate borne by all interest-bearing obligations of the United States, irrespective of maturity, as computed at the end of the preceding fiscal year, or 2½ percent, whichever is higher. The rate proposed would currently result in the Administrator paying 3¼ percent on funds borrowed from the Treasury. Under the present law, the rate for fiscal year 1957 is 2⅝ percent.

The enactment of the interest rate formula proposed, which would raise the interest rate on college housing loans on the basis of present market conditions from 2⅞ percent to 3½ percent, would eliminate the subsidy inherent in the existing interest rate formula by permitting the Administrator to borrow college housing loan funds from the Secretary of the Treasury at a rate of interest equal to that which the Treasury itself would have to pay if it went into the market to borrow the funds for a comparable length of time. In that way the colleges receive the full benefit of the use of the Treasury's credit on Federal Government borrowings for college housing loan funds.

As the formula is based on current market yield, it reflects the interest rate the Treasury would have to pay in the current market for borrowings of maturities comparable to that of college housing loans. It is unrealistic to assume that when the Treasury lends money to an agency it somehow can dip into a fund which represents the composite of all its past borrowings still outstanding. Therefore, the proposed interest rate formula does not reflect the interest cost relating to old borrowings, such as those financing World War II.

The point has been made that the Federal Budget is now in balance, with income sufficient to cover current expenditures. Therefore, it is argued that Government borrowing is necessary for the purpose of refinancing old obligations, and that college housing loan funds are really being derived from tax revenues and not from borrowing. The argument then concludes that there should be no necessary connection between the college housing interest rate and the current cost of long-term Government borrowing.

This entire chain of reasoning is based on a false assumption. It assumes that the Government should finance new programs, such as the college housing loan program, out of current revenue, while using new borrowings to refinance old debt. This would give the college housing program a prior claim on current tax receipts than would be given to the repayment of old debt. There is no reason why the college housing loan program should have first claim on current tax revenues while the repayment of old debt receives a second claim.

The old debt is a result of a war which had to be fought, and the old debt must now be repaid. Since it must be repaid, the undertaking of later programs, such as the college housing program, makes necessary new borrowings. Since these new borrowings require the payment of a rate of interest on current market conditions, it is clear that a subsidy will be given to the colleges if loans to them are made at a rate which is insufficient to cover the cost to the Federal Government of borrowing in today's market, plus administrative expenses, plus a reserve for losses.

The Federal Government should, if its finances are to be managed prudently, give a first claim on current tax revenues to current operating expenses, such as defense expenditures. It should give a second priority to meeting the maturing debt. Finally, it should give a third priority to capital projects and long-term investments such as college housing loans. These are in effect financed by new borrowing when current income is insufficient.

Under the present law, college housing loans are geared to the interest rate being paid on all outstanding debt, including moneys borrowed during World War II at only 2½ percent interest. The college housing loan interest rate should be geared to the current cost of long-term borrowings.

In brief, it cannot be denied that the need for Federal long-term borrowing, now or in the near future, would be lessened were it not for the college housing program and similar current loan programs. It is folly for the Federal Government to continue indefinitely to compute the cost of such borrowing on the basis of interest rates which were set during the 1940's and earlier for moneys borrowed to cover the cost of the war and of prior emergencies.

ESTABLISHMENT OF A CONTINUING UNITED NATIONS FORCE—ADDITIONAL COSPONSOR OF CONCURRENT RESOLUTION

Mr. FLANDERS. Mr. President, I ask unanimous consent that the name of the junior Senator from New York [Mr. JAVITS] may be added to the list of cosponsors of the concurrent resolution (S. Con. Res. 29) favoring the creation of a force similar to the United Nations Emergency Force for the maintenance of international peace and security, submitted by me, on behalf of myself and other Senators, on May 8, 1957.

The VICE PRESIDENT. Without objection, it is so ordered.

EXTENSION OF AUTHORITY OF SPECIAL COMMITTEE TO STUDY THE FOREIGN AID PROGRAM—REFERENCE OF RESOLUTION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that Senate Resolution 141, Calendar No. 380, extending to January 31, 1958, the authority of the Special Committee To Study the Foreign Aid Program, which was reported on Thursday last from the Committee on Foreign Relations, be referred, under the rule, to the Committee on Rules and Administration.

The VICE PRESIDENT. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. SALTONSTALL:

Address delivered by the Vice President before the 65th annual meeting of the American Iron & Steel Institute, New York City, May 23, 1957.

By Mr. KUCHEL:

Address entitled "International Trade Promotes World Peace," delivered by him before the Foreign Trade Association of Southern California at Los Angeles, on May 23, 1957.

NOTICE OF CONSIDERATION OF NOMINATION OF JAMES M. LANGLEY TO BE AMBASSADOR OF THE UNITED STATES TO PAKISTAN

Mr. GREEN. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today the nomination of James M. Langley, of New Hampshire, to be Ambassador of the United States to Pakistan, vice Horace A. Hildreth, resigned.

Notice is given that this nomination will be eligible for consideration by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

THE PROGRAM AND POLICIES OF PRESIDENT EISENHOWER—ADDRESS BY SHERMAN ADAMS

Mr. SMITH of New Jersey. Mr. President, on Friday evening, May 24, in Trenton, N. J., before the sixth regional conference, sponsored by the Republican National Committee, the Honorable Sherman Adams, the Assistant to the President, delivered a memorable address defending the program and policies of President Eisenhower at this critical time.

I ask unanimous consent that the address be published in full in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SHERMAN ADAMS, THE ASSISTANT TO THE PRESIDENT, DELIVERED AT TRENTON, N. J., ON FRIDAY EVENING, MAY 24, 1957, BEFORE THE SIXTH REGIONAL CONFERENCE SPONSORED BY THE REPUBLICAN NATIONAL COMMITTEE

Tonight I feel as Abe Lincoln evidently did on one occasion in 1860.

You will recall that after his nomination he stayed in Springfield until the election. There he interviewed an endless procession of job hunters and their friends. This frustrating job he patiently handled with that amazing humanism, tact, and insight that distinguished him from ordinary men. Then one day he contracted a mild case of smallpox. When he discovered what his ailment was, he said to his secretary, "Tell all the office seekers to come at once, for now I have something I can give all of them."

Tonight I also have the urge to give something to everybody. I hope, however, I shall have something less uncomfortable than he had to give. I earnestly hope, too, it will prove to be of greater value to all of you.

This gathering is the sixth in a nationwide series of such meetings. To me it is best characterized as a soul-searching—a coming together to evaluate how far we have progressed these past 4 years—to measure where we now are—to appraise where we, as Americans and as Republicans, must strive to go between now and 1958 and 1960.

As it is written in the Holy Book, "To every thing there is a season, and a time to every purpose under the heaven." This is our season—this is our time—to set about our common purpose in the face of the obstacles we know are ahead.

I am not used to mincing words. Nor am I accustomed, as the saying goes, to "shovel smoke." It is written that there is "a time to keep silence, and a time to speak." Tonight I am here to speak.

For I am certain of this: we are at the time, and we are in the season, when straight talking is indispensable to Republican purpose and progress. In no other way can we chart for ourselves the right course. It is to do exactly this that we are gathered here.

Our self-appraisal will not be helped by turning our eyes from some of the things that have been perplexing our party. An example is our peculiar obsession right now with "epithetical Republicanism."

In early political history Americans have known the Barnburners, the Know-Nothings, the Free Soilers, the Mugwumps, the Abolitionists, and the Locofocos. Today how freely we Republicans bandy about colorful terms.

The Democrat opposition, as all of us know, suffers from a chronic and incurable political schizophrenia. Schizophrenia, you remember, is split personality. Indeed, their party is irreparably split—and down its very middle, both geographically and philosophically—and the split is so deep that the party simply cannot put itself together again. In that party, as the North proposes, the South disposes, and never the twain shall meet.

Unfortunately, we Republicans are doing a little splitting ourselves. While this may be fun, it is a pastime we can ill afford.

Today, we have the stalwarts, the irreconciled, and the irreconcilables. We have the liberals, the liberal-conservatives, the conservative-progressives, the plain and simple conservatives, and the reactionaries. We have the moderns and the un- or antimoderns, the old-fashioned and the traditionalists—each resoundingly the oracle of the true meaning of republicanism. By itself that should give us concern enough.

But another concern is the 1958 Federal budget, its size and composition, what it means to us.

Another is our defense and mutual-security programs and the cost and meaning to our country and our party.

Here's yet another—social progress—its scope and direction, and what difference it makes to us as a people and as a party.

Another is our party's official posture before the American people, proclaimed proudly before all America in our party's platform adopted a short 9 months ago in San Francisco. We are concerned as well with the import of these solemn pledges to our President and to all of us who consider ourselves loyal, dependable workers in the Republican cause.

Two other concerns come to mind. One is the year 1958, as critical a year as our party has faced in its 100 years. The other is 1960, the importance of which I hardly need emphasize here.

So we need to look again to the bricks and mortar of our party structure. The outlines of this great edifice we can see easily enough. But we must test the materials that compose its foundations and walls, lest intentionally or otherwise, by our own huffing and puffing, we blow our own house down.

Now, our party is no nicely trimmed organization including only those who think and speak precisely alike. It enforces conformity upon no one. Our party is big enough in spirit and purpose to include every single citizen who believes in its basic principles.

Every Republican is entitled to interpret for himself the nature of our commitments and objectives. Even so, if our party means anything at all, it means that every loyal member of this Republican Party is committed to certain common goals and shares certain basic views.

The hyphenation of republicanism that I mentioned earlier is a case in point. We must stop claiming allegiance to a fraction of a faction. Suppose we be just this—loyal Republicans—the kind of Republicans who are willing to join with other Republicans to get our Congress back in 1958 and keep the Presidency in 1960.

As his first term came toward a close, three considerations weighed heavily in the President's mind as he considered the possibility of another term:

1. That the foreign policies he had pursued had kept our country at peace in this dangerous world.

2. That his domestic policies had brought prosperity to our people.

3. That he felt he had the physical energy to go through 4 more grueling years of the Presidency.

As for the last, time and the fates will prove, but this I can report to you: The President is in great shape, and unless I miss my guess, both time and fate are on his side.

As for the second—his domestic policies—may I give you the opinion of one of the opposition leadership. During last month's recess of the Congress he told me this: "My people are happy and prosperous," he said. "They have relatively few complaints. They look ahead with confidence. Just keep that President of yours in good health for us."

As for the first—his foreign policies—we have an absence of fighting. To be sure, an uneasy peace. But we have stopped the loss of frontiers of the Free World. The Communist destroyers of freedom are understanding more clearly where we stand. Ours has been a cleaner and plainer policy. Our relentless waging of peace is turning the tide. The neutrals and the soft populations are edging our way. Our mutual-security programs, our atoms-for-peace program, our disarmament efforts, our information services, our every diplomatic move, all are showing results in an easing of tensions and a recoiling from war. True, keeping the peace is expensive.

And let that introduce some observations about the spending of money.

First, let's remind ourselves of certain precepts that we Republicans hold in common—economical and efficient Government, for instance—a Government that taxes no more than imperatively necessary to maintain essential functions—that spends no more than the minimum needed for such services—that considers the public debt not praiseworthy proof of our national wealth but an obligation to be paid off. We demand Government that respects and is determined to protect the integrity of the citizen's dollar, that recognizes the indispensability of private initiative to our way of life, that believes in the rewarding of ability and hard work—a Government devoted to equality of freedom but that rejects paternalism, regimentation, and the penalizing of success.

To me these are traditional Republican principles. They are as sound and strong today as ever. They are more than enough to make trivial our superficial differences which merely prove the continuing vigor of this Grand Old Party—a party as lustily determined today as at its birth a century ago to meet responsibly the Nation's needs.

It's time we looked hard at our growing propensity to find motes in our colleagues' eyes, to harp about our primly adjusted party halos, to pass judgments, and to bandy about epithets, as though we ourselves were our own worst enemies—political or otherwise. It is time that we, as a party, mind an old adage: "What Peter says about Paul tells more about Peter than it tells about Paul."

To prove my point, let's take our Republican precept: good government is economical government. That, I am sure, has no opponent here. Now let's apply it.

What does economy in government mean to you, to your neighbor, to our party throughout the Nation? Does it mean endangering our country's safety to save dollars, regardless of Communist missiles and aircraft and submarines and atomic bombs? Surely, it must not. Yet we do want economy, and we want our taxes cut. So we ask ourselves, can we cut the Federal budget for defense, where 2 out of 3 of our tax dollars go?

On this there has been much difference of opinion. Mainly it is inspired by our political opposition, which a year ago was charging all over America alleging that our defenses, along with all other Federal programs, had too little, not too much, money. That fact is an interesting commentary on how much they meant what they said last year, and how much they mean the exact opposite that they say now. You remember the jet airplane that flew into its own bullets last year. If we'll just be patient, the opposition will show us exactly how that is done in politics.

But here's the point: is the defense budget now recommended by the President too big, as the opposition says now—to little, as the opposition said last year—or about the right amount, as our President says?

Should we, for example, buy fewer jet bombers at $8 million each because they cost 2½ times more than they did, and fewer aircraft carriers because they cost 3 times as much? Should we have fewer submarines and tanks because their cost has doubled? Fewer missiles and rockets and atomic bombs because they take billions we could otherwise use for tax cuts?

The answers are obvious. Not one of us would whittle our Army, Navy, Air Force, and Marines below safe levels simply to save money.

That raises these key questions: Committed as we are to economy, do you believe that it is either economy or commonsense to cut defense spending below the point of national safety? Would you support unsafe reductions to make possible tax cuts, budget balancing, debt reduction, if thereby the security of your home and country and world peace were endangered? Of course you would not. Then, what should we do about this major part of this whole budget question?

As for my own viewpoint, I'll say simply this:

I know not who your confidential defense expert is. Maybe he is a Member of Congress or a news reporter—maybe yourself, or, even, your Federal tax return. But certainly I have mine.

He is the best our Nation has ever had in the highest office in the land.

Confidently, gladly, I put my trust for our defense in Dwight D. Eisenhower.

And of this I am deeply convinced, for our Republican Party—for every American—the only sound course is to give our loyal backing to our great soldier-President, on what he deems essential to keep the world at peace and to protect our country.

If that be our proper course in defense, then our search for economy must lead us elsewhere.

Now take the figure 41. That, in billions, is defense cost. Add the figure 17. That, in billions, is for interest payments on the huge national debt we inherited from our Johnny-come-lately economy-minded opponents. That $17 billion also pays expenses which the Government under law has no option but to pay. To cut here is unlawful.

So we have the figure 58—41 for defense, 17 for bills we have to pay. Now there is another figure, 13. In billions, that's what is left in the budget. In part of this area economy seekers can publicly display their zeal by cutting what they voted for last year and by closing up some of the programs that they so eagerly commenced. Judging from some talk I've heard lately, this $13 billion area ought to be our party's happy hunting ground.

Now, let's look at what is in this figure 13.

Aside from defense and expenses fixed by law, the figure 9 pays for every service and program which your Government carries on. What are they? Let me give you just a few examples: flood control, disaster relief, river, shore and harbor improvements, upkeep of our merchant fleet, assistance in cleaning up slums, most of our farm programs, carrying the mails, construction of post offices and public buildings, maintaining national parks for your recreation, health services for our people, the school-lunch program, and so on. Spending for these programs can be stopped if you want them and other such programs stopped, but crippling them will build a poor platform to elect a Congress and a Republican President. It is on such questions that some of us in the Republican Party disagree. The test of this budget cutting must be right here, for certainly we agree that our defense must remain strong and that the legal obligations of our Government must be paid.

What is the ingredient in these programs that generates so much argument? Two words define it: social progress.

Here I want to give you some quotations to help put us on the course again.

The first one is this:

"The legitimate object of government is to do for a community of people whatever they need to have done, but cannot do at all, or cannot do so well, for themselves in their separate and individual capacities. But in all that people can individually do as well for themselves, the government ought not to interfere."

That wise counsel comes to us from our first Republican President, Abraham Lincoln.

The second quotation is this:

"Our religious faiths have taught us our obligation to those who fall behind in the race for a decent living. * * * I believe that the Federal Government should aid education in those States below the average national income, should aid States to give free medical care to all those unable to pay for it, should assist local governments in eliminating slums and providing minimum decent housing, and should, in a crisis, undertake to assist States to provide food."

That statement is bequeathed to us by a statesman who became one of our President's closest, most respected friends, Senator Robert A. Taft.

And third, from the President himself, this quotation:

"In all those things that deal with people, be liberal, be human. In all those things which deal with people's money, or their form of government, be conservative."

And fourth, from our Republican platform adopted less than a year ago, these quotations:

Promise No. 1 in our Republican platform:

"We shall continue our far-reaching and sound advances in matters of basic human needs, expansion of social security, broadened coverage in unemployment insurance, improved housing, and better health protection for all our people."

Promise No. 2 in our Republican platform:

"(We) will continue to fight for dynamic and progressive programs which, * * * will stimulate improved job safety for our workers * * * (assist) millions of workers with special employment problems, such as older workers, handicapped workers, members of minority groups, and migratory workers; strengthen the Federal-State Employment Service and improve the effectiveness of the unemployment insurance system; protect the assets of employee welfare and benefit plans; assure equal pay for equal work regardless of sex; strengthen the 8-hour laws for the benefit of workers who are subject to Federal wage standards; extend the protection of the Federal minimum-wage laws to as many more workers as is possible and practicable; fight for the elimination of discrimination in employment because of race, creed, color, national origin, ancestry, or sex; improve the economic conditions of areas faced with persistent and substantial unemployment; revise and improve the Taft-Hartley Act; (protect) the right of workers to organize into unions and to bargain collectively."

Promise No. 3 in our Republican platform (relating to aid for school construction):

"The Republican Party will renew its efforts to enact a program of Federal assistance in building based on sound principles of need and designed to encourage increased State and local efforts to build more classrooms."

These statements—from Republican leaders, from our present Republican platform adopted only 9 months ago—I cite with this one purpose in view:

Simply this: To clear our minds of any lingering doubts that any of us may have that this party of ours is a novice in the field of social progress, and that our party today is no less committed to sound social progress than it was when it was born 100 years ago.

The fact is, today we Republicans are committed before all America, and properly so:

First, to work to achieve equality before the law, regardless of race, creed, or color;

Second, to make sure that our Government remains warmly responsive to the urgent social and economic problems of the American people.

To these ends, we are committed by our Republican platform. To these ends, the campaign in 1956 committed us. To these same ends, the President stands personally pledged, and he has explicitly stated that he, for one, does not take pledges and promises lightly.

I am convinced that the great majority of the people of our party are as resolutely determined to work for all other promises to which our party stands committed as they are determined to work for a smaller budget and the protection of the citizens' dollar.

But this economy business is playing some strange tricks. We see some among us, cheered on by the political opposition, attempting to cripple or to strike out forever some of these programs that we—all of us—pledged to the American people a few months ago.

I say simply this: The pledges we have made cannot be ignored, cannot be weakened, cannot be violated without permanent injury to our entire party. Hypocrisy, personal or political, is not part of the Republican character.

Here, let me make one point absolutely clear.

I am proud—and I believe every Republican in America should be—that our President is determined to carry into full effect every platform commitment of our party, and every campaign commitment he made last fall.

Our job, in my opinion, is to give this dedicated President of ours every possible help in carrying those promises into effect. Can there be better politics for the Republican Party? Repudiation of our party promises and programs will end in nothing but political suicide.

Now, a word on one more concern I mentioned—mutual security it is rightly called, foreign aid, or giveaway, as some call it.

No purpose can be served by elaborating on this program on the heels of the President's message to Congress and his personal message to the Nation.

Once again, if we will but refer to our party's pledge to the American people, we will see what we must do or rightly forfeit public confidence and support.

Our platform pledge doesn't beat around the bush.

"We shall continue," it says, "to support the collective-security system begun in 1947 and steadily developed on a bipartisan basis."

Our platform goes on to say this: "Technical and economic assistance programs are effective countermeasures to Soviet economic offenses and propaganda. They provide the best way to create the political and social stability essential to lasting peace."

Even in the absence of these pledges, mutual security programs demand support for the reasons set forth by the President. But with these pledges, if republicanism now should turn its back on mutual security programs, it will be not only at the expense of our Nation's security, but also at the expense of running out on the party's word.

That brings me to mention 1958 and 1960.

This much is clear: no less than a unified and all-out effort can hope to bring victory to the Republican Party in either of these years. Our political opposition is already hard at work, both by commission and by omission. Its omission is inaction—for example, in the field of civil rights, immigration, school legislation, all key elements in our legislative program. Their party is in a real dilemma. If they pass civil rights, they're ruined down South. If they don't, they're ruined up North. The same on schools. The same on immigration. To quote a popular Tennessean, their split personality has them "all shook up." Are we going to let that Jekyll and Hyde combination get away with it? I say no.

Weapons for victory we Republicans have, in great abundance—a great President; a program of national urgency and demonstrated merit; a Nation prosperous and at peace; a defense and a program to wage peace that every Republican can proudly support.

Peace we have gained in contrast to 4 years ago; balanced budgets we have restored; tax cuts we have had, the largest in all history; Government payrolls we have cut; social advances we have forged all across the domestic scene. America today is stronger, happier, better prepared economically and militarily, sounder philosophically and politically, than in many years. In such a climate, on the very heels of such accomplishment, political success is certain if we will just not rest on our oars.

If all this were not enough, we have a political opposition in a constant state of self-contradiction, "shook up" on issues it can never itself resolve.

Here, then, is the really great lesson from this meeting—to return to our homes and places of business reconsecrated to work wholeheartedly together to win back control of Congress in 1958 and to hold the presidency for republicanism in 1960.

And second, I feel impelled to leave this thought with you:

To me it is inconceivable that loyal republicanism can be twisted to mean persistent and carping opposition to our party's leader and our party platform. If that should be our course—inconceivable though it is—then, earnestly I say this to you: our party will be foredoomed at the polls.

Therefore, let each of us give personal attention to the official pledges of this party of ours. Let us review the pledges of our President last fall. Then let us redouble our efforts and join with him and our party leadership to ensure that this Republican Party of ours stands honestly, clearly, proudly, before America as one that keeps its word.

Let our party work in unity, as it has promised, incessantly for peace, for sustained progress along paths already laid, for the betterment of every citizen, regardless of station, race, color, or creed.

Thank you and good night.

AN ENDING TO THE COLD WAR?

Mr. FLANDERS. Mr. President, in last Friday's newspapers there came out of Russia the most hopeful news that has been released from that country since the establishment of the Communist government. Mr. Khrushchev seems, in effect, to have announced the end of the cold war.

The Soviet news agency, Tass, reported a speech by Mr. Khrushchev, which he delivered on Wednesday, in Leningrad, to a conference of agricultural workers from northwestern regions of the Russian federation. The party chief declared that Russia is opposed to the principle of creating mutual fright and stalemate. He said:

We are not going to blow up the capitalist world with bombs. If we overtake the United States in the per capita production of meat, butter, and milk, we shall have hit the pillars of capitalism with the most powerful torpedo yet seen.

He furthermore is reported to have said:

But the Soviet Union—the people of the once backward Russia who have taken power into their own hands and built a socialist pattern of economy—have created and advanced large-scale industries, carried through collectivation of farming, set up state farms, and gained an opportunity to catch up and surpass the United States in per capita production.

We are bound to win this competition. This victory will have a greater effect than that of the H-bomb. The efforts we make to advance our economy and to improve the welfare of the people will have a greater effect than anything else on the minds of hesitating people. And such people will be more and more inclined to side with us, to side with the Marxist-Leninist theory and with the working class in the struggle against capital.

Mr. President, this is good news, if Khrushchev means it. We welcome a contest in raising the standards of living of the people of a whole country. We welcome a test as to whether the capitalist system or the Communist system is the best means for providing the peoples of the earth with food, clothing, shelter, education, and the opportunity for peaceful living and spiritual development. With utmost confidence we will continue and improve our own unmatched record of serving the needs of people through the operation of the capitalist system.

In such a contest everyone wins; no one loses. In such a contest the Russian people will have the hearty good wishes of the American people. Should they win and achieve a higher, broader state of well-being, that will be no cause of antagonism, will give rise to no hostile purposes or actions on our part, in spite of the hostile imputations of Mr. Khrushchev. Butter on his side will not breed guns on ours. Any improvement for the Russian people will be a cause of hearty congratulation.

It is not impossible for the people of Russia to begin an improvement in their own well-being which will astonish them and astonish the world. But there is an unavoidable prerequisite. They must throw off the burden of armament. Otherwise, they are tied down to a standard of living well below the possibilities which their labor and natural resources hold out for them.

For years we have been offering to the people of Russia, through negotiations with their Government, the terms of honest disarmament. This honest disarmament must include mutual inspection and mutual control. When is the Soviet Government going to take advantage of this offer and permit the Russian people to enjoy the blessings which Mr. Khrushchev has so alluringly described to them?

PRINTING OF ADDITIONAL COPIES OF REPORT TO ACCOMPANY H. R. 7125

The VICE PRESIDENT. The Chair lays before the Senate a concurrent resolution coming from the House of Representatives, which will be read.

The legislative clerk read the concurrent resolution (H. Con. Res. 179), as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed 12,400 additional copies of the report to accompany H. R. 7125, a bill to make technical changes in the Federal excise-tax laws; of which 7,500 copies shall be for the use of the Committee on Ways and Means; 4,200 copies for the House document room; 500 copies for the Senate document room; and 200 copies for the use of the Committee on Finance.

Mr. HAYDEN. Mr. President, House Concurrent Resolution 179 provides, at the request of the House Committee on Ways and Means, for the publication of additional copies of a report.

I ask unanimous consent that the Senate proceed to the immediate consideration of the House concurrent resolution.

There being no objection, the concurrent resolution (H. Con. Res. 179) was considered and agreed to.

THE MEDICAL ITEMS IN THE NATION'S BUDGET

Mr. WILEY. Mr. President, some time ago I was pleased to receive from Dr. Thomas H. Alphin, director of the Washington office of the American Medical Association, a special report which listed all the health items in the Nation's budget for the 1958 fiscal year

The AMA summary of these various appropriations represents, to my knowledge, the only currently available complete picture of what Uncle Sam is doing, so to speak, in all the diversified fields of health activities. These activities range from the health work performed on behalf of the Nation's veterans by the Veterans' Administration, to the health program of the Atomic Energy Commission, the National Institutes of Health, and in many other fields.

I believe that this handy summary may well be consulted by my colleagues and by the public generally. I send to the desk, therefore, the text of this summary and ask unanimous consent that it be printed at this point in the body of the CONGRESSIONAL RECORD.

We as a nation rightly take pride in our high health standards. It is our intent to continue to go forward so that man may achieve and enjoy the abundant life, the life of full, unbounded health which was intended for all of us.

The greatest discoveries still lie before us for achieving the truly abundant life.

The VICE PRESIDENT. Is there objection to the unanimous-consent request of the Senator from Wisconsin?

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

Medical-health budgets of Federal departments, agencies, and commissions for this fiscal year

Agency	Fiscal 1957	Fiscal 1956
Veterans' Administration	$825,024,300	$790,185,800
Department of Defense	790,105,000	818,104,500
Department of Health, Education, and Welfare	772,661,800	526,935,400
Federal Civil Defense Administration	49,810,000	30,450,000
Atomic Energy Commission	31,525,000	27,700,000
International Cooperation Administration	29,310,000	25,441,000
Department of State	15,496,000	13,669,790
Federal employees health program	10,000,000	6,000,000
National Science Foundation	8,000,000	5,000,000
Department of Labor	7,151,128	7,336,000
Department of Interior	6,138,205	5,770,000
Panama Canal Zone	6,055,300	5,702,900
Department of Treasury	3,511,700	2,990,000
Department of Justice	1,580,000	1,470,000
Federal Trade Commission	1,000,000	1,000,000
Department of Commerce	547,914	277,586
Civil Service Commission	386,000	382,600
National Advisory Committee to Selective Service	180,000	180,000
President's Committee for Handicapped	134,678	130,000
Health Resources Advisory Committee	90,000	101,000
Office of Attending Physician of Congress	12,145	----------
Total	2,558,719,168	2,268,826,576

VETERANS' ADMINISTRATION

(This year: $825,024,300; last year, $790,185,800.)

In-patient care in VA hosiptals: $619,614,000.

(Last year: $615,869,000.)

VA's largest single medical appropriation covers in-patient care in 173 VA hospitals and provides for an average of 121,865 beds a day. At present, VA reports daily patient load at 111,540, just over 91 percent of capacity. The appropriation includes salaries of physicians and other personnel, medical rehabilitation of veterans, dietetic and nursing services, social services and special services, such as recreation and transportation of veterans.

Out-patient care: $82,638,000.

(Last year: $85,471,200.)

The bulk of this appropriation is for out-patient care in about 100 VA clinics. The remainder is earmarked for fees to physicians ($7,738,000), and dentists ($8,415,000), under the home-town care program.

Modernization and replacement construction: $51,635,000.

(Last year: $90 million.)

This amount is for work on existing units costing over $250,000 a project, and equipment for new units. The money is available until expended. (See Major Alterations and Improvements item on next page for smaller projects.)

Domiciliary care: $29,319,000.

(Last year: $23,062,500.)

Domiciliary care is being provided in 17 VA facilities for about 17,000 veterans who, while incapacitated for employment, are not in need of full hospital care. VA also makes payments to 30 State homes in approximately 30 States with a daily patient load of around 9,000. Payments this fiscal year are estimated at $5,888,000 (under a new law, Public Law 613, 83d Congress, Federal contributions to these homes were raised from a maximum of $500 to $700 a year per patient).

Contract hospitalization: $13,967,000.

(Last year: $15,237,300.)

This appropriation finances an average daily patient load of 3,260 veterans in Federal hospitals other than VA and in State and municipal hospitals. Patients in Federal non-VA hospitals are estimated at 1,345 and in non-Federal hospitals, 1,915. Psychotic cases make up the largest single category of contract cases.

Medical administration: $7,300,000.

(Last year: $7,422,000.)

To operate the VA Department of Medicine and Surgery in the Washington central office and the seven area medical offices; included are salaries, travel and like expenses.

Medical research: $10,990,300.

(Last year: $6,381,600.)

For research, mostly in VA hospitals. The breakdown: General medical and surgical research, $5,870,000; atomic medical research, $2,000,000; prosthetics testing, $990,300; neuropsychiatric, $1,250,000; tuberculosis, $780,000; other, $100,000.

Major alterations, improvements, and repairs: $4,533,000.

(Last year: $3,900,000.)

For alterations, improvements, and repairs to VA clinics and domiciliaries (costing less than $250,000 per project).

Supply depot operations: $1,628,000.

(Last year: $1,642,200.)

For maintaining and operating supply depots handling the purchase, shipping, and storage of medical supplies and equipment used by the Department of Medicine and Surgery.

Medical education and training: $1,400,000.

(Last year: $1,200,000.)

For VA training programs for physicians and other VA personnel, in medical specialties and auxiliary services.

Medical care—Philippine veterans: $2 million.

(Last year: Not reported.)

Until 1960 the United States Government will contribute for the care of Philippine veterans.

DEPARTMENT OF DEFENSE

(This year: $790,105,000; last year: $818,104,500.)

Army medical services:[1] Approximately $290 million.

(Last year: $300 million.)

The estimated cost includes expenses normally associated with the operation of military hospitals and dispensaries, military and civilian salaries, medical supplies and equipment, utilities, communications, transportation, travel subsistence, maintenance and repair of buildings and grounds, expenses for construction, medical education and training, medical research and preventive medicine.

Air Force medical services:[1] Approximately $223 million.

(Last year: $286 million.)

The estimated cost includes expenses normally associated with the operation of military hospitals and dispensaries, military and civilian salaries, medical supplies and equipment, utilities, communications, transportation, travel subsistence, maintenance and repair of buildings and grounds, expenses for construction, medical education and training, medical research and preventive medicine.

Naval medical services:[1] Approximately $277 million.

(Last year: $232 million.)

[1] All figures are estimates because appropriations are not broken down into categories of medical expenditures. Anticipated reduction in the Department of Defense medical program during fiscal year 1957 is primarily attributable to more effective joint utilization of the facilities, fewer personnel assigned to operation, and a lower level of hospital and dispensary construction. Reductions, however, have been partially offset by an estimated expenditure of $41 million during fiscal year 1957 for the dependent medical care program.

The estimated cost includes expenses normally associated with the operation of military hospitals and dispensaries, military and civilian salaries, medical supplies and equipment, utilities, communications, transportation, travel subsistence, maintenance and repair of buildings and grounds, expenses for construction, medical education and training, medical research and preventive medicine.

Office, Assistant Secretary of Defense (Health and Medical): Approximately $105,000.

(Last year: $104,500.)

For salaries, travel and administration of this office, and for travel expenses and consultant fees for the Defense Department Civilian Health and Medical Advisory Council.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

(This year: $772,661,800; last year: $526,935,400.)

Division of Hospital Facilities: $126,381,000.

(Last year: $112,250,000.)

This division administers the Federal aspects of both the original and expanded Hill-Burton programs. The total appropriation is divided into the following four categories:

Hill-Burton original program: $102,800,000.

(Last year: $88,800,000.)

This appropriation, allotted to the States on the basis of population and per capita income, assists in the financing of new hospitals and related health facilities construction under the original Hill-Burton program. To date, Federal funds have partially financed approximately 2,869 projects, including nearly 132,096 hospital beds, and 636 public-health centers, 18 State health laboratories, and approximately 100 nurses' homes and training facilities. To date, Federal contribution represents $762 million and is matched by sponsors' funds amounting to $2,370,000,000.

Medical facilities—category program: $21 million.

(Last year: $21 million.)

The total allotted to the States this year on a population-per-capita income formula will assist in the financing of new construction under the 1954 amendments in four categories, as follows: $6,500,000 for hospitals for the chronically ill and impaired; $6,500,000 for diagnostic centers, or diagnostic and treatment centers; $4 million for nursing homes; and $4 million for rehabilitation facilities. As under the original program, the Federal share may range from one-third to two-thirds of the total project cost. As of July 1956, there was approved a total of 204 projects divided among the 4 categories, as follows: Facilities for chronically ill, 42; diagnostic-treatment centers, 77; nursing homes, 42; and rehabilitation facilities, 43.

Hill-Burton administrative expenses: $1,381,000.

(Last year: $1,250,000.)

This appropriation is used for salaries and expenses for the hospital survey and construction program for Washington, D. C., and eight regional offices at the Federal level.

Research: $1,200,000.

(Last year: $1,200,000.)

Authorized in 1949 but not appropriated until 1955 was this item for research, experiments and demonstrations on utilization of

hospital services, facilities and resources. The bulk of the money is earmarked as grants to States, universities, hospitals, hospital associations, professional associations, and community organization and a small amount for direct research by Public Health Service.

National Institutes of Health: $216,508,000.

(Last year: $97,823,000.)

National Cancer Institute: $48,432,000.

(Last year: $24,828,000.)

About two-thirds of this appropriation is earmarked for grants to non-Federal individual investigators and private institutions for research and training and States receive $2,250,000 for cancer control work. The balance is used for direct operations, salaries, supplies, and for this Institute's share in the cost of operating the Bethesda (Md.) Clinical Center and related auxiliary services.

National Heart Institute: $33,396,000.

(Last year: $18,778,000.)

Grants to non-Federal individual investigators and public and private institutions for research and training take about two-thirds of the appropriation and $2,125,000 is allocated to States for heart disease control. The remainder is for direct operations, such as salaries and supplies, and to support the Clinical Center.

Mental Health Institute: $35,197,000.

(Last year: $18,001,000.)

Approximately 60 percent of this appropriation is apportioned for research and training through grants to individual investigators and public and private institutions. The sum of $4 million is allocated to the States for community mental health services. The remainder will support direct operations, such as salaries, expenses, and to help finance the Clinical Center and for related auxiliary research services.

Arthritis and Metabolic Diseases Institute: $15,885,000.

(Last year: $10,740,000.)

Grants to public and private investigators for research and training total $10,290,000. The remainder will go for direct operations, such as salaries and supplies and Clinical Center support.

Neurological Diseases and Blindness Institute: $18,650,000.

(Last year: $9,861,000.)

Grants to public and private investigators and institutions for research and training total $14,280,000. The remainder is for direct operations, such as salaries and supplies and to support the Clinical Center.

Allergy and Infectious Diseases Institute: $13,299,000.

(Last year: $7,580,000.)

Research grants to public and private investigators for research and training amount to $8,182,000. The remainder finances direct research and other related services of the Institute.

Dental Health Institute: $6,026,000.

(Last year: $2,136,000.)

This appropriation is divided as follows: (a) for research and fellowships, $3,700,000; (b) direct research at Bethesda, $1,035,000; (c) review and approval of research grants and fellowships, $79,000; (d) administration, $100,000; (e) technical assistance to States, $824,500; and (f) coordination and development of dental resources, $287,500.

National Institutes of Health—General funds: $12,122,000.

(Last year: $5,899,000.)

These funds are administered by the Division of Research Grants of the National Institutes of Health, with practically all funds being expended for research and training grants, with the exception of $1.7 million for control of biologics (including polio vaccine), which activity is under the Division of Biologic Standards. The balance goes toward supporting fellowships and administrative expenses relating to grants.

NIH planning and construction (new category): $33,501,000.

There is available for NIH for planning or construction of facilities $33,501,000 broken down as follows: $1,630,000, expansion of surgical NIH units; $200,000, planning for future construction for dental NIH research; $1,371,000, for animal quarters, NIH; $300,000, planning for office building, NIH; $30,000,000 grants for medical research facilities under Public Law 835.

Indian health activities: $48,075,300.

(Last year: $38,840,000.)

Under Public Law 568 (83d Cong.) PHS assumed responsibility for health of American Indians and natives of Alaska which formerly was a function of Interior Department. The total is broken down as follows: Hospital care in Indian hospitals, $23,001,400; contract patient care, $8,313,000; field health services, $5,940,600; program direction and management services, $2,058,300; and construction of hospitals, clinics, and quarters, $8,762,000. The total appropriated for Indian health activities is $48,075,300, to which is added reimbursable items from other Government agencies totaling $538,300.

Hospitals and medical care: $40,969,700.

(Last year: $34,326,000.)

These funds are used for operational cost and maintenance of PHS hospitals and health services in caring for American seamen, Coast Guard, and Public Health Service personnel and their dependents, Federal employees injured at work, leprosy patients, and narcotic addicts; includes studies in the development and coordination of nursing resources. It also includes $1 million for grants to Hawaii for care of patients suffering from leprosy and $2 million for nurse-training grants. Not shown is approximately $300,000 additional income from reimbursable items from other Federal agencies.

Poliomyelitis-vaccine program: $23,600,000.

(Last year: $30 million.)

Public Law 411 extended last year's $30 million polio-vaccine program. Additional appropriated funds amounting to $23,600,000 are available in addition to unexpended appropriations of last year to States for vaccination of children under 20 and pregnant women against poliomyelitis. The Federal vaccination program is scheduled to expire on June 30, 1957.

Assistance to States—general: $17,591,000.

(Last year: $18,160,000.)

Grants totaling $12 million will be available for apportionment to the States in support of State and local general public-health activities. These grants must be matched 1 State dollar for every 2 Federal dollars. Last year $4,500,000 was available for activities in administering the polio-vaccination programs in the States. An additional $4,591,000 supports direct activities of the United States Public Health Service in providing technical assistance, consulting services to States, expenses of the National Office of Vital Statistics, international health activities, demonstrations, training activities, and operational expenses. An additional $1 million will be available for grants to schools or direct traineeship awards to individuals for the training of professional public-health personnel. In this program matching will be required.

Tuberculosis control: $6,660,000.

(Last year: $6 million.)

Grants to States for diagnostic and treatment clinics, mass casefinding, and followup services account for $4,500,000, all of which has to be matched equally by the States. The remainder is for direct operations of PHS.

Communicable Disease Control: $5,750,000.

(Last year: $5,250,00.)

The entire appropriation is used for direct activity of the PHS Communicable Disease Center at Atlanta, Ga., and its affiliated operations, including investigations in poliomyelitis. The Center carries on studies in epidemiology, furnishes laboratory diagnostic services and sponsors special projects to assist States.

Sanitary engineering activities: $9 million.

(Last year: $4,690,000).

This program is made up of seven activities as follows: air pollution, $2,740,000; water supply and water pollution control, $4,224,100; radiological health activities, $347,800; milk and food sanitation activities, $446,000; interstate carrier and general sanitation activities, $493,000; Sanitary Engineering Center research activities, $403,100; accident prevention, $51,000; and administration, $295,000.

Venereal disease control: $4,195,000.

(Last Year: $3,500,000.)

Of the total, $1,700,000 goes for direct grants to States for venereal disease detection treatment and control on a special-need basis. The remainder is spent for technical assistance to the States, mostly to pay Federal employees assigned to State health departments.

Foreign quarantine service: $3,315,000.

(Last year: $3 million.)

This service operates approximately 250 medical quarantine stations on borders of the United States. It also operates approximately 25 medical examination stations on foreign soil for the examination of aliens seeking visas to enter the United States. Inspections are made of all seagoing vessels and aircraft entering the United States.

Office of the Surgeon General: $3,892,000.

(This year: $2,762,000.)

For administrative expenses of this office, including all housekeeping services, evaluation of public health needs, and personnel training. Included also is $700,000 for administration of the National Health Survey Act authorized by Public Law 652.

Water pollution control (new category): $50 million.

Under a new law passed by Congress in 1956 (Public Law 660), the Federal Government will make grants for waste treatment plants.

National Library of Medicine (new category): $1,376,000.

As a result of Public Law 941 enacted by Congress in 1956, the Army Medical Library has been renamed the National Library of Medicine and transferred to the Department of Health, Education, and Welfare. While it is contemplated that a new structure will be erected to house the library, only operational funds and planning money have been made available by Congress for this fiscal year. Operational funds for the 9 months which remained in the fiscal year following the transfer of the library to HEW total $1,026,000. An appropriation of $350,000 was made for planning the construction of a new library building.

Alaska—Disease and sanitation investigations and control: $1,185,000.

(Last year: $1,125,000.)

This appropriation will be divided as follows: $638,000 for grants to the Territory for public health services and the remainder for research activities of the Arctic Health Research Center at Anchorage.

Alaska mental health program (new category): $25,000.

Authorized by Public Law 830, which for the construction of a mental health hospital in Alaska and Federal funds for operation of a mental health program. The first appropriation is for initial planning.

Reimbursable health program for other governmental agencies: $321,800.

(Last year: $321,800.)

This represents the cost of services expected to be advanced by Public Health Service to other governmental agencies for establishing and operating on-the-job clinics. As a total, however, it is misleading, as a substantial number of Government agencies carry on their own health programs independent of Public Health Service. Public Health Services deals largely with Washington personnel, whereas 90 percent of the Government's employees are located outside of Washington.

Social Security Administration: $161,183,000.

(Last year: $125,796,000.)

Bureau of Public Assistance (medical payments): Approximately $100 million.

(Last year: $90 million.)

An estimated $265 million of Federal, State, and local funds is expected to be paid for medical and health needs of public assistance recipients this fiscal year. The United States share of this total is an estimated $100 million. This bureau operates under the Social Security Administration.

Disability freeze program: Approximately $9 million.

(New category.)

Among the administrative expenses of the old-age and survivors insurance program, is an item incurred by excusing disabled persons from paying OASI contributions without penalty in their retirement payments. This phase of the program is referred to as the "disability freeze" amendment to the Social Security Act. This year approximately $9 million will be expended for employees' salaries, working materials, etc.

Permanent and total disability payments: Approximately $11 million.

(New category.)

Under the 1956 amendments to the Social Security Act, persons over age 50 who become permanently and totally disabled may receive payments equal to retirement benefits as though they had reached age 65. This new program will take effect on July 1, 1957. This fiscal year, however, expenses will be incurred for "tooling up." These expenses will include recruiting of additional staff for field offices, training of staff, revising manual materials, negotiation of new agreements with State agencies for rehabilitation and the furnishing of new materials for States to use, such as forms, etc.

Children's Bureau: $41,183,000.

(Last year: $35,796,600.)

Operating under the Social Security Administration, the Children's Bureau administers grants to States for maternal and child health, and crippled children's and child welfare services. This year grant money totals $39,361,000, divided as follows: $16 million for maternal and child-health work, with the States required to spend approximately 50 cents for each Federal dollar; $15 million for crippled children's services, same matching requirement; and $8,361,000 for child-welfare services, where the only matching requirement is that States must supply some money. In addition the Children's Bureau has $1,822,000 to finance investigating and reporting activities and to administer the grants.

Food and Drug Administration: $7,979,000.

(Last year: $6,266,000.)

For administering the Federal Food, Drug and Cosmetic Act, Congress voted $6,779,000, which includes $309,000 for policing the distribution of Salk polio vaccine during this fiscal year. FDA will also realize an estimated $1,200,000 from fees paid by industry for certification of biologics, insulin, seafood, etc. The figure for last year does not include fees.

Office of Vocational Rehabilitation: $42,110,000.

(Last year: $36,825,000.)

Under the expanded Vocational Rehabilitation Act (Public Law 565, 83d Cong.) Congress this year voted $36 million for grants to States. This is divided as follows: (a) support of basic rehabilitation services including medical examinations, surgical and therapeutic treatment, hospitalization, prostheses, occupational tools and aids, vending stands, rehabilitation facilities, vocational training and funds for maintenance (based on per capita income and populations as in Hill-Burton) $33,500,000; (b) extension and improvement of State programs, $1,500,000; (c) special grants to States or nonprofit organizations for projects designed to expand the rehabilitation program (2-1 Federal-State matching), $1 million. In addition $2,950,000 is available for training of rehabilitation personnel, including physicians, therapists, psychologists, counselors, medical and psychiatric social workers; $2 million for grants to States and other public and nonprofit agencies and organizations to pay part of the cost of special research and demonstration projects in vocational rehabilitation; and $1,160,000 for Federal administrative costs.

United States Office of Education: Approximately $2,545,000.

(Last year: not reported.)

Practical nurse training: For a goodly number of years the Office of Education has been making grants to States for vocational education in all fields of endeavor. It is estimated that during the last fiscal year approximately $500,000 in grants was used to educate practical nurses. For this year, the Office of Education has available $31,267,000 for grants to States. Included in this figure is $2 million earmarked funds recently authorized by Congress (practical nurses). An appropriation was voted in this amount, plus an additional $45,000 for added costs of administration. Office of Education officials believe that the States will not diminish the level of last year's program, which would mean approximately $2,545,000 is available for practical nurse education.

FEDERAL CIVIL DEFENSE ADMINISTRATION

(This year: $49,810,000; last year: $30,450,000.)

Projected health and medical spending by FCDA this year moves close to the $50 million mark for the first time. Out of a total appropriation of $93,560,000, the estimated $49,810,000 spending for the FCDA health office includes $47 million for stockpiling medical and other supplies owned wholly by the Federal Government, $1,700,000 for matching funds to the States to help them in their medical stockpiling, $810,000 for research and $300,000 for administration costs.

ATOMIC ENERGY COMMISSION

(This year: $31,525,000; last year: $27,700,000.)

The Atomic Energy Commission's Division of Biology and Medicine has about $2.7 million more than last year for research projects. This year's total includes the following spending plans: cancer, $3,002,000; other medical, $9,729,000; biological, $10,821,000; biophysical, $3,459,000; development of new laboratory equipment, $2,319,000; vocational and special training, $615,000; radioisotope distribution, $510,000; and miscellaneous items, $1,070,000.

INTERNATIONAL COOPERATION ADMINISTRATION

(This year: $29,310,000; last year: $25,441,000.)

Technical cooperation programs: $16,380,000.

(Last year: $20,141,000.)

The International Cooperation Administration through direct contributions (which do not have to be matched dollar for dollar) is helping underdeveloped countries to control specific diseases, to set up national and local health services and to establish environmental sanitation. Countries receiving money make contributions in cash, facilities or services in varying degrees.

Development assistance programs: $12,930,000.

(Last year: $5,300,000.)

Spending for emergency health programs (particularly in malaria control on which there is new worldwide emphasis) under ICA direction is up from last year. The agency has $2,500,000 for the Far East, and $10,430,000 for the Near East, South Asia and Africa. The largest single beneficiary will be India.

DEPARTMENT OF STATE

(This year: $15,496,000; last year: $13,669,790.)

United Nations children's fund: $9,700,000.

(Last year: $9,000,000.)

The United States share of the children's fund is up about $700,000 over last year for a total of $9,700,000, but the percentage of United States contribution to the total fund has dropped slightly from 60 percent to 57.5 percent. This is due to the fact that some of the 65 other nations contributing have increased their share slightly. The fund is aiding about 264 health and medical projects in 92 countries and territories, benefiting 32 million children and mothers. Last year the fund aided 1,800,000 children for yaws, vaccinated 14,500,000 against tuberculosis, and 9,000,000 against malaria and other insect-borne diseases.

World Health Organization: $3,410,000.

(Last year: $3,349,790.)

This country's share of the WHO budget remains at one-third of the total of all member-nation contributions. Among the 84 countries agreeing to make contributions is Russia, which until recently has been inactive. Last year WHO was sponsoring about 500 health projects in 106 countries and territories. WHO's overall budget is broken down this way: approximately 72 percent for operating programs, 10 percent for administration and salaries, and the rest for such expenses as holding international conferences and to compensate for nonpayment by inactive member countries.

Pan American Sanitary Bureau: $1,386,000.

(Last year: $1,320,000.)

The United States is contributing approximately two-thirds of the Bureau's regular budget which this year totals $2,100,000. In addition, this country plans an extra $1,500,000 for 1957 malaria-eradication programs. Because these international groups operate on a calendar year, the special contribution is not shown in this report. The Bureau, in existence many years before WHO was organized, is the regional office of WHO for the Americas. The Bureau is sponsoring health programs in 21 Latin American countries and the United States.

Foreign Service employees medical care: $1 million.

(New category.)

The 84th Congress, under Public Law 828, broadened an existing medical-care program for Foreign Service employees to take in their dependents, provided they are living overseas. State Department, which estimates that about 15,000 dependents are involved, has earmarked $400,000 for the first year. The regular program for overseas employees is placed at $600,000. Most of the care is provided in United States military facilities.

FEDERAL EMPLOYEES HEALTH PROGRAM

(This year: approximately $10 million; last year: approximately $6 million.)

Another health program, this one available to all Federal civilian workers, provides limited services through health clinics. They are operated by Federal agencies which employ 300 or more persons in any one area. By regulation, maximum cost of a health service cannot exceed $11 a year per employee, although special industrial conditions or minimal-size unit may warrant a higher ceiling. Services include treatment for on-the-job illnesses and physical examinations for employment.

NATIONAL SCIENCE FOUNDATION

(This year: $8 million; last year: $5 million.)

The Foundation's overall budget of $40 million is 2½ times last year's appropriation. While money earmarked for research grants

in biological and medical sciences this year does not show the same proportionate increase, it is still considerably above fiscal 1956. The Foundation, now in its sixth year, initiates and supports basic scientific research, evaluates research of Government agencies, and correlates research programs of various agencies.

DEPARTMENT OF LABOR

(This year: $7,151,126; last year: $7,336,000).

Bureau of Employees' Compensation: $6,600,000.

(Last year: $6,800,000).

An estimated 2,390,000 Federal workers now are eligible under the Federal Employees' Compensation Act for medical and hospital care, rehabilitation services, disability and death payments, and funeral and burial expenses. For treatment of employees by private doctors and hospitalization in private facilities, Labor Department has set aside $4,500,000 this fiscal year, and for similar services in Federal hospitals and clinics, $2,100,000. A slight shift is noted away from Federal facilities to private resources; last year's totals were $4,349,218 and $2,234,222.

Bureau of Labor Standards: $551,126.

(Last year: $536,000).

For promotion of industrial safety, the Bureau plans to spend $387,322, and for reemployment programs of the physically handicapped, $163,804. The agency develops standards for hazardous occupations, assists the States in accident prevention programs and trains personnel for administering various projects.

DEPARTMENT OF THE INTERIOR

(This year: $6,138,205; last year: $5,770,000.)

Bureau of Mines: $5,304,300.

(Last year: $5 million.)

Bureau spending for preventive health and safety in the mines is up from last year. The total is divided this way: $3,874,300 for mine inspection and investigations; $898,000 for investigations of accidents and rescue work, and $532,000 for explosives, testing, and research.

Office of Territories: $833,905.

(Last year: $770,000.)

Sometime after the first of the year the money earmarked for contract hospitalization at Morningside Hospital, Portland, Oreg., of Alaskans judged insane will be transferred to the Territory of Alaska under Public Law 830, the Alaska Mental Health Act. This law provides that the Territory, with the help of the Public Health Service, will set up its own programs for the mentally ill.

PANAMA CANAL ZONE

(This year: $6,055,300; last year: $5,702,900.)

The total available for health and medical programs in the Panama Canal Zone is divided: $5,452,400 for operation of 3 hospitals; 1 leprosarium, 1 medical clinic, 2 dental clinics and 6 first-aid stations at which zone employees, their dependents and other zone residents receive treatment, and $602,900 for public health activities and operations of the health director's office. The 3 hospitals have a bed capacity of 1,167.

DEPARTMENT OF THE TREASURY

(This year: $3,511,700; last year: $2,990,000.)

The Bureau of Narcotics, operating within the Treasury Department, has added responsibilities under Public Law 728, 84th Congress for the suppression of illegal traffic in drugs, and accordingly, spending plans are up from last year. The Bureau also is charged with administering the oral prescription law, Public Law 729, 83d Congress.

DEPARTMENT OF JUSTICE

(This year: $1,580,000; last year: $1,470,000.)

The figure represents the Bureau of Prisons' estimate of the cost of medical and dental services for over 20,000 prisoners in 29 Federal penal institutions. The bulk (about $1,490,000) goes to commissioned officers of the Public Health Service assigned to the prisons and to related civil service personnel for services that include psychiatric, surgical and dental treatment. Another $90,000 is earmarked for fees to 220 consultants in various medical specialties.

FEDERAL TRADE COMMISSION

(This year: $1 million; last year: $1 million.)

The Commission plans to spend about the same as last year for research, testing, and compliance operations in the field of foods, drugs, cosmetics, and devices. This is nearly 20 percent of the agency's total budget of $5,550,000. FTC is charged by Congress with the safeguarding of life and health of the public through the prevention of the dissemination of false advertisements of various products.

DEPARTMENT OF COMMERCE

(This year: $547,914; last year: $277,586.)

Civil Aeronautics Administration: $419,414.

(Last year: $223,486.)

Spending for the CAA flight safety program is well ahead of last year. It is divided as follows: $197,315 for salaries and administrative expenses at headquarters, $74,399 for similar expenses in regional office, $47,700 for the CAA Medical Research Laboratory at Columbus, Ohio, and a special grant of $100,000 to the Flight Safety Foundation. Four medical officers in the field supervise the periodic physical examinations required of commercial and private pilots. For this service, pilots pay examining physicians directly; CAA has 1,774 designated medical examiners in the United States and overseas who make about 180,000 examinations a year.

Bureau of Standards: $126,500.

(Last year: $54,100.)

For highly specialized medical research and testing, the Bureau expects to spend about $579,300 for various agencies of Government; of this, $128,500 will involve Commerce funds, with the rest charged to other agencies. Projects include research on radiation protection, radiological instrument evaluation, acoustic calibration, X-ray standards, and dental materials.

CIVIL SERVICE COMMISSION

(This year: $386,000; last year: $382,600.)

The Commission's total budget is $17,407,500, out of which little over 2 percent goes for running the Medical Division. It covers salaries for 8 physicians in Washington and 11 in regional offices. The Medical Division's duties include establishing and reviewing physical standards for all civilian jobs in the Federal Government, supervising and adjudicating disability claims for retirement, and setting professional standards of doctors and ancillary personnel to be employed in Government.

NATIONAL ADVISORY COMMITTEE TO SELECTIVE SERVICE

(This year: $180,000; last year: $180,000.)

The figure is the amount the committee has available for staff salaries at Washington headquarters and its 51 State and Territorial offices, plus administrative costs. The committee advises Selective Service on deferment policies for physicians in residencies, teaching posts, essential laboratory and clinical research, and persons deemed necessary to protect civilian health.

PRESIDENT'S COMMITTEE FOR EMPLOYMENT OF PHYSICALLY HANDICAPPED

(This year: $134,678; last year: $130,000.)

Projected spending is for salaries and administration in the development and promotion of educational programs among employers to stimulate them to hire more of the physicaly handicapped. It also entails expenses in connection with the National Employ the Physically Handicapped Week.

HEALTH RESOURCES ADVISORY COMMITTEE

(This year: $90,000; last year: $101,000.)

The Committee advises the Director of the Office of Defense Mobilization on broad health resource problems, including medical manpower and blood related products. The Committee has the same membership as the National Advisory Committee to Selective Service.

OFFICE OF THE ATTENDING PHYSICIAN OF CONGRESS

(This year: $12,145.)

Since 1928, the Office of the Attending Physician of Congress has provided outpatient care for Members of the House and Senate and their staffs. By the act of that year, the office has been filled by a medical officer of the United States Navy. Sole occupant of the post has been Rear Adm. George W. Calver, Medical Corps, United States Navy. Funds voted by Congress are for medical supplies and equipment and contingent expenses. Salaries of the physicians and four enlisted men are paid out of Navy Bureau of Medicine and Surgery funds.

MAJOR BACKING FOR 1958 ECONOMIC AND TECHNICAL AID PROGRAMS

Mr. WILEY. Mr. President, within the past two weeks, I have been delighted to receive a multitude of mail in hearty support of the economic and technical assistance phases of the 1958 mutual security program.

The general tenor of these letters shows a thoughtful understanding of the need for economic development and exchange of skills and techniques, in furthering the political and economic stability of less-advanced countries.

Representative of the alert awareness to the needs of the newly emerging nations is a letter from Mrs. Marshall Beaugrand, president of the Wisconsin League of Women Voters. The league is one of our leading women's civic groups, and has done a marvelous job of public education in the international relations field.

I commend Mrs. Beaugrand's observations to the attention of my colleagues. I ask unanimous consent that Mrs. Beaugrand's message be reprinted in the body of the CONGRESSIONAL RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LEAGUE OF WOMEN VOTERS
OF WISCONSIN,
Madison, Wis., May 21, 1957.

Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: The League of Women Voters has from its earliest days believed that the best method of preventing wars is by furthering peaceful change in the world through measures to achieve social and economic justice. Following the Second World War, the league supported United States economic aid to the war-torn countries of Europe, first through the Greek and Turkish aid and the Marshall plan and interim aid of 1947 and 1948, and then through the point 4 program of 1949. Our support of such aid has been consistently followed during the 10 years which have passed since 1947.

Western Europe's economic recovery has, of course, been notably successful, accompanied by a steadily rising standard of living and a lack of revolutions or hunger riots, the seedbed of communism. Yet the free world still needs mutual economic aid programs to remain free, particularly the new and newly emerging nations in the underdeveloped parts of the world.

Since the end of World War II, there have come into existence some 19 new nations in Asia and Africa, with a population of about 700 million people who, having won their political independence, stability of these countries is dependent upon a sound economic base. There is no present possibility of adequate private investment to furnish these needed funds. Therefore, there are but two sources whence they can come. One is the U. S. S. R., which always stands ready to fish in troubled waters. The other is the United States, as the main supplier. A continuing policy of economic aid is necessary for world stability and it can and will serve the national interest.

The League of Women Voters of Wisconsin, assembled in convention, urges your support for adequate appropriations, in the full amount as requested by the President, for foreign economic aid programs and for technical assistance programs, both through the United States and the United Nations.

Sincerely yours,

JANE P. BEAUGRAND.

THE WORLD'S INCREASE IN POPULATION AND THE OUTSTANDING WORK OF THE WORLD HEALTH ORGANIZATION

Mr. WILEY. Mr. President, this morning's New York Times contains a most significant article.

It is a summary of the principal conclusions of United Nations statisticians, as expressed in a book entitled "The Demographic Year Book for 1956."

The year book predicts that the world's population of 2.7 billion may double by the end of this century.

POPULATION SOARING BY 120,000 A DAY

This fact—the fact of the increase of the world's population by 120,000 a day—poses a tremendous challenge to the human race.

Obviously, it is up to mankind to provide the enduring peace—and with it—the food, the shelter, the living conditions under which the world's population may thrive. We want the human race to be not insecure, but secure; not fearful of starvation and disease, but confident of a better tomorrow.

GREAT NEED IN ASIA-AFRICA

The population increase in the underdeveloped countries of Asia and Africa, of course, spells the principal problem. It is among these lands that there is inevitably the most discontent, the deepest longing for an increased standard of living.

That is why our technical assistance program and the proposed revolving development assistance loan fund are so important.

WHO'S VITAL WORK

Part of the explanation for the world's increase in population is, of course, that mankind has been increasingly successful in the battle against disease—the battle against malaria, tuberculosis, and other age-old scourges.

I have in my hand the text of a summary of the inspiring work of the World Health Organization during the year 1956.

The summary sets forth the highlights of some 700 health projects in 102 countries and territories.

It is this invaluable work which is "paying off" in terms of a lowered mortality rate throughout the world. WHO is certainly to be commended for its tremendous achievements. These achievements in turn pose the challenge to mankind to provide for the increased population of which I have spoken.

I ask unanimous consent that the texts of these two items, the New York Times article, and the World Health Organization press release summary, be printed at this point in the body of the RECORD.

There being no objection, the article and press release summary were ordered to be printed in the RECORD, as follows:

[From the New York Times of May 27, 1957]

POPULATION BOOM SURVEYED BY U. N.—EXPERTS PREDICT THE WORLD'S 2,700,000,000 WILL BE DOUBLED BY YEAR 2000—GAIN IS 120,000 A DAY—PHENOMENAL MORTALITY DROP OF LAST DECADE STRESSED—NO DATA FROM SOVIET

(By Kathleen McLaughlin)

UNITED NATIONS, N. Y., May 26.—At a current rate of increase of 120,000 a day, or 43 million a year, the world's population of 2,700,000,000 may double by the end of this century. United Nation statisticians make this prediction in the Demographic Yearbook for 1956, published today.

The volume contains 750 pages of text and tables depicting the present demographic situation. It was compiled from steadily expanding census results covering nearly 200 separate areas of the globe, inhabited by 2,325,000,000 persons. The major sources were official records.

The yearbook presents census data for all countries and territories with the exception of the Soviet Union, the only large sovereign area that has published no census data within 10 years. It includes information from six other states in Eastern Europe—Bulgaria, Czechoslovakia, East Germany, Hungary, Poland, and Yugoslavia—for which demographic information has not previously been available.

INFANT MORTALITY RATES

Crude birth rates and death rates for these six are roughly comparable to the rest of Europe, the statisticians report. However, their infant mortality rates were found to be markedly higher than those in the West, ranging from 34 to 113 per 1,000 live births. The figures indicate that 7.7 percent of the babies born in 1955 died before they were a year old. In 13 other European countries the rate was 4.2 percent and in the United States and Canada 2.2 percent.

For the world in general the calculators estimate the birth rate at 34 per 1,000 persons annually, and the death rate at only 18. The most significant demographic event of the last decade, they said, was a phenominal decline in mortality, the impact of which is only now beginning to be felt and its implications for the future understood.

The statisticians attribute the decline to advancements in environmental sanitation and disease control. They point out that the introduction of modern drugs in the late 1930's made possible the control of maternal mortality and also materially decreased the risk of death from pneumonia, tuberculosis and other diseases.

Simultaneously, they add, deaths of infectious diseases slumped markedly in the postwar era, through the spread of antimalaria campaigns using DDT, and expanded sanitary controls such as new water supply systems. Life expectancy rose correspondingly.

DUTCH LEAD IN LONGEVITY

The Netherlands is identified as the country with the highest average expectation of life at birth, now recorded respectively at 71 for males and 73 years for females. England and Wales have the same life expectancy for females, the yearbook shows. Among the major countries, India has the shortest life expectancy, the records indicating 32 years for males or females, based on the censuses of 1941 and 1951.

Latin America continues to reflect the fastest population growth, with a rate of 6.2 percent, or 4,400,000 persons a year. In second place are Africa, southwest Asia, and Oceania, with rates of 2 percent. Europe has the slowest regional increase, the rates varying from 0.6 to 1 percent.

North America and the Soviet Union are growing at comparatively equal rates, 1.7 percent a year, which is a fraction above the world's average of 1.6 percent.

Asia, with more than half the population of the world, has the largest absolute increase annually, 24 million persons, the yearbook shows.

A resurvey of the 1950 United States census discloses it was deficient by 1.4 percent, accounting for an omission of 2 million persons.

[From the Pan American Sanitary Bureau Regional Office of the World Health Organization News of April 3, 1957]

WHO ANNUAL REPORT STRESSES NEED FOR QUICK ERADICATION OF MALARIA—MEDICATED SALT SUGGESTED—AGENCY'S AID IN 700 PROJECTS IN 120 COUNTRIES AND TERRITORIES CITED

WASHINGTON, D. C., April 2.—Malaria eradication has been one of the main concerns of the World Health Organization in 1956, Director-General M. G. Candau states in his annual report to the X World Health Assembly, which will open on May 7 in Geneva.

Mosquito resistance to insecticides was responsible for shifting WHO's malaria policy from mere control to eradication, the report indicates. A dramatic race is now underway between the effectiveness of the chlorine-based insecticides on the one hand and the capacity shown by mosquitoes for development of resistance to the insecticides. In certain parts of Greece such resistance has developed.

"It is clear," says Dr. Candau, "that, were conditions similar to those in Greece to appear elsewhere, the chances of success of eradication campaigns would be seriously jeopardized and it might be necessary to change the methods of interrupting transmission.

"One way of solving the problem might be the distribution of salt for human consumption containing antimalarial drugs, since preliminary results of a study promoted by WHO of the effect of such medicated salt on volunteers inoculated with malaria seem encouraging."

APPEALS FOR CONTRIBUTIONS TO WORLD MALARIA FUND

Dr. Candau further states that WHO member states should assume collective responsibility to achieve worldwide malaria eradication, and should put at WHO's disposal additional funds which may be required by individual countries engaged in eradication work.

In establishing the malaria eradication special account, the 1955 World Health Assembly, meeting in Mexico, created a source of financial help which will be needed to assist governments for only a few years, provided those engaged in eradication work are willing to continue, if not increase their own current expenditure for the length of time

that may be necessary. "It is my earnest hope that the contributions to the special account, which by the end of 1956 were still rather few, will increase in the near future, thus making it possible for a greater number of countries to wage an all-out campaign against one of mankind's worst scourges," concludes the director-general.

The report states that scientific research on insect resistance "exemplifies one aspect of WHO's work which, although less spectacular than the direct services rendered to governments, nevertheless constitutes the real backbone of the various activities through which the Organization is striving to promote world health. * * * An extensive system of exchange of information has been established on problems of resistance in general. This system now involves more than 300 workers in the field and makes it possible for many laboratories to plan specialized research concentrating on those questions for which they are particularly suited."

The review reports that WHO participated last year in nearly 700 health projects in 120 countries and territories, and granted 863 fellowships.

The following summary of the report is given by WHO:

Malaria

WHO personnel were engaged in malaria projects in 34 areas in all WHO regions, including new projects in Ethiopia and the Sudan.

Yaws and venereal infections

In mass campaigns against syphilis and yaws more than 55 million people had been examined and 16 million treated with penicillin by the end of 1956. Serious, and sometimes fatal reactions following penicillin treatment have been reported in some countries during the last few years in urban populations. WHO is therefore coordinating research both in the laboratory and in the field on the comparative usefulness of different penicillin preparations and of antibiotics other than penicillin as public health weapons against these diseases. Some 30 laboratories all over the world are participating in this work.

Tuberculosis

Tuberculosis is still a serious world problem. WHO and the United Nations Children's Fund (UNICEF) continued to cooperate with governments on mass BCG vaccination campaigns, and studies of diagnostic and control procedures that might be usefully adopted for antituberculosis programs under primitive conditions were continued and extended. The large-scale use of drugs as a public health measure had been carefully studied. WHO has continued to recommend the use of isoniazid alone in its field studies because it is the only antituberculosis product that is not too expensive for a public health budget and that is readily taken by contacts who are not themselves sick.

On the subject of BCG the report points out that, when correctly and widely applied, BCG vaccination has a real effect in reducing the incidence of tuberculosis, but it is not in itself sufficient to influence the main reservoir of infection which is in already infected persons, and to bring tuberculosis under control. It must be combined with a program of case-finding and treatment.

Rabies

"Rabies is the most dreaded of all virus diseases," says the report. "Recent advances resulting from research promoted by WHO have materially improved prospects for its control. The demonstration that the use of hyperimmune serum has a major effect in reducing mortality even after severe bites by rabid wolves is an important advance, and work is continuing to determine the proper dosage and the effect of vaccine in combination with serum."

Trachoma

As a result of pilot projects assisted by UNICEF and WHO, it is now clear that mass treatment with antibiotics has given hope of eventually controlling this serious eye disease which often leads to complete blindness.

Leprosy

The discovery that sulphone drugs are effective against leprosy has improved the prospect for its control. The situation may now perhaps be compared with that in tuberculosis: Expensive and lengthy hospital treatment is no longer necessary, lifelong isolation in leprosaria is now unjustifiable and there are prospects that, after the infectious period has been terminated, further treatment may safely be continued at home and normal family life preserved.

Poliomyelitis

Perhaps the most dramatic advance in recent years has been the development of a vaccine against poliomyelitis. It is already clear from experience gained in the administration of more than 100 million doses, with no recurrence of the incidents which marred the 1955 program, that for countries with a high incidence of the paralytic form of the disease, it is an effective means of reducing the serious consequences of infection. WHO is coordinating research on the use of the present vaccine and the development of other types of vaccine. WHO regional poliomyelitis laboratories continued their work, studying prevalent viruses and undertaking or assisting in serological surveys.

Public health administration

"It is now generally recognized that isolated health projects are of doubtful and transient value unless they are based on a structure of decentralized, integrated health services, in which curative and preventive services are organized in hospitals, laboratories, and health units, well distributed through the cities, towns, and villages of the country. These services must be supported by the population and guided by a competent central health authority." WHO has helped a number of countries set up a series of pilot projects on these lines, starting at the district or province level and intended in time to cover the whole country.

The report also reviews WHO projects in health education of the public, maternal and child health, mental health, nutrition, sanitation, and technical education and training.

Atomic energy in relation to health

WHO's program in this field can be summarized under five main heads: (1) Training; (2) Collection and Distribution of Information on the Medical Problems of Atomic Energy and the Medical Uses of Radioisotopes; (3) Study of Health Problems Involved in Disposal of Radioactive Wastes; (4) Distribution of Radiation Standards in Collaboration With Other International Agencies; and (5) Stimulation and Coordination of Research. The World Health Assembly has warned governments of the possible health dangers in the utilization of atomic energy, declaring: "Planning and implementation of every project concerned with the peaceful use of atomic energy should be made in close contact with the responsible public health authorities."

International quarantine

The international sanitary regulations which have been in existence for 4 years have been further amended, with the entry into force of additional regulations relating to yellow fever and modifying the form of the smallpox vaccination certificate. Furthermore, the World Health Assembly withdrew, as of January 1, 1957, the special measures applying to the Mecca Pilgrimage, which involves annually half a million or so persons.

The WHO report states: "The fundamental object of international quarantine is to prevent the spread of pestilential diseases from one country to another. National health authorities are fully aware of the risks involved, and the task of WHO is therefore not to stimulate countries to defend themselves adequately, but to help them to apply quarantine measures that are both timely and adapted to the actual epidemiological situation."

UNITED STATES INFORMATION AGENCY

Mr. FULBRIGHT. Mr. President, I wish to make a few comments on a matter which is close to the Senate and is now pending in conference.

For a number of years, I have followed closely the operations of the United States Information Agency. I have watched its workings abroad and its workings at home. During recent years I have become rather disheartened by the Agency. I have come to the conclusion that when it came to propagating a point of view, it was deficient in many respects. I have now discovered that in one respect, however, it is superb. That is in propagandizing its own point of view to maintain its own appropriation.

I was somewhat startled this morning to find the newspapers filled with a self-serving declaration by a member of this Agency concerning the appropriation. I do not recall many examples of this practice in the past.

It seems to me highly unusual, on the eve of a conference between the House and the Senate, for an agency in question to have complete command of newspaper space. There was no attempt at rebuttal, nor, so far as I know, was there any attempt to obtain the other point of view.

Abbott Washburn, the Deputy Director, merely ticked off the list of things he said would happen to the Agency. No one had an opportunity to challenge him or even to question his facts.

Mr. President, for the past several days there has been a concerted drive to preserve the payrolls of USIA. It is a drive which is deeply resented by many Members of Congress, of whom I am one.

The facts are that this Agency operated on less money than would be provided by the Senate for 3 out of the past 4 years. The Senate figure is merely the average of those 4 years.

The facts are that the Agency was able to offer the Senate committee no detailed figures which would justify maintaining its current appropriations—much less increasing them.

Personally, I felt that the Agency should be held to a lower figure than that authorized. The events that have occurred since the Senate acted have reinforced my belief.

They also have raised in my mind a serious question as to whether we have created a Frankenstein—a monster that may not be very good at telling the rest of the world the facts about America, but which is superb in propagandizing the American people.

The quicker we place the Agency under responsible control in the State Department the better, so far as I am concerned.

I think the outbreak in Formosa which has taken place in the last few days is a matter of serious concern to us.

Mr. GORE. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to the Senator from Tennessee.

Mr. GORE. Perhaps the Senator will recall I related to the Senate that, upon a visit to Formosa late in September, we had a conference with Ambassador Rankin. Upon that day, in the presence of 5 other Senators and 9 Members of the House of Representatives, I asked the Ambassador how many persons were on the United States Government payroll in Formosa. I was astounded with his answer. He said, "Something more than 4,000." I then asked him if the interests of the United States could not be attended to with a lesser number. He replied he thought the job could be done equally well, if not better, with one-half that many.

I should like to inform the Senator and my other colleagues that I have now been informed that there are several hundred more people in Formosa on the United States Government payroll than were on the payroll in Formosa when the Ambassador already said there were twice as many as were needed.

Mr. FULBRIGHT. I recall very well not only the Senator's public statement, but a personal discussion with him about the matter. I think his information should be taken most seriously. In my opinion, the situation in Formosa is extremely critical. Inasmuch as similar conditions very likely exist in other areas throughout the world, instead of our improving our relations with other countries, there may be a contrary result.

I think this attack by a leading member of the USIA, the Deputy Director, on the action of the Senate, while the appropriation is still in conference, is wholly uncalled for. This is the sort of thing which I think the Senate should condemn. It should not tolerate interference by a member of the Agency through the medium of statements published in the press, on the very day the conferees are considering the item.

Mr. JAVITS. Mr. President, I, too, have recently been on Formosa, indeed within the last 2 or 3 months, and I have heard with great interest the observations of the Senator from Tennessee [Mr. GORE] upon that subject.

I might say there is just as much reason to suppose that we have not done as thorough a job as we should do and that we needed more people than we had in order to hold off what has turned into a real emergency in our relations in the Far East.

I should like to say also, if the Senator will permit me, that what people call "meat ax" cutting is simply drawing a conclusion that because there are 4,000 people there, and incidentally we are pursuing a vast program of military, economic and technical assistance on which we are spending hundreds of millions of dollars a year, our situation is bad. The same conclusion from the fact that there were only 1,000 people and therefore it was bad, or there were 6,000 and therefore it was bad.

I think what is needed is real inquiry into the merits of the matter. That is the great fault with a process of slicing an agency to pieces and then complaining because it is not doing a job—it runs the danger of throwing out the baby with the bath water and I believe the situation should be left in perspective.

Mr. FULBRIGHT. Mr. President, I cannot permit that observation to go unchallenged. This matter has been under close study for a long time.

To begin with, the Hickenlooper subcommittee reported on the subject in 1952. That was a subcommittee of the Committee on Foreign Relations. The subcommittee went into this whole matter very thoroughly. It took evidence from all over the world, from many different sources.

I think that study, together with subsequent studies, indicates very clearly that the USIA type of approach is warranted and proper in wartime, when emotions of the people are highly stirred and people are greatly concerned about their immediate security. There are many reasons why an overt propaganda agency is warranted in wartime. But, in peacetime, I submit, all the evidence shows this program is not a very effective way to improve the foreign relations of the United States.

The issue here is the quality and the effectiveness of the media used by the USIA. The assumption on the part of the Senator from New York [Mr. JAVITS] and others that this is inherently an effective and a wise way to proceed, and that all we need to do is increase the volume, I think is basically erroneous. It is not an effective way to improve relations.

The VICE PRESIDENT. The time of the Senator from Arkansas has expired. Other Senators may obtain the floor in their own right.

Mr. JAVITS subsequently said: Mr. President, further in connection with the colloquy which I had earlier with my colleague, the distinguished Senator from Arkansas [Mr. FULBRIGHT], let me say that I, too, as I have previously stated, have been in Formosa within the past 2 months. I traveled there. I talked with Generalissimo Chiang Kai-shek, Madame Chiang, and many other officials, including the Prime Minister. I have seen something of the situation there. If we are to learn from what has happened in Formosa, it must shake us out of a certain kind of complacency—which is probably unique with us—a complacency which causes us to feel that if we help someone else, the situation is or should be in fine shape so far as we are concerned.

I am a firm believer in the foreign-aid program as an essential element of our national security but that does not mean that I want to countenance any inefficiency or ineffectiveness. I just do not believe that meat-ax cutting will get effectiveness. I believe we have to supply the money to do the job and then see that it is done.

The question is whether the situation is good, even though we do help.

The situation is one which requires constant review, constant understanding, and constant servicing. The conferees on the USIA appropriation are meeting this morning. That is the Agency which we expect to project our point of view to the world, including the people of Formosa.

I think it is at least as legitimate a conclusion that we have not appropriated enough here in the Senate for the job, that we have not authorized enough personnel, and that we have not done enough planning to do the job that needs to be done in the key and sensitive areas such as Formosa, as it is to conclude that we have been doing too much.

The great organs of public opinion seemed to be lined up behind the proposition that this is an indispensable activity, which is entitled to support from the executive and the Congress. Apparently it has received very much greater support from the other body, which has studied the problem just as carefully as we have. Also I feel that the competition on propaganda we are getting from the Communists is so strong that our own proposed effort is too limited in our own interest.

I express the hope that none of my colleagues will take offense at the fact that the head of an agency puts up a spirited defense in a proper way for his agency. That is one of our great American privileges. I do not think a man should be penalized for that, certainly not when the agency under consideration is so important and vital to the interests of the United States in our search for security.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an editorial entitled "'Economizing' on USIA," published in the New York Times of today.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times of May 27, 1957]

ECONOMIZING ON USIA

A joint congressional conference committee begins consideration today of the differences in the bills passed by the House and the Senate for operation of the United States Information Agency this next fiscal year. The difference in this case is substantial. The House authorized an appropriation of $106 million as against the Senate figure of $90 million. President Eisenhower originally asked that the Agency receive $144 million. The USIA budget this year is $113 million.

It is easy to understand why the USIA should be highly vulnerable to congressional budget slashing. We Americans are suspicious of anything which smacks of propaganda. There is no body of voters here whose interests are immediately and obviously hurt by a cut in the USIA's budget as is true, for example, say, of farmers when farm subsidies are reduced. Money spent on USIA does not produce impressive material objects which can be put on parade when needed, as is true, say, of tanks or planes bought with military appropriations. In any farflung and complex operation such as that of USIA there are inevitable mistakes. But the remedy is better planning and management, not a blind slash in funds.

The point is that the USIA is the most vital agency we have in the fundamental contest of our times, the struggle for men's minds. All over the world, using every conceivable means, the forces of Soviet-led communism are seeking to convince the world's people that this Nation is the incarnation of evil, that we stand for war, injustice, racial discrimination and exploitation. This gigantic anti-American campaign

can be stopped only by the truth about the United States—it is the USIA which has the task of spreading that truth. The real economy is to get more value out of each dollar spent.

With this in mind, we can see that it would be the falsest of false economies to give the USIA anything less than it needs to do its vital job. We hope the conference committee will bear that fact in mind.

OUR LIVING FUTURE

Mr. CLARK. Mr. President, on another matter, on Monday, June 3, at the Statler Hotel, at 6:45 p. m., a most interesting moving picture entitled "Our Living Future" will be presented by the American Council To Improve Our Neighborhoods, a national civic organization which I have the honor to serve as a member of the board of directors. All Members of the Senate and of the House of Representatives, and their wives, have been invited to attend the showing of this picture, which is to be preceded by a buffet supper.

We shall today consider the Housing Act of 1957 in this body. This picture to which I have referred will no doubt be shown before final legislative action has been taken by the Congress on the Housing bill.

I wish to invite the attention of all my colleagues to this matter, and I hope that as many as possible will accept the invitation of Mr. Andrew Heiskill, the president of Life magazine and the president of the American Council To Improve Our Neighborhoods, to see this most interesting showing on a matter of vital importance.

NORTHWEST TAX WRITEOFFS

Mr. GOLDWATER. Mr. President, during recent days there has been quite a hue and cry by the senior Senator from Oregon [Mr. MORSE] regarding the morals involved in the granting of a rapid tax amortization certificate to the Idaho Power Co.

The senior Senator from Oregon admitted in the debate last week that there was nothing illegal about this action, but he contended only that it was immoral.

Mr. President, it has come to my attention that there have been 398 corporations in the Pacific Northwest which have received rapid tax amortization certificates in the last 7 years. I have been in the Senate only about 4½ or 5 years of those 7 years, but I have never before heard the issue of morality raised as to the granting of tax amortization certificates in the Pacific Northwest.

Mr. President, in order that my colleagues may know about these 398 corporations, and which corporations they are, I ask unanimous consent that an article which appeared in the Idaho Daily Statesman of May 15, 1957, entitled "Northwest Tax Writeoffs Are Reported at $1 Billion," be printed in the body of the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NORTHWEST TAX WRITEOFFS ARE REPORTED AT $1 BILLION

WASHINGTON.—Certificates permitting an accelerated rate of depreciation of construction costs, for tax purposes, have been granted 398 corporations in the Pacific Northwest in the last 7 years.

Records of the Office of Defense Mobilization show it has issued such certificates for defense-connected plants and equipment costing more than $1 billion in Idaho, Montana, Oregon, and Washington.

The effect is to permit the 398 companies to take a total depreciation of $695 million against income taxes over a 5-year period.

A section of the internal revenue code, enacted in 1950 after the Korean war broke out, permits owners of defense-connected plants in the words of ODM to "write off a portion of a capital investment" over a 5-year period instead of over a period of 20 years or longer. Purpose of the program, administered by ODM, is expansion of the productive capacity of private industry to meet mobilization goals.

REPEAL CONSIDERED

A Senate committee now is considering repeal of this provision of the tax laws in favor of a more limited program.

Larger-than-normal depreciation deductions in the first 5 years are offset, in theory, by smaller-than-normal deductions later.

The percentage of rapid amortization varies by properties, depending on their defense classification. The average is said by ODM to be 60 percent.

ODM reports 21,895 certificates had been issued nationally to May 1. They are for facilities costing an estimated $39,361,477,000. The total subject to amortization is $22,965,208,000.

Totals for the Pacific Northwest by States: Idaho, 35 certificates for facilities costing an estimated $166,194,000, with $98,213,000 subject to amortization; Montana, 43 certificates for facilities costing an estimated $141,426,000 with $95,389,000 subject to amortization; Oregon, 97 certificates for facilities costing an estimated $228,637,000 with $159,035,000 subject to amortization; Washington, 223 certificates for facilities costing an estimated $550,564,000 with $343,023,000 subject to amortization.

ODM records list Idaho Power Co., Boise, as the recipient of 4 certificates in addition to 2 issued last month for 2 Snake River Dams, Brownlee and Oxbow Dams in Hells Canyon stretch of the river bordering Idaho and Oregon. They will permit rapid amortization of $65,216,000 of the cost of the 2 power projects, which is estimated at $103,081,000.

Idaho Power's four other certificates are for facilities estimated to cost $22,640,000, with $10,820,000 subject to amortization.

OTHER CERTIFICATES LISTED

The ODM lists these other Idaho certifications, with names of corporations, estimated cost of facilities and amounts subject to amortization in parentheses:

American Smelting & Refining, Wallace, $461,000 ($277,000), $83,000 ($50,000); Rare Metals Corporation of America, Washington County, $253,000 ($203,000); Porter Bros. Corp., Idaho at large, $1,715,000 ($1,372,000); Warren Dredging Cascade $35,000 ($23,000); Baumoff Marshall, Inc., Cascade, $160,000 ($104,000).

J. R. Simplot Co., Pocatello, Caldwell and Meyers Cove, $1,023,000 ($460,000); $234,000 ($19,000), $180,000 ($63,000), $175,000 ($122,000); Twin Feather Mills, Kamiah, $40,000 ($16,000); Ohio Match, Huetter, $352,000 ($88,000); Potlatch Forests, Lewiston, $1,007,000 ($403,000); Monsanto Chemical Pocatello $7,452,000 ($3,626,000).

Food Machinery and Chemical Corp., Pocatello, $4,971,000 ($2,485,000), $3,141,000 ($1,508,000); Sullivan Mining, Kellogg, $6,679,000 ($4,675,000); Jefferson Lake Sulphur, Montpelier, $790,000 ($356,000), $2,146,000 ($966,000); Speer Cartridge Works, Lewiston, $42,000 ($27,000); Phillips Petroleum, Burley, $6,258,000 ($3,442,000); Bunker Hill and Sullivan, Bradley, $1,733,000 ($1,040,000).

Oregon Short Line Railroad, Pocatello, $112,000 ($45,000), $70,000 ($35,000); Martin Grain, Kooskia, $80,000 ($32,000); J. H. Valentine, Twin Falls, $95,000 ($48,000); Continental Oil, Burley, $515,000 ($206,000), $559,000 ($221,000); Utal Oil Refining, Boise, $119,000 ($48,000).

WESTERN HEMISPHERE UNITY

Mr. SMATHERS. Mr. President, I know that each Senator was extremely pleased to read in this morning's press that the civil war which had started in Haiti the day before yesterday has apparently come to an end.

It appears that reason and self-restraint have triumphed, and for that all of us can breathe a great sigh of relief.

I am sure that all of us in the United States, because of our affection for the people of Haiti and our concern over their welfare, are most anxious that the transition from one government to another be made in orderly and democratic fashion. The new provisional President Daniel Fignole, according to the press this morning, states that he has assumed the presidency only for the purpose of making arrangements for an orderly election in the very near future. This statement is one which I am sure the people of Haiti appreciate, as well as do their friends in the United States.

It is our hope and wish that this neighbor of ours will quickly be able to stabilize its political as well as its economic position, for when strife, discord, and revolution occur in any one of these friendly countries it becomes a threat to the peace and security of all of us who are in the Western Hemisphere. We want the people of Haiti to be certain that we are sympathetic with them in this hour of turmoil and that we are hopeful their difficulties will quickly be resolved in a fashion pleasing and satisfactory to them.

BALLISTIC SEAPOWER—FOURTH DIMENSION OF WARFARE

Mr. STENNIS. Mr. President, much to my regret I shall be compelled to leave the Chamber shortly, during the time which will probably be used by my colleague on the Armed Services Committee, the junior Senator from Washington [Mr. JACKSON], in delivering what I know will be an excellent speech. I have already had the opportunity to read the speech. It is entitled "Ballistic Seapower: Fourth Dimension of Warfare."

I commend a study of this speech to Members of the Senate and House, and all other interested parties. It comes from a man who is certainly qualified to speak on this highly important and highly uncertain subject. It deals with weapons program of the future. The Senator from Washington is unusually well prepared to speak on this subject. He has given a great deal of attention to

it, not only recently, but over the years. I believe that his observations and comments, together with his predictions, will prove to be a landmark in the early and helpful discussion on this highly important subject.

I commend the Senator from Washington for the great amount of work he has devoted to this timely and intricate subject. I think he is rendering outstanding service as a member of the Armed Services Committee, particularly in this field, although his work is certainly not confined to it. I am grateful for the work he has done, and for the speech he will deliver today, in giving us the benefit of his ideas and conclusions upon this subject. Our Nation is better prepared to protect itself because of his work and effort in the past. I am sure that he will be in the forefront of achievements in this field of endeavor in the important years to come.

THE PRESIDENT'S BUDGET—STATEMENT BY SENATOR PAYNE

Mr. CASE of New Jersey. Mr. President, all of us were distressed several weeks ago by the illness which afflicted our colleague, the Senator from Maine [Mr. PAYNE]. We have been following happily the good news of his convalescence.

The interest of the Senator from Maine in the affairs of the Nation has not in any way been diminished. He still maintains a deep interest in the affairs of the country.

I am pleased to submit for the RECORD a statement which he has asked me to submit on his behalf, in support of the President's budget. I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PAYNE SUPPORTING THE PRESIDENT'S BUDGET

In the past few weeks President Eisenhower has made two addresses to the Nation in which he very forcefully pointed up the real issue involved in the current controversy over the Federal Budget for 1958. This is that the expenditures proposed in the budget, by and large, represent the very minimum if we are to maintain in operation the programs which have been evolved through long, hard experience to keep the United States strong. The issue is not that the proposed budget is too big, but rather can we afford not to spend the money proposed by the budget?

On numerous occasions I have indicated my complete support of economy in government and the elimination of all nonessential Federal expenditures, but I am unalterably opposed to drastic, meat-ax cuts in the President's budget which cannot be demonstrated to be in the public interest. As one who has long been one of the strongest supporters of this administration I am in agreement with President Eisenhower that severe cuts cannot be made in the Budget for 1958 without jeopardizing the security of the Nation, or impairing the National welfare.

It is therefore, a source of great pleasure to me that public support for the President's budget, and particularly support for the funds recommended for the mutual security program, is rapidly mounting. In the past 2 weeks the mail which has been received in my office indicates 5 to 1 support of the President's program.

I append some representative letters which I have received from citizens of Maine for printing in the RECORD at this point.

GEORGETOWN, MAINE, *May 22, 1957.*

Hon. FREDERICK G. PAYNE,
Senator from Maine,
Washington, D. C.

DEAR SENATOR PAYNE: This letter is meant as a protest against the mass hysteria for drastic budget reduction that has swept the country in recent weeks. In all likelihood, careful, impartial Congressional scrutiny could and should be the means for developing more adequate programs, for curtailing waste and for effecting certain small economies without jeopardizing the major, broad outlines of the budget. Indeed, if the present cry for reduction serves such a purpose, all well and good.

But, essentially, the President's budget should be granted by the Congress. This is not the time for pennywise squeezing nor for the slicing of huge sums where the best interests of the country and the very safety of the free world are concerned. Neither is this the time for Congressional logrolling or for petty lobbying to save regional projects at the expense of vital world needs.

This is a time, most certainly, for courageous, bipartisan appraisal and support of the major requests in the Eisenhower budget.

We therefore strongly urge you to support the following: The school-program budget, the agricultural appropriations budget, the United States Information Agency budget, the national-defense budget, the mutual-security-program budget.

It is unthinkable that the mutual-security program could be further curtailed. Our moral responsibility as leader for the forces of freedom, as well as our own practical interests in building a better economical world structure, should preclude even the thought of such shortsightedness.

We have the honor to remain,

Yours very truly,

RUTH L. PATTERSON.
ETHEL B. PATTERSON.

LEAGUE OF WOMEN VOTERS OF MAINE,
Portland, Maine, May 15, 1957.

The Honorable FREDERICK G. PAYNE,
Senate Office Building, Washington D. C.

DEAR SENATOR PAYNE: I have been asked to forward to you the following statement which was issued by the League of Women Voters of Maine at its convention May 14:

"The League of Women Voters of Maine, in convention assembled, reaffirms its approval of economic aid to underdeveloped countries as a vital necessity to world peace. We believe that United States and United Nations Technical Assistance appropriations and United States economic aid appropriations should be maintained in the interest of improving worldwide economic conditions. For these reasons, we oppose any reduction in the amount proposed in the President's budget in the area of foreign economic aid."

Sincerely yours,

Jean E. Orr
Mrs. JULIAN H. ORR,
State President.

AID TO COMMUNIST SATELLITES

Mr. KNOWLAND. Mr. President, on May 26, 1957, there appeared in the New York Herald Tribune an article entitled "Surplus Food Question: Refugees Oppose Aid to Satellites," written by Herbert A. Philbrick. This is a subject which I have discussed on the floor of the Senate a number of times. I have questioned the policy decision of helping to finance the economic or political systems of Communist regimes.

Because of the importance of this subject, and because of the fact that it will be an issue upon which, in due time, the Senate will have to act, I ask unanimous consent that the article to which I have referred, together with the article referred to by Mr. Philbrick, which appeared in the International Peasant Union publication for February–April 1957, under the title "Aid to the Communist Regimes," be printed in the RECORD at this point as a part of my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune of May 26, 1957]

SURPLUS FOOD QUESTION: REFUGEES OPPOSE AID TO SATELLITES

(By Herbert A. Philbrick)

Should the United States send surplus farm products to Communist-controlled countries? The Senate Foreign Relations Committee is confronted with this problem in a current study now being made of our overall foreign aid program. And the Senators are being advised by powerful pressure groups to remove present restrictions preventing shipment to Red nations.

Most prominent in urging the Government to send surplus products to the Communists is the National Planning Association, an organization which has previously urged trade with Red China. In a report made public last week, the National Planning Association said: "The administrators of the programs should be free to make disposal agreements with Iron Curtain countries when and if there is an opportunity thereby to advance the aims and aspirations of freedom-loving peoples."

The question, of course, hinges on the when and if. The National Planning Association seems to think that the when is now, and apparently sees no ifs. They said "with increasing signs of unrest in Soviet-dominated countries, is may prove useful to give the administrators of the program and additional freedom of action in this respect."

Most anti-Communist refugee organizations seem to violently disagree with the position of the national planning organization. Among them are the Albanian Democratic Agrarian Party, Bulgarian National Agrarian Union, Croatian Peasant Party, Czechoslovakian Republican Agrarian Party, United Farmers and Smallholders Party of Estonia, Hungarian Peasant Association, New Farmers and Smallholders Party of Latvia, Popular Peasant Union of Lithuania, Polish Peasant Party, Rumanian National Peasant Party, Democratic Party of Slovakia, and the Yugoslav-Serbian Agrarian Union.

In the last bulletin published by the International Peasants Union, representing the 12 captive nation parties, they said, "It would be naive to assume that economic aid accorded to a Communist regime is capable of benefiting the people who find themselves oppressed by Communist dictatorship. It would be even more naive to believe that the transitory concessions to the peoples imposed by the popular revolution developments are not purely tactical moves calculated to overcome the current crisis and consolidate the Communist dictatorships over the restless majorities of the people."

One might ask why, with all of the vast productive potentials and the millions of farmers and laborers now contained in the Soviet empire, there should be any need for food. The International Peasants Union explains, "For some years now, the democratic powers have been appealing to the people

subjugated by the Communist dictatorships and victimized by Soviet imperialism, to resist with all their strength and by all means at their disposal, the forcible political, economic, and social enslavement of the Soviet system. They were urged to work slowly, to sabotage the economic plans of their oppressors and exploiters (who) threaten the very existence of human freedom and civilization in general."

"At great sacrifice," the Peasants Union points out, "this was done with the result that the Communist economic system was shaken to its very foundation."

Further, they report, "After Stalin's death, the process culminated in disorganization of the party and the terrorist set-up, placing the Soviet regime in a serious political crisis." It was this crisis which in turn imposed the repudiation of the "infallible Red deity, Stalin." This development signified nothing short of ideological and political collapse of the Communist tyranny in the Soviet Union as well as in the subjugated countries.

"Under the circumstances," concluded the International Peasants Union, "it is incomprehensible that at the moment when the captive peoples had succeeded in disrupting the economic system of the whole Soviet sphere, the Free World should appear with proposals of affording material aid to Communist regimes that had been shaken and weakened by the resistance of the peoples."

Would such aid as proposed by the National Planning Association be effective if limited to the captive nations with Russia excluded? The International Peasants Union says that the answer is "No." They state: "Now that the Moscow empire is tottering, the faith in its power was shaken to the point that some of its satellites suddenly came to the realization that * * * having been plundered, their regimes were inevitably moving toward economic and political catastrophe. After plundering unscrupulously and without compensation, the subjugated peoples; after utilizing their food products for maintenance of its enormous military machine, and their raw materials and ore for the purposes of advancing its insatiable heavy industry, the Soviet economy found itself in a crisis so that, instead of being in a position to render economic assistance to the satellites, they are forced to seek it elsewhere."

Should the Communist bloc countries which have alleged independence of Moscow be given food and economic assistance? Again, the International Peasants Union says "No." They explain, "The most naive belief would be to assume that Communist leaders guilty of criminal action to impose communism on the people, are capable of a shift toward democracy which leads to loss of power and their own liquidation.

"If there were the slightest trace of sincerity, the Communist leaderships would have demonstrated this by opening widely the subjugated countries to the surpluses of the Free World, and especially those of the United States, allowing free distribution of food among the starving peoples."

[From the International Peasant Union of February-April 1957]

AID TO THE COMMUNIST REGIMES

For some time it has become the fashion for the Free World to afford material aid to Communist regimes professing a tendency of asserting national independence in relation to the Soviet Union. The justification for such opportunist policies is that in this manner the Free World is weakening the Soviet Union and her worldwide Communist conspiracy as well as encouraging the breakaway of nations hitherto belonging in the orbit of her empire. Even though briefly, let us examine this phenomenon frankly and sincerely.

For some years now the democratic powers have been appealing to the peoples subjugated by Communist dictatorships and victimized by Soviet imperialism to resist with all their strength and by all means at their disposal the forcible political, economic, and social enslavement of the Soviet system. They were urged to work slowly, to sabotage the economic plans of their oppressors and exploiters, to undermine as much as feasible the position of this criminal antihuman reaction because it not only destroys countries and peoples wherever installed by Soviet military aggression but also threatens the very existence of human freedom and civilisation in general. This proceeded on the realization that the Soviet system threatened also the survival of the presently free countries and peoples by aiming to place them under the yoke of the Moscow power-mad universalist clique. Accordingly, press, radio, speeches, appeals—all were preoccupied with this fundamental and decisive theme.

Regardless of the Draconic measures of the Communist dictatorship and of the Soviet imperialistic apparatus, at the price of frightful sacrifices heroically endured, the subjugated peoples of eastern-central Europe as well as the peoples of the Soviet Union herself in the end arrived at the result that the Communist economic system was shaken in its very foundation. After Stalin's death, the process culminated in disorganization of the party and the terrorist setup, placing the Soviet regime also in a serious political crisis. It was this internal politicoeconomic crisis that imposed the highly embarrassing repudiation of the hitherto omnipotent and infallible universal Red deity, Stalin. This development signified nothing short of ideological and political collapse for the Communist tyranny in the Soviet Union as well as in the subjugated countries of central and eastern Europe and a tremendous loss of prestige among the Communist parties of the world. What remained in this debacle was only the Soviet-Communist military machine and, even this, in the Hungarian revolution, showed disintegration and suffered an impressive defeat.

Under the circumstances, it is incomprehensible that at the moment when the captive peoples had succeeded in disrupting the economic system of the whole Soviet sphere the Free World should appear with proposals of affording material aid to Communist regimes that had been shaken and weakened by the resistance of the peoples enduring for so many years their brutal techniques. In other words, the democratic powers are proposing to restore what popular resistance has demolished for the purpose of reducing communism to economic impotence by heeding their own appeals. Even so, the matter is not concerned only with moral and ideological considerations. The main point is that in this manner the Free World is moving to strengthen the position of the badly shaken Communist dictatorships, to arrest the process of their distintegration and thus afford them the possibility to continue their collaboration with the Soviet universal conspiracy for the sole purpose of retaining their positions of power.

Then, there is another aspect of this question. Now that the Moscow empire is tottering, the faith in its power was shaken to the point that some of its satellites suddenly came to the realization of having been plundered to such an extent that if this were allowed to continue their regimes were inevitably moving toward economic and political catastrophes. This situation placed the Soviet Union herself before an economic and political catastrophe. After plundering for whole 10 years most unscrupulously and without compensation the subjugated peoples while leaving them to starve and move around in rags, after utilizing their food production for maintenance and reserves of its enormous military machine and their raw materials and ore for the purpose of advancing its insatiable heavy industry, the Soviet economy found itself in a crisis so that, instead of being in a position to render economic assistance, the satellites are forced to seek it elsewhere.

Does it not appear strange that in this catastrophic period for the Soviet Union and the Communist system, while they are facing economic and therefore political collapse, the Free World should appear and say: "We are ready to take over the heavy burden which may crush your weakened setup. Instead of you, we shall assist those whom so far you have plundered and driven into bankruptcy, who now seek assistance that you cannot give because you need assistance yourself."

Such is briefly the practical significance of the material assistance that the Free World is offering to some Communist regimes and which actually is bound to assist the Soviet Union to overcome her difficulties and advance her aggressive designs on the democratic world. In other words, what popular resistance has achieved is to be undone for the sake of accommodating ill-conceived opportunism. Under the cirumstances, it is not much to urge every sober and objective individual to judge for himself the moral, economic, and political consequences of this unprincipled political aprpoach of the Free World in general and the United States in particular, that now leads its economic, military, and political base.

It would be naive to assume that the economic aid afforded to a Communist regime is capable of benefiting the people who find themselves oppressed by Communist dictatorship and are being ridden mercilessly by the Soviet imperialist apparatus. It would be even more naive to believe that the transitory concessions to the peoples imposed by the popular revolutionary developments are not purely tactical moves calculated to overcome the current crisis and consolidate the Communist dictatorships over the restless majorities of the people. It was along such lines that Lenin went to the point of reinstating a purely bourgeois new economic policy and openly acknowledging that 1 step backward had in view 5 steps forward. The most naive belief would be to assume that Communist leaders guilty of criminal acts in their efforts to impose communism on the peoples are capable of a shift toward democracy which leads to loss of power and their own liquidation.

If there were the slightest trace of sincerity of affording help to the peoples themselves, the Communist leaderships would have demonstrated them by opening widely the subjugated countries to the surpluses of the Free World and especially those of the United States allowing free distribution of food among the starving peoples and whatever else could be spared. Such moves have great possibilities to the point of being not mere "crumbs" warding off death by starvation which the Communist employ to save—not the peoples but their own position of power. This is the reason that currently the nationalist Communist regimes and their Moscow souffleurs sing the same song that they are seeking exchange and not charity. Exchange what—the things that the Communists do not posses?

It ought to be obvious therefore that, Stalinists or not, the Communist dictators follow the same pattern and pursue the same aims. They seek economic assistance from the democracies not for the purpose of feeding and clothing the peoples that they keep in total subjection and exploit unmercifully, but in order to use this assistance of the free world for the purpose of intensifying their control as well as assisting the Soviet Union to increase the numbers of tanks, planes, atomic and hydrogen bombs so that, by aggression against the free world, the position of communism be secured and the starving masses be rendered impotent to resist any further.

If the Free World has truly lost its reason and allows such manipulations to succeed, then it is headed for defeat. We continue to believe, however, that the moral conscience of humanity will overcome the political naivete and opportunism in dealing with Communist aggression and that freedom and wisdom will triumph in the end.

ESTABLISHMENT OF NATIONAL MONUMENTS AT FORT CLATSOP IN OREGON AND THE INDIAN POST OFFICE IN IDAHO

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the CONGRESSIONAL RECORD an article which I contributed to the Oregonian Sunday magazine of May 19, 1957, in support of my legislative proposals for the establishment of national monuments at Fort Clatsop in Oregon and the Indian Post Office in Idaho. Both of these places are historic spots on the famous trail of Lewis and Clark, who were the first Americans to cross our continent.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHEN THE MOCCASINED MEN MARCHED

(By Hon. RICHARD L. NEUBERGER, of Oregon)

TWO NOTABLE POINTS ON LEWIS AND CLARK ROUTE RECOMMENDED FOR NATIONAL MONUMENTS

Few American regions have a richer historical legacy than the Pacific Northwest. Yet no part of the United States has been so neglected by the National Government with respect to Federal custodianship of historically significant areas.

New England and the South, for example, are dotted with national historic sites, memorials, and monuments like apples on a tree. The Northwest has only one lone site—McLoughlin House at Oregon City, and this is merely supervised by the National Park Service, but is not an official segment of our national park system.

With all these facts in mind, I have introduced in the Senate two bills authorizing the creation in the Pacific Northwest of a pair of genuine national monuments under the ownership and operation of the United States Government. The monuments would commemorate one of the truly great events in the annals of America, the Lewis and Clark Expedition.

One monument would be in the State of Oregon, at the site of recreated Fort Clatsop, near Astoria. The other would be high in the Clearwater National Forest of Idaho, at a beautiful spot called Indian Post Office, where stand three rock cairns which actually date from the era of Meriwether Lewis and William Clark.

This legislative effort is bipartisan. Cosponsor of my Fort Clatsop bill is Senator WAYNE MORSE, Democrat, senior Senator from Oregon; cosponsor of the Indian Post Office bill is Senator HENRY C. DWORSHAK, Republican, senior Senator from Idaho.

The Fort Clatsop bill has been passed by Congress and signed by President Eisenhower. The National Park Service now is studying the feasibility of setting aside reconstructed Fort Clatsop as a national monument. I understand some controversy has arisen over whether it is on the exact site of the original fort. It seems to me the Park Service must accept the existing location or else submit definite proof that an alternative site is the authentic one.

SITES MERIT RECOGNITION

In my opinion, Fort Clatsop and Indian Post Office richly merit enshrinement as national monuments—far more so, for example, than an early iron industry at Hopewell, Pa., or the Vanderbilt mansion outside of Hyde Park, N. Y.

To begin with, the Lewis and Clark expedition marked the first crossing of this vast continent by Americans. Fort Clatsop, which the explorers erected during the rainy December of 1805, was the first permanent settlement of any sort inhabited by Americans on the shores of the world's greatest ocean. It was the first American military post anywhere west of St. Louis. It was where American conquest of the West really began.

Reconstruction of Fort Clatsop was carried out faithfully in connection with the Lewis and Clark sesquicentennial, in 1955. The logs even were cut to the precise proportions of those described in Lieutenant Clark's 150-year-old plans. Tom Vaughan of the Oregon Historical Society tells me that a pair of immigrants from Finland were found to provide the woodworking skills needed to notch, niche, and dovetail the intricate joints of the log stockade.

Considerable money from the Oregon State treasury and private contributions has gone into this undertaking, along with uncounted hours of volunteer labor and the logs, donated and pressure-treated with preservative by the Crown-Zellerbach Corp. In view of the buildings and sites of inferior memory which are already in Federal possession, it will be a case of outright discrimination against the Pacific Northwest if Fort Clatsop fails to qualify for status as a national monument.

Indian Post Office is vastly different from the log battlement on the damp Oregon seacoast.

At 7,036 feet, Indian Post Office is the highest elevation reached by Lewis and Clark on their trek. It lies athwart the Lolo trail, where the frontiersmen came closest to starvation and disaster. One of the sergeants of the party, Patrick Gass, described the scene as "a horrible mountain desert."

CAIRNS MARK SPOT

But white puffs of bear grass abound picturesquely at Indian Post Office in the summer, and big game is abundant. The animals have been driven up into the high country by civilization since Lewis and Clark were there. But the historically exciting feature of Indian Post Office is that the lovely meadow still contains three rock cairns which marked the lofty trail at the time the first westbound Americans carried our flag to the shores of the Pacific.

Meriwether Lewis wrote in his famous journal that "we resumed our route over the heights and steep hill of the same great ridge. * * * We reached an eminence where the Indians have raised a conic mound of stone, 6 or 8 feet high, on which is fixed a pole made of pine, about 15 feet."

This mound, along with cairns that have no poles, endure to this day. The Lolo trail is still that wild, where it clings to the towering ridges above the foaming Lochsa River. This was the stream of destiny through the Bitterroots, the stream that Lewis and Clark immortalized as the Kooskooskee.

I believe the argument is compelling for national monuments both at Fort Clatsop and at Indian Post Office.

Fort Clatsop recreates the original Lewis and Clark outpost with extreme fidelity to details. Even with the most minimum sort of custodial care, the fort attracted more than 10,000 visitors last summer. Of course, the site can be reached easily by automobile on United States Highway No. 101. It is my recommendation that the National Park Service acquire additional nearby acreage to give the fort the proper protection and setting.

Indian Post Office is in another category. It is wild, remote, and aloof. It can be reached best by horseback or on foot. A rough forest road is open for only a few months at the height of the summer.

This is so legendary a spot that the ashes of the late Bernard DeVoto, greatest of the biographers of Lewis and Clark, will be scattered here this summer by his widow and other members of his family. Mr. DeVoto died in November 1955 and his remains are now in a Forest Service vault at Ogden.

ORDER DISPENSING WITH CALL OF THE CALENDAR

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the call of the calendar be dispensed with.

The PRESIDING OFFICER (Mr. CURTIS in the chair). Without objection, it is so ordered.

JOINT POWER DEVELOPMENT ON THE COLUMBIA AND YUKON RIVERS

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the CONGRESSIONAL RECORD a news article from the Vancouver (British Columbia) Sun of May 14, 1957, entitled "MacKenzie Urges Joint Hydro Plan."

In this article Dr. Norman MacKenzie, president of the University of British Columbia, has proposed an international commission to govern and regulate power development on the great Columbia and Yukon Rivers.

Because the recommendation of this outstanding Canadian educator is so close to the proposals contained in my own Senate Resolution 121, I believe that the article will be of special value and interest to the Senate.

Dr. MacKenzie voiced his recommendations during a speech on the campus of the University of Alaska, when he was presented with the honorary degree of doctor of laws at the annual commencement ceremonies near Fairbanks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MACKENZIE URGES JOINT HYDRO PLAN

COLLEGE, ALASKA.—President Norman MacKenzie of the University of British Columbia proposed Monday that an international commission be set up to govern power development on the Columbia and Yukon Rivers.

Dr. MacKenzie made the suggestion in a speech to the graduating class of the University of Alaska, which presented him with an honorary doctor of laws degree.

The United States Harmon doctrine, which states that "a nation has absolute and unfettered control and jurisdiction over everything and everybody within its borders, including the waters that flow within and across its borders," came under sharp criticism in the speech.

RAPS DOCTRINE

"In recent years this doctrine has proved most embarrassing to the United States and advantageous to Canada in respect of the prospective use and development of the waters of the Columbia and Yukon Rivers as well as others that cross our border," he said.

"My own view is that the sensible approach in matters of this kind is to create an impartial and competent authority, one representing both our countries, with authority to prepare plans for the total development of those boundary waters and to recommend a proper distribution of the results or product of this development on a fair and equitable basis."

MAXIMUM BENEFITS

"This would achieve the maximum benefits for the peoples and countries concerned."

Dr. MacKenzie added that he felt "these sensible solutions are linked up emotionally, in Canada at least, with the sensible settlement of other problems of common interest" faced by the United States and Canada.

He named as examples access to the sea across the Alaska Panhandle and reasonable access to United States markets for Canadian resources and products.

Earlier in the speech he called the Alaska Panhandle a "serious obstacle to the effective development" of British Columbia and the Yukon.

He said he felt the United States "got the best" of the Alaska boundary settlement with Canada.

The PRESIDING OFFICER (Mr. CURTIS in the chair). Is there further morning business? If not, morning business is closed.

REQUEST FOR RETURN TO SENATE OF ENROLLED BILL S. 1463

Mr. SMATHERS. Mr. President, I submit a concurrent resolution and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The concurrent resolution (S. Con. Res. 33) was read as follows:

Resolved by the Senate (the House of Representatives concurring), That the President of the United States is requested to return to the Senate the enrolled bill S. 1463, to amend the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle subject to the motor carrier safety regulations of the Interstate Commerce Commission. If and when said bill is returned by the President, the action of the Presiding Officers of the two Houses in signing said bill shall be deemed rescinded; and the Secretary of the Senate is authorized and directed, in the reenrollment of said bill, to make the following correction: In line 3 of the Senate engrossed bill strike out "38" and insert "33."

Mr. SMATHERS. Mr. President, I may say that the only purpose in requesting the return of the bill is to correct a clerical error.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

BALLISTIC SEAPOWER—FOURTH DIMENSION OF WARFARE

Mr. JACKSON. Mr. President, more than a year has gone by since I took this floor to urge more speed, more effort, and more central direction for our intermediate range and intercontinental ballistic missiles programs.

As you know, Mr. President, these missiles will rank with the invention of gunpowder, and the A-bomb and the H-bomb, as among the most revolutionary developments in all military history.

The IRBM—the intermediate-range ballistic missile—could fly from a launching site near Leningrad to London in 10 or 15 minutes. The ICBM—the intercontinental missile—could fly from outside Moscow to Chicago in 25 or 30 minutes. Both weapons will travel at speeds and heights making effective interception unlikely, so far as we know today. Both will carry hydrogen warheads. One such missile could destroy the heart of the largest city on earth.

We are now in a neck-and-neck race with the Soviets to see who will get these weapons first.

Our own program lagged badly until less than 2 years ago. The President gave the development of these weapons supreme priority only after urgent pleas from Members of the Congress. The Secretary of Defense appointed a full-time missile program coordinator only after similar urgings.

But the past is behind us. What matters is the present and the future. Today, the development programs we have started are going places—fast.

The Air Force is speeding toward the first operational test of Thor, its intermediate-range missile. It is working around the clock at the same time on Atlas and Titan—alternate versions of the intercontinental ballistic missile. The Army has moved forward rapidly on Jupiter—its version of the IRBM, although statements from the Secretary of Defense have left the outcome of this program in doubt. On a far smaller scale, and with a far longer timetable, the Navy is developing Polaris—a sea-launched intermediate-range missile.

We are now taking calculated scientific and technical risks. We are trying to move as quickly as possible from the laboratory and drawing board to the assembly line—from scientific research to large-scale industrial production of operational weapons.

We are now cutting down our technological lead time.

But it should be clear that building and testing a missile is not the same as building a missiles force. The technological problem of building accurate and reliable missiles is only half the total problem.

The other half is the problem of strategic and military planning. How many intercontinental missiles should we build, and how many intermediate-range missiles? How many of our missile launching platforms should be on land; and how many on the sea? How many land-based missiles should be deployed in our own country; and how many at advanced overseas bases? How much research and development money should we now put into one missile system, and how much into another?

We may have ballistic missiles, but we will not have an effective missiles force, until these questions are answered, and answered correctly.

Some may wonder why I make these points today when we have yet to test our first operational IRBM. Should we not now concentrate all our energies on testing and building these weapons, and defer until later the problem of military and strategic planning?

But technical development and strategic planning must go forward in parallel. One cannot be divorced from the other.

There is a lead time in military and strategic planning just as real as the lead time in technical development. The effectiveness of our missile force 5 years from now, and even 10 years from now, will depend on strategic planning decisions made in the Pentagon this year, in 1957.

Every year's delay in strategic planning means a year's delay in building an effective missile force.

Recall the history of the B-29, the long-range Superfortress which did so much to destroy the Japanese military economy in World War II. The strategic decision to attain long-range bomber capability was made on the eve of World War II, long before the B-29 existed even on paper. Six years of superb technical effort were needed before we secured the B-29 fleets which helped devastate the Japanese Empire in 1944 and 1945.

Our ballistic missiles force will be subject to the same laws of strategic planning. Five or ten years of all-out technical development and industrial production will elapse before strategic planning decisions made this year can be reflected in the actual hardware of a ballistic missile force.

Certain strategic questions are therefore now crucial: Are we now covering every good bet in our strategic planning for the ballistic missile era? Is our planning giving every promising missile system adequate emphasis?

In short: Are we now doing everything possible to cut down the lead time in strategic planning?

I believe that the answer to these questions may be "No." I believe that we may now be neglecting one ballistic missile system which could give us a quantum jump upward in our military deterrent power.

I refer to a possible future fourth dimension of warfare, the intermediate-range ballistic missile fired from ocean-launching platforms.

I refer to a delivery system in which the IRBM with a hydrogen warhead could be launched against strategic targets from submerged or surfaced nuclear-propelled submarines.

I call this the fourth dimension of warfare because it would introduce a new element into military strategy and tactics. It would combine nuclear firepower—missiles with H-bomb warheads—with nuclear propulsion, in the form of mobile submarine launching platforms which could roam anywhere on the high seas without refueling and stay submerged indefinitely.

The Navy is now building *Halibut*, a nuclear submarine, which will fire missiles of relatively slow speed and relatively short range. This will be an excellent ship, but it represents only one very short step toward a true IRBM submarine.

In addition, the Navy now has a long term—a very long term—research and

development program aimed at ultimately, eventually, firing intermediate-range ballistic missiles from submarines and surface ships. This program, however, commands neither the money, the manpower, nor the priority now assigned to the ICBM and land-based intermediate-range missiles. And yet, an IRBM launched from an ocean platform could have the same target coverage and the same military effect as an ICBM launched from our own country.

It is very probable that we can build submarine-based missile launching systems. No insurmountable technical obstacles are now foreseen.

Nonetheless, special problems are involved in designing, building, and controlling a reliable weapons system in which 1,500-mile missiles could be accurately and reliably fired from ocean platforms. In fact, the technical challenge is far greater than the one of developing Thor or Jupiter, our land-based intermediate-range missiles.

It should not be hard to see why. A land-based launching site is an immovable platform, precisely oriented to our globe's axis. It rests on the bedrock of the earth itself. It is firmly fixed in space. The range to a potential target can be calculated with hairbreadth accuracy long before an emergency occurs. The only real limiting factor would be the accuracy of our guidance systems and maps.

A submarine launching platform would not be fixed in space. Even if anchored, it would be constantly moving because of the ocean's action, and moving in three dimensions. The distance between a patrolling submarine and enemy targets would constantly change. Range calculations could not be easily made.

A land-based missile would fly through only one element—the air. A sea-based missile, if actually fired from under the water, would fly through two elements—water and air. The problem of launching and the problem of accurate guidance would be more difficult.

Land-based launching sites would have a relatively easy logistics problem. Spare parts and replacement depots would be close at hand. Spare parts and replacements for sea-based missiles would be located in the ship itself. But in a crisis, sea-based missiles would be far more difficult to service and replenish than land-based missiles.

The problem of military command—of foolproof control over the operations of our missiles—would be comparatively simple in the case of land-based systems. We would know exactly where every land-based-missile platform was, at every instant of time. Land-based sites could be linked with a central headquarters through a jam-proof and instantaneous communications network.

Sea-based systems would have to be linked to command headquarters by many communication channels, on the assumption that it would be impossible to jam all the channels at once.

As we see, the difficulties of actually building an effective ocean missile force are numerous. Yet the arguments for a far greater emphasis on the sea-based system are compelling.

Our security clearly lies in convincing the Soviets that even if they strike the first nuclear blow, they cannot prevent an overwhelming and possibly fatal counterattack.

A submarine missile base could move in close to the aggressor's shores to launch missiles. It could compete favorably with any land-based system in target coverage.

There is this vital difference, however. The Kremlin would know the location of our land-based launching sites. The Kremlin would not know where our ballistic seapower was deployed.

Land-based sites will not be tiny dots on the landscape. They will be relatively large, relatively easy to identify, and fixed in place. It is doubtful whether we or our allies could conceal their location.

One cannot discount the future possibility of mobile land-launching sites, as the state of the art improves. This, however, is a possibility of the distant future.

A massive surprise missile attack, skillfully executed by the Soviets, might actually knock out most of our Strategic Air Force and much of our land-based-missile capability before we could retaliate.

But the location of our ocean missile force would change constantly. This deterrent fleet, ever shifting, could be dispersed over the millions of square miles of the Atlantic, the Pacific, and the Arctic Oceans. Thanks to nuclear power, it would not have to be refueled. A certain fraction of this force could remain on submerged alert. The surface of the ocean would shield it from hostile search radar. It could be in a state of constant readiness, 24 hours a day, 365 days a year.

Steady advances are, of course, being made in submarine detection. Yet finding ships under the sea is vastly more difficult than spotting planes in the air, or ships on the surface of the sea, since the scientific laws of radar do not apply.

Hidden, widely deployed, ever on the move, missile submarines would be enormously difficult to locate and even more difficult to destroy. The odds against eliminating such a deterrent fleet before it could strike a counterblow would be a hundred to one or even a thousand to one.

The problem faced by an aggressor would be like that of a man trying to find a black cat on a vast and empty plain on a dark, moonless, and starless night.

If the enemy launched a surprise missile attack, our only effective reply would be a nuclear counter blow. Yet the aggressor's missiles would strike our homeland within minutes of being launched. Mr. President, would there be time to strike a counterblow with many of our land-based missiles before they were destroyed?

If we rely only on land-based sites, an aggressor's first surprise blow may be the final blow, the blow which makes effective retaliation impossible.

This is where the fourth dimension of warfare—ballistic seapower—becomes crucial. No matter how fast the enemy's missiles travel, they could not eliminate this underseas fleet in one massive assault. Enough submarines would remain intact to strike a crushing counterblow.

An additional point needs emphasis. In the IRBM and ICBM era, if the Soviets launched a nuclear war, their first move would be a massive attack on the ballistic retaliatory power of the Free World. Failure to destroy this power would leave the Kremlin open to a devastating counter blow—a rain of rockets.

In short, our own missile sites, and the sites of our allies, would be strategic magnets. Like a magnet, these sites would draw the fire of an aggressor's ballistic blow.

Note this difference, however, Mr. President: Land-based missile sites, both here and abroad, would be strategic magnets drawing the enemy's missiles toward the cities, the towns, the farms, and the factories of the Free World. Ocean-based platforms would be strategic magnets drawing the enemy's missiles away from our countries.

Our missile submarines could be a save-our-cities force. This fleet would be stationed far out at sea—thousands of miles from San Francisco or Chicago or New York or London or Paris. The Kremlin, if it started an all-out war, would be forced to attack our ballistic seapower. And every Soviet missile fired against the concealed and shifting submarines would mean one less missile, one less hydrogen warhead, available for use against our cities. Of the Soviet missiles sent against this underseas fleet, almost all would fall harmlessly into the barren and uninhabited seas. The clouds of radioactive spray geysering up from the depths would fall on empty ocean—not on our cities.

In truth, such a force might become the ultimate save-the-peace force of the ballistic era. This fleet would confront Soviet military and economic planners with an almost impossible dilemma. Moscow could not make a surprise attack, and itself survive, if this fleet remained in existence.

But how would the Kremlin's strategists propose to destroy it? The sites of land-based ballistic counterforce would be known in location, and would be immovable. Conceivably, Moscow might calculate that several hundred Soviet missiles, fired in a surprise assault, could break the back of this land-based deterrent. In all probability, however, it would be impossible to locate and attack many of our submarine-based missiles. As long as the submarine was moving, it could not be hit with a ballistic missile. The Soviets might require a stockpile of literally tens of thousands of missiles and nuclear warheads, and still be unable to destroy our submarine striking power.

Think of the enormous strain on the Soviet economy if Moscow were to prepare for a ballistic Pearl Harbor against the Free World. Billions and billions of rubles would be needed to build up the Soviet missile force which could strike against the Free World's land-based missile sites and our Strategic Air Command. But these weapons would be

nothing, compared to the enormous outlays of money, materials, and manpower which would have to be devoted to the attempt to destroy our underseas missile force.

There is a limit to what the Soviet economy can produce. Russia's laboratories and factories might simply prove unequal to the task of building the numbers and types of weapons that would be needed if Moscow were to entertain any serious hope whatsoever of destroying both our land-based and our sea-based missile counterforce. For every million dollars we would spend on a submarine missiles fleet, the Soviets might spend fifty million or one hundred million and still not be in a position to destroy our underseas fleet.

Mr. President, nothing I have been saying is any secret to the Soviets. Moscow understands the principles of military strategy. Moscow understands that our system of advanced bases is the greatest single strategic advantage possessed by the Free World. Moscow understands that Soviet submarine launching platforms could cancel out this advantage. Moscow knows that a fleet of underseas missile ships flying the Soviet flag would be the equivalent of Communist bases a few hundred miles from Seattle, Los Angeles, and New York.

Today, right now, the Soviets have submarines which can fire ballistic missiles at least 200 miles. We must presume they will soon have submarine-launched ballistic missiles with a 1,000- or 1,500-mile range. No real defense against such weapons is now foreseeable. In fact, our own ballistic seapower may be the one thing which above all will keep Moscow from making a surprise attack with its own sea-based missiles.

As you know, Mr. President, I have never been a one-weapon advocate in my approach to defense problems. I do not think for a single moment that a submarine missile-launching system would eliminate the necessity for the land-based ICBM or IRBM. I am sure that we will need a balanced missile force—just as our entire defensive effort must be balanced if we are to be ready to repel military aggression in all its wide variety of forms.

Certainly, for a long time to come, we shall require medium-range and long-range manned bombers. The difference between building a successful test missile and a real missiles force is the difference between day and night. As missiles are perfected, they will be added to our arsenal as a supplementary-delivery system. I cannot now foresee the day when missiles will completely substitute for manned bombers.

So far as missiles are concerned, the real question is not whether we should have a land-based or sea-based missile system. I am sure we need both. The real issue concerns a tremendously difficult decision in strategic planning. It is the issue of strategic balance. It is the issue of how much emphasis we should put on a sea-based system, and how much on land-launched missiles. It could be that sea-based missiles will be of only very limited military use. If so, one could defend the very leisurely effort we are now making to develop this weapons system. But it could equally be that this weapon will, in fact, introduce a fourth dimension into warfare. If so, one could not defend our existing business-as-usual program.

Which is it, Mr. President? Will the submarine-launching platform be just another routine weapon? Or will it come to be a supreme deterrent of the ballistic era? This is the issue.

It is no comfort to be told, as I am sure we shall be told, that our defense planners are already "studying" this issue. Of course they are. They are "studying" hundreds of issues. The H-bomb was being studied in 1942; but we did not start a real H-bomb program until 1950, 8 years later. The ICBM was being studied in 1946, but we did not go all-out to build it until almost 10 years later.

Nor is it any comfort to be told, as I am sure we shall be told, that the Navy is now "working" on the problem of developing submarine-launched missiles. Of course the Navy is "working" on this problem. The Navy is "working" on thousands of problems. The real question is, how much work? How much effort, how much money, and how much priority are now being assigned the sea-based IRBM? Is it the right amount of effort; is it the right amount of money; and is it the right priority?

The plain fact is that the money now authorized and appropriated for the Navy is insufficient to support an all-out effort to develop this weapon as quickly as possible, if an all-out effort is now in the national interest.

The Navy has just so much money to go around. Its overriding concern is with building the ships and the airplanes we need to defend ourselves this year and next year. Furthermore, the law prohibits funds appropriated for the Navy's presently authorized shipbuilding program from being diverted to the development of this new weapons system.

The real point, however, is this: The question of the priority we should now give ballistic seapower is not one which can be decided wisely among the armed services themselves.

Let us be honest about it. Interservice rivalry is a fact. It is a fact also that missile spending may very shortly be the largest single military hardware item in our defense budget. Everyday commonsense argues that each service will try to claim for itself a lion's share of the missile budget. It is simply unrealistic to expect the three services to answer objectively the question of how much effort should be put on the sea-based IRBM. Any answer given by the services themselves would inevitably reflect interservice logrolling.

There is another reason—even more important—why the issue of the emphasis to be given sea-based missiles should not be decided within the Defense Establishment. This is not purely a military issue; it is an issue which goes to the roots of our foreign policy, as well. The emphasis given the ocean-based IRBM affects the very fundamentals of our relations with our allies.

Let us take an example. At the Bermuda Conference, we agreed to give our British friends assistance in securing land-based intermediate-range missiles, when these became operational. Sound reasoning lay behind this offer. The IRBM, stationed on British soil, will give our own country the advantage of a counterstrike force located 3,000 miles closer to a Eurasian aggressor. In addition, Britain's determination—and ability—to resist an aggressor's threats will no doubt be strengthened if these missiles are added to her arsenals.

At the same time Britain is a comparatively tiny country. As the British Government's own white paper recently acknowledged, her cities and urban population could not escape from a Soviet air-atomic attack directed against British bases. There is simply not enough real estate to go around. It is a matter of plain geography in the age of weapons of mass destruction.

The problem, however, would be very different if Britain were primarily defended by a force of submarine-based missiles. These weapons would not be dotting the British countryside, near London or Manchester or Edinburgh. They would be deployed far out at sea, well beyond direct fall-out range of Britain's population. A sneak attack from Moscow, if designed to eliminate this sea-based deterrent, would not fall on the densely populated British countryside; it would fall instead on the empty stretches of the Atlantic and Arctic Oceans.

For purposes of defense, Britain would no longer be a tiny country. Tens of thousands of square miles would be added to its defense base. Britain's frontiers would shift from the Hebrides and the Cliffs of Dover to the far reaches of the oceans.

A sea-based missile force should have enormous appeal for our allies, especially in Europe. It could provide a maximum deterrent to Moscow, with reduced danger to home territories. It would constitute a rational method of self-defense in the ballistic era.

We and our NATO allies are now reviewing present strategy for the defense of Europe. Might not a water-based missile force go far to meet our common needs? Is it not possible that the bonds of the NATO alliance could now be strengthened by a cooperative program to develop and support a sea-based missile force?

No further argument should be needed to show why the question of land-based versus sea-based missiles cannot be answered in purely military terms. Neither our men in uniform, nor their civilian superiors in the Pentagon, should be expected to settle a problem which will affect so vitally the entire future of our relations with our allies.

It is my earnest opinion that only one person is qualified to resolve the question of whether we are placing enough emphasis on the development of ballistic seapower. That person is the President of the United States acting not only in his capacity of Commander in Chief of our Armed Forces, but also as the one charged under the Constitution with the conduct of our foreign affairs.

I have the highest respect for the dedication, ability, and sincerity of the heads of our armed services and the civilians

within the Department of Defense. I simply believe that an issue of this historic import lies beyond their province.

It is therefore with the greatest respect that I suggest the following:

First. The President, with the help of the National Security Council, should personally reexamine the question of whether we are now giving enough effort, enough money, and enough priority to the development of sea-based missile-launching systems.

Second. In resolving this issue, the President should give consideration to seeking assistance from a presidentially appointed Commission on Ballistic Seapower.

Such a Commission would, of course, be completely nonpartisan, both politically and in terms of allegiance to anyone of the armed services. Its membership could be made up of a small number of citizens, those best qualified by reason of military, industrial, diplomatic, or scientific attainment, to counsel the President most wisely. Its report could be made available to the President in time for his decision to be reflected in next year's budget request.

In conclusion, let me say this: Terrible weapon is being piled on terrible weapon. But a peace of mutual terror cannot last forever.

I believe that discussions among nations for a sound and safe system for the control and limitation of armaments should be continuous. The statesmen of the Free World must never give up in their search for a security system which rests on more than the threat of mutual destruction.

Yet until this quest is successful, we require a balanced military arsenal, with modern weapons to meet both nuclear and limited aggression.

And until this quest is successful, we require the most rational and effective deterrent to nuclear war that we can get. If the sea-based missile force is such a deterrent, then we should bend the national effort to achieve it.

I am deeply convinced that the issue of whether we are giving enough emphasis to the development of ballistic seapower should be reviewed and decided now—not next year, or the year thereafter, but this year.

Mr. President, the American people need not stand in fear. We can welcome the future. We have a great tradition of mastering the problems that confront us. But no people can escape the laws of military and strategic planning. Decisions we make—or fail to make—today, will determine our chance to deter nuclear war tomorrow.

Mr. TALMADGE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Does the Senator from Washington yield to the Senator from Georgia?

Mr. JACKSON. I am happy to yield.

Mr. TALMADGE. First, I should like to congratulate the distinguished Senator from Washington for a very able and profound speech. I know he is devoting a great deal of time, energy, and work, as a member of the Armed Services Committee, to this particular problem.

I should like to ask the Senator a question or two, if he will yield for that purpose. First, how do we stand, compared with Russia, in the development of our missile program?

Mr. JACKSON. I think at the present time the Soviets are ahead of us in the race for the intermediate range ballistic missile. That is the 1,500 nautical mile missile. With regard to the ICBM, or the intercontinental ballistic missile, I would say it is a neck-and-neck affair. I should add, of course, that the Soviets, with their enormous submarine fleet of at least 500 submarines, have a minimum of a 200-mile missile capability against the North American Continent.

Mr. TALMADGE. What steps, if any, are we taking to develop a sea missile force or submarine missile force?

Mr. JACKSON. The Navy is working on this program. I regret to say, however, that it simply does not have enough funds, because of its overall requirements, to meet certain building needs within the Navy. The result is that the Navy is not making, and cannot make, the effort which in my judgment should be made to achieve this objective.

Mr. TALMADGE. Is it not the Senator's opinion that if we can develop an adequate missile force by use of warships, submarines, and other media, we can materially reduce our defense budget?

Mr. JACKSON. I do not think there is any question about it. I believe that the submerged nuclear-powered submarine places in our hands, and in the hands of the Free World, an effective weapon, which places the Soviets in such a position that they would not dare to start an allout atomic-hydrogen war. I think that the submarine force, together with land-based systems of launching missiles, would give us the most economical retaliatory power we could build.

Mr. TALMADGE. And at the same time we would be afforded a better weapon to prevent war?

Mr. JACKSON. Exactly. In addition, of course, an ocean-based missile force would draw the fire away from our cities. It would force potential enemies of the Free World to seek out and destroy the retaliatory force at sea. I think this aspect of it alone should commend it to very, very careful consideration by our people.

Mr. TALMADGE. I thank the distinguished Senator.

Mr. KEFAUVER and Mr. GORE addressed the Chair.

Mr. JACKSON. I am happy to yield to the distinguished senior Senator from Tennessee.

Mr. KEFAUVER. I wish to congratulate my colleague from Washington upon his very able presentation. I should like to ask him one question.

I notice, on page 14, that the Senator recommends that the President, with the help of the National Security Council, should examine the question as to whether we are giving enough money and priority to the development of a sea-based missile launching system; and, second, that there should be a presidentially appointed commission on ballistic seapower.

Does the Senator not feel that if these matters were fully considered and decided in the Security Council, the second part, relating to the so-called commission, might well be solved by appointing members of the commission from various committees of the Congress?

Mr. JACKSON. That is a possibility. However, it occurred to me that we should try to utilize the services of professional experts, who are completely free to give impartial judgments and free from interservice rivalry.

It is conceivable that this commission could take on the form of a joint commission. I presume that is what the distinguished senior Senator from Tennessee has in mind.

Mr. KEFAUVER. That is what I had in mind.

Can the Senator give any further information as to how much study is being given by the administration to the proposal he has made for ballistic seapower?

Mr. JACKSON. The defense planners, of course, have been considering this item for a long time. As I pointed out, they are also considering a thousand and one other problems.

My point is that this type of retaliatory force has not been given the consideration which it merits. I wish to say that some of the finest scientific men we have in America wholeheartedly support this approach to the construction of a sea-based retaliatory force. They are men like Dr. Edward Teller, and a host of other top scientists, who feel that this area is being neglected. They feel that a submarine missile force would help to stave off the catastrophe of an atomic hydrogen conflict.

Mr. KEFAUVER. I thank the Senator.

Mr. GORE. Mr. President, will the Senator yield?

Mr. JACKSON. I am happy to yield.

Mr. GORE. The Senator is entitled to, and I am sure has, the gratitude of many of his colleagues for the leadership he has provided in this difficult and technical but very important field.

The Senator has said that the President of the United States is best equipped to make a decision as to the emphasis and the effort to be placed upon this development. I would agree with the Senator in that respect if I were convinced that the President himself would actually make the decision, after coming into full possession of the facts. I qualify my comment in this respect because of the experience which the able Senator and I, as members of the Joint Committee on Atomic Energy, have had with respect to the development of an atomic airplane. We have seen another instance in which perhaps the President of the United States, is possessed of all the facts, would be best able to determine the importance of maintaining American leadership in this field, as we have maintained leadership in the field of atomic submarine development.

Because of the experience which the Senator and I have had—witnessing the slowing down of the atomic airplane program; so that it has been left, in fact,

without even a definite schedule—I wonder if the Senator does not think there is ample room for the activity of the Joint Committee on Atomic Energy, of which he and I are members, as I have said, in the field to which the able Senator has addressed his talents and attention, as well as in the field of development of nuclear power and nuclear airplanes.

Mr. JACKSON. I do not think there is any question that the Joint Committee on Atomic Energy has a very heavy responsibility in this field. I think we have an opportunity to make a real contribution.

The distinguished junior Senator from Tennessee will recall that the Joint Committee went into quite some detail as to the rate of progress of our ballistic missile program a little over 2 years ago. We wrote a letter to the President, urging that the program be given top priority, and that a civilian administrator be appointed. The President did take those steps a short time thereafter, some 30 to 60 days after the committee had been in touch with him.

I hope the President will take decisive action on this problem. I feel, in all honesty, that the rivalry which exists in the Pentagon precludes an opportunity for the Department of Defense to go forward with the kind of study which should be made.

Mr. GORE. Mr. President, will the Senator yield further?

Mr. JACKSON. I am happy to yield further.

Mr. GORE. Assuming that the interservice rivalry is so acute that the National Security Council is impeded from giving to the President an objective analysis of the American situation in the ballistic field, the development of ballistic missiles, and the importance thereof, does the Senator not think that the Joint Committee could repeat its efforts and that perhaps, if it could get the personal attention of the President, it could bring about a repetition of the direction of the President's personal attention to the problem?

Mr. JACKSON. I think the distinguished junior Senator from Tennessee has made an excellent suggestion. I feel that the very fine bipartisan attitude we have in our committee on these problems is such that we should be able to achieve that sort of objective.

Mr. GORE. Mr. President, will the Senator yield further?

Mr. JACKSON. I am happy to yield.

Mr. GORE. I appreciate the Senator's reference to the bipartisan attitude which prevails in our committee. I applaud that. It was in no partisan sense that I raised the question of the President's giving personal attention to this problem and being fully possessed of the facts.

Mr. JACKSON. The junior Senator from Washington did not wish to suggest any such inference. It was not intended.

Mr. GORE. I did not understand the Senator to infer that. Of course, the office of the President of the United States is the most powerful and the most burdensome position in the world. The present occupant of that office, or any future occupant of that office, can give his personal and full attention to only a limited number of problems. This, however, is a problem of sufficient magnitude and importance, in my opinion, to justify the President in taking time to become fully informed and to take direct executive action. It is only through direct executive action, in my judgment, that the bottleneck of interservice rivalries will be broken, so as to promote this development as it should be promoted.

Mr. JACKSON. The junior Senator from Washington completely agrees with that statement.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JACKSON. I am happy to yield.

Mr. PASTORE. First of all, I wish to express my regrets that I was unable to be present at the time the distinguished Senator from Washington delivered his speech. However, knowing of his interest in the past, I am confident that whatever he had to say on this very important subject is of such great importance that all Members of the Senate will read the speech—particularly the junior Senator from Rhode Island.

I was very much impressed by the question addressed to the distinguished Senator from Washington by the Senator from Georgia, with relation to the competition between the Soviet Union and the United States in the development of the intermediate and intercontinental missiles. As I understand the Senator from Washington, his position is that, so far as the intermediate missile is concerned, there may be a possibility that the Russians are somewhat in advance of us.

Mr. JACKSON. That is correct.

Mr. PASTORE. And that, with relation to the intercontinental missile, there is a possibility that we are more or less neck and neck.

Mr. JACKSON. That is correct.

Mr. PASTORE. That being the case, this is the question which I should like to address to the distinguished Senator from Washington: What is his observation with reference to the likelihood of America agreeing to a cessation of testing of hydrogen devices and weapons unless we make sure that we are in advance so far as the intermediate missile and the intercontinental missile are concerned?

Mr. JACKSON. I think it would be a serious mistake. I feel that it is indispensable to our security and the security of the rest of the Free World that we have in being this retaliatory capability. I think it would be unwise, indeed, if we should attempt to enter into some kind of disarmament program piecemeal, without developing a rascalproof system of disarmament. If we are dealing with rascals, we had better make sure that the system is rascalproof. I think that is the great danger we face in the discussions now in progress with the Soviets.

Mr. PASTORE. Will the Senator concede that if we are to live any longer in this period of balance of terror, the advantage will be weighted in favor of the nation which perfects as soon as possible, the intermediate and intercontinental missiles?

Mr. JACKSON. There is absolutely no doubt about it.

Mr. PASTORE. If that be the case, if I correctly understand the Senator from Washington, he strongly recommends that we proceed very cautiously in the direction of stopping any of our tests with relation to perfecting and refining our hydrogen warheads, until we determine that we are equal to or ahead of the Russians, so far as progress in this field is concerned.

Mr. JACKSON. The Senator is correct.

Mr. PASTORE. I congratulate the Senator. I shall make it a point to read his speech.

Mr. GORE. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. GORE. In addition to listening to a major portion of the Senator's speech, during the colloquy which has ensued, I have read the full text. It is one of the most able performances I have seen in a long while.

Mr. JACKSON. I thank the distinguished Senator from Tennessee.

I wish to make one observation in connection with the previous colloquy. I think it would be unfair if any impression were to be created in making these remarks on the subject of ballistic seapower, we are trying to encourage, aid, and abet further rivalry within the Defense Department.

The kind of approach I am suggesting for the consideration of the use of submarines, both surfaced and submerged, affords an opportunity to our Government and to the rest of the Free World to solve this problem impartially and fairly, without giving undue weight to the personal views of any of our top professional men in the Army, the Navy, or the Air Force. I believe that as time goes on there must be more impartial consideration of the various possibilities, which will, for the future, at least, give the United States and the other free nations an opportunity to have a military capability which will prevent any would-be aggressor from starting a war which might lead to an atomic or hydrogen catastrophe.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Allott	Fulbright	Morse
Anderson	Goldwater	Morton
Barrett	Gore	Murray
Beall	Green	Neuberger
Bennett	Hayden	Pastore
Bricker	Hickenlooper	Potter
Bush	Holland	Purtell
Butler	Hruska	Revercomb
Byrd	Humphrey	Robertson
Capehart	Ives	Russell
Carlson	Jackson	Saltonstall
Carroll	Javits	Scott
Case, N. J.	Johnson, Tex.	Smathers
Case, S. Dak.	Johnston, S. C.	Smith, Maine
Chavez	Kefauver	Smith, N. J.
Church	Kennedy	Sparkman
Clark	Knowland	Stennis
Curtis	Kuchel	Talmadge
Dirksen	Lausche	Thurmond
Douglas	Long	Thye
Dworshak	Malone	Watkins
Eastland	Martin, Iowa	Wiley
Ellender	Martin, Pa.	Williams
Ervin	McClellan	Yarborough
Flanders	Monroney	Young

Mr. JOHNSON of Texas. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from Delaware [Mr. FREAR], the Senator from Missouri [Mr. HENNINGS], the Senator from Alabama [Mr. HILL], the Senator from Oklahoma [Mr. KERR], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MANSFIELD], the Senator from Michigan [Mr. McNAMARA], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

Mr. DIRKSEN. I announce that the Senator from Vermont [Mr. AIKEN], the Senators from New Hampshire [Mr. BRIDGES and Mr. COTTON], and the Senator from South Dakota [Mr. MUNDT] are absent on official business.

The Senator from Kentucky [Mr. COOPER] and the Senator from Kansas [Mr. SCHOEPPEL] are necessarily absent.

The Senator from Indiana [Mr. JENNER], the Senator from North Dakota [Mr. LANGER], and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). A quorum is present.

VISIT TO THE SENATE BY BUSINESSMEN FROM VICTORIA, AUSTRALIA

Mr. DIRKSEN. Mr. President, the Senate is honored today by having in the gallery a delegation of very distinguished businessmen from the State of Victoria, in Australia. They have been making a 6 weeks' tour of the United States. I hope the Senate will extend them a cordial welcome; and I ask these distinguished visitors to stand.

[The visitors from Australia rose in their places in the gallery, and were greeted with applause.]

THE HOUSING ACT OF 1957

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes, which had been reported from the Committee on Banking and Currency with an amendment, to strike out all after the enacting clause and insert:

That this act may be cited as the "Housing Act of 1957."

TITLE I—FHA INSURANCE PROGRAMS

SEC. 101. Section 2 of the National Housing Act is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"(g) Any payment for loss made after December 31, 1957, to an approved financial institution under this section shall be final and incontestable after 2 years from the date the claim was certified for payment by the Commissioner, in the absence of fraud or misrepresentation on the part of such institution, unless a demand for repurchase of the obligation shall have been made on behalf of the United States prior to the expiration of such 2-year period."

SEC. 102. Section 203 (d) of the National Housing Act is hereby repealed.

SEC 103. Section 203 (i) of the National Housing Act is amended by striking out "$6,650" and inserting in lieu thereof "$8,000", and by striking out "$5,950" and inserting in lieu thereof "$7,200."

SEC. 104. Section 204 of the National Housing Act is amended by adding at the end thereof the following new subsection:

"(k) Notwithstanding any other provisions of this section or of section 604 or 904, with respect to any debentures issued pursuant to this section or section 604 or 904, the Commissioner may (1) include in such debentures reasonable payments made by the mortgagee, with the approval of the Commissioner, for the purpose of protecting, operating, or preserving the property, and taxes imposed upon any deed or other instrument by which the property was acquired by the mortgagee and transferred or conveyed to the Commissioner, and (2) terminate the mortgagee's obligation to pay mortgage insurance premiums upon receipt of an application for debentures filed by the mortgagee."

SEC. 105. (a) The second sentence of section 204 (d) of the National Housing Act is amended by striking out "determined by the Commissioner, with the approval of the Secretary of the Treasury, at the time the mortgage was offered for insurance, but not to exceed 3 percent per annum" and by inserting in lieu thereof "established by the Commissioner pursuant to section 224."

(b) The second sentence of section 207 (1) of such act is amended by striking out "determined by the Commissioner, with the approval of the Secretary of the Treasury, at the time the mortgage was insured, but not to exceed 3 percent per annum" and by inserting in lieu thereof "established by the Commissioner pursuant to section 244."

(c) The second sentence of section 803 (f) of such act is amended by striking out "determined by the Commissioner with the approval of the Secretary of the Treasury, at the time the mortgage was accepted for insurance, but not to exceed 3 percent per annum" and by inserting in lieu thereof "established by the Commissioner pursuant to section 224."

SEC. 106. Section 207 (c) (3) of the National Housing Act is amended by striking out "limitations per room" and inserting in lieu thereof "limitations", and by inserting immediately after "$1,000 per room" the following: "without regard to the number of rooms being less than 4, or 4 or more,".

SEC. 107. The unnumbered paragraph immediately following paragraph (3) of section 207 (c) of the National Housing Act is amended (1) by striking out "$8,100 per family unit" and inserting in lieu thereof "$8,100 per family unit (or $8,400 per family unit in the case of projects to consist of elevator-type structures)", and (2) by inserting before the period at the end thereof a comma and the following: "and may permit single elderly persons to use and occupy such units."

SEC. 108. Section 207 (q) of the National Housing Act is repealed.

SEC. 109. Section 213 of the National Housing Act is amended by adding at the end thereof a new subsection as follows:

"(i) Nothing in this act shall be construed to prevent the insurance of a mortgage under this section executed by a mortgagor of the character described in paragraph (1) of subsection (a) of this section covering property upon which dwelling units and related facilities have been constructed prior to the filing of the application for mortgage insurance hereunder: *Provided*, That as to any project on which construction was commenced after the date of enactment of the Housing Act of 1957, the mortgage on such project shall be eligible for insurance under this section only in those cases where the construction was subject to inspection by the Commissioner and where there was compliance with the provisions of section 212 of this title: *And provided further*, That in the case of properties other than new construction, the limitations in this section upon the amount of the mortgage shall be based upon appraised value rather than upon the Commissioner's estimate of the replacement cost.".

SEC. 110. Section 213 (e), 220 (f) (1), 221 (g) (1), and 222 (e) of the National Housing Act are each amended by striking out "and (h) of section 204" and inserting in lieu thereof "(h), and (j) of section 204."

SEC. 111. Section 219 of the National Housing Act is amended by striking out "or the Section 220 Housing Insurance Fund" and inserting in lieu thereof "the Section 220 Housing Insurance Fund, the Section 221 Housing Insurance Fund, or the Servicemen's Mortgage Insurance Fund."

SEC. 112. (a) (1) section 221 (a) of the National Housing Act is amended to read as follows:

"SEC. 221. (a) (1). This section is designed to supplement systems of mortgage insurance under other provisions of the National Housing Act in order to assist certain segments of the population to which adequate housing is not available under existing private financing programs to obtain adequate living accommodations. In carrying out the purposes of this section, the Commissioner shall prescribe such procedures as in his judgment are necessary to secure a preference or priority of opportunity to purchase or rent dwelling units covered by mortgage insurance under this section to persons included within the following categories, and to persons within such additional categories as the Commissioner may by regulation prescribe: (A) persons affected by urban renewal activities, (B) persons of moderate income, (C) persons whose inability to obtain adequate living accommodations in privately financed housing is attributable to race, creed, or color, (D) elderly persons, and (E) persons having five or more dependents.

"(2) As used in this subsection—

"(A) the term 'person affected by urban renewal activities' means an individual or family from an urban renewal area, or an individual or family displaced as a result of governmental action, in a community respecting which (i) the Housing and Home Finance Administrator has made the certification to the Commissioner provided for by section 101 (c) of the Housing Act of 1949, or (ii) there is being carried out a project covered by a Federal-aid contract executed, or prior approval granted, by the Housing and Home Finance Administrator under title I of such act before the effective date of the Housing Act of 1954, or (iii) there is being carried out an urban renewal project assisted under section 111 of the Housing Act of 1949, as amended;

"(B) the term 'person of moderate income' means an individual or family whose income is not sufficient to rent new privately financed housing with total monthly housing expenditures of 20 percent of the normal stable income of such individual or family;

"(C) the term 'elderly person' means a single person 60 years of age or over, or a family the head of which (or his spouse) is 60 years of age or over;

"(D) the term 'dependent' means any person who may be considered a dependent under section 152 of the Internal Revenue Code of 1954, including a spouse."

(2) Section 221 (d) (2) of such act is amended to read as follows:

"(2) involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount (A) not to exceed (i) $12,500 in the case of a property upon which there is located a

dwelling designed principally for a single-family residence, except that the Commissioner may by regulation increase this amount to not to exceed $15,000 in any geographical area where he finds that cost levels so require, (ii) $18,000 in the case of a property upon which there is located a dwelling designed principally for a two-family residence, except that the Commissioner may by regulation increase this amount to not to exceed $20,000 in any geographical area where he finds that cost levels so require, (iii) $25,000 in the case of a property upon which there is located a dwelling designed principally for a 3-family residence, except that the Commissioner may by regulation increase this amount to not to exceed $27,500 in any geographical area where he finds that cost levels so require, (iv) $32,000 in the case of property upon which there is located a dwelling designed principally for a 4-family residence, except that the Commissioner may by regulation increase this amount to not to exceed $35,000 in any geographical area where he finds that cost levels so require; and (B) not to exceed the appraised value (as of the date the mortgage is accepted for insurance) of any such property, less such amount, in the case of any mortgagor, as may be necessary to comply with the succeeding provisos: *Provided*, That if the mortgagor is the owner and an occupant of the property at the time of the insurance, he shall have paid on account of the property at least (i) $200 in the case of a single-family dwelling, (ii) $400 in the case of a 2-family dwelling, (iii) $600 in the case of a 3-family dwelling, and (iv) $800 in the case of a 4-family dwelling, in cash or its equivalent (which amount may include amounts to cover settlement costs and initial payments for taxes, hazard insurance, mortgage insurance premium, and other prepaid expenses): *Provided further*, That nothing contained herein shall preclude the Commissioner from issuing a commitment to insure, and insuring a mortgage pursuant thereto, where the mortgagor is not the owner and an occupant of the property, if the property is to be built or acquired and repaired or rehabilitated for sale, and the insured mortgage financing is required to facilitate the construction, or the repair or rehabilitation, of the dwelling and to provide financing pending the subsequent sale thereof to a qualified owners who is also an occupant thereof, but in such instances the mortgage shall not exceed 85 percent of the appraised value: *And provided further*, That the Commissioner shall prescribe such procedures as in his judgment are necessary to secure to families, referred to in subsection (a) above, priorities in occupancy of the remaining units of 2-, 3-, and 4-family dwellings after occupancy of 1 unit by the owner; or."

(3) Section 221 (d) (4) of such act is amended by striking out "5 percent per annum on the amount of the principal obligation outstanding at any time, or not to exceed such percent per annum not in excess of 6 percent as the Commissioner finds necessary to meet the mortgage market", and inserting in lieu thereof "4 percent per annum on the amount of the principal obligation outstanding at any time."

(4) Section 221 of such act is further amended by inserting at the end thereof a new subsection as follows:

"(i) Nothing in this act shall be construed to prevent the insurance of a mortgage under this section covering a housing project containing dwelling units designed for occupancy by single persons, and such dwelling units shall constitute family units within the meaning of this section.".

(b) Section 305 of such act is amended by adding at the end thereof a new subsection as follows:

"(g) Notwithstanding any other provision of this act, the Association is authorized to make commitments to purchase and to purchase, service, or sell, any mortgage which is insured under section 221 of this act: *Provided*, That the total amount of purchases and commitments authorized by this subsection shall not exceed $250 million outstanding at any one time.".

SEC. 113. Section 223 (a) of the National Housing Act is amended—

(1) by striking out "or 213" each place it appears (except in the second proviso in paragraph (7)) and inserting in lieu thereof "213, or 222";

(2) by inserting after "prescribed by" in paragraph (4) the following: "this act or"; and

(3) by striking out the second proviso in paragraph (7) and inserting in lieu thereof the following: ": *Provided further*, That a mortgage of the character described in paragraphs (1) through (6) of this subsection shall have a maturity, a principal obligation, and an interest rate not in excess of the maximums applicable to loans insured under section 203, 207, 213, or 222, as the case may be, except that in no case may the principal obligation of a mortgage referred to in paragraph (5) of this subsection exceed 90 percent of the appraised value of the mortgaged property."

SEC. 114. Section 226 of the National Housing Act is amended by adding at the end thereof the following new sentence: "Notwithstanding the first sentence of this section, the Commissioner is authorized to require, in connection with any mortgage where the mortgage amount is computed on the basis of the Commissioner's estimate of the replacement cost of the property, that a written statement setting forth such estimate be furnished under his section in lieu of a written statement setting forth the amount of the appraised value of the property.".

SEC. 115. Title II of the National Housing Act is amended by adding at the end thereof a new section as follows:

"SEC. 229. (a) Notwithstanding any other provision of this title, and in addition to mortgages insured under section 203 or 207, the Commissioner may insure and make commitments to insure any mortgage under this section which meets, except as hereinafter provided, the eligibility requirements set forth in such sections: *Provided*, That no mortgage shall be insured under this section unless the Secretary of Defense or his designee shall have certified to the Commissioner that the housing with respect to which the mortgage is issued is necessary in the interest of national defense. Such certification shall be evidence to the Commissioner of the need for such housing and that such project or property is an acceptable risk in place of any other requirement in this act that the project or property meet a requirement of economic soundness: *Provided*, That the Secretary or his designee with the approval of the Commissioner shall have determined that adequate housing is not available for personnel of the armed services at reasonable rentals within reasonable commuting distance of the installation and that the mortgaged property will not so far as can reasonably be foreseen substantially curtail occupancy in existing housing covered by mortgages insured under this act.

"(b) Except as otherwise provided herein, the provisions of this title relating to mortgages insured under section 203 or 207, respectively, shall be applicable to mortgages insured under this section which meet the eligibility requirements of such sections.

"(c) The Commissioner shall require that each dwelling covered by a mortgage insured under this section shall be held for rental for a period of not less than 4 years after the dwelling is made available for initial occupancy or until advised by the Secretary of Defense or his designee that the housing may be released from such rental conditions. Priority in sale or rental of dwellings covered by mortgage insured under this section shall be required and given to essential military and permanent personnel of the armed services as evidenced by certification issued by the Secretary of Defense or his designee.".

TITLE II—FEDERAL NATIONAL MORTGAGE ASSOCIATION

SEC. 201. (a) The second sentence of section 303 (d) of the National Housing Act is amended by striking out "$50,000,000" and inserting in lieu thereof "$100,000,000."

(b) The second sentence of section 303 (e) of such act is amended by striking out "$50,000,000" and inserting in lieu thereof "$100,000,000."

SEC. 202. Section 304 (c) of the National Housing Act is amended by striking out "1,350,000,000" and inserting in lieu thereof "$2,100,000,000."

SEC. 203. (a) The second sentence of section 305 (b) of the National Housing Act is amended by striking out "one year" and inserting in lieu thereof "two years."

(b) Section 305 (b) of such act is further amended by striking out the third sentence and inserting in lieu thereof the following: "The Association shall impose charges or fees for its services under this section, in an amount not to exceed 1 percent of the unpaid principal amount of any mortgage for its commitment and its purchase of such mortgage, with the objective that all costs and expenses of its operations under this section should be within its income derived from such operations and that such operations should be fully self-supporting. Not more than one-half of the charges or fees imposed under the preceding sentence with respect to any mortgage shall be collected at the time of the issuance of the commitment with respect to such mortgage, and the balance of such charge or fee shall be collected at the time of the purchase of the mortgage."

(c) The Federal National Mortgage Association shall take appropriate measures to extend the benefits of section 305 (b) of the National Housing Act, as amended by this section, to the holders of commitments entered into after March 31, 1957, and fulfilled after enactment of the Housing Act of 1957.

SEC. 204. (a) Section 305 (c) of the National Housing Act is amended to read as follows:

"(c) The total amount of purchases and commitments authorized by the President pursuant to subsection (a) of this section shall not exceed $450 million outstanding at any one time."

SEC. 205. Section 305 (e) of the National Housing Act is amended to read as follows:

"(e) Notwithstanding any other provision of this act, the Association is authorized to enter into advance commitment contracts and purchase transactions which do not exceed $350 million outstanding at any one time, if such commitments or transactions relate to mortgages with respect to which the Federal Housing Commissioner shall have issued pursuant to section 213 either a commitment to insure or a statement of eligibility; but such commitments in any one State shall not exceed $35 million outstanding at any one time: *Provided*, That (1) of the total amount of advance commitment contracts and purchase transactions authorized by this subsection, the amount of $175 million thereof shall be available solely for commitments or purchases of mortgages where the management or sales-type cooperative involved is certified by the Federal Housing Commissioner as consumer-sponsored, and (2) of the commitments in any one State, not more than $17,500,000 shall be outstanding at any one time for mortgages with respect to cooperative projects which are not of the type described in clause (1) of this proviso."

SEC. 206. Section 305 (f) of the National Housing Act is amended by striking out "$200,000,000" and inserting in lieu thereof "$400,000,000," and by inserting before the period a colon and the following: "*Provided further*, That not less than 7.5 percent of the amount authorized in the preceding proviso shall be available for such purchases and commitments with respect to mortgages insured under section 809."

SEC. 207. Section 305 of the National Housing Act is amended by adding at the end thereof a new subsection as follows:

"(h) Notwithstanding any other provision of this Act, the Association may make loans for the construction of any housing project, if (1) such construction advances are insured under this act, (2) the Association has issued a commitment to purchase a mortgage on such housing project, and (3) the Association determines that such financing is not otherwise available on reasonable terms. The Association may impose charges or fees for its services in providing financial assistance under this subsection in an amount not to exceed 1 percent of the principal amount of any loan made or participated in hereunder."

TITLE III—SLUM CLEARANCE AND URBAN RENEWAL

SEC. 301. Section 103 (b) of the Housing Act of 1949 is amended by striking out "$500 million, which limit shall be increased by further amounts of $200 million on July 1 in each of the years 1955 and 1956, respectively," and inserting in lieu thereof "$900 million, which limit shall be increased by further amounts of $250 million on July 1 in each of the years 1957, 1958, 1959, and 1960, respectively."

SEC. 302. (a) The Housing Act of 1949 is further amended by:

(1) Striking out the second sentence of section 103 (a) and inserting in lieu thereof the following: "The aggregate of such capital grants with respect to all the projects of a local public agency on which contracts for capital grants have been made under this title, exclusive of projects referred to in the proviso hereof, shall not exceed 75 percent of the aggregate of the net project costs of such nonexcluded projects: *Provided*, That the aggregate of such capital grants may exceed 75 percent but not 85 percent of the aggregate net project costs of those projects which the Administrator, at the request of a local public agency, may approve on such an 85 percent capital grant basis. A capital grant with respect to any individual project shall not exceed the difference between the net project cost and the local grants-in-aid actually made with respect to the project";

(2) Striking out "one-third" in section 104 and inserting in lieu thereof "25 percent", and inserting before the period at the end of such section a comma and the following: "and, with respect to projects referred to in the proviso in the second sentence of section 103 (a), local grants-in-aid shall not be required in excess of 15 percent of the aggregate net project costs of all projects of the local public agency on which contracts for capital grants have been made on the 85-percent basis";

(3) Inserting before the first semicolon in section 110 (d) the words "to defray expenditures within the purview of section 110 (e) (1) hereof";

(4) Inserting before the period at the end of the first sentence of section 110 (e) a colon and the following: "*Provided*, That with respect to a project for which a contract for capital grant has been executed on an 85-percent basis pursuant to the proviso in the second sentence of section 103 (a), that part of gross project cost under clause (1) of this subsection shall, in lieu thereof, comprise the amount of the expenditures by the local public agency with respect to the following undertakings and activities necessary to carry out such a project:

"(i) Acquisition of land (but only to the extent of the consideration paid to the owner and not title, appraisal, negotiating, legal or any other expenditures of the local public agency incidental to acquiring land), disposition of land, demolition and removal of buildings and improvements, and site preparation and improvements, all as provided in paragraphs (1), (2), (3), (4), and (6) of section 110 (c); and

"(ii) The payment of carrying charges related to the undertakings in clause (i), exclusive of taxes and payments in lieu of taxes, but not beyond the point where such a project is completed;

but shall not comprise the cost of any other undertakings and activities with respect to such a project including, but without being limited to, the cost of surveys and plans, legal services of any kind, and all administrative and overhead expenses of the local public agency"; and

(5) Inserting within the parentheses in the second sentence of section 110 (e) after the words "or is hereafter executed" the following: ", other than a project on which a contract for capital grant is made on an 85-percent basis pursuant to the proviso in the second sentence of section 103 (a)."

(b) Section 314 of the Housing Act of 1954 is amended by striking out "two-thirds" in the second sentence and inserting in lieu thereof "75 percent."

(c) Notwithstanding the provisions of any existing contract either for a capital grant for a project under title I of the Housing Act of 1949, as amended, or for a demonstration grant for a project under section 314 of the Housing Act of 1954, as amended, under which final settlement and payment in full of the grant has not been made, the Administrator may extend financial assistance for such project on the basis of a 75-percent grant as provided in section 103 (a) of such title I, as amended, or in such section 314, as the case may be, and may issue such procedures, regulations, contract amendments or changes, and other documents as may be appropriate to reflect the revised basis for financing such project.

SEC. 303. Section 106 (e) of the Housing Act of 1949 is amended by striking out "10 percent" and inserting in lieu thereof "15 percent."

SEC. 304. Paragraph (2) of section 106 (f) of the Housing Act of 1949 is amended by striking out the second sentence and inserting in lieu thereof the following: "Such payments shall be made subject to such rules and regulations as may be prescribed by the Administrator, and shall not exceed $100 in the case of an individual or family, or $3,000 in the case of a business concern. Such rules and regulations may include provisions authorizing payment to individuals and families of fixed amounts (not to exceed $100 in any case) in lieu of their respective reasonable and necessary moving expenses."

SEC. 305. Section 110 (b) of the Housing Act of 1949 is amended to read as follows:

"(b) 'Urban renewal plan' means a plan, as it exists from time to time, for an urban renewal project, which plan (1) shall conform to the general plan of the locality as a whole and to the workable program referred to in section 101 hereof and shall be consistent with definite local objectives respecting appropriate land uses, improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements; and (2) shall be sufficiently complete to indicate such land acquisition, demolition and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the urban renewal area, zoning and planning changes, if any, land uses, maximum densities, and building requirements.".

SEC. 306. Section 110 (c) of the Housing Act of 1949 is amended by striking out the last two paragraphs and inserting in lieu thereof the following:

"Financial assistance shall not be extended under this title with respect to any urban renewal area which is not clearly predominantly residential in character unless such area will be a predominantly residential area under the urban renewal plan therefor, except that this limitation shall not apply—

"(A) where the urban renewal area contains (1) a substantial number of blighted, deteriorated, or deteriorating commercial or industrial structures and the Administrator and the governing body of the local public agency determine that the redevelopment or rehabilitation of such area for predominantly nonresidential uses is appropriate in connection with the orderly and effective planning and carrying out of urban renewal projects which are subject to the foregoing limitation, or (ii) a substantial number of slum, blighted, deteriorated, or deteriorating dwellings or other living accommodations, the elimination of which would tend to promote the public health, safety, and welfare in the locality involved and such area is not appropriate for predominantly residential uses: *Provided*, That the aggregate of the capital grants made pursuant to this clause (A) shall not exceed 7.5 percent of the total amount of capital grants authorized by this title; or

"(B) where the urban renewal area consists of land within the purview of clause (1) (ii) or (1) (iii) of the first paragraph of this subsection which does not contain a substantial number of blighted, deteriorated, or deteriorating structures but otherwise meets the requirements of clause (A) (1) of this paragraph: *Provided*, That no grants shall be made for projects pursuant to this clause (B), and the loans and outstanding advances to any local public agency pursuant to this clause shall not exceed 2½ percent of the estimated gross project costs of the projects undertaken under other contracts with such local public agency pursuant to this title."

SEC. 307. Section 110 (d) of the Housing Act of 1949 is amended by inserting in the second proviso of the first sentence after the words "under this section 110 (d)" the following: "with respect to any project covered by a Federal-aid contract under this title."

SEC. 308. Section 2 (5) of the United States Housing Act of 1937 is amended by adding the following at the end thereof: "In cases where the public housing agency is also the local public agency for the purposes of title I of the Housing Act of 1949 an administration building included in a low-rent housing project to provide central administrative office facilities may also include sufficient facilities for the administration of its functions as such local public agency, and in such case, the Authority shall require that an economic rent shall be charged for such facilities in such building as are used for the administration of its functions as such local public agency and shall be paid from funds derived from sources other than the low-rent housing projects of such public housing agency".

SEC. 309. There is hereby authorized to be appropriated the sum of $500,000 for a 3-year period, commencing on or after July 1, 1957, to be used by the Housing and Home Finance Administrator for the purpose of providing fellowships in public or private nonprofit institutions of higher education for the graduate training of qualified persons in urban planning and related fields.

TITLE IV—PUBLIC HOUSING

Low-rent housing

SEC. 401. (a) Section 15 (8) (d) of the United States Housing Act of 1937 is amended by inserting before the period a colon and the following: "*Provided*, That the public housing agency may permit any such families to remain as tenants in the project during any period in which it is determined by the public housing agency that there is an inadequate supply of decent, safe, and sanitary dwellings for their use in the locality involved at levels which they can afford, if

such families pay during any such period rentals equal to at least 20 percent of their net incomes (less the exemptions permitted by section 2 (1) of this act) or rentals equal to the rents at which comparable accommodations would be provided by private enterprise unaided by public subsidy, whichever is less".

(b) In order to enable low-rent housing to serve more effectively the needs of large families of low income, the United States Housing Act of 1937 is amended by deleting the second and third sentences of paragraph (1) of section 2, and substituting therefor the following: "The dwellings in low-rent housing as defined in this Act shall be available solely for families whose net annual income at the time of admission, less an exemption of (a) $100 for each minor or adult dependent member of the family having no income, and (b) not to exceed $600 of the income of each member of the family other than the principal wage earner, does not exceed five times the annual rental (including the value or cost to them of water, electricity, gas, other heating and cooking fuels, and other utilities) of the dwellings to be furnished such families. For the sole purpose of determining eligibility for continued occupancy, a public housing agency may allow, from the net income of any family, an exemption (a) for each minor member of the family (other than the head of the family and his spouse) of either $100 or all or any part of the annual income of such minor, and (b) of $100 for each adult dependent member of the family having no income, and (c) not to exceed $600 of the income of any other member of the family other than the principal wage earner.".

(c) (1) Section 101 (c) of the Housing Act of 1949 is amended by striking out "or for annual contributions or capital grants pursuant to the United States Housing Act of 1937, as amended, for any project or projects not constructed or covered by a contract for annual contributions prior to August 1, 1956.".

(2) Section 10 (1) of the United States Housing Act of 1937 is amended by striking out the following: "*Provided further*, That no such new contract for annual contributions for additional units shall be entered into except with respect to low-rent housing for a locality respecting which the Housing and Home Finance Administrator has made the determination and certification relating to a workable program as prescribed in section 101 (c) of the Housing Act of 1949, as amended:".

(d) Section 15 (5) of the United States Housing Act of 1937 is amended by striking out in the first sentence the figure "$1,750" and inserting in lieu thereof "$2,000", and by striking out the figure $2,250".

(e) Section 15 (5) of the United States Housing Act of 1937 is amended by adding at the end thereof a new sentence as follows: "Every contract made pursuant to this act for loans, annual contributions, or capital grants, with respect to projects for which the preparation of plans, drawings, and specifications has not been started or contracted for prior to the date of enactment of the Housing Act of 1957; shall require that such plans, drawings, and specifications follow the principle of modular measure in every case deemed feasible by the public housing agency, in order that the housing may be built by conventional construction, on-site fabrication, factory pre-cutting, factory fabrication, or any combination of these construction methods."

Housing for disaster victims

Sec. 402. (a) The Public Housing Commissioner is hereby authorized to enter into contracts on a standby or emergency basis, without regard to the provisions of section 3709 of the Revised Statutes, for emergency production and delivery, or purchase and delivery, of housing and equipment in the event of a major disaster as defined in section 2 (a) of the act of September 30, 1950 (64 Stat. 1109), as amended. Such housing and equipment may be made available to local public agencies, the American Red Cross, or other nonprofit relief organizations, without charge, to provide shelter for victims of any such disaster. The Commissioner is also authorized and directed to prepare procedures for emergency mobilization of local services and property to provide emergency shelter including the preparation of sites for emergency dwellings.

(b) Notwithstanding the provisions of any other law except provisions enacted hereafter which refer specifically to this act, the Commissioner is authorized to use for the purposes of this section not to exceed $5 million of funds made available by section 20 of the United States Housing Act of 1937. All receipts of the Public Housing Administration under this section and any reimbursements to the Administration pursuant to the provisions of the act of September 30, 1950 (64 Stat. 1109), as amended, shall be applied to repayment of the note or notes of the Public Housing Administration executed and delivered in connection with funds obtained pursuant to said section 20, and the Secretary of the Treasury shall credit as a payment upon such note or notes an amount equal to the amount certified by the Commissioner as having been expended under this section and which the Administration has not repaid out of such receipts or reimbursements.

Disposition of war housing projects

Sec. 403. (a) Notwithstanding the provisions of section 614 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14 1940, as amended (42 U. S. C. 1521, and the following), the Housing and Home Finance Administrator is authorized to sell and convey war housing project CONN-6029 to the housing authority of the town of Wethersfield, Conn., pursuant to the provisions of section 810 of the Housing Act of 1954, as amended, until midnight of July 1, 1957.

(b) Notwithstanding any other provision of law, the Housing and Home Finance Administrator is authorized and directed to sell and convey to the Housing Authority of the City of Las Vegas, Nev., for a total price of $452,200, all of the right, title, and interest of the United States in and to the housing project known as Kelso-Turner (NEV-26021) located in the city of Las Vegas, Nev. Five percent of the purchase price shall be paid at the time of closing and the balance of the purchase price shall be secured by a mortgage and shall be paid in equal annual installments within 20 years from the date of sale with the right of prepayment of all or any part thereof. The unpaid balances shall bear interest at the rate of 4½ percent per annum. The Administrator may impose such other terms and conditions as he may deem necessary or desirable. The Administrator shall make no payments in lieu of taxes with respect to the project authorized to be conveyed hereunder for any tax year or portion thereof subsequent to the date of sale. Any sale pursuant to this authorization shall be made within 3 months after the date of enactment of this act.

(c) (1) Notwithstanding the provisions of sections 607 and 614 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended (42 U. S. C. 1521 and the following), or any other law, the Housing and Home Finance Administrator shall convey to the State of Louisiana all right, title, and interest of the United States in and to the projects identified as LA-16011 and LA-16012, constructed under the provisions of said act on real property constituting a part of the grounds of the Central Louisiana Hospital for the Insane leased from the State of Louisiana. Such conveyance shall be made in consideration of the payment of $300,000 by the State of Louisiana in three equal annual installments.

(2) Payments in lieu of taxes, pursuant to section 306 of such act of October 14, 1940, shall be made only for the pro rata period of the tax year preceding the date of delivery of possession of such projects to the State of Louisiana.

(3) The provisions of this subsection shall be effective only if the first installment is paid within 60 days after the date of enactment of this act.

(d) Notwithstanding any other provision of law, the Housing and Home Finance Administrator is authorized and directed to sell and convey to the city of Layton, Utah, for a total purchase price of $580,000, all of the right, title, and interest of the United States in and to the housing project known as Verdeland Park (UTAH-42015) located in the city of Layton, Utah. The purchase price shall be secured by a mortgage which need not be a general obligation of the city, and shall be paid in equal annual installments within 10 years from the date of sale with the right of prepayment of all or any part thereof. No downpayment shall be required, and the unpaid balances shall bear interest at the rate of 4½ percent per annum. The Administrator may impose such other terms and conditions as he may deem necessary or desirable. The Administrator shall make no payments in lieu of taxes with respect to the project authorized to be conveyed hereunder for any tax year or portion thereof subsequent to the date of sale. The provisions of this subsection shall be effective only if the conveyance is made within 90 days after the date of the approval of this act.

TITLE V—MILITARY HOUSING

Sec. 501. Section 803 (a) of the National Housing Act is amended by striking out "June 30, 1958" and inserting in lieu thereof "June 30, 1959."

Sec. 502. Section 803 (b) of the National Housing Act is amended by striking out the first sentence of paragraph (3) and inserting in lieu thereof the following: "The mortgage shall involve a principal obligation in an amount—

"(A) not to exceed an average of $16,500 per family unit for such part of such property or project (including ranges, refrigerators, shades, screens, and fixtures) as may be attributable to dwelling use, less the Commissioner's estimated value of any usable utilities within the boundaries of the property or project owned by the United States and not provided for out of the proceeds of the mortgage: *Provided*, That should the financing of housing to be constructed pursuant to a single invitation for bids be accomplished by two or more mortgages, the principal obligation of any single mortgage may exceed an average of $16,500 per family unit if the sum of the principal obligations of all mortgages for such housing does not exceed an average of $16,500 per family unit: *Provided further*, That the estimated apportioned cost of any such family unit (including the value of usable utilities as hereinabove stated) shall not exceed $25,000; and

"(B) not to exceed the bid of the eligible bidder with respect to the property or project under section 403 of the Housing Amendments of 1955, which bid shall bear a reasonable relation to the Commissioner's estimate of the replacement cost of the property or project when the proposed improvements are completed: *Provided*, That the Commissioner's estimate of replacement cost may include the cost of the land, the physical improvements, and the utilities within the boundaries of the property or project less the estimated value of any usable utilities within the boundaries of the property or project owned by the United States and not provided for out of the proceeds of the mortgage.".

TITLE VI—MISCELLANEOUS

College housing

Sec. 601. (a) Section 401 (d) of the Housing Act of 1950 is amended by striking out "$750,000,000" and inserting in lieu thereof "$950,000,000", and by inserting before the period at the end thereof a colon and the following: "Provided further, That the amount outstanding for hospitals, referred to in clause (3) of section 404 (b) of this title, shall not exceed $25,000,000".

(b) Section 404 (b) of such Act is amended to read as follows:

"(b) 'Educational institution' means (1) any educational institution offering at least a 2-year program acceptable for full credit toward a baccalaureate degree, including any public educational institution, or any private educational institution no part of the net earnings of which inures to the benefit of any private shareholder or individual, (2) any educational institution beyond the level of high school (no part of the net earnings of which inures to the benefit of any private shareholder or individual) the courses of which are designed to train persons to carry on the vocation of clergyman of a religious denomination, (3) any hospital operating a school of nursing beyond the level of high school approved by the appropriate State authority, or any hospital approved for internships by recognized authority, if such hospital is either a public hospital or a private hospital, no part of the net earnings of which inures to the benefit of any private shareholder or individual, (4) any corporation (no part of the net earnings of which inures to the benefit of any private shareholder or individual) (A) established by any institution included in clause (1) of this subsection for the sole purpose of providing housing or other educational facilities for students or students and faculty of such institution without regard to their membership in or affiliation with any social, fraternal, or honorary society or organization, and (B) upon dissolution of which all title to any property purchased or built from the proceeds of any loan secured under this title will pass to such institution, and (5) any agency, public authority or other instrumentality of any State established for the purpose of providing or financing housing or other educational facilities for students or faculty of any public educational institution included in clause (1) of this subsection, but nothing herein contained shall require an institution included in clause (1) of this subsection to obtain loans through any instrumentality included in this clause of this subsection.".

Voluntary home mortgage credit program

Sec. 602. Section 610 (a) of the Housing Act of 1954 is amended by striking out "June 30, 1957" and inserting in lieu thereof "June 30, 1960".

Farm housing research

Sec. 603. (a) The Housing and Home Finance Administrator is authorized and directed to undertake and carry out a program, in the manner provided in subsection (b), for the study of farm housing in the United States. Such program shall be designed to assist in the improvement of farm-housing conditions in the United States by developing data and information on—

(1) the adequacy of existing farm housing;

(2) the nature and extent of current and prospective needs for farm housing, including the needs for financing and improved design, utility, and comfort, and the methods by which such needs might best be satisfied;

(3) the problems faced by farmers in purchasing, constructing, improving, altering, repairing, and replacing farm dwellings;

(4) the interrelation of farm-housing problems and the problems of housing in urban and suburban areas; and

(5) any other matters bearing upon the provision of adequate housing for the farm population of the United States.

(b) The research, study, and analysis required to carry out the program described in subsection (a) shall be conducted by land-grant colleges established pursuant to the act of July 2, 1862 (7 U. S. C., secs. 301–308), and such research, study, and analysis shall be financed with grants made to such colleges by the Housing and Home Finance Administrator on such terms, conditions, and standards as may be specified in regulations prescribed by him.

(c) The authority of the Housing and Home Finance Administrator to make grants under subsection (b) shall expire June 30, 1959; and the total amount of such grants shall not exceed $300,000 during either of the fiscal years ending June 30, 1958, and June 30, 1959.

(d) There are authorized to be appropriated such sums as may be necessary to carry out this section.

Exchange of data

Sec. 604. The Housing and Home Finance Administrator shall exchange data relating to housing and urban planning and development with other nations where such exchange is deemed by him to be beneficial to the programs of the Housing and Home Finance Agency.

Mr. SPARKMAN. Mr. President, with reference to the pending measure, as the Senate begins its debate on H. R. 6659, as that bill was amended by the Senate Banking and Currency Committee, I think it appropriate to make a general statement.

As chairman of the Subcommittee on Housing, I take this opportunity to thank the members of the subcommittee and the Committee on Banking and Currency, as well as the staffs of each committee, for their cooperation and efforts in preparing this year's housing legislation.

For the past year or more, the housing industry has felt the effects of the administration's hard money policy. Housing starts have rapidly declined—declined to a level far below that necessary to meet the housing needs of the American people. All the so-called indirect credit controls which have been applied to credit have had a disproportionately severe effect upon housing. We have an unsatisfied demand for housing at this very moment, and we shall be faced with an unprecedented reduction in our existing inventory as other new programs involving demolition of existing housing get underway.

There is no doubt that we have come a long way in assisting American families to obtain decent housing through federally encouraged housing programs. Since the inception of the National Housing Act in 1934, the Federal Housing Administration has insured mortgages secured by more than 5.1 million dwelling units. I should like to point out that this program has not, in its overall effect, cost the Government 1 cent.

The same statement can be made in connection with all other federally underwritten housing programs administered by the Housing and Home Finance Agency, with the exception of the public housing, and the urban renewal and slum clearance programs. As a matter of fact, I contend that if all these housing programs were wiped from the statutes today, the Federal Government would not have lost any money in these housing ventures, but, on the other hand, would in the end earn a slight profit. Again, with the exception of the two programs mentioned, it is my contention that the Government's housing programs, including the Federal National Mortgage Association, can accurately be defined as a type of investment. And, as a matter of fact, it can be argued that the public housing and urban renewal programs, which utilize capital grants, are solid investments in America's future.

I am sure that all my colleagues have noted an increase in the volume of correspondence coming to their offices in connection with housing legislation. Between the dates of March 18 and April 3, 1957, the Housing Subcommittee held hearings at which nearly 1,000 pages of testimony were recorded. In addition, some 340 reports, statements and letters were received. It is evident to me, after hearing the testimony and reading the various reports received, that the housing needs of the Nation are not being met.

In preparing this year's housing bill, every proposal received was carefully considered by the subcommittee during 4 days of executive session, and later by the full committee in 1 day of executive session.

The proposed Housing Act of 1957 is divided into six titles. Title I covers the FHA insurance programs established by the National Housing Act. Title II provides for changes in the operations of the Federal National Mortgage Association. Title III contains a number of improvements in the slum clearance and urban renewal programs. Title IV provides some technical amendments for the low-rent public housing program. Title V extends and provides for clarifying amendments to the military-housing program. And title VI contains miscellaneous provisions, including college housing, the voluntary home mortgage credit program; farm housing research, and 1 or 2 other subjects.

TITLE I—FEDERAL HOUSING ADMINISTRATION—GENERAL

The provisions in title I of the bill cover the insurance programs administered by the Federal Housing Administration. With few exceptions, the provisions in this title deal with minor technical amendments designed to facilitate and clarify the administrative functions and operations of the FHA. In addition, this title contains provisions to delete obsolete sections of the National Housing Act.

TWO-YEAR PERIOD FOR INVALIDATING TITLE I CLAIMS

The bill amends the title I home-improvement program to establish a 2-year statute of limitations, from the date the lender's claim is paid by the FHA. During this period, the FHA may demand the return of claims paid and cancel the insurance on the grounds of technical ineligibility. Under existing law, there is no statute of limitations, and the Federal Housing Commissioner can require a lender to repurchase a title I loan because of lack of eligibility for insurance any time after the claim has been paid.

Lenders are in many instances forced to create contingent reserves to protect themselves against this contingency. Some reasonable period should be placed on the time within which FHA may require lenders to repurchase a title I loan. Therefore, this bill proposes to amend the title I program so as to provide that the FHA will have 2 years after the claim has been paid to investigate the case for matters of eligibility. After that period, the claim may be considered as final and incontestable unless it is established that the lender has been guilty of fraud or misrepresentation.

OBSOLETE FARM HOUSING PROVISION

In 1954, officials of the Federal Housing Administration advised the Congress that a provision pertaining to the insurance of mortgages on farm properties had been virtually unused. Therefore, the Housing Act of 1954 amended the provision to provide that no mortgages could be insured under this section after the effective date of the 1954 act, except pursuant to commitments issued on or before such date. There are no outstanding commitments under this section at the present time, and the committee, therefore, feels that this section is now obsolete, and should be deleted from the National Housing Act.

SECTION 203 (I) MORTGAGES

Under existing law, FHA is permitted to insure mortgage loans secured by properties in small towns and semirural areas without requiring costly site improvements and with minimum construction standards. This program was specifically designed to bring the FHA insurance system into use in areas and by families which were not served by the mass homebuilding industry. Pursuant to section 203 (i) of the National Housing Act, the maximum mortgage amount is established at $6,650, which amount would permit the purchase of a $7,000 house for a downpayment of $350. Evidence brought to the attention of the committee this year showed that construction costs have been steadily rising and that the maximum mortgage amount handicapped this useful program in many areas of the country. In order to remedy this situation and to stimulate low-cost housing, the bill raises the maximum mortgage amount from $6,650 to $8,000. Under the present downpayment required by the FHA, this will permit the purchase of an $8,400 house with a downpayment of approximately $400.

MAINTENANCE OF FORECLOSED PROPERTIES AND TERMINATION OF MORTGAGE INSURANCE PREMIUMS

Existing law does not make any provision for the maintenance and care of properties on which foreclosure action has been initiated by the mortgagee and which properties will eventually fall into the hands of the FHA. In many instances, from 18 months to 2 years elapse before the title to the property is vested in the FHA. During this period, maintenance is required to keep the property in good repair. This bill permits the FHA to authorize mortgagees to make small expenditures for the protection of properties securing insured loans commencing with the beginning of foreclosure proceedings and continuing until title passes to the FHA. It is felt that such a provision will protect the property from vandalism and damage by the elements and, in effect, maintain the property in good repair for transfer to the FHA.

This section of the bill would also permit termination of the mortgagee's obligation to pay mortgage insurance premiums when the mortgagee files his application for debentures. Under existing law, mortgagees are required to pay insurance premiums up to the date of acceptance of title by the FHA.

CORRECTING OBSOLETE PROVISIONS OF FHA DEBENTURE INTEREST RATE

In 1954, a provision was added to the National Housing Act which provided that the debenture interest rate, with respect to any section of the act, shall be fixed by the Commissioner, with the approval of the Secretary of the Treasury, in an amount not in excess of an annual rate of interest determined by the Secretary by estimating the average yield to maturity on the basis of daily market quotations of prices during the calendar month next preceding the establishment of such rate of interest on all outstanding marketable obligations of the United States having a maturity date of 15 years or more from the first day of such next preceding month, and by adjusting such average yield to the nearest one-eighth of 1 percent. In conformity with this provision, a debenture interest rate was established in December 1956 at 3¼ percent. In sections 204, 207, and 803 of the National Housing Act, there remain references to the former maximum rate of 3 percent per annum. Therefore, there is a contradiction in the law as it exists today. While there is no legal difficulty, there has been a practical problem resulting from the seeming conflict of the section added in 1954 and the wording of the three other sections mentioned above. The committee is advised that section 224, added in 1954, is considered as the controlling provision. Therefore, this bill removes the point of confusion and expressly conforms the interest rate formula added in 1954 to all sections of the act.

Mr. President, I may interpolate at that point to say that this is a relatively small program, but it is one of the very best in the whole bill. It is one that applies to low-cost housing, particularly in rural and semirural areas, at a time when the cost of housing has been steadily mounting.

MORTGAGE AMOUNT INCREASES UNDER SECTION 207 (RENTAL HOUSING)

Under section 207 of the National Housing Act, the FHA Commissioner is authorized to insure a rental housing mortgage not to exceed $2,250 per room, or $8,000 per unit. Discretionary power is vested in the Commissioner to raise the per room limit by $1,000 in high-cost areas, and an additional amount in the case of an elevator-type structure. However, the additional room cost may not be added in high-cost areas if the unit contains less than four rooms. The bill provides an amendment to remove this prohibition against application of the high-cost allowance, in order that the $1,000 per room may be added to each room in a rental unit in a high-cost area, regardless of the number of rooms in the unit.

Ever-increasing costs of construction account for very little rental housing being provided in recent years. One of the major reasons for this has been the inability of mortgagors to obtain adequate mortgages. Either the mortgagor must invest substantial sums of money in the rental property, which may take some time to recover, or, as has been more typical, rental projects are simply not built. In order to stimulate this program and to provide greater incentive in the production of rental housing, the committee added this amendment, believing that it will make this program attractive, particularly in high-cost areas.

Furthermore, the bill adds a special provision to 207 rental housing for elderly persons to permit units for occupancy by single persons as well as families, and increases the maximum mortgage amount from $8,100 to $8,400 per unit where the mortgage is to finance an elevator-type rental housing project to be used and occupied entirely by elderly persons.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. SPARKMAN. I am glad to yield to the distinguished Senator from Ohio, a member of our committee.

Mr. LAUSCHE. As I read the provision, the allowable sum per room is now $2,250, and the bill contemplates raising that from $2,250 to a level of $3,250? I may be in error about that. I merely ask the question for information.

Mr. SPARKMAN. The Senator is correct, in the high-cost areas only.

Mr. LAUSCHE. Therefore, the bill would provide insurance of mortgages in the construction of rental housing at a cost per room of not to exceed $3,250.

Mr. SPARKMAN. The Senator is correct. The Senator, I am sure, noticed that in my remarks I tried to stress one thing we have been trying to do, which is to remedy a situation wherein we have had practically no rental housing built in the past 2 or 3 years because of the increase in the cost of housing. We are hoping by this action to stimulate production of rental housing.

REPEALING OBSOLETE REFERENCE

The bill repeals section 207 (q) of the National Housing Act, which has become obsolete by the enactment of sections 213 and 306 (e). The reference in section 207 (q) to "paragraph numbered (2) of subsection (c) of this section" is an obsolete reference to a repealed provision.

ELIGIBILITY OF EXISTING CONSTRUCTION OF SECTION 213—COOPERATIVE HOUSING

Pursuant to existing law, the FHA is permitted to insure mortgages secured by cooperative housing projects so long as the mortgage is secured by new construction. Many cooperative groups could acquire suitable existing housing if purchase money could be obtained with the aid of a Government-insured mortgage. Consequently, this bill amends section 213 of the National Housing Act to permit existing structures to be eligible as security for a mortgage under this program. The mortgage amount on existing projects is to be based upon an FHA estimate of value rather than the FHA estimate of replacement cost as is the case with new construction of section 213 projects. While in the case of existing properties the mortgage should be predicated on the value and not solely on replacement cost, it is recognized that the value determination should take account of the fact that the property is purchased as a cooperative for continued use and occupancy rather than as an income-producing investment. The usual technique used in the valuation of rental property, therefore, should be modified accordingly.

In this connection, the committee expects FHA to take steps to assure that the consumer's interest is protected and that the insurance on existing structures is used only by groups whose member-stockholders are occupants or prospective occupants of the project, or to representatives of nonprofit corporations created to facilitate transfer of such projects to bona fide consumers.

TERMINATION OF MORTGAGE-INSURANCE PREMIUMS WHERE FHA DOES NOT ACQUIRE FORECLOSURE PROPERTY

Under existing law, FHA is authorized to permit the termination of the mortgagee's liability for payment of mortgage-insurance premiums in those cases where the mortgagee forecloses on the mortgaged property but informs the FHA Commissioner that it does not intend to convey the property to FHA in exchange for debentures. Existing law which applies only to individual home mortgages insured under section 203 of the National Housing Act permits the mortgagee to terminate subsequent mortgage-insurance premiums upon such notification. This bill applies the same principle to other individual home mortgages insured under sections 213, 220, and 221 of the National Housing Act.

TRANSFERABILITY OF FHA INSURANCE FUNDS

Provisions in the National Housing Act now provide authority for the FHA Commissioner to transfer moneys to and from various insurance funds. However, such authority does not extend to the section 221 housing insurance fund and the servicemen's mortgage insurance fund. The bill would amend that section providing for the transferability of the various insurance funds in order to bring the section 221 housing insurance fund and the servicemen's mortgage insurance fund within the purview of that provision.

AMENDMENTS TO FHA SECTION 221

This bill amends section 221 of the National Housing Act in order to make the benefits of that section available to additional families and individuals who have not enjoyed an equal opportunity to obtain decent housing under other federally encouraged housing programs. Under existing law the benefits of section 221 are available only to persons displaced by urban renewal activities. Section 221 provides FHA insurance of mortgages with no downpayment except $200, which may include settlement costs; a 40-year maturity for single-family dwellings; and mortgage insurance up to 100 percent of value on multifamily rental projects if the mortgagor is a nonprofit organization.

This bill amends section 221 by designating five needy segments of our population who may obtain mortgage insurance under the provisions of section 221. These segments are: First, persons affected by urban renewal activities—the group now covered by existing law; second, persons of moderate income—defined in the bill as an individual or family whose income is not sufficient to rent new privately financed housing with total monthly expenditures of 20 percent of the normal stable income of such individual or family; third, persons whose inability to obtain adequate living accommodations in privately financed housing is attributable to race, creed, or color; fourth, elderly persons—defined in the bill as a single person 60 years of age or over, or a family the head of which, or his spouse, is 60 years of age or over; and, fifth, persons having 5 or more dependents.

In addition to amending section 221 to cover these groups, the bill would establish a new maximum interest rate of 4 percent on mortgages insured under this section, and also would increase the maximum mortgage limit to $12,500—or $15,000 in high-cost areas.

A further amendment would make the mortgage-insurance provisions of section 221 applicable to 2-, 3-, and 4-family dwellings. At the present time as stated above, only single-family dwellings or multifamily rental projects may now be insured under section 221. The bill as reported would permit the insurance of a 2-, 3-, or 4-unit building if the owner is an occupant of the property. The FHA Commissioner would be required to prescribe procedures necessary to secure a priority in the remaining units to eligible families.

I do not believe anyone will argue that the groups to be served by this amendment do not need better and more adequate housing. At the same time, it is becoming obvious that the need of these groups for better housing is increasing at a more rapid pace than any other segment of our population. An alarming number of families can expect to be displaced as a result of the slum-clearance and urban-renewal program and the huge new Federal roads program. A most frustrating situation confronts these families of moderate income; those whose earnings range between $3,500 and $5,000 per year. In that income range, adequate housing is not always available within their income. Families of minority groups have many difficulties, regardless of income, in obtaining housing. Elderly persons who are becoming a proportionately larger share of our population are forced to live in shamefully substandard dwellings to an extent which disturbs our national conscience. The plight of larger families, especially those at lower- and mid-mile-income levels, is becoming desperate.

FHA-INSURED LOANS ON HOUSING SOLD BY GOVERNMENTAL AGENCIES

The bill amends section 223 (a) of the National Housing Act to make it possible for housing sold to servicemen with financing under section 223 to receive the benefits of mortgage-insurance provisions contained in section 22, the servicemen's mortgage-insurance program.

ADVISING HOME BUYER OF FHA ESTIMATE OF REPLACEMENT COST

Pursuant to existing law, the FMA is required to furnish an estimate of value to the home buyer. Where the law bases the amount of the mortgage upon replacement cost, FHA's estimate of value is sometimes less than the amount of the mortgage based upon replacement cost. This situation has in many instances created a misunderstanding between the home buyer, the mortgagee, and the FHA. The bill, therefore, amends section 226 of the National Housing Act to allow the FHA to furnish an estimate of replacement cost to the home buyer, in lieu of an estimate of value, in those cases where the law bases the mortgage upon replacement cost.

Mr. GORE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I am glad to yield.

Mr. GORE. Did the committee give any consideration to writing into the bill a prohibition against discounts?

Mr. SPARKMAN. I may say to the distinguished Senator from Tennessee that the subcommittee did write a provision in the bill directing the Commissioner of Housing and the Administrator of Veterans' Housing to set up methods of controlling and regulating the discount practice. The full committee struck out the provision, largely on the ground that the bill as it passed the House contains a provision relating to that matter.

I think I can safely say we were not pleased with the language the subcommittee sought to write into the bill or the language the House had written into it. Since language on the subject is already in the House bill, the whole matter will be in conference, and it was the hope that between the time the bill clears the Senate and the time the conference meets, we will be able to work out satisfactory language as between the two.

The language was not left out because we did not wish to have some such provision in the bill; it was simply because we felt that we would have a more flexible bill by leaving it out of our bill, since the House bill already contained language which would throw the whole matter into conference and permit us to write in any kind of reasonable provision.

Mr. GORE. Mr. President, will the Senator yield further?

Mr. SPARKMAN. Yes. I am glad to yield.

Let me say to the Senator, lest he misunderstand me, that I am strongly of the opinion the method by which these discounts have been exacted from our people has been wrong, that it is a vicious practice, and that certainly it ought not to be allowed to exist. I believe I can say that our whole committee felt rather sympathetic to that viewpoint.

Mr. GORE. I fully share the opinion the Senator has just stated. I wish to point out to the Senator, and to the members of the committee, that unless something is done effectively to restrain,

regulate, or prohibit—the latter being my preference—discounts on Government-guaranteed and Government-insured housing loans, then we will provide no real benefit in the long run to the home builder by lowering the amount of downpayment, because the amount will eventually be added to the discount, as it grows larger and larger under the tight-money policy.

Mr. SPARKMAN. I will say to the distinguished Senator from Tennessee that I surely have no quarrel with the statement he has made. I repeat, as I have said many, many times, it is a vicious practice. I think in large part it has simply resulted by taking advantage of a situation which could be taken advantage of because of the money situation.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. HUMPHREY. Are we to understand that the vote in the full committee related to the language which, I believe, is in section 603 of the subcommittee's bill, and is not to be interpreted as being in opposition to some kind of regulation or control over discounting practices, but rather is to be interpreted as a desire to give the privilege or the right to the conference committee to prepare language which will meet the objective of restraining, controlling, or prohibiting the discounting practice presently engaged in? I merely wish to have the record clear on that point.

Mr. SPARKMAN. I agree with the statement of the distinguished Senator from Minnesota.

Mr. HUMPHREY. So when the bill comes back from conference we can look forward to seeing at least language as good as the House language, and possibly better, in terms of its coverage of the practice of discounting.

Mr. SPARKMAN. I will state my own personal view to the effect that that statement is correct, and I think I am perfectly safe in saying that was the attitude of the full committee.

I wish to be perfectly frank. It is not easy to write this kind of provision. This is not the first time we have wrestled with this problem. It was before us in 1953. At that time the Administrator of Veterans' Affairs issued regulations prohibiting any discount whatever. He had to scrap it right away. It is quite difficult to write language which will prohibit discounting. However, the House has made an effort to do so. The subcommittee has made an effort. The Senator from Minnesota has referred to the subcommittee language. I should be glad to have the Senator read into the RECORD the language upon which the subcommittee agreed.

Mr. HUMPHREY. The language is found on page 45 of the subcommittee print, in section 603, under the heading "Discount Control." The language is as follows:

DISCOUNT CONTROL

SEC. 603. With respect to housing built or sold with assistance provided under the National Housing Act, or title III of the Servicemen's Readjustment Act of 1944, the Federal Housing Commissioner and the Administrator of Veterans' Affairs, respectively, are specifically authorized and directed to issue such regulations, applicable uniformly to all classes of mortgagees, as they determine desirable for the purpose of limiting the charges and fees imposed upon the builder, veteran, or other purchaser in connection with the financing of the construction or sale of such housing, whether or not such charges were or are imposed in connection with the financing assisted by the Federal Government, and no loan shall be insured or guaranteed under such acts unless the mortgagee certifies that it has not imposed upon the builder, veteran, or other purchaser any charges or fees in connection with the financing of the construction or sale of such housing in excess of the charges or fees permitted under such regulations for such purposes as are applicable to the housing involved.

As I understand, all that legal language says is that the Administrator of Veterans' Affairs and the Federal Housing Commissioner shall draw up such regulations as they deem advisable to control discounting. That is really what it says, is it not?

Mr. SPARKMAN. Perhaps I should ask the Senator from Minnesota. I wonder if he recognized that language. Perhaps I can refresh his recollection. It is taken, in haec verba, from a bill introduced by the Senator from Minnesota, Senate bill 88.

Mr. HUMPHREY. I had hoped by that bill to curb this practice, but I agree with the Senator's observations as to the difficulty of finding the proper language to make such a provision effective.

An effort was made also in that bill—S. 88—to restrict interest payments on veterans' housing to 4½ percent. I think the most important objective is to keep the downpayment in line with the ability of purchasers to pay, and to control discounting, because no matter how much we control interest, if the discounting practice is permitted to run wild, interest charges run up anyway. Discounting is merely another way of foisting additional charges upon the purchaser.

Mr. GORE. Mr. President, will the Senator yield?

Mr. SPARKMAN. Let me make one observation, and then I shall be glad to yield to my friend from Tennessee. Inasmuch as the Senator from Minnesota has just read the language which the subcommittee proposed to the full committee, I think it might be of interest if I were to read what is in the House bill, and what will, at all events, be in conference.

I read from page 15, in the House language:

On completion of the study—

That relates to the study previously provided for under the National Housing Act—

the Housing and Home Finance Administrator, after consultation with the Federal Housing Commissioner, shall fix reasonable limits on the charges, fees, and discounts imposed upon the builder, seller, or purchaser in connection with the financing of the construction or sale of any housing covered by a mortgage insured under the National Housing Act, whether or not such charges, fees, and discounts are imposed in connection with the financing under such mortgage. Such limits may vary in accordance with the terms of the mortgage involved, the geographical area in which the housing is located, and such other pertinent factors as the Administrator deems advisable. As a condition of eligibility for such insurance, the lender shall certify that no charge, fee, or discount has been imposed by it in excess of the limits fixed pursuant to this section. The Administrator shall, on or before April 30, 1958, submit to the President and the Congress a full report on such study including his findings and such recommendations as he may deem appropriate.

So I think the Senator from Tennessee will agree with me that that language throws everything on this subject into conference. We instructed our staff to draft appropriate language to take care of the situation. There was some feeling on the part of certain members of the committee that if we adopted this language, as between this language and the House language, such action might be taken as an acceptance of the principle of discounts being allowed. We did not wish to be bound by any such construction.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. HUMPHREY. I merely wish to make my own position clear. I believe my bill was introduced in January. At least it was early this year.

Mr. SPARKMAN. The number is S. 88. It must have been introduced on the first day of the session.

Mr. HUMPHREY. The idea was to get away from the discount. The question is, how to write such language specifically into the law, in the light of the previous experience to which the Senator has referred, back in 1953, when the Administrator prohibited discounts. We are trying to find language which will encourage the construction of housing and, on the other hand, prohibit discounting. That seems to me to be a sort of sub rosa practice. It is a way of concealing costs by adding to the costs, so that one does not really know what is happening to him until it has happened.

Mr. GORE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. GORE. As a matter of fact, unless there is some control of the practice of discounting mortgage loans under the housing program, the fixing of an interest rate is almost meaningless, because a 4½ percent loan obtained only at the price of an 8 or 10 percent discount is not a 4½ percent loan at all. I warn the able Senator that under a program carefully contrived to bring about higher and higher interest rates, the discount rate will go up unless the Congress takes effective action to prevent it.

I invite the Senator's attention to the fact that only a few days ago the Treasury Department was unsuccessful in refinancing a portion of a maturing $4 billion bond issue, involving bonds which were issued only 3 years ago at 1⅝ percent interest. The Treasury offered to substitute for those bonds 4-year bonds at 3⅝ percent interest or 1-year notes at 3½ percent interest. The effort at refinancing was, I believe, unsuccessful to the extent of 28 percent, which, in layman's language, means that the big-money boys are demanding still higher interest. A higher rate of interest means a higher discount rate under

the present system. The representatives of the people must call a a halt to this reconcentration of the wealth of the country.

Mr. SPARKMAN. Those who the distinguished Senator from Tennessee describes as "the big money boys" should look ahead, and realize that the Government must sell a great many more bonds during the present year.

Mr. GORE. How many billions of dollars in bonds must be refinanced?

Mr. SPARKMAN. If I correctly recall, all told, $78 billion must be refinanced this year.

Mr. GORE. Imagine the impasse to which we have come, when in 3 years' time the interest rate has increased 2 whole points on intermediate-term Government securities.

Mr. SPARKMAN. And the securities still go begging.

Mr. GORE. What will that do to the discount on veterans' home loan mortgages, and FHA mortgages, unless Congress takes effective action? Therefore, in all candor, although appreciating the efforts of the able Senator and of the committee as a whole, I must say I am disappointed that the Committee on Banking and Currency has not brought to the Senate a firmer recommendation, with effective language, on this point.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. SPARKMAN. Let me say this, first of all. I have tried to explain why it was that the full committee did not approve the language the subcommittee wrote into the bill in an effort to make the bill strong enough so that it would stand up.

With reference to the other matters, I am delighted that the Senator from Tennessee is a member of the committee which is about to make a study of the whole interest program, and the manner in which the Treasury, as a result of its own action, has been caught in its own trap, so to speak.

Mr. GORE. The mouse has been playing with the cat, but the cat now has the mouse, and the cat has not been playing for fun.

Mr. SPARKMAN. The Senator is correct.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CLARK. I wonder if the Senator from Alabama will not agree with me that the troubles with respect to the discount problem—and the fees and the charges involved, as a result of which the builder cannot get anything like the face amount of the mortgage he is forced to pay off—are due in large part to administration policies?

First of all, the administration's housing officials want to follow the private money market, instead of stabilizing it. Secondly, FNMA wants to make money for the Government, so that it can show a profit.

My position is completely in accord with that of the distinguished Senator from Tennessee and the Senator from Minnesota, that we ought to try to control these discount practices. A number of us on the committee felt that way. Unfortunately our views did not prevail in committee.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CAPEHART. I merely wish to say that I, too, would like to see lower prices throughout our economy. Prices are entirely too high. That goes for automobiles and clothing and everything else we buy. I do not know that interest rates are any higher, in proportion, than anything else. The fact remains that throughout the country we see new homes being built and occupied. We see new automobiles, we see more and more cars on the highways, and we see people wearing new clothing.

Likewise there has been an increase in bank deposits and savings accounts. In an article published in the newspapers this morning I notice that the savings of the people in April were the largest in the history of the Nation. There are more people working today than ever before. The whole economy of the Nation is prospering. It is pretty hard to find anything wrong. Of course, there are some soft spots here and there. Of course there are some people who are still not getting, perhaps, their full fair share. Anyone with eyes can see what is going on all over the country.

I do not know how we are going to handle the interest problem in the face of such a demand for money, unless we want to have it controlled by the Government. Of course, if we want price controls and wage controls and rent controls, that is one thing; and, let me say, that if inflation continues over a period of months or years, perhaps some day we will have to have controls. I say that because I think the greatest danger facing this Nation is inflation. It is continuing to rise.

It must be remembered that for a while the present administration was able to hold the cost of living at about where it was 4 or 5 years ago. Then, starting about a year ago, inflation started going up again. During the past year it has gone up about four points. If private industry does not control it, some day it will get completely out of hand.

I do not know how we can control interest rates without controlling other things. I do not know how we can control anything without controlling interest rates. The matter of inflation is all rolled up into a ball. But the reason for all these things is the fact that the people have money and are spending their money, and more of them are going on vacations, and more are building homes, and more are getting more of everything else. I do not know how we can do anything about it unless we legislate along certain lines.

Mr. GORE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. GORE. The able Senator from Indiana started out by saying that the interest rate had gone up comparably, as I recall his statement, with the increase in prices of other things. As a matter of fact, the Government interest rate on 3- to 5-year Government obligations has gone up more than 100 percent since 1950. This has not occurred by accident. It is the result of deliberate policy. It is not by accident that income from interest increased 27 percent from 1953 to 1956, while the farm income decreased 12 percent during the same period.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. GORE. It is not by accident that the income from dividends has skyrocketed. It is not by happenstance that this has come about. It has been the deliberate policy of the administration. They have not been permitting it; they have been dictating it and leading it in that direction. Unless Congress calls a halt to it, the veterans will have to pay larger discounts. There will be fewer housing starts because of the burden of higher interest rates and larger discounts.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CAPEHART. There will also be larger increases in wages and increases in earnings and increases in dividends and increases in everything, because we have an inflationary trend at the moment.

The Senator from Tennessee makes some very broad charges. He does not prove any of them, though.

Mr. GORE. What have I not proved? I have given the Senator the interest rate.

Mr. CAPEHART. The Senator said that the administration was deliberately doing it.

Mr. GORE. Does the Senator say it was by accident?

Mr. CAPEHART. It is the general trend of inflation in the country.

Mr. GORE. Under George Humphrey, Secretary of the Treasury.

Mr. CAPEHART. Of course it is under George Humphrey, Secretary of the Treasury. I am sure the Senator does not mean to leave the impression that George Humphrey personally has pulled the string somewhere and pushed the interest rates up.

Mr. GORE. I think so, indeed. It has been the deliberate policy of this administration to push interest rates higher. If the Senator is not informed about that, I am surprised.

Mr. CAPEHART. I am surprised that the Senator should make such a broad statement without any proof at all that it has been done deliberately. The Senator does not mean to tell me that if George Humphrey could sell bonds at 3 percent or 2½ percent, he would deliberately sell them at 4 percent, does he?

Mr. GORE. I do, indeed. I will give the Senator an example. The very first bonds the Secretary of the Treasury issued carried a rate of 3¼ percent, which was higher than necessary—very much higher than necessary.

Mr. CAPEHART. How does the Senator know it was higher than necessary?

Mr. GORE. Because within a matter of a few days those bonds were selling at $12 above par.

Mr. CAPEHART. Has the Senator from Tennessee had any experience in selling bonds or buying bonds?

Mr. GORE. Not to the extent——

Mr. CAPEHART. Or any experience whatever along that line which qualifies him to discuss this subject?

Mr. GORE. I certainly confess that I have never had experience comparable to that of the Secretary of the Treasury or to that of the distinguished senior Senator from Indiana——

Mr. CAPEHART. I do not pretend to have any such knowledge or experience.

Mr. GORE. But one does not have to be a rich man to have intelligence. One does not have to have great experience in the marketing of corporate securities or Government bonds in order to read and learn and observe. Yes, it has been the deliberate policy of the administration.

Mr. CAPEHART. What makes the Senator or any other person believe interest rates can be held down when all other prices have been rising? I admit that interest rates were lower than other prices, but eventually they had to go up because of the great demand for money with which to build highways, churches, schools, factories, utility plants, and houses. Interest rates had to go up at sometime or other. There cannot be a great demand for money by everybody who wants to borrow, without having interest rates mount. We might as well be sensible about this. The Senator from Tennessee can demagog about it and blame the Treasury; he can blame Humphrey for it, too.

Mr. HUMPHREY. George Humphrey. [Laughter.]

Mr. CAPEHART. I mean George Humphrey. But eventually the rise in interest rates had to come. It was as sure to come about as that 2 and 2 make 4. If more persons have mortgages to sell than can be supplied by the money available, the interest rate will rise. The same principle applies to the sale of automobiles, land, and everything else. The rise in interest rates was inevitable.

No one will ever make me believe that the Secretary of the Treasury would deliberately sell a bond at an interest rate of 3½ percent if he could sell it at 2½ percent.

Mr. SPARKMAN. I wish to make one brief observaton; then I promise to yield to the Senator from Tennessee.

Mr. GORE. I can hardly restrain myself. [Laughter.]

Mr. SPARKMAN. Does the Senator from Tennessee remember a day in the spring of 1953, just a couple of days after the announcement of the famous 3¼-percent bond issue?

Mr. GORE. I do, indeed.

Mr. SPARKMAN. I wonder if the Senator remembers my standing at this desk, and his sitting behind me, when I discussed the inevitable result of that bond issue upon housing and upon the prices which veterans would have to pay for their housing, and how the prices were bound to go up, up, and up.

Mr. GORE. Yes. I remember.

Mr. SPARKMAN. I remember saying at that time that I had figured what the result would be. I said a veteran could choose from among three different plans. If he wanted to pay the same amount for his house, he could cut off one bedroom over the same term of time. Or he could take it for an additional term of years—5 years, if I remember correctly—and pay the extra amount. Or he could simply add the extra cost and pay for it each month in an increased amount.

Does the Senator from Tennessee remember taking part in that debate?

Mr. GORE. I recall it distinctly.

Mr. SPARKMAN. Has not the situation developed in exactly that way?

Mr. GORE. The Senator is correct. I recall further that the Senator from Alabama and I warned State, municipal, and county officials across the land that if they contemplated building schools, constructing hospitals, laying sewer lines, or issuing bonds for anything else, unless they acted very soon, the rates of interest would go up, up, and up. Yes, I recall that. I recall it distinctly.

I recall also that as new Government issues have appeared, we have seen exerted the upward pressures on the interest rates.

The distinguished Senator from Indiana—and I am certain he did not mean to do so—appeared to have referred unkindly about our sentiments as being demagogic or lacking in sense. I am certain he did not mean to leave that impression.

Mr. CAPEHART. I apologize if I did.

Mr. GORE. I knew the Senator did not intend to do that.

Mr. CAPEHART. What I intended to say was that it gave Senators a great opportunity to use their imagination.

Mr. GORE. Unfortunately, the purchaser or the builder of a home has to use something more than imagination. He has to pay a tribute to the tight-money policy.

Under the last Democratic administration a veteran could buy or build an average 2-bedroom home with a monthly payment of $59 over 21 years. Today, under this administration, the same average 2-bedroom house will cost him not $59 a month, but $69.25 a month, not for 21 years, but for 25 years.

He does not get a larger-sized house for his money; he is paying a tribute to the tight-money policy which has been brought about deliberately by the officials of this administration.

Mr. CAPEHART. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. CAPEHART. I remember the statement which the able Senator from Alabama made in respect to this matter, but I could have made the same statement before that I make now. I remember when a 4-room house could have been bought for $4,000. Today the cost of constructing such a house—the construction cost alone, not considering the interest rate or the financing charges—runs up to around $12,000 or $14,000. The same argument can be made in that case as can be made with respect to the one additional bedroom, because all prices have gone up. The cost of materials, the cost of labor, the interest rate, and the cost of everything else in America, is higher.

What makes Senators believe they can keep the cost of land or of leasing or hiring money lower than the general average of all costs in America, lower than all other selling prices? It simply cannot be done unless it is done by legislation. That is the point I am trying to make.

Wages today are higher than they have ever been. They are on the average $10 a week more than they were 4 years ago. I am not complaining about it; I am glad of it. My point is that we are in an inflationary spiral. This administration held inflation at almost the same percentage for about 4 years. In the last year, I will have to admit, there has been a rise of about 4 percent, and costs are rising.

I should say that the most acute problem is general inflation. It is not necessarily a rise in interest rates, or wages, or rises in other lines. It is general inflation which is breaking our back and will continue to break our back. My best judgment is that we in Congress ought to be paying some attention to the question of general inflation. We are not going to be able to do much about interest rates so long as there is inflation, so long as there is full employment in America, and so long as there is the amount of money which is available for spending in the United States today. I am not unmindful of the fact that conditions are spotty. I am not unmindful of some soft spots.

My point is, why should we be any more shocked by the interest rates than we are by the increase in wages and in material costs?

Mr. GORE. Mr. President, will the Senator from Alabama further yield?

Mr. SPARKMAN. I will yield one more time to the Senator from Tennessee.

Mr. GORE. The able Senator from Indiana has asked us to compare the increase in the wages of the workingman with the increase in interest rates. On the one hand, the increase in hourly wages has been only 14 percent from 1953 to 1956, whereas the interest rate on 3- to 5-year Government bonds has increased by more than 100 percent.

The able Senator from Indiana says it is inevitable that interest rates will go higher and higher. I say to him it is inevitable unless the powers of the Government are used to regulate and stabilize the rate of interest on Government bonds. How can there be stability unless there is stability of bonds issued by the United States Government?

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. GORE. Not at the moment.

I say yes, it is inevitable, under present policies.

Money is an instrumentality of organized society. It is an instrumentality of the Government itself. When the powers of the Government are used deliberately to push interest rates higher, higher rates are inevitable, of course. The powers of the Government should be used, and must be used, to stabilize the monetary structure of the country. Otherwise the average person, as the able Senator from Indiana has said, will be headed for trouble through a further spiraling of interest rates and a further spiraling of the discount rate.

The veteran or the FHA applicant not only has to pay more per month, for a greater number of years—an instance of which I stated—but he also has to pay at least indirectly, a discount of as much as 8 or 10 percent. Unless the powers of the Government are used to bring stability to our monetary situation, then the discount rate will rise higher and higher, no matter what interest rate we specify in the bill.

Mr. CAPEHART. Mr. President, will the Senator from Alabama yield to me?

Mr. SPARKMAN. I yield.

Mr. CAPEHART. Let me say that the Senator from Tennessee has made a speech, but he has not told us how to do what he proposes. Will he introduce a bill to control interest rates?

Mr. SPARKMAN. Mr. President, of course the distinguished Senator from Indiana knows that the Finance Committee is presently beginning a study of the problem; and I hope it will study the entire problem of interest payments, fiscal management, and the many other factors which need examination. My own hope is that the committee will do a thorough job; and if its study indicates that additional legislation is needed, I hope the committee will report such proposed legislation.

Mr. CAPEHART. Mr. President, I will join any other Member of the Senate in introducing a bill calling for a study of the causes of the high cost of living and its effects, because the Congress should interest itself in the causes of inflation and its net effects.

However, my point is that interest rates are not the only factor reflected in the increased cost of housing. The increase in the cost of labor, the increase in the cost of material, and many other costs also affect the price of housing.

I agree that interest rates have risen, but it is inevitable that they will rise as all other costs rise. Today there is a larger and larger demand for money. The only way to cure the situation, as I see it at the moment, is for the Congress to pass a law fixing interest rates. If that is done, it will then be necessary for Congress to pass a law fixing prices, and then it will be necessary for Congress to pass a law fixing wages and rents, because one part of the economy cannot be controlled by law without having all the other parts controlled by law.

I think the whole general problem should be studied; a study should be made of the causes and the effects. Unless the increase in the cost of living stops, I believe that some day some action on the general subject will have to be taken by Congress, and not necessarily only on the specific problem of interest rates.

Mr. HUMPHREY, Mr. JAVITS, and Mr. CLARK addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Alabama yield; and, if so, to whom?

Mr. SPARKMAN. Mr. President, I yield first to the Senator from Minnesota; and thereafter I shall yield to the Senator from New York, and then to the Senator from Pennsylvania.

Mr. HUMPHREY. Mr. President, I thank the Senator from Alabama for yielding to me.

I have listened to the very interesting and engaging debate between the Senator from Indiana and the Senator from Tennessee. I wish to call to the attention of the Senator from Indiana the fact that interest rates in December 1952, were considerably lower than they were in April 1953. When George Humphrey, acting for this administration—as the Senator from Tennessee has pointed out—purposely and by design increased the interest rates in connection with what he described at the time as an attempt to put the refinancing of the Government debt on a long-term bond basis, he opened a Pandora's box of interest-rate increases; and he did so purposely and by design.

Let me point out that the greatest inflation which occurred before then came prior to 1951. Despite the fact that wages and prices rose at a rapid rate from 1950 through 1951, the interest rate on Government financing did not rise at the same rate. The interest rates have risen at a time when the present administration said it was controlling inflation. However, it did not control inflation in the case of the interest rates—nor did higher rates stem inflationary pressures.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. HUMPHREY. Not at this time, Mr. President.

Mr. CAPEHART. I wish to state why that has occurred.

Mr. HUMPHREY. I desire to have the Senator from Indiana know that the rationalization for the interest rate policy by the administration has been to curb inflation. But, instead, there has been more inflation; inflation has not been curbed. Prices remained rather static between 1951 and 1953, as the Senator from Indiana knows, inasmuch as he is a member of the Banking and Currency Committee. Whatever price stability there was from 1953 to 1956 was at the expense of the farmers, and the record so shows. The minute farm commodity prices had a mild upturn, the cost of living began to rise. The rise in the general price structure was occurring while the prices of farm commodities were going down. A significant factor in that increase has been in the interest rates.

Furthermore, when the Senator from Indiana says that savings this year are the largest they have ever been, I ask him to state whose savings are the largest they have ever been. Certainly that is not true of those with incomes of less than $5,000. Instead, it is true of the savings which come from large aggregations of capital.

Furthermore, let me say to the Senator from Indiana that as interest rates rise—as the Senator from Tennessee has pointed out—everyone is affected adversely and everyone is given a bad jolt. The rise in interest rates has cost the taxpayers of the United States $1 billion a year; the cost to support George Humphrey's folly. [Laughter.] The rise in interest rates has cost the consumers more than $4 billion a year. That has been the result of a premeditated, concerted, designed program by the present administration to increase the interest rates; and the spokesmen for the administration have said so. The architect of the fiscal policy of the Eisenhower administration, Secretary George Humphrey, has said repeatedly that he was going to have the interest rates follow the money market, and that he was going to look upon money as a commodity, despite the fact, as the Senator from Indiana knows, that the Constitution provides that the Congress has the right to coin money and to regulate the value thereof. I am not ready to vote to turn over to the private banks, with George Humphrey as president emeritus, the regulation of the value of money.

Mr. CAPEHART. Mr. President, if the Senator will yield to me, let me ask why he does not introduce proposed legislation to do that, instead of talking so much about it.

Mr. HUMPHREY. I propose to have the Government exercise its power in such a way as to control the discount rate, and to set policies for the making of housing loans by individuals, and to fix interest rates.

Furthermore, Mr. President, when we Democrats wanted the bond market to be controlled, we controlled it. However, today United States Government bonds are not worth 100 cents on the dollar. Furthermore, under the Democratic administration, the Government debt was refinanced.

I ask the Senator from Indiana to state one time during the past 20 years when Government bonds have gone begging as they are today—when 28 percent of the offered Government bonds are not taken up by buyers.

Mr. CAPEHART. Mr. President, I hold in my hand a copy of the Washington Post for today, May 27, 1957; and on page B–5 there is the headline "Individual Savings Rise to Record $14.6 billion." The article states that the savings of the American people are the largest in the history of the Nation.

Mr. HUMPHREY. To what individuals does the article refer? After all, corporations are usually listed as individuals.

Mr. CAPEHART. No; the article refers to the people as "individuals."

Mr. HUMPHREY. What people?

Mr. CAPEHART. Mr. President, suppose I read the article. It is as follows:

INDIVIDUAL SAVINGS RISE TO RECORD $14.6 BILLION

Individual savings, as measured by the Securities and Exchange Commission, reached a postwar high of $14.6 billion in 1956.

The SEC study attributed the rise from $7.6 billion in 1955 to the climb in personal income after taxes, an increased rate of saving and a slowdown in the growth of individuals' debts.

Under savings, an elastic concept as used by economists, SEC includes buying of stocks and bonds and insurance as well as cash, deposits in banks and savings and loan associations. From this total, SEC subtracts new mortgage and consumer debt.

The Commerce Department, using a different definition, has figures indicating a trend similar to that found in SEC's report. Commerce's more complete coverage defines savings as the difference between personal income and spending.

RECORD SAVINGS GAIN

Last year, according to SEC, individuals added a record of $5.1 billion to their savings and loan associations holdings, compared to a gain of $4.8 billion in 1955. Bank savings accounts expanded $4.4 billion against $3.5 billion in 1955.

Insurance and pension reserves for individuals jumped $11.4 billion with about two-thirds in private plans and the rest in government.

Holdings of stocks and bonds rose $7.2 billion despite the $100 million net cash-in of United States savings bonds. This cash-in is attributed to their fixed yield while interest value rose.

They are the people to whom the article refers—not corporations.

Mr. HUMPHREY. What people? I suggest most respectfully to the Senator from Indiana that the facts will reveal first, that for the first time in 20 years, farm liabilities are greater than farm assets; and, in the second place, personal indebetedness is the highest it has ever been in the history of the country.

Furthermore, when the Senator from Indiana examines what are called private savings, exclusive of the part represented by insurance and health and welfare funds, he will find that the great majority of the American people have little or no private savings; that the bulk of the so-called savings to which he has referred are savings of the upper income group, and are primarily the result of dividends.

Mr. CAPEHART. Let me finish reading the article. I continue reading from the article:

The Nation's year-end balance sheet showed individuals held $163.5 billion in cash and deposits; $37 billion in savings and loan associations; $88.8 billion in all kinds of Government's bonds; $109.9 billion in private insurance; and $61.2 billion in Government insurance.

This brought total assets—

That is, of the people, no corporations at all are included—

This brought total assets to $460.4 billion. Liabilities were $89.7 billion in mortgage debt and $37 billion in consumer debt for a total of $126.7 billion.

Assets minus liabilities were $333.7 billion compared to $322.7 billion in 1955.

There is the answer to the question of inflation.

Mr. GORE. Mr. President, will the Senator yield?

Mr. CAPEHART. There are three Senators engaged in this debate on the other side of the aisle; I am the only one on this side of the aisle.

Mr. HUMPHREY. Get some recruits.

Mr. CAPEHART. Give me three times as much time.

Mr. SPARKMAN. May I say to the Senator from Indiana I am trying my best to yield to a recruit on his side of the aisle.

Mr. CAPEHART. Let me answer the able Senator from Minnesota. He mentioned the year 1950. The beginning of 1950 was the time when there arose a great demand for money. The reason why there is a shortage of money today is that a great demand was built up over the years during the war, when people could not and did not expand their factories and utilities. There has developed a tremendous demand for money. In fact, there is a greater demand for money than can be supplied by the money available for the purposes for which we would like to see it used.

Mr. GORE. Mr. President, will the Senator yield?

Mr. SPARKMAN. The Senator has asked me to yield once, and said he would then be through. I yield to him.

Mr. GORE. I am glad that at least one Senator on the other side of the aisle will undertake to defend the present policy. If the Senator from Indiana will read the next day's issue of the news he quoted——

Mr. CAPEHART. This is today's newspaper. [Laughter.]

Mr. GORE. Maybe it is the same day's.

Mr. CAPEHART. This is today's issue. There could not be a later issue. [Laughter.]

Mr. GORE. Perhaps it is the issue of the day before.

Mr. CAPEHART. This is today's issue.

Mr. GORE. The Senator will find that the profits of corporations were higher in 1956——

Mr. CAPEHART. Of course they were.

Mr. GORE. Than ever before in the history of the country.

I should like the Senator to couple that fact with these two statistics: The bankruptcy rate is higher now than it has been since 1932. Secondly, the rate at which small businesses are closing their doors since January 1957 is about twice the rate at which they were failing during the same period in 1953. Yes, the question still remains—What people have the savings?

The Senator read one very intriguing statement, that people were cashing in their Government bonds. These are the little people. They are the ones who are cashing in their savings bonds in order to meet their obligations, and in order to keep from closing their business doors. The present policy is having tragic effects. Big business is growing bigger and bigger. Corporation profits are going higher and higher, while small business is being pushed down, mortgage foreclosures are increasing, and the closing of the doors of little business is increasing all the time.

Mr. CAPEHART. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. CAPEHART. I appreciate the fact that the able Senator from Tennessee is a young man. He evidently did not live back in the days of 1932, or he could not have made the statement that there are as many failures today as there were in 1932.

Mr. GORE. I did not say that.

Mr. CAPEHART. The Senator certainly did say that.

Mr. GORE. I said bankruptcy was at the highest rate since 1932.

Mr. CAPEHART. There is nothing today that is comparable to what happened in 1932. I read into the RECORD the article which showed the conditions which existed. I am sure the Washington Post and Times Herald is a reputable newspaper. I do not believe it would print anything that was not true. The Senator talks about people cashing in their bonds. I just read into the RECORD from the article, which stated that the people had $163 billion in cash and deposits, and $37 billion in savings and loan associations, and $333 billion in quick assets. So the statement the Senator has just made does not hold water. The fact is that the country was never so prosperous as it is today, generally speaking. The national income is the highest in the history of the Nation. The national gross product is the greatest. I just read that the people's savings are the largest. More people are employed, at the highest wages in the history of the Nation.

As I said a moment ago, all one has to do is drive around and see the homes, churches, and factories, and then drive around at nighttime and see the lights on in factories and people working in them. Take a look at the clothing people are wearing. One cannot help recognizing that the country is, generally speaking, prosperous.

As I have said, the dangerous thing facing us, in my opinion, is the threat of general inflation. We ought to attack inflation on the entire front, as well as the interest front, because we cannot control interest unless we control other costs, and we cannot control other costs unless we control inflation. I do not know why the Senator picks out interest rates and complains only about them, when interest rates are just one of the many inflationary results of the business being transacted today. If the Senator feels that way about it, why does he not have the courage to introduce a bill to fix interest rates—a bill which would control interest rates?

Mr. SPARKMAN. May I interject one comment? This discussion began over the question of discounts and the question of some curb or some control over discounts.

The Senator from New York has been trying to get recognition. I yield to him.

Mr. JAVITS. Mr. President, I had in mind asking a question on the bill. I have read it with great care, in an effort to find where it deals with VA loans. I understand a separate program is expected for that purpose.

I think it should be made very clear to the Senate—and I enter this debate as a "new recruit"—that it is the 50 million families who are in the $5,000 income bracket whose savings we are discussing. I always thought we were reconciled to paying some price for runaway inflation in the cost of Government, which we hoped would end in 1952.

I should like to ask the Senator from Alabama, the chairman of the subcommittee, two questions. First I should like to commend him for his outstanding way of conducting the hearings on the housing bill. The chairman of the subcommittee has rendered fine service. We know a great many more things than we talk about; or we imply we know them. One is that we are trying to redress a certain social imbalance. Apparently, credit is being consumed too much in other areas which we do not consider socially more desirable than housing.

I should like to ask two questions. The first is, What will be done, or what is in contemplation, about the VA loans? Those who are trying to get VA loans are feeling the pinch the hardest. The number of VA loans has been cut in two because money is not available. We have 20,000 units in Long Island, the fastest growing area in New York, where mortgages cannot be closed because ex-GI's cannot find the money available. They cannot get the money. That is my first question.

Question No. 2: I invite the Senator's attention specifically to the question asked by my friend, the Senator from Indiana, which, it is said, is answered in the bill. I wish the chairman would show us where. How are we going to get a flow of mortgage money? In an effort to reverse the present trend of interest rates in this highly desirable field of housing, perhaps the time has come, in terms of inflation, which ran wild up to the end of 1952 and which was temporarily stopped, to do this. I think one of the prices we paid was a higher interest rate. Perhaps the time has come, now, when we should say that the balance is going the other way, and we should change the emphasis, and come to lower rates, and show in this bill how to do it.

I thank the chairman for giving me this opportunity to ask questions, and I hope he will address his attention to the two points I have raised.

Mr. SPARKMAN. First, let me say to the distinguished Senator from New York that if he will obtain the charts he will observe that inflation did not run rampant through 1952, but that it leveled off in the spring of 1951. The Senator will recall that the great spurt came at the opening of the Korean war, and inflation continued until it became necessary for Congress to enact control legislation, which went into effect in the first part of 1951.

Mr. JAVITS. Mr. President, will the Senator yield to me to make one observation? I think it will be helpful.

Mr. SPARKMAN. If the Senator will look at the charts he will find that the line was level.

Mr. JAVITS. If the Senator will yield, I think this will be a helpful observation.

I never have tried—and I shall not start now—to capitalize on housing as a subject for political discussion. I am deeply interested in the issue. I think it is a basic issue to our people.

I will tell the Senator now that we can find plenty of fault with both parties. We are dealing with a basic American social issue. I hereby strip anything I have said of any implication of a partisan approach. There will be another opportunity for that, and plenty of field days for it. I do not think this is the proper time.

Mr. SPARKMAN. I appreciate the remarks of the Senator from New York. What I had to say was not based upon partisan considerations. I was trying to keep the record straight. What I stated is a fact as presented before the Joint Committee on the Economic Report.

I remember one day that Mr. Humphrey, the Secretary of the Treasury—George Humphrey, that is—seemed to be greatly surprised, when he made a somewhat indifferent statement about leveling off as of a certain time, when the disguished Senator from Illinois [Mr. DOUGLAS] pointed out, on Mr. Humphrey's own charts, that the leveling off started back in the spring of 1951, and that the course had been fairly level since that time, up until the last few months, when we had this little jump edging in. I hope, and we all hope, that that may very soon come under control, and that we may continue to have a more or less level line.

The Senator from New York asked two questions. Let me answer them at once.

First of all, our committee did decide to leave out of the bill all provisions pertaining to veterans' housing, and there is a good reason for that. We have a somewhat confused status with reference to veterans' housing legislation.

In the House the Committee on Veterans Affairs handles all veterans' housing. The Committee on Banking and Currency handles other types of housing.

In the Senate the Committee on Labor and Public Welfare handles veterans' housing under the general Veterans' Administration guaranty program. The Committee on Banking and Currency handles all other housing, including veterans' direct loan housing.

Therefore, too often we get a confused status. We have in the Senate on several different occasions included veterans' housing provisions as a part of an overall housing bill, but when we have gotten into conference with the House we have run into a situation where either we would have to have a divided conference, with conferees from two different committees, or else we would have to strike veterans' housing from the bill and put it in a separate bill.

Since the House has already passed a veterans' housing bill and since the bill has been sent over to the Senate, we would like to leave that item out of the pending bill and act on it separately. I am hopeful our committee very soon will start hearings on that subject. That is a program which involves an expansion and enlargement and improvement of the direct lending program.

The VA-guaranteed housing program, if it should be considered, would be considered by the Committee on Labor and Public Welfare. So far as I know, there is no bill under consideration in that committee at the present time looking to a continuation the VA-guaranty program. My understanding is that the committee declined to extend it, or at least has not acted to extend it. Therefore, I presume that it is safe to assume that when it runs its course, then next year, June 30, I believe, or September 30; I do not know which, it will come to an end.

I probably am speaking entirely out of turn, since our committee does not have jurisdiction over the matter, and the able Senator from South Carolina [Mr. THURMOND], the chairman of the subcommittee of the Committee on Labor and Public Welfare which does have jurisdiction over the VA housing bill, is present. It may be that he can tell us something more about it.

I anticipate that the Committee on Banking and Currency will report a veterans' housing bill dealing with the direct lending part of the subject.

Mr. JAVITS. I thank the chairman of the committee.

Mr. SPARKMAN. With reference to the other question, as to how we might make additional funds available, if the Senator will refer to a discussion in the report, on pages 62 and 63, he will observe how we have tried in some way to meet this situation through special assistance programs. We recognize the difficulty of getting new funds into the housing program. We are studying and exploring every possible avenue that we can learn about in an effort to bring new funds into the housing field.

We hope that the time will come when some of the tremendous pension, retirement and welfare funds will go more and more into the home mortgage field. A few of the recipients of those funds are beginning to make investments now. Some of the labor organizations have made investments. I believe the Amalgamated Clothing Workers have.

Mr. JAVITS. The Senator is correct.

Mr. SPARKMAN. They are very strong in the State of the Senator from New York. They have for a good many years invested funds in the housing market, and have done a very fine job in the field of housing, which includes housing not only for their own employees, but for other people living in their vicinity.

Only recently a teachers' retirement fund in the State of the distinguished ranking minority member of the committee, the Senator from Indiana [Mr. CAPEHART], invested, I believe, $9 million in some Capehart housing mortgages.

In my State I observed the other day that a teachers' retirement fund had invested funds in mortgages.

I am hopeful that as time goes on the trustees of more and more of these funds will realize that the finest security in this country, so far as the pledging of collateral is concerned, is based upon the homes of America, and then they will be willing to buy these mortgages and ease up the situation in which we find ourselves at the present time.

Mr. JAVITS. I believe there is about $20 billion in the pension funds presently in existence.

Mr. SPARKMAN. I think I noted that there was $28 billion.

Mr. JAVITS. Twenty-eight billion dollars. Will the Senator join with, I think, so many of us, in the feeling that the dedication of some of these funds—say a round figure of 10 percent of them—to this particular mortgage market represents a highly patriotic purpose? It seems to me, considering the source of the funds, that it is almost the bounden duty of the trustees, whether individual trustees or bank trustees, to invest in the FHA and VA mortgages.

Mr. SPARKMAN. I certainly believe it is as good a security as one can get, because if the time ever comes when the homes of America are not safe and

adequate to secure the paper that is pledged against them, what else in this country will be? I think, as the Senator has so well pointed out, that after all the funds would be used for the very people who would be living in the homes, to help provide the homes and make them available. I certainly think it would be a patriotic performance on the part of the trustees of such funds.

Mr. THYE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I promised the Senator from Pennsylvania some time ago that I would yield to him.

Mr. CLARK. Mr. President, I thank the Senator for yielding to me.

I should like to point out to my good friend the Senator from Indiana, who said a couple of minutes ago—I suppose it was almost half an hour ago—that the increase in interest rates had not been any greater than the increased cost of other items, in the economy, that, as the distinguished Senator from Tennessee [Mr. GORE] pointed out, interest rates have increased enormously. My figures indicate that since 1952 they have gone up 65 percent on 3-month Government securities.

In the meantime the price of food has gone down 1 percent. The price of clothing has gone up only 1 percent. The cost of transportation is up only 7 percent. But the cost of housing, shelter, and rent has gone up 13 or 14 percent. The end result is that of the 5-percent increase in the cost of living since 1952, 45 percent of the rise has been accounted for by the increase in the cost of shelter.

In the meantime, what has happened to dividends and interest? Total dividend payments have gone up 40 percent. Total interest payments have gone up 50 percent. But total wages have gone up 27 percent, and total farm income has gone down 23 percent.

This indicates the sources of the great pool of savings of which the Senator from Indiana spoke so eloquently a little while ago. We want to tap that pool—only a small part of it—to bring down the cost of housing and, therefore, bring down the cost of living, by making more FNMA special assistance funds available. I refer to the trust funds and pension funds which we have been discussing.

We wish to make a small portion of that pool available to cut down the cost of housing and thus reduce inflation.

I wish to thank my good friend from Indiana for the assistance he gave us in the committee toward bringing before the Senate many of the fine provisions of the pending bill.

We wish to accomplish the object which I have described not by attacking inflation all the way across the board, because that cannot be done in this bill but by attacking it selectively, in an area of great social need. By making available a relatively small amount of money, we can bring down the cost of housing and reduce inflation in that particular aspect of our economy, while giving to the American people decent roofs over their heads, which so many of those in the lower-income groups so badly need.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CAPEHART. When I say that interest rates have not gone up as much as the prices of other things, if we start back in 1937 or 1940, interest rates today are no greater, in proportion, than they were then. In fact, they are not as high as the prices of all other goods, if we start at the beginning, or the low point of the depression. Interest rates today, in comparison with wages 20 years ago, are not as high. Interest rates today, in comparison with material costs in building a house 20 years ago, are not as high. Interest rates today are not as high, in proportion, as all other costs which enter into a house, if we go back 20 years.

Mr. CLARK. I have no doubt that what the Senator says is correct. However, it was my understanding that when the Senator from Indiana took the floor a little while ago he was talking about what happened since 1952. It was in that connection that I wished to correct the RECORD.

Mr. CAPEHART. The fact is that interest rates had had a general tendency to lag behind the general price increase. But when World War II was over, and everyone started building churches, roads, factory buildings, and hundreds of thousands of new homes all over the United States, there began to be such a great demand for money that interest rates started going up in direct proportion to the demand for money.

Mr. CLARK. I point out that the only respect in which the Senator's statement is unfair is that houses for the American people are not being built, because the rate of housing starts is at the lowest point since 1949. We are building houses for those above the middle income level but not for those who have incomes of $6,000 a year or less. That is the purpose of this bill.

Mr. CAPEHART. I am aware of that; but I am also aware of the fact that if one drives around any city in the United States, he will see tens of thousands of new homes. I am delighted by that.

Mr. CLARK. If one drives around within the city limits of the same cities, he will find slums inhabited by people who are unable to provide a roof over their heads. Most of the building is going into the suburban areas, and while we want suburban building we want to do something about the slums as well.

Mr. CAPEHART. We have that situation, and we have had it for years. I want to help to correct it, but I do not believe that has any bearing on the interest rates.

Mr. THYE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. THYE. Suppose that a young couple are desirous of owning their own home, and they make application for one of these loans. They have already selected, in consultation with the contractor, a house which might cost about $14,000 when completed. It is a 3-bedroom house. The young people have earnings of about $5,000 a year. They may have 1, 2, or 3 children. In some instances they have 4 children.

What is the first thing with which they would be faced? How much of a downpayment would they have to make on the $14,000 home, when they show that their earnings, in a rather secure job, are somewhere in the neighborhood of $5,000 a year?

Mr. SPARKMAN. First, let me say to the distinguished Senator from Minnesota that he makes reference to the fact that they have an income of about $5,000 a year.

Mr. THYE. That is correct.

Mr. SPARKMAN. Under a rule of thumb for general application, a family can afford a house which costs about 2½ times their annual income. Therefore presumably the maximum value house they would be able to buy would be a $12,500 house. However, assume that their income is sufficient for a $14,000 house. At the present time the couple would have to make a downpayment of $1,700.

Mr. THYE. Has the Senator obtained for the record information as to how many times such applicants have been turned down when they have produced a downpayment of $1,700, and were informed by those who were to pick up the mortgage, "You must have a downpayment of $2,500 or $3,000, because unless you have such a downpayment, we will not accept this mortgage."

That has been an important concern during past years. I have received information from all over the Nation to the effect that many young couples have been turned down under such circumstances. That is the reason why I ask these questions. I wish to have the record reflect something specific. Many a young applicant has been turned down when he thought he had the necessary downpayment. The investor would say, "No; we will not handle that mortgage. You must have a greater downpayment."

The confused, disillusioned, and heartbroken young people often came away from the bank or the investment company's office and said "We thought Congress had passed an act which would allow us to obtain a home. Our income is within the reasonable limits described during the colloquy when the act was under consideration. Our income was sufficient. We thought we were buying within our income, but now we are told that there must be a greater downpayment, and some additional service charges, or we canot obtain the loan."

That is the situation which I should like to see cleared up in this record. There has been too much misunderstanding. Too many applicants have been heartbroken because they thought Congress had provided for them. However, apparently Congress had not provided the necessary safeguards to prevent the lender from asking for a greater downpayment than we anticipated at the time we passed the act.

Mr. SPARKMAN. When I mentioned the figure $1,700, of course, the Senator from Minnesota understood that that was the downpayment on the principal of the loan. Of course, there are closing costs, which ordinarily probably run between $200 and $400 for that sized loan.

So far as any additional downpayment is concerned, that is a matter completely between the mortgagor and the mortgagee. In other words, it is up to the bank or the insurance company or the mortgage broker or the private individual or whoever is making the loan.

Of course, the Federal Government does not make the loan; it provides the insurance for the loan, over and above the amount of the downpayment. If the bank is not willing to make a loan on that basis, the Federal Government cannot require the bank to do it; nor can it require the insurance company or the savings and loan association, or any other lender, to lend the money.

If the purchaser were a veteran, he could have obtained a guaranteed VA loan while the program was still in effect. Or, if he were a veteran living in a rural or semirural area, and if he had been refused a loan, he would be eligible for a direct loan from the Administrator of Veterans Affairs.

Mr. THYE. Mr. President, will the Senator yield further?

Mr. SPARKMAN. I yield.

Mr. THYE. Even under the VA program, there were many times when an applicant was faced with the same situation under FHA which I have described. He was faced with the same, identical situation; the man who handled the paper would simply say, "We will not lend the money." That is one reason why the interest rate went up. It was because of the lender's refusal to handle that kind of paper. Perhaps there was an opportunity to invest the money with an industrialist who wanted money for the expansion of his plant.

What disturbs me more than anything else is that I have heard so many times, during the past 2½ years, particularly, of young families who have tried to buy homes. They thought that Congress had provided for them under the GI law or under the FHA law. They found that was not so. They found themselves confronted with the situation I have outlined. They were required to make a larger downpayment. We should make absolutely certain that that will not continue to be the situation in the administration of the law. Otherwise these young applicants will continue to be heartbroken and disillusioned. They will feel that Congress has been talking a great deal about legislating in their behalf, but that Congress has not legislated any safeguards they thought had been put in the law. Therefore we should make absolutely certain that such an applicant is safeguarded. If steps need to be taken, we should certainly take them.

We should do everything we can to promote home ownership in the country, because nothing makes for stronger citizenship than the feeling a man has from the responsibility of owning a home, and caring for his own yard, and believing "This is my property; I am not paying rent." That makes for good citizenship and patriotic responsibility to the Government.

Mr. SPARKMAN. I should like to say to the distinguished Senator from Minnesota, that, as I am sure he knows, I am in full accord with the statement he has made with reference to the importance of homeownership. I know of no way, however, whereby the Government can make certain that the young couple the Senator has reference to will be able to find someone who will be willing to put up the money, even when it is insured by the Government under the FHA plan or guaranteed under the VA program.

We have provided, to a limited extent, for direct loans to veterans who live in areas where money as a rule is not readily available. We have also provided a special assistance program under which FNMA is directed to buy mortgages. That is a special assistance program. Senator from Minnesota must understand that if we were to extend that program to the whole housing field, it would take an enormous amount of money to be advanced by the Federal Government.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield to the Senator from Minnesota.

Mr. HUMPHREY. I thank the Senator from Alabama for yielding. I ask him to yield for only one purpose. There has been some discussion during a recent colloquy about the savings in our country. I have been able to get the information from the 1957 Survey of Consumer Finances issued by the Board of Governors of the Federal Reserve System, and also from the Department of Commerce. That survey reveals that one-fourth, or 25 percent, of all American families have no savings at all.

Mr. SPARKMAN. How many did the Senator say?

Mr. HUMPHREY. Twenty-five percent.

Mr. SPARKMAN. Twenty-five percent have no savings at all?

Mr. HUMPHREY. That is correct. Thirty percent have savings under $500. Twenty-two percent have savings between $500 and $2,000.

Therefore, it is fair to say that more than three-fourths of the American families have savings of less than $2,000. Of the three-fourths, one fourth have no savings at all.

Consumer credit, relative to the size of consumer income, is now double what it was 10 years ago.

That is all a part of the picture.

The other fact I wish to bring to the attention of the Senate is that the interest rates on the public debt, to which the Senator from Tennessee and the distinguished Senator from Alabama referred, are up, on the average, 23.6 percent. That is as between 1950 and February 1957. That is on the average, of course.

State and local Government bonds are up 69.6 percent. Three- to five-year United States Government obligations, which are the so-called intermediates, the issue that refinances most of the public debt, are up 122 percent. These figures come from the Department of the Treasury.

Interest rates on corporate bonds, up 39.5 percent. Bank rates on short-term business loans, up 62.3 percent. That is the interest rate as of December 1956, as compared with December 1950.

Those are the facts as disclosed by the Government. I thought, while we had considerable heat generated over the subject of interest rates and the subject of savings, it might be well to shed some light and place some facts in the RECORD with respect to personal savings and interest rates. Those are the facts. When we look at the facts, generalized statements take on a different complexion entirely.

I thank the Senator from Alabama for his courtesy.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. LAUSCHE. The Senator from Alabama, while reading his prepared speech, and prior to the time the present discussion ensued on the subject of interest and discounts, discussed section 112 of the bill.

Am I correct in my understanding that under section 112 the Federal Government would enter the field of giving special assistance in the building of houses for the purpose of providing accommodations for four new classes of citizens, namely, persons of moderate income; persons whose ability to obtain adequate living accommodations in privately financed housing is attributable to race, creed, or color; elderly persons; and persons having five or more dependents?

Mr. SPARKMAN. To make the RECORD clear, I should say that this is not a new program. It is already in existence and it makes these four classes eligible for such special assistance.

Mr. LAUSCHE. As I understand, the present program covers housing for persons displaced by urban renewal activities.

Mr. SPARKMAN. By Government activity.

Mr. LAUSCHE. The bill is intended to expand that operation and to afford protection to the four groups mentioned.

Mr. SPARKMAN. The Senator is correct.

Mr. LAUSCHE. May I ask what additional money will have to be provided by FNMA to finance this program as it is estimated?

Mr. SPARKMAN. The $250 million provided in the amendment was considered to be sufficient.

Mr. LAUSCHE. Do I understand correctly that the $250 million will be given to FNMA to aid it in buying mortgages obtained in the financing of such structures?

Mr. SPARKMAN. The Senator is correct.

Mr. LAUSCHE. With respect to the interest rate—I think this is pertinent, because we have been discussing the subject of interest rather broadly—under the present law there is a ceiling of 6 percent which may be charged on mortgages bought under this program. I think that is a correct statement.

Mr. SPARKMAN. That is the ceiling—the maximum.

Mr. LAUSCHE. The bill, however, will reduce the interest rate from 6 percent to 4 percent.

Mr. SPARKMAN. Only as it relates to these categories.

Mr. LAUSCHE. As it relates to these five categories. My query is, What is the thinking, having in mind the large interest charges which were discussed here, regarding the justification for dropping the rate to 4 percent, and how

is it hoped to sell mortgages at that rate of interest?

Mr. SPARKMAN. The purpose of that interest rate is to reduce the cost of housing. The Senator realizes, of course, that the particular groups which are sought to be provided with this type of housing are those which it has not been possible to reach with other housing programs. The Senator from Ohio, in the committee meetings, from time to time has heard our discussions concerning some method of providing housing for the low and middle income groups, or people whose income simply is not sufficient to enable them to buy high-priced property.

With reference to the 4-percent rate, I remind the Senator that there are other housing programs which carry the 4-percent rate. One of the programs which is perhaps most generously supported is the military housing program, which carries the 4-percent rate. Farm housing loans carry a 4-percent rate. College housing loans carry an even lower rate of interest. The rate is flexible, to some extent, depending upon the cost of the money to the Federal Government. At the present time it is 2⅞ percent, but about July 1 the rate probably will be increased. There may be other housing programs; I am not certain.

I realize that 4 percent would not be regarded by most persons today as being a realistic rate, but I hope the time will come when a mortgage which is guaranteed by the United States Government will sell at a rate of 4 percent. I think we have gone entirely too far in allowing Government-guaranteed mortgages, which are almost as good as Government bonds, to carry interest rates competitive with private lending rates, when there is all the difference in the world between them.

Mr. LAUSCHE. I assure the Senator from Alabama that I subscribe thoroughly to the arguments which have been made about the inordinate rates of interest which are being charged the Government.

Probably it was last October, while I was Governor of Ohio, that on general bonds, with the full faith and credit of the entire State pledged to their payment, it was necessary to pay 2¾ percent interest. At that time I rebelled against the idea. When I think that the Federal Government has to pay practically 4 percent, it is simply unbelievable.

I wish to address one further question, to the Senator, and this, again, pertains to section 112. It deals with 2-, 3-, and 4-family unit dwellings. Is my understanding correct that this section would raise the ceiling on the price at which the mortgages would be insured?

Mr. SPARKMAN. The Senator from Ohio will recall the discussion in the committee concerning an amendment which was offered on behalf of the distinguished Senator from Maine [Mr. PAYNE]. The argument which was presented to the committee was that in some cities of Maine there exist this type of building, which could be used for the housing of persons who are displaced by reason of Government building programs, if the law permitted it. So this provision was included for the purpose of allowing such housing. That is not directly a part of the other program to which the Senator has referred.

Mr. LAUSCHE. It is in the same section.

Mr. SPARKMAN. Yes. It is all amending section 221, but it was included for an entirely different purpose.

Mr. LAUSCHE. Is my understanding correct that in the construction of a 2-, 3-, or 4-family dwelling at a cost of $32,000 or $35,000 in the high-cost areas, the minimum downpayment per dwelling unit would be $200?

Mr. SPARKMAN. For each unit in the building; that is correct.

Mr. LAUSCHE. So the Government would guarantee the mortgage of a $35,000 building, a 4-family dwelling, and the purchaser pay $800 down?

Mr. SPARKMAN. I remind the Senator that this is not for the purpose of building. This is for the purpose of utilizing the existing buildings of the types I have just described. But if it were a 4-unit building, the cumulative total down payment for the 4 units would be $800.

Mr. LAUSCHE. On a guaranteed mortgage of $35,000.

Mr. SPARKMAN. In high-cost areas, $35,000.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. NEUBERGER. I join with those who have commended the distinguished junior Senator from Alabama for his leadership and foresight on this great issue.

When the able Senator from Indiana [Mr. CAPEHART], in the earlier part of the debate, was quoting from the Washington Post and Times Herald with respect to savings, I wondered if he had noticed an article which was published in the same newspaper of today, under the byline of Philip S. Brown, and entitled "Why New Housing Has Fallen So Sharply." Mr. Brown was referring to the decline in new housing construction in the District of Columbia area. The article is very significant. It points out that the population is expanding in this area and that the income of those who live here has been going up very sharply.

I call the attention of the Senate to several aspects of the article, which I think bear on some of the points made by the Senator from Indiana, and which tend to support the position taken by the Senator from Tennessee and the Senator from Alabama.

Mr. Brown, in his article, points out:

> Since the late fall of 1955, when housing starts began to decline in this area, lumber prices have fallen, but building materials, all in all, have changed only slightly.

The author of the article then points out that he does not see how the drop in residential construction can be attributed, even in part, to changes in building costs.

Then this particular paragraph seems to be very significant:

> Interest is far and away the major expense that most peope incur in buying a house. One who borrows $10,000 at 4½ percent, to be repaid over 30 years, commits one's self to pay $8,242 in interest. At 5½ percent, the commitment is $10,448.

In other words, that author, who is an expert for the Washington Post and Times Herald in the field of residential construction, emphasizes that interest is the major obligation incurred by those who purchase houses. It is the big expense.

I wish to ask several questions of the eminent Senator from Alabama. I happen to represent in the Senate, along with the distinguished senior Senator from Oregon [Mr. MORSE], the State which produces more lumber than any other State in the United States. Oregon has in recent years encountered what might be described as an adverse economic current which is running disturbingly counter to that of the rest of the country. Approximately 8 or 10 years ago, each person in Oregon enjoyed a per capita income which was approximately $200 above the national average. Today, it is approximately $10 or $15 below the national average. Part of this change can be attributed to a major slump which has overtaken the lumber industry.

I hold in my hand several telegrams. One of them comes from Joseph W. McCracken, executive vice president of the Western Forest Industries Association. I ask unanimous consent that these telegrams be printed in the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

PORTLAND, OREG.,
May 24, 1957.

Hon. RICHARD L. NEUBERGER,
United States Senate,
Washington, D. C:

Western Forest Industries Association very disturbed over Senate Banking and Currency Committee's 1957 housing bill. Full committee turned down liberalization of FHA program and reduced FNMA mortgage purchase authority by $750 million.

Have been urging our membership to defer decisions to permanently shut down their lumber operations until after Congress has passed the 1957 housing bill. We have based our advice on a hoped-for liberalization of the housing program. With a consequent pick-up in housing starts and finally an increase in the presently depressed lumber market.

Sincerely concerned that full Senate ratification of Banking Committee bill next week will lead to another wave of lumber and plywood mill closures. Many mill owners will close that have been in continuous operation for over 20 years. In past few months 126 mills have already shut their doors in Oregon alone.

We are told a liberal housing bill may be inflationary at this time. You are better able to judge this than we. However we are disturbed that in the guise of preventing inflation our industry along with the home building industry is being singled out for a temporary depression while other industries are experiencing record prosperity.

We are in a position to predict the result of a continued depression in the lumber industry which would result from the failure to liberalize the Federal housing programs. Hundreds of medium sized and smaller operating units will go out of business permanently. Then when the housing spigot is turned back on some day, this industry will consist in large measure of only the largest operations. The small lumberman will be gone and the vitality which he has provided will also be gone. The Government is now concerned about mergers and large sized units in our industry. Nothing imaginable will contribute more to this trend toward bigness than the failure to liberalize Federal housing programs in this session of Congress.

We understand the Senate will debate the housing bill next Monday. We urge your support of any amendments to the Banking Committee's bill which will liberalize the FHA program and restore to FNMA the $750 million for mortgage purchase.

Our association has been in continuous operation since 1944. We are composed of over 100 medium sized and small sawmill manufacturers doing business in Oregon, Washington, California, and Montana.

Sincerely,

JOSEPH W. MCCRACKEN,
Executive Vice President, Western Forest Industries Association.

RIDDLE, OREG., *May 24,1957.*

Hon. RICHARD L. NEUBERGER,
United States Senate,
Washington, D. C.:

Re FHA bill S. 1898, due to present slump in lumber market it is imperative this bill be passed as it seems to be the only release we will receive in the near future. Passage of this bill alone could bring release to every industry in this area.

D. R. JOHNSON LUMBER CO.

ROSEBURG, OREG., *May 24, 1957.*

Hon. RICHARD L. NEUBERGER,
United States Senate,
Washington, D. C.:

Urge that you do all possible to push Sentor SPARKMAN's and Senator SMATHERS' improvement of FHA program.

Respectfully,

J. C. BAXTER,
Secrteary, Wilbur Lumber Co.

EUGENE, OREG., *May 24, 1957.*

Hon. RICHARD L. NEUBERGER,
United States Senate,
Washington, D. C.:

Urgent that you support liberalized FHA program as provided in Senator SPARKMAN'S subcommittee bill and Senator SMATHERS' FHA bill S. 1898.

EUGENE WILLAMETTE LUMBER CO.

EUGENE OREG., *May 24, 1957.*

Hon. RICHARD L. NEUBERGER,
United States Senate,
Washington, D. C.:

The lumber business in general and the whole economy of our area is in dire need of a liberalized FHA program. We solicit your cooperation and urge your full support of the amendment embodied in Senator SPARKMAN'S subcommittee bill and Senator SMATHERS' FHA bill, S. 1898.

Respectfully,

L. L. YEAGER,
McKenzie River Lumber Co.
DOUGLAS ORME,
Bethel Planing Co.
CHARLES KITCHEL,
O. and C. Lumber Co.
VERNE MCGUIRE,
Raymac Lumber Co.

WASHINGTON, *May 24, 1957.*

EUGENE WILLAMETTE LUMBER CO.,
Eugene, Oreg.:

L. L. YEAGER,
McKenzie River Lumber Co.,
Eugene, Oreg.:

DOUGLAS ORME,
Bethel Planing Co.,
Eugene, Oreg.:

CHARLES KITCHEL,
O. and C. Lumber Co.,
Eugene, Oreg.:

VERNE MCGUIRE,
Raymac Lumber Co.,
Eugene, Oreg.:

Glad to assure you of my support for every effort which may be made in Senate to liberalize FHA terms and other housing legislation as reported out by committee, so as to overcome adverse and restrictive effects of administration's tight-money policies. Progressive housing bill important both because of crucial importance to Oregon's lumber-based economy and because more plentiful and better housing is real national need. Appreciate your message. Regards.

RICHARD L. NEUBERGER,
United States Senator.

Mr. NEUBERGER. Mr. President, in his telegram Mr. McCracken points out that lumber mills in our State which have been in continuous and successful operation for more than 20 years, face the imminent threat of permanent closure unless there is a genuine revival in the lumber market.

My interest in this situation arises only in part because I help represent the major lumber-producing State in the Nation, although naturally my interest in the matter is affected by that fact. However, I wish to state that my interest in it also arises from the need for the construction of an adequate number of individual family and multiple-unit dwellings which will provide comfortable housing for the American people.

Does the Senator from Alabama think that by means of the pending bill, there will be ample opportunities to encourage the housing construction which the country needs in order to take care of its people, particularly under what we regard as an American standard of living?

Mr. SPARKMAN. Does the Senator from Oregon ask whether I believe the pending bill is sufficient for that purpose?

Mr. NEUBERGER. Yes.

Mr. SPARKMAN. No, not at all; and I am glad the Senator from Oregon has asked that question.

The rock-bottom minimum of additional housing units needed in the United States each year is 1 million. Considerably more than that could well be used. In other words, if I were to state the number of additional housing units required each year in order to supply the needs of the people of the United States for comfortable housing, I certainly would put the figure at much higher than that—perhaps at 1,500,000.

Mr. NEUBERGER. And today it is approximately——

Mr. SPARKMAN. Nine hundred and ten thousand.

Mr. NEUBERGER. Yes; and in March I believe it was down as low as a rate of 800,000.

Mr. SPARKMAN. Yes; in March the figure was 815,000 or 844,000, or approximately that amount.

In that connection, let me state that 940,000 is the annual projection, based on the April figure. However, in April there was an increase. In March, the figure was 810,000.

Despite that projection, I should like to point out, by way of caution, that the number of housing starts in April was the lowest in the United States in the month of April since 1949. Therefore, the Senator from Oregon will understand that when we study only the projection, we are liable to fool ourselves.

At this point I should like to refer to an article published in the magazine "Banking," which is issued by the banking industry. The article to which I refer appears in the current issue of that magazine, and is entitled "Housing, Population Growth Just About Keep Pace."

The article is not long, and I shall read it:

> HOUSING, POPULATION GROWTH JUST ABOUT KEEP PACE
>
> "The growth in the Nation's housing stock appears to have just about kept pace with population growth during the past 7 years," states Business Trends, published by the research department of the Federal Reserve Bank of Cleveland.

By the way, we should remember that the past 7 years have been perhaps the most productive 7 years in the history of the United States, in the case of housing.

Mr. NEUBERGER. Is it not true that, in the case of the purchase or acquisition of new automobiles, there has been a great increase in the rate, as compared with the construction of housing?

Mr. SPARKMAN. Yes.

I read further from the article:

> It is pointed out by Business Trends that the country's nonfarm population has increased by nearly 21 million persons since 1950 to a total currently around 146,500,000 men, women, and children. "The 7-year growth in the nonfarm population was about 17 percent, almost identical with the estimated increase in the number of occupied dwelling units during this period," reports the FRB publication. "'Between 1950 and 1956," it states, "an average of 10 new nonfarm dwelling units have been occupied for every addition of 32 percent persons to the nonfarm population. This ratio appears to be about in line with the average number of persons per occupied dwelling unit, which has not changed much in recent years."
>
> Trends concluded its discussion by stating that "little progress has been made in replacing the large number of substandard dwellings in the country * * *. Replacing these substandard units, or modernizing them to meet present day standards, would appear to be a desirable social objective. The task is so large—and it grows with time—that doing even a small part of it each year would sustain the housing industry at very high levels for some years to come."

We must remember that the article I have just read is based on a Federal Reserve study, as reported in the magazine Banking. I do not believe two more conservative or more cautious groups than those could be found.

Therefore, we must conclude that certainly it is not an exaggeration to state that the construction of housing is just about keeping pace with the increase in population, to say nothing of the replacement of the houses which become obsolete and those which are torn down because of housing development programs, urban renewal programs, and the houses destroyed by fire and other disasters. In other words, the construction of new houses in the United States is just about keeping pace with the increase in population.

Mr. NEUBERGER. What bothers me so much about the situation is that there

is an enormous market for new automobiles, and we are undertaking a $33 billion interstate road program; these developments are desirable but, as the Senator from Alabama has pointed out, a lag is occurring in the construction of housing, where the American people spend most of their time, either when sleeping or when awake.

Mr. SPARKMAN. Let me state that what bothers Senators more than anything else is inflation. Inflation will be the basis of one argument which will be made in connection with various phases of the housing program.

I wish to ask whether any Member of the Senate hears complaints about inflation when there is an increase in the number of automobiles produced in the United States in any one year?

Mr. NEUBERGER. Or when the American people spend, in 1 year, more than $15 billion for liquor and tobacco. Is that situation referred to as inflation?

Mr. SPARKMAN. Or when a great industry decides to spend half a billion dollars in expanding its plant. That is not called inflation.

It is only when a beginning is made in the construction of the houses essential for American families, that we begin to hear talk about dangerous inflation.

Mr. CLARK. Or—if the Senator from Alabama will yield to me—when we begin to put $27 billion into a highway program.

Mr. NEUBERGER. Mr. President, if the Senator from Alabama will further yield to me, let me say that the one great danger of inflation seems to be said to exist in connection with housing construction. I refuse to believe adequate housing will encourage inflation. The Senator from Alabama has been a leader in the field of housing ever since he entered the Congress. He is now presenting the housing bill on the floor of the Senate, and he has admitted that the pending bill contains imperfections.

Let me ask how the bill could be amended so as to give encouragement to an adequate, responsive, and necessary housing program which is so urgently needed today in the United States. Could that be done by reducing the required downpayments, or by providing for the making of direct loans by the Government rather than by underwriting loans from private sources? How would the Senator from Alabama propose that it be done? It is essential that construction of residential housing be resuscitated.

Mr. SPARKMAN. I may say there is a great deal more importance attached to reducing downpayments in getting the type of housing we need—that is, providing housing for the great mass market. The great mass market for housing is made up of people with incomes of $6,000 a year and less. If we could put emphasis on that type of housing—in other words, houses costing $15,000 and less—we probably would do more good than by any other single act.

I could make several suggestions as to how I think the program could be improved to do these things, but I am realistic. I know what we are up against. In presenting this measure, all I hope to do—and I think this is also the committee's view—is to hold the ground as best we can, in the hope matters may stabilize, and perhaps in another year's time we can work out a real program.

Mr. NEUBERGER. One further question; then I shall not additionally intrude on the Senator's valuable time.

In other words, then, am I to understand it is the opinion of the Senator from Alabama the present bill which he is explaining and presenting on the Senate floor is the very best measure that can be passed under the present circumstances?

Mr. SPARKMAN. I am of that opinion. That is correct.

Mr. President, I ask unanimous consent that I may have the privilege of yielding to the junior Senator from Rhode Island [Mr. PASTORE], so that a matter of great interest may be presented to the Senate, and that afterward I may have the right to resume.

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). Is there objection to the unanimous-consent request of the Senator from Alabama? The Chair hears none, and it is so ordered. The Senator from Rhode Island is recognized.

Mr. PASTORE obtained the floor.

Mr. SMATHERS. Mr. President, will the Senator from Rhode Island yield to me so that I may suggest the absence of a quorum.

Mr. PASTORE. I yield for that purpose.

Mr. SMATHERS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll; and the following Senators answered to their names:

Allott	Fulbright	Morse
Anderson	Goldwater	Morton
Barrett	Gore	Murray
Beall	Green	Neuberger
Bennett	Hayden	Pastore
Bricker	Hickenlooper	Potter
Bush	Holland	Purtell
Butler	Hruska	Revercomb
Byrd	Humphrey	Robertson
Capehart	Ives	Russell
Carlson	Jackson	Saltonstall
Carroll	Javits	Scott
Case, N. J.	Johnson, Tex.	Smathers
Case, S. Dak.	Johnston, S. C.	Smith, Maine
Chavez	Kefauver	Smith, N. J.
Church	Kennedy	Sparkman
Clark	Knowland	Stennis
Curtis	Kuchel	Talmadge
Dirksen	Lausche	Thurmond
Douglas	Long	Thye
Dworshak	Malone	Watkins
Eastland	Martin, Iowa	Wiley
Ellender	Martin, Pa.	Williams
Ervin	McClellan	Yarborough
Flanders	Monroney	Young

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). A quorum is present.

Mr. JOHNSON of Texas. Mr. President——

Mr. PASTORE. I yield to the distinguished majority leader.

SENATOR THEODORE FRANCIS GREEN, OF RHODE ISLAND

Mr. JOHNSON of Texas. Mr. President, there are men who are ageless, men to whom the passage of the years merely represents the accumulation of milestones.

Such a man is our distinguished and honored chairman of the Foreign Relations Committee, THEODORE FRANCIS GREEN. This week he beomes the "oldest" man ever to serve in the Congress of the United States. I place the word "oldest" within quotation marks, because in his case it is merely a measure of years of service.

The experts, it seems, cannot agree on the exact day when the record will be set. So the Senator from Rhode Island is acting in characteristic fashion.

He is proving that he is the master of time, and not its slave. He is setting May 30, next Thursday, as the official date. As they always do, time and calendar will bow low and adapt themselves to the wishes of the distinguished chairman of the Foreign Relations Committee, Senator GREEN.

For all of us, next Thursday will be a great occasion. We shall once again have an opportunity to display our deep affection for the gay, sprightly man who combines the highest degree of statesmanship and vitality, and makes the rest of us sigh for the days when we were once young.

Mr. KNOWLAND. Mr. President——

Mr. PASTORE. I yield to the distinguished minority leader.

Mr. KNOWLAND. Mr. President, I would not want this opportunity to pass without those of us on the Republican side of the aisle joining the majority leader in expressing our great gratification at this milestone which our good friend and lovable companion from Rhode Island has passed or is about to pass—depending upon which historian is consulted.

In this Chamber we discuss many controversial subjects. Sometimes we divide along party lines, and the center aisle marks the division. Sometimes we divide along geographical or philosophical lines. But today there are no divisions in the Senate as we all come to pay our tribute, not only to an outstanding Senator, a man who holds the high and important position of chairman of the Foreign Relations Committee, under whose chairmanship I am privileged to serve, but a man whom we all join in honoring. All of us, regardless of the section of the country from which we come, regardless of our party affiliation, join with the majority leader in expressing our happiness at being able to unite in paying tribute to the senior Senator from Rhode Island and expressing the hope that he may celebrate many future anniversaries of his service.

I know of no Member of this body, regardless of how young he may be in years, who is more young in outlook than is the distinguished Senator from Rhode Island. Having traveled with him on occasion in foreign lands, I can personally testify that, while we so-called younger Members often became a little tired, he was still able to go, and not only visit the places we were supposed to visit, but also to take on additional work.

He is one of the hardest working members of the Foreign Relations Committee, and I am happy to join in paying this tribute to him today.

Mr. PASTORE. Mr. President, on June 18, 1956, I had the honor to rise in the Senate to extol my colleague, the senior Senator from Rhode Island, THEODORE FRANCIS GREEN. On that date, he had achieved a record—the oldest Senator to serve in these proud halls. Let me refer to the CONGRESSIONAL RECORD of that day—volume 102, part 8, page 10449—for the lively biography of this Phi Beta Kappa son of Brown University, onetime Governor of Rhode Island, and the perennial Senator from our beloved State.

On that June day of 1956, Senator GREEN had counted 88 years, 8 months, and 15 days. But he had only started to count. For there were more honors to be acquired. The House of Representatives claimed that it had Members in the past who had lived longer. There is no justice in the canard that in the House it only seems longer. They produced the records.

Yet Senator GREEN was not dismayed. He could bide his time.

There was a record of 89 years, 56½ days. They were counting half days by this time. Senator GREEN passed that record on November 28, 1956. Next our Senator overtook a Representative claim-claiming 89 years, 7 months, and 18 days—and today all his competitors become only memories—this the memory of a man who had a mere 89 years, 7 months, and 25 days.

We salute the memories of these grand old men who will compete no more with Senator GREEN. There is glory for them, too.

We salute them, and we congratulate Senator GREEN, who now has only one birthdate to remember—his own—October 2, 1867.

The year 1867 brought other great events in history. That year Russia sold us Alaska for $7,200,000. The same year Nebraska came into the Union. The direct current dynamo was invented and electrical age got on its way. Cyrus Field got a medal for laying the Atlantic cable. A Member of Congress from Ohio charged the President with interference and finally the President was impeached.

The French withdrew from Mexico City; and the whole world went to Paris for the exposition of 1867. Sholes and Golden were working on the first practical typewriter; and the first big drive for woman suffrage got underway. This fact may be irrelevant in the life of a man who has remained a bachelor all his days and nights—so far—inasmuch as the woman's vote has always been overwhelming for Senator GREEN.

Let us leap 90 years from 1867 to 1957. If, Mr. President, you think it is a long leap, remember, my colleague made it.

Let us consider a few of his accomplishments during this past year.

It has always been his dream to become chairman of the Foreign Relations Committee—and, by George, he made it. He had hoped to hear the songs of the Brown campus echo in the corridors of the Senate. And a month ago in a well-deserved serenade to their great alumnus, the Brown Glee Club, raised their thunder in the rotunda.

Senator GREEN has flown east and west—north and south—overseas and wherever duty might call him—truly a public servant.

And he has continued his lifelong hobby of private importations to his collection of Far East antiques. He finds, as it were, more diversion in ancient Confucianism than in modern Confusionism—or whatever the political name may be.

His 6-week study mission to the Continent last year, with an official visit to 13 countries, culminated in his report on aid to Africa submitted last February.

We all remember his masterful presentation here of the Middle East resolution. We are familiar with his committee report on the foreign-aid program and are aware of his introduction of the Mutual Security Act. Senator GREEN is everywhere in demand as a speaker and he complies as much as his Senate duties will permit. A month ago he was principal speaker at the World Trade Fair in New York. One night will find him talking at Bucknell University—and the next night you will find him listening at a testimonial dinner in his honor at the Waldorf-Astoria Hotel in New York.

His sense of humor delights every gathering while his deep learning adorns every discussion of the affairs of the Nation. A gracious host, a sought-after guest, there are few who get so much fun out of life—or put so much good humor into it. We are very fond of him. He is very fond of us, so much so that he has promised to keep on as Senator until his turn of the century. We have learned to rely on his promises—so we feel that he will be on these premises come that century. At least that is our wish—and our prayer for him.

Let me close with a stanza of a little poem:

> But if from life you take the best,
> And if in life you keep the jest,
> If love you hold;
> No matter how the years go by,
> No matter how the birthdays fly—
> You are not old.

Congratulations to my friend and colleague, Senator THEODORE FRANCIS GREEN.

[Applause, Senators rising.]

Mr. GREEN. Mr. President, I rise, not to make a speech, but to express my heartfelt thanks for the great tribute my colleagues are paying me this afternoon.

I cannot tell them how much it means to me. I have heard not only the words of the distinguished majority leader, the distinguished minority leader, and my distinguished colleagues from Rhode Island, but I have also received a great many greetings, both public and private, from my colleagues on both sides of the aisle, from those whom I have known ever since I came to the Senate, as well as from those who recently came to the Senate and whom I am glad to greet as friends.

I have had a long life. It is hard for me to realize it—unless I go back over the details—because I do not notice much difference in myself tonight as I stand here from the way I was when I came here first some 20 years ago, or a little more than that.

I have enjoyed my service here. I believe that one reason why I have enjoyed it is not because I have always won—because sometimes I have lost—but because, when it is forced upon me and I know I am right, I enjoy a fight.

Not many men are willing to say so. But I say if I feel I am right and the other fellow picks a fight, so much the better. I then have a chance to prove I am right. Although sometimes, in the view of certain people, it has not been a successful fight, I have enjoyed it notwithstanding.

I think that is perhaps one reason why I am here. My friends in Rhode Island needed a fight, and probably never would have gotten anywhere without it. I learned that year after year, and after 25 years of defeat I was never discouraged, and I finally won; and from then on I went on to ever greater victories.

I say this for the benefit of my friends on both sides of the aisle who may become discouraged over a temporary defeat. If they know they are right, let them keep on, and they will win—if they are right. That is the big "if." We can never be sure in this world. I have never felt entirely sure, but I have acted on the assurance, which I have, that a clear conscience and hard work will carry one forward, even if there is nothing else to count upon.

It is a bit uncertain, of course, whether today is the day when the record was set. As my colleagues know, I celebrated the day last fall some time. Then it was found that a mistake had been made, not by me, but by the Library of Congress, that noble institution. I had the honor to be the chairman of the Joint Committee on the Library, and I blush for shame that that great institution should have made such a mistake.

Then, as a result of further investigation, they shoved the date ahead until about this time. Then they decided on this day. However, along came another investigator, who examined the more than 15,000 records, and he decided that leap years had been overlooked; in other words, that 1 day a year must be allowed in making the calculations.

Then along came the third school of thought and they said that a leap year does not come every 4 years; that there are only 24 leap years in a century. By this time they were counting my age by centuries. At that point I gave it all up. Then the reporters came—Senators know how they butt into these things—and they said to me, "You must choose a day to celebrate."

"Well," I said, "I am going to choose, not the 26th or 27th or 28th, or even the 29th of May. I am going to give them 1 day for another school of thought, the fourth school of thought, and I will choose the 30th of May as the day to celebrate, when there will be a celebration anyway."

[Applause, Senators rising.]

Mr. BUSH. Mr. President, as a Senator from the State of Connecticut, I am very happy upon this occasion to join other Senators in extending to my dear friend congratulations on behalf of the people of the State of Connecticut, his next-door neighbor. We admire him, we

respect him, and we rejoice in the wonderful record which he has established.

If I may say so, Mr. President, to me the schedule of work this great man undertakes day in and day out is amazing. He is famous for the fact that in addition to all the usual work of a Senator, he is very conscious of his responsibility as a member of the Committee on Foreign Relations. I venture to say that he attends more of the affairs given at embassies of neighboring countries and of countries far away, than does any other Member of the Senate of the United States. For the courtesy which he shows them, he is greatly respected by the representatives and the people of other countries. I think we all can bask somewhat in the reflected credit, because he is the senior member of the Committee on Foreign Relations.

In this connection, I heard an amusing incident about the Senator not long ago at one of the embassies. He was standing in the reception line, waiting to be introduced to the host. He had his little engagement book out and was looking at it very intently. One of his friends said to him, "Theodore, are you trying to find out where you are going from here?"

The Senator turned and said, "No; I am trying to find out where I am."

I think that illustrates my point about his attentiveness to official duties. I mention this only as one aspect of the many facets of his work as a Senator because it is so significant.

Mr. SMITH of New Jersey. Mr. President, I cannot let the occasion pass without saying a word about our distinguished and beloved colleague. Theodore and I have been together on the Committee on Foreign Relations for a number of years. It is a great joy to me to be serving with him this year when he is the chairman. To use a slang expression, "he has run us all ragged."

I have attended committee hearings, especially when foreign aid was under consideration, when Theodore has opened the meeting and when the rest of us have had to leave early. But Theodore always closed the meeting. I do not think there has been a meeting which he has attended to which he has not given full time, attention, and thought to its planning, so as to make it the kind of meeting it should be.

I pay him this tribute as a colleague, because Senator GREEN has been wonderful to all of us.

Apart from the more or less official side, is the other side—the side of human friendship and affection.

We all love you, Theodore. I am one of the older Members of the Senate. I have not attained your seniority, but I think I can say that I have looked upon you as one, on the other side of the aisle, for whom I have come to have the highest affection. Whenever I attend one of the receptions to which the Senator from Connecticut [Mr. BUSH] referred, I am happy to find you there, so that I may have a word with you.

I know that if Mrs. Smith were here, she would extend to you her congratulations, because she says there is no one whom she more enjoys sitting next to at official banquets, than THEODORE GREEN, because she knows she is going to have an evening of real exhilaration.

Mr. President, I am glad to add my word to the tributes being paid our distinguished colleague.

Mr. HUMPHREY. Mr. President, I join with my colleagues in paying tribute and personal respect to our distinguished and beloved colleague from the State of Rhode Island. I did so personally only a few minutes ago, while the quorum call was in progress.

I have always had the greatest respect and esteem for Senator GREEN. I said to him that he combines the two great qualities which are so important in public life. On the one hand, he is an eminently successful politician in the best sense of the word; on the other hand, he is a statesman who has contributed greatly to the welfare not only of the State, not only of the Nation, but of the world. When those two qualities can be combined in one personality, we indeed have an unusual person.

In Senator GREEN, I feel we have the finest type of public servant and gentleman, whose friendship we shall always cherish and respect; one who has added to the honor and prestige of representative government and all the traditions of democracy.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a splendid article entitled "Senator THEODORE FRANCIS GREEN," written by William H. Edwards, and published in the Harvard Law School Bulletin.

Mr. Edwards is a partner in the Providence law firm of Edwards and Angell. He is an active alumnus of the school, he has served as Rhode Island Chairman of the Law School Fund, and he is secretary of his class of 1921. I am certain that the Senator from Rhode Island is acquainted with Mr. Edwards. The article is indeed an excellent profile of the fine work of the Senator from Rhode Island in his public career.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Harvard Law School Bulletin of April 1957]

SENATOR THEODORE FRANCIS GREEN

(By William H. Edwards, 1921)

THEODORE FRANCIS GREEN, senior United States Senator from Rhode Island (and Harvard Law School, 1890–92), is a special case history in, among other things, geriatrics. He is not only the exception that violates the proverb and proves no rule; he is the case that disproves all rules. Born in October 1867 (only 2½ years after Appomattox), he is now serving his 21st year in the United States Senate and will be 90 this autumn. A vigorous and dynamic individual, both physically and mentally, he appears, as all observers agree, like a man in his 60's. Yet he can and does discourse with vivid recollection of the Law School of 1890 and of those far-off solar myths, Ames, Gray, and Thayer.

Elected for the first time to the governorship of Rhode Island in 1932, he began the important part of his political career in his 66th year, at an age when in that "little principality" bank presidents are usually in the habit of retiring. Yet Mr. GREEN has been going strong ever since—an Aristides whom his electorate on 5 occasions (2 gubernatorial and 3 Senatorial) have not become tired of calling "the Just," and an elder Cato who follows very literally that other hardy gentleman's precept, Senesco discens,—"I grow old learning."

With this session he has become chairman of the Senate Committee on Foreign Relations and is at the time of this writing struggling day after day with Mr. Dulles and with what some logician has flippantly called the Undistributed Middle East. His schedule would break the back of a far younger man. On the day this writer talked with him, Senator GREEN had been at his office or in the Senate from 8:30 a. m. till 5:30 p. m., or later, some of the time acting as chairman of a committee hearing. He had come back to the University Club (of Washington) for dinner. At about 8:30, beginning with dessert, he started reminiscing about the years of his early education. He talked with few interpolations on the part of his guest, for nearly 2 hours, and when the conference broke up late in the evening appeared as genially fresh as if he had just finished breakfast and as young in zest and manner as if he had gotten through law school in, say, about 1910 or 1915, or even later.

Altogether we have here a portent of no mean proportions—a portent of personality and achievement in which the law school, 1 of his 2 legal nurses, can take proper pride. To have survived to such age with such vigor is remarkable, to be sure; but to have survived with credit to himself and the State and Nation he serves is phenomenal.

With his accession to the chairmanship of the Committee on Foreign Relations and with the establishment of a record for age in Congress (there seems to be a little doubt on this score, but the next few months will dispose of any "transient and embarrassed phantoms" who have turned up as competitors in Congressional records), Mr. GREEN's history and political activity have been given wide publicity, particularly in a full sympathetic article in the Saturday Evening Post (issue of January 5, 1957). It would be idle, in the space allotted to this disquisition, to go too much over the same ground.

What is interesting, one supposes, or may be interesting, one hopes, to the law school constituency has to do with those events of his life which pertain primarily to his education and his legal training.

Mr. GREEN was sickly as a child. He received much instruction at home. At the proper time, his father, Arnold Green (Harvard Law School, 1865–66), taught him Greek. No lessons or the study of them was permitted on the Sabbath. Arnold Green got around that by a legal fiction which permitted study of the Greek Testament on Sundays. "I saw through him," said the Senator. "But we got on all right till I became better at New Testament Greek than he was. He didn't like that." Biographers struggle these days with the problem of father-son hostility. Catherine Drinker Bowen struggled with it in "Yankee from Olympus," and now Professor Howe, in his just-published volume on Holmes, struggles with her struggle. Senator GREEN is lucidly direct and frank. "I was always rather afraid of my father," he admits. No lack of admiration, apparently; simply, a little fear.

The first school Senator GREEN went to was Miss Sawyer's, nearby on Benefit Street in Providence. "Keep him off the streets," said Arnold Green to Miss Sawyer. "Whether he learns anything or not I don't care." Later he went to Mr. Shaw's school. His class had only 6 members. The chief advantage of this school was that he had a walk of a mile or more each way. His health began to improve.

Thereafter came Classical High School, a public school of high standing in Providence. Here Mr. GREEN must have found himself intellectually, for he speaks with zest of his two favorite subjects, mathematics and Greek (one of his respected teachers in mathematics being an uncle of the writer, Stephen O. Edwards, who later was a brother lawyer of Mr. GREEN's). Mr. GREEN liked mathematics and Greek, but he did not like the girls in this coeducational school. They had all the seats near the window; Mr. GREEN had a corner seat surrounded by blackboards; and the teachers tended to "placate the girls." Whether this early experience produced later results no one can tell. Mr. GREEN says characteristically: "Well, it's true I was a bachelor then, and I still am." He graduated from Classical in 1883, at the age of 15.

He was uncertain about going to college. If he did, it was to be Brown. He never had a thought otherwise. The family was a Brown family—alumni, fellows, trustees galore. Mr. Arnold Green left decisions to his children (there were the Senator, 2 sisters, and the 3 little boys) with a freedom that was remarkable. On the day for matriculation in the autumn of 1883 he asked Theodore if he was going to college. The son said he was uncertain, though he had taken rather casually and passed an entrance examination, giving up a picnic at the last moment to attend to it.

But the college bell was ringing, and Theodore strolled over to the Brown campus and climbed to Upper Manning Hall where matriculation was in progress. Someone set off some firework caps, and the future Senator suddenly found himself held for questioning by President Robinson, literally before he had made his final decision to enter college. This was his first encounter with "Zeke" Robinson (stern but undignified). Green told him he was not guilty, did not know who the culprits were, and would not tell him if he did. This outraged Robinson, who called on Arnold Green. "Forget it," said the father, and as Green, senior, was a prominent citizen the president "forgot" it. Later that year the president raided 16 Slater Hall, where Green lived with John Henshaw. Green did not gamble, but some of the group were gambling. Robinson went again to Arnold Green, and there was even talk at that or another time of young Green's going to Amherst. "In any event," said President Robinson to the father, "the room was so full of smoke it was unhealthful." "Get him a larger room," said Arnold Green.

The son did top work scholastically—mathematics under Prof. "Nat" Davis, Greek under the elder Prof. Albert Harkness. There is a well-known story that Theodore reported to his father that he stood second in his freshman year. "Work harder," said Arnold Green. At the end of the sophomore year, Theodore reported: "I led my class." "They must have pretty low standards," the father replied. The writer asked the Senator if this story was apocryphal. "No," he replied, "something very much like that happened."

The transition to Harvard Law School (after a 3-year interval—1 year of postgraduate work at Brown and 2 years in a law office) seemed natural. Senator GREEN was the 4th oldest son in 4 successive generations to be a lawyer: Timothy Green, Timothy Ruggles Green, Arnold Green, and the Senator. A fifth oldest son in the next generation is the Senator's nephew, Ronald C. Green, Jr., Harvard Law School 1934, now practicing in Providence with the firm of Hinckley, Allen, Salisbury & Parsons (once Green, Hinckley & Allen, of which the Senator was a senior member for about 20 years).

Mr. GREEN lived for his 2 years on Cambridge Street ("near that big red building"—obviously Memorial Hall). He said that as far as grades went he did all right, but he remembers with some pride that he officiated as usher at two weddings during examination periods. This did not trouble him. "I never took examinations hard," he says.

Dean Ames, John Chipman Gray, and James Bradley Thayer were among his teachers, and he remembers them as great men. Ames, he thought, was not great as a teacher, but a very fine person. Gray was the outstanding teacher of this trio of giants.

After finishing 2 years, Mr. Green decided to go to Germany to complete his work. He and his father consulted Dean Ames, who was opposed. His opposition was obviously useless, as Arnold Green had done the same thing in his youth.

So the future Senator set off for Germany, to Weimar for a summer and a winter to learn the language, and then to Bonn for two terms with a term at Berlin in between. One of his vivid recollections is of Dr. Paul Krüger, famous German jurist and historian, and translater of the Gaius palimpsests. Krüger would take the matter in hand (for example, the Institutes of Gaius) and call on students to read a paragraph of the Latin and then translate it, at sight, into German for the benefit of the class. Mr. GREEN says this was terrifyingly hard for him. On the street after class he ran into the great Krüger, walked along with him, and mildly suggested that perhaps Krüger would have thought, because of language difficulties, of passing over him. "No," said the professor, "I do not discriminate. I will continue to call on you. You will be able to do what is asked." And he did. The Senator says that nothing has seemed hard to him in life since.

The Senator's admiration for Roman law and its great figures is boundless. For 3 years after his return, he taught Roman law at Brown. He practiced law with his father, and after his death with Frank L. Hickley, 1894, and the late Arthur M. Allen, 1900, and others, as mentioned above. Subsequently he practiced with Henry C. Hart, 1907, and Patrick P. Curran (later judge of the superior court of Rhode Island) in the firm of Green, Curran & Hart. For the past two and a half decades political interests have been paramount. Space does not permit an account of his charitable and educational activities and his connoisseurship in art, particularly in the field of Chinese painting.

One observation may be made in conclusion. The Senator's attitude to his education explains in part his cheerful longevity. He has taken things as they came, with no undue fear or distrust. If he had any advice to give younger men and younger lawyers, it would, he said, be this: "Just tackle things as they come up. Things are never as bad as they seem."

By way of confirmation of this spirit, his easy serenity is well expounded in a piece of verse which he composed for the Class of 1887 Gate on the Brown Campus. He frankly likes the lines and thinks that they are rather pat. There are two examples of paronomasia in it—the metaphorical reference to the actual college pump and well which are close by and to "Hope College," the ancient dormitory beside the gate.

Welcome, O undergraduate,
Within this '87 gate!
All ent'ring here find hope endures,
The fount of knowledge still allures,
And here good fellowship abides,
To cheer and help whate'er betides.

The Senator has in his own life, perhaps without realizing it, been the perpetually optimistic and perpetually youthful hero of his own couplets.

Mr. SPARKMAN. Mr. President, before I conclude remarks on the housing bill, I wish to take advantage of the opportunity to say a word regarding our esteemed and beloved colleague, the youthful Senator from Rhode Island. When I say "youthful," even though I say it rather facetiously, there is a great deal of truth in it.

I wonder if Senators noted a few minutes ago the statement of the Senator that it was difficult for him to realize that he had lived this length of time unless he started to think back over his life in detail. I think that is true, because if ever I was associated with a person who was eternally youthful, it is the distinguished senior Senator from Rhode Island.

There is a poem I have been thinking of. All of us are familiar with it.

Grow old along with me.
The best is yet to be.

I often associate that couplet with older persons, but I would have great difficulty in associating it with THEODORE GREEN. It is hard for me to think of him as having reached the ripe age which has been attributed to him today.

I have the great privilege of serving as a member of the Committee on Foreign Relations under the very able and distinguished chairmanship of Senator GREEN. I entered the House of Representatives at about the same time Senator GREEN came to the Senate. During my service in Congress, I have served under a great many chairmen, but never have I served under one who was finer, abler, more devoted, and more considerate of those working with him than is the very able chairman of the Committee on Foreign Relations.

The Senator from New Jersey [Mr. SMITH] spoke about the devotion of the Senator from Rhode Island to duty. When we realize the extent to which the Committee on Foreign Relations has been subjected to almost constant hearings during the whole session of Congress, first, on the Middle East resolution, and then on the various studies of foreign aid, and later on mutual security, in addition to the consideration of treaties and of nominations during the whole year, only then do we realize that the Senator from Rhode Island is one Senator who is always on time at the beginning of a hearing and is present when the hearing ends.

Mr. JACKSON. Mr. President, at this point will the Senator from Alabama yield to me?

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). Does the Senator from Alabama yield to the Senator from Washington?

Mr. SPARKMAN. I am glad to yield to my friend, the Senator from Washington.

Mr. JACKSON. I should like to say that anyone who has traveled abroad with the distinguished senior Senator from Rhode Island [Mr. GREEN] knows that it is always necessary to be on time for an appointment, because the Senator from Rhode Island is always ahead of time.

Mr. SPARKMAN. The Senator from Washington is correct. I believe that everyone who has traveled with the senior Senator from Rhode Island knows that to be true. I have had the pleasure of traveling with him, under his chairmanship; and I know something of the devotion he has given to the work on which he has been engaged.

Mr. LONG. Mr. President, will the Senator from Alabama yield to me?

Mr. SPARKMAN. I yield.

Mr. LONG. During the 8 years I have had the honor of being a Member of this body, it has been my good fortune to serve on half of the Senate committees. It has been a great honor, and has afforded a fine opportunity to learn. During that time I have never seen any committee chairman work any more diligently or devote more time in attending to his responsibilities than has the distinguished senior Senator from Rhode Island, who serves as chairman of our Committee on Foreign Relations.

Although I am not certain that I could prove the point, I believe that the Foreign Relations Committee has perhaps sat more hours during the present session than has any other Senate committee. Never for 1 moment while the Foreign Relations Committee has been in session and has heard witnesses during the present session, has any other Senator been compelled to assume the responsibilities of the Chair; on every occasion the chairman of the committee has been present to hear the witnesses and to preside over the committee and to give each member of the committee an opportunity to be heard.

As one of the junior members of the committee, I have had the opportunity of observing the great patience and the outstanding vigor of the chairman of the committee, as he has presided for long hours, while various members of the committee have explored sundry matters in which they have been interested, even though they might not have been of such great interest to other members. Nevertheless, the chairman of the committee has never tired; he has never attempted to shut off a Senator's remarks. He has always been willing to remain at the committee meeting while any Senator has endeavored to obtain information on matters in which he is interested. I believe the senior Senator from Rhode Island excels any other Member of the Senate in tirelessly and faithfully pursuing his duties.

Mr. MONRONEY. Mr. President, will the Senator from Alabama yield to me?

Mr. SPARKMAN. I yield.

Mr. MONRONEY. Mr. President, it has not been my good fortune to travel with the senior Senator from Rhode Island [Mr. GREEN]; but when one travels to various parts of the world where the Senator from Rhode Island has been, one finds that the Senator from Rhode Island has been a wonderfully fine representative of the United States. His willingness to climb the highest mountain or to swim in the coldest swimming pool has established for him a worldwide reputation. As a dinner partner or raconteur, the Senator from Rhode Island has no peer. How wonderful it is when the oldest person to serve in the Senate of the United States still has the delightful personality and the great knowledge and wisdom that the Senator from Rhode Island has attained through the years.

It is certainly a great pleasure for me to have the privilege of serving with so eminent and distinguished a Senator.

Mr. MORSE. Mr. President, will the Senator from Alabama yield to me?

Mr. SPARKMAN. I yield.

Mr. MORSE. Let me say to the chairman of the Foreign Relations Committee, the senior Senator from Rhode Island [Mr. GREEN], that I am honored to join in these expressions of good will to him. I congratulate him on the historic record he has made in the Senate. My congratulations really have little to do with his length of service in the Senate or his age. Instead, my congratulations are based upon the great record of liberal service to the people of the Nation that he has made by his outstanding liberal voting record. During his years of service in the Senate, he has demonstrated that he recognizes that our primary obligation as legislators is to the welfare of the people.

Mr. President, there are not many persons in public life about whom the words I am about to say can truly be said; but, Mr. President, it is true that the senior Senator from Rhode Island is a great Christian, and he lives by the Christian law.

Mr. CAPEHART. Mr. President, will the Senator from Alabama yield to me?

Mr. SPARKMAN. I yield.

Mr. CAPEHART. I wish to say only a word, for I do not know how one could add very much to the many nice things which have been said this afternoon about the senior Senator from Rhode Island [Mr. GREEN].

Certainly there is only one Senator THEODORE GREEN; and when he was made, the mold was thrown away.

I wish to state what a privilege and pleasure it has been to serve with him on the Foreign Relations Committee.

Mr. President, I say to Senator GREEN, God bless you.

Mr. GORE. Mr. President, will the Senator from Alabama yield to me?

Mr. SPARKMAN. I yield.

Mr. GORE. Mr. President, the accustomed place of the distinguished senior Senator from Rhode Island [Mr. GREEN] in the private room which has a round table around which Democratic Senators gather for lunch is at the head. If any Senator finds himself occupying that chair when the distinguished senior Senator from Rhode Island enters that sanctimonious room, such a Senator feels embarrassed; and if he is a very junior Senator, he quickly leaves that place, and makes way for the eminent, distinguished, and lovable senior Senator from Rhode Island. Then, with his matchless sense of humor, his good spirit, and his fine fellowship, the Senator from Rhode Island entertains and regales all present, thus improving our appetites although increasing our luncheon bill, but, importantly, increasing also the understanding, the compassion, the sympathy, and the good fellowship which stand all of us in such good stead.

I joint in every good word that has been said of this distinguished man; and I wish for him many, many more anniversaries.

Mr. CHURCH. Mr. President, will the Senator from Alabama yield to me?

Mr. SPARKMAN. I yield.

Mr. CHURCH. I should like to say that it has not been my pleasure to serve so long as my colleagues have with the distinguished senior Senator from Rhode Island [Mr. GREEN], nor to know him so well as he is known by many of the Senators who have spoken today. But it has been my pleasure to make his acquaintance in recent months.

Since I now happen to be the youngest Member of this distinguished body, perhaps it will be appropriate for me to say that during the last 4 months of my acquaintance with Senator GREEN, of Rhode Island, oftentimes I have thought that I should like to serve in these halls for as long a time as he has served here. But regardless of whether I serve that long or whether my service is much briefer, I hope I can bring to my service here the spirit of youth that has characterized the service of the distinguished senior Senator from Rhode Island during these many years. Mr. President, youth is best measured in terms of its spirit; and the distinguished senior Senator from Rhode Island is as young in heart as any Senator of the United States. I think this is a tribute to the outstanding interest he has in the welfare of the people of the United States and the future of our country, for the spirit of youth looks to the future, rather than to the past; and this has characterized the service of the distinguished senior Senator from Rhode Island.

So I am happy to join at this time with my colleagues in wishing him good luck and Godspeed in all the years that I know lie ahead of him.

Mr. SPARKMAN. Mr. President, let me say just a concluding word: Yesterday I read in one of the newspapers something that I had heard the distinguished senior Senator from Rhode Island [Mr. GREEN] say in so many words, namely, that he is not at all content to rest on the laurels he already has acquired, but that he intends to serve in the Senate until he is 100 years old. I believe his colleague, the junior Senator from Rhode Island, made reference to that, and said if that is what he wanted to do, he would do it. I think most of us who know THEODORE GREEN believe that is true. I remember what he said to me shortly after the election of 1954, when I said to him, "You know, before you finish this term of service, you will have been the oldest man ever to have served in the United States Senate." He shrugged his shoulders and said, "That's nothing. I want to be serving there until I am 100, and the trouble is I will have to run for reelection twice more, because when I complete my service the next time I will be 99, and I will have to run again."

The thought occurred to me that if the distinguished Senator from Louisiana [Mr. LONG] serves in the Senate until he is as old as the Senator from Rhode Island is, he will have served in the Senate 60 years, and the distinguished Senator from Idaho, who has just spoken, will have served a total of 58 years. I think we get some measure of this man—this youthful man—from that fact, when we think in terms of that kind.

I wish to say to our esteemed colleague from Rhode Island that if he aspires to serve in the Senate until he is 100 years old, I certainly wish for him the attainment of that ambition, and I also hope as many of those as may want to stay with him during that time may likewise serve here, because it is a great place, not only in the association of one with another, but in the opportunity Members have to render real service to their country; and in that respect no one can surpass the distinguished record of the man to whom we have paid tribute this afternoon.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the concurrent resolution (S. Con. Res. 33) requesting the President to return the enrolled bill S. 1463 to the Senate.

HOUSING ACT OF 1957

The Senate resumed the consideration of the bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes.

HOUSING FOR ESSENTIAL MILITARY AND PERMANENT CIVILIAN PERSONNEL

Mr. SPARKMAN. Mr. President, despite the other housing programs designed to provide housing at or near military establishments for military and civilian personnel of the Armed Forces, there are apparently still some localities where this need of housing has not been met. In order to assist in meeting this need, this bill adds a new section 229 to the National Housing Act authorizing the Commissioner to insure and to make commitments to insure mortgages where the Secretary of Defense has certified to the Commissioner that the housing with respect to which the mortgage is made, is necessary for national defense. Such certification shall be evidence of the need for housing and that the property is an acceptable risk for insurance.

This new section provides that the Secretary of Defense, with the approval of the Commissioner, must determine that housing is not available for personnel of the armed services at reasonable rentals within reasonable commuting distance of their duty stations. In addition, the Secretary of Defense shall determine that the property to be insured under this new section will not curtail occupancy in existing housing insured by the FHA.

Existing provisions of law will determine eligibility for FHA insurance with the exception of the conditions described above. Properties insured under this section shall be held for rental for a period of 4 years after the date of initial occupancy or until such time as the Secretary of Defense indicates that they may be released from the rental requirement. Priorities for military and permanent personnel of the armed services are established.

TITLE II—FEDERAL NATIONAL MORTGAGE ASSOCIATION

Perhaps the most urgent problem and the greatest deterrent to the production of housing this past year has been the ever-dwindling supply of mortgage money available for federally underwritten housing programs. There is no need to point out that this situation has occurred because of increases in the rediscount rate, higher yield from alternate sources of investment, demands on the money supply for industrial plant construction, expansion, and modernization, and the initiation of such new programs as that presently used to finance shipbuilding.

As a result of the flow of investment into other areas, the production of housing units has declined. For the first quarter of 1957, all private housing starts had declined to an annual rate of 933,000, as compared with an annual rate of 1,138,000 started during the first quarter of 1956. This represents a decline of 18.1 percent. During the first quarter of 1957, of the actual 200,200 starts, 33,300 were under VA-guaranteed mortgages—down 45.3 percent from the first quarter of 1956, and 28,200 were under FHA insurance—down 34.5 percent during the first quarter of 1956.

To me, these figures represent an alarming situation. Experts predict a tremendous demand for housing from 1960 on. Facts reveal that during the 1930's the birthrate was comparatively low, running about 2¼ million annually. During the forties, the birthrate increased to almost 4 million, and today stands at an annual rate of a little more than 4.2 million. When we couple these figures with the fact that the average young couple marries at age 20 to 25, it becomes inevitable that the high birthrate of the forties will be translated into a high rate of family formation in the sixties. Hence, we know that in the sixties we can expect not only a high rate of family formation, but also a high demand for housing.

In order to meet the demand we are now facing and the demand we must anticipate, it is imperative that some method be found to encourage a continual flow of funds into the mortgage financing field. In this connection, as private sources of investment funds decrease both in number and in size, builders and brokers seek access to the Federal National Mortgage Association.

It is evident that so long as the tight money market prevails, FNMA funds will be in great demand. The committee feels that additional purchasing power must be given to FNMA for its secondary market operations if housing production is not to fall below its present level.

SECONDARY MARKET OPERATIONS

In an attempt to stabilize the market for federally underwritten mortgages and to prevent the continuing decline in housing starts and applications, this bill would increase FNMA's authority to purchase mortgages by $500 million, thus the ceiling on FNMA's borrowing authority would be increased from the present $1.6 billion to $2.1 billion.

At the same time and in order to implement this additional borrowing authority, the bill would authorize an increase in the maximum amount of FNMA's secondary market obligations that the Secretary of the Treasury may hold. Presently, the Secretary of the Treasury may hold FNMA obligations up to a total of $1.35 billion. This authority is normally used as a source of ready funds available to FNMA at times when issues of its debentures for sale to the general public is not feasible. It also provides assurance to private investors that FNMA has available a source of liquid funds which may be used to purchase maturing debentures. This bill would increase this authority from $1.35 billion to $2.1 billion.

FNMA SPECIAL ASSISTANCE

One of the principal functions of FNMA is to provide special assistance for the financing of selected types of home mortgages, pending the establishment of their acceptability in the private mortgage market. Funds authorized for the special assistance program are divided generally into two categories: First, funds made available for Presidential allocation when, in his opinion, the conditions in the building industry and the national economy require the use of such funds for the purchase of mortgages on a special assistance basis; and, second, funds earmarked specifically by statute for the purchase of certain types of Government-guaranteed mortgages.

The pending bill makes several changes in both categories of special assistance funds.

FNMA PURCHASE PRICE

Existing law establishes a minimum purchase price of 99 percent of par for mortgages purchased under the special assistance functions. This statutory provision is scheduled to expire on August 6, 1957. This bill would extend this feature of the law for 1 year. In addition, the section dealing with this extension limits the fees and charges which may be made by the FNMA to 1 percent of the face amount of the mortgage. These two provisions, therefore, would assure the seller of an eligible mortgage a price equal to at least 98 percent of the mortgage amount.

FEES AND CHARGES ON MORTGAGES DELIVERED IN THE FUTURE

In order to assure that the originators of special assistance mortgages receive the full benefit of statutory action limiting the FNMA fees and charges and the purchase price of such mortgages, language has been added in this bill which would make these benefits available at the time the mortgage is delivered without regard to prior agreements existing between the originator and the FNMA. This benefit may be applied to mortgage commitments entered into after March 31, 1957, and fulfilled after enactment of this bill.

FUNDS SUBJECT TO PRESIDENTIAL ALLOCATION

Pursuant to existing law, funds totaling $300 million are subject to Presidential allocation, of which $100 million is available for use on a participation basis with private lenders—20 percent of a loan from FNMA funds and 80 percent from private funds. None of this $100 million has been used.

The bill would repeal the provision of existing law authorizing the $100 million fund for participation in loans with private lenders and would increase the general fund subject to Presidential allocation from $200 million to $450 million.

In effect, this is an increase in the authorization for Presidential allocation of $150 million.

FUNDS ALLOCATED DIRECTLY BY STATUTE—COOPERATIVE HOUSING MORTGAGES

Existing law allocates $100 million for the purchase of cooperative housing mortgages insured under section 213 of the National Housing Act. This bill would increase the allocation for cooperative housing mortgages by $250 million, making a total allocation of $350 million. Not more than $175 million of this total authorization may be used for the purchase of mortgages secured by consumer-sponsored or builder-sponsored projects. The bill also provides that not more than 10 percent of this fund may be outstanding at any one time in commitments covering properties in any one State.

It is believed that the cooperative housing program should be continued at a high level of activity. Until cooperative housing mortgages achieve a greater degree of acceptability among private investors, it is necessary to assist the program by providing additional funds through FNMA special assistance.

ARMED SERVICES HOUSING MORTGAGES

Existing law provides $250 million in special assistance funds for the purchase of military housing insured under sections 803—Capehart—and 809—housing for essential civilian employees of the Armed Forces—of the National Housing Act. This bill would authorize FNMA to purchase under its special assistance functions an additional $200 million in mortgages originated under title VIII.

SECTION 809 MORTGAGES

Last year, pursuant to Public Law 574, approved June 13, 1956, Congress authorized a small but important program which permits the FHA to insure loans to essential civilian employees stationed at military research or development centers. These research or development centers are primarily engaged in the development of the guided missiles and related projects. This bill would reserve for the purchase of these mortgages 7.5 percent—$30 million—of the FNMA funds allocated for the purchase of armed services housing mortgages. The $30 million figure represents 10 percent of the authorization added by this bill, together with approximately $10 million already reserved out of existing authorization.

CONSTRUCTION ADVANCES BY FNMA

The bill would authorize the FNMA to make construction advances on special assistance projects where the FHA insures such construction advances and where the FNMA has made a commitment to purchase the mortgage. This procedure should reduce the total financing costs of the project and will enable many projects to go forward which would otherwise be delayed through lack of construction financing. The bill would further authorize FNMA to impose additional charges or fees for this service not to exceed 1 percent of the principal amount of the loan.

FHA SECTION 221 MORTGAGES

As I have explained earlier, the bill would substantially increase the scope of section 221 of the National Housing Act. While the interest rate of 4 percent, which would be established for these mortgages, is sufficient to repay the cost of Federal borrowings and the cost of administering the program, it would not be attractive in the private market at the present time. Consequently, it is essential to provide special assistance funds for the purchase of mortgages originated under section 221. This bill, therefore, would establish a new special assistance category in the amount of $250 million for the purchase of mortgages insured under section 221. It is recognized that these funds will not provide housing in any great quantity, but it is hoped that the $250 million will provide a modest beginning toward relieving the critical housing situation faced by displaced families, elderly persons, minority groups, and large families.

TITLE III—SLUM CLEARANCE AND URBAN RENEWAL

Now I should like to talk about the provisions in the bill relating to the slum clearance and urban renewal program. As you know, the Federal Government, through the Housing Act of 1949, as amended in 1954, has a major role in the nationwide task of eliminating slums and blight in our cities. The Congress has recognized that local communities with their limited tax resources needed Federal assistance in this tremendous task. The Federal Government extends financial assistance in the form of loans, advances, and capital grants to local agencies responsible for carrying out local urban renewal programs.

The progress of the local programs was disappointing at the beginning, but in the last year it has been encouraging. In practically every city of any size located in all but 6 of the 48 States, the concept of urban renewal has taken hold. We are looking forward to the time when this program will have eliminated the hard core of slums and blight in our cities.

The bill recommends that the present capital grant authorization of $900 million be increased by $250 million a year for each of the next 4 years.

In arriving at the amount of new capital grant authorization, the committee was impressed by the testimony of witnesses, including many mayors of cities with active urban renewal programs, who urged the continuation and expansion of the program. These witnesses pointed out that an urban renewal program cannot operate on a sporadic basis and urged that new authorization should be sufficient to insure continuity. The typical urban renewal program requires 3 to 5 years from the planning stage to completion. The committee, therefore, feels that a program spread over a 4-year period would give it the continuity essential to its success.

Mr. President, the administration's position on this increase has not been clear. The President's budget message requested capital grant authority of $250 million a year for each of the next 2 years; a bill to the Senate—S. 1609—cut this figure to $175 million for 1 year; on May 7 the Administrator of the Housing and Home Finance Agency reversed the administration's position again and now appears to favor an authorization of $250 million for 1 year. Reductions in capital grant authority are defended in the name of inflation and as an attempt to reduce the 1958 budget. Actually, money authorized in this bill would be allocated over the next 4 years, but probably will not be spent for 3 to 5 years beyond that. It will not come from the 1958 budget. And who can predict the state of the economy 7 to 9 years in advance? The inflation of today may turn into deflation tomorrow.

During our hearings, we also heard considerable testimony that the Federal Government's present share of two-thirds of net project cost was inadequate for an aggressive continuing local program. The witnesses claimed that many local governments had exhausted their tax resources and bonding powers, and that they would have to slow down their urban renewal efforts unless the cost-sharing formula was adjusted to provide a greater proportion of Federal assistance. Your committee is proposing, therefore, that the Federal share be increased from two-thirds to three-fourths of net project cost.

For reasons submitted by the administration, as well as by many witnesses, a new alternative formula of Federal participation is being proposed. This new formula, to be used at the option of the local body, would require Federal participation of 85 percent of net project cost to be paid on the basis of a revised definition of gross project cost. By this revised definition, all administrative costs and survey and planning expenses would be the sole responsibility of the local body and would not be included in the base used for computing the Federal Government's share. By eliminating these costs from the base, it is expected that the program can be simplified and considerable redtape eliminated. It is expected that the Federal share will be about the same under either formula.

The bill would also increase the proportion of total capital grant funds for any one State from 10 to 15 percent in order to eliminate the possibility that more active States would be required to stop their programs because of the present limit. The Urban Renewal Administration would be authorized to establish maximum payments for moving expenses of individuals and families to be made without requiring proof of actual costs. The maximum payment for these expenses is $100.

For business concerns, the bill would increase the maximum payable for moving expenses from $2,000 to $3,000.

The bill would also establish a 3-year fellowship program for graduate training in urban planning and related fields. I have been impressed time and time again by the shortage of qualified persons to administer this very complex program. We need better and more trained persons, and I should hope that a fellowship program of this sort would help create an academic interest in the housing and planning field. Total cost of

the 3-year program would be $500,000. The urban renewal program alone involves expenditures of billions of dollars of local and Federal moneys. By developing better trained and qualified personnel, I believe that the fellowship program would be one of the best investments that the Federal Government could make.

TITLE IV—PUBLIC HOUSING

In considering the requirements of the public housing program, the Banking and Currency Committee made recommendations to revise the income requirements for eligibility and for continued occupancy of low-income families in public housing. It was brought to our attention that the present formula for computing eligibility requirements need revision; that many needy large families are denied low-rent public housing because of inability to meet certain arbitrary standards used in computing net income.

The new provision would allow local housing authorities to increase the exemptions from family income for families seeking admission to low-rent public housing. It would permit an exemption from family income up to $600 of income earned by any member of the family other than the principal wage earner, also $100 for each adult member with no income. These same exemptions would be permitted for computing eligibility for continued occupancy, except that minors would continue to have full exemption of income for purposes of continued occupancy.

The bill further increases the maximum cost limits for low-rent housing from $1,750 to $2,000 per room and for units designed for elderly, from $2,250 to $2,500 per room. Costs of materials and labor have increased by 24 percent since the present limitation of cost was established for public housing units. By allowing these higher limits, we are making it possible to construct public housing units at a price consistent with that of comparable private construction.

The committee also recommends the elimination of the workable program requirement for public housing. This provision of the law has worked an undue hardship on communities, particularly the small ones which do not have or contemplate urban renewal programs. The preparation of a workable program has in the past been an onerous task requiring time and experienced personnel which small communities cannot afford. I believe that workable programs should be encouraged, but it should not necessarily be used to force a community to undertake such a program as a prerequisite to public housing.

We are also proposing that existing law be amended to require that plans and specifications for low-rent public housing follow the principle of modular measure. This will permit economies in design and construction of this type of housing and will permit more builders, especially those of prefabricated housing, to participate in this vital program.

The bill also provides that the Commissioner of Public Housing use up to $5 million of funds, which he is otherwise authorized to borrow from the Treasury, for the purchase of housing and equipment which may be made available to local public agencies, the American Red Cross, or others to provide shelter for disaster victims. By this provision it is contemplated that approximately 2,000 1-, 2-, and 3-bedroom trailers could be readily made available for occupancy in a disaster area within a minimum period of time after the President declares an area to be a disaster area.

DISPOSITION OF WAR HOUSING PROJECTS

The bill contains four provisions which would waive certain requirements of the Lanham Act and permit the Administrator of the Housing and Home Finance Agency to sell certain war and emergency housing projects to local housing agencies. The projects concerned are located in Connecticut, Conn-6029; Nevada, Nev-26021; Louisiana, La-16011 and La-16012; and Utah, Utah-4215.

TITLE V—MILITARY HOUSING

Under existing law, the military housing program is scheduled to expire on June 30, 1958. This bill would extend the program for 1 year, or until June 30, 1959. Pursuant to the military housing program, each mortgage originated under the program is limited to an average of $16,500 per unit. Experience under the program so far has shown that it is difficult to finance large projects under single mortgages. In many instances, it has been found necessary to divide some of the projects into several sections and to enter into separate mortgages for each section. Such an action has facilitated the placing of mortgages. However, difficulties have been encountered in dividing projects into areas so that each contained a proportion of officer and enlisted units which would permit the services to observe the $16,500 limitation. The Department of Defense has requested that the $16,500 average maximum per unit be applied against the project as a whole rather than as against each mortgage. This bill provides for this amendment.

While there is a stautory amendment on the average maximum cost per unit, there is no limit with respect to the cost of an individual unit. The lack of such a dollar limit might encourage the construction of a smaller number of high-priced homes for high ranking officers. In order to prevent this possibility, the bill would place a limit of $25,000 on any one individual unit. This limit will approximate limits placed on appropriated fund housing.

In addition, the bill redefines eligible bid to mean a bid with a reasonable relation to the FHA estimate of replacement cost.

TITLE VI—MISCELLANEOUS—COLLEGE HOUSING

The college housing program, originally authorized by the Housing Act of 1950, is continuing to relieve the critical shortage of dormitories on college and university campuses. This program enables the HHFA Administrator to make direct loans, up to 50 years in term, at low interest rates, for the construction and related service facilities for college and university students and faculties.

The HHFA estimates that by the end of the current fiscal year only $92 million of the $750 million revolving fund will be unallocated. Testimony received in connection with this program revealed that the need for student housing is acute and that this deficiency will become even more acute next year. In the fall of 1955, enrollments were at an all-time high of 2¾ million students. It is estimated that this figure will rise to 3 million in 1960, and by 1965 will exceed 4 million. Since dormitories will be ready for use in 1960 only if the projects are financed in fiscal 1958, the need for loans in the coming year will exceed that in any prior year.

This bill, therefore, would increase the college-housing authorization by $200 million. This amount, plus the estimated $92 million carryover, will enable the program to operate at a reasonable level during fiscal 1958.

In addition, the bill amends the definition of "educational institution" in several respects. The first modification makes eligible for loans accredited schools, the sole function of which is the training of ministers, priests, rabbis, and other divinity students. The second change would permit certain State agencies or public authorities, established to provide housing for students and faculty of State educational institutions otherwise eligible, to qualify as an eligible borrower under the college housing program.

In addition, the bill amends the definition of "educational institution" to include "any hospital operating a school of nursing beyond the level of high school approved by the appropriate State authority, or any hospital approved for internships by recognized authority, if such hospital is either a public hospital or a private hospital, no part of the net earnings of which inures to the benefit of any private shareholder or individual." In order to provide the necessary funds for housing contemplated for nurses and interns, the bill would earmark $25 million of the college housing loan revolving fund for the construction of such housing.

VOLUNTARY HOME MORTGAGE CREDIT PROGRAM

Under present law, the voluntary home mortgage credit program ceases operation on June 30, 1957. This bill would extend the program until June 30, 1960.

FARM HOUSING RESEARCH

Much of the attention of the Federal Government in the past has been devoted to the improvement in the quality of urban housing. Farm housing has been neglected and it is believed that studies should be made by qualified personnel to develop ways and means to improve housing conditions on the farm.

The bill, therefore, would make available $300,000 during each of the fiscal years 1958 and 1959 for research and study of farm housing in the United States. The work would be done by land-grant colleges under terms, conditions, and standards specified by the Administrator.

EXCHANGING HOUSING DATA WITH FOREIGN COUNTRIES

Because of the significant recent progress made in this country in dealing with problems relating to housing and urban

planning and development, very frequently the housing agencies are called upon to provide information to other countries engaged in solving similar problems. Furthermore, the housing and urban planning experience of many other countries has been and will continue to be helpful to the housing industry, the Congress, and the Administrator in developing new methods of meeting related problems in this country. This bill, therefore, authorizes the HHFA Administrator to exchange with other nations data relating to housing and urban planning and development.

Mr. MORSE. Mr. President, will the Senator yield to me to make a brief comment on his bill, because I should be very glad to have his point of view on my comments.

Mr. SPARKMAN. If the Senator will permit me to add a brief statement to what I have said, I will then be able to sit and listen to the Senator from Oregon speak in his own right, because I can complete my statement in a moment or two.

Something has been said here this afternoon about the increasing cost of housing. I have run across some figures which I should like to place in the RECORD. I find that the average price of a house in 1954 was $12,300. In 1955 it was $13,700. I do not have the figure for 1956, but I believe it was $14,500. In 1957, the probable amount will be $15,500. The figure had not been finally computed at the time this table was published. In other words, these figures show there has been a steady climb each year, without any letup.

Mr. President, in the statement I have made this afternoon I have tried to explain, according to the various titles, the subject matter contained in the bill. I want to stress the point, in line with the answer I gave to the distinguished junior Senator from Oregon [Mr. NEUBERGER], that I do not regard this bill as by any means meeting the requirements of what could be called a good housing program. By that I mean a program to take care of new family formations, which, by the way, are running from 800,000 to 900,000 a year; a program to replace homes which become obsolete or are destroyed by reason of fire, flood, or tornado; homes which are destroyed by reason of great improvements such as highways, parks, recreation areas, and other public improvements of various kinds. Nor does it meet the problem that presses upon me heavily, and I believe presses upon every person who has given adequate consideration to an overall adequate housing program, and that is the need of the great mass of people in what would probably these days be called the lower income brackets—that is, those having incomes from $5,000 downward, and who, by the way, constitute the great majority of the people of this country. They are not a small segment, but a tremendous part of the total population.

I think in devising any housing program we ought to have concern as to whether or not the program gives a reasonable opportunity to the various segments, all the economic levels of our people, to enjoy the objective that Congress declared in 1949 to be our housing policy; that is, a decent home, amid decent surroundings, for every American family. That does not mean that every family can get it, but no family ought to be denied an opportunity to get it because he belongs in an income group that does not measure up. There ought to be some opportunity for all.

However, I recognize the stringent conditions that prevail today. I recognize the presence of inflation and the increasing rise in the cost of living and in the cost of housing. I recognize the existence of high interest rates, the tight money policy, and the squeeze that is prevalent now in the field of home-mortgage money.

As I said in reply to the distinguished junior Senator from Oregon, I regard the bill as more or less a holding piece of legislation. There is nothing in it that is radical or unreasonable. We have proceeded, as best we can, in a conservative manner, to try to provide an overall housing program.

Mr. President, if there is one thing I think we ought to remember; in enacting housing legislation, it is that this bill is not designed for any one group. Unfortunately, a great many people in this country think of housing as applied merely to certain segments. They fail to recognize the overall housing program has a dozen different facets. If one speaks to some persons about housing, some immediately think of public housing. Others think of FHA housing. Others think of slum-clearance housing. Others think of urban-renewal housing. I might go on and name the different categories of housing. An adequate housing program is one that has consideration for all the different facets, which have been carefully worked out through the years, not merely in 1 year, but year after year, by Congress, in trying to provide an adequate overall housing program.

In that light, I regard what we have proposed to the Senate as an entirely reasonable measure—a holding measure, as it were. I hope the Senate will send to the conference between the two Houses a good measure, as strong a measure as we can pass under the circumstances.

Mr. GORE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. GORE. Earlier today the distinguished Senator from Indiana [Mr. CAPEHART] and the junior Senator from Tennessee were engaged in a colloquy. The junior Senator from Tennessee was having difficulty remembering in what issue of the Washington Post and Times Herald he had read about record high corporation profits.

I find, upon examination, that the article was printed in the same issue from which the senior Senator from Indiana was reading. I read it last night. I should like to read the first and third paragraphs from this article, which appears in the Washington Post and Times Herald of May 27:

> Corporation profits before taxes rose to a record $43.7 billion last year, and will probably be as high or higher this year, the Commerce Department said yesterday. The 1956 before-taxes figure was a billion dollars higher than in 1955.

Mr. President, will the Senator from Alabama yield for one moment further?

Mr. SPARKMAN. I am glad to yield to the Senator from Tennessee.

Mr. GORE. Since the colloquy occurred earlier today, one of our colleagues has told me of a telephone call he received in the cloakroom, and his conversation with a constituent relating to the discount rate. It may not have been the going rate, and I am not sure just what it was, but the constituent told this colleague of ours that a 10-percent discount was being paid in his State now on Government-insured home mortgages.

I will ask the Senator: Does that mean that when a $10,000 note secured by the Government-guaranteed mortgage is taken to some financial institution, the borrower receives not $10,000, but only $9,000?

Mr. SPARKMAN. The Senator is correct.

Mr. GORE. The borrower must pay the 4½ percent interest, not on $9,000, but on $10,000, for the next 25 years?

Mr. SPARKMAN. The Senator is correct, though it is not necessarily on $10,000 for the next 25 years. It is on the unpaid portion of it.

Mr. GORE. The interest rate is spread out over a period of 25 years, based on the $10,000, the full amount of which he did not receive.

Mr. SPARKMAN. When the Senator speaks of a 10-percent discount it is well to remember that we speak of it as 10 points discount. Of course, if cash is involved, it has the same effect. If one figures it as to its effect on the interest, one figures 8 points as 1 percent. In other words, if a mortgage is sold at 92, it is discounted 8 points, and if the interest rate is 4½ percent to start with, the interest rate would end up as 5½ percent. By the time the one-half percent fee for insurance is added, it would be a 6-percent loan.

Mr. GORE. Is the Senate to understand that a Government agency is itself buying housing loans at a discount rate, when another Government agency is guaranteeing the loans?

Mr. SPARKMAN. That is true. I think the Senator could find in the record of hearings the place where I told the Director of the Federal National Mortgage Association that I felt he was wrong, that the action was contrary to the intent of Congress, and that in my opinion something ought to be done to reconstitute the Federal National Mortgage Association so as to prevent that.

Not only does the Federal National Mortgage Association engage in those discounts, but I think it can be conclusively shown that at times the Federal National Mortgage Association actually took the lead in securing greater discounts. At one time I think it was admitted, when the funds became low in the Federal National Mortgage Association, and there was a tendency to make a run for the funds which were left, that the Federal National Mortgage Association deliberately increased the discount rate in order to slow down the number of applications coming in.

I should like to recite another case, which happened near here, at Manassas,

Va. A builder constructed 900 houses, which were approved by the FHA and by the VA. The houses were sold and occupied. When the builder carried the mortgages over to the Federal National Mortgage Association, he received a surprise. By the way, I think those houses were selling for under $9,000, all the way from $8,000 up to $9,000 in the very price range we need the most. When the builder carried the mortgages to the Federal National Mortgage Association, imagine his surprise to have them rejected, not on the ground that the property was not acceptable, because it had been approved by both the FHA and the VA, but on the ground that better security could be found. What they meant by that was that they could find mortgages covering houses of $20,000 or $15,000, and therefore they did not care to go into the field where the housing was most badly needed, and they refused to buy the mortgages.

That builder testified before our committee. His testimony is found in the hearings. He had to sell those mortgages at a discount of 10 points. He had to sell at 90. It so happened that about 10 days ago I spoke to the home builders of northern Virginia, and I related that bit of testimony given before our committee. After the meeting was over one of the people came to me and said, "You might be interested to know that the Manassas builder went into receivership yesterday."

The Senator spoke of the small-business men. We must remember that most of these builders are small-business men. The man I spoke of was a small-business man building houses in the price range of houses we need to have built, $8,000 to $9,000 houses, so that a person earning $4,000 or $5,000 a year can afford to buy the house. But an agency organized by the Government and allowed to function because of the munificence of the Government declined to buy those mortgages, and preferred to buy from another person selling mortgages on houses which probably sold for from $20,000 to $25,000. The small-business man struggled on 3 or 4 months and then went into receivership.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. SPARKMAN. Let me point out one other thing. I wish to say in all fairness that I think one of the reasons why the Federal National Mortgage Association acts as it does is a weakness in the law which we passed 2 years ago. We certainly did not intend to have such things happen. We thought we were doing the right thing by trying to convert the Federal National Mortgage Association from a straight-out Federal mortgage corporation to one which is privately owned, very much like the Land Banks, the Farm Credit System, and systems of that kind, where members come in and subscribe to the stock, thereby creating a semi-private organization. So now we have an organization which, instead of feeling it was established to back up the housing industry, feels that it is a private corporation which must make money and must show a return and pay dividends to its stockholders. That is the motivation.

Mr. GORE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. GORE. Thus again we see an agency of the Government moving deliberately and specifically to push interest rates up. I know of no reason why the Congress, which so recently made an error, if it be an error, to which the Senator referred——

Mr. SPARKMAN. I was stating my opinion. It is only my opinion.

Mr. GORE. I know of no reason why the Congress, which so recently committed an error, cannot undo that error. I shall certainly solicit the support of the Senator and members of his committee for an amendment which I shall attempt to have ready for his consideration and the consideration of the Senate tomorrow. I think it is time that representatives of the people take full cognizance of what is happening to them, and at least in the instance of home ownership call a halt to the spiraling cost of homes and the spiraling rate of interest.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CAPEHART. I believe the Senator has done a fine job of guiding the bill through the committee and conducting hearings. I think possible he might wish to correct the RECORD in one respect. He stated that FNMA preferred to buy mortgages of $20,000 to $25,000, when the law prohibits them from buying any mortgage greater than $15,000.

Mr. SPARKMAN. The Senator is correct. I believe that what I actually said was that they preferred to deal in houses costing from $20,000 to $25,000. However, the mortgage could not exceed $15,000. The Senator is correct. I appreciate his making that point clear.

Mr. CAPEHART. The question I wish to ask the Senator from Tennessee is how he proposes to cure this situation. I should be very happy to join with him in introducing proposed legislation which would prohibit FNMA from buying any mortgages for less than par. If we were to do that, we would find ourselves in this situation: FNMA has a limited amount of money, because Congress limits the amount of money it can use. I believe the bill calls for something like $750 million.

Mr. SPARKMAN. It calls for $500 million, but we had previously given them $500 million.

Mr. CAPEHART. If we prohibit the handling of VA or FHA guaranteed mortgages, if we prohibit the Government's guarantee, and say, "You must purchase these mortgages at par," no houses will be built, for the simple reason that no one is going to buy such mortgages at par when they pay only 4½ or 5 percent interest, when he can put his money into other kinds of mortgages or utility bonds, which pay more.

The only reason why builders must sell their mortgages at a discount is the low interest rate which the mortgages carry. We in Congress control the interest rate. If we are willing to increase the interest rates on VA or FHA mortgages by one-half of 1 percent, 1 percent, or more, we shall find the mortgages selling at par.

The only reason a mortgage or bond sells at par is that the combination of the interest rate which the instrument carries, and the amount below par at which it is bought equals the earnings which can be obtained from other sources.

So in order to cure the problem the Senator is discussing, the Federal Government would have to put up enough money to buy all the mortgages at a given interest rate and at a given price. If we are willing to do that, we can solve the problem. But that would require $10 billion, and the Government would be put directly into the mortgage business. It would buy all the FHA-guaranteed mortgages. Then we would not need the FHA, because the Government would hold and own the mortgages.

That is the only way to cure the situation, as I see it. I do not like it any better than does the Senator. The builder does not like it. When I was active in business, I did not like the fact that from time to time I was unable to meet my sales quota, or compete with someone else, because people were buying more from my competitor than they were buying from me. I did not like many things, but I had to work myself out of many situations.

We can cure this situation, if we wish to do it, by law, by having the Government buy the mortgages. If we wish to make it illegal to buy a mortgage guaranteed by FHA or VA at less than par, we can do it. But no private enterprise will buy the mortgages when its money can be loaned in other directions at higher interest rates. Any builder dealing in mortgages will testify that that is the problem.

With respect to the case cited in Virginia, the houses seem to be priced right, at $9,000. The discount on the mortgages was 10 percent. I do not know what the answer to that situation was. Perhaps the builder put too much money into the houses. Perhaps the houses cost too much. Perhaps he could not sell them when he completed them. Perhaps there were not enough people in that neighborhood who wanted that class of house. No one could determine why the builder got into trouble unless he could analyze the entire business transaction.

I should like to know how to cure this situation short of putting the Government directly into the housing business. Is there any way to do it short of that? If there is, I should like to know what it is. How does the Senator propose to do it, short of putting the Government into the housing business? Has any Senator the answer to that question?

Mr. SPARKMAN. The Government is already pretty deep in the housing business. I certainly do not claim that the problem could be solved overnight. I doubt if it could be solved by a single piece of legislation. I doubt whether we are wise enough to do that. I think we can solve the problem. We have been working at it for many years.

Mr. CAPEHART. I agree with the Senator.

Mr. SPARKMAN. I believe the FNMA makes a mistake in leading the market down in setting discounts.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CAPEHART. I think what FNMA is trying to do, inasmuch as it has a limited amount of money——

Mr. SPARKMAN. It is using that money as a brake on applications.

Mr. CAPEHART. If FNMA were to take mortgages at 100 cents on the dollar, in 30 days it would use up all the money Congress appropriates for it. What it is trying to do is to hold off and support the market, doing the best it can with a limited amount of money. If FNMA had an unlimited amount of money, if it could buy every mortgage, it could pay 100 cents on the dollar. However, it does not have an unlimited amount of money.

As the Senator knows, FNMA was organized by the Congress primarily to buy mortgages in sections of the country where there was no mortgage money at the time. We did not give any particular thought to the price. That was the purpose originally. Now it has developed into an instrumentality not only to buy mortgages where there are no mortgage companies, but also to buy mortgages, even in the large cities, where purchasers cannot be found for the mortgages. It is a backstop at best. It has a limited amount of money. I do not know how to handle the situation other than the way we are handling it. I do not know how we can get so-called lower interest rates and eliminate the discount feature we now have, which is very troublesome. I do not like it. I would not like it as a businessman. I do not know how we are going to solve the problem. We could do something which I suspect Congress would be opposed to doing, namely, permit the builder to pass on his additional financing costs, his discount costs, and his interest costs in his selling price, just as automobile manufacturers do, and just as every other businessman does. He is permitted to pass on to the buyer his increased financing costs.

We have frowned upon such an idea in connection with guaranteed FHA mortgages and VA mortgages. But we could permit builders to pass such costs on, as every other businessman does. He passes on all his costs. But FHA appraises a house at $12,000, we will say, and then says, "That is the price. We will guarantee the loan on the basis of $12,000, and no more." The FHA appraises the cost of constructing the house, but it does not take into consideration the cost to the builder of financing it.

If we wish to permit the builder to add onto the costs of constructing the house, the cost of financing it, we may be able to solve this problem; at least we will be able to help the situation. Short of that, I do not know what we can do about it, unless we furnish FNMA with billions of dollars with which to buy all the mortgages, and in that way put the Government in the mortgage business.

Mr. GORE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. GORE. The senior Senator from Indiana has just stated that this Government agency was created for the purpose of providing a market for Government-guaranteed home loans in areas of the country where no market existed for those Government-guaranteed home loans. That was the original purpose. It fulfilled that function and accomplished that purpose. There is not now in any area of the United States a market for a Government-guaranteed home loan at a rate of interest which is written into this bill.

What kind of operation is that? What does a Government guaranty mean? Are we weasels or are we men? Do we want to pass a housing bill providing Government-guaranteed home loans for couples who want to establish a home and a decent place in which to rear their children? If so, let us face that situation. If we want to help discount clippers, let us face that.

Yes, there is a way to do it, and I propose to offer the Senate a choice in that regard tomorrow.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. HOLLAND. First I wish to congratulate the Senator from Alabama on the very clear and fair explanation he has made of the pending measure and to thank him for the very hard work that he and the members of the subcommittee and the members of the full committee have put into the bringing of this bill to the floor.

I should like to ask him a few questions, if I may, about the provisions contained in the pending bill relative to the making of loans to educational institutions, to allow them to better equip themselves with housing for students.

I know that this objective is very close to the Senator's heart, because I have heard him discuss it before. I have had active interest in this field also, by reason of the fact that in our State we have made very great use of existing law for financing new facilities at institutions of higher learning which are publicly operated. And we have also made excellent use of those provisions of existing law at those institutions which are church or private institutions. I know of similar use in other States, particularly in our region of the Nation.

I note that the Senate bill, for some reason which I assume is a good one, does not adopt the provisions of the House bill, which would have made the interest rate on such loans comply with the added cost to the Government now involved in the making of loans comparable in length of duration to the loans that are granted to institutions of higher learning for the building of dormitories and dining halls, and the like.

I believe the RECORD should show something that is not in the report of the committee—or, if it is, I have not been able to find it—stating why the Senate committee feels it unwise to follow the course suggested by the House bill and the House committee; that is, the raising of the interest rate somewhat to reflect the increased interest rate being paid by the Government.

I believe the House bill prescribes that the specific rate of interest being paid by the Government to secure the specific money which is loaned to the college shall be charged, plus a small additional fee to cover the cost of handling—I believe that is one-eighth of 1 percent.

The bill reported by the distinguished Senator and his committee would simply continue the present operation, which, as I understand, at least, would mean that the interest rate would reflect—because it is based on the average rate of interest paid by the Government for all its borrowings—the much lower interest rate paid on short-time loans, and would leave the Government in the position of lending at a loss for this very meritorious class of loans.

I wonder whether the distinguished Senator from Alabama would state for the RECORD why in the judgment of his committee it was wise to continue provisions which have brought about a condition under which this class of loans really operate as subsidies to institutions of higher learning, some of them public institutions not requiring any subsidization at all, and some of them private or church institutions, which may make a better case, and in my judgment do make a better case, for such subsidy.

I hope it will not impose upon the distinguished Senator from Alabama to state in the RECORD just why he and his committee felt it desirable to depart from the philosophy of the House bill, which reflects the increased cost of the procurement of funds by the Government in somewhat larger interest rates for loans made to the institutions of higher learning.

Mr. SPARKMAN. First, let me say that I do not agree particularly with the premise of the distinguished Senator from Florida when he refers to our committee departing from the philosophy of the House bill. As a matter of fact, we adhere to the policy which has been ours from the beginning. By the way, this program originated in the Senate committee, and I had the honor of sponsoring the first college loan program. For some time we have had that provision in the law. In the first program we had it related to the going rate of interest. However, we changed that 2 or 3 years ago and set it up on the present basis.

It would be a matter of argument, I believe, as to whether the Senate formula reflects the real cost of the money to the Government. I do not suppose there is any way of settling the argument, because it depends on how a person looks at it. Under the Senate version the interest rate is supposed to be the average cost to the Government of all the money, plus one-fourth percent for administrative purposes.

The Senator speaks about reflecting the change in the interest rates. Let us remember that this is subject to change. As a matter of fact, it is anticipated that as of July 1 there will be an increase in the interest charged. It is almost a certainty that that will take place.

Be that as it may, an amendment will be offered tomorrow or sometime before we finish consideration of the bill to change that formula on the interest rate,

and that amendment will be fully discussed at that time.

I think it is right to say that we recognize that there is probably a degree of subsidy or some form of Federal aid in connection with these loans. Speaking for myself, I feel that it is one of the smallest things the Federal Government can do in the interest of education. It is very important. It is a matter of importance to practically every college in the United States. Representatives of many different colleges came before the committee and showed us what their budget arrangements were and what the impact would be by a change in the rate of interest on their budgets. Our committee felt that these representatives who came before our committee made a good case for continuing this rate of interest. I think that if the Senator from Florida would take the time to read the hearings on that point, he would agree.

Mr. HOLLAND. I thank the distinguished Senator. If I understand his statement, he feels that the present law and the present provision for interest rates should be retained, even though such retention might mean a small subsidy to the institutions of higher learning affected and might mean the lending of funds at a somewhat lower rate of interest than the Government was actually paying at the time of the making of any such loan.

Mr. SPARKMAN. Let me make it clear that I do not admit that that will happen. I think it depends altogether on a person's viewpoint. One person might just as well contend that as another. After all, the Government borrows money in many different ways.

I call the attention of the Senator from Florida to the fact that the short-term rate and the long-term rate at which the Government borrows money have moved much closer together than they formerly were. The Senator can remember when short-term money was borrowed for even less than 1 percent—merely a fraction of 1 percent—and perhaps the long-term loan was at a rate of 2½ percent, making a difference of probably 2 percent.

But there was some discussion on the floor today to the effect that the Government tried to make a short-term loan at 3⅝ percent in repayment of short-term loans that had carried a rate of 1⅝ percent.

The chances are that the Government's long-term loans will not exceed 4 percent. So the gap has been narrowed considerably.

Remember, any new interest rate would reflect the combination of those two rates, which might produce a pretty equitable situation after all.

Mr. HOLLAND. I thank the distinguished Senator. My concern about the matter has been that this might be considered a form of Federal aid, which would plunge us into the same discussion about which many of us are apprehensive when any legislation for Federal aid to schools shall reach the floor.

Mr. SPARKMAN. I do not believe there will be any difficulty. I hope that when the amendment comes before the Senate for debate some figures will be presented which will, I believe, narrow the margin a great deal.

Mr. HOLLAND. I thank the Senator. I have one more question.

Many people of my State have been considerably concerned with the item of the initial payment required of purchasers to provide family housing. They have been disturbed by the fact that the Senate bill, as reported, would not recognize the current slump in the building of family homes and the fact that the cost of building family homes has been largely increased in recent months and years, and that it would appear that it is timely for the new law to reflect some diminution in the size of the required initial payment.

May I ask the distinguished Senator from Alabama what is the thinking of his committee in that regard?

Mr. SPARKMAN. The subcommittee agreed on a scale of lower downpayments which I suggested; that is, 2 percent up to the first $12,000 and 35 percent beyond that point, which would make a very liberal program from $15,000 down.

However, the full committee decided against that and in favor of leaving the schedule as the law now is. I have heard a good bit of discussion since that time, and it is my understanding that an amendment will be offered by the distinguished Senator from Indiana [Mr. CAPEHART] which will provide for a lower downpayment along the line suggested by the administration.

When that amendment is offered, it will be my intention to offer as a substitute an amendment which will provide 3 percent on the first $10,000, 10 percent on the next $6,000, and 30 percent on all over that amount. I believe that would recognize the problem which the Senator from Florida has pointed out, and at the same time would be a fair and reasonable requirement for the downpayments. I do not think there is a very great difference between the scale I have proposed and what I understand the Senator from Indiana will offer.

Mr. HOLLAND. That would, in effect, follow the provisions of the housing bill as passed by the House in this particular regard.

Mr. SPARKMAN. It would follow it rather closely, and would not be far divergent from what the Senator from Indiana proposes to offer.

Mr. HOLLAND. It would, therefore, offer little difficulty, if any, in conference.

Mr. SPARKMAN. That is correct.

Mr. HOLLAND. I hope the Senator will go ahead with his program in the manner he has mentioned and will present such an amendment, because I think it is very close to the thinking of most of the Senators with whom I have been able to discuss the matter today, and who have been somewhat distressed over the fact that the bill as reported by the full committee did not recognize the increased cost of housing, did not recognize the great reduction in new family housing under FHA, and did not, as most of us felt, adequately meet the facts of present financial life as they have developed in recent months in this important housing program.

Mr. SPARKMAN. I thank the Senator from Florida.

Mr. LAUSCHE. Mr. President, will the Senator yield for one question?

Mr. SPARKMAN. I yield.

Mr. LAUSCHE. I realize that the Senator has been on his feet for several hours and wishes to end the discussion.

Can the Senator from Alabama state the total amount of new obligations by the various housing authorities of the Federal Government which will be approved by the bill?

Mr. SPARKMAN. The additional amount?

Mr. LAUSCHE. Yes.

Mr. SPARKMAN. If carried out as recommended by the full committee, the total would be $2,100,000,000.

Mr. LAUSCHE. That means, does it, that the Federal agencies dealing with housing would be authorized either to buy mortgages and guarantee their payment or to make direct loans in a total amount of $2,100,000,000?

Mr. SPARKMAN. That is correct.

Mr. LAUSCHE. It is my understanding that the figures show that approximately $1,350,000,000 would definitely be used. That is, from the $2,100,000,000, $750 million might not be immediately usable.

Mr. SPARKMAN. I assume the Senator is referring to the $75 million borrowing authority of FNMA.

Mr. LAUSCHE. Yes.

Mr. SPARKMAN. That is correct. Of course, that amount would be available and usable, if found necessary.

I believe it would be appropriate to remind the Senator from Ohio that of that $2,100,000,000, the only amount which would be expenditures on the part of the Federal Government—as opposed to investments or returnable funds—would be the part spent on urban renewal.

Mr. LAUSCHE. I understand that. But if all the moneys were used, the contingent liabilities of the Federal Government would be increased by $2,100,000,000, less the moneys directly expended for urban redevelopment.

Mr. SPARKMAN. That is correct.

Mr. LAUSCHE. I should like to hear the views of the Senator from Alabama concerning the impact this expanded credit buying will have on interest rates and on the cost of labor and the purchases of materials. In other words, what will be the impact upon inflation of the $2,100,000,000 of expanded credit?

Mr. SPARKMAN. Of course, I cannot state that figure; but let me answer in another way: The unfavorable impact the Senator from Ohio points out would be as nothing, when compared to the impact upon our economy if home building were stopped today in its tracks. After all, we must balance one against the other.

I am not sure whether the Senator from Ohio was present at the time; if he was not, I should like to refer him to some testimony given at the committee hearing by Mr. Goodyear, when testifying on behalf of the National Association of Home Builders. He pointed out what the drop or decrease in housing construction from the year before last to last year meant in terms of man-years

of employment. He pointed out that it meant several hundred thousand, perhaps, aside from the difference in trade, commerce, and so forth.

So, Mr. President, one must be balanced against the other.

Frankly, I do not believe it fair to charge to housing all of the inflation we hear discussed, and to make housing the whipping boy for inflation. If a great industry in the fine, industrial State the Senator from Ohio so well represents, expands its plant—as so many of the industries there have done during this year—we never read in the newspapers or hear anything to the effect that such expansion is a contribution to inflation. Instead, it is described as business expansion, prosperity, and growth of our economy. But when $2,100,000,000 is proposed to be spent for housing—assuming that all of it is spent during the next two or three years—suddenly we are confronted with the specter of inflation. However, Mr. President, how much will be spent during this year for construction? $2,100,000,000 is hardly a drop in the bucket, when compared to what is being spent this year in the Nation for construction. Yet we do not hear the word "inflation" used in connection with any part of the construction industry except the part devoted to the construction of homes for American families. I think those matters should be considered before an attempt is made to create a great scare of "inflation" in connection with the construction of homes.

Mr. MORSE. Mr. President, I should like to have the attention for a moment of the Senator from Alabama, the Senator from Pennsylvania, and the Senator from Tennessee while I comment on the bill before the Senate today.

I think the Senator from Alabama [Mr. SPARKMAN] knows that throughout the years we have served together in the Senate, I have followed his leadership on proposed housing legislation. I believe he knows that I hold in exceedingly high esteem the great record of statesmanship he has made in the field of housing measures. Let me add that, of course, his record of statesmanship is not limited to that field alone.

I want the Senator from Alabama to know that I appreciate the particular and special problems which apparently confronted him this year as a member of the subcommittee and as a member of the full committee. I intend to continue to follow his leadership, because, after all, he has been the one who has had the responsibility of attempting to bring forth the best bill he could; and from what he has said this afternoon, I know that his disappointment in his own bill is as great as mine.

I wish to say to the Senator from Pennsylvania [Mr. CLARK] that I am thoroughly familiar with his great record in the field of public housing and the great example he set in Pennsylvania; and I want him to know the enthusiasm with which I hailed the bill he introduced in the Senate, the bill for which he fought in the subcommittee, and the bill which I hope will be offered—at least for the RECORD—on the floor of the Senate, by way of an amendment to the pending bill, so as to provide an opportunity to those of us who wish to stand up and be counted for what we consider to be a sound housing measure.

Mr. President, as a Senator from a very important lumbering State, I speak this afternoon; but I wish to make clear that my remarks are not motivated solely by my great concern for the depressed condition of the lumber industry in the United States, including Oregon. I speak also because I am very much saddened by the apparent fact—although on tomorrow we shall have an opportunity to see how bad the situation is—that in the year 1957, with an economy as strong as ours, apparently the Senate of the United States is not willing to do what I believe is clearly needed in behalf of the people of the United States, namely, pass a housing bill which at least will begin to provide an answer to the needs of the people of America for a decent housing program.

The Senator from Alabama has referred to the bill as "a holding bill." Mr. President, that is a significant commentary. I think it is one of the most significant statements the Senator from Alabama has uttered all afternoon. He finds himself in a position where he has to characterize his own bill as a "holding" bill, when in 1957, we ought to be marching forward to a better way of life in America for the many people in our country who are so sorely and desperately in need of more decent housing.

Mr. GORE. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Tennessee.

Mr. GORE. Does the able senior Senator from Oregon think that the United States Senate should pass a housing bill providing for effective Government guaranty of home loans, thus placing trust in the American people's desire and need for homeownership, or does he think the Senate should pass a farcical bill with respect to effective home loans?

Mr. MORSE. I think we should pass a housing bill that justifies the trust of the American people in their Government, and not a housing bill that has the effect of misleading the American people into thinking, for example, that they are getting a $10,000 mortgage, and $10,000 with which to borrow toward that mortgage, only to find that they are stuck with a 10-percent discount.

Let me say to the Senator from Tennessee I am very proud of the statement he made this afternoon and the position he took on the floor of the Senate. I would be delighted to be one of the cosponsors of the amendment, which he has assured the Senate will be drafted overnight and which will seek to come to grips with the problem, which, in a very real sense, I think does a great injustice to borrowers, because it misleads them. In my judgment, the Government itself cannot eliminate itself as a sort of coconspirator in a cheating arrangement, when it tolerates the 10-percent discount procedure.

Mr. GORE. Mr. President, will the Senator yield further?

Mr. MORSE. I yield.

Mr. GORE. Is the Senator aware of any losses on the part of the United States Government over the period of twenty-some-odd years in which it has placed its trust upon the desire and need of the American people for homeownership?

Mr. MORSE. I know of no such record of losses. I think it is a remarkable record that has been made in regard to the Government housing program.

Mr. GORE. Does he think that the Government of the United States would run any real risk of loss by providing an effective guaranty of home loans at 4½ percent interest?

Mr. MORSE. I am sure not.

Mr. GORE. Could such a program possibly be regarded as a wasteful commitment by the Government, or should it be treated as an expenditure, so to speak, "down the rathole"?

Mr. MORSE. I think that is exactly the program we should adopt.

Mr. GORE. Would it not, in fact, be using the power and the credit of the Government of the United States to build that which is basic to democracy and free society, namely, homeownership and a decent place for a family to live and rear children?

Mr. MORSE. It is the ideal on which I intend to bottom my remarks this afternoon.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MORSE. No, Mr. President; I decline to yield to the Senator from Indiana.

Mr. President, I desire to talk this afternoon to a point which involves a great ideal of democracy. It deals with the relationship of the State to the welfare of its people. We are about to enter the month of June, which has come to take on a very interesting social symbolism in America. Of all the months, it has come to be known as the month of marriage. I think it is true that probably more marriages take place in the month of June than take place in any other 2 months of the year. It is when so many thousands of our young people give consideration to the sacred trust of homeowning and homemaking.

As we consider this housing bill, it would be well for us to ponder a little on the significant meaning of the marriage institution to the strength of American democracy, because I would say, Mr. President, that the greatest security of American democracy is to be found in private home ownership. I believe that we strike a blow at the very strength of our democratic institutions whenever we throw barricades and inhibitions in the path of home building and home making in America. So I want to express my keen disappointment once again that, in a piece of proposed legislation characterized by the chairman of the subcommittee as holding legislation, we are not living up to what I consider to be our clear moral responsibility to the institution of marriage and homemaking in America.

I would have the Senate reflect for a few moments on the young people of America, and what the opportunity to buy a home at reasonable interest rates, at reasonable mortgage cost, means to the future of America. I am not the least bit moved by such scarecrow arguments that if the Government provides a larger amount of money to pick up mortgages in those instances where selfish and predatory business interests seek to capitalize and profiteer at the expense of the young couples of America by a 10 percent discount, we will be taking America down the road to socialism. Tell it to the young people. I think that when the thousands of young couples, the homemakers of America, come to analyze some of the arguments being made against a more adequate housing program, they will register in their minds a little notation to remember when they come to fulfill their citizenship obligations at the voting booths of America.

So, Mr. President, I make a plea for and I shall support amendments which I understand and hope will be offered, along the line of the bill presented by the Senator from Pennsylvania [Mr. CLARK], in the subcommittee, which will increase the home-building program possible under the proposed legislation.

I wish to speak next about the problem of public housing. I have been discussing, up to now, the private home and the young people of America who wish to start their home building and their homemaking in a home of their own. I wish to say something now, Mr. President, about public housing.

I deeply regret that this bill is so inadequate in regard to public housing. Here we are in the Capital City of the Nation. The Senator from Pennsylvania made a study with the Senator from Oregon, not so many weeks ago, of the deplorable housing conditions in the District of Columbia. I do not speak for the Senator from Pennsylvania, but I wish to say that I do not think he would contradict my observation that we could proceed next year with a public housing program of a minimum of from 2,000 to 3,000 units, in the District of Columbia, and we would not begin to scratch the surface of the housing needs that cry out for attention in the Nation's Capital.

Mr. CLARK. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. GORE in the chair). Does the Senator from Oregon yield to the Senator from Pennsylvania?

Mr. MORSE. I yield to the Senator from Pennsylvania.

Mr. CLARK. I should like to associate myself with the remarks made by the distinguished senior Senator from Oregon with respect to the District of Columbia. I had the privilege of serving on the subcommittee which conducted a study with respect to the hungry children of the District of Columbia, of which the Senator from Oregon was the chairman. Together we made a tour through the slum and depressed areas of the Nation's Capital, some of them within seeing distance of the Capitol itself. The conditions are shameful. I know if all the Senators were to go on such a tour, the compassion in their hearts would lead them to do something about the situation.

The conditions in the District of Columbia are multiplied all over the United States in every great and small city. There is a minimum requirement today for 200,000 additional public housing units a year, and need for an administration which will carry through and put these units into effect without redtape, with some compassion, and with a desire to do something to relieve human misery and save the cities of the United States from destruction.

But I say to the senior Senator from Oregon, with sorrow in my soul, we do not have the votes.

Mr. MORSE. I wish to thank the Senator from Pennsylvania for his contribution to my speech. I completely agree with him. I am saddened by the fact that apparently in this session of Congress there is not among our colleagues the appreciation which I think there should be of this great social need. There is not a full recognition of what I consider to be a great moral obligation that rests upon us to come to the housing assistance of more unfortunately situated fellow Americans.

Last weekend, Mr. President, I spent some time in New York City. Over a 3-hour period I was taken on a tour of some of the great public housing projects of New York City. Seeing is believing, Mr. President. All one has to do is to see the great social improvements which have resulted from those great public-housing projects to know, as I am convinced is true, that the taxpayers' money was well spent in those great projects.

In fact, Mr. President, I am satisfied that if we wished to figure out in terms of dollars and cents what has been done, the economic benefits to the American people from these public-housing projects far exceed—many, many times over—the taxpayers' investments in the projects. That is true from the standpoint of health, from the standpoint of the reduction in crime, and from the standpoint of doing the decent, humane, kindly, Christian thing for fellow Americans who are living in squalor and unfortunate conditions, and are less fortunately situated than the rest of us.

Mr. President, I am never going to retreat from nor am I going to ignore what I consider to be the primary obligation of legislative bodies of a democracy, and that is to use the instrumentality of government to promote the welfare of people, whenever Government can come to the assistance of those less fortunately situated. I am not going to be repelled from that ideal, Mr. President, by cries about expense, cries about "creeping socialism," and cries, Mr. President, to the effect that it would put the Government into the housing business. To the contrary, I am satisfied when we fight for such great public causes as a public housing bill we are fighting to strengthen democracy, and we are fighting to strengthen the very system of private property, on the basis of which our so-called free enterprise system exists. If we have a country with increasing numbers of people living in squalor, poverty, and crime, we better watch out for our system, because finally those people will feel they have had all they can take, and then we shall have the basis of great social and political discord foisted upon the body politic.

Mr. CLARK. Mr. President, will the Senator yield briefly?

Mr. MORSE. I yield to the Senator from Pennsylvania.

Mr. CLARK. I hope the Senator from Oregon will include among the cries which do not impress him the cry that this bill is going to bring on a great inflation, which we should move away from with fear and trembling. I am sure that my colleague, the Senator from Oregon, realizes as well as I do that this bill, far from being inflationary—and if it were, even to the extent it is claimed, it would be to such a minor exent that no one would be able to realize it—on the contrary is counterinflationary, because the bill, if enacted into law, will bring down the cost of housing, which is responsible more than any one other thing for the increase in the cost of living since 1947 to 1949.

Mr. MORSE. I am glad the Senator raised the point. I was coming to that. It was my fourth point. I shall make it my third point.

Mr. President, the Senator from Pennsylvania has made my argument on the point. I think the housing program for which he and I stand is anti-inflationary. In fact, I do not fall for a lot of the fallacious economic arguments which I have heard on the floor of the Senate, and which I have read elsewhere, about the so-called existing danger of inflation. In my judgment, one does not create an inflation when in the first instance there is not a scarce production of consumer goods, but an abundant production of consumer goods. We have an abundant production of consumer goods at the present time. When one is confronted with that situation, Mr. President, then one ought to do what he can to promote wealth-creating projects which will help utilize the production of consumer goods. When we produce better homes and more stable families, with the resulting better earning power on the part of the families, in my judgment the result is anti-inflationary. We bring about inflation when there is a "bogging down" in the economy as a result of tens of thousands of people living in the kind of housing conditions we are trying to remedy.

Mr. President, we do not have an inflationary problem when we have a program of prosperity that is uniform throughout our citizenry. In part, the so-called inflationary problem that exists today is due to the great disjointure in the matter of the so-called prosperity, between and among the economic classes in America. That was brought out, I thought, so well earlier this afternoon by the Senator from Minnesota [Mr. HUMPHREY] that I shall not repeat it at this late hour.

I come now to my fourth point, Mr. President. I was very much interested in the discussion of the Senator from Alabama about housing in connection with the colleges of America. I wish to use the most kindly descriptive word, in answer to the argument that I heard again this afternoon, and that we always hear, the "bugaboo" argument about the fact that it might give rise to Federal aid to higher education. I reply to the argument by saying, "That is music to Russian ears."

As a member of the Foreign Relations Committee, let me say again and I think the greatest foreign policy need of America at the present time is to proceed to do something to raise the educational standards and the educational opportunities for American boys and girls, because Russia is outpacing us and outracing us. We must keep ahead of Russia in brain power, and we are not doing it.

That story needs to be told over and over and over again across America, because there are those who are seeking to scare the American people into thinking that when we propose aid to higher educational institutions we are taking America down some dangerous path, when what we are doing is proposing that before it is too late, the Federal Government proceed to spend some tax dollars for educational facilities in America, so that we can keep ahead of Russia in the 100 years' war which lies ahead. I think the expenditure of tax dollars for school facilities in America, and to help provide better housing conditions for higher educational institutions in America is a great need of defense in America, and a great need in American foreign policy.

Have we so little confidence in our system of checks and balances that we think we cannot write a law providing for Federal assistance in public housing, for better classrooms, and better laboratories for the institutions of higher learning in America, and still guarantee the operation, control, and determination of educational policy of those institutions by the institutions themselves, or, if they are State institutions, by the States?

Of course we can do it. I do not think we should try to put on political sheets and hobgoblin attires and scare the American people, as some politicians are trying to do in the entire field of Federal aid to education. I think the future of our country sorely demands that we rise to this obligation now, in connection with this bill, may I say to the Senator from Alabama. I think at least an opportunity should be given for Senators who wish to vote for a more adequate educational provision in this bill to vote for it.

This is only one facet of the educational problem which confronts us, but it is an important facet. These institutions of higher learning, both public and private—and I favor assistance to private institutions as well as public institutions, so far as so-called college public housing is concerned—are great arsenals of democracy in the fight against world communism in the 100 years which lie ahead. They are great intellectual defense establishments in the great battle for freedom in the hundred years' war ahead, between the two ideologies of totalitarianism, on the one hand, as represented by communism, and freedom, on the other, as represented by our democratic processes.

I am convinced that, as the American taxpayers come to understand and comprehend this problem, they will support those of us who are urging that this bill include more liberal and lenient provisions in regard to college housing.

I close with my last point, by saying that, as a Senator from Oregon, I speak out today pleading for recognition of a public housing program to bring relief to the lumber industry of America. The depressed condition in the lumber industry is not limited to my State. It is typical of the condition across America, for the reason that construction is down. With construction down, the lumber industry is down.

As I speak today, I understand that it is still true that the highest unemployment rates in America are in my State. The reason the highest unemployment rates in America are still in my State—though we should now be out of the annual seasonal slump which hits the lumber industry ordinarily in the winter season—is that that period is extended this year because the market for lumber is down, and it is down because housing construction is down.

I now read into the RECORD, with a comment or two on some of them, some telegrams and letters which I have received in connection with this problem.

ROSEBURG, OREG., *May 22, 1957.*

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.:

Anything you can do to push liberalized FHA program will be appreciated.

HUB LUMBER CO.
CHARLES TEAGUE.

EUGENE, OREG., *May 22, 1957.*

Hon. WAYNE L. MORSE,
United States Senate,
Washington, D. C.:

We urge that you support a liberalized FHA program as embodied in Senator SPARKMAN's subcommittee bill and Senator SMATHERS' FHA bill (S. 1898). You no doubt are aware of the serious condition of the lumber market today, any relief will in large measure depend upon the passage of SMATHERS' or SPARKMAN's amendments.

AIP-O-LOG VENEER, INC.,
ZIP-O-LOG MILLS,
GEO. A. CAMPBELL,
President and Partner.

PORTLAND, OREG., *May 21, 1957.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

I understand the Senate committee rejected any reduction in FHA downpayments and cut FNMA. Home building is at a standstill in Oregon and have slowed down drastically in entire Nation. Consequently Oregon lumber industry hurting badly, thus crippling entire Oregon economy. What has the Senate got against Oregon and the lumber industry? FHA is self-supporting. Why is the Senate antagonistic to home building?

JOHN G. CLARK, *Realtor.*

PORTLAND, OREG., *May 21, 1957.*

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

We sincerely urge your support of more liberal downpayment schedule on FHA. This should help home building and many industries allied, especially lumber.

PORTLAND HOME BUILDERS ASSOCIATION,
ROBERT L. KING,
Executive Secretary.

PORTLAND, OREG., *May 21, 1957.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Request utmost support reduction FHA downpayment. Future of home building industry at stake.

LEO C. RUSH, *Builder.*

I read these telegrams because I think they argue more eloquently than any Senator could on the issues before us, as presented by the pending bill.

I read next a letter from Robert M. Knox, of Gold Beach, Oreg.

GOLD BEACH, OREG., *May 16, 1957.*

Hon. WAYNE L. MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: According to an Associated Press report in the May 15 Oregonian, the Senate Banking Subcommittee approved a bill authorizing some reduction in downpayments under FHA. It provides for a 2-percent downpayment on the first $12,000 and 35 percent in the portion above $12,000. We hope that you can get early introduction and passage of this bill.

As you already know, Curry has the most rapid growth of any county in Oregon. Lumber workers are moving in from areas where the timber supply is exhausted. Even though they owned homes they are unable to sell or realize any returns for their investment or savings. As a result many live in trailers or pay exorbitant rent. The housing standards are very low. Under these conditions housing is badly needed. We are trying to organize a housing project to meet this situation. All previous attempts have been discouraged by the financial barrier or standards incompatible with our needs. The early passage of this bill would be of great benefit. Please keep us advised of progress.

Yours very truly,

ROBERT M. KNOX.

A telegram from Leo P. Hoffard, Incorporated, of Portland Oreg.:

The Senate Banking Committee has rejected lowering FHA down payments and reduced FNMA funds which is our life blood of homebuilding and lumber industries. It is very critical at the present time and if no assistance is forthcoming the west is in for a real depression. Any assistance you can give this matter would be greatly appreciated.

A telegram from the B. F. Johnson Lumber Co., of Portland, Oreg.:

MAY 27, 1957.

Urge that when considering omnibus housing bill please vote for reduction in downpayment on FHA housing.

A telegram from Jack C. Nunn, home builder:

MAY 20, 1957.

FHA downpayment reduction vital to home building industry. Urgently request your support enactment of reduction. Local home building down 35 percent middle of building season due to heavy downpayment.

A telegram from A. L. Buchner, president, Portland Mortgage Bankers Association:

MAY 22, 1957.

Urge vigorous support of housing legislation to effect reduction in FHA downpayments. Legislation imperative for welfare of lumber building mortgage banking and real estate industries and general economic welfare of State and Nation.

A telegram from Loyal A. Whitney, national director, Salem Home Builders Association, Salem, Oreg.:

MAY 23, 1957.

Urgently request support for FHA downpayment reduction. Home building industry in this area greatly in need of lower downpayment requirements.

A telegram from S. H. & W. Lumber Co., of Grants Pass, Oreg.:

MAY 22, 1957.

We strongly urge your support of a liberal FHA program as embodied in Senator SPARKMAN's subcommittee bill and Senator SMATHERS' FHA bill, S. 1898.

A telegram from Bornwn Bros. Lumber Co., of Grants Pass, Oreg.:

Urgently request your favorable support of liberalized FHA program as embodied in Senator SPARKMAN's subcommittee bill and Senator SMATHERS' FHA bill, S. 1898.

A telegram from Herbert Dalke, president of Home Builders Association of Salem, Oreg.:

Urgently request support of FHA downpayment reduction. Home building industry in this area in great need of lower downpayment requirements.

A telegram from L. L. Yeager McKenzie River Lumber Co., Douglas Orme, Bethel Planing Co., Charles Kitchell, O. & C. Lumber Co., Verne McQuire, and Raymac Lumber Co.:

The lumber business in general and the whole economy of our area is in dire need of a liberalized FHA program. We solicit your cooperation and urge your full support of the amendment embodied in Senator SPARKMAN's subcommittee bill and Senator SMATHERS' FHA bill, S. 1898.

A telegram from D. R. Johnson Lumber Co., Riddle, Oreg.:

Re: FHA bill No. S. 1898.

Due to present slump in lumber market it is imperative this bill be passed as it seems to be the only release we will receive in the near future. Passage of this bill alone could bring release to every industry in this area.

A telegram from Joseph W. McCracken, executive vice president of the Western Forest Industries Association:

Western Forest Industries Association very disturbed over Senate Banking and Currency Committee's 1957 housing bill. Full committee turned down liberalization of FHA program and reduced FNMA mortgage-purchase authority by $750 million.

I have been urging our membership to defer decisions to permanently shut down their lumber operations until after Congress has passed the 1957 housing bill. We have based our advice on a hoped-for liberalization of the housing program with a consequent pick-up in housing starts and finally an increase in the presently depressed lumber market.

Sincerely concerned that full Senate ratification of Banking Committee bill next week will lead to another wave of lumber and plywood mill closures. Many millowners will close that have been in continuous operation for over 20 years. In past few months 126 mills have already shut their doors in Oregon alone.

We are told a liberal housing bill may be inflationary at this time. You are better able to judge this than we. However we are disturbed that in the guise of preventing inflation our industry along with the homebuilding industry is being singled out for a temporary depression while other industries are experiencing record prosperity.

We are in a position to predict the result of a continued depression in the lumber industry which would result from the failure to liberalize the Federal housing programs. Hundreds of medium sized and smaller operating units will go out of business permanently. Then when the housing spigot is turned back on some day, this industry will consist in large measure of only the largest operations. The small lumberman will be gone and the vitality which he has provided will also be gone. The Government is now concerned with mergers and large-sized units in our industry. Nothing imaginable will contribute more to this trend toward bigness than the failure to liberalize Federal housing programs in this session of Congress.

We understand the Senate will debate the housing bill next Monday. We urge your support of any amendments to the Banking Committee's bill which will liberalize the FHA program and restore to FNMA the $750 million for mortgage purchase.

Our association has been in continuous operation since 1944. We are composed of over 100 medium-sized and small sawmill manufacturers doing business in Oregon, Washington, California, and Montana.

Sincerely.

I may say that Mr. McCracken is, in my judgment, one of the keenest students of the lumber economy of the Pacific Northwest. In fact, many of the men whose telegrams and letters I have read into the RECORD I know intimately and personally. They are leaders in my State. They are responsible businessmen in the lumber industry. They enjoy the finest reputations. Many of them, incidentally, are Republicans. That has nothing to do with it, so far as the service of the Senator from Oregon is concerned. I owe them every effort I can make to try to get the Senate to understand the seriousness of the economic situation in the Pacific Northwest, and to pass a housing bill which will give an economic shot in the arm to the construction industry so that this very much needed and vitally important segment of our economy will not be thrown into a deeper depression than that which the telegrams and letters show it is already suffering.

I have a telegram from J. C. Baxter, secretary, Wilbur Lumber Co.:

Urge that you do all possible to push Senator SPARKMAN's and Senator SMATHERS' improvement of FHA program.

Respectfully,

A telegram from Albert Fonder, president, Mayor's Advisory Council on Urban Renewal, Portland:

Urge your support H. R. 6657, reducing local share of urban renewal to one-fourth. Prospect for south auditorium project now being planned in Portland very dim unless local share can be decreased. Success of needed future project hinges on fate of south auditorium.

That is a specific project which deals with the social problem to which I addressed myself earlier in my remarks, and to which the Senator from Pennsylvania [Mr. CLARK] called the attention of the Senate. This is the kind of social service we ought to be rendering. This is the kind of program we ought to be supporting, in order to carry out what I have always thought were the great ideals of a democratic society which should seek to protect and help the more unfortunate brethren and to curb the exploitation of the weak by the strong.

Much can be said about the philosophy of the opposition to a more adequate housing program. It represents the attitude of the selfish interests that consider it is all right for them to take advantage of the economically weak. My plea is that it is the duty of Congress to take such steps as the Senator from Tennessee [Mr. GORE] suggested this afternoon, to protect the economically weak from the selfishness of the economically strong.

A telegram from Jack Harford, mayor of the city of Arlington, Oreg.:

We urged your help and influence on bill H. R. 6659. The city of Arlington is dependent on the passing of this legislation. We thank you again for helping us in our problems and trust that you will reserve a favorable vote on this bill.

I now read a letter I have received from Mr. William H. Hartzell, manager of the Builder Division, Hotpoint Appliance Sales Co., of Portland, Oreg.:

HOTPOINT APPLIANCE SALES CO.,
Portland, Oreg., May 22, 1957.

Senator WAYNE MORSE,
United States Senate Office Building,
Washington, D. C.

DEAR SENATOR: As a member of the appliance distributors and as a direct supplier to the home building industry, I wish to take this opportunity to urge you to vote for a reduction in FHA downpayments. As you know the home building industry has been curtailed drastically by tight money and disappearance of low-interest financing. I feel that if FHA downpayments are lowered as advised by the House committee and more funds are allocated to FNMA, the home building industry will carry on with no disastrous results. However, if no such course is taken, home building will continue to decline and thousands of employees supported by the many suppliers and subcontractors will lose their positions.

Again, I urge you to consider carefully your vote on this very important issue.

Very sincerely,

WILLIAM A. HARTZELL,
Manager, Builder Division,
Hotpoint Appliance Sales Co.

I have read this, Mr. President, because it is a letter received not from the lumber industry itself, but from one of the subsidiary or service industries, dependent for its economic strength upon home construction—the home appliance industry. Mr. Hartzell is pointing out what is happening to industry.

That is the way what is happening ripples out in our economy. When the mills start to go down the employees are deprived of work, in a few months we see the signs "For lease" appearing in the stores of the main streets of our lumber towns; or we see the signs reading "Going out of business—50 percent discount on all goods." That is what happens, Mr. President, when the vicious depression spiral starts.

Lastly, I wish to read a letter I have received from Mr. George S. Goodyear, president of the National Association of Home Builders. The present Presiding Officer, the distinguished Senator from Alabama [Mr. SPARKMAN], referred to him earlier in the debate. Mr. Goodyear in his letter to me says:

NATIONAL ASSOCIATION OF HOME BUILDERS,
Washington, D. C., May 24, 1957.

The Honorable WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: Within the next few days you will be acting upon the housing amendments of 1957 (H. R. 6659). May I urge that you give every favorable consideration to the need for lower FHA downpayments.

The Senate Banking Committee bill contains no change in the present statutory

requirements for FHA downpayments. We believe this is a serious omission, adverse to the best interests of the national economy. Already there has been a drastic decline in housing starts under the FHA-VA financing programs. Insofar as the GI loan guaranty program is concerned, this is bound to continue because of the fixed 4½-percent interest rate which is unattractive to investors. Therefore, if the present downward trend in production is to be reversed, and if the average home-buying families are to be able to purchase new homes, there is a vital need for a substantial reduction in the present statutory minimum FHA downpayments.

I am enclosing a reprinted editorial from the American Builder magazine which provides a pertinent capsule picture of current and prospective national housing needs. Private industry is anxious to meet these goals. But as mentioned in the enclosed article, basic changes in the Nation's housing laws are necessary, in particular a reduction in the current FHA required downpayments. I hope this will be helpful to you in understanding the industry's vital interest in this matter and I urge your support for a substantial reduction in the current required FHA downpayments.

Sincerely,

GEORGE S. GOODYEAR,
President.

Mr. President, I ask unanimous consent that excerpts from the editorial also be printed as a part of my remarks.

There being no objection, the excerpts from the editorial were ordered to be printed in the RECORD, as follows:

SET YOUR SIGHTS: 2 MILLION HOMES A YEAR IS THIS INDUSTRY'S GOAL

Builders are breathing fire and fury at the attitude of the administration and of many bankers and businessmen that there's really nothing very serious about letting home building dwindle and dawdle along at 800,000 to 900,000 units a year.

Why is it, they ask, that home building is sharply off from recent years while every other segment of the United States economy is operating at top production?

Is it because we are overbuilt, overpriced, or unable to construct the kind of homes Americans want? The answer obviously is "No" on all points.

The basic reason, American Builder believes, is a whooping underestimate of the real need of the American public for more and better houses. To speak of 800,000 or 900,000 houses a year as enough for our dynamic, growing, prosperous and home-hungry population is to ignore every sound recent study, including that of the President's own housing committee.

Bottling up our dynamic industry at these horse-and-buggy levels is a slap in the face to American enterprise and ingenuity.

Home building is not a postponable item, to be turned on or off at will to offset fluctuations of the economy. Nor is it any more inflationary than other industries—such as automobile building—that create jobs and provide needed goods. New homes are a vital need of our people, and we should have a vigorous national housing policy based on that need.

Right now, this year we should be building at least 1,200,000 houses just to keep up with family formations and demolitions. By 1960 the need will rise to 1,500,000. And by 1975 our housing requirements rise to 2 million units a year.

Constructive, long-range legislation should be enacted by Congress at once to permit and encourage building at these levels which are conservative in terms of population growth, movement, and wealth. Low downpayments, 30-year loans, a central mortgage bank to encourage the free flow of funds should be established. And the fixing of interest rates at unworkable levels by law or Government bureau should be abolished.

Again we say, let's raise our sights. We need a housing policy and housing legislation with a goal of 2 million homes a year.

American Builder recommends complete overhaul of housing legislation to:

1. Lower FHA downpayments as stipulated in Smathers bill, so as to start at 2 percent of first $10,000 of purchase price.

2. Provide a competitive, flexible controlled FHA interest rate—realistic and geared to the money supply. For example, the interest rates to the yield of long-term Government bonds.

3. Lower the FHA insurance premium.

4. Increase the maximum FHA mortgage to $25,000.

5. Immediately increase VA-mortgage interest rate to 5 percent.

6. Immediately increase Treasury-held FNMA stock to expand FNMA's buying power.

7. Encourage investment in home mortgages by new sources of credit such as pension, union, and trust-fund investors. One way, for example, might be by means of FHA's new plan to sell FHA-insured mortgages for resale in participation certificates in units of $1,000 and up. Establish a central mortgage bank to lend money to builders and others who put up Government-backed mortgages.

8. Make it legal for builders to pass along to the buyer the discount he must pay to lenders while money is tight because of noncompetitive interests rates.

9. Pave the way for a program to make suitable land and facilities available to builders. The President might call a "White House conference" of Federal, State, and local officials, as urged by NAHB, to dramatize the needs and outline how to (1) provide these community facilities, and (2) reexamine local tax structures with a view toward making it practical to build more homes at reasonable prices.

Mr. MORSE. Mr. President, I close the debate for today with the plea that consideration be given to the ideals of democracy to which I alluded in my earlier remarks. I would have the Senate remember that as the thousands and thousands of young couples in the weeks ahead take their marriage vows, they are willing to make a great investment in America's freedom—the private home. I think we have a grave obligation, as a Government, to take the legislative steps necessary to protect those young couples from the kind of high interest rate and discount procedures which have been discussed by other speakers in the debate earlier this afternoon.

Mr. CAPEHART subsequently said: Mr. President, I ask unanimous consent that the remarks I am about to make be printed in the RECORD following the remarks of the Senator from Oregon [Mr. MORSE] inasmuch as I wish to answer very briefly some of the statements he made.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAPEHART. First, Mr. President, let me say that the Senator from Oregon said that the young couples will pay a 10-percent discount. Let the RECORD show that although there may be a 10-percent discount in some cases, they will be the exception, rather than the rule. Furthermore, the FHA and the Veterans' Administration set the prices of the houses; and the 10-percent discount—if there is one—or the 6-percent or 7-percent discount will be charged to the builders, not to the young couples. The builders, not the young couples, will pay the discount.

The Senator from Oregon was tilting with windmills when he discussed the provisions in regard to college housing. So far as I know—and I believe I am correct—the bill contains all the provisions desired by anyone in respect to college housing. We included in the bill the amount desired for that purpose. We did not provide for an increase in the interest rates. I know of nothing requested by anyone in respect to college housing that we did not provide for in the bill.

Mr. President, in line with the tilting with windmills which the Senator from Oregon is always doing and his lack of knowledge is his statement that the committee voted to reduce by $750 million the FNMA commitment. The fact is that we voted to increase it—not reduce it—by $750 million.

So I simply rise to correct the RECORD, and to show that—as usual—the Senator from Oregon is tilting with windwills, and is setting up straw men of his own, and then is trying to knock them down, rather than to deal with the situation as it exists and deal with the record and the facts as we who understand the housing bill and we who have lived with it for days and days know it to be.

I wish to say only a word about the discounts. Frankly, I have no objection to having the Senate pass a bill providing that the FNMA must buy mortgages at 100 percent of par. I am willing to go along with such a proposal. Unfortunately, those who will not go along with it are the builders themselves, because they know that the Congress will vote only a limited amount of money for the FNMA; and they know that if they buy the mortgages at par, it will be only a few days before all the funds will be used up, and then they will have to sit there for 11 months without any money.

So I rather think I shall vote against having the FNMA buy the mortgages at par, because both the FNMA and the builders will be opposed to that. That is not the purpose of the FNMA. Its purpose is to protect the market and to help the market over a period of 12 months absorb the shock. However, if the Congress wishes to have the FNMA buy the mortgages at par, that will be perfectly agreeable with me. On the other hand, those who will be opposed to it and those who will be hurt as a result of it will be the builders themselves and those dealing in mortgages.

So I wish to straighten out the record, particularly in respect to those who really do not know what the bill contains.

Mr. HUMPHREY. Mr. President, I wish to say that I felt that the address of the Senator from Oregon was an excellent one, and that he expressed a philosophy relating to housing and Government assistance in housing which should be concurred in by the Congress of the United States; and I believe that he has performed a great service for the cause of housing in the United States.

Mr. CAPEHART. Mr. President, I wish the RECORD to show that I think the Senator from Oregon did the housing industry a disservice. I think he was

talking about what eventually will be called socialized housing, meaning an attempt to have the Government take over the housing business in the United States.

My best judgment is that the Senator from Oregon did the housing industry and the private industry a disservice by his remarks. I think those who sent him telegrams would agree that the philosophy he expounded—namely, to have the Federal Government finance the houses at par—and other remarks he made constituted a disservice to the private industry of America. So far, the building industry has been handled by private industry and private enterprise. My best judgment is that the last thing in the world the home builders of America want and the last thing in the world the sawmills of Oregon and the businessmen of Oregon want is to have the Federal Government take over all financing and the handling of all the home building in America.

Mr. HUMPHREY. Mr. President, it is my intention to make some remarks tomorrow concerning the housing bill. I hope, my good friends, the Senator from Oregon and the Senator from Indiana, will be here at that time.

FORESTRY RESEARCH FUNDS

Mr. MORSE. Mr. President, I have received a telegram from W. F. McCullough, of the School of Forestry, Oregon State College, which reads:

Urge restoration House cuts agricultural research budget. Oregon needs research.

I wish to say to Mr. McCullough, through the RECORD today, that I am calling his telegram and the problem it involves to the attention of the appropriate subcommittee of the Committee on Appropriations with a very strong recommendation that the cut be restored by the Senate. I completely agree with this great forester of Oregon that it would be false economy to seek to economize at the expense of forestry research, because sound forestry research, as I have pointed out many times in the past in speeches on the floor of the Senate, has returned to the Treasury of the United States hundreds and thousands of times the cost of the research through the great savings which have been made as a result of the research in Federal forests.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. CLARK in the chair) laid before the Senate a message from the President of the United States submitting the nomination of Andrew Downey Orrick, of California, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1962, which was referred to the Committee on Banking and Currency.

EXCESSIVE FEDERAL CONSTRUCTION COST IN OREGON

Mr. MORSE. Mr. President, I wish to read into the RECORD a part of the latest Market Letter, dated May 23, 1957, published by a great leader in the lumber industry in my State—Herbert J. Cox, of Eugene, Oreg. Mr. Cox is the editor of this market letter for the lumber industry. He calls attention to a very interesting and specific instance of a failure, it seems to me, on the part of governmental agencies to realize that Eugene, Oreg., at the present time is probably the lumber capital of the Nation. Mr. Cox has this interesting note in his Market Letter of May 23, 1957:

A local contractor is the low bidder at $246,000, basic-plus additives, for construction of a United States Army Reserve Training Building at Eugene, according to the Army Corps of Engineers, Seattle district. This work involves construction of an 11,500 square feet, 1-story building with concrete slab on grade, concrete walls with brick facing, open-web steel roof joists, metal roof decking, insulation, and built-up roofing. Not one piece of lumber to be used for a one-story building in the center of the forest products industry.

I'm not a contractor, but according to reliable builders, $246,000 for 11,500 square feet ($21.35 per square foot) is a wanton waste of taxpayers' money. Undoubtedly, this is an example of what President Eisenhower's budget contains and indicates he does not know what he is talking about in claiming his budget cannot be cut.

While conceding that taxes cannot be reduced now, nevertheless, there is no reason why Government spending cannot be curtailed and value received for each dollar spent. Probably Government spendthrifts, rather than "tight money" are responsible for loss of public confidence and the national slowdown in business and industry.

DOMINIC PAUL STEINHAUSER (HIROSHI TSURUDA)

Mr. HUMPHREY. Mr. President, I ask that the Chair lay before the Senate the amendment of the House of Representatives to the bill (S. 93).

The PRESIDING OFFICER (Mr. SPARKMAN in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 93) for the relief of Dominic Paul Steinhauser (Hiroshi Tsuruda), which was, on page 2, line 8, after "That" insert ", unless the beneficiary is entitled to medical care under the Dependents' Medical Care Act (70 Stat. 250)."

Mr. HUMPHREY. Mr. President, on March 25, 1957, the Senate passed S. 93, to grant to the minor adopted child of citizens of the United States the status of a nonquota immigrant, and to waive the excluding provision of existing law relating to those afflicted with tuberculosis in behalf of the child. The bill provided for the posting of a bond as a guaranty that the beneficiary will not become a public charge.

On April 17, 1957, the House of Representatives passed S. 93 with an amendment which would provide that a bond be posted only if the beneficiary is not eligible for medical care under the Dependents' Medical Care Act of the 84th Congress.

The amendment is in accordance with a recently adopted policy concerning cases of this kind.

I move that the Senate concur in the House amendment to S. 93.

The motion was agreed to.

STYLIANOS LECOMPLES

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 687) for the relief of Stylianos Lecomples, which was, to strike out all after the enacting clause and insert:

That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Stylianos Lecomples may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

Mr. HUMPHREY. Mr. President, on March 8, 1957, the Senate passed S. 687, to grant the status of permanent residence in the United States to the beneficiary. On April 17, 1957, the House of Representatives passed S. 687, with an amendment to grant a waiver of the grounds of inadmissibility in behalf of the beneficiary. By departing from the United States, the beneficiary will be able to qualify for a nonquota visa to reenter the United States for permanent residence, as the spouse of a United States citizen.

The amendment is acceptable, and is in accordance with the recent policy in connection with cases of this kind. I move that the Senate concur in the House amendment to S. 687.

The motion was agreed to.

ALECOS MARKOS KARAVASILIS AND HIS WIFE STELIANI KARAVASILIS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 696) for the relief of Alecos Markos Karavasilis and his wife, Steliani Karavasilis, which was, to strike out all after the enacting clause and insert:

That the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bonds, which may have issued in the cases of Alecos Markos Karavasilis and Steliani Karavasilis. From and after the date of the enactment of this act, the said Alecos Marcos Karavasilis and Steliani Karavasilis shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued.

Mr. HUMPHREY. Mr. President, on March 25, 1957, the Senate passed S. 696, to grant the status of permanent residence in the United States to the beneficiaries. On April 17, 1957, the House of Representatives passed S. 696, with an

amendment to provide only for cancellation of outstanding deportation proceedings, which will accomplish the desired effect in providing relief from deportation.

The amendment is acceptable, as I understand. I move that the Senate concur in the House amendment to S. 696.

The motion was agreed to.

JOHN LEARY

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 797) for the relief of John Leary, which was, to strike out all after the enacting clause and insert:

That the Attorney General is authorized and directed to cancel any outstanding order and warrant of deportation, warrant of arrest, and bonds, which may have issued in the case of John Leary. From and after the date of the enactment of this act, the said John Leary shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued: *Provided*, That nothing in this act shall be construed to waive the provisions of section 315 of the Immigration and Nationality Act.

Mr. HUMPHREY. Mr. President, on March 8, 1957, the Senate passed S. 797, to grant the status of permanent residence in the United States to the beneficiary. On April 17, 1957, the House of Representatives passed S. 797, with an amendment to provide for cancellation of outstanding deportation proceedings, and to provide specifically that the beneficiary will be unable to qualify for United States citizenship for the reason that he filed an application for relief from training and service in the Armed Forces.

The language of the Senate bill accomplished the same effect of merely permitting the beneficiary to remain in the United States to provide for his United States citizen wife and children. However, in consultation with committee members, the language of the amendment has been found to be acceptable. I move that the Senate concur in the House amendment to S. 797.

The motion was agreed to.

NEWSLETTERS ON SENATOR HUMPHREY'S TRIP TO THE MIDDLE EAST

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a number of newsletters I prepared during my recent trip into the Middle East. The letters discuss the purpose and objective of the journey, and include observations—made en route—relating to our foreign policy, particularly our food policy.

There being no objection, the newsletters were ordered to be printed in the RECORD, as follows:

NEWSLETTER OF SENATOR HUBERT H. HUMPHREY, WEEK ENDING APRIL 26, 1957

MIDDLE EAST TRIP

As chairman of the Senate's Subcommittee on the Near East, we are making a quick trip through troubled areas of the Middle East on behalf of the Senate Foreign Relations Committee. It will provide an opportunity to confer personally with heads of state or foreign policy officials in Egypt, Israel, Lebanon, and other areas, as well as with our Ambassadors and military officials in the Mediterranean. Such discussions will be extremely helpful in considering the foreign aid program coming before the Senate on my return. My itinerary will include Italy, Egypt, Lebanon, Israel, Greece, and Spain.

FARM EXPORTS

In addition to looking into our international relations generally, I am doubling up on assignments by using the trip for a study of opportunities for additional exports of farm commodities, particularly under the Public Law 480 program of sale for foreign currencies and barter. Detailed hearings on administration of this program will be held under my chairmanship upon my return. Spain offers an example where American food products were used to finance construction of all our military installations. I want to see if more of this can not be done in other areas of the Middle East.

FOOD RESERVES

While in Rome I will be conferring with officials of the U. N.'s Food and Agricultural Organization regarding implementation of the proposal I made earlier this year in the General Assembly of the United Nations, for international cooperation toward establishing National Food Reserves in food-deficit or famine areas. The U. N. went on record approving the idea and referred it to FAO for further action. If properly persued, it offers another opportunity for making wiser use of our country's food abundance. During the trip I also intend to look into opportunities for using foreign currencies obtained from sale of farm products for expanding our student exchange programs, giving more American youths an opportunity for visits abroad and bringing more young people from other countries into the United States to learn more about our way of life.

DEFENSE PROBLEM

Another mission of the trip to the Mediterranean will be to discuss with our military representatives in the area their problems of backing up our extensive commitments in the Near East and southern Europe. The recent announcement of the British cutbacks in conventional armed forces, for example, poses serious questions for our own forces. They will have increased responsibility now for backing up the Eisenhower Doctrine, and other commitments which we have made to the Baghdad Pact nations along the southern perimeter of the Soviet Union.

NEWSLETTER OF SENATOR HUBERT H. HUMPHREY, WEEK ENDING MAY 3, 1957

DATELINE ROME

It is a strange and wonderful experience to fly in a little over 10 hours from the banks of the Potomac in Washington—the center of power in the world today—to the banks of the Tiber where Rome 20 centuries ago was the power of the ancient Mediterranean world. Here in Rome and Naples today are the NATO commanders with the heavy responsibilities of defending the free world in Southern Europe and the Middle East. This weekend, before flying on into the center of dissention and confusion which is the Middle East, I hope to find the answers to many technical questions involving the security of this vital area.

COMMITMENTS AND CAPABILITIES

We have commitments to friendly nations around the world—treaties and agreements and pacts which have put us on record to come to their defense in the event of Soviet aggression. In the Mediterranean area, not only have we firm commitments to our NATO allies in southern Europe—to Italy, Greece, and Turkey, but we also have a new commitment to the nations of the so-called Baghdad pact—Iran, Iraq, Pakistan, and Turkey. Turkey is also covered by our NATO commitment and Pakistan by SEATO. In addition, under the vague and uncertain program known as the Eisenhower doctrine, we are apparently in the process of making new commitments to Arab nations not covered by previous formal agreements. Complicating this already complicated picture is the startling news of Britain's new look in defense spending, involving a severe cutback in her conventional armed services and increasing reliance on nuclear weapons and missiles. For over a generation, British ships and British infantry have been present in the Middle East to back up the extensive British commitments which we have now so largely taken over. A very large question indeed is whether the United States has the present military capabilities in the Mediterranean area to back up our commitments. That is why my first stop on this information-gathering swing through the Mediterranean area is at the Rome and Naples headquarters to discuss with the NATO commander for Southern Europe, and with the commander of the Navy's 6th Fleet of ships and Marines, the question of whether we have enough men and hardware to back up our foreign policy in this area.

SOME POINTED QUESTIONS

There are many vital questions involved within the broader question of whether we are physically prepared to back up our friends in the Mediterranean area. For example, how much can we rely on the U. N. emergency force? How much actual help could we get from the British and the French forces in the area? What effect does Egyptian control of the Suez Canal have upon our defense plans in the Middle East? These and many more questions demand realistic answers, if we are to develop a sound and workable policy in the Middle East.

MILITARY FORCES AREN'T EVERYTHING

Following my conferences with the military commanders this weekend, I shall be on my way to the Middle East itself to talk with leaders of both Arabs and Israelis, and to explore with these leaders ideas for positive American assistance to remove the danger of new Arab-Israeli warfare. Economic and social considerations in the long run will be decisive in the Middle East. Our military forces and those of our allies are only the shield which can permit us to go to work in a constructive way to help build a stable and durable relationship among the peoples of this tense and critical area. I am particularly interested in exploring next week the proposal I made last year at the United Nations for a Middle East Development Authority—a regional approach to the severe economic problems of the area which would join Mideastern ideas and resources with Western assistance.

NEWSLETTER OF SENATOR HUBERT H. HUMPHREY, WEEK ENDING MAY 10, 1957

ENROUTE TO CAIRO

As this is written, we are enroute to Cairo, where I shall visit with Egyptian Premier Gamal Nasser, beginning at 2-week series of discussions with Near Eastern leaders. Based on my first round of discussions in Italy, the upcoming meetings will be of material assistance to me as chairman of the Senate's Subcommittee on the Near East, as the Senate focusses its attention late this month on this very critical area.

OUR ITALIAN ALLY

I was agreeably impressed during my 3 days in Italy, by the rising standard of living, by the Italian Government's genuine efforts at land reclamation, irrigation and land reform in southern Italy, and by the extent of Italy's growing contribution to NATO

strength in southern Europe. The top Italian officials with whom I talked were deeply conscious of their nation's responsibilities as a partner in NATO, and reflected pride in their nation's efforts to put itself back on its feet. I saw a great deal of new construction and evidence of efficient and well-planned government in both Rome and Naples. Our Ambassador to Italy, James D. Zellerbach and his staff of dedicated career Foreign Service officers, I want to report, are doing a good job, as is the United States Information Service headquarters in Rome.

HIGH DRAMA

Not 24 hours after our arrival in Rome, the United States Sixth Fleet suddenly weighed anchor from its ports in Italy and southern France and swept down the coast of Italy toward the eastern Mediterranean hotspot. Our plans to go aboard the giant carrier *Forrestal* to visit with the Sixth Fleet Commander had to be postponed until later, for the Fleet was on its way too fast and too far. The effectiveness of this Fleet movement at the height of the Jordanian crisis was a dramatic demonstration of the fact that our Nation, with its many and varying foreign policy commitments, must continue to maintain a defense structure in which flexible "conventional forces" are available. Meeting at Naples, we had a valuable and detailed discussion with the capable Commander in Chief of Allied Forces, Southern Europe, American Adm. Robert Briscoe, about some of the key problems involving the defense against Soviet aggression in the Mediterranean area.

FOOD

While in Italy we also met with Food and Agriculture Organization officials and with Italian government officials to discuss the workings of Public Law 480, the program to dispose of American agricultural commodities abroad in constructive ways. Over and over again, I heard that the work of the churches and voluntary agencies in making American foodstuffs available in Italy has done more to combat communism in Italy than any other single factor. I also learned that the Italians are very anxious that a pound of shortening and a pound of oils should be included in the relief packages. I intend to follow this up with the Agriculture Department in Washington later this month.

MEETING AT THE VATICAN

Just before leaving Italy I had the inspiring experience of meeting personally with his Holiness, Pope Pius XII, in the center of the magnificent basilica of St. Peter's. Surrounded by literally thousands of people jamming the cathedral, the Pontiff displayed that characteristic dignity and spiritual grace which the world has come to recognize in this great spiritual leader. Surely there will be no single experience on this journey with quite the moving effect of this brief meeting.

NEWSLETTER OF SENATOR HUBERT H. HUMPHREY, WEEK ENDING MAY 17, 1957

THE ARAB WORLD

Enroute to Beirut, Lebanon, after 4 days in Cairo, Egypt, I have an opportunity to reflect upon my visit to this center of the Arab world. After talking with President Nasser and members of his cabinet, to American diplomats, businessmen, professors, students, and newspapermen of our own and other countries of the free world, my deepest impression is that we need a great deal more patience and humility to replace the peevishness and arrogance which have too often characterized our dealings in the Middle East, and particularly in Egypt.

HOW TO PROCEED

There are no quick and easy solutions here. Furthermore, I think that we should not move unilaterally, by ourselves, in the Middle East any more than we have to. In many cases our national objectives can best be accomplished through the United Nations, or in joint efforts with European states such as Italy or West Germany, or with some of the states in the Middle East itself. There is much to be done—a tremendous need for economic development. Here are 22 million people concentrated in an area no larger than that of Massachusetts and Connecticut. I have seen the Cairo slums; it is a shocking, frightening experience to see such poverty. The pressure of population in Egypt is intense and growing, with no more than one-third of an acre of cultivated land available for each Egyptian. Seeing these conditions, it is easier to understand the sharp disappointment of Egyptians over the withdrawal of our offer of assistance in financing the great irrigation project known as the Aswan Dam.

FOOD AND NATIONAL POLICY

Our relations with Egypt were also severely hurt by our refusal to sell wheat and other food supplies from American agricultural surpluses in November of last year. Furthermore, the 2-year-old successful CARE program in Egypt was largely brought to a standstill in September of 1956 when our Department of Agriculture began to sit on the request for renewal of the authorization. Up until September, almost 3 million persons per day were being fed under CARE. Now the hot school lunch program is dead, and only about 100,000 people are receiving privately-donated food under the CARE program. Russians, by providing wheat for these people, have been able to make great inroads. Soviet medical supplies and kerosene were gratefully received when we failed to make available these supplies after the invasion of the Suez area last fall.

ENCOURAGING SIGNS

There are encouraging signs that Egypt's leadership would prefer to devote its energies and resources to building roads, schools, hospitals, and homes rather than to military adventures and international political intrigues. Certainly, the challenge of economic development would focus the energies of the Egyptian people on constructive undertakings. Egyptian economic development would also be in the self-interest of the United States—offering an enormous potential market for American products. However, there are serious differences of opinion between our two governments, and it is going to take a long time to work out solutions. Many problems probably are just going to have to be allowed to work out themselves. Furthermore, this is a changing area, in which the alternatives are often unclear, and our dealings in the area must be characterized by great patience and wisdom and sometimes the willingness to choose between more or less undesirable courses of action. It is a great challenge—not only to our diplomats in the area and to the Department of State—but also to the American people, without whose support the best efforts of our diplomats will surely fail.

NEWSLETTER OF SENATOR HUBERT H. HUMPHREY, WEEK ENDING MAY 24, 1957

BACK TO ROME

Just 2 weeks ago I left Rome bound for Cairo, on my factfinding trip through the Middle East. It has been a whirlwind tour, crowded with discussions and observations. Before I leave for Spain and Washington, here are just some of the highlights of the past 2 weeks.

WATER

One has only to fly over the delta of the Nile in Egypt to realize the overriding importance of water in the Mid-East. There is a shocking contrast between irrigated land and unirrigated. When one sees the desolate Negev, the great southern desert of Israel, and learns that Israel expects 100,000 immigrants this year, he better understands too why the Israelis are so insistent on irrigation of the Negev. The fact is that water is at least as important as oil in the Middle East, if not more so. The Nile, Jordan, and the Tigris-Euphrates are all international rivers, and if maximum use is to be made of their waters it must be done under some kind of international arrangement. A new approach is needed—perhaps in the form of a regional development agency under the United Nations, but operating independently through a representative board of directors.

ARAB REFUGEES

Through such economic development projects, the terrible problem of the Arab refugees may be settled—clearly one of the essentials of a lasting Mid-East peace. I visited two of the refugee camps while I was in Lebanon. The best was bad and the worst was incredible. The poverty is simply appalling. Half of the nearly 1 million refugees are under 15 years old. Hundreds of thousands are nearing maturity knowing only the life of the refugee camps. It is a readymade situation for Communist propaganda and agitation, and the Communists are taking advantage of it. There is no easy solution to this bitter problem, but it seems that the right of repatriation should be established as should the right of compensation. Once this is done, it should then become possible to begin some major public works projects to make possible the resettlement of refugees in some of the Arab States surrounding Israel. The Arab States have a responsibility to cooperate in this program. Their refusal to act thus far has been most unfortunate and unwise.

THE VITALITY OF ISRAEL

The new Israeli state is a striking contrast to the ruin of older civilizations one sees on every side. It is a young, vigorous nation—strongly and confidently led by men and women of the caliber of David Ben-Gurion and Mrs. Golda Meier. It is a working democracy, with active political participation. Although small, it is extremely well-organized and so capable of effective military action in any direction that one understands why some Arab leaders express fears of Israeli expansion. Israel is a good friend of the United States; she has used to the utmost advantage every bit of economic aid we have given her. She is a showcase of what can be done in this dry, poverty-stricken area of the world when there is a will, when there is good organization, and when there is an adequate supply of funds of public works and industrial expansion.

LEBANON

One of Israel's neighbors is tiny Lebanon, with whose President Chamoun and my friend, Lebanon's Foreign Minister Malik, I had the pleasure of a long discussion. Lebanon is a sophisticated, metropolitan community, very friendly to the United States. While in the capital, Beirut, I had the opportunity to meet with many of our sailors and marines (some of them Minnesotans) from the Sixth Fleet who were paying a visit to Beirut.

NEWSLETTER OF SENATOR HUBERT H. HUMPHREY, WEEK ENDING MAY 31, 1957

GOOD TO BE BACK

It is good to be back in the United States from my Middle East tour, a most enlightening and productive trip. Already we are at work on the new mutual security-foreign aid bill. It has been reassuring to have the President accept many of the recommendations from our Senate committee's foreign-aid study, including a long-overdue shift to repayable loans instead of just

grants. I have been pleased by the President's presentation this year, and shall support his overall objectives. Since my last report from overseas, I have visited in both Greece and Spain to wind up my trip. In both countries, food—American food—is urgently needed, and one of the most useful forms of economic assistance we can provide. In both countries I made personal observation tours of food-distribution programs carried on by American voluntary agencies, such as CARE, the National Catholic Welfare Conference, and other church groups. I saw with my own eyes what these programs mean to youngsters and adults alike, and how grateful they are for the generosity of American people.

ORPHANS IN GREECE

I wish many of you could have been with me as I visited an orphanage in Greece where eager youngsters are being given vocational education to prepare them to be self-supporting. One-third of Greece's children have lost either one or both of their parents in Greece's struggle, first, against totalitarianism of Mussolini and Hitler and, next, against communism. It was indeed a thrill to find the labels of Minnesota dairies on barrels of dry milk powder that is helping to keep these children alive and healthy. Greece needs more food, both for the CARE program, and for purchase with Greek money under our Public Law 480. It has asked us for more food, and is still awaiting an answer. We depend upon Greece as a vital military ally under our NATO alliance against communism. Greece is our friend, proven over and over. Yet Greece must have food for its friendly government to survive. How can we ignore its appeal? How can we go on telling farmers not to produce, when our friends are in need of such production overseas?

SAME IN SPAIN

The same story was repeated in Spain. Whether we like the Spanish Government or not, the Spanish people are human beings. Our hope for the future is to have those people understand America and Americans, to know the real spirit of humanitarianism which exists among us. We are pouring millions into Spain building airbases upon which we are staking much of our defense hopes if worse comes to worse, and world war III ever occurs. Yet those bases are useless to us unless we can maintain political and economic stability in Spain, and make sure Spain welcomes American troops. Spain has had severe weather setbacks destroying its own crops; it is in serious financial difficulty. It wants to buy American food—wheat and soybean oil—with Spanish money. Congress has authorized such sales under Public Law 480. We have good uses for the Spanish money we obtain, in paying for our military construction projects. Unless we use Spanish money gained from food sales, we have to use American dollars. Yet for more than 3 months Spain has been trying in vain to get our Government to sell it 500,000 tons of wheat and 30,000 tons of soybean oil. The situation is now serious. Unless Spain gets 500,000 tons of wheat before June 30, it faces bread rationing. I have called this emergency situation to Secretary Benson's attention on my return in the hope of stimulating some action.

DISARMAMENT

Progress in disarmament negotiations at the London conference resulted in Secretary Dulles asking me to call my Senate Disarmament Subcommittee into a special executive session last week, in which the leadership of both parties in the Senate participated. Both Dulles and Harold Stassen were witnesses. The Senate may be asked to send representatives to aid in the negotiations which are now under way.

USE OF FARM SURPLUS TO HELP FINANCE UNITED STATES BUSINESS ABROAD URGED BY HUMPHREY, MAY 27, 1957

America's much-maligned farm abundance can be the means of financing greater private investment abroad by United States free enterprise, Senator HUBERT H. HUMPHREY declared last night.

Senator HUMPHREY revealed he would seek whatever changes in legislation may be necessary to provide for such a program, as one of the conclusions reached after a 4-week tour of the Middle East and Mediterranean area "where they need and want the farm products we complain so much about."

"I am convinced that our Public Law 480, under which surplus farm products can be sold for foreign currencies, can become the framework of a sound foreign economic policy by using some of the foreign currencies to loan to American business enterprises in other lands as well as for economic development loans to the countries buying our food," Senator HUMPHREY said.

"As part of our foreign policy, the Government has been urging American businessmen to invest in friendly countries. However, one of the deterrents to such investments is the inability of branches, subsidiaries, or affiliates of American companies to borrow local currencies in the respective countries for their normal operational needs. Loans are either not available or the interest rates are prohibitive.

"However, there is an ample source of available funds in many foreign countries originating from the sale by our Government of agricultural surpluses under Public Law 480. There is need for more such sales. In addition to using the local currencies obtained for paying United States obligations abroad and providing long-term, interest-bearing loans for economic development by the participating countries, it would be good business to set aside at least a part of such funds for loans to American industrial and business enterprises abroad through the Export-Import Bank."

Senator HUMPHREY said he had discussed the proposal with American businessmen abroad during his trip, and found widespread agreement that such a policy would simultaneously help American farmers, help American business, help America's foreign policy, and help friendly countries bolster their economy.

"Everybody would gain, and a way would be provided for stimulating international trade and commerce which would eventually lessen the need for heavy foreign-aid expenditures," Senator HUMPHREY said.

"Instead of spending millions trying to get the farmers to quit producing, we would all be better off to use our potential production constructively as a means of financing our foreign policy objectives in both public and private enterprise channels.

"Everywhere I went, I found the American business community making a valuable contribution to understanding and good will toward our country. The more we can encourage American business abroad, the solider we can unite the Free World.

"We are going to have to compete with the Soviet on the trade and economic front as well as military fronts, and the sooner we recognize it and move ahead more aggressively on a constructive international economic policy the better off we will be," Senator HUMPHREY said.

EIGHTY-SIXTH BIRTHDAY ANNIVERSARY OF FORMER SENATOR JOHN G. TOWNSEND, JR., OF DELAWARE

Mr. WILLIAMS. Mr. President, on Friday, May 31, 1957, the Selbyville Rotary Club, of Selbyville, Del., is planning a special program honoring former Senator John G. Townsend, Jr., of Delaware, on his 86th birthday.

Senator Townsend, also a former Governor of our State, is known both in the State of Delaware and nationally for his outstanding public service.

The Vice President has accepted an invitation to participate in this program, and I have been asked by the Selbyville Rotary Club to extend an open invitation to Senator Townsend's many other friends in the Nation's Capital to join them in paying respects to him on this occasion.

This program is being held in his home town of Selbyville, Del. Complete details of the program and the route may be obtained by contacting my office.

RECESS

Mr. HUMPHREY. Mr. President, I move that the Senate stand in recess until tomorrow, at 12 o'clock noon.

The motion was agreed to; and (at 7 o'clock and 6 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, May 28, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 27, 1957:

DIPLOMATIC AND FOREIGN SERVICE

James M. Langley, of New Hampshire, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Pakistan.

SECURITIES AND EXCHANGE COMMISSION

Andrew Downey Orrick, of California, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1962. (Reappointment.)

UNITED STATES ATTORNEY

Wendell A. Miles, of Michigan, to be United States attorney for the western district of Michigan for a term of 4 years. He is now serving in this office under an appointment which expires June 9, 1957.

Clinton G. Richards, of South Dakota, to be United States attorney for the district of South Dakota for a term of 4 years. He is now serving in this office under an appointment which expires June 9, 1957.

UNITED STATES MARSHAL

James L. May, of Alabama, to be United States marshal for the southern district of Alabama for a term of 4 years. He is now serving in this office under an appointment which expires July 17, 1957.

William W. Klipp, Sr., of Illinois, to be United States marshal for the northern district of Illinois for a term of 4 years. He is now serving in this office under an appointment which expires July 17, 1957.

PUBLIC HEALTH SERVICE

The following candidates for personnel action in the regular corps of the Public Health Service subject to qualifications therefor as provided by law and regulations:

I. For appointment:

To be senior assistant dental surgeons

George E. Mitchell, Russell Ross, Charles S. Stitt, Jr., Carl E. Anderson

To be assistant dental surgeons

William R. Wallace, Herald D. Green, Jr., James E. Hardwick III, Samuel Kakehashi, Kenneth C. Lynn, Raymond Berlin, Ralph S. Johnson, Erwin R. Schumacher

Richard A. Coulson, John T. Bauer, Richard C. Doub, Richard H. Fender, John L. Ames, Alfred Hamel, James W. Smith, Jr.

To be senior assistant scientists

Philip S. Chen, Jr., George R. Bernard, Jr., Sidney S. Chernick, Charles R. Peebles

To be assistant scientists

Norman T. Briggs, Howard Goldfine.

IN THE NAVAL RESERVE

The following-named officers of the Naval Reserve for permanent promotion to the grade of rear admiral in the line and staff corps as provided by law:

Line

John J. Bergen, Clyde W. King, George A. Parkinson, Charles R. Khoury, Duncan S. Baker, Lloyd V. Berkner

Medical Corps

Waltman Walters, Morton J. Tendler, Benjamin Tenney, Jr., William G. Hamm

Supply Corps

George D. Horning, Jr.

IN THE NAVY

The following-named (civilian college graduates) to be lieutenants in the Medical Corps of the Navy, subject to qualifications therefor as provided by law:

Wilbur D. Latham, John A. Meekins.

The following-named (Naval Reserve officers) to the grades indicated in the Medical Corps of the Navy, subject to qualifications therefor as provided by law:

Commanders

Charles M. Garland, Jr., Edward G. Goodman, Harold P. Pariser.

Lieutenant Commanders

George F. Bond, Ross M. Lehman, Jr.

Lieutenants

Richard A. Baker, Stuart H. Martin, Clyde L. Capps, Jr., Murray W. Meador, Jr., James B. Conner, Mitchell Edson, Gordon W. Mella, George S. Fidone, James E. Miles, Don K. Gilchrist, Harry J. Pedlow, Jr., Richard H. Grimmett, Irwin H. Readerman, Warren W. Hamilton, Jr., Franklin B. Sleadd, Wendell C. Thomas, Arthur D. James, Robert D. Visscher, Philip J. Jameson, Harry L. Walton, Joseph E. Jensen, Jr.

The following-named (Naval Reserve officers) to be lieutenants in the Dental Corps of the Navy, subject to qualifications therefor as provided by law.

Thomas M. Allensworth, Jr., Clyde L. Fulcher, John P. Kelley, John D. Cagle, Wilton G. Woody

The following officer candidates to be lieutenants (junior grade) in the Navy (special duty only), subject to qualifications therefor as provided by law:

Harry L. Hall, Richard J. McCarthy.

Deloss C. Hyde (Naval Reserve officer) to be a lieutenant (junior grade) in the Navy (special duty only), subject to qualifications therefor as provided by law.

Anne Check, United States Navy retired officer, to be a lieutenant in the Nurse Corps of the Navy, pursuant to title 10, United States Code, section 1211, subject to qualifications therefor as provided by law.

Lawrence J. Farrell, Reserve officer, to be a lieutenant (junior grade) in the Navy, for temporary service, subject to qualifications therefor as provided by law.

Robert H. Lundy to be a permanent ensign and a temporary lieutenant (junior grade) in the Navy, in lieu of a permanent lieutenant (junior grade) as previously nominated and confirmed to correct grade subject to qualifications therefor as provided by law.

Michael Primenko (Naval Reserve officer) to be a lieutenant (junior grade) in the Chaplain Corps of the Navy in lieu of a lieutenant as previously nominated and confirmed to correct grade, subject to qualifications therefor as provided by law.

The following-named officers for permanent appointment to the grade of chief warrant officer W-4 in the Navy, subject to qualifications therefor as provided by law:

Cullen D. Bray, James B. D. Skelly.

Lyman H. Reeves, United States Navy retired officer, to be a lieutenant in the Navy for temporary service, pursuant to title 10, United States Code, section 1211, subject to qualifications therefor as provided by law.

The following-named to be chief warrant officers, W-2, in the United States Navy for temporary service, subject to qualifications therefor as provided by law:

Thomas E. Allen, William E. McDonald, James E. Brunzell, William T. Page, Alexander Cazessus, John V. Patterson, Jr., Stuart W. Cochrane, Maurice M. Perrine, Robert K. Lesher, Russell J. Timm, Clarence D. McCall, Martin V. Townsend

The following-named officer candidates to be ensigns in the line of the Navy, subject to qualifications therefor as provided by law:

William L. Aderholt, Jr., John C. Dixon, Jimmy J. Dodd, Kenneth L. Allison, James K. Dollenmeyer, James H. Armbruster, Earl L. Donnan, Donald F. Aubert, Leonard C. Duffy, Ernest W. Barker, Robert J. Elliott, Paul D. Barnes, William B. Estes, Jr., Homer R. Bates, Edward J. Everding, Bernard R. Baugh, Benjamin H. Field, Robert T. Bell, Warren H. Fischer, Valentine G. Benz, Richard L. Fisher, Edward C. Bickmore, Jr., William C. Fisher, Charles H. Billings, Merlin L. R. Foreman, Arthur J. Binsfeld, Naylor C. Foster, Jr., Robert J. Black, Norwood V. Fowler, Jr., John E. Blasko, William H. Freeman, James W. Bletch, Connie M. Fry, John J. Blue III, Rodolfo C. Garcia, Delbert D. Boerner, Alfred P. Gibson, Richard D. Bower, Bertrand M. Gilbert, Robert L. Brandenburg, Robert J. Glancy, Robert Brandenburg, Thomas W. Glickman, Richard W. Briggs, Jr., Shirley T. Godsey, Paul E. Brownell, Howard B. Graff, Richard E. Bullene, George D. Graham, Robert P. Butler, Dale E. Griswold, Carl A. Byers, Paul L. Gruendl, Robert W. Bynon, Charles H. Guernsey, Lionel A. Cahill, Jr., Paul L. Handley, Rex N. Carpenter, Ralph E. Hanson, Samuel L. Carr, Lawrence O. Harjehausen, Richard E. Carrier, Richard F. Hartfelder, John L. Carroll, Leroy T. Hawkins, Richard P. Carroll, Raymond N. Henken, Wilbert C. Clancy, Leo E. Herbert, Allen H. Clark, James H. Hester, Harry S. Clock, Virgil C. Hodges, Francis M. Coen, Henry D. Holmes, Rodolphe N. Corbeil, Wayne M. Holmes, David Cordek, Jacob R. Holzschuh, "J" "T" Cordle, Richard A. Hough, Terrance E. Cowan, Lee F. Howard, Robert L. Cox, Edmund K. Hunsicker, Harry E. Craig, William F. Ike, John L. Curlee, Raymond P. Jackson, Newell L. Curry, Edwin B. Jarrett, Louis D. Daniels, Kenneth W. Johnson, Raymond D. Day, Ronald L. Johnson, Bill C. Dean, Theodore R. Johnson, Jr., Russell D. Dickens, Murry Katzen, Daniel G. Powell, William G. Kay, William J. Ray, Daniel L. Knapp, Calvin D. Raymond, Arthur F. Kohn, Lloyd A. Rice, Robert J. Kossieck, Loren M. Rice, Lyle B. Leach, Harold J. Robertson, Vincent J. Leahy, James J. Roberts, William E. Lester, Lester S. Robertson, Marwood D. Lewis, John W. Robinson, Harry E. Lindstrom, Earl H. Russell, Norman J. Lino, Richard W. Russell, Robert K. Lockwood Jr., Delmar O. Schaper, Noel K. Schilling, Robert C. Lonnegren, John G. Schimming, Alvin B. McPherson, Fred O. Sciscoe, Ralph R. Maddox, David D. Sherman, Charles H. Mannell, John T. Sherrill, Jr., James C. Marcom, Gerald B. Shirley, Jr., Richard Marin, James H. Shiver, David R. Marsh, Robert R. Simmons, Harold C. Marshall, Jr., John F. Skelly, George P. Martinson, LaRue D. Slater, James E. Masterson, Albert R. Smith, Robert F. McCullough, Clarence L. Smith, Gerald W. McDonald, Don L. Smith, Donald J. McGee, Gerald S. Smith, Clyde L. McLaughlin, LeRoy B. Smith, Wesley J. McVay, Jr., Harold S. Spillars, Henry E. Miller, Billy J. Spinks, Robert C. Miller, Donald M. Stampfli, Neal O. Mills, Woodie C. Stegall, Jr., Henry H. Mitchell, Frederick R. Stevenson, Raymond F. Mitchell, Jr., Russell J. Stong, William T. Mitchell, Charles J. Swift, Jr., Victor D. Modeen, Franklin L. Taft, Donald J. Montgomery, Willard Theriault, Aubrey A. Moore, Jr., Paul J. Thorpe, Lester A. Morcerf, Jr., Samuel A. Tish, Harold R. Morgan, Herbert G. Tonnessen, Louis D. Mott, James A. Trent, Frederick W. Moulder, Ralph E. Troxel, Gerald W. Murray, George A. Varshock, Richard C. Nagel, Alton L. Vaughn, Clifford A. Newton, Charles G. Vaughn, Kenneth L. Ney, Howard Venezia, Joseph Nicholas, Jay R. Waldman, Kenneth E. Nider, Kenneth J. Warden, Thomas V. O'Dea, Lester H. Wicks, Jr., Bernard F. O'Rourke, Clyde P. Willis, Donald H. Porter, Rodney C. Wing, Robert H. Potter, Jr., Walter E. Woods, Philip C. Pounds, Jr., Virgil D. Youmans, Jr.

The following-named officer candidates to be ensigns in the Supply Corps of the Navy, subject to qualifications therefor as provided by law:

Clarence H. Barstad, Ronald L. Jackson, James H. Bilodeau, Dean S. Lane, John M. Briggs, Douglas C. MacAfee, Edward J. Brown, Jr., Gail L. Milliken, Bernard A. Buscher, Jr., Earl F. Mouton, Eugene T. Carter, Leon L. Pierce, Andrew A. Champion, James O. Pollard, Donald J. Deshaney, Robert L. Robinson, Albert P. Girod, Jr., LeRoy E. Shoemaker, James E. Heiberg, Thomas J. Smith, Charles E. Hollingsworth, James R. Templeton, Robert E. Wright

Richard V. Shafer (officer candidate) to be an ensign in the Civil Engineer Corps of the Navy, subject to qualifications therefor as provided by law.

The following-named (Naval Reserve aviators) to be ensigns in the Navy, subject to qualifications therefor as provided by law:

Robert E. Ammann, Alton A. Coward, Jr., William St. George Barker, Paul S. Daly, Richard C. Davis, Joseph D. Benton, William C. Diehm III, Peter A. Bernardin, John F. Dillon, Bruce R. Boland, William D. Dobbs, Robert B. Browning, Richard E. Dupree, Charles B. Caldwell, Eugene L. Dziengielewski, Richard B. Cantwell, Charles R. Eckerle, Jr., Robert W. Case, John W. Erlewine, Arthur Cisson, Thomas G. Evans, Thomas T. Cole, Jr., Thomas A. Feiling, Gordon C. Cornell

Donald E. Florin
David E. Gay
John B. Glinn, Jr.
Franklin G. Hamrick
Cecil "B" Hawkins, Jr.
John E. Howe
Donald E. Isaacson
Gaston J. Jenkins
Richard L. Johnson
Robert A. Johnson
Fred W. Johnston, Jr.
William W. Kelly
Jerry L. Keery
Charles G. Kother
George W. Lehman
Frank E. Lucken
Francis E. McKean
Bryce N. Miller
James I. Morris
Donald E. Needham
George R. Niemela
Rolf F. Noll
Jerry T. O'Dell
Stanley E. Olmstead
Blake H. Pielstick
Bill H. Potts
Paul E. Raysin
Norman Segel
Ronald G. Shelly
Horace J. Terrill III
Virgil R. Terry
Emil S. Thompson, Jr.
Richard G. Thompson
Ernest W. Truman, Jr.
Farland W. Updike, Jr.
Harold L. VanDusen
William L. Wardell, Jr.
James F. Warnke
Ronald R. Warthen
Donald H. Weddle
Donald A. West
James F. Wetzel
John O. Williams, Jr.
David P. Wilson
Tommy L. Williams
Fred "B" Winton, Jr.
Ronald D. Witthoft
David J. Woolway
Guy A. Wright
Murray N. Wright
William D. Yonke

The following-named officers of the Navy for permanent promotion to the grades indicated:

Captains, Medical Corps

John W. Albrittain
Edward K. Allis, Jr.
Harry J. Alvis
Julius M. Amberson
Hubert L. Anderson
Sidney L. Arje
Frederick W. Armington
William W. Ayres
William S. Baker, Jr.
Felix P. Ballenger
Leonard H. Barber
John B. Barger
Gennaro Basilicato
Otto C. Baumgarten
Harold L. Baxter
Lynn S. Beals, Jr.
George M. Bell
Ferdinand V. Berley
Reginald V. Berry
Virgil A. Beuerman
John R. Bierley
Ross P. Black
John D. Boland
Robert R. Bonar
Daniel W. Boone
James H. Boyers
Robert H. Bradshaw
James A. Brimson
Sidney A. Britten
Charles Bunch
Edward T. Byrne
Vernon W. H. Campbell
Frederick B. Carlson
Charles A. Castle
John F. Chace
Alexander N. Chaffin
Roland A. Christensen
Ralph L. Christy, Jr.
Benjamin W. Clark
Thomas E. Cone, Jr.
John L. Conley
Joseph R. Connelly
Martin Cooperman
Joseph M. Coppoletta
John S. Cowan
John H. Cox
James Crawford
Roy E. Crowder
Mark S. Curtis
Tracy D. Cuttle
George M. Davis, Jr.
Robert R. Deen
Percy W. Demo
Paul Deranian
George O. DeTarnowsky
Paul F. Dickens, Jr.
James R. Dillon, Jr.
John P. Dobson
George Donabedian
Calvin T. Doudna
Melville M. Driskell
William H. Druckemiller
Thomas L. Duffy
DeSales G. DuVigneaud
Harry B. Eisberg
Paul R. Engle
Harry S. Etter
Simon W. Eyer
John G. Feder
James W. Firoved
Robert A. Freyling
LeRoy F. Friend
Richard L. Fruin
Wesley Fry
James L. Fuelling
Roger H. Fuller
Henry T. Gannon
Perry W. Gard
Ralph W. Geise
Louis R. Gens
Bernard G. Geuting
Albert G. Gibbs
Harold D. Giddings
Walter W. Gilbert
James H. Gillen, Jr.
Peter J. Giotta
Rodney R. Geleysteen
Marcos A. Godinez
Dana D. Goldthwaite
Rexel Goodman
John E. Gorman
John S. Gruggel
James W. Gustin, Jr.
James D. Hague
Vinton Hall
William J. Hall
John S. Hanten
Charles S. Hascall, Jr.
Byron L. Hawks
Lewis L. Haynes
Jacob G. Hebble III
Earland E. Hedblom
Vernet H. Heinz
William W. Henderson
David H. Hersh
David P. Hightower
Harold H. Hill
Theodore E. Hoffman
Edward B. Hopper
David F. Hottenstein
Joseph E. D. Humphries
Henry C. Hunley, Jr.
Henry J. Hunter
Edward G. Hurlburt
Gerald W. Hurst
Glenn D. Hutchinson
Edward A. Hynes
Edward P. Irons
Jack M. Jacoby
Roger A. James
William J. James
Thirl E. Jarrett
Edward J. Jaruszewski
Clark P. Jeffers
Broor A. Johnson
Elmer B. Johnson
Howard A. Johnson
Graham R. Johnston
Sidney F. Johnston
Horace L. Jones, Jr.
Joseph M. Jordan
Ernest H. Joy
Karl V. Kaess
Elvin E. Keeton
Richard E. Kelley
LeRoy L. Kenney
James D. King
James R. Kingston
Everett P. Kirch
George J. Kohut
Miles C. Krepela
Peter G. Kroll
James G. Kurfees
Milton Kurzrok
Peter S. Kwiatkowski
Ross B. Lautzenheiser
Richard Lawrence, Jr.
William G. Lawson
Harry F. Lenhardt
Nathan Liberman
Morton L. Lillie
Harry H. Lipcon
Charles A. Lippincott
William C. Livingood
Charles R. Longenecker
Ferold D. Lovejoy
W. Syre Lummis
George M. Lynch
William F. Lyons
John B. MacGregor
Donald G. MacKinnon
William F. MacKoske
Thomas M. Manley
Deane S. Marcy
Herbert A. Markowitz
Vernon E. Martens
John P. Martin
Malcolm W. Mason
William L. Mattison
Oscar T. McDonough, Jr.
David H. McKeague
James A. McLaughlin
George E. Meador
David H. Meadows, Jr.
John L. Messersmith
Donald W. Miller
Dawson A. Mills
Ernst R. Moeller
Jerome A. Moore
Paul T. Moore
Charles E. Moran
James P. Moran
Albert E. Morris
Mason Morris, Jr.
Neal Morris
John H. Moser
Robert A. Mount
Ralph M. Mugrage
Charles S. Mullin, Jr.
James A. Murphy
John M. Murphy
John E. Hardini
Newell Nay
Edward R. Nell
James A. Niforopulos
Frank T. Norris
Hugh V. O'Connell
John A. O'Donoghue
Leo W. Olechowski
Nelse O. Olson
Roger W. O'Neil
Casimir F. Park
Sherman M. Peabody
Rufus J. Pearson, Jr.
Robert Penington, Jr.
Robert A. Phillips
Wilmot F. Pierce
Edward W. Pinkham, Jr.
Joseph P. Pollard
Lester J. Pope
Reginald R. Rambo
Robert C. Ray
Harvey E. Reitz
Herschel E. Richardson
Lindsay R. Riddle
Howard M. Robbins
Jacob J. Robbins
William L. Roberts
William C. Robinson
Gustave A. Roy
George W. Russell
Russell F. Sanders
Gioconda R. Saraniero
Max O. Sartori
William A. Schmid
Arthur L. Schultz
John R. Seal
Leslie G. Seebach
John F. Shaul
Bruce M. Shepard
Robert B. Shepardson
Eugene E. Siess
John T. Sill
Lewis S. Sims, Jr.
Harald A. Smedal
Charles H. C. Smith
William M. Snowden
Francis G. Soule, Jr.
Roger A. Standard
Clifford A. Stevenson
George E. F. Stocker
Evan C. Stone, Jr.
Harry T. Stradford
Victor C. Stratton
Ralph G. Streeter
Harold A. Streit
Clyde S. Stroud, Jr.
John G. Stubenbord, III
Robert E. Stutsman
Malcolm G. Stutz
Jesse H. Sultor
Roy W. Tandy, Sr.
Edward H. Taylor
Walter R. Taylor
Joseph O. M. Thatcher
Joseph J. Timmes
John C. Traugh
William B. Turney
Joseph A. Tyburczy
Frank D. Virgilio
Ralph Volk
Frank B. Voris
Robert L. Wagner
Vincent E. Wagner
Horace D. Warden
Jack Warren
Wayne W. Waters
George S. Watkins
Joseph W. Weaver
Walter M. Weber
Robert J. Whipple
Karl R. Whitney
LeRoy E. Wible
Richard B. Williams, Jr.
Russell G. Witwer
Richard W. Worthington, Jr.
Norman L. Yood
Ernest A. Zinke, Jr.

Captains, Dental Corps

Lloyd F. Abel
Vernon L. Anderson
John P. Arthur
Irvin R. Barker
August Bartelle
Charles H. Bercier
John L. Biedermann
Robert M. Blackwood
Lloyd A. Bohaker
Clayton L. Bohn
Gerald H. Bonnette
John O. Booth
Aaron N. Bowers, Jr.
Frederick H. Bradshaw
William C. Brandon, Jr.
Max J. Brandt
Paul L. Brandt
Kenneth K. Bridge
Frederick S. Brown, Jr.
Milton H. Brown
Robert F. Burnett
Richard D. Calhoun
Philip A. Canal
Donald E. Carlson
Bruce H. Carney
William J. Charm
Wallace B. Chesterfield
Joseph M. Clements
Robert A. Colby
Henry A. Collett, Jr.
Robert S. Collins
Robert L. Combs, Jr.
Donald E. Cooksey
Wade E. Couvillon, Jr.
William E. Crollus, Jr.
Silas D. Cunningham
Rosolino J. Curreri
Walter W. Dann
Bruce K. Deflebre
Walter J. Demer
George M. Denny
James P. Donnelly
William D. Dwyer
Arthur D. Eastman
Robert F. Erdman
Frank K. Etter
Joseph E. Faltermayer
Walter V. Felcyn
George W. Ferguson
John B. Ferris
Howard H. Fischer
David M. Fox
William R. Franklin
LeRoy R. Frantz
Harry H. Fridley
Raymond H. Friesz
Edmund H. Frizzell
Charles S. Frye, Jr.
Walter N. Gallagher
Edward N. Gardner
William C. Garton
Martin J. Gelb
Roger G. Gerry
Howard P. Gleisten
Samuel Goldhaber
Earl A. Goldsmith
Fred E. Goodell
Angus W. Grant
Raymond J. Graves
Harold G. Green
William I. Gullett
Howard B. Halsch
Henry H. Hall
Baker M. Hamilton
Walter F. Hanley
William J. Harrison
Richard C. Harwood
Ralph B. Haynes
Charles M. Heartwell, Jr.
Charles D. Hemphill
Davis Henderson
Ferris G. Hodge
John A. Hogan
Lorenz G. Hopfer
Joseph R. Horn
Venard R. Jackson
Stanley Jakubs
John P. Jarabak
Edward J. Jerdon
Gus J. Jerkofsky
Leonard E. Johnson
William B. Johnson, Jr.
John P. Jones
Frank J. Kalas
James F. Keenan
Jack J. Kelly
Wilson P. Kemp
William H. Key
Jan F. King
William D. King
Max W. Kleinman
Glen Koonce
Eugene J. Kops
Patrick J. Lamb
Daniel E. LaMothe
Paul G. Lang
Ronald W. Lange
Odin F. Leberman
Albert P. Leisz
Melvin R. Leonard
Theodore A. Lesney
Walter B. Lett
Oliver S. Levitz
Sidney C. Liedman
William H. Lieser
Robert D. Lindelof
Joseph F. Link
Eugene J. Loifgreen
Kenneth L. Longeway
Arthur J. Loring
William E. Ludwick
Frederick B. Lukins
Robert B. Lytle
Edwin J. Madden
Clyde L. Martin
Morgan F. McAfee, Jr.
Von Rue McAtee
Willard R. McClellan
John H. McEachren
Harry B. McInnis
Allen L. McInturff
Howard B. McKinney
William A. McLennan
William H. McNitt
Kenmore E. Merriam
Charles E. Meyers
Robert C. Millard
Charles W. Miller
Gordon L. Miller
John W. Miller
Byrnes E. Missman
Edward C. Mitchell
Edward W. Moore
Wade H. Morgan, Jr.
Ward M. Mortell
James T. Mudier
Clarence Y. Murff, Jr.
Eastes W. Murphy
Eugene T. Nealon
William A. Newman
Arne G. Nielsen
John V. Niiranen
Alvin B. Noble
Edwin B. Nutting
Richard W. Ohl
Norman R. Oliver
Carl A. Ostrom
Neil J. Overton
William D. Owen
John A. Parker
Mack L. Parker
Walter H. Peat
John W. Pepper, Jr.
Richard V. Peterson
Robert D. Phillips
Robert I. Phillips
Ernest L. Purdum
George C. Rader
Harold J. Ralston
Alfred L. Raphael
James C. Reader
Herman K. Rendtorff
Louis J. Rhen
Clifford H. Rice
John W. Rice
Lyman H. Riney
John C. Robie
Vernon S. Robinson
Lynn H. Rodenbarger
Anthony Rubba
Theodore C. Sample
William E. Sanders
George H. Sandman
Robert D. Schindler
John J. Schneider

Francis P. Scola
Ralph H. S. Scott
Robert H. Secrest
Edwin O. Seiser
Richard C. Shaw
Furman L. Sheppard
Duane R. Shiffert
Harold N. Siemer
Cyrus D. Smith
George M. Smith
John T. Sorensen
William R. Stanmeyer
Craig A. Stewart
John B. Stoll
Paul W. Suitor
Harold R. Superko
Clarence C. Tessman
Ernest A. Thayer
Joseph A. Thimes
William M. Thomas
Donald W. Thompson
Herbert J. Towle, Jr.
Wilbur A. Trick
Richard F. Tuma
Arthur S. Turville
William J. van Ee
Carl A. Veline
Clarence G. Veno
Albert L. Vogel, Jr.
Frank T. Wais
Leslie M. Wallace
Ramon J. Wallenborn
Eugene A. Walsh
Clyde H. Walsworth
Merrill G. Wheatcroft
John R. Wible
Frederick T. Wigand
Roy O. Wikstrom
Cline O. Williams
John E. Wiseman
William C. Wohlfarth, Jr.
Frank S. Wozniak, Jr.
Robert D. Wyckoff
Robert B. Young

Commanders, Medical Corps

Jesse F. Adams
Lynn A. Anthony
Willard P. Arentzen
Henry T. Ash
Kenneth P. Bachman
Bruce F. Baisch
Howard A. Baker
Lawrence E. Banks
Bruce B. Barnhill
Frederick B. Becker
Edward L. Beckman
Sidney D. Bond, Jr.
Charles G. Bratenahl
Ralph K. Brooks
Carleton J. Brown
Loy T. Brown
Robert H. Brown
Robert L. Burdick
Joseph S. Burkle
Manley J. Capron, Jr.
Carl P. Carlson
Frank B. Clare
Charles F. Climie, Jr.
Richard B. Connor
Marvin D. Courtney
Philip D. Cronemiller
Harold A. Davis
Thomas C. Deas
Edward L. de Wilton
Milan Diklich, Jr.
Robert M. Dimmette
James R. Dineen
David C. Dixon
Richard F. Dobbins
Joseph B. Dominey, Jr.
Adolphus W. Dunn
John T. Egan, Jr.
John G. Esswein
Halvdan G. K. Faaland
Ralph E. Faucett
John S. Featherston
Robert L. Fleck
Robert J. Fleischaker
Richard Foulk
William E. Fraser
Frank D. Fuller
Robert E. Fultz
Philip O. Geib
John E. Goebel
Martin O. Greaney, Jr.
James W. Greer
Clifford R. Hall
Walter F. Hansen
Samuel A. Heaton, Jr.
Arthur A. Helgerson
Alexander C. Hering
Howard W. Hill
Charles K. Holloway, Jr.
Alden V. Holmes
Cyril J. Honsik
Newman A. Hoopingarner
Charles C. Houghton, Jr.
John W. Howard
George W. Hyatt
William B. Ingram
Edward A. Jones
Jack T. Jones, Jr.
Frank F. Kalchuk
Kenneth J. Kelley
Robert S. Kibler
Robert L. King, Jr.
John I. F. Knudsen
Louis R. Krasno
William G. Krech
Thomas B. Lebherz
Robert C. Lehman
Robert H. Lemmon
Charles W. Lewis, Jr.
Garner L. Lewis
Thomas H. Lewis
William T. Lineberry, Jr.
Donald E. Lloyd
Robert A. Loeffler
Richard E. Luehrs
Robert W. Mackie
Richard J. Martin
Alfred B. Mason
Walter S. Matthews, Jr.
James R. McArtor
John F. McCabe
Robert J. McCarthy
Francis "H." McCullough, Jr.
Andrew McKane III
Frederick W. Meyer, Jr.
Lloyd F. Miller
David Minard
Francis M. Morgan
William E. Morris
Samuel L. Moschella
Robert K. Moxon
Charles C. Muehe
Richard D. Nauman
William I. Neikirk
Charles B. Newton
Robert W. O'Brien
Frank G. Osborne, Jr.
Harold V. Palmer
John R. Palmer, Jr.
William F. Park
Edward E. Parker
Paul H. Pennypacker
James M. Poynter
John J. Price, Jr.
Carl E. Pruett
Donald W. Robinson
Charles E. Rogers
Charles P. Root, Jr.
Robert E. Rowand
David B. Rulon
Anthony P. Rush
Merrill W. Rusher
Stevenson P. Santiago-Stevenson
Henry A. Schlang
Harry F. Schwenker, Jr.
Leslie W. Sederstrom
James P. Semmens
Daniel M. Shook
Bruce H. Smith, Jr.
Edward M. Smith, Jr.
Robert W. Spicher
Robert A. Stalter
Marshall K. Steele, Jr.
Herbert G. Stoecklein
Marshall P. Stonestreet
John H. Stover, Jr.
William M. Strunk
George H. Tarr, Jr.
George J. Taylor III
George W. Taylor, Jr.
Emil P. Thelen
James I. Thorn
Anton A. Tratar
DeWitt S. True
William C. Turville
Lockland V. Tyler, Jr.
Fred A. Valusek
George T. VanPetten
George E. Vaupel
Ernest F. Wallner, Jr.
Robert E. Walsh
Herbert L. Walter
Dale B. Watkins
Lorrain E. Watters, Jr.
Joseph L. Whatley
Frederick G. F. Wiegand
Burton Willard
Robert G. W. Williams, Jr.
Jay D. Wilson
Theodore H. Wilson, Jr.
Gerald E. Wineinger
Jerry J. Zarriello

Commanders, Dental Corps

Robert A. Anderson
Wallace S. Andrews
James T. Ashwell
Hewitt J. Beauvais, Jr.
Elwood R. Bernhausen
Charles A. Bill
Ralph M. Bishop
Richard T. Blackwell
Frederick W. Brigance
James J. Brown, Jr.
John F. Bucher
Warren C. Caldwell, Jr.
Marvin Carmen
David V. Castner, Jr.
Amos W. Cave, Jr.
Judge C. Chapman
Joseph G. Chudzinski
Julian R. Conant
Peter C. Conglis
Richard G. Cooper
Louis H. Cordonier
George B. Crossmire
William L. Darnall, Jr.
Frank Dobronte
Eymard L. Doyle
Irwin G. Edwards
Stewart T. Elder
Loren F. Enke
Dillard P. Eubank, Jr.
Sergio Fernandez
John E. Flocken
Jack F. Flood
Russell R. Funk, Jr.
Wilton R. Gabreis
Oren H. Gaver, Jr.
George I. Gilchrest, Jr.
Gus W. Gray
Edward T. Guay
Arthur E. Gustavson
Wade H. Hagerman, Jr.
J. Kenneth Hall
Martin R. Hamilton
Traver R. Hamilton
Joseph G. Hancock
Thomas J. Hanson
Albert P. Hass
Donald C. Hawkins
Warren J. Hedman, Jr.
Henry H. Hicks
Walter G. Hillis
Edwin J. Hodder
Gerald L. Hodgson
Seymour Hoffman
Francis W. Hughes
Richard W. Hughes, Jr.
Joseph S. Hurka
Robert L. Joseph
Charles E. Kaller
Anthony K. Kaires
John L. Keener
Victor P. Knapp
John A. Koch
Albin J. Koenig
Leonard M. Kraske
Gilbert H. Larson, II
James B. Lepley
Fred L. Losee
Harvey W. Lyon
Wilbert C. Manke
William M. Marking
Don L. Maxfield
Thomas H. Mayo
Glen H. McGee
Joseph P. McGonnell
Reuben W. McKee, Jr.
Jackson F. McKinney
Roy C. McNett
Robert A. Middleton
Donald J. Miller
William A. Monroe, Jr.
Ray B. Mueller
Henry T. Mumme, Jr.
Merlin E. Naylor
Wayne A. Nelson
Dwight W. Newman
Raymond O. Nickell
Albert R. Oesterle
Ingram W. Ogden
Tomas C. Pablos
Thomas J. Pape
James F. Pennington
Jerome F. Peters
George A. Pfaffmann
Charles C. Pruitt, Jr.
Harry C. Pund, Jr.
Walter E. Ralls
John V. Reilly
Frank B. Rhobotham
Glenn D. Richardson
William C. Riesenberg
Charles E. Rudolph, Jr.
Henry J. Ruff
Nelson W. Rupp
Henry J. Sancier
George F. Scherer
Eldon O. Schnoebelen
Henry H. Scofield
Marvin H. Scott
James W. Sedlacek
John R. Sheppard
John H. Smith
Richard T. Sochowski
Sylvester E. W. Spann, Jr.
William R. Staples
Walter O. Stanford
Jerome J. Steinauer
Justin F. Stolitsky
Jerome C. Stoopack
Leon G. Suehs
John E. Sullivan
John C. Swearingen
Carl B. Thimes
Christopher E. Thomlinson, Jr.
Joseph G. Tippin, Jr.
Kimble A. Traeger
Enrique Valentin, Jr.
Vincent W. VanDamm
Allen L. Wallace
George W. Walter, Jr.
Robert B. Welden
Paul C. White
Carl L. Wilhelm
Leonard E. Williams
Robert M. Williams
Quentin L. Wood

Lieutenant commanders, Medical Corps

William C. Adams, Jr.
Harold K. Alsobrook
Homer S. Arnold
Frank H. Austin, Jr.
Paul G. Bamberg
Robert K. Barton
David C. Beer
Jaime M. Benavides, Jr.
Edward W. Bird
Ernest A. Blakey
Winton R. Boyd
Leland C. Brannon
Carl A. Broaddus, Jr.
Howard S. Browne, Jr.
Jack E. Byrd
Robert J. Cales
Charles M. Callis
William J. Champion
John C. Country
Benjamin L. Crue, Jr.
Lowell K. Cunningham
Calvin J. Curts
Robert L. Davis
Robert P. Dobbie, Jr.
Donald J. Doohen
Paul Doolan
Donald W. Edwards
Wayne L. Erdbrink
John W. Flynn
Samuel M. Fox III
William J. Gallagher, Jr.
Frederick W. George III
Frank L. Golbranson
Charles H. Gray
Rolland E. Greenburg
Anthony J. Guida
Robert C. Hastedt
Larry J. Hines
James H. Holmes
Raleigh M. Hood
David H. Hosp
William H. Howell, Jr.
William F. Hughes
James J. Humes
Donald C. Kent
Richard E. Lieurance
Edward D. Loweecey
Francis X. MacAulay
Andrew M. Margileth
James E. McClenathan
Vernon J. Merkle
Jack W. Millar
Stephen R. Mills, Jr.
Robert E. Mitchel
Duncan O. Montgomery
William R. Moore
David P. Morris, Jr.
Frank Ostapowicz
Kenneth A. Parmelee
Robert O. Peckinpaugh
Ernest J. Penka
Earl R. Peters
William C. E. Pfischner, Jr.
Jean-Maurice Poitras
Harvey O. Randel
Harry L. Roberts, Jr.
Lloyd C. Rohrs
Edward J. Rupnik
Neal D. Sanborn
Richard B. Sarver
John H. Schulte
William C. Sharp, Jr.
William A. Snyder
Donald W. Spicer
James E. Stark
James H. Stewart
Edgar E. Thomas, Jr.
William C. Trier
John W. Troy
Charles L. Waite
Peter F. Wells II
James E. Whiteside
Homer P. Wiley
Stanley E. Willis II
Joseph A. Witt

Lieutenant commanders, Dental Corps

Perry C. Alexander
John A. Bancroft, Jr.
Donald R. Bassett
Richard M. Batchelder
Lambert A. Benson
George A. Besbekos
Philip J. Boyne
Frank J. Brauer
Don C. Bursey
Melvin L. Calton
Gage Colby
William H. Cook, Jr.
Guy R. Courage
Lucian J. Cuprak
Richard "C" D'Vincent
Frank N. Ellis
Floyd G. Evans
Robert E. Fairchild
Peter F. Fedi, Jr.
Dale L. Firestone
Anthony P. Giammusso
John N. Gossom
George H. Green
Frank D. Grossman
Lewis L. Gunther
John W. Hardwick
Richard S. Hay
Melvin L. Hermsmeyer
Aloys D. Heyen
Kirk C. Hoerman
Robert A. Howard
Edward G. Hutton
Van L. Johnson, Jr.
Everard F. Jones, Jr.
William J. Kennedy
Frederick W. Koester III
Milton C. Kohler
Frank J. Kratochvil, Jr.
Charles W. Lynds
Howard B. Marble, Jr.
Frank A. Marmarose
Maurice A. Mazzarella
Stanley Meeks
Robert S. Neskow
Oliver G. Nystul
Billie F. Outlaw
Donald E. Parry
James B. Peachey
John W. Pentecost
Robert R. Perkins
William A. Peterson
Clifford H. Prince, Jr.
Ward E. Quilter, Jr.
Ray A. Rigterink
Theodore J. H. Rinck
Robert G. Rives
Jack W. Robinson
William J. Rogers, Jr.
George D. Selfridge
Ben C. Sharp
Jay D. Shaw
Alan E. Smith
Roland C. Smith
James H. Snyder
Adrian E. Sorenson, Jr.
Richard R. Troxell
George Ulrich, Jr.
Curtis J. Vague
Harvey P. Webre
Michael Zustiak

Lieutenants, Medical Corps

Richard T. Arnest, Jr.
Buell C. Cole
Richard G. Davis
Thomas S. Dunn, Jr.
Vernon H. Fitchett
Donald J. Foster
Lindsay C. Getzen
Ronald W. Glover
Daniel C. Good
Richard B. Gresham

John R. Kane	Daniel J. Scott, Jr.
Thomas R. Kleh	Richard O. Stader
Norman G. Lewis	Frank E. Staggers
James A. McFadden, Jr.	Paul P. Steckler
	Richard H. Tabor
Morgan F. Osgood	Thomas W. Turner
Philip E. Ramirez	

Lieutenants, Dental Corps

Paul L. Abbott	William H. Mann
Stephen O. Bartlett	Thomas W. McKean
Rodman Brokaw	Richard J. Messina
Edward H. Brown	Wendell E. Montgomery
Bernard Chap	
Ernest E. Davies	Jack D. Nelson
Carlo A. DeLaurentis	John E. O'Malley
Oscar W. Donnenfeld	Ernest M. Pennell, Jr.
Archie D. Echols, Jr.	James W. Phillips
Robert W. Elliot, Jr.	Samuel J. Sachs
Frederick J. Finnegan	Homer S. Samuels
Thomas A. Garman	William B. Shreve, Jr.
Raymond E. George	Victor H. Silberstein
Harold N. Glasser	Robert W. Slater
Worth B. Gregory, Jr.	Edward F. Sobieski
James W. Hays	Thomas D. Stephenson
Corey H. Holmes	
William J. Jasper	Paul J. Sydow
"C" Paul Johnson, Jr.	Donald S. Taber
Paul A. Koppes	Robert W. Timberlake
Howard S. Kramer, Jr.	John J. Webb
William G. Lehmann	Carl H. Wilkens, Jr.
James J. Lyons	George K. Woodworth
Jack D. Mahoney	Paul E. Zeigler

The following-named officer of the Navy for temporary promotion to the grade of commander in the Dental Corps, subject to qualification therefor as provided by law:

Amos W. Cave.

The following-named officer of the Navy for temporary promotion to the grade of lieutenant in the Dental Corps, subject to qualification thereof as provided by law;

John Koutrakos.
Richard T. Upton.

The following-named officer of the Navy for temporary promotion to the grade of lieutenant in the Dental Corps, subject to qualification therefor as provided by law:

Lloyd W. Letten, Jr.

The following-named officer of the Navy for temporary promotion to the grade of lieutenant in the Nurse Corps, subject to qualification therefor as provided by law:

Danya A. B. Belair.

The following-named officer of the Navy for temporary promotion to the grade of lieutenant commander in the Medical Corps, subject to qualification therefor as provided by law:

Edward H. Lanphier.

The following-named reserve officers for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Constantine Albans	Orville R. Kartchner
James A. Getchell	James R. Lyne, Jr.
James T. Harrell III	Robert W. Smith
Karl F. Ijams	George M. Shriver III

The following-named officers for permanent appointment to the grade of chief warrant officer (W2) in the Marine Corps, subject to qualifications therefor as provided by law:

Harold H. Bennefeld.
Granville G. Sweet.

The following-named officer for permanent appointment to the grade of chief warrant officer (W4) in the Marine Corps, subject to qualifications therefor as provided by law:

Adolph J. Kutilek.

The following-named reserve officers for temporary appointment to the grade of first lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

James T. Harrell III.
Karl F. Ijams.
George M. Shriver III.

The following-named (Army Reserve Officers' Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Richard V. Hunt.
Charles C. McLennan.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 27, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, as we continue to go forth into the hours of this new day, with its various duties and responsibilities, may our souls be jubilant with praise for the assurance of Thy goodness and loving kindness.

We humbly confess that our minds and hearts are frequently bewildered by the mysteries of life and we seem to be wandering in a valley of deep shadows.

Help us to believe and feel that Thou art always willing to walk with us, a companion to dispel our loneliness and a counselor to guide us in the homeward way.

Grant that amid all the changes and seeming contradictions, which we encounter, we may turn unto Thee and find that peace which the world can neither give nor take away.

Hear us in the name of Him who loves us and gave Himself for us. Amen.

The Journal of the proceedings of Friday, May 24, 1957, was read and approved.

THE LATE HONORABLE LUTHER PATRICK

The SPEAKER. The Chair recognizes the gentleman from Alabama [Mr. HUDDLESTON].

Mr. HUDDLESTON. Mr. Speaker, last night, May 26, 1957, former Representative Luther Patrick passed away in Birmingham, Ala., at the age of 63. Mr. Patrick served in the United States House of Representatives from January 3, 1937, to January 3, 1943, and again from January 3, 1945, to January 3, 1947, representing the Ninth Alabama District, the district which I am privileged to serve at this time. His untimely passing will be received by those who were associated with him here in the House and who numbered themselves among his many friends with a deep sense of sorrow.

Mr. Patrick was born near Decatur, Morgan County, Ala., on January 23, 1894. He attended the public schools of Alabama, Louisiana State University at Baton Rouge and Purdue University, Lafayette, Ind. He was graduated in 1918 from the law school of the University of Alabama at Tuscaloosa. During the First World War he served as a private and was assigned to the Army training detachment and to the central officers' training school from June 14, 1918, to December 4, 1918.

Mr. Patrick was admitted to the Alabama bar in 1919 and commenced the practice of law in Fairfield, Jefferson County, Ala. He was city attorney for Fairfield from 1920 to 1922, assistant attorney general of Alabama, 1927–29, assistant United States district attorney for the northern district of Alabama in 1933 and 1934. He was an author of humorous prose and verse and was well known throughout the country as a radio commentator and a homespun philosopher.

Following his retirement from Congress in 1947, Mr. Patrick did not lose his interest in politics and the practical operation of the American form of government. He had great faith in representative government and he always played an active part in its preservation and its betterment. In his last years Mr. Patrick suffered from a severe case of arthritis and many other illnesses, disabilities which would have destroyed the will and zest of other men. However, disabled though he was, he maintained the sense of humor and love of life for which he was so famous. He sought election last spring as a delegate to the Democratic National Convention and was elected. He attended the convention in Chicago in a wheelchair, and was active through all of the deliberations.

It was my privilege and good fortune to be closely associated with and to know Mr. Patrick intimately. He was truly a Christian gentleman in all that the term implies. He was a man highly respected for his fine qualities and his courageous adherence to convictions. He was a good father and husband and wonderful friend.

My earnest sympathies are extended to Mrs. Patrick and the members of the family. Their loss is great indeed and we pray that God will comfort and strengthen them in this period of sorrow. Alabama has lost an outstanding son and the country one of its best citizens.

Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the death of Mr. Patrick.

The SPEAKER. Is there objection?

There was no objection.

Mr. JONES of Alabama. Mr. Speaker, I was greatly saddened this morning to receive the report that Hon. Luther Patrick, of Alabama, a former Member of this House, died yesterday. For many years, I have known this splendid gentleman, and on this occasion, I join with my colleagues in paying tribute to him for his many fine accomplishments and good deeds.

Even though during recent years he was confined to a wheelchair, Luther Patrick never lost his cheerfulness, optimism, and zest for living. He certainly set a fine example for the rest of us to be of good courage always and to move forward with conviction.

Luther Patrick was a man of many and varied talents. He was a renowned lawyer, a successful writer and radio commentator, and an effective legislator, both on the State and Federal levels.

Luther Patrick was a loyal Democrat, thoroughly devoted to his country and

State. He worked long and hard in the interests of the masses and was a champion of the common man.

Alabama and the Nation have lost a great citizen and public leader in the death of Luther Patrick. He was truly a great American.

Mr. ELLIOTT. Mr. Speaker, I am deeply saddened to learn of the death of my long-time friend, Luther Patrick.

I have been privileged to know Luther Patrick and many of the members of his family. He was raised in Cullman County, Ala., in the district I have the honor to represent. His brother, G. T. Patrick, is superintendent of city schools of my hometown of Jasper, Ala.

Luther Patrick had a long and interesting political career. He served as city attorney of Fairfield, Ala., 1920–22. He was an assistant attorney general of Alabama, 1927–1929. He was an Assistant United States District Attorney of the Northern District of Alabama in 1933 and 1934.

He served in this body as a Member of Congress from the Ninth Congressional District of Alabama in the 75th, 76th, 77th, and 79th Congresses.

I was privileged to have a deep tie of personal friendship with Luther Patrick. He encouraged my own political career, and throughout was most kind and sympathetic.

Luther Patrick was a great Democrat. He was loyal, and dependable, and progressive in party matters. His interest in his party continued to the time of his death. Though crippled with a terrible arthritis that immobilized his body, his mind and heart continued steadfast. Though confined to a wheelchair, he wrote and spoke, with vibrant voice, for his party.

Luther Patrick loved the common people. He spoke their language. His spirit was in tune with theirs. They loved him and he loved them. His writings were closely tied to the lives and experiences of ordinary people. His humor was hearty, but never hurtful. Hundreds of Alabama audiences were privileged to laugh and enjoy his recitation of his most famous poem entitled "Sleeping at the Foot of the Bed."

As remarkable as all these things were about Luther Patrick, his greatest quality was the equanimity with which he faced defeat—his courage in adversity.

I never knew a man who faced up to the buffets of life's storms with greater spirit. He did not ask quarter of life because of his physical infirmities. He could truly say:

In the fell clutch of circumstance
I have not winced nor cried aloud,
Under the bludgeonings of chance
My head is bloody but unbowed.
—*Henley.*

Alabama has lost a great citizen. The people have lost a friend.

It seems to me that Charles C. McWhorter's poem describes the philosophy that motivated Luther Patrick's being:

And I am repaid and my soul is serene,
If I put you one flower you might not have seen,
My mission accomplished in deed and in word;
If you hear one sweet note that you might not have heard.

Mr. ROBERTS. Mr. Speaker, the Nation and the State of Alabama lost one of its most distinguished citizens Sunday night when the Honorable Luther Patrick, former ninth district Alabama Congressman, died in Birmingham following a long illness.

Luther Patrick served four terms in this House, 1937–43 and 1945–47. He was a stanch Democrat and a devoted statesman, beloved by his fellow Members and all who knew him.

Luther Patrick's motto was "Bear ye one another's burdens—never mind about your own." These were not idle words with Mr. Patrick; they were his creed by which he lived day by day.

He helped to lift others' burdens by a remarkable sense of humor, a keen wit, and a clearly wielded pen. He wrote three books and was working on another on folklore when he passed away. He loved to write poetry, and the people of Alabama loved to read what he wrote.

Even during the latter part of his life when he was confined to a wheelchair with crippling arthritis, Luther Patrick did not turn aside from his motto. He lifted others' burdens, never minding his own, with his writings and his Will Rogers type of humor.

I am sure that I speak for the Members and others who knew him when I say that we grieve the passing of Luther Patrick. His life carried out with faithfulness the words of Saint Paul, from which Luther Patrick's credo of life was taken: "Bear ye one another's burdens, and so fulfill the law of Christ."

Mr. HUDDLESTON. Mr. Speaker, the Members of the House have been previously advised that former Representative Luther Patrick, of Alabama's Ninth Congressional District, passed away during the night of Sunday, May 26, 1957. He was beloved by all who knew him, and his close friends numbered in the thousands. With the death of Mr. Patrick, Alabama has lost a great son and the Nation a fine citizen.

Under leave to extend my remarks heretofore granted, I insert in the CONGRESSIONAL RECORD a newspaper account of Mr. Patrick's death, which appeared in the Monday, May 27, issue of the Birmingham (Ala.) News:

LUTHER PATRICK, FORMER CONGRESSMAN, DIES AT 66

Former Congressman Luther Patrick—beloved poet, wit, writer, lawyer and radio entertainer—died last night at West End Baptist Hospital at the age of 66.

Death came after a long illness to the public figure who had been confined to a wheelchair in the closing years of his life. Although suffering with crippling arthritis, his courage never waned and he maintained a lively interest in Birmingham's civic affairs.

His frequent letters to newspaper editors made himself heard where his voice couldn't reach.

Funeral services will be held at 2 p. m. Tuesday at Johns-Ridout's Chapel, with the Reverend Paul Clem and the Reverend Frank Ledford officiating. Burial will be in Elmwood Cemetery.

Patrick's life was the familiar American success story—from farm to fame, though his fame was limited largely to his own State and particularly to Birmingham, his adopted home.

He was a "Will Rogers type" radio entertainer and his folksy, down-to-earth comments and humor endeared him to thousands of listeners.

One of his many poems, "Sleepin' at the Foot of the Bed," was widely circulated and has been read or recited several times on national radio network shows.

He wrote three books: Hope Ye're Livin and Doin' Well, Friends, Neighbors, and Kinfolks, and Goosepocket. At the time of his death he was writing a book on folklore.

A veteran of four terms in Congress, he once said membership in the Democrat Party was a "southern requirement."

During his last term as Representative, he said he supported "education, industry, progress, good will, health, fair dealing, thrift, peace, knowledge, truth and virtue in general."

After his congressional service, he returned to Birmingham to live at 921 7th Street West.

Last year, he was a delegate to the National Democratic Convention.

Born on a farm in Morgan County, he first attended Gum Pond School and his teacher was Miss Effie Livingston. This also was the first school and the first teacher of Senator JOHN SPARKMAN.

Patrick worked his way through college. He first studied electrical engineering and then law at the University of Alabama, Louisiana State, and Purdue University.

He used his knowledge of engineering effectively as a member of the House Interstate and Foreign Commerce Committee.

World War I interrupted his legal career. When he returned from service, he worked in a steel mill before beginning full time practice of law.

In 1919, he opened his law office in Fairfield, moving to Birmingham in 1922.

Patrick was an assistant Alabama attorney general during the Graves administration, and also served as an assistant United States attorney for the northern district of Alabama.

At one time he served as consultant on the war production board. In 1949 he was an unsuccessful candidate for the post of associate city commissioner.

A pioneer radio commentator, he started in this work in 1925 with stations WAPI and WBRC.

He was a member of McCoy Methodist Church and often served as substitute Sunday school teacher. He also was a member of Alpha Masonic Lodge, Shriners, Knights of Pythias, Eagles, Elks, High Twelve Club, Men of Prayer Club, and The Club.

Surviving are his wife, Mrs. Pearl McPherson Patrick; a daughter, Mrs. W. James Brasher, Birmingham; five brothers, Irving and Ivan Patrick, Birmingham; Gilbert Patrick, Jasper, and Ferris and E. L. Patrick, Cullman.

FORMOSA

Mr. DORN of South Carolina. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN of South Carolina. Mr. Speaker, the riots on Formosa, disrespect for the American flag, destruction of American property and injury of American nationals is shocking. It is obvious that this lawless demonstration was instigated by a few well-placed individuals who are enemies of the United States and are enemies of freedom. I believe these riots were Communist inspired and were aimed at the Free World's defense line in the Pacific.

The Japanese used Formosa as a base to conquer the Philippines and all of southeast Asia. Formosa in Communist hands today would threaten the independence of the Philippines, Australia, Indonesia, Malaya, all of southeast Asia, Japan and the United States itself.

I am glad that in the crisis the Free World had a courageous leader, Generalissimo Chiang Kai-shek. Chiang acted with alacrity and decision. He did not equivocate, he did not hesitate. He declared marshal law, rushed three divisions into the capital, T'ai-pei, and soon had the situation well in hand. I am glad that Formosa, the key of freedom's defense in the Pacific, is governed by such a fearless leader upon whom we can depend. Chiang acted in the tradition of Douglas MacArthur, Syngman Rhee, and the late immortal Magsaysay.

The Government of Formosa, under Chiang Kai-shek, will bring out the facts and we will soon know that the Communists and their allies are trying to destroy south Pacific solidarity and our friendship for that area.

POWER TO DECLARE RECESS TOMORROW

Mr. McCORMACK. Mr. Speaker, Chancellor Konrad Adenauer, of Germany, now on an official visit to our country, is one of the great leaders of this important and trying period of the world's history.

Chancellor Adenauer is not only a practical and courageous leader but, in my opinion, he is the No. 1 idealist in the world of today, and we need leadership on the level of idealism to meet the challenge that confronts us.

There is no man in the world today who better understands the Communist mind and intent than Chancellor Adenauer. He is an affirmative minded leader, not only to the people of Germany, but to all the peoples of the non-Communist world and to the countless of millions behind the Iron Curtain who seek liberty and who are praying and hoping for the day of their early deliverance from Communist oppression.

The people of Germany are justified in feeling proud of him.

The House of Representatives will receive this fine gentleman and great leader tomorrow as its guest. He will address the Members of the House of Representatives tomorrow, Tuesday, May 28, at 12:30 noon.

The House of Representatives has had many great men as its guest, but none greater and none who symbolizes more the spirit of liberty than Chancellor Adenauer.

I know the Members are looking forward to his visit to the House tomorrow.

Mr. Speaker, I ask unanimous consent that it may be in order at any time on tomorrow, May 28, 1957, for the Speaker to declare a recess for the purpose of receiving His Excellency Konrad Adenauer, Chancellor of the Federal Republic of Germany.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALL OF THE HOUSE

Mr. WIGGLESWORTH. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 87]

Andresen, August H.	Garmatz	Mailliard
Barrett	Granahan	Miller, Md.
Baumhart	Grant	Moore
Beamer	Green, Oreg.	Morgan
Belcher	Green, Pa.	Murray
Blatnik	Griffin	Patterson
Blitch	Gubser	Pfost
Bolton	Hardy	Pillion
Bowler	Healey	Polk
Boyle	Hemphill	Powell
Buckley	Hoeven	Prouty
Byrd	Holtzman	Rains
Byrne, Pa.	James	Reece, Tenn.
Carnahan	Jenkins	Robeson, Ky.
Celler	Jonas	Santangelo
Chelf	Kearney	Shelley
Chudoff	Kee	Siler
Cooley	Kelley, Pa.	Spence
Dawson, Ill.	Kilburn	Taylor
Dellay	Kluczynski	Teller
Diggs	Lipscomb	Van Pelt
Fino	McCarthy	Watts
Fogarty	McConnell	Wolverton
		Zelenko

The SPEAKER. On this rollcall 361 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1958

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7665) making appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 7665, with Mr. KEOGH in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Under the unanimous-consent agreement of Friday, May 24, general debate will continue for not to exceed 4 hours, the time to be equally divided and controlled by the gentleman from Texas [Mr. MAHON] and the gentleman from Massachusetts [Mr. WIGGLESWORTH].

The Chair recognizes the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Chairman, I yield 30 minutes to the gentleman from Florida [Mr. SIKES], chairman of the Army panel.

Mr. SIKES. Mr. Chairman, this is a new day of new weapons—weapons with a capacity for destruction that is beyond the comprehension of man. Every city is now within range of planes which can deliver these weapons. In a few years planes will not be needed to deliver them. They will cross oceans and swoop down upon targets in a matter of minutes. Defense against that ultimate weapon is still largely a hope and a prayer.

There are those who believe with sincerity that there is no place for the Army in today's warfare; that the day of land fighting is over; that the Army's principal mission henceforth is not as a fighting force, but as an occupying or police force. If that is so, we are wasting a lot of money in this bill. But, there is another side to the story.

World War II seems a long time ago, but there still are lessons to be learned from it and those weapons used were very effective for the times. Air power gutted Germany—literally destroying it—but the German's didn't stop fighting until their territory was overrun by the allied armies. A lot of destruction and a lot of deaths, allied and enemy, would have been unnecessary if Patton and Bradley had been given gasoline and supplies in 1944.

Korea is a more recent experience—one whose outcome we cannot point to with pride because of the limitations put on America's fighting forces through our timid allies. In Korea we had unquestioned air and naval superiority. Within territorial limits we bombed at will. What happened? We got kicked all over the lot until we had enough troops and weapons on the ground to stop the enemy.

Please remember joint American forces readied for the defense of Taipan undoubtedly staved off a Red-Chinese invasion. But the collapse of allied efforts in Indochina permitted the partition of that unhappy area.

The valiant patriots in Hungary were crushed and now are held captive by the armed might of the Russian Army. No help can reach them while this is true. The overwhelming air and naval power of Britain and France did not frighten Nasser into submission and they allowed themselves to be talked out of a successful land, air, and water campaign by another timid ally; this time the United States. The Israeli kicked the living daylights out of the Egyptians on the ground with troops and armor. Jordan would not be an independent nation today if the Sixth Fleet and its Marines had not made its dramatic and forceful appearance in the Mediterranean.

I have brought you to very recent days and to the type of operation which is becoming more and more clearly the pattern of Soviet troublemaking.

I know full well of the hurried preparations for thermonuclear war on both sides of the Atlantic. Yet, I do not think we will ever see a thermonuclear war. I cannot imagine anyone being so mentally depraved or so completely a fool that he would pull the trigger on what almost certainly would be mutual mass destruction and the end of civilization. Thermonuclear war is indescribable and unthinkable. The capability we must possess, otherwise there would be no security in the world we now know. But, I think and I pray to God that we will never have to use that capability.

Tactical atomic weapons are an entirely different consideration. They are

devised for military targets—not for mass destruction. They are a part of a modern army's equipment. When we say that the next war will involve the use of atomic weapons, we do not necessarily mean thermonuclear weapons. It is entirely conceivable that the only atomic weapons used will be tactical weapons designed for combat purposes. Every service is important. Every service is essential. No one service is self-sufficient. If limited wars are to be the pattern or if Russia suddenly moves to occupy all of Europe, we must have trained and equipped troops on the ground and ready.

Now, let me point to the fact that we have troops all over the world. We have commitments or treaty obligations to defend 42 nations. I want to be sure that American fighting forces have a chance to defend themselves if trouble comes. I don't want our forces to be sitting ducks whose weakness invites aggression. Now, theoretically, we have considered ourselves in the main the supplier of weapons and our allies the supplier of troops. That is not entirely true. Despite the promises and the treaty commitments of our allies, their forces are much smaller today than we had anticipated or planned for. Britain is sharply retrenching, cutting her forces back 34,500 men, seriously weakening her commitments for the defense of Europe. France mired in North Africa is keeping only skeleton divisions in Europe. West Germany, more than 2 years behind schedule, is just beginning a serious defense program with fewer than 100,000 men under arms. Japan does virtually nothing toward the defense of the Far East. Today the United States is putting more men and money into the defense of Europe than is any European nation.

The fighting machines of Russia and Red China are huge steamrollers, well organized and newly reequipped. They have every weapon that we do and more of most. The Soviet claims of reductions in troops strength are paper reductions not borne out by demobilization if our intelligence is not deceived. They have launching sites behind the Iron Curtain from which guided missiles can reach all of Europe if our intelligence is not deceived. Soviet military strength always has depended upon mass steamroller tactics by which they seek to overrun enemy positions regardless of cost in manpower.

Diplomatically, their strategy is to pinch off territory whenever and wherever they can by whatever means they can. That is the kind of threat American forces live under in all parts of the world. I want them to have the ability to fight back and live.

Again, let us think back to Korea. There American forces without adequate training and with World War II equipment were thrown into the gap to try to stop hordes of disciplined enemy troops in the most brutal and savage fighting experienced by American troops in many a decade. I would not want that to happen again. But, this budget makes no provision for modern equipment for American or Korean forces now in Korea. American forces and Korean forces are equipped with weapons of the type that they had when the fighting stopped. They are equipped with the planes they had when fighting stopped. There were no atomic tactical weapons in use in the field when the fighting stopped in Korea so our forces have none today. On the other side of the defense line, Chinese and Red Korean forces have been augmented and completely equipped with new weapons. They have atomic weapons. They have hundreds of newly developed airfields with the latest planes. The last token forces of our allies other than the Koreans are pulling out. The fact that this budget makes no provision for the improvement of that picture is not an Army decision. The Army grimly contemplates its responsibility in Korea and knows that the cards are stacked against us. Policy considerations directed by the State Department and the administration require that we observe armistice terms which forbid modernizing our forces. The Communists made the same agreement, but they are not similarly inhibited by moral or treaty obligations. They have broken the contract. Therefore, I say it is no longer binding on us, and that American and Korean forces there should have every type of modern equipment our arsenal possesses.

What about the Army budget for fiscal 1958?

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from New Jersey.

Mr. CANFIELD. I am glad to hear the very able gentleman from Florida make that statement about our military situation in Korea, because I am very much concerned about it.

A dispatch from Korea in the Associated Press today makes this statement, that if the North Korean forces and the Red Chinese move against our forces and the Southern Korean forces today those forces would have little hope.

Mr. SIKES. I am afraid that is true.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Connecticut.

Mr. MORANO. Does the gentleman have any information as to whether or not we have the kind of equipment that you think is needed in Korea in nearby Okinawa, Japan, or the Philippines that it would be able to get into Korea in an emergency?

Mr. SIKES. Of course, there is limited equipment that is available within the same geographical area but not in the amounts we would need; and this budget does not provide it. I think I can explain that to the gentleman's entire satisfaction later. There is simply not enough money in the budget to do the job.

Mr. MORANO. What about atomic tactical weapons in that area? Are they in that area? Arey they in that area where they can be used in case of emergency, or can they be gotten into Korea?

Mr. SIKES. The atomic tactical weapons and their crews have been directed almost wholly to assisting our allies in Europe.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Texas.

Mr. MAHON. This question of the American military position in Korea is a question that is presently being considered on a very high level. It is a question of treaty obligations; various countries are involved. I have discussed this matter within the last 3 days with appropriate officials of the Government. I am assured that plans are being made to work this problem out to the best interests of the United States.

It is not a matter of shortage of weapons in being, so I am told by the Pentagon, but a decision as to what we should do toward strengthening our position in Korea. But this is a matter of negotiation between governments, as I understand, and I think it would be a mistake to discuss this matter at length on the floor at this time. Later when top level decisions are made we can discuss the problem more freely.

Mr. SIKES. That is correct. In the meantime our defenses in Korea deteriorate each day in comparison with the defenses of the enemy.

Now, what of the Army budget for fiscal 1958. Generally, I support it. I am not an enthusiastic supporter in that there are areas where the cuts go very deep. I will discuss them later. Not all of this is chargeable to the committee. The Department of Defense and the Bureau of the Budget held the Army to a low figure in nearly every category. In addition, Mr. Eisenhower pinpointed and thereby insured one cut that I consider too deep for sound management and planning.

Nevertheless, the Army possesses and will improve its position generally in its ability to wage both conventional and atomic warfare. It will be a powerful force to reckon with and it is becoming increasingly mobile and air transportable. The committee does not recommend, nor do we see a necessity for any cuts in uniformed personnel.

The Army has had to develop a new concept for training, supply, and maneuver. This is the atomic capability concept. Now smaller divisions must operate with greatly modernized equipment, spread over a much larger area. It must strike in many directions at once, seek out and destroy enemy concentrations and targets. The Army must have a capability for sustaining operations even though ports may be rendered unusable, water transportation more difficult, and production facilities destroyed by atomic attack. The Army must still be prepared to deny friendly territory to the enemy, to take and hold enemy territory. Only then can we be sure the enemy resistance has ended. All of this does not make an easy task nor a cheap one.

Costs are going right out of the top of the tent. Each soldier is costing us $7,000 a year and Congress authorized every item of expenditure including all the comforts and conveniences and security we like to provide as a part of modern soldiering. Despite the enormity of this budget, our mobilization reserves

are low. We will not have enough weapons or supplies to keep going long. We have tried to strike a balance with reality, drawing on the world knowledge of the administration and the battle experience of the Pentagon. Then, because the Nation has said it wanted cuts, we have doubly studied each item and reassessed each item for its necessity and importance. The cuts are in this bill. You now are the judges of our wisdom or lack of it.

The services say they are hurt badly by the reductions. In some instances I think they are. In other instances I do not agree. I do think this is the tightest military budget in years. The services have on the whole been doing a progressively better job in avoiding or eliminating unnecessary expenditures. I believe the Army in particular has done a good job in trying to eliminate waste. The Army's presentation to this committee was outstanding, clear, and factual.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Georgia.

Mr. VINSON. The gentleman stated that the Army felt in certain instances it was hurt by the reduction and that thought was concurred in by the gentleman from Florida. Particularly am I concerned about military personnel. I understood the gentleman to say that there was no intention to cut the ground forces but I have been advised by the Department that the way the figures turn out there will be a forced reduction and I particularly invite the committee's attention to a reduction of 15,000 men or one division out of money that is being made available for military personnel. Am I correct?

Mr. SIKES. I expect to touch on that in detail in a few minutes. I believe I can show the gentleman without question that there is not any necessity for cuts in personnel. I would deplore any substantial reduction. I do not feel that it is necessary. I will explain in just a few minutes why I do not consider it necessary.

Mr. BROOKS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Louisiana.

Mr. BROOKS of Louisiana. I think the gentleman is making a most impressive statement here, and I have listened to it with a great deal of attention. In addition to what my able chairman the gentleman from Georgia [Mr. VINSON] has referred to, I am disturbed in reference to this cut of $10 million in the Army Reserve program. We have been making a fight through the years to build up the Reserve program. We have brought it now into a shape where it looks like a real active Reserve program. I am told that this cut will destroy the 6-month training program for the Army Reserves, and I would like to get the gentleman's idea in that respect.

Mr. SIKES. Well, I am disturbed about it, too, and I must point out to my good friend, who has been very zealous in his own efforts in behalf of the Reserve, that information given to the committee at the time the hearings were held does not coincide with information which has subsequently been given to the committee. The new information is the result of the effects of the very rapid augmentation of the 6-month training program. I think very likely we will need to put back the money that was eliminated. I am going to discuss that in detail in just a few minutes. If my friend will bear with me, I will get to that, also.

Mr. BROOKS of Louisiana. I certainly appreciate the consideration of that particular item.

Mr. SIKES. I thank the gentleman.

Before I get into the actual details of the budget, I want to comment for a little bit about waste, because there always is talk about waste. And, I have to admit that a certain amount of waste appears to be built into any organization as big as the military services. A certain amount, I presume, is inherent anywhere in Government. It is part of the system. There are little bits of waste everywhere in Government, and some of it is going on and will continue to go on regardless of what you and I do about it. We try to force elimination of waste. We try to make it impossible by the nature of the cuts we inflict, but the real challenge for the elimination of waste must lie within the departments, whether that be Defense or any other. If a general wants to fly in his personal plane to Rio de Janiero for lunch or a golf game, there is nothing that Congress can do about it, because it goes down in the record as a training trip. But, in our indignation about this, let us remember that we in the Congress are not above waste, also. An official in Government recently told me that he arranged 15 trips abroad for 1 Congressman in 6 years. I find it awfully hard to believe that all of those trips were necessary.

Now, we do a lot of things for the services that cost a lot of money. These are the things that Congress has authorized: They include transportation overseas for the families of the soldiers, rental, canteens, medical, educational, and retirement privileges. We are educating 48,000 Army children abroad, 91,000 children of all the services. Two hundred and thirty-four thousand Army dependents are abroad, five hundred and twenty-four thousand dependents of all the services. It costs $37 million a year to send out 2 checks a month to all of the people who draw pay from the United States Government rather than to send them 1 check a month. There are so many places where a lot of money is spent doing the things that we think make the services more attractive and make Government service more attractive, and in none of this do I speak in the same connotation as I spoke about waste a little earlier.

I am disturbed about the cost of the CIA. We spend hundreds of million of dollars a year on this organization. It has almost no screening or control from the Congress. That in itself is an invitation to excessive spending and to empire building. I seriously question that it is earning its keep. These are but a very few examples:

Now, if I can, I want to talk briefly about the actual budget estimates and appropriations for the Army. The 1957 appropriation was $7,752,000,000. The 1958 budget request was $8,465,000,000. We recommended in this bill $7,239,000,000. That is $332 million less than the 1957 appropriation, $1,226,000,000 less than the 1958 appropriation request.

However, $400 million of this is to be derived by transfer. We have directed that $350 million be derived from the Army stock fund and used to pay salaries and expenses, and $50 million be transferred from the Army industrial fund.

Where does the Army's stock fund money come from? During the Korean war we built up a great backlog of supplies. In subsequent years the Army has been using those supplies but the Army's mobilization reserves have been dropping. As a result money accumulates in the stock fund and by the same token in the industrial funds. Instead of leaving that money for subsequent use when needed, we are requiring that it be used within the Army structure for current needs, thereby cutting back on the amount of new money that we must appropriate.

The reduction in the bill also contemplates that the Federal Government of Germany will supply approximately $105 million, which is the amount they supplied to help bear the cost of American forces in Germany during the past year. They are becoming more and more reluctant to share in those costs. If the State Department is unable to work out an agreement with the German Republic for the continuation of the deutschemark support, then we will have to put back a proportionate part of the $105 million we have eliminated.

The gentleman from Georgia [Mr. VINSON] just a moment ago asked about Army strength figures under this budget. It is contemplated that we will begin the fiscal year 1957 with 1 million men and that we will end it with 1 million men. The average strength will run from 997,000 to 999,000. The money for military pay and related purposes for the year is calculated at $3,113,000,000 plus the transfers that I mentioned a little while ago. That is the money that goes for pay, food, clothing, and travel. These are necessary items, housekeeping items, things we obviously cannot eliminate. From the requested $3,549,000,000 program the committee recommended a cut of $36 million, as an actual cut; that is all, $36 million. That is 1 percent.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Georgia.

Mr. VINSON. As a matter of fact, the request for the next fiscal year was $49 million below what it was for fiscal 1957. So if you add the $36 million and the $49 million, you get $84 million, which represents a budget cut below the current year. Then if you add to that the $28 million on account of the increased cost of subsistence, railroad rates, and so forth, you get a total reduction of $113 million below the current year; is that right?

Mr. SIKES. $113 million less than the comparable figure would have been for 1957.

Mr. VINSON. That is right, to take care of the same number of troops, 997,000 or 1 million.

Mr. SIKES. But let me say to the gentleman from Georgia that it is only $36 million less than the Army requested for fiscal 1958. It is not 113 million less than the army stated would be needed. Economies and adjustments within the Department eliminated the requirement for the additional items which the gentlemen has enumerated.

Mr. VINSON. That is right.

Mr. SIKES. Now let me go just a little further and see where that $36 million reduction is to come from. Remember this is $36 million less than the Army actually requested for a million men for fiscal 1958. We propose that those reductions be taken in certain ways, and we specify that we do not want them to come through reduction of uniformed personnel.

We believe that the decline in reenlistments is going to mean that the Army has asked for more reenlistment allowance money than is needed. We deducted $6,500,000 from that item.

The 1957 aircraft procurement program was subjected to a slowdown. We feel that the buildup in aircraft inventory in fiscal 1958 is not going to be sufficient for Army to use all of the flying pay requested for 1958 and, therefore, we deducted $1,500,000 from that item.

The enlisted dependents are entitled to allowances under the law. However, if the enlistment rate does not increase, the replacements which must be obtained through the draft will have fewer dependents. We deducted another $5,100,000 from that item.

Now, here is the big cut, in travel. The service requested $229,900,000 for travel. We believe there still is much more travel within the services than there is justification for, much more than there can possibly be a necessity for, and we took a 10-percent slash out of that item and reduced the amount available by $22,900,000.

Nearly 23 million of the 36 million reduction is in travel. You cannot tell me that if we cut travel $22,900,000 it is going to mean we have to discharge 15,000 uniformed personnel. It simply will not hold water. Now I know this: I know that travel costs more because of increases in rates. The Interstate Commerce Commission gives the common carriers a rate increase about once a month, it seems to me, and those increases come out of this budget. The Government pays a very big part of the increase its own agencies granted to the carriers. I claim that the $22,900,000 decrease in travel is a very big cut. I think the Army should have to try to live within the money appropriated. I think travel in all the services is excessive, and I insist that it must be curtailed.

Mr. VINSON. I want to clear this matter up because I think the committee is entitled to it. The way my mind runs, I think this is the most serious cut, probably, in this whole bill. If the gentleman will bear with me just one second, I should like to give the figures so the committee can understand them.

Your report shows that the Army requested $3,549,000,000 for fiscal 1958 to support approximately 1 million military personnel of the Army. The Army admitted that it had $49 million more than this amount in 1957 to support approximately the same number of troops. The committee cut this request for fiscal 1958 funds by an additional $36 million. This means that the Army will have $84 million less to maintain approximately the same military strength in fiscal 1958 than it had in fiscal 1957.

Mr. SIKES. That is overlooking the fact that the Army did not ask for that $49 million.

Mr. VINSON. That is true.

Mr. SIKES. They said they could live without it.

Mr. VINSON. But they did ask for the $36 million.

Mr. SIKES. That is right. I have just told the gentleman where we made the cut of $36 million, $23 million of that $36 million is travel. When you require a reduction in travel, it cannot possibly follow that you have to discharge troops.

Mr. VINSON. Let us sum up the two things. The Army comes in and asks $49 million less. Then you cut it $36 million. That is the result of it. Now see if this is correct. I further understand that the Army will be required to absorb an additional sum of $28 million due to an increase in freight rates and sea transportation.

Mr. SIKES. The Army knew it had to absorb those costs when it made its request for NPA funds.

Mr. VINSON. That is right.

Mr. SIKES. The Army cannot in my opinion have a sound justification for its statement that it will be necessary to discharge 15,000 men as a result of a $36 million cut in this item, the major part of which is for travel.

Mr. VINSON. Here is the question: As a result of these cuts, the Army states it will be necessary to reduce its strength, which would average 997,000 in fiscal 1958, by approximately 15,000 men—equivalent to 1 division. The question I have is, Is this cut going to bring about a reduction of one Army division?

Mr. SIKES. If I were convinced there would be a necessity for a substantial reduction, I personally would offer the amendments to put back the money, but I am not convinced by any information which has been made available to me. I will be very glad indeed to learn any facts that can be helpful to me in this particular matter.

Mr. VINSON. May I say this. I want to state to the committee that I was advised by the proper officials last Friday that as a result of this reduction they would be forced to reduce military personnel by 15,000 and that that many men would have to be discharged.

Mr. SIKES. I say to my good friend, we have 4 hours of debate here today and probably considerable more under the 5-minute rule on tomorrow before we get through but if the Department of Defense has any figures which will show that 15,000 men must be discharged as the result of the committee action, I want to see them also.—I am just as concerned as my distinguished friend on this point. But the Department of the Army has made no information available to me thus far which changes my position.

Mr. SMITH of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield.

Mr. SMITH of Mississippi. I commend the committee for the effort that has been made to achieve greater economy in travel within the military services. On that point, in regard to the Army's travel allowances that have been made and the reduction which the gentleman has just been discussing, it is my understanding that the Army figures the cost of an individual soldier averages about $19 a day. With regard to these overall costs and all of the Army expenditures in travel time, has the committee taken into consideration the value of a man's time in travel? I would like to ask the gentleman if he agrees that we should make it known to the military that we expect the value of a man's time to be taken into consideration in selecting the mode of transportation to be used for movements of military personnel.

Mr. SIKES. The committee has so indicated in its discussions with the Department of Defense. The committee does feel that there are times when air travel could be used to good advantage at savings to the Government and it is not being used to the extent that it could be. I hope we have made this completely clear in our discussions with the Department of Defense.

Mr. SMITH of Mississippi. I thank the gentleman.

Mr. DEVEREUX. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield.

Mr. DEVEREUX. I would like to ask the gentleman this question with reference to the reenlistment rate. My recollection is that the report to the Committee on Armed Services was to the effect that the reenlistment rates have been increasing and that the picture looks much better now, and that is primarily because we have provided for reenlistment bonuses. As I understand the gentleman from Florida, you have reduced those funds because, according to your information, the reenlistment rates have fallen off.

Mr. SIKES. Unfortunately it is true that reenlistment rates are dropping. The figures are shown very clearly in the hearings.

We are very concerned about the fact that reenlistment rates have been dropping during recent months. That is the factor we used in making this reduction. Last year, the reenlistment figures went up very nicely and we thought we were over that hump. Now the reenlistment rate has dropped and it is difficult to assign definite reasons, although probably it is because there are many civilian jobs available at higher pay.

Mr. DEVEREUX. Does the gentleman believe that by reducing these funds, with reference to the reenlistment bonus that we may curtail some of the reenlistments?

Mr. SIKES. I do not think so. We reduced the money by the amount which

we thought would not be used. Certainly, it is not our intention to discourage reenlistments. We want reenlistments wherever it is possible to get them. The men who reenlist are those who have training. The greatest economy comes through keeping trained men in the service. The reenlistment rates are down; consequently, we believe the Army has asked for more money than it can use in this particular field if that is true. There is no point in appropriating money which will not be used.

Mr. DEVEREUX. Would there be a possibility, for instance, if we believe that there will be a need for additional money to encourage reenlistments that we can transfer any funds from the training funds—which is the crux of the whole thing—to the reenlistment fund?

Mr. SIKES. I would have no objection whatever to making any transfers within reason that will be helpful in increasing reenlistments.

Mr. DEVEREUX. I thank the gentleman.

Mr. SIKES. Now if I may proceed. I have used up much time but I do want to talk about operation and maintenance. The 1957 appropriation was $3,055,000,000. The 1958 budget estimate was $3,400,000,000. We made an actual cut of $150 million. This, I think, is where we made the deepest cut and where we may have done damage. Operation and maintenance includes all the training of soldiers, training in atomic concepts, training with modern weapons, all maintenance of facilities, weapons, buildings, everything the Army owns. Operation and maintenance money, is actually the life blood of the services. When you cripple that, you cripple the Army. The men cannot be trained if the facilities cannot be properly maintained and you soon cease to have an effective fighting force.

Let me mention at this point the matter of deferred maintenance. The service establishment, including all its posts and stations, is getting bigger all the time. The costs of repair and upkeep and maintenance are getting bigger all the time. Unfortunately, the Army has to defer some of the needed maintenance each year and the amount has now climbed to $100 million. It is like saying if your house needs to have the roof repaired this year, you are going to postpone it until next year when you hope you will have more money. By next year the leaky roof has caused a rotting of lumber within the house and the job has grown considerably bigger. There is nothing in this budget for deferred maintenance.

As this bill is written, in addition to this decrease of $150 million in operation and maintenance, there are many factors where additional costs are required for O. and M. I list some of them:

Survivor benefit, $48 million; civil service retirement fund, $85 million; transfer of aircraft depot maintenance and Army pilot training from the Air Force, $49 million; increase in classified activities, for Department of Defense, $25 million; freight rate increases, Military Transport Service, $24 million; dependent medical care program, $19 million, 6 months' training for trainees at a cost of $85 million, more than in the comparable period in the last budget year.

In other words, the cost of operation and maintenance has gone up tremendously, yet we cut it $150 million. That is a serious cut. The Army is going to be very hard pressed to live within it.

The CHAIRMAN. The time of the gentleman from Florida has again expired.

Mr. MAHON. Mr. Chairman, I yield the gentleman 4 additional minutes.

Mr. SIKES. I promised to discuss the Reserve and National Guard. For Reserve personnel we have allowed $197 million. The Army requested $207 million. We based that cut on the fact that each year we have given to the Army more money for its Reserve program than they have been able to use, yet each year we cut the Army below the amount they estimated they could use. We gave them less than they wanted, and they spent less than we gave them. With that experience factor we felt there was no justification for appropriating all of the $207 million the Army requested.

There are now in training 255,000 men in the Reserve program. The Army wants to increase that number to 297,000 during the next fiscal year. If they are able to do that, they will need every bit of the money that was requested in this budget, and they could need even more. The Army is not going to spend all the money we gave them for the Reserves in fiscal 1957, but if we hold them to the committee figure, there is a distinct possibility that this will mean the end of the 6 months' program about September for the fiscal year. The reason is that the Army has placed so much emphasis on the 6 months' training program that it has reached strength figures much greater than those considered possible.

The completion of the training of the men now in the 6 months' training program will eat up a considerable part of the money originally planned for use during all of fiscal year 1958. I think the Army has overemphasized the 6 months' program at the expense of other programs. I do not agree with the Army's policy in taking in for 6 months' training those men who are 18½ to 26 and I do not agree with their policy of cutting back on the reserve obligations. Some of the information I am giving you now was not available to us at the time we heard the budget presentation.

Now let me say just a word or two about the Army National Guard: The 1957 appropriation was $320,162,000. The 1958 budget estimate was $320,000,000, and we allowed the full $320,000,000. We felt from the information given us at the time of the hearing on the budget that amount would be sufficient to permit the Army National Guard to maintain a strength figure of 400,000 throughout fiscal 1958. However, we have found, as a result of recent information, that the guard is in a very difficult position. Because of that we have written language into the report inviting the Army, if they run into trouble maintaining the National Guard strength at 400,000, to come back and discuss it with us in January, when we can give consideration to providing more money if it is needed.

Their problem is simply this: They have built enlistments to about 437,000 in the National Guard. However, the National Guard strength figure carried in the budget is 400,000 men for the entire year beginning July 1. Obviously, if they forcibly reduce the National Guard to a figure of 400,000 by the first of July, many men are going to have to be discharged, and the National Guard will not be able to enlist any new men after August for the entire fiscal year.

That sort of thing is ruinous to the morale of any organization and would be very destructive to the National Guard. It is the feeling of this committee that the required attrition should be brought about gradually, and that it should not be forced attrition that the drop in strength predicated upon a strength of 400,000 should be accomplished over a period of several months, and that there would be modified recruiting to permit replacement of those who drop out after the guard reaches the 400,000 level; that under no circumstance should the level of the National Guard drop below 400,000. We invite further information from the guard if additional action by the Congress is required.

Now a very brief word about research and development. The Army R. and D. program is apparently enjoying one of its highest levels of performance. It has a splendid staff headed by Lt. Gen. James Gavin. It has enisted the services of many outstanding scientists in the guided missile and other important modern fields. It is unfortunate in my opinion that the Army does not have money in this budget to continue its valuable work on the intermediate range ballistic missile Jupiter. We do have the assurance of the Department of Defense that money will be made available by the Secretary from funds at his disposal to carry on the work as long as there is justification. There will undoubtedly be question about the wisdom of a 2-percent cut of $8 million in this item. Actually, it is part of a servicewide cut intended to cause each of the services to tighten up on its R. and D. program to eliminate deadwood and unnecessary projects. There is no question but the research and development must be carried on at a level in keeping with the requirement of the times.

My last comments will be directed at procurement and production. For a number of years, as a matter of fact since the Korean war, we have utilized funds appropriated in the final stages of that war and not spent for new weapons by the Army. This year the Army estimated a requirement for $583 million in new money. However, there are available to the Department of the Army $516 million additional which the Army had planned to use in fiscal 1959. The President suggested that this money be used in fiscal 1958 although he pointed out it would be done at the expense of sound programing. Actually, to require the use of all of the $516 million will create considerable difficulty for the Army. A substantial portion of this money must come from MAP reimbursements which

will not be available until late in the fiscal year. There is a possibility that a part of it will not be available at all. Nevertheless, the committee accedes to the recommendation. For modern day procurement and production the Army needs to spend about $2 billion yearly on new weapons. This budget provides only about $1½ billion. Approximately one-half will go for guided missiles. They are very costly and the number to be procured is low in comparison with the possible requirement.

It would be a wonderful thing if we could safely ignore national defense. We find ourselves building great plants at Government expense, utilizing the Nation's best brains, expending literally billions of dollars each year on preparations to kill people. It is a tragic commentary on the times that 2000 years after Christ lived on earth that the world's major emphasis is still on destruction. Yet, what is the choice? Russia has every weapon that we have today. They have concentrated on some. We have concentrated on others. They have more of most weapons than we. Significantly all of Europe is now under the threat of Russia's guided missiles that are in being and in place. By the same token, all of Russia is under the threat of weapons which we can order into action instantaneously. In a strong defense lies the only sure and certain guaranty of safety from this mass destruction that man is capable of inflicting. Russia knows that the attempt to bring destruction upon the Free World will also produce destruction for communism.. By spending these great amounts for security, we hold Russia in check and give the diplomats a chance to find a way.

Let me thank most sincerely and commend most highly my colleagues and the clerk of the Army panel for their outstanding work on this bill.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 45 minutes to the gentleman from Michigan [Mr. FORD].

Mr. FORD. Mr. Chairman, on Friday you heard intelligent, competent, persuasive and eloquent remarks by my colleagues on the Subcommittee on National Defense of the Committee on Appropriations. Rather than talk to you about the overall, as some of them did, I would like to confine my remarks today to specifics in reference to the Army.

I speak as a member of the Army panel, 1 of 3 panels of the subcommittee dealing with military appropriations.

It would be unforgivable if I did not compliment each and every one of my colleagues whether I agreed with them or not. I think they are conscientious and intelligent. In my judgment, the staff members of this subcommittee have done the most able job in the preparation of this committee report that I have seen in the 5 years of my membership on this subcommittee.

I can also say that the presentation by the Army to the Army panel was excellent. It was most helpful to the Army panel.

We hear, or we used to hear, from time to time severe criticism—perhaps some of it is justifiable—about the way we run our Armed Forces. I think it is wise, however, for those who have the opportunity to see the facts to recognize the good things that have been done and to show to our colleagues the progress that has been made. I would like to talk first about the personnel situation, both military and civilian, for the Department of the Army.

At the end of the fiscal year 1953, the Army had on active duty 1,534,000 men.

On June 30, 1956, the Army had on active duty 1,024,000.

On June 30 of this year the Army will have approximately 1 million; and at the end of the fiscal year 1958, if this budget is recommended by this subcommittee as approved, the Army can and should have 1 million men on active duty. In other words, over a period of 4 or 5 years the size of the Army has been reduced one-third.

Let us talk about the civilians who are employed by the Army. On June 30, 1953, the Army employed, worldwide, that is civil service, foreign nationals, and so forth, 883,000.

On June 30, 1956, the Army employed 592,000.

On June 30, 1957, it is anticipated the Army will employ 589,000.

On June 30, 1958, it is anticipated the Army will employ 586,000.

So we can see over a span of approximately 4 to 5 years the Army has gone down about one-third in uniformed personnel and about 30 to 40 percent in civilian employees.

Let us turn now to the fiscal picture. In 1953—that is, the fiscal year—the Army expended $16,300,000,000 plus 600 million in what we call deutschemark support. May I explain what we mean by deutschemark support. Since the termination of World War II we have had in West Germany a sizable armed force. The Germans over this period of time have reimbursed us for these forces by contributing what they call deutschemark support. They could not pay us in dollars but they could provide us with services and with supplies. As a consequence, in fiscal 1953 the Army received in lieu of dollars about 600 million deutschemarks.

In the fiscal year 1956 the Army expended $9.5 billion, plus $268 million in deutschemark support. In the fiscal year 1957 the Army expended $8.6 billion, plus about $120 million in deutschemark support. It is expected, if this budget is approved, that the Army will expend in the fiscal year 1958 $9.2 billion plus $104 million in deutschemark support.

The point I want to make, and I intend to reemphasize it during the afternoon, is that the Army has constantly improved its fiscal policies and has done a remarkably good job in tightening its belt.

Now, Mr. Chairman, let us turn to the question of unexpended balances. We hear from time to time a good deal of criticism—some of it might be justified—that many of our agencies, particularly the military, have too much stashed away some place which the Congress has lost control of and which is uneconomical and wasteful. The Army, in my opinion, has done a very competent job in the reduction of its unexpended balances. At the end of the fiscal year 1955 the Army had in unexpended balances $11.3 billion. It is anticipated, if this budget is approved, that the Army at the end of fiscal year 1958 will have reduced that unexpended balance to approximately $5,300,000,000. In other words, they have reduced their unexpended balances in a 5-year period by 50 percent.

Let us turn now to the unobligated balances picture. Again there has been criticism, perhaps justified, that the services have had too much in unobligated balances available. At the end of fiscal 1955 the Army had in unobligated balances slightly over $6 billion. At the end of fiscal 1958, if this budget is approved, the Army will have left less than $500 million in unobligated balances. And I suspect that it will be closer to $300 million in unobligated balances.

I think these remarkable improvements in the fiscal picture in the Army can be attributed to two factors: First, that Congress has been more alert to the need for closer scrutiny; at the same time, the officials in the Department of Defense, both civilian and military, have done a better job. The net result is that this Congress today has greater control over the dollars and the policies of the miltary than we have had at any time in my service in this body. My chairman on the Army panel has done an excellent job, in my opinion, in presenting the picture as far as the Army is concerned.

I would now like to express several personal views about the recommendations you have before you as they affect the Army. In the first place, we cut $36 million out of the military pay account. That is 1 percent of that account. The Army requested almost $3.6 billion. The reduction, as the gentleman from Florida [Mr. SIKES] pointed out, is 1 percent. And we did not apply the meat ax. We, I think, intelligently and constructively pointed out where those reductions of 1 percent can be made.

Now we turn to the second biggest item reduction in the bill as far as the Army is concerned, that is the account of what we call operations and maintenance.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Florida.

Mr. SIKES. Mr. Chairman, I wish to propound a question to my distinguished colleague from Michigan. Let me preface it by saying that his service has been outstanding on this committee, and it is typical of the very fine work he does in all of his work in the Congress. Is the gentleman of the opinion, as I am, that the cut of $36 million will not require or will not justify the loss of any uniformed personnel?

Mr. FORD. It is my opinion and most sincere view that this reduction of $36 million will not, under any circumstances, require the reduction of 15,000 in uniformed personnel for the Army. I think that the people who are saying that in the Pentagon are being a little unfair with the committee, because they know as well as we do that you cannot translate dollars of reductions in this

account precisely into personnel or the loss of personnel. And, I personally resent their attitude in trying to sell the restoration of that amount on that basis.

Mr. SIKES. And does my distinguished colleague join me in the statement that it is not the intention of this committee that any uniformed personnel be discharged as the result of this cut?

Mr. FORD. Our subcommittee specifically pointed out that we wanted no reduction in uniformed personnel, and it is our considered opinion, among the 5 of us on the Army panel, that the $36 million cut, 1 percent, does not require such a reduction.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. Why do we need 1,000 generals, while we are on this subject of doing away with uniformed personnel? Was the question of the enormous amount of generals that we have taken up in the committee?

Mr. FORD. I would say to the gentleman from Massachusetts that our subcommittee does not dictate policy as to the arrangement of rank and rate within the military. That is done by the committee chairmanned by the very able gentleman from Georgia. They determine the rate or rank structure within the Army. All we do is appropriate the money for the payment of the personnel involved. We do not have the right, even if we wanted to, to legislate on an appropriation bill. The minute we try to do it, certain people rise up in righteous wrath; so we stay clear of any such action. That is the responsibility of the legislative committee.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. GAVIN. With reference to this cut of $36 million, the Army asked $49 million less this year than last year; is that right?

Mr. FORD. That is right.

Mr. GAVIN. On top of their voluntary cutback of $49 million, the committee cut them back an additional $36 million; is that correct?

Mr. FORD. That is correct.

Mr. GAVIN. Does not the gentleman from Michigan believe that with the many responsibilities they have, with the rise in cost of clothing and subsistence, railroad freight and passenger rates, and with a full year's contribution to the social security and retirement system that that is too much of a cut? The gentleman a moment ago complimented the Department of the Army very highly. He said they had not used all of the appropriations that had been granted them, and that they attempted to present to the committee to the best of their ability a statement of what they actually will need for the coming year.

Mr. FORD. In the first place may I say this: The Army on its own, without any urging from the committee, reduced the uniformed personnel of the Army about 2,500. That brings up a rather interesting point. When the Army reduces personnel voluntarily they do not arbitrarily assign so much money per man. And yet they are condemning us by saying that if we cut $36 million, that means we are going to cut out 15,000 members of the uniformed services. The two just do not follow necessarily.

Mr. GAVIN. That may be.

Mr. FORD. So the Army actually in fiscal 1958 asked about 2,500 less than in fiscal 1957. That accounts for part of the reduction to which the gentleman refers.

Mr. GAVIN. But the gentleman who has the floor did not bring to the attention of the Committee that the Army voluntarily cut back $49 million from what they had last year. The gentleman says they are conscientiously trying to do a good job. The gentleman admits that they are doing a pretty fair job, but the Army may disagree with the gentleman on the basis of the actual strength necessary. But they did call to your attention some of the items that have increased in cost; railroad freight and passenger rates, clothing and subsistence and there is a full year's contribution to the social security and retirement system. Therefore I think that the Department of the Army has submitted a budget which they think they can get along with and if we cut them back further, after they have made a voluntary reduction of $49 million, there is a question in my mind whether they are going to be able to operate as efficiently as they should under the circumstances.

Mr. FORD. Let me answer the gentleman. This year the Army asked for $222 million for travel of military personnel. We cut them back to the level of the fiscal year 1957.

Let me give you an example of the kind of unnecessary travel we think the Army has participated in. I do not like to mention names, but let us be frank about it. For a period of 18 months the Superintendent of the Military Academy at West Point was General Bryan. He is a very competent and highly respected soldier. He was transferred from there, after being there 18 months, out to the South Pacific and given a very responsible position. He was there less than a year. Do you know where they sent him? Right back to New York City. In other words, he moved himself and his family from West Point, New York, out to the South Pacific and back again in less than a year. That is the kind of unnecessary travel about which this subcommittee says, "You stop." And we mean it. We do not condone it and we will not permit it. We will reduce the funds further if this is the kind of travel we are going to have face us every year.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Illinois.

Mr. SPRINGER. I notice that the appropriations for 1957 were $7,500,000,000. The budget request of the Army, as I understand it, was $1 billion more than that for 1958. My question is, What justification did the Army give to this committee for requesting roughly 13 percent more in the budget estimate of 1958 than was granted in the appropriation for 1957?

Mr. FORD. The answer generally falls in the area of what we call the production and procurement account; that is where the heavy procurement of guns, tanks, ammunition, missiles, and so forth occurs. At the time of the Korean war, and properly so, the Army was given substantial amounts of funds or obligational authority to handle the procurement of the necessary weapons of war. When the Korean war ended in July of 1953, they had a huge availability. Gradually over the years we have either rescinded at their initiative or at ours substantial sums. In addition, they have lived off of or used that availability. We have gradually worked it down. This was the first year since the fiscal year 1953 that the Army made any request for obligational authority for the procurement and production account.

Mr. SPRINGER. By reducing their request by $1,225,000,000 what are you cutting out? I am talking about the major items that they requested.

Mr. FORD. As I say, there is $36 million in the account that the gentleman from Pennsylvania refers to. The next one is the one I want to talk about mostly, if I may, because I do not happen to agree with what the subcommittee did. If the gentleman will let me discuss the operations and maintenance account, I will explain, I hope, where most of the money was reduced and why I do not happen to agree.

Mr. SPRINGER. The gentleman is talking about the major portion of the $1,200,000,000?

Mr. FORD. May I correct the gentleman. He is talking about the Army, Navy, and Air Force. I am speaking only of the Army.

Mr. SPRINGER. I am using the Army figures as shown on page 2 of the committee report, referring to title III, Department of the Army; $1,225,000,000.

Mr. FORD. Here is the answer to that. I am sorry. I apologize. What we have done to the extent of $400 million as far as the Army was concerned was to take unused obligational authority which was in the stock fund, $350 million in the stock fund and $50 million in the industrial fund, and transfer that to the military pay account.

Mr. SPRINGER. That is $400 million?

Mr. FORD. That is correct. The stock fund was set up 4 or 5 years ago. They capitalized all of their equipment, the supplies they had on hand. Then from that point what we did was to appropriate in this bill sufficient obligational authority for them to buy from the stock fund whatever they had to use. We put the Army on a consumer basis. The Army, because it had built up stocks during the Korean war, did not have to go out and buy new supplies. When certain elements in the Army bought from the stock funds, they simply drew their supplies from the stock fund.

Mr. SPRINGER. I believe the gentleman is looking at page 113. But is this the answer—that you took $400 million from transfer, $350 million from the Army stock funds and $50 million from the Army industrial fund; and that

accounts for $800 million of this $1,200,000,000 which is referred to on page 2?

Mr. FORD. Let me put it my way. We took $400 million by the substitution of stock-fund obligational authority. We took $104 million by the utilization of deutschemarks. We took $516 million on the recommendation of the President on the P. and P. account. We took $36 million out of the military pay account strictly on its merits. We took $10 million out of the reserve program. We took $8 million out of the R. and D. program. We took $75,000 out of the rifle-practice program and $700,000 out of the Alaska communications program. Those are the entire cuts across the board.

Mr. SPRINGER. I thank the gentleman.

Mr. WIGGLESWORTH. Is it not fair to say that the real cut, when you take into consideration the figures which the gentleman has just referred to, that the real cut as far as the Army is concerned is roughly $200 million?

Mr. FORD. That is apparently correct. If I might, I would like to talk about the O. and M. account because to me this is the most harmful reduction made in the Army.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. FORD. I will yield to the gentleman for a question.

Mr. GAVIN. Does the gentleman have many instances such as the one he referred to where there has been a transfer to certain items or are there any similar instances or is this one which the gentleman pinpointed?

Mr. FORD. That is one that I know about. I can supply for the record several others, but that is the grossest example that I am familiar with. I am sorry I must decline to yield further to the gentleman.

I want to talk about a very serious matter, I think, as far as the Army is concerned. The operations and maintenance account is, in my judgment, the real area where the Army operates. The Army requested for the fiscal year, 1958, $3,678,000,000. The Department of Defense reduced that to $3,400,000,000. In the fiscal year 1957, the Army had the authority to obligate $3,139,000,000. It would appear in fiscal 1958, the Army is going to have about $260 million more than they had in the fiscal year 1957. When you carefully examine the facts, you find that that is not accurate. In reality, the Congress primarily, but the Department of Defense to some extent, have imposed on the Army additional financial burdens which total in this account alone about $330 million. So the net result is in reality for its day-to-day operations, the Army will have on the budget submitted less money than it had in fiscal year 1957.

May I pinpoint for your information some of the congressionally imposed additional burdens in this account, burdens that the Army has to finance because we told them to. For example, civil service retirement. In this account alone, the Army will be required to contribute $72 million. Dependent medical care, additional requirement in this account alone $19 million. MSTS and railroad freight rate increases $12 million. Now that is not an imposition by the Congress, but it is something over which the Army has absolutely no control whatsoever. As I indicated before, these additional financial burdens imposed either by the Congress or the Department of Defense or the railroads or others total over $300 million.

So, in the O. and M. account, the Army in reality, on the budget submitted, would have less money in fiscal year 1958 than they had in fiscal year 1957.

I might add there is about $61 million in the O. and M. account which is an additional burden, simply because of the 6 months' trainee program. If you want the Reserve program with the 6 months' training, you have to finance it. Sixty-one million dollars of this account falls in that category.

Now what did the subcommittee do? The Army panel was unanimous that not more than $70 million should be reduced in the O. and M. account, out of the $3,400,000,000. The full subcommittee, after a fair hearing, overrode the decision of the Army panel and reduced it by $150 million. In my judgment, that was a very serious mistake, and I made reservation at the time the matter was decided in the subcommittee. Consequently, it is my intention when we read the bill to offer an amendment to restore $80 million out of the $150 million, so that we can have the operation and maintenance part of the Army where I think it should be at the minimum.

Mr. BALDWIN. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. BALDWIN. There was an article in the Washington Post recently stating there would be a reduction of about 50,000 civilian employees by the reduction in this bill, a part of which would be caused by the reduction in this particular account you mentioned. Would the gentleman care to comment about the accuracy of that prediction?

Mr. FORD. As I recall the statement and the comments of the Secretary of the Army, he said in this area it would require a reduction of about 20,000 civilians by the Army. I cannot pinpoint whether it will cause a reduction of 20,000 or not, but I think one of the reasons our Army panel was willing to reduce it $70 million was because we felt that the Army could reduce, legitimately, some civilians. I do not see a halo around any certain number of people who work for the Army. I think that the Army can reduce some civilians, and the $70 million we cut from the O. and M. account probably would result in a reduction of a few thousand. I have grave doubt that it would be 20,000.

Mr. MAHON. The total number of civilian employees in the Army is in excess of 500,000, I believe.

Mr. FORD. Actually over 500,000.

Mr. MAHON. So, to cut out 3,000 might well be wholesome. It would probably be more wholesome to cut 10,000 in order to get more efficiency and more for the taxpayer's dollar.

Mr. FORD. As I say, there is nothing sacrosanct about 20,000 additional employees from the Department of the Army. If they can do a better job with 10,000 less, that is fine with me. I think our Army panel has some feeling that they ought to make some reduction.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. CURTIS of Missouri. It is this area that those who are interested in getting the military out of business might consider, because, as I understand it, it is in the operation and maintenance account that the military have gotten the funds in order to go into these civilian activities. Am I not correct?

Mr. FORD. That is right. That is where most of the operations of a civilian nature are handled, and any reduction would be an incentive to get the Army to curtail some of the things they are doing.

I must say, however, that they have made substantial progress in the reduction of the number of bakeries, in the number of laundries, and in a number of miscellaneous activities of that nature.

Mr. CURTIS of Missouri. I agree with the gentleman. I think there is still a long way to go, but I did want to pinpoint this area.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Iowa.

Mr. GROSS. The particular subject of personnel and reduction in civilian personnel has been mentioned by the gentleman. I want to commend the committee for the attention it gave in its report to the widespread use of consultants of all kinds, particularly personnel-management consultants.

Referring to page 23 of the report, I commend the committee for bringing that to the attention of the Members, and I certainly hope they will continue to direct attention to expenditures for this purpose which in my opinion are getting out of hand.

Now I should like to ask the gentleman this: Page 21 of the report speaks of car rentals. Total vehicles proposed for 1958 with an average projected military strength of 2,800,000 is approximately 45,000 with the cost of rentals stated at $6,600,000.

May I ask the gentleman why this extensive rental of motor vehicles in the Military Establishment?

Mr. FORD. It is not in the military as such, I may say to the gentleman from Iowa, this is for the Defense Department. Our committee was concerned about it.

The Secretary of Defense was asked to submit a statement. I believe it is in the record. I cannot give you precisely the page, but there is an explanation of their part in that regard.

Mr. GROSS. In the hearings?

Mr. FORD. In the hearings some place. I think it is in the defense portion of the hearings.

Mr. SIKES. If the gentleman will yield, the Army part I think is at page 1400 of the Army hearings. We will locate the others as rapidly as we can.

Mr. FORD. I thank the gentleman. Now, if I may, I would like to proceed and mention another part of the bill

where I feel very seriously we have made a mistake.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. FORD. Let me finish my point first.

Mr. GAVIN. On that particular subject of this $150 million.

Mr. FORD. I yield for a question.

Mr. GAVIN. The gentleman stated he intended to offer an amendment to restore $87 million.

Mr. FORD. Eighty million dollars.

Mr. GAVIN. Eighty million dollars. I wondered what the differential was between the $150 million and the $80 million that warranted the committee in feeling it should restore $80 million of the cut.

Mr. FORD. I am predicating my decision on the recommendation of the Army panel. Prior to the markup of the bill the chairman of the Army panel had a meeting at which he had a number of responsible people in the Army sit down with us and discuss where we felt and they felt some bona fide reductions could be made. We went over it, and over it, and over it; and in the O. & M. area it was the consensus that if they maintained their present plant and facilities intact, including all that they closed up, laid away, and so forth, they could not afford any reduction.

But then under interrogation by the chairman and questioning by others it was brought out that if they put the screws on and disposed of some of these plants and facilities, posts, plants, and stations which are closed up, they would not have the same financial burden in fiscal 1958 as they had contemplated.

It was further brought out that the military has a tendency once they get something, a plant, a post, a camp, a station, or whatever it may be, they just feel they cannot give it up even though it is not being currently used.

It was the considered opinion of a high-ranking, responsible official in the Department of the Army that a cut of this nature might be the one thing that would force the Army to get rid of some of those plants which they really think they ought to dispose of. On that basis our subcommittee recommended a reduction of $70 million. I think it is a bona fide, legitimate cut.

Now, to tell you where I think we made a mistake, I refer to the research and development program for the Army. Here is the picture: During fiscal 1957 the Army will have for obligation and will obligate $418 million for research and development.

In fiscal 1958 the Army wanted $590 million. In the fiscal year 1957 they are going to obligate $418 million. The Secretary of the Department of Defense authorized $400 million. Our subcommittee, despite the adverse recommendation of the Army panel, reduced this $400 million by $8 million.

Here is the situation: This year they are going to obligate $418 million. The committee recommends a reduction of $8 million below the $400 million. So there is 18, plus 8, which is $26 million and, in addition to that, for the first time in the fiscal year 1958 the Army Research and Development program will have to absorb the civil-service retirement which in this instance for some 13,000 employees will total $9 million. So in effect for research and development in fiscal 1958, if this reduction stands, you will have $35 million less next year for the Army to spend than they have this year.

Let me point out a fact which I think is disturbing. For the last 4 or 5 years this country, and rightly so, has been really pushing the development of our ICBM and our IRBM. We spent millions of dollars. About 2 years ago we first started to hear about the development of the antimissile missile, which is the missile that is going to pick up, seek out, and destroy the ICBM and the IRBM. That is quite a job. The ICBM travels 15,000 miles per hour, and it will go 5,500 miles, it will go to a height of some 300 miles. It can carry an atomic or nonatomic warhead.

About 2 years ago the Army decided something ought to be done to lick the problem. They started some research and development on it. They have spent altogether, I would say, about $20 million so far. The Army in fiscal 1958 in R. and D. wanted to spend slightly more than $20 million for the antimissile missile program. So when they had the reduction from $590 million down to $400 million they had to cut that antimissile missile program from slightly over $20 million down to $12 million. If you impose an additional reduction, it is logical to assume we are going to have a further reduction in this program. I think it is very serious. Right now the antimissile missile program is not current, so to speak, with the ICBM and the IRBM program. What I think we ought to do is to expedite the antimissile missile program. Let us get caught up so we do not have this hiatus of a few years where you are literally unprotected from the ICBM and the IRBM. It is my honest opinion that this reduction of $8 million will have some impact on that program.

Mr. ANDERSON of Montana. Will the gentleman yield?

Mr. FORD. I yield to the gentleman from Montana.

Mr. ANDERSON of Montana. Can the gentleman tell me where in the appropriation of money for the Army they have the Jupiter missile?

Mr. FORD. There is no money in fiscal 1958 in the Army R. & D. for the Jupiter. As the gentleman undoubtedly knows, the Army is only funding in fiscal 1957 for the Jupiter program. In the testimony it has been brought out by a number of members of the subcommittee that any funds for the Jupiter program in fiscal 1958 will come out of either the emergency fund that the Secretary of Defense has or will come out of the transfer authority which the Secretary also has under his control. So that the Jupiter program, if we can rely on the people in the Department of Defense, and I am certain we can, will not be hurt in fiscal 1958. Of course, I assume the gentleman knows it has been decided that sometime early in fiscal 1958 there will be this great decision whether we are going to proceed with Jupiter or with Thor. Thor is the Air Force IRBM program.

Mr. ANDERSON of Montana. In your judgment, since the Army is going to continue the development of Jupiter and since we know this is going to take another $25 million, might it not be a good idea if this Congress put into this appropriation bill the $25 million so that we would know that Jupiter would be properly developed by the people who are now working on it?

Mr. FORD. No. I cannot agree with the gentleman, because under the bill the Secretary of Defense, and rightly so, has $135 million in either emergency funds or transfer authority for anyone of the three services, so if one of the services needs additional funds for something, where there is a breakthrough, they can go to the Secretary of Defense and get whatever is necessary out of that $135 million.

Mr. ANDERSON of Montana. I thank the gentleman.

Mr. FORD. As I have indicated, the Secretary of Defense or his assistants have promised the committee that the Jupiter money for fiscal 1958, which I think totals about $35 million, will be available out of that emergency fund.

Mr. SCOTT of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Pennsylvania.

Mr. SCOTT of Pennsylvania. Am I correct in understanding that the only antimissile missile program is the one which the Army is engaged in and that neither of the other services has anything to do with it, and therefore if this program is too seriously contracted, we simply fall back in our schedule with the entire Army forces antimissile missile program?

Mr. FORD. It is not fair to say that the Army is doing the whole job in the antimissile missile field, but I think it is reliable to say that the Army is doing 90 percent of it.

Now, if I might take a few minutes to discuss the problem on which I wrote minority views in the subcommittee report. If you will turn to pages 108, 109, and 110 of the subcommittee report, I would like to discuss with you, if I may, the minority views that I have expressed concerning the language in the bill. In the bill on page 8, lines 2 through 6, there is language which I think is detrimental to the Army program expense in dollars, and inefficient in the utilization of personnel. That language in the bill, and it exists in law today, forces the Army to keep two hospitals open, one in Waltham, Mass., called Murphy Army Hospital, and another called Army and Navy Hospital at Hot Springs, Ark. In my judgment, that language should be stricken from the bill. I intend to offer such an amendment, and if the language is stricken from the bill and the hospitals are closed, the first year's savings to the taxpayers will be $746,000 and the annual savings each year thereafter will be $1,043,000 plus the fact that you will get more economical, efficient utilization of not only your civilian personnel but also your military medical personnel.

Mr. DONOHUE. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Massachusetts.

Mr. DONOHUE. I am wondering if any evidence was submitted to the committee that would indicate how this saving could be accomplished and still take care of the dependents of the many, many thousands of men from New England who are in the services.

Mr. FORD. There was ample evidence submitted in the hearings, I would say, and in my minority statement I refer to the various pages. In the Army hearings it is on page 884 and related pages, and in the Department of Defense hearings it is on page 479 and pages the follow. But, if the gentleman will let me proceed with my comments, I will be glad to answer any questions after I have finished, because I think it is a story that ought to be related in sequence. What are the facts? You have a hospital in Waltham, Mass., which was built in 1943 and 1944 called Murphy Army Hospital. It has a normal bed capacity of 450 and is expandable to a bed capacity of 525. It is of the emergency or cantonment type construction. The hospital in March of 1957 had 91 beds used out of 450. The fiscal year average of bed occupancy was no more than 95 out of a normal capacity of 450 and an expandable capacity of 525.

Let us see how many personnel were employed to take care of the 91 people who were in beds in March of 1957. They employed 183 civilians and they had 213 military personnel for a total of 396 military and civilian personnel taking care of patients who occupied 91 beds.

Let us look at another aspect of this problem. The Army has wanted to close this hospital since the fall of 1953. In the appropriation bill for the fiscal year 1954 our subcommittee took the money out. On the floor of the House, my good friend from Massachusetts, Mr. DONOHUE, offered an amendment to put the money back and to keep the hospital operating. We were swamped by those who said that we had to keep the hospital open. The amendment was approved, the money went back in, and ever since the hospital has been operating.

The Army has consistently felt that it ought to close this hospital and a year ago the Army said, "What we want to do now is to move the New England Division of the Corps of Engineers out of Boston to this hospital after we have closed the hospital up for patients."

In other words, they would not abandon the structure, they would simply substitute the Corps of Engineers personnel for the patients. It is interesting to note that today the Corps of Engineers is paying in the Boston area $193,000 a year for rent. And we have a hospital operating at Waltham, Mass., with 91 patients and 396 people to take care of them. What the Army wants to do is to close the hospital and move the Corps of Engineers up there. They say it will save over $500,000 a year after the process is completed.

I know some people are going to say that if we close this hospital all the soldiers, the other military personnel and their dependents in the Waltham area will not have any place to get medical care. Let us look at the facts. Within a radius of 15 miles there are 2 military hospitals, one at Chelsea, Mass., run by the Navy; it has a normal capacity of 887 and an expandable capacity of 1,271. In April of 1957 they had 538 beds used. So the hospital is using only five-hundred-some beds out of 887.

Let us turn to the other hospital, within 15 miles of this one, the one at Fort Devens, a pretty sizable Army installation. I remind you that this is another hospital within a few miles of this Murphy Army Hospital.

Mr. PHILBIN. If the gentleman will yield, I would like to correct the gentleman about the mileage. Fort Devens is more than 15 miles away from Murphy. I know the gentleman wants to be fair. They are 40 or 45 miles away from the Boston area. That happens to be in my district, and I know what I am speaking about.

Mr. FORD. If the gentleman tells me that is right, I agree with him, but according to the information the Army gave me it is within 15 miles.

Mr. PHILBIN. It is 40 or 45 miles away.

Mr. FORD. Anyway, Fort Devens Hospital is a maximum of 40 miles away.

Mr. PHILBIN. Further, Murphy General Hospital is the only hospital that is serving military personnel and their dependents in that area. If military personnel and their dependents were to require medical service in a general hospital, they would otherwise have to go all the way down to the Valley Forge Hospital in Pennsylvania.

Mr. FORD. Let me just clarify the situation. Here is an Army hospital at Fort Devens. It has a normal capacity of 929 and an expanded capacity of 1218. Do you know how many they had in the hospital in April of 1957? They occupied 118 beds, one-tenth of the capacity. In other words, you have two military hospitals that are not being used to capacity within a limited distance of Murphy Army Hospital. If this hospital were closed down it would save the taxpayers five-hundred-odd-thousand dollars per annum.

In addition, in 1956 the Congress, and rightly so, passed the dependents medical care bill, so that any soldier, any wife of a soldier, or any children of a soldier can go to their own civilian doctor and to their own civilian hospital. So if this Army hospital were closed in Waltham, Mass., if they did not want to drive to the Chelsea Hospital, where only about three-fifths of the beds are occupied, or they did not want to go Fort Devens, where only 1 in 10 is occupied, they could go to their own hospital in Waltham or their own doctor in Waltham.

The net result is this: We are being asked in this Congress to keep a hospital open that was of an emergency type construction at an additional extra cost to the taxpayers of $500,000 a year. It is the grossest case of extravagance and inefficiency I have ever run into in my period of service in this Congress.

If you want to agree with the President, if you want to agree with the Secretary of the Army, if you want to agree with the Surgeon General of the Army, if you want to agree with the Hoover Commission all you have to do is vote to strike out this language. Believe me, if you want to have the sympathy of the taxpayer, if you want to do away with the grossest extravagence I have ever run into, the most willful misuse of Federal funds, I urge you with all the conviction I have to vote to strike this language from the bill.

Mr. DONOHUE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DONOHUE. Mr. Chairman, the most immediate answer to the minority report filed with the appropriation bill regarding the closing of Murphy General Hospital at Waltham, Mass., is to remind ourselves that the Appropriations Committee, who have repeatedly, over these past 4 years, listened to all the evidence and thoroughly studied the background and history, are again recommending approval of the comparatively small amount involved. Let me also remind you that on two occasions the committee apparently found it necessary to rebuke the military officials rather sternly and strongly criticized them for not making a wholehearted effort to operate the hospital in a proper manner and in accord with the expressed intent of the committee and the Congress. This unfortunate attitude was reflected upon the enlisted personnel and dependents and the officials have been accused of unduly restricting and discouraging treatment at the facility.

From January 1, 1953, through April of 1954, the record shows 5,313 patients admitted; the average daily patient census was 437; average number of beds occupied 320; laboratory-service procedures performed, 143,908; 14,442 X-ray services were administered, and 59,705 outpatient visits were made; these are but a few of the fundamental figures demonstrating the vital need of the area for at least restricted hospital service and treatment.

These are some of the basic facts which inspired the committee to make their conscientious judgment. I think there are few, if any, who do not feel that the members of this Appropriations Committee, after burdensome hours of hearings and diligent study of evidence, have set a historical precedent in patriotic protection of the financial interests of our taxpayers. I know you join me in congratulating them for their unparalleled accomplishments.

With respect for truth and with regard for your obligation, I want to emphasize that this is no attempt, on my part or on the part of any other Member here, to continue a district activity for any practical selfish reason. As a matter of fact, and so far as the area economy might be affected, it would seem more beneficial locally to accept the military recommendation instead of the committees' because of the greater number of personnel the military say they plan to use in the facility. However, in my humble opinion, there are much deeper and more serious questions of national preparedness and moral principle involved.

One of those urgent questions is whether or not, in the event of war, this hospital unit is a vital part of the military-hospital network needed to adequately fulfill the military obligation. The answer to that question appears simple and obvious. The record shows that in the war year of 1942 the military themselves requested and recommended the erection and use of this permanent modern type installation where it now strategically stands. This hospital is the only general hospital within the New England region and has been serving the population of that whole area; the next such hospital is at Valley Forge, Pa. This plant is admittedly ideally accessible by train, plane, and automobile. It is advantageously located next to one of the greatest and most renowned medical centers of the world. The New England area is among the very highest, if not the highest, potential military recruitment sections of the country in time of peace and in time of war. The expansion of military bases at Limestone, Maine, and at Otis and Bedford Air Fields in Massachusetts, with accompanying military-housing construction, is constantly bringing an ever-increasing military population to our area, thus projecting an ever-higher potential of military medical requirements for service people and dependents; these are undoubtedly reasons, and they still exist, why the military officials originally recommended the hospital. In this striking respect, the present officials have never pretended that it was a mistake to build it in the first place or flatly stated that it would not be of essential need in case of emergency. If and when they forthrightly would do so I would be personally inclined to accept their sincerity but I do not think they will ever dare. They would like us to forget, but the committee did not forget, their unhappy and unfortunate planning that resulted in the economic fiasco of closing the hospital just 2 months prior to the outbreak of the Korean war. Needless to relate they were forced to reopen it at tremendous and unnecessary cost to the American taxpayer. In view of the tense atmospheres existing in the world today, I think it is quite reasonable to question, and the committee did question, whether their judgment can be any better now than it was when they made that mistake.

The military people tell us that they can use and vitally need the hospital space for transfer of units of the Army Engineer Corps and Air Force. On the other hand, and in contradiction thereto, authoritative advice furnished me from sources associated with the Boston Army Base indicates there are over 400,000 square feet that could be used by these units at a cost of approximately 35 cents per square foot for maintenance whereas the comparative cost at the hospital would approximate and could well exceed as much as $1 per square foot. The military have never replied to questions about the Army base space nor revealed their plans for use of the space. It seems obvious to me, and I personally would certainly have welcomed it, that they should have made full and complete disclosure of this matter if their motives were clear.

Let me remind you the President himself has expressed his concern over the vital necessity of improving military career incentives to prevent the large military turnover involving staggering training costs for repeated short service enlistments. The Secretary of Defense also expressed himself in this matter and I quote as follows: "Medical care for dependents is one of the strongest inducements for servicemen to continue in a military career. Yet, today approximately 40 percent of our military dependents cannot be given medical care through service facilities. This is one of the major obstacles in our efforts to enhance the attractiveness of military service because it affects the wives and children of servicemen directly." That is his statement.

Mr. Chairman, I certainly do not have to emphasize here that despite possession of the most advanced weapons, the only true measure of the fighting efficiency of any military unit is the height of their morale. In my judgment, the duty of the Congress is to exercise every effort to insure the maintenance of the highest possible morale among our military personnel. It is impossible for me, then, to understand how we can meet that duty if we cooperate in a military gamble involving adequate military medical treatment to members of the Armed Forces and dependents within a large area of the country and to which they are morally and legally entitled. Especially is it difficult for me to understand, when this gamble was proved wrong on the one occasion that it was tried.

I would rather recommend and implore the officials of our armed services to patriotically and dutifully concentrate their efforts upon the elimination of the frightening and staggering waste and extravagance as repeatedly revealed by subcommittees of this committee and the Armed Services Committee. The only gamble involved in that wholesome objective would be a substantial profit and saving to the burdened taxpayer. It appears from the facts of this sorry and unhappy record that some military officials are unwittingly overlooking the certain savings to the taxpayers by scrupulous correction of admittedly existing extravagant and wasteful methods of procurement and inventory and are more intent upon gambling with military morale and military career incentives for the sake of a very dubious and comparatively small reduction in our medical program.

The only attempted answer of the military to these grave and serious considerations is the unproved and untried contention that the Military Dependents Assistance Act provisions authorizing private medical treatment for dependents will take care of the situation with an accompanying financial savings. Now these people know, but they would like to have it overlooked, and I know that their own testimony before the Appropriations Committee discloses they themselves have requested funds to take care of expected private medical treatment based on the conservative cost of $50 per day to the Government whereas an extravagant cost of military medical treatment is based on a range of $20 to $26 per day—Navy appropriations, page 888. Now do those authoritative figures sound to you like anything that has even the vaguest promise, not counting the cost of the redtape, of a potential savings to the taxpayer; I rather think not.

The record shows that Murphy General Hospital was originally and wisely recommended by the military as a vital war unit and it proved it's worth. It was closed once and that proved to be a serious mistake. It is located outside the main target area of military installations in the Boston vicinity and it's type of construction affords maximum protection against bombing attacks. Chelsea Hospital, suggested as an alternative, is 120 years old and located in the midst of a heavy industrial section. Murphy was built in 1944, comprises more than 90 acres and has plently of room for expansion. To replace it today would cost about $20 million. I, and many others, have earnestly suggested that this location and space be fully utilized by building expansion which could then provide an ideally situated combined service hospital which could adequately take care of the military medical needs of the whole of the New England area under the best possible conditions. Regretfully it seems no official comment or exploration of this sound practical economic suggestion has been made.

It appears that these current military officials would rather take a reckless gamble with military morale which they cannot justify on the record, cannot demonstrate to be economically wise, which once proved a sorry error and the alternatives to which they cannot adequately answer.

In my most earnest judgment, the question of the wisdom of the moral, patriotic and economic gamble is the fundamental issue involved here and on that question I ask only the individual conscientious action of the Members of this House.

Mr. MAHON. Mr. Chairman, I yield 30 minutes to the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Chairman, as most of you know, I serve on the Army panel of this subcommittee. You have heard me in these debates on these appropriation bills for a number of years, and you know that under no circumstances if I thought there was even going to be remote damage to the Department of Defense or to the Army or to any of the other branches of the service, would I be in favor of this bill. Since I have been on this committee since 1944, for 10 years, I have been a big Army, a big Navy and a big Air Force man, and under no circumstances would I let you put a glove, if I could stop it, upon the Marine Corps, and you know why. That being the case, let me direct your attention to the members of this subcommittee for defense. These men have been on this subcommittee for from 10 to 25 years. Just look at their names:

Mr. WIGGLESWORTH from Massachusetts.

Mr. SCRIVNER—POP SCRIVNER from Kansas who is proud of the fact that at one time he was an old National Guard

Infantry captain—that is 100 years ago, about.

Mr. FORD from Michigan.

Mr. MILLER from Maryland, a colonel in the Reserve in two wars.

Mr. OSTERTAG from New York who has been with us for many years on this committee.

Mr. MAHON, from Texas, the chairman and ranking member of the full committee and chairman of the Air panel.

Mr. SIKES, from Florida, who came to us from the Armed Services Committee where he served for years and who is now Army chairman of our committee.

Mr. NORRELL, from Arkansas, one of the ranking Members of the House of Representatives.

Mr. WHITTEN, from Mississippi, who served on this committee during the war.

Mr. SHEPPARD—the Admiral—from California, who came to this committee from the old Navy committee before unification.

Mr. ANDREWS, from Alabama, who served for 10 or 12 years on the Navy panel.

Mr. RILEY, from South Carolina—a legitimate South Carolina colonel.

Mr. Chairman, there is nobody in this country from the White House down, who is more concerned and more experienced—with deeper feeling and understanding of this defense bill than these men. They do not say their work is sacred; that there is not an element of give and take here—there always is. This is no more sacred and certainly this bill is not any more sacred than the budget itself. Let me remind you, Mr. Chairman, there is no budget for any department or any bureau in this Government for the last 150 years regardless of what administration was in power, no matter who the President is, that this Congress cannot cut and has not cut including the Department of Defense. We were not all in complete agreement, but for the purpose of bringing the bill to the floor we were. I will speak for a few minutes on the Army bill only.

I agree with much of what my friend the gentleman from Michigan [Mr. FORD] has said. I am especially concerned with the cut in the Army bill for research and development. That is what you will hear referred to as R. & D. In my judgment, one of the greatest soldiers, one of the greatest generals who ever served in the uniform of this country, Lt. Gen. Jumping Jim Gavin—and of course he comes from Pennsylvania—is Chief of the Research and Development. I am no long-haired scientist. But, by the way, neither are you. I believe this cut will not destroy the Army; it will not put research and development of the General Staff out of business; blood will not be dropped because of this $8 million cut; but balancing all of the equities we, who feel closest to the problem are convinced, and we offer you our sincerity and our belief, that that cut should be restored.

Mr. Chairman, at the proper time I shall make an effort by amendment to restore that cut, and the gentleman from Michigan [Mr. FORD] and some of my colleagues are in agreement with my attempt.

You heard one of the most eloquent—and eloquence can be predicated upon its mere simplicity and strength—you heard one of the most eloquent addresses that I ever heard made by the gentleman from Texas [Mr. MAHON]. I was impressed. I am sure you are in the same position. I know that you were impressed. The main argument for the reason for the cuts, and the value of them, he made, and I shall not attempt to gild the lily.

Let me tell you this, that yesterday I had occasion to go to my home State and to make a memorial address at the dedication of a Grant memorial to our guard division, the famous Bloody Bucket of the 28th Division of Pennsylvania. We have battle stars and battle pinions on our standards, and casualty lists from every war and every battle all over the world since the beginning of this Nation from the Revolution to the last one. We feel we have a right to speak. There a ceremony, born from the War Between the States, but now a memorial not just for Yankees, but to all dead of all our wars, and when the division band began to play very softly the old World War I song, "My Buddy," and before these rows of crosses, behind which stood a young girl with a wreath to place as the unit numbers were called, you saw in the best American tradition the belief in this Nation of a strong and inviolate Department of Defense. You must look forward with belief to a plateau of perhaps 10 years when your defense budget will not vary a half billion dollars one way or the other from the one you will pass on Wednesday. If you look forward to the continuance of gigantic cuts of a dozen billion dollars in the Defense Department for the next 10 years, forget about it; it is not going to happen.

And if you look for reduction in taxes hopefully predicated upon that expectancy, abandon it, it will not happen. Knowing the facts, there is nobody in this country who wants it to happen—knowing the facts. Those who do simply do not have the facts.

Let me point out to you that there is nothing even though you have as the motto of your country "In God We Trust"—there is nothing unless you have a private pipeline to the omnipotence which is going to guarantee this civilization and this Nation perpetuity any more than it was guaranteed to Greece, or Rome, Turkey, or other empires of medieval times.

A great historian once said that as a nation approaches its middle age it must remember its early years and be as strong and as brave; and this Nation in our history is approaching that time.

I would like to make one comment at this time outside the Army, a comment on the Air Force. Many of you know that from the beginning of these hearings this year and for the past 2 years I have been making the statement in behalf of the Army that there does not exist and there has not existed for the past 2 years, and I charge it does not exist today, an adequate airlift to transport Army atomic and air divisions to theaters of operation throughout the world. Against that broad indictment that I make you have to the contrary every member of the Joint Chiefs of Staff, including, believe it or not, the Army. If you are concerned, you politicians, with getting unanimity of action, I refer you to the Joint Chiefs of Staff. There is a classic example of unanimity of action on anything: You scratch my back and I will scratch yours. "Give me atomic carriers," says the Navy, "and you can have your B-52's in the Air Force." I do not know why General Taylor is going along, because I have never been able to find anything that the Army is getting out of the deal.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Oklahoma, of course.

Mr. EDMONDSON. I wanted to state to the gentleman that I share with him completely and wholeheartedly the apprehension he expresses about the absence of facilities to transport large numbers of men through the air in our present defense picture; and the pitiful thing about it is that the public very recently was subjected to a large dose of propaganda to the effect that we were going to build this C-132 and provide this capacity. Then within a matter of days after the public had been deluged with all that publicity it was announced in a very quiet way that they were abandoning this program on the C-132's.

Mr. FLOOD. The gentleman is quite right about the $150 million mistake by the Air Force. With money running out of their ears, that to them was a mere bagatelle, only $150 million, to them only a mere parenthesis.

But on this question of the Air Force we had every member of the Joint Chiefs and the top civilians, from Wilson down, at the Pentagon. Now, I want you to know what they said. We have it. I am a lawyer. I am no 4-star general, I am not the Secretary of Defense, but I have been around here a long time. I have talked to people in the Army and the Air Force who do not dare stick their necks out. I would not dream this up. This is no dream. I have been at this thing for years and I have reasonable cause to say what I will say. I say to you, Mr. Chairman, that the reason we could only take 3,000 men into Sicily in our first air junket was because we did not have the aircraft to take any more men of the 82d Division into Sicily. We could only jump with 3,000. The only reason we could not take any more men when we jumped into Salerno was because we did not have aircraft to jump more. The only reason we did not take a greater number was because we did not have sufficient aircraft.

I say to you, it is my considered judgment for what little it is worth that if the necessity arose tomorrow to take one Army division to the Far East and tomorrow afternoon one Army division to the Suez or that area—and do not forget the necessity will rise in two theaters at once, for if the enemy hits he is going to hit in the East and he is going to hit in the West on the same day—there does not exist not alone enough aircraft, transport craft, to take one division to the East and one division to the West, but, Mr. Chairman, it is my considered judgment there does not exist sufficient aircraft to take one Army division to one

theater of operation inside of 30 days and maintain it and keep it there in a supposedly modern air war.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. To the gentleman from Kansas, who knows more about it than I do, I yield.

Mr. SCRIVNER. I do not know that I know more about it but I would point out one statement that can be found starting on page 27, part I of the hearings which shows to my satisfaction that the airlift today is 10 times what it was in World War II and it is adequate for the present military war plan.

Mr. FLOOD. That it is 10 times greater than it was in World War II there is no question. It is probably 100 times greater than it was in the War of 1812. That has nothing to do with the case tra la. I am talking about tomorrow afternoon. We do not have the aircraft. You are going to call upon certain civilian components, you are going to call on the commercial airlines to give you their aircraft, you are going to take these plushed up modern jet jobs, but you cannot take any more than an advance echelon with the hardware they carry on their shoulders. You will put them down in a desert with rifles, some antitank weapons and food enough for 5 days. Then I have the word of Admiral Radford, Chairman of the Joint Chiefs of Staff, that he is going to supply these Army divisions only, all over the world for the next 30 days, by sea lift. The Admiral did not say what war. Why, you know the fiasco at Suez when the British and French struck there. They laid an egg because they did not have what was necessary. They did not have the aircraft and their success at Suez was not the result of diplomacy or failure, it was a lousy job. That is what the trouble was.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. It seems to me ABC economics, if we did have an airlift, or the capacity in the air to transport these troops to danger points at very short notice and within a very short period of time, it would be possible to effect these cuts in the personnel of our services which a lot of people would like to see and still preserve the effectiveness of our striking power at a much more reasonable cost than today.

Mr. FLOOD. Now, this is the first time since we have been together in the House that I have disagreed with the distinguished gentleman from Oklahoma. I want to point out to you that it is the current opinion in the latest scientific periodicals that so-called pushbutton missile warfare is not going to reduce the number of uniformed bodies in the armed services. On the contrary, you will have to have more of them.

Now, let me add this. Do not forget the human element, the man. There is no scientist in the world today who has been able to make a man, and you cannot substitute with bombers and guided missiles manpower. You cannot take the place of a man, with his heart and his soul and his intelligence and his judgment. Do not forget that.

You talk about what is the lead time on bombers. Three years. What is the lead time on IRBM and ICBM or SRM? Three years, 5 years. Let me point out to you, Mr. Chairman, that the lead time on a fighting soldier is 18 to 20 years. That is the lead time it takes to make a man for the infantry or the Air Force. Do not worry about the lead time for making missiles. You have a more important element and a more important problem for which no scientist can make a substitute. This next war, God forbid, is not going to be a pushbutton war where robots are going to take the place of men. No. Always, as I say, you are going to have an Army regardless of bombers or missiles. You must have an Army to go in there and fight and hold, and in any war in the past or any war in the future, the Army is the queen, and they will fight.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from West Virginia.

Mr. BAILEY. Does the gentleman not think that we should give some attention at the present time to the proper training of the men who are going to operate these machines?

Mr. FLOOD. I think you have in the Army of the United States today and the Air Force and the Navy the best-trained and best-uniformed and best-paid and best-fighting men that you have or ever will have in any country. I cannot agree with the gentleman about the training.

Mr. BAILEY. The gentleman does not think it is necessary to train these uniformed personnel adequately to operate these powerful engines of destruction?

Mr. FLOOD. Of course, they must have training, and they will get more. I am not concerned about training. If I was, I would be the first to speak, and you know that. No. Do not worry about that. Whether we can keep them or not after we train them I do not know.

Mr. BAILEY. The answer probably is to build more school buildings.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I want to correct an impression the gentleman apparently received that I was supporting drastic cuts in personnel of our Army, Navy, Air Force, and Marines. I am in agreement with the gentleman that we must sustain those forces and maintain them at a high level. What I was trying to make clear was that the effectiveness of the man in uniform would be multiplied several times if we had the Air Force to transport them to various places where needed.

Mr. FLOOD. The gentleman has been reading my speeches. I agree with you.

Now, I would like to direct my remarks to one phase of the Air Force bill, although it comes under the general heading of defense as well. One of the most controversial phases of our entire Defense Department is the Military Air Transport Service known affectionately as MATS. Now, Secretary Wilson and the other civilian Secretaries came to us in the last 2 or 3 years and they have been sending us vast lists of where they are putting the Government out of competition with private business. Now, everybody on the appropriations subcommittee for defense is in favor of that. We have eliminated popcorn machines and shoeshining machines; we have eliminated beauty parlors; we have eliminated all kinds of paint and other factories. So we are consistent with the best wishes of a businessman's administration for whom our heart bleeds in putting the Government out of competition with business. I am for that. Everybody is for that. And we did it. And yet here, in this Military Air Transport Service—and it is not chickenfeed—you have the United States Government in competition with commercial airlines by at least $500 million a year.

The commercial airlines are no great friends of mine; because, when I served on the Appropriations Subcommittee for the Department of Commerce, with the gentleman from New York [Mr. ROONEY] we went to bat to cut out their subsidies. So I am not a very popular fellow with them, either. And we succeeded in doing it. They can use their own money. This House did it.

But if you want to take the Government out of competition with business, and you mean it, here is where you can do it, providing, in the course of it, you do not even indirectly endanger the national security or the national defense by interfering with the operations of the Air Force. If you do that, then I am against it. But my information is that you do not, if you exercise merely the rule of reason; that the Air Force should control their aircraft and have as much of it as they need, where they need it, and when they need it. I am for that. But you can have a reasonable difference of opinion as to what constitutes how much and when and where.

We believe that in the best interests of national defense, a greater amount of military traffic, cargo and people, should be contracted for by the Department of Defense with commercial air carriers. Why not? If they cannot carry them, then do not give it to them. If they cannot buy their aircraft and maintain them properly, then do not bother about it. But if they can, if they will buy their own aircraft and maintain them and fly them safely and more cheaply—and for the purpose of emphasis I repeat "more cheaply," much more cheaply than the Air Force—then if those facts are correct, it is difficult for me to understand why these commercial airlines, businessmen in a business administration, great contributors, should not have a reasonable opportunity to engage in that transportation.

Last year this subcommittee, after an exhaustive examination, and again this year with a special investigation and long hearings, 610 pages of hearings on this question, had this to say. And I would like to have the chairman reaffirm the language which was the gist of a 2- or 3-page statement we made last year, because I do not want the Air Force on July 1, if this language is not in the report or in this RECORD, to pretend that

we forgot about it. This is the language from the Hoover Commission report and it is the language from the committee's and Senate report of last year. I shall read it and I hope that the gentleman from Texas [Mr. MAHON] will agree that again, for the purpose of emphasis if for no other reason, and to protect our flanks, the language be reaffirmed. This is the language:

> The Government should to the greatest extent practicable adjust its use of air transportation so as to use existing unutilized capacity of United States air carriers (H. Rept. 2104, 84th Cong., 2d sess., p. 46).

What in the world is the matter with that, and who possibly could object to it? For that reason, because of his sound judgment, I am sure the gentleman from Texas would concur.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Texas.

Mr. MAHON. As I understand it, the gentleman from Pennsylvania is suggesting that we agree that our view and our statement in the report of last year for the current fiscal year for the defense budget with references to MATS is still the view and opinion of the committee. I believe the view and opinion of the committee is still as we expressed it in the language we used in the report last year. I wish to assert very strongly that it is my own view that we should favor civilian aircraft as long as we can do so without jeopardizing the necessary military air transportation. I strongly support and reaffirm the language in the report last year in regard to MATS and I have so notified Air Force officials.

Mr. FLOOD. The highest form of compliment I could pay to the gentleman from Texas is to say I could not have said that better myself.

The very distinguished gentleman from Texas [Mr. MAHON], who is the chairman of the Defense Appropriations Subcommittee and floor manager of this bill, has clearly expressed the sense of our committee and I know that we all expect the Defense Department to reduce its expenditures on MATS and other Government-owned air transport activities and devote these funds to making far greater use of United States air carriers.

More extensive use by the military of United States air carriers, as is being directed by our committee, will result in considerable net savings to the American taxpayers, as well as a reduction of Government competition with private taxpaying business.

Mr. MAHON. Mr. Chairman, I yield such time as he may desire to the gentleman from Georgia [Mr. VINSON], chairman of the Committee on Armed Services.

Mr. VINSON. Mr. Chairman, we have before the House today a bill authorizing the appropriation of some $33,541,225,000. According to the report of the Appropriations Committee the budget estimate has been reduced by $2,586,775,000, and the recommended appropriation of $33,541,225,000 is $1,157,298,000 below the amount approved for fiscal 1957. Of the $2,586,775,000 reduction, the report states that the amount of $1,996,775,000 represents a direct reduction in the defense budget, and $590 million is a reduction in funds appropriated in prior years, but currently available to the Department for obligation and expenditure under stock and industrial fund operations.

Mr. Chairman, no Member of Congress, no member of the Joint Chiefs of Staff, no President or former President, in fact no living person can state with certainty that this bill contains a sufficient amount of money to assure our national survival—nor can anyone state with certainty that it endangers our security.

But I, for one, refuse to allow our national security requirements to be determined by a dollar sign. Our way of life, our standard of living, our freedom, all that we own, all that we hold dear, depends upon our ability to withstand the onslaughts of those who would deprive us of these benefits.

If I thought that our survival depended upon a much greater annual defense expenditure, I would not hesitate to vote that amount of money because I will not allow the dollars to blind me to the inestimable value of freedom.

But, Mr. Chairman, unfortunately there is not one of us in this Congress, or out, who can state with certainty that we are acting wisely or foolishly in our attempt to determine the necessary appropriations for our national defense for the next fiscal year.

Thus, we must depend upon the combined views of many people—the President of the United States, members of the Joint Chiefs of Staff, the Secretary of Defense, the Director of the Budget, the members of the Appropriations Committee, and finally, but most important of all, the decision of the Members of Congress. Only the years that lie ahead can answer the question as to whether or not this budget is adequate.

The report from the Appropriations Committee emphasizes the fact that the Soviet Union is closing the gap between the United States and Soviet military strength.

According to the report from the Appropriations Committee:

> The Russian Army is 3 times the size of our own; the Soviet Navy reportedly has 1,650 active ships as contrasted with 983 in our Navy; the Soviet Union has more than 450 submarines as contrasted with 53 in the German Navy when World War II began; the Soviet Union jet fighter aircraft inventory, is probably greater than our own and the rate of production of fighter aircraft in Russia is greater than our own.

In the field of missiles, according to the Appropriations Committee—

> We are in a nip and tuck race with Russia; we are probably behind the Soviet Union in progress made in the perfection of the intermediate range ballistic missile.

And finally, the Appropriations Committee says:

> All available information makes it clear that there is no room for complacency among our people in the consideration of our defense program.

Last year the distinguished gentleman from Texas [Mr. MAHON] stated before the House in connection with the Defense Appropriation Act of 1957:

> After all the heavy taxes we have borne and all the money we have spent on defense in recent years it must come as a bitter fact to the American people that our military supremacy is being challenged. We have talked, and rightly so, about our military might being a deterrent to war. We have said that we must get stronger and stronger in order to negotiate at the conference table from a position of strength. That has been one of our major premises. If we do not choose our course very carefully we are going to negotiate at the conference table from a position of relatively less strength and the Soviets are going to sit at the conference table and deal from a position of greater and greater strength.

The distinguished gentleman from Texas made many other wise observations during the debate last year. He stated, for example:

> We have several choices. We have got to more than match the Soviet Union to keep ahead; or we have got to reconcile ourselves to be on a military parity with the U. S. S. R. or we must allow ourselves to fall behind in military strength.

After reciting the facts in connection with the period of atomic plenty, the distinguished gentlemen from Texas said what is in all of our minds:

> It is hard to know what to do in the situation in which we find ourselves. I do not have the answers.

And again, the distinguished gentleman from Texas last year stated:

> Indications are that we must continue the high rate of military spending; not only continue it, but perhaps raise it a bit from year to year, as recommended for next year by Secretary of Defense Wilson.

But this year, the gentleman from Texas has taken the position that since we are in a long-range defense program we ought to "fix a figure for defense spending which is within the bounds of reason and stay with it in a general way pending a decisive change in world conditions." And then the gentleman from Texas stated that we ought to set a target of "say $35 billion per year" and further he says:

> Do not tell me that we could not have a reasonable and adequate defense program for approximately $35 billion a year rather than $38 billion a year, as presently budgeted.

But the distinguished gentleman from Texas also stated the other day:

> We cannot afford to embark upon a course of gradual whittling away of our defense program. We cannot start a trend toward a position of military weakness which would inevitably lead toward a national policy of appeasment, which we know is the road to war. * * * We must become adjusted to an indefinite period of high level defense costs without costly peaks and valleys.

Mr. Chairman, I have the greatest admiration and respect for the distinguished gentleman from Texas [Mr. MAHON], but I cannot reconcile his previous statements, or his statements contained in the debate last Friday, with a price tag national defense program geared to a fixed dollar figure. I do not subscribe to the theory that we can buy for $35 billion as much as we can get for $38 billion. I do not subscribe to the theory that we buy as much for less money—not in an era of rising costs due to increased technical complexities, a higher demand for increased skills, and an ever-upward spiraling increase in the cost of living.

The report from the Committee on Appropriations shows that the Army, for example, requested $3,549,000,000 for fiscal 1958 to support approximately 1 million personnel. I am advised by the Army that it had $49 million more than this amount in fiscal 1957 to support approximately the same number of troops. However, the Committee on Appropriations has cut this request for fiscal 1958 funds by an additional $36 million. This means that the Army will have $84 million less to maintain approximately the same military strength in fiscal 1958 than they had in fiscal 1957.

I further understand that in addition to the foregoing cuts, the Army will be required to absorb additional sums of approximately $28 million due to the increase in rates for railroad and sea transportation, as well as increases in the costs of subsistence and clothing. On the basis of these figures, which I am advised are correct figures, the Army will have $113 million less in fiscal 1958 than it had in fiscal 1957 to maintain its military strength. As a result of these cuts, I am further advised that it will be necessary for the Army to reduce its strength, which would average 997,000 men in fiscal 1958, by approximately 15,000 persons, the equivalent of 1 division.

I then raise the serious question as to whether or not this Congress is justified in the present state of world conditions to reduce the Army by one division?

Mr. Chairman, in the face of information which was available to the Committee on Appropriations; in the face of statements which were made last year and again this year in the face of the forecasts that the appropriations for our defense this year would exceed those that were appropriated last year, I, for one, must at least raise the question as to whether these cuts are justified; and I for one will not support one additional penny reduction in the bill now before this House.

Let none of us be lulled into the complacency the Appropriations Committee warned about. I am confident in my own mind that the reductions that are contained in this bill may have to be made up by supplemental appropriations in the months ahead.

I would be remiss in my duties as a Member of this House if I did not caution the House that in my opinion this is a rockbottom bill as it now stands and it cannot be further reduced without jeopardizing our national security.

Any further reductions will have to be felt in reduced procurement, extended lead time, and reduced research. We can talk until we are blue in the face about duplication, but bear in mind that we have all the same objective in mind—the defense of the Nation. And I, for one, will not subscribe to the theory that interservice rivalry is jeopardizing our national security. Each service is seeking to perfect the weapons necessary to accomplish its assigned mission. So long as those missions remain unchanged, it is not only incumbent upon, but absolutely essential, that each service perfect the weapons that will permit them to gain the weapons supremacy necessary in their field of endeavor.

Many questions have been raised by Members of Congress and others as to why it is necessary for us to maintain a stable force of approximately 2,800,000 men in our Armed Forces for the years ahead, particularly when we are approaching an era of guided missiles and so-called pushbutton warfare.

Mr. Chairman, this Nation, whether we like it or not, must be prepared to fight not only an atomic war with all of its horrors, but also a conventional war that likewise is horrible to contemplate, but at least does not threaten world extinction.

Not only must we be ready to fight two types of war, but we must be ready to fight on the land, on the sea, under the sea, in the air, and in the stratosphere. Our main line of resistance does not begin at the end of the 12-mile limit; our main line of resistance is to be found in Germany, Italy, Turkey, Greece, Korea, Formosa, Indochina, the Philippines, and every place in the world where free governments exist.

Our international commitments require manpower. These commitments are not based upon pure altruism—they are based upon the necessary strategy which will assure our victory if another world war should occur—be it atomic or nonatomic in nature.

The price of freedom is high, but the cost of defeat is beyond description.

Mr. Chairman, I have tremendous respect for the gentleman from Texas [Mr. MAHON], and I realize how difficult and complicated a defense appropriation bill must necessarily be. And while I might differ with the gentleman from Texas in some of his conclusions, nevertheless I would like to take this opportunity to congratulate him upon his masterful presentation of this defense budget. But there is one statement which the gentleman from Texas made that cannot go unchallenged and I refer to that part of his statement of last Friday when he said:

> A part of the answer is a greater degree of unification instead of tension and disunity, something approaching a merger.

This statement concerns me greatly.

There is no Member of this Congress more interested in economy than I. All of us would like to see Government expenditures and the national debt reduced, and taxes decreased.

But I sincerely trust that the vast majority of this House will resist all efforts to bring about specious savings through the merger of our armed services, under one chief of staff, all wearing one uniform.

There seems to be a tendency on the part of some to adopt the wishful theory that more centralization of power brings about savings. Nothing could be further from the truth.

In 1947 the Congress approved the National Security Act which created the Office of the Secretary of Defense and the Department of Defense, but at the same time created a separate Air Force. I thought then, and I continue to think that that decision was a wise one.

We created a board of directors when we created the Office of the Secretary of Defense, but we also wisely acknowledged the permanent establishment of a separate military organization known as the Air Force because its roles and missions had attained a position in our defense structure which not only required but demanded its separate administration.

Today we have three separate military departments, separately administered, but under the direction, authority, and control of the Secretary of Defense. But the same law that grants this authority specifically states that our military departments shall not be merged.

We will hear for years to come many well-meaning persons strongly advance the argument that billions in potential savings can be effected through a complete merger of our armed services.

Should we ever be so foolish as to succumb to this illusion we will have jeopardized the security of this Nation to such an extent that our continuation as a free Nation would be extremely doubtful.

We have made great strides in unification as evidenced by the single service procurement system, the recent adoption of the single manager system, and the identification phase of the Federal catalog program. According to a recent report of the Secretary of Defense, a total of 2,750,000 items have been identified, or approximately 90 percent of the more than 3 million separate items estimated to be in the military supply system as of June 30, 1956. Further progress has been made in the identification program based upon the work already accomplished in the catalog program.

According to the report of the Secretary of Defense, since the beginning of the identification program, more than 437,000 items have been eliminated.

In evaluating recent criticism of the Defense Department with respect to the fiscal year 1958 budget and the necessarily large outlays of funds for procurement, critics would have us believe there is extensive duplication of buying by the military services. Here are a few facts which clearly demonstrate the notable extent of unification of the armed services in the procurement and supply fields.

There are two principal management systems used to implement centralized procurement within the Department of Defense—the single-manager program and the single-procurement assignment program.

In the single-manager program the Secretary of one military department is responsible for all Department of Defense supply management functions for a designated class of commodities, or services, from research and development through procurement, stock control, financial management, distribution, issue, and disposal. This system establishes a single wholesale stock of the commodities for all military uses, centrally controlled by the single manager. It eliminates duplicate pipelines and storage, minimizes cross-handling, and promotes effective utilization of stocks, services, and facilities.

Defense procurement for materiel and supplies is currently running at the rate of about $15 billion annually. Of this amount, approximately $2.5 billion or

17 percent represents the portion procured under the single managers. These commodities include petroleum products, subsistence, clothing and textiles and medical material. There is no duplication here.

In the single procurement assignment program one of the military departments, through its normal procurement system, purchases all of a given class of commodities for itself and the other services in accordance with their requirements. This program covers about one-half of all Department of Defense purchases of materiel and supplies. Exceptions are made for local procurement and certain equipment of special design.

Included in the single procurement assignment program is the plant cognizance program. Under this program each aircraft, engine, and propeller plant is under the cognizance of a single service. The cognizant service alone maintains a contract administration staff at the facility and processes orders to the plant for all of the services. Steps are now being taken to place missile plants under the plant cognizance system. Even where plant cognizance has not been assigned to a single service, one service normally performs the inspection and local contract administration functions for all the services buying from the plant.

Still another significant refutation of charges of duplication is found in the Defense Interservice Supply Support Program—a relatively new but vitally important phase of military supply management which assures the interdepartmental utilization of overall Defense supply assets before new procurement is undertaken, and which prevents the disposal of items for which any requirement exists.

At present there are 18 commodity groups wherein this method of utilization is being effected—covering about half of the total items in the Defense supply system. Plans are being made for the inclusion of another 13 commodity groups which will cover practically all of the balance of the common supply items. This program alone assures that new procurement will be held to a mimimum, where materials are already available, and that the greatest possible utilization of the supply stocks held by all the services will be made on an integrated basis to prevent duplication of buying.

Most of the remaining procurement funds not covered by the foregoing coordinated programs are for items peculiar to the individual service, such as naval combatant vessels.

In this connection, it should not be assumed that complete centralization of procurement and storage is the best and only solution in every situation. The problem of centralization versus decentralization of procurement activities is not unique to the Defense Department. It is also quite common in private industry. In a recent article in Business Record, published by the National Industrial Conference Board, an organization devoted to business affairs, the point is made that there has been a gradual drift toward decentralized purchasing in private industry. One conclusion of this article is that—

> The purchasing function should be guided by what offers the most effective results, whether it be centralized, decentralized, or a combination of both.

Secretary of Defense Wilson's remarks at his press conference of May 16, 1957, are singularly appropriate in this context:

> My former experience, about every 3 years someone would raise the question wouldn't we save money in General Motors if we centralized the thing and did all the buying in one big place, pointing out that the Buick company paid a few cents more a thousand for some nuts or bolts or screws or something, all the common items, and we would look it over again and decide no, that it wasn't the right way to do it, and it was much more efficient and effective, and our big problem was to decentralize the thing and clarify the policy.

Mr. Chairman, there is a basic difference between the unification of our armed services as contemplated by the National Security Act and merger as recommended by those who believe that the savings of dollars possible in merger are far more important than the functions of the separate services.

Mr. Chairman, I do not believe for one moment that the merger of our armed services would save the taxpayers one thin dime. If anything, I am sure that merger might well bring about added costs.

I am convinced, and very thoroughly convinced, that were we to merge our 4 services under 1 head; were we to have 1 single staff system; were we to adopt 1 uniform—we would be creating a military monstrosity that would be an open invitation to disaster.

We hear much about duplication of efforts—I do not question for a moment that there is duplication of effort—but it is a competitive type of duplication that assures this Nation military supremacy in the quality of its weapons.

There has been altogether too much misguided criticism of so-called competition between the Armed Forces, particularly with respect to missile development.

Mr. Chairman, I have followed this missile development matter most closely and I am certain in my own mind that controlled competition, instead of being wasteful, is vitally necessary. We must approach any specific major problem of missile development with boldness and objectivity. We are dealing with a vast realm of unknown factors. We are truly exploring the unknown. I know of no surer way to jeopardize our Nation than to insist that only one line of missile development be followed.

I readily grant that it would be possible, although fatally injurious, to eliminate missile competition between the services. But while we have the power to eliminate interservice competition in the development of missiles, we would not have the power to eliminate Russian competition for missile superiority.

Therefore our Armed Forces must not be restricted to one arbitrary line of missile development. If we do not have competition—separate but different approaches toward the solution of the missile problems—we will never know if there really was a better line of development in our quest for missile superiority. We would not know if it were possible to develop better missiles until war came and the Russians then might show us that our chosen method was perhaps not the best one.

We must not eliminate wholesome and constructive competition in the Armed Forces. It is the stimulus for great achievement. It is the only reasonable assurance of superiority in this vastly complicated technological world in which we live. Eliminate competition, establish a system that provides for only one line of development in armaments, and you have a oneway ticket to defeat.

Competition is the heart and soul of American industry, and the American people. Why should it be different in the armed services? What is wrong with esprit de corps? What is wrong with a man's having pride in his own unit, or his own branch of the service?

Those who advocate merger do so in the face of history which has proved that a single staff system cannot possibly function under a total war concept, or even a limited war concept, so long as the military movements involve land, sea, and air.

The Prussian single staff system failed Germany twice in this century. Are we to take the lessons of history, stare them straight in the face, and then completely ignore them? Even our industrial giants, such as General Motors and others, have learned that decentralization not only is profitable, but essential to successful operation.

I know of no individual now alive capable of directing all four of the services, either from a staff level or an operational level.

I know of no individual now alive who could completely divorce his own service background to the point where he could view all four services on a purely objective basis.

But beyond that is the fact that our four services exist for the simple reason that there are four separate and distinct missions which are assigned to them. The four services do not exist for the sake of tradition, nor do they exist for the sake of providing billets for generals and admirals. They exist, in my opinion, because of the urgent necessity for maintaining a balanced force, which proved its mettle in World War II, again in Korea, and may well prove its wisdom in the event of another conflict.

Under our present system we do have competition—competition which is healthy and which produces the finest weapons obtainable.

We had the same situation prior to World War II, when the Navy was developing air-cooled aircraft engines and the Army was developing liquid-cooled aircraft engines. Each thought the other was wrong, but as it turned out there was a need for both in different phases of World War II. However, had we had a single service concept in effect at that time, we might well have ended up with just a liquid-cooled engine and our efforts in the Pacific theater might have

become a world tragedy, since liquid-cooled engines could not attain the altitudes necessary to combat the Japanese Zero.

I use this merely as an illustration of the difference between competition and duplication.

The same situation may well be true in the field of guided missiles. Certainly, guided missiles are expensive, but I do not believe anyone can sincerely question the fact that guided missiles and our superiority in this field may well prove to be the one factor which will prevent another war in the years ahead. But even in this field, it is clear to me that there is adequate room for the development of 3 separate systems—1 for the Army, 1 for the Navy, and the other for the Air Force.

What might appear to some to be duplication, in my opinion, actually amounts to competition. But that competition, even in similar missiles, does not necessarily involve a waste of funds, for certainly the nation that has in its possession the most up-to-date and most improved guided missiles will control the destiny of the world.

That there is a certain amount of conflict between the Army and the Air Force with regard to the control of missiles cannot be denied. That there is a certain amount of conflict between the expenditure of funds for aircraft carriers and other types of weapons cannot be denied.

But to me it is not improper for a service to advocate its own weapons system. In fact, it is essential in order that the Congress may choose wisely in appropriating the necessary funds for future developments.

But the very thing suggested, merger, would eliminate entirely this type of advocacy, and would put the average Member in the position of having only one choice—that of believing the testimony of the single service staff, or not believing that testimony.

Should we ever adopt a single service concept in this Nation on the theory that it will save money, not only will we be endangering our own national security but we will certainly be deluding ourselves with respect to savings.

I am firmly of the opinion that no military command system has ever been devised that is equivalent to our present Joint Chiefs of Staff system. Through this system we receive the benefit of the combined views of four persons, each an expert in his own particular field. But in other areas of the world, we operate joint commands and do so very successfully. Thus, the decisions which are arrived at through a combination of sound minds, arriving at sound conclusions, make it possible for joint commands in other theaters of operation to function well.

But when the day arrives that we have a super staff, or a single staff, or a single uniform, or a merger of the 4 services, we will have destroyed not only the morale of the armed services, not only the wisdom of the joint staff made up of representatives from all 4 services, but we will also be placing our dependence upon an assumption that 4 separate missions, involving the technicalities, the complexities, and the skills of these 4 services, can be merged into 1 at a time when it is even difficult for each of the separate services to maintain the skills necessary in their particular fields.

I trust that our Nation will never make the fatal error of merging our Armed Forces, or of even adopting something approaching merger.

Mr. MAHON. Mr. Chairman, I yield 30 minutes to the gentleman from Missouri [Mr. CANNON], chairman of the Committee on Appropriations and ex officio a member of all the subcommittees.

Mr. CANNON. Mr. Chairman, when we look back through the years, events stand out in sharper perspective and clearer light than at the time. But all the attrition of the years cannot change the basic facts.

With the possible exception of Waterloo, no battle has been more carefully reviewed and analyzed than Gettysburg. It is a part of the formal course of study at every national military academy in the world, the topography, the terrain, the personnel, the strategy, and the effect.

When you consider the strategy of the two commanders the conclusion is inescapable that there could not possibly have been any preliminary plans of battle, there could not have been any preconceived strategy. Neither commander had expected to fight at Gettysburg. Lee assumed he had the State of Pennsylvania largely to himself and had ample time in which to concentrate his forces for a selected field. Mead, with his troops strung out along miles of difficult road, had not expected to intercept Lee here. His first hastily occupied line of defense proved untenable and in the first day's fighting he was driven back to what proved to be a better position.

Lee, wholly unfamiliar with the territory, saw only the skyline. He sent Stuart's cavalry, the eyes of the army, forward to reconnoiter but taken unaware Stuart was outgeneraled and isolated and could not get a courier back. Lee had no knowledge of the number or composition of the troops in front of him or what lay behind.

But he did know the temper of his own men. He had tested them on every battlefield of the war. He knew that in the third of the war, outnumbered and outequipped he had defeated every army the North could send against him. He did not know that in the remaining years of the war his campaigns in defense of Richmond were to be acclaimed by the most eminent military authorities as unsurpassed in the annals of warfare.

If he could break the line he could destroy the enemy piecemeal as he had destroyed them so many times before, and the way was open to Baltimore and Washington and to recognition of the Confederacy by European nations—and final victory.

Mr. YOUNGER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN (after counting). Sixty Members are present; not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 88]

Albert	Garmatz	Miller, Md.
Andresen, August H.	Granahan	Miller, Nebr.
Barden	Grant	Moore
Barrett	Green, Oreg.	Morgan
Baumhart	Green, Pa.	Murray
Beamer	Griffin	Osmers
Blatnik	Gubser	Patterson
Bolton	Hardy	Perkins
Bowler	Healey	Pillion
Breeding	Hemphill	Powell
Buckley	Hoeven	Prouty
Burdick	Holtzman	Rabaut
Byrd	James	Rains
Byrne, Pa.	Jenkins	Reece, Tenn.
Cheif	Jennings	Santangelo
Chudoff	Jonas	Shelley
Cooley	Kearney	Siler
Dawson, Ill.	Kee	Spence
Delay	Kelley, Pa.	Taylor
Diggs	Kilburn	Teller
Dollinger	Kitchin	Thornberry
Dorn, S. C.	Klucynski	Van Pelt
Eberharter	McConnell	Watts
Fallon	McGregor	Wilson, Ind.
Fino	McMillan	Wolverton
Flood	Machrowicz	Zelenko
Fogarty	Mailliard	
	Mason	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KROEG, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill H. R. 7665, and finding itself without a quorum, he had directed the roll to be called, when 348 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Oh, Mr. Chairman, at this late date, 90 years afterward, with the battlefield spread out before you, it is easy to criticize but we are inclined to wonder if under similar circumstances the commanders of today would not have reached the same decision.

I am convinced—with perhaps a much biased point of view, of course, that if Lee had known what we know today he would have been invincible. He could not have lost. Perhaps a divine providence obscured the light. "The race is not always to the swift nor the battle to the strong but time and chance happeneth to us all."

I had an uncle at Gettysburg. He was a graduate of the University of Virginia and served 4 years under Lee. His widow, my aunt, lived to be a hundred years old. As a boy I heard her tell over and over again the tragic story of Gettysburg. When I came to Washington she came to visit me. I took her to Gettysburg, and from the crest of Cemetery Ridge with this venerable and beloved lady looked down the long slope across which Lee launched the last lightning charge of the Confederacy.

Standing there beside the High Tide Monument, where fell the gallant Captain Armistead, of North Carolina, as leading his men with his cap on the point of his sword, he came across the stone wall to die there with the shattered remnants of the brigade that followed him, I said to her, gently, "I am a southerner, and had I lived in those stirring times and had my way, I would have

marched with Lee, and had it been possible I would have come across that field with Pickett." Then, with my arm around her, I drew her closely to me, "But today I thank Almighty God that Pickett failed and the mighty Government of the United States still lives to bless mankind." I am afraid she never fully forgave me.

But times change and the minds of men react to changing issues and circumstances. In many Congresses following the war, and notably in the 53d Congress, which convened in this hall in 1893, there was not a single Member who had not served in either the Union Army or the Confederate Army. Had this question been considered then it would have occasioned some controversy. They are gone. The issues which stirred them are gone. And mercifully we let the dead past bury its dead.

But we have here today in the bill before us the same problems in another form. Perhaps it is even more serious in its possibilities because defeat in the war for which we are preparing in this bill means not merely the loss of a war, but extermination, the extinction of our people, our form of government, our civilization, and our way of life, without a trace and forever.

And yet I noted in the debate last week and today everyone has spoken of defense as if it involved only military defense. My friends, it involves vastly more than that. Wars are won not only with arms and military munitions but with money. And the United States Treasury is as important a part of national defense as the armed services.

We should write this bill with that in view. Russia has boasted since the last war that they would prod us into bankruptcy and take us without firing a shot—as they took most of their satellites. There is too much money in this bill. And some of it is for the wrong purposes. We can be defeated economically as decisively as we can be defeated militarily.

Let us look at it from a sensible light and from a practical point of view. You do not have to be a graduate of West Point or Annapolis to see it at a glance. It is so plain that he who runs may read.

The one thing that stands out like Mars at perihelion—like the headlight on a locomotive on a moonless midnight—is that if there is a war there will be no time for the Army and Navy to nibble around the edges.

The imminence of war is receding. There is less and less likelihood of a world war. We do not want a war and we will not start one. Russia does not want a war and Russia will not start one. So we can discount by a large percent any chance of our having to use the war material we are providing in this bill. But we cannot take a chance. We must be prepared. So we are passing this bill.

If war should come, time would be of the essence. It would be necessary—immediately—to strike at the heart of Russia—at the spider in the center of the web. We would have to destroy Moscow and the Kremlin and the centers of production in Siberia and wherever they happen to be. It would be a race whether we would destroy Moscow first or whether they would bomb Washington and Detroit and Pittsburgh first.

When our radar stations reported Russian bombers on the way where would we turn for protection?

Could the Army protect us? Could the Army defend Washington and Cleveland and San Francisco? Of course not. The Army is no longer of any use in time of war except in occupying territory taken from the air and in enforcing martial law. We will never again send an expeditionary force to Europe, until after the Air Force has cleared the way. We could not possibly land an army in any European port. The Russian Army can sweep to the channel as fast as its soldiers can march. Our only army problem in event of war would be how to get our token forces out of Europe and even that would be doubtful. We ought to cut at least one Army division out of this bill—if not more. We have no use for them. Send the men home to engage in productive employment.

If war should come could the Navy protect us? Ridiculous. Enemy bombers would fly right over them. With the exception of our submarines the Navy would cease to exist in a matter of hours. And yet this bill carries $314 million for a carrier. A carrier is the most expensive machine the world ever saw. It consumes more skilled labor, more strategic material, more money than any human contrivance the sun ever shown upon. And yet in war it would be worse than useless. It will require a flotilla of auxiliaries, tenders, destroyers, tankers and other shipping covering the sea over an area as large as Delaware and Rhode Island combined. But a single bomb—dropped from a plane flying too high and too fast to be seen or heard will cover hundreds of square miles with destruction. Or a single submarine remaining under, if need be, half way around the globe can wipe out all this vast armament and the millions of dollars it cost in the twinkling of an eye.

Listen. They propose to power this carrier with atomic energy. As the chairman told you they have not a very definite idea of just how it will be done—but they will not wait for that. They will spend the money now. And when completed, however successful, it will have a speed of 40 miles per hour. Think of it. Forty miles per hour in this age of supersonic speeds. The commander of the Air Force tells us he can sink it in 2 hours or less. And you know Russia could sink it any hour of the day or night. They talk about a mobile base and eluding the enemy. Any one knows that the Russians would know where that carrier was from the day it was launched. Attempts to hide a target of that size would be absurd. But it is in this bill at $314 million and with its armament and complement and protecting convoy it would run up above a billion dollars by the time it was in commission. Let us exercise just a modicum of commonsense.

The next world war will be decided in a matter of hours. There will be a period of mopping up and taking over but the war will be decisively fought in one afternoon or less. That was conclusively demonstrated in the "brush" operation last year, when over half a dozen Southern States with forces evenly divided and an impartial referee, the war was over in 40 minutes and the United States, the defenders, lost. There is no particular reason why Russia would not duplicate the performance in actual warfare unless we have an air force to stop her. Certainly neither the Army nor the Navy could stop them if the Air Force failed.

A recent United States intelligence report estimates that 88 percent of Russia's long-range bombers are based above the Arctic Circle. Only 12 percent are down in the European area. What does that mean?

When they come over the pole what can the Army do? What can the Navy do? How can we save our cities and the 92 million of our people it is estimated they would kill in one afternoon. Just how far will this bill protect us.

Mr. Chairman, we hold hearings covering weeks and months. And still fail to adduce all the facts. Added to that is the tendency to minimize pertinent facts. Here is an example. Here is one of the many weekly information letters published in Washington. Most of you subscribe to them and are familiar with them. They tell you what has happened—what is happening—and what will happen. And sometimes they are surprisingly accurate. This one happens to be one of the Kiplinger letters. It came in with this morning's mail under date of May 25, 1957. I will read the postscript:

> Our letters are read in many military posts in the United States and abroad.
>
> Recently we carried a number of reports on waste in the military service which led to the barring of the letters from the officers mess at a naval base.
>
> It illustrates a military attitude that young officers should not be told of the waste and extravagance of higher ups.
>
> As if they did not already know.
>
> Also that their personal reading matter ought to be censored for them.

Mr. Chairman, some may be misled. But in writing this bill, let us not be misled. There are millions in this bill that ought to be applied to the public debt, or to tax reduction—or to real defense that will protect us when, with uplifted hands, we are "calling for the mountains to fall upon us."

Mr. MAHON. Mr. Chairman, I yield 25 minutes to the gentleman from South Carolina [Mr. RILEY].

Mr. RILEY. Mr. Chairman, I like to agree with my distinguished chairman, one of the most valuable Members in this House and one of its ablest men, my good friend, the gentleman from Missouri [Mr. CANNON], but I must in some respects take issue with him in regard to this great defense team, which we need to protect this country until such time as men's minds and men's hearts are reconciled to the abolishment of war.

I like to think of our Armed Forces as a unit. I know, as you do, that we lack the full realization of that objective. However, I am firmly and sincerely convinced that there is a definite mission for each of the armed services now in being and any disparagement and depreciation of any one of these services not only tends to weaken the service attacked, but weakens the entire defense

team. I believe that it is absolutely necessary to have strong Army, Navy, and Air Force units of one coordinated defense team. Because of my assignment on the Army subcommittee I would like to refresh your minds on certain features of one of these units of our defense.

I hope that what I have to say will not in any way be construed as reflecting on either of the other teams in this defense unit. Certainly I believe that each has a necessary and vital mission.

Each year under the influence of the huge military budget we are tempted to hope and to look for some easy and inexpensive out—for some short cut to military power. There is always talk about some new weapon or some push-button innovation which renders unnecessary all of the traditional paraphernalia of war which we have supported for many years. This hope has always proved to be more or less of a mirage, but a hope which harbors grave danger, in my opinion, to our security. There is no easy or safe way to fight a war and, in my opinion, there never will be. War will always be destructive, filled with sweat and tears, blood and tragedy. New and modern weapons serve our soldiers, our airmen, and our sailors, but do not replace them. In fact weapons, no matter how efficient or how marvelous, are absolutely worthless without men to handle them. The ultimate weapon in war, then, as in all other human endeavors and activities, is man.

We must evaluate our defense establishment against the background of actual existing conditions. Both the United States and the Soviet Union will soon have, if they do not now have, the ability to devastate each other's home land with thermonuclear weapons. As the full import of this fact registers throughout the world, and the strategists of both East and West ponder over its implications, it seems to me that a great general thermonuclear war becomes less and less likely as a deliberate act. Certainly, we must maintain, always, our ability to strike back, instantly and massively, with long-range bombers, and in the not too distant future with long-range missiles, so that any possessor of thermonuclear megaton destructive capability will hesitate to use that capability except as a retaliatory measure. Therefore, it seems to me that these weapons of massive retaliation will be effective only so long as they are not used. Important as they are, such weapons are essentially weapons of hopelessness to be used as a last resort and as a final act of desperation when all other measures have failed. Do not misunderstand me—I reiterate, we must have these weapons, but we must recognize, also, that they are essentially negative in character. I, for one, would like to see more attention paid to weapons that can be used under all conditions, whether in a small engagement, or in a larger conflict.

Notwithstanding the fact that the Communist powers will, I believe, hesitate to use their nuclear potential, I do not believe that they have given up their aggressive, and possessive designs. I fully expect that the Soviet Union, and its satellites, will continue to look for soft spots around the edges of the Free World; any weakness that they find will be swiftly and cleverly explored.

Thus, if we develop only weapons of megaton impact, the use of which we will not initiate, we will find ourselves faced, in each succeeding crisis, with the horrible choice of inviting thermonuclear disaster or being forced into disgraceful appeasement. Unless we maintain strong, strategically mobile Army Forces we will not be able, in my opinion, to successfully aid our Allies of the Free World, or to adequately defend ourselves.

In the issue of Life magazine of May 6 this year, Mr. Thomas E. Murray, an able and successful engineer, and one of the five members of the Atomic Energy Commission, strongly advocates the use of smaller nuclear weapons. Only the Army and the Marines are organized to use such tactical weapons. Only the Army and the Marines offer protection in limited land engagements.

How can this Nation hope to exert its influence in the world at large unless it has Army forces that can respond, if necessary, to a Korea or to an Indochina or to a Suez? How except with Army strength can we help our friends and Allies without destroying them in the process, should they be invaded? History teaches us that wars are fought for the ultimate purpose of controlling land areas and the people who inhabit those lands. Only the Army and the Marines can occupy and hold land areas.

The Army we have is performing that role now. Army forces in Europe and Asia are a visible and constant reminder to the Communists that aggression will be resisted by the armed might of the United States and its associates. Let us not overlook the fact that since World War II there have been 14 acts of aggression but not one of these has been launched within the range of United States Army guns.

In Europe the United States Seventh Army, with its atomic punch, is the keystone of NATO defenses. The atomic capability of this Army is of a tactical nature and its weapons are designed for maximum results against an enemy army without utterly and finally destroying everything in a vast area. This army also has conventional weapons. The influence of this Seventh Army may be fully appreciated only by considering, for a moment, what would be the situation in Europe if they were withdrawn. This same test may be applied to the value of the United States Army Corps deployed south of the demilitarized zone in Korea. In addition to these two armies we have forces in 7 other foreign countries—making 9 in all.

Furthermore the United States Army military assistance advisory groups are located in 35 other nations making a total of 44 foreign countries in which our military missions and advisory groups are assisting the free countries in deterring aggression and promoting peace. One of the most satisfying Army missions has been the result of the Army's work in Vietnam. This valiant country, whose leaders spoke to us a few days ago in this hall, has achieved internal stability and respected strength in a very few years by its determination and resourcefulness, assisted and encouraged by the United States Army mission in Saigon.

The question may well be asked whether the Army can survive in an era of atomic weapons and missiles. I am convinced that it can. To meet such a contingency the Army is already in the process of reorganization. The combat elements of the Army—the infantry, airborne, and armored divisions—are being streamlined and reoriented toward the requirements of the atomic battlefield. The new so-called pentomic divisions are smaller, more mobile, and possess more firepower than their predecessors.

The equipment of the new airborne divisions has been either lightened or eliminated so that it too can be carried by air. The battle groups of the new infantry divisions are all completely air transportable and, like the airborne divisions, they can be moved quickly anywhere in the world. These new divisions with less total manpower than before have more fighting men and less men supporting them than their older counterparts. The new divisions have been given their own atomic punch and these atomic weapons together with the improvement of conventional weapons give our Army units their greatest firepower in history.

The new organizations depend on larger numbers of Army aircraft to give them an edge in mobility over any forces that they might some day oppose. Consequently the Army is developing an air arm of small fixed-wing aircraft and helicopters, such as can be used in either a short takeoff or a vertical takeoff. This so-called air arm of the Army in no way conflicts with the Air Force.

The increasing complexities of weapons in our defense forces demands that no talent go to waste and the Army is keenly aware of this. I am satisfied that the Army now is making excellent use of the talents and abilities of the young men and women who enter its service. American parents may rest assured that their sons and daughters upon entering the service are carefully evaluated and assigned to those jobs for which they are best fitted. Especially is this so in utilizing those with scientific and professional experience. The Army is not soft, and neither is it perfect, but it has vastly improved its assignments and its training in the past few years.

Army leadership in ballistic missile development has been recognized for some time. Dr. Von Braun and his colleagues of the Army Ballistics Missile Agency at Red Stone Arsenal in Alabama are recognized as the foremost missile development team in the United States. These scientists have been working for the Army since 1947 when at the end of World War II we had the foresight to bring them into this country and reserve their talents for the benefit of this Nation. The arsenal of Army missiles which has grown out of this effort is impressive. The Honest John and the Corporal are already in the hands of our troops overseas. Others to follow in quick succession are Little John, LaCrosse and Red Stone. I am convinced that the Army Jupiter, the intermediate

range ballistic missile, is the most successful development thus far of this type.

Of the many contributions of the United States Army, the most obvious, and the one closest home, is the defense of the cities and industries of our Nation against air attack by the use of Army surface-to-air Nike missiles. All the arguments about antiaircraft missiles are overshadowed by the fact that the Nike is the only fully developed land-based surface-to-air missile in business today. Nike installations are in place now in many localities including the area around Washington.

In time improved versions of these missiles will replace the fighter intercepter for the close-in defense of our vital areas. In the very near future the Army will bring the Nike Hercules in the Army Air Defense Command and it will ultimately replace tht present Nike-Ajax. The Nike Hercules has a greater range and more destructive power than the Ajax, so it will afford an efficient defense against the more modern planes. The Army Air Defense Command is a strong deterrent to any would be aggressor.

The Army, like the other Services, has its problems with rising costs. The new and complicated modern equipment is very expensive. For example the cost of equipping a Nike Battalion is 2½ times as much as that of a 90 mm gun battalion which it replaces. Also the record shows that materiel costs are up some 7 percent above fiscal 1956 costs. It takes careful planning and management to keep the operational and procurement costs at realistic figures. The Army has improved its management remarkably during the past several years.

There has been considerable criticism of waste in the Armed Services over a period of years, but I submit that we should give commendation to the Army for the effort it is making to put its house in order, and give the American public an adequate defense machine at the lowest possible cost. Schools have been established to train officers in the most efficient management and to develop the most practicable and highly efficient procurement practices. Even procedures for making small purchases, which compose the largest part of the procurement effort, now closely parallel in efficiency the practices used in business and industry.

Management in the defense forces cannot, in my opinion, be developed to the efficiency obtained in private industry, because industries are able to retain its efficient executives and workers while the officers and men of the Army are undergoing constant transfer and reassignment in order that they may have the broadest possible experience in all phases of military activity. I do believe, however, that waste in the Army is being minimized and duplication is being eliminated.

Because of its experience and organization the Army, under the single management system initiated last year, has been designated manager for subsistence, clothing and textiles, and traffic management within the United States for all defense forces. In other words, the initial procurement of food and clothing, and the transportation of goods and men in the Zone of the Interior is an Army responsibility.

I return now to my original premise that this country, in order to be properly protected, must have a balanced team of defense forces. One of the abilities that made America great has been that ability to reconcile differences, and to cooperate with each other for the best interests of all concerned. I believe that this must be our objective as regards the several elements of our Armed Forces. In his novel the Three Musketeers, Dumas has his 3 heroes pledging each other "all for one and one for all."

I believe this would be a fitting motto for our airmen, our soldiers, our sailors and our marines.

Mr. Chairman, I yield back the balance of my time.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. OSTERTAG].

Mr. OSTERTAG. Mr. Chairman, before commenting on the bill which is before us, I wish to pay tribute to the chairman of our subcommittee, the Honorable GEORGE H. MAHON, of Texas. There are few civilians in our country who have as profound knowledge of our defense program as Congressman MAHON. His searching, diligent study, and analysis of the budget now before us, represents years of acquaintance with defense problems, plus a broad and balanced view of their relations to our security and economy. It has been a pleasure and an honor to work with him and under his leadership.

Now, I should also like to pay tribute to the ranking minority member of the committee, the gentleman from Massachusetts [Mr. WIGGLESWORTH]. It has been my pleasure to work with him not only on the full Subcommittee on Appropriations for Defense, but also on the Navy panel. The members of this subcommittee, 13 in all, are devoted men and unusually equipped to deal with this tremendous task of considering some $30 or more billions each year. It has been quite an experience to be associated with him in this task.

I should like also to pay tribute to the chairman of the Navy panel, the gentleman from California [Mr. SHEPPARD]. He has presided over the Navy subcommittee panel discussions and deliberations and he has always been fair, conscientious, and diligent in his undertaking.

During the past 4 months, the Subcommittee on Defense of the Appropriations Committee, has spent hundreds of hours and has taken thousands of pages of testimony on the defense budget. A military establishment—any military establishment—is a giant, with an insatiable appetite. No military establishment in history ever got all it wanted, or all it thought was necessary to fulfill its missions. Ours is no different. Our Defense officials are to be commended for it. If they were willing to think in terms of half-measures, they would have no business being in the Defense Department and our armed services. On the other hand, it is our responsibility to weigh their requests within the broad framework of our national welfare. The reason our Constitution provides for civilian control over the military is to insure that the military shall be subject to checks and balances like the rest of our Government.

The President has wisely noted, that our freedom depends, in equal measure, on spiritual, economic, and military strength, and the impairment of any one of them can be fatal to the whole. There is no one on earth who can say to you with certainty that X billions of dollars will secure the safety of our country while Y billions will imperil it.

In the consideration of this budget we must give thought to inflation, which is steadily eroding the buying power of our dollar. For a time, a few years ago, the deadly virus of inflation was checked, and the dollar remained virtually stable. Then our national budget began to rise again, and inflation resumed its devastating march across our land. Defense spending is the biggest item in our national budget. Just last week we have had two solemn warnings from two joint Congressional committees that Federal spending is going to outrun the original estimates, that inflation is the chief villain of the piece, and that hope of tax relief must be abandoned. This is sobering news to the American people, who are carrying the heaviest tax load in the world and the heaviest tax load in history.

We need to remind ourselves that the only way to curb inflation is through restraint and discipline. Trying to outspend it is like trying to put out a fire with gasoline. It is a sure road to disaster.

On the other hand, we must not let down our guard and we must not take second place to any power on earth. It would seem reasonable and wise to hold costs down, particularly expenditures which will in no way reduce our total military strength and national security.

Now, if I may just take a moment to review some of the general figures with regard to this bill, calling your attention once again, as has been mentioned before, the total budget request before us as presented by the administration, amounted to $36,128,000,000.

This bill amounts to $33,541,255,000, a reduction of $2,586,775,000.

There is an unexpended carryover of $32,803,000,000. After this bill has been passed and the money is appropriated there will be available for expenditure some $66.3 billion.

I might call your attention to the fact that estimates for spending during this next fiscal year are not the amount of money that is in this bill, but estimated for expenditure is the total sum of $35,704,000,000.

I think, too, it is important to note, and very little has been said about it, the increased cost to our Military Establishment resulting from economic factors as a result of developments that have taken place over the years: For example, a number of years ago a conventional submarine cost about $4,700,000; today a nuclear-powered submarine costs in the neighborhood of $60 million.

Back in the World War II years a B-29 bomber cost $600,000. Moving along to Korean times a B-36 cost $4 million;

and today our B-52 bombers cost $8,500,000 each.

I might also call your attention to the fact that this bill includes within it over $300 million to provide the funds necessary to meet the retirement contribution on the part of the Government. It also includes increased pay and allowances which were provided for by law by the Congress of the United States. It also calls for increased provisions for the so-called dependents medical care which was made law about a year ago and which we provided allowances or benefits for dependents as well as our military people in the matter of medical care. All of these services and all of these costs have added to the total overall costs necessary to meet our responsibilities in this atomic age.

Now, I think you ought to know, too, that $190 million of this reduction is based on the transfer of excessive funds in the Navy and Marine Corps stock funds and in the naval industrial fund to the appropriation for military personnel, Navy. That is part of the changes or the items referred to heretofore as bookkeeping transactions.

The funds recommended by the committee will provide an average year's strength of 675,000 military personnel in the Navy. Others on the committee, the gentleman from Kansas [Mr. SCRIVNER] and the gentleman from Texas [Mr. MAHON], and other Members, have made reference to the fact that this bill does in no wise reduce or change our military personnel as such.

The shipbuilding program is the heart and soul of the Navy. Funds in the bill will provide for the construction of the first nuclear-propelled attack aircraft carrier. Five guided missile destroyers are included. Heavier and harder hitting than these destroyers are the guided missile frigates, of which there are 8 in this program. In these ships the full main battery is the guided missiles. Like the guided missile destroyers they will have the latest in the antisubmarine warfare weapons system. I think it might be well for me to call your attention, if it has not already been said, to the fact it is common knowledge that the Soviet Union has had a tremendous buildup of submarines. I believe the number ranges over the 400 mark.

We are continuing to put powerful emphasis on submarines. There are three nuclear-propelled guided missile submarines in this program. These submarines have the tremendous advantage of high sustained submerged speed, great maneuverability and endurance, limited only by the staying power of those who man them. They will make a major contribution to the underseas warfare capabilities of our Navy.

It has been mentioned that the fourth nuclear-propelled submarine is contained in this year's shipbuilding program.

Included in the conversion program are three guided-missile cruisers, an attack aircraft carrier, and four ocean-radar picket ships.

The heart of the striking power of the Navy continues to be the attack carrier. May I state, too, that the Chief of Naval Operations and the Secretary of the Navy, and others, have reminded us constantly that the role and mission of the Navy is control of the seas. When you stop to realize the developments and changes that have taken place, you will find with the Navy, despite the fact its mission is the control of the seas, its principal operation is airpower.

This bill will provide for the procurement of approximately 1,220 aircraft which, when coupled with prior procurement, will provide for approximately 2,100 new aircraft deliveries to the Navy and Marine Corps during this next fiscal year. I believe the record shows that the Navy's inventory today is somewhere in the neighborhood of 17,000 aircraft. The percentage of modernity and combat potential of the Navy air arm will increase during the fiscal year 1958, with the receipt of more modern aircraft. Additional Navy and Marine air squadrons will have more guided-missile capabilities. In other words, this already powerful, strong arm of the Navy will be greatly reinforced by the program contained in this bill.

The Marine Corps has developed its new vertical assault technique. The amphibious assault ship funded in the fiscal year 1958 program is the heart of this future amphibious operation. The Marine Corps will continue to be maintained at the level of 3 combat divisions and 3 Marine air wings with the necessary supporting troops. The strength of the Marine Corps will be maintained at the level of 200,000 personnel.

It has been my personal privilege to serve as a member of the Board of Visitors of the Naval Academy where one of the major problems has been the lack of maintenance to their official plant. This bill makes provision for increased maintenance support at the Academy to assure that it continues to fulfill its vital purpose.

In the field of procurement of ordnance and ammunition the committee has recommended a total of $176 million, a reduction of $80 million in the budget estimate. According to the data presented to the committee in the detailed hearings unobligated balances will be available in this account considerably in excess of the amount shown in the budget estimates. As a matter of fact, $81 million of the funds appropriated for this item in fiscal year 1957 have not even been apportioned to the Department of the Navy. These balances represent to a large degree the basis for the committee reduction. The program approved by the committee in this field for fiscal year 1958 will provide for major steps forward in equipping the fleet with modern weapons, including guided missiles and weapons systems especially designed for antisubmarine warfare.

The matter of aviation spare parts and the aviation supply system has been of particular interest to me. The spare parts problem as it relates to aircraft procurement is a complex one. Modern aircraft, with their many and varied components, make the accurate prediction of the requirements for spare parts most difficult.

This subject has been discussed by other members of the committee, particularly with reference to the Air Force, but it is still a problem in the services generally. Frequently, in the provisioning of new planes, there is little or no usage data upon which to base the spare parts requirements. In recent years, the Navy has taken firm steps to solve this problem. I believe, however, that much more remains to be done, and that continued careful and diligent analysis of this problem will result in considerable savings to the Government in the future as well as in increased operational effectiveness and efficiency in the Navy. The committee report has aptly stated:

> It will be expected that the present method used on initial provisioning and in subsequent replenishment will be thoroughly reviewed and procurement (of spares and spare parts) held to the minimum consistent with the operational needs of the Navy.

An almost equally difficult problem is the matter of the aviation supply system. The complexities which plague the provisioning of spare parts are accentuated in the difficulties in operation of the aviation supply system. The aircraft in the fleet and the effectiveness of the naval air arm are responsive in a large degree to the effectiveness of the aviation supply system. Unless these planes can be supplied in the proper manner, the fleet will automatically be denied their operational capabilities. The presentation of this problem to the committee showed that progress is being made in improving the effectiveness of this supply program.

Mr. Chairman, in short, the recommended funds for the Navy, as for the other services, will, in my judgment, add great new strength to our already powerful Defense Establishment.

I have reservation on certain cuts which have been recommended, and that is in connection with the reduction of funds for all-weather fighter planes, missiles, and spare parts for aircraft. In connection with the overall missile development, there are, in fact, 26 different kinds of missiles now being developed by the 3 services, 9 of which are currently operational. Concurrent efforts in this field were originally encouraged in the Defense Department as a means of achieving operational weapons in this field at the earliest possible moment. Yet I am not entirely satisfied that the shift in objectives justified a reduction in this particular budget item and seriously question our action in that regard.

Despite the general acceptance that the threat of war has lessened, we must not in any way let down our guard. Our committee has, in a sense, presented a budget to you which carries with it a statement or a declaration that we have in no way reduced our missile program or prevented the production or procurement of missiles and of important bombers or other airplanes and aircraft.

I hope that we can fulfill that pledge and that promise, because we must continue to maintain a strong, modern Military Establishment. Costs will continue to rise because of these new developments in the missile field and the atomic carriers and superjets. They all mean more and more dollars.

As Admiral Radford said to our committee, as shown at page 4 of our report:

> I feel that we have a Military Establishment today which is responsive to almost any situation that can be foreseen, and within a reasonable period of time we can take care of anything. And we are respected. Our power is respected.

Secretary Wilson said:

> With the situation the world is in today, * * * another world war would inevitably be an atomic war, and that the big thing is to avoid any such catastrophe.

I feel, Mr. Chairman, that our best insurance of preventing an atomic war is to meet our responsibility of the best possible national security through modern development in this atomic age.

Mr. MAHON. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. KILDAY].

Mr. KILDAY. Mr. Chairman, I know of nothing in the present world situation which would justify any reduction in our National Defense Establishment. On the other hand, I know of nothing that would cause me to believe that our present National Defense Establishment is operated with 100 percent efficiency and economy. I feel that we can with complete safety to our country maintain our present defense forces and do so under the amount of money that has been recommended by the Committee on Appropriations. It is, therefore, my purpose when we come to reading the bill to vote to sustain the action of the Committee on Appropriations in reporting this bill to us.

I feel that the budget of the Department of Defense is the same as any other budget except that it is larger. I think it is even the same as a family budget and that like any other budget it can find ways and means of taking care of sudden emergencies or effecting some economies. I think the family man who is making perhaps $600 a month who finds himself suddenly confronted by a doctor's or dentist's bill of $42, which would be 7 percent of his income, just as this Congress' cut is 7 percent, will find ways and means of paying that $42 by cutting down on some of the luxuries he had anticipated. I think every one of us on the floor, every Member of this House, had had many, many occasions of doing the same thing, and I think our military forces can do that also.

I feel that there does exist some luxury, some activities that can be lessened and this amount of money saved. I have stated that I shall support the committee's action in applying these cuts. The committee has studied the budget of the Defense Department and has decided that in the areas it has applied the cuts it can be done with safety, and I shall support that action.

If it had been my decision and if I had the right to say the manner in which it would have been done, I would not have done it exactly as the committee has done. I feel that all that needs to be taken out of the request of the Department is an amount of savings. I do not know where those savings ought to be made specifically. I know many areas in which I know savings can be effected, but the departments should know or they can find out where those savings could be made.

I would have provided in the bill after appropriating the amount of money requested that the Secretary of each military department was required to effect savings to a stated amount within his own department, and in that manner we would have been able to save in the lowest priority of military necessity. Each department knows which item of expenditure is absolutely essential and of the highest priority. By following that system they would have been in a position to eliminate those things which they needed the least or those things which they could have postponed. I have no doubt that the departments when you ask them how they would apply a cut that might affect personnel would come up with a statement of 15,000 men, and that constitutes a division. On the other hand, I am not positive by a great deal that there are not 15,000 men in the Army who are not assigned to divisions. I know that there are military police assigned to patrolling practically ever city and community in which a military establishment is located, that the civilian police are already patrolling that city, and that that duplication is not necessary. I know the same to be true with the Air Force. I know that somewhere in the lines of communications around depots and whatnot those men could be found.

So should it be that the other body should see fit to adopt a system under which the amount requested in the budget by each military department is appropriated, and that then a stated amount equivalent to reductions made by this committee is imposed upon the Secretary of a military department as the amount that he shall reduce the funds appropriated to him, it will represent the saving that this committee has asked for, and it will not be subject to any criticism that we are cutting necessary or essential items. This is not a new departure. This has been done by this House before. In the year when we had one appropriation bill for all departments, I believe it was either 1949 or 1950, after these funds had been appropriated there was an amendment which required the departments to reduce, I think it was by $550 million, the amount that had been appropriated. That was done and it was found to be administratively feasible. So, I say I support the committee in their view of effecting these savings and the manner in which they have done so. Should the other body see fit to adopt the other system, I would support that.

Mr. Chairman, I yield back to the remainder of my time.

The Clerk read as follows:

TITLE II

Interservice activities

Claims

For payment of claims by the Office of the Secretary of Defense, the Army (except as provided in appropriation for civil functions administered by the Department of the Army), Navy, Marine Corps, and Air Force, as authorized by law; claims (not to exceed $1,000 in any one case) for damages to or loss of private property incident to the operation of Army and Air National Guard camps of instruction, either during the stay of units of said organizations at such camps or while en route thereto or therefrom; claims for damages arising under training contracts with carriers; and repayment of amounts determined by the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force, or officers designated by them, to have been erroneously collected from military and civilian personnel of the Departments of the Army, Navy, and Air Force or from States, Territories, or the District of Columbia, or members of National Guard units thereof; $12,000,000.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose, and the Speaker having resumed the chair, Mr. KEOGH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7665) making appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE TO EXTEND

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members who spoke on the defense appropriation bill today may have permission to revise and extend their remarks and include appropriate extraneous matter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

> H. Con. Res. 179. Concurrent resolution authorizing the printing of additional copies of the report to accompany H. R. 7125, a bill to make technical changes in the Federal excise-tax laws.

The message also announced that the Senate recedes from its amendments Nos. 5 and 8 to the bill (H. R. 5788) entitled "An act making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1958, and for other purposes."

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

> S. Con. Res. 33. Concurrent resolution requesting the President to return the enrolled bill S. 1463 to the Senate.

ADDRESS BY HON. SHERMAN ADAMS, ASSISTANT TO THE PRESIDENT, DELIVERED AT TRENTON, N. J., MAY 24, 1957, BEFORE THE SIXTH REGIONAL CONFERENCE SPONSORED BY THE REPUBLICAN NATIONAL COMMITTEE

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. SCOTT] may extend his remarks at this point, and to include an address.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. SCOTT of Pennsylvania. Mr. Speaker, the Honorable Sherman Adams, assistant to the President, delivered a very informative address at Trenton, N. J., on last Friday before the regional conference sponsored by the Republican National Committee, as follows:

Tonight I feel as Abe Lincoln evidently did on one occasion in 1860.

You will recall that after his nomination he stayed in Springfield until the election. There he interviewed an endless procession of job hunters and their friends. This frustrating job he patiently handled with that amazing humanism, tact and insight that distinguished him from ordinary men. Then one day he contracted a mild case of smallpox. When he discovered what his ailment was, he said to his secretary, "Tell all the officeseekers to come at once, for now I have something I can give all of them."

Tonight I also have the urge to give something to everybody. I hope, however, I shall have something less uncomfortable than he had to give. I earnestly hope, too, it will prove to be of greater value to all of you.

This gathering is the sixth in a nationwide series of such meetings. To me it is best characterized as a soul searching—a coming together to evaluate how far we have progressed these past 4 years—to measure where we now are—to appraise where we, as Americans and as Republicans, must strive to go between now and 1958 and 1960.

As it is written in the Holy Book, "To every thing there is a season, and a time to every purpose under the heaven." This is our season—this is our time—to set about our common purpose in the face of the obstacles we know are ahead.

I am not used to mincing words. Nor am I accustomed, as the saying goes, to shovel smoke. It is written that there is "a time to keep silence, and a time to speak." Tonight I am here to speak.

For I am certain of this: We are at the time, and we are in the season, when straight talking is indispensable to Republican purpose and progress. In no other way can we chart for ourselves the right course. It is to do exactly this that we are gathered here.

Our self-appraisal will not be helped by turning our eyes from some of the things that have been perplexing our party. An example is our peculiar obsession right now with epithetical Republicanism.

In earlier political history Americans have known the Barnburners, the Know Nothings, the Free Soilers, the Mugwumps, the Abolitionists, and the Locofocos. Today how freely we Republicans bandy about colorful terms.

The Democrat opposition, as all of us know, suffers from a chronic and incurable political schizophrenia. Schizophrenia, you remember, is split personality. Indeed, their party is irreparably split—and down its very middle, both geographically and philosophically—and the split is so deep that the party simply cannot put itself together again. In that party, as the North proposes, the South disposes, and never the twain shall meet.

Unfortunately, we Republicans are doing a little splitting ourselves. While this may be fun, it is a pastime we can ill afford.

Today, we have the stalwarts, the irreconciled, and the irreconcilables. We have the liberals, the liberal-conservatives, the plain and simple conservatives, and the reactionaries. We have the moderns and the under anti-moderns, the old-fashioned and the traditionalists, each resoundingly the oracle of the true meaning of Republicanism. By itself that should give us concern enough.

But another concern is the 1958 Federal budget, its size and composition, what it means to us.

Another is our defense and mutual security programs and their cost and meaning to our country and our party.

Here's yet another, social progress, its scope and direction, and what difference it makes to us as a people and as a party.

Another is our party's official posture before the American people, proclaimed proudly, before all America in our party's platform adopted a short 9 months ago in San Francisco. We are concerned as well with the import of these solemn pledges to our President and to all of us who consider ourselves loyal, dependable workers in the Republican cause.

Two other concerns come to mind. One is the year 1958, as critical a year as our party has faced in its 100 years. The other is 1960, the importance of which I hardly need emphasize here.

So we need to look again to the bricks and mortar of our party structure. The outlines of this great edifice we can see easily enough. But we must test the materials that compose its foundations and walls, lest intentionally or otherwise, by our own huffing and puffing, we blow our own house down.

Now, our party is no nicely-trimmed organization including only those who think and speak precisely alike. It enforces conformity upon no one. Our party is big enough in spirit and purpose to include every single citizen who believes in its basic principles.

Every Republican is entitled to interpret for himself the nature of our commitments and objectives. Even so, if our party means anything at all, it means that every loyal member of this Republican party is committed to certain common goals and shares certain basic views.

The hyphenation of Republicanism that I mentioned earlier is a case in point. We must stop claiming allegiance to a fraction of a faction. Suppose we be just this—loyal Republicans—the kind of Republicans who are willing to join with other Republicans to get our Congress back in 1958 and keep the Presidency in 1960.

As his first term came toward a close, three considerations weighed heavily in the President's mind as he considered the possibility of another term:

1. That the foreign policies he had pursued had kept our country at peace in this dangerous world.

2. That his domestic policies had brought prosperity to our people.

3. That he felt he had the physical energy to go through four more gruelling years of the Presidency.

As for the last, time and the fates will prove, but this I can report to you: The President is in great shape, and unless I miss my guess, both time and fate are on his side.

As for the second—his domestic policies—may I give you the opinion of one of the opposition leadership. During last month's recess of the Congress he told me this: "My people are happy and prosperous," he said. "They have relatively few complaints. They look ahead with confidence. Just keep that President of yours in good health for us."

As for the first—his foreign policies—we have an absence of fighting. To be sure, an uneasy peace. But we have stopped the loss of frontiers of the Free World. The Communist destroyers of freedom are understanding more clearly where we stand. Ours has been a cleaner and plainer policy. Our relentless waging of peace is turning the tide. The neutrals and the soft populations are edging our way. Our mutual security programs, our "Atoms for Peace" program, our disarmament efforts, our information services, our every diplomatic move, all are showing results in an easing of tensions and a recolling from war. True, keeping the peace is expensive.

And let that introduce some observations about the spending of money.

First, let's remind ourselves of certain precepts that we Republicans hold in common—economical and efficient government, for instance—a government that taxes no more than imperatively necessary to maintain essential functions—that spends no more than the minimum needed for such services—that considers the public debt not praiseworthy proof of our national wealth but an obligation to be paid off. We demand government that respects and is determined to protect the integrity of the citizen's dollar, that recognizes the indispensability of private initiative to our way of life, that believes in the rewarding of ability and hard work—a government devoted to equality of freedom but that rejects paternalism, regimentation, and the penalizing of success.

To me these are traditional Republican principles. They are as sound and strong today as ever. They are more than enough to make trivial our superficial differences which merely prove the continuing vigor of this Grand Old Party—a party as lustily determined today as at its birth a century ago to meet responsibly the Nation's needs.

It's time we looked hard at our growing propensity to find motes in our colleagues' eyes, to harp about our primly adjusted party halos, to pass judgments, and to bandy about epithets, as though we ourselves were our own worst enemies—political or otherwise. It is time that we, as a party, mind an old adage, "What Peter says about Paul tells more about Peter than it tells about Paul."

To prove my point, let's take our Republican precept: good government is economical government. That, I am sure, has no opponent here. Now let's apply it.

What does economy in government mean to you, to your neighbor, to our party throughout the Nation? Does it mean endangering our country's safety to save dollars, regardless of Communist missiles and aircraft and submarines and atomic bombs? Surely, it must not. Yet we do want economy, and we want our taxes cut. So we ask ourselves, can we cut the Federal budget for defense, where 2 out of 3 of our tax dollars go?

On this there has been much difference of opinion. Mainly it is inspired by our political opposition, which a year ago was charging all over America alleging that our defenses, along with all other Federal programs, had too little, not too much, money. That fact is an interesting commentary on how much they meant what they said last year, and how much they mean the exact opposite that they say now. You remember the jet airplane that flew into its own bullets last year. If we'll just be patient, the opposition will show us exactly how that's done in politics.

But here's the point: Is the defense budget now recommended by the President too big, as the opposition says now—too little, as the opposition said last year—or about the right amount as our President says?

Should we, for example, buy fewer jet bombers at $8 million each because they cost two and a half times more than they did, and fewer aircraft carriers because they cost three times as much? Should we have fewer submarines and tanks because their cost has doubled—fewer missiles and rockets and atomic bombs because they take billions we could otherwise use for tax cuts?

The answers are obvious. Not one of us would whittle our Army, Navy, Air Force and Marines below safe levels simply to save money.

That raises these key questions: Committed as we are to economy, do you believe that it is either economy or commonsense to cut defense spending below the point of national safety? Would you support unsafe reductions to make possible tax cuts, budget balancing, debt reduction, if thereby

the security of your home and country and world peace were endangered? Of course you would not. Then, what should we do about this major part of this whole budget question?

As for my own viewpoint, I'll say simply this:

I know not who your confidential defense expert is. Maybe he is a Member of Congress or a news reporter—maybe yourself, or, even, your Federal tax return. But certainly I have mine.

He is the best our Nation has ever had in the highest office in the land.

Confidently, gladly, I put my trust for our defense in Dwight D. Eisenhower.

And of this I am deeply convinced: for our Republican Party—for every American—the only sound course is to give our loyal backing to our great soldier-President on what he deems essential to keep the world at peace and to protect our country.

If that be our proper course in defense, then our search for economy must lead us elsewhere.

Now take the figure 41. That, in billions, is defense cost. Add the figure 17. That, in billions, is for interest payments on the huge national debt we inherited from our Johnny-come-lately economy-minded opponents. That $17 billion also pays expenses which the Government under law has no option but to pay. To cut here is unlawful. So we have the figure 58—41 for defense, 17 for bills we have to pay. Now there is another figure—13. In billions, that's what is left in the budget. In part of this area economy seekers can publicly display their zeal by cutting what they voted for last year and by closing up some of the programs that they so eagerly commenced. Judging from some talk I've heard lately, this $13 billion area ought to be our party's happy hunting ground.

Now, let's look at what is in this figure 13.

Aside from defense and expenses fixed by law, the figure 9 pays for every service and program which your Government carries on. What are they? Let me give you just a few examples: flood control, disaster relief, river, shore and harbor improvements, upkeep of our merchant fleet, assistance in cleaning up slums, most of our farm programs, carrying the mails, construction of post offices and public buildings, maintaining national parks for your recreation, health services for our people, the school lunch program, and so on. Spending for these programs can be stopped if you want them and other such programs stopped, but crippling them will build a poor platform to elect a Congress and a Republican President. It is on such questions that some of us in the Republican Party disagree. The test of this budget cutting must be right here, for certainly we agree that our defense must remain strong and that the legal obligations of our Government must be paid.

What is the ingredient in these programs that generates so much argument? Two words define it: social progress.

Here I want to give you some quotations to help put us on the course again.

The first one is this:

"The legitimate object of Government is to do for a community of people whatever they need to have done but cannot do at all, or cannot do so well, for themselves in their separate and individual capacities. But in all that people can individually do as well for themselves, the Government ought not to interfere."

That wise counsel comes to us from our first Republican President, Abraham Lincoln.

The second quotation is this:

"Our religious faiths have taught us our obligation to those who fall behind in the race for a decent living * * * I believe that the Federal Government should aid education in those States below the average national income, should aid States to give free medical care to all those unable to pay for it, should assist local governments in eliminating slums and providing minimum decent housing, and should, in a crisis, undertake to assist States to provide food."

That statement is bequeathed to us by a statesman who became one of our President's closest, most respected friends—Senator Robert A. Taft.

And third, from the President himself, this quotation:

"In all those things that deal with people, be liberal, be human. In all those things which deal with people's money, or their form of government, be conservative."

And fourth, from our Republican platform adopted less than a year ago, these quotations:

Promise No. 1 in our Republican platform:

"We shall continue our far-reaching and sound advances in matters of basic human needs—expansion of social security—broadened coverage in unemployment insurance—improved housing—and better health protection for all our people."

Promise No. 2 in our Republican platform:

"(We) will continue to fight for dynamic and progressive programs which * * * will stimulate improved job safety for our workers * * * (assist) millions of workers with special employment problems, such as older workers, handicapped workers, members of minority groups, and migratory workers; strengthen * * * the Federal-State Employment Service and improve the effectiveness of the unemployment insurance system; protect * * * the assets of employee welfare and benefit plans * * *; assure equal pay for equal work regardless of sex * * * strengthen the 8-hour laws for the benefit of workers who are subject to Federal wage standards * * * extend the protection of the Federal minimum-wage laws to as many more workers as is possible and practicable * * * fight for the elimination of discrimination in employment because of race, creed, color, national origin, ancestry or sex * * * improve the economic conditions of areas faced with persistent and substantial unemployment * * * revise and improve the Taft-Hartley Act * * * (protect) the right of workers to organize into unions and to bargain collectively.

Promise No. 3 in our Republican platform (relating to aid for school construction):

"The Republican Party will renew its efforts to enact a program of Federal assistance in building based on sound principles of need and designed to encourage increased State and local efforts to build more classrooms."

These statements—from Republican leaders, from our present Republic Platform adopted only 9 months ago—I cite with this 1 purpose in view:

Simply this: to clear our minds of any lingering doubts that any of us have that this Party of ours is a novice in the field of social progress, and that our Party today is no less committed to sound social progress than it was when it was born 100 years ago.

The fact is, today we Republicans are committed before all America, and properly so:

First, to work to achieve equality before the law, regardless of race, creed, or color.

Second, to make sure that our Government remains warmly responsive to the urgent social and economic problems of the American people.

To these ends, we are committed by our Republican platform. To these ends, the campaign in 1956 committed us. To these same ends, the President stands personally pledged, and he has explicitly stated that he, for one, does not take pledges and promises lightly.

I am convinced that the great majority of the people of our party are as resolutely determined to work for all other promises to which our party stands committed as they are determined to work for a smaller budget and the protection of the citizen's dollar.

But this economy business is playing some strange tricks. We see some among us, cheered on by the political opposition, attempting to cripple or to strike out forever some of these programs that we—all of us—pledged to the American people a few months ago.

I say simply this: The pledges we have made cannot be ignored, cannot be weakened, cannot be violated without permanent injury to our entire party. Hypocrisy, personal or political, is not part of the Republican character.

Here, let me make one point absolutely clear.

I am proud—and I believe every Republican in America should be—that our President is determined to carry into full effect every platform commitment of our party, and every campaign commitment he made last fall.

Our job, in my opinion, is to give this dedicated President of ours every possible help in carrying those promises into effect. Can there be better politics for the Republican Party? Repudiation of our party promises and programs will end in nothing but political suicide.

Now, a word on one more concern I mentioned—mutual security it is rightly called; foreign aid or giveaway, as some call it.

No purpose can be served by elaborating on this program on the heels of the President's message to Congress and his personal message to the Nation.

Once again, if we will but refer to our party's pledge to the American people, we will see what we must do or rightly forfeit public confidence and support.

Our platform pledge doesn't beat around the bush.

"We shall continue," it says, "to support the collective-security system begun in 1947 and steadily developed on a bipartisan basis."

Our platform goes on to say this: "Technical and economic assistance programs are effective countermeasures to Soviet economic offensives and propaganda. They provide the best way to create the political and social stability essential to lasting peace."

Even in the absence of these pledges, mutual-security programs demand support for the reasons set forth by the President. But with these pledges, if Republicanism now should turn its back on mutual-security programs, it will be not only at the expense of our Nation's security, but also at the expense of running out on the party's word.

That brings me to mention 1958 and 1960.

This much is clear: No less than a unified and all-out effort can hope to bring victory to the Republican Party in either of these years. Our political opposition is already hard at work, both by commission and by omission. Its omission is inaction—for example, in the field of civil rights, immigration, school legislation, all key elements in our legislative program. Their party is in a real dilemma. If they pass civil rights, they're ruined down South. If they don't, they're ruined up North. The same on schools. The same on immigration. To quote a popular Tennessean, their split personality has them "all shook up." Are we going to let that Jekyll and Hyde combination get away with it? I say "No."

Weapons for victory we Republicans have, in great abundance—a great President; a program of national urgency and demonstrated merit; a nation prosperous and at peace; a defense and a program to wage peace that every Republican can proudly support.

Peace we have gained in contrast to 4 years ago; balanced budgets we have restored; tax cuts we have had, the largest in all history; Government payrolls we have cut; social advances we have forged all across the domestic scene. America today is stronger, happier, better prepared economically and militarily, sounder philosophically

and politically, than in many years. In such a climate, on the very heels of such accomplishment, political success is certain if we will just not rest our ears.

If all this were not enough, we have a political opposition in a constant state of self-contradiction, shook up on issues it can never itself resolve.

Here, then, is the really great lesson from this meeting—to return to our homes and places of business reconsecrated to work wholeheartedly together to win back control of Congress in 1958 and to hold the Presidency for Republicanism in 1960.

And second, I feel impelled to leave this thought with you:

To me it is inconceivable that loyal Republicanism can be twisted to mean persistent and carping opposition to our party's leader and our party platform. If that should be our course—inconceivable though it is—then, earnestly I say this to you: Our party will be foredoomed at the polls.

Therefore, let each of us give personal attention to the official pledges of this party of ours. Let us review the pledges of our President last fall. Then let us redouble our efforts and join with him and our party leadership to ensure that this Republican Party of ours stands honestly, clearly, proudly, before America as one that keeps its word.

Let our party work in unity, as it has promised, incessantly for peace, for sustained progress along paths already laid, for the betterment of every citizen, regardless of station, race, color, or creed.

SMALL BUSINESS AND DEFENSE PROCUREMENT

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, relative to my interest in stepping up the share of small business in Government procurement and defense procurement, I have again been informed by the Department of Defense that it is the definite policy of the Department that a fair proportion of the total purchases and contracts for supplies and services of the Department be placed with small business concerns whether as prime contractors, subcontractors, or suppliers.

I have learned with much satisfaction that in order to insure that small business is given this fair proportion, a small business adviser has been appointed to the Office of Assistant Secretary of Defense (Supply and Logistics) who is responsible among other things, for representing the Assistant Secretary of Defense in the execution within the Department of Defense of an appropriate small business program.

Similarly, I am informed that each military department has established an Office of Small Business, and small business specialists have been appointed in each principal procurement office of the military departments. To this end, the military departments have been directed to include in their regulations and instructions specific provisions for carrying out the Department of Defense policy.

It is also the general policy of the Department of Defense to consult and cooperate with the Small Business Administration in actively assisting small business concerns to participate in defense procurement. To carry out this policy, I am informed that representatives of the Small Business Administration are afforded an opportunity to review proposed procurements of $10,000 and over and to make recommendations concerning them, including proposals that they be exclusively or partially set aside for small business concerns. When it is determined by such representatives and the contracting procurement agency, the entire amount of the procurement may be set aside for the exclusive participation by small business concerns. Furthermore, in the Department of Defense subcontracting program, prime contractors with prime contracts in excess of $1 million are urged to establish small-business programs similar to that of the Department of Defense.

It is interesting to note that in the 18-month period July 1, 1955, to December 31, 1956, the net value of military prime contracts with business firms in the United States total approximately $27.6 billion. During the same period the small business potential amounted to $8.3 billion or about 30 percent of the total procurement.

Although this factual information seems to indicate that the Defense Department is acting under the Small Business Act of 1953 and motivated by the same consideration that prompted my own bill, H. R. 871, for setting aside a specific portion of the total defense program for small business, I think it will be of great importance that the Department continues its efforts to channel a larger portion of its total procurement to small business. The facts show that small business employs more than 50 percent of the total labor force actively engaged in industry and business, and I think that most of us recognize that small business as such is the very keystone of the vaunted, incomparable American free enterprise system.

Let me make it clear that those of us interested in the problems of small business, seeking to protect and strengthen the position of small business in the economy are not hostile to big business. We believe that big business, like small business, definitely has its place in our economy. Some of us have been concerned, however, about certain aspects of the marked recent growth and steadily increasing and broadening influence of huge business aggregations which we conceive may be posing for the Nation serious problems arising from monopolistic organization acquiring such vast economic power as to, in course of time, stifle, harm, and dangerously check the opportunities of small business as well as lessen competition and work dangerous social results to the people.

It is my confirmed view that there is room for every kind of enterprise, large and small, in this great Nation and in our economy. The important thing is to maintain the kind of climate that will protect and consequently spread over the entire field those incentives and opportunities for expression and fulfillment of initiative that are necessary to promote the health, vigor, and dynamic character of our business and economic institutions.

It is for these reasons that I regard the implementation by the Defense Department of the Small Business Act of 1953 to be so fortuitous, timely, and encouraging. I hope efforts along this line will continue, not only in the Defense Department, but in every other department of Government, in order to insure for small business a real opportunity to enjoy the fruits of Government procurement and Government contracts, which at this time in our economic history are so important to business, and consequently to millions of workers, technicians, experts, and managers who are dependent upon continued prosperity for livelihood for themselves and their families.

Many are concerned and alarmed about the impact and effects, industrially, economically and socially, that would follow the termination of huge annual expenditures by the Government for defense and related purposes. For several years now, the Federal Government has been spending billions upon billions of dollars for defense, most of which is channeled into the national economy. Obviously, the sudden cessation of this voluminous flow of dollars would have serious repercussions, yet I am of the opinion that these untoward effects would not long be continued. In the short run, the Government would certainly have to implement in other fields makeshift substitutes for these huge expenditures. But in the long run, there are such vital forces of growth and development at work in the Nation driving us forward to increasing economic and social levels that our economy would be bound to make favorable adjustments.

The rapid increase in population well beyond any of our expectations, the advent of surprising, miraculous new inventions, the expansion of scientific and industrial techniques, the emergence of a multitude of new needs and new demands of the economy and of the people from a solid basis for future expansion and future economic well-being and prosperity.

The real problem of the Congress is to maintain its acute awareness of deep-rooted changes and advances in our total organic structure and try to anticipate the time of necessary readjustments due to the improvement of conditions in the world, and the elimination, or at least the amelioration, of those alarming forces tending in the direction of armed conflict. Once we could effect and insure the peace, we could all be relieved of the great anxiety that besets the people of the world, and in that sense other problems would be susceptible of reasonably advantageous solution.

Once the problems of nuclear war have been solved and enduring peace assured, the Nation and the world would not only be relieved of greatest concern, but could bestow undivided attention upon the problems of peace. While these problems in proper perspective would loom large and challenging in more ways than one, they would be a welcome substitute for present repetitious threats of impending nuclear war.

MORE WIDOWS TO BECOME ELIGIBLE FOR VA BENEFITS

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, at the present time, widows of some veterans are eligible for a death pension or death compensation while others are not.

This unfair situation has developed through lack of coordination in the various laws that were passed over the decades pertaining to the eligibility of a veteran's widow to certain benefits as a result of her deceased husband's wartime or peacetime military service.

The purpose of H. R. 3658 is to clear up the confusion and the contradictions; to establish uniform standards of eligibility; and to validate certain marriages, insofar as a widow's entitlement to benefits is concerned, where the two parties married in good faith and lived together, unaware of a legal impediment to their marriage.

It is the opinion of the Committee on Veterans' Affairs that the requirements provided in section 1 of this bill are reasonable and will add no great cost to veterans' benefits. It is estimated by the Veterans' Administration that a maximum of 12,000 widows of veterans of World War I, prior wars, and peacetime service would become eligible for compensation and pension benefits under section 1 of the bill, during the first year, at an estimated cost for that year of $6,559,000. There is insufficient data upon which to base an estimate of the additional pension cost in World War II cases. There will be no additional cost for Korean conflict cases until after January 31, 1965. The Veterans' Administration believes that the cost of section 2 of the bill would be relatively small and favors the section in principle.

As to section 1, the bill recognizes that a veteran's widow should not be excluded from entitlement to benefits because her husband married her later in life and died before a stated member of years had passed. For instance, under present law, the widow of a World War I veteran, who married the veteran after December 14, 1944, must have been married to him for 10 or more years prior to his death or else lose her eligibility.

Widows of World War 2 veterans must have married the veterans prior to January 1, 1957. Widows of Korean veterans must prove that the marriage occurred before January 31, 1965.

This bill would ease these rigid requirements by reducing from 10 to 5 years the length of marriage that would make a widow eligible. She would qualify at any time if a child is born of the marriage.

Concerning section 2 of this bill, the following comment by the VA is convincing:

> A study conducted in 1955 revealed that application of the law has sometimes produced harsh results. The study disclosed a number of cases where a claimant was unable to establish that a prior marriage on the part of either the veteran or herself had been legally dissolved, with the result that benefits were accordingly denied, notwithstanding that in good faith she entered into a marriage with the veteran, cohabited with him for many years, and in some instances bore children in such ostensible marriage relationship.

Under the present hodge-podge of veterans legislation we are declaring that unless a veteran marries before a certain date that marriage is not recognized—in regard to the widow's entitlement to pension or compensation—until the marriage has been in effect for 10 years.

But a widow of a veteran who marries before a given delimiting date qualifies for benefits, even though the marriage is suddenly cut short by the death of the veteran.

It is manifestly unjust to draw these arbitrary distinctions.

When a woman marries a veteran in good faith, she should be recognized as his widow when death takes her husband away.

To remove present disparities and to approximate a uniform rule governing the eligibility of widows for VA benefits, I wish to support H. R. 3658.

THE FEDERAL COMMUNICATIONS COMMISSION

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. DINGELL. Mr. Speaker, next month there will be a vacancy on the Federal Communications Commission with the exodus of George McConnaughey, the Chairman.

Mr. McConnaughey is a former Ohio telephone company lawyer who is winding up one of the most ignominious careers in the history of quasi-judicial regulatory agencies. The story of his leadership is already partially available. In fact, the activities of the Commission seem to have become so nauseating to high administration circles as to prompt a search for a more desirable type of official. I am informed that a Mr. Edward K. Mills of the General Services Administration was considered as a new member of the Commission with a view to having him clean up this most politics ridden of all regulatory agencies. However, it was reported he was to tidy up these Augean stables without getting the chairmanship and politely turned down the offer.

The chairmanship, Mr. Speaker, is said to be earmarked for Commissioner John Doerfer, who has worked closely with Mr. McConnaughey in giving the Commission the reputation it has acquired in the Congress and in the industry. Mr. McConnaughey and Mr. Doerfer have demonstrated a penchant for endearing themselves to the networks and the bigger telecasters—the people, in short, whom the FCC is supposed to regulate.

I think it essential that the Congress have the facts on the record of these two men, and the way in which they have dragged the Commission down into its present situation. It will certainly be in the interest of the people to expedite the inquiry by the House Commerce Subcommittee into the conduct of this and other regulatory agencies and the manner in which they are discharging their responsibilities.

Mr. McConnaughey is a man who tries to take good care of his friends. Thus a Commission investigation of the telephone company's charges for television transmission has been kept under wraps, possibly because of the Chairman's ties with the people he formerly represented as attorney. Mr. McConnaughey has also been kind to the networks. The record will show that at one gathering, he discussed with the networks and other broadcasters, FCC staff investigations of obvious concern to the networks. He placated network fears telling them they need have no anxieties about the investigation. He had the gall to prejudge a matter in which he might sit as chief judge.

Mr. McConnaughey should also be brought before the House Commerce Subcommittee to explain favors he has sought from broadcasters who are subject to regulation by his agency, and who in fact had matters pending before his agency.

He should also be asked to explain certain decisions of the Commission in which he and 3 others of the 7-man group have voted together in shocking disregard of policies underlying the award of television construction licenses, including the infamous decision this past April 25 to award a television license in Boston to an interest controlled by adjudicated monopolists.

Three weeks before that decision, on April 2, I called to the attention of the House the reports in the television industry press about the skids being greased at the Commission to award a television channel in Boston to the monopolists. In these remarks, I outlined the efforts of the Boston Globe, an independent newspaper, and not an applicant for a TV channel, to intervene in the case after indications that the Chief Examiner of the Commission, who had rated the monopoly interests—the Herald-Traveler—a tie for a poor third, would be overruled by a majority comprising Commissioners McConnaughey, Doerfer, Lee, and Mack.

Mr. Speaker, the intent and will of the Congress calls for the award of broadcasting licenses in the public interest, not to promote the newspapers owned by adjudicated monopolists. The intent and will of the Congress and the acknowledged responsibility of the Commission are to diversify ownership of media of mass communication, not to concentrate them in the hands of a single outfit—especially a firm like the Herald-Traveler which is controlled by one Sidney Winslow who together with his company, the United Shoe Machinery Company, have a notorious record of violations of the antitrust laws.

The Commission soft-pedaled this flagrant record of the Herald-Traveler

ownership. Instead the McConnaughey majority apologetically observed that the practices engaged in by Winslow's company, the United Shoe Machinery Co., were not predatory. The United States Government demonstrated otherwise. In the Supreme Court of the United States, in response to questions by Chief Justice Warren, Government Counsel cited practices which he described as harsh and ruthlessly restrictive. The Court, in fact, unanimously upheld a decree compelling the United Shoe Machinery Co., a classic example of the old-line trusts that gave rise to the Sherman and Clayton Acts, to make drastic changes in its peculiarly monopolistic way of doing business. As recently as last February, Mr. Speaker, the Winslow interests settled out of court a treble damage suit brought by a competing firm. Among other things, the plaintiff charged that its customers were forced to pay royalties to the United Shoe for use of competitive equipment.

The proclivity toward monopoly of the Winslow interests is reflected in the activities of another of their offspring, the Herald-Traveler. Nor are the business ethics of the Herald-Traveler any better than those of the other Winslow activities.

In this connection, the Boston Globe filed affidavits of illegal efforts by the Herald-Traveler to accomplish a newspaper monopoly in Boston, and of threats by the Herald-Traveler management to use the television station to achieve this end. The Globe also submitted evidence of Herald-Traveler business methods, such as secret, discriminatory joint advertising rates for space in its three newspapers and time on its two radio stations, as well as the practice of denying competing independent stations the right to have their program logs published in the newspapers. In addition, the publisher of the Herald-Traveler, Robert Choate, testified that the primary purpose of channel 5, if awarded to the Herald-Traveler, would be to promote the morning Herald, the afternoon Traveler, and the Sunday Herald.

At the time of my earlier remarks on this subject I pointed out that the Boston Herald-Traveler and its management had attempted to interfere with the efforts of the Globe to secure financing for a new plant which the Globe management was constructing. It appears that these efforts by the management of the Herald-Traveler have gone further, and it also appears at this time that the Boston Globe has been browbeaten by the insurance companies doing the financing on the construction of the new plant into dropping the court action which the Globe contemplated to seek reversal of the unusual ruling by the Federal Communications Commission granting the license to operate channel 5 to the Herald-Traveler interests.

Another equally startling development in this matter still further illustrating the need for a thorough investigation has been the resignation of Massachusetts Bay Telecasters' attorney, McKenna. It has been reliably reported that Mr. McKenna has been compelled to resign. This happened when he received a call from his principal client, the ABC network, whose president informed Mr. McKenna that if he continued to represent them he would have to resign as counsel for Massachusetts Bay Telecasters in their effort to have the court overthrow the ruling of the Federal Communication Commission granting the license for channel 5 to the Boston Herald-Traveler. The reason for this is that the American Broadcasting Co. is trying to make a deal with the Boston Herald-Traveler for channel 5 in Boston as one of its outlets.

The ostensible Commission policy in cases involving more than one applicant, of considering the factor of diversification of ownership in media of mass communications, is founded in the belief that the widest possible dissemination of information from diverse sources and the promotion of competition are in the public interest. It is based on the fact that such concentration tends to create an editorial monopoly, tends to prevent competing ideas from reaching the market place of men's minds and concentrates economic power which may be used to destroy competition. This policy goes to the heart of the preservation of our democratic institutions. It is by far the most important criteria of comparison to be considered by the Commission. And yet in the Boston case the Commission awarded the grant to an applicant which operates morning, evening and Sunday newspapers and FM and AM radio stations, each of which is dominant in the area.

There is another remarkable thing about the award to the Herald-Traveler group in the face of the Commission's policy against the concentration of mass media. While deploring the concentration of media, the Commission decided in favor of the Herald-Traveler group, because of the experience which that group and its personnel have acquired in operating their newspapers and radio stations. Thus, while on the one hand recognizing the danger to the public of a concentration of mass media, the McConnaughey, Doerfer, Lee, Mack decision nullifies the Commission's policy against such concentration by finding that the experience gained thereby overbalances the danger to the public interest. It completely overlooks the fact that the danger from concentration of mass media is permanent while experience can be easily and quickly acquired or hired.

That the concentration of economic power which will result from this award will be used to crush competition is evident from Winslow's United Shoe Machinery Co.'s practices and from the monopolistic and predatory practices of Winslow's Herald-Traveler newspapers and radio stations. We are not left to surmise as to what will happen if this group starts operating a TV station. Mr. Choate, who acts at the direction of Mr. Winslow, has made it clear, and I quote him:

> We will adapt the programing of the television station to the best possible promotion of the Herald-Traveler wherever it is possible to do so.

Thus Choate baldly admits that the station will be operated to promote a private interest and not the public interest, as required by law.

It is clear beyond doubt that the decision rendered by the Commission in the Boston proceedings is not honest, impartial, or fair. The whole elaborate apparatus of the majority opinion running for 125 pages was, on McConnaughey's instructions, cunningly drafted by Commission personnel to conceal from the public the true considerations which actually motivated the decision. Throughout, the opinion plays up the merits and plays down the shortcomings of the chosen applicant, and conversely, plays down the merits and plays up the shortcomings of its competitors. Furthermore, information that the staff was drafting an opinion favorable to the Herald-Traveler was leaked out in March—over a month before the decision was officially announced. As a result of this leak, the stock of the Herald-Traveler jumped from $16 to $23 a share, allowing a few insiders to make a killing.

These activities by a Government agency in the purported performance of its judicial function are poison in the body politic and ought to be exposed for what they are.

Among attorneys who are practitioners before the present Federal Communications Commission, it is now believed that a case is arranged rather than tried, and the winner is the party with the most political strength. The Boston case happens to be an intraparty fight, with Republicans fighting Republicans for the most part. But apparently, the winning side had the advantage in the support of the Secretary of Commerce, Sinclair Weeks, who has close ties to Mr. Winslow and other members of his group.

It is distressing, to me as an attorney, to hear lawyers talking of arranging cases. Such talk is shockingly widespread in Washington, and it behooves us, Mr. Speaker, as lawmakers, to crack down on those regulatory bodies, or officials in those bodies, whose conduct is less than completely proper.

That is why the Commission should be thoroughly investigated, and insofar as antitrust violators are concerned, the Antitrust Division of the Department of Justice should also be questioned. Thus in the Boston matter, the Assistant Attorney General in charge of the Antitrust Division, Victor R. Hansen, behaved in the most peculiar fashion.

I submit, Mr. Speaker, that Mr. McConnaughey and Mr. Hansen should be asked to enlighten the new House Interstate and Foreign Commerce Subcommittee on Administrative Oversight about their joint roles in FCC proceedings with antitrust aspects.

Here are a few questions that should be posed:

Why did not Chairman McConnaughey ask the Justice Department about the grave antitrust issues which were raised in the Boston case?

Why did not Assistant Attorney General Hansen inform McConnaughey completely about the merits of these antitrust issues?

Why did Mr. Hansen fail to inform Mr. McConnaughey that the charges against the Herald-Traveler were still under investigation?

Why did Mr. Hansen in an admittedly "summary" offhand manner simply kiss off the antitrust implications of this matter in his discussion with McConnaughey?

Why was Mr. Hansen so reticent about exercising the function of his office as head of the Antitrust Division of the Department of Justice?

Surely Mr. McConnaughey and Mr. Hansen must have known the consequences of the Commissions' decision in the RCA-Westinghouse case—the deal whereby RCA acquired Westinghouse's properties in Philadelphia in exchange for the far less desirable RCA-NBC stations in Cleveland, and a cash consideration. This decision, which we can ascribe chiefly to Commissioner Doerfer, the writer of the majority opinion, led to grand jury action and an antitrust case which Mr. Hansen's Antitrust Division is prosecuting in Philadelphia—I hope with more energy than Mr. Hansen has pursued the matter in Boston to date.

It is possible that Mr. Doerfer's performance in the NBC-Westinghouse deal may be explained by his tours around the country at broadcasters' expense, telling them what wonderful people they are. Having written the decision in the RCA case, he has won something of a reputation in the industry as an advocate for RCA and the National Broadcasting Co. Small wonder that elements of the industry look with favor on the prospect of his promotion to Chairman of the FCC.

Commissioner Lee has also been equally consistent in ignoring policies of the Commission concerning diversification. He has been utterly apathetic to the fact that applicants with histories of antitrust violations should not be given preference over more desirable applicants. And like Doerfer, Lee has very friendly relations with the networks. For instance, on one occasion, as the House Small Business Committee revealed, Mr. Lee, after becoming a Commissioner, not only relayed secretly to the head of the Columbia Broadcasting System, Commission thinking about a pending case in Chicago, but made it clear that he (Lee) was doing everything possible to advance CBS's cause in that matter.

Commissioner Mack seems to have been picked for a Democratic place on the Commission solely by reason of his having been an Eisenhower Democrat.

Through the efforts of Commissioners McConnaughey, Doerfer, Lee, and Mack, the FCC has become unique in the annals of the Federal Government's independent offices. It has adopted a new philosophy of regulation—to make decisions in favor of those who seem to have the most powerful political muscles. It is a philosophy which is causing dismay and disgust among members of the bar. Even more sinister is the influence of such insidious handling of quasi-judicial responsibilities on the American way of life. For appointment to such agencies could in time become something to be desired as a means of gaining ultimate employment and favors from industries subject to their regulation.

Perhaps certain of the President's advisers, aware of the black mark that he may suffer inadvertently as a result of the conduct of such appointees in his administration, are bent on correcting the situation by recommending improvements in the selection of newcomers to the Commission. But this is hard to believe in view of the pains taken to save Mr. McConnaughey's face as he returns to private life. He has been authorized to state that he leaves of his own volition, that he could have remained, had he chosen to be reappointed.

In this Chamber on April 2, Mr. Speaker, I stated that I would urge a thoroughgoing investigation of the Commission in the light of the Boston case which then promised to be a most brazen flouting of the public interest. Events since that time have only served to emphasize the impelling need for the most searching congressional scrutiny into the operations of this agency.

THE PRIVATE CALENDAR

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the call of the Private Calendar on Tuesday next week be dispensed with and that it may be in order to call the Private Calendar on Monday next.

The SPEAKER. Is there objection?

There was no objection.

HONOR CONFERRED UPON MR. FOGARTY, OF RHODE ISLAND

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I have noted with great pleasure the additional honor recently conferred upon our distinguished friend and colleague, the gentleman from Rhode Island [Mr. FOGARTY], when he was admitted into Omicron Kappa Upsilon, a national honorary dental society, which action was taken by the faculty of the Georgetown University School of Dentistry.

This recognition given to our friend is one he richly deserves. In honoring him the society honors itself.

The gentleman from Rhode Island [Mr. FOGARTY] is one of the ablest as well as sincere and trustworthy Members of the Congress. He is highly respected by all of his colleagues.

His outstanding work in the Congress of the United States in behalf of our people covers many fields of legislative and humane activities. His able and courageous fight for years, resulting in success, in the field of medical research and the proper place of the Federal Government therein, is one known far and wide. In this respect alone, the gentleman from Rhode Island [Mr. FOGARTY] has made his name in American history.

The part played by the Federal Government in the advancement of medical research in recent years has been an important one as well as the progress that will be made in the years that lie ahead. For it is not only Americans who have and will benefit, but human beings everywhere throughout the world.

It was under the leadership of the gentleman from Rhode Island [Mr. FOGARTY] that the necessary appropriations were made for the prominent part that the Federal Government has played in such progress, and will also play in future advancement in this important field.

The leadership of the gentleman from Rhode Island [Mr. FOGARTY] is the result of his strong faith, his deep love of his fellowmen, particularly the sick and the ill. His fight for such appropriations is humane leadership on the highest level humanly possible.

In congratulating our friend the gentleman from Rhode Island [Mr. FOGARTY] on the honor he has received, I know I express the thoughts and sentiments of all of my colleagues.

HOSPITALS AT WALTHAM, MASS., AND ARKANSAS

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I have asked for this time because when the gentleman from Michigan [Mr. FORD] said he was going to move to strike from the bill the provision that would keep Murphy General Hospital at Waltham, Mass., in operation and also the one that would keep the hospital in Arkansas in operation, it struck horror to my soul, because we have had that battle before. Before Korea, Murphy General Hospital was closed. It was done at great expense. It was only about a month afterward that the Korean war came and they had to reopen the hospital, also at great expense and hardship. The care of the patients was delayed. To my mind it would be unforgiveable to cut out the money for the hospitals in Arkansas and Massachusetts.

We have had a very serious shortage of nurses and doctors in Massachusetts. If a dependent should come to a civilian hospital, as they are entitled to do under the law, they could not find beds. At one very important hospital in Massachusetts only last month, one entire floor was closed and another will be closed in the summer. That is due to a shortage of nurses and doctors. A good many of my friends seriously have to await hospitalization in civilian hospitals and many are turned out of hospitals too soon to provide beds for others.

I just talked to the Bureau of Medicine and Surgery of the Navy. They said that if any patient should be taken into the naval hospital at Chelsea, Mass., they would have to open wards and have to get an additional number of nurses and doctors. So any saving that would be at the Murphy General Hospital would be simply added to the expense at Chelsea, for the doctors and nurses that would have to be employed at the naval hospital, in addition to what they now have. I do not believe they want to take these patients. They are satisfied with the patients that they have.

As for Fort Devens, it is partly in the district represented by my colleague [Mr. PHILBIN] and partly in my district. They have asked for a new hospital at Devens showing that they feel their present hospital is inadequate and, of course, that is not built yet, and it will take some time to build it.

I know, of course, both of us would like to have more patients there at Fort Devens. Devens is a large post and has very important personnel activities there. They may at any time need all the beds they have. Additional nurses and doctors would have to be added.

So where is the saving?

It would be a hardship for these dependents of the service people to go to Fort Devens, 40 miles from Boston. They should be hospitalized at the Waltham Hospital if they wish. We have learned by experience the expense of closing and reopening the hospital. I was shocked a while ago, when the office of the Surgeon General of the Army told me they were not allowed to give out any information about the Waltham Hospital, that it must come from Secretary Brucker's office. Oh, how terribly, terribly foolish to close that hospital. There would be no saving of money; there would be additional expense and great hardship.

How can I go back to Massachusetts? I came from memorial services yesterday at Lowell. I talked about the men, of the care that they had had. How can I, on Memorial Day, say to these soldiers and to their families who will be listening that they cannot be taken care of, that their families cannot be taken care of? But you can spend billions and billions of dollars for munitions of war and billions of dollars for installations other than hospitals.

The least we can do is to provide hospitalization for our men and their dependents. It is part of the law that we are to take care of the dependents of the soldiers as well as the soldiers themselves.

Those of you who worked in any military hospital through the flu epidemic of 1918 know very well what an epidemic does—the loss of life because of lack of beds and care. I was at Walter Reed Hospital during the flu epidemic there. The men were dying almost like flies. We did not have enough nurses—I was not a nurse, but I was helping out—we did not have enough doctors or nurses to take care of them; and you know what the situation was for the civilian population.

We must keep these hospitals open, Mr. Speaker. This country has not ever been bombed, but it might be at almost any time. Perhaps Russia does not want war at this time but the world is a tinderbox. In spite of the best laid plans we might be in a war—what then would we do for hospitals for the military and for civilians as well?

This huge appropriation bill is supposed to be for our defense. The argument is used we must be prepared because we were not prepared for Korea. We were not prepared for World War II. We were asleep. We should be prepared in medical care, or will we never learn, Mr. Speaker?

THE FEDERAL FLOOD INDEMNITY ADMINISTRATION

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, on Wednesday of this week the House will have before it the conference report on the third supplemental appropriations bill. In this bill is an item of great national importance and I should like to make a few brief remarks about it. The item is $14 million for the Government's flood insurance program. The Government had originally asked for $50 million.

The House rejected this item by a teller vote of 127 to 97 when this issue was before us 2 weeks ago. The Senate restored the $14 million.

Now, what is this $14 million for? First of all, it is not for hiring more people or even for paying the salaries of the few men and women now employed by the Federal Flood Indemnity Administration which Congress established last year.

Part of the $14 million is to pay commissions to agents of private insurance companies if, of course, they sell these policies. Another part of the $14 million is for expenses of insurance companies for issuing and servicing policies, underwriting, and accounting and statistical work on behalf of the Government. Another portion of the $14 million is for expenses to be paid claim adjusters for their services in handling settlement of claims. I want to stress the fact that these adjusters are paid only if and when they adjust these claims.

In short, the bulk of this program will be done by the private insurance companies who will handle this business on an out-of-pocket cost basis. They won't make a dime of profit out of this program.

Arrangements made with the insurance industry eliminate the need for the Federal Flood Indemnity Administration to organize a large staff, recruit, develop, and train personnel and employ a large group of claim adjusters, whose time would not be fully utilized as their services would be needed only when and if losses occur.

The Government's insurance program was developed by the FFIA staff with the advice and assistance of the best insurance talent available in the Government and the private insurance industry. All are of the opinion that the program is workable, urgently needed, and will make the benefits of self protection available at reasonable rates.

The Congress has been talking about this issue for more than 6 years. Surveys and studies were made. Hearings were held all over the country. Government economists, hydrologists and those skilled in insurance all participated in the development of the legislation which was the end result of the labors and best thinking of the insurance industry and the Government.

We passed the flood-insurance law last summer. We appropriated $500,000 to the FFIA to give this subject further study, particularly regarding premium payments which will vary from area to area, depending on the risks involved. The House Subcommittee on Appropriations, in denying the $14 million, requested the FFIA to continue its studies.

In my opinion, we know as much about the theory of flood insurance as we will ever know. The only way we will ever know anything about the practicalities of flood insurance is to put this program into practice and that can be done only by the appropriation of the $14 million which I mentioned before. Having adopted this measure, I think we have a moral duty to millions of home owners and small-business men to put it into operation. Frankly, I am puzzled about the position taken by some of my colleagues. We all wanted this law last summer and now some Members, very distinguished and able Members of the House—are balking at appropriating the necessary $14 million to set the flood-insurance machine in motion.

The Government is not competing with private insurance companies. The law is very clear on that point. Section 12 (a) reads as follows:

> No insurance or reinsurance, or loan contract, shall be issued under the provisions of this act covering risks against which insurance is available on reasonable terms from other public or private sources.

The statute makes it mandatory on the FFIA Commissioner to submit annual reports to the Congress. It was the further intent of the Congress in passing the law that this program, if it proves feasible after a 5-year trial run, should be turned over to the private insurance industry, lock, stock, and barrel. This provision is clearly spelled out in section 21 of the statute.

There is nothing new about the Federal Government starting insurance programs in areas which private insurance companies did not deem profitable. There are many precedents for the Government's flood-insurance program. Indeed, arguments similar to those now being made against the FFIA were made against the Home Owners Loan Corporation, the Federal Deposit Insurance Corporation, the Federal Housing Administration, and others. No one today could seriously question the effectiveness of the work done by these agencies. The FHA, to cite only one example, had to borrow millions and millions of dollars from the Treasury for the first 6 years of its existence. Today it has almost $500 million in capital and reserves.

The flood-insurance program is ready to be put into operation promptly. Believe me when I say that. I have checked this thoroughly. Fiduciary agreements can be mailed to several thousands of fire and casualty companies on 5 minutes' notice. Various documents essential to the program's proper operation, including the insurance application, the contract, rates, underwriting rules and regulations, loss adjustment procedures, accounting and statistical rules, and other forms are completed.

Many safeguards have been built into this program to minimize the Government's potential liability:

First. The amount of insurance which can be sold to any person or corporation is limited to $250,000 and $10,000 on a dwelling and its contents.

Second. Flood indemnity contracts will contain a $500 deductible, plus 5 percent of the remainder of the loss. Moreover, most losses arising under these contracts will in all probability be partial losses; therefore, the total amount of insurance in force will not be the measure of the Government's liability.

Third. A spread will be obtained by selling flood indemnity contracts nationwide. Since all exposed places will not have damaging floods at the same time, the fundamental principle of insurance will apply: namely, contributions of the many to pay for losses of the few.

Fourth. It was never the intent of the Congress in passing this law that flood insurance policies would be issued indiscriminately and to property owners in areas where there are abnormally high risks of floods. A flood zoning provision was specifically written into the statute. This provision was inserted after meetings with State officials and committees of the Council of State Governments, in an effort to reduce Government liability. Section 12 (c) of the statute reads as follows:

> After June 30, 1958, no insurance or reinsurance shall be issued under the provisions of this act in any geographical location unless an appropriate public body shall have adopted and shall keep in effect such flood zoning restrictions, if any, as may be deemed necessary by the Administrator to reduce, within practicable limits, damages from flood in such location.

In addition to the foregoing safeguards, we should also consider the effect of this program in reducing direct Federal aid to flood victims. By means of this program, a measure of self-protection is available to the American people, and, to the extent that it is used, it will tend to reduce the amount of direct Federal and State aid for relief, rehabilitation and charity.

From available data, a separate set of rates has been established for each major river basin in the United States, and the more highly exposed areas along the Atlantic and gulf coasts. In addition, differentials have been fixed applicable to buildings only, buildings and contents, or simply contents. A differential is applied between residential and commercial property, and between frame and nonframe construction. A classification—piers, wharves, and property over water—will carry a substantially higher rate. A rate differential is fixed between contents insured above and below the grade floor. Also there is a minimum premium of $25.

These rates reflect varying degrees of exposure, and are marketable, as required by the Federal Flood Insurance Act.

These rates have been reviewed carefully by the industry, by the two industry advisory committees, and have their concurrence as to reasonableness and marketability. These rates are calculated to produce sufficient premium income to meet budgeted requirements.

The rating system we have devised will, of course, be refined as experience is gained.

Some people mistakenly believe that floods confine themselves to certain areas—California, for example, or Texas or Kansas and Missouri, or Ohio, or Connecticut. These are areas where floods are damaging and making headlines. The truth is, however, that floods, like lightning, strike anywhere. For example, in October 1955 parts of the District of Columbia were flooded and many homes were damaged. Outside of Washington, nobody ever heard of this flood.

You do not have to live on a riverbank to run the risk of damaging floods.

In view of the factual material which I have here submitted, I sincerely hope that the House will restore the $14 million so necessary to start the flood-insurance program.

RETURN OF BILL TO SENATE

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the resolution (S. Con. Res. 33) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the President of the United States is requested to return to the Senate the enrolled bill, S. 1463, to amend the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle subject to the motor carrier safety regulations of the Interstate Commerce Commission. If and when said bill is returned by the President, the action of the Presiding Officers of the two Houses in signing said bill shall be deemed rescinded; and the Secretary of the Senate is authorized and directed, in the reenrollment of said bill, to make the following correction: In line 3 of the Senate engrossed bill strike out "36" and insert "33."

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DIGGS (at the request of Mrs. GRIFFITHS), for today, on account of official business.

Mr. MILLER of Maryland (at the request of Mr. MARTIN), for the remainder of the week, on account of illness.

Mr. KITCHIN (at the request of Mr. ALEXANDER), for today, on account of illness in family.

Mr. AUGUST H. ANDRESEN (at the request of Mr. O'HARA of Minnesota), indefinitely, on account of death in family.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. LONG in two instances and include related matter.

Mr. SHUFORD (at the request of Mr. RIVERS) and include an address by Mr. WHITING.

Mr. SHEEHAN (at the request of Mr. BYRNE of Illinois).

Mr. NEAL and in two instances to include editorials.

Mr. BROWNSON, the remarks he expects to make in Committee of the Whole today and include extracts from newspaper articles.

Mr. HENDERSON.

Mr. AUCHINCLOSS.

Mr. MULTER (at the request of Mr. ALBERT) in three separate instances, in each to include related matter.

Mr. ANFUSO (at the request of Mr. ALBERT) and include related matter.

Mr. SCHWENGEL (at the request of Mr. WIGGLESWORTH).

Mr. NORRELL.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2146. An act to amend the Small Reclamation Projects Act of 1956; and

H. J. Res. 247. Joint resolution for the relief of certain aliens.

BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill and a joint resolution of the House of the following titles:

H. R. 2146. An act to amend the Small Reclamation Projects Act of 1956; and

H. J. Res. 247. Joint resolution for the relief of certain aliens.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to. Accordingly (at 4 o'clock and 54 minutes p. m.), the House adjourned until tomorrow, Tuesday, May 28, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

891. A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation entitled "A bill to amend section 203 (c) of the Federal Property and Administrative Services Act of 1949 and to permit the exercise of options contained in certain leases of Government property"; to the Committee on Government Operations.

892. A letter from the Under Secretary of the Interior, transmitting a proposed concession contract with Oregon Caves Co., which, when executed by the Director of the National Park Service, will authorize it to provide facilities and services for the public in Oregon Caves National Monument, Oregon, for a period of 15 years from November 1, 1956, pursuant to the act of July 14, 1956 (70 Stat. 543); to the Committee on Interior and Insular Affairs.

893. A letter from the Chairman, Federal Power Commission, transmitting a copy of its newly issued publication entitled "Typical Electric Bills, 1957, Cities of 50,000 Population or More"; to the Committee on Interstate and Foreign Commerce.

894. A letter from the Under Secretary of the Interior, transmitting a copy of an order canceling certain charges existing as debts due the United States by individual Indians and tribes of Indians, pursuant to the act of July 1, 1932 (47 Stat. 564; 25 U. S. C. 386a); to the Committee on Interior and Insular Affairs.

895. A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation entitled "A bill to increase the authorization for appropriations for the Hospital Center and facilities in the District of Columbia, and for other purposes"; to the Committee on the District of Columbia.

896. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated October 19, 1956, submitting a report, together with accompanying papers and illustrations, on a review of reports on the Delaware River between Philadelphia and the sea, with respect to modification of channel dimensions and anchorage areas, requested by resolutions of the Committees on Public Works of the House of Representatives and of the United States Senate, adopted March 1, 1954, and March 16, 1954, respectively (H. Doc. No. 185); to the Committee on Public Works and ordered to be printed with three illustrations.

897. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated March 15, 1957, submitting a special report, together with accompanying papers and illustrations, on a study of local cooperation in the part of the central and southern Florida project authorized by the Flood Control Act of 1954, section 203, title II, to determine the basis for cost sharing between Federal and non-Federal interests which would be equitable to both, and in the light of current Federal policy and practice for cost sharing in water-resources development (H. Doc. No. 186); to the Committee on Public Works and ordered to be printed with two illustrations.

898. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 16, 1956, submitting a report, together with accompanying papers and illustrations, on a review of report on Shell Creek and tributaries, Nebraska, requested by resolutions of the Committee on Commerce, United States Senate, and the Committee on Flood Control, House of Representatives, adopted November 5, 1945, and November 15, 1945, respectively (H. Doc. No. 187); to the Committee on Public Works and ordered to be printed with nine illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JONES of Alabama: Committee on Public Works. S. 1428. An act to authorize furniture and furnishings for the additional office building for the United States Senate; without amendment (Rept. No. 482). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee on Public Works. S. 1429. An act authorizing the enlargement and remodeling of Senators' suites and structural, mechanical, and other changes and improvements in the existing Senate Office Building, to provide improved accommodations for the United States Senate; without amendment (Rept. No. 483). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee on Public Works. S. 1430. An act increasing the limit of cost fixed for construction and equipment of an additional office building for the United States Senate; without amendment (Rept. No. 484). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HARRIS:

H. R. 7778. A bill to amend section 31 of the Securities Exchange Act of 1934, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. MAILLIARD:

H.R. 7779. A bill to authorize free transit at the Panama Canal for vessels operated by State nautical schools; to the Committee on Merchant Marine and Fisheries.

By Mr. MORANO:

H. R. 7780. A bill to provide in the Department of Health, Education, and Welfare for a loan service of captioned films for the deaf; to the Committee on Education and Labor.

By Mr. REUSS:

H. R. 7781. A bill to increase the normal tax and surtax exemption, and the exemption for dependents, from $600 to $700, without inflation, and to reduce the percentage depletion for natural resources; to the Committee on Ways and Means.

By Mr. ROBERTS:

H. R. 7782. A bill to provide for the establishment of Fort Strother, Fort Lashley, Fort Williams, and Fort Jackson as national monuments; to the Committee on Interior and Insular Affairs.

By Mr. BECKWORTH:

H. R. 7783. A bill to amend title II of the Social Security Act to permit policemen and firemen in positions not covered by an existing retirement system to obtain social-security coverage on the same basis as other State and local employees; to the Committee on Ways and Means.

By Mr. BENNETT of Michigan:

H. R. 7784. A bill to amend part III of Veterans Regulation No. 1 (a) to increase the income limitations applicable to veterans eligible for pension thereunder; to the Committee on Veterans' Affairs.

By Mr. DAVIS of Georgia:

H. R. 7785. A bill to provide for the appointment of an additional judge for the juvenile court of the District of Columbia; to the Committee on the District of Columbia.

By Mr. TEAGUE of Texas:

H. R. 7786. A bill to authorize the utilization of a limited amount of storage space in Lake Whitney for the purpose of water supply for adjacent cities; to the Committee on Public Works.

By Mr. FRAZIER:

H. R. 7787. A bill to transfer to the Postmaster General the duties and functions currently vested in the Administrator of General Services for the care, maintenance, operation, and upkeep of those buildings occupied in whole or in part by the Post Office Department; to the Committee on Government Operations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. FORAND: Memorial of the Rhode Island General Assembly memorializing the Congress of the United States to provide national scholarships for talented young men and women; to the Committee on Education and Labor.

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to the granting of statehood to Hawaii and Alaska; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States urging that no restrictions be placed upon the import of crude and residual fuel oils; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Illinois, memorializing the President and the Congress of the United States condemning and protesting any action which would surrender William Girard to the jurisdiction of the Japanese courts for trial; and condemning any status of forces treaty which subjects American servicemen to foreign jurisdiction and deprives them of constitutional rights and privileges as American citizens; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the State of Nebraska, memorializing the President and the Congress of the United States to amend the Labor-Management Relations Act to end completely certain types of unfair labor practices, etc.; to the Committee on Education and Labor.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to amend the organic act so that subagents, clerks, and other employees of the Commissioner of Public Lands of the Territory of Hawaii shall continue in employment as provided in the civil service laws of the Territory of Hawaii; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States relative to authorizing and requesting the Commissioner of Public Lands to exchange lands for said claimants' rights in and to Mokauea Fishery as determined by exchange data August 6, 1952, should said claims be bona fide and valid; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to amend section 80 of the Hawaiian Organic Act regarding boards of a public character that may be created by law; and further requesting ratification and confirmation of trustees of the employees' retirement system heretofore elected by the officers and employees of the Territory and counties; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the Virgin Islands memorializing the President and the Congress of the United States for the extension of Federal aid to highways programs to the Virgin Islands; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHLEY:

H. R. 7788. A bill for the relief of Sheung Jeung; to the Committee on the Judiciary.

By Mr. BENNETT of Michigan:

H. R. 7789. A bill for the relief of Jon Patrick Weslin; to the Committee on the Judiciary.

By Mr. HIESTAND:

H. R. 7790. A bill to provide for the forfeiture of the right-of-way located within the State of California heretofore granted to the Atlantic & Pacific Railroad Co. by the United States; to the Committee on Interior and Insular Affairs.

By Mr. McFALL:

H. R. 7791. A bill for the relief of Mrs. Choy Lin Tseng; to the Committee on the Judiciary.

H. R. 7792. A bill for the relief of Kei Lai Man; to the Committee on the Judiciary.

By Mr. METCALF:

H. R. 7793. A bill for the relief of Bernardine M. A. de la Motte; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

257. By Mr. BUSH: Petition of 265 residents of Lycoming County, Pa., urging favorable action of legislation to insure humane slaughter methods by compelling the meatpacking establishments of the United States to render a method of painless killing of livestock; to the Committee on Agriculture.

258. By Mr. SMITH of Wisconsin: Resolution approved by the National Eighth District Conference of the Disabled American Veterans assembled in Milwaukee, Wis., April 28, 1957, urging deletion from the social security laws providing for benefits to totally disabled persons at age 50, the clause which reduces the social security benefit by any amount a veteran receives from the Veterans' Administration for his disabilities; to the Committee on Ways and Means.

259. By the SPEAKER: Petition of Marie L. Smith and others, Austin, Tex., requesting a Congressional investigation of the Food and Drug Administration to correct abuses and restrain this branch of Government from trying to destroy the Hoxsey treatment for cancer; to the Committee on Interstate and Foreign Commerce.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308 (b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

QUARTERLY REPORTS

The following reports for the fourth calendar quarter of 1956 were received after January 20, 1957, too late to be included in the published reports for that quarter:

A. Active-Retired Lighthouse Service Employees Association, P. O. Box 2169, South Portland, Maine.
D. (6) $341. E. (9) $295.99.

A. Charles J. Alexander, 1826 Jefferson Place NW., Washington, D. C.
B. The Navaho Tribe of Indians residing in Arizona, Utah, New Mexico, and Colorado; address of Superintendent, Window Rock, Ariz.
D. (6) $115. E. (9) $10.

A. Louis J. Allen, 1121 Nashville Trust Building, Nashville, Tenn.
B. Class I railroads in Tennessee.

A. American Automobile Association, 1712 G Street NW., Washington, D. C.

A. American Cancer Society, 521 West 57th Street, New York, N. Y.
E. (9) $6,470.13.

A. American Dental Association, 222 East Superior Street, Chicago, Ill.
D. (6) $8,163.05. E. (9) $8,163.05.

A. American Legion National Headquarters, 700 North Pennsylvania Street, Indianapolis 6, Ind.
D. (6) $3,747.20. E. (9) $16,968.41.

A. American Library Association, 50 East Huron Street, Chicago, Ill.
D. (6) $169.70. E. (9) $4,036.11.

A. American Merchant Marine Institute, Inc., 11 Broadway, New York, N. Y.
E. (9) $5,543.72.

A. American Veterinary Association, 600 S. Michigan Avenue, Chicago, Ill.
E. (9) $1,057.08.

A. Arthritis and Rheumatism Foundation, 23 West 45th Street, New York, N. Y.
E. (9) $1,164.63.

A. Roy Battles, 744 Jackson Place NW., Washington D. C.
B. The National Grange, Patrons of Husbandry, 744 Jackson Place NW., Washington, D. C.
D. (6) $3,375.

A. F. W. H. Beauchamp, 26 O'Farrell Street, San Francisco, Calif.
B. Transportation Association of America, 26 O'Farrell Street, San Francisco, Calif.

A. Mrs. Rachel S. Bell, 1025 Connecticut Avenue NW., Washington, D. C.
B. Legislative Committee of the Committee for a National Trade Policy, Inc., 1025 Connecticut Avenue NW., Washington, D. C.

A. George L. Bell, 1025 Connecticut Avenue NW., Washington, D. C.
B. Legislative Committee of the Committee for a National Trade Policy, Inc., 1025 Connecticut Avenue NW., Washington, D. C.

A. J. A. Beirne, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.

A. Helen Berthelet, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, 1808 Adams Mill Road NW., Washintgon, D. C.
D. (6) $2,062.50. E. (9) $2,062.50.

A. Charles B. Blankenship, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.
D. (6) $2,337.80. E. (9) $2,337.80.

A. Mary Hillyer Blanshard, 408 A Street NE., Washington, D. C.
B. Unitarian Fellowship for Social Justice, 408 A Street NE., Washington, D. C.
D. (6) $150.

A. Paul H. Bolton, 1001 Connecticut Avenue NW., Washington, D. C.
B. National Association of Wholesalers, 1001 Connecticut Avenue NW., Washington, D. C.

A. Boykin & DeFrancis, Shoreham Building, Washington, D. C.
B. Mrs. Claire Hugo Stinnes, Sr., Grossenbaumerstrasse 253, Mulheim-Ruhr, Germany.
D. (6) $5,000. E. (9) $216.

A. Boykin & DeFrancis, Shoreham Building, Washington, D. C.
B. Studiengesellschaft fur Privatrechtliche Auslandsinteressen e. v. Contrescarpe 46 Bremen, Germany.
E. (9) $337.

A. Homer L. Brinkley, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.

A. Brotherhood of Locomotive Engineers, 1122 Engineers Building, Cleveland, Ohio.

A. J. Olney Brott, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
D. (6) $437.50.

A. C. Blake Brown, 839 17th Street NW., Washington, D. C.
B. National Association of Motor Bus Operators, 839 17th Street NW., Washington, D. C.

A. Mrs. Rollin Brown, 700 North Rush Street, Chicago, Ill.

A. Sherman E. Burt, 1625 I Street NW., Washington, D. C.
B. American Coal Sales Association, 1625 I Street NW., Washington, D. C.

A. John L. Carey, 270 Madison Avenue, New York, N. Y.
B. American Institute of Accountants, 270 Madison Avenue, New York, N. Y.
D. (6) $1,000.

A. Cliff D. Carpenter, 221 North La Salle Street, Chicago, Ill.
B. Institute of American Poultry Industries, 221 North La Salle Street, Chicago, Ill.

A. Citizens Committee on Natural Resources, 2140 P Street NW., Washington, D. C.
D. (6) $800. E. (9) $2,347.90.

A. Committee for Hometown Television, Box 9140, Bridgeport, Conn.

A. Committee for Return of Confiscated German and Japanese Property, 926 National Press Building, Washington, D. C.
D. (6) $200. E. (9) $100.

A. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.
D. (6) $1,111,468.13. E. (9) $4,400.30.

A. Eugene P. Conser, 36 South Wabash Avenue, Chicago, Ill.
B. National Association of Real Estate Boards, 36 South Wabash Avenue, Chicago, Ill.
D. (6) $740.38.

A. Bernard J. Conway, 222 East Superior Street, Chicago, Ill.
B. American Dental Association, 222 East Superior Street, Chicago, Ill.
D. (6) $2,750.

A. Cooperative Health Federation of America, 343 South Dearborn Street, Chicago, Ill.
D. (6) $300. E. (9) $217.

A. Council of Conservationists, 588 Fifth Avenue, New York, N. Y.
B. Fred Smith & Co., Inc., 588 Fifth Avenue, New York, N. Y.

A. Council of State Chambers of Commerce, 1025 Connecticut Avenue, Washington, D. C.
D. (6) $56.40. E. (9) $56.40.

A. Robert W. Coyne, 1501 Broadway, New York, N. Y.
B. Council of Motion Picture Organizations, Inc., 1501 Broadway, New York, N. Y.
D. (6) $623.29. E. (9) $326.49.

A. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $35,304.24. E. (8) $11.25.

A. Arnold H. Dadian, 815 15th Street NW., Washington, D. C.
B. Council for Improved U. S.-Japanese Trade Relations, 815 15th Street NW., Washington, D. C.
D. (6) $400. E. (9) $28.56.

A. Dairy Industry Committee, 1028 Barr Building, Washington, D. C.
D. (6) $4,050.

A. Joffre C. David, 4401 East Colonial Drive, Orlando, Fla.
B. Florida Fruit and Vegetable Association, 4401 East Colonial Drive, Orlando, Fla.
D. (6) $83.32. E. (9) $114.43.

A. S. P. Deas, 520 National Bank of Commerce Building, New Orleans, La.
B. Southern Pine Industry Committee.

A. Delaware River Valley Association, Riverton, N. J.
D. (6) $61. E. (9) $109.77.

A. Richard A. Dell, 2000 Florida Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D. C.
D. (6) $82.50.

A. Ralph B. Dewey, 1625 K Street NW., Washington, D. C.
B. Pacific American Steamship Association, 16 California Street, San Francisco, Calif.
E. (9) $228.85.

A. William C. Doherty, 100 Indiana Avenue NW., Washington, D. C.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $3,125.

A. Stephen M. DuBrul, 11-134 General Motors Building, Detroit, Mich.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

A. William M. Dunn, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.

A. Eastern Meat Packers Association, Inc., Statler Hotel, New York, N. Y., and 740 11th Street NW., Washington, D. C.
D. (6) $5.86. E. (9) $26.49.

A. John W. Edelman, 718 Jackson Place NW., Washington, D. C.
B. Textile Workers Union of America, 99 University Place, New York, N. Y.
D. (6) $2,209.40. E. (9) $459.53.

A. Mrs. Albert E. Farwell, box 188, route 2, Vienna, Va.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. Joseph G. Feeney, 201 World Center Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
E. (9) $150.

A. James Finucane, 926 National Press Building, Washington, D. C.
B. Committee for Return of Confiscated German and Japanese Property, 923 National Press Building, Washington, D. C.
D. (6) $100.

A. John B. Fisher, 1112 Pennsylvania Building, Washington, D. C.
B. American Coal Shipping, Inc., 17 State Street, New York, N. Y.

A. John B. Fisher, 1112 Pennsylvania Building, Washington, D. C.
B. Bangor & Aroostook Railroad, 84 Harlow Street, Bangor, Maine.

A. John B. Fisher, 1112 Pennsylvania Building, Washington, D. C.
B. C. H. Sprague & Son Co., 10 Post Office Square, Boston, Mass.

A. Florida Fruit & Vegetable Association, 4401 East Colonial Drive, Orlando, Fla.
D. (6) $275.09. E. (9) $275.09.

A. E. F. Forbes, 604 Mission Street, San Francisco, Calif.
B. Western States Meat Packers Association, Inc., 604 Mission Street, San Francisco, Calif.
D. (6) $7,500.

A. General Federation of Women's Clubs, 1734 N Street NW., Washington, D. C.

A. Stanley Gewirtz, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
E. (9) $78.25.

A. Cassius B. Gravitt, Jr., 1110 F Street NW., Washington, D. C.
B. National League of Postmasters of the United States, 1110 F Street NW., Washington, D. C.
D. (6) $1,000. E. (9) $100.

A. John J. Gunther, 1341 Connecticut Avenue NW., Washington, D. C.
B. Americans for Democratic Action, 1341 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,519.96. E. (9) $439.10.

A. Violet M. Gunther, 1341 Connecticut Avenue NW., Washington, D. C.
B. Americans for Democratic Action, 1341 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,669.98. E. (9) $211.09.

A. Carl O. Gustafson, 588 Fifth Avenue, New York, N. Y.
B. Council of Conservationists, 588 Fifth Avenue, New York, N. Y.
E. (9) $2,789.66.

A. Lloyd C. Halvorson, 744 Jackson Place NW., Washington, D. C.
B. The National Grange, 744 Jackson Place NW., Washington, D. C.
D. (6) $358.50. E. (9) $13.

A. L. James Harmanson, Jr., 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.

A. Kit H. Haynes, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.

A. William B. Henderson, 925 15th Street NW., Washington, D. C.
B. Parcel Post Association, 925 15th Street NW., Washington, D. C.
D. (6) $3,968. E. (9) $4,695.

A. Clinton M. Hester, 426 Shoreham Building, Washington, D. C.
B. Boston Wool Trade Association, 263 Summer Street, Boston, Mass.
D. (6) $600. E. (9) $50.25.

A. Clinton M. Hester, 426 Shoreham Building, Washington, D. C.
B. National Association of Hot House Vegetable Growers, Post Office Box 659, Terre Haute, Ind.

A. Clinton M. Hester, 426 Shoreham Building, Washington, D. C.
B. United States Brewers Foundation, 535 Fifth Avenue, New York, N. Y.
D. (6) $5,000. E. (9) $116.80.

A. Fuller Holloway, 1000 Shoreham Building, Washington, D. C.
B. The Toilet Goods Association, Inc., 1270 Avenue of the Americas, New York, N. Y.
D. (6) $5,250. E. (9) $343.29.

A. Mrs. Jency Price Houser, 1420 New York Avenue NW., Washington, D. C.
D. (6) $1,170.56. E. (9) $1,037.06.

A. John M. Hurley, 515 Hoge Building, Seattle, Wash.

A. W. J. Hynes, 611 Idaho Building, Boise, Idaho.
B. Union Pacific Railroad Co., 1416 Dodge Street, Omaha, Nebr.

A. Institute of American Poultry Industries, 221 North La Salle Street, Chicago, Ill.

A. International Council for Exceptional Children, 1201 16th Street NW., Washington, D. C.
D. (6) $211. E. (9) $165.

A. Nelson P. Jackson, 777 14th Street NW., Washington, D. C.
B. Atomic Products Division, General Electric Co., Schenectady, N. Y.
E. (9) $10.

A. Joe Jenness, 2000 Florida Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D. C.

A. The Jewelry Industry Tax Committee, Inc., 820 Highland Avenue, Newark, N. J.
D. (6) $575. E. (9) $4,522.67.

A. William T. Jobe, 810 18th Street NW., Washington, D. C.
B. National Association of Ice Industries, 810 18th Street NW., Washington, D. C.

A. Lyle W. Jones, 705 Warner Building, Washington, D. C.
B. The United States Potters Association, East Liverpool, Ohio.
D. (6) $2,500. E. (9) $620.58.

A. Jerome J. Keating, 100 Indiana Avenue NW., Washington, D. C.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $1,873.

A. Elizabeth A. Kendall, 2310 Connecticut Avenue, Washington, D. C.
E. (9) $10.

A. Franklin E. Kepner, Berwick Bank Building, Berwick, Pa.
B. Associated Railroads of Pennsylvania, 1148 Suburban Station Building, Philadelphia, Pa.

A. John A. Killick, 740 11th Street NW., Washington, D. C.
B. Eastern Meat Packers Association, Statler Hotel, New York, N. Y., and 740 11th Street NW., Washington, D. C.
D. (6) $75.01. E. (9) $45.96.

A. John A. Killick, 740 11th Street NW., Washington, D. C.
B. The National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
D. (6) $171.50. E. (9) $207.16.

A. Kominers & Fort, 529 Tower Building, Washington, D. C.
B. Marine Transport Lines, Inc., 11 Broadway, New York City, N. Y.

A. Dillard B. Lasseter, P. O. Box 381, Washington, D. C.
B. Organization of Professional Employees of the United States Department of Agriculture, P. O. Box 381, Washington, D. C.
D. (6) $450.

A. John Lawler, 270 Madison Avenue, New York, N. Y.
B. American Institute of Accountants, 270 Madison Avenue, New York, N. Y.
D. (6) $500. E. (9) $25.

A. Legislative Committee of the Committee for a National Trade Policy, Inc., 1025 Connecticut Avenue NW., Washington, D. C.
D. (6) $45. E. (9) $20.

A. Norman M. Littell, 1826 Jefferson Place NW., Washington, D. C.
B. The Navaho Tribe of Indians residing in Arizona, Utah, New Mexico, and Colorado; address of Superintendent, Window Rock, Ariz.
D. (6) $240. E. (9) $10.

A. Walter J. Little, 530 West Sixth Street, Los Angeles, Calif.
B. California Railroad Association, 215 Market Street, San Francisco, Calif.
D. (6) $664.30. E. (9) $299.77.

A. Lord, Day & Lord, 25 Broadway, New York, N. Y.
B. Agency of Canadian Car and Foundry Co., Ltd., 30 Broadway, New York, N. Y.

A. LeRoy H. Lyon, Jr., 530 West Sixth Street, Los Angeles, Calif.
B. California Railroad Association, 215 Market Street, San Francisco, Calif.
D. (6) $1,153.70. E. (9) $32.75.

A. Charles E. McCarthy, 1501 Broadway, New York, N. Y.
B. Council of Motion Picture Organizations, Inc., 1501 Broadway, New York, N. Y.
D. (6) $390. E. (9) $132.05.

A. William A. McClintock, Jr., 7447 Skokie Boulevard, Skokie, Ill.
B. The National Committee for Insurance Taxation, The Hay-Adams House, Washington, D. C.

A. MacLeish, Spray, Price & Underwood, 134 South La Salle Street, Chicago, Ill.
B. National Committee for Insurance Taxation, 221 North La Salle Street, Chicago, Ill.
E. (9) $117.23.

A. Harry B. Madsen, 1559 North McKinley Road, Lake Forest, Ill.
B. The National Committee for Insurance Taxation, The Hay-Adams House, Washington, D. C.
D. (6) $1,350. E. (9) $499.

A. Don Mahon, Box 959, Ben Franklin Station, Washington, D. C.
E. (9) $184.63.

A. James D. Mann, 714 Sheraton Building, Washington, D. C.
B. Private Truck Council of America, Inc., 714 Sheraton Building, Washington, D. C.

A. Rodney W. Markley, Jr., Wyatt Building, Washington, D. C.
B. Ford Motor Co., Dearborn, Mich.

A. Kenneth A. Meiklejohn, 1908 Q Street NW., Washington, D. C.
B. International Ladies' Garment Workers Union, 1710 Broadway, New York, N. Y.
D. (6) $1,344.

A. Kenneth A. Meiklejohn, 1908 Q Street NW., Washington, D. C.
B. Retail, Wholesale and Department Store Union, 132 West 43d Street, New York, N. Y.
D. (6) $675.

A. Merchants National Bank and Trust Company of Syracuse, 216 South Warren Street, Syracuse, N. Y.

A. Ross A. Messer, 724 Ninth Street NW., Washington, D. C.
B. National Association of Post Office and General Services Maintenance Employees, Post Office Box 1611, Washington, D. C.
D. (6) $700. E. (9) $82.35.

A. Aubrey C. Mills, Foot of Washington Avenue Bridge, Minneapolis, Minn.
B. Upper Mississippi Waterway Association, Foot of Washington Avenue Bridge, Minneapolis, Minn.
D. (6) $600.

A. Mobilehome Dealers National Association, 39 South La Salle Street, Chicago, Ill.
E. (9) $1,653.74.

A. Kenneth R. Morefield, 4401 East Colonial Drive, Orlando, Fla.
B. Florida Fruit & Vegetable Association, 4401 East Colonial Drive, Orlando, Fla.

A. Marion S. Monk, Jr., Batchelor, La.
B. National Association of Soil Conservation Districts, League City, Tex.

A. Howard E. Munro, 815 16th Street NW., Washington, D. C.
B. Central Labor Union and Metal Trades Council of the Panama Canal Zone, Post Office Box 471, Balboa Heights, C. Z.
E. (9) $38.61.

A. John H. Myers, 1224 Cleveland Street, Wilmette, Ill.
B. National Committee for Insurance Taxation, Hay-Adams House, Washington, D. C.

A. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N. Y.

A. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $29,119.89. E. (9) $6,749.92.

A. National Association of Motor Bus Operators, 839 17th Street NW., Washington, D. C.

A. National Association of Post Office and General Services Maintenance Employees, 724 Ninth Street NW., Washington, D. C.
D. (6) $11,606.90. E. (9) $1,347.53.

A. National Association of Real Estate Boards, 36 South Wabash Avenue, Chicago, Ill., and 1300 Connecticut Avenue NW., Washington, D. C.
E. (9) $11,000.56.

A. National Automobile Dealers Association, 2000 K Street NW., Washington, D. C.
E. (9) $5,514.64.

A. National Committee for Insurance Taxation, The Hay-Adams House, Washington, D. C.
D. (6) $11,842.65. E. (9) $11,894.

A. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. National Council Against Conscription, 513 West 166th Street, New York, N. Y.
D. (6) $333.37. E. (9) $1,076.04.

A. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.

A. National Council of Salesmen's Organizations, Inc., 80 West 40th Street, New York, N. Y.

A. National Federation of Business and Professional Women's Clubs, Inc., Dupont Circle Building, Washington, D. C.
D. (6) $6,578. E. (9) $1,781.52.

A. National Grange, 744 Jackson Place NW., Washington, D. C.
D. (6) $10,483.50. E. (9) $13.

A. National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
D. (6) $634.09. (E). (9) $1,651.54.

A. National Multiple Sclerosis Society, 270 Park Avenue, New York, N. Y.
E. (9) $776.41.

A. National Rehabilitation Association, Inc., 1025 Vermont Avenue NW., Washington, D. C.
D. (6) $6,120.63. E. (9) $590.

A. National Tax Equality Association, 231 South La Salle Street, Chicago, Ill.
D. (6) $8,124.17. E. (9) $6,661.65.

A. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.
D. (6) $506.90. E. (9) $1,600.45.

A. Ross D. Netherton, 1712 G Street NW., Washington, D. C.
B. American Automobile Association, 1712 G Street NW., Washington, D. C.
D. (6) $4,503.

A. Herschel D. Newsom, 744 Jackson Place NW., Washington, D. C.
B. The National Grange, 744 Jackson Place NW., Washington, D. C.
D. (6) $3,750.

A. Christian P. Norgord, 1617 Rhode Island Avenue NW., Washington, D. C.
B. The American Humane Association, 896 Pennsylvania Street, Denver, Colo.

A. Robert H. North, 1105 Barr Building, Washington, D. C.
B. International Association of Ice Cream Manufacturers, 1105 Barr Building, Washington, D. C.
E. (9) $609.37.

A. Francis A. O'Connell, 625 Colorado Building, Washington, D. C.
B. Air Transport Division, Transport Workers Union, 80-07 Broadway, Elmhurst, N. Y.
D. (6) $1,885. E. (9) $1,312.82.

A. Robert J. O'Donnel, Interstate Circuit, Majestic Theater Building, Dallas, Tex.
B. Council of Motion Picture Organizations, Inc., 1501 Broadway, New York, N. Y.

A. Graeme O'Geran, 131 Orvilton Drive, Dewitt, N. Y.
B. The Merchants National Bank and Trust Company of Syracuse, 216 South Warren Street, Syracuse, N. Y.

A. Organization of Professional Employees of the United States Department of Agriculture, Post Office Box 381, Washington, D. C.
D. (6) $786.45. E. (9) $501.05.

A. Charles A. Parker, 1346 Connecticut Avenue NW., Washington, D. C.
B. National Aviation Trades Association, 1346 Connecticut Avenue NW., Washington, D. C.

A. Joseph O. Parker, 531 Washington Building, Washington, D. C.
B. Florida Fruit and Vegetable Association, 4401 East Colonial Drive, Orlando, Fla.

A. Joseph O. Parker, 531 Washington, Building, Washington, D. C.
B. Institute of American Poultry Industries, 221 North La Salle Street, Chicago, Ill.

A. Joseph O. Parker, 531 Washington Building, Washington, D. C.
B. The National Grange, 744 Jackson Place NW., Washington, D. C.

A. Patent Equity Association, Inc., 540 West 58th Street, New York, N. Y.
D. (6) $1,008.62. E. (9) $383.62.

A. Peoples Lobby, Inc., 1337 21st Street NW., Washington, D. C.
D. (6) $283.50.

A. Hugh Peterson, 1001 Connecticut Avenue, NW., Washington, D. C.
B. Georgia Power Co., 75 Marietta Street, Atlanta, Ga.
D. (6) $3,750.

A. Andrew A. Pettis, 1404 New York Avenue, NW., Washington, D. C.
B. Industrial Union of Marine and Shipbuilding Workers of America, 534 Cooper Street, Camden, N. J.
D. (6) $2,557.28. E. (9) $1,189.56.

A. Homer V. Prater, 900 F Street NW., Washington, D. C.
B. American Federation of Government Employees, 900 F Street NW., Washington, D. C.
D. (6) $1,956.36.

A. Mrs. R. I. C. Prout, 1734 N Street NW., Washington, D. C.

A. Luke C. Quinn, Jr., 1001 Connecticut Avenue NW., Washington, D. C.
B. American Cancer Society, New York, N. Y.; Arthritis and Rheumatism Foundation, New York, N. Y.; United Cerebral Palsy Associations, New York, N. Y.; National Multiple Sclerosis Society, New York, N. Y.; National Committee for Research in Neurological Disorders.
D. (6) $7,500.01. E. (9) $5,361.18.

A. Otis M. Reed, 1107 19th Street NW., Washington, D. C.
B. National Creameries Association, 817 New York Building, St. Paul, Minn.
D. (6) $1,875.

A. Hubert M. Rhodes, 740 11th Street NW., Washington, D. C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $550. E. (9) $11.25.

A. John J. Riggle, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.

A. Edward O. Rodgers, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
D. (6) $1,250. E. (9) $52.35.

A. Rosario Scibilia, 1975 West Sixth Street, Brooklyn, N. Y.
B. Catholic War Veterans of the U. S. A., 1012 14th Street NW., Washington, D. C.
E. (9) $286.10.

A. Selvage & Lee, Inc., 1625 I Street NW., Washington, D. C.
B. Carpet Institute, Empire State Building, New York, N. Y.
D. (6) $3,000. E. (9) $115.30.

A. Selvage & Lee, Inc., 1625 I Street NW., Washington, D. C.
B. Mobile Homes Manufacturers Association, 20 North Wacker Drive, Chicago, Ill.
D. (6) $1,249.98. A. (9) $64.58.

A. Selvage & Lee, Inc., 1625 I Street NW., Washington, D. C.
B. New York Coffee and Sugar Exchange, 113 Pearl Street, New York, N. Y.
D. (6) $1,200. E. (9) $165.17.

A. Paul Sifton, 718 Jackson Place NW., Washington, D. C.
B. United Automobile, Aircraft, Agricultural Implement Workers of America.
D. (6) $2,030. E. (9) $1,671.62.

A. R. S. Smethurst, 1511 K Street NW., Washington, D. C.
B. National Association of Manufacturers, 2 East 48th Street, New York, N. Y.

A. Fred Smith & Co., Inc., 588 Fifth Avenue, New York, N. Y.
B. Edward Mallinckrodt, Jr., 16 West Moreland Place, St. Louis, Mo.
D. (6) $4,724.10.

A. Dr. Spencer M. Smith, Jr., 1709 North Glebe Road, Arlington, Va.
B. Citizens Committee on Natural Resources, 2140 P Street NW, Washington, D. C.
D. (6) $992.60. E. (9) $24.23.

A Society for Animal Protective Legislation, 745 Fifth Avenue, New York, N. Y.
D. (6) $45. E. (9) $03.88.

A. Stanley L. Sommer, 715 Albee Building, Washington, D. C.
D. (6) $150. E. (9) $200.

A. Southern Pine Industry Committee, 520 National Bank of Commerce Building, New Orleans, La.
D. (6) $5,068.82. E. (9) $3,924.68.

A. Preble Staver, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association, 1107 16th Street NW., Washington, D. C.
D. (6) $1,250. E. (9) $34.80.

A. Mrs Alexander Stewart, 214 Second Street NE., Washington, D. C.
B. Women's International League for Peace and Freedom, 214 Second Street NE., Washington, D. C.
D. (6) $13,825.87. E. (9) $11,828.19.

A. Charles P. Taft, 1025 Connecticut Avenue NW., Washington, D. C.
B. Legislative Committee of the Committee for a National Trade Policy, Inc., 1025 Connecticut Avenue NW., Washington, D. C.

A. Dwight D. Taylor, Jr., 918 16th Street NW., Washington, D. C.
B. American Airlines, Inc., 918 16th Street NW., Washington, D. C.
D. (6) $1,600. E. (9) $470.

A. Touche, Niven, Bailey & Smart, 208 South La Salle Street, Chicago, Ill.
B. The National Committee for Insurance Taxation, 221 North La Salle Street, Chicago, Ill.
D. (6) $3,325. E. (9) $98.79.

A. Hugh C. Tuttle, Dover, N. H.
B. National Association of Soil Conservation Districts, League City, Tex.

A. United Cerebral Palsy Associations, Inc., 369 Lexington Avenue, New York, N. Y.
E. (9) $1,294.07.

A. R. G. Van Buskirk, Clinton, La.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $781.27.

A. Bailey Walsh, 1025 Connecticut Avenue, NW., Washington, D. C.
B. International Nickel Co., Inc., 67 Wall Street, New York, N. Y.
D. (6) $1,200. E. (9) $180.50.

A. Herbert F. Walton, 7447 Skokie Boulevard, Skokie, Ill.
B. The National Committee for Insurance Taxation, The Hay-Adams House, Washington, D. C.

A. Weaver & Glassie, 1225 19th Street NW., Washington, D. C.
B. National Electrical Contractors Association and the Council of Mechanical Specialty Contracting Industries, Inc., Ring Building, Washington, D. C.
D. (6) $7,647.14. E. (9) $321.68.

A. Wenchel, Schulman & Manning, 1625 K Street NW., Washington, D. C.
B. Estate of Mary Clark deBrabant and Katherine C. Williams, 120 Broadway, New York, N. Y.
E. (9) $155.77.

A. Western States Meat Packers Association, Inc., 604 Mission Street, San Francisco, Calif.
D. (6) $16,147.65. E. (9) $42.95.

A. John J. Wicker, Jr., 501 Mutual Building, Richmond, Va.
B. Mutual Insurance Committee on Federal Taxation, 20 North Wacker Drive, Chicago, Ill.
D. (6) $1,574.16. E. (9) $1,574.16.

A. Frank G. Wollney, 221 North La Salle Street, Chicago, Ill.
B. Institute of American Poultry Industries, 221 North La Salle Street, Chicago, Ill.

A. Harley Z. Wooden.
B. The International Council for Exceptional Children, 1201 16th Street NW., Washington, D. C.
D. (6) $50.

A. Howard Zahniser, 6222 43d Avenue, Hyattsville, Md.
B. Council of Conservationists, 588 Fifth Avenue, New York, N. Y.
E. (9) $250.

A. Gordon K. Zimmerman, 744 Jackson Place NW., Washington, D. C.
B. The National Grange, 744 Jackson Place NW., Washington, D. C.
D. (6) $3,000.

QUARTERLY REPORTS

The following quarterly reports were submitted for the first calendar quarter 1957:

NOTE.—The form used for reports is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed and are indicated by their respective letter and number.)

File two copies with the Secretary of the Senate and file three copies with the Clerk of the House of Representatives.
This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.
Place an "X" below the appropriate letter or figure in the box at the right of the "Report" heading below:
"PRELIMINARY" REPORT ("Registration"): To "register" place an "X" below the letter "P" and fill out page 1 only.
"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.....	REPORT PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT	P	QUARTER 1st	2d	3d	4th
			(Mark one square only)			

NOTE ON ITEM "A".—(a) In General: This "Report" form may be used by either an organization or an individual, as follows:
(i) "EMPLOYEE".—To file as an "employee," state in Item "B" the name, address, and nature of business of the "employer." (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee.")
(ii) "Employer".—To file as an "employer," write "None" as answer to Item "B."
(b) Separate Reports.—An agent or employee should not attempt to combine his Report with the employer's Report.
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING.—(1) State name, address, and nature of business; (2) if this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers; except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—Section 302 (e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place ☐ an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) description; (b) quantity distributed; (c) date of distribution; (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. *If* this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this Item "C 4" and fill out Items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

NOTE ON ITEM "D".—(a) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302 (a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expand except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $_____Dues and assessments
2. $_____Gifts of money or anything of value
3. $_____Printed or duplicated matter received as a gift
4. $_____Receipts from sale of printed or duplicated matter
5. $_____Received for services (e. g., salary, fee, etc.)
6. $_____TOTAL for this Quarter (Add items "1" through "5")
7. $_____Received during previous Quarters of calendar year
8. $_____TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302 (a).

9. $_____TOTAL owed to others on account of loans
10. $_____Borrowed from others during this Quarter
11. $_____Repaid to others during the Quarter
12. $_____"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": _____
14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* ("*Period*" from Jan. 1 through_____, 19____)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N. Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(a) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302 (b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6"), and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Expenditures (other than loans)

1. $_____Public relations and advertising services
2. $_____Wages, salaries, fees, commissions (other than item "1")
3. $_____Gifts or contributions made during Quarter
4. $_____Printed or duplicated matter, including distribution cost
5. $_____Office overhead (rent, supplies, utilities, etc.)
6. $_____Telephone and telegraph
7. $_____Travel, food, lodging, and entertainment
8. $_____All other expenditures
9. $_____TOTAL for this Quarter (Add "1" through "8")
10. $_____Expended during previous Quarters of calendar year
11. $_____TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302 (b).

12. $_____TOTAL now owed to person filing
13. $_____Lent to others during this Quarter
14. $_____Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More
In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7–11: Roe Printing Co., 3314 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7–15, 8–15, 9–15: Britten & Blatten, 3127 Gremlin Bldg., Washington, D. C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

A. Claris Adams, 1701 K Street NW., Washington, D. C.
B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
D. (6) $327.

A. J. Carson Adkerson, 976 National Press Building, Washington, D. C.
E. (9) $21.29.

A. Arthur F. Aebersold, 900 F Street NW., Washington, D. C.
B. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Washington, D. C.
D. (6) $1,590.15. E. (9) $21.75.

A. AFL–CIO Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $12,822.68. E. (9) $11,235.54.

A. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
D. (6) $4,387.04. E. (9) $4,387.04.

A. Aircraft Owners and Pilots Association, 4644 East-West Highway, Bethesda, Md.

A. Louis J. Allen, 1121 Nashville Trust Building, Nashville, Tenn.
B. Class I Railroads in Tennessee.

A. W. L. Allen, 8605 Cameron Street, Silver Spring, Md.
B. The Commercial Telegraphers' Union, International, 8605 Cameron Street, Silver Spring, Md.

A. William B. Allen, 917 15th Street NW., Washington, D. C.
B. United Rubber, Cork, Linoleum, and Plastic Workers of America, High at Mill Street, Akron, Ohio.
D. (6) $1,960. E. (9) $385.50.

A. Thomas H. Alphin, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $925. E. (9) $311.31.

A. Amalgamated Association of Street, Electric Railway and Motor Coach Employes of America, 5025 Wisconsin Avenue NW., Washington, D. C.

A. American Automobile Association, 1712 G Street NW., Washington, D. C.

A. American Bottlers of Carbonated Beverages, 1128 16th Street NW., Washington, D. C.

A. American Cotton Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N. C.
D. (6) $6,999.79. E. (9) $6,999.79.

A. American Farm Bureau Federation, Merchandise Mart Plaza, Chicago, Ill., and 425 13th Street NW., Washington, D. C.
D. (6) $25,918. E. (9) $25,918.

A. American Federation of Labor and Congress of Industrial Organizations, AFL–CIO Building, Washington, D. C.
E. (9) $30,531.15.

A. American Federation of Musicians, 570 Lexington Avenue, New York, N. Y.
D. (6) $169,935.40. E. (9) $11,403.26.

A. American Federation of the Physically Handicapped, Inc., 1370 National Press Building, Washington, D. C.
E. (9) $1,714.80.

A. American Hospital Association, 18 East Division Street, Chicago, Ill.
D. (6) $12,614.72. E. (9) $11,314.72.

A. American Hotel Association, 221 West 57th Street, New York, N. Y.
D. (6) $152,858.88.

A. American Humane Association, 896 Pennsylvania Street, Denver, Colo.
E. (9) $1,399.98.

A. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
D. (6) $396.62. E. (9) $523.55.

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $25,000. E. (9) $13,165.88.

A. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
D. (6) $69,981.73. E. (9) $3,737.25.

A. American Nurses' Association, Inc., 2 Park Avenue, New York, N. Y.
D. (6) $449,639.13. E. (9) $3,777.96.

A. American Optometric Association, Inc. (Development Fund-Legislative), care of Dr. M. Ward Ewalt, Jr., 8001 Jenkins Arcade, Pittsburgh, Pa.
D. (6) $4,982.83. E. (9) $3,233.74.

A. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.
D. (6) $480.10. E. (9) $480.10.

A. American Paper and Pulp Association, 122 East 42d Street, New York, N. Y.

A. American Parents Committee, Inc., 132 Third Street SE., Washington, D. C.; and 52 Vanderbilt Avenue, New York, N. Y.
D. (6) $927.35. E. (9) $2,186.64.

A. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
D. (6) $44,089. E. (9) $9,812.

A. American Pulpwood Association, 220 East 42d Street, New York, N. Y.

A. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $78,760.26. E. (9) $8,907.89.

A. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $3,729.23. E. (9) $3,729.03.

A. American Tariff League, Inc., 19 West 44th Street, New York, N. Y.

A. American Textbook Publishers Institute, 1 Madison Avenue, New York City, N. Y.

A. American Textile Machinery Association, 60 Batterymarch Street, Boston, Mass.
D. (6) $187.64.

A. American Tramp Shipowners Association, Inc., 11 Broadway, New York, N. Y.
D. (6) $10,175.06. E. (9) $17,366.13.

A. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $10,290.06. E. (9) $7,390.30.

A. American Veterans World War II, 1710 Rhode Island Avenue NW., Washington, D. C.
E. (9) $1,562.50.

A. American Warehousemen's Association, Merchandise Division, 222 West Adams Street, Chicago, Ill.

A. American Zionist Committee for Public Affairs, 1737 H Street NW., Washington, D. C.

A. America's Wage Earners' Protective Conference, 815 15th Street NW., Washington, D. C.
D. (6) $1,560. E. (9) $1,634.61.

A. Samuel W. Anderson, 1700 K Street NW., Washington, D. C.
B. American Watch Association, Inc., 1700 K Street NW., Washington D. C.
D. (6) $6,249.99.

A. Walter M. Anderson, Jr., Montgomery, Ala.
B. Alabama Railroad Association, 1002 First National Bank Building, Montgomery, Ala.
D. (6) $175. E. (9) $384.

A. Area Employment Expansion Committee, 1144 Pennsylvania Building, Washington, D. C.
D. (6) $2,675.

A. John R. Arent, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $800. E. (9) $64.50.

A. Hector N. Aring, 826 Woodward Building, Washington, D. C.
B. Johns-Manville Corp., 22 East 40th Street, New York, N. Y.
D. (6) $1,250. E. (9) $617.

A. Arkansas Railroad Committee, 1115 Boyle Building, Little Rock, Ark.
B. Class One Railroads operating in the State of Arkansas.
D. (6) $3,750. E. (9) $1,992.45.

A. Arnold, Fortas & Porter, 1229 19th Street NW., Washington, D. C.
B. Simon & Schuster, 630 Fifth Avenue, New York, N. Y.

A. Arnold, Fortas & Porter, 1229 19th Street NW., Washington, D. C.
B. Committee for Hometown Television, Inc., Box 9140, Bridgeport, Conn.
D. (6) $300.

A. W. C. Arnold, 200 Colman Building, Seattle, Wash.
B. Alaska Salmon Industry, Inc., 200 Colman Building, Seattle, Wash.

A. Lester Asher, 130 North Wells Street, Chicago, Ill.
B. Illinois State Conference of Building and Construction Trades, 130 North Wells Street, Chicago, Ill.
D. (6) $500. E. (9) $91.70.

A. Associated General Contractors of America, Inc., Munsey Building, Washington, D. C.

A. Associated Third Class Mail Users, 1406 G. Street NW., Washington, D. C.
D. (6) $31,651.50. E. (9) $8,945.73.

A. Association of American Physicians and Surgeons, Inc., 185 North Wabash Avenue, Chicago, Ill.
D. (6) $1,500. E. (9) $1,500.

A. Association of American Railroads, 929 Transportation Building, Washington, D. C.
D. (6) $42,147.53. E. (9) $42,147.53.

A. Association of American Ship Owners, 76 Beaver Street, New York, N. Y.

A. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
D. (6) $2,076.96. E. (9) $2,076.96.

A. Association of Western Railways, 474 Union Station Building, Chicago, Ill.
D. (6) $4,090.80. E. (9) $4,090.80.

A. Edward Atkins, 51 East 42d Street, New York, N. Y.
B. National Association of Shoe Chain Stores, Inc., 51 East 42d Street, New York, N. Y.
D. (6) $250. E. (9) $250.

A. Charles E. Babcock, Route 4, Box 120, Vienna, Va.
B. National Council, Junior Order United American Mechanics, 3027 North Bross Street, Philadelphia, Pa.
D. (6) $150. E. (9) $9.33.

A. Harry S. Baer, Jr., 1115 17th Street NW., Washington, D. C.
B. Aeronautical Training Society, 1115 17th Street NW., Washington, D. C.
D. (6) $2,000.

A. George P. Baker, 16 Eliot Street, Cambridge, Mass.
B. Transportation Association of America, 6 North Michigan Avenue, Chicago, Ill.

A. John A. Baker.
B. The Farmers' Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C.
D. (6) $2,581.62. E. (9) $212.70.

A. J. H. Ballew, Nashville, Tenn.
B. Southern States Industrial Council, Nashville, Tenn.
D. (6) $2,400.

A. Hartman Barber, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $2,100. E. (9) $978.57.

A. James M. Barnes, 1025 Connecticut Avenue NW., Washington, D. C.
B. Reciprocal Inter-Insurers Federal Tax Committee, United Artists Building, Detroit, Mich.
D. (6) $3,000.

A. Arthur R. Barnett, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $1,050. E. (9) $101.06.

A. Irvin L. Barney, 401 Third Street NW., Washington, D. C.
B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.
D. (6) $2,625.

A. William G. Barr, 711 14th Street NW., Washington, D. C.
B. National Parking Association, 711 14th Street NW., Washington, D. C.

A. F. W. H. Beauchamp, 26 O'Farrell Street, San Francisco, Calif.
B. Transportation Association of America, 6 North Michigan Avenue, Chicago, Ill.

A. Ralph E. Becker, 1700 K Street NW., Washington, D. C.
B. American National Theatre and Academy, 1545 Broadway, New York, N. Y.
E. (9) $09.46.

A. Ralph E. Becker, 1700 K Street NW., Washington, D. C.
B. Comision de Defensa del Azucar y Fomento de la Cana, Ciudad Trujillo, Dominican Republic.

A. Ralph E. Becker, 1700 K Street NW., Washington, D. C.
B. The League of New York Theatres, Inc., and The National Association of the Legitimate Theatre, Inc., 137 West 48th Street, New York, N. Y.
D. (6) $500. E. (9) $200.38.

A. Ralph E. Becker, 1700 K Street NW., Washington, D. C.
B. National Association of Concert Managers, 30 Lafayette Avenue, Brooklyn, N. Y.
E. (9) $129.14.

A. Bert Bell, 1 Bala Avenue, Bala Cynwyd, Pa.
B. National Football League, 1 Bala Avenue, Bala Cynwyd, Pa.
E. (9) $706.28.

A. Frederick J. Bell, 2000 K Street NW., Washington, D. C.
B. National Automobile Dealers Association, 2000 K Street NW., Washington, D. C.
D. (6) $2,692.

A. Julia D. Bennett, Hotel Congressional, Washington, D. C.
B. American Library Association, 50 East Huron Street, Chicago, Ill.
E. (9) $1,787.14.

A. Ernest H. Benson, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich.
D. (6) $4,500.

A. Carl H. Berglund, 1306 Washington Building, Tacoma, Wash.
D. (6) $3,000. E. (9) $1,672.09.

A. Tell Berna, Nantucket, Mass.
B. National Machine Tool Builders' Association, 2071 East 102d Street, Cleveland, Ohio.

A. J. Raymond Berry, 85 John Street, New York, N. Y.
B. National Board of Fire Underwriters, 85 John Street, New York, N. Y.
D. (6) $600. E. (9) $264.

A. Andrew J. Biemiller, 815 16th Street NW., Washington, D. C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D. C.
D. (6) $3,333. E. (9) $509.50.

A. Walter J. Bierwagen, 900 F Street NW., Washington, D. C.
B. Division 689, Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America, 900 F Street NW., Washington, D. C.

A. Hudson Biery, 1012 Federal Reserve Bank Building, Cincinnati, Ohio.
B. Ohio Valley Improvement Association, Inc., 1012 Federal Reserve Bank Building, Cincinnati, Ohio.

A. Bigham, Englar, Jones & Houston, 99 John Street, New York 38, N. Y., and 839 Shoreham Building, Washington, D. C.
B. American Institute of Marine Underwriters, Association of Marine Underwriters of the United States, American Cargo War Risk Reinsurance Exchange, and American Hull Insurance Syndicate.
E. (9) $60.

A. Robert J. Bird, 731 Washington Building, Washington, D. C.
B. Massachusetts Protective Association, Worcester, Mass.

A. Robert J. Bird, 731 Washington Building, Washington, D. C.
B. Paul Revere Life Insurance Co., Worcester, Mass.

A. Henry J. Bison, Jr., 1010 Vermont Avenue, NW., Washington, D. C.
B. National Association of Retail Grocers, 360 North Michigan Avenue, Chicago, Ill.
D. (6) $1,000. E. (9) $427.37.

A. John H. Bivins, 50 West 50th Street, New York, N. Y.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
D. (6) $975.

A. James C. Black, 1625 K Street, NW., Washington, D. C.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio.
D. (6) $600. E. (9) $500.

A. Thomas D. Blake, 4664 Reservoir Road, NW., Washington, D. C.
B. Imported Hardwood Plywood Association, Inc., Ferry Building, San Francisco, Calif., and Plywood Group National Council of American Importers, 120 Wall Street, New York, N. Y.

A. William Rhea Blake, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.

A. Mrs. Paul Blanshard, 408 A Street NE., Washington, D. C.
B. Unitarian Fellowship for Social Justice, 408 A Street NE., Washington, D. C.
D. (6) $240. E. (9) $90.

A. Blue Cross Commission, 425 North Michigan Avenue, Chicago, Ill.
E. (9) $7,578.19.

A. Blum, Lindsey & Powell, 1741 K Street NW., Washington, D. C.
B. Committee for Study of Revenue Bond Financing, 9 South William Street, New York, N. Y.
D. (6) $2,725. E. (9) $213.

A. Hyman Bookbinder, 815 16th Street NW., Washington, D. C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D. C.
D. (6) $2,899. E. (9) $396.

A. Joseph L. Borda, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Lyle H. Boren, Seminole, Okla.
B. The Association of Western Railways, 474 Union Station Building, Chicago, Ill.
D. (6) $4,090.80.

A. Robert T. Borth, 777 14th Street NW., Washington, D. C.
B. General Electric Co., 570 Lexington Avenue, New York, N. Y.
D. (6) $375. E. (9) $378.75.

A. Boston & Maine Railroad, 150 Causeway Street, Boston, Mass.
D. (6) $48.18. E. (9) $74.

A. G. Stewart Boswell, 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $180. E. (9) $0.56.

A. Ray B. Bowden, 600 Folger Building, Washington, D. C.
B. Grain and Feed Dealers National Association, 100 Merchants Exchange Building, St. Louis, Mo.
D. (6) $50.

A. Joseph E. Brady, 2347 Vine Street, Cincinnati, Ohio.
B. International Union of United Brewery, Flour, Cereal, Soft Drink, and Distillery Workers of America, 2347 Vine Street, Cincinnati, Ohio.
E. (9) $127.30.

A. Harold P. Braman, 907 Ring Building, Washington, D. C.
B. National Savings and Loan League, 907 Ring Building, Washington, D. C.
D. (6) $500.

A. Harry R. Brashear, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.

A. Frank P. Brennan, Avoca, Iowa.
B. Iowa Power & Light Co., Des Moines, Iowa.
E. (9) $19.90.

A. William A. Bresnahan, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.

A. Clark L. Brody, 4000 North Grand River Avenue, Lansing, Mich.
B. Michigan Farm Bureau, 4000 North Grand River Avenue, Lansing, Mich.
D. (6) $242.31. E. (9) $13.81.

A. W. S. Bromley, 122 East 42d Street, New York, N. Y.
B. American Pulpwood Association, 220 East 42d Street, New York, N. Y.

A. Milton E. Brooding, 215 Fremont Street, San Francisco, Calif.
B. California Packing Corporation, 215 Fremont Street, San Francisco, Calif.
D. (6) $1,000. E. (9) $100.

A. Derek Brooks, 666 Lake Shore Drive, Chicago, Ill.
B. National Retail Furniture, Association, 666 Lake Shore Drive, Chicago, Ill.
D. (6) $600. E. (9) $664.58.

A. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employes, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $4,122.73. E. (9) $4,122.73.

A. J. Olney Brott, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
D. (6) $512.50. E. (9) $1,684.43.

A. C. Blake Brown, 839 17th Street NW., Washington, D. C.
B. National Association of Motor Bus Operators, 839 17th Street NW., Washington, D. C.

A. J. D. Brown, 1025 Connecticut Avenue NW., Washington, D. C.
B. American Public Power Association, 1025 Connecticut Avenue NW., Washington, D. C.
D. (6) $150.

A. Brown, Lund & Fitzgerald, 1625 I Street NW., Washington, D. C.
B. American and Foreign Power Company, Inc., Two Rector Street, New York, N. Y.
D. (6) $408.75. E. (9) $41.69.

A. Brown, Lund & Fitzgerald, 1625 I Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $1,213.33. E. (9) $1,176.47.

A. Thad H. Brown, Jr., 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.

A. George S. Buck, Jr., 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.
B. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.
D. (6) $1,350. E. (9) $18.95.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.
B. The Florida Ship Canal Navigation District, 720 Florida Title Building, Jacksonville, Fla.
D. (6) $1,350.

A. George J. Burger, 250 West 57th Street, New York, N. Y., and 740 Washington Building, Washington, D. C.
B. Burger Tire Consultant Service, 250 West 57th Street, New York, N. Y., and 740 Washington Building, Washington, D. C.

A. Thomas H. Burke, 718 Jackson Place NW., Washington, D. C.
B. International Union United Automobile, Aircraft and Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit 14, Mich., and 718 Jackson Place NW., Washington, D. C.
D. (6) $995.67. E. (9) $624.

A. Burley and Dark Leaf Tobacco Export Association, Post Office Box 860, Lexington, Ky.
E. (9) $53.71.

A. George B. Burnham, 132 Third Street SE., Washington, D. C.
B. Numerous stockholders of the Burnham Chemical Co., 132 Third Street SE., Washington, D. C.
D. (6) $204. E. (9) $204.

A. William J. Burns, 1424 16th Street NW., Washington, D. C.
B. Munitions Carriers Conference, 1424 16th Street NW., Washington, D. C.
D. (6) $150.

A. Robert M. Burr, 101 Park Avenue, New York, N. Y.
B. National Electrical Manufacturers Association, 155 East 44th Street, New York, N. Y.

A. Orrin A. Burrows, 1200 15th Street NW., Washington, D. C.
B. International Brotherhood of Electrical Workers, 1200 15th Street NW., Washington, D. C.
D. (6) $2,874.99.

A. Sherman E. Burt, 1625 I Street NW., Washington, D. C.
B. American Coal Sales Association, 1625 I Street NW., Washington, D. C.

A. Charles C. Butler, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $272.50 E. (9) $3.20.

A. Lawrence V. Byrnes, 401 Third Avenue NW., Washington, D. C.
B. Brotherhood of Locomotive Engineers, B. of L. E. Building, Cleveland, Ohio.
D. (6) $3,313.50.

A. C. G. Caffrey, 1145 19th Street NW., Washington, D. C.
B. American Cotton Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N. C.
D. (6) $760.20. E. (9) $37.

A. Leonard J. Calhoun, 410 Washington Building, Washington, D. C.
B. Public Information Committee of the Cotton Industries, 410 Washington Building, Washington, D. C.
D. (6) $3,600.

A. Campaign for the 48 States, 312 Cotton Exchange Building, Memphis, Tenn.
D. (6) $19,875.41. E. (9) $81,922.02.

A. Carl C. Campbell, 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.

A. James A. Campbell, 900 F Street NW., Washington, D. C.
B. American Federation of Government Employees, 900 F Street NW., Washington, D. C.
D. (6) $2,538.48. E. (9) $2253.85.

A. Robert S. Carr, 1220 Pennsylvania Building, Washington, D. C.
B. Hiram Walker & Sons, Inc., Penobscot Building, Detroit, Mich.

A. T. C. Carroll, 12050 Woodward Avenue, Detroit, Mich.

A. Henderson H. Carson, 744 Pennsylvania Building, Washington, D. C.
B. East Ohio Gas Co., 1405 Sixth Street, Cleveland, Ohio.
D. (6) $1,500. E. (9) $921.

A. Albert E. Carter, 1026 16th Street NW., Washington, D. C.
B. Pacific Gas and Electric Co., 245 Market Street, San Francisco, Calif.
D. (6) $3,000. E. (9) $1,638.92.

A. Clarence B. Carter, Post Office Box 798, New Haven, Conn.
B. Railroad Pension Conference, Post Office Box 798, New Haven, Conn.

A. Benjamin F. Castle, 1145 19th Street NW., Washington, D. C.
B. Milk Industry Foundation.

A. Larry Cates, 1143 National Press Building, Washington, D. C.
B. Clarence N. Sayen, 55th Street and Cicero Avenue, Chicago, Ill.
D. (6) $2,750.

A. Francis R. Cawley, 1101 Vermont Avenue NW., Washington, D. C.
B. Magazine Publishers Association, Inc., 232 Madison Avenue, New York, N. Y.
D. (6) $1,715. E. (9) $356.95.

A. Justice M. Chambers, 2521 Connecticut Avenue NW., Washington, D. C.
B. N. Colodets & Co., 120 Wall Street, New York, N. Y.
D. (6) $2,500.

A. Justice M. Chambers, 2521 Connecticut Avenue NW., Washington, D. C.
B. Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C.
D. (6) $900.

A. Christian Amendment Movement, 804 Penn Avenue, Pittsburgh, Pa.
D. (6) $2,806.77. E. (9) $4,684.14.

A. Earl W. Clark, 132 Third Street SE., Washington, D. C.
B. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $825. E. (9) $131.44.

A. Omer W. Clark, 1701 18th Street NW., Washington, D. C.
B. Disabled American Veterans, 5555 Ridge Avenue, Cincinnati, Ohio.
E. (9) $3,230.78.

A. Robert M. Clark, 535 Shoreham Building, Washington, D. C.
B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill.

A. Clear Channel Broadcasting Service, 532 Shoreham Building, Washington, D. C.

A. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
B. National Cuban Sugar Mill Owners Association, Havana, Cuba, and Cuban Sugar Cane Growers Association, Havana, Cuba.
D. (6) $25,000. E. (9) $2,143.16.

A. Clarence E. Cleveland, Montpelier, Vt.
B. Vermont State Railroads Association, Montpelier, Vt.
D. (6) $32.34. E. (9) $66.20.

A. Herman Clott, 711 14th Street NW., Washington, D. C.
B. International Union of Mine, Mill and Smelter Workers, Tabor Building, Denver, Colo.
D. (6) $1,287. E. (9) $142.

A. Clay L. Cochran, 2000 Florida Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D. C.
D. (6) $28.75.

A. Coles & Goertner, 813 Washington Building, Washington, D. C.
B. The American Tramp Shipowners Association, Inc., 11 Broadway, New York, N. Y.
D. (6) $10,000. E. (9) $139.55.

A. Don C. Collins, Kit Carson, Colo.
B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
E. (9) $198.44.

A. Colorado Railroad Legislative Committee, 615 C. A. Johnson Building, Denver, Colo.
E. (9) $448.15.

A. Committee for Broadening Commercial Bank Participation in Public Financing, 59 South La Salle Street, Chicago, Ill.
D. (6) $1,350. E. (9) $300.21.

A. Committee for Collective Security, 90 John Street, New York, N. Y.
D. (6) $885. E. (9) $448.51.

A. Committee for Hometown Television, Box 9140, Bridgeport, Conn.
E. (9) $368.82.

A. Committee on Laws, National Board of Fire Underwriters, 85 John Street, New York, N. Y.
D. (6) $639. E. (9) $3,075.

A. Committee for Oil Pipe Lines, 418 Munsey Building, Washington, D. C.

A. Committee for Study of Revenue Bond Financing, 9 South William Street, New York, N. Y.
D. (6) $15,400.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Amana Refrigeration, Inc., Amana, Iowa.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Independent Advisory Committee to the Trucking Industry, Inc.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Salt Producers Association, 726 La Salle-Wacker Building, Chicago, Ill.

A. Lawrence R. Condon, 165 Broadway, New York, N. Y.
B. Estate of Mary Clark DeBrabant and Katherine C. Williams, 120 Broadway, New York, N. Y.

A. John C. Cone, 815 15th Street NW., Washington, D. C.
B. Pan American World Airways System, 815 15th Street, NW., Washington, D. C.

A. Julian D. Conover, Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $2,500. E. (9) $68.78.

A. J. Milton Cooper, 1100 Bowen Building, Washington, D. C.
B. National Coal Association, 15th and H Street NW., Washington, D. C.

A. J. Milton Cooper, 1100 Bowen Building, Washington, D. C.
B. New York Stock Exchange, 11 Wall Street, New York, N. Y.

A. J. Milton Cooper, 1100 Bowen Building, Washington, D. C.
B. R. J. Reynolds Tobacco Co., Winston-Salem, N. C.

A. Cooper & Silverstein, 1100 Bowen Building, Washington, D. C.
B. American Council of Life Underwriters, 208 South La Salle Street Building, Chicago, Ill.

A. Cooper & Silverstein, 1100 Bowen Building, Washington, D. C.
B. Fountain Pen & Mechanical Pencil Manufacturers' Association, Inc., 1426 G Street NW., Washington, D. C.

A. Wilmer A. Cooper, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
D. (6) $175.

A. Cooperative League of the United States of America Association, Inc., 343 South Dearborn Street, Chicago, Ill.

A. Cordage Legislative Committee, 350 Madison Avenue, New York, N. Y.
D. (6) $150. E. (9) $1,100.

A. Edward J. Coughlin, 900 F Street NW., Washington, D. C.
B. American Federation of Technical Engineers, 900 F Street NW., Washington, D. C.
D. (6) $195. E. (9) $20.

A. Council of Conservationists, 588 Fifth Avenue, New York, N. Y.
B. Fred Smith & Co., Inc., 588 Fifth Avenue, New York, N. Y.

A. Council of Mechanical Specialty Contracting Industries, Inc., 610 Ring Building, Washington, D. C.
D. (6) $2,735. E. (9) $17,798.32.

A. Council of State Chambers of Commerce, 1025 Connecticut Avenue, Washington, D. C.
D. (6) $1,569.14. E. (9) $1,569.14.

A. Edsall Lee Couplin, 411 East Jefferson Avenue, Detroit, Mich.
B. Michigan Hospital Service, 441 East Jefferson Avenue, Detroit, Mich.
D. (6) $1,200. E. (9) $79.40.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. Chicago and North Western Railway System, 400 West Madison Street, Chicago, Ill.
E. (9) $3.91.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. Club Managers Association of America, 408 Olive Street, St. Louis, Mo.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. Committee on Joint Resolution 1955 Legislature, P. O. Box 3170, Honolulu, Hawaii, U. S. A.
D. (6) $1,750. E. (9) $1.40.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. Embassy of Denmark, 2374 Massachusetts Avenue NW., Washington, D. C.
E. (9) $163.91.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. International Nickel Co., Inc., 67 Wall Street, New York, N. Y.
E. (9) $5.54.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. National Machine Tool Builders' Association, 2071 East 102d Street, Cleveland, Ohio.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. Roberts Dairy Co., 4469 Farnam Street, Omaha, Nebr.
E. (9) $16.33.

A. A. M. Crawford, 704 Title and Trust Building, Phoenix, Ariz.
B. Southern Pacific Co., 65 Market Street, San Francisco 5, Calif., and the Atchison, Topeka & Santa Fe Railway, 121 East Sixth Street, Los Angeles, Calif.
E. (9) $357.60.

A. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $54,132.74. E. (9) $1.25.

A. Edward B. Crosland, 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.
D. (6) $4,999.99.

A. John W. Cross, 920 Southern Building, Washington, D. C.
B. Deutsche Amerikakohlen-Transportgesellschaft, M. B. H., 17 Grabenstrasse, Dusseldorf, Germany.

A. Leo J. Crowley, 649 Equitable Building, Denver, Colo.
B. Colorado Railroad Legislative Committee, 615 C. A. Johnson Building, Denver, Colo.
D. (6) $448.15. E. (9) $448.15.

A. Paul Cunningham, 575 Madison Avenue, New York, N. Y.
B. American Society of Composers, Authors and Publishers, 575 Madison Avenue, New York, N. Y.

A. Ralph E. Curtiss, 917 15th Street NW., Washington, D. C.
B. National Licensed Beverage Association, 420 Seventh Street, Racine, Wis.
D. (6) $675.

A. Bernard Cushman, 1001 Connecticut Avenue NW., Washington, D. C.
B. O. David Zimring, 1001 Connecticut Avenue NW., Washington D. C., and 11 South La Salle Street, Chicago, Ill.

A. Louis S. Damiani, Post Office Box 54, Gatun, C. Z.
B. Canal Zone Central Labor Union and Metal Trades Council, Post Office Box 471, Balboa Heights, C. Z.
D. (6) $1,330. E. (9) $1,372.50.

A. R. Harvey Dastrup, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $937.50. E. (9) $51.22.

A. Aled P. Davies, 59 East Van Buren Street, Chicago, Ill.
B. American Meat Institute, 59 East Van Buren Street, Chicago, Ill.
D. (6) $2,706.53. E. (9) $1,705.65.

A. Bertram G. Davis, 1608 K Street NW., Washington, D. C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $1,710.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. Ontario Land Co., 807 Lonsdale Building, Duluth, Minn.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. The Singer Manufacturing Co., 149 Broadway, New York, N. Y.
D. (6) $6,000. E. (9) $323.34.

A. Donald S. Dawson and Robert J. Bird, 731 Washington Building, Washington, D. C.
B. Hilton Hotels Corp., 720 South Michigan Avenue, Chicago, Ill.

A. Donald S. Dawson, 731 Washington Building, Washington, D. C.
B. Schenley Industries, Inc., Empire State Building, New York, N. Y.

A. Michael B. Deane, 1700 K Street NW., Washington, D. C.
B. American Watch Association, Inc., 1700 K Street NW., Washington, D. C.
D. (6) $4,250.22.

A. John D. deButts, 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.
D. (6) $3,125.01.

A. Tony T. Dechant.
B. The Farmers' Educational and Co-Operative Union of America, 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
D. (6) $600. E. (9) $315.94.

A. Mary S. Deuel, 3026 Cambridge Place NW., Washington, D. C.
B. Washington Home Rule Committee, Inc., 924 14th Street NW., Washington, D. C.

A. Philip M. De Vany, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $700. E. (9) $11.40.

A. R. T. De Vany, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Cecil B. Dickson, 1600 I Street NW., Washington, D. C.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D. C.
D. (6) $3,900. E. (9) $1,300.

A. George J. Dietz, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $908.33. E. (9) $35.75.

A. Timothy V. A. Dillon, 1001 15th Street NW., Washington, D. C.
B. Sacramento-Yolo Port District, California Fruit Building, Sacramento, Calif.
D. (6) $2,686.40. E. (9) $61.40.

A. Timothy V. A. Dillon, 1001 15th Street NW., Washington, D. C.
B. Westlands Water District, 741 North Fulton, Fresno, Calif.
D. (6) $2,669.36. (E). (9) $69.36.

A. Disabled American Veterans, 5555 Ridge Avenue, Cincinnati, Ohio.
E. (9) $4,980.78.

A. Disabled Officers Association, 1604 K Street NW., Washington, D. C.
E. (9) $3,125.

A. District Lodge No. 44, International Association of Machinists, 1029 Vermont Avenue NW., Washington, D. C.
D. (6) $15,389.18. E. (9) $14,401.19.

A. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
E. (9) $12,509.03.

A. Division 689, Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America, 900 F Street NW., Washington, D. C.

A. William C. Doherty, 100 Indiana Avenue NW., Washington, D. C.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $3,125.

A. Paul R. M. Donelan, 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $462.50. E. (9) $11.05.

A. James L. Donnelly, 39 South La Salle Street, Chicago, Ill.
B. Illinois Manufacturers' Association, 39 South La Salle Street, Chicago, Ill.

A. Robert F. Donoghue, 239 Wyatt Building, Washington, D. C.
B. Pacific American Tankship Association, 15 California Street, San Francisco, Calif.
D. (6) $1,625.01.

A. Thomas J. Donovan, 155 East 44th Street, New York, N. Y.

A. J. Dewey Dorsett, 60 John Street, New York, N. Y.
B. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
D. (6) $118.75.

A. C. L. Dorson, 900 F Street NW., Washington, D. C.
B. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Washington, D. C.
D. (6) $1,577.55. E. (9) $67.

A. Robert E. Dougherty, 1145 19th Street NW., Washington, D. C.
B. Hardwood Plywood Manufacturers Committee, 1145 19th Street NW., Washington, D. C.
D. (6) $2,499.98. E. (9) $276.75.

A. James W. Douthat, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. W. A. Dozier, Jr., 17 Molton Building, Montgomery, Ala.
B. Medical Association of the State of Alabama, 17 Molton Building, Montgomery, Ala.
D. (6) $2,500. E. (9) $225.

A. Ben DuBois.
B. Independent Bankers Association, Sauk Centre, Minn.
D. (6) $3,300.

A. Stephen M. Du Brul, 11-134 General Motors Building, Detroit, Mich.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

A. Harold R. Duffie, 2517 Connecticut Avenue NW., Washington, D. C.
B. Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C.

A. Donald H. Dunham, 2000 Florida Avenue NW., Washington, D. C.
B. National Rural Electric Cooperatives Association, 2000 Florida Avenue NW., Washington, D. C.

A. J. R. Dunkerley, 12 East 36th Street, New York, N. Y.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
D. (6) $500. E. (9) $250.

A. Read P. Dunn, Jr., 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $232.50. E. (9) $2.03.

A. Henry I. Dworshak, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $1,200.

A. Eastern Meat Packers Association, Inc., Statler Hotel, New York, N. Y. and 740 11th Street NW., Washington, D. C.
D. (6) $1.11. E. (9) $31.53.

A. Herman Edelsberg, 1003 K Street NW., Washington, D. C.
B. Anti-Defamation League of B'nai B'rith, 515 Madison Avenue, New York, N. Y.
D. (6) $140. E. (9) $15.

A. Harold Edwards, 1001 Connecticut Avenue NW., Washington, D. C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $3,304.85. E. (9) $500.

A. Bernard H. Ehrlich, 1002 Ring Building, Washington, D. C.
B. National Association and Council of Business Schools, 601 13th Street NW., Washington, D. C.

A. John Doyle Elliott, 808 North Capital Street, Washington, D. C.
B. Townsend Plan, Inc., 808 North Capital Street, Washington, D. C.
D. (6) $1,170.

A. John M. Elliott, 5025 Wisconsin Avenue, NW., Washington, D. C.
B. Amalgamated Association of Street, Electric Railways and Motor Coach Employes of America, 5025 Wisconsin Avenue NW., Washington, D. C.

A. John H. Else, 302 Ring Building, Washington, D. C.
B. National Retail Lumber Dealers Association, 302 Ring Building, Washington, D. C.
D. (6) $3,550. E. (9) $270.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. American Public Power Association, 1025 Connecticut Avenue NW., Washington, D. C.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Department of Water and Power of the City of Los Angeles, 207 South Broadway, Los Angeles, Calif.
D. (6) $1,500.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Department of Water Resources, State of California, Sacramento, Calif.
D. (6) $812.50.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. East Bay Municipal Utility District, 2130 Adeline Street, Oakland, Calif.
D. (6) $2,200.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Imperial Irrigation District, El Centro, Calif.
D. (6) $2,100. E. (9) $30.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Six Agency Committee and Colorado River Board of California, 909 South Broadway, Los Angeles, Calif.
D. (6) $8,062.50. E. (9) $45.18.

A. K. Blyth Emmons, 925 15th Street NW., Washington, D. C.
B. National Small Business Men's Association, 925 15th Street NW., Washington, D. C.
D. (6) $2,700. E. (9) $117.07.

A. Myles W. English, 966 National Press Building, Washington, D. C.
B. National Highway Users Conference, Inc., 966 National Press Building, Washington, D. C.

A. Lawrence E. Ernst, 301 East Capitol Street, Washington, D. C.
B. National Star Route Mail Carriers Association, 301 East Capitol Street, Washington, D. C.
E. (9) $12.

A. Ethanol Institute, 624 Associates Building, South Bend, Ind.
E. (9) $747.03.

A. Farmers' Educational and Co-Operative Union of America, 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue NW., Washington, D. C.
D. (6) $80,112.06. E. (9) $22,465.32.

A. Joseph G. Feeney, 201 World Center Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $3,000. E. (9) $150.

A. Harold E. Fellows, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.

A. John A. Ferguson, 918 16th Street NW., Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.

A. Josiah Ferris, 510 Union Trust Building, Washington, D. C.
B. American Sugar Cane League of the USA, New Orleans, La.; United States Sugar Corp., Clewiston, Fla., Fellsmere Sugar Producers Association, Fellsmere, Fla.; Okeelanta Sugar Refinery, Inc., South Bay, Fla.
D. (6) $5,850.

A. Financial General Corp. (formerly the Morris Plan Corporation of America), 103 Park Avenue, New York, N. Y.

A. Joel H. Fisher, 1001 Connecticut Avenue NW., Washington, D. C.
B. Civil Aviation Medical Association, 150 East 71st Street, New York, N. Y.
D. (6) $225. E. (9) $78.

A. John B. Fisher, Pennsylvania Building, Washington, D. C.
B. American Coal Shipping, Inc., 17 State Street, New York, N. Y.
D. (6) $3,750.

A. John B. Fisher, Pennsylvania Building, Washington, D. C.
B. Bangor and Aroostook Railroad, 84 Harlow Street, Bangor, Maine.
D. (6) $3,750.

A. John B. Fisher, Pennsylvania Building, Washington, D. C.
B. C. H. Sprague & Son Co., 10 Post Office Square, Boston, Mass.
D. (6) $2,500.

A. Stephen Fitzgerald & Co., Inc., 575 Madison Avenue, New York, N. Y.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.

A. Berchmans T. Fitzpatrick, 1101 Vermont Avenue NW., Washington, D. C.
B. Wood, King, and Dawson, 48 Wall Street, New York, N. Y.
E. (9) $285.

A. Norman A. Flaningam, 425 13th Street NW., Washington, D. C.
B. Consolidated Natural Gas Co., 30 Rockefeller Plaza, New York, N. Y.

A. Roger Fleming, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,281.25. E. (9) $19.15.

A. Donald G. Fletcher, 820 Midland Bank Building, Minneapolis, Minn.
B. Rust Prevention Association, 820 Midland Bank Building, Mineapolis, Minn.
D. (6) $2,500.03. E. (9) $893.42.

A. Florida Citrus Mutual (Legislative Fund), Lakeland, Fla.
E. (9) $1,546.39.

A. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.
E. (9) $1,368.95.

A. Florida Railroad Association, 404 Midyette-Moor Building, Tallahassee, Fla.
D. (6) $5,000. E. (9) $2,472.91.

A. Florida Ship Canal Navigation District, 720 Florida Title Building, Jacksonville, Fla.
E. (9) $1,350.

A. H. F. Forbes, 604 Mission Street, San Francisco, Calif.
B. Western States Meat Packers Association, Inc., 604 Mission Street, San Francisco, Calif.
D. (6) $7,500.

A. Mrs. J. A. Ford, 808 North Capitol Street NW., Washington, D. C.
B. Townsend Plan, Inc., 808 North Capitol Street NW., Washington, D. C.

A. Forest Farmers Association, Post Office Box 7264, Station C, Atlanta, Ga.
E. (9) $335.59.

A. James W. Foristel, 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $725. E. (9) $33.85.

A. James F. Fort, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $300. E. (9) $101.10.

A. Ronald J. Foulis, 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.
D. (6) $2,250.

A. Fowler, Leva, Hawes & Symington, 1701 K Street NW., Washington, D. C.
B. Bulova Watch Co., Inc., Bulova Park, Flushing, N. Y.

A. Fowler, Leva, Hawes & Symington, 1701 K Street NW., Washington, D. C.
B. Waterways Council Opposed to Regulation Extension, 21 West Street, New York, N. Y.
E. (9) $147.24.

A. L. S. Franklin, 2309 Pine Croft Road, Greensboro, N. C.
D. (6) $900. E. (9) $900.

A. Robert W. Frase, 812 17th Street NW., Washington, D. C.
B. American Book Publishers Council, Inc., 24 West 40th Street, New York, N. Y.
D. (6) $1,950. E. (9) $1,289.30.

A. Robert W. Frase, 812 17th Street NW., Washington, D. C.
B. National Postal Committee for Books, 24 West 40th Street, New York, N. Y.
D. (6) $780. E. (9) $528.31.

A. Walter Freedman, 829 Washington Building, Washington, D. C.
B. Patchogue-Plymouth Corp., 261 Madison Avenue, New York, N. Y.
E. (9) $25.13.

A. Elmer M. Freudenberger, 1701 18th Street NW., Washington, D. C.
B. Disabled American Veterans, 5555 Ridge Avenue, Cincinnati, Ohio.
E. (9) $1,750.

A. Philip P. Friedlander, Jr., 1012 14th Street NW., Washington, D. C.
B. National Tire Dealers & Retreaders Association, Inc., 1012 14th Street NW., Washington, D. C.
D. (6) $101.40. E. (9) $7.80.

A. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
D. (6) $23,211.20. E. (9) $5,525.86.

A. George Milan Fuller, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Nolen J. Fuqua, Duncan, Okla.
B. National Association of Soil Conservation Districts, League City, Tex.

A. Henry T. Gage, 1100 National Press Building, Washington, D. C.
B. Wine Institute, 717 Market Street, San Francisco, Calif.

A. Lawrence H. Gall, 918 16th Street NW., Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.

A. M. J. Galvin, 207 Union Depot Building, St. Paul, Minn.
B. Minnesota Railroads.
D. (6) $500. E. (9) $1,857.44.

A. Earl H. Gammons, 1735 De Sales Street NW., Washington, D. C.

A. Marion R. Garstang, 1713 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street, NW., Washington, D. C.
D. (6) $200. E. (9) $3.50.

A. Gas Appliance Manufacturers Association, Inc., 60 East 42d Street, New York, N. Y.
D. (6) $2,158.44. E. (9) $1,500.

A. Gaston, Snow, Rice & Boyd, 82 Devonshire Street, Boston, Mass.
B. American Research & Development Corp., 200 Berkeley Street, Boston, Mass.

A. Gus F. Geissler, 1575 Sherman Street, Denver, Colo.
B. The Farmers' Educational and Co-Operative Union of America, 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
D. (6) $300. E. (9) $220.11.

A. J. M. George, 165 Center Street, Winona, Minn.
B. The Inter-State Manufacturers Association, 163–165 Center Street, Winona, Minn.
D. (6) $1,500.

A. J. M. George, 165 Center Street, Winona, Minn.
B. National Association of Direct Selling Companies, 163–165 Center Street, Winona, Minn.
D. (6) $3,000.

A. Ernest Giddings, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $1,867.50. E. (9) $239.10.

A. Joseph S. Gill, 16 East Broad Street, Columbus, Ohio.
B. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.
D. (6) $500. E. (9) $425.18.

A. Leif Gilstad, 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 1001 Connecticut Avenue NW., Washington, D. C.

A. Henry W. Goodall, 28 East Jackson Boulevard, Chicago, Ill.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.

A. Nathaniel H. Goodrich, 1625 I Street NW., Washington, D. C.
B. American Jewish Committee, 386 Fourth Avenue, New York, N. Y.
D. (6) $162.49.

A. John A. Gosnell, 601 Associations Building, Washington, D. C.
B. National Small Business Men's Association, 801 19th Street NW., Washington, D. C.
D. (6) $500.

A. Lawrence L. Gourley, 1757 K Street NW., Washington, D. C.
B. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.
D. (6) $375.

A. Government Employees' Council, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $6,167.82. E. (9) $5,723.99.

A. Government Relations Committee of the Office Equipment Manufacturers Institute, 777 14th Street NW., Washington, D. C.

A. James L. Grahl, 1025 Connecticut Avenue NW., Washington, D. C.
B. American Public Power Association, 1025 Connecticut Avenue NW., Washington D. C.
D. (6) $35.

A. Grain and Feed Dealers National Association, 100 Merchants Exchange Building, St. Louis, Mo.
E. (9) $50.

A. Grand Lodge of the Brotherhood of Locomotive Firemen and Enginemen, 418 Keith Building, Cleveland, Ohio.
D. (6) $18,642.90. E. (9) $8,214.61.

A. Robert A. Grant, 624 Associates Building, South Bend, Ind.
B. The Ethanol Institute, 624 Associates Building, South Bend, Ind.
D. (6) $300. E. (9) $439.38.

A. Mrs. Edward R. Gray, 3501 Williamsburg Lane NW., Washington, D. C.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. Mrs. Virginia M. Gray, 3501 Williamsburg Lane NW., Washington, D. C.
B. Citizens Committee for UNICEF, 132 Third Street SE., Washington, D. C.

A. Jerry N. Griffin, 731 Washington Building, Washington, D. C.
B. National Coal Association, Southern Building, Washington, D. C.
D. (6) $1875.

A. Warren Griffiths, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
D. (6) $987.18. E. (9) $7.50.

A. Weston B. Grimes, 1001 Bowen Building, Washington, D. C.
B. Cargill, Inc., 200 Grain Exchange, Minneapolis, Minn.
D. (6) $6,000. E. (9) $2.

A. I. J. Gromfine, 1001 Connecticut Avenue NW., Washington, D. C.
B. O. David Zimring, 1001 Connecticut Avenue NW., Washington, D. C., and 11 South La Salle Street, Chicago, Ill.

A. Clair P. Guess, Jr., League City, Tex.
B. National Association of Soil Conservation Districts, League City, Tex.

A. John J. Gunther, 1341 Connecticut Avenue NW., Washington, D. C.
B. Americans for Democratic Action, 1341 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,519.96. E. (9) $238.59.

A. Violet M. Gunther, 1341 Connecticut Avenue NW., Washington, D. C.
B. Americans for Democratic Action, 1341 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,669.98. E. (9) $208.83.

A. Carl O. Gustafson, 588 Fifth Avenue, New York, N. Y.
B. Council of Conservationists, 588 Fifth Avenue, New York, N. Y.
E. (9) $4,081.09.

A. Frank E. Haas, 280 Union Station Building, Chicago, Ill.
B. The Association of Western Railways, 474 Union Station Building, Chicago, Ill.

A. Hoyt S. Haddock, 132 Third Street SE., Washington, D. C.
B. AFL–CIO Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $1,560. E. (9) $222.68.

A. Hoyt S. Haddock, 132 Third Street SE., Washington, D. C.
B. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $825. E. (9) $283.30.

A. Hal H. Hale, 423 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.

A. Hugh F. Hall, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $730.56. E. (9) $19.83.

A. Radford Hall, 801 East 17th Avenue, Denver, Colo.
B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
D. (6) $3,000. E. (9) $538.81.

A. E. C. Hallbeck, 711 14th Street NW., Washington, D. C.
B. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.
D. (6) $2,874.96. E. (9) $482.31.

A. Harold F. Hammond, 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 1001 Connecticut Avenue NW., Washington, D. C.

A. William A. Hanscom, 1126 16th Street NW., Washington, D. C.
B. Oil, Chemical and Atomic Workers International Union, 1640 California Street, Denver, Colo.
D. (6) $1,287.50. E. (9) $225.

A. Hardwood Plywood Manufacturers Committee, 1145 19th Street NW., Washington, D. C.
D. (6) $11,700. E. (9) $10,984.94.

A. Eugene J. Hardy, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Ralph W. Hardy, 1735 De Sales Street NW., Washington, D. C.
B. Columbia Broadcasting System, Inc., 485 Madison Avenue, New York, N. Y.

A. Conrad P. Harness, 1117 Barr Building, Washington, D. C.

A. Herbert E. Harris II, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $444.44. E. (9) $4.58.

A. Winder R. Harris, 441 Washington Building, Washington, D. C.
B. Shipbuilders Council of America, 21 West Street, New York, N. Y.

A. Merwin K. Hart, 7501 Empire State Building, New York, N. Y.
B. National Economic Council, 7501 Empire State Building, New York, N. Y.
D. (6) $500. E. (9) $149.73.

A. Stephen H. Hart, 520 Equitable Building, Denver, Colo.
B. National Live Stock Tax Committee, 801 East 17th Avenue, Denver, Colo.
D. (6) $399.68.

A. Robert N. Hawes, 601 Associations Building, Washington, D. C.
B. Hardwood Plywood Institute, 600 South Michigan Avenue, Chicago, Ill.

A. Robert N. Hawes, 1145 19th Street NW., Washington, D. C.
B. Hardwood Plywood Manufacturers Committee, 1145 19th Street NW., Washington, D. C.
D. (6) $1,066.67. E. (9) $2,262.63.

A. Robert N. Hawes, 601 Associations Building, Washington, D. C.
B. U. S. Plywood Corp., 55 West 44th Street, New York, N. Y.

A. Paul M. Hawkins, 1701 K Street NW., Washington, D. C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D. C.
D. (6) $58.48.

A. Joseph H. Hays, 280 Union Station Building, Chicago, Ill.
B. The Association of Western Railways, 474 Union Station Building, Chicago, Ill.

A. John C. Hazen, 801 Sheraton Building, Washington, D. C.
B. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
E. (9) $95.28.

A. Health Insurance Association of America, 1701 K Street NW., Washington, D. C.
E. (9) $58.48.

A. Patrick B. Healy, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $300.

A. George J. Hecht, 52 Vanderbilt Avenue, New York, N. Y.
B. American Parents Committee, Inc., 132 Third Street SE., Washington, D. C.

A. Robert B. Heiney, 1133 20th Street NW., Washington, D. C.
B. National Canners Association, 1133 20th Street NW., Washington, D. C.
D. (6) $675. E. (9) $587.17.

A. John I. Heise, Jr., 734 15th Street NW., Washington, D. C.
E. (9) $36.62.

A. Kenneth G. Heisler, 907 Ring Building, Washington, D. C.
B. National Savings and Loan League, 907 Ring Building, Washington, D. C.
D. (6) $450.

A. Edmund P. Hennelly, 150 East 42d Street, New York, N. Y.
B. Socony Mobil Oil Co., Inc., 150 East 42d Street, New York, N. Y.

A. Maurice G. Herndon, 1002 Washington Loan and Trust Building, Washington, D. C.
B. National Association of Insurance Agents, 96 Fulton Street, New York, N. Y.
D. (6) $186. E. (9) $186.

A. Clinton M. Hester, Shoreham Building, Washington, D. C.
B. National Football League, 1 Bala Avenue, Bala Cynwyd, Pa.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D. C.
B. Boston Wool Trade Association, 263 Summer Street, Boston, Mass.
D. (6) $600. E. (9) $34.80.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D. C.
B. National Association of Hot House Vegetable Growers, P. O. Box 659, Terre Haute, Ind.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D. C.
B. United States Brewers Foundation, 535 Fifth Avenue, New York, N. Y.
D. (6) $5,000. E. (9) $64.57.

A. Robert C. Hibben, 1105 Barr Building, Washington, D. C.

A. W. J. Hickey, 2000 Massachusetts Avenue NW., Washington, D. C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $196.88.

A. Ray C. Hinman, 150 East 42d Street, New York, N. Y.
B. Socony Mobil Oil Co., Inc., 150 East 42d Street, New York, N. Y.

A. L. S. Hitchner, Associations Building, Washington, D. C.
B. National Agricultural Chemicals Association, Associations Building, Washington, D. C.

A. Claude E. Hobbs, 1625 I Street NW., Washington, D. C.
B. Manufacturing Chemists' Association, Inc., 1625 I Street NW., Washington, D. C.
D. (6) $1,250.

A. Frank N. Hoffmann, 1001 Connecticut Avenue NW., Washington, D. C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $4,000. E. (9) $3,200.

A. John R. Holden, 1710 Rhode Island Avenue NW., Washington, D. C.
B. AMVETS, 1710 Rhode Island Avenue NW., Washington, D. C.
D. (6) $1,000. E. (9) $75.

A. Charles Holloway, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $700. E. (9) $13.50.

A. J. M. Hood, 2000 Massachusetts Avenue NW., Washington, D. C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $300.

A. Victor Hood, 4200 Clagett Road, Hyattsville, Md.
B. Journeyman Barbers, Hairdressers, Cosmetologists International Union, Indianapolis, Ind.
D. (6) $2,898.18. E. (9) $1,163.18.

A. Samuel H. Horne, Munsey Building, Washington, D. C.
B. The Singer Manufacturing Co., 149 Broadway, New York, N. Y.
D. (6) $6,000. E. (9) $323.34.

A. Donald E. Horton, 222 West Adams Street, Chicago, Ill.
B. American Warehousemen's Association, Merchandise Division, 222 West Adams Street, Chicago, Ill.

A. J. Cline House, 711 14th Street NW., Washington, D. C.
B. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.
D. (6) $3,000.

A. Harold A. Houser, 1616 I Street NW., Washington, D. C.
B. Retired Officers Association, 1616 I Street NW., Washington, D. C.
D. (6) $1,725.

A. Vernon F. Hovey, 101 Nott Terrace, Schenectady, N. Y.
B. National Dairy Products Corp., 260 Madison Avenue, New York, N. Y.
D. (6) $2,000. E. (9) $426.51.

A. S. H. Howard, 1414 Evergreen Avenue, Millvale, Pittsburgh, Pa.
B. Brotherhood of Railroad Signalmen of America, 503 Wellington Avenue, Chicago, Ill.

A. Harold K. Howe, Mills Building, Washington, D. C.
B. American Institute of Laundering, Box 1187, Joliet, Ill.
D. (6) $2,649.99. E. (9) $1,322.79.

A. Harold K. Howe, 307 Mills Building, Washington, D. C.
B. The Lawn Mower Institute, Inc., 307 Mills Building, Washington, D. C.
D. (6) $2,400.

A. Erma D. Hubbard, Route 4, Box 235, Annapolis, Md.
B. Military Survivors, Inc., Route 4, Box 235, Annapolis, Md.

A. C. E. Huntley, 2000 Massachusetts Avenue NW., Washington, D. C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $275.

A. John M. Hurley, 302 Hoge Building, Seattle, Wash.

A. W. J. Hynes, 611 Idaho Building, Boise, Idaho.
B. Union Pacific Railroad Co., 1416 Dodge Street, Omaha, Nebr.

A. Illinois Railroad Association, 33 South Clark Street, Chicago, Ill.
D. (6) $1,753.69. E. (9) $1,152.27.

A. Illinois State Conference of Building and Construction Trades, 130 North Wells Street, Chicago, Ill.
D. (6) $2,300. E. (9) $2,287.84.

A. Independent Advisory Committee to the Trucking Industry, Inc., 1000 Vermont Avenue NW., Washington, D. C.

A. Independent Bankers Association, Sauk Centre, Minn.
D. (6) $88,505. E. (9) $10,184.45.

A. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
D. (6) $114,954.88.

A. International Council for Exceptional Children, 1201 16th Street NW., Washington, D. C.
D. (6) $190.40. E. (9) $185.

A. International Union of Electrical, Radio and Machine Workers, 1126 16th Street NW., Washington, D. C.
E. (9) $937.50.

A. Inter-State Manufacturers Association, 163-165 Center Street, Winona, Minn.
D. (6) $3,000. E. (9) $25.41.

A. Iron Ore Lessors Association, Inc., W-1461 First National Bank Building, St. Paul, Minn.
D. (6) $11,256.85. E. (9) $669.92.

A. Nelson P. Jackson, 777 14th Street NW., Washington, D. C.
B. Atomic Products Division, General Electric Co., Schenectady, N. Y.
E. (9) $42.34.

A. Robert C. Jackson, 1145 19th Street NW., Washington, D. C.
B. American Cotton Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N. C.
D. (6) $2,177.50. E. (9) $340.34.

A. Japanese American Citizens League, 1759 Sutter Street, San Francisco, Calif.
D. (6) $400. E. (9) $375.

A. Daniel Jaspan, P. O. Box 2013, Washington, D. C.
B. National Association of Postal Supervisors, P. O. Box 2013, Washington, D. C.
D. (6) $2,412.50. E. (9) $57.

A. Ray L. Jenkins, 700 Washington Building, Washington, D. C.
B. Societe Internationale, Pour Participations Industrialles Et Commerciales, S. A. Peter Merianstr 19, Basle, Switzerland.

A. William T. Jobe, 810 18th Street NW., Washington, D. C.
B. National Association of Ice Industries, 810 18th Street NW., Washington, D. C.

A. Peter D. Joers, 810 Whittington Avenue, Hot Springs, Ark.
B. Dierks Forests, Inc., 810 Whittington Avenue, Hot Springs, Ark.

A. Johns-Mansville Corp., 22 East 40th Street, New York, N. Y.
E. (9) $1,867.

A. Gilbert R. Johnson, 1208 Terminal Tower, Cleveland, Ohio.
B. Lake Carriers' Association, 305 Rockefeller Building, Cleveland 13, Ohio.

A. J. P. Johnson, 17 Varick Street, New York, N. Y.
B. National Association of Refrigerated Warehouses, Inc., 1210 Tower Building, Washington, D. C.

A. Reuben L. Johnson, Jr., 1575 Sherman Street, Denver, Colo.
B. The Farmers' Educational and Co-Operative Union of America, 1404 New York Avenue NW., Washington, D. C.
D. (6) $1,696.32. E. (9) $486.07.

A. George Bliss Jones, Montgomery, Ala.
B. Alabama Railroad Association, 1002 First National Bank Building, Montgomery, Ala.
D. (6) $300. E. (9) $625.

A. Lyle W. Jones, 705 Warner Building, Washington, D. C.
B. The United States Potters Association, East Liverpool, Ohio.
D. (6) $2,500. E. (9) $435.16.

A. Phillip E. Jones, 920 Tower Building, Washington, D. C.
B. United States Beet Sugar Association, 920 Tower Building, Washington, D. C.

A. Rowland Jones, Jr., 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $3,750. E. (9) $469.51.

A. Wallace M. Jopling, People's Hardware Building, Lake City, Fla.
B. Florida Railroad Association, 404 Midyette-Moor Building, Tallahassee, Fla.
D. (6) $450.

A. Journeyman Barbers, Hairdressers and Cosmetologists International Union, 1141 North Delaware, Indianapolis, Ind.
E. (9) $2,898.18.

A. Jerome J. Keating, 100 Indiana Avenue NW., Washington, D. C.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $1,873.

A. James C. Kelley, 1900 Arch Street, Philadelphia, Pa.
B. American Machine Tool Distributors' Association, 1900 Arch Street, Philadelphia, Pa.

A. William Edward Kelly, 9532 Justino Drive, Falls Church, Va.
B. The Mosaic Tile Co., Zanesville, Ohio.

A. Elizabeth A. Kendall, 2310 Connecticut Avenue, Washington, D. C.
E. (9) $20.

A. I. L. Kenen, 1737 H Street NW., Washington, D. C.
B. American Zionist Committee for Public Affairs, 1737 H Street NW., Washington, D. C.

A. William J. Kennard, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $687.50. E. (9) $46.95.

A. Harold L. Kennedy, 420 Cafritz Building, Washington, D. C.
B. The Ohio Oil Co., Findlay, Ohio.
D. (6) $500. E. (9) $269.95.

A. Miles D. Kennedy, 1608 K Street NW., Washington, D. C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $3,375. E. (9) $803.53.

A. Ronald M. Ketcham, P. O. Box 351, Los Angeles, Calif.
B. Southern California Edison Co., P. O. Box 351, Los Angeles, Calif.
D. (6) $376.64. E. (9) $891.15.

A. Omar B. Ketchum, 610 Wire Building, 1000 Vermont Avenue NW., Washington, D. C.
B. Veterans of Foreign Wars of the United States.
D. (6) $3,275. E. (9) $286.

A. Jeff Kibre, 1341 G Street NW., Washington, D. C.
B. International Longshoremen's and Warehousemen's Union, 150 Golden Gate Avenue, San Francisco, Calif.
D. (6) $1,396.70. E. (9) $1,372.06.

A. John A. Killick, 740 11th Street NW., Washington, D. C.
B. Eastern Meat Packers Association, Inc., Hotel Statler, New York, N. Y., and 740 11th Street NW., Washington, D. C.
D. (6) $8.75. E. (9) $2.11.

A. John A. Killick, 740 11th Street NW., Washington, D. C.
B. The National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
E. (9) $152.97.

A. H. Cecil Kilpatrick, 912 American Security Building, Washington, D. C.
B. Minot, DeBlois & Madison, 294 Washington Street, Boston, Mass.
D. (6) $5,000. E. (9) $752.21.

A. Kenneth L. Kimble, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $319.37.

A. Ludlow King, 2071 East 102d Street, Cleveland, Ohio.
B. National Machine Tool Builders' Association, 2071 East 102d Street, Cleveland, Ohio.

A. T. Bert King, 812 Pennsylvania Building, Washington, D. C.
B. United States Savings & Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $2,400. E. (9) $21.80.

A. Bill Kirchner.
B. Independent Bankers Association, Sauk Centre, Minn.
D. (6) $2,475.

A. Clifton Kirkpatrick, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $390. E. (9) $62.14.

A. Rowland F. Kirks, 2000 K Street NW., Washington, D. C.
B. National Automobile Dealers Association, 2000 K Street NW., Washington, D. C.
D. (6) $4,407.66. E. (9) $283.

A. C. W. Kitchen, 777 14th Street NW., Washington, D. C.
B. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D. C.

A. Clarence C. Klocksin, 2649 North Hackett Avenue, Milwaukee, Wis.
B. The National Board of Fire Underwriters, 85 John Street, New York, N. Y.
D. (6) $2,000. E. (9) $150.

A. James F. Kmetz, 1435 K Street NW., Washington, D. C.
B. United Mine Workers of America, 900 15th Street NW., Washington D. C.
D. (6) $1,354.

A. Burt L. Knowles, Munsey Building, Washington, D. C.
B. The Associated General Contractors of America, Inc., Munsey Building, Washington, D. C.

A. Robert M. Koch, 1015 12th Street NW., Washington, D. C.
B. National Agricultural Limestone Institute, Inc. 1015 12th Street NW., Washington, D. C.
E. (9) $42.

A. Robert M. Koch, 1015 12th Street NW., Washington, D. C.
B. National Crushed Limestone Institute, Inc., 1015 12th Street NW., Washington, D. C.
E. (9) $15.

A. Herman C. Kruse, 245 Market Street, San Francisco, Calif.
B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.
D. (6) $5,527.20. E. (9) $6,396.66.

A. Frank W. Kuehl, 1523 L Street, Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $575. E. (9) $27.67.

A. Catherine G. Kuhne, Dupont Circle Building, Washington, D. C.
B. National Federation of Business and Professional Women's Clubs, Inc., Dupont Circle Building, Washington, D. C.

A. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $5,372.50. E. (9) $3,749.46.

A. Lake Carriers' Association, 305 Rockefeller Building, Cleveland, Ohio.

A. A. M. Lampley, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Locomotive Firemen and Enginemen, 318 Keith Building, Cleveland, Ohio.
D. (6) $2,750.

A. Russell A. Langdon, 20th Street at New Hampshire NW., Washington, D. C.
B. Fleet Reserve Association, 20th Street at New Hampshire NW., Washington, D. C.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. American Fair Trade Council, Inc., 1434 11th Avenue, Gary, Ind.
D. (6) $249.96.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. National Patent Council, Inc., 1434 West 11th Avenue, Gary, Ind.
D. (6) $999.96.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. Trinity Improvement Association, Inc., 716 Insurance Building, Forth Worth, Tex.
D. (6) $1,275.

A. La Roe, Winn & Moerman, 743 Investment Building, Washington, D. C.
B. Eastern Meat Packers Association, Inc., Statler Hotel, New York, N. Y.
D. (6) $1,500. E. (9) $3,533.52.

A. La Roe, Winn & Moerman, 743 Investment Building, Washington, D. C.
B. The National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
D. (6) $4,050. E. (9) $3,726.20.

A. Dillard B. Lasseter, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $1,000.

A. J. Austin Latimer, 1001 Connecticut Avenue NW., Washington, D. C.
D. (6) $450.

A. John V. Lawrence, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $577.50. E. (9) $3.20.

A. Ivy Lee and T. J. Ross, 405 Lexington Avenue, New York, N. Y.
B. Committee of American Steamship Lines, 1701 K Street NW., Washington, D. C.
D. (6) $4,500. E. (9) $4,418.60.

A. James R. Lee, 1426 G Street, Washington, D. C.
B. Water Heater Division, Gas Appliance Manufacturers Association, 60 East 42d Street, New York, N. Y., and Water Heater Product Section, National Electrical Manufacturers Association, 155 East 44th Street, New York, N. Y.
D. (7) $1,500. E. (9) $146.25.

A. G. E. Leighty, 401 Third Street NW., Washington, D. C.

A. Hal Leyshon, 122 East 42d Street, New York, N. Y.
B. American Federation of Musicians, 570 Lexington Avenue, New York, N. Y.
D. (6) $4,999.98. E. (9) $7,051.27.

A. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y., and 1701 K Street NW., Washington, D. C.
D. (6) $8,513.85. E. (9) $8,513.85.

A. L. Blaine Liljenquist, 917 15th Street NW., Washington, D. C.
B. Western States Meat Packers Association, Inc., 604 Mission Street, San Francisco, Calif.
D. (6) $3,125. E. (9) $177.60.

A. Lester W. Lindow, 1735 De Sales Street NW., Washington, D. C.
D. (6) $40.54. E. (9) $8.

A. Robert G. Latschert, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Co.'s, 1200 18th Street NW., Washington, D. C.
D. (6) $1,000. E. (9) $145.68.

A. Walter J. Little, 530 West Sixth Street, Los Angeles, Calif.
B. California Railroad Association, 215 Market Street, San Francisco, Calif.
D. (6) $975. E. (9) $560.68.

A. John M. Littlepage, 840 Investment Building, 15th and K Streets NW., Washington, D. C.
B. The American Tobacco Co., Inc., 150 East 42d Street, New York, N. Y.

A. Gordon C. Locke, 418 Munsey Building, Washington, D. C.
B. Committee for Oil Pipelines, 418 Munsay Building, Washington, D. C.
D. (6) $125.

A. Charles E. Lofgren, 20th Street at New Hampshire NW., Washington, D. C.
B. Fleet Reserve Association, 20th Street at New Hampshire NW., Washington, D. C.
D. (6) $2,000.

A. Benjamin H. Long, 4045 Penobscot Building, Detroit, Mich.
B. Blue Cross Commission, 425 North Michigan Avenue, Chicago, Ill.
D. (6) $3,650. E. (9) $173.21.

A. Leonard Lopez, 1029 Vermont Avenue NW., Washington, D. C.
B. District No. 44, International Association of Machinists, 1029 Vermont Avenue NW., Washington, D. C.
D. (6) $102.50. E. (9) $15.

A. Lord, Day & Lord, 25 Broadway, New York, N. Y.
B. Agency of Canadian Car & Foundry Co., Ltd., 30 Broadway, New York, N. Y.

A. Joe T. Lovett, 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $77.88. E. (9) $255.83.

A. Harold O. Lovre, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $240. E. (9) $50.35.

A. Otto Lowe, Cape Charles, Va.
B. National Canners Association, 1133 20th Street NW., Washington, D. C.
D. (6) $750.

A. Lowenstein, Pitcher, Spence, Hotchkiss, Amann & Parr, 25 Broad Street, New York, N. Y.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Acacia Mutual Life Insurance Co., Washington, D. C.
D. (6) $450.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. American Finance Conference, 176 West Adams Street, Chicago, Ill.
D. (6) $1,250.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Bicycle Manufacturers Association of America, 122 East 42d Street, New York, N. Y.
D. (6) $750.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Emmco Insurance Co., South Bend, Ind.
D. (6) $500.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Mobile Homes Manufacturers Association, 20 North Wacker Drive, Chicago, Ill.
D. (6) $1,000.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Roadside Business Association, 646 North Michigan Avenue, Chicago, Ill.
D. (6) $500.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Marian Diane Delphine Sachs, Beekman Hotel, New York, N. Y., and Arthur Sachs, care of Moses & Singer, 29 Broadway, New York, N. Y.
D. (6) $250.

A. Lucas & Thomas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Adolph von Zedlitz, 60 Sutton Place South, New York, N. Y.

A. Milton F. Lunch, 2029 K Street NW., Washington, D. C.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D. C.
D. (6) $750.

A. Powers Luse, North Baltimore, Ohio.
B. Pennsylvania-Ohio-New York Committee on Low Cost Niagara-St. Lawrence Power, Box 187, North Baltimore, Ohio.
E. (9) $293.56.

A. John C. Lynn, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $2,012.50. E. (9) $58.44.

A. A. E. Lyon, 401 Third Street NW., Washington, D. C.
B. Railway Labor Executives Association.
D. (6) $750.

A. LeRoy E. Lyon, Jr., 530 West Sixth Street, Los Angeles, Calif.
B. California Railroad Association, 215 Market Street, San Francisco, Calif.
D. (6) $937.50. E. (9) $389.12.

A. John J. Lyons, 3133 Connecticut Avenue NW., Washington, D. C.
B. Patent Equity Association, Inc., 540 West 58th Street, New York, N. Y.
D. (6) $1,000. E. (9) $675.05.

A. Robert J. McBride, 1424 16th Street NW., Washington, D. C.
B. Regular Common Carrier Conference of American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $1,833.33.

A. John A. McCart, 900 F Street NW., Washington, D. C.
B. American Federation of Government Employees, 900 F Street NW., Washington, D. C.
D. (6) $1,712.28. E. (9) $44.80.

A. Frank J. McCarthy, 1223 Pennsylvania Building, Washington, D. C.
B. The Pennsylvania Railroad Co., Transportation Center, Six Penn Center, Philadelphia, Pa.

A. J. L. McCaskill, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $1,210. E. (9) $115.36.

A. Angus McDonald.
B. The Farmers' Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C.
D. (6) $1,628.54. E. (9) $198.78.

A. Joseph J. McDonald, 1001 Connecticut Avenue NW., Washington, D. C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $3,304.65. E. (9) $500.

A. Joseph T. McDonnell, 425 13th Street NW., Washington, D. C.
B. Alaska Juneau Gold Mining Co., 425 Crocker Building, San Francisco, Calif.

A. Joseph T. McDonnell, 425 13th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 13th Street NW., Washington, D. C.

A. Joseph T. McDonnell, 425 13th Street NW., Washington, D. C.
B. Transportes Maritinos Mexicanos, S. A., Avenue Insurgentes No. 433, Mexico City, D. F.

A. Robert P. McElroy, 801 Sheraton Building, Washington, D. C.
B. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
E. (9) $1.25.

A. Joseph A. McElwain, 500 Main Street, Deer Lodge, Mont.
B. The Montana Power Co., Butte, Mont.
D. (6) $761.26. E. (9) $1,249.39.

A. A. J. McFarland, 126 North Eighth Street, Sterling, Kans.
B. The Christian Amendment Movement, 804 Penn Avenue, Pittsburgh, Pa.
D. (6) $925. E. (9) $250.

A. Thomas Edward McGrath, 4012 14th Street NW., Washington, D. C.
B. Taxpayers, U. S. A., 4012 14th Street NW., Washington, D. C.
D. (6) $180. E. (9) $180.

A. J. V. McLaughlin, 929 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $7,660.47. E. (9) $347.59.

A. William H. McLin, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $1,698.75. E. (9) $239.10.

A. W. H. McMains, 1132 Pennsylvania Building, Washington, D. C.
B. Distilled Spirits Institute, 1132 Pennsylvania Building, Washington, D. C.

A. Ralph J. McNair, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $900. E. (9) $18.56.

A. Francis J. McNamara, 610 Wire Building, Washington, D. C.
B. Veterans of Foreign Wars of the United States.
D. (6) $2,062.50. E. (9) $29.05.

A. Charles R. McNeill, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
D. (6) $425. E. (9) $67.05.

A. William P. MacCracken, Jr., 1152 National Press Building, Washington, D. C.
B. American Optometric Association, Inc. Development Fund, care of Dr. H. Ward Ewalt, Jr., 8001 Jenkins Arcade, Pittsburgh, Pa.
D. (6) $3,150. E. (9) $40.97.

A. William P. MacCracken, Jr., 1152 National Press Building, Washington, D. C.
B. Frankel Bros., 521 Fifth Avenue, New York, N. Y.
E. (9) $1.25.

A. John G. MacFarlan, Washington, D. C.
B. Railway Express Agency, Inc., 1503 H Street NW., Washington, D. C.
D. (6) $1,417.50. E. (9) $509.77.

A. Maclay, Morgan & Williams, 76 Beaver Street, New York, N. Y.
B. Association of American Ship Owners, 76 Beaver Street, New York, N. Y.

A. W. Bruce Macnamee, 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.
D. (6) $875. E. (9) $498.63.

A. James B. Madaris, 401 Third Street NW., Washington, D. C.
B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.
D. (6) $406.

A. Don Mahon, Box 959, Ben Franklin Station, Washington, D. C.
E. (9) $1,348.56.

A. William J. Mahon, 1 Broadway, New York, N. Y.
B. Associated Railroads of New York State.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.
B. National Business Publications, Inc., 1413 K Street NW., Washington, D. C.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.
B. National Coal Association, Southern Building, Washington, D. C.
D. (6) $3,000. E. (9) $198.20.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.
B. Southern Pine Industry Committee, Box 1170, New Orleans, La.
D. (6) $375.

A. James D. Mann, 714 Sheraton Building, Washington, D. C.
B. Private Truck Council of America, Inc., 714 Sheraton Building, Washington, D. C.

A. Manufacturing Chemists' Association, Inc., 1625 I Street NW., Washington, D. C.
D. (6) $2,375. E. (9) $2,375.

A. Olya Margolin, 1637 Massachusetts Avenue NW., Washington, D. C.
B. National Council of Jewish Women, Inc., 1 West 47th Street, New York, N. Y.
D. (6) $1,625.78. E. (9) $101.55.

A. James Mark, Jr., 1435 K Street NW., Washington, D. C.
B. United Mine Workers of America, 900 15th Street NW., Washington, D. C.
D. (6) $3,790.

A. Rodney W. Markley, Jr., Wyatt Building, Washington, D. C.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $1,400. E. (9) $474.

A. Edwin E. Marsh, 414 Crandall Building, Salt Lake City, Utah.
B. National Wool Growers Association, 414 Crandall Building, Salt Lake City, Utah.
D. (6) $2,458.32. E. (9) $564.92.

A. Winston W. Marsh, 1012 14th Street NW., Washington, D. C.
B. National Tire Dealers and Retreaders Association, Inc., 1012 14th Street NW., Washington, D. C.
D. (6) $479.19. E. (9) $4.

A. Fred T. Marshall, 1112–16 19th Street NW., Washington, D. C.
B. The B. F. Goodrich Co., 500 South Main Street, Akron, Ohio.

A. Mike M. Masaoka, 1217 Hurley Wright Building, Washington, D. C.
B. Japanese American Citizens League, 1759 Sutter Street, San Francisco, Calif.
D. (6) $200. E. (9) $175.

A. Walter J. Mason, 815 16th Street NW., Washington, D. C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D. C.
D. (6) $2,899. E. (9) $510.50.

A. C. V. and R. V. Maudlin, 1111 E Street NW., Washington, D. C.
B. National Association of Waste Material Dealers, Inc., 271 Madison Avenue, New York, N. Y.
D. (6) $200. E. (9) $4.65.

A. Cyrus H. Maxwell, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $700. E. (9) $189.59.

A. Medical Association of the State of Alabama, 17 Molton Building, Montgomery, Ala.
E. (9) $2,725.

A. The Medical Society of the District of Columbia, 1718 M Street NW., Washington, D. C.

A. James Messer, Jr., 404 Midyette-Moor Building, Tallahassee, Fla.
B. Florida Railroad Association, 404 Midyette-Moor Building, Tallahassee, Fla.
D. (6) $1,875.

A. J. T. Metcalf, 1002 L. & N. Building, Louisville, Ky.
E. (9) $356.02.

A. James G. Michaux, 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $2,000. E. (9) $284.55.

A. Michigan Hospital Service, 441 East Jefferson Avenue, Detroit, Mich.
E. (9) $1,286.07.

A. Clarence R. Miles, 1615 H Street NW., Washington, D. C.
B. Chamber of Commerce of the United States of America.

A. John R. Miles, 1615 H Street NW., Washington, D. C.
B. Chamber of Commerce of the United States of America, 1615 H Street NW., Washington, D. C.

A. Milk Industry Foundation, 1145 19th Street NW., Washington, D. C.

A. Charles C. Miller, 1346 Connecticut Avenue NW., Washington, D. C.
B. The Rubber Manufacturers Association, Inc., 444 Madison Avenue, New York, N. Y.
D. (6) $224. E. (9) $60.

A. Miller & Chevalier, 1001 Connecticut Avenue, Washington, D. C.
B. The Blue Cross Commission, 425 North Michigan Avenue, Chicago, Ill.
D. (6) $3,000. E. (9) $204.27.

A. Miller & Chevalier, 1001 Connecticut Avenue, Washington, D. C.
B. Blue Shield Medical Care Plans, 425 North Michigan Avenue, Chicago, Ill.
D. (6) $2,450. E. (9) $127.61.

A. Dale Miller, Mayflower Hotel, Washington, D. C.
B. Dallas (Tex.) Chamber of Commerce.
D. (6) $1,500.

A. Dale Miller, Mayflower Hotel, Washington, D. C.
B. Intracoastal Canal Association of Louisiana and Texas, 1028 Electric Building, Houston, Tex.
D. (6) $1,500.

A. Dale Miller, Mayflower Hotel, Washington, D. C.
B. Texas Gulf Sulphur Co., Newgulf, Tex., and New York, N. Y.
D. (6) $2,250.

A. Edwin Reid Miller, 1004 Farnam Street, Omaha, Nebr.
B. Nebraska Railroads Legislative Committee, 1004 Farnam Street, Omaha, Nebr.
D. (6) $2,337.

A. Joseph L. Miller, 1025 Connecticut Avenue NW., Washington, D. C.
B. Northern Textile Association; Quinebaug-Fr. River Manufacturers Association; The Maytag Co.

A. Aubrey C. Mills, Foot of Washington Avenue Bridge, Minneapolis, Minn.
B. Upper Mississippi Waterway Association, Foot of Washington Avenue Bridge, Minneapolis, Minn.
D. (6) $750.

A. Claude Minard, 215 Market Street, San Francisco, Calif.
B. California Railroad Association, 215 Market Street, San Francisco, Calif.
D. (6) $486. E. (9) $368.99.

A. Seymour S. Mintz, 810 Colorado Building, Washington, D. C.
B. Republic Steel Corp., Cleveland, Ohio.

A. Seymour S. Mintz, William T. Plumb, Jr., Robert K. Eifler, and Richard A. Mullens, 510 Colorado Building, Washington, D. C.
B. Hughes Tool Co., Houston, Tex.

A. Clarence Mitchell, 100 Massachusetts Avenue NW., Washington, D. C.
D. (6) $2,000. E. (9) $15.

A. Mobilehome Dealers National Association, 39 South La Salle Street, Chicago, Ill.
E. (9) $1,555.61.

A. Harry L. Moffett, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $1,650. E. (9) $27.22.

A. Marion S. Monk, Jr., Batchelor, La.
B. National Association of Soil Conservation Districts, League City, Tex.

A. Donald Montgomery, 777 14th Street NW., Washington, D. C.
B. American Hotel Association, 221 West 57th Street, New York, N. Y.
D. (6) $2,600. E. (9) $219.69.

A. Walter H. Moorman, 4650 East-West Highway, Bethesda, Md.
B. Maryland Railroad Association, care of E. H. Burgess, 2 North Charles Street, Baltimore, Md.
D. (6) $2,500.

A. Silas A. Morehouse, Post Office Box 4085, Jefferson Manor, Alexandria, Va.
B. Silok Inc., Post Office Box 4085, Jefferson Manor, Alexandria, Va.

A. Jo V. Morgan, Jr., 815 15th Street NW., Washington, D. C.
B. Whiteford, Hart, Carmody & Wilson, 815 15th Street NW., Washington, D. C.
D. (6) $1,249.98.

A. Morison, Murphy, Clapp & Abrams, the Pennsylvania Building, Washington, D. C.
B. Area Employment Expansion Committee, 1144 Pennsylvania Building, Washington, D. C.

A. Morison, Murphy, Clapp & Abrams, the Pennsylvania Building, Washington, D. C.
B. Ford Motor Co., 3000 Schaefer Road, Dearborn, Mich.

A. Morison, Murphy, Clapp & Abrams, the Pennsylvania Building, Washington, D. C.
B. Salyer Water District, Post Office Box 488, Corcoran, Calif.
D. (6) $398.34.

A. Morison, Murphy, Clapp & Abrams, the Pennsylvania Building, Washington, D. C.
B. The Sperry and Hutchinson Co., 114 Fifth Avenue, New York, N. Y.
D. (6) $180.

A. Giles Morrow, 1111 E Street NW., Washington, D. C.
D. (6) $4,375.03.

A. H. S. Mosebrook, 220 East 42d Street, New York, N. Y.
B. American Pulpwood Association, 220 East 42d Street, New York, N. Y.

A. Harold G. Mosier, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
D. (6) $3,756. E. (9) $536.50.

A. William J. Mougey, Washington, D. C.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

A. T. H. Mullen, 711 14th Street NW., Washington, D. C.
B. American Paper and Pulp Association, 122 East 42d Street, New York, N. Y.

A. T. H. Mullen, 711 14th Street NW., Washington, D. C.
B. American Pulpwood Association, 220 East 42d Street, New York, N. Y.

A. Walter J. Munro, Hotel Washington, Washington, D. C.
B. Brotherhood of Railroad Trainmen.

A. Dr. Emmett J. Murphy, 5737 13th Street NW., Washington, D. C.
B. National Chiropractic Insurance Co., National Building, Webster City, Iowa.
D. (6) $300. E. (9) $300.

A. Ray Murphy, 60 John Street, New York, N. Y.
B. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
D. (6) $118.75.

A. J. Walter Myers, Jr., Post Office Box 7284, Station C, Atlanta, Ga.
B. Forest Farmers Association Co-op, Post Office Box 7284, Station C, Atlanta, Ga.
E. (9) $335.59.

A. Paul A. Nagle, 1300 Connecticut Avenue NW., Washington, D. C.
B. National Postal Transport Association, 1300 Connecticut Avenue NW., Washington, D. C.
D. (6) $3,000.

A. National Agricultural Limestone Institute, Inc., 1015 12th Street NW., Washington, D. C.
D. (6) $2,128.43. E. (9) $2,128.43.

A. National Associated Businessmen, Inc., 910 17th Street NW., Washington, D. C.
D. (6) $1,159.20. E. (9) $1,886.60.

A. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N. Y.

A. National Association and Council of Business Schools, 601 13th Street NW., Washington, D. C.

A. National Association of Direct Selling Companies, 163–165 Center Street, Winona, Minn.
D. (6) $14,287.50. E. (9) $144.47.

A. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $45,718.69. E. (9) $9,430.87.

A. National Association of Frozen Food Packers, 1415 K Street NW., Washington, D. C.

A. National Association of Insurance Agents, 96 Fulton Street, New York, N. Y.
D. (6) $3,160. E. (9) $5,310.93.

A. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $488,789.41. E. (9) $13,717.87.

A. National Association of Margarine Manufacturers, Munsey Building, Washington, D. C.

A. National Association of Motor Bus Operators, 839 17th Street NW., Washington, D. C.
D. (6) $47.54. E. (9) $47.54.

A. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N. Y.
D. (6) $277.93. E. (9) $277.93.

A. National Association of Postal Supervisors, Post Office Box 2013, Washington, D. C.
D. (6) $10,750. E. (9) $5,475.06.

A. National Association of Refrigerated Warehouses, Inc., 1210 Tower Building, Washington, D. C.

A. National Association of Social Workers, Inc., 1 Park Avenue, New York, and 1346 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,766.50. E. (9) $1,766.50.

A. National Association of Soil Conservation Districts, League City, Tex.
D. (6) $2,414.34. E. (9) $274.04.

A. National Automobile Dealers Association, 2000 K Street NW., Washington, D. C.
E. (9) $211.53.

A. National Canners Association, 1133 20th Street NW., Washington, D. C.
D. (6) $247,213.66. E. (9) $2,613.48.

A. National Coal Association, 802 Southern Building, Washington, D. C.

A. National Committee on Parcel Post Size and Weight Limitations, 1625 I Street NW., Washington, D. C.
E. (9) $43.04.

A. National Conference for Repeal of Taxes on Transportation, 1001 Connecticut Avenue NW., Washington, D. C.
D. (6) $2,406.80. E. (9) $2,231.59.

A. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. National Cotton Compress and Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.

A. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $4,275.95. E. (9) $4,274.95.

A. National Council on Business Mail, Inc., 105 West Monroe Street, Chicago, Ill.
E. (9) $325.05.

A. National Council, Junior Order United American Mechanics, 3027 North Broad Street, Philadelphia, Pa.
E. (9) $206.

A. National Crushed Limestone Institute, Inc., 1015 12th Street NW., Washington, D. C.
D. (6) $579.05. E. (9) $579.05.

A. National Economic Council, Inc., 7501 Empire State Building, New York, N. Y.
D. (6) $1,704.97. E. (9) $1,556.82.

A. National Electrical Contractors Association, Inc., 1200 18th Street NW., Washington, D. C.

A. National Electrical Manufacturers Association, 155 East 44th Street, New York, N. Y.
D. (6) $235.43. E. (9) $235.43.

A. National Federation of Federal Employees, 1729 G Street NW., Washington, D. C.
D. (6) $108,506.62. E. (9) $10,305.52.

A. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.
D. (6) $179,814.32. E. (9) $19,852.12.

A. National Food Brokers Association, 1916 M Street NW., Washington, D. C.
D. (6) $1,883.30. E. (9) $1,883.30.

A. National Housing Conference, Inc., 1025 Connecticut Avenue NW., Washington, D. C.
D. (6) $12,747.56. E. (9) $9,131.62.

A. National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
D. (6) $1,903.52. E. (9) $1,578.76.

A. National Live Stock Tax Committee, 801 East 17th Avenue, Denver, Colo.
D. (6) $399.68.

A. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D. C.
D. (6) $1,218.45. E. (9) $1,052.75.

A. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $3,715.78. E. (9) $3,715.78.

A. National Parking Association, Inc.

A. National Postal Transport Association, 1300 Connecticut Avenue NW., Washington, D. C.
D. (6) $9,995.27. E. (9) $9,995.27.

A. National Reclamation Association, 897 National Press Building, Washington, D. C.
D. (6) $5,780.05. E. (9) $10,614.61.

A. National Rehabilitation Association, Inc., 1025 Vermont Avenue NW., Washington, D. C.
D. (6) $2,901.64. E. (9) $610.

A. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
D. (6) $4,125. E. (9) $4,220.81.

A. National Retail Furniture Association, 666 Lake Shore Drive, Chicago, Ill.

A. National Rivers and Harbors Congress, 1720 M Street NW., Washington, D. C.
D. (6) $19,297.49. E. (9) $11,380.96.

A. National Savings and Loan League, 907 Ring Building, Washington, D. C.
D. (6) $261,071.96. E. (9) $1,392.94.

A. National Small Business Men's Association, 801 19th Street Building NW., Washington, D. C.
D. (6) $10,000. E. (9) $7,188.32.

A. National Society of Professional Engineers, 2029 K Street NW., Washington, D. C.
D. (6) $195,252.60. E. (9) $1,335.90.

A. National Tire Dealers and Retreaders Association, Inc., 1012 14th Street NW., Washington, D. C.
D. (6) $708.77. E. (9) $708.77.

A. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.
D. (6) $2,865.33. E. (9) $1,902.24.

A. National Wool Growers Association, 414 Crandall Building, Salt Lake City, Utah.
D. (6) $7,544. E. (9) $3,478.68.

A. Nationwide Committee of Industry, Agriculture, and Labor on Import-Export Policy, 815 15th Street NW., Washington, D. C.
D. (6) $5,887.50. E. (9) $9,495.38.

A. Robert R. Neal, 1701 K Street NW., Washington, D. C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D. C.

A. William S. Neal, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 2 East 48th Street, New York, N. Y.

A. Samuel E. Neel, 1001 15th Street NW., Washington, D. C.
B. Mortgage Bankers Association of America, 111 West Washington Street, Chicago, Ill.
D. (6) $4,249.98. E. (9) $3,800.88.

A. A. Z. Nelson, 1319 18th Street NW., Washington, D. C.
B. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D. C.
E. (9) $11.40.

A. Ross D. Netherton, 1712 G Street NW., Washington, D. C.
B. American Automobile Association, 1712 G Street NW., Washington, D. C.
D. (6) $3,000. E. (9) $25.50.

A. George S. Newcomer, 1000 Maryland Trust Building, Baltimore, Md.
B. The Peoples Water Service Co., 1607 Mercantile Trust Building, Baltimore, Md.

A. New York and New Jersey Drydock Association, 161 William Street, New York City.
D. (6) $4,250. E. (9) $4,440.10.

A. New York Stock Exchange, 11 Wall Street, New York, N. Y.
E. (9) $3,000.

A. Russ Nixon, 930 F Street NW., Washington, D. C.
B. United Electrical, Radio and Machine Workers of America, 11 East 51st Street, New York, N. Y.
D. (6) $1,495.02.

A. Henry G. Nolda, 1729 G Street NW., Washington, D. C.
B. National Federation of Federal Employees, 1729 G Street NW., Washington, D. C.
D. (6) $2,692.34. E. (9) $10.95.

A. O. L. Norman, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $138.90. E. (9) $16.20.

A. Harry E. Northam, 185 North Wabash Avenue, Chicago, Ill.
B. Association of American Physicians and Surgeons, Inc., 185 North Wabash Avenue, Chicago, Ill.

A. Northern Hemlock & Hardwood Manufacturers Association, Washington Boulevard, Oshkosh, Wis.
D. (6) $100.

A. E. M. Norton, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $300. E. (9) $183.

A. George J. O'Brien, 225 Bush Street, San Francisco, Calif.
B. Standard Oil Company of California, 225 Bush Street, San Francisco, Calif.

A. E. H. O'Connor, 176 West Adams Street, Chicago, Ill.
B. Insurance Economics Society of America, 176 West Adams Street, Chicago, Ill.
D. (6) $29,054.35.

A. R. E. O'Connor, 122 East 42d Street, New York, N. Y.
B. American Paper and Pulp Association, 122 East 42d Street, New York, N. Y.

A. Herbert R. O'Conor, 1701 K Street NW., Washington, D. C.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.

A. Herbert R. O'Conor, Jr., 10 Light Street, Baltimore, Md.
B. McCabe-Powers Auto Body Co., 5900 North Broadway, St. Louis, Mo.
D. (6) $1,500. E. (9) $20.15.

A. Herbert R. O'Conor, Jr., 10 Light Street, Baltimore, Md.
B. National Automobile Dealers Association, 2000 K Street NW., Washington, D. C.
D. (6) $625.

A. John A. O'Donnell, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $1,200. E. (9) $86.05.

A. Eugene O'Dunne, Jr., Southern Building, Washington, D. C.
B. The Associated Business Publications, 205 East 42d Street, New York, N. Y.
D. (6) $2,000. E. (9) $70.79.

A. Eugene O'Dunne, Jr., Southern Building, Washington, D. C.
B. National Association of Wool Manufacturers, 386 Fourth Avenue, New York, N. Y.
D. (6) $2,500. E. (9) $57.77.

A. Eugene O'Dunne, Jr., Southern Building, Washington, D. C.
B. Textile Fibres Institute, and Wool Stock Institute, 271 Madison Avenue, New York, N. Y.
D. (6) $3,000. E. (9) $51.53.

A. Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.
E. (9) $425.18.

A. Alvin E. Oliver, 600 Folger Building, Washington, D. C.
B. Grain and Feed Dealers National Association, 100 Merchants Exchange Building, St. Louis, Mo.
D. (6) $86.55. E. (9) $5.

A. E. L. Oliver, 1001 Connecticut Avenue NW., Washington, D. C.
B. Labor, Bureau of Middle West, 1001 Connecticut Avenue NW., Washington, D. C., and 11 South La Salle Street, Chicago, Ill.

A. Fred N. Oliver, 110 East 42d Street, New York, N. Y., and Investment Building, Washington, D. C.
B. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N. Y.

A. Clarence H. Olson, care of the American Legion, 1608 K Street NW., Washington, D. C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $2,370. E. (9) $24.50.

A. Samuel Omasta, 1015 12th Street NW., Washington, D. C.
B. National Agricultural Limestone Institute, Inc., 1015 12th Street NW., Washington, D. C.
E. (9) $13.

A. Order of Railway Conductors and Brakemen, O. R. C. & B. Building, Cedar Rapids, Iowa.
E. (9) $3,912.72.

A. Clayton L. Orn, 539 South Main, Findlay, Ohio.
B. The Ohio Oil Co., Findlay, Ohio.
E. (9) $51.50.

A. Morris E. Osburn, Central Trust Building, Jefferson City, Mo.
B. Missouri Railroad Committee.

A. Vaux Owen, 1729 G Street NW., Washington, D. C.
B. National Federation of Federal Employees, 1729 G Street NW., Washington, D. C.
D. (6) $1,682.70. E. (9) $48.58.

A. Pacific American Tankship Association, 25 California Street, San Francisco, Calif.
D. (6) $200. E. (9) $1,625.01.

A. L. M. Paramore, Town House Hotel, Kansas City, Kans.
B. Missouri-Arkansas Basins Flood Control and Conservation Association, Town House Hotel, Kansas City, Kans.
D. (6) $2,500. E. (9) $2,500.

A. Lovell H. Parker, 611 Colorado Building, Washington, D. C.
B. Maryland Electronic Manufacturing Co., College Park, Md.; W. A. Sheaffer Pen Co., Fort Madison, Iowa; Pittsburgh Plate Glass Co., Pittsburgh, Pa.; and Record Industry Association of America, Inc., New York, N. Y.
D. (6) $2,450.

A. A. Lee Parsons, 1145 19th Street NW., Washington, D. C.
B. American Cottoh Manufacturers Institute, 1501 Johnston Building, Charlotte, N. C.
D. (6) $322.50. E. (9) $31.77.

A. Patent Equity Association, Inc., 540 West 58th Street, New York, N. Y.
D. (6) $2,675. E. (9) $2,119.50.

A. James G. Patton, 1575 Sherman Street, Denver, Colo.
B. The Farmers' Educational and Co-Operative Union of America, 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue NW., Washington, D. C.
D. (6) $1,250. E. (9) $580.64.

A. Robert T. Patton, 1008 West Sixth Street, Los Angeles, Calif.
B. Shell Oil Co., 1008 West Sixth Street, Los Angeles, Calif.
D. (6) $3,637.70. E. (9) $2,800.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. The American Textbook Publishers Institute, 1 Madison Avenue, New York, N. Y.
E. (9) $35.66.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. Ampex Corp., Redwood City, Calif.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. N. R. Caine & Co., 40 Exchange Place, New York, N. Y.
E. (9) $82.58.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. National Committee for Insurance Taxation, 221 North La Salle Street, Chicago, Ill.
D. (6) $500. E. (9) $39.07.

A. Edmund W. Pavenstedt, care of White & Case, 14 Wall Street, New York, N. Y.

A. Albert A. Payne, 1300 Connecticut Avenue NW., Washington, D. C.
B. National Association of Real Estate Boards, 1300 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,916.66. E. (9) $214.32.

A. The Peoples Water Service Co., 1607 Mercantile Trust Building, Baltimore, Md.
E. (9) $20.90.

A. J. Hardin Peterson, Box 111, Lakeland, Fla.
B. Florida Citrus Mutual (Legislative Fund), Lakeland, Fla.
D. (6) $1,500. E. (9) $48.39.

A. J. Hardin Peterson, 208 South Tennessee, Lakeland, Fla.
B. Peoples Lobby, Inc.

A. J. Hardin Peterson, Box 111, Lakeland, Fla.
B. West Coast Navigation District, Court House, Bradenton, Fla.
D. (6) $600. E. (9) $82.65.

A. Kenneth Peterson, 1126 16th Street NW., Washington, D. C.
B. International Union of Electrical, Radio and Machine Workers, 1126 16th Street NW., Washington, D. C.
D. (6) $937.50.

A. Andrew A. Pettis, 301 Bond Building, Washington, D. C.
B. Industrial Union of Marine and Shipbuilding Workers of America, 534 Cooper Street, Camden, N. J.
D. (6) $2,538.42. E. (9) $1,771.24.

A. Philco Corp., Tioga and C Streets, Philadelphia, Pa.

A. J. E. Phillips, 225 Bush Street, San Francisco, Calif.
B. Standard Oil Company of California, 225 Bush Street, San Francisco, Calif.
D. (6) $500. E. (9) $250.

A. Albert T. Pierson, 54 Meadow Street, New Haven, Conn.
B. The New York, New Haven and Hartford Railroad Co., 54 Meadow Street, New Haven, Conn.

A. Albert Pike, Jr., 488 Madison Avenue, New York, N. Y.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $65.

A. James F. Pinkney, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $1,000. E. (9) $61.94.

A. T. E. Pinkston, Room 9, Union Station, Lexington, Ky.
E. (9) $200.96.

A. Piper & Marbury, 1000 Maryland Trust Building, Baltimore, Md.
B. The Peoples Water Service Co., 1607 Mercantile Trust Building, Baltimore, Md.
E. (9) $17.54.

A. Kenneth M. Plaisted, 152 West Wisconsin Avenue, Milwaukee, Wis.
B. National Board of Fur Farm Organizations, Inc., 152 West Wisconsin Avenue, Milwaukee, Wis.

A. J. Francis Pohlhaus, 100 Massachusetts Avenue NW., Washington, D. C.
B. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N. Y.
D. (6) $1,417.

A. Pope Ballard & Loos, 707 Munsey Building, Washington, D. C.
B. Admiral Corp., 3800 Courtland Street, Chicago, Ill.
E. (9) $13.03.

A. Pope Ballard & Loos, 707 Munsey Building, Washington, D. C.
B. Sunkist Growers, Inc., and Diamond Walnut Growers, Inc., Los Angeles, Calif., Northwest Nut Growers, and Oregon Filbert Commission, Portland, Oreg., and California Almond Growers Exchange, Sacramento, Calif.

A. Frank M. Porter, 50 West 50th Street, New York, N. Y.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.

A. Stanley I. Posner, 1002 Ring Building, Washington, D. C.
B. Linen Supply Association, 22 West Monroe Street, Chicago, Ill.

A. Nelson J. Post, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $200. E. (9) $6.42.

A. William I. Powell, Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $1,500. E. (9) $18.80.

A. Prefabricated Home Manufacturers' Institute, 910 17th Street NW., Washington, D. C.
D. (6) $102,255.

A. William H. Press, 1616 K Street NW., Washington, D. C.
B. Washington Board of Trade, 1616 K Street NW., Washington, D. C.
D. (6) $4,800.

A. Herman P. Pressler, Post Office Box 2180, Houston, Tex.
B. Humble Oil & Refining Co., Post Office Box 2180, Houston, Tex.
E. (9) $1,068.14.

A. Thomas L. Preston, 929 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $711.35. E. (9) $2.

A. Allen I. Pretzman, 50 West Broad Street, Columbus, Ohio.
B. Scioto-Sandusky Conservancy District, 50 West Broad Street, Columbus, Ohio.

A. Harry E. Procter, 1110 Investment Building, Washington, D. C.
B. National Association of Mutual Savings Banks, 60 East 42d Street, New York City, N. Y.
D. (6) $112.50. E. (9) $8.

A. Public Information Committee of the Cotton Industries, Washington Building, Washington, D. C.

A. Ganson Purcell, 910 17th Street NW., Washington, D. C.
B. Insular Lumber Co., 1406 Locust Street, Philadelphia, Pa.

A. Alexander Purdon, 1701 K Street NW., Washington, D. C.
B. Committee of American Steamship Lines, 1701 K Street NW., Washington, D. C.
D. (6) $937.50. E. (9) $187.20.

A. C. J. Putt, 920 Jackson Street, Topeka, Kans.
B. The Atchison, Topeka, and Santa Fe Railway Co., 920 Jackson Street, Topeka, Kans.
E. (9) $237.46.

A. Alex Radin, 1025 Connecticut Avenue NW., Washington, D. C.
B. American Public Power Association, 1025 Connecticut Avenue NW., Washington, D. C.
D. (6) $216.

A. Railroad Pension Conference, Post Office Box 798, New Haven, Conn.
D. (6) $104. E. (9) $100.47.

A. Railway Labor Executives' Association, 401 Third Street NW., Washington, D. C.

A. Alan T. Rains, 777 14th Street NW., Washington, D. C.
B. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D. C.
E. (9) $182.26.

A. DeWitt C. Ramsey, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.

A. Donald J. Ramsey, 1612 I Street NW., Washington, D. C.
B. Silver Users Association, 1612 I Street NW., Washington, D. C.
D. (6) $4,250. E. (9) $628.09.

A. Sydney C. Reagan, 3840 Greenbrier, Dallas, Tex.
B. Southwestern Peanut Shellers Association, Box 48, Durant, Okla.
D. (6) $150.

A. Stanley Rector, Washington Hotel, Washington, D. C.
B. Unemployment Benefit Advisors, Inc.
D. (6) $1,000.

A. Regular Common Carrier Conference of American Trucking Association, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $5,100.67. E. (9) $5,100.67.

A. George L. Reid, Jr., 1424 16th Street NW., Washington, D. C.
B. American Trucking Assocation, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $400. E. (9) $21.25.

A. James Francis Reilly, 1625 K Street NW., Washington, D. C.
B. Potomac Electric Power Co., 929 E Street NW., Washington, D. C.
D. (6) $8,000. E. (9) $437.50.

A. Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C.

A. Retired Officers Association, 1616 I Street NW., Washington, D. C.
D. (6) $40,721.50.

A. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Washington, D. C.
D. (6) $4,282.50. E. (9) $8,520.52.

A. Hubert M. Rhodes, 740 11th Street NW., Washington, D. C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

A. Thomas E. Rhodes, 219 Southern Building, Washington, D. C.
B. Sigfried Olsen, trading as Sigfried Olsen Shipping Co., 1 Drumm Street, San Francisco, Calif.

A. Roland Rice, 618 Perpetual Building, Washington, D. C.
B. Regular Common Carrier Conference of American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $1,488.75.

A. Theron Jennings Rice, 1615 H Street NW., Washington, D. C.
B. Chamber of Commerce of the United States of America.

A. Harry Rieck, Preston, Md.
B. National Association of Soil Conservation Districts, League City, Tex.

A. Siert F. Riepma, Munsey Building, Washington, D. C.
B. National Association of Margarine Manufacturers, Munsey Building, Washington, D. C.

A. C. E. Rightor, 3300 Rolling Road, Chevy Chase, Md.
B. Committee for Study of Revenue Bond Financing, 9 South William Street, New York, N. Y.
D. (6) $416.67.

A. George D. Riley, 815 16th Street NW., Washington, D. C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D. C.
D. (6) $2,899. E. (9) $458.45.

A. John J. Riley, 1128 16th Street NW., Washington, D. C.
B. American Bottlers of Carbonated Beverages, 1128 16th Street NW., Washington, D. C.

A. E. W. Rising, 1028 Connecticut Avenue NW., Washington, D. C.
B. Western Beet Growers Association, P. O. Box 742, Great Falls, Mont.
E. (9) $291.31.

A. William Neale Roach, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $900. E. (9) $48.95.

A. Paul H. Robbins, 2029 K Street NW., Washington, D. C.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D. C.
D. (6) $250.

A. Frank L. Roberts, 1700 K Street NW., Washington, D. C.
B. Chrysler Corp., 341 Massachusetts Avenue, Detroit, Mich.
D. (6) $250. E. (9) $100.

A. Edward O. Rogers, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
D. (6) $1,250. E. (9) $946.23.

A Philip J. Rodgers, 917 15th Street NW., Washington, D. C.
B. Western States Meat Packers Association, Inc., 604 Mission Street, San Francisco, Calif.
D. (6) $1,807.78. E. (9) $179.

A. Frank W. Rogers, 1701 K Street NW., Washington, D. C.
B. Western Oil & Gas Association, 609 South Grand Avenue, Los Angeles, Calif.
D. (6) $3,975.

A. Watson Rogers, 1916 M Street NW., Washington, D. C.
B. National Food Brokers Association, 1916 M Street NW., Washington, D. C.
D. (5) $1,000.

A. George B. Roscoe, 1200 18th Street NW., Washington, D. C.
B. National Electrical Contractors Association, 1200 18th Street NW., Washington, D. C.

A. Roland H. Rowe, 400 Investment Building, Washington, D. C.
B. United States Wholesale Grocers' Association, Inc., 400 Investment Building, Washington, D. C.

A. Robert M. Ruddick, 738 Shoreham Building, Washington, D. C.
B. United Air Lines, Inc., 5959 South Cicero Avenue, Chicago, Ill.

A. Albert R. Russell, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $300. E. (9) $127.63.

A. Horace Russell, 221 North La Salle Street, Chicago, Ill.
B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $3,199.98. E. (9) $268.68.

A. M. O. Ryan, 777 14th Street NW., Washington, D. C.
B. American Hotel Association, 221 West 57th Street, New York, N. Y.
D. (6) $3,750. E. (9) $325.66.

A. William H. Ryan, 1029 Vermont Avenue NW., Washington, D. C.
B. District Lodge, No. 44, International Association of Machinists, 1029 Vermont Avenue NW., Washington, D. C.
D. (6) $1,184.95. E. (9) $60.

A. Robert A. Saltzstein, 511 Wyatt Building, Washington, D. C.

B. Associated Business Publications, 205 East 42d Street, New York, N. Y.
D. (6) $4,250. E. (9) $293.01.

A. Robert A. Saltzstein, 511 Wyatt Building, Washington, D. C.
B. Smaller Magazines Postal Committee, Box 975, New Canaan, Conn.
E. (9) $325.50.

A. Kimball Sanborn, 705 Transportation Building, Washington, D. C.
B. Association of American Railroads, 705 Transportation Building, Washington, D. C.
E. (9) $155.

A. L. R. Sanford, 21 West Street, New York, N. Y.
B. Shipbuilders Council of America, 21 West Street, New York, N. Y.

A. Harrison Sasscer, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $527.50.

A. Satterlee, Warfield & Stephens, 460 Park Avenue, New York, N. Y.
B. American Nurses' Association, 2 Park Avenue, New York, N. Y.
D. (6) $1,040. E. (9) $235.43.

A. O. H. Saunders, 1616 I Street NW., Washington, D. C.
B. Retired Officers' Association, 1616 I Street NW., Washington, D. C.
D. (6) $1,275.

A. Schoene & Kramer, 1625 K Street NW., Washington, D. C.
B. Railway Labor Executives Association, 401 Third Street NW., Washington, D. C.
E. (9) $17.10.

A. Durward Seals, 777 14th Street NW., Washington, D. C.
B. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D. C.

A. W. J. Sears, 1346 Connecticut Avenue, Washington, D. C.
B. The Rubber Manufacturers Association, Inc., 444 Madison Avenue, New York, N. Y.
D. (6) $224. E. (9) $60.

A. Hollis M. Seavey, 532 Shoreham Building, Washington, D. C.
B. Clear Channel Broadcasting Service, 532 Shoreham Building, Washington, D. C.

A. James D. Secrest, 1721 De Sales Street NW., Washington, D. C.
B. Radio-Electronics-Television Manufacturers Association, 1721 De Sales Street NW., Washington, D. C.

A. Harry See, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Railroad Trainmen.
E. (9) $13.05.

A. Selby and Ravenel, 730 15th Street NW., Washington, D. C.
B. Cigar Manufacturers Association of America, Inc., 350 Fifth Avenue, New York, N. Y.
D. (6) $1,000.

A. Leo Seybold, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
D. (6) $2,250. E. (9) $15.

A. Alvin Shapiro, 1701 K Street NW., Washington, D. C.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington 6, D. C., and 11 Broadway, New York, N. Y.
D. (6) $427.50. E. (9) $80.11.

A. A. Manning Shaw, 1625 I Street NW., Washington, D. C.
B. Brown, Lund & Fitzgerald, 1625 I Street NW., Washington, D. C.
D. (6) $787.73.

A. Leander I. Shelley, 30 Broad Street, New York, N. Y.
B. American Association of Port Authorities, Washington, D. C., and Airport Operators Council, Washington, D. C.
D. (6) $625. E. (9) $136.45.

A. Bruce E. Shepherd, 488 Madison Avenue, New York, N. Y.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $137.50.

A. W. Lee Shield, 1701 K Street NW., Washington, D. C.
B. American Life Convention, 230 North Michigan, Chicago, Ill.
D. (6) $53.85. E. (9) $2.50.

A. Robert H. Shields, 920 Tower Building, Washington, D. C.
B. United States Beet Sugar Association, 920 Tower Building, Washington, D. C.

A. Robert L. Shortle, 801 International Building, New Orleans, La.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
E. (9) $241.63.

A. Charles B. Shuman, Merchandise Mart Plaza, Chicago, Ill.
B. American Farm Bureau Federation, Chicago, Ill.
D. (6) $625.

A. Silver Users Association, 1612 I Street NW., Washington, D. C.
D. (6) $27,240. E. (9) $9,790.28.

A. Leonard L. Silverstein, 1100 Bowen Building, Washington, D. C.
B. National Association of Women's and Children's Apparel Salesmen, Inc., Atlanta, Ga.

A. Six Agency Committee, 909 South Broadway, Los Angeles, Calif.
D. (6) $6,900. E. (9) $3,045.18.

A. Stephen Silpher, 812 Pennsylvania Building, Washington, D. C.
B. United States Savings & Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $2,600. E. (9) $36.25.

A. Smaller Magazines Postal Committee, P. O. Box 975, New Canaan, Conn.
D. (6) $1,485. E. (9) $700.

A. Elizabeth A. Smart, 144 Constitution Avenue NE., Washington, D. C.
B. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.
D. (6) $606.12. E. (9) $98.92.

A. T. W. Smiley, La Salle Hotel, Chicago, Ill.
B. Illinois Railroad Association, 33 South Clark Street, Chicago, Ill.
E. (9) $327.27.

A. Fred Smith & Co., Inc., 588 Fifth Avenue, New York, N. Y.
B. Edward Mallinckrodt, Jr., 16 West Moreland Place, St. Louis, Mo.
D. (6) $4,976.53.

A. James R. Smith, 719 Omaha National Bank Building, Omaha, Nebr.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.

A. Lloyd W. Smith, 416 Shoreham Building, Washington, D. C.
B. Chicago, Burlington & Quincy Railroad Co., 547 West Jackson Boulevard, Chicago, Ill., and Great Northern Railway Co., 175 East Fourth Street, St. Paul, Minn.
D. (6) $3,962.

A. Wallace M. Smith, 20 North Wacker Drive, Chicago, Ill.
B. American Mutual Insurance Alliance.

A. Edward F. Snyder, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
D. (6) $1,211.54. E. (9) $20.55.

A. J. D. Snyder, La Salle Hotel, Chicago, Ill.
B. Illinois Railroad Association, 33 South Clark Street, Chicago, Ill.
D. (6) $625.

A. Society for Animal Protective Legislation, 745 Fifth Avenue, New York, N. Y.
D. (6) $7. E. (9) $629.72.

A. Marvin J. Sonosky, 1028 Connecticut Avenue NW., Washington, D. C.

A. J. Taylor Soop, 401 Third Street NW., Washington, D. C.
B. International Brotherhood of Electrical Workers, 330 South Wells Street, Chicago, Ill.
D. (6) $704.83.

A. Southern States Industrial Council, 1103 Stahlman Building, Nashville, Tenn.
D. (6) $55,504.09. E. (9) $25,691.62.

A. W. W. Spear, 214 Fremont National Bank Building, Fremont, Nebr.
B. Standard Oil Co., 910 South Michigan Avenue, Chicago, Ill.
D. (6) $6,150. E. (9) $1,941.52.

A. Lyndon Spencer, 305 Rockefeller Building, Cleveland, Ohio.
B. Lake Carriers' Association, 305 Rockefeller Building, Cleveland, Ohio.

A. Samuel Spencer and Frank J. Whalen, Jr., 2000 Massachusetts Avenue NW., Washington, D. C.
B. Edward Martin Hinsberger, in care of R. M. Franke, 55 Wall Street, New York, N. Y.

A. Samuel Spencer and Frank J. Whalen, Jr., 2000 Massachusetts Avenue NW., Washington, D. C.
B. Josefa Kusiak, 4814 Dexter Street NW., Washington, D. C.

A. Thomas G. Stack, 1104 West 104th Place, Chicago, Ill.
B. National Railroad Pension Forum, Inc., 1104 West 104th Place, Chicago, Ill.
D. (6) $1,800. E. (9) $5,117.25.

A. Howard M. Starling, 837 Washington Building, Washington, D. C.
B. Association of Casualty and Surety Cos., 60 John Street, New York, N. Y.
D. (6) $150.

A. Preble Staver, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association, 1107 16th Street NW., Washington, D. C.
D. (6) $1,250. E. (9) $85.95.

A. Mrs. Nell F. Stephens, Post Office Box 6234, Northwest Station, Washington, D. C.

A. Russell M. Stephens, 900 F Street NW., Washington, D. C.
B. American Federation of Technical Engineers, 900 F Street NW., Washington, D. C.
D. (6) $240. E. (9) $20.

A. William T. Stephens, 700 Washington Building, Washington, D. C.
B. American Utility Trailer Rental Association, 700 Washington Building, Washington, D. C.

A. William T. Stephens, 700 Washington Building, Washington, D. C.
B. Chicago Rental Trailer Association, Chicago, Ill.

A. William T. Stephens, 700 Washington Building, Washington, D. C.
B. Nationwide Trailer Rental System, 1720 East Morris, Wichita, Kans.

A. Herman Sternstein, 1001 Connecticut Avenue NW., Washington, D. C.
B. O. David Zimring, 1001 Connecticut Avenue NW., Washington, D. C., and 11 South La Salle Street, Chicago, Ill.

A. B. H. Steuerwald, 401 Third Street NW., Washington, D. C.
B. Brotherhood Railroad Signalmen of America, 503 Wellington Avenue, Chicago, Ill.

A. Mrs. Alexander Stewart, 214 Second Street NE., Washington, D. C.
B. Women's International League for Peace and Freedom, 214 Second Street NE., Washington, D. C.
D. (6) $17,582.73. E. (9) $15,917.74.

A. Charles T. Stewart, 1300 Connecticut Avenue NW., Washington, D. C.
B. National Association of Real Estate Boards, 36 South Wabash Avenue, Chicago, Ill.
D. (6) $1,450. E. (9) $2.25.

A. Erskine Stewart, 1028 Connecticut Avenue NW., Washington, D. C.
B. National Council on Business Mail, Inc., 105 West Monroe Street, Chicago, Ill.
E. (9) $26.30.

A. Edwin L. Stoll, 1300 Connecticut Avenue NW., Washington, D. C.
B. National Association of Real Estate Boards, 36 South Wabash Avenue, Chicago, Ill.
D. (6) $1,033.

A. Sterling F. Stoudenmire, Jr., 61 St. Joseph Street, Mobile, Ala.
B. Waterman Steamship Corp., 61 St. Joseph Street, Mobile, Ala.
D. (6) $1,250.

A. Francis W. Stover, 610 Wire Building, Washington, D. C.
B. Veterans of Foreign Wars of the United States.
D. (6) $1,437.50. E. (9) $62.10.

A. Paul A. Strachan, 1370 National Press Building, Washington, D. C.
B. American Federation of the Physically Handicapped, 1370 National Press Building, Washington, D. C.
E. (9) $95.

A. O. R. Strackbein, 815 15th Street NW., Washington, D. C.
D. (6) $1,615.39.

A. O. R. Strackbein, Box 728, Indianapolis, Ind.
D. (6) $625.

A. O. R. Strackbein, 815 15th Street NW., Washington, D. C.
D. (6) $5,000.

A. Strasser, Spiegelberg, Fried & Frank, 1700 K Street NW., Washington, D. C.
B. Blackfeet Tribe, Browning, Mont.

A. Strasser, Spiegelberg, Fried & Frank, 1700 K Street NW., Washington, D. C.
B. The Hualapai Tribe of the Hualapai Reservation.

A. Strasser, Spiegelberg, Fried & Frank, 1700 K Street NW., Washington, D. C.
B. The Nez Perce Tribe, Lapwai, Idaho.

A. Strasser, Spiegelberg, Fried & Frank, 1700 K Street NW., Washington, D. C.
B. The Oglala Sioux Tribe of the Pine Ridge Reservation, Pine Ridge, S. Dak.

A. Strasser, Spiegelberg, Fried & Frank, 1700 K Street NW., Washington, D. C.
B. Pueblo of Laguna, Laguna, N. Mex.

A. Strasser, Spiegelberg, Fried & Frank, 1700 K Street NW., Washington, D. C.
B. The San Carlos Apache Tribe, San Carlos, Ariz.

A. Norman Strunk, 221 North La Salle Street, Chicago, Ill.
B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $1,250. E. (9) $424.31.

A. Arthur Sturgis, Jr., 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $115.40.

A. J. E. Sturrock, Post Office Box 2084, Capitol Station, Austin, Tex.
B. Texas Water Conservation Association, Post Office Box 2084, Capitol Station, Austin, Tex.
D. (6) $1,800. E. (9) $711.57.

A. Sullivan, Bernard, Shea & Kenney, 804 Ring Building, Washington, D. C.
B. Southern Pacific Co., 65 Market Street, San Francisco, Calif.
D. (6) $3,500. E. (9) $24.42.

A. Joseph Monroe Sullivan, 1701 K Street NW., Washington, D. C.
B. Committee of American Steamship Lines, 1701 K Street NW., Washington, D. C.
D. (6) $450. E. (9) $52.76.

A. Frank L. Sundstrom, 350 Fifth Avenue, New York, N. Y.
B. Schenley Industries, Inc., 350 Fifth Avenue, New York City, N. Y.

A. Noble J. Swearingen, 1790 Broadway, New York, N. Y.
B. National Tuberculosis Association, 1790 Broadway, New York, N. Y.
D. (6) $594. E. (9) $243.48.

A. Glenn J. Talbott, 1575 Sherman Street, Denver, Colo.
B. The Farmers' Educational and Co-Operative Union of America, 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.

A. Dwight D. Taylor, Jr., 918 16th Street NW., Washington, D. C.
B. American Airlines, Inc., 918 16th Street NW., Washington, D. C.
D. (6) $3,000. E. (9) $575.

A. Edward D. Taylor, 777 14th Street NW., Washington, D. C.
B. Office Equipment Manufacturers Institute, 777 14th Street NW., Washington, D. C.

A. Ruth H. Tegtmeyer, 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 6 North Michigan Avenue, Chicago, Ill.

A. Texas Committee of Correspondence, Post Office Box 912, Austin, Tex.
D. (6) $10.

A. Texas Water Conservation Association, 207 West 15th Street, Austin, Tex.
D. (6) $4,955. E. (9) $9,741.45.

A. J. Woodrow Thomas, 806 Connecticut Avenue NW., Washington, D. C.
B. Trans World Airlines, Inc., 10 Richards Road, Kansas City, Mo.
D. (6) $1,500. E. (9) $271.75.

A. Oliver A. Thomas, 125 North Center Street, Reno, Nev.
B. Nevada Railroad Association, 125 North Center Street, Reno, Nev.
E. (9) $12.45.

A. Chester C. Thompson, 1025 Connecticut Avenue NW., Washington, D. C.
B. The American Waterways Operators, Inc., 1025 Connecticut Avenue NW., Washington, D. C.
D. (6) $6,500. E. (9) $206.49.

A. Julia C. Thompson, 711 14th Street NW., Washington, D. C.
B. American Nurses' Association, Inc., 2 Park Avenue, New York, N. Y.
D. (6) $1,557.66.

A. Eugene M. Thoré, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $2,062.50. E. (9) $28.90.

A. Richard A. Tilden, 441 Lexington Avenue, New York, N. Y.
B. R. E. Schanzer, Inc., 608–612 South Peters Street, New Orleans, La.
D. (6) $393.75. E. (9) $67.

A. G. D. Tilghman, 1604 K Street NW., Washington, D. C.
B. Disabled Officers Association, 1604 K Street NW., Washington, D. C.
D. (6) $3,125.

A. E. W. Tinker, 122 East 42d Street, New York, N. Y.
B. American Paper & Pulp Association, 122 East 42d Street, New York, N. Y.

A. William H. Tinney, 1223 Pennsylvania Building, Washington, D. C.
B. Pennsylvania Railroad Co., Transportation Center, 6 Penn Center, Philadelphia, Pa.

A. M. S. Tisdale, 4200 Cathedral Avenue, Washington, D. C.
B. Armed Services Committee, Chamber of Commerce, Vallejo, Calif.
D. (6) $295. E. (9) $342.66.

A. H. Willis Tobler, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $2,418.75. E. (9) $104.11.

A. John H. Todd, 1085 Shrine Building, Memphis, Tenn.
B. National Cotton Compress and Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.

A. Harry L. Towe, 241 Main Street, Hackensack, N. J.
B. Associated Railroads of New Jersey, Pennsylvania Station, New York, N. Y.
E. (9) $166.61.

A. F. Gerald Toye, 777 14th Street NW., Washington, D. C.
B. General Electric Co., 570 Lexington Avenue, New York, N. Y.
D. (6) $1,000. E. (9) $165.35.

A. Transportation Association of America, 1001 Connecticut Avenue NW., Washington, D. C.

A. Matt Triggs, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,520.84. E. (9) $67.14.

A. Glenwood S. Troop, Jr., 812 Pennsylvania Building, Washington, D. C.
B. United States Savings & Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $250. E. (9) $28.25.

A. Paul T. Truitt, 1700 K Street NW., Washington, D. C.
B. National Plant Food Institute, 1700 K Street NW., Washington, D. C.
E. (9) $29.48.

A. Harold J. Turner, Henry Building, Portland, Oreg.
B. Spokane, Portland & Seattle Railway Co., Southern Pacific Co., and Union Pacific Railroad Co., Henry Building, Portland, Oreg.

A. William S. Tyson, 736 Bowen Building, 821 15th Street NW., Washington, D. C.
B. Local No. 30 Canal Zone Pilots, International Organization of Masters, Mates & Pilots of America, Post Office Box 601, Balboa C. Z.
D. (6) $4,000. E. (9) $4560.

A. Union Producing Co. and United Gas Pipe Line Co., 1525 Fairfield Avenue, Shreveport, La.

A. United States Citizens Association, Canal Zone, Box 354, Balboa, C. Z.
D. (6) $633. E. (9) $2,026.55.

A. United States Savings & Loan League, 221 North LaSalle Street, Chicago, Ill.
E. (9) $23,100.44.

A. Vegetable Growers Association of America, Inc., 17th Street and Pennsylvania Avenue NW., Washington, D. C.
E. (9) $59.67.

A. Richard E. Vernor, 1701 K Street NW., Washington, D. C.
B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
D. (6) $35.77.

A. Veterans of World War I of the U. S. A., Inc., P. O. Box 1628, Washington, D. C.

A. R. K. Vinson, 1346 Connecticut Avenue NW., Washington, D. C.
B. Machinery Dealers National Association, 1346 Connecticut Avenue NW., Washington, D. C.

A. H. Jerry Voorhis.
B. The Cooperative League of the United States of America Association, Inc., 343 South Dearborn Street, Chicago, Ill.
D. (6) $300.

A. Paul H. Walker, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $139.75. E. (9) $1.47.

A. Woollen H. Walshe, 2800 Woodley Road NW., Washington, D. C.
B. Standard Oil Company of California, 1700 K Street NW., Washington, D. C.
D. (6) $520.24. E. (9) $152.09.

A. Stephen M. Walter, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $239. E. (9) $5.73.

A. Thomas G. Walters, 100 Indiana Avenue NW., Washington, D. C.
B. Government Employees' Council, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $2,625.

A. Washington Board of Trade, 1616 K Street NW., Washington, D. C.

A. Washington Home Rule Committee, Inc., 924 14th Street NW., Washington, D. C.
D. (6) $2,096.49. E. (9) $2,371.25.

A. Vincent T. Wasilewski, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.

A. Waterways Council Opposed to Regulation Extension, 21 West Street, New York, N. Y.
D. (6) $3,316.25. E. (9) $185.71.

A. J. R. Watson, Room 1, I. C. R. R. Passenger Station, Jackson, Miss.
B. Mississippi Railroad Association, Room 1, I. C. R. R. Passenger Station, Jackson, Miss.
E. (9) $534.55.

A. Watters & Donovan, 161 William Street, New York City, N. Y.
B. New York and New Jersey Dry Dock Association, 161 William Street, New York City, N. Y.
D. (6) $3,750.

A. Weaver & Glassie, 1225 19th Street NW., Washington, D. C.
B. Philco Corp., Tioga and C Streets, Philadelphia, Pa.

A. Lloyd W. Weaver, 401 Third Street NW., Washington, D. C.
B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.
D. (6) $750.

A. William H. Webb, 1720 M Street NW., Washington, D. C.
B. National Rivers and Harbors Congress, 1720 M Street NW., Washington, D. C.
D. (6) $2,134.72. E. (9) $334.46.

A. E. E. Webster, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.
D. (6) $595.07.

A. Edward M. Welliver, 1424 16th Street NW., Washington, D. C.
B. American Trucking Association, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $1,068.75. E. (9) $114.

A. Richard H. Wells, 551 Fifth Avenue, New York, N. Y.
B. Bowling Proprietors Association of America, Inc., 185 North Wabash Avenue, Chicago, Ill.

A. William E. Welsh, 897 National Press Building, Washington, D. C.
B. National Reclamation Association, 897 National Press Building, Washington, D. C.
D. (6) $3,750. E. (9) $121.40.

A. West Coast Inland Navigation District, Court House, Bradenton, Fla.
E. (9) $1,591.15.

A. Western States Meat Packers Association, Inc., 604 Mission Street, San Francisco, Calif.
D. (6) $63,565.81. E. (9) $356.60.

A. Robert V. Westfall, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Railroad Trainmen.

A. Wheeler & Wheeler, 704 Southern Building, Washington, D. C.
B. Montana Power Co., Electric Building, Butte, Mont.
D. (6) $4,200. E. (9) $1.25.

A. Wheeler & Wheeler, 704 Southern Building, Washington, D. C.
B. Pacific Power & Light Co., Public Service Building, Portland, Oreg.
D. (6) $4,200. E. (9) $1.25.

A. Wheeler & Wheeler, 704 Southern Building, Washington, D. C.
B. Washington Water Power Co., Spokane, Wash.
D. (6) $4,200. E. (9) $1.25.

A. Wherry Housing Association, 1737 H Street NW., Washington, D. C.
E. (9) $4,000.

A. Richard P. White, 635 Southern Building, Washington, D. C.
B. American Association of Nurserymen, 635 Southern Building, Washington, D. C.
D. (6) $3,375. E. (9) $103.21.

A. Whiteford, Hart, Carmody & Wilson, 815 15th Street NW., Washington, D. C.
D. (6) $1,249.98.

A. White, Sorrell & Williamson, 1028 Connecticut Avenue, Washington, D. C.
B. Mobilehome Dealers National Association, 39 South La Salle Street, Chicago, Ill.
E. (9) $55.61.

A. White, Sorrell & Williamson, 1028 Connecticut Avenue, Washington, D. C.
B. Veterans of World War I of the U. S. A., Inc., Post Office Box 1628, Washington, D. C.
E. (9) $140.06.

A. H. Leigh Whitelaw, 60 East 42d Street, New York, N. Y.
B. Gas Appliance Manufacturers Association, Inc., 60 East 42d Street, New York, N. Y.

A. Louis E. Whyte, 916 16th Street NW., Washington, D. C.
B. Independent Natural Gas Association of America, 916 16th Street NW., Washington, D. C.

A. Warren E. Whyte, 535 North Dearborn Street, Chicago, Ill.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $825. E. (9) $33.37.

A. John J. Wicker, Jr., 501 Mutual Building, Richmond, Va.
B. Mutual Insurance Committee on Federal Taxation, 20 North Wacker Drive, Chicago, Ill.
D. (6) $1,954.46. E. (9) $1,954.46.

A. Claude C. Wild, Jr., 1625 K Street NW., Washington, D. C.
B. Mid-Continent Oil & Gas Association, 300 Tulsa Building, Tulsa, Okla.
D. (6) $450. E. (9) $25.

A. Albert E. Wilkinson, 417 Investment Building, Washington, D. C.
B. The Anaconda Co., 616 Hennessy Building, Butte, Mont.
D. (6) $2,250.

A. Wilkinson, Cragun, Barker & Hawkins, 744 Jackson Place NW., Washington, D. C.
B. Arapahoe Tribe of Indians, Wind River Reservation, Fort Washakie, Wyo.
E. (9) $3.45.

A. Wilkinson, Cragun, Barker & Hawkins, 744 Jackson Place NW., Washington, D. C.
B. The Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.
E. (9) $25.89.

A. Wilkinson, Cragun, Barker & Hawkins, 744 Jackson Place NW., Washington, D. C.
B. Klamath Indian Tribe, Klamath Agency, Oreg.
E. (9) $113.19.

A. Wilkinson, Cragun, Barker & Hawkins, 744 Jackson Place NW., Washington, D. C.
B. Menominee Tribe of Indians, Menominee Indian Agency, Keshena, Wis.
E. (9) $7.75.

A. Wilkinson, Cragun, Barker & Hawkins, 744 Jackson Place NW., Washington, D. C.
B. Quinaielt Indian Tribe, Taholah, Wash.
E. (9) $6.

A. Wilkinson, Cragun, Barker & Hawkins, 744 Jackson Place NW., Washington, D. C.
B. Spokane Indian Tribe, Wellpinit, Wash.
E. (9) $1.70.

A. Franz O. Willenbecher, 1616 I Street NW., Washington, D. C.
B. Retired Officers Association, 1616 I Street NW., Washington, D. C.
D. (6) $2,100.

A. Leon W. Williams, 2 Gouverneur Place, Bronx, N. Y.
D. (6) $3. E. (9) $18.29.

A. John C. Williamson, 1300 Connecticut Avenue NW., Washington, D. C.
B. National Association of Real Estate Boards, 1300 Connecticut Avenue NW., Washington, D. C.
D. (6) $3,200. E. (9) $526.15.

A. Kenneth Williamson, Mills Building, Washington, D. C.
B. American Hospital Association, 18 East Division Street, Chicago, Ill.
D. (6) $2,568.87. E. (9) $162.44.

A. James L. Wilmeth, 3027 North Broad Street, Philadelphia, Pa.
B. The National Council of the Junior Order of United American Mechanics of the United States of North America, 3027 North Broad Street, Philadelphia, Pa.
D. (6) $56. E. (9) $56.

A. John J. Wilson, 815 15th Street NW., Washington, D. C.
B. Whiteford, Hart, Carmody & Wilson, 815 15th Street NW., Washington, D. C.
D. (6) $1,249.98.

A. W. E. Wilson, 1525 Fairfield Avenue, Shreveport, La.
B. Union Producing Co., 1525 Fairfield Avenue, Shreveport, La., and United Gas Pipe Line Co., 1525 Fairfield Avenue, Shreveport, La.

A. Everett T. Winter, 1978 Railway Exchange Building, St. Louis, Mo.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
D. (6) $4,000. E. (9) $425.56.

A. Theodore Wiprud, 1718 M Street NW., Washington, D. C.
B. The Medical Society of the District of Columbia, 1718 M Street NW., Washington, D. C.

A. Wood, King & Dawson, 48 Wall Street, New York, N. Y.
B. Committee for Broadening Commercial Bank Participation in Public Financing, 50 South LaSalle Street, Chicago, Ill.

A. Harley Z. Wooden.
B. The International Council for Exceptional Children, 1201 16th Street NW., Washington, D. C.
D. (6) $50.

A. Walter F. Woodul, 1828 Bank of Southwest Building, Houston, Tex.
B. Angelina & Neches River Railroad Co., Keltys, Tex., et al.
D. (6) $6,050.65. E. (9) $1,204.09.

A. Walter F. Woodul, 1828 Bank of Southwest Building, Houston, Tex.
B. Humble Oil & Refining Co., Houston, Tex.
D. (6) $873.32. E. (9) $1,216.19.

A. Albert Young Woodward, 1625 I Street NW., Washington, D. C.
B. Signal Oil & Gas Co., 811 West Seventh Street, Los Angeles, Calif.

A. Frank K. Woolley, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,674. E. (9) $60.05.

A. Edward W. Wootton, 1100 National Press Building, Washington, D. C.
B. Wine Institute, 717 Market Street, San Francisco, Calif.

A. Donald A. Young, 1615 H Street NW., Washington, D. C.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D. C.

A. J. Banks Young, 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $780. E. (9) $12.08.

A. O. David Zimring, 11 South La Salle Street, Chicago, Ill., and 1001 Connecticut Avenue NW., Washington, D. C.
B. Amalgamated Association of Street, Electric Railway & Motor Coach Employees of America.

A. Edgar A. Zingman, 300 Marion B. Taylor Building, Louisville, Ky.
B. Cleary, Gottlieb, Friendly & Ball, Southern Building, Washington, D. C.
D. (6) $2,000.

REGISTRATIONS

The following registrations were submitted for the fourth calendar quarter of 1956:

(NOTE.—The form used for registration is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE TWO COPIES WITH THE SECRETARY OF THE SENATE AND FILE THREE COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3" and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.....

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th

(Mark one square only)

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report.

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302 (e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report disregard this item "C 4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

A. Amalgamated Association of Street, Electric Railway and Motor Coach Employes of America, 5025 Wisconsin Avenue NW., Washington, D. C.

A. Amalgamated Meat Cutters and Butcher Workmen of North America, 2800 North Sheridan Road, Chicago, Ill.

A. Gene R. Arnold, 7424 Wisconsin Avenue, Bethesda, Md.
B. Reserve Equalization Committee, care of Floyd Oles, 1018 South 60th Street, Tacoma, Wash.

A. Lester Asher, 130 North Wells Street, Chicago, Ill.
B. Illinois State Conference of Building and Construction Trades, 130 North Wells Street, Chicago, Ill.

A. Baker, McKenzie & Hightower, 901 Barr Building, Washington, D. C.
B. Club Managers Association of America, 1028 Connecticut Avenue, Washington, D. C.

A. Baker, McKenzie & Hightower, 901 Barr Building, Washington, D. C.
B. Roberts Dairy Co., 4469 Farnam Street, Omaha, Nebr.

A. Henry C. Ball, Dalton, Ga.
B. Tufted Textile Manufacturers Association, Dalton, Ga.

A. Barnes-Dechert, Price, Myers & Rhoads, 1600 Three Penn Center Plaza, Philadelphia, Pa.
B. American Association of Railroads, Transportation Building, Washington, D. C.

A. James M. Barnes and Thurman Hill, 1025 Connecticut Avenue NW., Washington, D. C.
B. National Association of Retired Civil Employees, 1625 Connecticut Avenue, Washington, D. C.

A. William J. Barnhard, 1108 16th Street NW., Washington, D. C.
B. Imported Hardwood Plywood Association, Inc., San Francisco, Calif.; Plywood Group, National Council of American Importers, New York, N. Y. and American Association of Hardwood Plywood Users, Washington, D. C.

A. Bert Bell, 1 Bala Avenue, Bala Cynwyd, Pa.
B. National Football League, 1 Bala Avenue, Bala Cynwyd, Pa.

A. Preston B. Bergin, 1001 Connecticut Avenue NW., Washington, D. C.
B. National Association of Blueprint and Diazotype Coaters, Inc., 1001 Connecticut Avenue NW., Washington, D. C.

A. Bergson & Borkland, 918 16th Street NW., Washington, D. C.
B. Freeport Sulphur Co., 161 East 42d Street, New York, N. Y.

A. Sam B. Berrong, 5025 Wisconsin Avenue NW., Washington, D. C.
B. Amalgamated Association of Street, Electric Railway and Motor Coach Employes of America, 5025 Wisconsin Avenue NW., Washington, D. C.

A. Thomas D. Blake, 4664 Reservoir Road NW., Washington, D. C.
B. Imported Hardwood Plywood Association, Inc., World Trade Center, Ferry Building, San Francisco, Calif.

A. Eugene F. Bogan, 1108 16th Street NW., Washington, D. C.
B. National Association of Investment Companies, 61 Broadway, New York, N. Y.

A. Roland Boyd, 202 Central National Bank Building, McKinney, Tex.
B. North Texas Municipal Water District, Wylie, Tex.

A. Roland Boyd, 202 Central National Bank Building, McKinney, Tex.
B. Wherry Housing Association, 1737 H Street NW., Washington, D. C.

A. J. S. Brittingham, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Railroad Trainmen.

A. J. D. Brown, 1025 Connecticut Avenue NW., Washington, D. C.
B. American Public Power Association, 1025 Connecticut Avenue NW., Washington, D. C.

A. John J. Burke, 1062 West Platinum, Butte, Mont.
B. Pacific Northwest Power Co., Post Office Box 1445, Spokane, Wash.

A. Frederick W. Burnside, Jr.
B. Hazard Advertising Co., Inc., 444 Madison Avenue, New York, N. Y.

A. Butler & McKinney, 1624 I Street NW., Washington, D. C.
B. Richard Haster, 2720 Freeman Lane, Santa Ana, Calif.

A. Campaign for the 48 States, 312 Cotton Exchange Building, Memphis, Tenn.

A. Carretta & Counihan, 1001 Connecticut Avenue NW., Washington, D. C.
B. Classroom Periodical Publishers Association, 38 West Fifth Street, Dayton, Ohio.

A. Frankie Childers, 300 New Jersey Avenue SE., Washington, D. C.
B. National Institute of Social Welfare, 1031 South Grand Avenue, Los Angeles, Calif.

A. Classroom Periodical Publishers Association, 38 West Fifth Street, Dayton, Ohio.

A. James H. Cline.

A. Committee for Oil Shale Development, 1036 Grant Street, Denver, Colo.

A. Orval R. Cook., 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. International Nickel Co., 67 Wall Street, New York, N. Y.

A. Gilbert Cox, Elliston, Va.
B. National Association of Soil Conservation Districts.

A. Paul Cunningham, 575 Madison Avenue, New York, N. Y.
B. American Society of Composers, Authors, and Publishers, 575 Madison Avenue, New York, N. Y.

A. Louis S. Damiani, 815 16th Street NW., Washington, D. C.
B. Canal Zone Central Labor Union & Metal Trades Council, Box 471 Balboa Heights, C. Z.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill.

A. Dorothea de Schweinitz, 718 Jackson Place NW., Washington, D. C.
B. Citizens Committee on the Fair Labor Standards Act, National Consumers League, 718 Jackson Place NW., Washington, D. C.

A. Philip M. De Vany, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.

A. William E. Dunn, Munsey Building, Washington, D. C.
B. The Associated General Contractors of America, Inc., Munsey Building, Washington, D. C.

A. Dwight, Royall, Harris, Koegel & Caskey, Wire Building, Washington, D. C.
B. National Tax Equality Association, 231 South La Salle Street, Chicago, Ill.

A. John M. Elliott, 5025 Wisconsin Avenue NW., Washington, D. C.
B. Amalgamated Association of Street, Electric Railway, and Motor Coach Employees of America, 5025 Wisconsin Avenue NW., Washington, D. C.

A. Lawrence E. Ernst, 301 East Capitol Street, Washington, D. C.
B. National Star Route Mail Carriers Association, 301 East Capitol Street, Washington, D. C.

A. Joel H. Fisher, 1001 Connecticut Avenue NW., Washington, D. C.
B. Civil Aviation Medical Association, 150 East 71st Street, New York, N. Y.

A. Thomas P. Ford, 20 Exchange Place, New York, N. Y.
B. Estate of Garrard Winston, deceased, in care of Shearman & Sterling & Wright, 20 Exchange Place, New York, N. Y.

A. James C. Gildea.
B. Industrial Union Department, 815 16th Street NW., Washington, D. C.

A. John A. Gosnell, 601 Associations Building, Washington, D. C.
B. National Small Business Men's Association, 801 19th Street NW., Washington, D. C.

A. James L. Grahl, 1025 Connecticut Avenue NW., Washington, D. C.
B. American Public Power Association, 1025 Connecticut Avenue NW., Washington, D. C.

A. Richard J. Gray 815 16th Street NW., Washington, D. C.
B. Building and Construction Trades Department, 815 16th Street NW., Washington, D. C.

A. Richard D. Green, 515 Investment Building, Washington, D. C.
B. National Editorial Association, 225 North Michigan Avenue, Chicago, Ill.

A. Harold T. Halfpenny, 111 West Washington Street, Chicago, Ill.

A. Conrad P. Harness, 1117 Barr Building, Washington, D. C.

A. Herbert E. Harris II, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.

A. Clinton M. Hester, Shoreham Building, Washington, D. C.
B. National Football League, 1 Bala Avenue, Bala Cynwyd, Pa.

A. W. M. Homer, 1001 Connecticut Avenue NW., Washington, D. C.
B. O. David Zimring, 1001 Connecticut Avenue NW., Washington, D. C., and 11 South LaSalle Street, Chicago, Ill.

A. Erma D. Hubbard, Route 4, Box 235, Annapolis, Md.
B. Military Survivors, Inc., Route 4, Box 235, Annapolis, Md.

A. Illinois State Conference of Building and Construction Trades, 130 North Wells Street, Chicago, Ill.

A. Bernard J. Imming, 777 14th Street NW., Washington, D. C.
B. United Fresh Fruit and Vegetable Association, 777 14th Street NW., Washington, D. C.

A. Charles Q. Kelley, 1025 Connecticut Avenue, Washington, D. C.

A. William Edward Kelly, 9532 Justine Drive, Falls Church, Va.
B. The Mosaic Tile Co., Zanesville, Ohio.

A. James P. Kem, 1625 K Street NW., Washington, D. C.
B. National Committee for Insurance Taxation, the Hay-Adams House, Washington, D. C.

A. William F. Kenney, 50 West 50th Street, New York, N. Y.
B. Shell Oil Co., 50 West 50th Street, New York, N. Y.

A. C. W. Kitchen, 777 14th Street NW., Washington, D. C.
B. United Fresh Fruit and Vegetable Association, 777 14th Street NW., Washington, D. C.

A. J. Austin Latimer, 1001 Connecticut Avenue NW., Washington, D. C.

A. John M. Laxalt, 3636 16th Street NW., Washington, D. C.
B. Transportes Martimos Mexicanos, S. A., 433 Insurgentes, Mexico City, Mexico.

A. Richard T. Leonard, 815 16th Street NW., Washington, D. C.
B. Industrial Union Department, 815 16th Street NW., Washington, D. C.

A. Lester Lindow, 1735 De Sales Street NW., Washington, D. C.

A. Arthur Y. Lloyd, 1507 M Street NW., Washington, D. C.
B. Burley and Dark Leaf Tobacco Export Association, Box 860, Lexington, Ky.

A. Harold O. Lovre, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.

A. Harold O. Lovre, 821 15th Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Emmco Insurance Co., South Bend, Ind.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Roadside Business Association, 646 North Michigan Avenue, Chicago, Ill.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Marian Diane Delphine Sachs, Beekman Hotel, New York, N. Y., and Arthur Sachs, care of Moses & Singer, 29 Broadway, New York, N. Y.

A. William C. McCamant, 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.

A. James H. McKenzie, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.

A. Charles R. McNeill, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.

A. James B. Madaris, 401 Third Street NW., Washington, D. C.
B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.

A. Marks & Trowbridge, Ring Building, Washington, D. C.
B. Basic Industries Power Committee, 400 Erie County Savings Bank Building, Buffalo, N. Y.

A. Edwin G. Martin, 717 National Press Building, Washington, D. C.
B. A. & H. Shillman Co., Inc., 106 Hopkins Place, Baltimore, Md.

A. Arnold Mayer, 100 Indiana Avenue NW., Washington, D. C.
B. Amalgamated Meat Cutters and Butcher Workmen of North America, 2800 North Sheridan Road, Chicago, Ill.

A. Ellis E. Meredith, 635 Southern Building, Washington, D. C.
B. American Association of Nurserymen, 635 Southern Building, Washington, D. C.

A. John R. Miles, 1615 H Street NW., Washington, D. C.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D. C.

A. Miller & Chevalier, 1001 Connecticut Avenue NW., Washington, D. C.
B. The C. L. Gougler Machine Co., 705 Lake Street, Kent, Ohio.

A. Military Survivors, Inc., Route 4, Box 235, Annapolis, Md.

A. Claude Minard, 215 Market Street, San Francisco, Calif.
B. California Railroad Association, 215 Market Street, San Francisco, Calif.

A. Douglas C. Mode, 705 Ring Building, Washington, D. C.
B. Carl H. Bergland, Washington Building, Tacoma, Wash.

A. Moot, Sprague, Marcy & Gulick, 400 Erie County Savings Bank Building, Buffalo, N. Y.
B. Basic Industries Power Committee, 400 Erie County Savings Bank Building, Buffalo, N. Y.

A. Silas A. Morehouse, Post Office Box 4085, Jefferson Manor, Alexandria, Va.
B. Gordin-Mensh Realty Corp., 1915 Richmond Highway, Alexandria, Va.

A. Morison, Murphy, Clapp & Abrams, 1144 Pennsylvania Building, Washington, D. C.

A. Morison, Murphy, Clapp & Abrams, 1144 Pennsylvania Building, Washington, D. C.
B. Brewers' Association of America, 188 West Randolph Street, Chicago, Ill.

A. Morison, Murphy, Clapp & Abrams, 1144 Pennsylvania Building, Washington, D. C.
B. West Coast Pipeline Co., Mercantile Bank Building, Dallas, Tex.

A. National Association of Postmasters of the United States, 307 Pennsylvania Building, Washington, D. C.

A. National Association of Wheat Growers, Imperial, Nebr.

A. National Congress of Petroleum Retailers, Inc., 325 Farwell Building, Detroit, Mich.

A. John W. Nerlinger, Jr., 325 Farwell Building, Detroit, Mich.
B. National Congress of Petroleum Retailers, Inc., 325 Farwell Building, Detroit, Mich.

A. George S. Newcomer, 1000 Maryland Trust Building, Baltimore, Md.
B. The Peoples Water Service Co., 1607 Mercantile Trust Building, Baltimore, Md.

A. Henry G. Nolda, 1729 G Street NW., Washington, D. C.
B. National Federation of Federal Employees, 1729 G Street NW., Washington, D. C.

A. Nordlinger, Riegelman, Benetar & Charney, 420 Lexington Avenue, New York, N. Y.
B. Han Hong Wang and An-Yin Chen Wang (wife), 157-16 20th Road, Whitestone, N. Y.

A. George J. O'Brien, 225 Bush Street, San Francisco, Calif.
B. Standard Oil Company of California, 225 Bush Street, San Francisco, Calif.

A. John A. O'Donnell, 1025 Connecticut Avenue NW., Washington, D. C.
B. Charlie Sylvester Correll, Post Office Box 471, Oakland, Calif.

A. John A. O'Donnell, 1025 Connecticut Avenue NW., Washington, D. C.
B. Philippine War Damage Claimants Association, Escolta Building, 46 Escolta, Manila, Philippines.

A. Eugene O'Dunne, Jr., Southern Building, Washington, D. C.
B. The Associated Business Publications, 205 East 42d Street, New York, N. Y.

A. Robert Oliver, 1026 17th Street NW., Washington, D. C.
B. Morison, Murphy, Clapp & Abrams, 1144 Pennsylvania Building, Washington, D. C.

A. Charles F. O'Neall, 1625 K Street NW., Washington, D. C.
B. Ministry of Finance and Public Credit, Government of Guatemala, Guatemala City, Guatemala (C. A.).

A. John E. O'Neill, 604 Washington Building, Washington, D. C.
B. Brewer's Association of America, 188 West Randolph Street, Chicago, Ill.

A. Clayton L. Orn, 539 South Main Street, Findlay, Ohio.
B. The Ohio Oil Co., Findlay, Ohio.

A. Vaux Owen, 1729 G Street NW., Washington, D. C.
B. National Federation of Federal Employees, 1729 G Street NW., Washington, D. C.

A. Robert T. Patton, 1008 West Sixth Street, Los Angeles, Calif.
B. Shell Oil Co., 1008 West Sixth Street, Los Angeles, Calif.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. The American Textbook Publishers Institute, 1 Madison Avenue, New York, N. Y.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. Ampex Corp., Redwood City, Calif.

A. Peoples Water Service Co., 1607 Mercantile Trust Building, Baltimore, Md.

A. Piper & Marbury, 1000 Maryland Trust Building, Baltimore, Md.
B. The Peoples Water Service Co., 1607 Merchantile Trust Building, Baltimore, Md.

A. Plains Cotton Growers, Inc., 220-221 Lubbock National Building, Lubbock, Tex.

A. Herman P. Pressler, Post Office Box 2180, Houston, Tex.
B. Humble Oil & Refining Co., Post Office Box 2180, Houston, Tex.

A. Record Industry Association of America, Inc., 1 East 57th Street, New York, N. Y.

A. George L. Reid, Jr., 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.

A. George L. Reid, Jr., 1010 Vermont Avenue NW., Washington, D. C.
B. National Association of Wheat Growers, Imperial, Nebr.

A. Hugo J. Ripp, 811 North 22d Street, Milwaukee, Wis.
B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, 1015 Vine Street, Cincinnati, Ohio.

A. Ira Saks, 1505 Rockwell, Cleveland, Ohio.

A. Henry P. Schmidt, 77 Lincoln Street, Jersey City, N. J.
B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, 1015 Vine Street, Cincinnati, Ohio.

A. Selby & Ravenel, 730 15th Street NW., Washington, D. C.
B. Cigar Manufacturers Association of America, Inc., 350 Fifth Avenue, New York, N. Y.

A. Selvage & Lee, Inc., 1625 I Street NW., Washington, D. C.
B. Chicago Mercantile Exchange, 110 North Franklin Street, Chicago, Ill.

A. Leo Seybold, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.

A. P. L. Shackelford, 4545 Connecticut Avenue, Washington, D. C.
B. Sheet Metal Workers International Association, 642 Transportation Building, Washington, D. C.

A. Sharp and Bogan, 1108 16th Street NW., Washington, D. C.
B. Imported Hardwood Plywood Association, Inc., San Francisco, Calif.; Plywood Group, National Council of American Importers, New York, N. Y., and American Association of Hardwood Plywood Users, Washington, D. C.

A. James R. Sharp, 1108 16th Street NW., Washington, D. C.
B. Imported Hardwood Plywood Association, Inc., San Francisco, Calif.; Plywood Group, National Council of American Importers, New York, N. Y., and American Association of Hardwood Plywood Users, Washington, D. C.

A. Richard C. Shipman.
B. The Farmers' Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C.

A. W. E. Skinner, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Railroad Trainmen.

A. William D. Snow, 970 Spitzer Building, Toledo, Ohio.
B. National Congress of Petroleum Retailers, Inc., 325 Farwell Building, Detroit, Mich.

A. J. Taylor Soop, 401 Third Street NW., Washington, D. C.
B. International Brotherhood of Electrical Workers, 330 South Wells Street, Chicago, Ill.

A. Samuel Spencer and Frank J. Whalen, Jr., 2000 Massachusetts Avenue NW., Washington, D. C.
B. Edward Martin Hinsberger, care of R. M. Franke, 55 Wall Street, New York, N. Y.

A. Samuel Spencer and Frank J. Whalen, Jr., 2000 Massachusetts Avenue NW., Washington, D. C.
B. Josefa Kusiak, 4814 Dexter Street NW., Washington, D. C.

A. Newton I. Steers, Jr., 1033 30th Street NW., Washington, D. C.

A. B. H. Steuerwald, 401 Third Street NW., Washington, D. C.
B. Brotherhood Railroad Signalmen of America, 503 Wellington Avenue, Chicago, Ill.

A. Merle Thorpe, Jr., 810 Colorado Building, Washington, D. C.

A. Bailey Walsh, 1025 Connecticut Avenue NW., Washington, D. C.
B. Lion Manufacturing Co., 2640 Belmont Avenue, Chicago, Ill.

A. Bailey Walsh, 1025 Connecticut Avenue NW., Washington, D. C.
B. United Manufacturing Co., 3401 North California Avenue, Chicago, Ill.

A. Han Hong Wang and An-Yin Chen Wang (wife) 157-16 20th Road, Whitestone, N. Y.

A. Lloyd W. Weaver, 401 Third Street NW., Washington, D. C.
B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.

A. E. E. Webster, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.

A. Roger J. Whiteford, 815 15th Street NW., Washington, D. C.
B. Marian Diane Delphine Sachs, Beekman Hotel, New York, N. Y., and Arthur Sachs, care of Moses & Singer, 29 Broadway, New York, N. Y.

A. Claude C. Wild, Jr., 1625 K Street NW., Washington, D. C.
B. Mid-Continent Oil & Gas Association, 300 Tulsa Building, Tulsa, Okla.

A. A. E. Wilkinson, 417 Investment Building, Washington, D. C.
B. The Anaconda Co., 616 Hennessy Building, Butte, Mont.

A. Robert D. Yeomans, West 2301 Pacific Avenue, Spokane, Wash.
B. Washington Water Power Co., Post Office Box 1445, Spokane, Wash.

EXTENSIONS OF REMARKS

Legislative Branch Appropriation Bill

EXTENSION OF REMARKS

OF

HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 27, 1957

Mr. SCHWENGEL. Mr. Speaker, last week we voted on the legislative branch appropriations bill. One amendment was offered to recommit the bill and strike from it, $7,500,000, which would permit the work on the third House Office Building to go ahead. I felt obligated to vote for the recommittal. Although several of my colleagues felt the same way, there were not enough of us, unfortunately, to approve the amendment.

My action was based not so much on the fact that I might be opposed to this expenditure, as it was to the apparent disregard which has been shown for the legislative procedure which we are supposed to use in determining these expenditures.

As a member of the Public Works Committee, I expected further hearings to be held on a project of this magnitude. I know that many of my colleagues on the committee, many of whom are experts in the field of construction, wanted to testify on this program. Some of them favored the project; others did not. Be that as it may, I am still of the opinion that these programs will be better carried out when they have the benefit of the deliberate pro and con discussion of a committee hearing.

If such hearings had been held, the recommendations would have undoubtedly have a truer relation to the actual needs. The recognition of the needs, and the best ways of meeting them would have had thorough review and I feel confident that it is possible we could have saved the taxpayers some money.

It is not clear to me, Mr. Speaker, how we as Members of Congress can, in good faith, vote for Capitol Hill improvements which benefit us more directly than anyone, and then put the pruning knife to the programs which deal with the welfare of all the people.

We look mighty selfish carrying out this building program as long as there is such a need for post office buildings, dams, water and soil conservation projects, and other internal improvement programs any place in the country.

When Congress starts to build a monument to itself, it is high time that we take another look, pull ourselves up short, and ask ourselves if it is in the public interest. I wish to go on record as being against any more building here

until we have provided for new post office buildings where they are so sorely needed for adequate handling of this important service and giving post office employees better working conditions.

The Overton Canal Waterway

EXTENSION OF REMARKS

OF

HON. GEORGE S. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 27, 1957

Mr. LONG. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

WASHINGTON, D. C., *May 8, 1957.*

Maj. Gen. EMERSON C. ITSCHNER,
Chief of Engineers, Corps of Engineers,
Department of the Army,
Washington, D. C.

DEAR GENERAL ITSCHNER: I am writing relative to a considerable amount of confusion which continues to exist over the feasibility of the Overton Canal in Louisiana.

When I first campaigned for a seat in Congress from the Eighth Congressional District of Louisiana, I advocated a deep waterway from that area to the gulf. The principal question remaining in my mind was to seek the best route and I have refrained from endorsing the Overton Canal because there were several questions in my mind as to its feasibility and from an economic standpoint.

My position with respect to the Overton Canal has been one which has brought considerable criticism upon me. My answer to this criticism has been the same, that is, I wanted to be sure that the Overton Canal was the best answer to the deep waterway problem.

In your recent speech before the Red River Valley Association in Shreveport, La., I gathered the impression that a resurvey and a reevaluation of the Overton Canal and recently been conducted and that on the basis of this resurvey and reevaluation the canal had been fully justified and established as the most feasible waterway. Further, it was my understanding, based on your speech, that the resurvey and reevaluation took into full consideration the possibility of using the Red River as an alternative waterway. The impression received from your speech was that the resurvey and reevaluation definitely justified the Overton Canal and established that the Red River was not feasible to be used as a deep waterway.

Subsequent to the Shreveport meeting, where I received the impression that the justification for the Overton Canal was based on a recent resurvey, I have been criticized publicly and in correspondence for apparently softening my attitude in opposition to the Overton Canal.

Under date of February 20, 1956, I wrote Lt. General Hardin, posing several questions, to which he replied, in part, as follows: "The project as of this date is in the planning stage. Since no funds have been made available for start of construction, the project has been inactive for a number of years owing to lack of funds. Planning funds were made available for fiscal year 1956, and at the present time the cost of the project and benefits to be derived therefrom are being studied with the view of arriving at a current cost-benefit ratio at present price levels. This study is nearing completion, and as soon as it has been reviewed and approved by the Chief of Engineers, I shall be pleased to make the results available to you."

To date, I have not received this information. Now, have they made such a survey? Is there such a thing as this resurvey and reevaluation? I do not wish to go back and use the old House Document 320 survey which was made some 10 or 12 years ago, as a basis of justification for the Overton Canal. I asked for a new evaluation of the river and the cost of the canal. I asked them to take a new look at the river which they said they would do and give me a report in January. I have not as yet received this report nor a complete answer to my questions.

Now, General Itschner, in order for this matter to be clarified and to know just exactly where we stand, I would appreciate very much receiving the following specific information from you:

1. An appropriation totaling $530,000 was voted for the purpose of resurveying and reevaluating the Overton Canal, and also to examine the feasibility of the Red River serving as a deep-waterway route to the gulf. Has this money been used for the purpose of reexamining the deep-waterway problem with which we are concerned, especially the $150,000 which was voted for fiscal 1957?

2. In your recent speech before the Red River Valley Association in Shreveport, I received the impression, and I think others did also, that the justification outlined by you was based on a recent resurvey and reevaluation and not upon the original justification as set forth in House Document 320, 80th Congress. I would like to know which justification was used in the facts which you outlined in your speech.

3. If the resurvey and reevaluation for which this appropriation was recently voted has not been completed, please give me the best possible estimate you can as to when these further studies are expected to be completed.

Inasmuch as in your speech you said you had justified the Overton Canal, and realizing that you had spent in the neighborhood of $530,000 for this purpose and to evaluate the river, I want to know if you were speaking from a second survey or were you speaking from the first survey. I said in my speech that if and when the Corps of Engineers made the second evaluation and it was proven to be justified, I would be for it, but to date I have not been informed as to whether or not this justification is based on a second survey, or on the original survey and report.

I shall appreciate very much your early response to this letter because I find myself in a rather embarrassing position and am anxious to get the facts regarding this all-important matter.

Thanking you for the attention I know you will give this request, and with kindest regards, I am.

Sincerely yours,

GEO. S. LONG,
Member of Congress.

Golden Jubilee of Slovak League of America

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 27, 1957

Mr. MULTER. Mr. Speaker, today, May 27, marks the date on which the Slovak League of America was organized 50 years ago.

The following is a letter which I addressed to Mr. Philip A. Hrobak, president of the Slovak League of America on the occasion of this anniversary:

It is with a great deal of pleasure that I extend my greetings to the Slovak League of America on the happy occasion of its golden jubilee.

All Americans know that in the bloodstream of our Nation flows the aspirations, dreams, and loyalties of men and women of all nationalities. The Slovaks have contributed their share to the growth and greatness of our country. The Slovak League of America, especially, has done much in promoting the welfare and security of the United States of America.

For the past half century, you have enriched American life by your cultural and civic achievements. You have shown your dedication to the American way of life by urging and aiding Americans of Slovak descent to become loyal citizens of this country.

Although Americans first, you are justly proud of your Slovak ancestry. Through the Slovak League of America, the American people have become aware and have learned to appreciate the noble culture, traditions, and achievements of the Slovak nation and its gallant and hard struggle to gain freedom.

Unfortunately, today, the land of your ancestors is suffering under the godless tyranny of communism. Consequently, there is sadness as well as happiness at this golden jubilee. But there is also determination in this group; a determination to fight communism and its conspiracy against free humanity.

On this golden jubilee day, I would like to join with the members of this American institution in denouncing the tyranny of communism; in praying for the freedom of enslaved Slovakia, and in hoping for continued success of the Slovak League of America.

Results of a Public Opinion Poll

EXTENSION OF REMARKS

OF

HON. JOHN E. HENDERSON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 27, 1957

Mr. HENDERSON. Mr. Speaker, during the past several weeks, I submitted a questionnaire on issues confronting the Nation to a cross section of the residents of the seven counties of southeastern Ohio whom I have the honor to represent here. For the purposes of this poll, the recipients were selected at random without regard for political affiliation. This sample of public opinion now has been tabulated and I believe its results reflect a valuable expression of the prevailing feelings in this area which is marked by divers urban and rural interests.

I believe the opinions of the people of the 15th Congressional District of Ohio are typical of many areas of this Nation, since the residents share sentiments and aspirations common to tens of millions of their fellow Americans. For this reason, I feel certain that many of my colleagues will find the results of this poll to be of considerable interest.

The questionnaire was divided into three parts. The first portion sampled opinion on various specific questions. The second dealt with the order of importance with which various general issues are regarded. The third part afforded an opportunity for the expression of relative approval or disapproval of Federal programs and the funds recommended for them in the 1958 budget estimates.

The results of the poll are as follows:

PART I

	Percent of those answering question	
	Yes	No
1. Do you favor United States membership in the Organization for Trade Cooperation, an international organization which would influence tariffs on foreign imports into this country?	65.89	34.11
2. Do you believe Communist China should be admitted to the United Nations?	7.72	92.28
3. Do you favor the sale or barter of United States surplus farm products to Iron-Curtain nations?	29.22	70.78
4. Do you favor the continuation of our foreign aid program which is recommended for $4,500,000,000 next year?	24.94	75.06
5. Would you support economic and military assistance to friendly foreign countries at a reduced cost?	75.39	24.61
6. Should a greater number of Hungarian refugees be admitted to the United States?	17.94	82.06
7. Do you believe Congress should authorize the admission of a greater number of immigrants from all nations?	10.88	89.12
8. Do you believe that the 22d amendment to the Constitution should be repealed to allow future Presidents to serve more than 2 terms?	17.73	82.27
9. Would you support Federal aid for school construction to be paid for out of Federal taxation in preference to such programs financed by State and local effort and taxation?	36.90	63.10
10. Do you favor reducing the present postal deficit by increasing postage on 1st-, 2d-, and 3d-class mail?	57.71	42.29
11. Are you in favor of the continuation of the soil-bank program?	50.72	49.28
12. Would you favor a tax reduction to stimulate expansion and modernization of small business?	86.41	13.59
13. Do you support a recommended Federal program costing approximately $9,000,000 to assist States and cities combat juvenile delinquency?	48.18	51.82
14. Do you believe that persons over 70 years of age should be eligible to receive social security payments regardless of their income from other sources?	56.61	43.39

PART II

The following is a list of 10 issues listed on the questionnaire which have been arranged in the order of importance in which they were ranked by those responding. The numbers shown are the averages of the relative importance assigned by those who provided opinions on this portion of the poll:

1. National defense	2.95
2. Need for reduced Federal spending and taxation with a balanced budget	2.97
3. Inflation and the cost of living	3.52
4. Maintenance of an honorable peace	4.48
5. Communist subversion in the United States	4.80
6. Preservation of opportunity for small business	5.75
7. Farm prices and policies	6.01
8. Federal protection of civil rights	6.05
9. United States foreign trade policies	7.09
10. United States foreign aid programs	7.80

PART III

In this portion of the questionnaire, an opportunity was provided for the expression of opinion on the level of Federal spending as represented in the budget recommendations for 1958. In each of the 49 programs listed, the budget recommendations were provided. Three choices were presented. The first afforded an opportunity to indicate support of the budget recommendations. If reductions in spending or the elimination of the program was felt desirable, blank spaces for these opinions were provided.

Running through the responses there was a strong trend for reduction in Federal spending.

The first portion of these questions dealt with major national security items—recommended for $43,335 million or 60.3 percent of the budget—and showed general support for these programs. However, a running current favoring reduced spending was noticeable. For instance, 59.8 percent of those responding supported the $12,273 million recommended for the purchase of aircraft, ships, guided missiles, and other military equipment. Thirty-nine percent favored reducing expenditures here. Atomic-energy programs spending received 67.4 percent approval with 30.4 percent calling for reduction. Recommendations for military assistance for nations abroad received 19.5 percent approval, while 59.1 percent called for reduced spending, and 21.4 percent expressed the belief that this aspect of our foreign-aid program should be eliminated.

A total of 61.7 percent favored reducing technical assistance to foreign nations with 13.5 percent favoring the level of recommended expenditures and 24.8 percent calling for the elimination of the program.

Recommended funds for the Post Office Department received 55.1 percent approval while the highway program was supported by 67.6 percent.

With respect to recommended spending for agriculture, farm price supports and related programs—estimated to cost $2,490 million—were favored by 24.5 percent. Forty-eight percent recommended a reduction in spending for this purpose and 27.5 percent believed the program should be abolished. Feeling concerning spending for the soil bank ranged from 32.3 percent in support to 37.3 percent recommending a reduction of spending, and 30.4 percent favoring the abolition of the program.

Federal spending for public assistance for needy persons was supported by 56.5 percent and funds for the promotion of public health met 61 percent approval.

Funds recommended for veterans' programs met with the general approval of the majority. Of these programs, 74.8 percent expressed support of funds for hospitals and medical care for veterans, 67.8 percent approved recommendations for the insurance and indemnities program, and 65.3 percent favored the recommended spending level for compensation and pensions.

The Army and Navy Hospital at Hot Springs, Ark.

EXTENSION OF REMARKS

OF

HON. W. F. NORRELL

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 27, 1957

Mr. NORRELL. Mr. Speaker, the Army and Navy Hospital at Hot Springs, Ark., is the best physical plant of any Army hospital in the United States. This positive statement was made by the Surgeon General of the Army. At that time he said that it was the second best hospital the Army operated anywhere in the world. The only one better was the new hospital in Honolulu. Our inquiry has revealed that this new installation cost somewhere between fifty and seventy million dollars. Following this statement the Army Surgeon General reiterated that the Army and Navy Hospital at Hot Springs was the best hospital facility he had in the country. It certainly is difficult to understand why the best hospital facility would be closed. From a purely good business standpoint, in any business where there are multiple operations, when there is apparent overproduction, business does not close the best operating unit it has.

Unlike the conception that some people may have, who are not personally familiar with the Army and Navy Hospital, it is not the same building that was erected in 1870. At that time the hospital was built here as the first Army general hospital because of the strategic central location and because it afforded the Army the use of the famous hot mineral baths. The present hospital was built in 1933 and is a complete integrated, modern "general" hospital. It is almost identical to the basic unit at Fitzsimons and Brooke and is larger than the latter. It is not, by any stretch of the imagination, a glorified bathhouse as some of you may have been led to believe. The hospital has had exceptionally good care and looks even newer than it is. Modern air conditioning and other improvements have been installed within the past 3 years. The instruments and installed medical and surgical equipment are of the very finest, equal to those at Walter Reed or Bethesda.

The second point, and one which seems of utmost importance, is the strategic location of the hospital. Unlike most Army hospitals which are located in coastal areas, the Army and Navy Hospital is located in the interior central portion of the United States with natural protection. The Department of Defense has quite appropriately been asking defense industries to move some of their operations off the coast. In fact, some airplane manufacturers have been told that in order to be eligible for future contracts, their point of manufacture will have to be off the coast and out of potential attack areas. In addition, the Federal Civil Defense Administration has been urging the maintenance of interior defense areas which can be used in event of coastal attack. Even here in

the city of Washington, a huge underground retreat area has been provided away from the present area to which the nerve center of our Federal Government can be dispersed. If it makes sense, and we think it does, to think of defense in terms of safeguarding war production and other Government operations, then it also makes sense to provide for relatively safe hospital care of military personnel. In Hot Springs, Ark., the Army and Navy Hospital can be maintained and operated with a moderate number of patients and at the same time be the center in which additional hundreds can be cared for overnight. The hospital alone cared for as many as 1,777 patients at one time during World War II. In addition, 3 hotels were taken over as a redistribution center which cared for some 2,000 personnel at one time. This is only the beginning of potential use. There are approximately 300 hotels, motels, and apartments which provide accommodations for 37,000 in this resort at one time. These can be made available if and when needed. This hospital can be expanded from 250 to 2,500 beds overnight. It could be made the medical treatment center for up to 30,000 beds. There is no other military or industrial organization that would be competing for expanded facilities in the event of mobilization. The Army and Navy Hospital would have first priority on every facility in the community.

One of the reasons given by the Department of the Army for wanting to close the hospital is the fact that it is not located near a troop concentration. Rather than being a reason to close it, we think it is a strong reason to maintain it. Certainly there was no troop concentration at the time the hospital was built and there has never been a troop concentration here. No Army general hospital has been built in a troop-concentration area for that reason alone. The philosophy on which we are told Army general hospitals were built was one of general central location to take patients from posts, camps, and stations and troop-concentration areas. Located as it is, it is easily accessible from all sections of the country and yet is not within any so-called target area.

This central location provides the basis for answering the question of where should patients for the Army and Navy Hospital come from. The Department of Defense, early in December 1955, issued a directive stating that those hospital facilities nearest to any post, camp, or station should be used regardless of the branch of service involved—an order which made good business sense and was in keeping with the intended unified use of common services within the military. The hospital at Hot Springs is the only Army general hospital between Fitzsimmons at Denver, Walter Reed here in Washington, and Brooke at San Antonio. A major segment of the central United States, then, is the area from which such patients would come, according to this Department of Defense directive. Such troop concentration areas as Fort Benning, Ga.; Fort Sill, Okla.; Fort Leonard Wood, Mo.; Fort Campbell, Ky.; Fort Chaffee, Ark.; and many others would be a source of patients since they are closer to the Army and Navy than to any other Army general hospital. If the class II beds presently allocated to the post hospitals at these and other stations were reassigned to Army and Navy, it would produce both patients and staff. At Little Rock, Ark., some 50 air miles away from the Army and Navy, the Little Rock Air Force Base has some 7,000 to 8,000 military personnel. Instead of making use of the Army and Navy Hospital, the Little Rock Air Force Base is paying to send the great majority of its patients to a Veterans' Administration hospital in Little Rock and thereby creating a shortage of Veterans' Administration beds in Arkansas. It can be shown that transportation, which is readily available from the Air Evacuation Squadron, can be provided from the Little Rock Air Force Base to the Hot Springs Municipal Airport and thence by ambulance to the Army and Navy Hospital as easily and quickly as patients can be transported by ambulance through the metropolian areas of North Little Rock and Little Rock to get to the Veterans' Administration hospital. The Air Evacuation Squadron has offered any amount of service at any time needed directly to and from the runway at the Little Rock Air Force Base.

The greatness of the United States military organization has been due largely to its ability to expand rapidly. Expansion time in recent years has dwindled from months to hours. The Army proposes to put the hospital on a standby basis so that it can be reactivated within 60 days. In this day of atomic weapons and guided missiles, I can find little comfort in knowing that the hospital can be reopened within 60 days. We are told repeatedly by these same military experts that there will be virtually no time to prepare for attack. The Army and Navy Hospital is in the safest location of any of our hospitals and must be continued in operation, readily equipped to be expanded in a matter of hours. While we are asking for continued operation of the hospital, let us provide for continued operation on a more satisfactory level. No hospital designed for 500 patients can operate economically on 75. With very little additional cost, primarily in terms of personal service of attendants, this hospital can care for 250 patients. With this kind of patient load it can show an operation cost on the level with any other institution of similar size.

Government of, by, and for the People

EXTENSION OF REMARKS

OF

HON. WILL E. NEAL

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 27, 1957

Mr. NEAL. Mr. Speaker, after the adoption of the Constitution, Benjamin Franklin, on being asked what kind of government had been adopted, replied: "A republic, if we can keep it."

His reply implied both a knowledge of world history and a deep appreciation of human reaction to mass psychology.

Were he here today, he would marvel at the rapidity with which we, the people, have veered from the original concept of republican form of government. We, the people, negligent of our civic obligations, overlooking our constitutional duties, permitting our elected officials to secure positions of responsibility by a minority of voters, and failing to interest ourselves in their political and economic behavior in their official capacities, have permitted our executive and legislative bodies to succumb to the pressures of minority interests until the average citizen has relinquished most of his claim to government of, by, and for the people and surrendered little by little to what is now an overgrown system of bureaucratic agencies and departments.

Most of us have been too occupied with our day-to-day well being to realize how our individual freedoms are being usurped by rules, regulations, and administrative orders issued by department heads where authority stems from the actions of Congress, members of which, under the Constitution, are their only direct representatives in matters of government.

Throughout the years, the Congress has delegated much of its original powers to the departmental bureaus and to executive agencies. With such delegated authority, the execution of laws passed by Congress become increasingly subject to the interpretation of officials holding their positions by appointment and who therefore are not directly responsible to the people.

There are 2¼ million persons employed in our Government today in its various bureaus and agencies.

Legislation instead of being initiated by the leadership in Congress, without advice, consent, and approval of bureau heads and executive officials, depends largely upon bureaucratic leadership to suggest blueprints and objectives.

The result is that laws or legislative changes sought by individuals and groups are determined in their final form by the respective agencies entrusted with their administration.

Now agencies and bureaus, interested in self-preservation, are selfishly impressed with the advantages of expansion of activities and the accompanying need for additional employees and appropriations with which to pay their salaries and the added expense for facilities in which to operate.

To persuade Congress and the public to support their demands, many top echelon officials of these bureaus and agencies spend a large portion of their time and energies appearing before committees and communication centers for the purpose of sponsoring their programs and convincing the Congress of the necessity of authorizing expanded operations and appropriating the necessary funds.

In many instances, the Congress and the public have been told these new ventures are only needed as temporary emergency measures, but experience bears out the fact that once an emergency increase is authorized, it invariably finds convincing reasons why it should be continued.

The bureaus and agencies of Government seem to have successfully sold the Congress on the advisability of not only maintaining existing agencies, but, in recent years, have succeeded in having more and more special branches of Government created annually.

The result is a big overgrown Federal Government which today requires the income from two days of a week's work to support. Even though the Federal budget is in balance as of today, there is little prospect that any part of our tax contribution will be left over to apply to the $275 million national debt. With present tempo of Federal spending, there can be little hope of tax reduction.

There can be only one answer—reduce spending programs, both domestic and foreign. That means, cut the proposed $71.8 billion budget and refuse to appropriate new money for more bureaus and departments. Public demand for such action is now at an all-time high. It has impressed Members of Congress as to that great need.

Yet, I would add a word of caution.

This Congress can wield the cleaver of the butcher in trimming the budget and with a consequent grave danger to the precarious security we have built up for ourselves and our Free World allies in a perilous age.

Or, it can apply the surgeon's scalpel to our fiscal affairs by trimming away an admittedly great amount of financial fat in this budget and retain our posture of present security.

I would remind the House that this is no time to play the role of partisan politician in trimming the budget. The times are too dangerous, the imminence of global disaster too close each hour, for us to heedlessly use our constitutional power of the purse to embarrass and hamstring those portions of the executive branch entrusted with our defense and security.

Brooklyn Shows the Way to Good Labor-Management Relations

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 27, 1957

Mr. ANFUSO. Mr. Speaker, it was my happy privilege last Thursday, May 23, to be present at a heartwarming event in my district in Brooklyn which noted significant advances both for business and labor in our community.

In a spirit of friendly cooperation, the members of a labor union agreed to forfeit half of their accrued vacation pay in order to enable a large plant from another State to move into Brooklyn and establish itself in our community. A vice president of the company frankly stated that his firm was influenced in its decision to move to Brooklyn by the cooperation offered by the union.

The astute labor leader who managed this feat was Mr. James Landriscina, president of Local 452 of the Candy and Confectionery Workers Union. He was ably assisted in this effort by the local's vice president, Miss Anna Rizzo, and its secretary-treasurer, Mr. John R. Alaio. The enlightened businessman who took advantage of this offer from the union was Mr. Leonard Stone, executive vice president of the Sweets Company of America.

Those who stand to gain most are 700 members of the union and their families who had been forced out of work last March when another candy manufacturing firm, Rockwood Co., had closed its plant in Brooklyn and left its employees without work. Now these and perhaps many others will return to their jobs. The Sweets Co. gained, too, because Brooklyn provides an excellent quality of workers, skilled and dependable, devoted to their families and to the community in which they live and work.

A ceremony to welcome the new plant in Brooklyn took place on Thursday, May 23, in front of the plant. On hand at the welcoming ceremonies were the Honorable Carmine G. De Sapio, secretary of State of New York; Ambassador Richard C. Patterson, Jr., Commissioner of Commerce and Public Events of the City of New York; the Honorable Edward T. Dickinson, New York State Commissioner of Commerce; Commissioner Frank Nolan, representing Borough President John Cashmore of Brooklyn; Mr. Chester Allen, president of the Brooklyn Chamber of Commerce, and Mr. Howard Swain, executive director of the chamber of commerce; and Congressman Victor L. Anfuso. Also present were many prominent labor leaders representing various unions in New York.

Mr. Speaker, I am pleased to call attention to this matter because I feel that it is this kind of labor-management relations, this kind of give-and-take negotiations, which will help strengthen both business and labor. It is in this spirit of true cooperation that a real service can be rendered in promoting the welfare of the American people and the security of our country.

Appropriations Item Veto, H. R. 830

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 27, 1957

Mr. MULTER. Mr. Speaker, the following is the text of my statement which I submitted today to the House Judiciary Committee in support of my bill, H. R. 830, to provide that for the purpose of disapproval by the President each provision of an appropriation bill shall be considered a separate bill:

STATEMENT OF REPRESENTATIVE ABRAHAM J. MULTER, DEMOCRAT, NEW YORK, BEFORE THE HOUSE JUDICIARY COMMITTEE, MAY 27, 1957

Mr. Chairman and members of the committee, thank you for this opportunity to submit to this honorable committee my views on the subject of the principle of the item veto of appropriation bills generally and in support of my own bill, H. R. 830 specifically.

To me it is inconceivable that our Founding Fathers, at any time during the constitutional debate on the veto power, could have visualized the magnitude and complexity of today's appropriation problems. In the principle embodied in article 1, section 7, clause 2 and 3 of our Constitution, they vested exclusive veto power in the Chief Executive, but, at the same time, preserved to the legislative branch the final determination of the fate of legislative measures.

This is a basic point and may be determinative of the power of Congress to provide an item veto by statutory action.

Since the adoption of the Constitution, no one has ever contended that the President has power to veto items of appropriation. If this power is ever to be exercised, it must be granted either by a constitutional amendment or by statute or joint resolution of the Congress.

No one challenges the sufficiency of the constitutional amendment to accomplish the purpose. In the interest of saving time, I shall confine my statement to the exposition and defense of my measure, H. R. 830, which is designed to permit by statute the exercise of this power.

Under the Constitution, article I, section 1, "All legislative powers herein granted shall be vested in a Congress of the United States" and, under article I, section 8, clause 18, the Congress shall have power "to make all laws which shall be necessary and proper for carrying into execution the foregoing powers." "Whenever, therefore, a question arises concerning the constitutionality of a particular power, the first question is whether the power be expressed in the Constitution. If it be, the question is decided. If it be not expressed, the next inquiry must be whether it is properly an incident to an express power and necessary to its execution. If it be, then it may be exercised by Congress. If not, Congress cannot exercise it" (*United States* v. *Harris* (1883), 106 U. S. 629, 636.)

The power of Congress to grant the President the privilege of vetoing items of an appropriation bill is certainly nowhere expressed in the Constitution, nor is it necessary for carrying into execution the clearly expressed limited veto power granted the President in the Constitution.

However, the absolute control of the moneys of the United States, including the terms and conditions under which they are made, is in the Congress. (*Hart's* case (1880) 16 Ct. Cl. 484, affirmed 118 U. S. 62). The power to appropriate Federal funds has been exclusively entrusted to Congress. (Constitution, art. I, sec. 9, cl. 7; *State of Ohio* v. *U. S.* (1946), 65 F. Supp. 776, 780.)

In view of the incredible magnitude and complexity of the financial operations of our Government, the Houses of Congress, acting under their responsibility to the citizens in the operation of exercising their constitutional powers of spending the taxes wisely and well, are entirely within their constitutional powers to employ legislative methods that will best enable the Chief Executive to perform his function of recommending laws thought wise and vetoing laws considered bad.

By presenting appropriation legislation in the form and manner prescribed in my bill, H. R. 830, we are not delegating our legislative authority to appropriate, since Congress must act finally upon the legislation. Instead, we are employing as an incident to the exercise of our express power to appropriate, a device made necessary by the growth of this Nation.

There is nothing in our Constitution and nothing in good reason or logic which should prevent the Congress from adopting a rule

(even though not binding on a subsequent Congress) providing, as my bill does, that every part of an appropriation bill should be considered and treated, for veto purposes, as a separate bill.

It is my firm belief that a provision could be written into every appropriation bill so providing.

There can be no doubt that the result sought could be obtained by insisting that each separate item be the subject of a single bill.

For the sake of expeditious action, we put many items in one bill.

The Congress can, if it so desires, direct that, for veto purposes, each item be treated as a separate bill. The Congress would still retain the right to override each veto.

I thank you, gentlemen, for the privilege of presenting my views.

Public Opinion Survey, 11th Congressional District of Illinois

EXTENSION OF REMARKS

OF

HON. TIMOTHY P. SHEEHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 27, 1957

Mr. SHEEHAN. Mr. Speaker, for the seventh consecutive year I have conducted a public opinion poll of my constituents in the 11th Congressional District, on the northwest side of the city of Chicago.

This year, 54,711 questionnaires were mailed, and, as of this date, 7,452 have been tabulated—a return of nearly 14 percent. The questionnaires were sent to every fourth name on the polling list of voters of every precinct in the 11th District which list is put out by the Board of Election Commissioners of the City of Chicago.

We have no means of knowing the political affiliation of the recipients of the questionnaire, and this, in our opinion, results in an impartial distribution which most nearly reflects a proper cross section of the voters in the 11th District.

The 1957 survey results are as follows:

	Yes	Percent	No	Percent	No Answer	Percent
1. Are you in favor of the United States continuing as a member of the United Nations?	5,282	70.9	1,747	23.4	423	5.7
2. Do you favor the proposed $4,400,000,000 foreign-aid bill?	1,027	13.8	5,946	79.8	479	6.4
3. Do you approve of the Republican foreign policy in general?	2,674	35.9	3,738	50.2	1,040	13.9
4. Do you approve of the Eisenhower administration to date?	3,104	41.7	3,113	41.8	1,235	16.5
5. Do you approve of the recent action of Congress in giving the executive department the power to use troops under the so-called Middle East doctrine? (The Constitution reserves to the Congress the right to declare war, and this action practically transfers this right to the Executive. This legislation also included $200,000,000 of additional foreign aid for the Middle East.)	1,441	19.3	5,349	71.8	663	8.9
6. Do you approve of United States participation in the International Atomic Energy Agency to broaden the exchange of peaceful atomic information?	4,834	64.9	2,107	28.3	511	6.8
7. Do you approve of the performance of John Foster Dulles as Secretary of State?	2,631	35.3	3,324	44.6	1,497	20.1
8. Do you favor the President's proposal of Federal aid to education for school construction to be distributed on the basis of local need? (Present bills under consideration provide from $2,000,000,000 to $3,000,000,000 of aid over a period from 4 to 6 years. Illinois citizens will contribute an estimated $24,000,000 and receive back about $12,000,000.)	3,661	49.4	3,192	42.8	579	7.8
9. Do you favor the President's proposal asking Congress to enact a strong civil rights program to enforce the voting rights of all citizens, to establish a Civil Rights Division in the Justice Department, and to create a bipartisan commission to investigate violations of the law?	4,405	59.1	1,998	26.8	1,049	14.1
10. Have you ever had any personal experience wherein you felt you were deprived of your civil rights?	847	11.4	6,163	82.7	442	5.9
11. Do you favor more adequate laws providing for full disclosure to the public and to the U. S. Government of the operation of union pension and welfare funds?	6,722	90.2	463	6.2	267	3.6
12. Would you favor a "right to work" law which permits citizens to work regardless of whether or not they belong to a union?	5,552	74.5	1,502	20.2	398	5.3
13. Do you think the President's budget of $72,000,000,000 is too high?	6,078	81.6	757	10.2	617	8.2
14. Do you favor as a means of controlling spending under the budget that Congress temporarily fail to authorize new legislation creating projects not already in existence?	4,363	58.5	1,512	20.3	1,577	21.2
15. Do you agree with Senator BYRD of Virginia when he said "I think the present deal is going to finally land somewhere midway between the New Deal and the Fair Deal"?	3,774	50.6	1,309	17.6	2,369	31.8

Four of the questions on this year's questionnaire are a repetition of previous years, and a comparison of the trend during the years is as follows (the 1957 results having been compiled by a division of International Business Machines, Inc.):

	1957			1956			1955			1954			1953		
	Yes	No	No opinion	Yes	No	No opinion	Yes	No	No opinion	Yes	No	No opinion	Yes	No	No opinion
1. Are you in favor of the United States continuing as a member of the U. N.?	70.9	23.4	5.7	73.2	24.0	2.8	69.5	28.3	2.2	67.0	29.9	3.1	64.1	35.9	------
2. Do you favor further arms and military aid for foreign nations?	------	------	------	------	------	------	44.9	49.8	5.3	45.7	46.4	7.9	44.7	55.3	------
3. Do you favor continued economic aid (point 4) to foreign nations for development of backward areas?	------	------	------	------	------	------	50.0	46.0	4.0	54.4	38.8	6.8	43.3	56.7	------
4. Do you favor the proposed $4.4 billion foreign aid bill ($4.9 billion in 1956)?	13.8	79.8	6.4	22.3	72.4	5.3	------	------	------	------	------	------	------	------	------
5. Do you approve of the Republican foreign policy in general?	35.9	50.2	13.9	62.3	29.6	8.1	56.9	30.3	12.8	52.9	34.6	10.5	78.5	21.5	------
6. Do you approve of the Eisenhower administration to date?	41.7	41.8	16.5	76.4	16.1	7.5	65.3	22.9	10.8	58.0	25.9	16.1	84.2	15.8	------

An Observation on Immigration

EXTENSION OF REMARKS

OF

HON. JAMES C. AUCHINCLOSS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 27, 1957

Mr. AUCHINCLOSS. Mr. Speaker, it is no secret that we Members of the House of Representatives receive a great deal of mail on the subject of immigration, expressing views about the McCarran-Walter Act, whether it should be modified or amended, and sometimes it is difficult to answer these letters. We certainly do not want our country flooded with persons promoting communistic ideologies who may disturb our security as well as our economy, nor do we want the indolent or the incapacitated who may become at any time dependent on us for a living. We must secure ourselves from the influx of such people and be guarded against them. People from all the countries of the world want to come to America to escape from tyranny and oppression, a feeling that is understandable and rouses our sympathy, and I believe the great question we must ask and which must be answered is what will these people contribute to the strength of our economy as well as to our security? What will they do to make us even a greater Nation, dedicated to peace and good will, and enhance our belief in the dignity of man and his personal liberty? These are searching questions, but the answers must be known if we are to hold secure the ideals of our country and its destiny to lead the world into the paths of peace and amity among nations.

Citizens of the United States are all descended from emigrants who came here from all parts of the globe. Our forebears did not come to our shores to run away from anything; they came to be able to do something for themselves and for others and by working together create a Nation "indivisible under God with liberty and justice for all." They set high standards of morality and fair play, and thereby planted the seed of a great Nation whose influence is felt the world over, yet whose power is never used in oppression, but in the promotion of liberty and truth.

May I point out to my colleagues an example of how an immigrant to this country came here and contributed much to our country's welfare? I find stimulating courage in the examples of such

people and my friend, Arnold L. van Ameringen, is typical of many citizens like him. He came here to work and do what he could to aid in the growth of America, and he has contributed much.

Mr. van Ameringen will celebrate his 66th birthday in October of this year, having been born in Holland. There he received a public school education, was active in a Netherlands organization equivalent to our Boy Scouts, and served in the Dutch army. He worked for a manufacturer of perfume materials and in 1917 he was sent by his employer to sell his products in America, arriving in this country on Memorial Day. On his way over he became acquainted with a Mr. Pfalz, an American citizen, who was met at the dock by his sister Hedwig, of Newark, N. J. She was the first American girl he met in this country and 3 years later they were married. It is easy to see he really appreciated the good things to be found in the United States. Mr. van Ameringen immediately saw the opportunities offered by our country and realized that if he worked hard for himself and his community, he could own his business and prosper through his own efforts. He realized, also, that he would have the opportunity to contribute something to the growth of the United States and play some part in the development of our great Nation. So he stayed and in November 1926, became a naturalized citizen and has proved his worth ever since.

What has this man accomplished in accepting the opportunities presented to him by America? He started his own business with 2 employees and 500 square feet of space—a small-business man indeed. His business prospered, he merged with another firm, and became the leading spirit not only in the new firm but was a dominant figure in the entire industry of the manufacture of fragrances for perfumes, colognes, creams, powders, soaps, lipsticks, and such products in which fragrance plays a part, and in addition various food flavors. Here are a few of the voluntary positions he has held for the benefit of his fellow citizens:

President of the Essential Oil Dealers Association.

Member of the board of directors, Toilet Goods Association.

Governor of the board of Synthetic Organic Chemical Manufacturers Association.

Secretary of the Fragrance Foundation.

Trustee of the College of Pharmacy, Columbia University.

Teacher in the College of Pharmacy.

He cooperated in World War II with the United States Army by furnishing supplies to Armed Forces.

He received a certificate of achievement from the United States Navy and a letter of commendation from the Quartermaster Corps.

He is now the chairman of the board of directors of van Ameringen-Haebler, Inc., which employs more than 400 people with 64,000 square feet of office space in New York City, and 2 factories in New Jersey. He and his business have grown with our country and are no longer small business.

But this is not all, as though these contributions of self-sacrifice and service are not enough. Mr. van Ameringen became interested in the study of mental health which he believes to be one the great problems of humanity, which indeed it is. It was through his friend, the late Dr. James Plant, a noted child psychiatrist and director of the Essex County juvenile court of New Jersey, that his active service in this field was aroused. For 20 years or more he was served as treasurer and a member of the executive committee of the National Committee for Mental Hygiene which was later merged with the National Association for Mental Health. He is still active in this important movement to make the future generations of Americans better equipped to face the challenge of life and contribute their share for the benefit of mankind.

America wants and needs such men and women as citizens, and we must be careful not to prevent their coming to our country. They rejuvenate our lives of service, they bring us new hope, and by their example, keep fresh before us the basic faith in personal liberty on which our forefathers built our future. So, when we consider legislation about immigration, let us bear in mind the value of people like Arnold van Ameringen who came here to do business and stayed because he wanted to play a constructive part in the promotion of individual liberty and in service to our great Nation.

Address by Hon. Basil L. Whitener to 11th Congressional District Chapter of Postmasters, Rutherfordton, N. C., May 25, 1957

EXTENSION OF REMARKS

OF

HON. GEORGE A. SHUFORD

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 27, 1957

Mr. SHUFORD. Mr. Speaker, our colleague, Congressman BASIL L. WHITENER, delivered an address to the 11th Congressional District Chapter of the North Carolina Postmasters Association at a meeting in Rutherfordton, N. C., on Saturday, May 25, 1957.

This address by our distinguished colleague points up some of the principal problems faced by the Congress and the Nation in the postal-service field. His address follows:

ADDRESS BY HON. BASIL L. WHITENER TO 11TH CONGRESSIONAL DISTRICT CHAPTER OF POSTMASTERS, RUTHERFORDTON, N. C., MAY 25, 1957

It was with a great deal of pleasure that I accepted the very generous invitation to speak to the postmasters of the 11th Congressional District tonight.

Your branch of the Government has been in the news in a very substantial way in recent days. As we tonight have a common interest in the postal service and its future of service to our people, it is fitting that we should think together on some of the problems which face you as postmasters and your elected representatives in the Congress of the United States.

There is much debate today about your service. This debate seems to revolve around two propositions. First: What is proper policy under which to view post office operation? Is it primarily a public service which should not be expected to produce revenues to cover its cost? Or, secondly, is it an organization which, in spite of its public service aspects, should cover as much of its costs as can be covered?

When we resolve those basic questions we then begin to reach the point at which a decision can be made by the people and their representatives.

A brief glance at the history of your service is essential to an understanding of the development of the postal policy of the United States. Time will not permit a detailed discussion of the various historical developments in the postal service, but I think that in a few minutes we can run down some of the major steps in its development.

The Congress has always recognized that the provision of the postal service is a necessary function of Government. It has always attempted to maintain low postal rates but has constantly increased services, regardless of deficits.

The Continental Congress, in 1775, established postal services, and Benjamin Franklin was named as the first Postmaster General. The Continental Congress said: "The present critical situation in the Colonies renders it highly necessary that ways and means * * * be devised for the speedy and secure conveyance of intelligence from one end of the continent to the other."

During the period of the Continental Congress, between 1775 and 1778, very little postal revenue was received, and the cost of the service was met by the Treasury.

In preparing the Articles of Confederation it was set forth that Congress was "expressly forbidden" to raise more revenues than would meet the expenses of the service. It appears on the face of this provision that a deficit was not prohibited but a surplus was not to be permitted.

In 1787 the writers of our Constitution provided in article I that: "The Congress shall have Power * * * to establish Post Offices and post Roads." The Constitution is silent about expenditures and revenue policies of the postal service.

Initially, Congress attempted to provide postal services which would pay their own cost. By the Act of February 20, 1792, the Postmaster General was authorized to enter into contracts for carrying the mails, "*Provided*, That no such contract shall be made to the diminution of the revenue of the general post office." Congress further provided that any surplus at the end of the year was to be applied against future deficiencies.

Again, in 1794, Congress passed an act which read: "That it shall be lawful for the Postmaster General to provide for the carriage of a mail on any road on which a stage wagon or other stage carriage shall be established, on condition that the expense thereof shall not exceed the revenue thence arising".

In 1797 Congress liberalized its policy by continuing all money-losing postal routes except one "which shall not, after the second year, from its establishment, have produced one-third of the expense of carrying the mails on the same."

In 1814 Congress further relaxed the policy by stating that a postal route be established "to the courthouse of any county which is now, or may hereafter be, established in any of the States or Territories of the United States, and shall not or will not otherwise be accommodated with the mail".

In 1851 Congress made a real break with the old policy of making the postal service pay its way.

In that year Congress stated: "That no post office now in existence shall be discontinued, nor shall the mail service on any mail route in any of the States or Territories be discontinued or diminished, in consequence of any diminution of the revenues * * * and it shall be the duty of the Postmaster General to establish new post offices, and place the mail service on any new mail routes established, or that may hereafter be established, in the same manner as though this Act had not passed."

The Act of 1851 further ordered that weekly newspapers be carried through the mails free of charge to subscribers within the county of their publication.

Succeeding Postmasters General alternately supported and condemned the service-first, revenue-last, policy provided for by the 1851 Act. Nevertheless, Congress gave increasing support to the service function even though deficits were the result.

Registration of letters was authorized in 1855. The uniform rate of postage for all like mail, regardless of distance transmitted, was established in 1863. Free delivery of mail in cities began in 1863. The money order system was established in 1864. Congress authorized the use of postal cards in 1872.

In the Act of 1879 Congress established the classifications of mail matter which are still in effect. Special delivery services and a 2-cent letter mail were provided in 1885. Funds were provided for rural free delivery in 1896.

The fact that there were deficits in postal operations did not prevent these new functions and lower rates from being established.

1910 brought about the authorization of the Postal Savings System. Parcel post was authorized in 1912 and air mail loomed upon the horizon in 1918.

During World War I the Government used the post-office organization to sell war savings certificates and thrift stamps. Enemy aliens were registered by the Department. Third- and fourth-class postmasters served as recruiting officers for the Army, Navy, and Marine Corps.

Postal notes were inaugurated as a service in the Post Office in 1945. The air letter sheet in 1947 and the air parcel post in 1948 became further services of the post office.

During World War II the Post Office Department had other wartime services. It sold war bonds and stamps and automobile tax stamps. It registered aliens and carried mail from soldiers without charge.

During the first 50 years of operation the Post Office Department earned reasonable surpluses. But from 1841 until the present it has only experienced surpluses in 12 years.

Postal surpluses were checked in 1845 by the reduction of rates and the extension of postal service. The surpluses of 1849, 1850, and 1851 disappeared when the mail rate was reduced from 5 to 3 cents per half ounce. Surpluses appeared again in 1882 and 1884, and the letter rate was dropped first, 2 cents per half ounce and then to 2 cents per ounce.

On other occasions the opportunities to earn a profit have been foregone in order to expand the service along new and often costly lines. Railroad mail was established as soon as the locomotive proved workable.

In the interest of popular education, the postal service has subsidized newspapers and magazines by distributing them at less than cost. In addition to subsidizing the railroads, it has subsidized airlines during their periods of development by the grants of more-than-cost mail contracts. From the close of the Civil War until 1936, mail subsidies contributed greatly to maintaining the American merchant marine fleet.

It is in this historical setting that we find ourselves as we look to our postal service in 1957 and future years.

It must be in the light of the lessons in history that we determine whether presently existing legislation to increase postal rates shall be approved.

To be sure, the first step to be taken in determining this whole problem is that of reaching a decision on the question of the proper post-office policy of this Nation.

I feel strongly that the service aspect must be kept in mind constantly. It seems inconsistent to me that the Post Office Department should be the one department of our Government which is expected to earn money for services rendered to the millions of American citizens.

But I do feel equally strong that the Post Office Department should be run as economically and with as much business acumen as one would expect of a private business.

That brings us to the recent outcries that we have had from our present Postmaster General with reference to the attitude of Congress on the matters of appropriation. He has given to the public a distorted picture of the financial provisions which the Congress has made for the operation of this vital branch of our Government.

The proposed budget for 1958 called for an appropriation of $3,250,000,000 for the postal service. When a hearing was concluded by the Appropriations Committee of the House of Representatives it was determined that this figure could be reduced by $58 million. Thereupon, the committee recommended an appropriation of $3,192,000,000. You have perhaps been led to believe that this was an unwarranted cut in the funds for Postmaster General Summerfield's Department during the fiscal year of 1958.

But that is far from true. The 1957 appropriations for the Post Office Department were $2,984,340,000, and the amount recommended by the House Appropriations Committee was $3,192,000,000, an increase of $207,660,000 above the appropriations available to the Post Office Department in 1957.

So, you see, my friends, the Congress has dealt very generously with the Post Office Department.

My chief concern with the recent outbursts of the Postmaster General is that it tends to destroy the esprit de corps which has been so high among the 500,000 postal workers in some 41,000 post offices throughout the Nation. You and I, as officials in the Government, owe a duty to prevent this demoralization of a great service.

Nothing can break down the morale of our postal workers more quickly than a hodgepodge of false economy. We are all interested in saving the taxpayers money and giving our citizens their mail sooner and oftener.

But, it seems to me, that there is room for grave doubt as to whether the alleged economies introduced from on top are, in fact, economies. I fear that there is a basic incapacity of some of our top-rank planners to understand the problems confronting the postmasters and mail carriers of our Nation.

What are some of these highly advertised alleged economies? There are many of them that we could discuss, but I will limit my remarks to just two of them.

The first that comes to my mind is this sudden penchant of the Postmaster General for little gasoline junk toys called scooters.

These are ¼-ton, 3-wheeled covered-type vehicles. Except for the fact that they delight the children of a neighborhood, and serve as an extra provocation for barking and biting dogs, they constitute—for the mail carrier—nothing but a cumbersome nuisance. That, it seems to me, is one of the demoralizing factors in a great segment of the post-office personnel.

These men do not want the scooters because they are a hindrance rather than a help. I am told by those who have used them that they would much prefer walking with their mail bags to the use of these gasoline go-carts. They just are not suitable for house-to-house delivery in congested areas.

But what is the Post Office Department doing about this situation? There are, as I speak to you, 300 of these contraptions now in service.

But more alarming, is the fact that the Department proposes to purchase some 1,500 more of them.

These ridiculous comic pieces of apparatus cost upward of $917.50 apiece. Some cost one or two hundred dollars less.

Eighteen hundred of these 3-wheeled monstrosities at almost $1,000 apiece seem to me to be very poor economy. It constitutes a waste of the Post Office Department money and an abuse of the morale of the post-office employees.

Perhaps this foray into the land of fancy by our present Postmaster General will be recorded in history as "Summerfield's Scooter Folly."

Another far graver error in the administration of the Post Office Department during the past year is one which I prefer not to refer to as a "folly." It is rather to be called a "tragedy."

It is another instance of false economy that completely ignores the historical concept that the postal service is a public service.

The tragedy of which I speak is the discontinuance of no less than 713 of our 14,185 fourth-class post offices in the United States.

By cutting down the postal service for scattered segments of the American people through the elimination of their fourth-class post-office facilities and calling it an economy is just about the worst possible misuse of power.

The removal from the service of 713 fourth-class post offices strikes me as brutal hatchetman tactics to make a good financial showing at the expense of an indispensable service to the people in the fourth-class postal category. It is a callous indifference to the public weal.

The necessity of service to our rural people through the fourth-class offices is not to be dealt with as a strict matter of bookkeeping. I am sure that there are some of these fourth-class offices which may be wisely discontinued, but I hardly think that it is reasonable to say that we can afford to eliminate 713 out of a total of 14,000.

If the kind of logic which the Postmaster General has applied in his policy toward fourth-class post offices is to be followed to its ultimate conclusion, then he could effect even greater savings by eliminating all of the post offices. The burden of my thinking is that we must not cripple the postal service, whether it be in the urban centers or in the rural areas.

Perhaps it would be well to call to the attention of Mr. Summerfield the words of the late Will Hays, a former Postmaster General, and—I hasten to add—a Republican, who said: "The post office is not for profit nor for politics, but for service."

It is my earnest hope that our Postmaster General will revise his thinking and correct his action as he approaches a solution to the many problems which are presented to the people of this Nation by the current post office situation. The mere pointing out of a $515 million estimated deficit for 1957 does not warrant the hacking away of services to our people.

The problem should be approached in a state of mind which would lead to real economies and not the alleged economies which I have already mentioned to you.

There are no more dedicated men and women to be found in America than the postmaters and employees in the various post offices of all classes in the United States. They are entitled to the same type of dedicated leadership on the executive and legislative fronts as we seek to reach a solution to our problems.

I commend you postmasters of the 11th Congressional District. You have done an excellent job. I believe that you can be of great service in bringing about the proper answer to these questions which I have outlined to you tonight.

But whatever the ultimate legislative decision shall be, it is my firm conviction that the people of the Nation will always feel that the post office is an institution of service and not a mercantile establishment.

Address by Vice President of United States to American Iron and Steel Institute

EXTENSION OF REMARKS

OF

HON. LEVERETT SALTONSTALL

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Monday, May 27, 1957

Mr. SALTONSTALL. Mr. President, on Thursday, May 23, the Vice President delivered a significant address in New York City at the annual meeting of the American Iron and Steel Institute. I think that what he said will be helpful in clarifying in people's minds the issues in the present controversy over the Federal budget. I ask unanimous consent that the text of his address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY THE VICE PRESIDENT OF THE UNITED STATES BEFORE THE 65TH ANNUAL MEETING OF THE AMERICAN IRON AND STEEL INSTITUTE, HOTEL WALDORF-ASTORIA, NEW YORK CITY, MAY 23, 1957

Six years ago when I last had the privilege of appearing before this organization, I was asked to give a report from Washington on the most burning issue of the day. We were in a war at the time, and taxes and Government spending were at a higher rate than today. But there was little question that on that occasion there was another issue which was of even greater interest to the majority of the American people. I spoke on that subject, as you will recall—the controversy over President Truman's discharge of General MacArthur.

Tonight I would like to give you a similar report. Just as in the spring of 1951, there is no question today as to what issue is uppermost in the public mind. It is the administration's budget for 1958.

I will admit at the outset that I can think of a number of other subjects which would be more pleasant for me to discuss. I am sure many of you are probably tired of hearing about the budget. And some of you may have reached conclusions which will not be changed by anything that I say.

But because I believe the decisions we make on the budget, particularly as they relate to our national defense, are so important to the Nation, and because there has been so much misunderstanding as to the administration's position, I would like to take this opportunity to help set the record straight.

It is necessary to begin by examining the basic economic philosophy of this administration. We find ourselves in the incongruous position of being subjected to attacks from groups holding completely opposing points of view.

On the one hand, the advisory council of opposition party charged in Washington a few days ago that this was a probusiness administration under whose policies the rich are getting richer and the poor are getting poorer.

On the other hand, certain business groups have charged recently that this is a New Deal-Fair Deal administration which is bent on spending the Nation into bankruptcy.

Now, obviously both of these charges cannot be true. I submit that neither is true. Our attitude toward business is simply stated.

We believe that America enjoys unprecedented prosperity today because we have based our economic and political policies on the sound principle that the most productive source of national wealth is private rather than Government enterprise.

We reject the New Deal-Fair Deal attitude of baiting and penalizing business and using it as the scapegoat for all the economic sins of whatever administration happens to be in power.

Instead we believe that Government should encourage free competitive enterprise. It should promote private economy activity rather than penalize it. Regulations, controls, and Government activity should be reduced to the minimum demanded by the general welfare so that individuals can make their maximum contribution to the Nation's productivity.

We do not favor big business or little business. We are for good business and opportunity for all.

We have acted upon this philosophy.

We are getting the Federal Government out of many activities which properly belong to private enterprise.

We have left labor-management relations to the field of free collective bargaining. There have been no Government-imposed labor contracts under this administration.

We have faithfully administered laws which have been passed to prevent abuses by businesses such as those relating to securities, antitrust, pure food, and drugs. But in contrast to the New Deal and Fair Deal, we do not believe in penalizing the good with the bad. We try to adjust regulations to sound business practices in an industry and not merely impose them from above without consulting those affected by them.

Let us see how we have applied our basic economic philosophy to the problems of the Federal budget.

When we came into power we found that in the preceding 20 years there had been only 3 balanced budgets. Deficit financing had come to be accepted not as a necessary evil but as sound fiscal policy.

We rejected this philosophy completely. Our first budget with its inherited carryovers showed a $9 billion deficit. Our next three budgets, including the one for this year, were balanced budgets. In addition, the Federal Government has taken $25 billion less in taxes from the people during the past 3 years as a result of the tax cut we passed in 1954. We have reduced the national debt by $5 billion.

We believe that these fiscal policies have helped to create the confidence which has resulted in the greatest expansion of our economy in history during the past 4 years.

Let us now examine the 1958 budget. It is a balanced budget. It takes less from the economy than the budget of 4 years ago. But the fact remains that in dollars it is still the highest peacetime budget in our history.

I want to make one thing clear beyond question at this point. The budget as originally submitted by the President to the Congress represented the administration's best estimate as to how much we had to spend for our national security and to carry out the laws which the Congress had enacted.

But, consistent with the attitude we have adopted since we came into office in January 1953, we have pledged that we would continue to make every effort to keep actual expenditures below the estimated amounts.

That is why the President has instructed all agency heads not only to keep within their budget estimates but to effect any additional economies they can.

That is why he not only did not oppose but actually invited the cooperation of the Congress in finding any items in the budget which could be eliminated or reduced without damaging the national interest.

And that is why on his own initiative he has already indicated that on the basis of additional information he believes his budget estimates can be reduced by $1.8 billion.

May I for a moment digress to indicate my own as well as what I believe to be the administration's fundamental position with regard to Federal Government expenditures.

First, I believe that Government enterprise is by nature less efficient than private enterprise. Federal Government activity, therefore, should be limited to those areas in which private enterprise or local government cannot or will not render the services the people want and need.

Second, big government just like big business, and even more so, has a tendency to become inefficient and wasteful as it increases in size. We must constantly fight against waste, inefficiency, and duplication in Government operations.

I completely reject the phony fiscal philosophy of those who suggest that as the national income increases the expenditures of the Federal Government should increase in proportion. It is true that to the extent that a larger population requires larger expenditures the budget will necessarily increase. But it is sheer nonsense to suggest that Government should always take as much out of the national economy as the economy can stand. We should spend for Government only what we need to spend, even if this may be less than we are able to spend.

A sound American economy is as essential as a strong national defense if we are to defeat the forces of international communism. Our Government expenditures must never be allowed to reach or to remain too long at a level where they destroy the productivity of our economy. The present tax level, if continued indefinitely into the future, could seriously weaken the economy. Consequently, our objective must always be to reduce Government expenditures so that we can increase the amount individuals can invest in private enterprise which is the solid bedrock upon which real progress in America is built.

That is why I believe that the current discussion which is taking place throughout the Nation on the Federal budget will in the end prove to be a healthy development. In the past, the public generally has not been sufficiently aware of the fact that when the Federal Government does something the people pay the cost. As a result of the wave of tax consciousness which is sweeping the Nation the political demagogs who in the past have thrived on the slogan of "Let the Government do it," regardless of the cost in money or freedom, will find their audiences much less receptive than previously.

With these general principles in mind, I suggest we examine the reasons why the budget is as large as it is.

First, let me dispel two widely held misconceptions on this point. The increased size of this budget is not due to the initiation of new so-called New Deal spending programs. If all the new programs which had not previously been approved in the Congress were taken out of the budget, less than $300 million would be saved. And the size of the budget cannot be attributed to increases in foreign aid. The amount requested is actually $4.1 billion less in 1958 than in 1953.

The primary factors contributing to the size of the current budget are these: Eighty percent of the decrease is directly attributable to the higher prices the Government has to pay for both material and personnel. The other major factor is the increase in population of 12 million which has occurred since 1953 which results in increased demands on the Post Office and other service departments of the Government.

Turning now to the basic question, what cuts should and can be made in the 1958 Federal budget? As I have already indicated, the President has himself suggested a cut of $1.8 billion. To date, the Congress has approved cuts averaging approximately seven percent in the money bills which have been acted upon by both Houses. Up to this time, however, Congressional action has been completed only on bills covering appropriations for other than so-called defense expenditures.

This, then, is the heart of the matter. Unless Congress decides to discontinue domestic programs it previously has approved, budget cuts as high as five to six billion dollars, which some have suggested, cannot be made unless the items for national defense are substantially reduced. Anyone who contends otherwise is just kidding himself and the public as well, because approximately 75 percent of the entire Federal budget goes for the Defense Department, Atomic Energy Commission, interest on the debt, foreign aid, and other defense-related items.

How much can we safely cut from the amounts the President has asked for in these fields? The President has asked for $38 billion for the Army, Navy, and Air Force. No one would be so presumptuous as to claim that this or any other figure is exactly the right amount to spend for national defense. And no one would contend that in an establishment of this size there does not exist some inefficiency and duplication.

Under the circumstances, I believe these factors should control our decision. The major guaranty against war today is the strength of the United States and its Free World allies.

As I have indicated, reasonable men will disagree as to what the level of our military strength should be. But when men with the combined military, diplomatic, and business experience of Dwight Eisenhower, Arthur Radford, Charles Wilson, George Humphrey, and Foster Dulles, after months of study of information available to them from all parts of the world, agree that $38 billion is the minimum we should spend for our own security, I say that cutting the defense budget in any substantial amount below the level they have recommended would be a reckless and foolhardy action which on sober reflection the American people will not and should not support.

But now we come to the more difficult question. There are many people who say spending for defense at home is one thing, but the place to cut the budget is in the so-called foreign giveaway programs. It has been suggested that these programs could be cut anywhere from one to three billion dollars without risking any serious damage to the United States.

I believe the President gave an effective answer to these critics on Tuesday. I would like to underline what he said by stating simply that, in my opinion, the $4 billion we spend for our programs abroad is as essential a part of our national defense as the $38 billion we spend for our Army, Navy, and Air Force at home. And despite the waste and mistakes which are inevitable in such programs, we are getting more for our money in security for the United States in what we are spending abroad than we are in what we are spending at home.

Let us examine this amount item by item.

Approximately three of the four billion dollars goes to Korea, Indochina, Formosa, Thailand, Pakistan, Turkey, and other countries to assist them to maintain the armed forces needed for their own defense.

Most of these countries have common borders with Communist nations. If they were not able to defend themselves, the chance that they might be attacked would be increased. If they are attacked, we would inevitably become involved.

We had one experience of this type in Korea. That war cost us $18 billion and 157,000 American casualties. Putting it bluntly, it costs less to equip a few Korean divisions than to fight another Korean war.

In other words, if we do not help them to develop the strength which will enable them to defend themselves, our national security will require that we assume that burden ourselves. This would mean that we would have to spend billions more for defense than we presently are spending.

I submit then that cutting the defense portion of our foreign-aid programs can under no stretch of the imagination be held sound economy.

This leaves us with approximately $1 billion of the total foreign-aid program which is earmarked for economic assistance unrelated directly to military-aid programs.

Why should the American people be taxed to aid the economies of other countries who may not even be allied with us militarily? To find the answer to this question, let us examine the balance of power in the world today. There are approximately 1 billion people allied on the side of the free nations. There are approximately 900 million people under Communist rule, and there are another 700 million people in Asia, the Near East, and Africa who are classified as uncommitted or neutral.

It is to these uncommitted countries that the greater part of this billion dollars in economic assistance will go. I have visited most of these countries. I have seen our various programs in operation. I agree that some of them have been wasteful and badly executed. You can be sure that acting on the recommendations of the Fairless report and other studies, we shall devote every effort toward eliminating waste and increasing efficiency. But we don't scuttle the fleet because one ship proves to be unseaworthy.

I can state with complete conviction that I know of no expenditure being made by our Government which is more essential to our national security than this one.

The Soviet Union, Communist China, and the satellites are bending every effort to win these people. They are using offers of economic aid. They are spending millions for propaganda. For example, they consider Africa today as important a target as China was to them 25 years ago, and we know what happened there. They realize that if they can win a substantial number of the uncommitted nations to the Communist side they will gain the balance of power and people and resources in the world which will enable them to bring the free nations to their knees without the necessity of fighting a war.

The major danger which confronts the free world today is not defeat in a shooting war. We must never forget that the Communists gained over 600 million people since World War II through means other than overt aggression.

The people of the uncommitted nations are determined to have economic progress. They would prefer to gain that progress and keep their freedom and independence at the same time. I am convinced that if we do not help them, they will turn elsewhere for help. They will be forced to listen to the Moscow line which promises plenty at the cost of freedom.

This, then, is what is at stake—700 million people plus the greatest undeveloped natural resources in the world today. By helping these countries to help themselves through technical assistance, by making loans available to them for development as a supplement to the funds which will be invested by private enterprise, by standing ready to assist countries like Iran and Jordan when they are confronted with an economic emergency, we will effectively stop the Communists in their efforts to increase their sphere of domination, and we will, at the same time, help these nations to acquire and retain the economic and political independence with which international communism is completely incompatible.

We have been discussing our problems. Let us examine for a moment the problems of the Communists. There are definite signs of weakness in the Communist empire of today. The economic strain of armament and their foreign-aid progrems are beginning to tell on their economy. The education given to their executives is leading to demands for freedom.

History tells us that a dictatorship must have new victories in order to give its people reasons for their sacrifices in living standards. It must expand or its internal strains will ultimately tear it asunder. From 1945 to 1950, the Communists gained a vast empire and domination over 600 million people. In the past 7 years, they have been brought to a halt and the inevitable strain is beginning to tell.

I believe that we are now winning the battle for the world. Our military strength has been built to the point that the Communists are deterred from launching an attack. Our economic strength has aided in stopping their expansion by means other than war. If we can continue on our present course, we have a chance to win the victory we want without war.

This is no time to announce to the Communists and the world that we are tired of the struggle. This is no time to lose our vision and our courage. We Americans react magnificently when we are threatened with disaster. The Marshall plan, the aid to Greece and Turkey, the support of the Formosa resolution, our resistance in Korea, are all examples of this national characteristic. What we must do now is to demonstrate to ourselves and the world that we have the same will to win and willingness to sacrifice when we are inspired by the opportunity for victory without war as we have when we are frightened by the threat of defeat in war.

This, then, is the case as I see it for our defense and foreign-aid budgets. The President is the man primarily responsible for our national defense. He has indicated what he believes to be the minimum we should spend both at home and abroad if we are adequately to protect our security. The Congress has the power to appropriate less than he requests, but in doing so it must assume its share of responsibility in the event world developments prove those cuts to have been unwise. I am glad to report tonight that I believe support for the President's position is growing among both Democrats and Republicans in the Congress and that the prospects for approval of his program have substantially improved.

I indicated at the outset of my remarks that I could think of a number of subjects which would be more pleasant to discuss than the budget. I recognize that there has developed a great ground swell of opposition to Government spending all over the Nation and that this opposition is directed with particular vehemence against our foreign-aid programs. I realize that it would be far more popular either to ignore the subject or to go along with the tide of opposition.

But I believe it is the responsibility of the members of an administration to analyze the facts on such an issue, reach decisions which we consider to be in the national interest, and then to fight for enactment of our program by the Congress.

It is on that basis that I present the case for our defense in foreign-assistance programs tonight. I believe that they are necessary for our survival and that substantial cuts in the amounts we have requested will jeopardize not only our safety, but our chance for victory in the world struggle.

I have faith that as the American people know the facts they will not fail to meet the challenge which confronts them in this moment of destiny.

International Trade Promotes World Peace

EXTENSION OF REMARKS

OF

HON. THOMAS H. KUCHEL

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Monday, May 27, 1957

Mr. KUCHEL. Mr. President, last Wednesday I made a speech in Los Angeles at the annual luncheon of World Trade Week before the Foreign Trade Association of Southern California on the subject International Trade Promotes World Peace. I ask unanimous consent that the text of my speech be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

INTERNATIONAL TRADE PROMOTES WORLD PEACE

(Address by Senator THOMAS H. KUCHEL, Foreign Trade Association of Southern California, Los Angeles, May 23, 1957)

I am honored by your wish that I should speak at this annual luncheon of World Trade Week. This celebration originated in Los Angeles 30 years ago, and is now proclaimed each year by the President of the United States.

American trade and American industry have built the foundation upon which this Nation has assumed an undeniable position of economic and political leadership in the world, and our expanding commerce with sister nations has elevated steadily both their and our living standards, and—far more important—has contributed materially to the cause of freedom of their peoples and ours.

I salute the Chamber of Commerce whose leaders long ago recognized that California would continue to expand her interest in trade abroad. The planning and construction of Los Angeles and Long Beach harbors are splendid testimony to the vision of Southern California pioneers. Harbor development there now encompasses a $101 million series of improvements, designed to double cargo handling capacity and increase berthing by 20 percent; $50 million of improvement at our International Airport will prepare this area for jet aircraft travel to every section of our planet. The Los Angeles Collector of Customs reports dutiable collections here are running well over a million dollars a week. The whole history of our State has been intertwined with foreign trade since the days when our forbears relied on sailing ships which beat their way around the Horn to come here from across the seas.

Ocean shipping and commerce overseas are more vital to the well-being of our 14 million people than ever before. Last year, California exported over $1 billion worth of goods and services. In the 1890's, a billion dollars represented the entire export value of the Nation. America's exports for last year are estimated at $23 billion, a vast increase over the $19.9 billion for 1955. Today, over half the employees of our State work in industries which figure significantly in foreign trade—such as aircraft, shipping, motion pictures, canned and processed foods and electrical machinery.

In the early days of our Nation, the struggling colonies had to trade to live. We fought the War of 1812 to confirm that right. But, by the period just prior to World War II, we had such a large domestic market and such ample domestic production, that our export trade was relatively less important. The roughly 10 percent of our production which we disposed of overseas was vital to a few industries but it was not a matter of economic life or death to most.

Now, we are compelled to make certain that we receive strategic raw materials from abroad, including not only such materials as rubber and tin but the new metals and metallic products essential in this nuclear age. And the margin between profit and loss is written for an increasing number of industries in their sales abroad. In this connection, I believe the Federal Government, through such agencies as the Export-Import Bank can be of real assistance to some California, and American, manufacturers, like our aircraft producers, in the stiff competition in which they are now engaged for foreign sales. Attractive credit arrangements are an important incentive for purchase here just as they are when a housewife considers buying furniture. The Export-Import Bank has been of great assistance in maintaining American sales abroad in the past and will, I feel sure, supply additional help in the expanding overseas trade of the days ahead, which, of course, will add to the stability of our employment here at home.

It is stimulating to think that American products and American know-how are raising standards of living abroad and find their way into hitherto remote parts of the globe. For no nation has more to offer the world, nor needs so many of the world's products, than our own United States.

Since California borders on Mexico, I think it is appropriate to note that world trade trends are changing. Whereas Europe was long the United States' best customer, it is interesting to note that Latin America is today, although by no very great margin. And one of the countries in that area which has developed fastest in recent years is, I am happy to say, our sister Republic just south of us.

When the Suez Canal crisis occurred last fall, the interdependence of nations on foreign trade stood out in bold relief. Complete economic strangulation to all the countries of free Europe became an immediate hazard. Fuel for travel, for heat, and for the industrial complex of each of these nations suddenly began to diminish. Gasoline rationing went into effect. Buildings and homes went unheated in a winter of severe temperature.

The interruption of foreign trade brought on by the ominous moves of Egyptian dictator Nasser brought on a grievous crisis in the Middle East and in Western Europe and, beyond that, poised for all the world the horrible possibility of a third world war. That it did not ensue, the peoples of the world may be grateful. The canal closing and the hostilities which followed brought home, once again, that diplomacy and international relations cannot be conducted in a vacuum, and that foreign trade is indispensable for nations to maintain their freedom.

Egypt's intransigence of last fall had the most far-reaching effects on foreign trade. The interruption of normal channels of commerce required wide diversion of oceangoing vessels from usual routes, and necessitated longer runs through the Panama Canal or around the Cape of Good Hope. More ships were called for to perform essential services. There was an impetus for planning of larger and longer range oil tankers. Consideration was given—and is being given—to alternate passages to the Suez. Great numbers of dry cargo ships came out of mothballs—all due to the sudden shipping shortage which followed the arbitrary closing of the waterway linking the Mediterranean and the Red Sea.

Congress, by a bipartisan vote, adopted President Eisenhower's Middle East resolution which in the intervening weeks, in my judgment, has contributed to the prevention of international hostilities and to restraining the growth of Soviet influences in the Middle East. The whole complex problem brought on by the Nasser move remains a most serious threat—for example, her immoral and illegal refusal to permit Israeli ships to utilize the canal, and now, paradoxically, the troubles she is encountering from her erstwhile friends, the Soviet, Czechoslovakia, and Poland, over canal payments—but I do not believe the canal question is insoluble. I mention it here to indicate its impact not alone on peaceful trade, but, beyond that, on peace.

A substantial number of the cargo craft hauled out of our laid-up fleet has been used most successfully in a foreign-trade program approved by Congress 3 years ago. Its first full year of actual operation ended last June 30, and Congress is presently considering continuing it.

Under this legislation, the Federal Government is disposing of food and fiber stored in Government warehouses in foreign trade. The act is designed to assist in solving a particular problem. It is not a permanent undertaking. It benefits American shipping and American labor. The so-called 50–50 provision requires one-half the exports—with a notable exception of direct significance to California—must be moved in American bottoms.

The law permits foreign-flag vessels to carry fruits and vegetables, warranted, I think, by the fact that refrigerated ships must be used, an important time element frequently is involved, and consignments often cannot be handled on regular routes and regular schedules.

World Trade Week is an appropriate occasion to look closely at what this program has achieved. Since its inception, we have made 87 agreements with 30 countries. Normal commercial procedures are followed, based largely on letters of credit. American financial houses participate, American workers benefit, American shipping is utilized, overseas market development is stimulated, and the clouds over American agriculture are breaking up.

Recent improvement in agricultural trade has been general in nature. Last year, intensified demands from abroad for American agricultural commodities carried shipments to an alltime peak. They comprised nearly one-fourth of the entire nonmilitary export total and jumped in value by $1 billion to $4,200,000,000.

Under the act, through last February, agreements had been negotiated to sell $1,769,000,000 worth of products. These included items produced in California, such as rice and cotton.

The aggregate cargoes in the fiscal year 1956 amounted to $427,000,000 in value. They represented 12 percent of all United States agricultural exports. This year, the proportion is expected to rise to 16 percent. Of the crops in which California has most interest, rice is going to 7 countries, cotton to 17, and fruits and vegetables to 4. In the process, ocean transportation costs amounted to $221,000,000, a good share going to United States carriers under the 50–50 clause.

Secretary of Agriculture Benson just a few days ago said it is noteworthy that since the start of this program under Public Law 480 we have been able to hang up the "sold out"

sign for a sizable list of commodities, including cottonseed oil, cottonseed meal, hay and pasture seeds, soybeans, linseed oil, and tung oil. He added that stocks of grain sorghums, rice, barley, butter, dry milk, and wool have been reduced to low levels.

In this accomplishment, incidentally, there is relief for the taxpayer. Only a couple of years ago, it cost our Government $1 million a day for storage charges on farm surpluses which it held. In addition, our country has swapped a billion dollars' worth of surpluses for strategic materials for our defense.

Under the original law, Congress laid down a condition that our Government could barter only with friendly nations independent of Communist Russia. Due to a feeling of hopefulness stemming from events last fall in Hungary and Poland, suggestions have been made that the anti-Communist restriction be discarded. For my part, I believe the restriction is justified. I voted to keep it. There is, in my view, abundant reason for this condition. I do not believe our Government should be a party to bartering with a government which is subservient to the U. S. S. R. While I was in the minority in the Senate on this issue, I note the House Agriculture Committee put the limitation back in the bill. House action is still to come.

In the era through which we now journey, foreign trade by Americans is not a simple business of going abroad, selling what one has to sell and buying what one has to buy. We, all of us, recognize the deadly menace which international communism poses to the very existence of every free Government and every free man throughout the world. Recognizing it, our Government, over the years, has taken steps to reduce and to resist the menace. That is why the United States has entered into agreements with free friends to stand together, to pool our defensive strength, and to treat a Communist attack against one of us as an attack against the rest of us. That is why, also, the Congress has adopted legislation regulating the manner in which foreign trade can be carried on with Communist Russia and her satellites, those unfortunate countries whose governments and whose independence have been enveloped and destroyed through Soviet infiltration and subjugation.

Under the Export Control Act, the United States maintains selective controls over exports to the U. S. S. R. and its European vassal states. Since 1949 we have participated with other governments in an international control system, on a selective basis, in the interests of our mutual security. These conditions are designed to prevent the shipment to potential aggressors of materials which would contribute to their military potential. Goods thus embargoed include arms, ammunition, atomic-energy materials and, generally, such industrial commodities and equipment as would contribute significantly to war potential. Our laws do not prevent trade between our people and people in the Soviet bloc. They may export nonstrategic goods to those destinations as they may desire. Those are business transactions between peoples, as distinguished from governments, where I indicated earlier, our present policy requires our Government to barter farm surplus for strategic material only with countries free from Soviet domination or control. Congress has preserved the right of our Government to relieve famine and to alleviate distress among peoples as we did in the feeding of Hungarian refugees in Austria and in aiding the victims of floods in Iran and Afghanistan.

In all our Federal laws on this subject of foreign commerce, we must constantly consider the question of whether we strengthen the slave yoke of communism by trade with the Soviet and its satellites.

We on the West Coast are keenly aware of the enslavement which communism has brought to the Chinese mainland. The Chinese people have been good friends with us throughout our history. Historically, we have enjoyed mutually profitable trade relations with them.

Our national ties run with the Republic of Free China. We sit with her representatives in the United Nations. We have a mutual security pact with her. Red China, on the other hand, has been branded by the United Nations as an aggressor in the Korean struggle. This slave state continues to hold in Communist prisons American military and civilian personnel in contravention of the most fundamental principles of moral law. She has been repeatedly refused membership in the United Nations. America does not recognize her diplomatically. Our two great political parties have repudiated her totalitarian regime.

I wish to recall the problem of the security of our country, as it pertains to the Far East in the words of General MacArthur. He referred to a chain of islands—including the Free Chinese area of Formosa and the Pescadores—as constituting a protective shield to the America. He said:

"The holding of this littoral defense line in the western Pacific is entirely dependent upon holding all segments thereof, for any major breach of that line by an unfriendly power would render vulnerable to determined attack every other segment * * *

"For that reason, I have strongly recommended in the past as a matter of military urgency that under no circumstances must Formosa fall under Communist control. Such an eventuality would at once threaten the freedom of the Philippines and the loss of Japan and might well force our western frontier back to the coasts of California, Oregon, and Washington."

Those same views are shared by your Government in Washington. They are some of the reasons which prompted me to vote against the Red Chinese regime. Our Government does not permit trade with Communist China, North Korea, or North Vietnam. America's overriding interest, in trade as in all else, is the maintenance of our own freedom. And the protective shield concept of MacArthur is sound. Meanwhile, rumblings of discontent come from Red China. Some ideological cleavages with Moscow are in the making. And we are not without good friends, aside from Free China, the Philippines, Japan, and Korea, among the peoples of Asia.

Listen to the sturdy words of the gallant President of the Republic of Vietnam as he spoke to Congress earlier this month:

"Our Republic was born among great suffering. She is courageously facing up to economic competition with the Communists, despite heavy and difficult conditions, which become daily more complex. Vietnam nevertheless has good reason for confidence and hope. Her people are intelligent, have imagination and courage. * * *

"Your and our fight is one and the same. * * * We too will continue to fight communism."

Thus, did the President of Vietnam express the same fundamental concern which is in the hearts of Americans and freedom-loving human beings wherever they may be. The fight against communism will continue. It has required of all of us great sacrifices—sacrifice of American men in the wars in which we have lately been engaged, sacrifice of money to maintain a competent deterrent in our defense department.

This country is now at peace, however, difficult and disturbing it may be. The Congress is now confronting the question of cost of our Government with particular emphasis on the needs of our own security. All of us want our Government to be strong so that all of us may be free. But I have no doubt that our people also want our Government to live within its means and to promote a healthy national economy by practicing economy in its own affairs. In this regard, I wish to recall that your Government balanced its budget in the year ending last June 30, 1956. This coming June 30, our budget for fiscal year 1957 will be balanced. Aside from the balanced budget of the 80th Congress, these are the only times in the last quarter of a century that our Government has lived within its means. The President has recommended a budget for the fiscal year ending June 30, 1958, which again will be in balance. In the consideration of that budget, I assure you, Congress will painstakingly endeavor to find any areas in which curtailment of expenditures can be achieved without damaging our national interest. So will I. Last week the Senate reduced two appropriation measures below the level approved in the House of Representatives after it had cut them. Of this, I give you my word: We will reduce expenditures wherever consonant with the national interest. We will again balance the national budget, and I venture to predict, if all goes well, the Congress next year will consider and approve tax reduction legislation.

By far the largest portion of Federal expenditures is in the field of defense and foreign policy. In the field of defense I believe President Eisenhower is uniquely qualified to determine the needs of the Nation. This does not mean that Congress or its membership should abdicate its constitutional responsibility carefully to sift each spending proposal. It does not mean that Congress should be a rubberstamp. Neither our people nor the President want that. It does not mean that Congress should refuse to consider recommendations from creditable sources in the interests of economy. For example, on one point, in the field of defense, I find myself in utter disagreement with the Bureau of the Budget of the administration. The head of a Defense Department committee, Mr. Ralph Cordiner, president of the General Electric Co., has stated that 87 percent of the technically skilled Armed Forces personnel leave the Armed Forces as fast as they can for greater incentives in civilian life, and that 4,000 Air Force pilots left the service in the fiscal year 1955, representing, according to his figures, a training loss of almost half a billion dollars. Modern weapons of defense require skills and training far greater than in years gone by. The committee recommendations are for a pay system in the Military Establishment based on skills rather than on seniority. Speaking for his committee, he says that approval of these recommendations would save $5 billion a year by the fiscal year 1962. Whether that is a correct figure or not, there is no question in my mind but what his proposal merits the most careful Congressional consideration and I regret very much that the Budget Bureau turned it down. Incentive legislation to help skilled men in peacetime military service is both good defense and good economy. I mention this to indicate to you an example of current fiscal problems connected with defense upon which men disagree, and upon which I have, as one of your representatives in the Senate, my own views as to what best serves your interests.

The problems of foreign policy and foreign aid become increasingly complex and far more subtle as the years go by. I cannot honestly indicate to you what will be the final outcome of this year's foreign policy and foreign aid proposals. I can tell you of my own feelings. I believe it can be clearly demonstrated that much of our foreign-aid program has been of direct benefit to the security of the American people. I believe the strength we have contributed to the North Atlantic Treaty Organization has been a major deterrent against Communist infiltration and destruction of Free Europe. Free Europe contains 200 million people whose salvation from the ugly fate which has befallen their satellite neighbors works in the interest of our own Nation. Foreign aid has underwritten a portion of the cost of maintaining defensive armies in Korea, in Formosa, and in Turkey. To feed, house, clothe, and pay an American GI requires an annual expenditure of $3,350. To do the same for a Korean soldier in Korea cost $234, for a Free Chinese soldier on Formosa $127, and for a Turkish soldier in Turkey $235. I believe that our military assistance to such nations as these has been both economical and in the interest of American freedom. In a real sense helping to maintain the defensive strength of those countries adds economically to our own defense.

In my view, foreign aid must continue. I believe, however, that it should be upon a more selective basis, and I shall vote accordingly. A special Senate committee has recommended that, consistent with national security, efforts should be made to reduce the rate of expenditures for military and supporting aid. I agree. It suggests that economic aid should be on a loan basis. I agree again. Indeed, I have voted in this fashion in past sessions. These are some of the considerations which will guide me in the Senate when the problem is before us in the weeks ahead.

Whether you are engaged in foreign trade or in business here at home, your interests and your country's interests rest upon a sound national economy which our Government should encourage, and upon a peace with justice in the world which our Government should strive to attain. These are the objectives which are set before us and which we intend to reach.

More About the Gerry Murphy Case and the Dominican Republic

EXTENSION OF REMARKS

OF

HON. GEORGE S. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 27, 1957

Mr. LONG. Mr. Speaker, I am indeed sorry that my good friend and colleague, Mr. PORTER, of Oregon, sees fit to continue this unfriendly controversy with regard to one of our foremost neighboring republics to the south and one of our stanchest friends in the free world, the Dominican Republic and its President Trujillo.

What I have been trying to do in my articles and in my association with our Latin American friends, is to work toward building up a friendship and an understanding of our way of thinking and our way of life, which would be mutually beneficial. It behooves all of us in the Western Hemisphere to build friendly relations and to eliminate, so far as possible, all traces of the godless philosophy of communism. Without a doubt Communists are at this very moment working with all the forces at their command, and using every possible subterfuge to distort and confuse the minds of our peoples in a concerted and frantic effort to create dissension and dislike between the United States and our Latin American neighbors.

It is unfortunate that the Gerry Murphy case ever occurred but at the same time it is unthinkable for us to attack and to attempt to convict one of the great leaders of a democratic and progressive Republic with hearsay evidence. I, for one, cannot bring myself to sit idly by and see our good neighbors and stanch friends attacked and maligned in such a manner.

In the interest of good will and friendly relations with another of our fine Latin American neighbors, which also is known to be democratic, Christian, and anti-Communist, I recently had breakfast with several of my colleagues in the House of Representatives and a number of esteemed officials both local and abroad. This breakfast was given by the Honorable JIMMIE MORRISON. It was an honor to breakfast with such outstanding leaders as the majority floor leader of the House of Representatives, the Honorable JOHN MCCORMACK, of Massachusetts. Four of my esteemed colleagues from Louisiana were present: Congressman JIMMIE MORRISON, Congressman EDWIN E. WILLIS, Congressman T. ASHTON THOMPSON, and Congressman F. EDWARD HÉBERT. A spirit of friendship and goodwill prevailed at this meeting, which included as honored guests officials from the Republic of Mexico, our own State Department and one of our national associations, as follows: Hon. Abelardo de la Grajales, head of all Government employees of Mexico, who was the guest of honor; Hon. Senor Don Manuel Tello, Ambassador of Mexico to the United States; Hon. Rafael Avelyra, Minister-Consular of the Mexican Embassy; Hon. Don Justo Sierra, Consul, of the Mexican Embassy; Hon. Robert Hill, our new Ambassador to Mexico; Hon. Donald Barnes, of the Department of State; Hon. John Fishburn, of the Department of State; Hon. Anthony Albrecht, of the Department of State; Hon. William B. Macomber, Jr., the new Assistant Secretary of State; and Mr. William Doherty, president of the National Letter Carriers Association.

I have been privileged to enjoy many outstanding gatherings, but this was one of the most inspiring that I have ever attended. These men have faith in their fellow man and are seeking ever constantly to spread confidence and good will among the nations of the Western Hemisphere. They are striving, with marked success, to afford their country an exemplary government and their people the highest possible standards of living and the peace of mind and comforts of life which go hand-in-hand with a stable and progressive government. All of these men are outstanding in their efforts to stamp out communism and the evils of the communistic concept of life. Most of the troubles that we find in governments today have their roots in communism and the communistic theories and practices. This was true of Guatemala when that country experienced trouble. The Communists put out their insidious propaganda to try to destroy those patriots who were fighting to liberate their country with all the force at their command. Those same communistic influences are now at work in an effort to create unrest and dissension in the Dominican Republic. A so-called exile government has been established in Puerto Rico, which is working day and night in its efforts to overthrow the present great and democratic Government of the Dominican Republic. The efforts of this group become evident in many shapes and forms. The Gerry Murphy case is one in point. Professor Jesus de Galindez apparently was kidnapped and transported out of this country supposedly by Gerry Murphy and an accomplice, in a rented plane which he was not licensed to fly. The drugged Professor Galindez was picked up near New York and transported by air to Miami and thence on to obscurity.

It is unfortunate that the heads of the Dominican Republic have been saddled with the responsibility for the disappearance of Professor Galindez. Gerry Murphy, who was clearly connected with a nefarious group, lost his life. There have been charges and countercharges as to who is responsible. It is unthinkable to take the side of an irresponsible and exiled group who are out to fight democracy and to agitate against the word of our friends who are trying their best to maintain a progressive, free, and democratic form of government. I expect to use every power that I possess to see to it that the kind of suspicion that has been attempted to be cast on the good names of our friends in the Dominican Republic is completely removed.

When I addressed this House of Representatives on April 17, concerning our friendly relations with the great people and Government of the land where America began, the Dominican Republic, I expressed the hope that the publicity and notoriety connected with the disappearance of Gerry Murphy would cease to continue its prominent place in the press, magazines, and so forth. Incidents such as the Gerry Murphy case come and go in this complicated world and for this case to be hashed and rehashed and kept alive long beyond its logical closing could only be attributed to those communistic forces which seize upon any and every morsel to feed its growth and spread its propaganda. The facts in the case are clear that Gerry Murphy succumbed to greed and became involved with the criminal element to the extent of joining in a conspiracy and being guilty of kidnapping. The regettable part is that innocent and outstanding public officials continue to be maligned and abused, in the traditional communistic way, through twisting the facts.

I deeply regret that these irresponsible and concerted attacks upon the people and government of the Dominican Republic, to whom we are so firmly bound, not only by the mutual affinity of our Christian religion, but by solemn treaties as well, continue unabated. Actually these attacks on a friendly government constitute a smear upon the honor and integrity of our own country, but it is wishful thinking to expect this matter to wane and fade as it rightfully should. Continued attacks appear containing biased and prejudicial statements against our friendly neighbor, the Dominican Republic, based upon pure

hearsay. Recently in a national magazine a sensational article appeared about the Dominican Republic, an article that is a lurid rehash of ancient and hoary tales which had been circulated throughout the Caribbean by the dissident pamphleteers for so many years, material which is not only hoary with age, but which reeks with its communistic origin. Included in the article was an almost unbelievable attack with reckness abandon and disregard of the facts upon one of the greatest of contemporary statesmen, a man who enjoys the greatest respect of his colleagues on both sides of the aisle—an honest and kindly man—the Democratic floor leader of the House of Representatives, the Honorable JOHN MCCORMACK, of the State of Massachusetts.

Mr. Speaker, it is obvious that the author of this article, Representative PORTER of Oregon, did not understand the gravity of his actions in casting reflections, even by implication, upon JOHN MCCORMACK. I also state that I cannot believe that any Member of this House could have any feeling whatever about the gentleman from Massachusetts [Mr. MCCORMACK], other than the highest regard and affection, nor could any Member of this House entertain the slightest question as to his honor and integrity.

In his article in the June 1957 issue of Coronet magazine, my distinguished colleague, Representative PORTER, of Oregon, states, and I quote:

> Consequently, for as long as I persist in carrying on my campaign against Trujillo, I intend to carry a gun.

Now, I would like to ask the gentleman from Oregon, does he carry that gun on the floor of Congress? I was on the House floor when the Puerto Ricans shot at the Members of Congress and was in direct line of fire, yet, I have never found it necessary or desirable to carry a gun.

It is those of us who have taken the trouble to keep ourselves informed who know that out of the 5 predominant political parties in the Commonwealth of Puerto Rico, the next-door neighbor of the Dominican Republic 3 of them—Partido Independentista, Partido Nacionalista, and Partido Comunista—all cooperate and make common cause not only among themselves but with the "Vanguardia Revolucionario Dominicana," the largest group of Dominican professional exiles who carry on their nefarious work from the island of Puerto Rico and whose self-styled President, Dr. Miguel A. Prado, the possessor of a long criminal record, has taken me to task by means of a long and scurrilous letter for standing up and being counted on the side of decency, honor, God and country. Why this group, as well as the renegade Romulo Bethancourt, onetime President of friendly Venezuela, and probably the most dangerous Communist or leftwinger in our hemisphere, are permitted to ply their nefarious machinations and plot revolution against our friendly neighbors on soil under our jurisdiction, is quite beyond my comprehension. I hasten to add, Mr. Speaker, that Gov. Luis Muñoz-Marín, of the Commonwealth of Puerto Rico is not a member of any of the three dangerous leftwing parties mentioned. Governor Muñoz-Marín heads the Partido Popular Democratico, a political party much more liberal than the Partido Estadista, headed by the patriotic Luis Ferre, but in no way connected with the three anti-American parties named, and the Dominican exiles living in Puerto Rico, which constitute one radical atheistic block, and from whence came the cowardly assassins who attempted to take the life of the President of the United States and Members of this House. Likewise, Mr. Speaker, events are very significant and point to a concerted drive going on by leftwing elements to bring about chaos and confusion in the Caribbean. The undoubtedly dictatorial but fiercely anti-Communist President of Nicaragua was assassinated a few months ago. The government of our nearest island neighbor, the Republic of Cuba, is even now under attack by a man reputed to be a Communist, and who is certainly pursuing exactly the same tactics as were displayed by the Communist Ho Chi-Minh and various other trained Communist revolutionaries over the world. Recently two reporters from our own country gratuitously broadcast a highly biased telecast from his secret headquarters, during which a young man from our own country, serving under the rebel leader, described his motives for joining that movement in exact and timeworn Communist terms.

The small Negro Republic of Haiti, sharing the island of Hispaniola with the Dominican Republic, has been, for many months, in a state of complete political chaos, completely "strapped" financially, and unable to form a government or hold national elections. Our neighboring Republic of Mexico has a continuing and dangerous Communist problem. The Republic of Honduras has long been without an executive and is being ruled by a military junta, while all-out war between that country and its neighbor, Nicaragua, has just been narrowly averted by the Organization of American States. The people and Government of the Republic of Panama continue to be stirred up on the completely unrealistic issue of sovereignty over the Panama Canal, stirred up by those evil anti-Americans who thrive on chaos. The canal issue is unrealistic because it is, in fact, nonexistent. Of course, the Republic of Panama, however, in the exercise of that sovereignty, long ago made a binding and honorable contract concerning the canal and the Canal Zone, a contract made with our own Government, a contract made between sovereign equals for their mutual profit and interest.

Mr. Speaker, as one who has lived practically next door to the nations of Central America and of the Caribbean all of my life, and thus having gained some little insight into Communist intrigue in that area, I would like to touch briefly and factually, upon the classic Communist takeover of power in our sister Republic of Guatemala. In explaining what happened in Guatemala and what we may expect to happen in the Dominican Republic if communism has its way, I ask my esteemed colleagues to remember, to paraphrase a somewhat famous statement of an officer of the executive department, that I firmly believe that what is good for Central America and the Caribbean is good for us. As a Christian, I am concerned with the welfare of all people everywhere, and particularly with those Latin American peoples and nations who are our neighbors. First, however, I am concerned with the security and welfare of our own United States, and I am realistically convinced that we must never again, whatever the price, permit a Communist government in any of the Americas. Bishop Fulton Sheen, a great American and a great Christian, has said that history never changes; that rather, the same thing happens to different people. I believe we can all agree with that meaningful statement by Bishop Sheen, and by looking briefly at what led to the tragedy of Guatemala, we can determine what would happen to the Dominican Republic—if we should permit it—or even to us.

Prior to 1944 the Republic of Guatemala was ruled by a fiercely anti-Communist but benevolent strong-man dictator, General President Jorge Ubico. In its issue of November 18, 1940, page 37, Time magazine had this to say about President Jorge Ubico on the occasion of his 62d birthday:

> Jorge Ubico has made Guatemala the glamour girl of the Central American Republics. He has reduced the national debt 50 percent, has got his paper currency covered 100 percent by gold, has built and paid for public works. * * *
>
> President Ubico introduced a probity law, requiring that public officials register their assets upon taking and leaving public office. * * *
>
> Though he loves his own power, he has made love to the ideals of democracy.

Little did the world then know that the Kremlin had already picked Guatemala as its first American conquest and that the downfall of benevolent "Dictator" President Jorge Ubico was, in the face of our own ignorance and complacency, inevitable.

In its issue of July 3, 1944, Time—page 42—in an article entitled "Tyrant Defied," refers to the same President Ubico as a tyrant and takes credit for an article about the tyrant which it ran the previous week. In its issue of July 10, 1944—page 43—in the lead article under Latin America, entitled "Tyrant Down," Time uses an entire column to detail the downfall of the dictator of whom it had spoken in such glowing terms 4 years earlier. Jorge Ubico, admittedly a dictator, but a stanch friend of our own country and a courageous anti-Communist, lies buried in an unmarked grave in New Orleans. A dictator and controversial figure while he lived, he was a great American patriot nevertheless. Since death removed him many years ago from the realm of controversy, his memory is entitled to better treatment at the hands of our own country as well as his own. Probably no better way could be devised to demonstrate to our Latin American friends that we are dedicated to them in their fight against communism than to return the mortal remains of this Guatemalan hero to his own country aboard one of our own great warships.

President Ubico was succeeded immediately by a military man, then by the suave Communist Juan Jose Arevelo, who was in turn succeeded by another Communist, Jacobo Arbenz Guzmann, who was overthrown in the restoration of June 1954, and whose fate it was to become the first Communist leader in history to lose his country for communism. Juan Jose Arevelo and Jacobo Arbenz Guzmann today wander about the world, living proof of the fact that communism is not invincible, that Communist governments can be overthrown and liberty and decency restored to a Christian people.

But Guatemala's experience in communism cost her dearly in suffering, terrorism, loss of life and financial ruin. Every "do-gooder" in our Nation, be he public official or otherwise, should know and understand all of the facts of the work performed by Mr. Phieffer at Ciudad Trujillo which cannot, perhaps, be gone into. That his work was important and was material in the defense of our country is apparent to every thinking American. Those of us who love our country are grateful to Ambassador Phieffer. I am sure this sentiment is shared by every Member of this House, including my distinguished colleague from Oregon.

In conclusion, Mr. Speaker, let me point out to my distinguished colleague from Oregon, that, as a freshman Member of this House, he has made at least two mistakes, mistakes which I sincerely hope will not prove fatal to his future political career which looms before him so brilliantly. The first mistake was to impugn, if only by implication, the honor and dignity of our distinguished majority floor leader, JOHN MCCORMACK. Only by the exercise of the greatest of Christian charity can he be forgiven by his colleagues who know and love Representative MCCORMACK. Our colleague made his second grave mistake when he permitted the use of his name in connection with a scandalous and trite article in a national magazine, an article intended by that cynical magazine for one purpose and one purpose only: increase in its circulation. If our distinguished colleague believes that he has gained any fame by that course of conduct, he is badly mistaken. Notoriety, perhaps, but not fame. There is a vast difference. By his reckless and unwarranted statements that he must carry a gun he has, in effect, impugned the honor of every Member of this honorable House, and he has provided the enemies of our country with a valuable propaganda weapon. Such conduct is difficult for the patriotic Members of this House to forget.

Mr. Speaker, again I reiterate my sincere wish that we hear no more of the infamous Gerry Murphy. As a Christian, I shall humbly pray that my young colleague from Oregon shall see the error of his ways and that he shall be moved by God to turn his undoubted ability and aggressiveness to fighting our atheistic Communist enemy, and that in the future he render unto the great leaders of this House the respect which is their due. But, Mr. Speaker, while I shall so make my prayers to God, in my humble way, let there be no mistake: Our great Christian Nation shall live up to its obligations. It shall continue to honor and respect our neighbors in Latin America who tender to us the hand of friendship. It is quite beyond the power of our distinguished colleague from Oregon to make it otherwise. In all Christian charity, I do not believe that our colleague from Oregon would want it otherwise. I am sure that his actions heretofore have grown out of a lack of understanding of the tense peril in which we live. I am sure that his further efforts in this direction could and would result only in further notoriety, of which he already has too much.

The Small Business Act of 1957, H. R. 7474

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 27, 1957

Mr. MULTER. Mr. Speaker, on May 22, 1957, I appeared before the House Banking and Currency Committee in support of my bill, H. R. 7474. The following is my testimony before that committee:

STATEMENT OF HON. ABRAHAM J. MULTER, REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. MULTER. Mr. Chairman, for the record, I am ABRAHAM J. MULTER, Representative from the 13th District of New York.

I appreciate the opportunity you give me to appear here as a witness, rather than as a member of this committee, and I hope to be able to give you the benefit of the thinking of the Subcommittee No. 2 of the House Small Business Committee, as well as that of many of the members of the full committee.

As you know, 12 of the 13 members of the House Small Business Committee have introduced bills identical with H. R. 7474, which seeks to set up the Small Business Administration as a permanent agency, and to work changes in the existing statute which we trust will make the agency a more effective one in accomplishing the intent and purpose of the Congress.

So that the record may be complete on what has been done by the Small Business Committee, I would like to indicate that after fairly lengthy hearings by Subcommittee No. 2 of the House Small Business Committee, all of which have been printed and I believe are before this committee, consisting of some 429 pages, a notice was sent on May 4 to the members of that subcommittee, and to the ranking minority member, Mr. HILL of the full committee, and to the chairman of the full committee, Mr. PATMAN, advising them that executive sessions of the subcommittee would be held on May 8 and 9, 1957, and inviting them to attend.

I might also indicate that under the rules adopted by the Small Business Committee, the chairman and ranking minority member are not only ex officio members of the subcommittee, but have a right to vote therein. For that reason both the chairman and minority member were invited to attend and participate in the work of subcommittee No. 2.

Subcommittee No. 2 agreed unanimously after 2 days of executive session on the form and substance of H. R. 7474. In accordance with what had been done in prior years, copies of that bill were sent to all members of the full committee so that all of those who desired to do so could join in cosponsoring it. The result is we have a bill cosponsored by all of the 6 Republican members of the full committee and 6 of the 7 Democratic members of the full committee.

I think that speaks well for the desire of that committee to do a good nonpartisan job in bringing before this committee a bill which will best serve the small-business men of the country and at the same time to present a bill which is most likely to meet the objections and include the suggestions of all members who are interested in furthering the small-business enterprises of our country.

I would like to briefly touch upon some of the changes that are effected or will be effected if H. R. 7474 is enacted. I will follow the mimeographed copy of the bill, because in that bill we have indicated very clearly by underlining the changes from existing statute to the proposed bill.

On page 1, there is a technical change, which is approved by the administration.

It merely clarifies what we say is the intent and purpose of Congress, not in giving small business a preferred position, but trying to give it an equal competitive position with big business in our economy.

In section 102, which begins at the bottom of page 1 of the mimeographed copy of the bill, we find the change in the language as to definition. For many years, the House at least has been almost unanimous in agreeing that the arbitrary 500-employee definition, as adopted during the World War II years, was not doing the job it was intended to do.

We recognized that during the war we had to have some kind of a definition, arbitrary though it might be, that would simplify the work of the procurement agencies. But ever since that, every committee of the Congress that has looked into the matter, certainly on the House side, has determined that that definition was unfair and does not do justice to small business.

The Government Operations Committee of the House has repeatedly found fault with that definition. Every time the House Small Business Committee has considered the matter, we have unanimously reported that that definition was unrealistic and unfair and should be changed.

When we wrote into the last enactment of the Small Business Act, a provision requiring the Small Business Administrator to promulgate a definition of small business, which would be different than the arbitrary 500 employee definition, we thought that we had moved a long way toward accomplishing the intent of Congress.

After much urging and prodding by the Small Business Committee, the Administrator did promulgate a definition. He broke it up into two parts. One definition covered the financial assistance program, and the other applied to procurement.

While he found no difficulty in making a definition which ignored the 500 rule, and tried to be realistic, so far as financial assistance is concerned, in the definition, in the second part of the definition, applying to procurement, he adhered to the precise definition we had been finding fault with all through the years. The Small Business Committee, through subcommittee No. 2, conducted a public hearing on the proposed regulation setting up that definition. We heard all of those who participated in making the definition.

As you were told, the Small Business Administrator, Mr. Barnes, convened a task

force representing all the agencies of government. No small-business man nor any representative of any small-business association, was invited to participate on that task force or in any of its deliberations.

It was, therefore, not surprising that although one agency, the General Services Administration, indicated that the 500 rule was a bad rule and that there would be no difficulty in adopting a more realistic one, all the other agencies apparently followed the Defense Department lead of insisting that only the 500 employee definition was workable.

As a result of that hearing, the subcommittee unanimously agreed, and the full committee unanimously agreed, and so reported to the Congress, that that part of the definition, which adhered to the old Defense Department rule and statute of 500 employees should be abandoned—it should not be promulgated as an effective regulation, and that at least temporarily the Small Business Administration should follow the same rule for procurement as it had promulgated for financial assistance and then come up with a better definition if it found the financial assistance definition did not work well in procurement.

We were very much disappointed and surprised to find that, nevertheless, the Small Business Administrator promulgated and made effective the very definition we had unanimously condemned as to procurement.

Mr. BROWN. What is the difference between your definition and the definition in the Hill bill?

Mr. MULTER. His definition permits adherence to the old statute which we repealed in 1955, saying any business of less than 500 employees is small business and anything over that is big business, for the purpose of procurement.

The definition which the Administrator promulgated for financial assistance, breaks the economy down by industries and in certain industries he uses as a first guide, 250 employees. In some industries such as the electronics industry, he says as many as 1,000 employees may be small business. We wrote into the statute in 1955 a provision—and all the bills before you contain that same provision—whereby in any instance any procurement agency or small business or any competitor or big business, for that matter, who finds fault with the determination or the regulation as affecting a particular company, that they have a right to go to the Small Business Administrator and present the facts and on the facts of the particular case, either involving a company or an industry, then the Small Business Administrator is authorized by law to make a determination that the particular situation calls for, and issue a cerificate accordingly, as to whether or not the particular firm or industry is small business.

The CHAIRMAN. What is the difference in the definition with reference to loan requirements and procurement? Is there a difference?

Mr. MULTER. Yes.

The CHAIRMAN. What is that difference?

Mr. MULTER. For financial assistance the Administrator starts by breaking down the economy into different industries and he has a different rule as to each industry.

I would like to have Mr. Irving Mannes, who is counsel to the Small Business Committee, and assigned to the committees Nos. 1, 2, and 3, sit with me. If Mr. Dalmas is in the room or when he does come in, I would like to have him join me. Mr. Parke Dalmas is the minority adviser to the committee.

I might say that both of these gentlemen were of extremely important aid and assistance to the committee, in all of its work. To come back to your question, in House Report No. 2964 by subcommittee No. 2 of the House Small Business Committee of the 84th Congress, we have set forth in full, as appendixes, beginning at page 11 and through page 20, the definition as promulgated by the Small Business Administrator. There you have the small business size standards set up by him for financial assistance. You will find it is broken down by industries. As I indicated to you, in most industries, a concern is said to be small business if it has no more than 250 employees. In some instances it may have as many as 1,000 employees.

That was the determination of the Small Business Administrator, after he had had this task force meeting and we had our hearing.

Nevertheless, as to procurement, he takes the same language as his starting point, of the old statute which we repealed, of 500 employees. As I indicated, the statute permits him to make a different finding in any case in accordance with the information submitted to him, whenever anyone comes in in either the financial or procurement program and submits proof that the rule should be different as to any particular company.

Mr. BROWN. I understand the number of employees will not be any test at all.

Mr. MULTER. No, sir. In the proposed new bill, we say that the number of employees—let me give you the exact language.

After continuing the existing language of the statute, which says he may use these criteria, among others, to wit, "number of employees and dollar volume of business"—now mind you, that is the way the statute has read ever since we enacted it, that in setting up the definition of small business—and this is the language of the statute—a small business concern shall be one that is deemed to be independently owned and operated and which is not dominant in its field of operation.

In addition to the foregoing criteria, the Administrator, in making a detailed definition, may use these criteria, among others: Number of employees and dollar volume of business.

That is the way the statute has read up to now and still reads, but SBA has ignored dollar volume of business, or any other criterion, and used solely the number of 500 for that definition for procurement.

So we now add to that language, having in mind he has continually refused to follow the recommendations of the Congress in that regard, we add this proposed language in the bill before you, and I quote: "*Provided, however*, That no definition promulgated by the Administrator for any purpose whatsoever shall be based solely on the number of employees; *And provided further*, That without undue delay, the Administrator shall establish a definition of small business which definition shall be consistent with the intent of Congress. The definition presently in use by the Administrator for financial assistance is hereby continued as the definition for all purposes until the Administrator adopts a new definition based on the criteria stated herein."

In other words, if this language is written into the law he can still use the number of employees as one of his criteria but may not use it as his sole criterion, as he is doing now, for procurement purposes.

The CHAIRMAN. But the committee never decided on any definite rule. The committee was disappointed that both of them left it to the Administrator.

Mr. MULTER. When you say, "the committee," you mean—do you mean the Small Business Committee, sir?

The CHAIRMAN. Yes. You did not. In your bill there is no definition. You supplant those definitions.

Mr. MULTER. Yes; to this extent.

The CHAIRMAN. What is the definition in the bill?

Mr. MULTER. I have just read to you, sir, the new language of the bill. I will read it again. This is the additional language added to the existing statute by this bill:

"*Provided, however*, That no definition promulgated by the Administrator for any purpose whatsoever shall be based solely on the number of employees: *And provided further*, That without undue delay the Administrator shall establish a definition of "small business" which definition shall be consistent with the intent of Congress. The definition presently in use by the Administrator for financial assistance is hereby continued as the definition for all purposes until the Administrator adopts a new definition based on the criteria stated herein."

In other words, we will say to him, by this statute this financial assistance definition as now promulgated and in effect and as set forth on pages 11 to 20 of House Report 2964 shall be the definition for procurement purposes as well as financial assistance purposes, until he comes up with a new definition.

The CHAIRMAN. You say you are dissatisfied with that definition and define a better one?

Mr. MULTER. Yes; but since we say also that the financial program is a good one and working, until he finds it cannot work in procurement, he shall use that definition. We think that is a fair approach.

Mr. RAINS. Let me me ask you this, Mr. MULTER. It seems to me what you really do is maintain the criteria for the definition presently in the act and add to it one additional requirement that he shall not base it solely on the number of employees. It seems to me you are going to make it more difficult to arrive at the decision whether it is small business, if you say he shall not base it solely on that. Maybe he could arrive at the definition of small business easily as to number of employees, but when you say it can't be based on that solely, don't you think it would be better to say in the bill that criteria he must consider in determining shall be not based solely on the number of employees.

It seems to me you are telling him even though you may be convinced it is small business now under it, we are now adding another step you cannot act until you find it is not based solely on numbers.

I get the impression you are tying it up and making it a little more confused than it is. You are giving him another way out by saying wait a minute, this is small business based on the number of employees, but I can't take that solely.

If you were to say he shall consider those facts, it seems to me, in making his determination, that would be better. But I don't think you ought to eliminate all of the others but saying he cannot find it small business, until he considers all of these others.

Mr. MULTER. The difficulty, as I explained before you came in, is that the statute required him to use his discretion in arriving at a definition. We said he may use these criteria among others, number of employees, and dollar-volume of business. We did not limit him to either one of them. But he limited himself to the number of employees, and in spite of a unanimous report of the full committee and of the subcommittee against his using solely the number of employees, he nevertheless insisted on promulgating that definition, at the same time promulgating a different definition as to financial assistance.

It may be we can improve the language——

Mr. RAINS. It seems to me it would be better to say in language, it shall not be designated, or shall not be excluded simply as small business, solely because he has more employees than 500. But if the criteria are clear, it is now small business, why tie it up more. We would like the definition a bit broader and that is what I think you want to do.

Mr. MULTER. That is what we are trying to do. In this definition he promulgated after

the task force met with him, he found most of the small-business concerns have less than 250 employees. Some, as I indicated, have as many as a thousand. But when he gets to the procurement side, purely as a matter of convenience to the procurement agency, he says let's stick to this 500 figure.

Mr. RAINS. I see your point.

Mr. MULTER. I think possibly we can adopt your suggestion, and put that language in the reverse way, so that he knows he still may use it, but must look to other criteria, too.

Mr. RAINS. That is right.

Mr. MULTER. And again I would like to indicate that there is language in the statute now, which we are not changing, which permits anyone who finds fault with the definition as it applies to any particular concern or industry, to come in and on a presentation of facts, ask for and obtain, if entitled to it, a different certification.

So we have not tied his hands. He may take all of the facts as they apply throughout the country, or as they may apply in a particular industry, or a particular company. He will retain full discretion and right to act. What we are trying to do is stop him from continuing the old 500 employees rule, which we took out of the statute and which we have several times told him is not a realistic approach to procurement.

The CHAIRMAN. Does not the number of employees, whether a large or small institution, depend upon the character of the business?

Mr. MULTER. Yes.

The CHAIRMAN. A grocery store with 500 employees would be a very large institution but a steam plant with 500 employees would be a small institution?

Mr. MULTER. Yes. We have that in mind in the language we use in the bill.

Mr. SEELY-BROWN. Is it not true that the testimony before the subcommittee indicated the definition used in providing financial assistance was working out reasonably well, and that that definition had a degree of flexibility that made it work? What we tried to do was to suggest since that definition with its flexibility has worked out well for loan assistance, let us see if we cannot write an equally flexible definition which will provide bona fide help to the recognized small business community for procurement purposes.

If I understand Mr. RAINS' argument, his only question was that the language of the bill might preclude a small business, rather than make it possible for it to come in under the terms of the act.

Mr. RAINS. Of course, a glance at it, and reading of the bill, indicates to me you are adding a restriction instead of broadening the base. I think you are trying to broaden the base.

Mr. MULTER. We are trying to broaden the base and not limit it. Mr. SEELY-BROWN is quite right the testimony before the subcommittee indicates the financial assistance definition is working well. None of the procurement agencies, all of whom appeared before the committee, could indicate why they could not work satisfactorily with that definition, but they were just reluctant to try it. We think what they should do is try the financial assistance definition for procurement.

If it does not work out, the Administrator has the right to change it overnight. At least they ought to give it a trial.

The next change suggested in the bill is a purely technical one at the bottom of page 2. There is no objection to the language change. It refers to the Federal Executive Pay Act. There is no increase of pay called for, but it merely makes the same language applicable to this agency as to all the other agencies.

We simply put in the same language that applies to other Federal agencies. On the next page, page 3, we increase the authorization to $70 million, instead of as it presently appears in the act.

Mr. Barnes has indicated that if in the judgment of this committee, that should be the amount, he will go along with it, although he has recommended a smaller sum. We believe this is the more realistic sum to be asked for, having in mind he still must go before the Appropriations Committee and justify his request for appropriations.

An authorization like this making money available for loans is actually not spending of money. Nevertheless, we follow the language of the various statutes that apply to almost all the other lending agencies, of requiring the agency to come in before the Appropriations Committee and justify their request for the amount needed for the new fiscal year.

Twice now, the Small Business Administrator has been compelled to come in and ask for more money because his original request and our authorization was not enough.

Mr. BROWN. What is the maximum loan now?

Mr. MULTER. The maximum loan now is $250,000, and in our proposed bill we do not change that.

Mr. BROWN. What about $500,000? Do you think that would be better?

Mr. MULTER. I think you will find, sir, in this economy-minded Congress, and I am not saying that to find fault—I think we must be economy-minded—I voted for some cuts, as many of these Members did, and I voted against others, but in this economy-minded Congress, I don't believe you can convince most of the Members that a $500,000 loan is a loan for a small-business man.

In our hearings, before this Banking and Currency Committee I asked Mr. Burger, who represents one of the largest small-business men's associations in the country, one of the most effective ones, if he knew of any cases of a small business concern who sought a loan of more than $250,000 and he said he knew of no such instance.

If the time comes when small business does need a loan of more than $250,000 from this agency, and it will be able to make out a case I think the Small Business Administration will call it to our attention. At no time, in our hearings either in the field or in Washington, have we had anybody approach us and say the $250,000 maximum loan from the Small Business Administration is too little. Even with the limitation of $250,000 from the Small Business Administration they can get a much larger loan by getting a bank to participate. They can get as much as $500,000 if the bank takes half and the Small Business Administration takes half. As a matter of fact, the bank can lend anything up to 90 percent with the agency making the other 10 percent of the participating loan, as long as the agency's limitation does not exceed the $250,000.

Mr. BROWN. I notice Mr. PATMAN is in favor of taking off the limitation altogether. What do you think about that?

Mr. MULTER. Our committee does not agree with him. I am now talking about the subcommittee—and I think most of the members of the full Small Business Committee would not go along with that thinking at this time. If at some future time a case can be made out for it, we would be the first to recommend it, but as it stands today, we say no. If you take the limitation off this is no longer a Small Business Administration bill. That is a principle that the Banking and Currency Committee will have to determine.

If you want to do that, let's take the word "small" out and call it a business administration bill. But I don't think we will agree to that. I think the principle we are agreed on is that we must give this special assistance to small business. Taking the limit off will not do that job. Bear in mind you can get a $5 million loan under this very act for small business, if you will get 20 small business concerns together, each one of whom will be entitled to $250,000, and if they qualify, they can get as much as $5 million.

That is helping them get into a very strong competitive position with big business.

Mr. RAINS. Talking about the bank participation, the trouble is, they won't have it on too short a term, and it is my observation they will not participate in too small amounts, or any time you find one that will participate above 25 percent, you will find it a rarity. Isn't that about true?

Mr. MULTER. I think that is right, Mr. RAINS.

Mr. RAINS. I don't know what you said before, but I would like a couple of questions and maybe you could straighten me out on them. In the first place, I can't see the necessity of making this a permanent organization. I can't see the wisdom of that. Would you mind discussing that?

Mr. MULTER. Yes. When we first brought this agency into being, it was the feeling we should do this on a temporary basis and see how it worked out. I think the experience has been good. While the agency got off to a slow start, I think they are now making progress and doing a better job. As they get more experience with the functions assigned to them, they continue to improve their service. There is still room for much improvement, but I think the time has come when we must decide either to make this a permanent agency, or abandon it.

Mr. RAINS. You take these agencies in the field who represent the Small Business Administration. Under your bill would they be blanketed into civil service, or are they already under it?

Mr. MULTER. They are already under civil service.

Mr. RAINS. Who in this agency is not under civil service?

Mr. MULTER. The Administrator, his deputies, and I believe his counsel.

I think everyone else is civil service. I am not sure, sir, whether the regional directors are exempt or not, but I can get that information for you and supply it to you.

Mr. RAINS. I would like to have it.

Mr. MULTER. I have been told that while the regional directors are in the classification of exempt positions, they nevertheless must qualify under civil-service rules.

Now, may I continue for a moment in answer to your question about why this should be a permanent agency?

Mr. RAINS. Yes.

Mr. MULTER. If this agency is to continue to do a job for small business in procurement, it must have the status of a permanent agency in order to be able to get the attention and the treatment it deserves and should be able to get from other permanent Government agencies.

In both the procurement field and in the financial assistance field, if we did not make this a permanent agency, we will never be able to build up a corps of employees who will be able to render the kind of service we demand from that agency. It must have permanency in order to keep good men for a fair length of time.

As it is now, men come to them, particularly the financial officers, come to them on a temporary basis. The agency loses them almost as fast as it can train them. If we really want this agency to do a good job, we must be able to say to the men they recruit, that this is a permanent agency where you can make a career.

Mrs. GRIFFITHS. Mr. Chairman, may I ask a question?

The CHAIRMAN. Mrs. GRIFFITHS.

Mrs. GRIFFITHS. May I ask you, Mr. MULTER, have you done any checking in the Small

Business Administration on their role in procurement?

Mr. MULTER. Yes; we do that constantly.

Mrs. GRIFFITHS. Just exactly what has been their experience?

Mr. MULTER. In some areas their experience has been good. For instance, in the Jacksonville Naval Air Base, their experience there is good because the commanding officer, the military officer, is in tune with our thinking, in tune to Congressional thinking in helping the small-business man. He goes out of his way to do a good job. He has a small-business specialist on his staff who thinks the way he does and believes that small business has a real place to fill in Government procurement. There the Small Business Administration gets the utmost cooperation from everybody in that procurement office.

Mrs. GRIFFITHS. But it is because of an individual, it is not because of any method of the armed services, generally, nor is it because the Small Business Administration is doing anything.

Mr. MULTER. In any number of other procurement offices it is bad. Philadelphia and New York are typical of the resentment which procurement has against small business. They go out of their way to disqualify small business from participating in procurement.

There we find the Small Business Administration is doing a job against opposition, but they go in there and fight with the procurement officer. Many times they have to go so far as to issue a certificate of competency to a small-business concern that is obviously qualified, but the procurement officer does not want it to get the business. He disqualifies the concern. It goes to the Small Business Administration, and they make a complete check and issue to him a certificate of competency, which under the law—which will continue if we enact any of the present bills, as we all agree on this—the Small Business Administration issues a certificate of competency which is binding on the procurement offices.

Mrs. GRIFFITHS. You mean the procurement officer can send in his own inspection people to say this business cannot be handled under this plan. But they have to accept the Small Business Administration certificate.

Mr. MULTER. Yes.

Mr. SEELY-BROWN. Mr. MULTER mentioned the name of the Naval Air Station in Jacksonville—is it not also true that certain agencies of the Government, such as Atomic Energy Commission and General Services Administration in particular, and other Government agencies as well have done a very good job in the field of procurement help to small business?

I think it is also true, as the testimony indicated, that a special task force has been set up to see if it could not be possible to come up with a program which would meet the desire that all of us have to help small business participate to an even greater degree in Government procurement. There was filed with our subcommittee a preliminary report, which was encouraging certainly to the members of the subcommittee, who read the report carefully and listened to the testimony.

So I agree with you, we have a problem. You put your finger on the problem, but I think that proper steps have been set up to help resolve that problem and the Small Business Administration, and the Administration with the help of the committee are working together on a task force program which I think will help answer to a very large degree the question you raise, and I think the testimony——

Mr. MULTER. Mr. SEELY-BROWN is absolutely right. As he points out, General Services Administration and the Atomic Energy Commission are doing a good job. As a matter of fact, they lead the way and the Small Business Administration has learned from them how they can go to other procurement agencies and do a better job for small business.

Mr. ADDONIZIO. To what extent is small business participating?

Mr. MULTER. Today about 17 percent of all procurement is going to small business and everybody agrees that is not enough.

Mr. ADDONIZIO. Is it your contention if this is made a permanent agency they would participate to a greater extent?

Mr. MULTER. I believe the Small Business Administration, if made a permanent agency, can do an even better job than they are doing, for the small-business man. For the first half of 1957, the percentage was 16.4 percent that went to small business. Last year it was 19.6. So it has fallen off.

We find as each 2-year period comes to a close, there is a falling off. Which is another reason we feel it should be a permanent agency. The fellows in procurement feel it is going to fold up and proceed to ignore them. If this were a permanent agency, and they knew it was going to be sitting on them all the time, we could get the percentage up and keep it up.

Mr. RAINS. I don't want to be a prophet of doom, and I don't want to prognosticate, but don't you think if conditions continue as they are, interestwise, tight moneywise, hurts to small business, that 2 years from now what we are talking about now of this $700 million will be—oh, just chips in the bucket, and that instead of a small-business deal such as you are talking about making permanent, that it may become absolutely essential for us to go back to—we won't call it RFC, but it made a success in its day, and therefore it might be wise to continue this on a temporary basis—I don't say the day will come, but it will come if we continue to go down the road we are on, and not fasten on ourselves a permanent agency which as a small-business operation shall be too small to do the job that ought to be done. Don't you think that the job that is to be done could be greater than even contemplated in this particular bill?

Mr. MULTER. If you are right, and none of us can prognosticate that far ahead, that tight money will continue for 2 years, even if we set this up as a permanent agency, you can be sure this agency will be back before this Banking and Currency Committee 2 years from now or sooner and ask for an additional authorization, at which time you can review their activities and decide what they are doing and what they should do.

When we set it up as a permanent agency that does not mean it will continue forever and a day. Subsequent Congresses can always abolish it or put a time limit on its existence.

Mr. RAINS. I feel it takes it out from under the Congress, though, and my feeling is this is merely an experiment. It is not a deal big enough to meet the need. Everybody agrees with that. I feel if we establish it in a degree of permanency we have put the stamp of approval on an agency much too small to do the job that Congress says has to be done.

Mr. MULTER. This has been an experimental program. I think it has proved itself. The time has come now when we must decide what to do with this agency. We believe we should take the position to continue this agency as a permanent one. Whether or not it is going to be big enough only time can tell.

If money eases, and I can foresee that it may ease, if not this year, next year, there won't be as great a demand on the agency for money as there is today. If the tight-money policy is going to continue and the demand continues to increase as it has in the past 6 months, certainly in the next 2 years they will be back asking for an additional appropriation and in a substantially larger sum.

Mr. SEELY-BROWN. Will Mr. RAINS yield?

Mr. RAINS. Yes.

Mr. SEELY-BROWN. As I understand your comments a moment ago, you indicated a very proper concern, one which I share, that the banks were not participating in the small-business loans to the degree we would like to see. I think one of the reasons they have not participated was because of the fact that the agency was not a permanent agency. In other words, they recognize any participating contract they sign would obviously be good because it was backed by the United States Government, but the testimony certainly indicated to our committee, that by making this agency permanent, giving it a permanent status, even though we may change the rules under which it operates in each Congress, as we always can do, that permanency might encourage the banks to participate to an even greater degree and I believe Mr. MULTER will agree that was the testimony presented before our committee, and was another reason it would be helpful to make it a permanent agency.

Mr. MULTER. I do agree. I expressed during the course of the public hearings a suggestion that one day this agency will attain Cabinet status. I think it should. I think if the economists of the country are right that the backbone of our economy, of our free-enterprise system, is the small-business man, we must have a permanent agency of this kind to watch out for them. Big business is taken care of by Commerce. Labor is taken care of by the Labor Department. At least that was the theory in setting up those departments. There was a time when we thought the Commerce Department would take care of small business. It has never done so. It had a small-business office, but it was merely an office with a man in charge. I do not know of anything it ever did for small business.

I think this agency has proved itself. I think we can say this agency is the spokesman in Government for small business.

The CHAIRMAN. Do you think Congress would have less day-by-day control over it as a permanent agency, than it has if it is solely a temporary agency?

Mr. MULTER. I think there would be more control over this agency by Congress than most agencies. Most agencies find themselves under the jurisdiction of one committee. The Reorganization Act of 1946 charges the Banking and Currency Committee to examine and continually review the activities of all the agencies about which it may legislate. The Small Business Administration is one such agency. In addition, we have the House Select Committee on Small Business. I think that committee has proved itself and one of these days will be made a permanent committee. But whether as a select committee or a permanent committee, it will continue to do the job during the year, in the field and in Washington, of making sure the agency does the work and the job that Congress intends it should do.

The CHAIRMAN. Do you have any statistics on the proportion of the national income that comes from small business—and what percentage is that compared to the contracts?

Mr. MULTER. I don't think there are any complete statistics on small business. The Commerce Department, through its Census Bureau, did gather statistics on the manufacturing corporations. I stress the word "corporations." I think Commerce found there were some 245,000 manufacturing corporations, which accounted for between 40 and 50 percent of the gross national product.

I think they found that 92 percent of those manufacturing corporations employed less than 100 people. I am relying on my memory; my statistics may be slightly wrong, but I believe they are approximately correct.

We are told that there are 4 million small-business concerns of every type throughout the country. I think that our economists are right when they say that small business is the backbone of our free-enterprise economy.

Mr. KILBURN. Of course, there are an awful lot of those that would not have anything to do with procurement, like the grocery store.

Mr. MULTER. You are quite right. Four million includes the retail merchant who does not deal with the Government. It includes the small manufacturing company which does not deal with Government and does not want to deal with Government. You know, you must have a pretty strong financial position in order to deal with Government, the way they take their time inspecting and approving, and then in paying when they get ready. That was one of the problems we had to sit on in these agencies, to see that they paid promptly, so the small-business man could operate.

Mr. KILBURN. They would have to have the line of goods they want.

Mr. MULTER. That is right.

Mr. KILBURN. A gas station would not become part of procurement or a grocery store.

Mr. MULTER. There you get into the question of whether you are going to let the local Government offices buy gasoline locally in small quantities, or in tank-car lots at wholesale. There is always that problem, whether the Government should buy in large quantities at wholesale and warehouse and distribute, or buy from the small-business man at retail. You can't have it both ways.

Mr. KILBURN. I imagine the taxpayer would want us to buy as cheaply as possible.

The CHAIRMAN. You would give us the policy board which consists of the administrator, a typical small-business man, and a typical small-business banker, and it provides no qualifications, with no experience for either one of them.

The only qualification they seem to have is that they are typically small, but I don't know just what a typically small banker is, or a typically small-business man is. Does it mean a small-business man without ambition, who always wants to remain typically small? If that is so, I don't think you have a very good Board. I don't see any argument for that. What is the argument for that?

Mr. RAINS. Could I add one word to what the chairman said, so you will have a full one before you. I can't see how you can get away from the argument we should not have w. o. c.'s in Government, instead of Government employees.

The CHAIRMAN. They are day-to-day employees. They have no permanent association with the Government and no responsibility, and I would like to have some argument in favor of it.

Mr. MULTER. Let me answer you, Mr. Chairman, and the other gentlemen who have some doubts about this, by saying first, for a long time, the Small Business Committee has felt that the Loan Policy Board, as set up by the statute, has no place in this law. As a matter of fact, we reported out from this Banking and Currency Committee in accordance with the recommendation of the Small Business Committee one bill which eliminated the Loan Policy Board. None of us have any objection, and as a matter of fact, there is a specific requirement in the statute and this bill, that there must be consultation between the Small Business Administrator, and other Government agencies, having in mind particularly the Secretary of Commerce and the Secretary of the Treasury.

But consultation is one thing and giving them control of making policy is another, and we feel that this agency cannot be a truly independent agency and cannot truly do the job for small business if the Secretary of the Treasury or the Secretary of Commerce or their designees are going to be in control of the Loan Policy Board.

So what we are mainly concerned with is eliminating the Secretary of the Treasury and the Secretary of Commerce as the two controlling members of the Loan Policy Board.

Now, if the Administrator feels he should have a Board—he does have one now, a review board, which reviews loan applications. The Loan Policy Board is not charged with that and does not do that. It makes the overall policy. But if the Loan Policy Board is controlled by two Cabinet officers, then obviously the Administrator is subservient to them. The best proof the Loan Policy Board does not serve a good purpose, in my opinion, is demonstrated by the fact that at every meeting of the Loan Policy Board the resolution has always been presented as to policy, and those are the only resolutions they consider, by the Administrator, and in every instance it has been unanimously adopted.

If there is such unanimity of thinking on the Board, and if the Administrator's view always prevails, then he does not need the Secretary of the Treasury or the Secretary of Commerce to do more than to advise with him.

On the other hand, if there is unanimity because he bows to their will, then the will of the committee and the Congress is not being fulfilled.

The CHAIRMAN. That is not a very strong argument for the reason you want to dispose of the present Board, for which you substitute a small-business man and a small banker.

Mr. MULTER. I am coming to that.

The Administrator should be charged with making the policy and administering it. But there is division among our committee and we came up with this as the alternative of having two small-business men sitting on the Board with him to make policy.

Mr. BROWN. They would be appointed by the Administrator?

Mr. MULTER. They would be appointed by the President, by and with the advice and consent of the Senate.

Let me read to you the language as it appears at the top of page 4 of the proposed bill. "The Policy Board shall establish general policies in the financial assistance, procurement, disposal, and general assistance to small-business programs of the Administration."

In other words, we are calling for a Policy Board which will make all policy for the agency. It will have nothing to do with administration. It will have nothing to do with personnel. It will make all policy as to procurement and financial assistance. We believe with a Policy Board of that kind, we will not have this difficulty, that we are now having with the definition.

Let me continue reading from the proposed bill:

"The members of the Policy Board representative of small banks and small-business concerns shall be appointed from civilian life by the President by and with the advice and consent of the Senate, and they shall be persons of outstanding qualifications in their respective fields of operation known to be familiar and sympathetic with the needs and problems of small business. The members of the Policy Board other than the Administrator shall be actively engaged as full-time operating officials of (1) small bank and (2) a small-business concern which shall be small business as defined in section 102 of this act."

Now, with reference to the possibility there will be w. o. c.'s or others working without compensation I think this committee knows I am opposed to the w. o. c.'s working in Government, except in times of war or emergency.

These men will not be w. o. c.'s. These men, as provided in the previous sentence on page 3, are paid as follows:

"Members of the Policy Board other than the Administrator shall be paid a per diem allowance of $100 for each day spent away from their home or regular place of business for the purpose of attendance at meetings of the Policy Board and the necessary travel; and while so engaged, they may be paid actual travel expenses and not to exceed $25 per diem in lieu of subsistence and other expenses. The maximum time spent for such attendance is not to exceed 50 days in any one calendar year."

There is also a provision: "The Policy Board shall meet at least monthly and at such other times as the Board may determine or on the call of the Administrator to determine administrative programs and policies relating to loans, procurement, disposal and general assistance to small business."

It was the feeling of the committee you could not get a small banker or small-business man of the type you wanted who would give up his banking or business connection and come to Washington full time and the only way you could get him was to compensate him fairly for his time and get him to come down here on a part-time basis.

I appreciate the force of the argument that men who make policy should be full-time employees. If we could get, instead of these 2 small-business men working parttime, if we could get 2 men, say, called Deputy Administrators, appointed to work fulltime, not as a loan policy board, but as a policy board, I think we could accomplish what we are looking for, and eliminate the Secretary of the Treasury and Secretary of Commerce, except for consultation. I am afraid we can't get that. The next best thing, when it comes to the job of making the policy in accordance with the intent of the Congress, let us have two men who are part-time employees but who are on the payroll and who will not have any exemptions on account of conflict of interest. There is nothing in here to give them any exemption on account of conflict of interest. They will have to toe the mark and operate without that exemption.

The CHAIRMAN. The success or failure of the organization depends upon the policies.

Mr. MULTER. I think it does.

The CHAIRMAN. Favorable policies would be very essential for the successful operation of it. And these men who are part-time employees have entire control over that.

Mr. MULTER. I realize the force of the argument that these two part-time employees can outvote the Administrator. There is much to that argument. I can't——

Mr. RAINS. Mr. MULTER, let me ask you one other question. First, I want to compliment you for the hard work and good job you have done on this bill, and with 1 or 2 exceptions it seems to me to be a real good bill. I know you gentlemen have worked very hard and the bill shows it. But it is always the setup in Government that the Congress must hold some Administrator responsible for the work of the Agency. That is true in housing and everything we have.

The appointment of the two men you are talking about would come about by the President, as I understand it.

Mr. MULTER. That is right.

Mr. RAINS. We all know, as a matter of course, the head of the Agency would recommend to the President, whoever the head of the Agency wanted appointed in this policy business, so the result would be these two men, however they came in, would be men whose thinking was along the lines of the thinking of the Administrator. He would not be that dumb, and pick out somebody at variance. So why don't we wipe out the policy board completely and totally and just leave it up to the Administrator.

Mr. MULTER. I hope that my colleague on the Small Business Subcommittee will not think I am underselling this part of the bill, when I tell you that was precisely my suggestion to them. As a matter of fact, when I could not get them to go along with that, I suggested we have a bipartisan board or commission to run the Agency.

My thinking was along the line of your suggestion but we now came along with this, as our best thinking for a compromise. While yours is the way I would have liked to see it work, we agreed on this instead as to the views of the committee I tried to make the best argument I could in accordance with that decision.

Mr. WIDNALL. Would it not have been best to have set up an advisory council and retain the Secretary of the Treasury and Secretary of Commerce on the Loans Advisory Council?

Mr. MULTER. We have now in accordance with the existing language, advisory boards. There is a national advisory board and in each region we have an advisory board. We also continue the language of the existing statute requiring that those boards be really representative, truly representative of small business.

We found on the national level the advisory board, despite the language of the statute, was made up of 20 men, 11 of whom were big-business men. That was a condition contrary to the intent of Congress, and the explicit language of the statute.

We strengthened the language in the statute so as to require these advisory boards and committees, when appointed, to be truly representative of small business. At the same time we have a provision permitting the Administrator to consult with whomever he pleases in or out of Government, so he can get the advice of big-business men who are sympathetic to small business and want to help them.

Mr. WIDNALL. Of course, they would have that power to consult with anybody whether you wrote that in the law or not.

Mr. MULTER. We found it necessary to write it into the bill because the General Accounting Office raised the question he had no right to do this—he had no right to consult with outside persons, or with Government agencies, unless the statute authorized them to do it. They raised the question that it was a technical violation of the law, if he consults with people other than as set out in the statute. So we wrote it in.

Mr. WIDNALL. I don't quarrel with that, but I think if you set up a national advisory board or national advisory council with the Secretary of Treasury and Secretary of Commerce and the two representatives of small business and left the final decisions on policy in the hands of the Administrator, you would have a better set-up than you have today and it would help meet some of the objections raised by you.

Mr. MULTER. I would have no objection to it being done that way, Mr. WIDNALL.

Mr. WIDNALL. I think that might be the type of compromise you would get through the Congress, too.

Mr. MULTER. I agree with our distinguished chairman, Mr. SPENCE, who has so frequently said that good legislation is always the result of compromise. No one of us is vested with all the wisdom of what makes a good bill, I think our Small Business Committee proceeds on that basis, trying to compromise on the best language that will express most nearly the intent that we seek and the purpose that is sought to be accomplished.

Mr. WIDNALL. I have one other question. In connection with procurement for small business, is it not true that thousands of small businesses have the know-how or ability to produce, but they cannot afford the engineering personnel in order to put them in a competitive position with big business?

Mr. MULTER. There is a lot to that. We find it repeatedly.

Mr. WIDNALL. And one of the reasons for shortage of engineers and the fact that big corporations are bidding as high as they can for engineering personnel is the tragic duplication of engineering work in preparation for Government bids. Where you are going out to procure an item and it is all of the same item, all of the engineering has to be done all over again by every single company that bids on that item. The Government purchased that engineering in the first place. It seems to me that the specifications purchased in the first item of procurement can be made available the second time, so that others would not be required to provide for new engineering in their bids.

Mr. MULTER. Typical of what you have in mind is a complaint that came to my desk only yesterday. This concern spent $4,000 in engineering and drafting expense in order to be able to make a bid in accordance with specifications that had been issued and they are now the second low bidder. The first low bidder has been disqualified because it has no plant and sought to get the contract in order to sell it to someone else.

The second low bidder, apparently now qualified, is now told by the procurement agency we are not going to give you this contract. We are going to give it to the third lowest bidder because the specifications were written for the third lowest bidder. They said, "Why do you ask us to bid? It cost us $4,000 to prepare our bid. If you intend it for some particular company, why don't you negotiate with that company and don't have us come in and waste all this money which represents mainly engineering time and money."

Mr. WIDNALL. Isn't it true in these re-bids where you are using the same specifications as the original bid, you have scores of engineers all over the country working on the same problem and coming up with the same answer, with a tragic waste of engineering services and tragic increase in cost, when it comes to the final bid?

Mr. MULTER. There is no doubt you are right.

Mr. WIDNALL. I think we ought to try to work something out to make available to small business the engineering background after the first bid.

Mr. MULTER. We continue in this bill the language now in the act, authorizing the Small Business Administration to give, wherever possible, engineering, technical, financial, and accounting advice to the small-business man who comes to them for it.

To be sure, we don't want it to go out and push itself on small business and tell them how to run their business, but where the small business comes to the SBA office, and asks for help, their setup permits them to give it, though in many of the local offices, they, too, have difficulty getting men who can render that type of service.

But they are doing the best they can with what they have.

Mr. WIDNALL. I have just one other question, Mr. MULTER. You have a suggestion in here that the maximum rate of interest for the Small Business Administration portion of participation in direct business loans shall be no more than 5 percent or the prevailing rate if lower than 5 percent.

Mr. MULTER. Yes.

Mr. WIDNALL. That actually means the Small Business Administration would not be in competition with the banking interests, would it?

Mr. MULTER. That would not put them in competition with private enterprise or banking because we continue the language in the existing statute that the loan applicant must be turned down first and there must be no private financing available for him on reasonable terms before the Small Business Administration can take the application. In practice the Small Business Administration requires he be turned down not only by his regular banking facilities, but by at least one other before they will take his application.

Mr. WIDNALL. And this applies to participating loans, too?

Mr. MULTER. Yes. In practice what the Small Business Administration does is this. When the applicant first comes in for a loan, SBA goes over his statement and puts it in such shape that he has a statement a bank would be willing to look over and consider. Then they ask him, "Have you been to your own bank?" And if he says, "Yes, and they turned me down," they call his bank and find out why they turned him down.

"Is he a bad credit risk, or can't you make the accommodation for any one of a number of reasons?" They try to sell the bank. When the bank says, "No, we won't make the loan," SBA tries to sell the bank on a participating loan. If the bank still says "No" on participation, they send the man to another bank in the community and if that bank turns him down, they follow the same procedure, and say, "Why are you turning him down?"

The bank may turn up something confidential which indicates he is a bad risk. They try to sell the bank on making the loan first, or if not a loan, taking a participating interest in it. When they find the bank will not take the loan in full or in part, then they process the application as a direct loan.

So there can be no competition ratewise. Even today there are participating loans where the bank is charging 7 percent. They are charging 6 percent. There is no difficulty in that.

Mr. WIDNALL. Mr. MULTER, I think you and your committee has come up with a good recommendation and made an honest, sincere effort to assist small business and small-business men and I compliment you on it.

Mr. MULTER. Thank you, Mr. WIDNALL. May I make 1 or 2 more comments on changes in the bill. If there are other questions, I will be glad to answer them either now or as I go along. The suggestion has been made in the course of the public hearings that possibly this agency should charge a fee for the filing of an application as many other agencies do. Our committee has not considered that, but I think this committee, on whatever bill you report, should suggest to the agency that they explore the possibility of charging a fee in connection with the filing of an application and make recommendations as to what that charge should be.

I think it should be a charge which would be reasonable and would cover at least the expense of processing and closing loans.

I realize in the smaller loan, they probably will never be able to charge enough to cover it, because as you know, a loan of $1,000 or $10,000 will cost as much to close as a $100,000 or $150,000 loan. We cannot expect the small-loan applicant to pay the full cost. I do hope SBA will come up with a recommendation about what fee, if any, should be charged for filing and processing.

Mr. SEELY-BROWN. That relates particularly to business loans?

Mr. MULTER. Yes; not to the disaster loans. That is definitely a relief measure. That is why we make it 3-percent interest. But on business loans, I think they should come up with a recommendation.

One other matter, that concerns itself with the question of whether this should be a permanent agency or not. Our committee did not consider, but this committee might consider, whether or not it wants to put a limitation on the term of office of the members of the board, if you have an independent board. There is nothing in the bill on that now.

I believe the President would have a right to remove any administrator who is not doing the job he expects him to do.

At the same time, you would accomplish some of the things you have in mind about continuing this as a temporary agency, if you put in the bill a term of years for the service of the Administrator. In other words, it may be a 2- or 4-year term, so that he, too, knows he must make good before he is reappointed.

The CHAIRMAN. Is he appointed without tenure now?

Mr. MULTER. He is appointed without tenure now, because as it is now, the act, itself, expires at a definite date and his term of office runs out at that time. If we take out the expiration date, we may want to put in a provision that he shall have a term of office for a fixed number of years.

I have tried to cover all of the changes that might be controversial. I think I have done so, with the exception of the provision for pooling loans. There, too, we have tried to liberalize the provisions so as to make sure the Administrator has the right to make the kind of loans that we intended he should make.

For instance, when he made the pool loan for the production of starch, there was some question raised as to whether or not he had the right to do that. He made the loan, nevertheless.

He made a loan for—a pool loan for Boston Fisheries. There was some question raised about that. I don't think the question was properly raised, but the question was raised whether or not he had the right to make the loan for that particular industry.

He has had inquiries about making a pool loan for the newsprint industry.

He has made some very valuable suggestions to the industry in connection therewith, but they have not come forward with a plan or an application. He has considered an application, or rather an inquiry, with reference to making a pool loan for the purchase and resale of groceries and foodstuffs.

Mr. KILBURN. Mr. MULTER——

Mr. MULTER. Yes.

Mr. KILBURN. I don't like to interrupt you here, but there is one point: On page 10 of your bill, down at line 18, it says, "All loans made shall in the judgment of the Administrator offer reasonable assurance of repayment." Isn't that a change from your present language?

Mr. MULTER. Yes.

Mr. KILBURN. Will you explain why there is that change?

Mr. MULTER. May I come back to that in just a minute and finish the thought on the pooling situation.

We have put into the bill some new language with reference to the pooling provision, which we think clarifies the authority of the Administrator to make such loans. I think it goes as far as it possibly can to meet the questions raised by Mr. PATMAN with reference to the cement industry.

If enough people are going to get together who have the know-how or can otherwise qualify, whether it be the cement industry or any other industry, they will qualify under the language we have written in the proposed bill at page 9 and which has been approved by the Administrator.

I want to throw out this thought, before I get to Mr. KILBURN's question, with reference to the pooling loans. I have the utmost respect for my colleagues in the legal profession, but if I as 1 or 2 lawyers were to get together with 4 or 5 businessmen and we had 2 lawyers and 4 or 5 businessmen who wanted to go into some new industry, I don't think that the Congress intended we lawyers were to qualify as small-business men in a business venture to get this kind of a loan.

If there is disagreement with that on the part of this committee, I think it ought to say so. But the Administrator, as he is interpreting it now, I think properly, says, where you are getting a group together for a pool loan, they should all be businessmen who know something about and have some experience in the particular and related lines of endeavor in which they intend to engage in this pooling operation.

If you intend to open the door wide and let anybody come in under this, as long as he can qualify with security, then I think we ought to say so in the pooling provision. The language as we continue it in the statute would not, I don't think, permit that much broader interpretation.

To come back to Mr. KILBURN's question on page 10 of the mimeographed sheet, we do very deliberately propose a change there, by changing subdivision (7) so it will read, "All loans made shall in the judgment of the Administrator offer reasonable assurance of repayment."

The language we have dropped are the words "sound value or." In other words, the statute presently provides that the loan must be of sound value or—and I emphasize "or" in the alternative—offer reasonable assurance of repayment.

The Administrator very frankly told us, when he testified publicly—I am sorry I dropped out some words. Let me give it to you again. The statute now reads, "All loans made shall be of such sound value or so secured as reasonably to assure repayment."

The proposed bill drops out the words "such sound value or so secured."

The CHAIRMAN. That first definition was the one you took from the Reconstruction Finance Corporation?

Mr. MULTER. That is correct. And the Reconstruction Finance Board, and when it had an administrator, he, and then again when it had a board again, it always interpreted that to mean just what it said, that "or" was in the alternative, not in the conjunctive. Or did not mean "and," but meant "or." But Mr. Barnes has told us in the public hearings he interpreted "or" to mean not "or," but "and," and the loan must be——

Mr. KILBURN. How can he interpret "or" to mean "and"?

Mr. MULTER. He did and that is his testimony, and that is why some loans are being turned down.

Mr. KILBURN. Along that line, does this new language mean you cannot take security, if the man has got security?

Mr. MULTER. Oh, no. Where the security is there, he should take the security. I think he would be derelict in his duty in not taking security where the security is available. The language is new to this bill, but not new to the law. This is the precise language in the Export-Import Bank Act which they have always operated under, and if it has been all right in the million dollar loans and they have worked well under it, and the testimony of Mr. Waugh, as President of the Export-Import Bank, was they were doing a good job there for big business as well as small business, because while many of the loans there are in large amount, many of the purchases made out of the large loans were made from small businesses.

They gave us some instances where some purchases were as low as $100 each. There were thousands of purchases out of a million dollar loan. If that language is good there, I am sure it is not too restrictive and much better for this Administrator to use in his operation.

Mr. TALLE. Mr. Chairman——

The CHAIRMAN. Mr. TALLE.

Mr. TALLE. In that connection, if such a change is made, lawyers will look at the new act, and they will find that the language which was in the RFC Act and which is in the Small Business Act now, has been changed so as to take away the words which, in the law, require security and sound value.

I am sure some sharp lawyer is going to say, these are character loans, now, and collateral is no longer required.

Mr. MULTER. If a lawyer does come up with that argument, the administrator can say to him he is wrong. Look at what was testified to before subcommittee No. 2, and look at the testimony before the House Banking and Currency Committee. He will say to the lawyer, you have no right to determine that. Bear in mind it is the administrator's judgment which will make the decision whether or not the loan is to be made. Our committee has been very careful in telling every complainant we are not going to sit in judgment on the judgment of the administrator.

We are going to see whether he fairly interprets the intent of Congress but we are not going to take his place and determine whether a loan is good, bad or indifferent. We are not going to replace his judgment with our judgment. We are not the lending officer.

Mr. TALLE. Don't you think the lawyer is going to ask the question, "Why did Congress make that change?" He is going to raise that question, I am sure.

Mr. MULTER. And let me give to you the answer that you can give to him.

If you insist that it must be of sound value, and so secured as to offer reasonable assurance of repayment——

The CHAIRMAN. It was not "and." It was "or."

Mr. MULTER. That is right. If SBA interpreted is as "or," we need nothing more. We would not have to change the statute. But since SBA is interpreting it as "and," we must put in the law what we want him to do.

Mr. KILBURN. Why don't you put language in there and say, "or" is "or."

Mr. MULTER. I think that would make us a little bit ridiculous, don't you think?

Mr. KILBURN. Don't you think he is being a little ridiculous?

Mr. MULTER. Yes, but he is the Administrator. Let us put it in there in such a way that he must interpret it our way, without making ourselves ridiculous.

Mr. BROWN. Why can't we handle that in the report and keep the definition like it was in RFC?

Mr. MULTER. That will probably serve the purpose.

I just wanted to make this brief comment to Mr. TALLE's question and then I will leave you to the next witness, sir.

There are many instances where the sound value of the loan is not sufficient to warrant SBA making a loan in and of itself. But if SBA takes the guaranty of someone else who is just as financially responsible, who would on his own right be entitled to come in and get a loan, and who will guarantee the loan which does not have sound value, SBA then has reasonable assurance of repayment.

I wonder if I make myself clear. In other words, if I can get somebody to guarantee my loan, even though I, myself, cannot give him ample security, and the guaranty does give ample security, he should make the loan. As it is today, he can look at my collateral and say it is insufficient and I don't care whether you bring in 50 guarantors, your loan is not of sound value and he will not make the loan. Certainly we did not intend that.

That is the way it is being interpreted and we did not intend that.

Thank you for your patience.

The CHAIRMAN. I think a little reduction in taxation might help the small-business man.

Mr. MULTER. I am sorry we cannot touch on that. But it is one of the sore points that needs attention.

The CHAIRMAN. We did not want to introduce that in the course of the evidence here.

Mr. MULTER. No, sir. I am sure the Ways and Means Committee would object, if we did.

SENATE

TUESDAY, MAY 28, 1957

(Legislative day of Monday, May 27, 1957)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Father, strong to save, in days of old Thy prophets of righteousness summoned Thy fearful and often faithless children to the altar of the Most High for cleansing and strength. In these days, when ancient foundations are being shaken and are crumbling, we would seek our refuge and salvation where they found it, at the altar of the living God. Thy word of old is sounding in our ears today: "If My people who are called by My name shall seek My face and pray and turn from their wicked ways, then will I hear and forgive their sins and heal their land."

In the fight to make and keep men free, open our eyes, that we may see not only the encircling hosts of evil, but also on the hills about us the chariots of God's truth and the horsemen thereof. We ask it in the name of that One by whose invincible might we are made more than conquerors. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Monday, May 27, 1957, was approved, and its reading was dispensed with.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 93. An act for the relief of Dominic Steinhauser (Hiroshi Tsuruda);

S. 687. An act for the relief of Stylianos Lecomples;

S. 696. An act for the relief of Alecos Markos Karavasilis and his wife, Steliani Karavasilis;

S. 797. An act for the relief of John Leary; and

H. R. 5788. An act making appropriations for the executive office of the President and sundry general Government agencies for the fiscal year ending June 30, 1958, and for other purposes.

ORDER FOR ADJOURNMENT TO TOMORROW AT 10:30 A. M.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations today, it stand in adjournment until tomorrow at 10:30 a. m.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. BUSH, from the Committee on Armed Services:

Malcolm A. MacIntyre, of New York, to be Under Secretary of the Air Force, vice James H. Douglas, elevated.

Mr. STENNIS. Mr. President, from the Committee on Armed Services I report favorably a group of nominations of flag and general officers in the Army, Navy, and Air Force.

In the Navy are the nominations of Rear Adm. Robert E. Dixon to be Chief of the Bureau of Aeronautics; of Rear Adm. James S. Russell for 3-star grade in connection with his assignment as deputy commander in chief and chief of staff of the Atlantic Fleet; and of Rear Adm. John H. Sides to have 3-star grade while serving as deputy to the special assistant to the Secretary of Defense for guided missiles.

Army general officer nominations include those of Maj. Gen. William S. Lawton to be a lieutenant general by virtue of his proposed assignment as Comptroller of the Army; Maj. Gen. Paul D. Harkins to be a lieutenant general in connection with his proposed assignment as commanding general, Allied Land Forces, Southeastern Europe; of Maj. Gen. Aubrey S. Newman to be a permanent major general, and of Col. James H. Forsee and Col. Robert H. McCaw to be temporary brigadier generals.

Air Force general officer nominations include those of Lt. Gen. Frank F. Everest and Lt. Gen. Thomas S. Power to have the rank of general in connection with their assignments as commander in chief of United States Air Forces in Europe and commander in chief of the Strategic Air Command; of Maj. Gen. William E. Hall to be lieutenant general in connection with his assignment of commander of the Continental Air Command and to be senior Air Force member of the Military Staff Committee of the United Nations; of Maj. Gen. Walter E. Todd to be lieutenant general in the position of chief of staff, United Nations Command, Korea; and of Maj. Gen. John K. Gerhart to be lieutenant general in the position of Deputy Chief of Staff, Plans and Programs, Headquarters, United States Air Force.

I ask that these nominations be placed on the Executive Calendar.

There being no objection, the nominations were ordered to be placed on the Executive Calendar, as follows:

Rear Adm. Robert E. Dixon, United States Navy, to be Chief of the Bureau of Aeronautics in the Department of the Navy;

Rear Adm. James S. Russell, United States Navy, for commands and other duties determined by the President, in the rank of vice admiral while so serving;

Rear. Adm. John H. Sides, United States Navy, for commands and other duties determined by the President, in the rank of vice admiral while so serving;

Maj. Gen. William Stevens Lawton and Maj. Gen. Paul Donal Harkins, United States Army, to be assigned to positions of importance and responsibility designated by the President, in the rank of lieutenant general;

Maj. Gen. Aubrey Strode Newman, Army of the United States, for appointment in the Regular Army of the United States, with the rank of major general;

Col. James Hedges Forsee, and Col. Robert Hall McCaw, United States Army, for temporary appointment as brigadiers general in the Army of the United States; and

Lt. Gen. Frank Fort Everest, and sundry other officers, to be assigned to positions of importance and responsibility designated by the President.

Mr. STENNIS. Mr. President, in addition to the flag and general officers, I report favorably the nominations of 406 Military Academy cadets for appointment in the Army; 135 Military Academy cadets for appointment in the Regular Air Force; and 217 Naval Academy midshipmen for appointment in the Air Force, as well as 969 officers for appointment in Regular Army grades not above major and 112 officers for appointment in the Regular Air Force not above the grade of captain.

These names have already appeared in the RECORD. In order to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Vice President's desk for the information of any Senator.

There being no objection, the nominations were ordered to lie on the table, as follows:

Franklin D. Bell, and sundry other persons, for appointment in the Regular Army of the United States;

Jack Emerson Adams, and sundry other cadets, United States Military Academy, for appointment in the Regular Army of the United States; and

James D. Boyle, and sundry other persons, for appointment in the Regular Air Force.

The VICE PRESIDENT. If there be no further reports of committees, the nominations on the calendar will be stated.

DEPARTMENT OF JUSTICE

The Chief Clerk read the nomination of J. Lee Rankin, of Nebraska, to be Solicitor General of the United States.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

ASSISTANT COMMISSIONER OF PATENTS

The Chief Clerk read the nomination of Maurice Augustus Crews, of Pennsylvania, to be an Assistant Commissioner of Patents.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES MARSHALS

The Chief Clerk read the nomination of William B. Somers, of North Carolina, to be United States marshal for the middle district of North Carolina for a term of 4 years.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Albert W. Saegert, of Texas, to be United States marshal for the western district of Texas for a term of 4 years.

Mr. JOHNSON of Texas. Mr. President, I desire to congratulate the administration and Mr. Saegert for their joint decision that he continue in office for another 4 years as United States marshal for the western district of Texas. Mr. Saegert is a loyal Republican. For many years he has been a very close personal friend of mine. He is is an extremely able, competent, and courteous public official, having served for many years as sheriff of one of the larger counties of Texas. We are very fortunate to be able to prevail upon men of his type to serve our country in such capacities.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to this nomination? Without objection, the nomination is confirmed.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the postmaster nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the postmaster nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be immediately notified of all nominations confirmed today.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

ANNOUNCEMENT CONCERNING THE VISIT TO THE SENATE BY CHANCELLOR KONRAD ADENAUER

Mr. JOHNSON of Texas. Mr. President, I desire to call the attention of the Senate to the fact that Chancellor Konrad Adenauer will appear in the Senate Chamber at 2:30 p. m. today. I ask unanimous consent that it be in order for the Chair to declare a recess at approximately that time, and thereafter that the Senate shall reconvene at the call of the Chair.

The VICE PRESIDENT. Without objection, it is so ordered.

SENATOR THEODORE FRANCIS GREEN, OF RHODE ISLAND

Mr. MARTIN of Pennsylvania. Mr. President, I read with great interest and real pride the nice things said on yesterday concerning our distinguished colleague the senior Senator from Rhode Island [Mr. GREEN]. However, no Senator made any reference to the military service of our distinguished colleague.

I desire to call the attention of the Senate to the fact that Senator GREEN was a company commander in the Spanish-American War. Our distinguished and able colleague has always rendered full voluntary service to our country.

I have just noted an editorial entitled "I Am Proud To Be a Spanish-American War Veteran"; and in honor of our colleague, I ask unanimous consent that the editorial be printed at this point in the RECORD as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

I AM PROUD TO BE A SPANISH WAR VETERAN

A veteran in America's first war for humanity.

A veteran of the only 100-percent volunteer army the world has ever known.

A veteran of the only war in history that has paid dividends.

A war that was not fought to a draw—we dictated the terms.

It was responsible for the building of the Panama Canal.

It was responsible for the passage of the National Defense Act.

It caused the abolition of yellow fever and kindred diseases.

It united the North and the South so that there now is no North, no South, no East, no West, but one people united under one great and glorious flag.

It furnished every commander in the World War from the Commander in Chief down.

It was the first campaign fought on foreign soil.

We did not bring the flag home—we left it where we put it and it is there yet.

We fought the war with poor equipment, poor food, antiquated guns, and black powder.

It caused the improvement in maintenance of the Army and Navy and for the formation of a standing army through training camps.

It marked the industrial reconstruction of the South.

It taught the lesson of unpreparedness that claims more lives than war.

It caused the United States of America to take the head of the table in the concert of nations.

It marked the rebirth of a nation.

It marked the last great conflict between the people of a free, self-governing republic and that of the last absolute monarchy.

The commands preserved their State entity and were responsible for the honor of their State.

Four hundred and fifty-eight thousand were engaged in this conflict, exceeding in number those engaged in the Revolutionary War, the Mexican War, or the War of 1812.

The losses in deaths from all causes were 4.3 percent as compared with six-tenths of 1 percent for the Civil War and seven-tenths of 1 percent for World War I.

The average length of service was 14 months, as compared with 9 months for World War I and 11 months for the Civil War.

The pay was $15.60 a month as compared with $30 for World War I.

We received no bonus, no war-risk insurance, no adjusted compensation, no vocational training, and no hospitalization until 1922, 20 years after the Spanish War was over.

The cost of the war was $1,800,000,000; the Civil War, $8,500,000,000; and World War II, $50,800,000,000.

Property was acquired valued at $8 billion as compared with none for the Civil War and none for World War I.

Sixty-one percent saw foreign service as compared with 46 percent for World War I veterans.

Seventy-three percent of our veterans were sons of Civil War veterans and 42 percent saw service in World War I.

The duration of the war with Spain and the Philipine Insurrection was 4 years and 2 months, as compared with 4 years of Civil War and 1 year and 7 months for World War I.

Our motto is, "Freedom, patriotism, and humanity."

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour, during which Senators may introduce bills and transact other routine business; and in that connection I ask unanimous consent that statement be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON REVIEW OF RICHLAND, WASH., APPRAISAL OFFICE

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of the Richland, Wash., Appraisal Office, Federal Housing Administration, Housing and Home Finance Agency, September 1956, regarding the appraisal of commercial properties in Richland (with an accompanying report); to the Committee on Banking and Currency.

AUDIT REPORT ON FARM CREDIT ADMINISTRATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Farm Credit Administration, for the fiscal year ended June 30, 1956 (with an accompanying report); to the Committee on Government Operations.

RECREATIONAL FACILITIES IN ALASKA

A letter from the Under Secretary of the Interior, transmitting a draft of proposed legislation to amend the act of May 4, 1956 (70 Stat. 130), relating to the establishment of public recreational facilities in Alaska (with an accompanying paper); to the Committee on Interior and Insular Affairs.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of California; to the Committee on Interior and Insular Affairs:

"Senate Joint Resolution 18

Joint resolution relative to the granting of statehood to Hawaii and Alaska

"Whereas the San Francisco Bay area and the State of California derive from, and share with, the Territories of Alaska and Hawaii great economic and commercial advantages; and

"Whereas the peoples of the Territories of Alaska and Hawaii have expressed their desire through constitutional processes to join the brotherhood of the United States; and

"Whereas their future is an integral part of the economy, defense and general welfare of the United States; and

"Whereas the peoples of the Territories of Alaska and Hawaii have long since fulfilled all the requirements for statehood: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the Congress of the United States to enact legislation providing for admission to statehood of the Territory of Alaska and the Territory of Hawaii; and be it further

"Resolved, That the secretary of the senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

The petition of Mrs. C. T. McFarland, of Oakland, Calif., relating to governmental spending; to the Committee on Appropriations.

A resolution adopted by the council of the city of Tucson, Ariz., favoring the continuance of the operation of the air primary training station at Marana Air Base, Marana, Ariz.; to the Committee on Armed Services.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. RUSSELL, from the Committee on Armed Services, without amendment:

H. R. 7143. An act to amend the act of August 3, 1950, as amended, to continue in effect the provisions relating to the authorized personnel strengths of the Armed Forces (Rept. No. 383).

By Mr. SMATHERS, from the Committee on Interstate and Foreign Commerce, without amendment:

S. 1027. A bill to authorize the Secretary of Commerce to prescribe seals for bureaus and offices of the Department of Commerce, and for other purposes (Rept. No. 385).

By Mr. BUTLER, from the Committee on Interstate and Foreign Commerce, without amendment:

S. 695. A bill providing for the revision and printing of a compilation of Federal laws relating to the regulation of carriers subject to the Interstate Commerce Act (Rept. No. 384).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CLARK:

S. 2164. A bill for the relief of Elpis Maria Stephanou Fryback; to the Committee on the Judiciary.

By Mr. EASTLAND:

S. 2165. A bill for the relief of Gertrud Mezger; to the Committee on the Judiciary.

By Mr. KENNEDY:

S. 2166. A bill for the relief of John J. Griffin;

S. 2167. A bill for the relief of Alberto Caira; and

S. 2168. A bill for the relief of Armas Edwin Jansson; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 2169. A bill to declare that the United States holds certain lands in trust for the Minnesota Chippewa Tribe; to the Committee on Interior and Insular Affairs.

By Mr. KEFAUVER:

S. 2170. A bill authorizing the transfer of certain property of the Holston Ordnance Works (at Kingsport, Tenn.) to the State of Tennessee; to the Committee on Armed Services.

S. 2171. A bill to authorize the Secretary of the Interior to consummate desirable land exchanges; to the Committee on Interior and Insular Affairs.

By Mr. RUSSELL:

S. 2172. A bill for the relief of Walter Harry Hurt; to the Committee on the Judiciary.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. LONG:

Address delivered by him before the Red River Valley Association Convention, in Shreveport, La., on April 23, 1957.

Address delivered by Representative OVERTON BROOKS, of Louisiana, before the Red River Valley Association Convention, in Shreveport, La., on April 23, 1957.

BOUNDARIES OF EVERGLADES NATIONAL PARK, FLA.—NOTICE OF HEARING

Mr. O'MAHONEY. Mr. President, I desire to announce that a public hearing will be held in the committee room of the Committee on Interior and Insular Affairs on Tuesday, June 11, beginning at 10 o'clock a. m., on Senate bill 1790, a bill which has been introduced by the senior Senator from Florida [Mr. HOLLAND] on behalf of himself and his colleague [Mr. SMATHERS].

This is a bill to fix the boundary of the Everglades National Park, Fla., to authorize the Secretary of the Interior to acquire land therein, and to provide for the transfer of certain land not included within said boundary, and for other purposes.

I make this announcement because a great deal of interest has been expressed in this measure, particularly within the State of Florida, and I desire that all who wish to be heard on the measure, as proponents or opponents, may have full notice that the hearing is to be held in this city.

Mr. HOLLAND. Mr. President, I should like to express appreciation, for myself and on behalf of my colleague, to the distinguished Senator from Wyoming. We appreciate his giving us this opportunity for a hearing on our bill, and we shall try to expedite the hearing in every reasonable way.

The VICE PRESIDENT. Is there further morning business?

CALL OF THE ROLL

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Allott	Capehart	Curtis
Barrett	Carlson	Dirksen
Beall	Carroll	Douglas
Bennett	Case, N. J.	Dworshak
Bricker	Case, S. Dak.	Eastland
Bridges	Chavez	Ellender
Bush	Church	Flanders
Butler	Clark	Frear
Byrd	Cotton	Fulbright
Goldwater	Lausche	Saltonstall
Gore	Long	Schoeppel
Green	Malone	Scott
Hayden	Martin, Iowa	Smathers
Hickenlooper	Martin, Pa.	Smith, Maine
Hill	McClellan	Smith, N. J.
Holland	Monroney	Sparkman
Hruska	Morse	Stennis
Humphrey	Morton	Symington
Ives	Mundt	Talmadge
Jackson	Murray	Thurmond
Javits	Neuberger	Thye
Johnson, Tex.	O'Mahoney	Watkins
Johnston, S. C.	Pastore	Wiley
Kefauver	Potter	Williams
Kennedy	Purtell	Yarborough
Kerr	Revercomb	Young
Knowland	Robertson	
Kuchel	Russell	

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Nevada [Mr. BIBLE], the Senator from North Carolina [Mr. ERVIN], the Senator from Missouri [Mr. HENNINGS], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MANSFIELD], the Senator from Michigan [Mr. McNAMARA], and the Senator from West Virginia [Mr. NEELY] are absent on official business.

Mr. DIRKSEN. I announce that the Senator from Vermont [Mr. AIKEN] and the Senator from Kentucky [Mr. COOPER] are absent on official business.

The Senator from Indiana [Mr. JENNER], the Senator from North Dakota [Mr. LANGER], and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). A quorum is present.

STATE, JUSTICE, JUDICIARY, ETC., APPROPRIATIONS

Mr. JOHNSON of Texas. Mr. President, I wish to announce for the information of Senators that the conferees on the appropriation bill for the State and Justice Departments, the judiciary, and related agencies, agreed yesterday, and the conference report will be filed in the House today.

I am informed that it is the intention of the leadership to attempt to have the House consider the conference report tomorrow. Inasmuch as the House must act first, of course, the Senate will not proceed to the consideration of the conference report until the House has disposed of it. However, I should like to inform Senators that it is planned to take up the conference report in the Senate tomorrow as soon as the House has acted upon it.

MORALITY OR LACK OF MORALITY IN GRANTING OF RAPID TAX AMORTIZATION CERTIFICATES

Mr. GOLDWATER. Mr. President, much has been said on the floor of the Senate, on national television shows, before the Jefferson-Jackson Day dinner in Detroit, and as recently as yesterday before the meeting of the Democratic women, about the lack of morality involved in the granting of rapid tax amortization certificates. As I mentioned once before during remarks on this subject, I do not necessarily feel

that these certificates should be issued in peacetime, but because they are allowed by law there certainly is nothing illegal in granting them. It is strange that what is immoral in Idaho is moral in Oregon; at least, nothing so far as I recall, has been said about the 97 firms in Oregon that have received these certificates in the past 7 years. So that my colleagues may be able to study this list, I ask that it be inserted at this point in my remarks in the body of the RECORD. My action in introducing this list into the RECORD in no way is to be considered as a reflection on the honesty, the integrity or morality of the firms who received these certificates.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

[From the Idaho Daily Statesman of May 18, 1957]

ODM LISTS WRITEOFFS FOR 97 OREGON FIRMS

WASHINGTON—Nearly 400 corporations in the Pacific Northwest have been granted certificates during the last 7 years for an accelerated rate of depreciation on construction for tax purposes.

The Office of Defense Mobilization has said the effect of the program is to allow the companies to take larger than normal depreciation deductions during the first 5 years.

This is offset by smaller-than-normal deductions after the first 5 years. A committee of the Senate currently is considering repeal of this provision of the tax laws in favor of a more limited program.

ODM reports showed that 35 certificates had been issued in Idaho; Montana had 43, Oregon had 97, and in Washington State there were 223.

ODM lists these certificates in Oregon, with corporations, estimated cost of facilities and amounts subject to amortization in parentheses:

Hanna Coal Ore, Riddle, $3,566,000 ($3,031,000); Paulus Bros. Packing, Salem, $177,000 ($97,000); Lamb-Weston, $241,000 ($60,000), $222,000 ($56,000); Roseburg Lumber, Roseburg, $1,543,000 ($463,000), $1,667,000 ($667,000); C. D. Johnson, Toledo, $127,000 ($51,000), $59,000 ($24,000), $755,000 ($302,000);

Pope & Talbot, Oakridge, $149,000 ($59,000), $86,000 ($26,000); Weyerhaeuser Timber, Springfield, $2,760,000 ($1,380,000), $2,296,000 ($918,000); Weyerhaeuser Timber, Klamath Falls, $3,046,000 ($1,218,000); W. A. Woodward Lumber, Cottage Grove, $523,000 ($288,000); Gardiner Lumber, Gardiner, $863,000 ($259,000), $1,950,000 ($780,000);

Willamette Builders Supply, Aumsville, $447,000 ($179,000); Edward Hines Lumber, Westfir, $1,331,000 ($665,000); Springfield Plywood, Lane County, $116,000 ($58,000); Valley Plywood, Junction City, $249,000 ($125,000); United States Plywood, Mapleton, $108,000 ($48,000), $57,000 ($26,000); Astoria Plywood, Astoria, $1,226,000 ($490,000);

Brookings Plywood, Brookings, $1,231,000 ($493,000); Menasha Plywood, North Bend, $257,000 ($103,000); Coquille Plywood, Coquille, $1,654,000 ($662,000); Bohemia Lumber, Culp Creek, $225,000 ($124,000); Martin Brothers Box, Oakland, $30,000 ($20,000); Oregon Fibre Products, Pilot Rock, $5,816,000 ($2,908,000); Cascades Plywood, Lebanon, $1,015,000 ($406,000);

Hanna Nickel Smelting, Riddle, $22,000,000 ($18,700,000); Harvey Machine, Dalles, $65,250,000 ($55,462,000); National Metallurgical, Springfield, $438,000 ($372,000); Wah Chang Corp., Albany, $1,492,000 ($1,119,000); Eugene Truck and Machine, Eugene, $133,000 ($66,000); Astoria Marine Construction, Astoria, $42,000 ($28,000); Southern Pacific, Klamath Falls, $2,356,000 ($942,000), Springfield $91,000 ($36,000), Eugene, $4,775,000 ($1,910,000);

Archer-Daniels-Midland, Condon and Ione, $55,000 ($28,000), $39,000 ($20,000); Jordan Elevator Co., Jordan Siding, $32,000 ($13,000); Terminal Ice Cold Storage, Woodburn, $567,000 ($312,000); California-Oregon Power, Klamath County, $13,871,000 ($9,016,000); Oil Terminal, Medford, $332,000 ($133,000); Texas Co., Coos Bay, $154,000 ($62,000); Screw Machine Products, Portland, $656,000 ($328,000), $359,000 ($251,000);

Powder Power Tool, Milwaukee, $247,000 ($124,000); Northwest Industrial Laundry, Portland, $50,000 ($35,000); McCormick & Baxter Creosoting, Portland, $144,000 ($58,000); Timber Structures, Portland, $330,000 ($198,000); Multnomah Plywood, Portland, $626,000 ($251,000); Publishers Paper, Oregon City, $122,000 ($49,000);

Pennsylvania Salt Mnaufacturing, Portland, $1,498,000 ($749,000), $702,000 ($421,000); Pacific Carbide & Alloys, Portland, $92,000 ($46,000); Industrial Air Products, Portland, $78,000 ($50,000); Standard Oil of California, Portland, $80,000 ($40,000); Shell Oil, Portland, $148,000 ($59,000), $226,000 ($91,000), $118,000 ($47,000);

Permanente Cement, Portland, $307,000 ($92,000); Oregon Steel Mills, Portland, $246,000 ($172,000); Electric Steel Foundry, Portland, $359,000 ($269,000), $149,000 ($97,000); Reynolds Aluminum, Troutdale, $475,000 ($380,000); Union Carbide and Carbon, Portland, $2,368,000 ($1,539,000);

Hyster Co., Portland, $1,165,000 ($641,000), $12,000 ($6,000), $431,000 ($216,000); Iron Fireman Manufacturing, Portland, $124,000 ($80,000); Tektronix Inc., Portland, $16,000 ($7,000), $292,000 ($102,000); Cascade Manufacturing, Portland, $111,000 ($100,000); Spokane-Portland-Seattle Railway, Portland, $23,000 ($9,000);

Oregon-Washington Railroad & Navigation, Portland, $65,000 ($26,000); West Coast Fast Freight, Portland, $450,000 ($270,000); Northwestern Ice & Cold Storage, Portland, $35,000 ($23,000); Portland Ice Cold Storage, Portland, $44,000 ($24,000); Silver Eagle, Portland, $150,000 ($90,000); Babbidge Holt, Portland, $64,000 ($38,000); Western Union Telegraph, Portland, $1,300,000 ($520,000); Portland Central Electric, Estacada, $4,250,000 ($2,762,000), $13,300,000 ($8,645,000); California Bag & Metal, Portland, $41,000 ($31,000), $69,000 ($52,000), $58,000 ($38,000); Schnitzler Steel Products, Portland, $158,000 ($103,000), $120,000 ($78,000); Bell Oil Terminal, Portland, $165,000 ($66,000); Douglas Oil Company of California, Portland, $195,000 ($78,000); M. L. Edwards, Garden Home, $12,000 ($7,000); Portland General Electric, Portland, $2,750,000 ($1,375,000), $22,260,000 ($14,469,000); and Pacific Power & Light, Portland, $26,170,000 ($19,628,000).

LOCAL GOVERNMENTS AND FEDERAL SPENDING

Mr. GOLDWATER. Mr. President, the Federal Government has been taking more and more of the income of the people under the mistaken idea that the Federal Government can perform local functions better than the local governments themselves. As local governments are deprived of their sources of taxes, it is only natural to expect that they turn to the Federal Government. I suggest to my colleagues that this was never the intent of the Constitution, and that the future of local governments at all levels is being seriously threatened by continued squanderbust government. A statement typical of the plight in which most of the States find themselves is contained in the May issue of Arizona Progress, and I ask unanimous consent that this compilation be printed at this point in my remarks.

There being no objection, the compilation was ordered to be printed in the RECORD, as follows:

LOCAL GOVERNMENT NEEDS MAKE CUT IN FEDERAL SPENDING IMPERATIVE

Budget time is here again—which makes it an appropriate time to talk about taxes. Criticism of the proposed Federal budget is due in part to concern over local government finances. It is impossible for taxpayers to support both in the manner contemplated by the budgeteers—and many people feel that local needs are now much more urgent than national.

State and local taxes in Arizona have increased from $42 million to $152 million over the past 10 years. This would not cause undue hardship if there was any prospect of local expenditures leveling off or if Federal spending was properly reduced. Neither seems likely, which means continued and ever-increasing bad news for taxpayers. In this same 10-year period Federal taxes in Arizone rose from $75 million to $185 million. Believe it or not, Arizonians now pay 2½ times as much Federal taxes as during World War II.

Taxation in the United States has gradually gone from the incredible to the intolerable. When the tax yoke becomes excessive, petty chiseling ultimately develops into grand larceny and small oversights into bald evasion. In France taxpayers have long since said "to heck with it."

When individuals must work from 4 to 10 months out of each year for the Government, and when corporations must operate over half of each year to pay their taxes, we are about as close to totalitarianism as a nation can get and still maintain the fiction of a private enterprise system.

Having got that off our chest, and we mean every word of it, let us take a look at some Arizona statistics. The following tables show the increased costs of operating Arizona's public schools, county governments, and 2 largest cities compared with 10 years ago. Unfortunately, in the words of a famous vaudevillian, "You ain't seen nothin' yet."

Growth of municipal expenditures

Cities	Fiscal year 1945–46	Fiscal year 1955–56	Percent increase
Phoenix	$5,797,990	$14,301,464	146.7
Tucson	1,570,771	4,435,673	182.4

NOTE.—In this period the incorporated area of Phoenix was increased from 10 square miles to 30 square miles and that of Tucson from 9 square miles to 20 square miles. Population of the city of Phoenix advanced from 92,000 to 156,000 and that of Tucson from 40,000 to 95,000.

Growth of public-school expenditures

County	1945–46	1955–56	Percent increase
Apache	$219,091	$1,121,536	411.9
Cochise	917,815	3,020,114	229.1
Coconino	364,335	1,513,374	315.4
Gila	603,082	1,646,942	173.1
Graham	340,550	860,744	152.8
Greenlee	343,548	1,163,440	238.7
Maricopa	6,262,007	30,488,185	386.9
Mohave	166,239	507,748	205.4
Navaho	441,175	1,555,509	252.6
Pima	2,301,089	12,276,746	433.5
Pinal	753,777	3,949,233	423.9
Santa Cruz	226,368	607,025	168.2
Yavapai	679,498	1,812,325	166.7
Yuma	475,864	3,200,596	572.6
Total	14,094,458	63,723,577	352.1
Number of pupils	95,404	185,932	94.9

Source: Arizona Tax Research Association.

Average annual cost per pupil

	Grade schools		High schools	
	1945–46	1955–56	1945–46	1955–56
Apache	$112.63	$366.27	$294.26	$620.60
Cochise	133.37	296.29	238.30	569.33
Coconino	127.46	273.52	318.82	680.96
Gila	128.11	261.67	191.25	353.01
Graham	95.09	256.36	229.13	471.64
Greenlee	129.56	270.42	214.33	400.38
Maricopa	127.08	293.98	231.40	522.07
Mohave	124.99	320.59	372.11	582.16
Navaho	103.71	279.94	243.02	437.04
Pima	140.16	307.38	193.44	559.31
Pinal	120.38	265.79	294.21	564.96
Santa Cruz	121.33	239.96	217.07	498.56
Yavapai	148.17	332.50	222.00	525.49
Yuma	93.26	288.45	255.64	620.31
State average	126.54	293.06	290.13	532.50

Source: Arizona Tax Research Association.

Growth of county government expenditures

Counties	Fiscal year 1945–46	Fiscal year 1955–56	Percent increase
Apache	$101,022	$316,545	213.3
Cochise	569,560	1,956,688	243.5
Coconino	203,853	817,345	300.9
Gila	370,028	1,254,148	238.9
Graham	150,283	484,332	222.3
Greenlee	139,839	658,408	370.9
Maricopa	3,636,023	13,715,467	277.2
Mohave	362,241	691,969	91.0
Navaho	177,938	644,666	262.3
Pima	956,792	8,106,351	747.2
Pinal	443,128	2,610,688	489.1
Santa Cruz	168,053	470,545	180.0
Yavapai	509,031	1,247,160	145.0
Yuma	578,391	2,002,359	246.2
Total	8,366,182	34,976,701	318.1

DEVASTATING EFFECTS OF RECENT FLOODS—FLOOD CONTROL APPROPRIATIONS

Mr. JOHNSON of Texas. Mr. President, the morning newspapers again carry the story of death and destruction in the great Southwest.

Floods—caused by abnormal rainfall—are raging down the rivers and sweeping all before them. People are fleeing their homes—and when they return there will be little left but debris.

The terror of flash floods is little known in this part of the country. That may explain why the great public works projects which prevent loss of life and property are usually described—with a sneer—as the "pork barrel."

Mr. President, I ask unanimous consent that the Associated Press article in this morning's New York Times describing the flood damage be printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FLASH FLOODS RIP SOUTHWEST TEXAS—CLOUDBURSTS SWELL RIVERS—8 INCHES FALL IN UVALDE—SAN ANTONIO HARD HIT

DALLAS, May 27.—Flash floods raged down streams in southwest Texas today after cloudbursts had dumped up to 8 inches of rain.

The new floods drove hundreds from their homes and brought to 7,500 the number of persons in 4 States who have fled their homes.

Up to 8 inches of rain fell in an area around Uvalde, Tex., where former Vice President John Nance (Cactus Jim) Garner lives. It is west of San Antonio. At Kenedy, Tex., 3½ inches of rain fell in 40 minutes and blocked streets. John Syring, 7 years old, was lost and feared drowned when a truck in which he was riding was hit by a wall of water.

Other cloudbursts fell at Elgin, with 5½ inches, Laredo, 1½ inches in less than 2 hours; Sonora, 5 inches in 24 hours; Corpus Christi, 1½ inches with a windstorm; the Eagle Pass-Laredo area, and San Antonio. These areas stretch from central Texas south and west to the Mexican border.

RESCUES IN SAN ANTONIO

Flash flooding occurred at San Antonio where several persons were rescued from their cars. More flooding was expected. Similar flooding was expected on the middle and upper Nueces River in southwest Texas. Evacuations of nine families at Laredo were caused by flash floods. Texas reservoir operators again were juggling water, trying to keep downstream areas from flooding while trying to release enough water to ease the misery of upstream residents.

Lake Texoma on the Texas-Oklahoma border was at spillway level. The dam was designed for use of the spillway only about once in 100 years. Resorts around the lake were under water.

Many of today's Texas cloudbursts occurred in areas that have not benefited greatly from Texas' wet and violent spring weather.

Most of Oklahoma breathed in relief at the second day of rainless weather. Most flooding rivers were falling. About 200 persons were evacuated at Waurika, Okla., during the weekend, and a dozen families were evacuated at Arkhoma, Okla.

A few miles north of Arkhoma, at Moffett, Okla., the 400 residents fled last night as a foot of water washed over the town.

ARKANSAS FLOODING

The Arkansas River, which caused the Arkhoma and Moffett damage, sent a few families from their homes at Fort Smith, Ark., and 400 fleeing at North Little Rock, Ark., during the weekend.

Floodwaters covered an estimated 100,000 acres in delta land between the Missouri and St. Francis Rivers in the southeast corner of Missouri and the northeast corner of Arkansas after levees crumbled.

Crop damage in the Missouri sector alone was estimated at $15 million. About 550 residents of Hornersville, Mo., were evacuated.

A 13-year-old boy was drowned while swimming in the swollen Little River in southeast Missouri.

At the Texoma Dam on the Oklahoma-Texas border engineers had closed floodgates to hold back water from the already swollen Red River below the dam.

Boat plants immediately below the dam were evacuated in expectation of water going over the spillway.

The series of lakes of the Lower Colorado River Authority were absorbing water from heavy rains in the Abilene area and other areas in its watershed.

FLOOD-CONTROL APPROPRIATIONS

Mr. KUCHEL. Mr. President, the vagaries of weather during recent weeks have demonstrated once more in the Southwest and South the fundamental truth of the observation by William Shakespeare that rain falls alike on the just and the unjust.

The great suffering and heavy losses which have been sustained in the State of Texas and in some of her adjoining sister States have been commented on in this body and regrettably have helped fill the front pages of American newspapers for many days running. The tragedy which has been inflicted on a number of households in Texas has evoked the sympathy of fellow citizens in all parts of our country, as well as that of Members of Congress.

The people of my State of California share particularly the feelings of their fellows in Texas, for only a little more than a year ago a wide area of California was deluged and swamped by unprecedented runoff of rain and unseasonable snowmelt, with damage running in the vicinity of $300 million and nearly 70 lives lost.

After the 1955 to 1956 floods, those of us from California renewed efforts to expedite completion of various flood-control and flood-prevention works then underway or authorized but not yet started. At the time, we took the position that such projects were essential to the protection of homes, farms, utilities, transportation, and the very lives of our people. We maintained that expenditures for such purposes were sound investments which would pay dividends and promote the economic welfare not only of the areas to be protected but of the entire Nation.

On two recent occasions, the distinguished majority leader has pointed to the value of such projects as demonstrated by experiences in his own State of Texas. I noted with interest that last Friday the majority leader declared in rather strong language—in which I heartily concur—that it is demagogic to use the opprobrious term "pork barrel" in describing such undertakings as storage dams, reservoirs, levees, and reinforced channels to handle tremendous volumes of rainfall and runoff.

Our colleague from Texas aptly expressed my own point of view on this matter. In fact, almost at the time he was first calling the attention of this body to the deplorable floods in his home State I was making an appearance before the Subcommittee on Appropriations urging favorable action on the President's budget request for flood-control funds for various California projects. In my statement to that committee I used language very similar to that which the majority leader employed in the Senate in registering his opinion about the worth of such Federal expenditures.

After the 1955–56 floods in California I had occasion to discuss the problem of flood prevention in a recorded interview with Maj. Gen. E. C. Itschner, now the Chief of the Army Engineers and then head of the civil works division. The general pointed out that the corps had underway in the section of California which was most hard hit by the extraordinary rains and melting snow 3 projects which would cost $88 million. He added that if all the flood projects in central and northern California authorized for construction had been completed there would have been a return of 10 percent on their cost through property damage averted. The general also noted that Folsom Dam, which had been completed only a short while earlier, was able to hold back 890,000 acre-feet of water in the Sacramento River, an amount equal to 290 billion gallons.

I particularly subscribe to the position taken by the majority leader with reference to the worthwhile nature of flood-control programs and Federal outlays for their completion. I desire to remind my colleagues that these activities are not the wasteful sort of "crash program" in which our Government sometimes is compelled by circumstances to participate. Far from being "pork barrel" items, the appropriations for flood prevention are voted after careful study, for thoroughly investigated and carefully engineered projects. Furthermore, in virtually every instance, the local people of the area affected as well as the States share a substantial part of the overall final cost and then assume responsibility for maintaining and operating these works.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point excerpts from my statement last week before the subcommittee of the Committee on Appropriations which was considering the 1958 public works bill.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

Normally we do not enjoy a plenitude of water in California. To the contrary, a pressing problem is to provide a sufficient supply of this indispensable commodity in most parts of our State. As to our rainfall, Californians know all too well the meaning of the expression, "a feast or a famine." This year we appear before you not against a background of rampaging floods and excessive water as was the case early in 1955, but after a winter when too little rain fell upon our land out there.

As to either situation—too much water or not enough—the earliest practicable completion of a comprehensive system of flood-control works is of the most genuine importance in the life of California. The necessity for attending to the full, wise use of our water resources increases rather than diminishes, for we continue to grow as to population at the astonishing rate of almost half a million people per year. I need not argue before this committee how important it is to give protection to our communities, old and new, to our farms and to our State where over 14 million Americans now live. Nor need I labor the importance of the conservation effects which are corollary to flood control works soundly planned and permanently built.

In accomplishing the control, conservation and wise use of the water resources of California, we have benefited from a series of far-sighted decisions made by the Congress of the United States and by the government of my own State. I allude, of course, to the decision embodied in the Flood Control Act of 1936 that there is a national interest in the prevention of flood damage, to the acts of 1944 and the following, which implement this policy, and to the Water Resources Act adopted by California in 1945 under which the State guaranteed and provided for the local participation, which the United States rightfully asks and requires, in flood-control projects.

Under our act, and under more recent State legislation establishing a completely separate department of water resources, California has undertaken to send to Washington for these Appropriation Committee hearings each year a group of State and local officials and civic leaders—whom I have the honor to present today—to present the bona fide needs of our State for flood control assistance. Several months prior to coming here, these men and others from every county in California where there is a flood control problem hold a 2-day meeting at Sacramento, our capital. At this California Water Conference, they work out a coordinated program under which our flood-control projects may go forward in an orderly manner. Their deliberations are conducted under the auspicies of the State water board and the State reclamation board, and with the assistance and technical advice of engineers, hydrologists and economists of both State and local government. The policy which guides the California Water Conference every fall is to screen the requests of the various flood control districts and counties for Federal funds with great care, in order that every dollar recommended may be conscientiously and vigorously justified before the United States Army engineers, the Federal Bureau of the Budget, and the Congress.

This procedure has been followed with respect to the requests which are now before you. The State water board, following the California Water Conference last July, recommended appropriations aggregating some $61 million. The Bureau of the Budget, following its own consultations with the Army engineers last fall and winter and in line with national fiscal policy, approved requests for California flood-control projects in a total of $47 million.

In a word Mr. Chairman, the budget which you are considering today for this particular national purpose—the prevention of flood damage in California—has been most carefully prepared. It has already been thoroughly screened. These are minimum requests. They represent genuine needs.

Although we were spared from great floods this past winter, we know in California that we must work diligently year in and year out to provide for our people all possible protection from such disasters as the one we suffered in the winter of 1955–56, and on many other occasions in the history of our State. We have only to read in this week's newspapers of the tragic troubles of our great sister State of Texas to be reminded that Nature can go on a rampage without any warning whatsoever.

To protect the soil, the cities, and the homes of America, and the lives of the American people from floods is not, in my humble opinion, to spend money but to invest it—to make wise use of it—indeed, to anticipate an increment and a profit. I think it needs to be emphasized that no flood-control project is asked by our State government nor agreed to by the United States unless it has a favorable cost-benefit ratio. I grow a little impatient, frankly, when some, who have not followed the development of a sound national flood-control policy, allude to our work under such a policy as having the characteristics of a "pork barrel." The fact that Congress legislates as to flood-control authorizations and as to flood-control appropriations for all the States of the Union simultaneously is simply evidence that you and I and all other Members of the Congress are dealing with a national problem, and that we seek to be fair to every State and considerate of the need for protecting all the people and their natural resources. Every dollar expended upon a flood-control project benefits our Nation. It conserves our soil. It helps to assure our water supply. It adds to the recreational opportunities of the American public. It even beneficiates our climate. The time had come in 1936, in truth it had passed long since, for the United States to bring to a halt the waste of our soil and other natural resources from this cause—from floods wherever they had been or had become a public hazard.

California has no apology for the requests for flood-control assistance which are in the budget you are now considering. They have been carefully—indeed, scientifically—determined. They are in the national interest as that interest is stated in the Flood Control Act of 1936 and the other laws of the United States.

It is a comfort to me and my fellow citizens with me this afternoon to realize that this honorable committee has always understood and approved the methodology of our approach: Our statewide water conference, our consultation with experts on every flood-control proposal and project, the retention of our requests to logical, justifiable sums. You have been good enough to say that our efforts to bring a coordinated program to your attention have been of assistance to the committee throughout the years. We appreciate this.

The people of California are desirous as are all good Americans to avoid waste in the use of Government funds, State or Federal or local. We are not interested in pork barrels or boondoggles or spending for spending's sake. We are convinced that the investments now proposed in flood-control works in California are in the interests of a better economy for our State and the United States, and that they therefore represent true savings to the people and the Government.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield.

Mr. JOHNSON of Texas. When the distinguished Senator from California was addressing the Chair, I was conferring with the senior Senator from Louisiana [Mr. ELLENDER], the very able chairman of the Subcommittee on Public Works of the Committee on Appropriations, about the serious conditions which exist in the Southwest.

This weekend a number of Members of the House are going to Texas to inspect at firsthand the devastating effects of the recent floods. For a period of many years we have suffered from a lack of rainfall. Now we have had to suffer from too much rainfall.

I understand the situation to which the Senator has referred in his own State. I wish to assure him of my complete understanding and cooperation in an attempt to see to it that adequate funds are provided for the control of floods in all the States of the Union. I appreciate very much the generous statements my colleague has made about me, and I assure him that I reciprocate his feelings.

Mr. KUCHEL. I thank the Senator very much.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield to my friend the able Senator from Louisiana.

Mr. ELLENDER. I should like to state to my good friend from California that I appreciate his appearance before the committee and his statement with reference to projects to control the floods which are now ravaging various States of the Union.

About 2 weeks ago I asked the Army engineers to make a study of the floods in various parts of the country, with a view to their coming before our committee to show justification, if they could, for perhaps more money to take care of the situation to which the Senator has referred.

It is my hope that by about June 10 or 12 we may be able to have the engineers appear before our committee, so that we may go over the study they will have made in the intervening 2 or 3 weeks.

It is my hope that a sufficient case will be made so that many of these projects will be justified and that we will be in

a position to incorporate in the bill more money than the budget estimates call for.

Mr. KUCHEL. I wish to say to the very able Senator from Louisiana, who is the chairman of the subcommittee of the Appropriations Committee which handles these problems, that he has the gratitude not only of the people whom I have the honor in part to represent in the Senate, but also the gratitude of the people of the Nation as a whole, for the constructive way in which he has dealt with these problems.

Mr. JOHNSON of Texas. Mr. President, I appreciate the interest of the junior Senator from California. I made public reference to the debt of gratitude that we in the Senate owe the distinguished minority leader for the way he handled the public works bill on the floor. I have asked the Army engineers to make a survey of the savings which have resulted in my State during the past month as a consequence of the investments made by the Government in dams on many major rivers of Texas.

I believe it is particularly interesting to point out, that in one river basin alone, under the leadership of the distinguished minority leader and the Senator from Louisiana [Mr. ELLENDER], flood-control works costing about $68 million have been constructed. In the area of the Fort Worth-Dallas-Trinity Basin, the engineers estimate that that expenditure of $68 million has saved $65 million in flood damage this year alone.

In the lower Colorado River area in Texas, near my home, a series of dams have been built. The total cost of those dams is in the neighborhood of $55 million. The Bureau of Reclamation built one, and the others were built largely from PWA funds. It is the opinion of the senior Senator from Texas that, except for those dams, that area of Texas would have suffered more than $55 million in damage during this year alone.

Therefore, I think that those who refer to public works projects as "pork barrel" fail to realize what confronts the people who live in these river basins. And they fail to realize the true economic value and great savings these projects represent. If this is pork barrel, then what we need is more pork.

Mr. KUCHEL. In the flood which ravaged the northern part of California last year, the great capital city of the State was protected by reason of the completion by the Federal Government of the great dam at Folsom. That dam was authorized, I might say, by the Senate under the leadership of my colleague, the senior Senator from California [Mr. KNOWLAND]. The protection afforded by this dam lends great emphasis to the force of the argument made by the senior Senator from Texas, that these expenditures are an investment both in America today and in America of the future.

Mr. JOHNSON of Texas. An estimate will be submitted for some half billion dollars or so for the public works bill, or whatever the exact amount will be. I venture the prediction that if a careful study were made throughout the United States where serious floods have occurred, a substantial part of that half billion dollars would be shown to have been saved this year alone by virtue of the flood control dams already built.

Mr. KUCHEL. In my judgment the Senator from Texas is entirely correct.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield.

Mr. CASE of South Dakota. The people of the United States are fortunate indeed that in both the majority leader, the Senator from Texas [Mr. JOHNSON], and the minority leader, the Senator from California [Mr. KNOWLAND] we have men who understand this problem. In the leadership in the Appropriations Subcommittee which deals with this matter we have the understanding treatment accorded to the problem by the senior Senator from Louisiana [Mr. ELLENDER] and the senior Senator from California [Mr. KNOWLAND], and their associates on the committee.

In connection with the estimates which the committee is considering, and to which the Senator from Louisiana has alluded, I trust consideration will be given to the amount appropriated for the small projects. I refer to projects covered by section 212, as amended, of the Flood Control Act of 1950, which permits projects to be undertaken by the Corps of Engineers when the total cost is within, I think, the amended limit of——

Mr. ELLENDER. Four hundred thousand dollars.

Mr. CASE of South Dakota. With projects of that nature, much immediate good can be accomplished. Sometimes we think in terms of large flood-control projects. I do not belittle them in the least; they are important and necessary. But in many instances whole towns and communities can be saved by a relatively minor project constructed within the section 212 classification. Under that section the engineers are enabled to go ahead when they consider a project to be meritorious.

So I hope, as a result of the review which the able Senator from Louisiana has mentioned, small projects will not be overlooked, but will be undertaken.

Mr. ELLENDER. I may say to my good friend from South Dakota, with the permission of the Senator from California, that when the engineers appeared before the committee, I asked them specifically whether they could use more than the $3 million budgeted. I was given to understand that that amount was about all they could use, but I expect to look into the matter again in the light of the floods which we have been discussing this afternoon. It is entirely possible that program can be enlarged, and also that the funds for projects which have not even been surveyed can be increased.

As the Senator from South Dakota knows, there are two laws under which action may be taken. One is limited to $400,000 for projects which have been authorized and the other for smaller projects which are not authorized. It is my purpose to make a further study of both programs, with a view to increasing the amount proposed to be appropriated, if there is justification for doing so after the engineers have submitted their report.

Mr. CASE of South Dakota. I thank the Senator from Louisiana for his assurance. I appreciate having the Senator from California yield to me.

Mr. KUCHEL. I concur in the comments made by my friend the distinguished junior Senator from South Dakota. So far as the leadership on both sides of the aisle and the leadership in the Committee on Appropriations, in the person of the distinguished senior Senator from Louisiana are concerned, the problem of flood control and the responsibility which the Federal Government has in carrying forward flood control projects has been considered, during the time I have been a Member of the Senate, on merit, and the merit alone. We are not only protecting American life and American property today, we are permanently investing in America's future in our national program of flood control.

MODERNIZATION OF AIR TRAFFIC CONTROL FACILITIES

Mr. MONRONEY. Mr. President, one of the most serious transportation crises the Nation has ever faced confronts it now in the overcrowding of air space. Every day the number of near-misses reported to the Civil Aeronautics Authority by the airline pilots increases.

Congress is moving in the direction of taking some action about the vast overcrowding of the limited amount of space in which more and more planes are daily being routed.

A very important bit of testimony was given yesterday morning before the Committee on Interstate and Foreign Commerce in connection with the Curtis report. Unfortunately, not many members of the press were present, and not many members of the committee could be there. But Mr. Clarence N. Sayen, president of the Air Pilots Association, testified regarding the need and the necessity for an organizational structure to bring some order out of the chaos which exists today, by modernizing, bringing up to date and increasing the capacity of the national airways.

I believe Mr. Sayen and his fellow airline pilots are perhaps the most competent witnesses in the United States to testify to the necessity and the kind of an organization to correct the dangers and to modernize the airways. His testimony strongly favors giving authority to a single agency of the Government to correct the situation which has been allowed to develop during the past several years.

I shall read a few paragraphs from the statement, and then I shall ask unanimous consent to have the entire statement printed in the RECORD:

The authority to allocate airspace should be possessed in the same agency which has

the responsibility for the operation of the airways system and for research and development to keep the system competent to meet the current requirements of the users. Unless research and development is to be conducted in an ivory tower removed from everyday realities, current operating problems, including the extremely critical problem of allocation of airspace or restriction on the use of airspace among the users, must be considered. A fine program, developed in theory, may fail if authority to utilize the airspace in question is not available.

We were pleased to note again that the long-term program envisioned by the Curtis committee adopts this conclusion; however, the immediate program would leave the authority for the allocation of airspace as it is presently practiced, with the acknowledged difficulties of decision making. The adoption of S. 1856 without further steps would perpetuate for at least 3 years the present organizational structure under which 6 agencies of Government must reach unanimous agreement on controversial aviation problems and, failing such agreement, the President must review and resolve the deadlock.

This, of course, is cumbersome and time-consuming. Further, this would mean that the present program of the Civil Aeronautics Administration must be implemented under the recognized handicaps of the present system. Any research and development would have to be predicated upon the tenuous premise that the present system might be perpetuated in the event Mr. Curtis' recommendations for future changes are not accepted.

We believe it is obvious that the authority to allocate airspace must be vested in the same individual who has responsibility for the operation, reliability and safety of the airways system, and we believe that this was the original intent of Congress.

Mr. President, the bill, S. 1856, is now before the Committee on Interstate and Foreign Commerce. It is the result of a thorough study made by General Curtis, consuming many months.

In the study, General Curtis recommends a separate airways-modernization board which will be completely outside the regular working regulatory board for aviation, the Civil Aeronautics Authority.

Although it is true that General Curtis found it would be necessary to establish a single agency to control all the airways and to have decisions made by it, he recommended a delay of this single agency for 3 years while the airways-modernization board is developing as a separate agency. Later it would be combined with the new aviation agency.

The time is later than we think. This matter should be placed now under one central authority having power to act, rather than to have the problems concerning airspace navigation and development placed upon the overcrowded desk of the President of the United States as the only person who can resolve conflicts.

Because of his experience, his understanding, and his everyday working knowledge of air problems as representative of the men who fly the airliners of the Nation, I ask unanimous consent to have printed at this point in the RECORD the complete statement made by President Sayen before the Committee on Interstate and Foreign Commerce yesterday.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF CLARENCE N. SAYEN, PRESIDENT, AIR LINE PILOTS ASSOCIATION, INTERNATIONAL, AND INTERNATIONAL FEDERATION OF AIR LINE PILOTS ASSOCIATIONS, BEFORE THE SENATE INTERSTATE AND FOREIGN COMMERCE COMMITTEE ON LEGISLATIVE BILL S. 1856, A BILL TO PROVIDE FOR THE DEVELOPMENT AND MODERNIZATION OF THE NATIONAL SYSTEM OF NAVIGATION AND TRAFFIC CONTROL FACILITIES TO SERVE PRESENT AND FUTURE NEEDS OF CIVIL AND MILITARY AVIATION, AND FOR OTHER PURPOSES

I am Clarence N. Sayen, president of the Air Line Pilots Association and the International Federation of Air Line Pilots Associations. A brief description of these organizations and my background is attached to this statement.

We appreciate the opportunity to appear and state our views on the important legislation contained in S. 1856. We always welcome the opportunity to assist in programs for improving safety and we are particularly appreciative of the opportunity to discuss this bill, as it deals with a subject with which the airline pilots have been deeply concerned for a number of years, have devoted much of their energy and resources, and which closely affects their personal safety and that of their passengers.

We concur completely with previous witnesses and public statements of informed people as to the critical nature of the airways and airspace problem. The system and facilities for handling air traffic are now inadequate and have been inadequate for some time. The steady growth in air traffic which has been described by previous witnesses will aggravate the problem. The result produces serious safety problems, a deterioration in the standard of air service, and serious limitations in our ability to meet our national defense requirements. The net cost of these inadequacies is a burden which this country cannot, in our opinion, tolerate.

Our association has been convinced of the foregoing for some years and we are hopeful that the growing realization of the seriousness of the problem will bring at least two results: (1) An alleviation of the currently critical situation in airspace use, and (2) the creation of a governmental structure which will be capable of continuously coping with such problems and preventing them from reaching such emergency proportions in the future.

There have been a number of reviews of aviation problems conducted during recent years which have involved overall national aviation policy and, in some instances, narrower studies of specific aviation problems, such as that of aviation facilities and air traffic control. With specific reference to the aviation facilities problem, a study in this area was undertaken by the so-called Harding committee in 1955 (officially the Aviation Facilities Study Group), which stated in its report that general aviation was in a state of emergency due to the inadequacy of air navigation facilities and traffic control services. It was as a result of this report that General Curtis was named Special Assistant to the President for Aviation Facilities Planning, and the so-called Curtis committee was formed. Mr. Curtis and his associates have now set forth their findings and recommendations in a series of reports. As we read the reports, Mr. Curtis has recommended: (1) That the program presently planned by the Civil Aeronautics Administration be supported for immediate relief from the airways problem; (2) authorization for the beginning of immediate research in the field of aviation facilities planning so as to provide essential equipment and systems to solve the long term airways problem; and (3) a reorganization of the governmental structure for handling aviation problems to provide for an effective independent agency capable of providing for continuous research and development planning and administration of aviation policy.

We are generally in agreement with the problems as stated by the Curtis committee and with the necessity for action in all three areas if they are to be solved. This association desires to commend General Curtis and his associates on the thoroughness and courage with which they have confronted the technical, organizational, and administrative problems involved in aviation facilities planning and related areas. We have been happy to cooperate in this project and we hope that there will be early and effective action to resolve those problems. However, we believe that there are a number of areas in which the specific proposal contained in S. 1856, examined from the overall and long-run view, may be strengthened and better adapted to immediate and continuous solution of these problems. We would like to devote our attention, therefore, to the specific areas in which we think the program might be modified, improved, or strengthened:

1. We believe that any research and development program should first be concerned with the immediate practical problems. By solving immediate problems and anticipating their extension, we believe that the most practical approach and efficient utilization of funds will be made. In this regard, we believe that maximum utilization should be made of the experience and knowledge of existing agencies and all users of the airspace, including the military and the various civil users. We believe the users have a great contribution to make in terms of practical knowledge of deficiencies in the present system and in the evaluation of new procedures and equipment and that any program should provide for close consultation with such groups to guarantee its practicality and acceptability.

2. We concur that the present program of the Civil Aeronautics Administration should be supported by the Congress and all other interested parties to expedite the solution of present problems and alleviate the currently critical areas. We believe that if the Civil Aeronautics Administration is provided with the funds to develop, purchase and install presently known devices and methods, the capacity and ability of our present airways system may be greatly enhanced. For that matter, methods, facilities and knowledge presently available can do much to provide for a safe and effective transition of our airways system to the handling of future problems.

3. We believe that a separation of the research and development agency (Airways Modernization Board) from the implementing and administrative agency (Civil Aeronautics Administration) will not provide for the most effective coordination of effort. Past experience has indicated the difficulty of dealing with development in one organization and the responsibility for operating requirements in another organization. This has been true of the Air Navigation Development Board, which the proposed Airways Modernization Board would largely replace. The proposed Airways Modernization Board would have many of the same characteristics as the Air Navigation Development Board and many of our representatives, who have been active in the air traffic control field, feel that the confusing relationship of the Air Coordinating Committee to the Air Navigation Development Board and the fact that operating people and technical people did not work together under a common organization was

a basic cause of the failure of the Air Navigation Development Board.

We believe that a more practical program would emerge if the individual having the responsibility for the implementation of the program also had the responsibility for keeping the research and development ahead of operating requirements. In this manner there is assurance that continuity of operational know-how will be combined with continuity of research and development. We were pleased to note that in the complete Curtis committee reports, the foregoing conclusions are recognized, although deferred for future study and action.

4. It has long been our view that the responsibility for aviation facilities should be in a single agency with a single head, and that this individual should be appointed by the President, confirmed by the Congress and responsible to both of them. We were pleased to note that in the complete reports of the Curtis committee this conclusion is recognized; however, in connection with S. 1856, the legislation here under consideration, a tripartite board is recommended. It would appear practical that the organizational concept envisioned for the solution of long-run problems would also be the most efficient for the solution of immediate problems.

We are aware of the criticism that the foregoing organizational concept would exclude the military from joint consideration of airways and airspace problems, but we do not believe that this is a valid conclusion. It is normal in our governmental scheme for civil agencies to exercise decision-making authority in fields closely allied with the military. The military would have the right to demand that their problems be given full and equal consideration with those of all other users of the airspace, and in our view would have as strong a voice as envisioned in the tripartite board, where they may be out-voted by the third member. Provisions could be inserted in any program providing for consultation on any items of mutual interest and joint utilization of research facilities wherever the public interest requires it. Congress has recognized the national defense requirements in the Nation's airways and airspace from the beginning, and clearly stated its policy and intent in the Civil Aeronautics Act of 1938. Section 302 (a) of that act states:

"The Administrator is authorized and directed to designate and establish such civil airways as may be required in the public interest. The Administrator is authorized, within the limits of available appropriations made by the Congress, (1) to acquire, establish, and improve air-navigation facilities wherever necessary; (2) to operate and maintain such air-navigation facilities; (3) to arrange for publication of aeronautical maps and charts necessary for the safe and efficient movement of aircraft in civil air navigation utilizing the facilities and assistance of existing agencies of the Government so far as practicable; and (4) to provide necessary facilities and personnel for the regulation and protection of air traffic. In exercising the authority granted in this subsection, the Administrator shall give full consideration to the requirements of national defense."

Under the single agency, single-head concept, the decision-making responsibility and authority would lie in a single individual, and there could be no evasion of responsibility by virtue of overlapping areas of authority. We believe that this was the intent of Congress in adopting the Civil Aeronautics Act of 1938 and that it would remain the most effective.

5. The authority to allocate airspace should be possessed in the same agency which has the responsibility for the operation of the airways system and for research and development to keep the system competent to meet the current requirements of the users. Unless research and development is to be conducted in an ivory tower removed from everyday realities, current operating problems, including the extremely critical problem of allocation of airspace or restriction on the use of airspace among the users, must be considered. A fine program, developed in theory, may fail if authority to utilize the airspace in question is not available. We were pleased to note again that the long-term program envisioned by the Curtis committee adopted this conclusion; however, the immediate program would leave the authority for the allocation of airspace as it is presently practiced, with the acknowledged difficulties of decision making. The adoption of S. 1856 without further steps would perpetuate for at least 3 years the present organizational structure under which 6 agencies of Government must reach unanimous agreement on controversial aviation problems and, failing such agreement, the President must review and resolve the deadlock. This, of course, is cumbersome and time-consuming. Further, this would mean that the present program of the Civil Aeronautics Administration must be implemented under the recognized handicaps of the present system. Any research and development would have to be predicated upon the tenuous premise that the present system might be perpetuated in the event Mr. Curtis's recommendations for future changes are not accepted.

We believe it is obvious that the authority to allocate airspace must be vested in the same individual who has responsibility for the operation, reliability, and safety of the airways system, and we believe that this was the original intent of Congress.

6. We believe it is imperative that continuity of development be insured in this important and expensive responsibility of Government. A number of research and planning efforts have been undertaken in the past in this field have not been successful and the investment and results have been lost. We have attempted to analyze the reasons for their lack of success to determine the best pattern for the future. We have come to the conclusion that one of the main reasons was a division of responsibilities. With the present division of authority on aviation matters in our governmental setup, research and development by one group may never be implemented by another group.

We are apprehensive that there will be a lack of continuity and possible loss of results under the proposed Airways Modernization Board in the event the remainder of the proposed program is not adopted. The Airways Modernization Board as a separate agency would have to organize, recruit a staff in the short labor market, and establish procedures for operation. With a limited and indefinite future, we feel that these difficulties would limit the progress that could be made in a 3-year period. If such board would then be discontinued, the personnel would be dispersed and many of the conclusions would probably not be implemented, and more time would have been lost.

On the other hand, the Civil Aeronautics Administration is an established agency. The addition of the number of staff people necessary in the technical fields to supplement present research and development programs would place no unreasonable burden on CAA's administrative functions. The Airways Modernization Board could be created as a functioning department under the Administrator and utilize the facilities now available in that organization. Procedures for close coordination with the operating personnel could be established. The necessity to meet military needs is clearly established in the Civil Aeronautics Act and facilities of the military or other agencies of the Federal Government could be made available.

A summary of the foregoing points leads us to the conclusion that the present airways problems would best be resolved by immediate legislation which would place the responsibility for research and development in aviation facilities planning, the operation of the airways, the allocation of airspace and allied responsibilities under a single agency having a single head.

We believe that this can best be accomplished by clearly establishing this authority and responsibility under an existing, organized, and operating agency such as the Civil Aeronautics Administration, headed by a single administrator. In our view, this is the concept intended by the Congress in the original enactment of the Civil Aeronautics Act of 1938 and that, because of a series of separate and unrelated steps to solve individual problems since that time, the effectiveness of the basic structure has been destroyed.

We believe that one of these steps, which we strongly opposed at the time, was the passage of Reorganization Acts No. 4 and No. 10, which destroyed the independence of CAA and placed that agency under the Department of Commerce. Actions since that time, including Executive Order 9781 on September 17, 1946, creating the nonstatutory Air Coordinating Committee, have diluted the authority of the Administrator until it has become confused and lacks a clear definition of the responsibilities for aviation functions. In order to make the Administrator directly responsible for this and other important functions under his jurisdiction, we believe that the Civil Aeronautics Administration should again be made an independent agency directly responsible to the Congress and the President.

In summary, we endorse many of the conclusions and objectives recommended by the Curtis Committee. We endorse the immediate need for full implementation of the present program of the CAA for airways improvement; the need for accelerated research and development and funds for that purpose. We support the recommendation for an independent Federal Aviation Agency. However, we believe that most of these objectives can be accomplished more rapidly and more efficiently by the immediate creation of an independent agency from the currently existing Civil Aeronautics Administration, with appropriate clarification of its areas of authority and responsibility. The authority for the operation of the airways system and the allocation of airspace, along with the research and development organization to keep the system current with user and national defense demands could be placed in an existing, organized agency.

The need for fast, decisive action to resolve the aviation facilities problem is now generally agreed. General Curtis and his associates have rendered a most valuable service in pointing the way to a three-step program to cope with these and other problems. We applaud these decisions, but we believe that a more realistic, expeditious, and practical implementation of them may be achieved with the revisions we have recommended.

We greatly appreciate the opportunity afforded to us to make our views known on this important legislation.

QUALIFICATIONS OF WITNESS CLARENCE N. SAYEN, PRESIDENT, AIR LINE PILOTS ASSOCIATION, INTERNATIONAL, AND INTERNATIONAL FEDERATION OF AIR LINE PILOTS ASSOCIATIONS

The Air Line Pilots Association is an association of the professional airline pilots of the scheduled United States air carriers. At present, it has a membership of over 15,000 active and inactive members employed by 51 airlines. The association represents airline pilots in all aspects of their professional life. It is their bargaining agent under the Railway Labor Act, maintains an extensive air safety organization in 145 councils scattered throughout the United States and a number

of foreign countries, and is spokesman for the airline pilot in his relationship with municipal, State, Federal, and international organizations.

The International Federation of Air Line Pilots Associations is a federation of the pilot-representing organizations of 25 countries and represents the professional pilots of practically all civil aviation in the world outside the Iron Curtain countries.

By way of personal background, I hold B. A. and M. A. degrees in geography and economics. I have been a teacher and an airline pilot. Some current activities include membership on the committee on operating problems of the National Advisory Committee for Aeronautics; executive committee of the National Air Transport Coordinating Committee; war air service pattern committee of the Defense Air Transportation Administration; National Aviation Noise Reduction Committee; executive committee of the Radio Technical Commission for Aeronautics; the Chicago Aero Commission; industry advisory committee of the Interdepartmental Aviation Manpower Committee; and the 1957 long-range planning committee of the Radio Technical Commission for Aeronautics.

PROGRESS ON THE ST. LAWRENCE SEAWAY

Mr. HUMPHREY. Mr. President, it is of intense interest to the citizens of Minnesota, and particularly to the great port of Duluth, that progress on the St. Lawrence Seaway now has passed the halfway mark and is running on schedule, and that the ships of many nations are now moving forehandedly to establish routes into and out of America's great heartland.

In fact, today in Detroit there is to be a ceremony commemorating the deepening of the Great Lakes channels. It was my privilege to submit to the Senate a resolution asking for a survey looking to the deepening of the channels of the Great Lakes to connect with the St. Lawrence Seaway. I am happy to note that progress has been made under the authorization and the appropriation which Congress made subsequently.

It will really be another year or two before all the channels will have been deepened to 27 feet and the port cities of the Great Lakes will have become an integral part of the great Atlantic port system.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "Seaway Surge: Ship Lines Scramble for Great Lakes Routes, Start Expanding Fleets," written by Ray Vicker, and published in the Wall Street Journal of May 23, 1957. The article very dramatically points up the plans for converting the landlocked seas of the Midwest into America's fourth coast.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SEAWAY SURGE: SHIP LINES SCRAMBLE FOR GREAT LAKES ROUTES, START EXPANDING FLEETS—AIM IS TO GET INTO POSITION TO TAP INCREASE IN TRADE WHEN CHANNEL IS DEEPENED—CRUISING ABOARD THE "COLONIA"

(By Ray Vicker)

CHICAGO.—On the bridge of the motorship *Colonia* bound for Venezuela, dark-goateed Capt. Detlef Meestenburg, 31, dashing skipper of this German-flag Ahlmann Transcaribbean Line ship, studies the twinkling lights of Chicago abaft and off the port beam.

At his elbow, Capt. Paul Tetrault, 46, a happy-go-lucky French-Canadian pilot from Montreal, slides the handle of the engine room telegraph to "half ahead" (halb on the German language dial).

Leaving Chicago behind, the *Colonia* cuts north up Lake Michigan toward Milwaukee, Detroit, Toronto, and Montreal on a water route which is fast taking on an international character.

The Great Lakes-to-Atlantic passage is not new, of course. Small ocean-going ships have navigated the ways for many years, often offering shippers cheaper transportation rates than competing rail-water routes. But now, with construction of the St. Lawrence Seaway well underway and the prospect of a heavy increase in lake-to-ocean traffic, shipping lines already are scrambling to establish a firm toehold on the route.

Until the seaway project is completed, sometime early in 1959, only ships that can navigate the 14-foot-deep St. Lawrence locks can make the run. Deepening of the seaway will permit much larger ships, with drafts up to 27 feet, to sail the lake route

But shipping companies aren't waiting. Many are operating small ships over the route now; others are laying plans for doing so.

"Small ships that can squeeze through the present seaway are so much in demand that some are being chartered for more than the cost of obtaining big vessels four times their size," reports H. M. Holden, president of Great Lakes Overseas, Inc., Chicago-based agents for the Fjell, Oranje, and Swedish Chicago Lines.

This year, the 27 lines operating between Great Lakes and foreign ports have scheduled 450 sailings. Last year there were only 23 lines, and they had 384 sailings. In 1946 the 2 lines then in business had only 2 dozen sailings. Shipping men predict there will be 60 lines in the trade by 1960, a year after the seaway is completed.

BEER, CHEESE, FISH

This shipping boom is of growing importance to thousands of manufacturers in the Middle West, an area that originates nearly half of the Nation's exports. For Midwest consumers, it's providing an increasing flow of German beer, Dutch cheese, Norwegian canned fish, and hundreds of other foreign products cargoes that might have difficulty competing in these markets were it not for the savings of the direct water haul.

It's also laying the groundwork for much heavier traffic after the seaway opens. One of the problems in building this business is finding items both here and abroad that can compete in this trade. R. L. Kohl, president of the Midwest Steamship Agency in Chicago, which is agent for Ahlmann Transcaribbean, says: "We recently counted 125 ports of call between Quebec and Chicago where cargo could be developed."

Seaway construction now has passed the halfway mark and is running on schedule. Although costs thus far have been nearly 50 percent above original estimates, seaway backers say the tolls to be charged will not make the new route uneconomical. Lewis G. Castle, administrator of the St. Lawrence Seaway Development Corp, in Washington, nothing that the amortization period originally planned for 30 years can be stretched out to 50 years, declares, "Toll rates will be economic for users."

The current shipping surge, evidence that there will be heavy traffic over the lakes route when the seaway is completed, promises to produce a bonanza for shipbuilders.

Swedish Chicago Line now is asking for bids for five large cargo ships which would be placed in service after the spring of 1959. The Belgian Line has ordered several 3,000-ton vessels for Lakes-Belgium-Belgian Congo service. Norwegian America Line and the Fjell Line, both Norwegian-flag lines, will operate a joint service to Scandinavian ports with several modern cargo liners of between 7,000 and 8,000 tons deadweight, says a spokesman.

FRENCH LINE ON THE SEAWAY

The French Line is ordering two new vessels, the *Chicago* and *Cleveland*. Andre Boutelle, Chicago manager for the line, says the new ships will go into service when the seaway opens. Each ship will be 7,500 tons deadweight (total weight of the ship, including cargo-carrying capacity) and 450 feet long. The present system of St. Lawrence River canals limits the size of ships to about 1,500 tons deadweight.

Anthony Veder, owner of the Oranje Line, Rotterdam, and co-owner of the Fjell-Oranje Line, which now offers service to United Kingdom and continental European ports from the Great Lakes says: "Fjell-Oranje Line is arranging to provide deluxe passenger service between the Great Lakes and Europe. Our plans call for construction of 2 large vessels of the combination freight-passenger class which will accommodate 100 passengers each."

American shipping companies, up to the present, have been slow to enter the lakes-overseas trade. Now that the United States Maritime Board has approved the European and the Caribbean routes for subsidies, five companies are seeking ships for service.

"There is an enormous traffic potential," says Matthew S. Crinkley, executive vice president of the Isbrandtsen Co., Inc., of New York. He adds:

"Upon the opening of the St. Lawrence Seaway, Isbrandtsen is prepared to build or otherwise acquire suitable oceangoing vessels of 8,000 to 8,500 tons deadweight and fitted with refrigerator space, deep tanks for the carrying of bulk liquids, adequate hatches for bulky, large-dimension cargoes, and facilities for heavy lift." Estimated total cost of the 8 ships planned: Between $35 and $40 million. In the interim before completion of the seaway, Isbrandtsen is seeking to charter eight small vessels from the United States maritime reserve fleet.

"These are the only type vessels under United States registry available for service capable of meeting present requirements of the St. Lawrence River Waterway," says Mr. Crinkley.

Grace Line of New York is seeking four of these ships to connect Colombian and Venezuelan ports to the Great Lakes.

"Our intention is to serve the trade with the small ships until 1959," explains slim, polished Lewis A. Lapham, soft-talking president of Grace Line. "Then, we will transfer C-2's (larger vessels) into the trade. By 1962 or 1963 we expect to have tailormade ships."

Grace Line estimates the cost of building 4 to 6 vessels for the Great Lakes would be $25 to 30 million.

Other lines seeking small ships are: United States Lines of New York, 8; T. J. McCarthy Steamship Co. of Detroit, 4; and Einar J. Crown of Chicago, 2.

IN THE HOLD

Clamber down the steel ladder into the hold of the *Colonia*, and you soon discover why direct foreign trade is booming in Great Lakes ports. Stored in the lower hold is a 131-pound shipment of induction heating equipment consigned from Chicago to La Guaira, Venezuela. A check of freight tariffs show this shipment will reach its destination for $75.50. Shipped via rail to New Orleans and thence by ship, the rate would have been $114.58.

"Since June 1946, railroads east of the Mississippi have initiated 13 general freight rate increases totaling 98.2 percent," says George Weiss, chairman of the Great Lakes Overseas Freight Conference of Chicago, an association of overseas ship agents and operators. "Each increase has made the lakes route more attractive to exporters," he asserts.

Savings to shippers via the lakes route over competing routes vary. But authorities in the trade estimate the savings now average at least 15 percent, and sometimes reach over 50 percent. It often requires more time, of course, since Great Lakes ports are from 2,000 to 2,600 miles farther from foreign ports than east coast facilities. The *Colonia*, for example, allows 30 days for the one way Chicago to Venezuela run, which includes loading and unloading time. By rail, Midwest shippers allow 7 to 9 days to New York, and 14 to 19 days for the ocean haul to Venezuela, for a total time of 21 to 28 days.

Consolidated Food Processors, Inc., of River Grove, Ill., has a consignment of marshmallows aboard the *Colonia*.

"We are saving about 50 percent in freight rates by shipping via the lakes route instead of the rail-Atlantic port route," says Rudy Hernandez, export traffic manager at Chicago for the company.

Twelve hours after leaving Chicago, the *Colonia* eases into Milwaukee harbor, slips past the city's sewage disposal plant and berths at the municipal dock opposite the gleaming silver oil tanks of the Sinclair Refining Co.

Within minutes a heavy lift crane is loading a Geo. J. Meyer Manufacturing Co. bottle washing unit, a filling unit and a cooler destined for a brewery in Valencia with a total weight of 119,000 pounds.

COST COMPARISONS

"Approximately $1,700 will be saved in railroad freight to seaboard on the material sailing in the *Colonia*," says William M. Hodgins, of the Meyer sales department.

Also loaded is a consignment of 10 air-cooled engines.

"The savings on this shipment of 10 engines amounts to about $320 forwarding via the *Colonia* as against a rail shipment to New York and ship from there," reports Len Ruta, assistant export manager for Wisconsin Motor Corp., of Milwaukee, subsidiary of Continental Motors Corp.

He explains that the $3.22 per 100 pounds rail freight charge to New York is eliminated, for a savings of $103. A $17.50 cartage haul at New York also is eliminated. The firm can do without export packing when engines are loaded directly onto a vessel at Milwaukee. Shipments go in ordinary domestic packing at a savings of about $10 per engine. The ocean rate from Milwaukee to La Guaira of $157.50 is about the same as the rate from New York to La Guaira, so the rail, cartage and packaging savings represent a net gain.

Four and a half hours after docking at Milwaukee, lines are cast off. The *Colonia* chugs northward, bucking heading seas which burst in spray over her bow.

Twenty-two hours after leaving Milwaukee, the *Colonia* sails through the Straits of Mackinac which connects Lake Michigan and Lake Huron. Overhead the cables of the uncompleted $100 million bridge being built over the straits sway in the north wind.

That wind makes the voyager acutely conscious of the main limitation facing the St. Lawrence Seaway: For 4 months of the year the Great Lakes-overseas route is icebound.

"I draw my unemployment check every week through the winter," says Pilot Tetrault, a $42.50-a-day man when working 7 days a week through 8 months of the year. He confesses he would prefer his winters in Florida rather than in Montreal. "But the unemployment compensation office in Montreal won't forward my checks to Florida," says he.

Evening finds the *Colonia* on Lake Huron. The vessel, built in Bremen, Germany, in 1953, can haul 2,170 tons of cargo; but she can't load over 1,500 tons and still get through the 14-foot locks to the Atlantic.

Leaving Lake Huron, the *Colonia* threads down the winding channel of the St. Clair River, past a steady parade of long ore boats. Forty-four hours after leaving Milwaukee, the ship docks at Detroit Harbor Terminals in Detroit, just below the Ambassador Bridge linking Detroit and Windsor, Ontario. Waiting on the dock are 96 disassembled and crated Plymouth autos bound for La Guaira, plus an assortment of 3,800 pounds of Kerr Manufacturing Co. dental plaster and X-ray developer.

David Zajac, cargo agent at Detroit, says: "We could have booked considerably more cargo for this trip but there wasn't any more space."

Leaving Detroit, the ship passes the Detroit River Light and enters Lake Erie, shallowest of the Great Lakes. With the Canadian shore a dim, misty line off the port beam, the vessel sails the downbound ship lane, reaching Port Colborne, Ontario, and the Welland Canal at the lower end of the lake in 19 hours.

Here the voyager is made aware of another possible bottleneck when the deep-draft seaway brings a rush of additional ships into the lakes. Five ships are in the Welland Canal ahead of the *Colonia*. So the *Colonia* must tie to a dock at Port Colborne, awaiting her turn to navigate the eight locks.

Lake Erie drains into Lake Ontario over the 167-foot drop of Niagara Falls. It is the Welland Canal which allows ships to bypass the falls.

For many years the single lane of locks was sufficient for traffic on the lakes. Now, with foreign ships plying the lakes, bottlenecks already are occurring. Canada is proposing to build a second set of locks at a cost of $100 million. But, that's still in the future.

Where a normal passage might take 8 hours, the traffic-delayed *Colonia* requires 16. "Sometimes a ship may lose a day here," says pilot Tetrault.

Once in Lake Ontario, easternmost of the Great Lakes, it is only a short run to Toronto. At this port, with its 12 miles of steel and concrete berths, the *Colonia* picks up about 300 tons of powdered milk and steel forgings.

CHANGING PILOTS

In darkness the *Colonia* slips out of the harbor past Gibraltar Point, her 8-cylinder, 1,400-horsepower diesel engine vibrating steadily. In 14 hours the vessel is at the eastern end of Lake Ontario under the dandelion-sprayed bluff of old Fort Henry at Kingston, Ontario. Here pilots are changed for the St. Lawrence River run.

Impeccable, thin-moustached Capt. Vinton Keogh clambers up the ship's Jacob's ladder from a bobbing launch, wearing a homburg and a well-tailored suit.

The telegraph clangs and the ship chugs into the Thousand Islands where the St. Lawrence is gathering the waters of the Great Lakes for a rush to the sea.

In a few hours the river's speed warns of rapids ahead. Then comes the first of 21 locks which help ships bypass the fast water. These rapids form an effective barrier between Lake Ontario and the ocean port of Montreal. It is here that the widely heralded St. Lawrense Seaway is being constructed, where the swift river separates Ontario from upper New York. In effect the seaway is merely a 27-foot-deep replacement for the present set of 14-foot draft locks.

As the *Colonia* leaves the last lock she is within sight of Montreal's sprawling environs. With her voyage into America's heartland over, she points her stubby nose toward the channel which will take her to the Atlantic and thence to Venezuela.

ENFORCEMENT OF THE ROBINSON-PATMAN ACT BY PRIVATE PARTIES

Mr. HUMPHREY. Mr. President, Mr. Lee Loevinger, an eminent member of the Minnesota bar, recently delivered an important address before the section on antitrust law, of the New York State Bar Association. The title of Mr. Loevinger's address was Enforcement of the Robinson-Patman Act by Private Parties. Mr. President, I was particularly interested in the address because under my chairmanship of the Subcommittee on Retailing, Distribution, and Fair Trade, I found that the address pointed very directly to one of the most important laws on our statute books, namely, the Robinson-Patman Act, and its relationship to curbing monopolistic practices.

Although the address was delivered to a group of lawyers specializing in the practice of antitrust law, I feel that Mr. Loevinger's remarks have a social and economic significance of broad public appeal. It is important that all of us who are striving to preserve a free and competitive system of private enterprise in our Nation understand fully the role played by private antitrust enforcement in attaining such an objective. This seems particularly true at this time, in view of the determined campaign being conducted by the enemies of antitrust legislation to curtail the effectiveness of private remedies as a means of antitrust law enforcement.

Therefore, I ask unanimous consent that Mr. Loevinger's address be printed in the RECORD at this point in my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ENFORCEMENT OF THE ROBINSON-PATMAN ACT BY PRIVATE PARTIES

(Address by Lee Loevinger, of Larson, Loevinger, Lindquist, Freeman & Fraser, Minneapolis, Minn., delivered before the section on antitrust law of the New York State Bar Association, January 24, 1957)

Fortunately it is unnecessary to comment on the obvious contrast between the eminence of the preceding speakers and the present speaker since this is irrelevant to the topic. However, this disparity should not be taken as indicative of any corresponding difference in the significance of the respective modes of enforcement or groups represented. A principal purpose of permitting private enforcement of a law such as the Robinson-Patman Act obviously is the dual one of giving those who are the objects of the law's concern sanctions for protection against violation and redress in case of injury from violation of the law. In the case of the Robinson-Patman Act it is clear that the primary objective of Congress was the protection of small business. My task is to attempt to determine from the cases in what manner and how effectively the law has operated to afford such protection and redress.

Achievement of the objective of protecting and preserving small business is, in my view, of fundamental importance. The survival of a free economy, which is ultimately essential to our civil and political liberties, depends upon the maintenance of conditions in which small businesses can be born and live. Protection of the public against exploitation and against high or discriminatory prices, however worthy that goal is, may be less important to our ultimate welfare than securing multiplicity and diversity in the enterprises of our business community. From which it seems to follow that the objectives of private enforcement of this law may be quite as significant as those of public enforcement.

The first problem that arises in connection with private enforcement of this act is: Who is protected? Who may bring an action charging violation? The language of the statute is all inclusive, stating that anyone who may be injured in his business or property by violation of the act has a cause of action. However, the decisions somewhat limit this broad language. The courts have refused to include within this provision a stockholder, officer, or director claiming injury to the business of a corporation, or a creditor claiming damage to his debtor's business. Purchasers from a discriminatory seller are, of course, clearly entitled to private remedies, and a typical case under the act involves a suit by service-station operators against a gasoline refiner or distributor based on a claim that gas was sold to competing station operators at a lower price or with larger discounts. It is not necessary that the purchaser be a retailer or that the discrimination be in favor of a competitor of the purchaser if there is discrimination injurious to the purchaser. A wholesaler whose business is injured because the seller gives lower prices to some retailers than to the wholesaler is likewise entitled to a remedy. On the other hand, a trade association of purchasers, not being a real party in interest, is not entitled to bring suit in its own name.

In a number of cases the courts have distinguished between a purchaser and a customer, or a purchaser and a past purchaser or prospective purchaser. There must be an actual sale and purchase of a kind forbidden by the act, and a refusal to sell or to negotiate, or even the quoting of a discriminatory price, is not an actionable discrimination under this act. Similarly, it has been held that a purchaser from a purchaser has no right of action against the original seller. Although the court in this case says the plaintiff has no right of action because he is not a purchaser, a much sounder basis for the result seems to be the fact that there was no discrimination between purchasers from the defendant. The cases are clear that a competitor of a discriminating seller may sue if he is injured, as by losing business on account of the discriminatory price. A competitor need not be a competing seller, but may be the distributor for a competing seller. On the other hand, the competitor of a purchaser who is not himself a purchaser from the seller has no remedy against the seller merely because the seller gives terms or services which the competitor of the purchaser would like to receive.

The principles established by the Robinson-Patman Act for the protection of purchasers are not, of course, confined to small purchasers. In one case a seller engaged in commercial bribery of the president of a large purchaser in order to secure the business of the purchaser. Upon discovering the facts, the corporate purchaser was able to recover from its then former president and the seller three times the amount which it had paid in excessive prices on account of the commercial bribery. Sometimes the protection of the law is invoked by the seller, as in the case where a publisher claimed redress against a distributor of its publications for exacting a rebate from the publisher which was not exacted from other publishers. In this case the court answered the argument that the aim of the law was only to restrict sellers and protect buyers by pointing to subsection of section 1, which the court said was passed primarily to deal with the situation of a large buyer exerting economic pressure on a seller to obtain a rebate.

It is, of course, indispensable to a private right of action under the act that first there be a substantive violation of the actual terms, rather than the general principles, of the act. The mere fact that someone may be injured by some form of discrimination or price cutting not within the prohibitions of the act does not give rise to a cause of action. For example, the manufacturer of a building material brought suit against a contractor because the contractor was using a more expensive competitive building material in houses which he contracted to build at the same or a lower price than houses in which the plaintiff's material was used. The court held that there was no grounds for relief since the transactions involved construction contracts rather than sales, and so were not within the act. However, the complexities of the substantive provisions of the law will be fully explained and clarified by the able speakers who follow on this program, and happily lie outside the scope of my topic.

There are 2 or 3 substantive points that are peculiarly involved in the private rights of action and therefore deserve mention. One of the most interesting issues is whether section 3 of the Robinson-Patman Act is one of the antitrust laws for the purpose of affording a private remedy. This issue had been considered in a number of district court opinions up to November of 1956, and the preponderant majority held that a private action could be founded on section 3. On November 1, 1956, the Court of Appeals for the Seventh Circuit handed down two opinions holding squarely that no private action would lie for damages caused by violation of section 3. The seventh circuit based its opinion on the legislative history of the Robinson-Patman-Borah-Van Nuys legislation, upon the comments of the Attorney General's Committee, and, to some extent upon the opinion and reasoning of the district court in the case of *Vance* v. *Safeway Stores*. But apparently unknown to the court, the Vance case was then pending on appeal before the 10th circuit. Less than a week later, on November 6, 1956, the 10th circuit rendered a decision reversing the district court opinion in the Vance case and holding that section 3 was one of the antitrust laws for which a private civil remedy was available. The 10th circuit did not mention the 7th circuit decision, which it presumably had not yet seen, but based its opinion on the legislative history and purpose of the law and on the weight of district court authority. At the present time there is a clear and irreconcilable conflict between the circuits that must be resolved by the Supreme Court. I am not going to relieve the Supreme Court of its responsibility by undertaking to say how this issue should or will be decided. The points at issue are nice ones, though time will not permit their consideration now. However, for purposes of taking a present position, I would venture the guess that the odds favor the position of the 10th circuit. I say this because the majority of district court opinions support this view; the Supreme Court has clearly assumed, although not expressly decided, that section 3 can support a private action for damages; and since the conflicting opinions of the 7th and 10th circuits have been published, a district court in New Jersey has handed down a decision holding the 10th circuit position to be the more persuasive. Perhaps one footnote should be added to this topic. Regardless of how the Supreme Court finally decides this issue, one of the seventh circuit decisions suggests the possibility that section 3 refers to conduct of a sort which, regardless of statute, will give rise to a common law right of action if it results in injury to another's business.

A juridictional requirement for suit under the Robineon-Patman Act is that the defendant be engaged in interstate commerce although *Moore* v. *Mead* made it unmistakably clear that it is not necessary for the plaintiff to be engaged in commerce or even in activities effecting commerce. One district court has indicated that *Moore* v. *Mead* leads it to the conclusion that a plaintiff engaged in interstate commerce may have a private remedy against an intrastate competitor who engages in discriminatory practices. This seems somewhat dubious, particularly in view of the fact that the courts generally have been somewhat stricter in requiring a showing of interstate commerce activity in private actions under the Robinson-Patman Act than in other types of antitrust actions.

A plaintiff who seeks a private remedy under the Robinson-Patman Act must establish that the defendant's illegal conduct was the proximate cause of demonstrable injury to plaintiff. But it is not necessary that the plaintiff go further and show that defendant's illegal acts have also caused injury to the public. In most cases it would probably be impracticable for a plaintiff to make such a showing within the scope of the issues open in a private suit, except insofar as a violation of the antitrust laws in itself constitutes an injury to the public interest, which perhaps is as much as a plaintiff is required to show in any case.

Some of the opinions suggest that the reason for permitting private enforcement of any of the antitrust laws is to assist the public agencies by providing an auxiliary force of private investigators, and, presumably, plaintiffs. Although this may well be a consideration involved in legislative policy, it is certain neither the origin nor the foundation of the right of private parties to invoke these laws in private litigation. On the contrary, the historical fact is that the antitrust laws grew out of private rights asserted in litigation, rather than out of policies enforced by public authorities.

The origin of the doctrine of restraint of trade is in the Dyer's case, decided in 1415, in which the defendant avoided the payment of damages for breach of contract by successfully asserting that the contract was invalid because contrary to public policy as in restraint of trade. A long line of both English and American cases have developed this doctrine in cases between private litigants, and it is still the law that contracts in unreasonable restraint of trade are unenforceable, regardless of statute. Similarly, the first legal denunciation of monopolies was by the judges of the king's bench in the private suit of *Darcy* v. *Allen*, decided in 1602. The first legislative prohibition of monopolies was by the Statute of Monopolies, passed by Parliament in 1623; and according to Blackstone, this statute made monopolizing an offense punished by the award of treble damages and double costs to anyone who might be injured thereby. The principles embodied in these cases and statutes are part of our judicial heritage, and became part of the American common law following the Declaration of Independence. So the private enforcement of the antitrust laws is not an innovation engrafted on a basic scheme of public enforcement, but a traditional part of our legal procedure with a history as old as the principles of the laws themselves.

The variety of legal procedures by which private enforcement of the Robinson-Patman Act may be undertaken is about as wide as the scope of modern practice and the ingenuity of the legal profession. The most ancient and traditional common-law method of private enforcement of such rights is by their assertion as a defense to a claim based on contract or tort rights. However, the scope of such a defense has been definitely limited by the Supreme Court decision in the Bruce's Juices case. The Court held in that case that, as a matter of Federal law, discriminatory pricing in violation of the Robinson-Patman Act is not a defense to an action for the price of goods sold and delivered. The majority opinion points out that discrimination must be proved by at least two sales, so that the illegality is not inherent in the contract or transaction at bar, and refers to a line of authority holding that antitrust violation is a defense to an action on a contract only where the contract is intrinsically illegal. It should be noted that

the Bruce's Juices decision does not eliminate a Robinson-Patman defense altogether. The defense of illegality under the act can still be raised in either Federal or State courts where the illegality is inherent in the contract, as in the case of a provision for payment of brokerage to a buyer contrary to subsection (c) of section 1. Further, if a State should hold as a matter of the public policy of the State that discriminatory pricing contrary to Federal law is a defense to an action for the price of goods sold and delivered, as the North Carolina court held under the Clayton Act, it would appear that such a defense would be effective in the courts of that State. In the absence of such a ruling by the State courts, the Federal courts will undoubtedly follow the rule of the Bruce's Juices case. It is an open question whether the Federal courts would not be required to permit such a defense in a case arising in a State whose courts have allowed such a defense.

In any event, it is clear that affirmative relief for damages or an injunction cannot be given in the State courts for violation of Federal antitrust laws, the Federal courts having been given exclusive jurisdiction to grant such remedies by Congress. Judge Hand has stated that this exclusive jurisdiction implies that even where the same issue as to Robinson-Patman violation is raised as a defense in a State court action and as a basis of a claim in a Federal court action between the same parties, the Federal courts will not be bound by the State court's determination of the issue. Emphasizing further the complete independence of action and attitude of State and Federal courts in such a situation are cases holding that where a Robinson-Patman defense is raised in a State court action at the same time that a Federal court suit is pending between the parties based on the same facts, the State court will not stay its proceedings pending determination of the Federal court action, the Federal court action cannot be stayed pending determination of the State court suit, and the Federal courts have no jurisdiction to enjoin the State court proceeding.

Where a Robinson-Patman violation is asserted as a defense to a suit other than a contract action, the court will recognize the defense only if the violation bears an intimate, immediate and necessary relation to the relief sought or the claim asserted. So such a defense will not be available in most patent and copyright suits, or other similar litigation. It is worthy of note that the Lanham Trademark Act of 1946 specifically recognizes the use of a trademark to violate the antitrust laws as a defense or defect, although it does not specify what the effect of such a defense or defect is or in what type of action it may be raised. So far there has been no authoritative determination as to what use may be made of antitrust violation as a defense, or grounds of opposition, in trademark litigation.

The basic procedural means for enforcing private rights under the Robinson-Patman Act, and other antitrust laws, is, of course, the action for treble damages, which is specifically authorized by the Clayton Act. Under the 1955 amendment to this act, the United States Government has the right to recover the amount of actual damages sustained by it as a result of antitrust violation. But the assertion of a defense against a claim, or a demand for damages by no means exhausts the procedural arsenal of one alleging a Robinson-Patman violation.

Private enforcement of the act may also be sought by means of a declaratory judgment action, either to have a seller's pricing practices declared improper or to invalidate the executory part of an existing contract between the parties. A number of cases have sought a prohibitory injunction against the continuance of practices alleged to violate the Robinson-Patman Act. However, the courts have been reluctant to issue injunctions, particularly preliminary injunctions, against such practices for two reasons. It has been said that it is not the business of the court to regulate an industry or impose its judgment as to past events on the operation of the market in the future, and in addition, any damages that a plaintiff may suffer by reason of such practices are measurable in terms of money, and therefore not irreparable. On principle, as the cases have recognized, there is no reason why a court which has found an established practice to violate the Robinson-Patman Act in a private suit should not issue an injunction against continuance of the practice. However, I have found no reported case in which an injunction has actually issued.

A Robinson-Patman violation may be asserted as well by way of counterclaim as by way of original action against the adverse party, under the broad provisions of rule 13 of the Federal rules. In view of the limitations on the use of such allegations as a defense, a plaintiff would seem well advised to assert such a claim as a counterclaim when an action is in Federal court. When action is brought in State court, however, the exclusive jurisdiction of the Federal courts to award affirmative relief would preclude the pleading of such a counterclaim.

The principles of pleading a defense or grounds for relief under the Robinson-Patman Act appear to be the same as those applicable to other antitrust actions. Because of the potential range of issues and evidence, the courts require the facts and their relation to each other to be stated in somewhat greater detail than in ordinary cases. But only ultimate facts, and not evidence, are required to be pleaded, and apparently no harm is done if conclusions are pleaded. Although the Robinson-Patman Act permits certain discriminations or differentiations in price, a plaintiff is not bound to negative in his complaint all of the justifications or defenses. When the pleadings have been deficient, the courts have generally been liberal in allowing amendment.

Where the practices complained of affect a number of enterprises an interesting problem arises as to the scope of permissible joinder of parties and the possibility of a class action. Two cases have held that where the practices of a single seller affect a number of purchasers in the same manner, several of the purchasers may join in bringing a spurious class action under rule 23 on behalf of all similarly situated parties. However, damages can be awarded only to those members of the class who intervene individually and assert and prove damages to themselves. On the other hand, where the allegations indicate that the class involved is vague, indefinite or limitless, a class action will not be permitted.

With respect to damages, apart from the general problems involved in establishing by satisfactory evidence that plaintiff has been damaged and how much, the principal issue that has arisen in Robinson-Patman cases is whether recovery should be permitted on the theory of general damages or of special and consequential damages. General damages would, of course, limit the damages to the amount of the discrimination in price, or the cost or value of the services furnished. Special or consequential damages would permit recovery, upon proper proof, of loss of business or anticipated profits by plaintiff. General damages have been allowed in at least one case. But the decisions have unanimously said that consequential or special damages are recoverable; and several cases, including a recent second circuit decision, hold that the plaintiff must prove special damages in order to recover at all. The second circuit position now is that the general damages may set a limit to the recovery, but special damages are the only proper measure of recovery.

An interesting problem of damages is presented in the case of *Sun Cosmetic Shoppe* v. *Elizabeth Arden*. There the plaintiff was engaged in intrastate business and the defendant in both interstate and intrastate business. Plaintiff alleges damages resulting from discriminatory allowances given by defendant to other purchasers who were competitors of plaintiff both in the same and in another State. The question then arose whether or not plaintiff could recover damages for diversion of customers to competitors located in the same State, as well as to competitors located in another State. (Not mentioned by the court, but possibly more troublesome to plaintiff's lawyer might be the problem of showing what amount of damage is attributable to these different competitors.) The Second Circuit left this question open, but the decision of the Supreme Court in *Moore* v. *Mead* seems to be a clear holding that damages are recoverable for the business lost to intrastate as well as interstate competitors.

The substantive defenses to a charge of Robinson-Patman violation, such as meeting competition, cost justification, and equal availability, are, of course, available in private civil actions. Indeed, one court has said in such a case, that a seller in competing may not only meet the equally low price of a competitor but may go below it without incurring liability for violation of the act. On the other hand, a district court has held in a "gas price war" situation that the act permits discriminatory pricing in order to enable a seller to meet price competition, but does not permit discriminatory allowances by a seller in order to enable his customers to meet competition. There is conflict among the decisions in private actions as to what must be shown for purposes of cost justification; but two recent opinions in private suits hold that a seller who shows his price was to meet competition need not show that the competitive price was lawful, and that conjectural accounting estimates of "intangible cost savings" are admissible in support of a cost justification defense, even in the absence of supporting records.

Defenses asserted only in private actions are pari delicto, and unclean hands, or complicity on the part of plaintiff. But in *Kiefer-Stewart* v. *Seagram* the Supreme Court severely limited such defenses by holding that infraction of the antitrust laws on the part of plaintiffs is not a defense to a private action based on antitrust violation by defendants. This rule clearly applies to Robinson-Patman Act cases. Indeed it is dubious whether anything is left of the pari delicto defense now, although it is still asserted occasionally. The Kiefer-Stewart and Bruce's Juices rules seem to indicate that, in this field at least, the attitude of the Supreme Court is that when a claim is asserted, either ex contractu or ex delicto, it shall be met on its own merits and not by pointing out derelictions in the conduct of the adversary.

The most important defense peculiar to private antitrust actions is the statute of limitations applicable to damage suits. Fortunately this requires little comment now. Prior to 1955 there was no statutory limitations period in the Federal antitrust laws, and Federal courts had reference to State laws to determine the period of limitations. This resulted in diversity and confusion as to the length of the limitations period, the principles by which it was to be determined, and even as to whether it depended on the law of the forum (which was the majority view), or the law of the place where the cause of action arose. As a result, Congress passed the act of July 7, 1955, which became effective in January 1956, providing that any cause of action for damages under the Federal antitrust laws should be barred unless suit was commenced within 4 years after the cause of action accrued, or within 1 year

after termination of a Government suit based upon the same conduct.

In considering private suits for enforcement of the antitrust laws, including the Robinson-Patman Act, some courts have said that these statutes are to be regarded as remedial, at least insofar as they afford private remedies. Other courts have openly indicated skepticism and suspicion of such actions, suggesting that the evidence requires the closest scrutiny, that suits should be allowed only in the rarest cases, and that proof should be stronger than in an ordinary civil action. Although neither the statutes nor common law principles seem to justify such an attitude, there can be little doubt that many courts do regard private actions, particularly damage suits, under the antitrust laws with skepticism or suspicion.

In the period of roughly 20 years from the enactment of the Robinson-Patman Act to the end of 1956 there have been, as far as I can determine, about 75 reported cases in which some form of private enforcement of the act has been sought in the Federal courts. This represents the approximate number of cases or controversies, not the number of opinions, since many cases have resulted in several opinions at various stages of the litigation, and a few opinions have disposed of more than one case. Note that this represents only the cases that have been reported at some stage, since I have had no means of making a systematic investigation of unreported cases. However, it seems fair to take this group of cases as reasonably representative of the efforts at private enforcement of the act.

Of the total number of approximately 75 cases involving private suits under the act, the reported disposition is as follows: No final disposition is reported for 28 cases in which interlocutory rulings of one kind or another have been made. Seventeen of these 28 rulings have favored plaintiffs, but not much significance can be attached to these since most of them involved merely the denial of a motion to dismiss the complaint, or some similar preliminary action. Apparently some of these cases were settled and some were abandoned by the plaintiff.

Final judgments for defendants were entered in 41 of the 75 cases; the judgment for defendant having become final in the district court in 13 cases, and judgment having been entered after an appellate court ruling in 28 cases.

Final judgments for plaintiffs were entered in just 6 of the 75 cases. Judgment for plaintiff became final in the district court in one of these cases. This involved a summary judgment in a declaratory judgment action to declare illegal and unenforceable the executory portion of a contract between the parties. No damages were involved.

In 5 reported cases, out of the total of 75, a money judgment in favor of plaintiffs has become final, in all of these after an appellate court ruling. In *Elizabeth Arden* v. *Gus Blass*, the court of appeals affirmed a judgment for plaintiff in the amount of $3,030 plus attorney's fees. The Supreme Court denied certiorari, after which the plaintiff was presumably paid. This judgment represented three times the amount of the difference in allowance for a demonstrator paid by the defendant to plaintiff and to plaintiff's next-door competitor.

In the American Cooperative Serum case the plaintiff recovered damages based upon the amount lost by being forced to reduce its prices to meet the competition of another association that was given a lower price than plaintiff. This lower price was also lower than the public price schedule of defendant that had been filed with the Agriculture Department under the Federal Serum and Virus and Anti-Hog Cholera Serum Acts. In this case the plaintiff presumably collected its judgment in the amount of approximately $15,850 after the Supreme Court denied certiorari.

In the cast of *Moore* v. *Mead*, after the plaintiff was driven out of business by discriminatory price cutting of his competitor, he brought suit in Federal court. At the close of plaintiff's case the district court dismissed the action. The court of appeals affirmed. The Supreme Court reversed. The court of appeals then receded from its position and remanded the case for trial. Plaintiff had a verdict in the district court. The court of appeals reversed. The Supreme Court again granted certiorari and reinstated the judgment of the district court. After two trials, two district court decisions, three court of appeals decisions, and two Supreme Court decisions the plaintiff had a judgment for treble the loss of his business and attorney's fees in the total amount of $68,400.

The Kentucky-Tennessee Light & Power case involved commercial bribery in which the defendant had paid a commission to the former president of plaintiff in order to make sales of coal at excessive prices to plaintiff over a period of years. The facts were apparently virtually undisputed and some of the defendants paid a substantial sum to plaintiff prior to trial. This amount was credited against the final judgment which was affirmed by the court of appeals in the amount of $176,364.

The largest reported judgment was recovered by Bruce's Juices in a treble damage action brought after it had failed to establish discriminatory pricing as a defense in a suit brought for the purchase price. The first suit involved decisions in the State trial court, the Florida Supreme Court, and the United States Supreme Court. The treble damage action involved a district court decision and two court of appeals decisions. After certiorari was dismissed plaintiff had a final judgment for treble its total damages plus all attorney's fees in the aggregate amount of $220,000.

Although this undoubtedly represents a prejudiced opinion, my own feeling after examining these cases is that based on the amount of litigation involved and on the reasonable value of legal services in such matters, these judgments were not quite adequate to compensate plaintiffs' counsel for the work involved in securing them, even if the entire amount of each was paid to counsel, which I'm afraid was not the case.

What conclusions can be reached as to the utility and effectiveness of private enforcement of the Robinson-Patman Act after a review of the reported cases? I think these are several. It seems apparent that the interpretation and application of the statute tends to be much more restrained and conservative in private suits than in Government actions. The third circuit has admitted as much in refusing to follow FTC precedents in a treble-damage action. As another example, the conjectural cost justification which secured a defendant's verdict in *Reid* v. *Harper & Bros.*, would probably not have been received in an FTC proceeding, and certainly would not have so far influenced the decision. In any event, it is clear that the courts have not lost their heads in awarding damages to plaintiffs in such litigation, and that the treble-damage provision has been applied most conservatively, both as to the situations in which liability has been imposed and as to the amount of damages awarded. Although private actions could be abused, and many lawyers as well as businessmen fear such abuse, the reported cases indicate that the courts have been very careful to prevent any abuse in this field.

One of the undeniable virtues of private enforcement of the law is that it is automatic and does not require an army of Government agents or a vast bureaucracy. It seems to me that without the aid of the private enforcement process, our Government antitrust agencies would necessarily be much larger than they are. The Federal court for the southern district of New York has suggested that it is the reliance on private enforcement that underlies the elimination of pari delicto and unclean hands as defenses in these cases. If these defenses were allowed, it is said, the public interest would be caught in the crossfire of wrongful conduct by the litigants, with both free to continue their illegal activities until such time as the Government might intervene. Permitting the prosecution of the respective claims by each party, without the interposition of these defenses, results in enforcement action to terminate the illegal activity by both parties. Walter Lippmann contends that our prospects of freedom depend upon seeking the solution to social problems in the readjustment of private rights rather than in public administration. Lippmann says, in substance, that the genius of the common law is the meeting of problems through procedures of private rather than public law enforcement, and that this marks the method of freedom as opposed to the tendency of Government enforcement to become authoritarian. The argument is sufficiently cogent to command consideration.

Private enforcement of the Robinson-Patman Act, particularly by treble damage actions, provides a sanction for enforcement which is probably more effective than the bare statistics as to number of plaintiffs' judgments would indicate. Section 3 of the act carries criminal penalties; but these are very rarely invoked, and, I am sure most of you would agree, should be invoked only in the most extreme cases. On the other hand, under the Ruberoid decision, the FTC cannot secure an enforceable order against Robinson-Patman violations until it has shown at least two successive violations by the same party. Consequently, the possibility of being required to pay damages is the only real penalty risked by violation of Robinson-Patman in most cases. Certainly most businessmen will do their best to comply with the law regardless of whether or not they are threatened with penalties for violation. Actually law enforcement would be quite impossible unless there were such voluntary compliance by the majority of citizens. But a number of marginal situations always remain in which the potential sanctions, or lack of them, provide the impelling incentive to conduct that may fall on one side or the other of the line drawn by the law. Here the possibility of a damage suit may be quite effective. Furthermore, it is essential for the protection of those who do voluntarily comply with the law that there be effective sanctions to control those who will not comply without them. Thus, it seems to me that the sanctions provided by private enforcement are needed in this area.

Yet it is clear that private enforcement of this law does not altogether eliminate the need for public enforcement. Situations are conceivable in which the public interest may requir enforcement action but no private party is both legally and economically able to bring an action. Further, a survey of the cases indicates that private enforcement is effective only where the violation is relatively gross or obvious. The conservatism of the courts both in application of the act and in the fashioning of remedies in private suits may not wholly meet the purposes of the act or the needs of the public interest.

Therefore, an examination of the cases involving enforcement of the Robinson-Patman Act by private parties suggests these conclusions: The redress afforded by such actions has been conservatively awarded with no evidence of abuse in the courts; the existence of such a mode of enforcement has provided an effective and necessary sanction for the act; and such procedure has some advantages over Government action both

for potential parties and for society; but private enforcement as administered by the courts is an important corollary to and not a substitute for public enforcement of the law.

CONSIDERATION OF COMMITTEE AMENDMENT TO THE HOUSING ACT OF 1957

Mr. KNOWLAND. Mr. President, I should like to address an inquiry to the distinguished Senator from Alabama [Mr. SPARKMAN], who is handling on the floor of the Senate the so-called Housing Act of 1957. I wish to be sure that we have a clear understanding of the procedure to be followed in connection with the committee amendment and other amendents.

I understand that the committee amendment or committee substitute has not yet been acted on. I wish the RECORD to show clearly that if the committee amendment is adopted, the customary procedure in that connection will be followed, namely, the bill as thus amended will be treated as a bill de novo, and that subsequent amendments which may be submitted will be considered as being in the first degree, so that no parliamentary right will be waived by adoption of the committee amendment.

Mr. SPARKMAN. It is my understanding that that will be done, and that the Chair will make such an announcement when the committee amendment is called up.

Mr. KNOWLAND. I wanted to be sure that we had that understanding.

Mr. SPARKMAN. That is correct.

CENTRAL PROBLEMS OF THE HYDROGEN AGE

Mr. HUMPHREY. Mr. President, it is safe to say that during recent weeks, public interest and concern over the central problems of the hydrogen age have reached a level unknown before. Whether the question be one of military strategy, defense allocations, continued H-bomb testing, sharing our nuclear knowledge with our friends and allies, implementing the President's atoms-for-peace proposal, or estimating the genetic and other physical dangers from fallout, these are problems which now are uppermost in the minds of the American people.

Undoubtedly one of the clearest and most intelligent voices in this whole field, Mr. President, is that of Atomic Energy Commissioner Thomas E. Murray. He has expressed his views without fear or favor, and his usefulness as a member of the Atomic Energy Commission has been of historic importance to his country and the world. The May 6 issue of Life magazine contained an article by Commissioner Murray on the military uses of nuclear energy. His article is entitled "Reliance on H-Bomb and Its Dangers." I ask unanimous consent that the text of Commissioner Murray's article be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RELIANCE ON H-BOMB AND ITS DANGERS—AEC OFFICIAL ARGUES FOR SMALLER NUCLEAR ARMS TO AVOID SLOW DEFEAT

(By Thomas Murray)

The recent British White Paper on Defense dramatically thrust into the forum of public argument the central issue of our times—the military uses of nuclear energy. It also defined the major focus or argument in this sentence: "The Free World is today mainly dependent for its protection upon the nuclear capacity of the United States."

Will the United States be strong enough to assume the staggering burden thus quietly imposed upon it? Are we moving, with sufficient sureness and speed, toward the development of a nuclear capacity that will be adequate in all respects for the protection of the Free World? These are the grave questions that have now been opened to public discussion. I shall argue that the structure of our defense policies needs revision if we are to discharge successfully the full range of military responsibilities that we now bear.

The protection of the Free World absolutely demands that two dangers be avoided. One danger is the so-called "war of survival," waged with the immense new thermoclear weapons. It is altogether possible, as I shall explain, that no nation would survive such a war. In order to avoid this danger the United States has hitherto laid heavy emphasis on the production of megaton bombs. The hope has been that this air-nuclear-retaliatory capacity will deter an enemy attack massive enough to launch us into a war of survival.

However, this heavy emphasis on megaton bombs has itself created the second danger, namely, the possibility of piecemeal defeat at the hands of international communism. We know that the enemy has made hydrogen bombs. We must suppose he has a megaton stockpile. The umbrella of a nuclear stalemate has been raised over the earth. For all we know, the enemy may have assisted in raising the umbrella precisely in order to provide a cover for a program of cautious aggression. In any case, we can be sure that in the perilous safety of its shade he will continue to act according to his nature, as a criminal outlaw. It is not likely that his outlawry will be so outrageous as to pull down the umbrella upon himself and upon us in a common ruin. But there will be minor outrages, as there have been. Since megaton bombs are designed only for desperate uses, the danger is that in moments of minor outrage our only recourse will be to moral indignation.

That is to say, we shall be defeated, on each successive occasion when a minor aggression occurs, as in Hungary. Moral indignation is no substitute for the ability to protect by force the decencies of human life. Whatever the value of the big umbrella, we urgently need to have that decent, nicely calculated measure of nuclear force, valid as a threat and valid in use, which will deter or halt the minor aggressions of an enemy who in the ultimate instance will yield to no other suasion than force.

Sudden destruction or slow defeat—both of these alternatives must be ruled out with all the certainty that human prudence can achieve. The ruin of the physical fabric of civilization is too awesome a prospect to contemplate. Even more intolerable is the prospect of enforced submission to the injustice of creeping Communist domination. The problem is to find the path of policy that will lead us between these dreadful alternatives.

The presently prevailing policy of emphasis on megaton weapons may have saved us from sudden destruction—so far. But if we are to avoid the risk of slow defeat, we now need a new policy of emphasis on small nuclear weapons. The urgent demand of the moment is for a program of rational nuclear armament. I have been using this phrase to describe a structure of policies that will result in a stockpile that exhibits a properly adjusted balance between large and small nuclear weapons—all manufactured with an eye to their military usefulnesses, as these are calculated in the light of Communist military intentions.

A PATH TO PEACE WITH JUSTICE

Admittedly, perils lurk on both sides of the path of military and moral reason to which I am pointing. Nonetheless, though the path is lined with perils, at least it is not headed straight for them. It can lead us to that measure of military security that may legitimately be hoped for in a world where total security has become a vain dream. Moreover, it can also lead us toward the moral goal described by President Eisenhower in his second inaugural—"the building of a peace with justice in a world where moral law prevails."

Four factors have hitherto diverted us from the path of rational nuclear armament.

The first factor was technological. In the whole course of World War II the Allied air forces let loose upon the enemy 1.5 million tons (one and a half megatons) of explosives. After the experiment at Eniwetok in November 1952, we had the secret of a weapon whose explosive force surpassed by many times the total World War II megatonnage. Weapons technology had hit upon an "open end." The realization was quickly reached that there are no necessary practical limits to the megaton size of H-bombs.

As an engineer, I understand the seduction exerted by a technological "open end." It is the instinct of technology to exploit the maximum possibilities of every discovery. Weapons technology could not have been expected to control its own instinct; the control should have been imposed on it by military policy, which judges the usefulness of weapons.

But here the second factor entered. Weapons technology seemed now to have fulfilled the military planner's perennial dream of the irresistible weapon. In particular, the H-bomb seemed to be the ideal weapon with which to justify the doctrine of strategic air attack and thus to furnish warrant for the dominance of the air arm. So it happened that military policy, under the spell of its own dream, fell captive to the technology that seemed to have realized it.

The captivity was reinforced by the third factor—the impact of world events. For instance, Korea made real the threat of Communist world domination; and it raised the specter of a general war. In response, America had to be made "strong." However, it was not a question of acquiring limited strength for limited wars. Korea created a popular revulsion against the very idea of limited war. A kind of abstract strength was wanted—the kind of "absolute" strength that would match the "supreme" threat of world domination. This abstract strength could now be given very concrete definition in terms of the H-bomb. Further emphasis was thus laid on the production of these "absolute" weapons.

The fourth factor furnished the final emphasis—the powerful factor of costs. The general public is likely to assume that a "big" bomb must cost more than a "small" bomb. Moreover, given the plentiful supply of uranium ore out of which bombs are made, the popular assumption might be that we have by this time manufactured a complete collection of nuclear weapons, adapted to all possible uses—big weapons, and small ones, and middle-sized ones, all stocked and shining on the shelves.

The matter is not so simple. The cost of weapons involves not only money and materials but also a factor called "efficiency" in the use of materials. There is no lack of uranium ore; but there is only a limited number of the plants in which the ore is processed into fissionable materials. Our existent industrial complex for this purpose represents roughly a capital investment of $6.7 billion. In consequence we have only a limited amount of weapons-making material. Here the factor of "efficiency" enters.

A given quantity of material can be utilized in such a way as to produce a very large explosion. The same quantity of material can also be used in another way, to produce a smaller explosion. If the "efficiency" of a weapon is to be measured in terms of the ratio between the quantity of fissionable material used and the explosive results obtained, it is obvious that the small weapon is less "efficient" than the big one. Consequently, the small weapon is also proportionately more costly, in terms both of material and of dollars.

These four factors, therefore—the technological open end, the dream of the irresistible strategic weapon, the desire for abstract strength, and the factor of costs—have hitherto combined together to weigh the scales of policy heaving in favor of the big cheap bomb.

What has been the military value of this emphasis? What military uses are served by these huge weapons, and by the possession of quantities of them? Are there limits to their usefulness? Are there consequently limits to the military value of a constantly enlarging stockpile of them? These are the next questions.

The multimegaton H-bomb was born in a vacuum of military strategy. No one had antecedently determined its uses. After the event the vacuum was filled with confusion. The confusion is not surprising. The multimegaton bomb fits badly, if at all, the standards of military usefulness hitherto accepted. It is by nature a weapon of mass destruction. If you except certain special targets, such as a fleet at sea, it will perform least efficiently against classical military objectives—troops in the field or in reserve, aircraft aloft, supplies, communications. It will destroy airfields, at the price of slaughtering the civilian population in the area. It will be altogether "efficient" in annihilating beyond repair the industrial and human potential of great cities. But this terrible "efficiency" is linked to no reasonable military usefulness. Most theorists today agree that the destruction of industrial potential would make little, if any, sense in a multigegaton war, which would be a war of sudden catastrophe, not of slow attrition.

IF DETERRENCE SHOULD FAIL

The multimegaton weapon therefore had to create its own strategy. It is the old strategy of deterrence and retaliation; but now this strategy has all the newness of the new kind of weapon that gives it military substance. The military value of the strategy lies in the intrinsic link between deterrence and retaliation. "These weapons will either deter you or smash you"—so runs the reasoning. If there is any doubt about the intention of pursuing the second alternative if the first fails, the reasoning trails off thus:

"These weapons will deter you—I hope; if not, you win." But this is the classic formula for a bluff.

America certainly does not wish to rest its national security on a bluff. Therefore the complementary concepts of deterrence and retaliation are a strategy for war. They cannot simply be accounted a strategy for preventing war. The multimegaton weapons in our arsenal are designed for use. Has anyone defined the conditions of necessity under which they will come into use? I do not know. However, to pursue the argument about their usefulness, I shall assume that the conditions are one day fulfilled. Nuclear deterrence has failed. The Strategic Air Command is unleashed. It represents retaliation by multimegaton weapons, used in quantities, directed at the destruction of the enemy. We are precipitated into the war of survival.

That is to say, we are hurled into the midst of absurdity. In the whole doctrine and history of war in the civilized world it is a first principle that survival should never be made the issue of war. Whenever the principle has been violated (in World Wars I and II) the result has been the climatic disaster of war, namely, the failure of war to achieve its political and moral ends, which are peace with justice. In the air-nuclear age this ancient principle has acquired all the evidence of an axiom. To put the question, who will survive, we or they, to the arbitrament of full-scale nuclear warfare is to decide that nobody shall survive, neither we nor they.

It might be that the belligerents could survive the almost immeasurable physical destruction and colossal loss of life immediately resultant from the blast and fire effects of great thermonuclear weapons used in quantities. It might even be that some of them could survive the effects of what is called external radiation (the immediate radiation from one multimegaton bomb alone will expose the population in approximately 7,000 square miles of territory to dangerous levels of external radiation). But under the conditions of unimaginable horror created by our hypothesis the word "survival" has already lost almost all its meaning. And what little meaning remains vanishes when one comes to what is called internal radiation from substances in the fallout.

One of these substances is strontium 90, a radioactive product of nuclear fission that causes bone cancer if it is absorbed in sufficient quantity by the human skeleton. At the moment, by official American acknowledgment, strontium 90 equivalent to 30 megatons of nuclear fission energy has been shot into the stratosphere as a result of test explosions. From the total quantity sent aloft so far, some 3 to 10 units of strontium 90 will be deposited in human bones—particularly children's bones—over large areas of the earth.

ABSURDITY OF WAR OF SURVIVAL

These amounts probably are not hazardous to health. But they afford a standard of measurement. The 10 units are one-tenth of the maximum concentration considered acceptable for the general population, with its large numbers of children, by the National Committee on Radiation Protection and Measurement and also by the International Commission on Radiological Protection.

How many megatons would be exploded in a full-scale nuclear "war of survival"? Let us say that ground bursts releasing 3,500 megatons of fission energy would sufficiently fill out the concept of "destruction" that would be the shared aim of both belligerents. The consequence for the inhabitants of the belligerent countries would be a strontium level in human bones of the order of 50 times the maximum considered acceptable. Moreover, some of this lethal substance would settle slowly and relatively evenly over the remainder of the earth. It would find its way from the soil into human bones, producing strontium concentrations that would be between 2 and 6 times the maximum considered acceptable for the general population. A whole generation, embracing tens of millions of people, in Russia, in the United States, in all the countries of the world, would be affected.

The figures I have used might have to be altered somewhat with the progress of scientific work. Some variation in the figures does not greatly matter. What matters is that some figures have to be put into the concept, "war of survival," in order to test its realism. And when a set of not unreasonable figures is used, the concept blows apart into patent absurdity.

The inherent absurdity of a multimegaton war sets limits to the military usefulness of immense thermonuclear weapons. In consequence, limits are also set to the validity of the strategy based on these weapons. Deterrence-retaliation may, if you wish, be called a strategy of survival—but only as long as the deterrence works, as long as it sustains the nuclear stalemate.

We must therefore have an arsenal of multimegaton weapons sufficiently large to give the strategy built upon them its own limited kind of validity. But this arsenal need only be a limited one. There is a limit, set by the absurdity of a "war of survival," beyond which these "absolute" weapons become absolutely useless.

The military value of the giant H-bomb is also limited from another point of view. It is not a fit means of retaliation against limited military aggressions supported by conventional or small nuclear arms. Instead of repressing a limited and localized aggression its use would tend to provoke the expansion of hostilities in the direction of that fearsome absurdity, "the war of survival." But these limits, set to its retaliatory value, likewise affect its deterrent value. The strategy of deterrence-retaliation, as given military substance only by multimegaton bombs, is no adequate guaranty of the security of the free world against some military version of Communist "salami tactics."

We come now to a more manageable military problem. There are issues, short of the impossible issue of survival, which may have to be settled by arms. Broadly, they are issues of justice, the classical issues of war. They are always limited issues. And limited war is the legal institution available as a last resort for their settlement. In its political and moral meaning war is man's ultimately resolute declaration of his fixed and firm purpose—that he will have peace indeed but only with justice. What then of our preparedness to wage war, in civilized fashion, for limited aims, by limited means?

A GAGE OF SOVIET INTENTIONS

Some people seem to grow nervous when the question is raised in this form, under reference to justice, reason and the values of the civilized tradition. The trouble is, they say, that the free world faces an immoral enemy. Recently, for instance, Mr. Donald A. Quarles, now Deputy Secretary of Defense, gave warning that " * * * it would be unwise in planning for the security of our country to rely on the morality or even the rationality of potential enemies. We must still have security even if others resort to immoral and irrational acts. These have always been truisms but the stark facts of this air atomic age give them vastly greater force."

This distorts the whole military and moral question. Obviously it would be absurd to place any reliance on Soviet morality. But the problem is not whether we should rely on Soviet moral cynicism but whether we can diagnose Soviet military intentions. From the fact that the Soviet Union is immoral does it follow that a massive air-nuclear attack upon the United States is likely? And how likely is it? And what would security mean, if the irrational even were to occur? In terms of the stark facts of the air-atomic age—especially the facts about radioactive fallout—would security be achieved by proportionately massive megaton retaliation against the Soviet Union? These are the things we would like to know.

More pertinently, an appeal to the truism that the enemy is immoral will not justify an idolatrous worship of air-nuclear-retaliatory power based on greater numbers of

megaton bombs. Similarly, a "war in outer space," waged by nuclear missiles, may be a technological possibility. Is it therefore a military likelihood? And is it more likely than a war on the Turkish border? We cannot aim to be secure against every possible contingency, but only against the more likely contingencies. The problem is to make a realistic calculation of what the immoral enemy is likely to do, and then to have on hand the measure and kind of force that will be militarily necessary or useful in stopping him from doing it. This is our military duty; it is likewise our moral duty. Between the two duties there is no divorce.

To assist in performing both duties we have the stark facts of the air-atomic age. We also have the fact that Soviet military policy has a Communist premise, and that Soviet leaders are capable of primitive logic. The premise was stated by Mr. Khrushchev when, speaking with all the seriousness of the Marxist-Leninist faith in the dialectic of history (a faith not born of alcohol nor blurred by it), he said, "We will bury you." I presume that he has no wish to spoil his own pleasure on the occasion by finding himself in the same grave. It is a fair conclusion that he does not intend to dig the grave with several thousand megatons of fission energy.

Do not Soviet scientists know as much as we do about radioactive hazards? Are not Soviet strategists using the criterion of contamination levels in order to test the validity of their strategies of nuclear attack, and also to test the realism of American threats of retaliation? If there are any doubts about affirmative answers to these questions, it would be greatly in our national interest to clear them up as soon as possible.

There is therefore a tenet of Communist ideology on which we can rely. The Communist revolution clearly wishes to put an end to the history of imperialist-reactionary-bourgeois capitalism. But it does not wish to put an end to all history—and therefore to the Communist revolution itself. If the Communist believes that the future belongs to him, can he wish to cancel it out? Unless indeed he be not only immoral but altogether mad. And in that case, how do you deter a madman, intent on chaos, by threatening him with the chaos that he wants?

The Communist norm of morality—the success of the revolution—is not civilized. But it affords us a realistic, and safe enough, premise of military policy. From it I would conclude that Communist invasions of the order of right and justice will be limited. The exchange of an unlimited megatonnage of fission energy occupies no visible place in the Communist strategy of world domination. A classless society of bone-cancer patients would hardly satisfy the dreams of Marxist messianism.

SMALL NUCLEAR WEAPONS NEEDED

Our central problem therefore is to deter limited aggressions and to retaliate by effective but limited force, if deterrence fails. The question is, what have we got in the way of small nuclear weapons to fulfill this limited military mission of deterrence and retaliation?

There is little public information on this subject. Perhaps, consequently, there is a considerable amount of public misapprehension. The extent to which our rigid security regulations have had the happy result of slowing down Soviet nuclear developments (which in any case they cannot stop) is a matter of conjecture. On the other hand it could be argued that they have had the unhappy result of rendering our nuclear armament program unmanageable by informed and responsible public opinion. Moreover, their enforcement at times goes to extremes even within high government circles. For instance, some months ago, I wished to convey certain factual information about the present and future composition of our nuclear stockpile to certain members of the National Security Council. But it was ruled that they had no "need to know" the facts I wished to present.

However, some general information is on record in the press. On February 5, 1957, Senators SYMINGTON, KEFAUVER, and FLANDERS met as a task force of the Senate Armed Services Committee in public session. Frank H. Higgins, an Assistant Secretary of the Army, and Lt. Gen. Carter B. Magruder, Deputy Chief of Staff for Logistics, appeared before them.

As reported by Joseph L. Myler in the Washington Daily News, Mr. Higgins said that the job of equipping the Army with small atomic weapons is progressing very nicely. But he added that it is largely a development program still. General Magruder is quoted as agreeing that it will be 3 to 5 years before the Army has enough tactical atomic weapons to reduce the use of conventional ammunition in war by as much as 25 percent.

The nuclear weapons spectrum in its full sweep is the support of the four basic military missions of the American Armed Forces, defined by President Eisenhower in his budget message of January 1957. Only one of these missions, the first, necessarily calls for a stockpile of multimegaton weapons. This mission is to maintain ready nuclear-air-retaliatory forces so strong that they will deter a potential aggressor from initiating an attack. The other three missions, for their highest efficiency, rest heavily on a vast arsenal of nuclear weapons in the smaller range. The tens of thousands of small weapons which I recommended as necessary or desirable (on April 12, 1956, in testimony before the Subcommittee on Control and Reduction of Armaments of the Senate Foreign Relations Committee) would not exceed the requirements of these three missions—the defense of the continental United States, the waging of ground war by the Army, and the control of the seas.

The Armed Forces cannot fulfill these three military missions with a development program. The immediate need therefore is to move the small-weapons program out of the development phase into the phase of large-scale production.

HIGH COST OF SMALL WEAPONS

This will be somewhat costly. The major requirement would be more fissionable materials. This, in turn, would require an expansion of our present industrial facilities. The size of the new investment in plants would depend upon the extent to which the output of our existent plants is directed away from large weapons into the needed small-weapons program. In any case, the money spent would be well spent, if its amount were measured against the demands of military security, and also against the amount now being spent on other defense programs.

If the small-weapons program is to be moved into the large-scale production phase, the first thing needed is some important change in the sequence and order of our interrelated policies. At present the order is inverted. Military policy has allowed itself to be too greatly determined by technology. And the factor of costs, in alliance with technological factors, has unduly determined the emphasis in the weapons program. But this is to turn the structure of policy upside down.

I do not underestimate the value of technology or the importance of costs. But I do not think that these things should come first in the order of value and importance. Military policy should come first. At present it requires an extensive production program of small weapons. Budgetary policy should be subordinated to effective execution of this military policy. And technology should be the servant and not the master in the military house. The structure of policy should be turned right side up.

The whole foregoing argument about weapons policies has been cast in pragmatic terms. I have been concerned to uncover policies that will work best for America's security and that of the free world. The problem is a practical one; but it does not therefore cease to be a moral problem. Morality is anchored in reality. Often before this I have argued for the governance of our weapons program by a moral norm (what is right in terms of the civilized tradition of just warfare). But the premise of this moral argument has always been a prior practical argument—that the program should be governed by military values (what is necessary or useful, in terms of the likely contingencies of actual warfare, within the supposition of responsible military theory—that military usefulness is not to be defined in terms of sheer slaughter, destruction, and terror).

The military duty of the United States is success, in the face of international communism. But the moral duty of the United States is always justice, in the sight of God. There need be no conflict between these two duties. One cannot, of course, say that whatever is just will be successful. But one can say that whatever is not just will somehow fail to succeed. In the matter of nuclear war the validity of the latter assertion is easily tested. The civilized tradition has always declared that an unlimited and indiscriminate use of force in warfare is unjust. The facts of the nuclear age now declare that such a use of force would be unsuccessful. The success it would achieve, the sheer destruction it would wreak, would be at best useless to the belligerent and at worst disastrous to humanity.

It is within the factual circumstances of the nuclear age, wherein justice is the duty as well as success, that I make my proposals for a program of rational nuclear armament. Will this program fulfill God's purpose for the world, to which America has pledged itself—in reverent participation—the building of peace with justice in a world where moral law prevails? That, I believe, is not the question. To the extent that it is Christian, this Nation knows that it is not required to fulfill God's purposes on this earth. It is only required to be faithful to them.

Mr. HUMPHREY. In a related connection, Mr. President, I have been disturbed over the apparent decision of the Atomic Energy Commission pointedly to refuse to invite observers from India to this month's atomic weapons test in Nevada. I know from my own constituents' mail that this decision by the AEC has disturbed the man in the street, as well. Even though India has been a sharp critic of the bomb-testing program, it seems to me that this is an argument for granting the invitation, rather than refusing it. Even newspapers generally sympathetic to continued bomb testing feel the same as I do. I ask unanimous consent that an editorial which appeared in the St. Paul Dispatch for May 11, 1957, be printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the St. Paul Dispatch of May 11, 1957]

The United States has taken an excellent public relations step by its invitation to 47 friendly nations to send observers to this month's atomic weapons test in Nevada.

Fears of atomic fallout and a suspicion that the United States has carried on testing

on an unnecessarily large scale are real and serious in many countries. Russian propaganda has helped promote the picture of Uncle Sam as a reckless operator in this field.

Actually such tests as those about to start in the Nevada desert may in the long run serve to protect the people of the world from nuclear dangers. It was a year ago that President Eisenhower, in refusing to halt nuclear weapons testing, said such experiments are necessary "to find ways and means by which you can limit" the effect of atomic explosions, "to reduce fallout, to make it more of a military weapon and less one just of mass destruction."

By bringing in observers from other nations, the Atomic Energy Commission may be able to discourage the suspicions and fears now prevalent abroad. This attitude also will be helpful to Americans at home in appraising the often contradictory reports on fallout dangers.

However, while exclusion of Russia from the list of countries invited is easily understandable, it is not so plain why the Atomic Energy Commission should so pointedly refuse to invite India. It is true that India has been a sharp critic of the testing program, but it would seem that this should make it all the more desirable for the United States to try to remove India's fears. Placing India in the same category as Russia in this matter is a strange way of trying to increase friendship and good will between India and the West.

Mr. HUMPHREY. Mr. President, on yesterday the Joint Committee on Atomic Energy began its hearings on the entire fallout question. Along with other Senators, I welcome the hearings with enthusiasm. In this connection, Mr. President, I ask unanimous consent that an article entitled "Fallout Hearing Will Open Today," written by John W. Finney, and published in yesterday's New York Times, and which summarizes the problem facing the Joint Committee, be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times of May 27, 1957]

FALLOUT HEARING WILL OPEN TODAY—CONGRESS STUDY AIMS TO BAR POLITICS AND GET AT FACTS OF ATOMIC TEST DANGERS

(By John W. Finney)

WASHINGTON, May 26.—A special subcommittee of the Joint Congressional Committee on Atomic Energy will set out tomorrow in scientific search for an answer to one of the most vital questions of the atomic age.

The question is whether man is imperiling himself and future generations by continued testing of atomic weapons.

The hearings by the subcommittee may produce no positive answer to a question that is troubling scientists and worrying the public. And like scientists and statesmen before them, the subcommittee members are likely to find there are too many scientific unknowns and philosophical imponderables for any man to make a decisive judgment about the dangers of testing atomic weapons.

The hearings, however, should provide the most definitive study yet made on how much radiation is created in the atomic testings and what effect it is having on man. During the hearings some of the confusion surrounding the weapons testing should be stripped away, and some basic facts and agreements on radiation established.

NO PRIOR JUDGMENTS

Unlike most congressional hearings, the subcommittee study is starting out in an air of scientific impartiality with no preconceived judgments or objectives. Representative CHET HOLIFIELD, Democrat of California, as chairman of the subcommittee, has laid down the ground rule that this is to be a scientific investigation and not a political one.

Witnesses are being cautioned to stick to presenting facts and not to leap ahead to judgments. Some 40 prominent scientists have been scheduled to testify on atomic radiation, from its creation in an atomic explosion to its fallout from the atmosphere and stratosphere and to its final absorption by plant, animal, and human life.

The hearings come at a time when public concern over atomic radiation is mushrooming like an atomic cloud and the debate among scientists is swirling with all the confusion left by an atomic explosion.

The debate has reached such proportions that it is having an impact on the international policies of the three atomic powers—the United States, Britain, and the Soviet Union. The United States and Britain have been placed at a psychological disadvantage. With their atomic tests just beginning, the two countries are sensitive about suggestions that weapons testing should be halted.

With its tests apparently concluded, the Soviet Union is in a position to renew its proposal for halting the atomic tests—a proposal that the United States and Britain say they cannot accept for the sake of the free world's defenses until a safeguarded system of atomic disarmament has been established.

At the core of the international concern and scientific debate is the radioactive material produced in the explosion of an atomic weapon. This material can vary in amount from tons to a few pounds depending upon the explosion.

If the weapon is set off near the ground, tons of dust and dirt are sucked up into the fireball and made radioactive. If the weapon is set off high in the air, the amount of radioactive material produced is small. Then it is about 2 pounds for a nuclear bomb with a force of 20,000 tons of TNT, such as dropped on Hiroshima and Nagasaki, and 100 pounds for a nuclear explosion with a force of 1 million tons of TNT.

On these points the scientists agree. Their differences arise over how soon and how much of the radioactive material returns to earth and what effect it has on man.

The fallout from an atomic explosion varies according to many factors—the size of the explosion, whether the fireball touches the surface, and wind and atmospheric conditions.

In a large explosion near the surface, about 50 percent of the heavy radioactive material sucked up into the fireball falls out quickly within the first 200 to 300 miles. This is known as local fallout. Since the average radioactive life of the material is about 1 month, local fallout poses a danger to the area near an explosion.

In an air burst the radioactive material is much smaller and it falls out much more gradually as it drifts around the earth.

As a rough rule, weapons whose force is measured in kilotons—or thousands of tons of TNT—blast the radioactive material only into the atmosphere and the material falls out within a month or so around the world in the general latitude of the explosion. Weapons with a megaton—or a million tons of force—drive much of the material into the stratosphere, where it can remain for years, gradually falling down over the surface of the world.

It is the worldwide fallout that is the source of most international concern. It also is this fallout about which scientists know the least. The present official estimate is that the radioactive material driven into the stratosphere returns to earth at the rate of about 10 percent per year. This estimate, however, is being subjected to renewed investigation by the Defense Department.

If the material remains in the air for a month or more, it loses much of its radioactivity. There are, however, some materials with a long radioactive life that present a long-term threat. These include cesium-137, which emits penetrating gamma rays, and the much publicized strontium 90, which is chemically similiar to calcium. Strontium 90 can cause bone cancer or leukemia after passing through the food chain, which consists of its being absorbed by plants from the soil, water, or air and eventually becoming a component of human food.

Man can be subjected to radiation from fallout both externally and internally—externally by the increased radioactivity in his environment and internally by radioactive material absorbed in the food chain.

MAY CAUSE MUTATIONS

The effect of the radiation on man can be immediate or stretch over generations. The radiation can cause physiological damage to the present generation, with such effects as leukemia, bone cancer, or shortened life span. The radiation also can affect future generations by causing genetic mutations or changes in the hereditary pattern.

Just how much radiation is necessary to cause physical damage to the present generation or genetic mutations in future generations? Scientists differ sharply on this point. In effect, the two sides part company at the so-called threshold of radiation effects on man.

It is generally agreed that the fallout radiation from the present rate of weapons testing is small in comparison to the radiation to which man is subjected by nature from the earth and air and from medical treatment.

Last year the National Academy of Sciences estimated that if weapons tests were continued at the rate of the last 5 years, the external radiation from fallout would amount to about a tenth of a roentgen over a 30-year period.

A roentgen is a technical measurement of radiation. In comparison, the 30-year dose from natural radiation would amount to an average of 3.1 roentgens, according to the Academy's latest estimates, and 4.6 roentgens from medical sources.

The relatively small dose of radiation from fallout that man receives is repeatedly emphasized by officials who give assurances about the safety of weapons testing.

These officials contend that the radiation from fallout is too small to pose any threat to the present or future generations. Their underlying assumption is that a greater amount of radiation is necessary before the "threshold" is reached at which fallout radiation will begin to have detectable harmful effects.

It is basically this threshold assumption that is challenged by scientists who warn of the danger of continued weapons testing. They assume that any additional radiation, however small, will have some harmful effects.

The potential danger posed by strontium 90 is a good example of how the two schools diverge because of their different basic assumptions. Dr. Willard F. Libby, the scientist member of the Atomic Energy Commission, estimates that the present average level of strontium 90 in the general population is less than 1 percent of the maximum permissible concentration. That concentration also is far short of the level necessary to cause definitely detectable effects, Dr. Libby believes.

The opposing scientific group, however, contends that even the present low level of strontium 90 is causing bone cancer, leukemia, and genetic mutations in a small proportion of the population.

Which assumption is correct is not easy to prove and probably cannot be determined definitely for several generations. Scientists cannot experiment with radiation on human

beings to determine its physiological and genetic effects. In the years ahead it will be difficult to determine whether cases of bone cancer or genetic changes were induced by radiation fallout or resulted from natural causes.

Mr. HUMPHREY. Mr. President, typical of articles illustrating the attention now being paid to the strontium 90 question in Minnesota newspapers is an article by Herm Sittard, published in the Minneapolis Star of May 21, 1957. The article is entitled "Milk Purified Now To Fight Strontium Radioactivity Urged." I ask unanimous consent that the article be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MILK PURIFIED NOW TO FIGHT STRONTIUM RADIOACTIVITY URGED

(By Herm Sittard)

When Bobby, age 2, gulps his milk at dinner tonight, his intake of strontium 90 will be 4 to 5 times as great as daddy's—even though daddy, sitting right across the table from Bobby, drinks milk poured from the same bottle.

What is strontium 90? How did it get into Bobby's milk? If it's harmful (too much of it could be), how do you remove it from milk?

Some answers to these questions were offered Tuesday by a University of Minnesota scientist, Dr. W. O. Caster, assistant professor of physiological chemistry, warns of the danger of strontium 90, and offers a suggestion to meet the danger.

Strontium 90 is radioactive material created by nuclear explosions. It's still coming down from the stratosphere from atomic tests, and will continue falling for years. Too much of it could endanger public health.

Has anyone actually died of strontium 90 yet?

The answer fortunately, is no.

"It'll be close to the year 2000," says Dr. Caster, "before we can see too much or properly evaluate the hazard.

"In 1970 the fallout will reach a high point, and 30 years later its effects would be noticeable.

"I think we are on the safe side as of today," said Dr. Caster on Tuesday, "but in the next 10 or 15 years, we'll reach the danger level—the point where some of the most susceptible people may get bone cancer.

"When children grow up in the Midwest—where the present deposit of strontium 90 is 0.004 microcuries per kilogram of calcium in the soil (microcuries are units of radiation measurement), the children will assimilate 0.004 microcuries of strontium 90. They will have four times as much strontium 90 as the maximum amount that would be safe," said Dr. Caster.

Should parents stop serving milk to their children? Well, Dr. Caster's three small sons had milk for breakfast this morning. John, 3; Bruce, 6; and Charles, 7, drink their milk just as they always did, even though their father is seriously concerned.

"Milk is still the safest source of calcium," said Dr. Caster today.

"The children are building their bones now, and are picking up 4 to 5 times as much strontium 90 as adults. The children are the ones that need to be protected.

"If they eat food grown on this soil through their lives, this continuous exposure (from future fallout of strontium 90) may cause bone cancer.

"It takes 30 years of such continuous exposure to develop a case of bone cancer. After cancer is detected, death occurs in about 18 months."

However, that "continuous exposure may be present because of the fallout (10 percent each year) of strontium 90 floating in the stratosphere from nuclear bombs already detonated.

"We adults will never get to that level (0.004 microcuries of strontium 90)," said Dr. Caster, "but the children will reach it unless something is done.

"Something needs to be done immediately."

Dr. Caster proposes that we destrontify milk.

"You can remove calcium and strontium," he explains, "by passing milk through a water softener. If we could remove from milk the calcium and strontium 90, and return to milk calcium from some safe source, we would reduce the danger."

Limestone, he suggested, would be a safe source of calcium. Most strontium 90 is embedded in the top few inches of soil, so any deeply imbedded rock would be fairly free of strontium 90.

"Since some 80 percent of the dietary calcium (and strontium 90, too) that enters the body comes from milk and milk products," says Caster, "it would seem possible to decrease the intake of strontium 90 by decalcifying milk. * * *

"This procedure (the water softener process, with calcium put back later) would not seriously disturb the calcium balance in the general population, and could provide an immediate fourfold to fivefold reduction in the strontium 90 intake."

"I feel we are pushing close enough to the safety limits," continued Dr. Caster. "Now I feel the Midwest should do something. This destrontifying process would remove much of the danger, and allow the human race to survive in an environment that is contaminated."

What action does he recommend for parents who share his concern over strontium 90? They can do two things:

Urge that more research be conducted immediateley to solve the problem.

Show their interest in destrontified milk. "If there is sufficient demand for it," said Dr. Caster, "large dairies probably would use a process to destrontify milk. In the near future, it will probably be possible to do it in canned milk for small children."

The water-softener process which Dr. Caster suggests involves use of a special resin that filters out nearly 90 percent of both calcium and strontium.

The Midwest probably has the highest concentration of strontium 90 in the world, according to Dr. W. F. Libby of the Atomic Energy Commission.

How come?

After a baby atomic bomb mushrooms on the Nevada desert, windows have scarcely stopped rattling before the radioactive fallout begins.

First, the fireball showers radioactive dirt particles over the immediate vicinity. Scientists call this the local fallout.

But some of the material is not coarse enough to fall of its own weight. This stuff floats along in the atmosphere for a month or two until rainf carries it to the ground.

"A great deal of this fallout from western nuclear tests occurs over the Midwest," says Dr. Caster.

As west-to-east winds waft the strontium 90 particles through the atmosphere, the first significant rainfall area they reach is the Midwest.

Raindrops pull the material from air to soil. From the topsoil it goes to the plants. Cows munch the plants, and pass along the strontium 90 to humans in milk.

Finally, there's a third type of fallout. Giant H-bombs pack so much power they puncture the atmospheric ceiling, and shoot radioactive debris into the stratosphere.

Strontium 90 there sifts down into the atmosphere at a predictable rate of about 10 percent each year.

Once it reaches the atmosphere, rainfall pulls it to the soil; the soil gives it to the plants, the plants to the cows, and the cows to humans. We get some strontium from fruit and vegetables, too.

The fallout of strontium 90 from the stratosphere will increase sharply between now and 1970—just from nuclear weapons already detonated—then taper off very gradually till the year 2000 if no more are used.

The rising curve of strontium fallout and the gradually changing estimates of its effect on humans remind Dr. Caster of how the safety factor for X-ray exposure was halved from 1.2 roentgens in 1931 to 0.6 in 1936, to 0.3 in 1949.

A year ago, scientists used 1 microcurie as the danger level for the general population. Last week the National Committee on Radiation Protection and Measurement set 0.1 microcurie as the danger level.

Now, Caster regards 0.01 microcurie as the danger level for individual children.

"When you consider variations that occur in any large group," Caster explains, "the maximum safe average for this group should be about 0.001 microcurie. This would provide a margin of safety for people who assimilate more strontium 90 than others."

Mr. HUMPHREY. Mr. President, during the hearings conducted by the Senate Subcommittee on Disarmament, there have arisen many issues which are relevant to the hearings which the Joint Committee on Atomic Energy is now undertaking. In a letter to Representative DURHAM, the chairman of the joint committee, I listed certain of these questions last month. I ask unanimous consent that the text of a press release which I issued on April 17, containing the text of my letter to Representative DURHAM, be printed in the RECORD at this point in my remarks.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

SENATOR HUMPHREY SEEKS ANSWERS FOR PUBLIC ON RADIATION HAZARD QUESTIONS

An array of questions which need to be answered about the hazards of radioactive fallout have been submitted to the Joint Committee on Atomic Energy as an outgrowth of issues raised during hearings conducted by the Senate Subcommittee on Disarmament, it was revealed yesterday by Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, chairman of the disarmament group.

"We are hopeful the problems to which we are directing attention will serve to encourage a thorough public examination into the seriousness of fallout hazards," Senator HUMPHREY explained.

He made public the following letter he has sent to Representative CARL T. DURHAM, chairman of the Joint Committee on Atomic Energy, along with a summary of questions arising from testimony during the Disarmament Subcommittee's hearings concerning radiation problems:

"The Honorable CARL T. DURHAM,

"Chairman, Joint Committee on Atomic Energy, House of Representatives, Washington, D. C.

"DEAR CONGRESSMAN DURHAM: I noted recently your announcement that the Joint Committee on Atomic Energy is planning to hold public hearings on the matter of radioactive fallout and the hazards it may pose for present and future generations. These hearings are needed, and I am pleased to know that you are going into the problem.

"You are aware, as I am, of the importance of giving the public as complete and as clear

a statement of the present knowledge on radioactive fallout as can be obtained. I believe that your forthcoming hearings will contribute toward this end.

"As you undoubtedly know, the Senate Subcommittee on Disarmament has also gone into the question of nuclear weapons tests and whether they threaten the health and safety of the world's populations. This is one of the considerations in evaluating limited disarmament proposals such as a ban on weapons tests. We have received testimony on the problem from experts as well as interested lay groups. The problem has been raised at hearings the subcommittee held in various parts of the country. It has also been the subject of a large amount of the correspondence I have received as chairman of the subcommittee.

"Our subcommittee hearings have opened up to the members and to the public several problems arising from nuclear weapons tests but this is only one of the many aspects of the problem of disarmament and, therefore, we have not thus far been able to give the subject adequate and sustained attention which it deserves. It is a subject, however, that the subcommittee has felt it essential to examine and on which it should be informed. I hope that the results of your hearings will be available to the subcommittee and that the staff of the Joint Committee can keep the Disarmament Subcommittee staff appraised of the nonclassified portions of your work.

"Since it is unlikely that the Disarmament Subcommittee, in the remaining months of its existence, will itself be able to hold many more hearings, I would like to invite the attention of the Joint Committee to some of the testimony received and issues which have been presented to our subcommittee. They pertain to the fallout problem and also the matter of nuclear weapons tests detection. I know you are familiar with many of these questions which certainly deserve more exhaustive consideration than we have been able to give them. With the thought that the principal issues posed by our hearings deserve further examination by the Joint Committee, I enclose a list of questions which have been raised.

"I shall appreciate what attention the Joint Committee can give these matters. I am sending a copy of this letter to Senators BRICKER, HICKENLOOPER, and PASTORE who are members of the Disarmament Subcommittee.

"The testimony to which I have referred is being sent to you in care of your staff director, Mr. Ramey.

"Sincerely,

"HUBERT H. HUMPHREY,

"Chairman, Subcommittee on Disarmament."

QUESTIONS REGARDING RADIOACTIVE FALLOUT AND NUCLEAR WEAPONS TESTS

1. To what extent is there a danger to the populations of this country and others from the radioactive fallout of nuclear test explosions?

Is it possible to reconcile the different points of view regarding the dangers of radioactive fallout? If not, is there an explanation as to why these differences exist? Would it be feasible for the Joint Committee to undertake to correlate the various studies and opinions regarding the dangers of radioactive fallout? Such a correlation would be helpful to the public and to Members of Congress who are now subject to widely differing points of view on the danger of nuclear weapons tests. Would the creation of a special committee of scientists be a constructive way of trying to resolve the differences of opinion which now exist?

With respect to published findings on the danger of radioactive fallout, all conclusions are based on the presumption that tests would continue at their present rate. Is this a reasonable presumption in view of the number of countries which may conduct their own tests in the future?

In view of the tentativeness of many of the findings on radioactive fallout, is it possible or wise for the Atomic Energy Commission and the executive branch to be so positive in their declarations that nuclear weapons tests do not constitute a health hazard? For example, can we know with certainty the total amount of radioactive fallout being deposited on the earth's surface and the rate at which the deposits are increasing? Is it likely that as research reveals greater knowledge about radioactive substances, such as strontium 90, the maximum permissible concentration levels will be lowered from what they are today?

2. What is the extent of the research being done on problems of radioactive fallout?

How much of the research is being done by Government agencies and how much by private research groups under Government sponsorship and with Government funds?

Must private research groups depend upon the Government particularly the AEC, for most of their data? That is, to what extent does the depth and breadth of research rest on what the Government is willing to turn over to private research organizations?

How much and what kind of data on radioactive fallout remains classified? What justification is given by the AEC and other Government agencies for continued classification of such information?

Is the AEC presented with a conflict of interest when it is required to act on the one hand as an agent in the development of nuclear weapons, and on the other as an agent to provide safeguards to health resulting from nuclear weapons experiments? If a conflict of interest does exist what would be effective ways of removing or at least minimizing the conflict?

If the research being conducted on radioactive fallout is considered to be inadequate should the Congress increase appropriations for such research?

Should the results of research on radioactive fallout be made available to and reviewed by the Joint Committee on Atomic Energy as well as the Atomic Energy Commission?

3. Is it possible for the Congress to receive information, preferably unclassified, on the detection of nuclear tests?

It is important to resolve present conflicting points of view regarding the detection of nuclear weapons tests. Is it true that present methods of detection can identify anywhere in the world a nuclear test explosion of one megaton or higher? Can present methods detect with certainty a test of less than one megaton? If not, what type of a system would detect tests of lower yields? To detect tests of lower yields would the devices need to be located within the country testing, such as the Soviet Union?

Why must detection methods be so highly classified?

Are there legitimate military considerations for not seeking an agreement to ban tests of one megaton bombs or higher? Of 100 kilotons or higher? Can the Congress and the public receive information on some of these military considerations?

Even if valid military considerations against banning large nuclear weapons tests exist, would the United States benefit equally with the Soviet Union if a safeguarded agreement were reached to ban such tests? If not, why not?

Mr. HUMPHREY. Mr. President, the service which the joint committee is about to perform can be of major benefit to all the American people. I know that all of us wish the committee well in this undertaking. Like other Senators, I shall follow the hearings with the utmost interest.

Mr. President, I conclude by saying that I can think of no hearings conducted during the present Congress which will have a more profound effect upon our foreign policy, as well as on our programs of national security, than those now being undertaken by the Joint Committee on Atomic Energy.

THE CIVIL-RIGHTS BILL

Mr. DOUGLAS. Mr. President, it appears that defeat or emasculation by delay continues to be the strategy of those who are opposed to enactment of proposed civil-rights legislation or even passage of the irreducible bill reported from the Constitutional Rights Subcommittee of the Senate Judiciary Committee by a bipartisan vote, and the subject of what with charity may be called extended debate within the whole Judiciary Committee itself.

A virtually identical bill is now on the last lap of a slow journey through the House Judiciary and Rules Committee to the House floor, where debate is scheduled to start about June 5, with floor debate and a probable 2-to-1 bipartisan vote for passage during the week of June 10.

This schedule, if adhered to, will mean perhaps 6 or 7 weeks in which to break a Senate filibuster and get a vote on final passage here in the Senate.

Mr. President, the acknowledged success which the opponents of civil-rights legislation have had to date is costing the American people and our Nation dearly. Not only has it prolonged injustice for millions of Negroes and members of other minority groups here at home, but it has slowed down other vital proposed legislation, such as the school-construction bill and the consideration of more liberal immigration measures. Perhaps most important at this juncture in world affairs, it clouds our moral credentials and standing among free and uncommitted peoples of the world, particularly the three-fourths of the world's population who are colored.

On Sunday, May 27, 1957, Mr. Cabell Phillips, the distinguished New York Times reporter, had published a summary of the civil-rights fight in the 85th Congress to date. The article seems to me and others who have been active in this fight to be an admirable recapitulation because of its perceptiveness, its economy of words, and its remarkable accuracy. I ask unanimous consent that the article be printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW TO STALL A BILL: A CASE HISTORY ON CIVIL RIGHTS

(By Cabell Phillips)

WASHINGTON, May 25.—The greatest strategists in Congress are the southerners who, by virtue of their political longevity and shrewdness, generally manage to outwit their far more numerous northern opponents. One of their most useful tactics is that of the stall; the parliamentary foot-dragging which, if it does not demolish its target directly, often softens it up for envelopment from the flank.

For the last 3 months a small band of these southern partisans has been waging just this sort of oblique guerrilla warfare against civil rights legislation while the massed ranks of the supporters of these bills have wrung their hands in helpless dismay on the sidelines.

They have not succeeded yet in killing civil rights legislation for this session—there is a suspicion, indeed, that that is not what they want to do anyway—but they have succeeded in backing it into a corner, so to speak, where the remainder of the battle can be fought on their own terms.

The upshot of all this maneuvering, as it appears now, is that a civil rights bill of some sort is likely to become law before this session of Congress ends, but it will be a law whose terms have been dictated largely by its southern opponents.

SET THE TIMING

The achievement of this victorious paradox derives from the fact that the southerners were able to control the all-important time schedule by which the program wormed its way through the legislative labyrinth. Having been barred from floor consideration until almost the beginning of summer, it will now come up against a legislative calendar crowded with more urgent matters. The threat of a filibuster (the southerners' ultimate weapon) becomes more abhorrent as the end of the session approaches.

So the tendency in the weeks ahead will be either to push civil-rights matters aside or—and this seems the more likely—to make whatever compromises are necessary to get it disposed of quickly and peacefully.

Let us see first how this strategy of delays works, and then take a look at its probable consequences.

Bills almost identical with the four-part civil-rights package requested by the administration were introduced in the House and in the Senate early in this session of Congress. Basically, they call for (1) creation of a nonpartisan study commission; (2) setting up of a special civil-rights section in the Department of Justice; (3) widened authority for the prosecution of civil-rights violations, and (4) new legislation to protect minority voting rights.

Both parties, by their platforms, were more irrevocably pledged to civil-rights legislation this year than they had been before, but the southern opposition was as implacable as ever. With all the ingredients for the annual battle present, here is the way it has gone in the House.

A Judiciary Subcommittee, under Chairman EMANUEL CELLER, Democrat, of Brooklyn, held 8 full days of hearings between February 4 and February 28. Altogether 121 witnesses were heard, either in person or through statements, the majority of them speaking in opposition to the bill. Virtually every governor, treasurer, and attorney general, and other assorted officials from the 11 States of the old Confederacy asked to be heard, and most of them were.

CONGRESSIONAL WITNESSES

In addition, many Members of Congress—including one Senator—from Southern States took their turn on the witness stand.

Chairman CELLER was meticulously courteous to each and held doggedly to his determination that every one who wanted to testify would be given the full privilege. Needless to say, most of the testimony was repetitive—the bill was an unwarranted invasion of States rights; it was unnecessary, immoral, unconstitutional; it would worsen rather than improve race relations. Obviously, an effort was afoot to swamp the committee and to prolong its hearings. The printed testimony filled a book of 1,299 pages, 2 inches thick.

Four weeks were required by the full Judiciary Committee to act on its subcommittee report. These were marked by more southern oratory and by arbitrary refusals of unanimous consent to permit the committee to sit while the House was in session. Ultimately, it was reported out by a split vote on April 1.

RULES ROADBLOCK

According to protocol, the bill was thereupon referred to the Rules Committee, traffic arbiter for floor consideration. Rules is dominated by an ancient foe of civil rights, Chairman HOWARD W. SMITH of Virginia. Contrary to usual procedure, Chairman SMITH decided that the Rules Committee would also hold extensive hearings on the merits of the bill. It took all of the month of April before the committee could get around to this.

Finally, hearings began on May 2. Twenty-two witnesses (most of whom had already appeared in the Judiciary hearings) were heard at 9 sessions extending over a 2-week period.

Last Tuesday, Rules Committee completed its labors and cleared the bill for House consideraiton. It tacked on a couple of gimmicks, however, certainly calculated to eat up some more time: an "open rule" that permits any number of amendments to be loaded on to the bill, and a provision for 4 days of general debate.

Chairman CELLER estimates that debate will begin June 5 and continue from 10 days to 2 weeks. Ultimate passage by the House is regarded as certain—sometime after the middle of June.

The Senate bill was under the management of Senator THOMAS C. HENNINGS of Missouri, Chairman of the Constitutional Rights Subcommittee of the Judiciary Committee. His group heard 70 witnesses (largely the same as had testified in the House) in 13 days of hearings between February 14 and March 5. The bill was approved for consideration by the full committee on March 19.

Chairman of Senate Judiciary is Senator JAMES O. EASTLAND, the canny Mississippian, who is the champion of American white supremacists. He is ably backstopped in the committee by Senator SAM ERVIN, of North Carolina, who owns one of the sharpest legal minds in Congress. Between them they unblushingly laid one snare after another to box in the civil-rights report and prevent action being taken on it.

Their opening gambit was to insist that the mimeographed report be printed. Senator ERVIN proved to be a demon proofreader, and it took a month to get the document back from the printer. Next, Senator HENNINGS found it impossible to gain the floor to move consideration of the measure.

ERVIN'S ADVOCACY

It just happened that at meeting after meeting the chairman would bang the opening gavel and announce: "Senator ERVIN has the floor." Over a period of 4 weeks the erudite Tarheel reviewed the rights of man from Magna Carta, upward. When his declamation began at last to peter out, Chairman EASTLAND managed to un-see the raised hand of Senator HENNINGS and to recognize Senators JOHN MCCLELLAN, of Arkansas, OLIN JOHNSTON of South Carolina, and others to discuss such issues as right-to-work laws.

The chairman could not be moved to hold more than the one stipulated meeting a week, or to extend them a moment beyond the noon bell summoning the Senate into session. And on the days when the agenda was least crowded, a legal quorum somehow could not be recruited.

AMENDMENTS OFFERED

Two weeks ago, Senator HENNINGS managed finally to get the floor for his report, but the committee's time since has been spent debating amendments which various members hope to attach to it. The prospect now is that a greatly diluted civil rights bill will be reported out to the Senate 2 weeks from Monday—close to the middle of June.

This has been the major strategy of the southern opponents of civil rights throughout this battle so far—to block serious consideration of the measure until the session was far advanced. Proponents of the bill recognized at the outset that unless they got consideration early, their cause probably was lost. The southerners have won all rounds handsomely up to now.

It does not follow, however, that they will go on to give civil rights its decisive coup de grace. Nor is it certain that they could, in spite of their interim victory.

SOUTHERN MINORITY

The southern bloc is a minority—the bitter-enders number scarcely more than a dozen in all the Senate. Their nuisance value greatly outweighs their intrinsic political might in a showdown. In the responsible leadership of the Democratic Party, as well as in the Republican Party generally, there is a conviction that some sort of civil-rights legislation must come this year or political penalties will be exacted at the polls. This pro-civil-rights majority lacks the cohesiveness and the emotional impetus of the antis, but they are in a mood to be pushed only so far this year, and the southerners know it. They know, too, that there is a firmer disposition to deal harshly with a filibuster, should it come, than there has been in any previous year.

Above all, the southerners are political realists. Thus they are beginning to show a willingness to compromise: to put up only a token, face-saving resistance from here on to a civil-rights bill shorn of its objectionable features—which is to say, most of its teeth. And a willingness to concede this is showing up on the other side.

Mr. DOUGLAS. Mr. President, I also ask unanimous consent to have printed in the body of the RECORD the text of an address by the Reverend Martin Luther King, of Montgomery, Ala., cochairman of the Prayer Pilgrimage for Freedom, delivered at the Lincoln Memorial, at Washington, D. C., on May 17, 1957, at the conclusion of a program in which a large audience, estimated at between 15,000 and 30,000 persons, participated.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY THE REVEREND MARTIN LUTHER KING, OF MONTGOMERY, ALA., COCHAIRMAN OF THE PRAYER PILGRIMAGE FOR FREEDOM, DELIVERED AT THE LINCOLN MEMORIAL, WASHINGTON, D. C., MAY 17, 1957

Mr. Chairman, distinguished platform associates, fellow Americans, 3 years ago the Supreme Court of this Nation rendered in simple, eloquent, and unequivocal language a decision which will long be stenciled on the mental sheets of succeeding generations.

For men of good will this May 17 decision came as a joyous daybreak to end the long night of human captivity. It came as a great beacon light of hope to millions of disinherited people throughout the world, who had dared only to dream of freedom.

Unfortunately, this noble and sublime decision has not gone without opposition. This opposition has often risen to ominous proportions. Many States have risen up in open defiance. The legislative halls of the South ring loud with such words as "interposition" and "nullification." But even more, all types of conniving methods are still being used to prevent Negroes from becoming registered voters.

The denial of this sacred right is a tragic betrayal of the highest mandates of our

democratic tradition. So our most urgent request to the President of the United States and every Member of Congress is to give us the right to vote.

Give us the ballot and we will no longer have to worry the Federal Government about our basic rights.

Give us the ballot and we will no longer plead to the Federal Government for passage of an antilynching law. We will, by the power of our vote, write the law on the statute books of the South, and bring an end to the dastardly acts of the hooded perpetrators of violence.

Give us the ballot and we will transform the misdeeds of bloodthirsty mobs into the calculated good deeds of ordinary citizens.

Give us the ballot and we will fill our legislative halls with men of good will, and send to the sacred Halls of Congress men who will not sign a southern manifesto because of their devotion to the manifesto of justice.

Give us the ballot and we will place judges on the benches of the South who will do justly and love mercy. And we will place at the head of the Southern States governors who have felt not only the pang of the human but the glow of the divine.

Give us the ballot and we will quietly and nonviolently, without rancor or bitterness, implement the Supreme Court's decision of May 17, 1954.

In this juncture of our Nation's history there is an urgent need for dedicated and courageous leadership. If we are to solve the problems ahead and make racial justice a reality, this leadership must be fourfold.

First there is need for strong, aggressive leadership from the Federal Government. So far, only the judicial branch of the Government has evinced this quality of leadership. If the executive and legislative branches of the Government were as concerned about the protection of our citizenship rights as the Federal courts have been, then the transition from a segregated to an integrated society would be infinitely smoother.

But we so often look to Washington in vain for this concern. In the midst of the tragic breakdown of law and order the executive branch of the Government is all too silent and apathetic. In the midst of the desperate need for civil-rights legislation, the legislative branch of the Government is all too stagnant and hypocritical.

This dearth of positive leadership from the Federal Government is not confined to one particular political party. Both political parties have betrayed the cause of justice.

The Democrats have betrayed it by capitulating to the prejudices and undemocratic practices of the southern Dixiecrats. The Republicans have betrayed it by capitulating to the brazen hypocrisy of right-wing reactionary northerners.

These men so often have a high blood pressure of words and anemia of deeds.

In the midst of these prevailing conditions we come to Washington today pleading with the President and Members of Congress to provide a strong moral and courageous leadership toward a situation that cannot permanently be evaded.

We come humbly to say to the men in the forefront of our Government that the civil rights issue is not an ephemeral, evanescent, domestic issues that can be kicked about by reactionary guardians of the status quo. It is rather an eternal, moral issue which may well determine the destiny of our Nation in the ideological struggle with communism.

The hour is late. The clock of destiny is ticking out. We must act now, before it is too late.

A second area in which there is need for strong leadership is among the white, northern liberals. There is a dire need today for liberalism which is truly liberal. What we are witnessing today in so many northern communities is a sort of quasi-liberation which is based on the principle of looking sympathetically at all sides. It is a liberalism so bent on seeing all sides that it fails to become committed to either side. It is a liberalism that is so objectively analytical that it is not subjectively committed. It is a liberalism which is neither hot nor cold, but lukewarm.

We call for liberalism from the North which will be thoroughly committed to the ideal of racial justice, and will not be deterred by the propaganda and subtle words of those who say "Slow up for a while, you're pushing too fast."

A third source that we must look to for strong leadership is from the moderates of the white South. It is unfortunate that, at this time, the leadership of the white South depends on the closedminded reactionaries. These persons gain prominence and power by the dissemination of false ideas, and by deliberately appealing to the deepest hate responses in the human mind.

It is my firm belief that this closedminded, reactionary, recalcitrant group constitutes a numerical minority. There are in the white South more openminded moderates than appear on the surface. These persons are silent today because of fear of social, political, and economic reprisals. God grant that the white moderates of the South will rise up courageously, without fear, and take up the leadership in this tense period of transition.

I cannot close without stressing the urgent need for strong, courageous and intelligent leadership from the Negro community. We need a leadership that is calm and yet positive. This is no day for the rabble rouser, whether he be Negro or white. We must realize that we are grappling with the most weighty social problem of this Nation. In grappling with such a complex problem there is no place for misguided emotionalism.

We must work passionately and unrelentingly for the goal of freedom, but we must be sure that our hands are clean in the struggle. We must never struggle with falsehood, hate, or malice. We must never become bitter. I know how we feel sometimes. That is the danger to those of us who have been forced so long to stand among the tragic midnight of oppression; those of us who have been trampled over; those of us who have been kicked about. There is the danger that we will become bitter. But if we become bitter and indulge in hate campaigns, the new order which is emerging will be nothing but a duplication of the old order.

We must meet hate with love. We must meet physical force with soul force. There is still the voice crying out through the vistas of time saying: "Love your enemies, bless them that curse you, pray for them that despitefully use you. Then, and only then, can you matriculate into the university of eternal life." That same voice cries out in terms lifted to cosmic propositions: "He who lives by the sword will perish by the sword." History is replete with the bleached bones of nations that failed to follow this command. We must follow nonviolence and love.

Now, I'm not talking about a sentimental, shallow kind of love; I'm not talking about eros, which is a sort of esthetic, romantic love; I'm not even talking about filia, which is a sort of intimate affection between personal friends; but I'm talking about agape—I'm talking about the love of God in the hearts of men. I'm talking about the kind of love that will cause you to love the person who does the evil deed, while hating the deed that the person does. We've got to love.

There is another warning signal. We talk a great deal about our rights, and rightly so. We proudly proclaim that three-fourths of the peoples of the world are colored. We have the privilege of noticing in our generation the great drama of freedom and independence as it unfolds in Asia and Africa. All of these things are in line with the unfolding work of providence.

We must be sure that we accept them in the right spirit. We must not seek to use our emerging freedom and our growing power to do the same thing to the white minority that has been done to us for so many centuries.

Our aim must never be to defeat or humiliate the white man. We must not become victimized with a philosophy of black supremacy. God is not interested merely in freeing black men and brown men and yellow men. But God is interested in freeing the whole human race.

We must work with determination to create a society, not where black men are superior and other men are inferior and viceversa; but a society in which all men will live together as brothers and respect the dignity and worth of human personality.

We must also avoid the temptation of being victimized with the psychology of victors. We have won marvelous victories through the work of the NAACP. We have been able to do some of the most amazing things of this generation, and I come this afternoon with nothing but praise for this great organization. The work that it has already done and the work that it will do in the future. Although they outlaw it in Alabama and other States, the fact still remains that this organization has done more to achieve civil rights for Negroes than any other organization we can point to. Certainly this is fine. We must not, however, remain satisfied with a court victory over our white brothers.

We must respond to every decision with an understanding of those who have opposed us, and with an acceptance of the difficult adjustments that the court orders pose for them. We must act in such a way as to make possible a coming together of white people and colored people on the basis of a real harmony of interest and understanding. We must seek an integration based on mutual respect.

I conclude by saying that each of us must keep faith in the future. Let us not despair. Let us realize that as we struggle for justice and freedom we have cosmic companionship. This is the long faith of the Hebraic-Christian tradition; that God is not some Aristotelian, unmoved, mover who merely contemplates upon Himself He is not merely a self-knowing God, but an ever-loving God, forever working through history for the establishment of His kingdom.

Those of us who call the name of Jesus Christ find something of an event in our Christian faith which tells us this. There is something in our faith that says to us: never despair, never give up. Never feel that the cause of righteousness and justice is doomed. There is something in our Christion faith, at the center of it, which says to us that Good Friday may occupy the throne for a day, but ultimately it must give way to the triumph and beat of the drums of Easter. There is something in our faith which says that evil may so shape events that Caesar will occupy the palace and Christ the Cross. But one day that same Christ will rise up and split history into A. D. and B. C., so that even the natal life of Caesar must be dated by his name.

There is somethinga in this universe which justifies Carlyle in saying: "No lie can live forever."

There is something in this universe which justifies William Cullen Bryant in saying: "Truth crushed to earth will rise again."

There is something in this universe which justifies James Russell Lowell in saying: "Truth forever on the scaffold, wrong forever on the throne. Yet that scaffold sways a future, and behind the dim unknown stands God—within the shadow, keeping watch above his own."

Go out with that faith today; go back to your homes in the Southland with that faith today; go back to Philadelphia, to New York, to Detroit and Chicago with that faith today. The universe is on our side in the struggle. Stand up for justice.

Sometimes it gets hard; it is always dimcult to get out of Egypt; the Red Sea always stands before you with discouraging dimensions. Even after you have crossed the Red Sea, you have to move through a wilderness with prodigious hilltops of evil and gigantic mountains of opposition. And I say to you this afternoon, keep moving. Let nothing slow you up. Move on with dignity and honor and respectability.

I realize that it will cause a restless night sometimes. It might cause losing a job; it will cause suffering and sacrifice. It might even cause physical death for some. But a physical death is the price that some must pay to free their children from a permanent life of psychological death. Nothing can be more Christian.

Keep going today; keep moving amid every obstacle; keep moving among every mounting of opposition.

If you will do that with dignity, when the history books are written in the future, the historians will have to look back and say there lived a great people, a people with fleecy locks and black complexion, but a people who injected new meaning into the veins of civilization; a people which stood up with dignity and honor and saved western civilization in her darkest hour. A people who gave new integrity and a new dimension of law to our civilization.

When that happens, the morning stars will sing together, and the sons of God will shout with joy.

Mr. DOUGLAS. Mr. President, the press did not completely report the Reverend Mr. King's remarks. Because of their significance, their eloquence, and the sense of sober responsibility and confidence in the ultimate victory of the civil-rights cause here in the United States of America, I urge my colleagues and all the rest of the American people to give careful reading and sympathetic consideration of Reverend King's statement.

Mr. President, one point made by Mr. Phillips early in his report and repeated in his final paragraph, has troubled me; and I have, therefore, checked with colleagues on both sides of the aisle whose commitment to meaningful civil-rights legislation is beyond question.

In the fourth paragraph of Mr. Phillips' report he states that "a civil-rights bill of some sort is likely to become law before this session of Congress ends, but it will be a law whose terms have been dictated largely by its southern opponents."

Mr. EASTLAND. Mr. President, at this point will the Senator from Illinois yield to me?

Mr. DOUGLAS. I am glad to yield.

Mr. EASTLAND. Let me tell the distinguished Senator from Illinois that the southern members of the Judiciary Committee cannot dictate anything. I wish we could.

I should like to make it clear that there is no filibuster in the Senate Judiciary Committee. We had extensive hearings, and there was an attempt made to bring the bill up in the committee before the hearings were printed and available to the members of the committee. In fact, the testimony to substantiate certain provisions of the bill was the testimony of the Attorney General. As I understand, that testimony was among the last testimony available for printing, because the Attorney General corrected his testimony. In fairness, I think the Senator from North Carolina [Mr. ERVIN], who was writing the minority views, in which he desired to cover those particular points, should have had the corrected testimony before him.

Since that time, let me say, we have proceeded, I think, with effective deliberation as to the issues. We have had one vote on an amendment. We would have proceeded yesterday on other amendments had a quorum been present. I should like to tell my friend that the chairman was present in the committee yesterday, and has been present at each of the meetings. We did not get a quorum yesterday because of the absence of members of our own party, the Democratic Party.

I have heard Senators on the other side of the aisle say that if the Democrats had been present there would have been present a sufficient number of Republicans to make a quorum. That was true on yesterday. I remember a few weeks ago the chairman was there and waited 50 minutes. The Democrats were there. There were hardly any Republicans present.

I do not think that either party is subject to criticism. We are proceeding to the consideration of the bill and the amendments. I think the consideration has been very helpful. It is a bill which would change our form of government and deprive the American people of some of their most basic rights, and I think we should go very carefully into the questions involved and submit to the Senate a bill that will protect the liberties guaranteed to the American people in the Bill of Rights.

Mr. DOUGLAS. May I say to my good friend from Mississippi that, of course, we have no infallible Geiger counter to determine the degree of filibustering which may be taking place——

Mr. EASTLAND. I think the Senator is unfair in saying there is a filibuster. There is no filibuster that I know anything about.

Mr. DOUGLAS. I was very careful not to use the term, but I did say, and I stand by it, that defeat or emasculation by delay continues to be the strategy of those opposed to the enactment of civil-rights legislation, subject to what, with charity, could be called extended debate within the whole Judiciary Committee itself.

I marvel at my moderation. While I have to depend on what I read in the newspapers, the accounts of at least 2 or 3 of those meetings indicated to me that something very close to a filibuster has been taking place. I refer particularly to a meeting in which the chairman of the committee promptly proceeded to recognize the Senator from North Carolina, who, in a most amusing fashion, talked about an hour and a half on subjects somewhat extraneous to the issue.

Mr. EASTLAND. The chairman has to conduct the hearings in accordance with the rules of parliamentary procedure, and I do not think any member of the committee, Democratic or Republican, can say that has not been done. When the Senator from North Carolina requests recognition, and requests it first, it is my duty as chairman of the committee, to recognize him. When a Senator, a member of the committee, says he does not want to be interrupted, except for questions, he has the right to proceed without interruption. I know of one meeting where that was done; but, as I told the distinguished Senator, we began to consider and vote on amendments a week ago yesterday. We were willing to vote on amendments yesterday, had a quorum been present.

The Senator from Illinois has mentioned the distinguished senior Senator from North Carolina [Mr. ERVIN]. At the meeting in connection with which he is being criticized, he made this statement or proposition: That it had been announced by the majority leadership of the Senate that the bill would not be taken up in the Senate until the House had acted; and that immediately upon action by the House, the Judiciary Committee would meet from day to day and proceed to mark up the bill.

Mr. DOUGLAS. Who made that statement?

Mr. EASTLAND. That was the proposition made by the Senator from North Carolina at the meeting as to which the Senator from Illinois is criticizing him for talking too long. That proposition was objected to by the members of the committee from the other side of the aisle. I could not think of anything that would be fairer.

Mr. DOUGLAS. The Senator from Mississippi is always courteous and gentlemanly in his manner and conciliatory in his approach, and the Senator from Mississippi and I, as he well knows, have the most pleasant of personal relations.

Mr. EASTLAND. Certainly.

Mr. DOUGLAS. But, as I say, it is extraordinary how everything has been dovetailed in together, whether by accident or design, to prevent any action.

If the Senator from Mississippi will permit me, let me mention a few things. First, it is extraordinary that, while the Senate has been in recess or adjournment on other days, it has never been in recess or adjournment on Monday. Sometimes the Senate does not meet on Tuesday, sometimes it does not meet on Wednesday, sometimes it does not meet on Thursday, it seldom meets on Friday, and almost never on Saturday, but it always meets on Monday at 12 o'clock, and therefore opportunity is afforded——

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. DOUGLAS. Yes.

Mr. CASE of New Jersey. I call the attention of the Senator to the fact that on some Mondays the Senate meets at 11 o'clock a. m.

Mr. DOUGLAS. That is true. Last Monday it met at 11 o'clock. Thus, that permits some member of the Judiciary Committee—and such a member is always there—to make the point of order at the weekly Monday meeting of the committee that the Judiciary Committee cannot meet while the Senate is in session.

Mr. EASTLAND. Let us take the statement the Senator from New Jersey made that the Senate, a week ago, met at 11 o'clock on Monday. We were "pushed" to a vote on an amendment. I had to make a personal request of the Members to cease talking, and had to accuse two Senators of filbustering, so the committee could vote.

Mr. DOUGLAS. Let us develop this case point by point. The fact is that the Senate has been meeting on Monday at 12 o'clock, and sometimes at 11 o'clock. Therefore on that day dilatory and delaying actions can be carried forward in the committee.

Mr. EASTLAND. Let me be frank with the Senator. Of course, I am opposed to the bill.

Mr. DOUGLAS. I gathered as much. [Laughter.]

Mr. EASTLAND. While I am opposed to the bill, its consideration is proceeding within the limits of the rules of the Senate and the rules of the committee, and——

Mr. DOUGLAS. May I say the rules of the Senate and the rules of the committee——

Mr. EASTLAND. I am not through.

Mr. DOUGLAS. I beg the Senator's pardon.

Mr. EASTLAND. And the consideration is effective. It is deliberate, but it is effective to persons on both sides of the issue, and the Senator should consider that.

Mr. DOUGLAS. This has been going on ever since January. There has been very little other business before the Judiciary Committee, aside from a few private bills.

Mr. EASTLAND. Oh, no. I wish the Senator could see how busy the subcommittees and the full committees are.

Mr. DOUGLAS. Mr. President, I should like to proceed.

Mr. EASTLAND. I apologize to the Senator.

Mr. DOUGLAS. I may say that the rules of the Senate, the procedures of the Senate, and the procedures of the Committee on the Judiciary have all been nicely interlaced to delay and to impede any effective vote on the civil-rights measure. This fact is perfectly well known to the Senator. I am sure when the Senator returned to Mississippi he does not emphasize any speed which he uses in bringing such a bill to the floor. I am sure that when he talks confidentially, or even less than confidentially, to his constituents, he lays due stress upon delay and dilatory tactics to impede a vote on the measure.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. EASTLAND. Has the Senator seen anywhere anything to indicate that the chairman of the Committee on the Judiciary made any such statement?

Mr. DOUGLAS. I am not trying to get anything on the chairman of the Judiciary Committee, but I think the chairman will not deny the truth of the statement which I have made.

Mr. EASTLAND. Oh, yes. The chairman has made no such statement to his constituents or anyone else. The chairman is just the errand boy of the committee, that is all he is. I merely sit there.

Mr. DOUGLAS. Although on other matters he is the soul of expedition, in this case he is a most dilatory errand boy.

Mr. EASTLAND. The Senator is being unfair to the chairman.

Mr. DOUGLAS. That is the last thing I wish to be.

Mr. EASTLAND. The chairman has to sit there, and when a member of the committee asks for recognition, the chairman has to recognize the member.

Mr. DOUGLAS. Why do his eyes always light on someone from the South?

Mr. EASTLAND. Because he is the first to speak.

Mr. DOUGLAS. Was the Senator from Missouri [Mr. HENNINGS] not equally worthy of recognition, as compared to the Senator from North Carolina?

Mr. EASTLAND. The Senator from Missouri has been recognized several times, when he spoke first. I do not think anybody would say that no one who is not a southern Member is recognized. Other Senators are recognized, when they speak first.

Mr. DOUGLAS. It appears that southern Members are always recognized, so it is said that they do speak first; is that not true?

Mr. EASTLAND. No. When they ask for recognition first they are recognized. That is my duty. I should recognize them under such circumstances.

Mr. DOUGLAS. It is a fine point, as to who speaks first.

Mr. EASTLAND. I do not think there has been any question about that in the committee.

Mr. DOUGLAS. The plain matter of fact is that this bill has been before the committee since January. Hearings were started in February. The hearings were concluded in March. It is now nearly the end of May. If we do not get a bill on the floor very soon, we know exactly what will happen. There will be extended debate for week after week. Then the argument will be made, "Will you hold up the appropriations? Will you hold up the national defense?" So a determined drive will then be made to lay civil rights aside and let the filibuster win.

Mr. EASTLAND. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. Certainly.

Mr. EASTLAND. Is that not a sound argument?

Mr. DOUGLAS. It is an argument which undoubtedly will be made. What I am trying to say is that we should be moving, and we should get a civil rights bill on the floor of the Senate very soon so that we can act on its whether we vote yes or no.

Mr. EASTLAND. Let me tell my distinguished friend, the Senator from Illinois, that what he has said will have our sincere consideration.

Mr. DOUGLAS. I am sure it will be considered, but I am also sure it will not be acted on.

Mr. EASTLAND. I can say, in all seriousness, that there is no filibuster in the Committee on the Judiciary, that we are now proceeding to vote on the amendments and to mark up the bill.

Mr. DOUGLAS. Is the Senator willing to have special meetings of the Committee on the Judiciary each day from now on and not merely on Monday as has hitherto been the case?

Mr. EASTLAND. Each day?

Mr. DOUGLAS. Each day.

Mr. EASTLAND. The Senator from Illinois knows how hard it is to get a quorum for special meetings of the committee. I tried to get a quorum. We could not get one for the regular meeting. The chairman tried to get an extra meeting last week.

Mr. DOUGLAS. I recognize that the Senator from West Virginia [Mr. NEELY], the Senator from Missouri [Mr. HENNINGS] and the Senator from North Dakota [Mr. LANGER] are ill.

Mr. EASTLAND. That is true.

Mr. DOUGLAS. I recognize that fact.

Mr. EASTLAND. The key members are involved. The Senator from Arkansas [Mr. MCCLELLAN] has offered an amendment, which is the pending question, the right-to-work amendment. The Senator from Arkansas was in New York City to receive the award as Father of the Year.

Mr. DOUGLAS. Which he richly deserved, and which we are delighted he received.

Mr. EASTLAND. That is true. It would have been grossly unfair to call a meeting to consider his amendment, which was the pending question, in his absence.

Mr. DOUGLAS. One device or another can always be found, and has been found. I simply wish to say that time is running out, and patience is being exhausted.

Mr. EASTLAND. We have been very patient, I think.

Mr. DOUGLAS. My patience is running out and so is that of tens of millions of Americans.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. HUMPHREY. I have in my hand a copy of the Congressional Directory. I am looking at page 233, where there are listed all members of the Committee on the Judiciary, some of our most able and most distinguished colleagues. I note, for the RECORD only, that there are 1, 2, 3, 4, whom one might call southerners, who come from South of the Mason-Dixon line, if we put it on the basis of geography.

My only point is that the committee has a membership of 15. There are 11 other votes involved. It seems to me that the 11 other Senators who have votes ought to be able to report a bill.

I have said repeatedly that both political parties are committed to a civil-rights platform. There are minorities in each party against civil-rights legislation, but there is a majority in both parties, in convention, committed to a civil-rights program, and the proposed civil-rights legislation which is in the committee represents a moderate—a very moderate—civil-rights program.

All I am asking is that the 11 Senators—the 11 Democrats and Republicans—outside of the 4, who have made their convictions well known, take some

action. I have never deluded myself into believing that I should be able to convince any of my friends from the Deep South they should be voting for civil-rights legislation. I think they should, but I do not think they will. I am not going to waste whatever limited forensic talents or talents of persuasion I have trying to get their votes, because I doubt that I can do it. But I should like to encourage the other 11 Senators to give at least 8 votes for the bill, and that would make an 8 to 7 vote, which would enable the bill to be reported.

The President has asked for civil-rights legislation. The Senator from Missouri [Mr. HENNINGS] introduced his bill, which provides for such legislation. The Senator from Illinois [Mr. DIRKSEN] introduced his bill to provide for it. I joined with my colleagues on this side of the aisle, and on the other side, in introducing a total civil-rights program. The Senator from New Jersey [Mr. CASE] has presented a civil-rights bill. The Senator from New York [Mr. JAVITS] and other Senators have done the same. We all have introduced bills. All we are asking for is a chance, before Labor Day, to vote on a civil-rights bill.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I would even be willing to wait until after Labor Day.

Mr. DOUGLAS. I am happy to yield to the Senator from Louisiana.

Mr. LONG. The Senator realizes, of course, that people have civil rights, and civil rights should be preserved in this Nation. I would hate to see a civil-rights bill that stripped Americans of their civil rights enacted into law.

Some persons would like to have a basic right, which was won from old King John at Runnymede, the right to trial by jury, taken away. I understand that right is involved.

Certainly the Senator would not wish to see Americans stripped of the right to trial by jury, without hearings before the committee, would he?

Mr. HUMPHREY. I may say to the Senator from Louisiana that I am never one who complains about the fact that the committees have hearings, and extended hearings, so long as the committees come to a decision. I believe the point which the Senator from Illinois [Mr. DOUGLAS] has been making is that we would like to have a decision from the committee. I think the Senator from Mississippi said that we are going to get a decision from the committee; is that correct?

Mr. EASTLAND. What the Senator said was this: The committee proceeded a week ago yesterday to consider and vote on amendments ,and we would have continued along that line yesterday had a quorum been present.

I will state further that next Monday the chairman hopes to secure a vote on other amendments.

Mr. DOUGLAS. When does the chairman think a bill will be reported from the committee?

Mr. EASTLAND. The chairman does not control the committee. He is in a minority.

Mr. DOUGLAS. For a person who does not control it he is exercising very great control.

Mr. EASTLAND. No, sir. I thank the Senator, but he is incorrect.

Mr. HUMPHREY. Mr. President, will the Senator yield so that I may respond to the Senator from Louisiana?

Mr. DOUGLAS. I yield.

Mr. EASTLAND. I am in a minority.

Mr. HUMPHREY. I know there are honest differences of opinion among our colleagues as to the civil rights bill. The views of the Senator from Louisiana [Mr. LONG] are well known to me. My views are well known to him. That does not mean that we are bitterly antagonistic. It means we have different points of view.

My feeling is that we should have the right to get a bill to the floor of the Senate and debate it, argue it, offer amendments to it, and vote it up or down. I am willing to take my chances.

But we cannot do that when the bill is in the closet. We have to unlock the door and get the bill on the floor.

I am not criticizing a single one of my southern colleagues, and I want that to be crystal clear. On the Committee on the Judiciary there are but 4 southern Senators. If 4 southern Senators are so smart that they can bottle up the other 11 Senators, then, believe me, the other 11 ought to be doing some thinking.

I am simply asking that the other 11 members of the committee get their majority together and report the bill. I do not think it is fair to say that 4 members can stall 11 other members of a committee. There is unlimited debate on the floor of the Senate, under our rules—which rule I do not agree with, on a motion to take up—but in the committee all I am asking is that the 11 Senators take action. There are 11 Democrats and Republicans pledged to a civil-rights program, who campaigned on a civil-rights platform. The political parties, in convention, endorsed a civil-rights program, and the program now being considered provides less than the one we endorsed. All I say is, get the 11 votes. The 4 who are opposed will have to be a minority.

Mr. EASTLAND. We are only a minority of four.

Mr. HUMPHREY. The Senator and his colleagues are like the Spartans at the Pass of Thermopylae. They certainly "mow 'em down." All I ask them to do is to relax for a day or two, and give us an opportunity.

Mr. EASTLAND. Let me tell my good friend from Minnesota that we are a hopeless minority; and all we want is minority rights.

Mr. HUMPHREY. May I say to the Senator——

Mr. DOUGLAS. Mr. President, who has the floor?

Mr. HOLLAND. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Illinois has the floor.

Mr. DOUGLAS. I prefer to complete my statement, and then I shall be glad to yield.

Mr. HOLLAND. The Senator from Illinois has yielded to a number of other Senators.

Mr. DOUGLAS. I know I have. I probably set a very bad precedent. I should like now to proceed in accordance with the precedents and procedures of the Senate. When I conclude my statement I shall be glad to yield.

In the fourth paragraph of Mr. Phillips' report he states that "a civil-rights bill of some sort is likely to become law before this session of Congress ends, but it will be a law whose terms have been dictated largely by its southern opponents."

In conclusion Mr. Phillips wrote:

> Above all, the southerners are political realists. Thus they are beginning to show a willingness to compromise: To put up only a token, face-saving resistance from here on to a civil-rights bill shorn of its objectionable features—which is to say, most of its teeth. And a willingness to concede this is showing up on the other side.

So far as I am concerned, let me say that there is no such willingness on my part. Personally, I will not accept—whatever my voice may amount to—a civil-rights bill which is stripped of its teeth and rendered ineffective.

I believe in the ordinary practices of justice in this matter—the practices followed in the common law in equity proceedings and the practices followed to enforce at least 21 statutes. I believe that no extraneous subject, such as the right-to-work issue, should be injected. As one of 96 Members of this body, let me say that there is no willingness on my part to compromise, unless the result is a meaningful civil-rights bill. If anyone believes that by delay a face-saving process will be carried out, and that those of us who believe in civil rights will sell the substance for the empty form, he is mistaken.

This bill is itself a tremendous reduction below the real need in the field of civil rights. It does not provide for an effective Federal Employment Practices Commission whose findings and decisions would be enforcible through the courts. It provides only a bare minimum of protection of the elementary right to vote, of security of the person, for strengthening the civil-rights section in the Department of Justice and for setting up a Commission to study charges of discrimination and to report thereon.

Of course, we are well aware of the fact that reports have been current, ever since last January, when Time magazine reported that 70 votes can be obtained for cloture to break a filibuster against taking up a civil-rights bill, provided that bill is gutted and cut down to provide only for a study commission lacking the power of subpena.

It is significant that this persistent report, in varying forms, seems to emanate, not from supporters of civil-rights legislation, but from those who are more interested in political realism and winning the 1958 elections than in carrying out the pledges made by both parties in their 1956 platforms.

Enactment of a toothless civil-rights bill would fool no one, least of all the millions of Negro voters whose eyes and ears are fixed upon the 85th Congress and, particularly, the Senate, where the final act in this year's production of the

great American tragedy of civil rights will be played out in the next few months.

Such a bill, even if 1 or 2 teeth were to be left, would not be a compromise, it would not be the practice of the art of the possible. It would be looked upon, Mr. President, as a surrender to avoid a battle, as a political conspiracy to betray our pledges and our honor as political parties and as individuals.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, I have been interested to hear this discussion, and particularly the comments made by my distinguished friend, to the effect that no southern Senator is supposed to support any kind of civil rights legislation.

I want the RECORD to show very clearly that for 8 or 10 years the Senator from Florida has been offering, in good faith, a proposed Constitutional amendment to require that poll tax payments shall not be required as a prerequisite to voting for President, Vice President, Senator, or Representative in Congress.

The Senator from Florida has been supported in that effort by a number of colleagues from the South. As a matter of fact, my distinguished colleague the junior Senator from Louisiana [Mr. LONG], now on the floor, is one of the cosponsors, with me, of such a bill.

There may be room for a real difference of opinion as to whether it is more important, in a civil rights piece of legislation, to think only about protecting the right to vote of people who already have the right to vote, rather than extending the right to vote to a great many people to whom that right would be extended if such an amendment as ours were submitted and ratified.

The Senator from Florida has frequently stated that he stood ready to go before his State legislature and urge the ratification of such a provision by his State. Other Senators have said the same thing with reference to their States.

The Senator from Florida took a similar position when he was a member of the State senate of Florida, in helping to knock out the poll tax as a requirement for voting in any kind of election in our State. So there can be no question as to where the Senator from Florida stands.

My sole purpose in rising now is to call attention to the fact that what my distinguished friends want is not necessarily civil rights legislation, but rather their idea of civil rights legislation. What they want to do is to proceed in the way they wish to proceed, without any consideration for the convictions of others as to what might be a more constitutional or a more adequate and effective method of proceeding.

So I hope my distinguished friends will not, in the zeal of their pursuit of an objective which they think is worth while, reach the point where they cannot see that there are others who are pursuing objectives which we regard as worth while, and which we think are more important and more helpful than the one now suggested by my distinguished friends.

Our objective is to establish the right to vote in five States of hundreds of thousands of people, both colored and white, who are not now allowed to vote, before we reach the point of protecting them, after they are qualified, from interference if they seek to exercise their right.

I want the RECORD to be perfectly clear. There are people all over the South who have knocked out the poll-tax requirement in their respective States as applicable to all types of elections. There are people all over the South who are perfectly willing, in a constitutional manner, to eliminate the poll tax as a requirement to vote for Federal officials; and they have tried for years to do that very thing.

So I hope that my distinguished friends, in their undoubted zeal for their own program, will not become so confined in their views that they will overlook the fact that there are others who have programs, and others who have convictions which they hold just as sincerely as our friends hold their convictions.

At one time or another the Senator from Florida has been supported, in his advocacy of a constitutional amendment with respect to the poll tax, by his friend from Minnesota.

Mr. HUMPHREY. The Senator from Florida still has my support.

Mr. HOLLAND. He was almost persuaded; but when he learned a little later—and I think this was the reason for his change in attitude—that the NAACP wanted a legislative act, which would be perfectly meaningless and unconstitutional, rather than the submission of a constitutional amendment, he appeared to change his views.

My distinguished friend from Illinois has never been willing to give even lip-service to the submission of a constitutional amendment of the type I have described.

So I want the RECORD to show clearly that there are men and women throughout the South who have their own ideas of civil rights, and who have fought pretty hard for the protection of the rights of individuals—to be tried, for example, rather than lynched. The Senator from Florida knows something about that subject. Lynching has gone out of vogue entirely in the South. It has ceased to exist, in our part of the Nation. However, back in the days when unfortunately it was not out of vogue, the Senator from Florida went abroad in the nighttime upon a number of occasions in an effort, sometimes successful, to avert a terrible tragedy of that kind.

The Senator from Florida knows something about civil rights. As Governor of his State he has insisted upon people of all colors having their civil rights protected.

He becomes a little weary when he hears his friends, merely because they have a program, forget that there are other programs here which are good, and which have been effectively used, both in the South and elsewhere.

The Senator from Florida is becoming sick and tired of having Senators say, "You need not expect anything constructive in this field from the people of the South." That is not true. It will never be true. Senators who entertain such a view ought to revise their thinking.

Mr. DOUGLAS. Mr. President, let me say to my good friend from Florida that he may search the records of debates for the 9 years I have been in the Senate, but I do not believe he will find that upon any occasion any Senator from north of the Mason and Dixon line has questioned the conscientiousness or good faith of Senators from south of the Mason and Dixon line. We have leaned over backward to give credit to the sincerity of Senators from south of the line. We continue to do so. I do not believe, moreover, that any of us has adopted an attitude of self-righteousness. We are quite well aware of the weaknesses in our treatment of minority groups north of the Mason and Dixon line. I believe that virtually every one of us has tried, in his own way, in his own section, to diminish the injustices which have been described.

The plain truth of the matter is that the vast proportion of the Negro population lives in those districts south of the Mason and Dixon line, and therefore the incidence of injustice is heaviest in the States lying south of the Mason and Dixon line.

I know that the Senator from Florida has put forward the idea of a constitutional amendment for a number of years. In itself it is not a bad idea, except insofar as it is intended as a substitute for something that is much better.

I should like to point out that there is no assurance that the southern States would ratify such an amendment if it were submitted to them. I have always felt that the test of sincerity would be if there were to be circulated a round robin signed by approximately 200 southern leaders who would say that they would actively work for the ratification of such an amendment in their State legislatures. It is a fact that 13 States, by refusing to ratify an amendment to the Constitution, can prevent such an amendment from going into effect.

However the main point I wish to make is that the disqualification of Negroes from the fundamental rights of citizenship does not take place primarily by means of the poll tax. As the Senator from Florida knows, that is operative in only five States, and the barrier in that connection has been lowered in some of those States. The barrier against Negroes who live in the South voting is intimidation—economic intimidation, physical intimidation—the striking of Negroes from registration lists, and the feeling that if they go to the pools to vote something will happen to them. That is the real intimidation.

It is against this fundamental denial of the basic American right to vote that the civil rights bills are directed, supported both by the administration and by the so-called liberal Members on our

side of the aisle, with both groups working together.

The civil rights bills have a simple purpose. It is to throw the protection of the Federal Government around the basic right to vote, not merely by prosecutions after the fact, but by obtaining injunctions before the act of restraint and intimidation is committed, with the injunctions backed up by the power of the courts to punish for contempt if the injunction is violated.

I know that a great to-do has been raised about the question of jury trials. I do not intend to argue that point at great length at this time. I submitted a very lengthy and, I think, very thorough brief on this subject, showing that the pertinent provision in the civil-rights bills follows not only the ordinary practices of the courts but also the practice of Congress. The great safeguard lies in the ability of the court to punish violators for a contemptuous act.

The only exception is the Norris-La Guardia Act, which, as a matter of fact, has been considerably modified by the Taft-Hartley Act. We can argue that point when it comes before the Senate for debate. However, it is a fact that public opinion became convinced that the Federal courts were in the main prejudiced against the legitimate activities of labor, that they regarded peaceful picketing as illegal, and in the case of collective bargaining itself they threw around the "yellow-dog contract" the protection of the injunctive process. Public opinion became convinced that the courts were biased and prejudiced against labor, and in order to insure justice in a limited class of cases jury trials were provided in instances where injunctions were violated.

Jury trials were provided by the Congress in this very limited area because the Federal judges, in the opinion of the Congress and the public, were not carrying out the intent and the spirit of the law. They were using the injunction and contempt proceedings to defeat rather than carry out the law.

But the jury-trial amendments to the civil-rights bill have been proposed for the opposite reason, namely, because of the fear that Federal judges through the ordinary process of the injunction and contempt proceedings will actually enforce the law and will do justice. It is because they believe that juries will never convict, however grave the offense, that some people are insisting on such jury trials.

The purpose of the Norris-La Guardia Act was to obtain justice. What is the situation today in the South? Granted that our aim is justice, as it should be, would it be furthered by the provision in the civil-rights bill of jury trials in such cases? Not at all.

Why are our southern friends afraid of southern judges? The Federal judges in the South are virtually all southerners. I do not believe there are any carpetbaggers in the South any more. The Federal judges have grown up in southern communities. They live in southern communities. They have the social feelings of the southern communities. They are subjected to social pressures. One of the outstanding judges was Judge Waring, of Charleston, S. C., and he felt the social chill all right, although he stood his ground. These judges, however, by their position on the Federal bench, are somewhat insulated from the prejudices that surround them by the fact that they have lifetime tenure. This has enabled the Federal judges in the South to make, on the whole, a very good record in the matter of civil rights.

But the case is very different with southern juries. In the first place, the selection of jurors can be manipulated so that only those jurors will be chosen who will not convict a white man for preventing a Negro from voting. The jury lists, as we all know, as a practical matter, can be manipulated, and it is possible, therefore, to get just about the kind of jury the community wants. Furthermore, when the jurors have completed their work they go back into the communities in which they live. If they have brought in a verdict supporting a Federal judge in an injunction matter protecting the Negroes right to vote, they know they will be exposed to economic pressure and possibly even physical pressure.

So that, if the aim is justice, as it should be, justice is not served by superseding the courts in equity proceedings and providing jury trials.

Therefore, any provision which strikes out the ordinary powers of the equity courts to enforce the dignity of their rulings, and any attempted compromise along that line, so far as I am concerned is unsatisfactory, unacceptable, and will amount to pulling all the teeth from the law.

I now yield to the Senator from New Jersey.

Mr. CASE of New Jersey. First, Mr. President, I wish to express my appreciation to the Senator from Illinois for bringing this matter to the attention of the Senate and to the attention of the country as a whole. Whatever may be the situation at a particular meeting with regard to the handling of the committee's activities by the chairman on a particular day, the fact is that here we are at the end of May and we seem to be almost hopelessly far away from action on this important subject.

Mr. President, that has not happened by accident, and it is important that the country should know that it has not happened by accident.

I should like to make this particular comment upon the New York Times article which has been discussed by the Senator from Illinois. I, too, was concerned by the statement that there appeared to be a willingness to concede that the so-called objectionable features—in other words, most of the teeth of the bill—would be and should be eliminated from any proposed civil-rights legislation; namely, that those of us who favor civil-rights legislation are showing a willingness to concede it. Like the Senator from Illinois, I have seen no such willingness, and I know of none, in fact.

From conversations with Members of the Senate on this side of the aisle I am convinced that no such feeling exists.

Mr. DOUGLAS. I am very glad to have that reassurance of the Senator from New Jersey. I expected it because the Senator from New Jersey has been in the forefront of those who are struggling to put an effective civil-rights act on the statute books, and he deserves a great deal of credit for his efforts.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. JAVITS. Mr. President, I wish to join the Senator from New Jersey in supporting the Senator from Illinois [Mr. DOUGLAS] and the Senator from Minnesota [Mr. HUMPHREY] in this civil-rights struggle, which is distinctly a bipartisan struggle. It is right that men who feel the same way should join together on a bipartisan basis—and that is the only way to succeed.

I may say by way of information that I am hoping very much to get some action in the Committee on Rules and Administration on one of the resolutions pending before the committee, one of which alone has the backing of more than 54 Members of the Senate. The Douglas resolution which I am on would amend the rules so that it would be possible to get a bill before the Senate and actually to debate it and vote it up or down, as the Senator from Minnesota has stated.

In supporting the Senator from Illinois in this fight I pledge my own efforts in that direction of amending rule XXII and I hope that a majority of the members of the Committee on Rules and Administration will pursue that point as a corollary and as an essential activity.

I should like to say something about the legal phases involved. I am a lawyer, and I have been attorney general of the State of New York. I have had opportunity to debate the issue of jury trials in contempt cases with its principal advocate, the Senator from North Carolina [Mr. ERVIN], and others. It is essential to point out that as time honored as is the jury trial, so time honored also are equity proceedings, which are just as effective and just as long lasting for the protection of the individual citizens.

We cannot get lost in a dream world here. We know very well we are proposing to use civil rather than criminal measures, which are at least as legal in their effect, for the reason that criminal remedies have not worked in certain sections of the country. We cannot shut our eyes to the fact that we would be destroying the very civil remedy we would create by this legislation if we lent ourselves to the idea that this now gives new sanction, in a contempt proceeding where the United States is the complainant, to jury trials.

Mr. DOUGLAS. I thank the Senator from New York, whose help has been very constant and important in this matter.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. DOUGLAS. I now yield to the Senator from Florida.

Mr. HOLLAND. In the first place, I thank my distinguished friend from Illinois for yielding to me again.

In the second place, I may say, with reference to my friends across the aisle, the modern Republicans who have just

spoken, the distinguished Senator from New Jersey [Mr. CASE] and the distinguished Senator from New York [Mr. JAVITS], that I am a bit distressed because, while they were handing out their lavish compliments to the ultraliberal Senators on this side of the aisle, they did not see fit to pass out, even sparingly, a word of praise to the sizable group of Senators who have consistently urged the submission and passage of a constitutional amendment on the poll-tax question, such as that which I have just discussed.

It is the first evidence I have seen that the modern Republicans are quite different from their elder brethren, because a look at the platforms of the Republican Party of only a few years ago will disclose that the 1944 platform contained a provision stating that the Republican Party recognized that a constitutional amendment was the only way legally to deal with the poll-tax question, and proposed to see to it that such an amendment was submitted, so that the States could act upon it. I am not quoting the exact words, but that is the substance of the provision.

It is simply too bad that our distinguished friends, the modern Republicans, have become so full of zeal with reference to the objectives of modern republicanism, which seem to be willing to run roughshod over many fine, long-standing American traditions, that they forget the tenets of their own party and forget the commitments of their own party, which, by the way, were not fulfilled when their own party came into power, because they made no serious effort to submit such a constitutional amendment.

Instead, folk from the South, who believe in civil rights in that field, were the ones who submitted such a constitutional amendment; and if there has been a word of comfort or support ever to have come from the other side of the aisle, the Senator from Florida would be glad to recognize it. But he has never heard it.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. HOLLAND. The Senator from Illinois has the floor.

Mr. DOUGLAS. Instead of yielding in the second degree, I prefer to yield in the first degree. When the Senator from Florida has concluded, I shall yield to the Senator from Mississippi.

Mr. EASTLAND. I merely wish to ask the Senator from Florida a question.

Mr. DOUGLAS. The Senator from Mississippi is very seductive in his manner. I can well understand how he is always able to keep bills bottled up; because it is hard to refuse him. He may go ahead and I yield to him. [Laughter.]

Mr. EASTLAND. The Senator from Florida has heard the denunciation of the right of trial by jury from several of our colleagues; has he not?

Mr. HOLLAND. The Senator from Florida has hardly been able to believe his ears, but he has heard that kind of utterance come from both sides of the aisle. Particularly was he astounded when he heard it coming from his modern Republican friends on the other side of the aisle.

Mr. EASTLAND. The sense of that argument is this: That the right of trial by jury will impede and hamstring the administration of justice. Is that not the logic of the argument?

Mr. HOLLAND. It is not only the logic of it; it is the expressed meaning of it, as stated frequently, by the various adherents to the cause which has been so jealously pursued by our friends, the distinguished Senator from Illinois and the distinguished Senator from Minnesota.

I want to remind them and the other Members of the Senate, and I want the people to realize, that there is abundant proof in the record of the voting in the Southern States which have done away with the poll-tax requirement that both the minority group—the Negroes—and the majority group—the whites—have voted in much greater numbers and in a much greater percentage of the mature adult population after the abolishment of the poll-tax requirement.

The figures will have to speak for themselves—I cannot quote them from memory—but in my own State the first election after the repeal of the poll-tax requirement showed a tremendous upsurge in the number of citizens participating. The statistics showed a much greater percentage of participation by our Negro citizens than had ever taken place before. The last election returns—because our books still show the color of the registrants—indicated, as I recall, that approximately 150,000 Negro votes were cast in our State.

Since the passage of the law repealing the poll tax in the State of Georgia there has been a similar occurrence. My authority for that statement is the distinguished senior Senator from Georgia [Mr. RUSSELL]. I wish he were on the floor now, because I would much rather have him verify the statement. But in a discussion with him the other day, I am reasonably certain he stated that approximately 200,000, or upward of that number, Negro voters are now voting in Georgia since the repeal of the poll-tax requirement.

I close by simply bringing again to the attention of my distinguished friends the fact that in their zeal for their particular programs, they are willing to limit the application of such relief as might be there when the courts have finished with the matter to those States which have repealed the poll-tax requirement for all kinds of voting, but are not willing to recognize the fact that the principal problem exists and will continue to exist in the five States which have not repealed the poll-tax requirement.

I dislike to make invidious comparisons, but if anyone wishes to read the record, he can see that the participation in voting in the great Commonwealth of Virginia, the State from which my mother came, where many of my relatives live, and the State which I love next to my own, does not begin to compare in percentage with the percentage of those voting in the State of Florida and the State of Louisiana.

I see on the floor my friend, the distinguished junior Senator from Louisiana [Mr. LONG], who has joined me always in the submission of the constitutional amendment to abolish the poll tax.

I simply suggest that to put first things first would be to make it possible for the disfranchised hundreds of thousands of persons of both colors to become qualified without having to pay a poll tax, to vote for President, Vice President, Senators, and Members of the House of Representatives, without interfering with State and local matters.

Mr. DOUGLAS. I wonder if my friend from Florida would be willing to conclude. The hour of 2 o'clock is approaching, and I know a point of order can be raised against me at 2 o'clock. So I wonder if the Senator from Florida would be willing to conclude. Then I should like to yield to the Senator from Minnesota.

Mr. HOLLAND. I shall conclude with a final sentence.

I hope our distinguished friends will be willing to put first things first in the field of civil rights; instead of applying the remedy they want to apply to others I hope they will seek to bring the franchise in national elections to the great disfranchised masses in the 5 States which still have the poll-tax requirement.

Mr. DOUGLAS. Mr. President, I now yield to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I wish to assure my distinguished friend from Florida that if he can get his constitutional amendment to abolish the poll tax reported, he will have my vote.

I was interested in what the Senator from Florida had to say. He said that the junior Senator from Minnesota seemed to be in support of a constitutional amendment to eliminate the poll tax. I assure my friend from Florida that the junior Senator from Minnesota still supports the amendment, and will continue to do so. He also supports the elimination of the poll tax through the legislative process.

I want the poll tax eliminated—period. I will support any legitimate means or efforts to eliminate the poll tax.

When we talk about the right to vote, Congress too, has a right to vote and a duty to vote. One civil right which has been violated is the responsibility of the Congress to vote upon civil-rights legislation when bills have been introduced.

I point out to my friends from the Southern States that no one has greater admiration for their abilities, qualities, and general good character than has the junior Senator from Minnesota. I impute no ill motives to their actions. They have different points of view on some issues. The Senator from Florida believes in civil-rights programs. His views may be different from mine on some of them. I am not here to judge which view is the correct one. But I have a right to expect to cast a vote upon proposed civil-rights legislation. I want to cast a vote upon the bills which are in the Committee on the Judiciary. Those bills are compromises within themselves. They are reasonable and long overdue.

I remember when the junior Senator from Minnesota introduced civil-rights bills back in 1949 and 1950. I was

branded throughout the country as some sort of dangerous radical for having introduced them. Then somebody asked, Why does he not compromise? So I offered a bill entitled "Civil Rights Commission." The story of that bill was printed in every newspaper in the United States. The headline was "HUMPHREY Offers Olive Branch to South." Then I was accused by some of having sold out on civil rights because I was willing to agree to a civil-rights commission. Lo and behold, now a civil-rights commission is called dangerous—a commission to make a simple study and to seek the facts and to inquire into alleged abuses in the case of civil rights.

I submit that this is a reasonable proposal. I submit that it is a compromise within itself. Who in this body can say that the right to vote should be denied to anyone? Frankly, I wish to say to my friends who favor civil rights that we should have started on the right-to-vote bill as the very first civil-rights bill ever to be introduced in the Congress.

Mr. DOUGLAS. On the ground that if there is an effective right to vote, then the politicians will see to it that laws protecting that right, and in the proper interests of those who are given that opportunity, will then be passed.

Mr. HUMPHREY. Yes. When I say "the right to vote," I mean the right to vote without any impairment or without any coercion or without any intimidation; and that is what the Senator from Illinois is talking about.

No one should worry about the enactment of a law to guarantee the right to vote. It is an American as the Fourth of July. The very fact that we are talking about a bill to guarantee the right to vote is a rather sad commentary upon election practices in the United States.

All we are requesting is an opportunity to vote that bill either up or down. If a majority of the Members of the Senate do not believe in a right-to-vote bill with equity proceedings—as the junior Senator from New York [Mr. JAVITS], one of the most able attorneys in this body, has pointed out—and if a majority of the Members of this body do not stand with the Senator from Illinois [Mr. DOUGLAS], the Senator from New York [Mr. JAVITS], the Senator from New Jersey [Mr. CASE], myself, and other Members of the Senate, if the Senators who oppose us have sufficient votes, they will win. But I want the bill brought up, so that it will be possible for the Senate to fight out the controversy and so that we shall have an opportunity to make our case. I wish to have an opportunity to express cogently and, I hope, persuasively, and almost in a fair and reasonable manner, my point of view and support regarding a right-to-vote bill.

But in the present situation, we are merely engaging in forensics; no proposed civil-rights legislation is now before us.

My plea to the distinguished chairman of the Judiciary Committee is to report such a bill to the Senate, so that it may be on the calendar, and the Senate may have an opportunity to vote on it.

Let me say that I know the Judiciary Committee is hard working, and I am aware of the large number of bills the Judiciary Committee reports to the Senate. I am not one who feels that the Judiciary Committee does not do more than a full day's work. But, we need action on the civil-rights bills.

Mr. President, both political parties are pledged to support a civil-rights program; and the Senate has now debated the issue for more than 10 years. It appears to me that both political parties are sharing in the guilt of not performing on their political promises. Regardless of whether a Senator is a modern Republican or is an old-fashioned Republican or is a northern Democrat or is a southern Democrat or is a New Dealer or is an Old Dealer, he is pledged to support a political-party platform which was adopted in convention. I suggest that the 11 members of the Judiciary Committee who are not from the South, and who already have expressed their views on this proposed legislation, as it has been introduced, give us a majority of votes. Then we shall have the bills brought before the Senate. Then the debate can be had; and the Senator from Illinois [Mr. DOUGLAS] will take his position, and I shall stand alongside him.

The bills in the committee are enough of a compromise for me; they constitute all the compromise we need.

I thank the Senator from Illinois for yielding to me.

Furthermore, I wish to say to the Senator from Florida [Mr. HOLLAND] that I respect his integrity and his good faith in this field; and I hope he will pursue the objective of his program for elimination of the poll tax. He will have my help at this time in his effort for the adoption of a constitutional amendment on the poll tax, as he had my help a year ago, and as he had my help 3 years ago. There will be no wavering. But, Mr. President, when I go to the banquet table of civil rights, I do not want to have just a toothpick and a glass of cold water as a substitute for lunch. Instead, I want to have something a little more nourishing. [Laughter.]

Although I know that the civil-rights proposal of the Senator from Florida is more than a glass of cold water and a toothpick, let me say that it is at best meger hors d'ouvres; and I want to get to the main course—in other words, to the main bill and the other bills introduced both on behalf of the President of the United States, through his supporters in this body, and by Senators on this side of the aisle who have been in favor of civil-rights legislation ever since they came to the Congress.

Mr. HOLLAND. Mr. Presdent, will the Senator from Illinois yield to me?

Mr. DOUGLAS. Mr. President, I am prepared to yield the floor, since the hour of 2 o'clock has arrived. However, unless objection is raised, I should like to yield to the Senator from Florida. On the other hand, if objection is raised to a continuation of this debate beyond 2 o'clock, then, in accordance with the procedures of the Senate, which I guard so faithfully, I am perfectly willing to yield the floor.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). The Senator from Illinois has the floor.

Mr. DOUGLAS. Then, Mr. President, I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, I thank the Senator from Illinois for yielding to me again.

I wish to thank my friend, the Senator from Minnesota [Mr. HUMPHREY]. I had not felt behind our constitutional amendment any really strong support of the ardent kind which he generally has given to measures which he has supported during the last 8 years. I hope we shall feel the effect of more ardent support from him from now on.

I may say, by way of information to my distinguished friends on this side of the aisle, and also to my friends on the other side of the aisle who are not modern Republicans, but are real Republicans of the regular variety, that I hope they will see fit to support me when I offer the poll-tax constitutional amendment as a substitute for the measure which has been discussed so long today on the floor of the Senate.

They will have a chance at least to show whether they still stand by that party declaration, announced in reference to a constitution—which was the same then as it is now, and which I think meant the same then that it does now—that constitutional declaration having been that the Republican Party felt that the only sound constitutional way to repeal the poll tax in the States was by constitutional amendment. I shall give them a chance to vote for the substitution of my amendment at the appropriate time, provided that the Senator from Mississippi and his 14 associates who constitute the able membership of the Judiciary Committee make such a mistake as to bring to the floor of the Senate the measure we have had under discussion.

Mr. CASE of New Jersey. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS I yield.

Mr. CASE of New Jersey. I should like to say that so far as the civil-rights issue is concerned, I know of no distinction between Republicans. I know of no change in party position. The Republican position, my own position, the position of all my colleagues on this side of the aisle, so far as I am informed, as well as the position of many Members of the Senate on the other side of the aisle, has been in favor of civil rights since long before the present administration took office and before any prior administration since our party was founded took office. So let it not be understood that there is any Johnny-come-lately division between Republicans on this issue or any other issue.

Mr. EASTLAND. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. Mr. President, I had promised to yield next to the Senator from New York [Mr. JAVITS].

Mr. EASTLAND. I wish to make a comment, in view of what the Senator from New Jersey has said.

Mr. DOUGLAS. Very well; I am glad to yield to the Senator from Mississippi.

Mr. EASTLAND. Which party controlled the 80th Congress?

Mr. DOUGLAS. It was the Republican Party.

Mr. EASTLAND. Yes; it was the Republican Party.

Mr. DOUGLAS. Yes.

Mr. EASTLAND. In 1953 and 1954, which party controlled the Senate?

Mr. DOUGLAS. It was the Republican Party.

Mr. EASTLAND. How many civil-rights bills were reported to the Senate during those sessions?

Mr. DOUGLAS. I am not aware of any. But let me say that I am not trying to score points off the Republican Party. I think the leadership of the Republican Party in times past has merely given lipservice to the principle of civil rights and that a large number of the conservative Republicans have in practice joined to protect the filibustering abilities of the Senators from the South, and therefore have been active accomplices, so to speak, in killing civil-rights bills.

But I am not here to indict the Republican Party. I wish to say that within the Republican Party there are sincere members who want civil-rights bills passed as much as do sincere members within the Democratic Party; and I hope Senators will act in this matter as Americans, not as Republicans or as Democrats; and that we shall stop trying to call foot faults on each other. [Laughter.] The past is merely prolog. Let us move on speedily and fearlessly into the future.

Mr. EASTLAND. But I was objecting to the partisan statement made by the Senator from New Jersey.

Mr. KNOWLAND. Mr. President, let us have the regular order.

Mr. PASTORE. Mr. President, I regret to do so, but I shall have to insist on the regular order.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). The regular order is called for; and it is the further transaction of morning business.

THE HOUSING ACT OF 1957

Mr. CAPEHART. Mr. President I send to the desk my amendment, identified as "5-25-57-G." It is not necessary to read the entire amendment. I might say the amendment has to do with the downpayment schedule on FHA mortgages. I ask that it be made the pending question.

The PRESIDING OFFICER. The Senate is still proceeding with the transaction of morning business.

WELCOME TO A GREAT EUROPEAN, DR. ADENAUER

Mr. WILEY. Mr. President, I am pleased to join with my colleagues in welcoming today at 2:30 one of the great statesmen of this century—Chancellor Konrad Adenauer, of the Federal Republic of Germany.

The fact that we have been fortunate enough to have the Chancellor as a guest of the United States on four previous occasions, heightens, rather than lessens, our interest and our pleasure in his presence.

We as a people have come to know him intimately, and we have found that in each of his visits he has expanded his services to the cause of a free and peaceful world.

This morning's news from Washington, from Bonn, and from Moscow, shows that the Soviet Union is intensifying its efforts to subvert the Federal Republic and lure it down a path to the same slavery which today is the unhappy lot of 18 million Germans of the East Zone.

We know that Soviet Russia will fail in this attempt, thanks to the intelligence and determination of the German people themselves, led by their great Chancellor.

We know, too, that the present disarmament negotiations, which are now underway, by the U. N. Disarmament Subcommittee in London, will not in any way prejudice the cause of the reunification of Germany—the great issue which is naturally in the forefront of the attention of the German people.

Avoidance of atomic war, reuniting with their brethren from the East, maintenance of freedom and prosperity—these are the goals of the people of the Federal Republic, and these are our goals, as well.

I am sure that the discussions which have been underway between Chancellor Adenauer, President Eisenhower, Secretary Dulles, and other officials will prove most fruitful.

I, for one, have urged that every effort be made for frankest discussion of issues which are of deep concern to the people of the Federal Republic. This includes an attempt to resolve, if at all possible, in a sound, proper, and satisfactory way, and in the public interest, the long-pending, highly controversial alien property issue, just as it includes an attempt to resolve other problems pending between us.

As one who has been privileged to know the Chancellor as a personal friend, I say that the American people warmly welcome him to our "house," just as we of the Congress warmly welcome him within the Chamber of our Capitol.

We wish for him continued health, long life, and the fulfillment of his deepest aspirations in the cause of a free, peaceful, prosperous, and united Europe, including a free, peaceful, prosperous, and united Germany.

REDUCTION OF THE BUDGET

Mr. THURMOND. Mr. President, during the past several months, I have been deeply concerned about the status of the proposed budget.

First of all, I believe that the budget is too high and should be reduced.

Secondly, I am concerned about whether we are making real reductions in spending when we cut the budget proposed for 1958.

Some of the questions which have arisen in my mind are summarized in an article published in the May 31, 1957, issue of U. S. News & World Report, one of the most distinguished and authoritative magazines published.

This article contains a table showing that in each of the past 10 years, the first appropriation approved by the Congress for a budget year has been increased later. The largest of these supplemental increases to the first appropriation approved by the Congress came in 1951, during the Korean war, and amounted to $7.6 billion. This brought the total spending for that year to $83.6 billion, instead of the $76 billion first approved. The smallest increase in spending over the first appropriation approved by the Congress during the past 10 years was in 1955. Congress first appropriated $56.2 billion, and then added $900 million later.

Mr. President, the matter of appropriations is very complicated, and it is especially complicated for those of us who are not members of the Appropriations Committee.

I believe the people of this country should be accurately informed as to what we have really done when we say we have cut the budget. If that means we have succeeded in reducing the budget for this year while, at the same time, approving future spending which must be provided for later, this should be made clear.

I am today writing a letter to the chairman of the Senate Appropriations Committee to request him to see if it is possible to have the status of appropriations already made by the House and Senate clarified at this point. Also, I am requesting whether it might be possible in the future to have the committee staff provide additional helpful information.

What I would like to know is whether the budget reductions made by the House and Senate in the appropriation bills considered by each House will have to be restored later in supplemental appropriation bills or in the appropriation bills of future years. I would like to know whether there are appropriations fixed by laws enacted in prior years which we have failed to provide for in the appropriation bills already approved by the Senate this year.

If the House or the Senate has failed to provide funds which will be necessary to meet expenditures under the provisions of law, then we should do so now, instead of in a supplementary bill later.

I hope it will be possible for the Appropriations Committee to provide such information on bills already approved, and also to include a brief summary with each bill reported in the future, to show whether all reductions made in the budget requests can be maintained or whether statutory or other requirements will necessitate supplemental appropriations.

Mr. President, the Senate has already passed this year, S. 1585, a bill introduced by the distinguished senior Senator from Arkansas [Mr. MCCLELLAN],

which would establish a Joint Committee on the Budget. If the House will pass this measure, which 71 Members of the Senate joined in cosponsoring, I believe that many of the difficulties which concern me about the budget can be eliminated.

The PRESIDING OFFICER. The regular order having been demanded, the Chair informs the Senator from South Carolina that his time has expired.

Mr. THURMOND. I ask unanimous consent that I may have an additional minute and a half.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the distinguished Senator from South Carolina be permitted to proceed for not to exceed 5 minutes, in order to complete his statement.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from South Carolina may proceed.

Mr. THURMOND. There is also pending in the Government Operations Committee, S. 434, a bill introduced by the distinguished junior Senator from Massachusetts [Mr. KENNEDY], and which I cosponsored with a number of other Senators. This bill would "provide for improved methods of stating budget estimates and estimates for deficiency and supplemental appropriations."

The enactment of this bill, which has been favorably reported by the Reorganization Subcommittee to the full Government Operations Committee, would require the presentation of an accurate report of Federal spending each year. The report would have to include carryover funds as well as current appropriations.

If it is possible for the Appropriations Committee to provide the Senate with the information I am requesting, and if S. 1585 and S. 434 are both enacted, or if either is enacted, I believe we shall have made a start toward vastly improved budget practices. I hope we shall do so.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD the article from the U. S. News & World Report to which I referred.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE "JOKERS" IN THE BUDGET CUTS

The "battle of the budget" now going on in Washington may turn out in most respects to be a sham battle. A good many of the cuts now being voted in President Eisenhower's budget are likely to wind up as no more than paper cuts, with no effect whatever on actual spending.

The biggest "joker" in the budget dispute is that actions in Congress give the impression of sharp cuts in spending, where they actually are cuts in appropriations and are aimed largely at future spending. Also, it is questionable whether these cuts in appropriations will hold up in the years ahead.

The budget for the Defense Department points up the difference between genuine and questionable cuts in the President's proposals. The House Appropriations Committee apparently slashed nearly $2.6 billion from the President's request for military funds. But, as the President pointed out in his news conference last week, about half of that cut consists simply of rearranging the Department's books.

"PHANTOM" CUTS

A reduction of $596 million, it develops, was ordered in procurement for the Army and Marine Corps. But the administration never intended to obligate this sum in the year that begins July 1. So all that Congress did to this item was to defer authorized spending for a year.

A shift of $590 million was ordered from reserve funds of the armed services to the account used to pay military personnel. The account from which this sum is taken would doubtless be replenished in a supplemental appropriation, if needed.

A cut of $127 million was ordered in maintenance for the United States force in West Germany. The money presumably will be provided by the West German Government. But, if the Germans do not supply the funds, Congress will have to make it up in a future appropriation.

The remaining defense cuts are aimed at such military programs as research and development and purchases of aircraft and guided missiles. The President and Defense Secretary Charles E. Wilson argue that these reductions will cut directly into defense, but even here it is doubtful that the cuts will show up in reduced spending in the year ahead. A long time—usually more than a year—is required to let contracts, produce equipment, and pay for it.

Chances thus are strong that very few of the cuts being made in defense appropriations will lead to lower spending in the coming budget year.

CUT NOW, RESTORE LATER?

Congress has made other cuts that appear more significant on paper than in fact. For instance, a reduction of $191 million was voted by the House in veterans' benefits. But these benefits are fixed by law, so if the cut proves impractical, Congress will have to restore it. Another such cut is $79 million in grants to States for public assistance—a legal liability that Congress will have to make good if the money is called for.

Altogether, the House or its Appropriations Committee by last week had cut a little more than $4 billion from administration requests in 11 major appropriation bills. But, of this amount, about $1.7 billion fall into the class of cuts that probably will not affect actual spending. Representative WILBUR D. MILLS, Democrat, of Arkansas, an important member of the taxwriting Ways and Means Committee, is authority for the estimate that, despite all the furor about Government spending, House cuts so far will reduce actual spending in the year ahead by no more than $250 million.

"BACKDOOR" APPROPRIATIONS

On occasion, Congress provides for spending and contracting authority that is not even considered by its Appropriations Committees, but still shows up in Treasury outlays. One method is to approve spending out of "debt receipts"—a term that means that a Government agency can borrow from the Treasury. This is done, for example, by the Commodity Credit Corporation to support farm prices and by agencies that guarantee home loans and support the mortgage market. Other agencies are given "contracting authority," which means that they can sign contracts for projects that call for appropriations in the future.

Last year the administration requested authority to obligate $1.5 billion from debt receipts and contract authorizations. Before Congress got through, that amount was boosted to $4.3 billion. Government agencies also have spending authority that carries over from earlier authorizations. Next July 1, the administration will have about $70 billion available from this source in the form of money provided for long-term programs. Add this to requests for new obligational authority in the current budget and you come up with more than $143 billion.

Congress is inclined, sometimes, to cut in one place and restore the cut in another place. An example of this maneuver is a bill to permit the Department of Agriculture to dispose of $1 billion worth of farm surpluses in overseas markets. Payments will be made in foreign currencies, amounting to an estimated dollar value of $700 million. And about 60 percent of these receipts—or $420 million—will go for foreign aid. Thus, while Congress cuts foreign aid with one hand, it may be adding assistance with the other hand.

BUDGET ADDITIONS

Congress frequently displays, moreover, a tendency to adopt spending programs of its own, without recommendations from the President. One such is a new grazing program to assist drought-stricken ranchers. It will add $15 million to next year's spending. The House has approved a new housing program, to add $1.6 billion to obligational authority and probably increase spending in the next budget year by $100 million. Another bill proposes to increase veterans' benefits at a cost of an additional $70 million in next year's outlay.

In recent years, as the following chart shows, Congress never has managed to stay within the budget set by itself, and usually has exceeded the budget submitted by the President. Ever since 1948, before each budget year came to an end, Congress increased spending authority above the amount originally approved.

Also, in most years the Government wound up actually spending more than the President estimated when he first submitted his budget. In some years, such as those of the Korean war, spending skyrocketed above original estimates because of emergencies. In the 1954 fiscal year, a big cut was made in the President's original budget because the Korean war had ended and war spending stopped. The trend since 1955 has been upward.

The record shows further that, in each budget year, Congress approves supplemental appropriations above those originally made. In the present fiscal year, ending June 30, supplemental appropriations are expected to exceed $1 billion. In the year ended June 30, 1956, supplemental appropriations also approached $1 billion.

The recent flurry over a supplemental appropriation for the Post Office was unusual only in that it prompted Congress to flare up. Despite the uproar, Postmaster General Arthur E. Summerfield got nearly all of his added appropriation, however.

SPENDING: HEADED UP

Actually, the budget-cutting drive in Congress appears to leave that body's own experts unimpressed. The staffs of two committees have both reported to Congress that Government spending is headed up, not down.

The staff of the Joint Committee on Internal Revenue Taxation has just estimated that spending in the current fiscal year, ending next June 30, will be $69.5 billion instead of the $68.9 billion the President estimated only last January. That's an increase of $600 million in 5 months. And for the year ahead, ending June 30, 1958, the committee staff estimates spending at $73 billion instead of the $71.8 billion in the President's budget.

The staff of the Joint Committee on the Economic Report notes: "The long lead times between appropriations and expenditures suggest that reductions in appropriations now probably would not reduce expenditures significantly before fiscal 1959."

Congress shows signs of accepting these forecasts. Some Democratic leaders who have been advocating tax cuts have decided to wait another year.

Do budget cuts stand up?—Here is the record of past years (spending authority, or "new obligational authority")

[In billions of dollars]

Years ending June 30—	Asked in President's budget	Approved at first by Congress	Approved finally by Congress	Increase over 1st approval
1948	$30.8	$32.1	$38.1	$6.0
1949	31.4	36.5	40.2	3.7
1950	43.9	43.3	49.5	6.2
1951 [1]	39.9	76.0	83.6	7.6
1952 [1]	93.8	90.4	92.1	1.7
1953 [1]	83.6	78.2	80.2	2.0
1954	72.2	59.5	62.8	3.3
1955	56.3	56.2	57.1	.9
1956	58.6	61.2	63.2	2.0
1957	65.4	69.0	(?)	(?)
1958	73.3	(?)	(?)	(?)

[1] Korean-war years.

Thus, in all recent years, Congress has wound up by increasing the amounts originally approved for Government spending.

CANCER RESEARCH

Mr. NEUBERGER. Mr. President, on May 2, 1957, I introduced in the Senate an amendment to the Labor, Health, Education, and Welfare bill calling for the appropriation of $500 million to the National Cancer Institute, this sum to remain available until expended by the Institute. My amendment has been referred to the Senate Committee on Appropriations for consideration by the Appropriations Subcommittee on Labor, Health, Education, and Welfare headed by the Senator from Alabama [Mr. HILL], who is a leader in the field of medical legislation.

Since submitting this amendment, I have received communications from persons throughout the United States in support of my proposal. Many of the Nation's newspapers and periodicals have responded enthusiastically to my suggestion. On May 26, 1957, the Oregonian, published in Portland, Oreg., printed an editorial entitled "Cancer Can Be Licked" and written by associate editor Malcolm Bauer. I request unanimous consent that this cogent presentation be printed in the body of the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CANCER CAN BE LICKED

Great things have been happening in cancer research in the postwar decade. Before the war few reputable medical men held much hope for an early discovery of a preventive or cure for this multifarious disease. Now the possibility, even probability, of such achievement is not challenged. "The question is no longer if," says Dr. C. P. Rhoads, director of New York's Sloan-Kettering Institute. "It's when. The cancer problem has begun to crack under pressure of research."

In the last 10 years the cancer-cure rate has tripled—all because of the surprising triumphs of cancer research. In that period there has been more progress in cancer research than in all the preceding century. This is an exciting thing to scientists, a vital development for all the rest of us. Of the 500,000 cancer cases discovered annually, a little more than half are cured. If the statisticians can be believed, some 150,000 of those cured this year would have been doomed in 1947.

Those who are in the front rank of cancer research believe that accelerated research can save even more lives, perhaps even bring the breakthrough that could eventually eliminate cancer as the Nation's second greatest killer (the first is heart disease). What is needed for that breakthrough? Money, says Dr. Rhoads. "Excitement is one thing in cancer research we have plenty of, we * * * lack money."

Only in the past year or so has the Federal Government taken a leading role in cancer research. It has set up an "engineered program" to coordinate and expand research in public and private institutions, including, for example, the University of Oregon Medical School. Scientists are slashing away at the thickets on innumerable research frontiers. Some 15,000 chemicals have been studied as possible cures. But everywhere there is the practical limitation of money, for supplies, for equipment, for salaries, for training new researchers.

That is why Senator RICHARD L. NEUBERGER's bill to appropriate $500 million for a crash program under the direction of the National Cancer Institute looks good to us. The actual amount of the appropriation really does not matter. It would be a continuing one, usable all in 1 year or in 10 years, at whatever speed it could be consumed by meaningful research. The important thing is that here is an opportunity for the Nation to attack the cancer evil as it has always attacked its military enemies, to push on to victory, whatever the cost.

Of course, money won't do the job alone. But the rest of the tools are ready and waiting. There are research projects now in being with such immediate goals as the discovery of a reliable blood test to detect cancer, the chemical background that predisposes to cancer, a curative chemical or an immunizing vaccine for one or more of the varieties of cancer. Already many researchers are experiencing a high percentage of cures of animal cancer. If these men and women were to know that their cost problems were no more, that they could pursue any promising avenue and pursue it to its end, their work would be benefited immeasurably.

It has been demonstrated beyond question that such a crash program, a concentrated, all-out attack toward a specified research goal, can be successful. The atom was thus cracked. Penicillin was the result of a smaller scale program.

The $500 million figure may be too high or too low. After all, it is just about equal to what cancer costs the United States annually in the income lost by its victims alone. Its other costs are immense and, where lives are concerned, incalculable.

Congress should enlist the full force of the Government in this cause. Given the proper direction and control, cost should be no object.

Mr. NEUBERGER. I believe that Mr. Bauer presents a persuasive and compelling argument in favor of vastly increased appropriations for the fight against the sinister malady which threatens us all. Discovery of the causes and cure of cancer would mark an epic milestone in man's continuing struggle against disease. Success could mean health and happiness for thousands now doomed to die of cancer.

Scientists and technicians have devoted a lifetime of service in this laboratory search. They ask only that sufficient funds be made available that they may continue the research race. I believe that Congress would be remiss in its humanitarian duty if it failed to assist these dedicated men and women in halting the scourge of cancer.

Mr. Bauer points out:

In the last 10 years the cancer cure rate has tripled—all because of the surprising triumphs of cancer research. * * * Those who are in the front rank of cancer research believe that accelerated research can save even more lives, perhaps even bring the breakthrough that could eventually eliminate cancer as the Nation's second greatest killer.

Mr. President, on May 13, 1957, I testified before the Senate Appropriations Subcommittee on Labor and Health, Education, and Welfare, on behalf of my amendment, and I sincerely hope that the appropriation bill reported by the subcommittee will take cognizance of the necessity of implementing a long-range program of cancer research. Approximately 40 million people now alive in the United States will have some form of cancer during their lifetime, and 26 million of those now alive will die from cancer unless new preventive measures are found. I believe that Congress has an obligation to insure that adequate funds are available to permit an all-out attack aimed at the elimination of this dreaded killer.

Along with others, I look to the Senator from Alabama [Mr. HILL] for leadership in sponsoring legislation which will legalize holding over substantial medical-research funds from year to year, until totally and effectively expended.

BILATERAL AIR TRANSPORT AGREEMENTS

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement I have prepared on the subject of bilateral air transport agreements with foreign countries.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CAPEHART

I have been much interested lately in the activities of the Department of State and the Civil Aeronautics Board in the negotiation of bilateral air-transport agreements with foreign countries. My distinguished colleagues, the senior Senators from Wisconsin and New Hampshire, addressed the Senate on this subject during the negotiations which were recently concluded with the Government of the Netherlands. What they said was constructive, and persuasive to me.

I was further moved in my thinking on this subject by the representations made to the President by the House Interstate and Foreign Commerce Committee, and by the distinguished chairman and ranking minority member of the Senate Interstate and Foreign Commerce Committee on the negotiations with the Netherlands and the whole program of air rights to foreign countries.

I have been impressed with the soundness and the sincerity of the views which my colleagues in the House and the Senate have put forth on the problems which are being created by the actions of the Department of State. I understand that the Civil Aeronautics Board does not agree with these actions, and that they vigorously opposed the grant of any additional routes to the Netherlands.

Despite this opposition on the part of the Civil Aeronautics Board, and despite the views of my colleagues in the Congress, the Department of State went ahead and granted valuable and unwarranted additional rights to the Dutch. I was greatly shocked to see press reports last week that the Department of State had decided to grant new air routes to Belgium. So far as I know, these reports have not been officially denied.

I understand that negotiations are now in progress between the Department of State and a delegation from Australia. The United States now flies from the west coast of the United States to Sydney. Australia flies from Sydney to Honolulu and San Francisco and beyond to Vancouver. It is reported that they seek the right to go beyond San Francisco across the United States to New York, and then proceed on to London and around the world.

If Australia were to be given such a route its airline, Qantas, would be able to carry passengers between San Francisco and New York who were going to proceed on to London, and to tap the great transatlantic market out of New York with as many flights as they could operate from Sydney. They would have one-carrier round-the-world service with the right to fly across the United States—a right denied to the United States carrier which flies around the world.

Qantas is owned by the Government of Australia. We would thus have a government-owned airline expanding its competition across the continental United States and beyond New York into the great European market. The privately owned United States airlines would be subjected to further competition by a foreign government-owned company.

I see no need to make such a route grant to the Government of Australia. The friendship between the United States and Australia need not be impaired by the refusal of the United States to make a grant of air transport rights which would seriously throw out of economic balance the reciprocal agreement which now exists between the two countries.

The United States simply must not, by unwarranted grants to foreign countries, weaken the strength of the United States international air transportation system. The policy adopted in the negotiations with Germany 2 years ago, and in the negotiations with the Dutch last March and April, will inevitably lead to this result.

I notice that the distinguished chairman of the Senate Interstate and Foreign Commerce Committee has recently appointed a subcommittee to consider the whole problem of foreign route requests. I commend this action. I hope that they will go into the matter thoroughly, and that they will find some way to stop this damaging program which the Department of State seems, at present, so intent upon pursuing.

I hope that the Department of State and the Civil Aeronautics Board will firmly refuse any further route grants to Australia. I hope that they will pay careful heed to the Report on International Air Agreements, issued a little more than a year ago by the Senate Interstate and Foreign Commerce Committee, and to the expressions of view which have been made since that time in opposition to the present direction of their policy.

THE HOUSING ACT OF 1957

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Chair lay before the Senate the unfinished business.

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes.

The PRESIDING OFFICER. The Chair rules that the question is on agreeing to the committee amendment. The committee amendment is a substitute for the House text, and under the precedents of the Senate is regarded as original text for the purpose of amendment. An amendment to the substitute is therefore in the first degree, and is subject to amendment in one further degree. An amendment to an amendment to the substitute has precedence over an amendment to the substitute, and the latter amendment has precedence over the question of agreeing to the substitute.

If the committee amendment, whether amended or not, is agreed to, no further amendment is in order unless reconsideration is had.

Mr. CAPEHART. Mr. President, I submit an amendment, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 19, in lines 10 and 11, it is proposed to insert the following section and renumber the succeeding sections of title I of the bill accordingly:

SEC. 102. (a) Section 203 of the National Housing Act, as amended, is hereby amended by changing paragraph (b) (2) to read as follows:

"(2) Involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $20,000 in the case of property upon which there is located a dwelling principally (whether or not it may be intended to be rented temporarily for school purposes) for a 1- or 2-family residence; or $27,500 in the case of a 3-family residence; or $35,000 in the case of a 4-family residence; and not to exceed an amount equal to the sum of (i) 96 percent (but, in any case where the dwelling is not approved for mortgage insurance prior to the beginning of construction, unless the construction of the dwelling was completed more than 1 year prior to the application for mortgage insurance, 90 percent) of $10,000 of the appraised value of the property, as of the date the mortgage is accepted for insurance, (ii) 90 percent of such value in excess of $10,000 but not in excess of $16,000, and (iii) 70 percent of such value in excess of $16,000."

(b) Said section 203 is further amended by adding the following paragraphs at the end of subsection (b):

"(8) In the case of a mortgagor who is not the occupant of the property, have a principal obligation not in excess of an amount equal to 85 percent of the amount computed under the provisions of paragraph (2) of this subsection.

"(9) Be executed by a mortgagor who shall have paid on account of the property at least 4 percent, or such larger amount as the Commissioner may determine, of the Commissioner's estimate of the cost of acquisition in cash or its equivalent: *Provided*, That with respect to a mortgage executed by a mortgagor who is 60 years of age or older as of the date the mortgage is endorsed for insurance or with respect to a mortgage meeting the requirements of subsection (i) of this section, the mortgagor's payment required by this subsection may be paid by a corporation or person other than the mortgagor under such terms and conditions as the Commissioner may prescribe."

On page 22, after line 24, add the following section and renumber the succeeding sections of title I of the bill accordingly:

SEC. 112. (a) Section 220 (d) of said act is hereby amended by striking all of paragraph (3) that appears before clause (B) and inserting in lieu thereof the following:

"(3) The mortgage shall—

"(A) (i) Involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $20,000 in the case of property upon which there is located a dwelling designed principally for a 1- or 2-family residence; or $27,500 in the case of a 3-family residence; or $35,000 in the case of a 4-family residence; or in the case of a dwelling designed principally for residential use for more than 4 families (but not exceeding such additional number of family units as the Commissioner may prescribe) $35,000 plus not to exceed $7,000 for each additional family unit in excess of 4 located on such property; and not to exceed an amount equal to the sum of (1) 96 percent (but, in any cases where the dwelling is not approved for mortgage insurance prior to the beginning of construction, unless the construction of the dwelling was completed more than 1 year prior to the application for mortgage insurance, 90 percent) of $10,000 of the Commissioner's estimate of replacement cost of the property, as of the date the mortgage is accepted for insurance, (2) 90 percent of such replacement cost in excess of $10,000 but not in excess of $16,000, and (3) 70 percent of such replacement cost in excess of $16,000: *Provided*, That in the case of properties other than new construction, the foregoing limitations upon the amount of the mortgage shall be based upon appraised value rather than upon the Commissioner's estimate of the replacement cost;

"(ii) In the case of a mortgagor who is not the occupant of the property, have a principal obligation not in excess of an amount equal to 85 percent of the amount computed under the provisions of subsection (i); or."

(b) Said paragraph (3) of section 220 (d) is hereby further amended by striking the phrase "not to exceed" at the first four places it appears in clause (B) and inserting in lieu thereof at each such place the phrase "not exceed."

On page 28, between lines 7 and 8, insert the following section and renumber the succeeding sections of title I of the bill accordingly:

SEC. 113. Section 222 (b) of said act is hereby amended to read as follows:

"(b) To be eligible for insurance under this section a mortgage shall—

"1. Meet the requirements of section 203 (b) of this title except as such requirements are modified by this section;

"2. Involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $17,300;

"3. Have a principal obligation not in excess of 96 percent of the appraised value of the property; and

"4. Be executed by a mortgagor who at the time of application for insurance is certified as a 'serviceman' and who at the time of insurance is the owner of the property and either occupies the property or certifies that his failure to do so is the result of his military assignment, or in the case of the United States Coast Guard, other assignment."

Mr. CAPEHART. Mr. President, this amendment deals with reducing the downpayments under those provided for in the bill reported by the committee.

Mr. JOHNSON of Texas. Mr. President, I should like to say that it is my information that at the appropriate time the distinuished chairman of the subcommittee, on behalf of himself, the majority leader, and other members of the subcommittee, will offer a substitute for the amendment proposed by the Senator from Indiana.

Mr. CAPEHART. Very well.

NOTICE OF CONSIDERATION OF CONFERENCE REPORT ON STATE, JUSTICE, AND JUDICIARY APPROPRIATION BILL

Mr. JOHNSON of Texas. Mr. President, at this point in the RECORD I wish to give notices to all Senators that in the event the conference report on the State, Justice, judiciary appropriation bill is agreed to by the House tomorrow, it is the expectation of the leadership to call up the conference report in the Senate.

So that all Senators may be informed, I should like to report the effect of the conference agreement.

The bill, as passed by the Senate, provided $563,085,293. That amount was reduced in conference by $194,000, and, therefore, the conference bill provides $562,891,293.

Mr. President, it is very unusual for a conference bill to provide less than either the bill as passed by the Senate or the bill as passed by the House.

While the Senate conferees did not get everything in conference they desired, we tried to meet our colleagues in the other body halfway, and I think we arrived at an agreement which was generally acceptable to all parties.

The Senate sought to restore $6 million to the Department of State for salaries and expenses and other items. Of the $6 million which the Senate sought to restore, we were able to retain $5 million, so we obtained five-sixths of what we sought.

On the question of the USIA, the Senate reduced the USIA appropriation by $16 million. In the committee, as Members of the Senate will remember, the distinguished minority whip offered an amendment which provided for an appropriation of $96 million. The Senator from Illinois [Mr. DIRKSEN] pressed that amendment in the committee, but the committee felt it would be going too far, and rejected it. Finally, after 5 hours in session, the Senate conferees agreed with the House conferees to add $6 million to the appropriation for the USIA, making the total appropriation for that agency $96 million.

Mr. THYE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. Not at this point. The Senator from Texas wishes to complete his statement and then he will be glad to yield.

The net result was to give that agency $96.2 million.

The Senate reduced the FBI appropriations by $150,000. The House refused to go along, so the item was restored.

The Senate reduced the Immigration Service appropriations by $500,000. The House went along with $400,000 of that, but insisted that the Senate agree to the $400,000 reduction instead of the $500,000 reduction.

The Belgium Fair, which is under the special projects for the President, and for which the coordinator of budget presentation is Mr. Larson, was provided $3½ million by the Senate. The House provided nothing, so the Senate raised the House figure $3½ million. The House refused to go along with it, and the conferees agreed on $1½ million instead of $3½ million.

On the educational exchange program, the Senate figure was reduced by $3.2 million. It was about $6.4 million, and the House divided the figure, and agreed to $3.2 million.

The Senate lost $54,000 on the Fisheries Commission.

I believe that is a fair summary. To recapitulate what has been listed, the conference bill which will be before the Senate, in the event it is adopted by the House, will provide appropriations of $562,891,293.

I now yield to my friend, the Senator from Minnesota [Mr. THYE].

Mr. THYE. Mr. President, I wish to commend the distinguished majority leader for having been successful in raising the House figure for the United States Information Agency appropriation, because I believe that the House had reduced that too much, and I think the restoration of the moneys was not only advisable, but will further the program.

Mr. JOHNSON of Texas. I thank the Senator for what he intends to be a compliment.

The PRESIDING OFFICER. What is the pleasure of the Senate?

APPOINTMENT OF COMMITTEE TO ESCORT CHANCELLOR ADENAUER INTO THE SENATE CHAMBER

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Chair designate the following Senators to escort the distinguished Chancellor, Mr. Konrad Adenauer, to the Chamber, when a recess is declared: the Senator from Arizona [Mr. HAYDEN], the Senator from California [Mr. KNOWLAND], the Senator from Texas [Mr. JOHNSON], the Senator from Rhode Island [Mr. GREEN] and the Senator from Wisconsin [Mr. WILEY].

The PRESIDING OFFICER. The Chair designates the Senators named as the committee to escort the Chancellor of the Federal Republic of Germany into the Senate Chamber.

Mr. SMATHERS obtained the floor.

Mr. JOHNSON of Texas. Mr. President——

Mr. SMATHERS. Mr. President, I am happy to yield to the majority leader, with the understanding that at the conclusion of the recess I shall have the floor.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Florida may yield to me for the purpose of suggesting the absence of a quorum, to be followed by a recess, and that when the Senate reconvenes the Senator from Florida will have the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

VISIT TO THE SENATE BY HIS EXCELLENCY KONRAD ADENAUER, CHANCELLOR OF THE FEDERAL REPUBLIC OF GERMANY

Mr. JOHNSON of Texas. Mr. President, pursuant to the order heretofore entered, I ask that the Chair declare the Senate in recess.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). In accordance with the order previously entered, the Chair declares the Senate in recess, subject to the call of the Chair.

Thereupon, at 2 o'clock and 35 minutes p. m., the Senate took a recess, subject to the call of the Chair, the recess being pursuant to the order previously entered.

The Senate being in recess,

His Excellency, Konrad Adenauer, Chancellor of the Federal Republic of Germany, escorted by the committee appointed by the Vice President, consisting of Mr. JOHNSON of Texas, Mr. KNOWLAND, Mr. GREEN, Mr. WILEY, and Mr. HAYDEN, entered the Senate Chamber, accompanied by His Excellency Heinrich von Brentano, Foreign Minister of the Federal Republic of Germany; His Excellency Heinz L. Krekeles, Ambassador to the United States of the Federal Republic of Germany; the Honorable Wiley T. Buchanan, Jr., Chief of Protocol, United States State Department; Herr Heinz Weber, the interpreter.

Chancellor Adenauer was escorted to a place on the rostrum in front of the Vice President, and the distinguished visitors accompanying him were escorted to places assigned them on the Senate floor on the left side of the Chamber. Other members of the Chancellor's party were seated in the Diplomatic Gallery of the Senate.

The VICE PRESIDENT. Members of the Senate and guests of the Senate, recently a committee of Senators honored five former Members of the Senate as being among the greatest who have served in this body. As will be recalled, they were Senator Webster, Senator Calhoun, Senator Clay, the elder Senator La Follette, and Senator Taft.

Those men represented different parties. They held differing views and those who lived in the same era often opposed each other. But there was one characteristic which was common to each of them. It was that each was a man of unquestionable and unconquerable courage.

The man we are privileged to hear today, and who is our guest, is one to whom that description also applies. He is a man who has shown magnificent courage in leading his own people and his Nation through a period of crisis to a position of greatness in Europe and in the world.

It is my great honor and pleasure to present to the Members of this body the man who leads the German people and the German Government, and who is a friend of freedom and of the people of the United States. I present His Excellency Konrad Adenauer, Chancellor of the Federal Republic of Germany.

[Applause, Senators rising.]

ADDRESS DELIVERED TO THE UNITED STATES SENATE BY HIS EXCELLENCY KONRAD ADENAUER, CHANCELLOR OF THE FEDERAL REPUBLIC OF GERMANY

Chancellor Adenauer addressed the Members of the Senate and their guests in German, as follows:

Herr Praesident, Mitglieder des Senats: Ich danke Ihnen herzlich fuer die Gelegenheit, vor Ihnen zu sprechen. Diese Gelegenheit ist eine Auszeichnung fuer mich und mein Land. Ich moechte sie nutzen, um Ihnen die grossen Linien unserer Politik mit einigen Saetzen zu erlaeutern. Ich hoffe damit zu jenem Verstaendnis beizutragen, das die Grundlage wahren Vertrauens ist. Zugleich wird sich, so hoffe ich, zeigen, wie tief die Verwandtschaft der Grundauffassungen ist, die die amerikanische und die deutsche Politik kennzeichnen.

Der erste Leitgedanke unserer Politik ist Freiheit. Wenn es auch Meinungsverschiedenheiten darueber gibt, auf welchen Wegen die Freiheit am besten gesichert and bewahrt werden kann, und wenn die von mir gefuehrte Regierung auch manche der von einigen politischen Parteien und Gruppen propagierten aussenpolitischen Wege fuer gefaehrlich haelt, so gibt es doch in dem aufrichtigen Willen zur Freiheit keine Meinungsverschiedenheit unter den Deutschen. Seit den Bundestagswahlen des Jahres 1949 ist es klar und erwiesen, wo die Bundesrepublik in der grossen weltweiten Auseinandersetzung zwischen Freiheit und Knechtschaft steht. Denn das ist der tiefere Sinn jener Entscheidung des deutschen Volkes gewesen. Als dann das deutsche Volk wieder staatliche Form gewann, als es wieder Organe bekam, um seinen Willen kundzutun, war die Welt in zwei grosse Lager zerfallen. Ja die Grenze, die die demokratische Welt von dem kommunistischen Machtbereich trennte, lief mitten durch unser Land und unser Volk. Sie trennte uralte Kulturgebiete von uns ab, Gebiete, aus denen Stroeme schoepferischen geistigen Lebens unsere abendlaendische Kultur befruchtet haben. Das deutsche Volk zoegerte nicht, seine Entscheidung ganz unzweideutig zu vollziehen. Schon seit den Wahlen von 1953 gibt es in unserem frei gewaehlten Parlament keinen einzigen Kommunisten. Zwei schmerzliche Erfahrungen haben dem deutschen Volk bei dieser Entscheidung geholfen: die Erfahrung mit der totalitaeren Gewaltherrschaft, die wir waehrend des nationalsozialistischen Regimes machten, und die taegliche Beruehrung mit dem, was Kommunismus in Wahrheit ist, in Gestalt der kommunistischen Gewaltherrschaft in der Sowjetzone Deutschlands. Aber nicht nur in dieser Abwehr hat der Freiheitswille des deutschen Volkes Ausdruck gefunden, sondern positiv floss hieraus sein Entschluss, sich mit den anderen freiheitlichen Voelkern aufs engste zu verbinden. Dafuer gibt es kein kraeftigeres Zeichen als die stets von der grossen Mehrheit des deutschen Volkes und seiner gewaehlten Vertretung unterstuetzte Politik der europaeischen Einigung, die die Bundesrepublik seit ihrem Bestehen betreibt. Sie hat sich an allen europaeischen Organisationen beteiligt: Europarat, OEEC und der Integration der Sechs. Diese integrierten Gemeinschaften, die Kohle- und Stahlgemeinschaft und die hoffentlich bald ins Leben tretenden Gemeinschaften des Gemeinsamen Marktes und von Euratom, sind besonders charakteristisch, weil hier die Bundesrepublik auf Teile ihrer staatlichen Souveraenitaet zugunsten hoeherer europaeischer Gemeinschaften verzichtet. Zum Ruhme der Weitblickenden unter unseren Verfassungsgebern koennen wir heute feststellen, dass unser Grundgesetz bereits eine Bestimmung vorgesehen hat, die Uebertragungen von Souveraenitaet durch einfaches Gesetz gestattet. Das war ein grosser Entschluss. Er bedeutete nicht weniger als eine Absage an den fuer die zersplitterte europaeische Staatenwelt nicht mehr zeitgemaessen Gedanken, dass der Nationalstaat die letzte und hoechste Groesse des politischen Lebens sei—eine Idee, die Europa in der Vergangenheit unsagbar viel Gut und Blut gekostet hat. Wir sind froh, dass der Gedanke einer groesseren europaeischen Heimat vor allem in unserer Jugend Wurzeln geschlagen hat. In den europaeischen Loesungen ist unsere Bindung an die freiheitliche Welt wahrhaft unloeslich geworden.

Unser zweites Ziel ist Friede. Die furchtbaren Erlebnisse des unseligen zweiten Weltkrieges sind am deutschen Volk nicht spurlos vorbeigegangen. Die Millionen von Toten, die Schrecken des totalen Krieges, in dem es kein unberuehrtes Hinterland mehr gibt, die grauenhaften Zerstoerungen unserer Staedte, der Ruin unserer Wirtschaft, der Zusammenbruch der staatlichen Organisation—all das ist im Bewusstsein des deutschen Volkes lebendig. Da aber der Friede nach einem beruehmten Wort Immanuel Kants kein Naturzustand unter den Voelkern ist, sondern das Ergebnis einer bewussten Anstrengung des Menschen, so hat unsere Politik alle ihr gegebenen Moeglichkeiten ergriffen, um den Frieden zu sichern. Nachdem der grossartige Anlauf, den die Menschheit durch die Schaffung der Vereinten Nationen genommen hatte, um Friede und Gerechtigkeit auf der Welt zu sichern, bisher noch nicht zum Ziel gefuehrt hat, weil die Sowjets den Sicherheitsmechanismus der Vereinten Nationen durch ungezaehlte Vetos lahmgelegt haben, musste man versuchen, diese Sicherung durch neben den Vereinten Nationen stehende und sie ergaenzende Organisationen zu erreichen. Die Charta der Vereinten Nationen hatte dafuer in weiser Voraussicht bereits den Weg gewiesen, indem sie das Recht zur individuellen und kollektiven Selbstverteidigung bestaetigte. Dieser Weg fuehrte zur Bildung der atlantischen Gemeinschaft. Sie ist ein Instrument des Friedens, weil sie dazu geschaffen ist, jeden Angreifer abzuschrecken. Sie tut das, indem sie die Verteidigungskraft des freien Westens so zusammenfasst und entwikkelt, dass jeder Angriff ein untragbares Risiko fuer den Angreifer darstellt. Diese Ueberlegung hat die Bundesrepublik veranlasst, der atlantischen Gemeinschaft beizutreten. Militaristische Neigungen liegen uns voellig fern—und erst recht aggressive Absichten! Weil wir in jeder militaerischen Bemuehung nur eine Verteidigungsanstrengung sehen, verfolgen wir auch die Gespraeche ueber eine allgemeine kontrollierte Abruestung mit einem lebhaften und positiven Interesse. Wenn diese Bemuehungen mit einer Beseitigung der Spannungsursachen in der Welt verbunden sind, so muessen sie schliesslich dazu fuehren, der Welt die Sicherheit zu schenken, nach der sie verlangt: Die Sicherheit des Friedens.

Der dritte Leitgedanke unserer Politik ist Einheit. Sie wissen, wie schwer und drueckend es auf uns lastet, dass viele Millionen Deutsche gegen alles Recht und alle Moral getrennt von uns unter kommunistischem Terror leben muessen. Um das richtig zu begreifen, muss man sich klarmachen, dass es sich um etwas ganz anderes handelt als um eine Grenzfrage, die zwischen Nachbarn zu verhandeln und zu loesen ist. Es handelt sich in erster Linie um ein menschliches Problem: um die willkuerliche Auseinanderreissung von Menschen eines Volkes: Eltern leben getrennt von ihren Kindern und koennen nicht oder nur unter groessten Muehen und Gefahren zu ihnen gelangen—Millionen von Menschen leben unter einem Regime von Rechtlosigkeit, Willkuer, und Sklaverei. Es handelt sich aber auch um die Vollendung des deutschen Staates selbst. Dieser ist so lange unfertig, als er sich auf das Gebiet der Bundesrepublik beschraenkt. Erinnern wir uns, wie es zur Gruendung der Bundesrepublik gekommen ist. Nach dem furchtbaren materiellen und seelischen Zusammenbruch, in den uns das nationalsozialistische Regime gefuehrt hat, uebernahmen die Siegermaechte die oberste Gewalt in Deutschland. Waehrend die drei westlichen Besatzungsmaechte, getreu der mit der Souveraenitaet in Deutschland uebernommenen Verantwortung und ihren Prinzipien, die zugleich die Prinzipien der Vereinten Nationen sind, an die Wiedererrichtung eines deutschen Staates auf demokratischer Grundlage herangingen, missbrauchte die Sowjetunion die ihr

zugefallene Treuhandstellung und unterwarf sich die Sowjetzone. Sie tat das, indem sie dort ein ihr hoeriges Regime von Kommunisten einsetzte, das nur einen verschwindend kleinen Prozentsatz der Bevoelkerung hinter sich hat, wie der Volksaufstand in der Sowjetzone vom 17. Juni 1953 beweist. So kam es, dass die Sowjetzone an jenem Vorgang nicht teilnahm, der schrittweise dazu fuehrte, dass Deutschland aus einem Objekt fremder Regierungsgewalt ein selbstverantwortliches, nach demokratischen Regeln sich selbst regierendes Subjekt des Voelkerlebens wurde. Wenn wir also die Wiedervereinigung mit 17 Millionen Deutschen fordern—Menschen, die so deutsch sind wie wir, so freiheitliebend wie wir, und die nicht minder berechtigt sind wie wir, ihr politisches Schicksal selbst zu bestimmen—so fordern wir damit von der vierten Siegermacht nur das, was die anderen Siegermaechte uns in loyaler Erfuellung der von ihnen beim Niederbruch des deutschen Staates uebernommenen Verantwortung laengst freiwillig gewaehrt haben. Im Grunde ist das also demokratisch, was wir fordern; denn das Wesen der Demokratie ist, einem Volk, das sich als Einheit empfindet, die staatliche Form zu geben, die es ihm erlaubt, ein verantwortliches Subjekt des Voelkerlebens zu sein.

Politik ist die Kunst, das auf ethischer Grundlage als richtig erkannte zu verwirklichen. Freiheit, Friede, Einheit—das sind die Ziele unserer Politik, einer Politik also, die die grossen Werte verwirklichen will, die den Fortschritt der Menschheit bestimmen.

The following is an English translation furnished by the press office of the German Embassy:

Mr. President, Members of the Senate, I am very grateful for the opportunity you have accorded me to speak before you. This opportunity is an honor for me and my country. I wish to use it to outline in a few words the general direction of our foreign policy.

I hope, in this way, to contribute to a clear understanding which is the basis of genuine trust. At the same time I hope to make clear how deeply related are the basic principles characterizing American policy and German policy.

The first principle, the guiding motive of our policy is freedom. There may be differences of opinion on the methods by which freedom may best be assured and preserved. Although the Government led by me may consider dangerous some of the foreign policy solutions advocated by other political parties and groups—there is no difference of opinion among Germans in the sincere desire for freedom. Since the Bundestag elections of 1949, it has been clearly demonstrated where the Federal Republic of Germany stands in the great worldwide conflict between freedom and slavery. This is the deeper meaning of the decision taken at the polls by the German people in 1949.

When the German people regained their statehood and once more were able to exercise their own free will, the world was split into two camps and the border separating the free world from the Communist orbit ran through the heart of our country dividing our people. It separated ancient German territory from us, land from which currents of creative spiritual life have enriched our western civilization. The German people did not hesitate to make an unequivocal decision. Since the elections of 1953 there has not been a single Communist in our freely elected parliament. Two grievous experiences influenced the choice of the German people: the experience with a totalitarian dictatorship imposed on us during the National Socialist regime and the daily contact with the reality of communism in the form of a Communist dictatorship in the Soviet Zone of Germany. But the German people have expressed their will for freedom not only by the rejection of totalitarianism but by the positive decision to form as close an alliance as possible with the other free peoples of the world. There is no more emphatic manifestation of this will than the policy of European integration consistently endorsed by the great majority of the German people and their elected representatives—a policy which the Federal Republic has pursued since its inception.

The Federal Republic has participated in all the European organizations set up in recent years: the Council of Europe, OEEC, and the Coal and Steel Community. These integrated communities, the Coal and Steel Community and the communities of the Common Market and of Euratom, which we hope will soon come to life, are particularly characteristic because in these organs the Federal Republic renounces part of its national sovereignty in the interest of larger European communities. It reflects great credit on the foresighted ones among the drafters of our Constitution that we can state today that our basic law already contained a provision permitting the transfer of sovereignty by simple majority vote in Parliament. That was a great decision. It meant no less than a repudiation of the idea, no longer valid in a disintegrating world of European politics, that the sovereign national state is the ultimate and highest entity of political organization—an idea which has cost Europe so much blood and treasure. We are glad that the idea of a larger European patriotism has formed roots, particularly among our young people. Through the medium of these European organizations our alliance with the free world has become truly unbreakable.

Our second goal is peace. The horrible experiences of the recent World War have left their marks on the German people. The millions of dead, the horrors of total war in which the hinterland is no longer left untouched, the terrible destruction of our cities, the ruin of our economy, the collapse of the administrative structure—all this is still alive in the minds of the German people. But since peace—according to the famous dictum of the German philosopher Immanuel Kant—is not a natural condition among the peoples but the result of a conscious effort of man, our policy has seized on all possibilities open to it to secure peace. With the creation of the United Nations mankind took a tremendous stride forward toward securing peace and justice in the world. This objective has not been attained as yet, because the Soviets have paralyzed the security mechanism of the United Nations by innumerable vetoes. As a result, an effort had to be made to bring about this security by the establishment of organizations parallel and supplementing the United Nations. The Charter of the United Nations, in wise foresight, has shown a path toward this end by confirming the right of individual and collective self-defense. This path logically led to the foundation of the Atlantic Community. The Atlantic Community is an instrument of peace because it is designed to deter any aggressor. It achieves this aim by coordinating and developing the armed strength of the free West in such a way that any aggression becomes too big a risk for the aggressor. This consideration has caused the Federal Republic to become a member of the Atlantic Community. Militaristic tendencies are far removed from our purpose and aggressive intentions even more so. Since we consider all our endeavors in the military sphere solely as defense efforts, we follow all the discussions on measures to bring about controlled disarmament with lively and positive interest. If these efforts are combined with elimination of the causes of tension in the world they must, in the end, bring to the world the blessing it so ardently desires: the safeguarding of peace.

The third basic principle of our policy is unity. You know of the heavy and oppressive burden weighing upon us because many millions of Germans are forced, against all justice and moral principles, to live separated from us and under Communist terror. In order to understand this fully, one must realize that what is at stake here is not merely a border problem which can be discussed and settled among neighbors. We are faced here primarily with a human problem—the arbitrary manner in which a people is torn apart—parents separated from their children, unable to see them except under extreme difficulty and danger. Millions of people are forced to live under a regime of lawlessness, arbitrary rule, and slavery.

The German Republic will be incomplete as long as it is confined to the territory of the Federal Republic. Let us recall the circumstances under which the Federal Republic was founded. After the moral and material collapse into which the National Socialist regime led us, the victorious nations assumed supreme power in Germany. The three western occupation powers, faithful to the responsibility which they shouldered at the same time, and to their principles which were also the principles of the United Nations, proceeded to rebuild a German state on a democratic basis. The Soviet Union, on the other hand, misused its trusteeship and subjugated the Soviet occupied zone to a subservient, satellite regime of Communists—a regime which had the backing of only an infinitesimal percentage of the population as was demonstrated during the

popular uprising of June 17, 1953. Thus it happened that the Soviet zone did not participate in the development which gradually transformed Germany from an object of foreign rule into a responsible subject in the community of nations governing itself in accordance with democratic principles.

Therefore, we demand reunion with 17 million fellow Germans—people who are as German as we are and as freedom loving as we are, and who are no less entitled than we are to determine their own political destiny; we demand from the fourth of the victorious powers only that which the other three in loyal fulfillment of the responsibility assumed by them when the German state collapsed, have long since conceded of their own free will. Thus, our demand is basically a democratic one, for the essence of democracy is to grant to a people regarding themselves as an entity that form of government which will permit them to live as a responsible member of the international community; and it is at the same time a requirement of any general policy aiming at the preservation of peace; for only the establishment of an all-German government would permit the conclusion of a peace treaty. This would endow Europe with that just and enduring political order which today—12 years after the war—is still denied to it.

Political action is the art of bringing to life those concepts which have been recognized as the ethical foundation of justice. Freedom, peace, unity—these are the aims of our policy, a policy designed to give effect to the great ideals that determine the progress of humanity.

[At the conclusion of his address Chancellor Adenauer was greeted by prolonged applause, Senators rising.]

The VICE PRESIDENT. Mr. Chancellor, the text of your address in English was available to Senators, although not to our guests in the gallery, so it will not be necessary to have it translated at this time. Certainly the response of Senators and the occupants of the galleries is indicative of their affection for you, and their esteem for your country.

Before the recess is concluded, the Chair is sure that Members of the Senate and their guests would like to greet two other distinguished visitors who are on the Senate floor:

His Excellency Heinrich von Brentano, the Foreign Minister of the Federal Republic of Germany; and

The Ambassador from the Federal Republic of Germany to the United States, his Excellency Heinz L. Krekeler.

[The distinguished visitors rose, and were greeted with applause, Senators rising.]

The VICE PRESIDENT. Then, as a special treat for all of us, there are in the Diplomatic gallery the daughter of the Chancellor, Mrs. Libeth Werhahn, and his son, Georg Adenauer. The Chair wonders if they will be good enough to stand.

[The distinguished visitors rose in their places in the gallery and were greeted with applause, Senators rising.]

The VICE PRESIDENT. To enable the Members of the Senate to meet the Chancellor, the majority leader, the minority leader, the chairman of the Committee on Foreign Relations, and the ranking minority member of that committee, will escort the Chancellor to the well of the Senate.

The Chancellor of the Federal Republic of Germany was thereupon escorted to the well of the Senate, where he was greeted by Members of the Senate.

Following the informal reception, the Chancellor and the distinguished visitors accompanying him were escorted from the Chamber.

At 3 o'clock and 5 minutes p. m., the Senate reassembled, when called to order by the Presiding Officer (Mr. YARBOROUGH in the chair).

THE HOUSING ACT OF 1957

The Senate resumed the consideration of the bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes.

The PRESIDING OFFICER. Is there objection to consideration en bloc of the amendments contained in Amendment G, submitted by the Senator from Indiana [Mr. CAPEHART], for himself and the Senator from California [Mr. KNOWLAND]?

Mr. CAPEHART. Mr. President, I wish to have these amendments considered en bloc; and I ask unanimous consent that they be considered en bloc.

Mr. SPARKMAN. Mr. President, reserving the right to object—although I do so merely for the purpose of requesting information—let me say that, as I understand, the amendments relate wholly to the downpayment plan. Is that correct?

Mr. CAPEHART. That is correct.

Mr. SPARKMAN. I have no objection to the request.

The PRESIDING OFFICER. Without objection, the amendments of the Senator from Indiana will be considered en bloc.

The Senator from Florida has the floor.

Mr. SPARKMAN. Mr. President——

Mr. SMATHERS. Mr. President, I yield to the Senator from Alabama [Mr. SPARKMAN], the chairman of the Subcommittee on Housing, of the Committee on Banking and Currency.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the Senator from Florida may yield to me, so that I may submit an amendment to the amendment of the Senator from Indiana, without causing the Senator from Florida to lose the floor.

The PRESIDING OFFICER. Does the Senator from Florida yield for that purpose?

Mr. SMATHERS. Yes, provided that unanimous consent that I may do so without losing the floor is granted.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. SMATHERS. Then, Mr. President, I yield to the Senator from Alabama.

Mr. SPARKMAN. Mr. President, I offer the amendment which I submitted yesterday and asked to have lie on the table. I offer the amendment on behalf of myself, the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Pennsylvania [Mr. CLARK], the Senator from Florida [Mr. SMATHERS], the Senator from Texas, the distinguished majority leader [Mr. JOHNSON], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Washington [Mr. JACKSON], and the Senator from Oklahoma [Mr. MONRONEY]. I may say that all these Senators had proposed to submit somewhat similar amendments; but after a conference, it was agreed that we would join in submitting this amendment.

I do not desire to have the amendment read at this time, Mr. President. It relates to exactly the same thing as does the amendment of the distinguished Senator from Indiana; in other words, it provides for 3 percent on the first $10,000; 10 percent on the next $6,000, and 30 percent on all payments over that amount. The amendment does not vary a great deal from the amendment of the Senator from Indiana; but there is a difference between the two, and I think the difference is very material.

So, Mr. President, I offer the amendment as a substitute for the amendment of the Senator from Indiana.

The PRESIDING OFFICER. The amendment to the amendment will be printed at this point in the RECORD.

The amendment submitted by Mr. SPARKMAN, on behalf of himself and other Senators, to Mr. CAPEHART's amendment, is as follows:

On page 18, between lines 23 and 24, insert the following:

"LOWER DOWNPAYMENTS FOR SALES HOUSING

"SEC. 101. (a) Section 203 (b) (2) of the National Housing Act is amended to read as follows:

"'(2) Involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $20,000 in the case of property upon which there is located a dwelling designed principally (whether or not it may be intended to be rented temporarily for school purposes) for a 1- or 2-family residence; or $27,500 in the case of a 3-family residence; or $35,000 in the case of a 4-family residence; and not to exceed an amount equal to the sum of (i) 97 percent (but, in any case where the dwelling is not approved for mortgage insurance prior to the beginning of construction, unless the construction of the dwelling was completed more than 1 year prior to the application for mortgage insurance, 90 percent) of $10,000 of the appraised value of the property, as of the date the mortgage is accepted for insurance, (ii) 90 percent of such value in excess of $10,000 but not in excess of $16,000, and (iii) 70 percent of such value in excess of $16,000.'.

"(b) Section 203 (b) of such act is further amended by adding the following paragraphs at the end thereof:

"'(8) In the case of a mortgagor who is not the occupant of the property, have a principal obligation not in excess of an amount equal to 85 percent of the amount computed under the provisions of paragraph (2) of this subsection.

"'(9) Be executed by a mortgagor who shall have paid on account of the property at least 2 percent, or such larger amount as the Commissioner may determine, of the Commissioner's estimate of the cost of acquisition in cash or its equivalent: *Provided*, That with respect to a mortgage executed by a mortgagor who is 60 years of age or older as of the date the mortgage is endorsed for insurance or with respect to a mortgage meeting the requirements of subsection (i) of this section, the mortgagor's payment required by this subsection may be paid by a corporation or person other than the mortgagor under such terms and conditions as the Commission may prescribe.'

"(c) Section 203 (i) of such act is amended to read as follows:

"'(i) The Commissioner is authorized to insure under section 203 any mortgage meeting the requirements of subsection (b) of this section, except as modified by this subsection, which involves a principal obligation not in excess of $8,000 and not in excess of 97 percent of the appraised value of a property located in an area where the Commissioner finds it is not practicable to obtain conformity with many of the requirements essential to the insurance of mortgages on housing in built-up urban areas, upon which there is located a dwelling designed principally for a single-family residence, and which is approved for mortgage insurance prior to the beginning of construction: *Provided*, That the Commissioner finds that the property with respect to which the mortgage is executed is an acceptable risk, giving consideration to the need for providing adequate housing for families of low and moderate income particularly in suburban and outlying areas or small communities: *Provided further*, That under the foregoing provisions of this subsection the Commissioner is authorized to insure any mortgage issued with respect to the construction of a farm home on a plot of land five or more acres in size adjacent to a public highway, the total amount of insurance outstanding at any one time under this proviso not to exceed $100 million.'

"SEC. 102. (a) Section 220 (d) (3) of the National Housing Act is amended by striking out all thereof appearing before clause (B) and inserting in lieu thereof the following:

"'(3) The mortgage shall—

"'(A) (i) Involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in any amount not to exceed $20,000 in the case of property upon which there is located a dwelling designed principally for a 1- or 2-family residence; or $27,500 in the case of a 3-family residence; or $35,000 in the case of a 4-family residence; or in the case of a dwelling designed principally for residential use for more than 4 families (but not exceeding such additional number of family units as the Commissioner may prescribe) $35,000 plus not to exceed $7,000 for each additional family unit in excess of 4 located on such property; and not to exceed an amount equal to the sum of (1) 97 percent (but, in any case where the dwelling is not approved for mortgage insurance prior to the beginning of construction, unless the construction of the dwelling was completed more than 1 year prior to the application for mortgage insurance, 90 percent) of $10,000 of the Commissioner's estimate of replacement cost of the property, as of the date the mortgage is accepted for insurance, (2) 90 percent of such replacement cost in excess of $10,000 but not in excess of $16,000, (3) 70 percent of such replacement cost in excess of $16,000: *Provided*, That in the case of properties other than new construction, the foregoing limitations upon the amount of the mortgage shall be based upon appraised value rather than upon the Commissioner's estimate of the replacement cost;

"'(ii) in the case of a mortgagor who is not the occupant of the property, have a principal obligation not in excess of an amount equal to 85 percent of the amount computed under the provisions of paragraph (i); or'.

"(b) Section 220 (d) (3) of such act is further amended by striking out the phrase 'not to exceed' at the first four places it appears in clause (B) and inserting in lieu thereof at each such place the phrase 'not exceed.'

"SEC. 103. Section 222 (b) of the National Housing Act is amended to read as follows:

"'(b) To be eligible for insurance under this section a mortgage shall—

"'1. Meet the requirements of section 203 (b) of this title except as such requirements are modified by this section;

"'2. Involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $17,100;

"'3. Have a principal obligation in an amount not in excess of 95 percent of the appraised value of the property or such higher amount as may be derived by applying the maximum ratio of loan to value prescribed in section 203 (b) (2) of this title; and

"'4. Be executed by a mortgagor who at the time of application for insurance is certified as a "serviceman" and who at the time of insurance is the owner of the property and either occupies the property or certifies that his failure to do so is the result of his military assignment, or in the case of the United States Coast Guard, other assignment.'

"SEC. 104. The Federal Housing Commissioner, in establishing maximum loan-to-value ratios for mortgages insured by him under the National Housing Act, as amended by sections 101, 102, and 103 of this act, shall determine that such ratios are in the public interest after taking into consideration (1) the effect of such ratios on the national economy and on conditions in the building industry, and (2) the availability or unavailability of residential mortgage credit assisted under the Servicemen's Readjustment Act of 1944, as amended."

OTHER PROVISIONS RELATING TO FHA INSURANCE PROGRAMS

On page 18, line 24, strike out "101" and insert in lieu thereof "105."

On page 19, line 11, strike out "102" and insert in lieu thereof "106."

On page 19, strike out lines 13 through 16.

On page 19, line 17, strike out "104" and insert in lieu thereof "107."

On page 20, line 7, strike out "105" and insert in lieu thereof "108."

On page 21, line 3, strike out "106" and insert in lieu thereof "109."

On page 21, line 9, strike out "107" and insert in lieu thereof "110."

On page 21, line 18, strike out "108" and insert in lieu thereof "111."

On page 21, line 20, strike out "109" and insert in lieu thereof "112."

On page 22, line 15, strike out "110" and insert in lieu thereof "113."

On page 22, line 19, strike out "111" and insert in lieu thereof "114."

On page 23, line 1, strike out "112" and insert in lieu thereof "115."

On page 28, line 8, strike out "113" and insert in lieu thereof "116."

On page 29, line 1, strike out "114" and insert in lieu thereof "117."

On page 29, line 11, strike out "115" and insert in lieu thereof "118."

Mr. JACKSON subsequently said: Mr. President, I am pleased to join with the distinguished chairman of the Housing Subcommittee, the Senator from Alabama [Mr. SPARKMAN], and my other colleagues, in cosponsoring this move to liberalize the FHA program.

I am in receipt of literally dozens and dozens of telegrams that can only be described as frantic appeals from homebuilders in Washington State. Once the very backbone of our economy, these men are now on the brink of economic ruin, a condition almost entirely attributable to the hard money policies of this administration, and the consequent inability to borrow large sums of money at reasonable rates.

I submit that any attempt to liberalize the FHA program will constitute a valuable effort to stabilize and improve the entire economy. It is, of course, inescapably true that hard money will still exist. It is up to the administration to liberalize its fiscal policy if the homebuilding industry is to survive.

We are doing what we can to improve conditions in the building industry. Like the distinguished Senator from Alabama I am realistic enough to realize that the pending bill, no matter how liberal, is no cure-all. But the effort we can make here today to improve the opportunity for an investment in one's own home is an effort well justified by the course of our economy.

Mr. CAPEHART. Mr. President——

Mr. SMATHERS. Mr. President, I am happy to yield to the Senator from Indiana [Mr. CAPEHART].

Mr. CAPEHART. Mr. President, perhaps the Senator from Florida wishes to make a speech, anyway. However, let me say that in view of the downpayment called for in my amendment and that called for in the amendment of the able Senator from Alabama, I am prepared to accept his amendment and to have the Senate vote, unless the Senator from Florida wishes to make a speech.

Mr. SMATHERS. Mr. President, I appreciate the suggestion of the Senator from Indiana, but he knows that I have been waiting for the better part of 2 days to make a statement for the RECORD.

Mr. CAPEHART. I understand.

Mr. SMATHERS. Mr. President, I wish to congratulate the Senator from Indiana and the Senator from Alabama for an amendment which in my judgment is more desirable than the provisions which originally were supported by the Senate Banking and Currency Committee. I think the amendment will go a long way toward helping to ease what obviously is today a definite housing shortage.

CONTINUED HIGH DEMAND FOR HOUSING REQUIRES FHA DOWNPAYMENT REVISION

Mr. President, I know of no more important problem facing the Congress than the consideration of appropriate proposed legislation to relieve the very serious situation which has developed in the production of homes, particularly those for persons of modest incomes.

Over the past 10 years, all of us have become familiar with the splendid record of the American home building industry in producing millions of homes to meet the serious shortages which had developed as a result of the necessary curtailment of home building during the war.

We have become accustomed to a high volume of production of homes, and have unconsciously, I believe, come to feel

that such a high volume can continue to be produced, and that the problems facing production have all been solved.

I fear that we do not fully realize the very serious problems which face home building today. As a result mainly of the credit conditions of the past 18 months, home building is very sharply down from the peak year of 1955.

At this point in my remarks, I ask unanimous consent to have printed in the RECORD a table showing a comparison between the number of new homes started by the private home building industry during each of the past several years and the monthly rate of starts so far in 1957.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

I. HOME BUILDING IS LAGGING BEHIND OTHER SECTORS OF THE ECONOMY

That progress in home building has lagged far behind in comparison to other objective measures of the Nation's growth is shown by the table below. Home building is sharply down from the peak years of 1950 and 1955 and contrasts with the substantial growth shown in such measures as gross national product, income, industrial production, and population. As a matter of fact, as the table below indicates, home building starts per thousand population are in early 1957 at the lowest level in the past decade as well as below the ratio in 1924, 1925, and 1926.

Comparison of housing starts and economic growth

	Current level		Percent change from—		
	Date (1957)	Amount	1 year ago	2 years ago	1950
Private housing starts	April	[1] 940,000	−28.8	−31.6	−20.5
Gross national product ... billions of dollars	1st quarter	[1] 427.1	+5.9	+13.2	+49.8
Personal income ... do	do	[1] 336.5	+6.0	+14.0	+48.2
Disposable income per capita					
Current prices ... do	do	[1] 1,736	+3.6	+9.5	+27.7
Constant (1956) prices ... do	do	[1] 1,700	+.9	+5.5	+19.7
Population ... million of persons	do	170	+1.8	+3.6	+12.2
Industrial production (1947–49=100; seasonally adjusted)	Apr. 1	145	+1.4	+6.6	+29.5
New plant and equipment spending ... billions of dollars	2d quarter	[1] 38.0	10.2	+39.8	84.5

[1] Seasonally adjusted, annual rates.

Thus, we are faced with the paradox that while our Nation has grown much bigger, much richer, much more productive over the past 8 years, the present trend, if allowed to continue, would mean the lowest volume of new homes since 1950.

Mr. SMATHERS. Mr. President, the table shows that in the first 4 months of the year—the very time during which builders normally start the bulk of their year's production—home building was off 19 percent from last year, and around 31 percent from 1955.

Not only are housing starts for 1957 at the lowest level in the past decade, but, as shown on the table, the present rate of home production per thousand of population has actually dropped below the ratio of production in 1924, 1925, and 1926.

History teaches us that the American economy cannot long remain stable if home building is depressed. I have referred to the ratio of construction in 1926. Let it be remembered that 1926 was followed 3 years later by the great depression of 1929.

Home building is a primary factor in the social well-being of our people. It is equally important in our economy. We cannot afford to have it depressed.

But perhaps even more important than the question of mere volume of new home production is the suitability of those homes which are produced for families of modest income. Following the collapse of real estate and home building in the early 1930's, due to the unsound financing practices of the boom years of the 1920's, the Congress of the United States enacted one of the greatest and most significant pieces of legislation ever enacted by this Congress or by the legislature of any government. I refer to the National Housing Act, which established the Federal Housing Administration. The act was based upon the wise and far-seeing principle that the great masses of our people should be provided an opportunity to purchase their own homes and to carry them on credit terms which they can afford. It expounded the idea that the soundest kind of financing was that which allowed a family to acquire its home with a low downpayment, at low interest rates, and with a long-term mortgage repayable in modest monthly installments. Over the years, this formula has been enormously successful. As a result, millions of American families have become established in their own homes, and the economy and our society have been greatly strengthened.

This principle of home financing has not been the subject of partisan debate. Senators on both sides of the aisle have agreed over the years on the general principle that low downpayment, low monthly payment financing was necessary and desirable for the American people.

But now we should realize that the startling drop in home production which I have mentioned has occurred almost entirely in the financing of homes under the present plan of FHA financing, and the similar plan of the Veterans' Administration financing, instituted in 1944, and which has enabled millions of veterans to house their families.

Examination of available data clearly shows that the demand for modest-priced housing still continues high; there are still millions of families who want the opportunity to purchase their own homes. The American home building industry is conscious of this demand, and is anxious to produce homes for these families.

There are two factors which are preventing the meeting of this need. First, credit conditions—so-called tight money. We are all familiar with the discussion of tight money conditions. It is not my purpose at this time to argue the merit, or lack of merit, of that policy or to attempt to fix the blame or responsibility for it. The question to which I want to address myself is the terms under which that money will be made available to the purchaser.

Nor am I at this time discussing the merits of a 5-percent-interest rate against the 4½-percent rate on GI financing. I have believed, and I still believe, if we are to have a workable GI-housing program, it will require an increase in interest rate to 5 percent, so that it can be competitive. But there appears no prospect that this will be done. As a consequence, the economy has been steadily deprived of the main financing tool under which housing was being made available to persons of modest income.

There remains for this purpose only the Federal Housing Administration system of mortgage insurance, and the downpayment terms under that system—which were well adapted to the early years of its operation, but which are now out of date. In effect, therefore, there is no practical financing mechanism whatsoever to assist in placing homes within the reach of the so-called little fellow. For the first time in 23 years, since the enactment of the National Housing Act in 1934, we do not have an effective low downpayment, low-monthly-payment financing plan. As a result, we are rapidly drifting back to the dangerous real-estate financing practices of the late 1920's, the very practices which resulted in the collapse of the building and real-estate industry in 1929.

Interestingly enough, however, even during the 1920's, when practically all of the homes purchased were financed under conventional loans, a primary feature of the sale of the homes sold at that time was the low downpayment. This fact is also true in the sale of conventionally financed homes today; in both cases it has been obscured by the secondary financing methods used. For example, the former Division of Building and Housing, of the Department of Commerce, made studies of mortgage-financing methods in use during the 1920's.

One of the financing studies made by this division was an analysis of financing practice in a representative city—Cleveland, Ohio. A sample of 5,292 cases was used to secure information on the frequency of the use of second mortgages, with the following results:

1920–29:	Percent
First mortgages only	45
Two mortgages	55
Three mortgages	12

This table dramatically shows that in 67 percent of the homes bought during the 1920–29 period, the second-mortgage device was used and in 12 percent of all cases, a third mortgage was placed. Second and third mortgages were used, of course, only because the home-buying public did not have the ready available cash with which to make the initial downpayment.

It is absolutely vital, in my opinion, that the downpayment requirements for FHA mortgage insurance be revised to recognize the realities of today's economy. The family which aspires to the ownership of a modest home is not able today to accumulate much over $1,000 in cash. Yet experience has demonstrated that these persons are credit-worthy. For almost 25 years under FHA, and for approximately 13 years under VA financing, homes have been sold with low downpayments. The resultant foreclosures and delinquencies are insignificant. There were six-tenths of 1 percent delinquencies on a total of 4,764,000 GI loans, and three-tenths of 1 percent foreclosures on 3,395,000 FHA-insured homes. These figures amply demonstrate that VA and FHA home buyers are good mortgage risks.

It should be realized, moreover, that a lower first mortgage is not necessarily synonymous with a higher downpayment. Before the creation of the Federal Housing Administration, purchasers supplemented the low first mortgage then available with dangerous secondary financing. To refuse realistically to adjust FHA downpayments will inevitably result in more and more reliance on second and third mortgages.

Some advocates of tight money argue that any reduction in FHA downpayments is inflationary. I believe their arguments are not sound, because there has already been a drastic fall off in housing starts under the FHA–VA programs. Whatever reduction Congress approves, FHA requirements will still be mare demanding than have been the terms available under the GI program.

Production and financing under the FHA program, even with a reduced downpayment schedule, it appears will not equal the total starts which until recently have been accounted for by the combined FHA–VA programs. Thus the mortgage money supply, as aided by amendments in this year's Housing Act, should prove well able to sustain FHA-financed housing produced under a reduced FHA downpayment program.

Certainly in the home-building business there exists just the reverse of an inflationary situation and the problem is to keep production up to normal annual levels. A substantial reduction in FHA downpayment requirements is a necessity to achieve this.

Existing law which provides a downpayment schedule of 5 percent on the first $9,000 and 25 percent on all in excess of that amount is not practical in today's economy. If we are to provide for the needs of the home-buying public a realistic revision in the FHA downpayment schedule is vitally essential. Though the substitute proposal which provides for a downpayment of 3 percent on the first $10,000, 10 percent on the next $6,000, and 30 percent in excess of $16,000 is not as far as I would go in my proposal of 2 percent on the first $10,000, 8 percent on the next $5,000, and 25 percent on everything in excess of $15,000, it is a substantial improvement over that in existing law and as I stated earlier, I shall support it. I sincerely trust it will be adopted by an overwhelming vote.

Unless we want to leave unsatisfied the demand of the American people for housing, unless we want to see American home building revert to the chaos from which the Federal Housing Administration rescued it twenty-odd years ago; unless we want to run the grave risk that, with the deterioration of the home-building industry, the entire American economy may be seriously affected, I say to you Senators that we must incorporate into the pending legislation a lower downpayment schedule for the FHA.

For that reason, Mr. President, I am happy to support the amendment offered by the able Senator from Alabama.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. SMATHERS. I am happy to yield to the Senator from Kentucky.

Mr. MORTON. I first wish to commend the Senator from Florida for his able analysis of the problem we face. I am glad he is going to support the amendment. I have followed his own proposal with great interest, as have the home builders in my State.

I have before me some figures which I think supplement the facts which the Senator from Florida has presented. They show a comparison which applies only in Jefferson County, Ky. I have not been able to get figures for the entire State. The population of Jefferson County constitutes one-sixth of the population of the State of Kentucky.

Last October, October of 1956, there were in Jefferson County 1,120 new houses completed, vacant and unsold. In March of this year there were only 575 new houses completed, vacant and unsold, and only 413 under construction. These figures cover all houses. I should like to point out that of the group of 575 new houses completed, vacant and unsold as of March of this year, only 167 were held at an asking price of less than $15,000.

I think the situation which the Senator from Florida describes applies throughout the country, and I believe that a lower downpayment will not be inflationary, but will be a help to get new starts underway.

Other factors are involved, as the Senator so ably pointed out, but I think we can address ourselves to this problem without danger of inflating the economy today. I again commend the Senator from Florida.

Mr. SMATHERS. I thank the able Senator from Kentucky.

I might add that several weeks ago, when I first proposed my amendment, the Senator from Kentucky was kind enough to come by and offer at that time to support it, for the reasons he has now very effectively pointed out, among others that he felt we should do something to spur onward what is now a defintely lagging business, the home building business. In my State this problem affects not only the home builders, but those who make tile, venetian blinds, cement blocks, and all the other articles which go into building.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. SMATHERS. I am happy to yield.

Mr. MONRONEY. I wish to associate myself with the remarks of the distinguished Senator from Florida, and I compliment him on the earlier amendment, which attracted so much attention.

Is it not a fact that in 1950 the average GI or FHA house which was bought, the median house, sold for a market price of $8,200?

Mr. SMATHERS. I am sure the Senator has the correct figures, and I know what he states must be the case.

Mr. MONRONEY. And the downpayment on that average house was $410, plus closing fees of about $300.

In 1955 the cost of the median house, because of the increase in the price of land, of labor, and of material, as well as the many other items involved, had increased to $11,700, and under the FHA downpayment rules, the downpayment had gone up to $1,125. It had almost tripled.

Mr. SMATHERS. The Senator is correct.

Mr. MONRONEY. Which meant that the market was cut down, for those who needed the housing the most, by at least two-thirds. I think that is the problem we face today.

The bill would do very little for the private-home building industry and for the GI's and others who must rely on the independent builders to construct housing. But the amendment which is being offered would open up a new market, so that the people could buy these houses, which today are the best values that can be obtained, to fit their family needs. Is that not a correct statement?

Mr. SMATHERS. I completely agree with the statement of the able Senator from Oklahoma. I thank him for what he has said and the contribution he has made.

I should like to point out one additional fact in that connection. The Senator mentions the median price for homes bought under the Veterans' Administration financing. Under the Veterans' Administration financing I think only 2-percent downpayment was asked.

Mr. MONRONEY. It used to be no percent.

Mr. SMATHERS. Originally and by law no downpayment was required.

Mr. MONRONEY. The closing costs only.

Mr. SMATHERS. Exactly. The 2-percent downpayment was the result of an administrative regulation and despite this low downpayment factor I should like to remind the Senator that foreclosures on homes purchased under the GI plan amounted to less than six-tenths of 1 percent, which means that the borrowers were good credit risks, even though they did not have a large sum of cash available for a downpayment.

Merely because people do not have a great deal of cash available at home or in the bank at the moment does not mean they are not good credit risks, and I

think that pretty well answers the argument that lowering downpayments would be inflationary.

Mr. MONRONEY. The amount of the downpayment on the median house in 1955 was $1,125, plus $450 closing cost, which put the house in a range that made it unavailable to young married couples. Unless we continue to produce about 1 million-plus houses a year we will fall behind, and there will be more new families formed by marriages than can find housing to take care of them. Therefore, they will be forced to reside in the very limited pool of rental housing.

Mr. SMATHERS. The Senator is correct.

Mr. MONRONEY. The distinguished Senator from Florida knows that there is not available in any of the cities or in any of the towns of the United States an adequate supply of rental housing. That is always one of the things we have to try to put special emphasis on in an endeavor to create more housing. If we deny to the new young family groups the opportunity to buy homes of their own, then they must crowd into the rental market, and inflation in that market will be rampant.

Mr. SMATHERS. The Senator is correct.

Mr. MONRONEY. The quotation we heard so often in our hearings was that the percentage of inflation occurring since the Korean war has been one of the largest.

Mr. SMATHERS. I read in this morning's paper—and I am sure the Senator from Oklahoma is aware of this fact—that the president of the National Association of Home Builders, Mr. George S. Goodyear, in a speech made yesterday here in Washington, D. C., stated that in his judgment there would be less than 880,000 homes built this year, which of course represents a downward estimate from that which first had been made, and represents a reduction of approximately 40 percent compared to the number of homes built in 1955.

Mr. MONRONEY. That is true. Unless the pending amendment, which proposes to lower the downpayments, shall be agreed to, we could easily lose a full year of construction.

Builders must prepare for construction. Houses are not taken off the shelf ready for occupancy tomorrow. It takes the average builder about a year, once the Congress determines the policy as to what the Government housing program is going to be, to acquire the necessary land, get the architect to design the houses, provide the necessary utilities, and build the houses.

By the adoption of the pending amendment, which is so similar to the amendment of the distinguished Senator from Florida, we will open an avenue for the home building industry to achieve some degree of prosperity, and, we hope, afford purchasers of low-cost housing an opportunity to obtain homes of their own. I can see no justification of the charge of inflation which is so often raised against the proposal.

Mr. SMATHERS. I thank the able Senator from Oklahoma for his great contribution and help in solving this very serious problem.

Mr. President, I yield the floor.

Mr. SPARKMAN subsequently said: Mr. President, in connection with the discussion a few minutes ago, led by the distinguished Senator from Florida [Mr. SMATHERS], and particularly in connection with the exchange between him and the Senator from Oklahoma [Mr. MONRONEY] on the question of downpayments, I should like to have inserted at that point in the RECORD a table showing the downpayments under the amendment proposed by the Senator from Indiana [Mr. CAPEHART]; the downpayments under the substitute which I propose; and the situation under existing legislation.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Comparison table—FHA downpayments, one-family residence

FHA value	Present schedule	Sparkman	Capehart	H. R. 6659 (as passed by House)
$5,000	$250	$130	$200	$150
$6,000	300	150	240	180
$7,000	350	210	280	210
$8,000	400	240	320	240
$9,000	450	270	360	270
$10,000	700	300	400	300
$11,000	950	400	500	450
$12,000	1,200	500	600	600
$13,000	1,450	600	700	750
$14,000	1,700	700	800	900
$15,000	1,950	800	900	1,050
$16,000	2,200	900	1,000	1,200
$17,000	2,450	1,200	1,300	1,500
$18,000	2,700	1,500	1,600	1,800
$19,000	2,950	1,800	1,900	2,100
$20,000	3,200	2,100	2,200	2,400
$21,000	3,450	2,400	2,500	2,700
$22,000	3,700	2,700	2,800	3,000
$23,000	3,950	3,000	3,100	3,300
$24,000	4,200	4,000	4,000	4,000
$25,000	5,000	5,000	5,000	5,000

Formula for downpayment on FHA-insured section 203 sales housing, 1-family owner-occupied property:

1. Present schedule: 5 percent of first $9,000, plus 25 percent of excess. Maximum mortgage $20,000.
2. Sparkman: 3 percent of first $10,000, plus 10 percent of next $6,000, plus 30 percent of excess. Maximum mortgage $20,000.
3. Capehart: 4 percent of first $10,000, plus 10 percent of next $6,000, plus 30 percent of excess. Maximum mortgage $20,000.
4. H. R. 6659 (as passed by House): 3 percent of first $10,000, plus 15 percent of next $6,000, plus 30 percent of excess. Maximum mortgage $20,000.

OVERALL BUDGET BALANCE

Mr. ALLOTT. Mr. President, present indications are that Dwight D. Eisenhower will be the first President in almost a third of a century to achieve an overall budget balance.

If no cuts are made in the budget for fiscal 1958, his first five fiscal years will show a deficit of $2,131 million. It is obvious, however, that substantial reductions will be made. Mr. Eisenhower himself has expressed the wish that spending be trimmed. He has been joined in this desire by Secretary of the Treasury George M. Humphrey and other prominent administration leaders.

The Republicans in both the Senate and the House of Representatives have gone on record unanimously in favor of making cuts. They have been joined by many Democrats, including the distinguished senior Senator from Virginia, who has long been an apostle of economy in government, as well as some 11th-hour converts to a sound fiscal program.

If the 1958 budget is cut only 3 percent, President Eisenhower will show a surplus for his first 5 fiscal years. The last President to show an overall surplus was Calvin Coolidge.

During the first 101 years of the present two-party system as applied to the White House, Republican chief executives will have served for 61 years by the time fiscal 1958 has run its course. Democratic Presidents have served during the remainder of those 101 years—40 years in a fiscal wilderness.

Only one Democratic occupant of the White House had an overall surplus. That was Grover Cleveland for his first term. Every other Democratic President has had an overall deficit—James Buchanan, Cleveland in his second term, Woodrow Wilson, Franklin D. Roosevelt, and Harry S. Truman.

It will be maintained, and with good reason, that Democratic chief executives ran up huge deficits because of the three wars that were fought during their administrations. To be fair to the Democratic Presidents, let us subtract the deficits that were run up during these wars.

The overall Democratic deficit is $262,069 million. If we subtract the deficits for the fiscal years 1918, 1919, 1942, 1943, 1944, 1945, 1952, and 1953, the remainder will be the still tremendous sum of $41,537 million.

On the other hand, the overall Republican deficit will be $1,531 million at the end of fiscal 1958, if no cuts are made. When we take away the deficit which was attributable to the Civil War, the Republican Presidents have a surplus of $1,058 million.

Mr. President, I have had three tables prepared which should be of interest to serious students of government. The first shows the actual receipts and expenditures for the first 3 years of President Eisenhower's stewardship, as well as the estimated receipts and expenditures for the fiscal years 1957 and 1958, as anticipated in his proposed budget for those 2 years. That second table shows the receipts and expenditures by presidential terms from fiscal 1858 through fiscal 1958. The third table shows the surpluses and deficits by presidential terms for the same 101 years.

Mr. President, I ask unanimous consent to have these tables appear in the RECORD at this point as a part of my remarks.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Budgets for fiscal years 1954–58

Fiscal year	Receipts	Expenditures	Surpluses or deficits
1954	$64,653,386,989	$67,772,353,245	−$3,116,966,256
1955	60,399,743,896	64,569,972,817	−4,180,228,921
1956	68,165,329,862	66,539,776,178	1,625,553,408
1957	70,628,000,000	68,900,000,000	1,728,000,000
1958	73,620,000,000	71,807,000,000	1,813,000,000
Total	337,458,460,466	339,589,102,240	−2,130,641,774
		337,458,460,466	−2,130,641,774

Receipts and expenditures by presidential terms

Fiscal	Republican		Democratic	
	Receipts	Expenditures	Receipts	Expenditures
1858–61, Buchanan			$197,716,370	$272,933,490
1862–65, Lincoln	$763,096,123	$3,352,380,410		
1866–69, Lincoln-Johnson	1,825,248,490	1,578,557,655		
1870–73, Grant	1,502,424,495	1,169,698,957		
1874–77, Grant	1,168,481,091	1,063,692,826		
1878–81, Hayes	1,225,899,903	1,032,268,057		
1882–85, Garfield-Arthur	1,474,925,408	1,027,742,757		
1886–89, Cleveland			1,474,159,137	1,077,629,699
1890–93, B. Harrison	1,536,450,844	1,412,315,899		
1894–97, Cleveland			1,316,948,887	1,441,674,184
1898–1901, McKinley	2,076,208,146	2,093,918,534		
1902–05, McKinley-T. Roosevelt	2,209,720,725	2,153,179,190		
1906–09, T. Roosevelt	2,467,027,237	2,502,271,225		
1910–13, Taft	2,794,065,060	2,799,211,874		
1914–17, Wilson			3,339,443,337	4,207,406,186
1918–21, Wilson			21,136,338,351	42,730,853,967
1922–25, Harding-Coolidge	$15,908,423,019	$12,779,018,726		
1926–29, Coolidge	16,167,748,843	12,473,765,838		
1930–33, Hoover	11,238,624,685	16,299,770,740		
1934–37, F. Roosevelt			$15,841,719,141	$29,464,373,127
1938–41, F. Roosevelt			22,858,465,119	37,974,531,276
1942–45, F. Roosevelt			122,652,755,802	306,927,737,654
1946–49, F. Roosevelt-Truman			158,741,313,037	172,055,666,190
1950–53, Truman			210,275,502,898	226,356,676,468
1954–58, Eisenhower	337,458,460,466	339,589,102,240		
Total	399,815,842,239	401,346,890,028	557,837,362,170	819,509,481,631
		399,815,842,239		557,837,362,170
		1,531,047,789		261,672,119,461
				1,531,047,789
				263,203,167,250

NOTE.—The excess of expenditures over receipts differs from the excess of deficits over surpluses by $3, due to rounding.

Surpluses and deficits by presidential terms

Fiscal	Republican		Democratic	
	Surpluses	Deficits	Surpluses	Deficits
1858–61, Buchanan				$75,217,120
1862–65, Lincoln		$2,589,354,287		
1866–69, Lincoln-Johnson	$246,690,805			
1870–73, Grant	332,730,538			
1874–77, Grant	84,788,265			
1878–81, Hayes	193,631,911			
1882–85, Garfield-Arthur	446,290,651			
1886–89, Cleveland			$396,530,038	
1890–93, B. Harrison	124,134,945			
1894–97, Cleveland				124,725,297
1898–1901, McKinley		17,710,388		
1902–05, McKinley-T. Roosevelt	56,541,535			
1906–09, T. Roosevelt		35,244,088		
1910–13, Taft		5,146,814		
1914–17, Wilson				867,962,849
1918–21, Wilson				21,594,515,616
1922–25, Harding-Coolidge	3,129,414,293			
1926–29, Coolidge	$3,693,982,673			
1930–33, Hoover		$5,061,146,055		
1934–37, F. Roosevelt				$13,622,653,987
1938–41, F. Roosevelt				15,116,066,157
1942–45, F. Roosevelt				184,274,981,764
1946–49, F. Roosevelt-Truman				13,314,353,153
1950–53, Truman				13,078,173,568
1954–58, Eisenhower		2,130,641,774		
Total	8,308,195,616	9,839,243,406	$396,530,038	262,098,649,501
		8,308,195,616		396,530,038
		1,531,047,790		261,672,119,463
				1,531,047,790
				263,203,167,253

THE FRYINGPAN-ARKANSAS PROJECT

Mr. ALLOTT. Mr. President, the Fryingpan-Arkansas project is one of the most important projects affecting Colorado to be considered by the Congress in many years. It is desperately needed as a solution to the water problems of southeastern Colorado, and it is wholeheartedly supported by the vast majority of Coloradans. To be sure there are a few who do not favor the Fryingpan-Arkansas project, inside Colorado as well as from other States. Recently some of those who do not favor the project testified before the House Subcommittee on Irrigation and Reclamation. I ask unanimous consent to insert in the RECORD a column by Barnet Nover, Washington correspondent for the Denver Post. Mr. Nover does a real service to those interested in the progress and welfare of the West by putting the testimony of those opposing the Fryingpan in its proper perspective. There he points out that they represent only a relatively small group in the State and do not in any way reflect the official view of three State agencies which have the authority to lay down Colorado's water policy.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ROUNDUP ON THE POTOMAC

(By Barnet Nover)

TESTIMONY OF COLORADANS DAMAGES FRYINGPAN CAUSE

WASHINGTON.—Already facing a murderously tough uphill fight, the cause of the Fryingpan-Arkansas project was certainly not advanced by the testimony of some of the Colorado witnesses who appeared at the hearing held recently by the House Subcommittee on Irrigation and Reclamation.

To be sure, Coloradans are in a position to put the testimony of John B. Barnard, of Granby, James H. Smith, and Orest A. Gerbaz, of Aspen; Philip P. Smith, of Glenwood Springs, and Tell Ertl, of Grand Junction, in its proper perspective.

They know that while honorable, high-minded and well-meaning men, these critics and opponents of Fryingpan-Arkansas only represent a relatively small group in the State; that they do not reflect the official view of the three State agencies who, under the law, have the authority to lay down water policy; that during all the time Fryingpan-Arkansas has been before Congress, Governors Thornton, Johnson, and McNichols as well as Senators MILLIKIN, JOHNSON, ALLOTT, and CARROLL—all of them elected by the people of the State as a whole—have favored the project.

But if Coloradans are in a position to discount the testimony of those critics and opponents, others are not.

It is easy to imagine what use Congressional opponents of reclamation such as JOHN SAYLOR of Pennsylvania, or JOHN PILLION of New York, or the southern California contingent will make of this testimony and how they will hammer away at it to prove that on this issue Colorado is a house hopelessly divided against itself and that it would be wrong for Congress to take a stand in what, they are likely to insist, is an intrastate feud.

"Why enact a bill which the people of Colorado are by no means a unit in supporting?" we can almost hear them ask when and if the Fryingpan-Arkansas authorization measure gets to the floor of the House.

Barnard very generously declared that, despite "the grasping policy of eastern Colorado," the Colorado River water conservancy district of which he is the attorney "still adheres to its conditional approval of that project." But if the amendment he wants tacked on to the Chenoweth bill is adopted the project would be put on the shelf for a long, long sleep.

His amendment proposes that before a spade is turned on the Fryingpan-Arkansas project the State of Colorado agrees to limit diversions from the Colorado River basin in Colorado to 20 percent of the water apportioned to the State by the 1922 and 1948 compacts for a period of 25 years in the future.

This would include diversion now accomplished, those under construction, and those involved in the Fryingpan-Arkansas project, Barnard explained.

It would involve the conclusion of an interstate compact "between Colorado and one or more of the other six Colorado River

basin States, to be ratified by the legislatures of the signatory States."

Barnard went on to say that "a third compact limiting such diversions is imperative."

How long it would take to conclude such a compact he did not say, but the record of past efforts is not encouraging.

It was not until 1944 that the Santa Fe agreement went into force as a seven-State compact and then on the basis which did not eliminate the need for prolonged and still unfinished litigation between Arizona and California.

Four more years were to elapse before the upper basin States finally reached agreement regarding the division of the water to which they were collectively entitled under the 1922 compact.

At any rate, the best answer to Barnard's contention was that given by Governor McNichols.

"Intrastate matters," he told the subcommittee, "of course are not proper subjects for interstate compacts. No interstate problems exist requiring settlement between Colorado and any other State. Colorado already has compacts with all her lower State neighbors which allocate to her the consumptive use of specific quantities of water produced in Colorado. Where she uses such water is not their concern. Nor do they seek to make it their concern."

The governor also made the important point that any action by the legislature limiting transmountain diversions in Colorado would be illegal.

"A division of the waters of Colorado geographically by law can be made effective only by amending the Colorado constitution. Neither the Congress of the United States nor the General Assembly of Colorado has that power."

THE HOUSING ACT OF 1957

The Senate resumed the consideration of the bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes.

Mr. FULBRIGHT. Mr. President, it is my purpose to defend the amendments to H. R. 6659, as reported by the Committee on Banking and Currency. I am sure that there are many in this Chamber who believe that the committee has gone too far in assisting the production of housing—and perhaps as many more who believe that the committee has not gone far enough. I can say frankly that as to individual items I could agree with both points of view. In the main, however, I am in general agreement with the provisions of the bill as amended, and I hope that the Senate will support it.

Perhaps the most difficult questions faced by the committee were the many proposals made to reduce the statutory requirements for downpayments on FHA insured loan transactions. After complete and careful consideration of these proposals, the committee determined to leave the existing law unchanged I do not intend to discuss on a comparative basis the several proposals which were considered. Instead, I hope to convince my colleagues, as I am convinced, that reduced downpayments would not solve the problems facing the home-building industry and the prospective home owners in the Nation, but would very likely aggravate these problems.

First, I wish to point out the problems as they were presented to the committee. Second, I shall try to show the effect which lower downpayments would have. Third, I want to express my view as to the effective way to solve the problems and what the committee bill does in this regard.

The facts of the situation, as presented to the committee, are as follows: First, the seasonally adjusted rate of new nonfarm dwelling units started in the first quarter of 1957 was 933,000; second, this rate is 18.1 percent below the same period in 1956; third, the reduction is almost entirely in the Government supported mortgage loan field—VA starts being down 45.3 percent and FHA starts being down 39.4 percent; fourth, the trends in VA and FHA applications indicate that this condition is not likely to improve under existing circumstances; fifth, discounts demanded, or yields required to attract home mortgage financing, continue to be high.

The meaning of these facts are fourfold: First, lenders are finding other investments more attractive than home mortgages; second, homebuilders, mortgage originators, and real estate firms are experiencing a reduced volume of business; third, labor and materials formerly utilized in homebuilding are either idle or are being utilized elsewhere; and fourth, the families of the Nation have a reduced number of new homes available for purchase and for upgrading their standard of living.

I have no desire to minimize the seriousness of this situation, and it is unthinkable that such conditions should be allowed to persist indefinitely. I know that the majority of this body shares my concern, and the question before the Senate is what should be done about it.

The solution most ardently advocated is that FHA downpayments should be reduced. But this solution has been tossed into the air, and is expected to stand without any visible means of support. No one has yet explained to me how a reduction of downpayments would increase the production of housing. And increased production is the only real answer to the problems of homebuyers and homebuilders, and those other segments of commerce and industry which depend upon the level of new home construction for continued prosperity.

In my opinion, a reduction of FHA downpayments if applied at this time would have two effects. In the first place, by making more families eligible to bid for a reduced quantity of credit, lower downpayments would probably cause a further upward pressure on discounts. This would not benefit home buyers or home builders, for discounts are already too high.

Mr. GORE. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. GORE. Would it not follow, then, that the passage of the bill, without a provision in it prohibiting discounts, would, in fact, bring about higher discounts, and thus provide no benefit at all either to the housing industry or to the people who desire to purchase or build homes?

Mr. FULBRIGHT. The Senator raises a question which is rather involved. I shall be more than willing to discuss it when and if he submits an amendment on that subject.

At the moment I would say—and I will oversimplify it—that we considered the proposal of writing into the bill a prohibition against discounts. However, that would call for an enormous increase in appropriations for FNMA. So we were caught on the horns of a dilemma. There is no way of solving it by merely putting a prohibition in the act, because that does not make the necessary money available. It merely amounts to an empty gesture, I am afraid.

I should like to have an effective prohibition written into the law—and I emphasize the word "effective"—but it is not made effective merely by Congress saying that such a practice shall be prohibited.

It is necessary also to make provision for the money necessary to enforce such a provision. I do not wish to evade the issue. However, I have a short general statement to make on the bill, and I would appreciate it if the Senator would defer his discussion of discounts until a little later. If he would do so, I should appreciate it very much. I should like to leave it for a little later in the discussion.

Mr. GORE. I agree that a further provision is necessary, and the amendment I shall offer will direct FNMA to do what it was created to do, and to do what it profitably did for 16 years, to wit, provide a secondary market at par for home loans bearing the guaranty of the United States Government. I do not wish to draw the Senator out at this time. I respect his wishes to continue his speech. I hope, however, that he will join in the consideration of the matter when it is presented.

Mr. FULBRIGHT. I shall be happy to discuss it and to join in the consideration of it. It may be that the Senator has an approach to the problem of which I am unaware. As of the moment, with my limited knowledge of the subject, I cannot see how we could avoid appropriating an additional three or four billion dollars. Having gone through the experience in conference today where members of the conference quarreled over $150,000, I am not very optimistic about Congress authorizing any such large amount of money by way of funds to FNMA. I certainly shall enjoy hearing what the Senator has to say about it, though, a little later.

Mr. JOHNSON of Texas. Mr. President, I was not in the Chamber at the time the distinguished chairman of the subcommittee, the Senator from Alabama [Mr. SPARKMAN], offered his amendment as a substitute for the Capehart amendment. I am informed that the Senator from Indiana [Mr. CAPEHART] has agreed to accept the amendment offered by the Senator from Alabama, as a substitute. Is that correct?

Mr. SPARKMAN. The Senator is correct. I may say to the distinguished majority leader that I have added the majority leader's name as a cosponsor of the amendment, since he told me that he had considered submitting a similar amendment. I have therefore added him as a cosponsor.

Mr. JOHNSON of Texas. I am delighted to be a cosponsor of the amendment, along with the distinguished chairman of the subcommittee, who has been a leader in the field of housing throughout the years. It is an excellent amendment, and I believe it will result in making it possible for this Nation to have more homeowners and to provide for the construction of more reasonably priced homes. I have looked into this matter thoroughly. I have consulted with experienced men like Mr. Elmo Burke, of San Antonio; Dick Hughes, of Pampa, Wilson Brown, of Dallas; and George Goodyear, president of the National Association of Home Builders. I appreciate the contribution which has been made in this field, not only by the Senator from Alabama, but also by the junior Senator from Florida and by the distinguished chairman of the committee, the Senator from Arkansas [Mr. FULBRIGHT], with whom I have been working on this matter. I congratulate all of them for bringing this amendment to the floor. It will do more to help people of moderate means buy their own homes than almost any other action we could take.

Mr. FULBRIGHT. Mr. President, in the second place, by bringing more prospective buyers into a new home market where volume is down, lower downpayments would probably cause an upward pressure upon the prices of new homes. While this might enhance the position of new house sellers, it certainly would not benefit the buyers of new homes. In fact, the only possible beneficiary of lower downpayments at this time would be the owner of an unsold inventory of new homes. But no one has advanced this motive, and to advance it would directly contradict the very forceful arguments that new home starts are far below prospective demand and are approaching a level to indicate real economic danger.

In short, therefore, I can see clearly the disadvantages of a general lowering of FHA downpayments. The one argument which has some appeal to me is that the downpayment schedule should be constructed to encourage the production of lower-cost housing available to greater numbers of families. For this reason, and because the Senate apparently is in a mood to change FHA downpayments, I have joined with the Senator from Alabama [Mr. SPARKMAN], the Senator from Pennsylvania [Mr. CLARK], and the Senator from Texas [Mr. JOHNSON], in a proposal which gives the greatest benefit to families purchasing homes valued at $10,000 and under.

If lower downpayments are not the answer, then what is? I am convinced that the volume of homebuilding can be increased only by an increased volume of home-mortgage credit. There are several reasons for the current reduction in the amount of savings flowing into home mortgages. As pointed out earlier, the volume of homes financed by conventional mortgages, where interests rates are free to rise, has remained fairly stable. The reduction has occurred in VA-guaranteed and FHA-insured mortgage loans, where interest rates are not free and where the lender's yield can vary only by the amount of the discount charged at the inception of the mortgage loan. Lenders have reduced their participation in the VA and FHA programs because it is more difficult to obtain the yields they seek, or because they have become concerned about the demand for new homes in some areas, or a combination of both.

If Congress desires to increase the amount of home-mortgage credit, it has at least two courses of action readily available. It can increase the maximum interest rate on loans guaranteed under the Servicemen's Readjustment Act of 1944, a proposal rejected in the House of Representatives, and which is not within the jurisdiction of the Senate Committee on Banking and Currency; or—and I call this to the attention of the Senator from Tennessee [Mr. GORE]—it can directly intervene in the allocation of the Nations savings through activities of the Federal National Mortgage Association, through direct Federal loan programs of various kinds, or through direct credit controls designed to favor certain segments of the economy.

Mr. GORE. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. GORE. That is exactly the course of action the Government pursued from 1938 to 1954, at, I may say, a profit to the Government measured monetarywise, and at a very enormous profit to our society in the construction of homes and in home ownership.

I agree with the able Senator from Arkansas that he has presented the choice. I think we need to face up to the problem. I believe we should, and we must.

I do not regard the authorization and direction of FNMA to use the credit of the United States Government in home loans as being in the same category as an appropriation for an expenditure which is never recoverable. In this case, for 16 years the Government made a monetary profit from the operations of insuring and providing a secondary market for home loans guaranteed or insured by the United States Government. That is a part of what the amendment which I shall offer provides, and I appreciate the willingness of the Senator from Arkansas to give it consideration.

Mr. FULBRIGHT. As I said a moment ago, I merely called the Senator's attention to that passage in my remarks to indicate that I had not overlooked the point. I can say briefly that there is some difference between the conditions which exist now and those which existed during the period to which the Senator from Tennessee referred. I need not point out all of them, but certainly the pressures upon available credit are very great, and there are many signs of instability developing in our economy which were not present during most of the period of which the Senator spoke. That is a part of the answer which I anticipate at the moment will be made. But, as I said, I would prefer to leave that until a little later, because I wish to complete my statement now.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. FULBRIGHT. For what purpose does the Senator wish me to yield?

Mr. JAVITS. I simply wanted to give the Senator some facts from my own State bearing out the Senator's argument.

Mr. FULBRIGHT. I am the chairman of a committee which will meet in a few minutes. If the Senator will not take too long, I will yield. But I must finish my statement.

Mr. JAVITS. Will the Senator yield to me for 1 minute?

Mr. FULBRIGHT. I will yield for a minute.

Mr. JAVITS. I simply wish to bear out the Senator's argument from a report given me only yesterday morning from the Syracuse-Rochester area in New York, which indicates that the 2 percent administrative lowering of downpayments by the administration has not helped the situation at all, and that it is necessary to have the downpayment reduction relief about which the Senator has spoken. In addition, the market has practically dried up, except for 4 to 6 points discount and 20 percent downpayments, for any kind of FHA mortgage.

Mr. FULBRIGHT. I appreciate the remarks of the Senator from New York, but they are not quite in agreement with my point of view. I do not have that much faith in downpayments. The only argument which appeals to me is that there should be a little more equitable distribution of the burden with regard to lower income families. The amendment which has now been accepted by agreement between the chairman of the Subcommittee on Housing, the Senator from Alabama [Mr. SPARKMAN], and the senior Senator from Indiana [Mr. CAPEHART], has in it an element which I feel justifies going along with it. However, I do not think that simply lowering the downpayment will result in any panacea at all; in fact, it will create some difficulties, which I have mentioned.

Mr. LAUSCHE. Mr. President, will Senator yield?

Mr. FULBRIGHT. I yield.

Mr. LAUSCHE. The Senator mentioned some infirmities which are now appearing in the economy. Would he mind elaborating upon them?

Mr. FULBRIGHT. The most serious one in this field is a shortage of savings to go into home building. To follow the suggestion which has been made with regard to increasing direct governmental intervention by purchase would be nothing short of printing money. If we greatly expand credit through direct Government lending, it will have that effect. In other words, it would be a very serious injection of credit into an already highly dangerous situation.

Mr. LAUSCHE. I wish I could accept lightly the arguments which have been made to the effect that the adoption of the program proposed will not emphasize the inflationary dangers under which we are laboring. But I cannot help recognizing that running through the report everywhere is the argument that more credit must be provided to enable housebuilders and housebuyers to compete with the money which is going

into the building of public roads, shipbuilding, and various other types of construction.

It is simple to say that the public will be served by having to pay little or nothing in buying their houses, but that is not the truth. The probability is that instead of being helped, the public will be hurt.

I should like very much to go along with a program which would provide a 3 percent payment on the first $10,000, 10 percent on the next $6,000, and 30 percent on the balance, if I could be secure in the belief that the spiral of inflation would not be stimulated upward. But I simply cannot bring myself to the conclusion that has been advanced by those who say it makes no difference; that if we stimulate additional building, we will not exaggerate the inflationary spiral under which we are suffering.

I thank the Senator very much for yielding.

Mr. FULBRIGHT. I appreciate the Senator's remarks. I do not think there can be any doubt that the enactment of the bill will add to the competition for available credit. However, the overall objective, as I see the bill, is to achieve a certain balance. We have reduced the amount made available by the House. I have never thought that our guiding principle should be to cut assistance out completely. That, of course, would be deflationary. We could do that, but it would destroy another factor which is of great social value, namely, our great housing program. But I do not wish, on the other hand, to overstimulate the program, and add unduly to the inflationary pressures.

I believe that this measure is a moderate compromise. We have not "gone overboard" in this bill. We have not gone as far as the House of Representatives has gone. I may say that we have not gone as far as we usually go. Instead, we have shown restraint.

But I do not wish to have the program stopped. To do so would hurt many builders, and would deprive persons who need homes of houses in which to live; and there would be many other undesirable and unfortunate consequences. I believe we should recognize the danger of inflation, and we should moderate the program, but we should not destroy it.

Under the circumstances, the bill is a moderate one, Mr. President. We have not insisted on provisions for public housing—as the Senate has consistently done in the past. Instead, we have recognized that this is no time to do that, although practically ever since I have been a Member of the Senate, the Senate committee has regularly reported a bill to increase public housing.

Mr. President, no Member of the Senate is prepared to say that a certain exact number of dollars is the correct amount to provide, and that more than a certain amount would be too much. Certainly, we have to use a moderate approach. I believe the committee has done as good a job as can be done under the circumstances.

I recognize that this measure will to some extent increase the competition for available credit. But, on the other hand, the evidence shows that most of the home-building activities have tended to be concentrated on homes costing $15,000 or more.

This measure is in line with my desire not to add to inflation. I am not willing to have the measure which is enacted into law go as far as some have suggested that it go. As the Senator in charge of the bill well knows, this measure does not go as far as many have proposed. We have tried to reach a more moderate approach. This measure is the result of weighing the various considerations and reaching a reasonable compromise.

Mr. MONRONEY. Mr. President, will the Senator from Arkansas yield to me?

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Does the Senator from Arkansas yield to the Senator from Oklahoma?

Mr. FULBRIGHT. I yield.

Mr. MONRONEY. The Senator from Arkansas is aware of the fact, is he not, that the GI housing program is down by 45 percent, and the FHA housing program is down by 34 percent?

Mr. FULBRIGHT. That is correct.

Mr. MONRONEY. Does the Senator from Arkansas believe that a lowering of the downpayment will throw those two depressed areas of housing into a runaway-inflation condition, so there will be more buyers and a condition which will be dangerous?

Mr. FULBRIGHT. No.

Mr. President, I am willing to go along with the present proposal, even though it will, to some extent, increase the competition for available savings. That is where the competition comes—not in the case of materials. Today, I believe there is a surplus of building materials; but there is a great shortage of savings.

I remember when the Senator from Tennessee was complaining very bitterly about what the great city of Memphis had to pay for a relatively small amount of money with which to build an electric plant. What did that reflect? It reflected the same condition; namely, a shortage of savings available for the purchase of such securities—and they were excellent securities, I may say. That situation presently exists. Today, all municipalities are paying for borrowed funds far more than they were paying several years ago; and that situation reflects a shortage of savings and a shortage of credit and a shortage of money with which to make investments.

As I was saying, of the methods available to increase housing credit, the bill reported by the Banking and Currency Committee utilizes the Federal National Mortgage Association and some direct loan programs; and we have pending before us other proposals in the direct loan field. This bill demonstrates that the committee is concerned about the shortage of home-mortgage credit, and this bill contains concrete provisions to help the situation.

Mr. GORE. Mr. President, will the Senator from Arkansas yield to me?

Mr. FULBRIGHT. I am willing to yield, although I would like to continue with my remarks. However, I do not wish to shut off debate if it is on this subject.

Mr. GORE. Very well, Mr. President, I shall wait.

Mr. FULBRIGHT. Mr. President, while the committee may not agree as to the degree of effectiveness which this bill would have, if enacted into law, there is general agreement that the bill would cause the construction of housing which would not otherwise be built.

This bill adds $550 million to the secondary market purchasing power of the Federal National Mortgage Association—$50 million in capital stock to be purchased by the Treasury, and $500 million in borrowing authority for the FNMA. These funds are available for the purchase of VA-guaranteed or FHA-insured mortgages in principal amounts of $15,000 or less. While this may appear to be a large amount, it is exactly what was requested by the administration. Furthermore, it is far less than the figure supported by the industry, and is $825 million less than the amount contained in H. R. 6659, as passed in the House of Representatives.

The bill adds $850 million to the purchasing power of the Federal National Mortgage Association under its special assistance programs. These funds are for the purchase of home mortgages at 99 percent of par in the following amounts and categories: First, $150 million to be allocated by the President, including mortgages to replace housing cleared out of slum areas; second, $250 million for cooperative housing mortgages; third, $200 million for military housing mortgages; and, fourth, $250 million for mortgages on homes for families leaving urban renewal areas, elderly persons, families from minority groups, families earning too much for admission to public housing and earning too little to buy or rent any other decent shelter, and families with five or more dependents.

These funds represent a considerable pruning of the total estimated by many informed persons to be an essential level of activity for the FNMA special assistance functions. For example, the House version of the bill contains an additional $100 million for military housing mortgages; convincing arguments were made for $100 million more for cooperative housing; some advocates argued that the Presidential allocation be increased by another $850 million; and the funds provided for families leaving urban renewal areas and other needy families is $250 million less than the initial amount proposed for a moderate-income housing program. In summary, the committee amendment represents a cutback of $1.3 billion in special assistance funds for which very strong arguments have been made.

The bill adds $200 million to funds available for the construction of student and faculty housing at colleges and universities. This is one of the most critical and most deserving subjects covered by the bill. The need is easily 10 times the amount allowed, and the $200 million can be considered but a token amount for loans to house American youth as they seek higher education. I am informed that only $96 million is left uncommitted, and that already $65 million of that amount has been applied for.

Finally, the bill adds $250 million to funds available in each of the next 4 fiscal years to assist local communities in clearing slums and blighted areas. This amount is taken from the President's budget as it was presented at the beginning of the year. Subsequently, the administration bill requested only $175 million. When the seriousness of this reduction was made known, the administration reverted to its original position, and is now understood to be in favor of $250 million. The only change made by the committee bill is a projection of the program over the next 4 years. The purpose for this projection is to demonstrate to our hard-pressed urban areas that the Federal Government will not abandon its efforts to continue vigorous programs of slum clearance and urban renewal. This is a commitment into the future to encourage local initiative and effort, and is assurance that plans made this year will not die for lack of Federal support 3 or 4 years hence.

These provisions, I submit, measure the concern of the Banking and Currency Committee about the housing needs in the Nation. The bill would make available during the next year a total of $1.85 billion as a stimulus to home building. I must point out, however, that $1.7 billion, or 92 percent of this amount, does not represent Federal expenditures. This 92 percent is a Federal investment in mortgage loans of various kinds, which will yield a profit to the Government.

In supporting this bill I do not wish to be understood as disapproving low downpayment loans in principle. I believe that the VA and FHA programs have demonstrated that low downpayments do not necessarily adversely affect the soundness of a home loan. I believe it is largely a matter of timing, and that generally lower downpayments during a period when mortgage money is extremely short would aggravate inflated money prices and home prices, and would contribute to general inflationary tendencies now in the economy. In this connection, I shall quote in part from a letter dated May 3, 1957, addressed to me by Mr. William McChesney Martin, Jr., chairman of the Board of Governors of the Federal Reserve System. Mr. Martin writes:

> The Board sees no objection to increasing maximum insurable loan amounts in order to adjust to current conditions in the housing market characterized by higher prices and large loans generally. Liberalization of mortgage terms, however, seems inappropriate at this time and hardly a solution to current problems in the mortgage market.
>
> Recent declines in residential building and financing have reflected, in the main, the reduced availability of funds from lenders for federally underwritten mortgages, rather than reduced demands by consumers for houses and mortgage credit. Available evidence suggests that demands for home mortgage credit continue large and are in excess of actual mortgage transactions. Builders and borrowers have in fact, been prevented by ceiling rates on FHA and VA mortgages from competing effectively for funds with other borrowers able and willing to pay higher interest rates for credit.
>
> Further liberalization of FHA mortgage terms would undoubtedly increase demands for credit but would not directly attract additional funds to the mortgage market. Only by improving the competitive position of insured and guaranteed mortgages through greater flexibility in their interest rates might this result be achieved.

During periods when mortgage money is more plentiful, lower downpayments certainly would spread this money among more families and would insure the full utilization of funds available.

Likewise, I do not wish to be understood as believing that the bill will restore home building to the levels of 1955 or 1956, for it will not. As I stated earlier, current conditions in the home-building industry cannot be allowed to persist indefinitely. If the private supply of home-mortgage money does not increase, then the Congress must consider what further action would be appropriate. The committee was advised by the Housing and Home Administrator that he was "confident that the supply of mortgage funds will improve in the near future." I hope that he is correct. But if he is not, something will have to be done to provide home buyers with a larger share of savings available for long-term investment.

I view action on the question of mortgage money also as primarily a matter of timing. Although the time may be near at hand for more direct intervention in the allocation of investment capital, I do not consider that existing economic conditions warrant such drastic action at this time.

There are other features of the bill which I could discuss with the Senate, but I am sure that subsequent debate will call attention to those items of more than casual interest. The bill has been very ably handled by the Senator from Alabama [Mr. SPARKMAN], the chairman of our Housing Subcommittee. I am indebted to him, to the Senator from Indiana [Mr. CAPEHART], the ranking minority member, and to all members of the committee who have worked so diligently to bring to the floor of the Senate a housing bill of which we can all be proud.

Mr. President, I yield the floor.

Mr. GORE. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. Has the pending amendment been acted on?

The PRESIDING OFFICER. The pending amendment by the Senator from Alabama has not been acted upon.

Mr. GORE. Mr. President, I withhold my amendment.

Mr. CAPEHART. Mr. President, I accept the amendment of the Senator from Alabama to my amendment. It is now a question of acting on my amendment as amended.

The PRESIDING OFFICER. The question is on agreeing to the Capehart-Knowland amendment, as modified by the amendment of the Senator from Alabama [Mr. SPARKMAN].

Mr. CLARK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CLARK. Are we now voting on the amendment of the Senator from Alabama to the amendment of the Senator from Indiana?

The PRESIDING OFFICER. The question is on agreeing to the Capehart-Knowland amendment, as modified by the Sparkman amendment.

Mr. CLARK. The Senator from Indiana has accepted the amendment of the Senator from Alabama?

The PRESIDING OFFICER. The question is on agreeing to the Capehart-Knowland amendment, as modified by the Sparkman amendment.

Mr. BUSH. Mr. President, may we have an explanation of the amendment as modified? In what respect has the Capehart-Knowland amendment been modified?

Mr. CAPEHART. Mr. President, I presume the able Senator from Connecticut desires me to state the amounts of the downpayments in the different categories.

Mr. BUSH. Or give us some hint as to what the modification does, so we can understand it.

Mr. CAPEHART. Under the present schedule—meaning the present law—the downpayment, plus the closing costs, which ordinarily run from $300 to $700, is $250 on a $5,000 house.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield to the Senator from Utah.

Mr. BENNETT. I wonder if the Senator will use a $10,000 house as an example.

Mr. CAPEHART. I thought I would use a number of them.

Mr. BENNETT. We have a chart that does not have the $5,000 figure on it.

Mr. CAPEHART. I shall give it for a $10,000 house. Under the present law—that is, the law under which we are operating at the moment—the downpayment on a $10,000 house is $700. Under the Capehart amendment the downpayment would be $400. The Senator from Alabama proposed to make the downpayment $300. I accepted his modification.

Under the bill as passed by the House, the amount is $300.

What we are really doing, in accepting the Sparkman schedule of downpayments, for all practical purposes, is to agree to the same schedule adopted by the House, which reduces the downpayments which are provided by the present law.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. BENNETT. Is that true for the entire schedule? Can we look down the column and see the same thing apply?

Mr. BUSH. Would the Senator care to give the figure for a $15,000 house?

Mr. CAPEHART. Under the present law, the downpayment for a $15,000

house is $1,950. Under the Sparkman amendment it would be $800. Under the Capehart amendment, it would be $900. Under the bill as passed by the House the downpayment would be $1,050.

Mr. BUSH. So the Sparkman proposal goes considerably below that of the House?

Mr. CAPEHART. The formula under the Sparkman schedule is as follows: 3 percent of the first $10,000, plus 10 percent of the next $6,000, plus 30 percent of the excess. The maximum mortgage is $20,000. The Capehart schedule is 4 percent of the first $10,000, plus 10 percent of the next $6,000, plus 30 percent of the excess. The maximum mortgage is $20,000.

The schedule under the bill as passed by the House is 3 percent of the first $10,000, plus 15 percent of the next $6,000, plus 30 percent of the excess. The maximum mortgage is $20,000.

It amounts to six of one and a half dozen of the other.

The Sparkman schedule on the $14,000, $15,000, $16,000, and $17,000 homes is a little more liberal than that adopted by the House.

As the author of the Capehart amendment, I accepted the Sparkman schedule, because it is about equal to that adopted by the House. It is 6 of 1 and a half dozen of the other.

The administration, of course, recommended a reduction in downpayments.

All the testimony we received from every source—I think there may have been 1 or 2 exceptions, although I do not remember any—indicated that there was a great need for reduced downpayments.

I wish to say for the record that to date the collection record of FHA payments, and particularly VA payments, under which houses have been sold with very low downpayments or no downpayments, has been excellent. There have been no losses. The record has been good.

While I am not too certain that the lowering of downpayments will result in an increase in the sale of houses, I am not certain that it will not have that result. As I said a moment ago, the difference in the schedules is so small, one way or the other, that it does not make any difference. I think one can take his choice, because the difference is so small, anyway.

When we talk about a $15,000 house we must remember that the closing cost which the buyer must pay will possibly run anywhere from $300 to $600, so the buyer has an additional investment of the closing cost, as well as the downpayment. Anyone who purchases a $15,000 house under the schedule of the Senator from Alabama [Mr. SPARKMAN] would possibly have anywhere from $1,200 to $1,500 invested in the house as a downpayment.

I recommend the acceptance of the schedule of the Senator from Alabama [Mr. SPARKMAN]; and, Mr. President, I ask unanimous consent that the chart which I hold in my hand be printed in the RECORD as a part of my remarks.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

Comparison table, FHA downpayments, 1-family residence

FHA value	Present schedule	Sparkman	Capehart and Knowland	H. R. 6659 (as passed by House)
$5,000	$250	$150	$200	$150
$6,000	300	180	240	180
$7,000	350	210	280	210
$8,000	400	240	320	240
$9,000	450	270	360	270
$10,000	700	300	400	300
$11,000	950	400	500	450
$12,000	1,200	500	600	600
$13,000	1,450	600	700	750
$14,000	1,700	700	800	900
$15,000	1,950	800	900	1,050
$16,000	2,200	900	1,000	1,200
$17,000	2,450	1,200	1,300	1,500
$18,000	2,700	1,500	1,600	1,800
$19,000	2,950	1,800	1,900	2,100
$20,000	3,200	2,100	2,200	2,400
$21,000	3,450	2,400	2,500	2,700
$22,000	3,700	2,700	2,800	3,000
$23,000	3,950	3,000	3,100	3,300
$24,000	4,200	4,000	4,000	4,000
$25,000	5,000	5,000	5,000	5,000

Formula for downpayment on FHA-insured section 203 sales housing, one-family owner-occupied property:

1. Present schedule: 5 percent of first $9,000, plus 25 percent of excess. Maximum mortgage $20,000.

2. Sparkman: 3 percent of first $10,000, plus 10 percent of next $6,000, plus 30 percent of excess. Maximum mortgage $20,000.

3. Capehart: 4 percent of first $10,000, plus 10 percent of next $6,000, plus 30 percent of excess. Maximum mortgage $20,000.

4. H. R. 6659 (as passed by House): 3 percent of first $10,000, plus 15 percent of next $6,000, plus 30 percent of excess. Maximum mortgage $20,000.

Mr. JOHNSTON of South Carolina. Mr. President, I think everyone would agree that the overwhelming majority of those who have not been able to purchase their own homes would be in the group most affected by the bill. I am sure I need not recite the many ways that the people and the Nation would benefit by home ownership.

Certainly those who have been unable to purchase homes are those who belong to the lower income brackets therefore, it is even more difficult for them to raise sufficient funds to make purchase of homes, even though we do provide low-interest rates and the mortgage money, if the down-payments are too high. I think it is most important that we support the amendment which provides a 3 percent down-payment on the first $10,000.

I agree whole-heartedly with the opinion expressed by my distinguished colleague, Senator JOHN SPARKMAN, that the Nation would be courting disaster if the volume of new housing units fell below the 1 million mark this year, but I further say that the most urgent need for the majority of new housing is for those in the average and low income brackets. I further point out that nine-tenths of the decline in housing last year was in these brackets.

I for one do not propose that we sit idly by and allow this need to grow larger and larger because of huge down-payments, spiraling interest rates, excessive discounting of Government mortgages, and the lack of long-term mortgage money, so that private capital can make more and more money at the expense of the people who need help the most.

I hope that every Senator will think of the low-income person and will vote to include in the bill this amendment providing for low downpayments.

The PRESIDING OFFICER. The question is on agreeing to the Capehart-Knowland amendment, as modified by the Sparkman amendment.

The amendment, as modified, was agreed to.

Mr. GORE. Mr. President, I offer the amendment which I have previously sent to the desk, and I ask to have it stated.

The PRESIDING OFFICER (Mr. THURMOND in the chair). The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 31, line 8, it is proposed to strike out "$100,000,000" and insert in lieu thereof "$350,000,000."

On page 31, line 11, strike out "$100,000,000" and insert in lieu thereof "$350,000,000."

On page 31, line 14, strike out "$2,100,000,000" and insert in lieu thereof "$4,350,000,000."

On page 31, beginning with line 15, strike out all through line 7 on page 32, and insert in lieu thereof the following:

SEC. 203. (a) Section 303 (b) of the National Housing Act is amended by striking out the second sentence thereof.

(b) Section 304 (a) of such act is amended by striking out all that follows the first sentence and inserting in lieu thereof the following: "Notwithstanding any other provision of this title, the price to be paid by the Association for mortgages purchased in this secondary market operations under this section shall be not less than the unpaid principal amount thereof at the time of purchase, with adjustments for interest and any comparable items, and no charges or fees for its services under this section shall be imposed by the Association."

SEC. 204. (a) Section 305 (b) of the National Housing Act is amended by striking out all that follows the first sentence and inserting in lieu thereof the following: "Notwithstanding any other provision of this section, the price to be paid by the Association for mortgages purchased in its operations under this section shall be not less than the unpaid principal amount thereof at the time of purchase, with adjustments for interest and any comparable items, and no charges or fees for its services under this section shall be imposed by the Association."

On page 32, line 8, strike out "(c)" and insert in lieu thereof "(b)."

On page 32, line 14, strike out "204" and insert in lieu thereof "205."

On page 32, line 20, strike out "205" and insert in lieu thereof "206."

On page 33, line 17, strike out "206" and insert in lieu thereof "207."

On page 34, line 1, strike out "207" and insert in lieu thereof "208."

On page 54, after line 20, insert a new section, as follows:

DISCOUNTS PROHIBITED

SEC. 605. No loan shall be insured or guaranteed under the National Housing Act, or title III of the Servicemen's Readjustment Act of 1944, after the date of enactment of this act, unless the mortgagee certifies to the Federal Housing Commissioner or the Administrator of Veterans' Affairs, as the

case may be, that it has not imposed upon the builder or seller, or the veteran or other purchaser of the housing involved any charges or fees in connection with the mortgage financing of such housing.

The PRESIDING OFFICER. Is there objection to the consideration of the amendments en bloc? The Chair hears none. The amendments will be considered en bloc.

Mr. MONRONEY. Mr. President, will the Senator from Tennessee yield for the purpose of permitting me to suggest the absence of a quorum?

Mr. GORE. I yield.

Mr. MONRONEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Allott	Gore	Murray
Barrett	Green	Neuberger
Beall	Hayden	O'Mahoney
Bennett	Hickenlooper	Pastore
Bricker	Hill	Potter
Bridges	Holland	Purtell
Bush	Hruska	Revercomb
Butler	Humphrey	Robertson
Byrd	Ives	Russell
Capehart	Jackson	Saltonstall
Carlson	Javits	Schoeppel
Carroll	Johnson, Tex.	Scott
Case, N. J.	Johnston, S. C.	Smathers
Case, S. Dak.	Kefauver	Smith, Maine
Chavez	Kennedy	Smith, N. J.
Church	Kerr	Sparkman
Clark	Knowland	Stennis
Cotton	Kuchel	Symington
Curtis	Lausche	Talmadge
Dirksen	Long	Thurmond
Douglas	Malone	Thye
Dworshak	Martin, Iowa	Watkins
Eastland	Martin, Pa.	Wiley
Ellender	McClellan	Williams
Flanders	Monroney	Yarborough
Frear	Morse	Young
Fulbright	Morton	
Goldwater	Mundt	

The PRESIDING OFFICER. A quorum is present.

Mr. JOHNSON of Texas and Mr. KNOWLAND addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Texas.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

Mr. KNOWLAND. Mr. President, I make the point of order that no business has been transacted since the previous quorum call.

The PRESIDING OFFICER. The point of order is sustained.

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays on the Gore amendment.

The yeas and nays were ordered.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent to have printed at this point in the RECORD, a table published in the U. S. News & World Report of May 31, 1957, showing housing and industrial construction declines across the Nation.

The chart shows most vividly the problem with which we are confronted and where the building industry is going under the present administration's policy of higher interest rates as a solution of the tight money conditions.

It is safe to say that if this kind of construction falls off too much, it will have a terrible impact upon the Nation's business, to say the least, and will certainly cause irreparable damage to our housing program. Our population trends indicate no letup in the birth rate and no slowdown in new marriages or homes being founded.

We will certainly be doing our new citizens a terrible injustice if we fail to provide an adequate housing bill, one which will meet the growing needs of our citizens, especially those in the low-income brackets.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

[From the U. S. News & World Report of May 31, 1957]

The spotty picture in building

	Changes from 1956 in plans for—	
	Building of all types (dollar value)	Home building (number of units)
Alabama	Up 6.0 percent	Down 6.1 percent.
Arizona	Up 14.9 percent	Up 11.3 percent.
Arkansas	Up 52.6 percent	Down 5.7 percent.
California	Down 6.4 percent	Down 14.7 percent.
Colorado	Down 4.5 percent	Down 14.5 percent.
Connecticut	Down 6.6 percent	Down 9.4 percent.
Delaware	Up 36.7 percent	Down 50.7 percent.
District of Columbia	Up 14.1 percent	Up 95.3 percent.
Florida	Up 9.0 percent	Up 1.7 percent.
Georgia	Up 8.5 percent	Down 26.2 percent.
Idaho	Down 2.1 percent	Down 10.7 percent.
Illinois	Up 3.0 percent	Down 4.3 percent.
Indiana	Down 2.3 percent	Down 19.7 percent.
Iowa	Down 19.0 percent	Down 26.8 percent.
Kansas	Down 17.2 percent	Down 38.8 percent.
Kentucky	Down 27.9 percent	Down 25.7 percent.
Louisiana	Down 5.8 percent	Up 7.8 percent.
Maine	Down 61.9 percent	Down 34.4 percent.
Maryland	Up 3.8 percent	Down 7.4 percent.
Massachusetts	Down 2.4 percent	Down 35.0 percent.
Michigan	Down 26.0 percent	Down 43.1 percent.
Minnesota	Up 2.6 percent	Down 25.9 percent.
Mississippi	Down 17.3 percent	Down 39.8 percent.
Missouri	Down 12.0 percent	Down 41.3 percent.
Montana	Down 71.0 percent	Down 11.1 percent.
Nebraska	Down 35.3 percent	Down 29.1 percent.
Nevada	Down 37.3 percent	Down 33.3 percent.
New Hampshire	Up 7.7 percent	Down 42.3 percent.
New Jersey	Down 10.1 percent	Down 20.7 percent.
New Mexico	Up 8.2 percent	Up 30.0 percent.
New York	Down 9.3 percent	Down 24.9 percent.
North Carolina	Down 11.1 percent	Down 32.6 percent.
North Dakota	Up 30.8 percent	Down 10.2 percent.
Ohio	Down 12.2 percent	Down 20.7 percent.
Oklahoma	Down 16.9 percent	Down 26.2 percent.
Oregon	Down 3.5 percent	Down 20.0 percent.
Pennsylvania	Up 8.1 percent	Down 9.4 percent.
Rhode Island	Down 32.3 percent	Down 40.7 percent.
South Carolina	Down 28.0 percent	Down 23.4 percent.
South Dakota	Down 29.3 percent	Down 20.2 percent.
Tennessee	Down 24.7 percent	Down 30.5 percent.
Texas	Down 0.4 percent	Down 12.2 percent.
Utah	Down 63.3 percent	Down 25.0 percent.
Vermont	Down 25.0 percent	Down 42.2 percent.
Virginia	Down 1.1 percent	Down 34.3 percent.
Washington	Up 6.8 percent	Down 28.0 percent.
West Virginia	Down 6.8 percent	Down 25.8 percent.
Wisconsin	Up 0.8 percent	Down 17.5 percent.
Wyoming	Up 12.5 percent	Down 27.0 percent.
United States total	Down 5.7 percent	Down 18.9 percent.

Source: U. S. Department of Labor.

NOTE.—Based on building permits issued in 3 months ended Feb. 28, 1957, and corresponding period a year earlier.

Mr. GORE and Mr. MORSE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Tennessee.

Mr. GORE. Mr. President, the amendment which I have offered proposes to do three things.

First, it directs the Federal National Mortgage Association to do what it was created to do and to do what it did successfully and profitably from 1938 to 1954; to wit, provide a secondary mortgage market for home loans guaranteed and insured by the United States Government.

Second, it would prohibit the discounting of a home loan guaranteed or insured by the United States Government.

Third, it would authorize and provide funds, through a public debt transaction, as has been customarily done with this agency, for the purpose of effectively carrying out the directions given to the agency by the amendment.

This is not a radical proposal. This is not proposing a venture into an untried field. This is not an innovation. This is a proposal with which the Federal Government has had vast experience.

One of the most beneficial, one of the most helpful programs of the Government for many years has been the program by which veterans and young married couples desiring to build or buy homes could do so.

As a Member of the House of Representatives, I had the privilege of serving upon the Committee on Banking and Currency. I recall the creation of the Home Owners Loan Corporation, popularly known as HOLC. That agency was created in the depression years of the 1930's to provide a harbor of refuge for persons who were threatened with the foreclosure of mortgages on their homes. Many persons made dire predictions of the severe loss which might result to the Government from the operation of

HOLC in providing a refuge for those who were faced with the foreclosure of mortgages on their homes. But when HOLC was finally liquidated, it showed, through all its operations, although it had saved hundreds of thousands of homes from mortgage foreclosure, not a loss, but a profit.

The Government of the United States had trusted the people; had placed faith in the love of home, and in the need and desire for ownership of a home, and the Government found that it was a good risk.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Tennessee may yield to me for the purpose of suggesting the absence of a quorum, without his losing the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Allott	Gore	Murray
Barrett	Green	Neuberger
Beall	Hayden	O'Mahoney
Bennett	Hickenlooper	Pastore
Bricker	Hill	Potter
Bridges	Holland	Purtell
Bush	Hruska	Revercomb
Butler	Humphrey	Robertson
Byrd	Ives	Russell
Capehart	Jackson	Saltonstall
Carlson	Javits	Schoeppel
Carroll	Johnson, Tex.	Scott
Case, N. J.	Johnston, S. C.	Smathers
Case, S. Dak.	Kefauver	Smith, Maine
Chavez	Kennedy	Smith, N. J.
Church	Kerr	Sparkman
Clark	Knowland	Stennis
Cotton	Kuchel	Symington
Curtis	Lausche	Talmadge
Dirksen	Long	Thurmond
Douglas	Malone	Thye
Dworshak	Martin, Iowa	Watkins
Eastland	Martin, Pa.	Wiley
Ellender	McClellan	Williams
Flanders	Monroney	Yarborough
Frear	Morse	Young
Fulbright	Morton	
Goldwater	Mundt	

The PRESIDING OFFICER. A quorum is present.

Mr. GORE. Mr. President, I am fully cognizant of the far-reaching impact of the amendment I have proposed. That makes me all the more in favor of it. According to my conception of the duty the Members of the Senate, the representatives of the people who serve in this body must recognize what is happening, what has happened, and what is in store for the great housing programs which have made homeowners of millions of the American people.

Mr. CAPEHART. Mr. President, will the Senator from Tennessee yield for a question?

Mr. GORE. I yield.

Mr. CAPEHART. Does the Senator from Tennessee realize that his amendment will increase the budget by nearly $3 billion? Does he realize that an economy wave is sweeping over the country? Does he realize that his party has practically been beating the President in its determination to reduce the budget? Yet the Senator from Tennessee submits an amendment which will increase the budget by approximately $3 billion.

Mr. GORE. Mr. President, I shall be delighted to respond to the able senior Senator from Indiana.

My amendment proposes the identical course which was followed with respect to these programs during the first 2 years of the Eisenhower administration, during the entire administration of former President Truman, and, from 1938, under the administration of the late President Franklin D. Roosevelt. My amendment does not propose an increase in appropriations; it does not propose an increase in the budget of the United States. The amendment does propose, instead, a public-debt transaction in the self-same manner as the one this agency operated successfully, and at a profit, for 16 years.

Mr. CAPEHART. Mr. President, will the Senator from Tennessee yield further to me?

Mr. GORE. First, Mr. President, I should like to answer the able Senator from Indiana; and then I shall yield further.

The amendment proposes a public-debt transaction to make it possible for the credit of the United States Government to be used to provide a secondary market, if need be, to make effective the guaranties of home loans provided for in the pending bill.

I should like to ask the Senator from Indiana a question: Does he think the United States Senate should pass a bill providing effective insurance, effective guaranties of home-loan mortgages? Or does he think the Senate should pass a farcical bill? Does he think the Senate should proceed to give to the people the impression that it is making it possible for the purchasers of homes to obtain loans at a given rate of interest, when he knows that the loans are being discounted across the land to the extent of 8 percent or 10 percent? Will the Senator from Indiana answer that question?

Mr. CAPEHART. Let me explain what the Senator's amendment does.

Mr. GORE. Will the Senator answer the question I propounded to him?

Mr. CAPEHART. I will explain it.

Mr. GORE. I do not yield for long explanations. I should like to have the Senator answer the question. He asked me a question and I answered it. Now I ask him one.

Mr. CAPEHART. Will the Senator repeat the question?

Mr. GORE. I feel some reasonable capability of explaining the amendment I offered. I do not feel the necessity of yielding for the able senior Senator from Indiana to explain my own amendment. I shall be glad to yield to him if he will answer the question I propounded to him.

Mr. CAPEHART. Very well. The FHA Act was an act whereby the Federal Government, under certain conditions and operating under a certain formula, would guarantee mortgages purchased by third parties. That act went into effect when the RFC was in existence. The Federal National Mortgage Association was organized as a separate corporation, whose purpose likewise was to buy mortgages, and the money was furnished by the old RFC.

In 1950, when the RFC was eliminated, the Federal National Mortgage Association was transferred to an independent agency. The purpose of it was to provide a secondary market for mortgages. However, it was never intended that the Federal Government should buy $3 billion worth of mortgages at par, thereby calling on the Treasury of the United States for $3 billion, and increasing the budget of the United States at the moment by $3 billion. That never was the intention, and it is not the intention today.

Furthermore, the amendment of the Senator from Tennessee goes further, and provides that all FHA and VA mortgages must be purchased at par in order to be insured by the FHA or the VA. The Senator knows that cannot be done.

Mr. GORE. I should like to refer to the Senator's own words of yesterday. The able senior Senator from Indiana himself said, on this floor yesterday, that the FNMA was created to provide a secondary market for United States guaranteed home loans, because, in certain areas of the United States, credit was not available for the purpose. I take it the Senator recalls his statement of yesterday.

Mr. CAPEHART. That is exactly correct.

Mr. GORE. Today we find the situation to be that the area in which United States Government insured or guaranteed loans are not available has greatly expanded—so greatly expanded that, under the program which the Senator is supporting, credit for insured and guaranteed home loans, supported by the United States Government, is not available in any community in the United States, so far as the record shows.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. GORE. Not just now. So I come back to the question which I propounded to the Senator: Does he think the United States Senate should give the people the impression that we are providing insurance on home loans, at 5 percent interest, when in fact he knows, and every other Member of the Senate knows, that there is no place in the United States in which such credit is available at par, and he knows, and every other Member of the Senate knows, that the very Government agency itself which was created for the purpose of providing a secondary market is buying these loans at a discount, and the record shows that it has used its power to push the discounts higher?

Mr. LONG and Mr. CAPEHART addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield; and, if so, to whom?

Mr. GORE. I yield first to the Senator from Louisiana.

Mr. LONG. I am very happy the Senator from Tennessee has offered his amendment, because he knows I am in sympathy with what he is trying to accomplish. This is a part of a single issue, which is the outrageous interest rates that are being deliberately imposed on the people of this Nation, under a Republican administration. Efforts are being made to give the impression that Congress can do nothing about it. That being the case, I think we should make a record to show the American people who

is for high interest rates and who is against them.

The same thing is occurring with regard to our national debt. Oh, yes; we are supposed to have an independent agency. It has never been completely independent. It is either friendly to the views of the representatives of the interests of the American people or to the representatives of the interests of bankers and those who are on Wall Street.

We ought to have an opportunity to vote on what we think the rate of interest should be on Government bonds, regardless of what the Federal Reserve Board thinks the rate of interest should be, or what the Secretary of the Treasury thinks the rate of interest should be.

I should like to ask the distinguished Senator from Tennessee if he thinks 4½ percent is enough interest for a veteran to pay for a mortgage on his home.

Mr. GORE. I think it is ample.

Mr. LONG. The fact is that the Government has every opportunity to protect those interest rates. If the bankers do not want to take those mortgages, then FNMA can accept them. Some persons might want to call that getting deeper into debt, but it would run us no deeper into debt than would happen if the Federal Reserve Board, through its open market operations, were to purchase mortgage bonds at par when private bankers did not want to buy them.

So we come to the issue. Sooner or later we may as well get the issue sharpened down to the right legislative pattern, to see who is for high interest rates and who is against high interest rates, which have cost the Nation more than $20 billion in the past 5 years, since the present administration came into power. It is going to cost a lot more than that if the present policy is continued, because the whole thing is snowballing, as the Senator knows.

At the rate the Government is refinancing Government obligations, the cost of government will be increased more than $4 billion a year. I hope the Finance Committee will prepare and submit an appropriate proposal so that we can vote on that issue.

I shall support the amendment offered by the Senator from Tennessee. I should like to go on record as being against the outrageously high rates of interest on veterans' mortgages. Unless we take some action, conditions will become worse.

Even if we cannot have the Senator's amendment agreed to, I think we will have to find some way to slow down the increase in rates of interest. Even if the Senator fails to have his amendment agreed to, he will have achieved something.

Mr. CAPEHART. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I wish to reply to the statement made by the able Senator from Louisiana. First I wish to thank him. I agree with him that the interest rate is part of the overall problem; but, Mr. President, it is a very significant part. It affects the desire of millions of people in the United States to become home owners.

Let us think for a minute how this discount proposition operates. A veteran obtains—as he thinks—a loan to build or purchase a home. He executes a $10,000 mortgage to a lending institution. What does the lender pay for the $10,000 mortgage which the veteran signs, and which his wife signs, and which is secured by his home?

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. GORE. Not now. I hope the Senator will be as courteous to me as I was to him.

Mr. CAPEHART. The Senator is——

Mr. GORE. Mr. President, I cannot yield at the moment.

Mr. CAPEHART. The Senator is——

Mr. GORE. I cannot yield at the moment.

The PRESIDING OFFICER. The Senator from Tennessee has the floor.

Mr. GORE. He takes the note signed by himself and his wife, and secured by a mortgage on his home. But, Mr. President, it also bears the guaranty of the United States Government. What does he get? Does he get $10,000? No; he gets the equivalent of $9,000.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. GORE. But he has to pay back $10,000, and the interest on it, spread out over a 25-year period.

Is that the kind of effective housing bill the United States Senate wishes to pass?

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. GORE. I cannot yield just now. If the Senator will bide his time I will yield.

I agree with the junior Senator from Louisiana [Mr. LONG] that this is a part of an overall problem. It is so serious that it has reduced the veterans' housing program, comparing the first quarter of this year with the first quarter of last year, by 45 percent. It has reduced FHA starts by 34 percent during the same period.

Those engaged in the home-building industry tell me that that industry is going down and down every day. Why? Because there is no credit available.

We are talking about a note secured by a mortgage on an American home, a note insured or guaranteed by the Government of the United States. Is it not a sorry pass to which we have come?

And who must have this great benefit of the discount of from 8 to 10 percent on these home loans?

Mr. CAPEHART. Mr. President, will the Senator yield now?

Mr. GORE. Not just now, please, sir.

Who are the beneficiaries? Who are these poor little bankrupt institutions? First are the insurance companies of the United States, who are enjoying the largest profits in their history. They own $15.4 billion worth of FHA and VA mortgages. But they cannot take any more, Mr. President, even though the mortgages are guaranteed by the United States Government, unlses they buy them at a discount.

Who are the next largest holders? The savings banks have $11.9 billion, and the commercial banks have $9.4 billion. If Senators will look at the record, they will see that the members of the Federal Reserve Bank System made a profit last year of more than $1 billion, yet they have no credit available for a loan guaranteed by the United States Government, even though standing with the guaranty of the Government is a mortgage on a home, signed by a husband and a wife.

What do we seek to do? Do we wish to pass an effective home-loan program, or do we wish to foist a farce on the American people?

Mr. CAPEHART. Mr. President, will the Senator yield to me now?

Mr. GORE. I do not yield at the moment I wish to respond to the question which the able Senator propounded, and the question raised by the distinguished Senator from Louisiana. Then I shall afford the Senator an opportunity to propound a question.

Let us consider the monetary situation. Three years ago the present administration, the Eisenhower administration, with the Honorable George W. Humphrey as Secretary of the Treasury, issued $4 billion worth of 3-year bonds, bearing an interest rate of 1⅝ percent. A few days ago those bonds matured. The Treasury of the United States did not wish to have to redeem them in cash, because the cash balance of the United States Treasury was low—and it is lower now. The Treasury offered as a substitute to the bondholders 4-year-and-9-month Treasury notes bearing an interest rate not of 1⅝ percent, but of 3⅝ percent; or, if they did not wish to lend their money to the Government for a period of 4¾ years at 3⅝ percent, they offered to borrow the money for 11 months at 3½ percent. But the holders of 28 percent of those bonds said, "No; we want the cash. We want the cash," which in layman's language means that the "big-money boys" served notice on the United States Government that they would demand still higher interest rates.

Somewhere, somehow, some time, the representatives of the people must call a halt to this disastrous spiral. What are its consequences? I have read to the Senate the figures showing how this policy has brought to a standstill the veterans' home loan program and the FHA program, which has operated so successfully for 20 years. Let me present some additional information.

The rate of bankruptcy is higher now than it has been since the early 1930's. Small businesses have been closing their doors, since January of this year, at approximately twice the rate they closed their doors in 1953.

Of course, the large corporations are making the greatest profits in their history, but I am talking to the Senators about the people they represent. The people we represent wish to become homeowners. The people we represent do not desire mortgage foreclosures and bankruptcy. But those things are being forced upon them by an unwise and fallacious monetary policy.

Yes. I thank my able friend, the Senator from Louisiana [Mr. LONG] for saying that this is but a part of one big problem. But this is the first and most important chance the Senate has had to take a stand on the problem. I assure the Senators that I will join with my

distinguished and able friend, the Senator from Louisiana, in making an issue of this fallacious monetary policy every time the question comes to the floor of the United States Senate.

Take a stand now. When the roll is called—and I am delighted that we shall have a yea and nay vote—let us choose our sides, those who are for the home owners, or those who are for the discount clippers on loans guaranteed by the United States Government.

I propose nothing radical, nothing untried. Let me repeat: for 16 years, from 1938 to 1954 FNMA provided a secondary market at par for home loans guaranteed by the United States Government, and the overall result was a profit to the United States Government; I mean, a profit measured in money. The profit resulting from home ownership was immensely greater. In only 2 of the 16 years did FNMA show a loss, and the losses were very small. The years in which losses were sustained did not occur in the present administration.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. GORE. In a moment I will.

The amendment which I propose seeks to do the same thing that was done under the Roosevelt administration and the Truman administration and the first 2 years of the Eisenhower administration—successfully in all. The amendment I propose would provide further that there be a prohibition against discounting loans guaranteed by the United States Government.

We have no power—and we should have no power—to force any private institutions or individuals to lend money. It is their money. We cannot force them to lend it. I would not be in favor of forcing any institution to lend money. But we can provide encouragement; and unless credit is available through private channels, we can provide, as we did for 16 years, a secondary market for home loan mortgages guaranteed by the Government, when there is not sufficient credit available from private local lending institutions.

I now yield to the senior Senator from Indiana.

Mr. CAPEHART. I thank the Senator for yielding to me.

Mr. President, does not the Senator know—I am sure he does not, or he would not have made the statement he made—that under the VA law, the builder of a house cannot pass on to the purchaser anything beyond the price which the VA sets as the selling price of the house? In other words, the discount the Senator is talking about is absorbed by the builder, and not by the purchaser of the house. Does not the Senator know that?

Mr. GORE. I know that there are certain provisions in some State laws about sales taxes——

Mr. CAPEHART. I am talking about Federal law.

Mr. GORE. There are certain provisions of the law with respect to this tax, this fee, or that charge; but I know who pays the bill eventually. It is the customer, the consumer. Either a builder is making an unconscionable or exorbitant profit on a transaction with a veteran, or he is passing on the discount. I am not in favor of either.

Mr. CAPEHART. Mr. President, will the Senator further yield?

Mr. GORE. I yield.

Mr. CAPEHART. The law which the Congress passed prohibits a builder from passing on a discount to the purchaser, and if he is caught charging beyond——

Mr. GORE. Let me respond to that statement.

Mr. CAPEHART. Let me finish my statement.

Mr. GORE. The Senator has already made it.

Mr. CAPEHART. If he sells the house for more than the amount of the VA appraisal, he is subject to prosecution, and can be sent to jail. So all discounts are absorbed by the sellers, not by the buyers. That is the law.

Mr. GORE. The Senator is now complaining that someone is illegally and wrongfully gyping a veteran or an FHA applicant for a home loan. That is happening all over the land. Loans are simply not available at the rates written into the bill pending before the Senate.

Mr. LONG. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. LONG. Either 1 of 2 things must happen. Either the builder must build a home and sell it without a profit, which very few builders want to do——

Mr. GORE. Or at a loss.

Mr. LONG. Or he must find some way to take this 10 percent beating on his mortgage paper. That is obvious.

When someone suggests that the United States Government must lose money to buy these mortgages which the banker does not wish to take at a reasonable rate, I reply that the Government has money available. It has billions of dollars in the national service life insurance fund. It has billions of dollars in the social security fund. A simple act of Congress is all that is necessary to provide for the investment of such funds in mortgages, if the bankers do not see fit to take the mortgages at reasonable rates. So far as the debt transaction is concerned, such action would not put the Government in debt.

Mr. GORE. Does the Senator know of any safer place to invest Government trust funds than in loans secured by the homes of the people of the United States?

Mr. LONG. I do not.

Someone may say that he wants that money put into Government bonds. The fact of the matter is that, so far as bonds are concerned, we should already have started doing what we did for many years in the past, namely, protect the interest rate on Government bonds. Whenever the bankers of America decide that they will not take Government bonds at reasonable rates, the Federal Reserve Board, through its open-market policy, can purchase its own bonds until the bankers are willing to take such bonds at a reasonable interest rate. That was done over a period of many years. We are just beginning to see now the complete wisdom of that previous policy, because we can see what happens when we do not have such a policy.

Mr. GORE. Mr. President, the Senator from Louisiana has said that the United States Government should not place itself at the mercy of a few investment bankers. What the bill under consideration would do, unless it were amended, would be to place the housing program—both the veterans' housing program and the FHA program—at the mercy of a few institutions whose vaults are already loaded with loans guaranteed by the United States Government.

Yes; I agree with the Senator from Louisiana that we should free ourselves from the "mercy" of the big money interests of the country. That is why I have offered my amendment.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. HUMPHREY. In my judgment the speech of the Senator from Tennessee today is a historic turning point in the legislative deliberations of the Senate. The reason I say that is that this is the first time, on a definite issue rather than on a general discussion, that we have had an opportunity to vote on the fiscal and monetary policy of this administration.

Mr. GORE. Happily, we are to have a yea-and-nay vote.

Mr. HUMPHREY. That issue will separate the men from the boys. We are going to find out where Senators stand, and whether or not the Congress of the United States shall coin money and regulate the value thereof.

Mr. GORE. Where did the Senator read that?

Mr. HUMPHREY. That is taken from a document called the Constitution.

Mr. GORE. I seem to remember having read it.

Mr. HUMPHREY. Some people have forgotten it. It will be found in the article relating to the powers of Congress.

At one time the coin of the realm consisted of silver and gold. Subsequently, it included also checking accounts and credit. The power to regulate the value of money today relates to credit and to interest, in terms of modern 20th century monetary policy.

I say to the Senator from Tennessee that the people of America will be indebted to him for years to come, not only for what he has said today, but what he said on this floor, as my colleagues will remember, 4 years ago.

I remember when the Senator from Alabama [Mr. SPARKMAN], the Senator from Tennessee [Mr. GORE], and other Senators debated this issue on a previous occasion. I was privileged to join in that colloquy. I particularly recall the speeches of the two Senators whom I have mentioned, when they joined issue with the Eisenhower administration on debt refinancing.

I stated yesterday, as the distinguished Senator from Tennessee stated 4½ years ago, that the Eisenhower-George Humphrey Republican fiscal montary administration had opened up a Pandora's box of trouble for the American people on the day when they met in Washington with a handful of bankers and decided to raise interest rates on so-called long-term issues of Government securities. I charge that there are fewer long-term issues involved in financing the public debt today than there were 5 years ago.

Furthermore, the Government of the United States is being brought to its knees by "big money," as the Senator from Tennessee points out, when the Government of the United States can no longer sell its own bonds without pleading with the financial interests of the country to buy them.

Mr. GORE. At two whole points of interest higher than 3 years ago.

Mr. HUMPHREY. Furthermore, the record will reveal that for a period of months the Open Market Committee of the Federal Reserve Board, which is responsible for the marketing of Government securities, did not have a full membership, even though the law requires that it have a full membership.

Furthermore, the record will also reveal that there were vacancies on the Federal Reserve Board for many months, even though the law requires that there shall always be a full membership.

I say to the Senator from Tennessee that if nothing more comes from this struggle than a sharpening of the issue, it will have been time well spent. The issues involved is the most fundamental and basic issue in the American economy today. It is the issue that exists between this side of the aisle and the other side of the aisle. That is what it is, Mr. President. The fiscal policy is the fundamental issue in the American political economy today.

I say, furthermore, to the Senator from Tennessee that the leadership he is giving to this fight will earn him the eternal gratitude of children yet unborn, because we are talking about 25-year mortgages, about 30-year paper, and whether or not the Government of the United States is to have something to say about the welfare of the American people, or whether we are going to turn it over, as we did in the twenties and early thirties, to a handful of people.

This is it, Mr. President. I am on the Senator's side. The sooner we vote, the better. I shall stop speaking now. We will check the roll when it is called, and then we will look at the record in the days to come.

Mr. HOLLAND. Will the Senator yield?

Mr. GORE. I shall yield in a moment to the able Senator from Florida. First, I should like to reply briefly to the Senator from Minnesota. The able Senator from Minnesota has been very generous in his remarks, and I appreciate them. He made one remark to which I wish specifically to reply. He very generously said that people will be indebted to the junior Senator from Tennessee for bringing this issue before the Senate. I am more concerned, as I know the Senator from Minnesota is, with the indebtedness of the people to the financial institutions to which they will have to pay money on loans which were discounted, and also to pay interest on the full amount of the note, even though they did not receive full value.

Mr. HUMPHREY. I am sure the Senator will be interested to hear that the President said to a group of congressional GOP leaders today that the administration is preparing legislation to hold future loans by Federal agencies at the interest rates the Government itself pays.

I want all farmers to know that they are going to be "taken," because the administration is preparing legislation to increase REA loan rates. That is on the line now. The administration has denied for years that it was ever going to change the lending rate on REA loans. What does the administration do now? It says, "We have got to pay more for money, so we must raise the interest rate on these loans."

The administration has the cleverest game of any I have ever seen. They purposely raise their own interest rates on Government bonds in order to be able to foist upon the people higher interest rates on Government loans. What a game it is. It just goes round and round, and where it comes out, nobody knows.

Mr. GORE. Mr. President, they seek to make one wrong justify another.

Mr. HUMPHREY. The record will speak for itself. That is what the administration is going to do. The record is there. That is an Associated Press dispatch, which will be published in tomorrow morning's newspapers. I hope every farm family in America will take note of the fact that not only does the interest rate affect housing, not only does it affect small business, and not only does it affect normal farm credit, but it will now get to the REA, the agency which has earned a profit, and in connection with which the farmers are far ahead on their schedule of payments. But even that is not enough. They will have to pay more.

Mr. GORE. Mr. President, I agree with the Senator.

Mr. HOLLAND. Mr. President, will the Senator yield to me?

Mr. GORE. First I should like to respond to the Senator from Minnesota. I have already agreed to yield next to the distinguished junior Senator from Pennsylvania. Then I shall be glad to yield to the distinguished and able senior Senator from Florida.

I agree with the junior Senator from Minnesota that that is the effect it will have on our economy, and that it will affect every element of our economy. The interest rate on intermediate Government obligations has increased 120 percent.

Mr. HUMPHREY. One hundred and twenty-two percent.

Mr. GORE. One hundred and twenty-two percent. I thank the Senator for the correction. At the same time, small business has been closing its doors. The farmer's income has been going down. The cost of living is rising. It has a far-reaching effect. This is the time for Congress to call a halt to unwise policies of the administration. Here is provided tried and tested machinery, an agency which has been established since 1938, with experience in the field and, as I have said, with profitable experience in the field. Let us take this step. I now yield to the Senator from Pennsylvania.

Mr. CLARK. Mr. President, I, too, should like to commend the Senator from Tennessee on the brilliant address he is making in the Senate today. I concur completely in the views expressed by the Senator from Minnesota. This is the first test which has been afforded us to determine whether we will go along indefinitely with the administration's tight money policy.

I should like to call attention to the provision in the 1956 Democratic platform which reads as follows:

> We pledge our party to immediate revival of the basic housing program enacted by the Democratic Congress in 1949, to expansion of this program as our population and resources grow, and to additional legislation to provide housing for middle-income families and aged persons. * * *
>
> We reaffirm the goal expressed by a Democratic Congress in 1949 that every American family is entitled to a "decent home and a suitable living environment."

I point out that there is no similar plank in the Republican Party platform. The Republican Party has indicated time and time again, both on the floor of the Senate and elsewhere, that they have no real interest in the shelter problem of the United States, whether it relates to the average individual or to the more than 1,600,000 people who are getting married every year and have no houses in which to live.

I should like to ask the Senator whether he does not agree with me that so long as the administration continues its feeble housing program and continues to allow sleazy discounts in order to follow its tight-money policy, we cannot achieve the objectives which are set forth in our party platform.

Mr. GORE. Not only will we not get it, but the movement is in the other direction. Earlier today I gave the Senate the figures showing that Veterans' Administration loans were down 45 percent, that FHA loans were down 34 percent. Not only are we moving in the wrong direction, but we are being impelled in that direction by the very housing agency which was created for the purpose of providing a secondary market for Government-guaranteed loans. The hearings before the committee show that FNMA has been putting pressure on the movement of discounts, not down, but up. I say it is a subversion of the very purpose of the FHA. It is subversion of the veterans' home-loan program. Do we want, I ask Senators again, to pass an effective home-loan program or a farce and a subterfuge and to mislead the American people?

Mr. CLARK. Earlier in the debate a statement was made to the effect that the amendment offered by the Senator from Tennessee would increase the Federal budget by $3 billion.

I believe the Senator from Tennessee will agree with me that we have arrived at that state of financial literacy where we can distinguish between money that is paid out for no other purpose than for the paying of salaries or money that goes down the drain by being used for the conduct of the ordinary processes of Government, and, on the other hand, money that is paid back 100 cents on the dollar, with interest.

I should like to ask the Senator from Tennessee whether, during the 16-year period to which he has referred earlier,

in the course of the program he has been discussing, the Government of the United States of America lost 1 cent on this program.

Mr. GORE. It made money. The Government realizes a profit from these operations. In my own limited financial statement, when I show an asset offset by a liability, there is a net. When the Government of the United States invests in a loan secured by American home, the Government acquires an asset, as well as a contingent liability, and based on the Government's experience with HOLC, FHA, VA, and FNMA; the Government has realized a profit. No experience we have had would indicate that this would be a losing proposition. All our experience has been to the contrary.

Mr. President, now I am pleased and honored to yield to my able and distinguished friend, the very eminent senior Senator from Florida; and I apologize to him for being so late in yielding to him.

Mr. HOLLAND. Mr. President, I appreciate the courtesy of my friend from Tennessee. I am sorry I am not able to find myself in accord with the position which he has taken in his characteristic, colorful, and effective fashion. I wish to ask him three questions, if I may.

First, does the distinguished Senator think it is sound fiscal policy for our Government to buy all the private mortgage notes given on homes built under the FHA program, or to obligate itself to do so, 100 cents on the dollar, without taking any such step relative to the something more than $270 billion worth of bonds, the money for which the people have loaned the Government in good faith, and most of which are selling, as the Senator knows, at a discount?

Does the Senator think it is sound governmental policy to give preferred standing to the private mortgage notes given to the FHA by persons who build their homes under the FHA program, to guarantee those notes at 100 cents on the dollar, and to pay for them with Federal money at the rate of 100 cents on the dollar, without giving consideration to similar action in the case of the more than $270 billion in bonds outstanding?

Mr. GORE. I know the able and distinguished Senator, for whom I have such abiding respect, and whose disagreement with me in this regard I learn with disappointment and concern, will permit me to reply to some reasonable extent to the very profound question which he has asked. Then I shall yield for the second question.

I say in all sincerity and with the deepest of conviction that there can be no sounder governmental policy than to sponsor, promote, aid, and abet home ownership in the United States of America.

I know of no sounder fiscal policy than to bring about and to maintain stability in the obligations of the Government of the United States.

How can there be stability, how can there be security, unless stability and security are to be found in the obligations of the Government of our country?

Yes; I think it is sound as Government policy, as social policy, and as fiscal policy.

Let me elaborate on the fiscal aspect. We did not find it necessary for a Government agency to buy and to hold all the home-loan mortgages under previous experience. When there was a refuge, when there was a secondary market, which was attempting to hold the obligations of the United States Government at par, rather than attempting to push them down, we did not find it necessary to do that. I do not believe it would be found necessary to have FNMA own 100 percent of the loans should this amendment become law.

But there are wider implications than that, I say to my able and distinguished friend, and I hope he will reconsider his position in this light. Somewhere, somehow, sometime, let me repeat, the representatives of the people must break the stranglehold that big money has upon our Government. Somewhere, sometime, somehow, we must call a halt to the spiraling interest rate and, to the increase in the cost of carrying the national debt. Let me recall to the Senator from Florida that in almost 3 years the interest rate on intermediate term bonds has risen from 1⅝ to 3⅝ percent, and the Government is not able to sell bonds now, even at that rate.

Yes; I think the adoption of this amendment would have a dramatic effect. It would cause the Secretary of the Treasury and perhaps the President of the United States to bethink themselves where present policies are leading the economy of the country, what they are doing to the homemakers, and what they are doing to the young man or woman who wants an opportunity to go into business.

I say in answer to the question, if I may summarize: Yes, I think it is sound Government social policy, I think it is sound Government fiscal policy, I think it is sound Government procedure to support and preserve the integrity of the credit of the United States Government. I think it is sound—socially, financially, and fiscally—to trust the desire, the need, and the love of homes by the people of the United States.

I now yield for the second question.

Mr. HOLLAND. Mr. President, I certainly appreciate the candor of the distinguished Senator from Tennessee. He has answered the question completely by stating, as I understand, that he thinks it is sound fiscal policy to guarantee, at 100 cents on the dollar, the notes of private citizens, protected by mortgages on homes built under the FHA program, and to supply the Federal Government with sufficient funds to redeem its promise whenever it becomes necessary to do so by buying the notes at 100 cents on the dollar.

Mr. GORE. The Senator from Florida realizes, of course, that the amendment would apply only to loans made after the amendment becomes law.

Mr. HOLLAND. I understand. I think the Senator has been very candid, and I appreciate his statement.

My second question is this: How does he think the millions of private citizens and the thousands of financial institutions who hold more than $270 billion worth of Government bonds will feel? Their loans were made in good faith. Many of them were made to enable the Government to meet defense needs. How will those investors feel when the investments of others in the particular field of housing are protected up to 100 cents on the dollar, without any effort at all being made to prevent discounts in their investments in bonds which represent sacred obligations of the United States Government?

Mr. GORE. Will the Senator from Florida let me ask him a clarifying question?

Mr. HOLLAND. Gladly.

Mr. GORE. Is the Senator referring to the outstanding home-loan mortgages or to the outstanding Government obligations in general?

Mr. HOLLAND. I am referring to the something more than $270 billion of outstanding Government bonds. Certainly those bonds were purchased by citizens generally most of whom were trying to come to the aid of their country.

I believe the bonded indebtedness went up from about $20 billion at the beginning of World War II to the total it finally reached largely because of the defense needs. The holders of those securities came to the assistance of their country largely so that we might have adequate defense.

How does the distinguished Senator from Tennessee think that great mass of investing citizens, who have shown their trust and faith in their Government, would feel about being given that kind of treatment—that is, no guaranty of their investment, no upholding of the price of their bonds, but being subjected, instead, to discounts on their bonds every day in all the markets of the whole country, while at the same time the Government gave preferential, complete, 100 percent guaranteed purchase treatment to the notes of every citizen who entered into an FHA building contract from this time forward?

Mr. GORE. The able senior Senator from Florida has one of the most incisive minds of any man it has been my privilege and pleasure to know. Just as his first question went to the meat of the issue, so has his second question.

The Senator will recall, of course, the time at which the first bond issue of this administration reached par—I refer to the $1 billion, 30-year issue, put out at an interest rate of 3¼ percent—after that issue had risen to 12 points above par, it declined and reached par. During this period, the holders of bonds of the United States Government suffered the loss of hundreds of millions of dollars in the market value of their bonds. If we could but restore stability of value to the obligations of the United States Government, the holders of many billions of dollars' worth of United States Government obligations would have restored to them the value rightfully theirs.

I recognize that the Senator from Florida has pointed to the discriminatory effect of providing this stability for one form of Government obligations and not providing it for the others. But such discrimination has already been practiced upon millions of persons who bought the bonds of their Government as a patriotic move during the course of the war.

Furthermore, it is my firm purpose to do everything possible to have the Congress provide stability for all types of obligations of the United States Government. However, in view of the subject matter of the pending bill and the parliamentary rules applying to the procedure of the Senate, it so happens that the pending amendment deals with the only matter of this sort with which the junior Senator from Tennessee can attempt to have the Senate deal at this time, during consideration of the pending bill, in an effort to provide stability for the Government's obligations. Therefore, my amendment deals with stability in the field of guaranteed and insured home-loan mortgages. I wish to deal with that matter now. It is a very important segment, as I know the able Senator from Florida will attest.

Few persons, if any, have contributed more to, or have shown greater interest in, homeownership than has the able senior Senator from Florida. I have had the pleasure of visiting in his State. I know something of the activities in his State and of the building trades there and the persons engaged there in the construction industry and in the real-estate industry, and I know that the economy of his State is involved in homeownership and in the home-construction industry. I know he will attest to the importance of this industry. It is important not only for social reasons, but also because it affects millions of persons who desire to purchase or to build homes. It is also important in terms of dollar amounts, because of the tremendous importance of homeownership and the home-construction industry to our economy.

I believe that the adoption of my amendment would lead to wiping out many of the inequitable discriminations which have been practiced, and would lead to the elimination of such practices in the future.

Mr. HOLLAND. Mr. President, again I appreciate the frankness of the reply the Senator from Tennessee has made.

The third question I should like to ask is as follows: Recognizing the fact that any FHA mortgage notes which are purchased are not obligations of the Government at all; instead, they are obligations of private citizens. The only thing the Government has behind them is a guaranty of their final payment. Therefore, they are not direct obligations of the Government.

Mr. GORE. I wish to agree with the Senator, technically. However, when the Government guarantees or insures, it certainly undertakes to make good upon that guaranty or insurance. But technically I agree with the Senator from Florida.

Mr. HOLLAND. Further recognizing that the Senator from Tennessee now proposes that the Government guarantee 100 percent of the purchase price of the mortgages it guarantees at any time they are offered; but the Senator from Tennessee does not propose any similar course in the case of the $270 billion plus of direct obligations of the United States Government. My reference to $270 billion plus refers to the already outstanding bonds of the Government of the United States. However, let us pass that point, and come to my next question.

The Senator from Tennessee well knows that the only way the Government could make good on a commitment to purchase approximately $3 billion worth of this paper, under the provisions of the amendment of the distinguished junior Senator from Tennessee, would be either by borrowing money—which would mean the issuance of more bonds—or by printing money. I know that the distinguished Senator from Tennessee would never give his consent to having the Government merely print money, in order to meet a situation of this kind.

How does the Senator from Tennessee believe it would be possible to float bonds in the amount of $3 billion or thereabouts, at an interest rate of something less than 5 percent, without any guaranty against discounts in the market, in order to obtain the $3 billion, or less—whatever was required—with which to redeem the notes of individuals under this program, up to the amount of $3 billion? How does the distinguished Senator from Tennessee feel that the Government could possibly engage successfully in an activity of that kind? Who would invest, under those conditions, in Government bonds?

Mr. GORE. Mr. President, to give the able Senator from Florida a very quick reply regarding how it could be done, let me call his attention to the fact that only a few days ago the Government sold approximately $3 billion of bonds at 3⅝ percent interest. I think that is a high interest rate, although it is considerably less than 5 percent. But I warn the able Senator from Florida that unless a halt is called to the spiraling of Government interest, the interest rate on the direct obligations of the United States Government may well reach 5 percent before many more sessions of the United States Senate have passed. I say that because in the past 3 years there has been a 2 point increase in the interest rate on intermediate bonds. Suppose that in the next 3 years there is an increase of another full 2 points? In that case the interest rate would be, not 5 percent, not 3⅝ percent, but 5⅝ percent.

It is this disastrous spiral of interest rates, propelled deliberately by the administration and the forces which control it, to which I wish to call a halt.

Mr. HOLLAND. Mr. President, I desire to thank the Senator from Tennessee. I have practically concluded, except for making the following short statement: With the greatest of respect for the distinguished junior Senator from Tennessee, whose motives I shall always respect, whose objectives I know are always highly patriotic, and whose character is certainly above reproach——

Mr. GORE. I thank the Senator from Florida.

Mr. HOLLAND. Yet I wish to say, with much respect for him, that it seems to me that there could be dreamed up no more inflationary plan than a proposal to have the Federal Government agree to purchase 5-percent notes on private housing at 100 cents on the dollar. It seems to me there would be a practical absence of attractive investment opportunities in any other field, so long as anyone who wished to build a home could be found. It seems to me there could not be designed any program which would bring about a greater inflationary tendency.

It is for that reason that I respectfully and regretfully find myself unable to agree with a conclusion which I know is soundly patriotic.

Mr. GORE. Mr. President, I am very grateful for the generous comments of the distinguished senior Senator from Florida. I have enjoyed listening to his profound interrogation, and in a way I have enjoyed responding to it.

The Senator from Florida says he knows of nothing more inflationary than the use of $3 billion of Government credit to promote home ownership. I can certainly point to one action of our Government which it seems to me is equally inflationary: The Secretary of the Treasury has testified that the United States Government has lost $3 billion in tax revenue as a result of issuing rapid amortization certificates.

Mr. President, I do not respond pointedly or unkindly to my able friend; but why is it that when we discuss the financing of homes at a decent rate of interest, with the loans guaranteed by the United States Government, we hear much talk of inflation, although we did not hear anything said about inflation when a rapid amortization certificate was given to the Idaho Power Co., to help it build the Hells Canyon project?

Mr. LONG. Mr. President, will the Senator from Tennessee yield to me?

Mr. GORE. I shall be glad to yield in a moment, Mr. President.

Furthermore, I would say that my amendment could be no more inflationary, if as inflationary, as the stupendous highway construction program, of which I am very proud, and which my able friend supported enthusiastically.

The spending of Government funds and the extension of Government credit provide a stimulus for the economy. There are areas which do not need a stimulus; there are areas which already are in an inflationary condition. Other areas are not experiencing an inflationary condition; in fact, other areas are experiencing depressed conditions. I refer specifically to the home construction industry.

There may be some inflationary elements in it, but I wonder why we hear the word "inflation" only when we start attacking the high interest rate structure, which is draining the wealth of the country and reconcentrating the wealth of the country. I think that is disastrous.

Mr. TALMADGE and Mr. LONG addressed the Chair.

Mr. GORE. I promised to yield to the distinguished junior Senator from Georgia, if the Senator from Louisiana will permit me.

Mr. TALMADGE. I thank the Senator very much for yielding to me. I want to compliment him for calling attention to an issue which I think is at the very forefront in the thoughts of

a majority of the people of this Nation at the present time. I should like to ask 1 or 2 questions, which may be elementary. I am new in the Senate. Some of these things I do not know much about.

I should like to ask, first, if it is the intention of the Senator that there be a guaranty of all FHA loans and VA loans at par.

Mr. GORE. Before I respond to the question, let me first say if I may, that the able junior Senator from Georgia has provided a fine example of devotion to duty. He has been constant in his attendance on the floor of the Senate. His questions are never elementary; they are incisive and precise. I have enjoyed serving with the able Senator, and I have come to have an exceedingly high respect for his ability and patriotism.

Mr. TALMADGE. I thank the Senator for his generous remarks.

Mr. GORE. I should like to say it is the purpose and intent of the amendment to direct FNMA to provide a secondary market for home-loan mortgages, insured, or guaranteed by the United States Government, at par. That is what that agency did for 16 years, let me repeat, and at a profit.

Mr. TALMADGE. As I understand the purpose of the amendment, if any citizen borrows money from an insurance company, if it is an FHA loan, it will be at 5 percent interest. Is that correct?

Mr. GORE. That is correct.

Mr. TALMADGE. There will be no discount on such a loan?

Mr. GORE. That is true.

Mr. TALMADGE. If the loan is made to a veteran, it will be at 4½ percent interest, and there will not be any discount on the loan. Is that right?

Mr. GORE. That is right.

Mr. TALMADGE. Assuming that insurance company A makes an FHA loan at 5 percent interest, and the insurance company desires to sell the particular piece of paper, does the FNMA then step in and buy it at par?

Mr. GORE. Yes; if no one else does. That is the purpose for which FNMA was created. That is what my amendment provides.

Mr. TALMADGE. Suppose the insurance companies say, "We can do better by not dealing with the Government. We refuse to make these 5 percent or 4½ percent loans." Then what happens?

Mr. GORE. Then the FNMA would be directed to purchase the loans at par.

Mr. TALMADGE. From the private individual?

Mr. GORE. From a local bank, or a building association, or any responsible agency that would process the loan.

Mr. TALMADGE. Would it have to be a lending agency?

Mr. GORE. I believe so.

Mr. TALMADGE. The guaranty would not be direct, but would be secondary. Is that correct?

Mr. GORE. The agency would operate as a secondary market.

Mr. TALMADGE. I thank the Senator.

Mr. GORE. I appreciate the very direct questions of the able Senator from Georgia.

Mr. LONG. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. LONG. Since this inflationary argument was raised, I think it is well that we realize that the cost of interest is one of the elements of the cost of living. It is a strange thing, but it is said by some persons that they want high interest rates because they want to reduce the high cost of living. Interest rates are part of the cost of living.

If anyone does not believe that, let him look at the Federal budget. Look at the Federal Government's cost of doing business. It is the second largest item in the budget. It is bigger than the cost of foreign aid. It is the second largest item, second only to national defense. The first largest cost is national defense. No. 2 is interest. No. 3 is foreign aid. They are the biggest items in the budget.

It is similar with a family. One of the largest items in the cost of living for the average family is housing. What is the largest item in the cost of housing? For a great number of families it is not the cost of labor or lumber or other material; it is interest. For the average workingman, the cost of housing represents 25 percent of his cost of living. When a house is purchased over a long period of time, the cost of the interest charges sometimes exceed the purchase price in principal.

If interest enters so much into the cost of living, why is it being said that the cost of living will be reduced by making home buyers pay more for interest? How is the cost of doing business going to be reduced by raising the interest rates a businessman has to pay? That is a part of the cost of living and doing business. Everybody should be able to understand that.

Furthermore, if anybody is determined to discourage people from expanding their businesses, let me point out that high interest rates will prevent only the small-business man from expanding; it will not prevent the large-business man from doing it. As a matter of fact, some of the large-business men are planning expansions by using the money they are going to make as a result of high-interest rates.

If we really want to fight the rising cost of living and hold it down, interest rates should be controlled, among other things. That was done during the war, under price controls—not directly, but by using the Federal Reserve Board's rediscount powers, through its power over reserves, and through its open-market operations, to hold down interest charges. That is one reason why we managed, at least in some respects, to reduce the cost of Government in fighting the war.

Mr. GORE. There is nothing more inflationary than high interest rates.

Mr. LONG. I thank the Senator for yielding to me.

PROPOSED UNANIMOUS CONSENT AGREEMENT

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. GORE. I yield to the distinguished majority leader.

Mr. JOHNSON of Texas. If I may have the attention of the Senate, I should like to say that I have talked to the distinguished junior Senator from Tennessee and have asked him to be helpful to all Senators by agreeing to a consent request I am about to propose. In order to accommodate the Senate, he has agreed he will go along with the consent request.

If the consent request is agreed to, I am informed that the senior Senator from Ohio [Mr. BRICKER] will offer an amendment which will be satisfactory to the chairman of the Banking and Currency Committee [Mr. FULBRIGHT] and satisfactory to the chairman of the subcommittee [Mr. SPARKMAN]. It is hoped that the amendment can be agreed upon. Then the Senator from Tennessee [Mr. GORE] can reoffer the pending amendment. I assume the minority leader will go along with me in this matter. After that is done, the Senator from Tennessee can reoffer his amendment.

The Bricker amendment, beginning on page 1, line 5 and through line 7, will be offered at this time. As to the other amendments the request will be that they be considered en bloc, with that exception.

The consent request reads as follows:

I ask unanimous consent that the Senator from Tennessee [Mr. GORE] be permitted to withdraw his pending amendment; that the Senator from Ohio [Mr. BRICKER] be then recognized to propose certain amendments printed as letter T; and that permission be given for their consideration en bloc.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Is there objection to the unanimous-consent request?

Mr. WILLIAMS. Mr. President, reserving the right to object, I think the attention of the Senate should be called to what the pending amendment proposes. It would provide for a $4 billion spending authority, over and above that requested by the budget. Instead of the President having a $72.4 billion budget, if the pending amendment is adopted he would have a $76 billion budget.

The Senate, in the various appropriation bills upon which it has acted, has cut altogether about $450 million. The adoption of the Gore amendment would increase the budget by $4 billion or put back $10 for every dollar the Congress has thus far cut.

There has been a lot said on both sides of the aisle about economy, but this amendment is the most inflationary and most extravagant proposal yet advanced. The time has come to vote, and therefore I object.

Mr. GORE. Mr. President, I am only too happy to cooperate with the distinguished majority and minority leaders. Upon other occasions I have cooperated. I am happy to do so in this case.

If the distinguished senior Senator from Delaware does not persist in his objection, I shall certainly be happy to accommodate the wishes of the majority of the Senate, as expressed by the majority leader and minority leader.

Pending conferences, which I observe to be underway, I should like to reply to the statement of the able senior Senator from Delaware [Mr. WILLIAMS].

The amendment would not have the effect which the Senator has assigned to it. It would not increase the budget. In fact, even if that were true, it would not result in the figures and the amounts to which the Senator has referred.

I invite the attention of the Senate to the fact that the pending bill provides funds for the housing program to the extent of $2.1 billion in FNMA borrowing authority. It provides an amount in excess of that estimated in the budget. Even under the amendment which I understand the distinguished senior Senator from Ohio [Mr. BRICKER] intends to propose, there would be substantial increases in the borrowing authority of FNMA.

What I have proposed, let me repeat, is nothing new and nothing untried. No new seas will be sailed. We will build upon the sound experience of 18 years in the housing program.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. HUMPHREY. Is it not true that what the Senator is proposing is that, rather than to have the Government expend money, the Government would underwrite investments which the history of the program proves have shown a profit.

Mr. GORE. And for every home mortgage purchased the Government will obtain an asset.

Mr. HUMPHREY. The best in the world.

Mr. GORE. An asset, a note signed by a man and his wife, secured by a mortgage on an American home. Where could the Senator find better security?

Mr. HUMPHREY. Mr. President, will the Senator yield further?

Mr. GORE. I yield.

Mr. HUMPHREY. I should like to have the Senator know that his remarks today are not without some previous reference and previous support. I have in my hand an address delivered by Mr. James K. Vardaman, Jr., a member of the Board of Governors of the Federal Reserve System, before the Eighth District Group of the Georgia Bankers Association, October 19, 1955. The address is entitled "Human Trust Certificates."

I have had that address in my office for more than a year—almost a year and a half—because I was deeply impressed by the philosophy of the address and the economics involved.

What the Senator from Tennessee has just stated about the value of the collateral or the mortgage, in the light of those who sign the paper, is underscored by one of the senior members of the Federal Reserve System who, as he says, has been a banker all his life and who, as he says further, has been a conservative banker all his life.

If the Senator will permit, I should like to read from this address, as follows:

In other words, continued high level employment is largely contingent upon the full use of a sound and steadily expanding system of consumer financing; and the liquidity of consumer credit is heavily contingent upon a sustained high level of employment. Thus, this form of credit, probably more than any other, becomes a social as well as a financial problem.

Housing credit is also a social as well as a financial problem. In recent years home construction has virtually attained a mass production and distribution phase. Today over four-fifths of all homes, both new and existing, are purchased on amortized mortgage credit. Most of you bankers felt as I did about the too liberal terms of the housing program—no downpayments and too-long maturities. However, after thinking the matter through, I am—reluctantly and to my own surprise—not nearly as unreconciled as I once was, and mainly because of its social aspects.

Of course, the combination of downpayment and maturity terms in housing credit can be too liberal and risky for a prudent lender position, just as consumer installment credit can be unsound. But the record shows that even under liberal mortgage terms, defaults have not been excessively large. Our test of the amortized mortgage is only two decades long, but it has proven economically sound, on the whole, to make homes generally available to deserving people on terms much more liberal than were known in the first 140 years of this Republic. The mere fact that people may be able to make only a small downpayment is not of critical importance if the transaction is written on a basis that enables some building up of equity within a time that is reasonable in the light of the occupation, age, and earning circumstances of the borrower, and the serviceability of the housing property.

The compensating social gains of liberal mortgage terms have been enormous. By moving a man into his own home, even though his downpayment has been small, the big gain has been in converting that man and his family from renters, itinerants, or boardinghouse lodgers into a stable unit of population and of the labor force. It has given him an opportunity to become a responsible citizen, a part of his community. He has acquired the pride of ownership and all of it appeals to his better senses. Every monthly payment on his home has tied him to his community and to the stable values of life. In place of the monthly rental payment which he regarded as a penalty, he is now making a monthly deposit to his good living account, an increasing portion of which goes into the property as a form of savings. In other words, he is progressively made into a man of estate, a substantial permanent resident taxpayer.

But the best social and economic effect derived from this permanent residence and homeownership is the influence which it has on the individual's children. Even if the man personally fails to appreciate the potential goodness of his position, it is hardly likely to be missed by the children. Allowed to live in the same community for a series of years, to attend the same schools, to form social contacts and friendships with children of other homeowner citizens, they certainly have a greater social and moral potential than have the children of itinerants.

I am amazed to hear people talking about expanding the budget, as if it were an expenditure for lollipops or for machineguns. This will be an expenditure for families, communities, and economic growth. It will be an investment in the social institutions of the country and is the best collateral which can be found.

I submit that if the life insurance companies find housing mortgages to be good investments and good risks, the Government as a secondary purchaser is in surely as good a position.

Mr. LONG. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. LONG. I should like to invite the attention of the distinguished senior Senator from Delaware [Mr. WILLIAMS] to what I am going to say about economy, Mr. President.

I hope to submit an appropriate resolution sometime during this Congress—and if I do not submit it I am sure that someone else will—in order to give the Senate an opportunity to vote for that which I believe is the greatest potential item where saving can be made in the budget, and that is an item to reduce the interest charges on our national debt. The Senator knows as well as I do that this issue has been raised in the Finance Committee. I was perhaps the first to raise the issue in the Committee on Finance, this year, and that committee is studying the matter.

I heard the Under Secretary of the Treasury testify that at the rate this administration is going, when they get through refinancing the outstanding bond issues, our national debt will cost us $4 billion a year in interest charges more than the cost under rates prevailing in 1952.

I am not speaking about $3 billion just once, but $4 billion every year for additional charges for interest on the national debt. The Senator heard that testimony, just as I did, I am sure.

If we will follow the proposal of the Senator from Tennessee today, and vote for lower interest rates on the veterans' houses, that means the Senate is also going to be of a mood, by majority vote, to vote for those measures necessary to lower the interest charges on our national debt.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. LONG. We will not have to buy these mortgages when we do that. When we bring the interest rates on short-term Government obligations down to about 1½ percent, instead of more than 3 percent, which they are at the present time paying for 3- to 5-year paper.

Then we will have some real economy in Government. I hope the senior Senator from Delaware will support that proposal. I have not seen the senior Senator from Delaware support that type of economy so far, but there is a tremendous saving we can effect. We will not need to have the Federal Government purchase these mortgages, if we bring the general level of interest rates as a whole down, so that the mortgages would be very good investments even for mortgage bankers or building and loan institutions or private insurance companies to buy.

So long as we follow the policy we are following at the present time, where we have an administration deliberately cooperating in the advance of our interest charges, it is necessary to offer amendments such as the Senator from Tennessee is offering today. If we are ever to make progress we have to begin to make a record, to see who is in favor of these high interest charges and who is against them, and to see who is trying to keep

them down and who is trying to keep them up.

The President of the United States appeared on television and said he knows nothing about these high interest charges, that he does not know anything about them. The Secretary of the Treasury and the Under Secretary of the Treasury say they do not know about them, and have no idea what the Federal Reserve Board is doing. We hear, on the one hand, the administration say, "We raised the interest charges, and stopped the increase in the cost of living." But the cost of living goes up 4 percent, and the same witness comes back and tells us, "We do not know anything about why interest rates went up." I think it is time we begin to make a record.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. LONG. I think it is time to begin to make a record as to who wishes to raise the interest rates and who wishes them to come down. This is as good a point as any to start.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. GORE. Let me respond very briefly to the statement of the able Senator from Delaware, and then I shall yield. I have the pleasure of serving on the Senate Finance Committee with the Senator from Delaware. If he has before him a copy of the bill, House bill 6659, which is before us, I ask him to turn to page 31. Has the Senator a copy of the bill before him?

Mr. WILLIAMS. Yes; I have it.

Mr. GORE. I ask the Senator to look at page 31, line 14. He will see the figures "$2,100,000,000." That is the borrowing authority in the pending bill.

The Senator from Delaware stated that the amendment which I offered would increase the budget by $4 billion. I point out that neither the figure in the pending bill nor the addition provided by my amendment would increase the budget. The pending bill would increase the borrowing capacity of the various housing agencies up to $2,100,000,000. The amendment which I have offered would increase that limit from $2,100,000,000 to $4,350,000,000.

I point out to the Senator that both the pending bill and the amendment which I offered would increase the borrowing authority and public debt operations of the United States Government for the purpose of promoting an effective housing program.

The difference is that in my opinion, my amendment would provide an effective housing program. It would make available at 4½ percent interest in the case of veterans' loans and 5 percent interest in the case of FHA loans, government-supported, government-insured and guaranteed loans for veterans and homemakers.

The pending bill would not make such a program effective. No such program is effective today. I wish to clear the RECORD in that connection.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. GORE. I should like to conclude my remarks, but I yield to the Senator from Delaware.

Mr. WILLIAMS. The Senator tried to make the argument that his amendment would not increase the budget. That is ridiculous. In the President's budget he recommended that Congress pass a housing bill providing for $1,025,000,000. The bill reported by the committee increased the budget request by $1.8 billion. The Senator's amendment would increase it even further by another $2.2 billion. This means that the bill, as proposed to be amended, would increase the borrowing authority, the spending authority, of the United States Government by $4 billion over the amount requested by the President of the United States, or 4 times as much money as anyone connected with the agency says it needs. The budget would be increased from $72.4 billion to $76 billion. In other words, we would be putting back ten times as much as we have this far cut from the President's budget.

This is the most preposterous proposal that has ever come from the other side of the aisle. I am amazed that the Senator from Tennessee says that so long as we can borrow money and pledge the credit of the United States Government to repay it, we are not increasing the debt. That philosophy would bankrupt any nation.

Mr. GORE. Mr. President, the distinguished Senator from Delaware is partially correct, but only partially correct. The recommendation of the President of the United States would provide an increase in the borrowing capacity of the housing agencies. As the Senator from Delaware has pointed out, the pending bill provides a borrowing capacity larger than that recommended by the President.

The amendment which I propose would increase it still further, for specific purposes and with specific directions.

I would not wish the Senator to infer that I do not believe that loans purchased by the Government, or any agency thereof, should not be included in the fiscal records of the United States Government. However, I say to the Senator that it is a fiscal fallacy to consider in the category of a nonrecoverable expenditure the acquisition of an asset with a value equal to or greater than that of the disbursement.

I am glad that we are to have a yea-and-nay vote on this amendment. We shall determine who wishes to provide effective home-loan insurance, and who does not wish to do so.

Mr. President, I yield the floor.

Mr. BUSH. Mr. President, I agree with the Senator from Delaware. The proposal before us is one of the most amazing, if not preposterous, propositions that has come before the Senate during the time I have been a Member of this body.

If the pending amendment is adopted, it will certainly increase the budget, as proposed by the President of the United States, by something more than $3 billion. I will not haggle over the figure, or dispute as to whether the figure would be $3 billion or $4 billion. My good friend from Delaware may be correct in his figure. However, I know from what I see before me in the pending amendment that the increase would be at least $3 billion, which is much more than enough.

The distinguished Senator from Tennessee says that all he is seeking to do by his amendment is to direct FNMA to do what it was created to do. I was not a Member of the Senate at the time it was created, but I recall that when FNMA was created, it was supposed to provide what is called a secondary market for guaranteed mortgages, not a primary market. The agency was not to become a permanent investor in mortgages. It was to provide a secondary market, so that, if necessary to permit business to be done, it would take in mortgages temporarily and sell them when the market was right. That was the original purpose of FNMA.

From that status, it has developed into a tremendous investor in mortgages. At the present time I believe its holdings of mortgages are $2.5 billion. The Senator from Tennessee would provide, by his amendment, means for increasing that authority by another $3 billion. He says this is not a radical proposal. I submit that it is the most radical proposal that has been made since I first became a Member of the Senate.

The Senator from Tennessee says that all this is being done at a profit to the taxpayers. Of course, a gigantic institution such as the United States Government can make a profit, if it wishes to go into various enterprises. There is no doubt about that. However, I submit that the question of whether FNMA is a profitable operation for the taxpayers of the United States has not yet been decided, and we must wait a good many years before we find out whether, over the years, it has been a profitable operation. Everything has worked in its favor so far. Even today we are operating on the basis of increasing employment in an expanding economy, and mortgages have been good, no matter whether they have been guaranteed by the Government of the United States or not.

I ask whether this is the voice of economy that we have been listening to from across the aisle for the past 2 weeks. It seems to me that this is exactly what some of us said would happen. Instead of trying to cut the budget the proponents of this proposal are trying, at one fell swoop, to wipe out every economy that has been effected to date, and put the budget in the red. If this bill goes through, that is where we shall be.

We will have a process of deficit financing, instead of a budget surplus, and the possibility of a tax cut will be completely out the window. Therefore I think the amendment should be rejected on that ground as well.

The question of interest rates has been raised, and Senators across the aisle have assailed the Federal Reserve Board and the administration on the basis of the present fiscal policy. They are challenging us to meet the issue. I say to my colleagues on both sides of the aisle that I for one will accept the challenge. I shall defend what I believe has been a sound money policy and an honest money policy, and I shall defend the administration of the Federal Reserve

Board, which I believe has been to the advantage to the people of the United States at all levels of life.

I remind my good friends on the other side of the aisle that all the members of the Federal Reserve Board today were appointed by previous administrations, and that not one of them was appointed by the present administration.

I remind them also that the Federal Reserve System was created under a Democratic administration, under the great President Woodrow Wilson, and under the able Secretary of the Treasury, Carter Glass. Instead of cursing it and running it into the ground, they should be proud of it and defending it. It has been a great institution, and it has worked greatly to the benefit of the people of the United States.

So I say that I wish they would submit this issue to the Senate on the basis of a clear-cut vote as to what kind of fiscal policy and what kind of money policy is best for the people of the United States.

I hope that the investigation which is being conducted by the Committee on Finance, under the able chairmanship of the distinguished senior Senator from Virginia [Mr. BYRD] will in some way bring this question forcibly to the attention of the Senate and of the people.

I believe that the investigation will prove that in this inflationary period the Federal Reserve Board has been right in putting some restraints on credit; and that the administration of President Eisenhower is not responsible for what is called a hard-money or a tight-money policy, but that the policy has been one of fighting inflation and keeping the savings of the people of the United States on a sound and honest basis.

It is time that the savers of the Nation had some recognition in this scheme of things. The savers are the people who have been the backbone of our economy. There has been a great deal of talk about the so-called high interest rates. They have not been high at all, if they are measured in terms of history. Instead, they have been relatively low. There must be some satisfaction in the fact that those who have saved their money and have put it into bonds and into mortgages and into savings banks and into pensions and into insurance policies are at last getting some recognition in the form of a fair return on their money.

So I again say, Mr. President, so far as I am concerned—and I think I speak for many Senators on this side of the aisle—that I accept the challenge on the question of the fiscal policy of the country.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. BUSH. I yield to the Senator from Ohio.

Mr. BRICKER. Is it not true that during the past 4 months savings have been increasing, since the interest rates have gone up?

Mr. BUSH. The Senator is correct.

Mr. BRICKER. They have not caught up with the capital needs of the country, to balance our economy——

Mr. BUSH. The Senator is correct.

Mr. BRICKER. And until they do, there is always the danger of inflation. Is that not correct?

Mr. BUSH. The Senator is correct. It is also true that we are going ahead at almost breakneck speed in the present economy.

Mr. BRICKER. Does the Senator agree with me that we ought to encourage savings as a part of our free economy, rather than discourage them?

Mr. BUSH. Not only do I agree with the Senator, but I say we cannot encourage savings if we have a constant credit inflation which deteriorates the value of the currency.

Mr. BRICKER. Mr. President, will the Senator yield further?

Mr. BUSH. I yield.

Mr. BRICKER. Not only will the amount asked for in the pending amendment be inflationary in itself, but likewise, if we enter upon deficit financing, we will compound the inflationary pressures by about 5 to 1 of the amount of the deficit.

Mr. BUSH. The Senator is absolutely correct. That is one of the more dangerous facets of the amendment before the Senate now.

SEVERAL SENATORS. Vote! Vote!

Mr. CLARK. Mr. President, when we consider the pending amendment of the junior Senator from Tennessee, it is well for us to get back to some first principles.

No one will deny that it is the task of the Government of the United States to keep this country strong enough to discourage attack from potential foreign aggressors, while at the same time it implements a policy at home which will preserve from destruction our democratic way of life.

In the Senate, Mr. President, we may differ as to the appropriate means by which we shall achieve these aims, but, as to the ends themselves, I hazard the guess that every Member of the Senate will be in accord.

Therefore, we go to another principle, on which I believe we can all agree. That is that where private competitive enterprise can accomplish an objective without Government interference, we should give private enterprise every encouragement, seeking only to restrain the development of monopoly.

However, where private enterprise cannot do the job which must be done to preserve our free American way of life, the Government must step in, as it always has.

First we look to local government, next we look to the governments of the several States, and only as a final resort do we inject the Federal Government into the picture.

It may be asked, What has all this to do with the amendment by the distinguished junior Senator from Tennessee [Mr. GORE]? It has just this to do with it:

Back in 1949, under the leadership of two great Democratic Senators, the Senator from Louisiana [Mr. ELLENDER] and the late Senator Wagner of New York, and the eminent Republican Senator, Robert A. Taft, a national housing policy for the United States was determined by the Senate concurred in by the House, and signed into law by the President.

It is wise for us to review the provisions of that housing policy when we consider the amendment offered by the distinguished Senator from Tennessee. The Housing Act of 1949 stated it was the responsibility of the Federal Government to use its appropriate resources to assist in the achievement of a goal of "housing production and related community development sufficient to remedy the serious housing shortage, the elimination of substandard and other inadequate housing through the clearance of slums and blighted areas, and the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family, thus contributing to the development and redevelopment of communities and to the advancement of the growth, wealth and security of the Nation."

That housing policy is not working today. Why is it not working? It is not working today for a number of reasons, the chief among which is the tight money policy of the administration.

I listened with interest a little while ago to the able and distinguished Senator from Connecticut [Mr. BUSH]. I share his concern with respect to the need for keeping interest rates high in those sectors of our economy where inflationary pressures exist. But I suggest we are using a meat-ax approach to the whole problem of a sound American economy when we deny that it is possible and feasible to impose selective credit controls and therefore make available for vital segments of our economy the credit which is needed to put them back on their feet as the amendment of the Senator from Tennessee proposes to do. The Governor of the Federal Reserve Board, Mr. William McChesney Martin, testified under questioning by me before the Committee on Banking and Currency almost 2 months ago that selective credit controls are possible and feasible.

Mr. LONG. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. LONG. Senators who favor very high interest rates as an anti-inflationary measure in a housing bill can only have as their purpose the reduction of the number of homes that can be constructed.

Once again we have had the testimony of the administration spokesmen before the Committee of Finance that assuredly not too many homes are being constructed in the Nation, but that there ought to be more. That is why the bill is now before the Senate.

Mr. CLARK. I would not care to impute motives to our friends across the aisle. I do not know what their motives are. But I say that the inevitable result of their action will be to decrease the number of houses which the American people so desperately and so urgently need.

Let me turn for a moment to the question of inflation and ask my friends on the other side of the aisle why it is that they are so much concerned about inflation in the housing field, but show no corresponding concern about inflation in practically any other aspect of our economy.

Let me ask the modern Republicans, if there be any, who support the President of the United States in his present

fiscal policies. Why, if they are so worried about inflation, did they resume the lease-purchase program only a short time ago, after it had been temporarily suspended? They could have maintained that restriction to curb inflation, but those who had the power to do so did not think it necessary.

Why, if they are so worried about inflation, did not their President and the Governor of the Federal Reserve Board propose to Congress standby controls on consumer credit—a law making possible the reestablishment of regulation W?

If our friends across the aisle want to curb inflation, why do they not consider curtailing the purchasing of consumer goods, which is now going on at a rate which is threatening bankruptcy to many American families?

Why, if this administration is so concerned about inflation, has not the Federal Reserve Board used some of its most potent powers to check inflation through its open market operations and its power to restore member bank reserve requirements?

The Senator from Illinois [Mr. DOUGLAS] aptly raised the question last February as to why the Federal Reserve Board had neglected these measures.

If our Republican friends are scared of inflation, why do they not do something about it through these means, instead of saying, "We are not going to make it possible for the American boy and girl who will be married in June of this year to buy a home, because we are going to raise the interest rates so high that they cannot afford it"?

I have listened with interest to the argument made by the Senator from Delaware [Mr. WILLIAMS] as to the effect on the budget of the amendment of the Senator from Tennessee. The United States Government has about the most backward method of keeping books of any governmental unit. It was my privilege for 4 years to serve as mayor of one of America's great cities. If the method used by the city of Philadelphia in keeping its books and in preparing its budget were like that of the Government of the United States, Philadelphia would have gone broke long ago. I do not know of any well governed city in the United States which does not have a capital budget, containing moneys to be invested in permanent improvements, and which does not determine within its capital budget how much it can safely borrow.

I do not know of a city in the United States which does not segregate in its capital budget the self-supporting debt from the general debt which is not self-supporting but must be paid out of the taxpayers' dollars.

In Congress we do not do that. I will agree that the United States Senate has done the best it could to make it possible to revise the budgetary system of our country. If the Senate had a little more cooperation from the other side of the Capitol, maybe it would be possible to do so. Let us not give up hope. Perhaps that day will come sometime. Meanwhile, let us look at the budget with realism. Let us not simply indulge in semantics. Let us not use color words about how we will increase the budget by $3 billion or $4 billion if we agree to the amendment of the respected Senator from Tennessee. Every cent of the money will be paid back. This will be a capital investment, not a current expenditure. It will not put the Government of the United States out of business. And this effort to help build decent homes for the millions of American families will not have an inflationary effect—because it does not come at a time of severe inflationary pressures.

Senators may ask, How do I know that? Because, were it otherwise, the wise financiers in control of the Federal Reserve Board, the responsible persons in the Eisenhower administration in charge of fiscal policies, would have put some controls on inflation in other aspects of the economy.

How about the highway program which Congress passed a couple of years ago? Has anybody suggested that should be cut back? Is not that about as inflationary a program as could be had in the United States?

How about what the Senator from Connecticut [Mr. BUSH] spoke of a few minutes ago? He said if this amendment were agreed to, it would not be possible to have a tax cut. I ask my friends on the other side of the aisle, do they know of a conservative economist who does not think a tax cut is the most inflationary action which could possibly be taken?

Let the amendment be rejected on the merits. Let the amendment be rejected on the question whether we want to repudiate the housing policy of 1949. Let the amendment be defeated on the issue of whether we want to build homes for the American people. But do not let the amendment be defeated because of semantics about inflation, about balancing the budget, and about a lot of things which are brought up now to defeat a measure of social justice, but with respect to which Senators on the other side of the aisle are strangely silent when other matters are involved.

I hope the amendment will be agreed to. Whether it is agreed to or not—and I am realist enough to know it may not be agreed to—I hope every Senator before he casts his vote will make up his own mind that the issue is not inflation, is not budget balancing; the issue is whether the people of the United States, acting through their Congress, are able to deal with a national emergency which affects the strength of our urban and suburban democracy. That is the issue which is raised by the amendment offered by the Senator from Tennessee. I sincerely hope the Senate will adopt the amendment.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. HUMPHREY. Is not the Senator saying that what is needed is to place a kind of governmental emphasis upon the use of our resources for a certain particular purpose—in this instance, housing?

Mr. CLARK. That is exactly what I am saying.

Mr. HUMPHREY. A certain amount of capital is available.

Mr. CLARK. That is correct.

Mr. HUMPHREY. At present a large proportion of that capital is going into what is called capital-goods expansion.

Mr. CLARK. A great deal more of it, if I may say so, is going into consumer goods which are not of high priority, and which account for a large part of the very heavy debt among American families.

Mr. HUMPHREY. The Senator is saying that we need to stake out what we call the national priority. In his mind, and in my mind, I am happy to agree, housing occupies a very high position on the agenda of the very important works to be accomplished in the United States.

Mr. CLARK. I agree with the Senator from Minnesota. Perhaps he will recall that that type of selective credit control was in effect during World War II. When there were not enough pieces of pie to go around, the Government decided who should get the pie. That was done successfully in World War II.

I am not one who agrees with the senior Senator from Indiana [Mr. CAPEHART] that if we start to pass this kind of legislation, the next thing we will get will be price controls; the next thing we will get will be another aspect of a regimented economy; and that before we get through, our free enterprise system will be lost.

I say that the Senate and the individuals in charge of this program have enough imagination, enough intelligence, and enough knowhow to be able to impose selective-credit controls on the phases of our economy where inflation may be running riot not where it does not exist.

Let me call to the Senator's attention a couple of facts which I feel certain he will recall. Since the period 1947–49, there has been a 19-percent increase in the cost of living. I am certain the Senator from Minnesota realizes that 31 percent of that total rise came in shelter, including rent.

Since the Eisenhower administration took over at the end of 1952, there has been a 5-percent increase in the cost of living. During that time the cost of shelter rose 13 percent. During the last 4 years, 45 percent of the total rise in the cost of living has been due to the rise in the cost of shelter including rent. In the meantime, the price of food has decreased 1 percent; and the farmers whom the Senator from Minnesota represents with such distinction in the Senate of the United States have seen their total income decrease 23 percent. The cost of apparel has risen only 1 percent, and the cost of transportation has risen 7 percent.

Why, then, I ask, has the price of food decreased? The Senator from Minnesota knows it is because there is plenty of food. Why is the cost of clothing stabilized? I do not have to inform the Senator from Minnesota that it is because there is plenty of clothing. Why has the cost of houses risen? It is because insufficient houses are available to those who can afford them.

So, Mr. President, instead of having an inflationary effect, I say the bill will have a deflationary effect.

The increase in the cost of housing has been greater than the increases

which have occurred in the case of all the other items entering into the cost of living, with one exception, namely, medical care. The cost of medical care has risen more, but the expenditures for medical care constitute a smaller percentage of the average family's budget.

Mr. HUMPHREY. Mr. President, will the Senator from Pennsylvania yield to me?

The PRESIDING OFFICER (Mr. HOLLAND in the chair.) Does the Senator from Pennsylvania yield to the Senator from Minnesota?

Mr. CLARK. I am happy to yield to my friend, the Senator from Minnesota.

Mr. HUMPHREY. Is it not true that the economic theory relating to tight credit, hard money, and high interest rates is that by applying, for example, high interest rates, the use or the borrowing of money supposedly is discouraged. Is not that supposedly the theory?

Mr. CLARK. That is my understanding, although I am not an economist.

Mr. HUMPHREY. But one of the Members of the Senate is a great economist; I refer to the distinguished senior Senator from Illinois [Mr. DOUGLAS].

Mr. CLARK. Yes; I agree.

Mr. HUMPHREY. Is it not true that as interest rates have risen, large corporations have been investing more money or have been scheduling the investment of more money in capital improvements—for instance, in plant expansions—than ever before?

Mr. CLARK. I agree. With the exception of the highway program, the present inflationary pressures exist almost exclusively in the private sector of our economy. It is because our friends across the aisle have so overwhelming an interest in the private sector of our economy that we hear so few protests from them about the continuation of inflation in those areas—whereas when we on this side of the aisle attempt to remedy a situation in which there are no inflationary pressures, in a field which the Government has had to participate because private enterprise could not by itself do the necessary job, we hear for the first time the charge of inflation.

Mr. HUMPHREY. Mr. President, at this point will the Senator from Pennsylvania yield again to me?

Mr. CLARK. I am happy to yield.

Mr. HUMPHREY. I am interested in what the Senator from Pennsylvania has said. I lay no claim to having expert knowledge regarding this matter.

Mr. CLARK. However, we are fortunate in having our coach here, to help us.

Mr. HUMPHREY. Yes; I am happy that he stands by; we refer to the senior Senator from Illinois [Mr. DOUGLAS]. We hope he will correct those of us who are students, whenever we get out of line.

Mr. CLARK. I hope he will.

Mr. HUMPHREY. The classical theory is that prices are governed by the law of supply and demand; that when the supply is low and the demand is high, prices rise; that when the supply is high and the demand is relatively low, or lower than the supply, prices fall. That is the pure theory of the law of supply and demand, is it not?

Mr. CLARK. As I understand it, it works perfectly only when there is chaos; but that is the primary law.

Mr. HUMPHREY. Interestingly enough, that law applies somewhat to agriculture. When there is an abundance of agricultural commodities, or a large supply, even though the demand may be heavy, if the demand is less than the supply, the prices decline.

Mr. CLARK. Despite the earnest efforts to the contrary by the Senator from Minnesota, I agree that that is correct.

Mr. HUMPHREY. I regret to state that the Senator from Pennsylvania is correct.

However, steel prices actually rose during the recession of 1953 and 1954, when the steel plants were operating from 10 to 15 percent below their normal operating capacity.

Mr. CLARK. My understanding is that they are what are called manipulated prices.

Mr. HUMPHREY. I am about to discuss an even more manipulated price. According to my information, iron and steel prices have risen more than 20 percent since the beginning of 1955. In fact, the records of the Department of Labor for the period from January 1955 through October 1, 1957, indicate—with the baseline being 100 in January 1955—that iron and steel wholesale prices have risen more than 20 percent; the prices of petroleum and petroleum products have risen approximately 11½ to 18 percent; and the prices of electrical machinery and equipment have risen approximately 17 percent. I wish to point out that there is no shortage of petroleum and petroleum products. In fact, during the past winter and fall, there were the largest inventories of petroleum products the United States has ever had. In the second place, there is no shortage of electrical machinery and equipment. In the third place, there is little or no shortage of iron and steel, except in certain selected critical items; but in the main there is no shortage.

Furthermore, the price of automobiles has risen—even though anyone with two eyes, even if his vision is only 1 degree above a state of blindness—can see in any city of the United States unsold automobiles in greater numbers than the number of pedestrians. In almost any city one can see block after block of unsold automobiles.

Mr. CLARK. Many of them are standing on the streets because they cannot move through the traffic congestion.

Mr. HUMPHREY. And many of the ones that are on the streets have financing paper attached to them. But there are literally hundreds of thousands of unsold automobiles. Yet the price of automobiles has risen.

How does the administration expect to control inflation by means of higher interest rates, when in the case of item after item the situation is such that the demand is less than the supply, and therefore the price should decline? The administration imposes high interest rates, but the prices still rise.

The truth is that such prices are manipulated prices, and the administration's so-called anti-inflation program of high interest rates does not affect that situation at all.

It is much like feeding aspirin tables to a person who has a parasite in his system. Under those circumstances, that treatment simply will not produce results. One who wishes to get rid of a parasite in his system must use an antibiotic. But the administration says that by raising interest rates, inflation will be curbed.

Mr. President, I am reminded of the fact that years ago it was said by many persons that Ward's liniment would cure practically everything from lumbago to migraine headaches and mending the holes in socks, all the way up to paying the rent. But that remedy simply would not do all that, even though many person seemed to think it would.

I wish to ask what inflation high interest rates have curbed?

Mr. CLARK. I wonder whether the Senator from Minnesota can state why it is inflationary to finance a piece of paper on a house, but not inflationary to finance a piece of paper on an automobile.

Mr. HUMPHREY. I cannot answer that question, except to say it simply depends on the point of view. The point of view among some Members of this body, apparently, and the point of view of the administration is that one must watch out for inflation when a young married couple is going to purchase a house, but there is no need to worry about inflation if another $5 million plant is going to be built.

Mr. CLARK. Or perhaps if many more automobiles are going to be purchased, because the administration seems to take the position that what is good for General Motors is good for the United States.

Mr. HUMPHREY. Frankly, Mr. President, I am not so much concerned about inflation as I am about having the consumers of the United States have sufficient incomes to be able to purchase the goods which our economy can produce.

Mr. President, I desire to conclude by saying that when 13 percent of the population of the United States, namely, the farm population, are separated from the consumers of the United States who have sufficient incomes, and when the 13 percent are put on a second-class economic citizenship standard, there are bound to be some consumer problems, and even some broad economic problems, because the largest market in the world for American goods is among the American people. Yet in the United States we have witnessed a situation in which a large number of the people of the United States are not permitted to enjoy the benefits of its society, on the one hand; and, on the other hand, the only price increase which the present administration has had a real interest in promoting is the price of money.

If the administration would be half as much interested in supporting the price of corn or the price of dairy products or even the price of cotton and the price

of rice as it is in supporting the interest rates, I think I would be a little more charitable in my attitude toward the administration. But the administration gave early notice of a great interest in the prices of bonds and notes, and now the administration is opposed to any efforts to lend assistance to any other part of the economy.

Mr. CLARK. I thank my distinguished friend from Minnesota for the great contribution he has made to the debate.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Tennessee.

Mr. SPARKMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Allott	Fulbright	Morton
Barrett	Goldwater	Mundt
Beall	Gore	Murray
Bennett	Hayden	Neuberger
Bricker	Hickenlooper	Pastore
Bridges	Hill	Potter
Bush	Holland	Purtell
Butler	Hruska	Revercomb
Byrd	Humphrey	Robertson
Capehart	Ives	Russell
Carlson	Jackson	Saltonstall
Carroll	Javits	Schoeppel
Case, N. J.	Johnson, Tex.	Scott
Case, S. Dak.	Johnston, S. C.	Smathers
Church	Kefauver	Smith, Maine
Clark	Kerr	Smith, N. J.
Cooper	Knowland	Sparkman
Cotton	Kuchel	Stennis
Curtis	Lausche	Symington
Dirksen	Long	Talmadge
Douglas	Malone	Thurmond
Dworshak	Martin, Iowa	Thye
Eastland	Martin, Pa.	Watkins
Ellender	McClellan	Williams
Flanders	Monroney	Yarborough
Frear	Morse	Young

The PRESIDING OFFICER. A quorum is present. The question is on agreeing en bloc to the amendments offered by the Senator from Tennessee [Mr. GORE]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Nevada [Mr. BIBLE], the Senator from New Mexico [Mr. CHAVEZ], the Senator from North Carolina [Mr. ERVIN], the Senator from Rhode Island [Mr. GREEN], the Senator from Missouri [Mr. HENNINGS], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MANSFIELD], the Senator from Michigan [Mr. MCNAMARA], the Senator from West Virginia [Mr. NEELY], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official business.

On this vote, the Senator from Nevada [Mr. BIBLE] is paired with the Senator from West Virginia [Mr. NEELY]. If present and voting, the Senator from Nevada would vote "nay" and the Senator from West Virginia would vote "yea."

The Senator from Massachusetts [Mr. KENNEDY] is paired with the Senator from Montana [Mr. MANSFIELD]. If present and voting, the Senator from Massachusetts would vote "nay" and the Senator from Montana would vote "yea."

The Senator from Wyoming [Mr. O'MAHONEY] is paired with the Senator from Michigan [Mr. MCNAMARA]. If present and voting, the Senator from Wyoming would vote "nay" and the Senator from Michigan would vote "yea."

Mr. DIRKSEN. I announce that the Senator from Vermont [Mr. AIKEN] is absent on official business.

The Senator from Indiana [Mr. JENNER], the Senator from North Dakota [Mr. LANGER], and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Wisconsin [Mr. WILEY] is detained on official business.

If present and voting, the Senator from Maine [Mr. PAYNE] would vote "nay."

The result was announced—yeas 17, nays 61, as follows:

YEAS—17

Carroll	Johnston, S. C.	Neuberger
Church	Kefauver	Pastore
Clark	Long	Scott
Gore	Monroney	Talmadge
Humphrey	Morse	Yarborough
Jackson	Murray	

NAYS—61

Allott	Flanders	Mundt
Barrett	Frear	Potter
Beall	Fulbright	Purtell
Bennett	Goldwater	Revercomb
Bricker	Hayden	Robertson
Bridges	Hickenlooper	Russell
Bush	Hill	Saltonstall
Butler	Holland	Schoeppel
Byrd	Hruska	Smathers
Capehart	Ives	Smith, Maine
Carlson	Javits	Smith, N. J.
Case, N. J.	Johnson, Tex.	Sparkman
Case, S. Dak.	Kerr	Stennis
Cooper	Knowland	Symington
Cotton	Kuchel	Thurmond
Curtis	Lausche	Thye
Dirksen	Malone	Watkins
Douglas	Martin, Iowa	Williams
Dworshak	Martin, Pa.	Young
Eastland	McClellan	
Ellender	Morton	

NOT VOTING—17

Aiken	Hennings	McNamara
Anderson	Jenner	Neely
Bible	Kennedy	O'Mahoney
Chavez	Langer	Payne
Ervin	Magnuson	Wiley
Green	Mansfield	

So, Mr. GORE's amendments were rejected.

Mr. BRIDGES. Mr. President, I move to reconsider the vote by which the amendments to the committee amendment were rejected.

Mr. KNOWLAND. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California to lay on the table the motion of the Senator from New Hampshire.

The motion to lay on the table was agreed to.

Mr. BRICKER. Mr. President, I send to the desk an amendment to the pending bill, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 28, line 6, it is proposed to strike out "$250,000,000" and insert in lieu thereof "$75,000,000."

On page 31, line 14, strike out "$2,100,000,000" and insert in lieu thereof "$1,700,000,000."

On page 32, line 25, strike out "$350,000,000" and insert in lieu thereof "$200,000,000."

On page 33, line 5, strike out "$35,000,000" and insert in lieu thereof "$20,000,000."

On page 33, line 8, strike out "175,000,000" and insert in lieu thereof "$100,000,000."

On page 33, line 13, strike "$17,500,000" and insert in lieu thereof "$10,000,000."

On page 34, line 23, strike out "1957, 1958, 1959, and 1960" and insert in lieu thereof "1957 and 1958."

On page 42, strike out lines 1 through 7.

On page 45, beginning with line 4, strike out all through line 11 on page 46 and renumber the succeeding section in title IV of the bill accordingly.

On page 51, line 5, strike out "$950,000,000" and insert in lieu thereof "$925,000,000."

On page 54, lines 11 and 12, strike out "$300,000 during either of the fiscal years ending June 30, 1958, and June 30, 1959" and insert in lieu thereof "$200,000 during the fiscal years ending June 30, 1958, and June 30, 1959."

Mr. BRICKER. By way of very brief explanation——

The PRESIDING OFFICER. Does the Senator wish these amendments considered separately, or en bloc?

Mr. BRICKER. I ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Is there objection?

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUMPHREY. I should like to know whether or not, if the amendments are considered en bloc, any opportunity to amend separate provisions in the group of amendments would subsequently be foreclosed.

The PRESIDING OFFICER. As the Chair understands, the question of the Senator is whether, if these amendments are considered en bloc, there will be subsequent opportunity to make further amendment of the separate provisions in the group of amendments. Is that the Senator's question?

Mr. HUMPHREY. That is correct.

The PRESIDING OFFICER. The Parliamentarian advises the Chair that separate amendments to the several portions of the amendments considered en bloc may be offered before a vote, but not after a vote is taken on the amendments en bloc.

Mr. HUMPHREY. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUMPHREY. As I understand, one of these amendments refers to the urban renewal section of the bill.

The PRESIDING OFFICER. The Chair will ask the Clerk to advise the Senator. It will require a moment or two to determine the answer to that question.

Mr. BRICKER. Mr. President, I may suggest, if the Chair will permit, that it

does apply to urban renewal, and cuts off the last 2 years of the authorization.

The PRESIDING OFFICER. Does the Senator from Minnesota wish further to reserve objection?

Mr. HUMPHREY. I shall not object.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. I am not sure that I understand the ruling of the Chair.

Suppose these amendments are agreed to en bloc, and then a motion is made to reconsider, and a motion is made to lay that motion on the table, which is the customary procedure. Am I to understand the ruling of the Chair to be that if we wish to amend the sections of the bill to which the amendments refer, we must do so before the first vote is taken?

The PRESIDING OFFICER. As the Chair understands the advice of the Parliamentarian, it is that any amendment to any of the suggested amendments would have to be proposed before the suggested amendment was adopted, and might not be considered thereafter.

Mr. MORSE. I should know the answer to this question, but I do not. The Chair refers to any amendment to the suggested amendments. The Senator from Minnesota raised the question as to whether or not, after one of these amendments was adopted and made a part of the section, that section could thereafter be amended—not the amendment, but the section itself. I should like to know whether, after we write one of these amendments into the bill, a Senator may subsequently offer an amendment to the section which has been amended.

The PRESIDING OFFICER. The Presiding Officer is advised that a Senator may offer, and there may be considered, amendments to sections which are amended by the suggested amendments, but not with respect to the specific portions of the sections which have been amended by the suggested amendments.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. The situation would be no different, would it, if the amendments were adopted seriatim? Once a section was amended, the same situation would apply.

The PRESIDING OFFICER. There would be no difference whatsoever. An amendment, once adopted, may not be vacated except by reconsideration.

Mr. MORSE. Mr. President, the time factor is sometimes rather important in the consideration of legislation on the floor of the Senate.

The PRESIDING OFFICER. Any Senator has the right to have the amendments considered separately if he so desires.

Mr. MORSE. That cannot be done once consent is given for the consideration of the amendments en bloc.

The PRESIDING OFFICER. The Senator is correct.

Mr. MORSE. Reserving the right to object—and I am about to object, I think—I am receiving a little advice from my right. [Laughter.]

Mr. KERR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Oklahoma at this moment for the purpose of propounding a parliamentary inquiry?

Mr. MORSE. It would save time if I did so. I yield.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized. He will state his parliamentary inquiry.

Mr. KERR. Would the situation be any different with reference to any of the amendments being considered en bloc when it came to the question of any such amendment being amended, whether the suggested amendments were voted on and agreed to separately or voted upon and agreed to en bloc?

The PRESIDING OFFICER. There would be no difference.

Mr. MORSE. Mr. President, on advice of counsel I shall not object.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Ohio that the amendments which he has offered be considered en bloc? The Chair hears none, and it is so ordered.

Mr. BRICKER. Mr. President, by way of brief explanation—I wish to delay the Senate no longer than necessary—these amendments, en bloc, would cut from the authorization $1,255,900,000. These cuts, I believe, are the very minimum that we should achieve in this bill. I should like to see much greater reductions, but I have agreed with the chairman of the subcommittee in regard to housing in connection with these amendments as they are submitted.

The program in regard to college housing has been increased $25 million over what the administration asked for. Twenty-five million dollars has been pegged, so to speak, for the purpose of a special college housing program. That would leave $175 million, representing a saving of $25 million.

The administration requested an increase of $350 million in the authority of FNMA to borrow from the Treasury for the purpose of secondary market operations. The bill would increase that amount to $750 million. The amendment would restore the original request of the administration for $350 million or a cut of $400 million.

With regard to FNMA special assistance functions, the administration did not request any additional authorizations for FNMA special assistance for the section 213 cooperative program or the new section 221 program. The bill contains $250 million for each of these programs, or a total of $500 million. My amendments would strike out $150 million of the section 213 program and $175 million of the section 221 program.

With respect to urban renewal, the administration requested $250 million for capital grants under the urban renewal program during the fiscal year 1958.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BRICKER. I yield.

Mr. CLARK. Would the Senator mind giving us the amounts which would remain in the bill if his amendments should be adopted, both with respect to FNMA and the section 221 program?

Mr. BRICKER. I read those figures a moment ago. $150 million of the section 213 program is eliminated, and $175 million of the section 221 program.

Mr. CLARK. How much is left?

Mr. BRICKER. $100 million for section 213, and $75 million for section 221.

Mr. HUMPHREY. May we have these sections identified?

Mr. BRICKER. Section 213 is cooperative housing.

Mr. HUMPHREY. What is section 221?

Mr. BRICKER. Section 221 is urban renewal.

Mr. CLARK. No; it is moderate income housing.

Mr. SPARKMAN. If the Senator from Ohio will yield, I suggest that there may be some misunderstanding caused by the reference to section 221. It is used in connection with urban renewal, in the sense that it is for the purpose of housing people who have been displaced by reason of governmental action.

Mr. BRICKER. The bill provides $250 million for fiscal 1958, but also $250 million a year for fiscal 1959, 1960, and 1961. My amendment would strike out the authorization for fiscal 1960 and 1961, and thus cut the total for urban renewal by $500 million.

DISASTER HOUSING, URBAN PLANNING FELLOWSHIP, AND FARM RESEARCH

Contrary to the administration's position, the pending bill contains new authorizations of $5 million for disaster housing, $500,000 for urban planning fellowships, and $300,000 a year, for 2 years, for farm housing research.

The amendment would delete the $5 million for disaster housing, and the $500,000 for fellowships, and cut the farm research program by $400,000, or to $200,000, instead of $600,000, which was authorized in the committee bill.

If there are no further questions, that concludes my explanation of the amendment.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. BRICKER. I yield.

Mr. SPARKMAN. I should like to say that we are in agreement, as the Senator from Ohio has stated. That includes the agreement of the chairman of the full committee, the Senator from Arkansas [Mr. FULBRIGHT], the ranking member on the minority side, and the Senator from Indiana [Mr. CAPEHART]. We had the able assistance of our distinguished majority leader. We have gone over these matters very carefully, and we have worked them out and have agreed on this. I hope the amendment as proposed by the Senator from Ohio will be agreed to.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BRICKER. I yield.

Mr. BYRD. Does the Senator from Ohio have the figure as to what the total cost of the bill will be if his amendments are adopted?

Mr. BRICKER. The total cost in new obligational authority will be $1.6 billion.

Mr. BYRD. What was the budget request?

Mr. BRICKER. The budget request was $1,150,000,000.

Mr. BYRD. Then the Senator would increase the budget request.

Mr. BRICKER. We are increasing it, but we are approaching it——

Mr. BYRD. The Senator would increase it by $500 million. Is that correct?

Mr. BRICKER. By $450 million.

Mr. BYRD. We have saved, up to date, by economies in the Senate, $445 million. If we were to adopt the Senator's amendments, we would wipe out that saving.

Mr. BRICKER. It is not all an expenditure. There is also authorization and guaranties and insurance, and the like.

Mr. BYRD. It would wipe out the economies that have been effected by the Senate so far.

Mr. BRICKER. That would be true if they were all expenditures, which is not the case.

Mr. BYRD. But it wipes out those savings.

Mr. BRICKER. Some of these amounts are in the nature of loans.

Mr. BYRD. But if we adopt the Senator's amendments, we would wipe out all the economies the Senate has effected.

Mr. BRICKER. I cannot agree with that statement, unless we consider authorizations and guaranties as expenditures. I do not believe we can consider them in that light.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. BRICKER. I yield.

Mr. FULBRIGHT. With regard to the last question, I should like to say that only $500 million of the total could be considered as expenditures. The remainder represents investments.

Mr. BRICKER. It is in the nature of guaranties and lending authority.

Mr. FULBRIGHT. Similar to RFC authority which according to the reports of the Treasury have shown a net profit. I am in agreement with the amendments offered by the Senator from Ohio, and I hope the Senate will accept them.

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays on the amendments offered by the Senator from Ohio.

The yeas and nays were ordered.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. BRICKER. I yield.

Mr. CAPEHART. By using the same categories and the same figures, and the same way of figuring that the able Senator from Virginia [Mr. BYRD] used in asking his questions of the Senator from Ohio, the amendment would reduce the Senate committee's bill by $400 million. The House bill—not as reported by the House committee, but as passed by the House—which we will have to contend with in the conference, increases the budget requests by $1,200,000,000. In other words, after this reduction proposed in the Senator's amendment, bringing it down within less than $400 million of the budget requests, we still must go to conference on a House-passed bill which increases the budget by $1,200,000,000. We can get a little idea from that as to what we will be up against in conference with the House. The total in the House bill is $2,475,000,000.

The bill as it came from the Senate committee authorized appropriations of $2,100,000,000. We are reducing it by about $850 million. We get some idea of what we will be up against in conference when we take $850 million from the authorization.

There is only one item of direct expenditure, and that is the $250 million for urban redevelopment. That is a direct expenditure. It is a grant. Everything else in the bill is authorization for FNMA to purchase mortgages. FNMA sells the mortgages or issues debentures. At the present time FNMA holds a little more than $2 billion worth of mortgages. On the other hand, at the moment FNMA owes the Treasury only $25 million, because as fast as they acquire the mortgages they sell them or they sell the debentures.

It is true that under the bill FNMA is authorized to purchase the mortgages, but under the law FNMA immediately offers them for sale to private interests. When FNMA accumulates up to $100 million worth of mortgages, it offers for sale $100 million of debentures, with the mortgages as collateral.

In all fairness to the Senate and in all fairness to Congress, it is not quite fair to say that this is an expenditure.

The direct expenditure is $250 million plus $200,000.

Mr. BYRD. Is it not true that college housing will cost $50 million in cash, and that the Treasury will have to put up $400 million for FNMA? Likewise, the Treasury will have to put up $250 million under section 221.

Mr. CAPEHART. The Senator from Virginia is 100 percent correct. The bill gives the agency the right to borrow from the Treasury to purchase mortgages. But the minute they offer the mortgages for resale, or the minute they sell the debentures, the proceeds from the sales of mortgages and debentures immediately go into the Treasury.

Mr. BYRD. Is not the Senator mistaken about that? The money goes into the fund.

Mr. CAPEHART. No; it is recovered by the Treasury. As I said a moment ago, FNMA has purchased some $2 billion of mortgages and owes the Treasury only $25 million. The able Senator from Virginia is correct.

Mr. BYRD. Money to the extent of $950 million is drawn out of the Treasury.

Mr. CAPEHART. It is, as mortgages are purchased, but as the mortgages are resold; the proceeds from the mortgages go back to the Treasury. As I said a moment ago, they are holding now an accumulated sum of $2 billion of mortgages. Either the mortgages themselves are sold, or units of $100 million debentures are sold to repay the Treasury. So at the moment the FNMA owes the Treasury only $25 million.

If they are unable to sell mortgages to private enterprise, or are unable to sell debentures backed up by the mortgages, it is a fact that the Treasury would be called upon to put up $900 million, and they could carry them indefinitely.

Mr. BRICKER. The Senator is entirely correct in his figures and assumptions. In the urban renewal program, $250 million is exactly what the administration asked for. The only change is that we authorize the program for 2 years, rather than for 1 year and the 4 years which the committee bill carries.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. BRICKER. I yield.

Mr. SPARKMAN. I wish to say a word because, although the figures which have been given are correct, there is one thing that I should like to mention. The President in his budget message recommended an urban renewal program to cost $250 million a year for 2 years. That is exactly what we have agreed to here. So while it is true that when representatives of the Government appeared before the committee they did not ask for that amount although that was the President's recommendation in his budget message.

That would have some effect upon the figures which have been used by the Senator.

Mr. President, I have some figures which relate to the several different programs which have been discussed during the day. I think it would be interesting information for Senators to read. Therefore, I ask unanimous consent that the table be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

HOUSING FUNDS—PRESENT BALANCE AND PROPOSED LEGISLATION

Federal National Mortgage Association

1. Secondary mortgage market operations as of May 1, 1957:

Authority to borrow	$1,690,557,000
Capital available for purchasing mortgages (common stock and surplus)	169,056,000
Purchasing authority	1,859,613,000
Used to purchase mortgages	1,079,666,000
Money set aside for commitments and deferred purchases	221,025,000
Total	1,300,691,000
Available to make commitment or buy new mortgages	558,922,000
Proposed additional purchasing authority	550,000,000

Purchases averaged about $30 million per week for first quarter, 1957 but have slowed down sharply since first of year. For last 6 weeks they have averaged only $20 million per week. At this rate, available money would last about 7 months (until December 1, 1957).

2. Special assistance funds:

(a) Presidential allocation:

Original allocation	[1] $200,000,000
Balance, May 16, 1957	159,000,000
Proposed additional money	150,000,000

[1] An additional $100,000,000 is available subject to Presidential allocation for the 20-percent participation fund. This is to be released under the new legislation.

Rate of spending last 3 months is $5,000,000 per month. The fund has only spent $41 million since the original allocation of $200 million.

(b) Statutory allocation:

(1) Section 213, Cooperative housing:

Total original allocation	$100,000,000
Balance May 16, 1957	9,000,000
Proposed additional money	250,000,000

Rate of spending last 3 months is $10,000,000 per month. ($40 million of the $50 million under Public Law 85-10 was spent in 6 weeks).

(2) Title VIII—Military housing:

Total allocation	$200,000,000
Balance May 16, 1957	119,000
Proposed additional money	200,000,000

Rate of spending last 3 months is $50,000,000 per month. The fund has been practically exhausted since March.

Urban renewal grant fund

Grant program (as of May 1, 1957):	
Total authorization	$1,000,000,000
Subject to Presidential allocation [1]	100,000,000
Available for grants	900,000,000
Reserved or spent:	
In preliminary planning	[2] 413,800,000
In final planning	188,312,000
In execution	264,266,000
Project completed	262,000
Total	866,640,000
Balance available for reservation	33,360,000

[1] This money, subject to Presidential allocation, may be used upon advice of the Council of Economic Advisers that conditions in the economy and building industry are favorable and such use would be in the public interest.

[2] These reservations are made only after the preliminary plans are thoroughly reviewed. It is highly unlikely that any significant part of this will be recovered because of project terminations.

Proposed additional fund, $250 million for each of next 4 years.

During 1956 the rate of depletion of the fund amounted to $270 million.

College housing loans

As of May 1, 1957:	
Authorization	$750,000,000
Loans approved	422,730,000
Funds reserved	197,812,000
Total	620,542,000
Balance	129,458,000
Reserved or approved from May 1 to May 24, 1957	33,458,000
Balance May 24, 1957	96,000,000
Impounded by Budget Bureau	83,000,000
Available for remainder of fiscal year	13,000,000
Pending applications	65,000,000

In 1956, loans were reserved at a rate of $24 million per month. April 1957 was unusual with $45 million approved. Pending legislation adds $200 million loan authority to this program.

OTHER PROGRAMS WITH NO NEW FUNDS BEING REQUESTED THIS YEAR—FEDERAL HOUSING ADMINISTRATION PROGRAM

Contingent liability under this program is about $20 billion. This is the unpaid balance of loans outstanding on which FHA has insurance. A reserve of about $500 million is available to take care of possible future defaults.

The FHA operation has been a profitable one up to the present time. These profits have been enough to pay off initial borrowings from the Treasury and to pay their annual operating expenses and still leave a sizeable profit (over $20 million) remaining to be transferred to FHA insurance funds.

This entire operation has not cost the Federal Government any money.

Public housing program

Total of units under management as of Mar. 1, 1957 (all programs)	428,000
Annual contributions paid by Federal Government in 1956	$81,000,000
Annual contribution per unit	$238

Status of program under Public Law 171—Housing Act of 1949 (as of Mar. 1, 1957)

Total units planned under Public Law 171	810,000
Under management	196,000
Under construction	11,000
Under annual contributions contract, not under construction	92,000
Authorized by Housing Act of 1956	70,000
Total	369,000
Remaining yet to be authorized	441,000

Mr. BRICKER. Mr. President, I yield the floor.

Mr. SPARKMAN. Mr. President, I should like to have the floor for a few minutes in my own right. I believe an excellent job has been done in working out these amendments. It is true that neither side, if we may think of them as sides, got what it would like most to have had. But after all, when there are different viewpoints, if there is to be a meeting of the minds, there must be a spirit of give and take, that is exactly what we have done.

It should be remembered that this program, in the long run, will cost the Federal Government nothing, except for two items which were mentioned, 1 of which is $250 million a year for urban renewal. That is an outright gift to the cities of the Nation, to enable them to clean up the slums. By the way, that money will not be spent for probably 3 or 4 years; it will take that length of time to do the necessary planning in order to get ready for the spending.

The only other items of expenditure is $200,000 to be used by land-grant colleges for the purpose of doing some research work on farm housing. One can write to a land-grant college today and get any kind of plan for housing livestock or building barns, or anything else, except plans for housing for farm families. There has been nothing in the Federal program at any time to provide designs for farm housing adapted to a particular territory, a particular place, or the customs of a particular place. In the bill, a small authorization of $200,000 is made for the purpose of accomplishing this program over a period of 2 years. I do not believe the money could be spent in a wiser way.

Those are the only two expenditures. As to every other part of the program, I predict that the Goverment will lose nothing, but actually will make a profit. I believe this is a good measure. I think the amendment proposed by the Senator from Ohio, as it has been modified, is a good amendment. I hope it will be agreed to.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CARROLL. I am interested in the remarks of the Senator from Indiana that the Senate figures are lower by $800 million than the amount as passed by the House. What does the Senator from Alabama have to say about that?

Mr. SPARKMAN. I do not have the exact figures before me, but that amount is approximately correct. Again, it is hard to follow the figures, because, as best I have the information as of now, the House figure is a total of $2,475,000,000, while the Senate figure is $1,195,000,000.

Mr. CARROLL. In what items were the cuts made?

Mr. SPARKMAN. The largest single item is in the allowance to FNMA secondary market operations. In the bill as it is now, the new purchasing power allowed to FNMA is $550 million.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CLARK. I congratulate the Senator from Alabama upon the fine arrangement he has made to get some kind of housing bill at this session of Congress. I shall vote "yea" on the compromise, because, in my judgment, it is the best that those of us who believe in continuing the housing program can get. I shall do so reluctantly, but because I think that if we do not support the amendment, we will not get any housing bill at all.

Mr. SPARKMAN. I appreciate the remarks on the part of the Senator from Pennsylvania. Of course, I agree with him.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CAPEHART. I wish to compliment the Senator from Alabama [Mr. SPARKMAN], the Senator from Arkansas [Mr. FULBRIGHT], the majority leader, the Senator from Texas [Mr. JOHNSON], the Senator from Ohio [Mr. BRICKER], the Senator from Connecticut [Mr. BUSH], and other Senators for their cooperation in working out a compromise on the bill, which I think is an excellent one. I hope that in the conference with the House, it will be possible to work out a practical bill.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. HUMPHREY. I should like to have a little more explanation from the Senator about the urban renewal section, because that means so much to our cities. I have the greatest respect for the Senator from Alabama and for his work, particularly in the field of housing, in which he has been carrying the burden and responsibility for many years with distinction and great credit both to himself and Congress.

I am not certain how I shall vote on the amendment before we have finished

discussing it, because I feel that the committee bill as reported was at best a modest bill, and the amendment makes it, I may say, immodest.

Does the urban renewal amendment proposed by the Senator from Ohio limit for the next 2 years the funds which would be available under the committee bill for the next 2 years?

Mr. SPARKMAN. Not at all.

Mr. HUMPHREY. So there will be the same amount of money, will there not?

Mr. SPARKMAN. Yes; exactly the same amount of money. The 4 years will simply be curtailed to 2 years.

Mr. President, all Members of the Senate recognize the realities of the legislative process. At the time when this matter was before the full committee, it was well known that the House of Representatives had voted that the limit be 1 year. It was easy for the committee to vote that 4 years be set as the limit, in order to allow bargaining room. I believe it is the attitude of the Senate as a whole that the length of time set in the President's budget message—namely, 2 years, with a minimum of $250 million a year—represents the program for which we should work, and that in this case we are seeking to write into the bill, as it is passed by the Senate, provision for what we believe should be the program.

Mr. DOUGLAS. Mr. President, will the Senator from Alabama yield to me?

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the Senator from Alabama yield to the Senator from Illinois?

Mr. SPARKMAN. I yield.

Mr. DOUGLAS. Do I correctly understand that the Senator from Alabama is saying that he regards the amendment as a firm mandate to the conferees on the part of the Senate to stand like a rock for $250 million a year for urban renewal for 2 years, and to oppose any concession or any compromise?

Mr. SPARKMAN. So far as I am concerned, I feel that by all means 2 years should be the minimum program provided. It is in accord with the President's original requests as contained in his budget message.

Mr. HUMPHREY. Mr. President, will the Senator from Alabama yield to me?

Mr. SPARKMAN. I yield.

Mr. HUMPHREY. I heard the Senator speak of the cost involved, in terms of expenditures. The expenditure under the bill will be in the field of urban renewal; is that correct?

Mr. SPARKMAN. Yes; that represents an expenditure. It is not recoverable, although most other moneys in the bill will be repaid.

Mr. HUMPHREY. I wish to say, in behalf of the cities of the United States, that they do not receive payments in lieu of taxes from the Federal Government, on account of the many Federal properties in the cities. When we relate this so-called expenditure to what would be the obligations of the Federal Government if it paid taxes to the communities in the way that other property owners do, I think we find that the amount would not be quite that large. This is an area of interest to me. As one who handled in the Senate the bill for the making of payments in lieu of taxes, I wish to state that I believe this item cannot properly be considered as a gift to the cities.

Mr. SPARKMAN. Of course, it represents a share of the losses sustained when the slums are converted into usable land.

Mr. FULBRIGHT. Mr. President, will the Senator from Alabama yield to me?

Mr. SPARKMAN. I yield.

Mr. FULBRIGHT. First, I should like to say that for many years the Senator from Alabama has been the chairman of the Housing Subcommittee of the Banking and Currency Committee, and he is the expert on housing, among all the members of the Banking and Currency Committee.

I believe he has done an excellent job in keeping the bill in balance. All of us know that at present we are generally confronted with rather precarious times, in the case of the inflationary pressures, and we must take that situation into account.

Thus far in the debate, considerable emphasis has been placed on what has been given up, in connection with the housing program and the bill. I wish to call the attention of my colleagues to some of the provisions retained in the bill—provisions which are very important.

First, of course, is the provision for urban renewal. It has already been mentioned; and the bill calls for a 2-year program, with $250 million each year which I think makes very good sense.

Of course, if anything radically wrong develops, and if there is a desire to make a change next year, even after the commitment now proposed is made, it will always be possible for a succeeding Congress to make such a change. But I do not expect that that will be necessary.

The provision for college housing is exceedingly important. As all Members of the Senate know, every State is affected by this item. For instance, even the big, rich State of California has, I believe, approximately $14 million of projects now pending under the college housing item. There is in the bill an item of $175 million for college housing loans, of which $25 million is earmarked for student nurses' homes, and interns. But that leaves $150 million for regular college housing. That item is extremely important to every State, and such a provision will be of great help.

Then there is the item of $100 million for cooperative housing, and the item of $75 million for housing for families of moderate incomes; and there is the item of $200 million for military housing—which is absolutely essential. That is the amount the Senator from Indiana, I believe, very properly agreed to, for inclusion in the bill. Originally he proposed $250 million.

Then there is the item of $550 million for secondary market operations of the FNMA.

I believe the Senator from Alabama has done an excellent job, and I am very much pleased to join him in his position regarding the amendment. I hope the Senate will pass the bill with the inclusion of these items.

Mr. SPARKMAN. Mr. President, I appreciate very much the remarks of the Senator from Arkansas.

Mr. JAVITS. Mr. President, will the Senator from Alabama yield to me?

Mr. SPARKMAN. I yield.

Mr. JAVITS. Mr. President, I, too, like the Senator from Minnesota, believe that the bill is thoroughly in balance, as between the forces of inflation and the social needs involved.

I must say that I believe that if this amendment is studied, it will be seen that it would cause the Senate to send the program down the river.

Mr. President, in my own time I shall make my own argument regarding the matter; but at this time I wish to make a brief statement and to ask a question.

I am deeply disquieted about the willingness to give up so easily the amount proposed for the purchase of mortgages, particularly in view of the conditions existing in the country.

I believe that the Senator from Tennessee and the other Senators who voted with him came rather close to making out a good case for the large increase they proposed. I could not join them in that effort, because I thought the committee had looked into the matter quite carefully, and I thought their amendment would have caused the program to go too far, too fast. However, it seems to me that now we would be going too far, too fast.

Does the Senator from Alabama feel in good conscience that the $350 million increase is all that is needed in order to make a contribution to the correction of the very disastrous situation involved in the present mortgage market, especially as it affects GI's and other proper borrowers; or does the Senator from Alabama believe that, upon consideration of the entire matter, the present proposal is the only way out, and is a compromise which must be made?

Mr. SPARKMAN. Personally, I do not believe the $350 million is sufficient. It might be enough to enable the program to get by.

But the trouble is that when the FNMA reaches the point where the amount of money available to it is low, the psychology of the situation will be to begin something like a run on a bank. As a matter of fact, the administration requested $500 million. I felt that $500 million was rather close to the correct amount.

I may say that one thing which induced those of us on the committee to favor a reduction to $500 million was, first, the fact that this was the administration's request; and, second, the fact that the House of Representatives had already voted for $1,250,000,000; and if it were found that more was needed, there would be ample room in which to negotiate. The same holds true in respect to the problem facing us today.

I have no way of knowing the position the other conferees would take. Of course, the Senate has acted on the $350 million item. Those of us who will be conferees on the part of the Senate will seek the best information and advice we can obtain; and in conference, certainly the two extremes will be represented. Undoubtedly the conferees on the part of the House will hold out for the full amount voted by the House of Representatives, and the conferees on the part of the Senate will hold out for the full amount voted by the Senate. What the final outcome will be, we cannot know at this time.

Mr. JAVITS. Let me say to the very distinguished and very able Senator from Alabama that in the case of the urban renewal item—one which affects New York very considerably—I feel the Senator from Alabama has done as well as we can expect, under all the circumstances. But I believe it involves a backing up on the FNMA, in the case of those who are the owners of homes and those who have a right to aspire to the ownership of homes; and I believe the Senate is not striking a fair balance between the social needs and the requests which have been submitted.

Therefore, Mr. President, under the circumstances, I feel that I shall have to vote against the amendment.

Mr. MORSE obtained the floor.

Mr. BYRD. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I yield.

Mr. BYRD. Mr. President, I ask unanimous consent to have printed at this point in the RECORD my objections to the proposed legislation as it now stands.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD

The President, in his January budget document, requested new appropriations and other expenditure authorizations, including authority to spend out of debt receipts, totaling $73.3 billion.

Within this $73.3 billion, the President's request for housing programs in this bill (H. R. 6659) totaled $1,025,500,000.

This bill would authorize new spending authority for housing programs totaling $2,851,000,000.

Expenditures authorized in this bill exceed the President's budget requests by $1,825,500,000.

In its action on four appropriation bills to date, the Senate has reduced the President's budget requests by $445,768,719.

This bill not only wipes out all of the Senate's savings, but for every dollar cut out of appropriation bills, this bill authorizes expenditure of $4.09.

To date the House of Representatives has reduced 10 appropriation bills by a total of $1,416,050,962. Increases in this bill exceed all of the House appropriation cuts by more than $409 million.

The President requested authorization for direct appropriations for these housing programs of $500,000. This bill doubles the figure. It would authorize $1 million.

The President requested contract authorization of $250 million for fiscal year 1958. This bill authorizes $1 billion over 4 years.

The President requested $775 million in authority to spend from public debt receipts. This bill more than doubles the figure. It would spend $1,850,000,000.

For those who may be unclear as to what "authority to spend from debt receipts" means, the budget document defines it as "authorization to make expenditures from borrowed money."

It might be described as an appropriation of funds to be borrowed by the Treasury, in contrast to an appropriation of funds in the general fund by virtue of ordinary receipts.

When these housing agencies are authorized to spend from debt receipts, it simply means that on their demand, the Treasury must go out and sell bonds and provide the money.

Authorization to spend out of public debt receipts is the most vicious of all appropriation devices. It not only bypasses appropriation control, it piles up Federal debt.

It is a one-shot deal. When this authorization bill is passed, there will never be another look at it by Congress. The Appropriations Committees will never hear of it. There is little that the President and the Budget Bureau can do to control its expenditure. There is nothing the Treasury can do to hold down the increase in the debt it authorizes.

It is time for Congress to assert itself against back-door raids on the Treasury in the form of authorizations to spend from public debt receipts.

When you analyze the spending aspects of this bill, as contrasted with the insuring provisions, you find that:

The President requested $500,000 in appropriation authorization for extension of the voluntary home mortgage program to "facilitate the flow of mortgage funds into remote areas and for minority housing," and the bill extends the program accordingly.

The committee asks for another $500,000 in direct appropriation authorization for urban renewal fellowships and scholarships. The President did not recommend it. If there ever was a nonessential Federal expenditure, that would be one.

That is all of the proposals for direct appropriation authorization.

The President requested 1-year contract authority of $250 million for slum-clearance urban renewal grants. The bill authorizes $1 billion over 4 years.

The remainder is in authority to spend from public-debt receipts.

All of the proposals for Federal National Mortgage Association are in authority to spend from public-debt receipts. This is the agency established to make the Federal housing programs look good. It picks up all the bad paper, so the programs can show "no loss."

Federal National Mortgage Association is two-headed. All of the fine talk about "mutualization" and getting it into private ownership is gone. Now it has a "secondary mortgage operation," and "special assistance functions." The secondary mortgage operation handles the ordinary housing paper, and the special assistance division handles the mortgages no one will take, despite the fact that they are Government supported.

The President requested $350 million in authority to spend from public debt receipts to cover secondary mortgage operations for FNMA. The committee bill would raise the figure to $750 million.

The committee bill authorizes expenditure of $50 million from public debt receipts for investment by Treasury in FNMA capital stock for secondary mortgage operations. This was not included in the President's 1958 budget requests.

Under special-assistance functions, under FNMA, the President requested authority to spend $200 million from the public-debt receipts through the President's special fund. The committee bill reduces this to $150 million.

Under special-assistance functions, FNMA, the President asked authority to spend $50 million from public-debt receipts for cooperative housing, but the committee bill raised the figure to $250 million.

Under special-assistance functions, FNMA, the committee bill authorizes expenditure of $200 million from public-debt receipts for military housing. The President requested nothing.

Unders special-assistance functions, FNMA, the committee bill authorizes expenditure of $250 million from public-debt receipts for urban renewal, etc. (sec. 221, FHA). The President requested nothing.

In summary, for Federal National Mortgage Association, the President requested $600 million in expenditures from public-debt receipts, and the committee bill provides $1,650,000,000, an increased of $1,050,000,000.

These totals are figures involved in the calculation of budget authorization figures for fiscal year 1958, beginning July 1.

They are in addition to $400 million—$50 million for Treasury investment in FNMA capital stock and $350 million in authority for FNMA to spend from debt receipts—passed this year for the Federal National Mortgage Association. This $400 million, while largely available for use in the coming fiscal year, was enacted in the nature of a deficiency of funds for fiscal year 1957, ending June 30, and are charged to appropriations in the current year.

But there is still more authority in the pending bill to spend out of public-debt receipts for Federal housing programs.

The President requested $175 million in expenditures from public-debt receipts for college housing, and the committee bill raises the figure to $200 million.

The President requested contract authority to spend $250 million for capital grants under the slum-clearance and urban-renewal programs, and the committee bill carries the same amount. This would be for fiscal year 1958, but this is not all under this heading.

The committee bill authorizes an additional $750 million for slum-clearance and urban-renewal grants during the period of 1959–61. The President did not request this at this time.

New spending authority in housing bill (H. R. 6659) compared with President's January budget requests

	President's request	Bill (H. R. 6659)	Increase or decrease
Direct appropriations (requires appropriation action by Congress):			
Office of Administrator: Extension of Voluntary Home Mortgage Credit Program (Budget Doc., pp., 321 and 281)	$500,000	$500,000	
Urban renewal: Fellowships and scholarships		500,000	$500,000
Subtotal	500,000	1,000,000	500,000

discussing it, because I feel that the committee bill as reported was at best a modest bill, and the amendment makes it, I may say, immodest.

Does the urban renewal amendment proposed by the Senator from Ohio limit for the next 2 years the funds which would be available under the committee bill for the next 2 years?

Mr. SPARKMAN. Not at all.

Mr. HUMPHREY. So there will be the same amount of money, will there not?

Mr. SPARKMAN. Yes; exactly the same amount of money. The 4 years will simply be curtailed to 2 years.

Mr. President, all Members of the Senate recognize the realities of the legislative process. At the time when this matter was before the full committee, it was well known that the House of Representatives had voted that the limit be 1 year. It was easy for the committee to vote that 4 years be set as the limit, in order to allow bargaining room. I believe it is the attitude of the Senate as a whole that the length of time set in the President's budget message—namely, 2 years, with a minimum of $250 million a year—represents the program for which we should work, and that in this case we are seeking to write into the bill, as it is passed by the Senate, provision for what we believe should be the program.

Mr. DOUGLAS. Mr. President, will the Senator from Alabama yield to me?

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the Senator from Alabama yield to the Senator from Illinois?

Mr. SPARKMAN. I yield.

Mr. DOUGLAS. Do I correctly understand that the Senator from Alabama is saying that he regards the amendment as a firm mandate to the conferees on the part of the Senate to stand like a rock for $250 million a year for urban renewal for 2 years, and to oppose any concession or any compromise?

Mr. SPARKMAN. So far as I am concerned, I feel that by all means 2 years should be the minimum program provided. It is in accord with the President's original requests as contained in his budget message.

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Mr. SPARKMAN. I yield.

Mr. HUMPHREY. I heard the Senator speak of the cost involved, in terms of expenditures. The expenditure under the bill will be in the field of urban renewal; is that correct?

Mr. SPARKMAN. Yes; that represents an expenditure. It is not recoverable, although most other moneys in the bill will be repaid.

Mr. HUMPHREY. I wish to say, in behalf of the cities of the United States, that they do not receive payments in lieu of taxes from the Federal Government, on account of the many Federal properties in the cities. When we relate this so-called expenditure to what would be the obligations of the Federal Government if it paid taxes to the communities in the way that other property owners do, I think we find that the amount would not be quite that large. This is an area of interest to me. As one who handled in the Senate the bill for the making of payments in lieu of taxes, I wish to state that I believe this item cannot properly be considered as a gift to the cities.

Mr. SPARKMAN. Of course, it represents a share of the losses sustained when the slums are converted into usable land.

Mr. FULBRIGHT. Mr. President, will the Senator from Alabama yield to me?

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Mr. FULBRIGHT. First, I should like to say that for many years the Senator from Alabama has been the chairman of the Housing Subcommittee of the Banking and Currency Committee, and he is the expert on housing, among all the members of the Banking and Currency Committee.

I believe he has done an excellent job in keeping the bill in balance. All of us know that at present we are generally confronted with rather precarious times, in the case of the inflationary pressures, and we must take that situation into account.

Thus far in the debate, considerable emphasis has been placed on what has been given up, in connection with the housing program and the bill. I wish to call the attention of my colleagues to some of the provisions retained in the bill—provisions which are very important.

First, of course, is the provision for urban renewal. It has already been mentioned; and the bill calls for a 2-year program, with $250 million each year which I think makes very good sense.

Of course, if anything radically wrong develops, and if there is a desire to make a change next year, even after the commitment now proposed is made, it will always be possible for a succeeding Congress to make such a change. But I do not expect that that will be necessary.

The provision for college housing is exceedingly important. As all Members of the Senate know, every State is affected by this item. For instance, even the big, rich State of California has, I believe, approximately $14 million of projects now pending under the college housing item. There is in the bill an item of $175 million for college housing loans, of which $25 million is earmarked for student nurses' homes, and interns. But that leaves $150 million for regular college housing. That item is extremely important to every State, and such a provision will be of great help.

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Then there is the item of $550 million for secondary market operations of the FNMA.

I believe the Senator from Alabama has done an excellent job, and I am very much pleased to join him in his position regarding the amendment. I hope the Senate will pass the bill with the inclusion of these items.

Mr. SPARKMAN. Mr. President, I appreciate very much the remarks of the Senator from Arkansas.

Mr. JAVITS. Mr. President, will the Senator from Alabama yield to me?

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Mr. JAVITS. Mr. President, I, too, like the Senator from Minnesota, believe that the bill is thoroughly in balance, as between the forces of inflation and the social needs involved.

I must say that I believe that if this amendment is studied, it will be seen that it would cause the Senate to send the program down the river.

Mr. President, in my own time I shall make my own argument regarding the matter; but at this time I wish to make a brief statement and to ask a question.

I am deeply disquieted about the willingness to give up so easily the amount proposed for the purchase of mortgages, particularly in view of the conditions existing in the country.

I believe that the Senator from Tennessee and the other Senators who voted with him came rather close to making out a good case for the large increase they proposed. I could not join them in that effort, because I thought the committee had looked into the matter quite carefully, and I thought their amendment would have caused the program to go too far, too fast. However, it seems to me that now we would be going too far, too fast.

Does the Senator from Alabama feel in good conscience that the $350 million increase is all that is needed in order to make a contribution to the correction of the very disastrous situation involved in the present mortgage market, especially as it affects GI's and other proper borrowers; or does the Senator from Alabama believe that, upon consideration of the entire matter, the present proposal is the only way out, and is a compromise which must be made?

Mr. SPARKMAN. Personally, I do not believe the $350 million is sufficient. It might be enough to enable the program to get by.

But the trouble is that when the FNMA reaches the point where the amount of money available to it is low, the psychology of the situation will be to begin something like a run on a bank. As a matter of fact, the administration requested $500 million. I felt that $500 million was rather close to the correct amount.

I may say that one thing which induced those of us on the committee to favor a reduction to $500 million was, first, the fact that this was the administration's request; and, second, the fact that the House of Representatives had already voted for $1,250,000,000; and if it were found that more was needed, there would be ample room in which to negotiate. The same holds true in respect to the problem facing us today.

I have no way of knowing the position the other conferees would take. Of course, the Senate has acted on the $350 million item. Those of us who will be conferees on the part of the Senate will seek the best information and advice we can obtain; and in conference, certainly the two extremes will be represented. Undoubtedly the conferees on the part of the House will hold out for the full amount voted by the House of Representatives, and the conferees on the part of the Senate will hold out for the full amount voted by the Senate. What the final outcome will be, we cannot know at this time.

Mr. JAVITS. Let me say to the very distinguished and very able Senator from Alabama that in the case of the urban renewal item—one which affects New York very considerably—I feel the Senator from Alabama has done as well as we can expect, under all the circumstances. But I believe it involves a backing up on the FNMA, in the case of those who are the owners of homes and those who have a right to aspire to the ownership of homes; and I believe the Senate is not striking a fair balance between the social needs and the requests which have been submitted.

Therefore, Mr. President, under the circumstances, I feel that I shall have to vote against the amendment.

Mr. MORSE obtained the floor.

Mr. BYRD. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I yield.

Mr. BYRD. Mr. President, I ask unanimous consent to have printed at this point in the RECORD my objections to the proposed legislation as it now stands.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD

The President, in his January budget document, requested new appropriations and other expenditure authorizations, including authority to spend out of debt receipts, totaling $73.3 billion.

Within this $73.3 billion, the President's request for housing programs in this bill (H. R. 6659) totaled $1,025,500,000.

This bill would authorize new spending authority for housing programs totaling $2,851,000,000.

Expenditures authorized in this bill exceed the President's budget requests by $1,825,500,000.

In its action on four appropriation bills to date, the Senate has reduced the President's budget requests by $445,768,719.

This bill not only wipes out all of the Senate's savings, but for every dollar cut out of appropriation bills, this bill authorizes expenditure of $4.09.

To date the House of Representatives has reduced 10 appropriation bills by a total of $1,416,050,952. Increases in this bill exceed all of the House appropriation cuts by more than $400 million.

The President requested authorization for direct appropriations for these housing programs of $500,000. This bill doubles the figure. It would authorize $1 million.

The President requested contract authorization of $250 million for fiscal year 1958. This bill authorizes $1 billion over 4 years.

The President requested $775 million in authority to spend from public debt receipts. This bill more than doubles the figure. It would spend $1,850,000,000.

For those who may be unclear as to what "authority to spend from debt receipts" means, the budget document defines it as "authorization to make expenditures from borrowed money."

It might be described as an appropriation of funds to be borrowed by the Treasury, in contrast to an appropriation of funds in the general fund by virtue of ordinary receipts.

When these housing agencies are authorized to spend from debt receipts, it simply means that on their demand, the Treasury must go out and sell bonds and provide the money.

Authorization to spend out of public debt receipts is the most vicious of all appopriation devices. It not only bypasses appropriation control, it piles up Federal debt.

It is a one-shot deal. When this authorization bill is passed, there will never be another look at it by Congress. The Appropriations Committees will never hear of it. There is little that the President and the Budget Bureau can do to control its expenditure. There is nothing the Treasury can do to hold down the increase in the debt it authorizes.

It is time for Congress to assert itself against back-door raids on the Treasury in the form of authorizations to spend from public debt receipts.

When you analyze the spending aspects of this bill, as contrasted with the insuring provisions, you find that:

The President requested $500,000 in appropriation authorization for extension of the voluntary home mortgage program to "facilitate the flow of mortgage funds into remote areas and for minority housing," and the bill extends the program accordingly.

The committee asks for another $500,000 in direct appropriation authorization for urban renewal fellowships and scholarships. The President did not recommend it. If there ever was a nonessential Federal expenditure, that would be one.

That is all of the proposals for direct appropriation authorization.

The President requested 1-year contract authority of $250 million for slum-clearance urban renewal grants. The bill authorizes $1 billion over 4 years.

The remainder is in authority to spend from public-debt receipts.

All of the proposals for Federal National Mortgage Association are in authority to spend from public-debt receipts. This is the agency established to make the Federal housing programs look good. It picks up all the bad paper, so the programs can show "no loss."

Federal National Mortgage Association is two-headed. All of the fine talk about "mutualization" and getting it into private ownership is gone. Now it has a "secondary mortgage operation," and "special assistance functions." The secondary mortgage operation handles the ordinary housing paper, and the special assistance division handles the mortgages no one will take, despite the fact that they are Government supported.

The President requested $350 million in authority to spend from public debt receipts to cover secondary mortgage operations for FNMA. The committee bill would raise the figure to $750 million.

The committee bill authorizes expenditure of $50 million from public debt receipts for investment by Treasury in FNMA capital stock for secondary mortgage operations. This was not included in the President's 1958 budget requests.

Under special-assistance functions, under FNMA, the President requested authority to spend $200 million from the public-debt receipts through the President's special fund. The committee bill reduces this to $150 million.

Under special-assistance functions, FNMA, the President asked authority to spend $50 million from public-debt receipts for cooperative housing, but the committee bill raised the figure to $250 million.

Under special-assistance functions, FNMA, the committee bill authorizes expenditure of $200 million from public-debt receipts for military housing. The President requested nothing.

Unders special-assistance functions, FNMA, the committee bill authorizes expenditure of $250 million from public-debt receipts for urban renewal, etc. (sec. 221, FHA). The President requested nothing.

In summary, for Federal National Mortgage Association, the President requested $600 million in expenditures from public-debt receipts, and the committee bill provides $1,650,000,000, an increased of $1,050,000,000.

These totals are figures involved in the calculation of budget authorization figures for fiscal year 1958, beginning July 1.

They are in addition to $400 million—$50 million for Treasury investment in FNMA capital stock and $350 million in authority for FNMA to spend from debt receipts—passed this year for the Federal National Mortgage Association. This $400 million, while largely available for use in the coming fiscal year, was enacted in the nature of a deficiency of funds for fiscal year 1957, ending June 30, and are charged to appropriations in the current year.

But there is still more authority in the pending bill to spend out of public-debt receipts for Federal housing programs.

The President requested $175 million in expenditures from public-debt receipts for college housing, and the committee bill raises the figure to $200 million.

The President requested contract authority to spend $250 million for capital grants under the slum-clearance and urban-renewal programs, and the committee bill carries the same amount. This would be for fiscal year 1958, but this is not all under this heading.

The committee bill authorizes an additional $750 million for slum-clearance and urban-renewal grants during the period of 1959–61. The President did not request this at this time.

New spending authority in housing bill (H. R. 6659) compared with President's January budget requests

	President's request	Bill (H. R. 6659)	Increase or decrease
Direct appropriations (requires appropriation action by Congress):			
Office of Administrator: Extension of Voluntary Home Mortgage Credit Program (Budget Doc., pp., 321 and 281)	$500,000	$500,000	
Urban renewal: Fellowships and scholarships		500,000	$500,000
Subtotal	500,000	1,000,000	500,000

New spending authority in housing bill (H. R. 6659) compared with President's January budget requests—Continued

	President's request	Bill (H. R. 6659)	Increase or decrease
Contract authority (requires appropriations in future years to liquidate contract authority):			
Urban renewal:			
Capital grants (Budget Document, pp. 322 and 281) for fiscal year 1958	$250,000,000	$250,000,000	
Capital grants for fiscal years 1959–61		750,000,000	$750,000,000
Subtotal	250,000,000	1,000,000,000	750,000,000
Authority to spend from public debt receipts (requires no further action by Congress):			
Federal National Mortgage Association:			
Secondary mortgage operations:			
Investment by Treasury in capital stock, fiscal year 1958 (Budget Document, pp. 321 and 281)		50,000,000	50,000,000
Authority to borrow from Treasury to cover operations, fiscal year 1958 (Budget Document, pp. 321 and 281)	350,000,000	750,000,000	400,000,000
Special assistance functions:			
President's special assistance funds	200,000,000	150,000,000	−50,000,000
Cooperative housing (Budget Document, pp. 321 and 281)	50,000,000	250,000,000	200,000,000
Military housing		200,000,000	200,000,000
Sec. 221, urban renewal, etc		250,000,000	250,000,000
Subtotal, FNMA	600,000,000	1,650,000,000	1,050,000,000
College housing loans (Budget Document, pp. 287 and 321)	175,000,000	200,000,000	25,000,000
Subtotal	775,000,000	1,850,000,000	1,075,000,000
Grand total	1,025,500,000	2,851,000,000	1,825,500,000

In connection with slum clearance and urban renewal programs, the bill proposes that the Federal Government now absorb three-fourths of the loss in these projects. Previously the Federal Government has absorbed only two-thirds of the loss.

In connection with the college housing programs, the House bill would require that the Treasury take no loss in interest on the loans. The Senate bill eliminates that provision.

To this point, we have been dealing only with programs in this bill which directly contribute to authorizations to spend, expenditures, and the statutory debt.

It should not be overlooked that these programs are only a part of the whole Federal housing picture. There are other billions in contingent liabilities involved in numerous programs under which the Federal Government insures mortgages not only on private housing for individuals trying to buy them, but also commercial housing in the form of multi-unit projects, constructed and operated by huge corporations in the business for profit.

During 23 years between 1933 and June 30, 1956, the Federal Government has used public credit and funds to subsidize domestic housing to a gross total of more than $74 billion.

This public credit and money has been in the form of guaranteed, insured, and direct loans, direct appropriations, appropriations for payments in lieu of taxes, appropriations for purchase of capital stock, etc.

This credit has been made available by direct drafts on the Treasury outside of budgetary control and appropriation procedure, as well as through direct appropriations, and just every other conceivable financing device.

There is already a high degree of loss in money that has gone out through direct appropriations. The loss in insured, guaranteed and direct loans is impossible to estimate. Most of the loans are for long terms ranging up to 40 years.

As usual, this bill liberalizes the insured programs, loosens up on the administration of the programs, and requires less responsibility on the part of those who use and exploit them.

It is remarkable that additional insuring authority is not requested. But there are still unused balances. Federal Housing Administration, on March 31, 1957, had $5.7 billion in unused insuring authority.

Position with respect to FHA insuring authority

From budget document, fiscal year 1958, page 311:

[In thousands of dollars]

	1956 actual	1957 estimate	1958 estimate
Insuring authority:			
Home repair and improvement	$1,750,000	$1,750,000	$1,750,000
Mortgage insurance:			
General	25,517,597	25,783,994	25,783,994
Armed services housing	1,363,500	2,300,000	2,300,000
Total	28,631,097	29,833,994	29,833,994
Charges against authority:			
Home repair and improvement	1,034,825	965,652	1,198,144
Mortgage insurance:			
General	22,808,702	23,656,061	25,453,992
Armed services housing	186,250	921,168	2,070,957
Total	24,029,777	25,542,881	28,723,093
Unused authority:			
Home repair and improvement	715,175	784,348	551,856
Mortgage insurance:			
General	2,708,896	2,127,932	330,002
Armed services housing	1,177,249	1,378,832	229,043
Total	4,601,320	4,291,112	1,110,901

From FHA summary of operations (as of Mar. 31, 1957):

	Total authority	Unused balance
Home repair and improvement	$1,750,000	$715,807
Mortgage insurance:		
General	25,783,994	3,296,271
Armed services housing	2,300,000	1,696,782
Total	29,833,994	5,708,860

With this kind of money and free-wheeling credit, it is no wonder that Federal housing programs attract the scandalous exploitation which characterizes them. The pending bill will make the situation worse.

Summary of public credit and money (gross) which have been made available under Federal housing programs, 1933 to June 30, 1956

[In thousands of dollars]

Program	Authority to make loans, grants, purchase mortgages and insure loans: Total current authority	Authority to make loans, grants, purchase mortgages and insure loans: Cumulated gross total authority used	Authority to expend from public debt receipts: Total current authority	Authority to expend from public debt receipts: Gross amount borrowed	Authority to expend from public debt receipts: Owed to Treasury	Appropriations: Total	Appropriations: Unexpended balance	Administrative expenses [1]	Reserves from earnings	Payments to U. S. Treasury (interest, dividends, and capital)
Housing and Home Finance Agency:										
Authority to make loans, grants and purchase mortgages:										
Office of the Administrator:										
College housing loans	[2] 500,000	115,278	500,000	136,500	116,112			2,025		[12] 4,463
Public facility loans	100,000		100,000	500	500			103		[12] 1
Slum clearance and urban renewal:										
Loans	[2] 1,000,000	100,007	1,000,000	55,000	48,000					[12] 723
Capital grants	700,000	66,500				117,000	50,500	12,271		
Urban planning grants	10,000	274				3,000	2,726			
Public works planning	10,000	114				4,500	4,385	42		
Federal National Mortgage Associations:										
Secondary market operations (trust fund)	1,191,852	221,896	1,000,000	286,333	94,481		20,593	1,012		[12] 881
Special assistance functions	550,000	427	550,000	367	246			11		[12] 2
Management and liquidating functions [3]	2,488,390	2,989,694	2,447,857	4,253,816	1,859,538			19,634	58,639	[12] [14] 277,466
Public Housing Administration:										
Administrative expenses						55,044	910			
Annual contributions	336,000	309,038				319,672	16,567	97,863		
Loan authorization	[2] 1,500,000	4,334,556	1,500,000	4,786,074	38,000				1,236	[12] [14] 93,358
Total, authority to make loans, grants and purchase mortgages	8,286,242	8,137,784	7,097,857	9,518,620	2,156,877	499,216	95,681	132,961	59,865	377,096
Authority to insure loans:										
Federal Housing Administration:										
Title I:										
Insurance program, sec. 2 (home improvement)	1,750,000	9,381,226				46,577		32,289	52,260	[12] 8,333
Housing insurance program, sec. 8		204,213						1,944	1,780	
Title II:										
Mutual mortgage insurance program, sec. 203 (1 to 4 family)		22,515,320				41,994		230,239	291,423	[12] [13] 59,054
Housing insurance program, sec. 207-210 (rental)		448,979				4,170		14,327	427	[12] [13] 5,557
Housing insurance program, sec. 213 (cooperative)		436,729								
Rehabilitation and neighborhood conversion, sec. 220		5,030						55		
Relocation housing, sec. 221		14						20		
Servicemen's mortgage insurance program, sec. 222	26,881,097	153,550						59	227	
Open-end mortgages, sec. 225		67								
Title VI (war housing):										
Sec. 603 (1 to 4 family)		3,645,216								
Sec. 608 (multiple rental)		3,440,019				5,000		70,791	116,268	[12] [13] 6,390
Sec. 609		5,316								
Sec. 610		24,468								
Sec. 611		12,546								
Title VII (housing investment insurance program)						1,000		43		[12] [13] 1,108
Title VIII (military housing, sec. 803)		698,439				5,000		4,306	9,882	[12] [13] 5,441
Title IX (defense housing):										
Sec. 903		815,309						4,266		
Sec. 908		63,427								
Total, authority to insure loans	28,631,097	41,549,868				103,741		358,339	425,267	85,883
Other										
Office of the Administrator:										
Revolving fund for liquidating programs:										
Lanham public works						[4] 65,807				
Defense community facilities:										
Loans		3,233				20,625				
Grants		11,012								
Advanced planning, non-Federal public works:								6,398		
1st advanced planning						65,000				
2d advanced planning						28,607				[12] [14] [15] 629,647
Alaska housing program		17,753				19,000				
Loans for prefabricated housing		52,444	(5)	36,170						
Public Housing Administration:										
Public war housing						[4] 1,654,978				
Subsistence homesteads, etc						[4] 62,454		122,186		
Veterans reuse housing						[4] 442,625				
Homes conversion program						[4] 90,109				
Total, other		84,442		36,170		2,449,205		128,584		629,647
Total, HHFA	36,917,339	49,772,094	7,097,857	9,554,790	2,156,877	3,052,162	95,681	619,884	485,132	1,092,626
Federal Home Loan Bank Board:										
Federal home-loan banks	(6)	(6)	1,000,000						(6)	[14] [15] 150,917
Federal Savings and Loan Insurance Corporation	(7)		750,000					8,256	198,476	[14] [15] 93,369
Home Owners' Loan Corporation		3,498,903		3,279,669				272,792		[14] 200,000
Total, Federal Home Loan Bank Board		3,498,903	1,750,000	3,279,669				281,048	198,476	444,286
Veterans' Administration:										
Guaranteed loans	(8)	19,643,511								[15] 66,591
Direct loans	702,927	555,185	584,141	584,141	581,163	692,679		124,127	21,719	[15] [16] 30,468
Total, Veterans' Administration	702,927	20,198,696	584,141	584,141	581,163	692,679		124,127	21,719	97,059

See footnotes at end of table.

Summary of public credit and money (gross) which have been made available under Federal housing programs, 1933 to June 30, 1956—Con.

[In thousands of dollars]

Program	Authority to make loans, grants, purchase mortgages and insure loans		Authority to expend from public debt receipts			Appropriations		Administrative expenses [1]	Reserves from earnings	Payments to U. S. Treasury (interest, dividends, and capital)
	Total current authority	Cumulated gross total authority used	Total current authority	Gross amount borrowed	Owed to Treasury	Total	Unexpended balance			
Department of Agriculture:										
Farmers' Home Administration:										
Farm ownership loans:										
Direct	[9] 19,000	456,351	19,000	482,446	([10])	30,000	-------	([10])	-------	([10])
Insured	[11] 100,000	146,049	-------	-------	-------	-------	-------	([10])	-------	-------
Farm housing loans	5,000	101,033	5,000	102,174	([10])	1,350	-------	([10])	-------	-------
Farm housing grants	-------	364	-------	-------	-------	1,050	-------	([10])	-------	-------
Contributions	-------	126	-------	-------	-------	-------	-------	-------	-------	-------
Total, Department of Agriculture	124,000	703,923	24,000	584,620	-------	32,400	-------	-------	-------	-------
Grand total	37,744,266	[12] 74,173,616	9,455,998	14,003,220	2,738,040	3,777,241	95,681	1,025,059	705,327	541,345

[1] Includes expenditures from appropriated and agency funds.
[2] Lending authority limited by corporate resources, including authority to expend from public debt receipts (col. 3). Generally, authority is equal to expend from public debt receipts.
[3] Cumulative since transfer to HHFA; records while under RFC not available.
[4] Represents allocations or reallocations to FHA and predecessors on basis of best information available.
[5] Authority to expend from public debt receipts has expired.
[6] Figures excluded; Federal home-loan banks now privately owned.
[7] No monetary limitation; loans to prevent default of insured institutions.
[8] Unlimited, except by maximum to which individual loans may be guaranteed.
[9] Amount authorized by Congress for fiscal year 1956. Authority is granted annually.
[10] Not available.
[11] Annual limitation.
[12] Cumulative gross total of loans and grants, mortgages purchased, and loans insured. Excludes repayments.
[13] Interest.
[14] Dividends.
[15] Capital.

I am in receipt of a letter from the Deputy Attorney General of the United States, Mr. William P. Rogers, which says that between October 1956 and April 16, 1957, "approximately 195 persons and firms have been indicted or charged by information with violation of Federal criminal statutes as a result of their operations under the National Housing Act, as amended." He said further that during the same period about 85 persons and firms have been convicted and sentenced after trial or entry of pleas.

With respect to civil cases, Mr. Rogers said the Department of Justice has instituted 15 "windfall" recovery actions, 5 more will be filed in the immediate future, and 14 additional cases are being reviewed for possible litigation.

Not only is litigation arising from previous Federal housing program scandals to be found in courts across the country, but six audit reports by the United States General Accounting Office this year indicate that the elements which breed Federal housing scandals still persist.

These six new audits, in the fiscal year 1957 series, deal with activities in slum clearance and urban renewal offices in New York and Chicago; public housing offices in Fort Worth, Jacksonville and Omaha, and an FHA appraisal office in Richland, Wash.

The pattern follows that which was developed in the fiscal year 1956 series—more weaknesses, deficiencies and loose administration.

For these programs, the Senate today is asked to wipe out all budget reductions it has made to date, and for every dollar previously cut, to put $4.09 in its place.

STATEMENT BY SENATOR HARRY F. BYRD, DEMOCRAT, OF VIRGINIA, CHAIRMAN, JOINT COMMITTEE ON REDUCTION OF FEDERAL EXPENDITURES, IN RE FEDERAL HOUSING PROGRAM LITIGATION, AND AUDITS BY UNITED STATES GENERAL ACCOUNTING OFFICE

Litigation arising from previous Federal housing program scandals continues to be found on the dockets of courts across the country, and six more audit reports by the United States General Accounting Office indicate that the elements which breed Federal housing scandals still persist.

The pending housing bill will make the situation worse.

I am in receipt of a letter from the Deputy Attorney General of the United States, Mr. William P. Rogers, which says that between October 1956 and April 16, 1957 "approximately 195 persons and firms have been indicted or charged by information with violation of the Federal criminal statutes as a result of their operations under the National Housing Act as amended;" "during this time about 85 persons and firms have been convicted and sentenced after trial or entry of pleas;" and "there are a number of these indictments and informations still pending, awaiting arraignment, trial, or sentencing."

Deputy Attorney General Rogers added that "the Civil Division (of the Department of Justice) thus far has instituted 15 "Windfall" recovery actions, 5 more will be filed in the immediate future, and 14 additional cases referred to the Department of Justice by FHA are being reviewed for possible litigation."

This is another of a series of reports forwarded by the Attorney General to the Joint Committee on Reduction of Nonessential Federal Expenditures since its investigations into tax aspects of Federal housing program exploitation set off disclosures of housing scandals in 1953.

These reports show that indictments, informations, and convictions in cases ranging all the way from multi-million-dollar apartment house deals to small home repair fraud, have run into the hundreds.

(A copy of the Deputy Attorney General's letter is attached.)

Six reports by Joseph Campbell, Comptroller General of the United States in the 1957 fiscal year series of audits by the General Accounting Office into Federal housing activities show characteristic deficiency and weakness in their administration continues.

These reports cover audits in slum clearance-urban renewal offices in New York and Chicago, Public Housing Offices in Fort Worth, Jacksonville and Omaha, and an FHA appraisal office in Richland, Wash.

(Abstracts of these audit reports are attached.)

Audits of Federal housing programs are limited largely to the administrative actions in Federal offices. Expenditures for such programs as slum clearance-urban redevelopment are under jurisdiction of local government agencies, although the Federal Government finances two-thirds of the loss. Under the pending bill the Federal Government would take three-fourths of the loss.

Audits last year, in the fiscal year 1956 series, were reported after they were conducted in three FHA insuring offices—New York, Kansas City, and Cleveland. A fourth report was made on audits in 22 slum clearance-urban renewal projects in 15 cities: Summerville, Mass.; Providence, R. I.; Jersey, N. J.; Perth Amboy, N. J.; Chester, Pa.; Norfolk, Va.; Knoxville, Tenn.; Nashville, Tenn.; Birmingham, Ala.; Little Rock, Ark.; Kansas City, St. Louis, St. Paul, Minn.; Detroit, and Cleveland.

All of the 10 reports to date show the same pattern of deficiency and weakness which led me last year to refer the Comptroller General's audits directly to the President.

Federal housing legislation invariably has been loose. The pending bill is no exception. This leads to loose administration. The combination is an open invitation to scandal. In the name of Federal housing, we have developed an augean stable.

Exploitation of these programs is inevitable. They provide public risk for private profit. Taxpayers are the victims. Taxpayers who buy and rent the properties are double victims of Federal housing program exploitation.

LETTER FROM WILLIAM P. ROGERS, DEPUTY ATTORNEY GENERAL OF THE UNITED STATES, TO SEN. HARRY F. BYRD, CHAIRMAN, JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES, DATED APRIL 16, 1957

"In accordance with your request, we wrote you on September 11, 1956 concerning judicial decisions and actions relating to the Federal housing programs and agreed to keep you informed of further important housing cases. Since that time, several cases have been concluded which may be of interest to you.

"In October 1956 Max and Irving Shayne were charged with conspiracy to violate the FHA fraud statute in connection with their activities as home improvement salesmen. On October 8, 1956, after conviction, they were sentenced to 5 years imprisonment. In addition, Max Shayne also received concurrent sentences of 2 years on each of 6 counts alleging violation of section 1010 of title 18, United States Code. All sentences are being served concurrently.

"The Shaynes were among the most active salesmen in the home improvement field on the west coast. The loans forming the basis of the criminal charges against the Shaynes totaled nearly $100,000. They utilized the now well-known confidence ruses of cash

rebates and consolidation of debts, and were responsible, as well, for false invoices.

"Another case, concluded in November of 1956, was that involving Harold J. Volz of Sioux Falls, S. Dak. Volz, a prominent real estate operator in South Dakota, was charged in a 10-count indictment with making false statements in connection with securing insurance on Federal Housing Administration loans. The false statements involved forgery in the application for mortgage insurance and false credit information on some 19 different properties, with a contemplated insured value of over $167,000. Volz entered a plea of guilty to the 10-count indictment and was sentenced to imprisonment of 2 years on each count, the sentences to run concurrently.

"Another case in which a conviction was recently obtained involved a Public Housing Administration project. Pursuant to the United States Housing Act of 1937, as amended, the PHA entered into a contract with the Galveston Housing Authority, Galveston, Tex., whereby the PHA agreed to furnish assistance in the form of loans for the construction of low-rent housing. L. Walter Henslee, manager of the Galveston Housing Authory, was charged in a seven count indictment with unlawfully and knowingly receiving compensation, being rentals collected with intent to defraud the Public Housing Administration and with making and causing to be made false operating statements to the PHA. Henslee was convicted on five counts of the indictment and has appealed his conviction.

"Since October 1956 approximately 195 persons and firms have been indicted or charged by information with violation of the Federal criminal statutes as a result of their operations under the National Housing Act as amended. During this time about 85 persons and firms have been convicted and sentenced after trial or entry of pleas. There are a number of these indictments and informations still pending, awaiting arraignment, trial, or sentencing.

"In regard to the 'windfall' recovery program, the Court of Appeals for the Fourth Circuit in January 1957 ruled that the standard corporate charter for section 608 corporations prohibited payment of dividends out of excess mortgage proceeds. (See *Shirley-Duke Apartments, etc. v. Norman P. Mason, et al.*, reported at 240 F. 2d 428.) The appellant has filed a petition for a writ of certiorari.

"The Civil Division thus far has instituted 15 'windfall' recovery actions, 5 more will be filed in the immediate future, and 14 additional cases referred to the Department of Justice by FHA are being reviewed for possible litigation. (An appendix is attached giving more detailed information concerning the status of 'windfall' cases being handled by the Civil Division.) One case has been settled.

APPENDIX

"Windfall" recovery litigation—Civil division

Project	Method of distribution of excess mortgage proceeds	Appropriate amount allegedly distributed	Present status
Ash Corp. et al. (Virginia)	Dividends	$245,000	Complaint filed. Defendants' motion to dismiss set for hearing, August 1957.
Beverly Manor Apartments (Ohio)	do	700,000	Take over action won by Government. Complaint to recover mortgage proceeds, sent to Commissioner of FHA for verification.
Bon Haven Apartments (Virginia).	do	950,000	Pleadings complete. Defendants' motion to dismiss denied. Depositions concluded. Case set for trial, October 1957.
Congress Heights (District of Columbia).	Construction "profit."	1,450,000	Pleadings complete. Depositions taken. Case now on trial calendar.
Farragut Gardens (New York).	Dividends	3,160,000	Suit to take over project tried; no decision yet. Settlement proposal being studied.
Shirley-Duke Apartments: Investors diversified services (Virginia).	Excess financing fee, etc.	1,000,000	Pleadings completed. Depositions concluded. Case awaiting trial.
Linwood Park (New Jersey)	Stock redemption loans.	2,250,000	Do.
Shirley-Duke (Virginia)	Dividends	2,000,000	Government's right to take over corporations because of improper dividend payments sustained by Court of Appeals, 4th Circuit, 240 F. 2d 428. Shirley-Duke seeking review in Supreme Court. Action to recover excess mortgage proceeds at issue. Conference scheduled with Court to set trial date (2 companion cases at issue in District of Columbia and district of Maryland).
Tenneck Gardens (New Jersey).	Stock redemption loans.	25,000	Complaint filed. Case at issue. Awaiting trial.

In addition the following cases are in preliminary stages of litigation:

Project	Method of distribution of excess mortgage proceeds	Approximate amount allegedly distributed
A. B. K. Apartments, Inc., et al. (New York)	Dividends	$675,000
Braddock Gardens, Inc. (New York)	do	255,000
Holliswood Gardens, Inc. (New York)	do	185,000
Kew Terrace (New York)	do	555,000
Kingsway Development, Inc. (New York)	do	230,000
Park Manor Terrace (Arizona)	Stock redemption	90,000
Tri-City Village, Inc., et al. (Indiana)	Land profit, etc.	1,380,000

"For your additional information the Department is prosecuting a number of actions designed to bring to an end improper use of 608 projects for transient rentals. One such case, *Darlington, Inc. v. Norman P. Mason* (D. C., S. C.), was decided adversely to the Government, in a district court, but this decision was reversed by the Supreme Court on jurisdictional grounds, and remanded for hearing by a three-judge court. The case of *Norman P. Mason v. Essex House* (D. C., Ala.), was tried last fall but the court has not rendered judgment. Another such case, *Mason v. Savannah Apartments* (D. C., Ga.), is scheduled for trial April 23, 1957.

"The Government has also instituted an action to enjoin transient rentals by the Woodner located at 3636 16th Street NW., Washington, D. C. This case should be scheduled for trial within the next 2 weeks."

ABSTRACTS OF REPORTS OF AUDITS BY THE UNITED STATES GENERAL ACCOUNTING OFFICE IN SLUM CLEARANCE-URBAN RENEWAL OFFICES IN NEW YORK AND CHICAGO, PUBLIC HOUSING OFFICES IN FORT WORTH, JACKSONVILLE, AND OMAHA, AND THE FHA APPRAISAL OFFICE IN RICHLAND, WASH. (FISCAL YEAR 1957)

(It should be noted that, although reference may be made to some specific projects as examples, these audits are limited largely to administrative practices and procedures of the Federal agency offices involved. It should be noted further that these audits by the GAO are continuing in Federal housing offices all over the country, and those completed to date represent only part of the whole situation.)

Slum clearance-urban renewal

New York regional office, Office of Administrator, Housing and Home Finance Agency

In a letter to Administrator Albert M. Cole, Housing and Home Finance Agency, March 7, 1957, Joseph M. Campbell, Comptroller General of the United States said:

"Our review of the New York Regional Office was directed to the administration of urban renewal operations in New York City, and disclosed certain weaknesses and deficiencies in the land acquisition, land disposition, and relocation phases."

(Comptroller General Campbell's letter noted that the "audit work in the regional office was completed in January 1956," and that "Comments by the regional office and replies to our requests for information remained outstanding through July 1956.")

The Comptroller General, among "other findings," specified "examples" of "weaknesses and deficiencies" as follows:

1. "Interest costs were unnecessarily increased," and New York streets, New York-Bellevue, Washington Square, and Morningside projects were cited as cases in point.

2. "Local public agency requirements regarding employment of appraisers were not complied with."

3. "Land purchases, $331,000 in excess of previously approved prices, were retroactively approved by the Urban Rewal Administration," and the Morningside project was cited as the case in point.

4. "Option negotiation fees of $46,225 were paid where the budgeted fee was $10,000," and the Morningside project was cited as the case in point.

5. "Estimated costs of legal services were substantially overstated in project budgets," and the Morningside project was cited as a case in point.

6. "Allowances to project sponsors for the cost of relocating site families are about twice the actual cost," and the New York University-Bellevue project was cited as a case in point.

7. "Relocation practices need strengthening," and the Morningside, Fort Greene, Pratt Institute, Washington Square, Harlem, and West Park (Manhattantown) projects were cited as cases in point.

8. "Vacated structures were rerented to offsite tenants," and the New York University-Bellevue project was cited as a case in point.

9. "The Urban Renewal Administration failed to require another re-use appraisal although material changes were made in the bases on which the original re-use appraisal was made," and the New York University-Bellevue project was cited as a case in point.

10. "A structurally sound apartment building acquired at a cost of $340,415 was demolished," and the New York University-Bellevue project was cited as a case in point.

11. "Inadequate method used in determining condition of existing structures," and

the New York University-Bellevue project was cited as a case in point.

12. "Need for improved budgetary control over contingencies," and the New York University-Bellevue project was cited as a case in point.

Chicago Regional Office, Office of Administrator, Housing and Home Finance Agency

In a letter to Administrator Albert M. Cole, Housing and Home Finance Agency, March 14, 1957, Joseph Campbell, Comptroller General of the United States said:

"Our review of the Chicago Regional Office was directed to the administration of urban renewal operations in Chicago and disclosed certain weaknesses and deficiencies in land acquisition and relocation phases."

(Comptroller General Campbell's letter to Administrator Cole noted that the audit was for fiscal year ending June 30, 1955, and that "in most cases, our findings were presented to the Chicago regional administrator for his comments during the audit; and in addition, on December 28, 1956, a draft of our proposed report was submitted to you and to the acting urban renewal commissioner, Mr. Richard L. Steiner, for review and comment;" and that "we have considered the comments contained in Mr. Steiner's reply of February 7, 1957.")

As examples of his findings, the Comptroller General specified "weaknesses and deficiencies" as follows:

1. "A determination of project eligibility was not based on current data," and the Chicago West Central Industrial District, and the Duluth, Minn., St. Croix redevelopment projects were cited as cases in point.

2. "The local public body failed to establish a positive slum-prevention program and to report code violations," and the Michael Reese Hospital and the area 6A projects in Chicago were cited as cases in point.

3. "The local public agency's relocation efforts were inadequate," and the Michael Reese Hospital project was cited as a case in point.

4. "The local public agency and the Urban Renewal Administration failed to set maximum appraisal fees and the Urban Renewal Administration's reviews of appraisal costs were inadequate," and the Michael Reese Hospital and the Hyde Park A projects were cited as cases in point.

5. "Failure to conform urban renewal project files with filing procedures"; the Comptroller General said the 1956 audit of the Chicago regional office is still in progress, and the audit shows that some deficiencies in the office's urban renewal files still exist.

Public Housing Administration

Fort Worth, Tex., Regional Office, Public Housing Administration, Housing and Home Finance Agency

In a letter to Commission Charles E. Slusser, Public Housing Administration, March 12, 1957, Joseph Campbell, Comptroller General of the United States, said the GAO report on the Fort Worth regional office (PHA) was based on a "selective review of development, management, and disposition operations" for fiscal year 1955; that "deficiencies noted" had been discussed with the regional director during the review; that a draft of the proposed report had been submitted to the PHA Commissioner and the HHFA Administrator on November 15, 1956; and that the reply from PHA Commissioner Slusser of December 19, 1956, was considered in the final report.

Comptroller General Campbell said further that while "generally" the Fort Worth regional office "was conducting its operations in accordance with applicable legislation and PHA's prescribed policies and procedures," * * * "deficiencies noted" included:

1. "Instances where excessive professional fees were paid," and Denver, Colo., Housing Authority project Colo. 1-12 and a Galveston, Tex., Housing Authority contract were cited as cases in point.

2. "Failure of PHA to assure itself that appraisers' qualifications have been reviewed," and Galveston Housing Authority project 17-6, and Denver, Colo., Housing Authority project 1-12 were cited as cases in point.

3. "Noncompliance by local housing authorities with PHA requirements for awarding equipment and construction contracts," and the Galveston Housing Authority project 9-11 and the Knox City, Tex., Housing Authority project 124-1 were cited as cases in point.

Housing Authority of Jacksonville, Fla., Public Housing Administration, Housing and Home Finance Agency

In a letter to Commissioner Charles E. Slusser, Public Housing Administration, May 16, 1957, Joseph Campbell, Comptroller General of the United States said the GAO report on the Housing Authority of Jacksonville, Florida, was based on "review of selected phases of the low-rent housing operations;" that "deficiencies" had been discussed with the executive director at Jacksonville; that a draft of the proposed report had been submitted to the PHA Commissioner and the HHFA Administrator on March 1, 1957; and that the reply from Commissioner Slusser of April 2, 1957 had been considered in the final report.

Comptroller General Campbell said further that while "generally the Housing Authority of Jacksonville was conducting the low-rent housing program in accordance with the agreements with the Public Housing Administration," * * * "deficiencies noted" included:

1. "An annual deficit of $12,000 which results from rental of low-rent units to relief tenants at less than operating costs," and Jacksonville projects 1-1A and 1-1 were cited as cases in point.

2. "Loss of income to the authority because of failure to invest excess funds," and Jacksonville projects 1-3, 1-4, and 1-6 were cited as cases in point.

3. "Deficiencies in the authority's procurement practices."

4. "Mileage payments in excess of authorized rate per mile," and payments by the authority ranging from 10½ cents to 73 cents a mile were reported.

The report also raised questions as to collision insurance overage on old motor vehicles, and costly telephone equipment.

Housing Authority of the City of Omaha, Public Housing Administration, Housing and Home Finance Agency

In a letter to Commissioner Charles E. Slusser, Public Housing Administration, November 14, 1956, Joseph Campbell, Comptroller General of the United States said the GAO report on the Housing Authority of the City of Omaha was based on audit of "selected phases of the low-rent housing operations;" that "deficiencies disclosed by the audit" were discussed with the Executive Director of the Omaha Authority; that a draft of the proposed report was submitted to the PHA Commissioner and the HHFA Administrator on September 12, 1956; and that the reply from Commissioner Slusser of October 12, 1956, had been considered in the final report.

Comptroller General Campbell said further that while "generally the Housing Authority of the City of Omaha was conducting the low-rent housing program in accordance with PHA agreements," * * * "deficiencies disclosed by our audit" included:

1. "Budget items not supported by detailed cost records," and lack of control records, such as maintenance work orders, was cited as a matter in point.

2. "Failure to invest excess moneys," and availability of "112,000 for investment in 1955 was cited as a matter in point.

3. "Legal expenses incurred in excess of prescribed limitation," and a 4-year contract with an attorney at $4,200 a year, when the limit was $2,528, was cited as a case in point.

4. "Retirement and social security tax payments for ineligible employee," and the case of the attorney under contract was cited and a situation in point.

5. "Deficiencies in procurement practices," and a high percentage of the number of contracts and purchases examined were cited as cases in point.

6. "Weaknesses in physical inventory procedure," and lack of an independent check of accuracy of the initial physical inventory count was cited as a situation in point.

7. "Failure to document within-classification salary increases," and changes in employees' salaries for grade increases within the same compensation schedule are made by the bookkeeper upon oral or written direction of the executive director were cited as a practice in point.

8. "Failure to audit Commissioners' travel vouchers," and lack of evidence that travel vouchers by Commissioners who attended meetings of the National Association of Housing and Redevelopment Officials in Toledo and Cleveland was cited as a situation in point.

9. "Duplication in maintenance of leave records," and two sets of leave records, one by a bookkeeper and the other by the secretary of the executive director, were cited as a matter in point.

Federal Housing Administration

Richland, Wash., Appraisal Office, Federal Housing Administration, Housing and Home Finance Agency

The community of Richland, Wash., was constructed by the Federal Government for the Hanford Atomic Works employees. In 1947 administration and control of Richland were transferred from the Manhattan Engineering District to Atomic Energy Commission. The Atomic Energy Community Act of 1955 provided for sale of Government-owned properties in Richland to private purchasers.

To establish the basis for sale prices the 1955 act directed that "The appraisals shall be made by the Federal Housing Commissioner or his designee," and * * * the appraised value shall be the current fair market value of the Government's interest in the property."

FHA engaged six contract appraisers in 1955 and 1956 for this purpose, and the value was determined to be about $8.5 million.

The commercial land in Richland is Government owned and is leased to individuals and business concerns. In some cases the Government also owns and leases commercial buildings. In other cases commercial buildings are owned privately. The Government-owned land and buildings are being sold subject to existing leases. The leases were a factor in determining appraised values.

The fact that lease provisions were not standardized has raised many problems in determining consistent values.

FHA appraisers developed certain background data, including commercial land values, for use by the contract appraisers who individually collected additional data. Each contract appraiser prepared a report which contained his conclusions of value for the properties he appraised.

In a letter to Commissioner Normal P. Mason, Federal Housing Administration, May 20, 1957, Joseph Campbell, Comptroller General of the United States said the GAO review of the Richland, Wash., Appraisal Office, FHA, regarding appraisal of commercial properties in Richland "disclosed inconsistencies in several parts of the appraisal and several errors of fact."

(Comptroller General Campbell's letter noted that the principal findings of the report were discussed generally with various FHA officials during the examination and at its conclusion; that a draft of the proposed report was submitted to the FHA Commissioner and the HHFA Administrator on March 8, 1957; and that Commissioner Mason's reply of April 8, 1957 had been considered in the final report.)

The Comptroller General, among the "inconsistencies and errors" found, specified "examples" as follows:

1. "Market data developed by FHA appraisers indicate a capitalization rate of 6¾ percent; a 7 percent rate was used."

2. "One contract appraiser used gross rents rather than net rents to determine lease-contract values in the uptown shopping center."

3. "The methods used by the several appraisers in determining rentals for use in valuing lease contracts and properties were not uniform."

4. "The cost conversion factors used in determining the Government's reversionary interest in leasehold improvements might warrant adjustment."

5. Numerous errors were made in 2 of 3 neighborhood commercial property appraisals reviewed.

FISCAL YEAR 1956 REPORTS

These six reports on audits of Federal housing offices and programs by the United States General Accounting Office, follow four previous reports made in fiscal year 1956.

Those last year were on audits conducted in the FHA insuring offices in New York, Kansas City, and Cleveland, and a fourth report dealing with deficiencies found in 22 slum clearance-urban renewal projects in 15 cities: Kansas City; St. Paul; Somerville, Mass.; St. Louis; Detroit; Chester, Pa.; Norfolk, Va.; Perth Amboy, N. J.; Cleveland; Birmingham, Ala.; Knoxville, Tenn.; Jersey City, N. J.; Little Rock, Ark.; Providence, R. I.; and Nashville, Tenn.

The General Accounting Office is continuing these audits on Federal housing agencies, offices, activities, and programs. More reports are to be forthcoming shortly.

Mr. MORSE. Mr. President, this will be an exceedingly short speech. I shall speak at greater length this evening on another phase of the bill, and on another problem, but I want to explain why I shall vote against the so-called compromise amendment.

I share the views just expressed by the Senator from New York [Mr. JAVITS]. Yesterday I made a speech on the housing bill in which I explained my great disappointment in the bill. I desire to say that all this amendment does, in my opinion, is make a bad bill worse, because I think it further weakens the first line of defense of American security and the American system, namely, private home ownership.

In my opinion, we do not serve the best interests of the American people by accepting a compromise such as this. I think it would be better to have no bill at all and take the issue to the American people than to accept what I consider to be a very weak bill, and what the chairman of the subcommittee himself has called a holding bill, because his speech of yesterday was full, really, of his own expressions of disappointment in his own bill.

I think, Mr. President, certainly those of us who feel that private home ownership ought to be strengthened by an adequate housing bill cannot accept such a compromise as this, which makes the bill even less acceptable than it was when it came to the floor of the Senate.

For the reasons I expressed yesterday on the floor of the Senate, and with this explanation, I want to say I shall vote against this compromise.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc proposed by the Senator from Ohio [Mr. BRICKER]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from North Carolina [Mr. ERVIN], the Senator from Rhode Island [Mr. GREEN], the Senator from Missouri [Mr. HENNINGS], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Ohio [Mr. LAUSCHE], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MANSFIELD], the Senator from Michigan [Mr. MCNAMARA], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Virginia [Mr. ROBERTSON] are absent on official business.

On this vote, the Senator from Nevada [Mr. BIBLE] is paired with the Senator from West Virginia [Mr. NEELY]. If present and voting, the Senator from Nevada would vote "yea" and the Senator from West Viriginia would vote "nay."

The Senator from Massachusetts [Mr. KENNEDY] is paired with the Senator from Michigan [Mr. MCNAMARA]. If present and voting, the Senator from Massachusetts would vote "yea" and the Senator from Michigan would vote "nay."

I further announce, if present and voting, the Senator from Montana [Mr. MANSFIELD], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Virginia [Mr. ROBERTSON] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Vermont [Mr. AIKEN] is absent on official business.

The Senator from Indiana [Mr. JENNER], the Senator from North Dakota [Mr. LANGER], and the Senator [Mr. PAYNE] are absent because of illness.

The Senator from Wisconsin [Mr. WILEY] is detained on official business.

If present and voting, the Senator from Maine [Mr. PAYNE] would vote "yea."

The result was announced—yeas 67, nays 11, as follows:

YEAS—67

Allott	Eastland	Mundt
Anderson	Ellender	Potter
Barrett	Flanders	Purtell
Beall	Frear	Revercomb
Bennett	Fulbright	Russell
Bricker	Goldwater	Saltonstall
Bridges	Hayden	Schoeppel
Bush	Hickenlooper	Scott
Butler	Hill	Smathers
Byrd	Holland	Smith, Maine
Capehart	Hruska	Smith, N. J.
Carlson	Johnson, Tex.	Sparkman
Case, N. J.	Johnston, S. C.	Stennis
Case, S. Dak.	Kefauver	Symington
Chavez	Kerr	Talmadge
Church	Knowland	Thurmond
Clark	Kuchel	Thye
Cooper	Malone	Watkins
Cotton	Martin, Iowa	Williams
Curtis	Martin, Pa.	Yarborough
Dirksen	McClellan	Young
Douglas	Monroney	
Dworshak	Morton	

NAYS—11

Carroll	Jackson	Murray
Gore	Javits	Neuberger
Humphrey	Long	Pastore
Ives	Morse	

NOT VOTING—17

Aiken	Kennedy	Neely
Bible	Langer	O'Mahoney
Ervin	Lausche	Payne
Green	Magnuson	Robertson
Hennings	Mansfield	Wiley
Jenner	McNamara	

So the amendments of Mr. BRICKER were agreed to en bloc.

Mr. BRIDGES. Mr. President, I move to reconsider the vote by which the Bricker amendments to the committee amendment were agreed to.

Mr. KNOWLAND. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California to lay on the table the motion of the Senator from New Hampshire to reconsider.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, I send to the desk an amendment, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 54, after line 20, it is proposed to insert a new section as follows:

DISCOUNT CONTROL

SEC. 605. With respect to housing built or sold with assistance provided under the National Housing Act, or title III of the Servicemen's Readjustment Act of 1944, the Federal Housing Commissioner and the Administrator of Veterans' Affairs, respectively, are specifically authorized and directed to issue such regulations, applicable uniformly to all classes of mortgagees, as they determine desirable for the purpose of limiting the charges and fees imposed upon the builder or seller, or the veteran or other purchaser, in connection with the financing of the construction or sale of such housing, whether or not such charges were or are imposed in connection with the financing assisted by the Federal Government, and no loan shall be insured or guaranteed under such acts unless the mortgagee certifies that it has not imposed upon the builder or seller, or the veteran or other purchaser, any charges or fees in connection with the financing of the construction or sale of such housing in excess of the charges or fees permitted under such regulations for such purposes as are applicable to the housing involved.

Mr. HUMPHREY. Mr. President, I should like to have order and the attention of my colleagues.

The PRESIDING OFFICER (Mr. FREAR in the chair). The Senate will be in order.

Mr. HUMPHREY. Mr. President, I recognize the hour is very late, and undoubtedly we are going to vote on the bill tonight and complete action on it.

This amendment is proposed at a time when we have already disposed of the question of additional funds for FNMA. This amendment is not involved in the amount of money which is available for the secondary mortgage market. It is to be considered entirely on its own merits and not related at all to the borrowing authority of the Federal Housing Administration.

The amendment I propose is substantially what the subcommittee had agreed to, and it is substantially, Mr. President, what was once before in the housing law, I believe in the Housing Act of 1951. All the amendment proposes is to take into account the fact that discounting practices are prevalent. It directs the Administrator of Veterans' Affairs and the Federal Housing Commissioner to lay down such rules and regulations as they deem necessary and feasible to control the practice of discounting.

I wish to be very candid. The amendment does not say "prohibit." It does permit the Administrators to prohibit, but it leaves it within the discretion of the Administrator of Veterans' Affairs and the Federal Housing Commissioner to prescribe the rules and regulations which may be feasible and workable.

The argument has been made in the Senate, with some persuasive force, obviously, that if we expressly prohibit by law we may dry up the mortgage market or the availability of credit. Therefore, Mr. President, the purpose of the amendment, its objective, is to direct the Federal Housing Commissioner and the Administrator of Veterans' Affairs to issue regulations, as they determine desirable, applicable uniformly to all classes of mortgages, for the purpose of limiting the charges and fees imposed upon the builder, the seller, the veteran or other purchaser in connection with the financing of, the construction of, or the sale of such housing.

I feel this amendment is needed, Mr. President. There is not a Senator who is happy about the discounting practices. There are Senators who feel that discounting to some degree must take place if money is to be made available or credit is to be made available. There are those of us who disagree with that point of view. Be that as it may, that matter has been settled, in a sense, by the Gore amendment, and settled again by the Bricker amendment.

The purpose of the amendment I propose is to take cognizance of a practice which I believe has gotten out of hand, and to direct the responsible authorities who are in command of all the information as to the mortgage market and the housing need to apply the rules and regulations which will limit the fees and charges to be imposed upon a builder, seller, veteran or other purchaser of shelter or housing.

Mr. SPARKMAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Alabama?

Mr. HUMPHREY. I yield to the Senator from Alabama.

Mr. SPARKMAN. Mr. President, I should particularly like to have the attention of the Senator from Indiana [Mr. CAPEHART] while I mention this point.

As the Senator knows, in the bill which the subcommittee agreed to, probably the identical language was included. The full committee omitted the language, as I explained the other day, because of the fact that such a provision was already in the House bill and the matter would be in conference.

For my part, I am in thorough sympathy with an effort to curb the discounting practice, in a practicable manner. So far as I am concerned, I should be very glad personally if we could agree to take this amendment to conference. It does not bind us.

As a matter of fact, I am rather of the opinion that the Federal Housing Commissioner has the power to do now just what this amendment would give him the power to do. But the amendment might serve as a prod to him.

If the Senator from Indiana would be receptive to the idea, I should be very glad to suggest that we take the amendment to conference.

Mr. CAPEHART. Mr. President, the House bill contains some language similar to that of the amendment. The general impression of everyone I have talked to—administrators of the Housing Act, builders, mortgage dealers, and others—is that this proposal is not practical and will not work. It sounds good. I wish to remain openminded on the subject, but I should like to say that I believe the Members of the Senate, and especially those who will be conferees, ought to leave this matter open and study it, and get more information from those who are better qualified to give it, possibly, because of their familiarity with the administration of this program. If in the meantime it can be proved that the language of the House provision or the language of the amendment is workable, we can easily accept the amendment, or the similar provision of the House bill, because the subject will be in conference, in view of the fact that the House has such a provision in its version of the bill.

Regardless of what Senators may think the sale of a mortgage is like the sale of anything else. Prices move up and down. If they do not, there is a controlled situation.

I do not quite understand what kind of regulations the Administrator could write which would help the situation, because unless we permit the sale of the mortgages on a basis which allows the price to go up and down, they will not be sold. When we begin imposing such restrictions as this on those who buy the mortgages, we shall not be able to sell them.

The greatest problem today is the sale of mortgages, and not the sale of houses. It is not even the downpayment. It is the sale of the mortgage. If we are going to put mortgages in a strait jacket, without flexibility, we may defeat the objective we have in mind.

I wish the able Senator from Minnesota would withdraw his amendment. I am in sympathy with the idea, but I do not believe we ought to adopt his amendment, because if we do we shall have to come out of conference with some sort of discount control, and I am not sure that that would be in the best interest of the people generally, or of those affected by the housing industry. If the able Senator will leave it up to the Senate conferees, inasmuch as the House has certain language in its version of the bill dealing with the subject, we shall see whether or not it is practicable to draft some provision which will serve the desired purpose. If we accept the pending amendment, we shall have to come out of conference with some kind of discount control.

Mr. HUMPHREY. That is correct.

Mr. CAPEHART. We might be in a very bad situation. I know what the able Senator from Minnesota is thinking about. I congratulate him for thinking about it, and for offering the amendment. However, I believe it would be in the best interest of all concerned if he were to withdraw the amendment.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. JOHNSON of Texas. I wish to ask two questions. First, as I understand the amendment, it would vest discretionary authority in the Federal Housing Administrator and the Administrator of Veterans' Affairs as to the regulations which would be issued.

Mr. HUMPHREY. It would authorize and direct them to issue regulations. The regulations would be entirely within their discretion, and they could be altered as the Administrators might deem necessary.

Mr. JOHNSON of Texas. I assume the Senator has sufficient confidence in the Federal Housing Administrator and the Administrator of Veterans' Affairs to trust them with a matter of this kind.

Mr. HUMPHREY. I do.

Mr. JOHNSON of Texas. I should like to ask a second question. Is the language of this amendment identical with or similar to the language of the House provision? I ask that question of the chairman of the subcommittee.

Mr. SPARKMAN. No. It is far different from the language in the House version of the bill. I think this language is preferable, in the absence of our ability to evolve some plan which is foolproof, because this language would impose upon the Administrators the task of trying to draft satisfactory regulations. It would not, of itself, establish a control.

Mr. HUMPHREY. It would not.

Mr. SPARKMAN. My understanding is that the language of the House would, in effect, establish a control.

Mr. HUMPHREY. Furthermore, the language of the House would not apply to GI housing.

Mr. SPARKMAN. That is correct.

Mr. HUMPHREY. One of the areas of housing construction which is taking a very bad beating in connection with discounts is GI housing.

Mr. President, I urge my colleagues to give this amendment thoughtful consideration. It would place the Senate on record with the housing authorities—both the Administrator of Veterans' Affairs and the Administrator of the Federal Housing Administration.

It would serve notice on those officials that we look with considerable concern on the practice of discounting, and that we order and direct the Administrators to prepare regulations which will limit such charges in accordance with their best judgment, so as to keep available mortgage money for the borrowers, and at the same time protect the legitimate rights of those attempting to buy houses.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. BUSH. How would the pending amendment affect the present situation? As I understand, the present legislation leaves the agencies with discretion to buy mortgages at whatever seems to them to be the proper market price. Is that correct?

Mr. HUMPHREY. The present law leaves it within the discretion of the Administrator to act or not to act, with respect to regulations. My amendment would direct the Administrator to prepare such regulations and rules as he might find to be necessary to do the job of limiting charges. It would not necessarily prohibit discounting, but it would establish the bounds within which discounting could take place. That would be one of the rules.

Mr. BUSH. At the present time there are no regulations or restrictions on the agency respecting what may be done in the way of a discount in the sale of a mortgage.

Mr. HUMPHREY. That is my understanding.

Mr. BUSH. It seems to be the hope of the Senator that, if the amendments were adopted, the Administrator would establish limits upon the discounts which might be paid.

Mr. HUMPHREY. That is correct.

Mr. BUSH. On that basis, I certainly oppose it.

Mr. JOHNSON of Texas. Mr. President, if there is a prospect of this amendment being acted on without extended discussion I hope it may be adopted and taken to conference. It offers some hope. If it were taken to conference, I do not think we would be bound to adopt the language of the amendment. As I read the amendment, the Federal Housing Administrator and the Administrator of Veterans' Affairs must specifically determine when such regulations are desirable for the purpose of limiting charges.

Mr. HUMPHREY. That is correct.

Mr. JOHNSON of Texas. If they do not determine that such regulations are desirable, they will not be issued. I have sufficient confidence in their judgment to vest that authority in them. I hope the amendment can be taken to conference, and that we may have a standing vote at this time, if that is agreeable. I do not wish to keep the Senate in session too long, because I have agreements with Senators who desire to address the Senate on other subjects.

Mr. HUMPHREY. I understand.

Mr. JOHNSON of Texas. A number of Senators have engagements for which they are already very late. So if it is agreeable to the Senator from Minnesota and the Senator from Indiana, I hope we may have a vote.

Mr. CAPEHART. Mr. President, I have before me the House language on the subject. It mentions a mortgage credit study.

Mr. HUMPHREY. That is correct.

Mr. CAPEHART. If the Senator from Minnesota will modify his amendment so as to direct the administrators to study the problem, I shall have no objection to a study. I would not object to a study by either the House or the Senate. However, the Senator's amendment does not require any study.

Mr. HUMPHREY. Mr. President, I say most respectfully to the Senator that the study, if any study is to be made, will be made by the Administrator, in the sense that he will prescribe such rules and regulations as he finds specifically desirable and necessary.

I believe—and I say this with all kindness and friendship—that we have discussed the question of discounting to the point where I think it is almost like a broken record. My point is that we should place the Senate on record, so that when the Senate conferees go to conference, they will come back with a provision for the control of discounts.

Mr. CAPEHART. The able Senator wishes to place the Senate in such a position that when the Senate conferees come back from conference, they must come back with a provision on the subject. I am willing to go to conference on the subject, because the House has covered it in its language. However, I am not sure that it is possible to come back from conference with anything which is workable, unless Congress wishes specifically, by law, to say that these mortgages cannot be discounted, or that they may be discounted only 1 point or 2 points. I am not so sure that it would be a good thing to leave the decision up to the Administrator.

Mr. JOHNSON of Texas. Mr. President, may we have a vote on the amendment of the Senator from Minnesota?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. HUMPHREY].

Mr. HUMPHREY. Mr. President, I ask for a division on my amendment.

On a division, the amendment was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the Humphrey amendment was agreed to.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER (Mr. FREAR in the chair). The question is on agreeing to the motion of the Senator from Minnesota.

The motion to lay on the table was agreed to.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to make an announcement. I had previously agreed with the senior Senator from Oregon [Mr. MORSE] that when the Senate had concluded action on the Bricker amendment he would have an opportunity to address the Senate. I appreciate his indulging the Senator from Minnesota [Mr. HUMPHREY]. I did not realize that the Senator from Minnesota would obtain the floor. When he did, of course, I could not prevent him from doing so.

However, I wish to announce to the Senate that under the order previously entered, when the Senate concludes its business today, it will stand in adjournment until 10:30 tomorrow morning.

When the conference report on the State, Justice, Judiciary, and related agencies' appropriation bill is available after the House has acted on it, the Senate will take up that conference report, because it is a matter of the highest privilege.

We do not expect to have any more rollcalls tonight.

The Senator from Oregon desires to address himself to subjects not connected with the pending bill.

We shall proceed to the further consideration of the pending bill tomorrow, until the conference report on the appropriation bill reaches us. When that report reaches us, we will suspend consideration of the pending bill until the Senate has acted on the conference report.

It is hoped that we will conclude action on both the conference report and the pending bill before tomorrow evening. If not, we will have a late session tomorrow evening.

I make that announcement for the information of all Senators. I express my gratitude to the senior Senator from Oregon for his complete cooperation.

Mr. MORSE. I should like to say to the majority leader that I fully understand what happened with regard to the Humphrey amendment. I understood I was to get the floor after we had disposed of the Bricker amendments.

I am advised that the Senator from Maryland [Mr. BEALL] has an amendment which he believes to be noncontroversial. I should like to suggest that I be allowed to yield to the Senator from Maryland so that he may at least send the amendment to the desk. I have some doubts as to whether it is noncontroversial.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Oregon may yield to the Senator from Maryland for the purpose of having the Senator from Maryland send his amendment to the desk and to have it read and considered briefly. If it can be accepted, we can act on it at this time, with the understanding, of course, that the Senator from Oregon does not lose his right to the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. BEALL. Mr. President, I call up my amendment which is designated "S-27-57-H."

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 31, after line 8, it is proposed to insert the following new section:

SEC. 201. Section 302 (b) of the National Housing Act, as amended, is hereby further amended by striking out the following: "(3) The Association may not purchase any mortgage, except a mortgage insured under section 603 or a mortgage covering property located in Alaska, Guam, or Hawaii, if the original principal obligation thereon exceeds, or exceeded, $16,000 for each family residence or dwelling unit covered by the mortgage," and substituting in lieu thereof "(3) The Association may not purchase any mortgage, except a mortgage insured under section 603 or a mortgage covering property located in Alaska, Guam, or Hawaii, if the original principal obligation thereon exceeds

or exceeded, $15,000 for each family residence or dwelling unit covered by the mortgage, unless the said insured mortgage covers property in an area declared by the Federal Housing Commissioner to be a high-cost area."

Renumber presently numbered sections 201 through 207 of title II as sections 202 through 208.

Mr. BEALL. Mr. President, the purpose of the amendment is to permit the Federal National Mortgage Association to purchase mortgages where the value of each family unit exceeds $15,000—but only where FHA has declared the mortgaged property to be located in a high-cost area.

I am well aware that the purpose behind FNMA and other Federal housing agencies is to assist in the construction of homes for persons of relatively low incomes. With this purpose I am in thorough accord and it is not my intention that the authority of FNMA should be extended beyond what is reasonable in this field. Study of my amendment will reveal that it in no way seeks an unreasonable extension of authority in FNMA to purchase mortgages.

FHA already has the authority to declare high cost areas, in which case it may insure mortgages in an amount greater than $15,000—up to a limit of $20,000. FNMA, however, does not have a commensurate authority. It is therefore, possible, and not unusual, for authority to be granted by FHA for mortgage insurance to be permitted over and above the authority of FNMA to purchase.

There have been several instances where such circumstances have forestalled construction of much-needed housing. My amendment would cure this defect in our housing law and permit the housing agencies to conduct their lending business in the proper fashion, in those localities recognized as high-cost areas.

The high-cost-area principle—the recognition that housing in some areas costs more to build, has been condoned by the Congress in granting to FHA the authority to raise its insurance commitments. Such permission, however, Mr. President, serves no real purpose unless FNMA possesses equal authority to make purchases of mortgages accordingly.

In a high cost area, such as Washington, D. C., has recently been declared to be, it is obvious that housing will cost more than in some other areas—housing that is identical in character, and which will serve to the benefit of the same segment of our population. The Congress, having recognized this situation in its delegation of authority to FHA must permit the housing program to function properly. This can be done through permitting FNMA the authority to purchase mortgages to the same extent that FHA is authorized to insure them.

As the housing program is set up under presently existing law, the Federal National Mortgage Association can purchase only those mortgages which have been insured by FHA or the Veterans' Administration. Since this is true, my amendment will not permit FNMA to purchase mortgages indiscriminately. On the contrary its mortgage purchases will continue to be required to be FHA insured; and they can exceed $15,000 only upon recognition by the FHA of the locale as a high-cost area.

My amendment, therefore, Mr. President, is designed to accomplish one purpose—and one purpose only—to permit an increase of the value per unit of those housing projects the mortgages on which FNMA purchases; and such increases remain within the jurisdiction of FHA to determine to be within a high-cost area.

Everyone agrees that there are many persons living in high cost areas for whom the advantages of FNMA were created. These people should not be penalized simply because they live in a high cost area. And, Mr. President, it is through my amendment that the differential between high- and low-cost areas may be taken care of in order that FNMA may operate to the advantage of all persons for whom it was originally intended.

I move the adoption of the amendment.

Mr. SPARKMAN. Mr. President, I should like to say that this amendment was presented to the committee at the last minute, without sufficient time for us to make a considered decision on it. I have told the Senator from Maryland—and I believe the Senator from Indiana [Mr. CAPEHART] agrees—that I would be willing to take the amendment to conference, with the understanding that in the meantime we will get such information about the matter as it is possible to get, and in that way the amendment will be open for discussion in conference, and we will be able to reach a final decision on it there.

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). The question is on agreeing to the amendment offered by the Senator from Maryland [Mr. BEALL].

The amendment was agreed to.

SETTING RECORD STRAIGHT ON HOUSING BILL

Mr. MORSE. Mr. President, as I address myself to various items in the next few minutes, I ask the attention of the Senator from Indiana [Mr. CAPEHART]. Last night after I had made my speech on the housing bill, it became necessary for me to leave the floor in order to keep an important engagement down town.

At that time the Senator from Indiana discussed my speech. I say, with a sense of humor, that the Senator from Indiana did not discuss my speech in a complimentary manner. I am accustomed, of course, to the Senator from Indiana paying his disrespects to me on the floor of the Senate. Continuing with the same sense of good humor, I would say that if I ever found the Senator from Indiana in agreement with me, I would know that I was surely on the wrong side of the issue.

Therefore I am not at all concerned about his uncomplimentary statements. However, I certainly want the RECORD to be straightened out, because in my judgment the Senator from Indiana made a most inaccurate statement in regard to the position of the Senator from Oregon.

So I turn to page 7712 of the CONGRESSIONAL RECORD for yesterday and will cover very quickly certain points which the Senator from Indiana made. He said:

First, Mr. President, let me say that the Senator from Oregon said that the young couples will pay a 10-percent discount. Let the record show that although there may be a 10-percent discount in some cases, they will be the exception, rather than the rule. Furthermore, the FHA and the Veterans' Administration set the prices of the houses; and the 10-percent discount—if there is one—or the 6-percent or 7-percent discount will be charged to the builders, not to the young couples. The builders, not the young couples, will pay the discount.

Mr. President, I had spoken out yesterday against the hijacking of the young couples of America by the discount system. I spoke in complimentary terms of the Senator from Tennessee [Mr. GORE] because of the announcement he made that he would offer an amendment aimed at the discount racket—and a racket is what I think it is. I told the Senator from Tennessee that I would be delighted to be one of the cosponsors of his amendment. The debate today convinced me how right I was. Although the Gore amendment was rejected, I am perfectly willing to let the American people be the judges of the position which those of us who supported the amendment took. I am satisfied that when we took the position we did take on the Gore amendment, we were seeking to protect the welfare of young couples and of other potential and prospective home purchasers.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MORSE. In a moment.

I am satisfied it is not the first payment of the discount; it is the last payment of the discount. For the Senator from Indiana to say that the homebuilders are going to pay the discount does not change the fact that when the young people come to buy a home, the discount will be figured in the purchase price of the home. That cost will find its way into the figures which the builder gives to the young people.

Now I yield to the Senator from Indiana.

Mr. CAPEHART. I am certain the Senator from Oregon knows that the Veterans' Administration appraises all houses and sets the selling price, and that under the law they cannot include, in setting the selling price, anything which has to do with financing, selling, or advertising the property. The same is true of the FHA. The discounts which have been talked about so much today are all absorbed by the builder who sells the house. They are not absorbed, and it is illegal for them to be absorbed, under an FHA-guaranteed mortgage, by the purchaser. That is according to the law passed by Congress. There may be some violations of the law, but anyone who violates the law is subject to prosecution.

Mr. MORSE. I do not think there is any violation of the letter of the law. What I am satisfied the Senator from Indiana is not taking into account is that the assessors, those who assess the property in the first place, are taking the

discount into account. I am satisfied that in practice the assessors, when they assess the value of the property, whether they are assessors for the Veterans' Administration or the FHA, take into account what is happening. In my judgment, the price is being fixed too high. I do not think the builder, in the last analysis, is paying the bill. That is what many persons feel.

Mr. CAPEHART. Then those who appraise the property are violating the law.

Mr. MORSE. No; they are not violating the law. They take into account their judgment of the value. Who can say when the Veterans' Administration or the FHA is aware of the fact that the discounts will have to be paid, and that they are not taken into account in determining the original price?

Mr. CAPEHART. I do not believe the representatives of the Veterans' Administration or the FHA who make the appraisals ought to be accused of taking anything of that sort into consideration, because if they do they know they are violating the law.

Mr. MORSE. No; they are not violating the law; they are making an appraisal. They are taking into account what is actually happening in the money market. They are making their appraisal on the basis of what is happening in the money market.

In my judgment, the result is that the builder, in the last analysis, is able to get out without a loss; and the price which is fixed in the first instance takes into account what is happening in America's money market.

Mr. CAPEHART. Does the Senator have any proof of that?

Mr. MORSE. I simply have a great many complaints from constituents of mine and from other persons in various places in the country to the effect that they think the appraised values, in many instances, are too high.

I think one reason why they are too high is that we have got into a situation that in order to sell the houses, apparently, it is necessary to have a discount arrangement. So the appraisal is placed high, and the young people, in the last analysis, or the other purchasers, have to pay the bill.

I now quote the second point in the speech of the Senator from Indiana that I wish to answer:

The Senator from Oregon was tilting with windmills when he discussed the provisions in regard to college housing. So far as I know—and I believe I am correct—the bill contains all the provisions desired by anyone in respect to college housing. We included in the bill the amount desired for that purpose. We did not provide for an increase in the interest rates. I know of nothing requested by anyone in respect to college housing that we did not provide for in the bill.

Mr. President, one reading that statement would get the impression that I said we increased the interest rates on college housing. I did not mention it.

Second, I certainly disagree completely with the Senator from Indiana if he thinks the bill includes what the college people want, because, to my knowledge, that does not happen to be the case.

There are college presidents and administrators who think the amount ought to be larger; and if we did not have the view of a single college president, we ought to take judicial notice of the fact that the amount ought to be larger. We ought to take judicial notice of the fact that on campus after campus there is a great housing shortage. I think the amount should have been substantially larger.

The Senator from Indiana, in my opinion, does not come anywhere near answering the Senator from Oregon when I made the argument, as I did yesterday, that we should meet the threat of Russia surpassing the United States in the field of training brains in the next 50 years. We should be spending the money necessary to make certain that we provide a better education for American boys and girls, in order to get ahead of Russia in brainpower.

I hold in my hand a letter from a college president who urges me to do all I can to obtain an increase in funds for college housing. I have had other college presidents from my State confer with me in recent months and urge me to do everything I can to get the maximum possible amount for college housing.

I say to my friends in Indiana that I think the bill is wholly inadequate, so far as the money provided for college housing is concerned. In my opinion we spend defense dollars well if we provide funds for that purpose. I would go so far as to say, in many instances, that we should provide funds in the form of subsidies to the public and private colleges of the Nation, in order to build the living accommodations which are needed for our college students.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CAPEHART. I honestly believe that the members of the subcommittee and the members of the full committee will agree with me when I say that we did not have any suggestions or complaints in respect to college housing, and that, in substance, we gave everybody what was wanted.

I think what the Senator's correspondents were talking about in the letters was that the budget for college housing as recommended by the administration was $150 million, and that we in the committee raised the amount to $200 million. I think some persons did come before the committee and suggest that the amount be made $200 million, or $50 million more than the President's budget recommendation of $150 million.

I speak with the utmost sincerity when I say that I believe every member of the committee who listened to the testimony would state that we did not shortchange anybody or in any way reduce the item, or fail to give to those who testified in respect to college housing in substance what they wanted.

Mr. MORSE. I understand that is the Senator's point of view. But I want him to know that when I made my speech yesterday afternoon, I was making it based upon the consideration of representations which had been made to me for more money. I think they are sound recommendations. I think the bill is inadequate in granting only $200 million for college housing. I think the amount should be considerably greater.

Next, the Senator from Indiana said:

Mr. President, in line with the tilting with windmills which the Senator from Oregon is always doing and his lack of knowledge is his statement that the committee voted to reduce by $750 million the FNMA commitment, the fact is that we voted to increase it—not reduce it—by $750 million.

First, let me make the point that I did not say the committee had reduced the amount by $750 million. I read telegrams and letters from persons who said so. The Senator from Indiana apparently did not draw any distinction between what the telegrams said and what the Senator from Oregon said.

But now let us examine the record, to ascertain what actually happened. I am advised by counsel of the committee that this is exactly what did happen: The Subcommittee of the Senate Banking and Currency Committee reported an item of $1,250,000,000 in new borrowing authority. The full committee reported the amount of $500 million in new authority—or a reduction of $750 million from the recommendation of the subcommittee—which I imagine is exactly what these constituents of mine had in mind. When in their telegrams they protested against the reduction by the full committee of $750 million, they were protesting against the full committee's reduction of the amount recommended by the subcommittee. Therefore, even the telegrams I placed in the RECORD are correct, insofar as they refer to a reduction from the amount voted by the subcommittee.

Let me also say good naturedly that the Senator from Indiana was wrong in saying that the absolute increase was $750 million, because it was only $500 million.

Again, in a very friendly spirit, I say the Senator from Indiana should be more careful about charging a colleague on the floor of the Senate with making a misstatement of fact, when in the first place the Senator from Indiana was attributing to the Senator from Oregon a statement which the Senator from Oregon did not make at all. Instead, the statement was taken out of a series of telegrams.

In the second place, the fact is that the telegrams were quite correct when they pointed out that the full committee did reduce by $750 million the amount recommended by the subcommittee of the Senator's committee, which subcommittee recommended $1,250,000,000.

In the third place, the Senator from Indiana was completely wrong in his own facts, when he tried to lead the Senate to believe that the committee had recommended $750 million more, when the record shows that it recommended only $500 million more.

Mr. HUMPHREY. Mr. President, will the Senator from Oregon yield to me?

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). Does the Senator from Oregon yield to the Senator from Minnesota?

Mr. MORSE. I yield.

Mr. HUMPHREY. I appreciate the courtesy of the Senator from Oregon in

yielding to me, because I wish to make a brief statement about a distinguished colleague of mine, a Senator by the name of WAYNE MORSE, of Oregon.

Mr. President, the Washington News of today, May 28, carries a story, under the byline of Walter Wingo, about a meeting last night of the Washington, D. C., Young Republicans Club. The story is interesting because of what it omits. The Washington Young Republicans voted on resolutions relating to censure of Senators. I shall not comment on that, because I do not believe it is particularly important.

However, I have it on excellent authority that at the meeting of the Young Republicans Club, a motion recommending the censure of the Senator from Oregon [Mr. MORSE] was made. However, more important than that, the motion was defeated.

I remember that last week, when some of our friends on the other side of the aisle attacked the Senator from Oregon for his comments about the President's power policies and the generosity toward the Idaho Power Co., that was regarded as front-page news and as grist for the editorial mills.

However, Mr. President, is it not strange, and even mysterious, that when the Young Republicans Club of Washington, D. C., defeated a resolution recommending censure of the Senator from Oregon for the same occurrence, a heavenly silence seemed to prevail? I do not know where the newspaper reporter was at that particular moment, but I gather that he was there. Or did he report a meeting which he did not attend? I am sure he did not. Or did his editor decide that the newspaper had run out of space?

Mr. President, the Senator from Oregon needs no defense. Those of us who on occasion have tangled with him in debate, know that. But when Young Republicans reject a motion to censure my friend, the Senator from Oregon, I submit that that, too, is news.

I wish to thank the Senator from Oregon for permitting me to make this statement, not with his prior knowledge; but it is simply about a matter which I thought should be stated in the Senate, because I read with considerable interest and, may I say, considerable concern, the newspaper articles relative to the very vitriolic attack made in the Senate on the Senator from Oregon. I regret that I was not present to participate in the argument made by Senators on this side of the aisle.

However, when I read the newspaper article which I now hold in my hand—an article under the byline of Walter Wingo, in regard to a motion by the Young Republicans in proposing the censure of one of my colleagues—I thought I should bring it to the attention of the Senate.

I thank the Senator from Oregon for his cooperation. He did not know that I was about to make this statement; but I hope he enjoyed it.

Mr. MORSE. I did enjoy it, and I appreciate very much what the Senator from Minnesota has said.

Mr. President, let me say, in regard to what obviously was an organized attack by the party of the opposition, that it tickled my sense of humor. I am sure the Senator from Minnesota will be interested in knowing that a very prominent Republican friend of mine in Oregon called me the next day and asked, "Wayne, how much did you pay those Republicans to attack you?" Then he went on to state what will be the reaction of the people of my State when they come to know the facts. Of course, the first flurry was, and it probably was a part of the design, to the effect that I had made the charges that I was accused of making. However, what I actually said was recorded on tape; and I shall invite some of my good personal friends on the other side of the aisle—of course they are political enemies, as their speeches on the floor of the Senate show, but still they are good personal friends of mine—to have coffee with me some afternoon, and then I shall play for them the tape of my Detroit speech; and then they will be able to hear with their own ears how wrong they were in placing their reliance upon the press, because the press report of that speech was quite contrary to what the tape itself shows.

Mr. CAPEHART. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. CAPEHART. Then is the Senator from Oregon saying he was misquoted by the press, and that what he said was not correctly reported?

Mr. MORSE. Let the Senator from Indiana read the RECORD. I stated on last Wednesday afternoon what I said in the Detroit speech, and I had previously said it on the floor of the Senate on April 29. Of course it was not complimentary to the President. But the quotation given by the Senator from New Hampshire [Mr. BRIDGES], the chairman of the Senate Republican policy committee, was a misstatement of fact; and I said so last Wednesday. But apparently those on the other side of the aisle were so intent on finishing the hatchet job which they came to the Senate to do, that they did not pay attention to what I actually said.

Mr. CAPEHART. Mr. President, at this point will the Senator from Oregon yield further to me?

Mr. MORSE. Certainly, Mr. President; I am always glad to yield.

Mr. CAPEHART. Let me say that I did not read the Senator's speech, and I did not hear it. I read the newspapers, and I heard the Senator from Oregon speak here. But there is no question in my mind—and I want the Senator from Oregon to understand it, and I am looking him straight in the eye—that his intention was to compare the President with Mr. Beck.

Mr. MORSE. Mr. President, let me repeat for the edification of the Senator from Indiana exactly what I mean, and I repeat what I have said many times: In my code of political ethics, there is no difference in principle of morality or immorality between a Dave Beck who puts his hands into the pockets of the teamsters union and takes out interest money, in effect, which belongs to them, and an Eisenhower administration, acting through the President, which puts its hands into the pockets of the taxpayers and takes out, not thousands of dollars, but millions of dollars of interest money belonging to the taxpayers, and gives it to the Idaho Power Co.

That is the statement I have made consistently. I am glad to repeat it tonight in the presence of the Senator from Indiana. Again I say I repeated it the other day.

Mr. CAPEHART. Mr. President, let me say this about the Senator from Oregon: My personal opinion is that in making a statement such as the one he just made, he was intellectually immoral in making the statement, for the simple reason that he knew what he was doing; he knew the interpretation which would be put upon his statement; he knew that the press and the people would put on it the interpretation that he was comparing the President of the United States with Dave Beck. Therefore, I accuse the Senator from Oregon of being intellectually dishonest and immoral in making such statements.

Mr. MORSE. Mr. President, I hope the Senator from Indiana will keep on accusing me, because every time he does, he pays me a great compliment, for I cannot imagine anything I would care less about than the views of the Senator from Indiana on anything, and I am not at all disturbed about the views of the Senator from Indiana about me.

But before I get through with my speech tonight, I shall carry to the Senators on the Republican side another chapter of the Eisenhower administration's political immorality.

Mr. CAPEHART. Mr. President, will the Senator from Oregon yield at this point?

Mr. MORSE. I yield.

Mr. CAPEHART. Let me say to the Senator from Oregon: My personal opinion is that a man who will permit himself to be elected by a Republican organization, as he did in the State of Oregon, and then will change his political affiliation, is intellectually immoral and dishonest.

Mr. MORSE. Well, I will state——

The PRESIDING OFFICER. The Chair will rule that that statement of the Senator from Indiana is a reflection upon the character of another Senator.

Mr. CAPEHART. Mr. President, the Chair has no right to rule on anything unless he is asked to rule by some Member of the Senate. I know the rules——

Mr. HUMPHREY. Mr. President——

Mr. MORSE. I want to say, Mr. President, I am very happy to join in an exchange of insults with the Senator from Indiana.

Having said that, I now proceed with my speech.

Mr. HUMPHREY. Mr. President——

The PRESIDING OFFICER. The Chair recognizes the Senator from Minnesota.

Mr. HUMPHREY. I really appeal to our colleague from Indiana to proceed in order. These comments are not becoming to the United States Senate, and I hope the Senator from Indiana will permit the Senator from Oregon to proceed.

Mr. CAPEHART. I do not think it is becoming of a Senator to cast aspersions on the President of the United States as

the Senator from Oregon did, and I shall defend and protect the President of the United States. Had he been a Democrat I would have been as much incensed as I am when the aspersion is against a Republican. If the able Senator from Oregon can get any satisfaction from the remarks he made about the President of the United States, let him do so. When he made them, he knew what he was doing. He knew what the reaction would be. He knew the statement would be taken as a comparison of the President of the United States with Dave Beck. I shall continue to resent such irresponsible statements.

Mr. MORSE. I enjoy the comments of the Senator from Indiana. They show many things about him. One, they shows he knows very little about American history, because I shall now read into the RECORD a very interesting little card issued by the American Lumber Corp. I assume, from the content of the card, the one responsible for the card also does not believe in political idolatry, and that it is not safe for freedom in America if we start setting up sacred bulls in American politics.

I now read from the card:

LET NO TONGUE BE STILLED

In 1798, Congressman Matthew Lyon of Vermont was imprisoned for 4 months and fined $100. He was the first victim of the Alien and Sedition Act of that year. His crime was criticizing the President of the United States, John Adams. He had attacked the President deliberately in defiance of these laws which he felt made freedom of speech and press a mockery. During the 3 years the act was in force, 10 persons were convicted. The law split the Nation, but finally the forces of Thomas Jefferson were victorious. Jefferson was elected President, and the Alien and Sedition Laws were wiped off the books. Congressman Lyon had offered himself up as a sacrifice for the principle of democracy which holds that every man has the right to speak his mind.

Let me say, that so long as I serve this body, whenever I think any President of the United States, Republican or Democratic, deserves to be criticized and his conduct should be chaarcterized by definitive and descriptive terms the American people can understand, the senior Senator from Oregon is going to criticize him.

Any time the Senator from Indiana or any other colleague wants to place me on trial before the Senate on the assumption that under the rules of the Senate I can be subjected to censure, I dare them to file a censure resolution. I dared the Senator last Wednesday to file it, and I defy him again. Let the Senate of the United States be the court that will try the Senator from Oregon on the issue whether or not a Senator can stand on the floor of the Senate and criticize a President of the United States.

Let me say to the Senator from Indiana I, too, regret that he and I got into this exchange of personal remarks, but I uttered no insult against the Senator from Indiana until he first made his charge of immorality against the Senator from Oregon. Then, so far as I was concerned, no holds were barred.

If the Senator from Indiana wants to let the record stand, we will let it stand. If the Senator from Indiana wants to enter into a gentleman's agreement with me to erase from the RECORD this exchange of personal insults, I offer that to him. It is for him to decide, because he was the one to violate the rules of the Senate.

Mr. CAPEHART. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Indiana?

Mr. MORSE. I yield to the Senator from Indiana.

Mr. CAPEHART. I want to say the amortization law under which the Idaho Power Co. was given the certificate, was passed in 1950, by a Democrat President and a Democrat Congress.

I voted for it.

I am not against it.

I am in favor of it.

There have been 21,000 certificates issued under it.

There have been more than 900 certificates issued to utilities, such as the Idaho Power Co. certificate in Hells Canyon, under the law enacted in 1950—a law passed by the Congress of the United States.

I voted for it, and I am quite sure the Senator from Oregon did. At least, he was here when the bill passed. Under those circumstances, how can the Senator charge the President of the United States, when one of his independent offices, the Office of Defense Mobilization, was designated by the President to handle these certificates, with sticking his hands into the taxpayers' pockets?

How can he charge the President personally with doing it?

The Senator knows what I have just said about the history of the law is the truth. How can the Senator compare the President of the United States with Dave Beck, when there is no comparison between the two, and the Senator knows it?

Mr. MORSE. If the Senator will pause long enough for me to answer his question, I will answer it.

Mr. CAPEHART. Yes.

Mr. MORSE. The answer is: Because I believe he is guilty of perversion and prostitution of the intent of the law. That is why I charge the President with political immorality. It was never intended to use the money for the purpose of building dams, at the expense of the taxpayers, in large part; the purpose of the law was the encouragement of the development of defense plants and not the construction of private-utility dams.

Mr. CAPEHART. The President of the United States did not approve it. It was approved by the Office of Defense Mobilization.

Mr. MORSE. I am amused by the argument which tries to shield and protect Dwight D. Eisenhower by saying some underling did it. The responsibility for the action of that underling rests on Dwight D. Eisenhower. When he found out, he should have gone to work on it. He should not have said, "Well, it is under the letter of the law." The Senator has heard me say a great many immoral acts can be committed under the letter of the law.

The fact that something is under color of law does not make it moral. I wish to say it is a shocking thing that we have a President of the United States who would permit the ODM to proceed on the course it has followed with respect to fast tax writeoffs.

Mr. CAPEHART. Let me say this——

Mr. MORSE. I am going to discuss that at some length.

Mr. CAPEHART. I think it is a shocking thing when a Senator of the United States will stoop so low as to compare the President of the United States with a man who has been indicted and a man who has a history and a record like that of Mr. Beck.

I wish to say to the Senator from Oregon that the rules of the Senate will not permit me to say what I think about it.

And let me say also to the Senator, I am perfectly willing to have the Senator from Oregon live with his own conscience.

Mr. MORSE. I merely wish to say——

Mr. CAPEHART. I am perfectly willing to have the Senator live with his own conscience. If he can get any satisfaction out of stooping so low and being so intellectually immoral and dishonest, he is perfectly welcome to it.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I wish to say I happen to be one who can live with his conscience.

Mr. HUMPHREY. Mr. President, I must ask the Senator from Indiana [Mr. CAPEHART] to proceed in order and not impugn the motives of a fellow Senator. The Senator knows the rules as well as I do. I do not wish to become involved in this controversy, but we have a responsibility to preserve the rules of the Senate. I respectfully request, Mr. President, that this be done.

The PRESIDING OFFICER. The Chair will state that the rules of the Senate prohibit derogatory comments about fellow Senators or States of the Union. By previous precedents, comments about the President of the United States are not prohibited by the rules of the Senate.

Mr. MORSE. I wish to say now, Mr. President——

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MORSE. I do not wish to yield until I have completed my charge.

I repeat my charge that one Dwight D. Eisenhower, President of the United States, in my judgment, is guilty of an act of political immorality in permitting the ODM, while he is President of the United States, to so pervert and prostitute the so-called fast tax writeoff laws, that the Idaho Power Co. gets what, in effect, amounts to a gift of millions of dollars of the taxpayers' money, while at the same time the Treasury of the United States has to borrow money to carry the national debt, on which the taxpayers have to pay interest. Thus the taxpayers lose twice. They lose the amounts in interest which, in effect, under the operation of this scheme are given to the Idaho Power Co.; and they lose in the second place, the interest they have to pay for that amount of money

which otherwise would not have to be borrowed.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CAPEHART. The responsibility lies with the Congress of the United States, which passed the law in 1950, and with those who voted for it, and not the President of the United States.

Mr. MORSE. The Senator is dead wrong about that. The responsibility rests upon the President of the United States for the administration of the law, and the law does not have to be administered as the President has permitted it to be administered. That is the point I am making.

Mr. President, I think the objective of the law—the real objective of the law—was a good one. It is the prostitution of the objective to which I object.

Mr. CAPEHART. Mr. President, I wish to say this——

The PRESIDING OFFICER. Does the Senator from Oregon yield?

Mr. MORSE. I think I have been exceedingly lenient with the Senator from Indiana in permitting him to get his viewpoint into the RECORD. I am going to yield once more, with notice to him that this is the last time I shall yield, so he had better get it out of his system now.

Mr. CAPEHART. I do not know how anybody could have been more frank than I have been. I do not know how anybody could have talked any straighter than I have talked. I think my language is understandable.

Mr. MORSE. I do not know that I stood in silence.

Mr. CAPEHART. My language is understandable. I think the Senator knows exactly how I feel about the statement he made. I am perfectly willing that the Senator be permitted to live with his own conscience.

Mr. MORSE. I do not know anything I care less about than the Senator's view.

Mr. CAPEHART. If he can get any satisfaction out of the remarks he made about the President of the United States, I am perfectly willing, so far as I am concerned, that he do so. I happen to know what the people think about it.

Mr. MORSE. I wish to say, on that point, Mr. President, that I am perfectly willing to let the people be the judge, because what the Senator from Indiana apparently is not aware of is that increasing millions are beginning to discover that, after all, the great idol has clay feet.

Mr. President, I now turn to another comment which was made by the Senator from Indiana on my speech on the housing bill, and I desire to quote what he said:

My best judgment is that the Senator from Oregon did the housing industry and the private industry a disservice by his remarks. I think those who sent him telegrams would agree that the philosophy he expounded—namely, to have the Federal Government finance the houses at par—and other remarks he made constituted a disservice to the private industry of America. So far, the building industry has been handled by private industry and private enterprise. My best judgment is that the last thing in the world the home builders of America want and the last thing in the world the sawmills of Oregon and the businessmen of Oregon want is to have the Federal Government take over all financing and the handling of all the home building in America.

Mr. President, I am used to the argument that if one tries to provide for a financial arrangement which will make it possible for people in the lower income brackets to own their own homes one must be accused of creeping or galloping socialism. But I wish to say, Mr. President, that when I make my fights for public housing, and when I make my fights, as I did this afternoon, for handling the discount problem, I am fighting for private enterprise, and not socialism.

Do not forget that in essence the procedures for which I am fighting are procedures of financing. The homes are built by private industry. The local carpenters, the plasterers, the bricklayers, our neighbors in our home communities, build the homes. The charge of creeping socialism, Mr. President, is sort of a diversionary tactic to get the American people to think that, after all, it is the Government which builds the houses. It is the local industry which builds the houses, but the Government in some instances is putting up the financial guaranty, or establishing the financial procedure, so that it will be possible for people who otherwise would never own a home to own their homes.

I wish to say to my friend from Indiana that I campaigned on this issue for months in Oregon last year. It was one of the major planks of my campaign plaform. I am perfectly willing to abide by the mandate of the majority of the voters of my State on November 6, 1956, because I am satisfied—and I spoke from 5 to 10 times a day for 3 months—that the overwhelming majority of the people of my State agreed with my position on housing, and agreed that by supporting my position on housing I was not in any way supporting socialism in the so-called building industry.

In fact, Mr. President, let me tell the Senate that a large number of sawmill operators, including some of the large ones, urged that during this session of Congress I should make a fight for the amendment which is now pending before the Senate of the United States, an amendment which would provide for 200,000 public housing units, because they think that it is very important as a great stimulus to private enterprise, to the private enterprise construction industry.

So, Mr. President, I am not going to be frightened by the "hobgoblin" argument of socialism in connection with the housing bill. I wish to make that comment in reply to the remarks the Senator from Indiana put into the RECORD last night.

Mr. President, I now turn to another subject.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

DOWNPAYMENTS ON FHA HOUSING

Mr. MORSE. I ask you now, Mr. President, on another phase of this matter, that there be printed, at this point in the RECORD, a series of telegrams and letters which I have received from lumber people in my State, and mill operators in my State, urging that I support the position which I took on the downpayment issue as it relates to housing, which was considered earlier today.

Senators will see, if they read these communications, and the communications that I put in the RECORD yesterday, that certainly in this housing debate I have been supporting the point of view at least of the constituents from whom I have heard. I wish to assure the Senate that it has been the point of view, in my judgment, of an overwhelming majority of the voters of my State.

There being no objection, the telegrams and letter were ordered to be printed in the RECORD, as follows:

ROSEBURG, OREG., *May 27, 1957.*

Hon. WAYNE L. MORSE,
United States Senate,
Washington, D. C.:

A vote for reduction in downpayments on FHA housing is a real must.

Respectfully,
WILBUR LUMBER CO., WILBUR, OREG.
J. C. BAXTER, *Secretary.*

BROWNSVILLE, OREG., *May 27, 1957.*

Hon. Senator WAYNE L. MORSE,
United States Senate,
Washington, D. C.:

Action of Senate Banking Committee on housing program very disappointing to us. We feel that liberal program is needed to meet needs for housing and provide stability to those industries involved in housing. We urge that you support amendments which we understand will be made by Senators SPARKMAN and SMATHERS, when bill comes to Senate floor.

TIMBER PRODUCTS COMPANY OF OREGON.

MEDFORD, OREG., *May 27, 1957.*

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Realizing the paramount importance of the Smathers bill (S. 1898) to the whole national economy, we are sure you are using your vote and influence in its furtherance. We shall deeply appreciate your efforts in behalf of this bill, as lumber and construction industries cannot survive FRB restraints without alleviating legislation.

VOLKSTEDT KERR LUMBER CO.
O. D. MARTIN.

WALLA WALLA, WASH., *May 28, 1957.*

Senator MORSE,
Senate Office Building,
Washington, D. C.:

When the Senate considers legislation on the omnibus housing bill authorizing reduction downpayments on new homes bought under FHA, we request that you vote for a reduction in downpayments on FHA housing, the promotion of a better home-building program and a corresponding better lumber market will be beneficial to us and the Nation.

Respectfully yours,
TUMALUM LUMBER YARDS.
C. C. CRAWFORD, President.

EUGENE, OREG., *May 24, 1957.*

Hon. WAYNE L. MORSE,
United States Senate,
Washington, D. C.:

Urgent that you support liberalized FHA program as provided in Senator SPARKMAN's subcommittee bill and Senator SMATHERS' FHA bill S. 1898.

EUGENE WILLAMETTE LUMBER CO.

COPY OF WIRE SENT TO SENATORS FULBRIGHT AND LYNDON JOHNSON

MAY 22, 1957.

Oregon's primary industry is lumber and its products. States per capita income has declined from $202 above national average in 1947 to $10 below national average during 1956. A liberal housing program with lower FHA downpayments such as proposed by Senator SPARKMAN's Subcommittee on Banking and Currency would assist our economy materially. Would appreciate your support.

C. GIRARD DAVIDSON,
Democratic National Committeeman of Oregon.

SALEM PRINTING AND BLUEPRINT, INC.,
Salem, Oreg., May 22, 1957.

The Honorable WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SIR: The buying and building of new homes in Oregon, and in the Salem area especially, is in such a critical situation we earnestly urge you to support a reduction in the required FHA downpayments.

Yours very truly,
CLARENCE C. FIELD, *President.*

HELLS CANYON: REVELATIONS OF SUPPRESSION AND FRAUD

Mr. MORSE. I now turn to another matter, under the subject, Mr. President, of revelations of suppression and fraud in connection with this whole matter of the fast tax writeoffs.

Yesterday startling revelations were made before the Kefauver subcommittee about the handling of the Hells Canyon case. Unfortunately, the AP story appearing in today's press does not present the whole story. Two elements of the shocking story were not presented to the public.

SUPPRESSION OF SEATON LETTER

The AP story, as it appears in today's Washington Post and Times Herald, merely relates that ODM Director Gordon Gray ignored Secretary of Interior Seaton's letter recommending denial of quick tax writeoff certificates for Idaho Power Co.'s two small dams at Hells Canyon.

But the story fails to mention the fact that in recent testimony before Senator BYRD's and the Kefauver subcommittee, Gray has claimed again and again that he had no alternative to issuing the tax giveaway certificates once Interior recommended them.

Senator KEFAUVER's probing examination of why Seaton's March 11 letter to ODM was suppressed goes unmentioned in the AP story.

Why is there no report that Senator KEFAUVER told Gray: "The fact is, Dr. Gray, you had no intention of producing this letter until you found out this subcommittee had a copy from Interior."

Again Gray asserted "executive privilege" in refusing to say with whom in the White House he discussed the Seaton letter.

As I said the other day in my remarks on this subject on the floor of the Senate, I think that probably, under the separation-of-powers doctrine, Mr. Gray probably had the right, if he so desired, to exercise the so-called privilege. But it is a matter for comment, or should be a matter for comment, just as, when a witness before a Senate committee or a court hides behind the fifth amendment, it is a matter for comment. I would not take away from him the right, but the fact that he hides behind the fifth amendment certainly should be a matter for comment. I believe that Mr. Gray's hiding behind the so-called privilege procedure is a matter for comment.

It is obvious that a Cabinet officer's letter was known to White House staff members. Gray admitted last week—when confronted with some pencilled notes bearing their names—that he had discussed the general subject with Sherman Adams and Howard Pyle, Administrative Assistants to the President. Who made the decision that a Cabinet officer's opposition to the tax giveaway to Idaho Power Co. should be withheld from the press and Senator Byrd's Finance Committee?

Gray conceded that the Seaton letter presented the arguments of congressional opponents of the Idaho Power Co. tax gift. Clearly this was very embarrassing. The White House staff and Gray decided to put the lid of secrecy on it. Meanwhile, Gray told Senator BYRD and the Antitrust Subcommittee that he was only following Interior's recommendation.

Seaton made three points:

First. The FPC license decision claimed that the Idaho Power Co. licenses were desirable because the small dams would be built without cost to the taxpayer. It would be improper, Seaton argued—as I and others have for months—to give give quick tax writeoffs handouts to Idaho Power. Such action would be inconsistent with the FPC rationale of no cost to the taxpayers.

I digress to pay my high commendation and compliments to the Secretary of the Interior. I am very glad that the Secretary of the Interior wrote that advice to this administration. I think it is regrettable that, with that advice in the files, the administration did not follow it; and that, with that advice in the files, when Mr. Gray was before the committee of the Senator from Virginia [Mr. BYRD], he did not advise that committee that the administration had such advice. In my judgment that is a concealment in violation of an obligation which he owed to the committee of the Senator from Virginia to make known all relevant facts.

Second. Idaho Power needed no incentive to build the dams, and the basis of the quick tax-amortization law was to provide financial incentives to build projects that were not useful in a peacetime economy. Gray admitted that that was the congressional purpose for the law, but alibied that that was not how it had been administered in other cases.

Third. Idaho Power Co.'s small projects would not provide power-capacity excess to its normal needs. The Secretary of the Interior Seaton pointed out that "excess capacity" was a "critical factor" in the ODM program. Yet Gray claimed Seaton was giving only his opinion and not discussing the power-expansion criteria.

One of Gray's top assistants claimed yesterday that he did not know of the Seaton letter until yesterday. Either he was covering up, or Gray or others kept a pertinent fact from the staff working on the case. It would seem that this claim was to buttress an excuse for the fact that the Seaton letter was not in the Hells Canyon file made available to the Kefauver subcommittee investigators.

This story goes beyond Gray's rejection of Seaton's recommendation. The Seaton letter—written almost 2 months ago—was suppressed, just as facts were suppressed in the Dixon-Yates case.

It will be recalled that in the Dixon-Yates case we finally had to drag it out of the administration that Mr. Wenzell was one of the key people working on the Dixon-Yates contract.

MISREPRESENTATION BY IDAHO POWER CO.

AP does not report the strange difference between Idaho Power's public announcements and a letter to Interior and ODM concerning completion of Oxbow Dam.

Under the criteria for tax writeoffs, it is necessary that a project be built and operating by December 31, 1958. This is a crucial factor.

On March 7, 1957—a few weeks before ODM's decision—R. P. Parry, the attorney for Idaho Power who handled its case before the FPC and the courts, testified before the Senate Interior Committee that Oxbow was scheduled for initial operation in 1961.

I wish to stress that point. The testimony of the spokesman for the Idaho Power Co. was that Oxbow would be ready for operation in 1961. These dates become very important.

The 1956 advance report of the Bonneville Power Administration also states that Oxbow is scheduled for initial operation in 1961.

Gray's principal assistant on criteria said yesterday that he knew of Parry's testimony, but did not tell Gray. He testified that he did not know of the Bonneville report.

Why was the Parry March 1957 testimony ignored on the important fact of the completion date—more than 2 years after the ODM deadline?

Because, Gray testified, ODM had a letter from a vice president of Idaho Power, dated April 10, stating that the company intended to have Oxbow built by December 1958. Gray said he had no reason to doubt this, despite Parry's March testimony, which his staff man claims not to have told him about.

Gray and his staff also claimed not to know about a May 16, 1957, speech by T. E. Roach, president of the Idaho Power Co., reported in the press, in which he said that Oxbow would start producing power in 1961. We are back to the 1961 date again.

When asked whether he had power to cancel the Idaho Power Co. certificates, Gray said he did—for fraud or misrepresentation.

In my opinion the facts clearly show both fraud and misrepresentation practiced upon the ODM by the Idaho Power Co. in its endeavor to obtain these certificates, in which effort it was finally successful. But Mr. Gray added that he had no reason to believe that the April

10 letter claiming a completion and operating date of December 1958 was a misrepresentation, despite the company attorney's March 7 testimony and the press report of Roach's May 16 speech.

That is a part of the story of suppression and denial of pertinent facts to the public and Congress by ODM, and probably the White House, as well.

That is a part of the story of the Idaho Power Co.'s playing fast and loose with the facts to get the quick tax writeoff handout certificates of $65 million. Mr. President, I say most solemnly that that is a shocking story of—I repeat—political immorality on the part of the administration. We are building up to another Dixon-Yates. The President should start cleaning house, because the case leads right to his door. If he is not responsible for Adams, Pyle, and Gray, who is?

Of course the answer is that the President is the boss, and the President must assume responsibility for the conduct of his agents.

I think it is rather interesting that we should have this letter from the Secretary of the Interior under date of March 11, 1957, but it took a Kefauver committee to bring it to light through an investigation. We had Mr. Gray before the Byrd committee, and if Senators will read the transcript of that committee hearng, they will have no doubt about the fact that Mr. Gray failed to advise the Senator from Virginia [Mr. BYRD] of the letter of March 11th. I happen to think it was his clear duty to do so.

I ask unanimous consent that the letter of the Secretary of the Interior, Mr. Seaton, to Dr. Arthur S. Flemming, the Director of the Office of Defense Mobilization, dated March 11, 1957, be printed in the RECORD, at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES
DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D. C., March 11, 1957.

Dr. ARTHUR S. FLEMMING,
Director, Office of Defense Mobilization, Executive Office of the President, Washington, D. C.

DEAR DR. FLEMMING: As you have requested I have reviewed the record available to me with respect to the applications of the Idaho Power Co. for rapid tax amortization of the Oxbow and Brownlee hydroelectric developments.

In the Federal Power Commission's opinion No. 283 which accompanied the decision to issues licenses to the Idaho Power Co. there is included the following:

"However, under existing law, these public purposes will be realized without expense to the United States to the extent that the projects are constructed by a non-Federal entity.

"Development by applicant of the Hells Canyon reach of the Snake River would provide 1 million acre-feet of flood-control storage and the required streamflow regulation in aid of navigation on the lower river at no cost to the United States. * * *"

Since the foregoing excerpts from the Federal Power Commission's opinion indicate the great weight assigned to the benefits to be achieved without cost to the Federal Government, it is my view that it would be most inequitable for the Federal Government now to assume any portion of the cost of these licensed projects. The granting of tax amortization certificates cause the Federal Government to pay interest on borrowed money to make up for the fact the Federal Government receives less taxes than it otherwise would during the tax amortization period. Of course, starting with the sixth year the Government receives increased tax revenue because of the fact that smaller amortization deductions are then available to the holder of a tax amortization certificate. The net cost to the Government in the case of tax amortization certificates is the difference between the interest it pays on money borrowed as a result of reduced tax receipts during the 5-year amortization period and the interest it saves on the larger tax payments received by the Government beginning with the sixth year of the amortization period. This net cost to the Government in the case of the Idaho Power Co. application is inconsistent with the basis on which the FPC granted the license to the company, as I view the record.

Testimony before the Commission appears to establish clearly the company made its case before the FPC on the basis that it would not need accelerated tax amortization in order to justify granting the license to the Company. Testimony on this point was adduced from the President of the Company, Mr. Roach, as follows:

"Q. Have you in part also explained then why you haven't made provision in your projection of Exhibit 23 for any accelerated amortization items relating to Oxbow and Brownlee?

"A. I think I have explained it in its entirety as far as I know. Our filing of the application I felt was an obligation and inherent in our fulfillment of our responsibility as officers of the company, because the Internal Revenue Act, section 124 (a), specifically provides for it, and had we not at least made the effort, even though we had faint hope of any success, we would have been derelict in our responsibility to our customers.

"Q. But I take it that the absence of accelerated amortization items in your projection of Exhibit 28 is due to the faintness of hope with respect to your pending application before the ODM; is that correct?

"A. Absolutely. I testified on direct that we hadn't included it, but if it were available to us we certainly would take steps to put ourselves in the position to take advantage of it, so that if and when the time came that seemed expedient and advantageous to do so, we would have taken the necessary steps and qualified to take advantage of it." (FPC hearings, pp. 8733–34).

In my view the record before the Commission is clear that the company has never established any basis of need for the financial assistance provided by accelerated tax amortization. Furthermore I am convinced by the record that the hearings before the Federal Power Commission establish that these hydroelectric projects were not planned for the purpose of creating excess capacity in the company's system, which has been a critical factor in the granting of tax amortization certificates.

Accordingly, I recommend that you deny issuance of the accelerated tax amortization certificates requested by the Idaho Power Company.

Sincerely yours,

FRED A. SEATON,
Secretary of the Interior.

ARTICLES BY WALL STREET JOURNAL AND ASSOCIATED PRESS IN RECORD FOR COMPARISON

Mr. MORSE. Mr. President, it is very interesting that we have before us for comparison the article which was printed to today's Wall Street Journal on the Kefauver hearings of yesterday. I ask unanimous consent that the article in the Wall Street Journal be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GRAY SAYS HE GRANTED IDAHO POWER TAX AID DESPITE SEATON PROTEST—KEFAUVER DISCLOSES LETTERS FROM INTERIOR SECRETARY SAYING FIRM DIDN'T NEED FAST WRITEOFF

WASHINGTON.—Defense Mobilizer Gordon Gray admitted he granted Idaho Power Co. fast amortization for tax purposes on two electric power projects despite a strong recommendation against such awards by Interior Secretary Seaton only a month earlier.

Mr. Seaton, in a letter to Mr. Gray's predecessor, Arthur Flemming, claimed Idaho Power did not show it was in financial need of the special tax treatment and said the grants would cost Uncle Sam money.

The letter was released by Chairman Kefauver (Democrat, Tennessee) of a Senate Judiciary subcommittee that's looking into the circumstances surrounding the fast writeoff grants to the Idaho utility. The Seaton message was dated March 11, a month before ODM told Idaho Power it could depreciate for tax purposes $65 million of the $103 million cost of 2 dams on the Snake River in 5 years instead of the usual 20- or 25-year span.

Mr. Gray claimed neither of Mr. Seaton's arguments against the grants questioned the defense essentiality of the projects, the basic criterion for granting tax incentives under a program initiated during the Korean war to spur expansion of defense-needed facilities.

Explaining why ODM granted the tax aid, Mr. Gray cited a 1955 letter from the Interior Department, when Douglas McKay was Secretary, saying the projects were necessary to defense. He did not mention the Seaton letter.

Senator KEFAUVER charged Mr. Gray kept the Seaton letter from this committee and decided to present it to the group only after it had obtained another copy from the Interior Department anyway. Mr. Gray denied this.

He claimed he had doubted at first the Seaton letter was part of the official record on the case since it didn't deal directly with the criteria for fast writeoffs. Thus "competent advisers," he testified, "raised the possibility that the letter should be withheld because of executive privilege."

Mr. Gray said he was advised just yesterday morning the letter was not executively privileged after all, so he decided to hand it over to the subcommittee.

Administration officials claim the right under executive privilege to decline to tell congressional investigators about executive department exchanges preliminary to official actions.

Mr. KEFAUVER said he had first received his copy of the Seaton letter from the Interior Department just before the start of yesterday afternoon's hearing.

In his letter, Mr. Seaton claimed it would be most inequitable for the Federal Government now to assume any portion of the cost of these licensed projects. The granting of tax-amortization certificates causes the Federal Government to pay interest on borrowed money to make up for the fact the Federal Government receives less taxes than it otherwise would during the tax-amortization period.

The Interior chief also asserted that the Idaho firm "has never established any basis of need for the financial assistance provided by accelerated tax amortization."

Earlier, the subcommittee introduced testimony indicating that Idaho Power Co. officials had told Congress and other groups earlier this year that one of the two dams

for which it received writeoff certificates would not be completed until 1961. The fast amortization reportedly was granted only on the basis both projects would be completed by December 1958, the target date of ODM's electric power expansion program.

Mr. Gray said he knew nothing of the 1961 date. An Idaho Power Co. attorney, it was indicated, told the Senate Interior Committee in March that 1 of the 2 dams would not be finished before August 1961. And a newspaper story reported T. E. Roach, president of Idaho Power, as confirming this date in a speech before the New York Society of Security Analysts in May.

The ODM chief told the subcommittee he acted on the basis of an April letter from Idaho Power that said both dams would be completed by December 1958. He said that if one of the projects was not finished by then, the fast writeoff certificate would become invalid.

Another ODM official, Jacob Wyokoff, head of the tax amortization division, said he was aware of the testimony before the Senate Interior Committee pointing to a 1961 completion date for one of the Idaho Power dams. But he testified he did not bring this to Mr. Gray's attention because he wanted to get word from the company itself. The utility, he said, subsequently wrote a letter saying both dams would be built by the end of next year.

Mr. MORSE. Mr. President, immediately following that insertion I ask unanimous consent that there be printed in the RECORD the article appearing in today's Washington Post, as an Associated Press dispatch.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GRAY IGNORED SEATON ON WRITEOFFS—ODM CHIEF EXPLAINS TAX CONCESSIONS ON HELLS CANYON DAMS

Director Gordon Gray of the Office of Defense Mobilization, said yesterday he ignored the opposition of Secretary of the Interior Fred A. Seaton in granting a rapid tax writeoff to the Idaho Power Co.

Gray said Seaton did not deal with the firm's compliance with regulations for obtaining the writeoff certificates, but with whether it needed them to build two dams in the Hells Canyon area between Oregon and Idaho.

SAYS REQUIREMENTS MET

Testifying before a Senate Judiciary Subcommittee, Gray said Idaho Power had met all requirements and when an applicant did this he could see no reason why it should be turned down.

Gray said the question of financial need was not one for administrative decision.

The subcommittee headed by Senator ESTES KEFAUVER, Democrat of Tennessee, is looking into the granting of the certificates permitting Idaho Power Co. to write off part of the project's cost against income taxes in 5 years, instead of the normal 20 or more. The certificates covered 65 percent of the estimated cost of more than $67 million for the Brownlee Dam and 60 percent for Oxbow Dam, estimated to cost $36 million.

SET OFF DISPUTE

ODM's action last month set off the new dispute over whether the Hells Canyon area of the Snake River should be developed as a private or Federal power project. Private power advocates won a major victory last year when the Federal Power Commission licensed Idaho Power to build three dams. However, a bill providing for a Federal Hells Canyon Dam was approved last week by the Senate Interior Committee, despite administration opposition.

Yesterday, the Supreme Court refused for a second time to review the FPC's licensing of Idaho Power. The National Hells Canyon Association had appealed, contending that ODM's tax ruling supported its contention that the projects would be a substantial cost to United States taxpayers.

ODM's ruling has been severely criticized by Members of Congress. Senator WAYNE MORSE, Democrat of Oregon, said in a TV interview Sunday night that the administration has a giveaway policy and one of its chief beneficiaries was the Idaho Power Co.

MORSE said the tax-amoritization law was created to stimulate production of needed materials only during wartime.

Seaton's views on the tax writeoff were set forth in a March 11 letter to Arthur S. Fleming, at that time ODM Director. The letter was offered to the subcommittee by KEFAUVER, who said he had obtained it from Interior Department files.

SAYS NEED NOT ESTABLISHED

Seaton wrote that at FPC hearings on the Hells Canyon dams, the Idaho Power Co. submitted its case on the basis that "it would not need the accelerated amortization" and the dams would be built without cost to the Federal Government.

"The record before the Commission is clear," he said, "that the company has never established any basis of need for the financial assistance provided by accelerated tax amortization."

When Kefauver remarked that Gray appeared to consider the letter from Seaton "irrelevant," Gray replied:

"I don't consider it irrelevant. I consider it an expression of his opinion."

An Interior Department spokesman said the arguments which Seaton had advanced were fundamentally beyond the established criteria on which ODM based its issuance of certificates.

He said the Secretary had no legal authority in the matter beyond making a recommendation "bearing on the discretion which the Director of ODM has."

Mr. MORSE. Mr. President, I should like to recommend to students in schools of journalism these two articles as a very interesting laboratory project, in comparing articles written by various wire services and editors and writers. In my opinion, the Wall Street Journal is to be complimented for the very objective and comparatively full and accurate account it wrote the Kefauver hearings yesterday, dealing with the Seaton letter, in contrast to what I think is clearly an inadequate account written by the Associated Press.

In closing my speech on this subject, I again say to the Senator from Indiana that, although he and I have engaged in a very unpleasant personal exchange, after all, each one of us owes a responsibility to the Senate. Although we can waive the rules so far as we are personally concerned, and engage in the kind of colloquy that occurred, nevertheless, I think it appropriate and proper for the two of us to enter into a gentleman's understanding here and now that we shall withdraw the statements that we made about one another, because the Senator from Indiana and I know that we are not going to change our views outside the Senate about each other.

So far as the Senate proceedings are concerned, we ought to enter into an agreement to withdraw our remarks. I make that offer to the Senator, and I might even ask him to come downstairs and have a cup of coffee with me, if he will.

Mr. CAPEHART. Will the Senator from Oregon withdraw his statements about the President of the United States?

Mr. MORSE. Not only will I not withdraw my statements about the President of the United States, but I intend to continue to make them not only on the floor of the Senate but across the country.

Mr. CAPEHART. Then I shall refuse to withdraw the statement I made, because if the Senator from Oregon feels he has a right to say what he did about the President of the United States, I do not think that anything I have said about the Senator from Oregon should be stricken from the RECORD.

Mr. MORSE. I am very proud that I am writing a chapter on the right of a Senator of the United States to criticize the head of our state. Woe betide the day in America if the time ever comes when the President of the United States is beyond criticism.

The PRESIDING OFFICER. The Chair will read the opinion of the Vice President of the United States, delivered on May 8, 1950, when a virtually identical question arose. The Chair now quotes from the ruling of former Vice President Barkley:

> Rule XIX has no application to anything said about the President of the United States or anyone else except Senators. That may also be a peculiar ruling, but rule XIX has no application otherwise. No Senator can rise and object to anything anyone says about the President, the Vice President, or anyone else except a Senator, with the exception that derogatory remarks cannot be made on the floor of the Senate about the other branch of Congress.
>
> With reference to rule XIX, regardless of the Chair's opinion of that rule, the Chair hopes it will not be offensive to suggest that he agrees entirely with the Senator from Illinois—

That was the Chair's former colleague, Senator Lucas—

> and the Senator from Georgia. But the rule is there, and for a hundred years it has been interpreted as the Chair in this instance has interpreted it. It is always possible and feasible for the Committee on Rules and Administration to recommend a change in any rule that exists.

The present Presiding Officer was aware of this ruling of the Vice President. It was for that reason that he called the Senator from Indiana to order after the Senator from Indiana had made personal remarks about the Senator from Oregon, which will appear in the RECORD.

UNIONS AND INFLATION

Mr. MORSE. Mr. President, we have recently been advised that April 1957 marks the eighth straight month that the consumers price index has set a record. The price index, compiled by the Bureau of Labor Statistics of the Department of Labor, for April stood at 119.3 in comparison to 100 for average prices in 1947–49.

This is a clear symptom of an inflationary situation which should give

us pause. It should be regarded with the seriousness that it deserves. Yet, in our analysis of the situation we ought not jump prematurely to our conclusions. It is in regard to this caution, that I wish to direct the attention of my colleagues.

An example of the loose thinking that ought to be abjured may be found in pronouncements of those who will say that recent wage increases to organized labor are the fuel of this inflation. An excellent refutation, based on sound economic fact, of this position is to be found in an article entitled "Unions, Inflation, and Non-Goods" written by Mr. Ernest M. DeCicco, of the Economics Department of Loyola University, Chicago, Ill. The article appeared in the New Leader in the May 27 issue.

Mr. DeCicco, in my judgment, points out most effectively that there is no 1 to 1 correlation involved in this process.

I shall ask unanimous consent that the article in question be inserted in the body of the RECORD. First, I should like to read one or two paragraphs from the article:

Recent rises in the cost-of-living index again focus attention on wage gains by union labor. Are union-negotiated pay increases a major cause of inflation—or just another response to it? Is the union leader who gets higher pay for his members a Robin Hood or a Jesse James?

The Jesse James theory rests on the idea that unions set off the so-called wage-cost-price spiral. The theory presumes a tight relationship between four major connecting links:

1. The wage rate affects the labor cost per unit of the product.

2. Unit labor cost is an important part of the total cost of production.

3. Total production cost not only affects but determines the price charged to the consumer.

4. The price affects the number of units that can be sold—and, thus, the amount of labor needed to produce them.

I now ask unanimous consent that the entire article be printed in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNIONS, INFLATION, AND NONGOODS

(By Ernest M. DeCicco)

Recent rises in the cost-of-living index again focus attention on wage gains by union labor. Are union-negotiated pay increases a major cause of inflation—or just another response to it? Is the union leader who gets higher pay for his members a Robin Hood or a Jesse James?

The Jesse James theory rests on the idea that unions set off the so-called wage-cost-price spiral. The theory presumes a tight relationship between four major connecting links:

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4. The price affects the number of units that can be sold—and, thus, the amount of labor needed to produce them.

According to this theory, an impulse at an end of the chain, such as a wage increase, will be reliably transmitted through each link; the eventual result is inflation. The villain of the piece is the big union which has monopolistic power to raise wages; since big unions are associated with big corporations, their wage gains are followed by price increases and higher living costs for the consumer. Under this doctrine, the best wages are not the highest wages, but the wages that lead to full employment. Carried to its logical extreme, this means that the lower the wage the greater the number employed—because academic theorists have proved that the lower the price of anything, the more of it will be bought, and that is also true of labor.

What are the facts? In the United States, unlike Europe, wage bargaining is fractionalized. Hundreds upon hundreds of union contracts are signed each year by a wide group of autonomous unions in a large number of distinct geographical areas, different industries, and varied time settings. While the coercive force of comparison may tend to make the final contracts in such industries as steel and oil quite similar, no given union leader is really free to consider the impact of his wage bargaining on aggregate national consumer spending. Industrywide bargaining and nationwide bargaining are both rather limited, and when newspaper editorialists assert that a wage raise in the tire industry will raise tire prices and the tire workers will be no better off than before, they forget that he doesn't only buy tires.

For a union leader to consider the effects on employment in his own industry of any wage bargain he might conclude, those effects would have to be predictable and definite. In other words, there would have to be a tight chain between wage rates and labor cost, labor cost and total cost, total cost and price, price and sales and hence the volume of employment. The facts are that these links are quite loose at every stage.

To begin with, a 15-percent wage raise does not necessarily mean a 15-percent raise in the unit labor cost, as is sometimes assumed. There may be a fairly close connection between wage rates and unit labor costs in industries where a great deal of hand labor is used (such as hand-carved wooden pipes) or where piece-rates are paid (such as textiles). But, generally, labor cost per unit depends as much on productivity per man-hour as on hourly-wage scales. And productivity, in turn, depends in the long run on such factors as technology, plant organization and human efficiency, and in the short run on fluctuations in the utilization of capacity by the plant. A Chinese coolie may be paid an extremely low wage, yet the unit labor cost may be relatively quite high; that is because he has so little machinery, land and other resources to use that his output is low.

A few figures from two vital industries will show how casual is the presumed link between wage rates and labor cost per unit:

Year	Percent change—			
	Iron and steel		Rayon	
	Average hourly earnings	Unit labor cost	Average hourly earnings	Unit labor cost
1929–30	3	9	5	−9
1930–31	−10	−6	14	−29
1931–32	−3	−8	−14	−17
1932–33	−3	−10	7	−20
1933–34	19	20	22	18
1934–35	2	−4	3	6
1935–36	−1	−4	1	−6
1936–37	21	10	15	6
1937–38	2	0	5	−6
1938–39	0	−15	2	−10
1939–40	0	3	5	−8

Not once between 1929 and 1940 did average hourly earnings and unit labor cost in iron and steel move together by the same magnitude. In the last 2 years shown, when wage rates remained unchanged, labor cost went down by 15 percent in the first year and up by 3 percent in the second year. In rayon, the association was even less consistent; for 8 of the years, hourly earnings and labor cost moved in opposite directions. (In 1939–40, average hourly earnings went up by 5 percent while unit labor cost went down by 8 percent.) Cumulatively speaking, from 1929 to 1940, average hourly earnings in the iron and steel industry rose by 30 percent while labor cost per unit of steel produced fell by 2 percent. In rayon, hourly earnings climbed by 43 percent from 1929 to 1940 and labor cost fell by 61 percent. (The productivity gains in synthetic fibers were obviously of tremendous magnitude.) Approximately the same kind of information is available for other industries. Many factors besides wages affect productivity and hence labor cost.

In manufacturing, furthermore, labor cost is usually a small percentage of total cost. Unit labor cost as a percentage of value of product (a close approximation to total cost) varies from about 5 percent in tobacco manufacturing to 16 percent in automobiles and 20 percent in iron and steel. According to the Federal Trade Commission, labor cost was less than 15 percent of the sales dollar in 27 industries, between 15 and 20 percent in 25 industries, and more than 25 percent in 21 industries. In other words, if labor cost is 20 percent of the sales dollar and an article is priced at $5, total labor cost for the unit is $1. A record-breaking wage increase of 25 percent would raise total cost by 25 cents and the product would be repriced at about $5.25. According to the Jesse James theory, the union leader is supposed to predict how much less of the product will be sold at the higher price and consequently how many workers will be fired.

In fact, though businessmen are fond of relating the pricing process to total cost and the necessity for meeting competition, the American economy today is characterized by little price competition. Competition has shifted to the battlefronts of advertising, product promotion, customer services and a host of other activities unrelated to price. Many products bear a customary price (a nickel for a coke), and such prices change only infrequently. In the newspaper industry, for example, production cost has practically nothing to do with price. Most of the revenue is derived from advertisers, not newsstand sales, and both prices and ad rates and based on circulation and type of readership rather than production costs.

Yet even where cost and price are more directly related, the so-called responsibility of the union leader toward the price pattern is unclear. Should Walter Reuther accept a 10-percent wage cut at Ford if the company said the total cost of producing a car would decline by about 1.6 percent (labor cost is 16 percent)? The theory is that the wage cut would lead to a price reduction—less than $50 on a $3,000 automobile—and hence an increase in new-car sales and maintenance of full employment at the plant. Actually, no major auto company has tried to compete by lowering prices in a generation. Back in the thirties the manager of the Plymouth division told a congressional hearing that one year Plymouth prices were raised; when Ford did not follow the lead, Plymouth lost sales to Ford. The next year, Plymouth managers cut prices; this time Ford followed suit, and only the consumer benefited. The policy of live and let live without price competition was tacitly consummated, and for many years competition has been restricted to Madison Avenue channels.

Does all this mean that inexorable upward pressure on wages by unions must bring inflation? Not at all, according to the figures on some highly unionized industries:

Industry	Percent change, 1929–40 in—	
	Average hourly earnings	Unit labor cost
Agricultural implements	24	−23
Cement	23	−11
Chemicals	41	6
Cotton goods	27	−18
Glass	42	−23
Iron and steel	30	−2
Leather	22	−20
Motor vehicles	33	11
Newspapers	8	−20
Petroleum refining	50	−25
Rayon	48	−61
Tires and tubes	38	−32
Cigarettes	28	−2
Woolen and worsted	22	−11

From 1929 to 1940, average hourly earnings rose in all these industries, while unit labor cost fell in 12 of the 14 groups. In the two industries in which labor cost did go up (chemicals and motors), the gains were nominal in comparison to the wage gains.

In these important and highly unionized industries, man-hour productivity gains have been sufficient to overcome any wage advantages gained by the union. In fact, it is easy to suspect that certain firms use wage raises as an excuse to exploit consumer markets. Between 1945 and 1948, a period of rapid inflation, profits before taxes for 20 major steel companies advanced from $270 million to $884 million, a gain of 226 percent. For 9 of these companies publishing ingot production data, profits rose from $3.61 per ingot ton to $10.44, a gain of 190 percent. Wage increases over the same period barely kept pace with the cost-of-living index—a gain of less than 35 percent. Last year, the steel industry granted a wage package of about 10 percent. Since labor cost is approximately 20 percent of total cost in an efficient mill, the increase in total cost should not have exceeded 2 percent. The price of steel could have been raised from $100 to $102 a ton as an offset. The steel industry, however, proceeded to announce a price increase of $8.50 a ton.

Despite increased profits as well as higher money wages, prices of retail manufactured goods are, on the average, no higher today than they were in 1952, according to the Bureau of Labor Statistics. While such prices did rise somewhat in 1956, as a whole they fell from 1952 to 1955. In the few cases where retail prices have risen since President Eisenhower took office, the rise mainly reflects increased Federal, State, and local taxes. (This is true of gasoline, cigarettes, and alcoholic beverages.) Over the 4-year period, prices rose very slightly on such items as automobiles, toilet articles, and newspapers; there was virtually no rise at all in the whole range of clothing and apparel. On the other hand, prices declined for used cars, television and radio sets, all types of appliances, toys and sporting goods. From 1951 to 1955 the price of steel rose by 14 percent; but the prices of household appliances utilizing large quantities of steel (such as washing machines) actually declined by an average of 13 percent.

If the prices of retail manufactured goods remained relatively stable (and these are the goods produced by union labor), how does one account for the inflation? For the general cost-of-living index is up—18.7 percent higher than the 1947–49 average. Food is hardly a factor: The BLS index for food was 112.6 in February 1952 and only 113.6 in February 1957. One must seek the causes of inflation elsewhere.

The London Economist has observed that the United States manufactures more than any other nation, but is not a manufacturing country. Only one-fourth of the total labor force works in factory manufacturing. Since only 1 out of 10 workers is to be found in agriculture, the Nation is not primarily agricultural either, even though it exports large amounts of farm products. Building construction occupies only 5 percent of the workers, even though the United States builds more than any other nation.

The majority of the American labor force today is engaged in services or in distribution or transportation trades. And, as the Nation grows wealthier, increased consumption more and more takes the form of increased services—so-called nongoods.

A fundamental cause of the present inflation is the fact that, throughout these service and distribution trades, gains in man-hour productivity are relatively minimal. We have seen that wage rates in unionized manufacturing industries have increased substantially over the years, but man-hour productivity rose even faster—with the result that labor cost declined. In the service trades, on the other hand, productivity gains are next to impossible. (There has been no technological improvement in the barbershop, for example, since the invention of the clippers.) Meanwhile, in the service workers' attempts to match the income of unionized factory workers, the price of the service rises.

Indeed, the BLS figures show that most of the inflation results from price rises in the category of "services and shelter," which accounts for more than a third of the consumer dollar. This category covers a wide variety of items: Rents and prices for homes, TV and radio repair, auto insurance, mortgage interest, auto repair, medical and dental care, train and bus fares, gas and electricity, telephone, subway fares, etc. Virtually the whole list has experienced steady price inflation since 1950. From 1952 to February 1957, rent rose by about 15 percent along with an equivalent rise for doctors' fees. Personal care went up about 10 percent. Home-owner costs, utilities and housing, taken together, climbed around 9 percent. Mortgage interest zoomed up by 30 percent; radio-TV repairs by 25 percent; rail, bus, and rapid-transit fares and movie admissions rose 20 percent.

Increased expenditures on Government services also bring few productivity gains. It is hard to raise the productivity of a teacher, fireman, or policeman, and their numbers rise with our growing population. In addition, the BLS index does not include the prices paid for hotel rooms, vacation trips, or a college education. Increased leisure in recent years has added to the importance of these items, and everyone knows how these prices have gone up. Little productivity improvement appears likely in these areas.

Aggregate figures will illustrate the major change in the labor force that has been taking place in the last decade. In manufacturing, output has increased by almost 50 percent since 1947, but the number of workers went up by only 3 percent. Tremendous productivity gains made this possible. (This is the area that is heavily unionized.) The service trades have expanded dramatically over the same period. The number of bank tellers, stockbrokers, insurance salesmen, and others employed in finance rose by 38 percent; retail shop clerks and others employed in trade rose by 21 percent; Federal, State, and local government employees were up 31 percent, domestic servants 40 percent; auto mechanics, laundry workers, barbers, and a multitude of others in various services increased by 26 percent. Only such self-employed categories as lawyers, doctors, and shopkeepers, plus workers in public transportation, failed to expand their ranks.

To sum up, the early years of the Eisenhower Administration were characterized by relative price stability because, although the prices of service items were rising rapidly, the prices of food and of durable manufactured goods were both declining. Governmental attempts to raise farm income achieved some measure of success by 1956, and the price of foods rose. Durable commodities also rose slightly in price in 1956, though the gain appears to be mainly due to higher new-car quotations. Nevertheless, when all three of these components—food, durable manufactured goods, and services—move in the same direction at about the same time, the cost of living quickly reflects it, to the general consternation.

All of which presents a far more complicated picture of the inflation than that painted by adherents of the Jesse James theory. Wage raises gained by unions do not always lead to inflation, and union workers often have a hard enough time just keeping up with the rising price level. Every inflation has its own historical pattern. With regard to this one, it may be more accurate to say that the unions are acting as thermometers, recording the heat, not as the fuel sustaining it.

Mr. MORSE. Mr. President, I close by asking the personal attention of the Senator from Indiana. I want the Senator from Indiana to have notice that I intend to strike from the RECORD the personal reference which I made to him in the debate, because I may say that although we had a rather hot debate, I do not intend to leave in the RECORD my personal reflections upon the Senator from Indiana, and I give him notice of that fact.

Mr. CAPEHART. Mr. President, since the Senator from Oregon is so anxious to strike from the RECORD the colloquy here tonight, I do not know that I have any particular objection to his doing so. The suggestion has come from him, not from me.

I wish the Senator from Oregon would apologize to the President of the United States for what I think was unjustly said by him about the President.

I have no objection to the request of the Senator from Oregon, and I will instruct the Official Reporters to strike from the RECORD any personal references I made to the Senator from Oregon, if the Senator is anxious that that be done.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. MORSE. The Senator will recall that in the course of the debate I made one reference to the Senator from Indiana which I think was uncalled for. It is that statement I will strike from the RECORD. The rest of the colloquy will stand. I regret that on the floor of the Senate I expressed that personal view.

Mr. CAPEHART. What specific thing did I say to the Senator from Oregon——

Mr. MORSE. I shall not even repeat on the floor of the Senate what I said, but I shall be glad to repeat it to the Senator in the cloakroom. It was simply one characterization I made of the Senator from Indiana, and I intend to strike it from the RECORD. The rest of my part of the colloquy will stand.

With regard to the request for an apology to the President of the United States, I will, of course, make no apology

to the President of the United States, because what I have said about his course of action in regard to the matter of fast tax writeoffs and what I said last Wednesday in regard to what I consider to be his other acts of political immorality must be made clear to the people of the country, and I intend to make it clear.

Mr. CAPEHART. I said I was willing to strike from the RECORD what I said about the Senator from Oregon. But I am not particularly proud, as a Member of the Senate, that remarks can be made about the President of the United States on the floor of the Senate which one cannot make about other Senators. I think that is an unfair rule. I think it is unjust. I think it is unwarranted. I think it is a rule which ought to be changed.

There is no question in my mind that the Senator from Oregon knew exactly what he was saying and doing, and that he knew what the consequence would be.

Mr. MORSE. Mr. President, will the Senator yield for a brief statement?

Mr. CAPEHART. I yield.

Mr. MORSE. I think the Senator from Indiana is completely overlooking the historical significance of the separation of powers. I think the Senator from Indiana is overlooking the fact that this country was born out of a great fear of executive power. I think the Senator is overlooking the fact that when the Senate of the United States was created, it was with one intention, namely, that it should be a great parliamentary body in which untrammeled free speech would prevail; and that when a Senator believed a President or anyone else in the executive branch of the Government was deserving of severe criticism, such Senator should be free to walk upon the floor of the Senate and make the criticism and then let his constituents be the judge of his course of action. That is the history of this great guarantee of freedom in this country, and I do not propose to have it changed.

Mr. CAPEHART. I can well understand criticizing the President if he is a poor administrator. I can well understand one saying that the President is careless. I can well understand a person saying that the President is not capable, able, or sufficiently intelligent to be the President of the United States.

But when the press has been filled, as it has been for many weeks, with accounts of the conduct of a man by the name of Beck; when the man was under indictment for income tax evasion, when he has taken the fifth amendment, I do not know how many times; when a committee of the Senate has brought out all these things about him—I am not saying whether they were true or whether they were not true; I only know what was brought out—and then a Senator uses the name of the President of the United States in the same sentence and in the same breath with that of Beck, and compares the two men, that, in my opinion, is going beyond what I call simple, common, downright decency.

I can well understand that a man has the right to criticize the President. But this was a situation in which the newspapers had carried complete stories of what was transpiring, a situation in which possibly no person in America had failed to read about the taking of the fifth amendment by Beck and the fact that he was under indictment. The impression had been left throughout the Nation—it could not help being left—that the President of the United States was being compared in the same breath with that kind of man.

Since the Senator from Oregon says he did not say what the press reported him saying, I honestly feel that he should apologize to the President of the United States and explain to the people of America that he did not in any way intend to compare the conduct of the President with the conduct of Beck.

The PRESIDING OFFICER. If the Senator from Indiana and the Senator from Oregon choose to withdraw the personal remarks which they made about each other, the Chair will direct the RECORD to read approximately as follows:

During the course of the debate, the Senator from Indiana [Mr. CAPEHART] and the Senator from Oregon [Mr. MORSE] made certain personal remarks about each other which were later withdrawn.

It was during the course of those remarks that the Presiding Officer called the Senator from Indiana to order for a violation of rule XIX.

The Chair will then direct that his quotation from the ruling of Vice President Barkley, setting the precedent for this ruling, be set forth in the RECORD.

Mr. CAPEHART. I object to the Chair taking upon himself stating for the RECORD that the Chair called the Senator from Indiana to order. If the Chair is going to place blame on me in that respect, then I shall insist that the RECORD remain just as it is, because I do not think it is fair to do otherwise.

Will the Chair also state for the RECORD that the Senator from Oregon asked or made the suggestion that the remarks be eliminated from the RECORD?

Mr. MORSE. I should be delighted to have the RECORD so show.

Mr. HUMPHREY. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator from Oregon has not taken his seat. Has he yielded the floor?

Mr. MORSE. Yes, I have yielded the floor. The Senator from Indiana has the floor.

Mr. HUMPHREY. Mr. President, the point of order I wish to raise is simply to the effect that the Presiding Officer, as a Senator, always preserves his rights as a Senator to make comments, even though he is in the chair as the Presiding Officer.

There was a matter of some delicacy confronting us this evening as to how to proceed. I think the ruling ought to be made clear.

I again suggest that since the Presiding Officer has read the ruling made by Vice President Barkley in 1950, we abide by that ruling now. I have been in a rather delicate position myself as the acting majority leader, in light of the fact that most of our colleagues are away, and I have not wanted to exercise what are obviously the privileges and the rights to apply rule XIX, because I am of the opinion that the suggestion which has been made recently is much more desirable; namely, that two able Senators are able to expunge from the RECORD the comments which they feel should be expunged, that they have agreed upon that, and that we then proceed in order with the business of the Senate.

The PRESIDING OFFICER. The Chair desired to point out that the reason for calling the Senator from Indiana to order should not be left hanging in the air without apparent justification, that the RECORD should show that the ruling was made in accordance with rule XIX, and that the precedent established by Vice President Barkley should be printed in the RECORD following the statement of the ruling of the Chair.

Mr. CAPEHART. What was said by the Senator from Indiana to which the Senator from Oregon or the Chair took exception?

Mr. MORSE. So far as I am concerned, there is nothing which the Senator from Indiana said that he is not perfectly welcome to leave in the RECORD.

So far as I am concerned, I made an insulting statement about the Senator from Indiana which I do not wish to leave in the RECORD, because I regret the statement.

If the Senator from Indiana wishes to leave in the RECORD any statement he made about the Senator from Oregon, that is his privilege. I only ask the courtesy of the Senator from Indiana to permit me to delete from the RECORD the statement I made about the Senator from Indiana, which I regret.

Mr. CAPEHART. Mr. President, I wish the Senator from Oregon would be as big and as noble in respect to the statement he made about the President of the United States.

Mr. MORSE. I was going to ask the Senator from Indiana to yield in that connection, because I wish to say what I think his trouble is in regard to the statement I made. He simply does not agree with my judgment. I happen to think it is as immoral for a President of the United States to be a party to an ODM decision which takes millions of dollars of interest money out of the pockets of the taxpayers and gives it to the Idaho Power Co., as I think it is for Dave Beck to take thousands of dollars out of the pockets of the teamsters. The Senator from Indiana and I never will agree on that.

Mr. CAPEHART. But where was the Senator from Oregon when the Pacific Light & Power Co. of Portland was given a $26,170,000 tax-free certificate?

Mr. MORSE. I was vigorously criticizing it.

Mr. CAPEHART. And where was the Senator from Oregon a little later, in the case of another tax-free certificate amounting to $19,620; and where was the Senator from Oregon when I believe approximately 3 or 4 dozen power companies in Oregon were given exactly what the Idaho Power Co. was given in the Hells Canyon case? Was the Senator from Oregon as much concerned then as he is now about the Hells Canyon matter; or is his present position taken because the Hells Canyon matter is in the public print and because he lost the Hells Canyon decision on the floor of the Senate, and then lost the court decision?

Why was not the Senator from Oregon just as much concerned about all those other quick tax writeoffs, which began in 1950, and amount to, it seems to me—I do not have time to figure the total at this time, but it seems to me that in the case of the State of Oregon the total comes to perhaps as much as $200 million or $300 million?

Mr. MORSE. I was vigorously criticizing them, both over the radio in my State and on the floor of the United States Senate, for which I was roundly criticized by the reactionary press of my State. I am sure that tomorrow I will collect those speeches for the information of the Senator from Indiana, and will put them into the RECORD.

Mr. CAPEHART. Did the Senator from Oregon refer to President Truman at that time in an unkindly way, when his Office of Defense Mobilization was doing that?

Mr. MORSE. I think in one of my speeches I said it was an unconscionable giveaway.

Mr. CAPEHART. But when President Truman was doing that, the Senator from Oregon did not compare him with any such person as the one he mentioned recently, did he?

Mr. MORSE. The Senator from Indiana had better examine the dates when those were given.

Mr. CAPEHART. I do not know the exact dates.

Mr. MORSE. The Senator from Indiane will find that they were given during this administration.

Mr. CAPEHART. I cannot tell.

Mr. MORSE. I am telling the Senator from Indiana that that is so.

Mr. CAPEHART. Did the Senator from Oregon become excited about them?

Mr. MORSE. When the Senator from Indiana examines the speeches I made, as he will be able to do when I put them into the RECORD tomorrow, he will find that they are not complimentary.

Mr. CAPEHART. At least one privilege a Senator has is in not reading speeches he does not want to read.

Mr. MORSE. I do not think the Senator from Indiana should be seeking to leave the impression that I did not criticize them, if he does not read my speeches.

Mr. CAPEHART. My question is: Did the Senator from Oregon say as unkind things about the President in office at that time as he said about the present President of the United States, in connection with the other matter?

Mr. MORSE. I vigorously protested the post-Korean policy. I am sorry the President did not learn, but continued to engage in that practice.

Mr. CAPEHART. Will the Senator from Oregon agree with me that the Congress passed the act of 1950?

Mr. MORSE. Surely, the Congress passed the Act, but Congress did not intend to have it perverted in such a manner.

Mr. CAPEHART. That is a matter of personal opinion.

Mr. MORSE. I have been expressing my personal opinion.

Mr. CAPEHART. But the criteria in connection with the certificate given to the Idaho Power Co. were the same as the criteria used in arriving at the decision to award the other certificates.

Mr. MORSE. I never thought Secretary Seaton would agree with me so quickly; but he seems to share my point of view that it was a bad action, in the case of the Idaho Power Co. and not in conformity with the criteria as his letter, which already appears in the RECORD will show.

Mr. CAPEHART. There, again, if the Senator from Oregon will read the letter of the Secretary, and will analyze it, he will find that that situation is somewhat the same as the one about which he was complaining, when he said he was misquoted.

Furthermore, he said this particular job will not be completed until 1961. Does the Senator from Oregon not know that the certificate will become void if the job is not completed by 1958, and that then the company will lose the certificate?

Mr. MORSE. But in the meantime, the company will have collected all the advantages of the fast tax writeoff.

Mr. CAPEHART. I wish to say to the able Senator from Oregon that the writeoff is 20 percent a year for 5 years.

Mr. MORSE. Yes, and the company will get that much for every year it is allowed to get by with it.

Mr. CAPEHART. But the certificate of necessity will not begin until the project is finished.

Mr. MORSE. That is just where the Senator from Indiana is completely wrong.

Mr. CAPEHART. I am not wrong.

Mr. MORSE. It begins immediately after it is granted. The company will write it off on its next year's tax report. What does the Senator from Indiana suppose the company wants it for? The company wants it in order to get it to help it build the project. That is why the company wants these millions of dollars of hand-outs—namely, to help it build the dams, at the cost of the taxpayers.

Mr. CAPEHART. Mr. President, the Senator from Oregon was never more mistaken in all his life, because the certificate cannot begin until the project is finished and until the total cost is known. I challenge the Senator from Oregon to prove that that statement is not true.

Mr. MORSE. Mr. President, I believe in doing my book work, and I will do it; and I will raise the question tomorrow.

Mr. CAPEHART. Mr. President, I have been engaged in business. I am sure I am right about the matter; I will be amazed if I am wrong. It is impossible to obtain a certificate for a writeoff before the job is completed and before the cost of the materials used is known.

REPORT OF ADVISORY BOARD OF THE POST OFFICE DEPARTMENT

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed in the RECORD a report of the Advisory Board of the Post Office Department dated May 27, 1957.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

ADVISORY BOARD,
POST OFFICE DEPARTMENT,
Washington, D. C., May 27, 1957.

THE PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The undersigned public members of the Advisory Board for the Post Office Department, appointed by you, are gravely concerned that during a time of widespread prosperity and full employment this Nation may be faced with a drastic curtailment of its accustomed mail service starting July 1.

The crisis is a budgetary one. It has no relation to the problem of postal rates which has been under discussion for some time.

The use of the mails is today the highest it has ever been. But none of the costs of operating the Post Office Department can be paid for out of revenues received from the service rendered. All revenues go to the Treasury Department. The Post Office is completely dependent for funds to cover its costs of operation on the money appropriated each year by the Congress. The increased number of man-hours required to handle this increase in mail, the increased costs for transportation, even the cost of printing the stamps, must all be paid for out of congressional appropriations.

We write you, Mr. President, because we believe that in the emotional atmosphere now surrounding budgetary action by the Congress, it may be necessary for you to call upon the American people to express themselves if they wish to save the mail service as they know it.

The Post Office budget supports a constant daily service touching the life of every person in the United States.

If the Post Office does not get the money it now requires, it is faced—by the Comptroller General's interpretation of the Anti-Deficiency Act—with the necessity of curtailing services on July 1 in order to live during the next 12 months within the limits of the funds appropriated by the Congress. There is no other choice.

This Board has reviewed the operating costs of the Post Office and finds that approximately 94 percent of its expenditure is related to mail volume, 78 percent being for wages and 16 percent for transportation. Two percent more goes for rents, utilities, and communication.

By increased efficiency, the Department is now using about the same number of employees as in 1952 despite the large increase in the volume of mail since then. It is paying $50 million less comparatively for transporting mail now that it paid 4 years ago.

At this time costs can only be further reduced by such drastic actions as: (1) Reducing the number of days per week in which mail delivery and other postal service is given; (2) closing thousands of post offices; (3) arbitrarily reducing the volume, and possibly types, of mail handled.

The Post Office budget for the 1958 fiscal year, which begins July 1, 1957, asked for an appropriation of $3,250,000,000. This included for the first time an additional $167 million required to cover mandatory expenses voted by the Congress for postal-employee benefits.

The Congress has cut this budget to the point where the Post Office will have less money next year than it has for this year—and yet it must deliver approximately 2½ billion more pieces of mail.

Prior to this action the Postmaster General had advised the Congress that the Post Office would handle 61.1 billion pieces of

mail in the fiscal year beginning July 1, 1957, the greatest volume in its history. He pointed out that this increase in mail volume was due to the happy facts of great prosperity, high level of employment, and business activity, and a recordbreaking number of new homes, principally in suburban areas.

This phenomenal growth in mail—far beyond that estimated when the budget was originally prepared a year ago—is the main reason the Post Office needs approximately $140 million more than the 1958 reduced appropriation recently voted by the Congress.

We believe the American people will not be satisfied with a part-time postal service.

We yield to no one in our desire for economy and efficiency in government, but we believe care must be taken, lest, under the guise of economy, irreparable harm be done to our country's needs. The fact is that a reduction in the funds available for the operation of the Post Office must be accompanied by a reduction in service. We do not believe the American people want their mail service curtailed.

Possibly other Government departments can sometimes attain reductions in costs by curtailing, postponing, or eliminating certain programs. But the customers of the Post Office—the American people—determine the size of its activity. It charges fixed fees for specific services. Traditionally it has been expected to carry and deliver our people's mail no matter how much the volume increased.

Not only does the Post Office Department need this extra money now to render accustomed mail service, but the Congress should not ignore the long-range program of the Postmaster General to modernize postal equipment, buildings, and methods so mail service can be improved and unit costs reduced.

In conclusion, Mr. President, the undersigned public members of your Advisory Board for the Post Office Department believe we must call this crisis to the attention of the American people. The Post Office must have the funds it requires and must have them before July 1, 1957, if it is to avoid drastic and unavoidable curtailments in the mail service which would seriously affect the public welfare.

Respectfully yours,

JOHN S. COLEMAN.
JAMES H. S. ELLIS.
ROWLAND JONES, Jr.
JACK R. HOWARD.
RICHARD J. GRAY.
CHARLES M. WHITE.

ADVISORY BOARD FOR THE POST OFFICE DEPARTMENT

The Advisory Board for the Post Office Department was established on August 20, 1949, by Reorganization Plan No. 3 of 1949, title 5, United States Code.

The Postmaster General is its Chairman and the Deputy Postmaster General the Vice Chairman. The Board has seven members representative of the public who are appointed by the President by and with the advice and consent of the Senate.

Present public members of the Board, with dates of their appointments, are:

Richard E. Berlin, president, Hearst Corp., New York, N. Y., appointed July 8, 1953.

John S. Coleman, president, Burroughs Corp., Detroit, Mich., appointed July 8, 1953.

James H. S. Ellis, president, Kudner Agency, Inc., New York, N. Y., appointed December 15, 1953.

Richard J. Gray, president, Building and Construction Trades Department, AFL–CIO, Washington, D. C., appointed July 8, 1953.

Jack R. Howard, president, Scripps-Howard Newspapers, New York, N. Y., appointed December 7, 1955.

Rowland Jones, Jr., president, American Retail Federation, Washington, D. C., appointed July 8, 1953.

Charles M. White, chairman of the board, Republic Steel Corp., Cleveland, Ohio, appointed July 8, 1953.

MAY 27, 1957.

ADDITIONAL EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following additional favorable report of nominations was submitted:

By Mr. HILL, from the Committee on Labor and Public Welfare:

George E. Mitchell, and sundry other candidates, for personnel action in the Regular Corps of the Public Health Service.

HOUSING ACT OF 1957—AMENDMENTS

Mr. MORSE. Mr. President, on behalf of myself, my colleague, the junior Senator from Oregon [Mr. NEUBERGER], the Senator from Pennsylvania [Mr. CLARK], and the Senator from Montana [Mr. MURRAY], I submit amendments, intended to be proposed by us, jointly, to the bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes, and ask that they be printed and lie on the desk until the beginning of the session tomorrow as the pending amendment. I ask unanimous consent that the amendments be printed in the RECORD.

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). The amendments will be received, printed, and lie on the table, and, without objection, will be printed in the RECORD.

The amendments, submitted by Mr. MORSE (for himself and other Senators), are as follows:

On page 42, between lines 9 and 10, insert the following:

"SEC. 401. (a) Section 10 (i) of the United States Housing Act of 1937 is amended to read as follows:

"'(1) Notwithstanding any other provision of law, the Authority may enter into new contracts for loans and annual contributions for not more than 35,000 additional dwelling units during fiscal year 1957 and for not more than 200,000 additional dwelling units during each of the fiscal years 1958 and 1959: *Provided*, That any balances of this authorization not utilized in any such year shall be available in succeeding years: *And provided further*, That no new contracts for loans and annual contributions for additional dwelling units in excess of the number authorized in this sentence shall be entered into unless authorized by the Congress.'"

On page 42, line 10, strike out "Sec. 401. (a)" and insert in lieu thereof "(b)."

On page 42, line 24, strike out "(b)" and insert in lieu thereof "(c)."

On page 43, line 22, strike out "(c) (1)" and insert in lieu thereof "(d)."

On page 44, strike out lines 3 through 11.

On page 44, line 12, strike out "(d)" and insert in lieu thereof "(e)."

On page 44, line 16, strike out "(e)" and insert in lieu thereof "(f)."

Mr. LONG submitted amendments, intended to be proposed by him, to House bill 6659, supra, which were ordered to lie on the table and to be printed.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, May 28, 1957, he presented to the President of the United States the following enrolled bills:

S. 93. An act for the relief of Dominic Steinhauser (Hiroshi Tsuruda);

S. 687. An act for the relief of Stylianos Lecomples;

S. 696. An act for the relief of Alecos Markos Karavasilis and his wife, Steliani Karavasilis; and

S. 797. An act for the relief of John Leary.

ADJOURNMENT UNTIL 10:30 TOMORROW

Mr. HUMPHREY. Mr. President, if there is no further business to come before the Senate at this time, I move that the Senate do now adjourn.

The motion was agreed to; and (at 10 o'clock and 6 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Wednesday, May 29, 1957, at 10:30 o'clock a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 28 (legislative day of May 27), 1957:

DEPARTMENT OF JUSTICE

J. Lee Rankin, of Nebraska, to be Solicitor General of the United States.

ASSISTANT COMMISSIONER OF PATENTS

Maurice Augustus Crews, of Pennsylvania, to be an Assistant Commissioner of Patents.

UNITED STATES MARSHALS

William B. Somers, of North Carolina, to be United States marshal for the middle district of North Carolina for a term of 4 years.

Albert W. Saegert, of Texas, to be United States marshal for the western district of Texas for a term of 4 years.

POSTMASTERS

ALABAMA

James A. Boatwright, Abbeville.
Prince W. Cofield, Bexar.

ARKANSAS

Curtis F. Mason, Alma.
Herschel A. Webb, Beebe.
Henry L. Clark, Black Rock.
Mack Hopper, Glenwood.
Ralph A. Morrison, Nettleton.

CALIFORNIA

Boyden J. Hammond, Vista.

FLORIDA

Fred Wagner, Tice.

GEORGIA

Emory H. Camp, Monroe.

KENTUCKY

Grant Phillips, Jr., Pikeville.

LOUISIANA

John W. Lewis, Jr., Alexandria.
Alex M. McCabe, Jones.

MICHIGAN

Roland W. Reese, Birmingham.
Theodore H. Lyons, Eaton Rapids.
Charles H. Hinman, Hastings.
Bert O. Hobolth, Keego Harbor.
Cole L. Neumann, Rochester.
Albert A. Hebda, Wyandotte.

MISSOURI

William E. Wise, Aurora.
Theodore R. Regenhardt, Cape Girardeau.
Alfred W. McKenzie, Parma.
Leroy J. Peden, Weston.

MONTANA

Loyd E. Shay, Laural.

NEW YORK

Leslie Duncan Olmsted, Pleasantville.

OREGON

LaVelle E. Partlow, Irrigon.

PUERTO RICO

Pablo Pedraza, Barranquitas.
Eduardo Melendez Santiago, Salinas.

TENNESSEE

Mary N. Montgomery, Seymour.
Ross C. Hopkins, Sneedville.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 28, 1957

The House met at 12 o'clock noon.

Rabbi Mordecai L. Brill, Temple Beth Israel, Philadelphia, Pa., offered the following prayer:

Eternal God, Thou who hast been with all the generations of man—be with us as we strive to bring closer to fruition the divine blueprint which Thou hast given us in sacred Scripture.

Humbly we would ask Thy guidance as we approach each day the ever-growing complexities of the modern world. We are humbled and chastened by the heavy burdens of leadership which devolve on our shoulders. We know that the welfare and well-being of millions lie within the scope of our work, and to Thee we turn for guidance.

Thou hast given us a goodly portion, a precious heritage. "Our lines have fallen in pleasant places." Our beloved land is one of beauty and bounty, of freedom and plenty. With grateful hearts we ask Thy help in keeping it ever thus.

Guide our deliberations at all times so that no pettiness of spirit or selfish interest mar our endeavors. Grant us wisdom and understanding together with constant awareness of the problems of men and nations. May our work lead to the ending of war and hunger throughout the world, to the end of strife and misunderstanding both within and without our borders. Keep us constantly aware that we are our brother's keeper. May the day come speedily when men will know bread and freedom, security and happiness as their daily portion.

Above all, we would ask Thy help in replacing complacency with concern, indifference with dedication to the cause of freemen everywhere.

As we approach Memorial Day, may its meaning impress itself upon our hearts and minds so that we make our country, through its elected representatives, a mighty force for justice and righteousness in the assembly of nations bringing closer the words of the Hebrew prophet, "Nation will no longer lift up sword against nation, neither will they learn war any more."

And help us to live in accordance with the words of Thy inspired seer: "It hath been told thee, O man, what is good and what the Lord doth require of thee: To do justice, to love mercy, and to walk humbly with thy God." Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 93. An act for the relief of Dominic Paul Steinhauser (Hiroshi Tsuruda);

S. 687. An act for the relief of Stylianos Lecomples;

S. 696. An act for the relief of Alecos Markos Karavasilis and his wife, Steliani Karavasilis; and

S. 797. An act for the relief of John Leary.

MEMBERS OF COMMITTEE TO ESCORT THE CHANCELLOR OF THE FEDERAL REPUBLIC OF GERMANY INTO THE HOUSE CHAMBER

The SPEAKER. The Chair appoints as members of the Committee to Escort the Chancellor of the Federal Republic of Germany into the Chamber the gentleman from Massachusetts, Mr. MCCORMACK, the gentleman from Massachusetts, Mr. MARTIN, the gentleman from Illinois, Mr. GORDON, and the gentleman from Illinois, Mr. CHIPERFIELD.

RECESS

The SPEAKER. The House will stand in recess.

Accordingly (at 12 o'clock and 4 minutes p. m.), the House stood in recess.

VISIT OF HIS EXCELLENCY KONRAD ADENAUER, CHANCELLOR OF THE FEDERAL REPUBLIC OF GERMANY

The Doorkeeper (at 12 o'clock and 30 minutes p. m.) announced His Excellency, Konrad Adenauer, Chancellor of the Federal Republic of Germany.

The Chancellor of the Federal Republic of Germany, escorted by the committee of Representatives, entered the Hall of the House of Representatives, and stood at the Clerk's desk. [Applause, the Members rising.]

The SPEAKER. Members of the House of Representatives, it is our high privilege today to welcome into this Chamber one of the great leaders of the world, the leader of a great, a proud, and a free people; and I might say people who are determined to remain free. [Applause.]

I have the great honor of presenting to you His Excellency, the Chancellor of the Federal Republic of Germany, Konrad Adenauer. [Applause, the Members rising.]

Chancellor ADENAUER. Mr. Speaker, Members of the House of Representatives, I am deeply conscious of the honor of speaking before you, the elected representatives of the strongest and freest Nation on earth; and with all my heart I thank you for this distinction. I know that I do not stand here for myself alone, but for all my countrymen. What I am going to say, therefore, is meant as a message from them to the great American people.

The Federal Republic of Germany is young—not quite 8 years old. It is still incomplete and will remain incomplete as long as reunion with the 17 million Germans living in the Soviet-occupied zone has not been effected. We have been sovereign for 3 years; only since then have we been the masters of our political decisions.

When totalitarian national socialism collapsed, after having inflicted unspeakable suffering on the world and the German people, it left chaos behind. There were millions of dead and crippled, 10 million people who were expelled from their ancestral homes in the German East, burned cities, industries and lines of transportation destroyed, the economy ruined, an administration functioning on an emergency basis only, desperate human beings and, above all, a younger generation dangerously exposed to pernicious nihilism.

The German people went to work, supported in their first steps by the western occupation powers who gradually became our allies and friends. They reconstructed their homes, factories, stores, highways, and railroads. The German people worked hard and with self-discipline. They received invaluable help from outside sources, both public and private, and especially from the American people. The great work of the Marshall plan, undertaken 10 years ago, will never be forgotten by Europeans. It is my heartfelt desire at this hour to express our gratitude for all of this.

Consciously and deliberately, rejecting all totalitarian thoughts and aims, we began to erect our Federal Republic in that part of Germany in which freedom and human rights could be reestablished; we created this Republic on the unshakable foundation of democracy—with the inspired words of Abraham Lincoln in mind—"Government of the people, by the people, for the people." Freedom, respect for the inalienable rights of the individual and the principle of the rule of law—this is the credo of our constitution. [Applause.] In this respect, we could revert to the best traditions of our people. Our economy was organized on the principle of competitive free enterprise and social justice. We call this economic system the social market economy, and it combines free enterprise with social responsibility. The economic consequences of war destruction we endeavored to distribute equitably on many shoulders, in our thoroughgoing equalization-of-burdens law.

The greatest problems, however, were posed for us by the world around us; that is, the international situation. The world, of which our new Federal Republic had to become a part, was divided into two camps. This situation confronted our people with the most important decision it has ever had to make. Without hesitation we decided—and this is the meaning of the first parliamentary elections in 1949—for freedom against slavery, for the dignity of the individual against the collective mind, for rule by law against arbitrary dictatorship. [Applause.]

Since 1953, there has not been a single Communist in our freely elected Parliament. [Applause.]

In repeated decisions of their own choice, the people of the Federal Republic by a large majority have confirmed

that our nation constitutes an inseparable part of the free world. The basic expression of this attitude is our allegiance to the unity of Europe. Therefore, we became a member of the Strasbourg Council of Europe and the OEEC. We participated in the creation of the European Coal and Steel Community, in the attempt to create a European Defense Community and a European Political Community, and we hope that the Common Market and Euratom will soon be ratified by the parliaments of all six countries concerned. We have participated in all these works knowing that they mean an indissoluble bond to the world of freedom.

As early as 1948, when our constitution was drafted by the Constituent Assembly—the Parliamentary Council under my presidency—we made a provision whereby parts of our sovereignty could be transferred by a simple law to a European community. This was a renunciation of the concept that national sovereignty is still a principle suitable to the establishment of a political order in Europe. This principle has cost Europe dearly in the many wars of the past.

With the free world we share the dangers which threaten it, dangers to peace. As a country whose very arteries are now cut—by the Iron Curtain—we are vividly aware of these dangers. Therefore, we need safeguards. We find these safeguards within the powerful North Atlantic alliance whose main support is the moral, political, economic and military strength of the United States. NATO, in accordance with the principles of the United Nations, is an instrument for the preservation of freedom. The Western World created it after the Soviets almost completely paralyzed the security mechanism of the United Nations which had been devised with so much care and idealism. In our strenuous efforts to make our contribution to the military strength of the alliance, we, too, have nothing else in mind but the defense of our liberty. On my word before God, nobody in Germany plays with the idea of using force or war, and this includes the use of force in the question of German reunification which we desire so ardently. [Applause.] Still fresh in our memory is the horror of the nights of bombing during the Second World War, and the terrible devastation of our country.

That is why in our sincere love for peace we follow with such acute attention and sympathy the efforts of your Government by an overall controlled disarmament to diminish the danger of war. These efforts, coupled with elimination of the causes of tension in the world—characterized, most of all, in defiance of reason, justice, and morality, by the division of my country and its courageous capital, Berlin—must in the end give to mankind the security for which it longs and to which it is entitled in order to live according to its true destiny, to the highest principles of humanity. Without real effort, however, and without the sincere cooperation of the free peoples, we know that this objective will never be attained.

These are only the most essential facts and motives that may help you to understand us—that is, what we are and how we act. Let me attempt to sum up with a statement that gives me much pleasure:

The understanding and agreement—I daresay the cordial friendship—that exists today between the American and the German people is not the product of an accidental coincidence of transient interests. It rests on the common ground of profound convictions. It rests on the only power that moves free human beings to unite their destinies lastingly—it rests on confidence. The German people trust in you. Preserve your trust in them. This I ask of you. [Applause, the Members rising.]

AFTER RECESS

The recess having expired at 1 o'clock and 30 minutes p. m., the House was called to order by the Speaker.

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

DEPARTMENTS OF STATE, JUSTICE, THE JUDICIARY AND RELATED AGENCIES APPROPRIATIONS, 1958 —CONFERENCE REPORT

Mr. ROONEY. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill (H. R. 6871) making appropriations for the Departments of State and Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

CALL OF THE HOUSE

Mr. MASON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. MAHON. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 89]

Adair	Eberharter	Kearney
Andresen, August H.	Forrester	Kee
Barrett	Garmatz	Kelley, Pa.
Baumhart	Granahan	Kilburn
Beamer	Grant	LeCompte
Blatnik	Green, Pa.	McConnell
Blitch	Gubser	McGovern
Bowler	Gwinn	McMillan
Buckley	Hays, Ark.	Mailliard
Byrd	Hays, Ohio	Miller, Md.
Byrne, Pa.	Healey	Montoya
Celler	Hemphill	Morris
Chelf	Hillings	Murray
Chudoff	Hoeven	Natcher
Cole	Holtzman	Perkins
Dawson, Ill.	James	Powell
Dellay	Jenkins	Preston
	Jennings	Rains
Sieminski	Van Pelt	Wolverton
Siler	Vinson	Zelenko
Spence	Vursell	
Teller	Watts	

The SPEAKER. On this rollcall 368 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1958

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7665) making appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 7665, with Mr. KEOGH in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the Clerk had read down to and including line 9 on page 3 of the bill. If there are no amendments at this point, the Clerk will read.

The Clerk read as follows:

EMERGENCY FUND

For transfer by the Secretary of Defense, with the approval of the Bureau of the Budget, to any appropriation for military functions under the Department of Defense available for research and development, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation to which transferred, $85,000,000 and in addition not to exceed $50,000,000 to be used upon determination by the Secretary of Defense that such funds can be wisely, profitably, and practically used in the interest of national defense and to be derived by transfer from such appropriations available to the Department of Defense for obligation during the current fiscal year as the Secretary of Defense may designate.

Mr. SCRIVNER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time in order that I may answer some questions that have been asked me, questions which may be in the minds of other Members but particularly newer Members of the House, and that is the steps of procedure followed in order to arrive at the amount to be allowed the Department of Defense.

Now, it should be recognized that at the very outset the beginning of these requests starts clear down on a local level perhaps 18 months or more before they come to us. Then each one of the Departments, the Army, the Navy, and the Air Force, prepare and present their requests to the Secretary of Defense. He reviews them, and then, finally, when the Office of the Secretary of Defense arrives at the figure there, it is forwarded to the Bureau of the Budget. Then the Bureau of the Budget, having reviewed these figures, finally incorporates them in what comes to us as the President's budget message for these sums now before you.

Immediately after the President's budget is received this request for funds is sent to the Subcommittee on Defense Appropriations, a 13-man subcommittee of the full Committee on Appropriations of 50. As you have been told, we started our hearings in January, and we just concluded them 10 days ago. Our hearings are contained in a stack of 5 volumes, including 7,000 pages, and as much more testimony was taken secretly or off the record. Before our subcommittee there came the top military and civilian officials of the Department of Defense. We, in turn, have now accepted our responsibility. We have concluded our hearings. We have written our report and recommendations. We have made our report to the full committee of 50 members. They, in turn, have acted and this bill is now before the House of Representatives.

When we conclude, I hope tomorrow, the bill as we pass it will be sent to the other body, the Senate. But there the procedure is different. They do not have the full and complete hearings that we have, and have held for 4½ months. The military witnesses go to the Senate under a process which they call reclama. According to Webster that merely means a complaint. In other words, they take the bill as we have passed it, and go before the Senate Committee on Appropriations and complain about the cuts or reductions that the House of Representatives has made. They say nothing whatsoever about any other section of the bill nor is there any statement concerning sums that may be a little "plus." They say nothing about that. They merely go before the Senate Committee on Appropriations and make a reclama on the very items that we have reduced. If the defense has a good case, they can prove their complaint.

Then, of course, the Senate committee reports, and the bill goes to the floor of the Senate. There they take up the bill pretty much as we do here. Then, when the Senate passes its bill, if their figures are different, if there is any difference between the House figures and the Senate figures, there is a conference. The conferees discuss the differences and finally work things out by compromise and get a result between the figures of the House and those of the Senate. That is reported back to each body as a conference report for the approval or rejection by the House of Representatives.

It should be clearly understood that this is not the last Department of Defense appropriation bill that this House of Representatives is going to pass. We meet again in January, and if by chance we have reduced more than we should have, the military can come in and tell us what effect it has had. They will then have had 6 months of experience under this appropriation bill, and if we have cut too deeply they can come in and point out facts and figures and tell us exactly what has happened and what is necessary in order that we do not jeopardize our national defense.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from Kansas.

Mr. REES of Kansas. About how much money is there on hand unexpended in the Department of Defense?

Mr. SCRIVNER. About $67,000 million—$67 billion.

Mr. REES of Kansas. And part of that has already been allocated, has it not?

Mr. SCRIVNER. Most of it has been obligated. At the end of this fiscal year, the year now ending, there will be about $10 billion unobligated; that is, for which there is no binding contract.

Mr. REES of Kansas. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. SCRIVNER] has expired.

Mr. SCRIVNER. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from Florida.

Mr. HALEY. Could the gentleman break down the unexpended funds among the three branches of the armed services?

Mr. SCRIVNER. I do not have those figures before me, but the unexpended balance is not the important item. It is the unobligated balance; that is, where there has been no contract brought to a finality, that is really important. These unexpended and unobligated balances will be discussed later during the debate. But I want to point out that the reason I have made this statement on the floor is so that each Member here will know exactly the procedure and know this is not the last word, by any means.

In the last 5 years we have provided a little less than $200 billion for our national defense and in the next 10 years you are apt to be called upon to provide at least $500 billion if not $750 billion.

Mr. Chairman, if there are no other questions, I would close on a somewhat lighter vein with this illustration. A husband was telling his wife that they could not get a new car because they were so heavily in debt. The wife's reply was, "Well, look at the Government; it is head over heels in debt and that does not stop them from spending."

My comment is that it should.

Mrs. GRIFFITHS. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Michigan?

There was no objection.

Mrs. GRIFFITHS. Mr. Chairman, I rise in support of the committee bill. The only place that a meaningful cut can be made in the entire budget is in the area of defense. It would be made by reducing the items of defense, but I am sure that all of us prefer to leave that to the President and to the Chiefs of Staff. It could be made by cutting the duplication in defense, and while I would support such a cut I am not suggesting it.

However, I would like to say that I think it is essential that each of us face the fact that some items are bought after the need has gone. In the cases where the item is not essential in the judgment of the Defense Department but is purchased or where items are purchased that are not usable, I suggest that they be called by the name that fits them best. Such purchases are in reality a WPA project, and I think they should be called that. I might suggest that I consider the $125 million worth of planes that will not fly, the $100 million worth of tanks whose turrets will not turn, and $150 million worth of TACAN equipment, not one piece of which will work, a WPA project. If they were called by such a name it would give the people and the country an honest opportunity to determine whether they want these items or would rather have the money spent some other way. The place where I think the entire cut could be made is in the purchasing department of Defense, and I would like to address myself to that subject.

During World War II I was a negotiator of Government contracts for the Detroit Ordnance District. I spent 4 years of my life buying the armaments of war. The only previous trips I had ever made to Washington before I was sworn in as a Congresswoman were to explain to General Summerville's staff the contracts of the Detroit Ordnance District.

There is no question in my mind that the items purchased by the Defense Department are over-priced and carry excess profit.

The other day on the floor I was interested in listening to the fears of some that it was possible that there was bribery in the placement of contracts. My fear is that it is not bribery. Bribery is ascertainable, provable, and punishable under the criminal statutes of the country. It could be wiped out.

The real problem in defense purchasing is that the high prices are paid because of a mixture of about 50 percent "don't know" and 50 percent "don't care." There are neither battle stars nor wound stripes given in the battle with vice presidents over price. Although the new Air Force Academy does do so, neither West Point nor Annapolis offers courses in accounting nor in business administration, yet their officers are placed in complete charge of the largest purchasing procedure on earth, and I may say that at least when they start they know nothing about it. When they have completed their tour of duty and are about to learn they are moved on. I am sure that they are trying to remedy it, but it has not been remedied so far. There is no real guaranty on a competitive bid contract that the successful bidder is not selling an overpriced item. The Government is required to place the contract with the lowest qualified bidder, and "qualified" is within the determination of the contracting officer. On behalf of all bidders who have failed, I might say that the contracting officer sometimes has a whim of iron. There would be a better guaranty of a reasonably priced contract on a negotiated

contract, that is, a reasonable percentage of profit as related to reasonable costs and invested capital, if the contract negotiator were first trained to do his job and secondly, backed up by his superiors. Let me give you some examples. More than 150 years after Valley Forge, the Quartermaster Corps which buys clothing for the Armed Forces, and who by this time, should know so much about the making of clothing that they would make Schiaparelli look like an apprentice seamstress, is still placing contracts with people who do not even have a sewing machine when the contract is placed. There is no reason why a clothing purchaser for the Armed Forces should not be able to tell you by looking at the contract—by looking at the bid, whether or not the person is using union labor; whether they live in the North or the South; and exactly how competent the labor is. As a matter of fact, they do not even require a price breakdown of the bids.

One of the places where it is most obvious that the Government is not doing a proper purchasing job is in Air Force procurement. There are seven companies in the United States who supply only the Government. Now, they—the management and the employees and, to the extent they participate, the stockholders of these companies—are just as much Federal employees as you are or as I am. Every dime that they are paid comes from the taxpayers' money. It seems to me that a proper procurement should properly look into the salaries paid the management, the bonuses given them, the dividends paid, as well as concern themselves with every subcontracted item. It is only too apparent from reading the papers in the last few weeks that no matter whether they are attempting to do such things, and I really think the Air Force is making such an attempt, they are certainly not succeeding.

In Detroit recently, we read the shocking information that the Ford Motor Co. as a subcontractor of Boeing Aircraft offered to return $5 million of excess profits on their subcontract, and Boeing made no effort to take the money. Actually, no matter how much the renegotiator or the negotiator tries to perform otherwise, it is humanly impossible to keep from considering profit in relation to cost. The higher the costs of Boeing, therefore, the more their profit. Five airplane companies made an excess profit in 1953 of more than $1 billion plus. They are now engaged in a "hassle" with the renegotiation board over whether or not they are going to repay it. That money, in my judgment, properly belongs back in the pockets of the taxpayers. The Government should have a consultative power on the placement of subcontracts. This does not mean that the Government has to place the subcontracts or do the buying, but they should be notified of the price that the subcontractor charges and the price the prime contractor then charges the Government. And it could be quite simply done. It is proper that the President should defend his budget and that he should look to the defense of the Nation. But, it is deplorable that he has not pointed out that the Defense Department should become price conscious and that they must do everything within their power to reduce the prices paid for the defense items. By that I certainly do not mean that they should ever attempt to break a contractor. The purchasing power of the Department of Defense to a nation that has not been invaded within the memory of living men is a power in some of its aspects more beneficent than peace itself, and in others more destructive than war. It is the power to destroy an industry or to build an industry; to destroy or build a section of the country, and it should be used with wisdom.

The Government is offering its greatest competition to industry, not as a competitive producer, but as a competitive purchaser in the market place. It pushes the small producer away from the steel mill and compels him to buy through warehouses at a higher price. It pushes up the price of civilian planes. Every place its hand touches it actually raises civilian prices for its own taxpayers. The least the Defense Department can do is to see to it that it pays a fair profit on reasonable costs, and that it does not reach into the pockets of its own taxpayers to build up private fortunes; that it does not permit ever increasing dividends to the stockholders, but instead gives to its own taxpayers their money's worth for the items that they buy.

For this reason, and because I believe this cut is the least cut that could be made, I urge that the bill be accepted.

Mr. CUNNINGHAM of Nebraska. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CUNNINGHAM of Nebraska. Mr. Chairman, I am not at all convinced that the Department of Defense is concerned about economy. I hesitate to make such a statement as I came to the Congress in January with an open mind. But after personal experience with the Department of the Army I have found they are wasteful and arrogant.

In my hometown of Omaha, there is located a very fine company. It is a small concern and manufactures a fine line of steel shelving. Their shelving is sold throughout the United States and is a high-quality product.

Recently the procurement officer at Fort Knox advertised for bids for steel shelving for use at Fort Knox. My constituent entered a bid and it was the low bid. My constituent has proven to me that his bid met the specifications within the tolerances allowed. However, he was informed by the officials at Fort Knox that he would not receive the contract but that it would be awarded to a higher bidder. They gave no satisfactory reason for this unusual practice.

Upon hearing of this decision, I entered a strong protest and demanded that the award go to the low bidder. Now, after about 2 months, my constituent and I have been given the run-around by the Army officials and they have not given this contract to the low bidder whose product meets the specifications. I wonder if they ever will as I have the feeling that their pride has been hurt and they are not willing to recognize the justice of our case.

As a result of this unfortunate experience and the refusal of the Army to save money as they would in this case, by awarding this contract to the low bidder, I am firmly convinced there is much waste in Army procurement and that this budget contains a good deal of "fat." Therefore I am willing to vote for reductions in their budget requests as it seems to me to be the only way to register my protest against such highhanded methods.

This is only a small item so far as dollars are concerned. The entire bid amounted to only $10,566.17. So it is not the money but the principle that is involved here. If the Army can waste money in this small instance, is it not only natural to conclude that they might waste millions when you consider the huge contracts they enter into for their other needs?

Until I receive a proper explanation of this wasteful practice I shall have little faith in the Department of the Army and its purchasing officers.

Mr. CANFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this bill providing funds for the defense of our country has been properly described as the most important of the year.

Because I had doubts about the serious cuts imposed by the House Committee on Appropriations last week in reporting the bill to the floor, I insisted my vote be recorded against the measure.

I have the greatest respect for the very distinguished and very able gentleman from Texas, chairman of the subcommittee handling defense appropriations, and every member of this subcommittee. All are dedicated, patriotic, sincere and honest.

Why, then, my doubts?

The President and Commander in Chief, one of the greatest military leaders of all time, the Joint Chiefs of Staff, and the Secretary of Defense all insist the cuts present a risky gamble which they vigorously oppose.

In presenting the measure the gentleman from Texas [Mr. MAHON], states quite frankly the United States and the Soviets are in a nip-and-tuck race for military superiority and some members of his subcommittee now concede some cuts in the bill are too deep.

After the distinguished gentleman from California [Mr. SHEPPARD], in charge of the naval panel, and the distinguished gentleman from Florida [Mr. SYKES], in charge of the Army panel, had presented their cases, I was amazed when the distinguished chairman of the full committee, the gentleman from Missouri [Mr. CANNON] took the floor to riddle the requests of both services.

Speaking of the Navy, the gentleman from Missouri [Mr. CANNON] said:

> If war should come, could the Navy protect us? Ridiculous. Enemy bombers would fly right over them. With the exception of our submarines the Navy would cease to exist in a few hours.

And turning to the Army, he went on to say:

> We ought to cut at least one Army division out of the bill—if not more. We have no use for them.

No longer can we sing, "The Army and the Navy forever."

I am also a strong protagonist of air power but I am not for abolishing the Army and the Navy and I like the statement made yesterday by my distinguished friend from South Carolina [Mr. RILEY] that we have to maintain all our fighting components as a working team.

Whenever I hear any one advocating cuts in our Armed Forces, especially Army, I think of that great soldier of World War II, Gen. Jonathan "Skinny" Wainright.

Remember the General, hero of Corregidor and Bataan, when he addressed the Congress on his return home from a Japanese prison camp. He stood before us, thin, weak, emaciated, tears streaming down his cheeks. And what was his plea? It was this:

> Never, gentlemen of the Congress, never again, cut our defense forces. Never, never again, let America's defenses grow weak.

I feel certain that there are many others here today who have doubts as we approach votes on this bill. Let us resolve them in favor of strength. Let it not be said today, Memorial Day, or any other day, we did otherwise.

Mr. SCOTT of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to my good friend from Pennsylvania, a veteran of two wars, with whom I worked as a seaman on a tanker in the North Atlantic run during the Congressional summer recess of 1944.

Mr. SCOTT of Pennsylvania. I think the gentleman will agree that any reference to the Army and the Navy as being of little use in future wars ignores, of course, the proven value of both services in the Korean war, and all the evidence bears out the view that a balanced defense on the part of all services is vital to our safety; and in view of the fact that our planning is for a modern and increasingly nuclear-powered armed service, will not the gentleman agree that much as we have relied upon the cannon in the past, perhaps now the cannon is in danger of being old fashioned, obsolete, and out of step with the concept of modern warfare?

Mr. CANFIELD. Perhaps the gentleman means to say that the cannon volleyed and thundered but did not get very far.

Mr. SCOTT of Pennsylvania. And did not hit the target.

Mr. JOHANSEN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, it is reassuring to those of us who are younger Members of the House, and perhaps a source of some consolation to find the acknowledgment from an older, more experienced, and wiser colleague that there is no absolute infallibility in the matter of appropriations for national defense. Thus, yesterday, the distinguished chairman of the Committee on the Armed Services, the gentleman from Georgia [Mr. VINSON] said:

> No living person can state with certainty that this bill contains a sufficient amount of money to assure our national survival, nor can anyone state with certainty that it endangers our security.

This acknowledgment of our common fallibility from so eminent a source does not, of course, lessen the determination of any one of us to discover and to do the right thing so far as humanly possible. The basic problem before us, as I see it, is to weigh the national security necessities of adequate appropriations for military defense against the national security necessities of sound economy and fiscal stability, and thus endeavor to come up with an answer as accurate and as adequate as it is possible for fallible human beings to reach.

It seems to me the dilemma now facing us is even more acute and more specific. The issue is whether we are going to accept the figures recommended by the Appropriations Subcommittee after months of study, or make restoration of certain items as proposed or to be proposed in subsequent amendments.

I think that many of my colleagues may share some of the concern and misgivings that I feel, based on a lack of knowledge, a lack of information, and lack of certainty with respect to certain points. I certainly cannot help but feel that a 7-percent adequate cut in the overall appropriation for defense is not an unreasonable one. When you eliminate what the President himself has called simple bookkeeping changes that reduction is only 3 percent. On the other hand, some of us are deeply concerned whether in specific items there may not have too deep cuts recommended which ought to be repaired by restoration.

As the only possible way I can conceive to meet that dilemma, I intend to propose at the appropriate time amendments which would confirm the restorations which may be proposed in 3 or 4 instances, and then, at the same time, propose an amendment instructing the appropriate Secretary of the appropriate department that an equivalent amount be reduced from the aggregate appropriation for that particular department. In other words, we hear so much these days about using a meat ax. I am proposing that we use the scalpel instead of the meat ax, and I am suggesting that we place this scalpel in the hands of a competent surgeon, in the hands of the experts in the Defense Department, to the end that they will make the cuts where the impact on actual security will be the least. I must say to the House in all candor that if these amendments fail to prevail or if for technical reasons they are ruled out of order, I shall with the greatest reluctance vote against the restorations on the simple ground that we can lose the national security on either of two fronts. We can lose national security if we lose the battle of the budget by failing to face up to the problem of a sound responsible fiscal policy which will enable us to go home to our people, not so much with a tax cut but with the assurance that our fiscal and economic defenses are firm and sure. Both fronts in the area of defense, it seems to me, must be held firm and secure, if we are to have genuine national security.

Mr. MARTIN. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, no one appreciates any more than I do the many hours of study that the Committee on Appropriations and the subcommittees have given to this bill. I know the members are all honest, patriotic, and consecrated, and I know that they are striving for the same objective as we are—the security of America. But it is possible that they could be mistaken in some instances in a bill of this magnitude just as surely as the Chief of Staff and the men entrusted with the defense of this country, or the President, might be mistaken. It is just barely possible.

I, too, want to say that I share with every Member of this House the passion for economy because I know we must have a sound economy if this country is to continue to enjoy prosperity. But I think the poorest place in the world to begin that economy is risking our national security.

There have been statements here that the President of the United States has not carefully considered this legislation. That is not so.

My friends, what are the facts? I think—and you will pardon me if I say so—that the President of the United States should have as much knowledge about this legislation as any one of us. His whole life has been spent working in the national defense. He has studied every phase of our military life. He has had great armies and he was Chief of Staff. The people of this country elected him President by a tremendous majority because they had faith in him and they realized that in this tense period they wanted to have in charge of our country a man who knew the facts and was acquainted with realities of the tense world.

Let us not forget, when we talk about these economy cuts, that this budget started out with a request for $48 billion when it came in from the several departments. It was reduced by over $10 billion before the budget was sent up to the Congress. Since the present bill has been reported out a careful check has been made under the direction of the President as to the results of these reductions. I believe that every one of us should carefully consider what those reductions mean before we announce our position on this bill. As these facts are given to me I find:

First, contrary to public impression, the appropriation does cut our armed strength. It forces the Army to reduce by some 10,000 the number of its soldiers; the Navy by some 10,000 sailors; the Air Force by 9,500 airmen, and the Marine Corps by 3,000 Marines. Those are not estimates. They are figures that have been carefully and efficiently worked out.

You saw the distinguished statesman from Germany, Chancellor Adenauer,

here today when he told you how tense the situation was in Europe. He pleaded for liberty and freedom. I tell you, my friends, this is not the hour in which to reduce the military forces of this country unless we want to take a tragic risk, a risk that we may well regret. True, if war does not come, the gamble may well have been a good gamble, but if war comes, I do not want to have it on my soul that I was the one who invited this war because I reduced the military forces of this Nation. The people of America, too, love freedom and they prefer that to dollars, and they prefer to spend for armaments to maintain peace.

Second, contrary to public impression, the appropriation cut reduces the naval air power by some 100 aircraft. I would not be able to tell you where that reduction can be made. Probably it could be done, I do not know, but that is a fact. It further tightens already stringent limitations on training in the use of guided missiles. In the event of an atomic war, the safety of the country will depend upon how well we learn to use them. Certainly we do not want our boys to use these missiles without full training.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. ANDERSEN. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts [Mr. MARTIN] may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MARTIN. Third, contrary to public impression, the appropriation cut deprives our naval forces of two modern destroyers and a guided missile destroyer leader at a time when the number of our modern naval vessels is declining and Soviet naval power, particularly the submarine, is rapidly gaining. The Soviet has a tremendous submarine navy and those destroyers are highly desirable.

Fourth, that without changing Army missions in the least, the appropriation cut causes a sharp reduction in the civilian work, the forces essential to these missions, thereby requiring their replacement by soldiers. That is a course exactly opposite from what we have been following in the past.

Fifth. The appropriation cut worsens an already difficult fiscal situation in the Air Force that will require drastic readjustments of going Air Force programs even if every dollar requested in this budget be approved.

The cut will reduce Air Force procurement of aircraft and guided missiles.

Clearly, this is no time to do this. I am one of those who believes that the Communist forces are on the retreat and that today we stand in a position where they nor any other nation dares attack us because we are strong. The Soviet do not dare to atack as long as we keep up our armaments. But if our strength should dwindle and we get ourselves into a position where we may be attacked safely, then I know what the answer will be and I believe, Mr. Chairman, you know the answer. The Soviets create these tense situations in the world today and they will march if given the opportunity to march. Let us not risk the possibility of tempting them to do so.

That is the actual situation, and I am leaving it to you and your conscience to determine whether you will support the President, our general staff, and those who have studied this situation, or whether in a passion for economy you will cut wherever cuts have been recommended. The economy cut could well rebound and make us spend billions trying to catch up.

I have faith in this House. I believe that we will restore a number of these reductions by amendments which will be offered in due time, because they will make sure that the cuts that are made are not too destructive.

Mr. MAHON. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Chairman, the battle lines are drawn and a frontal attack has been made upon the objective of the Congress and the people to get more economy and efficiency in Government. Here we stand on the crucial day to make that determination.

If there is any man in or out of Congress who could be labeled as a cautious man when it comes to matters of defense, I suspect that I would win that designation. Regardless of necessary costs involved, I favor a strong and adequate defense program and I feel that view is shared by all Members of the House. Often during the hearings my friends have stopped me in the corridors—and I say more of my friends on the left than on the right, and of high-ranking position—saying, "George, can't you cut the defense budget? Can't you cut out $2 billion; could you possibly go to $3 billion?" And I would say, "Gentlemen, you and I would not be willing to jeopardize the security of the country but we will do the best we can to make some reductions in this field."

On March 26 the Republican conference made this announcement:

> Whereas the American people and the Congress are deeply concerned at the continued high rate of Federal spending which continues to deprive them of adequate and prompt relief from high taxation; and
>
> Whereas it is the consensus of the Republican Members of the House of Representatives that a sharp reduction is essential in the high level of Federal Government spending; and
>
> Whereas the Republican policy committee on March 5, 1957, adopted a resolution recommending to Congress that a substantial reduction be made in the 1958 fiscal budget as submitted: Therefore be it
>
> *Resolved*, That the Republican conference, representing the entire membership of the Republican Party in the House of Representatives, requests a determined crusade of economy in all branches of the Federal Government; be it further
>
> *Resolved*, That the Republican conference pledges its best efforts to the reduction of Federal expenditures, the balancing of the budget, a payment on the national debt, and the reduction of taxes as soon as practicable.

Mr. Chairman, we are confronted with pressure from the Pentagon, civilian and military—led by the civilians I must say—good men I assure you.

But today who will win, the elected representatives of the people, or will big Government win through the avenue of the Pentagon and defeat this effort to make a very small reduction in the defense budget, which has been quoted by one of the gentlemen from the Republican side as being only 3 percent.

Suppose one of our younger colleagues goes back to his district after this session is over and his father says, "Son, how much did you cut the defense budget?" The son would say, "Well, we gave them 97 percent of what they requested." The old gentleman would probably say, "Son, if through the years I had given you 97 percent of everything you had requested, you probably would not have developed enough initiative to go to Congress."

If he goes on down the street and meets some veteran of World War I or World War II or the Korean war and the veteran inquires, "How much did you cut the defense budget?" the Congressman would say, "Well, we cut it about 3 percent." The veteran would probably say, "In other words, you gave those people 97 percent of what they requested. Don't you know they always request far more than they need?" This veteran would say, "Listen, big Government has got control of Congress, and you people are being made the captives of big Government. If you do not extricate yourselves from this situation, nobody else can."

Big Government is a colossus. As I was driving to the office this morning I was thinking of those lines where Cassius was talking to Brutus, and he said:

> Why, man, he—
>
> Big Government—
>
> doth bestride the narrow world
> Like a colossus, and we petty men
> Walk under his huge legs, and peep about
> To find ourselves dishonourable graves.

That is the threat of big Government to the legislative branch of the Government.

Cassius, continuing, said:

> The fault, dear Brutus, is not in our stars,
> But in ourselves, that we are underlings.

I appeal to the Members of the Congress to do their own thinking and to temper slightly in the public interest the programs of the Pentagon—to let officials know that there is some determination for economy and better management in the Congress of the United States. Did you hear the gentlewoman from Michigan speak a little while ago? We just proposed a little economy. The line is drawn. If we are going to be pushed over and demolished—if we, the legislative representatives of the people today, are going to be overcome and overrun in the attempt to propose a little economy, it will be a sad day for this country—and you know it. No, we have not taken any chances with the defense of our country. We have given officials practically everything they have asked for, and in many instances we have given them perhaps more than they required. On the first of July, they will have about $34 billion in all defense areas in unexpended funds without considering this appropriation, and with this appropriation, they will have in the neighborhood of $67 billion or $68 billion to spend.

It does not speak well for people in management that they cannot take a 3-percent cut. I am saying that, if people agree that they are going to fall flat on their faces and utterly fail, and let this country be open to exploitation by our enemies by reason of a 3 percent cut, there is something lacking in the Pentagon, something big and important lacking in management. Admiral Arthur Radford, Chairman of the Joint Chiefs of Staff, said to the committee several weeks ago, and he recently reaffirmed it:

> I feel that we have a Military Establishment today which is responsive to almost any situation that can be foreseen and within any reasonable period of time. We can take care of anything. And we are respected. Our power is respected.

All right, that is the way it was a couple of days ago—that is the way it is today. If we give defense officials, as we do in this bill, more than $34 billion in new money and, if we couple that with about $34 billion more, and these people in the Pentagon have all that money for next year—tell me, to what sad state have we fallen that we cannot have a reasonably adequate defense program based upon such tremendous and astronomical figures as that? Why we made a 1-percent cut in the pay of the Army, which includes subsistence and travel, among other items, and we are told that this may mean the loss of a division. That is putting your worse foot forward in order to intimidate the fearful. This is the test of men who stand firm when the going gets rough. This is the test of Congressional stability. This is the day when we will separate those who have the courage to evaluate this thing on the basis of merit rather than on some other basis. Those who would mislead, confuse, and intimidate say if you cut this budget, it could lead to disaster. We cut it 3 percent—could that lead us to disaster? How naive—how irresponsible can you be, if you think a cut of 3 percent could lead us to disaster.

If you go home and you meet Mrs. Joe Doakes and you say, "How are you, Mrs. Doakes, and how are the 7 children?" And she says, "Well, just fine, but we are having a pretty hard time with our personal budget. But let me ask you, Mr. Congressman, how much did you cut the defense budget? We believe in strong defense. We do not want to weaken ourselves. We also believe in some reductions and in better management, and we believe such a course is better for defense over the long pull."

As I was saying, if Mrs. Doakes asks you, "How much, Mr. Congressman, did you cut the defense budget?" And you say, "Oh, we gave them 97 percent of what they asked for." Mrs. Joe Doakes would say, "Well, I am afraid that if the breadwinner in our family gave us 97 percent of what we asked for, our family would go bankrupt and we would all have to go to the poorhouse."

This is just a homespun approach to the question that is confronting us. I will not sell my country short and admit that a 3-percent cut will cause us to lose the race with Soviet Russia. I say we will get stronger if we enforce better management and better operations which we are seeking to do by these small reductions in the defense budget.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SHEPPARD. Mr. Chairman, I ask unanimous consent that the gentleman from Texas may proceed for 2 additional minutes.

Mr. HOFFMAN. Mr. Chairman, reserving the right to object, and I shall not object, I wonder is somebody can assure me when we get along to about 5 o'clock that some of us who have not had an opportunity will be given an opportunity to talk.

Mr. SHEPPARD. Of course, the gentleman from Michigan fully realizes that I am not in that position of authority. But, so far as I am concerned, all I can say is that I have never objected to any unanimous consent request made by the gentleman.

Mr. HOFFMAN. I know the gentleman has not, but I wonder if whoever is in charge of the bill could assure us. This has happened heretofore. I do not care if the gentleman from Texas speaks for 10 minutes; that is all right with me.

Mr. MAHON. We are talking about $34 billion here and I do not think people ought to be denied a right to speak.

Mr. HOFFMAN. Oh, is that all, $34 billion?

Mr. MAHON. Some Members did not have a chance to discuss this during general debate. I think it would be better to be tolerant for a while. We can move faster later.

Mr. HOFFMAN. Will the gentleman be tolerant later on in the afternoon?

Mr. MAHON. I will always be tolerant, and that includes my attitude with the Department of Defense.

Mr. SHEPPARD. I have in my hand a quotation taken from the hearings, and I would like to ask the gentleman from Texas, during the length of time in which the policy representation of the Department of Defense appeared before the panels, if they were not asked this question: "If the chips were down tomorrow, what is the present military situation about winning or losing?" or words to that effect. And insistently, throughout the entire response, it was: "If we have to, we are prepared to do the job today."

Mr. MAHON. My friend is correct. They say that we are prepared, as I read in this report earlier. Officials say we could pulverize any potential enemy with what we have, and with 34 billion fresh dollars provided in this bill we ought to remain in fair shape for some time.

I look askance at those who would say to the wide world that if you cut the budget 3 percent we will probably lose the next war and invite disaster. How irresponsible can people be in order to take political advantage of a situation in which there should be no politics?

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the requisite number of words.

First, Mr. Chairman, I would like to thank the members of the subcommittee and the committee for what they have authorized in this bill. I know it has meant endless work and endless research, and I am deeply grateful for many things they have included in the bill. I am deeply grateful that they have the missile carrier, so very vital to our defense. I am deeply grateful that they have in the bill the hospitals for Arkansas and Waltham, so badly needed. I am deeply grateful that they have in the bill money for the airplanes and the submarines and all national defense. I am deeply grateful for additional help for the Army, the Navy, the Marine Corps and the Air Force.

I would say to the chairman of the committee and the other members of the committee that much as I appreciate what they have done, I am going along with the President's request for $1,250,000 more. No one in the world knows more the necessity for national defense or preparedness. I saw General Eisenhower's army in four countries abroad. I know what it means when he did not have the necessary equipment; when he did not have adequate arms and munitions; when faulty ammunition was sent, which was responsible for killing some of our own men. When at times he did not have many of the necessities to wage war. I would say to the gentleman from Texas [Mr. MAHON] that I, too, was at home recently. I saw Korean veterans; I saw veterans of every single war. There was not a veteran who asked to have this defense budget cut. I saw boys that had frozen feet and arms in Korea, and who lost those arms and legs as a result. They knew what the lack of equipment meant. I saw the boys overseas of World War I and World War II who had faulty equipment that we sent over to them, and there were poor and inadequate airplanes. Many of our soldiers had not been trained adequately to fight. I saw old men of the Spanish-American War and other soldiers. Not a man I saw last Sunday, Memorial Sunday, asked for a cut in this defense appropriation bill. These men know what it means not to be properly cared for. Those who escaped being killed at Pearl Harbor know what it means for the Navy to be not in proper operation.

I know what it would have meant had the draft not been continued—before Pearl Harbor—and that bill passed by only one vote. Then immediately came war. What would have happened if our soldiers had been dispersed.

The only thing these soldiers and veterans asked me when I went home was: "Do you think, Mrs. ROGERS, that we are going to be adequately prepared?" And I said: "Congress wants you to be prepared adequately, and I know the President does also." Their reply was: "I only hope so."

Have you ever been in a hospital where men were lying on the floor because they could not get beds? I have. Where they could not get even a drink of water because of shortage of personnel? You know, that might well happen in our civilian hospitals as well as our military hospitals at home and abroad if we have a bombing in this country.

Mr. Chairman, it is my intention to vote for H. R. 7665, the Defense Department Appropriation Bill for 1958. At President Eisenhower's request I shall vote to reinstate $1,250 million which he has stated is gravely necessary. Although I do not firmly hold to the view that there are not any items in this appropriation bill which cannot be reduced, I am confident in my decision that this appropriation for national defense in general should be approved in the full amount requested by the Congress. Broad reasons for my decision to vote for this bill are as follows:

First. It must be recognized that at this time there are no agreements between the Free World and the Communist world on which we can depend and which, if we could depend, would warrant reduction in our defense appropriation.

Second. The Communist ideology of government, under the authority of the Kremlin, is still expanding in various areas of the world and is becoming more and more a threat to freedom and the free nations.

Third. This point is very important—the free nations of the world look toward and depend upon the United States of America for their military protection and economic progress. In fact, they depend upon the military forces of the United States for survival. In the case of the Communist nations, however, it is to be realized most of them do not depend upon the military power of Russia for their survival. In other words, the military forces of the United States of America are not only geared to the requirements of defense for our country alone but they are geared, if need be, to defend the Free World. In this defense of the Free World, of course we are engaged in defending America as well.

Fourth. The general increase in production costs in all industries engaged in defense work of course results in an increase in the cost of our total national defense.

Fifth. Because of the tensions existing in various areas of the world, any slight weakening in the military forces of the United States could represent encouragement to any nation or group of nations hoping to achieve certain objectives by force.

Sixth. Upon the strength of the military forces of the United States, the Army, the Navy, the Air Force, and the Marine Corps, depends the peace of the world in this generation. If peace cannot be achieved by honorable, dependable agreements, then peace must be assured by the mighty destructive power of the mighty military forces of the United States of America. Minus any dependable agreements, the peace of the world is threatened and is no longer within our control just as soon as the Communist world, and Soviet Russia in particular, possesses stronger military forces than does our own United States.

Seventh. It is far cheaper to spend our dollars for a mighty defense to assure peace than would be the cost in dollars if we were forced to actually defend our country because of attack.

Eighth. Weakness invites attack and consequently the unlimited expenditure involved in striving for victory. Overwhelming strength prevents attack and saves the unlimited resources that would necessarily have to be expended if an attack were made. Strength means peace and weakness means war.

Ninth. Only within the concept of our Nation at peace and functioning in a peaceful economy lies any hope of a reduction in the costs of government in general for the American people.

Tenth. After all arguments are made, there is one forceful consideration that governs our action. We cannot risk the possibility of defeat if our country, or any country in the Free World, is attacked. In the words of General MacArthur, and I quote, "There is no substitute for victory."

Broadly speaking, these reasons I have briefly outlined represent the boundaries of my thinking concerning the necessity and the great importance the strength of our military forces represent in the world today. It is for these reasons it is difficult for me to comprehend how anyone could intentionally adopt any action that would cause a weakening of our military forces. It is for these reasons, broadly speaking, I believe this Defense Department appropriation bill for 1958 should be adopted without compromise and any serious reductions.

In this appropriation bill, there appears an item which I believe represents a landmark in our national defense and particularly in the development of our naval power. I refer to the appropriation for a nuclear-powered aircraft carrier. This is a great and important step in the United States Navy. This step is as significant and as important as it was when the Navy changed from sail to coal, and from coal to oil. In one word, it represents progress, and important and necessary progress. In the not too distant future, it is possible for all of us here to visualize the entire United States Navy operating under nuclear power.

This new carrier, when in operation, will be a great asset to the defenses of the United States of America and the Free World. This nuclear-powered carrier will not be dependent on refueling at sea and will add tremendous strength of both a strategical and tactical nature to our naval operations.

The great naval carrier, with its air striking force, is a unque asset in the military forces and the military power of the Nation. No possible enemy of the United States possesses such a valuable asset and such an enormous advantage that this asset provides and insures. Our giant carriers, representing as they do speedy and mobile airbases at sea, constitute the greatest deterrent to enemy attack and war in the history of the world. In other words, these carriers operate to insure the peace. Two occasions very clearly illustrate this fact. The first is when the carriers in the 7th Fleet of the United States Navy, under the command of Admiral Pride, drove into the waters surrounding Quemoy Island and prevented Communist China from attempting to invade the island and therefore prevented war. The second occasion occurred within the last few months. All of us remember so well when the great carriers in the 6th Fleet of the United States Navy, under the command of Admiral Brown, made way to the eastern Mediterranean and by their very presence prevented war in the Middle East.

On both of these occasions, if war had broken out it would have constituted the beginning of world war III. On these two occasions, the great carriers of the United States Navy have many, many times over justified their cost to the American people. It is well to remember in our thinking regarding our carrier fleet, that it represents mobile airbases over which our country always possesses sovereignty. It is not conceivable any of these carrier-mobile bases could ever captured and turned against us.

It is, therefore, of great satisfaction to me, and I know to many of the Congress, that this Defense Department appropriation bill for 1958 provides for the construction of this first nuclear-powered aircraft carrier.

The adoption of this Defense Department appropriation bill for 1958 without compromise or reductions, I maintain, is vitally necessary to the defense of our country and the welfare of the Free World. As a nation we now have certain grave responsibilities. We cannot lay these aside. We cannot shirk them. We cannot close our eyes to them. Although there is no question that certain reductions in this bill could be made at this time, the issue confronting each of us, however, is this: Dare we make these reductions? Dare we take this risk? Dare we to weaken our national defense? Dare we to risk taking any action here that might in the end encourage an attack and a resulting nuclear war? Do any of you want to assume such grave responsibility?

In this time of our thinking, I need only say that in the leadership of our military forces, as well as in the leadership of our President, our sincere, energetic, and devoted President Eisenhower, we are fortunate to possess the greatest military minds in the world. After careful appraisal of world conditions and relationships, and after careful appraisal of the military requirements to meet our responsibilities, and after careful appraisal of the military forces necessary to preserve the peace, the conclusion of these leaders is that the funds necessary to provide these needs are presented to the Congress in this Defense Department appropriation bill for 1958 for its approval. Is there anyone, I call out, is there any person, who is, regardless of profession or employment, who is, regardless of position, who believes himself qualified to substitute his knowledge and his judgment for the judgment of our military leadership and who is ready therefore, to reduce the military power

of the United States? Is there anyone willing to take the responsibility of advocating that regardless of the conclusions reached by our military leaders certain reductions in our military appropriations must be made? Is there anyone willing to assume that responsibility? Is there anyone willing to take that risk with the welfare of this Nation and the defense of the Free World?

Mr. Chairman, surely there is no alternative. Either we must appropriate the funds for powerful military forces, military forces equal to the demands and responsibilities of these times, or we must appropriate funds unlimited to finance a war for survival. In my mind, this choice is both obvious and clearly discerned. I urge all of you to approve the funds requested by President Eisenhower, our military leaders, and the officials of our Defense Department as requested in H. R. 7665, the Defense Department appropriation bill for 1958.

Mr. FLOOD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I just want to make a few statements because we have heard these expressions of concern that we are not going to have any army, not going to have a navy, not going to have an air force, and that the folks back home wonder when we are going to have those three branches of the service.

Let me remind you that this committee has reported for the Army 7½ billion American dollars—$7½ billion for the Army.

For the Navy: $9½ billion—for the Navy 9½ billion American dollars.

For the Air Force: Nearly 16 billion American dollars; that much is in here for the Air Force.

Mr. MARTIN. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. Of course I yield to the minority leader.

Mr. MARTIN. I want to assure the gentleman, if he is interpreting my remarks to mean that there was not going to be any Army, Navy, or Marine Corps, he is greatly mistaken.

I said that these cuts would force the reduction of those services by the number of men I announced; and that is a careful canvass. Those are the facts.

Mr. FLOOD. All right, let me say that that is what makes a horse race, a difference of opinion about what people think of the facts.

Let me say that this defense subcommittee under no circumstances—and the committee has made it very clear to the Department of Defense and to this House—we are opposed to cutting one single uniformed member of any of the armed services. Where the cut is made depends upon how the figures are applied. The Department of Defense would have you believe, Mr. Chairman, that we are going to cut the Army 15,000 men and that one division would be given to the Marines or the Air Force. We opposed cutting personnel.

May I say this, Mr. Chairman: This Army panel says to you now, Mr. Chairman, that on our figures there will not be—and we oppose—the cutting of one single uniformed body. It will not be cut.

Mr. MARTIN. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield, of course.

Mr. MARTIN. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Massachusetts.

Mr. MARTIN. I have given the gentleman figures to indicate what may happen. What is the gentleman going to do about paying these people he says must be continued in the service?

Mr. FLOOD. Talking about the infallibility of the Joint Chiefs of Staff, talking about the infallibility of our great President, a great Commander in Chief, talking about all of the civilian chiefs from Mr. Wilson down, at all levels, of all branches, and there is more than a corporal's guard down there, believe me, this is what they asked for last summer: $48½ billion was the first figure discussed by the uniformed Joint Chiefs of Staff. At the end of some discussion, and this is their language I quote, they wound up at the end of last summer, and I refer to the uniformed Joint Chiefs of Staff, a Secretary at the Secretary's level, they asked for $40 billion. That is the infallibility involved. They asked the Congress finally, after some more conversation, for $36,100,000,000.

Now, the Secretary of Defense came to us and he said: "You cannot cut this budget one dollar." Every member of the Joint Chiefs of Staff said: "You cannot cut this budget one dollar." For 5 months they said that. Then one day out of the clear blue sky the President sent this House a message in which he said: "Pardon me. You can cut it $500 million," and 1 week later when we made our report, the President, the Joint Chiefs of Staff and everybody in the Pentagon now say: "Well, $1,300 million is merely bookkeeping." So there is a cut of $1,800 million which the President and the Joint Chiefs of Staff say will not hurt the national defense at all.

I submit, Mr. Chairman, that is not evidence of infallibility in 30 days.

Mr. MARTIN. The gentleman will admit from his own statement that the President of the United States was trying to cut as deeply as possible and he did bring this down substantially from $48 billion which was the original request. Does the gentleman not think with all his vast knowledge of military affairs that the President squeezed all of the water that he could out of it?

Mr. FLOOD. I do not think so. That is the reason I have been talking for the last 4 minutes.

Mr. WHITTEN. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I take time to explain the way these budgets are built up. The figures that appear in the budget resulted in this way: The military does not decide at the top level what it takes to run the Nation's defenses for the coming year. In the preparation of this budget a request goes out to every military activity throughout the country, throughout the world, as a matter of fact, and they are invited to send their estimates in as to what it will take to run the local operation. In other words, when they talk about this $48½ billion that was in the original estimate, that amount represents the sum total of the buildup of all the requests by all the folks at all the stations saying what they would like to have. So, when you ask everybody what he wants at Podunk, or some other place, and to send in his figures, having learned that it gets trimmed down as it goes along the line, quite naturally he takes that into account when he submits his estimate, so whatever happens as the request works up from the ground level to the top level, he will still be all right. Of course, through the years the top level pulls that sum total down. The top folks in the Pentagon are wise enough to know that in the process generally the figures that come down here, if the Congress wants to economize, will also likely be cut.

When the statement is made that the application of amount of cuts in this budget will do harm, let me point out the total cuts here could easily be absorbed if wasteful practices were cut out. In the Military Department, according to our own investigation on procurement policies and practices, we were able to show that they had launched an airfield in the worst possible place of four eligible. Their location would cost more to build, would have had fewer flying hours, the weather was worse, there was a radio tower which constituted a flying hazard—why was it selected—political pressure. As I told the House the other day, we had evidence where aircraft companies were kept operating putting out defective planes for various reasons other than defense. In this record you will see that when General LeMay becomes Chief of the Air Force, there will be 177 changes in command throughout the world at a cost of thousands and thousands of dollars. You will see in the record of last year in our procurement practices investigation where company after company had turned back profits that were so exorbitant that even they were embarrassed to keep them. You just heard the gentlewoman from Michigan, in a masterful way cite numerous instances.

I regret that time does not permit me to go into all the details, but if you want to know how much the military will ask, the military asked this committee and this Congress for $350,000 to build a home for the Chairman of the Joint Chiefs of Staff in this country where there is no home provided even for the Vice President of the United States.

That is typical of what they will ask for and the size of the request is typical of how much.

Now, when I tell you how these figures in the budget are built up, you may get an indication of how conservative the requests are by the size of this request for the Chief of Staff's residence.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Kansas.

Mr. SCRIVNER. There is no item in here for the Joint Chief of Staff house.

Mr. WHITTEN. The gentleman misunderstood me. I said that the military department requested of the committee and of the Congress $350,000, and I used that to illustrate how little conservatism there is in military requests. It is not in here, but it does illustrate how far these people are going in their requests.

Now, I am going into all the details of this investigation of procurement policies and practices, but I would point out that it offers evidence there where they are purchasing on one hand and were selling the same articles as obsolete on the other. You will find how bad it was when I insisted and got Mr. Secretary Wilson to read that report of our investigators last year. Listen to this. He said, Yes, Mr. Congressman, I read it over the weekend and it makes me "sad" and it makes me "mad" that my department has such a bad record as that with your committee. Now, that is the statement of the head of the Defense Department, and you will find it in the hearings. And, I say to you that the cuts in this bill could easily be absorbed in cutting out these wasteful practices that go on and on and on. And, if the military has told the minority leader that they are going to apply this cut to manpower, that is another illustration of how far this group will go to regain every dollar they have asked. They have no need to reduce military manpower. In fact, if these cuts are so applied it will be opposite to the intent of the committee. We need to apply a little checkrein and say to the military, "No, we are not going to dot every i and cross every t." We realize that these figures are built from the ground level up, and we recognize that they request more than they expect to get. I say that the military can easily absorb this cut in cutting out waste in the military department.

Let us see just how the Defense Department treats those with whom it contracts. Let us see how much money the Air Force, if they can find out themselves, I quote from my views in the committee report:

In the last 5 years the Defense Department has spent approximately $80 billions of dollars with 50 corporations. The stock of those corporations has increased from an average of approximately $57 per share to an average of about $149 in that 5-year period. The Federal Government provided most of the cost of the facilities for the major aircraft companies which are producing planes for the military establishment. Yet the total profits to these aircraft companies, with little investment and practically no risk, increased last year, though total sales were less than the preceding year. In addition, the Government gave the aircraft companies the opportunity to write off their investment in 5 years instead of the usual 20 years provided for most others.

OPERATION "SMOKEOUT—RECOUPMENT"

The majority report states the following: "The primary reason for large unobligated balances is the practice of full funding of programs."

It is almost unbelievable what such course has led to. As the testimony will show, the Air Force has had so much money appropriated for so many purposes in years past, that it has had to assign large numbers of people to "smokeout" funds in its own dormant accounts, the size and number of which had increased to huge proportions through the years. This operation has been very successful, as the Air Force has recovered from itself approximately one and a half billion dollars. This is referred to as "recoupment" by the Air Force. In case the public doesn't know, "recoupment" means that the Air Force has recovered from itself one and a half billion dollars which it didn't know about until it had the operation "smokeout."

I personally feel that the appropriations for the Military Establishment for fiscal year 1958 could and should have been reduced further, and spending should have been held to last year's level. I think this is essential. It is my judgment that we are getting only about 70 cents worth of defense for a dollar spent. We must cut out the spending which is nonessential and in the nature of pump priming. That is the main cause of our inflation, which in turn could threaten our economy. If we don't slow down on this matter of permitting domestic economy to become dependent upon military spending, we are likely to go the way of every other major country which ever got on this treadmill, which is to get in a war to keep the military plants in operation.

Mr. ARENDS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I came to Congress in 1935 with the gentleman from Texas [Mr. MAHON] who is in charge of the bill before us. I have great admiration and respect for him, as a man and as one of the ablest Members of the Congress. I am proud to call him my friend.

We have our honest differences of opinion. The gentleman from Texas [Mr. MAHON] has disagreed before just as we disagree today. Whatever our disagreements, although he sits on one side of the aisle and I on the other, we both honestly and sincerely desire to do that which we honestly and sincerely believe to be for the best interests of the country as a whole.

We cannot, and we must not, approach the questions relating to our national defense from a political basis. I am sure my friend from Texas [Mr. MAHON] agrees with that thesis. And, frankly, I was somewhat surprised that he saw fit to chide us Republicans about the resolution we adopted demanding economy in Government and we are here today seeking to restore part of the cuts his committee made in this defense appropriation bill.

Yes; we are for economy in Government, and the economy resolution that the gentleman from Texas [Mr. MAHON] quoted as Republican policy is as valid today as the day it was adopted. We are determined to save wherever we can make legitimate savings, but we are not willing to commit the sin of risking the safety of our country in the name of economy. That is what we will be doing if we accept the committee's recommendation.

The American people want us to economize, but they do not want us to deny our Military Establishment whatever money may be necessary for our national security and for the preservation of peace and freedom in the world.

President Eisenhower has given more personal attention to our military needs than any other part of our national budget. No one is more fully qualified by training and experience to pass judgment on our actual defense requirements. We should not, and we must not, arbitrarily substitute our judgment for his, simply in the name of economy. We must evaluate each phase and each item in the defense program, lest what we call economy may in the end prove to be costly, not only in dollars but in the peace and freedom we all cherish.

I have been a member of the Armed Services Committee for 22 years. I do not profess to be an expert in anything, but national defense is one thing about which I know the most. If nothing else, I hope I may impress you with the fact that there is no substitute for an adequate national defense, and particularly during these days of great international uncertainty with a foreign ideology seeking our destruction and constantly probing for weaknesses in our defense armor.

It takes time and many billions of dollars to build and to maintain a defense that our enemies, real and potential, will respect. Strength is a deterrent to war, and strength is the only thing the Communists respect. We must be strong.

I can well recall how desperately our Committee on Armed Services—then the Military Affairs Committee and the Naval Affairs Committee—struggled in the days before World War II to build up our defense establishment in view of the ominous gathering of war threats. When war broke out we were not prepared. We were too late with too little. Our enemies saw in us weakness of which they could take advantage. Our weakness encouraged them to take aggressive action.

It is my considered opinion that the $1.2 billion cut made by the Appropriations Committee goes dangerously into the very muscle of our defense arm. The gentleman from Texas [Mr. MAHON] has referred to the relatively small percentage the cut represents in relation to the total. That is no valid criteria. There are innumerable parts in an automible. The spark plugs are a very small percentage part, but if you remove the spark plugs the whole machine does not function. The question is what is vital, what do we absolutely have to have for a really effective defense machinery.

It is by no means an easy question to resolve. Last year this House agreed to a conference report on the defense appropriation bill that gave the Air Force $900 million more than they requested. Last year the gentleman from Texas [Mr. MAHON] was desirous of giving the Defense Department more than it wanted, but this year he seeks to prevent them from having what they want. It doesn't make sense, unless it should be that political considerations other than actual defense needs constitute the motivating force in the action taken.

Just as there is no valid reason why we should appropriate more money for the Armed Forces than they want, there is no valid reason why we should appropriate all that they want. It is not a question of want but of need. It is a matter of making certain that the actual needs, in the light of the existing international situation, are adequately met—no more and no less.

For the past several weeks our Committee on Armed Services has been meeting day after day in a painstaking consideration of a bill to authorize a little over $1 billion 500 million for military public works. We are making a searching examination of each proposal, making certain that it is necessary. If it can be proven to be needed, our committee will seek to have it authorized.

When this bill is reported there will doubtless be those who will seek to eliminate, or add, this or that specific project. I just wonder what will be the attitude if it should be proposed to eliminate some particular project that would affect our individual district. That will be a test. We will then hear eloquent argument as to its need for national defense, and from the Member whose district is affected we will hear little about economy.

We cannot properly deal with defense matters by allowing ourselves to be influenced by how it affects our individual district or what may be the political consequences of the position we take, as an individual or as a party. Our sole consideration must be what is best for the country.

If there is one thing the American people demand, it is that we make certain we have the proper national defense. Anyone who votes against a national defense need is certain to have to make an accounting with the people he represents.

A number of years ago, prior to World War II, I voted against a bill to enlarge the harbor at Guam. It was represented as a bill to fortify Guam, although it was not in fact such a bill. But I experienced three hard campaigns on this issue. My opponents accused me of being against an adequate defense by virute of this vote, and it took an all-out effort on my part to clarify what was actually involved.

It was a lively issue. And why? Simply because the people wanted to be certain that I was, as their representative, for the kind of military defense this country needed—first, last and always. I say to you with all the emphasis I can command that nothing is more important to the American people than that we meet our defense needs that we may have security and preserve the peace.

Yes, we are for economy. We should be. It behooves us to save wherever possible. No one of us advocates that the cuts made by the committee should be fully restored. But the committee has gone much too far. If we err, let us err on the side of safety.

I question no one's patriotism, and no one's sincerity of purpose. But let us leave political considerations out of this and endeavor to resolve the issues on a strictly objective basis, all with a view to making absolutely certain that our defense needs are met and we do not risk the security of our country, the freedom of our people and the peace of the world.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there are many statements of the President that we all can go along with very easily.

WE CAN ECONOMIZE

When the budget of $71 billion plus was sent to the Congress on January 16, there were available in holdover funds some $70 billion.

The deadline on income-tax payments being April 15, the people were tax conscious. Demands that the budget be cut came from the taxpayers, from the press, and suggestions that it could be cut, without harm, were advanced by members of the President's Cabinet—members of his official family.

In his state of the Union message given Congress on January 10, 1957, the President told the people that because of the danger of inflation, it would be necessary for both labor and management to avoid demands for wage increases or higher prices—at least, that is the way I interpreted his statement. It necessarily follows that the Government should avoid inflationary action; that is, wherever possible, ask, if not for less, at least no increases, in appropriations.

The House sent to the President a resolution asking that he tell us where and to what extent the budget should be safely cut.

The President replied that the responsibility for making cuts rested with it.

The House, through the Department of Defense Subcommittee of the House Appropriations Committee, after extensive hearings and intensive study, came up with a bill which was $1,192,000,000 less than the amount carried in the budget for the armed services.

The President, in substance, over television told the public that if substantial cuts were made in the money requests submitted by the armed services, if the cuts were not restored, the House was courting disaster for the Nation.

For more than 20 long years we have disregarded the suggestion of President Franklin D. Roosevelt that we had nothing to fear but fear itself. But fear has been guiding, at least influencing, our legislation. The fear of something; first one thing and then another. But let us assume that the President was right when in his state of the Union message he told us that unless we stopped inflation we would destroy this country just as surely as though Russia did it by war.

But members of the President's official family had stated publicly that the budget could be cut. The President advised us to use our judgment. We did. Then the President, over TV, took us to task.

It is just too bad, it would have saved us a lot of embarrassment if in the beginning the President had said that that was the budget, that that was it, and that if we wanted to make cuts we could assume the responsibility. But later when it was apparent that the House intended to act upon his suggestion that we exercise our judgment, good or bad, and make cuts, the President, resorting to the doctrine of fear, told the mothers of America, that their sons—not those words, but that was the implication—that if the funds sought in this bill were not given again, their sons might be sent to war.

That was not quite fair to us. Here we are now with the argument, "You can either appropriate these fund dollars for the Defense Department or your boys are going to war again." That is what it boils down to. Though the statement was that they might, not that they would, fear of another war was planted in the people's minds.

The bill was debated for a day, then on Monday, May 27, Republicans were told that the party's policy committee meeting that morning advised that $498 millions of the cut should be restored.

Neither the citizen nor Congressman knows, of his own knowledge, the exact amount which the Defense Department needs to protect us from foreign aggression.

Patrick Henry once said:

I have but one lamp by which my feet are guided, and that is the lamp of experience. I know of no way of judging of the future but by the past.

History has demonstrated that nations can, and have, destroyed themselves by excessive spending.

Citizens and Members of Congress do know there is a limit to the amount which can safely be spent for defense, or for other purposes.

If we accept the President's statements, these seem to be facts:

If the people are to retain their liberty, if we are to continue as a Nation, there is a limit to the amount which the Congress can appropriate, the burden which can be placed upon the taxpayer.

Accepting the President's statement that a reduction of the sums carried in H. R. 7665 will endanger our national security, it follows that if we comply with his demand as to the total carried by this bill, we must cut other appropriations such as the appropriation for foreign aid; temporarily forget Federal aid to education; demands of Federal employees—including those of the postal workers—for increased compensation; the proposed civil rights legislation to establish a new agency, and any and all other legislation calling for additional appropriations.

If the Congress accepts the President's demand that we reject the Appropriations Committee report and the action of the House sitting in Committee, it follows that those voting to restore the cuts, impliedly, at least, agree to vote against further and additional expenditures by this Congress which would add to the overall appropriation.

For—let me repeat—the President warned us in his state of the Union message that the national danger arising from inflation was as great as that caused by war.

Why did not the President tell us, "Now, listen, Members of the House, we must have this money for national defense. Inflation is dangerous, almost as dangerous as a war, which we may lose. What bankrupt country ever won a war?" Why does not the President say: "So I will agree that if you will give the Defense Department the money carried in this bill for national defense, I will just forget a part of foreign aid, I will just forget Federal aid to education, I will just forget civil rights, which calls for a new agency and additional expenditures, I will just forget some other things that I want, if you will go along

on this one, and you can keep the total appropriations for this year down to a safe limit?"

Oh, no. The President is just like the rest of us. What he wants he wants. What he desires is, in his opinion, necessary. We are to appropriate every dollar he asks for national defense and then we are to go along with Federal aid to education and foreign aid and the appropriations of other billions of dollars, always adding to the danger of inflation and shove the total up where it may, according to the President's own statement, destroy us. Is it right? Is it fair?

Is the prophecy that if you elect an Army man President you will have a military Government coming true? Can we not if danger threatens forget our social programs until we are secure?

Mr. DIES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to compliment the gentleman from Michigan on the best speech he has made on the floor of the House for a long time.

This is a very difficult subject to the average Member who has not had an opportunity to study the facts. I am sure that none of us wants to weaken the national defense. It is certainly true that Russia is as great a menace today as she was 10 years ago. But, Mr. Chairman, there is another menace to this country that is growing greater every day and every month, and that is the menace of inflation. For 14 months, there has been a steady rise in the price of living. Actually, there has been a depreciation of the purchasing power of the dollar. That is the thermometer which determines whether or not the economy of a country is healthy. There is something fundamentally wrong with our economy when our money constantly falls in purchasing power. The President called attention not long ago to the fact that the Soviet Union has repudiated $65 billion of honest obligations. But, what he did not say is that we, ourselves, have repudiated 50 percent of the purchasing power of the bonds which we sold to the American people. Literally thousands of patriotic Americans were induced to invest in this country beginning in 1935. Those people have found that their investment has been repudiated to the extent of 50 percent, our Government has also repudiated 50 percent of annuities, pensions, and other fixed income which can not be, or has not been, increased. It seems to me the people of this country are entirely right in demanding a reduction—a substantial reduction in the expenditures of the Government. It may well develop that the reduction in the defense budget is too drastic. If it does so develop, the committees can iron it out in conference; but at this time I believe, after giving the matter searching inquiry and thought, that we should support the committee. We should support the committee in order to restore the confidence of the American people in the honesty of this Government.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. DIES. I yield.

Mr. MAHON. The gentleman has pointed out something so well, if we have made cuts that are unwise, there is an appeal to the other body. If the other body in conference together with this body agrees on cuts that are too low, we will meet again in January. Certainly, $67 billion or $68 billion will run them until January 1. Other requests can be made. These cuts are being made in order to bring about better management and more economy in Government.

Mr. DIES. I think the gentleman deserves a great deal of credit. The gentleman's committee deserves a great deal of credit, and this Congress deserves a great deal of credit because we are now shouldering our responsibility to the American people.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. DIES. I yield.

Mr. HALLECK. Apropos of the suggestion made by the gentleman from Texas and his colleague from Texas about action in the other body, I well realize that for years and years and years, practically all the time I have been here, if we cut an appropriation bill too drastically it has been increased in the other body. But, something has happened over there this year. I just want to say to the gentleman that if you cut this Defense Department appropriation bill too deeply, and I happen to think you have cut it too deeply, you are leaning on a weak reed when you argue now to let it go at this figure and then depend on the other body to raise it because I do not think they will raise it.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. DIES. I yield.

Mr. MAHON. Probably, we have not cut the budget enough in certain respects. This was a compromise proposal that we have submitted. We do not rely on the other body or on anybody else, but we are trying to discharge our own responsibility.

Mr. HALLECK. Mr. Chairman, will the gentleman yield further?

Mr. DIES. I yield.

Mr. HALLECK. It just seems to me that both of the gentlemen from Texas, if they were not saying so directly, were certainly saying indirectly, "Well, if we cut this too deep, let us depend on the other body to increase the amount and then we will work it out in conference." Now, if I did not understand those words correctly, then I do not understand the English language.

Mr. DIES. Of course, all of us know the military is never modest in its requests. All of us are familiar with the tremendous waste that has attended military preparations and maintenance from the very beginning of this Republic. I can understand the attitude of a man who has lived from the public trough all his life, and who has never had to compete in the markets of the world and who has never had to practice law in a little, hot courtroom, and end up with a $100 fee, or who has not been compelled to operate a little mercantile store in a small town or meet a payroll. I can understand how a man who has lived from the public trough all his life can be in favor of such enormous expenditures.

I can understand how men who spend an entire lifetime supported by the Government, can fail to understand and appreciate fiscal responsibility. They simply think that money grows on trees. But there are literally thousands of people all over America who are seriously and deeply alarmed.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(By unanimous consent, Mr. DIES was granted 2 additional minutes.)

Mr. DIES. There are people all over the United States who are seriously and deeply alarmed by the irresponsibility of this Government; by the fact that they have already lost half of their savings. These people now demand a substantial reduction in Government expenditures. This is no superficial demand—it is a grassroots rebellion against extravagance and wastefulness in the Government. Every branch of the Government has been guilty of it. The legislative branch has not manifested sufficient regard for our responsibility, and neither has the President. I have become seriously disappointed in the President. He cannot be a candidate for reelection. If there ever was a time for him to demonstrate great statemanship and moral and political courage it is today. I want him to lead this country back to financial solvency, and to honesty in our fiscal policy. That I conceive to be of greater need today than anything else. We may have the threat of the Soviet Union with us for a hundred years. How does any man know when this threat will lessen? Does the gentleman believe that in 5 year or 10 years we have any certainty, by wasting the resources of this country, to purchase peace and security? We are faced with a situation which may continue for decades. Are we going to bankrupt our country and fulfill the prophecy of Lenin who, in 1921, stated in an interview which appeared in one of the New York City papers, that someday the Soviet Union will force the United States to spend itself into bankruptcy. What surer way is there for us to dig our grave, destroy our country than to continue to spend our grandchildren's money and to repudiate honest obligations?

I say, Mr. Chairman, this committee and the Democrats in this House deserve commendation because we are now facing up to our grave responsibilities.

The CHAIRMAN. The time of the gentleman has again expired.

The Clerk read as follows:

COURT OF MILITARY APPEALS

For salaries and expenses necessary for the Court of Military Appeals, $375,000.

Mr. ABBITT. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ABBITT. Mr. Chairman, we hear much from certain administrative leaders and spokesmen that the budget request for the armed services should not be reduced below that requested by the President. I for one believe in an adequate preparedness program. I realize it is necessary that we protect the security of this country. We cannot afford to allow ourselves to become weak

militarily. However, I do not believe that the amount of money requested by this administration is the lowest possible amount that will adequately provide the necessary protection for our country.

No one familiar with the Defense Establishment will question that its activities involve much waste and inefficiency in its procurement and supply functions and in the utilization of personnel. If these weaknesses were corrected, the appropriation for the Defense Department could be tremendously reduced. I have talked with and heard from a number of members of the armed services. They were unanimously of the opinion that the operation of the Armed Forces abounds with waste and inefficiency. They pointed out many instances of this to me. Obviously their names cannot be used for fear of retaliation by their superiors.

The Congress as well as the executive department has a responsibility for cutting this waste. One way of doing it is through the reduction of appropriations and demanding that the Defense Department eliminate waste and inefficiency as far as possible. I am convinced that so long as the Congress is willing to blindly follow the request for money by the Department just so long will the Department refuse to make a real effort to reduce its waste and inefficiency.

I am convinced that millions and millions of dollars have literally been wasted by the Defense Department over the past few years. There is no real desire by this Department from the Secretary on down to achieve any economy. They are so busy trying to build up their prestige and seniority that they have no thought for the woes of the American taxpayer.

The President requested in his budget the sum of $36,128,000,000. The committee has recommended that this sum be reduced to $33,541,225,000. This is a most modest reduction in such a huge appropriation. I do not believe for one moment that the cut will in anywise reduce the striking power of the Armed Forces if any real effort is made to absorb the cut.

This present administration talks economy but has made no sincere effort to achieve it. Only last week, the President in a telephone talk to a political rally said—and I quote—"If the item veto existed right now, I could easily do some serious expense cutting." He, of course, was referring to requested legislation whereby the Chief Executive would be permitted to cut out individual items in an appropriation bill. I do not at this time desire to question the advisability of giving the Chief Executive this authority. It has much to commend it. However, I would like to point out to the people that even if this authority were given the Chief Executive they could not expect too much reduction in governmental expenditures.

It so happens that every item in all 11 of the appropriation bills that have been passed by the House of Representatives were put there by the Chief Executive himself and upon his request. Out of all of these appropriations—11 bills—only 4 items have been increased over the request of the administration by the House. These increases amount to approximately $2 million. On the other hand, every bill that the House of Representatives has passed upon has been reduced in a substantial amount. In addition to this, the House of Representatives before acting upon the appropriation bills called upon the Chief Executive by a formal resolution to point out the items in his budget that could be reduced. In response to this, the Chief Executive did indicate certain items that could be reduced. These reductions have been made by the House. I merely say this to point out the inconsistency in this administration in saying in one breath that it will achieve efficiency and economy and turn around in the next breath and demand that Congress increase the appropriations.

I do not believe that there is a real desire on the part of this administration to reduce expenditures but I hope that the American people will continue to demand efficiency in Government and an economical operation thereof by both the executive and legislative branches of their Government.

This same administration which is requesting the authority of item veto so it can easily do some serious expense cutting is the same administration that has proposed in its budget request Federal aid to State and local governments totaling more than $5.5 billion for new programs.

Unless we guard against the dangers of extravagance, we may go down in history as the generation which, instead of passing on a better and richer country to the next generation—mortgaged the future of our children and grandchildren to assure our own ease and comfort.

The Clerk read as follows:

OPERATION AND MAINTENANCE

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Army, including administration; medical and dental care of personnel entitled thereto by law or regulation (including charges of private facilities for care of military personnel on duty or leave, except elective private treatment), and other measures necessary to protect the health of the Army; care of the dead; chaplains' activities; awards and medals; welfare and recreation; information and educational services for the Armed Forces; recruiting expenses; subsistence of prisoners at disciplinary barracks, and of civilian employees as authorized by law; expenses of apprehension and delivery of prisoners escaped from disciplinary barracks, including payment of rewards not exceeding $25 in any one case, and expenses of confinement of such prisoners in nonmilitary facilities; donations of not to exceed $25 to each prisoner upon each release from confinement in a disciplinary barracks; military courts, boards, and commissions; authorized issues of articles for use of applicants for enlistment and persons in military custody; civilian clothing, not to exceed $30 in cost, to be issued each person upon each release from confinement in an Army or contract prison and to each soldier discharged for unsuitability, inaptitude, or otherwise than honorably, or sentenced by a civil court to confinement in a civil prison, or interned or discharged as an alien enemy; transportation services; communications services, including construction of communication systems; maps and similar data for military purposes; military surveys and engineering planning; contracts for maintenance of reserve tools and facilities for 12 months beginning at any time during the current fiscal year; repair of facilities; utility services for buildings erected at private cost, as authorized by law (10 U. S. C. 4778), and buildings on military reservations authorized by Army regulations to be used for a similar purpose; purchase of ambulances; hire of passenger motor vehicles; tuition and fees incident to training of military personnel at civilian institutions; field exercises and maneuvers, including payments in advance for rentals or options to rent land; expenses for the Reserve Officers' Training Corps and other units at educational institutions, as authorized by law; exchange fees, and losses in the accounts of disbursing officers or agents in accordance with law; expenses of inter-American cooperation, as authorized for the Navy by law (10 U. S. C. 7208) for Latin-American cooperation; not to exceed $5,371,000 for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes, and his determination shall be final and conclusive upon the accounting officers of the Government; $3,145,200,000: *Provided*, That during the fiscal year 1958 the maintenance, operation, and availability of the Army-Navy Hospital at Hot Springs National Park, Arkansas, and the Murphy General Hospital in Boston, Mass., to meet requirements of the military and naval forces shall be continued.

Mr. FORD. Mr. Chairman, I make a point of order against the language on page 8, beginning on line 2 and running through line 6.

The CHAIRMAN. Will the gentleman state his point of order?

Mr. FORD. The point of order, Mr. Chairman, is predicated on the fact that this is legislation on an appropriation bill and contrary to existing law. It is my understanding under the rules of the House that the inclusion of any language in an appropriation bill that imposes an additional burden or duty or authority on the executive branch of the Government, not required by law, makes such language subject to a point of order as legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Texas desire to be heard on the point of order?

Mr. MAHON. If the Chair please, I would like for the Chair to hear the gentleman from Arkansas [Mr. NORRELL].

Mr. FORD. Mr. Chairman, if I might continue I would like to discuss the basis of my point of order.

The CHAIRMAN. The Chair had the understanding that the gentleman had completed.

The gentleman from Michigan reserves a point of order.

The gentleman from Arkansas [Mr. NORRELL] is recognized.

Mr. NORRELL. Mr. Chairman, I maintain that the Chairman should not sustain this point of order.

I like the gentleman from Michian; he is a fine man, but Army and Navy Hospital of Hot Springs, Ark., has been authorized for a long, long time. It was first authorized about 80 years ago. I hold in my hand—and I am not going to take much of your valuable time—United States Statutes at Large No. 22. On page 121 you will find this section:

The establishment of the Army and Navy Hospital at Hot Springs, Ark.—

And this is the establishment of the Army and Navy Hospital at Hot Springs. It is true it was in an appropriation bill, but it is law, and it has been on the statute books since 1882.

In addition to that, in 1929, United States Statutes at Large, No. 42, on page 53 you will find where the Army and Navy Hospital was enlarged.

On the basis of these citations I maintain that the point of order should be overruled.

The CHAIRMAN. Does any other gentleman desire to be heard on the point of order? If so, the Chair will be pleased to hear him.

Mr. FORD. Mr. Chairman, I think the crux of the matter is that without this language in the appropriation bill the executive branch of the Government, in this case the Department of the Army, would have full authority to close these installations. In my opinion, the inclusion of the language which is currently in the Defense Department appropriation bill for the fiscal year 1957, and the language to which I object is an extension of that language in the fiscal year 1958 Department of Defense appropriation bill. But let me just refer as a practical matter to the language in the current appropriation bill and I will carry on from there to show that if this language is included in the fiscal 1958 bill again, there is no question but what it imposes an addition burden, an additional obligation, on the Department of Defense. Let me read testimony from the Department of the Army, and this is Secretary Brucker testifying on page 479 of the Department of Defense hearings for the fiscal year 1958:

Secretary BRUCKER. Mr. Ford, the situation is precisely this: Twice we have recommended to the committees of Congress that both of those hospitals be abandoned and that no money be put in for them. The reason is because we do not have need for them, and while the hospitals, of course, have adequate personnel, both nurses and doctors, there is not sufficient patient load in the area for either one of those two hospitals——

Here is the important language, still quoting Secretary Brucker—

so twice we have recommended against inclusion of those two hospitals——

Mr. DONOHUE. Mr. Chairman, I make a point of order that the gentleman is not speaking on the point of order he has raised.

The CHAIRMAN. The gentleman from Michigan will proceed and direct his remarks to the point of order. The Chair does not intend to cut short the gentleman from Michigan, and is prepared to rule.

Mr. FORD. Mr. Chairman, may I finish one sentence, which I think goes to the crux of the matter—

so twice we have recommended against inclusion of those two hospitals, but twice they were placed back into the bill, and we were compelled to retain them.

There is language, Mr. Chairman, which indicates clearly that the Department of the Army by the inclusion of this language in fiscal 1957 and by the possibility of inclusion of the same language in fiscal 1958 is required to do something it does not want to do and it does not have to do unless this language is included.

Mr. DONOHUE. Mr. Chairman, speaking in opposition to the point of order, may I say that insofar as the Murphy General Hospital, in Waltham, Mass., is concerned, that was established by law and is authorized to be carried on by the Government; therefore, the point of order is not well taken.

The CHAIRMAN (Mr. KEOGH). The Chair is ready to rule.

The gentleman from Michigan makes a point of order directed to the language on page 8, lines 2 to 6, inclusive, on the ground that that language constitutes legislation on an appropriation bill.

The language of the proviso in effect imposes upon a department of Government an affirmative and mandatory requirement that the two named installations shall be continued. In the opinion of the Chair, the interposition of that affirmative requirement is legislation on an appropriation bill and the Chair, therefore, sustains the point of order.

Mr. FORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FORD: On page 8, line 1, strike out "$3,145,200,000" and insert "$3,225,200,000."

Mr. FORD. Mr. Chairman, I rise in support of an amendment that seeks to restore $80 million in what we call the operation and maintenance account of the Department of the Army. This is the second largest item in the Department of the Army, but it is the account that pays for the day-to-day operations of all the posts, camps, and stations, not only in the United States but throughout the world.

The Department of the Army in the budget which was submitted in January was authorized to request $3,400,000,000 for this account. Let me give you some history as to how this figure was arrived at. Actually the staff of the Department of the Army felt that the amount should have been substantially higher. There is nothing unique about that, but I think in good faith I ought to tell you exactly what their figure was. Their figure was about $600 million more than appears in the budget. But, when the Department of the Army staff proposed this figure, it was reduced by $329 million, and then when the operations and maintenance account went to the Bureau of the Budget and the Department of Defense, it was cut another $278 million, so we ended up with a figure of $3.4 billion.

Our subcommittee reduced it by a total of $264 million, but you can forget about $104 million, because that involves what we call deutschemark support; in other words, instead of us putting up dollars, the West German Government of Chancellor Adenauer will pay us in deutschemarks for the support of our forces in Europe to the extent of $104 million. The committee did make a reduction of $150 million. In my opinion, that reduction is too severe. I might also say that this reduction of $150 million does not coincide with the proposals of what we call the Army panel. The gentleman from Florida [Mr. SIKES], the gentleman from South Carolina [Mr. RILEY], the gentleman from Pennsylvania [Mr. FLOOD], and our good friend, the gentleman from Maryland [Mr. MILLER], who currently is in the hospital, and who, incidentally, asked me to say here on the floor that this amendment coincided with his views, the five of us, after spending 4 months analyzing most carefully and scrutinizing every item, recommended that there should be only a $70 million cut in this particular account. But, the whole subcommittee, composed of those who analyzed the Air Force and analyzed the Navy, imposed on us, those who ought to know the most about the Army, a reduction in addition to the $70 million we recommended, a total of $150 million.

Now, let me just take another series of figures. It would appear on the surface that this budget request of $3.4 billion is some $260 million more than the Army has in this account in fiscal 1957. Superficially that is correct, but actually it is not so, because the Congress, primarily, the Department of Defense to some extent, and other factors beyond the Army's control, created obligations resulting in increases in this account alone to the extent of $315 million, so in reality the Department of the Army in this account in fiscal 1958, based on the budget submission, will have to live on less than what they are during the current fiscal year.

Let me itemize for your information some of the additional burdens that the Congress imposed on the Department of the Army in this instance. If you will turn to page 414 of the Department of the Army hearings for fiscal 1958, you will find this: $72 million in additional burdens was imposed on the Department of the Army in this account alone for the so-called civil-service retirement. We passed that law. They have to include that money in their budget. The net result is an increase in the apparent size of this account.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. FORD. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FORD. In addition, Mr. Chairman, this Congress in 1956 passed the so-called Dependent Medical Care Act. In this account the enactment of that legislation results in fiscal 1958 an additional cost over 1957 to the extent of $19 million. There have been MSTS rate increases to the extent of $6 million. Sixty-one million dollars in increases in this account alone are caused by the enactment of our Reserve Forces Act of 1955. In the maintenance and operations account the Army has to house, has to take care of, has to equip the 6-month trainees who are on active duty. In this account in the fiscal year 1958, because we enacted that legislation, there will be an additional burden of some $61 million.

Here is an item of increase. We did not cause it, the Department of Defense did not cause it; but in December of 1956 there were freight rate increases for the eastern railroads, the western railroads, the interterritorial railroads, the southern railroads and as a result this account is going to have an additional burden of over $6 million.

Let us talk about another item. We have been axiously waiting for the procurement and the installation of our Nike weapon around our major metropolitan cities. The procurement of equipment is expensive. The building of the installations is expensive. The training of the people to operate these multimillion-dollar antiaircraft weapons is expensive. To maintain the weapons once they are on the site is expensive.

If you want them to launch them, if we ever have that attack, and we hope we do not, it does not do any good to have bought equipment, put it on the site, if we let it deteriorate to a point where it will not function properly. In this account alone for the Department of the Army there is an additional burden because of the Nike program of about $30 million.

When you look at the fact that the Army in this account on its own in the fiscal year 1958 was asking for less money; when you bear in mind the additional burdens that we placed upon the Army, then I think this amendment should be approved.

Mr. Chairman, I should like to say this. Our Army panel has done its best for the past several years to find ways and means to get a few extra dollars so that the Army plant—its facilities, its posts, camps, and stations—could be kept up, could be properly maintained. We have cut down what we call deferred maintenance from $110 million several years ago to, I believe it is now, $84 million. But now in this account as submitted by the President, not as cut by the subcommittee, there is not a dime for deferred maintenance. I think that is a serious situation. The $150 million committee cut aggravates this situation.

So when you come right down to it, Mr. Chairman, in my honest opinion—and it is the consensus of those who analyzed the Army budget day after day after day for 4 months, the reduction in this particular part of the bill should not be more than $70 million. I trust and hope that we will be able to restore the $80 million.

I have listened with great interest to my friend the gentleman from Texas [Mr. MAHON], for whom I have the highest personal regard. But at the same time I like to look at this kind of a problem this way. We have had military difficulties prior to World War I, and prior to Korea. Let us hope we do not have them again. It seems to me it is the better part of wisdom to provide a little more to preserve the peace than it it to provide a lot more to win a war.

Mr. GAVIN. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. GAVIN as a substitute for the amendment offered by Mr. FORD: On page 8, line 1, after the semicolon strike out "$3,145,200,000" and insert "$3,295,200,000."

Mr. GAVIN. Mr. Chairman, this amendment would restore the full $150 million.

I might say to the Members that when there is no war and no American boys are fighting and dying, defense appropriations seemingly do not have the appeal they have when there is a war on. We should be thankful to Almighty God that no boys are going into Anzio or Normandy beachheads today risking their lives, that there are no boys up in the air today that are being blasted out of the skies, or trapped down under the seas in submarines.

Sometimes I am surprised how quickly we forget the practical, realistic, hard-headed lessons of war. Last year we put $960 million in the defense-appropriations bill for the Air Force budget that nobody seemingly wanted, but it was put in anyway. I listened with a great deal of interest several years ago just prior to Korea when we had a budget of $17 billion for defense. We cut that budget back from $17 billion to $13 billion. A great American, Jimmy Forrestal, retired as Secretary of Defense. The budget was cut back further. Then suddenly we were precipitated into Korea. We had practically skeletonized our Army, Navy, Air Force, and Marine Corps. We had a few bazookas, a few obsolete tanks in Japan. We were in a desperate position. We called the boys back who had battled in World War II. We pushed them into Korea to stem the tide. The situation was critical and the result was we were nearly pushed back into the sea at Pusan, the most humiliating incident that ever occurred in the history of this Nation. Certainly we cannot afford to be caught again unprepared.

With a nation that has a budget today of seventy-some-odd billion dollars these items pertaining to defense should be given every consideration. I want to say I am particularly concerned with the Army's position. The cutbacks in the Army's programs are going to make it most difficult to maintain the defense strength so necessary and essential at this time. We seem to lose sight of the fact that we are living in a critical and chaotic world today when anything may happen. As far as I am concerned, we should build the greatest Army, the greatest Navy, the greatest Air Force we have ever had to meet the needs and demands that may be made upon us at any time and place in the world. The world today looks to us for strength and leadership and we will have a stabilized world as long as we remain strong. Never again should we let down our guard and be caught unprepared.

As has been pointed out here, this $150-million cut is one that will make it necessary for the Department of the Army to curtail and cut back many of its activities. If any branch of the service needs that help, the Army needs it. Let us not be economy minded for the sake of being economy minded. There is a great deal at stake. Now I do not wish to be misunderstood; I have every confidence in the committee. I respect their great judgment, the long hours, days, and weeks they have held hearings and heard testimony before presenting this legislation, but I think the Army cut is too great. Also permit me to say I have respect for those men who are leading our Armed Forces. We never hear much about them in time of peace, but when war comes, we need them, and we need them badly, and they must be prepared with the manpower, weapons, and equipment to meet the demands. Maybe they do make mistakes. We all make mistakes. None of us are infallible. I hope the day never comes when we are caught unprepared. I never want to see our boys go into action again without the planes, tanks, guns, missiles, and equipment necessary.

On a recent television program I noted an evacuation of our forces in Korea, if I recall correctly, at the Chosin Reservoir. We had three helicopters to evacuate our wounded, we were short on everything. We had practically nothing to try to fight a communistic horde.

In the chaotic world in which we live anything may happen. I do not know and you do not know. But I think we should give the Defense Department every dollar they think is essential and necessary to continue to build and maintain a great strength to meet any emergency that may arise at any time. So it is entirely up to you. The Congress is the one to reach a decision. I am as economyminded as anyone in the House, however, let me say it is my opinion that we should not economize at the expense of our defense program. If we maintain our strength and the countries of the world know we are strong, I am certain there will not be any difficulties arising and eventually we may restore the world to peace. Unless this amendment is adopted it will have a most serious effect on the ability of the Army to perform its mission. Its essential equipment will become deteriorated because of lack of repair. Training exercises will have to be curtailed. Training of replacements for our Nike units will be seriously limited. The soldier's standard of living will have to be lowered and a release of a substantial numbre of civilian employees by the Department of the Army will be necessary. It must be obvious, gentlemen, that the recommended cut of $150 million in operation and maintenance for the Army will not only seriously impair the Army's day-to-day operations and will deteriorate the Army's physical plant but will decrease the combat efficiency and effectiveness of the entire Military Establishment. This cut should be restored.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment, and all amendments thereto, and the substitute amendment, close in 25 minutes with the last 5 minutes to be reserved to the committee.

Mr. HALLECK. Mr. Chairman, reserving the right to object. I have not taken any time in debate either in committee during the reading of the bill or in general debate, but I do have a few things I would like to say and I might say to the gentleman from Texas I think it would, perhaps, take me a little more

than 5 minutes. So at the moment I trust he will not press his request.

Mr. MAHON. Mr. Chairman, I withdraw the request.

Mr. HALLECK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this is, indeed, serious business that we are about today. This appropriation bill will set the extent of the provision so far as the armed services are concerned on the domestic front for the defense of our country. I am quite sure there is no one of us who would not agree with me that the threat of the Communist conspiracy is yet a real threat. It is a threat that might explode at any time. It is a threat which, I am quite sure, is held back by the power and strength of our great land. I have heard our beloved Speaker, the gentleman from Texas [Mr. RAYBURN], speak many times on the floor of the House in connection with matters involving our national security. On those occasions, without exception, if I am correct, and I believe I am, he has said that if he has to err he wants to err on the side of providing too much and not providing too little. I think that is the important thing here today. Reference was made by the gentleman from Texas [Mr. DIES] about our great President. Let me just say for myself, as I have said before, that this great land of ours without regard to politics of any sort and without regard to party, is fortunate, indeed, to have as our leader a man with the experience and wisdom and genuine American concern that Dwight D. Eisenhower has. The gentleman from Texas, and I do not know what it had particularly to do with this part of the debate, referred to how we ought to again have the inspired leadership that would protect the value of the dollar through a balanced budget and so on. I would like to remind him for whatever it is worth in this debate that in my 22 or 23 years here in the Congress, there have been just 4 years when we had a balanced budget and three of them have been under the leadership of Dwight D. Eisenhower—and the people of the country know it. We started out with an alleged cut of $2.6 billion.

Part of that, everybody agrees, has to do with bookkeeping and one thing or another. And then we get down to one point—two or three billion dollars—that is a cut into the real defense of the country. It is that about which we are concerned. It is that part of the cut about which we are concerned. If you will look at it, those of us who are seeking to make these restorations have added up about three hundred and thirty or three hundred and forty million dollars. That is about 25 percent of the real cut that has been made by the committee. In my opinion, it gets right down to a bare minimum. Certainly the minimum restoration, as the gentleman from Michigan has pointed out, putting it back to the figure where the Army panel agreed, is the least we should do.

Speaking of this whole business of the budget and our responsibility, broadly speaking there are two kinds of appropriations that come before us. One has to do with strictly domestic affairs that involves providing service to the people. I am one of those who hold that the Congress has a complete right and responsibility to say, "This much service we will provide out of the moneys of the Federal Treasury and not more." Then it is up to the people downtown to cut the cloth to fit the pattern. But when you get into the realm of national defense and national security, programs vital to the very existence of our country, then I say it is high time for us to stop, look, and listen, and to take the advice of people in whom we have confidence, if there are such. Let me say at this point I have confidence in our President, and I have confidence in the people in the armed services who are there advising him, and in the civilian people he has brought into the Defense Department.

I would like to remind some of my friends on the right, if you vote against national defense, adequate national defense, and you do not get into trouble, that is a laudable vote. But I recall, like the gentleman from Illinois, that I voted against these little fortifications in Guam. The gentleman from Massachusetts, the great majority leader, has often reminded me that I voted against the extension of Selective Service just before Pearl Harbor. There was provision for some additional battleships before Pearl Harbor. Some of us voted against that. As I say, it turned out to be a matter of great concern to some of us, although I must say with respect to the situation at that time, of course, had I known of the imminence of war I would not have voted that way.

Actually, the best deterrent to war in this day and age, when you deal with Communists who only know force and strength, is to have the sort of national defense that they know they cannot lick.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. HALLECK] has expired.

(By unanimous consent, at the request of Mr. WIGGLESWORTH, Mr. HALLECK was granted 5 additional minutes.)

Mr. HALLECK. I have always said that no dictator nation can lick us because the productivity of men enslaved to a state cannot equal the productivity of freemen. But when I say that I also recognize that until the ultimate struggle between slave and free is determined, we must see to it that we are not destroyed by force of arms. That is the really important issue before us today. When I talk about the defense of the country, we have to keep a balance in mind. We have to have a balance between the armed services themselves. It is a matter of common knowledge to all of us that while we in the 80th Congress merged the Naval Affairs and the Military Affairs Committee and sought unification, there has not been the unification that we sought. One day we hope to get that unification, but let me say to you that you cannot get it as of fiscal 1958. It just cannot be done.

When I spoke of the balance between the services, I meant this: Surely the Army thinks they should have enough money to defend this country without any of the other services. The Army feels that way and the Navy feels the same way and the Air Force feels the same way. So it is up to us to divide up the areas of responsibility and say, "This much we give to each of the services."

Then there is another balance we have to strike, and it is important in this consideration, as it will be later on in the consideration of the mutual-assistance program and its appropriation. We have to have a balance between what we do at home for our own defense on the home front, and what I choose to call our offshore defense. In these farflung strategic places around the world we in effect have ringed the Communist conspiracy with bands of steel. Now, I say we are making that balance.

What is the final balance we have got to achieve? And let me say here because I have heard the President speak of it so often, no one appreciates more than he the necessity of this balance. It is simply the balance between what we do in respect to what we plan with our reserves of manpower in our Armed Forces, having in mind the absolute necessity of maintaining a strong functioning economy here at home. That is the most important balance of all. In connection with that may I remind some of the older Members who are here, that once upon a time President Eisenhower, then General Eisenhower, came back from a survey in Europe and spoke to us over in the auditorium of the Library of Congress, I think it was. And, as though it were yesterday I can hear him saying:

> The Armed Forces of the United States are but the cutting edge of the great productive machine that is America.

So I say we have struck that balance in this budget. I realize there are some people who would disband all of the Armed Forces, because they think the Russan Communist threat is not real. There are others who would go to complete mobilization, which would mean the shutdown of every automobile factory and regimenting of the people everywhere for all-out defense, then no war comes and we would lose the freedoms we want to protect.

What has happened in this budget? We have struck that balance, in my judgment, as near as can be determined by the best and most responsible minds of this whole country of ours. Having struck that balance then I certainly insist that it is folly, it is dangerous, it is bad judgment or worse, now to go on with deeper cuts that can jeopardize our very national security.

I think, as I said before, these cuts have gone too deep. I trust we can put some of it back. I have heard these statements about some of the people in the armed services. I know a lot of them, and I suppose spending their lifetime in those responsible positions they lose sight of some other considerations, but if I carried the responsibility of answering to the American people in the event of attack I would be concerned too. I have talked to them and heard them urge the necessities of their service. I have also heard them say time and again that they recognize along with our great President that we have got to strike the balance, the proper balance, between the maintenance of our Armed Forces and our strong functioning economy at home.

Unfortunately there is no arithmetic by which you can absolutely prove that any given figure is the right one.

But in respect to this figure—that is, the one presently before us—we all know of the possibility of so-called limited wars, or brush fire wars that need to be stopped. We have to stop them before they start or they will grow into bigger wars and possibly extend into world conflict. The Army is conscious of that.

I sincerely hope that in your good conscience and good judgment you can see fit to support this pending amendment.

Mr. MAHON. Mr. Chairman, I rise for the purpose of undertaking to fix a limit on debate on this substitute and all amendments thereto.

Mr. Chairman, I ask unanimous consent that all debate on this substitute and amendments thereto close in 30 minutes.

Mr. RILEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RILEY. Does the gentleman's amendment preclude the offering of another amendment to this section for a different amount?

The CHAIRMAN. The gentleman's request applies only to the pending substitute and amendments thereto.

Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that the last 5 minutes be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HIESTAND].

Mr. HIESTAND. Mr. Chairman, I feel very humble in rising immediately after the distinguished gentleman from Indiana, for whom I do have not only a high esteem but a real affection. I respect his point of view and I hate to differ in any particular with him. May I suggest that in some parts at least we are in agreement, for instance that of a balanced economy here at home.

Mr. Chairman, I rise to stress that point. To me there is nothing personal about all of this. I respect the original recommendation, also the original amendment offered by the gentleman from Michigan. His pronouncement was very factual and is indisputable. However, to me this is entirely a matter of principle affecting our Nation and one which we should consider at this time.

A famous Senator recently said:

> Our free enterprise system is the greatest deterrent in the world today to Russian aggression. It is our first line of defense. [It] can only exist under solvent Government. [Thus] there is literally nothing on earth more important than the preservation of the fiscal integrity of the Federal Government.

And:

> The $275 billion Federal debt equals the full assessed value of all the land, all the buildings, all the mines, all the machinery, all the factories, all the livestock, everything of tangible value in the United States of America.
>
> All of the tangible assets of this country are now mortgaged to the hilt.

Mr. Chairman, if we continue this spending and do not try to cut it, but just hold it even, and remember, we are not cutting it back from last year's expenditures, we are trying to hold it even, we shall have accomplished nothing. If we continue to spend, we are going into an era of inflation that will surely make the hair on our heads curl. You all know the effects of inflation. The basic cause is increased Federal spending. The more money we spend that is not productive money and for goods that are not sold, the more dollars are dumped into circulation. Thus the more the supply of goods and services are bid up. Inflation is the most terrible taxation we can inflict on the people of this country, especially those least able to stand it.

Therefore, I take the position of opposing every effort to restore funds to this budget. The committee, I might suggest, has done a magnificent job in adjusting it this much. They have gone into every detail. I am not qualified to say that this cut or that cut is justified or not justified. But on a basic principle where we are discussing this matter, first of $80 million and subsequently $150 million, may I suggest this cutback is not going to hurt very much when we compare it with $3 billion for this item in a budget of $33 billion. This 80 or 150 is not going to hurt very much. But this is a matter of principle. I think we have to hold the line as nearly as we can, to the previous year. Of course, allowances have had to be made for necessary pensions and so forth.

I submit that we can hold this line, I am opposed to the pending amendment and I hope it will be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Wyoming [Mr. THOMSON].

Mr. THOMSON of Wyoming. Mr. Chairman, I rise in support of the amendment and in opposition to the substitute. In cutting expenditures I believe that we have a most solemn duty and responsibility, both to make cuts where we can and on the other hand to provide the necessary money where we should and must. Throughout our consideration of appropriation bills it has been my purpose to cut Government spending on a selective basis in such a way as not to interfere with the necessary and proper functions of Government. By doing this I am satisfied that we can provide for a tax cut, and at the same time demonstrate fiscal responsibility by making substantial payments on the national debt, both of which I am convinced must be done if this country is to remain strong. My record of voting for economy in this Congress will speak for itself. I am sure that the Committee will acknowledge the genuineness of my support for real economy as evidenced by even requesting reduction and deferment in expenditures that affect my own State; but, Mr. Chairman, in our zeal for economy we must not lose sight of our dual obligation to provide for the necessary and proper functions of Government.

Mr. Chairman, there is no more necessary or proper function of Government than the defense of this country. I do not intend to support reductions in the defense appropriations just to bring cuts up to a figure that someone has taken out of a hat or just to achieve a certain percentage cut in the budget requests for this purpose. In my short service in the Congress I have come to know and to respect the chairman of the subcommittee that considered this bill, the gentleman from Texas. I know that he did not intend to infer that we should be satisfied with appropriating 97 percent of the funds for the necessary defense of this country. Not one of us expects 97 percent effort on the part of a soldier. It takes 100 percent of the necessary effort to win battles. We have an obligation to provide 100 percent of the weapons, materiel, and training that our serviceman really needs in order to accomplish his mission with the greatest chance of survival. I cannot accept the argument in the field of national defense that we can justify cuts on the basis of percentages of requests. The cut of $70 million made by the Army panel has been justified but so far I have heard no real justification for the additional $80 million knocked out by the full committee over the protests of the Army panel, the men who actually heard the evidence.

Mr. Chairman, we are all, I am confident, for the defense and security of this country. I think it is fair to say that each Member has proven that on the battlefield or otherwise.

The only contention between the President, the Defense Department and the administration, and the majority of the committee pertains to $1,353,775,000 of the cuts. The remainder of the $2,586,775,000 cut from the budget request is either that suggested by the President or obtained by transfer and recovery, or by expected deutschemark support. With regard to this controversy, I think we as House Members have a reasonable solution available to us.

I respect the President's ability generally, and particularly in the military field. I particularly wish to support the President in his responsibility to defend this country as Commander in Chief of the Armed Forces. I know, though, that he cannot possibly know everything that is in this appropriation bill any more than he could possibly know what each one of the platoons in his Army was doing on the field of battle. Therefore, I believe that under our system of government we must base our decisions upon the record made before the committee to justify the expenditures.

I respect this committee. I know they are trying to do a sincere job. Yet, even in 4½ months of hearings they too cannot possibly hear or know all of the facts pertaining to the hundreds of thousands of items that go into the defense of this country. The responsibility is on the military to fully justify their appropriations. Where the Department has failed to do that, and the committee has made cuts I think they should be sustained, particularly in our consideration in the House. I was impressed by Mr. SCRIVNER's statement explaining how this particular appropriation bill is handled. Without reviewing that in detail I

point out that the Senate committee does not hold full hearings. They only hold hearings on the cuts that have been imposed by the House giving the military an opportunity to justify on the record which we can all read and understand, a restoration of those funds. Therefore, as to the funds which the President or the Defense Department says should not have been cut but on which there was no detailed justification before the committee, I believe that we are fully justified in sustaining the cuts. If, before the committee of the other body, the military having a full opportunity to do so, justifies the restoration of those funds I will support that restoration in acting on the conference report. In that respect and on that basis, I intend to support certain committee cuts.

On the other hand, where cuts have been made without an explanation by the committee except in terms of a percentage reduction of the budget and contrary to the recommendation of the panel that heard the evidence, I believe that those cuts should be restored now. As I am informed, the full committee has in several cases made reductions not recommended by the panel that heard the testimony. In some of those cases the need for the funds cut out was, in my opinion, fully justified. The $80 million sought to be restored by the amendment of the gentleman from Michigan is, in my opinion, such an instance. The gentleman from Michigan is a member of the Army panel. He has told us that the panel cut $70 million from the appropriation, but that the committee added another $80 million cut to make it $150 million. He has detailed for us the basis for the reduction of $70 million, but there has been no justification, except general talk, for the further reduction of $80 million made by the committee which this amendment would restore. In turn the gentleman from Michigan has pointed out to us that unless the restoration is made we will be taking away, or at least setting back, the Nike defense of this country. I do not think that any of us are willing to take the responsibility for that. If not, we should support this amendment.

On the same basis I think there are several other amendments to be offered which we should support. I understand that in a similar fashion $8 million was taken from the research and development funds of the Army. I believe in a balanced military force. I cannot accept the statements that we can do away entirely with some branches of the service. If we had, we would have capitulated when "Axis Sally" talked about new and horrible weapons which the Germans had to destroy us. I point out that history shows that for every offensive weapon that has ever been developed, there has been ultimately developed a defense. The Army has shown great progress in the development of an antimissile missile. If this $8 million cut remains, the program for that development would be jeopardized. That I do not believe is in the best interests of the people of this country who we are here to represent. Likewise, I think that it is our obligation to support, on the same basis, restoration of certain funds for the Air Force when the amendments to do that are offered. Seventy-five million dollars has been cut from the missile program which should be, in my opinion, restored. Eighty-three million dollars has been cut from the funds for modification and modernization of aircraft. I do not think that any of us would want to take the responsibility for sending a man up in an airplane that is not modern. We paid too high a price for that in Korea. Similarly, certain funds for spare parts should be restored. I also want to particularly mention the necessity of restoring the $10 million for the Army Reserves. Otherwise, the 6-month training program for which so many of us worked so hard and which is just now beginning to really take hold will be destroyed. I intend to support restorations in these and some other instances now. All told they represent only about $313 million of the total cuts of over $2½ billion made from the budget requests. I intend to support for now the cuts in funds the necessity for which has not been so justified. In turn, if on the "complaint hearings" before the Senate committee, restoration for those funds is shown to be necessary, I will support their restoration by conference action.

If they are not so justified by the administration and the military, the cuts should remain as a genuine, selective, reduction of Government spending. In that way I believe that I am carrying out my obligation to provide for the adequate defense of this country. At the same time, I am carrying out my pledge to cut Government spending on a selective basis in such a way as not to interfere with the necessary and proper functions of government. In that we we can bring about a reduction in taxes, while at the same time showing fiscal responsibility by making substantial payments on the public debt, both of which I also believe to be necessary if this country is to remain strong.

I submit to you that a reasonable course of action is to support cuts based on facts and on reason, and to restore funds which the record shows to be necessary for the adequate defense of this country. Let the Defense Department prove the need for funds not restored by the House on the record before the Senate committee. To the extent that they do so restore them in conference. Where they do not do so, save the money. By following this suggested course of action we are not abrogating our responsibility to the other body. If the other body should fail to act in what we consider a reasonable manner to provide for the necessary defense we can still consider a supplemental request for funds.

I further believe that this is supporting the President in his responsibility as Commander in Chief to provide for the defense of this country and at the same time, exercising our constitutional responsibility with regard to appropriations. Applied to the problem before the House, and under these principles, I urge support of the amendment offered by the gentleman from Michigan [Mr. FORD], and that the substitute be rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. COLMER.]

Mr. COLMER. Mr. Chairman, what I have to say in a few minutes must of necessity be of a general and a brief nature. But as one who has been consistently interested in the matter of economizing, even looking forward some day to a little retrenchment, I cannot permit this opportunity to pass without raising my voice in an effort to uphold this committee in its considered judgment in making these reductions in this gargantuan budget for the armed services of our land.

I am sure that none of us want to risk the defense of this country. But on the other hand I am sure that some of us are concerned about the overall economy of this country and where this unbridled spending is leading. I recall that in 1945 when the now President of the United States was in charge of our armed services in Europe, it was my high privilege, as chairman of the Postwar Economic Policy Committee, to interview him. I recall that I asked him the question in Frankfurt, Germany, that I asked all of the other leaders of the various countries we visited, 13 in all.

General, what is the opportunity or the chance for Germany to go Communist?

His reply was a classic one. He said:

I think it is rather slight, but bear this in mind, that a hungry belly does not care much what type of government it lives under.

If we spend ourselves into bankruptcy are we not playing into the hands of the Kremlin?

I have great admiration for the President of the United States. I think he is a great American and if I thought that he had studied this budget, that he had prepared this budget—yes, if I thought that he knew as much about it—and certainly this is no reflection upon him—as does the gentleman from Texas [Mr. MAHON] who as chairman of this subcommittee has studied it for months, I would be inclined to go along with the amendment.

I have been around here for a long while, too, and I have never seen this question of the budget raised, particularly with our national defense or in our dealings with foreign countries in the Foreign Aid Program, but what the leadership came down into the well, from one side or the other, and pointed out the grave danger we faced, just as the gentleman from Indiana, my friend [Mr. HALLECK], pointed out today. We are always on the brink of tragedy.

I say to you in my humble judgment that the most important thing before this country is the economy of the country, the stability of the dollar. We cannot cut all of these small items in the domestic program and let this big bill go by without stalling or killing the economy drive. This bill can stand this cut without injury to the defense of the country. Personally, I repeat, I am more apprehensive of inflation than I fear the Kremlin.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. JOHANSEN].

Mr. JOHANSEN. Mr. Chairman, I invite the attention of the distinguished chairman of the subcommittee and also

of my good friend and colleague, Mr. FORD, to these questions, not in the spirit of debate or contention, but for the purpose of obtaining information. We have had repeated references in this debate to the fact that we have, I believe it is, $10 billion of unobligated funds. We have had a reference to some $33 billion or $34 billion of unexpended funds. What concerns me—and I direct my question to both these gentlemen—is this. Suppose this $80 million is not restored. Suppose subsequent developments indicate that it should have been restored. In terms of possible relief, what relevancy is there in this $10 billion of unobligated funds? What relief is there possibly in terms of transfer by administrative action?

What relief is there in terms of the possibility of a supplemental or a deficiency appropriation?

Mr. MAHON. The gentleman has asked a good question. The services can come before the Congress in January and say, "We need additional funds. We would like you to give us permission to transfer some of the unobligated funds to this purpose, or we would like a direct appropriation." If there is any serious difficulty, I am of the opinion that the Congress would do whatever was right if there was any merit to the request.

Mr. JOHANSEN. I thank the gentleman.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. JOHANSEN. I yield to the gentleman from Michigan.

Mr. FORD. It is true, however, that there cannot be a transfer to the operations and maintenance account from any other Army account such as military pay, reserves, or research and development without a specific authority in law, so that in order to make a transfer, to make up this $80 million in case they needed it out of any of the other unobligated balances, and in the Army there are relatively few unobligated balances, if any, something less than $300 million at a maximum, before they could get any transfers at all they would have to get an authorization in the law.

Mr. JOHANSEN. Does the gentleman from Michigan regard the statement he has just made as being in any way contrary to the statement of the subcommittee chairman?

Mr. FORD. No; the gentleman from Texas simply stated that they can come back in January if they do not have enough money and get a supplemental. I agree with that. But it does not provide good planning and good programing to tell them they cannot have it now and then come in in January and tell them they can have it for the last 6 months.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. JOHANSEN. I yield to the gentleman from Florida.

Mr. SIKES. It is also true that if we limit the amount of money that is to be available for this purpose the Service would have a directive not to spend more than that. Therefore, it can hardly be considered that they will come back for a supplemental.

Mr. HIESTAND. Mr Chairman, will the gentleman yield?

Mr. JOHANSEN. I yield to the gentleman from California.

Mr. HIESTAND. May I ask the chairman of the subcommittee if it is not true that even though it cannot be transferred from a major head, it can be transferred from any other subhead within this $3,145,000,000 for operation and maintenance?

Mr. FORD. Of course, anything within that account may be used by the Army for the purposes set forth in the hearings before the subcommittee or the Army panel, but if you look at the detailed justifications, which are complete and factual, you will find that they not only have a need for this $80 million, according to the facts and figures I tried to explain, they do not have enough to begin with, so there is nothing from which they can transfer in this account to make up the $80 million which my amendment provides.

Mr. JOHANSEN. I thank the gentleman.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. SCOTT].

Mr. SCOTT of Pennsylvania. Mr. Chairman, the size of this defense budget is not dictated in this country at all, it is dictated from the Soviet centers of power, from those centers of power which sent Communist forces pouring into Korea, from those sources of power which overwhelmed more than a dozen nations in the world.

One of the gentlemen has referred to the fact that if we do not appropriate enough we can come back in January. I call your attention to the way in which we got into the Korean war.

On a day on which all of us woke up without any warning whatever that war was imminent and at a time when most of the Members of the House were off the floor having lunch, the announcement was casually made that during the preceding night we had entered into a war in Korea. There was no time to come back in January at all. There was no time to restore the cuts. There was no opportunity to be ready. I further call your attention to the fact that at that time the then President of the United States had rejected an action of the Congress in appropriating funds for a 70-group Air Force and had asserted that a 44-group Air Force was ample for our defense—very much as some of you gentlemen are arguing today that you know better than the soldier President of this country how much defense is needed for its protection. There was no time to build up the Air Force after we had entered into the war. I state this today as a warning that should we enter into a war with even less notice than occurred in the last one, the monkey will be on the back of you who for so long have professed your support of the President of the United States even asserting that your support has exceeded that of his own party—and it is true that frequently you did when it was a question of Federal aid to States, knowing that the governors of most of the States were members of your party and that patronage was involved. Very little patronage is involved in the defense appropriation bill. So you are willing to support the President when there are some cakes and ale involved in the fringe benefits, and in this kind of domestic program where there is some opportunity to gain, but you are not willing to support the President when the security of the United States is at stake. I will not set up my judgment against that of a President who has said that as to certain items here, the vital defense of the Nation is involved and the money is necessary. I, for one, am going to support the amendment and the amendment to the amendment.

Mr. SHEPPARD. Mr. Chairman, will the gentleman yield?

Mr. SCOTT of Pennsylvania. I yield.

Mr. SHEPPARD. I would like to ask the gentleman this, if I may. I have a high regard for the gentleman and his political acumen, but I have always understood that it was your desire in view of the position previously held by the gentleman to have Republican control of the House. So what are you worrying about us Democrats for? If we make a mistake and lose, you will benefit from it. So you ought to take your embalming fluid and keep it on that side of the aisle where it belongs.

Mr. SCOTT of Pennsylvania. I am not worrying about you gentlemen with regard to your partisan politics. I am sure you make every blunder in the game and then you will go out and assert that you are a united party and that you have saved the Union. But, I am telling the public, now in advance, and I am telling you gentlemen in advance that if you do not support this budget, and if you make crucial cuts in it and if you weaken the defense of this country, there are at least some of us who are going out to remind the people of what you did and that you were responsible for doing it, and that we refused to be a part of it.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Texas [Mr. MAHON] to close debate on the pending amendment and the amendment thereto.

Mr. MAHON. Mr. Chairman, this is the critical first amendment to be offered to this bill. Let me point out that this is a program of operation and maintenance of the Army. It is not for new weapons or missiles. It is for operation and maintenance of the Army. If you will look at page 113, you will see the amount we have provided in the bill is $3 billion—$3,145,000,000 is in this bill already. That amount remains after our cut. I am not convinced that the Army cannot do a fair job of operation and maintenance for $3,145,000,000. That is $90 million more than they have for this year's operation. They absorbed this year about $89 million. So here is $3 billion. The extent of the amount we gave them is about 96 percent of the amount they requested.

These floor amendments are very bad, misleading, and confusing. The gentleman from Michigan [Mr. FORD] knocked out a proposal which he said will save a million dollars in operations and maintenance, and yet the gentleman

from Pennsylvania would spend the saving in this operation and maintenance area because he proposes to restore the full $150 million included in the budget. He is not willing to let my friends from Michigan save just one million.

Members here today in effect have said, "Yes, I am a rubber stamp. I want exactly this. You cannot cut this operation and maintenance a dime."

I have a telegram from a friend in one of the great armed centers of the Nation which says: "Hogwash." He is a very fine individual, and former officer, too. He says: "If the price of peace includes cost of 2 captains and 5 enlisted men to run the golf shop and save this country, you can just count me out."

This $3,145,000,000 includes how much personnel? It includes 457,984 civilian personnel, in this 1 program and the gentlemen are not willing to cut off 1 man. In heaven's name, how can our people expect responsibility in government if people get up and say, "I am not willing to cut 1 man out of a payroll of 457,984"? How lacking in understanding can we be when we have not spent months studying this budget? In the event of peace or war within the next few years I think the figure for maintenance and operations of the Army in the sum of $3,145,000,000 is reasonably safe and adequate.

President Eisenhower, on April 26, 1950, shortly before the Korean war broke out in June of that year, said "I think the military budget is about right, except for an additional billion and a half." He said "That addition will make it accord exactly with what I think we ought to do" or words to that effect. He was wrong, I was wrong, you were wrong. There is no infallibility to be found anywhere.

What I am pleading for is a military budget in the area of $35 billion. With a program of that proportion we can make a great contribution toward deterring war, and if war comes we can lick the living daylights out of any nation which attacks us. Of course, we could get much more for our money, much more effective defense, if we could eliminate waste and dangerous rivalry among the services. The President made reference to this important problem in his press conference about 10 days ago. Unless we can do something about unwholesome service rivalries, defense costs will skyrocket and our defense effort and the taxpayer will suffer.

There is money in this item for the maintenance of thousands of automobiles and the pay of hundreds of chauffeurs. Many of these costs are necessary, but we owe a duty to our people to get more efficiency and economy in the management of the Armed Forces.

It is a sad state of affairs when Members are willing to completely abdicate. I am not one who believes that when the vote is taken on this amendment we will abdicate.

The CHAIRMAN. The time of the gentleman from Texas [Mr. MAHON] has expired. All time on this amendment has expired.

The question is on the substitute offered by the gentleman from Pennsylvania [Mr. GAVIN] to the amendment offered by the gentleman from Michigan [Mr. FORD].

The question was taken; and on a division (demanded by Mr. GAVIN) there were—ayes 32, noes 151.

So the substitute amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Michigan [Mr. FORD].

The question was taken; and the Chair announced that the noes appeared to have it.

Mr. FORD. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. FORD and Mr. MAHON.

The Committee divided; and the tellers reported that there were—ayes 113, noes 145.

So the amendment was rejected.

Mr. ARENDS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have just observed something I believe merits public notice. Above all else, the people we represent should know what we really stand for. Let us not try to be all things to all men.

On page 7451 of the RECORD of May 22, the gentleman from New Jersey [Mr. THOMPSON] incorporated in the RECORD a copy of a telegram signed by 42 Members on the other side of the aisle. They sent it to the President of the United States, telling him that they supported him in his budget request in the full amount. But I did not observe any of the signers of this telegram voting that way on this last teller vote. If they have changed their position, let them publicly say so; but let us not say one thing and do another.

Mr. MAHON. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, my district went for President Eisenhower in 1952 and he only lost it by 10,000 votes in 1956. I regard President Eisenhower as my personal friend. He is a fine American and I have great admiration for him. I am sorry the President has not had an opportunity to assert himself more affirmatively in the defense program but the President's responsibilities are very heavy in a wide range of Government problems.

The House in the vote just taken is generally supporting the President's program. We are providing him with about 96 percent of the funds which he requested. This is an effort to support the defense program of the country. We are all in the same boat.

This reduction is no reflection on the President. The changes in the bill by the committee were modest, and I wish the bill could have gone through the House without so much controversy. Rash and reckless statements tend to confuse our own people and the people of the world.

Mr. MARTIN. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the distinguished minority leader.

Mr. MARTIN. The gentleman says he is sorry that the President did not assert his leadership. The President has asserted his leadership in this defense fight. Why did the gentleman not go along with him, if he wanted him to assert his leadership?

Mr. MAHON. Well, we could not give a rubberstamp endorsement.

Mr. MARTIN. I did not say anything about a rubberstamp endorsement. This is merely a preliminary amendment to restore 25 percent of the cuts. That is not extravagant. That is a precautionary measure against disaster.

Mr. MAHON. In operating the Army, with all of its civilian personnel, all of its fields of operation, there is something wrong with the Army and there is something wrong with the administration if a fairly good job cannot be done with the funds recommended for appropriation. I believe the Defense Department will do a good job with the funds provided.

Mr. MARTIN. There is always something wrong with the Army, the Navy, and the Air Force until trouble comes, and then you want them.

Mr. MAHON. We are providing defense funds of about $35 billion, the highest peacetime budget in the history of our country. We are working for a strong defense program and we are fighting to uphold the hands of the President. I think after the shouting has subsided and the clouds are cleared, the President will be inclined to say, "Thanks, gentlemen, for doing a pretty good job with the defense budget."

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Virginia.

Mr. GARY. Does the Congress not have a responsibility and a duty to perform as well as the President of the United States?

Mr. MAHON. Well, some even voted to restore funds for a hospital that had been stricken on a point of order. It makes one want to smile except for the seriousness of it.

Mr. MARTIN. The committee put the hospital in the bill.

Mr. MAHON. Yes, but I say that the hospital was stricken out, that is, the mandate to operate it, and yet numerous Members on the other side voted for the amendment of the gentleman from Pennsylvania which would restore the entire multi-billion-dollar budget estimate for maintenance and operations.

Mr. MARTIN. What has the hospital got to do with this point?

Mr. MAHON. Well, it is very definitely a $1 million consideration.

Mr. HOFFMAN. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. HOFFMAN moves that the Committee do now rise and report the bill to the House with the recommendation that the enacting clause be stricken out.

Mr. HOFFMAN. Mr. Chairman, as long as this discussion has developed into what might be called a political—well, what would you say—maneuver, I might just as well remind the Committee that I do not mind being kicked around either by the President or by my own party leadership, only I reserve the right to yelp whether I am hurt or not. Just to let you know I am not

dumb. While we are talking about loyalty to the party, may I recall and I do very, very distinctly an occasion when the majority leader went off the reservation on the Phillips amendment. To those on the Democratic side who cheer, may I say, "Oh, I have no love for you."

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. The gentleman once said he had a minimum of admiration for me. He may keep it. I do not yield, Mr. Chairman.

I recall when one of the minority leaders, our distinguished friend from Indiana, went off the reservation and led 57 Republicans with him. Now who is going to call the turn? Who is to fix the standard of party loyalty—do the judging? That is something all would like to know.

My allegiance is to my country, to my people and to the principles of my party and then to the leadership, but not before. If the President of the United States wants to give an order, if he wants to crack a whip over me, all right; but I want him to crack it at the beginning of the battle—not give me one order one day and then another order another day. I cannot change that quickly, and that is all there is to that.

I am saying this for the benefit of my Republican friends; I will go along with the President on economy, but there is not an individual in this House, not one, who does not know that the President, as Commander in Chief of the Armed Forces, can squeeze out of this budget, out of appropriations for the Armed Forces, any cut that is made here, if he wants to take it out where there is waste and inefficiency. That is the situation. I will go along with the leadership of my party when they are right and stick to the principles of the party. But I will not kneel down, worship, and kiss the feet of any man. Nor will I throw overboard my convictions in favor of what appears just at the moment to be political expediency. The principles of the party are better and adherence to them more essential than is any one individual.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. FORD. I think the record should be straightened out. I am sure the gentleman from Texas [Mr. MAHON] did not mean to infer that anybody who voted for the restoration of the $80 million was in any way whatsoever seeking to restore any of the money which the committee directed the Department of the Army to spend uselessly, wastefully, inefficiently in the 2 hospitals, one in Massachusetts and one in Arkansas. I am sure the gentleman wants to straighten out that record.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. Mr. Chairman, I cannot yield further. I am not involved in any of this discussion between the gentlemen. The only point I am trying to make is, as was said in the beginning, kick me all you want, but do not expect me to remain silent while you do it even though no personal hurt is felt. Further, who other than my constituents put a judge over me—and just what are his qualifications?

Mr. HOLLAND. Mr. Chairman, I rise in opposition to the preferential motion.

Mr. Chairman, the gentleman from Illinois [Mr. ARENDS] stated that Congressman THOMPSON of New Jersey sent a telegram to the President signed by a number of Members, who signified that they would support the President's budget. He failed to read the telegram in full. The telegram read as follows:

As Democratic Members of Congress, who have, in the national interest, resisted irresponsible budget cuts, we welcome your belated decision to go to the people in defense of your budget.

Whereas your speech contained political overtones and implications which, in our opinion were irrelevant and unnecessary, it was on the whole a constructive defense of the Federal budget.

We must observe your failure to note that much of your current difficulty over the budget comes from members of your own party, most, if not all, of whom you recommended for support by the electorate in the elections of last November.

We are, nonetheless, willing to cooperate with you in your efforts to stem the reckless economy drive which constitutes a threat to our national defense and to the general welfare of the United States.

We are for sound economies, and support many of the recommendations that have been made by the Appropriations Committees of the House and Senate.

We urge further studies which, we believe, can bring about savings in the operation of the Defense Establishment, while at the same time increasing the efficiency of the armed services.

For the information of the gentleman from Illinois, I was one of the signers.

I did not sign the resolution to give the President a blank check.

There was no blind following of the President. I am very much surprised to hear the gentleman from Illinois trying to chastise the Democrats of the House for not following the President. I think it is about time the gentleman from Illinois started chastising the Republicans for not following the President. Most of the Republicans owe their election to his coattails.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. HOLLAND. I yield.

Mr. ARENDS. I have a copy of the telegram here which said that his presentation of the budget to the country on his television show was on the whole a constructive defense of the Federal budget.

Either the gentleman meant it or he did not mean it.

Mr. MAHON. Mr. Chairman, will the gentleman yield to me?

Mr. ARENDS. Mr. Chairman, I have no quarrel with the gentleman from Texas about this matter, because he was not involved in it.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. HOLLAND. I yield to the gentleman from Texas.

Mr. MAHON. My name is on the bill we are considering. I heard the President speak in general defense of this budget and I thought he made a good presentation. I agree with much of what he said. The bill before us would indicate that I perhaps agree with 97 percent of what he said about the defense budget, and he did a good job from his point of view on his foreign aid speech. I think the defense budget is generally good. We made a few helpful changes. However, we have given the President more than 93 percent of what he requested.

Mr. HOLLAND. I think if the gentleman from Illinois will only take the time to absorb the contents of this telegram, he will find that it states:

We are for sound economies and will support many of the recommendations that have been made by the Appropriations Committees of the House and Senate.

My vote today carries out the above promise.

I sympathize with the gentleman from Illinois, as I realize he must be a very confused Republican. I am not sure if he is a member of the "modern Republicans" because by his record I would say that he is not. It must be very hard to be a member of a party when the President's own Cabinet does not agree with him on his budget and suggests cuts.

Even the President himself seems to be uncertain if his budget is right. I would suggest that they have a get-together meeting and try to arrange for a meeting of the minds of the Eisenhower Cabinet.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Michigan.

The motion was rejected.

The Clerk read as follows:

RESERVE PERSONNEL

For pay allowances, clothing, subsistence, transportation, travel and related expenses, as authorized by law, for personnel of the Army Reserve while on active duty under section 265 of title 10, United States Code, or undergoing Reserve training or while performing drills or equivalent duty, and for members of the Reserve Officer's Training Corps, subsistence for members of the Army Reserve for drills of 8 or more hours' duration in any one calendar day; $197 million.

Mr. SIKES. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. SIKES: On page 8, line 16, after "$197,000,000" insert "*Provided*, That $10,000,000 of the unobligated balance of the appropriation 'reserve personnel, Army, 1957' shall remain available until June 30, 1958, and shall be merged with the appropriation 'reserve personnel, Army' made by this act."

Mr. SIKES. Mr. Chairman, the Congress has diligently sought to build a strong Reserve force. At no time have we failed to provide adequate funds for the Reserve programs which have been developed by the Department of Defense. There have been times when we have felt the Department has not given to the Reserves the same wholehearted backing which we in Congress have given. I want to be sure that we maintain that same record of enthusiastic support in the coming fiscal year.

The budget estimate for Reserve personnel in fiscal 1958 called for $207 million. The subcommittee looked at past records and felt the amount requested was greater than could be used. For several years we have found fund requests for the Reserves to be higher than the

actual requirements. Each year we have provided a smaller amount than the amount requested; yet each year the amount we gave was more than was used. In 1957, we allowed $215 million for this item, and the amount used is expected to be $197 million. Hence for 1958 we earmarked the same amount as that used last year, $197 million, which is $10 million less than the amount requested.

Very recently, however, we have received information that the entire amount of the budget request must be allowed if the 6 months' training program is to be carried on throughout fiscal 1958. The number of trainees enrolling in recent months shows the program has ballooned far above expectations. The large number of trainees now on hand will require such a large part of the fiscal 1958 money to be spent in the summer and fall that there will be no funds for an orderly 6 months' training program throughout the year. This would bring about a disrupted program not in the best interests of the service. Possibly the budget request for $207 million is now too small. However to provide additional money without a budget request would leave us with no assurance the extra money would be used. Therefore, we are recommending—and this is the committee action—that 10 additional millions be made available.

Please remember that is not a new appropriation of $10 million. This amendment does not add to the amount of the bill. It simply provides that $10 million of the amount of money heretofore provided for the reserves, which will not be spent by the Army during the fiscal year 1957, can be carried over—not revert to the Treasury—can be carried over and used during fiscal 1958. From the evidence given to me yesterday by Secretary Milton and others from the Department of the Army, it appears this amount will permit a training program for the 6 months' trainees to be carried on throughout fiscal 1958 although on a somewhat modified basis.

Mr. MAHON. Mr. Chairman, will the gentleman yield ?

Mr. SIKES. I yield.

Mr. MAHON. In previous years, as the gentleman has pointed out, there have been unused funds in the reserve program. Now it has appeared that the amount of the funds budgeted would be required and this is not increasing the overall figures in the bill, but takes care of the reserve program 100 percent according to the budget. I am strong for it and I understand all the members of the committee are for it.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield.

Mr. FORD. Is it not true that our Army panel, and I believe the subcommittee, took the initiative on this because we were informed by officials in the Department of the Army that this would impose certain restrictions, legitimate restrictions, on the number of those who would come into this 6 months' training program in the age group of 18½ to 26.

Mr. SIKES. Actually we have been concerned that the Army has overemphasized the six months' training program at the expense of the regular service and the detriment of the recruiting program for enlistments. In its zeal to make the six-months' training program a successful one, the Army may have contributed to the drop in enlistments for the regular service. In any event we on the subcommittee feel there is question in the Army's wisdom in recruiting young men 18½ to 26 for the six months' training program, and we question their wisdom in shortening the reserve obligations. These actions have helped to bring about the current backlog of trainees which has disrupted the planned training program.

We feel that the group the program was primarily intended to reach was really the 17- to 18½-year-olds, that the emphasis should be continued on that group rather than the older group, and that reserve obligations should be lengthened.

Mr. BROOKS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield.

Mr. BROOKS of Louisiana. Mr. Chairman, I think this amendment is a highly important amendment. I am going to ask for a little bit of time myself to talk on the amendment, but I want to commend the gentleman for offering the amendment at this time.

Mr. SIKES. I am grateful to my distinguished friend for his interest. I feel that the amendment is necessary and I trust it will be adopted.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment, and all amendments thereto, close in 5 minutes.

Mr. BROOKS of Louisiana. Mr. Chairman, how much time does the committee want? I would like to have 3 minutes—or 4 minutes rather—to speak on the amendment.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 6 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. BROOKS] for 1½ minutes.

Mr. BROOKS of Louisiana. Mr. Chairman, I understood that I would have 4 minutes.

The CHAIRMAN. Without objection, the gentleman from Louisiana will be recognized for 4 minutes.

There was no objection.

Mr. BROOKS of Louisiana. Mr. Chairman, I rise to explain the situation with reference to this amendment which has been offered. After the hearings were held by the panel in the Committee on Appropriations, the Armed Services Subcommittee No. 1, held additional hearings on this particular matter. At these additional hearings, we were privileged to have at least one member of the panel of the Committee on Appropriations sit in with us and listen to the testimony presented to Subcommittee No. 1 of the Committee on Armed Services with regard to the development of the program. To be very frank about the matter, the last 3 months has shown a tremendous development in the Reserve program. The development has been in the 6 months' training program. At the present time, there is a backlog of almost 32,000 people awaiting the 6 months' training program. The USAR, that is the United States Army Reserve, today is a reserve of 281,692 persons driving toward a total of 300,000 in the Army Reserve.

At the time the hearings were held before the Subcommittee on Appropriations, the Army Reserve had a total of something like 244,000 individuals. The Army Guard now has a total of 437,166 persons. In fact, the Reserve program in the last 3 months has grown so fast that the Army Reserve program is completely out of funds at the present time for the 6-month trainees. No 6-month trainees are being taken into the program for 6 months' training at the present time, and cannot be, because of lack of money until July 1.

What we want is an opportunity to train these 6-month trainees following the end of the fiscal year, July 1. The Committee on Armed Services has been working for many years to build up the Army Reserve program. It is a program that we have had trouble with all through the years. Now for the first time we have the material to train, we have the manpower to train, but we are out of money to train those people in the 6 months' training program.

Mr. DEVEREUX. Mr. Chairman, will the gentleman yield?

Mr. BROOKS of Louisiana. I yield.

Mr. DEVEREUX. I would like to compliment the gentleman from Louisiana for his statement. This money must be provided if we are to go ahead with our Reserve training program, with which we hope to save money eventually.

Mr. BROOKS of Louisiana. If we do not have the money, the 6 months' training for the Army collapses.

The CHAIRMAN. The time of the gentleman from Louisiana [Mr. BROOKS] has expired.

The CHAIRMAN. The Chair recognizes the gentleman from Montana [Mr. ANDERSON].

Mr. ANDERSON of Montana. Mr. Chairman, I have listened with a great deal of interest to the splendid discussions we have had during the past 2 legislative days on the appropriations bill for national defense.

There has been some disagreement, but we are all agreed, first, that we want to provide an adequate defense, and, second, that we want maximum results from every dollar we spend.

There are few who will disagree with the next statement I am going to make: "The dollars that buy the most defense are those we invest in our civilian components—in the National Guard and in the Reserves of the Army, Air Force, Navy, and Marines."

Not only do we get the most for our money, but we do it without draining our Nation's manpower resources. Those in our civilian components carry their full civilian occupation load, contributing their full share to the civilian economy and, at the same time, work to develop

and maintain those military skills which will be required if mobilization should come.

In view of the great competence displayed by those who have spoken on the bill, perhaps I should, as the lawyers say, qualify myself to testify on this subject. In the first place, I am deeply interested in the military and particularly in the civilian components. I have 32 years of service, enlisted and commissioned, in the National Guard and the Army Reserve. I was in the Reserve before World War II, when units were only on paper and the Reserve was chiefly a pool of officers. After World War II, I became commander of 1 of the 25 Reserve divisions in the United States. I am still commanding general of the 96th Infantry Division Reserve, whose units cover Montana, Utah, Arizona, and Idaho, and I have to live with this bill.

I have fought the fight to make the civilian components into units, ready to mobilize beside their Regular Army partners in a minimum of time.

That requires trained men and trained units, and no one knows better than I the long way we have come along that road. The longest step we ever took toward ready civilian components was, when the Congress passed Reserve Forces Act, 1955, so that we could replace inexperienced recruits with trained men.

Under the 6-month training program the Reserve and the National Guard can enlist young men for military service and after 6 months' training he will come back with an individual military skill to be welded into the unit framework.

The 6-month program caught on—and in short order we enlisted as many young men as could be trained with the funds in view. For some time now there has been no 6-month training enlistment program in the Army Reserve, and unless we pass this amendment there will be none in the year ahead. That has been a hard blow to reservists who were just making real headway toward the goal of units filled with trained men.

Week before last I met with the Senior Reserve Commanders Association which consists of some over a hundred general officers and their chiefs of staff. Seventy of the members of the Association, top Reserve commanders from all over the United States, were present and were greatly concerned at the halt in recruiting under Reserve Forces Act, 1955. I have with me a resolution adopted at that meeting which urges that the program be continued without interruption. I ask that that resolution be included in the RECORD.

There will be no such program the remainder of this fiscal year, and moreover, Mr. Chairman, there will be no recruiting program in fiscal 1958 unless we now restore this $10 million cut.

I want to make it clear that even passage of this amendment will permit only a limited number of enlistments which will have to be controlled by severe quotas. Such curtailed enlistments mean that we will meet our strength goals only if the 2-year men who start coming back in August are integrated into our ranks. If they are not brought in we are going to require a greatly expanded 6-month program if we are to accomplish our mission.

That matter can be considered in January—but if we are to avoid a drastic setback to our efforts to attain a really ready Reserve then we must restore this cut in Army Reserve funds now.

RESOLUTION ADOPTED BY THE SENIOR RESERVE COMMANDERS ASSOCIATION, MAY 14, 1957, CONCERNING CONTINUING THE RECRUITMENT AND TRAINING OF 6-MONTH ENLISTEES

The Senior Reserve Commanders Association representing all of the 25 Reserve divisions and certain other major Reserve commands in meeting assembled at Fort Leavenworth, Kans., May 14, 1957, calls the following facts to the attention of the chairman, Senate Armed Services Committee; the chairman, Senate Appropriations Committee; the chairman, Senate Defense Subcommittee on Appropriations; the chairman, House Armed Services Committee; the chairman, House Appropriations Committee; the chairman, House Defense Subcommittee on Appropriations; the Secretary of Defense; the Secretary of the Army; the Chief of Staff, United States Army:

(a) The Chief of Staff on February 6, 1957, in testimony before the Department of Defense Subcommittee of the House Appropriations Committee stated, "We have deliberately designed this program * * * so that the ceiling can go up as the demand goes up * * *. We will take whatever the load requires."

(b) Testimony of Secretary of the Army Brucker at the same hearing emphasized the determination of the Army to do "Whatever is necessary to meet our commitments under this program."

(c) The General Staff Committee on National Guard and Army Reserve Policy on May 3, 1957, adopted resolutions addressed to the Secretary of the Army urging him to take such action as may be required to insure adequate and full support of the well-publicized and well-received program to provide a minimum paid strength of 303,000 enlisted men and 78,000 officers for the Army Reserve.

Whereas public acceptance of the outlined program, brought about by the untiring efforts of the Army Reserve components reflects the nationwide endorsement of that program, it is the considered opinion of the Senior Reserve Commanders Association that in curtailing or stopping the training of the 6-month enlistees the Department of Defense and the Department of the Army are breaking faith and will do irreparable damage to the Reserve program and their own prestige: Therefore be it

Resolved, That the Department of the Army and the Department of Defense immediately ask sufficient funds from the Congress to insure that there be no interruption in the overall recruiting and training program as originally planned by the Department of the Army and the Department of Defense. This program continues to receive the fullest endorsement of the Senior Reserve Commanders Association whose members are convinced that any such curtailing or stopping is contrary to the demonstrated public opinion and will defeat the very purpose of the Department of the Army and the Department of Defense, namely, a strong, well-trained Ready Reserve.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. FORD].

Mr. FORD. Mr. Chairman, I feel it my duty to point out two things. This amendment, although it will not seemingly increase the budget, does contemplate the same expenditure in fiscal 1958 that the President submitted at the time his budget was sent to Congress.

Second. I must reemphasize one important reason why I, and I believe the gentleman from Florida [Mr. SIKES], and others went along with this, we have been assured that the Department of the Army will write certain restrictive regulations which will cut back the number in the age group 18½ to 26 who will participate in this program. On that assurance, and we accept their word in good faith, we have gone along with the increase of $10 million over what our panel originally proposed. I can assure the proper officials in the Department of the Army that our Army panel next year in the hearings will look with considerable interest at the number in the age group 18½ to 26 who will be taken into this training. We hope that they will live up to the agreement which they have made with our panel.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. SIKES].

The amendment was agreed to.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, with apologies: A few moments ago when in the well I forgot to make a point which to me seemed important. It was that, inasmuch as this has developed into something of a political discussion, one of the very, very important things is that the position of the individual membership be accurately given to the public.

One of the current greatest sources of misinformation as to the votes of Members of Congress is the Congressional Quarterly. In other days we had the New Republic—sometimes then described as the "uptown edition of the Daily Worker."

The issue of free speech or free press is not involved. The issue is one of using a fraudulent title or label.

The Congressional Quarterly is just a successor to the New Republic, which you will remember was a political publication which for a few years made a business of misrepresenting the political position of individual Members of Congress and the way they voted.

The Congressional Quarterly is just as inaccurate, as biased, as misleading, as vicious—just as intent on getting a dollar. In addition, it sails under a false flag and charges a higher price for its deceptive output.

For some years Congressional Quarterly, a weekly publication which calls itself the "authoritative reference on Congress," has masqueraded as a nonpartisan, objective source of information about the United States Congress and its Members while spewing forth its prospending left wing propaganda. People are deceived when they see this publication quoted and requoted, evidently on the theory that it is an official Government publication, as the basis of who in Congress supported or did not support President Eisenhower's programs, or some other program.

Congressional Quarterly's so-called news accounts are biased, unreliable. Their statistics are inaccurate. Their interpretation of events are slanted. Their repeatedly crediting Democrats with having "saved" or "rescued" one of

the President's programs or provided the "winning margin" of votes he needed is untrue. Since there are more Democrats than Republicans in Congress, there would be few measures passed if some Democrats did not cross party lines to support them. It is interesting to note, Mr. Chairman, that the words "saved" and "rescued" and "winning margin" came into Congressional Quarterly's vocabulary in 1953 when Democrats first voted for one of the President's programs.

I take issue also, Mr. Chairman, with the partisan and misleading manner in which Congressional Quarterly compiles its vote statistics to indicate Democrat support for the President. In the first place, it supposedly gives equal statistical weight to all votes used in its survey without listing the votes so that the reader can judge for himself whether the President had clearly stated his position on the subject. It also lists an absence, such as for illness or for official business, as a vote against the President's program. Why not credit a Congressman with a plus rather than with a minus mark when he does not vote at all? It is a silly as well as a fraudulent method of computation. And, perhaps even more misleading, it frequently includes in its tabulations all votes on a particular measure, such as floor amendments to an appropriation bill, on which the President obviously could not have expressed himself.

Since Congressional Quarterly has a virtual monopoly in its field, its publishers have a very substantial obligation to avoid editorial slanting. For one thing, the very name of the publication leads people to believe it is an official organ of the United States Congress; and second, it represents itself to be completely objective. It is neither. If it was a food otherwise than for thought, the Food and Drug agency would be after it for false labeling and poisonous content.

Congressional Quarterly's publishers have not only failed to take their obligation seriously, but apparently have deliberately distorted the contents of their publication to favor one individual and political party over another. For this reason, today two bills are introduced which would:

First. Amend chapter 83 of title 18 of the United States Code to bar from the mails certain publications having titles which convey the false impression that they are official publications of the United States Congress.

Second. Amend chapter 33 of title 18 of the United States Code to prohibit the use of the words "Congress" or "Congressional" as part of the title of any publication where the use of such word can reasonably convey the false impression that such publication is an official publication of the United States Congress.

In the past, when a business or other profit-making venture used such words as "United States," "Federal," or "Red Cross" in its title to falsely imply that it was connected with some Federal agency, Congress has not failed to act quickly to prohibit such flagrant commercial exploitation. I hope Congress will be equally vigilant in this case, where its own integrity is involved.

In the CONGRESSIONAL RECORD, pages 7599–7600, you will find an accurate statement of the gentleman from Missouri [Mr. CURTIS] which gives you a picture of the kind of a publication Congressional Quarterly is. There is also a reference to some of the comments made in the other body on the same subject at pages 7577–7578 on the same day.

The bills read:

A bill to amend chapter 83 of title 18 of the United States Code to bar from the mails certain publications having titles which convey the false impression that they are official publications of the United States Congress

Be it enacted, etc., That (a) chapter 83 of title 18 of the United States Code is amended by adding at the end thereof the following:

"§ 1733. Certain publications as nonmailable.

"Every publication issued periodically (other than annually) having the word 'Congress' or 'Congressional' as a part of its name where the use of such word alone or with other words is reasonably calculated to convey the false impression that such publication has some connection with, or authorization from, the Congress of the United States, which does not in fact exist, is nonmailable, and shall not be conveyed in the mails or delivered from any post office or by any letter carrier.

"Whoever uses or attempts to use the mails or Postal Service of the United States for the transmission of any matter declared by this section to be nonmailable, shall be fined not more than $1,000 or imprisoned not more than 1 year, or both."

(b) The analysis of such chapter 83 is amended by adding at the end thereof the following:

"SEC. 1733. Certain publications as nonmailable."

A bill to amend chapter 33 of title 18 of the United States Code to prohibit the use of the word "Congress" or "Congressional" as part of the title of any publication where the use of such word can reasonably convey the false impression that such publication is an official publication of the United States Congress

Be it enacted, etc., That (a) chapter 33 of title 18 of the United States Code is amended by adding at the end thereof the following new section:

"§ 712. False advertising or misuse of name to indicate connection with Congress

"It shall be unlawful to use the word 'Congress' or 'Congressional' as a part of the name of any publication issued periodically (other than annually) where the use of such word alone or with other words is reasonably calculated to convey the false impression that such publication has some connection with, or authorization from, the Congress of the United States, where such connection or authorization does not in fact exist.

"Whoever violates this section shall be fined not more than $1,000 or imprisoned not more than one year, or both."

(b) The analysis of such chapter 33 is amended by adding at the end thereof the following:

"SEC. 712. False advertising or misuse of name to indicate connection with Congress."

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose, and the Speaker having resumed the chair, Mr. KEOGH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 7665) making appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE TO EXTEND

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members speaking on this Defense Department appropriation bill today may revise and extend their remarks and insert pertinent related matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PUTTING TREASURY LOANS TO REA ON A SOUND BASIS

Mr. BECKER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BECKER. Mr. Speaker, on May 15 I offered an amendment, on the floor, to the farm bill to eliminate the $239 million to be loaned to the Rural Electrification Administration—REA—for the reason that this money was being loaned at 2 percent while the Treasury Department is paying 3¼ percent and, further, that the REA cooperatives have accumulated vast surpluses that they are not only loaning out at a higher interest rate but are buying the very Government bonds of the Treasury Department. This amendment was defeated.

At the time I introduced the above amendment and after it was defeated, one of my colleagues on the Democrat side of the House was very proud to put in the RECORD that not one Democrat voted for this amendment. This is another instance where the Democrats talk of economy but when they have a real opportunity such as I offered where a great saving could have been made, the Democrat votes were just not there.

I have, therefore, today introduced a bill amending subsection (a) of section 3 of the Rural Electrification Act of 1936, as amended (7 U. S. C., sec. 903 (a)), whereby all future loans to the REA be made at the going rate of interest payable by the United States on its obligations, and, second, I have amended section 5 of this same act to provide the payment of an additional one-half of 1 percent per annum to cover the reasonable cost of administration and handling of these loans.

It is a well known fact that the outstanding loans of the Treasury Department to the REA in the sum of $2½ billion is costing the taxpayers of this country over $25 million a year just for the additional interest paid by the Treasury Department on borrowed money.

I want to make it clear that this bill is not intended to eliminate the advantage rural electric cooperatives have in being able to borrow money from the Federal Government, but simply to bring the cooperatives' interest rates up to a point where the Treasury will not have to shoulder losses. It does not seem reasonable to me that taxpayers who now find the Federal tax burden so hard to bear should be asked to help contribute still more for the electric bills of rural electric users. The fact is, rural electric cooperatives are very prosperous, and their members do not stand in need of the special help of credit that stands the Treasury a loss.

I want to point out that by paying interest rates that square with what money costs the Treasury, rural electric cooperatives would be in a better position to meet criticisms that they are reloaning 2 percent Federal money at higher rates rather than repaying it to the Treasury, and that the cooperatives, in many cases, are passing along the benefits of 2-percent money to members who purchase washing machines and other electrical appliances.

I might add that President Eisenhower called attention, at a recent press conference, to the need for revision of some of these borrowing privileges that are forcing substantial increases in budgetary requirements. To take this action that I propose is in line with his recommendations, as well as with the great popular support for all reasonable economies in Government.

I also wish to call attention to the fact that if at some future time interest rates that must be paid by the Treasury decline, the interest rate charged rural electric cooperatives would automatically go down. I point this out because I want to make it clear that enactment of this bill would impose no heavier handicap on rural electric cooperatives than the rest of us have to bear.

When the Rural Electrification Act was passed in 1936 to electrify farms situated so far apart and with so few customers to the mile, private funds immensely short in the depression simply were not available. This, of course, was a fine and necessary program at the time and, therefore, there is no intention to condemn the intent of the law and the Rural Electrification Administration as such. However, today it is an established fact that the farms of this country are 96 percent electrified and, therefore, it is only consistent that from here on the borrowers of money from the Government for this, or any other purpose, should pay the going rate of interest on all Treasury Department loans. I believe the introduction of this legislation to be eminently fair and in the best interest of sound government. I would feel certain to say that the recipients of power through the REA and its cooperatives, if they knew the facts, would be desirous of paying their proper share. I sincerely hope this legislation will receive prompt consideration.

TRIBUTE TO AMVETS FOR THEIR AMERICANISM CAMPAIGN

Mr. HARVEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HARVEY. Mr. Speaker, on the eve of Memorial Day, I believe it appropriate to call attention to an excellent program now being sponsored by the American Veterans of World War II and Korea. This organization, designated as the AMVETS, was chartered by act of Congress on July 23, 1947. As this organization looks forward to its 10th anniversary, it becomes increasingly clear that the 80th Congress served a good purpose in granting it a Federal charter, for this veterans' group has taken seriously its desire to serve the Nation before it serves itself.

At their national convention in 1954, AMVETS concluded that too much emphasis was being placed on what's wrong with America, and too little was being said or taught of what is good about our country. They felt there was an unfortunate tendency in some quarters to appropriate the word "Americanism" to narrow ends—and that there was a real danger of these same groups setting up their own standards of measurement as to who is and who is not a good American.

I am proud to state that in their quest for a new approach to the nurturing of sound Americanism, AMVETS found their program in the patriotic inspiration of a constituent of Indiana's 10th Congressional District. My friend, Martin D. Schwartz, of Muncie, conceived a program that has since prospered under his guidance as chairman of the national AMVETS Americanism division.

AMVETS, with an absolutely free hand in the investing of funds given by the Fund for the Republic, has successfully launched a program which rejects name calling and witchhunting. AMVETS prefers to emphasize the positive aspects of Americanism rather than the negative, to show clearly what is right about the United States and to restore the people's faith in the foundation upon which the Nation has been built.

AMVETS neither offers nor asks a pat definition of "Americanism." Instead, the organization holds that "Americanism" can no more be defined or explained than can love or religion; that it must be felt in the heart and lived each day. And that it is an appreciation of a way of life which has no superior in all the world, a deep and lasting faith in our Republic.

Let it be understood, however, that the members of AMVETS do not for a moment advocate discontinuance of the watchfulness with which we must guard against subversion in all its insidious forms. These veterans endorse and support the proper agencies of government that are charged with protecting our country from destructive influences, both internal and external. They feel that just as we must watch our skies day and night for possible attack, so must we be constantly vigilant against any lapses which undermine the strength of the Nation and the moral fiber of the people.

We enjoy a prosperity and national well-being unequaled in history. But in the midst of wealth and abundance, I must agree with AMVETS that we sometimes forget the basic heritage from which our moral and philosophical strength has always been drawn. If this be true, then in spite of our fine Armed Forces and modern weapons, we may someday find that, not unlike the shorn Samson, our national power has ebbed away and the moral will to defend the greatest Nation on earth has disappeared. Once we lose touch with the past, the historic past, if you will—once we forsake the teachings and the wisdom of those who brought into being our Constitution and Bill of Rights; once we abandon the guidance of men like Washington, Marshall, Jefferson, and Franklin—or even of Lincoln and Clay, Wilson and Hoover—we shall in truth have thrown overboard our compass in the midst of stormy seas.

As citizens, there is a pressing need to renew our knowledge and understanding of this great country in positive terms, to learn where we are in this world of conflicting ideologies, and to keep bright the only lights by which we can steer a safe course. There is little likelihood that we will ever dissipate our precious legacy if we fully grasp its value and live each day by its memorable precepts. There is a very grave danger that we shall lose our freedoms if we are so foolish as to forget how we came by them and why they are worth keeping inviolate.

AMVETS, let it be noted, is seeking to renew faith in America in a practical manner. Mr. Schwartz and the expanding group of leaders he heads, have launched a program based, first, on the study of the lives and aspirations of great Americans, and second, a program which prompts citizens to examine their country and recognize the many things about it which are good and noble. These blessings and attainments include our form of government as contrasted to others; the guaranties of liberty, justice, and equality embodied in our basic documents; the examples of courage, free enterprise, and straight thinking which have molded our national character.

In taking great Americans as the starting point for its Americanism program, AMVETS has put into practice the advice of Pericles, who in reminding the Athenians that there was virtue in following the precepts of those who built the glory of ancient Greece, said:

> Take these men for your example. Like them, remember that prosperity can only be for the free, that freedom is the sure possession of those alone who have the courage to defend it.

The pattern of this unique Americanism program is simple, but deserving of recognition and commendation. AMVETS have trained more than a hundred of their members in the art of organizing and leading group discussions. Throughout the country these members, without fanfare or self-aggrandizement, are quietly but effectively meeting with small groups of citizens from all walks of life, and these

groups are studying and talking about positive Americanism.

These are not social or political scientists so gathered, nor are they high-flown intellectuals—they are everyday lawyers, mechanics, salesmen, laborers, executives, high school students, white-collar workers and housewives. They are, if you please, the true grassroots of the country. If any American citizen can be called ordinary, they are ordinary citizens who have become fascinated by the interesting and revealing paths down which free discussion of so vital a subject as Americanism take them. Under able guidance they are learning not only from each other by sharing viewpoints and attitudes, but also from the Founding Fathers whose viewpoints serve to sharpen and clarify their own.

In Americanism discussion groups, these people are making history live—for the task of history is to relate the past to the present. They are intelligent people seeking knowledge of their citizenship and their country in order to build at least within their own minds a bulwark against the dry rot which can erode the soul of this Nation should it ever ignore its heritage of freedom and right. And these ordinary Americans are finding it thoroughly enjoyable to reemphasize heritage and tradition in their daily lives and their community living.

I am personally familiar with the splendid AMVETS post at Muncie, Ind. I have been proud to claim for my State and district one of the finest units of this outstanding organization of young veterans. But whenever I have listened to the post's excellent band, the famous Muncie Highlanders, and whenever I learn of these musicians having again won high honors, I am reminded that all of AMVETS is not pomp and ceremony, that they play stirring martial tunes in full pride of the background against which they have become known—that behind the marchers and the flags there exists the sincerest convictions of true Americanism.

Sir Walter Scott penned the words, "Breathes there a man with soul so dead, who never to himself hath said, this is my own, my native land!" It seems to me that in AMVETS we have a considerable number of Americans who not only take pride in their own, their native land, but who are undertaking in a most admirable way to see that it remains what it was meant to be—the land of the free and the home of the brave. Surely they deserve all the assistance and support the American people can give, for it is in their interest that they toil.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 o'clock tomorrow morning.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

THE DEFENSE BUDGET

Mr. SCOTT of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SCOTT of Pennsylvania. Mr. Speaker, much has been said here about the budget under discussion. We have suggested revision, we have nibbled at it, and, in general terms, we have treated it as any other item of legislation which is expressed in words that lie well on paper. I am not so sure, gentlemen, that many of us fully appreciate what goes into the making of the Defense budget. Budgeting has become an integral function of command at all echelons of the services. The various regulations published in the Army, Navy, and Air Force state that each commander is provided with resources necessary to perform his assigned function or mission, and that he will be held strictly in account for the use of these resources.

Budget estimates in the three services from the lowest echelon on up are the expression of an agency program in financial terms. They are expressions of the minimum funds necessary to accomplish approved missions and functions. For 18 months prior to coming to us for the appropriation legislation we are now considering, the Army staff, for example, has reviewed estimates from the lower echelons in the field. An overseas commander prepares a budget summary based on Department of the Army primary programs, his current year budget, and his current reports. The Army staff reviews his estimates based on program guides, current year budget execution, current operation, financial reports, and the commander's budget summary. There is a Budget Advisory Committee responsible to the Chief of Staff which works in conjunction with a Program Advisory Committee and a Planning Advisory Committee. When finally presented to the Secretary of the Army and approved by him, the Army budget represents a structure which has been stripped to its essentials.

That, of course, does not mark the end of the budget of one of the services, since the Secretary of Defense has an assistant, the Comptroller, who reviews, correlates, examines, and where necessary, pares the budget of the three services.

The overall effect of the steps I have enumerated, is that the budget we are considering is like a house of cards carefully constructed. We cannot at random pull out a card here and there without expecting the structure to tumble. It is easy for us to recommend changes and reductions because truly we are not aware of the consequences involved. If the subcommittee headed by the gentleman from Florida feels that the $150 million reduction in maintenance and operation funds, for example, is a serious error, I feel there is no group better qualified in this Congress to advise us of our error than this subcommittee which has studied the Army budget as all of us should have, had we the time or opportunity to do so. I say to you therefore, gentlemen, that wherever the members of the subcommittees of our Appropriations Committee recommend amendments to the bill before us, our support should be given.

OUTLINE OF ARMY PROGRAMS IN FISCAL YEAR 1958 BUDGET ESTIMATES

In broad outline, the Army budget estimates for fiscal year 1958 provide for:

First. Troops.

(a) General: In fiscal year 1958 the Army will introduce new organizational concepts and modern methods of combat support into its force structure, designed to enhance combat readiness. This will be accomplished by reorganizing the divisions, increasing the number of atomic support commands and improving the readiness of the Army Strategic Reserve. Reorganization of the divisions into the new-style "Pentomic" units geared for atomic warfare will be completed by end of fiscal year 1958.

(b) Units: In fiscal year 1958, the number of divisions in the Army will be reduced to 17, the number of regiments and regimental combat teams will remain at 9, additional Atomic Support Commands will be activated; and antiaircraft battalions will increase to 126.

Second. Manpower.

(a) Military: The Army will begin and end fiscal year 1958 with 1 million active-duty personnel with an average strength of 997,000. This is 2,800 man-years under the present fiscal year 1957 program of 999,800 man-years.

(b) Civilian: The Army will begin and end fiscal year 1958 with 405,000 civilian employees on military functions as compared with actual fiscal year 1957 beginning strength of 406,611.

Third. Materiel.

(a) Aircraft: The inventory of active aircraft will increase from 3,573 at beginning fiscal year 1957 to 5,301 by the end of fiscal year 1958. The procurement program for fiscal year 1958, cumulative with prior year programs, will give the Army about 80 percent of its light aircraft and 50 percent of its medium helicopter peacetime requirements. The Army is providing for the minimum training requirements for reserve component units. It is not programing procurement of aircraft for mobilization reserve stocks.

(b) Guided missiles: The fiscal year 1958 procurement program will continue to place emphasis on guided missiles and related equipment. Of the $1.39 billion fiscal year 1958 obligation program for procurement and production, approximately one-half will be for guided missiles. Even though this represents almost $700 million in fiscal year 1958, it is far short of program requirements, and represents a compromise between maximum desirable missile production and impact upon the national economy.

(c) Other procurement: In keeping with the emphasis on guided missiles, the procurement of conventional equipment, weapons, ammunition will be reduced in fiscal year 1958. It will be limited to the procurement of small quantities of new items for introduction into the supply system and minimum quantities of

standard items which will be required to meet shortages in the peacetime Army.

Fourth. Reserve components.

The number of Army reservists and National Guard men in drill pay status will increase from 655,900 at end fiscal year 1957 to 697,000 at end fiscal year 1958. This will be composed of 400,000 National Guard men and 297,000 Army reservists. The most significant aspect of the Reserve components program for fiscal year 1958 is that emphasis will be placed on quality of the individual reservist and guardsman. This will be accomplished by requiring those nonprior service personnel enlisting in the National Guard to take either 11 weeks or 6 months active duty for training and those enlisting in the Army Reserve to enter on 6 months' active duty for training.

Fifth. Research and development.

The fiscal year 1958 research and development program is slightly lower than in fiscal year 1957 but will continue to have as its primary objective, the maintenance of technological progress and the development, for the Army, of the best weapons and materiel that can be produced. In fiscal year 1958 the effort will be directed aggressively toward providing the implements of increased mobility and firepower, better communications, and improved logistic systems.

The funds requested by the Army to carry out the fiscal year 1958 programs which I have summarized are:

The Army budget, estimate, fiscal year 1958

DIRECT OBLIGATIONS

[Millions of dollars]

[Estimate, fiscal year 1958]

Military personnel, Army	3,549
Operation and maintenance, Army	3,400
Procurement and production, Army	1,394
Research and development, Army	400
Army National Guard	320
Reserve personnel, Army	207
Military construction, Army Reserve Forces	[1] 55
Military construction, Army	[1] 390
Other appropriations	6
Summary	9,721

MILITARY STRENGTH

[In thousands]

[Estimate, fiscal year 1958]

Beginning	1,000
Ending	1,000
Man-year	997

[1] Action on this appropriation is not included in current House bill.

THE GREAT CONTRIBUTION OF THE OIL INDUSTRY TO THE NATIONAL ECONOMY DURING THE RECENT SUEZ CRISIS

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, during the last 6 months one vital segment of our national economy has been denounced for voluntarily accomplishing a program which the Federal Government admitted it could not so efficiently accomplish.

This industry, which has often taken the brunt of attack from those who are uninformed as to the very nature of the industry they are attacking, supplies approximately 70 percent of our Nation's energy. I am, of course, speaking of the oil industry.

This industry was prematurely slandered and vilified for doing a job successfully that it was called upon to do, that of supplying Western Europe with oil at a time when that area's source of supply of this essential fuel was cut off.

The oil industry didn't ask to do the job. It didn't bargain for concessions in the European market as recompense.

It did, however, attack the problem with the same vigor it has applied to the search for and development of oil supplies for the needs of our Nation.

As a result of this, the American oil industry shipped from 500,000 to 600,000 barrels of oil and products a day overseas to keep the factories of our allies turning out materials so necessary to their economies. These shipments were substantially in excess of the most optimistic goal set in the early days of the oil lift. This goal, of 500,000 barrels a day was, even by administration admission, more of a hoped-for target rather than something that was plausible.

The industry increased its production 834,000 barrels daily, from 6,966,000 barrels daily in October 1956 to 7,800,000 barrels daily in March of this year.

To do this took the combined effort not only of every oilman in the country, but also the cooperation of the State regulatory bodies.

In my own State of Kansas the Kansas Corporation Commission raised the allowable during those 5 months 20,000 barrels daily. But this was only a small drop in a very large bucket compared to the increases of other Southwestern States. Texas increased its allowable by 453,000 barrels daily, Oklahoma by 80,000 barrels daily, Louisiana by 255,000 barrels daily, and New Mexico by 51,000 barrels daily.

These are the tangible benefits of the mechanics of the operation known as the oil lift.

The oil industry's contributions to this project far transcend the fuel supplied the Western European nations, however.

Because there was a strong, healthy domestic oil industry in the United States capable of producing in excess of 2 million barrels of petroleum a day above the daily requirements of our own expanding economy, this country was able to tell our allies there was no need to fight a full-scale war over the Suez Canal.

This excess producing capacity enabled the United States to use its influence with our allies to halt a "little war" that could have sparked World War III with only a little encouragement.

When Secretary of State Dulles went to London shortly after England, France, and Israel invaded Egypt, he took with him these production figures. Thus he had the facts with which to convince our allies there was no need to take that "calculated risk" of embroiling the entire world in an atomic holocaust.

By the very fact of its existence, however, this domestic oil industry provided our Government with an opportunity to use statesmanship instead of battleships to bring about a resolving of differences.

Had this domestic industry not existed, or had it been subservient to Middle East oil as was England and France, then America would have had no other course but to join our allies in the invasion. Had this happened, there is no doubt in my mind but what the Soviet Union would have joined the issue on the side of Egypt.

Thus the contributions of the domestic segment of this industry alone go far beyond the immediate relief of fuel-short nations. They even transcend the national security of America when they can provide this country with authority to say to would-be aggressors "this far and no more."

When all the shouting and accusations of the earlier charges have died down this dynamic and aggressive industry stands exonerated before these very Halls of Congress.

One of the committees which thoroughly investigated all the charges made against the oil industry, the House Interstate and Foreign Commerce Committee, reported, after all the evidence was in that the oil lift "cannot but be hailed as a stupendous achievement on the part of the oil industry."

The only tragedy of the report, however, was that it was needed at all.

PARLIAMENTARY INQUIRY

Mrs. ROGERS of Massachusetts. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentlewoman will state it.

Mrs. ROGERS of Massachusetts. Mr. Speaker, may I ask the Speaker or the floor leader if it is the intention of the House to finish consideration of the pending bill on Thursday or Friday if it is not finished tomorrow?

The SPEAKER. We intend to finish the bill tomorrow.

SHORTAGE OF GOVERNMENT SCIENTISTS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, for several years I have been disturbed by the constantly growing loss of scientists and technicians working in Government laboratories and particularly the laboratories of the military departments.

The causes for this alarming loss are plain and simple. They are attracted away from Government service by being offered higher salaries, more congenial working conditions, greater freedom and more authority and the temptations offered and the persuasiveness of industries and private laboratories become in too many cases irresistible.

We are spending billions of dollars in military research to maintain our scientific leadership and to make sure

that we have the best weapons, devices and equipment for our Armed Forces, but up to now, we as a Government have shown little concern while the skilled men to whom we entrust the spending of this money are being drained away. As a result the quality of our military production, based on the discoveries and improvements that must come from research, suffers directly from the loss of these capable men and our inability to replace them.

It seems as if the moment that a scientist or technician achieves a good reputation working for the Government, he is pressured from all sides to leave his position, in many cases by private concerns holding military research contracts in the field in which he is an expert.

May I point out that military research scientists are vital to the success of our defense program. It is almost impossible to replace them, because they have to be specially trained in their military work and this takes years. When they leave their positions in Government, all of their military knowledge and experience walks out with them.

We must keep these keymen. One of the most important reasons is because they have the responsibility of supervising the work of private companies holding military research contracts, the selection of qualified companies and to make sure that these companies properly perform their work.

The principal loss is in administrators, chief project engineers, and scientists engaged in specific projects, in basic, applied or development research, the most valuable men we have. It is chiefly from them or through their efforts that new discoveries and the practical application must come.

The burdens that these Government scientists carry is not an easy one, beset as they are by Government regulations established to run a battleship, an army or an air force. Great credit should be given to the scientists and technicians who stick to their important posts, in spite of all difficulties and inducements to lure them away, imbued as most of them are by a very high degree of patriotism, and enthusiasm for their work.

The most important step that should be taken at this time, to stop or reduce this great loss of intellect, knowledge, and skill, is to establish supergrade positions under civil service by setting up separate scientific and professional civil service classifications, so that these superior men may obtain salaries commensurate with their abilities and responsibilities. It is the only way whereby the military laboratories can fill the many key positions now vacant.

There are many vacancies in military laboratories, and it is very difficult to fill them. I have just received a letter written by a director of one of our most important military laboratories, which reads as follows:

I can attest the seriousness of the situation in that during the past year we have been vainly attempting to fill several Grade 15 positions and 1 Grade 16 position with at present no success in being able to find people sufficiently trained to trust with the responsibilities, in spite of extensive recruiting efforts.

I have also a copy of a letter written by the president of a prominent industrial research company, who has been attempting to help the Quartermaster Department obtain qualified men. The letter makes this comment:

The amount of money involved in the purchase of materials by the Quartermaster—one of the largest purchasers of industrial materials in the world—is so great, that it is absurd economy for the Government to restrict the salaries of the keymen determining the basis on which these purchases are to be made.

An excellent study of the problem is reported in an article entitled "Manpower Crisis in Federal Labs," which appeared in the April 1 issue of the Chemical and Engineering News, the national voice of the American Chemical Society, which I would like to call to the attention of the Congress and the executive department.

I hope that this year the Congress will take specific and corrective action based on the recommendations made by many prominent citizens, leading scientific and engineering associations, and other advisers on military research who are familiar with the alarming situation.

MANPOWER CRISIS IN FEDERAL LABS—LOW GOVERNMENT SALARIES TEMPT SCIENTISTS TO TAKE INDUSTRIAL JOBS, DISCOURAGE NEW SCIENCE GRADUATES FROM ENTERING FEDERAL SERVICE

(By Joseph A. Grand, chairman, professional relations and status committee, Washington section of the American Chemical Society)

Government laboratories are losing out in the keen competition for scarce scientific manpower. The critical situation now facing Government labs results from two things:

The Federal service is not obtaining its fair share of new science graduates.

It is unable to retain a considerable portion of its better scientific personnel.

How serious is the problem? As one official of a prominent Government laboratory put it: "We are withering on the vine, and if we don't get help soon, we will be dead." This is an extreme view, and the seriousness of the situation varies with the character of the employment. Defense Department laboratories, employing a higher percentage of physical scientists and engineers, undoubtedly feel the pinch more severely than other departmental laboratories.

Compared with industry figures, the hiring and separations statistics for Federal scientists do not indicate an alarming turnover rate. However, considerations of quality and source of employees tell a different story. Influx of new graduates into Government service, vital new blood in the lifeline of a laboratory, is a mere trickle. One recent survey shows that 75 percent of the industrial firms surveyed reported 25 percent acceptance of employment offers to scientific personnel. Another survey shows that 27 percent of the firms reported 50 percent acceptance. The Federal Government acceptance rate is only about 10 percent.

MORALE PROBLEMS

The prestige of many Government laboratories is built around a hard core of senior scientists hired on a highly selective basis in less inflationary years. In general, these men are devoted to their work, and salary has not been the predominant consideration. But, in recent years, with rapid inflation, their relative economic position has become painfully clear to them. Today, approximately one-third of the total separations of scientific employees from the Government are senior-grade personnel.

The combination of high-quality employees leaving and lack of young graduates generates a lower morale and lower productivity. The prestige and sense of dedication of the Federal scientist that held him to his job possibly more than anything else can be sensibly dulled. The obvious end point of this reaction is the loss of scientific leadership and prestige of the Government laboratory and its ultimate demoralization.

What has caused this aggravated condition? Fundamentally, the scientific manpower shortage is to blame. The immediate cause is the disparity of pay scales for professional employees in the Federal Government and in industry.

A recent Government study compares salaries for professional employees in industry with the corresponding civil-service grade designations. (See table.)

The grade classification GS-5 corresponds to a junior chemist or chemical engineer, or other scientific designation (a bachelor of science degree and no professional experience); GS-7 corresponds to assistant chemist (master of science degree or equivalent in experience); GS-11 corresponds to chemist (doctor of philosophy degree or equivalent in experience).

The discrepancy in salaries between industry and Government is obvious on comparing the industry average with the Government maximum. Disregarding fringe benefits, Government salaries are approximately $700 to $3,000 per year lower.

These data very closely parallel those reported by the special survey committee of the Engineers Joint Council. This report, Professional Income of Engineers, 1956, issued in January 1957, shows salaries of engineers by year of entry into the profession. In this study, comparison of median pay of engineers engaged in research and development with median pay of engineers in the Federal Government shows that the Government engineer makes $575 to $3,350 less per year.

FRINGE BENEFITS

Some contend that the fringe benefits of Federal service—retirement, insurance, liberal vacation, and sick leave—tend to lessen this differential in pay. In addition, the prestige of Federal service, stability of employment, association with senior scientists, excellence of equipment, and nature of work may be presented as "fringe-fringe" benefits tending to lower the differential.

To both the young graduate and the professional pondering separation from Government service, these benefits are not too difficult to evaluate. Many of today's industrial giants have fringe benefits similar to the Federal Government plus such extras as medical and health insurance and profit-sharing or stock-purchase plans. News of private industry's modern laboratories and equipment punctuates nearly every issue of C&EN. The ability of industrial scientists is well attested by their publications in scientific journals.

CIVIL SERVICE VIEWS

Philip Young, retiring chairman of the Civil Service Commission, recognized Government's present lethargy with respect to fringe benefits when he said before the engineers joint council, "Whereas the Government was once considered a leader in this field, private industry has been moving ahead in recent years faster than we have."

In the concluding paragraph of his speech on January 17, Young said, "Now I agree heartily with the executive officer of the National Institutes of Health who recently said, 'I do not believe poverty is any more a necessary condition of dedication to science than it is of dedication to the sale of life insurance.' But the sense of dedication is a necessary condition to a fully satisfying career in the Federal service—and I know that is very widely felt. There is a special appeal in the nature and importance of the pressing scientific and technical problems before the Government, and in the contributions of Federal engineers and scientists to the Nation's welfare and security that is its own reward. And this has never been as true as it is today, in this age of unprecedented scientific and technological progress."

Industry pays scientists higher salaries than Government for comparable work

Government grade classification	Average salary in industry	Government salary	
		Minimum	Maximum
GS-5	$5,200	$3,670	$4,480
GS-7	6,000	4,525	5,335
GS-9	6,750	5,440	6,250
GS-11	8,400	6,390	7,465
GS-12	9,500	7,570	8,645
GS-13	11,200	8,990	10,065
GS-14	13,300	10,320	11,235
GS-15	15,500	11,610	12,600

These remarks are only too true. The difficulty is that the Government does not exercise a monopoly on this sense of dedication.

For the past 3 years, the Defense Department alone has passed out over $1.5 billion of research money annually to private companies. Many professional employees have left the Federal service for industrial employment in a similar capacity but with increased pay on projects financed with those funds. The growth of industrial laboratories, aided by Federal funds, and the attrition of Government laboratories is an important recruiting factor.

It should seem conclusive at this point that if Government laboratories are to compete with industry in recruitment and retention of professional personnel, they must compete with comparable pay.

WHAT'S BEING DONE

A problem with such an obvious solution would be expected to draw considerable attention and action. Action means legislation enacted by Congress and concurred in by the administration. The problem has drawn attention but no such action.

As a result of House Post Office and Civil Service Committee hearings in the past Congress on supergrade positions, Representative CHARLES S. GUBSER, Republican, of California, and Representative JOHN E. MOSS, Democrat, of California, saw the need for legislation. Bills introduced by these gentlemen in the 84th Congress (H. R. 12054 and H. R. 12055) died without hearings.

In the new Congress, Representatives GUBSER and MOSS introduced improved versions of their previous bills. These bills (H. R. 2803 and H. R. 2804) call for increased pay, and, in addition, would set up a separate scientific and professional civil-service classification. In the Senate, Senator OLIN D. JOHNSTON, Democrat, of South Carolina, has introduced a similar bill, S. 1326. All these bills have been referred to the respective Post Office and Civil Service Committees.

The executive branch of the Government has also initiated action. Last year President Eisenhower appointed the White House Committee on Engineers and Scientists for Federal Government Programs to study the recruitment, retention, and use of scientists and engineers in the Government. Committee studies were to be pointed toward immediate executive and legislative action by Congress. So far, no public announcement of findings has been made.

The Defense Advisory Committee on Professional and Technical Compensation (the so-called Cordiner Committee), headed by Ralph J. Cordiner, president of the General Electric, was appointed by Secretary Charles E. Wilson to study military and civilian pay problems in the Defense Department. The Washington press reports that the Cordiner Committee has recommended pay raises from $500 to $3,000 a year for all employees (not professionals alone) in civil-service grades GS-7 and up. These newspaper accounts report that the administration is cool to the proposals and variously say that Secretary Wilson will order the report shelved or will refer the Cordiner suggestions to the Cabinet and to the President.

The Civil Service Commission opposes a separate scientific and professional classification act and also opposes a general pay raise. The Civil Service Commission desires further study of Federal pay policy that might result in a flexible wage system that could meet rapidly changing conditions in manpower shortage fields. This view was indicated by Commissioner Young in his speech before the Engineers Joint Council.

LEGISLATIVE OUTLOOK

The outlook for passage of legislation is bleak at the moment but could be changed to a rosier hue. In its efforts to fight inflation the administration has generally opposed pay raises. Faced by a lack of administration support or strong urgings from their voting constituents, Congress appears somewhat apathetic toward the bills already introduced. Representative TOM MURRAY, Democrat, of Tennessee, chairman of the House Post Office and Civil Service Committee, has said that the appointment of two new Civil Service Commissioners will delay hearings by his group for several months.

Two slight rays of hope:

Senator JOHNSTON's announcement that his committee will hold hearings in the next 4 months.

President Eisenhower's statement in his budget message to Congress that pay legislation for scientific employees should await completion of the Cordiner study.

WHAT SHOULD BE DONE

Immediate interim legislation is needed to remove the present pay inequities. This would call for hearings in Congress now. For long range, permanent legislation a study group or subcommittee should be set up.

This problem of the growing discrepancy between Government salaries for scientists and those paid by private industry must be solved either by the Federal administration or Congress or both. Unless members of Congress and top administration officials are made aware of the facts and the need to correct a situation leading to deterioration in the quality of research in Government agencies, nothing will be done. It is becoming evident that unless this situation is corrected, the welfare of our nation can be jeopardized.

Information on the problem has been made readily available from time to time by the various scientific societies, including the American Chemical Society. Not only is it a privilege, but it is a duty of citizens to advise their representatives regarding their views, supported by as much factual evidence as possible. One of the marks of the professional man is a serious concern with such civic responsibilities.

The plight of Government scientists presents a compelling opportunity for members of the scientific professions to demonstrate their concern with professional responsibilities and the status of their professions. Rather than complain about the lack of status, each should now take some action to prove his sincerity.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. MCGREGOR, for Wednesday and Thursday, on account of illness in immediate family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

MRS. ROGERS of Massachusetts, for 5 minutes, on tomorrow.

Mr. BAILEY, for 45 minutes, on Monday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. ANDERSON of Montana to revise and extend the remarks he made in the Committee of the Whole today and include related matter.

Mr. PRICE and to include related matter.

Mr. ENGLE in two instances, in each to include related matter.

Mr. PORTER and to include related matter.

Mr. PHILBIN and to include extraneous matter.

Mr. BURDICK and to include extraneous matter.

Mr. JONES of Missouri and to include an analysis of a bill which he has today introduced.

Mr. BOLAND (at the request of Mr. MCCORMACK) and to include extraneous matter.

Mr. ABBITT (at the request of Mr. MCCORMACK) and to include extraneous matter.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 5788. An act making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1958, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 93. An act for the relief of Dominic Steinhauser (Hiroshi Tsuruda);

S. 687. An act for the relief of Stylianos Lecomples;

S. 696. An act for the relief of Alecos Markos Karavasilis and his wife, Steliani Karavasilis; and

S. 797. An act for the relief of John Leary.

ADJOURNMENT

Mr. MCCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 21 minutes p. m.), under its previous order, the House adjourned until tomorrow, Wednesday, May 29, 1957, at 10 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from

the Speaker's table and referred as follows:

899. A letter from the Comptroller General of the United States, transmitting a report on the audit of Farm Credit Administration for the fiscal year ended June 30, 1956, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), the Accounting and Auditing Act of 1950 (31 U. S. C. 67), the Government Corporation Control Act (31 U. S. C. 841), and the Agricultural Marketing Act (12 U. S. C. 1141l) (H. Doc. No. 188); to the Committee on Government Operations, and ordered to be printed.

900. A letter from the Under Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to amend the act of May 4, 1956 (70 Stat. 130), relating to the establishment of public recreational facilities in Alaska"; to the Committee on Interior and Insular Affairs.

901. A letter from the Secretary of State, transmitting a draft of proposed legislation entitled "A bill to provide for the appointment of representatives of the United States in the organs of the International Atomic Energy Agency, and to make other provisions with respect to the participation of the United States in that Agency, and for other purposes"; to the Joint Committee on Atomic Energy.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RODINO: Committee on the Judiciary. H. R. 7698. A bill to amend the Clayton Act, as amended, by requiring prior notification of corporate mergers and acquisitions, and for other purposes; without amendment (Rept. No. 486). Referred to the Committee of the Whole House on the State of the Union.

Mr. BARDEN: Committee on Education and Labor. H. R. 1. A bill to authorize Federal assistance to the States and local communities in financing an expanded program of school construction so as to eliminate the national shortage of classrooms; with amendment (Rept. No. 489). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 7259. A bill relating to marketing quotas and price supports for fire-cured, dark air-cured, and Virginia sun-cured tobacco; without amendment (Rept. No. 490). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 632. A bill to amend the Federal Crop Insurance Act, as amended; without amendment (Rept. No. 491). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROONEY: Committee of conference. H. R. 6871. A bill making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes (Rept. No. 492). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. H. R. 5719. A bill for the relief of Clara M. Briggs; without amendment (Rept. No. 485). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 895. An act for the relief of Josefa Kusiak; without amendment (Rept. No. 487). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1203. An act for the relief of Lydia Anne Foote; without amendment (Rept. No. 488). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JOHNSON:

H. R. 7794. A bill to protect the public health and promote the public interest and to establish standards of identity, sanitation standards, and sanitation practices for the production, processing, transportation, sale, and offering for sale of fluid milk and milk products shipped in interstate commerce or which affects interstate commerce for consumption as fluid milk and fluid-milk products in any State, county, or municipality of the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. BECKER:

H. R. 7795. A bill to amend the Rural Electrification Act of 1936 with respect to the rate of interest payable on loans made by the Secretary of the Treasury to the Administrator of the Rural Electrification Administration and on loans made by the Administrator of the Rural Electrification Administration; to the Committee on Agriculture.

By Mr. BENTLEY:

H. R. 7796. A bill to amend the antitrust laws by vesting in the Federal Trade Commission jurisdiction to prevent monopolistic acts or practices and other unlawful restraints in commerce by certain persons engaged in commerce in meat and meat products, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BROYHILL:

H. R. 7797. A bill to authorize and direct the Administrator of Civil Aeronautics to investigate and evaluate the use of all-wind unidirectional airport runways, from standpoint of solving problems related to the establishment and maintenance of adequate airports to serve large population centers; to the Committee on Interstate and Foreign Commerce.

By Mr. DELANEY:

H. R. 7798. A bill to protect the public health by amending the Federal Food, Drug, and Cosmetic Act so as to provide for the safety of chemical additives in food; to the Committee on Interstate and Foreign Commerce.

By Mr. DIGGS (by request):

H. R. 7799. A bill to establish the Federal Agency for Handicapped, to define its duties, and for other purposes; to the Committee on Education and Labor.

By Mr. DIGGS:

H. R. 7800. A bill to establish an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in certain economically depressed areas; to the Committee on Banking and Currency.

By Mr. DORN of New York:

H. R. 7801. A bill to reduce individual income taxes by 7 percent, and to increase from $600 to $750 the personal income-tax exemptions of a taxpayer (including the exemption for a spouse, the exemption for a dependent, and the additional exemptions for old age and blindness); to the Committee on Ways and Means.

By Mr. FRELINGHUYSEN:

H. R. 7802. A bill to provide for the registration and reporting of employee welfare and pension benefit plans, and for other purposes; to the Committee on Education and Labor.

By Mr. HOFFMAN:

H. R. 7803. A bill to amend chapter 33 of title 18 of the United States Code to prohibit the use of the word "Congress" or "Congressional" as part of the title of any publication where the use of such word can reasonably convey the false impression that such publication is an official publication of the United States Congress; to the Committee on the Judiciary.

H. R. 7804. A bill to amend chapter 83 of title 18 of the United States Code to bar from the mails certain publications having titles which convey the false impression that they are official publications of the United States Congress; to the Committee on Post Office and Civil Service.

By Mr. O'BRIEN of New York:

H. R. 7805. A bill to authorize the Governors of Guam, the Virgin Islands, and American Samoa to nominate cadets for appointment to the United States Military Academy, the United States Naval Academy, and the United States Air Force Academy; to the Committee on Armed Services.

By Mr. SIMPSON of Pennsylvania:

H. R. 7806. A bill relating to estate tax on reciprocal transfers in trust; to the Committee on Ways and Means.

By Mr. BENTLEY:

H. R. 7807. A bill to authorize cooperative associations of producers to bargain with purchasers singly or in groups and for other purposes; to the Committee on the Judiciary.

By Mr. BONNER:

H. R. 7808. A bill to amend title 14, United States Code, entitled "Coast Guard," by providing for the designation of one chief aviation officer; to the Committee on Merchant Marine and Fisheries.

By Mr. BURDICK:

H. R. 7809. A bill to prohibit the denial of a deduction as a business expense for compensation paid to a dependent of the taxpayer for personal services actually rendered in the taxpayer's trade or business; to the Committee on Ways and Means.

By Mr. COAD:

H. R. 7810. A bill to prohibit the advertisement in the District of Columbia of the retail sales price of certain products used for ophthalmic purposes; to the Committee on the District of Columbia.

By Mr. BECKWORTH:

H. R. 7811. A bill to provide for Federal assistance, on a dollar-matching basis, to State and local governments and agencies thereof for planning, constructing, operating, and maintaining water-conservation and water-storage projects; to the Committee on Interior and Insular Affairs.

H. R. 7812. A bill to provide that when a family's home is being acquired by the United States, in determining the price to be paid for such home the agency acquiring such home may take into account the same considerations as would be taken into account by such family in determining whether or not to sell their home voluntarily; to the Committee on the Judiciary.

By Mr. McCORMACK:

H. R. 7813. A bill to organize and microfilm the papers of Presidents of the United States in the collections of the Library of Congress; to the Committee on House Administration.

By Mr. ULLMAN:

H. R. 7814. A bill to provide benefits for members of reserve components of the Armed Forces disabled from disease incurred or aggravated while on active duty for training after October 1, 1949; to the Committee on Armed Services.

H. R. 7815. A bill to provide an improved farm program; to the Committee on Agriculture.

By Mr. JONES of Missouri:

H. R. 7816. A bill to increase farm income and to expand markets for cotton by enabling cotton to be sold competitively in domestic and foreign markets; to the Committee on Agriculture.

By Mr. ABERNETHY:

H. R. 7817. A bill to increase farm income and to expand markets for cotton by enabling cotton to be sold competitively in domestic and foreign markets; to the Committee on Agriculture.

By Mr. MARTIN:

H. J. Res. 346. Joint resolution designating the second Sunday in August of each year as National Children's Day; to the Committee on the Judiciary.

By Mr. LANE:

H. Res. 269. Resolution to authorize the Committee on Interstate and Foreign Commerce to investigate and study safety of design of motor vehicles used in interstate commerce; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOYKIN:

H. R. 7818. A bill for the relief of William S. Sherrill; to the Committee on Armed Services.

By Mr. CELLER:

H. R. 7819. A bill to authorize Hon. VICTOR L. ANFUSO, Member of Congress, to accept and wear the awards of Commander of the Order of Merit of the Italian Republic, and Commander of the National Order of Merit "Carlos Manuel de Cespedes," Cuba; to the Committee on Foreign Affairs.

By Mr. HAGEN:

H. R. 7820. A bill for the relief of Babette Elisabeth Lippold and her minor children; to the Committee on the Judiciary.

By Mr. HEALEY:

H. R. 7821. A bill for the relief of Luigi Lavadera Lubrano; to the Committee on the Judiciary.

By Mr. HOFFMAN:

H. R. 7822. A bill for the relief of Maria Ferraiuolo Perrino; to the Committee on the Judiciary.

By Mr. JOHANSEN:

H. R. 7823. A bill for the relief of Stefanie Szerdahelyi; to the Committee on the Judiciary.

By Mr. MAY:

H. R. 7824. A bill for the relief of Elena Bratianu; to the Committee on the Judiciary.

By Mr. MULTER:

H. R. 7825. A bill to exempt from taxation certain property of the B'nai B'rith Henry Monsky Foundation, in the District of Columbia; to the Committee on the District of Columbia.

By Mr. O'BRIEN of New York:

H. R. 7826. A bill for the relief of Israel Baird Poskanzer; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

260. By Mr. CANFIELD: Resolution by New Jersey Society of Certified Public Accountants adopted at their annual meeting on May 11, 1957, endorsing the Jenkins-Keogh bills, H. R. 9 and 10; to the Committee on Ways and Means.

261. By Mr. NIMTZ: Petition of Robert T. Grubb, chairman of the "Our Stake in Better Government" Committee of the Elkhart Junior Chamber of Commerce, Elkhart, Ind., and 140 other Indiana citizens, urging greater efficiency and economy in Federal Government operation through Congressional support of the Hoover report recommendations; to the Committee on Government Operations.

262. By the SPEAKER: Petition of city clerk, Tucson, Ariz., petitioning consideration of their resolution relative to continuing operation of the air primary training station at Marana Airbase as the Federal economy shall permit; and declaring an emergency; to the Committee on Armed Services.

EXTENSIONS OF REMARKS

Results of Questionnaire Mailed to Second Congressional District of California

EXTENSION OF REMARKS

OF

HON. CLAIR ENGLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1957

Mr. ENGLE. Mr. Speaker, I recently mailed approximately 78,000 questionnaires to residents of the Second Congressional District. As in the past, the percentage of returns has been excellent. It is gratifying to know of the interest of my constituents in national and international affairs. Almost 50 percent of those answering added additional comments on the various questions. Their responses are certainly appreciated and will be of interest to my colleagues:

1. Please check 6 of the following 12 issues you think most important today: (a) Government spending, 70 percent; (b) balancing the budget, 45 percent; (c) reduction of debt of Federal Government, 48 percent; (d) taxation, 67 percent; (e) farm prices and policies, 42 percent; (f) United States foreign trade polices, 39 percent; (g) control of communism in America, 55 percent; (h) labor policies, 45 percent; (i) defense and war preparedness, 50 percent; (j) maintaining peace, 43 percent; (k) American foreign policy, 46 percent; (l) civil rights, 36 percent.

2. Please check 3 of the following 6 items you think should be cut in Federal spending: (1) Number of Federal employees, 75 percent; (2) construction of Federal public works (dams, airports, buildings, interstate roads, etc.), 25 percent; (3) Federal aid to States, municipalities, school districts, and local public agencies, 50 percent; (4) foreign aid, 76 percent; (5) national defense, 19 percent; (6) Federal aid to agriculture and small business, 27 percent.

3. Do you favor Federal aid to education, specifically for school construction to meet class-room shortages? Yes, 62 percent; no, 33 percent; no opinion, 5 percent.

4. Would you vote to increase first-class postal rates (on 3-cent letters), even though that class of mail is earning its own way, in order to meet the deficit caused by second-, third-, and fourth-class mail? Yes, 16 percent; no, 82 percent; no opinion, 2 percent.

5. Do you approve the President's handling of the Middle East crisis? Yes, 49 percent; no, 38 percent; no opinion, 13 percent.

6. Would you favor special tax relief for small business? Yes, 62 percent; no, 28 percent; no opinion, 10 percent.

7. Would you support the President's request for more authority to admit refugees from Communist countries? Yes, 20 percent; no, 70 percent; no opinion, 10 percent.

8. Do you think Congress should take further action to safeguard the civil rights of Negroes and other minority groups? Yes, 55 percent; no, 35 percent; no opinion, 10 percent.

9. Do you believe the P. G. & E. Co. should be permitted to take over the power development on the Trinity River project, now under construction by the Federal Government as part of the Central Valley project? Yes, 34.6 percent; no, 58.9 percent; no opinion, 6.5 percent.

10. Do you favor the tight-money policy of this administration? Yes, 43 percent; no, 44 percent; no opinion, 13 percent.

11. Do you approve the present farm program? Yes, 25 percent; no, 57 percent; no opinion, 18 percent.

12. Would you favor limiting debate in the United States Senate? Yes, 60 percent; no, 26 percent; no opinion, 14 percent.

13. Would you vote to continue domestic mining of strategic and critical minerals and metals if a Federal subsidy is necessary to do so? Yes, 56 percent; no, 31 percent; no opinion, 13 percent.

14. Do you believe that the price of gold should be raised? Yes, 59 percent; no, 26 percent; no opinion, 15 percent.

15. If Congress cuts the budget by two or four billion dollars would you reduce taxes (42 percent, yes) in that amount or apply that money on the national debt (57 percent, yes)? No opinion, 1 percent.

16. Do you believe the Forest Service does a good job of forest management? Yes, 53 percent; no, 34 percent; no opinion, 13 percent.

17. Do you favor the so-called right to work legislation? Yes, 67 percent; no, 21 percent; no opinion, 12 percent.

If your answer is "yes," has your opinion been affected by the recent hearings involving the teamsters? Yes, 23 percent; no, 49 percent.

Armenian Independence Day

EXTENSION OF REMARKS

OF

HON. EDWARD P. BOLAND

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1957

Mr. BOLAND. Mr. Speaker, Armenians are one of the oldest people in known history. They can trace their national origin to some 3,000 years. In their ancient mountainland, the traditional Garden of Eden nestled under the towering Mount Ararat, they maintained their independence for centuries before the discovery of America. And when Asiatic invaders put an end to their national independence, they managed to maintain their communal and spiritual independence wherever they happened to be.

Armenia was ravaged and ruined and divided among its conquerors, and during all that time Armenians lived with the hope of regaining their ancient homeland. In the course of centuries they endured all kinds of hardships and suffered much. Early in World War I wholesale massacres carried out by the Turks came perilously close to exterminating them. At the end of that war, however, the surviving Armenians proclaimed their national independence.

This was on May 28, 1918. It signified the rebirth of a nation which had lost its national independence more than 500 years before. The event was welcomed by freedom-loving people everywhere, and the President of the United States, Woodrow Wilson, undertook to draw the boundaries of the new Republic. But neither his official acts nor all the good wishes of the world could save the new state from its enemies. Late in 1920 it was attacked by Turkish nationalists and Russian Communists, and its fate was sealed early in December of that year.

Since then Armenia has become part of the Soviet Union, and the Armenians there have been lost in that prison of nationalities. Today in celebrating the 39th anniversary of the Armenian independence, we all hope that Armenians will regain their independence once more and celebrate it freely in their ancient homeland.

The Red River Canal

EXTENSION OF REMARKS

OF

HON. RUSSELL B. LONG

OF LOUISIANA

IN THE SENATE OF THE UNITED STATES

Tuesday, May 28, 1957

Mr. LONG. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address delivered by me concerning the need for a canal to connect Shreveport, La., and, subsequently, Denison, Tex., and Jefferson, Tex., with the Mississippi River. This address was made before the Red River Valley Association Convention, in Shreveport, La., on April 23, 1957. The growth of the areas in the State of Louisiana now served by waterways has been so phenomenal that it is my feeling that the tabulations contained in this address will be of general interest, since they demonstrate a definite trend in the industrial development of our Nation.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF HON. RUSSELL B. LONG, OF LOUISIANA, BEFORE THE RED RIVER VALLEY ASSOCIATION CONVENTION, SHREVEPORT, LA., APRIL 23, 1957

It is certainly a pleasure to have the opportunity to talk to you immediately after hearing the Chief of Engineers tell you that, after a thorough recheck, he finds that the Red River lateral canal has a favorable economic ratio and he is ready to start to work on your project.

You have come a long way in a little over a year with this project, and I think the report you have just heard is a great tribute to your association—to Roy Matthias, to Clif Fairbanks, and to his beloved predecessor, our good friend Fred Webb. They worked hard to bring this project back and certainly deserve a big hand for having done so.

Two years ago Roy Matthias came to me in Washington and said he wanted my help in getting construction started on the Overton Red River Canal. I told him that I would be happy to do all I could, but that I needed help from the people from northwest Louisiana in the way of an expression that they wanted and needed this waterway.

Roy certainly brought that message back to you, because on several occasions I have had that expression—particularly when more than 175 of you came to Washington for the express purpose of urging the construction of a waterway to connect Shreveport with the Mississippi River. Your efforts have not been wasted.

NEED BETTER RATES

Last year, when I spoke before this meeting, I told you that it was my feeling that this section of Louisiana needed a waterway if it hoped to keep pace with the progress of the rest of the State.

I told you that Shreveport was a captive port and, because of this, those who wished to trade with it were forced to pay a premium freight rate because it did not have a waterway. I cited you some examples and I pointed to the other great cities of Louisiana and said that they were getting the lion's share of industry's new money—because they had a waterway.

During the past year, the trend I called attention to then has become even more noticeable. Let's look at the figures that have just been released by the Department of Commerce and Industry of the State of Louisiana:

During 1956, a total of $563 million was invested in the State by new industry. The breakdown indicating the parishes that received the major portion of this investment looks like this:

Calcasieu	$109,000,000
East Baton Rouge	84,000,000
Ascension	80,000,000
Jefferson	49,000,000
Ouachita	65,000,000
Total	387,000,000

On the other hand, let us compare the figures for new industrial development in the seven parishes of the Red River Valley:

Caddo	$4,000,000
Avoyelles	20,000
Bossier	74,000
Rapides	161,000
Natchitoches	----------
Grant	----------
Red River	----------
Total	4,255,000

It is particularly interesting to note that Ouachita received a big share of this investment with $65 million dollars. Just a little over 2 years ago, an official of the largest industry that was using the 6½-foot channel of the Ouachita River came to me with the fear that the Corps of Engineers might be forced to abandon maintenance of this project because of the amount of traffic that was using the waterway. Just as they have done in the case of your waterway, the engineers made a recheck and discovered that industry wanted to use it, but they wanted a 9-foot channel. Based on these findings, we were successful in securing planning money for the already authorized 9-foot channel, and it appears that this was all that was necessary to cause new industry to rush to the banks of this waterway-to-be.

NEW MONEY AND JOBS

The half billion dollars of new money that industry invested in Louisiana during 1955 represents nearly 12,000 new jobs at wages far beyond the average for Louisiana. It does not stop there. So far, during 1956, industry has continued to invest more than $1 million a day and some 2,000 new jobs have opened up in the State this year as a result of an additional investment in excess of $107 million.

The investment that industry has made in Louisiana during the past 15 months indicates that it is anxious to locate in the State, first of all because an unlimited supply of industrial water can be found there, and, secondly, the flood-protection program has advanced to the stage where the people and the factories behind the levees have reasonable assurance that they will not be flooded out every spring. As evidence that industry is attracted by the waterways, the investment figures for the two principal areas of the State served by waterways—the New Orleans-Baton Rouge area and the Lake Charles area—show the following story:

Investments by industry

[In millions]

Parish	1956	1957 January to March
East Baton Rouge	$84.4	$12.5
West Baton Rouge	----------	----------
Iberville	11.0	43.5
Ascension	80.8	----------
St. John the Baptist	----------	----------
St. James	66.5	----------
St. Charles	18.9	----------
Jefferson	48.9	1.4
Plaquemines	2.4	1.7
St. Bernard	26.3	.1
Orleans	6.1	2.6
Calcasieu	109.4	35.9
Total for 12 parishes	454.7	97.7
Total State investment	563.3	107.1
Percent of total State investment in 11-parish Baton Rouge-New Orleans area and Lake Charles area	80	81

The Lake Charles-Calcasieu area is continuing to grow by leaps and bounds. The people of that area are clamoring for a wider and deeper channel to the sea and a wider and deeper Intracoastal Waterway to the east and west.

THE GOLDEN HORN

The Baton Rouge-New Orleans story is truly a revelation. So astounding is the growth in this area that it has been called the fastest growing area in America.

Industrialists who come to Louisiana see in a hurry what is happening. As Gov. Averell Harriman of New York, pointed out to New Orleans businessmen a short time ago—"the rate at which industries are growing along the Mississippi River between Baton Rouge and New Orleans will cause those two major cities to expand until they practically meet."

As indicated by the figures above, during 1956 and the early part of 1957, better than 60 percent of new industry located in the area along the Mississippi River, commencing a few miles south of New Orleans and extending upstream a few miles north of Baton Rouge.

The magazine Business Week makes a significant point with respect to the location of industries. It points out that many industries prefer to locate on the east bank of the Mississippi River because it throws them into the southern freight-rate zone rather than to locate on the western bank which has somewhat higher freight rates. Nevertheless, those large industries which move their products primarily by water and pipelines can locate on either bank without penalty. The point to keep in mind is that, when a large corporation prefers the east

bank of the Mississippi River to the west bank because freight rates are somewhat more favorable on the east bank, one can begin to understand what a tremendous disadvantage is suffered by an area which lacks the competition of water transportation.

In our lifetime, we have seen the population of East Baton Rouge Parish increase from 30,000 to nearly 200,000. Industry began to flock to the banks of the Mississippi River in the area that provided deepwater navigation just as soon as the flood-control program was well underway. Since 1950, outlays and commitments by industry on the 130-mile stretch of river from Baton Rouge to New Orleans total more than $1 billion. There is no indication that this movement is even approaching a point of diminishing returns. This is the picture as it exists today:

Starting about 30 miles above Baton Rouge, at St. Francisville, a new paper mill is under construction. It will cost about $35 million.

In the Baton Rouge area, W. R. Grace & Co. is building an $18 million polyethylene plant and United States Rubber Co. is constructing a $5 million resin plant. Esso Standard Oil Co., which claims its Baton Rouge oil refinery is the Nation's largest, the Ethyl Corp., General Chemical and Solvay Process divisions of Allied Chemical & Dye Corp., Lion Oil Co., Copolymer Rubber & Chemical Corp., Shell Oil Co., America Cyanamid, Consolidated Chemicals, Foster Grant, and Nyotex Chemicals have all made plans to boost their present capacities.

Moving southward, in Iberville Parish, the Dow Chemical Corp. is building a $50 million installation that is to begin producing chlorine, caustic soda, and a number of organic chemicals next year. I have been told that the investments this corporation will make in that section will ultimately run to more than $300 million.

A few miles farther down, at Geismar, Wyandotte Chemicals Corp. is constructing a $28 million chlorine and caustic soda-making installation. That represents its first major venture away from its Michigan home plant.

Still a few miles further south, at Burnside, the Olin-Revere Metals Corp. is building a $51 million alumina plant. It is expected that this plant will, in a brief space of time, aggregate an $80 million investment and that this investment will be developed in the very near future.

At Gramercy, just a few miles further south, the Kaiser Aluminum & Chemical Corp. is putting up a $70 million alumina and chemicals plant—its third facility in the Louisiana area. It has been estimated that this plant will eventually represent a $200 million investment.

Ten miles below that point, at Reserve, Webb & Knapp, Inc., has begun the first phase of work on what it eventually intends to be a large industrial community.

Jefferson and Orleans Parishes are running out of industrial locations along the Mississippi River. Because there was little place where industry could locate in Orleans Parish, Jefferson has exceeded Orleans during recent years in acquiring major industrial expansion.

The same is true on the east bank in St. Barnard Parish, to a lesser extent, but Freeport Sulphur Co. has announced its intention to locate a $100 million nickel and cobalt plant at Braithwaite in Plaquemines Parish a bit further below New Orleans.

NEW ORLEANS CLAMORING

Areas that already have the advantages of water transportation understand the problems involved and are constantly behind their delegation pressing for improvements of their transportation facilities. Along the Mississippi River we have one of the best navigation highways in the world. It amounts to an inland harbor almost 20 miles long from Baton Rouge to the end of the industrial area below New Orleans.

As I have pointed out, that area has some of the best transportation facilities on earth, yet New Orleans is pressing for an additional outlet to the sea. Not only has that channel been authorized, but this year I predict that construction money will be made available to commence building this $100 million tidewater channel from the Industrial Canal at New Orleans to the Gulf of Mexico that will create 80,000 acres of new industrial sites to permit this tremendous development to continue.

This great area along the Mississippi River has an unlimited supply of fresh water, good railroad connections, and magnificent water transportation facilities, attracting the largest of American corporate investments, the area is growing so rapidly that construction men estimate that the area will be short more than 20,000 construction workers merely to construct the new industries already projected.

POPULATION TREND

Now let's check and see where our population is increasing as a result of this activity:

Here is a comparison of the population trend in the areas that have water transportation as compared with the Red River Valley which does not have it:

Population trend 1940–56

AREAS WITH WATER TRANSPORTATION

Parish	1940	1950	1956 (estimate)	Percent gain (+) or loss (−) 1940–56
	Thousands	*Thousands*	*Thousands*	
Calcasieu	56.5	89.6	119.2	+111
East Baton Rouge	88.4	158.2	212.5	+140
Jefferson	50.4	103.9	152.2	+200
St. Bernard	7.3	11.1	14.7	+100
Orleans	494.5	570.4	630.2	+27
Total	697.1	--------	1,128.8	[1] +62

[1] Average.

RED RIVER VALLEY

Parish	1940	1950	1956 (estimate)	Percent gain (+) or loss (−) 1940–56
	Thousands	*Thousands*	*Thousands*	
Caddo	150.2	176.5	205.9	+37
De Soto	31.8	24.4	22.9	−3
Red River	15.9	12.1	10.8	−3
Natchitoches	41.0	38.1	37.5	−1
Rapides	73.4	90.6	106.0	+44
Avoyelles	39.3	38.0	38.7	−1
Grant	15.9	14.3	13.8	−1
Total	366.2	--------	436.1	+19

When you note that New Orleans increased by only 27 percent during this period, it is important to keep in mind that New Orleans is limited for expansion and, during the last 16 years, has been spreading over into Jefferson, St. Bernard and Plaquemines Parishes, which accounts for the increase of more than 200 percent in Jefferson and 100 during the same period. The overall rate of increase for the area of the three parishes of 60 Orleans, Jefferson, and St. Bernard is 60 percent.

Much of the population increase is due to the activities of the Air Force and Army. It would be port and Alexandria area that a major cutback well to keep in mind that these areas could have a very in defense spending could call upon industrial expansion to make up the slack. This is particularly a very timely example of the industrial problem we have demonstrated by the situation which exists at our shell loading plant a few miles from Minden, La. We are trying to keep that plant operating in competition with similar plants across the country. Nevertheless, we know that certain of the shell loading plants in America are going to be closed within a year. It is entirely possible that a difference of 10 cents or 15 cents per shell loaded may be the difference between staying in production or closing down.

Now let us look for just one moment at the freight rate situation at the Louisiana ordnance plant between Shreveport and Minden plant: Rail freight to the Shreveport area is $4 a ton more than rail freight to New Orleans, accounted for by the fact that the rail rates to New Orleans must compete with water transportation. This means that the material to produce a 50-pound shell will cost 10 cents more to be delivered by rail than it would cost to deliver the same thing by rail to New Orleans. If the same material is to be moved across the country to an ammunition depot, it would cost an additional 10 cents extra in order to bring the shell to its destination. This additional 20 cents in cost may very well prove to be the difference between operating that plant and closing it down.

Any major industrialist who is considering placing a plant in the Shreveport area or the Alexandria area would have to keep those factors in mind. He certainly would not want to choose a location where unfavorable rates would mean the difference between staying in business or going out of it.

So it becomes important for Shreveport, Alexandria, and the other cities on the Red River to have a waterway and to have one now. And it becomes important for Jefferson, Tex., to have a waterway and the sooner we can get this part of it started the sooner we can help my good friend, Congressman WRIGHT PATMAN, to extend it to serve the steel mill and other industries in his area.

LOCAL COOPERATION

I realize that we failed at ratify a constitutional amendment that would have set up the means of local cooperation for this project, but I feel that can be surmounted and I intend to go with your able representatives to testify before the Appropriations Committee to see if we can't get you some preconstruction planning money that will actually get this project underway. We cannot afford to lose any more time.

FLOOD-CONTROL FACTORS

There is one more factor to be considered. It is important to consider the drainage benefits that would result from a lateral canal from Shreveport to the Mississippi River. When we have high water on the Red River the water backs up into the low areas. The area around Pocatalan in Natchitoches Parish is a good example. High water on the Red River submerges an area approximately 10 miles wide and 25 miles long in that vicinity. Here we have wonderful soil; rich, flat, alluvial land—from which periodically they can't farming it must evacuate; they lose their crops, and sell their livestock at a sacrifice.

At the present time Bayou Pierre must be used to drain that area, discharging its water into the Red River north of Natchitoches. When the Red River Canal is constructed, we can then close off Bayou Pierre and drain the rainwater that falls on the south side of the Red River down the canal, emptying it into Red River north of Boyce.

When you recall the terrible flooding and backwater conditions along the Cane River prior to the construction of the Cane River closure, you will, of course, realize what great advantages can result in using this water to our advantage rather than to our harm. Furthermore, with the construction of the additional upstream reservoirs we will have a more dependable water supply along Red River. It will be possible for farmers to

pump water from the canal for irrigation purposes during the dry periods. Crops that would be destroyed by drought during the dry months can thus be saved and the land can be made to produce at a maximum. It will not be necessary to lift the water over the levees in order to get to it nor will we have to contend with the constant problem of the channel changing its course as is the case in the Red River.

We are doing a lot of talking about economy and cutting the budget these days. I am heartily in favor of cutting out a lot of wasteful spending in our foreign aid program—but I am not in favor of cutting out our needed and desirable public works. I consider the Red River Canal a necessary public work, and if it is humanly possible, I would like to see some money made available to General Itschner for the next fiscal year. I don't know whether or not it will be possible to do any "adding" this year, but I will certainly testify in that direction and reiterate to the committee what I have said here—we need this waterway and should start work on it now if this section of our State is to retain its rightful place in the development of our country.

BANK STABILIZATION

And now, I want to talk a little bit about another subject that is very close to your hearts—bank stabilization.

As we reviewed the figures that represent the investments industry is making today in those sections of the country which afford the unrestricted use of a waterway, we come to the realization that our land today is becoming more and more valuable.

The first step in making those waterways available to industry on an unrestricted basis was flood proofing. It cost well over a billion dollars to perform that mission on the lower Mississippi Valley and took a great deal of courage and foresight on the part of the legislators who could see in the years to come the 6 to 1 return on their investment which can be demonstrated today.

The job of flood proofing is essentially complete. A lot remains to be done in the way of raising levees, improving conditions, relieving many areas which it was first thought would have to be forever considered as backwater areas, and do other things to maintain the progress which has been made. The time will never come when the job of maintenance can cease. But we have arrived at the time when we can start feeling the real benefits that this protective system affords.

One of the by-products of the picture of progress is the enhanced value of our land. It has become so valuable in fact that we can no longer afford to give it to the river without a struggle.

In our early days of flood control we let the river take the lead and when it encroached too close to our lines of defense, we retreated—retreated by means of a setback levee. The figures we have just reviewed bring us to the realization that the land we give to the river for water is possibly the most valuable asset we have in America today, and we can no longer afford to be so wasteful.

Today we have reached another great era in the development of our waterways. We have reached the end of the setback era—we must have the foresight to realize that the time has come to enter the period of complete river stabilization.

America is still a young nation. To match our less than 200 years of experience, some nations of the world have been stabilizing their rivers for hundreds of years before we started. Nevertheless, in our few brief innings we have learned a great deal which others have copied. We have learned enough to embark on a full-scale program of bank stabilization, and we have the end products in sight that will more than amply justify even the million dollar a mile revetment on the Mississippi River.

Many years ago we realized that the Red River was very difficult to tame. We know that from its source near Canyon, Tex., it has a fall of 465 feet. We know it has a bed of sand and that its banks are notoriously unstable. In an effort to tame this fractious river we embarked more than 10 years ago on a comprehensive plan for flood control, and, as one of its adjuncts, the Corps of Engineers has undertaken a complete study of the bank stabilization problem.

I feel certain that the recent rise we have had will provide the engineers the material they need to complete this important study. Perhaps that is the bright ray of sunshine that comes from behind recent rain clouds. Perhaps this recent rise will be not just one more high water but one that will help to point the way to a program that will make it possible for your banks to resist the periodic ravages of your unpredictable river.

It will not be an easy job to sell a complete program of bank stabilization to the Congress. The main reason it will be difficult is because it will be necessarily expensive. However, as the value of our land increases to those who run our Nation's industry, it should become less and less difficult to balance the cost of these works in the scale that we must use as a criterion before we can spend appropriated funds.

I am glad General Itschner is here, because I want to assure him that when his report is ready, on Red River and on the Mississippi, I am ready to launch a full-scale campaign to bring this Nation out of the setback era and into the final phase of flood control—the age of stability. I know the corps is doing its usual outstanding job of achieving completeness of those reports in the least possible time. When the Red River report is complete, I assure him and you that I will do everything in my power to see to it that its findings are put to good use in the shortest possible time.

Public Health Endangered by Harmful Food Additives

EXTENSION OF REMARKS

OF

HON. USHER L. BURDICK

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1957

Mr. BURDICK. Mr. Speaker, the pure-food law is in serious need of amendment, but it seems impossible to get Congress to do anything. The Delaney commitee investigated poisoned food for several years and made some ominous findings; and that there are poisons used in foods there is no room for doubt, but the theory of the law is that those who use additives and other poisonous substances in food can go right ahead dispensing their products and the burden of proof is on the users of this food to prove that the substances are deleterious.

This situation should be reversed, and those who use additives in food should be required by scientific investigations in food should Public Health Department prove to the the ingredients used in food are that none of of food are dangerous, deleterious or poisonous. When the Public Health Department has this proof before the products can be sold, it will clear up the situation. To leave the law as it now is will leave the public completely unprotected. It has been proved here in the investigations carried on by the Delaney committee that certain pills injected into a slit in the necks of chickens have the effect of producing cancer in those who eat chicken thus treated.

Should not the law demand that the effects of this pill be proved harmless before it is used and the contaminated food resulting therefrom is offered to the public? There are literally hundreds of additives and concoctions used in foods today that have not been analyzed at all, and these foods are going out to the consumers, most of whom think they are protected by the Public Health Department, while the same Public Health Department does not know the nature of the additives used, nor their effect upon the health of the people who eat them.

If these additives can be used lawfully, before they are analyzed and the public fed upon food containing them without the Public Health Department knowing anything about their poisonous and disease-producing effect on human life, then I say the present public health laws do not, as a matter of fact, enable the Department to stop the use of these additives until after the foods have been eaten. The examination should be made before the foods are used—not afterwards.

I do not know what forces are at work to prevent the passage of these needed amendments, but whatever it is, it is a strong force of which many Congressmen are afraid. I am sure the average Congressman wants to protect the public health, but too many either do not believe that there are poisonous additives used in foods, or the influence of the manufacturers of food in which they are used are too strong politically, and Members shy away from raising any protest that might stop the sale of this kind of food.

So far as I am concerned, and as far as I can go, the public is going to find out what they are daily eating if it breaks every food processor in the United States. If these manufacturers and producers were required to submit for scientific investigation any proposed additive before it found its way into food, many illnesses would be averted, many lives saved, and the turmoil about poisoned foods would end. Why do the manufacturers, processors, and producers fight against an investigation? Your guess is as good as mine.

A Cotton Program To Expand Markets Through Competitive Pricing

EXTENSION OF REMARKS

OF

HON. PAUL C. JONES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1957

Mr. JONES of Missouri. Mr. Speaker, I have today introduced a bill which has as its purpose to increase farm income by expand markets for cotton by

enabling cotton to be sold competitively in domestic and foreign markets.

This is not my bill, Mr. Speaker, and I am claiming no pride of authorship, although I have had the privilege of working with a large group of men, each expert in his own field, who represent most of the segments in the cotton industry, and I believe the bill which has resulted from numerous conferences and is the product of many compromises, warrants the studious consideration of all Members of this House.

Farmers and particularly cotton producers are not the only persons who will benefit from the provisions of this bill, when and if it becomes law. Actually, I know of no group which will not benefit, including the consumers of cotton and other textiles.

Primarily, this bill, if enacted into law, would insure the continuation and expansion of our export program on a worldwide competitive basis, without the necessity of subsidy payments, or losses which have been necessary in moving the huge surpluses of cotton which were built up over a long period of years through a combination of circumstances which I shall not take time to discuss here.

With a minimum of Government support, it would enable cotton to compete successfully with synthetics and other substitutes in the domestic market, giving the consumer the advantages which accrue from the preferential use of cotton and cotton products and at the same time assuring an adequate supply of cotton at reasonable price levels.

Yes; it would at the same time protect the farmer's income, and permit him to slightly increase his production of cotton to a more realistic basis, and to afford the family size farm an opportunity to enjoy more economic stability.

The introduction of this bill comes at a time, Mr. Speaker, when my section of Missouri, which incidentally produces more than 99 percent of all the cotton grown in Missouri, is faced with the greatest disaster which we have experienced in the past generation. Due to unprecedented floods, which have virtually destroyed one-third to one-half of the cotton crop which has been planted, southeast Missouri is now faced with a condition which in all probability will result in the nearest thing to a crop failure which our area of the State has ever experienced.

I know of nothing which at this time could give our people greater hope and more encouragement than for Congress to give conscientious and sympathetic consideration to this type of legislation, which would not only be beneficial to that section, but to every other section of the country in which cotton can be produced.

As stated earlier Mr. Speaker, all segments of the cotton industry, after several industrywide conferences and meetings, have agreed on the principles involved in this bill. I mean the producer, the cotton ginner, the warehouseman, the buyers, the shippers, the cotton merchant, representatives of our large cotton exchanges, the cottonseed processors, and yes, even the spinners and textile mills, have agreed that something needs to be done, and to be done this year.

The bill which I have introduced, and which other Members of Congress, both in this House and in the other body, will I am sure support, is the result of the general agreement which has been reached. We are hoping, Mr. Speaker, to have the opportunity at an early date, of hearing testimony on this bill, and I am sure I am speaking for all of the sponsors of this legislation when I say that we will welcome the opportunity of explaining the details of its operation. Yes, Mr. Speaker, we not only welcome the opportunity to explain what we believe to be the merits of this legislation, but we will also welcome any questions which anyone may have. Likewise, we will welcome suggestions for improvement if you feel that the legislation can be improved.

I am including herewith a brief analysis of what we the sponsors of this legislation believe it will do. We urge you to read it, and to let us have your comments:

DUAL ALLOTMENT PROGRAM FOR COTTON: DOMESTIC ALLOTMENT—EXPORT ALLOTMENT

The dual allotment program would—

A. Protect the farmer's income and permit him to use his land and equipment more efficiently.

B. Provide full price competition both at home and abroad.

C. Eliminate the need for a special export sales program.

D. Increase consumption and prevent accumulation of surpluses.

E. Return cotton handling and marketing to normal channels of trade.

F. Eliminate present conditions which create unfair competition for American cotton mills.

G. Benefit consumers through lower retail prices, and wider choice of fabrics.

H. Would reduce cost to Government.

I. Counteract inflationary trend in textile markets.

The stated objectives would be accomplished as follows:

First. The loan program would be continued, but the loan level would be slightly—probably 5 percent—under the world price for cotton as determined by the Secretary of Agriculture as of June 1 of the calendar year in which the cotton is produced.

Second. The national marketing quota would be estimated domestic consumption plus exports. Under this method the minimum national marketing quota for 1958 would be 14 million bales which woud provide a national acreage allotment of 20½ million acres, or an increase of 17 percent over 1957. This method would insure continuation of acreage allotments and marketing quotas and provide protection against unregulated production.

Third. Producers taking advantage of increased cotton allotments would be excluded from the cotton acreage reserve provisions of the Soil Bank. State, county, and farm history would be preserved under this provision.

Fourth. Domestic allotment: Marketing equalization payments would be made to the producer through the cotton merchant to represent the difference between the average spot market price or loan price, whichever is higher, and a stated percentage—probably 90 percent—of parity.

Fifth. Export allotment: There would be no marketing equalization payments. The program would be financed with unused funds available for cotton payments under the Soil Bank Act; and, insofar as such funds are insufficient, the Secretary of Agriculture would be authorized to use funds of the Commodity Credit Corporation.

Atomic Energy Commission Press Release Tends To Give False Sense of Security From Civil Defense Standpoint

EXTENSION OF REMARKS

OF

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1957

Mr. PRICE. Mr. Speaker, under leave to extend my remarks, I include herewith a statement made by the Honorable CHET HOLIFIELD, chairman of a special subcommittee of the Joint Committee on Atomic Energy to study radiation problems:

MR. HOLIFIELD'S STATEMENT

"I have just read the press release issued by the Atomic Energy Commission for before noon release Wednesday, May 29, 1957, announcing progress in their so-called clean weapon program," it was stated today by Representative CHET HOLIFIELD, Democrat, of California, chairman of the Subcommittee on Radiation of the Joint Committee on Atomic Energy. Mr. HOLIFIELD says:

"In view of the fact that this press release has been made in the midst of our hearings which have been trying in an objective way to find something out about the nature of radioactive fallout from nuclear explosions, I have the following comments to make:

"1. The AEC's issuance of this release violated their own rules of informing the joint committee at least 24 hours in advance of a press release. It was received at the joint committee's office at 5:59 p. m. last evening, May 28, under circumstances which would make it difficult for the committee members to be informed or to prepare comment. The release bears a curious parallel to the original 'clean bomb' press release last July 19 (1956), in which the committee was given even less notice of the AEC statement.

"2. Testimony before the joint committee during the current fallout hearings and in prior executive sessions has indicated that the AEC statement that 'the success thus far achieved (in developing cleaner weapons) has convinced us that widespread hazard from fallout is not a necessary complement to the employment of large nuclear weapons' is misleading for the following reasons:

"(a) It tends to give a false sense of security from a civil-defense standpoint. We can be certain that the Soviet Communists will use the dirtiest bombs which they can devise when and if they make the mistake of attacking this country or any other country.

"(b) It may give the wrong impression to our friends and allies that the use of large-scale megaton bombs under the cleanliness program will not entail widespread radioactive fallout. It is true that fallout is being reduced. But there is and at present cannot

be such a thing as an absolutely clean bomb, i. e., no fallout. Moreover, in any large-scale war, it would seem inevitable that weapons of varying degrees of cleanliness will be used, and the inevitable result will be large-scale fallout.

"(c) It tends to give the impression that weapons tests from so-called clean bombs have little fallout. This is a subject which these hearings will explore further. So far we have been provided with no evidence to prove the Commission's assertion. We have no assurance that Russian or British tests are or will be free of substantial radioactive fallout.

"3. This statement ignores the alternative suggestion of Commissioner Thomes E. Murray that rather than rely solely on large-scale thermonuclear bombs we develop and produce numbers of small-yield nuclear weapons which can be widely dispersed and used on a selective and limited basis in brush fire wars.

"Senator ANDERSON has asked me to add that he fully endorses this statement."

P. G. & E. Co. Wants To Monopolize Power Market

EXTENSION OF REMARKS

OF

HON. CLAIR ENGLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1957

Mr. ENGLE. Mr. Speaker, as I have previously stated several times to my colleagues, the existence of Federal power in an area has the effect of holding down power and energy rates of the private utilities in that area. To see this, one only needs to compare prevailing power rates in the Pacific Northwest and other areas where Federal power is available with areas such as the Northeast where there is no Federal power. This explains the real purpose of the Pacific Gas & Electric Co.'s proposal to construct the Trinity project power facilities, which is to stop, at least for a period of 50 years, any further expansion of Federal power in California in order that it may monopolize the power market in that area. Then there would be no competition to force it to hold down its power rates nor a yardstick with which its rates could be compared.

It is interesting to examine the history of the P. G. & E. resale rates—that is, rates to municipalities and others for power to be resold—in the Central Valley project area and the effect the existence of CVP power has had on such rates. Prior to the time power was marketed from the Central Valley project, the Pacific Gas & Electric Co. had no competition in northern California and its resale schedule was such as to discourage municipalities from operating their power distribution systems. In 1945 the competitive effect of the Central Valley project led the company to adopt a resale schedule considerably lower than the one previously existing. This came at a time when the general trend in power rates was up instead of down and it was made clear at the Public Utility Commission hearing on the matter that the threat of competition had led the company to propose this new lower rate. As a result of this new resale schedule one municipality alone saved over $6 million in a 7-year period. All municipalities purchasing energy from the company profited by this rate decrease which was due largely to the existence of Central Valley project power. Irrigation districts in San Joaquin Valley had somewhat the same experience. In 1951, doubtless due to competition from CVP, the company lowered rates for irrigation districts in the San Joaquin Valley by approximately 20 percent. Again these reductions came at a time when the trend was in the opposite direction.

The point I am making is that if the P. G. & E. Co. is successful in cutting off expansion of Federal power in northern California it will have the area all to itself and if this happens it will be to the detriment of every user of electricity in the area. Existence of Federal power in an area does not just benefit those who actually buy it but it benefits all users of electricity because it is a deterrent to excessive power rates.

The Gerry Murphy Case: Certain Corrections

EXTENSION OF REMARKS

OF

HON. CHARLES O. PORTER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1957

Mr. PORTER. Mr. Speaker, my distinguished colleague from Louisiana [Mr. LONG], in the Appendix of the RECORD May 27, beginning at page A4065, states that he is indeed sorry that I see fit "to continue this unfriendly controversy with regard to one of the foremost neighboring republics to the south and one of our stanchest friends in the free world, the Dominican Republic, and its President Trujillo."

I point out that Mr. LONG, not I, began this exchange. And I cannot allow the gentleman's gargantuan and fantastic inaccuracies to go unchallenged. In the interest of brevity, let me deal tersely with the main errors in his latest remarks.

First. The gentleman believes the Dominican Republic to be "democratic and progressive" and, in another place, "great and democratic," "one of our stanchest friends in the free world." The fact is that it is terror-ridden dictatorship. Our State Department will so testify. Every authority says the same thing.

Second. The gentleman accuses me of attempting to convict the Dominican leaders for Gerry Murphy's disappearance on hearsay evidence. I am a lawyer. My distinguished friend from Louisiana is a dentist. I say that the evidence against Dictator Trujillo, both real and circumstantial, is sufficient to convict him in any American court and would not be subject to being stricken as inadmissible hearsay.

Perhaps my friend from Louisiana made his statement before he had an opportunity to hear the CBS Edward Murrow broadcast, The Galindez-Murphy Case: A Chronicle of Terror. I say again, as I have said off the floor of the House, that the Dominican Government, which means Rafael Trujillo, is guilty of Gerry Murphy's kidnapping and probable murder.

My colleague has never deigned to discuss the evidence, just to characterize it. I refer him to my speech in the House on February 28 where the evidence is discussed. I also remind Mr. LONG that the Dominican Government's explanation of Murphy's death was sternly rejected by our State Department and that the House Foreign Affairs Committee has decided to consider the Murphy-Galindez matter in executive session June 4.

Moreover, in its latest note to the dominican Republic, our Government cited the investigation into Murphy's activities and stated that "sufficient evidence has now been uncovered to indicate that Mr. Murphy may have been connected with the disappearance of Dr. Jesus de Galindez in New York on or about March 12, 1956, acting on behalf or in association with certain Dominican and American nationals."

Our Government has asked that the former Dominican consul general, Arturo Espaillat, return here without diplomatic immunity "in order that he should be amenable to the usual and lawful procedures in matters of investigation and trial."

This request was made on May 2. As of May 29, no reply had been received from the Dominican Government which had previously made repeated official declarations of willingness to cooperate in this investigation.

Third. The gentleman from Louisiana states that the Murphy case is one of the "shapes and forms" of the Communist effort "to overthrow the present great and democratic Government of the Dominican Republic." He gives no evidence for this allegation, which implicates me, the State Department, and many others. He says my article in the June Coronet magazine, The Butcher of the Caribbean, is "a lurid rehash which reeks with its communistic origin." Again, no evidence. Again, no discussion of the facts. The reaction to my article from those who know Trujillo has been entirely enthusiastic, as has the reaction from those who previously did not know about this tyrant. It may be a "lurid rehash" to my colleague but to date I have found no such reaction elsewhere.

Fourth. The gentleman from Louisiana states that I impugned, "if only by implication," the character of Majority Leader JOHN MCCORMACK by using his name in my Coronet article. I did nothing of the sort. I indicated a disagreement but I specifically wrote:

> My respect and admiration for Mr. MCCORMACK was—and is—immense.

No other colleague, including the distinguished and beloved majority leader himself, has indicated to me, directly or indirectly, that my mention of Mr. MCCORMACK was in any way discourteous. The disagreement between my colleague from Louisiana and myself centers about entirely different matters, namely, the nature of the Dominican Government, its responsibility for the disappearance of my constituent, and the motivations for my pressing for a change in our Government's policy toward such tyrants. I am aware of no such disagreements with my good friend and mentor, the kindly and truly liberal JOHN MCCORMACK, of Massachusetts.

Fifth. The gentleman from Louisiana states that my saying I must carry a gun impugns the honor of every Member of the House. No other Member has even hinted that he held a similar view. I carry a gun, on occasion, for self-protection because I have been so advised by the police, because I have received many such recommendations from responsible persons who know Trujillo and his gang, and because my own conclusion on all the facts is that a weapon might come in handy. My colleague asks me if I carry the gun on the floor of the Congress. The answer, of course, is that I do not.

I shall continue to fight, as best I can, tyranny of every kind, whether Communist or otherwise. My constituents in Oregon, along with other American citizens, proud of their heritage as free people, rightfully expect this of the Representatives they send to Congress.

Are We Wasting Natural Resources?

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1957

Mr. PHILBIN. Mr. Speaker, the rate at which we are utilizing and, in many instances, wasting our natural resources is giving our scientists and sociologists special concern these days. Every American should be concerned.

Some of these experts are of the opinion that we are rapidly becoming a have-not nation in many respects. At the turn of the century we were assured by some of our great steel corporations that we had an inexhaustible supply of iron ore in the Mesabi Range of Minnesota. Notwithstanding these assurances of strongly expressed, cocksure confidence, I am informed that we are now down to mining taconite which is a low-grade 30-percent ore and that we are importing iron ore.

Relatively the same situation obtains in the oil industry. In 1930 when the east Texas field was discovered, it was assumed that we had an indefinite supply of oil. But that has not proved to be the case and we are now in the role of an oil importer.

Is there a national attitude of unconcern for the future? Are we tending to minimize or overlook completely the serious problems of supply of natural resources that we are bound to have to face in years ahead? Have our methods been wasteful and improvident in utilizing these natural resources? Are we doing enough research to replace them when the day comes that they are exhausted? Are we spreading ourselves too thin by exporting large quantities of valuable resources to other parts of the world? What situation will confront us when our resources are relatively exhausted and the comparatively unexploited resources of the Communist world are fully developed?

I pose these questions because I believe they are worthy of careful intensive study and that we are indulging in an unwise luxury when we are deferring our search for appropriate answers. There are many agencies I know that are charged with some degree of responsibility for conserving and keeping inventory of natural resources and how to develop them. But it seems to me that there should be an integrated study inaugurated by appropriate committees of the Congress on a very broad scale designed to collect the facts relating to the present status of our natural resources supply and make recommendation for their more prudent utilization as well as provide some rational plan for developing satisfactory substitutes for these steadily depleting resources.

I think that the Congress should fully assume its responsibility in this all-vital and all-important field of conservation because at the rate we are going it is certain that the most serious problems lie ahead of us, and we must move to try to cope with them in order to protect the paramount interest of the American Nation and its people.

The Red River Canal

EXTENSION OF REMARKS

OF

HON. RUSSELL B. LONG

OF LOUISIANA

IN THE SENATE OF THE UNITED STATES

Tuesday, May 28, 1957

Mr. LONG. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the address delivered by Representative OVERTON BROOKS, of Louisiana, before the Red River Valley Association Convention, in Shreveport, La., on April 23, 1957. In my opinion, this address does a creditable job of explaining the reasons why navigation is necessary between Shreveport, La., and the Mississippi River, and why it cannot be achieved except through the medium of a lateral canal, making use of the existing waterways paralleling the Red River.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SPEECH BY CONGRESSMAN OVERTON BROOKS BEFORE THE RED RIVER VALLEY ASSOCIATION, APRIL 21, 22, 23, 1957, SHREVEPORT, LA.

In the year 1899 the last boat steaming up the Red River arrived at Shreveport and after leaving its cargo retraced its course back to the Mississippi. Since this date no river boats have arrived at Shreveport, and the Red River has not been used for navigation. The question naturally arises, "Why has this stream not been used for waterborne commerce in more than 50 years?"

The answer is that the Red River over the years became unsuited for navigation. It has developed like many other streams in this nation which have changed due to the stripping of the hillsides of timber and to the cultivation of the lands by draining them and making possible the quick removal of water from the land. The little streams throughout our countryside have often dried up and have even disappeared in many instances in the course of the development of our Nation.

Red River has suffered this fate. The banks are soft and crumble and melt away under the terrific impact of high water rushing downstream to the sea. Channels have changed in the course of time to such an extent that boundaries have disappeared and old lines have been marked out. Parts of Bossier Parish, for instance, now find themselves on the Caddo side of the River. In at least one instance we have built a great bridge over the Red River and this was in Avoyelles Parish—only to find later that the river actually bypassed the bridge and left the structure high and dry, making a several million dollar structure, in the course of a very short time, worthless and unusable. In another instance, in northern Bossier, within the last few years, the State was compelled to spend tens of thousands of dollars to stop the ever-moving process of a Red River-changing channel in order to save another bridge in the course of construction in the Plain Dealing area and prevent it from being bypassed.

From the time the last river boat came to Shreveport, our people began to yearn for and to hope for the day when navigation would be restored to the river. They have seen other river ports in Louisiana and elsewhere thrive and grow and expand while our own valley—as fertile as the Garden of Eden—does not keep pace with this growth of these other areas. We have the people, the climate, the natural advantages of other localities; but we fail to provide the water transportation and water rates which they enjoy. This is the real difference between the Red River Valley cities and towns and other places.

In the years prior to 1946, we who were interested in the further development of our valley had been at work trying to restore navigation. At first we asked for navigation on the Red River itself as the answer to our traffic problems. We know that every large community must of necessity have every form of transportation—road, rail, air, pipelines, and water—and that the community that falls in any one respect does not contribute fully to its own development competitively with other more fortunate communities. After working on this matter for years, our plans were submitted to the Board of Rivers and Harbors of the Army Engineers in Washington—a board composed of the best hydraulic engineers in America.

I was present when this hearing occurred in Washington in 1946. I can look back over the years and realize how important this hearing was to our people here. Claudius Dickson of Shreveport was president of the Red River Valley Association and headed the delegation going to Washington. John Ewing of the Shreveport Times, a director of the Kansas City Southern Railway, came up especially and made a splendid presentation. Senator John H. Overton, my uncle, organized the meeting and presented the witnesses. Other distinguished citizens, many now gone to their rewards, made appearances on behalf of water transportation

along the Red River. We all asked for navigation on the river itself.

After months of study and deliberation, the Board of Rivers and Harbors on April 19, 1946, in effect turned down our request for navigation on the Red River, but approved a plan for a waterway to be built on the south side of the river in the alluvial valley as a canal. There can be no question but that the approval of the Overton Waterway was a rejection of the use of the channel of Red River for navigation purposes. Since this decision was rendered, year by year, we have asked the Congress for money for the purpose of planning, blueprinting, and for engineering work for the lateral canal, and the Congress has granted this request; and has provided in all $515,000 for this purpose.

Why did the Board of Rivers and Harbors turn down the use of the channel of the Red River for navigation purposes but, at the same time, approved the construction of a canal along the south side of the river from Shreveport to the Atchafalaya? There were a number of reasons for this decision.

The first reason was that which I have already discussed; namely, the shifting of the channel, the caving and disintegration of the banks of the stream, the lack of availability of an adequate supply of water in the Red; and the greater cost of providing for navigation along the channel of Red River and the greater length of the channel of the river for transportation, for such purposes over that of the canal.

I think it is obvious that navigation on the Red River would require more water than navigation on the Overton Waterway. This is, of course, because the Red River is a flowing stream and the canal will be a slack-water course. It will require much more water to maintain a channel of a specified depth on the flowing stream than on a slack-water canal. How much more will be required depends upon the rate of the flow of the river and this will depend upon the number of obstacles placed in the path of the current.

The third reason that the use of the Red River channel for navigation purposes was discarded is that such a route must be much longer than the canal type of waterway. The Overton Waterway, as designed, is 205 miles long. On the other hand, the Red River channel is 280 miles long—75 miles longer than the proposed Overton Waterway. The Red River channel, of course, is longer because it is filled with curves, and bends. Then, too, its current will provide a serious obstacle to upstream navigation. The lack of current on the Overton Waterway, as designed, makes for much less bank wash and erosion; and provides for a greater stabilization of bank and channel.

The use of the Red River channel, if this were feasible, would require 12 locks and dams. The dams on the river, of necessity would be much larger and longer than those on the canal, for from bank to bank the river is much wider and, of course, would cost much more money to construct. It is obvious also that banks above and below the locks and the dams would have to be completely stabilized for some distance to prevent what occurred in Avoyelles Parish when the Red River cut a pathway around one of the bridges which had been constructed and thereby rendered the bridge useless. This would require much money. The project to stabilize the banks of the Red 3 miles above and 3 miles below Shreveport has already cost the Government over $10 million. This will give you some idea of the cost of stabilizing the river for a distance of 280 miles.

The original estimate of the cost of the Overton Waterway was $42 million. Since this estimate was made in 1946, of course, prices have gone up considerably. The engineers will give you a further cost estimate; but I would guess that it would certainly run under $100 million. On the other hand, the cost of building the Red River route, using the river channel for navigation, will run $300 million or better—2 or 3 times that of the cost of the waterway.

Besides this, the engineers say that it is not feasible to build the waterway on the Red River. Constant shifting of channels, crumbling of banks, and varying elevations of water make real problems; and these, in turn, make the river itself unsuited and unusable for navigation purposes.

You may say, "Well, Congressman, who says that the river is unsuitable for navigation besides yourself?" I answer, "The United States Corps of Army Engineers."

When we are sick, we go to a doctor; when we have toothache, we visit a dentist; and when we need to build a great canal for navigation, we look to our engineers. They have not let us down in any emergency.

This is the group of engineers which has built the program of flood control and navigation for our Nation since its inception. It is the group which was founded by the Father of Our Country, George Washington, when he was President of the United States. He sent to Europe to obtain three of the very best engineers from the armies of Napoleon, and they formed what is now our Army engineers. Since that time our Corps of Engineers has rated tops in conduct, ability, and efficiency.

The Army engineers is the same organization which landed its men on the shores of Normandy in France in World War II, even before the combat troops landed; and they cut the barbed wire and removed the obstacles, preparing the way for the landing of the infantry and the artillery, the tanks and the jeeps. They won an immortal place in the hearts and minds of our people; and neither time nor distance will efface the valor of their efforts nor the impact of their achievements in the development of America. I think we can safely depend upon them in the building of the Overton waterway.

The canal when built will begin at the confluence of the Old and Mississippi Rivers, and will continue on up to Shreveport, 206 miles to the northwest. The first 7 miles is through Old River, and the next 24 miles through Red River, at which point it follows Coulee des Grues, Choctaw Bayou, and Chatlain Lake Canal to Alexandria. It then proceeds through land cuts to Cane River through Natchitoches, and then on to Bayou Pierre and to Shreveport. It will use 120 miles of existing waterway as compared to 86 miles of land cuts. At Shreveport a turnaround basin will be built and a basin for loading and unloading will be built at all of the large stopping points.

It is fair to say that most of the land utilized will be far removed from urban centers and will be low or swampy land not normally used for cultivation. By the same token, the number of roads to be rerouted will be reduced to a minimum.

I have heard it said that such a canal will split the countryside wide open; and that a barrier greater than anything we have experienced will be erected to prevent the free passage to and fro across the waterway. This, of course, is not true. The waterway, of course, will be no greater a barrier than is Bayou Pierre and Cane River at the present time. At this time, these streams and others like them must be bridged if we are to cross them. The same will apply to the canal.

On the other hand, the canal will pass through rather low places in the countryside; and this waterway will provide means of draining these sections of central and northwest Louisiana, which they do not now have. It is estimated that flood control and drainage benefits for the area will exceed $1 million per year. Flood control is an item for which we will spend millions of dollars even though we do not build the canal. If built, the canal will help take care of this expense and no other development presently contemplated will provide flood control and drainage benefits as indicated by the building of the canal.

Of course, this canal will cost lots of money. Any worthwhile project will cost money; and the question is, whether or not it is justified. The Army Engineers will settle this question, and I submit that they are better to dispose of this question accurately than any other group of people.

The actual or total benefits from the construction of this project will be inestimable. A million and a half people have settled in this portion of the Red River Valley and they are all affected by freight rates. Every rate increase of the railroad companies and the truck carriers, and the buses, adds to the cost of living of our people. Those living in the areas of Louisiana where navigation is available, know the difference in the costs. A rate increase is often the difference between success and failure of business.

Throughout the length and breadth of this country, we see the great cities and towns grow up along the rivers and the harbors. Navigation has attracted the people and businesses to these spots. Cost of living is lower and business prospers in such locations. And we see the great highways terminating at the sea and at the inland ports; and even the railroads, feeling the quickening impulse of lower rates, lay double tracks, add to their equipment and personnel and begin to boom in the stimulus of the increased transportation attendant with the port and with navigation. It is largely in places where there is navigation that the communities grow and prosper. New Orleans, the Crescent City; St. Louis, the hub of America; Chicago, the windy city; Pittsburgh and its golden triangle—all of these great cities are built on waterways and the backbone of their prosperity and growth lies in the development which lower freight rates and navigation have given to the community.

The Overton Waterway will open up to us, for waterborne commerce, the great ports along the Mississippi, such as Baton Rouge, New Orleans, Memphis, and St. Louis; the ports along the Atchafalaya and along the Intercoastal Canal, such as Lake Charles, Houston, and Beaumont. It will connect our communities directly with navigation all along the inland waterways of America—with Pittsburgh, Chicago, Minneapolis, and Sioux City. It will develop in our midst a new type of industry and bring fresh opportunity and new accomplishment to our people.

If we are going to have navigation for the Red River Valley below Shreveport, it is going to be by way of the Overton Waterway. Congress will never appropriate funds for the construction of a great project such as this if it is not approved by the Corps of Engineers. Nor will the people who must support the project by local cooperation approve it in the absence of the recommendations of the Army engineers. We can use all of the persuasion possible and apply political pressure, but I can tell you this—the Army engineers will not yield to the point of recommending a project which they feel is not worthy of the approval.

If, therefore, we reject the canal proposal, make no mistake, navigation in the Red River Valley is dead. We have no alternative. If we accept the proposal, we move forward. The way is not smooth. It is rough; filled with opposition and difficulties; but at the end of the rainbow, it offers the fulfillment of a dream of 55 years—navigation in the Red River Valley. We moved forward—at times, it is true, slowly—but always forward, and ultimately over the years we leave to our children the priceless heritage of having developed our God-given resources to the best of our ability. We leave to them the basis for competitive commerce in our valley, for further development greater than otherwise would have been possible; for prosperity and for happiness.

Address of Hon. William M. Tuck, of Virginia, Before the Jefferson-Jackson Day Dinner of the Eighth Congressional District in Charlottesville, Va., May 25, 1957

EXTENSION OF REMARKS

OF

HON. WATKINS M. ABBITT

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 28, 1957

Mr. ABBITT. Mr. Speaker, on Saturday night, May 25, 1957, the Honorable WILLIAM M. TUCK, Representative from the Fifth Congressional District of Virginia, delivered a most important speech before the Jefferson-Jackson Day Dinner of the Eighth Congressional District of Virginia at Charlottesville, Va.

Congressman TUCK is one of the outstanding Members of Congress who is rendering faithful and loyal service not only to the people of the Fifth Congressional District but to the Commonwealth of Virginia as well as the entire Nation.

I join with Congressman TUCK in his commendation of the Honorable HOWARD W. SMITH, Representative of the Eighth Congressional District of Virginia. Judge SMITH, as he is affectionately called, is one of the great Americans of today. I commend his people upon having such an outstanding Representative to look after their interests in the Halls of the Congress.

Congressman TUCK's speech is as follows:

ADDRESS OF REPRESENTATIVE WILLIAM M. TUCK BEFORE THE JEFFERSON-JACKSON DAY DINNER OF THE EIGHTH CONGRESSIONAL DISTRICT IN CHARLOTTESVILLE, VA., MAY 25, 1957

I am happy to be here this evening as the guest of the Democrats of the Eighth Congressional District, and I was highly flattered and honored when Judge SMITH and Calvin Haley invited me to come and enjoy this fine fellowship.

Your district is rich in history and resources, and occupies a prominent place in the life and welfare of this Commonwealth. You have able representation in the general assembly; your officials who hold positions of leadership in the State government are of the highest caliber; your membership on the Democratic executive and State central committees is made up of men and women who are thoroughly devoted to the public welfare; and your county and city officials throughout the district are citizens of high character and purpose who apply themselves diligently to the faithful discharge of their duties. From Albemarle to Northumberland; from Loudoun to Goochland; and from King William to Culpeper, I salute the Democrats of this great district and express my admiration and esteem for all of you.

The Democrats of the Eighth Congressional District in general, and those who live in Charlottesville and Albemarle County in particular, are most fortunate in having as residents of your community the Honorable Colgate W. Darden, Jr., and the Honorable John Stewart Battle. These two illustrious statesmen are devoted public servants and stalwart Democrats. Their administrations as chief executives of this State were in the finest traditions of the Commonwealth, and their contributions to the cause of good government are shining examples of what the Democratic Party in Virginia stands for. I know you will join with me in extending hearty greetings and best wishes to Colgate Darden and John Battle.

I am aware of the high esteem and warm affection you have for your beloved Congressman, Hon. HOWARD W. SMITH, but sometimes I wonder if the people of this Congressional district—and for that matter the Commonwealth of Virginia, and the Nation—fully realize and appreciate the sterling qualities of leadership and ability of this outstanding public servant and statesman. I have admired him throughout his public career, but since I became a Member of the Congress it has been my pleasure and privilege to know him intimately, follow his leadership, and marvel at his eminent qualifications. Although not a seeker of publicity and modest and unpretentious to a marked degree, Judge SMITH is always on the front line in the battle for sound legislative measures and in support of fundamental doctrines and principles which he believes in so firmly. In his capacity as chairman of the all-important and powerful Committee on Rules in the House of Representatives, he has performed valiant service in the interest of sound government and in the defense of States' rights.

It was highly gratifying when on February 22, 1955, the American Good Government Society, in a resolution of tribute and honor to HOWARD WORTH SMITH, described him in appropriate language as a statesman, lawyer, farmer, and banker who has served the public weal in an illustrious manner, and it was pointed out that among his notable achievements is the Smith Act of 1940, which has resulted in the conviction of Communist leaders and aliens whose purpose was the overthrow of our cherished form of government. Judge SMITH has also made notable contributions in the legislative field concerning amendments to the National Labor Relations Act which formed the necessary groundwork for the Taft-Hartley Law. The list of his worthy achievements is lengthy. He is a tower of strength in the Congress and considered by many as its most outstanding member.

I know many of you are familiar with the notable address Judge SMITH delivered at the New York Herald Tribune Forum on October 24, 1950, entitled "The Kind of American I Am." It was inserted in the CONGRESSIONAL RECORD immediately following its delivery, and again last year by a colleague who deemed it appropriate to commend it again to the membership of the Congress for its outline of sound doctrines and Democratic principles.

In that address, Judge SMITH said he is proud to be known as a conservative Democrat and one who adheres unswervingly to the fundamental principles of government embedded in the Bill of Rights. He is a worthy Representative of the Congressional district of this great Commonwealth that was the home of George Washington, who conceived the idea of a Constitution; of George Mason, the great exponent of democratic government who wrote the Bill of Rights; Thomas Jefferson, who wrote the Declaration of Independence and founded the Democratic Party; James Madison, the father of the Constitution; James Monroe, author of the Monroe Doctrine, and John Marshall, Chief Justice of the Supreme Court, who, by his decisions, breathed life and vitality into the Constitution.

I cannot find words adequate to pay proper and appropriate tribute to your beloved Congressman. His devotion to duty; outstanding capabilities; wise leadership and calm and courageous conduct are a source of inspiration to me.

It is always appropriate and fitting at all Democratic gatherings to pay respect to the memory of Thomas Jefferson, the founder of the Democratic Party. As every Virginian knows, he was its first champion and the most brilliant, farsighted, and bold philosopher the Republic has ever known. He envisioned the Democratic Party as the party of the people and declared that governments are not the masters but the servants of the people.

Jefferson stood for the legitimate rights of the States and in the most positive terms advocated the greatest degree of local government. He denounced the idea of government catering to groups seeking special privileges, and it was his belief that the greatest danger the young Republic would ever have to face from within was the threat of centralization of authority and its inevitable abuses of individual liberties. Although we have been saddened and perturbed to witness flagrant abuse of Jeffersonian principles in national administrations, claiming to be his adherents, it behooves us as Virginia Democrats to insist upon steadfast adherence to the principles and philosophies espoused by the sage of Monticello.

With masterful emphasis, Mr. Jefferson wrote: "I do verily believe that, if the principle were to prevail of a common law being in force in the United States in which the General (Federal) Government at once possesses all the powers of the State governments and reduces us to a single consolidated government, it would become the most corrupt government on earth." Let us exert our every effort to maintain State autonomy and protect the traditional American form of local self-government operating in the communities and the counties and the States.

Although he was born to wealth and position, Jefferson believed that tyranny could best be thwarted by letting the power reside in the people. He was opposed to tyranny in any form, and one of his most immortal utterances was, "I have sworn upon the altar of God eternal hostility against every form of tyranny over the mind of man."

Jefferson's personal platform at the time he was elected President was as follows:

I do with sincere zeal wish an inviolable preservation of our Federal Constitution according to the true sense in which it was adopted by the States.

I am for preserving to the States powers not yielded by them to the Union.

I am opposed to transferring all the powers of the States to the General Government, and of that Government to the executive branch.

I am for a government rigorously frugal and simple, applying all the savings of public revenue to the public debt.

I am opposed to increasing the public debt on the principle that it is a public blessing.

I am for freedom of religion and freedom of the press, and against all violations of the Constitution.

We should likewise pay tribute here to the hallowed memory of that other great patron saint of the Democratic Party, the immortal Andrew Jackson. Although born in such obscurity that two States have claimed his birthplace, he rose to fame as a legislator, jurist, soldier, statesman, and President, and he espoused and upheld with vigor and determination the sound doctrines and high principles upon which the Democratic Party was founded. A recent visit to Jackson's beautiful country home, the Hermitage near Nashville, Tenn., was indeed an inspiring experience.

Senator BYRD, in addressing the Kiwanis Club in Richmond on April 3, pointed out that Andrew Jackson was the only President of the United States to pay off the Federal debt in toto. Although the debt was not large, he paid it off and boasted about it, and Senator BYRD said that when he is asked what kind of a Democrat he is, he is proud to reply, "I am an Andrew Jackson Democrat."

I am reluctant to disturb the sociality and conviviality of this occasion, and yet there are dangers confronting us so vital to the interest and welfare of our country I would not be doing my duty as a citizen of the Commonwealth were I to fail to point them out.

The most alarming is the pattern now employed by the Supreme Court of the United States in decision after decision which reveals a studied campaign to obliterate the rights of the sovereign States. Some of the recent decisions of this court break down our Constitution and shatter our Bill of Rights which was penned on the soil of this Commonwealth and which has found its way into the Constitution not only of the United States, but of every State in the American Union.

Prior to 1896 there was practically no public school system in any of the States, including Virginia. In that year the Supreme Court of the United States handed down a decision in the case of *Plessy v. Ferguson*, pronouncing what is known as the "separate but equal doctrine"; that is, that the States could provide separate schools for the races provided the schools were substantially equal.

The validity and soundness of this decision was upheld many times by the Supreme Court of the United States and by other courts. Even as late as 1927 the Supreme Court, speaking through Chief Justice Taft, a former President, enunciated this same sound doctrine. Relying upon these decisions, the States have spent millions of dollars constructing school systems for the training and education of our children.

On May 17, 1954, the Supreme Court overruled this and many other decisions of the court, striking down at the same time the Constitutions of at least 17 States, holding that if we operate public schools they must be integrated. No legal authority was cited in support of this infamous opinion which undertakes to substitute a government of men for a government of laws, and the only authority was psychology and sociology of a doubtful variety, referring to such men as E. Franklin Frazier, a Negro, who wrote a book entitled, "The Negro in the United States," and who extolled the characteristics of such Communists as Paul Robeson, and who signed a statement condemning any punitive measures directed against the Communist Party in the United States.

The Supreme Court in its opinion further referred to another authority, a man by the name of Gunnar Myrdal, who is a notorious Swedish Socialist, imported to the United States in 1937 by the Carnegie Foundation of Alger Hiss fame. Myrdal has an utter contempt for the principles upon which the United States was founded and the political system to which our people adhere. The very book to which the Chief Justice in his opinion referred, by this Socialist Myrdal, stated that the Constitution of the United States was "impractical and unsuited to modern conditions, and its adoption was merely a plot against the common people." This is plain unvarnished communism and is the authority cited by the Supreme Court of the United States for this improvident, unwise and, I believe, unpatriotic decision.

This loved prophet of the Supreme Court, Myrdal, has written another book entitled "An International Economy," in which he argues against the awkward fact of the United States bigness and urges equalization and integration of all peoples through redistribution of natural and commercial wealth. Apparently he doesn't approve of the size of the United States any more than he does the United States Constitution. So respectful of its prophet is our High Court (or was on May 17, 1954) that it might entertain an antitrust suit against the United States of America as a monopoly in restraint of trade. Also, of course, in restraint of Russia.

It is said that members of the bar are now forced in self-defense to study the works of Gunnar Myrdal and acquaint themselves with his philosophy in order to prepare for cases when there is a possibility of Supreme Court consideration.

It would seem that the school decision of 1954 would have done enough violence to our Constitution for at least one generation, but the Supreme Court thinks otherwise and continues to render these decisions which are disturbing to all thoughtful and patriotic Americans. The unbridled attempts of the Supreme Court to usurp the powers of Congress and to amend the Constitution of the United States by judicial decree may succeed in awakening and arousing the people, not only in the South but in all parts of the country, to the dangers which confront us, and to the fact that our Constitution is being jettisoned by the very branch of the Government designed to preserve and protect it.

Despite the fact that the wise legislation sponsored by Judge SMITH contains a provision distinctly preserving the rights and powers of States to pass antisedition and anti-Communist laws, the Supreme Court, in the case of the *Commonwealth of Pennsylvania v. Nelson*, handed down a decision reversing the conviction of a Communist by the name of Nelson in the State courts of Pennsylvania. The Court declared that the Congress in passing the Smith Act, despite this provision to the contrary, had preempted the field and the States were without power to deal with Communists and subversives and others who would overthrow the State and Federal governments. The Supreme Court has struck down the powers of the States to convict Communists and other leftwing elements who wish to destroy our Constitution and to reduce each State as well as the Government of the United States to a shambles.

The people of Pennsylvania, and others who know of this decision, are incensed over the matter and are beginning to understand and appreciate the force and efficacy of the arguments which we have recently made in the South in respect to the school decision case. They now seem to realize what the members of the General Assembly of Virginia and other southern States meant when they passed almost unanimously the "Resolutions of Interposition" protesting the unauthorized and unprecedented acts of the Supreme Court of the United States. Citizens of other States are likewise beginning to understand the meaning of the language employed and the constitutional principles declared in that historic document known as the "Southern Manifesto," signed by more than 100 members of the Congress.

The great State of New York has likewise come under the hammer of the Supreme Court of the United States in a case involving the principle. In that State, a school teacher who had refused to testify before one of the Congressional committees, seeking cloak and shelter under the beneficence and protective wings of the fifth amendment to the Constitution of the United States, because of lost confidence in her loyalty, was discharged. The Supreme Court handed down a decision denying to the sovereign State of New York the right to fire the school teacher, whose compensation was entirely from State funds.

Among the most recent decisions of the Supreme Court was the one handed down in the Girard College case, where the late Stephen Girard of Philadelphia by his last will and testament created a trust fund for the erection, maintenance, and operation of a college for as many poor white male orphans as the income from the fund shall be adequate to maintain. The Supreme Court held that the operation of Girard College, pursuant to the provisions of the last will and testament of the individual who created the fund to finance its operation, was null and void because the student body is made up of white boys. In total disregard of the sanctity of the will of Stephen Girard, Negro politicians have now prevailed in their contention that he had no right to make a will which provided for the education of white boys alone and that the college must now be compelled to admit Negroes. As you know, the Supreme Court decreed that Stephen Girard's stipulation of white orphan boys must be disregarded for the extraordinary reason that the "board which operated the Girard College is an agency of the State of Pennsylvania" and that "the board's refusal to admit Negroes constituted discrimination by the State of Pennsylvania." A decision of this nature takes us far down the road to tyranny and presents a frightening situation showing a rapid approach to a centralized Federal tyranny.

As recently as Monday, May 6, 1957, we became aware of decisions of the Supreme Court of the United States which constitute flagrant substitution of the High Court's judgment for the judgment of the States. In the New Mexico and California cases where, after patient and careful consideration, the State authorities had denied two former Communists admission to the respective bars of New Mexico and California on the ground that their long and open activities as Communist Party members prove their moral unfitness to become members of the bars, the United States Supreme Court made it its business to trample underfoot the decisions of both State courts by holding that the due process clauses of the 14th amendment had been violated and the State court decisions were, therefore, unconstitutional. In a recent editorial on this subject, the able editor of the Richmond News Leader asked the following pertinent questions: "If a State no longer can fix standards of propriety and fitness for its teachers; if a State no longer can operate its public schools so as to avoid domestic strife; if a State no longer can establish its own rules for appellate proceedings; if a State no longer can pass upon the fitness of prospective lawyers who would become officers of State courts—what, then, is left to the States?"

Another iniquitous onslaught against the States rights is inherent in the so-called civil rights proposal now pending in the Congress. As Senator HARRY F. BYRD has so forcefully stated, this legislation is punitive in nature and clearly designed to punish the South for its refusal to submit to the Supreme Court's decision in the school case which is in complete violation of our constitutional rights. But these unwarranted and ill-advised so-called civil rights proposals are fraught with extreme danger not only to the South, but to every State in the Union. They constitute a grave threat to the sovereignty and to the future existence of our States on an autonomous basis.

I joined with seven of my colleagues on the Judiciary Committee of the House of Representatives in presenting the minority views on the bill H. R. 6127 in an earnest effort to outline in detail the unsoundness of these proposals and the shocking manner in which they would usurp the rights of the States. Our own able attorney general, Hon. J. Lindsay Almond, Jr., appeared before the Judiciary Committee and presented a masterful argument in opposition to the bill, as did many other outstanding lawyers.

Real craftsmanship was employed by the skillful and dexterous political professional who drafted the proposed legislation, and although his approach is a surreptitious one the flagrant violation of our fundamental rights is quite plain.

We are confronted with a proposal by the Attorney General of the United States to violate the sacred precincts of the constitutionally embedded system of trial by jury. He does this by the simple proposal of permitting the United States to become a party to what appears to be a civil suit, but before the suit is consummated it develops into a criminal procedure and he succeeds in abolishing, if this proposal is enacted, the time-honored safeguard and means of applying the sanctions of a penal statute. He proposes to lodge and substitute for these safeguards the contempt powers of the Federal Judiciary, some of whom rule with a ruthless and tyrannical hand. He would set at naught and banish from the American scene the right of an accused person to demand the nature and cause of his accusation, to be confronted by his accusers, to demand proof, to place himself in a position to plead former jeopardy, to cross-examine those hostile to his rights, to call for witnesses in his behalf, and to demand a fair, speedy, and impartial trial before a jury of his peers, without whose unanimous consent he cannot be found guilty. In order to accomplish his purpose to amend the criminal conspiracy statute (which in effect these proposals do) he would sacrifice all of these constitutional principles.

One of the features of the bill provides for the establishment of a Commission on Civil Rights. On its face this appears harmless except as a foolish expenditure of public funds in a country where we are already overloaded with debt, but the serious objection is not the establishment of another costly and foolish bureau, but the establishment of one with sweeping powers so unlimited as to constitute a board of inquisition and ex parte condemnation. Such a Commission will serve no good purpose and will provide a source of harassment to the several States which it will seek to victimize in derogation of their rights under the Constitution to administer their own internal governmental affairs. The duties of the Commission, as outlined in the bill, are fantastic and the powers proposed to be invested in the Commission would be another abrogation of State sovereignty and in careless disregard of the rights of individual citizens of the various States.

One of the oldest and most thoroughly established and salutary rules in American jurisprudence is the requirement for the exhaustion of State administrative remedies before resort to a Federal court. The pending proposals provide for the abolishment of this principle in the amendment to the so-called civil rights statutes and the amendment relating to the right to vote. Every thoughtful person must agree that wherever parties may have their rights adjudicated at the State and local level, Federal courts should not interfere, and indeed they have no right to do so. The only conclusion to be reached is that the attempt to enact these so-called civil rights proposals into law constitutes a deliberate, open, and blatant expression of total lack of faith and confidence in the virtue and the integrity of our respective State governments in general and our State judicial systems in particular, and constitute an insult of the ugliest sort.

The proponents of this legislation completely overlook and refuse to recognize that there are no Federal elections. There is no Federal election machinery and no provision in the Constitution of the United States which authorizes it. No constitutional authority is conferred upon the Federal Government to conduct, regulate, and administer any election. On the other hand the Constitution expressly negates any concept of such authority in the Federal Government, and it is made abundantly clear that such authority resides only with the States. The States have clear constitutional rights to regulate and administer their own electoral processes. We should never agree to permit the Attorney General of the United States to meddle with State elections and brush aside State law, remedy, procedure, States' rights, jurisdiction, and authority in matters pertaining to elections.

One of the most frightening phases of this whole situation is the apparent complete lack of knowledge on the part of the President of the United States of what is going on. President Eisenhower admitted at a recent press conference that he has not even read the so-called civil-rights bill. He is quoted by the press as having made the following amazing statement, "The civil-rights bill is a very moderate thing, done in all decency and in a simple attempt to study the matter, see where the Federal responsibilities lie, and to move in strict accordance with the Supreme Court's decision, and no faster and no further."

My friend, Jack Kilpatrick, the able editor of the Richmond News Leader, recently in an editorial described the President's apparent ignorance of the gravest issue of State and Federal relations now before the Congress, as a gross neglect of duties, and he very aptly suggested that the President "tuck a copy of the bill in his golf bag and read it while riding in his electric cart from tee to tee at Burning Tree."

Our mutual friend and your district chairman, Ben Garrett, kindly sent me one of the King William County medals cast as a part of King William's observance of the Jamestown Festival. It is a most attractive bronze medal with the seal of the circuit court of King William County on one side, and a picture of the old courthouse on the other, and with one of the most timely and appropriate inscriptions imaginable. The inscription reads, "The Constitution or the Supreme Court—Liberty or Tyranny." I shall fight with all the power at my command in support of the Constitution and liberty, and I appeal to every lover of liberty in this Nation to awaken to the dangers confronting us and recall the warning of the Founding Fathers and the makers of the Constitution, that an uncontrolled Supreme Court makes despotism—yes, tyranny.

The people are rightly concerned about high taxes and the current Federal budget which is the largest in peacetime history. I will not impose upon your good nature by dwelling upon this unpleasant subject unduly. I do want to say, however, that it is highly gratifying to observe that the American public is demanding a reduction in unnecessary Federal expenditures and I fervently hope that there will be such a compelling force of public opinion as to guarantee a large measure of return to fiscal sanity and solvency. The current budget can be reduced by six or seven billion dollars with no danger to our national defense or serious impairment of normal and essential functions of Government.

We in Virginia are blessed with good government. Our government is interested in the well-being and happiness of all for whom government was established. We still believe in the fundamental principle that all authority resides in the people, and that the government is the servant of the people and not their master.

Because of our steadfast and firm determination to adhere to the fundamental principles of government established on the soil of Virginia, and which has made our Commonwealth and our country great, and which we cherish, many of those who would change everything, even our form of government derisively refer to us as old fashioned. So much so that be believe with Jefferson, who asserted "that government is best which governs least," and with Cleveland, who believed "that it was the duty of the people to support the Government instead of the Government supporting the people." Indeed we are so old fashioned that we believe in economy and honesty in Government. So old fashioned that we believe in paying our debts. We have resisted socialism and its Russian counterpart, communism, and irrespective of what may happen elsewhere I firmly believe that Virginians will continue to resist these trends.

We believe that the faithful and impartial enforcement of law is paramount and we recognize that as the first and foremost function of Government. In short, we believe in those Jeffersonian principles upon which the Nation was founded and has grown to maturity as a leader among the free peoples of the world. We jealously guard our rights as individuals and as citizens under a free government, and we seek through our public services to strengthen and preserve those rights, rather than to weaken and destroy them.

We cherish this great heritage, unequaled elsewhere on earth. We recognize that these great blessings are accompanied by grave responsibilities, foremost of which is the obligation of so exercising our liberties that succeeding generations may enjoy the same rights and privileges, with neither fear nor restraint. With the benefit of the experience of those who have preceded us, we should be able to strengthen and revitalize the democratic institutions which are the very sinews of our American way of life.

At Williamsburg, we have the Nation's foremost example of the restoration of the physical reminders of our early heritage. We should also include a restoration of ideas, and Virginians should lead the way in restoring the sound ideas of government bequeathed to us by Jefferson and the early founders of the Democratic Party, and when we invoke their names and honor their memories we should also be mindful of and never depart from the fundamental principles they so courageously enunciated.

As one who has been actively identified with the affairs of the Democratic Party in the State of Virginia for many years, I am indeed hopeful that you will exert in your respective localities a steadfast and unflagging effort to advance the cause of the Democratic Party of the State of Virginia to the end that we may have a continuation of the fine type of government with which Virginia has been blessed and to which our people are entitled.

SENATE

WEDNESDAY, MAY 29, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of all hope, as again on the morrow comes the Nation's day of remembrance, we bless Thee for the cleansing ministry of memory and for the rich heritage of noble deeds. In Maytime's lovely garden we thank Thee for the hallowed thoughts which make tender our hearts as we decorate the grassy mounds and the white stones where sleep in quiet cities of the dead those whose lives were offered as freedom's shield.

Inspired and challenged by the sacrifice of remembered yesterdays, may we dedicate afresh all that we have and are to the deathless cause for which they gave the last full measure of devotion. Make us worthy of those whose graves are garnished on the Republic's sacramental day of remembrance. We ask it in the name of the Redeemer whose death meant life for all mankind. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Tuesday, May 28, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 23, 1957, the President had approved and signed the act (S. 1442) to facilitate the regulation, control, and eradication of plant pests.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6871) making appropriations for the Departments of State and Justice, the judiciary, and related agencies, for the fiscal year ending June 30, 1958, and for other purposes, and that the House receded from its disagreement to the amendments of the Senate numbered 27 and 30, to the bill, and concurred therein.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following subcommittees were authorized to meet during the session of the Senate today:

The Subcommittee on Public Health, Education, Welfare, and Safety, of the Committee on the District of Columbia.

The Judiciary Subcommittee of the Committee on the District of Columbia.

The Indian Affairs Subcommittee of the Committee on Interior and Insular Affairs.

The Subcommittee on Welfare and Pension Plans Legislation of the Committee on Labor and Public Welfare.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule there will be the usual morning hour. I ask unanimous consent that statements made in connection with the business of the morning hour be limited to 2 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON PRICE TRENDS AND RALTIONSHIPS FOR FOREST PRODUCTS

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a report on price trends and relationships for forest products, dated May 15, 1957 (with an accompanying report); to the Committee on Agriculture and Forestry.

AUTHORIZATION FOR CERTAIN TRANSPORTATION EXPENSES OF DEPENDENTS

A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation to authorize, in case of the death of a member of the uniformed services, certain transportation expenses for his dependents (with an accompanying paper); to the Committee on Armed Services.

PROPOSED TRAVEL AND TRANSPORTATION ALLOWANCES FOR CERTAIN MEMBERS OF UNIFORMED SERVICES

A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation to authorize travel and transportation allowances in the case of certain members of the uniformed services (with an accompanying paper); to the Committee on Armed Services.

AMENDMENT OF TITLE 10, UNITED STATES CODE, RELATING TO SETTLEMENT OF CERTAIN CLAIMS

A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation to amend title 10, United States Code, to authorize the Secretaries of the military departments to settle certain claims in the amount of $5,000, or less, and to partially pay certain claims which are certified to Congress (with an accompanying paper); to the Committee on Armed Services.

PROPOSED AMENDMENT OF CAREER COMPENSATION ACT OF 1949, RELATING TO INCENTIVE PAY FOR HUMAN TEST SUBJECTS

A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation to amend the Career Compensation Act of 1949 to provide incentive pay for human test subjects (with an accompanying paper); to the Committee on Armed Services.

REPORT OF NAVY CLUB OF THE UNITED STATES

A letter from the Secretary to National Shipswriter, Navy Club of the United States of America, Rockford, Ill., transmitting, pursuant to law, a report of that club, dated April 30, 1957 (with an accompanying report); to the Committee on the Judiciary.

REPORT OF DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

A letter from the Secretary, Department of Health, Education, and Welfare, transmitting, pursuant to law, a report of that Department, for the fiscal year 1956 (with an accompanying report); to the Committee on Labor and Public Welfare.

PROPOSED PARTICIPATION OF THE UNITED STATES IN INTERNATIONAL ATOMIC ENERGY AGENCY

A letter from the Secretary of State, transmitting a draft of proposed legislation to provide for the appointment of representatives of the United States in the organs of the International Atomic Energy Agency, and to make other provisions with respect to the participation of the United States in that Agency, and for other purposes (with an accompanying paper); to the Joint Committee on Atomic Energy.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution of the Legislature of the State of Nebraska; to the Committee on Labor and Public Welfare:

"Legislative Resolution 31

"Whereas in recent years, through the efforts of certain national groups, there has developed a strong movement to have the Federal Government step into or invade the education field, particularly in the area of school construction, on the pretext that the State and local authorities are unable to cope with the school problem, whereas the real reason therefore is to force more money for school construction by communities which do not feel the need for such construction; and

"Whereas any such movement is objectionable upon several grounds among which are:

"(a) Federal financing eventually means Federal control and supervision;

"(b) No State has demonstrated or claimed its inability to meet its school building responsibility;

"(c) Federal aid does not lessen the cost of construction but adds a further cost of administration to the school construction program;

"Whereas the Education Committee of the Commission on Intergovernmental Relations has said:

"1. The American people have built up, over the last century and a half, the greatest school system in the world under State and local responsibility.

"2. Federal aid is not necessary either for current operating expenses for public schools or for capital expenditures for school facilities (buildings and classrooms): Now, therefore, be it

"*Resolved by the members of the Nebraska Legislature in 68th session assembled*, 1. That the Congress of the United States be, and it is hereby memorialized to reject any and all efforts to obtain passage of any additional legislation by the terms of which money would be appropriated and made available to the States through grants-in-aid or otherwise for construction of schools and that the matter of school construction continue to be a responsibility of the several States and individual school districts thereof.

"2. That a copy of this resolution be sent to the President of the Senate and the Speaker of the House of Representatives of the United States, and to each of the United States Senators and Representatives from Nebraska.

"DWIGHT W. BURNEY,
"*President of the Legislature.*

"I, Hugo F. Srb, hereby certify that the above is a true and correct copy of Legislative Resolution 31, which was passed by the

Legislature of Nebraska in 68th regular session on the 24th day of May 1957.

"HUGO F. SRB,
"*Clerk of the Legislature.*"

By Mr. CURTIS:

A resolution of the Legislature of the State of Nebraska; to the Committee on Labor and Public Welfare:

"Legislative Resolution 27

"Whereas secondary boycotts are used by the officials of labor unions to bring economic pressure upon neutral employers or employees to compel workmen to join labor organizations, to force union members to switch their union affiliation, and to win collective bargaining contract demands; and

"Whereas organizational or 'racket picketing' is a technique used by some labor union officials to bring economic pressure upon an employer to make him force union membership on his employees; and

"Whereas secondary boycotts and racket picketing interfere with and disrupt the right of free collective bargaining and voluntary union membership guaranteed in section 7 of the Labor-Management Relations Act; and

"Whereas the 'hot cargo' clause in contracts of unionized carriers avoids the responsibility of these carriers in rendering adequate service to the general public; and

"Whereas the use of the secondary boycott by the teamsters union gravely affects the welfare of numerous Nebraska communities; and

"Whereas there is now pending in the Senate of the United States, S. 76, introduced by CARL T. CURTIS, of Nebraska, a bill to make illegal all forms of the secondary boycott and to outlaw racket picketing: Now, therefore, be it

"*Resolved by the members of the Nebraska Legislature in 68th session assembled*, 1. That the legislature respectfully memorializes the Congress of the United States to amend the Labor-Management Relations Act to end completely these types of unfair labor practices.

"2. That authenticated copies of this memorial be transmitted to the President of the Senate and the Speaker of the House of Representatives of the United States, to each of the United States Senators and Representatives from Nebraska, and to the Secretary of Labor of the United States in Washington, D. C.

"DWIGHT W. BURNEY,
"*President of the Legislature.*

"I, Hugo F. Srb, hereby certify that the above is a true and correct copy of Legislative Resolution 27, which was passed by the Legislature of Nebraska in 68th regular session on the 22d day of May 1957.

"HUGO F. SRB,
"*Clerk of the Legislature.*"

LETTER FROM WISCONSIN FEDERATION OF BUSINESS AND PROFESSIONAL WOMEN'S CLUBS

Mr. WILEY. Mr. President, I was pleased to receive this morning a letter from the State legislative chairman of the Wisconsin Federation of Business and Professional Women's Clubs, Mrs. Erna Romanik, of Milwaukee, expressing the deep conviction of that fine organization on behalf of the continuation of the Nation's program of mutual security and of economic and technical assistance by ourselves and through the United Nations.

I commend the letter to the attention of my colleagues. I ask unanimous consent that the letter be printed in the RECORD, to be preceded by a list of the able officers of the federation.

There being no objection, the letter, together with the list of officers, was ordered to be printed in the RECORD, as follows:

THE WISCONSIN FEDERATION OF BUSINESS AND PROFESSIONAL WOMEN'S CLUBS, INC.,
Milwaukee, Wis., May 25, 1957.

The Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: Our Wisconsin Federation of Business and Professional Women's Clubs, Inc., has, as part of its legislative platform, support of legislation within the framework of the United States Constitution to implement a foreign policy which promotes peace and national security.

Our platform promises to advance international economic development through technical assistance. As our Member in Congress and as a member of the Senate Foreign Relations Committee we are asking you to support the mutual security program. We also urge that the arbitrary ceiling of 33.3 percent on United States contributions to the United Nations technical assistance program be lifted.

Along with our National Federation, and other groups, which have surveyed the problem of foreign-aid assistance, we suggest that:

1. Programs should be based on an understanding of the problems of other peoples, and a continuing concern for their economic development.

2. Programs of technical and economic aid should be planned and administered according to the economic and social needs and opportunities. A long-term basis is needed in financing, programing, and administering aid programs.

3. A greater emphasis should be placed on the use of international agencies, such as regional organizations and the United Nations.

We urge your serious consideration and support of the Mutual Security Program as requested by President Eisenhower.

Sincerely,

MRS. ERMA ROMANIK,
State Legislation Chairman.

RESOLUTION OF HARTFORD, WIS., AMERICAN LEGION POST

Mr. WILEY. Mr. President, tomorrow will be Memorial Day. Tomorrow especially, therefore, is an appropriate occasion on which to remember those who have saved this Nation on the field of battle, although they should be remembered every day.

Unfortunately, all too often this country has tended to forget the price which America has paid for victory. It is a price reflected in the rows upon rows of white crosses in our military cemeteries. It is a price reflected in the wards of our veterans' hospitals, filled with the combat wounded of America's conflicts.

Regrettably, it is not very long after the guns have ceased firing that the images of sacrifices, the memories of mutilated bodies and minds, have tended to disappear.

We may see signs about us, the canes of the crippled, the crutches, the wheelchairs, the seeing-eye dogs of the blind, and other symbols of the tragedy of war, but too often too many Americans fail to realize that this is only a part of the price of victory.

Naturally, the organizations of America's ex-servicemen are deeply interested in making sure that this country does not forget—that on Memorial Day and on other days we remember.

I present a resolution which I have received from the John E. Courtney Post, No. 19, of the American Legion of Hartford, Wis., as conveyed by George A. Kolb. The resolution addresses itself to the problems posed by the Commission which had been headed by Gen. Omar Bradley, and which had been intended to make a study of America's program for its veterans.

I believe the resolution of this Legion post deserves the most serious consideration, as do similar expressions which I have heretofore submitted, and which I shall continue to bring to the attention of my colleagues.

America wants sound and efficient veterans' programs. It does not, however, want to be remiss in its obligations to those without whom the Stars and Stripes would not be flying tomorrow or any other day of the year above this fair land.

I ask unanimous consent that the resolution be printed in the RECORD, and thereafter appropriately referred.

There being no objection, the resolution was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Whereas there is presently before Congress the consideration of the Bradley Commission report; and

Whereas it has been the consistent policy of the people of the United States and its Representatives in Congress to adequately care for the veterans of the wars in which the United States has engaged, and the Bradley Commission in its report has recommended economy actions against the veterans of the United States and more directly against those who have suffered a wartime injury or disease incurred in line of duty; the more drastic provisions in this report being as follows:

1. Revise the VA's disability rating schedule with loss of earning power as the primary factor in determining the rating of disabled veterans. (In other words, if you have a steady job, no disability payments.)

2. Eliminate statutory awards to blind, limbless veterans and those with tuberculosis. (Special awards for loss of limb, eye, would be eliminated.)

3. Eliminate the presumptive service connections for certain diseases that appear after military service. (This means service connection will not be granted for conditions showing up within 1 year after service, such as heart disease, arthritis, etc.)

4. Grant non-service-connected pension only when aged or needy veterans do not qualify under social-security programs.

5. Limit non-service-connected pensions to widows who have children or who cannot themselves work; and

Whereas there has never been a policy established in the history of the United States for tax economy to be practiced against the veterans who earned a compensation while fighting in defense of his country: Now, therefore, be it

Resolved, That we, the members of the John E. Courtney Post No. 19 of the city of Hartford, Washington County, State of Wisconsin, are in complete opposition to the Bradley report and everything therein contained regarding the reduction or elimination of any veterans' benefits now in effect.

Jack Wirth, Lovell J. Martin, Blake F. Abbott, James J. Kolb, Norbert Schillinger, George A. Kolb, Fred Hesprech, H. O. Johnson, C. E. Nodolf, Walter Parent, Floyd Hughes, Norbert Breitkrentz, Harley J. Lichtenwalmer, William H. Uebele, Harry U. Onudon.

PANAMA CANAL: AN ENGINEER'S ANALYSIS OF THE SEA-LEVEL PROJECT

Mr. MARTIN of Iowa. Mr. President, in a statement to the Senate in the RECORD of April 16, 1957, I included letters from a number of experienced engineers and others associated in the construction of the Panama Canal. One of these was from George M. Wells, a distinguished graduate of the construction era, who, after leaving canal service in 1916, rose to high position in the engineering, construction, and industrial fields of the Nation.

Mr. Wells' canal career started in 1904. Thus, he observed the project throughout its entire planning and construction stages and helped to launch it into the era of permanent operation. Possessing a remarkably keen mind and habit of thorough investigation, he obtained an extensive knowledge of basic engineering-geological problems of the Panama Canal. Subsequently he followed closely important post-construction-era developments affecting the canal and thus kept his knowledge up to date.

During the past decade I often consulted with Mr. Wells concerning canal questions and gained a high respect for his ability, knowledge, and vision, especially as concerned the problem of modernizing the Panama Canal. It is with deep regret that I learned of his sudden death on May 3, 1957.

Fortunately, the essential points of his views on canal matters have been incorporated in various statements by me to both the House and Senate and in correspondence.

Through the courtesy of William R. McCann, of Hopewell, Va., a lifelong friend of Mr. Wells, I have just received a copy of one of his most illuminating letters of March 12, 1948, forwarded by him to Mr. McCann on February 18, 1957. As described by Mr. Wells, it is a "semi-engineering analysis" of the sea-level project and bears directly on section A of the letter of Gen. W. H. Rose, published in my statement to the Senate on April 16, 1957, page 5735 of the RECORD, which, together with Mr. Wells' letter, merits careful study.

Because of the extremely useful information that it contains relative to current canal discussions, I present for appropriate reference and ask unanimous consent to have printed at this point in the RECORD pertinent excerpts of the indicated 1948 letter of Mr. Wells.

There being no objection, the indicated excerpts of Mr. Wells' letter of 1948 were referred to the Committee on Interstate and Foreign Commerce and ordered to be printed in the RECORD, as follows:

MARCH 12, 1948.

I have given some thought to your suggestion or request that I might write at this time * * * an analysis or criticism of the proposed sea level project from the engineering standpoint.

Again, I have read carefully the official digest of Governor Mehaffey's report. There is little more, if any, of engineering disclosure than has appeared in the press. No basic or essential engineering data is given. The plates or the outlines of the proposed structures are limited to one dimension. If any project ever involved four dimensional problems, length, breadth, thickness, and time (sequence) in its engineering phases, this sea level dream does. To attempt to discuss such problems without the data, at least the more important data, available would be to write in most general terms and on many assumptions, that might not be involved in the recommended project.

I do find, however, for the first time that the report definitely proposes conversion to sea level from the existing Gatun Lake level and not by successive stages of lower levels, as the excavation progresses. This means subaqueous excavation to depths of over 150 feet. It means great earth work and rock flood controlling structures to be built in depths of water around 75 to 80 feet subsequently to be unwatered on the canal side. The plan as shown on plate 11 of the digest is so general and sketchy in form that I have difficulty in recognizing locations. This, notwithstanding, I personally directed in the field most all the detailed surveys of the territory involved lying north, east, and west of Gamboa, with the exception of the Caño and Frijoles Basins.

I also note on page 9 of the digest, last paragraph, the formal statement to the effect that the science of soil engineering has progressed so greatly in the years since we built the present canal that now the authorities on the canal can compute and establish the angles of permanently stable slopes in advance and thereby eliminate the slide specter, that otherwise would be unavoidable in the sea level project. This statement is startling in that, first, it gives a measure of the kind of thinking that to a great extent must be behind the engineering designs involved, and second, it seems to me deliberately intended to try to answer in advance the anticipated criticisms of the sea level project by those who are most competent to do so as a result of their years of experience on the original canal construction. Also the report infers or actually states that soil engineering as now understood would have saved millions of yards of unnecessary excavation in the period 1906–16.

As I was involved in many problems of so-called soil engineering not only on the canal and subsequently in the United States in many important engineering structures, I would like to discuss this phase of the digest.

The question here is one of soil mechanics. This divides into theoretical and applied soil mechanics and I believe it can be shown that all or practically all the basic principles or ideas in this field have been known and practiced by the profession for more than three-quarters of a century. During the past 25 years there has been a compilation of known data and theoretical analysis of the behavior of soils under different conditions of loading and stress, brought together in many leading works of recognized professors specializing in this field. Among such writers may be listed Terzaghi, Westergaard, Krynine, Casagrande, and many others.

The mechanics of soils as theoretically presented by such writers is a beautiful example of mathematical analyses, based on known principles, supplemented by extensive laboratory tests and research. These men and others have carried further afield into the realm of mathematics the basic theoretical principles first annunciated by the Frenchman Coulomb in the latter part of the 18th century and later by Rankine in 1856. These principles were in 1904–16, as they are today, the basis from which engineers work in dealing with the active and passive pressures of soils. In the application to a structural design they are empirical. In practice, stresses in earth masses are estimated based on experience. They are not computed through mathematical analyses of theoretical soil mechanics, which assume either (a) elastic isotropic and homogeneous soil, or (b) a homogeneous fragmented soil. In other words, to apply these equations of determination to Culebra formations, if you will, you must assume (as in (a) above) the soil structure to have the same physical properties in all directions at all times, and must have the same composition of particles throughout, or you must have (as in (b) above) a fragmented or granular mass having cohesion in its particles of uniform magnitude throughout.

Aside from all consideration of the above, we are primarily concerned at Panama with disturbing the present stable equilibrium of deep, geological strata, extending from Gatun to Miraflores, varying constantly in its geological and intimate soil characteristics, and in horizons of strata having primary and secondary faults and marked folding. To imagine the application of theoretical mathematical exercises to predict the angles of slopes of repose, at varying depths of such strata as cut away first and then drained from +87 feet mean sea level to zero is not even academic; it is absurd.

As we lately have often heard said, "Let's look at the record." If theoretical soil mechanics, or the late development of soil engineering has an ideal field for application, it lies in the determination of slopes and the controls of soil classifications in building great earth dams in the dry, or with dry and hydraulically classified materials. Yet what happened during the construction of the Fort Peck Dam on the Missouri River? What about San Gabriel Dam No. 2? What about the failure of Belle Fourche Dam in South Dakota? Also the Alexander Dam failure in the Hawaiian Islands?

All these dams, except the Belle Fourche Dam failed by sliding during construction. In the case of the great Fort Peck Dam, over 5 million cubic yards moved suddenly toward the reservoir and at such a rapid rate that lives were lost and the whole movement was over in 10 minutes. What happened? The shale and bentonite foundation sheared. Here we had as nearly homogeneous material to deal with as would normally be found; we had all the best engineering brains brought to bear on the design and yet the dam slopes slid out. We had rotation, in other words, and then horizontal movement. Yet this was in 1938, 32 to 22 years after our work at Panama was completed and after the development of the advances in soil mechanics referred to in the digest on the sea-level project.

And now the Belle Fourche failure. This was a case of a rapid drawdown of the water level during an extreme dry season. About 600 feet of the upstream slope, slumped and slid into the reservoir.

Such examples of the relatively present period where soil mechanics or engineering progress in the so-called new art or science did not prevent grave failures, should be sufficient answer to the claims on page 9 of the digest. It is not hard to understand why engineers of experience with canal conditions are aghast at the academic or seemingly impractical proposals recommended in the sea-level project. If failures of almost ideal structures are not uncommon, as exampled above, what may we expect in the unpredictable and unprecedented conditions at Panama. If failure occurs in the main slopes between Gamboa and Paraiso, as they most surely will, even during construction, we must proceed as in the first canal days; that is, keep on digging until stability at +87 feet of water level is reached. But when unwatering from +87 feet to sea level begins, it is, in my opinion, beyond all doubt that great movements of strata will take place. In addition to these hazards we will have the condition of the Belle Fourche Dam failure, but multiplied many times in the great flood-control embankments. The certainty that great areas of the slopes next to the canal may move down with the lowering of the lake level, is hardly debatable.

This will be further induced by the unbalancing of the floor of the valley between the canal and embankments, due to taking the load of 87-foot depth of water off the floor of the lake.

In closing, I must repeat I still cannot believe that any committee of the Congress, if properly advised, can be induced to recommend a sea-level canal at Panama. The unnecessary waste of unknown billions of moneys, the certainty of temporarily losing the existing passageway between the oceans with prolonged interruption to commerce, and, finally, the futility of it all if ever completed, in comparison with the existing canal, just does not make sense, in my opinion.

Yours cordially,

GEO. M. WELLS,
Consulting Engineer, Formerly With Isthmian Canal Commission.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCLELLAN, from the Committee on Government Operations, without amendment:

S. 1791. A bill to further amend the Reorganization Act of 1949, as amended, so that such act will apply to reorganization plans transmitted to the Congress at any time before June 1, 1959 (Rept. No. 386).

By Mr. McCLELLAN, from the Committee on Government Operations, with amendments:

S. 1941. A bill to authorize the payment by the Bureau of Public Roads of transportation and subsistence costs to temporary employees on direct Federal highway projects (Rept. No. 387).

By Mr. HUMPHREY, from the Committee on Government Operations, without amendment:

S. 1536. A bill to amend subsection 507 (a) of the Federal Property and Administrative Services Act of 1949, as amended (Rept. No. 388).

By Mr. HUMPHREY, from the Committee on Government Operations, with an amendment:

S. 434. A bill to provide for improved methods of stating budget estimates and estimates for deficiency and supplemental appropriations (Rept. No. 394).

(See the remarks of Mr. HUMPHREY when he reported the above bill, which appear under a separate heading.)

By Mr. CAPEHART, from the Committee on Government Operations, with amendments:

S. 806. A bill to authorize the Administrator of General Services to quitclaim all interest of the United States in and to certain lands located in Indiana to the State of Indiana and to the board of trustees for the Vincennes University, Vincennes, Ind. (Rept. No. 389).

By Mr. TALMADGE, from the Committee on Rules and Administration, without amendment:

H. R. 790. An act to amend the Legislative Appropriation Act, 1955, with reference to official office expenses of Members of Congress (Rept. No. 392);

H. R. 7234. An act to fix the responsibilities of certifying officers and disbursing officer of the Library of Congress (Rept. No. 393);

S. Con. Res. 30. Concurrent resolution to print a compilation of studies and reports on the foreign-aid program (Rept. No. 390);

S. Res. 139. Resolution to print additional hearings on S. 963, control of advertising on interstate highways; and

S. Res. 140. Resolution authorizing the printing of additional copies of Senate Report No. 180, 85th Congress, 1st session, entitled "Juvenile Delinquency" (Rept. No. 391).

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon, pursuant to law.

IMPROVED METHODS OF STATING APPROPRIATION ESTIMATES—REPORT OF A COMMITTEE

Mr. HUMPHREY. Mr. President, from the Committee on Government Operations, I report favorably, with an amendment, the bill (S. 434) to provide for improved methods of stating budget estimates and estimates for deficiency and supplemental appropriations, and I submit a report (No. 394) thereon. The bill was introduced by the Senator from Massachusetts [Mr. KENNEDY] (for himself, Mr. PAYNE, Mr. BYRD, Mr. BRIDGES, Mr. McCLELLAN, Mr. JACKSON, Mr. SYMINGTON, Mr. HUMPHREY, Mr. THURMOND, Mr. McCARTHY, Mr. MUNDT, Mrs. SMITH of Maine, Mr. COTTON, Mr. MARTIN of Iowa, Mr. ALLOTT, Mr. ANDERSON, Mr. BARRETT, Mr. BEALL, Mr. BENNETT, Mr. BIBLE, Mr. BUSH, Mr. BUTLER, Mr. CAPEHART, Mr. CARLSON, Mr. CASE of New Jersey, Mr. CASE of South Dakota, Mr. CHAVEZ, Mr. CURTIS, Mr. DIRKSEN, Mr. FLANDERS, Mr. GREEN, Mr. HOLLAND, Mr. HRUSKA, Mr. IVES, Mr. LAUSCHE, Mr. MAGNUSON, Mr. MARTIN of Pennsylvania, Mr. MONRONEY, Mr. MORTON, Mr. POTTER, Mr. PURTELL, Mr. ROBERTSON, Mr. SALTONSTALL, Mr. SMITH of New Jersey, Mr. SPARKMAN, Mr. TALMADGE, Mr. THYE, Mr. WATKINS, Mr. WILLIAMS, and Mr. CARROLL).

This bill authorizes the President to convert the appropriation estimates of the executive agencies of the Government to an annual accrued expenditure basis wherever such a transformation in the budgetary process is conducive to better fiscal control, improved financial management and economy in Government operations.

I invite the Senate's attention to the fact that the President on four separate occasions has requested this authority. In his last statement, a letter to the Speaker of the House of Representatives, April 18, 1957, on holding Federal expenditures to a minimum, he specifically urged the Congress to "enact bills approved by the administration to implement Hoover Commission recommendations, such as the authorization of appropriations on the basis of annual accrued expenditures."

In addition, at hearings held by the Subcommittee on Reorganization of the Committee on Government Operations, the Secretary of the Treasury, the Director of the Bureau of the Budget, and the Comptroller General of the United States strongly recommended the enactment of this legislation as a means of, first, improving financial management within the executive branch; and second, strengthening the Congress' control over expenditures by the executive agencies.

As noted, the bill directly implements the Hoover Commission's recommendations for improved fiscal control.

In stating budget estimates on an annual accrued expenditure basis, the executive agencies would present their estimates for the fiscal year on the basis of expenditures actually to be made or to be accrued that fiscal year only—and not for expenditures to be made in subsequent fiscal years, as frequently occurs under the present appropriations system.

It is fully recognized by the committee that if appropriations for long lead-time programs, such as the building of an aircraft carrier, are converted to the annual accrued expenditure basis, authority must be provided in the dollar amount required for forwarding contracting beyond the current budget year in which the program is started. The committee amendment, therefore, authorizes the Appropriations Committees to grant contract authority to the executive agencies where necessary for the forward planning of long lead-time programs.

It is also recognized that a change of this magnitude in appropriations procedures should not be approached on a governmentwide basis, but on the basis of individual appropriations where such a transformation is warranted by the budgetary situation in each Federal agency. The President, therefore, is given the broadest discretion as to implementation of the authority granted by this bill.

The Senate endorsed this proposal last year when, on June 20, 1956, it unanimously approved S. 3897, which contained the identical objectives of the present bill, S. 434, together with other improvements in the Government's financial operations. However, the section relating to budget estimates was stricken by the House of Representatives when it acted on S. 3897.

In conclusion, I should like to emphasize that this bill not only has the endorsement of the highest financial officers of the Government, but also that of the foremost economists of the Nation who recommend its enactment into law. I urge its early consideration by the Senate.

This is a bill which is introduced by our illustrious and esteemed colleague, the Senator from Massachusetts [Mr. KENNEDY]. It is a bill which is an administration proposal, and a bill which is supported by the junior Senator from Minnesota, all the members of his subcommittee, and of the full committee. I ask that the bill be printed and that the report be printed, and that the bill be placed on the calendar.

The VICE PRESIDENT. The report will be received, and the bill will be placed on the calendar.

PRINTING OF ADDITIONAL COPIES OF "REPORT ON THE DEVELOPMENT OF SCIENTIFIC, ENGINEERING, AND OTHER PROFESSIONAL MANPOWER"—REPORT OF A COMMITTEE

Mr. HUMPHREY. Mr. President, from the Committee on Government

Operations I report an original resolution and ask for its immediate consideration.

This resolution would authorize the printing of 7,000 additional copies of a report entitled "Report on the Development of Scientific, Engineering, and Other Professional Manpower." The report was prepared by the Legislative Reference Service of the Library of Congress, under the direction of Dr. Charles A. Quattlebaum, specialist in education, at the request of three subcommittees of the Senate and the House and other Members of Congress.

The adoption of the resolution is necessary because the Joint Committee on Atomic Energy and the House Committee on Education and Labor have already utilized most of the funds available to the Joint Committee on Printing for the printing of copies required for the use of those committees. My own interest in this problem is one of long standing. From my own background work on the subject, I know the report will elicit a large nationwide demand. As chairman of the Subcommittee on Reorganization, I therefore requested the chairman of the Committee on Government Operations to submit the subject resolution to the members of the committee for their approval. Upon the poll of the committee, at the direction of the chairman, there has been unanimous approval of the resolution.

The urgency in requesting immediate consideration is due to the fact that the printing of the report, which is now in page form, has been held up in order that the 7,000 additional copies authorized by the resolution might be printed simultaneously with the other copies to be furnished to the other participating committees.

The cost of the additional copies authorized by the resolution is within the $1,200 limitation required under the Senate rules, and it will not therefore be necessary to have the concurrence of the House of Representatives.

Mr. President, the resolution is self-explanatory. As I indicated earlier, the resolution has been cleared with the Committee on Rules and Administration, with the majority leader, and the minority leader, and with both Republican and Democratic ranking members of the committee. It has the unanimous approval of the committee.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The resolution (S. Res. 142) was read, as follows:

Resolved, That there be printed 7,000 additional copies of the report entitled "Report on the Development of Scientific, Engineering, and Other Professional Manpower," prepared by the Legislative Reference Service of the Library of Congress. Such additional copies shall be for the use of the Senate Committee on Government Operations.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered, and agreed to.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HILL:

S. 2173. A bill to promote safety in transportation by motor vehicle in interstate commerce by assisting the States to establish programs for driver education; to the Committee on Labor and Public Welfare.

By Mr. SMITH of New Jersey:

S. 2174. A bill for the relief of Miklos Gervay; to the Committee on the Judiciary.

By Mr. IVES:

S. 2175. A bill to provide for the registration and reporting of employee welfare and pension benefit plans, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. RUSSELL:

S. 2176. A bill to amend the Agricultural Adjustment Act of 1938, as amended, to establish a certificate and domestic parity plan for upland cotton, to enable the American cotton farmers to farm and secure a fair return from the users of their products for their labor and investment, to preserve the historical relationship of cotton and competing fibers in domestic markets in the interest of the general welfare, and for other purposes; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. RUSSELL when he introduced the above bill, which appear under a separate heading.)

By Mr. McCLELLAN (by request):

S. 2177. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes; to the Committee on Government Operations.

(See the remarks of Mr. McCLELLAN when he introduced the above bill, which appear under a separate heading.)

By Mr. BEALL:

S. 2178. A bill for the relief of Mihail Zanakis; to the Committee on the Judiciary.

By Mr. YOUNG:

S. 2179. A bill to amend the Soil Bank Act so as to authorize the maintenance of wetlands in the conservation reserve program; to the Committee on Agriculture and Forestry.

By Mr. WATKINS:

S. 2180. A bill for the relief of Jean Joseph Cypers; to the Committee on the Judiciary.

By Mr. GOLDWATER:

S. 2181. A bill for the relief of Theodore Tanaka Smith; to the Committee on the Judiciary.

By Mr. DIRKSEN:

S. 2182. A bill for the relief of George E. Kitriniari and Demetrouia E. Kitriniari; to the Committee on the Judiciary.

By Mr. MURRAY:

S. 2183. A bill to amend the act of August 2, 1956 (70 Stat. 940), providing for the establishment of the Virgin Islands National Park, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HUMPHREY:

S. 2184. A bill to amend the Small Business Act of 1953 to direct the Small Business Administration to make extensive, comprehensive, and continuing studies of certain problems of small business and to file semiannual reports on the results of such studies; and

S. 2185. A bill to amend the Small Business Act of 1953 to authorize the Small Business Administration to make loans to local private nonprofit organizations formed to assist, develop, and expand the economy of the area; to the Committee on Banking and Currency.

(See the remarks of Mr. HUMPHREY when he introduced the above bills, which appear under a separate heading.)

By Mr. DOUGLAS:

S. 2186. A bill for the relief of Martin Albert; and

S. 2187. A bill for the relief of Josef Winter; to the Committee on the Judiciary.

By Mr. IVES:

S. 2188. A bill for the relief of George Pierre Saviolidis, Ethel Saviolidis, his wife; and William Saviolidis, his son; to the Committee on the Judiciary.

RESOLUTION—PRINTING OF ADDITIONAL COPIES OF REPORT ON THE DEVELOPMENT OF SCIENTIFIC, ENGINEERING, AND OTHER PROFESSIONAL MANPOWER

Mr. HUMPHREY, from the Committee on Government Operations, reported an original resolution (S. Res. 142) to print additional copies of the "Report on the Development of Scientific, Engineering, and other Professional Manpower," which was considered and agreed to.

(See resolution printed in full where it appears under the heading "Reports of Committees.")

A NEW FARM PROGRAM FOR COTTON

Mr. RUSSELL. Mr. President, I introduce a bill for appropriate reference.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2176) to amend the Agricultural Adjustment Act of 1938, as amended, to establish a certificate and domestic parity plan for upland cotton, to enable the American cotton farmers to farm and secure a fair return from the users of their products for their labor and investment, to preserve the historical relationship of cotton and competing fibers in domestic markets in the interest of the general welfare, and for other purposes, introduced by Mr. RUSSELL, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

Mr. RUSSELL. Mr. President, this bill undertakes to establish a new farm program for cotton. I shall not at this time go into a detailed discussion of the provisions of the bill. A similar bill will be introduced in the other body today by Representative WHITTEN, of Mississippi.

I should like to make one brief observation. We have tried plan after plan to deal with the most acute situation which affects any segment of American life, namely, the situation affecting the farming interests of this Nation.

The farmer is still in a very unenviable position when compared with other segments of American life, which enjoy great benefits and a high standard of living.

I have watched farm programs come and go. We have tried plan after plan for dealing with this problem. I am convinced that we shall never be able satisfactorily to solve the farm problem merely by means of payments from the Treasury of the United States, or by adopting programs which lead to large disbursements from the Treasury because of losses which are incurred in their operation.

We have already experienced a revulsion of opposition to such large expenditures from the Treasury. It was reflected in the vote taken in the other body within recent weeks, dealing with the soil bank program, which was our most recent effort. Any program which depends upon large payments from the Treasury will encounter opposition in varying degree from year to year, and cannot be considered a stable program.

The bill which I am introducing is somewhat similar to one which I urged upon the Senate when we last considered a general agricultural bill. It would adopt a two-price system of certification, which would assure the farmer full parity of income on the cotton which is used domestically within the United States.

It would do away with all acreage allotments and all payments from the National Treasury, and would adopt a program which would allow the farmer to exist without being compelled to come to the United States Treasury every year like a mendicant, with his cup in his hand, to secure large appropriations.

I am certain that a similar program could be applied to our other great export commodity, wheat. I do not undertake to deal with it in this bill, deferring to the initiative of Senators representing the great wheat growing States. They proposed and procured adoption in the Senate of a similar program with respect to wheat when the general agricultural bill was pending last year.

I ask unanimous consent that there be printed in the RECORD at this point as a part of my remarks a statement relating to the bill and a brief outline of its general provisions.

There being no objection, the statement and outline were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR RICHARD B. RUSSELL, OF GEORGIA, AND CONGRESSMAN JAMIE L. WHITTEN, OF MISSISSIPPI, CHAIRMEN, RESPECTIVELY, OF AGRICULTURAL APPROPRIATIONS SUBCOMMITTEES OF THE SENATE AND HOUSE

We are introducing the attached bill, which would establish a new farm program for cotton. We have attempted to recognize and meet on a fair basis existing problems of the cotton farmer, though of course there is no perfect answer to the farm problem. In preparing this measure, we have had the full cooperation of the Office of the General Counsel of the Department of Agriculture.

To determine the relative merits of this measure, which would require no financing from the Treasury, it should be compared with:

Existing law, with its acreage controls—which have proven self-defeating—with the production of basic commodities flowing into and out of the Commodity Credit Corporation, the Government paying the difference between the domestic support price and that at which such commodities are sold in world trade; and

The Brannon-Benson plan for compensatory payments where the difference between farm income and a fair income would be paid direct from the Federal Treasury.

We would point out that this Brannan-Benson approach has one significant defect. It would make the farmer dependent for part of his cost and all his profit on annual direct appropriations of the Congress. The level of the farmer's income would then be subject to the strong economic and political pressures which develop from year to year. For the farmer to rely upon any such program would be exceedingly risky, since 87 percent of the American people, whom the Congress represents, are nonfarmers.

The principle of protecting a farm program, deemed essential to the general welfare, from being destroyed by competition which might take advantage of the farm law itself, as provided in this bill, is the same as that which supports section 22 of the Agricultural Adjustment Act, which authorizes the President to prevent the destruction of farm programs by foreign competition by imposing a tariff or even an embargo.

To meet the problem of preventing advantage to either cotton or synthetics, the greater part of which are made from farm products, from the operations of such law, the Secretary should exercise discretion similar to that he exercised in past years in providing price-support levels for soybeans and cottonseed.

One major improvement contained in this bill is that the price would be the world price, and the support price provided in this bill would be the world price plus that added to offset American costs. This would leave no basis at all for complaints at United States production moving in world trade competitively.

This measure is being offered as a possible solution, so that it may have the consideration of the Congress and interested farmers and farm groups. We had hoped to prepare bills providing the same approach for other commodities; but time has not permitted us to do that. However, such approach could be expanded to include other commodities.

GENERAL PROVISIONS OF BILL ON COTTON, INTRODUCED BY SENATOR RUSSELL, OF GEORGIA, AND CONGRESSMAN WHITTEN, OF MISSISSIPPI

1. Acreage allotments would be eliminated and no restrictions would be placed on the number of acres which could be planted.

2. Cotton would move from the farm through the channels of the trade in this country at world prices. By means of a certificate system, farmers would receive an additional amount on their share of the domestic consumption to offset the high cost of producing American cotton.

3. The domestic quota would be established and distributed to States, counties, and farms, based on the 5-year average production, 1952–57. Adjustments are provided for abnormal weather conditions and for minimum farm quotas for farms having 4 acres or less.

4. Certificates representing each farm's share of the domestic quota would be issued to the persons sharing in the cotton produced on each farm. Manufacturers of synthetics similar to cotton would purchase certificates from CCC.

5. The certificates would be used to identify cotton coming within the domestic quota, as well as synthetic materials similar to cotton.

6. Domestic processors or manufacturers would be required to purchase certificates for all cottons and synthetics similar to cotton equal to the quantity of the raw cotton or synthetic used. A system of rebates for textile exports is provided for.

7. Imported textiles would have to be covered by certificates in the amount of raw cotton or synthetic equivalent in those products.

8. The value of the certificates would be equal to the difference between the world price and an amount to be determined by the Secretary of Agriculture, which would offset the higher cost of American production of cotton resulting from other laws, contracts, or regulations.

9. Price support on the domestic quota would be available through loans. The loan level would be the world price as determined by the Secretary of Agriculture, plus the amount added for the higher cost for American production.

10. Cotton acquired by CCC in price support operations would be offered for export sale at competitive world prices.

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

Mr. McCLELLAN. Mr. President, I introduce, for appropriate reference, a bill to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes. This bill is introduced at the request of the Administrator of General Services as a part of the GSA's legislative program for 1957.

I ask unanimous consent to have printed in the RECORD at this point a copy of a letter addressed to the President of the Senate by the Administrator of General Services, together with a sectional analysis of the proposed legislation, which were referred to the Committee on Government Operations.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter and sectional analysis will be printed in the RECORD.

The bill (S. 2177) to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes, introduced by Mr. McCLELLAN (by request), was received, read twice by its title, and referred to the Committee on Government Operations.

The letter and sectional analysis are as follows:

GENERAL SERVICES ADMINISTRATION,
Washington, D. C., May 17, 1957.

Hon. RICHARD M. NIXON,
President of the Senate,
Washington, D. C.

MY DEAR MR. PRESIDENT: There is forwarded herewith a draft of legislation, "To amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes," together with a sectional analysis thereof.

This proposal is part of GSA's legislative program for 1957, and it is recommended that it be enacted by the Senate. It would amend the Federal Property and Administrative Services Act of 1949, as amended, by: (1) Authorizing any Federal agency head to permit the destruction of any records under his control beyond the continental limits of the United States, when it appeared that the retention of such records would imperil the security or be prejudicial to the interests of the United States, under specified conditions; (2) authorizing any Federal agency head to permit the destruction of records under his control within the continental limits of the United States, when it appeared that their retention would imperil the security of the country because of the imminence of hostile action at the place where the records are located; and (3) requiring the submission of a written report to GSA of a summary of the records so destroyed.

This proposal would also amend the Contract Settlement Act of 1944, as amended, to permit the destruction of records of war contractors under present statutory provisions notwithstanding retention provisions contained in the individual contracts.

The enactment of this proposal would not involve the expenditure of Federal funds.

The Bureau of the Budget has advised that there is no objection to the submission of this proposed legislation to the Senate.

Sincerely yours,

FRANKLIN G. FLOETE,
Administrator.

SECTIONAL ANALYSIS

Subsection (a): Emergency destruction of records and reports thereof.

Subsection (a) of the draft bill would amend section 506 of the Federal Property and Administrative Services Act of 1949, as amended, by designating subsection (g) as subsection (h) and by adding a new subsection (g) as set forth in subsection (a) of this proposed legislation. Subsection (a) of this proposed bill is divided into three paragraphs. The first two set up in standards under which records may be destroyed (1) beyond, and (2) within, the continental limits of the United States. Paragraph (3) provides for making reports of such destruction.

Paragraph (g) (1) of this bill would authorize the head of any Federal agency to delegate authority to proper officials for the purpose of carrying out the functions set out in this proposed bill. Thus, the head of any agency could issue instructions to the senior official in charge of any Government activity beyond the continental limits of the United States to destroy any or all Government records under his control when it became necessary.

Such destruction could only take place because of the existence of a state of war or the imminence of hostile action at the place where the records are located. It is intended that hostile action connote not only action of an enemy or showing the disposition of an enemy, but also action manifesting ill will, unfriendliness, malevolence, or an antagonistic desire to injure.

It is believed that the language of this bill is adequate to permit the destruction of records in case of rebellion, an armed insurrection, a civil war, riots, or any other commotion which might threaten the security, safety, capture, or compromise of the records of the United States.

It will be observed that the right to destroy is not limited to classified records but includes any records which broadens the scope of the act and would permit the official in charge of such records the use of discretion in determining which records should be preserved or destroyed.

Paragraph (g) (2) of this proposed legislation would authorize the head of any Federal agency to delegate authority to the senior official in charge of records, located at any point within the continental limits of the United States, to destroy such records under conditions where it appeared that the retention of such records might imperil the security of the United States.

Your attention is invited to the fact that the imminence of hostile action must occur at the place where the records are located prior to such destruction. The word "hostile" is used in the same broad sense as described above.

Paragraph (g) (3) provides, that subsequent to the destruction of such records that a report will be made to the Administrator of General Services.

After considerable discussion of this point with various Government agencies, which would be affected by this legislation, it was determined that in the event of war the requirement for the submission of this report within 1 year might work a hardship on the reporting agency. Therefore, the time within which such report should be made was left open.

It is believed that these reports should not only be made to the head of the affected Federal agency but that there should be a central depository for such reports within the Government. Under the terms of the Federal Property and Administrative Services Act of 1949, as amended, it clearly appears that the Administrator of General Services is the proper person who should assume the responsibility of correlating such reports. It is not contemplated that these reports should be in minute detail as it is recognized that the reports would be made a considerable time after the destruction and that such destruction would occur under emergency conditions.

The Administrator of General Services would not be concerned or interested in the details of classified material from other agencies but would merely wish to preserve a record of the broad outlines of what was destroyed on a given date.

Provision is made in this subsection for the Administrator of General Services to issue regulations covering such reports. These regulations would be issued after consultation with affected agencies and with due regard to the program activities of the agencies concerned. It is believed that the issuance of broad overall regulations of GSA, which would permit the head of each Federal agency to issue specific regulations to their officials, would result in a more uniform documentation of the records which would be destroyed under the provisions of this amendment.

Subsection (b): Repeal of section 11 of an act entitled "An act to provide for the disposal of certain records of the United States Government," approved July 7, 1943 (57 Stat. 382, as amended, 44 U. S. C. 376).

Subsection (c): An amendment of the Contract Settlement Act of 1944, as amended.

Subsection (c) of the bill would amend section 19 (a) of the Contract Settlement Act of 1944, as amended, by authorizing the destruction of records of war contractors "notwithstanding any provisions included in the individual contracts or subcontracts regarding periods of retention of records." This amendment seeks to aid many war contractors who find themselves saddled with a tremendous number of war contracts which could be disposed of under existing law if it were not for the fact that such individual contracts contain provisions prohibiting their disposition for a certain number of years. It appears that these war contractors should be granted relief from this situation and permitted to dispose of these records under existing law.

An example of the hardship on war contractors may be illustrated by pointing out that one war contractor is now compelled to devote 78,000 cubic feet of space for the storage of war contracts which might be disposed of under existing law but which must be retained due to the fact that the contracts themselves include a provision requiring that the contracts be retained for a number of years in excess of the time required by existing laws.

AMENDMENT OF SMALL BUSINESS ACT OF 1953, AS AMENDED

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, two bills to amend the Small Business Act of 1953, as amended. I wish to explain these proposals and my reasons for introducing them.

The first measure would direct the Small Business Administration to make studies on the broad and basic problems of small business, to issue detailed reports to the Congress twice a year as to the studies it has undertaken, and also to make comments and recommendations which it may deem appropriate.

There is nothing in the present act which forbids the SBA from making such studies, but the record clearly indicates that the Small Business Administration has not made significant strides in studying the basic problems of small business. The semiannual SBA reports and the various publications it has put out, while excellent so far as they go, do not get down to the basic issues and problems involved. This is perhaps understandable in view of the relatively short time that the CBA has been in existence. It has had to devote its major efforts to getting the more immediate and pressing operations under way. But I think that the time has come for the Small Business Administration to expand its program, to consider and study the long-range problems faced by small business, and to report to the Congress as to its findings, conclusions, and recommendations. If small business is to remain vigorous and healthy, specific thought and attention must be given to the problems it faces and solutions must be sought.

The second measure I am introducing today would authorize the SBA to make loans to private and nonprofit development groups which have been established in various parts of the country. Local industrial foundations and municipal and State development credit corporations are serving an excellent purpose in promoting business development and in particular assisting many small-business firms in their growth. The record of such development corporations to date attests to the fine job they are doing, even though such work has been rather limited in scope due to lack of funds.

It is my understanding that the Small Business Administration has, in a handful of cases, made loans to development corporations, but only when a specific small-business firm was to be the recipient of the funds lent by SBA to such development group. SBA has been necessarily limited in making these loans due to the language of the present Small Business Act.

I am in full accord with SBA's desire to assist these development groups. My bill would spell out in precise language the authority of the SBA to make loans to development corporations and thereby remove the roadblock which SBA faces in its present efforts to be of assistance in this important field.

Mr. President, I am happy to join with Representative FRANK COFFIN in introducing this legislation. His companion bills in the House of Representatives are H. R. 5651 and H. R. 5693.

Mr. President, I ask unanimous consent that the bills may be printed in the RECORD.

The VICE PRESIDENT. The bills will be received and appropriately referred; and, without objection, the bills will be printed in the RECORD.

The bills, introduced by Mr. HUMPHREY, were received, read twice by their titles, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

S. 2184. A bill to amend the Small Business Act of 1953 to direct the Small Business Administration to make extensive, comprehensive, and continuing studies of certain problems of small business and to file semiannual reports on the results of such studies; and

S. 2185. A bill to amend the Small Business Act of 1953 to authorize the Small Business Administration to make loans to local private nonprofit organizations formed to assist, develop, and expand the economy of the area.

The bills referred to are as follows:

S. 2184

A bill to amend the Small Business Act of 1953 to direct the Small Business Administration to make extensive, comprehensive, and continuing studies of certain problems of small business and to file semiannual reports on the results of such studies

Be it enacted, etc., That the Small Business Act of 1953, as amended, is hereby amended by adding the following new section:

"226. (a) The Administration is directed to make extensive, comprehensive, and continuing studies to accomplish the following aims: (1) To identify and define the principal problems which affect or may affect the growth, stability, and competitive strength of the small-business segment of the economy, (2) to identify both the strengths and weaknesses inherent in small-business concerns, (3) to identify the fields of endeavor in which small business is best equipped to compete and prosper, (4) to gather information which can be used by small business to improve its competitive strength and to expand its contribution to the national economy, and (5) such other objects as the Administrator may deem desirable in the interests of small business. In making such studies the Administration shall distinguish and give separate consideration to the problems of small-business concerns engaged in the manufacturing or distributive or service trades. The Administration also shall give consideration to, among others, the effect on such small-business concerns of inflation and deflation, availability of credit, availability of materials and supplies, cost factors, labor problems, management and personnel problems, the development of new manufacturing techniques and equipment, the development of new merchandising methods, research and development problems, automation, nationwide distribution, advertising, atomic development, foreign competition, Government regulation including the activities of regulatory agencies, taxes, and any other factors which may affect the competitive strength and growth of small business.

"(b) In making such studies the Administration is authorized and directed: (1) to utilize on a reimbursable basis the information, services, and facilities of any Government agency, and (2) to employ by contract private persons and organizations to conduct appropriate studies, perform research or direct programs determined by the Administration to be necessary and appropriate under subsection (a) of this section.

"(c) The Administration shall make a report on December 31 and June 30 of each year to the President, the President of the Senate, and the Speaker of the House of Representatives on the activities conducted by the Administration under this section. Such report shall include a description of studies undertaken by the Administration pursuant to this section, a detailed description of the results of such studies as they are available, a statement of future programs and studies planned by the Administration and such other information, comments, and recommendations as the Administrator may deem appropriate."

S. 2185

A bill to amend the Small Business Act of 1953 to authorize the Small Business Administration to make loans to local private nonprofit organizations formed to assist, develop, and expand the economy of the area

Be it enacted, etc., That section 207 of the Small Business Act of 1953, as amended, is hereby amended by adding the following new subsection:

"(c) The Administration is empowered to make loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) to local private nonprofit organizations (including industrial foundations, development credit corporations, or similar groups) formed to assist, develop, and expand the economy of the area: *Provided, however*, That all such loans shall be of such sound value or so secured as reasonably to assure repayment: *And provided further*, That no such loans including renewals and extensions thereof may be made for a period or periods exceeding 20 years."

AMENDMENT OF MUTUAL SECURITY ACT OF 1954—AMENDMENT

Mr. SMATHERS submitted an amendment, intended to be proposed by him, to the bill (S. 2130) to amend further the Mutual Security Act of 1954, as amended, and for other purposes, which was referred to the Committee on Foreign Relations, and ordered to be printed.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. MURRAY:

Correspondence with the Department of the Interior regarding the development of Indian resources.

NOTICE OF CONSIDERATION OF NOMINATION OF LOFTUS E. BECKER TO BE LEGAL ADVISER OF THE DEPARTMENT OF STATE

Mr. GREEN. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today the nomination of Loftus E. Becker, of New York, to be legal adviser of the Department of State, vice Herman Phleger, resigned.

Notice is given that the nomination will be eligible for consideration by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. MCCLELLAN. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

John F. Barr, of West Virginia, to be United States marshal for the northern district of West Virginia, for a term of 4 years, vice Irl E. Thomas, deceased.

Hartwell Davis, of Alabama, to be United States attorney for the middle district of Alabama, for a term of 4 years. Reappointment.

Wendell A. Miles, of Michigan, to be United States attorney for the western district of Michigan, for a term of 4 years. Reappointment.

Clinton G. Richards, of South Dakota, to be United States attorney for the district of South Dakota, for a term of 4 years. Reappointment.

James L. May, of Alabama, to be United States marshal for the southern district of Alabama, for a term of 4 years. Reappointment.

William W. Kipp, Sr., of Illinois, to be United States marshal for the northern district of Illinois, for a term of 4 years. Reappointment.

On behalf of the Committee on the Judiciary notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Wednesday, June 5, 1957, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

NOTICE OF HEARING ON NOMINATION OF ROBERT VAN PELT TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF NEBRASKA

Mr. HRUSKA. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, June 6, 1957, at 10 a. m., in room 424, Senate Office Building, upon the nomination of Robert Van Pelt, of Nebraska, to be United States district judge for the district of Nebraska, vice John W. Delehant, retired.

At the indicated time and place all persons interested in the above nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from North Carolina [Mr. ERVIN], the Senator from Arkansas [Mr. MCCLELLAN], and myself, as chairman.

SUPPORTERS OF HELLS CANYON PROJECT

Mr. GOLDWATER. Mr. President, during recent weeks we have heard a great deal about the large number of people in the Pacific Northwest who are supposed to be supporting the high dam project in Hells Canyon. It has been claimed by some that its supporters number as many as two and a half million.

It is interesting to note that at a recent meeting of the Hells Canyon Association fewer than 30 people attended. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article on this subject from the Spokesman-Review, of Spokane, Wash.; also an article from the Washington Voter, of Spokane, Wash., giving a list of contributors to the National Hells Canyon Association.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Spokane (Wash.) Spokesman-Review of May 4, 1957]

A FEW HELLS CANYONERS PRESSURE THE SENATE

Leaders of the Hells Canyon Association are now conducting a letterwriting campaign, with the faint hope that Congress will authorize this year a high Federal Hells Canyon Dam.

Congress has refused that authorization, time and again both directly and indirectly.

Last year the bill was defeated in the Senate by a vote of 41 to 51.

Since then the United States Supreme Court has upheld the Federal Power Commission license for private construction of three power dams in that part of the Snake River. The Hells Canyoners are still trying to block that development, now under way, by an act of Congress that in no way assures the Northwest of any Federal construction or any more power in the immediate future.

Yet among the specious arguments now being advanced by the promoters of the oft-rejected, oft-proposed Federal high dam is this one by the president of the National Hells Canyon Association. He wrote in an open letter last month: "It must be made clear to Congressmen from other parts of the United States that our whole region has issued a mandate for the construction of Hells Canyon Dam."

The enthusiasm of members of this association, which has claimed a backing of more than 2,500,000 people in the Pacific Northwest, was well illustrated just the other day.

At Lewiston, the Idaho-Washington-Oregon tri-State division of the National Hells Canyon Association held its annual meeting. The leaders issued glowing statements with their old familiar catch phrases.

Less than 30 persons attended this annual session. They are still hoping that distant Senators and Congressmen will believe them when they say that "our whole region has issued a mandate for the construction of Hells Canyon Dam."

[From the Spokane (Wash.) Voter of December 1956]

DUBINSKY, TVA, CO-OPS, AND PUBLIC POWER SLUSH FUND

It is a matter of record that Dubinsky's Ladies' Garment Workers' Union of America, Walter Reuther's Auto Workers, the Amalgamated Clothing Workers Union, the National CIO and AFL, and David McDonald's Steel Workers gave a total of $15,200 toward the financing of the Hells Canyon Dam Association.

This public-power group, everlastingly shouting against any private-power hydroelectric endeavor in the Pacific Northwest, use, as part of their untrue, tiresome tirade, the old motheaten bromide that they speak for the grassroots opinion in this region.

No matter how thin this claim is sliced, it is still baloney when one considers that 5 large international unions gave over 4 times as much money in support of the queer ideologies of the Hells Canyon group as did the individual contributors to the association.

The record shows that out of a total of $111,196.71 collected by the association, in a 2-year period, only $3,784.68 was contributed by individuals.

In the final analysis, individuals are considered the real source of grassroots opinion, not organized-labor groups, Government corporations, such as TVA, or hot fuses like the National Rural Electric Cooperative Association (not to be confused with REA), the American Public Power Association, and the National Farmers' Union.

Following is a complete list of donors to the Hells Canyon Dam Association covering the period noted. This list was issued over the signature of Mr. J. T. Marr, executive secretary of the Oregon State Federation of Labor, and president of the National Hells Canyon Dam Association.

Contributions to the National Hells Canyon Association

[From June 1953, through Aug. 12, 1955]

Labor:	
Oregon State Federation of Labor	$3,747.50
Washington State Federation of Labor	2,400.00
Idaho State Federation of Labor	700.00
Oregon State CIO	1,000.00

Contributions to the National Hells Canyon Association—Continued

Labor—Continued	
Brotherhood of Railway Carmen	$115.00
UAW-CIO	4,000.00
Washington State CIO	25.00
Mine, Mill and Smelter Workers	200.00
Montana State Federation of Labor	500.00
International Association of Bridge, Structural and Ornamental Iron Workers	2,000.00
CIO	5,000.00
International Brotherhood of Boilermakers	1,500.00
International Brotherhood of Pulp, Sulphite and Paper Mill Workers	1,800.00
International Association of Machinists	4,500.00
Sheet Metal Workers International Association	250.00
International Union of Operating Engineers	5,000.00
The Order of Railroad Telegraphers	500.00
International Brotherhood of Paper Makers	950.00
Lodge No. 1374, I. A. of M.	400.00
United Packinghouse Workers of America, CIO	100.00
Brotherhood of Railway and Steamship Clerks	500.00
Wood, Wire and Metal Lathers International Union	100.00
International Ladies' Garment Workers' Union	2,000.00
Amalgamated Clothing Workers	700.00
United Steelworkers	2,500.00
International Hod Carriers and Common Laborers	1,000.00
Rocky Mountain District Council of Carpenters	220.00
United Association of Plumbers	500.00
Operative Plasterers' and Cement Masons' International Association	250.00
United Brotherhood of Carpenters	3,500.00
Brotherhood of Painters	500.00
Hoisting and Portable Engineers, Local 701	500.00
Western Conference of Operating Engineers	1,000.00
United Steelworkers of America, CIO	4,000.00
American Federation of Labor	1,000.00
CIO councils	385.00
Central labor councils	307.00
Other labor unions	5,403.80
Total	57,053.30
Farm:	
Oregon State Grange	2,000.00
Oregon Farmers Union	289.44
Washington State Grange	2,000.00
Missouri Farmers Association	1,000.00
National Farmers Union	1,000.00
Farmers Union Central Exchange	2,000.00
Pacific Supply Cooperative	600.00
Consumers Cooperation Association	450.00
Midland Cooperatives	200.00
Pierce County Farmers Ed. and Co-op Union	15.00
Gervais Farmers Union	30.00
Farmers Union No. 429	15.00
Farmers Ed. and Coop Union (Wisconsin)	25.00
Gooding Farmers Union	15.00
Farmers Union Local 425	20.00
California Farm Research	20.00
Farm Research (New York)	5.00
Pierce County Farmers Union	25.00
Subordinate Granges	3,564.58
Total	13,999.02

Contributions to the National Hells Canyon Association—Continued

Public power:	
Northwest Public Power Association	$2,000.00
Montana REA	200.00
Southwest Washington PUD Commissioners Association	1,030.00
Eastern Washington PUD Commissioners Association	500.00
Idaho REA	500.00
Wasco Electric Cooperative	425.00
NRECA	2,000.00
Oregon REA	2,000.00
Water and Power Users of Santa Clara County	27.00
APPA	1,750.00
Washington REA	200.00
Cooperative League of the U. S.	25.00
Individual REA's	19,268.70
Total	30,925.70
Other:	
Green, Richardson and Green	350.00
Idaho - Oregon - Washington Hells Canyon Association	2,323.12
Baker County Commercial Club	200.00
Lebanon Hells Canyon Association	50.00
Wallowa County Hells Canyon Association	100.00
Council Hells Canyon Association	53.75
Benton County Hells Canyon Association	15.00
Wasco County Hells Canyon Association	200.00
Walla Walla Public Power Group	27.00
Multnomah County Hells Canyon Association	673.50
Thurston County Democratic Club	24.00
Snohomish County Democratic Women	20.00
Jane Jefferson Democratic Women's Club of Washington County	10.00
Myrtle Leaf Club	125.00
Washington County Hells Canyon Association	311.00
Total	4,482.37
Individuals	3,784.68
Folders	745.64
Decals	205.00
Total, all contributions to date	111,195.71

ACCELERATED TAX AMORTIZATION CERTIFICATES IN THE PACIFIC NORTHWEST

Mr. GOLDWATER. Mr. President, during the past week I have made several insertions in the body of the RECORD listing the accelerated tax writeoffs which have been granted in the Pacific Northwest. Inadvertently I neglected the State of Washington. I do not wish to be in the position of neglecting any of our good States. I therefore ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an item on this subject from the Idaho Sunday Statesman of Boise, Idaho, of May 19, 1957, listing the writeoffs for Washington.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BOEING LEADS WRITEOFFS LISTED FOR WASHINGTON

WASHINGTON.—Approximately 400 corporations in the Pacific Northwest have been granted certificates—or so-called tax writeoffs—during the last 7 years for an accelerated rate of depreciation on construction for tax purposes.

The Office of Defense Mobilization said the effect of the program is to allow the companies to take larger than normal depreciation deductions during the first 5 years.

This is offset by smaller-than-usual deductions after the first 5 years. A committee of the Senate currently is studying repeal of this provision of the tax laws in favor of a more limited program.

In Washington, the Boeing Airplane Co. in Seattle got 45 of the 223 Washington certificates up to the first of this year. Boeing was authorized to amortize $45,669,000 on facilities estimated to cost more than $70 million.

ODM listed these other certifications for Washington, with corporations, estimated cost of facilities and amounts subjected to amortization in parentheses:

American Smelting and Refining, Stevens County, $1,711,000 ($1,015,000), Tacoma, $612,000 ($396,000), $892,000 ($714,000), $207,000 ($145,000); Skagit Steel & Iron Works, Sedro Woolley, $370,000 ($166,000), $22,000 ($17,000), $165,000 ($107,000);

J. Niels Lumber, Klickitat, $125,000 ($69,000); Columbia Veneer, Kalama, $508,000 ($254,000); Washington Veneer, Olympia, $111,000 ($56,000); Sylvan Products, Centralia, $413,000 ($186,000); West Coast Plywood, Hoquiam, $195,000 ($78,000); Weyerhaeuser Timber, Everett, $20,442,000 ($13,287,000), Longview, $16,282,000 ($8,955,000), Snoqualmie, $650,000 ($260,000);

Pacific Paperboard, Longview, $27,000 ($14,000); Simpson Logging, Lowell, $3,901,000 ($1,365,000); Pacific Coast Paper Mills, Bellingham, $659,000 ($264,000); Scott Paper, Everett, $27,240,000 ($10,896,000); Allied Chemical & Dye, Hedges, $1,611,000 ($805,000); Columbia River Chemicals, Pasco, $11,121,000 ($5,004,000);

Rayonier, Inc., Port Angeles, $874,000 ($568,000), Shelton, $1,412,000 ($918,000), Hoquiam, $1,508,000 ($908,000); Union Oil Company of California, Edmonds, $1 million ($700,000); General Petroleum, Whatcomb County, $38,550,000 ($20,477,000); Shell Oil, Anacortes, $55,860,000 ($28,743,000), Aberdeen, $144,000 ($57,000), Seattle, $470,000 ($188,000), $277,000 ($111,000), $129,000 ($51,000), Harbor Isle, $106,000 ($43,000);

Straits Refining, Bellingham, $26,430,000 ($20,614,000); New England Industries, Bellingham, $14,305,000 ($11,624,000); Pacific Grinding Wheel, Everett, $26,000 ($17,000); Keokuk Electro Metals, Rock Island, $236,000 ($202,000); Reynolds Metals, Longview, $9,999,000 ($7,999,000); Continental Can, Walla Walla, $99,000 ($59,000).

Castle Industries, Everett, $52,000 ($34,000); Decoto Brothers, Yakima, $74,000 ($33,000); Bellingham Shipyards, Bellingham, $295,000 ($207,000); Commercial Ship Repair, Winslow, $76,000 ($38,000); Great Northern Railway, Everett, $63,000 ($25,000); Spokane-Portland-Seattle Railway, Goldendale, $7,000 ($3,000); Vancouver, $44,000 ($17,000), $88,000 ($35,000).

Northern Pacific Railway, Pasco, $4,592,000 ($2,296,000); Graingrowers Warehouse, Wilbur, $189,000 ($75,000); Odessa Trading, Wheeler, $40,000 ($16,000); Garfield Union Warehouse, Walters, $50,000 ($25,000), $34,000 ($13,000); Kenyon Zero Storage, Grandview, $67,000 ($37,000); Pacific Power & Light, statewide, $63,426,000 ($41,227,000); Clark County, $5,071,000 ($3,296,000).

Valley Junk, Yakima, $12,000 ($8,000); Standard Oil of California, East Pasco, $75,000 ($37,000); Tidewater Terminal, East Pasco, $464,000 ($186,000); Crown Zellerback, Camas, $1,287,000 ($515,000), $320,000 ($128,000); Food Machinery and Chemical, Vancouver, $4,320,000 ($2,160,000); Carborundum, Vancouver, $3,319,000 ($2,158,000).

Aluminum Co. of America, Vancouver, $48,242,000 ($38,594,000), $3,400,000 ($1,700,000), $3,077,000 ($1,539,000); Berger Engineering, Seattle, $16,000 ($10,000); Pacific Car and Foundry, Renton, $51,000 ($33,000), $119,000 ($60,000), $20,000 ($13,000); Western Oxygen, Seattle, $52,000 ($30,000); United States Oil and Refining, Seattle, $3,467,000 ($2,260,000); Permanente Cement, Seattle, $137,000 ($41,000).

Gladding-McBean, Renton, $67,000 ($50,000); Bethlehem Pacific Coast Steel, Seattle, $136,000 ($75,000), $137,000 ($82,000), $152,000 ($91,000), $1,441,000 ($865,000); Northwest Steel Rolling Mills, Seattle, $236,000 ($118,000); Seidelhuber Steel Rolling Mills, Seattle, $1,404,000 ($772,000); Washington Iron Works, Seattle, $70,000 ($46,000), $14,000 ($9,000), $40,000 ($26,000).

Industrial Plating Works, Seattle, $13,000 ($6,000), $99,000 ($59,000); Broderick and Bascom Rope, Seattle, $40,000 ($24,000); Pacific Wire Works, Seattle, $10,000 ($7,000); Lamson Products, Seattle, $58,000 ($46,000); Northwest Bolt and Nut, Seattle, $430,000 ($151,000); Nelson Iron Works, Seattle, $15,000 ($8,000), $6,000 ($4,000); Sternoff Metal and Iron Works, Seattle, $46,000 ($30,000).

Western Gear Works, Seattle, 10 totaling $172,000 ($131,000); Stetson Ross Machine, Seattle, $100,000 ($75,000); Hydraulic Supply Manufacturing, Seattle, $31,000 ($21,000); Stack Steel and Supply, Seattle, $146,000 ($73,000).

Coates Electric Manufacturing, Seattle, $100,000 ($30,000); Ravenne Metal Products, Seattle, $25,000 ($17,000), $199,000 ($149,000); Carter Machine Shop, Seattle, $10,000 ($7,000); Certified Manufacturing, Seattle $11,000 ($000); Korry Manufacturing, Seattle, $103,000 ($51,000), $30,000 ($14,000), $9,000 ($6,000).

Kenworth Motor Truck, Seattle, $62,000 ($47,000), $65,000 ($42,000), $72,000 ($47,000); Pacific Car and Foundry, Renton, $38,000 ($25,000), $35,000 ($23,000); W. C. Nickum & Sons, Seattle, $5,000 ($3,000); Columbia Electric Manufacturing, Spokane, $687,000 ($378,000); Long Lake Lumber, Spokane, $100,000 ($40,000); Kaiser Aluminum and Chemical, Spokane and elsewhere in Washington, 11 totaling $24,686,000 ($18,546,000).

Inland Oxyacetylene, Spokane, $63,000 ($29,000); General Machine, Spokane, $35,000 ($23,000), $18,000 ($13,000); Oregon-Washington Railroad and Navigation, East Spokane, $2,359,000 ($1,028,000); Great Northern Railway, Hillyard, $575,000 ($288,000).

Milwaukee Railroad, Spokane, $452,000 ($181,000); West Coast Fast Freight, Seattle, $30,000 ($18,000), Spokane, $324,000 ($227,000); Alaska Junk, Spokane, $21,000 ($13,000) Seattle, $30,000 ($23,000); Petroleum Terminal, Spokane, $604,000 ($242,000); Continental Oil, Spokane, $1,009,000 ($403,000); Carter Oil, Spokane, $510,000 ($204,000).

Oscar Perry, Seattle, four totaling $84,000 ($52,000); Rohr Aircraft, Auburn, $807,000 ($484,000); Sulak Manufacturing, Seattle, $20,000 ($15,000), $9,000 ($6,000); Puget Sound Bridge Dredging, Seattle, $200,000 ($160,000); Capital Industries, Seattle, $24,000 ($17,000); Todd Shipyard, Seattle, $590,000 ($295,000); Alaska-British Columbia Transportation, Seattle, $350,000 ($210,000); Stokley-Van Camp, Seattle, $205,000 ($113,000); Puget Sound Tug and Barge, Seattle, $500,000 ($300,000), $45,000 ($27,000).

Western Airlines, Seattle, $250,000 ($150,000); Pan-American World Airways, Seattle, $700,000 ($420,000); Seattle Iron and Metals, Seattle, $25,000 ($19,000); Dullen Steel Products, Seattle, $87,000 ($56,000), $15,000 ($10,000); Tidewater Associated Oil, Seattle, $214,000 ($86,000), $91,000 ($36,000); Tacoma, $81,000 ($33,000); Puget Sound Plywood, Tacoma, $238,000 ($83,000); St. Paul and Tacoma Lumber, Tacoma, $435,000 ($283,000).

West Tacoma Newsprint, Steilacoom, $4,774,000 ($2,148,000); Pennsylvania Salt Manufacturing, Tacoma, $445,000 ($223,000); Hooker Electrochemical Co., Tacoma, $2,735,000 ($1,368,000), $1,895,000 ($948,000); Hooker Detrex, Tacoma, $337,000 ($169,000).

Stauffer Chemical, Tacoma, $320,000 ($144,000); Ohio Ferro Alloys, $78,000 ($66,000); Atlas Foundry, Tacoma, $428,000 ($321,000); Tacoma Junk, $75,000 ($49,000); Simon Junk, $6,000 ($4,000); and Washington Water Power, Spokane, $46,107,000 ($29,970,000).

DEPARTMENTS OF STATE AND JUSTICE AND THE JUDICIARY APPROPRIATIONS—CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6871) making appropriations for the Departments of State, Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes. I ask unanimous consent for the present consideration of the report.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings pp. 8058–8059, CONGRESSIONAL RECORD.)

The VICE PRESIDENT. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

FLOODS IN THE SOUTHWEST

Mr. JOHNSON of Texas. Mr. President, the tragedy of raging and devastating floods is still taking place in the great Southwest. In my own State, death and damage are the order of the day.

Flash floods struck just 2 days ago at scores of towns west and south of San Antonio all the way to Corpus Christi. Cloudbursts deluged the Nueces watershed.

Mr. President, we cannot sit idly by without fighting back against the forces of flood and storm. There are priceless lives at stake.

It is too late to build the great works that would prevent this damage in time to meet the current floods. They are works that should have been built years ago.

Mr. President, I ask unanimous consent that a United Press dispatch dealing with this subject, carried on the news ticker this morning, be printed in the RECORD this morning at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DALLAS.—Torrential rains battered south and southwest Texas with up to nearly 8 inches of rain today as about a fourth of the 6,000 evacuees in flood-battered Fort Worth and Dallas returned to their homes with a wary eye on new thunderheads.

Flash flooding struck suddenly at scores of towns west and south of San Antonio all the way to Corpus Christi as new cloudbursts deluged the Nueces River watershed.

Meanwhile, in Fort Worth, where the Tarrant County sheriff's office estimated the flood damage at $5 million, water completely receded in the Richland Hills section and dropped 3 feet along the West Fork of the Trinity River.

But, thunderstorm clouds were piling up to the west of the city and forecasters called for more scattered thunderstorms tonight and tomorrow.

Mr. FULBRIGHT. Mr. President, the Governor of my State of Arkansas, the Honorable Orval E. Faubus, has recently written to me to plead for the implementation and acceleration by the Congress of the upstream watershed control program. The flooding Arkansas River which has ravaged our adjoining State of Oklahoma is now threatening the lowlands of my State, and its destructive waters will flow into the Mississippi River to threaten the neighboring States of Mississippi on the east, and Louisiana on the south.

It is my pleasure to bring to the attention of the Senate Governor Faubus' request, and I heartily second his statement that if this program is speeded up, "its benefits will be felt not only now, but for generations hence."

Mr. President, the Senate heard Monday of last week an excellent report by the senior Senator from Oklahoma on the damage wrought to his State by the Arkansas River, and his evaluation of the savings in land, money, and lives that would have been realized if the flood control structures which have been authorized had been constructed. I anticipate with pleasure the day when I can report to the Senate the completion of the vast development program for the Arkansas River Basin and the savings it has effected not only in Arkansas but also in Oklahoma and the lower Mississippi Basin.

There were many of us in this Chamber last Monday who were gladdened by the statement of the Senator from Louisiana to the effect that the Subcommittee on Public Works of the Committee on Appropriations, of which he is the capable chairman, is taking steps to make additional funds available during this session of the Congress for the construction of many needed flood-control projects that have been delayed by budgetary vacillation and procrastination, by an inability to distinguish between public welfare and penurious economy.

The ambitious program envisaged by the Senator from Louisiana, and the omnibus flood control bill which the Senate has passed and which is now the object of hearings before the Committee on Public Works of the House of Representatives, provide the only guaranty which we of this generation can give future Americans that the precious land which is so vital to their welfare will not be washed down the river.

Mr. President, the Arkansas River Basin is the last undeveloped major river basin in the United States. In times of flood, it becomes a monster that captures newspaper headlines across the country. In times of drought, it provides a trickle of water insufficient for those who depend upon it. For many years, the people of Arkansas and Oklahoma—and I want to say that the Senator from Oklahoma has been in the vanguard—have worked together to press the Arkansas River Basin program through the Congress and past the executive branch. This year, the Senate has again approved the omnibus bill which authorizes additional projects for the river-development program. It is hoped that the President will approve the bill as it is presented to him. But it takes very little power of observation to realize that whatever we in the Federal Government have done in the way of flood control, has been too little and too late.

I have often made pleas in the Senate for measures to control flood conditions, and have heard assertions that the floods that have terrorized the people of the Southwest and the Great Plains are freaks of nature that cannot be economically taken into consideration; that the normal condition of these regions is drought. These fallacious arguments do not impress me, for I maintain that flood control and drought control is the same thing. When man leashes rivers and confines them to their banks for his protection, man can also unleash them for his benefit to provide water when he needs it, where he needs it, and in the amount he needs.

My own State of Arkansas includes five great river basins. These are the Arkansas, the White, the St. Francis, the Red, and the Ouachita. Everyone of these rivers crosses a State boundary, either coming into Arkansas or leaving Arkansas, so the problems that beset my friends and neighbors are the same problems that bedevil the people of seven other States—Colorado, Kansas, Oklahoma, Missouri, Texas, Mississippi, and Louisiana. This eight-State region is too valuable an area of America to be left undeveloped to its greatest extent because projects that have been found to be feasible are allowed to gather dust as blueprints and reports.

As an example, I cite the Arkansas River Basin program. The present schedule now being followed by the Corps of Engineers calls for the completion of the program in Arkansas and Oklahoma in 1969. That is 12 years away, or, to put it another way, 12 floods or droughts away. The Corps of Engineers has said that an additional appropriation of only $775,000 for fiscal 1958 would enable them to complete the entire program 2 years ahead of schedule. I ask my colleagues if an investment of $775,000 is exorbitant for a 2-year bonus of protection and adequate supply of water.

Furthermore, the Senator from Oklahoma has said that if adequate funds are provided at this time that three major dams in the system—Keystone, Eufala, and Dardanelle—can be completed in 1966, 3 years ahead of schedule, and that if the corps were to apply itself with extreme diligence to this program an additional year could be saved, so that the benefits of the projects could be realized in 1965.

Four years—or even 3 years or 2 or 1 year of disastrous flood or devastating drought—is a big price to pay for a budget reduced by a few thousand or a few million dollars—dollars that represent, not real savings but real waste.

Let me turn now from the flood-control program administered by the Corps of Engineers to the upstream-watershed-control program administered by the Soil Conservation Service, for, basically, we know that the great rivers of the Nation must be controlled by bridling them at their sources. Presently there are some 40 projects on file in my State awaiting Federal approval. Only 3 have been authorized for planning and survey. And yet a pilot project—Six Mile Creek in Franklin and Logan Counties—has been completed and has proved its worth. This project embraces an area of 250 square miles and includes 26 dams and reservoirs. It has demonstrated its worth in the conservation of water and soil and in alleviation of damage from floods.

The prevention of small floods upstream prevents or substantially reduces major floods downstream. The retention of soil upstream through bank stabilization prevents silting downstream with its attendant problems of channel dredging and water purification.

This is not pork barrel legislation, and I scorn those who habitually attack flood-control and public improvement legislation by their indiscriminate use of that term. I can say with conviction that those who have borne the brunt of the recent flood disasters in the southwest—those who have witnessed the death, destruction, and devastation wrought by rampaging rivers left uncontrolled—do not take kindly to the use of the term "pork barrel" as it is bandied about indiscriminately by those sitting high and dry and far removed from those scenes.

Mr. President, the day has come when we recognize that water has become a major natural resource that cannot be taken for granted. Many States, even entire regions, are faced with water shortages that materially affect their economies. Our ever-expanding and ever-changing industries demand more and more water, and in their search for new plant sites, make the availability and dependability of water one of their prime requirements. Those regions which have no water must find a way to replace it. Those regions which have an abundance of water must not waste it, or we shall find that America will waste away at the same time. As we have conserved our other natural resources, let us conserve water, and let us not put off until tomorrow what we have the opportunity to do today.

So, Mr. President, I take this opportunity to plead with my colleagues in the Senate to heed the wise words spoken on Monday last by the Senators from Colorado, Oklahoma, Louisiana, and by our Majority Leader, urging acceleration of our river development programs. I am confident that the Senate will act this year to insure sufficient appropriations to speed completion of our water resources development program, so that we may sooner enjoy the dividends which will inevitably accrue from these prudent investments in the future of our Nation.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an editorial entitled "Flood," published in the Arkansas Gazette of May 25, 1957.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FLOOD

The turgid Arkansas has already wreaked disaster on thousands of acres of bottomland farms this year and as it crests at Little Rock over the weekend it is expected to cause additional damage in the agricultural lowlands up and down the valley.

The situation, of course, could have been far worse. If some of the upstream dams in Oklahoma had not been completed the crest would now be at least several feet higher. Indeed, in the previous rise this year those dams cut as much as 5 feet from the river level in some areas. Moreover, a levee system now guards most of the 360-mile reach of the river which lies within Arkansas. If that system had not been built, many thousands of additional acres would have been inundated and the flood threat to the towns and cities of the Arkansas Valley would have been much greater.

Most of the flooded farmland lies outside the levees and is farmed with the full realization that the operation is a gamble and that ever so often a crop is going to be lost. The damage inside the levees was caused in large part by flash floods set off by local rains. It is easy to visualize the catastrophe which might have occurred if there had been no levee system and the river had been completely uncontrolled.

At Little Rock the system of levees and seawalls on both sides of the river is now adequate to protect the two cities against almost any conceivable flood threat. Twelve years ago a river level of 30.4 feet flooded east side areas, and in the worst flood in history, that in 1927, far bigger areas were inundated by a crest of 33 feet. Now, however, the engineers say the level would have to rise to 37 feet to top the protecting riverworks in the metropolitan area.

This, however, is negative. Major damage from the flooding river can be prevented in heavily populated areas but the swollen stream right now is carrying hundreds of thousands of dollars worth of rich soil down to the Mississippi. We only wish that all those Congressmen who have scorned the Arkansas in its low water summer stages could see it now—and recognize its vast potential for harm, and for good when the river is finally harnessed by dams and locks.

THE LATE SENATOR McCARTHY

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the body of the CONGRESSIONAL RECORD the eulogy of Senator McCarthy delivered by Roy Cohn at the award luncheon to Senator William F. Knowland and Rabbi Michael Aaronsohn, Waldorf-Astoria Hotel, New York, N. Y., on May 5, 1957. Roy Cohn, a well-known New York attorney, was a counsel of the Committee on Government Operations during the period of Senator McCarthy's chairmanship. Because of his close work with Senator McCarthy on that committee, he had a most thorough knowledge of the Senator's objectives and activities in regard to the Communist infiltration of our Government. I know of no one better qualified to express himself regarding the late Senator.

There being no objection, the eulogy was ordered to be printed in the RECORD, as follows:

EULOGY OF SENATOR MCCARTHY DELIVERED BY ROY COHN AT AMERICAN JEWISH LEAGUE AGAINST COMMUNISM AWARD LUNCHEON TO SENATOR WILLIAM F. KNOWLAND AND RABBI MICHAEL AARONSOHN, WALDORF-ASTORIA HOTEL, NEW YORK CITY, MAY 5, 1957

Senator Joseph R. McCarthy was built on greatness. He was great in mind, great in heart, great in understanding. He possessed many of those human qualities which are so rarely found on this earth. His story, which is legend, is the great American success story, that of a poor boy who had nothing handed to him on a silver platter, but rather who worked his way from an humble beginning to national distinction. During his spectacular rise, he never lost his love for people. He never engaged in fanfare or pretense. He loved average people. He would never leave an affair at which he spoke until he had shaken hands with everyone present. He would sit in a restaurant for hours talking with people, who came over to his table. His patience never wore thin, and he never wearied of talking to people. People reciprocated that love for him.

During the past 2 or 3 days wherever I have gone, people have stopped me to express their sorrow—average people, people devoted to the country, people who loved him for the fight he made. In addition to his love for people, he had a tremendous personal magnetism which endeared him to friends and which was capable of converting enemies after one personal meeting. He had the type of charm that was virtually irresistible. He was deeply religious. He loved God and was devoted to his faith. He was a believer.

As we went through many things together, I would often look up and down at some of the participants and feel that they were play actors, conscious of being under observation, but never Senator McCarthy. He was completely dedicated, regardless of the personal consequences. I recall being in his office when an important decision was being discussed. He had decided to make a major speech. One of his assistants said, "Senator McCarthy, please don't do that. It will have a bad reaction against you. It will antagonize people in the most powerful quarters." Senator McCarthy replied, "Look, that is one argument I never want to hear again in this office. The question is not whether it is good for me or bad for me, but whether it is right or wrong, as that is the only thing that matters to me in my life."

As sincere and straightforward as he himself was, he was the first person in the world to forgive insincerity, unkindness, and duplicity of the worst type on the part of other people. I recall during the Army-McCarthy hearing that one member of the committee, who shall remain nameless, did everything he could do to destroy Senator McCarthy privately during the course of the hearing. Shortly after it was concluded, this Senator came across us in a corridor and appeared quite embarrassed. Senator McCarthy walked over to him, greeted him cordially and extended his hand to him. I later asked the Senator how he could shake hands with a man who had done so much to hurt him. Senator McCarthy said, "He is politically ambitious and felt if he picked a fight with me it would help him politically. He didn't mean anything personal and if that is the way he wants to do things, I don't want to hold it against him."

This is the type of man to whom 10 years ago a group of loyal patriotic Americans came, bearing incredible information that due to dishonesty and disloyalty in our own State Department and other highly influential organizations working with the State Department, the downfall of Nationalist China had been brought about. This group had gone to Capitol Hill to get some Senator to raise a voice and lead the fight. They wanted the situation brought to an end before further damage was done. One of the participants said that they went to the office of 2 or 3 other Senators. These other Senators refused to take up the fight, saying it would be personally embarrassing or that the subject was too controversial. They went to Senator McCarthy. He studied the records and the files and decided he would lead that crusade.

In the course of leading that crusade, specifically he brought about exposure and elimination of leftist elements from the State Department, Defense Department, from the Government Printing Office, and from many other Government agencies. He brought about the exposure and elimination of countless Communists and fellow travelers from defense plants, from school systems, and other positions of trust in America. Far beyond his specific achievements, there was the awareness which he created in the minds and hearts of each and every American of the atheistic Communist menace. He made the American people aware of what communism was, what it was trying to do, the way in which it was trying to do it. And he rallied the American people to fight it.

In his fight he stood alone in many instances and even when he did not, his friends and colleagues will concede that he had no peer in courage and devotion to the United States of America.

While leading this fight, instead of enjoying the support and confidence of all Americans, instead of being protected against the insidious attacks of Communists and fellow travelers, he was himself subject to a type of persecution and abuse, the like of which we have never before seen in the United States of America. While trying to combat this menace of communism, he was forced to spend one-half of his time defending himself. He was abused and humiliated by the Tydings committee until the fight was taken to the people, and Tydings was defeated for reelection. The Hennings committee investigated his finances. There were allegations that he cheated on his income tax; years later, upon completion of an investigation by the Treasury Department, he was given a refund.

The great personal sacrifice to his own health is now obvious to one and all. A human being can stand so much punishment. His was a great fight, not only because of its affirmative aspects, but because he had to fight these bitter, unjustified, and unprincipled attacks.

I know if he were here he would not want sorrow, but would want renewed effort from those millions of Americans who believed with him that international communism is the greatest threat our civilization has ever known. He would want those people to carry forward constructively and try to display the same type of courage shown in his life.

In the past 2 or 3 days, I was dismayed to note in 1 or 2 papers that bad judgment had

added to another feature—bad taste. Some papers can find in their hearts a kind word for only the like of Harry Dexter White or E. Herbert Norman.

I would say to you that long after those papers have ceased to circulate, and long after the Zwickers, Achesons, and Stevensons have been forgotten, Senator Joseph R. McCarthy will be remembered as a giant of our times, an outstanding patriot of our generation, and as a man who lived and died for his country.

OUTSTANDING WORK OF INTERNATIONAL RESCUE COMMITTEE IN HUNGARIAN RELIEF

Mr. WILEY. Mr. President, I was pleased to receive today the text of the report of the emergency campaign for the Hungarian people which had been conducted by the International Rescue Committee.

I had previously brought to the attention of the Senate the outstanding job which had been done by the IRC.

In my judgment, there is probably no American or, indeed, foreign private organization, which did greater credit to its record of instantaneous humanitarian assistance than the IRC did on the occasion of the historic Hungarian revolution of October 23, 1956.

Within days of the first electrifying news of the Hungarian revolt, Angier Biddle Duke, president of IRC, and Leo Cherne, chairman, were in Vienna to make an on-the-spot study of relief requirements of Hungarian refugees.

On October 29, they sent a cable to IRC, New York, which was reproduced as a full-page advertisement in the New York Times, and which served as a clarion call to the American people for massive assistance of relief supplies.

On October 28, with the Soviets still controlling large parts of the country, Leo Cherne and Marcel Faust, director of the Vienna office of the IRC, left for Budapest. They were among the first Americans to reach the city from the outside, and Leo Cherne was the very first American to meet Cardinal Mindszenty after the latter's liberation.

A supply of indispensable antibiotics was left with the cardinal.

But, then, on November 4, came the day of tragedy, when the Red army tanks struck against Budapest. The rest is history.

I know that copies of the IRC's report of what was done before and after this historic sequence of events have been submitted to my colleagues, and I earnestly hope that they will read in full the IRC's report.

I send to the desk several extracts from the report which represent a few of the highlights.

I precede them with a list of the distinguished officers and members of the board of directors of the committee, and then with the text of the telegram which was sent by the late Rear Adm. Richard E. Byrd on Monday, March 11.

The telegram was sent to the last mayor of free Budapest, Josef Koevago, who was then touring the United States under the sponsorship of the IRC.

That very evening, this great spirit—Adm. Richard E. Byrd—passed on.

Admiral Byrd's association with IRC had been a long and outstanding one. Back in 1949 he was the founding chairman of the IRC's Iron Curtain refugee campaign.

Incidentally, on Friday of this week it will be my pleasure to introduce with many cosponsors legislation for the Richard E. Byrd Antarctic Commission.

I send to the desk also extracts from the IRC report. I ask unanimous consent that they be printed in the body of the CONGRESSIONAL RECORD. I hope they may serve as a reminder to all of us that there is still a tremendous job which can and must be done for the valiant people of Hungary.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

INTERNATIONAL RESCUE COMMITTEE, INC., 255 FOURTH AVENUE, NEW YORK 10, N. Y.

Leo Cherne, chairman; Joseph Buttinger, vice chairman; Hon. Angier Biddle Duke, president; Claiborne Pell, vice president; Eric M. Warburg, treasurer; Mrs. Kermit Roosevelt, secretary; Gen. William J. Donovan, chairman, national committee; Herman W. Steinkraus, chairman, national finance committee.

Board of directors: Joseph D. Ardleigh, Abraham G. Becker, Adm. John J. Bergen, Harry A. Bullis, Christopher Emmet, H. William Fitelson, Samuel Goldwyn, Sheba Strunsky Goodman, Allen Grover, William J. Vanden Heuvel, A. E. Jolis, James Lawrence, Jr., Joseph L. Mankiewicz, Ellen Lehman McCluskey, Adm. Neill Phillips, John Richardson, Jr., Richard R. Salzmann, David F. Seiferheld, David Sher, George P. Skouras, Gen. Carl Spaatz, Sterling D. Spero, Milton Starr, Mrs. A. Ronald Tree, Msgr. Bela Varga, Adm. Ellis M. Zacharias, and Charles S. Zimmerman.

Overseas offices: Belgrade, Berlin, Bonn, Brussels, Geneva, Laos, London, Munich, Nuremberg, Paris, Rio de Janeiro, Saigon, Stockholm, and Vienna.

ADMIRAL BYRD'S LAST MESSAGE

BOSTON, MASS.

Mayor JOSEPH KOEVAGO,
International Rescue Committee,
New York, N. Y.:

If opportunity offers itself, I would ask you to convey the following message to the brave people of Hungary:

Your great October revolution has stirred the spirit and encouraged the generosity of the Free World. Indeed I am certain that history will recognize your uprising as one of the most heroic popular revolutions of all time.

The Soviet despots, by throwing against you the massed might of the Red Army, have achieved a military victory and succeeded in imposing their Communist puppet government. But the ultimate victory is already yours. When I was 12 years old, I made a trip around the world alone. It was in the course of this trip that I made what perhaps is my greatest discovery. I learned that all men are basically alike, all are brothers, all have the same craving for freedom, all react in the same way to kindliness or to tyranny.

The historic significance of your revolution is that you have demonstrated for all time that communism can never suppress the eternal longing for freedom which is basic in every human being. You have also shown the whole world how deeply hated communism is by the masses of the people who have been oppressed by it, and how utterly without support it will be when the time for freedom comes.

Other revolutions in history have been characterized by fierce and long drawn out civil wars between the contending groups or classes. It is something to ponder that, with the exception of the hated AVO, the Hungarian people almost to a man were united in support of their revolution. Had it not been for the bayonets and tanks of the Red Army there would have been no doubt as to the outcome of your struggle.

International communism may have achieved a tactical military victory, but morally it has received a blow from which it will never recover. I am therefore confident that the time is not far distant when the Hungarian people and the other peoples who today groan under the yoke of the cruelest despotism in history, will once again be able to live in freedom, peace and brotherhood with the other free nations of the world.

Across the barrier of the Communist Iron Curtain, the Free World hails you and embraces you.

RICHARD E. BYRD,
Honorary Chairman, International Rescue Committee.

THE HUNGARIAN REVOLUTION AND IRC'S EMERGENCY CAMPAIGN

(By Hon. Angier Biddle Duke, president)

The pages that follow present the account of the International Rescue Committee's response to the events of the Hungarian revolution—its immediate reaction, its emergency program at the Austrian frontier, its role in mobilizing American public opinion, its ongoing program for the scores of thousands of Hungarian refugees remaining in Europe as well as those who have come to the United States.

Since its formation 24 years ago the International Rescue Committee has been dedicated to the belief that those who have suffered for the cause of freedom have a special claim to the support of all freemen. Indeed, in the world situation that exists today, those who have the moral courage to resist and to sacrifice constitute an elite upon whom depends the very future of the human race.

The International Rescue Committee asks no man's race or religion; nor, within the very broad spectrum of democratic viewpoints, is it concerned with his political affiliation. Its only criteria in giving assistance are the need of the individual, the fact of his escape from oppression and his dedication to human liberty.

As the conflict between communism and democracy has ebbed back and forth, leaving its victims in its wake, the IRC, through its field offices on the periphery of the Iron Curtain, has always endeavored to react to each new situation without loss of time and with maximum flexibility.

The Hungarian revolution broke out on October 23. The IRC office in Vienna, which had been in operation since the end of World War II, immediately mobilized for all-out action, and called on the other European offices for reinforcements. Five days later, on October 28, two national officers of the IRC were on their way to Vienna and Budapest, to find out what could be done to help. And on November 1, the committee launched its Emergency Campaign for the Hungarian People.

On November 4, the Red army launched its surprise attack on Budapest. After bloody fighting, the victorious revolution was suppressed. The reestablishment of Soviet tyranny in Hungary resulted in a flood of refugees into Austria. Food, clothing, medicine, shelter, had to be made available almost overnight. Plans for resettlement in other countries had to be carried forward as rapidly as possible. It was a titanic problem—one which demanded the combined efforts of the governments and of the major American and European relief agencies.

By the time the Red army returned to Budapest, IRC had on its way a $200,000 shipment of vitally needed antibiotics. (The story of the shipment was told in a Readers

Digest article entitled "The Man Who Wanted to Help Hungary.") At the frontier, a dedicated corps of IRC professional workers and volunteers waited to assist the refugees as they reached freedom—and frequently helped them to reach freedom. It provided beds for refugee centers established by the Austrian Government. To thousands of the refugees it gave emergency cash and "Freedom Packages" containing essential personal and clothing items. Since each one of these refugees was an individual with problems of his own, additional assistance assumed a variety of forms.

At the suggestion of the Austrian Government and in cooperation with the Austrian Student Coordinating Committee and World University Service, IRC undertook to devote special attention to the students and intellectuals—an area in which it has traditionally specialized. In cooperation with the city of Vienna, it operated 2 hostels accommodating 600 students. For several months it provided weekly cash allowances for as many as 5,000 refugee Hungarian students. It gave assistance to the entire faculty and student membership of the University of Sopron, which had escaped to the frontier as a body. It organized special classes, provided counseling, arranged scholarships. Its other offices—in France, Switzerland, Germany, Belgium, Sweden, and Canada and in the United States—were all placed on an emergency footing, to cope with the work of resettlement and rehabilitation.

Although the Hungarian refugees are no longer in the headlines, the work is far from finished. Long-term planning for the very substantial number of refugees who still remain in Austria or who have simply moved on to another European country is still of the utmost importance. Among other things, for example, it is important to provide educational facilities for the many thousands of students and young people. To cope with this problem, IRC has sponsored a number of educational programs in several European countries; and it has suggested to the UN High Commissioner a joint project for schooling and vocational training in Austria, toward which IRC would be willing to contribute $100,000.

IRC's Emergency Campaign for the Hungarian People brought in cash contributions totaling $2,500,000 and contributions in medicines and other forms of material aid valued at $418,000. (I am happy to report that our fund-raising costs were kept to approximately 7 percent). During the 5-month period November 1, 1956 to March 31, 1957, our cash disbursements for Hungarian relief, in Europe and the United States, totaled $839,000—this, in addition to the distribution of $418,000 worth of material aid. Over the entire period of 1957, our total budget for Hungarian relief, in cash and material aid, has been set at $1,840,000—$1,390,000 in Europe and $450,000 in the United States.

While some 30,000 Hungarian refugees have come to this country, it must be remembered that more than 150,000 of them have remained in Europe. That is why the larger part of our funds have been allocated to our Hungarian refugee programs in European countries.

Personally, I cannot overemphasize the collective nature of the effort. CARE, the Red Cross, the great American religious agencies, World University Service, and the various European agencies all performed on a heroic scale. It is, however, the purpose of this brochure to tell the story of one agency—The International Rescue Committee—in its own special areas of the Hungarian refugee operation.

THE FUTURE

For the last 2 months of 1956 the problem of the Hungarian refugees received headline attention from the world press and radio. Over the past several months, however, there have been only occasional references. From this there has resulted the rather widespread impression that the problem has been liquidated—or at least that it has been reduced to the point where it no longer requires major attention.

We cannot emphasize too strongly to our friends and supporters that this impression is completely erroneous—that there is, in fact, a vast work that remains to be done, a work that will extend through the whole of 1957 and probably through 1958.

First, there is the continuing work of resettlement. Each of the thousands of refugees who have been brought to this country and to other countries is an individual, with personal and occupational problems that have been rendered more acute by their sudden projection into lands where ways and language are strange. And each case must be followed through painstakingly, with support and counseling, until we are sure that they are firmly resettled.

Then there are the special problems of the students and teen-agers. To help take care of these over the coming period, IRC has initiated or given its support to a number of projects described in this brochure.

Finally there is the problem of the 60,000 Hungarian refugees who still remain in Austria and Yugoslavia. Austria is a small country with a population of 7,000,000 and a national income of $2,620,000,000. It courageously mobilized its resources to provide an immediate haven for the refugees. It did so on the assumption that they would be permanently resettled through the combined efforts of the Free World. But now they find their country with more than 40,000 refugees on hand, while the United States of America and the other western countries appear to be approaching the end of their Hungarian immigration programs.

President Eisenhower, in his message to Congress, recommended legislation permitting the annual admission of 60,000 to 65,000 refugees from Communist oppression.

The Free World cannot abandon the Hungarian refugees. In their plight, they personify the glory of the Hungarian revolution—the proof that the human spirit and the human desire for freedom cannot be broken even after a decade of totalitarian oppression. In remembering the Hungarians, we must also not forget the scores of thousands of refugees of other nationalities who, in the years that followed World War II, sacrificed all they possessed to escape to freedom—and then made the terrible discovery that the Free World, at least until now, appeared to have no place for them.

To cope with the problems that remain will require the combined efforts of all the free nations and of the voluntary agencies engaged in relief and resettlement.

SALARIES AND YEARS IN OFFICE OF AMERICAN LABOR LEADERS

Mr. BRIDGES. Mr. President, the current investigation into labor racketeering being carried on by the Select Committee on Improper Activities in the Labor or Management Field deserves, and has received, great commendation.

The strict impartiality of the chairman, the methodical procedure of the committee members, the unremitting industry of the staff, are evidence of effort admirable indeed.

Of course, this investigation never would have been undertaken unless long standing abuses had required it, unless the accumulation of grievances had reached a point where Congress had to intervene.

But no matter how diligent the committee may be, they cannot hope to cover every phase of the labor question.

Conversation and correspondence have revealed to me widespread confusion in the public mind.

The affairs of one union may become, in general opinion, jumbled up with the affairs of another.

When it is shown that a union leader has misused his authority or has acted corruptly, it is all too easy for many people to draw the conclusion that such corruption is characteristic of labor unions in general.

This tendency makes me uneasy. We know very well that in numerous instances the rank and file of a union have found themselves powerless to control their leaders.

We must not, in the face of the current revelations, lose sight of the fact that an alert, vigorous, and honest labor movement is of very vital importance to our society. If we discover that union officials are engaged in racketeering or dubious political practices, it is our duty to help the unions, as much as we can, in correcting the situation.

Some union leaders may have been dishonest, but not all.

Some union officials may have exploited their union treasuries, but not all.

Full publicity of the facts is a great curative.

It has seemed to me that a start ought to be made in getting together an orderly collection of fact matter about the unions that would help us and the public. Sometimes we cannot see the forest for the trees.

Since the Select committee, at the moment, is primarily concerned with the operations of certain union leaders, it may well be that this is one place where such a collection of facts might begin.

With this in mind I have had the staff of the Republican policy committee of the Senate prepare a table showing the salaries and length of time in office of the presidents of 146 American labor unions.

I ought to say that the salary figures are not derived from an investigation by either lawyers or accountants, but are rather figures furnished by the unions themselves.

If the total remuneration received by the president of any of these unions is greater or less than the figure shown in the table, I do not know of any such difference. I repeat, these salary figures are as stated by the unions themselves.

This is the first time, so far as I know, that such a summary has ever been prepared or publicized. In view of the current situation, it might be exceedingly interesting to have such information published in the RECORD, and I therefore ask unanimous consent that the table be printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SALARIES AND YEARS IN OFFICE OF AMERICAN LABOR LEADERS

The following table lists the salaries and the length of time in office of the presidents of 146 American labor unions.

SOURCES

I. Salaries:

Under the terms of the statute (U. S. C., title 29, sec. 159 (f) and (g)) unions desiring to avail themselves of the service of the National Labor Relations Board must file with the Department of Labor, every year, a report.

This report must include, among other things:

(a) The names, titles, and—if the aggregate compensation and allowances of each exceeded $5,000 during the preceding year—compensation of the union's 3 principal officers;

(b) The initiation fees payable by new members;

(c) The dues payable by members;

(d) A schedule showing all of the union's receipts during the preceding year, its total assets and liabilities as of the end of its last fiscal year, and the disbursements made by it during such fiscal year, including the purposes for which the disbursements were made.

With the few exceptions noted in the table, the salaries of the union presidents listed below are as the unions themselves state them in the reports. The final column in the table headed "Date of Salary Information" lists the dates given by the unions in the most recently available reports.

A number of important unions do not file reports (for example, most of the railway unions). This is either because their transactions are carried on independently of the NLRB or because other machinery is employed for the purpose.

In the reports filed with the Department of Labor the range of detail is extremely wide. In some instances the salary of the president is given with his expenses and allowances listed separately. In other instances no mention is made of expenses or allowances at all. In still other instances the figure given, running to an odd dollar and an odd cent, imply that salary and expenses are lumped together. Yet again, in the case, for example, of the Brotherhood of Railroad Trainmen the salary of President W. P. Kennedy is given as $19,771.75 not including compensation received from Brotherhood of Railroad Trainmen Insurance Department, Inc., a corporation, but what that compensation may be is not stated.

II. Total membership, number of locals, and union address: Directory of National and International Labor Unions in the United States, published by the Bureau of Labor Statistics, United States Department of Labor.

III. Dates of first election as president: Legislative Reference, Library of Congress; Who's Who in America.

Union	President	Years as president	When first elected	Salary	Date of salary information
Agricultural Workers Union; National (AFL), 2146 P St. NW., Washington 7, D. C. Membership: 7,136; local unions, 356.	H. L. Mitchell	13	1944	$5,433.34	Feb. 4, 1957.
Allied Industrial Workers of America (formerly Automobile Workers of America; International Union, United (AFL), title changed as of Mar. 14, 1957), 8670 Wilshire Blvd., Beverly Hills, Calif. Membership: 120,000; local unions, 325.	Earl Heaton	3	1954	$14,999.92	Mar. 14, 1957.
Aluminum Workers International Union (AFL), 119 North 7th St., St. Louis, Mo. Membership: 18,900; local unions, 35.	Eddie R. Stahl [1]	(?)	(?)	$9,100	Apr. 16, 1956.
American Federation of Television and Radio Artists, 15 West 44th St., New York 36, N. Y. Membership: 15,000; local unions, 33.	Frank Nelson	3	1954	None	July 1956.
	Donald Conaway (executive secretary).			$25,000	Do.
American Guild of Variety Artists, 1697 Broadway, New York 19, N. Y. Membership: 8,435; branches, 24.	Jackie Bright [2]	2	1953	No information	No information.
Asbestos Workers, International Association of Heat and Frost Insulator and (AFL), 211 Machinists Bldg., 9th St. and Mount Vernon Pl. NW., Washington 1, D. C. Membership: 9,000; local unions, 118.	Carl W. Sickles	3	1954	$18,000 plus $8,200 allowances.	Jan. 25, 1957.
Automobile, Aircraft and Agricultural Implement Workers of America, International Union, United (CIO), 8000 East Jefferson Ave., Detroit 14, Mich. Membership: 1,230,000; local unions, 1,250.	Walter P. Reuther	11	1946	$17,999.80 plus $6,362.36 expenses.	Mar. 14, 1957.
Bakery and Confectionery Workers' International Union of America (AFL), 2719 North Wilton Ave., Chicago 14, Ill. Membership: 160,000; local unions, 340.	James G. Cross	7	1950	$17,500	July 2, 1956.
Barbers, Hairdressers, Cosmetologists, and Proprietors' International Union of America, Journeymen (AFL), 1141 North Delaware St., Indianapolis 7, Ind. Membership: 85,000; local unions, 850.	William C. Birthright	20	1937	$15,000	Apr. 16, 1956.
Bill Posters, Billers and Distributors, International Alliance of (AFL), 402 Market St., St. Louis, Mo. Membership: 1,800; local unions, 73.	Michael Noch	3	1954	$5,606.12	Oct. 5, 1956.
Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, International Brotherhood of (AFL), 8th at State Ave., New Brotherhood Bldg., Kansas City 11, Kans. Membership: 150,000; local unions, 1,000.	William A. Calvin	3	1954	$20,000	Sept. 21, 1956.
	C. J. MacGowan (president emeritus).[4]	3	1954	$20,000	Do.
Bookbinders, International Brotherhood of (AFL), 901 Massachusetts Ave. NW., Room 301, Washington 1, D. C. Membership: 54,316; local unions, 220.	Robert E. Haskin	4	1953	[5]$22,804.93	July 26, 1956.
Brewery, Flour, Cereal, Soft Drink and Distillery Workers of America; International Union of United (CIO), 2347 Vine St., Cincinnati 19, Ohio. Membership: 62,000; local unions, 254.	Karl F. Feller	9	1948	$8,500 plus $8,665.04	June 22, 1956.
Brick and Clay Workers of America; United (AFL), 1550 West 95th St., Chicago 43, Ill. Membership: 23,000; local unions, 325.	Harold R. Flegal	(?)	(?)	$14,808.44	Sept. 12, 1956.
Bricklayers, Masons and Plasterers International Union of America (AFL), 815 15th St. NW., Washington 5, D. C. Membership: 147,157; local unions, 927.	Harry C. Bates	21	1936	$30,000 plus "expenses and allowances."	June 8, 1956.
Broadcast Employees and Technicians; National Association of (CIO), 80 East Jackson Blvd., Chicago 4, Ill. Membership: 4,100; local unions, 32.	George W. Smith	1	1956	No information	No information.
	Arthur Hjorth (secretary-treasurer).			$10,395	Aug. 17, 1956.
Building Service Employees International Union (AFL), 318 West Randolph St., Chicago, Ill. Membership: 206,692; local unions, 355.	William L. McFetridge	17	1940	$20,000.01	June 15, 1956.
Carpenters and Joiners of America; United Brotherhood of (AFL), 222 East Michigan St., Indianapolis 4, Ind. Membership: 804,343; local unions, 2,895.	M. A. Hutcheson [1]	5	1952	$34,900 plus $2,555	Dec. 31, 1955.
Cement, Lime, and Gypsum Workers International Union: United (AFL), 3229 West Washington Blvd., Chicago 24, Ill. Membership: 38,246; local unions, 223.	Felix C. Jones	3	1954	$9,766.84	Aug. 10, 1956.
Chemical Workers Union; International (AFL), 1659 West Market St., Akron 3, Ohio. Membership: 90,000; local unions, 396.	Edward R. Moffett [3]	4	1953	$18,402.09	Sept. 18, 1956.
Cigar Makers' International Union of America (AFL), 1003 K St. NW., Room 604, Washington 1, D. C. Membership: 9,640; local unions, 68.	Mario Arpeltis	9	1948	$10,243.41 plus $3,707.72 expenses.	Feb. 25, 1957.
Cleaning and Dye House Workers; International Association of (AFL), 1774 East 12th St., Cleveland 14, Ohio. Membership: 20,000; local unions, 31	W. S. Gross	20	1937	No information	No information.
Clothing Workers of America; Amalgamated (CIO), 15 Union Square, New York 3, N. Y. Membership: 385,000; local unions, 636.	Jacob S. Potofsky	11	1946	$20,385.10	Mar. 26, 1956.
Communications Association; American (Ind), 5 Beekman St., New York 38, N. Y. Membership: 7,000; local unions, 5.	Joseph P. Selly	16	1941	$7,922.40	Feb. 20, 1956.
Communications Workers of America (CIO), 1808 Adams Mill Rd. NW., Washington 9, D. C. Membership: 300,000; local unions, 717.	Joseph A. Beirne [7]	14	1943	$23,950.47	May 31, 1956.
Coopers' International Union of North America (AFL), 120 Boylston St., Room 827, Boston 16, Mass. Membership: 3,300; local unions, 46.	James J. Doyle	32	1925	$9,867	May 14, 1956.

[1] The figures on Mr. Stahl's remuneration are not clear. His salary is stated to be $175 per week ($9,100 per annum) plus $105 per diem per week.

[2] No information.

[3] Mr. Bright served as president from October 1953 to June 1955, when he was appointed national administrative secretary.

[4] Mr. MacGowan was president of the boilermakers for the years 1944-54.

[5] Mr. Hutcheson's father, William A. Hutcheson, served as president of the carpenters from 1915 to 1952.

[6] According to the union's headquarters Mr. Moffett served as president from Sept. 28, 1953, to Dec. 3, 1953, and again from Nov. 16, 1954, until Dec. 31, 1956.

[7] The term served includes the years when Mr. Beirne was president of the antecedent Telephone Workers Union.

Union	President	Years as president	When first elected	Salary	Date of salary information
Distillery, Rectifying and Wine Workers' International Union of America (AFL), 6 North Hamlin Ave., Chicago, Ill. Membership: 25,200; local unions, 92.	Joseph O'Neill	(?)	(?)	$28,375.83	May 24, 1956.
Electrical, Radio and Machine Workers; International Union of (CIO), 734 15th St. NW., Washington 5, D. C. Membership: 361,639; local unions, 363.	James B. Carey [8]	7	1950	$14,250	Sept. 27, 1956.
Electrical, Radio and Machine Workers of America; United (Ind), 11 East 51st St., New York 22, N. Y. Membership: ——; local unions, ——.	Albert J. Fitzgerald	16	1941	$7,500	October 1956.
Electrical Workers; International Brotherhood of (AFL), 1200 15th St. NW., Washington 5, D. C. Membership: 630,000; local unions, 1,697.	Gordon M. Freeman	(?)	(?)	$19,541.65	Sept. 20, 1956.
	J. D. Keenan (secretary)	3	1954	$20,000	Do.
Elevator Constructors; International Union of (AFL), 12 South 12th St., Philadelphia 7, Pa. Membership: 8,643; local unions, 100.	Edward A. Smith	1	1956	$14,000 plus $15,750 "other"	Sept. 24, 1956.
Engineers; American Federation of Technical (AFL), 900 F St. NW., Washington 4, D. C. Membership: 11,606; local unions, 72.	Russell M. Stephens	6	1951	$9,600	June 6, 1956.
Engineers; International Union of Operating (AFL), 1003 K St. NW., Washington 1, D. C. Membership: 200,000; local unions, ——.	William E. Maloney	17	1940	$55,000 plus $5,000 expenses	Feb. 19, 1957.
Federal Employees; National Federation of (Independent), 1729 G St. NW., Washington 6, D. C. Membership: 99,000; local unions, 1,217.	Michael E. Markwood [9]	(?)	(?)	No information	No information.
	Baux Owen		1957	do	Do.
Fire Fighters; International Association of (AFL), 901 Massachusetts Ave. NW., Washington 1, D. C. Membership: 85,000; local unions, 1,185.	John P. Redmond	11	1946	$13,000 plus $9,026.52	Aug. 9, 1956.
Firemen and Oilers; International Brotherhood of (AFL), 330 South Wells St., Chicago 6, Ill. Membership: 60,000; local unions, 850.	Anthony E. Matz	(?)	(?)	$22,150	June 11, 1956.
Furniture Workers of America; United (CIO), 700 Broadway, New York 3, N. Y. Membership: 50,000; local unions, 140.	Morris Pizer	11	1946	$9,620	Mar. 22, 1957.
Garment Workers of America; United (AFL), 31 Union Square West, New York 3, N. Y. Membership: 40,000; local unions, 409.	Joseph P. McCurdy [10]	15	1942	See below	Sept. 14, 1956.
Garment Workers' Union; International Ladies' (AFL) 1710 Broadway, New York 19, N. Y. Membership: 440,550; local unions, 525.	David Dubinsky	25	1932	$23,400	Mar. 20, 1956.
Glass Bottle Blowers Association of the United States and Canada (AFL), Room 501, 226 South 16th St., Philadelphia 7, Pa. Membership: 51,000; local unions, 234.	Lee W. Minton	11	1946	$17,500	Apr. 30, 1956.
Glass and Ceramic Workers of North America; United (CIO), 556 East Town St., Columbus 15, Ohio. Membership: 47150; local unions, 111.	Burl W. Phares	6	1951	$11,528.95 plus $6,073.21	June 25, 1956.
Glass Cutters' League of America; Window (AFL), 1078 South High St., Columbus 6, Ohio. Membership: 1,600; local unions, 12.	Marcel R. Boucher [11]	5	1952	$8,466.19	Feb. 20, 1956.
Glass Workers' Union, American Flint (AFL), 204 Huron St., Toledo 4, Ohio. Membership: 30,000; local unions, 250.	Harry H. Cook	17	1940	No information	July 5, 1956.
Glove Workers' Union of America; International (AFL), 430 Bridge St., Marinette, Wis. Membership: 2,900; local unions, 28.	Thomas Durian	20	1937	$5,115.00	May 7, 1956.
Government Employees; American Federation of (AFL), 900 F St. NW., Room 716, Washington 4, D. C. Membership: 62,000; local unions, 800.	James A. Campbell	6	1951	No information	No information.
Grain Millers; American Federation of (AFL), 916 Metropolitan Bldg., Minneapolis 1, Minn. Membership: 32,378; local unions, 225.	Samuel P. Ming [12]	9	1948	$18,862.97	Aug. 13, 1956.
Granite Cutters' International Association of America; the (AFL), 18 Federal Ave., Quincy 69, Mass. Membership: 4,051; local unions, 45.	Costanzo Pagnano	6	1951	$6,000	Mar. 25, 1957.
Guard Workers of America; International Union, United Plant (Ind.), 601 Donovan Bldg., Detroit 1, Mich. Membership: 6,500; local unions, 50.	James C. McGahey	9	1948	$8,250	June 2, 1956.
Hatters, Cap and Millinery Workers International Union; United (AFL), 245 5th Ave., New York 16, N. Y. Membership: 40,000; local unions, 90.	Alex Rose	7	1950	$15,600	Mar. 29, 1956.
Hod Carriers' Building and Common Laborers' Union of America: International (AFL), 821 15th St. NW., Washington 5, D. C. Membership: 433,125; local unions, 945.	Joseph V. Moreschi	31	1926	$39,000	Feb. 28, 1957.
Hosiery Workers; American Federation of (AFL), 2319 North Broad St., Philadelphia 32, Pa. Membership: 15,000; local unions, 51.	Alexander McKeown	18	1939	$6,500	Mar. 5, 1957.
Hotel and Restaurant Employees and Bartenders International Union (AFL), 525 Walnut St., Cincinnati 2, Ohio. Membership: 412,946; local unions, 615.	Ed. S. Miller	3	1954	$18,000 plus $12,810 per diem	June 4, 1956.
Insurance Agents International Union (AFL), 724 9th St. NW., Room 427, Washington 1, D. C. Membership: 12,604; local unions, 217.	George L. Russ	19	1938	$14,499.14	Aug. 27, 1956.
Insurance Workers of America (CIO), 1129 Vermont Ave. NW., Washington 5, D. C. Membership: 12,000; local unions, 120.	William Gillen	2	1955	$10,283.75	July 9, 1956.
Iron Workers; International Association of Bridge, Structural and Ornamental (AFL), Continental Bldg., Suite 300, 3615 Olive St., St. Louis 8, Mo. Membership: 139,462; local unions, 313.	J. H. Lyons	9	1948	$41,650.08	June 30, 1956.
Jewelry Workers' Union; International (AFL), 19 West 44th St., Suite 1215, New York 36, N. Y. Membership: 32,000; local unions, ——.	Joseph Morris	10	1947	$16,745.81	Feb. 5, 1957.
	Hyman J. Powell (secretary-treasurer).			$24,347.64	Do.
Lace Operatives of America; Amalgamated (Independent), 545 West Lehigh Ave., Philadelphia 33, Pa. Membership: 3,500; local unions, 40.	Frederick Dixon [13]	7	1950	See below	May 21, 1956.
Lathers International Union; the Wood, Wire, and Metal (AFL), 7214 New Hampshire Ave., Takoma Park, Md. Membership: 15,301; local unions, 316.	Lloyd A. Masbburn	2	1955	$11,666.48 "salary less taxes" plus $7,500.53 expenses.	Oct. 23, 1956.
Laundry Workers' International Union (AFL), 30 West Washington St., Indianapolis, Ind. Membership: 73,204; local unions, 125.	Sam J. Byers	12	1945	$19,516.41	Mar. 7, 1957.
Leather Goods, Plastic and Novelty Workers' Union; International (AFL), 1733 Broadway, New York 19, N. Y. Membership: 28,000; local unions, 100.	Ossip Walinsky	6	1951	$15,667	Mar. 22, 1957.
Letter Carriers; National Association of (AFL), 100 Indiana Ave. NW., Washington 1, D. C. Membership: 103,000; local unions, 4,000.	William C. Doherty	16	1941	No information	No information.
Letter Carriers' Association; National Rural (Independent), 1040 Warner Bldg., Washington 4, D. C. Membership: 36,355; local unions, 1,500.	Warren B. Bledsoe	3	1954	do	Do.
Lithographers of America: Amalgamated (CIO), 143 West 51st St., New York 19, N. Y. Membership: 27,976; local unions, 80.	George A. Canary [14]	(?) 2	1955 (?)	$4,730	Sept. 20, 1956.

[8] No information

[9] Mr. Carey was one of the founders of United Electrical and served as president of the union from 1936 to 1941. In 1941 he was defeated by Albert Fitzgerald. Subsequently, the union split over the Communist infiltration issue. That portion which remained with the CIO was reorganized as the International Union of Electrical, Radio and Machine Workers with Mr. Carey as president (1950). Mr. Carey was also secretary-treasurer of the CIO. Nation's Business for July 1955, reported (p. 48) that his salary was $18,000, half paid by his union and half by the CIO. The union's report for Sept. 27, 1956, simply says "$14,250 paid by IUE-CIO, balance paid by national CIO."

[9] Mr. Markwood committed suicide in 1956. Mr. Owen was elected to succeed him and took office Feb. 11, 1957.

[10] The figures on Mr. McCurdy's remuneration are not clear. His salary is stated to be $259.61 (per week?). His allowances are stated to be "$13 per day, $25 per week."

[11] Mr. Boucher was succeeded by Glen McCabe as president, Jan. 12, 1957.

[12] Mr. Ming was also president of the antecedent American Federation of Grain Processors Council, elected to that office in December 1940 and then, in 1948, elected to the presidency of the American Federation of Grain Millers.

[13] The figures on Mr. Dixon's remuneration are not clear. Salary is simply stated to be "$50"; that of Mr. Thomas Reed, the general secretary, is given as "$300."

[14] John Blackburn was president from 1948 to 1955.

Union	President	Years as president	When first elected	Salary	Date of salary information
Locomotive Engineers; Brotherhood of (Independent), 1118 Brotherhood of Locomotive Engineers Bldg., Cleveland 14, Ohio. Membership: 74,481; local unions, 934.	Guy L. Brown [15]	(?)	(?)	No information	No information.
Locomotive Firemen and Enginemen; Brotherhood of (Independent), 318 Keith Bldg., Cleveland 15, Ohio. Membership: 95,000; local unions, 974.	H. E. Gilbert	4	1953	$25,000 plus $5,524.61 "allowances."	Mar. 18, 1957.
Longshoremen; International Brotherhood of (AFL), The Longshoremen's Bldg., 3631 Marine Ave., St. Louis 18, Mo. Membership: 15,000; local unions, 211.	Larry W. Long	3	1954	$9,353.65	July 20, 1956.
Longshoremen's Association; International (Independent), 265 West 14th St., New York 11, N. Y. Membership: 65,000; local unions, 266.	William V. Bradley [16]	4	1953	$25,533.34	Mar. 4, 1957.
Longshoremen's and Warehousemen's Union; International (Independent), 150 Golden Gate Ave., San Francisco 2, Calif. Membership: 65,000; local unions, 90.	Harry R. Bridges	19	1938	$11,440.68	Mar. 22, 1957.
Machinists; International Association of (AFL), Machinists Bldg., 9th St. and Mount Vernon Pl. NW., Washington 1, D. C. Membership: 864,096; local unions, 1,957.	A. J. Hayes	8	1949	$21,493.76	Mar. 29, 1956.
Mailers Union; International (Independent), 2418 Lewis Tower Bldg., 228 South 15th St., Philadelphia 2, Pa. Membership: 3,300; local unions, 66.	Harold A. Hosier	6	1951	$6,500	Aug. 10, 1956.
Maintenance of Way Employees; Brotherhood of (AFL), 12050 Woodward Ave., Detroit 3, Mich. Membership: 219,191; local unions, 1,437.	T. C. Carroll [17]	10	1947	$30,000	July 1955.
Marble, Slate and Stone Polishers, Rubbers and Sawyers, Tile and Marble Setters Helpers and Terrazzo Helpers; International Association of (AFL), 815 16th St. NW., Room 306, Bowen Bldg., Washington 5, D. C. Membership: 6,500; local unions, 120.	William McCarthy	25	1932	$13,000	Dec. 12, 1956.
Marine Engineers' Beneficial Association; National (CIO), 132 3d St. SE., Washington 3, D. C. Membership: 9,000; local unions, 32.	Herbert L. Daggett	8	1949	$16,920.68	June 7, 1956.
Marine and Shipbuilding Workers of America, Industrial Union of (CIO), 534 Cooper St., Camden 2, N. J. Membership: 50,000; local unions, 44.	John J. Grogan	6	1951	$10,000 plus $5,611.93 "allowances."	Sept. 20, 1956.
Maritime Union of America; National (CIO), 346 West 17th St., New York 11, N. Y. Membership: 43,000; port branches, 30.	Joseph Curran	20	1937	$19,000	Mar. 23, 1956.
Masters, Mates and Pilots of America, International Organization (AFL), 1420 New York Ave. NW., Room 911, Washington, D. C. Membership: 9,500; local unions, 35.	Captain C. T. Atkins	5	1952	None	Mar. 26, 1956.
	John M. Bishop (secretary-treasurer).			$14,044.16	Do.
Meat Cutters and Butcher Workmen of North America, Amalgamated (AFL), 2800 North Sheridan Rd., Chicago 14, Ill. Membership: 335,167; local unions, 417.	Earl W. Jimerson	(?)	(?)	$20,000 plus $12,400.13 expenses.	May 7, 1956.
Mechanics Educational Society of America (CIO), 1974 National Bank Bldg., Woodward at Cadillac Square, Detroit, Mich. Membership: ——; local unions, ——.	George White	(?)	(?)	No information	No information.
	Matthew Smith (secretary)			$15,171.60	July 23, 1956.
Metal Polishers, Buffers, Platers and Helpers International Union (AFL), 5578 Montgomery Rd., Cincinnati 12, Ohio. Membership: 20,000; local unions, 100.	Ray Muehlhofer	8	1949	$16,076.30	Aug. 22, 1956.
Mine, Mill and Smelter Workers, International Union of (Independent), 412 Tabor Bldg., Denver 2, Colo. Membership: 100,000; local unions, 170.	John Clark	10	1947	$8,941.13	Mar. 7, 1957.
Mine Workers of America, United (Independent), 900 15th St. NW., Washington 5, D. C. Membership: ——; local unions, ——.	John L. Lewis [18]	37	1920	$50,000	July 1955.
Molders and Foundry Workers Union of North America, International (AFL), 1225 East McMillan St., Cincinnati 6, Ohio. Membership: 65,000; local unions, 423.	Chester A. Sample	9	1948	$10,500	Feb. 14, 1957.
Musicians, American Federation of (AFL), 220 Mount Pleasant Ave., Newark 4, N. J. Membership: 248,078; local unions, 609.	James C. Petrillo [19]	17	1940	$23,000	Mar. 7, 1957.
Newspaper Guild, American (CIO), 99 University Pl., New York 3, N. Y. Membership: 26,936; local unions, 97.	Joseph F. Collts	4	1953	$1,019.00 plus $2,642.92	June 19, 1956.
	W. J. Farson (executive vice president).			$10,007 plus $4,457.46 expenses.	Do.
Newspaper and Mail Deliverers' Union of New York and Vicinity (Independent), 63 Park Row, New York 7, N. Y. Membership: 3,900; local unions, ——.	Joseph Simons	19	1936	No information	No information.
	Sam Feldman	(?) 2	1955 (?)	$7,800	Mar. 18, 1957.
Office Employes' International Union (AFL), 707 Continental Bldg., 1012 14th St. NW., Washington 5, D. C. Membership: 50,000; local unions, 250.	Howard Coughlin	4	1953	$11,080 plus $2,534.50 "allowances."	May 15, 1956.
Oil, Chemical, and Atomic Workers International Union (CIO), Post Office Box 2812, Denver 1, Colo. Membership: 180,000; local unions, 605.	O. A. Knight	17	1940	$20,414.10	July 17, 1956.
Packinghouse Workers; National Brotherhood of (Independent), 518 East Grand Ave., Des Moines, Iowa. Membership: —; local unions, —.	Don Mahon	18	1939	$3,400.93	Apr. 27, 1956.
Packinghouse Workers of America; United (CIO), 608 South Dearborn St., Room 1800, Chicago 5, Ill. Membership: —; local unions, 575.	Ralph Helstein	11	1946	$13,867.24	1956.
Painters, Decorators and Paperhangers of America; Brotherhood of (AFL), 217-219 North 6th St., Lafayette, Ind. Membership: 220,000; local unions, 1, 400.	Lawrence M. Raftery	5	1952	$17,000 plus $4,000 expenses plus $9,326.88 "allowances."	Mar. 15, 1957.
Paper Makers; International Brotherhood of (AFL), Paper Makers Bldg., Albany 1, N. Y. Membership: 72,700; local unions, 402.	Paul L. Phillips	9	1948	$11,850	Mar. 13, 1957.
Paperworkers of America; United (CIO), 1029 Vermont Ave. NW., Room 400, Washington 5, D. C. Membership: 50,000; local unions, 260.	Harry D. Sayre	10	1947	$13,953.88	Mar. 12, 1957.
Pattern Makers' League of North America (AFL), Ring Bldg., 1200 18th St. NW., Washington 6, D. C. Membership: 13,800; local unions, 84.	George Q. Lynch	23	1934	$14,000 plus expenses	May 1, 1956.
Photo-Engravers' Union of North America; International (AFL), 3605 Potomac St., St. Louis 16, Mo. Membership: 16,032; local unions, 96.	Wilfrid T. Connell	3	1954	$14,300	June 29, 1956.
Plasterers' and Cement Masons' International Association of the United States and Canada; Operative (AFL), Second Federal Bldg., 335 Euclid Ave., Cleveland 14, Ohio. Membership: 65,000; local unions, 536.	John E. Rooney	17	1940	$22,600 plus $9,327.07 expenses.	Mar. 22, 1957.
Plumbing and Pipe Fitting Industry of the United States and Canada; United Association of Journeymen and Apprentices of the (AFL), Ring Bldg., suite 802, 1200 18th St. NW., Washington 6, D. C. Membership: 240,720; local unions, 759.	P. T. Schoeman	1	1956	$35,302.11	Sept. 12, 1956.
Porters; Brotherhood of Sleeping Car (AFL), 217 West 125th St., suite 301, New York 27, N. Y. Membership: 15,000; local unions, 110.	A. Philip Randolph	32	1925	No information	No information.

[1] No information

[15] The most recent available information on the Locomotive Engineers is dated August 1953. As of that date J. P. Shields was grand chief engineer with salary of $24,870.79 plus $3,801.36 expenses.

[16] Joseph P. Ryan, President Bradley's predecessor is stated to receive a pension of $10,000.

[17] The source of Mr. Carroll's salary figure is Nation's Business for July 1955.

[18] Sources: Who's Who in America and Nation's Business for July 1955. The UMW do not file reports with the Labor Department.

[19] The same periodical states that Mr. Petrillo's total salary is $40,000 and that half of salary is paid by his local union in Chicago.

Union	President	Years as president	When first elected	Salary	Date of salary information
Potters; International Brotherhood of Operative (AFL), 226 West 6th St., East Liverpool, Ohio. Membership: 23,674; local unions, 105.	E. L. Wheatley [20]	(?) 2	1955 (?)	do	June 28, 1956.
Printing Pressmen and Assistants' Union of North America, International (AFL), Pressmen's Home, Tenn. Membership: 98,967; local unions, 754.	Thomas E. Dunwody	5	1952	$28,441.55	Aug. 22, 1956.
Pulp, Sulphite and Paper Mill Workers, International Brotherhood o. (AFL), Fort Edward, N. Y. Membership: 149,942; local unions, 572.	John P. Burke	(?)	(?)	$11,050	Dec. 4, 1956.
Radio Association, American (CIO), 5 Beekman St., Room 313, New York 7, N. Y. Membership: 1,400; branch offices, 6.	W. R. Steinberg	8	1949	$10,419.76	June 7, 1956.
Railroad Operating Crafts, United (Independent), Transportation Bldg., 608 South Dearborn, Chicago 5, Ill. Membership: 6,000; local unions, 117.	J. P Carberry	(?)	(?)	No information	No information.
Railroad Signalmen of America, Brotherhood of (AFL), 833 West Wellington Ave., Chicago 14, Ill. Membership: 16,744; local unions, 213.	Jesse Clark	12	1945	$8,913.05	Aug. 10, 1956.
Railroad Telegraphers, the Order of (AFL), 3860 Lindell Blvd., St. Louis 8, Mo. Membership: 50,842; local unions, —	G. E. Leighty	11	1946	No information	No information.
Railroad Trainmen; Brotherhood of (Independent), Standard Bldg., 1370 Ontario St., Cleveland 13, Ohio. Membership: 204,397; local unions, 1,100.	William P. Kennedy [21]	8	1949	$19,771.75	Mar. 1, 1957.
Railway Carmen of America; Brotherhood (AFL), 4929 Main St., Kansas City 2, Mo. Membership: 170,000; local unions, 1,100.	A. J. Bernhardt	3	1954	$20,000	May 24, 1956.
Railway Conductors and Brakemen; Order of (Independent), O. R. C. B. Bldg., Cedar Rapids, Iowa. Membership: 31,800; local unions, 600.	R. O. Hughes	7	1950	No information	No information.
Railway Patrolmen's International Union (AFL), 1536 West 105th St., Chicago 43, Ill. Membership: 3,275; local unions, 57.	Culbert Bowen	8	1949	do	Do.
Railway and Steamship Clerks, Freight Handlers, Express and Station Employees; Brotherhood of (AFL), 1015 Vine St., Cincinnati 2, Ohio. Membership: 293,500; local unions, 1,988.	George M. Harrison	29	1928	$60,000 plus $4,719.62	Mar. 20, 1956.
Railway Supervisors Association; The American (Independent), 53 West Jackson Blvd., Chicago 4, Ill. Membership: 8,355; local unions, 60.	James P. Tahney	23	1934	No information	No information.
Retail Clerks International Association (AFL), DeSales Bldg., Connecticut Ave. and DeSales St., Washington 6, D. C. Membership: 265,000; local unions, 500.	James A. Suffridge [22]	13	1944	$32,958.38	July 12, 1956.
Retail, Wholesale and Department Store Union (CIO), 132 West 43d St., New York 36, N. Y. Membership: 140,000; local unions,	Max Greenberg	3	1954	$15,000	Mar. 22, 1957.
Roofers, Damp and Waterproof Workers Association, United Slate, Tile and Composition (AFL), 6 East Lake St., Chicago 6, Ill. Membership: 17,298; local unions, 252.	Charles D. Aquadro	17	1942	$18,397.24	Sept. 14, 1956.
Rubber, Cork, Linoleum and Plastic Workers of America, United (CIO), URW Bldg., High at Mill St., Akron 8, Ohio. Membership: 175,000; local unions, 334.	L. S. Buckmaster	12	1945	$12,000 plus $4,166.69	Sept. 12, 1956.
Salaried Unions, National Federation of (Independent), 600 Grant St., Room 804, Pittsburgh 19, Pa. Membership: 36,500; local unions, 50.	Leo F. Bollens	12	1945	No information	No information.
Screen Actors Guild, 7046 Hollywood Bldg., Hollywood 28, Calif. Membership: 9,500; branches, 9.	Walter Pidgeon	5	1952	None	Jan. 14, 1957.
	John L. Dales (executive secretary).			$25,475.64 plus $1,375	Do.
Seafarers' International Union of North America (AFL), 450 Harrison St., San Francisco, Calif. Membership: 44,300; port branches, 45.	Paul Hall [23]		1957	No information	No information.
	John Hawk (secretary treasurer).			$11,200	Mar. 15, 1957.
Sheet Metal Workers' International Association (AFL), 642 Transportation Bldg., Washington 6, D. C. Membership: 50,000; local unions, 551.	Robert Byron	18	1939	$37,523.30	Feb. 27, 1957.
Shoe and Allied Craftsmen, Brotherhood of (Independent), 389 Main St., Brockton 48, Mass. Membership: 6,000; local unions, 15.	John F. Jankowski	4	1953	$4,459.25	Sept. 12, 1956.
Shoe Workers of America, United (CIO), 1012 14th St. NW., Room 701, Washington 5, D. C. Membership: 64,000; local unions, 140.	Russell J. Taylor [24]	(?)	(?)	$9,028.13	Oct. 2, 1956.
Shoe Workers Union, Boot and (AFL), 246 Summer St., Boston 10, Mass. Membership, 40,000; local unions, 125.	John J. Mara	28	1929	$20,540	May 8, 1956.
Stage Employes and Moving Picture Machine Operators of the United States and Canada, International Alliance of Theatrical (AFL), 1270 Avenue of the Americas, Room 1900, New York 20, N. Y. Membership: 42,000; local unions, 906.	Richard F. Walsh	16	1941	$26,450 plus $2,516.70	Feb. 25, 1957.
Steelworkers of America, United (CIO), 1500 Commonwealth Bldg., Pittsburgh 22, Pa., Membership: 1,194,000; local unions 2,600.	David J. McDonald	4	1953	$40,000	Mar. 22, 1956.
Stereotypers' and Electrotypers' Union of North America, International (AFL), 752 Old South Bldg., Boston 8, Mass. Membership: 14,000; local unions, 181.	Leo J. Buckley	18	1939	$10,535	June 14, 1956.
Stone and Allied Products Workers of America, United (CIO), 289 North Main St., Barre, Vt. Membership: 16,000; local unions, 140.	Sam H. Scott	11	1946	$11,452.65	Mar. 18, 1957.
Stone Cutters' Association of North America, Journeymen (AFL), 8 east Market St., Indianapolis 4, Ind. Membership: 1,900; local unions, 65.	Paul A. Givens	18	1939	$7,000 plus $3,649.99 expenses	Sept. 10, 1956.
Stove Mounters International Union of North America (AFL), 1710 North Grand Blvd., St. Louis 6, Mo. Membership: 14,000; local unions, 73.	Joseph Lewis	13	1944	$6,115.20 plus $2,748 expenses	July 25, 1956.
Street, Electric Railway, and Motor Coach Employees of America; Amalgamated Association of (AFL), 1106 Griswold Bldg., 1214 Griswold St., Detroit 26, Mich. Membership: 190,000; local unions, 461.	A. L. Spradling	11	1946	$17,249.92 plus $4,944.40	Sept. 5, 1956.
Switchmen's Union of North America (AFL), 3 Linwood Ave., Buffalo 2, N. Y. Membership: 15,000; local unions, 312	William A. Fleete [25]	4	1953	$9,055.20 plus $16.28 per diem expense.	June 19, 1956.
Teachers; American Federation of (AFL), 28 East Jackson Blvd., Chicago 4, Ill. Membership: 45,140; local unions, 400.	Carl J. Megel	5	1952	No information	No information.
Teamsters, Chauffeurs, Warehousemen and Helpers of America; International Brotherhood of (AFL), 25 Louisiana Ave. NW., Washington 1, D. C. Membership: 1,231,000; local unions, 907.	Dave Beck	5	1952	$50,000 plus $9,194.50 "allowances."	Mar. 14, 1956.
Telegraphers Union; Commercial (AFL), 9505 Cameron St., Silver Spring, Md. Membership: 30,000; local unions.	W. L. Allen	36	1921	$14,074.09 (remuneration for 14 months).	Oct. 10, 1956.

[1] No information.

[20] The salaries received by the presidents of the potters appear to vary from year to year. As of June 1, 1951, the union stated that President J. M. Duffy received $20,471.58. A year later Mr. Duffy was said to have received $20,698.77 and, a year after that, $19,533.57. In the following year Frank Hull, as President, received $18,803.11 and in 1955 $20,531.47. Figures showing the remuneration received by Mr. Wheatley are not available.

[21] The report of the Brotherhood of Railroad Trainmen states that the president's salary of $19,771.75 "does not include compensation received from Brotherhood of Railroad Trainmen Insurance Department, Inc., a corporation."

[22] It appears that until 1955 the secretary-treasurer was the chief executive officer of the retail clerks. The presidency was more or less an honorary position. Mr. Suffridge was elected president in 1944; in 1947 was elected secretary-treasurer. To correct this anomalous situation the union recast its officer group in 1955, making the president, in fact as well as name, the chief executive officer of the union. With this change Mr. Suffridge once more was made president.

[23] Harry Lundeberg was elected president of the Sailors Union in 1938 and held the office for 21 years until his death on Jan. 28, 1957. Paul Hall succeeded Lundeberg.

[24] During the year 1956 George Fecteau was elected president to succeed Mr. Taylor.

[25] The report gives Mr. Fleete's salary as $754.60 per month and $16.28 per diem expenses.

Union	President	Years as president	When first elected	Salary	Date of salary information
Telephone Unions; Alliance Independent (Ind.)—1211 Chestnut St., room 1103, Philadelphia 7, Pa. Membership: 110,000; local unions, 12.	William S. Leary [26]	2	1955	$1,440	Feb. 11, 1957.
Textile Workers of America; United (AFL), 820 13th St. NW., Washington 5, D. C. Membership: 90,000; local unions, 311.	Anthony Valente	13	1944	$18,190	May 8, 1956.
Textile Workers Union of America (CIO), 99 University Pl., New York 3, N. Y. Membership: 292,500; local unions, 781.	Emil Rieve	18	1939	$16,307.69 plus $4,012.45	Apr. 10, 1956.
Tobacco Workers International Union (AFL), Carpenters Bldg., Room 801, 1003 K St. NW., Washington 1, D. C. Membership: 33,967; local unions, 87.	John O'Hare	13	1944	$12,564	July 23, 1956.
Toy Workers of the United States and Canada; International Union of Doll and (AFL), 132 West 43d St., New York 36, N. Y. Membership: 13,500; local unions, 16.	Harry O. Damino	4	1953	$11,440	Mar. 20, 1957.
Transport Service Employees; United (CIO), 444 East 63d St., Chicago 47, Ill. Membership: 8,000; local unions, 50.	Willard S. Townsend	17	1940	$7,500	Dec. 14, 1956.
Transport Workers Union of America (CIO), 210 West 50th St., New York 19, N. Y. Membership: 90,000; local unions, 135.	Michael J. Quill	22	1935	$12,000	Nov. 26, 1956.
Typographical Union; International (AFL), 2820 North Meridian, St., Indianapolis 6, Ind. Membership: 96,455; local unions, 786.	Woodruff Randolph	13	1944	No information	No information.
Upholsterers' International Union of North America (AFL), 1500 North Broad St., Philadelphia 21, Pa. Membership: 52,836; local unions, 178.	Sal B. Hoffman	20	1937	$10,400 plus $2,912 "allowances."	Mar. 22, 1957.
Utility Workers Union of America (CIO), 1413 K St. NW., Washington 5, D. C. Membership: 81,000; local unions, 354.	Joseph A. Fisher	12	1945	$15,032	(7).
Wall Paper Craftsmen and Workers of North America; United (AFL), 1992 West Philadelphia St., York, Pa. Membership: 3,300; local unions, 20.	Frank Johnson [27]	(7)	(7)	$1,110.63 plus $488.43 expenses.	Jan. 31, 1957.
Watch Workers Union; American (Independent), 479 Moody St., Waltham, Mass. Membership: 6,000; local unions, 5.	Walter W. Cenerazzo	(7)	(7)	$11,700	Nov. 23, 1956.
Watchmen's Association; Independent (Independent), 164 11th Ave., New York 11, N. Y. Membership: 3,000; local unions, 6.	James McFaun	8	1949	$300	Feb. 25, 1957.
Woodworkers of America; International (CIO), 418 Governor Bldg., Portland 4, Oreg. Membership: 105,058; local unions, 275.	A. F. Hartung	5	1952	$14,785.13	Aug. 20, 1956.

[7] No information.
[26] The nature of Mr. Leary's remuneration is not clear. He would scarcely be paid $120 a month for a full-time job as president of an international union of 110,000 members. If this $1,440 is simply an honorarium and the executive job is held by someone else with higher salary, the report does not so state.
[27] It is not clear from the report whether or not the presidency is a full-time job.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Llewellyn E. Thompson, of Colorado, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to the Union of Soviet Socialist Republics;

Francis White, of Maryland, to be Ambassador Extraordinary and Plenipotentiary to Sweden;

John M. Cabot, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador, Extraordinary and Plentipotentiary to Colombia;

Earl E. T. Smith, of Florida, to be Ambassador Extraordinary and Plenipotentiary to Cuba; and

Ivan B. White, and sundry other persons, for appointment and promotion in the foreign and diplomatic service.

The VICE PRESIDENT. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

DEPARTMENT OF THE AIR FORCE

The Chief Clerk read the nomination of Malcolm A. MacIntyre to be Under Secretary of the Air Force.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

DEPARTMENT OF THE NAVY

The Chief Clerk read the nomination of Rear Adm. Robert E. Dixon to be Chief of the Bureau of Aeronautics in the Department of the Navy.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

PUBLIC HEALTH SERVICE

The Chief Clerk proceeded to read sundry nominations in the Public Health Service.

The VICE PRESIDENT. Without objection, the nominations in the Public Health Service are confirmed en bloc.

IN THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army.

The VICE PRESIDENT. Without objection, the nominations in the Army are confirmed en bloc.

IN THE NAVY

The Chief Clerk proceeded to read sundry nominations in the Navy.

The VICE PRESIDENT. Without objection, the nominations in the Navy are confirmed en bloc.

SUNDRY NOMINATIONS IN THE ARMY AND THE AIR FORCE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations in the Regular Army and the Air Force which were placed on the Vice President's desk, as shown on page 4 of today's executive calendar, be considered and confirmed en bloc.

The VICE PRESIDENT. Without objection, the sundry nominations in the Army and the Air Force are confirmed en bloc.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be immediately notified of the nominations confirmed today.

The VICE PRESIDENT. Without objection, the President will be notified forthwith of all nominations confirmed today.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

DEPARTMENTS OF STATE AND JUSTICE AND THE JUDICIARY APPROPRIATIONS — CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6871) making appropriations for the Departments of State, Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a comparative statement on the State, Justice, Judiciary, and related agencies appropriation bill for fiscal 1958.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Summary of bill

Department	1957 appropriations (adjusted)	1958 estimates	1958 House allowances	1958 Senate allowances	Conference action
State	$221,700,072	$227,714,552	$180,382,743	$193,478,243	$189,024,243
Justice	216,343,650	234,580,000	227,855,000	226,380,000	226,705,000
The Judiciary	36,821,435	40,855,250	38,562,050	38,637,050	38,562,050
U. S. Information Agency	113,000,000	144,000,000	106,100,000	90,200,000	96,200,000
Funds appropriated to the President	18,400,000	18,500,000	10,000,000	14,300,000	12,400,000
Total	605,765,157	665,649,802	563,799,793	563,095,293	562,891,293

TITLE I—DEPARTMENT OF STATE

Agency and item	Appropriations, 1957	Estimates, 1958	Recommended in House bill for 1958	Amount recommended by Senate committee	Conference action
Salaries and expenses	$90,500,000	$112,000,000	$98,088,500	$98,088,500	$98,088,500
Representation allowances	800,000	1,200,000	600,000	800,000	800,000
Acquisition of buildings abroad	19,000,000	20,000,000	18,500,000	18,500,000	18,500,000
Emergencies in the diplomatic and consular service	1,000,000	1,150,000	1,000,000	1,000,000	1,000,000
Payment to Foreign Service retirement and disability fund	1,304,000	1,667,000	1,667,000	1,667,000	1,667,000
Extension and remodeling, State Department Building	44,920,000	7,000,000	2,500,000	2,500,000	2,500,000
Contributions to international organizations	33,859,285	37,475,552	35,899,243	35,899,243	35,899,243
Missions to international organizations	1,287,000	1,614,000	1,350,000	1,357,500	1,357,500
International contingencies	1,500,000	2,600,000	1,500,000	1,500,000	1,500,000
International Boundary and Water Commission, United States and Mexico:					
Salaries and expenses	506,000	505,000	505,000	505,000	505,000
Operation and maintenance	1,463,000	1,563,000	1,533,000	1,533,000	1,533,000
Construction		700,000	300,000	300,000	300,000
American sections, international commissions	296,000	337,000	330,000	330,000	330,000
Passamaquoddy tidal power survey	935,000	1,340,000	935,000	1,344,000	1,344,000
International Fisheries Commission	1,265,587	1,654,000	1,600,000	1,654,000	1,600,000
International Educational Exchange activities	20,000,000	30,000,000	17,575,000	24,000,000	20,800,000
Rama Road	2,000,000	2,000,000	1,500,000	1,500,000	1,500,000
Cleveland—Pan-American games	100,000	4,900,000			
Vatican City claims	964,200				
Total, Department of State	221,700,072	227,714,552	180,382,743	193,478,243	189,024,243

TITLE II—DEPARTMENT OF JUSTICE

LEGAL ACTIVITIES AND GENERAL ADMINISTRATION					
General administration, salaries and expenses	$2,900,000	[1] $3,225,000	$3,250,000	$3,175,000	$3,250,000
General legal activities, salaries and expenses	10,320,000	11,100,000	10,800,000	10,650,000	10,800,000
Antitrust Division, salaries and expenses	3,563,650	3,785,000	3,785,000	3,785,000	3,785,000
United States attorneys and marshals, salaries and expenses	19,900,000	20,250,000	20,150,000	20,150,000	20,150,000
Special temporary attorneys and assistants	300,000	300,000	150,000	300,000	150,000
Fees and expenses of witnesses	1,750,000	1,650,000	1,550,000	1,550,000	1,550,000
Claims of persons of Japanese ancestry, salaries and expenses	210,000	220,000	220,000	220,000	220,000
Total, legal activities and general administration	38,973,650	40,530,000	39,905,000	39,830,000	39,905,000
FEDERAL BUREAU OF INVESTIGATION					
Salaries and expenses	95,510,000	101,450,000	101,450,000	101,300,000	101,450,000
IMMIGRATION AND NATURALIZATION SERVICE					
Salaries and expenses	47,550,000	50,500,000	50,000,000	49,500,000	49,600,000
FEDERAL PRISON SYSTEM					
Bureau of Prisons, salaries and expenses	30,735,000	32,300,000	32,200,000	32,200,000	32,200,000
Buildings and facilities	1,675,000	7,000,000	1,750,000	1,000,000	1,000,000
Support of United States prisoners	2,800,000	2,800,000	2,550,000	2,550,000	2,550,000
Total, Federal Prison System	35,210,000	42,100,000	36,500,000	35,750,000	35,750,000
OFFICE OF ALIEN PROPERTY					
Salaries and expenses	(3,000,000)	(3,155,000)	(2,935,000)	(2,935,000)	(2,935,000)
Total, Department of Justice	216,343,650	234,580,000	227,855,000	226,380,000	226,705,000

TITLE III—THE JUDICIARY

SUPREME COURT OF THE UNITED STATES					
Salaries	$1,181,600	$1,238,000	$1,238,000	$1,238,000	$1,238,000
Printing and binding, Supreme Court reports	91,200	91,200	90,000	90,000	90,000
Miscellaneous expenses	55,150	62,500	62,500	62,500	62,500
Care of the building and grounds	194,000	218,200	218,200	218,200	218,200
Automobile for the Chief Justice	5,835	5,835	5,835	5,835	5,835
Total, Supreme Court	1,527,785	1,615,735	1,614,535	1,614,535	1,614,535
COURT OF CUSTOMS AND PATENT APPEALS					
Salaries and expenses	284,850	318,000	307,000	307,000	307,000
CUSTOMS COURT					
Salaries and expenses	625,000	[2] 677,010	677,010	677,010	677,010

[1] Excludes $75,000 proposed transfer to the Judiciary. Administrative Office of the United States Courts, S. Doc. 35.
[2] Includes $6,530 contained in H. Doc. 116.

TITLE III—THE JUDICIARY—Continued

Agency and item	Appropriations, 1957	Estimates, 1958	Recommended in House bill for 1958	Amount recommended by Senate committee	Conference action
COURT OF CLAIMS					
Salaries and expenses	693,000	810,855	810,855	810,855	810,855
Repairs and improvements	9,000	9,000	9,000	9,000	9,000
Total, Court of Claims	702,000	819,855	819,855	819,855	819,855
COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES					
Salaries of judges	8,406,000	8,800,000	8,800,000	8,800,000	8,800,000
Salaries of supporting personnel	16,475,500	18,857,450	18,473,200	18,473,200	18,473,200
Fees of jurors and commissioners	4,250,000	4,400,000	4,250,000	4,250,000	4,250,000
Travel and miscellaneous expenses	2,721,800	2,859,800	2,780,000	2,780,000	2,780,000
Administrative Office, salaries and expenses	753,500	[3] 1,007,400	840,450	915,450	840,450
Air conditioning courtrooms, offices, and other rooms	575,000	1,500,000			
Referees, special account:					
Salaries	(1,253,500)	(1,699,000)	(1,699,000)	(1,699,000)	(1,699,000)
Expenses	(1,874,900)	(2,210,700)	(2,199,700)	(2,199,700)	(2,199,700)
Total, other courts and services	33,181,800	37,424,650	35,143,650	35,218,650	35,143,650
Total, the judiciary	36,321,435	40,855,250	38,562,050	38,637,050	38,562,050

TITLE IV—UNITED STATES INFORMATION AGENCY

Agency and item	Appropriations, 1957	Estimates, 1958	Recommended in House bill for 1958	Amount recommended by Senate committee	Conference action
UNITED STATES INFORMATION AGENCY					
Salaries and expenses	$113,000,000	$140,000,000	$105,000,000	$89,100,000	$95,100,000
Acquisition and construction of radio facilities		4,000,000	1,100,000	1,100,000	1,100,000
Total, United States Information Agency	113,000,000	144,000,000	106,100,000	90,200,000	96,200,000

TITLE V—FUNDS APPROPRIATED TO THE PRESIDENT

Agency and item	Appropriations, 1957	Estimates, 1958	Recommended in House bill for 1958	Amount recommended by Senate committee	Conference action
Refugee relief	$8,500,000				
President's special international program	9,900,000	[4] $18,500,000	$10,900,000	$14,390,000	$12,400,000
Total, funds appropriated to the President	18,400,000	18,500,000	10,900,000	14,390,000	12,400,000

TITLE VI—FEDERAL PRISON INDUSTRIES, INCORPORATED

Agency and item	Appropriations, 1957	Estimates, 1958	Recommended in House bill for 1958	Amount recommended by Senate committee	Conference action
DEPARTMENT OF JUSTICE					
Federal Prison Industries, Incorporated	($950,000)	($1,000,000)	($1,000,000)	($1,000,000)	($1,000,000)

[3] Includes $75,000 proposed transfer from Department of Justice, general administration, salaries and expenses, S. Doc. 35.

[4] Includes a reduction of $1,500,000 as contained in H. Doc. 116.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. JOHNSON of Texas. Mr. President, the issue before the Senate in connection with the conference report on the State, Justice, Judiciary, and Related Agencies appropriation bill is essentially that of a compromise between two conflicting views. A conference report is not expected to be completely satisfactory to both sides, but merely acceptable to both sides. If the report is a reasonable compromise, one which takes into account and properly weighs the judgments of both sides, it is a good report. If it seeks to ride roughshod over the views of one or the other, it is a bad report.

Within that definition, I believe the report before the Senate today is a good one.

The fact that it met such hearty approbation by the Members of the House, and took only a few mintues to be acted upon this morning, is further evidence of that fact.

The point of contention between the two Houses was basically a division of the money which would be placed into the agencies that deal with our foreign policy. There were two receptacles, the State Department and the United States Information Agency.

It was the view of the Senate, a view in which I strongly concurred, that the greater weight should be placed in the State Department. It was the view of the House, a view which I did not share, that there should be more weight in the USIA. It was and remains my belief that at every opportunity we should strengthen the career foreign service. As an American, I like to think that we have done everything reasonably possible to strengthen the position of the men who represent this Nation overseas.

In the course of our hearings the State Department, through Secretary Dulles, Under Secretary Henderson, Assistant Secretary Robertson, the budget officer, Mr. Crouch, and many other witnesses, presented to us facts and figures which I thought were convincing. The USIA, on the other hand, in my viewpoint, was unable to provide us with a clear picture of what it was doing, why it was doing it, or where it was going to do it. I was somewhat saddened by the latter development.

Mr. President, I am convinced of the necessity for the strongest kind of information program. Unfortunately, I have a difference of opinion with the officials of the agency as to the proper definition of the word "strong." They seem to believe that the word means "lavishly supplied with funds." To me the word means "effective," "consistent," "coherent," "persuasive." That difference, however, may be past history. The task before the Senate today is to complete our work on this bill and then proceed to the job of rebuilding an information program of which we can all be proud.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. The remainder of my remarks will take only about 2 minutes. I should like to finish them; then I shall be glad to yield to the Senator from New Hampshire and other Senators for questions.

Mr. BRIDGES. Very well.

Mr. JOHNSON of Texas. The facts of the conference report can be simply stated. The House retreated by $9,900,000 from its position on the USIA. In return, the Senate retreated from its position by $1 million on State Department personal services; by $3,200,000 on the international education exchange program, and by $1,990,000 on the Brussels Fair.

I regret the retreat from the Senate position on the Brussels Fair. But in view of the concession made by the House, there was no other reasonable path for reasonable and fair men to pursue.

There is one point of great importance. There is in the conference report clear and specific language directing the USIA to avoid any possibility of competing with the private enterprise news agencies, film agencies, and picture agencies. I shall not pass judgment on the extent of such competition, if it exists. The point is that there is a definite apprehension of such competition from one of our largest and most respected agencies and such apprehensions should be removed. The language in the report is a protection both to the private agencies, and to the USIA and its reputation. Although the language in the conference report is not in the bill—as comparable language was in the bill reported to the Senate—the adoption of the report will carry sufficient force to assure Congress that its intent will be met.

The overall total of the bill is $562,891,293. It is unusual in that the figure in the conference report is below the total as passed by the House or the Senate. This sum would be apportioned as follows: $189,024,243 to the State Department, $226,705,000 to the Department of Justice, $36,562,000 to the Judiciary, $96,200,000 to the USIA, and $12,400,000 in funds appropriated to the President.

Mr. President, as I said earlier, I believe in a strong and effective information program for our country. Had I been convinced of the strength and the effectiveness of the present structure, I could have supported a larger appropriation for it, as I did last year. The Committee on Appropriations was unanimously of the opinion, without a single dissenting voice from Senators of either party, that this agency should be placed back in the State Department. I hope that can be done quickly.

I thank my colleagues who have been so helpful to me. I believe we have achieved the best possible measure under all the circumstances, and I recommend the adoption of the conference report.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the distinguished Senator from New Hampshire, the ranking member of the subcommittee.

Mr. BRIDGES. I concur in the statement made by the distinguished Senator from Texas, the chairman of the subcommittee. I think the conference report indicates an area of agreement which perhaps is not completely satisfactory to the various interested parties, but certainly is as nearly favorable as can be had in a case where it was necessary to reach an agreement. In general, I concur in the statement which the Senator from Texas has made.

I believe wholeheartedly that the State Department, in a very real sense, is our first line of defense, and that appropriations for it must be sufficient to maintain top quality personnel on the firing line in the various countries of the world.

I believe wholeheartedly in the student exchange program as a very effective means of creating international good will.

I am in favor of the Brussels Fair. The only thing about which I am a little worried is whether sufficient funds have been provided for United States participation in the Brussels Fair to enable us to go first class. I think the Senate recognized that. In my opinion the House figure was too low. I do not believe the United States can participate effectively in an international fair to be held in Belgium, a fair which will be attended by millions of people, and have our exhibit immediately next to the Russian exhibit, unless we can put on a good show, one which will be equal to or better than that of the Russians. For that reason, I wish to ask the Senator from Texas his conception of the handling of this matter, so that the Senate may be apprised of it.

Does the Senator from Texas think the conference report provides sufficient funds to enable the United States to participate effectively? The amount is not as large as both he and I felt was necessary.

Mr. JOHNSON of Texas. I am in general agreement with the statement of the Senator from New Hampshire concerning the Brussels Fair. I should have preferred that the United States have no representation at all rather than second-class representation.

It was the opinion of the Senator from Texas that the President and his coordinator, Mr. Larson, should have a minimum of $3,500,000 for the Brussels Fair Exhibition over and above the amount allowed by the House. As the Senator from New Hampshire is so thoroughly aware, the House felt that that sum was excessive. After more than 5 hours of give and take and negotiation across the table, we were forced to accept a lesser figure, a figure of $1,500,000, in lieu of the $3,500,000 which was in the bill as passed by the Senate. If the $1,500,000 is inadequate, I suppose the President or his proper agents will make necessary representations, and Congress can then consider them.

Mr. BRIDGES. I understand.

Mr. JOHNSON of Texas. I should not want to bind myself as to what I would do under those circumstances. But my opinion is the same as that of the Senator from New Hampshire. I think the exhibition should be first class, or not be presented at all.

Mr. BRIDGES. I agree.

Let me say that I also agree with what the Senator from Texas says about the United States Information Service. I think there is need for a strong United States Information Service and a strong program of that kind. But I do not think any member of the committee was happy about some of the situations which came to light.

One matter which came to my attention—and I wish to ask the Senator from Texas whether he was aware of it—was the information appearing in the House hearings about the rather universal hiring of writers on various American newspapers. I was shocked by that. It is one more indication that the congressional committees must keep in very close touch with the United States Information Service, because it seemed to me that it ran wild in hiring key editorial writers and key newspaper correspondents, who in turn are very enthusiastic about the United States Information Service.

Mr. JOHNSON of Texas. There is available in the House hearings, for the information of all who may care to read and to learn, a list of the special correspondents selected by the USIA in various regions of the country, serving various daily newspapers, who from time to time have been engaged to write special articles. The name of each such person is given, and also the name of the newspaper by which he is presently employed, the subject of the article, and the amount of public funds he has been paid. All that information is available in the House hearings.

Mr. BRIDGES. I appreciate that.

In closing, I wish to commend the Senator from Texas, and to say that although the conference report does not reflect my personal thinking in every respect, nevertheless, I believe it is a good result on the part of the conferees within the general area in which the agreement of both the House and the Senate could be obtained; and the report should be adopted. I commend the distinguished Senator from Texas.

Mr. JOHNSON of Texas. I thank my friend.

Mr. GORE. Mr. President, will the Senator from Texas yield to me?

The PRESIDING OFFICER (Mr. CARLSON in the chair). Does the Senator from Texas yield to the Senator from Tennessee?

Mr. JOHNSON of Texas. I yield to my friend, the Senator from Tennessee.

Mr. GORE. I wish to refresh the Senator's memory, by stating that during the hearings held by his subcommittee, he questioned witnesses from the State Department about the number of persons in the island of Formosa, on the United States Government payroll. That questioning by the able chairman of the subcommittee followed a statement which I had made on the floor; namely, that in November Ambassador Rankin had told me and other Members of the Senate and Members of the House of Representatives that in his opinion the interests of the United States could be adequately cared for in Formosa with one-half the number of persons then employed there by the United States Government.

I understand that the Senator was not able to verify for the public record the number of persons on the United States Government payroll in Formosa, because he was informed that that information was classified.

I wish to call to his attention the fact that only last Friday a very distinguished and affable gentleman from the State Department called upon me in my office, room 342, Senate Office Building, to discuss the matter. He then told me the exact number of persons who had been added to the United States Government payroll in Formosa since the time when some of us were in Formosa. But he informed me that that information was confidential. So, Mr. President, in relating the facts to the Senate, I did not state the exact number, but only referred to the fact that several hundred had been added to the United States Government payroll in Formosa since the time when

our Ambassador there said our Government had there twice as many as were actually needed.

From the front page of today's issue of the Washington Post and Times Herald, I notice that the State Department has now publicly given a breakdown of its personnel in Formosa or of United States Government military personnel in Formosa. I wish to ask the Senator from Texas why it was that only last Friday that was confidential information, not available for public use by a United States Senate committee, and not available for public use by an individual Member of the United States Senate, whereas now the security of the Nation is not involved and is not hindered, apparently, in the judgment of the State Department, by making these figures public. I am glad they have been made public, and I am glad the State Department is now considering a reduction in the number of the personnel there.

In that connection let me read the following statement:

> It was said that reductions in the United States population have been under consideration for some time.

I do not know what that means; neither do I know how long a period is meant by the use of the words "for some time," or whether the reference is to 2 hours or to 2 months. I call to the attention of my colleague the fact that this matter was called to the attention of the State Department last fall, but that hundreds have been added since then.

My principal question of the Senator from Texas is this: How can he justify the publication today of information which only a few days ago was considered confidential to the United States Senate?

Mr. JOHNSON of Texas. Mr. President, I cannot justify the action of the State Department in this instance. I am not responsible for the action of the State Department. When the Senator from Tennessee brought this situation to my attention, I made appropriate inquiries of the State Department and the defense agencies, and I received information and was told that it was in the national interest that the material be classified, and that we could not publish it in our hearings.

However, I am under no illusions; I recognize that not only the Washington Post but also other newspapers for some time have had access to information which frequently is unavailable to the Senator from Texas and to others. I do not attempt to explain, justify, or condone such conduct.

Mr. SALTONSTALL. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. SALTONSTALL. Let me inquire whether the Senator has completed his remarks on the subject matter previously under discussion. I wish to ask a question regarding another subject.

Mr. JOHNSON of Texas. If the Senator from Massachusetts desires to explain the matter to which the Senator from Tennessee and I were referring just now, I shall yield to the Senator from Massachusetts.

Mr. SALTONSTALL. No.

Mr. GORE. Mr. President, I wish to ask another question of the Senator from Texas.

Mr. JOHNSON of Texas. Very well; I yield first to my friend the Senator from Tennessee.

Mr. GORE. If that be true in the case of United States Government employees in Formosa; and if, in fact, there are in Formosa a great many more United States Government employees than the head of the United States Government agency there thinks necessary; and if at the present time, after several hundred have been added, the State Department is now considering making a severe reduction in the number, I wonder whether it is true that such an experience would be helpful in the case of our representatives in other countries.

Mr. JOHNSON of Texas. Undoubtedly I think it would. I hope it will not be necessary to have a riot in every place where the United States has personnel stationed, in order to obtain a reevaluation of the numbers of our personnel there.

Sometimes I have been concerned with the attitude of our own people. They are tolerant people, and they are fair people, and they are understanding people. But, if they ever form the opinion that all that it is necessary to do is riot in order to cause a reduction in the number of our Government's unnecessary personnel, they may start rioting in this country.

The Senator from Tennessee and other Senators have cited the great surplus of United States Government personnel in Formosa, and they have confirmed their remarks by the statement of the distinguished United States Ambassador.

When the distinguished Vice President of the United States returned from one of his frequent trips abroad, he warned the executive branch and the entire country that the United States had too many of its people stationed in too many places.

The distinguished Senator from Louisiana [Mr. ELLENDER], whose knowledge of the operations abroad of our Government is not exceeded in my opinion by that of any other Member of the Senate, last year visited 32 countries. He has written a detailed report on his visit to each one, and has submitted it to the Department.

The Department had an opportunity to take action. It did not even reply. At the insistence of the chairman of the subcommittee of the Committee on Appropriations, the Department finally agreed reluctantly to reread the report of a Member of this body, to examine it, and to make appropriate reply.

I hope it is not going to be necessary for the American people to be humiliated by having incidents—and I hope it is the only one—such as occurred in Formosa the other day in order to bring about a reevaluation of our personnel in these various places.

Mr. CAPEHART subsequently said: Mr. President, I ask unanimous consent that my remarks and my questions may appear in the RECORD as a part of the colloquy between the Senator from Tennessee [Mr. GORE] and the Senator from Texas relating to Formosa.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CAPEHART. Are there any facts or any proof whatsoever that the number of Americans on Formosa had anything whatsoever to do with the riot there? I do not know whether there are too many Americans there, or too few. An investigation might well prove the fact. At the moment, do we have any information—any facts—to prove that the number of Americans had anything whatsoever to do with the riot?

Mr. JOHNSON of Texas. So far as the Senator from Texas is informed, no expert witness has testified in the case. All the Senator from Texas knows is what he has read in the newspapers. He observed, in the newspapers, comments that one of the reasons for the impatience demonstrated and for the unheard-of and uncalled-for conduct was that the United States had too many people in Formosa.

Mr. CAPEHART. Let me say this, Mr. President——

Mr. JOHNSON of Texas. I may say, I was not there. The only information I have is what the Senator from Tennessee [Mr. GORE] gave, in quoting a conversation he had with the American Ambassador, who had stated last fall we had twice as many people as we needed there.

This riot occurred, and reports of it have been available to all Senators. I do not wish to pass judgment. I do not wish to become involved in a question of whether the news reports are accurate. The news reports came, I may say, after our hearings were concluded and after our bill had been acted upon.

I think it is the general feeling of a good many Senators who have heard the evidence about the various services, that when we spend between 40 and 50 percent of the approximate $100 million appropriation for the USIA on purely personal services and salaries, that is excessive.

Mr. CAPEHART. Mr. President, will the Senator yield? Of course, the Senator from Tennessee was not talking particularly about the USIA.

Mr. JOHNSON of Texas. The Senator can debate the question with the Senator from Tennessee.

Mr. CAPEHART. I wish to say that, in my opinion, one of the most encouraging things is the fact that Senators on the other side of the aisle, after spending, it has been estimated, anywhere from $60 billion to $90 billion from the end of World War II up until the time President Eisenhower took office, are now very, very much concerned with reducing expenditures, which I am 100 percent in favor of.

Mr. JOHNSON of Texas. Why should the Senator be discouraged? I should think the Senator would not be.

Mr. CAPEHART. I did not say "discouraged"; I said "encouraged."

Mr. JOHNSON of Texas. I thank the Senator.

Mr. CAPEHART. I am very much encouraged that Senators are doing that, because many of us for years, when the Government was spending these huge sums, of course were very, very much worried about it, and talked about it.

Now that we have Dwight Eisenhower as our President, he is continually reducing the amounts. He has reduced the amounts greatly. In the last 3 years under President Truman we spent approximately $22 billion.

Mr. JOHNSON of Texas. Mr. President, I do not wish to yield for a political speech. I will yield if the Senator wishes to ask me a question. The Senator has plenty of time, and if he wants to use it he can speak in his own right.

Mr. CAPEHART. My question is, then—and I shall put it the other way—is it not a fact that the able Senator from Tennessee [Mr. GORE] injected politics into his expressions?

Mr. JOHNSON of Texas. The Senator from Tennessee can speak for himself.

I will say this: Senators on both sides of the aisle are seriously concerned with the size of the present budget. They are ready to appropriate every dollar that may be required. They wish to scrutinize carefully all proposed expenditures, and then I think they will act in what they conceive to be the national interest. I do not think the patriotism in this body is limited to one side of the aisle.

If the Senator from Indiana has received any encouragement from our performance, then I am very much pleased, because he is a delightful person, and I am glad to have him encouraged.

Mr. COOPER rose.

Mr. JOHNSON of Texas. I now yield to my friend from Kentucky [Mr. COOPER].

Mr. CAPEHART. That is what I thought the Senator wanted, to cut off the debate.

Mr. JOHNSON of Texas. Mr. President——

Mr. CAPEHART. That is one nice thing about being the majority leader. One can cut off debate any time one wishes to.

Mr. JOHNSON of Texas. Any Senator can cut off debate with any Senator who does not conduct himself in accordance with the rules.

Mr. President, the Senator from Texas is convinced that there should be a shift of emphasis in our information program. He is convinced for example that we are taking money that it is not absolutely necessary to spend and spending it in an attempt to teach the English culture. If the people of England cannot find out from the 600 libraries in London all they need to know, I fail to see how we are going to be able to teach them by establishing one of our own.

Mr. GORE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. GORE. The Senator knows, from our joint service in the other body of Congress and from our joint service in the Senate, that neither he nor I has ever been a member of any isolationist bloc. He knows that he and I have vigorously supported programs of international cooperation which, in the view of ourselves and of others, were necessary adequately to promote and safeguard the interests of the United States Government, and to protect and safeguard the interests of the free world. But holding those opinions does not require one to support unnecessary, extravagant, and perhaps even hurtful use of the American taxpayers' funds. Our foreign-aid programs must be on a practical basis and must be on a sensible basis.

I join with the Senator in supporting expenditures which are necessary, which can be used to the advantage of this country and of the free world; but we know that excesses have been engaged in, and I join with the Senator in an effort to eliminate the excesses, and congratulate him upon the vigor of his action.

Mr. JOHNSON of Texas. I am indebted to my friend for his generous expression.

Mr. CAPEHART and Mr. SALTONSTALL addressed the Chair.

Mr. JOHNSON of Texas. I yield first to the Senator from Massachusetts, who has to leave the Chamber. Then I shall yield to the Senator from Indiana. The Senator from Massachusetts asked me to yield before the Senator from Tennessee made his last statement.

Mr. SALTONSTALL. Mr. President, the conferees on the bill took 5 hours and 10 minutes in their deliberations. There were 37 points of disagreement. There was much discussion on a great many points in disagreement. There were, in my opinion, four principal items which were of importance.

The first was the maintenance of the State Department at an adequate level. The Senate increased the House amount by $6,300,000. The final adjustment was a $5 million increase, instead of $6,300,000.

To me, this was the most fundamental question before the conference, because the State Department, as the distinguished majority leader has pointed out, is the first line of our defense, the first line of our security, and the first line of our leadership of the free nations of the world.

Mr. JOHNSON of Texas. Mr. President, if the Senator will yield at that point, for the information of those who may think the State Department was not properly represented in the conference, I may say the Senate proposed $6 million for salaries and expenses of the State Department. We fought 5 hours to maintain every dime of the $6 million, as the Senator knows. Finally, when the situation became hopeless, we compromised by getting five-sixths of our request. We did that only after others had been informed, without the knowledge of the chairman of the subcommittee who was carrying on the fight, that the State Department was willing to accept $5 million.

Mr. SALTONSTALL. What the Senator from Texas has said is correct. The State Department believes it can get along on a $5 million increase, although it stated it would be difficult to do so.

The next most important item, in my opinion, was the educational program. The Senate had increased the House provision for this item by approximately $6 million. This was very bitterly resisted by the conferees on the part of the House. We finally, as the Senator from Texas has said, in order to get an overall compromise, had to accept an increase of $2,225,000 for this item.

The next most important item, in my opinion, was the Brussels Fair. If the United States is to be properly represented, it should do a good job. It should do a job that is comparable with the efforts of other countries. The Senate had provided an increase of something over $4 million for this item. We had to take an increase of $1,500,000.

Whether this amount will be sufficient, I am not certain. The building will cost more than $5 million. Whether the total appropriation will be sufficient to equip the building properly is a question which must be determined after further examination by those in charge. If the amount is not sufficient, then we shall have to consider the matter again.

The fourth most important item was the Information Service. There was a difference of opinion as between $105 million and $90,200,000. That matter was discussed at great length. Finally, the appropriation was increased by $6 million.

So that whereas the Senate won five-sixths of the amount it asked for with respect to the State Department, the House won a little less than one-half on the Information Service. All told, the agreement was a compromise. I do not approve of all the items. I would like to have had larger increases in several items, as the distinguished Senator from Texas knows; but there was great resistance on the part of both sets of conferees, and they stood by their opinions as doggedly as they could.

The conference started at 2 o'clock in the afternoon, and was finally settled at 10 minutes past 7. I can say the majority leader kept his patience and kept the conference going at great speed. The final result, I believe, was the best we could get under all the circumstances.

I hope the conference report will be accepted as a reasonable compromise between two legislative bodies with firm opinions on many subjects, but a conference report of great importance to our Nation.

Mr. JOHNSON of Texas. I should like to say in response to the statement just made by my friend from Massachusetts that no one made a greater or finer contribution to the results finally achieved than the distinguished statesman from Massachusetts. I am deeply in his debt for his patience, for his understanding, and for his wise suggestions.

I now yield to the Senator from Indiana.

(Mr. CAPEHART addressed the Senate and asked a number of questions. On his request, and by unanimous consent, his remarks were ordered to be printed in the RECORD following the colloquy relating to Formosa.)

Mr. COOPER. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. COOPER. In connection with the conference report, if I may, I should like to ask the Senator from Texas a question. I note that amendment 33 proposes to delete the language on page 34 which would prohibit any part of the appropriation being used in a Government information activity, if it competes with a private enterprise, engaged in such an activity.

Mr. JOHNSON of Texas. Mr. President, I did not hear the question of the Senator from Kentucky. Another Senator was asking me a question, and my attention was distracted. Will the Senator repeat the question, please?

Mr. COOPER. I invite the attention of the Senator from Texas to amendment 33, which proposes to delete the language on page 34 of the bill as passed by the Senate. I think the Senator from Texas will remember that in a discussion of this language, during the debate on this bill, he pointed out that its purpose was to prohibit any overseas Government information activity which might compete with private enterprise, and that it was particularly directed to the news service of the USIA.

Under the language which was contained in the bill, as passed by the Senate, I think the question of whether or not there was any competition was to be determined by a finding of the director of the United States Information Agency. That language has been stricken.

Mr. JOHNSON of Texas. I understand the Senator's point.

Mr. COOPER. I should like to ask this question in order to bring it to an issue: In what manner can there be a determination, under the conference report, as to whether a certain activity in which the USIA might wish to engage, is in competition with private enterprise?

Mr. JOHNSON of Texas. First, in the opinion of the Senator from Texas, the Director of the Agency, when he received information of competition or when a complaint was made, would immediately conduct an investigation and make a finding. If he found that the law was being violated, I am sure he would take proper action.

I will say to the Senator that after the bill passed the Senate, the Deputy Director, Mr. Abbott Washburn, in between his various interviews, while we were trying to consider the bill in conference, found time to sign a letter which said:

> In the absence of any evidence on the question of competition such as a complaint, this places the Director in the position of having to make an estimate as to whether competition will or might develop in the future. As I am sure you will agree, guessing the future is never easy. I would, therefore, like to suggest a change in the above provision which will, I believe, give effect to your committee's intent but which will be much more workable from the viewpoint of the Agency. The suggested provision is as follows:

Does the Senator have that provision before him?

Mr. COOPER. No.

Mr. JOHNSON of Texas. I will read it.

> *Provided, further*, That no part of the appropriation made by this title shall be used to carry on any Government information activity in any country overseas after complaint by a private United States concern or individual to the Director of the United States Information Agency that such activity prevents such concern or individual from selling corresponding information services or products in such country, unless the Director of the United States Information Agency finds, after investigation, that the activity complained of does not prevent the sale of corresponding information services or products by the complainant, and the Appropriations Committees of the Senate and the House of Representatives shall be promptly notified in writing of each such complaint and finding.

Mr. President, we thought there was considerable merit in that suggestion. We did not desire to impose upon the Director the requirement that he notify the Appropriations Committees. We have some differences of opinion at the Capitol about that matter. Some think the Speaker and the Vice President should be notified, rather than committees, and let them handle it from there, on their own. But it seemed to us that the thought expressed, namely, that the Director should not have to give us information unless a complaint was made, but would act after complaint, was proper.

The key to the whole matter was the word "complaint." We further decided that instead of legislating on an appropriation bill—and the House felt very strongly on the matter—we would make reference to this situation, and express the unanimous opinion of all the conferees from both Houses of the Congress that no part of this appropriation should be used to duplicate or compete, and that the Agency was directed to investigate and act promptly upon any complaint, and, of course, to determine whether or not there was merit in it. If there should be merit, of course, the proper action would be taken.

Mr. COOPER. Does the Senator consider that there would be no obligation upon the USIA to take any action, either pro or con on activity, unless a complaint should be filed by a private agency?

Mr. JOHNSON of Texas. No; the Senator from Texas does not so consider. I do not have before me the exact language of the basic law. However, in that law the Agency is directed not to duplicate or compete with private enterprise. There has been much criticism of the Agency because it was felt that the intent of the act was not being carried out.

It was the intent of the conferees to reemphasize what was in the basic law, and to point up the fact that any complaint which is made should be acted upon promptly. We do not intend by this language to repeal the provision in the basic law, but rather to reemphasize it, and insure that each specific complaint is investigated and determined.

Mr. COOPER. Mr. President, I should like to ask the Senator this question. What action would the Senator consider appropriate under the state of facts which I shall describe, to determine if competition did exert and thus require a prohibition against USIA?

We know that the United States Information Agency is now sending its news service to many countries. The service goes to hundreds, even thousands, of small newspapers in many countries. It is obvious that many of those newspapers could not purchase the services of the AP, the UP, the INS, or other news agencies, much as we would like to have them purchase such services.

Mr. JOHNSON of Texas. The Senator is a very able lawyer. Under the state of facts which he has outlined, I am sure the Senator would agree with me that if that were the situation, the United States Information Agency would not be competing, because the foreign newspapers would not be able to purchase such service elsewhere.

Mr. COOPER. On the other hand, the private agencies might say, "Because of the fact that you are furnishing this news service, we are practically prohibited from contracting or negotiating with those newspapers for our services."

Mr. JOHNSON of Texas. I have no doubt that if the language in the basic act remains intact, and if the language in the conference report remains intact, we can entrust to those responsible for this operation the duty of carrying out the intent of the Congress. I believe that, generally speaking, this provision is in keeping with their expressed views, and their statements as to what they hope to do.

Mr. COOPER. My interest is in seeing to it that if our private news agencies cannot sell their services to newspapers in other countries because of their inability to purchase such service, some news service is afforded such newspapers by the USIA.

I conclude, then, from what the Senator has said, that if newspapers, news services, and information services in the respective countries cannot actually buy the services of our private agencies, news service may be furnished through the United States Information Agency.

Mr. JOHNSON of Texas. If they had no funds, and could not purchase such services elsewhere, I do not think there would be any competition or duplication.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. DWORSHAK. In Newsweek magazine for May 27 there appeared the following article, in the "Periscope" column:

> Republicans gave powerful backstage support to Democratic majority leader JOHNSON during the debate over cutting USIA funds by some $54 million. Senators SCHOEPPEL of Kansas and DWORSHAK of Idaho sent JOHNSON word "Make a motion to kill it entirely and our side will rush to your aid like Coxey's Army."

Mr. President, I brand that statement as completely inaccurate and false. It is typical of the worst kind of irresponsible reporting, which we occasionally encounter in the Nation's Capital.

Mr. JOHNSON of Texas. The Senator from Idaho at no time made any such statement to me.

Mr. DWORSHAK. I thank the Senator.

Mr. President, will the Senator further yield?

Mr. JOHNSON of Texas. I yield.

Mr. DWORSHAK. The Senator from Idaho was not a member of the subcommittee which handled the budget for the State Department or the USIA, and consequently did not participate at any time in the questioning or attend any of the hearings on the USIA budget.

As a member of the full committee, the Senator from Idaho was in accord with the unanimous action taken by that group in recommending an appropriation of $90 million for USIA for next year.

The Senator from Idaho also wishes to point out that in the debate on the floor concerning the USIA budget, which

was quite extensive, he did not participate in any way, although he might have been justified in doing so on the basis that during a trip he made behind the Iron Curtain and in Europe in 1955, and while visiting 12 countries in the far Pacific in the fall of 1956, the Senator from Idaho made it his particular business to inspect the operations of the USIA. He reported that in many instances efficient and outstanding work was being done by that agency, particularly in the Philippines, at Manila, where the publishing is done for all the USIA activities relating to Asia. The Senator from Idaho was impressed by the efficiency of that operation.

Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks a few brief remarks which I made on March 29 at a hearing before the Senate Committee on Foreign Relations, on the subject of USIA operations. This statement constitutes all the comments I have made during this rather controversial debate.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

> One other point I should like to emphasize is this: In my travels in the far Pacific last fall I was particularly concerned about making inspections of the United States Information Agency.
>
> In our discussions before the Appropriations Committee on the funds which have increased from a few millions annually to $113 million this year, the budget is requesting, I believe, $140 million for the next fiscal year, it is obvious that the President and the Congress realize the potentialities of the USIA in disseminating accurate information and in selling our American ideals abroad.
>
> But it seems to me that the USIA needs sort of an overhauling or reappraisal to overcome some of the abuses which have developed over the years.
>
> In one special instance there has been some concern about the money necessary to maintain a wire bulletin, which is comparable to the press services rendered by the Associated Press, the United Press, and International News.
>
> There has been a difference of opinion whether it is necessary for USIA to maintain this rather costly operation instead of relying abroad upon the available services of these various press bureaus.
>
> It is my opinion as a former newspaperman, that while we must engage in the promotion of publicity favorable to the United States to combat the somewhat unethical Soviet activities in behalf of their own way of life, I think that it is not necessary to maintain costly press agencies or services within the framework of the USIA.
>
> I think that we must have some activity in the promotion of worthwhile publicity through this agency, but not in any way in competition with existing press services, because I made it my business abroad in places like Japan and elsewhere to see what was available in the way of press services.

Mr. DWORSHAK. Mr. President, it is unfortunate that when responsible journals like Newsweek wish to ascertain what Senators think about any controversial issue, members of their Washington staff do not avail themselves of the opportunity to make a telephone call and find out what a Senator thinks, instead of reporting indirectly such false information as that to which I have referred, which is very unfair to a Member of this body.

Mr. JOHNSON of Texas. Mr. President, I am an expert in that field. If I wished to discuss all the misleading ideas which have appeared in public print concerning the action taken in connection with this bill, I would require all day.

I believe that the best judges of our actions in the committee are our colleagues in this body. Every Senator is within his rights in expressing his views and casting his vote in accordance with what he conceives to be the interest of his nation and the interest of his State. So far as the Senator from Texas is concerned, he will express his viewpoint, and will permit other Senators to express theirs. When the roll is called, we can divide as we determine best.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. ELLENDER. Mr. President, I compliment my good friend from Texas for the fine work which he did in the conference. At one time I felt that we would not be able to accomplish what we finally succeeded in doing.

The distinguished Senator from Texas exhibited the same high caliber of leadership last year as he did this year, in his efforts to deal with the United States Information Service. The only difference was that last year he used his efforts to increase the amount from $87 million plus to $113 million plus.

Of course, after looking into the matter thoroughly, he acknowledged to both the Committee on Appropriations and the Senate that an error had been made last year in increasing the amount of money for the operation of this Agency.

Be that as it may, Mr. President, the Senator from Texas deserves high credit for his handling of this measure. We acted on it as quickly as possible after giving it the kind of study which it certainly required. It is always a pleasure to work with my distinguished colleague, the majority leader, but especially so when I have been able to win him over to my viewpoint.

As I have said on many occasions, the Agency has grown into a strong and powerful bureaucracy. An example of this great strength is the fact that USIA has been able to induce the President of the United States to recommend that it be made a permanent organization. A bill is now before the Committee on Foreign Relations, known as S. 1583, giving the people working for USIA what amounts to the full status of Foreign Service officers, with full recognition under the Foreign Service Act of 1946. I refer Senators to pages 7 through 10 of that bill where the following language is found:

> UNITED STATES INFORMATION OFFICERS
>
> SEC. 1013. (a) There is hereby established a category of officers of the United States Information Agency to be known as United States Information Officers who shall, except as provided in this section, be subject to the provisions of the Foreign Service Act of 1946, as heretofore or hereafter amended (hereinafter referred to as the Foreign Service Act), and any other provisions of law which are or may become applicable to Foreign Service Officers: *Provided*, That no person shall be eligible for appointment as a United States Information Officer unless he meets standards and has passed examinations substantially equivalent to those required for appointment as a Foreign Service Officer under the Foreign Service Act.
>
> (b) Such authority as is or may become available by statute to the Secretary of State with respect to Foreign Service Officers, shall be available on the same basis to the Director of the United States Information Agency (hereinafter referred to as the Director) with respect to United States Information Officers, except as otherwise provided in this section, and except for the following sections of the Foreign Service Act or portions thereof which shall not apply to United States Information Officers: 201 (Director General of the Foreign Service), 211 (a) (Board of the Foreign Service), 401 (1) (Chiefs of Mission), 411 (Chiefs of Mission), the first three sentences of section 412 (classes of career ambassador and career minister), 421–422 (officers temporarily in charge), 431 (Chiefs of Mission), the last sentence of section 443 (designation of hardship posts), 501–502 (principal diplomatic representatives), the second and third sentences of section 517 (lateral entry), 518–519 (career ambassadors, career ministers, and chiefs of mission), 571 (b) (eligibility of Foreign Service Offices to serve as Director General), and section 631 (retirement of career ambassadors and career ministers).
>
> (c) There are hereby established in the United States Information Agency (1) a board composed of four senior officers of the Agency designated by the Director, and one officer of the Department of State designated by the Secretary of State, one of whom shall be designated Chairman by the Director, and (2) a board of examiners designated by the Director, which board shall carry out with respect to foreign service personnel of the Agency the functions vested by the Foreign Service Act in the Board of the Foreign Service and the Board of Examiners for the Foreign Service, respectively.
>
> (d) The Secretary of State may, upon request of the Director, recommend to the President that United States Information Officers be commissioned as diplomatic or consular officers, or both, in accordance with section 512 of the Foreign Service Act. The Secretary of State may, upon request of the Director, assign United States Information Officers, commissioned as diplomatic or consular officers, to serve under such commissions in accordance with sections 512 and 514 of the Foreign Service Act.
>
> (e) The Director shall establish and administer an independent retirement and disability system for United States Information Officers in accordance with the provisions of the Foreign Service Act.
>
> (f) Regulations prescribed by the Director with respect to appointments, promotions, assignments, separations, and the general administration of the United States Information Officer personnel system, shall at all times be compatible with, and to the extent practicable, similar to those applicable to the Foreign Service Officer Corps.
>
> (g) Nothing in this legislation shall be construed to authorize the Director to establish a Foreign Service Institute as provided in title VII of the Foreign Service Act.
>
> (h) Nothing in this legislation shall be construed to make permanent the separation of the overseas information program from the Department of State.
>
> UNITED STATES INFORMATION SERVICE
>
> SEC. 1014. The Agency established by section 1 of Reorganization Plan Numbered 8 of 1953 shall hereafter be known as the "United States Information Service" and all references in such reorganization plan or in any statute, regulations, agreement, or other legal instrument to the "United States Information Agency" shall be construed to refer to the "United States Information Service." Nothing in this section shall be construed to alter

or affect in any way the functions, authorities, or responsibilities of the Agency.

As the Senator from Texas has well stated, it was the unanimous conviction of the members of the Committee on Appropriations that this Agency be made a part of the Department of State, instead of maintaining it as a separate and distinct organization.

The distinguished Senator from Indiana asked, I believe, a very pertinent question as to how anyone can know that the riots in Formosa were caused by the hordes of American there.

For the last 3 years I have each year visited Formosa, Korea, and the Republic of the Philippines, and many other countries in Southeast Asia. On all occasions I concluded that Uncle Sam has his nose much too far into the affairs of the people of too many countries.

In T'ai-pei, Formosa, the International Cooperative Administration pays the salaries of 810 persons—680 local and 130 Americans who are engaged in trying to balance industry with agriculture, and they have nothing to work with in the way of raw materials. In addition to ICA and military personnel there are too many people representing the United States in connection with the United States Information Service on Formosa. Those Americans occupy the finest of residences in T'ai-pei. They drive the finest automobiles around the streets of T'ai-pei, dressed in the best of clothing. They exude wealth. That causes the people of Formosa—and the same thing is true in Korea—to believe that all Americans are rich, that they enjoy the best of everything, that they "come among us and try to do the same thing here." That is the cause of a good deal of the trouble that has occurred recently in Formosa.

I predicted last February that this would happen, not only in Formosa, but in the Middle East.

While visiting the capitals of Syria and Lebanon, I tried to take a few moving pictures of some people in the streets. They tried to stop me when they learned that I was an American. In Damascus, the police had to come to my rescue, because I was doing things that I had done previously—taking a few pictures and talking to a few citizens, trying to learn something about those countries.

I say we have too many Americans abroad who go about the poorer countries and live like kings in comparison with how the poorer people live. I would not be at all surprised if we had more Formosa-type outbreaks in many other areas of the world, particularly in southeast Asia.

The Information Service can talk all it wants to, it can spout propaganda, maintain plush libraries, and print leaflets by the bushel, but unless and until we get our aid down to the masses, and Americans abroad—including Information Service employees—stop flaunting their wealth, their cars, their fancy clothes in the faces of hungry people of underdeveloped lands, the threat of Formosa-type riots is always there.

Let me say, too, that there are too many employees on USIA payrolls; the entire USIA staffing pattern is wasteful.

It is my hope that the Information Service will reevaluate its work. They should extol the virtues of democracy among the people behind the Iron Curtain. If they did this in an objective manner, a great deal of good could be accomplished. They can also tell the people of Western Europe—although I do not think they need it—what our foreign policy is, but on a smaller scale. Most of that work should certainly be done by the State Department, in consultations with our so-called allies, who have access to United States news services as well as their own. I am in thorough agreement with the position taken by the distinguished Senator from Texas with regard to the large libraries that we are maintaining all over Western Europe. In Italy alone we are spending many thousands of dollars for rent in order to maintain libraries in 11 cities in Italy. That amount does not include maintenance and the cost of operating the libraries in that country.

I have been advocating that the books in these libraries be turned over to Italian libraries, operated by the Italian people. The same thing goes for France. The local libraries operating in France should get the books that we make available at our own lavish installations. They should be placed in libraries operated by the French people themselves.

Of course, the identical formula could and should be followed in the United Kingdom, Belgium, and the other Western European countries.

I am satisfied that the United States Information Service could live with much less than we have provided in the conference bill. I reluctantly signed the report because it involves an increase in the Information Service funds of $6 million. I am convinced that if those who operate the Information Service take a new look and confine their work to that originally contemplated by Congress in creating the agency, it will find the amount approved in conference more than adequate.

Let the agency cut down on the number of employees in Western European countries—cease propagandizing our friends so assiduously and begin doing more work in areas where it will do the most good. I would suggest that more emphasis be placed on spreading the messages of truth behind the Iron Curtains—objectively, without rancor or bias. The most powerful weapon the free world has is truth; this shining sword should not be tarnished by fiction or dulled by bias. In addition, the Agency might pass the word among its employees in all countries, particularly those in areas recently released from colonialism and still underdeveloped, that the course of prudence involves eliminating lavish displays of individual affluence. Let us deal with the peoples we contact as we would want to be dealt with if we were in their place.

Mr. JOHNSON of Texas. Mr. President, I yield now to the Senator from Arkansas, a member of the conference committee, who made a distinct contribution to our deliberations.

Mr. FULBRIGHT. I have a short statement that I wish to make. However, I do not want to delay the Senator. I know he has been on the floor for some time now.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may yield to the Senator from Arkansas without losing my right to the floor.

The PRESIDING OFFICER (Mr. CASE of New Jersey in the chair). Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, before I make my statement, I want to be sure that the Senator from Texas will put into the RECORD the information with regard to the employment by USIA of persons employed by newspapers. Did he agree to do that in his colloquy?

Mr. JOHNSON of Texas. I will say that the information appears on page 345 of the House hearings. That information relates to approximately 475 writers, many of them employees of newspapers throughout the country, from the Pacific coast to the Atlantic coast. These persons have been employed by the USIA for special articles from time to time. I believe the period in question extended over 18 months.

Approximately 475 persons were involved, and approximately $70,000 was spent. One individual, employed by a St. Louis newspaper, received approximately $1,800 in a little more than 1 month for special articles. I do not know the conditions under which these persons are employed, that is, whether the director reserves to himself the right to employ them, or whether it is the assistant director. I know that the information is available. If the Senator desires it, I shall ask unanimous consent to have it printed in the RECORD; or he may ask unanimous consent to insert it in the RECORD.

Mr. JOHNSON of Texas subsequently said: Mr. President, earlier in the day, in a colloquy with the distinguished Senator from Arkansas [Mr. FULBRIGHT], through inadvertence, I stated that an individual employed by a St. Louis newspaper received approximately $1,800 in a little more than 1 month for special articles he had written for USIA.

The facts are that a St. Louis newspaperman received $1,800 in 18 months, whereas another individual, Mr. Michael Lever, received $1,800 in a little more than 1 month.

In a rapid exchange, the two separate facts became merged into one, and I wish now to make the record abundantly clear. I do not know where Mr. Lever resides. The record shows that he is a writer who received $1,800 in a little more than a month; whereas a St. Louis newspaperman received $1,800 over a period of 18 months.

I desire the record to be clear, so that no false impression will be left and no one will be done an injustice.

Mr. FULBRIGHT. In line with the suggestion of the Senator from Texas, I do ask unanimous consent to have the information printed in the RECORD, because it seems to me to be a most unusual action.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Free-lance services procured from July 1, 1955, to June 30, 1956

Date	Name and address	Title of use	Amount
July 22, 1955	Charles Adkins, director, public relations, Colgate University, Hamilton, N. Y.	Stories on 7th Annual Colgate University Foreign Policy Conference	$80
Apr. 24, 1956	Victor Alba, care of American Embassy, attention USIS, Mexico City, Mexico.	Article: Communist strategy and tactics in Latin America	200
Aug. 16, 1955	Robert J. Alexander, department of economics, Rutgers University, New Brunswick, N. J.	Article on Communism in Brazil	180
July 19, 1955	Thomas Allen, Bridgeport Herald, Bridgeport, Conn	Story on American Shakespeare Theatre Festival at Stratford, Conn	20
Feb. 28, 1956	Hollis Alpert, 513 6th Ave., New York 11, N. Y	Article on motion pictures	75
Apr. 26, 1956	Henry L. Aismeyer, Jr., Caller-Times, Corpus Christi, Tex	Stories on Vice President Jose Goulart of Brazil	40
Oct. 14, 1955	David Anderson, Chicago Sun-Times, Chicago, Ill	Story on group of Russian architects, building officials	20
Aug. 4, 1955	Dwight Anderson, 2530 Valletta Lane, Louisville, Ky	Article on the Louisville Philharmonic Society	60
Sept. 7, 1955	James K. Anderson, Detroit News, Detroit, Mich	Story on group of Dutch men and women headed by Jan H. B. Niemeyer	20
Nov. 14, 1955	do	Stories on advance preparations, preparation committee statements, officials on visit of Guatemalan President; Guatemalan President emphasizing color, dignity of reception, summary speeches and significant reaction excerpts of important speeches.	40
Dec. 12, 1955	Margery Anneberg, Far Eastern and Russian Institute, University of Washington, Seattle, Wash.	Article on literature in Communist China	50
Sept. 23, 1955	John T. Appel, the Register, New Haven, Conn	Story on Sir Owen Dixon, Chief Justice of Australia at Yale Law School receiving University's Howland Prize.	20
Dec. 19, 1955	do	Story on the visit of Chief Venerable Vira Dharmawara at Yale University	20
Mar. 9, 1956	do	Story on United States Ambassador to India John Sherman Cooper	20
Apr. 13, 1956	do	Story on U. Maung Maung Gyi	20
May 31, 1956	do	Story (backgrounder) on Yale University. The backgrounder is to coincide with the visit to the United States of German Chancellor Konrad Adenauer.	25
June 21, 1956	do	Stories on United States and foreign statesmen who have received degrees from Yale University; degree ceremony at Yale University.	40
Nov. 4, 1955	Gerald Ashford, San Antonio Express, San Antonio, Tex	Story on musical salute to Vienna	20
July 27, 1955	Dean O. Avery, New London Day, New London, Conn	Story on the dedication ceremonies of second atomic submarine	20
July 14, 1955	Wilbur Baldinger, 1230 National Press Bldg., Washington, D. C	Research and preparation of story outline for cartoon book—Communist techniques in capturing control of ULS labor unions—How they can be ousted once they have gained control.	375
Sept. 2, 1955	Frank Bauer, Press Register, Mobile, Ala	Story on Louis Jordan, musician	20
Nov. 21, 1955	Orren Beaty, Jr., Arizona Republic, Phoenix, Ariz	Stories on the World Symposium on Applied Solar Energy	100
Nov. 3, 1955	John Beaufort, drama critic, Christian Science Monitor, 586 Fifth Avenue, New York, N. Y.	Series of articles on the American Theater	600
Sept. 2, 1956	Lester Bell, San Diego Union, San Diego, Calif	Story on the Joint United States-Mexican Trade Union Commission meeting in San Diego, Calif.	20
Sept. 9, 1955	Fluvio Bellini, attention Alan J. Funch, care of American Embassy, USIS, Rome, Italy.	Article on Communism in Italy	400
July 19, 1955	Leslie H. Bennett, New Orleans Item, New Orleans, La	Story on Lebanese vocational teachers training study group	20
Aug. 11, 1955	do	Story (interview) on Edgar Engelhardt, Deputy Mayor and City Administrator, Hamburg, Germany.	20
Sept. 1, 1955	do	Story on Renato Cellini	20
Sept. 22, 1955	do	Story on Mallam Abubakar, Nigerian Minister of Transportation	15
Oct. 6, 1955	do	Story on Freiherr Oesler von Ravensburg, Regierungs-director, Ministry of State; adviser for Federal-State relations.	20
Oct. 14, 1955	do	Story on Dr. Gebhard Mueller, Minister-President of Baden-Wuerttemberg (West Germany).	20
Nov. 4, 1955	do	Story on musical salute to Vienna	20
Nov. 7, 1955	do	Story on Dr. Herbert Moses, president of Brazilian Press Association	20
Nov. 14, 1955	do	Story on plans for an exhibit in connection with Vienna Opera opening	20
Do	do	Stories on advance preparations for visit of Castillo Armas; events 1st day of visit; events 2d day of visit.	60
Nov. 15, 1955	do	Stories on the Inter-American Press Association meeting	70
Jan. 3, 1956	do	Story on Mrs. A. Abas Manopo	20
Mar. 5, 1956	do	Stories on Mrs. Ingrid-Gisela Bohle-Hattje and (advance) on Latin American Press Seminar to be held in New Orleans.	40
Mar. 15, 1956	do	Story on Dr. Wilhelm Ansorge, Kurt Hoffman, and Dr. Gerhard Wilke	20
Mar. 16, 1956	do	Story on Japanese electrical industry study group	20
Do	do	Story on the Latin American Press Seminar	20
Mar. 29, 1956	do	Story on Hidetsugu Iteano, Chief of Youth Education, Social Education Section, Ministry of Education, Tokyo, Japan.	20
Do	do	Story on Douglas Kim Lee, chairman of the Malayan-Chinese Association Youth Section, Kuala Lumpur.	20
Apr. 3, 1956	do	Story on the Uruguayan Industrial Productivity Study Team	20
May 1, 1956	do	Story on Dr. Ferdinand Bloetz, civil court judge, Hamburg, Germany, visiting New Orleans, La.	20
May 3, 1956	do	Story on the New Orleans Philharmonic Symphony Orchestra	20
May 31, 1956	do	Story on Miguel Jose de Almeida, visiting New Orleans, La	20
Do	do	Story on Jorge Pinto de la Torre, president, La Paz Bar Association	20
Aug 11, 1955	Raymond E. Benson, 405 West 117th St., New York, N. Y	Research, editing and typing of manuscripts for Problems of Communism	150
Nov. 22, 1955	do	Editing and condensation of article by J. Gilkeman	75
June 6, 1956	Meyer Berger, the New York Times, New York, N. Y	Writing article on New York	300
Mar. 16, 1956	Archie Bruce Birtwell, Malden Evening News, Malden, Mass	Story on Mexican shoe industry productivity group	20
Sept. 23, 1955	Louise Blachard, Miami News, Miami, Fla	Stories on Moncef Kedadi, teacher at Sadiki College, Tunis, Tunisia, North Africa, and Farid Kozma, president of the Lebanese Bar Association.	
Feb. 7, 1956	do	Story on Vice President Richard M. Nixon	20
Nov. 3, 1955	Robert Bellman, Waterbury American, Waterbury, Conn	Story on Mrs. Krishnalal Shridharani, Indian dancer	15
Dec. 23, 1955	Sando Bologna, Waterbury Republican, Waterbury, Conn	Story on Liudas J. Koncius, who has assumed duties as a district executive for Boy Scouts in the Waterbury, Conn., area.	20
Mar. 22, 1956	do	Story on the Indian Centenary Choir and Orchestra	20
Apr. 27, 1955	do	Story of Michele Chinnano who was brought to Waterbury, Conn., from Italy for an operation for deformed feet.	20
June 14, 1956	do	Story on Rt. Rev. Msgr. John Carroll-Abbing and Boys Town of Italy	25
Feb. 28, 1956	Dominic D. Bonafede, Miami Daily News, Miami, Fla	Story on Battle Berres, President of Uruguay	20
Feb. 15, 1956	Robert Breen, Baltimore Sun, Baltimore, Md	Story on Claus and Hansjoerg Heimig, German baseball players imported by the Baltimore Orioles Baseball Club.	20
Feb 29, 1956	do	Story on backgrounder on Italian-Americans in Baltimore	25
Sept. 30, 1955	R. H. Buchanan, Ottawa Citizen, Ottawa, Canada	Story on United States Secretary of State John Foster Dulles	20
Nov. 29, 1955	William Burke, State Journal, Lansing, Mich	Story on speech of Assistant Secretary of State George V. Allen	20
June 20, 1956	J. D. Burton, Herald-Telephone, Bloomington, Ind	Story on Miss Wang Taun-ying, member of the Foreign Affairs Committee, Legislative Yuan.	20
July 5, 1956	Mrs. Josephine Campbell, 4202 Kaywood Dr., Mount Rainier, Md	Stories on the Third Annual Convention of Pakistan Students in the United States.	105
June 8, 1956	Ashmead C. Carson, Columbia Record, Columbia, S. C	Story on German Ambassador Heinz L. Krekeler	15
Apr. 24, 1956	Father Henri Chambre, 15 Rue R. Marcheron, Vanves, Seine, France	Review of Continuity and Change in Russian and Soviet Thought	50
Dec. 21, 1955	Colin Clark, 4 Keble Rd., Oxford, England	Article on the standard of living in the U. S. S. R	200
Apr. 2, 1956	Charles Clay, Raleigh News and Observer, Raleigh, N. C	Story on 62 students, they have been accepted for enrollment in 2d session of School of Nuclear Science and Engineering.	20
Feb. 6, 1956	John Clews, 44 Tavistock Sq., London W. C. 1, England	Article on the International Union of Students	150
Sept. 28, 1955	James H. Coney, Jr., Birmingham News, Birmingham, Ala	Stories on the Public Affairs Forum on Our Hemispheric Neighbors	40
Do	do	Story on Arthur D. Shores and United States Judge Hobart Grooms	20
Mar. 1, 1956	Don Coppedge, Record-Chronicle, Denton, Tex	Story with first Negro co-ed at North Texas State College	20
June 22, 1956	Mary Y. Cosley, 2501 Calvert St. N.W., Washington, D. C	Research and writing article on United States highways	100
Mar. 28, 1956	James H. Cousy, Birmingham News, Birmingham, Ala	Stories on the Miss Autherine Lucy case	75
Apr. 6, 1956	do	Stories on Alderman A. Lummis Gibson, Lord Mayor of Birmingham, England.	40

Free-lance services procured from July 1, 1955, to June 30, 1956—Continued

Date	Name and address	Title of use	Amount
Mar. 28, 1956	Paul Craigue, Boston Globe, Boston, Mass	Story on German art exhibit, Masterpieces From Five Centuries	$20
July 7, 1955	Walter W. Cunningham, 17 Washington St., Suite 402, Malden, Mass.	Story on Mrs. Kim Mari-Bong, Korean novelist	20
July 11, 1955	do	Story on UNESCO Conference recently concluded at Boston	20
July 15, 1955	do	Stories of Dr. Marcel S. Schreiber and Austrian training methods study group.	45
Do	do	Stories on Prof. Walter Merch, Director of UNESCO and European training methods study group.	40
July 21, 1955	do	Story on Tanglewood Festival in Massachusetts	20
Aug. 11, 1955	do	Stories on Kellogg Foundation and Wolf Donndorf, Chief, Division of Fine Arts.	40
Aug. 12, 1955	do	Story on Hugh Stubbins, Boston architect	25
Aug. 19, 1955	do	Story on Henriette Noyer	20
Do	do	Stories on Asobhy Grais, Anglo-Egyptian publisher, Cairo and Bartolome Scholotto, rector and professor at School of Agriculture of Southern Institute of Technology, Bahiablanca, Province of Buenos Aires.	20
Do	do	Story on International Friendship League	20
Aug. 23, 1955	do	Story on Mrs. Avleen Kunjama of India	20
Aug. 29, 1955	do	Stories on Harvard University of Public Health, and Veterans of Foreign Wars adopting resolution on American bookshelves.	40
Sept. 2, 1955	do	Story on Amar Nandi, assistant editor of Hindustan Standard of Calcutta, India.	40
Sept. 8, 1955	do	Story on the Veterans of Foreign Wars meeting	20
Sept. 12, 1955	do	Stories on Harvard University's Fifth Annual International Seminar	60
Sept. 19, 1955	do	Stories on Harvard Conference on Automation	40
Do	do	Story on Kurt Hinzmann, Director of Television at Baden, Germany	20
Sept. 20, 1955	do	Story on group of 14 Japanese industrialists, educators, and government officials.	20
Do	do	Stories on Chief Justice A. Van der S. Centilvres and John Marshall Anniversary.	40
Sept. 21, 1955	do	Story on Dr. Hebhard Mueller, Minister President of Baden Wuerttemberg	20
Sept. 23, 1955	do	Story on salute to Rome	20
Oct. 4, 1955	do	Stories on the John Marshall anniversary meeting at Harvard University	45
Do	do	Story on German student who spent 3½ years in Soviet slave labor camp	20
Do	do	Story on 10 Russian architects, construction men and city planners	20
Oct. 6, 1955	do	Story on Christian Koch, Department Chief, Ministry of Finance	20
Oct. 14, 1955	do	Stories on 3 Filipino doctors who are studying atomic developments in the United States. Dr. Wahban Hilal, acting dean of journalism faculty, Indonesia. Shotaro Asaji, president of Japan Custodial Service.	60
Oct. 25, 1955	do	Story on 13 doctors, surgeons from 12 countries, visiting the Cancer Research Institute of New England.	20
Nov. 4, 1955	do	Story on Pierre Monteux, Conductor of Boston Symphony Orchestra, and the musical salute to Vienna.	40
Nov. 10, 1955	do	Story on Miss Waded Baroody of Lebanon at the conclusion of training at Perkins Institute for the Blind.	25
Do	do	Stories on K. Rangaswamy, correspondent for Hindu in New Delhi. Dr. Monstafe Fahmy and Dr. Abelelo, faculty members of National University of Buenos Aires.	55
Do	do	Story on Japanese electrical study team in Boston	20
Nov. 14, 1955	do	Story on advance plans for Boston salute to Italy	20
Do	do	Story on Amancio Williams, leading Argentine architect	20
Do	do	Story on a new concerto by Italian composer Caffredo Petrassi	15
Nov. 21, 1955	do	Story on meeting of the American Anthropological Association	20
Nov. 25, 1955	do	Story on plans for salute to Rome	20
Do	do	Story on visit of Boleslaw Barlog, State Director of Schiller and Schlosopart Theaters, Berlin.	20
Nov. 29, 1955	do	Story on Dr. Robert Linton, noted cardiologist	20
Dec. 2, 1955	do	Stories on 11 members of the parliaments of 7 NATO countries	40
Dec. 6, 1955	do	Story on Kurt Hinzmann, Baden-Baden, Germany, visiting Boston	20
Dec. 13, 1955	do	Stories on visit of Uruguayan President, wrap-up events and entire visit-departure.	80
Dec. 14, 1955	do	Story on Mrs. Katherine H. Benedict of Cambridge, Mass	20
Dec. 16, 1955	do	Story on visit of the Venerable Vira Dharmawara of Cambodia	20
Jan. 3, 1956	do	Stories on Mizra Abbas, principal of City College, Pakistan and Dr. Ghaleb O. Goussous, Amman, Jordan.	35
Do	do	Press coverage on the salute to Rome	400
Jan. 10, 1956	do	Story on Harvard professor, Carl J. Friedrich	20
Jan. 16, 1956	do	Stories on Heman Mochtan, Indonesian Ministry and Dr. Tsukumo Shinoya, professor at Nagoya University.	40
Jan. 31, 1956	do	Stories on Window Shop in Cambridge, Mass., and Mr. William Norton, Prime Minister of Ireland and Minister for Industry.	60
Jan. 26, 1956	do	Story on Heinrich Heines 100th anniversary of great German lyric poet's death.	20
Feb. 1, 1956	do	Story on Dr. Zbigniew Brzezinski, research fellow in Russian Research Center at Harvard University.	20
Feb. 10, 1956	do	Story on Jaime Orpinas Perello, physics professor of University of Chile	20
Feb. 15, 1956	do	Story on Prof. Parmeshwar Dayal Gupta, principal, NRNC College Khurja, India.	20
Mar. 8, 1956	do	Story on Harold G. Storke	35
Do	do	Story on the works (art) of Constantino Nivola, an instructor at Harvard Graduate School of Design.	20
Mar. 9, 1956	do	Stories on Nicholas Campbell, chairman of Creole Petroleum Corp. and 24 young men and women from Chile.	40
Mar. 13, 1956	do	Stories on Villa-Labos conducting the Boston Symphony Orchestra	30
Mar. 28, 1956	do	Story on the 1st true edition of Don Quixote which has been handed over to the Houghton Library of Harvard University.	20
Mar. 29, 1956	do	Stories on group of Harvard University scientists; Ernst Barisch, native of North Germany; and salute to Rome.	55
Mar. 29, 1956	do	Story on Ralph Page, folk dancer caller	20
Apr. 6, 1956	do	Stories on Bob Eackius, Thian Achabul, celebration of Mozart and Benjamin Franklin, Special Senate Subcommittee.	110
Do	do	Stories on Massachusetts Institute of technology symposium and on panel of students, who meet at Boston University.	40
Apr. 12, 1956	do	Story on Harold Connolly, U. S. Olympic hammer thrower	50
Apr. 13, 1956	do	Story on Dr. Manson Benedict, professor, and Dr. Thomas H. Pigford	20
Do	do	Story on group of leading architects landscape and city planners	20
Apr. 16, 1956	do	Story on Mariano Baptista, Bolivia	20
Apr. 26, 1953	do	Stories on Mr. Egonkraus, professor and lecturer at Academies Koein and Trossingen, south Germany, and Pablo Abad Hernandes, secretary, Chamber of Commerce Panama.	40
Apr. 27, 1956	do	Stories on Mr. Ahmed Hussain Shahab and Enzo Valenti Ferro	40
Do	do	Story on 8 top-ranking Indian educators	20
May 1, 1956	do	Story on Louis Abraham Delgadillo National School of Music, Managua, Nicaragua.	40
Do	do	Stories on Bernardino Custidio, Dr. Alberto Padilla, and Dr. Arturo Freire.	55
Do	do	Story on Dr. Tikunshi, president of Kagoshima University, Japan	20
Do	do	Stories on talks between the Asian American cultural leaders	60
May 4, 1956	do	Story on celebration of 200th anniversary of Benjamin Franklin; Wolfgang Amadeus Mozart.	15
May 11, 1956	do	Story on the Federation of American Scientists symposium	20
May 17, 1956	do		

Free-lance services procured from July 1, 1955, to June 30, 1956—Continued

Date	Name and address	Title of use	Amount
May 21, 1956	Walter W. Cunningham—17 Washington St., Suite 402, Malden, Mass.	Stories on Russian Science Education Forum; Masaki Kosaka, philosophy professor, Kyoto University, Kyoto, Japan; Felix Padilla, general administrator, Javerina University, Bogotá, Colombia; Mrs. Khursheed Khan, professor of English, Dacca, Pakistan.	$80
May 31, 1956	do	Story on Prof. Jorge Uceda, Peru	20
Do	do	Stories on Ernest Mueller-Hermann, member of the German Bundestag; and Tung Kwong-Kwong, Chinese pianist with Boston Symphony Orchestra.	45
Do	do	Story on Harvard Glee Club	20
June 6, 1956	do	Story on the second annual assembly of the National Association of Armenian Studies, Harvard University.	20
June 20, 1956	do	Stories on Harvard Business School alumni meeting; foreign ECOSOC delegates attending meeting; Mrs. Amalie Schaemminger, director, Austro-American Institute of Education, Austria; Gov. Masanori Kaneko, Japan.	95
Do	do	Stories on Millard Harmon, Newton, Mass. and Boston Arts Festival	50
Do	do	Story on Hadji Bahrum Djamil	20
June 21, 1956	do	Story on Miss Dorothy Robinson, Melrose, Mass	25
Do	do	Story on Japanese delegation attending the world acoustics conference	20
Do	do	Stories on Dattatraya Vable, principal, Dayanand, College, Ajmer, India; and Qazi Rahman, district magistrate, Noakhali, East Pakistan.	60
June 22, 1956	do	Stories on Salah El-din Taher, director, Modern Art Museum, Cairo, Egypt; Mahmud Hafiz Chanem, Chief of Legal Section, Agricultural Credit Bank, Cairo, Egypt.	40
June 28, 1956	do	Story on Bogdon Maglic, Yugoslav atomic scientist	25
Oct. 19, 1955	Arthur Daley, New York Times Sports department, New York, N. Y.	Story on Casey Stengel and the New York Yankees baseball club	100
Apr. 25, 1956	Alexander Dallin, 2 Newland Rd., Arlington 24, Va	Article on recent Soviet historigraphy	200
Nov. 7, 1955	Elizabeth Davey, 136 West 11th St., New York, N. Y	Article on the Children's Zoo in New York	60
May 18, 1956	Wayne De Neff, Ann Arbor News, Ann Arbor, Mich	Stories on group of cultural leaders from south and southeast Asia	40
Mar. 19, 1956	Ernest J. DeSamper, Williamsburg Colonial, Williamsburg, Va	Story on Signora Gronchi, wife of the President of Italy	25
Oct. 6, 1955	Ronald Deutsch, 2322 Teviot St., Los Angeles, Calif	Story, including photographs on the Scripps Institute of Oceanography at San Diego.	250
Mar. 9, 1956	Ronald Deutsch, 2322 Teviot St., Los Angeles, Calif	Story on the exhibit of Vietnamese Photography in Rochester	20
May 5, 1956	do	Story on George Nmi Urascoe, Japanese orphan boy	20
July 22, 1955	Kurt DeWitt, 1006 Wakefield Dr., Alexandria, Va	Article: Report on the Stock Market Inquiry	40
Aug. 4, 1955	do	Article: Washington and Home Rule	40
Aug. 19, 1955	do	Articles: Reserve Bill and Selective Service and TV and Movies Combine Forces in Cultural Effort.	80
Sept. 26, 1955	William Dobler, Lincoln Star, Lincoln, Nebr	Story on Dr. Florian Gebhart Rath	20
Nov. 7, 1955	do	Story on exhibit of works by German sculptor, Barlach	15
Mar. 23, 1956	do	Story on the International Children's Art Exhibit	20
May 15, 1956	do	Story on Mr. Yap Yin Fah, tin mine owner	20
June 21, 1956	do	Story on the Turkish Under Secretary of Agriculture and a group of Turkish governors.	20
June 13, 1956	Paul H. Douglas, 108 Woodland Ave., Oberlin, Ohio	Story on 8 top-ranking Indian educators	20
Nov. 22, 1955	Norvan Duhamel, c/o American Embassy, USIS, Paris, France	Article: Review by Mr. Duhamel of 3 French books on China	75
May 24, 1956	John A. Dutt, Wisconsin State Journal, Madison, Wis	Story on Miss Anong Chantarasirkuk, Thailand, and Distri of Indonesia	20
May 11, 1956	John A. Dutton, Wisconsin State Journal, Madison, Wis	Story on Midwest labor press conference, University of Wisconsin	20
Apr. 25, 1956	William Dyer, Herald-Telephone, Bloomington, Ind	Story on Thai student group visiting Gosport, Ind	50
Nov. 22, 1955	Georgio Calli, care of American Embassy, Rome, Italy	Article on recent history of the Italian Communist Party	275
Sept. 21, 1955	Ismail Ege, 1929 East-West Highway, Apt. 104, Silver Spring, Md	Article: The Future of Islam in China	75
Apr. 13, 1956	Dorothy Einhorn, Daytona Beach News Journal, Daytona Beach, Fla.	Story on Cuban President Fulgencio Batista	60
Nov. 28, 1955	John R. Elliott, Davenport Democrat, Davenport, Iowa	Story on Kronach Cooperative Action Team of Kronach, Germany	20
Mar. 1, 1956	Victor Erlich. Far Eastern and Russian Institute. University of Washington, Seattle, Wash.	Article on Soviet literary criticism	200
Jan. 24, 1956	Merle Fainsod, Littauer Center M-18, Harvard University, Cambridge, Mass.	Article on the Smolensk Archive and Censorship	200
Apr. 20, 1956	do	Article on the 20th Congress of CPSU	200
July 15, 1955	Lucien Farago, care of American Embassy, attention USIS, Paris, France.	Articles on Soviet Theater by Lucien Farago	200
Aug. 29, 1955	Miss Florence Feinberg, 2530 Sandeland St., Chester, Pa	Story on the Art for World Friendship Art Exhibit	20
Oct. 14, 1955	do	Stories on Loy Ulrich, Graz, Austria, and Luciano Verdosi, Italian engineer	30
Sept. 1, 1955	do	Stories on Chester Junior Chamber of Commerce Operation Brotherhood and 10 French students (men and women).	40
Jan. 3, 1956	do	Story on India's International Doll Exhibit	15
Jan. 20, 1956	do	Story on Roy J. McCorkel 2d, former director of CARE	20
June 27, 1956	do	Story on Elke Aaling, Kiel, Germany	20
Dec. 12, 1955	Mark G. Field Beth Israel Hospital, 330 Brookline Ave., Boston, Mass.	Article on the Soviet Doctor	200
May 27, 1955	Philip Finkelstein, Jersey Journal, Jersey City, N. J	Story on German-American Day	20
Mar. 9, 1956	Forrest Fischer, Madison Wisconsin State Journal, Madison, Wis	Story on 3 Austrian State Governors—Alois Grauss, Joseph Krainer, and Ferdinand Wedenig.	20
Apr. 12, 1956	Estanislau Fischlowitz, Institute Guatemalteco de Seguridad Social, Ciudad de Guatemala.	Article on social security in the U. S. S. R	100
Apr. 20, 1956	Father (Padre) Floridi, c/o American Embassy, USIS, Rome, Italy	Review of 2 Italian books on Russia and the satellites	75
Nov. 7, 1955	Joseph Fouchard, The Courier, Champaign, Ill	Story on South Korean girl Named Homecoming Queen at University of Illinois.	20
May 30, 1956	Mrs. Evelyn Goldblatt Fried, Post Office Box 386, Weldon, N. C	Story on Messrs. Hema Rae and Shandra Sharga, home demonstration agents, India.	20
Oct. 26, 1955	Helen Geih Fry, 163 Euclid Ave., Wadsworth, Ohio	Story on Peter Datwyler, Altdord-Uri, Switzerland; story on J. R. Soto, of Mexico City.	40
Jan. 16, 1956	do	Stories: Madeline Martinache, assistant to the mayor of Lille, France; Yilma Tadesse; Salim A. Halaby, president of the Executive Committee on Export and Import of Radios and Television for the Lebanon Government.	60
June 28, 1956	do	Story on convention of American Lebanese and Syrians at Akron, Ohio	25
Dec. 2, 1955	Dave Haake, Bloomington Pantagraph, Bloomington, Ill	Story on Vienna Academy Chamber Chorus, now on its 3d visit to the United States.	20
Oct. 18, 1955	Stewart Hess, Ames Daily Tribune, Ames, Iowa	Story on German Ambassador Dr. Heinz L. Krekeler	20
Dec. 14, 1955	Otto J. Hager, Daily Repository, Canton, Ohio	Story on Rumanian Byzantine Liturgy Mass, Sunday, Dec. 4, at St. Peter's Church.	20
May 23, 1956	Dell Gaut, Record-Eagle, Traverse City, Mich	Story on Mr. and Mrs. Udom Boonyaprasop, Goveror of Southern Province, Thailand.	20
Apr. 26, 1956	Edith Gelpi, Baton Rouge Morning Advocate, Baton Rouge, La	Story on Saw Tha Myint, assistant zoology lecturer, Rangoon University	50
July 29, 1955	Louis G. Gerdes, Omaha World Herald, Omaha, Nebr	Story on Mr. and Mrs. Patrick Okura	20
Sept. 6, 1955	do	Story on Akran Fahmi, director of physical eduction, Iraq	20
May 1, 1956	do	Story on Mrs. M. La Myen, headmistress, State High School, Sinium, Bhamo District, Kachim State, Burma.	20
June 19, 1956	do	Story on NATO group	20
May 21, 1956	Joan M. Geyer, Daily Herald, Provo, Utah	Story on Dr. M. Eqbal, Nosratolla Kassemi, and Abdullah Riazi, of Iran	20
Dec. 6, 1955	Panky M. Glamsch, Tampa Times, Tampa, Fla	Story (interview) with Elizabeth Ostermaier, member of German trade-union team.	20
Sept. 23, 1955	Alden Godfrey, San Diego Tribune, San Diego, Calif	Story on Japanese stone lantern	20
July 29, 1955	Thomas Goldstein, 3430 78th St., Jackson Heights, N. Y	Preparation of story on a nightly summary of what the New York papers were using on the Geneva Conference.	160
Dec. 6, 1955	do	Stories: Eugen Rosenstock, director of New York City Center Opera Co. on opening of Vienna State Opera; interview with Mr. and Mrs Guigielmotti; on speech of Dr. Otmar Emminger; Hunter College 100th anniversary celebration for Polish poet, Mickiewicz; interview with 3 Iron Curtain escapees arriving at Idlewild Airport.	130

Free-lance services procured from July 1, 1955, to June 30, 1956—Continued

Date	Name and address	Title of use	Amount
Jan. 3, 1956	Thomas Goldstein, 3430 78th St., Jackson Heights, N. Y.	Story on Giulio Pastore, leader of Italy's free labor movement	$20
Jan. 16, 1956	do	Story on foreign artists in the United States	50
Do	do	Story on German Chancellor Konrad Adenauer	30
Mar. 29, 1956	William S. Green, Louisiana State Times, Baton Rouge, La	Story on Louisiana State University sugar factory	25
Apr. 24, 1956	John B. Greiff, No. 2 Business Administration Building, University of Tennessee, Knoxville, Tenn.	Story on Dr. Sarkar, woman physician from India	20
Mar. 16, 1956	Alice Griffin, Associate Editor, Theatre Arts Magazine, 130 West 56th St., New York, N. Y.	Article entitled "Great Names of the American Stage"	75
July 29, 1955	Joe Grossman, 533 Guarantee Trust Bldg., Atlantic City, N. J.	Story on Nestor Quiroz of Buenos Aires	15
Sept. 1, 1955	do	Story on Father Winters, visiting Negro priest who will hold mass and preach sermon in St. Peter's Church.	40
Feb. 29, 1956	do	Stories on International Conference of Educational Research	40
June 27, 1956	do	Stories on the Governors Conference at Atlantic City, N. J	20
Mar. 1, 1956	Robert J. Gutting, Sun-News, Deland, Fla	Story on Yi Han Chang, Chinese student at Stetson University	20
Oct. 18, 1955	Stewart Haas, Ames Daily Tribune, Ames, Iowa	Story on German Ambassador Dr. Heinz L. Krekeler	20
Feb. 20, 1956	John T. Hamner, Tuscaloosa News, Tuscaloosa, Ala	Stories on the development of the Miss Autherine Lucy case at the University of Alabama.	195
Sept. 23, 1955	Frank S. Hand, State Journal, Lansing, Mich	Story on Adel Cortas, Lebanese Ministry of Agriculture	20
Jan. 23, 1956	do	Stories on the Conference on Use of Isotypes in Agriculture at Michigan State College.	50
May 15, 1956	do	Stories on International Students Day, Lansing, Mich	35
July 13, 1955	Keith Hansen, The Oregonian, Portland, Oreg	Story on the Japanese training ship *Nippon Maru*	20
Oct. 21, 1955	do	Story on Jacob Marto and his family	20
May 14, 1956	do	Story on Japanese Ambassador Masayuki Tani	20
Mar. 28, 1956	Heber J. Hart, Salt Lake City Tribune, Salt Lake City, Utah	Story on Dr. M. Eqbel Nosratolla Kasemi and Abdullah Riazi from Iran	20
Apr. 27, 1956	do	Story on Udo Langhoff, chief editor of youth programs on Nord-West Deutsche radio-TV, Hamburg, Germany.	20
June 13, 1956	James C. Haviland, the New Yorker, Poughkeepsie, N. Y	Story on the LaFace family	50
Sept. 17, 1955	Den is Haley, Member of Parliament, House of Commons, London, England.	Article on Bulganin and Khrushchev in Britain	200
July 22, 1955	Peter Heidenberger, 4409 Stanford St., Chevy Chase, Md	Story, German Crew Brings Ship into Washington Harbor	30
Aug. 2, 1955	do	Story, German Cars Successful in United States	30
Aug. 11, 1955	do	Story, Telephone Systems in United States are privately owned	30
Aug. 19, 1955	do	Story on Development in United States South Furthers Business Relations with Germany.	30
Sept. 27, 1955	do	Story on Good Music Stations are United States Listener's Favorites	30
Do	do	Interview with Lord Mayor of Cologne, Germany	30
Jan. 19, 1956	do	Article, German-Americans an Import Element in Florida	30
Apr. 4, 1956	do	Article, Austrian, German Influence Helped to Make Skiing Popular in United States.	30
May 24, 1956	do	Story on United States and German Law Studies Compared	30
June 22, 1956	do	Story on German Patent Registrations Exceed Prewar figures	30
Sept. 26, 1955	Richard Helgerson, Minneapolis Tribune, Minneapolis, Minn	Story on the seminar on Germany	20
Nov. 4, 1955	do	Story on musical salute to Vienna	20
Nov. 28, 1955	do	Story on David Oistrakh, Soviet violinist	15
Jan. 25, 1956	do	Story on Mr. and Mrs. Otto Boersma and family	20
Feb. 13, 1956	do	Story on visit of the Storting Defense Committee	20
Mar. 23, 1956	do	Story on Dr. Ronald Lwin, physician, Rangoon General Hospital, and Dr. Kyee Paw.	20
Mar. 28, 1956	do	Story on Konrad Kraske, Deputy General Manager, Christian Democratic Union.	20
Do	do	Stories on Minnesota Historical Society and the Japanese American Community Center of Minneapolis, Minn., and Kjeld Packness, Danish commercial attaché.	40
Mar. 29, 1956	do	Story on the Indian Methodist Centenary Choir	15
Apr. 24, 1956	do	Story on large group of Korean educators	25
Apr. 27, 1956	do	Story on Roque Cordero, Panama City	20
May 14, 1956	do	Story on Senate Foreign Relations Subcommittee on Disarmament, World Affairs Council.	20
Do	do	Story on Mr. Ali Raya, district officer of Kota Tinggi, State of Johore, Malaya.	20
May 6, 1956	do	Stories on a group of South and Southeast Asian cultural leaders	40
May 28, 1956	do	Story on 4 students from Iceland, studying at the University of Minnesota	20
July 8, 1955	Dan T. Henderson, News and Observer, Charleston, S. C	Story on group representing Greece, China, Philippines, Thailand, Ecuador, Guatemala, and Uruguay.	20
Apr. 18, 1956	Curt W. Hibbard, the Milwaukee Journal, Milwaukee, Wis	Story on Mr. Frederich Schroeder's dairy farm	15
May 31, 1956	do	Story on Marquette University, to coincide with the visit to the United States in June of Konrad Adenauer.	25
July 29, 1955	John H. Hicks, St. Louis Post-Dispatch, St. Louis, Mo	Story on 16 foreign students from University of Missouri	40
Sept. 8, 1955	do	Story on Khwaja Mohammed Liyas, Assistant General Secretary of Pakistan's Seafarmers Federation.	20
Sept. 19, 1955	do	Story of 4 officials of Egyptian Ministry of Education	20
Sept. 22, 1955	do	Story on Mallam Abubaker, Nigerian Minister of Transportation	15
Oct. 7, 1955	do	Story on Dr. Ihsan Degromaci, Turkish pediatrician	35
Oct. 14, 1955	do	Story on Dr. Johannes Bergs, City Manager of Cologne, Germany	20
Do	do	Story on 5 officials of Germany's Union of Public Services, Transport and Traffic Workers.	20
Oct. 24, 1955	do	Stories on Dr. Heinrich Rempe, President Castillo Armas of Guatemala, and visit of President Castillo Armas.	60
Nov. 3, 1955	do	Story on Dr. Hakon W. Westermarck, of Finland	20
Nov. 14, 1955	do	Article on radium which appeared in a St. Louis publication	15
Nov. 17, 1955	do	Stories on Castillo Armas' visit to St. Louis	60
Nov. 21, 1955	do	Stories on Judge Frank A. Lucas of Johannesburg, Union of South Africa; Krishna Menon, Chief of the Indian delegation to the United Nations.	40
Dec. 16, 1955	do	Story on Berlin ballet group scheduled to appear in St. Louis	20
Jan. 3, 1956	do	Story on Mrs. A. Abas Manopo, Dean of Faculty of Law, University of North Sumatra, Medan, Indonesia.	20
Jan. 16, 1956	do	Story on Erich Lueth, Hamburg, Germany	20
Jan. 23, 1956	do	Story on Dr. Matthias Gleitze, County Manager of Landkries, Duderstadt, Germany.	20
Feb. 10, 1956	do	Story on Nom Upramai and Prasat Chayathe, member of opposing political parties in Bangkok.	20
Feb. 15, 1956	do	Story on Dr. Hans Berger, Chief Legal Advisor, German Foreign Office	20
Feb. 29, 1956	do	Story on Dr. Peter H. Mandelartz, an attorney and local leader of the Christian Democratic Union in Germany.	20
Mar. 5, 1956	do	Story on visit of Israeli Town Hall group	20
Mar. 9, 1956	do	Story on Ahmed Fouad El Ehwany, professor of philosophy at the University of Cairo.	20
Mar. 8, 1956	do	Story on Station KTVI German Hour TV program	20
Mar. 16, 1956	do	Stories (interviews) with United States Olympic soccer players Ruben Mendoza, Harry Keough, and Elwood Cook.	45
Mar. 19, 1956	do	Story on Wilhelm Ingensand, Bielfeld, Germany	20
Mar. 20, 1956	do	Story on Pastor Adolph Wischmann, Osnabruck, Germany	20
Mar. 28, 1956	do	Story on Conference on Moslem-Christian Relationships and Problems of the Middle East.	25
Do	do	Stories on Hans Carl Minchwitz, public relations officer for 5 counties in Frisian Islands, Germany; team (10) of Spanish shoe manufacturers.	35
Mar. 29, 1956	do	Story on Dr. Jorge Munoz-Reyes, dean of Institute of Exact Science, St. Andres, Bolivia.	15

Free-lance services procured from July 1, 1955, to June 30, 1956—Continued

Date	Name and address	Title of use	Amount
Apr. 6, 1956	John H. Hicks, St. Louis Post-Dispatch, St. Louis, Mo	Story on the Music Educators National Convention, St. Louis, Mo	$20
Apr. 16, 1956	do	Story on the Music Educators National Conference, St. Louis, Mo	20
Apr. 20, 1956	do	Stories on the National Catholic Educational Association Convention, St. Louis, Mo.	70
May 1, 1956	do	Story on art exhibit at City Art Museum, St. Louis, Mo	20
May 9, 1956	do	Story (joint interview) on Dr. Arthur Stracter, former Minister of Federal Affairs in North Rhine-Westphalia, Germany.	20
May 24, 1956	do	Story on Mrs. Norman Binte Kamaruddin, Sungei Pantani Town Councillor, Kedah, Malaya.	20
May 31, 1956	do	Story on Mrs. Norman Binte Kamaruddin, Malaya	20
Do	do	Story on Dr. Frederico Renato Mottola, Brazilian journalist and lawyer	20
Do	do	Story on Nguyen Phuc Buu Kee, Vietnamese newspaper editor	20
June 13, 1956	do	Story on Ahmed Hussain Shahab, acting director, Asian Press Board, Djakarta, Indonesia.	20
June 14, 1956	do	Stories on the 75th Annual American Red Cross Convention	75
June 28, 1956	do	Story on speech of Aldo Morante, Counselor of Italian Embassy at St. Louis, Mo.	20
Aug. 30, 1955	Arthur Hilton, Detroit Free Press, Detroit, Mich	Story on arrival and marriage of Recife, Brazil, girl to Detroit man	20
Do	do	Story on Detroit's Italian-American culture organizations, associations, etc	25
Mar. 29, 1956	do	Story on Mr. Moussa Sabry Mamel, Cairo, Egypt, deputy editor of a Cairo Newspaper.	15
Dec. 6, 1955	Francis W. Hilton, Jr., News-Press, Santa Barbara, Calif	Story on Santa Barbara College French concerts	20
May 23, 1956	Bunny Honicker, Montgomery Advertiser-Journal, Montgomery, Ala.	Story on status of Montgomery, Ala., bus boycott	15
July 19, 1955	Arthur W. Hoppe, San Francisco Chronicle, San Francisco, Calif	Stories on Paull Ervi and Kaarlo Leinonen, Finnish highway engineers; and Dr. Bernard Dnesing, legal advisor, of Gelsenkirchen, Germany.	40
July 20, 1955	do	Stories on U. N. meetings, commemorating its establishment 10 years ago	75
Aug. 10, 1955	do	Story on 8 Asian newsmen arriving in San Francisco for tour of United States from Thailand, Hong Kong, Philippines, Burma, Vietnam, Korea, Malaya, and Formosa.	20
Aug. 19, 1955	do	Story on Mrs. Sophie Sarwano	20
Sept. 19, 1955	do	Story on visiting team of 14 Japanese industrialists	20
Sept. 20, 1955	do	Stories on Jose Manuel De La Torre Rivera, of Camaguey, Cuba; and Dr. Juan Marin Rojas, free-lance writer from Santiago, Chile.	40
Sept. 21, 1955	do	Story on Dr. Karl L. Doehring, member of the German Foreign Ministry	20
Sept. 23, 1955	do	Story on Hong Kong honor student at the University of California	20
Sept. 30, 1955	do	Story on Children's Choir from Mexico's Boy's Town	20
Oct. 6, 1955	do	Story on Dr. Franz Hermann, floor leader in German Landtag and lecturer at University of Freiburg, and Dr. Alexander Moeller, chairman of the board of Karlsruhe Life Insurance Co.	20
Oct. 11, 1955	do	Story on Atoms for Peace Show	20
Oct. 14, 1955	do	Stories on the Atoms for Peace Show	40
Do	do	Story on group of Russian architects, building officials	20
Oct. 17, 1955	do	Stories on L. R. Sivasubremanian, dean of Delhi University Law School; and Col. Rafael Valdez Tavera, 44, Colombian Air Force hero, diplomat, and amputee.	40
Oct. 24, 1955	do	Stories on Dr. Roland Taugner of the Institute of Pharmacology of the University of Heidelberg, Germany; and Mr. Lukman El Hakim, Indonesian author, translator, and free-lance journalist.	40
Oct. 25, 1955	do	Stories on Institute for Basic Research and Science at the University of California; Prince Albert of Belgium; Dr. Reinhold Mercker, German Federal Ministry of Justice and expert on constitutional law; and visit of 13 doctors, surgeons from 12 foreign countries.	80
Oct. 28, 1955	do	Stories on Canon Georges I. Fabre, Canon of Lille Cathedral and director of education for Diocese of Lille, France; Reino H. Oittinen, director general, Central Board of Schools, Finland; Peter Olafsson, foreign editor of Morgunbladid, largest daily in Iceland, and director of the Isafold Publishing Co.; and Dr. Karl Seller, professor of education, University of Erlangen, Germany.	80
Nov. 4, 1955	do	Story on Fritz Saenger, chief editor, German press agency	20
Nov. 7, 1955	do	Story on Austrian group studying rehabilitation of depressed areas	20
Do	do	Stories on Dr. Wabban Hilal from Jogjakara, Indonesia; and Mathias Hoogan, Hewart Miessner, Erwin Welke, members of the German Bundestag.	40
Nov. 14, 1955	do	Story on the arrival and plans of Vira Dharmawara, Buddhist monk from Cambodia.	20
Nov. 15, 1955	do	Stories on Boleslaw Barlog, theater director from Berlin; and Dr. Heinrich K. Hornung, public health official from Kassel, Germany.	40
Nov. 16, 1955	do	Story on the visit of two German legislators, Dr. Hewart Miessner of Bonn, and Heinz Matthes from Hanover.	20
Nov 1, 1955	do	Stories on Theo Burauen, Mayor Cologne; Dr. Fritz Kassmann, City Manager of Marl, Germany; and Wilhelm Lempkin, manager of Social Democrat minority of North Rhine-Westphalia Parliament; and Pastor Heinrich Johannes Diehl, director of 1,000-bed charity hospital and Deputy Chairman of the German Central Committee on Private Welfare Agencies; and three Filipino professors interested in atomic energy.	60
Nov. 29, 1955	do	Story on European goods sales in United States for Christmas trade	20
Dec. 6, 1955	do	Story on Dr. Otto Wagner, Deputy Minister of Education in Rheinland-Pfalz, Germany.	20
Do	do	Stories on International House at the University of California and an interview with Shunkichi Takeguchi, Japanese Diet.	45
Do	do	Stories on visit of Portuguese Foreign Minister to San Francisco	40
Dec. 12, 1955	do	Story-backgrounder, including opinion of the State district court of California in the case of Jack Howard.	20
Dec. 13, 1955	do	Story on 3 Japanese educators studying United States education methods	20
Dec. 14, 1955	do	Story on visit of 10 top Iranians to San Francisco	20
Dec. 16, 1955	do	Story on the Venerable Bambarende Siri Sivali, lecturer at the Vidyalankara Oriental College, Kelaniya, Ceylon.	20
Do	do	Story on the Venerable Vir Dharmawara of Cambodia	20
Do	do	Story on San Francisco's traffic controls to protect school children and cooperation in this respect among police, teachers, and parents.	20
Jan. 3, 1956	do	Story on Masaji Narita, vice governor of Toyama Prefecture	20
Jan. 16, 1956	do	Stories on Dr. and Mrs. Homer V. Bradshaw; Mr. William Norton, Deputy Prime Minister of Ireland; and Amarullah Ombak Lubis, Indonesian journalist.	60
Jan. 19, 1956	do	Stories on German exhibit Masterpieces from Five Centuries; group of 20 California sheriffs; and Colonel Valdez, Colombian Air Force pilot and amputee.	60
Jan. 23, 1956	do	Story on Ahmed Shuman, Executive Secretary of Lebanese League of Trade Unions.	20
Feb. 8, 1956	do	Story on Dr. Miguel Millan, Director, Opthalmic Clinic, Chilean State Railroad.	20
Feb. 9, 1956	do	Story on group of Indonesian professors who are studying at University of California.	80
Feb. 10, 1956	do	Story on Aare Simonen, Finland's Minister of Trade and Industry	20
Feb. 13, 1956	do	Story on group of Israeli Town Hall visitors	20
Feb. 15, 1956	do	Stories on 4 members of the German Bundestag; 5 leaders of the German Printing and Paper Trade Union; Dr. Fritz Maznik, Chief of the Federal Press Service of Austria; and Herman Benny Mochtan, Indonesian Ministry of Education and Culture.	80

Free-lance services procured from July 1, 1955, to June 30, 1956—Continued

Date	Name and address	Title of use	Amount
Feb. 16, 1956	Arthur W. Hoppe, San Francisco Chronicle, San Francisco, Calif.	Story on Alister Maxwell McMullin, president of the Australian Senate	$20
Feb. 29, 1956	do	Story-backgrounder on Italian-Americans in San Francisco	25
Mar. 5, 1956	do	Stories on visit of Israeli Town Hall group; Mr. Katuso Orito, Chief of the Youth Education Section, and Secretariat of the Tokyo Board of Education, Tokyo, Japan; and Pastor Freiderich von Bodelschwingh, Director, Bethel Institution for Epileptics, and curator of Bethel Theological Seminary, Bethel, Germany.	60
Do	do	Stories on Project Cal-Indo, an organization of the University of California; and Kheje Tanabe, judge of the Negoya District Court in Japan.	40
Mar. 12, 1956	do	Story on Dr. Joachima Peckert, German Foreign Office	20
Mar. 9, 1956	do	Story on group of 6 NATO leaders from Trieste, Netherlands, Portugal, England, Iceland, and France.	20
Mar. 13, 1956	do	Story on visit of 3 Austrian Governors from Tyrol, Corinthia, and Styria; and Republic of Italy Day.	40
Mar. 20, 1956	do	Stories on Dr. Fredericke J. Mulart; Pastor Adolf Wischmann; and Dr. Konrad Kraske.	60
Do	do	Story on Maestro Gastone Usigli, musical conductor at banquet honoring Italian President Giovanni Gronchi.	15
Mar. 28, 1956	do	Story on Hidetsugu Hisano, Chief of Youth Education Social Education Section, Ministry of Education, Tokyo, Japan.	20
Do	do	Stories on Italian President Giovanni Gronchi	140
Do	do	Story on J. Stefansson, Icelandic Prime Minister	20
Do	do	Story on 24 Chinese-American Family Associations	20
Do	do	Stories on Fritz H. Histel, head of the Office of Youth Welfare, Hamburg, Germany; and Ludwig Klein, chief editor Austria Presse Agentur, Vienna, Austria.	40
Apr. 2, 1956	do	Story on Christian Rudolph	20
Apr. 12, 1956	do	Story on Sir Roy Welensky, Deputy Prime Minister, Union of South Africa	20
Apr. 16, 1956	do	Story on group of 9 Latin-American journalists	20
Do	do	Stories on Dr. Diego Dominguez Caballero, Director of Information and Publications, University of Panama; and Mariano Baptista, from Bolivia.	40
Apr. 18, 1956	do	Story on Dr. Jorge Munoz-Reyes, La Paz, Bolivia	20
Apr. 26, 1956	do	Story on Khatri Thanakul, Thailand Governor; and Dr. M. Eqbal, Chancellor of University of Tehran, Tehran, Iran.	40
May 9, 1956	do	Stories on U Lu Pe Win, Director, Archeological Survey, Rangoon, Burma; 13-man Japanese construction team; Mrs. Afia Khatun, professor of English, Eden College, Dacca, Pakistan; Alberto Vaksquez Arango, Chief Architect city of Medillin, Colombia and Dr. Mario Scuderi, Medical Officer and Director of the Health Office for the Province of Catania, Sicily.	100
May 17, 1956	do	Stories: Conrad von Adelmann; Dr. Rudolf Salzmann, headmaster Elementary School, Heiligenhaus, Germany; Dr. Andre F. E. Alfir, rector, University of Lyon, France; Jorgen Bogh, Educational Director, Danish Armed Forces Educational Training Program; Dr. Yasuo Miyake, Tokyo, Japan; Udom Boonyapraseop, Regional Governor for Southern Provinces, Thailand; Dr. Enzo Valenti Ferro, Buenos Aires, Argentina; and Roque Cordero, Panama City, Panama.	160
May 31, 1956	do	Stories on Immanuel Birnbaum, foreign editor of Sueddeutsche Zeitung, Munich, Germany; and Agusto Robles Moran, Director of Athletics, American School of Guatemala.	40
Do	do	Story on Capt. Oscar Ghersy, head of Venezuelan Navy	20
June 6, 1956	do	Stories on Imtiaz Ali, Pakistan; Muzahin Mahir, Governor of Basra, Baghdad, Iraq; and H. E. Volte, Premier of Victoria, Australia.	60
June 13, 1956	do	Stories on Dr. Franz Herre, Cologne, Germany; Mohammed Kamal A. Hamid, Egypt; Joachim O. Schwalbe, Wuppertal, Germany; Belakh Sher Khan, Mazari, Pakistan; Jorge Matute, Argentina; Prof. Mahaud Hussain, Pakistan; Prof. Jorge Uceda, Peru; Rev. John Franke, Germany.	160
June 15, 1956	do	Stories on Dr. Jose A. Mora of Uruguay	40
June 19, 1956	do	Story on NATO group	20
June 20, 1956	do	Stories on Dr. Edmundo Thomas, Director, Chiles Instituto de Investigaciones, Chile; and Miomir Nokotic, Yugoslav atomic energy scientist.	40
June 21, 1956	do	Story on Japanese merchant training ship *Nippon Maru*	20
June 22, 1956	do	Story on Major General Siri Siriyothin, Minister of Economic Affairs, Government of Thailand.	25
June 25, 1956	do	Stories on Ibraham Abugkhaf Jubairs, writer and public schoolteacher, Zamboanga; Masao Once, Kobe, Japan; Isao Kikuchi, professor of law, Kyushu University, Japan.	50
June 26, 1956	do	Stories on the First International Track and Field Coaches Clinic, Berkeley, Calif.	60
Do	do	Stories on Miss Rabia Sultan Qnarri, Pakistan; and Pung-Peng Cheng, inspector of primary schools, Phnom Penh, Cambodia.	40
Do	do	Stories on Jean Drapier, Brussels, Belgium; Robert Albrecht, Vienna, Austria; Dr. Karl Schrems, Vienna, Austria; Saad Juma, Jordan; Dr. Jemshid Mofakham, Iran; Godfrey Kio Jaja Amachree, Nigeria; Alvaro de la Fuente, Chile; Mrs. Norman Binte Kamaruddin, Malaya; Mohammed Idris bin Mat Sil, Malaya; Hairsh Chandra Heda, Hyderabad, India; Kazu Wekita, Japan; and Yoshinobu Masuda, Japan.	240
June 28, 1956	do	Stories on Dr. Wilhelm Engert, Berlin, Germany; Zulfiqar Ali, Lahore, Pakistan; Dr. Mya May, Taunggyi, Burma; Miss May Wee, Kemmindine, Burma; and Mrs. M. La Myen, Kachin State, Burma.	120
Do	do	Stories on: Interviews with European coaches attending the First International Track and Field Clinic; Near Eastern coaches; Far Eastern coaches; and Latin American coaches.	80
June 29, 1956	do	Stories on NAACP meeting at San Francisco	75
Jan. 10, 1956	Mary Hornaday, 558 5th Ave., New York, N. Y.	Story on The Venerable Vira Dharmawara, Cambodian Monk	25
Feb. 3, 1956	do	Story on Jan Cwikitinski, former master of the Polish liner steamship *Batory*	20
Mar. 29, 1956	do	Story on Jacques Fiaud, head of France's Centre National de la Cinematographie, Office du Cinema Francais.	25
Apr. 23, 1956	do	Story on 5 Somers Brothers, stained glass artists	30
Dec. 5, 1956	Allan Hoscher, Des Moines Register, Des Moines, Iowa	Story on 11 members of the parliaments of 7 NATO countries	20
Mar. 5, 1956	do	Story on Assistant Secretary of State George V. Allen	20
Mar. 15, 1956	do	Story on Miss Tsuneko Hayashi and Miss Kyoko Yamazaki, Japanese labor union officials.	20
May 1, 1956	do	Story on Miss May Wee, rural work secretary, Kemmidine, Burma	20
May 3, 1956	do	Story on the Institute of International Affairs Conference, Grinnell College, Iowa.	20
Apr. 26, 1956	Paul Houck, Center Daily Times, State College, Bellefonte, Pa.	Story on 62 students including 57 from 25 countries and 15 from United States accepted for enrollment in the third session of School of Nuclear Science and Engineering.	20
Nov. 25, 1955	Mickey Huffman, Dallas Morning News, Dallas, Tex.	Story on Gen. Alfred M. Gruenther, NATO Commander	20
Mar. 15, 1956	do	Stories on: Dr. M. Eqbal, Chancellor of the University of Teheran; and Gerhard Grindel, Berlin-Grundwald, Germany.	40
Mar. 16, 1956	Prof. Glen Hughes, University of Washington, Seattle, Wash.	Article entitled "The Evolution of the American Theatre"	100
Apr. 26, 1956	Louise Hutchinson, Chicago Tribune, Chicago, Ill.	Stories on Mr. Abdullah Nasir, Assistant editor of "abadi" Indonesia's largest Moslem newspaper; and group of 8 top-ranking Indian educators.	40
July 13, 1955	John N. Hutchison, 599 Las Colindas St., San Francisco, Calif.	News article on Finnish-born builder who came to United States in early 1920's and now successful home contractor.	35
Do	do	Feature story on the new California Symphony organization	60
Do	do	News article on Ihsan Bali	20

Free-lance services procured from July 1, 1955, to June 30, 1956—Continued

Date	Name and address	Title of use	Amount
July 25, 1955	John N. Hutchison, 599 Las Colindas St., San Francisco, Calif.	News article on sailing ship *Balclutha*	$20
Aug. 4, 1955	do	News article on Arabic collection	20
Do	do	News article on a group of 5 young Danes visiting San Francisco	25
Do	do	News article on Siri Eriksson and Birgit Viklander	20
Do	do	News article on Riitva Tarjanne and Mauno Lehmuskoski of Finland	—
Do	do	News article on Alan W. Watts, Canterbury, England	20
Aug. 9, 1955	do	News article on Saburo Hasegawa	20
Aug. 11, 1955	do	News article on the Japanese Trade Center	20
Aug. 16, 1955	do	News article on Dr. G. P. Malalasekera	20
Aug. 23, 1955	do	News article on Wayne Stevens, Head of the School of World Business, San Francisco State College.	20
Do	do	News article on Ingeborg Schirmer	25
Do	do	News article on Uwe Friesel	25
Aug. 31, 1955	do	Feature story on The California School for Industrial Design	80
Oct. 28, 1955	do	Feature story on the Irwin Memorial Blood Bank	80
Jan. 4, 1956	do	Story on Father Luigi Sciochetti	25
Jan. 8, 1956	do	Story on the German Art Exhibit at de Young Museum, San Francisco, Calif.	50
Sept. 21, 1955	E. L. Ingvalson, the Journal, Rapid City, S. Dak.	Story on Amar Nandi, Calcutta, India	15
May 1, 1956	Joseph Jacoby, Kenosha News, Kenosha, Wis.	Story on 4 German visitors	20
May 23, 1956	George H. James, Brazil Times, Brazil, Ind.	Story on fountain dedication, City of Brazil, Ind.	60
June 12, 1956	do	Story on 62 mayors from State of Sao Paulo, Brazil	20
Dec. 5, 1955	Jay Jenkins, News and Observer, Raleigh, N. C.	Story on 11 members of the parliaments of 7 NATO countries	20
July 29, 1955	Jane Johannsen, 214 North Ave., Watertown, Wis.	Story on Joseph A. Kimyaou, Tanganyika, Africa	20
Nov. 14, 1955	Margaret M. Josten, Cincinnati Enquirer, Cincinnati, Ohio	Story on National Conference of UNESCO at Cincinnati, Ohio	50
Dec. 19, 1955	Prof. Michael Karpovitch, department of history, Harvard University, Cambridge, Mass.	Review-article on Russian books abroad for Problems of Communism	100
Sept. 27, 1955	Paul Katona, 72 St. Peters Ave., Caversham Heights Reading, Berks, England.	Article on youth organizations in the satellites for Problems of Communism	180
May 31, 1956	Sigmund C. Kauffman, Brunswick News, Brunswick, Ga.	Story on the Fort Frederica National Monument	20
Dec. 6, 1955	Alma Kaufman, Wooster Record, Wooster, Ohio	Story on Mahboobul Allen, Executive Director, The Pakistan Co-operative Book Society, Ltd., Pakistan.	20
July 19, 1955	Jack Kennett, the Ettinger Co., public relations division, 8720 Sunset Blvd., Los Angeles, Calif.	Story on Wolf Donndorf, Chief, Division of Fine Arts, Ministry of Cultural Affairs of Baden-Wurttemberg, Stuttgart, Germany.	20
July 22, 1955	do	Story on Chris Coats, Los Angeles architect and designer of Japanese style house.	20
Do	do	Story on German Bundestag Budget Committee delegation	15
July 29, 1955	do	Story on Miss Leonore Carcache	20
Aug. 12, 1955	do	Story on interview on Marilyn Jorgenson	25
Aug. 19, 1955	do	Story on Peruvian soprano Yma Sumac	20
Aug. 19, 1955	do	Stories of Festival of Americas	40
Sept. 1, 1955	do	Story on British ship H. M. S. *Superb*	20
Sept. 8, 1955	do	Story on Dr. Dora Papara Nicholson	20
Do	do	Story on the Cbolean Navy's training vessel *Esmeralda*	20
Do	do	Story on Henri van Oosten (eq.), Thailand's Consul General in Los Angeles	20
Sept. 21, 1955	do	Story on interview on Daisak Harada and Kunisuki Tada	20
Sept. 28, 1955	do	Stories on Tenth Annual Instrument Society of American Conference	70
Sept. 30, 1955	do	Story on Edward Charles Bernard Wijeyesinghe, Colombo, Ceylon	20
Oct. 6, 1955	do	Story on Dr. Max Gruenbeck, Lord Mayor of Friedrichshafen	20
Oct. 14, 1955	do	Story on a 3-man submarine	15
Do	do	Story on group of Russian architects, building officials	20
Do	do	Story on 15-year old Beverly Mills, clothes designer	25
Nov. 7, 1955	do	Story (interview) on Kurt Herbert Adler, Los Angeles Symphony Orchestra	20
Do	do	Story on display of modern Japanese art	20
Nov. 14, 1955	do	Story on Los Angeles plans marking opening of Vienna Opera	20
Dec. 16, 1955	do	Story on the visit of the Venerable Vira Dharmawara of Cambodia	20
Do	do	Interview on Nazim Ahmed, London correspondent touring United States on leader grant.	20
Jan. 10, 1956	do	Story on Indira Krishnamurty, age 6	15
Do	do	Story on Hidemasa Nagata, principal owner of the Daiei Co	15
Do	do	Story on Rafael L. Fuentes, Traffic Director of Caracas, Venezuela	15
Jan. 30, 1956	do	Story on Yugoslav National Folk Ballet	20
Feb. 13, 1956	do	Story on group of Israeli Town Hall visitors	20
Feb. 28, 1956	do	Story on War Brides	25
Mar. 5, 1956	do	Story on Siegfried von Beoczy, Ulm, Germany	20
Do	do	Stories on Dr. Wolfgung Pohle and Hermann Gluesing; and Indian dancer Sundari Shridharani, wife of a well-known Indian writer.	40
Mar. 12, 1956	do	Story on Dr. Tikuhi Fukuda of Japan	20
Mar. 15, 1956	do	Story on Dr. Albrecht Spengler, presiding judge, Düsseldorf, Germany	20
Mar. 19, 1956	do	Story on the Danish Exhibition, Denmark Greets California	20
Mar. 20, 1956	do	Feature story on Sim Iness, top United States Olympic discus thrower	50
Apr. 18, 1956	do	Story of Mr. Alberto Velasquez, Colombia	20
Apr. 23, 1956	do	Story on Dr. Konrad Bartsch, editor in chief, Wiesbadener Kurier, Wiesbaden, Germany.	20
Apr. 26, 1956	do	Story on Lou Conrady, Texas Co. employee, Long Beach, Calif.	20
Do	do	Story on Mari de Villarino, University of La Plata, Buenos Aires, Argentina	20
Apr. 27, 1956	do	Story on Yoshita Nishiguchi, president of the Japan Federation of Iron and Steel Workers Unions, and Shinjiro Sato, secretary-general, Japan Monopoly Corp.	20
Do	do	Story on Pablo Abad Hernandez, Panama City, Panama	20
Do	do	Story on Felix Padilla, general administrator, Javeriana University, Bogotá, Colombia.	20
May 3, 1956	do	Story on ace Hollywood Chinese cameraman James Wong Howe	20
May 14, 1956	do	Feature story on Mr. Rafer Johnson, world champion decathlon performer	50
Do	do	Story on Masanori Kaneko, governor of Kagawa Prefecture, Japan	20
May 15, 1956	do	Story on 10th annual International House Spring Festival	20
May 18, 1956	do	Stories on Joseph Straus, German Minister for Atomic Affairs	60
May 21, 1956	do	Story on Mr. Alois Hunka, Brazilian businessman	20
June 6, 1956	do	Story on Mario Piva, Bahia, Brazil	20
June 12, 1956	do	Story on Dr. Rajkumari Amrit Kaur, India's Health Minister	20
June 14, 1956	do	Story on Otto F. Bach, Germany	20
Do	do	Story on Liong Sit Joe, Djakarta, Indonesia	20
Do	do	Story on exhibit sponsored by the National Association of Retail Grocers	20
June 15, 1956	do	Story on Santiago Velasco-Llanos, professor of music, Bogotá, Colombia	20
June 22, 1956	do	Story on Maj. Gen. Siri Siriyothin, Minister of Economic Affairs, Government of Thailand.	25
Nov. 22, 1955	George Kline, Box 54, Hamilton Gall, Columbia University, New York, N. Y.	Article on culture in the U. S. S. R.	180
May 9, 1956	John Kobler, R. F. D. 4, Cavalry Rd., Westport, Conn.	Story on Ballet	300
Apr. 13, 1956	Clifford Koch, Globe-Times, Bethlehem, Pa.	Story on Bethlehem's Easter celebration, Bethlehem, Pa.	20
Dec. 6, 1955	do	Story on Christmas preparations at Bethlehem, Pa.	20
Nov. 17, 1955	Joseph B. Koch, Democrat & Chronicle Rochester, N. Y.	Story (interview) on 12-man group Austrian Chamber of Commerce	20
Mar. 1, 1956	Ferenc Kormendi, 56 East 89th St., New York, N. Y.	Article on recent developments in Hungarian literature	250
June 4, 1956	Ross O. Kosoff, Daily Eagle, Claremont, N. H.	Story on Patricia Derby, nurse at Hitchcock Hospital, Hanover, N. H.	20
June 22, 1956	do	Story on Carl Zucknayer	20
Oct. 18, 1955	Dr. Leonard W. Labaree, Yale University, New Haven, Conn.	Article on Benjamin Franklin: Citizen of the World	100
Nov. 22, 1955	Jeri Laber, Current Digest of the Soviet Press, 405 West 117th St., New York, N. Y.	Article on recent Soviet literary trends	130
May 13, 1956	Joseph Landau, Louisville Courier-Journal, Louisville, Ky.	Stories on group of cultural leaders from south and southeast Asia	40

Free-lance services procured from July 1, 1955, to June 30, 1956—Continued

Date	Name and address	Title of use	Amount
Sept. 29, 1955	Paul Henry Lang, The New York Herald Tribune, 230 West 41st St., New York, N. Y.	Articles on modern composers; American-born conductors	$150
June 28, 1956	Mrs. Dorothea Lange (Taylor), 1163 Euclid Ave., Berkeley, Calif.	Research a story on the First Voter in the California Primaries of June 6	100
Apr. 12, 1956	Frank Langston, Dallas Times-Herald, Dallas, Tex.	Story on the Uruguayan Industrial Productivity Study Team	20
Aug. 10, 1955	Walter E. Laqueur, 8 Monkville Ave., London N. W. 11, England	Article Moscal and Asian Nationalism for problems of communism	200
July 20, 1955	Carl Larsen, Chicago Sun-Times, Chicago, Ill.	Story on Russian farmers' visit	20
July 29, 1955	do	Story on Chicago, A Many Faced Portrait exhibit	25
Aug. 4, 1955	do	Story on William Kroeger and John Leyding, German members of the Hamburg Parliament.	20
Aug. 11, 1955	do	Story on AFL executive council meeting in Chicago at Conrad Hilton Hotel	20
Aug. 12, 1955	do	Story on Magnificient Mile of Art	20
Sept. 2, 1955	do	Story on announcement of winning artist in Magnificent Mile contest	20
Do	do	Story on opening of Tower of Art exhibit	20
Sept. 23, 1955	do	Story on Enrico Fermi, University of Chicago professor of physics and Nobel prize winner.	20
Sept. 30, 1955	do	Story on Aimo Paloluoma of Finland, manager of the Finnish Trade Association and coeditor of Finlandia Review.	20
Oct. 11, 1955	do	Story on the Senate Internal Security Subcommittee hearings	40
Oct. 25, 1955	do	Story on speech of George V. Allen, Assistant Secretary of State	20
Do	do	Story on 13 doctors, surgeons from 12 countries	20
Oct. 31, 1955	do	Story on banquet announcing awards for 1955 of the Magnificent Mile art festival.	20
Nov. 3, 1955	do	Story (interview) with director, Chicago Opera	20
Nov. 4, 1955	do	Story on group of Italian Government officials	20
Nov. 8, 1955	do	Story on Soren Kierkegaard, Danish philosopher	20
Do	do	Story interview with Fritz Reiner, conductor, Chicago Symphony Orchestra	20
Nov. 8, 1955	do	Story on Capt. Mohamed I. Sobhi, Egyptian transportation expert, visiting Chicago.	20
Nov. 14, 1955	do	Story on All-American Anti-Communist meetings at Edgewater Beach Hotel, Chicago, Ill.	40
Nov. 15, 1955	do	Story on opening of second session school nuclear science and engineering Argonne National Laboratory.	20
Nov. 17, 1955	do	Story on Abdel Sidky, Director of Cairo Opera House to visit Chicago	20
Do	do	Story on group of social scientists from leading European universities	20
Nov. 25, 1955	do	Story on 25th annual meeting of the American Rocket Society	20
Do	do	Story on Chicago business leaders	25
Nov. 29, 1955	do	Story on Enrico Fermi, Italian physicist	20
Do	do	Story on amount and type of European goods sales in United States for Christmas trade, particularly imports from Austria, Germany, Italy, and France.	15
Do	do	Story on Dr. Peter Halm, director, Graphische Sammlung, Munich, Germany.	20
Dec. 1, 1955	do	Story on Symposium on Research, Medical, Industrial, and Economic Aspects of Atomic Energy.	20
Dec. 6, 1955	do	Story on Chicago Poles centennial observance of the death of Mickiewicz, Poland's great poet.	20
Do	do	Story on Mrs. Edith Sampson, formerly United Nations delegate	25
Do	do	Story on Fritz Reiner	15
Dec. 12, 1955	do	Story on foreign visitors at Chicago's International Livestock Exposition	20
Dec. 13, 1955	do	Story on visit of 4 Japanese women social leaders to Chicago	20
Dec. 14, 1955	do	Story on plans and preview of a Chicago poetry magazine	20
Dec. 16, 1955	do	Stories on visit of Uruguayan President	80
Dec. 19, 1955	do	Stories on Near East students; Far East students; Latin American students and European students at Argonne Laboratory.	80
Jan. 3, 1956	do	Story on Dr. Pondicherry R. Mohan, assistant physican; Rangoon General Hospital, assistant professor of clinical medicine, Medical College, Rangoon, Burma.	20
Do	do	Story on Chicago roundup on Christmas festivals for foreign students and immigrants.	20
Jan. 4, 1956	do	Story on Gaston Berger, philosopher and director of education of French University.	15
Jan. 11, 1956	do	Stories on Batlle Berres, Uruguayan President visiting Chicago	105
Do	do	Story on Louis Block, founder of a Joliet, Ill., chemical firm	20
Jan. 16, 1956	do	Story on Mr. William Norton, Deputy Prime Minister of Ireland and Minister for Industry and Commerce.	20
Do	do	Story on German furniture industry team	20
Do	do	Story on Chicago press comment on German Chancellor Adenauer's 80th birthday.	20
Do	do	Story on Dr. Walter C. Alvarez, Chicago, Ill	20
Jan. 20, 1956	do	Story on Vienna Boys' Choir	20
Jan. 26, 1956	do	Story on Lithuanian DP's in Chicago area	20
Jan. 30, 1956	do	Story on William Norton, Deputy Prime Minister of Ireland and Minister of Commerce and Industry.	20
Do	do	Story on the Yugoslav National Folk Ballet	20
Feb. 3, 1956	do	Story on Chicago's Lithuanian-Polish-Ukrainian leaders	15
Feb. 8, 1956	do	Stories on the Museum of Science and Industry Conference	40
Do	do	Story on Dr. Friedrich Meznik, head of the Austrian Federal Press Office	20
Do	do	Story on Pastor Freiderich von Bodelschwingh, director, Bethel Institution of Epileptics.	20
Feb. 10, 1956	do	Story on the Chicago press conference of Mr. Selwyn Lloyd, British Foreign Secretary.	20
Feb. 13, 1956	do	Story on group of 13 Japanese auto parts manufacturers	20
Feb. 14, 1956	do	Story on Karl Boehm, Director General, Vienna State Opera	20
Do	do	Story on Chicago Art Galleries	20
Feb. 29, 1956	do	Story on Clarence Randall who recently returned from a trip to Turkey	15
Mar. 5, 1956	do	Story on H. E. Leo Mates, Tito's Ambassador to the United States	20
Do	do	Story on Enrico Fermi, Italian atomic scientist	20
Do	do	Story (backgrounder) on Italian-Americans in Chicago	25
Mar. 8, 1956	do	Story on Wolfgang Phole, German Bundestag leader	20
Mar. 5, 1956	do	Story on radio writer Reich who will receive Austrian decoration soon	20
Mar. 9, 1956	do	Story on 3 Austrian State Governors Alois Grauss, Joseph Krainer, and Ferdinand Wedenig.	20
Mar. 19, 1956	do	Story on Dr. Tikushi Fukuda of Japan	20
Do	do	Story on 19th Annual Chicago World Trade Conference	20
Do	do	Story on Chicago Greek-Americans benefit	15
Do	do	Story on Sir Thomas Beecham	15
Mar. 13, 1956	do	Story on the Illinois Institute of Technology contracts to expand scientific research in Rangoon, Burma.	20
Do	do	Stories on the Chicago World Trade Conference	40
Mar. 14, 1956	do	Story on the Japan Sample Show in Chicago	20
Mar. 20, 1956	do	Story on Notre Dame University to honor NATO's General Gruenther with high Catholic award.	15
Mar. 22, 1956	do	Story on Ludwig Klein, chief editor, Austrian News Agency	15
Mar. 28, 1956	do	Story on Mrs. Edith Sampson, former American delegate to the United Nations.	15

Free-lance services procured from July 1, 1955, to June 30, 1956—Continued

Date	Name and address	Title of use	Amount
Mar. 29, 1956	Carl Larsen, Chicago Sun-Times, Chicago, Ill.	Story on Greek Independence Day	$15
Do	do	Story (interview) on William S. Townsend, President, United Transport Service Employees.	25
Do	do	Story on group of foreign scientists at Argonne Laboratories, Chicago, Illinois	20
Do	do	Story on Dr. S. S. Misra, Head of Medical College, Lucknow, India	20
Apr. 27, 1956	do	Story on Felix Patilla, Javeriana University, Bogota, Colombia	20
May 15, 1956	do	Story on the Strauss and Plowden press conference	20
Do	do	Story on Iraqi Governor Muzahin Mahir	20
May 18, 1956	do	Story on Josef Strauss, German Minister for Atomic Affairs	20
Do	do	Stories on the Chicago Atomic Conference, Chicago, Illinois	40
May 28, 1956	do	Story on Burmese Editor U. Maung Khin	20
May 31, 1956	do	Story on the Enrico Farmi Memorial Fund	20
Do	do	Story on Dr. Berta Karlik, Director, Institute for Radium Research	20
Do	do	Story on Agusto Robles Moran, Director of Athletics, American School of Guatemala.	20
Do	do	Story on Hans Leo Reich, Chicago, Illinois	15
Do	do	Story on Karl Wolf, new Austrian Consul at Chicago	15
Do	do	Story on Dr. Karl Schrems, secretary-general, Austro-American Society, Vienna.	20
Do	do	Story on Miguel Jose de Almeida Pernambuco, Brazil	20
Do	do	Story on Gustavo Campana Gardarillas, Chile	20
Do	do	Stories on Dr. Arturo Freire, nuclear scientist from Ecuador, and on Industrial Nuclear Technology Conference.	40
June 6, 1956	do	Story on 62 mayors from the State of São Paulo, Brazil	20
June 12, 1956	do	Story (backgrounder) on plans and preparations for visit of German Chancellor Adenauer.	25
Do	do	Stories on the American Nuclear Society who will meet in Chicago	80
June 13, 1956	do	Story on graduation of 21 session of the Atoms for Peace School for Foreigners, Argonne Laboratories, Chicago.	20
Do	do	Story on Prof. Mario Piva, Bahia, Brazil	20
Do	do	Story on Prof. Arthur H. Hethercot, Northwestern University English teacher.	20
June 19, 1956	do	Story on Mrs. Rosy Frontini de Borba, commercial landscape and garden designer and member of Administration Branch, Sao Paulo, Museum of Art, Brazil.	25
Do	do	Story on Mrs. Louise Leonard Wright, Director, Midwest Office of the Institute of International Education.	15
Do	do	Story on 12 Austrian Chamber of Commerce officials	25
June 20, 1956	do	Story on German Chancellor Konrad Adenauer	25
Do	do	Story on Maj. Gen. Siri Siriyothin, Minister of Economic Affairs, Government of Thailand.	25
June 28, 1956	do	Story on St. John's Day, Chicago, Ill.	25
June 29, 1956	do	Story on start of operation of 1st private nuclear reactor for industrial research	20
Do	do	Story on Chicago Poles honoring Paderewski	15
Do	do	Story on Dr. Mya May, Burma	20
July 15, 1955	Leo Laufer, 130 Ames Rd., Silver Spring, Md	Bibliography for Problems of Communism, No. 5	50
Aug. 3, 1955	do	Bibliography for Problems of Communism, No. 4, vol. 5	50
Mar. 6, 1956	do	Bibliography for Problems of Communism, No. 4, vol. 5	50
Apr. 20, 1956	do	Bibliography for Problems of Communism, No. 3	50
Oct. 12, 1955	do	Bibliography for Problems of Communism, Nos. 5 and 6	75
Nov 22, 1955	do	Bibliography for Problems of Communism, No. 1, vol. 5	50
Mar. 28, 1956	Manuel Laverde, La Prensa, 245 Canal St., New York, N. Y.	Story on the Easter play Jesus the Nazarene	20
Dec. 6, 1955	Alf J. Law, University Press Club, 92 Nassau St., Princeton, N. J.	Story on A. K. Brohi, Deputy Chairman of the Pakistan delegation	20
May 31, 1956	do	Story on Dr. Rajumari Amrit Kaur, India's Minister of Health	20
June 15, 1956	do	Story on Rajkumari Amrit Kaur, Indian Health Minister	20
Apr. 24, 1956	Dr. I. Lazarevitch, 24 rue de Chazelles, Paris, France	Research and writing in connection with a proposed article on Soviet Education.	75
May 5, 1956	Michael Lever, 6145 Utah St. NW., Washington, D. C.	Research and writing of a pamphlet: Communist Penetration of the Labor Movement in Latin America.	250
May 29, 1956	do	Research and writing of How Free Enterprise Helps the Economy of a Country.	400
June 1, 1956	do	Research and text of Some Social Aspects of American Business in Latin America.	400
June 7, 1956	do	Research and writing of How to Spot A Communist	400
June 14, 1956	do	Research and writing of Intensified Communist Efforts at Penetration of Politics and Economy of Latin America.	400
Sept. 20, 1955	Caroline Lewis, Laramie Bulletin, Laramie, Wyo.	Stories on Annual Convention of Afghan Students	45
Oct. 31, 1955	Jack Lewis, 1116 Raymere Ave., Wanamassa, N. J.	Stories on the Eastern States Federation of Syria, Lebanese-American Clubs	40
Jan. 16, 1956	Joseph Lewis, Bremerton Sun, Bremerton, Wash.	Story on The Vienna Acadamy Chamber Chorus	15
Mar. 28, 1956	Mrs. Viola T. Lincoln, Waco-Tribune Herald, Waco, Tex.	Story on Mrs. Johnny Dorsey, President, Kiddie Key Co., Waco, Tex.	20
June 18, 1956	Grant Loftin, Albuquerque Journal, Albuquerque, N. Mex.	Story on Dr. Berta Karlik, Director, Institute for Radium Research, Vienna, Austria.	20
Sept. 2, 1955	Conrad Lobefer, Lubbock Avalanche, Lubbock, Tex.	Story on Hanan Pachter, Ministry of Agriculture of Tel Aviv, Israel	20
Nov. 17, 1955	Harvey Lopez, St. Augustine Record, St. Augustine, Fla.	Story on ceremonies commemorating 200rd anniversary of cornerstone laying of St. Augustine Fort.	20
Jan. 23, 1956	do	Story on joint meeting of the Latin American Division of the Florida State Chamber of Commerce and the Hispanic Institute of Florida.	20
Jan. 19, 1956	Forest Lord, Galveston News, Galveston, Tex.	Story on loading of wheat aboard SS Midhurst for shipment to Italy	20
Jan. 20, 1956	Joseph Hart, Louisville Courier-Journal, Louisville, Ky.	Story on group of Germans now training at Armor School, Fort Knox, Kentucky.	20
Apr. 18, 1956	Walter B. Lovelace, the Boulder Daily Camera, Boulder, Colo.	Story on the Forum on International Affairs, University of Colorado	20
May 7, 1956	do	Story on the Annual Conference on World Affairs, University of Colorado, Boulder, Colorado.	20
Aug. 10, 1955	Richard Lowenthal, 10 Park Lodge, St. John's Wood Park, London NW. 8, England.	Story for Problems of Communism on Soviet-Yugoslav relations	200
June 29, 1956	do	Article on Three Roads to Power for Problems of Communism	200
Aug. 12, 1955	Joseph F. Lowry, the Evening Bulletin, Philadelphia, Pa.	Story on Norwegian sailing bark carrying 97 apprentice seamen, 42 cadets and 26 officers.	20
Do	do	Story on Mr. and Mrs. Antonio Belasco	20
Do	do	Story on The American-Swedish Historical Foundation of Philadelphia	20
Do	do	Story on Women's Hospital of Philadelphia	20
Do	do	Story on group of foreign women at Women's Medical College	20
Do	do	Story on Sobby Grais, owner of Egypt's largest publishing company—The Anglo-Egyptian Bookshop and Publishing House	20
Sept. 28, 1955	Jack Maggarrell, Des Moines Register, Des Moines, Iowa	Story on group of Egyptian School Teachers from Egyptian Ministry of Education.	20
Nov. 28, 1955	Tom Mahoney, Herald-Review, Decatur, Ill.	Story on description of the methods employed by the Decatur Herald-Review in supplying and transmitting news by "telesetter" to other newspapers.	20
Dec. 5, 1955	Richard M. Mansfield, Virginian Pilot, Norfolk, Va.	Story on 11 members of the parliaments of seven NATO countries	20
Apr. 17, 1956	do	Story on NATO celebration at College of William and Mary, Norfolk Division.	20
Apr. 24, 1956	do	Story on sailing of 39 minesweepers provided Norway under the United States Military Defense Assistance Program.	20
Apr. 27, 1956	do	Story on 39 minesweepers provided Norway under the United States Military Defense Assistance Program (advance story).	20
Mar. 20, 1956	John Marcham, the Ithaca Journal, Ithaca, N. Y.	Story on Miss Vilma Swami	20
Do	Stefan Marinoff, Franz Joseph Strasse 32, Munich, Germany	Article on recent developments in Bulgarian Literature	100
Aug. 23, 1955	Thomas Mathews, San Francisco Chronicle, San Francisco, Calif.	Story on the National Convention of the AHEPA Society (Greek)	20
Do	do	Story on the convention's closing session	20

Free-lance services procured from July 1, 1955, to June 30, 1956—Continued

Date	Name and address	Title of use	Amount
Aug. 29, 1955	Thomas Mathews, San Francisco Chronicle, San Francisco, Calif.	Story on the arrival of Japanese Prime Minister Shigemitsu	$20
Do	do	Story on Tanganyika good will coffee mission	20
Aug. 31, 1955	do	Story on Gustav A. Gedat	20
Sept. 13, 1955	do	Story on Gen. Mangkon H. Promyothi	20
Sept. 15, 1955	do	Story on the departure of 6 American Industrialists	20
Sept. 16, 1955	do	Story on Dr. Viktoria Sophie Steinbiss, physician and member of the German Bundestag (Parliament).	20
May 3, 1956	do	Stories on series of talks between 10 cultural leaders from South and Southeast Asia with noted American groups under the sponsorship of the United States National Commission for UNESCO, San Francisco, Calif.	55
July 19, 1955	Thorpe Menn, Kansas City Star, Kansas City, Mo	Story on Mexican management-labor technical study group	15
Aug. 19, 1955	do	Story on Jachja Sasrawidjaja, Indonesian Labor Ministry	20
Sept. 1, 1955	do	Story on Akram Fahmi, Director of Physical Education, Iraq	20
Sept. 12, 1955	do	Story on Mr. Subramaniam, president of the Anion Cooperative of Malaya	20
Sept. 23, 1955	do	Story on Chrysostomus Zodel, managing editor of Stuttgarter Nachrichten, Stuttgart, Germany.	20
Sept. 30, 1955	do	Story on Mohamed Ali, editor-in-chief of Harian Umum, and Penjebar Semangat, East Java, and Gusti Majur, editor Mimbar, Jakarta, Indonesia.	20
Do	do	Story on Dr. Adolf Krieger, editor of Schleswig Holsteinische Volkszeitung	20
Do	do	Story on Dr. Adolf Krieger	20
Oct. 7, 1955	do	Story on Dr. Walter Bauer, of Cologne, Germany	20
Oct. 18, 1955	do	Story on Guenther Polzin and Eberhard Schmidt-Rost, of Berlin, Germany	20
Nov. 17, 1955	do	Story on the formal season opening of Philharmonic	20
Nov. 25, 1955	do	Story on Helmut Englisch, Hamburg, Germany	20
Dec. 16, 1955	do	Story on Mayor Abdol Vehab Eqbal, of Meshed, Iran	20
Dec. 19, 1955	do	Story on Mr. Peter Halin, Director Graplusche Sammlung, Munich, visiting cultural institutions at Kansas City.	20
Jan. 16, 1956	do	Story on Central High School students of Kansas City	20
Feb. 1, 1956	do	Story on Soulima Stravinsky, son of Igor Stravinsky	20
Feb. 20, 1956	do	Story on Vienna Boys' Choir	20
Feb. 29, 1956	do	Story on Johnann Kellner, Director, Vocational Training for Disabled Veterans, and founder of the German Labor Research Association.	20
Mar. 12, 1956	do	Story on Israeli Town Hall Mission	20
Mar. 20, 1956	do	Story on Azuma Kabuki Dancers, Tokyo, Japan	20
Mar. 29, 1956	do	Story on the 4th Annual Opera Festival	25
Apr. 13, 1956	do	Story on the Salzburg, Austria, Mozarteum Orchestra	20
Do	do	Story on Talking Book machine and braille writer to Akropong School for Blind, British West Indies.	20
Apr. 25, 1956	do	Story on Mario Lopez Villatoro, Guatemala Assembly Deputy and private secretary to President Castillo-Armas, Guatemala.	20
Apr. 23, 1956	do	Story on Gerhard A. Paulus, member of Baden-Wuerttemberg State Parliament, Baden-Wuerttemberg, Germany.	20
Apr. 26, 1956	do	Story on Kansas City Art Gallery	20
Do	do	Story on Vice President Jose Goulart of Brazil	20
Apr. 27, 1956	do	Story on Ahmed Hussain Shahab, Director, Asian Press Board, Djakarta, Indonesia.	20
May 1, 1956	do	Story on 10 Latin American journalists	20
Do	do	Story on Elizabeth Von Barswich, Frankfurt, Germany freelance journalist	20
Do	do	Story on Vietnamese Ambassador Tran Van Chuong	20
May 2, 1956	do	Story on Qazi Mukhlesur Rahman, Pakistan	20
May 31, 1956	do	Story on Mohammed Abdus Salam, Pakistan Assembly, Karachi, Pakistan	20
Do	do	Stories on the 65th annual Convention of the Central Federation of Women's Clubs.	75
June 1, 1956	do	Story on group of Japanese girls, rug-weaving contest winners on demonstration tour.	20
Do	do	Story on Mr. Yoichiro Hirata, president, Ehime Shimbun newspaper, Japan	20
June 6, 1956	do	Story on Arsel Tumenggung, editor-in-chief, Arena magazine, Medan, Sumatra.	20
Do	do	Story on Leong Seng Seet and Ad Chellappat Rasadurai, Asian labor leaders for Singapore and Malaya.	20
Do	do	Story on 62 mayors from the State of São Paulo, Brazil	20
June 18, 1956	do	Story on Louis Jordana de Pazas, Director, National Welfare Institute, Spain.	20
Oct. 20, 1955	Earl C. Miller, Record-Argus, Greenville, Pa	Story on Djalal Abdoh of Iran and Fadhil Jamali of Iraq	15
Apr. 12, 1956	do	Stories on the Symposium on 20th Century Concepts of Man	40
Oct. 18, 1955	Perry Miller, Harvard University, Cambridge, Mass	Article entitled "Franklin's Place in American Thought"	100
May 1, 1956	Czeslaw Milosz, 4 Place des Bergeries Brie-Domte-Robert (S. & M.) France.	Article on recent developments in Polish literature	200
Apr. 26, 1956	Woody Mitchell, News-Press, Stillwater, Okla	Story on Jaffar Mahdi Al-Khayyat, Inspector of Agricultural Vocational School, Ministry of Education, Iraq.	20
Jan. 24, 1956	Pierre Montte, American Embassy, USIS, Paris, France	Article on attitude of French Communist Party toward workers, for Problems of Communism.	200
July 22, 1955	Richard S. Moody, Seattle Times, Seattle, Wash	Story on 37 training cadets and scientists from Hokkaido University, Hokkaido, Japan.	20
Oct. 14, 1955	do	Story on group of Russian architects and building officials	20
Oct. 20, 1955	do	Story on German Bundestag delegation	20
Jan. 4, 1956	do	Story on John Peter Koch	20
Jan. 11, 1956	do	Story on arrival of contingent of 135 Greek officers and men	20
May 15, 1956	do	Story on Euclides Triches, State Secretary of Public Works	20
May 21, 1956	do	Stories on the Washington State International Trade Fair	100
June 7, 1956	do	Story on the Business and Professional Women's Clubs, Puget Sound area, Seattle, Wash.	25
June 15, 1956	do	Stories on a special crew of Danish sailors who are scheduled to take over an American minesweeper in ceremonies in Seattle, Wash.	40
July 8, 1955	Thomas E. Mooney, Independent-Record, Helena, Mont	Feature story on Governor Aronson of Montana	60
May 3, 1956	George Murray, Chicago American, Chicago, Ill	Story on Mari de Villarino, University of La Plata, Buenos Aires	20
Mar. 20, 1956	U. Nyo Mya, care of American Embassy, through USIS, Rangoon, Burma.	Compensation fee for story of No Flies in China	50
Sept. 12, 1955	Jack McDonald, Cincinnati Enquirer, Cincinnati, Ohio	Story on the Cincinnati Zoo Opera	25
June 15, 1956	do	Story on German Ambassador Heinz L. Krekeler	15
June 21, 1956	John McLean, Milwaukee Journal, Milwaukee, Wis	Stories on the visit of German Chancellor Konrad Adenauer to Milwaukee, Wis.	80
July 11, 1955	John H. Nelson, Atlanta Constitution, Atlanta, Ga	Story on group of 8 foreigners who are studying at the Communicable Disease Center of the Public Health Service in Atlanta.	20
Aug. 1, 1955	do	Story on group of 6 public-health administrators (leading physicians) from Asia and Bolivia.	20
Nov. 29, 1955	do	Story on European goods sales in United States for Christmas trade	15
Jan. 16, 1956	do	Stories on the meeting of the American Association for Advancement of Science.	120
May 3, 1956	do	Story on Phil Osborne, of Atlanta, Ga., and Wolfgang Sanger, of Frankfurt, Germany.	20
May 18, 1956	do	Story on Mr. Hans Menzel, chief editor, Salzburger Volksblatt, Salsburg, Austria.	20
May 31, 1956	do	Story on Eric Schoenberg, popular Emory College student from Finland	15
June 8, 1956	do	Story on 62 mayors from the State of São Paulo, Brazil	20

Free-lance services procured from July 1, 1955, to June 30, 1956—Continued

Date	Name and address	Title of use	Amount
Oct. 25, 1955	Dr. Allan Nevins, Chestnut Hill Rd., Madison, Conn	Article entitled "Benjamin Franklin's Political Theories"	$100
Jan. 16, 1956	Ray Noble, Athens Messenger, Athens, Ohio	Stories on the meeting of the 17th Quadrennial Conference on Christian World Missions and the Student Volunteer Movement.	90
Sept. 27, 1955	Daniel Norman, 6/21 Northwood Hall, Hornsey Lane, London N. 6, England.	Article on Albania for Problems of Communism	180
Sept. 1, 1955	Doris O'Donnell, Cleveland News, Cleveland, Ohio	Story on Robert Hsi	35
Oct. 14, 1955	do	Story on Mrs. Robert Isant	31
Dec. 6, 1955	do	Story on Antonin Kromarek	20
Do	do	Story on German Advent Community	20
Jan. 4, 1956	do	Story on German art exhibit, masterpieces from 5 countries	20
Jan. 9, 1956	do	Stories on Nuclear Engineering and Science Congress	100
Jan. 11, 1956	do	Story (joint interview) on Anna Grill, Josie Zakrajsek, Ivana Shiffrer, and Josephine Tratnik.	20
Jan. 26, 1956	do	News story on Henry B. Ollendorff, executive secretary of the Neighborhood Settlement Association, Cleveland, Ohio.	25
Jan. 30, 1956	do	Story on the Yugoslav National Folk Ballet	20
Feb. 3, 1956	do	Stories on the 1st American Trade Union Conference on the Social and Industrial Implications of Atomic Energy.	40
Feb. 16, 1956	do	Story on Mr. G. L. Mehta, Indian Ambassador to the United States	20
Feb. 13, 1956	do	Story on the visit of the Storting Defense Committee (members of the Norwegian Parliament).	20
Sept. 20, 1955	Kenneth Opstein, 1639 Hennepin Ave., Minneapolis, Minn	Story on National Polish Alliance Convention	20
Feb. 7, 1956	Laurence T. Paddock, Boulder Camera, Boulder, Colo	Story on Dr. Sydney Chapman, Chairman, International Committee on the Geophysical Year.	20
Oct. 18, 1955	Allan Palmer, San Diego Union, San Diego, Calif	Story on formal dedication ceremony of Japanese stone lantern	20
June 20, 1956	Mack Palmer, Norman Transcript, Norman, Okla	Story on Interracial Conference, Norman, Okla	15
Do	do	Story on Interracial Conference	20
June 22, 1956	Cedric Parker, Capital Times, Madison, Wis	Story on group of Indian students attending University of Wisconsin, Madison, Wis.	25
July 22, 1955	Dan Partner, Denver Post, Denver, Colo	Story on the Aspen Festival, Aspen, Colo	20
Sept. 26, 1955	do	Story on Turkish forest management short course study group	20
Oct. 3, 1955	do	Stories on the Festival of Italy, in Denver, Colo	80
Nov. 3, 1955	do	Story on Juan Luis Gutierres, Mayor of La Paz, Bolivia	20
Jan. 16, 1956	do	Stories on award for transformer to be installed in a substation in Minnedoka, Idaho.	35
Jan. 20, 1956	do	Story on a contract award for auto transformer for Bureau of Reclamation substation, Granite Falls, Mo.	
Mar. 13, 1956	do	Story on Kil Soon, age 8, Korean war orphan	20
Do	do	Story on Denver Symphony Orchestra's Salute to Lebanon	20
Do	do	Story of Yugoslav National Folk Ballet	20
Mar. 29, 1956	do	Story on Douglas Kim Klu Lee, State Counselor in Indonesia	20
Apr. 4, 1956	do	Story on 10 youth specialists, representing nine countries	20
Do	do	Story on Miss Sariwat Quraishi, Chief welfare officer, Jaghanabad, Pakistan	15
Apr. 26, 1956	do	Story (joint interview) on Messrs. Ok-chu Pyun, Chief Judge of the Seoul Appellate Court, and Sung-dae Park, an attorney at law, also of Seoul.	20
May 15, 1956	do	Story (joint interview) on Messrs. Ok-chu Pyun, Chief Judge of the Seoul Appellate Court, and Sung-dae Park, an attorney at law, also of Seoul.	20
May 16, 1956	do	Story on official award of a $22,170 contract to Legano Electric Corp. of Italy through its New York subsidiary for a circuit breaker at the Missouri River Basin project at Grand Forks, N. Dak.	20
May 31, 1956	do	Story on Jorge Pinto de la Torre, president, La Paz Bar Association, La Paz, Bolivia.	20
June 6, 1956	do	Study on Fadi El Moukadden, Chief, Department of Education, North Lebanon.	20
June 14, 1956	do	Story on Eighth Annual Arkansas River boat races at Salida, Colo	25
May 14, 1956	Ben Pearse, 3001 Connecticut Ave. NW., Washington 8, D. C	Article on the hospital system owned and operated by the United Mine Workers, for America Illustrated.	300
June 6, 1956	do	Article on National Bureau of Standards, for America Illustrated	300
Dec. 12, 1955	Mr. Frank Pemberton, 23 Rip Rd., Hanover, N. H	Story on Sung-Kook Chung family of Korea	20
Jan. 16, 1956	do	Story on Chiharu Igaya, Japanese Olympic ski champion	20
July 27, 1955	Max Perleberg, care of F. Herzig, 1611 Nelson Ave., Bronx 53, N. Y	Article Literature in Present-Day China for Problems of Communism	75
Apr. 12, 1956	William Peterson, department of sociology and social institutions, University of California, Berkeley, Calif.	Article on Soviet Family Ideology and Population Policy for Problems of Communism.	200
Apr. 24, 1956	William E. Petersen, Cleveland News, Cleveland, Ohio	Story on Yoshinobu Matsuda, Treasurer of Japanese Art Association	20
May 15, 1956	do	Story on 11th annual Cleveland World Trade Conference	20
Do	do	Story on National Marbles Tournament	20
June 6, 1956	do	Story on 62 mayors from State of São Paulo, Brazil	20
June 15, 1956	do	Story on Communication Workers of America	20
Aug. 11, 1955	O. Pick, the Haven, Church Lane, Peppard Common, Henley on Thames, Oxon, England.	Article on Soviet foreign policy for Problems of Communism	150
Aug. 12, 1955	Carolyn J. Pickering, Indianapolis Star, Indianapolis, Ind	Story on Prime Minister Todd of Southern Rhodesia	20
Sept. 19, 1955	do	Story on Gen. Mangkorn Phromyothi of Thailand	20
Jan. 16, 1956	do	Story on Indianapolis Symphony Orchestra's musical salute to Taipeh, Formosa.	20
Dec. 12, 1955	Richard E. Pipes, 76 Claflin St., Cambridge, Mass	Article on Soviet Colonialism in Central Asia	200
July 19, 1955	Rex Poller, the Evening Bulletin, Philadelphia, Pa	Story on address of Assistant Secretary of State George V. Allen	20
Do	do	Story on Augustin Escobar, Assistant Director of La Union, Valparaiso, Chile.	15
July 20, 1955	do	Story on Cambodian Ambassador	20
Aug. 4, 1955	do	Story on National Committee for an adequate United States Information program.	15
Aug. 19, 1955	do	Story on Italian tennis team	20
Aug. 29, 1955	do	Story on the Lafayette birthday celebration	20
Sept. 2, 1955	do	Stories on the American Bar Association Convention	110
Sept. 8, 1955	do	Story on the Philadelphia Air Show	20
Sept. 19, 1955	do	Story on Dr. Manuel Riveros, surgeon and cancer specialist from Asuncion, Paraguay.	20
Do	do	Stories on the Amvets meeting	30
Sept. 26, 1955	do	Story on Erwin D. Canham, editor of the Christian Science Monitor	20
Sept. 27, 1955	do	Story on Dr. Nagib Saad, of Beirut, Lebanon who will visit Dr. John McK. Mitchell, Dean, School of Medicine, University of Pennsylvania.	15
Do	do	Stories of Carlos Finlay, Cuban conqueror of yellow fever, Jefferson Medical College, Philadelphia.	35
Oct. 4, 1955	do	Story on General Casimir Pulaski, Polish hero of American Revolution	15
Oct. 7, 1955	do	Stories on the International Police Chief's Convention	75
Oct. 14, 1955	do	Story on the German Lutheran Church Congress	15
Oct. 17, 1955	do	Story on special exercises Columbus Day at Independence Hall	20
Oct. 18, 1955	do	Story on Mrs. Mitnoi Sucharitakul and Mrs. Boonoim Teovayanonda, Bangkok, Thailand.	20
Oct. 24, 1955	do	Story on German Lutheran Church Congress	15
Nov. 4, 1955	do	Story (interview) on Mr. Ormandy, Philadelphia Philharmonic Orchestra	20
Nov. 8, 1955	do	Story on the Franklin Institute awards	20
Dec. 1, 1955	do	Story on Western Railway of India	20
Dec. 6, 1955	do	Story on Tha Din, radiologist at General Hospital, Rangoon, Burma	20
Dec. 16, 1955	do	Story on visit of Cambodian Buddhist Monk, The Chief Venerable Vira Dharmawara.	20
Jan. 16, 1956	do	Story on new hosiery factory in Berlin, N. J	35
Jan. 23, 1956	do	Story on Dr. Alber Ai Lun, medical superintendent of the Namkham Hospital in Burma.	20

Free-lance services procured from July 1, 1955, to June 30, 1956—Continued

Date	Name and address	Title of use	Amount
Jan. 26, 1956	Rex Poller, the Evening Bulletin, Philadelphia, Pa	Stories on the meeting of the Interdependence Council	$60
Do	do	Story on Dr. Friedrich Mesnik, head of the Austrian Federal Press Office	15
Feb. 7, 1956	do	Story on the Automation Show and Conference, Convention Hall, Philadelphia Pa.	25
Feb. 17, 1956	do	Story on presentation of Franklin's Trees to Hiroshima University	20
Do	do	Story on Temple University's cultural relationship in Hamburg University in West Germany.	20
Do	do	Story on the 1956 Philadelphia Bulletin Forum	20
Feb. 27, 1956	do	Story on the Philadelphia Bulletin Forum	20
Do	do	Story on Senator Estes Kefauver and Special Assistant to the President, Harold Stassen.	20
Mar. 8, 1956	do	Story on Freedoms Foundation	25
Mar. 12, 1956	do	Story on Aluisio Jorge Andrade, France-Brazilian playwright	15
Mar. 16, 1956	do	Story on The Foreign Policy Institute	25
Apr. 13, 1956	do	Story on Otto Friedrich Bach, Director, Radio Free Berlin	20
Apr. 20, 1956	do	Stories on the Ninth Annual Conference of the Association of International Relations Clubs, Philadelphia.	80
Apr. 26, 1956	do	Story on the American Philosophical Society	20
May 15, 1956	d	Story on World Veterans Federation	20
May 16, 1956	do	Story on Vietnamese Ambassador Trac Van Chuong	20
May 22, 1956	do	Story on the Philadelphia Museum of Art	15
Do	do	Story on the "Books Abroad" program sponsored by the Philadelphia Council on World Affairs.	20
June 13, 1956	do	Story on a Japanese model house	20
June 14, 1956	do	Stories on the Convention of Rotary International	75
June 21, 1956	do	Story on the surgeons at Philadelphia's Wills Eye Hospital	20
June 28, 1956	do	Story on St. John's Day, Philadelphia, Pa	15
Apr. 20, 1956	Mrs. Marianne Pollak, Wien V, Rechte Wienzeile, 97, Austria through USIS.	Review of Die Revolution Entlasst Ihre Kinder, for Problems of Communism.	50
Dec. 16, 1955	Paul Poorman, Centre Times, Bellefonte, Pa	Feature story on Karl Schwensfeier, a national gymnastic champion at Pennsylvania State University and a top candidate for the Olympics.	25
May 14, 1956	Mrs. Leslie Judd Portner, art critic, Washington Post, Washington, D. C.	Story on the Houston Museum of Fine Arts	20
May 17, 1956	do	Story on National Art Gallery's exhibit on A Century and a Half of Argentine Painting.	50
June 6, 1956	do	Feature story on the Graphic Arts in the United States	50
Aug. 11, 1956	Frederick A. Praeger, 150 East 52d St., New York, N. Y	Article for Peter Tang's article on purges in China for Problems of Communism.	210
Nov. 8, 1955	Frank Quinn, Montana Standard, Butte, Mont	Story on the Vienna Academy Chamber Chorus	15
Mar. 15, 1956	Michael Quinn, Dallas News, Dallas, Tex	Story on Mrs. Clara Williamson	25
Do	do	Story on U. Sos Hline, of Berma	20
May 1, 1956	do	Stories on the Inter-American Bar Association	245
Mar. 31, 1956	do	Stories on the World Affairs Week	90
Jan. 23, 1956	Francis M. Rackemann, Jr., Baltimore Sun, Baltimore, Md	Story on group of Germans currently training at the Ordnance School, Aberdeen, Md.	20
July 8, 1955	George Rash, Hagerstown Herald, Hagerstown, Md	Story on Hagerstown, Md., "sister city" exhibit	25
Apr. 13, 1956	Arthur Rhodes, Miami Beach Sun, Miami, Fla	Stories on Puerto Rican Governor Munoz-Marin	40
May 31, 1956	do	Stories on the Sixth Annual Foreign Trade Forum	60
June 6, 1956	do	Story on 62 mayors from the State of São Paulo, Brazil	20
Oct. 26, 1955	Mrs. Wilmer Shields Rich, Raymond Rich Associates, 360 Broadway, New York, N. Y.	Article describing the work of American foundations in countries abroad	75
July 26, 1955	Stephen Richard, Houston Post, Houston, Tex	Story on United States participation in development of Latin American Oil resources.	25
Aug. 30, 1955	do	Story on Indian Ambassador Mehta	25
Jan. 3, 1956	do	Story on Dr. Werner Hofmeister, president, legislature of the State of Lower Saxony, and Richard W. Skiba, secretary of state, government of Lower Saxony.	20
Mar. 28, 1956	do	Story on the Houston International Art Exhibition	20
Mar. 29, 1956	do	Story on Ahmad Nordin, Kedah, Malaya	20
May 1, 1956	do	Story on Pablo Abad Hernandez, Panama City, Panama	20
Nov. 3, 1955	Miss Sue Rogers, Grand Rapids Herald, Grand Rapids, Mich	Story on Mrs. Krishnabai Shridharani, Indian dancer	15
July 18, 1955	Kurt Rohde, Democrat & Chronicle, Rochester, N. Y	Story on group of 25 doctors and surgeons representing 12 foreign countries	20
Apr. 13, 1956	do	Story on Uruguayan Industrial Productivity Study Team	20
Apr. 18, 1956	do	Story on Egon Krauss, professor and lecturer, Department of Music, Koeln and Trossingen Academies, South Germany.	20
Do	do	Stories on the International Conference of Atomic Physicists at the University of Rochester.	120
Dec. 2, 1955	Mr. Pat Rosencrantz, Frederick News, Frederick, Md	Story on Mayor Winslow F. Burhans, Hagerstown, Md	20
June 28, 1956	Sherwood Ross, Miami Beach Sun, Miami Beach, Fla	Stories on Chamber of Commerce of the Americas	40
Sept. 20, 1955	William E. Rowley, Knickerbocker News, New York, N. Y	Story on Gebhardt Mueller, minister president of Wuerttemberg-Baden, Germany.	20
Nov. 17, 1955	do	Story on Jai Deva Prasad, legislative council member of Bihram India	20
Dec. 5, 1955	do	Story on 11 members of the parliaments of 7 NATO countries	40
Dec. 12, 1955	Miguel Santin, El Mundo, San Juan, P. R	Story on visit to San Juan of Pablo Casals, world-renowned Spanish cellist, composer, conductor.	20
Feb. 13, 1956	do	Stories on the new Supreme Court Building dedication ceremonies in San Juan, P. R.	50
Mar. 22, 1956	do	Story on The Seminar on Professional Training in Town Planning	20
Apr. 18, 1956	do	Story on The 5th Pan American Congress of Eye, Ear, Nose, and Throat Specialists.	20
May 1, 1956	do	Press coverage on the Teacher Development Workshop	90
May 3, 1956	do	Stories on the Inter-American Round Table Conference	80
May 17, 1956	do	Stories on Operation Bootstrap Week in San Juan, P. R	40
Nov. 17, 1955	Guy Savino, Newark New Jersey News, Newark, N. J	Story on Abdul Rahman Sidky, director of Cairo Opera House	20
Nov. 22, 1955	Stephen Schattman, 270 Clifton Villas, London, England	Article on Soviet statistical theory for Problems of Communism	150
Aug. 4, 1955	Alan F. Schoedel, Toledo Blade, Toledo, Ohio	Story on Moslem feast	15
Mar. 1, 1956	Solomon Schwarz, 4 West 105th St., New York, N. Y	Article on the 20th Congress of CPSU	200
Apr. 12, 1956	Donald M. Schwartz, Chicago Sun-Times, Chicago, Ill	Story on Uruguayan Industrial Productivity Study Team	20
Do	do	Story on Mathilde Pereira de Sousa, director, Museum of Modern Art in Rio de Janeiro, Brazil.	20
Apr. 23, 1956	do	Story on Dr. Diego Dominguez Caballero, director of information, University of Panama.	20
Apr. 25, 1956	do	Story on U. Lu Pe Win, director, Archaeological Survey, Rangoon, Burma	20
Do	do	Story on American Friends of the Middle East	40
May 3, 1956	do	Story on German Consumer Productivity Study Group	20
May 8, 1956	do	Story on Douglas Kim Kiu Lee, chairman of the Malayan-Chinese Association.	20
May 14, 1956	do	Stories on the 22d Convention of the League of Women Voters of the United States.	100
Aug. 20, 1955	George Scriven, Beacon-Journal, Akron, Ohio	Story on the International Soap Box Derby to be held in Akron, Ohio	20
Aug. 30, 1955	do	Story on Kandiah Subramaniam, president of the Co-op Union of Malaya	20
Sept. 19, 1955	do	Story on P. Grunam Singh Gill, assistant general secretary of Transport Workers Union Federation of Malaya.	20
Sept. 30, 1955	do	Story on Hans Schlichting, Mayor of Landstuhl, Germany	20
Oct. 11, 1955	do	Story on 2 Frenchmen	20
Do	do	Story on 25 German DP's	20
Dec. 6, 1955	do	Story on Mrs. Mary Lena House, United Rubber Workers, Akron, Ohio	25
Jan. 19, 1956	do	Story on The Venerable Vira Dharmawara, Cambodian Buddhist Monk	20

Free-lance services procured from July 1, 1955, to June 30, 1956—Continued

Date	Name and address	Title of use	Amount
Apr. 26, 1956	Dan Sellard, Register-Guard, Eugene, Oreg	Story on group of 8 Nepalese educators, University of Oregon, Eugene, Oreg	$2
Jan. 24, 1956	Ben B. Seligman, 1705 Floral Lane, Silver Spring, Md	Review of 2 books on Marxism for Problems of Communism	50
Dec. 12, 1955	Hugh Seton-Watson, 8 Burghley Rd., Wimbledon Common, S. W. 19, London, England.	Article on the Soviet Ruling Class	200
Apr. 3, 1956	Joseph V. Shanley, Providence Evening Bulletin, Providence, R. I	Story on Mrs. Ng Chow Won, 94	50
May 17, 1956	Winifred Shields, Kansas City Star, Kansas City, Mo	Story on Mr. Suwan Rucayote, Governor of Korat Province, Thailand	20
Dec. 12, 1955	Marshall D. Shulman, 44 DeWolfe St., Cambridge, Mass	Article on Soviet Policies After Stalin	200
Sept. 2, 1955	James Skelton, Knoxville Journal, Knoxville, Tenn	Story on visit of Ichiro Kono, Minister of Agriculture and Forestry, Japanese Government.	20
Apr. 27, 1956	Stanley L. Slusher, Champaign-Urbana Courier, Champaign, Ill	Story on Chief Justice Earl Warren, United States Supreme Court	
Mar. 16, 1956	Everett M. Smith, Christian Science Monitor, Boston, Mass	Stories on European Trade Unionists from France, Denmark, Germany, Sweden, Greece, and Austria.	120
Mar. 28, 1956	do	Story on Dr. Paul Dudley White, President Eisenhower's heart specialist	20
Jan. 16, 1956	Janetta Somerset, Baltimore Sun, Baltimore, Md	Story on the Chief Venerable Vira Dharmawara, Buddhist Monk	20
Dec. 12, 1955	Timothy Sosnovy, 58 Genessee St., New Haven, Conn	Article on Soviet Housing	200
May 22, 1956	Edward Sowers, Rolla Herald, Rolla, Mo	Stories on Peruvian Vice President Hector Boza Aizcorbe	40
July 22, 1955	Ora Spaid, Courier-Journal, Louisville, Ky	Story on Pvt. Lou Jones of the Third Armored Division, Fort Knox, Ky	60
Sept. 20, 1955	do	Story on the Neighborhood College Program	50
Feb. 13, 1956	do	Story on Carl C. Krankel, Louisville candy salesman	20
Sept. 7, 1955	Dr. Robert E. Spiller, The College, University of Pennsylvania, Philadelphia 4, Pa.	Article entitled "The Place of Franklin in Literature"	100
Aug. 15, 1955	Albert W. Spindler, Herald-Journal, Syracuse, N. Y	Story on Sculptor Ivan Mestrovic	20
Mar. 20, 1956	do	Story on Jose E. Orejas, leader and spokesman for a group of 6 Spanish foundry industry executives.	20
Nov. 14, 1955	William B. Spinks, Houston Post, Houston, Tex	Stories on Castillo Armas visit	60
Aug. 29, 1955	Herbert Stein, the Oak Ridger, Oak Ridge, Tenn	Story on Dr. Alvin Weinberg, Assistant Director, Oak Ridge Laboratories	15
Sept. 7, 1955	do	Story on visit of Ichiro Kono, Japanese Minister of Agriculture and Forestry	20
Oct. 18, 1955	do	Stories on the Oak Ridge Institute of Nuclear Studies	40
Nov. 28, 1955	do	Stories on foreign scientists attending radioisotopes course	80
Feb. 17, 1956	do	Story on meeting of delegates of 17 Southern and Border States	20
May 14, 1956	do	Story on the Strauss and Plowden press conference	20
May 18, 1956	do	Story on Josef Strauss, German Minister for Atomic Affairs	20
Nov. 22, 1955	H. Arthur Steiner, Department of Political Science, University of California, Los Angeles, Calif.	Article on role and function of trade unions in China	200
Sept. 30, 1955	Edmund O. Stillman, 110 West 57th St., New York, N. Y	Article on Bulgarian agriculture for Problems of Communism	180
Aug. 19, 1955	Jacob H. Strong, Jr., Rhinebeck Gazette, Rhinebeck, N. Y	Story on Mr. Nimal Sumitra Kuruppu, Ceylon's delegate to Camp Rising Sun, Rhinebeck, N. Y.	20
May 2, 1956	Marshall Stross, Journal Herald, Dayton, Ohio	Story on Mrs. Mariana Rancoeprawiro	25
Do	do	Story on Mexican Office Management Team	20
Apr. 23, 1956	Harold C. Stokes, Pensacola Journal, Pensacola, Fla	Story on group of German naval cadets	20
June 13, 1956	Edward Susdorf, Chattanooga Times, Chattanooga, Tenn	Story on 62 mayors from the State of São Paulo, Brazil	20
Mar. 20, 1956	Edward W. Swain, Richmond Times-Dispatch, Richmond, Va	Stories on the Shaia quadruplets, born March 10 to a Lebanese-American couple.	60
Mar. 28, 1956	do	Story on the Indian Methodist Centenary Choir	15
Apr. 27, 1956	do	Story on report Turkish children refused admittance in Richmond, Va, schools.	25
Mar. 8, 1956	Bruce Swanger, Sunbury Item, Lewisburg, Pa	Stories on the Burma-Bucknell weekend	40
June 18, 1956	Robert E. Teach, News-Sun, Springfield, Ohio	Story on Rev. Daniel Chu, Chinese, who is the pastor of St. Luke's Lutheran Church in Springfield, Ohio.	25
Sept. 20, 1955	Bruce B. Temple, Herald-Telephone, Bloomington, Ind	Story on visit of General Mangkorn Phromyothi, Bangkok	20
Jan. 3, 1956	do	Story on official publication of The Gandhi Reader	20
July 22, 1955	Truman Temple, Schenectady Gazette, Schenectady, N. Y	Story on ceremony at which AEC will turn over atomic engine to private industry.	20
Feb. 6, 1956	Henry Tenenbaum, 3601 Wisconsin Ave. NW., Washington, D. C	Story on innovation and changes in the American economy	40
Mar. 19, 1956	do	Story on United States international trade policies	300
Mar. 20, 1956	do	Story on the problem of depressed areas in the United States economy	40
Mar. 29, 1956	Philip F. Thomas, Memphis Commercial Appeal, Memphis, Tenn	Story on the Indian Methodist Centenary Choir	15
Aug. 12, 1955	Charles L. Towne, Hartford Courant, Hartford, Conn	Story on Dr. Ku, Chinese professor of Chinese studies	20
Sept. 2, 1955	do	Story on Robert Hsi, Hong Kong, China	35
Sept. 26, 1955	do	Story on Berlin exhibit at Berlin (Conn.) Fair	15
Do	do	Story on Berlin Fair	20
Oct. 18, 1955	do	Story on National Newspaper Week meeting	20
Feb. 29, 1956	do	Story on Walter S. Robertson, Assistant Secretary of State for Far Eastern Affairs.	20
Sept. 7, 1955	Arnold J. Toynbee, care of New York Times, Adelphi Bldg., London, W. C. 2, England.	Article, What Makes Great Powers Great	25
Mar. 1, 1956	Hugh Trevor-Roper, Christ Church, Oxford, England	Article on Marxism as a historical science for Problems of Communism	200
July 21, 1955	Mrs. Marion Trainor, Detroit Times, Detroit, Mich	Story on Austrian industrial training methods study group	20
Aug. 10, 1955	do	Story on 11 Japanese motor vehicle manufacturers	20
Sept. 22, 1955	do	Story on Prof. Anton Peterlin	20
Nov. 7, 1955	Mr. Frank Tropin, Williston Herald, Williston, N. Dak	Story on Vienna Academy Chamber Chorus, now on its 3d visit to United States.	15
Aug 11, 1955	William K. Tuohy, San Francisco Chronicle, San Francisco, Calif	Story on Count Wolf von Baudissin, adviser, German Ministry of Defense	20
Aug. 29, 1955	do	Story on group of 11 Japanese industrialists	20
Do	do	Story on C. J. Haggerty, secretary-treasurer, California State Federation of Labor.	15
Aug. 30, 1955	do	Stories on the Symposium on Electronics and Automatic Production	60
Sept. 2, 1955	do	Story on Khasa Subba Rau, editor of "Swantatra", English weekly published in Madras, India.	20
Sept. 12, 1955	do	Stories of 3 leaders of Ryukyu Islands	20
Sept. 14, 1955	do	Story on Mohamed Ali	20
Apr. 3, 1956	do	Story on Japanese building and construction technical study team	20
Apr. 4, 1956	do	Story on Bernd C. Hesslein, political editor of Norddeutsche Zeitung, a Hanover, Germany newspaper.	20
Do	do	Story on Dr. Hans Schwartlsender, Mainz, Germany	20
Do	do	Story on Otto Friedrich Bach, Director of Radio Sender Freies Berlin the big West Berlin radio station.	20
Jan. 11, 1956	Charles Van Doren, 220 Waverly Pl., New York, N. Y	Article entitled "What Is American Culture"?	75
Apr. 23, 1956	Pierre Vianson-Ponte, care of American Embassy, Paris, France	Review of 3 books by former leaders of French Communist Party for Problems of Communism.	100
June 6, 1956	Mrs. Violet Fraser Wood Walker, 629 Sheridan St., Hyattsville, Md	Article on Dr. Arnold Gesell and the Gesell Institute	300
July 8, 1956	Ralph Wallenhorst, Buffalo Evening News, Buffalo, N. Y	Story on group of 25 leading doctors and surgeons from 12 nations	20
Sept. 20, 1955	do	Story on Gen. Mangkorn Phromyothi, Thailand's Minister of Education	20
Apr. 3, 1956	do	Story on Wilhelm Ingensand, political editor of Free Press, Bielfeld, Germany.	20
Apr. 4, 1956	do	Story on Project Boys Town of Italy	15
May 11, 1956	do	Story on the centenary of the establishment of the Order of the Victoria Cross.	20
June 6, 1956	do	Story on 62 mayors from the State of São Paulo, Brazil	20
Jan. 16, 1956	Harry B. Warner, Jr., Morning Herald, Hagerstown, Md	Story on the annual Alsatian Mummers Parade	15
Apr. 13, 1956	do	Stories on the Hagerstown, Md., and Wesel, Germany, Easter celebration	40
June 13, 1956	do	Story on Thank You book to be sent by Hagerstown, Md., to German sister city of Wesel, Germany.	15
Feb. 8, 1956	Miss Nancy K. Watkins, Ann Arbor News, Ann Arbor, Mich	Story on the Conference of the National Academy of Sciences	20
May 18, 1956	do	Story on group of cultural leaders from south and southeast Asia	25
Nov. 3, 1955	Mack Webb, Herald-Sun, Durham, N. C	Story on speech of George V. Allen, Assistant United States Secretary of State.	20

Free-lance services procured from July 1, 1955, to June 30, 1956—Continued

Date	Name and address	Title of use	Amount
Aug. 30, 1955	Austin Wehrwein, Chicago Sun-Times, Chicago, Ill	Story on the Production and Engineering Show	$20
May 3, 1956	Robert Weintraub, News Leader, Staunton, Va	Stories on the Wilson Centennial Celebration, Staunton, Va	80
Dec. 1, 1955	Miss Anna Mary Wells, Asbury Park Press, Asbury Park, N. J	Story on dedication of a new Kalmuk Buddhist Temple	20
June 12, 1956	John Wentworth, New Britain Herald, New Britain, Conn	Story on Robert W. Blalek	20
June 20, 1956	Wayne Whitt, Nashville Tennessean, Nashville, Tenn	Story on 62 mayors from State of São Paulo, Brazil	20
June 11, 1956	R. C. Wiedrich, Chicago Tribune, Chicago, Ill	Story on Dr. Mostafa Meshab-Zadeh	20
June 18, 1956	Wallace Wilkoff, Wisconsin State Journal, Madison, Wis	Story on Dr. Rajkumari Amrit Kaur, India's Minister of Health	20
Mar. 28, 1956	Paul Willen, 140 Riverside Dr., New York, N. Y	Article on recent congress of Soviet architects for Problems of Communism	100
Jul. 12, 1955	Eric Willenz, 7403 Hancock Ave., Takoma Park, Md	Review of Grenzen der Sowjetmachtk by W. Starlinger for Problems of Communism.	50
Sept. 22, 1955	Fred Williams, Austin American, Austin, Tex	Story on General Mangkora, Thailand's Minister of Education	20
Mar. 29, 1956	Edwin N. Winge, Detroit Free Press, Detroit, Mich	Stories on Italian President Giovanni and party	125
Apr. 23, 1956	do	Story on Llong Sit Joe	20
Apr. 27, 1956	do	Story on Dr. Hans Wessemann, Director of the Voice of Germany	20
Do	do	Story on Vice President Jose Goulart of Brazil	20
May 1, 1956	Edwin N. Winge, Detroit Free Press, Detroit, Mich	Story on Mrs. M. La Myen, headmistress, State High School, Sinkum Bhamo District, Kachim State, Burma.	20
May 16, 1956	do	Story on Thomas Paul Brackett, Ford Motor Co. employee	25
June 6, 1956	do	Story on Mexican office-management team	20
June 14, 1956	do	Stories on the 3d National Cancer Conference, Detroit, Mich	60
Do	do	Stories on dedication of new mosque, Dearborn, Mich	20
June 19, 1956	do	Story on NATO group	20
June 21, 1956	do	Story on Franz Joseph Straus, German Minister of Atomic Affairs	20
Nov. 14, 1955	Doris Wilson, Nyack Journal-News, Nyack, N. Y	Story on Nyack (N. Y.) Community Suburban Symphony	15
Jan. 25, 1956	Earl Wittfogel, Chinese history project, Columbia University, New York, N. Y.	Article on Forced Labor in China for Problems of Communism	200
Dec. 8, 1955	Chister Wollin, care of American Embassy, USIS, Vattugatan 12, Stockholm.	Article, "Scandinavian Cooperation for Television"	50
June 13, 1956	Chester L. Wood, Newport News, Newport, R. I	Story on Julia Emmons, Newport, R. I	15
Sept. 30, 1955	Guy Wright, Pittsburgh Press, Pittsburgh, Pa	Story on Maliam Abubaker, Nigerian Minister of Transportation	15
Oct. 6, 1955	do	Story on Dr. Rudolf Pesh, principal of a high school in Germany	20
Oct. 14, 1955	do	Story on the general board meeting of the National Council of Churches	20
Oct. 20, 1955	do	Stories on the Carnegie international awards	40
Jan. 20, 1956	do	Story on Dr. and Mrs. Homer V. Bradshaw	20
Jan. 31, 1956	do	Story on 4 Russian medical scientists	20
Feb. 29, 1956	do	Story on phase of Croat Fraternal Community of Pittsburgh	20
Mar. 16, 1956	do	Story on 2 Japanese labor leaders	20
Mar. 20, 1956	do	Story on bicentennial celebration of Mozart, famous Austrian composer	20
Mar. 28, 1956	do	Story on Marjorie Ekland	20
Do	do	Story on Mozart bicentennial celebration	15
Do	do	Story on group of foreign scientists	20
May 14, 1956	do	Story on the Strauss and Flowden press conference	20
Dec. 16, 1955	Ted Wylie, Fayetteville Times, Fayetteville, Ark	Interview on Laird Archer, former Near East Foundation director	20
Sept. 26, 1955	Willard Yarbrough, News-Sentinel, Knoxville, Tenn	Story on Mohamed El Nabawi El Shal, Egyptian Ministry of Education	20
May 17, 1956	do	Story on George Diederichs, deputy floor leader, State Legislature, State of Lower Saxony, Hanover, Germany.	20
Mar. 16, 1956	John Wray Young, director, Shreveport Little Shreveport, La	Story: The Community Theater in the United States	60
May 31, 1956	Sanford L. Zalbourg, Honolulu Advertiser, Honolulu, T. H	Story on the 2500th anniversary of the death of Buddha	25
Nov. 22, 1955	Earl A. Zarbin, Arizona Daily Star, Tucson, Ariz	Stories on the Conference on Solar Energy	40
Nov. 22, 1955	Dr. Alfred Zauberman, 6 Princedale Rd., Holland Park, London, England.	Review of Thad Paul Alton's book on Poland for Problems of Communism	50
July 15, 1955	Byron Zurn, Director of Public Relations, Radio Station KDNR, Montevideo, Minn.	Story on annual Montevideo, Minn., festival	25
	Total		42,916

SUMMARY

Type	Stories/articles	Amount
Foreign visitors' coverage	809	$16,998
Pamphlet material	7	2,525
Special articles, including America Illustrated and Problems of Communism	115	14,570
Other current-events coverage	497	9,826
Total	1,428	42,916

Free-lance services procured from July 1, 1956, to Dec. 31, 1956

Date	Name and address	Title of use	Amount
Sept. 28, 1956	Mr. Victor Alba, care of American Embassy, Attention USIS, Mexico City.	Review of a book on the Spanish Civil War for Problems of Communism	$50
Aug. 20, 1956	Mr. John T. Appel, New Haven Register, New Haven, Conn	Story on Yale Seminar on Asian Religions	20
Oct. 15, 1956	do	Story on the Berlin Philharmonic Orchestra	20
Oct. 24, 1956	do	Story on Prof Yang Ha Rhee, Yale University, New Haven, Conn	20
Nov. 6, 1956	do	Human interest story on Mrs. Anne R. Hathaway, 399 Fountain St., New Haven.	30
Nov. 26, 1956	do	Story on Abdulganie Madjedie, Indonesian youth leader, currently working and studying in New Haven.	20
Nov. 16, 1956	Prof. Lester Asheim, Dean, Library School, University of Chicago, Chicago, Ill.	Article on Great Novels and Plays as Films, written by Prof. Lester Asheim, for use in special film packet.	50
Dec. 17, 1956	Abraham I. Asher, 423 West 120th St., New York, N. Y	Antibibliography for Problems of Communism	50
Sept. 28, 1956	Gerald Ashford, San Antonio Express, San Antonio, Tex	Story on racial integration in Texas	30
Oct. 19, 1956	do	Stories on the Assembly of the International Good Neighbor Council, San Antonio, Tex.	40
Dec. 18, 1956	do	Story on a Spanish housing group	20
Nov. 29, 1956	Gideon Bachmann, 3951 Gouverneur Ave., New York 63, N. Y	Article on Walt Disney	50
Nov. 17, 1956	John Beaufort, Drama Critic, Christian Science Monitor, 888 5th Ave., New York, N. Y.	Article on the American theater, Shakespeare Festivals Become Popular	75
Nov. 16, 1956	do	Article on films projecting America	75
July 5, 1956	Leslie Bennett, New Orleans Item, New Orleans, La	Story on the visit of Lt. Col. Joseph Simaan, of Lebanon	20
July 27, 1956	do	Story on Mr. Samuel Zemurray and Dr. Frederick Wilson Popenoe	20
Aug. 28, 1956	do	Story on Lorenzo Gonzales, industrial relations leader, Argentina	20
Sept. 28, 1956	do	Story on Cuban industrial and cultural products	20
Do	do	Stories covering National Catholic Social Action Committee Conference, New Orleans.	80
Do	do	Stories on French Parliamentary group (21 members, secretary, and 2 journalists), New Orleans, La.	60

Free-lance services procured from July 1, 1956, to Dec. 31, 1956—Continued

Date	Name and address	Title of use	Amount
Oct. 19, 1956	Leslie Bennett, New Orleans Item, New Orleans, La	Story on 5 Argentine graduate students	$20
Oct. 29, 1956	do	Story on Miss Giovanna Ferrara, Italian girl expert on American history	20
Nov. 6, 1956	do	Story on 26th annual meeting of Society for Exploration and Geophysics, New Orleans.	25
Nov. 26, 1956	do	Story on interview with Minister President Georg August Zinn, of Hesse, Germany, scheduled to be in New Orleans.	20
Aug. 2, 1956	Harold Bergman, 233 2d St. SE., Washington, D. C	Science feature stories on special Latin American interest	150
Oct. 4, 1956	do	Science feature story on a Brazilian girl studying at the National Institute of Health.	25
Oct. 11, 1956	do	Story about Dr. Radi Macrus, from Brazil, who is working at the National Institute of Health.	25
Oct. 29, 1956	do	Story on schistosomiasis with photos	50
Oct. 24, 1956	Robert E. Best, Columbia Missourian, Columbia, Mo	Story on Joss A. de Oliveira, Brazil	20
Oct. 1, 1956	Immanuel Birnbaum, Sud-Deutsche Zeitung, Munich, Germany	Story of Boris Meissner's Das Ende des Stalin-Mythos for Problems of Communism.	50
Oct. 31, 1956	Archie B. Birtwell, Malden Evening News, Malden, Mass	Story on an Indonesian student group	20
Do	do	Story on Luang Sukhum Nayspradit	25
Nov. 26, 1956	Robert G. Breen, the Baltimore Sun, Baltimore 3, Md	Story on the ceremony of the blessing of the tools of industry and a mass honoring St. Joseph, the workman, at the Cathedral of the Assumption of the Blessed Virgin Mary.	30
Dec. 18, 1956	do	Story on the Asian Cultural Exchange Foundation	25
Oct. 25, 1956	Martha Brian, Columbus Dispatch, Columbus, Ohio	Story on 1st anniversary salute to Genoa	45
Sept. 11, 1956	Hal Brown, Mobile Register, Mobile, Ala	Stories on Friendship-for-Korea ship	40
Dec. 7, 1956	Zbigniew Brzezinski, Harvard University, Russian Research Center, 16 Dunster St., Cambridge, Mass.	Article on recent developments in Eastern Europe	200
Oct. 15, 1956	Chester Bulgier, Houston Post, Houston, Tex	Story on sailing of ship from Houston, Tex., with 52 farm animals to a Russian Government farm, as gift from United States farmers and church members.	20
Dec. 20, 1956	do	Story on Beth Chu, 10-year-old Chinese girl with a heart defect, who will receive medical attention at Baylor University Medical Center Hospital.	20
Nov. 29, 1956	Ernest Callenbach, 2226 Acton St., Berkeley, Calif	Article on the animated cartoon written by Mr. Callenbach	50
Oct. 29, 1956	Shau Wing Chen, Asiatic and Slavic Studies, Stanford University, Stanford, Calif.	Article on literature in Communist China	200
Dec. 17, 1956	Charles A. Clay, Raleigh News and Observer, Raleigh, N. C	Story on José Luis Valenzuela, agronomist, Costa Rican Ministry of Agriculture.	20
Sept. 28, 1956	Michel Collinet, 83 Avenue Niel, Paris, France	Articles on the French Communist Party and labor problems in France	400
Oct. 10, 1956	Warren Cox, Musical Courier, 119 West 57th St., New York, N. Y	Feature story on the Mozart Bicentennial Celebration in the United States	50
Nov. 15, 1956	Joseph A. Crist, Chambersburg Public Opinion, Chambersburg, Pa	Story on reported talks being given by Asian Ambassadors at Chambersburg, Pa.	15
Nov. 26, 1956	do	Story on Pote Sarasin, Thai Ambassador to United States who is speaking in Chambersburg.	20
Dec. 14, 1956	do	Story on Tran Van Chuong, Vietnamese Ambassador to the United States	20
July 5, 1956	Walter Cunningham, 17 Washington St., Malden, Mass	Story on Kuong Huu-Dieu, a Vietnamese student working his way through college with help of scholarships and currently attending summer school at Massachusetts Institute of Technology.	30
July 13, 1956	do	Story on Mario Piva, professor of financial policy and corporation finance, Bahia University, Bahia, Brazil.	20
Do	do	Story on Edmundo Thomas Neumann, member of Chilean Atomic Energy Committee, Chile.	20
Aug. 2, 1956	do	Story on Boston Salute to Rome medal presentation ceremony	20
Aug. 3, 1956	do	Stories on a group (56) of officers and enlisted men of the French Navy	40
Aug. 6, 1956	do	Story on Dr. Juan I. Menchaca, president, Mexican Red Cross, Guadalajara, Mexico.	20
Do	do	Story on transfer ceremony of the minesweeper *Ouistreham*	20
Do	do	Story on transfer ceremony of the minesweeper *Colmar*	20
Aug. 5, 1956	do	Story on the Harvard International Seminar	20
Aug. 9, 1956	do	Story on Dr. Constantin Sarogiou, associate professor of pediatrics, Athens University, Athens, Greece.	20
Do	do	Story on Glaudio Carneyro, Director, Oporto Music Conservatory, Portugal	20
Aug. 15, 1956	do	Story on Cuban trade union group	20
Aug. 24, 1956	do	Story on American Federation of Labor scholarships (Massachusetts)	15
Aug. 28, 1956	do	Story on Sixth Congress of International Society of Hematology	20
Do	do	Story on group of alien internes in Boston Hospital, Boston, Massachusetts	20
Sept. 21, 1956	do	Story on Giovanna Ferrara, 22-year old winner of Lascia Raddoppio quiz in Italy.	25
Sept. 22, 1956	do	Story on Dr. Hans Mueller, chief surgeon, Kronach Hospital, Kronach, Germany.	20
Do	do	Story on Prof. Pierre Harmel, ex-Minister of Education, Belgium	20
Do	do	Story on Andre Imbert, Secretariat, French Assembly	20
Do	do	Story on 4 distinguished Korean visitors	20
Do	do	Story on Abu Baker, Singapore, Malaya	20
Do	do	Story on Mrs. Maria De Rosal, member of the Ministry of Education's Technical Council in Guatemala City, Guatemala.	20
Sept 28, 1956	do	Story on Japanese Trade Union Team	20
Oct. 10, 1956	do	Stories on the Giovanna Ferrara celebration, Boston, Mass	70
Oct. 11, 1956	do	Story on Dr. Sachim Sen, editor, Indian national newspaper, Patna, India	20
Oct. 15, 1956	do	Story on the Berlin Philharmonic Orchestra	20
Do	do	Story on a group of Austrian Governors	20
Nov. 15, 1956	do	Story on assistance Bostonians are planning to give strife-ridden Hungarians.	20
Nov. 16, 1956	do	Story on further local developments on Hungarian relief program in Boston	20
Nov. 16, 1956	do	Story on interview with Minister President Georg August Zinn, of Hesse, Germany, scheduled to be in Boston on Nov. 8–10, 1956.	20
Nov. 27, 1956	do	Story on Dr. Ghulman Jilani, Head of Department of Philosophy and Psychology at Dacca University, East Pakistan.	20
Nov. 26, 1956	do	Story on Ryosaku Murata, Director of Modern Art in Japan in Boston on November 13, 1956.	20
Nov. 26, 1956	do	Story on Vienna Philharmonic in Boston, audience reaction, etc	20
Dec. 14, 1956	do	Story on the Venerable Muot Tath, Cambodia's ranking Buddhist Priest scheduled for Boston from Nov. 28 to Dec. 1.	20
Sept. 28, 1956	Elizabeth Davey, 136 West 11th St., New York, N. Y	Article on the Fashion Institute of Technology	60
Do	Jane Degras, Royal Institute of International Affairs, 10 St. James Square, London S. W. 1, England.	Article on current meeting of the Supreme Soviet, for Problems of Communism.	200
Sept. 22, 1956	Mr. James P. Delaney, Chain-O'-Lakes Publicity Service Bureau, McHenry, Ill.	Story on the 7th annual convention of the Vietnamese Catholic Students Association in America, McHenry, Ill.	25
July 27, 1956	Helen Delich, Baltimore Sun, Baltimore, Md	Story on wages and working conditions of dockers and longshoremen at the Port of Baltimore, Baltimore, Md.	25
Oct. 29, 1956	do	Story on 1st shipment of United States wheat to Tunisia under terms of recent United States-Tunisia Agreement.	30
Nov. 26, 1956	Wayne DeNeff, Ann Arbor News, Ann Arbor, Mich	Story on interview with Lars G. Nordenswan of Finland currently studying at the University of Michigan.	20
Dec. 19, 1956	Hugh Dewar, care of American Embassy, attention USIS, London, England.	Article on the Soviet Show Trials	100
Dec. 5, 1956	Mrs. Patricia Fallon Dougherty, city desk, Democrat & Chronicle, Rochester, N. Y.	Story on Vienna Philharmonic in Rochester	30

Free-lance services procured from July 1, 1956, to Dec. 31, 1956—Continued

Date	Name and address	Title of use	Amount
Sept. 21, 1956	Martin Dworkin, 23 West 31st St., New York, N. Y.	Article on Management Education	$330
Dec. 20, 1956	M. K. Dziewanowski, 51 Reservoir St., Cambridge, Mass	Story on Rightist Deviationism in Poland	75
Oct. 29, 1956	Marton Ebon, 500 5th Ave., New York, N. Y	Review of book on Communist propaganda	50
Do	Alexander Eckstein, Harvard University, 16 Dunster St., Cambridge, Mass.	Article on Communist China, a model for underdeveloped countries?	200
Nov. 29, 1956	Prof. Jack Ellis, Northwestern University, Evanston, Ill	Story on the Historical Film	50
Dec. 18, 1956	Mrs. Shirley Ellis, 1209 West Jarvis Ave., Chicago, Ill	Article on the Negro in the American Film	50
Nov. 29, 1956	William K. Everson, Manhattan Tower Hotel, 2166 Broadway, New York 24, N. Y.	Article on Shakespeare in Hollywood	50
Do	George N. Fenin, 215 West 98th St., New York 25, N. Y	Article on the Documentary Film	50
Sept. 10, 1956	Cecelia Fine, 2700 Q St., NW., Washington 7, D. C	Article on Negro Woman in the broadcast and television industry with approximately 3 pictures.	50
Oct. 29, 1956	Joseph R. Fiszman, Michigan State University, East Lansing, Mich.	Story of Assignment in China by Schuman	50
Aug. 20, 1956	Douglas Freelander, city desk, Houston Post, Houston, Tex	Story on Brazilian labor group	20
Do	Helen Gelb Fry, 165 Euclid Ave., Wadsworth, Ohio	Story on Miss So San, 28-year-old 6th grade teacher from Cambodia, Indochina.	20
Aug. 31, 1956	do	Story on Prof. Demetrios A. Sacholarides, dean of the Nea Ionia Technical School, Athens, Greece.	25
Sept. 21, 1956	do	Story on Miss Chaveevan Onaree, of Thailand	25
Oct. 29, 1956	Lewis Funke, drama editor, the New York Times, Times Square, New York, N. Y.	Article on the New York Theater Season	300
Nov. 16, 1956	Prof. Robert Gessner, 235 East 22d St., New York, N. Y	Article on Films for Peace and Progress	50
July 13, 1956	Alden W. Godfrey, San Diego Tribune, San Diego, Calif	Story on Fiesta del Pacifico	20
Sept. 21, 1956	do	Stories on Conference on Nuclear Reactors, San Diego, Calif	60
Oct. 19, 1956	do	Story on the 1st anniversary of a Japanese stone ceremonial lantern given by the city of Yokohama as a good-will gift to the city of San Diego, Calif.	20
Nov. 28, 1956	Thomas Goldstein, 3430 78th St., Jackson Heights, New York, N. Y.	Story on Dr. George Schnoeckelborh, secondary school teacher for modern languages, Krefeld, Germany.	25
Dec. 14, 1956	do	Story on Dr. Karl Pivec, chairman of the department o history, University of Innsbruck, Innsbruck, Austria.	25
Dec. 18, 1956	do	Story on the luncheon for the Council on Islamic Affairs	20
Dec. 21, 1956	Robert Griffin, 1061 Kavoli Dr., Pacific Palisades, Calif	Story on Mexican-born doctor practicing in Los Angeles who has become leader of the Mexican colony there and a leading date rancher at Indio.	35
Oct. 16, 1956	James E. Griffith, Bakersfield Californian, Bakersfield, Calif	Story on Miss Elynor Rudnick, president, Kern-Copters, Inc., Bakersfield, Calif.	30
Nov. 29, 1956	Richard Griffith, care of John W. Adams, 11 West 53d St., New York, N. Y.	Article on Robert Flaherty: Master of Nature	50
July 10, 1956	Joseph Grossman, 533 Guarantee Trust Bldg., Atlantic City, N. J	Story on the 3d Annual Around-Absecon-Island Marathon	20
Oct. 15, 1956	do	Story on French Consul General Legarde and French Parliamentary Delegation Member Max Brussett.	20
Oct. 17, 1956	do	Story on the Dairy Industries Exposition	20
Nov. 16, 1956	do	Story on presentation of Albert Lasker award for medical progress to United Mine Workers of America.	20
July 31, 1956	Ernst Halperin, AM Modenapark 5, Vienna, Austria	Article, "Is Russia Going Titoist?" for Problems of Communism	150
July 11, 1956	Keith Hansen, Portland Oregonian, Portland, Oreg	Stories on the National Education Association Conference, Portland, Oreg	60
Aug. 8, 1956	do	Story on Emo Henrich, Austrian guide and ski instructor, Timberline Lodge, Mount Hood, Oreg	20
Sept. 28, 1956	do	Story on a baby elephant, gift of the people of Tuy Hoa area of Vietnam	20
Oct. 11, 1956	do	Story on sailing ceremony of 1st shipment of wheat to India under recent United States-India agreement	20
Nov. 7, 1956	do	Story on the Yugoslav dancing troupe known as Kolo	5
Dec. 14, 1956	do	Story on N. S. Hoon, purchasing agent, Bharat Overseas Ltd., Calcutta, India.	20
Dec. 7, 1956	Selig S. Harrison, 1244-19th St. NW., Washington, D. C	Review of 2 books on India CP	75
July 5, 1956	Heber J. Hart, Salt Lake Tribune, Salt Lake City, Utah	Story on Lt. Col. Joseph Simaan of Lebanon	20
Aug. 8, 1956	do	Story on 5 Greek Civil Air Patrol youths	20
Nov. 7, 1956	do	Story on the Yugoslav dancing troupe known as Kolo	5
Oct. 8, 1956	Prof. Richard C. Haskett, 117 Grove Ave., Washington Grove, Md	Research on American history from 1949 to 1956	225
Oct. 29, 1956	do	Article on American history from 1949 to 1956	475
July 17, 1956	Richard Havlin, Cincinnati Enquirer, Cincinnati, Ohio	Story on children's international summer villages	20
Dec. 18, 1956	do	Story on Cincinnati's Day of Mourning for Hungary	20
Dec. 28, 1956	do	Story on the Records Department of the Cincinnati Public Library	30
July 31, 1956	H. M. Hayward, St. Anthony's College, Oxford, England	Article, "Ehrenburg's Soul Searching and Continuing Ferment in Soviet Literature," for Problems of Communism.	200
Aug. 8, 1956	Richard Helgerson, Minneapolis Tribune, Minneapolis, Minn	Story on Mr. Jens Smorum, Danish Minister of Agriculture	20
Do	do	Story on 12 Japanese dairy experts who are studying milk processing and distribution at the University of Minnesota, St. Paul, Minn.	20
Aug. 29, 1956	do	Story on the Turkish Under Secretary of State and a group of Turkish governors.	25
Sept. 21, 1956	do	Stories on Convention of Iranian Students in the United States, Minneapolis, Minn.	100
Do	do	Stories on Mayor Tsutomu Tagawa, Nagasaki, Japan	70
Sept. 22, 1956	do	Story on the Convention of Iranian Students in the United States, Minneapolis, Minn.	20
Do	do	Story on 6 Indonesian students	20
Sept. 28, 1956	do	Story on the Sofia Girls, a 20-member troupe of Swedish gymnasts	20
Oct. 15, 1956	do	Stories on the French Parliamentary Group (a party of 21 members of the French Parliament, a Parliamentary Secretary and 2 French journalists), Minneapolis, Minn.	40
Nov. 7, 1956	do	Stories on Rumanian election observers	60
Nov. 26, 1956	do	Story on student rally at the University of Minnesota and petitions circulated to be sent to the students of Hungary.	20
Nov. 27, 1956	do	Story on Kosuke Sasaki, president of Sasaki Printing & Publishing Co., Sendai City, Japan, scheduled to arrive in Minneapolis on Dec. 5, 1956.	20
Do	do	Story on visit to Minneapolis of entire student body of the Liberal Arts College, Jamestown College, North Dakota.	50
Dec. 18, 1956	do	Feature story on a choral group of 28 Norwegian boys	50
Aug. 28, 1956	Peter Heindenberger, 4409 Stanford St., Chevy Chase, Md	Special German-language feature story, Growing German Interest in the United States South.	30
Sept. 28, 1956	do	Special German-language feature story, Divorces Not Made Easy in United States.	30
Nov. 28, 1956	Curt Hibbard, Milwaukee Journal, Milwaukee, Wis	Story on Milwaukee's Freedom Rally for Hungary on Sunday, Nov. 25, highlight of which will be participation of Hungary's 1st contingent of refugees.	25
Dec. 18, 1956	do	Story on the 13th annual Holiday Folk Fair	20
Do	do	Story on Hungarian refugees who settled in Milwaukee, Wis	25
Aug. 6, 1956	John H. Hicks, St. Louis Post-Dispatch, St. Louis, Mo	Story on Father Balduino Rambo, Brazilian botany and natural science teacher.	20
Aug. 10, 1956	do	Story on Ernesto C. Hermida and Carlos Macchi, labor leaders from Argentina.	20
Aug. 20, 1956	do	Story on Local 47 of the American Newspaper Guild, St. Louis, Mo	10
Do	do	Story on the Joint Council of Teamsters No. 13	10
Do	do	Story on Local No. 47 of the American Newspaper Guild	10
Do	do	Story on the International Ladies' Garment Workers' Union	10

Free-lance services procured from July 1, 1956, to Dec. 31, 1956—Continued

Date	Name and address	Title of use	Amount
Aug. 20, 1956	John H. Hicks, St. Louis Post-Dispatch, St. Louis, Mo	Story on a television series, Labor Views the News, sponsored by the Joint Council of Teamsters No. 13 of AFL International Brotherhood of Teamsters in St. Louis.	$10
Do	do	Story on Teamsters Local No. 688	10
Do	do	Story on Teamsters Local No. 688	10
Aug. 24, 1956	do	Story on Din Mohomed, member of the Cabinet of the Pakistan Government and an adviser on Kashmir affairs to Pakistan.	20
Aug. 31, 1956	do	Story on the St. Louis Bank for Cooperatives	10
Do	do	Story on the Producers Livestock Marketing Association (No. 1)	10
Do	do	Story on the Producers Livestock Marketing Association (No. 2)	10
Sept. 11, 1956	do	Story on St. Louis building and construction trades	15
Do	do	Story on District 9, Machinists Union	5
Do	do	Story on the St. Louis District Dairy Council	5
Do	do	Story on Cooperative Consumer Association	5
Sept. 21, 1956	do	Story on a Mexican industrial hygiene and sanitation group of 5 physicians	20
Sept. 22, 1956	do	Story (joint interview), Isamu Hara and Seiki Miyaka, Japanese editors	20
Do	do	Story on 1st annual convention of the merged American Federation of Labor and the Congress of Industrial Organizations, St. Louis.	20
Do	do	Story on the Sanitary Milk Producers Union	5
Do	do	Story on St. Louis' experimental program which offers special schooling to gifted children.	20
Do	do	Story on District 9 of the AFL-CIO International Association of Machinists	10
Sept. 22, 1956	do	Story on A. Philip Randolph	5
Do	do	Story on the Charter Board of Freeholders	15
Do	do	Story on District 9 of the AFL-CIO International Association of Machinists	10
Do	do	Story on AIJ. Hayes, president of the AFL-CIO International Association of Machinists.	10
Do	do	Story on Mr. Hans Bolewski, Director of the Loccum Evangelische Akademia, Loccumeuber Winstorf, Germany.	20
Do	do	Story on Dr. Seizo Katsunuma	20
Sept. 28, 1956	do	Story on Aswad Saleh, editor-in-chief of the Pembangun, a daily newspaper in the West Kalimantan, Indonesia.	20
Oct. 11, 1956	do	Labor stories on Carpenters District Council; AFL-CIO Amalgamated Clothing Workers Union and the Rawlings Manufacturing Co.; Missouri State Committee on Political Education; Cascoage Electric Cooperative; United Packinghouse Workers; International Association of Machinists, District No. 9.	50
Do	do	Story on the Producers Livestock Marketing Association	10
Do	do	Story on the Brotherhood of Sleeping Car Porters	15
Do	do	Story on the AFL-CIO International Union of Electrical, Radio, and Machine Workers.	10
Do	do	Story on the Carpenter's District Council and the St. Louis Building Trades Council.	5
Oct. 17, 1956	do	Story on The Grand River Mutual Telephone Corp	10
Do	do	Story on the AFL-CIO International Brotherhood of Painters, Decorators, and Paperhangers of America.	5
Do	do	Story on the Teamsters Union Local No. 688	10
Do	do	Story on the Painters District Council No. 2	5
Do	do	Story on the Farm Credit Board	20
Oct. 31, 1956	do	Story on Local 1104, International Union of Electrical, Radio, and Machine Workers.	5
Do	do	Story on the Teamsters Joint Council No. 13	5
Do	do	Story on Convention of the Missouri Bar Association	15
Oct. 31, 1956	do	Story on the Teamsters Joint Council No. 13	15
Do	do	Story on the St. Louis Teachers' Credit Union	5
Nov. 7, 1956	do	Story on Toyohiko Masuda, Asahi Press, Tokyo	20
Nov. 16, 1956	do	Story of the Yugoslav State Company	20
Nov. 16, 1956	do	Story on Demonstrations and assistance planned by people of St. Louis regarding Hungarian revolt.	20
Dec. 21, 1956	do	Story on the meeting of the Senate Foreign Relations subcommittee on Disarmament, St. Louis, Mo.	20
Nov. 26, 1956	do	Story on the St. Louis Post-Dispatch Employees' Victory Credit Union	15
Do	do	Story on AFL-CIO International Association of Machinists, District No. 9	10
Do	do	Story on the Lincoln County Farm Bureau	15
Do	do	Story on AFL-CIO International Association of Machinists, District No. 9	10
Nov. 26, 1956	do	Story on President of the Square Deal Milk Producers called for 4 milk cooperatives serving the St. Louis market to work together.	25
Do	do	Story on Meat Cutters Local No. 88 Credit Union	1
Do	do	Story on 13 NATO journalists from 8 European countries guests of Teamsters Local 688.	5
Nov. 26, 1956	do	Story on lumber donated by Hoo Hoo Club No. 6 and International organization of lumber industry for gymnasium at Boys Town.	10
Do	do	Story settlements on 4 machinists contracts district No. 9	5
Do	do	Story on labor workers union form club to aid family of Sherman Walker	10
Do	do	Story on union at Chromcraft Corp. win wages and fringe benefits	15
Do	do	Story on 1,500 members of Teamsters Local 688 receive adjustment	5
Do	do	Story on Igor Markevitch who was conductor of the Concertgebouw Orchestra of Amsterdam at the age of 13, conducting St. Louis Symphony Orchestra.	15
Do	do	Story of Fernando Frevitali, composer and conductor of Rome's Santa Cecilia Orchestra, conducting St. Louis Symphony Orchestra.	20
Do	do	Story on wage and benefit gains during 3d quarter of 1956 labor union affiliated with district No. 9.	15
Do	do	Story on unemployment decrease in St. Louis during month of September	10
Do	do	Story on Prairie Farms Creamery at Carbondale, Ill. and another cooperative by same name at Carlinville, Ill. voted on merge.	10
Do	do	Story on Labor's day St. Louis Symphony program for December 2, has been endorsed by Central Trades at Labor Union.	10
Do	do	Stories on Georg Solti, conductor of the Frankfurt Symphony Orchestra in St. Louis.	40
Nov. 28, 1956	do	Story on Missouri Farm Bureau Federation	20
Do	do	Story on CIO Communications Workers of America, St. Louis branch	15
Do	do	Story on Missouri Credit Union Convention	
Do	do	Story on Upholsters Union, Local No. 25	5
Dec. 18, 1956	do	Story on 15 visiting German officials	20
Dec. 19, 1956	do	Story on St. Louis Post-Dispatch Christmas saving fund	15
Do	do	Story on Sanitary Milk Producers	15
Do	do	Story on Teamsters Union	5
Do	do	Story on International Ladies' Garment Workers' Union	15
Do	do	Story on St. Louis Symphony Orchestra's Maintenance Fund	15
Nov. 16, 1956	Fred Hift, 10 West 96th St., New York 25, N. Y	Article on The Western	50
Dec. 14, 1956	Grover Hoff, Beacon News, Paris, Ill	Story on entertainment activities of 150 foreign students from 40 foreign countries over the Thanksgiving holiday.	25
Dec. 18, 1956	Mrs. Shirley Hood, Department of Theatre Art, University of California, Los Angeles, Calif.	Article on the "New Books on the American Film"	50

Free-lance services procured from July 1, 1956, to Dec. 31, 1956—Continued

Date	Name and address	Title of use	Amount
July 5, 1956	Arthur Hoppe, San Francisco Chronicle, San Francisco, Calif.	Story on Lt. Col. Joseph Simaan's visit July 9 to 10	$20
Do	do	Story on Humberto Vacas Gomez of Ecuador July 18 to 20	25
July 11, 1956	do	Story on Dr. Chik-Nung Li, president, Hong Kong Rotary Club, Hong Kong, China.	20
Do	do	Story on Cecil E. Gibbon, deputy speaker of the Pakistan National Assembly, Pakistan.	20
July 24, 1956	do	Story on Mario Piva, professor of financial policy and corporation finance, University of Bahia, Bahia, Brazil.	20
Do	do	Story on Hugh John Balmond, Chief Administrative Officer, University of Ceylon, Peradeniya, Ceylon.	20
July 27, 1956	do	Story on Raj Bahadur, Indian Deputy Minister of Communications	20
Aug. 8, 1956	do	Story on group of students from the Ryukyus Islands, Japan	20
Do	do	Story (advance) on Italian Festival of Music, Art, and Fashions	20
Aug. 20, 1956	do	Story on Dr. Emilio A. Monteverde, mayor of Alameda, Portugal	20
Do	do	Story on Dr. Hans Soltau, political editor, North German Radio Network, Hamburg, Germany.	20
Do	do	Story on Dr. Wolfgang Haussman, Minister of Justice, Baden-Wurttemberg, Germany.	20
Do	do	Story on Seth Kobia Anthony, former senior Assistant Secretary of the Interior for the Gold Coast and now in the Gold Coast Foreign Service.	20
Do	do	Story on John Mucbura, senior labor inspector, Kenya Department of Labor, Kenya, Africa.	20
Do	do	Story on Schochi Koike, staff official, Air Traffic Service and Air Safety Service, Japanese Civil Aviation Bureau, Japan.	20
Do	do	Story on Maj. Aubrey N. Weinman, Director, Zoological Gardens, Colombo, Ceylon.	20
Do	do	Story on Hadji Bahrum Djamil, Secretary General, Islamic University of North Sumatra, Indonesia.	20
Do	do	Story on Humberto Vacas Gomez, managing editor of El Commercio and Cultural Director of the Municipal Government of Quito, Ecuador.	20
Do	do	Story on art exhibit A Century and A Half of Argentine Painting	20
Aug. 23, 1956	do	Story on Administore Fanfani, Secretary, Italian Christian Democratic Party.	20
Do	do	Story on Members Insurance Company	10
Do	do	Story on Local 1345, International Brotherhood of Electrical Workers Union	5
Aug. 24, 1956	do	Story on Carlos Lux, member of the Chamber of Deputies, Social Democratic Party, Brazil.	20
Aug. 28, 1956	do	Story with Dr. Heinrich Krone and Dr. Werner Dollinger, members of the German Bundestag (Parliament).	20
Do	do	Story on Children's Workshop in International Living, Berkeley, Calif.	25
Do	do	Story on the Salano County Carpenters Union	5
Do	do	Story on the California Department of Industrial Relations	5
Aug. 29, 1956	do	Story on Lorenzo Jose Gonzales, industrial relations leader, Argentina	20
Do	do	Story on the Teamsters Unions in Northern California	5
Do	do	Story on Retail Clerks Union and Teamsters Union	5
Aug. 31, 1956	do	Story on the Guatemalan art exhibition	20
Do	do	Story on Dr. Hanns Seidel, chairman of the Bavarian Christian Socialist Party; and Anton Arnold Dichtel, chairman of the Christian Democratic Union Party of South Baden.	20
Do	do	Story on group of Latin American journalists (number and names unknown)	20
Do	do	Story on Guillermo L. Fuchs, dean of the School of the Exact Physical and Natural Sciences, University of Cordoba, Argentina.	20
Sept. 11, 1956	do	Story on S. A. Rahman, chief justice of the Pakistan High Court, and Chaudrie Nazir Ahmad Kahn, president of the Pakistan Bar Association.	25
Sept. 21, 1956	do	Stories on International Association of Machinists, San Francisco, Calif.	160
Do	do	Stories on Italian Festival, San Francisco, September 4 to 9	120
Sept. 22, 1956	do	Story on group of 25 Fulbright teachers from France	20
Do	do	Story on the San Francisco Teamsters Union	5
Do	do	Story on the Commercial Telegraphers Union of San Francisco	5
Do	do	Story on 3 physicians from the Royal Thailand Navy	20
Do	do	Story on the fiesta honoring Mexican Independence Day, San Francisco	20
Do	do	Story on Miss Leyla Gencer	20
Do	do	Story on Dr. (Mrs.) Siti J. R. Noor-Zain, senior dental health officer, Ministry of Health, Djakarta, Indonesia.	20
Do	do	Story on Mrs. Marta De Rosal, member of the Ministry of Education's Technical Council in Guatemala City, Guatemala.	20
Do	do	Story on Mamoru Shigemitsu, Japanese Foreign Minister	20
Do	do	Story on Dr. Anwar Ali Mohammed, Principal, Lahore College for Women, Lahore, Pakistan.	20
Do	do	Story on 14th National Convention of the Japanese American Citizens League, San Francisco.	25
Do	do	Story on the California Department of Employment	5
Do	do	Story on the Marine Firemen's Union	5
Do	do	Story on California factory workers	5
Do	do	Story on the AFL-CIO Flood Relief Committee	5
Sept. 28, 1956	do	Story on the International Longshoremen and Warehousemen's Union	5
Do	do	Story on Karoku Tsuchiya, Governor of the Fukuoka Prefecture on Kyushu Island; and Nobuo Yashiba, Vice Governor of Kanagawa Prefecture.	20
Do	do	Story on Giorgio Fenati, Chief of the Central Office for Labor Problems for the Central Directorate of the Christian Democratic Party, Italy.	20
Oct. 1, 1956	do	Stories on the French Parliamentary Group (a party of 21 members of the French Parliament, a Parliamentary Secretary and 2 French Journalists), San Francisco, Calif.	80
Oct. 3, 1956	do	Backgrounder story on San Francisco Opera	20
Oct. 10, 1956	do	Story on sailing (Sept. 30 or Oct. 1) of the S. S. *Ashura* from Oakland, Calif., with a cargo of powdered milk and wheat for use in the school lunch program of Japan.	30
Oct. 11, 1956	do	Stories on State Department of Industrial Relations; the Marine Cooks and Stewards Union; and on Government Study Week.	70
Do	do	Story on the Milk Drivers and Dairy Employees Union, Local 302	5
Do	do	Story on 4 young Italian students	20
Do	do	Story on group of German building and construction trade union leaders	20
Do	do	Story (interview) on Miss Leyla Gencer, Turkish opera star	20
Oct. 15, 1956	do	Story on the Berlin Philharmonic Orchestra	20
Oct. 16, 1956	do	Story on Dr. Santiago Sologuren, Director General of Petroleum, Ministry of Mines, Bolivia.	20
Do	do	Story on the California State Division of Apprenticeship	5
Do	do	Story on AFL-CIO International Brotherhood of Electrical Workers	5
Oct. 19, 1956	do	Story on Charles J. Jung, Chinese attorney and civic leader	20
Oct. 24, 1956	do	Story on Tsutomu Tagawa, mayor of Nagasaki, Japan	20
Oct. 25, 1956	do	Story (interview) with Chinese employee or employees of Merrill, Lynch, Pierce, Fenner, & Beane (stockbrokers) in San Francisco, Calif.	30
Do	do	Story on Georg Michael Kahn-Ackerman, member of the German Bundestag.	20
Do	do	Story on 11 Swiss experts, headed by Dr. P. Meirhans, Government Councillor to Swiss Parliament.	20

Free-lance services procured from July 1, 1956, to Dec. 31, 1956—Continued

Date	Name and address	Title of use	Amount
Oct. 29, 1956	Arthur Hoppe, San Francisco Chronicle, San Francisco, Calif.	Story on Dr. Joseph Ungerheuer, press chief of the Free Democratic Party, Mehlen, Germany.	$20
Do	do	Story on Giovanni Ferrara, 23-year old Italian girl student of American history.	20
Do	do	Story on Dakshima Banjan Bose, news editor of Calcutta's Jugantar	20
Oct. 31, 1956	do	Story on East Bay Labor Seminar	10
Do	do	Story on Steel Workers Union, Local No 1069	5
Do	do	Story on 4 members of the Bavarian State Legislature	20
Do	do	Story on Prof. Ali Akbar Bina, Professor of History and Geography, Tehran, University, Tehran, Iran.	20
Do	do	Story on P. M. K. le Roux, National Party, House of Assembly, South African Parliament.	20
Do	do	Story on Yoshihiko Seki, professor of political economy, Tokyo Metropolitan University, Japan.	20
Do	do	Story on chief editor of the India Times (name unknown)	20
Do	do	Story on Khalik Kenna, Minister of Finance and Acting Minister of Education, Iraq.	20
Do	do	Story on the San Francisco Bay area United Crusade	10
Do	do	Story on the International Bakers Union Convention, San Francisco, California.	20
Do	do	Story on Dr. Wolfgang Stamberger, Free Democratic Party and member of German Bundestag.	20
Do	do	Story on Prof. Oscar Gonzales, president of the Technical Council, Ministry of Education, Guatemala.	20
Do	do	Story on Clarence Patrick Amerasinghe, chairman and Managing Director of Car Mart, Ltd., Colombo, Ceylon.	20
Do	do	Stories on Bulgarian-born Italian-naturalized basso Boris Christoff, San Francisco, Calif., Sept. 25 to Oct. 9, appearances in San Francisco Opera Boris Godunoff.	15
		Honored at Mark Hopkins Hotel by Junior League	10
		Appeared in San Francisco Opera Simone Boccanejra	15
Nov. 6, 1956	do	Story on group of Rumanian election observers	20
Do	do	Story on Yugoslav dancing troupe known as Kolo	5
Nov. 7, 1956	do	Stories on a group (6) of Finnish women trade union leaders	40
Do	do	Story on Soviet election observers	20
Nov. 15, 1956	do	Story on Julio Cesar Ansueto of Guatemala and his field of photography	20
Do	do	Story on Jose Toron Barrios of Guatemala and his interest in TV and radio	20
Do	do	Story on people in San Francisco funds to help people in Hungary	20
Do	do	Story of presentation of bust of late bacteriologist, Dr. Hideyo Noguchi, to Japanese Government by an association of civilian employees of Alameda Air Station.	25
Nov. 16, 1956	do	Story on Turkish Minister of Agriculture, East Badakoglu arriving in San Francisco, Thursday, Nov. 8, 1956.	20
Do	do	Story on interview with Dr. Gottfried Heindl, Chief Editor of People's Party Pressedienst of Vienna, in San Francisco, November 27, 1956.	20
Nov. 26, 1956	do	Story on Guillermo G. Hellmer from Paraguay, who is currently enrolled at the University of California at Berkeley.	20
Do	do	Story on west coast shipyard health plan	5
Do	do	Story on west coast seamen gain new contract	10
Do	do	Story on telephone workers in North California and Nevada granted weekly pay raise.	20
Do	do	Story on 4 Indonesian women leaders visiting San Francisco	20
Do	do	Story on 6 Indonesian student leaders touring United States under Leaders Program, in San Francisco.	20
Do	do	Story on the San Francisco Council of Churches special Thanksgiving service symbolizing America's sharing her abundant harvest with other lands through the work of Church World Service, scheduled to take place on Nov. 18.	20
Do	do	Story on Salvador Castillo Vega, owner-editor of Excelsior, newspaper in Sonsonate, El Salvador, visiting San Francisco newspapers.	20
Do	do	Story on 15,000 trade unionists attend a picnic sponsored by East Day AFL and CIO.	5
Do	do	Story on Berlin Philharmonic playing in Berkeley, Calif.	20
Nov. 27, 1956	do	Story on Beth Chu, 16-year-old Chinese girl flying from Taipeh aboard United States Military Air Transport Service plane.	20
Nov. 28, 1956	do	Story on San Francisco Butchers Union	5
Do	do	Story on Cerebral Palsy Center	10
Do	do	Story on group of Latin American journalists and editors now touring the United States as guests of the U. S. State Department.	30
Do	do	Story on Patrick Derrick Nugawela of Ceylon in San Francisco	20
Do	do	Story on Dr. Roberto Cuellar Milla from El Salvador	20
Dec. 14, 1956	do	Story on Aloisio Sergio de Magalhaes, painter from Recife, Brazil	20
Do	do	Story on Vallejo Building Trades Council	5
Do	do	Story on San Francisco Carpenters Union	5
Dec. 19, 1956	do	Story on watchmaker Jeno Egri, wife and two children, Hungarian refugees who have settled in San Francisco, Calif.	20
Do	do	Story on the 7th Annual California Labor Press Conference	5
Do	do	Story on the Teamsters Union, Joint Council No. 7	5
July 11, 1956	Mary Hornaday, 588 5th Ave., New York, N. Y.	Story on Dr. Vilas Masens, chairman, Assembly of Captive European Nations.	30
Aug. 3, 1956	do	Story on the Music Industry Trade Show	25
Aug. 8, 1956	do	Stories on the 8th annual convention of the Federation of Islamic Associations in the United States and Canada.	30
Aug. 16, 1956	do	Story on former Assistant Secretary of State George V. Allen, newly appointed Ambassador to Greece.	1
Sept. 11, 1956	do	Story on Alexandra Tolstoy, only living child of Count Leo Tolstoy	20
Do	do	Stories on reaction of New York newspapers to Suez Conference	120
Sept. 7, 1956	do	Stories on New York newspapers' reaction to Suez Canal Conference	30
Sept. 17, 1956	do	Story on Mr. and Mrs. Simon Fabritius	25
Sept. 28, 1956	do	Story on Dr. Hans Schumann, cultural officer, Stuttgart, Germany	25
Do	do	Stories on 5th annual convention of Federation of Islamic Associations in the United States and Canada.	50
Do	do	Story on Ieoh Ming Pei, Chinese architect	30
Do	do	Story on Johannes Larsen, director, Tune School of Agriculture, Copenhagen, Denmark.	25
Do	do	Stories on New York newspaper reaction to the 2d Suez Canal Conference	60
Nov. 26, 1956	do	Story on Substitute Fathers Minister Children in New York City Hospital	25
Nov. 27, 1956	do	Story on Ernest A. Gross, former United States Ambassador to the United Nations.	25
Do	do	Story on 60 leaders from the United States and various foreign countries	25
Do	do	Story on the 18th American Assembly (3d day session) Newburgh, N. Y., Nov. 18.	25
Dec. 18, 1956	do	Story on the Asian Ambassadors' dinner sponsored by the National Council of Asian Affairs.	20
Dec. 5, 1956	Paul Houck, Centre Daily Times, State College, Pa.	Stories (interviews) with representatives from the following countries: Egypt, India, Iran, Iraq, Turkey, and Israel.	60
Nov. 28, 1956	Robert J. Howard, Orlando Sentinel, Orlando, Fla.	Story on Pedro Perez Palacio from Peru	20
Oct. 26, 1956	Dr. Catherynn Seckler-Hudson, American University, 1907 F St. N. W., Washington, D. C.	Research and writing to update and revise the pamphlet Government by the People which was produced in 1949.	$50

Free-lance services procured from July 1, 1956, to Dec. 31, 1956—Continued

Date	Name and address	Title of use	Amount
Aug. 2, 1956	O. F. Hudson, St. Anthony's College, Oxford, England	Article on Moscow and Peiping—A New Stage for Problems of Communism	$200
Oct. 29, 1956	Mickey Huffman, 1015 Brazos St., Austin, Tex	Story on Gen. Abdul Malik, Afghan Finance Minister	20
Nov. 29, 1956	Mrs. Dorothy B. Jones, 2132 Glyndon Ave., Venice, Calif	Article on the movies: Art or Entertainment?	60
Nov. 26, 1956	Nickolas Kallvoda, 155 Vacaro Drive, Baton Rouge, La	Article on Antonio Membrero	20
Dec. 18, 1956	Reginald E. Kavanaugh, Daily Home News, New Brunswick, N. J	Article on arrival of new group of Hungarian refugees at Kilmer Reception Center.	20
Do	do	Article on Julius Bokos, Hungarian refugee	20
Do	do	Interview with 2 Hungarian escapees	20
Do	do	Article on the statistics on Hungarian refugees	25
Dec. 19, 1956	do	Interview with soprano singer, Alice Szabo, and Michaly Borsody	40
Dec. 20, 1956	do	Interview on Hungarian refugee	20
Aug. 6, 1956	Jack Kennett, the Ettinger Co., Public Relations Division, 8720 Sunset Blvd., Los Angeles, Calif.	Article on Gregor Piatigorsky	20
Aug. 31, 1956	do	Article on smog, smoke, and soot control	20
Sept. 21, 1956	do	Article on annual convention American Legion	100
Oct. 15, 1956	do	Article on the Berlin Philharmonic Orchestra	20
Oct. 31, 1956	do	Article on team of Soviet election observers, and wrap-up on above	40
Nov. 6, 1956	do	Article on Yugoslav dancing troupe known as Kole	10
Nov. 16, 1956	do	Articles on 6 Finnish women trade-union leaders	40
Nov. 26, 1956	do	Story on 50 children from 20 nations and 29th District Judge Saund-Chochrane race.	40
Do	do	Story on Luang Sukkum Nayapradit	20
Do	do	Story on local reaction to the Hungarian situation	20
Nov. 28, 1956	do	Story on Los Angeles Kickers	20
Do	do	Story on American Free Hungary meeting	20
Dec. 19, 1956	do	Interview with Alvaro Prado Calvo	20
Aug. 2, 1956	Alvin Kerr, 54 West 104th St., New York 11, N. Y	Article on American wines	250
Nov. 28, 1956	Mr. W. Klatt, 217 Ruskin Park House, Champion Hill SE., London, England.	Article on Eastern Germany	200
Nov. 29, 1956	Mr. Arthur Knight, the Saturday Review, 25 West 45th St., New York, N. Y.	Article on dance in the movies	50
Do	Helen Knox, Oak Ridger, Oak Ridge, Tenn	Story on 3 atomic scientists from Montevideo	25
Sept. 28, 1956	Mr. Walter Kolarz, through USIS, London	Review of a book on Soviet nationalism	50
Nov. 27, 1956	Mr. John Kole, Milwaukee Journal, Milwaukee, Wis	Story on 5,000 Hungarian refugees	20
Dec. 19, 1956	American Embassy, Attention: Alexander Korab, USIS, Berlin, Germany.	Article on Poland: Search for Independence	200
Aug. 1, 1956	Mrs. Allen Kosoff, Post Office Box 851, Hanover, N. H	Story on 4 Norwegian Ranger Girl Scouts	20
Oct. 11, 1956	Joseph Kostin, c/o Golden Eagle Messenger Service, Idlewild Airport, Jamaica 30, N. Y.	Story on departure of 9 French Parliamentarians	20
Oct. 17, 1956	do	Story on Mrs. Anna Ferrara	20
Oct. 18, 1956	do	Stories on 2 groups of Polish refugees	40
Oct. 25, 1956	do	Story on 13 NATO journalists	20
Do	do	Story on Lt. Gen. Antonio Alcubilla and Brooklyn Dodgers Baseball Club	40
Nov. 5, 1956	do	Story on Japanese Prime Minister Ichiro Hatoyama	25
Nov. 26, 1956	do	Story on team of Rumanian election observers	20
Do	do	Story on Messrs. Angier B. Duke and Leo Cherne	20
Do	do	Story on the arrival of Mrs. Anna Kethly	20
Do	do	Story on Gabriel Ardant, of France, and arrival of Reverend Niemoeller and his wife.	40
Dec. 5, 1956	do	Story on penicillin shipment to Vienna, and 11 American evacuees from Middle East.	40
Do	do	Story on the arrival of Ferenc Nagy	20
Dec. 6, 1956	do	Story on the departure for Vienna of Msgr. John Sabo	5
Do	do	Story on Istvan Nadas	20
Do	do	Story on 10,000-pound shipment of food and clothing for Hungarian refugees	5
Do	do	Story on Dag Hammarskjold	10
Do	do	Story on 33 "junior ambassadors"	15
Do	do	Story on the Soviet election observers	20
Do	do	Story on Sir W. R. D. Bandaranaike	25
Do	do	Story on the Rt. Rev. John S. Sabo	20
Do	do	Story on Anna Kethly	15
Do	do	Story on the arrival of Dr. Bob Pierce	15
Dec. 18, 1956	do	Story on Italian film star Gina Lollobrigida	10
Dec. 19, 1956	do	Story on departure of 2,800 pounds of clothing for Hungarian refugees	5
Do	do	Story on shipment of 675 pounds of clothing for needy Hungarians in Austria.	35
Dec. 20, 1956	do	Story on arrival of 18 Hungarian merchant seamen escapees	30
Sept. 28, 1956	Prof. Wladyslaw W. Kulski, Maxwell Graduate School, Syracuse University, Syracuse 10, N. Y.	Article for Problems of Communism on Soviet policies	200
Aug. 24, 1956	Ronald Lang, Newsday, Garden City, Long Island, N. Y	Coverage on 15 Venezuelan Little Leaguers, who represented Venezuela in this year's playoff in the Long Island, N. Y., elimination tournament.	100
Aug. 29, 1956	do	Story on the United States Polo Association, regarding a proposed tour of South America by a group of high-goal players.	25
Sept. 11, 1956	do	Story on the United States Polo Association	10
July 5, 1956	Carl Larsen, Chicago Sun-Times, Chicago, Ill	Story on Humberto Vacas Gomez, of Ecuador	25
July 11, 1956	do	Coverage on the Polish-American Congress	60
Do	do	Story on Gen. Thaddes Bor Komorowski, Polish underground hero	20
Do	do	Story on Dardjo Somaatmadja, Indonesia	20
July 17, 1956	do	Story on the Austrian Housing Conference	20
Do	do	Story on Chicago German consul	20
Do	do	Story on Chicago area Czechoslovakia	20
Aug. 3, 1956	do	Story on city hall visit of Australian Prime Minister Menzies	20
Do	do	Story on luncheon and dinner activities of Australian Prime Minister Menzies.	25
Aug. 8, 1956	do	Story on Nguyen Huy Bao, Saigon, Vietnam	20
Aug. 15, 1956	do	Story on group of farm-mechanization experts from the American Republics	25
Aug. 24, 1956	do	Story on 5th Annual Convention of Vietnamese Catholic Students in the United States.	20
Aug. 31, 1956	do	Story on Chicago, Ill., skyscrapers, city zoning, law, etc	20
Sept. 21, 1956	do	Coverage on 9th National Student Congress, University of Chicago, Chicago, Ill.	80
Sept. 22, 1956	do	Story on Lt. Gen. Antonio Alcubilla Perez, of Spain	20
Do	do	Story on Mr. Awni Dajani, Justice of the Supreme Court of Libya	20
Do	do	Story on Mrs. Kartina A. Soejono, president of the Indonesian Policemen's Wives Association, Djakarta, Indonesia; and Mrs. Kadari Doetedjo, chairman of the women's organization of one of the chief Islamic parties of Indonesia, Djakarta, Indonesia.	20
Do	do	Story on Prof. Toturo Murai, chief editorial writer of the Hokkoku Shimbun, lecturer of Toyama University and of Kanazawa Women's College.	20
Do	do	Story on Tiao Somsanith, Laotian Secretary of State for the Interior (also Director-General of the National Police).	20
Sept. 28, 1956	do	Stories on French Parliamentary Group	60
Do	do	Story on the Sofia Girls, a 20-member troupe of Swedish gymnasts	20
Do	do	Story on Tesla Day. The Mayor of Chicago is proclaiming Oct. 1 as Tesla Day in honor of Nikola Tesla, inventor and engineer.	15
Oct. 31, 1956	do	Coverage on the Newspaper ROP Color Conference sponsored by the American Association of Newspaper Representatives.	60
Aug. 20, 1956	Leo Lauffer, 130 Ames Rd., Silver Spring, Md	Bibliography for Problems of Communism	50
Sept. 28, 1956	do	Bibliography for No. 6, Problems of Communism	50

Free-lance services procured from July 1, 1956, to Dec. 31, 1956—Continued

Date	Name and address	Title of use	Amount
July 31, 1956	M. Lucien Laurat, 30 Bis ru de la Gaite, Paris, France	Article for Problems of Communism, The Dilemmas of Soviet Planning	$200
Nov. 16, 1956	Alfred J. Law, University Press Club, 92 Nassau St., Princeton, N. J.	Story on speech to be given by Pakistani Ambassador to United States Eastern Mohammed Ali on Princeton campus Nov. 8, 1956.	20
Nov. 26, 1956	do	Stories on seminar on psychological barriers between North and South America to be held at Princeton University on Nov. 16 and 17.	40
Nov. 16, 1956	Ann Lawman, Columbus Dispatch, Columbus, Ohio	Story on Dorothy Sibert, Malayan youth leader currently working in Columbus, Ohio.	20
Nov. 15, 1956	Arthur Leibson, El Paso Times, El Paso, Tex	Story on U. Soe Nyunt, Controller of Immigration in Rangoon; U. Maung Gyi, Chief of the Consular Division of the Foreign Office, Rangoon, Burma.	20
Nov. 16, 1956	Roger K. Lewis, Arizona Republic, Phoenix, Ariz	Story on Dr. Paul Pena, Minister of Education, Paraguay	20
Dec. 18, 1956	Sid Lens, Buddeutsche Zeitung, Sendlinger Strasse 80, Munich, Germany.	Article on Is Soviet Economic Development a Model for Underdeveloped Countries?	200
Dec. 7, 1956	Richard Lownethal, 10 Park Lodge, St. Johns Wood Park, London, N. W. 8, England.	Article on recent changes in the satellites	150
Aug. 20, 1956	Harold Lubell, Jersey Journal, Jersey City, N. J	Story on the German-American folk festival, Schnetzenpark, North Bergen, N. J., Aug. 12.	20
Nov. 29, 1956	Herbert G. Luft, 1280 North Laurel Ave., Hollywood, Calif	Article on the film hero	50
Sept. 21, 1956	Miss Frankie McCarty, Albuquerque Journal, Albuquerque, N. Mex	Stories on convention of Afghan students in the United States	60
July 11, 1956	John C. McDonald, Cincinnati, Ohio	Story on Hoang Ngoo Than, environmental sanitation engineer, Vietnam	20
Oct. 24, 1956	do	Story on Won Kyung Soo, Korean violinist at College of Conservatory of Music.	20
Nov. 29, 1956	Richard Dyer MacCann, 1223½ South Beverly Glen Blvd., Los Angeles, Calif.	Article on the problem film	50
Do	Kenneth Macgowan, The Quarterly of Film, Radio and Television, 405 Hilgard Ave., Los Angeles, Calif.	Article on the evolution of the American film	60
Nov. 15, 1956	Herbert Mandell, Publicity Bureau, Department of Advertising and Civic Display, 101 Clifton Ave., Lakewood, N. J.	Story on a typical Chilean doll, gift from the Chilean Senate Secretariat	20
Nov 16, 1956	do	Story on Barbara Heath at Cedarlawn Farm, Adamstown, N. J	15
Nov. 19, 1956	do	Additional story on Barbara Heath with collection of dolls from many countries.	15
Sept. 28, 1956	Richard M. Mansfield, Virginian Pilot, Norfolk, Va	Story on Jamestown (Va.) centennial celebration	20
Nov. 15, 1956	do	Story on the Danish minesweeper *Omoesund*	20
Dec. 18, 1956	John Marcham, Ithaca Journal, Ithaca, N. Y	Story on Luis H. Moreno, national supervisor for agricultural agencies in Panama currently studying at Cornell University.	20
Oct. 19, 1956	Del Marth, Post-Bulletin, Rochester, Minn	Story on Dr. Hans Mueller, chief surgeon, Kronach County Hospital, Kronach, Germany.	20
July 5, 1956	Thorpe Menn, Kansas City Star, Kansas City, Mo	Story on summer exhibit of German expressionist art	20
July 24, 1956	do	Interview with Tito Silviero, *Sao Paulo Gazeta*, São Paulo, Brazil	20
Aug. 8, 1956	do	Story on Dr. Kyoung Hi Park	20
Aug. 16, 1956	do	Story on Ernest Wright, headmaster O'Reillys Educational Institute, Accra, Gold Coast.	20
Aug. 28, 1956	do	Story on Dr. Kyoung Hi Park, Seoul, Korea, who is serving an internship at the University of Kansas Medical Center, Kansas City, Mo.	30
Oct. 10, 1956	do	Story on group of German cooperative officials	20
Do	do	Story on the American Royal Livestock Show and the 4-H Club Exhibition	40
Oct. 29, 1956	do	Story on 6 Indonesian journalists	25
Do	do	Story on the Quintetto Boccerini	20
Do	do	Story on group of Indonesian journalists visiting Kansas City under Foreign Leader Exchange Program.	20
Oct. 31, 1956	do	Story on Takaski Kurihara, president, Future Farmers of Japan	20
Nov. 15, 1956	Evabeth Miller, Journal Star, Peoria, Ill	Story on Mrs. Herbert Jacobs and the Peoria Art Center	30
Aug. 24, 1956	Woody Mitchell, News-Press, Stillwater, Okla	Story on a 6-man agricultural mission from Ethiopia	20
Aug. 8, 1956	Richard S. Moody, Seattle Times, Seattle, Wash	Story on Mr. Jens Smorum, Danish Minister of Agriculture	20
Aug. 23, 1956	do	Story on Jacobus R. Pattinasrasy and Mr. Hakim	20
Aug. 31, 1956	do	Story on Mayor Tautomu Tagawa, Nagasaki, Japan	20
Do	do	Story on Warren Chan, Seattle lawyer	20
Sept. 11, 1956	do	Story on Ernest Leslie O'Reilly Wright, Accra, Gold Coast	20
Sept. 26, 1956	do	Story on the "Sofia Girls" a 20-member troupe of Swedish gymnists	20
Nov. 6, 1956	do	Story on team of Rumanian election observers	20
July 27, 1956	Kenneth Musson, Clearwater Sun, Clearwater, Fla	Story on the operation of Clearwater, Florida, Optimist Club's Pram program for rehabilitation of polio victims.	20
Oct. 24, 1956	John H. Nelson, Atlanta Constitution, Atlanta, Ga	Story on Fiesta Havilanta, Atlanta, Ga	20
Nov. 15, 1956	Dr. Allan Nevins, department of history, Columbia University, New York, N. Y.	Article analyzing the issues in the Presidential campaign	100
July 13, 1956	Thomas H. Nicholson, labor desk, Detroit Free Press, Detroit, Mich	Story on Walter Reuther, vice president AFL–CIO	20
July 17, 1956	Herman W. Nickel, 134 Kensington Pl., Syracuse 10, N. Y	Story on Community Effort Tackles Housing Problems	30
Dec. 19, 1956	Robert C. North, The Hoover Institute and Library, Stanford University, Stanford, Calif.	Article on the Congress of the CCP	200
Do	A. Nove, 16 Herondale Ave., London S. W. 18, England	Article on the Soviet Economy, Problems and Prospects	200
Aug. 20, 1956	Miss Nancy Oates, Delaware State News, Dover, Del	Story on group of German sailors who were brought to hospital at Lewes, Del., following an explosion.	25
Sept. 21, 1956	do	Story on group of German sailors who were injured in merchant ship explosion off coast of Delaware.	20
Oct. 29, 1956	Miss Doris O'Donnell, Cleveland News, Cleveland, Ohio	Story on "Kolo," Yugoslav dancing troupe	10
Nov. 15, 1956	do	Story on statements from Monsignor Arpad Tanos and Monsignor Endre Koller regarding release of Cardinal Mindszenty.	15
Dec. 20, 1956	do	Story on Mr. Pichai Vasnasong, provincial facilities manager, Thailand Television Co., Bangkok.	20
Nov. 27, 1956	do	Story on 17th triennial convention of the American Hungarian federation	20
Dec. 20, 1956	do	Stories on Hungarian women student refugees and the Hungarian Freedom Fund.	15
Oct. 29, 1956	Robert J. Okeefe, News Tribune, Duluth, Minn	Story on 6 Finnish women trade union leaders representing several trade unions affiliated with Confederation of Finnish Trade Unions.	20
Oct. 31, 1956	Allen Palmer, San Diego Union, San Diego, Calif	Story on the San Diego Union's American Page	30
Dec. 18, 1956	do	Story on the San Diego Unified School District	20
Aug. 31, 1956	Thomas W. Parry, Jr., Post-Dispatch, St. Louis, Mo	Story on smog, smoke, and soot control, eradication and research from the city of St. Louis, Mo.	20
Sept. 21, 1956	do	Story on the City Art Museum	20
July 8, 1956	Dan Partner, Denver Post, Denver, Colo	Story on Dr. Ruwidodarmo Sucondho of Indonesia studying at National Jewish Hospital, Denver.	25
Aug. 6, 1956	do	Story on award to Welsh firm, Switchgear, Ltd., of Blackwood, Monmouthshire, Wales, of a $24,503 contract for a 34.5 kilovolt power circuit breaker for use at the Guernsey power plant of the Missouri River Basin power project.	15
Aug. 31, 1956	do	Story on Miss Anwar Ali Mohammad, principal of Lahore College for Women, Lahore, Pakistan.	20
Oct. 15, 1956	do	Story on the Berlin Philharmonic Orchestra	20
Nov. 6, 1956	do	Story on Soviet election observers	20
Oct. 26, 1956	do	Story on the Yugoslav dancing troupe known as Kolo	5
Oct. 29, 1956	do	Story on Atilio Jose Gonzales, head of Engineering Department of Inter-American Cooperative Services of the Production of Crops in Peru.	20
Aug. 10, 1956	Creighton Peet, 232 East 15th St., New York, N. Y	Article: The Third Lincoln Tube	150
July 23, 1956	Frank Pemberton, 23 Rip Rd., Hanover, N. H	Story on the Chung family	25
Aug. 29, 1956	William E. Petersen, Cleveland News, Cleveland, Ohio	Story on the Cleveland Industrial Union Council	15
Sept. 22, 1956	do	Story on Nguyen Huy Boa, Vietnam	20
Do	do	Story on Floyd D. Lehman, member of Lodge 237, Brotherhood of Railroad Trainmen.	15

Free-lance services procured from July 1, 1956, to Dec. 31, 1956—Continued

Date	Name and address	Title of use	Amount
Oct. 29, 1956	Otto Pick, Relstone, Upper Warren Ave., Mapledurham, Read, England.	Article on Destalinization in the Satellites	$200
Nov. 16, 1956	Carolyn Peckering, Indianapolis Star, Indianapolis, Ind.	Story on Amiruddin Aziz, from Indonesia, now in training at Health and Welfare Council in Indianapolis.	20
Nov. 29, 1956	Dr. Kurt Pinthus, 401 West 118th St., New York 27, N. Y.	Story on Foreign Actors in American Films	50
Dec. 13, 1956	Richard E. Pipes, 76 Claflin St., Cambridge, Mass.	Article on Soviet Colonialism in Central Asia	200
July 11, 1956	Rex Poller, the Evening Bulletin, Philadelphia, Pa.	Story on Mrs. S. R. Tambunan and Mrs. Padjiata Armijn Pane, of Indonesia.	20
Aug. 8, 1956	do	Story on 13 Japanese simplification, standardization, and specialization experts.	20
Sept. 21, 1956	do	Stories on 5th International Congress of Anthropological and Ethnological Sciences.	60
Sept. 22, 1956	Rex Poller, the Evening Bulletin, Philadelphia, Pa.	Story on Misses Matsuko and Takeko Kahayama	20
Oct. 25, 1956	do	Story on Giovani Ferrara	20
Do	do	Story on International Recreational Congress	40
Nov. 16, 1956	do	Story on assistance or demonstrations planned in Philadelphia regarding Hungarian revolt.	20
Nov. 26, 1956	do	Story on Carolos A. Rivera Cruz and Julio Montepeque Ramires, from Guatemala.	20
Dec. 18, 1956	do	Story on 4 Japanese airline stewardesses	20
Do	do	Story on the speech of Gen. Alfred M. Gruenther	20
Nov. 29, 1956	Frederick Forges, 1022 Hancock Ave., Hollywood 46, Calif.	Article on the Hollywood film: From Script to Screen	50
Sept. 28, 1956	Mrs. Leslie Judd Fortner, 23 Grafton St., Chevy Chase, Md.	Story on Antonio Frasconi, Uruguayan artist; story on collection of Latin American art at the Museum of Modern Art; story on Ronaldo Aenile, Cuban textile artist.	225
Nov. 28, 1956	do	Story on art exhibit: 60 books from Sweden	50
Nov. 16, 1956	George C. Pratt, George Eastman House, 900 East Ave., Rochester, N. Y.	Article on D. W. Griffith	50
Oct. 29, 1956	Michael Quinn, Dallas News, Dallas, Tex.	Story on Dr. J. Cesar Salgado, Attorney of Justice, and former Attorney General of São Paulo, Brazil.	20
July 27, 1956	Giuseppe Quatriglio, 1510 North Long Ave., Chicago, Ill.	Articles covering aspects of petroleum industries: Exploration; Processing; Effects on Community Development; Related Industries.	500
Sept. 21, 1956	Leonard Randolph, Stroudsburg Record, Stroudsburg, Pa.	Stories on meeting of AFL-CIO executive council	75
Aug. 30, 1956	Douglas Reed, Citizen-Times, Asheville, N. C.	Story on Masotaha Mike Hove	20
Dec. 14, 1956	Mrs. Elizabeth Reef, 240 1st Ave., New York, N. Y.	Story on the luncheon for S. W. R. D. Bandaranike	25
Sept. 21, 1956	Mr. Arthur Rhodes, Miami Beach Sun, Miami Beach, Fla.	Stories on 37th annual meeting, Thai Alliance in America	90
Oct. 25, 1956	do	Story on Dr. Raul Pena, Paraguay	20
Nov. 6, 1956	do	Story on group of Austrian paper and packing experts	20
Oct. 28, 1956	do	Story on 2 Austrian governors: Dr. Gleissmer and Dr. Josef Klaus	20
Aug. 9, 1956	Mr. John P. Robin, Regional Redevelopment Corp., Union Trust Bldg., Pittsburgh 19, Pa.	Article on The Redevelopment of Pittsburgh	300
Aug. 1, 1956	Mr. Kurt Rohde, Democrat and Chronicle, Rochester, N. Y.	Story on Miodrag Petrovic and Ivo Slaus	20
Nov. 26, 1956	do	Story on Dr. Bernardus de Jong	20
Nov. 29, 1956	Prof. Hans Richter, Maple Hills, Southbury, Conn.	Article on The New Experimental Film	50
Nov. 26, 1956	Mr. Tom Riley, City Room, Record-American, Boston, Mass.	Story on Kenichi Ikia, of Iwakuni, Japan	30
Oct. 1, 1956	Mr. M. A. Rossi, 7 rue Cesar-Franck, Paris 15, France	Story on The Changes in Moscow and the Italian Left	200
Sept. 21, 1956	Dr. Clinton Rossiter, Department of Government, Cornell University, Ithaca, N. Y.	Article on The Presidency	300
Nov. 16, 1956	Mr. Leo Rosten, Cowles Magazine, Inc., Look Bldg., 488 Madison Ave., New York 22, N. Y.	Article on Hollywood: The Movie Colony	50
Do	Mr. Ernest Salter, care of Berliner Stimme, Berlin, Germany	Article on The U. S. S. R. and the Problem of German Reunification	50
Oct. 24, 1956	Mr. E. J. Salyvan, San Antonio Light, San Antonio, Tex.	Story on Jono Carlos A. Dias, Brazil	20
Aug. 3, 1956	Mr. Miguel Santin, managing editor, El Mundo, San Juan, P. R.	Stories on the celebration of the 4th anniversary of the adoption of the constitution of the Commonwealth of Puerto Rico.	60
Aug. 8, 1956	do	Interview with President-elect Ernesto De La Guardio	20
Aug. 16, 1956	do	Story on Ethiopian agricultural mission	20
Oct. 31, 1956	do	Story on Gregorio O. Gonzales	20
Do	do	Stories on group of 13 students from Costa Rica and Wilde Urguidi, Bolivia	45
Nov. 6, 1956	do	Story on United States Supreme Court Associate Justice William O. Roberts	20
Nov. 1, 1956	do	Stories on 2 groups from El Salvador and on students from Bolivia	45
Nov. 13, 1956	do	Story on 3 Colombian agronomists	20
Nov. 16, 1956	do	Story on results of Puerto Rico's elections	20
Nov. 26, 1956	do	Story on group of 11 students from Costa Rica	25
Nov. 27, 1956	do	Story on Rolando Porras and 3 Peruvians	45
Dec. 14, 1956	do	Story on Eliseo Ortega, of Paraguay	20
Dec. 18, 1956	do	Story on Alberto Arturo Pineda, El Salvador	20
Dec. 19, 1956	do	Story on the Conference on the History of Ideas in America	40
Sept. 10, 1956	Donald Sarten, Telegram-Tribune, San Luis Obispo, Calif.	Story on 6-man agricultural mission from Ethiopia	20
Nov. 29, 1956	Mr. Edwin Schallert, Los Angeles Times, 202 West 1st St., Los Angeles 53, Calif.	Article on Hollywood: Center of Film Production	50
Nov. 16, 1956	Mr. Alan F. Schoedel, Toledo Blade, Toledo, Ohio	Story on team of Rumanian election observers	20
July 20, 1956	Donald M. Schwartz, Chicago Sun-Times, Chicago, Ill.	Story on Georg Solti	20
July 27, 1956	do	Story on Celine Berrouet	25
Aug. 3, 1956	do	Story on group of German schoolteachers	20
Aug. 10, 1956	do	Story on Brazilian labor group (5)	20
Aug. 29, 1956	do	Story on a group of engineer students from Brazil	20
Sept. 5, 1956	do	Story on Lorenzo Jose Gonzales	20
Sept. 21, 1956	do	Story on Dr. Juan I. Meachaca	20
Oct. 25, 1956	do	Story on Taize Hiratsuka	20
Do	do	Story on Georg Solti, conductor, Frankfurt Symphony Orchestra	25
Oct. 29, 1956	do	Story on the Yugoslav dancing troupe, Kolo	5
Do	do	Story on Masao Naito	20
Do	do	Story on the Berlin Philharmonic Orchestra	20
Nov. 6, 1956	do	Story on 20th Biennial Congress of Cooperative League of the United States	20
Do	do	Stories on the Institute of Middle Eastern Affairs	40
Nov. 15, 1956	do	Story on Roberto Munizaga Aguirre	20
Nov. 16, 1956	do	Story on coverage of Inland Daily Press Associations	20
Dec. 6, 1956	do	Story on group of Austrian labor-union leaders	20
Dec. 14, 1956	do	Story on group of German scientists and industrialists	20
Do	do	Story on Maj. Gen. Jorge Ardilles Galdames	20
Do	do	Story on Soviet election observers	20
Nov. 15, 1956	George Scriven, Akron Beacon-Journal, Akron, Ohio	Story on Mrs. Soo San, Cambodia	20
Aug. 8, 1956	do	Story on Indonesian labor group	20
Aug. 10, 1956	do	Story on Chaveevan Onaree	20
Aug. 31, 1956	do	Story on the National Soapbox Derby	20
Sept. 21, 1956	do	Story on Mohammed Said	25
Oct. 10, 1956	do	Story on U Tun Shwe, of Rangoon	20
Oct. 15, 1956	do	Story on U Tun Shwe, of Rangoon	20
Nov. 27, 1956	do	Story on Little Rock's school integration plan	25
Nov. 15, 1956	William T. Shelton, Arkansas Gazette, Little Rock, Ark.	Story on group of engineer students from Brazil	20
Sept. 5, 1956	Miss Winifred Shields, city desk, Kansas City Star, Kansas City, Mo.	Article on New York A Cinema Capital	50
Dec. 7, 1956	Prof. Flora Rheta Schreiber, 700 Westend Ave., New York, N. Y.	Story on a group of Atomic Energy Conference delegates	25
Oct. 24, 1956	Mr. Isadore Shrensky, city desk, Pittsburgh Press, Pittsburgh, Pa.	Article on real wages in Poland for Problems of Communism	20
Aug. 28, 1956	Mr. Stanislaw Skrzypek, Radio Free Europe, 110 West 57th St., New York, N. Y.		
Sept. 28, 1956	Mr. Norris P. Smith, through USIS Hong Kong	Article on the status of China's collectivization for Problems of Communism	150
Oct. 24, 1956	Raymond C. Smith, Laconia Citizen, Laconia, N. H.	Stories on the United Nations Town Meeting of the World	40
Sept. 28, 1956	Mr. Boris Souvarine, through USIS Paris	Article on Stalin's Accomplices, for Problems of Communism	150
Aug. 3, 1956	Ora Spaid, Louisville Courier-Journal, Louisville, Ky.	Story on 20 French students	20
Sept. 28, 1956	do	Stories on John William Daniels, 15-year-old Negro, and Louisville school integration.	50
Do	do	Story on racial integration	30

Free-lance services procured from July 1, 1956, to Dec. 31, 1956—Continued

Date	Name and address	Title of use	Amount
Oct. 31, 1956	Ora Spaid, Louisville Courier-Journal, Louisville, Ky.	Story on team of Soviet Election observers	$20
Nov. 15, 1956	do	Story on Kentucky Cooper Wetherby contest	20
Sept. 21, 1956	Mrs. Julie Stewart, Middletown Times-Herald, Middletown, N. Y.	Story on group of Filipinos	20
Oct. 31, 1956	Mr. Marshall Stross, Journal Herald, Dayton, Ohio	Story on the Yugoslav State Opera Company	5
Dec. 14, 1956	Mr. Philip Stroupe, Jackson News, Jackson, Miss.	Story on Simeon H. Concepcion, ICA trainee	20
Sept. 28, 1956	Edward W. Swain, Richmond Times Dispatch, Richmond, Va.	Story on Coleman Andrews and States Rights ticket he heads	20
Oct. 31, 1956	do	Story on Boris Mendez Perez & Garado Echeverria	20
Oct. 29, 1956	Miss Addie Summers, Seneca Journal, Seneca, S. C.	Story on Mr. Jonas Machado Da Costa, Brazil	20
Oct. 16, 1956	do	Story on Jonas Machado da Costa of Brazil	25
Dec. 20, 1956	Mrs. Nancy B. Talmont, Daily Home News, New Brunswick, N. J.	Interview with Hungarian artist, refugee at Camp Kilmer, N. J	20
Dec. 21, 1956	do	Story on Hungarian escapees, Camp Kilmer, N. J	60
Sept. 28, 1956	William Taylor, Houston Post, Houston, Tex.	Stories on the Houston International Trade Fair, Houston, Tex., Sept. 6-14	40
Nov. 16, 1956	Keith Thaves, Faribault, Minnesota News, Faribault, Minn.	Story on Chinese pastor Rev. I. Hsin Lin	30
Aug. 8, 1956	Charles L. Towne, Hartford Courant, Hartford, Conn.	Story on 7 Peruvian Civil Air Patrol cadets	20
Nov. 26, 1956	do	Story on the Vienna Philharmonic in Hartford, audience reaction, etc.	20
Nov. 15, 1956	William B. Tremi, Ann Arbor News, Ann Arbor, Mich.	Story on team of Soviet election observers	20
July 17, 1956	Sherley Uhl, Pittsburgh Press, Pittsburgh, Pa.	Story on Ojo Wanaaputra Radiat, surgical nurse supervisor, Ministry of Health, Indonesia.	20
Aug. 17, 1956	do	Story on Local 175, United Steelworkers Union, Pittsburgh, Pa.	10
Aug. 20, 1956	do	Story on Miss Praphan Massakul, chemist from Thailand	20
Aug. 21, 1956	do	Story on smog, smoke and soot control, eradication and research from the city of Pittsburgh, Pa.	20
Oct. 25, 1956	do	Story on Yugoslav singer Dusan Djordjevich	20
Oct. 29, 1956	do	Story on Khalil Kenna, Minister of Finance, Iraq	20
Do	do	Story on Mr. Wyman Stone, sanitary engineer with International Cooperation Administration.	20
Do	do	Story on Yugoslav dancing troup Kolo	15
Nov. 16, 1956	do	Stories on the Pittsburgh Assembly of the Aaronsburg Story, Pittsburgh, Pa.	60
Nov. 26, 1956	do	Story on programs in support of Hungarian situation, by people in Pittsburgh.	20
Do	do	Story on Steel Workers aid to Poland and Hungary	20
Nov. 28, 1956	do	Story on Pittsburgh's plan to send bakers task force to Hungarian border to turn out bread on the spot for refugees streaming into Austria.	20
Dec. 5, 1956	do	Story on Vienna Philharmonic in Pittsburgh, audience reaction, etc.	20
Dec. 14, 1956	do	Story on Pittsburgh's plan to aid Hungarian refugees	10
Dec. 16, 1956	do	Story on Spanish electric power group	20
Dec. 19, 1956	do	Story on the Cash-for-Hungary campaign to aid Hungarian refugees	20
Aug. 8, 1956	Mrs. Alice Wade, Coffeyville Journal, Coffeyville, Kans.	Story on Ferris Keroney	20
July 26, 1956	Mrs. Violet Wood Walker, 639 Sheridan St., Hyattsville, Md.	Article on the Brooking Institute	300
Oct. 25, 1956	do	Article on a Maryland Farmer	300
Sept. 23, 1956	Ralph Wallenhorst, Buffalo Evening News, Buffalo, N. Y.	Story on 18 Polish orphans	20
Sept. 21, 1956	do	Story on John F. Kopczynski, Polish inventor	20
Nov. 26, 1956	do	Story on campaign in Buffalo, N. Y., for money and blood to help Hungarians	20
Aug. 15, 1956	Harry B. Warner, Jr., Morning Herald, Hagerstown, Md.	Story on Miss Sally Burhans, daughter of Mayor Winslow F. Burhans, Hagerstown, Md.	20
Aug. 23, 1956	do	Story on Miss Enge Von Vonninghausen, Wesel, Germany	20
Aug. 29, 1956	do	Story on Miss Rachael Sheetz	20
Sept. 22, 1956	do	Story on Dr. Kristine Broeche	20
Do	do	Story on the Welcome to America festival to be held Sunday Sept. 9, at Beaver Creek, Md., near Hagerstown, Md., in honor of visiting German guests from Wesel, Germany.	20
Oct. 29, 1956	do	Story on the Alsatian Mummer's Parade, Hagerstown, Md	20
Nov. 16, 1956	Gerald Weales, 617 West 113th St., New York 25, N. Y.	Article on The Film Heroine: Yesterday and Today	50
Sept. 21, 1956	Ken Weaver, News-Press, Stillwater, Okla.	Stories on Convention of Arab Students in the United States, Stillwater, Okla.	120
Nov. 29, 1956	Herman G. Weinberg, 206 West 71st St., New York 23, N. Y.	Article on Great Comedies and Great Comedians	50
Dec. 14, 1956	Vincent A. Weiss, The Monitor, Trenton, N. J.	Story on the Trenton Rally for Hungarian escapees in Austria	10
Oct. 29, 1956	Mrs. Rebecca Wilson, Annapolis Evening Capitol, Annapolis, Md.	Story on Dr. Rai Pena, Minister of Education and Worship, Paraguay	20
Nov. 27, 1956	Samuel T. Wilson, Columbus Dispatch, Columbus, Ohio	Story on Yugoslav dancing troupe known as Kolo	5
Sept. 28, 1956	Prof. Allen S. Whiting, Michigan State University, East Lansing, Mich.	Review of 3 books on China	75
July 6, 1956	Wayne Whitt, Nashville Tennessean, Nashville, Tenn.	Story on Dr. Chong Hak of Korea studying public health facilities at Nashville.	25
Dec. 18, 1956	Guy Wint, Manchester Guardian, Manchester, England	Review of 4 books on Communism in Asia and Africa	100
Aug. 8, 1956	Edwin N. Winge, Detroit Free Press, Detroit, Mich.	Story on Indonesian labor group	20
Sept. 22, 1956	do	Story on group of European industrial specialists	25
Do	do	Story on Lt. Gen. Antonio Alcubilla Perez, Chief of the Spanish Army's General Staff.	20
Do	do	Story on the address of Adlai Stevenson and Gov. Mennen Williams	15
Oct. 15, 1956	do	Story on Mr. Knud Knudsen, member of the Schleswig-Holstein State Parliament.	20
Oct. 22, 1956	do	Story on group of 9 Mexican labor reporters	20
Nov. 15, 1956	do	Story (wrap-up) on visit to Detroit of Russian election observers	20
Nov. 26, 1956	do	Story on the Vienna Philharmonic in Detroit; audience reaction, etc.	20
Do	do	Story on rally of Hungarians and Polish in sympathy with Hungarian and Polish situation in Europe.	20
Nov. 27, 1956	do	Story on interview with Andre Andoli, conductor of Marseilles Symphony Orchestra, who is scheduled to conduct the Detroit Symphonic on Nov. 22 and 23.	20
Nov. 28, 1956	do	Advance story on rehabilitation plans for 2 planeloads of Hungarian refugees who are expected to arrive in Detroit in about 10 days.	20
Dec. 14, 1956	do	Stories on arrival of 2 planeloads of Hungarian refugees	40
Aug. 3, 1956	William V. Yarbrough, News Sentinel, Knoxville, Tenn.	Story on Brazilian labor group	20
Aug. 6, 1956	do	Story (interview) with Chilean-Cuban labor group	20
Do	do	Story (interview) with Chilean labor group	20
Aug. 10, 1956	do	Story on Indonesian labor group	20
Aug. 16, 1956	do	Story on 8 top Lebanese labor leaders	20
Sept. 21, 1956	do	Story on Mexican hygiene and sanitation group	20
Sept. 22, 1956	do	Story on the Brazil labor participant project	20
Sept. 28, 1956	do	Story on southern integration	30
Oct. 29, 1956	do	Story on team of 5 Japanese agricultural and cooperative experts	20
Dec. 18, 1956	do	Story on court arraignment of a group of Clinton, Tenn., segregationists	20
Do	do	Story on Clinton, Tenn., racial segregationists	20
Dec. 19, 1956	do	Story on racial segregationists in Clinton, Tenn.	20
Oct. 16, 1956	Victor Zorzo, Manchester Guardian, 43 Fleet St., London E. C. 4, England.	Compensation fee on article on recent developments in Poland for Problems of Communism.	75
	Total		25,300

Free-lance services procured from July 1, 1956, to Dec. 31, 1956—Continued

SUMMARY

Type	Stories and articles	Amount
Foreign visitors coverage	408	$8,025
Pamphlet material	2	1,050
Special articles, including America Illustrated and Problems of Communism	85	10,065
Other current events coverage	353	6,160
Total	849	25,300

Mr. FULBRIGHT. Mr. President, I did not know that this was going on until the very last stages of the conference. I had overlooked it. I thought I had looked at most of the House hearings, but I did not see it until the conference. Although I had known that the USIA was employing former newspaper employees, persons who had left the employ of newspapers, I certainly did not know that they were employing persons who were working with newspapers. To employ persons who are still working for newspapers and influencing the publication of newspapers, strikes me as a rather questionable practice. That may have some bearing on the universally favorable press for USIA that I have observed during the last few days in which this matter was under debate in the Senate.

Mr. JOHNSON of Texas. Mr. President, this is an illustration. It may be extreme, or it may not. I should like to have every Senator aware of it, particularly Senators who would insist on increased appropriations.

On October 19, 1955, Arthur Daley, of the New York Times sports department, was paid $100 for a story on Casey Stengel and the New York Yankees baseball club.

On May 31, 1956, a Mr. Walter W. Cunningham, who seems to have written many articles for USIA, one for as high as $400, for press coverage on a Salute to Rome, was paid $20 for a story about the Harvard Glee Club.

I do not pass judgment on the propriety of such employment, or the necessity for the articles in connection with our foreign policy. I simply say that I was startled; that my attention was arrested, and that I became determined to go to the bottom of it. I am very fearful that if we pursue such a policy and place in a propaganda agency or in any one man, whether he be a modern Democrat or a modern Republican, the power to go out and employ people from various newspapers throughout the country and pay them so much a piece to write articles about glee clubs, about the New York Yankees, and other things; it might lead to having a Government-kept or, at least, a Government-directed press to the tune of perhaps 500 or 600 writers.

Mr. FULBRIGHT. Mr. President, I am glad the Senator from Texas has placed that information in the RECORD. Of course, this bears upon the basic principle of the free press under our constitutional system. To some extent, when the Government begins to subsidize the press or the writers for it, the press is no longer free.

This reminds me of a provision which was in the RFC law. The RFC, in its heyday, would not make loans to radio stations or newspapers because it did not care to be placed in such a position that it could be accused of dominating them. It was contrary to good public policy to allow a newspaper to influence the policies of the RFC, but not because newspapers are not good from an economic point of view.

I think this practice ought to be stopped, and Congress ought to stop it, if the administration will not. The situation is quite different if the employee is someone who formerly was with a newspaper. That is his profession, and such employment would be legitimate.

But to employ a person who is now employed by a newspaper and to have him working in a dual capacity by having him, in a sense, on the Government payroll and accepting pay from the Government at the same time he is on the staff of an important newspaper, is, I think, contrary to good public policy.

Although I am not a member of the Committee on Appropriations, I participated in the hearings on this bill as a representative of the Committee on Foreign Relations. I may say that this was the first time I ever had such an experience. It was certainly an experience, especially as a member of the committee of conference. I do not think I have ever had an experience like it.

For days I sat with the Senator from Texas, who is the chairman of the subcommittee, and watched him conduct the hearings. He certainly deserves the congratulations and commendations of the Senate and of the country. I have never seen anyone exhibit such patience. I do not believe I would be capable of showing the patience which the Senator from Texas exhibited as chairman of the committee of conference. He was careful and very earnest in the conduct of the hearings, in trying to get at the facts. I am not at all certain that he got the facts, in spite of all his efforts.

For example, there was the matter of the newspapers. It never occurred to me that the practice we have been discussing had been engaged in. As the majority leader has already stated, it did not come to his notice. The hearings in this matter covered, I suppose, a thousand pages. Somehow we overlooked the question of the employment of newspapermen. I wish we had had the opportunity to cross-examine the Agency on that matter.

Mr. JOHNSON of Texas. I assure the Senator that we intend to pursue the subject and go into it thoroughly.

Mr. FULBRIGHT. I thank the Senator.

I myself have had other experience in trying to elicit elementary facts in connection with other matters. Therefore, I know how difficult it is, when a controversial matter is at issue, to get the facts.

But we have now reached the stage of considering the conference report. I believe it is safe to say that it is about as good as we could get, and in essence represents a compromise between conflicting views.

Personally, I did not believe the USIA should have been accorded the extra $6 million over the Senate figure. The conference report shows that I did not approve of the 2 amendments, No. 14 and 29, I believe are the numbers, one of which was to increase the USIA funds by $6 million. I would rather have had that money distributed among the permanent members of the State Department, the career personnel who are so vital to our country.

I was opposed to taking $1 million from the Senate figure on the Department's personnel needs. I was opposed to lowering the Senate figure on the international-exchange program. I was opposed to lowering the Senate figure on the Brussels Fair. In my judgment, an investment in those areas would yield far greater returns than an investment in USIA.

As the Senate well knows, we were confronted with a virtual agreement on the part of everyone that we would not raise the total amount. So the question was virtually how we should distribute a certain amount of money.

As a relative matter, I think an investment is far more preferable in the activities I have mentioned—that is, the student-exchange program and the Brussels Fair. But, in any case, it was necessary to reach an agreement, and there were others whose judgment differed from mine. The conference report represents a middle ground, and as such I reluctantly urge the Senate to adopt it, because I do not think there is any alternative.

Meanwhile, I shall also urge the quickest possible action to place the USIA under the State Department. As an independent agency, I believe it is out of control, and I do not believe it can be effective in presenting America to other nations. An information agency designed to explain American foreign policy to the rest of the world should be an instrument of the department which makes the policy; it should not have a life of its own, completely detached from the sobering responsibilities of policy-making.

The Senator from Texas has done outstanding work in helping us to find a proper course. It is my hope that the report may be adopted quickly; then we can settle down to the task of remolding

and reshaping the USIA into a truly effective instrument.

Mr. President, I ask unanimous consent that an editorial entitled "Unbalanced Budget," published in today's Washington Post and Times Herald, be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

UNBALANCED BUDGET

House and Senate conferees have agreed to restore $6 million of the savage cut made by the Senate in the appropriation for the United States Information Agency. In some measure, this is a triumph for sober second thought. It is marred, however, by two considerations. First, the sum of $96 million agreed upon falls about $10 million short of the appropriation voted by the House and is less than the Agency needs to carry out its vital job with full effectiveness; second, the money restored to USIA was taken out of appropriations previously approved for the State Department. Robbing Peter to pay Paul is not a rational method of budget making.

The USIA appropriation was considered in a package with the appropriations for the State and Justice Departments and the judiciary. The grouping was arbitrarily contrived for legislative convenience; and the ceiling set upon the combined appropriations was contrived to meet a doctrinaire demand for economy. The State Department appropriation ought to be judged in terms of the State Department's needs and functions, not in terms of the needs and functions of other agencies which are complementary and not competing. To pay USIA, the Congressional conferees took $3.2 million from the valuable educational exchange program and $5 million from the funds requested by the State Department for salaries and expenses.

Clipping the educational exchange program seems to us to make no sense at all. The program has brought immense if intangible benefits to the United States in the very field in which USIA operates; it promotes understanding of this country abroad in an extraordinarily effective manner by giving foreign intellectual leaders a chance to see it at firsthand and by sending American scholars abroad as good will ambassadors. Impairment of this operation simply makes USIA's job more difficult. The same may be said concerning the reduction of funds for American diplomatic representatives. The United States is already represented in too many places by men whose principal qualification seems to be that they are rich enough to pay out of their own pockets for official entertainment indispensable to the discharge of their duties.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that a more extensive statement upon the two matters which I have mentioned, dealing particularly with the student-exchange program, be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR FULBRIGHT

I wish to clarify further my position regarding the conference on the State Department appropriation bill. I signed the report, except for amendments Nos. 19 and 24, the amendments concerning the item for the exchange of persons and the item for the USIA. I believe that it is a serious mistake to decrease the Senate figure of $24 million, plus $3½ million of section 480 funds. This decrease was voted by the conferees over my strong opposition. The conferees apparently believe that the Information Service is as important, if not more important, than the exchange program. There is no evidence in the record, nor outside of the record, to my knowledge to support such a position.

The United States has, I believe, a great opportunity to influence the non-Communist world to regard favorably the political and social values of the democratic system of society. The best way so far developed to achieve this very important purpose is the exchange program, according to all the best evidence.

Thoughtful Americans in all walks of public and private life are in agreement that the educational exchange program is the best way for the United States Government to invest its money to achieve our foreign-policy objectives.

The President's United States Advisory Commission on Educational Exchange, composed of private citizens confirmed by the Senate, recommended $35 million for 1958. Three of its five members have inspected this program overseas during the past year, so they spoke from first hand experience when they said that the potential value of the exchange program "is not being realized because of lack of financial support."

The President's recommendation of $30 million plus more than $3½ million in nonappropriated foreign currencies substantiates this opinion of the advisory commission.

The Foreign Relations Subcommittee under the chairmanship of Senator HICKENLOOPER investigated this program abroad in the fall of 1952 when over $22.2 million was appropriated for these activities. This committee made a survey of opinions of ambassadors overseas as to the comparative value of the exchange program as against other media and found that "* * * the exchange programs are reported to be the most effective * * *."

At the same time the committee obtained the opinions of 55 United States foreign correspondents in 41 countries outside the Iron Curtain.

The committee reported that these trained professional observers stated that the exchanges "are perhaps the most important * * * because they involve exchanges of people * * * a nucleus of persons who see with their own eyes and can dispel many misconceptions about the United States. It has been, on the whole, one of the most successful of our activities * * * is worth considerable expansion."

The Hickenlooper subcommittee also reported "in a survey of Cabinet officials of member countries of the United Nations conducted * * * for Time magazine, it was reported that among various media * * * 'the largest vote was given to the exchange of students and visitors as the most effective. Such exchanges were out in front on every continent. In fact, running through most of the questionnaires, there was a constant theme that face-to-face contacts are the best way to gain greater mutual understanding around the world.'"

President Eisenhower is solidly in favor of the educational exchange program. During the 1952 campaign, he stated, "I firmly believe that educational exchange programs are an important step toward world peace. It is my personal hope that this activity, so important in the future of the world, will continue to expand in the coming years."

His personal interest is further evidenced by the fact that the only private activity of any kind to which he lends the endorsement of his name is an educational exchange program, the Eisenhower Fellowships, Inc., which exchanges some 15 to 20 people a year.

In 1956, both the Republic and Democratic platforms included endorsement of educational exchanges.

Theodore Streibert, former Director of USIA, said only last year that "the amount available for exchanges might well be doubled as against its present level."

The National Education Association, representing some 700,000 American teachers, officially endorsed the program in a statement to the Senate Appropriations Committee and urged that "Federal support of international educational exchange be expanded."

A representative of the American Council on Education, an organization of 1,113 educational institutions, supported the full $30 million request before the Senate Appropriations Committee, not only as an essential governmental investment in peace, but because "American universities and colleges have invested heavily" in such programs and "the success of their investment is dependent in large part on an adequate Government program."

Such endorsements are not restricted to governmental officials and educators. In a recent survey, the National Planning Association, numbering among its members many prominent American business and industrial executives, noted that "the fostering of more extensive and meaningful people-to-people contacts is important beyond the purposes of the military and economic aid programs. It is a worthwhile activity in itself, a vital element of a well-conceived foreign policy."

The tremendous popular interest in this program is evident from the great number of people who want to take part. For example, over 5,000 Americans apply for the approximately 1,000 scholarships offered for study abroad annually. Overseas, some 15,000 people apply, for the nearly 1,500 scholarships offered for study in the United States each year.

Six and three-quarters million dollars of the appropriation will be in foreign currency. Therefore, of the House allowance, which provides fewer dollars than in 1957, will be particularly damaging to dollar programs. This program must have dollars for (1) stateside expenses of the foreign currency projects and (2) all projects with some 54 countries.

If this program is to operate the needed dollar projects in Latin America, the Near East, Africa, and Asia, we must appropriate more dollars than in 1957, not less, as provided by the House.

The leader(s) and specialist program under which such important people as those listed below, and on pages 564–567 of the Senate hearings, come to the United States are such dollar programs and should be expanded:

El Mehti Ben Barka, Morocco, speaker of the Consultative Assembly, member of the executive committee of the Istiqlal Party and of the Royal Commission on Education.

Sir Roy Welensky, Central African Federation, elected Prime Minister after his return from the United States of America, and former Minister of Transport, Communications and Posts.

Manochehr Eqbal, Iran, formerly rector of Tehran University, after his return from this country named Prime Minister by the Shah.

Tsui Shu-Chin, Formosa, chairman of the Central Planning Committee of the Kuomintang, member of the Legislative Yuan, and professor of international law and diplomacy at the National Chengchih University in Taipei.

Sam Sary, Cambodia, Vice Premier and High Counselor to the King.

While both the House and the Senate have allowed a total of about $10 million in foreign currency, these currencies are only available for use in the countries in which they are located—some 33 countries—and they cannot be transferred or be used for the foreign leaders program anywhere. The additional $6.4 million which the Senate allowed will be used approximately as follows:

	Million
Latin America	$1.5
Far East	2.3
Near East and Africa	2.6

This is wise in view of the need for this type of program with these important areas. It is interesting to see that none of it will be put into Europe where over $5 million in foreign currency is available.

In summary, although the Senate could not, under current critical budgetary limitations, accept the $30 million figure, it is clear that the $24 million figure which the Senate approved was the rock bottom for a balanced program.

The report of the House of Representatives was very critical, if not sarcastic, about the sending of a single tennis coach to Haiti, and used this example in an effort to discredit the entire leader grant program. The truth of the matter is that American athletes make excellent representatives and create a favorable reaction abroad.

The State Department has sent abroad, from Tanganyika to Singapore, from Lima to Reykjavik, outstanding American athletes such as Bob Mathias, twice Olympic decathlon champion; Bob Richards, the pole-vaulting preacher; Jesse Owens, alltime track and field champion; Dr. Sammy Lee, Olympic diving champion, and many other champions, in response to the great clamor in countries all around the world for the visits of these oustanding Americans.

The primary purpose has not been to teach people to run any faster or jump any higher, but rather it has been that of employing the tremendous worldwide interest in athletics to tell the American story. Sports, as a common denominator and with a language which is universal, has proved to be an excellent medium for telling that story.

The Communists have inspired many unfavorable stories abroad that American youth are irresponsible and degenerate; and of course, Hollywood movies have not always done a good job of depicting our youth in their true light. A Bob Mathias, a Sammy Lee, can do wonders in negating Communist lies. Further, by genuinely trying to help the youth of other lands, they have won abundant respect and understanding for our country.

Dr. Sammy Lee, a medical doctor, an eye, ear, nose, and throat specialist, a former major in the United States Army, and of Asian ancestry, probably did more to win friends for the United States on a State Department planned tour than any other single American in recent years. He was a living refutation to Communist-inspired lies about opportunity for members of minority races in the United States. Significantly, the Los Angeles Times of April 4, carried an announcement that the Los Angeles Sales Executive Club named Dr. Sammy Lee "Salesman of the Year" for "his outstanding contribution in selling people throughout the world the basic principles, ideals, and true significance of the American way of life."

Bob Mathias and all our athletes and coaches were idolized everywhere they went. For example, in Cambodia, the Government declared a national holiday—Robert Bruce Mathias Day (while Bob was there)—and all the youngsters were excused from school to see this great American champion, a wholesome production of our educational structure.

In Burma, when the ministry of education planned a farewell party for Bill Miller, so many thousands wanted to attend they had to hold it in the stadium. A Burmese Government official, before thousands of well-wishers, gave Bill a silver bowl as a gift, and said, "Bill, when you remove the lid from this bowl, you will find in it the hearts of all Burma."

When an internationally known figure like Olympic Champion Rev. Bob Richards, the pole-vaulting preacher, in speeches before youth groups, university assemblies, crowds in stadiums, quotes our Bible and their Koran and points out our common desires for peace—as he did in Asia—millions, yes millions, hear of it, because the masses of sports enthusiasts in all countries number in the millions. And surprisingly (perhaps to some people) chiefs of state, governors, mayors, and top influential leaders have been among those appreciative audiences.

The abundant understanding and good will which was won for our country through these athletes and coaches was won because the aid they rendered was an aid that did not injure the pride of the recipients. No self-respect was lost in accepting that kind of assistance, since the giving was genuine and because no ulterior motive could be ascribed to that giving.

As a matter of fact, the pride of whole nations was lifted as the result of the inspiration and encouragement our athletes and coaches gave their youth to compete in the Olympics and at other international games. Gratitude to our country has been freely expressed, again and again, by governmental officials, school and youth leaders from nations all around the world because of the aid and encouragement our athletes and coaches so nobly gave. In an article which appeared in Bob Addie's column of the Washington Post on May 17 that reporter described an interview he had with Mr. Archie Evans, East African sports officer—an interview in which Mr. Evans warmly expressed his country's appreciation for the visits of great American athletes and coaches to his land, where recently the Mau-Maus were so active with their acts of terror. The East African sports officer concluded with "The American athletes you sent us made a lasting impression on our people."

It strikes me that the State Department's International Educational Exchange Service has exercised outstanding imagination in employing the tremendous worldwide interest in athletics as a medium for telling the American story, and the Department deserves our praise for that effort, rather than derision.

The case which aroused such severe criticism by the House was that of Mr. Albert Ritzenberg, formerly tennis coach at Georgetown University in 1953–54, who was sent to Haiti last year. Mr. Ritzenberg was born in 1918, in Washington, D. C., and resides in Montgomery County, Md., with his wife and four children.

He served as a captain in the United States Air Force from 1942–45 in Australia, New Guinea, and the Philippines; and was civilian athletic director for the Air Force in 1955–56 at Tripoli, Libya.

Ritzenberg attended Central High School in the District, received his A. B. degree from the University of Maryland, and his M. A. in sociology from George Washington University. He also took additional graduate work at the University of Maryland toward his Ph. D. He won his first tennis championship in the District at the age of 10 years; at the age of 13, he was District of Columbia junior champion and went on to win the Middle Atlantic junior championship at the age of 14.

While at the University of Maryland, he was an outstanding star and was selected by that University to its Hall of Fame. He is a past president of the Middle Atlantic Professional Lawn Tennis Association and was tennis coach at Georgetown University during 1953 and 1954.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to the Senator from Oregon.

Mr. NEUBERGER. I must confess that I am somewhat disturbed by the moral and ethical implications of the points raised about newspapermen being employed by the United States Information Agency. One reason why I am disturbed is that there is a definite inference that a member of the American press would, ipso facto, give favorable coverage to the United States Information Agency because he received $100 for writing about the New York Yankees, or $80 for writing about the Harvard Glee Club, or $150 for writing about the national forests in Idaho. It is difficult for me to believe that the members of our journalistic profession are thus readily contaminated.

Let me explain to the Senator what I mean. I doubt if it is consistent to raise this point on the floor of the Senate when most Senators have been elected to their positions with contributions made from the political-education funds of trade unions or with very substantial contributions from the owners of banks, private utility companies, sawmills, and all kinds of corporations which may have dealings with the Government.

I decline to believe that any Member of the Senate has his viewpoint contaminated because he may accept thousands upon thousands of dollars from big business or trade unions. But I do not see how the Senate can say its Members are not influenced by campaign contributions, while some newspaperman will have his attitude and his coverage affected because he may take $80 or $100 from the United States Information Agency for actually composing a piece of prose or any essay which the Agency can use in disseminating information about the United States to countries abroad.

Perhaps I am wrong, but I think morality is indivisible. I do not see how we consistently can erect any higher standard for the representatives of the press than is established for those who hold the highest offices in the Government.

It costs millions of dollars to elect the President of the United States. His campaign managers, in his name, accept tens of millions of dollars for campaign purposes from private groups of one kind or another.

I should not like to think that the President would be influenced in any way by sums which completely dwarf those that are paid to newspapermen by the United States Information Agency.

Mr. FULBRIGHT. The Senator is raising, of course, a question of ethics and morality, which I think is a very subtle and difficult one to deal with offhand.

In such a case, I think the public policy properly prohibits the Federal Government, by means of the RFC, from lending money to newspapers. Newspapers have a very special protection under the Constitution and under the traditions of our democratic society; and the other day I drew a distinction between newspapers and the United States Steel Co. or any other company, in the case of such a special relationship. The newspapers create news and mold public opinion. A free press is considered essential to the healthy and lively functioning of a democratic system.

I do not make any charges that the New York Times, in response to this particular payment of $100 to one of its employees, altered its editorial policy, or anything of the kind. I only say that as a general principle, it is bad public

policy for a Government agency with large amounts of money to spend to be permitted to employ existing employees of newspapers, and to do so on more or less a permanent basis.

This matter is not simply a "one-shot" affair. In the hearings we see the names of literally dozens of employees and representatives of important newspapers in the United States. I think there is absolutely no analogy at all between such payments to newspaper writers and contributions to the campaign of the President of the United States or to the campaign of the Senator from Oregon.

On the other hand, if the Senator from Oregon were to become a paid employee of a particular, narrow, interested group, and if he regularly accepted pay from that group, I think an analagous situation might begin to be approached. However, I doubt that the Senator from Oregon would do such a thing, although he properly can accept contributions from persons within his constituency who are interested in his campaign. I am sure all Members of the Senate have accepted contributions from persons within their constituencies who are genuinely interested in their campaigns. But I believe such contributions are different from payments which a Government agency might make to a newspaper employee or to reward that part of the press. If a Government agency is to be permitted to purchase unlimited quantities of Life magazine for an indefinite period of time, does the Senator from Oregon think that is a proper relationship? But this Agency has been doing that.

Mr. NEUBERGER. Mr. President, my point is that I think the morality of the individual members of the press is equally as good as the morality of individual citizens who are in politics. I should like to emphasize the contention that it is my opinion there are no more members of the press corps who are subject to improper influence by accepting fees for writing for the United States Information Agency, than there are citizens in politics who are subject to improper influence in political life by accepting campaign contributions.

Mr. FULBRIGHT. I did not make such a comparison; I did not make such a statement.

Mr. NEUBERGER. But indication was made on the floor of the Senate that such payments or fees to newspaper writers might result in a favorable, slanted attitude by members of the press in regard to the United States Information Agency.

Mr. FULBRIGHT. It is purely incidental; but let me say that so far as I could observe, every such newspaper which was brought to my attention "went overbroad" in its attitude regarding the United States Information Agency. That matter was brought to my attention.

I believe that the article, which was placed in the RECORD, about the State Department was a very fair one. However, for some reason it did not occur to the writer of the article that other Government interests were involved in that matter. Not only the article by Mr. Childs, but the articles by all the others who wrote in that newspaper during the last 10 days—and this is especially true in the case of the interview with Mr. Washburn, which was carried by the press on Monday morning—were slanted in such a way as to make it appear that almost the only Government agency involved was the USIA, and in the articles practically nothing was said about the other Government interests involved, whereas it was well known that under the gentlemen's agreement, so to speak, the question was one of allocating a limited amount of money between 3 or 4 different Government interests or agencies.

The Senator from Massachusetts [Mr. SALTONSTALL] made that point very clear several days ago, and he did so again this morning. His position happens to be the same as mine. I agree with him about the relative importance of the activity. But I did not see a single newspaper present clearly that that was what we were confronted with, although I would say that this morning the Washington Post did a good deal to explain the situation.

Mr. NEUBERGER. I would say there is no more direct relationship between the attitude of various segments of the press in regard to the United States Information Agency and the payments made to members of the press by the United States Information Agency, than there is between the voting by Members of Congress on the issue of tidelands-oil disposal and campaign contributions which may have been made by very wealthy persons in the oil industry.

My claim is that I believe it is not fair to raise the ethical and moral question—which goes to the very heart of a person's integrity—about the American press and to imply that there is a conflict of interest because members of the press receive certain payments—which do not seem excessive or very large—for writing for the United States Information Agency, and not to imply, similarly, that the Members of the Senate and the Members of the House of Representatives and the Governors of the various States are influenced by the infinitely larger campaign contributions they receive when they run for public office.

Mr. FULBRIGHT. Mr. President, I am not quite clear about the point the Senator from Oregon seeks to make. If he means to say that we should not discuss this matter on the floor of the Senate, and that we canont change this situation, then I cannot agree with him. I think it is bad public policy; and so far as I am concerned, I think it should be stopped. I do not believe that a Government agency with very large appropriations should be permitted, as a practice, day after day and month after month, to employ newspaper writers with public funds. That is the point I am making.

I make no implications; but I say that is bad public policy—just as I have said that the RFC, at the time when I had something to do with it, did not make loans to newspapers. It could be said that newspapers are as good as any other organizations; and they are. But under our policy, we did not approve of having the RFC make loans to newspapers. No one suggested that the making of loans to newspapers might undermine their moral standing.

Mr. NEUBERGER. But in this case, the names of individuals have been mentioned.

Mr. FULBRIGHT. I was talking about the newspapers.

Mr. NEUBERGER. I cannot believe that the attitude of these journalistic men toward public policy is for sale, or that it is influenced by having them write for the United States Information Agency.

Mr. JOHNSON of Texas. Mr. President, first of all, let me say that I do not want the RECORD to indicate that either the Senator from Texas or the Senator from Arkansas has said that anyone is for sale, or that anyone has acted improperly.

In response to a question, I read from the House hearings information which was not previously divulged to the Senate or to the Senate committee. It was information of which we were not aware. I do not know whether the Senator from Arkansas has studied those hearings, and I doubt that the Senator from Oregon has studied them.

I should like to point out that I think there is a considerable difference between making a contribution to a political campaign and having a person on a payroll month after month. What I seriously question is the policy of giving any bureau of the Government—much less the propaganda bureau—the authority to reach into the editorial rooms of the Nation and select special writers to write special articles, for special fees, paid for by the taxpayers. I believe such a policy should be carefully studied.

I do not know Mr. Daly, of the New York Times. I must assume, and I do assume, that he is a man of the highest integrity. I do not question his motives, or what his opinion about the USIA is.

But I do question the wisdom of a $100 expenditure for an article on Casey Stengel and the New York Yankees. One can get from any small town daily an article about Casey Stengel and the Yankees, without digging down into the taxpayers' pockets and paying for such articles.

I said that I would not pass judgment on the matter. I assured the Senator from Arkansas and the Senator from New Hampshire, when they asked the question, that the Congress should go into it further. That is what should be done. I commend the House hearing to the attention of the Senator from Arkansas and the Senator from Oregon, because it is very interesting to see the regularity with which some of these articles are purchased and the geographical distribution of them.

Mr. FULBRIGHT. I should like to say, in response to what the Senator from Texas said in his last statement, that I agree with him that it is bad public policy. I am not accusing anyone of influencing editorial policy. I said it is bad public policy, and I stand on that statement.

Mr. NEUBERGER. Mr. President, I wish to say, if I can have the floor in my own right——

Mr. FULBRIGHT. I yield the floor.

Mr. CLARK. Mr. President, the Senator from Texas has the floor.

Mr. JOHNSON of Texas. Mr. President, I have the floor. The Senator from Connecticut [Mr. BUSH] had asked me to yield to him, and I shall do so briefly. Then I shall yield the floor.

Mr. CAPEHART. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. CAPEHART. Can a Senator get the floor and then yield the floor to anyone he wishes to, for as long as he wants to?

Mr. JOHNSON of Texas. Mr. President——

Mr. CAPEHART. The Senator——

Mr. JOHNSON of Texas. Mr. President, will the Senator follow the rules? The Senator has been here long enough to know the rules.

Mr. CAPEHART. Mr. President——

Mr. JOHNSON of Texas. Mr. President, may I be recognized? I do not desire to yield to the Senator from Indiana. If he desires to be heard, he can get the floor in his own right. The Senator has undertaken to himself the parliamentary responsibility for this body. The Senator from Texas asked unanimous consent—evidently the Senator from Indiana did not hear it, or recognize it, or was not in the Chamber—that he be permitted to yield to the Senator from Arkansas, without losing the floor. That is the ordinary and customary practice indulged in by Senators—I assume even by the Senator from Indiana.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I do not yield.

Mr. CAPEHART. My point——

Mr. JOHNSON of Texas. Mr. President, I do not want to be shouted down. If the Senator from Indiana does not know the rules, I assume the Chair will enlighten him.

The PRESIDING OFFICER. The Senator from Texas declines to yield.

Mr. JOHNSON of Texas. The Senator from Connecticut asked the Senator from Texas to yield, and reminded him that he had asked unanimous consent that he yield to the Senator from Arkansas without losing the floor. I am not anxious to hold the floor. I desire any Senator who wishes the right to get the floor to have it, but I desire to be courteous to the Senator from Connecticut and yield to him under the same agreement.

Mr. CAPEHART. Mr. President, I rise to a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. CAPEHART. The point of order is that another Senator can yield only for a question. He cannot yield to another Senator to make a speech.

Mr. BUSH. Mr. President, a point of order.

Mr. CAPEHART. Mr. President——

The PRESIDING OFFICER. The Chair rules that the Senator from Texas was recognized under a unanimous consent to have the right to recognize and yield to other Senators without losing the floor. He first yielded to the Senator from Arkansas with the understanding he would not lose his right to the floor. He has yielded to the Senator from Connecticut.

Mr. JOHNSON of Texas. Mr. President, will the Chair rule on the point of order?

The PRESIDING OFFICER. The point of order of the Senator from Indiana is overruled, and the Chair now recognizes the Senator from Connecticut.

Mr. CAPEHART. Is the Chair stating that a Senator can yield to another Senator other than for asking questions?

The PRESIDING OFFICER. The Senator from Texas, the majority leader, procured unanimous consent for the purpose of yielding to other Senators. That request was granted. The Senator from Texas is now yielding to the Senator from Connecticut.

Mr. CAPEHART. I respectfully say the Senator from Texas did not ask unanimous consent to yield to the Senator from Connecticut.

Mr. BUSH. Mr. President, I respectfully differ with the Senator from Indiana. That was exactly what the Senator from Texas asked—that he might yield to me exactly as he yielded to the Senator from Arkansas. My understanding was there was no objection.

The PRESIDING OFFICER. The statement of the Senator from Connecticut is correct. The Chair now recognizes the Senator from Connecticut, pursuant to the unanimous consent understanding.

Mr. BUSH. I thank the Chair. All I want to do is make a few comments on the report of the conference committee. My views on the bill have not changed. I still feel it is unfortunate that the House made such very deep cuts in connection with the budget request of the administration for the USIA. I think it is further unfortunate that the Senate made further cuts in the appropriation for that Agency. I was glad to see some of the Senate cut restored by the report which the Senator from Texas is making this morning. I assume, of course, the conference report will be adopted, and I earnestly hope that the views which have been stated in favor of these deep cuts—and I am sure they have been stated in good faith in almost every instance—may be sustained by experience. I wish to say I very much doubt they will be sustained by experience, and I am very unhappy at the prospect that the conference report will be agreed to.

I have in my hand a letter which I just received from a gentleman by the name of Herbert Maza, of Bridgeport, Conn. I shall not read the entire letter, but only the first three brief paragraphs of it:

DEAR SENATOR BUSH: I have just finished the New York Times on the cuts in USIA, and as a former employee of that organization I would like to voice some comments which I hope you will find of value.

First of all let me say that I can see USIA without any rosy haze and I have been convinced by criticism within and without the Agency that its administration has been subject to bias and been inefficient at times.

However, I feel that the current budget amputations are like trying to cure a cold in the head by cutting it off. I was able to see the results of the 1953 cuts in Switzerland and as an American citizen and taxpayer I was aghast at the foolishness of it all.

The gentleman who wrote the letter goes on to tell about his experiences and observations in Switzerland when he was there at the summit conference, and later in Scotland. He describes the most unfortunate results of the penny-wise pound-foolish policy with respect to the USIA program in those two countries, of which he speaks from experience at first hand.

Because I believe this letter is so interesting and so enlightening, Mr. President, I ask unanimous consent that it be printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BRIDGEPORT, CONN., *May 28, 1957.*

DEAR SENATOR BUSH: I have just finished the New York Times on the cuts in USIA and as a former employee of that organization I would like to voice some comments which I hope you will find of value.

First of all let me say that I can see USIA without any rosy haze and I have been convinced by criticism within and without the agency that its administration has been subject to bias and been inefficient at times.

However, I feel that the current budget amputations are like trying to cure a cold in the head by cutting it off. I was able to see the results of the 1953 cuts in Switzerland and as an American citizen and taxpayer I was aghast at the foolishness of it all.

In Bern the whole bottom floor of the Embassy had been emptied. Finally a Swiss was hired to read press clippings. Howard Garnish in Geneva was trying to keep his hand in, while covering the U. N. Conferences in that city. The library, which had been assembled at great cost and trouble was broken up and taken from open shelves in downtown Bern to be distributed among the Swiss universities to get dusty in the stacks. The lists of prominent and influential Swiss were put aside to gather dust and become worthless.

The experienced Swiss employees were fired, some with chagrin, which did United States relations no good. Many who had built up contacts with the United States through these offices, became quite cynical about the United States need for offices only when it wanted something—and critical of the childish and irresponsible behavior of the United States Congress.

True, we can expect the Swiss to be our friends. But they develop deep reservations that neutralize all the good work done through other channels. There was no one there to explain why we raised our tariffs on Swiss watches and cheese. They pointed bitterly to the balance of trade which was in the favor of the United States. They—especially the unemployed watchmakers—were not surprised at the flush of posters showing an American atomic cloud rising from a skull, which were plastered all over Switzerland by the Communist Party.

The argument could have been made that the Swiss were our friends anyhow, and besides, having hard currency, they had access to American films and magazines. I was able to weigh these factors and I must say that our films, which are made for domestic dramatic sensationalism, and our magazines, which put so much emphasis on material consumption, produce a negative

reaction in all classes. They enjoy them, there is no doubt about that. But their impression of America is that of an impetuous money-grubbing nation and none of our commercial outlets can counteract that.

During the Geneva Conference I could see the Tass newspapermen buying drinks for the Indian correspondents and giving them long political talks. Whereas our people from Life and AP were busy collecting handouts and tracking down stories and didn't waste time with the foreigners. Why should they? They weren't paid to do so and they wouldn't get any extra credits from the boss if they explained our attitudes to a Burmese newspaper correspondent. I felt sorry that my country, supposedly the richest in the world, could not keep up with the others in this political competition. I felt sorry that we had wasted so much money closing down an office so impetuously, only to have to reopen it again 3 years later—at additional expense.

My other experience with USIA was in Scotland. Here I found 1 public-affairs officer with 2 secretaries to take care of about 9 million people. Again, the Scots are our friends and most of them seem to have relatives or close connections in the States. They can read our magazines and understand our movies. But you try explaining the Blackboard Jungle to them. Try to explain a story in a magazine showing food being discarded. Try to erase the stereotype of the rich American—with big hat, eyeglasses, cigar, hand-painted necktie—trying to buy the castle on Princess Street.

It is difficult to understand that this office will now be abolished. My reaction, after 2 years' residence in Scotland, was that it should have had a branch in Glasgow on the Red Clyde (the color is for political reasons in the shipyards) and in Belfast where there was an economic recession. Dr. Seicke, the PAO, was working like the devil. I tried to help him as far as possible. But you cannot know the shame we felt during the Edinburgh festival, at the reception for the members of the Boston Philharmonic Orchestra in the Royal Caledonian Hotel, when a British brigadier general stalked out (the one who organized the Military Tatoos) because when he arrived late the waiter told him there were no drinks left. The allotment for the reception covered enough for 2 or 3 drinks per person and it was unfortunate that they ran out at that time. Any of us would have been glad to pay for his drink out of our own pockets, but it was too late.

I have seen these PAO's caging lecturers, who they could not pay—at the most they could buy them a lunch, most likely out of their own pocket money—and I have felt sorry for them. By and large they are excellent people, well qualified and experienced. I have liked everyone I have met. Their wives have to work like beavers to keep up the rounds which produce so much information and essential contacts—and now all these are to be lost; the United States is to be discredited by this impulsive reaction.

I could never understand how we could keep about 4,000 United States airmen and officers at Prestwick and Kirknewton and only 1 PAO in Edinburgh to counteract the poor impressions created by drunken sergeants and fast-driving lieutenants. A good many of our military men were never designed for peaceful export. They hardly make friends over here and over there they are apt to be sneering and noisy in their short-sighted criticism. It would take the pay of only two majors to double the USIS office and produce a service of considerable value. Yet, somehow that has not been possible. I cannot understand it. I have seen and have measured the effects (in my mind's eye) and the shift would have certainly been worth while.

Naturally, I am not familiar with the overall picture. I have not had the privilege of seeing all United States overseas operations. So at this time I should make a reservation that perhaps overall United States policy requires such drastic action. However, if you would like the impressions of an American who was on the ground in question, all I have said above, and more, stands.

Yours sincerely,

HERBERT MAZA.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to my friend the Senator from Pennsylvania.

Mr. CLARK. Mr. President, I should like to invite the attention of the majority leader to the appropriation for representation allowances, which, as I understand, was originally recommended by the administration at $1.6 million.

Mr. JOHNSON of Texas. $1.2 million.

Mr. CLARK. $1.2 million. It was cut by the House to $600,000. The Senate restored $200,000 of the cut.

I know I speak not only for myself but for the junior Senator from Montana [Mr. MANSFIELD] and perhaps for the majority leader in regretting that cut and expressing the hope that next year we shall be able to correct this situation, which I believe causes a serious curtailment of the effectiveness of the members of our Department of State.

My question of the majority leader is: Does he believe that the House is so adamant that we are not going to be able to do anything to remedy that situation, which I personally believe to be most unfortunate?

Mr. JOHNSON of Texas. I have found our colleagues in the House to be very cooperative and very concerned with the national interest, as they see it. We could not agree on this particular item.

It was the feeling of the Senator from Texas that there should be an increase in the amount appropriated by the House. But, after 5 hours and 15 minutes, he was unable to convince the House conferees of that fact; so we felt, rather than to delay action on the bill, that in this instance we would have to yield.

I may say to my friend that I have great respect for the Members of the other body who sit on the subcommittee. I shall talk to them from time to time and express my viewpoint. I hope that the viewpoint will be given due consideration.

Mr. CLARK. Mr. President, will the Senator yield for one further brief question?

Mr. JOHNSON of Texas. I yield to my friend.

Mr. CLARK. I thank the Senator for his explanation of the matter. A short while ago the distinguished majority leader made reference to the Harvard Glee Club and the amount that was paid to advertise the Harvard Glee Club by somebody from the USIA.

Mr. President, I am keenly aware of the musical attributes and abilities of the citizens of the great State of Texas, and I know they have also made a real contribution to international understanding.

Mr. President, my view is that the Harvard Glee Club needs no advertisement from the USIA or any other group. I should like to place of record the fact that the Harvard Glee Club, in its tours of Europe and other areas of the world, has made as great a cultural contribution to understanding between the peoples of the Free World as any other similarly situated organization.

If the Senator from Connecticut had not unfortunately left the Chamber, I might have made the suggestion that the Harvard Glee Club has made an even greater contribution that the Whiffenpoofs, a group to which the distinguished Senator from Connecticut belongs.

I know the distinguished majority leader intended no affront to the Harvard Glee Club, from the fine institution of which I happen to be a graduate, and that he was just commenting upon the matter when he discussed the writing up of a story on the USIA.

Mr. JOHNSON of Texas. The Senator can go further than assuming it. It is a fact clearly in the RECORD.

In response to an inquiry, the Senator from Texas gave a listing of various articles which had been written by correspondents of various newspapers and other writers on various subjects. He stated, before he made his comment, that he did not pass judgment on the propriety of the articles. He did not question the effectiveness of the program. He did not make any unfair reflection on the Harvard Glee Club, and is certain that it is as good as my colleague from Pennsylvania says it is.

Mr. President, Senators are asking questions as to when it is expected that a vote will be reached. I am unable to tell them. However, in order that all Senators may be on notice, I believe that the Senate should order the yeas and nays on the question of agreeing to the conference report. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, I wish to pay tribute to the distinguished majority leader, who was chairman of the subcommittee handling these appropriations, for bringing about a result the like of which I do not recall having seen in all my experience in the Senate. He submitted a conference report which provides lower expenditures than either the House or Senate versions of the bill.

The conference report is $194,000 below the Senate version of the bill. It is $908,500 below the House figure. It is $102,758,509 below the estimates, or about 15 percent.

I commend the Senator from Texas for the capacity and diligence he has shown in presenting the report of the committee, and also in handling the conference report. I have never known a bill to be more fully explained, in an understandable way, than the bill which was handled by the distinguished majority leader.

Mr. JOHNSON of Texas. I thank my friend from Virginia.

Mr. JAVITS. Mr. President, I should like to enter a dissent to the pending conference report.

This being the final legislative action upon the pending measure, I believe that

certain points need to be made with respect to the USIA whether they are effective in terms of this conference report or not. We all understand that the conference report wraps up the appropriations for the State Department as well, and therefore it undoubtedly will be agreed to, because everyone wants the State Department, as well as the other agencies, to be financed.

However, it seems to me that that begs the fundamental question. It is my deep conviction that the USIA is being mutilated, against the best interests of our country. I do not question the motives or the point of view of anyone. I am expressing my own point of view.

I point out, by way of substantiation of the statement which I have made, that when we make a reduction now, we force the Agency to retrench—not to fail to expand, but to retrench—because in order to give the Agency the amount with which it operated last year, we would need to allow it $20 million more than is allowed in the conference report. So if we wished the Agency to operate as it is now operating, it would be necessary to allow it $20 million more. We are reducing the appropriation even further, $10 million in terms of the conference report, below what the House allowed.

The real danger is that, being forced to retrench and dismiss employees, the Agency cannot hire them back overnight. The Agency suffered from that kind of disorganization in 1953, and it will suffer from the same kind of disorganization, in an even more critical period, in 1957 and 1958.

Bearing upon the question of mutilation—and I think that is what is involved—I wish to read to the Senate a very brief statement which was made by Tracy S. Voorhees, a highly respected public servant who served in the previous administration as well as in this administration, and other members of his group which studied USIA a year or so ago. At the request of the previous Director of the Agency, Theodore Streibert, he headed a small committee to study the problem.

This is what they said:

We have noted that Senators who have recently criticized the operation of the program will recognize the importance of the program itself. With this in mind, we stress the fact that we know of no alternative to strengthening the existing organization to the full extent possible.

If, through crippling cuts, the patient effort which has been made over almost 4 years to build this Agency from a very low start to a much more effective—although of course far from perfect—instrument is reversed, we believe that it would be extremely difficult, if not impossible, again soon to rebuild.

It seems to me that the arguments that we hear address themselves to the theory that Congress somehow is engaged in arms's-length trading with the USIA, and is saying that it has not justified its work, that it is not doing a good job, and therefore Congress will not give it more money. However, we are hurting ourselves if we do that, because our job is to see to it that the job is well done. We should at least give USIA what they received last year, and give ourselves or them an opportunity to reorganize their activities.

In an excellent article published in the New York Herald Tribune, entitled "Daily Communique To Tell Cold War's Progress Urged," the distinguished columnist David Lawrence analyzes the subject. David Lawrence, the publisher of U. S. News & World Report, certainly is no radical. In the article, he points out that we are just now giving notice that we are curtailing our information activities in Britain and France. He goes on to point out that those who have argued about our operations there do not realize that there are many newspapers in both countries which do not have money enough with which to pay for their own press services, and they are able to get full statements made by our President and Congressional leaders only through the USIA. Here is what he says:

Meanwhile, the understanding of the American viewpoint by the British and French people is growing. Unfortunately, this is the time selected by some Members of Congress to cut down the services of the United States Information Agency. Over the weekend it was announced from London that the work of the American Agency inside Britain would have to be curtailed for budget reasons. Probably this will happen also with respect to France.

CAN'T AFFORD CABLE TOLLS

Shortsighted Members of Congress have been asking what the need is for information services to those two countries. The answer in part is that most newspapers abroad cannot afford to pay cable tolls on the full texts of America's statements of policy. The United States Information Agency provides these texts free. Also it is important for the United States Information Agency to have representatives on the spot to explain the American viewpoint to editors abroad.

In short, Mr. President, I think this is the worst kind of economy from the standpoint of the interest and national security of the United States. This must be stated.

I hope the President will immediately ask us for supplemental appropriations so this Agency is not dismembered in ways in which it cannot be restored. It must be remembered that it is often not possible to get good people back after they have been sent out into the main stream of commercial activity.

Mr. JAVITS subsequently said. Mr. President, I ask unanimous consent that the memorandum from which I read earlier in the day, in connection with the consideration of the conference report on appropriations for the USIA, be printed in full in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM CONCERNING THE UNITED STATES INFORMATION AGENCY

The undersigned neither hold nor expect in the future to hold any official position with USIA. However, we all have had extensive experience with the United States Information Service. Mr. Dickey was first a consultant and then the Agency's general counsel for upwards of a year in 1953 and 1954. Mr. Thomason has been a consultant for a number of years. He was a member, and Mr. Voorhees was chairman, of a committee which, at the request of the then head of the Information Service, made 4 years ago a study of how it should be organized as a separate agency. The recommendations of this study were adopted.

A year and a half ago, all three of us, at the request of the Director of the Agency (Mr. Streibert), joined in a restudy to determine, after more than 2 years' operation, what organizational and other changes were called for. As a foundation for this, Mr. Dickey spent more than a month full time in interrogation of the key personnel stationed in this country or here on temporary duty during that period. After analysis of this material, and following extensive further studies by Mr. Thomason and Mr. Voorhees, a report and a series of recommendations were made to Mr. Streibert. These recommendations were, we were informed, largely adopted, with successful results. Accordingly, we all have acquired a substantial amount of knowledge concerning the information program, the Agency, and its problems.

Mr. Thomason and Mr. Voorhees also had much information about the weaknesses of the Service when it was a part of State. On account of these, and in an effort to improve the Service, we did all in our power to have it set up as an independent unit. This work was done concurrently with, but of course entirely independently of, the later phase of the year-long study made by the Senate's Hickenlooper committee. That committee, in its report of June 15, 1953, recommended approval of Reorganization Plan No. 8, which separated the Agency—except for the exchange of persons program—from State.

From our collective experience with the Agency as a result of all of the above work, we reached somewhat over a year ago certain conclusions which, we believe, possessed objectivity. Such an objective approach was furthered both because none of us at the time had or ever expected to have any official position, and because our study was made at a period when there was no public controversy whatsoever about the Agency.

As contrasted with the conditions prevailing in the spring of 1953, we found and reported an almost unbelievable improvement. The organization had been tightened up. Morale was high. Able persons had been recruited for key positions. Appointments had obviously been made on merit with little or no regard for political considerations. We found that the staff had uniformly marked enthusiasm for its work, confidence in the importance of the Agency's mission, and pride in participating in it. We repeat that these are not conclusions reached now in the stress of public controversy, but more than a year ago, and which were arrived at with no thought of their being used or needed for the purpose of defense of the Agency or of its budget.

To our mind, one of the salient improvements in the Agency in the last 4 years stems from an organizational setup which is, so far as we know, almost unique in Government agencies with world-wide operations. Under this, the Director and his alter ego, the Deputy Director of the Agency, are represented by four highly mobile Assistant Directors for Latin America, Europe, the Mid-East and Asia, and the Far East, respectively. These men have broad powers, and spend virtually half of their time in the field. They have extensive authority to correct immediately any matters which, during such trips, they find need attention. They find out at first-hand the needs of the Agency's Public Affairs Officers (PAOs) in the respective countries. Their personal reports to the Director in Washington are, therefore, first-hand observations.

As a part of this organizational plan also, the Public Affairs Officer in each country is regarded as the customer, and the function of the media in this country is to supply the services which are required by the field.

This represents a maximum decentralization with a minimum of red tape and Washington organization. Our second study proved that this plan had been very effective.

We should like to stress also that there has apparently been a big stepup in the Russian propaganda program during the last several years, with a corresponding increase in the need for a larger information effort on the part of the United States. The war which we are fighting today is a war of subversion, and we all know the dangers of it. This calls for an even more adequate United States Information Service, and surely makes it imperative that the existing Service should not be weakened at a time of real crisis in the Communist war to subvert the minds of men.

We have noted that Senators who have recently criticized the operation of the program still recognize the importance of the program itself. With this in mind, we stress the fact that we know of no alternative to strengthening the existing organization to the full extent possible. If through crippling cuts, the patient effort which has been made over almost 4 years to build this Agency from a very low start to a much more effective—although of course far from perfect—instrument is reversed, we believe that it would be extremely difficult, if not impossible, again soon to rebuild. The Information Service was under almost continuous criticism for years when it was part of the State Department, and there was great discouragement on the part of its staff and most of those interested in it as the situation stood 4 years ago. With this in mind, another knockdown would be, we believe, disastrous.

We have seen the argument advanced that a $90 million appropriation would be about the average which the Agency has had over several earlier years, and therefore that this should be enough. However, USIA has a much bigger opponent than it had then in the greatly stepped-up Russian propaganda effort. There is also the fact that costs, including mandatory Government salary scales, have gone up so that the same dollars cannot now buy the same end product.

Therefore, we have tried to examine the effect of the proposed cutbacks. The reduction made by the House to $105 million could, we find, be accomplished through omitting certain programs. This, although not desirable, would not be disastrous. But cuts beyond this would mean radical reductions in force. With seniority rights, this in turn means losing able personnel more recently obtained, and expensive and inefficient shifts from country to country of personnel who have seniority rights. The direct impairment in effectiveness and morale from this would be serious enough, but even more critical is the fact that the reintroduction of such uncertainties and lack of stability would make it, we are convinced, almost impossible to recruit the kind of new personnel constantly needed in the future as replacements, or even to keep many of the ablest of the existing staff not affected by the cuts.

In summary, we believe that the issue here is not merely a routine or even a temporary one, but one which seriously affects the security of the United States and its ability to fight the kind of war which the Communists are forcing us to fight every day.

RAYMOND R. DICKEY.
JAMES A. THOMASON.
TRACY S. VOORHEES.

Mr. JOHNSON of Texas. Mr. President, I now yield to the Senator from Indiana.

Mr. CAPEHART. Mr. President, I have always found the majority leader, the Senator from Texas [Mr. JOHNSON], a very hard-working man, and a very hard hitter. I have always enjoyed working with him, because he is a hard hitter. I believe that the RECORD should show that this afternoon he refused to yield to me, although he afterward yielded to some 6 or 7 Senators.

The majority leader is entitled to make a mistake now and then. I know I do, and I know that all of us do. However, I think that the RECORD should show that I do not believe he should have refused to recognize me when I asked him to do so.

I simply rise to say that because I can well understand why the majority leader must control the Senate. Someone must control any organization. I have no objection to that at all. However, I do believe that all of us have a right to speak our minds. I merely wanted the RECORD to show that. I have always found the majority leader to be fair. In this instance he was wrong. Being a human being, he is entitled to be wrong once in a while. I know I am wrong once in a while, too. I assure him that I will cooperate and work with him in every way in the future.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. CAPEHART. I do not have the floor.

Mr. JOHNSON of Texas. I am glad to yield to the Senator from Connecticut.

Mr. BUSH. I am very glad that the Senator from Indiana has raised this point and said what he has said. It is very gracious of him to do it. I should like to make clear, however, for the RECORD, that what the majority leader was doing in yielding to me without losing his right to the floor was exactly what he had done for the Senator from Arkansas. He probably felt that, having done it for another Senator, he should do it for me, because otherwise there might appear the semblance of discrimination.

Mr. CAPEHART. That is what I objected to, that he did not do it for me. I have had my say. I have said that he is entitled to make a mistake once in a while.

Mr. BUSH. I think that the majority leader had a prior understanding with respect to yielding, and that is the only reason he did it. I am very glad to have cleared up that point.

Mr. JOHNSON of Texas. I appreciate the observation of both of my friends. I had an agreement with the Senator from Connecticut that I would yield to him. Then I asked unanimous consent that I might yield to the Senator from Indiana even before the Senator from Indiana could ask me to yield to him. I have just finished yielding to him again. If I have offended him in any way by not yielding to him first or giving him priority, I am sorry, and I extend to him my deep regrets.

Mr. President, I now yield to the Senator from Kentucky. I may say to him that there are some Senators on his side of the aisle, and perhaps on this side of the aisle also, who have a very important engagement around 1 o'clock. I have agreed also to yield to the Senator from Oregon. However, I yield first to the Senator from Kentucky.

Mr. COOPER. I shall conclude my remarks long before 1 o'clock.

At the time the bill was considered by the Senate, I joined several other Senators in the position that the cut recommended for the USIA was too great and that it would interfere seriously with the activities of the USIA. It is very difficult for us to appraise the activities of the USIA, because by its very nature, its results are not concrete. On the other hand, I believe it is possible to look at the various functions of the USIA, determine whether necessary and valuable functions have been restricted or denied by the conference. I know that members of the committee had the opportunity to study the various activities of the USIA, and that it is difficult for those of us who are not on the committee to speak in detail of them when we do not have the information of the committee.

However, I did point out in my speech in the Senate at the time the bill was being considered that it was not difficult for any of us to know that, if the cuts proposed by the committee was maintained, valuable programs of the USIA would be either reduced or eliminated. Among these, the dissemination of straight news through the press services of the USIA will be reduced, in my view.

Second, I believe that the low-cost book program, designed to give some understanding of the institutions, the thought and literature of our country to people around the world, particularly in the newly developed countries of Asia and Africa, and even Latin America, was being restricted or denied.

Third, that the opportunity for the expansion of libraries, which hold great interest in these countries, would be seriously restricted in Asia and Africa.

I have held grave doubt about any activity of the USIA which might be considered propaganda, in the sense of the popular definition of propaganda. But I believe the dissemination of straight news, the provision of libraries, and the provision of the literature of the United States are of greatest value in bringing to other people an understanding of the institutions, and life of the United States.

I noted the distinguished majority leader's statement that it is proposed to institute a study of the operations of the USIA, so that when the question arises next year there will be a clear idea of its functions and its value. I urge the Senator to take into account the fact that programs which deal with the straight news services of our country, which deal with literature, books, and libraries, can be of great value in creating better relationships with other countries, particularly the newly independent countries of the world. In countries which will be governed for years by representatives of the educated classes, we must give them, and particularly their students, access to our thought—for what is known about us as a matter of truth and fact is the best way to help in understanding between countries. The people of other countries are very quick to discern that which is purely propaganda and that which is truth.

I must come back to the position I took when the bill was before the Senate. Whatever were the desires and purposes

of the committee, I believe a great mistake was made when the committee reduced the opportunity of sending to the people of the countries of Asia and Africa the literature of our country, the press services of this country, and the libraries to which their students and those who are hungry for education throng.

Furthermore, I think a great mistake was made in denying the funds which would extend programs to reach into Africa and Asia.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. JOHNSON of Texas. First of all, the Senator is unfamiliar with what the committee did. We did not disallow any request for Africa or Asia. On the contrary, we insisted that the USIA transfer some of its personnel in Western Europe, which at present is more than 3,000, to those areas. We did the same thing last year. We thought they were topheavy with personnel in the European theater. We thought they could very properly and appropriately transfer some of their personnel to new areas. We have suggested that they do so.

I may say, in connection with the Senator's statement, that the administration decreased the appropriation for USIA by $38 million in the first year of the great crusade inaugurated by the Senator's own President and the Senator's own party. In the second year of this administration, USIA received only $79 million. The third year, they got only $87 million. The only time the USIA received more than $90 million since this administration came into office was when the Senator from Texas came upon the floor of the Senate and pleaded with the Senate to give the Agency another trial to pursue the very programs about which the Senator from Kentucky is talking.

If the Senator will go back and read the RECORD of the time the appropriation bill for this Agency was considered last year, he will find many Senators then questioned the wisdom of increasing the amount for this Agency above what it had been for 3 years.

If the party of the Senator from Kentucky could reduce the program by $38 million in 1 year, I see no reason why the committee cannot use the best standards available to it. That is a matter of judgment.

The judgment of the USIA was that it would have liked to have $156 million. But the President reduced that amount by $12 million in his budget. After the Agency representatives testified in the House, the House reduced the amount to $106 million. I will not venture to say what action would have taken place if there had been a yea-and-nay vote on the matter in the House.

The conference report now provides $96 million for this Agency. That is more than it has had for 3 of the past 4 years. It is more than the Agency had in either of the 2 years when the party of the Senator from Kentucky was in control of Congress. It is more than in any year except when the Senator from Texas came before the Senate and asked that the Agency be given another trial. I must say that I am disappointed in the action of the Agency which followed.

The chairman of the House group which must pass on these requests made a statement in 1955. I call it to the attention of Senators.

An article published in the Daily News of October 26, 1955, quotes Chairman ROONEY, commenting after a trip abroad, as saying that:

> The United States Information Agency is "more interested in propagandizing the American public than in combating communism abroad."

The New York Times of of October 26, 1955, stated:

> Representative JOHN J. ROONEY • • • described the United States Information Agency yesterday as "futile." He said it was more interested in propagandizing the American people than in combating communism abroad.

Of all the speeches I have heard defending the USIA, I do not believe there has been one which has been made by a Senator who heard the testimony. I do not believe there is a Senator from either party who sat in the room, or a reporter who covered the hearings, who failed to recognize that the USIA not only had not justified the budget request, but had not justified what it had received for the current year.

I appeal to Senators who take the public position that we are making drastic reductions in the Agency to recognize the fact that we are giving the USIA more than it has had for 3 years out of the past 4.

We have given them more than they received in either of the 2 years when the Senator's party controlled Congress. I heard no speeches from the Senator from Kentucky, who was then a Member of the Senate, denouncing the Appropriations Committee, which was then headed by the Senator from New Hampshire [Mr. BRIDGES], or denouncing, the first year, the late majority leader, Senator Taft, and the next year the present minority leader, the Senator from California [Mr. KNOWLAND].

The appropriation for the USIA was reduced to $79 million before it started to go up again under the Democrats. I do not say that with a great deal of pride, although I did have hope at the time that the Agency would be guided by the direction of Congress.

I say to the Senator from Kentucky that if Mr. Larson and Mr. Washburn will spend a little of their time fighting communism, and not so much of their time fighting the Committees on Appropriations of the respective bodies, I think they will be more successful with the information program.

Mr. COOPER. I am not here as a special pleader for the USIA or for Mr. Larson or Mr. Washburn. I have taken my position because I believe that the action of the committee in restricting particular functions—the ones I have mentioned, which I considered to be straight, clear information and truth—was unwise.

Mr. JOHNSON of Texas. The committee took no such action.

Mr. COOPER. The action of the committee is harmful, not particularly to the USIA, but to the best interests of the United States. In saying that, I make no derogatory judgment of any sort regarding the purposes of the committee. But as one Member of the Senate, I say that action was unwise and could be harmful to the best interests of our country. I base that judgment chiefly on the following broad consideration: In Asia and Africa, whose people have had no association with our country, and who know little about our institutions and policies—even though we sometimes act as if we think they do—if we fail to take advantage of the opportunity to inform them about our policies and our programs and our free institutions, I think we shall be making a great mistake.

Mr. JOHNSON of Texas. Mr. President, we did no such thing.

Mr. COOPER. I realize that the Senator from Texas says the committee did not. However, when we were discussing the matter on passage of the bill I noted that the committee by its action cut off or prevented the extension of activities in Africa.

Mr. JOHNSON of Texas. Not at all; the Senator from Kentucky is completely, 100 percent, in error.

Mr. COOPER. In what respect?

Mr. JOHNSON of Texas. In saying that we have directed the Agency to curtail its activities in Africa or Asia. The Senator from Texas has assured the Senator from Kentucky that we have done no such thing.

Mr. COOPER. But the amounts requested by the USIA would have allowed it to extend its activities to other countries in Africa.

Mr. JOHNSON of Texas. Mr. President, the USIA requested $156 million. If that amount had been granted, I do not know what the USIA would have done with it. But the committee reached the conclusion that the USIA could do an effective job with $96 million; and the Agency is not bound to spend that money in Asia or Africa, but it is not prevented from doing so either. That is a matter entirely within the judgment of the Agency; and the $96 million is more than the Republican Congress allowed the Agency in either year that the Republicans controlled the Congress.

Mr. COOPER. That may be true, but it does not bear upon this issue.

Mr. JOHNSON of Texas. If the President of the United States thought he could get along with $79 million and $84 million and $87 million for this agency for 3 years out of 4—and during those years we had a reasonably effective program—then what better standard can we have by which to judge the future, than to use the experience of the past?

Mr. COOPER. The amount available last year permitted certain activities to be carried on. It is only logical to conclude that if that amount is reduced, that will mean, first, that some of the activities of the agency must be discontinued and, second, that no new activities can be undertaken by it.

Mr. JOHNSON of Texas. That does not follow at all. The agency has

already, as a part of its propaganda on the conference report, served notice that it is releasing 30 employees in London. That does not mean that it cannot hire 10 new ones in Africa. As a matter of fact, the committee hopes that will be done—that the agency will emphasize these new areas, where we believe we need better operations than we have had. The Senator from California very clearly pointed that out in the statement he made the other day. He said that after we have done a reasonably good job in the European theater, we believe we should shift our emphasis to other parts of the world.

The agency already is discharging some of its employees in the European theater. We think it has too many; it has between 3,000 and 4,000 employees. The agency operates approximately 65 libraries in Western Europe. We think the number of those employees should be curtailed and some of them should be transferred, and we think that is what the agency is in the process of doing now.

But not one thing in the conference report or in the bill provides that the Agency cannot increase the number of its employees in Asia and Africa, if it finds that desirable. I am not going to recommend that the Agency increase its employees anywhere, because from all the reports I have received, the Agency has had too many employees in almost every place. But certainly the USIA is not precluded from doing so; and it is very unfair to say that by this appropriation we shall have kept the Agency from employing some additional persons in Africa. Such a statement is unfair, because it is not true.

Mr. COOPER. I do not state that the pending measure will prevent the employment of anyone. I am not interested in that.

Mr. JOHNSON of Texas. Was not that the effect of the statement the Senator from Kentucky made?

Mr. COOPER. I simply question whether this reduction would make it impossible to carry on its necessary program activities—and I named the activities—and where necessary, extend them in Asia, the Mideast, and Africa.

Mr. JOHNSON of Texas. In my opinion, the answer is "No." This measure would not prohibit the Agency from carrying them on. On the contrary, it would give the Agency ample funds to permit it to do what it wishes to do in the areas the Senator from Kentucky has discussed and in the fields of activity he has discussed.

Mr. HUMPHREY. Mr. President, will the Senator from Texas yield to me?

The PRESIDING OFFICER (Mr. MONRONEY in the chair). Does the Senator from Texas yield to the Senator from Minnesota?

Mr. JOHNSON of Texas. I yield.

Mr. HUMPHREY. I wish to understand, for the RECORD, whether the funds provided will make possible the construction of a suitable transmitter in the Mediterranean and the Mideast area.

Mr. JOHNSON of Texas. They will.

Mr. HUMPHREY. And it will not in any way be limited or curtailed, but is provided for, so it can be undertaken; is that correct?

Mr. JOHNSON of Texas. It is.

Mr. HUMPHREY. Furthermore, as I understand, the conference report does not impose any limitation on the use of funds for library services, visual aids, and mobile library services which are under way in some of the countries; is that true?

Mr. JOHNSON of Texas. In that respect, there is no limitation on the Director. That work can be carried out.

Mr. HUMPHREY. So the committee has not served notice on the Director or the Agency to curtail or eliminate any particular function, in order to meet the budget; and the use of those funds is left up to the responsible administrative officers; is that correct?

Mr. JOHNSON of Texas. I would say that is generally true, the only exception being that $350,000 was earmarked for private radio broadcasting purposes. So it is purely a matter for the judgment of the Director and those with whom he is associated.

Mr. HUMPHREY. I am sure the Senator from Texas knows that I have great concern, as other Senators have, with the effectiveness of the USIA. I should like to have the RECORD show that I think there has been a decided attempt on the part of our representatives in this Agency to do a good job.

I must confess that I was very much concerned about the colloquy this morning in regard to the number of the members of the press hired throughout the United States by the USIA, without saying at the same time that such persons are capable—and they are capable—and honorable—and they are honorable. I have definite feelings about this matter, and I expressed them privately to my friend, the Senator from Oregon [Mr. NEUBERGER].

However, instead of continuing this discussion, let me say that I asked the United States Information Agency for certain information in regard to some of the questions asked in the Senate subcommittee hearings and in the hearings of the full Senate Appropriations Committee, particularly in the case of the employment of persons in the Beirut, Lebanon, printshop, and in the Manila printshop, and also in regard to the activities of the Communists and their propaganda activities, together with other items. I ask unanimous consent to have that analysis of the Communist propaganda activities, an analysis of certain employment figures, and also an analysis of the USIA wireless competition with American commercial services, printed at this point in the RECORD, as a part of my remarks.

There being no objection, the memoranda were ordered to be printed in the RECORD, as follows:

COMMUNIST PROPAGANDA ACTIVITIES 1956—A SUMMARY

Radio (all figures in hours per week):

Russia increased 19 percent in broadcast time, to 2,097 hours per week. (Comparative VOA figure: 1,139 hours.)

Russian output to Near East doubled (from 14 hours to 28½).

Spanish to Latin America, up 50 percent.

Satellite programs to Latin America went from 20 minutes in 1955 to 19½ hours per week in 1956.

Red China began 3½ hours per week (in English) to Egypt and Central Africa.

Comparison bloc output versus Voice of America

[Hours per week]

To	Bloc, 1955	Bloc, 1956	VOA, early 1957
North America	120	242¾	0
Europe	(1)	961	[2] 556½
Near East, south Asia, and Africa	229	241½	192½
Far East	(1)	414	262
Latin America	(1)	72	6½

[1] Not available.
[2] Voice of America figure includes U. S. S. R. and satellites.

Films:

One hundred and ninety-two feature films produced in 1956, up 30 percent, of which Russia produced 65 and has announced quota for 1957 of 120.

Moscow began producing in June 1956 a monthly newsreel in 30 languages.

In 1956 the bloc produced in all an estimated 500 documentaries and newsreels, a small increase over 1955. Plans for 1956, however, to celebrate 40th anniversary of October revolution, include 500 million rubles (about $125 million at official rate of exchange) allocated for films (primarily documentaries).

Bloc countries captured 13 out of 22 awards in last Venice Film Festival, and 36 out of 179 awards at Edinburgh Film Festival.

Publications:

Soviet Union produced 613 new book titles (100 or more pages) in 27,636,000 copies in free-world languages in 1956.

Breakdown by principal languages:	*Copies*
Arabic (7 titles)	27,250
Urdu (5 titles)	59,500
English (240 titles)	7,743,000
French (118 titles)	2,260,500
German (151 titles)	16,990,100

Soviet 1956 figures for publishing of translations not available, but 1955 total of titles translated into non-Soviet languages was 29.7 higher than in 1954, including increases of 300 percent into Arabic, 150 percent into Urdu, and 82 percent into English.

Wire services:

Communist wire services and news agencies, official appendages of the total propaganda effort, stepped up activities during 1956. New China News Agency opened up in Cairo and expanded in Damascus and Kabul. TASS expanded in New Delhi, Karachi, Bangkok, Djakarta, Beirut, Cairo, Copenhagen, Kabul, Phnom Penh, and Helsinki. TASS in India doubled size of its fortnightly magazine, Soviet Land.

In Beirut alone, the estimated 1956 cost of TASS, VOKS, Cultural Center, and Najah Press (which issues a weekly magazine in Arabic), was $410,000.

Exchange of persons:

Increased 40 percent in 1956, as number of governmental, cultural, and sports delegations traveling to and from the orbit jumped from 1,317 to 1,810. This includes a 100 percent increase in travel to and from Near East, south Asia, and Africa.

International fairs:

Communist country exhibits in international fairs in free world countries:

1954	$10,000,000
1955	38,000,000
1956 (approximately)	100,000,000

Reds participated in 93 international fairs in 1956, a jump of 36 percent over 1955.

ANALYSIS OF SENATE RECORD ON UNITED STATES INFORMATION AGENCY FISCAL YEAR 1958 APPROPRIATION REQUEST

Criticism:

That USIA employed too many people in Ethiopia.

"We found 2 USIA officers and 12 "locals" in Ethiopia, a country of 12 million people, where fewer than 100,000 speak, write, or read English, and where there are only 4 newspapers—2 weeklies and 2 bidailies—and 2 radio stations. The USIA said it had hired an assistant and needed 8 more locals to help propagandize 2 weeklies and 2 bidailies." (P. 6964 of the CONGRESSIONAL RECORD, May 15, 1957.)

Analysis for the record: (See testimony of Huntington Damon, Assistant Director, USIA, pp. 1162–1167).

1. Mr. Damon testified in detail on the activities of the USIA mission in Ethiopia. He pointed out that the mission there not only provides news to 4 newspapers and 2 radio stations in Addis Ababa, but supervise 4,000 volume library in Addis Ababa with an annual attendance of approximately 50,000 and a reading room in another city. It displays exhibits and motion pictures throughout the country of approximately 400,000 square miles. It handles the exchange-of-persons program for Ethiopia, publishes a daily news bulletin, and puts out a monthly pictorial publication about economic developments in Ethiopia. The American officials travel around the country maintaining personal contact with the top provincial officials.

2. In addition to what appears in the RECORD it is worth adding the following:

(a) The mission puts out a small illustrated daily newspaper called the "News Item". This goes to over a thousand Government leaders, schools, and other individuals and institutions throughout Ethiopia.

(b) In the last week of March, 123 motion pictures were loaned out, chiefly to schools, of which the film "Out of Hungary to Freedom" was the most popular. Films have been shown and materials given directly to the Emperor and his cabinet.

(c) In addition to the 4 newspapers mentioned by Senator JOHNSON the mission serves 11 newspapers in Eritrea.

3. It is also worth noting that Ethiopia is a country of almost 400,000 square miles and 20 million people. The total United States aid program for Ethiopia last year was $58 million. The USIA budget was about $110,000 in fiscal year 1957.

Criticism:

That USIA could not show that its programs were effective.

"We tried to find out whether the programs of the USIA were effective. The reply was that this year will offer a glorious opportunity to combat Communist imperialism.

"The committee consists of reasonably patient, reasonably experienced, and reasonably understanding men. But I doubt whether a single member felt that he had been given facts that demonstrated the effectiveness of USIA. If I am wrong, I shall be glad to be corrected." (P. 6964 of the CONGRESSIONAL RECORD, May 15, 1957.)

Analysis of the record:

1. Measuring the effectiveness of the Agency's programs is just about the most difficult job the Agency has. There is no objective way by which to ascertain how much influence Agency activities have had on individual or public opinions. The Agency does take public opinion polls (see p. 816 of the Senate hearings), and it does analyze mail from radio listeners, but it is faced with an inherent difficulty of obtaining objective evidence of subjective attitudes.

2. Nevertheless, the record shows that there were many instances during the Senate hearings where Agency officials tried to analyze the effectiveness of particular programs.

The effectiveness of the low-priced book program was discussed at pp. 497–8 of the Senate hearings. On p. 499 Mr. Larson discussed the effectiveness of motion pictures on visits to United States of heads of other nations such as Sukarno, Nehru, and Ngo Ding Diem. On p. 500 he told of how Nenni, the Italian left-wing Socialist leader, long a follower of Communist party line, first learned about the notorious Krushchev speech attacking Stalin through USIS. The Agency's efforts and their effectiveness in correcting distortions and sensationalism in the European press concerning the Autherine Lucy case was discussed at length and a special memorandum was inserted in the record. (See pp. 806–13 of the Senate hearings.) The effectiveness of the Agency's exhibit on the "open skies" disarmament proposal was set forth at pp. 816–17 of the Senate hearings. The fact that USIS is the second most important source of information about America for West Germans was discussed on p. 819. The effectiveness of the Sukarno film in Indonesia, seen by over 10 million people, was noted at p. 1212 of the Senate hearings.

Criticism:

The USIA wireless file competes with American commercial wire services like the United Press, Associated Press, and the International News Service.

"What was most disappointing was the competition of the Government press service with private industry. We issued warnings, and we admonished. We placed in the law a provision that the Government press service must not compete with existing news agencies.

"What did the Agency do? It added 200 employees, in defiance of the most generous friend the Agency has had." (Page 6964 of the CONGRESSIONAL RECORD, May 15, 1957.)

Analysis of the record:

1. The question of competition between the USIA news file and commercial news services (INS, AP, UP) has been gone into at great length on many occasions. (See p. 513 et seq of Senate hearings.)

(a) The Agency submitted a full written statement on the matter for the record. (See p. 864 of the Senate hearings.)

(b) The commercial news services themselves were asked to comment. Their letters appear in the record (see pp. 1234–1235 of the Senate hearings). Associated Press and International News Service stated clearly that there was no competition. Only the United Press complains about the Agency's news file.

Criticism:

That USIA added 200 employees to its Press Service last year even though it had been criticized for competing with private services.

"They used a large portion of the increased appropriations to add 200 additional people, an increase of 33 percent, to the Press Service that competes with the United Press and others in the foreign field. I consider that not only disappointing, but almost insulting to the Senate.

"What do they propose to do this year? This year they want not 684, not 887, but despite all the storm that is brewing, and with all the clouds that are hanging over them, they have come before the committee to say, 'We are not satisfied with 684 or 877, we want 930 for the Press Service.'" (P. 6969 of the CONGRESSIONAL RECORD, May 15.)

Analysis of the record:

1. The Agency's Press Service is one of the main administrative divisions of the Agency and is in reality a press, publications, and printing service. By far the greatest part of its resources go into supplying pamphlets, periodicals, and other printed materials, plus paper and other printing supplies for the programs of the individual posts. Agency justifications are clear on this point. It is dealt with in testimony beginning at page 1229 and continuing through page 1239.

As indicated in testimony, most of the personnel of the Press Service are actually engaged in the production of publications of various kinds. The largest single group is employed in the two regional printing centers in Beirut, Lebanon, and in Manila, Philippines, which do all the printing and publications work for USIA posts in the Near and Far East.

Others in the Press Service put out pilot pamphlets for adaptation and use by field posts, such as an illustrated pamphlet on the United States "Open Skies" disarmament proposal. Other items produced include cartoon strips, feature articles, and photographs which are used for placement by overseas posts. A major new function is the production of the Russian language magazine, America Illustrated.

Between fiscal year 1956 and 1957 no new employees were added for the purpose of expanding the wireless file, which puts out texts of official speeches and other materials used by posts overseas, and which is the operation occasionally criticized as competing with private news sources.

2. The figures given in the above quoted statement are not accurate. Last year, the Agency requested 840 positions for the Press Service.

Primarily because the publication of America Illustrated [1] was undertaken during fiscal year 1957, the Agency initially increased the number of authorized positions in the Press Service to 877 during the course of the year. However, 42 of these positions were eliminated before they were filled, and the Agency actually added 151 positions to the Press Service, instead of the 200 referred to in the statement. (See p. 845 of Senate hearings.)

Of the 151 increase, approximately 100 were for the regional printing centers in Lebanon and the Philippines. The balance were for America Illustrated (37), for the production of so-called pilot pamphlets, which are prepared centrally and then sent to field posts for local adaptation and printing in numbers required (4), and the balance for several functions, including a central reproduction shop (mimeographing and multilithing) which is operated by the Press Service for the Agency as a whole.

Mr. NEUBERGER. Mr. President, I should like to conclude my part of the discussion regarding the practice of the United States Information Service to employ, from time to time, journalists on the staffs of various United States newspapers, in order to have them write various articles and essays used by the United States Information Agency.

I was pleased to hear the able Senator from Texas announce that he was withholding judgment until a further examination of the matter could be made. I believe that is an advisable policy. In my opinion, the average journalist is honest and ethical, and I do not believe his political views will necessarily be influenced by what he has written for the United States Information Agency.

As I stated previously, undoubtedly some Members of the Senate continue associations with legal firms that enjoy retainers from corporations and other groups which have contacts and problems with the Federal Government. However, I would not like to think that Senators were unduly influenced by that situation.

[1] Russian language pictorial for distribution in Soviet Union.

The Senator from Texas said we should note the geographical distribution of the newspapermen employed. I would remind him—and I am sure he would agree with me on this point—that if the United States Information Agency is to present abroad an accurate picture of life and culture in the United States, it is necessary that those who provide that information and material be selected somewhat on a broad geographical basis, so that the entire nation—throughout its length and breath—will, as a result, be portrayed.

In conclusion, I would add this one comment. I believe the tendency of this kind of employment must be analyzed, when we examine it for any possible sinister purposes or any result which would jeopardize a free press in this country. If the men were employed to write political tracts, to write material favorable to the United States Information Agency, to take a side in partisan politics, I think that is one thing, and I certainly disapprove of it. If they were hired merely to portray what life is like in the United States—whether it is about athletics, music, geography, recreation, scenery, or wildlife—I would say that is quite a different thing than employing them to take a side in some partisan political matter, to urge some particular Government appropriation, or to take the side or slant or bias of some particular agency.

Mr. JOHNSON of Texas. The Senator is aware, of course, of the Agency head's reputation in that regard, is he not?

Mr. NEUBERGER. I am perfectly aware that the so-called No. 1 "modern Republican" heads the United States Information Agency. I think the President of the United States made an error in placing at the head of that certain Agency someone who is as partisan and as political a figure as is Mr. Larson.

Mr. JOHNSON of Texas. I am not talking about the President's right to appoint him; I am talking about what he said on political subjects since he has been in the Agency. The Senator from Oregon was talking about persons writing on political matters. I am asking the Senator whether he is aware that Mr. Larson has been expressing his political views since he has been in the Agency.

Mr. NEUBERGER. I am quite familiar with that fact. I am not familiar with the list the Senator from Texas has, because I have not seen it, but it is my hope that these journalists or writers have not been employed to write political tracts or partisan material.

Mr. JOHNSON of Texas. So far as the Senator from Texas is aware, that is not the case, and he made no such statement.

Mr. NEUBERGER. I am pleased to hear that. I know the Senator from Texas will look into the matter judiciously and fairly, because that is the way he searches into everything. I was glad to learn that the Senator from Texas is withholding final judgment in this situation.

Mr. JOHNSON of Texas. Mr. President, in response to the question of the Senator from Minnesota, I stated, so far as I recall, there was a provision in the bill that required the USIA to spend not less than $350,000 for private radio broadcasting purposes in South America. We expect them to expand the coverage in that area.

We provided funds necessary to begin construction of the transmitter in which the Senator from Minnesota was so interested.

The conferees agree in principle with the position taken by the House committee with respect to the level of radio broadcasting activities.

We also felt the Agency could properly use the new medium of television. We hoped it would place maximum reliance on private programs, particularly where television goes behind the Iron Curtain. We doubted the wisdom of its trying to go into the producing business, so as to become a second Hollywood.

We are concerned that the Agency is using more than 40 percent of its money for employees in personal services. We are concerned that the Agency seems to employ more people in Western Europe each year, instead of fewer. Instead of shifting emphasis, the Agency wants to employ more than were employed in the highest year, instead of the average for all the years or the number employed in the lower years.

How far we can go in increasing the appropriation, I do not know; but I hope the Foreign Relations Committee will make a careful study of the work of this entire Agency and will come up with a legislative recommendation for the Congress.

I assure the Senator that no Member of the Congress is more interested in an effective information service, and to make certain that correct information will be disseminated to all corners of the world, and that we will be pictured in the true light. I do not think that is being done at the present time.

Mr. President, if there are no further statements to be made, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. PASTORE in the chair). The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, may we have the yeas and nays?

The PRESIDING OFFICER. The question is on agreeing to the conference report. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. ERVIN], the Senator from Missouri [Mr. HENNINGS], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MANSFIELD], the Senator from Michigan [Mr. MCNAMARA], the Senator from West Virginia [Mr. NEELY], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON] is absent holding hearings for the Senate Interior Committee.

I further announce that if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. ERVIN], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MANSFIELD], the Senator from West Virginia [Mr. NEELY], and the Senator from Alabama [Mr. SPARKMAN] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Vermont [Mr. AIKEN], and the Senator from New Hampshire [Mr. BRIDGES] are absent on official business.

The Senator from Indiana [Mr. JENNER], the Senator from North Dakota [Mr. LANGER], and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Kansas [Mr. CARLSON], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

If present and voting, the Senator from New Hampshire [Mr. BRIDGES], the Senator from Kansas [Mr. CARLSON], the Senator from Maine [Mr. PAYNE], and the Senator from Massachusetts [Mr. SALTONSTALL] would each vote "yea."

The result was announced—yeas 75, nays 2, as follows:

YEAS—75

Allott	Fulbright	Morse
Barrett	Goldwater	Morton
Beall	Gore	Mundt
Bennett	Green	Murray
Bible	Hayden	O'Mahoney
Bricker	Hickenlooper	Pastore
Bush	Hill	Potter
Butler	Holland	Purtell
Byrd	Hruska	Revercomb
Capehart	Humphrey	Robertson
Carroll	Ives	Russell
Case, N. J.	Jackson	Schoeppel
Case, S. Dak.	Johnson, Tex.	Scott
Chavez	Kefauver	Smathers
Church	Kennedy	Smith, Maine
Clark	Kerr	Smith, N. J.
Cooper	Knowland	Stennis
Cotton	Kuchel	Symington
Curtis	Lausche	Talmadge
Dirksen	Long	Thurmond
Douglas	Malone	Thye
Dworshak	Martin, Iowa	Watkins
Ellender	Martin, Pa.	Williams
Flanders	McClellan	Yarborough
Frear	Monroney	Young

NAYS—2

Javits Neuberger

NOT VOTING—18

Aiken	Hennings	McNamara
Anderson	Jenner	Neely
Bridges	Johnston, S. C.	Payne
Carlson	Langer	Saltonstall
Eastland	Magnuson	Sparkman
Ervin	Mansfield	Wiley

So the report was agreed to.

RESIGNATION OF SECRETARY OF THE TREASURY GEORGE M. HUMPHREY

During the consideration of the Conference report on House bill 6871.

Mr. BUSH. Mr. President, I should like to advert to another matter, which I hope may appear in the RECORD not in

sequence here, because it does not relate to the pending business.

I invite the attention of the Senate to a news dispatch which has just been handed me, which says that the Secretary of the Treasury Humphrey resigned today and that President Eisenhower nominated Robert B. Anderson, former Secretary of the Navy, as his successor.

Mr. President, this means the loss of a very great man to the Cabinet of the President of the United States. I have had the very great privilege of the friendship of this man for many years, even before he came to Washington, but my estimate of him has increased enormously since he has been the Secretary of the Treasury. He has been referred to by men in both parties, and by writers who both favor and disapprove of the Eisenhower administration, as the strong man of the Cabinet. Indeed, he has been a very strong man in the Cabinet.

Secretary Humphrey has been an excellent witness before the committees of the Congress of the United States. Whether the Senators agreed with him, or whether the Representatives agreed with him, they have all agreed with each other that he has been honest, forthright, clear, and steadfast in his views, as he has expressed them before the committees of both the House and the Senate. He did much to arrest the inflationary trend which was plaguing this country at the time of the 1952 election. He has stood solidly behind, at most times, the Federal Reserve Board, which, in its objective and independent way, has done a great deal to arrest the inflationary trend in this period. He introduced, and laboriously presented to the Congress, a tax revision bill which was passed in 1954, which resulted in the largest tax reduction ever given to the people of the United States, a tax reduction in one bill of approximately $7.4 billion.

Now he has chosen to retire to private life. Mr. President, I could not fail, because of my great respect for him, and my high appraisal of his value as a servant of the people of the United States during his incumbency in the Cabinet, to express these views this morning.

I notice also that Randolph Burgess, who has been the Under Secretary of the Treasury, will retire. I feel that by his retirement the Government will lose another very valuable public servant. Probably no man could have been better fitted by experience for his work as Under Secretary than was Randolph Burgess. He had spent many years in the Federal Reserve Bank of New York, and later was an officer and director of one of the great banks of the United States, now known as the First National City Bank of New York. I also express my regret that this very estimable gentleman is to give up his position in the Treasury Department.

Finally, Mr. President, on this subject, I may say that I regard with most favorable approval and anticipation the appointment of Robert B. Anderson, formerly of Texas and now of Connecticut, as the new Secretary of the Treasury. If I may have the attention of the majority leader, I should like to say to him that we in Connecticut have welcomed the residence of this great citizen, who left Texas to move east for personal reasons. It is very gratifying to me, as a close neighbor of Robert Anderson in Greenwich, Conn., to realize that he has been selected by the President to become the next Secretary of the Treasury. His distinguished record in Washington during the earlier days of this administration, as Secretary of the Navy and then Deputy Secretary of Defense, speaks for itself. He has earned already the respect and admiration of this community, and, I believe, of the Members of Congress in both parties.

Mr. President, I wish to thank the distinguished majority leader for his courtesy in yielding to me.

Mr. BYRD. Mr. President.

Mr. JOHNSON of Texas. I yield to my friend, the Senator from Virginia.

Mr. BYRD. Mr. President, I very deeply regret the resignation of Secretary of the Treasury, Mr. Humphrey. As a member of the Senate Committee on Finance and as the Chairman, I have been closely associated with Mr. Humphrey for the past 5 years. I regard him as a man of great ability and of superior patriotism. He has rendered outstanding public service and will be sorely missed.

I have known well his successor, the former Deputy Secretary of Defense, Robert Anderson. I regard him as well qualified, and an excellent choice for the position of Secretary of the Treasury.

REQUEST FOR UNANIMOUS CONSENT FOR THE COMMITTEE ON RULES AND ADMINISTRATION TO MEET TODAY DURING THE SESSION OF THE SENATE

Mr. JAVITS. Mr. President, the Committee on Rules and Administration did not furnish its agenda this morning, which included certain amendments to rule XXII of the Senate rules. Therefore, I ask unanimous consent that the committee may meet this afternoon, during the session of the Senate.

Mr. TALMADGE. I object.

The PRESIDING OFFICER. Objection is heard.

PROGRAM TO SAVE NATURAL RESOURCES OF THE KLAMATH INDIAN RESERVATION AND TO DO EQUITY TO INDIANS

Mr. NEUBERGER. Mr. President, as chairman of the Indian Affairs Subcommittee, I am attempting to save the vast natural resources of the Klamath Indian Reservation and, at the same time, to do justice and equity to the Indian families whose welfare is involved.

Toward that end, I have introduced—for my senior colleague [Mr. MORSE] and myself, Senate bill 2047, which sets up an orderly program for husbanding these resources under effective custodianship, and also reimbursing the Indians adequately.

I am happy to report to the Senate that this bill of ours has been endorsed by two prominent newspapers of my State—the Bend Bulletin and the Oregonian, of Portland. Their editorials of May 10 and May 25, 1957, are entitled, respectively, "Klamath Termination Proposal" and "Klamath Program Sound."

Particularly, I wish to call attention to the concluding paragraph in the Oregonian's editorial, which emphasizes that the liquidation bill of 1954 was perhaps unduly hasty and jeopardized the tribal lands and timber of the reservation, as well as imperiling the economy of southeastern Oregon.

I ask unanimous consent that both editorials be printed at this point in the body of the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Bend (Oreg.) Bulletin of May 20, 1957]

KLAMATH TERMINATION PROPOSAL

Senator RICHARD L. NEUBERGER has come up with the only legislative proposal to see the light of day regarding the final disposal of the lands of the Klamath Indian Reservation.

NEUBERGER's proposal, announced in Washington, Thursday, provides that the lands of the reservation shall be divided into three classifications. One class is for timber lands, one class is for marsh lands and one class is for farming lands.

Under the NEUBERGER pitch, timber and marsh lands will be bought by the Federal Government. Farming lands will be appraised and sold to the highest bidder.

Timber lands will be turned over to the United States Forest Service for management. Marsh lands will go under the jurisdiction of the Fish and Wildlife Service.

This newspaper has been long worried about the Klamath termination, and what it will do to the timber and the members of the tribe.

NEUBERGER's proposal is the most sensible to see the light of day. We hope it can be adopted by Congress without the too-long delays which sometimes characterize congressional action.

[From the Portland Oregonian of May 25, 1957]

KLAMATH PROGRAM SOUND

Orderly disposal of tribal forests and lands of the Klamath Indian Reservation to assure protection and perpetuation of all natural resources as well as proper payment of the Indians who choose to sell is the goal of legislation now in Congress. It is essential that Congress complete action on two bills introduced by Senators NEUBERGER and MORSE at this session.

The legislation will put into effect the recommendations of a team of management specialists that surveyed the situation after Congress acted too hastily on the Klamath liquidation bill.

Senate bill 469, adopted in that body this session, will delay liquidation of reservation lands and timber until the end of the second session of the 85th Congress. The House should accept this delay without crippling amendments.

Senate bill 2047, introduced this month, would prevent helter-skelter sale of Indian lands and forests to private buyers with such consequences as these: Destruction of the sustained yield program of logging of Indian timber, which has accounted for 24 percent of the lumber cut in the Klamath Basin; dumping of around 2,700,000,000 of the 3,800,000,000 board feet of tribally owned timber suddenly on the market, with consequent depression of prices and ruinous effects in the industry; loss of 70,000 acres of the finest waterfowl nesting area of this region; and serious depletion of the water supply on which Klamath Basin agriculture depends.

S. 2047 provides for Federal purchase of the tribal lands and forests and full payment within a year of the 70 percent of the Indians who wish to withdraw from the reservation. It provides further, for:

1. Transfer of timberlands to the national forests within the Department of Agriculture, from which consolidation continued sustained yield cutting would be permitted—this providing an annual harvest of more than 60 million board feet of Ponderosa pine forever.

2. Sale of lands other than timberlands on a competitive bid basis, with priority purchase allowed to members of the Klamath Tribe.

3. Transfer of administration of the 70,000-acre Klamath marsh to the Federal Fish and Wildlife Service for waterfowl sanctuary and nesting purposes. This provision is strongly indorsed by the Oregon Game Commission and wildlife conservation groups.

Those who have studied the Klamath Reservation program impartially seem to be in agreement that the original legislation providing for liquidation of tribal lands and forests in private sales would cause irreparable harm to the Indians, to Oregon's economy, to the long-range timber supply of Klamath Basin mills, to the basin's water supply, and to waterfowl and wildlife. These two new Senate bills should have vigorous support in the State of Oregon.

FOREIGN AIRLINES OPERATING IN UNITED STATES

Mr. MUNDT. Mr. President, I have been disturbed about the tendency and the policy of the State Department of late in granting air rights within the United States to foreign aviation companies. This problem is intensified by virtue of the fact that those foreign air carriers in the main are socialistic enterprises, owned and operated by their respective governments, and subsidized by their governments. Obviously, that kind of an arrangement, when it is brought into competition with private enterprise on this continent, and American-owned and operated airplane companies, creates a situation which is quite serious and formidable.

I suggest that the State Department scrutinize carefully such requests before granting any more of them.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD a short statement I have prepared on this subject.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MUNDT

I have recently seen press reports that negotiations are now in progress between the Governments of the United States and Australia in which Australia is seeking additional air rights from the United States. I hope that the Department of State will not accede to any such request from Australia.

The policy which the Department of State has pursued over the past few years of giving away valuable air rights to foreign countries holds a quick promise of seriously damaging United States' interests. First, there was the agreement with Germany in 1955, which was criticized by the Senate Interstate and Foreign Commerce Committee, and which resulted in the report on international air agreements of that committee. But it was utterly disregarded in the negotiations with the Netherlands in March and April of this year. It was disregarded despite renewed protests of distinguished Members of both the Senate and the House against the action which it was proposed to take.

The Civil Aeronautics Board, an arm of this Congress, charged with the responsibility of insuring the sound development of our United States international air transportation system, likewise opposed the action taken in the agreement with the Netherlands.

Recent press reports indicate that the Department of State is considering, or has even already decided—this time in the case of Belgium—upon a further weakening of our strength in the air.

Australia is our friend. But we should not be required, in the maintenance of our friendship with Australia, or with any other country, to grant air transport rights which are not based upon sound economics and which threaten the ultimate impairment of our own strength. Our easy policy results only in further unwarranted demands by an increasing number of countries. The aggregate impact of a favorable response to these demands will result in our air transport following the decline of our merchant marine.

If the United States continues to give away valuable air rights it will decrease the ability of its own international air transportation system to grow. Aircraft which might have been operated by the United States-flag carriers, and which might have been a part of our military reserve fleet, will instead fly the flags of foreign governments. American labor which might have been trained and employed by United States airlines in the operation and maintenance of these aircraft will find that its services are not needed by the United States. Instead, foreign labor, trained and employed by foreign airlines in distant countries, will replace this need. Our defense will be affected. Additional necessary aircraft and trained personnel will have to be provided in other ways at a cost to the American taxpayer.

I repeat that I hope the Department of State will make no additional route grant to Australia.

PROPOSED EXCHANGE OF AIRPORT TRANSPORT RIGHTS BETWEEN THE UNITED STATES AND AUSTRALIA

Mr. ELLENDER. Mr. President, I understand that consultations are now being held between the United States and Australia concerning the matter of air transport rights. I am informed that Australia is asking to extend its present service from Sydney to San Francisco to go beyond to New York and on to London and around the world.

I hope the Department of State does not follow its past policy of yielding to nearly every demand made by a foreign country for air routes. I believe that the request of Australia should be denied. The present agreement between the United States and Australia already provides a reasonable exchange of economic benefits for the two countries. Any additional grant would seriously disrupt this balance of benefits and give Australia a decided advantage.

While it is not to Australia's discredit, the simple fact of the matter is that Australia has no air transport rights to offer to the United States which could be considered as an equitable exchange for those which would be given to Australia in providing it with an opportunity to operate across the United States and beyond New York in the great transatlantic market.

The United States today has an international air transportation system of which it may well be proud. It meets the commercial needs of our Nation. It serves throughout the world as a symbol of the success of our free enterprise system. The Department of State, however, by its recent actions, is undermining the strength of that system. There must be no further delay in putting an end to the pursuit of this policy.

HOUSING ACT OF 1957

The PRESIDING OFFICER (Mr. PASTORE in the chair). Morning business having been concluded, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendments proposed to the committee substitute by the Senator from Oregon [Mr. MORSE] for himself and other Senators, inserting a new section on page 42, after line 9, and to renumber the succeeding sections.

Is there objection to the consideration of the amendments en bloc? The Chair hears none, and it is so ordered.

RADIATION FALLOUT

Mr. MORSE. Mr. President, before I turn to the amendment which is the pending question before the Senate, I wish to make a few insertions in the RECORD, and to make some brief comments on each.

Former President Truman was reported in the press yesterday to have warned the American people not to yield to hysteria or panic with regard to the so-called radiation fallout danger.

Mr. President, I share that advice and I join in it. However, I would also point out that it is of the utmost importance that we find out all the facts about the radiation fallout danger. There certainly exists a body of prima facie evidence which would indicate that the danger is real. On the floor of the Senate today I wish to commend the distinguished Representative from California [Mr. HOLIFIELD] for his great leadership in connection with this subject, as well as to commend all the other members of his subcommittee for the statesmanship they have manifested in regard to this problem. They are, in addition to Mr. HOLIFIELD, Representative PRICE, of Illinois, Representative COLE, of New York, and Representative VAN ZANDT, of Pennsylvania; and our own colleagues, the Senator from Rhode Island [Mr. PASTORE], the Senator from Washington [Mr. JACKSON], the Senator from Ohio [Mr. BRICKER], and the Senator from Iowa [Mr. HICKENLOOPER]. As one Senator, I wish personally to thank them for what I consider to be the outstanding leadership they are giving not

only to Congress, but to the country, in connection with the investigation of the radiation fallout danger.

The hearings which are now being conducted are historic hearings. I am particularly pleased that in the 3-day hearings which have been scheduled the witnesses have been limited to the scientists, as I understand. If we are to avoid panic and hysteria, we must get the scientific facts.

I wish to say to the men of science of America that they have a tremendous responsibility on their shoulders in connection with this great issue. They have the duty, first, to furnish the facts in such scientific terminology as is necessary to make the official scientific record; and then, I plead with them further, to interpret this data in clear language so that the people of the country can understand the facts. The American people are entitled to know what the facts are, so that they can determine the public policy question involved.

It is an important public policy question as to what the course of action of our Government should be in the immediate future in regard to the further testing of nuclear bombs. If I understand correctly, such tests increase the percentage of so-called strontium in the atmosphere, and strontium saturation can reach only a certain percentage point before mankind itself is seriously endangered.

If I correctly understand the facts, it is possible to saturate the atmosphere with radiation fallout to the extent that in our generation if we follow a short-sighted course of action, we will reap its horrendous costs upon society not for our generation alone, but because the fallout could have an effect upon our genes as would produce great harm to the bloodstream in future years of millions and millions of human beings yet unborn.

I therefore wish to express my sincere commendation to the Members of Congress who are conducting this investigation.

I do not know about the mail of other Senators, but I know what is in my mail. I am getting a considerable body of mail each week from concerned people, not only in my State, but throughout the United States, urging me to make the proposal to investigate radiation fallout one of my major interests.

I may be getting so much mail from my own State because during the course of the campaign last fall, I took the position that, on moral grounds, we should seek to lead the world in a cessation of hydrogen bomb testing. I have not changed my opinion. I have in recent days expressed the same point of view elsewhere, and I express it again today on the floor of the Senate. I believe that on this issue we owe a great moral responsibility to the world. We dropped the first nuclear bomb. Having first dropped it, we should also be the first in the cessation of further testing.

So long as there is hope—and I refuse to think that there is no hope—that if we would exercise a great moral leadership at this time in the councils of the world, we would not only receive the cooperation of other nations who share our exceedingly high regard for the rights of man, but also, with their cooperation, we would place any other nation which might insist upon dropping more nuclear bombs in such a position that the moral pressure of the world and public opinion would cause it to change its course of action.

We cannot do that until we first make the pledge. I propose again that we make the pledge, and that we follow up the pledge by urging that the United Nations, as a body, support such a proposal. It should be our prayer and hope that Russia will finally see the wisdom of our position and the position of similarly minded nations, and join with us in an international understanding through the United Nations that no more nuclear bombs shall be tested.

Mr. President, this noon I had lunch with a very dedicated woman, a woman who has worked closely with the United Nations groups in connection with this radiation problem. Her husband is a medical man, and he has demonstrated a great interest in the medical phases of this problem. I refer to Mrs. Colby, of New York. It was an inspiration for me to have lunch with her this noon and to learn from her some points of view in connection with this problem of which I was not aware before I had the lunch. She gave me a copy of a petition on this matter which is being circularized for presentation to the President of the United States. I should like to read the petition into the RECORD, because I think its objective is so sound that this record of it should be made. The petition reads:

PETITION TO THE PRESIDENT

The President of the United States:

We, the undersigned, respectfully request that our Government propose to the Soviet Union and the United Kingdom to take prompt and concurrent action with the United States to postpone further nuclear tests, until an international committee of recognized scientists determines precisely the danger from the radioactive fallout. We recognize that excessive radioactivity creates a hazard for all; but it is in the name of our children especially that we make this request, since they who are innocent stand to suffer more directly and acutely from strontium 90 than do we who are responsible.

Mr. President, I think the procedure proposed in the resolution is one possible approach to this problem. I should certainly desire to encourage any such agreement between Russia, the United Kingdom, and the United States. My preference is that we use the procedures of the United Nations to accomplish the same end; that we try to work for this program through the United Nations; that we try to get all like-minded states within the United Nations to join with us in a resolution calling upon the nations of the world to agree to a halt in the testing of nuclear bombs.

I would place this matter upon what I think are the clear dictates of morality. I made a comment in a speech some time ago that I thought this should be done as an example of the practicing of Christian principles. I received—and I think rightly so—some letters of criticism by persons of other religious faiths, who pointed out to me that, after all, they stood for and were committed and dedicated to the same great principles of morality. So today, on the basis of that very rightful criticism which I received, I urge that we follow this course of action which I am recommending upon the basis of the moral principles common to all religions which recognize that, after all, there is a Divine Being, and that all men who believe in a Divine Being ought to join in following the course of action I suggest in carrying out common moral obligations.

Mr. President, I wish now to advert to another subject.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

ETHICS IN LABOR UNIONS

Mr. MORSE. Mr. President, this morning the distinguished Senator from Illinois [Mr. DOUGLAS] and I took part in a radio program with Mr. Al Hayes, international president of the machinists union. The purpose of the broadcast was to discuss primarily the proposed legislation of which the Senator from Illinois is the author and of which I am privileged, along with other Senators, to be cosponsor, pending before the Senate Committee on Labor and Public Welfare. The measure seeks to deal with the problem of full public disclosure of union funds, including welfare funds.

In the course of our radio discussion this morning, we spoke of many other matters—the whole question of congressional investigations and the question of alleged crookedness, racketeering, communism, and fascism within some segments of the American labor movement.

The Senator from Illinois and I expressed our deep appreciation to Mr. Al Hayes, the international president of the machinists union, for this opportunity to speak over the air. Mr. Hayes is also the chairman of the committee of the combined AFL-CIO which deals with codes of ethical practices. The Senator from Illinois and I called the attention of the American people to the fact that Mr. Hayes has exhibited outstanding and remarkably fine industrial statesmanship as the chairman of the ethical practices committee of the American labor movement. He has demonstrated great courage. But he has done nothing which any of us did not expect him to do. In fact, I may say that I think Al Hayes, as chairman of the ethical practices committee of the AFL-CIO, and George Meany, as president of the combined AFL-CIO, have in recent weeks performed not only a great service to the American labor movement, but they have demonstrated an exceptionally high degree of citizenship and statesmanship. They have demonstrated what many of us who have known them personally knew was true, namely, that they are men of high courage, men of great principle, and men who can be trusted with labor responsibility.

One has only to read the codes of ethical practices which have been prepared by the Hayes committee, which have received the endorsement of the officials of organized labor, to know how right some of us have been when we

have said many times: Gather the facts, and the responsible leaders of the American labor movement can be counted upon to clear house.

But in our broadcast this morning, the Senator from Illinois and I pointed out that Congress has a responsibility, when bad conditions develop in any segment of our society, to make certain that we proceed to protect the public interest in regard to such conditions; and we are pleased to report that Mr. Hayes completely agreed with us. Thus, the Senator from Illinois and I have pointed out that, in our opinion, congressional committees do have the great responsibility of conducting investigations which will disclose the conditions which are being disclosed at present by the McClellan committee and by the Douglas committee in regard to the existence of most undesirable practices in certain segments of the American labor movement.

We pointed out in the broadcast that, first, the subpena power of a congressional committee is a power which a committee of a labor organization does not have; and Mr. Hayes agreed with us. For example, the committee on ethical practices of the AFL-CIO does not have the subpena power to require the production of records, evidence, and testimony, as does a congressional committee.

Second, we pointed out in the broadcast that the authority of a congressional committee to require witnesses to come before the committee and testify under oath is an exceptionally important weapon which needs to be used when one is trying to eliminate from the body politic bad practices which develop against the public interest, whether they be in the field of labor, the field of management, or in any other phase of our society.

Therefore, the Senator from Illinois and the Senator from Oregon took the position that it is important that committees of Congress and committees of labor and management seek to work cooperatively, as they are doing, in an endeavor to bring forth solutions to the problems about which there is so much public concern these days in connection with labor racketeering and other unfortunate labor practices.

We also agreed—and I wish to stress the point again today—that our investigative work as a Congress should be carried on in accordance with well-recognized rules of procedure which would be fair to all concerned.

My position on the matter is well known, and I have stated it so many times for the RECORD that I shall not repeat it in detail now, other than to state that on the radio this morning I said that when allegations of the occurrence of a crime are made, regardless of who is involved—whether it be a union leader, a union member, a banker, a teacher, a farmer, or any other American—then certainly procedural safeguards should attach themselves to any investigation of the alleged offense. These are, first, a bill of particulars given in advance of a hearing; second, the right to be confronted by those who accuse and allege that a crime has been committed; third, the right to cross-examine those who accuse and testify against one; fourth, the right to put on one's case in chief, by way of defense, in an orderly fashion, and with the assistance of counsel; and, fifth, needless to say, the right to cross-examine those who appear in behalf of the defense.

In our symposium, so to speak, this morning, we were in common agreement regarding fair procedures.

Mr. President, I wish to say that, in my judgment, the hand of American labor would not be as strong as it is today, in cleaning its own house, if it had not been receiving the assistance and the cooperation of the McClellan committee and of the Senate Committee on Labor and Public Welfare. The Senate Committee on Labor and Public Welfare has been working, through the Douglas subcommittee, by the use of the subpena power and by the oath requirement, whereby a record has been made and subpenas have been issued in regard to certain very undesirable and antisocial practices which exist in some segments of the American labor movement to the end that labor has been helped in its endeavor to clean house.

However, the difficulty is—and we need to be on guard against it, if we are going to be fair—that when in the case of any group—whether a labor group or any other group—there are disclosures of most undesirable practices on the part of some; it is easy to jump to the conclusion that such undesirable practices characterize the entire group.

So I was very glad that Mr. Hayes, the chairman of the ethical practices committee of the AFL-CIO, took the time during the broadcast this morning to point out that only an exceedingly small percentage of the many thousands of labor officials in the United States are pointed to by any evidence indicating that they are violating the great trust they owe to their rank-and-file members. Mr. Hayes made very clear that, so far as he and the officials of the combined AFL and CIO are concerned, they intend to root out any malpractice, malfeasance, corruption, racketeering, communism, or fascism that they find within the American labor movement; and to that end they have prepared, and have adopted, a group of codes of ethical practices for the American labor movement. I believe these codes are so important that they should be made part of today's RECORD. I hold the first four of them in my hand. In a moment I shall ask unanimous consent to have the others printed in the RECORD.

The first four codes appear in booklet form; and they are as follows: First, the code on local union charters; second, the code on health and welfare funds; third, the code on racketeers, crooks, Communists, and Fascists; and fourth, the code on conflicts of interest.

The titles of the codes speak for themselves; but I believe it is particularly interesting to note, as we study the codes, that the American labor movement itself is insisting—as some of those of us who serve in the Congress have been insisting for some years, and are on public record time and time again in that connection—that democratic processes and the protection of the democratic rights of the individual rank-and-file union member at the local union level must be protected as a partial guaranty, at least, against what are frequently referred to as oligarchical abuses which have developed in some of America's labor unions.

In the discussion this morning, Mr. Hayes pointed out the democratic organization and the democratic control of the machinists union, is rooted in the local union. He pointed out, for example, that his union operates on the basis of the very sound democratic procedure of the referendum. As I said to him this morning, as one who comes from a State which historically is entitled to the reputation of being the leading State of the United States in the development of the initiative and referendum system, whereby the people of the State have the ultimate check upon the political policies of the State, I can well understand how proud he is, as the international president of the machinists, that his union is bottomed upon the democratic guaranty of the referendum procedure. The code that the AFL-CIO have adopted in regard to local union charters will be very reassuring, I believe, to a great many persons who have not taken the time to study all phases of the union problems which confront us. It is reassuring to me to know that now we have the AFL-CIO formally taking the public position, under this particular code, of having greater democratic procedures guaranteed to the local union.

Mr. GOLDWATER. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I shall be glad to yield in a moment.

Before I yield, Mr. President, and before I submit the other codes, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, the first four codes, which already have appeared in pamphlet form. I ask unanimous consent to have printed in the RECORD, along with the codes, the other contents of the pamphlet. It also deals with the AFL-CIO constitution; and I think it should be available to Senators, for quick reference. The pamphlet also contains the resolution on ethical practices, of the AFL-CIO 1955 convention; and in addition the AFL-CIO executive council resolution on procedures in ethical practices cases, which points out the very democratic procedures and fair-trial procedures which are provided when allegations of unethical practices are made. The pamphlet further contains the AFL-CIO executive council statement on the use of the fifth amendment in investigations of racketeering.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the entire pamphlet, including the foreword by George Meany, the president of the combined labor organizations; and I point out that the foreword reads as follows:

FOREWORD

The American Federation of Labor and Congress of Industrial Organizations is committed, by word and deed, to the concept that free, democratic trade unionism must be clean, honest trade unionism.

This handbook contains the sections of the AFL–CIO constitution relating to corrupt or Communist efforts to infiltrate the labor movement; pertinent resolutions and policy statements adopted by the AFL–CIO convention in 1955 and by subsequent meetings of the AFL–CIO executive council; and four codes of ethical practices prepared by the AFL–CIO ethical practices committee and adopted by the executive council.

I commend these documents to union members and officials as guides to help insure the continued healthy development of our American labor movement.

GEORGE MEANY,
President.

FEBRUARY 11, 1957.

There being no objection, the pamphlet was ordered to be printed in the RECORD, as follows:

AFL–CIO CODES OF ETHICAL PRACTICES

(Published by American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington 6, D. C.; George Meany, president; William F. Schnitzler, secretary-treasurer; publication No. 50, February 1957)

FOREWORD

The American Federation of Labor and Congress of Industrial Organizations is committed, by word and deed, to the concept that free, democratic trade unionism must be clean, honest trade unionism.

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GEORGE MEANY,
President.

FEBRUARY 11, 1957.

1. AFL–CIO CONSTITUTION ON ETHICAL PRACTICES

Article II, section 10: The objects and principles of this federation are to protect the labor movement from any and all corrupt influences and from the undermining efforts of Communist agencies and all others who are opposed to the basic principles of our democracy and free and democratic unionism.

Article VIII, section 7: It is a basic principle of this federation that it must be and remain free from any and all corrupt influences and from the undermining efforts of Communist, Fascist, or other totalitarian agencies who are opposed to the basic principles of our democracy and of free and democratic trade unionism. The executive council, when requested to do so by the president or by any other member of the executive council, shall have the power to conduct an investigation, directly or through an appropriate standing or special committee appointed by the president, of any situation in which there is reason to believe that any affiliate is dominated, controlled or substantially influenced in the conduct of its affairs by any corrupt influence, or that the policies or activities of any affiliate are consistently directed toward the advocacy, support, advancement or achievement of the program or of the purposes of the Communist Party, any Fascist organization or other totalitarian movement. Upon the completion of such an investigation, including a hearing if requested, the executive council shall have the authority to make recommendations or give directions to the affiliate involved and shall have the further authority, upon a two-thirds vote, to suspend any affiliate found guilty of a violation of this section. Any action of the executive council under this section may be appealed to the convention, provided, however, that such action shall be effective when taken and shall remain in full force and effect pending any appeal.

Article XIII, section 1 (d): The committee on ethical practices shall be vested with the duty and responsibility to assist the executive council in carrying out the constitutional determination of the federation to keep the federation free from any taint of corruption or communism, in accordance with the provisions of this constitution.

2. AFL–CIO RESOLUTION ON ETHICAL PRACTICES

(Adopted by AFL–CIO convention, December 1955)

The democratic institutions of the United States of America were established on the foundation of honesty, integrity, responsibility. The free and democratic labor movement of our country similarly rests upon the foundations of brotherhood, honesty, and integrity.

Any departure from the most exacting ethical principles is harmful not only to the people directly affected but to the whole fabric of our civilization.

The American labor movement has ever been quick in its denunciation of public officials who betray their trust. We have been equally critical of businessmen who have used corrupt methods and bribery to gain their selfish, acquisitive ends. We must be equally quick to recognize and condemn those instances of racketeering, corruption, and disregard for ethical standards when they occur inside our labor movement.

The vast majority of labor union officials accept their responsibility and trust. They endeavor honestly to carry out the democratic will of their members and to discharge the duties of their office. Yet the reputations of the vast majority are imperiled by the dishonest, corrupt, unethical practices of the few who betray their trust and who look upon the trade-union movement not as a brotherhood to serve the general welfare, but as a means to advance their own selfish purposes or to forward the aim of groups or organizations who would destroy our democratic institutions. By the adoption of the constitution of the American Federation of Labor and Congress of Industrial Organizations, the American labor movement has clearly accepted the responsibility for keeping its own house in order and to protect the movement "from any and all corrupt influences and from the undermining efforts of Communist agencies and all others who are opposed to the basic principles of our democracy and free and democratic unionism." Only by their wholehearted dedication to this constitutional objective can labor unions meet their obligations to their memberships. Failure to meet these responsibilities can only result in governmental assumption of what are properly trade-union functions. Reliance on the agencies of government for keeping our movement free from the infiltration of racketeers, crooks, Communists, Fascists, and other enemies of free democratic unionism would constitute a threat to the independence and freedom of the entire movement: Now, therefore, be it

Resolved—

1. The first constitutional convention of the AFL–CIO calls upon all its affiliated national and international unions to take whatever steps are necessary within their own organizations to effect the policies and ethical standards set forth in the constitution of the AFL–CIO. When constitutional amendments or changes in internal administrative procedures are necessary for the affiliated organizations to carry out the responsibilities incumbent upon autonomous organizations, such amendments and changes should be undertaken at the earliest practicable time.

2. This first constitutional convention of the AFL–CIO pledges its full support, good offices, and staff facilities of the AFL–CIO committee on ethical practices to all national and international unions in their efforts to carry out and put into practice the constitutional mandate to keep our organization free from any taint of corruption or communism.

3. RESOLUTION ON PROCEDURES

(Adopted by AFL–CIO executive council, June 1956)

Whereas article II, section 10, and article VIII, section 7, of the AFL–CIO constitution provide that it is a basic principle of this federation that it must be and remain free from any and all corrupt influences; and

Whereas article VIII, section 7, authorizes the executive council, upon the request of the president or any other member of the executive council to conduct an investigation directly or through an appropriate standing committee or special committee appointed by the president, of any situation in which there is reason to believe that any affiliate is dominated, controlled, or substantially influenced in the conduct of its affairs by any corrupt influence * * *"; and

Whereas article XIII, section 1 (d) provides for a committee on ethical practices which shall be vested with the duty and responsibility to assist the executive council in carrying out the above constitutional principles, and such committee has been appointed by the president with the approval of the executive council: Now, therefore, be it

Resolved by the executive council of the American Federation of Labor and Congress of Industrial Organizations:

1. That the committee on ethical practices is vested with the authority of the council to conduct formal investigations, incuding a hearing if requested, on behalf of the council, into any situation in which there is reason to believe an affiliate is dominated, controlled or substantially influenced in the conduct of its affairs by any corrupt influence and in which such formal investigation is requested by the president or any member of the executive council. The committee shall report to the executive council the results of any such investigation with such recommendations to the council as the committee deems appropriate.

2. The committee is authorized, upon its own motion or upon the request of the president, to make such preliminary inquiries as it deems appropriate in order to ascertain whether any situations exist which require formal investigation. The committee will report to the executive council as to any situations in which it believes that formal investigation is required or desirable and shall undertake such formal investigation as provided in paragraph 1 of this resolution.

3. The committee is directed to develop a set of principles and guides for adoption by the AFL–CIO in order to implement the constitutional determination that the AFL–CIO shall be and remain free from all corrupt influences. Upon the development of such recommended guides and principles, they shall be submitted by the committee to the executive council for appropriate action.

4. AFL–CIO STATEMENT REGARDING COOPERATION WITH ALL APPROPRIATE PUBLIC AGENCIES INVESTIGATING RACKETEERING

(Adopted by the AFL–CIO executive council, January 26, 1957)

The American Federation of Labor and Congress of Industrial Organizations is pledged both by its constitution and by fundamental principles of trade union morality to keep the labor movement free from any taint of corruption.

While the AFL–CIO has its own responsibility for keeping its house in order and is

attempting to meet this obligation to the best of its ability, this does not in any sense mean that appropriate agencies of government and the public do not have rights, obligations and responsibilities in eliminating racketeering and corruption from all segments of American life, including the labor movement.

No institution or agency, whether labor or business, public or private, enjoys special immunity from the equal application of the laws, from appropriate investigation by duly constituted legislative committees and from scrutiny of its operations by the members of the press or the general public.

Investigations by fair and objective legislative committees in the field of labor-management relations have been of tremendous help in eliminating abuses in this area.

The investigation conducted by the La-Follette committee exposing as it did, unsavory and illegal practices on the part of important business interests, contributed greatly to the enactment of the Wagner Act and to the elimination of employer practices which prevented union organization and caused strife and violence in labor-management relations. The recent investigation by the Douglas subcommittee of the Senate Labor Committee, exposing as it did, instances of corruption and improper conduct by labor officials and others in the handling of health and welfare funds, has provided for the public and the labor movement invaluable information which has laid the foundation for proposed disclosure legislation in this field, endorsed by the AFL–CIO, and which in addition, has enabled the AFL–CIO and its affiliates to do a better job of keeping their house in order. Both law enforcement agencies, in the interest of enforcing law, and legislative committees in the interest of enacting corrective legislation, by reason of their power and authority to subpoena witnesses and to place them under oath, as well as their superior investigatorial facilities, have means beyond those of the labor movement to expose and bring to light corrupt influences.

It goes almost without saying that law enforcement agencies, legislative committees, and the labor movement itself share the common responsibility of conducting investigations fairly and objectively, without fear or favor and in keeping with due process concepts firmly imbedded in the tradition and Constitution of our great country. It is a firm policy of the AFL–CIO that the highest ethical standards be observed and vigorously followed by all officials of the AFL–CIO and its affiliates in the conduct of their offices, in the handling of trade union and welfare funds, and in the administration of trade union affairs. Trade union and welfare funds are the common property of the members of our unions and must, therefore, be administered as a high and sacred trust for their benefit.

The AFL–CIO is determined that any remaining vestiges of racketeering or corruption in unions shall be completely eradicated. We believe that Congress, in the interest of enacting corrective legislation, if the same be deemed and found necessary, has the right, through proper committees, to investigate corruption wherever it exists, whether in labor, industry or anywhere else.

It is the firm policy of the AFL–CIO to cooperate fully with all proper legislative committees, law enforcement agencies and other public bodies seeking fairly and objectively to keep the labor movement or any other segment of our society free from any and all corrupt influences. This means that all officials of the AFL–CIO and its affiliates should freely and without reservation answer all relevant questions asked by proper law enforcement agencies, legislative committees and other public bodies, seeking fairly and objectively to keep the labor movement free from corruption. We recognize that any person is entitled, in the exercise of his individual conscience, to the protection afforded by the fifth amendment and we reaffirm our conviction that this historical right must not be abridged. It is the policy of the AFL–CIO, however, that if a trade union official decides to invoke the fifth amendment for his personal protection and to avoid scrutiny by proper legislative committees, law enforcement agencies or other public bodies into alleged corruption on his part, he has no right to continue to hold office in his union. Otherwise, it becomes possible for a union official who may be guilty of corruption to create the impression that the trade union movement sanctions the use of the fifth amendment, not as a matter of individual conscience, but as a shield against proper scrutiny into corrupt influences in the labor movement.

5. CODES

Ethical Practices Code I: Local union charters

(Approved by the AFL–CIO Executive Council, August 29, 1956)

The AFL–CIO, as one of its specific objectives, has a constitutional mandate "to protect the labor movement from any and all corrupt influences."

The committee on ethical practices has been vested by the AFL–CIO constitution with the "duty and responsibility" to assist the excutive council in its determination to keep the AFL–CIO "free from any taint or corruption."

As the statement on ethical practices adopted unanimously by our first constitutional convention pointed out, "The vast majority of labor union officials accept their responsibility and trust. * * * Yet the reputations of the vast majority are imperiled by the dishonest, corrupt, unethical practices of the few who betray their trust and who look upon the trade union movement not as a brotherhood to serve the general welfare, but as a means to advance their own selfish purposes."

The statement of our constitutional convention specifically called upon our affiliated national and international unions "to take whatever steps are necessary within their own organizations to effect the policies and ethical standards set forth in the constitution of the AFL–CIO." The same resolution pledged the "full support, good offices and staff facilities" of the ethical practices committee to our affiliated national and international unions in "their efforts to carry out and put into practice the constitutional mandate" to keep our organization free of corruption.

At its June 1956, meeting the executive council directed the committee on ethical practices "to develop a set of principles and guides for adoption by the AFL–CIO in order to implement the constitutional determination that the AFL–CIO shall be and remain free from all corrupt influences" and directed that such recommended guides and principles be submitted to the council.

In accordance with these constitutional responsibilities and mandates, the committee on ethical practices, in the period since its formal creation, undertook an analysis of the issuance of local union charters as it relates to the problem of corruption. The code recommended in this report is the first in a series which the committee plans to develop in accordance with the executive council's direction.

The committee found that in this area, as in the field of union welfare funds, the instances of corruption are relatively rare. The vast majority of local union charters are issued by the affiliated national and international unions of the AFL–CIO for legitimate trade-union purposes and without any taint or possibility of corruption. In a few instances, however, local union charters have fallen in the hands of corrupt individuals who have used these charters for their own illicit purposes instead of legitimate trade union objectives.

The possession of charters covering "paper locals" has enabled such racketeers to victimize individual workers, employers and the general public, while giving a black eye to the labor movement. They have used these charters to enter into conspiracies with corrupt employers to prevent, for a price, the genuine organization of workers into legitimate unions, thus depriving these workers of the benefit of honest collective bargaining agreements. These racketeers also use a charter as a basis to falsely invoke the collective strength of the trade-union movement for their illegitimate ends, thus demeaning the trade union's historic respect for the legitimate picket line, and injuring honest businessmen in the conduct of their affairs. A local union charter, improperly issued, can be used to control a local union unit vote, which negates the legitimate unit vote of bona fide local unions and thus subverts the democratic process within the trade-union movement at various levels. A racketeer treats a charter as a "hunting license" to invade the jurisdictions of other national or international unions, in the interests only of corruption and dishonest gain, and to cloak with a respectable name a whole range of nefarious and corrupt activities.

Such corrupt practices are not widespread. But even the few instances in which local union charters have been corruptly used are too many. The name of the AFL–CIO, and of the national and international unions affiliated with it, must always be a hallmark of ethical trade-union practices.

Scrupulous adherence, the committee believes, to certain traditional practices and principles of the trade-union movement with reference to the issuance of local union charters will serve to prevent and to eliminate the specific evils in this area.

The basic principle with reference to the issuance of a local union charter is that the charter is, in all unions, a solemn instrument establishing a subordinate or affiliated body of the international union, composed of organized workers in a particular subdivision of the union. The committee has made a study of the practices and constitutions of a great number of national and international unions with respect to the issuance of local union charters. In the vast majority of cases, the committee found, there is a constitutional prohibition against the issuance of charters in the absence of application by a minimum number of bona fide employees, eligible for membership in the union, within the jurisdiction covered by the charter.

The specific rules governing the issuance of charters necessarily vary greatly from union to union. And each national and international union, as part of its autonomous right, has complete authority to prescribe the particular procedures governing the issuance of local union charters. But whatever the particular procedures, each autonomous union has the duty to see to it that the purpose of issuing local union charters is to promote the general welfare of workers. The constitution of the AFL–CIO makes it clear that no affiliate has an autonomous right to permit corrupt or unethical practices which endanger the good name of the trade union movement.

The committee believes that implementation and enforcement of the basic principle that local union charters are to be issued only to give recognition to workers joining together in a subordinate or affiliated body of a national or international union, which is in fact expressed in the vast majority of union constitutions, will provide an effective method of preventing the kind of evils described in this statement.

Therefore, the ethical practices committee, under the authority vested in it by the constitution of the AFL–CIO and pursuant to

the mandate of the first constitutional convention of the AFL–CIO, recommends that the executive council of the AFL–CIO adopt the following policies to safeguard the good name of the AFL–CIO and its affiliated unions and to prevent any taint or possibility of corruption in the issuance of local union charters:

1. A local union charter, whether issued by the AFL–CIO or by a national or international union affiliated with the AFL–CIO, should be a solemn instrument establishing a subordinate or affiliated body. To assure this, the AFL–CIO and each national and international union, by constitution or administrative regulation, should require, for issuance of a local union charter, application by a group of bona fide employees, eligible for membership in the union, within the jurisdiction covered by the charter.

2. The purpose of issuing such charters should be to promote the general welfare of workers and to give recognition to their joining together in a subordinate or affiliated body.

3. A charter should never be issued to any person or persons who seek to use it as a hunting license for the improper invasion of the jurisdictions of other affiliated unions.

4. A charter should never be issued or permitted to continue in effect for a paper local not existing or functioning as a genuine local union of employees.

5. A charter should never be issued to persons who are known to traffic in local union charters for illicit or improper purposes.

6. The provision of the AFL–CIO constitution prohibiting the AFL–CIO and any affiliated national or international union from recognizing any subordinate organization that has been suspended or expelled by the AFL–CIO or any national or international union plainly includes and prohibits the issuance of a local union charter by the AFL–CIO or any affiliated national or international union to any group of individuals or any individuals suspended or expelled from the AFL–CIO or any affiliated national or international union for corruption or unethical practices.

7. The AFL–CIO and each national and international union shall take prompt action to eliminate any loopholes through which local union charters have been or can be issued or permitted to continue in effect contrary to these policies.

8. The AFL–CIO and each national and international union shall take prompt action to insure the forthwith withdrawal of local union charters which have been issued and are now outstanding in violation of these policies.

Ethical Practices Code II: Health and Welfare Funds

(Approved by the AFL–CIO Executive Council, January 31, 1957)

At its June 1956, meeting the executive council directed the committee on ethical practices "to develop a set of principles and guides for adoption by the AFL–CIO in order to implement the constitutional determination that the AFL–CIO shall be and remain free from all corrupt influences" and directed that such recommended guides and principles be submitted to the council. In accordance with this direction, and its constitutional responsibilities, the committee on ethical practices submitted to the executive council at its August 1956, meeting the first of a proposed series of recommended codes. This code covering the issuance of local union charters was unanimously adopted by the council.

This report, and the recommended code contained in it, is the second in the series which the committee, in accordance with the council's direction, is developing to implement the constitutional mandate that the AFL–CIO shall be and remain free from any and all corrupt influences and the determination of the first constitutional convention of the AFL–CIO that the reputations of the vast majority of labor union officials, who accept their responsibilities and trust, are "imperiled by the dishonest, corrupt, unethical practices of the few who betray their trust and who look upon the trade union movement not as a brotherhood to serve the general welfare, but as a means to advance their own selfish purposes."

Both the American Federation of Labor and the Congress of Industrial Organizations prior to the merger of these two organizations into the AFL–CIO gave thorough consideration to the subject of health and welfare funds. This subject was also considered by and dealt with by the first constitutional convention of the AFL–CIO and a resolution dealing with this subject matter was adopted by that convention.

As stated in the resolution adopted by the first constitutional convention of the AFL–CIO, the task of administering and operating health and welfare programs which have been developed through collective bargaining has placed heavy new responsibilities upon the shoulders of trade union officials. The funds involved are paid for through the labor of the workers covered by the plans. They must be administered, therefore, as a high trust for the benefit only of those workers.

Most trade union officials have been faithful to the high trust which has been imposed upon them because of the development of health and welfare funds. The malfeasances of a few, however, have served to bring into disrepute not only the officials of the particular unions involved, but also the good name of the entire American labor movement. For this reason, it is imperative that the AFL–CIO and each of the national and international unions affiliated with it, rigorously adhere to the highest ethical standards in dealing with the subject of health and welfare funds.

For these reasons, the ethical practices committee, under the authority vested in it by the constitution of the AFL–CIO and pursuant to the mandate of the first constitutional convention of the AFL–CIO, recommends that the executive council of the AFL–CIO adopt the following policies to safeguard the good name of the AFL–CIO and its affiliated unions:

1. No union official who already receives full-time pay from his union shall receive fees or salaries of any kind from a fund established for the provision of a health, welfare, or retirement program. Where a salaried union official serves as employee representative or trustee in the administration of such programs, such service should be regarded as one of the functions expected to be performed by him in the normal course of his duties and not as an extra function requiring further compensation from the welfare fund.

2. No union official, employee, or other person acting as agent or representative of a union, who exercises responsibilities or influence in the administration of welfare programs or the placement of insurance contracts, should have any compromising personal ties, direct or indirect, with outside agencies such as insurance carriers, brokers, or consultants doing business with the welfare plan. Such ties cannot be reconciled with duty of a union official to be guided solely by the best interests of the membership in any transactions with such agencies. Any union official found to have such ties to his own personal advantage or to have accepted fees, inducements, benefits, or favors of any kind from any such outside agency, should be removed. This principle, of course, does not prevent the existence of a relationship between a union officer or employee and an outside agency where (a) no substantial personal advantage is derived from the relationship, and (b) the outside agency is one in the management of which the union participates, as a union, for the benefit of its members.

3. Complete records of the financial operations of all welfare funds and programs should be maintained in accordance with the best accounting practice. Each such fund should be audited regularly by internal auditors. In addition, each such fund should be audited at least once each year, and preferably semiannually, by certified public or other independent accountants of unquestioned professional integrity, who should certify that the audits fully and comprehensively show the financial condition of the fund and the results of the operation of the fund.

4. All audit reports should be available to the membership of the union and the affected employees.

5. The trustees or administrators of welfare funds should make a full disclosure and report to the beneficiaries at least once each year. Such report should set forth, in detail, the receipts and expenses of the fund; all salaries and fees paid by the fund, with a statement of the persons to whom paid; the amount paid and the service or purpose for which paid; a breakdown of insurance premium paid, if a commercial insurance carrier is involved, showing, insofar as possible, the premiums paid, dividends, commissions, claims paid, retentions and service charges; a statement of the person to whom any commissions or fees of any kind were paid; a financial statement on the part of the insuring or service agency, if an agency other than a commercial insurance carrier is employed; and a detailed account of the manner in which the reserves held by the fund are invested.

6. Where health and welfare benefits are provided through the use of a commercial insurance carrier, the carrier should be selected through competitive bids solicited from a substantial number of reliable companies, on the basis of the lowest net cost for the given benefits submitted by a responsible carrier, taking into consideration such factors as comparative retention rates, financial responsibility, facilities for and promptness in servicing claims, and the past record of the carrier, including its record in dealing with trade unions representing its employees.

The trustees of the fund should be required to include in reporting to the membership the specific reasons for the selection of the carrier finally chosen. The carrier should be required to warrant that no fee or other remuneration of any kind has been paid directly or indirectly to any representative of the parties in connection with the business of the fund.

7. Where a union or union trustees participate in the administration of the investment of welfare fund reserves, the union or its trustees should make every effort to prohibit the investment of welfare fund reserves in the business of any contributing employer, insurance carrier or agency doing business with the fund, or in any enterprise in which any trustee, officer or employee of the fund has a personal financial interest of such a nature as to be affected by the fund's investment or disinvestment.

(This is not to be construed as preventing investment in an enterprise in which a union official is engaged by virtue of his office, provided (i) no substantial personal advantage is derived from the relationship, and (ii) the concern or enterprise is one in the management of which the union participates for the benefit of its members.)

8. Where any trustee, agent, fiduciary or employee of a health or welfare program is found to have received an unethical payment, the union should insist upon his removal and should take appropriate legal steps against both the party receiving and the party making the payment. Where health and welfare funds are negotiated or administered by local unions or by other organizations subordinate to or affiliated with a national or international union, provision should be made to give the national or international union the authority to audit such funds and to apply remedies where there is evidence of a violation of ethical standards.

9. Every welfare program should provide redress against the arbitrary or unjust denial of claims so as to afford the individual member prompt and effective relief where his claim for benefits has been improperly rejected. Every program should provide for the keeping of complete records of the claims experience so that a constant check can be maintained on the relationship between claims and premiums and dividends, and on the utilization of the various benefits.

10. The duty of policing and enforcing these standards is shared by every union member, as well as by local, national, and international officials. The best safeguard against abuses lies in the hands of a vigilant, informed, and active membership, jealous of their rights and interests in the operation of health and welfare programs, as well as any other trade union program. As a fundamental part of any approach to the problem of policing health and welfare funds, affiliated unions, through education, publicity, and discussion programs, should seek to develop the widest possible degree of active and informed interest in all phases of these programs on the part of the membership at large. International unions should, wherever possible, have expert advice available for the negotiation, establishment, and administration of health and welfare plans, and should provide training for union representatives in the techniques and standards of proper administration of welfare plans.

11. Where constitutional amendments or changes in internal administrative procedure are necessary to comply with the standards herein set forth, such amendments and changes should be undertaken at the earliest practicable time.

Ethical practices code III: Racketeers, crooks, Communists, and Fascists

(Approved by the AFL–CIO Executive Council, Jan. 31, 1957)

This is the third in a series of recommended codes which the committee on ethical practices has developed in accordance with the direction of the executive council that it should "develop a set of principles and guides for adoption by the AFL–CIO in order to implement the constitutional determination that the AFL–CIO shall be and remain free from all corrupt influences."

Article VIII, section 7, of the constitution of the AFL–CIO establishes that "it is a basic principle of this federation that it must be and remain free from any and all corrupt influences and from the undermining efforts of Communist, Fascist, or other totalitarian agencies who are opposed to the basic principles of our democracy and of free and democratic trade unionism." Under this constitutional provision there is no room within the federation or any of its affiliated unions for any person in a position of leadership or responsibility who is a crook, a racketeer, a Communist, or a Fascist. And it is the obligation of every union affiliated with the AFL–CIO to take appropriate steps to ensure that this principle is complied with.

To be sure, neither the AFL–CIO nor its affiliated unions are law-enforcing agencies. It is not within the purview or authority of a trade union to convict its members of a violation of statutory law. But it is the duty and responsibility of each national and international union affiliated with the federation to see to it that it is free of all corrupt, Communist or Fascist influences. Consequently, a trade union need not wait upon a criminal conviction to bar from office corrupt, Communist or Fascist influences. The responsibility of each union to see to it that it is free of such influences is not a responsibility placed upon our unions by law. It is a responsibility which rests upon our unions by the AFL–CIO constitution and by the moral principles that govern the trade union movement. Eternal vigilance in this area is the price of an honest democratic trade union movement.

It is not possible, nor is it desirable, to set down rigid rules to determine whether a particular individual in a position of responsibility or leadership in the trade union movement is a crook, a racketeer, a Communist, or a Fascist. Obviously, if a person has been convicted of a crime involving moral turpitude offensive to trade union morality, he should be barred from office or responsible position in the labor movement. Obviously also, a person commonly known to be a crook or racketeer, should not enjoy immunity to prey upon the trade union movement because he has somehow managed to escape conviction. In the same manner, the fact that a person has refrained from formally becoming a member of the Communist Party or a Fascist organization should not permit him to hold or retain a position of responsibility or leadership in the trade union movement if, regardless of formal membership, he consistently supports or actively participates in the activities of the Communist Party or any Fascist or totalitarian organization.

In this area, as in all others, determinations must be made as a matter of common sense and with due regard to the rights of the labor unions and the individuals involved.

On the basis of these considerations, the ethical practices committee, under the authority vested in it by the constitution of the AFL–CIO, pursuant to the mandate of the first constitutional convention of the AFL–CIO, recommends that the executive council of the AFL–CIO adopt the following policies to safeguard the good name of the AFL–CIO and its affiliated unions:

1. The AFL–CIO and each of its affiliated unions should undertake the obligation, through appropriate constitutional or administrative measures and orderly procedures, to insure that no persons who constitute corrupt influences or practices or who represent or support Communist, Fascist, or totalitarian agencies should hold office of any kind in such trade unions or organizations.

2. No person should hold or retain office or appointed position in the AFL–CIO or any of its affiliated national or international unions or subordinate bodies thereof who has been convicted of any crime involving moral turpitude offensive to trade union morality.

3. No person should hold or retain office or appointed position in the AFL–CIO or any of its affiliated national or international unions or subordinate bodies thereof who is commonly known to be a crook or racketeer preying on the labor movement and its good name for corrupt purposes, whether or not previously convicted for such nefarious activities.

4. No person should hold or retain office or appointed position in the AFL–CIO or any of its affiliated national or international unions or subordinate bodies thereof who is a member, consistent supporter, or who actively participates in the activities of the Communist party or of any fascist or other totalitarian organization which opposes the democratic principles to which our country and the American trade union movement are dedicated.

Ethical practices code IV: Conflicts of Interest

(Approved by the AFL–CIO Executive Council, January 31, 1957)

This is the fourth in a series of recommended codes which the committee on ethical practices has developed in accordance with the direction of the executive council that it should "develop a set of principles and guides for adoption by the AFL–CIO in order to implement the constitutional determination that the AFL–CIO shall be and remain free from all corrupt influences." Prior codes have dealt with the issuance of local union charters; welfare funds; racketeers, crooks, and Communists. The code herein recommended deals with conflicts of interest in the investment and business interests of union officials.

It is too plain for extended discussion that a basic ethical principle in the conduct of trade union affairs is that no responsible trade union official should have a personal financial interest which conflicts with the full performance of his fiduciary duties as a workers' representative.

Obviously an irreconcilable conflict of interest would be present if a trade union official, clothed with responsibility and discretion in conducting the representation of workers, simultaneously maintains a substantial interest in the profits of the employer of the workers whom he is charged with representing. Even though, in a particular instance, there may be no actual malfeasance in the representation of the employees involved, the opportunity for personal gain at the expense of the welfare of the employees whom the union official represents obviously exists.

Such a simple case, however, does not fully present the problems which exist, or may exist, in this area. There may be cases in which the conflict of interests is not so clear, but nevertheless exists. There are, on the other hand, forms of private investment which seem wholly devoid of any possibility of corruption or dereliction in trade union responsibility. It will be the purpose of this report to discuss some of the varying situations which may arise in this area and, on the basis of such discussion, to present a recommended code of minimum standards to which the committee believes all trade union officials should adhere in their investment and business interests.

The problems in this area, of course, could all be eliminated by adoption of the simple principle that no trade union official should, under any circumstances, use his own personal funds or property in any form of business enterprise or investment. But the committee feels that it is both unnecessary and unwise to establish such a rigid standard for trade union officials; union officers and agents should not be prohibited from investing their personal funds in their own way in the American free enterprise system so long as they are scrupulously careful to avoid any actual or potential conflict of interest. The American trade union movement does not accept the principle that either its members or its leaders should own no property. Both union leaders and members have the right to set aside their own personal reserves for themselves and their families, and to invest and use those reserves in legitimate ways.

But the trade union leader does have certain special responsibilities which he must assume and respect because he serves as a leader in the trade union movement. And those responsibilities, the committee believes, necessarily imply certain restraints upon his right to engage in personal investment, even with his own funds and on his own time. In a sense, a trade union official holds a position comparable to that of a public servant. Like a public servant, he has a high fiduciary duty not only to serve the members of his union honestly and faithfully, but also to avoid personal economic interest which may conflict or appear to conflict with the full performance of his responsibility to those whom he serves.

Like public servants, trade union leaders ought to be paid compensation commensurate with their services. But, like public servants, trade union leaders must accept certain limitations upon their private activities which result from the nature of their

services. Indeed, the nature of the trade union movement and the responsibilities which necessarily must be accepted by its leaders, make the strictest standards with respect to any possible conflict of interest properly applicable.

It is plain, as already stated, that a responsible trade union official should not be the owner in whole or in part of a business enterprise with which his union bargains collectively on behalf of its employees. The conflict in such a case is clear.

It is almost equally clear, the committee believes, that a trade union official should not be the owner of a business enterprise which sells to, buys from, or in other ways deals, to any significant degree, with the enterprise with which he conducts collective bargaining. Again, the possibility that the trade union official may be given special favors or contracts by the employer in return for less than discharge of his obligations as a trade union leader, exists.

Somewhat different considerations, however, apply to the ownership, through purchase on the open market or other legitimate means, of publicly traded securities. Employee ownership of stock is certainly a fairly common practice in American life. Often, indeed, there are special stock purchase plans designed to stimulate such employee investments.

On the other hand, ownership, even of publicly traded securities, in sufficient amounts to influence the course of management decision seems to the committee incompatible with the proper representation of the employees by a trade union official.

The committee believes, therefore, that the minimum standards of ethical conduct in this area should not forbid all investment by a trade union official in the corporate securities of companies employing the workers he represents. Such investment by a trade union official, however, should always be subject to the restriction that it is not acquired in an illegitimate or unethical manner, that it is limited to securities which are publicly traded, and that his interest should never be large enough so as to permit him to exercise any individual influence on the course of corporate decision.

There is nothing in the essential ethical principles of the trade union movement which should prevent a trade union official, at any level, from investing personal funds in the publicly traded securities of corporate enterprises unrelated to the industry or area in which the official has a particular trade union responsibility. Such securities offer a wide choice of investment and are, generally speaking, so far removed from individual stockholder control or influence that with the exceptions above noted, there is no reason to bar investment by trade union officials.

The same principles apply with respect to privately owned or closely held businesses which are completely unrelated to the industrial area in which the trade union leader serves.

On the basis of these consideration, the ethical practices committee, under the authority vested in it by the constitution of the AFL–CIO and pursuant to the mandate of the first constitutional convention of the AFL–CIO, recommends that the executive council of the AFL–CIO adopt the following policies to safeguard the good name of the AFL–CIO and its affiliated unions:

1. No responsible trade union official should have a personal financial interest which conflicts with the full performance of his fiduciary duties as a workers' representative.

2. No responsible trade union official should own or have a substantial business interest in any business enterprise with which his union bargains collectively, or in any business enterprise which is in competition with any other business enterprise with which his union bargains collectively.

3. No responsible trade union official should own or have a substantial business interest in a business enterprise a substantial part of which consists of buying from, selling to, or otherwise dealing with the business enterprise with which his union bargains collectively.

4. The provisions of paragraphs 2 and 3 above do not apply in the case of an investment in the publicly traded securities of widely held corporations which investment does not constitute a substantial enough holding to affect or influence the course of corporate decision.

5. No responsible trade union official should accept "kickbacks," under-the-table payments, gifts of other than nominal value, or any personal payment of any kind other than regular pay and benefits for work performed as an employee from an employer or business enterprise with which his union bargains collectively.

6. The policies herein set forth apply to: (a) all officers of the AFL–CIO and all officers of national and international unions affiliated with the AFL–CIO, (b) all elected or appointed staff representatives and business agents of such organizations, and (c) all officers of subordinate bodies of such organizations who have any degree of discretion or responsibility in the negotiation of collective bargaining agreements or their administration.

7. The principles herein set forth apply not only where investments are made by union officials, but also where third persons are used as blinds or covers to conceal the financial interests of union officials.

Mr. MORSE. Mr. President, I also ask unanimous consent to have printed in the RECORD three additional codes: The Code of Ethical Practices With Respect to Financial Practices of Unions, the Code of Ethical Practices With Respect to Union Democratic Processes, and the Recommended Code of Minimum Accounting and Financial Controls for Affiliates.

There being no objection, the codes were ordered to be printed in the RECORD, as follows:

CODE OF ETHICAL PRACTICES WITH RESPECT TO FINANCIAL PRACTICES OF UNIONS

This is the fifth in a series of recommended codes which the Committee on Ethical Practices has developed in accordance with the direction of the executive council that it should "develop a set of principles and guides for adoption by the AFL–CIO in order to implement the constitutional determination that the AFL–CIO shall be and remain free from all corrupt influences." On August 29, 1956, the council approved a code dealing with the issuance of local union charters; on January 31, 1957, the executive council approved codes dealing with health and welfare funds; racketeering, crooks, and Communists, and investment and business interests of union officials.

There are principles inherent in the conception of a free, honest, and democratic trade union movement, which, the committee believes, virtually dictate the outlines of any Code of Ethical Practices dealing with union finances. The first of these principles hardly requires statement. It is simply that a labor union is an organization whose primary function is to improve the wages, hours and working conditions of the employees it represents, through the processes of collective bargaining with employers. It is not a business enterprise or an investment company. Unions, of course, must have funds with which to operate and it is clearly desirable that they should maintain reserves to cover contingencies which may arise in the course of the performance of their functions as workers' representatives. But, equally clearly, the accumulation of funds per se is not the objective for which the union exists. A union is not a profit-making institution but a democratic organization with definite social aims and principles. Union funds are held in trust for the benefit of the membership. But a union, unlike a bank, a trustee, or other fiduciaries, is not primarily a manager of funds vested with the duty of enhancing their value and making distributions. Increasing the value of the union's funds should never become an objective of such magnitude that it in any way interferes with or obscures the basic function of the union, which is to devote its resources to representing its members, honestly and faithfully.

A second basic principle which dictates the terms of a code of ethical practices with respect to the handling of union funds is again simple. It is that unions are democratic organizations.

The fact that a union is a democratic organization plainly implies that the members of the union are entitled to assurance that the union's funds, which are their funds, are not dissipated. They are also entitled to be reasonably informed as to how the funds of the organization are being used or invested. Finally, their delegated representatives in the union's governing body and conventions should have the power and responsibility to oversee the expenditure of the union's moneys so that the members can be guaranteed that funds are expended solely for the purposes for which the organization exists.

A final fundamental principle, the committee believes, is involved. That principle is that each national or international union affiliated with the AFL–CIO in the words of the resolution on ethical practices which was unanimously adopted by the founding convention of the AFL–CIO in December 1955, "has clearly accepted the responsibility for keeping its own house in order and to protect the movement from any and all corrupt influences and from the undermining efforts of Communist agencies and all others who are opposed to the basic principles of our democracy and free and democratic unionism"."

From these three basic principles, the committee believes that certain conclusions necessarily follow. Since a union holds its funds for the benefit of its membership and to further their interests it should comply with standards generally applicable to fiduciaries or trustees with respect to the manner in which it keeps its records and accounts. Regular audits should be made and there should be appropriate distribution of summaries of such audits so that the membership and the public are adequately apprised of the state of the organization's finances. In this connection, a committee of secretary-treasurers of AFL–CIO affiliates has drawn up a suggested set of minimum accounting and financial controls for affiliates of the AFL–CIO. This set of controls represents, the committee believes, the minimum with which any affiliated organization should comply in order to fulfill the constitutional mandate that the labor movement should be kept free from any taint of corruption. Almost all unions, the committee believes, today comply with the minimum controls set forth in the recommendation of the secretary-treasurers. Many, indeed, have much stricter controls. The minimum controls suggested by the secretary-treasurers, therefore, should not be regarded as an optimum. Unions are to be commended and encouraged to establish and maintain even more stringent accounting and financial controls.

In addition to accounting and financial procedures necessary to conform to the controls applicable generally to well-run business organizations and fiduciaries, the committee believes that certain other rules follow from the basic principles set forth above. Because a union is a union, not a business organization or a trust company, the rules which guide its use and investment of funds are necessarily different. For example, investments by business organizations in other businesses from which they buy or sell so that the investing business may get favored treatment in its sales or purchases may be an acceptable business practice; similar investment by a labor union in business enterprises with which it bargains collectively presents serious problems. Such investment is not good practice for a union.

The fact that the basic objective in the management of trade union funds is not the maximizing of profit, but to further the objectives of the members joining together in a union leads to additional conclusions. A business organization has one function: To make money for its stockholders. A fiduciary's primary obligation is to preserve and, within limits defined only by the necessity for safety, to augment the funds which the trustee is charged with holding for the benefit of the beneficiaries. Since these are not a union's primary functions, a union's investment policy may properly be governed by different considerations. For example, business institutions and corporate trustees might question today the propriety of investing all of their reserves in Government bonds because of their comparatively low yield. Yet, for a trade union, one of whose fundamental objects is "to protect and strengthen our democratic institutions" such an investment policy is to be commended. Similarly, since another object of a trade union is to aid and assist other unions and "to promote the organization of the unorganized into unions of their own choosing" loans and grants for mutual aid and assistance are part of the proud tradition of the labor movement even though foreign to the business community and not justified by any considerations of financial gain or even security.

Similarly, the business community may not regard it to be a bad business practice for a business enterprise to buy or sell from firms in which the officers of the business have a financial interest. Nor may the business community regard it as bad practice for a business organization to lend money, on adequate security, to members of the organization. Because the funds of a labor union are both held in trust for the benefit of its members and to further legitimate trade union purposes, practices which may be acceptable in business organizations, the committee believes, should be limited if not completely eliminated among labor organizations.

All of these considerations lead to this ultimate conclusion. With respect to accounting and financial controls and the expenditure of its funds for proprietary (housekeeping) functions the labor movement, it goes almost without saying, should follow the strictest rules applicable to all well-run institutions. With respect to the policies governing its financial and proprietary decisions, a higher obligation rests upon the trade union movement: to conduct its affairs and to expend and invest its funds, not for profit, but for the benefit of its membership and the great purposes for which they have joined together in the fraternity of the labor movement.

On the basis of these considerations the Committee on Ethical Practices, under the authority vested in it by the constitution of the AFL-CIO and pursuant to the mandate of the First Constitutional Convention of the AFL-CIO and of the executive council, recommends that the executive council of the AFL-CIO adopt the following policies to safeguard the good name of the AFL-CIO and its affiliated unions:

1. The AFL-CIO and all affiliated national and international unions should comply with the minimum accounting and financial controls suggested by the committee of secretary-treasurers and approved by the executive council which is annexed hereto.

2. The AFL-CIO and all affiliated national and international unions should conduct their proprietary functions, including all contracts for purchase or sale or for the rendition of housekeeping services, in accordance with the practices of well-run institutions, including the security of competitive bids for all major contracts.

3. Neither the AFL-CIO nor any national or international union affiliated with the AFL-CIO should permit any of its funds to be loaned, invested, or otherwise dealt with in a manner which inures to the personal profit or advantage of any officer, representative or employee of the union.

4. Neither the AFL-CIO nor any national or international union affiliated with the AFL-CIO should enter into any contracts of purchase or sale or for the rendition of services which will inure to or result in the personal profit or advantage, including gifts of more than nominal value, other than his regular salary or compensation, of any officer, representative or employee of the union.

5. Neither the AFL-CIO nor any national or international union affiliated with the AFL-CIO should invest in or make loans to any business enterprise with which it bargains collectively.

6. The provisions of paragraph 5 shall not be construed as prohibiting investment by unions in the publicly traded securities of widely held corporations which investment does not constitute a substantial enough holding to affect or influence the course of corporate decision; the provisions of paragraphs 3 and 4 shall not be construed as applying to the profit that may result from a proper investment by a union officer, representative or employee. Nor shall such provisions be construed as preventing investment in a business or enterprise in which an official or an affiliate is engaged by virtue of his office, provided (a) no substantial personal advantage is derived from the relationship and (b) the business or enterprise is one in the management of which the affiliate participates for the benefit of its members. The provisions of such paragraphs, however, shall apply wherever third persons are used as blinds or covers to conceal the personal profit or advantage of union officials.

7. Neither the AFL-CIO nor any national or international union affiliated with the AFL-CIO should make personal loans to its officers, representatives, employees, or members, or members of their families, for the purpose of financing the private business or investment of such persons.

8. Each national or international union affiliated with the AFL-CIO should promptly take whatever internal steps are needed to insure that the standards set forth in this code are made applicable to itself and to each of its locals and other subordinate or affiliated bodies. Wherever constitutional amendments or changes in internal administrative procedures are necessary to fully comply with those standards, such amendments and changes should be undertaken by the affiliates at the earliest practicable opportunity.

CODE OF ETHICAL PRACTICES WITH RESPECT TO UNION DEMOCRATIC PROCESSES

This is the sixth in a series of recommended codes developed by the AFL-CIO committee on ethical practices. The prior codes have dealt, primarily, with the questions related to corruption and conflicts of interest. The present code has been developed by the committee pursuant to the mandate contained in article II, sections 10 and 11, of the constitution of the AFL-CIO, which sets forth the basic objectives of the federation to protect the labor movement not only from corrupt influences and Communist agencies but also from "all others who are opposed to the basic principles of our democracy and free and democratic unionism" and to "safeguard the democratic character of the labor movement."

These constitutional provisions of the AFL-CIO give effect to the democratic tradition upon which the entire labor movement is based. Freedom and democracy are the essential attributes of our movement. Labor organizations lacking these attributes, like Hitler's labor front, Franco's syndicates, and Moscow's captive unions, are unions in name only. Authoritarian control, whether from within the labor movement or imposed from without by government, is contrary to the spirit, the tradition and the principles which should always guide and govern our movement.

We are proud of our record. Just as the constitution of the AFL-CIO proclaims its dedication to the concepts of freedom and democracy and contains machinery for their implementation in the federation's operations, so also do the constitutions of its affiliates. Almost without exception, they provide for the basic elements of union democracy: the right of full and equal participation by each member in the affairs and processes of union self-government, in accordance with the principles of representative democracy and the necessity for protecting the rights of individual members.

The record of union democracy, like the record of our Nation's democracy, is not perfect. A few unions do not adequately, in their constitutions, provide for these basic elements of democratic practice. A few unions do not practice or implement the principles set forth in their constitutions. Finally, while the overwhelming majority of American unions both preach and practice the principles of democracy, in all too many instances the membership by apathy and indifference have forfeited their rights of union citizenship. The provisions of the Taft-Hartley Act have substantially frustrated previously successful efforts by unions to insure maximum attendance and participation by the membership in union meetings and affairs. The real corrective in this area is not so much the establishment of new principles as the exercise of rights presently recognized and accorded. Just as eternal vigilance is the price of liberty, so is the constant exercise of the rights of union citizenship the price of union democracy.

It is valuable, nevertheless, to restate the principles which should govern all free and democratic unions and to rededicate the labor movement to the preservation of these principles.

The Committee on Ethical Practices has attempted to formulate in the following code the basic and elementary principles which any affiliated union should achieve if it is to comply with the basic principles and objects of the AFL-CIO constitution. Necessarily, since each union has grown up in its own tradition and with its own background, forms and procedures may differ widely. Unions should be free to determine their own governmental structure and to regulate their own affairs. But, whatever the form, the basic democratic rights set forth in the code should be guaranteed.

1. Each member of a union should have the right to full and free participation in union self-government. This should include the right (a) to vote periodically for his local and national officers, either directly by referendum vote or through delegate bodies, (b) to honest elections, (c) to stand for and to hold office, subject only to fair qualifications uniformly imposed, (d) to voice his views as to the method in which the union's affairs should be conducted.

2. Each member of a union should have the right to fair treatment in the application of union rules and law. The general

principle applicable to union disciplinary procedures is that such procedures should contain all the elements of fair play. No particular formality is required. No lawyers need be used. The essential requirements of due process, however—notice, hearing, and judgment on the basis of the evidence—should be observed. A method of appeal to a higher body should be provided to insure that judgment at the local level is not the result of prejudice or bias.

3. Each member of a union has the responsibility (a) fully to exercise his rights of union citizenship and (b) loyalty to support his union. The right of an individual member to criticize the policies and personalities of his union officers does not include the right to undermine the union as an institution, to advocate dual unionism, to destroy or weaken the union as a collective-bargaining agency, or to carry on slander and libel.

4. To safeguard the rights of the individual members and to safeguard its democratic character, the AFL–CIO and each affiliated national or international union should hold regular conventions at stated intervals, which should be not more than 4 years. The convention should be the supreme governing body of the union.

5. Officers of the AFL–CIO and of each affiliated national or international union should be elected, either by referendum vote or by the vote of delegate bodies. Whichever method is used, election should be free, fair, and honest and adequate internal safeguards should be provided to insure the achievement of that objective.

6. All general conventions of the AFL–CIO and of affiliated national or international unions should be open to the public, except for necessary executive sessions. Convention proceedings or an accurate summary thereof should be published and be available to the membership.

7. The appropriate officials of the union and such bodies which are given authority to govern a union's affairs between conventions should be elected, whether from the membership at large or by appropriate divisions, either by referendum vote or by the vote of delegate bodies. Such bodies shall abide by and enforce the provisions of the union's constitution and carry out the decisions of the convention.

8. Membership meetings of local unions should be held periodically with proper notice of time and place.

9. Elections of local union officers should be democratic, conducted either by referendum or by vote of a delegate body which is itself elected by referendum or at union meetings.

10. The term of office of all union officials should be stated in the organization's constitution or bylaws and should be for a reasonable period, not to exceed 4 years.

11. To insure democratic responsible and honest administration of its locals and other subordinate bodies, the AFL–CIO and affiliated national and international unions should have the power to institute disciplinary and corrective proceedings with respect to local unions and other subordinate bodies, including the power to establish trusteeships where necessary. Such powers should be exercised sparingly and only in accordance with the provisions of the union's constitution, and autonomy should be restored promptly upon correction of the abuses requiring trusteeship.

12. Where constitutional amendments or changes in internal administrative procedures are necessary to comply with the standards herein set forth such amendments and changes should be undertaken at the earliest practicable time.

RECOMMENDED CODE OF MINIMUM ACCOUNTING AND FINANCIAL CONTROLS FOR AFFILIATES

The special committee of the secretary-treasurers' conference of the AFL–CIO, consisting of William Pachler, Utility Workers Union of America; Toney Gallo, United Cement, Lime, and Gypsum Workers International Union; Frank Grasso, United Papermakers and Paperworkers; I. W. Abel, United Steelworkers of America; James B. Carey, Industrial Union Department; James R. Downes, International Association of Bridge and Structural Iron Workers; George E. Fairchild, Building Service Employees International Union; Al Hartnett, International Union of Electrical, Radio, and Machine Workers; Vernon Housewright, Retail Clerks International Association; Joseph D. Keenan, International Brotherhood of Electrical Workers; Lewis McCracken, United Glass and Ceramic Workers of North America; Emil Mazey, United Automobile, Aircraft, and Agricultural Implement Workers of America; John J. Murphy, Bricklayers, Masons, and Plasterers International Union of America; Eric Peterson, International Association of Machinists; and Desmond Walker, United Rubber, Cork, Linoleum, and Plastic Workers of America, herewith submits to the executive council, through the secretary-treasurer of the AFL–CIO, a recommended code of minimum accounting and financial controls for affiliates. This system of principles was prepared in response to the request and under the general supervision of the secretary-treasurer, acting pursuant to a motion passed by the executive council at its March 1957 meeting. It has been unanimously approved by the special committee of the secretary-treasurers' conference, and in addition, has received the endorsement of representatives of nationally known and highly distinguished independent certified public accounting firms.

This statement of principles is proudly presented. It embodies therein standards of accounting and financial responsibility and control that today meet with general approval and general acceptance. It provides a further manifestation of the determination of the AFL–CIO to give substance to its constitutional mandate that this federation must be and remain free from any and all corrupt influences. It will, as intended, augment, fortify, and strengthen the codes of fundamental trade union morality earlier adopted by the executive council to effect adherence to the high ethical standards proclaimed in the constitution of the AFL–CIO.

The code of principles herein recommended represents agreement of many minds on fundamental, minimum standards that should be adopted and put into effect by affiliates and other subordinate bodies in the conduct of their financial affairs and in the preparation and maintenance of appropriate records and reports. It is the result of many meetings and a full exchange and discussion of ideas and concepts, with rich contributions being made not only by secretary-treasurers of international and national affiliates, but by the representatives of the independent certified public accounting firms whose recommendations form the basic structure of the controls herein suggested.

The first meeting was held on April 4, 1957, and it was attended by the secretary-treasurer of the AFL–CIO and members of his staff, by members of the special committee of the secretary-treasurers' conference, and by legal counsel to the federation. At this meeting the motion adopted by the executive council was presented and discussed.

A subcommittee was appointed and commissioned to meet with representatives of six outstanding and eminent certified public accounting firms with the end in view of soliciting and considering their recommendations as to the essentials of an effective, worthwhile and workable standard of accounting and financial controls. The six certified public accounting firms selected were: Main & Co., Price Waterhouse & Co., Thomas W. Havey & Co., Wayne Kendrick & Co., Scovell, Wellington & Co., and Haskin & Sells.

The subcommittee thereafter met on April 18, 1957, and a draft of proposed controls was considered and discussed. During the afternoon of that day the subcommittee met with representatives of the accounting firms mentioned above and considered with them the formulation of a statement of standards dealing with financial and accounting responsibility. At this meeting the subcommittee's draft of proposed controls was reviewed and discussed. Before concluding this meeting, it was agreed that the representatives of the accounting firms would further consider the subcommittee's proposals and at a subsequent date would submit their observations with respect to the same and present their written recommendations with respect to a satisfactory and appropriate code of financial conduct and accounting.

Thereafter and by May 1, 1957, recommendations were received from Price Waterhouse & Co., Thomas W. Havey & Co., Scovell, Wellington & Co., Wayne Kendrick & Co., and Main & Co. A detailed study of these recommendations was made by members of the subcommittee at a meeting held on the morning of May 9, 1957. This study disclosed that four of the firms making recommendations believed that minimum controls should be adopted in any code proposed. The fifth recommended a broad and general statement of principles. This study further disclosed that these four firms recommending minimum controls were in substantial agreement as to the nature and reach of the controls to be adopted. The recommendations for minimum controls met with the general approval of the subcommittee and a proposed code substantially incorporating the recommendations made was prepared and adopted by the subcommittee. That afternoon the proposed code was submitted to the special committee for its study and approval. After a thorough analysis and discussion some minor changes were made in the proposed code and, as so amended, it was unanimously adopted by the special committee with the recommendation that it be finally discussed with and reviewed by the representatives of the public accounting firms collaborating in its preparation.

This was accomplished the following day when the members of the special committee and staff members of the AFL–CIO, including legal counsel, met with the representatives mentioned. Again changes were made and a system of proposed minimum controls, meeting with the unanimous approval of all present, finally emerged. In this process of agreement the representative of one accounting firm who had advocated as a preferable method of approach, a broad and general statement of principles rather than a code of minimum controls, joined with his associates, in affirming that the controls proposed provided a sound, workable, and effective system for ensuring the maintenance of satisfactory standards of financial and accounting responsibility.

This, then, is the genesis of the proposed system of principles now submitted to the executive council. In making this submission the special committee of the secretary-treasurers' conference again calls attention to the fact that the proposed code suggests basic minimum accounting and financial controls. It does not purport to embrace the entire field. Such full embracement is neither necessary nor feasible in setting standards for affiliates of the AFL–CIO to follow. Indeed, some doubt exists as to the actual need for the controls mentioned, for many organizations within the family of the AFL–CIO have, for years, adhered to financial and accounting standards far more exacting and embracive than those here proposed and many more affiliates have established and now maintain standards fully meeting the requirements embodied in the proposal submitted. The standards established herein are needed only because of and for the benefit of those few affiliates that may still adhere to loose and inadequate controls that can, and on a few occasions have allowed, mismanagement or misuse of union funds. It is because of these few and the harm their deficiencies in financial and accounting controls can bring to the good name of the AFL–CIO and its affiliates that the proposed standards are necessitated.

For those few organizations the standards proposed possess efficacy and are not unduly burdensome. In summary, they provide, among other things, for the establishment and maintenance of detailed and accurate records of accounts consistent with good accounting procedure and furnish adequate safeguards against the improper handling and use of union funds. Basic principles designed to insure the soundness and safety of union investments with due regard for adequate return on funds invested are stated and union investments in a concern or enterprise in which a union officer may have a direct or indirect personal financial interest of a substantial nature are proscribed. Improper payments, such as kickbacks, to union representatives and employees are forbidden. Loans to union officers, representatives, members, and employees are restricted to duly authorized and fully disclosed loans made on a sound investment basis. Provision is made for periodic and detailed financial reports and for internal audits by competent persons in accordance with generally accepted standards of auditing. Annual audits, by certified public accountants, of the accounts of affiliates, except directly affiliated local unions, are to be required by such affiliates and such affiliates are to require that annual audits be made of the accounts of its subordinate bodies by competent persons. Annual audits of directly affiliated local unions are to be made by competent persons designated by the secretary-treasurer of the AFL–CIO. Summaries of all annual audits are to be made available to the membership of the organization involved. Adequate fidelity bond coverage is to be required by each affiliate for all officers, representatives, and employees of that affiliate in positions of trust, including officers and employees of subordinate bodies of such affiliate. Finally, provision is made for the preservation of all financial records for the period of time required by applicable law.

Attention is called to the fact that full compliance with the principles stated in the proposed code may require some affiliates to amend their constitutions and make changes in internal administrative procedures. This possibility is recognized in the proposed code itself and it is the sense of the code that adequate opportunity should be given to affiliates to make such constitutional amendments or changes in internal administrative procedures as are necessary.

The principles stated in the proposed code have been made applicable to all affiliates of the AFL–CIO and their subordinate bodies. This is not intended to mean, however, that the AFL–CIO is to assume the responsibility of supervising their execution. Their execution is the duty and the responsibility of each affiliate. However, the AFL–CIO should expect and should insist upon full observance and compliance by affiliates and their subordinate bodies with the standards of conduct set forth in the proposed code.

With confidence that the proposed code will effectively implement the codes of ethical standards already adopted by the AFL–CIO and will further safeguard and protect the good name and reputation of the federation and its affiliates, the special committee of the secretary-treasurers' conference, in carrying out the assignment entrusted to it by the secretary-treasurer of the AFL–CIO under instruction of the executive council, recommends that the executive council of the AFL–CIO adopt the following recommended Code of Minimum Accounting and Financial Controls for Affiliates:

1. Detailed and accurate records of accounts, in conformity with generally recognized and accepted principles of accounting, should be currently maintained by all affiliates of the AFL–CIO. These records should include, as a minimum need, a cash receipt record, a cash disbursements record, a general ledger, a dues or per capita tax record, an investment record, and a payroll record.

2. All receipts should be duly recorded and currently deposited. No disbursements of any nature should be made from undeposited cash receipts.

3. All expenditures should be approved by proper authority under constitutional provision and be recorded and supported by vouchers, providing an adequate description of the nature and purpose of the expenditure sufficient for a reasonable audit by internal and independent auditors. Disbursements should be made only by check, with the exception of disbursements from petty cash, in which situation, an imprest petty cash fund should be established.

4. Salaries of elected officials should be established only by constitutional provision. Compensation to nonsalaried elected officials, and to other officials, representatives and employees, if not fixed by constitutional provision, should be established and paid in strict conformity with such authority as is provided by the constitution and in accordance with its applicable provisions.

5. Reimbursement of expenses, including per diem expense, should be made only where such expenses have been duly authorized and are supported in a manner that will permit a reasonable audit.

6. Every precaution should be taken to insure the soundness and safety of investments and the investments are made only by persons duly authorized to act for and on behalf of the affiliate. Investments in securities should either be restricted to the type of securities which legally qualify for trust fund investments in the domicile State or a person or persons authorized to invest funds of an affiliate should, in making such investment, be required to exercise the judgment and care under the circumstances then prevailing which men of prudence, discretion and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering probable safety of their capital as well as probable income. No investment should be made by an affiliate in a business or enterprise in which any officer of that affiliate has a direct or indirect personal financial interest of such a nature as to be affected by the affiliate's investment or withdrawal of investment. (This last stated provision is not to be construed as preventing investment in a business or enterprise in which an official of an affiliate is engaged by virtue of his office, provided (a) no substantial personal advantage is derived from the relationship, and (b) the business or enterprise is one in the management of which the affiliate participates for the benefit of its members.) Securities owned by the affiliate should be under dual officer control and held by a bank or a trust company as agent or if that is not feasible, such securities should be placed in a safety deposit vault. All investments and legal title to all assets of an affiliate should be in the name of the affiliate or its duly designated agent or trustee.

7. Periodic, but not less than semiannual, detailed financial reports should be prepared in accordance with generally recognized and accepted standards of financial reporting. These reports should be prepared and submitted by the elected financial officer of the affiliate to the executive body of such affiliate for its study and such action as may be required.

8. A record of each meeting of the executive body of an affiliate should be made and maintained. These records should note all official actions taken by that body, in relation to accounting and financial matters.

9. Adequate fidelity bond coverage should be required by an affiliate for all officers, representatives and employees of that affiliate in positions of trust, including officers and employees of subordinate bodies of such affiliate.

10. Affiliates and their subordinate bodies should be subject to a system of internal audits made by auditors or by other competent persons in accordance with generally accepted standards of auditing so as to maintain current vigilance over all financial transactions.

11. At least annually, an audit of the accounts of each affiliate, except directly affiliated local unions of the AFL–CIO, should be made by independent certified public accountants. A summary of such audit approved by such independent certified public accountants should be made available to the membership of the affiliate and to the public.

Each such affiliate should require, at least annually, that an audit be made of the accounts of its subordinate bodies by competent persons. A summary of such audit approved by such competent persons should be made available to the membership of such subordinate body.

An annual audit of the accounts of directly affiliated local unions should be made by authorized competent representatives of the AFL–CIO designated by the secretary-treasurer of the AFL–CIO. A summary of such audit, approved by such representative, shall be made available to the membership of such directly affiliated local unions.

12. All financial and accounting records of affiliates and their subordinate bodies and all supporting vouchers and documents, or microfilm copies thereof, should be preserved for a period of time not less than that prescribed by applicable statutes of limitations.

13. Neither the AFL–CIO nor any national or international union affiliated with the AFL–CIO should make personal loans to its officers, representatives, employees, or members, or members of their families, for the purpose of financing the private business or investment of such persons.

14. No kickbacks or any other improper payments should be accepted or made, directly or indirectly, by any officer, representative or employee of an affiliate in connection with any financial transaction of such affiliate.

15. Affiliates should take every precaution necessary to insure their full compliance with all properly authorized and applicable requirements of State or Federal law pertaining to financial and accounting matters and to reporting.

16. In order to protect and safeguard the good name and reputation of the AFL–CIO and its affiliates, the financial and accounting controls set forth herein are made applicable to all affiliates of the AFL–CIO and their subordinate bodies and to all their funds of whatever nature.

17. Where constitutional amendments or changes in internal administrative procedure are necessary to a full compliance with the standards set forth herein, such amendments and changes should be undertaken by affiliates at the earliest practicable opportunity.

Mr. MORSE. I now yield to the Senator from Arizona.

Mr. GOLDWATER. I wish to compliment the senior Senator from Oregon for the remarks he has made this afternoon relative to the position taken by labor itself. I would be the first to agree that the great majority of local union leaders, and I think also the great majority of international union leaders,

are honest and sincere men. I am glad the Senator has brought this to the attention of the Senate, because I think there is a tendency on the part of the American people to condemn the whole labor movement, when the whole movement is not subject to such condemnation.

The Senator might be interested in hearing of a study I made about 4 or 4½ years ago into the constitutions of labor unions which were then available in the Department of Labor. I found approximately 85 percent of those which were available provided democratic processes for governing themselves.

I merely desired to call to the Senator's attention the fact that what we are finding today in the labor movement exists because of the inattention of members to democratic processes. That inattention is not confined to the labor movement, but extends also to bar associations, medical associations, and business associations, to which I belong. In fact, it extends to the entire electorate of the United States, when we consider that only 70 percent of the registered voters vote, and that 70 percent represents 54 or 55 percent of citizens who are entitled to vote. We then find the seeds of the same kind of corruption that will occur, not only in the governments represented by the local unions, but in the governments of large cities, of the States, and of the Nation.

We can talk all we care to, we can try to legislate all we desire, but we cannot legislate into the minds of people their responsibilities under the democratic processes.

I have heard the suggestion made that laws should be enacted to make union members attend union meetings, but I think if we can bring the attention of the American people to their responsibility to adhere to democratic processes, whether it be on school boards or in local unions or in local associations, we shall do more good.

Again I thank the Senator for yielding. I merely wanted to make these comments.

Mr. MORSE. The Senator has made an excellent contribution to this discussion.

I agree with the Senator that one of the greatest problems that union officials have, as they will tell us, is that at labor conference after labor conference they get active rank-and-file interest in the local union only when things are going badly. When things are going relatively well, there is a tendency for men and women to stay away from union meetings, and forget that, after all, a labor union involves much more than merely coming to a meeting place for the discussion of wages, hours, and conditions of employment.

The American labor movement, as I see it, should be one of the great schools of citizenship education. It ought to be one of the forums where men and women of common interest meet and make themselves better citizens.

I am delighted, however, with the codes I have thus far put into the record this afternoon, because I think if we get more and more unions to adopt, for instance, the recommendation of the code on local charters, it will greatly strengthen, in the long run, the programs of the local unions themselves.

I think the Senator from Arizona is completely right when he points out that the overwhelming majority of American labor unions, so far as the governing procedures which are set forth in their constitutions and bylaws are concerned, are very democratic. In fact, I remember that back in the thirties some time one of the great labor organizations held its national convention in Portland, Oreg. It was held in one of the large public auditoriums. The public was invited to occupy the gallery, and the delegates were on the floor. I was doing a great deal of labor arbitration work in those days. I urged a good many of my business friends in the Portland area to attend the meetings. Many of them did. I found their comments very interesting, and some of them amusing. First, I found that many of them did not have the slightest idea of the democratic processes involved in conducting an international union convention. They had apparently read so much propaganda material, antilabor in nature, that they apparently thought the president stood up in union meetings and handed down the orders.

At that convention, on several occasions the president was overwhelmingly reversed after a hard fight on recommendations committees had made to the convention. He took a "shellacking," so to speak, and was voted down. That was a great lesson to some of my employer friends who had never seen a labor union actually operate before, so far as a convention was concerned.

Of course, the same procedure is going on night after night, in local union after local union, all over the country. But there is no doubt about the fact that there are some unions which still function on a completely oligarchic basis—a basis of orders from the top down, instead of democracy from the bottom up.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. MORSE. I shall yield in half a minute.

One has only to read the code on local union charters and the codes which Al Hayes has produced, and is urging for the consideration of the American labor movement, to recognize that we have gone a long way in the past 30 years in democratizing the procedures of the American labor movement; and I am for going all the way.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. GOLDWATER. I wish to give impetus to the discussion by remarking that during the course of the hearings which involved locals and one council in Portland, Oreg., we discovered that of a membership of, as I recall, about 4,000 in one group, the average attendance would be less than 50 at the local meetings.

I recall in my home town of Phoenix speaking before a bricklayers' union local. I remarked to the president that there was a rather small crowd present, and that I had thought they would turn out in force to take me apart. There were 35 members there. He said, "Oh, no; this is the largest attendance we have had in months"—35 out of 1,800. I cite that instance to add weight to my argument that how the unions are run is up to the members themselves.

I have a theory which I hardly dare mention on the floor of the Senate, because I know how the Senator from Oregon feels about it, and I am sure we could stay here discussing it until the snow got 10 feet high on Pennsylvania Avenue. I am sincere in stating that I believe that if we removed the provision for compulsory membership from the union movement we would encourage a better attendance at union meetings. If the Senator cares to go into that matter, I know we could spend many hours on it. It is a matter that is a favorite subject of mine. I believe voluntary membership would induce greater interest in unions. We are a free people. We like to do everything voluntarily. When we do it that way, it is more effective.

Mr. MORSE. I respectfully submit to my friend, the Senator from Arizona, that we had better proceed with consideration of the housing bill. Nevertheless, I am glad to have his contribution to my discussion.

Before doing this, however, I wish to say, Mr. President, that I now should like to request permission to have printed in the body of the RECORD immediately following the first four codes I have had printed in the RECORD, in pamphlet form, three additional codes, which I now wish to mention briefly. I ask for permission to have the material I shall now discuss printed in the RECORD immediately following the printing of the first four codes previously authorized to be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. The fifth code promulgated by the AFL–CIO under the able leadership of Al Hayes is the Code of Ethical Practices With Respect to Financial Practices of Unions. A good many phases of this code are involved in the Douglas bill with regard to legislation dealing with finances of unions.

I quite agree with the Senator from Arizona that the answer to many of these problems is not legislation, but I wish to repeat what I said in Wisconsin some weeks ago, at a labor symposium honoring the professor, Ed Witte, one of the greatest living labor economists, that there are two subjects on which I think Congress should pass legislation before we adjourn this summer. One is the matter of union financing; and the enactment of legislation along the lines of the Douglas bill, which requires full public disclosure of union funds, including welfare funds.

As I said in Wisconsin, I repeat today: Union finances are vested with a public interest. That a union is a private lodge is now a bygone notion. A union today is an institution vested with a public interest, as is a corporation. The unions today have a very close relationship to public welfare in a great many respects. Therefore, I think the Congress has a duty to see to it that there is fair and reasonable legislation on the

books which will protect the public interest, and will protect the rank and file interests of the union members.

I believe this Code of Ethical Practices With Respect to Financial Practices of Unions will be very helpful to the Committee on Labor and Public Welfare in the promulgation of legislation which I hope we will be able to recommend to the Senate and have passed by the Congress before final adjournment.

Not critically, but regretfully, do I say this; I wish Mr. President, that we were getting the same offer of enthusiastic cooperation from some of the great employer organizations, when it comes to the matter of public disclosure concerning the administration of welfare funds, because, as Mr. Hayes pointed out in our broadcast this morning, only a small percentage of the so-called welfare funds are union-administered. Most of them are management-administered. Yet when the suggestion is made that there ought to be the same public disclosure with regard to the financial arrangements, accounting and bookkeeping, respecting funds which come under management control, we are getting a surprisingly large amount of opposition from employer groups and insurance groups. I hope there will be a change. I think there will be. I believe that if our committee performs as it should, it will be able to educate not only the public generally, but the employer and insurance groups, which at the present time seem to be skeptical, to a recognition that it is in their interest that we have the same policy of public disclosure of welfare funds and other financial funds of the employer groups as well as those of the labor groups.

The next code which I obtained permission to have inserted in the RECORD is the Code of Ethical Practices with Respect to Union Democratic Processes. I have already discussed that subject in general, and I shall say no more about it at this time.

Lastly, Mr. President, there is the Recommended Code of Minimum Accounting and Finance Controls for Affiliates, which was adopted by the AFL–CIO May 22, 1957, which is included in the material I have received permission to have printed in the RECORD.

I close this part of my discussion today by again commending the AFL–CIO leadership for its industrial statesmanship, for the clear-headedness with which I think it is meeting the labor crisis that confronts the American labor movement, and for its great courage in demonstrating beyond a question of doubt its determination to clean house, to sweep from labor's house any vestige of racketeering, crookedness, communism, fascism, or reprehensible conduct on the part of any representative of organized labor, including individuals and unions.

THE HOUSING ACT OF 1957

The Senate resumed the consideration of the bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes.

Mr. MORSE. Mr. President, I am now ready to turn to my amendment, but I should like very much to have the chairman of the subcommittee present on the floor when I discuss my amendment. I know that he has been engaged in a very important conference. I suspect, however, that he is probably through with the conference. I wonder if I may receive unanimous consent to ask for a quorum call, the request for which I shall be glad to withdraw after a few minutes, so that notice can be given to those who are interested in my amendment that it is about to be taken up.

Mr. President, I request unanimous consent that I may be permitted to suggest the absence of a quorum, in order that I may be recognized after the call of the roll.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. MORSE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. THURMOND in the chair). Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MORSE] for himself and other Senators.

Mr. MORSE. Mr. President, has my amendment been read?

The PRESIDING OFFICER. It has been printed in the RECORD.

Mr. MORSE. It is the amendment which is printed and lies on the desks of Senators. It is identified as amendment "A", the so-called public housing amendment.

I shall discuss my amendment without interruption, in that I shall not yield until I have concluded my remarks on the amendment. Then I shall be glad to have interruptions.

All the amendment would do would be to provide 200,000 units each year for 2 years instead of 35,000 units of public housing provided for in the present law. Construction of the 200,000 units would start in 1958.

I should like to say, by way of background, that the Lehman housing bill of last year, of which I was a cosponsor, namely, Senate bill 3158, called for 200,000 units of public housing annually for 3 years.

The bill reported by the Senate Banking and Currency Committee last year authorized 135,000 units for 4 years, and permitted the President to vary the number of new starts from 50,000 to 200,000, depending upon economic factors each year. The committee report justified that number on the basis of the Housing Act of 1949, which fixed a goal of 810,000 public-housing units to be built, owned, and operated by local public-housing bodies. By 1956, that goal had been only 40 percent achieved, since only 310,500 public-housing units had been placed under contract under the 1949 act.

The committee therefore believed 135,000 a year for 4 years was reasonable. The Senate defeated by a rollcall vote of 41 to 38 the Bricker-Capehart amendment which sought to reduce the number to 35,000 as proposed by the administration. That number is in the present law because it was put in by the House-Senate conference.

In his remarks on May 27, the Senator from Alabama [Mr. SPARKMAN] noted that the additional housing units required each year in order to supply the needs of the American people for comfortable housing is at least 1,500,000. The rule of thumb used to calculate the number of public-housing units, so that low-income groups can be provided for, is 10 percent of the total need. Therefore, 150,000 public-housing units a year would be needed to provide adequate low-income housing. Because the 35,000 units approved last year is so far below that figure, it is entirely reasonable to call for 200,000 units for the next 2 fiscal years, and that is really all our amendment seeks to do.

So much for the background so far as the position of the Senator from Oregon on public housing is concerned. I have been a consistent supporter of it. But there is this additional background to the amendment: In my campaign last year for reelection to the Senate, I was confronted with an exceedingly serious economic slump in my State, particularly in the field of lumber and construction.

Throughout the campaign I deplored the position of the administration in regard to public housing. I deplore its recommendation of only 35,000 public housing units, and I pledged to the people of my State in that campaign time and time again that when the housing bill came before the Senate this year I would offer an amendment—if the committee did not place such a provision in the bill—to provide for at least 200,000 unit of public housing. I stated in many speeches that I thought the figure should be 225,000, in order to catch up with what I considered to be the great lack of progress in this field.

After giving careful consideration to the problem, and after consulting with the Senator from Pennsylvania [Mr. CLARK], who in my opinion is one of the keenest students of the public housing problem, not only in the Senate, but in the entire Nation—and I say this with no overstatement whatever intended, because I believe it to be true—and with the other cosponsors of the bill, I have offered an amendment calling for 200,000 units.

I shall not speak at length, but I wish to buttress my remarks by referring to the hearings, copies of which are on the desks of Senators. I refer to page 98 thereof, and to certain tables to be found on that page.

The first one is entitled "Public Housing Administration: Low-Rent Units Under Management by Public Law as of February 28, 1957." The total is 428,470. That is the total number of low-rent units under management by so-called public law, as of February 28, 1957.

Public Law 171, the Housing Act of 1949, provides for 209,560; initiated, 196,248; reactivated, 13,312.

Under Public Law 412, 117,019.

Under Public Law 671, 48,402.

Under PWA (Public Law 11 and Public Law 67), 21,135.

Under the Lanham Act (War housing converted to low-rent, Public Law 475), 24,845.

Farm labor camps, 7,509.

The next part of the table is exceedingly important. It is headed "Status of Units Under Annual Contributions Contract Initiated Under the Housing Act of 1949, as of February 28, 1957."

These are the cases in which contributions are being made by Government toward rental payments, so to speak. The total in the category "Under Annual Contributions Contract, Not Under Construction," is 92,163; under construction, 11,252; under management, 196,248.

In other words, as I understand, 196-248 represents the number of units in which human beings actually are living. These fellow Americans in the low-income groups are Americans in whose behalf it has been determined to be sound policy for the Government to make a contribution, and give assistance.

The next heading is "Annual Contributions Contracts and Construction Starts Under Housing Act of 1949 Low-Rent Program." Mr. President, I ask, without reading it, that this table be printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Annual contributions contracts and construction starts under Housing Act of 1949 low-rent program

Fiscal year	Limitation	Placed under annual contributions contract	Placed under construction
1950	None	14,834	2,774
1951	Presidential limitation to 30,000 construction starts in last half of calendar year, 1950.[1]	130,702	88,359
1952	50,000 construction starts [2]	45,531	52,912
1953	35,000 construction starts [2]	34,245	37,293
1954	No new contracts and 20,000 construction starts	0	18,674
1955 [3]	35,000 annual contributions contracts	30,351	8,723
1956 [4]	45,000 annual contributions contracts	44,422	7,967

[1] 28,656 started July–December 1950.
[2] Limitations were on units initiated after Mar. 1, 1949, units placed under construction include units initiated prior to that date.
[3] Includes 1 month extension by the Congress to July 31, 1955.
[4] Data for 12-month period ending July 31, 1956, to which statutory limitation applied.

Mr. MORSE. Mr. President, the next figures I wish to comment on are headed: "Progress on 70,000 Units Under Housing Act of 1956, August 1, 1956, through March 15, 1957."

Preliminary planning authorized (reserved and funds released), 8,185.

Annual contributions contracts, none.

I stress the significance of the last statement. As Senators will learn from a telegram I shall read into the RECORD in a moment, the fact is that we have not even been going ahead administratively with the authorizations—with the inadequate authorizations, I may say—we made in last year's bill.

The committee's hearing record—and I know of no question as to its accuracy—points out that of the 70,000 units on which we could have gone ahead, there was preliminary planning authorized by the housing officials for only 8,185. The annual contributions contracts add up to a goose egg zero.

Mr. President, that concerns me very much, because in my judgment it amounts, in effect, to an administrative emasculation of the objectives of the very inadequate housing program, so far as the public housing features are concerned, which Congress adopted last year.

In the CONGRESSIONAL RECORD for May 28, 1957, at page 7865, in the speech by the Senator from Alabama [Mr. SPARKMAN], the chairman of the subcommittee, there appear some interesting data which he inserted in the RECORD. I refer to the last column of that page, toward the bottom. He said:

> The FHA operation has been a profitable one up to the present time. These profits have been enough to pay off initial borrowings from the Treasury and to pay their annual operating expenses and still leave a sizable profit (over $20 million) remaining to be transferred to FHA insurance funds.
>
> This entire operation has not cost the Federal Government any money.

Then the Senator from Alabama went on to discuss the public housing program:

Public housing program

Total of units under management as of Mar. 1, 1957 (all programs)	428,000
Annual contributions paid by Federal Government in 1956	$81,000,000
Annual contribution per unit	$238

I want Senators to keep that figure in mind, because I shall return to it in a moment. The annual contribution per unit of these public housing units has been $238. The Senator from Alabama then gives some additional statistics:

Status of program under Public Law 171—Housing Act of 1949 (as of Mar. 1, 1957)

Total units planned under Public Law 171	810,000
Under management	196,000
Under construction	11,000
Under annual contributions contract, not under construction	92,000
Authorized by Housing Act of 1956	70,000
Total	369,000
Remaining yet to be authorized	441,000

What I wish to focus attention on, Mr. President, in these statistics, and they are living, not dead, statistics—although they refer to a program that is almost dead—is that they provide a plea for Congress to assume what I consider to be a tremendous responsibility.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MORSE. No; I shall not yield at this time. I wish to finish my speech first.

NEED FOR PUBLIC HOUSING CONTINUES

Here we sit in the Senate Chamber in the United States Capitol. I can take Senators 4 or 5 or 6 blocks from here and I can show them living quarters occupied by fellow human beings in the Capital City of the United States in which I would not keep my cattle. I keep my cattle at Poolesville, Maryland, in better quarters than little children are kept in within 4 or 5 or 6 blocks of the dome of the Capitol under which we are now sitting.

That is why this is one Senator who has no intention of being deterred. Here is one Senator who has no intention of relinquishing the struggle for better living conditions for American men and women in low-income groups who cannot pay for decent living quarters. That is why I have said before, and say again today, that in fighting for adequate public housing in the United States, I am fighting to strengthen the front line of defense of American democracy. When I am fighting to strengthen private home ownership and decent living quarters for fellow Americans, I am fighting to strengthen the American way of life. No American, on the basis of economic grounds, can shuffle off his or her social responsibility by saying, "We cannot afford it."

The answer is, we cannot afford not to provide decent housing conditions for American men and women in the low-income brackets.

The cost is $238 per unit. That is what the committee tells us. The taxpayers have been contributing to public housing, for the 196,000 units now occupied by fellow Americans in the low-income group, $238 per unit.

Mr. President, I shall never be silenced in my fight to improve the living conditions of unfortunate fellow Americans as long as such deplorable conditions exist almost within a stone's throw of the Capitol dome. I can take Senators by the hand, if they must be led, 4 or 5 blocks from here and have them see for themselves, because seeing is believing.

When I fight to correct conditions such as that, I am often told I am advocating creeping socialism, or socialism of some kind. What I am advocating is the strengthening and protecting of the private enterprise system of America because woe be unto America if we continue to increase the number of people living in conditions worse than those in which, for example, I would stable my own cattle.

Mr. GORE. Mr. President, will the Senator yield?

Mr. MORSE. No; I will not yield—and I say this, respectfully—until I have finished my speech, because I have had

a little experience with yielding on the floor of the Senate. It somewhat delays me in getting to my final point. When I have completed my speech, I will yield.

I desire to put before the Senate today squarely the social and moral question which is presented by my amendment. There are even those who suggest that if we increase the funds and the amounts for public housing, we will increase the danger of inflation. In my judgment, that is tommyrot, highly fallacious, non sequitur reasoning.

I will tell Senators what will result if we meet the moral obligation which confronts the American people in regard to housing. The result will be that there will be a decrease in the rate of juvenile delinquency. We will save some precious American boys and girls from going wrong. I am not one who thinks it is possible to put a price tag on a single child, because I think each one is priceless.

Here we have the body of information, if we will but read it. Here we have the body of information, if we will but see it. Decent conditions have a direct relationship to the behavior pattern of boys and girls in a community.

PENDING BILL IS TOTALLY INADEQUATE ON PUBLIC HOUSING

I have taken very seriously my work on the Senate Committee on the District of Columbia. I have devoted a great deal of my time seeking to improve the living conditions in the Capital City of the Nation. That is why it hurts to pick up the housing bill on the floor of the Senate, study it, and realize that it is a far retreat from what I thought was for years one of the great objectives of the Democratic Party, the party of the people, the party which sought to promote the welfare of the people of the country, the party of Jefferson, namely, to recognize that, after all, the primary responsibility of our parliamentary form of government is to promote the general welfare of all the people. Are we doing that in this housing bill? I respectfully say to my colleagues in the Senate: We are retreating from that obligation.

Oh, I know the answer, given to me in well-intentioned advice in the cloakroom, in some instances with an arm around my shoulder, goes like this:

"Wayne, old boy, we know you are right about this, but we cannot do it this year. We simply do not have the votes this year. It cannot be done this year. This is the best we can get now, and we have to take what we have."

I do not believe good legislation is passed that way. I believe sometimes it is necessary to lose in order to gain on another day. I happen to believe that sometimes it is necessary to say, "No; we will not compromise the social and moral principles involved in this subject one iota. We are going to insist that either we have a good bill, or we will have no bill at all"; and then let the people be heard from.

But the danger with the kind of approach we are making on the housing bill today is that the news will go out to the country that Congress passed a housing bill. We know that millions of people who think only in terms of titles and labels will not stop to ask the question, What kind of housing bill? What was in it?

Mr. President, if we refuse this kind of compromise, the people will start to ask the question, Why did they refuse?

We will then have the process of public education taking place. It will become known that one of the reasons why we refused was that we did not live up to the principles which I say the party of Jefferson ought to live up to, namely, the responsibility to promote the welfare of the underprivileged. The people would understand.

Mr. President, it is obvious that I feel deeply about public housing. I have made the point. I shall not embellish it. I have made it before. I merely want the RECORD to show that I think the so-called public-housing phases of the bill are so inadequate that the bill itself is made completely inadequate.

I take you, Mr. President, to last year, to a great statement made by the chairman of the subcommittee, the distinguished Senator from Alabama [Mr. SPARKMAN]. His statement appears in the CONGRESSIONAL RECORD of May 24, 1956. He said:

> Mr. President, I wish to speak for 2 or 3 minutes in regard to the particular provision of the bill to which the amendment is directed. I shall not speak at length, because the matter has been before the Senate time after time, and on 4 or 5 different occasions the Senate has confirmed and ratified exactly the position which the Senate committee has reported in the bill. No later than last year did the Senate do that.
>
> With reference to the number of units proposed by the administration, I call attention to the testimony of Mr. Slusser, speaking for the administration, in which it is clearly shown that the number of units asked for by the administration will not even take care of the number of persons who will have to have housing, or who will be moved out of slum areas and areas of urban renewal. He said that in the next 3 years approximately 265,000 families would have to be moved, and half of them would require public housing.

It was only last year, Mr. President—only a few months ago—when these unanswerable facts were given to us. The Senator from Alabama then continued:

> Therefore, the administration program would not take care of any of the needs of the smaller cities and towns throughout the country, but would be restricted completely to urban renewal, and thereby would be of benefit primarily to the big cities, and the big cities only.

Mr. President, as the figures I have already placed in the RECORD show, this administration has administratively failed in connection with even the small number of units which were authorized last year, but the condition this year is worse than that of last year. That being the case, I am at a complete loss to understand why the party of Jefferson is not united on the floor today, fighting to include in the bill a public-housing provision which will meet the needs of the underprivileged of the country, who are living in such deplorable conditions.

I close by reading a telegram I received this morning from Mr. Lee F. Johnson, executive vice president of the National Housing Conference, who, in my opinion, speaks for and represents the point of view of the majority of the people of my State who have expressed themselves on the housing problem. His statement represents the point of view of the lumber industry of my State, so far as the majority of its members are concerned; of the appliance industry; and of the home builders. This is what he said:

> Hon. WAYNE MORSE,
> *United States Senate Office Building,*
> *Washington, D. C.*
>
> Appreciate your steadfastness in refusal to compromise on principle of good housing across the board, including low-rent public housing. We are urging support of your amendment. Urge also every effort be made to have assurances given that housing subcommittee will make inquiry during Congressional recess as to why public housing has been effectively killed administratively and recommend remedies for legislative action next year. Imperative too that public housing provisions of title 4 of committee bill be preserved. The adoption of these provisions are necessary to progress in operation of existing program.
>
> LEE F. JOHNSON,
> *Executive Vice President,*
> *National Housing Conference.*

I wish to make one other point, which I did not develop to the degree I intended. But I shall be brief. I wish to say, regarding the so-called charge that public housing is synonymous with socialism, that we need to remember that the houses are not built by the Federal Government. As we listen to the propagandists who talk about socialism in connection with the public-housing program, one would think the Federal Government had on its payroll carpenters, plasterers, bricklayers, architects, and contractors to construct public-housing units. But what needs to be stressed now is the fact that the houses are built in the local communities by the local contractors, with the use of local labor.

Mr. President, in making this fight, we are making a fight for Government assistance in regard to financing the needed public housing, based upon the recognition of the principle that the Government has the moral and social responsibility of protecting the economic weak in its citizenry from exploitation by the economic strong. That is the philosophy of this program, and I recommend it to the Senate.

Mr. President, I submit my amendment; and I should like to do so on the basis of requesting that the yeas and nays be ordered on the question of agreeing to the amendment. If the number of Members now on the floor is not sufficient for that purpose, then I should like to have the majority leader grant me the courtesy of getting sufficient Members present in order to have my request for the yeas and nays agreed to. I think the majority leader will agree with me that the speech I have just made has been an exceedingly short one for me, on so important a subject. Inasmuch as I have cooperated with him, I now ask him for his cooperation in connection with having the yeas and nays ordered on the question of agreeing to the amendment. I am sure that many Members will be willing to have that order entered, in view of the fact that I have made my speech on the amendment so short.

Therefore, Mr. President, on the question of agreeing to my amendment, I ask that the yeas and nays be ordered.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Is there a sufficient second?

The yeas and nays were ordered.

Mr. MORSE. Mr. President, I yield the floor.

Mr. CLARK. Mr. President, I shall be brief, also, for I am under no illusions as to what will happen to the amendment. The amendment may not be adopted today, or not even next year; but the 86th and 87th Congresses will reinstate, in my judgment, the public housing program somewhere at the level established under the leadership of three great Senators, back in 1949, in order to ease the suffering of the least privileged among the American people.

Mr. President, the people of the United States have only temporarily lost their conscience; they have only temporarily lost their belief in the principles of the Declaration of Independence and in the principles of the party of Jefferson, Jackson, Franklin D. Roosevelt, and Harry Truman, and also, I may say, in the principles of the party of Lincoln and of Theodore Roosevelt. Therefore, although we may not win the battle today, we shall win it before too long, because the American people will not permit it to be lost.

Mr. President, I desire to commend the distinguished Senator from Oregon for the splendid speech he has just made, and I wish to associate myself with the sentiments he has expressed. I shall endeavor not to repeat anything he said.

First, to my friends across the aisle I should like to read very briefly from testimony which was taken before our committee, when it had under consideration the bill I introduced, which in substance is the same as the amendment offered by the distinguished senior Senator from Oregon. At that time we had before us Commissioner Charles E. Slusser, who is in charge of this program for the Federal Government. I now read from that part of the hearing:

Senator CLARK. Could I now shift to another subject, Mr. Slusser. It is my understanding that under the Taft-Ellender-Wagner Act of 1949—

They were the three distinguished Senators to whom I referred a moment ago—

810,000 units of public housing were authorized to be built over a period of years. Can you tell us how many of those have actually been built?

Mr. SLUSSER. Two hundred and ninety-nine thousand six hundred and sixty-three have been committed for construction.

Senator CLARK. So that there are roughly 510,000 units of that 1949 program still unbuilt.

Mr. SLUSSER. That is correct, yes.

Senator CLARK. Is not the need just as great now as it was in 1949?

Mr. SLUSSER. Yes, there is no question in my mind about that.

Senator CLARK. Then why do you oppose the provision of my bill which would authorize 200,000 units to be built within the next 2 fiscal years?

Mr. SLUSSER. There is not the demand upon the agency. The applications are just not coming in for that amount of housing.

Senator CLARK. But the need is there.

Mr. SLUSSER. There is no question in my mind about the need. Going back to the same reference you made, the Taft survey, that indicated there was some 8 million substandard houses in the United States.

Mr. President, there are at least that many substandard houses in the United States today.

I turn now to the statement made at the committee hearing on behalf of the American Municipal Association, the official agency of the cities of the United States, consisting of representatives of 12,000 urban communities. The statement of that Association to our committee is, in part, as follows:

The 1950 census revealed that there were 10 million substandard nonfarm housing units.

Two million more than Mr. Slusser stated.

I read further from the statement submitted by the American Municipal Association:

President Eisenhower's Advisory Committee on Government Housing Policies and Programs pointed out that local governments with their limited taxing powers are not in a position to provide standard housing for the low- and middle-income groups in our population. Private enterprise has also failed to provide adequate shelter for these income groups. The Housing Act of 1949 authorized a 6-year program that was to provide 810,000 units of public housing and a stepped up program of slum clearance. The American Municipal Association urges Congress to return to the goals of the Housing Act of 1949 and to authorize up to 200,000 public housing units a year, the maximum permitted under the act (1954).

Mr. President, I am not one to complain about the appropriations made by the Congress in support of a host of other activities—in particular, our farm program. Many Pennsylvania farms need help. Even if they did not, I would support appropriations to enable the farm population to have the necessities of life.

But aside from that situation, let me point out that an increasing percentage of the population of the United States is rapidly moving into the cities. Unless the cities are able to take care of them, there soon will be a real threat to the soundness of our democracy in our urban communities. And if democracy in the urban communities goes under, so will democracy throughout the United States.

Mr. President, there is another reason for the amendment proposed by my distinguished colleague, the senior Senator from Oregon. The urban-renewal program, which yesterday the Senate tentatively approved, will require, in the next several years, clearance of thousands of acres of slums; and when that slum clearance has been completed, one unit of public housing will be neded for 1 out of every 2 slum units cleared away. It has been estimated that under the urban-renewal program alone, approximately 200,000 units of slum housing will be disposed of.

Thus, an additional 100,000 public-housing units will be required in the next 2 years. Merely to satisfy the urban-renewal program alone will require an annual rate of public-housing construction greater than is now authorized. This does not take into account the number of slum units which will be removed because of highway construction and other Federal and local construction activities. The normal loss from fire and other natural causes is between 100,000 and 160,000 units a year. A large percentage of these units, of course, are located in slum areas, as any municipal fire chief can attest. A very large percentage of these displaced families will need public housing.

Mr. President, I think the need for the program is established beyond dispute.

My good friend, the Senator from Oregon [Mr. MORSE] made a very convincing argument as to the minimal nature of the cost. Practically speaking, 200,000 units, when occupied, would cost the Federal Government approximately $50 million a year, which is a small cost, in view of the social benefits which will accrue from the housing.

The administration has argued that cities have not requested new public-housing projects at a rate higher than 35,000 a year. But let me quote further from the statement of the American Municipal Association submitted to our committee:

We believe that in part this inactivity is due to the excessive amount of procedural redtape which has surrounded the Public Housing Administration. Another reason is the administration's requirement that a municipality must comply with the workable program regulations as a prerequisite for participation in public housing. This discourages municipalities, particularly the smaller ones, from applying for needed low-rent housing units. In the November 1956 issue of Washington Municipal News figures from Mr. Albert Cole's office are cited which showed that, of the 426 communities that had taken steps indicating an interest in obtaining public-housing units, some 370 had no workable program. About 70 percent of these 370 cities are communities of less than 10,000 population. About 40 percent have a population of less than 2,500.

Presumably this is why the President, in his state of the Union message, requested that Congress remove the workable program as a prerequisite for smaller municipalities to participate in the public-housing program.

Mr. President, I shall not unduly delay the Senate, but I should like to close my remarks by reading again, as I did yesterday, for the benefit of Members on this side of the aisle, from the 1956 Democratic platform:

We pledge our party to immediate revival of the basic housing program enacted by the Democratic Congress in 1949, to expansion of this program as our population and resources grow, and to additional legislation to provide housing for middle-income families and aged persons. * * *

We reaffirm the goal expressed by a Democratic Congress in 1949 that every American family is entitled to a decent home and a suitable living environment. The Republican administration has sabotaged that goal by reducing the public-housing program to a fraction of the Nation's need.

Our friends across the aisle may well be able to prevail today, and perhaps get some votes on this side of the aisle, when the amendment of the Senator from Oregon comes to a vote, and sabotage still further the public-housing program. As a former mayor of one of the largest cities in the United States, I can personally testify, from my own knowledge, that this program is one of the greatest bulwarks against communism—one of the greatest needs for urban democracy—and one of the most badly needed social reforms the Congress of the United States can ever enact.

I pledge my efforts, for the rest of my term in the Senate, to get this body back to the days of Bob Taft, Allen Ellender, and Bob Wagner, and "get this show back on the road."

Mr. HUMPHREY. Mr. President, I wish to join with my colleagues in support of an expanded housing program. The amendment of the Senator from Oregon provides for 200,000 units. That number is not excessive. Whether or not the Senate will approve or adopt it in no way prejudges whether or not it is needed for the American communities.

I was very much interested in the remarks of the Senator from Pennsylvania, the former mayor of Philadelphia, because I know of his great interest in the objectives of and his great work in the conference of mayors, the Municipal Association, and many other municipal bodies that have been so completely dedicated to the well-being and the development, the modern and progessive development, of our urban centers.

The vast majority of our people live in cities. Sometimes we almost forget that fact in the United States Senate, but people do live in cities. Furthermore, cities today are plagued with more problems, through no fault of their own, than is any other man-made institution. They are restricted by State constitutions, by city charters, and by legislative enactments. The officials of cities are limited in their capacity and ability to meet their local problems by laws that are unsympathetic to the needs of metropolitan areas and by legislators and other officials who are unsympathetic to the needs of metropolitan areas.

I come from a State where two of the cities comprise approximately one-third of the total population of the State. I refer to Minneapolis and St. Paul, with their suburban communities. Yet I regret to say that the State of Minnesota has not had legislative redistricting since 1910. That was 47 years ago, and in the meantime the populations of those two cities have grown by almost 700,000—that is, if we include the metropolitan areas and the metropolitan complex.

I believe that we need to expand our concept of what we call a city into metropolitan planning and metropolitan government, but I am not going to indulge today in a dissertation on local government, even though it is an area of interest to me as well as to others.

Getting back to the subject of housing, I ask my colleagues, What are we going to do about the cities that are rotting from within? When I say "rotting," I mean the physical deterioration that comes from slums and broken-down areas. To be sure, we have the urban renewal program, for which $250 million a year is being provided. I am grateful for that. I am pleased that the united mayors of the united cities of this country came to Washington and literally insisted that some of their needs be met by the White House and the Congress. Therefore, an urban renewal program was included, in some degree commensurate with the problems intended to be faced by the particular measure now pending.

But I want the record clear. Two hundred and fifty million dollars a year for urban renewal in the United States will not meet the problem. We are about one-half as generous with all the cities in the United States as we are with South Korea. Do not misunderstand me. I think we need to help South Korea. We are about as generous with all the cities in the United States as we are with Formosa, and there will be fewer anti-American demonstrations in American cities than there were in Formosa. Now, do not misunderstand me. I am in favor of aid to Formosa. Formosa is an important outpost in our perimeter of defense. But merely because I am for aid to Formosa, I am not willing to cut down on aid to the people of the United States who make it possible for aid to be given to Formosa.

I want my colleagues on the other side of the aisle and those who are opposed to the housing program to give me one reason why this proposal should be opposed.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CLARK. The Senator knows, I suppose, that our friends on the other side of the aisle will say that there are no applications for public-housing units, and that therefore no more are needed. I wonder if the Senator knows who is in charge of the public-housing agency under this administration.

Mr. HUMPHREY. I surely do. I will tell the Senator how he is characterized. He is a former Member of Congress, and his record on housing was certainly not notable for support. It was notorious for nonsupport. I have said that his appointment to be in charge of the housing program was like putting a fox in charge of a chickencoop, and I repeat it. However, no fox has done quite so good a job of getting rid of the chickens as the administration has done in getting rid of the public-housing program.

Mr. CLARK. Mr. President, will the Senator yield further?

Mr. HUMPHREY. I yield.

Mr. CLARK. Does the Senator recall the happy days last fall, when he and I were campaigning on behalf of the Democratic candidates for the Presidency and the Congress, when we had occasion to refer to certain actions of the Eisenhower administration as "repeal by appointment"?

Mr. HUMPHREY. Yes, indeed. That is a subject which is entitled to exhaustive and comprehensive consideration. We shall do that someday. We shall not do it today, I assure the Senator.

Mr. CLARK. I was not going to ask the Senator to exhaust himself at this time.

Mr. HUMPHREY. I am not very exhausted.

Mr. CLARK. I wonder if the Senator agrees that the administration of the HHFA, including the Public Housing Administration, by Mr. Cole, is one of the most striking examples of "repeal by appointment" which can be found in the city of Washington, D. C.

Mr. HUMPHREY. It could be characterized as that, or possibly "demise by frustration"—just giving up, because one cannot get anything done.

In the city from which I come, many applications for housing have been made. We had the Glenwood project. I do not know whether the Glenwood project is on or off. The administration's atttitude is more changeable than a lady's fancy. We cannot find out. All I know is that we have been waiting for years for programs of public housing, which the community recognizes as being necessary.

I regret to say that in many of our great American cities those programs have not been started. Do not tell me that they could not be underway if there were a desire from the top to get them underway. Back in the days of Republican labeled "inefficient government" and back in the days of "New Dealers" we used to get housing programs underway. We accomplished things.

The main trouble with this administration is not just its philosophy, but rather that it is plain inefficient and not businesslike. I do not know how one can say anything more unkind to a Republican than to say that he is plain unbusinesslike, but this administration is just plain unbusinesslike.

Apparently it does not want to put these programs into effect. It likes to legislate these programs and then bury them. It prefers to bring them into life and then deprive them of life; to let them see the light of day, but quickly to hide them in the darkness. I am opposed to that attitude and philosophy.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Illinois.

Mr. DOUGLAS. The policy of the modern Republicans is the favoring of progressive legislation but then having it administratively strangled. Is that not a policy which gets the publicity, but which permits the murder to be committed in secret?

Mr. HUMPHREY. The Senator's characterization is getting closer all the time to the point we need to develop here.

When the Senator says "modern Republicans," that is as ironical and paradoxical as talking about "new antiques." "There just ain't none."

I do not know why anybody should want to be particularly modern about it. Let us be just what we are; what our political faith leads us to be.

I should like to add another thing about the housing program. The so-called expenditures for public housing are not actually all expenditures. Expenditures for public housing are investments which have the capacity to pay dividends.

The Senator from Pennsylvania [Mr. CLARK] comes from one of the largest cities in the world. He was its mayor, and he had a record second to none for municipal reform and sound fiscal management, as well as for social vision. The Senator from Pennsylvania knows that for every block of tenements a city

has and for every block of slums it has the cost is from 7 to 10 times as much for municipal services as the cost for a block of decent housing.

The most wasteful luxury in America is a slum. The taxpayers are really taken for a ride, for every block of slums. The fire department is constantly called out. The cost for health services, the cost for relief services and services to the indigent, the cost for rehabilitation, the cost for streets, the cost for crime, and the cost for delinquency are almost incalculable.

Who pays these bills? They are paid by the people who believe a lot of the political "malarky" to the effect that a public housing program is expensive, costly, and sort of socialistic.

I should like to say to my good friends in Minnesota, because I have been carrying on this housing fight for years—have been paying and paying and paying to keep the slums.

What can we do about the areas where there are slums? In some areas of every city the slums are no longer fit for human habitation. Every city official, every mayor, and every city council in the United States has had a survey made of the housing needs in the respective communities. There is no secret about this any longer. We have surveyed the American people until they are almost all cross-indexed. We have had them tested and retested, polled and repolled. Now what they want to know is, "What are you going to do about it?"

I have not found that a public housing program is politically unpopular, if someone needs to be reassured on the political popularity. As a matter of fact, one of the first things we show to the visitors who come to this country from other lands—one of the very first sights—is the area in our municipalities where we have cleaned out the slums and rebuilt, through slum clearance and urban redevelopment. That is one of the very first things shown.

The second thing that we show visitors is the TVA. Then we have people, high in political office, who condemn both of these developments as socialistic.

Mr. NEUBERGER and Mr. GORE addressed the Chair.

Mr. HUMPHREY. I yield first to the Senator from Oregon.

Mr. NEUBERGER. I defer to the greater seniority of the Senator from Tennessee.

Mr. HUMPHREY. I yield, then, to the Senator from Tennessee, who is great and has seniority also.

Mr. GORE. I thank the able Senator. I rise in a friendly gesture to suggest to the Senator that in addition to the other adjectives which may be used in the description of the able junior Senator from Minnesota, because he is in favor of this program, he is apt to be called an inflationist, if he is in favor of decent housing, either through an effective home-loan program or through public housing.

Mr. HUMPHREY. I should like to say to my good friend, first of all, I thank him for his expression of solicitude. It is made in a spirit of friendship, that I know.

But I wish to say to my friend, the Senator from Tennessee, I should like to have him know—and I should like to have every other one of my colleagues know—that I have been called many things. If I am going to be called an inflationist that will not bother me one bit, because the one thing this Senator remembers is that the troubles we had in our business and in our family did not come from inflation, they came from deflation. We were deflated completely in 1931, 1932, and 1933. That was what really cleaned us out. If I have a choice between having about a 20-percent deflation or another 5-percent inflation, it will not take me long to make up my mind.

I do not happen to think this proposal is inflationary. What generally happens is that whenever one proposes something in these legislative halls which is good for the people—I mean for the great multitude of the people—somebody comes up with about six reasons of opposition—not sound reasons, but at least six——

Mr. GORE. Excuses.

Mr. HUMPHREY. Yes; weak excuses.

Frequently there is some self-appointed righteous soul who will say it is going to destroy the moral fiber of the people. We have had more moral fiber worries in politics than in any other one area of life. Everyone ought to be concerned about his moral fiber, and I wish to pay great tribute to my minister. He worries about mine. He is doing something about it, I hope, and I am trying to cooperate. But I do not need any admonitions from my colleagues about that.

The next thing which people generally worry about is that it is going to cost too much. That, again, can easily be analyzed. It either costs or it does not.

If one wishes to be the richest man in the cemetery, there is a way to do it. If one wishes to have as an objective in life never spending anything, there is a way to do that. If some of my colleagues are worried about costs, they can save a great deal of money in their own households by not feeding their families. But that is one way to save some money. It involves a great deal of misery, but one can save money. I wish to reassure you, that I do not recommend such a policy.

I am of the opinion that the way to evaluate costs is on the basis of whether one is wasting or investing his money. I submit that every single unit of housing built in America is not a waste, not a cost, but an investment—first, an investment in real property; second, an investment in social values; third, an investment in political stability; and fourth, an investment in family life, the best investment that can be made.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. NEUBERGER. I am extremely pleased that the Senator from Minnesota, in his very able support of our amendment, has just mentioned the great cost of broken homes. Recently I read a statement by Mr. J. Edgar Hoover, of the FBI, to the effect that our crime bill in the United States at present averages approximately $2 billion a year.

A few mornings ago I took breakfast here with a man named Alan T. Belcher, who is a famous retired officer of the Royal Canadian Mounted Police. Recently he was the second ranking officer in that renowned police force. Now he is with the Arctic Institute of North America.

As we know, Canada has a far lower crime rate, and far greater discipline in its society than is the case with us. Commissioner Belcher told me, however, that the Canadians are beginning to have trouble with an accelerated crime rate in some of the cities along the American border, and that the bulk of their difficulties are with what he described as young hoodlums, who come from broken homes or slum areas in some of the largest American metropolitan centers.

I daresay that the entire housing program proposed in the amendment offered by my senior colleague and some of the rest of us would cost far less than our crime bill, in terms of dollars, to say nothing of the agony of death, destruction, property loss, and social miseries which are the result of the crime rate in the United States.

The able Senator from Minnesota mentioned deflation. I should like to add this brief thought: One of the institutions which will be deflated virtually out of existence, unless we have a continuing and revived program of housing construction in the United States, is the great lumber industry, which centers in the Pacific Northwest, in the States of Oregon and Washington, and, in the upper Middle West, in the great State of Minnesota.

All one has to do to see what has happened to the home-building industry—both with respect to private, single-unit dwellings, and with respect to the multiple-unit dwellings provided for in the amendment offered by the senior Senator from Oregon—is to visit, in our State, some of the silent sawmills and deserted logging camps. These indicate that the great lumber industry, which has been so important to our entire economy, has virtually come to a standstill in many areas because of the fact that the necessary new housing for the American people is not being constructed today. That housing is urgently needed.

I thank the Senator from Minnesota for his inimitable way of presenting the issues which some of us, by contrast, can present only in a very mundane fashion.

Mr. HUMPHREY. I thank the Senator from Oregon for his undeserved compliment.

I am always bewildered, particularly in this Chamber, by the argument which is made whenever we have good times, when there is a high rate of employment, a reasonably high economic productivity, and a reasonably high gross national product that if we want to do anything like building schools, hospitals, or homes, we are told that that is inflationary. A chorus of voices is raised, saying, "You cannot do that now. That is inflationary."

Then, when things are rough, when there is a recession, when things are going down, when times are tough and people are in trouble, the same voices say, "We cannot do it now, because we cannot afford it." When we can afford it they say that it brings about inflation. When we do not have the income with which to do it, the chorus says, "This is not the right time." I ask, What is the right time?

Modern Republicans are supposed to be different from other Republicans. The late Senator Robert Taft was a Republican, period. He stood here like a pillar of strength, year in and year out, to take on any Democrats or any Republicans who wished to enter the fight.

One thing about the late Senator Taft was that he was a realist. One can argue a political philosophy. One can maintain his point of view. When the late Senator Robert Taft was in the Senate in 1949, our cities were 8 years younger than they are now. Our cities were under no such strain as that under which they now operate.

When the late Senator Taft visited the cities and saw the need he said we needed 135,000 housing units every year for 6 years, or a total of 810,000 units.

Then came the crusade. Then came "modern Republicanism," and "liberal Republicans." We obtained an authorization for 35,000 units for 1 year.

By roadblocks, by administrative quicksand, and by shimsham, what do we find happened, under even that limited authorization? We found that as of May 1957, only 1,610 low-rent public housing units had been approved for loan and annual contribution contract by the HHFA administrator. Even Rip Van Winkle could have done a better job than that. That many units could be authorized by accident, without design.

I expect someone to tell me that somehow or other the slums have vanished. Are there some kind of "housing hormones" which make homes become newer and younger, without anyone doing anything but looking at them? It must be so.

The old units which the late Senator Taft saw in 1949 are still there, but somehow or other something is supposed to have happened to them. It depends upon the way we look at them. If one puts on the Eisenhower-GOP modern glasses, those houses look younger and more beautiful, particularly if GOP propaganda tell us so. But in truth, they are still the same problems. They are still old houses. They still need modern facilities. They are still broken down. They are the centers and the sources of social infection, disease, crime, delinquency, and hopelessness. This Congress ought to do something about the problem.

Mr. DOUGLAS and Mr. CAPEHART addressed the chair.

The PRESIDING OFFICER. Does the Senator from Minnesota yield; and, if so, to whom?

Mr. HUMPHREY. I yield first to the Senator from Illinois, and then I shall be glad to yield to the Senator from Indiana.

Mr. DOUGLAS. Mr. President, does the Senator from Minnesota remember one of Grimm's fairy tales, about the king who supposedly had a beautiful new suit woven for him of the finest silk, but which, in reality, was entirely a figment of the imagination? The king would ride forth, and everyone would bow and admire his suit. However, in reality, he was merely a male Godiva.

Mr. HUMPHREY. It is a charming little fairy tale.

Mr. DOUGLAS. Finally a little child said, "The king has nothing on."

Is that not true of the Eisenhower housing program?

Mr. HUMPHREY. Exactly.

Mr. DOUGLAS. It has been touted as a marvelous suit of clothes for the American people; but when the Senator pierces through to the facts, it becomes apparent that the administration has authorized only a thousand units, when, under the 1949 act, we were supposed to build 135,000 units a year. Is it not true that the king has no clothes on?

Mr. HUMPHREY. The Senator from Illinois could not be more correct; nor could he be more pertinent in his analogy.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. HUMPHREY. The only thing I wish to say is that I think possibly the king had had a bath. In this instance, I am not so sure that the scene is quite so tidy.

Mr. DOUGLAS. Now, I urge the Senator to be careful.

Mr. HUMPHREY. I am.

Mr. DOUGLAS. I urge him to be careful or he will bring down upon his head an attack from the other side that he is libeling the President of the United States. I urge him to be careful.

Mr. HUMPHREY. I say to my good friend from Illinois that I was careful beyond even the point of prudent judgment. I am so careful that I want it to be crystal clear that I am not even thinking of the White House. I am speaking of a house in slum area in any typical American city. With those definitions perfectly clear, I wish to yield now to my good friend from Indiana.

Mr. CAPEHART. Mr. President, I should like to ask the Senator a serious question.

Mr. HUMPHREY. Yes; please do.

Mr. CAPEHART. I should like to ask the Senator who is the Speaker of the House of Representatives?

Mr. HUMPHREY. The gentleman who is the Speaker of the House of Representatives is known to the Senator from Indiana, as he is known to the Senator from Minnesota. He is a very illustrous Democrat, a great citizen, a renowned public servant, one of the finest of all men, Speaker SAM RAYBURN.

Mr. CAPEHART. Who controls the House of Representatives? Is it the Republicans or the Democrats?

Mr. HUMPHREY. I may say to my good friend from Indiana that if he wants a lesson in politics, I can help him. I did not want to return so soon to my teaching associations. Of course that could happen in politics at any time. I was hoping, though, that I would get a chance to serve out my present term at least.

The Senator from Indiana asks me who controls the House of Representatives. I do not lay claim to any knowledge about the other body. However, I have heard that on occasions that a majority of the Senator's friends join up with a minority of Senators on this side of the aisle, and, by some strange set of circumstances, a coalition is formed, particularly in opposition to some of the more humane, social issues. I am happy the Senator has asked the question, because if it is a deep, dark secret, then it is time that the Senator be informed. It was commonly called—before these modern days—a Republican-Dixiecrat coalition. We have changed, and we now say it is the Old Guard Republicans and some of the Democrats that have guilt by association.

Mr. CAPEHART. Does the Senator not know that the House of Representatives for as many years as I can remember—and I include the present year when the bill now before the Senate is pending—have refused to vote any better housing? That has happened in a Democratic-controlled House.

Mr. HUMPHREY. I say to my good friend that we are not here managing the affairs of the House of Representatives. I appreciate the solicitude and interest of the Senator from Indiana in the House of Representatives. But I remind him that we are not running the House of Representatives. We are running the affairs of this Chamber. What we had better do is quit talking about our friends across the other side of the Capitol.

Mr. CAPEHART. Mr. President, will the Senator yield further?

Mr. HUMPHREY. Not for the moment. I wish to pay tribute, first, to the Members of the House of Representatives. They are running the House, and they are doing it as they see fit. We do not have to vote in the House. They are not even asking us to come to visit in that Chamber. They are not soliciting our advice.

I will tell the Senator what they will do. They will sit down in conference with Senators and they will confer and they will negotiate. If the Senator from Indiana will be helpful, we can get a couple of hundred thousand public housing units included in the bill, and we can then go over to the House and sit down in conference with them, and we will be able to negotiate. With the Senator from Indiana a member of the committee on conference, with a man of his ability as a horse trader second to none, one who is truly a great horse trader, and, may I say, he is one of the greatest traders of all time—I am confident that we will come back with not less than 195,000 public housing units.

I assure the Senator from Indiana that our job is to manage the affairs of the Senate, not of the House. I have great faith in the Senator's ability.

Mr. CAPEHART. Who controls the United States Senate?

Mr. HUMPHREY. There has been on occasion some doubt about that, but to be sure the Democrats have a majority. If the Senator from Indiana will give us a little help we will have enough votes so that we will be able to amend and improve the housing bill. The Senator

is persuasive. I have great respect for his qualities and his abilities. I am trying not to have an argument with him. I am pleading with him to join in the good fight for a public housing program.

Mr. CAPEHART. The point I was trying to make is that the Senator has been condemning the Republicans and blaming the Republicans for lack of a housing program——

Mr. HUMPHREY. Oh, no; I was praising them.

Mr. CAPEHART. When all the time the Democratic Party controls the Senate, and the Democrats have the chairmanships of the various committees, and have controlled Congress during the past 25 years except for the 80th Congress, because in 1953 and 1954——

Mr. HUMPHREY. The 83d Congress, I believe it was.

Mr. CAPEHART. No. In 1953 and 1954 we did not have control. We had the able senior Senator from Oregon at that time on this side of the aisle, and he was kind of surrounded.

Mr. HUMPHREY. I may say to the Senator that if he had the able Senator from Oregon on his side, he could be five more Senators short on his side of the aisle and still have control, because this man is legion.

Mr. CAPEHART. The Senator from Oregon was in a sort of frustrated state at that time.

Mr. HUMPHREY. I can understand why he would be in the Republican ranks. See how contented he looks now. Notice his happy countenance today.

Mr. CAPEHART. He did not know whether he was a Republican or a Democrat.

Mr. HUMPHREY. He made up his mind. Look how happy he is.

Mr. CAPEHART. He was going through a change, I will say. He was not much good to us.

Mr. HUMPHREY. The Senator's party was responsible for that. The Senator's party asked for a change. In 1952 the Senator's party said, "It is time for a change." The Senator from Oregon said, "I agree." He came over to the Democratic side, and I want to thank him personally for doing so.

Mr. CAPEHART. The Senator has been speaking about the housing situation in the United States, and he has drawn a very sad picture of juvenile delinquency and its terrible, bad effect. Yet the Senator's party has been in control of the Government for almost 25 years. If the situation is as bad as he says, I suggest that he go home and take a good look at himself in the mirror.

Mr. HUMPHREY. I am sure there are many more enjoyable pursuits than looking at myself in the mirror. Life is short enough without going through that ordeal.

What I would like to do is debate with the Senator from Indiana, because he is such a pleasant gentleman and such a distinguished gentleman. When the Democrats were in control we passed a housing bill, and we did it over the anguished cries of pain by the Republicans. They were then being dragged into the 20th century, and they were not liking it. However, Franklin D. Roosevelt, with the great help of Senator Wagner, of New York, was able to get housing legislation passed by Congress. We got under way. It was not as much as some of us would have liked to have at the time. However, the most important thing in life is to be born. The party of the Senator from Indiana was not for being born, so far as the housing program was concerned.

Then we came to 1949. I remind my good friend from Indiana that there was then in the White House a gentleman by the name of Harry S. Truman, the man from Independence, Mo. There were men on the floor of the Senate at that time, like the leader, Senator Scott Lucas, and the Senator from Louisiana [Mr. ELLENDER], and the Republican who was true to the honor and fame of his party, and who was the leader of the Republican Party, Senator Taft, Mr. Republican.

Mr. Republican was not only true to his party, but he was true to himself. He went up and down the length and breadth of the land and he saw suffering and slums and pitiful conditions in some of our major metropolitan areas, with their tenements. What did he do? He cast aside dogma and doctrine. He even turned his back upon previous positions he had held. He joined with other Senators in this body, not to sit by and defend the status quo, but he joined the issue. That great leader, Senator Taft, and the Senator from Louisiana [Mr. ELLENDER] joined with the leadership in the Senate and passed a housing bill which provided 135,000 units a year for 6 years, or a total of 810,000 units for 6 years. That was in 1949. I repeat: That was before the Republicans became modern. That was before the crusade.

When did we start to get into trouble with the housing program and the slum clearance program? We started to get into trouble with the housing program when Congress was under the influence of an election in 1952–53, which brought in Republican leadership, and has continued that leadership in the White House and in the executive branch of the Government.

I am not saying that our President does not seek to do good things for the people. I simply say that the President, in submitting his budget message concerning the public housing program, has missed the mark by at least 100,000 units. Thirty-five thousand units of public housing? Let us not try to fool one another. What are 35,000 housing units in a Nation having a population of 160 million? Many Senators can go into their own cities and find a great need for that many. I shall not name the States, but any Senator can go into the major metropolitan cities and see whether or not there is a need for slum clearance; whether or not there is a need for low-rent public housing.

Someone might say that we do not need public housing; that what we ought to have is private housing. Let me make my position clear. I am 100 percent for private housing, if we can get it. I am an advocate of private housing for families who can afford to pay for it. But I am also for the development of low-cost homes, because homes are the best investment the Government of the United States can insure.

I cannot understand, for the life of me, why Congress drags its feet—even puts them in cement—whenever we come to talk about education, housing, or health. What is wrong with those subjects? They are good, normal subjects. Scripture is filled with references to them.

I am not an expert on that subject, but I can say that unless the opposition to this program can prove that the communities of America can be rid of their slums with a different kind of program, then it is necessary to accept the alternative which has been used. Let them go to New York City and see what has been done with the limited funds which were available. The Senator from Pennsylvania [Mr. CLARK] knows what was done in his own city of Philadelphia. I know what has been done in a limited way in my city of Minneapolis. Minneapolis is not an old city; we do not have many blocks of what would be called slums. But we do have some, and we are not proud of them. I do not think we perform a service by trying to push these matters under the rug.

I will join with the Senator from Oregon in saying that it is a national disgrace to have blocks of slums within a short distance of the Nation's Capitol building. If the few Senators in the Chamber will put on their bifocals, they can go outside and look at slums within 4, 5, or 6 blocks of the Capitol building. Those slums are costly to the police department, the fire department, and the relief department; their cost in misery, unhappiness, broken homes, delinquency, crime, and disease, is incalculable.

I do not say the housing program will cure those conditions, but I say it will help to do so. It is like the story of Tina and Ole. Ole had 17 cups of coffee. Tina asked, "Doesn't that much coffee keep you up all night?" Ole said, "No; but it sure helps to."

I do not say the housing program will reform society, but it certainly will help. It will offer a better environment in which the reform can take place. It will offer a better environment in which better families can live and be happy. It is a shame that in this country some children do not have yards in which to play and homes which are decent in which to live.

America is the richest country on the face of the earth. Furthermore, I charge that this program will not cost anything if we really figure it out. What it will cost is the immediate investment in brick, mortar, and the appliances which go into a home. This program will be liquidated ultimately by the payments of rent and the savings which will come to the local governments in local services.

In my city of Minneapolis—and I speak with some knowledge of the matter—we found that when we began a housing program in an area, the business community around that housing project improved its own economics, and that business was better and profits were available. Businessmen who had not been taxpayers before, because they had little or no set income, became taxpayers.

What is more, when a family goes into a housing project, there is an incentive for community participation and for community stature. There is new dignity and new self-respect. There is a sense of being a part of the social fabric of the community.

I am one United States Senator who is willing to say now and again that he wants to join with others in making the housing program a living testimonial to the late Robert Taft. I call upon my Republican friends to join with me in making it a living testimonial to him to the extent of at least 135,000 units. Or will they turn their backs upon their philosopher? Will they turn their backs upon their late, lamented leader? I say that instead of building a tower with bells to his memory, let us build throughout America housing units and call them "Taft units," in memory of one who had the courage to set aside dogma and doctrine, yes, medieval economics, and to come forward with the philosophy of the 20th century and to face realities.

I say to my Republican friends, "If you really want to be modern Republicans, then open the windows, lift up the blinds, turn on the lights, and look out upon your home cities—not simply where you and I live, because we are privileged to live in better areas." I am very grateful to the people of my State.

I submit we would do well to walk in the shadows of the tenements and the slums of the cities and see what goes on there. Then we might well ask ourselves if that is what we mean by America, and ask ourselves whether or not we are willing to stand stunned, stultified, and unwilling to do anything to meet this social need.

I ask my colleagues of the opposition to demonstrate on the floor that this program is costly. That is the first point, because they have raised the dollar sign. I will argue the economics of this matter, and will win. There is no doubt about it; I will argue it and win.

I will ask them if they can justify slum conditions in the richest Nation of the world, in the richest period of our history. We cannot have it both ways. We cannot say this country has achieved the greatest prosperity the world has ever known, and then say we cannot afford to rid our communities of a few blocks of slums.

I am prepared today to argue the case that slums and broken down housing constitute the most costly and extravagant waste and luxury of modern society, at least in terms of urban physical plant.

I have able experts in the Senator from Pennsylvania [Mr. CLARK], the Senator from Illinois [Mr. DOUGLAS], the Senator from Oregon [Mr. MORSE], the Senator from Colorado [Mr. CARROLL]—men who have lived in cities, men who have studied social problems, and who know what the answers are.

Mr. President, I am about to yield the floor; but before I do so, I ask unanimous consent to have printed in the RECORD a number of telegrams which I have received from contractors and builders, all good citizens of the State of Minnesota. I shall not read them. These contractors and citizens, all taxpayers, support housing programs, support lower down payments, support lower interest. Many of them supported the amendment I offered yesterday to stop the nefarious practice of discounting.

They are good citizens, and because they understand the importance of the construction industry, as well as the social values of good housing, they join with me, as do others, in the effort to make certain that at long last we shall get on with the business of letting the sunlight banish the darkness of the slums of American cities.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

MINNEAPOLIS, MINN., *May 22, 1957.*

Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D. C.:

We very sincerely urge your utmost consideration and deliberation on the matter concerning the reductions in the required FHA downpayments. We urge you to support this necessary action if the building industry is to continue to thrive at all.

Respectfully,

ERNEST R. SPETZ,
Past President, Minneapolis Association of Plumbing Contractors.

ST. PAUL, MINN., *May 22, 1957.*

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

Urge you to support reduction in FHA downpayments. This is necessary for high volume of moderate and lower-priced housing. Don't cut President's budget if cutting will weaken Nation's defenses.

MICHAEL KASSAN.

MINNEAPOLIS, MINN., *May 23, 1957.*

Senator HUBERT HUMPHREY,
United States Senate Office Building,
Washington, D. C.:

I urge you to support the bill reducing FHA downpayment which is vitally important to the continued welfare of the building industry.

JOEL OSTERHUS,
Builder.

MINNEAPOLIS, MINN., *May 23, 1957.*

Senator HUBERT HUMPHREY,
United States Senate Office Building,
Washington, D. C.:

We urge you to back legislation to permit easier downpayment on FHA housing. This is a desperate need.

Ej and Alma Eliason, Leo Lund, Paul McNeillis, Lorraine and Arlo Eliason, Catharine and Harold Brokke, Kenneth Swanson, Warren Kempfert, Everett Jones, Henry Cotten, Howard and Harriet Schulz, Halvor and Helen Strand.

MINNEAPOLIS, MINN., *May 21, 1957.*

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

To make possible adequate housing for middle and lower income groups and for the economic welfare of the millions employed in home building and in industries which provide the hundreds of items necessary to furnish a completed home, we urgently recommend your support of a reduction in FHA downpayments and substantial increase in the borrowing authority of FNMA.

HART ANDERSON,
Page & Hill Homes, Inc.,
Shakopee, Minn.

ST. PAUL, MINN., *May 22, 1957.*

Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D. C.:

Today we have been informed that the Senate committee has rejected any reduction in FHA downpayments after previously approving them.

I know that you are aware of the situation that has existed during the past 6 months regarding VA financing and the discount required by the builder or seller to place such mortgages.

We, as builders, cannot sell to GI's and show the kind of profit necessary to stay in business.

We anticipated an FHA program that would take the place of the VA program so that we could establish a firm selling program for this building season. We are well into the building season and apparently still a long way away from a sound, workable FHA program.

We wish to urge your support of a liberalized FHA program that can be put into effect immediately and help the building industry through this year, and also provide new adequate housing for the qualified buyers who are not in a financial position to put a large amount of cash downpayment into a new home.

GENE NEITGE CONSTRUCTION CO., INC.

ST. PAUL, MINN., *May 21, 1957.*

Hon. HUBERT H. HUMPHREY,
United States Senate Office Building,
Washington, D. C.:

Have been advised that the Senate committee rejected any reduction in FHA downpayments and substantially cut a proposed increase in the borrowing authority of FNMA for funds to purchase mortgages. Urgently ask you to support the lowered FHA downpayments and the increase asked for FNMA. If you do not take this action we are asking for, you will be directly responsible for creating a depression that will curl your hair. In the event that you are on our side, please show this wire to those Senators that are not.

HARRY J. GROSSMAN,
D. & G. Realty and Construction Co.

MINNEAPOLIS, MINN., *May 21, 1957.*

Hon. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

Feel you should have our opinion that reduced downpayment requirements by FHA is vital to welfare to home-building industry and other segments of national economy tied to it. Urgently request you support amendment to Senate bill to this end.

KILGORE LUMBER CO.

HOPKINS, MINN.

ST. PAUL, MINN., *May 21, 1957.*

Hon. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

Have previously drawn your attention to drastic situation that prevails in home-building industry due to tight money. The GI program is dead. Urge you have Senate pass Representative EDMONDSON's FHA bill just passed by House. Greatly disturbed over action of Senate banking committee regarding tight money.

RATTFIELD COBBE, INC.

NEW BRIGHTON, MINN.

DULUTH, MINN., *May 23, 1957.*

Hon. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

We urge you support reduction of FHA downpayments. Meeting of association last night voted 100 percent in favor. Please inform us of stand you take.

KENNETH NORDIN,
President, Duluth Home Builders Association.

MINNEAPOLIS, MINN., *May 23, 1957.*
Hon. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

Strongly recommend reductions in present FHA downpayment and substantial increase in funds available to FNMA for financing in secondary mortgage market to make possible adequate housing for middle- and lower-income groups.

W. C. PEDERSEN,
The Ruberoid Co.

MINNEAPOLIS, MINN., *May 21, 1957.*
Hon. HUBERT H. HUMPHREY,
Senate Building,
Washington, D. C.

I urge you to support a reduction in the required FHA downpayments.

EARL BARTHOLOME,
Minneapolis Home Builders Association Member.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent to have printed in the RECORD a telegram I have received from the mayor of the largest city of my State, a city of approximately 535,000 people, the city of Minneapolis. He is the Honorable Eric G. Hoyer, and he supports the stand I have taken on housing. I also ask unanimous consent to have my reply to his telegram printed at this point in the RECORD.

There being no objection, the telegram and letter were ordered to be printed in the RECORD, as follows:

MINNEAPOLIS, MINN., *May 27, 1957.*
Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

I strongly urge passage of H. R. 6659, as approved by Senate Banking and Currency Committee. Provides increased renewal aid from two-thirds to three-fourths of net project cost. Would appreciate everything you could do to insure passage of this legislation.

ERIC G. HOYER,
Mayor of Minneapolis.

MAY 28, 1957.
The Honorable ERIC G. HOYER,
Mayor of Minneapolis,
Minneapolis, Minn.

DEAR ERIC: Many thanks for your wire urging passage of H. R. 6659. While there may be some changes in this legislation on the Senate floor, I am hopeful that the increased renewal aid feature will remain in the bill and be reported favorably from the House-Senate conference.

You can depend upon me to do everything I can to see to it that this provision is retained.

Best wishes.

Sincerely yours,

HUBERT H. HUMPHREY.

Mr. HUMPHREY. Mr. President, when my colleagues speak of downpayments on housing, I want them to remember that all housing in the United States is not alike. In my part of America, the temperature in the wintertime reaches 35 degrees below zero. In Minnesota, the people need housing which is somewhat more expensive in construction than the type of construction needed in other parts of the country. Therefore, I was pleased by the action of the Senate on yesterday in voting to lower the downpayment on FHA housing, because if the downpayment on only $10,000 houses is lowered, that will not be of any great help to the people in the part of the country in which I live inasmuch as it is not possible to live comfortably in Minnesota in a house costing $10,000. In Minnesota, the minimum price of a home is at least $14,000, due to the need for insulation and to the depth of the frostline. In other words, in the northern part of the United States the construction problems are unique.

I hope the Senate will listen today to the pleas of all those of us who are not arguing for anything particularly new. In fact, we are simply asking that in respect to this program, the Senate catch up with the program of the past. We ask the Senate only to catch up with the 1949 program.

Mr. President, imagine what would happen if a Member of the Senate asked that today our Military Establishment proceed on the basis of its 1949 program, or that today our educational program proceed on the basis of its 1949 program. A Senator who made such a request would be laughed out of the Chamber.

Yet today we are asking for a chance to return to the standards which Congress previously established, the program for which many of the present Members of the Senate voted, and for which other Members of the Senate, who were not then Members, cheered because they desired to vote for it.

Mr. CARROLL. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. CARROLL. I desire to commend the distinguished Senator from Minnesota [Mr. HUMPHREY] for his very stimulating speech.

I should like to say that in the 5 months during which I have served in this body, it seems to me that yesterday and today are the first times the Senate has come to grips with some of the issues which confront the people of the United States.

All of us know that religious and spiritual leaders of this country are warning the Nation about the growth of materialism in the United States. The Senator from Minnesota has placed his finger on a serious problem. Today, the dollar sign is the symbol of progress, whereas the general welfare used to be the great symbol. It ought again to be the symbol which moves us forward.

Yesterday the distinguished Senator from Tennessee [Mr. GORE], made an excellent argument in an attempt to have the Senate vote to provide control of discounting in the housing construction program; there were other excellent speeches on the subject of lowering downpayments on FHA insured houses. Each of those speeches was designed to persuade the Senate to vote to strengthen and protect the family life of America. That is the democratic tradition—not to serve alone the corporate life of America, but to help build the family life of America. That is what all Democrats stand for—regardless of whether the word is spelled with a capital "D" or a small "d".

I may say to the Senator from Oregon [Mr. MORSE], after listening to his inspirational remarks, it is true, as regards his comments about public housing being tagged as socialistic, that before there can be, for example, a public housing program in Colorado, enabling legislation must be enacted by the Colorado Legislature. The people of Colorado are not socialistic for such an enabling act has been approved. Before there can be a public housing program in Denver, such a program must be initiated by the Denver City Council.

Since the Korean war and the election of 1952, the growth of materialism and the failure to move forward in the interest of the general welfare have seemed to me to have permeated the entire political structure of this country. But in the last 2 days at least, the Senate has made progress in the field of housing, including the field of public housing; and I hope the Senate will move ahead also in the field of foreign aid, and particularly in the case of the program of technical and economic assistance—a program which was a Democratic program. No Member of the Senate who sincerely believes in those programs will wish to have the funds cut drastically. We believed in the foreign assistance programs in 1948 and 1949 when I was a Member of the other body. If at that time we believed in promoting the welfare of humanity throughout the world, and if by the same token we still believe in taking care of humanity throughout the world we must also at this time take care of the needs of our own American people in our own backyard.

As was said yesterday by the Senator from Minnesota, we should ourselves ask whether everything at home is all right. In the last 10 months the cost of living has been steadily increasing. I have served on the committee investigating the gas and oil price increases, and I know what those recent increases have done to the Nation's economy. We know what the profits in the oil industry are, and we know what the profits of the steel companies are. On yesterday, the Senator from Minnesota discussed the profits of some of the major, giant corporations of the Nation. These are the companies who fix the prices; and as they engage in their so-called selective price fixing, they are also drawing upward the prices of other commodities, creating growing economic pressure on our constituents at home. The proposal before us today in the matter of public housing calls for only an additional 200,000 units a year.

I served in the other body with the Housing and Home Finance Administrator, Mr. Cole. All we need to do is examine his record there in terms of the general welfare. I do not speak disparagingly of him in any personal sense; but I say that an examination of his voting record in connection with housing will in itself show that he had one of the blackest records in the Congress on the issue of the general welfare of the American people. Under those circumstances, when such a gentleman is put in charge of a great social program it is no wonder it has bogged down.

We are confronted now in the present law with a 35,000-unit public housing program, which is not adequate to present day needs.

I say to my distinguished colleagues, that I believe this housing program debate can serve as a springboard, to stimulate the thinking of some of the Members on this side of the aisle and also

the thinking of some of the Members on the other side of the aisle. If we are able to stimulate thinking on both sides of the aisle, perhaps we shall be able to move forward once again with a legislative program which will have a beneficial effect upon the general welfare of the American people.

In the course of our forward progress we shall be able to take care of the budget problem. This country has enormous revenue resources, and I say it will be possible to reduce the budget by thriftily utilizing these resources while at the same time eliminating excessive spending and waste.

Here is a sound, sensible housing program which we have had under consideration for the last 2 days; and I commend the distinguished Senator from Minnesota [Mr. HUMPHREY] the distinguished Senator from Tennessee [Mr. GORE], the distinguished Senator from Oregon [Mr. MORSE], and the distinguished Senator from Pennsylvania [Mr. CLARK]. This program may be the very one that is needed in order to get the Senate finally moving in the proper direction.

Mr. MORSE. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I shall be happy to yield in a moment.

Mr. President, earlier in the debate a comment was made regarding the attitude of the Democrats in connection with the housing issue. I asked one of the staff members to look up the vote last year on the public-housing question.

In order that the record may be complete, I shall quote from the CONGRESSIONAL RECORD, volume 102, part 7, page 8909. At that time the question was on including in the public-housing program 135,000 units for 4 years. On that question, the vote was 41 to 38. As Senators will recall, the committee had included in its recommendations an item for 135,000 units.

The Senator from Ohio [Mr. BRICKER] was the one, I believe, who moved that the provision for that amount of housing be stricken from the committee's bill. When that motion was put to a vote, there were 38 yeas—38 votes in favor of eliminating that housing provision—and 41 nays.

Of the 38 yeas—that is, the 38 votes in opposition to public housing—7 were Democrats and 31 were Republicans. In other words, the ratio of Republicans to Democrats was 4½ to 1. Of the 41 nays—and that is the pro-public-housing vote—there were 35 Democrats and 6 Republicans—almost 6 to 1.

I have never claimed that either political party was monolithic. There are monolithic parties in totalitarian countries. Our party members have independence of judgment. We do not have unanimity. We respect differences of opinion, and try to find as many areas of agreement as we can. Each political party is somewhat of a coalition, by nature of the great expanse of our country, and differences in stages of development. Some sections of the country are newer than others, more industrial, or more agricultural.

The most recent record shows that, on the issue of providing 135,000 units, a year ago almost to the week, on May 24, 1956—and today, I believe, is May 29—the vote was 41 for 135,000 units, of which 35 were Democrats and 6 were Republicans, and the vote was 38 against public housing, of which 31 were Republicans and 7 were Democrats.

Mr. President, those are statistics. I do not believe in repeating the names of Senators, because a vote is a vote, and it is in the RECORD.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am happy to yield to this friend of public housing.

Mr. JAVITS. I should like to call the Senator's attention to what I consider a fundamental point of American life in the Senate and in the House, where I had the privilege of serving; namely, that whatever the Senator has said about the figures demonstrates one other point, that without the 6 Republican votes, there would not have been the 41 votes for public housing.

I should like to call further attention to the fact that when the Housing Act of 1949 was passed, I had the privilege of being its informal manager in the House on the Republican side. It took some 23 Republican votes to pass it at all. I can assure the Senator that if those votes had not been available, the bill never would have passed.

If I may finish my thought, because I am not making a barren political statement, since that would be valueless, I think the most significant point is that those who are deeply devoted to this subject, those who are deeply devoted to civil rights, those who are deeply devoted to immigration legislation, in all their partisan zeal—which I admire, and which is the stuff of life in our country, and it is fine—must be very careful not to isolate and make impossible the necessary support without which the issue itself will go down the drain. I think that must always be borne in mind, and I hope my colleagues will keep it in mind.

Mr. HUMPHREY. The junior Senator from Minnesota is grateful to many Republicans, because he could not be elected in his State without Republican votes. I like Republicans. They are great Americans.

With all due respect, I say to my friend, the six votes to which he refers were important. They were the difference between success and failure. However, I point out that without the 35 Democratic votes, the 6 Republican votes would have been insignificant.

There is plenty of room in the gardens of achievement and success. They are not crowded, and I welcome the Senator from New York. I know of his fine work in the House. We are personal friends, and I hold him in the highest esteem.

I paid tribute to the late and beloved Senator from Ohio. I remember many fine deeds the Senator did, and I said so when he was alive, not after he had left us. He was a realist, and he was a vigorous partisan when he needed to be. But when he saw something needed to be done, he moved in to get it done.

Now, I should like to ask this question: Is there a Senator who can honestly say today that conditions in American cities relating to slums and breakdowns in tenements and other physical plants are any better than they were in 1949? Have they improved in any way? Can any Senator really say that we ought to have less today than we had 8 years ago? That is what the issue is, and that is all it is.

I know the Senator from New York comes from a State with great liberal traditions. He comes from a State where he himself has a fine liberal record. The Senator knows that 1,610 housing units authorized and contracted for in 1 year, under the title of the public housing program, is not a housing program; it is a farce; and I will tell Senators one of the reasons why.

I have been in this fight up to my neck, trying to help my own city officials. They have spent hundreds of hours and dollars going to Chicago, going to Washington, going back to Chicago, going back to Washington, going back to Chicago, and back to Washington, and back home. All they got was a smile. They never were able to get the papers signed. They never were able to get the projects approved. It is interesting to note how difficult it now is to get projects approved, when they used to be approved much more easily.

I agree with the Senator that people can be driven away by partisan zeal. I have seen it done many times. I think that is an admonition for both sides of the aisle, and an admonition for the White House, on Pennsylvania Avenue, all the way to the end of the line, because there can be a very great deal of partisan zeal.

What we want is not partisan credit. I think it would be wonderful if those on this side of the aisle would withdraw the amendment and get the Republicans to offer it. I would say it ought not to have cosponsors, if it could be adopted. I say about housing, or civil rights, there is no honor in having contributed to the defeat of proposed legislation, or inaction, or lack of success. There is plenty of room on the victory bandwagon. All I want is achievement.

Mr. JAVITS. I thank the Senator.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. I wish to take half a minute to say that I have heard the Senator from Minnesota make many great speeches, but, in my opinion, I have listened today to one of his greatest. The inspiration I have received from the Senator from Minnesota today has only increased my determination to continue to fight with him shoulder to shoulder for the success of the movement on which we have joined forces today.

I wish to say a word to the Senator from Pennsylvania [Mr. CLARK] and the Senator from Colorado [Mr. CARROLL]. I hardly think they fully appreciate the thrill it has given many of us in the Senate to have them join us and express the social consciousness, the liberal philosophy, and the dedication to the interests of the welfare of the American people which they have expressed not only here today in the two beautiful speeches they have made, but which they have demonstrated by action before they came

to the Senate and since they have been in the Senate.

To my friend, the Senator from New York [Mr. JAVITS], I wish to say I completely agree with the observation he made. I do not know of any Member of the Senate who is in a better position to say what I have said, because I think I have demonstrated a nonpartisanship which I doubt is equaled by any other Senator, for I am not concerned about partisanship. I am concerned about causes. I am concerned about great legislative objectives. I am concerned that as we sit here in the Senate we always should rise above partisanship and serve what we consider to be great principles in the interest of social justice.

I want the Senator to know that, so far as I am concerned, I expect to be standing shoulder to shoulder with him on many great causes in the interest of the welfare of the people. The welcome sign is always out, on a nonpartisan basis, to join in the kind of cause we are joining in here today.

I wish to say I would be less than human if I did not appreciate very much the wonderful support we have received by way of the magnificent statements by Senators who have been spoken, backed up, as we have been several times this afternoon, by our two great colleagues, one from the State of Tennessee [Mr. GORE] and one from the State of Illinois [Mr. DOUGLAS], who always seem to be ready to give us the assistance we need.

Of course, one of the great warriors of the group is the Senator from Montana [Mr. MURRAY], sitting here and taking it all in, waiting for the rollcall. We always know where he will be when the roll is called.

Mr. HUMPHREY. May I add, on the people's side.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HUMPHREY. Indeed I will yield to the Senator from New York.

Mr. JAVITS. I wish to say that I appreciate the very fine things that have been said. I notice that in this body, if the Senator from Minnesota will permit me, our Members are more truly polite to each other. Even if they differ very sharply they show a personal affection which is most gratifying.

I feel that the Senator from Minnesota is an outstanding public servant, working with fervor and sincerity for the causes in which he deeply believes. People are always grateful for that kind of service.

I hope very much that in these most cordial exchanges between men who have known each other a long time and seen each other through many battles, the main point will not be missed. We really must draw a lesson from a very pertinent case like housing from which a lesson can be drawn—that as we serve the people, we can serve them best if we stop just this side of losing by our excess of partisan zeal that indispensable support which is indispensable in terms of great issues which we are so proud to back.

That goes for both sides of the aisle.

As a new Member of the Senate, I shall take away a new and deeper imprint of what I consider to be this truth from this debate. I hope my colleagues will do the same thing.

CRITICISM OF SENATOR HUMPHREY IN CONNECTION WITH CORN PROGRAM

Mr. HUMPHREY. I wish to thank the Senator from New York, because his last comment reminded me that I had a mission to perform here, which I hope I shall not forget, on an entirely different topic, because I have tried to give it some support.

I shall digress for a moment, if my colleagues will forgive me.

Mr. President, the point was made a moment ago that we should always stop short of the point of partisanship where we lose support, and which is even more important, the point where we lose the respect of our colleagues.

Mr. President, the current issue of the Republican National Committee's propaganda publication, Straight From the Shoulder, sees fit to attack me in an article—an article very complimentary—entitled "Irked Farmers Hold Hubert's Bag of Wind."

GOP FARM POLITICS

There is no question that farmers of America have been left holding the bag, Mr. President, but it was handed to them by Secretary Benson and the Republican administration, not HUBERT HUMPHREY.

However, I suppose in view of strange current trends in the Republican Party it should not be surprising that a Democrat bold enough to come out in support of the President's foreign aid program should be the subject of attack by the GOP high command. It is a rather confusing situation these days as to which party is really the party of opposition.

Apparently, while I was busy overseas defending the President's policies and trying to find a way for our Secretary of Agriculture to make some constructive use of our farm abundance, the Republican propaganda writers were assigned the task of trying to throw the responsibility on me for failure of the Congress to enact any corn legislation this year.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. DOUGLAS. Is it not true that, in his conversations with Prime Minister Nasser, the Senator from Minnesota continuously emphasized that the President, in his judgment, was a man of peace, and that in the Eisenhower doctrine he was seeking simply the good of the people of the Middle East, Arabs and Jews alike?

Mr. HUMPHREY. The Senator is absolutely correct. I am happy to have done so.

Mr. DOUGLAS. As a repayment for this, the Republican Party has launched this personal attack upon the Senator from Minnesota.

Mr. HUMPHREY. Yes. It is a sort of repayment with dividends. I am not particularly disturbed.

In the course of that attempt, they make some confessions. When the corn referendum was offered growers last year, Secretary Benson insisted he was staying neutral and leaving the choice up to producers. Some of us charged that the administration was pushing for one side of the issue before farmers, but Secretary Benson firmly denied it. Now comes the Republican National Committee, in its attack on me, to protest against what it describes as my influence in defeating "an administration-sponsored corn program" submitted to the producers in the referendum.

However, my colleagues will note that the Secretary said he was neutral, he did not choose up sides one way or the other.

By the way, the Under Secretary testified in committee that they really did not support this referendum, even when it was voted on in the Senate. The Republican propagandists now say that it is an administration-sponsored program. I appreciate this belated confession. I always felt that that was the fact.

I appreciate the influence which they apparently give me credit for having over the growers of corn in the United States. However, they are stretching the truth a bit recklessly when they say that I publicly promised corngrowers an increased acreage allotment and higher price supports if they would vote against the administration-sponsored plan to give the Secretary full discretion for lowering price supports still further.

What I did promise—and the record is available for anyone interested in the truth—was to make every effort in this Congress to obtain a better program if growers showed by their votes that they were not satisfied with either of the alternatives on the ballot.

Regardless of the outcome, no one can fairly say that HUBERT HUMPHREY did not make every effort to obtain a better program this year.

I am sure, most objective observers will agree that my efforts and the efforts of others, all of us working together, might have succeeded if Secretary Benson had not pulled the rug out from under us by withholding his support for an expanded corn allotment when it came to a showdown vote—after all kinds of earlier indications that he was for the very provisions of the bill we brought to the floor.

It was a bipartisan bill.

However, it does none of us any good to beat a dead horse. It is not putting any more money in the farmers' pockets. The Republican National Committee would be more helpful if it would set its sights ahead—and tell us what the GOP intends to do toward bailing us out of this farm mess, now that Benson publicly admits his program is a failure. At least I am trying to do something constructive toward using our abundance, instead of complaining about it.

As for the GOP and Secretary Benson, I should like to let a fine Minnesota newspaper from the heart of one of our great farming areas speak for me in an editorial entitled "The Box Score on Benson."

I ask unanimous consent to have printed in the body of the RECORD at this point an editorial from the May 21 issue of the Park Region Echo at Alexandria, Minn., written by John C. Obert, city editor.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Alexandria (Minn.) Park Region Echo of May 21, 1957]

THE BOX SCORE ON BENSON

For all his gallant front, for all his pious utterances, for all his control programs, his fight against price supports and his farm export subsidies—Ezra Taft Benson is hanging on the ropes and about to go down for the count.

All of which makes the Minnesota Young Republicans' recent reendorsement of his agricultural program the more ironic. Mr. Benson can, as he did just last week again, say the crisis is past and farmers are on their way to getting their "fair share of the national income," but his words now have a hollow ring. It would be interesting to see a tabulation of just how many times the Secretary has made just such a statement in the 5 years he has commanded the Department of Agriculture.

Ironic, too, is the fact that it is his very own Department's official statistics which make a mockery of his predictions and promises.

Mr. Benson said, as recently as April 2, for instance, that realized net farm income in 1956 was 4 percent above 1955. Yet the Department of Agriculture reports that net farm income after inventory adjustments in 1956 was down $100 million from 1955's figures. Net farm income has dropped steadily from $15.1 billion in 1952 to $11.6 billion in 1956.

Earlier this year the Secretary announced that "agricultural abundance has held down prices paid by consumers for food and fiber." True, food prices were 2 percent lower in 1956 than they were in 1952, but there is a disparity here that Mr. Benson overlooked. While agricultural abundance may have resulted in this modest lowering of prices to consumers, something was happening to the farmers who were producing so abundantly. Their income dropped 17 percent over the same period.

The Secretary also claimed, last month, that there is every indication that we have passed the peak of the storage problem and that the Commodity Credit Corporation investments in price supports are declining. Then he added, "We are cutting down our acquisition of wheat, corn, and cotton by means of the soil bank. We are moving toward a better balance of supply and demand."

Yet the Department of Agriculture reports: Commodity Credit Corporation losses during the 20-year period from 1933 to 1953 were $1.1 billion as compared with losses of $2.9 billion in the 4 years between July 1, 1953, and January 31, 1957; that the total CCC inventory held on January 31, 1953, was $1.09 billion while the total inventory held on February 28, 1957, was $5.7 billion; that there is three times as much corn on hand today as when the present Secretary of Agriculture assumed office—266,711,000 bushels on hand in January, 1953, 967,122,000 bushels on hand in February of 1957; and that there were 127,779,000 bushels of wheat on hand in January 1953, compared with 789,918,000 bushels on hand in February 1957.

When Benson took on the job of Secretary in 1953, the Government had $2,912,000,000 invested in farm surpluses. Now it has $8,300,000,000 invested in surpluses.

Moreover, and again real irony, the much-ballyhooed soil bank program is fizzling like many another punctured platitude. Half the farmers reject the plan and the others, by virtue of increased use of fertilizers, grow more than ever on less acreage. And why not? The Secretary cuts the corn acreage allotment from 43.3 million acres in 1956 to 37.3 million acres this year and simultaneously drops the support price from $1.50 a bushel to $1.36. Is it any wonder, then, that most farmer in the Corn Belt plan to plant without restriction?

Furthermore, if current reports are reliable, many of the farmers who are abiding by soil bank restrictions for one crop are planting more acres with other crops. The result? The actual cut in plantings will be about half what it was supposed to be under soil bank land idling pledges. And who can blame the farmers? Five years of golden euphemisms seasoned with sanctimonious preachings are getting a little hard to digest—particularly when prosperity, that much-promised commodity, keeps ducking around the corner ahead of them.

What's the answer? How can the farm problem be solved? We doubt that there is any one solution. It seems apparent by this time that no one-shot panacea will ever work. There are many farm problems in many farm areas, and we suspect that the only workable plan will have to be one which is administered on a regional basis to take into account differences in crops, operations, and problems. The Midwest grain farmer, for instance, may desire 90 to 100 percent price supports, but the New England poultry farmer may well be opposed to such a program.

One thing seems certain. This knotty, and in many areas painful, farm problem will not be solved by the sort of political oratory we have been subjected to in the past 5 years. Neither pious Republican platitudes about thrift, independence, and efficiency, nor Democratic spouting about a return to high rigid price supports, period, will bring the farmer prosperity and do away with the bogy of surplus at the same time. Some bold, new, and dynamic thinking must be turned to the crisis in agriculture now and not in some halcyon day when there are no more elections to be won.

A final thought. It seems only wise at this particular moment to let Ezra Taft Benson return to his sugar beets. There was a time when this writer looked upon the Secretary of Agriculture as a misguided man, but one of courage and integrity. Somewhat regretfully we write now that the courage we admired was apparently bullheaded obstinacy and the integrity? Well, even Mr. Benson's integrity had clay feet at election time. The truth of the matter is that the farmers want a Secretary of Agriculture upon whom they can look with confidence and to whom they can look for understanding. Mr. Benson provides neither. His greatest weakness is his demonstrated inability to understand the function of his job, for the Department he heads was instituted many years ago to help farmers. It is unfortunate but true that the farmers who need Government help the most are the farmers who get the least help from Ezra Taft Benson and his administration.

Mr. CAPEHART. Mr. President, the Senator in charge of the bill, the chairman of the Subcommittee on Housing of the Banking and Currency Committee [Mr. SPARKMAN] was obliged to leave the Chamber, and he asked me to speak for a few minutes.

Now that the smoke has cleared away, I think a record should be made as to what the pending bill would do.

The bill provides more than $500 million for slum clearance, which we commonly refer to as urban renewal. The present law, under which we are operating at the moment, contains a provision for 70,000 public housing units, so I should say that the bill we are considering at the moment provides $700 million or $800 million for public housing and slum clearance, or urban renewal.

I also feel compelled to say, in behalf of myself, as the ranking minority member of the Senate Committee on Banking and Currency, on behalf of the able chairman of the committee [Mr. FULBRIGHT] and on behalf of the able chairman of the Subcommittee on Housing [Mr. SPARKMAN] that we know the problem involved with the House of Representatives with respect to public housing.

Notwithstanding what may have been said here during the past 3 or 4 hours, the question of being for or against slum clearance and public housing is purely a matter of degree.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. CAPEHART. Please allow me to finish my statement.

Mr. CLARK. I should like to ask the Senator a question.

Mr. CAPEHART. I wish to complete my statement first.

The question of one's attitude upon the subject of public housing, slum clearance, or urban renewal, is purely a matter of degree. I know of no one who is opposed to it. As has been brought out, the late Republican Senator Taft was one of the original authors of slum clearance and public housing legislation. It is a matter of degree. That was true over the years when the late beloved and able Senator from South Carolina, Senator MAYBANK, was chairman of the Senate Committee on Banking and Currency.

However, we always had the same fight with the House of Representatives. Generally speaking, the House of Representatives was against public housing. Senators will remember that last year the Senate adopted an amendment, by a vote of 41 to 38, providing for 135,000 units of public housing. We took that amendment to conference. It will be remembered that the conference required 2 months, and we finally settled the question within 24 or 48 hours of the time of final adjournment. The House conferees simply would not give in. The conferees sat for 2 months.

There are thousands of public housing units authorized at the moment which have not been built. I shall not argue the question as to whether someone has been slow in building them under the law, or whether those in charge have done the best they could.

I do know that under the law enacted by Congress we must obtain support and help from the local communities. Many of them, of course, have made no application for help. Others have made application, but, as Senators know, the enactment of legislation is ordinarily a slow process.

So when someone says that Republicans are against slum clearance and public housing, or Democrats are against it, the statement is not true. The facts will not substantiate it. The only difference is a matter of degree, as to how fast we can go, or how fast we should go.

As I have said, the history of the situation has been that the House of Representatives has wanted to do nothing. The Senate has been much more liberal.

In the pending bill, for a 2-year slum-clearance program, there is provision for $250 million a year of direct grants, or a total of $500 million. It was originally reported from the committee on the basis

of 4 years, but yesterday the Senate reduced the period to 2 years.

No purpose would be served by adopting the pending amendment. I should not try to speak for the House, and I shall not speak for the House, except from a historical standpoint. I have been a member of the Senate Committee on Banking and Currency for 13 years. We shall not get any public housing other than what is provided for under existing law. I do not know that we would be able to build any more public housing in the next year, even if more units were authorized. I doubt very much that we would. However, let me ask, how far we can go when the public is demanding economy, when Senators and Members of the House on both sides of the aisle are literally overwhelming the President of the United States and his administration with cries to reduce expenditures? Everyone is asking that the budget be reduced and that taxes be reduced. Yet, the amendment offered by the Senator from Oregon would cost possibly a billion dollars. I say that, although I do not have the exact figures, and I know different estimates have been made as to its cost.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. CAPEHART. I will yield in a moment. I do not know what the figure is, whether it is two billion or one million or five hundred million dollars.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. CAPEHART. I will yield in a moment. The point is, if we are to be economy-minded how can we authorize the expenditure of huge sums of money? Approximately between 50,000 and 70,000 public-housing units are now authorized by existing law, and the money has been appropriated. Those units have not yet been built.

We ought to be fair in this discussion. We ought not to accuse one side or the other side of being against public housing, because that is not true. The difference is a matter of degree. We have shown in the Senate—both Democrats and Republicans—that we are in favor of public housing and in favor of slum clearance. The President of the United States and Mr. Cole, the Administrator, were the first to initiate it, and they constituted a group to study the problem of slum clearance. That group made a report. I was the Chairman of the Committee on Banking and Currency in 1953 and 1954, when Congress passed the most liberal housing bill that had ever been passed up to that time and no one can successfully contradict that statement.

We wrote into that act section 221, which is commonly referred to now as the slum-clearance section. For the first time Congress passed an act which made it possible to clear slums. Some may argue, possibly rightfully so, that we did not at that time, and have not since then, appropriated enough money.

However, I ask Senators, in all fairness, whether they do not hear the cry of the people throughout the United States to curtail expenses, to reduce the budget, to balance the budget, and to reduce taxes. How are we going to do all of those things? How are we going to reduce the budget on the one hand, and increase it on the other?

So I ask, how can the President of the United States win? He gets cussed and discussed today for not making some expenditure; then tomorrow by the same group he will be discussed and cussed because of the big budget and because he does not reduce expenses and because he does not reduce taxes.

How can he win? How can anyone in a like situation win? I would say, honestly, if other Senators had been through the fight I have faced for the past 13 years, they would realize that we have made a great deal of progress in the housing field, and that we are making a fairly good record. We are not doing nearly as good a job of slum clearance as I would like to see done under section 221. However, the Senate is only one branch of the legislature. I have been dealing with the other branch of the legislature. I appreciate their position. I am not criticizing them. I am merely trying to be realistic.

The Senate should reject the amendment offered by the able Senator from Oregon purely as a matter of practicability, if for no other reason. If we add the amendment to the bill, those of us who will be in conference with the House, will find that we will be in conference for weeks, unless history proves to be different from what it has been all along.

It will be remembered that last year, I believe it was, the House conferees took such an amendment back to the House for a vote at least once, and perhaps twice, and the House voted it down.

I wish to pay my compliments to the able Senator from Pennsylvania [Mr. CLARK], who is a member of our committee. He has a great zeal for slum clearance and for public housing. He was mayor of Philadelphia, and I can well understand his zeal. As I visit various cities of the United States, it breaks my heart to see the conditions under which some people are living. However, we are doing as much as possible under existing conditions, and, as time goes on, we will make greater progress.

In this bill, as Senators know, we guarantee FHA home mortgages, so that people will be able to own homes. We have reduced the down payment, by an amendment offered by the able Senator from Alabama [Mr. SPARKMAN], the minority leader, and myself. The down payment in the bill is, I believe, $100 on an $8,000 house. It is not so liberal, I will say frankly, as I would like it to be. I would like to see some more money made available by the bill, if the Government had it to dispense. But I cannot vote today for the appropriation of more money and at the same time vote to cut the budget, to cut expenditures, and to reduce taxes.

I am not unmindful of the needs of the people. I simply cannot see how we can meet them all. Even if we provided for 500,000 units, instead of 200,000 units, there would still be a great many people who would not be able to find housing.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. CAPEHART. There are many cities which do not need the assistance, or at least say they do not need it.

I now yield to the Senator from Pennsylvania.

Mr. CLARK. I thank the Senator for his kind words. I assure him that I am indeed in favor of slum clearance. I wonder whether the Senator is not laboring under a misapprehension as to the amendment offered by the Senator from Oregon and myself. I thought I heard the Senator from Indiana say at one point that the amendment offered by the Senator from Oregon would cost between seven hundred and eight hundred million dollars.

Mr. CAPEHART. I have seen different estimate of the cost of the amendment. As I understand, it would authorize the building of an additional 400,000 units.

Mr. CLARK. No; an additional 200,000 units.

Mr. CAPEHART. It reinstates provision of the old law.

Mr. CLARK. No; I think it is important that our colleague should understand what we are talking about.

Mr. CAPEHART. Let us talk about 200,000 units. My best judgment is that the amendment would reinstate the old law. However, let us talk about 200,000 units.

Mr. CLARK. It would authorize 200,000 more. I am sure the Senator from Indiana does not want to leave the impression with the Senate that the cost of those units would be paid by taxpayer dollars.

Mr. CAPEHART. No.

Mr. CLARK. Because, as the Senator from Indiana knows perfectly well, the cost would be paid by bonds floated by the public-housing authorities.

Mr. CAPEHART. Guaranteed by the FHA.

Mr. CLARK. Yes. We might argue as to whether such a move would be inflationary. The fact is that the only cost to the taxpayers as a result of the adoption of the amendment pending before the Senate would be for a subsidy to make up the difference——

Mr. CAPEHART. About $250 a unit.

Mr. CLARK. For 200,000 units it would be in the neighborhood of $50 million a year.

Mr. CAPEHART. It is at the rate of $250 a unit.

Mr. CLARK. The only other point I should like to make is that I understood the Senator to say that there are thousands and thousands of units of public housing authorized which have not been constructed. I am sure the Senator will agree with me that there are less than 35,000 units authorized for the present fiscal year, and an additional 35,000 units for the coming year.

Mr. CAPEHART. That is correct.

Mr. CLARK. Our complaint has been that the mayors of the cities of the United States—and I speak with some personal experience in that field—consider that such an authorization is not adequate; it should be a great deal more. The only question in connection with voting on this amendment is whether the Senator from Indiana and his colleagues are right, or whether the mayors of the

cities and those of us who support the amendment are right, as to whether we can afford to provide for these additional units without unduly taxing the economy of the country.

Mr. CAPEHART. I said it was a matter of degree. I think it is unfair to accuse one party or group of being opposed to public housing. No one is opposed to it except as to the degree. The argument and the point I am making is that there are in the neighborhood of 60,000 units to be built under the existing law, which are as many as will be build during the next year.

The House, of course, would not accept this amendment; at least, it has not done so in the past.

Then, too, there is the cost connected with it, because the FHA guarantees the bonds.

Mr. CLARK. I think the colloquy has very well stated the issues which have arisen in connection with the amendment. I thank the Senator from Indiana.

Mr. CAPEHART. My best judgment, trying to be practical and realistic, is that the Senate ought to reject the amendment, because otherwise the whole bill will be tied up, as it was tied up last year in conference for a couple of months.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. BUSH. I have in other years voted for an authorization for public housing above the levels which the House of Representatives has been willing to support.

I am informed that at present there is a backlog of authorizations for public housing which apparently is in excess of the actual demands from the municipalities.

I ask the Senator from Indiana if it is not true that responsible officials of the Public Housing Administration have assured the committee that the existing backlog is more than adequate to meet the demand which will arise before Congress will reconvene in January.

Mr. CAPEHART. I think that is true. There, again, arises the question of degree. How many units should be built? How many can be built? How many would we be justified in building under the existing conditions of the budget, the expenditures, and the demand for a reduction?

This housing bill alone, including the amount which it has been increased by amendments, has possibly increased the budget more than the House and Senate combined have been able to reduce it so far.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. CLARK. The distinguished Senator from Connecticut was, unhappily, not in the Chamber when the Senator from Minnesota [Mr. HUMPHREY], the Senator from Colorado [Mr. CARROLL], and the Senator from Oregon [Mr. MORSE], made what to me were persuasive arguments in support of the amendment.

I may say to the Senator from Connecticut that it is true that Mr. Albert M. Cole and his colleagues say that the demand for public housing will not measure up to the presently authorized units, but we who are supporting the amendment have taken the position—although the Senator from Connecticut, I am certain, will not agree with it, but he ought to know it—that the reason is that the Public Housing Administration, under the leadership of Mr. Cole, is dragging its feet on the program and is doing its very best to make certain that the requests for public housing, some of them from my own Commonwealth of Pennsylvania—and I have literature here to prove it—shall not be honored, so that the actual units will not be built.

There is already in the bill a provision respecting the public housing sections of the law which will sufficiently liberalize the present requirements to get the houses built; and I hope the provision will be kept in the bill; I suppose there will be a vote on it a little later.

So, in my judgment, if the pending amendment shall be adopted, there will be a great flood of applications from public housing officials in every city in the country who have testified before our committee that there is a present need for 200,000 units.

I am certain I do not have to remind the Senator from Connecticut that it has been testified that one of the places where such units are most urgently needed is the city of New Haven, in his State of Connecticut.

Mr. BUSH. Mr. President, I would not want my failure to comment to be interpreted as an indication of approval by me of the remarks which the Senator from Pennsylvania has made about Commissioner Cole. I do not hold the opinion which the Senator has just uttered that Mr. Cole is dragging his feet on the program. I believe he has been a conscientious administrator of the law which was given him by Congress to administer. I cannot accept the interpretation of the Senator from Pennsylvania that Mr. Cole has attempted to drag his feet in the matter of public housing.

I have before me a statement on the subject of public housing which was prepared by the Public Housing Authority. I shall read a part of it which is apropos of the situation we were discussing.

As of July 1, 1954, there were in effect annual contributions contracts between the Federal Government and local communities covering over 37,300 low-rent public housing units on which construction had not yet started. During the fiscal year which began on that date, the local communities placed under construction only 8,497 units. As of July 1, 1955, the backlog of low-rent public housing units under Federal annual contributions contract but not yet placed under construction amounted to over 57,000 units. Only 6,762 units were placed under construction by the local communities during fiscal year 1956. We entered the present fiscal year with a backlog of about 54,400 public housing units under annual contributions contract. On April 1, 1957, with 9 months of the fiscal year having passed, only 3,155 units had been started. Thus, in each of three successive fiscal years, sizable backlogs of units under Federal aid contract have resulted in very few construction starts by our local communities.

I offer that statement in support of the position I have taken in the matter.

Mr. SPARKMAN. Mr. President, I wish to speak for a few minutes with reference to the amendment. First, I have always voted for public housing. I do not think there has ever been a vote in the Senate involving the question of public housing since I entered this body in 1947 when I did not support the program.

I regret that my good friend, the distinguished and able Senator from Oregon [Mr. MORSE] has insisted upon offering this amendment at this time; although I will say, in all fairness, that he gave us pretty good notice, on the very first day of the debate, to the effect that he did not feel the bill was sufficiently complete, and that we ought to be here fighting for the program.

I have been doing a good bit of thinking about the public housing program. While it is true I did not like the 2-year program which was put into effect last year, which provided for approximately 85,000 units, as I recall, for the two years. I felt the number was entirely too small, and I even quoted from the figures of the opposition to demonstrate that it was not sufficient, but that was the action taken by Congress last year on a 2-year program basis.

I have felt that we ought to continue with that program, marshal our facts and figures next year when the time arrives for normal extension of the act, and try to provide a realistic program, one which will take care not only of all those who have been displaced by reason of governmental action—and the present program is not sufficient to do that—but also to enable those cities and towns, particularly the smaller cities and towns, which are not able to get into the first phase of the program, to have the benefit of it. I have felt that we could marshal the facts and information next year to get and to support a real program.

I believe in being realistic in seeking to have legislation passed. I know what was said by the distinguished Senator from Minnesota [Mr. HUMPHREY] with reference to the other House; but I recall that last year the housing bill was holed up in the House Committee on Rules for weeks and weeks. It appeared for some time that no housing legislation whatsoever would be enacted last year. That was because the Senate had written into the bill a provision for 135,000 units a year, which I think is a fair amount to be programed each year. That was at a time when we had to do something about public housing or else let it drop. In other words, the program was running out.

So I simply think about what the House Committee on Rules would do this year, when there is no requirement to act upon a public-housing program.

I regret exceedingly to be compelled to vote against the amendment, which under normal conditions I think would be a good amendment, one which I should be glad to support.

Mr. LAUSCHE. Mr. President, will the Senator from Alabama yield to me?

The PRESIDING OFFICER (Mr. BIBLE in the chair). Does the Senator

from Alabama yield to the Senator from Ohio?

Mr. SPARKMAN. I yield.

Mr. LAUSCHE. I should like to have the Senator from Alabama state his views regarding the backlog of available units which have been certified, but not put under construction, by local agencies; and those which have not been certified, but are still available.

Mr. SPARKMAN. I believe the Senator from Connecticut referred to that matter a few minutes ago, in connection with the letter he had.

Mr. LAUSCHE. Do those figures rather accurately state the situation?

Mr. SPARKMAN. I believe the figures accurately state the situation.

Mr. CAPEHART. Mr. President, if the Senator from Alabama will yield to me, let me say that approximately 60,000 units are yet to be built; they are in various stages of processing.

Mr. LAUSCHE. I should like to ask a further question of the Senator from Alabama: It is charged that this backlog is the result of an unwillingness on the part of the administrator properly to process and service the requests of the local agencies. What is the understanding of the Senator from Alabama in regard to that matter?

Mr. SPARKMAN. I wish to draw a distinction between the two men who are connected with the Housing Administration. There has been considerable comment about Mr. Cole. Mr. Cole is the head of the over-all agency, the Housing and Home Finance Agency. The one who is the head of public housing is Mr. Slusser, who I believe formerly was the Mayor of Akron, Ohio.

Mr. LAUSCHE. That is correct.

Mr. SPARKMAN. I wish to say that Mr. Slusser has shown a very friendly attitude toward the public-housing program. I cannot say what has been the cause of the slowness with which these units have been put into the mill this year. I know there are problems in connection with the program. I know what the problem was at one time; and apparently the administration thought that was the problem this year. It was the requirement that every town have a workable program.

The President, in his message—I believe it was in his annual message to the Congress—recommended that the requirement of a workable program be done away with. However, when the representative of the Agency testified this year before our committee, they had reversed the administration's previous position; and at that time they said it was not necessary to eliminate that requirement.

Now we have included in the bill a provision to repeal the workable-program requirement. No one would object to a workable-program requirement if it were administered in a practical way. The trouble is that in the case of the average small city, and certainly in the case of the towns, and I suppose also in the case of some of the larger cities, it is difficult to find and employ experts who are qualified to develop a workable program.

So far as I know, that was the difficulty. Whether it has been cleared up, I do not know.

Mr. LAUSCHE. Let me say that I know Mayor Slusser.

Mr. SPARKMAN. Yes; he is from the Senator's home State.

Mr. LAUSCHE. I should like to say to the Senator from Pennsylvania that I am certain that Mayor Slusser is sympathetic to the development of a public-housing program.

I should like to ask a further question of the Senator from Alabama.

Mr. SPARKMAN. I yield.

Mr. LAUSCHE. If there is a backlog, produced by an unwillingness to process, how will the authorization of an additional number of units solve that problem?

Mr. SPARKMAN. I did not say there was an unwillingness to process. I said the processing may have been cluttered up by the provision requiring a workable program. However, I do not know that that is the cause.

On the other hand, I know the program has been dragging badly. If the trouble is not the workable-program requirement, then, even if we remove that requirement it will not do any good to include in the bill a provision for the extra units, except perhaps it would prod the Agency somewhat.

I believe it is untimely to offer this proposal at the present time. First of all, I feel certain that we shall not be able to have the provision enacted into law. I do not believe that the House of Representatives will vote for it. As a matter of fact, I feel certain that the Senate will not vote for it at this time. So I think the provision is untimely, because I believe that the Senate has never voted unfavorably on public housing. That is quite a record; I know I am correct in stating that the Senate has never voted against the principle of public housing. If there is to be an adverse vote this afternoon, I want the record to show very clearly that it was not because of opposition to the merits of a good, sound public-housing program, well administered, but that it was due to the fact that this is not the proper time to try to add to the public-housing program. Next year will be the proper time. If the committee next year does not recommend a program which at least will carry out what Bob Taft estimated as being the minimum—a program at least as good as the 1949 program—then I shall be greatly disappointed.

Mr. CLARK. Mr. President, will the Senator from Alabama yield to me?

Mr. SPARKMAN. I yield.

Mr. CLARK. I wish to say that I agree with the Senator about ex-Mayor Slusser, whom I know personally, and who I believe is sympathetic with the program.

The difficulty is that Mr. Slusser works under, and subject to Mr. Cole; and with deep regret I cannot say Mr. Cole is a friend of the program. So long as he served in the House of Representatives, he was a bitter enemy of the program; and I think he has continued to be a bitter enemy of it since he has been in the Agency. Of course, that is a matter of opinion.

I understood the Senator from Alabama to say that he would favor a searching inquiry, between now and the next session of Congress, by the Housing Subcommittee of the Senate Banking and Currency Committee, into the present status of public housing, including a visit by members of the subcommittee to various cities where public housing is bogged down and where it has been built too slowly.

If the Senator from Alabama has that in mind, I should like to commend him for it, and to suggest that that is the best way I know to answer some of the doubts of our friends who are opposed to the amendment today, and I believe it is the best way to persuade them to vote for it next year.

Mr. LAUSCHE. Mr. President, I should like to know the estimated cost of the 200,000 units, if they were built in the time contemplated. I am not referring to what would be the cost of subsidizing the loss; but I wish to know what would be the actual cost of the buildings and how the money would be obtained by the local agencies.

Mr. SPARKMAN. A local housing authority which is building houses, sells bonds on the open market.

Mr. LAUSCHE. They would have to sell bonds which would produce sufficient money to enable 200,000 units to be built; is that correct?

Mr. SPARKMAN. That is correct.

Mr. LAUSCHE. Would it be fair to say that those units would cost $10,000 apiece? Does the Senator have an estimate on that? Is that figure correct?

Mr. SPARKMAN. Yes, I would say the average cost would be around that.

Mr. LAUSCHE. The local housing authority would have to go into the bond market and sell enough bonds to build 200,000 units, costing $10,000 each. Is that correct?

Mr. SPARKMAN. If 200,000 units were built, yes.

Mr. LAUSCHE. Last week the Federal Government had to pay 3⅝ percent on short-term bonds. I know, when I was Governor of the State of Ohio, the State had to pay 2¾ percent on full faith and credit bonds.

What is the prospect of a local housing authority selling bonds that will provide money to build 200,000 units? What is the prospect of selling them, and at what rate of interest?

Mr. SPARKMAN. The Senator from Ohio said a while ago that the program was dragging. As a matter of fact, I think he has just mentioned one of the factors that has caused the program to drag. The towns and cities have been unable to sell their bonds at a rate of interest that they were willing to pay. I think that is true.

Now, I should like to answer the question of the Senator from Pennsylvania. I did not say exactly what he understood me to say. I did say by the time the program comes around for our consideration next spring, we can marshal facts and figures to find out just what the situation is. As a matter of fact, I would be very glad to do what the Senator has suggested. In fact, I feel—and I want to say this regardless of the fact that an amendment is now pending—we ought to make a careful study of the public housing program, regarding many phases of it. After all, it has now been

underway for a good many years, and perhaps we ourselves could profit somewhat by studying it.

With reference to the subcommittee's making a study, there are some very practical difficulties involved. The Senator will remember that at the beginning of this year the small amount of money which we requested was not granted.

The amount granted was below the amount requested. Thus, we have budgeted our accounts just about as far as we can. We do not operate merely as a committee to make special studies, but we carry the legislative load for the regular committee. The result is that we are budgeted just about up to the last dollar, and we could not possibly undertake such a study without asking the Senate for additional funds. I do not like to contemplate what I would hear around the Senate if we asked for the amount of money which would be necessary to make that kind of study. I believe, however, we can bring together many facts and figures.

By the way, the Senator may recall that when the housing authorities were before us this spring, they told us they were going to check into a good many different phases and features of this program and be able to present them to us next spring.

Mr. CLARK. I am sure a study made by the present housing agency would not be satisfactory.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. LAUSCHE. If I am correct in my calculation, 200,000 units at $10,000 would amount to a total of $2 billion. That means that $2 billion worth of additional bonds would be thrown into the market for sale. I shudder to think what an impact that would have on interest rates generally. I subscribe to the views of the Senator from Alabama, with the sympathetic attitude that he has toward this program, that the proposal of the Senator from Pennsylvania, while it may be sound, is not timely.

Mr. SPARKMAN. Let me say, in connection with the statement of the Senator from Ohio, that, of course, I recognize the force of the argument he makes, but I do not want to let the record stand silent in this respect. If public housing is needed—I am not talking for the record now, but maybe a year from now—and we need that many units in order to carry out the program Congress has decreed to be a good program, I do not see why we should let the fear of the effect of issuing $2 billion worth of bonds stand in the way and then blandly enter into a tremendous public highway program and issue five times that many bonds.

I wonder whether the Senator will comment on that aspect.

Mr. LAUSCHE. I have no hesitation in saying that, in my opinion, next to the threat of international communism, the gravest threat confronting this country is inflation, and I think there ought to be a dampening of the program of highway construction for the time being.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield to the Senator from Pennsylvania.

Mr. CLARK. I should like briefly to comment to the Senator from Ohio that I fail to shudder, as he does, at the prospect of what would happen if $2 billion worth of bonds were put on the market, over a gradual period of 2 years, by cities in 48 States, or in perhaps 35 States, and the effect it would have on inflation, particularly when we recall that the total value of bonds amounts to about one-half of 1 percent of the total national product of America.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon [Mr. MORSE].

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MORSE]. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. ERVIN], the Senator from Rhode Island [Mr. GREEN], the Senator from Missouri [Mr. HENNINGS], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MANSFIELD], the Senator from Michigan [Mr. MCNAMARA], the Senator from West Virginia [Mr. NEELY], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

On this vote, the Senator from Virginia [Mr. BYRD] is paired with the Senator from Missouri [Mr. HENNINGS]. If present and voting, the Senator from Virginia would vote "nay," and the Senator from Missouri would vote "yea."

I further announce that if present and voting, the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MANSFIELD], the Senator from Michigan [Mr. MCNAMARA], and the Senator from West Virginia [Mr. NEELY] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Vermont [Mr. AIKEN], the Senators from New Hampshire [Mr. BRIDGES and Mr. COTTON], the Senator from Nebraska [Mr. HRUSKA], the Senator from South Dakota [Mr. MUNDT], and the Senator from Massachusetts [Mr. SALTONSTALL] are absent on official business.

The Senator from Connecticut [Mr. PURTELL] and the Senator from North Dakota [Mr. YOUNG] are necessarily absent.

The Senator from Indiana [Mr. JENNER], the Senator from North Dakota [Mr. LANGER], and the Senator from Maine [Mr. PAYNE] are absent because of illness.

If present and voting, the Senators from New Hampshire [Mr. BRIDGES and Mr. COTTON], the Senator from Nebraska [Mr. HRUSKA], the Senator from South Dakota [Mr. MUNDT], the Senator from Connecticut [Mr. PURTELL], the Senator from Maine [Mr. PAYNE], and the Senator from Massachusetts [Mr. SALTONSTALL] would each vote "nay."

The result was announced—yeas 20, nays 54, as follows:

YEAS—20

Carroll	Humphrey	Murray
Case, N. J.	Ives	Neuberger
Chavez	Jackson	O'Mahoney
Church	Javits	Pastore
Clark	Kefauver	Symington
Douglas	Kennedy	Yarborough
Gore	Morse	

NAYS—54

Allott	Frear	Monroney
Anderson	Fulbright	Morton
Barrett	Goldwater	Potter
Beall	Hayden	Revercomb
Bennett	Hickenlooper	Robertson
Bible	Hill	Russell
Bricker	Holland	Schoeppel
Bush	Johnson, Tex.	Smathers
Butler	Johnston, S. C.	Smith, Maine
Capehart	Kerr	Smith, N. J.
Carlson	Knowland	Sparkman
Case, S. Dak.	Kuchel	Stennis
Cooper	Lausche	Talmadge
Curtis	Long	Thurmond
Dirksen	Malone	Thye
Dworshak	Martin, Iowa	Watkins
Ellender	Martin, Pa.	Wiley
Flanders	McClellan	Williams

NOT VOTING—21

Aiken	Hennings	Mundt
Bridges	Hruska	Neely
Byrd	Jenner	Payne
Cotton	Langer	Purtell
Eastland	Magnuson	Saltonstall
Ervin	Mansfield	Scott
Green	McNamara	Young

So Mr. MORSE's amendment was rejected.

Mr. CAPEHART. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. KNOWLAND. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California to lay on the table the motion of the Senator from Indiana to reconsider.

The motion to lay on the table was agreed to.

ORDER FOR ADJOURNMENT TO FRIDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that at the conclusion of its business today, the Senate adjourn until Friday, May 31, 1957, at noon; that on the said day only requests for the insertions of matters in the RECORD shall be in order under a 3-minute limitation of debate; and that at the conclusion of its business on said day the Senate shall adjourn until 12 o'clock noon on Monday, June 3, 1957.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE HOUSING ACT OF 1957

The Senate resumed the consideration of the bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. KUCHEL. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from California will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to insert a new section, as follows:

URBAN PLANNING GRANTS

SEC. 605. The second sentence of section 701 of the Housing Act of 1954 is amended by striking out "and" immediately preceding clause (3); and by inserting before the period at the end thereof a semicolon and the following: "and (4) to official planning agencies for areas threatened with rapid urbanization as a result of the establishment or rapid and substantial expansion of a Federal installation."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from California [Mr. KUCHEL].

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. KUCHEL. I am glad to yield to the Senator from Alabama.

Mr. SPARKMAN. The Senator from California has discussed this amendment with me and with the senior Senator from Indiana [Mr. CAPEHART]. It is really a curative amendment. As I understand, it is agreed to even by Members of the House of Representatives, and I am perfectly willing to take it to conference.

Mr. KUCHEL. I appreciate the Senator's statement. Merely for the edification of my brethren in the Senate, let me say, that the Administrator is now authorized to facilitate urban planning in small communities. The intention of the Congress, in adopting the present law, was to authorize assistance to local area agencies, becoming urban in nature, by reason of any impending influx of people. Thus proper planning by such areas could be undertaken for their future. The clarifying amendment which I offer merely indicates that public agencies, or official planning agencies in the language in which the amendment describes them, are eligible for planning assistance by the Administrator if the areas they represent are threatened with rapid urbanization as a result of the establishment or rapid and substantial expansion of a Federal installation. For example the establishment or great enlargement of a Federal defense installation could bring on the problems of rapid urbanization suddenly, and present the multiplicity of problems which some of us believe Congress had in mind helping to solve when section 701 was passed.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from California [Mr. KUCHEL].

The amendment was agreed to.

Mr. BUSH. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Connecticut will be stated.

The LEGISLATIVE CLERK. On page 52, after line 21, it is proposed to add the following two subsections at the end of section 601 of the bill:

(c) Section 401 (c) of the Housing Act of 1950 is amended to read as follows:

"(c) A loan to an educational institution may be in an amount not exceeding the total development cost of the facility, as determined by the Administrator, and shall be secured in such manner and repaid within such period, not exceeding 50 years, as may be determined by him; and with respect to applications filed after May 10, 1957, the loans entered into during any calendar quarter shall bear interest at a rate equal to the total of one-fourth of 1 percent per annum plus the rate chargeable by the Secretary of the Treasury (with respect to notes and obligations issued during such quarter) under the second sentence of subsection (e) of this section."

(d) The second sentence of section 401 (e) of such act is amended to read as follows: "Such notes or other obligations issued during any calendar quarter to obtain funds in excess of the aggregate amount required with respect to applications filed on or before May 10, 1957, shall bear interest at a rate determined by the Secretary of the Treasury, which shall be not more than the average yield to maturity, as estimated by the Secretary of the Treasury on the basis of daily closing market bid quotations or prices during the second month preceding such quarter, on all outstanding marketable obligations of the United States having a maturity date of 15 or more years from the first day of such second month, adjusted to the nearest one-eighth of 1 percent.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Connecticut.

Mr. BUSH. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. BUSH. Mr. President, I shall try to make my explanation as brief as possible. I wish to make a very brief statement, and then I shall be prepared to vote.

Subparagraph (c) which would be added to section 601 of the bill would require the Housing Administrator, in making college housing loans, to charge a rate equal to that payable by him to the Treasury plus one-fourth of 1 percent. The present law provides for a similar spread, except that if the resulting rate is less than 2¾ percent the higher rate must be charged. However, because of the different base to which the one-fourth-percent differential would be applied under the provisions of the next subsection—which changes the formula fixing the interest rate paid by the Administrator on funds borrowed from the Treasury for college housing loans—as compared with the present law, the net result under present market conditions, would be to change the college housing loan interest rate from 2⅞ percent to 3½ percent.

Subparagraph (d) which would be added to section 601 of the bill would provide that college housing funds borrowed by the Administrator from the Secretary of the Treasury shall bear interest at a rate, calculated each calendar quarter, based on the current average market yield on all outstanding marketable obligations of the United States having a remaining maturity of 15 or more years. This formula would be in place of the formula now in the law which bases the interest rate on the average rate borne by all interest-bearing obligations of the United States, irrespective of maturity, as computed at the end of the proceding fiscal year, or 2½ percent, whichever is higher. The rate proposed would currently result in the Administrator paying 3¼ percent on funds borrowed from the Treasury. Under the present law, the rate for fiscal year 1957 is 2⅝ percent.

The enactment of the interest rate formula proposed, which would raise the interest rate on college housing loans on the basis of present market conditions from 2⅞ percent to 3½ percent, would eliminate the subsidy inherent in the existing interest rate formula by permitting the Administrator to borrow college housing loan funds from the Secretary of the Treasury at a rate of interest equal to that which the Treasury itself would have to pay if it went into the market to borrow the funds for a comparable length of time. In that way the colleges receive the full benefit of the use of the Treasury's credit on Federal Government borrowings for college housing loan funds.

As the formula is based on current market yield, it reflects the interest rate the Treasury would have to pay in the current market for borrowings of maturities comparable to that of college housing loans. It is unrealistic to assume that when the Treasury lends money to an agency it somehow can dip into a fund which represents the composite of all of its past borrowings still outstanding. Therefore, the proposed interest-rate formula does not reflect the interest cost relating to old borrowings, such as those financing World War II.

The point has been made that the Federal budget is now in balance, with income sufficient to cover current expenditures. Therefore, it is argued that Government borrowing is necessary for the purpose of refinancing old obligations, and that college housing loan funds are really being derived from tax revenues and not from borrowing. The argument then concludes that there should be no necessary connection between the college housing interest rate and the current cost of long-term Government borrowing.

This entire chain of reasoning is based on a false assumption. It assumes that the Government should finance new programs, such as the college housing loan program, out of current revenue, while using new borrowings to refinance old debt. This would give the college housing program a prior claim on current tax receipts than would be given to the repayment of old debt. There is no reason why the college housing loan program should have first claim on current tax revenues while the repayment of old debt receives a second claim.

The old debt is a result of a war which had to be fought, and the old debt must now be repaid. Since it must be repaid, the undertaking of later programs, such as the college housing program, makes necessary new borrowings. Since these new borrowings require the payment of a rate of interest on current market conditions, it is clear that a subsidy will be given to the colleges if loans to them are made at a rate which is insufficient to cover the cost to the Federal Government of borrowing in today's market, plus administrative expenses, plus a reserve for losses.

The Federal Government should, if its finances are to be managed prudently, give a first claim on current tax revenues to current operating expenses, such as defense expenditures. It should give a second priority to meeting the maturing debt. Finally, it should give a third priority to capital projects and long-term investments such as college housing loans. These are in effect financed by new borrowing when current income is insufficient.

Under the present law, college housing loans are geared to the interest rate being paid on all outstanding debt, including moneys borrowed during World War II at only 2½ percent interest. The college housing loan interest rate should be geared to the current cost of long-term borrowings.

In brief, it cannot be denied that the need for Federal long-term borrowing, now or in the near future, would be lessened were it not for the college housing program and similar current loan programs. It is folly for the Federal Government to continue indefinitely to compute the cost of such borrowing on the basis of interest rates which were set during the 1940's and earlier for moneys borrowed to cover the cost of the war and of prior emergencies.

Mr. President, there are only a few more remarks I wish to make in connection with this amendment. The question before the Senate is whether we shall continue the hidden subsidy to the college loan program. The funds of the taxpayers are limited. If we are to give subsidies to education, we must make sure that we support activities which are most in need of aid.

I do not suggest, for instance, that the college housing program is not in need of aid. However, I submit that we have before Congress other measures which surely are of great importance. I consider the classroom construction bill as being one of those. We have appropriations facing us for training physicists and other scientists. Those bills are certainly important.

I believe that the hidden subsidy is wrong in principle, and that all subsidies should be out in the open where they can be seen.

I may say that the House of Representatives, in its bill, adopted the principle which I advocate. If we adopt my amendment it will make the bill conform in that respect to the bill passed by the House of Representatives.

I may say for the information of the Senate that I am advised that the average maturity of the present outstanding marketable debt of the United States, including all Federal Reserve obligations, is 3 years and 9 months. At least that is what it was at the end of 1956. If we exclude the obligations of the Federal Reserve, the average is 4 years and 3 months.

Therefore we are merely asking colleges to pay a long-term interest rate for a long-term borrowing.

Mr. President, that is my position. I now yield first to the Senator from Tennessee, for a question.

Mr. GORE. If the Senator is successful in obtaining the adoption of his amendment to raise the interest rate on loans to colleges, will he next propose an amendment to raise the interest rates on the Rural Electrification Administration?

Mr. BUSH. I would not propose it in connection with the pending bill, but I think it ought to be done. I think it is just as much an indirect subsidy as the one I have been discussing.

Mr. GORE. Will the Senator yield further?

Mr. BUSH. I yield for a question.

Mr. GORE. Is this to be the first step to put into effect the announcement made at the White House yesterday?

Mr. BUSH. So far as I am concerned, that is not the case. I had the amendment in mind and had prepared it long before I heard of that announcement. I am not sure what that announcement was. I have a general idea that the White House will send to Congress suggested legislation which would do away with the hidden subsidy in interest rates on other programs. However, if this is the first step in that direction, it is not so deliberately. It is brought before the Senate as a pertinent amendment to the pending bill.

Mr. GORE. Is the Senator in sympathy with the general idea of the announcement of yesterday, as he understands it?

Mr. BUSH. I am a little hesitant to comment on it, because I have not seen the announcement. If it is what I think it is, I am in sympathy with it.

Mr. HUMPHREY and Mr. WILLIAMS addressed the Chair.

Mr. BUSH. I yield first to the Senator from Minnesota.

Mr. HUMPHREY. I should like to ask the Senator why the date of May 10, 1957, was used? What is the magical quality of that date? What schools have applied prior to that date which would be made eligible for the lower interest rate treatment, and what schools would be left over, which would be the victims of the higher interest rate treatment? That date is very interesting to me. It sticks out in the amendment. I wonder why the date of enactment was not used.

Mr. BUSH. I am sorry; I cannot answer that question. Possibly one of the other Senators who is a member of the committee can answer it. There had to be a cutoff date. But the Senator asked me why May 10 was selected.

Mr. HUMPHREY. Is not this the Senator's amendment?

Mr. BUSH. Yes, it is my amendment.

Mr. HUMPHREY. Why did the Senator place that date in the amendment?

Mr. BUSH. This is an amendment which I asked to have prepared to deal with the interest question. I cannot tell the Senator specifically why the date of May 10 was selected.

Mr. HUMPHREY. The amendment was prepared on May 27. I simply wondered what happened on May 10 or prior to May 10 which caused the date of May 10 to be placed in the amendment. What schools would be eligible for the more generous democratic treatment prior to May 10, and what ones would be eligible for the higher priced treatment after May 10?

Mr. BUSH. I think the reason why this date is in the amendment is that it is the date on which the bill was adopted by the committee. But I do not think there is any magic in it.

Mr. HUMPHREY. Would the Senator mind having the date changed to the date of the enactment?

Mr. BUSH. I would have no objection, if the Senator wants to change it.

Mr. HUMPHREY. I only want to vote against the whole amendment.

Mr. BUSH. If the amendment can be made more palatable to the Senator by changing the date to June 1, that would be agreeable to me.

Mr. HUMPHREY. The Senator will make it palatable if he will strike out everything after line 3 on page 1.

Mr. BUSH. I do not think we want to go that far.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. WILLIAMS. The question was asked whether this was the first step under the President's recommendations of yesterday. I approve of the President's recommendation but about a year and a half ago Congress, without any objection, adopted the same principle in connection with the finances of the Commodity Credit Corporation, when we said that that Corporation should pay to the Government the average prevailing interest rate.

In like manner, Congress adopted a similar amendment to the Civil Service Retirement Act and the Social Security Act, requiring the United States Treasury to pay to those funds, if the Treasury borrowed money from that fund, the prevailing rate for the same type of loan.

Congress adopted a similar amendment to the Railroad Retirement Fund Act, and has applied it to many other agencies.

This is only a continuation of a practice which was adopted several years ago, whereby each agency would pay its own carrying charge. It is a sound accounting principle and the amendment should be adopted.

Mr. BUSH. I thank the Senator. I observe that the House of Representatives has this amendment in its bill, so I think it can be said positively that should be evidence, at least to our friends on the other side of the aisle, that we are not in league with any general program of this nature; neither had I heard of one even being contemplated, until yesterday, I believe it was.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. MARTIN of Pennsylvania. The Senator probably made this plain in his statement, but will the amendment include loans which have already been made but are not yet due?

Mr. BUSH. I do not think the interest rate could be changed on existing contracts; and this amendment does not contemplate doing so.

Mr. MARTIN of Pennsylvania. I thank the Senator.

Mr. BUSH. Mr. President, that concludes my statement on the amendment. I simply express the earnest hope that the Senate will adopt it.

Mr. FULBRIGHT. Mr. President, I have prepared a short statement on this amendment, because this is not the first time this subject has been before the Senate. I believe this is the third year in which we have struggled with the same question. It is one in the consideration of which men may honestly differ as to the significance of the formula of arriving at the rate of interest on college housing loans.

Before I read my statement, to which I hope my colleagues will listen, because it was prepared very carefully by myself and the staff of the Committee on Banking and Currency, there are 1 or 2 preliminary observations I wish to make.

One significant fact, for example, regarding the purity of the present policy of interest rates, is that the Federal Government now borrows from the old-age and survivors insurance fund at an interest rate of 2½ percent, which is less than the colleges will pay to the Federal Government under the formula in existing law. The Federal Government is getting money from that particular fund in an amount of almost $19 billion. I do not know of any particular reason why the Federal Government itself should benefit in this respect. But there are many different situations existing with regard to the interest rates at present.

There is no absolute way of arriving at the correct method of charging interest. One way is that which is advocated by the Senator from Connecticut.

Mr. BUSH. Mr. President, will the Senator yield for a question?

Mr. FULBRIGHT. I yield for a question.

Mr. BUSH. My question is whether the borrowings which the Federal Government is making are short-term or long-term borrowings from the fund in question.

Mr. FULBRIGHT. For all practical purposes, they are forever, so long as there is a government. The Government keeps using the funds all the time. I see no prospect of the practice being changed in the immediate future. I do not think there is anything wrong with it, but it is inconsistent with the argument made by some Senators.

Colleges and universities now pay a rate of 2⅞ percent. I do not believe there has ever been a default on loans of this character.

I do not think the Senator from Connecticut wishes to leave the impression that there is any risk involved which would call for any increased interest rate for this particular type of loan.

The Senator said there was a hidden subsidy. I do not think it is a subsidy at all; but whatever it is, it is not hidden.

The method of arriving at the interest rates, which I will proceed to describe, is perfectly open and above-board. There is nothing secret. It has been adopted 2 or 3 times on the floor and in the committee. We are not trying to put anything over on anybody. The committee has heard testimony from some of the leading representatives of some of the finest institutions in the country. There is nothing hidden about the interest rate formula.

Let us assume there is a subsidy although I say there is not a subsidy; I say that under this program the Federal Government is reimbursed for the real cost plus one-quarter of one percent.

But suppose there were a subsidy; it would be a very small one. What is wrong with that, when we consider all the subsidies granted by the Government. The most recent one perhaps, is subsidy to the Idaho Power Co. There are subsidies paid to the airline companies and subsidies paid to the railroads. Throughout history there have been special subsidies of which the Senator from Connecticut, I suppose, approves. I say this is not a subsidy. But if it were a subsidy, there would be no particular harm in it, nor would it be anything new. So I think that disposes of that argument.

The real point is very simple: The amendment of the Senator from Connecticut would change the existing formula for computing the interest rate on college-housing loans.

On yesterday the Senate agreed to decrease the amount available for college-housing loans. By means of the sort of overall compromise which was reached, the Senate voted to decrease the amount, although the Senate was very reluctant to do so. Of course, I assumed that the action in decreasing the amount by $25 million would have had some effect upon the desire of my friend, the Senator from Connecticut, to submit this amendment. But apparently that was not the case. The bill now provides for this particular purpose $175 million, including $25 million for nurses' homes.

Mr. BUSH. Mr. President, I trust that the Senator from Arkansas is not inferring that I was a party to any such agreement as that.

Mr. FULBRIGHT. No; I am not, although other Senators on the other side of the aisle were. I made that clear on yesterday; the Senator from Connecticut had no part in it at all.

The immediate effect of the amendment would be to increase the interest rate by five-eighths percent—from 2⅞ percent to 3½ percent. I believe that change would kill this necessary program. In 1954, the 83d Congress raised the interest rate, and the volume of loans dropped drastically. In the following year the 84th Congress adopted the present formula, over the administration's opposition; and this is the third successive year in which the Senate has been asked to approve a higher interest rate.

Only two arguments are made in support of the amendment. First, it is argued that the 2⅞ percent interest presently charged the colleges for these loans is too low, and does not equal the price which the Federal Government must pay for long-term money. It is said that these college-housing loans run for 40 years, and that they should bear the same interest as long-term Government bonds. This statement is not true. As a matter of fact, the college-housing loans are repaid gradually over a period of 40 years. If the outstanding principal is averaged, for comparison with Government bonds, the term is about the same as 23-year bonds. If the interest rate is determined as proposed in the administration's amendment, the Government would make an unwarranted profit out of our distressed colleges and universities.

It is immaterial to argue that one Federal dollar costs more than another. All Federal dollars are alike. The true measure of the cost of Federal money is the average cost of the Federal debt.

This is the very heart of the difference. If this average goes up, then the charge to colleges will go up, under the present formula. A new average will be computed in June and the charge to colleges is expected to rise to about three percent, under the existing formula.

There will always be short-term Federal borrowings and long-term Federal borrowings. The college-housing loans have no significant effect on the amount of either kind of borrowing. In fact, if the Federal Government continues to meet its expenses from current income, then the only Federal borrowing required is to refinance outstanding obligations as they come due. If colleges pay the average Federal rate, plus one-fourth of 1 percent, the program is entirely self-supporting, and costs the taxpayers nothing.

The second argument made is that the present interest rate has stopped all private loans for college housing, and that the only way to stimulate private loans in this field is to raise the interest rate. This argument cannot be supported. The Housing and Home Finance Agency estimated that $4 billion in college-housing construction would be required in the period from 1956 to 1965. The total remaining Federal fund for college housing is only $92 million. If the bill in its present form is passed, it would be $267 million. Obviously, private capital must supply the great bulk of funds required.

It is not necessary to raise interest rates to all colleges merely to force some colleges out of the Federal program. If the proposed higher interest rate is merely a rationing device to screen out the large publicly supported institutions, they can be screened out without raising the interest rate for all the colleges. It will not help any college, to raise the interest rate, solely to make certain colleges with better credit standing borrow their funds elsewhere at higher rates.

The American Council on Education sponsored a comprehensive study of the financing of college housing at 733 institutions—public and private, large and small. This study showed that during the 3 years 1953, 1954, and 1955, the Federal loans to the colleges and universities surveyed totaled only $60,195,000, while in the same period the total of non-Federal financing of college housing was $100,462,000. And in 1955, the last year for which figures were obtained, Government loans for college dormitories increased over those of the preceding year from $13,803,000 to $19,138,000, or 21 percent, while private loans increased from $30,740,000 to $38,181,000, or slightly more than 24 percent. This record clearly shows that the Federal program has not eliminated the private investor from this field.

The unsupported suggestion that a 3½-percent Federal interest rate would make more private funds available is likewise made completely unrealistic by the American Council's report.

The research group, in July and August 1956, asked 71 municipal bond dealers to specify the rate at which they might purchase or bid on specific maturities of "best grade" college housing bonds. Their replies showed that for tax-exempt bonds of State-supported institutions, the median bid would be 4 percent; and that for the non-tax-exempt bonds of private institutions, the median bid would be 5 percent. There is no reason to suppose that raising the interest rate on Federal loans to 3½ percent would result in any increase in funds from private investors.

Advocates of this amendment try to excuse themselves on grounds that the higher interest rate would have very little effect upon room rent to students. A judgment on this subject is a very relative matter, because $10 means as much to some students as $100 means to others. A cost of $25 more rent per year can be a very significant factor in the educational budget for the parents of many college students. But I believe that is not the most important aspect of this matter. That is not a true measure of the effect of a higher interest rate. From the standpoint of the college administrator, this $25 must be multiplied by the number of students to be so affected; and the aggregate increase in interest charges becomes a very important consideration for those who must decide whether to go ahead with a new dormitory or whether to abandon it. Large numbers of students obtain dormitory rooms at prices below the economic rent, and the deficit is made up from other funds available to the institution. This is a very common situation at many of our colleges. Every dollar added to a student's housing cost is a dollar taken away from some other educational endeavor. Increased interest rates mean an increased drain on scholarship funds and on funds which might othrewise be allocated for teachers' salaries and educational buildings.

The suggestion of the Senator from Connecticut that his amendment should be adopted because it would then put education on a basis of equality with everything else, and that one of the reasons for favoring the adoption of the amendment is that there will be a classroom construction bill, is certainly a remote reason for adopting the amendment, because no one knows that there will be such a classroom construction bill. So I think that is a wholly irrelevant reason for favoring the amendment.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Arkansas yield to me?

The PRESIDING OFFICER (Mr. FREAR in the chair). Does the Senator from Arkansas yield to the Senator from Texas?

Mr. FULBRIGHT. I yield.

Mr. JOHNSON of Texas. Mr. President, I appreciate very much the remarks of the distinguished Senator from Arkansas. I have listened with attention to all he has said about the amendment.

I believe the amendment relates to an area in which the Federal Government should be deeply concerned regarding the problems facing the colleges and universities of the Nation.

This program is a very small one, but I believe it is a very essential one.

I hope every Member of the Senate will realize the full implications of this amendment, and what would happen if it were adopted by the Senate, as a result of the yea-and-nay vote, and finally were enacted into law. If the Congress begins to raise the interest rates applying to college students, by means of an amendment offered on the floor today, we shall hear about it in the years to come. It will apply not only to the institutions of higher learning and not only to all the youngsters who must live in the dormitories which will be built by means of the use of this money, but it will extend to every other lending activity of the Federal Government. I think that education deserves our support, particularly higher education. I hope the amendment will not be adopted, and I hope the conference committee will not set off a raise in interest rates that will spread throughout the Government.

Mr. FULBRIGHT. I thank the Senator from Texas. He reminds me of another aspect of this matter. There have been a great many reports made recently about education in Russia, and the tremendous effort being made by Russia to increase the number of trained engineers and scientists. We have been reminded by some of our leading citizens that the United States has got to do something along that line. We know, for reasons which some of us believe to be irrelevant, that the United States Government has not been able to take appropriate action. While I do not like to be a defeatist, I know that chances are very remote that there will be any Federal aid to education.

Mr. JOHNSON of Texas. But we have a chance to do something for education here today, when we vote on the amendment. We can keep the interest rates where they are.

Mr. FULBRIGHT. That is all I am asking. If Senators will examine the formula in the existing legislation, as it has been in effect now for 2 or 3 years, I think they will agree it is not an outrageous formula at all. I think it is quite fair to say it costs nothing, but that it gives to colleges the advantage of the mass purchasing power of credit of the Federal Government. It gives colleges that advantage. I am not saying it is not an advantage. It is an advantage, but it is at no cost to the taxpayer. We are merely allowing the colleges to use the enormous prestige of the Federal Government.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to the Senator from Ohio.

Mr. LAUSCHE. Will the Senator from Arkansas, by illustration, demonstrate to me what the difference is between the results of the existing law and what is proposed by the Senator from Connecticut?

Mr. FULBRIGHT. The first and simplest difference is that if one follows the Senator from Connecticut, the proposal will have the effect of raising the interest colleges have to pay from 2⅞ to 3½ as of now. There are two different formulas. That is the real difference. The present formula simply provides for taking the average cost of all of the Government debt, short-term and long-term, and averaging it out, and adding one quarter of 1 percent for administrative expenses. That formula now happens to work out to be 2⅞ percent. Included in the average cost is some short-term money, and there is some long-term money. Because of the current tendency to increase the cost of short-term money, that gap is narrowing. What advantage there is in the formula in the existing law is being lessened. We have seen one example of that, where the effort to refinance three and three-eighths bonds by three and five-eighths bonds was only one-eighth successful. The cost of short-term loans is going up, and, correspondingly the cost of this particular housing program will go up. It is not an absolutely stable rate. It may go up, and get closer and closer to the long-term rate, and we shall have to go along with it.

Mr. LAUSCHE. Does the present law provide a specific date on which a recalculation shall be made?

Mr. FULBRIGHT. Once a year on the 1st of July the rate is recalculated. It is estimated by experts that the existing rate will be increased to the neighborhood of 3 percent.

Mr. LAUSCHE. Am I correct in my understanding, then, that the rate of interest is predicated upon an average of all the interest paid by the Federal Government on long- and short-term obligations?

Mr. FULBRIGHT. That is correct.

Mr. LAUSCHE. And on July 1 an average is taken. Is that correct?

Mr. FULBRIGHT. That is correct.

Mr. LAUSCHE. Then, for the ensuing year, the borrower pays the average interest. Is that correct?

Mr. FULBRIGHT. The Senator from Ohio has stated it correctly.

The difference between the present formula and the proposal of the Senator from Connecticut is that the Senator from Connecticut wants us to take only the long-term rate, and fix the rate in accordance with the long-term rate, excluding from consideration all the short-term rates. His proposal would average only the long-term rates. That is really the only difference.

Mr. LAUSCHE. How does the Senator from Arkansas answer the argument of the Senator from Connecticut with respect to the allegation that logic requires that the rate of interest on long-term obligations be applied to colleges because they also have long-term obligations?

Mr. FULBRIGHT. My answer is that, insofar as that is an argument to support the idea that this is a subsidy and is taking something out of the taxpayers' pocket, the proper way to consider the cost to the Federal Government is to

take the average rate. In the first place, it is a small amount. I have given the figures as to how small it is. I do not think it affects the cost to the Federal Government.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. I ask the Senator if it is not a fact, as reported by Allen Dulles, brother of the Secretary of State, who is the head of the Central Intelligence Agency, that Soviet Russian schools will graduate 1,200,000 scientists by 1960, and that the graduates in the United States will number only 900,000 during the same time.

Mr. FULBRIGHT. The Senator is quite correct.

Mr. O'MAHONEY. Is that not an unanswerable argument in favor of the position of the committee against the amendment offered by the Senator from Connecticut?

Mr. FULBRIGHT. The Senator is absolutely correct, although I am ashamed of how little we are doing to overcome that situation. I would not want to leave the impression that this bill makes any real contribution to that end, because the amount is so small.

Mr. O'MAHONEY. But to adopt the amendment which has been offered would merely provide an obstacle in the effort to overcome this great deficiency, would it not?

Mr. FULBRIGHT. It would, indeed. Properly considered, the cost does not come out of charges to individual students. The real cost for housing is the overall cost. These loans should be regarded as being assistance to colleges as such, and not as assistance to individual students. Most of the college housing cost comes from the college institutions themselves. There is a certain amount of deficit involved in running a dormitory. It is made up from appropriations from States in the case of State institutions, and partly from tuition charges.

In the broad outlook, this is a small thing, indeed. I cannot understand why such a to-do is made of it. Even granting the argument of the Senator from Connecticut, suppose the aid were considered a subsidy. It certainly would be "small potatoes" in these days of Federal expenditures, in the scale they are made.

I should like to call to the attention of the Senator from Ohio, because he is interested in the question, the fact that the Federal Government uses for its general purposes the old-age and survivors' insurance funds, which are paid into the Treasury for a specific purpose. Only 2½ percent is paid for the use of that money, which is less than what the colleges are paying.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. FULBRIGHT. Yes.

Mr. LAUSCHE. What about the trustees of the fund who are lending money at 2½ percent when they could get 4 percent?

Mr. FULBRIGHT. That is a good question, but I think one could ask, "What about it?" I am only stating the facts now.

Mr. LAUSCHE. Who is in charge of the fund?

Mr. FULBRIGHT. The Secretary of the Treasury, I think; or his nominee.

Mr. LAUSCHE. To me it looks like a hodgepodge.

Mr. FULBRIGHT. The truth of the matter is that our Government is so big and has so many different programs that we do not get any high degree of consistency.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to the Senator from Oregon.

Mr. MORSE. Will the Senator permit me to read two short paragraphs from a letter which the junior Senator from Oregon [Mr. NEUBERGER] and I have received from a college president, which supports the Senator's position?

Mr. FULBRIGHT. Certainly.

Mr. MORSE. The letter reads:

DEAR SENATOR: I understand that the college housing loan matter will be before the Senate very shortly. I hope you hold to the committee's report; namely, retaining the present interest rate of 2⅞ percent.

Recently, through a circular of the American Council on Education, I learned of what the United States Chamber of Commerce is doing, not only to raise the interest rate, but, if possible, scuttle the whole college housing loan item in the budget. As is not unusual with the chamber, it is spreading some false information. The circular states that the need for college housing loans has declined because college enrollments are leveling off. Nothing could be farther from the truth.

I wish to say that I do not know any college president who does not share the point of view that from the standpoint of need for educational facilities in the field of higher education we should keep the interest rate at 2⅞ percent as the Senator has so eloquently argued this afternoon.

Mr. SPARKMAN. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield to the Senator from Alabama.

Mr. SPARKMAN. I should like to commend the distinguished Senator from Arkansas, the chairman of the Committee on Banking and Currency for the very fine and clear manner in which he has presented this argument today. It seems to me there is certainly no validity to the argument that the interest rate holds a concealed subsidy, since it represents a quarter of a percent over and above what the Government has to pay for the general run of money. It seems to me that is a technical point, really straining the point, when one ties it to a particular class of borrowing. As I understand, that is what the formula does; it ties the rate to the overall cost of money to the Government.

Mr. FULBRIGHT. The average rate on all money borrowed, adding one quarter of 1 percent.

Mr. SPARKMAN. Is it not true, without enumerating the programs, that there are several programs for which even a lower rate of interest is charged?

Mr. FULBRIGHT. The Senator is correct. There is a variation in the rates which has grown out of past history. This is much like the fact that there is a different tax rate for people to pay. One kind of company pays one tax rate, and another company pays another tax rate. They have historical bases. No one contends that everybody ought to pay exactly the same. Some may say it, but they do not get any results.

There are many differences. The narrow question here is whether or not the particular program proposed is justified by its purpose. Are we interested, or not, in helping our colleges in some slight degree?

Mr. SPARKMAN. Will the Senator yield for one more brief question?

Mr. FULBRIGHT. I yield.

Mr. SPARKMAN. Is it not true that the great field of real need in this matter is with the smaller schools throughout the country, rather than the large schools, which have their longtime endowments? Is it not true, now that we have added this new feature, that it will be the smaller hospital training schools which will be in need of help, rather than the large schools?

Mr. FULBRIGHT. The Senator is absolutely correct.

Mr. SPARKMAN. Is it not true that if the rate of interest is changed, it will apply not only to the loans to colleges, but also to the loans to the nursing schools, for which there is such a tremendous need?

Mr. FULBRIGHT. I may say to the Senator that I have no doubt the great institution of Yale, at New Haven, Conn., has no need for this program.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. FULBRIGHT. It has an endowment of $3 million or $4 million. That is a very great institution, of which I am proud to be an honorary alumnus. I am sure it does not need the program.

I am thinking of the small colleges all over the country, which have no great endowments. As a matter of fact, it happens, to be personal about it, that Arkansas has a very small number of applicants, but there is a small Negro college, Philander Smith, in Little Rock. It has meager resources. It has no endowment at all, so far as I know. It passes the hat every year. But it has an application for a small loan.

We can supply to Senators all the figures. There is nothing sectional about this matter.

The Senator from Alabama is quite right in stating that the small colleges, and not the great endowed institutions on the eastern seaboard, are the ones which will benefit.

Mr. HOLLAND and Mr. BUSH addressed the Chair.

Mr. FULBRIGHT. I shall yield to the Senator from Connecticut in a moment. I yield first to the Senator from Florida.

Mr. HOLLAND. Mr. President, first I wish to commend warmly the Senator from Arkansas. I should like to say that I have had some doubts about this program, myself, but those doubts have been resolved completely.

There is one important thing that has resulted. I had a letter from the chairman of the board of trustees of a very fine but small and not wealthy school in South Carolina. I am sorry the distinguished senior Senator from South Carolina [Mr. JOHNSTON] is not present in

the Chamber, because I have had occasion to discuss the matter with him.

In the letter it was pointed out that a difficulty had arisen. The chairman said, "We have made our budget and had our achitectural plans drawn up, relying upon the provision of the present law and upon the existence of a fixed rate for at least a year, during which we can make our plans come to perfection." Now he says, "If this new law becomes effective, and the suggested change is made, our plans will be entirely upset. Our plans for retirement and the handling of obligations will have to be entirely computed again."

I wish to invite the attention of the distinguished Senators to the fact that not only would such a condition arise in the first instance, but under the amendment of the distinguished Senator from Connecticut [Mr. BUSH], whose conservatism I generally admire greatly, we would find that situation existing every quarter. At least, there would be a danger of it every quarter under the proposal. Is that not correct?

Mr. FULBRIGHT. Every quarter, as I understand the amendment.

Mr. HOLLAND. As I understand the amendment, in each quarter there would be a new computation, which means that it would be physically impossible for any program to be carefully worked out and concluded within a period in which there would be an assurance that a fixed-interest rate, determinable before the application was filed, when the plan was being worked up, would apply. The fixed-interest rate would not be assured.

Mr. President, it seems to me that, if such a system confronted the heads of and the planners for these small institutions, an almost impossible situation would result.

I ask if the distinguished Senator from Arkansas does not agree with that statement.

Mr. FULBRIGHT. I do agree. I appreciate the contribution of the Senator from Florida. I should have called attention to that defect in the proposal. I overlooked mentioning it, and I appreciate very much the fairness of the Senator from Florida. He always goes into these bills to the very last provision, and usually comes up with a very significant contribution.

Mr. HOLLAND. Mr. President, I appreciate the very kind remarks of the distinguished Senator from Arkansas, who is an honorary alumnus of Yale, and for whom all of us have great fondness, as we also have for Yale.

Mr. FULBRIGHT. I have very great fondness and respect for Yale. I hope the bill will help Yale, but I imagine Yale is not crying for it like many other colleges.

Mr. HOLLAND. Mr. President, the second point which disturbed me, and frankly disturbed the gentleman who wrote to me, is that he did not want any situation to arise under which it appeared that private or religious colleges would be beneficiaries of or recipients of gratuities from the Federal Government in such a way that conceivably they might come within the scope of a recent opinion of the Supreme Court affecting a college in Philadelphia, and other similar opinions.

It seems to me the distinguished Senator has completely met that point, when he has brought to our attention the fact that the Federal Government continues to be the borrower of funds from the OASI pool in an amount, I believe he stated, of $19 billion or more, at an interest rate of 2½ percent.

Certainly the Congress, as one of the agencies having to do with both the spending and investment of public funds, can take notice of the fact that that particular fund can be used for this particular purpose, and that there can be no question of this program being a subsidy from the standpoint suggested.

I want it to be very clearly shown in the RECORD that the Senator from Florida regards the situation as now having been established conclusively by the Senator from Arkansas, that there is no subsidy in this proposition, which would involve the rather difficult point I have just mentioned, and which was mentioned, I believe, in a colloquy with the distinguished Senator from Alabama the other day.

I think the Senator has made such a clear case that I should desist. I thank him for having allowed me this privilege.

Mr. FULBRIGHT. I appreciate what the Senator from Florida has said. He has been so clear that I think I had better desist and rest the case.

Before doing so, I yield to the distinguished Senator from Connecticut.

Mr. BUSH. Mr. President, I hesitate to intrude myself on this mutual admiration society——

Mr. FULBRIGHT. We welcome the Senator's contribution.

Mr. BUSH. I should like to make one or two comments, inasmuch as the chairman of the committee has raised a question about my alma mater, of which he has confessed he is an honorary graduate. We are very proud of that fact.

Mr. HOLLAND. All of us pay tribute to that great school.

Mr. BUSH. I had the honor to vote for the Senator's degree. I am glad I did. I wish we could see him more often in Connecticut.

Mr. President, the problems regarding college housing are not strange to Yale or to Connecticut. At our university, of which I am still a trustee, we have a very difficult housing program. I can best illustrate it to the Senator, who knows my 18-year-old son, who next year will become a sophomore, by saying that he and five others are going to live in a small suite of three rooms, designed for three students in the days before the so-called college housing shortage. That disturbs me very much, inasmuch as my son is 6 feet 4½ inches tall and weighs about 235 pounds. So I have some personal knowledge of what the difficulties are.

Incidentally, also, Yale is an applicant for college housing funds, so I am not speaking in a vacuum about this situation. I believe I speak for probably a large majority of the graduates of our institution, including those who hold distinguished honorary degrees, when I say we do not believe that this program should be subsidized by means of a special low interest rate. I cannot accept the statement of my distinguish friend from Alabama, that the Government pays the average rate. What we pay is what we pay today when we borrow for the Government; and if we have to borrow long-term money today, we must pay the long-term interest rates.

So if we lend long-term money to the colleges—and I am in favor of this college program, and have voted for it, and hope to see it continued, because it is very much needed—I believe that the colleges are well able to pay the interest charges. I think the hearings will support the argument that it is not necessary to pick out this particular situation and subsidize it with an artificially low interest rate, putting the Government in the position of having to borrow long-term money and lend it at a short-term rate to the colleges.

That is the whole point. I thank the Senator very much.

Mr. FULBRIGHT. I thank the Senator from Connecticut.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. BUSH].

Mr. BIBLE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Connecticut [Mr. BUSH]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. ERVIN], the Senator from Rhode Island [Mr. GREEN], the Senator from Missouri [Mr. HENNINGS], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MANSFIELD], the Senator from Michigan [Mr. MCNAMARA], the Senator from West Virginia [Mr. NEELY], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

I further announce, if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. ERVIN], the Senator from Rhode Island [Mr. GREEN], the Senator from Missouri [Mr. HENNINGS], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MANSFIELD], the Senator from Michigan [Mr. MCNAMARA], the Senator from West Virginia [Mr. NEELY], and the Senator from North Carolina [Mr. SCOTT] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from Vermont [Mr. AIKEN], the Senators from New Hampshire [Mr. BRIDGES and Mr. COTTON], the Senator

from Nebraska [Mr. HRUSKA], the Senator from South Dakota [Mr. MUNDT], and the Senator from Massachusetts [Mr. SALTONSTALL] are absent on official business.

The Senator from Vermont [Mr. FLANDERS], the Senator from Connecticut [Mr. PURTELL], the Senator from New Jersey [Mr. SMITH], and the Senator from North Dakota [Mr. YOUNG] are necessarily absent.

The Senator from Indiana [Mr. JENNER], the Senator from North Dakota [Mr. LANGER], and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Kansas [Mr. SCHOEPPEL] is detained on official business.

If present and voting, the Senator from Vermont [Mr. FLANDERS] would vote "yea."

On this vote, the Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from Vermont [Mr. AIKEN]. If present and voting, the Senator from New Hampshire would vote "yea," and the Senator from Vermont would vote "nay."

On this vote the Senator from South Dakota [Mr. MUNDT] is paired with the Senator from New Jersey [Mr. SMITH]. If present and voting, the Senator from South Dakota would vote "yea," and the Senator from New Jersey would vote "nay."

The result was announced—yeas 16, nays 54, as follows:

YEAS—16

Barrett	Case, S. Dak.	Malone
Bennett	Dirksen	Martin, Pa.
Bricker	Dworshak	Morton
Bush	Goldwater	Williams
Butler	Hickenlooper	
Capehart	Knowland	

NAYS—54

Allott	Holland	Neuberger
Anderson	Humphrey	O'Mahoney
Beall	Ives	Pastore
Bible	Jackson	Potter
Carlson	Javits	Revercomb
Carroll	Johnson, Tex.	Robertson
Case, N. J.	Johnston, S. C.	Russell
Church	Kefauver	Smathers
Clark	Kennedy	Smith, Maine
Cooper	Kerr	Sparkman
Curtis	Kuchel	Stennis
Douglas	Lausche	Symington
Ellender	Long	Talmadge
Frear	Martin, Iowa	Thurmond
Fulbright	McClellan	Thye
Gore	Monroney	Watkins
Hayden	Morse	Wiley
Hill	Murray	Yarborough

NOT VOTING—25

Aiken	Hennings	Payne
Bridges	Hruska	Purtell
Byrd	Jenner	Saltonstall
Chavez	Langer	Schoeppel
Cotton	Magnuson	Scott
Eastland	Mansfield	Smith, N. J.
Ervin	McNamara	Young
Flanders	Mundt	
Green	Neely	

So Mr. BUSH's amendment was rejected.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the amendment was rejected.

Mr. FULBRIGHT. Mr. President, I move that the motion of the Senator from Texas be laid on the table.

The PRESIDING OFFICER (Mr. FREAR in the chair). The question is on agreeing to the motion of the Senator from Arkansas.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H. R. 6871) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes, and it was signed by the Vice President.

HOUSING ACT OF 1957

The Senate resumed the consideration of the bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays on the final passage of the bill.

The yeas and nays were ordered.

Mr. BENNETT. Mr. President, I call up my amendment designated "5-27-57-N."

In accordance with the rules of the Senate, which permit me to modify my own amendment, I strike out the first five lines of the amendment, because the subject covered by that material was covered also by the Bricker amendment last night.

The PRESIDING OFFICER. Does the Senator from Utah ask unanimous consent to have the amendment printed, or does he desire to have it read?

Mr. BENNETT. I ask unanimous consent that the amendment, as modified, may be printed, and that it may be identified by the clerk only by number.

The PRESIDING OFFICER. Without objection, the amendment, as modified will be printed; and the clerk will identify the amendment by number.

The LEGISLATIVE CLERK. Amendment designated "5-27-57-N."

Mr. BENNETT's amendment is as follows:

Amend section 302 of the bill (page 35, line 1, through page 38, line 10) to read as follows:

"SEC. 302. The Housing Act of 1949 is further amended by—

"(a) striking out the second sentence of section 103 (a) and inserting in lieu thereof the following: 'The aggregate of such capital grants with respect to all the projects of a local public agency on which contracts for capital grants have been made under this title, exclusive of projects referred to in the proviso hereto, shall not exceed two-thirds of the aggregate of the net project costs of such nonexcluded projects: *Provided*, That the aggregate of such capital grants may exceed two-thirds but not three-fourths of the aggregate net project costs of those projects which the Administrator, at the request of a local public agency, may approve on such a three-fourths capital grant basis. A capital grant with respect to any individual project shall not exceed the difference between the net project cost and the local grants-in-aid actually made with respect to the project';

"(b) inserting before the period at the end of section 104 a comma and the following: 'and, with respect to projects referred to in the proviso in the second sentence of section 103 (a), local grants-in-aid shall not be required in excess of one-fourth of the aggregate net project costs of all projects of the local public agency on which contracts for capital grants have been made on the three-fourths basis';

"(c) inserting before the first semicolon in section 110 (d) the words 'to defray expenditures within the purview of section 110 (e) (1) hereof';

"(d) inserting before the period at the end of the first sentence of section 110 (e) a colon and the following: '*Provided*, That with respect to a project for which a contract for capital grant has been executed on a three-fourths basis pursuant to the proviso in the second sentence of section 103 (a), that part of gross project cost under clause (1) of this subsection shall, in lieu thereof, comprise the amount of the expenditures by the local public agency with respect to the following undertakings and activities necessary to carry out such a project:

"'(i) acquisition of land (but only to the extent of the consideration paid to the owner and not title, appraisal, negotiating, legal or any other expenditures of the local public agency incidental to acquiring land), disposition of land, demolition and removal of buildings and improvements, and site preparation and improvements, all as provided in paragraphs (1), (2), (3), (4), and (6) of section 110 (c); and

"'(ii) the payment of carrying charges related to the undertakings in clause (i), exclusive of taxes and payments in lieu of taxes, but not beyond the point where such a project is completed; but shall not comprise the cost of any other undertakings and activities with respect to such a project including, but without being limited to, the cost of surveys and plans, legal services of any kind, and all administrative and overhead expenses of the local public agency'; and

"(e) inserting within the parenthesis in the second sentence of said subsection 110 (e) after the words 'or is hereafter executed' the following: ', other than a project on which a contract for capital grant is made on a three-fourths basis pursuant to the proviso in the second sentence of section 103 (a)'."

Mr. BENNETT. If the Senate will bear with me for a few minutes, I will make a very brief statement of the purpose of the amendment. I have prepared a statement which I shall be glad to offer for the RECORD at the conclusion of my brief summary.

The amendment relates to the urban-renewal program. Since the beginning of the program, the cost of the project has been shared two-thirds by the Federal Government and one-third by local governments. Under this formula, more than 400 urban-renewal projects have been started and are now being planned or carried out.

The urban-renewal program is continuing to grow, and I am certain there has not been any diminution of the program because of the inability of local governments to carry as much as one-third of the cost.

Section 302 of the bill would change the Federal share from two-thirds to three-fourths, with a corresponding reduction of the local share from one-third to one-fourth. Thus, one of the most generous of the Federal matching programs would be made more generous.

It may well be that the present programs, planned or started, will actually exhaust the money available; and if the Federal Government's share is raised, it

may have the effect of reducing the number of programs which may qualify.

In the light of these considerations, and realizing that this is a time when the Federal Government should practice economy, I strongly urge that section 302 be amended so that the present two-thirds-one-third formula can remain unchanged.

If we decrease the local contribution from one-third to one-fourth, we will be approaching the stage where local communities will contribute comparatively little toward the solution of their own problems of slums and blight. There may well be a temptation on the part of some communities, considering their limited funds, to rush into ill-considered and unprepared programs. The net result might be that the Federal Government would have to tighten up on its specifications and increase the amount of Federal control which would be involved.

Section 302 of the bill also would make available to localities an alternative grant formula under which, in return for the assumption by the locality itself of various planning, administrative, and overhead expenses, the Government would pay a higher percentage of the reduced project cost which would result.

Under the formula in the bill, in the alternative program, the Federal Government would pay 85 percent of the reduced cost, which would be approximately, so far as I can determine the equivalent of the 75 percent which the bill would call for under the present formula.

I have been advised that if this percentage under the alternative formula were reduced from 85 percent to 75 percent, then the 2 formulas would be approximately in balance at a figure representing about two-thirds of the cost of the formula which would ultimately be assumed by the Federal Government.

Mr. President, I ask unanimous consent that the complete statement which I have prepared may be printed at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BENNETT

Section 302 of the bill would make a very important change in the matching formula under which the Federal Government and the local communities share in the cost of urban renewal. Since the beginning of the program of Federal financial assistance for local slum clearance and urban renewal projects, the cost of the projects has been shared by the Federal Government and local governments on a two-thirds-one-third basis. The one-third of net cost borne by the local communities is payable either in cash or through the contribution of land or public facilities and improvements necessary to the redevelopment or rehabilitation of the urban renewal area. Under this formula, well over 400 urban renewal projects have been started and are now being planned or carried out. The urban renewal program is continuing to grow, and I understand that the number of projects being proposed has not decreased as it would if there were any incapacity on the part of local government to bear its one-third share of the cost.

Section 302 of this bill would change the Federal share of net cost of urban renewal projects from two-thirds to three-fourths, with a corresponding reduction of the local share from one-third to one-fourth. Thus, one of the most generous of the Federal-local matching programs would be made yet more generous. I am at a loss to discover a justification for this proposal. The urban renewal program is not lagging. I understand that the rate of applications for the planning of new projects has not slackened. I have heard of no instance in which a city or other unit of local government has abandoned its urban renewal program because of any ability to bear its one-third share of project costs. Thus there is no real evidence that the present formula for the sharing of urban renewal costs is inadequate. There is no evidence of a need for the Federal Government to contribute more than two-thirds of these costs.

On the other hand, there is every indication that the program is flourishing and that the demands upon the Federal Government under the present aid formula, involving a local one-third share of costs, may even threaten to exceed the amount of grant money which the Government can make available for the program in the light of other demands upon the Treasury. We have to bear in mind that Federal funds are not unlimited. If we properly limit the funds which are made available for urban renewal in the light of other demands upon the Federal Treasury, it inevitably follows that an increase in the share of the cost borne by the Federal Government will merely result in applying the same number of Federal dollars to a reduced total urban renewal program. In other words, if we recognize that Federal funds are limited, we will recognize that section 302 amounts to a proposal to give greater grants to those cities which are now participating in the program, with respect to present projects and projects now contemplated, while eventually leaving less funds available for future projects in these and other cities. Of course, we can increase the share of the costs borne by the Federal Government without reducing the total size of the program. In that event, since Federal funds are not unlimited, some other worthy Federal program will eventually have to be cut.

In the light of these considerations, and bearing in mind that we are now in a period during which it is especially desirable for the Federal Government to practice economy, I strongly urge that section 302 be amended so that the present two-thirds—one-third formula for sharing the cost of urban renewal will remain unchanged.

There are other reasons which prompt me to advocate that the present two-thirds Federal contribution not be increased. As I stated before, the local one-third contribution is payable either in cash or through the contribution of land, or public facilities and improvements necessary to the redevelopment or rehabilitation of the urban renewal area. For example, the cost to the local community of street improvements, waterlines, sewer lines, and neighborhood parks may be counted in calculating the local one-third contribution. It is true that such costs may be counted only if the improvements are necessary to the redevelopment or rehabilitation of the urban renewal area. It is also true, however, that these improvements directly benefit the locality; are of a type which have traditionally been paid for entirely out of local funds; and at least in some instances would have been provided even if an urban renewal project had not been undertaken.

If we decrease the local contribution from one-third of the project cost to one-fourth of the project cost, we will be approaching a stage where local communities will be contributing very little additional toward the solution of their own local problems of slums and blight. When we reach such a stage, there will be two side effects which should give the friends of the program great concern. When it will be possible for our local communities to participate in this program, which is designed for their own benefit, at little or no sacrifice to themselves, there will inevitably be a temptation on the part of some communities to enter the program on the basis of insufficient study and consideration. Ill-conceived projects are more likely to be presented to the Federal Government when local officials feel that the additional costs to the locality are negligible. Under these circumstances, both the Federal funds and the local funds which are contributed to the program will purchase far lesser benefits than would otherwise be the case.

The second side effect which will come about from substantially reducing the local contribution is increased Federal control. When the local community is required to contribute only one-fourth of the project cost, and when that contribution may be almost entirely satisfied by such local public facilities as streets, and neighborhood parks, and sewer and water lines, the program will appear to be primarily a Federal program and, just as surely as night follows day, Federal controls will, rightly or wrongly, be tightened. Furthermore, there may even be justification for tightening Federal controls. Where the local communities are required to make very little sacrifice and where, as a result, a few communities yield to the temptation of submitting ill-conceived requests for Federal aid, it may actually become appropriate for Federal officials to scrutinize local applications more closely and to prescribe additional restrictions and limitations.

In concluding this line of thought, I admonish the well-meaning friends of the urban renewal program who are sponsoring the substantial increase in the Federal contribution by reminding them of the storied unfortunate who killed the goose that laid the golden eggs.

Section 302 of the bill would also make available to localities proposing to carry out urban renewal projects an alternative grant formula under which, in return for the assumption by the locality itself of various planning, administrative, and overhead expenses, the Government would pay a higher percentage of the reduced project cost which would result. This proposal represents a praiseworthy effort to reduce red tape resulting from Federal financing and review of local administrative operations. Because of the removal of planning and administrative expenses from the federally assisted project, ultimate cost both to the Federal Government and to the locality would be about the same, even under a higher percentage Federal grant, as those which now result from the application of the regular two-thirds-one-third cost sharing formula. In other words, the Federal contribution of a higher percentage of project costs would be balanced by a reduction in the number of items includible in project costs.

This alternative formula would not be forced upon any locality. Since use of the alternative formula would require local cash for the planning and administrative expenses, which some communities might be unable to provide when needed, each community could choose which formula it wished to follow.

As a result of the proposal in section 302 of the bill that the present basic Federal contribution to two-thirds of net project costs be increased to three-fourths, the Federal contribution under the alternative cost sharing formula is set forth in section 302 as 85 percent of net project costs. Correspondingly, if the Congress rejects the proposed increase in the Federal contribution under the basic formula, it should also fix the proposed Federal contribution under the alternative formula at 75 percent, and not 85 percent. The Housing Administrator has

stated that a three-fourths grant, where the locality has assumed all the planning and administrative costs, would be the equivalent of a two-thirds grant where the locality has not assumed all these costs. Accordingly, my amendment to section 302 of the bill would provide for three-quarters-one-quarter cost sharing formula under the proposed alternative grant formula instead of the 85 percent-15 percent formula now proposed by section 302.

My amendment to section 302 makes absolutely no change in that section except changes necessary to eliminate the proposed increase in the Federal Government's share of the costs of urban renewal. I am convinced that such an increase is not necessary in order to enable any of our communities to participate in the urban renewal program. I am also convinced that such an increase is most untimely when we are attempting to reduce Federal expenditures, and that it would not increase the total extent of the urban renewal program, but would merely encourage a greater number of local projects which will not be as well-conceived as they would have been had the local investment been more substantial.

Mr. BENNETT. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. WILLIAMS. If the amendment should be rejected, would it not be true that then, under the bill, $108 million of the money would be used to made retroactive payments for projects which have already been approved and started.

Mr. BENNETT. I am not informed about that particular subject. If the Senator from Delaware has that information, I am certain it would be important to place it in the RECORD.

Mr. WILLIAMS. I have a letter from the Budget Bureau dated yesterday in which this fact is confirmed. Also testimony before the committee by representatives of the Housing Agency was to the same effect. Both agencies testified that the bill as written would result in retroactive payments on those projects which have previously been approved, in the amount of $108 million. This would not provide any new housing. It would merely represent a bonus. I support the amendment of the Senator from Utah.

Mr. LAUSCHE. Does the amendment of the Senator from Utah contemplate keeping in force the present provisions concerning the participation of the Federal and local governments?

Mr. BENNETT. It would keep in force the present provisions, but it would also continue the present alternative provision to change the rates, so that under the alternative provision in the present law they would be approximately balanced.

Mr. CLARK. Mr. President, the purpose of the provision now in the bill is to enable the urban renewal program to go forward, so that slums can be cleared and blight eliminated. The reason for the change in the formula is, frankly, that the cities are broke.

The American Municipal Association and the United States Conference of Mayors represented by seven of the outstanding mayors of the country, came before our committee and testified unanimously that they had exhausted their local resources, and that in order to have the blight removal program go forward there would have to be an increase in the Federal contribution.

Let me make this point very clear: The American Municipal Association does not represent only the large cities of the country; it represents the smaller cities, as well. It has 12,000 members.

In my own Commonwealth of Pennsylvania there are 50 members of the Pennsylvania League of Cities. Every one of them has need for urban renewal and slum clearance. Most of them have been unable to get their programs under way because their small local resources have not been sufficient, and their ability to raise their taxes, in view of the fact that the Federal Government has usurped most of the tax resources, has been so meager that they have not been able to contribute adequately to the slum clearance program.

Indeed, I would hazard an educated guess that the change in the present formula would hurt the large cities and help the small cities, because many of the small cities which have not been able to qualify under the present formula would be able to qualify under the new one.

I shall read very briefly from testimony given before our committee by my distinguished successor as the Mayor of Philadelphia, Richardson Dilworth, representing the American Municipal Association.

> Another factor which operates as a drag on the attempt to really crack down on blight is the current ratio for matching funds. The limited nature of local resources is well known. So long as localities are required to put up one-third of the cost of each project, operations will be held down to the pace which these limited local resources make possible, rather than going forward at the pace needed to eliminate the problem quickly. The State of Pennsylvania has provided $5 million to help Pennsylvania communities with this work, of which Philadelphia is receiving $1.5 million. We are urging an additional appropriation at the present legislative session. But the resources of the State, too, are limited.

Mr. President, every mayor who testified before our committee concerning this situation said the cities could not expect additional aid from the State governments, because the States, too, were broke.

I point out to my distinguished colleagues that during the years since World War II, State and local indebtedness has trebled, while the Federal debt has actually declined. In the case of my own city of Philadelphia, I know that during the last 6 years, in order to get some kind of modernization program under way, it has been necessary to raise taxes twice, so that today taxes are 33⅓ percent higher than they were at the end of World War II. But, Mr. President, today we are very nearly at the end of our rope.

I read further from the statement by Mayor Dilworth:

> Federal and local officials have reached the stage where all agree that this work will have to be done eventually. Why not speed it up in all possible ways? Establishment of a ratio of four Federal dollars for each local dollar would have this effect.

Indeed, Mr. President, all this work will have to be done if our urban democracy is to survive.

The mayors were unanimous in asking the committee to change the formula from 2 to 1 to 4 to 1. That was the recommendation of the American Municipal Association, adopted at its 1956 convention. The mayors pointed out the definite needs of the cities of the Nation. Those with smaller needs also have smaller resources, whereas those with greater resources have very massive problems.

However, the committee was unable to agree to raise the Federal share to 4 to 1, but agreed to recommend a change from 2 to 1 to 3 to 1.

In conclusion, let me say to my good friends on the other side of the aisle who are so obsessed with the dollar sign—and I agree with them that we have to watch expenditures very carefully; it is only because of the great necessity for this program that I urge my colleagues to reject the amendment—that the bill as reported by the committee, and as presently before us, will not increase the authorization for expenditure by as much as 1 cent. By means of the amicable agreement reached yesterday, the Senate has decided to fix the urban renewal payments at $250 million for each of the next 2 years; and that is where the amount will remain.

If the amendment submitted by my friend, the Senator from Utah, is adopted, it will mean that certain projects which otherwise would have been started, will not be started; and it will mean that certain cities which otherwise would have participated, will not be able to participate.

Mr. President, I hope very much that the amendment will be rejected.

Mr. GOLDWATER. Mr. President, will the Senator from Pennsylvania yield to me?

Mr. CLARK. I am glad to yield to the Senator from Arizona.

Mr. GOLDWATER. I am somewhat disturbed to hear the Senator from Pennsylvania say that America's cities are "broke," and that the States of the Union are in such bad financial condition.

I am happy to have an opportunity to ask the distinguished former mayor of Philadelphia a question, since I myself once was in city government.

During the tenure of the Senator from Pennsylvania as mayor of Philadelphia, was the system of the valuation of property changed?

Mr. CLARK. Yes.

Mr. GOLDWATER. Was the valuation raised?

Mr. CLARK. Yes; and we also raised our real-estate tax substantially last fall.

Mr. GOLDWATER. Have the American cities which are members of the association generally changed their system of valuation during the past 10 years?

Mr. CLARK. I cannot answer that question specifically; but I know that all over the country, in counties as well as in cities, a revaluation of property is in process.

Furthermore, I know that in area after area and block after block in small

cities, as well as in large ones, blight conditions make it quite impossible to have any increase in assessments; and slum clearance is vitally necessary in order to restore those areas to a condition in which they will be able to bear their fair share of the tax load.

Furthermore, in my city of Philadelphia and in other Pennsylvania cities, the cities are tapping not only the property tax, but they also have a flat wage tax, from which Philadelphia last year raised $50 million.

Mr. GOLDWATER. Mr. President, will the Senator from Pennsylvania yield further to me?

Mr. CLARK. I am glad to yield.

Mr. GOLDWATER. Will the Senator from Pennsylvania state the per capita debt in the State of Pennsylvania?

Mr. CLARK. I regret that I am unable to state that figure.

Mr. GOLDWATER. Mr. President, I seriously doubt that the cities of the Nation or the States of the Nation are broke or are in serious financial condition. If they are, it is because of the abnormally high taxes which have been imposed upon the American citizens by the Congress during the past 25 years. So I do not think it is incumbent upon us to vote to increase the taxes, when we hear from the distinguished former mayor of one of the largest cities in the country that his city is broke.

However, instead of lowering taxes, the Congress tends to move in the direction of raising taxes and in the direction of saying, "If the cities of America are not going to take care of this matter themselves"——

Mr. CLARK. Mr. President, I was under the impression that I yielded to the Senator from Arizona for a question. If, instead, he wishes to make a speech, I wish he would make it when he has the floor in his own right.

Mr. GOLDWATER. I was asking a question, but the Senator from Pennsylvania interrupted me.

Mr. CLARK. Will the Senator from Arizona repeat the question?

Mr. GOLDWATER. I was getting to it. [Laughter.]

Mr. CLARK. I am sure the Senator from Arizona has heard about Robin Hood's barn.

Mr. GOLDWATER. Does the Senator from Pennsylvania believe that the cities and the States have substantially exhausted their funds?

Mr. CLARK. I am able to state that that is the case; and if the Senator from Arizona will travel with me to various places in the State of Pennsylvania, including the cities of Wilkes-Barre, Scranton, Hazelton, Pottsville, Pittsburgh, and other areas, he will be able to see with his own eyes the drastic need for improvements which the local tax base will not permit.

Mr. GOLDWATER. Mr. President, I do not doubt at all that the State of Pennsylvania is in need of some assistance.

Let me ask whether the Senator from Pennsylvania sees any relationship between Federal deficits, large Federal budgets, and the dilemma in which the cities of Pennsylvania find themselves today?

Mr. CLARK. I see this relationship: When, in 1913, the Federal Government imposed the graduated income tax, and thereafter proceeded to raise it from time to time—until it reached its all-time high shortly after the end of World War II, and now the Republican administration has reduced it to some extent, particularly in the higher brackets—that tax sucked away from the cities and States of the Nation their principal source of revenue. As a result, although a generation ago the Federal Government was raising only 25 cents of every tax dollar, today it is raising 75 cents of every tax dollar, and the States are raising 13 cents, and the cities are raising 12 cents. The State and local debt has tripled in the past 10 years; and as the Kestnbaum report pointed out—I refer to the report of the distinguished committee of Members of Congress and citizens, appointed by President Eisenhower—it is too late to reverse the trend. Almost with unanimity, the committee recommended against turning back tax resources to the State and local governments; and, therefore, it is necessary for the cities to ask for this additional Federal grant.

Mr. GOLDWATER. Mr. President, will the Senator from Pennsylvania yield for a further question?

Mr. CLARK. I am happy to yield.

Mr. GOLDWATER. In view of the remarks made by the Senator from Pennsylvania, would he join in an effort to limit income taxes?

Mr. CLARK. I certainly would not.

Mr. GOLDWATER. That is what I expected.

Mr. JAVITS. Mr. President, will the Senator from Pennsylvania yield to me?

Mr. CLARK. I am happy to yield to the Senator from New York.

Mr. JAVITS. I think one thing needs to be pointed out, in the case of the big cities. In my State of New York is located, of course, the greatest of all American cities. I have lived in the city of New York all my life, and I know something about its municipal problems. The fact is that the city is passing through a very trying transitional period. The metropolitan area of New York contains approximately 12 million people; and if the outlying sections are included, the total area includes approximately 14 million people. Many thousands of middle-income families, good taxpayers, have moved out of New York City into the suburbs; and the wage earners of those families come to New York City only to work.

We shall have to solve those problems in some way, by means of some other types of taxation, and perhaps some other types of governmental organization. But in the meantime the cities are deteriorating terribly, and that development involves a great loss in economic terms to the country.

This provision is included in the bill in an attempt to see them through this very, very difficult period.

I am very glad my colleague, the Senator from Pennsylvania, saw fit to yield, because I think it is essential that we understand clearly why a majestic city like New York finds itself in very great difficulty.

Some of us think we can do much better in respect to the husbandry and economy under which our cities are organized; but essentially the difficulty has developed because the cities are in a period of transition, and the backbone families of the cities have to a very substantial degree moved into the suburbs, where the city taxes cannot reach them.

Mr. CLARK. Mr. President, I thank the Senator from New York for his helpful remarks; and I call the attention of my colleagues to what I suppose they already know, namely, that the junior Senator from New York [Mr. JAVITS] has had about as much intimate experience with the problems of the cities as has any other Member of this body, and he knows intimately the problems which beset the city of New York.

Mr. President, I yield the floor.

Mr. WILLIAMS. Mr. President, earlier in a colloquy with the Senator from Utah [Mr. BENNETT], reference was made to retroactive payments as being provided for under the bill, unless the amendment is adopted. I should like to read a paragraph from a letter signed by the Deputy Director of the Bureau of the Budget, dated yesterday, concerning this subject:

> Section 302 would increase the basic formula for Federal capital-grant contributions for urban-renewal projects from two-thirds to three-fourths of the net project cost. This change would, in effect, be made retroactive, with the result that $100 million in capital grants would be required for projects on which reservations have already been made on the present formula. It would also establish a higher base for future projects. Such as an increase in the already substantial Federal participation would appear inconsistent with the predominantly local advantages derived from the urban-renewal program.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. WILLIAMS. I shall yield in a moment. As the Senator from Utah pointed out before, it does not affect the dollar figure, which provides $250 million each for 2 years; but, if we do not adopt the amendment, $108 million of the $500 million would be used to make retroactive payments for presently authorized projects. This would be a retroactive bonus to existing projects and would not achieve any additional housing. These contracts have already been signed, based on the old formula. Why refund another $108 million?

Mr. CLARK. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. CLARK. I should like to point out that what the Senator from Delaware has said is perhaps only partially true. There is already available, authorized by prior Congresses and subject to release by the President of the United States, $100 million which can be used for slum clearance and urban redevelopment. When the Subcommittee on Housing and the full Committee on Banking and Currency had the change under consideration, it was our thought the retroactive feature of the bill to which the Senator refers would be used by the President to release the $100 million which was authorized by the 84th Congress. Therefore, to that extent, and to that extent only, the Senator from

Delaware is incorrect. This retroactive feature would not affect 1 cent of the $500 million. I might correct that statement. It might affect $8 million——

Mr. WILLIAMS. Is that not Government money? It would affect it, because, after all, the money is coming out of the Federal Treasury. There are going to be retroactive payments. If the amendment is adopted, the amount will still be $500 million.

Mr. CLARK. The Senator from Delaware has been so concerned about the Federal budget that I merely wanted to explain to him that this change will not have any effect whatsoever on the budget authorization this year, because prior authorizations are involved.

Mr. WILLIAMS. I made the statement earlier that the amendment of the Senator from Utah did not deal with a dollar figure. The amendment does stop the retroactive payment of $108 million previously authorized funds or funds authorized under the bill.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. SPARKMAN. Let me say that when the subcommittee voted in favor of this proposal, the question came up as to what date it should become effective. We took the matter up with the housing agency. This arrangement was worked out in accordance with their recommendation.

Mr. WILLIAMS. I do not question that.

Mr. SPARKMAN. I thought the Senator would be interested in knowing that.

Mr. WILLIAMS. The formula in the bill allows $108 million to be made as retroactive payments for projects which have been approved and agreed upon between the Government and cities, and projects which are going on even without the passage of the bill.

Mr. President, I ask unanimous consent to have incorporated in the RECORD at this point the letter signed by the Deputy Director of the Housing and Home Finance Agency, Mr. Walker Mason, addressed to the chairman of the subcommittee, the Senator from Alabama [Mr. SPARKMAN], under date of May 1, 1957. This letter appears on pages 18 and 19 of the report on the bill.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HOUSING AND HOME FINANCE AGENCY,
Washington, D. C., May 1, 1957.

Hon. JOHN SPARKMAN,
Chairman, Subcommittee on Housing, Banking and Currency Committee, United States Senate, Washington, D. C.

DEAR MR. CHAIRMAN: We understand that your subcommittee has decided to recommend that the two-thirds Federal grant formula now in the law for urban-renewal projects be changed to a three-fourths Federal-grant formula. Your staff has advised that the subcommittee would like to have the views of this Agency as to the extent to which this change if enacted, should apply to projects now underway.

Of course you recognize that this Agency does not favor placing the Federal grants on a three-fourths basis except as provided in section 302 of S. 1609 relating to an alternative capital-grant formula. However, if the increase to be recommended by your committee is authorized by the Congress, I believe it should be made applicable to all projects now being undertaken under title I of the Housing Act of 1949, as amended, as well as to urban-renewal projects to be undertaken hereafter. The contract provisions with respect to Federal grants for an urban-renewal project are not executed until the completion of the planning stage of the project. Until that time the local public agency would be in a position to apply for the Federal grants under the new three-fourths formula, unless expressly prevented by the terms of the new authority. The majority of the projects for which reservations have been made are in this planning stage, and I believe there is no reason to prevent these projects from receiving grants on the same increased basis made available to others.

Similarly, I believe it would be inequitable to exclude from the benefit of these increased grants those projects which have been put under loan and grant contracts. To do so would be to penalize those local public agencies and cities which have been sufficiently diligent and rapid in their urban-renewal work to have advanced their projects to the loan and grant stage. Also, if there projects are not included within the new authority to be recommended by your subcommittee, there will be an incentive to delay such projects about to enter the loan and grant stage so they can obtain the increased benefits after the enactment of such new authority.

The uniform application of the proposed three-fourths Federal-grant formula to all projects would undoubtedly result in less administrative difficulty than an application to a special category of projects, particularly if the category required selection and administrative decisions. The latter would tend to promote controversy and charges of discrimination.

Your staff also asked for general information on the cost of the change to be recommended by your subcommittee. An increase in the Federal capital grant from two-thirds to three-fourths of net project costs for all projects underway would result in a general increase of one-eighth in the Federal contribution and a decrease of one-eighth in the local contribution. Thus, the $867.3 million of outstanding reservations and contracts would be increased by about $108 million, inasmuch as only one project with a capital grant of $261,555 is formally completed. Correspondingly, a three-fourths capital grant formula would mean either that future authorizations would support only about seven-eighths as much local urban-renewal effort, or that future authorizations would have to be increased by one-eighth to support as much local urban-renewal effort as would be feasible under the two-thirds formula. The foregoing figures necessarily assume that existing contracts and reservations would remain unchanged, subject, of course, to the general increase necessary over a three-fourths formula.

Sincerely yours,

WALKER MASON,
Deputy Administrator.

Mr. CLARK. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. CLARK. I should like to point out to Members of the Senate that such is the slowness in these urban redevelopment projects——

Mr. WILLIAMS. Is the Senator asking me a question——

Mr. CLARK. May I complete my question?

Mr. WILLIAMS. Certainly.

Mr. CLARK. That of the more than $900 million which was voted for this program many years ago, only $89 million has already been spent. So that the fears of the Senator from Delaware, to the extent that they are justified, concern the future and not the immediate present.

Mr. BENNETT. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield to the Senator from Utah.

Mr. BENNETT. Is it not true that under the formula in the existing law, which appropriates $500 million, if that $500 million represents two-thirds of the total potential urban renewal cost, under the formula in the existing law approximately $750 million can be devoted to urban renewal; but under the new formula, which would reduce the $500 million to three-quarters of the total, the net effect would be to reduce the urban renewal program from $750 million to $625 million?

Mr. WILLIAMS. That is true. In addition, it would take $108 million out of the funds and use them for retroactive payments, further reducing the possibility of building this type of construction.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield the floor.

Mr. CLARK. I honestly think the Senator from Utah is confused. The change in the formula would not increase the authorization from $500 million to $700 million. It would merely be spent more quickly. The Senate and the House of Representatives can have control over that matter. If they do not like the way it is going, they do not have to authorize it.

Mr. BENNETT. If the Federal Government puts up $500 million on the basis that it must be matched by $250 million from the local communities, that produces a total potential of $750 million.

Mr. CLARK. Yes.

Mr. BENNETT. But if the Federal Government puts up $500 million on the basis of that being three-quarters of the total potential, that produces only $625 million.

Mr. CLARK. That is true, and the people who want to spend the mony want it that way.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield, and if so, to whom?

Mr. CLARK. I yield first to the Senator from Illinois.

Mr. DOUGLAS. I have made a hasty mathematical computation. If $500 million is 75 percent, 100 percent would be $666,666,666.67, and not $625 million.

Mr. BENNETT. I acknowledge the correction of the Senator from Illinois, but it does not change my basic contention that it reduces the amount.

Mr. CLARK. Nor does it change the fact that those who want to spend the money can spend it this way and want to spend it this way.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. LAUSCHE. Am I to understand from the statement that has been made

that the resources of the State of Pennsylvania have been exhausted?

Mr. CLARK. Let me put it this way; I would say the capacity of the tax-levying bodies at both the local and State levels in Pennsylvania has been exhausted for the time being.

Mr. LAUSCHE. Can I correctly interpret that to mean that both the State of Pennsylvania and the city of Philadelphia are broke?

Mr. CLARK. I think both the city of Philadelphia and the Commonwealth of Pennsylvania have reached, for the time being, the ceiling of the amount which they can raise—that is, their tax-levying sources.

Mr. LAUSCHE. May I ask this question: Is the Senator from Pennsylvania of the belief that the fiscal situation of the United States Government is such that it has a reserve under which expenditures can be expanded?

Mr. CLARK. It is my judgment that it has an enormous untapped reserve. It is for that reason I have said consistently, in view of our great national needs, that President Eisenhower's budget perhaps is not large enough.

SEVERAL SENATORS. Vote! Vote! Vote!

Mr. LAUSCHE. Mr. President, I ask for the floor.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. LAUSCHE. I have been listening to the arguments here all day long. With respect to every subject the argument has been made, very appealingly and sympathetically, that the resources back home are gone, the colleges cannot finance the program, the citizens cannot rent or buy homes, the local governments are broke. Then the further argument is made that when it comes to the State governments, the State governments have exhausted their resources, so therefore resort must be had to the Federal Government.

We have done a reasonably good job with this housing bill, but it still portrays the proposition that we all believe the resources of the Federal Government are unlimited.

I wish to invite the attention of the Senate to the fact that when townships, counties, cities, villages, and States say, "We have no more resources left and the United States Government must take care of us," we are in a pretty precarious position.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. WILLIAMS. I congratulate the Senator from Ohio on his timely remarks. On the principle that the United States Government can take care of everybody I ask, Where is the United States Government going to get the money?

Is it not true that we are going to get the money from the same taxpayers and same communities which say they do not have it? In other words, if the United States Government appropriates $500 million, and if the people of the State of Pennsylvania pay about 10 percent of all the revenues which come to the Government, what is the situation? Fifty million dollars would be coming from the same citizens who say they are broke. Can they not tax themselves to some extent and pay their own expenses?

Mr. LAUSCHE. I am delighted the Senator from Delaware asked that question. I have no hesitation in answering that the Central Government in Washington is making representations that "We will give you money back home and no one will have to pay taxes."

Mr. CLARK. Mr. President, will the Senator yield?

Mr. LAUSCHE. That is exactly what it means.

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Pennsylvania?

Mr. LAUSCHE. Not now. I will yield in a moment.

I think we might as well recognize the fact that we should not boast about the saving of $40 million or $50 million allocated to one department, and then proceed to spend a billion dollars. I think we should also recognize the fact that through our conduct in Washington we have misled the people into believing that when Washington gives the money no one has to pay the taxes. That is the argument which has been advanced here all day long. Everybody is broke but Washington. I ask Senators. When will Washington be broke?

Today I heard from a distinguished newspaperman, who said that he would wager with me today that the value of the American dollar 10 years from now will be only 15 cents. I think that is something we ought to begin pondering about.

Mr. CLARK. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Pennsylvania?

Mr. LAUSCHE. I yield to the Senator from Pennsylvania.

Mr. CLARK. Very briefly, I do not desire to have the Senate vote on this question without having an answer made to the, to my mind, extraordinary statement made by my good friend, the Senator from Delaware, a minute ago, when he said that the same people in Pennsylvania and Philadelphia—and particularly Philadelphia—who are paying these taxes, are involved. I should like to point out to my friend, the Senator from Delaware, that the city of Philadelphia has no corporation tax it can levy, no graduated income tax it can levy, and it cannot collect customs receipts and cannot collect excise taxes. The city of Philadelphia is certainly not tapping the same tax sources as the Federal Government, because the Federal Government gets money from the graduated income tax, from the corporate taxes, from excise taxes, and customs receipts.

With all due deference to my very good friend, the Senator from Delaware, what the Senator is suggesting is that the burden shall be lifted from those who can afford to carry it and put on the backs of those who cannot.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. WILLIAMS. It is a statistical fact that 10 percent of all the revenue of the United States Government comes from the taxpayers of the State of Pennsylvania. Whether the Senator from Pennsylvania likes that or not, 10 percent of all he votes for in any appropriations comes from the State of Pennsylvania.

For instance had the amendment offered by the Senator from Tennessee last night passed—and I believe you supported it—it would have added an extra $2 billion of the cost of the bill. This would have cost your State of Pennsylvania $200 million out of the $2 billion.

Let us get this straight. The same people are paying the taxes, whether they pay them in Philadelphia, Pittsburgh, Wilmington, or whether they pay for the projects through the Federal Government. The United States Government has access to no mysterious source of income. All the money we can spend comes directly or indirectly from the taxpayers of the various States, whether it is from the Senator's State or my State.

I agree fully with the Senator from Ohio that we are giving the people nothing; we are only giving back to them some of the same money we are taking out of their tax pockets, and giving it back to them minus the political brokerage or the cost of the bureaucracy in Washington.

Mr. LAUSCHE. I thank the Senator from Delaware.

May I say, while we are doing that, we are impairing our ability to cope with the international and defense problems.

SEVERAL SENATORS. Vote! Vote! Vote!

Mr. LAUSCHE. I think we have a sufficient problem in trying to stay militarily strong.

I should like to say one more word. I think I can speak on this subject, since I was mayor of a city. We have been good to the municipalities in this housing bill. The mayors, of course, want the State governments and the Federal Government to help share their burden. We should do it to a reasonable degree, but we come to a breaking point.

In my judgment we will have efficiency and economy if we require them to pay 33 percent. If we reduce it to 25 percent this year, next year we will reduce it to 12 percent and the following year to nothing.

SEVERAL SENATORS. Vote! Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah [Mr. BENNETT] as modified. On this question the yeas and nays have been ordered.

Mr. BENNETT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BENNETT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Utah, as modified. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. ERVIN], the Senator from Rhode Island [Mr. GREEN], the Senator from Missouri [Mr. HENNINGS], the Senator from Washington [Mr. MAGNUSON], the Senators from Montana [Mr. MANSFIELD and Mr. MURRAY], the Senator from Michigan [Mr. McNAMARA], the Senator from West Virginia [Mr. NEELY], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

On this vote the Senator from Virginia [Mr. BYRD] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from Virginia would vote "yea," and the Senator from New Mexico would vote "nay."

I further announce, if present and voting, the Senator from Rhode Island [Mr. GREEN], the Senator from Missouri [Mr. HENNINGS], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MANSFIELD], the Senator from Michigan [Mr. McNAMARA], the Senator from Montana, [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], and the Senator from North Carolina [Mr. SCOTT] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from Vermont [Mr. AIKEN], the Senators from New Hampshire [Mr. BRIDGES and Mr. COTTON], the Senator from Nebraska [Mr. HRUSKA], the Senator from South Dakota [Mr. MUNDT], and the Senator from Massachusetts [Mr. SALTONSTALL] are absent on official business.

The Senator from Vermont [Mr. FLANDERS], the Senator from Connecticut [Mr. PURTELL], the Senator from New Jersey [Mr. SMITH], and the Senator from North Dakota [Mr. YOUNG] are necessarily absent.

The Senator from Indiana [Mr. JENNER], the Senator from North Dakota [Mr. LANGER], and the Senator from Maine [Mr. PAYNE] are absent because of illness.

If present and voting, the Senators from New Hampshire [Mr. BRIDGES and Mr. COTTON], the Senator from Vermont [Mr. FLANDERS], the Senator from Nebraska [Mr. HRUSKA], the Senator from South Dakota [Mr. MUNDT], the Senator from Maine [Mr. PAYNE], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from New Jersey [Mr. SMITH] would each vote "yea."

The result was announced—yeas 38, nays 32, as follows:

YEAS—38

Allott	Dworshak	Potter
Anderson	Frear	Revercomb
Barrett	Goldwater	Robertson
Bennett	Hickenlooper	Russell
Bricker	Holland	Schoeppel
Bush	Kerr	Stennis
Butler	Knowland	Talmadge
Capehart	Kuchel	Thurmond
Carlson	Lausche	Thye
Case, S. Dak.	Malone	Watkins
Cooper	Martin, Iowa	Wiley
Curtis	Martin, Pa.	Williams
Dirksen	Morton	

NAYS—32

Beall	Case, N. J.	Douglas
Bible	Church	Ellender
Carroll	Clark	Fulbright
Gore	Johnston, S. C.	O'Mahoney
Hayden	Kefauver	Pastore
Hill	Kennedy	Smathers
Humphrey	Long	Smith, Maine
Ives	McClellan	Sparkman
Jackson	Monroney	Symington
Javits	Morse	Yarborough
Johnson, Tex.	Neuberger	

NOT VOTING—25

Aiken	Hennings	Neely
Bridges	Hruska	Payne
Byrd	Jenner	Purtell
Chavez	Langer	Saltonstall
Cotton	Magnuson	Scott
Eastland	Mansfield	Smith, N. J.
Ervin	McNamara	Young
Flanders	Mundt	
Green	Murray	

So Mr. BENNETT's amendment, as modified, was agreed to.

Mr. CAPEHART. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. KNOWLAND. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER (Mr. FREAR in the chair). The question is on agreeing to the motion of the Senator from California.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask for its present consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 19, between lines 16 and 17, it is proposed to insert the following:

SEC. 104. Section 203 of the National Housing Act is further amended by adding at the end thereof the following new subsection:

"(j) The Commissioner, in order to avoid abuses in connection with the insurance of mortgages under subsection (b) of this section, may in his discretion (1) establish a maximum sales price for any property covered by such a mortgage, (2) issue a certificate setting forth the price so established for such property, and (3) require as a condition of eligibility for insurance that the price for which such property is being sold shall be not in excess of the price so established."

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. SPARKMAN. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I am very glad to yield.

Mr. SPARKMAN. Mr. President, with respect to this amendment I have consulted with the ranking minority member of the Committee on Banking and Currency, the Senator from Indiana [Mr. CAPEHART], who is temporarily absent from the Chamber. Both of us have agreed that, so far as we are concerned, we are willing to take the amendment to conference. A similar amendment is not included in the House bill, and this is clearly discretionary, as I understand.

Mr. HUMPHREY. The Senator is correct.

Mr. SPARKMAN. We are willing to take it to conference.

Mr. HUMPHREY. It permits the Commissioner to have the authority, if he needs it.

I ask unanimous consent to have printed in the RECORD at this point an explanatory statement of the amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY

This amendment would authorize the FHA Commissioner, in his discretion, to establish the maximum sales price for an FHA-insured loan if he finds such action necessary to prevent price gouging. I believe that this authority is essential. Under present law, the only limitation is upon the maximum mortgage which FHA will insure, and there is no control on the sales price which the builder or seller may charge. Your committee recognizes that a provision of law requires that the buyer be furnished with a copy of the FHA valuation of the property and that this procedure introduces some measure of restraint upon the builder's pricing policy.

The Senate has already amended the bill to substantially lower the downpayment requirements. We should also be concerned over the possible consequences which might arise unless the FHA Commissioner is given authority to exercise restraint on sales prices. Where the downpayment required of a home buyer is very small in relation to the total sales price, there may be an understandable temptation in some cases for the builder or seller to raise the price above FHA's valuation. Such an increased price would increase the downpayment correspondingly, and I am fearful that there might be a temptation to vary the price depending upon the seller's estimate as to the downpayment which a particular buyer could muster.

I want to emphasize that the reasonable value control, now mandatory under the GI-loan program, has been signally successful in protecting veterans from paying an unfair price, and I believe that similar authority should be carried over into the FHA program, now that we have reduced downpawments to such an extent. The authority of the FHA Commissioner is discretionary, and the FHA Commissioner would not have to exercise his authority unless actual operation under the program clearly indicated the need of such action to protect home buyers.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. HUMPHREY].

The amendment was agreed to.

The PRESIDING OFFICER. The committee amendment is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

Mr. JOHNSTON of South Carolina. Mr. President, I should like to ask three questions of the Senator from Alabama. Will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. JOHNSTON of South Carolina. What provision is contained in the bill to insure that moneys voted to the Federal National Mortgage Association will go to new houses, rather than to buy up old mortgages from lending institutions?

Mr. SPARKMAN. There is a policy in the Federal National Mortgage Association today—and I know of no desire or intent to change it—under which mortgages more than 4 months old are not purchasable.

Mr. JOHNSTON of South Carolina. Is it not true that in the past the Federal National Mortgage Association has taken new money authority given it and used the money to buy up old mortgages held by lending institutions, and thereby deprived the housing industry of the new money?

Mr. SPARKMAN. That may have been true some time back, but it has not been true in recent years. I do not know just how long the present policy has been in effect, but it has been for some time.

Mr. JOHNSTON of South Carolina. In a sense, is this not a roundabout way of freeing more money for lending institutions to put into high interest rate investments, while the housing industry is deprived of money?

Mr. SPARKMAN. We decided that the procedure which is being followed at the present time is the proper procedure. We have had the officials of the Federal National Mortgage Association before our committee. The arrangement to which I referred a moment ago was worked out, more or less, between our committee and the Federal National Mortgage Association, because we felt the greatest amount of good would be accomplished in that way.

Mr. JOHNSTON of South Carolina. Does this bill contain a guarantee against the purchase of mortgage inventories?

Mr. SPARKMAN. There is nothing in the bill to that effect. However, we have, as the Senator knows, a standing subcommittee which stays in touch with the housing situation at all times. Should the Federal National Mortgage Association change the present procedure, the Senator may be assured that we would have them before us for a reckoning.

Mr. JOHNSTON of South Carolina. Therefore, it is the intention of the chairman, as I understand, in urging the passage of the bill, to protect the people and give them a right to construct new buildings?

Mr. SPARKMAN. The Senator is correct.

The PRESIDING OFFICER. The bill having been read the third time, the question is on its passage. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. ERVIN], the Senator from Rhode Island [Mr. GREEN], the Senator from Missouri [Mr. HENNINGS], the Senator from Washington [Mr. MAGNUSON], the Senators from Montana [Mr. MANSFIELD and Mr. MURRAY], the Senator from Michigan [Mr. McNAMARA], the Senator from West Virginia [Mr. NEELY], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

I further announce, on this vote the Senator from Virginia [Mr. BYRD] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from Virginia would vote "nay," and the Senator from New Mexico would vote "yea."

I also announce, if present and voting, the Senator from Rhode Island [Mr. GREEN], the Senator from Missouri [Mr. HENNINGS], the Senator from Washington [Mr. MAGNUSON], the Senators from Montana [Mr. MANSFIELD and Mr. MURRAY], the Senator from Michigan [Mr. McNAMARA], the Senator from West Virginia [Mr. NEELY], and the Senator from North Carolina [Mr. SCOTT], would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Vermont [Mr. AIKEN], the Senators from New Hampshire [Mr. BRIDGES and Mr. COTTON], the Senator from Nebraska [Mr. HRUSKA], the Senator from South Dakota [Mr. MUNDT], and the Senator from Massachusetts [Mr. SALTONSTALL] are absent on official business.

The Senator from Vermont [Mr. FLANDERS], the Senator from Connecticut [Mr. PURTELL], the Senator from New Jersey [Mr. SMITH], and the Senator from North Dakota [Mr. YOUNG] are necessarily absent.

The Senator from Indiana [Mr. JENNER], the Senator from North Dakota [Mr. LANGER], and the Senator from Maine [Mr. PAYNE] are absent because of illness.

If present and voting, the Senator from Vermont [Mr. AIKEN], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Vermont [Mr. FLANDERS], the Senator from Nebraska [Mr. HRUSKA], the Senator from Maine [Mr. PAYNE], the Senator from Connecticut [Mr. PURTELL], and the Senator from Massachusetts [Mr. SALTONSTALL] would each vote "yea."

On this vote the Senator from New Jersey [Mr. SMITH] is paired with the Senator from South Dakota [Mr. MUNDT]. If present and voting, the Senator from New Jersey would vote "yea," and the Senator from South Dakota would vote "nay."

The result was announced—yeas 69, nays 1, as follows:

YEAS—69

Allott	Goldwater	Monroney
Anderson	Gore	Morse
Barrett	Hayden	Morton
Beall	Hickenlooper	Neuberger
Bennett	Hill	O'Mahoney
Bible	Holland	Pastore
Bricker	Humphrey	Potter
Bush	Ives	Revercomb
Butler	Jackson	Robertson
Capehart	Javits	Russell
Carlson	Johnson, Tex.	Schoeppel
Carroll	Johnston, S. C.	Smathers
Case, N. J.	Kefauver	Smith, Maine
Church	Kennedy	Sparkman
Clark	Kerr	Stennis
Cooper	Knowland	Symington
Curtis	Kuchel	Talmadge
Dirksen	Lausche	Thurmond
Douglas	Long	Thye
Dworshak	Malone	Watkins
Ellender	Martin, Iowa	Wiley
Frear	Martin, Pa.	Williams
Fulbright	McClellan	Yarborough

NAYS—1

Case, S. Dak.

NOT VOTING—25

Aiken	Cotton	Green
Bridges	Eastland	Hennings
Byrd	Ervin	Hruska
Chavez	Flanders	Jenner
Langer	Murray	Scott
Magnuson	Neely	Smith, N. J.
Mansfield	Payne	Young
McNamara	Purtell	
Mundt	Saltonstall	

So the bill (H. R. 6659) was passed.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized and directed to make all necessary clerical and technical changes, including changes in section numbers and cross references, in the engrossed amendment to the bill (H. R. 6659) to amend the National Housing Act, as amended, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the bill be printed as a separate bill and that the amendments be numbered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, I move that the Senate insist on its amendment, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the presiding officer (Mr. FREAR in the chair) appointed Mr. FULBRIGHT, Mr. SPARKMAN, Mr. DOUGLAS, Mr. MONRONEY, Mr. CLARK, Mr. CAPEHART, Mr. BRICKER, Mr. BENNETT, and Mr. BUSH conferees on the part of the Senate.

Mr. JOHNSON of Texas. Mr. President, I express my deep gratitude to and my great admiration for the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alabama [Mr. SPARKMAN], the Senator from Indiana [Mr. CAPEHART], and the Senator from Ohio [Mr. BRICKER] for the very excellent work they have done on the bill. While we have had differences of opinion, I think the overwhelming vote by which the housing bill passed is evidence that men of different views can resolve their conflicts in this Chamber.

I deeply appreciate the time which those Senators and the other members of the Committee on Banking and Currency have spent on this far-reaching piece of proposed legislation. I think the bill is very necessary. I think excellent work has been done. I predict that the committee of conference will be able to resolve the differences between the two bodies; and I hope that at an early date we will have on the way to the White House a housing bill of which all of us can be proud.

I am especially grateful to the Chairman of the Committee on Banking and Currency, the Senator from Arkansas [Mr. FULBRIGHT], and to the chairman of the subcommittee, the Senator from Alabama [Mr. SPARKMAN], for their cooperation with the leadership at all times.

I include in my expression of gratitude the minority members of the committee, the Senator from Indiana [Mr. CAPEHART] and the Senator from Ohio [Mr. BRICKER], and the other Senators with whom I had to deal yesterday and today.

The PRESIDING OFFICER (Mr. FREAR in the chair). The occupant of the chair would like to call the attention

of the Senator from Texas the fact that he is a member of the committee.

Mr. JOHNSON of Texas. The occupant of the chair has been very helpful to the Senator from Texas on many occasions, but on none more so than during the past two evenings.

Mr. FULBRIGHT. Mr. President, I call attention to the fact that in working out the compromise with the Senator from Indiana and the Senator from Ohio, the distinguished majority leader, of course, took the lead, as he usually does, in bringing us together, and was able to provide the solvent which resolved most of the differences.

Certainly if anyone deserves credit for the bill, it is the majority leader and, I may say, the chairman of the subcommittee. The chairman of the full committee deserves a very small part of the credit.

Mr. SPARKMAN. Mr. President, I first wish to express a word of appreciation for what has been said; but I think it might be appropriate at this time, because undoubtedly there will be inquiries relating to veterans' housing, to point out that the bill which has just been passed contains no provision for veterans' housing.

Our committee intends to begin work immediately on proposed veterans' housing legislation. A bill which has already passed the House is now before our committee. It is our purpose to begin work on it in the very near future.

Mr. JOHNSON of Texas. The Senator from Alabama knows of my very deep interest in the bill which has already been introduced, and he may be assured of my very complete cooperation.

ANNOUNCEMENT OF PUBLIC HEARING ON OIL INVESTIGATION REPORT

Mr. O'MAHONEY. Mr. President, I desire to announce that at 10 o'clock in the morning on June 7, 1957, the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary will hear a report of the staff members who served in conducting the oil investigation. This will be a new procedure, because it will afford to the public an opportunity of observing the presentation by expert members of the staff of the analysis of the testimony which was given publicly and received as a result of subpenas issued by the committee.

This will be an important hearing. After the presentation of the summary of the facts by the members of the staff, the committee will then draw its own conclusions and will make its own recommendations and report. I may say that the Subcommittee on Public Lands of the Committee on Interior and Insular Affairs will participate in the hearing.

At this session, there will be revealed to the public the manner in which the Committee on the Judiciary, ordinarily in executive sessions, receives the reports of its expert staff members after their study of the bills to be considered by the committee.

The analysis of the testimony presented at the hearings will be presented by the staff members, headed by Donald P. McHugh. Besides Mr. McHugh, the staff members who will testify at the open hearing on June 7 are Gareth M. Neville and Louis Rosenman, legal consultants, and Paul H. Banner, economist.

AUTHORIZATION FOR COMMITTEE TO FILE REPORT

On motion of Mr. JOHNSON of Texas, and by unanimous consent, it was

Ordered, That the Senator from Arkansas [Mr. MCCLELLAN] be authorized to submit on Friday next a report of the Special Committee To Investigate Political Activities, Lobbying, and Campaign Contributions, as required by Senate Resolution 219, 84th Congress, as amended.

HELLS CANYON DAM

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement I have prepared bringing up to date certain pertinent and important aspects of the Hells Canyon controversy. The facts underlying the statement tend to support many of the contentions emphasized in my special separate report submitted with the Hells Canyon bill from the Committee on Interior and Insular Affairs.

I also ask unanimous consent that some timely newspaper articles written by A. Robert Smith be printed along with my statement, together with correspondence between the White House and the seven Democratic Members of the Senate from the Pacific Northwest.

There being no objection, the statement, newspaper articles, and correspondence were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR NEUBERGER

In a letter from the White House, dated May 25, the fact again has been exposed that the administration is still playing a fast and loose shell game with the water resources of the Columbia River Basin.

The incredible confusion of administration policy for Columbia Basin power and flood-control development was laid bare in a letter sent to me in answer to a request by the seven Pacific Northwest Democratic Senators for a personal interview with President Eisenhower on the Hells Canyon issue. On May 8, we addressed a letter to the President asking for a conference because of our belief that action of administration agencies indicated chaotic conflict over a program for use of Columbia Basin resources. We sought the meeting as a last desperate plea to the President of our country to help us save the finest remaining waterpower site in North America.

We asked for a personal interview; instead we have received a reply from one of the President's aids telling us that such a meeting would be premature. I was amazed to learn from an assistant of the President that it was premature for the President to discuss Hells Canyon Dam with seven Democratic Senators in May of 1957. I say this, Mr. President, because I am sure my colleagues will recall that it was not premature for the White House to call any wavering Republican Senators on the telephone when the Hells Canyon bill was up for a vote in July of 1956.

Rather than indicating that our meeting would be premature, the content of the letter from the White House graphically illustrates the immediate need for such a session so that the President can be set straight on what is being done to the water resources of the second largest river system in the Nation. The letter made it obvious that the President should be alerted forthwith as to how present policies threaten our Nation's greatest reservoir of waterpower, how agencies under his jurisdiction are laying a blueprint for systematic destruction of major outdoor recreational assets of the Pacific Northwest.

The reasons advanced by this White House aid as grounds for rejecting the conference simmer down to the essential fact that the White House advocates certain dams as alternatives to Hells Canyon Dam. But these are phantom alternatives—dams which cannot be built at present because of international conflicts with Canada, dams which would blockade our region's greatest runs of migratory fish, dams which would intrude artificial reservoirs into wilderness sanctuaries which have thus far been protected from commercial despoliation. The letter is nothing more than the old shell game carried on by this administration since 1953 in an effort to cover up a betrayal of the public interest in relinquishment of the Hells Canyon site to the Idaho Power Co.

So that the Senate may know of the exchange of correspondence between the Democratic Senators from the Pacific Northwest and the White House, I ask unanimous consent to include in the RECORD at this point the letter sent to the President on May 8, an acknowledgement from the White House on May 10, and the letter from the President's Administrative Assistant, dated May 25. The letters follow:

UNITED STATES SENATE,
COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
May 8, 1957.

The PRESIDENT,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: Resumption of the Federal program for development of Columbia River water resources is of paramount concern to the people of the States which we represent. Need for greater Federal participation in providing flood control, navigation, irrigation, and hydroelectric power facilities has been reflected in the mandate from the electorate of Pacific Northwest States.

Recent action of administrative agencies concerned with water-resource policy indicates widespread confusion as to objectives and means of implementing a full and comprehensive program for use of Columbia Basin resources. This administrative breakdown is especially evident in connection with the Hells Canyon reach of the Snake River. Although the Federal Power Commission has licensed a private company to build 3 dams in Hells Canyon, the Department of the Interior has proposed a high storage dam which would flood out 1 and possibly 2 of these units. The staff of the Federal Power Commission has recommended construction of another project which would be impossible to construct if the Interior Department proposal were approved. A third agency, the Corps of Engineers, has disclosed plans for a complete restudy of the Middle Snake River, including the Hells Canyon section. The inconsistency and irreconcilability of these conflicting proposals is evident.

Because of this chaotic situation and because of the basic conservation principles involved in proper use of the Hells Canyon area, we urgently request a conference with you at the earliest convenient date so that we may present to you the views of our constituents prior to the time that further congressional action is taken on a bill to authorize a high Federal dam at Hells Canyon. We believe that such a meeting would have beneficial results in restoring the hopes of the people of the Pacific Northwest that

their precious water resources will not continue to be needlessly and recklessly wasted.

Respectfully,
JAMES E. MURRAY,
WARREN G. MAGNUSON,
MIKE MANSFIELD,
RICHARD L. NEUBERGER,
WAYNE L. MORSE,
HENRY M. JACKSON,
FRANK CHURCH,
United States Senators.

THE WHITE HOUSE,
Washington, May 10, 1957.

The Honorable RICHARD L. NEUBERGER,
United States Senate,
Washington, D. C.

DEAR SENATOR NEUBERGER: For the President, this will acknowledge your May 8 letter, cosigned by several of your colleagues, requesting a conference with the President on our water-resource policy. I can assure you that a further reply will be forthcoming at an early date.

Kind regards.

Sincerely yours,
JACK Z. ANDERSON,
Administrative Assistant to the President.

THE WHITE HOUSE,
Washington, May 25, 1957.

The Honorable RICHARD L. NEUBERGER,
United States Senate,
Washington, D. C.

DEAR SENATOR NEUBERGER: The President has asked me to send you this further reply to your May 8 letter, cosigned by six of your western colleagues. After careful consideration of your request for a conference on water-resources development in the Columbia Basin the President asked me to say that he believes such a meeting would be premature at this time.

The policy of this administration regarding Federal construction of Hells Canyon Dam was set forth clearly on February 4, 1955, when the President informed five of the Northwest Senators that: "I do not believe the administration should determine the issue in advance of the decision of the Federal Power Commission."

Congress empowered the FPC, as an independent and bipartisan administrative agency, to determine what "will be best adapted to a comprehensive plan" for the development of our navigable rivers. The FPC unanimously decided that the project proposed by the Idaho Power Co. was "best adapted to a comprehensive plan for improving or developing a waterway for the use or benefit of interstate or foreign commerce, for the improvement and utilization of waterpower development, and for other beneficial public uses, including recreational purposes."

Now that the opinion of the Commission in the Hells Canyon matter has been sustained by the courts, we hope that the Congress and all agencies of the executive branch will join together to seek solutions which confront the Columbia River Basin as a whole.

With respect to your comments concerning the "objectives and means of implementing a full and comprehensive program for use of Columbia Basin resources," the Corps of Engineers is reviewing its original "308" report on the Columbia Basin. The proposed project for Glacier View has, apparently, been rejected. The Corps now plans, I am informed, to consider recommending construction of a project with 5,010,000 acre-feet of storage at the Libby Dam site, instead of 4,250,000 as originally proposed. In addition, the Bruces Eddy and Penny Cliffs projects on the Clearwater are now under consideration by the Corps of Engineers. These projects would add 3,700,000 acre-feet for flood-control purposes. The Department of the Interior is cooperating with the Corps of Engineers in the latter's general restudy of this basin.

Furthermore, the Department of the Interior is making a detailed study preparatory to a final feasibility report on the Pleasant Valley project. The detailed analysis of this project is complementary to the study being made by the Corps. Interior's role involves the complete evaluation of all facets of the proposed projects, including the effect upon the fisheries resources of the Columbia in the event the Nez Perce Dam were to be constructed.

In this connection, I understand that an FPC staff study indicates the desirability of construction of a dam at the Nez Perce site because the Salmon River, which the FPC found in the Idaho Power Co. opinion to be one of the "two principal flood producing streams in the Snake River Basin," is presently unregulated.

You may be sure that this administration has been and will be insistent that all development of our water resources shall conform to the principle of the comprehensive development for the best and wisest use of river basin resources. It was for this reason that the Secretary of the Interior proceeded expeditiously to secure a detailed feasibility study of the proposed Pleasant Valley Dam site so as to to determine the advisability of the construction of a multipurpose (flood control, navigation, and power) project in lieu of that proposed in the license application pending before the FPC for development of the Pleasant Valley site.

Sincerely yours,
JACK Z. ANDERSON,
Administrative Asistant to the President.

The White House letter quotes a February 4, 1955, statement of the President that "I do not believe the administration should determine the (Hells Canyon) issue in advance of the decision of the Federal Power Commission." But the letter fails to mention that the administration had already shaped the outcome of that decision by appointment of a majority of members to the Federal Power Commission, a commission headed by a former aid of the Governor of the State of Washington, who was an outspoken supporter of the Idaho Power Co. dams.

Then, the White House letter mentions that the "opinion of the Commission in the Hells Canyon matter has been sustained by the courts." But the White House makes no mention of the fact that it was the President's Attorney General—not the Idaho Power Co. but Mr. Herbert Brownell—who went before the Supreme Court of the United States to insist that the action of the Federal Power Commission in the Hells Canyon case was not of sufficient importance to warrant consideration of the Nation's highest tribunal.

These attempts to obscure the role of the White House in jettisoning of the Hells Canyon project would be less open to criticism if it were not for the fact that the White House letter dangled a proposed Pleasant Valley study on the Pleasant Valley project as an alternative for Hells Canyon Dam. I was shocked by the assertion that "The Department of the Interior is making a detailed study preparatory to a final feasibility report on the Pleasant Valley project," because the course of events indicates the lack of substance in this proposal. It is another phantom alternative to Hells Canyon.

The White House must be aware that a combination of four Pacific Northwest power companies seek licenses to build dams in the Pleasant Valley area. They must also be aware of the fact that the Secretary of the Interior had an opportunity to oppose the issuance of licenses for those dams which would be mutually inconsistent and in conflict with the purposes of a Federal dam at Pleasant Valley. But, in a letter to the Federal Power Commission regarding the license applications of the companies, the Secretary of Interior made no objection to licensing of the dams which would make the proposed Federal project at Pleasant Valley impossible. The true meaning of the Secretary's letter was exposed in an article in the Denver Post of February 15, 1957, which said:

"Both Kuykendall and Seaton's top aids concede that his letter carried no legal weight. It is not in the record, upon which the FPC will base its Pleasant Valley decision, because the record closed 2 months earlier.

"Nor does Seaton's letter withdraw the Aandahl letter, which is in the record saying the Interior Department has no objection to the Pacific Northwest Power Co. license. Finally, Seaton's letter did not ask the FPC to delay its decision, expected sometime this summer, while Interior completes its high Pleasant Valley Dam studies, expected no earlier than November or December."

The failure of the Secretary to protect his proposed project attracted the attention of another newspaperman, Mr. A. Robert Smith, the Washington correspondent of the Oregonian, in Portland, Oreg. In a series of articles, Mr. Smith told how FPC Chairman Kuykendall, alarmed that Secretary Seaton's Federal Pleasant Valley proposal would adversely affect the licensing of Idaho Power's Hells Canyon dams and Pacific Northwest Power Co.'s licenses for dams further downstream, "took his protest straight to Sherman Adams, President Eisenhower's chief of staff." A few days later, the Secretary's letter to the FPC was made public. It was, as The Oregonian articles related, completely meaningless.

Mr. Smith wrote: "To avoid any public reversal of a Cabinet member, he (Secretary Seaton) was permitted to send a letter which could easily be ignored."

In another article, Mr. Smith wrote that "The White House has quietly turned thumbs down on the proposal for building a high dam at Pleasant Valley site on the Snake River, according to well-informed sources."

Yet, the White House now represents to Members of the Senate that a study is now going on in good faith for a Federal dam at Pleasant Valley site. All of the evidence points to the fact that this is another phase of the old shell game, dangling of a phantom alternative for Hells Canyon which has no hope of becoming a reality.

I ask consent to include at this point in my remarks the articles from the Oregonian, detailing how the Chairman of the Federal Power Commisison maneuvered through the White House to protect the licenses of the Idaho Power Co. at Hells Canyon by short-circuiting Secretary Seaton's proposal for a high dam at Pleasant Valley. Mr. Seaton's proposed high Pleasant Valley Dam would flood out one or more of the licensed Idaho Power Co.'s projects, and would conflict with the licenses of the four Northwest companies seeking to take over another section of the Snake River for inadequate development.

"HOW KUYKENDALL OUTMANEUVERED SEATON

"(By A. Robert Smith)

"WASHINGTON.—A relatively unknown Olympia attorney 4 years ago, James K. Kuykendall has now emerged as a formidable figure in the Eisenhower administration as chairman of the Federal Power Commission. He has demonstrated his political muscle by successfully mousetrapping a member of the President's cabinet on what was probably the most significant decision for the Pacific Northwest since the administration backed away from a high Hells Canyon dam.

"In a test of strength with Secretary of Interior Fred A. Seaton over a proposal for a high Pleasant Valley dam, Kuykendall has won hands down by getting the White House to take his side. There will be no high Pleasant Valley dam, it now appears certain.

"When Seaton shot off a strong letter to Kuykendall many weeks ago asking for a delay in FPC action on the application of Pacific Northwest Power Co., Kuykendall took his protest straight to Sherman Adams, President Eisenhower's chief of staff.

"This was more than an academic matter of whose will would prevail; Kuykendall was probably laying his political life on the line. His term expires June 30, and his chances for reappointment to a new 5-year term would not have been enhanced by picking a fight that he could not win.

"In crossing swords with Seaton, Kuykendall was engaging an old pro of the political fights that are settled on the White House grounds, for Seaton was promoted into the Cabinet from the position of deputy assistant to the President, one notch below Sherm Adams.

"But the usually mild mannered, pleasant Washington State lawyer had the better of it psychologically when he precipitated the crisis. Seaton had made the mistake—probably a calculated risk on his part—of publicly announcing his proposal for a high dam without getting advance approval from the President or Adams. Seaton's probable calculation was that if he took this formally to the Cabinet, thereby giving it the prestige of a major policy decision, he might get turned down before his idea was off the ground. At an earlier postelection Cabinet meeting reportedly the President had declared there would be no power policy changes.

"On a nationally televised Sunday interview program on inauguration eve, Seaton floated his proposal publicly for the first time. While editorial writers in the Pacific Northwest were greeting the news with acclaim, the White House greeted it by calling Seaton on the carpet.

"So when Kuykendall showed up with Seaton's strong letter in behalf of the high dam, the White House heavily blue penciled it, deleting the heart of his proposal. To avoid any public reversal of a Cabinet member, he was permitted to send a letter which could easily be ignored.

"And that is just what Kuykendall, with the full support of the Commission and the White House, has now done with the meaningless Seaton letter. As the quiet spoken Dutchman from Olympia tells the visitor, the Commission doesn't like Cabinet members butting into what the FPC regards as its own affair.

"It's a rare day in the Washington power struggle that the head of what is supposedly an independent Commission takes on a high member of the President's official family. It's rarer when he wins so significantly.

"The clash, of course, was basically over the controversial 'partnership' power policy which Kuykendall could contend would be violated by Seaton's proposal, especially since a high dam would flood out the Hells Canyon site already licensed by the FPC to a private utility. The consequential fact is that in siding with Kuykendall, the White House wanted no part of a modification of the power policy."

"WHITE HOUSE OPPOSED TO HIGH DAM ON SNAKE

"(By A. Robert Smith)

"WASHINGTON.—The White House has quietly turned thumbs down on the proposal for building a high dam at Pleasant Valley site on the Snake River, according to well-informed sources.

"This top level decision, taken weeks ago but never publicly announced, carries multiple significance:

"1. It quashes the effort of Secretary of the Interior Fred A. Seaton to have a high Pleasant Valley project built where a combine of 4 northwest private power companies hopes to build a lower dam.

"2. It conforms generally with the administration policy set 4 years ago of nonsupport for a High Hells Canyon Dam in that stretch of the Snake River where Idaho Power Company wanted to build smaller projects, and is now building the first of these.

"3. It demonstrates that the Eisenhower administration is sticking rigidly to the controversial "partnership" power policy by which local utilities are encouraged to build dams at sites once earmarked for Federal development.

"Serious consideration of a high Pleasant Valley Dam began among top officials at the Interior Department in November when the Bureau of Reclamation completed a preliminary survey ordered by Seaton last fall. On January 20 Seaton publicly announced in favor of the high dam, saying he would ask the Federal Power Commission to delay any decision in the pending Pleasant Valley-Mountain Sheep case until Interior engineers could compile complete geological data on the feasibility of the project. He estimated it might take another year to do this.

"SEATON CHANGES COURSE

"But since then, Seaton has never carried out this intention in the forthright manner in which he said he would inject the high-dam proposal into the FPC proceedings. He did write a letter, but it made no request and it has been virtually ignored by the FPC.

"The reason for Seaton's failure to carry through with his plan, informed sources report, is that after his announcement of January 20, made on a network television program and amplified later to this reporter, the following sequence of events took place within the administration:

"Seaton drafted a letter to the FPC Chairman, Jerome K. Kuykendall, to carry out his expressed intention to act in behalf of a high dam. Kuykendall was apprised of the contents of Seaton's letter and went to the White House to protest this action by the Interior Secretary.

"SECRETARY LET DOWN

"Kuykendall's action precipitated what theretofore had not been made—an administration policy decision respecting Seaton's Pleasant Valley idea. Seaton, in a word, had not cleared his January 20 announcement with the White House. He had not taken up the question in the Cabinet.

"The consequence was that the White House turned thumbs down on Seaton's idea, and the Secretary had to tear up the letter he had wanted to send Kuykendall. But having publicly announced he was going to do something, Seaton was permitted to send to the FPC a letter so worded that it could be variously interpreted and perhaps save Seaton the public embarrassment of being reversed openly by the White House on an important policy matter.

"The letter sent to Kuykendall was released February 15 when Seaton was en route to Hawaii. Aids said it could be interpreted to mean the Secretary was asking for a delay, although no such request was made. When it was received, Kuykendall said he found in it no request for a delay. This week he amplified this in an interview, saying 'the Commission does not consider that the letter from the Secretary of the Interior has any legal effect, substantially or procedurally.' He added: 'The Commission does not intend to alter in any way its normal course of procedure in handling the Mountain Sheep-Pleasant Valley application of the Pacific Northwest Power Co.'

"FPC DECISION NEAR

"Kuykendall said an estimate that a decision in the company's case will be ready by late summer was not unreasonable. (Final briefs are now being awaited by the examiner who presided over the hearings which ended in December.) The Interior Department estimates it won't have its data compiled on a high dam until next January 1, months after the FPC decision is expected to be rendered."

I do not know why the White House letter has sought to misrepresent what is being done in regard to plans for Columbia Basin development. There is nothing to substantiate the claim of the White House that the Secretary of the Interior proceeded expeditiously to secure a detailed feasibility study of the proposed Pleasant Valley dam site so as to determine the advisability of the construction of a multipurpose project in lieu of that proposed in the license application pending before the FPC for development of the Pleasant Valley site. Congress has the right to expect an adequate explanation of the difference between what is being done by agencies of the executive department in regard to Snake River water resources, and the facade which is being given to these adverse actions by White House pronouncements. I hope that the President will reconsider our request for an immediate conference on this vital issue.

COLUMBIA BASIN DEVELOPMENT

Mr. MORSE. Mr. President, my colleague earlier today discussed a joint letter which a number of Democratic Senators from the Columbia Basin States have received from the administration. Supplementing what my colleague said, I wish to make these brief remarks.

On May 8, the 7 Democratic Senators from the Columbia Basin States wrote to the President requesting a joint conference to discuss the utter confusion within the administration on Columbia Basin resource development.

Yesterday each Senator received a reply from a Presidential assistant saying, among other things, "the President asked me to say that he believes such a meeting would be premature at this time."

This is an amazing comment. The various executive agencies and the FPC are hopelessly at odds about power, flood control, navigation, and irrigation development. The voters of the area made very clear their dissatisfaction with the administration's policies, but the President believes a meeting on the subject would be premature.

Yet only a few lines later the White House letter expresses the hope that the Congress and all agencies of the executive branch will join together to seek solutions which confront the Columbia River Basin as a whole. How are Congress and the executive to join together if the representatives of the region are told that a Presidential conference with them would be premature?

As the letter we sent points out, the various executive agencies and the Federal Power Commission are going off in all directions. It is quite clear that the confusion stems directly from the administration's scuttling of high Hells Canyon Dam because the loss of its 4 million acre-feet of water storage for power and flood control would disrupt all basin planning to date.

As in 1954, the administration holds out hope of vast new storage at Libby Dam. Yet Libby Dam, a highly desirable project, is not an alternative to Hells Canyon Dam. Furthermore, it is snarled in disagreement with Canada on the sharing of benefits, due in large measure to administration bungling.

For example, in 1953 this administration broke off negotiations with Canada on the subject, and the Republican chairman of the Senate Public Works Committee introduced a bill to rescind the authorization of the Libby Dam. Since 1953, negotiations have been complicatd by strange and legalistic arguments put forward by the United States representative, Len Jordan, former Republican Governor of Idaho, and an outspoken foe of Federal development.

As I have predicted for years, loss of the Hells Canyon Dam would mean administration attempts to substitute undesirable projects elsewhere. Already the Senate has passed a limited authorization for Bruces Eddy Dam. Now the White House letter puts forward a revival of plans for Penny Cliffs Dam, which has an even greater adverse effect upon fish and conservation.

Furthermore, the White House acts as if the Interior Department's studies of Pleasant Valley Dam and the Federal Power Commission staff recommendations for Nez Perce Dam are consistent. They are not. Indeed, Secretary Seaton, according to press reports not denied, has been put under wraps in respect to a higher Pleasant Valley Dam, and the Federal Power Commission is sailing along as if Seaton never informed it of his study.

If anything is premature in this situation, it is Nez Perce Dam. Fish studies are fine, but it is fantastic to hold out Nez Perce Dam as a reasonable expectation for the future.

At every turn the administration is scuttling full, comprehensive river development. Why, for example, is there no mention in the White House letter of development of the magnificent Paradise Dam site? It is because a private utility combine has marked it for really insignficant development.

Why is no mention made of administration failure to request funds for the great John Day Dam—the only major multipurpose dam ready for construction? It is because the administration has not given up its delaying tactics in the hope of fostering its private utility partnership scheme.

The White House reply will be read with disappointment and chagrin in the Pacific Northwest. Furthermore, Mr. President, it is my prediction that it will teach the conservation groups the importance of their proceeding without any delay whatsoever in making clear to the administration that they intend to do everything they can to stop the anticonservation program which has come to characterize the natural-resources program of this administration.

Mr. President, I turn now to another subject.

The PRESIDING OFFICER (Mr. FREAR in the chair). The Senator from Oregon has the floor.

THE TIME WHEN ACCELERATED AMORTIZATION CERTIFICATES BECOME USEFUL

Mr. MORSE. Mr. President, in the Kefauver subcommittee on Monday, and on the floor of the Senate last evening, question arose as to when an accelerated amortization certificate becomes useful.

Interestingly enough, the Director and General Counsel of the Office of Defense Mobilization were not sure of the answer during the Monday hearing. They believed that the certificates go into effect for amortization purposes when a facility becomes productive. After that hearing, I was advised, through an assistant, by experts in the field that the ODM officials were wrong. However, the experts were wrong; they were basing their opinions on the fact that deductions for taxes were taken in 1951 on certificates issued under the law passed in 1950. They were unaware that there was a limited retroactive feature in the law.

In reliance on this mistaken information, I stated on the floor of the Senate, last night, that the certificates are of immediate tax use. However, I promised the Senate that I would look into the matter immediately, and would find out whether my understanding was correct. I have found that it was incorrect. However, this is not to say that these tax certificates are of no immediate use.

For example, as reported in today's issue of the Washington Post, it was developed in yesterday's hearings before the Joint Committee on Defense Production that quick tax writeoff certificates aid companies in obtaining bank loans.

In the Idaho Power Co. case, on April 24—a week after the company's tax certificates were signed—the Federal Power Commission granted the company permission to issue $40 million of unsecured notes for a bank loan, which presumably was consummated.

If the company received no more than the loan on the strength of the generosity of the Office of Defense Mobilization, the company received a great benefit. However, Mr. President, there is another benefit, namely, the effect of the granting of the certificates on the stock market value of the stock of the company. It is interesting to note that following the granting of the certificates to the Idaho Power Co., the value of the company's stock on the stock market immediately rose. Why not? After all, that amounted to a handout and a gift by this administration, to the Idaho Power Co., of a great many millions of dollars of increased wealth for the company.

Mr. President, I turn now to another subject.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

THE POSITION TAKEN IN RECENT YEARS BY SENATOR MORSE IN REGARD TO TAX WRITEOFFS

Mr. MORSE. Mr. President, in recent days, questions have been asked from the floor of the Senate about the position taken by me in recent years in regard to tax writeoffs. At this time I wish to read into the RECORD a statement I made on July 11, 1953—rather early in the life of this administration. I read from volume 99, part 6, page 8549 of the CONGRESSIONAL RECORD of the year referred to:

Mr. MORSE. What needs to be pointed out is that the segment of our population that should be protected, from the standpoint of human values, does not have a well-financed lobby. There is no oil lobby protecting them; there is no private utility lobby protecting them. Does the Senator from New Mexico think it is only a matter of chance that the private utilities of the United States, for example, have obtained thus far, in round numbers, $3 billion in a tax-amortization plan? The average citizen does not stop to realize what a tax-amortization plan really means.

What a tax-amortization plan, to the tune of more than $3 billion, means to the private utilities of the United States is that the little people of America are handing to them on a silver platter, as a gift, private utility plants to the value of $3 billion. It is nice if one can get away with it. It is good if one can have an administration that will let him get away with it. But the representative of the Independent Party intends to fight it so long as he stays in the United States Senate.

It is a grand political steal. It is grand larceny against the American people. That is language the people ought to be able to understand. I cannot be any more plain or blunt than that. I say today to the American people that I think a $3 billion gift to the private utilities of the United States, in the form of a tax-amortization plan, cannot be justified. The American people should be going ahead with the building of such great multipurpose dams as Hells Canyon, for example. They should not be amortizing the tax structure of private monopolies which are not private enterprises at all. Yet the Eisenhower administration talks about private enterprise in the form of private utilities. There is not a private utility in the United States that is a private enterprise. It is a monopoly. As a matter of Government policy, it has been necessary for decades to regulate private utilities because, if they were not regulated, they would exploit the consumers. That is the record of private utilities.

If I should seem to be a little emphatic, it is only because the time has come during the present administration when some one should dare to stand on the floor of the Senate and tell the little people of America, "You are being taken for an economic ride; but, so far as you little people are concerned, it is not in a Cadillac."

That was the position I took on the tax amortization issue on July 11, 1953.

On July 29, 1954, I was interviewed on a radio broadcast which was taped in Washington, and was sent to a number of radio stations in Oregon—some 30, I believe. It is a policy of mine to make a radio broadcast into my State once each week. I make the tape here in Washington, D. C.—a practice which is followed by many Senators. The tape is sent to my State, for use at a regular broadcast time which is scheduled on each station, each week; and my report to the people of Oregon is made in that form.

On July 29, 1954, Mr. President, I discussed the matter of rapid tax amortization. Mr. Berg, my administrative assistant, asked the questions on this broadcast. I now read the transcription of the broadcast:

Senator MORSE. This is your Senator, WAYNE MORSE, reporting to you on issues before the Senate.

Today I have with me my administrative assistant, William Berg, Jr. Bill is one of my former law students who for some years practiced law in Portland.

Bill, I understand you have a number of questions.

BILL BERG. Senator, several days ago you discussed on the floor of the Senate some of the hidden subsidies to big business that are found in the administration's atomic-energy bill. At the same time, you made an analysis of another hidden subsidy for big business known as "accelerated tax amortization." I think the people of Oregon would be interested in hearing your comments on this subject.

Senator MORSE. After studying the operation of the accelerated tax amortization program, I am of the opinion that we could properly describe it as the new look in free enterprise, enterprise for free.

It is a plan that was developed in time of war emergency to induce the investment of private capital in factories, defense plants, and equipment essential for national defense.

In general, the accelerated tax amortization plan permits a company to take larger depreciation deductions for Federal income-tax purposes over a shorter than normal period of time. In other words, it allows the company to amortize or fully depreciate its investment in these emergency facilities over a 5-year period instead of the normal period, which can vary from 10 up to about 50 years.

Of course, the more depreciation a company can take for tax purposes the more money it will have left after paying taxes.

When a company is given the benefit of accelerated tax amortization or rapid tax writeoff, as it is sometimes called, it gets from the Government a certificate of necessity, which it uses at taxpaying time to prove to the tax collector that it is entitled to take these larger depreciation deductions.

BILL BERG. Senator, would you give a practical example of how this rapid tax writeoff plan actually works?

Senator MORSE. Let's take the case of a company that pays $10,000 for a new machine that has a useful life of 20 years. Let's also assume that this company is a real moneymaker—that it is way up in the 52 percent Federal corporate tax bracket. Of course, I'll admit this last assumption is not very realistic over a 20-year period because, as I point out later, corporate tax rates tend to drop after an emergency period.

Under normal depreciation our company can deduct each year, for Federal tax purposes, 5 percent of the cost of the new machine or $500. It can do this for 20 years. At the 52 percent Federal corporate tax rate the deductions represent savings of 52 percent of $500 or $260 each year for 20 years.

On the other hand, if the company has a certificate of necessity from the Federal Government stating that it is entitled to the benefit of a rapid tax writeoff on this machine the depreciation period will be reduced from 20 years to 5 years and the company will be allowed to deduct for Federal tax purposes depreciation amounting to 20 percent of $10,000 each year for 5 years. This amounts to $2,000 instead of $500 a year for the 5-year period. At the 52 percent corporate tax rate, the deduction will represent a savings of 52 percent of $2,000 or $1,040 a year for 5 years.

BILL BERG. Senator, I have computed the total tax deductions for the normal 20-year period and for the 5-year accelerated period you just mentioned. In each case the total tax deductions are exactly the same. Also, the total tax savings are identical in each instance—$5,200.

In the long run, doesn't it work out that there really aren't any overall benefits to the company that decides to get a rapid amortization certificate of necessity from the Federal Government?

Senator MORSE. I'm glad you brought that up because those who like to have this hidden subsidy remain hidden from the public use that very argument. But they're wrong—dead wrong—and unfortunately, at least one big business propaganda mouthpiece in Oregon has been circulating such misinformation.

Such propagandists fail to tell the American people these facts:

First, rapid tax amortization makes possible enormous benefits by way of interest savings on taxes that certificate holders don't have to pay to the Federal Government during the 5-year rapid depreciation period. The company that enjoys these large depreciation writeoffs can put the money to work for its own advantage. That's why this rapid writeoff has been compared to an interest-free loan. You can imagine the nature of this benefit to a large corporation such as a steel mill or a private electric utility when it has been certified for $10 million or $15 million in rapid depreciation. That certificate gives it quite a sum of depreciation withholdings to put to work.

In the meantime, the Federal Government is deprived of its use of millions of dollars in tax income during the 5-year period. It has to borrow to make up the difference and the interest it pays on its borrowings helps to increase the already stupendous national debt.

BILL BERG. Aren't rapid amortization tax certificates also sought by big business because they cut down tax liability in periods of high taxes?

Senator MORSE. That is the second point I want to mention on this subject. The rapid amortization plan gives certificate holders the opportunity to take sizable depreciation writeoffs during emergency periods when Federal taxes usually are high. For example, they had the advantage of big tax deductions when the excess profits tax was on the statute books. Now that the excess profits tax is gone, the corporations have the benefit of lower Federal tax liability during the period in which they no longer can take depreciation deductions on amortized facilities. That translates into hundreds of millions of dollars by way of tax savings for corporations over the years.

BILL BERG. Senator, has the accelerated tax amortization program been handled on a hard-to-get basis by Government agencies?

Senator MORSE. No. It is unfortunate that the whole program has been handled rather loosely without the detailed investigations that are so essential to full protection of the public interest. A couple of years ago, the Senate Small Business Committee issued a report criticizing the way the program has been handled. The report pointed out that tax amortization certificates were issued by Government agencies covering plants and equipment that would have high peace-time value long after the 5-year period. The Small Business Committee stated that certificates of necessity in many cases covered new plants when idle plants were available for the same use. Above all, small-business men who usually don't have enough office people who are experts at filling out complicated Government application blanks found that they were often squeezed out when they applied for rapid amortization certificates. Big business was able to put its experts—including its Washington representatives—to work immediately and thus it got in on the rapid tax amortization program much earlier than most small-business men. Too often, the latter found themselves excluded by the closing of the amortization program so far as their types of business activity were concerned.

BILL BERG. Is it true that the private electric utilities have applied for rapid-tax-amortization certificates in great quantities?

Senator MORSE. Yes. The Office of Defense Mobilization—the Government agency that handles this program—supplied me with the statistics and they are amazing. Since the outbreak of the Korean war these utilities have received rapid-writeoff certificates of necessity totaling $2.2 billion—not millions, mind you, but billions. The electric utilities seem to think that the rapid-tax-amortization program is pretty good.

BILL BERG. Have any private electric utilities in Oregon sought these certificates of necessity?

Senator MORSE. Yes. The Portland General Electric Co. has received at least three certificates of necessity for rapid tax deductions totaling $18,635,000. That's a lot of money. Portland General Electric must like the program.

The California Oregon Power Co. has received a certificate of necessity allowing a $19,524,000 rapid tax writeoff. Copco also finds the program to its liking.

I hasten to add, of course, that I do not oppose the accelerated-tax-amortization program as such. I think we must reconcile ourselves to the fact that it is a necessary inducement to get the construction of urgently needed defense facilities. Apparently we have to have this type of program where the plants or equipment involved would be costly to convert to peacetime uses or would have little value after the emergency is over. However, that is not true of private electric-utility plants. Most of them, because of changes in economic conditions, will be worth more money as our economy expands. Years after they are built they are likely to be worth more than when they were first built. In the case of the electric utilities we are not dealing with something that is going to be of little value after there has been a period of use. The plain fact is that these utilities want certificates of necessity for the tremendous financial advantages that I have discussed previously. I doubt seriously that there are many cases in which they can really justify getting these certificates.

BILL BERG. I understand that for the time being the Government has closed its expansion goals on electric power. In other words, it is not granting certificates of necessity to the private electric utilities at this time.

Do you believe these utilities have given up the idea of getting further tax-amortization certificates?

Senator MORSE. Oh, no. They are still clamoring for rapid writeoffs. Several days ago, I received from the Office of Defense Mobilization a list of about 25 pending cases in which electric utilities are asking for rapid amortization certificates of necessity totaling many millions of dollars.

BILL BERG. Do some of these pending cases involve private electric utilities in the Pacific Northwest?

Senator MORSE. Yes, indeed. There are two very interesting applications for certificates now on file with the Office of Defense Mobilization. The applications were made by the Idaho Power Co. and they cover low-head dams at the Oxbow and Brownlee sites on the Snake River. These applications indicate that the outlays will be $35,944,000 and $67,138,000, respectively.

The pending Idaho Power applications are significant when we recall that the company is in a last ditch battle with those who are trying to bring about full development of the people's interest in the great natural resource assets of the Snake River. The irony of the situation is this:

The Idaho Power Co. wants to deprive the American people of the benefit of the high Hells Canyon Dam by building three puny dams. But, at the same time, the company wants the American taxpayers to pick up rapid amortization tabs on two of the proposed low dams to assist in its fight against the public interest. The Idaho Power Co. shouts, "creeping socialism," when the Federal Government assists in the development of great multipurpose dams but apparently it believes that it is respectable "creeping socialism" for the Government to assist the Idaho Power Co. by way of amortization

certificates of necessity when it wants to build its own low-head, high-cost dams.

BILL BERG. Senator, at the rate the tax amortization program is going, it seems to me there is great danger that the situation will get out of hand and that the Treasury will lose billions of dollars unless remedial action is taken.

Senator MORSE. That's right. Not only do we have this emergency rapid depreciation program in our Federal statutes, but the new revenue revision bill which is being reported out of the Senate-House conference committee in final form contains a provision for "double-rate declining-balance" depreciation which is not limited to emergency defense facilities. It will apply to equipment used generally in peacetime business and production. These two programs promise to cost the Federal Treasury billions of dollars by way of lost revenue. They promise huge financial benefits for big business. I think we can understand why one Congressional committee described this program as the "biggest bonanza that ever came down the Government pike." Congress has investigated the subject of rapid depreciation in the past, but it must be vigilant and continue such investigations because I strongly suspect that these programs may be operating at a price that is much higher than the American public can afford.

This is WAYNE MORSE, reporting from Washington. Goodby until next week—same time—same station.

I read this broadcast, Mr. President, because attempts have been made by some of my Republican colleagues to leave the false impression in the RECORD that the Senator from Oregon was silent when tax amortization certificates were granted in the State of Oregon to some Oregon electric companies.

Mr. President, I have checked very carefully the files in my office, and I make this report to the Senate: When the Office of Defense Mobilization granted these fast tax writeoff certificates to these Oregon utilities I was not informed about it. I did not become aware of it until it was an accomplished fact. But when I discovered it, as this broadcast shows, I protested it. Not only that, but there was much correspondence in my files to show that I expressed strong opposition to it.

I am about to come to the CONGRESSIONAL RECORD, in a moment, but first let me make a statement about what happened when I found that the Office of Defense Mobilization in 1953 was misusing the law Congress had enacted, by granting these certificates to companies for the construction of plants which were not in fact defense plants. They were not plants which would be lacking in great civilian production value after the emergency was over. They were private utility plants, electric powerplants which, as I said in my broadcast, would be of greater value some years after they were constructed, for the simple reason that there would be greater need for the power and there would be an increase in the population in the area, so that demand for more power would ensue, which would of course make the plants, thereby, much more valuable.

I make this statement tonight, Mr. President, because it is so easy for colleagues to make the kind of false assumption that was made in the criticism of me last Wednesday by some of my colleagues, when they sought to leave the impression in the CONGRESSIONAL RECORD that when certain utilities in the State of Oregon received tax amortization certificates the Senator from Oregon was silent. I was not silent, Mr. President, as soon as I found out about it.

Of course, Mr. President, I am not privy to the inner, secret councils of the executive branch of this administration. I do not know, for example, what happened behind the closed doors in the Eisenhower administration when Mr. Seaton's letter recommending against the fast tax writeoff for the Idaho Power Co. became known to the administration leaders.

"EXECUTIVE PRIVILEGE"

Dr. Gray, the Chairman of the Office of Defense Mobilization, would not testify before the Kefauver committee as to what took place. He hid behind executive privilege. He had the right to plead executive privilege, if he wanted to, as anyone has the right to plead the fifth amendment, but he must expect, when he pleads executive privilege, that his plea will be subject to public comment.

I wish to repeat tonight what I said in a radio broadcast to my State today; namely, that it is my suspicion that Dr. Gray does not dare to disclose to the American people what took place behind the closed doors of this administration in regard to the reaction to the Seaton letter. I am satisfied in my own mind that it was a very disturbing thing, because the Seaton letter set forth, of course, the position that some of us have been taking for years in the Senate, in opposition to fast tax write-offs to companies which are using the fast tax write-offs not to build defense plants but to build civilian production plants, examples of which are the electric power dam and generating plants.

What is happening, Mr. President, with respect to this fast tax write-off schedule, is that the American people are now becoming aware of the giveaway that is involved in it.

Senators ought to see my mail. One would think, Mr. President, in view of all of the abuse and castigation I have been receiving, that I would be hearing only from critics. It is true that I am getting some mail that ought to come in asbestos envelopes.

MAIL SHOWS BACKING

But I am proud to report to the Senate that the overwhelming majority of my mail strongly supports my position and urges me to fight on against this kind of political theft by the present administration from the taxpayers of the country. I am urged to continue to lay down the bill of particulars, in instance after instance, of the shocking political immorality of the Eisenhower administration; and I intend to do so.

In fact, from now until adjournment I intend to take some time each week to present a further bill of particulars of the political immorality of the Eisenhower administration. From this desk tonight I now invite the American public to be of all possible assistance to me in this endeavor. I say to the American public that from now until this Congress adjourns sine die, at least once each week I shall present the latest information I have been able to gather regarding new examples, or new facets of old examples, of the political immorality of the Eisenhower administration. I am sure that each week I shall not be able to cover all the examples I will receive, because, as I have said before, this administration is honeycombed with political immorality and political corruption. I repeat that the situation I am describing is an example of it, and the American people do not like it.

I have been greatly encouraged, and I have had my determination to continue this fight greatly strengthened, by the number of Republicans from whom I have been hearing—Republicans not only in my own State, but outside my State, who think the time has come to call a halt to the imposition of hardships upon the little people of America, hardships that are a result of the policies of favoritism by this administration to the big fellows of America.

The people agree with me that it is a pretty shocking thing that the taxpayers should be asked to pay a part of the cost of constructing the facility of any private utility in or out of Oregon, in or out of Idaho, in or out of Washington, in or out of any other State in the Union. The private utilities should be required to pay their own way.

ADVERTISING PROPAGANDA

I have said for some time on the floor of the Senate, in years gone by, that a part of the inexcusable and costly advertising propaganda program of the private utilities, and the service agency known as Ebasco, which is seeking to poison the thinking of the American people by making them believe that a multiple-purpose dam is some kind of socialism, is a cost which should not be collected from the rate payer. It is a cost which should not be allowed to be charged to advertising. It is a cost which should not be collected in part from the taxpayers of the country by having it included in deductible items. It is a cost which ought to be paid by the stockholders.

It is becoming a little hot for the administration in this connection. Many people in the country are asking why something is not being done about the situation. I have not had time to get the official papers yet. I have only the press releases thus far to rely upon. However, the press releases in the past couple of days are to the effect that the Federal Power Commission is at least beginning to concern itself about some of the advertising practices of certain private utilities in some nearby States, and has raised a very serious question as to whether or not certain costs are legitimate advertising costs.

I welcome such an investigation. I hope it is not merely a flash in the pan. I hope it is not merely a temporary conversion. I hope the administration is really getting some political religion, and is about to reform its ways and go down the sawdust trail, so to speak, and put its political professions of reform into practice.

There is so much that it can do to keep itself busy in trying to correct its political sins since the inauguration day of 1953. It can completely change if it really has received political religion at

last, and if it now wants to support good, clean government. There is much it can do to reverse its policy in the field of natural resources.

TAX AMORTIZATION FOR DEFENSE

I have spoken many times in the Senate on the question of tax amortization. For example, as appears in the CONGRESSIONAL RECORD, volume 100, part 9, page 11828, I said:

> Mr. President, let me make one point very clear. I have no quarrel with a law which makes available to private capital an inducement by way of rapid depreciation on the construction of emergency facilities used in the preparation of materials for defense or for the prosecution of any war into which we may be forced. Apparently it is asking too much to suggest that big business risk capital for these purposes. I do not ask it.

I digress from the quotation long enough to refresh the memory of Senators as to what the situation was at the outbreak of World War II, and also at the outbreak of the Korean war, when there was a repetition of the situation. We were drafting boys to be sent to their death in a great patriotic cause. There was not very much drafting going on at the civilian front of our economy.

The undeniable fact is that strong protests were received from industry in connection with the so-called crash programs, the emergency programs for the building of war plants. The cry went up that the producers should not be asked to pay for the entire cost of such plants, because many of such plants, like ammunition plants and certain types of steel production plants, would be of very little value after the war was over.

They were right about that, although somehow the situation created a rather sickening feeling in the pit of my stomach, when the very survival of our country was involved, to think that there should be any dragging of corporate feet to interfere with the most rapid progress of a crash program to build the required facilities as quickly as possible. I felt that companies should have been willing to place their faith in the Government to see that equity and justice was done to them.

I was in the midst of some of that activity, because in those dark days I was serving on the War Labor Board. I must confess that I was rather disappointed that there was any delay at all. I said then, and I say now, that the companies should be given assurance that the Government would pay the full cost, so that they would be held without loss, for those plants which would be of no value for civilian purposes when the war was over, but which were needed for war production purposes. When I say the Government should pay the full cost, I am taking into account, of course, some formula or equitable arrangement whereby the profits which were made as a result of war production would be used to pay for at least a fair share of the cost of the plants.

I cite it, Mr. President, because no one can deny the fact that one of the reasons this fast tax writeoff program had to be enacted in the first place was that there was, in a sense, a sitdown strike going on on the part of a certain segment of American big business. Strong representations were made in Washington that this type of subsidy was necessary—that is what it amounted to, a subsidy—in order to get on with the work of fighting the war. That was the theory and the basis for the law in the first place.

As I said so many times, it has been perverted into something entirely different from its original purposes in many instances.

I return to the quotation from my speech of July 24, 1954. I said:

> Apparently it is asking too much to suggest that big business risk capital for these purposes. I do not ask it. Therefore, if we justify emergency rapid amortization deductions, we must do so upon the theory that they supply the necessary inducement for the construction of facilities essential to national defense, but which would be of little value to the owners after termination of the emergency or convertible to peacetime uses only at prohibitive cost.

FALLACIOUS ADMINISTRATIVE REASONING

Mr. President, I digress from the quotation for a moment to say that the Seaton letter of March 11 makes perfectly clear that in the opinion of the Secretary of the Interior the fast tax writeoff to the Idaho Power Co. cannot be justified on the basis of a defense purpose, any more than the certificates to any of the Oregon companies in 1953 could be justified on the basis of a defense purpose. My view then, as it is now, is that it was just as wrong to grant those certificates to the Oregon companies as it is to grant the certificates to the Idaho Power Co.

Yet Dr. Gray, for example, in his testimony before the Kefauver committee, on the day before yesterday, took the position that one of the reasons he went along with this was that it had been in accordance with the past administrative practice. Apparently he based his testimony on the fallacious reasoning that a series of wrongs makes a right. Having discovered this wrong in the past, I say his position ought to have been a declination to pursue it further. He should have said, "I am going to end it."

I do not know how we are ever going to clean up anything in Government, if a Government official takes the position that, because an administrative procedure has permitted dirty business to go on, he will not discriminate against the next fellow who wants to take advantage of the taxpayers, too. Of course, I cannot understand a chairman of the Office of Defense Mobilization who would take such a position—of course, I cannot understand why Dr. Gray did.

I said the other day, and I repeat now, that he ought to be removed from office immediately. He has been highly derelict in the performance of his duty. I think he owed it to every American taxpayer to have drawn the issue. In fact, he ought to have asked to appear before the Byrd committee, rather than be requested to appear before it. The moment he assumed office as the head of the Office of Defense Mobilization, and saw this program in effect, he ought to have brought it to the attention of the Congress. Some of the rationalizers of this administration, in and out of Congress, are trying to say that Congress should have done something about it. Mr. President, Congress would not need to do anything about it if we had good administrators in the Government, if the law was being administered in the light of its purpose. I want to say, however, that now, in view of the scandalous situation that has come to light, Congress had better do something about it.

I am not going to say on the floor of the Senate tonight what I am going to support in detail. However, I shall be very much surprised if I do not support the Byrd bill when it comes from his committee, or a similar bill, such as the one that will probably come from the Kefauver committee. I am not ready to say even tonight that fast tax writeoffs should not be made available in specific cases. I have in mind a particular plant vital to the defense of the country—perhaps some atomic-energy plant might qualify—which would have practically no value after the emergency is over, such as, for example, a special type of plant that might be necessary for the manufacture of nuclear warheads. I do not know what the cost of conversion would be, but I believe it could be imagined that such a plant might be needed in the defense program for the manufacture of nuclear warheads. Such a plant would have little more than scrap value, if mankind should ever come to its senses and outlaw nuclear weapons, or agree upon a disarmament program in conformity with our professings about moral principles.

It may be that we ought to wipe the law off the books entirely, and make clear that in wiping it off the books, if, as, and when an agency of the Government wishes to come before Congress with a request for a special bill for the benefit of a particular plant, by means of a rapid tax-write-off provision, we in the Congress will consider the cases individually. Perhaps that might be the best way to do it.

I have been thinking about the problem along that line. I said to my administrative assistant today, "I am inclined to think that what we ought to do is support a complete repeal of the law and an abolition of the tax writeoff practice; take its administration entirely away from the Office of Defense Mobilization, and say to them, 'Come up to us in specific cases; prove your case in a specific case, and then we will write an individual grant for each case.' "

I have a few more quotations to read from my speech of July 24, 1954. It is very obvious that my Republican critics of last Wednesday, who, by reference and innuendo, sought to leave the impression that apparently I had been silent in the past, were not familiar with the facts. I was a little surprised that I should have been silent on any controversial issue. There have not been many controversial issues concerning which I have been silent in the 13 years I have been in the Senate. I should think that they would have had a better hunch than that. I should think that their hunch would have told them, "I bet that fellow talked on that question at some time or other in the past. I bet he opposed it at some time or other."

However, they were a little agitated and a little cross with me, and could not

resist the temptation, apparently, to leave this incorrect impression in the RECORD.

Therefore, for their edification, I shall continue to read from my speech of July 24, 1954, in which I said:

> A law enacted for a very worthwhile purpose can produce unfortunate results if it is administered by Government agencies without careful recognition of the basic objectives of the law.
>
> Unfortunately this observation applies to the rapid amortization plan under section 124 of the Internal Revenue Code. As we shall see later, it has been administered so as to permit certification of facilities that bear little relation to defense. Certifications often have been unduly high. Certificates have been issued despite the fact that idle plant facilities were available to produce the needed items. These and similar administrative shortcomings have cost the taxpayers huge sums of money and have produced windfalls that were never contemplated by the Congress.
>
> There are some folks, though, who solemnly assert that there are really no substantial benefits to certificate holders under accelerated amortization.

Mr. President, how many times have we heard that said in recent days on the floor of the Senate? I think it has been rather amusing the extent to which some of my colleagues have swallowed the private utility propaganda line that, after all, sooner or later, the utilities have to go ahead and pay taxes after the depreciation has run out.

THREE-BILLION-DOLLAR SUBSIDY

Of course, as I have said so many times, they do not tell the American people the great interest savings which the utilities make on the money they otherwise would have had to spend for taxes during the period they were getting the interest-free loans and were getting, also, the great reduction in taxes for the 5-year period. That is why I have pointed out in the debate several times in recent days that even the Secretary of the Treasury, now the ex-Secretary of the Treasury, pointed out to the Byrd committee that the rapid tax amortization program had cost the American taxpayers in the neighborhood of a little more than $3 billion in interest. Remember what he said: $3 billion in interest—money out of the taxpayers' pockets. That is taxpayers' money. Who got it? A private monopoly got it. What was it used for? In the case of the private utilities, it was used to build dams that belong to the stockholders of the private utilities, not to the taxpayers of the United States.

Yet the United States Chamber of Commerce and the National Association of Manufacturers, and other reactionary business organizations, have the gall, the brass, and the indecency to talk about a subsidy to the American farmers. Under the Eisenhower administration, American big business has been the recipient of billions of dollars of subsidies. They hide it in this way. But the American people are catching up with them. The responsibility for it rests on the President of the United States, and no one else.

Mr. President, increasing millions are discovering that the idol has clay feet.

I have had a rather interesting time in the past few days. It is necessary to have a sense of humor about it, and to have an understanding of the psychology of human emotional reactions. But nothing has happened that I did not expect to happen. I expected to be loved and hated by many persons who reacted to my pointing a finger which has needed to be pointed for a long time at the White House. Of course, I have been doing it for a long time, but this recent activity links it with something specific that the taxpayers can understand.

Living costs are going up. The taxpayers are simply in no mood to have the administration give away millions of their dollars to big-business monopoly. Therefore, a good many of my Republican friends are concerned about what I have disclosed; they are concerned about the fact that the American people are concerned about it, too.

ADMINISTRATION SCANDALS

I said last night, good naturedly, that one Republican from my State had called me. Now the mail is coming in. At first, word came by telephone. Now I am beginning to get letters from my Republican friends—and I have many of them. If I did not, I would not be in the Senate of the United States—at least, I would not be in the Senate by the majority which sent me here, because I had to receive many thousands of Republican votes last November 6 in order to come back to this desk, and I received them.

Many of those persons are now writing to me, expressing their appreciation, as many of them put it, for my helping them to clean up their own party—because that is going to be one of the results of this action. We are going to find Republicans across the country who will make it very clear to the President and the White House that the time for sanctimonious, pontifical professings about political morality have come to an end. They want some action now. They want to see the proof. They want to see the President clean house. They want to see an end of such examples of betrayal of public trust as the vast writeoff scandal. They want no more Dixon-Yates contracts. They want no more Al Sarenas. They want no more appointments of persons having conflicts of interests. They want no more giveaways of the heritage of the American people in their own natural resources. They want the administration to keep faith with its professings about a political crusade. The American people do not want a program whereby selfish big-business interests take from the economy of the country for their own selfish gain at the cost of the exploitation of the American people as a whole.

I intend to fight on in this matter. You will find me, Mr. President, coming to the floor of the Senate supporting and praising this administration for every act that it commits in support of good, clean government. You will find me, in the days ahead, supporting the President in respect to a good many phases of foreign aid, as I have done ever since I have been in the Senate—conscious, of course, that there are some improvements which can be made in foreign aid.

Oh, I hope the time will never come when I can have great disagreements with this administration and this President and then not support them when I think they are right on some issue.

But I repeat tonight that I am convinced that the advisers of the President are keeping the facts from him, although, as I said earlier in my speech, I am disappointed that the President permitted an adviser, for example, to send to the Democratic Senators of the Pacific Northwest an answer to a letter which asked for a conference about our natural resource problems there, an answer in which the administration said, in effect, that such a conference would be premature.

REAPPRAISAL AND REEVALUATION OF NATURAL RESOURCES PROGRAM

I invite the President to go to the Pacific Northwest and tell that to the people of that area. They are very much concerned about it. They think there ought to be a reappraisal and a reevaluation of the natural resources program, and they elected representatives to present their point of view. I think the President ought to demonstrate a greater faith in the democratic process than is indicated by his letter. I think the President ought to recognize that when seven Senators elected by the people of the Pacific Northwest say to him in a very courteous and respectful letter, "Mr. President, we think the problems in the field of natural resources in our section of the country are so serious that we ought to sit down and see if we cannot, at least, narrow the areas of disagreement which have developed between our section of the country and the policies of this administration," they should not get a brushoff by way of an answer by having an underling assistant at the White House advising them that the President wants them to know that he thinks such a conference would be premature. He is the loser, Mr. President, in that kind of an approach, because the President of the United States is walking out on the democratic processes.

If he thinks for a moment he is going to cram and ram down the throats of the people of the Pacific Northwest his partnership program at, for example, Cougar or John Day or Green Peter or Trinity or any of the other projects in that section of the country, he is sadly mistaken, because the people will stop him; and, as the representatives of the people, we will do the best we can to help them stop him. We are not going to permit that kind of exploitation of our natural resources by this administration or any other. We are going to fight this administration or any other that seeks to foist upon us a program of underdevelopment of the river basins, not only in our section of the country, but anywhere else in the United States, for the reason that full development is essential to the welfare, not only of our generation, but of the American people for all time to come.

Mr. President, I was going to read further excerpts from my speech of July 24, 1954, but I believe I have made my point. Therefore, in order that it

can be a part of the RECORD of this discussion, and can be offered as the proof in answer to the false impressions which some of my Republican colleagues left in the RECORD the other day, when they raised the question as to whether I had opposed this program back in 1953 and 1954, I ask unanimous consent that my entire speech of July 24, 1954, which was printed in the CONGRESSIONAL RECORD, volume 100, part 9, beginning on page 11828 and running through page 11839, be printed at this point in the RECORD, as a part of my remarks.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). The Chair wishes to inquire of the Senator from Oregon whether the speech referred to was printed in the CONGRESSIONAL RECORD during a previous year?

Mr. MORSE. That is correct.

The PRESIDING OFFICER. Does the Senator from Oregon request unanimous consent that the speech be printed now in the CONGRESSIONAL RECORD, or does he request that it be incorporated by reference to a previous issue of the CONGRESSIONAL RECORD?

Mr. MORSE. Mr. President, I ask unanimous consent that my speech be reprinted at this point, as proof of the fact that I discussed this problem on July 24, 1954.

Let me say to the Presiding Officer that of course I can, if necessary, take the time now to read the speech into the RECORD.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon? Without objection, it is so ordered. [Laughter.]

The speech referred to is as follows:

[From the CONGRESSIONAL RECORD of July 24, 1954]

The giveaway to which I now refer takes the form of accelerated tax-amortization certificates of necessity. Big business in the United States has been feasting on these at the expense of the rest of the taxpaying public. The accelerated tax-amortization program has become a legalized raid on the Federal Treasury. It has been characterized by one committee of Congress as "the biggest bonanza that ever came down the Government pike"—House Report No. 504, 82d Congress, 1st session, page 1.

The accelerated tax-amortization certificate-of-necessity plan is now found in the Internal Revenue Code, section 124A. Under its World War II predecessor, section 124 of the Revenue Act of 1940, there were issued certificates of necessity totaling about $7.3 billion, of which about $5.7 billion was authorized for rapid depreciation. Section 124A is very attractive to industry. As of June 28, 1954, there have been granted certificates totaling $29,346,861,000, of which 60 percent, or $17,619,629,000, is eligible for rapid amortization.

Those are the official reports of the Office of Defense Mobilization, released June 28, 1954.

WHY IS IT RAPID AMORTIZATION IS SO POPULAR WITH BIG BUSINESS?

What is it about this program that is so alluring to big business?

Mr. President, the answer is quite apparent upon careful analysis: Rapid amortization offers opportunities, first, for enormous interests savings on deferred taxes; and second, minimizing tax liability in periods of high tax rates. Also as the rapid amortization program is administered by Government agencies it provides lush benefits for big business.

Mr. President, let me make one point very clear. I have no quarrel with a law which makes available to private capital an inducement by way of rapid depreciation on the construction of emergency facilities used in the preparation of materials for defense or for the prosecution of any war into which we may be forced. Apparently, it is asking too much to suggest that big business risk capital for these purposes. I do not ask it. Therefore, if we justify emergency rapid amortization deductions, we must do so upon the theory that they supply the necessary inducement for the construction of facilities essential to national defense, but which would be of little value to the owners after termination of the emergency or convertible to peacetime uses only at prohibitive costs.

A law enacted for a very worthwhile purpose can produce unfortunate results if it is administered by Government agencies without careful recognition of the basic objectives of the law.

Unfortunately this observation applies to the rapid amortization plan under section 124 of the Internal Revenue Code. As we shall see later, it has been administered so as to permit certification of facilities that bear little relation to defense. Certifications often have been unduly high. Certificates have been issued despite the fact that idle plant facilities were available to produce the needed items. These and similar administrative shortcomings have cost the taxpayers huge sums of money and have produced windfalls that were never contemplated by the Congress.

There are some folks, though, who solemnly assert that there are really no substantial benefits to certificate holders under accelerated amortization.

PROPAGANDISTS SPREAD FALSEHOODS

Unfortunately there exists in my own State of Oregon one such propaganda mouthpiece which has spread a great deal of misinformation on accelerated amortization. These deceptions had their origin in a little magazine known as the Oregon Voter, a self-appointed oracle on the elective franchise. In its issue of November 21, 1953, it published a diatribe entitled "Untruths Nailed," which dealt with the subject of accelerated tax amortization, particularly in the private electric-utility field. The Voter expressed a desire to impart the truth on this topic and modestly reassured us with a self-serving declaration of its own strict truthfulness. It partially fulfilled its objective. It gave its readers a liberal dose of half-truths.

The Voter criticized the speaker for comments which he made on the floor of the Senate in April 1952 with respect to the enormous benefits the steel industry has enjoyed at the expense of American taxpayers through the rapid tax amortization program. It charged that statements made by the speaker and others regarding so-called benefits of accelerated amortization of costs of new plants are wholly untrue. It cheerfully assured its readers, "The United States Government gets its tax dollars in full," and added that the Federal Government "actually does not lose or donate a dollar of tax" in these amortization cases. This cleverly worded language falls far short of presenting the whole story concerning rapid tax amortization.

The Voter labored arduously to create the impression that any attack on the tax amortization program is pure demagogery. However, the tongue-in-cheek nature of the article was made apparent in statements that might be missed upon a casual reading. For example, there was tucked away in the text of the November 21 article the following little concession:

"If you must figure that the noncollection of interest on that part of the income tax which is deferred to later years is a donation, then you are privileged so to term it."

The readers of that article certainly deserved more information about the interest charge. What they were handed was a fragmentary picture, and a very blurred one at that.

I want to repeat that little escape mechanism the Oregon Voter really sort of hid within the forest of verbiage found in the article: "If you must figure that the noncollection of interest on that part of the income tax which is deferred to later years is a donation, then you are privileged so to term it."

Wait until you see what that little donation amounts to, and then you will see what I mean by hidden subsidy. Then you will see what I mean by the hidden subsidies in this bill. Here is an example of one of them. Of one thing you can be sure, and that is if you vote this bonanza to the private utilities as contained in this bill, they will follow the private utility pattern of recent years, seeking tax amortization benefits. It amounts to a pretty penny, a pretty penny taken right out of the pockets of the people of the United States in the sense that the money is really taken out of the Treasury of the United States because it does not get there in the first place due to this giveaway feature of tax amortization.

At the Labor Temple in Portland, Oreg., on November 23, I had something to say about this interesting problem as follows:

"As part of the propaganda fight waged by the private electric utility monopoly, there has been circulated throughout the State a very clever and misleading article on the subject of tax amortization certificates of necessity. "One sweeping generalization of the utility propaganda article demonstrates that its arguments bear little relation to reality. In bold type it reports that the Federal Government does not lose or donate a tax dollar in these tax amortization cases. Does the author of that suggestion believe his readers are that naive? If the private utility makes no tax savings by the amortization device, why are amortization certificates so eagerly sought?"

This must have hit a tender spot because the December 12 issue of the Voter produced two more articles on tax amortization. In these the Voter yelped like a hound dog, but it never did get a good bite at the truth.

In one of these December 12 pieces entitled "Phony Figures," the Voter did a bit of backtracking. In words that must have been uttered reluctantly, it said:

"Lest there be misapprehension, the Voter does not disclaim that a certificated company derives some nominal benefits from accelerated amortization. But we believe these benefits are smaller and more temporary than the managements usually assume."

Then followed a rambling discussion of compound interest which took the reader over a circuitous route to a conclusion boldly labeled, "Gains All Canceled." With amazing brashness the magazine called the Voter, using a chart that told only part of the story, attempted to demonstrate that interest benefits of accelerated tax amorization, as listed in its chart, cancel out. One insult to the readers' intelligence lay in the fact that the chart concentrated on a 45-year period and avoided full disclosure of the interest savings of the 5-year rapid writeoff period.

I welcome the majority leader. I have a very good report for him. He was ably relieved by a series of very competent colleagues, whose presence I immensely enjoyed. I am delighted to welcome the Senator back to the majority leader's chair. He is refreshed. He is obviously in better spirits than when he left last night. I would not be surprised that we may be able to do some business today, leading to an early recess. I

do not know. We had a little discussion about that a few hours ago, and the Senator from Minnesota agreed with me almost entirely, except when we got to the point where he suggested his offering a unanimous-consent agreement. I told him I was just a private in the rear ranks, carrying out my military orders in this parliamentary battle. I explained to him how mistaken the majority leader was in paying me the great compliment last night of being the leader of the liberal wing of the Democratic Party. I told the Senator from Minnesota that I should like to offer clear proof of how mistaken the majority leader was; because if that were true, if I were anything but a buck private in the rear ranks, I would not be holding the graveyard shift, night after night, on guard duty. That is clear evidence that I can offer that I am far removed from any leadership of the liberal wing of the Democratic Party.

Nevertheless, such kind thoughts make an individual feel good, even though he knows he does not deserve them.

All facetiousness aside, I am very happy to have the majority leader back with me.

Later in this discussion I will have more to say concerning the Voter's phony chart on interest.

Normally, materials on serious subjects appearing in a pulpwood publication are understood to be shallow, slanted, and inadequate. Thus, readers are on guard and not usually grossly misled. However, the propaganda put out in the Voter's articles on tax amortization is so misleading in its cleverly worded half-truths that it cannot be ignored.

WHAT IS MEANT BY ACCELERATED AMORTIZATION

The word "amortization" as used in this discussion has reference to the businessman's practice of gradually writing off—"amortizing"—his investment in capital assets, such as factory buildings and machinery. Obviously, the term has a close relationship to the more commonly understood business concept of depreciation.

Businessmen are well aware of the physical fact of depreciation; they know that their capital investments decline in value through wear and tear, obsolescence, and other causes. They take this into consideration in determining the cost of producing the articles they manufacture. Instead of charging the total cost of a new factory building against current income, the businessman, under recognized accounting practice, "spreads out" the cost over a period of many years. He will charge to each year's cost of production an amount equivalent to a fraction of the total cost of his new factory building, and he will do this for the period of years deemed equivalent to the estimated useful life of the building.

For example, where there is attributed to a new factory building a useful life of 33 years, the businessman depreciates that capital asset 3 percent annually for 33 years. This 3 percent will constitute one of many elements of the year's production costs. In other words, he "amortizes" his factory building—figuratively repays himself its cost—over a 33-year period. In the case just mentioned, the Bureau of Internal Revenue will allow him to deduct from the gross income of his business for 33 years an annual amount equal to 3 percent of the cost of his factory building. Our hypothetical case illustrates the well-known "straight-line" method of depreciation, under which the cost of the facility is written off evenly for a number of years.

When we depart from the physical facts of depreciation and make amortization of the capital investment more rapid by compressing it into a less-than-normal span of its useful life, we say that amortization is accelerated. Thus, section 124A of the Internal Revenue Code allows accelerated—60-month—amortization deductions on emergency facilities that are certified as necessary in the interest of national defense. This is in lieu of, not in addition to, the normal depreciation deductions permitted by the Internal Revenue Code—section 23 (e). Normal deductions are based on the expected life of the facility and, of course, vary depending upon the type of capital asset involved.

ACCELERATED TAX AMORTIZATION—WORLD WAR I

Accelerated tax amortization is a by-product of war. Shortly after the end of hostilities in World War I, the revenue acts of 1918 and 1921 included provisions for the amortization of war facilities (February 24, 1919, ch. 18, sec. 234 (a) (8), 340 Stat. 1078; November 23, 1921, ch. 136, sec. 214 (a) (9), 342 Stat. 240).

In general, the World War I law permitted the taxpayer to request the Commissioner of Internal Revenue for a reexamination of his income tax rates for the years 1918 through 1921 to determine whether additional deductions should be permitted by way of tax amortization. It applied to facilities constructed on or after April 6, 1917, for the production of articles contributing to the prosecution of the war, or vessels engaged in transportation for war purposes. It provided for a reasonable deduction for the amortization "of such part of the cost of facilities or vessels as has been borne by the taxpayer." The World War I plan was supposed to reflect properly the taxpayers' losses in value of facilities or vessels due to the termination of the war.

One would assume that this tax review, dealing with past events, would operate very successfully. It did not. It was unsatisfactory because of difficulties in determining values and ascertain whether facilities or vessels actually "contributed to the prosecution of the war." Also, a backlog of claims resulted in administrative delays.

Critical reports of this World War I program were issued by Senate committees in 1926 and 1935 (S. Rept. 27, 69th Cong., 1st sess., pp. 168–170; S. Rept. 944, pt. 2, 74th Cong., 1st sess., pp. 32–34). The 1935 report recommended against amortization allowances and suggested Government loans in their place.

THE WORLD WAR II TAX AMORTIZATION PROGRAM

Hitler's depredations and the consequent need of becoming militarily strong in a minimum period of time confronted us with a defense problem of huge proportions. Emergency facilities had to be built in record time and the Government; following American tradition, wanted these facilities built with private capital wherever possible. As early as 1939 or 1940, it became apparent that big business was doing a great deal of heel dragging in constructing defense facilities.

Illustrative of the situation prevailing prior to the enactment of the tax amortization certificate of necessity provision of the Internal Revenue Act of 1940 is this observation of the Advisory Committee to the Council of National Defense:

"Substantial amounts of private capital will not be invested in the construction of such facilities unless corporations are assured, in view of the fact that such facilities will be of use chiefly only during the period of national emergency, that they will be permitted to amortize the cost thereof over a shorter period than would be permitted under the depreciation provisions of the Internal Revenue Code." (H. Rept. No. 2894, 76th Cong., 3d sess., p. 16 (1940).)

The impetus to production came by way of an allowance for rapid amortization. In contrast with the World War I procedure whereby refunds were allowed after termination of the war, deductions were to be permitted on a current basis. The extent of the deductions was indicated in each case in what was called a certificate of necessity issued by a Government certifying agency. The Treasury Department accepted such a certificate as authorizing the additional deductions for income-tax purposes.

The World War II rapid amortization plan was enacted in 1940 (Oct. 8, 1940, ch. 757, sec. 302, 54 Stat. 999). This enactment added a new section—124—to the Internal Revenue Code. Briefly, section 124 authorized a 60-month tax amortization—rapid depreciation in lieu of normal depreciation—of the facility in the interest of national defense. The taxpayer was given the privilege of compressing the amortization period into less than 60 months if the period of emergency should end before 5 years. This plan stood in clear contrast with the World War I tax amortization program in that it eliminated an element of uncertainty. The taxpayer was assured in advance that he would get a specific tax writeoff. Also, defense agencies rather than the Treasury made amortization rulings. At first, the Army, and Navy, and later, the War Production Board administered the program.

Railroads, iron and steel, coal, petroleum, aircraft, chemicals, nonferrous metals, machinery, and electrical equipment industries were the chief recipients of these rapid amortization certificates. It has been estimated that rapid tax amortization produced a $3.2 billion reduction in corporate taxes between 1940 and 1945—hearings, Certificates of Necessity and Defense Loans, Subcommittee on Expenditures in Executive Departments, United States House of Representatives, 82d Congress, April 23, 1951, page 335.

These enormous benefits were available until the program was terminated by a Presidential proclamation on September 29, 1945—Proclamation 2669, 59 Statutes 886.

In 1948 the Brewster committee had this to say about the tax-amortization program of World War II:

"Legal profiteering resulted from certificates of necessity. Many companies came out of the war with new, valuable, fully amortized facilities which they could either use or, as some have done, sell. In this way a facility actually paid for out of a contractor's war taxes was additional war profit to him to the extent of its postwar value." (S. Rept. 440, 80th Cong., 2d sess., pt. 2, p. 233.)

RAPID TAX AMORTIZATION TODAY—RESPECTABLE "CREEPING SOCIALISM"

Within a few months after the outbreak of the Korean war, Congress again followed the theory of granting accelerated amortization inducements to encourage the expansion of defense facilities with the use of private rather than public funds.

Section 124A of the Internal Revenue Code, the present law, was enacted on September 23, 1950. The adoption of this action once again demonstrated that Congress wanted to provide a cushion for industry in an emergency period in all cases wherein privately constructed defense facilities might possibly become obsolete or useless by reason of the cessation of hostilities. Section 124A reflects the view that the risk of loss of capital investment in defense facilities should be spread throughout our entire society.

Let me make it very clear, Mr. President, that I do not quarrel with that. I do not think there was anything wrong in theory or principle or policy with the rapid amortization of a true defense plant, namely, a defense plant that we needed in order to protect the security of this country, as part of the war cost. I quite agree with the principle that it ought to be spread throughout all society. I am fully aware of the fact that when we criticize, as I do, the danger of the hidden subsidy in the atomic energy bill with respect to tax amortization certificates, that

was bound to follow, because that is the private utility pattern. I shall present evidence showing how many of these certificates are now outstanding and how many are being sought by private utilities. I think it follows, therefore, that we can expect the same kind of hidden subsidy to flow from this bill. I am saying that these private utility plants are not defense plants. I do not think we can justify the subsidy which these private utilities will receive on any ground except that they constitute a handout. I think we have got to stop this kind of a handout. I think there should be some gage in the bill that will stop it. I am not so sure it should not be done by general legislation and not as a part of this bill. I am inclined to think that what we should do is to pass some general legislation reviewing the whole matter of tax amortization and to provide for it on an emergency basis where the facts justify the privilege. It will be recalled that when the tax bill was before the Senate a little while ago, I offered an amendment dealing with the tax amortization problem in connection with that bill, but it was rejected. But we can come back to it. I am one who is never discouraged by defeat. I think it takes a lot of defeat sometimes before a point prevails.

Here, again, as the Senate and the country come to understand this problem, we are going to get some legislation which will correct some abuses which I think are developing in the field of tax amortization. But I think it is very apropos that in discussing the hidden subsidies in this bill, as I have been doing, previously to this point of tax amortization, the tax-amortization problem be incorporated in the discussion, because it is my fear and my expectation that if this bill passes, here is one of the handouts that the private utility monopoly, which is going to be the chief beneficiary from this bill, will reap at the expense of the taxpayers as a whole.

A comparable type of subsidy insuring private individuals against the risk of loss, such as the farm price support programs, has been called an example of "creeping socialism." The expansion of agricultural production is clearly recognized by everyone as having been stimulated by World War II requirements and justified by the continuation of emergency conditions. Now the farmer, instead of being given tax benefits similar to those of section 124A, is being told that he can expect cuts in price supports.

The accelerated amortization program is not a direct cash grant. It is not a direct Government subsidy or loan. However, to the extent that it brings about reductions in Federal income taxes during the 5-year acceleration period, it makes more cash available to the taxpayer, helps finance the cost of new facilities, and partakes of the nature of an interest-free loan of funds that would otherwise be available for use by the Government.

I seem to have great difficulty in getting some palatable food this morning. I have just been brought a bowl of soup which contains so much pepper that it is hot enough to kill a horse.

Mr. KNOWLAND. Mr. President, will the Senator from Oregon yield for a question?

Mr. MORSE. I yield for a question.

Mr. KNOWLAND. The Senator has just mentioned that the food with which he has been furnished was hot enough to kill a horse. That brings up the subject of horses. I wonder if the Senator would not desire to go for a horseback ride this afternoon and would be willing to agree to a unanimous-consent request this morning.

Mr. MORSE. Before the Senator arrived from his obviously very restful sleep, his predecessor in the majority leader's chair asked me what I would like to do today and I told him that I would like to break a colt. I have a fine roadster out at a friend's farm at Poolesville, Md., which I am in the process of training and breaking to get it ready for the Oregon State Fair. I cannot do that in one weekend. It takes time and patience. The acting majority leader asked me what I would like to do today and I told him that was what I would like to do. I said I thought it would be a fine thing if the majority leader would recess the Senate and carry out the suggestion on which I spent a couple of hours, of arranging for a conference with the President to discuss the areas of disagreement in this bill, to make certain that the President fully understands the different points of view with reference to the bill, and find out, for example, what the Federal Power Commission has said about the lack of legal standards in the bill with respect to the matter of price. Although I made the proposal, I want it clearly understood that I am not suggesting that I be in the delegation to go to the White House. I am perfectly willing to leave my point of view to the Senator from Tennessee [Mr. GORE], and I would go on out and break my colt.

I think the acting majority leader was very fine about it. He agreed with me that that would be a good idea. He had one suggestion to make, and that was that I agree to a unanimous-consent request to limit debate. I told him I would yield long enough, with the understanding that I not lose my rights to the floor, for him to offer the request. I said, "I am not going to take any advantage of you, but I must assure you that I shall have to object."

That is when we had the very interesting discussion about my functions as a private in this army. I certainly could not agree to such a request without full consultation with the generals, in fact, with the chiefs of staff. I wanted to be sure that I was following the parliamentary instructions exactly. I think I indicated very clearly that I would like to be heard within the counsels, presenting one man's opinion. Then after there was full discussion, a final conclusion could be reached one way or another. That ended the conversation.

Now I yield to the Senator from California for a question.

Mr. KNOWLAND. Does the Senator not realize that the colloquy had earlier is not too encouraging to the majority leader, relating to the fact that the distinguished Senator from Oregon may get out and break that colt? May I inquire what is the date of the Oregon fair?

Mr. MORSE. In the latter part of September. I may not get there at all. That would be a great disappointment to me. But if not getting there is the price I have to pay to contribute to saving the American people the great losses they would suffer if the bill passes, I would forego that great pleasure. But something tells me we shall get out of here before then. Time will tell.

With regard to those matters, I always follow what I have found to be a very encouraging principle of philosophy on the part of my wife. When things are pretty discouraging and the going is rather tough, and one wonders if there is not going to be, figuratively, some sunshine sometime about something, she gives me great encouragement by saying, "Don't forget, this too will pass." When one gets meditating, it is a lot of satisfaction to reflect on the idea that this, too, will pass.

I may say to the majority leader that earlier today I was talking about this matter of relaxation and what happens physiologically after there has been sustained tension. Inevitably relaxation sets in, because there must be a physical law that the human body can remain tense just so long. If the body is kept tense beyond a certain point, it breaks. The interesting thing is that people do not get to the breaking point if they relax. I think there has been a lot of tension in the Senate the last few days. I think that is one of the reasons we have not made progress in composing our differences. I was hoping there would be a longer weekend for relaxation than the majority leader promised when he suggested he was going to keep us until midnight tonight.

I am sure the majority leader knows I would not want to say anything out of his presence that I would not be willing to say in his presence. I said that if he felt that way about it, we ought to start acting like men instead of mice, and move to recess or adjourn, and then have a vote on it. We should not let the majority leader dictate to us as to when we should adjourn or recess. I am a realist about even that. I do not anticipate that such a motion would pass, but it ought to, if my good friend from California does not see fit to give us more time. The whole Senate needs it. I think the poor staff needs it more than we do. More time is needed for the relaxation to which the Senator has referred.

But, again going back to my wife's suggestion, I shall take a great deal of comfort in knowing that this too will pass; but I am going to do the best I can to see the bill does not pass. That I do not want to see, because, with respect to that, I think we ought to stop it if we can. I am not a betting man, but I would be willing to wager an exchange of cups of coffee that if the problem could be presented to the President, and if points of view could be expressed to him, he would follow the pattern which Woodrow Wilson followed in 1913 on the Federal Reserve Banking Act that I discussed a couple of hours earlier today. Discussions went on for weeks, with give-and-take conferences with the White House. They finally worked out a bill, when it looked as if no bill would ever possibly be worked out, and it pleased a very large majority of the Senate. I am just willing to wage an exchange of cups of coffee on the proposition that if the President was given a chance to get his hand into this problem, and an opportunity to modify some of his views after he has received full information on the differences, some of us would be surprised how quickly it might come to pass that the controversy in the Senate would end. But, be that as it may, I wish to return now to a discussion of what I think is one of the hidden subsidies in the bill by way of the probability that the provisions will lead to a great deal of accelerated tax amortization.

The accelerated amortization program is not a direct cash grant. It is not a direct Government subsidy or loan. However, to the extent that it brings about reductions in Federal income taxes during the 5-year acceleration period, it makes more cash available to the taxpayer, helps finance the cost of new facilities, and partakes of the nature of an interest-free loan of funds that would otherwise be available for use by the Government.

Section 124A was first administered under regulations issued by the National Securities Resources Board. The certifying function was later transferred to the Defense Production Administration and is now under the Office of Defense Mobilization.

Again, as in World War II, a certificate of necessity, when granted, authorizes the taxpayer to compute his Federal tax deductions on certified facilities upon the rapid, instead of the normal, basis of depreciation.

One has only to read the applicable regulations to become aware of the fact that the administration of the accelerated-amortization law carries us into the realm of conjecture concerning the basis for permitting rapid amortization. It is not at all surprising, therefore, to read the comments of Mr. Vance Kirby, at one time Tax Legislative

Counsel of the Treasury Department, who had something to say about the guesswork in these cases. His comments were made during the course of a House subcommittee hearing on April 23, 1951. In a colloquy with Congressman PORTER HARDY, Jr., and Mr. Ralph Casey, counsel of the House Government Operations Subcommittee, the remarks were as follows:

"Mr. CASEY. Could you explain the statement you made that the Treasury Department does not have the authority without the assistance of section 124A to allow increased amortization of a facility?

"Mr. KIRBY. Well, the Internal Revenue Code permits a reasonable allowance for depreciation. In the case of defense facilities, the question is whether this facility is going to be useful after a certain period, the duration of which no one knows. Within the meaning of the depreciation provision, it would not be reasonable but just guesswork to allow a deduction for the loss of the useful value of such a facility by reason of the termination of that period.

"Mr. HARDY. Is not that the way the depreciation is determined now?

"Mr. KIRBY. Yes.

* * * * *

"Mr. KIRBY. It is a serious question; however, in three emergency periods a special provision has been thought necessary. I think that we have to have some definition relating to defense facilities and granting the allowance by reason of a 'guess' as to a facility's usefulness for defense only.

"Mr. HARDY. You know that is what is being done under the specific authority today; this pricing is largely a guess?

"Mr. KIRBY. Yes. (Citing authorities and sources.)"

That is an interesting series of comments by two experts in this tax field; pointing out, after all, this process is pretty much a process of guesswork.

Thus far we have explored something of the legislative history and the rationale behind the idea of rapid amortization under the Internal Revenue Code. We know that the plan has many elements of guesswork. We are now ready to inquire into some of the real gains enjoyed by those segments of our business community—primarily big business—that are so fortunate as to hold certificates of rapid amortization.

THE VOTER DUCKS THE ISSUE

The pulpwood publication—the Oregon Voter—would have us believe that tax amortization certificates are really of little value to their holders. The Voter attempted to gloss over the enormous benefits of rapid writeoffs by the use of glib expressions designed to distract us from the true facts. Thus, it referred to them as "temporary concessions." Again, it characterized them by expressions such as "deferral—no handout," "nominal benefit," "minor benefit," "gains all canceled."

Instead of meeting the issue squarely, the Voter resorted to statements of the arithmetically obvious in order to create the impression that it had covered the whole field of inquiry. For example, it said: "The Government gets its tax dollars in full. It actually does not lose or donate a dollar of tax in these amortization cases." This represents the time-worn tactic of building a strawman and emphatically knocking it down.

In an effort to create the illusion that it had uncovered remarkable facts which would silence those who dispute its conclusions, the Voter supplied charts showing that over a 50-year period, assuming a constant tax rate, depreciation deductions for tax purposes are the same under accelerated amortization as they are under normal depreciation; that the total tax offsets and total tax payments are identical under each plan. I know of no one who disputes these elementary facts.

When the Voter finally made what must have been the painful concession that a "certificated company derives some nominal benefits from accelerated amortization," it made one of the primary understatements of the year 1953. It failed to go on with the next chapter in this fascinating story. It failed to explore the substantial interest savings accruing to certificate holders by way of deferred tax funds. It did not point out that these retained sums are available for other business uses without resorting to the money market for assistance. It overlooked the correlative fact that the Government, in the absence of the rapid writeoff program, would have had the use of tax money thus deferred by the issuance of necessity certificates. It omitted a discussion of the fact that 5-year rapid writeoffs of capital assets are of special value in emergency periods of high taxes, with the likelihood that the taxpayer will have the benefit of lower tax rates in the future when his depreciation deductions are reduced or eliminated.

In the following paragraphs I shall discuss some of the very substantial benefits of accelerated amortization accruing to taxpaying companies, particularly to the Voter's very good friends, the private electric utilities. These benefits are enjoyed at the expense of the rest of us—the taxpayers of the United States.

BENEFITS ENJOYED BY HOLDERS OF TAX-AMORTIZATION CERTIFICATES

At the outset, let there be no misunderstanding on one point. If we assume a uniform Federal corporate tax rate over the estimated life of a capital asset, the aggregate total taxes paid on the facility will be the same, with or without the benefit of accelerated tax amortization, provided the corporate income remains high enough every year to make the maximum rate applicable. On the other hand, if tax rates and interest rates change favorably for the business, then substantial benefits will be realized.

Any discussion of the effect of rapid depreciation involves matters of a technical nature that can be analyzed adequately only by the use of actual dollar computations.

For that reason I shall use the Voter's hypothetical case of a taxpayer company's $2 million investment in new facilities, a million dollars of which is certified for 5-year rapid amortization and the balance being subject to normal depreciation at the rate of 2 percent a year. Also, a uniform corporate tax rate of 52 percent is assumed. I ask unanimous consent to insert in the RECORD at this point in my remarks a chart designated as schedule 1, entitled "Effect of 5-Year Amortization Compared With Depreciation—Deductions for Tax Purposes and Tax Savings Thereon."

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

SCHEDULE 1.—*Effect of 5-year amortization compared with depreciation—Deductions for tax purposes and tax savings thereon*

Assumptions: Investment, $2,000,000. Total period of amortization and depreciation, 50 years. Amount subject to 5-year amortization (50 percent), $1,000,000

	With amortization	Without amortization	With amortization savings (+) loss (−)
(A) Deductions for tax purposes:			
Each year for the first 5 years:			
Amortization (20 percent of $1,000,000)	$200,000		
Depreciation (2 percent per annum)	20,000	$40,000	
Total	220,000	40,000	+$180,000
Each year, 6th to 50th (all depreciation)	20,000	40,000	−20,000
Total deductions:			
1st 5 years:			
Amortization	1,000,000	0	
Depreciation	100,000	200,000	
Total	1,100,000	200,000	+900,000
6th to 50th year (45-year period)	900,000	1,800,000	−900,000
Total	2,000,000	2,000,000	0
(B) Tax saving by reason of deductions for depreciation and amortization (at uniform rate of 52 percent):			
Each year for the first 5 years	114,400	20,800	+93,600
Total, 1st 5 years	572,000	104,000	+468,000
Each year, 6th to 50th	10,400	20,800	−10,400
Total, 6th to 50th year	468,000	936,000	−468,000
Total tax saving, 50 years	1,040,000	1,040,000	0

Mr. MORSE. Part (A) of the foregoing schedule shows that for each year of the first 5 years the company would be able to deduct $180,000 more per year using rapid amortization than it would if it used normal depreciation. The total increase in deductions for 5 years amounts to $900,000. For the 6th year and each year thereafter up to and including the 50th year, the deductions under the rapid amortization election would be $20,000 per year less than normal depreciation, or a diminished total of $900,000 for the 45-year period against $1,800,000 for the 45-year period under normal depreciation. The total deduction over the 50-year period is, of course, identical in both cases—$2 million.

Again referring to schedule 1, we see in part (B) thereof that the tax saving during the first 5 years is $93,600 per year greater by reason of the increased deductions permitted under rapid amortization. In the 6th year and each year thereafter to the 50th year, the amortization method results in additional tax liability of $10,400 per year. Inasmuch as we assume a uniform tax rate, there would be no net tax saving for the 50-year period as a whole by reason of the rapid amortization election.

THE INTEREST windfall

Mr. President, we now come to an issue of utmost significance in the rapid amortization tax cases. It involves the item of interest saved by reason of the tax benefits

enjoyed by the company under the rapid amortization plan. I ask unanimous consent to insert at this point in my remarks a chart designated as Schedule 2, entitled "Effect of 5-Year Amortization Compared With Depreciation-Interest on Tax Savings at 4 Percent Per Annum."

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

SCHEDULE 2.—*Effect of 5-year amortization compared with depreciation*

Interest on tax savings at 4 percent per annum:	
1st year, $93,600 at 4 percent	$3,744
2d year, $187,200 (2 years tax savings) at 4 percent	7,488
3d year, $280,800 (3 years tax savings) at 4 percent	11,232
4th year, $374,400 (4 years tax savings) at 4 percent	14,976
5th year, $468,000 (5 years tax savings) at 4 percent	18,720
Total interest saved on tax savings for 1st 5 years	56,160
Interest saved per year on tax savings for 6th and subsequent years, up to 50th year, is $18,720, less interest on additional taxes in 6th and subsequent years up to 50th year:	
6th year:	
Interest on tax savings for 1st 5 years	$18,720
Less interest on additional tax of 6th year ($10,400 at 4 percent)	416
	18,304
7th year:	
Interest on tax savings for 1st 5 years	18,720
Less interest on additional tax of 6th and 7th years ($20,800 at 4 percent)	832
	17,888
8th year	18,720
Less $31,200 at 4 percent	1,248
	17,472
9th year	17,056
10th year	16,640
11th year	16,224
12th year	15,808
13th year	15,392
14th year	14,976
15th year	14,560
16th year	14,144
17th year	13,728
18th year	13,312
19th year	12,896
20th year	12,480
(And so forth, to 50th year)	
50th year	$18,720
Less $468,000 at 4 percent	18,720
Total, 6th to 50th year	411,840
Total, 50 years	468,000

Mr. MORSE. Schedule 2 shows that for the first year the interest saved, computed at 4 percent per annum, would be $3,744 by reason of the tax reduction of $93,600 for that year—see schedule 1, part (B). For the second year the accumulated tax savings would be twice this amount, or $187,200. At 4 percent this results in interest savings of $7,488. For the third year the accumulated tax saving is $280,800, and the interest at 4 percent is $11,232. Continuing this process for the first 5 years, we find that in the fifth year the interest on the tax savings of $468,000 is $18,720 and the total interest attributable to tax savings for the first 5 years is $56,160.

The annual gain in interest of $18,720 continues in the sixth year and thereafter up through the 50th year, except that it is reduced by the interest loss on the additional taxes which the business would have to pay commencing with the sixth year. For the sixth year the additional tax is $10,400 which, at 4 percent, results in an interest cost of $416. Therefore, for the sixth year, we start with interest saving of $18,720 and reduce that by $416, leaving a net saving for the sixth year of $18,304. For the seventh year the interest on the additional taxes is computed on the accumulated additional taxes for the sixth and seventh years. The amount of additional tax is $20,800. At 4 percent this results in interest of $832. Again, taking our interest on the accumulated tax saving for the first 5 years—$18,720 per annum—and reducing it by $832 we find a net interest saving for the seventh year of $17,888.

This process is continued each year with the interest saving being reduced so that in the 50th year the reduction is the same as the original interest saving and there is no interest saving for that year. The total accumulated saving, however, for the 45-year period from the 6th year through the 50th year is $411,840. The total for the 50-year period amounts to $468,000. Mr. President, we now begin to appreciate the key significance of interest savings in our rapid amortization cases.

We should not overlook the fact, however, that the element of interest saving would have an effect on income taxes of the company involved. The interest saving would have to be reduced by the amount of additional Federal income tax which would have to be paid thereon. Any study of benefits gained must take into consideration the fact that the reduction will be equivalent to the rate paid by the taxpayer. In our hypothetical, that rate is 52 percent.

THE VOTER'S PHONY FIGURES

In a stupendous effort to obtain a result it very much desired to reach, the Voter, in its issue of December 12, 1953, ran an article entitled "Phony Figures." The phony figures are there all right but they were created by the Voter. These figments are included in a chart which appears on page 18 of the December 12 issue.

The chart is labeled: "Under Accelerated Amortization, Interest Loss on Extra Tax Payments Cancels Out Pretended Interest Gain." Though it may perhaps be considered unfeeling and even rude on my part, I have to ask the Voter this question: What happened to the interest on tax savings enjoyed during the first 5 years—the rapid writeoff years? Does the Voter have a conveniently forgetful memory? The plain fact is that this 5-year interest accumulation represents investable funds that are made available by accelerated amortization deductions. They are funds that would not otherwise be at hand.

One paragraph of the December 12 article referred to a "nutshell." Apparently, under this nutshell was placed by the Voter, never to be found again, the computations of the first 5 years' interests gains. Had the Voter not resorted to this crude version of the old shell game, it would have acknowledged under its 6 percent interest computations an interest saving of $84,240 for the rapid amortization period.

The Voter's December 12 phony chart is divided into two sections. That on the left hand side is captioned "So-Called 'Interest Benefits' Under Accelerated Amortization." The computations of this table produce a total sum of $631,800 interest benefits for a 45-year period at 6 percent. This total is reasonably accurate. However, the Voter conveniently omitted, as noted above, the interest accumulation based upon 5 years' tax savings. Had this sum been included, interest benefits under accelerated amortization would have been shown as $716,040 instead of $631,800.

In addition to this omission the "funds retained" figure is reduced by $10,400 beginning in the sixth year and each year thereafter over a 45-year period. This has the effect of reducing the annual interest saving each year. Presumably the Voter justifies such annual reductions on the ground that after the fifth year taxpayments are increased by $10,400.

It may be assumed that the accumulated tax savings of the first 5 years are being treated as a reserve set aside for the purpose of meeting the increased tax liability after the 50th year. However, once having made this choice, neither the Voter nor the business can proceed as has been done in the right-hand section of the December 12 chart entitled "Cancellation of 'Interest Benefits' via Interest on Extra Taxpayments," and count as an offset, interest on the $10,400 extra tax. This additional tax of $10,400 payable each year from No. 6 to No. 50 is already taken into consideration in the computation in the left-hand side of the table. Therefore, to show this also as cancellation of interest benefits, is a duplication of additional interest cost to the company and there is no justification either in arithmetic, accounting, or ordinary logic for taking these annual amounts of interest on $10,400 into consideration twice, as the Oregon Voter does in the article.

In all charity, the most that can be said of the Voter's "rigged" chart of December 12 is that it illustrates an attempt to have one's cake and to eat it.

COMPOUND INTEREST

The Voter, apparently an exponent of the idea that the best defense is an offense, launched an advance attack against the use of compound interest computations in cases of rapid writeoffs. It did not resort to the use of a phony chart on this point. Instead it peddled a mixture of vituperation and conclusion jumping. The best it could offer was the suggestion that it is "real ridiculosity" to bring compound interest into the picture. It would be most difficult to find a more shallow analysis than that presented by the Voter on this point.

In its endeavor to cast off the compound-interest benefits as immaterial, the Voter exposed itself to ridicule by wise businessmen. Surely the normal presumption is that when businessmen are put in command of working capital they will invest it in productive activity. Interest earnings, therefore, will not be buried in a vault nor will they be squandered in a spendthrift manner. Frugality, thrift, and financial sobriety have always been important attributes of business behavior; I leave it to the Oregon Voter magazine to make contrary assumptions if it cares to do so.

In the name of commonsense there is no reason why interest earnings on tax savings should not be put to work and thereby compounded, just as any other investment funds.

Mr. President, in order to present the facts concerning the effect of compound interest on the tax savings of our hypothetical holder of a $1 million certificate of necessity, I ask unanimous consent to insert in the RECORD at this point in my remarks a chart designated as schedule 3, entitled "Effect of 5-Year Amortization Compared With Depreciation—Interest Savings Compounded (4 Percent), Uniform Tax Rate."

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

SCHEDULE 3.—*Effect of 5-year amortization compared with depreciation—interest saving compounded (4 percent)—uniform tax rate*

Years to go	Interest saving	Factor	Compounded
49	$3,744	6.83334937	$25,584.06
48	7,488	6.57052824	49,200.12
47	11,232	6.31781562	70,961.71
46	14,976	6.07482271	90,976.54
45	18,720	5.84117568	109,346.81
44	18,304	5.61651508	102,804.69
43	17,888	5.40049327	96,604.06
42	17,472	5.19276991	90,745.32
41	17,056	4.99306145	85,161.66
40	16,640	4.80102063	79,888.98
39	16,224	4.61636509	74,895.92
38	15,808	4.43881345	70,168.76
37	15,392	4.26808686	65,694.44
36	14,976	4.10392255	61,462.49
35	14,560	3.94606899	57,455.06
34	14,144	3.79431634	53,666.81
33	13,728	3.64838110	50,084.98
32	13,312	3.50806875	46,699.28
31	12,896	3.37313341	43,490.93
30	12,480	3.24339751	40,477.60
29	12,064	3.11865145	37,623.41
28	11,488	2.99870332	34,928.90
27	11,232	2.88336858	32,386.00
26	10,816	2.77246978	29,987.03

SCHEDULE 3.—*Effect of 5-year amortization compared with depreciation—interest saving compounded (4 percent)—uniform tax rate*—Continued

Years to go	Interest saving	Factor	Compounded
25	$10,400	2.66553633	$27,724.70
24	9,984	2.56330416	25,592.03
23	9,568	2.46471554	23,582.40
22	9,152	2.36994870	21,689.50
21	8,736	2.27876807	19,907.32
20	8,320	2.19112314	18,230.14
19	7,904	2.10684018	16,652.54
18	7,488	2.02581652	15,169.31
17	7,072	1.94790050	13,775.55
16	6,656	1.87298125	12,468.56
15	6,240	1.80094351	11,237.69
14	5,824	1.73167645	10,083.28
13	5,408	1.66507351	9,004.72
12	4,992	1.60103222	7,992.35
11	4,576	1.53945406	7,044.54
10	4,160	1.40824428	5,858.30
9	3,744	1.42331151	5,328.88
8	3,328	1.38656606	4,554.60
7	2,912	1.31993178	3,831.99
6	2,496	1.26531902	3,158.24
5	2,080	1.21665299	2,530.64
4	1,664	1.16963556	1,946.64
3	1,248	1.12486[illegible]	1,403.83
2	832	1.0816	899.89
1	416	1.04	432.64
0	0	0	0
Total			1,770,386.04

Mr. MORSE. Mr. President, upon referring back to schedule 2, we will observe that the interest saved for the first year of the 5-year rapid amortization at 4 percent was $3,744. The interest constitutes funds currently available to finance fixed capital investments or to invest, and it is proper to show this benefit by computing interest on the interest saving or compounding it.

Schedule 3, based on the data previously submitted, illustrates dramatically the effects of compounding this interest savings over the 50-year period under review. When compounded, the interest saving amounts to $1,770,386.04. Of course, this total will have to be reduced by the income tax to be paid by the company over the years. However, even if we assume a relatively high corporate income tax rate and cut the last mentioned figure in half, we observe how the amortized facility is practically paid for by interest benefits flowing from the certificate of necessity.

Yet this Oregon Voter magazine would seek to give its readers the impression that these businesses gain no financial advantage by a tax amortization plan. I repeat what I said here on the floor of the Senate many months ago, to which the Oregon Voter magazine took such a strong objection, and that is that this tax amortization plan constitutes a bonanza for the company that gets its benefit, and its results in the American taxpayer paying for a substantial part of the cost of the facility that is being built.

I say that is all right in the case of a war plant. I say that is all right in the case of a defense plant that has to be built to protect the security of this country. I say that is all right as a defense measure in those situations in which we need the plant for the prosecution of the war or a defense program, and which will have practically little value or use after the emergency is over.

That is not true of a private utility plant. Most of the private utility plants, because of changes in economic conditions, will be worth more money, as the economy expands, years and years after they are built than they were worth the first year they were built.

We are not dealing with something that is going to be of little value after there has been a period of use. We are dealing with something of value. We are dealing with something, the value of which really increases as the economy in the territory where it is used expands. It is the bringing of the power into the territory that results in the expansion of the economy. It is the increase in the power that brings in new businesses and new industries and produces improvements on the farm that supplies the power for the irrigation systems, thereby increasing the productivity of the farms, all of which economic activities result in a greatly expanding economy.

We are not dealing here with plants that are worthless after 50 years. We are dealing with plants that in all probability in most instances will have as much, if not more, value than when they were first put in operation.

To seek to give the impression to the people of my State through articles published in this magazine that they are not contributing to the payment of these facilities by way of a tax-amortization handout, is to fly in the face of the truth.

In passing, we should not overlook the fact that the Voter's phony chart on page 18 of its December 12 issue based its computations upon a rate of 6 percent rather than 4 percent. Apparently this rate was used by the Voter because it is the rate charged by the Government on delinquent taxes and is the rate paid by the Government in making tax refunds. The interest rate of 4 percent, as employed in our computations, is conservative, but the rate of interest does not alter the principle involved. It merely changes the amount of dollars employed in our example.

HIGH WRITEOFFS AGAINST HIGH TAXES

The Voter's article of November 21 touched gently upon the possibility of there being downward changes in tax rates after periods of war emergency. In comments that appear to blow hot and cold in the same breath, the Voter had this to say:

"The general presumption is that a cut or cuts in rate will occur. There might be the answer to this that though the tax may go down it is possible also that it may go up, especially assuming that the Government goes to pressing taxpayers real hard in an effort to reduce the national debt, or should there be war or depression."

The foregoing folksy, but quite meaningless, comments were followed by a bit of a concession: "It is admitted that a reduction in income-tax rate for corporations will result in some extra benefit for the corporations which availed of the rapid amortization opportunity."

I should think that the editor would have choked on that concession. However, when he conceded it, he conceded a great deal. When he conceded it, although he did not expand upon the subject, and he was not fair enough to his readers to point out what his concession really meant or what its significance was, he admitted a great big chunk of my case.

The latter quotation is the nub of the case, and alert businessmen will not be misled by the Voter's attempt to tone down the financial importance of tax-rate changes in accelerated amortization cases. An analysis of Federal-income tax rates indicates that downward trends are common in the years following the termination of a war emergency. This was true after World War I and likewise after World War II. For example, we have the 1951 testimony of the Treasury Department's tax legislative counsel that "possible tax reductions after the end of the emergency period should be taken into account in estimating net tax savings, as occurred following World War II when the excess-profits tax was repealed and the income-tax rate reduced to 38 percent for the years 1946–49. Corporations during World War II had the benefit of writing off their 'emergency' facilities at maximum excess-profits-tax rate of 95 percent (less 10 percent postwar credit) and sacrificed depreciation deductions at a rate of 38 percent in the postwar years. Subsequent rate increases have narrowed this disparity, but a substantial rate differential still remains." (Hearings, Subcommittee of the Committee on Expenditures in the Executive Departments—Certificates of Necessity and Defense Loans, pp. 336–337, Apr. 23, 1951.)

Where the certificated property continues to have value in use, and we know that substantial numbers of certificated facilities do have useful lives after the rapid writeoff period, taxable income is deferred to the postemergency period when tax rates are lower. Bringing the situation down to date, we know that the excess-profits tax of the Korean war expired at the end of 1953. Corporations holding emergency certificates of necessity in prior years have had the benefit of deductions against high excess-profits-tax rates.

We should also note that unless extended by affirmative action the post-Korean increase in the corporate surtax rate will expire in 1955.

The net result is that the Treasury has to borrow money and pay interest, borne by the taxpayers, to make up for the deficit in receipts caused by the tax postponement. The Federal borrowing must be done during periods of higher interest rates and the deficit in tax receipts can be made up only after we assume a uniform tax rate over the useful life of the facility. As we have seen, this is a very large assumption.

HANDY MONEY AND THE BIRD-IN-HAND THEORY

The taxpayer who holds a tax-amortization certificate of necessity has another important advantage. The enlarged depreciation deductions for the rapid writeoff period make available funds which otherwise would have gone to the Treasury pursuant to the normal depreciation provisions of the Federal tax law.

Tax-savings dollars have a special significance. This was brought out in the minority report of the House Committee on Ways and Means in the following comments concerning tax reductions proposed in section 167 of the revenue revision bill, H. R. 8300.

"Increased income as a result of tax savings to businesses can be much more advantageous than increased gross income. For example, it normally takes about $10,000 in gross sales to yield as much net profit as a $560 saving in taxes. This is based on the assumption that a business has a net profit, after taxes, of 5.6 percent on each dollar of sales. A dollar saving in taxes would be worth about 20 times more than a dollar earned in sales. (H. Rept. No. 1337, 83d Cong. 2d sess.)

Also, most companies electing to amortize emergency facilities over the 5-year rapid amortization period have the advantage of predicting operating results and taxes thereon. Generally a company with emergency facilities has Government contracts, and some assurance of substantial taxable income at least for a few years. This means that the company is pretty well assured that it will be able to take full advantage of the amortization deduction in computing its income tax and that the tax will be at relatively high rates. It is much more difficult to predict operating results or tax rates over the longer period. It is a question of applying a bird-in-the-hand policy which is generally a wise business decision.

HANDOUTS FOR BIG BUSINESS THROUGH ADMINISTRATIVE INTERPRETATIONS OF THE TAX-AMORTIZATION PROGRAM

As I have indicated heretofore, we are committed, as a Nation to the incentive of rapid writeoffs to obtain the new facilities that may be needed in the interests of our national defense or in the prosecution of a war against aggression. But we were never committed to an acceptance of administrative interpretations which result in rapid writeoff benefits that are far afield of the basic purpose for which section 124A and its predecessor, section 124 of the Internal Revenue Code, were enacted.

A very revealing report on the many aspects of the maladministration of section 124A was issued early in 1952 by the Senate Select Committee on Small Business (S. Rept. No. 1068, 82d Cong., 2d sess., pp. 130–137). A brief summary of some of the observations made in that report will be worth considering at this point.

EXCESSIVE CERTIFICATION

The Senate Small Business Committee reported that certificates under section 124A were excessively high as early as 1952. For example, certificates for railroad facilities, it indicated, averaged 73 percent in spite of the fact that most of the facilities amortized would remain valuable equipment after the 5 years that were set up as a controlling factor in the regulations. Similarly, the regular rate on integrated steel facilities was early set at, and remained, 85 percent despite the fact that the new facilities, as at Morrisville, Pa., were the most up to date and efficient plants in the industry and, therefore likely to displace older and less efficient operations. Not only has the percentage of tax amortization been excessively high in view of probable post-emergency utility, but facilities have been certified which bear little relation to defense, or which represented little, if any, more than normal economic expansion.

IDLE PLANTS AND ADDITIONAL CERTIFICATIONS

In many instances, certificates were issued, as pointed out in the same report, while existing idle-plant facilities to produce the required items were available, even though the new construction strained an already tight materials situation. Such an example was the General Motors' Delco division application to build a $7,500,000 plant in Dayton, Ohio, to fulfill a $2,500,000 subcontract for the manufacture of landing-gear struts.

BIG BUSINESS FEASTS—SMALL BUSINESS GETS THE LEFTOVERS

The foregoing report clearly demonstrates that the larger companies, with full technical staffs and legal advisers, were able to file detailed requests for certificates of rapid tax amortization before small business was even able to formulate its plans. Thus, in many instances the expansion goals set for the emergency program, large as they often were, were within sight before the first applications filed by small business were received. Inasmuch as no further certificates were granted once those issued, together with existing facilities, making allowances for slippages, totaled the designated expansion goal, the role of small business in the certified expansion was necessarily limited. The precise way in which industry, and particularly big industry, is benefited by the provisions of section 124A, to the detriment of the average taxpayer, is not always readily apparent.

A further and more detailed discussion of the shortcomings of the emergency rapid tax amortization plan will be found in the May 1951 request of the House Committee on Expenditures in the Executive Departments—House Report 504, 82d Congress, 1st session.

RETIREMENT OF MARGINAL PLANTS

Mr. President, a benefit which is less direct, but hardly less important, is the freedom gained by the largest, multiple-plant-owning corporations, to retire their older, less efficient plants which have been fully amortized, and which cannot be further depreciated, while utilizing the new and efficient plants, which, at the peak of their efficiency, are being amortized more rapidly than is justified on a physical or economic basis. The result is a substantial gain in net income, a substantial reduction in taxes, and very little, if any, gain in production. Moreover, the financial impunity with which a company can close down one or more of its existing installations puts it in a most advantageous position to dictate unfair financial terms to its employees.

It is little wonder, then, that certificates of necessity have been issued under section 124A totaling nearly $30 billion, with rapid writeoffs authorized in the sum of nearly $18 billion. The tax-amortization program obviously has been administered in such a fashion as to be good business for big business.

THE COST TO THE TAXPAYERS

It is an interesting fact that current estimates of the cost to the taxpayers resulting from the operation of the emergency tax-amortization program are extremely scarce.

In April 1951 a representative of the Treasury Department testified before a House subcommittee as follows:

"As a result of amortization, the Government incurs a revenue loss which reflects the value of this privilege to industry. It is not possible to forecast the aggregate amount of necessity certificates which will be awarded, the percentage of amortization allowed, or the trend of future tax rates.

"However, on the basis of necessity certificates granted on or before March 23, 1951, on which $2,800,000,000 amortization is allowed, it is estimated that the decrease in income and excess-profits-tax liabilities during the next 5-year period would be $1,500,000,000, at the present corporation rates. If the rates proposed by the Treasury are enacted, the immediate loss in revenue is estimated at $1,700,000,000. Even higher rates in the future would, of course, increase this revenue loss correspondingly.

* * * * * * *

"* * * since the statement was prepared we have estimated the immediate tax loss that will result from the applications which have been granted up to the present time, or up to April 13.

"On the basis of certificates granted on or before this later date, on which $3,370,000,000 amortization is allowed, it is estimated that the decrease in income and excess-profits-tax liabilities during the next 5-year period would be approximately $1,800,000,000, at the present corporation rates. If the rates proposed by the Treasury are enacted, the immediate loss in revenue would be approximately $2 billion." (Hearings, Certificates of Necessity and Defense Loans, Subcommittee on Expenditures in Executive Departments, U. S. House of Representatives, 82d Cong., Apr. 23, 1951, p. 337.)

Members of my staff have inquired of the Office of Defense Mobilization, the Treasury Department, and the Senate-House Joint Committee on Internal Revenue Taxation and have been advised that there are no current estimates of revenue lost and to be lost by reason of section 124A. However, according to estimates made by the Department of Commerce in 1952 in a publication entitled "Markets After the Defense Expansion," corporate funds available from depreciation allowances had been increasing at a rate of about $1 billion a year between 1946 and 1952.

With reference to the rapid amortization program of section 124A the Commerce Department publication estimated that "the rapid amortization program which is currently in operation will step up substantially this annual rate of increase since a sizable portion of current fixed capital program is under certificates of necessity."

It further noted:

"If fixed investment were maintained at relatively high levels—not far from recent rates—the annual increase in depreciation and amortization would amount to as much as $1.5 billion a year over the next 3 years and by 1955 the total of such allowances would reach between $14 billion and $15 billion."

It is evident from these data that corporate deductions from income have been increased by approximately one-half billion dollars a year directly as a result of the rapid amortization program. Using the 52-percent corporate tax rate we can estimate that since 1952 taxes which would otherwise have gone to the Treasury have been approximately $250 million annually. The Government has been making up this loss of revenue by borrowing. In recent months the average rate paid by the Treasury has been 2.4 percent—Treasury Bulletin, May 1954.

The cost of this emergency rapid writeoff program is of deep concern to the people of the United States and it is regrettable, if not somewhat startling, that reliable estimates of the losses to be sustained by the Treasury in the years to come as a result of this program are not available for consideration by the public. It is not beyond the realm of possibility to provide estimates of this type. We have statisticians who can be put to work with all the available figures. I am sure they can come up with information that is essential to a determination of whether the rapid amortization program is worth its cost. For that reason, I think it is important that studies of the costs to the Treasury resulting from section 124A be made in each session of the Congress.

PRIVATE ELECTRIC UTILITIES RIDE THE GRAVY TRAIN

The private electric utilities, with ever-watchful eyes on the easy dollar, whether it be that of the ratepayer or the taxpayer, were quick to scent the profits to be found in the rapid amortization trough.

Mr. President, if the test of economic usefulness of the facility for other than defense purposes after the initial 5 years were the sole criterion, not one of these electric utilities would have a claim on emergency rapid amortization benefits. Newly constructed facilities of this type have useful lives that range anywhere from 25 to 100 years. It would appear that ODM bases its certification of electric utility facilities upon some mysterious formula which takes into consideration many factors, including the departures from what is thought to be normal growth of the company. Electric utility certifications sometimes go as high as 65 percent of the cost of new facility.

The latest figures made available to me by the Office of Defense Mobilization show that the total amount certified for rapid depreciation in the electric utility industry since the inception of section 124A is $2,217,472,000.

The private utilities seem to like that. Private utilities seem to think that is pretty good. Now, first, if you listened to the Oregon Voter, you would come to the conclusion that it is of no benefit to the private utilities at all; and, of course, if that were true, they would not be after these certificates. What do they want them for? They want them for the tremendous financial advantages that I have brought out previously in this speech; and I say that, under this atomic energy bill, if you pass it in its present form, you give the private utilities the monopolistic control over the atomic-energy electric power development program, and you will have a rush to get certificates for amortization purposes; because it is just like going out and picking berries. Just go out and pick the money off the taxpayer's bush under this program.

It is a hidden subsidy in this bill. I am against it. I am for either getting, as I said earlier, some general legislation on this tax amortization problem, or I am for writing some safeguards in this bill. And I think we had better play it safe and write the safeguards in the bill, and pass some general legislation.

This $2,217,472,000 is truly amazing when we recall that under the World War II rapid amortization program all industries received certificates of necessity authorizing $5.7 billion in rapid writeoffs.

Mr. President, this anomalous situation is worthy of deep reflection. Here we have a case in which enormous Federal assistance, to the tune of $2.2 billion in rapid writeoffs

has been given to an industry that has conducted a huge and expensive propaganda campaign damning as creeping socialism most public benefits that are conferred by the Federal Government on individuals or groups outside the private electric utility field. Apparently Federal assistance that tends to swell the profits of the electric utilities is good business—at least for the private electric utility monopoly.

PRIVATE ELECTRIC UTILITIES STILL KNOCK AT THE FEDERAL HANDOUT DOOR

A few months ago the Office of Defense Mobilization placed the electric utilities on what is called the suspended list of its expansion goals—ODM release, January 29, 1954. Does this mean that these utilities have finished gorging themselves with rapid amortization benefits? In view of their selfishness, this is highly unlikely.

There are now pending approximately 25 private electric-utility applications in ODM for further certificates of necessity. Knowing of the persistence of the utilities and their highly paid lobbyists, it is quite likely that the electric utilities soon will be returned to the open list of expansion goals and that once again they will be shoving against each other for an advantageous place at the trough.

Included in this pending list are two applications for certificates of necessity on proposed new construction by that Maine corporation, the Idaho Power Co. These applications ask the Government for a rapid writeoff handout on two proposed projects, Oxbow and Brownlee, on the Snake River, which the company lists in its applications as involving outlays of $35,944,000 and $67,138,000 respectively.

Mr. President, you will recall that the Idaho Power Co. is using every means at its disposal to scuttle the development of the magnificent Federal multipurpose Hells Canyon Dam project on the Snake River.

I am so delighted that my good friend, the Senator from Idaho [Mr. DWORSHAK], is present to hear this discussion of mine about the Idaho Power Co., Hells Canyon Dam, and what I consider to be the scuttling attempts of this avaricious company to take from the people of the Pacific Northwest their heritage in the great natural resources belonging to the people, not to the Idaho Power Co. It proposes to do this by the construction of three low-head dams at the Hells Canyon, Oxbow, and Brownlee sites on the Snake River. If such construction materializes it will be impossible to go ahead with the high Hells Canyon project. In other words, the Idaho Power Co. is seeking to prevent full development of this tremendous river resource, which belongs to all the people, by substituting three puny dams which it will operate in the production of high-cost electric power. The irony of the situation lies in the fact that the Idaho Power Co. wants to deprive the American people of the benefits of a high Hells Canyon Dam, and at the same time it wants the American taxpayers to pick up the rapid amortization tabs on two of the low dams to assist its machinations against the public interest.

Does the absence of a pending application for rapid amortization on the company's low Hells Canyon Dam proposal mean that the Idaho Power Co. really does not intend to build this third puny project?

THE VIRGINIA ELECTRIC POWER CO. FIASCO

The Idaho Power Co. is not alone in its insistence on this form of Federal subsidy—the kind of hidden subsidy that I say is involved in the pending bill, and the kind of hidden subsidy that I say must be checked before this bill is passed.

Consider, for example, Mr. President, the case of the Virginia Electric Power Co. This company filed an application for a certificate of necessity on its investment in facilities at Roanoke Rapids—an investment estimated to total $33,095,000. These facilities were to be constructed in conjunction with the development of a power dam on the Roanoke River—a power site wrested from the people via a Federal Power Commission decision. This FPC decision granting a license amounted to a grant to VEPCO to skim the cream from the Roanoke River after the Corps of Engineers had built the great, expensive river regulating dam at Buggs Island. The Roanoke Rapids site was to have been the power-producing dam. Buggs Island Dam—now John Kerr Dam—was chiefly regulatory, with part of its cost to be recouped through power generated below at Roanoke Rapids. After the former Secretary of the Interior, Mr. Chapman, and the rural electric cooperatives had lost their fight to prevent this giveaway, VEPCO came up with its request for an accelerated depreciation certificate.

Mr. President, I call your attention to the fact that VEPCO had applied to the FPC for the license to build the Roanoke Rapids Dam, and had asserted that it needed and could market that power before a shot was ever fired in Korea; and I call your attention to the further fact that the certificate issued by ODM for these "defense facilities" was issued after an armistice had been declared in Korea. Yet ODM certificated almost 65 percent of this $33 million as eligible for accelerated depreciation, presumably on the grounds that VEPCO would not build the facilities without the certificate. This certificate covers $21,511,750 of the cost of construction and will entitle VEPCO to tremendous benefits from the American taxpayer. The total benefits which will accrue to VEPCO over a 50-year period—assuming a 50-year life of the project—will exceed the total cost of the Roanoke Rapids facilities. This will be readily ascertained by referring back to our table of computations, bearing in mind the fact that the bulk of the certification is for almost 65 percent, not merely 50 percent, as in our charts.

This is an illustration of the manner in which the accelerated tax-amortization program, authorized by the Congress, is being operated as regards private electric utility corporations. Defense certificates are being issued for facilities planned before the outbreak of hostilities in Korea and such facilities are being declared defense facilities more for the convenience and profit of the private utility corporations than for aid in national defense.

Moreover, the essence of such grants is that unless action is taken, the taxpayers of this country are paying for the cost of private electric facilities, but do not become owners of the plants.

WHAT BECOMES OF THE INTEREST WINDFALL ENJOYED BY THE ELECTRIC UTILITIES UNDER SECTION 124A?

We have seen that when a private electric utility obtains a certificate of necessity, it has excellent chances of enjoying large interest benefits on deferred taxes. What becomes of these interest windfalls? Do they go to the rate payers to relieve their burdens on electric bills rendered each month? In practically every instance the answer is "No."

The truth of the matter is that once the benefits from this accelerated depreciation program began to show up on the books of the utilities, they moved into the various State commissions, asking for accounting and ratemaking rules concerning these interest-free loans and the profits accruing under them. The language of the various State decisions and the actual decisions themselves, if we examine them, will leave no doubt but that there was a concerted national agreement among the utility corporations themselves as to the way in which these tax certificates should be handled by regulatory commissions.

Of the 21 State commissions which have ruled on these interest-free loans, 20 of the 21 have insisted that any benefits accruing therefrom should accrue to the utilities—not to the rate payers, not to the consumers; and only 1, the Georgia Commission, has ruled that the benefits, or at least a part of the benefits, should accrue to the electric consumer. The Georgia Commission ruled that since the withheld tax money had been collected from the rate payer in the form of electric power bills, the consumer should be looked upon as supplying capital to the utility corporation. Putting it briefly, the Georgia Commission held that for every dollar an electric utility corporation placed in its "deferred tax kitty" it should deduct $1 from the rate base on which rates are established for electric consumers. And why not, Mr. President? There is no reason in the world why that saving should not go to the benefit of the consumers. But not so, say the commissions of 20 other States.

The other 20 State commissions by one accounting device or another have told the electric utility corporations that they can use the interest-free loans from the Federal Treasury, which were originally collected from the rate payer in the form of Federal income-tax requirements. They can hold these interest-free loans and use them, but they must keep track of them, so that over the years the books will indicate that "the deferred Federal income taxes" have been repaid to the Government. This procedure disregards the fact that these deferred taxes constitute a tremendous and profitable resource of funds for the utility corporations.

Last year the Federal Power Commission wrestled with the problem of what to do with rapid depreciation under section 124A, for utility operations that come within its jurisdiction. The National Rural Electric Cooperative Association having a deep interest in the subject, filed a very comprehensive written statement with the Commission. The NRECA did this on behalf of the rural electric cooperatives, but in a larger sense it also represented the interest of consumers of electricity throughout the country.

On December 4, 1953, the Power Commission issued a statement of policy in its opinion No. 264. In this statement it indicated that for purposes of ratemaking depreciation should be computed on the basis of the actual service life of the facilities. It also decided that the utilities should retain the benefits flowing from accelerated amortization. This means that in computing costs to the consumer, Federal income taxes are computed on a normal depreciation basis, rather than on an accelerated basis, even though 5-year rapid amortization has been certified. This will not translate into lower costs to the consumers.

Federal Power Commissioner Doty disagreed with the majority in this case, and issued a powerful dissenting opinion, in which he stated, in part:

"I dissent from the action of my associates in their decision in the above-mentioned docket. In my opinion the decision will require rate payers to pay far more than a fair return for utility services, contrary to a long line of precedents established by this Commission which have been upheld by the courts. The decision will give utilities returns in excess of those necessary to render adequate service and to attract capital for proper expansion of facilities; it will impose unjust burdens on consumers equal to these excessive returns; it will unnecessarily complicate the regulatory process."

Later in the decision he said:

"The amounts which the utility will thus collect under the guise of taxes payable to the Government over some 25 to 100 years after the close of the amortization period will be available to the utility for its ordinary capital needs. The amount recouped

as taxes will be substantially in excess of the actual taxes payable for a long period in the future and the excess could be used to pay off pro tanto securities issued to finance the emergency facilities or to purchase other facilities, the cost of which would then be included in the rate base. Unfortunately, under the decision of the majority in this case, the consumers will not in any manner whatsoever receive any credit for these large payments which, as noted above, can readily be used for capital purposes.

* * * * *

"Suffice it to say that on the basis of a 6-percent return and an average life of 40 years, the additional income to the utility in excess of a fair return over the life of the property would amount to about $491,000 for every million dollars of investment subject to accelerated depreciation."

THE RATE PAYERS GAIN NO BENEFITS OF INTEREST SAVINGS ON RAPID AMORTIZATION

Mr. President, the huge savings of interest on deferred taxes will be used by the managements of the private electric utilities for purposes best known to themselves. Of one thing we are certain. They will not pass on the benefits of these rapid amortization interest savings to electric power consumers, with a possible exception of utility operations under the jurisdiction of the Georgia regulatory body.

Will overly generous management salaries be fattened by further dips into this interest windfall jackpot? Will fees of the utilities' lawyers be considerably increased? Will utility expense accounts, including liquor accounts, be even more liberalized? Will the American public be subject to even greater avalanches of private electric utility false propaganda?

Will these funds be used indirectly to sponsor private utility stooge candidates for elective office?

Mr. President, patterns of the past make it not too difficult to surmise what these private electric utility operators will do with any extra funds coming into their hands. But we know that the electric consumer will be left standing with his hat in his hands.

It is difficult to believe that in this age of great research and rapid communication any vested interest could have gotten away with so much without any general awakening on the part of the public. The principal reason is that electric consumers are not organized, but the power companies are. The only electric consumers in America that have a voice in their rates are those served by municipal systems, public utility and public power districts and the rural electric cooperatives. These nonprofit bodies are concerned with the consumers' interests because they are consumer controlled.

In view of the campaign of the National Association of Electric Companies denouncing alleged subsidies to Federal power projects and by implication, rural electric cooperatives, it is interesting to note that the interest-free loan arising from accelerated depreciation is equal to over one-third of all Rural Electrification Administration loans outstanding; and equal to over one-third of the cost of all power facilities of the Tennessee Valley Authority, Bureau of Reclamation projects, projects of the Corps of Engineers, Bonneville Power Administration, and the Southwestern Power Administration.

I wish to tell you, Mr. President, that I think this private utility monopoly gang have colossal gall ever to utter one word about subsidies, when they are the hoggish beneficiaries of tremendous subsidies in the form of tax-amortization certificates and the financial benefit that flows therefrom.

REA borrowers pay 2 percent interest on their loans from the Federal Government, and the various Federal power projects pay or earn from 3 to 4.5 percent interest on their costs. The consumer-owned, publicly or cooperatively managed, interest-paying cooperatives, power districts, and Federal power agencies are discriminated against. They get no interest-free loans.

Mr. President, the Independent Party believes in democracy and in free enterprise. It does not believe in and will expose at every possible opportunity unregulated monopoly and unjustified subsidy.

The enormous subsidy granted private utility corporations under section 124A of the Internal Revenue Act—and now given the blessing of the FPC—must be stopped.

This form of hidden subsidy, which I think is inherent in this atomic-energy power bill now pending before the Senate, must be stopped. That is why, among other reasons, a group of us are taking the position that this bill shall not pass until we work out at least some reasonable compromises of the most glaring injustices in the bill.

We feel that we have a tremendous duty to the American people to insist that these hidden subsidies be taken out of this bill. That was one of the reasons why some hours ago I went into a discussion of a historic precedent as to what happened in the year 1913 in a conflict between the White House and the Congress over the Federal Reserve Bank Act. It was because I think we find there a lesson of procedure that we ought to follow here. We ought to make certain that the President of the United States really understands the dangerous provisions of this bill. I am going to continue to believe that if he really understood them, which he obviously showed in his press conference the other day he does not, he would agree with us that at least some of the amendments we are insisting upon ought to be accepted as fair compromises by the proponents of this bill.

Mr. GORE. Mr. President, will the Senator yield for a question?

Mr. MORSE. I will yield for a question.

Mr. GORE. Does the Senator not think the amendment offered by the senior Senator from Oklahoma [Mr. KERR], substituting the McMahon Act provisions with respect to compulsory patents, instead of the unwise provisions in the pending bill, was one of the most important amendments to be offered to this entire bill?

Mr. MORSE. I most certainly do. I think it should have been debated. I think it should have been thoroughly considered by the Senate, and I think it was most unfortunate and unfair for the majority to lay it on the table immediately after the Senator from Oklahoma had presented his case in support of it, when there were others that wanted to speak on its pros, and when those of us who favored the amendment thought that we at least ought to have been extended the courtesy of getting into the RECORD the objections of the opposition to the amendment if they have any objections that they could really put down in argumentative form.

I am inclined to think that regarding some of these amendments, such as that one, the opposition knows it cannot answer. So it follows the course of action of moving to lay on the table. In my judgment, that is going to hurt the opposition.

Mr. GORE. Is that consideration the kind of consideration the junior Senator from Oregon thinks this important legislation is entitled to have?

Mr. MORSE. It is not. It is not, and I do not think that it is a credit to the Senate to have that kind of a parliamentary process followed in the Senate. I think that the American people are entitled to have the proponents of this bill come forward and meet us on the merits of our arguments, by setting forth any countersuggestions or any rebuttal points that they might have in mind.

Now, Mr. President, if the Federal Power Commission and State regulatory commissions refuse to protect the electric consumer, who will or who can?

The rural electric cooperatives already live precariously surrounded by these great feudal monopolies. These cooperatives, tied in here and there with low-cost Federal power plus some public power districts and municipally owned plants, are the only yardstick by means of which some competitive force is brought to bear upon electric rates.

It is apparent from these data that the private power companies have received or will receive subsidies that dwarf any assistance either Federal or rural electric cooperative power has received over the years. These subsidies arise largely as a result of the failure of State utility commissions to regulate, and of the recent ruling of the Federal Power Commission on rapid amortization.

There is real doubt that the certificates of necessity granted to power companies should have been granted at all, as a matter of policy, in terms of section 124A as written—that is, that facilities covered by certificates should be facilities "necessary in the interest of national defense."

In this country, for many years, there has been what has amounted to a shortage of power or a dangerously low reserve of generating capacity in many, many areas. As long as such a situation prevails, it is difficult to understand why power companies should not have met the shortage by adequate expansion without Federal subsidy. It is difficult to conceive of an industry where expansion of capacity involves less risk than it does to the electric-power industry.

This is not the case of a surplus; this is a case where there was a great shortage of supply, and the power companies could have sold their product, so to speak, just as rapidly as they could have got it off the generators. Here was no case, in my judgment, which met the purpose and the policy for the granting of certificates of necessity. This is not a case where business is being urged to build a defense plant, and is being offered an inducement for building it, on any theory that the plant would be worthless as soon as some emergency was over. There was no emergency which would have had the effect of destroying the value of these utility plants. To the contrary, the great demand for more and more power assured to the private utilities a good business and a good profit. It was not necessary for them to have had the assurance of a nice bonanza handout by way of the subsidy I have been discussing.

In the atomic-energy power bill there is the same availability of a hidden subsidy. All that is being done is to let the private utilities put their hands into the pockets of the American taxpayers and to take out the taxpayers' money legally. But it is larceny by law. That is what it is. In my judgment, it cannot be reconciled with political morality. It cannot be reconciled with statesmanship.

I am perfectly willing to be of help, through the Government, in legitimate subsidy programs, if it can be shown that the public interest requires it. There is no such showing in regard to the private utility plants. When it is seen what they do and the great savings which they make through interest, when it can be seen that 20 out of 21 State regulatory bodies—the State of Georgia being the only exception—hold that the savings on interest, as a result of the tax-amortization program, go to the utilities, and do not go to the consumers, one has a pretty clear idea as to what the private utility monopoly is up to.

Now we have the Federal Power Commission, as a result of the appointments of this administration, following the same line—with one dissenting opinion, that of Commissioner Doty.

I think it is most unfortunate that Congress sits idly by and allows this kind of exploitation of the rights of the American

taxpayers to continue, without the passage of a general law, other than is on the books at present, which would provide for some regulation of the entire tax-amortization plan.

I shall argue that point in connection with the bill, because I think here is one specific instance in which the situation can be remedied, just as I felt, when the tax bill was before the Senate not so long ago, that my amendment for the regulating of the accelerated depreciation allowance should be included. As I said then, I am willing to take the advice of the experts on the staff of the House committee, who estimated that in that tax bill the American taxpayers would lose $19 billion in 18 years, as the result of the accelerated depreciation allowance provided for in the bill. To me that is shocking. The depreciation allowance provision of the tax bill is so wide open, Mr. President, that one can buy an office lamp for any business office, and depreciate it at the accelerated rate. Let anyone justify that on the basis of necessity, from the standpoint of the public interest. Let anyone justify it on the basis of any fairness to the American taxpayer. You know who pays that bill, Mr. President. Not the people of this country who have high incomes, who go in for the depreciation allowance, but the little fellow, the little fellows, the consumers in America having low incomes, incomes of $7,500 a year or less. They are the ones who get caught in that bite. They are the ones who really are paying the tax, to give away, really, the taxpayers' money to people who have the ability to pay their taxes without the hidden subsidy. It is not so hidden in the tax bill—without the subsidy of an accelerated depreciation.

As I said during the tax debate, I repeat this morning: Is there no limit to the selfishness of the people who have the ability to pay? Must we place an inequitable and unfair burden upon the books of the people least able to pay? For that is what is being done under the tax bill as it left the Senate. That is one of the reasons why I voted against it. It shall always be proud of the vote I cast against the tax bill. I shall always be proud that I was never a party to voting for a bill which does the injustices and places the inequities on the backs of the people least able to pay in this country, that that tax bill does.

Mr. President, a similar principle is involved in the pending bill. Again, there is the whole problem of hidden subsidy. We see greed, selfishness, and the private utility monopoly of this country trying to come in again, and to take advantage through law of the masses of the American people. That will not be done with my vote.

Something tells me that as the American people come to understand this problem, there will be some other people doing some of the voting in the Senate of the United States after November 1954.

Something tells me that once the American people come to understand the giveaway features of the atomic electric power energy development program, as set forth in the bill, they will take advantage of that election to provide themselves with some new Senators and Representatives—and I wish them well; I intend to do what I can to help them to that end.

Mr. President, the demands of the electric power industry in recent decades have led to a doubling of capacity every 7 to 10 years, an almost incredible rate of expansion when carried on over a considerable period of time. As long as demand on the industry is growing at this rate, it is difficult to conceive of the industry's being threatened with excess capacity. And even if the industry did temporarily overbuild its capacity, the regulatory commissions doubtless would rush through increases in rates to protect the investors in the industry.

Mr. MORSE. Mr. President, I am about through.

I wish to say that I understand that on Friday, there is to be a rather brief session of the Senate. On Friday, I shall discuss briefly another phase of this problem, because there is another phase to it.

Mr. President, I turn now to another subject.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

THE SPEECH BY SENATOR MORSE AT DETROIT, MICH.

Mr. MORSE. Mr. President, last night I said that I would place in the CONGRESSIONAL RECORD the speech I made at Detroit, Mich., which caused all this furor. We have the tape of the speech, and it is being transcribed.

Let me repeat, as I said last night, that the tape bears out exactly what I have said I said at Detroit. We are having it transcribed, and I will have it ready for insertion in the CONGRESSIONAL RECORD on Friday, at which time I shall make a few appropriate remarks in regard to it.

Mr. President, in closing, let me say that although there has been some harshness in the exchanges between Senators during recent days, there is no harshness in my heart, insofar as my colleagues are concerned. I think they have made a great mistake in taking the position they have taken in regard to my right to exercise untrammeled free speech in the Senate of the United States.

I have noted with interest that the Republicans at best are still in meditation as to whether they are going to proceed with any censure motion or resolution.

I wish to say to my good friend, the Senator from Michigan [Mr. POTTER] who at the present time is the acting minority leader, that the longer my colleagues on his side of the aisle remain in meditation about the matter, the more encouragement I shall get, I am sure, from all parts of the country for the position I have taken, although I also realize that Senators on the other side of the aisle know that they do not have a leg to stand on, in respect to any censure proposal under the rules of the Senate. Furthermore, there is a great deal to what these Republican friends of mine are saying, when they either telephone to me or write to me, and ask me, "Did you pay those fellows to attack you?" They ask that question because the attack has focused attention on this issue and has caused it to be understood far better than it otherwise might have been understood.

But, Mr. President, I have been in battles before, and I have had Members of the Senate think harshly of me before, only later to come to realize that I am not so bad as they thought—disagree with me as they do, and as they will—and that, after all, those of us who serve in the Senate do have mutual respect for the right of each one of us to stand for what he thinks is right.

Therefore, Mr. President, tonight, on the floor of the Senate, I express my appreciation for some of the very kind things which have been said to me by Republican colleagues during the past 2 days, in the cloakrooms of the Senate, in demonstration of the fact that they did not really mean, on a personal basis, some of the unkind things they said. I am appreciative of that, and I want them to know there is no rancor in my heart because of past differences.

Now Mr. President, in accordance with the order previously entered——

Mr. POTTER. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I yield.

Mr. POTTER. First, I should like to say to the Senator from Oregon that I feel that tonight I have, for once, outlasted him, or at least lasted with him.

I wish to make a few remarks of my own; and I should like to obtain the floor in my own right, in order to make them.

Mr. MORSE. I am sorry that I did not know the Senator from Michigan intended to speak at this time.

Mr. POTTER. Let me add that I was an appreciative audience in listening to the speech the Senator from Oregon made.

Mr. MORSE. And I shall remain here to listen to the speech which I now understand the Senator from Michigan will make.

Mr. POTTER. Of course, I would have remained long enough to make my speech, regardless of whether the Senator from Oregon had made his.

Mr. MORSE. Mr. President, I yield the floor.

TAXES AND MICHIGAN

Mr. POTTER. Mr. President, on May 17, the junior Senator from Michigan introduced into the RECORD a letter from Gov. G. Mennen Williams, of Michigan, to Mr. Harlow H. Curtice, president of General Motors Corp. The letter stated that Mr. Curtice had predicted General Motors Corp. would move its operations out of Michigan if the legislature adopted a corporation tax now under consideration. The junior Senator from Michigan accused Mr. Curtice of "wielding a blackjack" and seeking to "blacken the name of one of the Nation's greatest industrial States."

It is not my purpose here to defend either Mr. Curtice or the General Motors Corp., both of whom have been able in the past to take care of themselves. No one can question Mr. Curtice's interest in the development of Michigan. I am concerned about one thing only: that the State of Michigan preserve an economic climate which produces more jobs, better living standards, and a healthy growth base for all business, large and small.

The remarks on the Senate floor on May 17 were emotionally charged. Certainly there has been an increasing wave of publicity concerning Michigan's business climate. The situation affects every worker in my State.

During the past weeks all of us have witnessed a vast ground swell of public sentiment for Government economy. Right-thinking individuals in Michigan also are concerned about their State government's economy. If a State's finances are manipulated so that workers'

jobs are endangered, or business is discouraged from establishing itself in Michigan while other States boom, then citizens have a right to know what is happening to them.

In the interest of clarity and fairness, I should like to place in the RECORD certain facts concerning Michigan's current financial status.

Comparing the tax "climates" of various States is difficult and painstaking. I have drawn upon the conclusions of expert and objective observers in this field.

On April 17, 1957, the Citizen's Research Council of Michigan reported as follows:

The State of Michigan faces its most serious financial crisis in many years. Spending proposals exceed all previous limits and are far beyond estimated revenues. The Governor's 1957–58 budget proposes appropriations from the general fund of $411 million, an increase of 24 percent over this year's (1956–57) appropriation.

On May 13, 1957, Mr. M. M. Hollingsworth, staff writer for the Detroit Free Press, summarized as follows a comprehensive study of comparative State taxes by the Pennsylvania Economy League:

A hypothetical $10 million manufacturing corporation would pay more State and local taxes in Mount Clemens, Mich., than in 184 other communities studied in Michigan, Pennsylvania, Delaware, Maryland, New Jersey, New York, Ohio, West Virginia, Illinois, and Indiana.

The first five communities in high cost were in Michigan. Ranking behind Mount Clemens in order were Plymouth, Detroit, Clio, and Romulus Township.

All of the 10 Michigan communities in the study were in the first 30 in rank of cost.

The report showed the corporation would pay a total of $338,778 in taxes in Mount Clemens. This would come from $239,661 in local taxes and $99,117 in State levies.

Largest tax imposed in Michigan on corporations is the personal property tax. This levy in Detroit would cost the hypothetical firm $202,904 and in Mount Clemens the tax would be $202,144 on plant and equipment worth $3,085,000.

Other Michigan communities included in the study were Flint, Pontiac, Mount Morris Township in Genesee County, Montague Township in Muskegon County, Trenton and Holly Townships in Oakland County.

Trenton would tax the corporation less than the other Michigan communities, the levy being $170,032 from $65,309 local levies and $99,117 State tax.

The study showed the corporation would pay a total local and State tax of $198,351 in Pittsburgh against $321,306 in Detroit.

Total State taxes on the corporation in the 10 States would be:

Pennsylvania	$141,850
Michigan	99,117
Maryland	89,162
New York	86,845
West Virginia	64,702
Indiana	44,440
Ohio	19,660
Illinois	14,020
New Jersey	13,640
Delaware	1,653

Michigan was second among the four States in the study that levied receipts or business activity taxes.

A spokesman for Governor Williams' Michigan Economic Development Commission was quoted early in May as saying that Michigan has been experiencing growing difficulty in luring new plants and jobs "because the decision to locate a new plant is based on sound economic facts."

The spokesman said that "If we manage to land 3 out of 100 companies available, we consider ourselves fortunate." He admitted that the State lost a large steel firm to Ohio principally because of the differential in taxation on business.

The Michigan Employment Security Commission lists the average motor-vehicle industry employment in Michigan for 1956 at 404,000, the lowest in the past 10 years. In 1953 the comparable figure was 503,000.

Market analysts interpret these figures as indicating the industry has been just holding its own in Michigan while expanding briskly elsewhere, principally in Ohio, which boasts of a more favorable business tax climate.

This would substantiate Mr. Curtice's statement concerning plant location. He did not threaten to move General Motors operations out of the State, but he did point to the level of taxes as a factor in location of new plants elsewhere.

I ask unanimous consent to have printed at this point in the RECORD Mr. Curtice's reply to Governor Williams.

There being no objection, the letter was ordered to be printed in RECORD, as follows:

MAY 24, 1957.

Hon. G. MENNEN WILLIAMS,
Governor of Michigan,
Lansing, Mich.

MY DEAR GOVERNOR WILLIAMS: This is in reply to your letter of May 14. In the opening paragraph of this letter you state:

"On April 28, you issued a statement saying in effect that General Motors Corp. would move its operations out of Michigan if the legislature adopted any additional taxes which would affect the corporation."

For your information and review, I am enclosing a copy of my letter to Mr. Lee Hills, executive editor of the Detroit Free Press, in reply to an inquiry Mr. Hills had directed to me and to the presidents of more than 30 other corporations operating in Michigan. This is the statement to which you refer.

In this letter I made no mention of existing operations in Michigan. The only references with respect to the location of plants or operations are as follows:

"Even the present level of business taxation in Michigan has already led us to locate plants in other States, where the taxes per General Motors job are less than one-half of the present taxes per job in Michigan. This also will be taken into consideration in the placement of additional plants. * * *

"Obviously, if the Governor's plan of taxation is adopted the resultant excessive tax level will be an even greater influence in our decisions with respect to locating new plants and providing new job opportunities. Michigan's advantages are not enough to overcome the additional handicap of the proposed taxation."

There is not even an implication in any of these statements of any intention on the part of General Motors to "move its operations out of Michigan." Your conclusion is a misinterpretation of my statement, and it is the publicizing of this misinterpretation that has had such a "widespread impact"—to use your expression.

Everyone acknowledges that Michigan should have adequate revenue to meet the costs of government, including the health and welfare programs which its citizens require and are entitled to receive.

However, it appears that a thoroughgoing, impartial analysis of fiscal policies and operating efficiency is needed at all levels of government in Michigan—State, county, and local.

General Motors considers Michigan its home State. The focal point of our operations is here. In fact, approximately 45 percent of our corporation's physical investment in the United States is in this State, and about 45 percent of our United States payrolls go to Michigan employees. These payrolls last year totaled more than $1,165,000,000 and they went to over 211,000 men and women in Michigan.

We purchase goods and services from 6,500 other Michigan firms to whom we pay out as much as $1¾ billion yearly. Taxes of all kinds paid by General Motors to State and local governments in Michigan in 1956 totaled more than $50 million.

Here in Michigan, as in all States where we operate, we seek no favored treatment. We are completely willing to bear our share of the cost of government.

Sincerely,

HARLOW H. CURTICE.

Mr. POTTER. Mr. President, I introduce these serious facts into the RECORD because the prosperity of Michigan's people is involved. Michigan is a great State. It has industrious workers, a pool of scientific know-how second to none, competent business managers, vast natural resources, and scenic beauties. It has many advantages to offer business enterprises, but its current financial mismanagement is not among them.

There is no question that Governor Williams faces an ominous tax dilemma. His administration has built an extravagant and topheavy State bureaucracy which has pyramided into hundreds of boards, commissions, and pilot groups.

The only way to pay the bills for such an establishment is to levy more taxes. Now comes the $64 question.

Do we study and analyze our State's operating and financial procedures? Do we try to trim some of the fat from State operating costs? Do we then try to work out an equitable tax structure for all segments of the State's economy? Or do we blindly slap a tax on one vital segment of the economy—the business community—when we already have the evidence before our eyes that taxes have become a factor in the businessman's preference for locating outside of Michigan?

This is indeed a most delicate and difficult situation, but one which the present State administration has brought upon itself.

If Michigan continues to display an uninviting attitude toward business, it is you and I who will suffer, but not the businessman. He will locate his plant where he receives the most advantages, and the people of Michigan will be left with soaring unemployment figures, plummeting paychecks, and nothing but memories of the good old days.

Through the foresight of its working men and women, Michigan has achieved an enviable position in the material and spiritual well-being of its labor force. This is something of which all of us are proud. It is something we should preserve. By slowly killing off industry we are harming our labor force, for we are doing harm to the other important half of the partnership—the employer.

Mr. President, I ask unanimous consent to have printed in the RECORD at this

point editorial comment on this subject from the Washington Star, the Detroit News, the Battle Creek Enquirer and News, and the Detroit Free Press.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Star of May 6, 1957]

TAXES WITH POLITICS?

Economics and politics appear to have become thoroughly mixed up in Michigan. Efforts of the Democratic administration of Gov. Mennen Williams to push through a State tax on corporation profits have brought blunt warnings from some of the leading industrial enterprises in the State that any substantial new burden on them will increase their interest in locating, or at least expanding, elsewhere. Spokesmen for the automobile manufacturing industry, Michigan's largest single industrial activity, have been foremost in their criticism, but steel, chemicals and other industries have expressed similar views.

President Harlow Curtice of General Motors, for example, has reminded the State legislature that the present level of business taxation in Michigan already has led his company to locate new plants in other States when the taxes per job are less than one-half those already applicable in Michigan. Ohio has been one of the beneficiary States in the postwar period, on grounds that the tax climate is more favorable while its geographic location and supply of skilled labor are not notably inferior to those of Michigan. Michigan already has a corporation franchise tax and a business activities tax, but up to now has imposed no tax on either individual or corporation incomes. The currently disputed program does not include an individual income tax, but aims at raising an estimated additional $132 million annually from a 6 percent corporation profits tax.

Michigan is not alone, of course, in finding its revenues strained to cover estimated public spending needs. Furthermore, many States already impose taxes on both individual and corporation incomes. The overlapping of taxes, Federal, State, and local, has been largely a post-World War II development, however, and many economists and tax experts view the trend with alarm. The policy of offering tax inducements already has played a large part in tempting shifts of industry, as well as of individuals, from some States and regions to others. It would be difficult, if not impossible, to establish a uniform structure for State taxation, but it is evident that there should be some reasonable balance between the tax burden and the advantages received in return. It is an area in which economic considerations, rather than political ones, should be prevailing.

[From the Detroit News of May 2, 1957]

HOW DOES OHIO DO IT?

Ohio is most often mentioned as the State whose tax "climate," being favorable to business and industry, has Michigan at a disadvantage. The disadvantage already existed before the current proposals to raise Michigan taxes still higher. So it is of interest to question what we can or should or want to do about it.

The facts of the case cannot be doubted. Ohio State taxes, particularly business taxes, are definitely lighter. Local taxes, so far as a quick look at typical cities shows, are at least no higher in Ohio than here. With less than half Detroit's population, Cleveland collects barely one-third as much from property taxes. There is no denying that in a close decision plant locations may be determined by tax differentials or that this has in fact happened and perhaps often happened as between Ohio and Michigan.

The people of Michigan will have to say what they want done about it. The only answer this newspaper has for the present is simply that whatever is done will have to be pretty fundamental. There are fundamental differences between the two States not confined to those of geography and natural resources.

Ohio seems somehow able to manage with less costly government than we in Michigan. Moreover, the State seems to have had a different view of how government should be paid for. For all we know at present, that may be the most important difference of all.

With a population bigger by 1,500,000, Ohio in 1954 (the last year for which comparable figures are at hand) had State government costs just about like Michigan's. It would not be wholly accurate to say that Ohioans got along with less government. The State's outlay per capita for public welfare and for highways was bigger that year than Michigan's. So was its capital outlay. But Michigan's spending was bigger both per capita and in absolute amount than big Ohio's for government salaries and wages, for education, for health and hospitals, and for what are termed "intergovernmental" purposes.

That term comprises various State payments for the support of local government. In Michigan these came to $52 per capita as against $33 in Ohio. Evidently Ohio local government tends to stand more on its own financial feet. So do Ohio schools, as reflected in the State outlay for education, which was less than half of Michigan's.

Why then are local taxes at least no bigger than in Michigan? We cannot say for sure, of course. But we may shrewdly guess that when more of the money for local government and for schools must be raised locally, the money is spent more carefully.

So it may be that any move by Michigan to neutralize its tax disadvantage would have to be a move adopting the Ohio view of local government responsibility. This would be for Michigan a fundamental change indeed and, we think, a healthful one.

[From the Battle Creek Enquirer and News of May 1, 1957]

WHAT'S THE MATTER WITH MICHIGAN?

Away back in 1896 the late William Allen White gained the Nation's ear when he wrote an editorial entitled, "What's the Matter With Kansas?" It's about time, some 60 years later, to write an editorial asking the same question about Michigan.

The State of Michigan has just received some very bad publicity. The blow has been a very severe one, from which the State will not make a healthy recovery unless the people of the State decide to do something about it. But that will take unity, and unity is pretty hard to find in Michigan.

The Detroit Free Press, in a copyrighted story, has told the State, and the world, that General Motors Corp.'s Harlow H. Curtice has said that Michigan taxes on business are forcing that firm to locate new plants in other States. There has been ample supporting evidence that General Motors isn't the only firm that views Michigan taxes as unhealthy. And the heads of these firms are quoted as saying so.

Accompanying the story was a chart showing the influence of taxes on a hypothetical $125 million corporation. It revealed that combined local and State taxes would be approximately half as much in Indianapolis or Cleveland as in Detroit, with Chicago, Buffalo, and Pittsburgh in the 60 percent bracket.

Since the story came out the Democrats of Michigan have cried "Foul" and have charged that it's all a big Republican plot. But it's pretty hard to argue with cold figures. It's pretty hard to argue, too, that the efforts of Governor Williams in seeking still higher business taxes, aren't being watched with apprehension by all businessmen. Governor Williams has sounded the warning that Michigan's high taxes on business will be even higher if he has his way.

What is the record for attracting industry in the face of this uninviting attitude toward business? The record shows that industry is leaving the State in some cases, and that record also shows that the nearby States of Ohio and Indiana are reaping the benefits of a more realistic attitude toward industry. Michigan's record of attracting new industry is on the pitiful side.

What's the matter with Michigan? Well, most of the matter is that the people seem to have been sound asleep. They have been about a decade behind most of the rest of the country in realizing the advantages to be gained from the tremendous surge of postwar industrial development, even though they have some of the greatest industries in the Nation. They do not seem to recognize, as do most other States, that it is industry that lays the golden eggs in any community, providing the jobs and taxes that pay the way for other enterprises.

There's something the matter with Michigan because as a State it has been entirely too complacent about industry. It has hiked the taxes until major plants are locating branches elsewhere, and other firms are refusing bids to enter Michigan. It continually reelects a Governor whose policies take away even more jobs from the people of Michigan under the guise of paying their bills through levying still higher taxes on industry.

What's the trouble with Michigan? One of the troubles is that its people would rather play politics than win ground in competition with other States in gaining industry. The people of Michigan are caught squarely between a regressive Republican faction and a strong camp of Democrats, who take their orders from Walter Reuther. The Democrats influence people and win votes on the theory that less work and higher pay will bring prosperity to all, and the Republicans lose votes because they're against this unsound but attractive proposition. But the Republicans fail to come up with an attractive program of their own.

Most folks can't agree on the question of the day in Michigan, which is whether Reuther controls Williams, or Williams controls Reuther, but it would be fine business if the people took over control of both. It will little profit the people of Michigan if Mr. Williams wins himself a seat in the White House on the basis of being Michigan's great benefactor of labor, if he has at the same time ruined Michigan's prospects industrially.

It is strange that the people of Michigan—a State which has seen such great industries built in years past—fail to see the omens of the new day. They refuse to provide the things that industry seeks, such as industrial parks and industrial financing, while at the same time holding to a forbidding tax schedule and constantly reelecting a Governor who would tax industry even more.

The great State of Pennsylvania was in Michigan's place a few years ago. Then it awakened. Now it is one of the leading States in the Nation in campaigning for—and winning—new industries. Michigan is overdue for an awakening. Let's tell our politicians to quit making faces at each other and get together to work out a sound program that will attract industry.

That great utopia of tomorrow won't perk unless there are plenty of industrial paychecks to help pay the bills.

[From the Detroit Free Press of May 4, 1957]

JOB FIGURES CAN SETTLE THE TAX DISPUTE FACTS

Denunciation can contain truth. But simply throwing denunciation back and forth does nothing to measure its degree of truth.

Michigan industry has denounced the State's tax policies, with special reference to Governor Williams' wish to impose a corporation profits tax in addition to present levies.

Industrial leaders say the height of Michigan's tax level is causing it to lose new plants to States where the level is lower.

If this is so, those who are really being hurt by Michigan's taxes on industry are the working people, and those who sell to them. For it means that payroll opportunities are not growing as they are elsewhere, and that Michigan workers are finding a decreasing competition for their services.

Governor Williams, in turn, has denounced industry.

He says it is using scare talk to frighten the legislature out of accepting his profits tax plan, and is trying to dictate government from the offices of corporate management.

By so doing, the Governor asserts, they are rendering incalculable damage to the economic welfare of Michigan.

Legislative voices have been heard on both sides of the dispute.

Time, of course, will infallibly tell which version is the correct one. But with the prosperity of Michigan's people at stake that could be a suicidally belated way of reaching the truth.

The day has come we say, for the legislature to insist on getting facts, and when it has the facts to lay them before the Governor and the people. And we wouldn't profess to know at this juncture which side of the case they would support.

Fundamental proof of what is or isn't happening to Michigan industry and work opportunity lies in the records of the Michigan Employment Security Commission.

There, all the employment records come together. From them could be ascertained everything essential that needs to be known on the subject of payroll shrinkage or expansion—not only in total but by areas and individual firms.

Because employers are taxed for employment benefits on a basis of the stability of jobs in their plants, it could also be told whether a man's assurance of steady work is going up or down.

With these statistics, legislators devoting themselves to State revenue problems would have a measuring stick to be held against population increases, plant migrations and, to some extent, conditions in other States.

If Michigan's payrolls—good stable ones—are lengthening, they can put sharp, informed questions to management when it talks of hazards to the Michigan economy.

Should it turn out that we are only holding our own, or starting to slip, in relation to other industrial States, they will be in an equally good position to cross-examine Governor Williams on his indictment of industry.

In either case, the real objective should be firmly held in mind. It is to be sure that Michigan is kept in or restored to the best possible competitive position it can have in the furthering of work opportunities for its people.

By "best possible" we of course mean in the light of maintenance of necessary public service. Nobody wants to see a tax structure that would retard needed progress in Michigan.

In citing this goal, we find doubt in our minds whether Governor Williams has kept it before him as well as he could have.

Any Michigan chief executive, when it comes to fiscal matters, is bound to be somewhat tied by unalterable money allocations. One of Michigan's basic revenue-and-outlay troubles is inflexibility.

Nevertheless, it does appear to us that Governor Williams hasn't shown all the endeavor an executive should to find ways to hold tax increases to a minimum. We don't think he has shown Michigan an earnest effort in the direction of managerial ingenuity.

His standard procedure is to seek to meet all difficulties by the simple, even if not always successful, expedient of demanding more money.

That is opinion, and naturally there will be opposed opinion.

One thing in the present controversy for which the Governor can unquestionably be taken to task without quibble is his own discouragement to industrial expansion here. We mean by that his defaming of management.

Business is susceptible to political climate. In his excoriation of industry this past week, he cannot have failed to leave the impression that his administration sees industry as equipped with horns and tail and diabolical purpose.

We can't imagine that a management in search of a plant site would be very quick to establish in a State whose Governor talks of industry the way Governor Williams has since the tax issue quickened.

[From the Detroit Free Press of May 13, 1957]

AN AIR OF OFFICIAL HOSTILITY CONFRONTS MICHIGAN'S INDUSTRY

How Michigan taxes put this State's chemical industry at a competitive disadvantage was told in Sunday's Free Press.

One spokesman for a chemical manufacturer said, for example, that because of more favorable taxes his firm's competitors in Ohio, Indiana, West Virginia, and New York can turn out products comparable with those made here, and do it at 15 percent less cost.

Other statements were in a similar vein.

They are disturbing when it is considered that Michigan's chemical industry employs 45,000 people and has a $325 million annual payroll.

Industry can only go so far in abiding competitive handicaps. After that it has to do something. When taxes are the handicap, that something is to move elsewhere.

Taxes, however, are but one side of the story. There is another that is much brighter.

It deals with Michigan's advantages as a site for industry, and especially the chemical industry.

In its unlimited supply of water, alone, Michigan has a tremendous appeal for that business. Access to a tremendous quantity of good water is essential to the chemical manufacturer.

Its presence there has much to do with Michigan having arisen to fifth-place State in the chemical industry.

And we have many advantages besides water—which is an attaction to all industries.

There is our extraordinarily large pool of skilled labor.

Our transportation assets are good, and will be greatly increased with completion of the St. Lawrence Seaway.

Power is plentiful, and if those throwing obstacles in its way are overcome Michigan will one day benefit by atom-generated electricity. That stride would be so long that what it could lead to industrially is beyond calculation.

Michigan has its own riches in raw materials. And it is adjacent to other States having a wealth of them—all within easy reach of the Michigan plant.

These things, along with a nearness to large markets, weigh greatly in Michigan's favor.

COSTS ARE HARD FACTS

Up to a certain place on the tax scale, they can outweigh the fact that Michigan taxes are high. Along with pointing out the tax structure's exceptional weight among Michigan cost factors, spokesmen also said that their firms' preference was to expand and invest in this State.

But the trend is not disputed. It is that industrially other States are growing faster and job opportunities which might come to Michigan workers are being created elsewhere.

Considering this fact and weighing it against the pull which Michigan's natural assets can exert, it occurs to us that as well as high levies, themselves, we are being hurt by Michigan's taxation atmosphere.

To some extent, too, we are being hurt by our labor climate—or probably more accurately, labor reputation.

Among the things not at all helpful to Michigan's reputation as to labor is the tendency of certain labor leaders to abuse management.

What they say presumably represents an attitude toward management in all States. But Michigan happens to be where these spokesmen make their headquarters and inescapably the feeling spreads that this is their chosen battleground—and to some extent it has been.

Nor can Michigan's steady plague of unauthorized strikes be overlooked. This evidence of bad union discipline in itself perhaps stems from nearness to the challenging voices of leadership.

If union heads think so ill of employers, then defiance of contracts with employers isn't hard to understand psychologically.

On this score of union-management relations, of course, the fault is not all on one side. Spokesmen who appear to represent the business community, whether they do or don't, often display a bitterness that contributes to the impression of strife.

ATTITUDE OF ENMITY

The bad tax atmosphere lies with the Michigan administration and most particularly with Governor Williams.

Industry might go far in putting up with uncommonly high levies if it could see reason to suppose that the State's government was also disturbed about them, and had an earnest desire to establish a hospitable reputation for Michigan when it comes to bidding for industry.

Unfortunately, Governor Williams' public attitude is that management is always evil, and that when it mentions taxes, costs and competition it is trying to bamboozle Michigan into giving it a free ride.

Nobody wants to see industry not paying its way. We have no use for lures to industry which involve gifts and concessions—and we have never noticed any substantial part of industry putting those artificial inducements ahead of such genuine advantages as Michigan offers.

Industrial managers, however, are likely to feel increasingly that they are in a hopeless predicament that can only be solved by departing when they not only put up with high taxes, but are derided by the Governor when they call their tax situation to public attention and ask sympathetic consideration.

Were we hunting a plant site, Gov. Williams' blast at industry in connection with the issue raised by his proposed corporation profits tax, would suffice in itself to make us very wary of coming into Michigan.

In short, while our high taxes are something of a discouragement to industry, the atmosphere created by the Governor has the capacity to be a vastly greater one.

THE GOVERNOR'S PART

There is no doubt that Michigan is in need of new revenues or a much better handling of the present ones. One reason they aren't handled better is because of earmarkings which remove altogether too much flexibility—and impose a handicap on the administration, no matter whose it is.

These things can't be gotten around entirely. What can be eliminated is a State House philosophy which says that industry is filled wih cupidity, that the way to solve any problem is to hit it for more money and that it deserves just about the worst you can give it.

As we read Governor Williams, that's what he's been saying.

Nor is Governor Williams' political base one to inspire confidence in an industrial site seeker, or even in one who already has a site in our State.

Michigan is a great industrial State and it is a great union State. Both of these should be great assets.

But where there are two such prominent forces it behooves the State administration to be a third force.

Perhaps it is policy with organized labor to make the Governor to appear to be more in its league than he actually is. If so, it succeeds admirably, and appearances are what count.

Also, we've never seen the Governor do anything to disabuse us of the impression created.

Here again we have a large detriment to any hospitality Michigan tries to show industry.

Not only is management excoriated when it points out its tax situation, but outsiders looking in are given a feeling that Michigan is a State run by the unions.

Unions are entitled to the same administrative consideration as management, no more or no less.

In a State where both are as powerful as they are here, the State's government should stand up strongly as a third force representing all the people. Michigan's decidedly does not.

Well meaning people, some of them in the Governor's own camp, have prescribed remedies for this condition.

They suggest that Governor Williams personally participate in the solicitation of new industries for Michigan. He ought, it is said, to be more in evidence at new plant openings and other occasions encouraging to industrial expansion.

Those devices strike us as artificial and empty.

We doubt that they'd get anywhere against the Governor's frequent inveighings and the absence of evidence that there is an administration in Michigan equally attentive and sympathetic to the problems of management and labor.

These drawbacks are infinitely easier to correct than it is to solve Michigan's revenue problems.

It doesn't even call for a new Governor. All that's needed is a change of attitude and utterance on the part of Michigan's present Governor.

We add quickly that the impression of strife would be further corrected if some of those representing Michigan's people in the legislature limited their partisanship to being either Democrats or Republicans, and didn't extend it to being diehards on behalf of one or the other of Michigan's two great powers.

More objectivity and less of the causist stance would be beneficial all around.

WHAT'S GREATLY NEEDED

Plainly Michigan is in a poor competitive position with regard to taxes on industry. Just as obviously it is in a splendid position when attractions to industry are toted up.

It seems to us that industry would be far more disposed to bear with its tax problem in this State, and consider that it can be outweighed by the attractions if it were not for a sort of hopelessness inflicted on it by the atmosphere we've dwelt on.

Get rid of that, everybody get together on the problems with all the amiability of which he is capable, let there be a showing of good will all around and there will be much less to worry about on the matter of Michigan's industrial future.

In that atmosphere industry will be far less ready to consider benefits to be had from moving, and new industry will be greatly more willing to benefit itself with Michigan's natural assets.

For the benefits of either moving or not coming here will appear infinitely more transient than they do now.

"LETTER TO ST. PETER"—POEM BY ELMA DEAN

Mr. POTTER. Mr. President, tomorrow will be Memorial Day. It was my good fortune last year to dedicate one of our national cemeteries in France. I was the chairman at the dedication of St. James Cemetery, in Brittany, France. While I was on the platform, attending the dedication, someone handed me a poem. I used the poem at the dedication. The poem was given to me in the form of a letter which was sent by a schoolteacher in England. The schoolteacher stated that she and her class had visited the cemetery the previous year, and that the cemetery had greatly impressed them.

At that time I used the poem without giving credit to its real author.

At this time I ask unanimous consent to have printed in the RECORD, as a part of my remarks, a reprint of the poem. It is a beautiful poem, and certainly is fitting this Memorial week. The poem was written by Elma Dean, of Oakland, Calif. The poem has been copyrighted, and it is one I should like all my colleagues to refer to at this particular time of the year.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

LETTER TO ST. PETER

Let them in, Peter, they are very tired;
Give them the couches where the angels sleep.
Let them wake whole again to new dawns fired
With sun not war. And may their peace be deep.
Remember where the broken bodies lie . . .
And give them things they like. Let them make noise.
God knows how young they were to have to die!
Give swing bands, not gold harps, to these our boys.
Let them love, Peter—they have had no time—
Girls sweet as meadow wind, with flowering hair—
They should have trees and bird song, hills to climb—
The taste of summer in a ripened pear.
Tell them how they are missed. Say not to fear;
It's going to be all right with us down here.

—*Elma Dean.*

ADJOURNMENT TO FRIDAY

Mr. MORSE. Mr. President, pursuant to the order previously entered, I move that the Senate adjourn until 12 o'clock noon on Friday next.

The motion was agreed to; and (at 9 o'clock and 20 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Friday, May 31, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 29, 1957:

DEPARTMENT OF STATE

Loftus E. Becker, of New York, to be Legal Adviser of the Department of State.

DEPARTMENT OF THE TREASURY

Robert Bernerd Anderson of New York, to be Secretary of the Treasury.

IN THE AIR FORCE

The following-named officer, under the provisions of section 8066, title 10, United States Code, to be assigned to a position of importance and responsibility designated by the President in rank as follows:

Maj. Gen. Richard Clark Lindsay, 476A, Regular Air Force, in the rank of lieutenant general, United States Air Force.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 29, 1957:

DEPARTMENT OF THE AIR FORCE

Malcolm A. MacIntyre, of New York, to be Under Secretary of the Air Force.

DEPARTMENT OF THE NAVY

Rear Adm. Robert E. Dixon, United States Navy, to be the Chief of the Bureau of Aeronautics in the Department of the Navy; term of 4 years in accordance with title 10, United States Code, section 5136.

PUBLIC HEALTH SERVICE

The following candidates for appointment in the Regular Corps of the Public Health Service subject to qualifications therefor as provided by law and regulations:

To be senior assistant dental surgeons

George E. Mitchell, Russell Ross, Charles S. Stitt, Jr., Carl E. Anderson

To be assistant dental surgeons

William R. Wallace, Erwin R. Schumacher, James E. Hardwick III, Richard A. Coulson, Kenneth C. Lynn, Richard C. Doub, Ralph S. Johnson, John L. Ames, Herald D. Green, Jr., John T. Bauer, Samuel Kakehashi, Richard H. Fender, Raymond Berlin, Alfred Hamel, James W. Smith, Jr.

To be senior assistant scientists

Philip S. Chen, Jr., George R. Bernard, Jr., Sidney S. Chernick, Charles R. Peebles

To be assistant scientists

Norman T. Briggs
Howard Goldfine

IN THE ARMY

The following-named officers under the provisions of title 10, United States Code, section 3066, to be assigned to positions of importance and responsibility designated by the President under subsection (a) of section 3066, in rank as follows:

To be lieutenant generals

Maj. Gen. William Stevens Lawton, O14024, United States Army.

Maj. Gen. Paul Donal Harkins, O17625, United States Army.

The following-named officer for appointment in the Regular Army of the United States to the grade indicated, under the provisions of title 10, United States Code, sections 3284 and 3307:

To be major general

Maj. Gen. Aubrey Strode Newman, O16099, Army of the United States (brigadier general, U. S. Army).

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the

provisions of title 10, United States Code, sections 3442 and 3447:

To be brigadier generals

Col. James Hedges Forsee, 018265, Medical Corps, United States Army.

Col. Robert Hall McCaw, 038722, Judge Advocate General's Corps, United States Army.

UNITED STATES MILITARY ACADEMY GRADUATES

The nominations of Jack Emerson Adams and others, cadets, United States Military Academy, for appointment in the Regular Army of the United States, effective June 4, 1957, upon their graduation, in the grade of second lieutenant, under the provisions of Public Law 737, 84th Congress, subject to physical examination required by law, were confirmed today, and will be found in full in the Senate proceedings of the CONGRESSIONAL RECORD of May 9, 1957, under the caption "Nominations," beginning with the name of Jack Emerson Adams, which is shown on page 6695, and ending with the name of Duri Dale Zachgo, which appears on page 6696.

ADDITIONAL CONFIRMATIONS IN THE REGULAR ARMY

The nominations of Franklin D. Bell, and others, for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of title 10, United States Code, section 3294, as amended by Public Law 497, 84th Congress, and as amended by Public Law 294, 84th Congress, and Public Law 737, 84th Congress, were confirmed today, and may be found in the Senate proceedings of the CONGRESSIONAL RECORD for May 8, 1957, under the caption, "Nominations," beginning with the name of Franklin D. Bell, which appears on page 6586, and ending with the name of William J. Zigmant, Jr., which is shown on page 6588.

IN THE AIR FORCE

The following officers under the provisions of sec. 8066, title 10, U. S. C., to be assigned to positions of importance and responsibility designated by the President in the rank as follows:

To be generals, United States Air Force

Lt. Gen. Frank Fort Everest, 366A (major general, Regular Air Force).

Lt. Gen. Thomas Sarsfield Power, 481A (major general, Regular Air Force).

To be lieutenant generals, United States Air Force

Maj. Gen. William Evens Hall, 460A, Regular Air Force.

Maj. Gen. Walter Edwin Todd, 361A, Regular Air Force.

Maj. Gen. John Koehler Gerhart, 525A, Regular Air Force.

To be Senior Air Force member, Military Staff Committee, U. N., under the provisions of section 711, title 10, United States Code

Maj. Gen. William Evens Hall, 460A, Regular Air Force.

The nominations of James D. Boyle and others, for appointment in the Regular Air Force, which were confirmed today, were received by the Senate on May 16, 1957, and may be found in the Senate proceedings of the CONGRESSIONAL RECORD of that date, under the caption "Nominations," beginning with the name of James D. Boyle, which appears on page 7102 and ending with the name of James Warren Zimmer, which occurs on page 7104.

IN THE NAVY

VICE ADMIRALS

For commands and other duties determined by the President to have the grade, rank, pay, and allowances of vice admiral while so serving

Rear Adm. James S. Russell, USN.

Rear Adm. John H. Sides, USN.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 29, 1957

The House met at 10 o'clock a. m.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Eternal God, our Father, Thou art always standing at the door of our hearts waiting to be welcomed and to make them aglow and radiant with the vision of lofty ideals.

Thine is the kingdom, the power, and the glory, and may it be ours to do justly, to love mercy, and to walk humbly before Thee all our days.

Show us how in these days of grave responsibilities we may lay hold of the great sources of insight and inspiration, of wisdom and understanding, of faith and fidelity.

Make us more eager and zealous in the high endeavor of gaining a larger measure of health and happiness, of peace and prosperity for all mankind.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

DEPARTMENTS OF STATE AND JUSTICE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION BILL, 1958

Mr. ROONEY. Mr. Speaker, I call up the conference report on the bill (H. R. 6871) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies, for the fiscal year ending June 30, 1958, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 492)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6871) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies, for the fiscal year ending June 30, 1958, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 5, 6, 7, 10, 12, 13, 17, 18, 19, 20, 23, 24, 26, 28, 31, 32, 33, 36 and 37.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 8, 9, 11, 16, and 22, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the figure stricken and inserted by said amendment insert "fifteen"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$98,088,500"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$20,800,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,387,500"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$49,600,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$12,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$95,100,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$12,400,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$6,500,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 27 and 30.

JOHN J. ROONEY,
PRINCE H. PRESTON,
ROBERT L. F. SIKES,
DON MAGNUSON,
CLARENCE CANNON,
F. R. COUDERT, Jr.,
FRANK T. BOW,
CLIFF CLEVENGER,
JOHN TABER,
Managers on the Part of the House.

LYNDON B. JOHNSON,
ALLEN J. ELLENDER,
JOHN L. MCCLELLAN,
J. W. FULBRIGHT
(except as to amendments No. 14 and No. 29),
STYLES BRIDGES,
LEVERETT SALTONSTALL,
B. B. HICKENLOOPER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6871) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies, for the fiscal year ending June 30, 1958, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the

accompanying conference report as to each of such amendments, namely:

TITLE I—DEPARTMENT OF STATE

Administration of foreign affairs

Salaries and Expenses

Amendment No. 1: Deletes House language, as proposed by the Senate.

Amendment No. 2: Provides for the purchase of 15 passenger motor vehicles instead of 10 as proposed by the House and 20 as proposed by the Senate.

Amendment No. 3: Appropriates $98,088,500 instead of $93,088,500, as proposed by the House and $99,088,500 as proposed by the Senate.

The conferees were not in agreement on the wisdom of using appropriated funds for official residence allowances for deputy chiefs of missions, for medical benefits for dependents, or for recreational facilities. Therefore, it is the consensus of the committee that before utilizing any funds for these purposes more detailed presentations and justifications should be made to the Appropriations Committees of the House and the Senate.

"Transfer allowances" are not to exceed a total of $75,000. No specific amount is earmarked for the Passport Office.

Amendments Nos. 4, 5, and 6: Restore House language relative to the purchase of motor vehicles.

Representation Allowances

Amendment No. 7: Appropriates $600,000 as proposed by the House instead of $800,000 as proposed by the Senate.

International organizations and conferences

Missions to International Organizations

Amendment No. 8: Appropriates $1,357,500 as proposed by the Senate instead of $1,350,000 as proposed by the House.

International commissions

Passamaquoddy Tidal Power Survey

Amendment No. 9: Inserts Senate language limiting to ten the number of temporary employees that may be hired at any one time.

Amendment No. 10: Permits payment of not to exceed $50 per day for temporary employees as proposed by the House instead of $75 as proposed by the Senate.

Amendment No. 11: Appropriates $1,244,000 as proposed by the Senate instead of $935,000 as proposed by the House.

International fisheries commissions

Amendment No. 12: Appropriates $1,600,000 as proposed by the House instead of $1,654,000 as proposed by the Senate.

Educational exchange

International Educational Exchange Activities

Amendment No. 13: Places a limitation of $1,000 on entertainment as proposed by the House instead of $5,000 as proposed by the Senate.

Amendment No. 14: Appropriates $20,800,000 instead of $17,575,000 as proposed by the House and $24,000,000 as proposed by the Senate.

Amendment No. 15: Provides that not to exceed $1,387,500 may be used for administrative expenses instead of $1,275,000 as proposed by the House and $1,500,000 as proposed by the Senate.

General provisions

Amendment No. 16: Inserts language as proposed by the Senate relating to household and personal effects.

TITLE II—DEPARTMENT OF JUSTICE

Legal activities and general administration

Salaries and expenses, general administration

Amendment No. 17: Appropriates $3,250,000 as proposed by the House instead of $3,175,000 as proposed by the Senate.

Salaries and expenses, general legal activities

Amendment No. 18: Appropriates $10,800,000 as proposed by the House instead of $10,650,000 as proposed by the Senate.

Special temporary attorneys and assistants

Amendment No. 19: Appropriates $150,000 as proposed by the House instead of $300,000 as proposed by the Senate.

Federal Bureau of Investigation

Salaries and Expenses

Amendment No. 20: Appropriates $101,450,000 as proposed by the House instead of $101,300,000 as proposed by the Senate.

Immigration and Naturalization Service

Salaries and Expenses

Amendment No. 21: Appropriates $49,600,000 instead of $50,000,000 as proposed by the House and $49,500,000 as proposed by the Senate.

Federal Prison System

Buildings and Facilities

Amendment No. 22: Appropriates $1,000,000 as proposed by the Senate instead of $1,750,000 as proposed by the House.

General provisions

Amendment No. 23: Deletes Senate proposal to pay up to $75 per diem.

Amendment No. 24: Deletes Senate proposal relative to transfer authority.

TITLE III—THE JUDICIARY

Courts of appeals, district courts, and other judicial services

Travel and Miscellaneous Expenses

Amendment No. 25: Provides not to exceed $12,000 for expenses of attendance at meetings instead of $10,000 as proposed by the House and $17,500 as proposed by the Senate.

Administrative Office of the United States Courts

Amendment No. 26: Appropriates $840,450 as proposed by the House instead of $915,450 as proposed by the Senate.

TITLE IV—UNITED STATES INFORMATION AGENCY

Salaries and expenses

Amendment No. 27: Reported in disagreement.

Amendment No. 28: Provides a limitation of $500 on entertainment as proposed by the House instead of $3,000 as proposed by the Senate.

Amendment No. 29: Appropriates $95,100,000 instead of $105,000,000 as proposed by the House and $89,100,000 as proposed by the Senate.

Amendment No. 30: Reported in disagreement.

Amendment No. 31: Provides not to exceed $50,000 may be used for representation abroad as proposed by the House instead of $250,000 as proposed by the Senate.

Amendment No. 32: Restores House language and deletes Senate language relative to purchase of passenger motor vehicles.

Amendment No. 33: Deletes language proposed by the Senate. The Conferees unanimously agreed that no part of this appropriation shall be used by the Information Agency to duplicate or compete in the general news, film, or picture coverage activities at home or abroad with the services of independent American news, film, or picture agencies.

The Agency is further directed to investigate and act promptly upon any complaint made to them that their Information Services are competing with such private services.

TITLE V—FUNDS APPROPRIATED TO THE PRESIDENT

President's special international program

Amendment No. 34: Appropriates $12,400,000 instead of $10,900,000 as proposed by the House and $14,200,000 as proposed by the Senate.

Amendment No. 35: Provides that $6,500,000 shall be available for the Universal and International Exhibition of Brussels instead of $5,000,000 as proposed by the House and $8,450,000 as proposed by the Senate.

Amendment No. 36: Deletes Senate language relating to purchase of uniforms.

Amendment No. 37: Restores House limitation relating to representation.

JOHN J. ROONEY,
PRINCE H. PRESTON,
ROBERT L. F. SIKES,
DON MAGNUSON,
CLARENCE CANNON,
F. R. COUDERT, Jr.,
FRANK T. BOW,
CLIFF CLEVENGER,
JOHN TABER,
Managers on the Part of the House.

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, I am confident that there will not be one word of disagreement in this body this morning with reference to this conference report. The managers on the part of the House bring back to you this bill H. R. 6871 making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for fiscal year 1958, in the reduced amount $562,891,293. This amount is $908,500 less than the amount contained in the bill when it was passed by this House on April 17 last. It is $194,000 less than the amount included in the bill when it was passed by the other body on May 15 last. I shall include at this point in my remarks the following summary of the action taken on this bill by both Houses:

Department or agency	Appropriations, 1957	Estimates, 1958	House bill	Senate bill	Conference	Conference compared with budget estimates
Department of State	$221,708,072	$227,714,588	$189,282,743	$198,475,343	$189,694,243	−38,020,309
Department of Justice	216,242,860	234,658,000	227,856,000	226,380,000	226,705,000	−7,950,000
The Judiciary	36,321,435	40,780,250	38,562,050	38,637,050	38,562,050	−2,218,200
United States Information Agency	113,000,000	144,000,000	106,100,000	99,200,000	96,200,000	−47,800,000
Funds appropriated to the President	18,400,000	18,780,000	10,900,000	14,390,000	12,400,000	−6,100,000
Total	605,765,157	665,940,802	562,700,793	577,085,393	562,891,293	−102,758,509

Conference bill is $908,500 below the House bill.
Conference bill is $194,000 below the Senate bill.
Conference bill is $102,758,509 below the budget estimates.
Conference bill is $42,873,864 below the amount appropriated to date for the present fiscal year exclusive of funds in the 3d supplemental, 1957.

It should be brought to the attention of the House that the House-Senate conferees were in unanimous agreement with regard to the following language contained in the statement of the managers on the part of the House:

The conferees were not in agreement on the wisdom of using appropriated funds for official residence allowances for deputy chiefs of missions, for medical benefits for dependents, or for recreational facilities. Therefore, it is the consensus of the committee that before utilizing any funds for these purposes more detailed presentations and justifications should be made to the Appropriations Committees of the House and the Senate.

"Transfer allowances" are not to exceed a total of $75,890. No specific amount is earmarked for the Passport Office.

I am constrained to remind the House that the Committee on Appropriations of the House had the following to say concerning the Passport Office of the Department of State in its report on this bill submitted to the House on April 12 last:

The Director of the Passport Office when appearing before the committee last year stated:

"I don't think that the answer to more work in the Passport Office is more people, and that is why this year I am not asking for additional Passport Office help. The eight persons being requested are for the Chinese Fraud Branch, and that is a project apart."

Last year the committee was requested to recommend an appropriation of $250,000 for equipment for the Passport Office. The following is a quotation from last year's hearings in regard thereto:

"Mr. SIKES. Ordinarily in industry, when new equipment is installed, it is assumed that such installation will be accompanied by a decrease in labor and personnel requirements. That does not seem to be the case in your office.

"Miss KNIGHT. No, sir.

"Mr. SIKES. Why not?

"Miss KNIGHT. I do not think it will be necessary to increase the personnel because the type of machinery——

"Mr. SIKES. I said a decrease in personnel requirements would be anticipated.

"Miss KNIGHT. It will not decrease during this conversion period, but I would say next year it might very well decrease in number of employees despite the fact that we expect to have more passport applications.

"When we get the machinery in operation, it seems to me we could decrease the number of persons we have even if we increase the number of passport applications."

The Congress thereupon appropriated the full amount requested for this Office including the $250,000 for new equipment, with these results: Fifty-five additional positions were established, over and above the number then requested of and allowed by the Congress. A new passport office was opened in Los Angeles at a cost of $110,601.51 without notifying the committee, by the use of funds appropriated for other purposes. The new equipment has not been placed on order and money appropriated for this equipment has been spent for additional personnel.

Such fiscal irresponsibility on the part of the State Department cannot be tolerated. The committee should not be asked to spend day after day and week after week listening to testimony as to what the funds are required for, if at the conclusion of the hearings and passage of the bill and approved by the President, the Department then proceeds to spend the money as it sees fit without regard to the justifications presented the committee during the hearings.

I am pleased to note, however, that the conferees in behalf of the other body unanimously saw fit to restore the amount of $150,000 which the other body had deducted from the budget request for the Federal Bureau of Investigation which annually submits a tight sensible budget which it fully describes and justifies.

It may be seen at page 7 of this conference report that the conferees unanimously agreed that no funds shall be used by the Information Agency to duplicate or compete in the general news, film, or picture coverage activities at home or abroad with the services of independent American news, film, or picture agencies. The Agency is directed to investigate and act promptly upon any complaint made to them that their information services are competing with such private services.

Under the terms of the pending conference report the amount of $1,500,000 has been added for the Universal and International Exhibition at Brussels.

I am sure that the House will unanimously adopt this conference report. I should say at this time that there are only two amendments in disagreement, amendments numbered 27 and 30, and with regard to these, following adoption of the conference report I shall move that the House recede from its disagreement to these amendments and concur therein.

Mr. CANNON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, the conference report just adopted is one of the encouraging signs of the times. For the first time in recent years both Houses have cooperated in a conference reducing a bill below both the Senate totals and the House totals; below the budget estimates and below the appropriation for the preceding year.

The conference report is $194,000 below the Senate bill. It is $908,500 below the House bill. It is $102,758,509 below the budget estimates. And it is $42,873,864 below the appropriations for the fiscal year 1957 to date.

It is most heartening in that it is indicative of a turn in the tide of reckless spending that has characterized appropriations in recent years.

I congratulate Chairman ROONEY and his able committee on the successful conclusion of one of the important bills of the session.

Mr. ROONEY. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 27: Page 30, line 17, insert "and their dependents."

Mr. ROONEY. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 30: Page 32, line 19, insert "and of which sum not less than $350,000 shall be available by contract with one or more private international broadcasting licensees for the purpose of developing and broadcasting under private auspices, but under the general supervision of the United States Information Agency, radio programs to Latin America, Western Europe, Africa, as well as other areas of the Free World, which programs shall be designed to cultivate friendship with the peoples of the countries in those areas, and to build improved international understanding."

Mr. ROONEY. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate No. 30 and concur therein.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

CONSTRUCTION OF FEDERAL BUILDINGS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, the morning press carries a statement that construction of a number of Federal buildings for which we have appropriated money will be held up because of a strike. If the drivers of cement trucks in Washington are to fix the costs of buildings, it will be necessary that the Committee on Appropriations ask the union—all unions interested—about what it is going to cost to construct the proposed buildings, so that the money appropriated will be sufficient to meet their demands; otherwise we will not get the buildings. It has been said that the new Senate Office Building will cost as much as $50 million more than the original estimate. Why not just quit or at least postpone such construction until a more opportune time?

THE LATE LUTHER PATRICK

The SPEAKER. The Chair recognizes the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. McCORMACK. Mr. Speaker, it was with regret that I learned of the recent death of our late esteemed and beloved colleague, Luther Patrick, former Representative from Alabama. With every year that one remains in these Halls one sees, as it were, one more colleague, or former colleague, join the shadowy procession of the Great Majority, and I have seen a great many of them do so. In each case there is that peculiar poignancy which accompanies the realization of the finality of death.

But O for the touch of a vanished hand,
And the sound of a voice that is still.

Luther Patrick was born near Decatur, in Morgan County, Alabama, on January 23, 1894. He attended the public schools, later Louisiana State University and Purdue University. In 1918 he was graduated from the law school of the University of Alabama. During the First World War he served as a private, being assigned to the Army training detachment and to the Central Officers' Training School from June 14 to December 4, 1918. Admitted to the Alabama bar in 1919, he commenced practice in Fairfield. The rapidity of his rise in his profession testified both to his ability and the esteem in which he was held by his fellow citizens. City attorney of Fairfield 1920–1922; assistant attorney general of Alabama 1927–1929; assistant United States district attorney for the northern district of Alabama in 1933 and 1934, he added to his professional duties by becoming a writer and radio commentator on public affairs. In 1936 he was elected Representative from the 9th Alabama District to the 75th and the 2 succeeding Congresses, serving from January 3, 1937, to January 3, 1943. In 1942 he was an unsuccessful candidate for reelection. He retired to become the senior member of the law firm of Patrick and Appelbaum in Birmingham. During the war years he served as a consultant to the War Production Board in 1943–44. He was elected to the 79th Congress, serving from January 3, 1945, to January 3, 1947, following which he retired once more to Birmingham to the practice of his profession.

During our service together in this body I learned to know Luther Patrick. A close friendship developed between us which continued until his death. We kept in touch with each other through an exchange of letters.

Luther Patrick was a progressive legislator which he evidenced by great courage on many occasions.

Such was the record of an active and busy life. He was not merely a conspicuous public figure in the political and legal life of Birmingham and the State of Alabama; he was an active and eager participant in the community life of the city of his adoption. He was for more than 25 years a daily commentator over two radio systems, dating from 1925 in the very infancy of radio programs. He was a member of the Methodist Church, of the Knights of Pythias, the Junior Order of the United American Mechanics, and the Eagles. More, he was the author of several books of verse of delightful and kindly humor whose titles, to those here who remember the man, are at once reminiscent and characteristic: "Hope You're Livin' an' Doin' Well, Friends, Nabors, Kinfolks"—do these topics not recall our old friend?

In closing, I should like to quote some lines from a poem by Henry Van Dyke, called Work, which Patrick himself, when he was in Congress, once selected as fitting tribute to a friend who was leaving the House. By coincident, it was I who yielded the floor to Mr. Patrick. At this hour the lines seem to be very applicable to our friend himself, who will return to us no more:

To suit my spirit and to prove my powers
Then shall I cheerful greet the laboring hours,
And cheerful turn when the long shadows fall
At eventide to play and love and rest,
Because I know for me my work is best.

And now the long day is over, the working hours are done, and the shadows of the long evening have fallen upon our friend.

CALL OF THE HOUSE

Mr. H. CARL ANDERSEN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 90]

Andresen, August H.	Forrester	Kilburn
Barden	Grant	Lennon
Baumhart	Gray	Lesinski
Beamer	Gregory	McGregor
Blatnik	Gwinn	McMillan
Blitch	Hays, Ark.	Miller, Md.
Bolton	Hemphill	Murray
Bowler	Hoeven	Powell
Buckley	Holland	Rains
Celler	Holtzman	Saund
Coad	James	Schwengel
Dawson, Ill.	Jenkins	Siler
Diggs	Kearney	Smith, Calif.
	Kearns	Wolverton

The SPEAKER. On this rollcall 385 Members have answered to their names, a quorum.

By unanimous consent further proceedings under the call were dispensed with.

DEPARTMENT OF COMMERCE AND RELATED AGENCIES APPROPRIATION BILL, FISCAL YEAR 1958

Mr. PRESTON. Mr. Speaker, I ask unanimous consent that the managers on the part of the House have until midnight tonight to file a conference report on the bill making appropriations for the Department of Commerce and related agencies for the fiscal year 1958, and for other purposes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1958

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7665) making appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 7665, with Mr. KEOGH in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the Clerk had read down to and including line 16 on page 8 of the bill.

Mr. CANNON. Mr. Chairman, under the established practice of the House a Member desiring to reflect upon another Member by name waits until he is present or notifies him in advance.

The theory is that it is poor sportsmanship to attack a man when his back is turned. Yesterday while absent from the floor in the discharge of pressing Congressional duties, two Members of the House referred to me in critical terms by name.

I do not desire to discuss these gentlemen. I shall not discuss their childish remarks. But I do wish to refer briefly to the issue involved.

We are discussing a bill providing money for defense against the attacks of foreign enemies.

We know that if attacked, it will be by Russia. There is no other nation which desires or which would dare to attack America but Russia. That is the first premise.

Happily, the danger of war is receding. Internal difficulties are changing the program of the Communists for world conquest and there is now little likelihood of another world war.

But if Russia should attack, the attack will come by air. Not by sea or by land—not by ship or by regiment but by bomber and missile. That is the second premise.

If attacked by air, how could the Navy intercept bombers and missiles flying at supersonic speed so far above as to be neither seen nor heard. And with 468 Russian submarines attacking from below. Our own *Nautilus* by token sunk every surface ship sent against it in actual maneuvers. I ask anyone here to answer. The Navy would be helpless.

How could the Army protect Detroit, San Francisco, Cleveland, or New York?

One modern bomb dropped within 5 miles of Washington would wipe out the entire United States Government. How could the Army, with all its divisions, and all the money they are asking in this bill, prevent the bombing of a single city? Let anybody answer.

The war will be lost or won in the air. If won it must be won by airpower. That is the third premise.

Every capital ship of the Navy would be sunk in the first few hours. Pearl Harbor would not be a circumstance. Within 6 hours nothing would remain of the United States Navy but the submarines.

If our Air Force lost control of the air, our armies would be panic-stricken mobs in full flight, each man seeking shelter from above. With the enemy in control of the air nothing could save them.

Carefully analyze every speech made on this floor since this bill was taken up and you will not find in any of them or all of them the answer to these questions.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. CANNON. Mr. Chairman, I ask unanimous consent to proceed for an additional minute.

Mr. MARTIN. Mr. Chairman, I regret to do this, but I am going to serve notice that there is going to be no extension of time today. Too many Members of the House have other engagements for tomorrow and want this bill concluded.

The CHAIRMAN. Objection is heard.

Mr. BROOKS of Louisiana. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise at this time to clear up a point that arose in the course of debate just before adjournment yesterday. I think it is important that I do so.

Mr. Chairman, there has been some misunderstanding regarding the Reserve program. I did not have an opportunity to clear it up yesterday so I wish to do so at this time. I want to say at the outset that we have received very fine cooperation from the Committee on Appropriations in reference to the Reserve program. However, I notice in the report, and mention has been made in the discussion, about different programs—the 6 months trainee below 18½ years of age and the 6 months trainee above 18½ years of age. In my mind, it is all one program, Mr. Chairman, not separate programs. The 6 months training program was instituted because of the fact that we had certain individuals in our Reserve program who had had no field training whatsoever. Consequently, the Reserve was weak because it lacked the necessary manpower who had had field and service training. Therefore, we wanted some way to fill up the Reserve with prior trained personnel. And the 6 months training program is the way we decided it could best be done. So our subcommittee reviewed the problems that the Reserves encountered over a period of many years in getting trained personnel into the program. In the recent hearings, we state to this effect:

> The Department is asking for funds for an Army Reserve program of 300,000 paid drill strength which is an increase of 44,000 over fiscal year 1957 strength. This figure will include an authorization to enlist about 42,500 6-month trainees although the Army Reserve is not entirely happy with this limitation. The subcommittee believes we should support this request and not ask for additional funds for the Army Reserve provided the funds requested will result in fiscal year 1958 in paid drill strength of 300,000 exclusive of 6-month trainees while engaged in active-duty training.

That is the end of the committee recommendations. In other words, we want a United States Army Reserve of 300,000, but every one of those ultimately will have at least 6 months' training.

There is a misunderstanding on the part of some that we are striving to get the utmost in the number of 6-month trainees for an indefinite length of time and perhaps for an indefinite purpose; but the program is set forth in the law. The recommendation of the committee is for a reserve of 300,000 men in the Army, but each one of those men ultimately will have at least 6 months' training.

Something was said about the age of 18½ years. We arrived at that age because that was the age set by law for induction under selective service for men coming up of eligible age. But as the manpower pool increased selective service has raised the age for induction to 22½, so men now are being inducted at that age. We had trouble getting men below 18½ in the program because young men of 17 do not think they are going to be inducted, when the induction age is as far off as 22½; therefore, the Army raised the limit for the 6 months' program to age 26. So ultimately our manpower in the Army Reserve will be all prior-trained men with at least 6 months' training.

We do not want any misunderstanding that is going to confuse the issue, and we do not want anything to tear down the training in the Army Reserve. We should be united in our effort to get prior-trained men with at least 6 months' training. That is not a hard task to accomplish. For the first time in the history of this Republic we are building up a Reserve that will really be able to stand the test when it comes to meeting that test, and I do not think it is time to seek to tear down a program for which we have been battling for 25 or 30 years in this Congress. We see the end in view now.

Mr. FORD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I believe the Army panel and the subcommittee feel to a substantial degree in agreement with the gentleman from Louisiana. We want every person in the Army Reserve to have prior training. I think, however, we ought to look back and review the history of the Reserve Forces Act of 1955 to see the current situation. At the time that act was enacted into law we were told in this Chamber that the military wanted 6 months of training and a 7½-year Reserve obligation; and they wanted young people from 17 to 18½ so their manpower pool would be available and trained over the long pull.

I believe everybody in this Chamber who voted for that legislation accepted the bill predicated upon that theory.

Unfortunately, however, when the Army started to recruit people for this program they had some difficulty getting them initially, and the buildup was slow. Then the Department of the Army officials felt they were behind the eight ball, and had to do something to stimulate greater enlistments in this program.

They did two things: First, they reduced the Reserve obligation from 7½ years to 3 and 4 years, undercutting all of us who supported the original program predicated on a long active Reserve training period.

Mr. BROOKS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. FORD. Let me finish. I did not ask the gentleman to yield. I refuse to yield at this point. In other words, the Army in order to build up numbers in effect ruined a real factor in their real Reserve program. They will not be able in the future history of this legislation to get that back up to 7½ years where they told us they needed it and wanted it for a good, competent, qualified Reserve.

In addition to that, they could not get at the time this recruiting problem arose an adequate number of people for this 6 months training out of the age group 17 to 18½. In order to build up numbers again, not particularly the quality they wanted but solely numbers, they increased the age limitation so those in this group from 18½ to 26 could qualify, again pulling the rug out from underneath the Members of Congress who voted in good faith for that legislation on the theory on which the Department of the Army presented it to us. Of course, all the fellows who were over 18½ who could not have gotten into the program before and were faced with 2 years of active duty rushed down and signed up. The Army wound up with more enlistees than they could handle but not necessarily those they wanted, as they told the Congress. In my opinion, and I think in the opinion of the committee, the feeling is that the Army has not been fair with the Congress by the revision of these regulations.

Mr. BROOKS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Louisiana.

Mr. BROOKS of Louisiana. I may say that I do not place the blame on the Army because the Armed Services Committee of the House approved all this. We went into it quite fully. Let me say to the gentleman the 6 months trainee above the age of 18½ who goes in has a Reserve obligation of 6 years, not an obligation less than that. The 6 months trainee below the age of 18½ still has an obligation of 8 years now in the Reserves.

Mr. FORD. He does not have the same obligation that was included in the regulations initially drafted thereafter after we enacted the Army Reserve Act. The only reason was to get numbers and not to get quality. What we want is a reserve that has quality.

Mr. Chairman, the point I want to make and emphasize is that our committee and the Committee on the Armed Services, I am sure, are insistent that these men should have prior training before they go into the Reserve program. That is important. We also want the kind of people in the Reserve program that the Army in good faith told us they wanted at the time they proposed the legislation. We feel that it is unfair to Congress to substitute these people who are not in that category in order to just build up numbers.

Mr. KILDAY. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I take this time to call attention to the language of the committee report on dependent medical care appearing at page 17 of the report and I would like to state that I was chairman of the subcommittee of the Committee on Armed Services which formulated and reported the dependent medical-care legislation.

This is a new program that became effective on the 7th day of December 1956, so that it has had not quite 6 months of operation. I am concerned

about the language used by the committee in its report and specifically that portion which reads:

> It is the committee's belief that this joint directive should be revised at an early date to the degree that the free-choice element be amended so as to not permit dependents to utilize civilian medical and/or hospital services unless a positive determination is made by appropriate authority that, without augmentation, the military medical hospital facilities and medical personnel in the general area in which dependents reside are inadequate.

That has to do with the directive issued by the Secretary of Defense which permits the dependents of the military to choose either civilian or military hospital facilities. The law contains a provision to the effect that should an inordinate number of eligible dependents go to either civilian or military hospitals, the Secretary of Defense can control it. This program depends, for its success, on the cooperation of the medical profession, and the medical profession is very sincerely concerned about any infringement upon free choice in this connection.

I have read the testimony before the committee by Admiral Hogan, Surgeon General of the Navy. Admiral Hogan is an excellent, personable gentleman and the highly efficient Surgeon General of the Navy. However, I do not believe that on his ex parte statement alone such drastic action should be taken. He has given figures which would indicate that medical care in the military hospitals is cheaper than in a civilian hospital, but I feel that an adequate cost accounting of the cost of military care would indicate to the contrary. He has the fear of the military medical men that all of the dependents will go to civilian hospitals. The civilian medical man has a sincere fear that they will all go to military hospitals. The record will show that I have never agreed with either position. As recently as May 7, Gen. Silas Hays, Surgeon General of the Army, testified before the Committee on Armed Services and confirmed that that is true. I am quoting from the recent hearings held before the committee on the question of compelling doctors to enter the service:

> General HAYS. Now there is a considerable reduction in workload in maternity and obstetrical care. While I don't have the figures with me for the Navy and the Air Force, we have had in the Army approximately—between 15 and 20 percent reduction in the maternity care in this country.
>
> You will recall that the medical-care law provides for free choice on the part of the patient between military facilities and civilian facilities, unless the Secretary of Defense should declare a certain area as being restricted. It has not been necessary to declare any such area restricted. So all over the United States patients—dependents of active duty military personnel—have free choice between civilian facilities and military.
>
> As I said, so far in the overall it looks like there will be a very, very slight reduction only in our workload in military hospitals.
>
> The CHAIRMAN. Thank you General.
>
> Mr. KILDAY, any questions?
>
> Mr. KILDAY. General Hays, you mean that the dependents are pretty generally just going to—there hasn't been any trend of them going either to military or to civilian? They have gone just about as they did before?
>
> General HAYS. We don't have any figures on what they did before, as far as civilians are concerned. We can only take a reading on our military workload.
>
> Mr. KILDAY. It was just more or less a matter of curiosity with me, because the military doctors were so afraid that they would all go to civilian hospitals and the civilian doctors were so afraid they would go to the military hospitals, and I didn't thing either would happen, but we had to put a provision in the bill to prevent it. Apparently it is working out the way the committee thought it would, rather than the way doctors thought it would.
>
> General HAYS. I think your prediction was right, Mr. KILDAY.

This is a matter of such importance to the success of this program that I hope the Secretary of Defense will continue his directive in effect until more experience has been accumulated, so that we can then act with all the information before us.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Illinois.

Mr. ARENDS. I would like to say to the membership of the House that I completely agree with what the gentleman from Texas said. I hope we will continue with this program to see what history will develop. The chairman of the subcommittee, the gentleman from Texas [Mr. KILDAY], has made an extensive study of this, as did our whole subcommittee. I believe we are on the right track. I believe the privilege of free choice should be continued and that we should not follow the recommendation as set forth in the Appropriations Committee report at this particular time.

Mr. KILDAY. I thank the gentleman.

I want to point out that last week the House passed a bill dealing with the compulsory service of doctors. I do not believe that so long as we continue any degree of compulsion of doctors and dentists to enter the military service that this is the time to do anything which might increase or fail to reduce the load in military hospitals. I hope the Secretary of Defense will continue his regulation in effect until more information is available.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I simply take this time to concur with the gentleman from Michigan [Mr. FORD] in his criticisms of the 6-month Reserve training program. He says that the rules were changed because they were slow in getting enlistments.

Well, let me go a little further and say that the rules were changed because the original 6-month program turned out to be a dismal failure, and everybody in this House knows that it was a dismal failure. That is why the age limitation was raised, that is why the pay was increased, and that is why the obligated service in the Ready Reserve was decreased. Now an injustice is being worked upon those who are conscripted to serve for 2 years. I say to the Committee on Armed Services that the time is past due, if the 6-month program is to be continued, that the obligated service of those drafted under the Selective Service Act be reduced. An injustice is being worked on these conscripts that ought to be rectified and rectified now.

Mr. Chairman, the Army by accepting and expanding the 6-month program has finally admitted that men can be trained for field duty in that period of time. It follows then that the 2-year period for conscripts ought to be immediately and drastically reduced. On no other basis can it be held that the present training programs are fair and equitable.

Moreover, almost every other nation in the world is reducing the training time obligations of trainees. The British Government is officially proclaiming that it will abolish all conscription in 1960. While the defenses of this country must be maintained, I insist that it is not incumbent upon the youth of America to carry the military load for Britain or any other nation, and I insist that training programs which must be maintained in our own self-interest be administered in such manner that every trainee, whether brought into service under the 6-month program or drafted, be treated fairly and equally.

Mr. DIES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, after I concluded my speech yesterday, the gentleman from Indiana [Mr. HALLECK] stated that the Eisenhower administration has restored fiscal responsibility to this Government. I take issue with that statement. Let us look at the record. The Eisenhower administration has been in power for 5 years, and during the most prosperous period in the history of this country under this administration the national debt has increased by $9 billion. Furthermore, the 5 Eisenhower budgets are $73,600,000,000, more than Harry Truman's last 5 budgets.

I have here the figures of the Roosevelt administration from 1934 to 1941, one of the most dangerous periods in the history of this country. Those of us who served, as I did, during the depression and immediately preceding World War II realize and will agree that we were confronted with the greatest economic and defense problems that ever faced this country. During that entire period the expenditures were $67,041,000,000. The budget of this administration this year exceeds all of the budgets of President Roosevelt's administration during that difficult period.

Mr. Chairman, in spite of the statement of the gentleman from Indiana [Mr. HALLECK] I maintain that this administration has not restored fiscal responsibility. I maintain it because, if I owe the bank $10,000 or $20,000 and make no payment upon my obligation year in and year out, and especially during my most prosperous period, then I have not balanced my budget. I only balance my budget when I not only live within my means but make payments upon my honest obligations.

In spite of the condition of our country, the Eisenhower administration recommended and secured the passage of a substantial tax reduction. I voted against it and I voted against the Democratic proposal, because I did not believe it was sound and honest for our country

to reduce taxes at a time when we faced the greatest national debt in our history.

I cannot agree with the gentleman from Indiana that this administration has restored fiscal responsibility or even recognized it because at this very moment it is advocating Federal aid to education. Whatever position anyone takes on that issue, I think he will agree that once we embark upon it, it will grow in dimensions until it will require billions of dollars to fulfill our assumed obligations to the schools of this country. Not only is the administration advocating that, but it supported the flood insurance measure in the last session of Congress. I succeeded in getting an amendment approved to require the States to contribute to that proposal.

The Eisenhower administration has failed to shoulder the responsibility that this country has a right to expect. I want to say to my Republican friends that all over the country today the conservatives are disappointed and alarmed. By conservatives, I mean those who believe that government should be honest, that its policies should be sound, that it should pay its debts and stabilize the purchasing power of the dollar so that those who depend upon fixed income from pensions and social security and from a lifetime of savings, and from insurance policies will not be paid back in worthless money.

I want to warn some of my friends from the great industrial cities, it is true that you have agreements with industry under which, when the cost of living increases, wages increase. But all over our country there are millions of people who do not work under cost-of-living contracts. In my State and in every State of this Union today the white-collar worker and the millions who have to live upon pensions and social security and annuities are finding that every month for the last 14 months the purchasing power of their dollar has decreased.

Mr. DONOHUE. Mr. Chairman, I move to strike out the last word. Let me preface my remarks by emphatically stating that there is no attempt here on my part, or on the part of any other Member, to continue a district activity for any practical, political, or selfish reason. As a matter of fact and truth, insofar as the area economy would be affected, it would be more practically beneficial and politically wise to accept the military recommendation instead of the committee's because of the additional jobs that would be available by the intended expansion of use of the facility requiring larger numbers of civilian personnel. However, in my sincere conviction, there are much deeper and more serious questions of economic wisdom, national preparedness, and moral principle involved.

One of those urgent questions is whether or not, in the event of war, this hospital unit is a vital part of the military-hospital network needed to adequately fulfill the military obligation. The answer to that question appears simple and obvious. The record shows that in the war year of 1942 the military themselves requested and recommended the erection and use of this permanent modern type installation where it now strategically stands. This hospital is the only general hospital within the New England area and has been serving the population of that whole region; the next such hospital is at Valley Forge, Pa. This plant is admittedly ideally accessible by train, plane, and automobile. It is advantageously located next to one of the greatest and most renowned medical centers of the world. The New England area is among the very highest, if not the highest, potential military recruitment sections of the country in time of peace and in time of war. The expansion of military bases at Limestone, Maine, and at Otis and Bedford Air Fields in Massachusetts, with accompanying military-housing construction, is constantly bringing an ever-increasing military population to our area, thus projecting an ever-higher potential of military medical requirements for service people and dependents; these are undoubtedly reasons, and they still exist, why the military officials originally recommended the hospital. In this striking respect, the present officials have never pretended that it was a mistake to build it in the first place or flatly stated that it would not be of essential need in case of emergency. If and when they forthrightly would do so I would be personally inclined to accept their sincerity, but I do not think they will ever dare.

They would like us to forget—but the committee did not forget—their unfortunate planning that resulted in the economic fiasco of closing the hospital just 2 months prior to the outbreak of the Korean war. Needless to relate, they were forced to reopen it at tremendous and unnecessary cost to the American taxpayer. In view of the tense atmosphere existing in the world today, I think it is quite reasonable to question—and the committee did question—whether their judgment can be any better now than it was when they made this mistake.

And while I am dwelling on the economic side of this matter, let me reveal to you information that I think you will agree is most astounding and utterly contradictory in the light of pretentions and contentions that have been made by the military officials concerning this issue. This information is contained in the official record of the committee hearing, and I do not believe that the majority of the membership are aware of it. These hearings show that while certain representatives of the Defense Department were testifying to the Appropriations Committee that the hospital facility at Waltham was not needed, other representatives, at practically the same time, were testifying before the Armed Services Committee requesting authorization to build some 25 more hospitals and 1 or 2 more in the vicinity of Murphy Army Hospital. General Shuler and other aides testified that the hospital facilities current at Fort Devens were such old buildings, so disconnected and so inefficient in operation, that they desired to tear the facility down and build a new hospital. All this, mind you, at a time when, in another breath, they are advocating the abandonment of the Waltham facility as a hospital, which is a permanent modern-type construction, and its replacement cost today is conservatively estimated to be approximately $20 million; it was originally completed in 1944 at a cost of about $5 million. Unquestionably, it would cost well over $20 million to build a new hospital at Fort Devens. Does that sound like sensible economy to any reasonable person, and does it show any earnest intention or attempt of the military to be economical in their planning? I will let you answer that question.

I would rather recommend and implore the officials of our armed services to patriotically and dutifully concentrate their efforts upon the elimination of the frightening and staggering waste and extravagance as repeatedly revealed by subcommittees of this committee and the Armed Services Committee. The only gamble involved in that wholesome objective would be a substantial profit and saving to the burdened taxpayer. It appears from the facts of this sorry and unhappy record that some military officials are unwittingly overlooking the certain savings to the taxpayers by scrupulous correction of admittedly existing extravagant and wasteful methods of procurement and inventory and are more intent upon gambling with military morale and military career incentives for the sake of a very dubious and comparatively small reduction in our medical program.

Let me further remind you the President himself has expressed his concern over the vital necessity of improving military career incentives to prevent the large military turnover involving staggering training costs for repeated short service enlistments. The Secretary of Defense also expressed himself in this matter and I quote as follows: "Medical care for dependents is one of the strongest inducements for servicemen to continue in a military career. Yet, today approximately 40 percent of our military dependents cannot be given medical care through service facilities. This is one of the major obstacles in our efforts to enhance the attractiveness of military service because it affects the wives and children of servicemen directly." That is his statement.

Mr. Chairman, I certainly do not have to emphasize here that despite possession of the most advanced weapons, the only true measure of the fighting efficiency of any military unit is the height of their morale. In my judgment, the duty of the Congress is to exercise every effort to insure the maintenance of the highest possible morale among our military personnel. It is impossible for me, then, to understand how we can meet that duty if we cooperate in a military gamble involving adequate military medical treatment to members of the Armed Forces and dependents within a large area of the country and to which they are morally and legally entitled. Especially is it difficult for me to understand, when this gamble was proved wrong on the one occasion that it was tried.

The only attempted answer of the military to these grave and serious considerations is the unproved and untried

contention that the Military Dependents Assistance Act provisions authorizing private medical treatment for dependents will take care of the situation with an accompanying financial savings. Now these people know, but they would like to have it overlooked, and I know that their own testimony before the Appropriations Committee discloses they themselves have requested funds to take care of expected private medical treatment based on the conservative cost of $50 per day to the Government whereas an extravagant cost of military medical treatment is based on a range of $20 to $26 per day—Navy appropriations, page 888. Now do those authoritative figures sound to you like anything that has even the vaguest promise, not counting the cost of the redtape, of a potential savings to the taxpayer; I rather think not.

The record shows that Murphy General Hospital was originally and wisely recommended by the military as a vital war unit and it proved its worth. It was closed once and that proved to be a serious mistake. It is located outside the main target area of military installations in the Boston vicinity and its type of construction affords maximum protection against bombing attacks. Chelsea Hospital, suggested as an alternative, is 120 years old and located in the midst of a heavy industrial section. Murphy was built in 1944, comprises more than 90 acres and has plenty of room for expansion. To replace it today would cost about $20 million. I, and many others, have earnestly suggested that this location and space be fully utilized by building expansion which could then provide an ideally situated combined service hospital which could adequately take care of the military medical needs of the whole of the New England area under the best possible conditions. Regretfully it seems no official comment or exploration of this sound practical economic suggestion has been made.

It appears that these current military officials would rather take a reckless gamble with military morale which they cannot justify on the record, cannot demonstrate to be economically wise, which once proved a sorry error and the alternatives to which they cannot adequately answer.

In my most earnest judgment, the question of the wisdom of the moral, patriotic and economic gamble is the fundamental issue involved here and on that question I ask only the individual conscientious action of the Members of this House.

Mr. Chairman, I have also taken this time for the purpose of obtaining some information relative to the figure that appears on page 8, line 1—that figure of $3,145,000,200. I should like to inquire of the gentleman from Florida [Mr. SIKES] if this figure includes a sum for the continued operation of the military hospitals at Hot Springs, Ark., and the Murphy General Hospital in Boston, Mass.

Mr. SIKES. Let me say to my distinguished friend from Massachusetts, and I also direct this to the gentleman from Arkansas [Mr. NORRELL], who also has a very great interest in this, that the Army hearings which are before you, show on page 887 the following: "Funds included in fiscal year 1958 budget for operation of Army and Navy Hospital," under the appropriation item "Operation and maintenance, Army," $1,028,000. Under the appropriation "Military personnel, Army," the amount is $703,500. That is for the Army and Navy Hospital in Hot Springs.

On page 888 the hearings show this: "Funds included in fiscal year 1958 budget for operation of Murphy Army Hospital," under the appropriation item for "Operation and maintenance, Army," $1,142,000, and under the appropriation item, "Military personnel, Army," $735,500.

If my friend will yield to me just a moment longer, may I say that the parliamentary action by which the language requiring the continued operation of the Army and Navy hospital at Hot Springs and the Murphy General Hospital in Boston was stricken from the bill on a point of order does not change the fact that this committee intended those hospitals to operate, and does not express the will of the House.

May I state further that the money I have referred to is a budgeted item approved by the Department of Defense and the Bureau of the Budget, and kept in the bill by the action of the committee. The money is still in the bill. It is my personal expectation that it will be used for the operation of those hospitals. They perform a valuable and needed service.

If I can again impose on the gentleman's time, may I make this further observation: There is another side to the picture about the operation of the two hospitals. The picture is not all black. The closing of the hospitals will not result in great savings to the Government. A considerable part of the expenditure that is proposed in this bill and which I have quoted would have to be made anyway whether or not the hospitals were operated.

The point has been made that these hospitals are only partly filled. In peacetime all military hospitals are only partly filled. They are built with capacity to take care of wartime needs. Naturally, in peacetime they are not operated to capacity. That is true of every military hospital.

Even though we close these hospitals we still have the cost of the maintenance of the buildings. If they are used for other programs they have to be maintained. We are not going to let the buildings stand there and fall down, for lack of repairs whether or not they are used. The cost of the personnel is going on. If the personnel is not used in these hospitals they will be used elsewhere. Therefore, they have to be paid just the same. The cost of the operation undoubtedly would be less because the cost of the operation would be merged, presumably, with the cost and operation of other hospital facilities. But there would be a cost at the other facilities.

May I point out just one other thing. The services are constantly seeking to build new military hospitals. Some of them are in the general area of these hospitals that we are talking about. Hospitals nowadays are built at a great deal more cost than was the cost of those that have already been built. We must be certain we are not swapping a small savings for a large expenditure. The committee is on proper grounds in its action.

Mr. DONOHUE. I thank the gentleman.

Mr. Chairman, may I ask another question of the gentleman from South Carolina [Mr. RIVERS].

Is it not so that after the Surgeon General's office recommended the closing of these two hospitals, the Surgeon General through General Shuler appeared before your subcommittee and asked for an authorization to build 25 more new military hospitals?

Mr. RIVERS. I do not know what the number is, but they have asked for the construction of new hospitals throughout the country, and one is in the general area of which the gentleman speaks.

Mr. DONOHUE. That is right—one of these is to be built in the State of Massachusetts where one of the hospitals, the Murphy General Hospital has been recommended to be closed; is that not correct?

Mr. RIVERS. One is in the general area of the Murphy General Hospital; I think at Fort Devens there is one, too. If I may be permitted to volunteer this statement, I think the closing of the Murphy General Hospital would be a tragedy to this country.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. DONOHUE] has expired.

Mr. MARTIN. Mr. Chairman, I move to strike out the last word and I yield to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. In connection with what the gentleman from Florida [Mr. SIKES] said, and also the gentleman from South Carolina [Mr. RIVERS] concerning a new hospital, the Murphy General Hospital originally cost $5 million and a new hospital would cost at least $20 million. The same thing would apply to the hospital located at Hot Springs, Ark. Furthermore, about 3 or 4 years ago the proper representatives of the Department of Defense promised the Massachusetts delegation that if an appropriation were made by the Congress, they would keep the Murphy General Hospital open. I do not know what promises they made in relation to the Arkansas Hospital, but I know they made the promise in relation to the Massachusetts Hospital.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I yield.

Mr. SIKES. The importance and the value of the Murphy General Hospital is being discussed and very properly so. If I can proceed for one moment further, I want to say a few things about the Army and Navy Hospital at Hot Springs. The building there is the best hospital building that the military services own within the continental limits of the United States. There is only one better hospital facility owned anywhere in the world by the United States and that is the Tripler General Hospital in Hawaii. The hospital at Hot Springs is

the only one in the general geographic center of the United States. There is not another one for a thousand miles. Most of them are concentrated on the east coast and on the west coast where they could, unfortunately, be subject to attack by guided missiles from submarines or aircraft. The hospital in Hot Springs is the nearest one to the maneuvers which are conducted year after year in the Louisiana-Texas area. They are very important maneuvers testing new weapons and new concepts of warfare. Only last year it was proposed that the Army-Navy Hospital at Hot Springs be used to absorb a part of the overload of patients at the Veterans' Administration hospital in Little Rock, adequate facilities and staff were available at the Army-Navy Hospital. Of course, the departments of Government threw up their hands in holy horror at the idea of anything as simple and as thrifty as transferring patients from one hospital to another one only 70 miles away.

I have given you only a part of the overall picture. This is a valuable hospital, just as the one in Boston that my friend is now discussing. Both should continue to operate for the good of the services.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I would like to remind the committee again what happened just before the Korean war when the Murphy General Hospital was closed down. It was very expensive to close it; it was very expensive to reopen it when several months later the Korean war started. A great deal of money was lost thereby, the care of patients was impeded, and I know the committee realizes that we have a tremendous shortage of beds in Massachusetts civilian hospitals. If we had any emergency we would have greater shortages in every hospital.

The people in Massachusetts today cannot get proper care in civilian hospitals because of the shortage of nurses and doctors. The expense I maintain would be just exactly as great if not greater if, for instance, the Chelsea Naval Hospital had to use its personnel to take care of these men and women. It is a very old hospital and I feel it is really an improper location for patients. It would mean added expense in equipment, added nurses and doctors, all types of personnel. They give fine medical care there, but the location is very bad.

Fort Devens is many miles away. It is in my own district and part is in the district of the gentleman from Massachusetts [Mr. PHILBIN]. We need a hospital at Devens desperately, and if Murphy were closed additional funds for still added personnel would be made. The buildings are old. I am sure the committee sometime will authorize a new hospital at Devens. National defense has already endorsed it. We will feel an even greater need as time goes on. It is an extremely important post in every way. It is the only Army post in all New England. When it is built Murphy General will still be needed.

Mr. MARTIN. Mr. Chairman, I yield to the gentleman from Massachusetts [Mr. BATES].

Mr. BATES. Mr. Chairman, the question has arisen as to the needs of the Army. I attended the hearings the day when General Schuler testified. He said the Army needs 25 new hospitals. Fort Devens, in Massachusetts, was considered among the four most urgently needed. As a matter of fact, the condition is such at Fort Devens today that General Schuler said the Army would probably tear down the present Fort Devens Hospital if a new one were built. Obviously, the question arises in my mind as to the advisability of transferring people from the Murphy General Hospital to Fort Devens if it is a hospital which should be torn down.

Mr. MARTIN. Mr. Chairman, before my time expires I want to say I agree with the gentleman from Massachusetts [Mr. DONOHUE] it would be poor economy to close this hospital at this time.

Mr. PHILBIN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

MURPHY GENERAL HOSPITAL

Mr. PHILBIN. Mr. Chairman, in the debate there has been reference made to the location of Murphy General Hospital and the distance from the Greater Boston area of other military medical facilities.

I think I can best clarify the facts by a brief statement. First, there are two service hospitals in eastern and central Massachusetts besides Murphy—one at Fort Devens about 45 miles distant from the Greater Boston district, and the other a Navy hospital at Chelsea, about 11 or 12 miles away.

The Army hospital at Fort Devens is an old one and the Army is already planning to replace it; in fact, authority for a new Army hospital at Fort Devens has already been discussed by the Army in the House Armed Services Committee, and without doubt some action will be taken, perhaps next year. However, the present facilities at Devens are remote from the centers where the major part of armed services personnel and their dependents are located. Treatment at that facility would involve very long travel for most of the personnel. For example, the personnel located on Cape Cod would have to travel as far as 135 or 140 miles to reach this facility. The fact that the Army is seeking a new hospital at that post indicates present facilities are inadequate.

The situation at Chelsea Naval is not much better. This facility is 120 years old. It is located near an industrial area and is not easily accessible for many servicemen and their families.

If Murphy General is closed it will work a great hardship upon thousands of members of our armed services and their families who would be required, if they needed treatment at an Army general hospital, to go several hundred miles all the way to Valley Forge, Pa. That is, I submit, my friends, a condition that this House would not want to bring about because it involves not only personnel located in Boston and Massachusetts, but also personnel located in all New England, and of course their dependents.

Murphy General was established in the first instance to insure adequate hospital service for this area, and with the recognition that facilities of this kind should be accessible, well staffed with good doctors and nurses and technicians, and close to the Boston area where unexcelled, expert medical consultation was available.

I am for economy, but I think it is a shabby, picayune, shortsighted, yes, if you will, a calloused kind of economy that is effected at the expense of those who are serving in the defense of the Nation and their loved ones. The thought of a young child suffering from a serious disease, polio, or muscular dystrophy or anything else, having to travel miles and miles away from home to get urgently needed medical care, attention, and skilled treatment is revolting, yet that is what the closing of Murphy General would mean.

The present occupancy census at Murphy is understandable in the light of the Army's persistent efforts over a period of years to close this facility. Obviously, the policy and practice is currently to siphon medical cases into the private hospitals, already overcrowded and pressed for staffing, to create greater problems for the private hospitals and sick people in civilian communities at a cost to the Government under the new dependents care law said to average $50 per day as compared to $20 per day in Murphy General or any other well-run service hospital.

Mr. Chairman, to my mind, all these facts, factors, and considerations in this situation compel the continued approval of the House of the maintenance and operation of Murphy General. In the interest of our fighting men, their wives, and children, I urge that favorable action be taken on this question.

I compliment my distinguished colleague, Congressman DONOHUE, for his very able floor fight for Murphy General, and Army-Navy Hospital at Hot Springs, in which he was so ably joined by our distinguished colleague, Congressman NORRELL. As a result of his skillful parliamentary measures during the debate on this question, he has elicited from the able chairman of the subcommittee, Mr. SYKES, the able chairman of the House Armed Services Committee on real estate having to do with hospitals, Mr. RIVERS, the distinguished majority and minority leaders, and others plain, incontrovertible, Congressional intent to continue the operation and maintenance of these two hospitals. Clearly the House, by its action in adopting the item of $3,145,000,000 on page 8 of the bill, which includes sums to operate and maintain these hospitals for 1958, has indicated to the Army and Department of Defense what its specific intentions are in respect to these hospitals. If, therefore, the respective Departments fail to keep these facilities open, they will be deliberately ignoring and flouting the expressed will of the House. I do not believe they would ever pursue such a course.

Mr. FORD. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. FORD. I am very glad to yield to the gentleman if it is not taken out of my time.

Mr. MAHON. In view of the fact we have so many items and that this hospital matter has already been resolved, it would seem to me that we ought to move along to the reading of the bill and the consideration of other amendments as soon as we can. It is early in the day and I realize everybody is fresh and wants to make a speech, but I think it would be well if we could go on to other issues. I am sure the gentleman from Michigan will agree.

Mr. FORD. Mr. Chairman, in view of the fact that this hospital problem has been brought up I think it essential to say a word or two.

It is true that the language directing the Department of the Army to operate this hospital, which has the effect of law, is no longer in the bills. If the bill continues in this form when finally enacted there will be no legal requirement that the Department of the Army continue the operation of the hospitals.

In other words, if the law remains as it is in the bill today the Department of the Army has full legal authority, and in fact, the responsibility to exercise its own good judgment as to the further operation of these two hospitals.

The record shows that the President, the Secretary of the Army and the Surgeon-General of the Army all concur in the desirability on the ground of efficiency and on the ground of economy in the closing of these two hospitals. I hope the proper authorities take the necessary steps to save this $1 million annually.

Mr. Chairman, it has been brought up that the Army wants to build 25 new hospitals. They would like to build a lot of new things including hospitals. But the Department of the Army did not request of the Armed Services Committee authority to build a new hospital in the fiscal year 1958 at Fort Devens. It is on the eligibility list but it is not in the program for authorization in the fiscal year 1958.

I would like to present 1 or 2 facts to show why the Army feels we should not operate these hospitals. In 1952 we had a strength in the Army of 1,596,000 men. In 1957 we had 1,073,000. In 1952 we had 5,514 doctors. In the fiscal year 1957 we have 3,908 doctors. In 1952 we had 61 hospitals. Today the Army is operating 60 hospitals. In 1952 the Army had a bed capacity of 41,421. Today in their hospitals they have a bed capacity of 40,921. In 1952 they had 26,972 beds occupied. Today they have 11,545 beds occupied.

The Army's bed occupancy has dropped 65 percent, their troop strength has dropped 33 percent, their doctors' strength has dropped 22 percent and they closed only one hospital in this 5-year period.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Michigan.

Mr. JOHANSEN. I thank the gentleman. The one hospital that the Army closed is the Percy Jones Army General Hospital at Battle Creek, the closing of which in 1953 was consented to by my distinguished predecessor, Mr. Shafer, because he practiced what he preached about economy. May I ask the gentleman from South Carolina whether there are some new hospitals projected in the area in which the Percy Jones Hospital was located?

Mr. FORD. Mr. Chairman, the House has not directed the Army to keep these hospitals open and, although I respect the opinions and judgments of my very close personal friend, the gentleman from Florida, I hope and trust that the Department of the Army exercises its own judgement.

I might mention one other point. The money for the operation of these hospitals was in the $3,400,000,000 for operation and maintenance of the Army. The subcommittee of the Committee on Appropriations cut that figure $150 million. It would seem to me that the Army would be using good sense and sound judgment to save a million dollars by closing these two hospitals, thereby making the monetary pressure against other needed programs less in the fiscal year 1958.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that any Member of the House may extend his remarks at this point in the RECORD or at other points in the proceedings of today in regard to the military defense appropriation bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas [Mr. MAHON]?

There was no objection.

Mr. BENNETT of Florida. Mr. Chairman, I speak in behalf of retaining the committee's decision for continuing the Army and Navy General Hospital, Hot Springs, Ark. I speak from a study I have made of this subject; and inspired by my own personal experiences as a patient in this hospital for about a year and a half at the close of World War II. My experiences there led me to believe that there is no better hospital in the Armed Services of the United States.

From page 886 of the Committee hearings we read from the Army report on this hospital as follows:

> The Army and Navy Hospital is a multistory hospital of permanent construction and is one of the best physical plants in the Army Hospital system.

Unique features are included in this hospital. A $100,000 therapeutic pool equipped with elevators and lowering devices for seriously crippled patients is a facility available in no other service hospital. Devices for the use of radiation as a method of cure are available in this hospital to a degree realized in few, if any, other military hospitals. In a single year more than 11,000 patients were treated with radium or X-ray for cancer, tumors, or spinal arthritis in this hospital.

Hot Springs, Ark., is a study center for crippling diseases, and this hospital and a civilian hospital in this community are focal points for such studies. Specialists in private practice and therapeutic bathhouses broaden the picture of this type of study in this area.

The city of Hot Springs, Ark., has geared itself for assisting those who are seriously crippled. Ramps take the place of curbs at street intersections and take the place of steps in churches, theatres, and amusement locations. There is a resort atmosphere in this town of great aid to the rehabilitation of convalescents. This atmosphere is enhanced by the presence of the national park, which extends to the downtown streets in some locations.

The hospital is capable of expansion in wartime because of the availability of fine, large, nearby hotels which cater to resort patronage in peacetime.

There are special equities urging the maintenance of this hospital in Hot Springs which arise from the large number of seriously crippled former military personnel who have established homes near this hospital in order to be available to the excellent services rendered there.

The only real argument made against the maintaining of this hospital is the financial argument. Some of the things I have said show that I feel that economics should not necessarily control this decision: because of the need for this special type of therapeutic center and because of the special facilities available in this hospital and because of the establishment of homes of crippled, retired service personnel in the area, as well as the other things which I have mentioned.

Actually, the only reason I can see why this hospital can be considered as a financial burden is that the Army has not kept this hospital up by assigning enough doctors and patients to it. Naturally, they can make a showing that it is expensive to maintain a large institution of this type when they do not assign adequate patients to it and keep a staff there which would justify the patients assigned. So, as far as I can see, the argument that this is an uneconomic matter really arises from the fact that the Army is not doing what it should in assigning an adequate patientload to the facility, commensurate with its capabilities.

The Army urges post hospitals, ones established at Army posts, as an alternative for this offpost hospital. In fact, there are millions of dollars in authorizations for military hospitals in the public-works bill which the House Armed Services Committee, of which I am a member, is considering. I looked through some of this material this morning and I believe my calculation is accurate in saying that there is in excess of $10 million for new military hospital construction in this new public-works bill for the armed services, including millions for hospitals at several Army installations. Further, there is testimony before our committee that many millions more will be brought to us in successive years, starting in the next fiscal year. While we are doing all this new construction at Army posts, it would seem to me to be good commonsense to maintain in active status this fine Army and Navy general hospital at Hot

Springs, Ark., because its facilities are already constructed and do not require new appropriations for costly new construction.

Finally, I believe that this should be done because of the very fact that this hospital is located away from any major target area such as a military camp or post would be. America is no longer immune to attack and it would seem to me to be good commonsense to maintain a hospital like this one in the foothills of Arkansas away from any probable attack. This is particularly true in view of the fact that its facilities can be readily expanded by the addition of adjacent hotels if a wartime situation occurs.

I also favor the continuation of the Murphy General Hospital in Massachusetts instead of building expensive duplicating facilities in a nearby location.

Mr. NORRELL. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I appreciate so much what has been said, regarding the Army and Navy hospital at Hot Springs, Ark., an institution that has been serving the sick people of our Nation for about 80 years. The panel chairman, Congressman SIKES, has already said much about the importance of the Army and Navy hospital, and others have also indicated how they value the Army and Navy hospital. As stated yesterday this hospital was authorized by the Congress about 80 years ago. At that time we had a population in our Nation of about 50 million people. Now we have a population of about 180 million people. We had a need for this hospital in 1870 and we have a need for it now. In 1929 Congress passed a bill to enlarge it and when it was completed the bed load was 425 and there never has been constructed a better hospital anywhere in the world. At least anywhere in the continental United States. However, at the outbreak of World War II the hospital was filled beyond its capacity, and for a time they had more than 1,000 patients per day. The Army further enlarged the hospital in 1942 by additional beds, making a total, if needed, by about 1,700 beds per day. Actually if needed, Hot Springs could care for a patient load of 2,500 or more patients per day. Hot Springs, Ark., is a resort city. They are an international health center, known all over the world. Hot Springs has hundreds of good hotels and many hundreds of roominghouses. The Government has built the Army and Navy Hospital and it has a total of 59 buildings, and it contains 200,000 square feet of space. The entire post is located in a 28-acre landscaped slope of Hot Springs Mountain. The Department of the Army spent several millions of dollars in making the plant up to date in every respect, and only a few years ago added air conditioning. We have a staff of more than 60 physicians, including outstanding specialists in half a dozen fields. Mr. Chairman, certainly this is a great institution, valued now at probably about $25 million or $30 million, but if it had to be constructed now at present costs, it would cost probably $100 million. Hot Springs is known for its healing hot waters all over the world. Arkansas is located about the center of our Nation. The hospitals are all about 1,000 miles from Arkansas. Practically all of our hospitals are on the Pacific or Atlantic coasts except Denver and Arkansas. I say again, if you would draw a ring on your map you would find that there is not another Army hospital within a radius of about 1,000 miles from Arkansas.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. NORRELL. I yield to the gentleman from Arkansas.

Mr. HARRIS. I want to commend the gentleman, my colleague from Arkansas, for the splendid efforts he has made over the years with reference to this very outstanding facility at Hot Springs, Ark. Many of us wonder why it is that the department involved here, with a facility that has proven itself over the years at a cost of millions and millions of dollars, would want to completely wreck and dispose of it as surplus and practically give it away and at the same time go to other areas of the country to build new hospitals. The gentleman is making a very splendid contribution, as he has over the years. He has been intensely interested in this program and has expended great efforts to continue this facility for the benefit of our armed services.

Mr. NORRELL. I thank the gentleman.

The last point I want to make is this. You see on this map here the location of the Army hospitals throughout the country. You will see on the east coast a few; you will see on the west coast a few. Then, in Arkansas you will see this little area here. This is the Arkansas area here. Here you will notice is located the hospital at Denver, Colo. Now, if you take out the hospital in Arkansas, you would find that there would not be an Army hospital anywhere around 1,000 miles from Hot Springs. So, I think they are entitled to a little consideration.

Now, in conclusion, may I say that I regret that the point of order was made. However, after it was made, I was reasonably sure that it would have to be sustained. The Armed Services Committee reported the matter out with nearly a unanimous vote. The full Committee on Appropriations was overwhelmingly for the bill as reported by the subcommittee, and I think if the House of Representatives had been permitted to have expressed themselves they would have adopted it regarding the hospital matter. Therefore, since the Bureau of the Budget has recommended sufficient money for the hospitals to be maintained for another year, since Congress has approved the money for the maintenance for the next fiscal year, I hope the other body will put the language back in the bill that was deleted, and that the two hospitals shall be continued for the next fiscal year.

Mr. CANNON. Mr. Chairman, the House will be interested in the forthcoming announcement of the resignation of Hon. George M. Humphrey, as Secretary of the Treasury and the acceptance of his resignation by the President.

It is of particular interest to the House just at this time as we are now engaged in the consideration of a budget which Secretary Humphrey decried as too big, and in the specific disposition of the military budget which in a formal interview a few days ago he indicated was excessive. It is gratifying to note that the House is giving every indication of taking the admonition of the Secretary to heart and is now proposing to cut $2,500,000,000 out of the estimate.

The resignation of Secretary Humphrey from what had become an untenable position is a milestone in the record made by this administration. Since the adoption of the budgetary system the Secretary of the Treasury traditionally has had the last word in the formulation of the budget. So far as is known this is the first exception to that rule. The administration in 1952 and again in 1956 had promised economy, retrenchment and reduction of the national debt. The Secretary himself had consistently urged reduction in Federal expenditures. He had opposed tax cuts and deficit spending. He counseled a budget below that of 1957, up to that time the high watermark in peacetime budgets.

But unexpected opposition developed. The Washington Post carried a column suggesting that Vice President NIXON "already campaigning for the Presidency in 1960" forced through the "welfare State budget" on the ground that "only a liberal Republican can win." And the President sent to Congress the largest peacetime budget in the history of the Nation.

It is not the first time Secretary Humphrey has found himself out of step with party chiefs. Only recently when called before a Senate committee he declined to defend the grant of a fast tax writeoff to the Idaho Power Co. and made the statement that the writeoff policy had cost the United States Treasury $3 billion over the past 6 years.

But his resignation comes at a rather critical time. Under the personal direction of the President his party is this afternoon waging a determined, if hopeless, battle to restore the budget cuts in the bill now before the House. The Treasury must refinance more than half the public debt in the next few months—must shortly ask Congress for a fourth successive increase in the statutory ceiling, while the cost of financing the debt has steadily increased and is now approaching $7½ billion a year. The excess of savings bonds redemptions over sales is so marked as to force the Treasury to raise new funds the last half of this calendar year. And the 3⅝ percent on new notes offered by the Treasury is the highest since the week following the close of President Hoover's administration.

The cost of living has risen 4 percent in the last year, dislocating the national economy to an alarming degree. Never before was a steady hand so desperately needed in the responsible position which Secretary Humphrey is today relinquishing with the President's blessing.

The resignation of Secretary Humphrey at this time is a significant commentary on the untoward trend of the fiscal policy of the Government. It is a turning point, the beginning of an exodus which will sweep from the Cabinet some of the ablest members of the President's official family. With coming resignations, it foreshadows unmistakably the final verdict on the success of this administration.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to pay a most wholehearted tribute to the gentleman from Arkansas [Mr. NORRELL]. I know how much this able gentleman has done for his district in many ways. I do not know what we would have done without him concerning our hospital in Massachusetts. He has been tireless and resourceful and loyal. I know how valuable he is to his State. I know the patriotism of his fine State. I remember in World War I when Arkansas made its terrific contribution in wheat and in servicement in every war. It deserves a great deal of sympathy and a great deal of appreciation.

I visited a number of years ago the gentleman's hospital at Hot Springs and I call it his hospital because of his great interest in it, that military hospital that they have tried at times to close. I know of the many cures that have taken place there. I think the last time an addition was made to the hospital it was made from Veterans' Administration funds, because it was felt to be so necessary and important. They were caring for veterans there and getting cures. I was going through the hospitals at the time I visited Hot Springs seeing the sort of care both the soldiers and the veterans were receiving. I am delighted, may I say to the gentleman from Arkansas, that his hospital will continue.

I should like to add right here that I am very sure that these orders do not come from the Surgeon General. I think he is under wraps because word came to me from his office that they could not speak without consulting the Secretary of the Army. He is under wraps because a little group of men who make recommendations of hospitals decided to close these hospitals. I doubt if anyone really wants to close them in national defense but that little group, no matter what they say.

The Clerk read as follows:

RESEARCH AND DEVELOPMENT

For expenses necessary for basic and applied scientific research and development, including maintenance, rehabilitation, lease and operation of facilities and equipment, as authorized by law, $392 million, to remain available until expended.

Mr. FORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FORD: On page 10, line 5, strike out "$392 million" and insert "$400 million."

Mr. FORD. Mr. Chairman, this amendment increases the committee bill by $8 million. It restores the research and development funds to the figure that was included in the President's budget. The restoration of $8 million again conforms with the recommendations of the Army panel, composed of the gentleman from Florida [Mr. SIKES], the gentleman from South Carolina [Mr. RILEY], the gentleman from Pennsylvania [Mr. FLOOD], and the gentleman from Maryland [Mr. MILLER]. I repeat, the gentleman from Maryland [Mr. MILLER], who is unfortunately in the hospital, asked me specifically to indicate that my views on this matter were exactly the same as his own.

Let me give you the background of this amount. The Department of the Army requested for research and development $596 million for the fiscal year 1958. The President submitted in his budget the figure of $400 million. In fiscal year 1957 the Army will obligate for research and development $418 million. The President's budget for fiscal year 1958 called for a figure of only $400 million. So fiscal 1957 was $18 million higher than fiscal 1958. The committee has in addition reduced it by $8 million plus and a $9-million absorption which the Army must take in this account because of the Civil Service retirement program. In other words, in fiscal 1958 if this reduction stands there will be a $35 million cutback in Army research and development.

Mr. Chairman, I know there are many people who feel that we can go wild in the field of research and development, but I submit that this research and development program has been most carefully considered. It has the endorsement of the Defense Science Board, which was an organization set up on the recommendation of the Hoover Commission. It endorsed the research and development program across the board for all three services. Incidentally, the Assistant Secretary of Defense for Research and Development, Dr. Furnas, in his testimony on page 349 of the Department of Defense hearings, part I, said in response to an inquiry by the gentleman from Alabama [Mr. ANDREWS] the following:

Dr. FURNAS. I personally feel that we could spend somewhat more money effectively.

Anyone who knows Dr. Furnas, I am sure, is impressed with his knowledge and his competency.

Let me take up one other problem which is related to the funding of research and development. The Department of the Army for several years has been proceeding with research and development of what we call the antimissile missile. We have heard mostly about the ICBM and the IRBM, and we have been told that on a certain date in the not too distant future both will be operational. Some people contend that both of these weapons are the ultimate in weapons. But the Department of the Army several years ago felt that maybe some research and development should be done in the antimissile missile, and to date they have invested about $20 million in the program. The Army is confident this weapon is feasible. In this budget for the research and development of the Army, there is $12 million for that program. At least, there was out of the program as submitted by the President. Out of the $596 million program which the Army requested, there would have been $20 million for the anti-missile-missile-development program. The decision of the subcommittee and the Committee on Appropriations in reducing this appropriation by $8 million, in my opinion, is bound to have some impact on the anti-missile-missile research and development program.

In conclusion, let me say we have as the head of the research and development program for the Department of the Army, in my opinion, one of the most competent military men in the Pentagon, Lieutenant General Gavin. I have confidence in his judgment on this matter, and he firmly believes the full amount of the funds in the President's budget for research and development should be available. I concur and urge the adoption of the amendment.

Mr. SIKES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not think there is any question but that the Army research and development branch does some of the finest work done anywhere in the Nation. They are contributing very materially to the readiness posture of the Nation. In their work on guided missiles the Army has assembled probably the best team known outside the Iron Curtain. They have developed the Jupiter, which is the intermediate range ballistic weapon possessing great promise. I think the decision to take responsibility for future developments in this field from the Army and the failure of the Department of Defense to budget specifically for this missile is a mistake. However, we do have assurance the Secretary of Defense will continue the development of Jupiter as long as there is justification and do so from his own emergency fund. May I point to the fact that this bill carries an emergency fund of $85 million plus the right to transfer from other funds an additional $50 million. This money as used largely to exploit unanticipated developments in the field of research, to take advantage of scientific breakthroughs. From this fund Jupiter is to be financed.

One of the great services of Army research and development is the development of the antimissile missile. It is still largely a hope and a prayer, but it is pointing in the right direction. If there is to be a defense against the ultimate weapon, the intercontinental ballistic missile, this is the defense. General Gavin who is one of the great figures in the Armed Forces today is very hopeful about the prospects.

The medical branch of research and development is contributing very significantly to medical knowledge including extremely important work in developing techniques for treating burns, including the type associated with excessive radiation from atomic exposure.

Now, Mr. Chairman, the Army panel did not recommend this cut. The Army panel recommended the full $400 million which was carried in the budget. However, I concurred in the cut of 2 percent proposed in the full subcommittee.

I make that statement frankly and freely. I felt that a small reduction in research and development, servicewide,

would require an economic belt tightening all along the line. I would not vote to cut research and development excessively, but I do not rule out the possibility of wise reprograming which will eliminate unnecessary or obsolescent projects.

I must point out that the Army research and development program does not carry as much money as it did last year. Last year after the special weapons projects were eliminated, the Army research and development fund was $380 million. For fiscal year 1958, after the special weapons projects are eliminated it is proposed to provide $372 million less the $8 million reduction made by the committee, leaving $364 million of net funds compared to the $380 million last year. The fiscal year 1958 program does not include Jupiter, and that is a substantial item, considerably more than the $16 million reduction I have mentioned.

However, research and development in fiscal year 1958 now must absorb $9 million of retirement money and must absorb a general increase in costs all along the line. Nevertheless I do not believe this cut is a serious one. I know the Secretary has a substantial emergency fund which he can use to help carry on any part of this program if it appears there is justification for doing so.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield.

Mr. JONES of Alabama. The gentleman spoke of an emergency fund being in the hands of the Secretary of Defense. Does the gentleman care to disclose how much the Secretary of Defense would have with which to carry on these extracurricular activities that have been carried on by the Department of the Army?

Mr. SIKES. The Secretary has $85 million in an emergency fund carried on pages 3 and 4 of this bill which he can use as he sees fit; and it is used primarily to exploit break-throughs in scientific research and to speed up unanticipated developments in weapons or techniques. The bill carries transferability authorization from other funds to the extent of another $50 million. The estimated cost of carrying on the developmental work on Jupiter in the next fiscal year is $37 million. We have the assurance of representatives of the Secretary of Defense that the money will be made available if it appears that Jupiter justifies the expenditure. I feel that we can rely on this.

Mr. MAHON. Mr. Chairman, I rise for the purpose of fixing time on the amendment now pending.

Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 20 minutes, the committee to have the last 5.

Mr. JOHANSEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JOHANSEN. I have a substitute amendment at the desk. I wonder if that should be offered before the time limitation is set.

The CHAIRMAN. The Chair understood the gentleman from Texas to ask that debate close on the pending amendment and not other amendments.

Mr. JOHANSEN. Would that preclude the offering of a substitute amendment?

The CHAIRMAN. No, it would not. Let the Chair clarify the Chair's position on that. If the time is fixed on this amendment and all amendments thereto there would be no reason for a Member not to offer another amendment, but there would be no time for debate on other amendments.

Mr. JOHANSEN. Mr. Chairman, may I offer the amendment at this time?

Mr. MAHON. Mr. Chairman, I withdraw my request.

Mr. JOHANSEN. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHANSEN as a substitute for the amendment offered by Mr. FORD: On page 10, line 5, strike out "$392 million" and insert in lieu thereof "$400 million" and on page 10, line 6, immediately before the period insert the following: "*Provided*, That appropriations made by this title shall, without impairing national defense, be reduced in the amount of not less than $8 million through the apportionment procedure provided for in section 3679 of the Revised Statutes of the United States (38 U. S. C. 665)."

Mr. MAHON. Mr. Chairman, I reserve a point of order against the amendment offered by the gentleman from Michigan [Mr. JOHANSEN].

Mr. JOHANSEN. Mr. Chairman, this substitute amendment is offered pursuant to the statement that I made yesterday and pursuant to the line of questioning which I made of the destinguished chairman of the subcommittee, and the gentleman from Michigan.

The purpose of the amendment is simply to provide for the restoration of $8 million proposed by the amendment offered by the gentleman from Michigan [Mr. FORD] and then to provide that an equivalent amount be reduced from the total appropriation under title III, the appropriation for the Department of the Army.

I am concerned that we provide either by the authority for transfer or by specific appropriation for those particular items or for those particular accounts in which there are valid grounds for an increase, but that we do it on the basis whereby the total aggregate reduction made by the subcommittee with respect to the total appropriation for defense will be maintained.

The purpose of my amendment is simply to provide, as I said yesterday, the scalpel to be used where it can be used skillfully by the experts to do the least harm and whereby we can provide additional funds where the experts insist they must be provided and still preserve the basic economies that have been proposed in this budget by the subcommittee and by the Appropriations Committee.

Mr. MAHON. Mr. Chairman, I renew my point of order that the gentleman's amendment is legislation on an appropriation bill, also that it imposes additional duties.

The CHAIRMAN. Does the gentleman from Michigan [Mr. JOHANSEN] desire to be heard?

Mr. JOHANSEN. Mr. Chairman, may I say that in the appropriation bill in the 81st Congress, second session, which became Public Law 759, there was a provision, section 1214, to the effect that appropriations, reappropriations, contract authorizations, and reauthorizations made by this act for departments and agencies in the executive branch of the Government shall without impairing national defense be reduced in an amount of not less than $550 million.

It is on the basis of that sort of limitation that I offered the amendment.

The CHAIRMAN. The Chair is ready to rule.

The gentleman from Michigan [Mr. JOHANSEN] offers an amendment in the nature of a substitute to the pending amendment, on page 10, line 6, by adding language contained in the proviso of the substitute. That language indicates that the appropriations made by this title shall without impairing the national defense be reduced in the amount of not less than $8 million through the apportionment procedures provided for in another section of existing law, which section vests authority in the executive branch to make certain apportionments.

It is the opinion of the Chair that the language of this proviso imposing, as it does, an obligation and requirement on the executive branch to make reductions without impairing the national defense and without establishing any standards therefor is legislation on an appropriation bill, is subject to the point of order, and the Chair sustains the point of order.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 20 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama [Mr. JONES].

Mr. JONES of Alabama. Mr. Chairman, in view of the discussion that I have just had with the gentleman from Florida [Mr. SIKES] relative to the continuation of the research and development program on the missile Jupiter, it prompts me to direct this question to the chairman of the committee. I call his attention to page 69 of the report under the heading "Major Force Equipping." In the second paragraph it reads as follows:

In the strategic missile squadrons there will eventually be a combination of the Snark, an air-breathing missile; the Thor or Jupiter, the intermediate range ballistic missiles (IRBM)—

And so forth. My question is, in view of the statement made by the gentleman from Florida that eventually under the appropriation to the Secretary of Defense there will be a transfer of funds for the continuation of the research and development on the Jupiter, therefore the language is in the disjunctive "Thor or Jupiter." Now, is it the meaning of the committee that it should be "Thor and Jupiter"?

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from Texas.

Mr. MAHON. It would, of course, be Thor or Jupiter; in other words, we are giving the Army the necessary funds for finding the best ballistic missile. The sky is the limit on this program, and they can select either the Thor or the Jupiter. We are not telling them which one to select; we do not know which one to select. The gentleman from Alabama would not want to do that.

Mr. JONES of Alabama. I understood from the gentleman from Florida that there had been assurance given to the committee that there would be a continuation of the research on Jupiter by the Army.

Mr. MAHON. That is correct.

Mr. JONES of Alabama. And that there would be a transfer of funds in order to carry out a continuation of development and research on Jupiter.

Mr. MAHON. They can take all the money they need to perfect it, and then, if they want to, put it into the squadrons. They can do that.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from Michigan.

Mr. FORD. I think the testimony is precisely what the gentleman from Florida and the gentleman from Texas say, namely, that the financing of the Jupiter program after June 30, 1957, will come out of funds held by the Secretary of Defense. There is no funding in the program for the Army.

Mr. JONES of Alabama. My question at that point, I will say to the gentleman from Michigan, is this: Is there assurance that there will be a continuation of research and development on Jupiter from funds appropriated by this appropriation bill?

Mr. FORD. Well, it is certainly the committee's understanding that the Secretary of Defense would continue the funding and the research of the Jupiter program until they have this great contest between Thor and Jupiter; maybe not a contest, but at least it is going to be an analysis and evaluation as to which is the better of the two weapons.

Mr. JONES of Alabama. That satisfies my question, and I am glad to know that the language that was intended there should have been in the conjunctive and that there would be a continuation of the RBM program. I thank the gentleman.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Chairman, I rise in support of the amendment introduced by the gentleman from Michigan [Mr. FORD]. Had I been present at the subcommittee meeting when this was marked up I would have made a reservation. I was absent on official business of my subcommittee for the Department of Commerce. However, when the bill came before the full Committee on Appropriations I did make a reservation there. So I am in proper order in supporting the gentleman from Michigan.

The curious thing about this guided-missile controversy insofar as the Army is concerned is this. It is my opinion, and I believe the opinion of many experts who know more than do I about this matter, that the greatest team of scientists ever assembled in the history of the world is the Army team now at Redstone, Ala., working on this Army guided missile Jupiter, and has been for some years under the brilliant German-American, now, thank goodness, American scientist, Von Braun. There is no reasonable doubt about that. I believe the Army missile Jupiter is so far ahead of the Air Force's Thor or any other operation of that kind that when the time comes, unless there is an extraordinary development of some kind that takes place at the Pentagon, it will be the Jupiter of the Army that will be adopted.

But this is why I rise to try to help the gentleman from Michigan [Mr. FORD] and I appeal to my friends on the Democratic side. There is not one dime in this Army budget for Jupiter—not a dime. There is money in this budget for the Air Force's Thor. If this Army missile is as good as I say it is and as the Secretary of Defense and others admit, then why is not the money in here? Do you know what they say? Well, Mr. Wilson says, "If it is good I will see you get the money and I will give you money if you need it to develop it further to see if it is that good."

The only catch, Mr. Chairman, is now that Secretary Humphrey has resigned it is even money that Mr. Wilson will not be here when the time comes to make the decision. I do not think he will be. That being the case, the man who takes his place, other than as a matter of high morals, probably would not be bound by Mr. Wilson's agreement. Let me point out to you that the present Chief of Staff for Air is going to become the Chairman of the Joint Chiefs of Staff and the chances are even that Mr. Quarles may become Secretary of Defense. That does not look so good for the Army Jupiter, does it? Indeed not.

The President has an emergency fund. The only catch in that is that one-third of it belongs to the Navy, and the gentleman from California [Mr. SHEPPARD] would have something to say about that fund, and the other third belongs to the Air Force, the same Air Force. There is not going to be money in the President's emergency fund to give the Army the money they need to perfect and develop what undoubtedly is the greatest progress so far made in the world in an intermediate-range ballistic missile, the Army Jupiter, down at Redstone, Ala.

The gentleman from Michigan [Mr. FORD] who knows as well as anybody in this House or as well as anybody in the Pentagon the need for this money I want to support, and there is nothing inconsistent with our position on this whole budget. This bill is no more sacred than is the budget. We do not claim to be cloaked with this aura of infallibility about which you hear, $8 million. It will be said, "What difference does it make? What army cannot absorb $8 million?" I submit, Mr. Chairman, in all seriousness, we need the $8 million, or the gentleman from Michigan [Mr. FORD] and I would not be here appealing for it in the face of my own committee.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. Mr. Chairman, as I stated on Friday, it is never pleasant to find yourself in a position opposite from your party leader in the House and the President, especially when he is of your political faith. Particularly do I dislike to find myself in disagreement with the gentleman from Michigan [Mr. FORD], who is indeed one of the hard-working members of this subcommittee. However, I think the House should know that over the years this subcommittee has been almost profligate in providing funds for research and development. We have in essence placed a halo around research and development and been with them most liberal.

I should point out, as has already been pointed out, that this cut is a mere 2 percent. I, too, have high regard for General Gavin. He is indeed an outstanding military man, and outstanding in his own field. He believes that research and development is the only salvation of the Nation. But if General Gavin, as great as he is, and the men under him, as great as they are, cannot do a proper job with $392 million they cannot do it with $400 million.

As the gentleman from Florida has pointed out, if in these research and development programs they come to something that is an exceptional breakthrough, they can request some of these $135 million emergency funds to which we have referred.

There has been mention of the anti-missile missile. This reduction does not and should not interfere with any development of that program. Right now it is an idea. It is not in the formulative stage as yet.

If the research and development people in all of the branches of the service would use the scientists for the jobs for which they were hired instead of requiring them to shuffle papers, and do administrative work, they would have adequate funds to do not only as good a job as they are doing but a better job. Right in that field alone there is terrific waste, because the scientists will tell you themselves that they do not have the time to put in on their scientific work that they should have because they have to do so many other nonscientific tasks.

Let us look on page 1921 of part II of the Department of Defense hearings and see what the situation is. You will read there that the research and development funds have progressed from $3,400,000,000 in 1955 to $3,800,000,000 in 1956 to $5,200,000,000 in 1957 to $5,300,000,000 in 1958. In other words, this one phase of the Army research and development program is only a small portion of the entire Department of Defense research and development program.

I may also say, Mr. Chairman, that as a member of this committee any prospect of the possibility of a tax reduction by reason of reducing defense appropriations had no part in my decision whatsoever. In the years past and even in recent years I have been accused of being a flag-waver and a super-patriot and many other things because I have

supported the program of big spending for national defense. National defense must come first before any tax reduction. You can replace tax dollars but you cannot replace lives or blood.

One closing comment in answer to something that was said yesterday, an allegation of some kind that there was whip-cracking on the Republican side. There has not been from the White House any whip-cracking over me. Our minority leader [Mr. MARTIN] has recognized my position on this committee and he has not cracked any whip over me. The decisions I make are those which I myself have made. That is exactly the way all the decisions should be made by every House Member.

As far as I am concerned, if the House says this $8 million ought to go back in, that is all right with me. I am not mad at anybody. But, if it does not go in—just remember what I told you yesterday. The military as they have for years and years and years, as far as man can remember, as they always do, can always go to the other body and make reclama and complain about this cut and then give the Senate Appropriations Committee the specific reasons why this $8 million should be restored.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. MAHON] to close debate on the pending amendment.

Mr. MAHON. Mr. Chairman, the subcommittee on defense appropriations after meeting for 4 months sat down and marked up the bill and agreed on cutting research and development a little bit in the Army, a little bit in the Navy and a little bit in the Air Force in an effort to get more efficiency and economy in the programs. The gentleman from Michigan [Mr. FORD] was not in agreement with these reductions.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I would like to yield to my able fellow committee member who has a fine grasp of the defense situation but would like to first complete my remarks.

Mr. Chairman, I feel this way about legislative responsibility. When we make up our minds and when we do what we think is best for the Nation, I think we ought to stand by our work. The tough-fisted Secretary of Defense, Mr. Wilson, for whom I have much admiration, once said this: "If you cannot stand the heat, stay out of the kitchen and let somebody else do the cooking." Well, that is the way I feel when we make up our mind as to what should be done with respect to appropriations.

Why did we make this token cut? Because we want to get more efficiency and economy. The Army has seven or eight hundred projects. That was the answer given me. Of course, they have a crash program on missiles. None of this should affect missiles in the slightest way. But, we wonder about things like this. One research project is on the subject of sleep. There may be some justification for it but that is doubtful. A newspaper story, perhaps with some degree of facetiousness, has this to say in regard to the project: "The psychologists say that they hope to find out how dreams affect sleep, but they hold out no hope of being able to tell what the sleeper is dreaming of."

We have been so kind toward research and development, that some have tried to make a grab-bag out of it. That is exactly the situation. I am inclined to exclaim, "Oh, what crimes have been committed with the taxpayers' money in the name of liberty and in the name of research and development." This is such a popular area. We nipped the Air Force a little bit. They have projects in which they are studying automobile collisions. Because, as reported, the Air Force loses more personnel annually through automobile accidents than they do through aircraft accidents, the Air Research and Development Command is supporting a collision research program and the tests will include head-on collisions in which 25 automobiles will be smashed to pinpoint ways in which injuries occur. How utterly ridiculous and wasteful can we be? This is a great national problem that requires every consideration but the Air Force is not the agency to handle this sort of thing. Just because we have been tender with them in research and development, some people have gone too far overboard. So we gave the Army $392 million. We cut off $8 million, making small reductions also in the other services. The Secretary of Defense has a total of $135 million that he can transfer at any time to any of the services for special research work.

We give the whole Department of Defense for research and development over $1,500,000,000; and if you include these experimental missiles, and experimental aircraft that are never used in combat, and hundreds of other items under development, we have given them in this bill $5,300,000,000 for research and development, yet here we are debating a little $8 million economy effort made to stop some of these very questionable projects and secure a better program.

I agree with Mr. James N. Bridges, who is Director of Electronics, in the office of an Assistant Secretary of Defense, speaking in Washington on the 22d of May. He said:

> If this country is to stay ahead in weapons development without going into bankruptcy we must find ways to be more economical in the conduct of our program.

Is there anything wrong with that? Is there anything wrong with our giving them a little encouragement to help this good man do a better job in this field? I just do not think so.

Here are figures written on a typewriter at the Pentagon showing that even with the cut the Army, for research and development, will have $12 million funds that will not be obligated by the end of the fiscal year, June 30, 1958.

So I am concerned that we keep this thing in proper focus.

The Army is competing with other branches of the service for scientists. A man goes to work on one program and a contractor on another program has so much Government money he hires him away from the first program. It is a very unsatisfactory situation.

I hope you will help us in trying to do something for economy and stability in the field of research and development.

The CHAIRMAN. The time of the gentleman from Texas has expired. All time on the pending amendment has expired.

The question is on the amendment offered by the gentleman from Michigan [Mr. FORD].

The question was taken; and on a division (demanded by Mr. FORD) there were—ayes 73, noes 97.

Mr. FORD. Mr. Chairman, I demand tellers.

Tellers were ordered and the Chair appointed as tellers Mr. FORD and Mr. MAHON.

The Committee again divided; and the tellers reported that there were—ayes 133, noes 137.

So the amendment was rejected.

Mr. ANDERSON of Montana. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, while we were fighting our way across Europe in the summer of 1944, we used to hear the buzz of German V-1 rockets winging their way overhead to wreak destruction on the British Isles. Later, that winter and the next spring, we came across installations where the mighty V-2 rockets were built and launched. That was more than 12 years ago. Enemies or not, I could not help but have a great deal of respect for those German scientists who were so far ahead of any allied pioneers in that field.

I know that the Russians spirited many of these scientists to their country where, with or without brainwashing, they have undoubtedly made major contributions to the present advanced state of Soviet missiles, which is comparative with our own.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Montana. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. May I observe to my colleagues that I am sure you know that the gentleman from Montana now speaking is a major general in the United States Army Reserve. He is a leader who has been battle tested as the commander of an armored task force from Normandy to the Elbe during World War II, his troops being among the first to break through the formidable Siegfried line. He served with bravery and his decorations include five battle stars, the Silver Star, and the Croix de Guerre. After World War II he organized an infantry Reserve regiment and since 1948 has been commanding general of the 96th Infantry Reserve Division. This division now is one of the largest in the United States and is located in the Rocky Mountain region of the West, with units extending from the Canadian border to the Mexican border. So General ANDERSON speaks now not only with eloquence but with experience and learning on this subject.

Mr. ANDERSON of Montana. I thank the distinguished gentleman from Pennsylvania for his very flattering remarks.

It is comforting to know that the United States Army was foresighted, too, and that a team of top rocket scientists has been working with the Army in that field since 1947. That partnership between these scientists and the United States Army has been most fruitful. From the Army Ballistic Missile Agency, Huntsville, Ala., has come the 200-mile Redstone missile which has been extremely successful. The senior scientist in charge is world-famous Dr. Werner von Braun, a man who has been in the missile business since 1932 and has had more experience with ballistic missiles than any one individual west of the Iron Curtain, or perhaps in the world. From this same partnership has come the most successful intermediate-range ballistic missile, the Jupiter. Its development is an extension of the teamwork, the principles, and the know-how that went into the Redstone. The Jupiter is an extension of an already proven precise system, the Redstone system, a ballistic missile for which the first tactical battalion is already in training. The Jupiter program is actually ahead of its original schedule by several months and has had a very successful development history.

Just as testing of advanced models was scheduled, Secretary of Defense Wilson moved to take the Jupiter away from the Army and give it to the Air Force. When it became evident that the development must be completed by the Army scientist team which had the know-how, the Secretary said he would take the missile away from the Army later but they should develop it first.

I have not time now to argue the point as to whether or not the Army should lose control later—although I can make a strong case for the continued use by the Army of this surface-to-surface ballistic missile—the "ballistic" meaning it is just a long-range artillery shell.

The point I want to make now is that the Army has been told to go ahead with work on the Jupiter but given no money to do it with. On page 1310 of the hearings we see that Department of Defense promised to make money available and Monday, in response to my question, the gentleman from Michigan [Mr. FORD] said this was to come out of the Department of Defense emergency fund. Committee members expressed considerable skepticism as to whether the money would ever be made available—and I recommend that section of the report to your attention. Almost every day we read that the Secretary of Defense, Mr. Wilson, is about to resign, and that Mr. Quarles, former Secretary of the Air Force, will take his place, while Admiral Radford's successor is General Twining of the Air Force.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Montana. I yield to the gentleman from Texas, the distinguished chairman of the Subcommittee on Department of Defense Appropriations.

Mr. MAHON. May I say that, in my judgment, no one in the Department of Defense will overrule the will of Congress that the Army have adequate funds to continue with the Jupiter until a final decision is reached.

Mr. ANDERSON of Montana. I thank the distinguished gentleman from Texas. That was the point I hoped to make clear by my presentation here. I very much appreciate that statement from the distinguished chairman.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Montana. I yield to the distinguished chairman of the Army panel.

Mr. SIKES. I have been very much impressed with the enthusiasm and helpful interest which our distinguished colleague from Montana has shown in matters pertaining to national defense and to other matters in the Congress. May I point out that I subscribe completely to what the chairman [Mr. MAHON] has just said.

If the gentleman will bear with me a moment, may I point out also that this missiles race is not a one-sided thing. We are in a horserace with Russia on guided missiles. They overran much of the area where the V-2 weapons were being manufactured. They recruited forcibly and otherwise great numbers of German scientists, among the most expert in the world on this matter, and they went immediately into a crash program of developing missiles that are of a type close to the intermediate-range ballistic-missile program in order to have all of Europe under their weapons. That is the situation today.

Mr. ANDERSON of Montana. I thank the gentleman for his excellent and accurate contribution.

Do you think the officials I have just mentioned are going to channel a fourth or a third of the emergency fund of all 3 services into 1 Army project. The distinguished gentleman from Pennsylvania [Mr. FLOOD], a committee member at that hearing said in part: "I am concerned that you do not get euchered out of money to continue with your Jupiter program," and "I know that the Navy and the Air Force are going to tear a wing off the building before you get any of their mixed funds for your silly Jupiter business."

This is not an emergency item. Sure it is a crash program, for it is vital that we get this most advanced and most successful of all the missiles operational quickly—for this is a critical part of our race with Soviet Russia. It is critical and important, but it is not emergency in the sense that it is unexpected. We know this money is going to be spent—and today there is no one who will deny that the Army must spend it if we are to develop the Jupiter quickly and economically. Then let us put it in the Army budget where it belongs—out where everyone can see it—and where there will not be any temptation for selfish conniving that may cost our defense dearly.

The Clerk read as follows:

ALASKA COMMUNICATION SYSTEM

For expenses necessary for the operation, maintenance, and improvement of the Alaska Communication System, including purchase (not to exceed one for replacement only) and hire of passenger motor vehicles, $5 million, to remain available until the close of the fiscal year 1959, and, in addition, not to exceed 15 percent of the current fiscal year receipts of the Alaska Communication System may be merged with and used for the purposes of this appropriation and charges for station-agent agreements may be paid from receipts of the Alaska Communication System.

Mr. BARTLETT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, although the committee cut $700,000 from the budget request of the Alaska Communication System and reduced the figure to $5 million, I do not seek here any increase in funds. Most assuredly I do not seek to subtract any funds from this section, but I would like to discuss a situation which is developing, and I think most unfairly from the standpoint of my constituents, and I should like to seek information and, I trust, guidance from the committee.

Now, the Alaska Communication System is unique, I think, in this country. It has been in Alaska for over 50 years. It is operated by the United States Signal Corps, a branch of the United States Army. It has provided not only service for the military, for the civilian agencies of the Government, but for the civilian population as well. The relationships have been most harmonious through the years.

On July 1 next the Alaska Communication System proposes a rate increase for the civilian users of this system on the order of 30 percent for telegraph service. Now, it may well be that that increase is brought about by the fact that the committee report before us now says: "It is felt that there may be justification for increases in rates for civilian users that will help to offset the cost to the Government in operating the system." I am just wondering whether anyone knows what the proper division between the cost to the Government for civilian operations on the one hand and military and Government agencies on the other may be in this connection. I seriously doubt it. The first I knew about this 30 percent rate increase, which certainly is a very high one, was when I read about it in the newspapers, and I think all Alaskans were similarly informed. This is a public utility service. I think there should have been hearings in Alaska and elsewhere. I think there should have been hearings in Alaska and elsewhere; informal, perhaps, it may be necessary that they be informal since there is no absolute requirement, but let us look at the situation. What does the Signal Corps say? The Signal Corps informs us that the cost of operation and maintenance of the whole system for this fiscal year will be about $4,700,000. What is the estimate that the Signal Corps gives as to the revenues that will come in from civilian use of the long distance telephone and of the telegraph? It is $3,685,000. So right now the civilian users of this system are paying all the maintenance and operation costs except $1,300,000.

I would like to know what would happen if we were to move 50,000 more troops into Alaska next month requiring a much greater use of communication facilities by the military. The maintenance and operation costs would go up, of course. Well, would we have to have a 100 percent rate increase to civilian users so the Government could come out even?

I should like to ask my friend from Florida [Mr. SIKES] or my friend from California [Mr. SHEPPARD] as the case may be, if they would not agree that this rate increase ought to be deferred until we know more about this? I do not say that a rate increase is unjustified. Actually, I do not know and I suspect no one knows, even the Signal Corps itself. I am wondering if we could not have a deferment of this rate increase or an indication to the Signal Corps that it ought to be deferred until we can go into this subject a little further and get a fair division of the costs as between the military and civilian agencies of the Government and civilian users.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield to the gentleman from Florida.

Mr. SIKES. Mr. Chairman, I want to commend my distinguished friend for his zealous efforts through the years in behalf of the Territory of Alaska. It is very important country and the gentleman has done a very fine job as its Delegate here.

Mr. Chairman, in response to the gentleman's question, there is nothing in this bill which requires a rate increase. The committee does feel that in consideration of the services rendered to the Territory, a rate increase is justifiable. Yet I certainly agree with my friend that all of the facts should be known before there is a rate increase. It would be my expectation that complete hearings would be held by the proper agencies and all the facts known so that fairness to both sides, the users and the Government, would be had in this matter.

Mr. BARTLETT. Mr. Chairman, I am glad to hear the gentleman say that. It might be that the Signal Corps will develop an absolute need for this on the basis of the hearings. It may be no adequate justification can be offered. But all of us—and I believe principally the people of Alaska—are entitled to know.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield to the distinguished gentleman from Texas.

Mr. MAHON. The gentleman has made a fine contribution to this problem. We are interested in that great area of Alaska. We are always interested particularly in what the Delegate from Alaska has to say and I want to thank him for his comments.

Mr. BARTLETT. I thank the gentleman. I would hope, as a result of what has been said here, that that rate increase will not be imposed unless and until justification is proved on the basis of hearings which I hope will be held in Alaska and in Washington, too.

The Clerk read as follows:

PROCUREMENT AND PRODUCTION, ARMY

For expenses necessary for the procurement, manufacture, and modification of armament, ammunition, equipment, vehicles, vessels, and aircraft for the Army and the Reserve Officers' Training Corps; purchase of passenger motor vehicles for replacement only (including 13 and 15 at not to exceed $3,000 and $2,400 each); expenses which in the discretion of the Secretary of the Army are necessary in providing facilities for production of equipment and supplies for national defense purposes, including construction, and the furnishing of Government-owned facilities and equipment at privately owned plants; and ammunition for military salutes at institutions to which issue of weapons for salutes is authorized; $67 million, to remain available until expended.

Mr. SIKES. Mr. Chairman, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Chairman, one of the great chapters in medical research today is being done by the Medical Research and Development Branch of the United States Army.

Defense efforts are primarily directed toward developing and maintaining constantly improved means for destruction of an enemy aggressor, in order to protect the Nation from attack. However, certain elements of the defense program provide constructive advances of remarkable value to the continuing welfare of our people and of all mankind. The Army Medical Service Research and Development program is a clear example of such beneficial, constructive activity.

Historically, Army doctors have been leading pioneers in the improvement of American medicine, ever since Army Surgeon John Jones wrote the first American textbook on surgery in 1776. Maj. Walter Reed, famous to everyone, made possible the practical control of the scourge yellow fever, and thereby enabled construction of the Panama Canal. Similar historical Army victories in medicine are too numerous to detail. More important, Army medical research continues to make valuable contributions to the health and welfare of our people. Although directed to solving the problem of preserving fighting strength in combat, results achieved are immediately applicable to civilian disease and injury.

New and improved treatment of severe burns, proven at the United States Army Surgical Research Unit, have been widely adopted by the civilian medical profession.

Research on blood-vessel surgery, emphasized during the Korean conflict, carried out in part at frontline hospitals, and since pursued at both Army laboratories and Army contract supported universities, has helped to save innumerable lives and limbs. The torn arms and legs of automobile-accident victims, as well as the weakened arteries of the older aged group, are now more effectively repaired.

In the event of either natural disaster or enemy attack, large quantities of whole blood are always needed. Heretofore the storage life of this precious commodity has been far too short. The problem of storage life was particularly acute when American forces fought at the end of thousands of miles of supply line. Army medical research has now discovered means for greatly extending the useful storage life of human blood so that soon it is expected that stockpiling for national emergency will be made easier—an advance which could be lifesaving to any one of us.

Thanks to another facet of Army medical research, stock handlers, slaughterhouse workers, and others who work with livestock will work in greater safety from Q fever.

In another area, rapid progress is being made by the Army Medical Service in developing a fat emulsion suitable for intravenous use. Such an emulsion provides needed food to those badly injured or ill individuals who cannot take food by mouth.

All of these examples are only random samples of immediate benefits accruing to our Nation from constructive efforts of the Army Medical Service's research and development program.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to ask some member of the committee a question or two. Am I correctly informed that entirely new uniforms are being purchased to equip the Army throughout?

Mr. SIKES. That is right. The Army is purchasing new uniforms. However, it is being done at very little additional cost other than the higher costs now associated with all items of supply. The Army has been able to phase out its old olive drab uniforms—most of them through its own use requirements or through issue to troops of the Republic of Korea. As the old stocks are phased out the Army is replacing those with the new uniforms. Therefore, the cost of procuring the new uniforms, which have been very enthusiastically received by the troops, is going to be at a very low figure. The gentleman need have no concern about waste in that matter.

Mr. GROSS. May I ask the gentleman why the Army is being outfitted with new uniforms?

Mr. SIKES. We want the Army to look and be a splendid fighting force. The Army has worn its old uniform for many years. That uniform has been made available to troops and even to civilians of other nations all over the world. Practically every Allied force in the world has been equipped all or in part with our Army uniforms. Anyone can go into nearly any clothing store and buy them. They have become old hand-me-downs and can be bought at any Army-Navy surplus store. Unfortunately the old uniforms have ceased to carry the connotations of pride and distinction that the United States wants to have associated with the uniform of its soldiers. The Army has developed in response to a general demand in the service a new uniform for its troops, and I am glad that they have done so.

Mr. GROSS. May I ask the gentleman this question. When may we expect the Navy to adopt a new uniform?

Mr. SIKES. The Navy's uniform has not been so generally scattered throughout the world and made available to every Tom, Dick and Harry.

Mr. GROSS. I would not know of any place in the world that the United States Navy uniform has not been in years past and at present, and I know of no real change in the Navy uniform in my lifetime.

Mr. SIKES. The Navy uniform is worn only by American forces. It has not been made available to forces and civilians in all parts of the world as the Army uniform has been made available.

Mr. GROSS. So the answer then to the question of the expense of outfitting the United States Army with a new uniform, as the Air Force was outfitted with a new uniform only a few years ago, is that somebody says a new uniform is needed; is that correct?

Mr. SIKES. That is exactly right. The new uniform is smart and comfortable and it has added to the esprit de corps of the Army. I am glad to say it is costing but little money to phase in the new uniform.

Mr. GROSS. Then they need a new uniform simply because the present one has too long been the uniform of the United States Army?

Mr. SIKES. They have worn it with slight modifications for about 30 years, I think, and prior to that time the same color was in use for another 20 years.

Mr. GROSS. I had the privilege of wearing one of those O. D. uniforms for some 3 years and I never found it too uncomfortable.

Mr. SIKES. Well, that is not the problem involved. As I said to the gentleman a moment ago, the old Army uniform has been made available to other forces throughout the world. It has been made available to the civilians here and throughout the world. The Army has to clothe its forces and in response to general demand developed a new and more distinctive uniform, one very attractive to the service and to the people of the United States, I may add. It developed the new uniform at very little cost by gradually phasing the new uniform into the supply stocks.

Mr. GROSS. But it is still going to cost the taxpayers a good many millions of dollars to get this job done.

Mr. SIKES. Not a good many millions of dollars. I am picking this figure out of the air, but as I recall it, $2 million to $3 million represents the additional cost. My friend, the gentleman from Michigan [Mr. FORD] may have some additional comments to make on this.

Mr. FORD. I think the gentleman from Florida is entirely accurate. The cost of substituting the new uniforms for the old uniforms is practically negligible primarly because the Army has been able to dispose of their vast stocks of olive drab cloth to other allies and to other sources. The net result is that we are going to have a negligible additional burden.

Mr. GROSS. The Army is, of course, disposing of present uniforms to people who are not paying us anything for them. Is not that true?

Mr. SIKES. Not entirely; no sir.

Mr. GROSS. Who is paying for the uniforms that we discard?

Mr. FORD. In the case of South Korea we are paying a part of the cost, but other factors are also significant.

Mr. GROSS. Where does South Korea get money to pay for anything if we do not give to them?

Mr. SIKES. I think in our turn we get something very helpful in 20 divisions of active combat forces.

Mr. GROSS. Now the gentleman is talking about something else.

Mr. SIKES. I am talking about one of the most effective fighting forces that has been developed outside of our own; one whose loyalty we have never had reason to question.

Mr. GROSS. Would my friend from Florida have said the same thing about Formosa a few days ago which he is saying about Korea now? I cannot believe he would.

Mr. SIKES. I would not have made the same comment, I do want to say this. I do not always agree with my good friend from Iowa, but there is no one whom I respect more or who I think renders more valuable service in his constant efforts to achieve economy in the Congress.

Mr. FLOOD. Mr. Chairman, I move to strike out the last word.

Since we are about to leave the Army I would like to reemphasize if I may my concern over the lack of adequate airlift for the purpose of transporting combat army divisions to one or more theaters of operation should the necessity arise within a matter of a few days rather than the weeks or months that have been indicated by the Chiefs of Staff.

Mr. Chairman, I arise in support of the general position taken on this appropriations bill by the illustrious chairman of our Committee on Appropriations, the very distinguished gentleman from Missouri [Mr. CANNON], and the chairman of the Defense Appropriations Subcommittee, the very distinguished gentleman from Texas [Mr. MAHON].

I am not impressed by the argument of those few persons who oppose the basic cuts made in the bill on the grounds that we are cutting into muscle. The 10 million and more Americans who have been drafted into service in the Army and Navy and Air Force all know from their own experience how wasteful these three services can be. Wasteful of time—usually the soldiers' and sailors' time—and wasteful of money—the taxpayers' money, of course.

Let me give you an example of a $110 million boondoggle which was unearthed at our Defense Subcommittee hearings, which I know particularly well because it was I who conducted most of the cross-examination.

We found that in the first year of the Eisenhower administration Congress appropriated $110 million for the purpose of buying a fleet of planes capable of carrying Army tanks. The general concept was a sound one and approved by the Congress and frequently advocated by numerous Members including myself: the idea of a highly mobile Army. Our idea was that if trouble were to break out in Vietnam, we could have a division of troops there with their guns and tanks within 24 hours. If trouble were to break out in Suez or Syria we could have a division of troops there with their guns and tanks within 24 hours. We wanted, and still want, aerial fire brigades capable of putting out brush fires in any part of the world; yes, capable of putting out 3 brush fires at once, even in 3 different parts of the world at the same time.

The Congressional concept was a sound one, what happened to it?

In the second year of the Eisenhower administration a reprograming conference was held by certain leaders of the Defense Department. Those of us who are familiar with these bureaucratic words, please read the words "misappropriation of the funds" as being the real meaning of "reprograming."

So these men, in this second year of the Eisenhower administration, sitting there in their infinite wisdom, reprogramed out the aerial tank carriers and took the money that had been appropriated for those aerial tank carriers and used it to buy 2 dozen plushed up DC-6 passenger planes instead.

Now, gentlemen, do not worry; our committee was told by the Pentagon people that the gentleman from Pennsylvania, Congressman FLOOD, was misinformed and that these were not plushed-up passenger planes at all, but that they were cargo planes designed to accomplish serious military missions. Being challenged as to my facts, I sought to get out the facts. I asked the General Accounting Office to send a squad of photographers up to McGuire Air Force Base in New Jersey and bring back photographs of the interiors of each of these DC-6's so that we might let the members of the Defense Appropriations Subcommittee judge for themselves whether they were plush jobs or whether they were aerial trucks.

I hold in my hand a photograph, one of the ones taken by the General Accounting Office, showing the interior of these DC-6's. Please notice the built-in seats. The neat linen headrests on each seat. Thick carpet, hatracks, the ashtrays, the shiney galleys capable of serving up to 10 different kinds of hot meals, reading lamps, the curtains on the windows, and so forth; this is strictly first-class plush stuff, nothing but the best for all those military people who are riding on these planes between the Atlantic coast and Frankfurt, Germany, and Paris, France, 6 round trips a day.

And what use are these plush jobs in event of war? Practically none. Let us bear in mind the original purpose of our appropriation 4 years ago to purchase a fleet of planes capable of carrying Army tanks. Will these planes carry Army tanks? I refer to page 1544 of our hearings on the Air Force appropriation for fiscal 1957, where it is definitely established that the MATS version of the DC-6, known as the C-118, the maximum cargo lift capacity is only 24,500 pounds and the door is only 10 feet 3 inches by 6 feet 5 inches.

Now the Army tells me that the lightest tank that they have weighs 50,000 pounds, almost twice the carrying capacity of the DC-6, and, if that were not so, the door to these plush jobs that the Military Air Transport Service is running is too small for the tank to be able to even get into the door.

Then we have experimental models T-92 tank of the Army, which weighs 36,000 pounds, the lightest tank which

we are likely to have in the next year or so, and it is still 1½ times too heavy for these DC–6's, and it also cannot get in the door.

Now there are other planes, such as the C–124, which can carry Army tanks; but these were thrown out in favor of these DC–6 plush jobs.

What is the result? There has been no increase whatsoever as a result of the spending of $110 million in the ability of the Air Force to carry divisions of the Army and their guns and tanks to trouble spots throughout the world.

The taxpayers are out $110 million plus the annual maintenance on these planes which runs to many additional millions. And the commercial airlines have a "mad" on, because what do these DC–6's do but MATS people start to grab off business such as the movement of wives and children of Army men stationed in Europe to fly them in these DC–6's so that they will not be going half empty half the time, and this business which used to be bid out to nearly all United States air carriers has now been grabbed off by MATS.

The situation is comparable to one in which one of the distinguished farmers of this body were to take $5,000 and give it to his daughter and say "please go and buy the best kind of truck that you can get for our farm which we can use to haul tractors and farm machinery about in." The next thing he knows, there is a spurt of gravel in the driveway and there is his daughter in a shiny new Jaguar convertible.

Now I say to my farmer friends here in the House of Representatives, if your daughter reprogramed your $5,000 from a farm truck into a Jaguar convertible, at least I am sure that you would have brought her up well enough so that she would have a feeling of guilt about it and would try to do her best to make amends.

Not so with the Air Force. They display no sense of shame whatsoever about this boondoggle. When confronted with the recommendations of the Hoover Commission, the directives of our congressional committee in House Report 2104 of the 84th Congress, 2d session, inveighing against competition with private enterprise and general wastefulness of the taxpayers' funds, these gentlemen in the Air Force say, "Well, we have got them now, and we are stuck with them so we had best fill them up a little bit by taking business away from commercial airlines."

I say to them, this type of logic reminds me of the child who murdered his parents, then begged clemency of the court on the grounds that he was an orphan.

If our hypothetical farmer's daughter made the mistake of blowing the $5,000 with which she was supposed to buy a farm truck, all is not lost and it is not necessary that she continue to keep driving the Jaguar convertible around just because it has been purchased. A convertible car can always be sold or rented out and at least a good part of our hard-working farmer's $5,000 recovered so that it can be applied to the purpose which it was originally intended for, that is, purchase of a genuine farm truck.

So it is with these DC–6's. Reading our House hearings on the Navy Department appropriation for fiscal 1958, particularly at page 28 and at page 34, I find that the Navy Department has caught the drift of our report of last year and I quote the Assistant Secretary of the Navy:

> The aircraft-lease program, which provides commercial carriers with aircraft temporarily excess to the Navy's needs, have been further implemented during the last year. Twenty-three more transport aircraft have been placed in service with carriers at lease rates comparable to industry levels. Twenty-seven aircraft now on lease provide the Treasury with an annual return of $1,416,000 while the mobilization capacity of the aircraft is maintained on an immediate basis.

In other words, the Navy Department is leasing out their DC–6's at a rate of about $20,000 a month and at the end of 5 years—and I think they have only 2 or 3 to go—these planes will be 100 percent paid for so that the taxpayer will not be out of pocket and nevertheless they will be on 24-hour call ready for the Navy for immediate mobilization.

But a different policy seems to obtain in the Air Force where that Frankenstein known as the Military Air Transport Service states:

> The Air Force has no intention at this time of leasing more aircraft to carriers. (House hearings on Defense Department appropriation, part 2, p. 1641.)

Information on the same page indicates the Air Force has only 8 planes on lease to commercial airlines in contrast to 27 stated by the Navy despite the fact that the Air Force has about 5 times as many such transport planes as the Navy has.

Now, despite the fact that these 6 dozen plushed up DC–6's have very little value in moving Army divisions with their guns and tanks to battle scenes, the Air Force seems to feel that they have to hang on to them, operate them at the public expense, pilot them with people in blue suits on the Air Force payroll, have them greased and gassed by more people on the Air Force payroll with oil and gas paid for by the taxpayers and in general try and justify themselves by a grabbing away of Government business which has usually been considered quite suitable for commercial airlines to handle.

The Navy Department is quite right. Transport planes operated by commercial airlines are just as ready for immediate mobilization as planes which are operated by uniformed people at the public expense.

For example, through several wars now, we have had experience with the surface merchant marine. We've learned that there is no reason at all to doubt the patriotism or quick reaction of these civilian sailors.

By contrast, the MATS people put their whole case for having a huge Government-owned airline, and I refer to our Defense Hearings, part 2, on page 1782, on the basis of "reaction time and responsiveness."

I submit that there is not much evidence in 6,000 pages of hearings to indicate that we have any reason to doubt reaction time, responsiveness or patriotism of the civilian crews, pilots, copilots, navigators, stewards and stewardesses of our civilian air merchant marine.

If the sailors of our civilian merchant marine could make the dangerous voyage to Murmansk without having been in blue suits and having been on the Navy payroll for 10 years, ship also having been owned by the Government, we can count equally well on the civilian crews of our air merchant marine to make the flights to Frankfurt, Suez, or Saigon without having to be in Air Force suits or being on the Air Force payrolls for 10 years until the time has come for these emergency flights.

So I say that here, in the cost to the taxpayers of approximately $1 billion a year of these Government-owned airlines, is a place where some substantial economy can be effected without any loss of wartime mobilization strength.

If we place a greater degree of reliance on the civil air fleet and do what is needed to build up that civil air fleet instead of trying to tear it down by Government competition, we will save the taxpayers millions of dollars and we will be just as ready if not more so for war.

I refer Members to page 1785 of part 2 of our committee's hearings on the Department of Defense budget for fiscal 1958, where I asked a question:

> I would like the Air Force to supply a statement of how much of the total traffic carried by MATS in the most recent year available was traffic for which United States commercial airline service was available or could have been obtained?
>
> Answer. All traffic carried by MATS in any year could have been transported, with certain exceptions, by United States registry carriers.

I will not burden this Chamber with a recital of the other startling pieces of information available in the 550 pages of the hearings concerning the military use of commercial air transportation and the tendency to build empires with its own Government-owned airline.

Last year our committee report—House Report No. 2104, 84th Congress, 2d session, pages 45–47—dealt at length with the Military Air Transport Service, as did the reports of the Senate committee and did the excellent letter of August 3, 1956, signed by Chairman CHAVEZ of the Senate Military Appropriations Subcommittee and our own Chairman MAHON for the House.

I include relevant excerpts from the reports from the letter of the conference committee at this point in the RECORD:

CONGRESSIONAL INTENT AS EXPRESSED IN REPORTS OF HOUSE AND SENATE COMMITTEES ON APPROPRIATIONS REGARDING POLICY TO BE FOLLOWED BY THE DEPARTMENT OF DEFENSE IN USING COMMERCIAL AIR TRANSPORTATION AND REGARDING THE MILITARY AIR TRANSPORT SERVICE (MATS)

1. House Report No. 2104, 84th Congress, 2d session, May 3, 1956, on Department of Defense Appropriation bill for fiscal year 1957, pages 45–47:

"The Military Air Transport Service has, for some time, been one of the most controversial activities of the Air Force. The controversial aspects of this service result primarily because, to some extent, it is competitive with commercial air facilities. MATS, as the Military Air Transport Service is called, is an integrated Air Force Command providing strategic air lift, technical services, and a global air route system. Since it was originally organized in 1948, it has been the subject of much comment and numerous studies and recommendations. Several years ago, the Committee on Appropriations recommended that the air transport portions of MATS be set up under an industrial fund type operation. The last so-called Hoover Commission has made a similar recommendation. The President's budget for fiscal year 1957 contained a provision for placing the air transport portion of the MATS operation on an industrial fund basis during that year.

"The MATS organization is an enormous operation supporting more than 110,000 miles of global air routes, and employing approximately 105,000 military and civilian personnel. Of this total, over 16,000 are civilians. It should be pointed out, however, that approximately 63,000 of those employees are assigned to technical services and independent units of the MATS operations, and that only 42,000 are assigned to the air transport activities. MATS has 506 four-engine aircraft of the C–54 and larger variety assigned to the transport mission. The total operating costs for fiscal year 1955 are reported to have been about $560 millions, of which approximately 40 percent was for technical services, 22 percent for base support, 30 percent for strategic transport operations, and the remainder for miscellaneous activities.

"From the foregoing data, it is evident that the MATS operation is one of the major commands of the Department of the Air Force. It is also evident from the testimony given the Committee that the mission assigned to MATS is of major strategic importance. It is more than just a convenient air transportation system. It is a significant portion of our over-all Air Defense Forces. Because of its size and the complexity of the problems involved, witnesses from the Air Force stated that it would be impossible to accomplish conversion of the air transport phases of MATS to an industrial fund type operation during fiscal year 1957. Therefore, the committee is not providing the necessary funds for this purpose during fiscal year 1957. Nevertheless, it is expected that the agencies of the Department of Defense will continue to work toward the objectives of setting up a consolidated air transport organization which can be placed under an industrial fund method of operation. The committee strongly favors such procedure.

"As noted in the previous paragraph, the committee recognizes the strategic importance and necessity of a strong MATS type of operation. At the same time, the committee notes that it is apparent that commercial air facilities, including scheduled and nonscheduled airlines, are an essential part of the overall mobilization transport strength of the United States, and as it has been stated by Air Force representatives, will provide a major part of the ability of the Nation to meet the huge demands for transport in the event of a sudden war emergency.

"Because of the significant role that the Military Air Transport Service plays in our mobilization, the committee does not desire to set an arbitrary limit on the size of the MATS operation. However, it is the opinion of the committee that the Air Force should give attention to handling its air transport business in such a way as to assist in keeping the nonscheduled and other airlines in a reasonably sound financial and operating position. In this regard, President Eisenhower's Air Coordinating Committee 1954 report on 'Air Policy' (p. 17) had this to say:

"'The Government should to the greatest extent practicable adjust its use of air transportation so as to use existing unutilized capacity of United States air carriers.'

"The committee strongly endorses that statement.

"As was stated in the hearings, the committee will require complete annual operating statements from the Air Force and the MATS organization for consideration in connection with the annual appropriation requests. At the time of the fiscal year 1958 hearings, it is expected that the Air Force will have a firm statement on its plans for industrialization of the Air Transport organization. The statement to be prepared for the committee should contain firm information with respect to the following points:

"(1) The basis for determination of the number of aircraft to be assigned to the consolidated Air Transport organization.

"(2) The number of hours, by type and model, that it is planned to fly the aircraft assigned to the Air Transport organization during fiscal year 1958.

"(3) The policy to be followed with respect to the assignment of cargo and passengers to the Air Transport organization and commercially operated aircraft.

"(4) The routes to be regularly serviced by the consolidated Air Transport organization.

"(5) The policies to be followed in contracting for commercial airlift.

"(6) The policies to be followed in dividing Department of Defense peacetime traffic between the consolidated Air Transport organization and commercial carriers.

"(7) The policies to be followed in leasing aircraft owned by agencies in the Department of Defense to private operators.

"(8) The extent to which transport-type aircraft are to be retained by other operating elements of the Department of Defense and the purpose for which such aircraft are to be utilized.

"(9) A statement of accounting principles to be followed in determining the costs and the method by which the using agencies are to reimburse the industrial fund operation."

2. House Report No. 2076, 84th Congress, 2d session, April 27, 1956, on Department of Commerce and related agencies appropriation bill for fiscal year 1947, page 4:

"For a number of years, the committee has been concerned about the necessity for the Military Air Transport Service to occupy a considerable portion of the airport. With the constantly increasing demands being placed upon this airport by civilian traffic, the committee is at a complete loss to understand how responsible officials of the executive branch can continue to allow this situation to exist. The committee feels that the Secretary of Commerce should insist that the Military Air Transport Service be located at some other field convenient to Washington."

3. Senate Report No. 2039, 84th Congress, 2d session, May 23, 1956, on Department of Commerce and related agencies appropriation bill for fiscal year 1957, page 5, commends congressional efforts "to achieve increased commercial air carrier revenue, with accompanying decreases in subsidies, by pressing for curtailment of MATS services, where commercial service is available."

Page 4: "The committee joins with the House committee in its statement that the Secretary of Commerce should insist that the Military Air Transport Service be located at some other field convenient to Washington to relieve the increasing demands being placed upon Washington National Airport by civilian traffic."

4. Senate Report No. 2260, 84th Congress, 2d session, June 18, 1956, on Department of Defense appropriation bill for fiscal year 1957, page 8:

"The committee wishes to make it clear that the Department of Defense should, in the future, utilize the services of commercial transportation to the fullest extent possible when it is more economical, and that in evaluating relative costs of transportation, the Department should recognize the element of time saved as an important factor."

The Department of Defense appropriation bill (H. R. 10986, 84th Cong., 2d sess.) for the fiscal year 1957 was considered in the conference committee (H. Rept. No. 2529), passed by both Houses, and signed into law as Public Law 639, 84th Congress, 2d session, July 2, 1956.

UNITED STATES SENATE,
Washington, D. C., August 3, 1956.

Hon. CHARLES E. WILSON,
Secretary of Defense,
Washington, D. C.

DEAR MR. SECRETARY: During the recent conference by Senate and House managers on the Department of Defense appropriation bill for 1957, the subject of Military Air Transport Service was discussed at some length. The committee of conference agreed to express its position in this matter in a joint communication to you and empowered the undersigned to act in its behalf.

The agreement, in substance, reiterates and endorses the statements of MATS as contained on pages 45 through 47 of the House report on the bill (No. 2104), which statements should be considered as a joint expression of the intent and desires of the two Committees on Appropriations.

We would like to see MATS converted to an industrial fund basis at the earliest practicable date and on a basis to insure efficient and economical operation.

Without deemphasizing any portion of the House report herein referred to, we wish to quote the following from page 46, which is a statement from the President's Air Coordinating Committee 1954 Report on Air Policy:

"The Government should, to the greatest extent practicable, adjust its use of air transportation so as to use existing unutilized capacity of United States air carriers."

Sincerely yours,

DENNIS CHAVEZ,
Chairman, Subcommittee on Department of Defense Appropriations, United States Senate.

GEORGE MAHON,
Chairman, Subcommittee on Department of Defense Appropriations, House of Representatives.

(Source: House hearings on Department of Defense appropriations for fiscal year 1958, pt. II, p. 1703.)

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 17, 1957.

Congressman ROBERT L. F. SIKES,
New House Office Building,
Washington, D. C.

DEAR BOB: You doubtless noticed the very interesting figures in our Army hearings, page 257, on the average annual cost per man.

The Army estimates their average cost per man at $6,964.

Dividing this figure by 365 days gives us an average cost to the taxpayers of over $19 per day per man.

It is thus apparent that a soldier's time is valuable.

It is equally apparent that economy and efficiency require that a soldier's time be saved as much as possible, and not wasted or lost.

Accordingly, I venture to suggest including the following sentence in your section of the committee report dealing with the Army:

"In selecting the method of transportation to be used, the Army is expected to consider the specific value of time saved."

Cordially,

DANIEL J. FLOOD,
Member of Congress.

and applaud their dedication to the service of this Nation's welfare and security—without these many other duties of MATS we could not be properly defended or properly attack.

[From Nation's Business for June 1956]

MILITARY AIRLINE OUTGROWS THEM ALL—DESPITE HOOVER COMMISSION RECOMMENDATIONS FOR SAVINGS, MILITARY AIR TRANSPORT SERVICE FLIES GLOBE-CIRCLING NETWORK WITH MORE PLANES THAN ALL DOMESTIC COMMERCIAL AIRLINES

The Military Air Transport Service is tooling up for more expansion of its already gigantic world airline and cargo service.

The expanded operations could cost the taxpayers as much as $1 billion a year.

This expansion—particularly the luxury airline and cargo-carrying services—are in direct defiance of the Hoover Commission's recommendations that the Air Force cut back and eliminate, wherever possible, operations which compete with commercial airline facilities.

While the total cost for national defense has declined almost $11 billion since 1953, the cost for operating this service has grown at an enormous rate.

With one-fourth more aircraft than all domestic commercial airlines combined, the military airline operates scheduled and nonscheduled passenger and cargo flights throughout the United States and 37 other nations along 110,000 miles of air routes.

The network circles the globe. A MATS aircraft will be crossing the Atlantic or Pacific Ocean at the rate of 1 every 24 minutes during 1956. In 1955 the service averaged 1 ocean crossing every 32 minutes.

To assure passenger comfort, the service operates a special school where enlisted personnel, men and women, are trained as flight attendants.

Besides its passenger and cargo transport service, the command operates a variety of other services including weather reconnaissance, air rescue, photography and charting, aircraft ferrying, flight testing new equipment, and so-called special mission flights. The command was created on July 1, 1948. To it was delegated the responsibility of providing all branches of the Armed Forces and other agencies of the United States Government with effective air transportation. It has world headquarters at Andrews Air Force Base in Maryland, just outside Washington, D. C.

The Hoover Commission said that most of the Government airline routes were parallel to those of United States commercial air carriers.

The Hoover investigation found, for example, that an Air Force band was flown once a month from Westover, Mass., to Bermuda. There was no band in Bermuda and the flights were justified by the Air Force for morale purposes.

The Commission did not challenge the justification but noted that two United States airlines which operate regular schedules along the route could have transported the band at less cost to the taxpayers.

The Hoover task force on air transportation learned further that commercial airline payments amounting to $42,900,000 in fiscal 1954 could have been reduced 88 percent if the airlines had flown only 25 percent of the passenger volume and 50 percent of the mail moved by MATS in the course of the year.

Today the Government-operated airline provides service to Asia, Europe, Alaska, Africa, South America, the United Kingdom, and the Pacific Ocean area.

Assets of the Government airline now total $1,468,280,529.

This includes $990,420,529 for aircraft and $477,860,000 for stocks, land, construction in progress, and other property. The figure is described as including certain property of other Air Force units stationed on MATS bases, but not including equipment stationed at bases of other Air Force units.

From 1954's cost of $481,400,000, annual operating expenditures increased to $560,024,000 for fiscal 1955. It is estimated that MATS expenditures will be about $644,275,000 in fiscal 1956 and 1957 expenditures will total about $740 million.

Some estimates, however, place the total cost to taxpayers as high as $1 billion a year.

The gross operating expenditure is described as including costs for interceptor defense, air rescue, weather reconnaissance, air evacuation, aerial surveys, ferrying aircraft, and turboprop tests, in addition to transportation services. The operating figures do not include cost of depreciation on capital assets. Nor do they include salaries.

The Military Air Transport Service operates approximately 1,500 airplanes. All United States domestic commercial airlines combined operate 1,212.

Of the service's total, 506 are four-engine aircraft. All United States airlines together operate 548 four-engine planes.

The Navy operates 50 of the newer four-engine transports in regular passenger service. These are assigned to MATS. The Navy also has 149 of the C-54 type aircraft used during World War II. Another 36 twin-engine transports make up the Navy's air transport system.

When a planned reorganization of the Military Air Transport Service is completed, the service will take over the operation of all regular-route military air transport. This includes the Navy's Fleet Logistic Air Wings, known as Flogwings.

MATS has approximately 104,500 personnel assigned to it. These include Air Force and Navy personnel and civilian employees. In 1955 the service logged 1,180,000 hours flying time, a 24 percent increase over 1954. Transport planes flew 568,000 hours, carrying 733,400 passengers and patients and moving 139,000 tons of cargo and mail.

On its global network of air routes, the military service transported 418,933,707 ton-miles of cargo and mail during fiscal 1955. For comparison, the total express, freight and mail moved by all United States domestic commercial airlines together last year total 316,516,000 ton-miles.

The military airline last year flew 2,138,002,924 passenger-miles. That compares to 4,265,962,000 revenue passenger-miles flown last year by the largest domestic commercial airline.

The rise in traffic by the military service is continuing this year. Flights to Europe are running about a third ahead of last year. Here is a comparison:

	1955	1956
January	574	941
February	565	786
March	720	825
April	678	[1] 825
May	564	[1] 825

[1] Estimated by MATS.

From January through May this year an estimated 142,160 passengers were transported by the service between the United States and Europe. That compares to 120,126 in the same period last year.

Trans-Atlantic cargo and mail is estimated at 36,332 tons, which compares to 30,542.8 tons carried in the like period of 1955.

MILITARY AIRLINE

Flights to Europe leave from McGuire Air Force Base at Wrightstown, N. J., Dover Air Force Base in Delaware, and National Airport in Washington, D. C. Other overseas flights leave Mobile, Ala. (to be closed soon), and Charleston, S. C. On the west coast, flights for points in the Far East depart and arrive at Travis Air Force Base, Fairfield, Calif. From McCord Air Force Base planes depart for Alaska.

The military service follows the practice of the private airlines in giving exotic, gilt-edged names to its plush transoceanic aircraft.

To Europe, for example, passengers may ride the *Atlantic*, departing Washington, D. C., at 3 p. m., Monday, Wednesday, and Friday, with stops at Terceira, Azores, and Paris. Destination is Frankfurt, Germany.

From McGuire, passengers may board the *Rhine*, which also goes to Frankfurt. This flight leaves daily at 4 p. m.

Other European flights are the *Benefactor*, bound for Frankfurt; the *European*, going to Paris; the *Madrid*, which arrives in Paris after a stop in Spain; the *Ambassador*, which terminates at Prestwick, Scotland; the *Lafes*, which goes only to the Azores; and the *Hamilton*, which goes from McGuire Air Force Base to Bermuda. Other flights are also available.

Supplementary schedules are printed each month.

Luxury flights crossing the Pacific include the *Fujiyama*, the *Waikiki*, the *Waikiki II*, the *Air-Evac*, the *Johnston* (terminated at Johnston Island), the *Midway*, the *Ginza*, the *Bangkok*, the *Meteor*, and others.

Another page borrowed by the military from the private airlines is the issuing of passenger flight insurance. For example, Parker & Co., Inc., provides 1-day $5,000 coverage for $1. Amounts up to $50,000 ($10 for 1 day) are available. Trip insurance may also be obtained for longer periods, up to 90 days, which costs $13.50 for $5,000 worth of insurance.

Like its commercial counterpart, the military schools flight attendants for duty on its planes. The flight attendant school at Palm Beach Air Force Base, in Florida, has trained more than 1,600 young men and women since the fall of 1952, when the training program was begun.

Service to the customer is stressed. The airwomen (WAF's) chosen for this duty are picked for their good appearance and winning personalities, two of the qualifications which the private airlines insist upon when selecting young women for stewardess training.

Two flight attendants are provided for each flight where passenger load is 66 or less. Regulations call for three qualified flight attendants on each aircraft where load exceeds 66 passengers.

In transporting military dependent personnel, rules say it is desirable that at least one flight attendant be a registered nurse.

Additional passenger conveniences are provided by carpeted floors (to insure comfortable floor-level temperatures), no less than 1 blanket and 1 pillow for each passenger, a supply of palliatives for relief of airsickness, clean headrests for each seat prior to loading, washroom facilities, airsickness cups for each seat, and so on.

Meals are served in flight. Usually the passenger pays for each meal. The cost is 75 cents for all civilians and officers.

Enlisted personnel pay 40 cents per meal. Those, however, who are receiving no subsistence allowances are given meals at Government expense. Meals for children cost 40 cents each.

Hot cakes with sausage, bacon or ham, eggs, cereal, beverages, and so on may be served for breakfast. Some planes feature pop-up toasters. Lunch may consist of soup or juice, beef or fowl, vegetables, salad, rolls, butter, beverage and dessert. Dinner features similar menus, except that regulations specify that the entree must be of a different variety than lunch.

Airplanes utilized for passenger operation are equipped with a galley suitable for preparation of such hot meals.

The Military Air Transport Service is organized into three divisions, the Atlantic, Pacific, and the Continental.

The Atlantic Division operates from the East Coast of the United States through Europe to the Middle East. It links up in Saudi Arabia with the Pacific Division, operating from the West Coast of the United States through Far East bases.

The Continental Division completes the network of global air routes. It operates from coast to coast and throughout the Western Hemisphere from Alaska to Rio de Janeiro, in Brazil.

Here is the record of the Atlantic Division:

It completed more than 8,000 Atlantic crossings last year, an estimated 50 percent more crossings than were made the year before.

It transported 321,500 passengers and patients, about 110,000 more than in 1954.

Cargo totaled about 88,000 tons, an increase from 48,732 tons.

The first scheduled nonstop flight from Paris to Washington, D. C., was made in the course of the year with 53 passengers and crew of 10. Time: 16 hours, 25 minutes.

Here is the Pacific Division's record:

It completed more than 6,100 Pacific crossings during the year.

It airlifted 316,000 passengers and patients, an increase from 239,471 the year before.

Cargo tonnage was up from 33,682 in 1954 to 46,000.

Here is the Continental Division's record:

It airlifted 316,000 passengers and patients, up from 86,432 in 1954.

Cargo reached 13,000 tons, compared with 8,597 tons moved the previous year.

Continental Division planes made 1,260 Atlantic crossings and 1,422 Pacific crossings.

In addition to transport services, MATS operates five technical services. About 60 percent of the command's operations are devoted to these. Here is the Air Weather Service record:

It has about 400 weather stations, 25 mobile weather units, and 7 aerial reconnaissance squadrons. It operates worldwide, processing and evaluating weather conditions from the North Pole to the tropics. Planes flew nearly 12 million miles throughout the world making 3,990 weather flights.

Hurricane and typhoon chasers flew 59,000 hours tracking storms.

A tropical hurricane was airwatched at night for the first time. After a night penetration of Hurricane Connie last year it was decided that future hurricane flights would be made into the center of storms every 6 hours.

The Air Rescue Service flew 30,000 hours, traveling more than 4,500,000 miles.

MATS planes also spent 10,000 hours in aerial survey work. The Air Photographic and Charting Service at St. Louis provided 11,000 charting and air information publications, distributing about 92 million copies throughout the world to authorized users. The Photographic Service also prepares training and educational motion pictures and still photographs for all branches of the Air Force.

The command's fiscal operations include a transfer of funds sometimes made by Government agencies which use its facilities. A small share of the traffic is reimbursable, mostly from mutual security funds. In fiscal 1955 total reimbursement was $15,791,638. The Service plans a switch to an industrial funding method of operation, but that will not be done until 1958.

At present, a Government agency may pay $195 an hour for the use of a C-54. Cost to other than United States agencies is $445 an hour. The minimum daily charge is one hour.

Charge to Government agencies for the use of C-118 or C-121 series aircraft is $325 an hour; other than United States agencies pay $795 an hour.

The charge for a C-124, carrying cargo, is $410 an hour to Government agencies, $975 an hour to others.

A C-47 charge is $100 an hour for Government agencies, $215 an hour to others.

These rates have been in effect since July 1955. New rates will become effective in July this year. Some will be lower, some higher.

Commercial airline facilities are not normally quoted by hourly rates. Charges for these facilities are based on a cost per mile basis.

However, using the average speeds for the various aircraft, an approximate hourly charge can be arrived at. This was done for Nation's Business by a major airline, using figures on file with the Civil Aeronautics Board.

These prices for four-engine planes, the airline said, are realistic comparisons:

The Government's charge per hour for C-54 (DC-4) is $445, compared to $350 by a commercial airline. The Government's charge for a C-118 (DC-6) is $795 per hour, compared to the airline's charge of $650.

The commercial all-cargo DC-4 would be slightly cheaper than the passenger DC-4.

The activities of the Military Air Transport Service were brought out recently in hearings by a congressional subcommittee on Department of the Air Force appropriations. The committee noted in its report that "the controversial aspects of this service result primarily because, to some extent, it is competitive with commercial air facilities."

The committee recognized the strategic importance of the transport service.

"At the same time," the committee noted, "it is apparent that commercial air facilities, including scheduled and nonscheduled airlines, are an essential part of the overall mobilization transport strength of the United States, and will provide a major part of the ability of the Nation to meet the huge demands for transport in the event of a sudden war emergency.

"Because of the significant role that the Military Air Transport Service plays in our mobilization planning, the committee does not desire to set an arbitrary limit on the size of the MATS operation."

However, it was the committee's opinion that the Air Force should handle its air transport business in such a way as to assist in keeping the nonscheduled and other airlines in a reasonably sound financial and operating position.

Mr. MAHON. Mr. Chairman, several hundred pages of the hearings were devoted to a consideration of the Military Air Transport Service, better known as MATS. The civil air carriers want to get a proper proportion of the business of the Department of Defense. For this attitude the civil air carriers are to be commended. This is a free-enterprise country, and we like to see free enterprise carry the load in the defense program to the extent that such a course may be proper and practical and in keeping with the best interests of national defense.

MATS is a terrifically big organization. We do not wish to encourage a course of empire building. That course must be avoided, and the MATS program must not be permitted to mushroom beyond proper limits.

The committee has discussed all of the major problems involving MATS with the Secretary of the Air Force and with the big and little commercial air carriers of the Nation. I think our studies and investigations have been helpful. I would like to serve notice on the Department of Defense that the committee expects to continue to keep the MATS program under close observation with the hope that commercial air carriers can receive as much consideration as may be desirable in the transportation of personnel and cargo. We realize that MATS must be a large organization by reason of requirements which would be instantaneous in the event of war, but we do not want this program to get out of hand.

Last year we put quite a statement in the committee report on the defense bill in regard to MATS. We did not think it necessary to repeat the language in the report again this year, but our concern and interest in this field have not diminished. I trust that the commercial air carriers and military officials will be able to work out an arrangement which will be reasonably fair to business, the Defense Department and the taxpayer.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, on July 20, 1956, the senior Member from Maine serving in the other body, because of misrepresentations by the Congressional Quarterly, suggested that something should be done to end the practice. See the CONGRESSIONAL RECORD, volume 102, part 11, pages 15067–15072.

Last week the gentleman from Missouri [Mr. CURTIS] called attention to the same situation. See the CONGRESSIONAL RECORD, pages 7599–7600.

In the morning press there is an article by the executive editor of the Congressional Quarterly stating among other things that the two bills, H. R. 7803 and H. R. 7804, which were introduced by me yesterday, were for the purpose of preventing the public learning what the Congress was doing, that is, suppressing the news, denying the right of the people to know what the Congress was doing. That statement is characteristic of the misleading and deceptive policy and methods of that publication's irresponsible people.

No effort is being made through either of those bills to suppress any news.

Neither bill deals with the exercise of the rights guaranteed under the first, or any other, amendment.

The executive editor, according to the morning press, claims that because the Congressional Quarterly shows that my support of the President's program consistently has been among the lowest in Congress, my direct opposition to the President's program among the highest, I am personally peeved.

The purpose of the two bills is to get the news not, under the guise of "news," the conclusions or opinions of those who publish the Quarterly.

No attempt has been made or will be made as far as I know by any Member of this body to keep the RECORD of the Congress secret. No one is dumb enough to make such an attempt. No one is finding fault—so far as I know, with the conclusions of any publication or the interpretation put upon the news by any publication. The point is that, when a publication claims a monopoly of any source of information; as to what the Congress is doing; how the Members are voting and when it publishes what it claims as the facts under the title of "The Authoritative Reference on Congress," that together with the name "Congressional Quarterly," carries the impression that it is an official publication and was so intended. If the Pure Food and Drug Department had supervision over

SUGGESTED QUESTIONS TO BE DIRECTED TO THE SECRETARY OF THE ARMY AT HEARINGS OF SENATE DEFENSE APPROPRIATIONS SUBCOMMITTEE

Mr. Secretary, I would like to quote from the report of the committee on the Defense Appropriations bill for the present fiscal year, 1957 (S. Rept. No. 2260, 84th Cong., 2d sess., June 18, 1956, at p. 8):

"The committee wishes to make it clear that the Department of Defense should, in the future, utilize the services of commercial transportation to the fullest extent possible when it is more economical, and that in evaluating relative costs of transportation, the Department should recognize the element of time saved as an important factor."

It is obvious from the wording of this report that it applies to the Department of Defense and covers all three services.

We are all familiar with the general concept of flying people around in order to save their time.

Since our report of last year, your Department of the Army has developed figures which are shown on page 257 of the House hearings showing that the average cost per man in the Army is $6,964 per year.

Dividing that figure by 365 days in the year brings me to the conclusion that the average Army man costs $19 a day to keep him in the Army.

It follows, I believe, that the soldiers' time is valuable.

It is equally clear to me, and it is apparent that such was the intent of our committee last year, that a soldier's time should be saved and not wasted.

Question: What I want to know is this: Taking the intent expressed by this committee last year, and taking the specific figures worked up by the Army since, is the Army now prepared to direct its transportation people to consider the specific monetary value of time saved in selecting a method of transportation for Army soldiers?"

Question: "It is apparent to me that to put a soldier on a slow boat that takes 10 days to get there is still costing the taxpayers some $19 a day and during those 10 days at sea, let us say, the taxpayers are not getting any work out of him. Thus presumably, if he could be flown to the destination in 1 day, instead of taking a slow boat which would take him 10 days, the taxpayers would get 9 more days work out of him or 9 times $19 using your figures, or a total of $171 more of service out of that 1 man. Cannot this concept be written into an appropriate directive to your traffic management people?"

Question: "Now I ask you to look at this same problem, the value of a soldier's time, from another point of view. We are confronted with the possibility of having to do more military work with fewer soldiers. Hence we must not allow soldiers' time to be wasted."

I want to read a short statement made by the then Under Secretary of the Army, Mr. Earl D. Johnson, on August 21, 1953:

"Let us look at another facet of the Army's operation which, if geared to airlift, might affect our appraisal of costs. Within the Army alone at any given time, there are upwards of 100,000 people in travel status. If these people could be moved by air rather than by present means of transportation, and if this faster method of travel decreased the time required for their journey by only 20 percent—a truly conservative figure—that would mean that the Army would have available for duty at any given time, 20,000 more soldiers—more than an entire infantry division—than we currently have. It is possible that there may—I stress may—be some increase in travel costs in moving large groups by air. However, the savings which would result from having an entire division available for duty rather than in travel status would certainly more than offset any additional costs.

I believe a similar statement was made by General Maxwell Taylor, the Chief of Staff, in a speech in Boston on September 3, 1955:

"If we can air transport a regiment, we can transport a division providing we plan realistically now. Although the expense of this kind of movement may seem great, strategic air mobility multiplies the effectiveness of our central reserve and reduces the number of troops which must be kept overseas. Thus, it can be, in fact is, a great economy."

Question: "First I want to ask the Secretary of the Army if he agrees with the policy statements which I have just read?"

Question: "What I have been led to believe is this: These policy statements from on high which you apparently agree with are apparently not translated into day-to-day action by your traffic management people.

"What I am driving at is this: My understanding is that the transportation-management people in the Army still operate on the theory that it would cost, let's say, the steamship ticket costs $150 and an airline ticket charter price costs $170 per soldier, they will send them on the steamship even though several days' time of the soldier is wasted in the process and he does not get to his duty station overseas until several days later than would otherwise be the case. I am, therefore, wondering if the Army is prepared to translate the policies expressed by the Under Secretary and by the Chief of Staff into directives governing the day-to-day decisions made by the traffic-management people in the Army as to what method of transportation to use in moving the soldiers around?

"It appears to me that unless this is done, these policy statements are going to be an ivory-tower expression which is never translated into day-to-day action."

A select committee on estimates of the House of Commons report of over 3 years ago (the Aeroplane, London EC 1, England, July 31, 1953, p. 146) had this to say about air travel for military personnel:

"Generally the direct cost of moving troops by commercial scheduled air services is higher than by surface transport, but when there is a requirement for a regular service * * * chartered aircraft can be obtained, to perform certain tasks, at no greater cost and in some cases even more cheaply than * * * ship."

This policy has resulted in some improvement in getting the military to use some of the unused capacity of United States air carriers, but I refer Members to the industry survey which I conducted of every air carrier of the United States, summary figures of which are found on page 1716 of part 2 of our defense hearings for fiscal 1958, indicating that these airlines estimates for the year ahead they will have more than $900 million of unused space—a very, very substantial part of which would be available for military traffic. It is obvious to me that in that event we do not need to go on supporting a Government-owned airline on the scale which we have been doing.

We had discussion of this matter at the end of the full Appropriations Committee session on May 21, 1957. The distinguished committee chairman confirmed my understanding that we reiterate the intent set forth in our House report of last year and in the letter sent in response to the unanimous resolution of the conference committee—cited above—and in particular the policy which was so strongly endorsed by our committee, using the wording of President Eisenhower's Air Coordinating Committee 1954 Report on Air Policy:

The Government should to the greatest extent practicable adjust its use of air transportation so as to use existing unutilized capacity of United States air carriers.

Last year the committee report, House Report 2104, page 46, stated clearly:

The committee strongly endorses that statement.

So that the Pentagon people across the Potomac will have no misunderstanding I asked the committee chairman to confirm here on the floor of the House that our committee has not in any way backed down on the very sound principle and reiterates and endorses it again. He concurred fully.

I also feel that I have caught the sense of our committee, our distinguished committee chairman confirmed this, I believe that in order to carry out our policy that the Defense Department reduce its expenditures on the Military Air Transport Service and other Government-owned air transport activities—I say here parenthetically that there appear to be more four-engine transport planes outside the MATS than are inside of MATS—and that these funds be devoted to making far greater use of United States air carriers.

I believe our distinguished committee chairman confirmed my belief, that our committee expects more extensive use by the military of United States air carriers, as is being directed, will result in a considerable net savings to the American taxpayers, as well as a reduction of undesirable Government competition with private tax-paying business.

The report of the distinguished gentleman from Texas [Mr. MAHON] last year, to which I referred, and in frequent remarks by the distinguished gentleman from Florida [Mr. SIKES], and the distinguished gentleman from California [Mr. SHEPPARD], and the leading role played in the last 2 years on this subject by the distinguished gentleman from Mississippi [Mr. WHITTEN], and the oft-expressed attitude of the distinguished gentleman from Michigan [Mr. FORD], the distinguished gentleman from Maryland [Mr. MILLER] in opposing Government competition with business and in seeking economies for the taxpayers, I think that they as well as the other distinguished members of our Defense Appropriations Subcommittee feel as I do that the time has come to reaffirm our principle laid down in last year's report so that our friends at the Pentagon will not think that this was an item of merely passing interest to the Congress which we have forgotten and to tell them again that we should spend less within their appropriation on MATS and other Government-owned air transport activities and devote these funds to making far greater use than is being done at present of the unused space of United States air carriers.

If any Member of this body dissents from this principle, I wish you would speak now so that I might answer any questions.

If not, I then believe we have made our congressional intent clear as to what we want the Pentagon to do on this item.

The testimony reveals that there is not a single point within the United States, a single point on the face of the globe, that MATS or other Government are now serving that is not already served by regularly scheduled airline services or for which commercial airline services cannot be obtained upon a charter basis.

United States air carriers have built up a fabulous network within this country and around the world. Members of the House should look over the replies of every airline in the country on pages 1712 through 1716 of part 2 of our Defense hearings for 1958 and they will see enormous amounts of unused space quoted as having been available in the past and going to be available in the year to come for military traffic. We spend huge amounts for airports, navigation aids, subsidies, mail pay, safety regulations and enforcement, and all sort of aids to civil aviation, and I see no point in paying double and building up a Government-owned airline empire parallel to services offered by all these United States air carriers.

The larger these United States air carriers become, the more useful they will be as a mobilization reserve for airlift in event of war, and our Government should do everything to encourage their growth and not try and pull them down by Government competition with their commercial activities.

For these very sound reasons we are saying to the Pentagon: In your appropriations, spend less on MATS and your other Government air-transport activities and spend more on United States air carriers. Since, as noted particularly on pages 1588 and 1589 of our 1957 hearings on the Air Force and page 2096 of part of our Defense hearings for 1958, the civil lines are a great deal more efficient than the Government airlines, and it is quite clear that a dollar spent on United States air carriers will get twice as much passenger and cargo service as will a dollar spent on MATS.

Furthermore, we must never forget that out of a dollar spent on a United States commercial air carrier, considerable part will come back again to the Federal Treasury in the form of taxes, whereas out of a dollar given to MATS, not one cent will come back to the public-tax collectors.

I say again that redirecting the expenditures within the appropriations chapter headings will accomplish a significant economy for the American taxpayers without sacrificing any of our wartime airlift potential.

A transport plane is a different article from a gun or a tank. If you want to have guns or tanks ready when war comes, you have to spend the money on them even though they are of no commercial peacetime value whatsoever. But a transport plane is a different article. It has a definite use, and a profitable use in time of peace, as well as an essential use in time of war. It is both a sword and a plowshare. We should recognize this fact by placing a far greater reliance on civil airlines than is being done at present. If we do this we will not only save money but also assist in creating large air transport reserves which will be able to earn its own keep hauling peacetime commercial and Government traffic in time of peace and yet be instantaneously available, as it has been in World War II, the Berlin lift and the Korean lift, in time of war.

The spokesman for the Chamber of Commerce of the United States, who was formerly Chairman of the Hoover Commission Subcommittee on Transportation, testified before our committee—part 2, defense hearings, fiscal year 1958, page 2132:

The largest commercial activity operated by the military services is the Military Air Transport Service.

We have been to a great deal of length to cut down on business activities operated by the Pentagon in competition with private business in such fields as laundry, dry cleaning, shoeshine parlors, etc. Why should we be scared to tackle a really big commercial-type activity such as MATS?

The Navy, and I am sure my distinguished friend who has been chairman of the Navy panel for so long, Mr. SHEPPARD, of California, has not felt that it was necessary that the Military Sea Transport Service should own and operate itself at public expense a Government-owned shipping line of a size equal to all the big lines of the country.

I refer to page 1762 of part 2 of our Defense hearings where the Assistant Secretary of the Navy wrote me that privately operated lines are currently handling 70 percent of the military dry cargo movement.

That is MSTS, the Military Sea Transport Service. If you will also examine page 1759 of those same hearings, you will see that MSTS has maintained itself as a genuine nucleus and has not tried to increase itself in size during the last 8 years, whereas during that time MATS, the Military Air Transport Service, has tripled itself in size and that the result is that whereas 70 percent of the military sea cargoes go on privately operated lines, only 13 percent of the military air traffic is sent on privately operated airlines.

I also note another difference, that people cannot ride on ships of the Military Sea Transport Service for free; they have to buy a ticket. But on MATS no ticket is required, and of course a lot of people like free rides for which they cannot be blamed, but we have to remember that while it may be free for the colonel who rides on it, it is not free for the taxpayer who pays for it.

I also make note of the astonishing number of "administrative aircraft" operated by the Air Force as noted on pages 1752–1754 of part 2 of our Defense hearings.

There is something like 700 4-engine transport planes in different parts of the Defense establishment outside of MATS as compared with 500 and some inside of MATS. That is not much of a consolidation if you ask me. The Hoover Commission recommended strongly "That the number of administrative aircraft be drastically reduced."

This move the Pentagon has resisted continuously claiming that they have to have these administrative aircraft because a lot of the trips have to be protected for "security reasons."

Apparently that means that they do not trust MATS with some confidential military trip and they do not seem to trust the commercial airlines. I have no doubt that a certain few number of the trips operated by these administrative aircraft are of a genuinely confidential nature, but we must admit that there are enormous possibilities of abuse when somebody wants to go hunting somewhere at the public expense and does not want anybody to know about it.

If any Member of this House will examine page 1711 of part 2 of our Defense hearings they can see that transport planes operated by the Air Force, and they admit to being in the "administrative, executive, and special mission categories" total the amazing number of 573 planes. It should be obvious to every one of us that only a small portion of the trips made by a small portion of this fleet of private planes could possibly be operated for secret missions. There are just not that many secret missions going on.

Of course what is happening time and again is that General X has himself a private plane which sits around for a week doing nothing, eating its head off at the taxpayers' expense and he and some other general take off in it to go from point A to point B and of course sending a private plane from point A to point B is costing the taxpayers about 200 times as much money as it would if the Government were to buy 2 tickets on an airline between those same 2 points.

I mention the matter of these administrative aircraft since if we are going to deal effectively with Government competition with private business in the air-transport category, we must recognize that MATS is less than half the problem of Government-owned air-transport activities.

All of these facts point steadily to the conclusion that the more Government traffic that is steered to commercial airlines, the less money that is spent on Government-owned air-transport activities, the larger will be the savings to the American taxpayers. In conclusion, I trust that our committee chairman will now rise to reiterate for all of us our policy in last year's report: "The Government should to the greatest extent practicable adjust its use of air transportation so as to use existing unutilized capacity of United States air carriers," and confirm the intent of the committee that the Defense Department spend less on Government-owned air transport activities and should devote these funds to making far greater use of United States air carriers.

Mr. Chairman, I want to make it clear, however, that in those many, vital and essential services, other than this one I have discussed, MATS is one of the best and efficient of all Government agencies in the entire Department of Defense, and I am the first to sing their praises

and applaud their dedication to the service of this Nation's welfare and security—without these many other duties of MATS we could not be properly defended or properly attack.

[From Nation's Business for June 1956]

MILITARY AIRLINE OUTGROWS THEM ALL—DESPITE HOOVER COMMISSION RECOMMENDATIONS FOR SAVINGS, MILITARY AIR TRANSPORT SERVICE FLIES GLOBE-CIRCLING NETWORK WITH MORE PLANES THAN ALL DOMESTIC COMMERCIAL AIRLINES

The Military Air Transport Service is tooling up for more expansion of its already gigantic world airline and cargo service.

The expanded operations could cost the taxpayers as much as $1 billion a year.

This expansion—particularly the luxury airline and cargo-carrying services—are in direct defiance of the Hoover Commission's recommendations that the Air Force cut back and eliminate, wherever possible, operations which compete with commercial airline facilities.

While the total cost for national defense has declined almost $11 billion since 1953, the cost for operating this service has grown at an enormous rate.

With one-fourth more aircraft than all domestic commercial airlines combined, the military airline operates scheduled and nonscheduled passenger and cargo flights throughout the United States and 37 other nations along 110,000 miles of air routes.

The network circles the globe. A MATS aircraft will be crossing the Atlantic or Pacific Ocean at the rate of 1 every 24 minutes during 1956. In 1955 the service averaged 1 ocean crossing every 32 minutes.

To assure passenger comfort, the service operates a special school where enlisted personnel, men and women, are trained as flight attendants.

Besides its passenger and cargo transport service, the command operates a variety of other services including weather reconnaissance, air rescue, photography and charting, aircraft ferrying, flight testing new equipment, and so-called special mission flights. The command was created on July 1, 1948. To it was delegated the responsibility of providing all branches of the Armed Forces and other agencies of the United States Government with effective air transportation. It has world headquarters at Andrews Air Force Base in Maryland, just outside Washington, D. C.

The Hoover Commission said that most of the Government airline routes were parallel to those of United States commercial air carriers.

The Hoover investigation found, for example, that an Air Force band was flown once a month from Westover, Mass., to Bermuda. There was no band in Bermuda and the flights were justified by the Air Force for morale purposes.

The Commission did not challenge the justification but noted that two United States airlines which operate regular schedules along the route could have transported the band at less cost to the taxpayers.

The Hoover task force on air transportation learned further that commercial airline payments amounting to $42,900,000 in fiscal 1954 could have been reduced 88 percent if the airlines had flown only 25 percent of the passenger volume and 50 percent of the mail moved by MATS in the course of the year.

Today the Government-operated airline provides service to Asia, Europe, Alaska, Africa, South America, the United Kingdom, and the Pacific Ocean area.

Assets of the Government airline now total $1,468,280,529.

This includes $990,420,529 for aircraft and $477,860,000 for stocks, land, construction in progress, and other property. The figure is described as including certain property of other Air Force units stationed on MATS bases, but not including equipment stationed at bases of other Air Force units.

From 1954's cost of $481,400,000, annual operating expenditures increased to $560,024,000 for fiscal 1955. It is estimated that MATS expenditures will be about $644,275,000 in fiscal 1956 and 1957 expenditures will total about $740 million.

Some estimates, however, place the total cost to taxpayers as high as $1 billion a year.

The gross operating expenditure is described as including costs for interceptor defense, air rescue, weather reconnaissance, air evacuation, aerial surveys, ferrying aircraft, and turboprop tests, in addition to transportation services. The operating figures do not include cost of depreciation on capital assets. Nor do they include salaries.

The Military Air Transport Service operates approximately 1,500 airplanes. All United States domestic commercial airlines combined operate 1,212.

Of the service's total, 506 are four-engine aircraft. All United States airlines together operate 548 four-engine planes.

The Navy operates 50 of the newer four-engine transports in regular passenger service. These are assigned to MATS. The Navy also has 149 of the C-54 type aircraft used during World War II. Another 36 twin-engine transports make up the Navy's air transport system.

When a planned reorganization of the Military Air Transport Service is completed, the service will take over the operation of all regular-route military air transport. This includes the Navy's Fleet Logistic Air Wings, known as Flogwings.

MATS has approximately 104,500 personnel assigned to it. These include Air Force and Navy personnel and civilian employees. In 1955 the service logged 1,180,000 hours flying time, a 24 percent increase over 1954. Transport planes flew 568,000 hours, carrying 733,400 passengers and patients and moving 139,000 tons of cargo and mail.

On its global network of air routes, the military service transported 418,933,707 ton-miles of cargo and mail during fiscal 1955. For comparison, the total express, freight and mail moved by all United States domestic commercial airlines together last year total 316,516,000 ton-miles.

The military airline last year flew 2,138,002,924 passenger-miles. That compares to 4,265,962,000 revenue passenger-miles flown last year by the largest domestic commercial airline.

The rise in traffic by the military service is continuing this year. Flights to Europe are running about a third ahead of last year. Here is a comparison:

	1955	1956
January	574	941
February	565	786
March	720	825
April	678	[1] 825
May	564	[1] 825

[1] Estimated by MATS.

From January through May this year an estimated 142,160 passengers were transported by the service between the United States and Europe. That compares to 120,126 in the same period last year.

Trans-Atlantic cargo and mail is estimated at 36,332 tons, which compares to 30,542.8 tons carried in the like period of 1955.

MILITARY AIRLINE

Flights to Europe leave from McGuire Air Force Base at Wrightstown, N. J., Dover Air Force Base in Delaware, and National Airport in Washington, D. C. Other overseas flights leave Mobile, Ala. (to be closed soon), and Charleston, S. C. On the west coast, flights for points in the Far East depart and arrive at Travis Air Force Base, Fairfield, Calif. From McCord Air Force Base planes depart for Alaska.

The military service follows the practice of the private airlines in giving exotic, gilt-edged names to its plush transoceanic aircraft.

To Europe, for example, passengers may ride the *Atlantic*, departing Washington, D. C., at 3 p. m., Monday, Wednesday, and Friday, with stops at Terceira, Azores, and Paris. Destination is Frankfurt, Germany.

From McGuire, passengers may board the *Rhine*, which also goes to Frankfurt. This flight leaves daily at 4 p. m.

Other European flights are the *Benefactor*, bound for Frankfurt; the *European*, going to Paris; the *Madrid*, which arrives in Paris after a stop in Spain; the *Ambassador*, which terminates at Prestwick, Scotland; the *Lajes*, which goes only to the Azores; and the *Hamilton*, which goes from McGuire Air Force Base to Bermuda. Other flights are also available.

Supplementary schedules are printed each month.

Luxury flights crossing the Pacific include the *Fujiyama*, the *Waikiki*, the *Waikiki II*, the *Air-Evac*, the *Johnston* (terminated at Johnston Island), the *Midway*, the *Ginza*, the *Bangkok*, the *Meteor*, and others.

Another page borrowed by the military from the private airlines is the issuing of passenger flight insurance. For example, Parker & Co., Inc., provides 1-day $5,000 coverage for $1. Amounts up to $50,000 ($10 for 1 day) are available. Trip insurance may also be obtained for longer periods, up to 90 days, which costs $13.50 for $5,000 worth of insurance.

Like its commercial counterpart, the military schools flight attendants for duty on its planes. The flight attendant school at Palm Beach Air Force Base, in Florida, has trained more than 1,600 young men and women since the fall of 1952, when the training program was begun.

Service to the customer is stressed. The airwomen (WAF's) chosen for this duty are picked for their good appearance and winning personalities, two of the qualifications which the private airlines insist upon when selecting young women for stewardess training.

Two flight attendants are provided for each flight where passenger load is 66 or less. Regulations call for three qualified flight attendants on each aircraft where load exceeds 66 passengers.

In transporting military dependent personnel, rules say it is desirable that at least one flight attendant be a registered nurse.

Additional passenger conveniences are provided by carpeted floors (to insure comfortable floor-level temperatures), no less than 1 blanket and 1 pillow for each passenger, a supply of palliatives for relief of airsickness, clean headrests for each seat prior to loading, washroom facilities, airsickness cups for each seat, and so on.

Meals are served in flight. Usually the passenger pays for each meal. The cost is 75 cents for all civilians and officers.

Enlisted personnel pay 40 cents per meal. Those, however, who are receiving no subsistence allowances are given meals at Government expense. Meals for children cost 40 cents each.

Hot cakes with sausage, bacon or ham, eggs, cereal, beverages, and so on may be served for breakfast. Some planes feature pop-up toasters. Lunch may consist of soup or juice, beef or fowl, vegetables, salad, rolls, butter, beverage and dessert. Dinner features similar menus, except that regulations specify that the entree must be of a different variety than lunch.

Airplanes utilized for passenger operation are equipped with a galley suitable for preparation of such hot meals.

The Military Air Transport Service is organized into three divisions, the Atlantic, Pacific, and the Continental.

The Atlantic Division operates from the East Coast of the United States through Europe to the Middle East. It links up in Saudi Arabia with the Pacific Division, operating from the West Coast of the United States through Far East bases.

The Continental Division completes the network of global air routes. It operates from coast to coast and throughout the Western Hemisphere from Alaska to Rio de Janeiro, in Brazil.

Here is the record of the Atlantic Division:

It completed more than 8,000 Atlantic crossings last year, an estimated 50 percent more crossings than were made the year before.

It transported 321,500 passengers and patients, about 110,000 more than in 1954.

Cargo totaled about 88,000 tons, an increase from 48,732 tons.

The first scheduled nonstop flight from Paris to Washington, D. C., was made in the course of the year with 53 passengers and crew of 10. Time: 16 hours, 25 minutes.

Here is the Pacific Division's record:

It completed more than 6,100 Pacific crossings during the year.

It airlifted 316,000 passengers and patients, an increase from 239,471 the year before.

Cargo tonnage was up from 33,682 in 1954 to 46,000.

Here is the Continental Division's record:

It airlifted 316,000 passengers and patients, up from 86,432 in 1954.

Cargo reached 13,000 tons, compared with 8,597 tons moved the previous year.

Continental Division planes made 1,260 Atlantic crossings and 1,422 Pacific crossings.

In addition to transport services, MATS operates five technical services. About 60 percent of the command's operations are devoted to these. Here is the Air Weather Service record:

It has about 400 weather stations, 25 mobile weather units, and 7 aerial reconnaissance squadrons. It operates worldwide, processing and evaluating weather conditions from the North Pole to the tropics. Planes flew nearly 12 million miles throughout the world making 3,990 weather flights.

Hurricane and typhoon chasers flew 59,000 hours tracking storms.

A tropical hurricane was airwatched at night for the first time. After a night penetration of Hurricane Connie last year it was decided that future hurricane flights would be made into the center of storms every 6 hours.

The Air Rescue Service flew 30,000 hours, traveling more than 4,500,000 miles.

MATS planes also spent 10,000 hours in aerial survey work. The Air Photographic and Charting Service at St. Louis provided 11,000 charting and air information publications, distributing about 92 million copies throughout the world to authorized users. The Photographic Service also prepares training and educational motion pictures and still photographs for all branches of the Air Force.

The command's fiscal operations include a transfer of funds sometimes made by Government agencies which use its facilities. A small share of the traffic is reimbursable, mostly from mutual security funds. In fiscal 1955 total reimbursement was $15,791,638. The Service plans a switch to an industrial funding method of operation, but that will not be done until 1958.

At present, a Government agency may pay $195 an hour for the use of a C-54. Cost to other than United States agencies is $445 an hour. The minimum daily charge is one hour.

Charge to Government agencies for the use of C-118 or C-121 series aircraft is $325 an hour; other than United States agencies pay $795 an hour.

The charge for a C-124, carrying cargo, is $410 an hour to Government agencies, $975 an hour to others.

A C-47 charge is $100 an hour for Government agencies, $215 an hour to others.

These rates have been in effect since July 1955. New rates will become effective in July this year. Some will be lower, some higher.

Commercial airline facilities are not normally quoted by hourly rates. Charges for these facilities are based on a cost per mile basis.

However, using the average speeds for the various aircraft, an approximate hourly charge can be arrived at. This was done for Nation's Business by a major airline, using figures on file with the Civil Aeronautics Board.

These prices for four-engine planes, the airline said, are realistic comparisons:

The Government's charge per hour for C-54 (DC-4) is $445, compared to $350 by a commercial airline. The Government's charge for a C-118 (DC-6) is $795 per hour, compared to the airline's charge of $650.

The commercial all-cargo DC-4 would be slightly cheaper than the passenger DC-4.

The activities of the Military Air Transport Service were brought out recently in hearings by a congressional subcommittee on Department of the Air Force appropriations. The committee noted in its report that "the controversial aspects of this service result primarily because, to some extent, it is competitive with commercial air facilities."

The committee recognized the strategic importance of the transport service.

"At the same time," the committee noted, "it is apparent that commercial air facilities, including scheduled and nonscheduled airlines, are an essential part of the overall mobilization transport strength of the United States, and will provide a major part of the ability of the Nation to meet the huge demands for transport in the event of a sudden war emergency.

"Because of the significant role that the Military Air Transport Service plays in our mobilization planning, the committee does not desire to set an arbitrary limit on the size of the MATS operation."

However, it was the committee's opinion that the Air Force should handle its air transport business in such a way as to assist in keeping the nonscheduled and other airlines in a reasonably sound financial and operating position.

Mr. MAHON. Mr. Chairman, several hundred pages of the hearings were devoted to a consideration of the Military Air Transport Service, better known as MATS. The civil air carriers want to get a proper proportion of the business of the Department of Defense. For this attitude the civil air carriers are to be commended. This is a free-enterprise country, and we like to see free enterprise carry the load in the defense program to the extent that such a course may be proper and practical and in keeping with the best interests of national defense.

MATS is a terrifically big organization. We do not wish to encourage a course of empire building. That course must be avoided, and the MATS program must not be permitted to mushroom beyond proper limits.

The committee has discussed all of the major problems involving MATS with the Secretary of the Air Force and with the big and little commercial air carriers of the Nation. I think our studies and investigations have been helpful. I would like to serve notice on the Department of Defense that the committee expects to continue to keep the MATS program under close observation with the hope that commercial air carriers can receive as much consideration as may be desirable in the transportation of personnel and cargo. We realize that MATS must be a large organization by reason of requirements which would be instantaneous in the event of war, but we do not want this program to get out of hand.

Last year we put quite a statement in the committee report on the defense bill in regard to MATS. We did not think it necessary to repeat the language in the report again this year, but our concern and interest in this field have not diminished. I trust that the commercial air carriers and military officials will be able to work out an arrangement which will be reasonably fair to business, the Defense Department and the taxpayer.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, on July 20, 1956, the senior Member from Maine serving in the other body, because of misrepresentations by the Congressional Quarterly, suggested that something should be done to end the practice. See the CONGRESSIONAL RECORD, volume 102, part 11, pages 15067–15072.

Last week the gentleman from Missouri [Mr. CURTIS] called attention to the same situation. See the CONGRESSIONAL RECORD, pages 7599–7600.

In the morning press there is an article by the executive editor of the Congressional Quarterly stating among other things that the two bills, H. R. 7803 and H. R. 7804, which were introduced by me yesterday, were for the purpose of preventing the public learning what the Congress was doing, that is, suppressing the news, denying the right of the people to know what the Congress was doing. That statement is characteristic of the misleading and deceptive policy and methods of that publication's irresponsible people.

No effort is being made through either of those bills to suppress any news.

Neither bill deals with the exercise of the rights guaranteed under the first, or any other, amendment.

The executive editor, according to the morning press, claims that because the Congressional Quarterly shows that my support of the President's program consistently has been among the lowest in Congress, my direct opposition to the President's program among the highest, I am personally peeved.

The purpose of the two bills is to get the news not, under the guise of "news," the conclusions or opinions of those who publish the Quarterly.

No attempt has been made or will be made as far as I know by any Member of this body to keep the RECORD of the Congress secret. No one is dumb enough to make such an attempt. No one is finding fault—so far as I know, with the conclusions of any publication or the interpretation put upon the news by any publication. The point is that, when a publication claims a monopoly of any source of information; as to what the Congress is doing; how the Members are voting and when it publishes what it claims as the facts under the title of "The Authoritative Reference on Congress," that together with the name "Congressional Quarterly," carries the impression that it is an official publication and was so intended. If the Pure Food and Drug Department had supervision over

thought—and we have been told many times that we must first win the minds of men in order to make effective our foreign policy—if the Department had authority to control the Congressional Quarterly, it would have been denied the use of the mails long ago on the ground that it was—shall we say poisonous, deceptive, and fraudulent? There is no doubt but that is what it is. All those two bills that were introduced yesterday seek to do is to obtain a hearing before some committee where the Quarterly can be heard on the charge that it is guilty of false statements when it says it is "The Authoritative Reference on Congress." That it is intentionally deceiving people when it uses the term "Congressional Quarterly." That is all that is being done, that is all we are attempting to accomplish by the introduction of those two bills. If the Members are individually in favor of having their actions accurately recorded, if they wish to prevent fraud, we should get a hearing on those two bills. Give the witnesses who say they can establish the fact that the purpose of the publication is to deceive the people as to what Congress and its Members do, an opportunity to be heard and then let the publishers come in and answer.

Here is one illustration, as I think was pointed out by the gentleman from Missouri [Mr. CURTIS] of how they count a vote. One Member called my attention to that this morning. You are sick, you are in the hospital—this particular Member was in the hospital when the vote was taken. He did not vote, yet the Quarterly recorded him as being against a particular bill. That was most unfair. Certainly it is not only absurd, it is unfair to record a Member of this body as voting either way when he is not here and does not vote at all. On the face of it that is a fraudulent, deceptive method.

The Congressional Quarterly, of which Mr. Schroth is executive editor, admits that the Quarterly's method of keeping score is fraudulent. Permit a quotation from volume 9, page 82, of the Congressional Quarterly Almanac for 1953, where you will find this statement:

> Failures to vote are counted as "times at bat," so that such failure reduces effective-support score as much as an "anti-Eisenhower" vote.

Once more: There is no question of the first amendment, free speech, or free press, involved. We are justified when we attempt to prohibit the use by a publication of a title that is false and which falsely indicates it is the mouthpiece of the Congress.

The Clerk read as follows:

AIRCRAFT AND RELATED PROCUREMENT

> For construction, procurement, and modernization of aircraft and equipment, including ordnance, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, including the land necessary therefor, without regard to section 3734, Revised Statutes, as amended, and such lands, and interests therein, may be acquired and construction prosecuted thereon prior to approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; procurement and installation of equipment in public or private plants; and departmental salaries necessary for the purposes of this appropriation; $1,812,000,000, to remain available until expended.

Mr. OSTERTAG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. OSTERTAG: On page 15, line 15, strike out "$1,812,000,000" and insert "$1,862,000,000."

Mr. OSTERTAG. Mr. Chairman, this amendment seeks to restore $50 million of the $120 million cut from the Navy aircraft and related procurement program. This reduction strikes at the very heart of naval air power.

The objective of the program for which these funds are requested is to develop a new supersonic all-weather fighter to protect the fleet and to carry the attack, if necessary, to the enemy. When they are fully tested and proven—and I am referring to these all-weather fighters—these planes will replace the slower, less flexible subsonic aircraft with which the Navy is presently equipped. At the present time the F8U3 and the F4H are both in the experimental stage. Neither has gotten off the ground, both have tremendous potentialities.

The point of the amendment is that it is impossible to say which will prove superior in meeting the vital tests which must be made if we are to maintain naval air superiority. Both of these have such potentialities that it is possible both may be needed and both may be used. To direct the discontinuance of the testing of one or the other of these models at this point when neither has been fully tested would be indeed a folly. I refer to the language of the report calling for the acceptance of one or the other, which is on page 52.

Now, the only way we can realize on and profit from the immense amount of effort and brainpower and funds that have gone into this program so far is by maintaining it until a sound decision can be reached. At present there is no real basis for that decision.

Let me call your attention to the fact that the present schedule calls for flight testing of the F4H next January and for similar testing of the other model, F8U3, that is, by a year from next month, that is, June of 1958. It is anticipated that both will fly at Mach 2, that is Mach 2 range. That means twice the speed of sound, and both will be all-weather aircraft equipped to function around the clock and throughout the year. It is self-evident that aircraft of this order must be exhaustively tested to insure dependability and capability. At present it is anticipated that the tests will be completed and production begun in time to deliver these planes to the fleet by the year 1960. And, I might call your attention, too, to the fact that eventually 600 of these planes will be necessary for our Navy and for our fleet throughout the world.

The recommended cut of $50 million would certainly slow down the schedule and thus immeasurably impair the strength and productivity of the naval air arm.

I should like to call your attention, too, to the fact that only yesterday, just yesterday, Congress and the country were warned by the sixties the Soviet Union would be capable of delivering a hydrogen bomb attack on this country that could kill some 82 millions of persons. In the light of that I think it would appear reckless, indeed, for this Congress to cripple this program, this aircraft production program, that might well be crucial in the protection of our country against the holocaust of a hydrogen war. In my judgment we should do everything possible to expedite rather than hamper the development of these Navy fighters, and we can do it by restoring $50 million out of a total of $120 million provided for in my amendment. I hope that this amendment will be approved and that this vital program can go forward as scheduled.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. OSTERTAG. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. Is there no money any place in this proposed bill, or from funds previously appropriated, with which the Navy could continue this investigation, if the gentleman's amendment is not carried?

Mr. OSTERTAG. I might say to the gentlewoman from Illinois that it is not a question of transferring of moneys. The committee made a direct reduction of $50 million, with language in the report that the Navy should decide at this time which of the two models they are going to develop and produce.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mrs. CHURCH. Mr. Chairman, I move to strike out the last word, for the purpose of continuing for 2 minutes, if I may, to have an answer to my question. May I supplement it with a second question? Is it then simply a matter of forcing the Navy at this time to make up its mind which type of plane it will develop; and will the $50 million cut actually prevent the continuation of both experiments simultaneously?

Mr. OSTERTAG. The sum and substance of the cut was directed toward reducing the funds on the basis that the Navy should and must make up its mind which of these two models it will eventually produce. But, on investigation, it is clear, by virtue of the situation and the developments thus far, that the Navy is not in a position to decide. The tests and the evaluations are going on. We have already put about $158 million into this program. By cuttting it off at a given point without definite knowledge as to what the effect will be, would be like pouring a great part of that $158 million right down the drain.

Mrs. CHURCH. Would the gentleman go so far as to say that the acceptance by the House of this $50 million amendment would actually permit and in fact force the Navy to continue this program?

Mr. OSTERTAG. It would in no way force them. The program calls for the production of 16 planes of one type and 5 planes of the other during this next year.

Mr. Chairman, permit me to make one correction. Already $242 million has been expended on one plane and $49 million on the other and the program calls for $158 million. This bill as written,

reduces the program by $50 million. Consequently we are back to $108 million. That means by virtue of the language of the report, that the Navy must abandon production of one of these planes. This is what the Navy has to say on that. I quote from a memorandum from the Chief of the Bureau of Aeronautics to the Chief of Naval Operations, which says in part:

> Statements from various sources have inferred that an early choice must be made between the F8U3 and the F4H. This was based on the cost of carrying 2 programs forward. As neither has flown, there is no real basis on which to make such a decision. In addition, the following factors are pertinent.

But I shall not read that. In other words, the Navy makes clear that the program has not developed to the point where these planes can be tested in the air, and until that point is reached they cannot make a reasonable decision, and all that has been done up to now is for naught.

Mrs. CHURCH. I thank the gentleman.

Mr. MAHON. Mr. Chairman, will the gentlewoman from Illinois yield?

Mrs. CHURCH. I yield to the gentleman from Texas.

Mr. MAHON. Perhaps this will help clarify the lady's thinking on this matter, if I point out these facts. Beginning with the fiscal year July 1, 1957, with this bill as approved, without the gentleman's amendment, the Navy will have for aircraft and related procurement $7,331,000,000 available for expenditure and of that sum $1,500,000,000 will be unobligated for any other purpose. So this whole program is probably overfinanced. If we give them $7.3 billion, with the amount in this bill, we feel that they can certainly accommodate the program within that area. In fact, the program is overfinanced with the funds in this bill, from my standpoint.

Mrs. CHURCH. My specific question is whether or not any amount of money added to this bill will do away with the recommendation by the gentleman's subcommittee that the Navy take its choice between the two models in experimentation.

Mr. MAHON. No, that would not affect the recommendation of the subcommittee.

Mrs. CHURCH. As long as there is sufficient money to carry on the experiments, those experiments may be continued?

Mr. MAHON. Those experiments may be continued in accordance with the wishes of the Navy.

Mrs. CHURCH. Is it the gentleman's opinion that they will be so continued?

Mr. MAHON. I am not prepared to give the details on this as well as some other Members, but I know that the Navy, as always, will do a good job for the American people. I know they can do a good job with the total availability for aircraft and related procurement of $7,300,000,000 on July 1.

The CHAIRMAN. The time of the gentlewoman from Illinois has expired.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 25 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SHEPPARD.]

Mr. SHEPPARD. Mr. Chairman, I am at the moment considerably nonplussed that an amendment of this character is being offered. My reason for that is that I have worked with my colleague who has just offered this amendment and with the other members of our committee for a long time, line item after line item.

When we sat down in the Navy panel for our consultation, which was previous to the markup of the bill, there were some comments that perhaps in places we had cut a little bit deep. There was no offer, however, of an amendment at that time. When we went into the markup by the entire Subcommittee on the Department of Defense no amendment was offered. When we appeared before the whole Appropriations Committee there was no amendment offered. Consequently this particular approach I find extremely interesting because of its recent origin and perhaps the recent reasons for its origin.

Mr. OSTERTAG. Mr. Chairman, will the gentleman yield?

Mr. SHEPPARD. I yield to the gentleman from New York.

Mr. OSTERTAG. I have great respect and affection for my good friend from California, who presides over our Navy panel of the Defense Department subcommittee and I have a great respect for his knowledge and judgment with regard to our defense needs, particularly in relation to the Navy. However, I want to call to his attention the fact that the language in the report, which did not reach me until it was fully printed, carries with it the meaning and the intent of cutting $50 million out of aircraft and related procurement for the Navy by implied duplication.

Mr. SHEPPARD. We are now working under a very rigid 5-minute rule with no unanimous consent requests for extension because of the attitude expressed on his side of the aisle. I want to comply with it. I want to be as generous and courteous to the gentleman as I can. His comments about the report are absolutely correct insofar as he quoted them. I also call his attention to the fact that he did have the privilege of reading the report if he so desired, and that was announced by the chairman, [Mr. MAHON], at the time we were all in conference. If for some reason the gentleman did take advantage of that opportunity, which I am sure was legitimate, that is his responsibility and not mine.

Insofar as this particular amendment is concerned I say this, The only thing that we are doing here is telling the United States Navy, "Make up your mind between two types of planes." They have been playing around with these two particular types of planes all too long. They are spending money on a two-way operation where somebody in the United States Navy ought to make up his mind and save the taxpayers excessive money.

What have you heard on this floor? You have heard duplication, duplication, duplication, until sometimes it becomes slightly nauseating. Let me say this to you, the only thing the action of our committee does or is going to do to the United States Navy is make somebody make up his mind which plane they are going to procure, and then save money accordingly. That is all.

With my long association with the Navy I would be one of the last men to do one thing I thought would impair its efficiency. I am in no manner in accord with the comments made on the floor of the House the other day by the gentleman from Missouri [Mr. CANNON] in his evaluation of the three branches of the service. I say that with due respect to him, because he has equal rights with me to his opinion. But I have lived long enough with the military in the 20 years I have been here to have some knowledge of what goes on. I have no claim to omnipotence of judgment, either judicial or otherwise. But, I do believe beyond any question of doubt that your committee has done a reasonable job on the cuts and reductions in this bill. In no way will any of these operations be impaired. If we have made an error, as my friend the gentleman from Massachusetts [Mr. WIGGLESWORTH] said in his speech on the first day of debate on the floor of the House, it would be in an area of discretion to making a choice which we had as much right to take as anybody else.

I am completely mystified as I had examined the statement of the gentleman from Massachusetts [Mr. WIGGLESWORTH] on the floor in the general debate on this bill in which he said, "I might also mention with respect to the Navy that there appear to be 2 or 3 cuts which may prove to be too heavy and which might well justify if assumptions are not realized a request for supplemental funds." I would be the first to say that if the experience data on which certain cuts recommended by the committee were based were not realized, we should make additional funds available. I do not think that this amendment fits into this category at all. We have not even had a chance to find out, as he said, whether or not our assumptions are to be realized.

Now let us look at this program. These are two test and evaluation aircraft. They are follow-ons of two existing, operating aircraft in the fleet, both with excellent performance data. Neither aircraft has been flown. If they are out of the blueprint stage they are still in the factory because the first flights are not even scheduled for calendar year 1957.

Your committee has not deleted all of the funds for this program. Prior years programs have also contained the appropriation of funds for quite a few planes of both types. The committee has left a good chunk of money in the

1958 program for the continued procurement of these planes. We believe, that with the background of capable performance of the original planes now flying in the fleet, that it will take less aircraft to prove these models than has been anticipated.

Much has been said about duplication in the armed services. Yet here we are asked to appropriate additional funds for more duplication.

There are two schools of thought in the Navy on these all-weather fighters. Both schools are wedded to their own ideas. If Congress does not step in and force a decision to be made by those responsible, the two schools of thought can go on and on, continuing to procure aircraft to back up their own ideas while the taxpayers foot the bill and the fleet suffers in operational efficiency.

Your committee believes that this decision should be made between these two aircraft and should be made promptly. May I stress again that if you return this money to the bill, as requested by the gentleman from New York, you are not adding one single, solitary operating aircraft to the fleet. As a matter of fact, you are merely implementing wasteful duplication while delaying the time when a new, badly needed, supersonic, all-weather fighter is available to the fleet. I personally cannot take that responsibility. I trust the amendment will be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Chairman, in my 15 years on the Committee on Appropriations I hope I have established a reputation for at least two basic principles. First, I never disagree with committee or subcommittee action unless I have compelling reasons for doing so. Second, I have consistently voted on the side of real economy and have tried to resolve all borderline decisions on the basis of economy.

Today, I must disagree with the subcommittee on both points. I should not have to take the time of the committee to point out that you do not build airplanes like you build bridges, but maybe we do need a reminder. Those of us on the Committee on Appropriations—and especially our colleagues who served on the committee during World War II or the Korean war—know that there is a great lapse of time between the drawing board and the firing line where airplanes are concerned. If I am not mistaken, I do not think any of the aircraft in the development process at the time of Pearl Harbor ever saw action in World War II. Even those on the drawing boards were obsolete the day the bombs fell on our fleet.

The discussion here today concerns two particular types of aircraft the Navy has in the development stage. I understand something like $291 milli. is programed for expenditure on these aircraft through fiscal year 1957. About $124 million is obligated and an additional $28 million already disbursed. These vast sums of money have been and are currently being spent to develop the most effective plane for use by the Navy in protecting the United States. There is nothing unusual about the fact that all this money will be spent before either of these planes ever takes to the air. We know that in the long run this is the most economical and the most efficient way to develop ultramodern aircraft which we must have for national security.

The point at issue is much more than a simple budget cut. The subcommittee in its report has placed restrictions on the Navy in the development and procurement of the F4H1 and the F8U3 aircraft. First, it directs the Navy to "take prompt action to decide which of these aircraft it will place in production." So far as I can determine no one in the Navy Department knows for sure what "prompt action" means, although they do seem agreed that they, too, want action at the earliest practicable date. But they are faced with this situation. Something like $253.7 million has been programed for the F4H1 through fiscal 1958, and about $169.2 million for the F8U3. Until they have exhaustively tested both planes, how can they say which is the best instrument of defense? Until they have done that, how can they say which of the two great investments in design and development shall be abandoned?

Bear in mind that we are not dealing with one-of-a-kind experimental aircraft to be produced for test and experimental purposes only. We are dealing with a major development which may determine in the end whether we shall be effective in our aerial defense of this Nation. No one wants a second-best airplane in the air defending us, and yet we know that one of these aircraft has to be second best. What kind of economy would it be, after all this money has been spent on development, to require the Navy to take the unnecessary chance that the kind of decision called for in this subcommittee report would entail? What a costly gamble is involved, and we are all agreed that we cannot gamble with our national security.

Just last week, Mr. Chairman, our great Speaker took the floor to point out that we had invested so much money in plans and preliminary work on a new House Office Building that it would be extremely wasteful to cancel construction. I agreed with him on that point and voted against the amendment to strike out funds for the new building because of the scandalous waste that would be involved in abandoning construction after so much money had been spent and obligated.

The same principle is involved in these aircraft. The Navy has, wisely I trust, spent a vast sum of money to bring these aircraft designs to the stage of construction and testing. It would be uneconomical in the extreme to say to the Navy, as the subcommittee report says, that much of this money shall be wasted and benefits of research and design abandoned.

The second point involved in the subcommittee report is the language directing the Navy to make this "prompt decision" at an earlier date "with fewer test and evaluation aircraft than is presently scheduled." That language, unless set aside by the approval of the amendment now before us, says in effect that the Navy shall not proceed with its intention of procuring a few of each type aircraft for the exhaustive flight and other tests so absolutely necessary to determine which is the better aircraft.

We have heard the gentleman from Missouri [Mr. CANNON] emphasize the fact that we have an inadequate defense against air fleets coming in from abroad to bomb our country. We have read today a report that 82 million of our people could be killed in such an attack with atomic weapons. Now, we have before us an appropriation item for the development of Navy planes with sufficient speed and other characteristics to do the defense job we all say must be done, and yet it is proposed that we waste research and development money running into many millions of dollars and require the Navy to select a type aircraft without the necessary testing and evaluation the technicians believe is required for such a choice.

Let us not, in the name of economy, gamble with the security of our Nation and the safety of our people. Nothing could be more directly opposed to real economy than to take such a gamble. If there is any man or woman in this Congress who has a consistent record of voting for real economy, I honestly believe I have that reputation. I am in my 19th year here, and I have never knowingly voted for a single appropriation I did not feel was in some substantial way in the best interests of our Nation and our people. In this instance I feel compelled to join the plea for approval of the amendment offered by the gentleman from New York [Mr. OSTERTAG] to restore, in part, the budget for this critical item.

I think this is one of the two crucial amendments which has been or will be offered to the bill. I sincerely hope, Mr. Chairman, that this amendment will be accepted.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama [Mr. ANDREWS].

Mr. ANDREWS. Mr. Chairman, I yield to no man when it comes to appreciating the United States Navy any more than I do. I served in the Navy during World War II. I have a commission in the Reserve today and I have served on the Navy subcommittee for the last 3 years. Therefore, I would be the last to do anything to cripple the Navy. The purpose of this reduction of $120 million is to try to get the Navy to decide which of two planes, the F4H or the F8U3, they desire to use permanently with the fleet when they get into the production of 1 of those 2 types. There is in this bill $100 million for the Navy to use in making that decision, and in trying out those two planes. Quite a number of each type of plane has been produced. The number is confidential and I cannot tell you that. The evidence before us, however, disclosed that there is a sufficient number of F4H and F8U3 in production and in use to enable the Navy to make up its mind as to what type they want to adopt for fleet use. Bear in mind that there is $100 million in this bill to carry out that mission. The decision has to be made some day, and the sooner it is made the cheaper it will be for the taxpayer.

How many of you recall that only a few years ago the Navy produced at least a quarter of a billion dollars worth of planes that were put in storage in St. Louis, not one of them ever getting off the ground?

That is one reason we had in mind when we asked them to go ahead and make this decision. They have been working on these two planes for a long time. As I said a moment ago, they have a sufficient number to test and evaluate and make up their minds as to which type they want to use.

What have we done in this case? We have cut this item for aircraft and related programs $120 million. If my friend from New York wanted to carry out Mr. Eisenhower's program and Mr. Eisenhower's budget, he should have made his amendment $120 million instead of $50 million, because that was the budget request.

After careful consideration the whole committee concluded that $120 million could safely be taken from this budget activity of aircraft and related procurement, without crippling the program.

But if you will take a look at the figures in this bill, you will find that the Navy will have a total of unexpended and unobligated funds plus the new money contained in this bill of $7,331,346,775.

What is $120 million compared to that $7 billion plus figure? It figures out at 1.6 percent—1.6 percent.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Texas.

Mr. MAHON. Putting it another way, there still remains 98.4 percent.

Mr. ANDREWS. That is a very fine way to describe it.

Mr. Chairman, I make this statement without fear of successful contradiction, that any business on this earth whether it be private, Government, or Armed Services, that cannot absorb a 1.6 percent reduction is topheavy and needs new management.

The CHAIRMAN. The gentleman from California [Mr. HOSMER] is recognized.

Mr. HOSMER. Mr. Chairman, I rise in support of this amendment because I am disturbed about the matter of a direction to the Navy in the committee report to choose between two lines of research in a hurry before it is actually time to make the choice based on adequate information as to which of two airplanes being researched will best fit our needs. I want to point a parallel to you. Suppose the Congress of the United States back in the days of the Manhattan District had directed that the District make up its mind between the uranium approach and the plutonium approach to nuclear weapons. Actually, one of those approaches turned out to be vastly superior to the other. But if, at the direction of Congress, the Manhattan District had been required to make up its mind which line it was going to follow and had chosen the wrong one, you see how very weak we would have ended up respecting nuclear weapons even after the vast amounts of money we spent on the program. Fortunately Congress legislated no such choice and we accomplished our objectives.

These airplanes are not nuclear bombs but they are still very complicated devices for the protection of our country, and I think that all the time needed should be given to selecting that which is most suitable for the safety of the United States.

I rose also because I was somewhat disturbed about the fact that the naval budget was being cut. There is a function of the naval service that has been traditional, it has been historic, and I refer to the part the United States Navy plays in conducting the diplomacy of the United States. We saw an example of this in the last few weeks in the Middle East where the Navy played a tremendous and successful part in the diplomacy carried on there by us to bring a measure of order to that troubled area and stave off Soviet threats. So that type of value in time of trouble short of war characterizes the Navy more than any other service, not because of its inherent excellence, but because of its inherent mobility and because of the fact that traditionally the people of the world have associated strong national power with a strong seapower.

In speaking of national power, I come to my third worry about this budget. We are told it is 97 percent of what has been requested. But how good would a dam be if it stretched only 97 percent across the gorge when the time came to hold back a raging flood? Are we doing only 97 percent of the job needed to hold back the raging flood of communism? Or even less?

I ask that because not only do we depend upon what military force we have, but in the anatomy of modern-day national power, there are three elements that go to make up the strength of a nation amongst other nations.

One is its military capability, the second is its economic capability and the third, and becoming more important every day, is a nation's power over opinion, its power to influence public opinion in other nations and thus help shape the policies of their governments.

On the news ticker tape today regarding the USIA appropriation we read that the amount of money has been cut by one-third that we are going to spend to influence the minds of the people of other nations. So we are weakening that facet of national power upon which we have to depend for our security and safety in today's and tomorrow's raging battle against the Communist forces. With that kind of weakening of one element of our national power, perhaps we are being foolish to weaken one of the other, the military side. Perhaps we should be strengthening it at this particular point.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Chairman, I would like to recall the last words of the previous speaker who said he felt we ought to do something to strengthen the position of the United States. According to the statement of Admiral Radford, Chairman of the Joint Chiefs of Staff, shown on page 4 of the report, we are fully prepared at this time to meet almost any emergency.

In this bill we provide $34.5 billion more to carry on this very fine program.

The gentleman spoke about our just giving the Pentagon 97 percent of what the Pentagon wanted and asked what we would think of a dam if it stretched only 97 percent across the stream. Well, that is the trouble with the military at times. They might possibly build a dam 97 percent across the stream like they built all those Navy aircraft that would not fly costing millions of dollars; but ordinary people with any gumption, in building a dam across the stream would build it completely across the stream and as high as it could reasonably be built with the funds available. We have many men of fine ability and judgment in the Department of Defense.

I have great respect and admiration for my friend, the gentleman from New York [Mr. OSTERTAG] and I regret that I cannot support his amendment.

Mr. Chairman, there is nothing here to be confused about. Here is what we provide. We have given the Navy at least a quarter of a billion dollars to develop a fighter. They have not spent it all. They are building and experimenting with two types of planes, designed to perform the same mission. In this bill, in addition to the quarter of a billion we have already given them, we give them $100 million to continue now with one of these fighters. They have the necessary time to make up their minds. They have $100 million with which to make up their minds plus a quarter of a billion dollars that they already have—to make up their minds and get production underway.

Mr. SHEPPARD. Mr. Chairman, if the gentleman will yield, the funds are to continue with both of the fighters; not one but on both of them.

Mr. MAHON. The gentleman is correct. The power of decision is not to be made by the Congress on these matters, but it is to be made by the Pentagon. The Navy will have $1.7 billion unobligated in this account at the end of the year, and we are giving them about $1.8 billion in this bill. And, if we approve the bill without the gentleman's amendment, the Navy will have available for expenditure for aircraft and related procurement the total of $7.3 billion come July 1.

Now, I ask you in the name of all good management and good judgment if we should not go along with this figure, which is only 1.6 percent below the figures which the Navy would like to have as available for obligation and expenditure on July 1. So, it seems to me that we have here a good program. We make some compromises in this. We have the $314 million atomic carrier in this bill. We worked hard on these things. We did the best thing we knew how to do in this bill. We have spent much money on our great Navy, and we are proud of our great Navy.

So, we have dealt gently and judiciously, in my judgment, and I believe

that the House will go along with this program designed to get more efficiency and economy. Out of the $7.3 billion, by better contracting perhaps the Navy could save 1.6 percent, the amount of the overall cut in availability.

I ask you to stand with us on this sort of judicious program of economy and efficiency in defense of this great and important field.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from New York [Mr. OSTERTAG].

The question was taken; and on a division (demanded by Mr. OSTERTAG) there were—ayes 73, noes 115.

So the amendment was rejected.

The Clerk read as follows:

SHIPBUILDING AND CONVERSION

For expenses necessary for the construction, acquisition, or conversion of vessels as authorized by law, including armor and armament therefor, plant equipment, appliances, and machine tools, and installation thereof in public or private plants; procurement, production, and modernization of electronic equipment and material for ships; procurement of critical long lead time components and designs for vessels to be constructed or converted in the future; expansion of public and private plants, including land necessary therefor, without regard to section 3734, Revised Statutes, as amended, and such land, and interests therein, may be acquired and construction prosecuted thereon prior to approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; and departmental salaries necessary for the purposes of this appropriation; $1,534,000,000, to remain available until expended.

Mr. BALDWIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BALDWIN: On page 16, line 21, strike out "$1,534,000,000" and insert "$1,594,000,000."

Mr. BALDWIN. Mr. Chairman, this amendment would restore one-half of the cut in shipbuilding and conversion. The committee has brought in a bill which has a cut of $120 million in this item. This amendment would restore one-half of that sum or $60 million.

The committee report on page 54 states that the reason the committee made a reduction of $120 million in this item is because of four factors. They say in the report:

The first of these is as a result of repricings in prior years shipbuilding programs which have resulted in savings of approximately $40 million. This item is referred to on pages 659 and 660 of the Department of the Navy hearings.

On those two pages of the Department of the Navy hearings, 659 and 660, there is testimony given by the Chief of the Bureau of Ships of the Navy on the 1957 shipbuilding program. His testimony pointed out that the 1957 shipbuilding program had increased this year by a total net amount of $138 million and that they were asking for that additional sum in this year's budget.

He was asked the specific items in that figure and he said there were certain increases and certain decreases. He was asked to give a specific tabulation of the net results of the price changes and he listed on page 660 a number of price changes that totaled $40 million.

The committee on that basis said that they had a savings of $40 million. But actually this was just a portion of a series of changes, both upward and downward, that had a net result of $138 million increase. I have checked this carefully with the Department of the Navy and they have confirmed that that is the case, that there is no savings of $40 million in this item whatsoever; and that actually the net of all changes in the 1957 shipbuilding program is an increase of $138 million. Therefore, the $40 million that the committee deducted is not substantiated by the actual facts in the Department of the Navy figures.

Secondly, the committee says that, based upon repricings of previous years, they are estimating that they should have a saving of $60 million. This second item which the committee has listed as a basis for the cut is set forth on page 54 of the committee report as follows:

As can be seen from an examination of the tables on pages 648 and 649 of the committee hearings, and the discussions on pages 656 through 659, the past history in this appropriation item has been one of substantial savings in repricings, which take place periodically after the funding of these programs. Based on this experience $60 million has been eliminated from the budget estimates.

However, if you will refer to the Navy testimony, you will find that when they have added up all the changes in all the individual shipbuilding programs from 1952 to 1957, and they show the summary on page 647 of the hearings, they say the net of all those is that they are requesting $22.6 million additional for these previous programs. In other words, when they added up all the changes for the last 6 years of shipbuilding programs they had a total net increase of $22.6 million.

The committee has said on the basis of these two items it is going to cut the shipbuilding program by $100 million. I submit that the facts do not substantiate this cut. If this cut is made on those two hypotheses, we are going to have a cut in our actual shipbuilding program, and some of the ships programed for the Navy in the 1958 shipbuilding budget are not going to be built. The Navy has submitted that the ships in this particular budget are extremely important. The Russians, they have pointed out time and again, are far ahead of us in the number of submarines they have now ready to be used. The ships in this particular budget this year are designed primarily to add to our defenses from the standpoint of antisubmarine warfare.

I think it would be a tragic mistake at this time to use a couple of doubtful computations of this kind to make a cut of $100 million. It is not justified by the facts and by the hearings, and runs the risk of reducing our actual ship construction program, and reducing the effect of this on our antisubmarine warfare program, at a time when we should not be making such dangerous reductions.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SHEPPARD] for 5 minutes.

Mr. SHEPPARD. Mr. Chairman, while I am in complete disagreement with my colleague from California I do want to pay him this compliment. He was gentleman enough to come over and tell me that he was going to offer this amendment, and that is something I have not had the courtesy of receiving on other issues.

I should like at this time to call attention to a particular aspect of the cut that was made upon the following terms.

The past history in this appropriation item has been one of substantial savings in repricings, which take place periodically after the funding of these programs.

I would like to read this to you. I am reading from page 659 from a statement made by Admiral Mumma who is the Chief of the Bureau that we are referring to. I quote:

There are other increases and decreases which are more or less in comparison with these, but the net result is an increase of $138,212,000 in that year's program, which, fortunately, is in the estimates. Since this was made out, we have been able to make a slight saving against that account, because we have been able to get some slightly better prices than initially anticipated.

Of the ships contracted for, we have actually been able to get prices that are $56 million less than originally estimated, though there have been other offsetting increases.

So the gentleman's position that we were taking advantage of a hypothetical cut here is quite erroneous because there is the testimony of the Chief of the Bureau. If time proves this to be erroneous and additional funds are needed, you may be assured that we will be glad to go into the matter with the Navy.

We have exerted every possible effort here to do what we think is compatible with good procedure, good economy, and commonsense management. In other words, there is no difference in our approach in this particular regard than there was to these previous matters. So far as I know if there were any reservations, they must obviously have been mental because nothing was said in our committee at the time we marked up the bill pertaining to this particular matter. So where this question arises other than originating with the gentleman himself remains to be seen. I want to say this to you, this whole situation compares with the estimated unobligated balance of $2.5 billion and direct obligations of $1.5 billion leaving an unobligated balance of $1 billion for a carryover to fiscal 1959. Of this unobligated balance, it is estimated that $701 million will not even be committed by the end of fiscal 1958. Why add more money to a balance that is already large and uncommitted and that cannot possibly be used in fiscal 1958. I ask that question of those Members of the House who have been expressing their views for a long time about unexpended balances and the proper application thereof.

Mr. Chairman, I urge the committee to reject this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama [Mr. ANDREWS] for 5 minutes to close debate on the pending amendment.

Mr. ANDREWS. Mr. Chairman, there is available for expenditure in this bill for this item the sum of $4.661 billion. The cut is $120 million. What has the committee done? We have cut the funds available for expenditure by the Navy for shipbuilding and conversion by about 2 percent. In other words, we have given them 98 percent of all the money they requested for this activity. I have been listening for years to talk about the increased efficiency in the shipbuilding program of the Navy. If the Navy cannot absorb a $3 million specific reduction in their shipbuilding program, then it is time that we took a look at the management of that program and see if they cannot be replaced with more efficient personnel. I personally think they are efficient enough to absorb this small reduction. If the gentleman from California [Mr. BALDWIN] and his colleagues on the Republican side of the aisle do not think so and want this money restored, I suggest that they make their wishes known to the President who has the power to remove such men from the job that they now hold.

The CHAIRMAN. The time of the gentleman has expired.

All time has expired.

The question is on the amendment offered by the gentleman from California [Mr. BALDWIN].

The amendment was rejected.

The Clerk read as follows:

NAVAL PETROLEUM RESERVES

For expenses necessary for exploration, prospecting, conservation, development, use, and operation of the naval petroleum reserves, as authorized by law, $825,000.

Mr. PORTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have a question I should like to put to the distinguished minority leader.

I want to ask if the gentleman from Massachusetts confirms the news story printed on the front page of the Evening Star, May 14, 1957, under the byline of Garnett D. Horner.

The first three paragraphs of this story were as follows:

President Eisenhower told Republican congressional leaders today he would not want to assume any responsibility for security of the country if Congress cuts funds for missiles and airplanes in the Defense Department budget.

House Republican Leader MARTIN reported this after a conference at the White House as the President prepared to appeal to the Nation in a television-radio address tonight for support of his $71.8 billion budget against the surging economy drive in Congress.

Mr. MARTIN said the President expressed concern during the conference with GOP House and Senate leaders over reports that a House Appropriations Subcommittee had recommended cuts in money asked for the missile program and the Air Force.

Does the minority leader confirm the accuracy of these paragraphs? Did the President really tell the Republican congressional leaders that he did not want to assume any responsibility for security of the country if the Congress made cuts in funds for missiles and airplanes?

Mr. MARTIN. I may say to the gentleman from Oregon that the President did not say quite that. The President said that if these cuts were made he could not be held responsible directly for the security of the country. He needed all this money if he were going to keep this country secure and at peace.

Mr. PORTER. I thank the minority leader.

Mr. MARTIN. Perhaps if the gentleman had gone down and seen the President he would have been more able to make it clear.

Mr. PORTER. The impression from this was that the President was reluctant to do his duty, were these cuts to be granted, and I was wondering if perhaps the example given by Postmaster General Summerfield of cutting service was also finding another place in this administration.

Mr. MARTIN. The new Member knows all the answers.

Mr. PORTER. Thank you.

Mr. ROGERS of Colorado. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to make an inquiry with regard to the naval petroleum reserve which is on page 21 and for which the sum of $825,000 is provided. The Navy Department has completed operating the Rifle plant for the development of oil shale at Rifle, Colo. What I would like to know from the committee is whether or not this fund can be used to maintain that plant in a standby position; that is to say with watchmen and caretakers, so that the plant may be preserved for future use. Can the gentleman give me an answer to that question?

Mr. SHEPPARD. May I say to the gentleman that his question pertaining to the fund to which he has just referred appearing at the top of page 21 under "Naval petroleum reserves" does not provide money for the project to which the gentleman has referred.

The President's budget on this project was in the Interior Department. It was not a part of the Navy's presentation to our committee for consideration; consequently, there is no money there.

The only funds that might be even remotely used in that connection would be unexpended balance of funds appropriated in the past fiscal year for that category.

Mr. ROGERS of Colorado. I call attention to page 63 of the report. The last sentence indicates that these funds will be sufficient to allow for the operation of the petroleum reserve program of the Navy in an orderly and efficient manner. It is my understanding that the Navy may be given jurisdiction of this shale plant.

Mr. SHEPPARD. I am very sorry, but that is not the case. As the situation stood at the time we wrote the bill, and a precedent was established, the Navy has no jurisdiction in that field. It is now the responsibility of the Department of the Interior.

Mr. ROGERS of Colorado. I thank the gentleman. I wanted to know whether or not this could be used in the event it was turned over to the Navy.

The Clerk read as follows:

TITLE V

Department of the Air Force

Aircraft and Related Procurement

For construction, procurement, and modification of aircraft and equipment, armor and armament, spare parts and accessories therefor; specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land without regard to section 9774 of title 10, United States Code, for the foregoing and other purposes, and such land, and interests therein, may be acquired and construction prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; reserve plant and equipment layaway; and other expenses necessary for the foregoing purposes, including rents and transportation of things; $5,846,000,000, to remain available until expended.

Mr. WIGGLESWORTH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WIGGLESWORTH: On page 22, line 1 after the word "things", strike out figures "$5,846,000,000" and insert in lieu thereof "$6,021,000,000."

Mr. WIGGLESWORTH. Mr. Chairman, as the members of the subcommittee in charge of this bill appreciate, I have been concerned throughout the consideration of this bill by the cuts proposed in respect to the Air Force, resulting, as you will note, if put into effect, in giving to the Air Force in 1958 $676 million less than it had in the fiscal year 1957.

There is a very heavy cut proposed in respect to operation and maintenance of $162,800,000.

There is another heavy cut proposed in respect to procurement other than aircraft of $100 million.

On top of this there is the heaviest cut of all, in the item now under consideration, "Aircraft and related procurement," of $354 million.

If that cut stands, Mr. Chairman, the Air Force will have over $1 billion less in 1958 than they had in 1957—and this in an appropriation item which deals with airplanes, which deals with guided missiles, which deals with spare parts, and with the modernization of all three of them.

If you will look at page 75 of the committee report, you will see the proposed cut of $354 million broken down. It breaks down, roughly, into three subheadings.

The first item is in respect to guided missiles and spare parts for those missiles, a reduction of $75 million.

As far as I know, no one knows where this reduction is to be applied. It has been taken out of the thin air somewhere, and if it is applied in the manner that has been suggested as possible by the Department, it means 7,500 less guided missiles in 1958 than have been requested by the President.

I am against touching the guided missile program at this time. It is too vital a program to cut blindly.

My amendment restores the $75 million that the committee recommends as a cut in the guided missile program.

The second item is in respect to the modernization program, the modernization of planes, guided missiles, and spare parts to bring them up to date so that they may be suitable for combat.

There is a reduction proposed here of $83,500,000, a reduction of 13.2 percent in the modernization program.

The Air Force assures me this cut cannot be put into effect without cutting directly into our tactical aircraft program. I am against that. The proposed cut is too deep.

My amendment restores not the whole of the $83.5 million but $40 million, or about half of it.

The third item is in respect to the spare parts program. A reduction of $195 million is recommended.

Mr. Chairman, when the subcommittee walked out of the committee room at the end of its deliberations what do you suppose the decision was as to the spare parts program?

The decision was to reduce it not by $195 million but by $60 million.

It was also decided to reduce the airplane program by $135 million.

I protested against this cut, because I was no more anxious to cut our aircraft program than I was to cut our guided missile program.

Subsequently, and I am not saying this by way of criticism, without any further committee meeting to consider the matter, $135 million was taken off of airplanes and added on to the $60 million which it had been decided to apply to spare parts, giving a total reduction of $195 million.

Mr. Chairman, this savors a little too much of the well-known meat ax. It suggests a little too much the desire to obtain a specified overall reduction in respect to the Air Force, regardless of how the objective is arrived at.

My amendment would restore not all of the $135 million transferred, but somewhat less than half of it, $60 million.

In summary the amendment would restore $75 million in respect to guided missiles; $40 million in respect to modernization of planes and missiles; and $60 million in respect to spare parts.

Mr. Chairman, if you want to take 7,500 guided missiles out of the program, if you want to cut directly into our tactical aircraft program, if you want to take $195 million out of the spare parts program, then you will of course vote against this amendment.

In my opinion, the amendment is a conservative proposal, and I hope sincerely, Mr. Chairman, that it will be adopted by the House in the interest of adequate military power, vital to the peace of America and of the entire Free World.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 50 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Vermont [Mr. PROUTY].

Mr. PROUTY. Mr. Chairman, it will be interesting to learn how those who voted for a third House Office Building are going to justify voting for cuts in national defense appropriations which involve our very life as a nation.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Chairman, with such a fine example for brevity, I will try not to use all of the 5 minutes. But, I do want to call to the attention of the committee a statement from American Aviation Daily of May 23 which I think will be of considerable interest to the committee. American Aviation Daily is one of the important publications associated with the aircraft industry.

Here is what I want to quote:

HOUSE SPURNS MEAT-AX APPROACH TO DEFENSE MONEY BILL

Fears that Congress will take a meat ax to the military funds request for next fiscal year seem to have been largely dispelled by the careful work of the House Appropriations Committee in reporting out the Defense appropriation bill (daily May 22). The military services, of course, aren't happy with the cuts, but no one in the Pentagon is comparing the committee's $2.6 billion reduction with the kind of all-out cuts ordered back in the days of former Defense Secretary Louis Johnson.

An examination of the committee's actions in major hardware accounts shows a substantial degree of restraint and careful reasoning in practically all of the reductions. In no case does it appear that the lawmakers have hamstrung any of the major military programs.

The Air Force's $2,719,300,000 request to buy 1,515 completely manned aircraft in fiscal 1958 was left intact. The committee said it was reluctant to touch this request for fear of a delay in modernization of the defensive fighter force.

A $195,500,000 cut was ordered in the Air Force's $2,359,700,000 request for spare parts and components, but the committee backed this action with what appears to be solid reasoning. It pointed out that the spare parts account normally encounters large unobligated carryovers from year to year, so the reduction "will in no way handicap the Air Force in its program of modernization." The lawmakers also made it clear that the ratio of initial spares procurement to complete aircraft procurement has been climbing for several years, and urged the Air Force to find ways to hold the line on these massive outlays. The ratio was 47.6 percent in 1956, 75.2 percent this year and 79.6 percent next fiscal year, as a result of the committee's action. The Air Force had wanted a ratio of 86.8 percent.

Mr. Chairman, that seems to be solid, sound reasoning to which this committee can well subscribe.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SIKES. Of course.

Mr. GROSS. Is there any money in this particular appropriation for aircraft that would go to Yugoslavia?

Mr. SIKES. No; this is not for aircraft for Yugoslavia. All of this money is for aircraft for our own forces.

Mr. GROSS. Could not combat planes be constructed with these funds and then some of those planes be turned over to Yugoslavia?

Mr. SIKES. That could be a possibility, but properly the planes which would go to Yugoslavia would be from MAP funds, not from the funds carried in this bill. There is the possibility that the administration could order some of these planes turned over to allied nations, but normally they would be financed in the mutual aid bill.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield for a question?

Mr. SIKES. I yield to the gentleman.

Mr. JOHANSEN. Will the gentleman comment on the statement of the gentleman from Massachusetts [Mr. WIGGLESWORTH] that the reductions will result in 7,500 fewer guided missiles?

Mr. MAHON. Mr. Chairman, will the gentleman yield to me?

Mr. SIKES. I yield to the gentleman.

Mr. MAHON. I have just assembled some rather interesting figures for the missile program for the fiscal year 1957. For that year the Air Force has an availability of $3.1 billion. The Air Force is developing 18 missiles, and, as I say, for the current year they have $3.1 billion. Up to March 31 they had expended less than $1 billion. It is believed that they will have a carryover of about $1½ billion into the next fiscal year on June 30. We have $1½ billion in this bill for the guided missile program for the Air Force and that does not include funds in this area for the Army and the Navy.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. NEAL].

Mr. NEAL. Mr. Chairman, when the Military Establishment has at its disposal the astonishing, if not unbelievable, sum of $68 billion available for fiscal 1958, with probable commitments extending into 1959, I find it difficult to believe that failure in restoring a mere $357 million to the committee's recommended budget can in the least degree endanger the Defense Department's ability to maintain adequate protection in peacetime, or minimize its ability to wage war, if that last disastrous necessity arises.

Should we become threatened by a general war to a degree greater than that existing at the moment, I am certain that Congress can and will be called upon to provide whatever funds are needed for each arising emergency.

Instead of embarrassing the Defense Department, these reductions are but timely notice that the citizens of this Republic firmly believe that the cost of maintaining our military strength constitutes a very real danger to the whole economy. They demand daily that every conceivable economy must be applied by the leaders entrusted to administer the conduct of our national defense.

There is a moral aspect to this, also. Our steady buildup of military power offers ample, if false, evidence to people abroad who have been constantly propagandized by Soviet Russia on the theme that we propose to initiate global conflict with our immense military machine.

Many of the so-called neutral nations believe this bold Soviet falsehood, and, further, they believe it to a point where they are so fascinated at the sight of a growing United States Military Establishment that they fail to see Communist infiltration of their own countries.

The recent demonstrations of inherent national animosity in Formosa, one of our strongest and most assured supporters, should be fair warning that stability and dependability of allied help from people whose traditions and age-long habits can never be expected to conform to American ideals.

It takes little imagination to predict the plight of American civilians and military personnel in our farflung outposts should they be the unfortunate victims of mass action by resentful insurgents whose government executives either intentionally or sympathetically refuse to prevent anti-American demonstrations. The reported decision of the State Department to reduce the military and civilian personnel in Formosa may well be extended to other parts of the world where potential national uprisings could place America in the position of losing face or fighting to uphold our national dignity.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. UDALL].

Mr. UDALL. Mr. Chairman, I have not intruded on the time of the committee during this debate and I do so now really to make one point. I support the committee on this amendment and I am in opposition to the amendment offered by the gentleman from Massachusetts. One reason, of course, is that I have the very highest regard for the integrity and good judgment of the members of this subcommittee.

However, I think there is one other theme that has been a minor theme during our debate of three or four days on this bill that really should have been a major theme, and I want to bring it up again and hammer it home at this time. I think this argument is perhaps the best argument in favor of the committee throughout this entire debate.

That argument is simply this, that the time has come for the Congress to serve notice on the President and the Pentagon—and all those who make our military policy—that we want new significant steps made in unification of the services in order to cut down defense expenditures. On page 20 of the report of this fine committee you find this quotation:

It is the firm belief of a majority of the committee that this matter of rivalry—

I say to you we have seen it here on the floor the last 3 or 4 days—

is getting completely out of control. It is expensive and undesirable, and points up the urgent need for more effective control and direction. A sincere and self-sacrificing effort must be made by all concerned to substitute real unification for the present loose federation.

During the war and postwar period Dr. Vannevar Bush headed research and development at the Pentagon. In my opinion he is the most eminent scientist-statesman we have in this country today. A few days ago Dr. Bush called the New York Times and made a statement I want to read because I think it is highly significant. Said Dr. Bush:

The heart of the matter, it seems to me, is this: The President can, if he wishes, cut his budget substantially and at the same time improve his defense if he will merely put his house in order at the Pentagon.

The thing that needs to be done—

And note this carefully—

The thing that needs to be done there is to see that the Joint Chiefs of Staff do some unified planning—

Some people think unification refers only to unification of procurement. "Unified planning," he says,

so that we don't have 3 war plans, 1 for the Army, 1 for the Navy, and 1 for the Air Force, and buy everything that every Service wants to buy but buy the stuff for 1 war plan.

He added that the President knew all this, but that the job of unification of the services and definition of an overall strategic plan—

This is the real point of my speech here.

would not be achieved unless Congress insisted upon it.

I say to you that by these cuts that are being made we are serving unmistakable notice upon the Pentagon and on the President that we want significant steps to be made in the future toward a real unification. In the long run this is where the real savings are to be made. The gentleman from Texas [Mr. MAHON] has reiterated that over and over again. I say to you that this should be one of the major themes and major developments of this debate.

As we have been told, the President has great prowess as a military man and I say there is a great challenge to him during the coming year to do something in that field about real unification. There is great future challenge to him, to the Secretary of Defense, and to the Joint Chiefs of Staff.

Let us support the committee, because that is one way I see that we can say to the President that we want economy and we want more unification.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. PRICE].

Mr. PRICE. Mr. Chairman, each year at this time considerable and concentrated effort on our part is devoted to the budget for our military services. That we do devote so much attention to these matters is only proper for in these perilous times the appropriations for our Nation's security deserve the closest scrutiny.

I have read with a great deal of interest the report just rendered by the Committee on Appropriations dealing with our military budget. I know that each and every member of the committee has labored long and arduously in an attempt to come up with a bill that will insure this Nation having an adequate military posture and at a minimum cost.

Because I have read the report I must in all candor express my concern relative to the adequacies of the proposed appropriations for the Air Force. I recognize that the amount recommended for the Air Force is slightly less than 50 percent of the total military budget.

Unfortunately, however, percentages can be misleading far too often. For instance, the bill now before us totals, in the case of the Air Force, approximately $670 million less than that requested by the administration. This represents a reduction of some 3 percent. Therefore, it would only be natural for the Congress to tend to accept this proposed reduction because it seems so small.

Mr. Chairman, when we compare this 3 percent or $670 million with the $5 billion cut in the Air Force appropriations pushed through by the Republican Party back in 1953, this reduction is, in fact, peanuts.

But, Mr. Chairman, military budgets cannot be based on political expediency or party lines, nor can reductions be based for the sake of economy alone. If, in our deliberations, political expediency or false economy are permitted to influence the outcome of this budget we will, in fact, be tampering with the peace and security of this Nation.

I do not wish to go into any great detail as to the specific recommendations made by the Appropriations Committee, yet it should not be difficult to understand that through scientific achievements both military science and tactics have been brought to the threshold of new horizons.

It is the Air Force that stands to gain the most by the marvelous changes that we see occurring about us each and every day. But, Mr. Chairman, these changes cannot be realized nor be taken advantage of without some cost. Consider, for example, that a bomber of World War II cost but a small fraction of today's B-47 or B-52. It should come as no surprise to us that the weapons of the future will likewise increase in cost. But it is not equipment costs alone that have suffered because of rising prices. Today to enlist one American, to clothe, house, and feed him, to make him effective and move him about the world costs, on the average, between twelve and thirteen thousand dollars a year. As more complex weapons are developed this annual cost can be expected to increase as much as 50 percent. Two decades ago, the comparable figure was only $3,000.

Apart from these increasing costs, and because of scientific achievements, the Air Force has to remain modern and at the same time anticipate the military requirements of the immediate future. It must move down two different roads.

At the same time, it must divide its billions and its energies between two drastically different weapons systems. One is the manned force in being. This is the nuclear carrying strategic and tactical Air Forces, as well as the air defense forces for the protection of our continent. Based upon testimony of countless numbers of experts the conventional force of today must be maintained for at least 7 to 10 years.

At the same time, the Air Force must bend its energies to another weapons system: the whole oncoming weapons of long-range guided missiles, unmanned aircraft, and finally ballistic missiles. I am afraid that we would be merely shirking our responsibilities if we do not accept the fact that these programs are expensive and for the immediate future will become more expensive.

If it were not for the fact that the Soviets were frantically engaged in the creation of a military machine dedicated solely to bring about the demise of the United States, I would be the first to recommend a reduction in our military expenditures. However, the facts being what they are, we must avoid taking any foolhardy steps.

By this administration's own admission it requested some $3 billion less than Air Force experts considered to be the absolute minimum requirement. Because of this reduction the Air Force will now only be able to procure less than one-half of the new aircraft it requires to replace obsolete aircraft. Further, the production schedule for B-52's had to be cut back and the procurement of jet tanker aircraft so vitally necessary to maintain a lead in strength over the Soviet Union has been similarly reduced. Finally, it has been forced to abandon such necessary projects as the development of nuclear power aircraft.

Is it no wonder, therefore, that I am alarmed over these further recommended reductions in funding for aircraft and related procurement, maintenance and operations, and in procurement other than aircraft. Such contemplated action is truly frightening when we reflect on known Soviet technical and scientific achievements. It does us no good to buy planes if we do not supply enough money to provide the necessary spare parts and adequate ground handling equipment or to make available sufficient fuel and oil products with which to train our air crews so that they might maintain an adequate state of combat readiness. We have only to look at the appropriations for the current fiscal year to see how unwise reductions have brought about a crimping of Air Force operations, and a reduction in the flying-hour program.

Yes, Mr. Chairman, 3 percent is not very much but it may well be that this 3 percent may spell the difference between success or failure, victory or defeat. It was not too long ago that we possessed a peace of mind through our knowledge of qualitative and quantitative military superiority. We have lost our quantitative lead. Our margin of qualitative advantage is no longer so great that we can afford to remain complacent or secure in the thought that military funding can or should be reduced.

Let us not take any further calculated risks beyond that which has been taken by this administration's military budget.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. SCOTT].

Mr. SCOTT of Pennsylvania. Mr. Chairman, in this great debate between those advocates of a weaker defense budget and those advocates of a stronger defense budget, I think it is timely to report that Tass dispatches, the Soviet press bureau, reporting in the Soviet press, have been strongly critical of the President for his opposition to the proposed cuts in the military budget in the House of Representatives. As of May 23, reports datelined Washington and published in Moscow on May 21 and May 22 through Tass, the Soviet agency, are extremely critical of the President because of his statements to the Congress and the public opposing cuts in the defense budget and cuts in foreign aid generally. I quote from the Soviet news agency:

> [The budget] allows the United States to set up with the least possible expense large Armed Forces in the countries bound to it by various military blocs and alliances.

I think it is interesting to allow the Soviet Government's views to be heard here, and I will leave them with whatever implication they may mean to each Member in considering whether or not it is of interest and importance to us to know that the Soviet Government cheers every possible reduction in numbers of guided missiles, in reduction of technical aircraft, in reduction of procurement, training, spare parts or anything else which the weaker national defense budget advocates urge upon us here in this House.

I regret, too, that the distinguished chairman of this committee is not present because I do find it necessary to disagree with him. With all due respect to him, he appealed to this House to believe that all we need is a defense in the air, and that the Air Force is the only arm of the service which requires budgetary help in any substantial amount; I am quite sure that the gentleman would hardly mean the implication of his remarks. We are all for ample defense in the air by the Air Force, but at the same time I wish the gentleman had had some opportunity to see the operation of the Navy's carrier task forces, with guided missile capabilities, in action, and what it means to our defense to have adequate missiles and adequate naval aircraft. I wish he had some opportunity to know what the Army is doing with its intermediate missile program and its entirely new tactics of missile and nuclear warfare. I wish the gentleman had given some consideration to the quite possible fact that future wars do not necessarily have to be all out wars, any more than were the wars in Korea, Vietnam and Egypt. I wish the gentleman had given some consideration to the fact of the grave submarine menace. It has been categorically stated in debate here that Russia already has more than 400 submarines which also offers them an opportunity to attack us by devastating means other than from the air—I am sorry that these things have to be said in the absence of the distinguished gentleman who is apparently under the impression that no comment should be made in disagreement with him except when he is present. I wish he were present even though our debate cannot wait upon his pleasure. But it is a fact that we have and urgently require a balanced system of defense. It is a fact that the aircraft carrier task force presents a highly mobile form of defense which makes it extremely difficult for any enemy to launch an attack against that force with anything like the assurance of reaching the target which such an enemy would have if the attack were launched against a fixed land position. I do not know what so-called expert, if any, ever gave him the information that the Russians would sink a nuclear-powered carrier in the first 2 hours of a conflict. It is equally true that the hunter-killer tactical developments by the Navy offers a tremendous advantage for our security, as does the antimissile missile program and many of the other things that are embodied in this budget. I hope the House will not cut out the 7,500 guided missiles or reduce the number of technical aircraft needed by the Navy.

The CHAIRMAN. The gentleman from Mississippi [Mr. WHITTEN] is recognized.

Mr. WHITTEN. Mr. Chairman, I am sure that the intention of all the Members is the same, and that is to provide adequate appropriations to maintain our defense. Having sat on this committee for some 4 months trying to arrive at what the true facts are I would like to point out some facts that I have not yet heard discussed in connection with this bill.

The Air Force will have on July 1 $17 billion unexpended though committed to a degree when this appropriation is made available to them.

The Air Force will have $3.7 billion July 1 not even obligated.

Not only that, but also the Air Force has on hand funds which have been appropriated for other purposes in prior years—and I point this out in my additional views in the report—they have so much money on hand that has been appropriated in prior years for various purposes that actually they have had to set up an operation they call "Smokeout," in which a great number of Air Force personnel is put to the job of searching out in their own records to see just how much money they did have in old accounts which they could recoup.

Up to this point the Air Force through the operation Smokeout, smoking out its own accounts, has recovered so far $1,700 million. This they call recoupment. When we say that this slight reduction in an operation where you have $17 billion unexpended, plus your appropriations here, plus a $3.7 billion of unobligated funds, with the right of transferability that they have, certainly I do not see how anyone can figure that in the next year there can by any possible chance they will not be able to meet any emergency that will arise.

Let me point out the only real issue involved in this amendment. The air contractors, the manufacturers of aircraft have had most of their facilities provided by the Government; not only that but with regard to most of the share that the aircraft companies put up the Government allows them to write off in 5 years.

Fifty of the chief manufacturers of this country had $80 billion of contracts with the Government in the last 5 years. During that time their stock increase in value from an average of $57 per share 5 years ago to $149 per share this year.

If we analyze the situation further, the aircraft companies as of the present have $10 billions in orders. The Aircraft Daily says that they have $4 billion of orders in the backlog. Involved in this is the question of whether you wish to give another $175 million of

additional backlog of orders, and that is about all that is involved here. I say that in view of the record as to the handling of contracts, in view of the tremendous profits that have been paid out, in view of the fact that the Air Force has all this money I have described to you, I say there is no real sound basis for adding to the backlog of orders to the aircraft companies at this time, and I say that advisedly.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Texas.

Mr. MAHON. And probably it would be for spare parts from the aircraft companies.

Mr. WHITTEN. That is true. I have made my point with regard to the overall aircraft companies. The aircraft spare parts are largely produced by the same manufacturers, or the same financial interests.

Mr. SHEPPARD. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. SHEPPARD. In the information the gentleman has accumulated does the gentleman know how long it would take the producing element in the Air Force category to catch up with the backlog of orders?

Mr. WHITTEN. I could not give the gentleman a definite answer.

In the subcommittee I offered an amendment which would have reduced this considerably more than the amount that would be restored and somewhat more than the committee action took out. One of the top aviation men in the Pentagon was sitting by my side. The committee did not cut as much as I would have cut, but he made the side remark to me, he said: "Mr. WHITTEN, if they cut as you say, there goes a further increase in aircraft stock values this year."

It is my opinion you can safely vote down this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. Mr. Chairman, as I stated on last Friday, and earlier today, it is always most unpleasant to find one's self in opposition to the party leader in the House and to his President, especially when he is of your political party.

Yet, the conclusions I reached after 4½ months of hearings and discussions, after having considered right at 25 Defense Department budgets, I felt were sound and that the reductions made could be made without impairing our national defense.

I can recall in 1954 Mr. Truman's last budget called for $40,719,931,000. That was reduced to $34,434,140,000. In fact, Mr. Eisenhower's revised 1954 budget $35,771,563,000, was reduced $1,337,423,000. Mr. Wigglesworth, unfortunately was ill. It became my responsibility to bring the 1954 Defense appropriations to the floor. At that time, many of those now advocating decreases were advocating as much as $1.5 billion increase. My recollection is that the bill left the House in exactly the same amount we recommended. By my side were men who fought those proposed additions who today are asking restoration of funds.

My further recollection is that when the conference was over, for the first time in history, the figure was slightly lower than either the Senate or House—$34,371,000,000.

My further recollection is that I was commended from the White House on down to individual House Members for the good job done in holding the line and reducing the budget request.

I am still seeking to bring about practical reductions without impairing our national defense.

THIS IS NOT A WEAK DEFENSE BUDGET

Since 1953 our military power has grown. We have provided the Department of Defense with right around $130 billion in the past 4 years, together with the military aspects of atomic spending, the 4-year spending is over $200 billion. This bill adds another $33 billion. If national defense can be bought, that sum should buy it.

PLANE PROCUREMENT

If $33,500,000,000 will not give us a strong national defense, neither will $33,840,000,000.

Let us get one fact clear for now and all times. Funds for procurement of aircraft were not reduced. See page 75 of the report. Yet, I feel they could be. A few weeks ago production of the C-132 was stopped. Last week a new tactical bomber TBX by Martin was stopped according to this press release. There are other highly experimental planes including the F-106 that may or may not prove out. The present program of B-52 for which we provided funds for an additional 101 at about $8 million each, establishes 45 per wing as compared to 30 B-36's. It also provides about 50 spares—to be on hand when other planes are undergoing repair and overhaul—and in addition they provide for advanced attrition—loss by accident and loss on the ground from enemy bombing.

Now, if these planes are to be subject to enemy bombing, we have wasted billions and should be going into all-out war preparations.

Surely a cut of 10 B-52's at $8 million would not seriously impair that strength—10 out of 603.

A modest reduction could be made in the jet tanker, by converting at much lower cost some of the planes we now have becoming surplus—and then perhaps by using this jet transport fleet obtained under the guise of tankers—we could get rid of a lot of old planes and do a better, cheaper, faster job of transporting troops and equipment.

MISSILES

Now, Mr. Chairman, the missile program is the popular horse to ride. It is the "red tag" program. It used to be the "Mach" or jet program and the atom weapon program.

All the services want in on it. We have 47 different missile programs. No expense is spared—there is no limitation of funds in case of a breakthrough. Plants are being built. Salaries are fantastic.

For the Air Force or any one to say there is no way to save $70 million in a $1½ billion program is unreasonable. The time has come to pick and choose. The time has come to decide which to carry on and which to drop—and the Air Force itself has some question about the Rascal and the Air Force might well look to the Navy Petrel air-to-surface missile. Tighter contracting could save this sum. Tighter limitations should be fixed upon the fantastic salaries paid by the contractors.

SPARE PARTS

I defy the Air Force to prove with facts and figures that this modest $20 million of the modest 1-percent cut was made in relation to spare parts which will not be consumed because of the reduction in flying-hour funds.

The $175 million reductions in a $2⅓ billion request is most modest. In fact, these figures given us were, quite frankly, an estimate based upon what the Air Force called factoring.

Right now, the Air Force has over $9.6 billion in spare parts. This fund would raise that to $11 billion.

In fact, the money request for spares runs almost as much as the request for planes themselves, just a few percentage points less.

No, Mr. Chairman, if $2,164,200,000 will not give the Air Force the needed spare parts neither will $2,224,200,000.

In fact, there is no doubt in my mind but that we could have cut this item another $125 million without harm to the program and left it in just about the same relative position it is in 1957.

This budget allows 79 percent spares as it relates to complete aircraft. In 1957, it was 75.2 percent and we thought that was excessive.

The Air Force itself realizes their methods of estimating spares is most unsatisfactory and they themselves are seeking ways to work out a more satisfactory program.

MODERNIZATION

The report on page 78 discusses thoroughly the modernization program.

Many older planes are being refitted, which from an economy standpoint probably should be eliminated from the inventory.

When some of these planes are refurbished some of the plush could be eliminated, and the job done on a more austere basis.

The committee has provided $550 million—over one-half billion dollars.

That is one-fourth as much as we are providing for the procurement of brand new planes. This reduction is reasonable.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. MAHON] to close debate.

Mr. MAHON. Mr. Chairman, my good friend, the able gentleman from Pennsylvania, has said that this is a contest between those who advocate weaker defense and those who advocate stronger defense. Well, there are some elected representatives of the people who think you get stronger defense if you get more efficiency and better management, fewer unnecessary military and civilian personnel. A stronger defense program is not necessarily the most expensive defense program. We cannot

buy friends abroad with wasted dollars nor can we buy security at home with wasted billions.

The same gentleman, my friend, quoted as his authority for his position on this bill representatives of the Soviet Union. I had not thought that I would see the day when Members on either side would quote as their authority for their position on legislation the views and recommendations of the Soviet Union. I had thought and I firmly believe today that there is no greater repository on earth of duplicity and double talk than the Soviet Union, and I merely make reference to that matter in passing.

Now let me talk a few figures, and I know figures are boresome. We have used them a good deal in this debate. But, before I do that, let me compliment the gentleman from Kansas who just spoke for his fine understanding of this problem. The gentleman from Massachusetts [Mr. WIGGLESWORTH] had some concern about this, and he reserved his position in committee, and was perfectly free to offer the amendment. I would just like to give a few figures.

Let me give you the biggest one first. With the funds provided in this bill the Air Force will have on July 1, 1957, $17 billion for aircraft and related procurement. Four and five-tenths billion dollars will not be obligated. The new request was $6.2 billion, and we cut it down a bit, by $350 million, which is a relatively small sum compared to the terrific amount involved in this bill.

So, the unexpended funds will be over $11 billion on June 30, and with the appropriation in this bill you have over $17 billion for aircraft and related procurement. Boeing alone in Seattle and Wichita has in backlog orders over $2 billion. In this bill we have an additional 101 B–52 aircraft. Some have said there was more money last year in this part of the bill than this year. Last year we were told that the Soviet was building intercontinental bombers faster than we were. The other body originated the additional funds. We provided addition funds because of that alarm from the Pentagon. Later in the year, and this year, officials in the Defense Department have said that their apprehension was unfounded, that they had given us a false report, though they had done it in good faith. Most of that additional amount granted last year remains unexpended.

Speaking of missiles, there are 18 types of missiles in the Air Force program, 4 of them of the 5,000-mile range. There was available in the missile program for the Air Force $3 billion unexpended for the current fiscal year 1957. They have expended as of March 31 about $1 billion this year on missiles. The sky is the limit on the ballistic missile program. We allow in this bill $1.5 billion for missiles. I do not think this cut in funds by the committee will be reflected in the aircraft program. The Air Force has about $10 billion in spare parts. There is much waste because of the rapid change in weapons, and that is where we really rapped them on the knuckles here in making this reduction. I think that when the Air Force marches up to the starting line July 1, 1957, beginning the fiscal year with $17 billion in total, they are going to do a good job for us in keeping this country strong.

Mr. Chairman, I ask that the amendment be defeated.

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired.

The question is on the amendment offered by the gentleman from Massachusetts [Mr. WIGGLESWORTH].

The question was taken; and on a division (demanded by Mr. WIGGLESWORTH) there were—ayes 71, noes 119.

So the amendment was rejected.

Mr. ROOSEVELT. Mr. Chairman, certain remarks were made yesterday questioning the good faith of those who had wired to the President in support of his efforts not to have the budget cut irresponsibly where services to the people would be harmed or national defense seriously impaired. It was clearly indicated that, if any of the signers vote to support the Appropriations Committee cuts, we will be contradicting our own previously stated position.

It seems to me, therefore, only fair to point out, first, that the President admits as stated that he can live with approximately half of the budget cuts suggested by the Appropriations Committee on the ground that they are mostly "paper cuts"; second, the Republican caucus held after the minority leader had attended a consultation at the White House indicated that, as members of the President's party, they would only seek to restore approximately $340 million of the suggested cuts or about 25 percent of the so-called "nonpaper cuts." A normal person might then well conclude that the President had again lowered his sights to at least this figure.

I am now reliably informed that a statement will be made later that even this proposal has been cut in half which, frankly, seems to me to justify the position of any one of the Democrats who will support the Appropriations Committee and the able and brilliant explanations made by Chairman MAHON and the members of his committee in pointing out that they only suggested cuts amounting to less than 4 percent of the entire budget. Certainly, this amount cannot be held to be crippling our national defense. From personal observation and experience, as well as from testimony by the committee, waste and inefficiency in the military services is fully established. I, therefore, while fully maintaining the position expressed to the President, will support the Appropriations Committee in the belief that we can have at least the same amount of national defense for a slightly less amount of money in the overall which, nevertheless, can be a significant amount to the individual taxpayer.

Mr. MARTIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, for the information of the House I should like to outline the motion to recommit on which we shall probably vote in a short time. The committee reported the bill which they say included cuts of $2,586,000,000. The motion to recommit will seek to restore $313 million, which represents practically the same amendments that the committee has already rejected. In other words, 87½ percent of the committee's cuts would be sustained and we are only asking to restore 12½ percent out of respect to the views of the President and the General Staff. I ask you if that is too exorbitant a request.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from New York.

Mr. TABER. Mr. Chairman, I have been over these cuts. I have been over the motion to recommit involving the 2 amendments offered by the gentleman from Michigan [Mr. FORD], to the Army portion of the bill; the amendment offered by the gentleman from New York [Mr. OSTERTAG], to the Navy portion of the bill, and the amendment of the gentleman from Massachusetts [Mr. WIGGLESWORTH], offered to the Air Force portion of the bill.

I believe that the United States Department of Defense would be in much better shape if the motion to recommit is adopted and we salvage 12½ percent of the cuts that the committee has made.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Mr. Chairman, as the gentleman from Massachusetts has stated, out of the $2,586,000,000 cut reported to the House a restoration of $313 million will be asked for in a motion to recommit. After all, Mr. Chairman, this is simply an honest difference of opinion in this House as to the needs of the armed services. I personally am in accord with the committee as to at least $2 billion of their cut. I feel as does the gentleman from Massachusetts [Mr. MARTIN] that the cut has been a little severe. Personally, I would not like to gamble; I would rather have them have a little bit too much than not enough.

Mr. MARTIN. Needless to say, I will support the motion to recommit.

Mr. MAHON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think we all feel that we should give too much rather than too little when it comes to national-defense programs. As one who has worked for 17 years on these appropriations, I know how liberal we have been at times with the Armed Forces. I trust we have not made a mistake on this bill, and if we have I hope it has been on the side of strength.

I think the adoption of the bill may mean in the long run that we will get better defense for fewer dollars. I know that there will eventually come a bitter revulsion against defense spending if we do not do our duty and try to keep it within bounds. Greater and greater appropriations tend to accelerate the inflation spiral.

It seems to me that we have done a fairly good job. The Department of Defense will have available to it, with the bill as approved to date, in excess of $67 billion come July 1, 1957, for expenditure. A gesture toward a demand for more efficiency and economy is in the best interest of national defense and in the best overall interest of the taxpayers generally. The actions of the committee in almost rubber stamping the request of the Pentagon certainly represent a position of going as far as we can afford to go under the circumstances. I hope the House will continue to support this program of strength and moderation in the House of Representatives.

Mr. PEIGHAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it should be obvious to anyone that the huge Defense appropriation bill now before us is made necessary by the threat of Russian communism and the desire of our people to preserve the American way of life. Were it not for the conspiracy of communism and the desire of the Russians to colonize the world, it would not be necessary for us to provide the large funds authorized in the bill. But the fact remains we have no alternative other than to establish and maintain a Defense Establishment capable of deterring the Russians from further aggression in the world.

In recent weeks there has been increasing talk of the possibility that the United States could arrive at an enforceable understanding with the Soviet Union on limited disarmament. In fact, it seems as though every move made by Harold Stassen is given wide publicity, accompanied by the usual contradictory statements, but nevertheless creating the general impression that we are close to an agreement with the Russians on disarmament.

The reason why agreement in the general field of disarmament is unlikely stems from the following basic facts:

First. Communism, by its very nature, seeks to colonize the entire world for the Russians.

Second. Communism rejects all moral or ethical principles and lives by the evil axiom that might makes right.

It therefore follows that the Russian Communists use every possible device including conferences and treaties as a means to attain their goal of world conquest. They use the conference table as a powerful propaganda weapon because they know that the free press reports objectively on all nonsecret developments at international conferences attended by the Russians. They also use these conferences to wear down the opposition, confuse and divide allies, and generally to prepare the way for open end clauses in any treaties or understandings to be arrived at. These open end clauses always provide an escape hatch for the Kremlin to break any treaty entered into and simultaneously wage aggressive war against the other party to the treaty or agreement.

The record of performance on treaties entered into with the Soviet Union by non-Communist countries demonstrates beyond any reasonable doubt that the Russians only enter into treaties or undertakings that advance their goal of world conquest, that such treaties or understandings are lived up to by the Russians only so long as they advance their purpose, and that the Russians always have a convenient escape clause written into every such treaty and agreement which they quickly exercise when it serves their purposes.

It is a fair question to ask, therefore, whether any new elements have entered into the international picture which would change the black record of the Russians on the question of breaking treaties and agreements. Have the Russians demonstrated by any reasonable means that they have given up their goal of world conquest, have stopped terrorizing the people of the countries they illegally occupy, and whether we can expect them to behave as civilized human beings do? The answers to these questions are all in the negative because they are found in the cold realization that communism has not altered its basic nature. Moreover the leaders of the Communist conspiracy know that communism can survive in the world only by preserving its original aggressive, despotic, and treacherous behavior.

Less than 10 days ago the Chairman of the Joint Chiefs of Staff, Adm. Arthur W. Radford, stated:

> We cannot trust the Russians on this or anything. They have broken their word too many times.

He was referring to the Russian disarmament proposals being talked over in secret sessions in London. This statement of the obvious by Admiral Radford caused a great stir in certain quarters. A number of newspapers reported that Harold Stassen, who has been carrying on these secret talks with the Russians for a number of months, demanded a showdown at the Security Council level, on the remarks made by Admiral Radford.

When Stassen returned to London last weekend, it was reported that he carried the message that the United States was prepared to go halfway with the Russians on the question of disarmament. This immediately raises the question—What new evidence does the administration have to demonstrate the good faith of the Russians? President Truman made it clear that he was prepared to go halfway in meeting the Russians if they would first demonstrate their good faith.

This makes me curious as to just what the administration means by going halfway. It is difficult for Members of Congress to judge what this means because the talks going on in London between Stassen and the Russians are shrouded by the air of secrecy. Only time will tell what President Eisenhower means when he referred to "going halfway." It struck me as most unusual that a professional military man of proven integrity should be brought to question for standing up for what should be obvious to anyone who has made even a casual study of Communist behavior during the past 40 years. There have been sly inferences that men who, like Admiral Radford, face up to the hard cold facts of life, are nothing but warmongers. Admiral Radford knows from hard experience how terrible war really is and I am convinced that he and men like him have done and will do more to prevent world war III than all the unrealists, opportunists, and pacifists put together.

It is my conviction that until the Russians demonstrate beyond any reasonable doubt that they can be trusted, Congress will find it necessary each year to provide enormous funds for our national defense establishment. The American people are prepared to pay whatever price is necessary to preserve their freedom and individual liberty and they will not stand for a "peace at any price" attitude in resolving the Russian Communist problem.

The chairman and the members of the subcommittee are to be congratulated for the great care that has been taken in examining the original budget request and arriving at the figures recommended. We must give the taxpayer a full dollars' worth of national defense for every dollar they pay in taxes. I hope the committee will continue to look into production methods authorized by the Defense Department, particularly the Air Force. Congress must be certain that the most efficient, inexpensive, and modern production methods are used by all prime contractors because it is in this area that we can quickly lose or save billions of tax dollars.

Mr. ROOSEVELT. Mr. Chairman, I ask unanimous consent to revise and extend my remarks at that point just prior to the remarks of the distinguished minority leader.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The Clerk read as follows:

PROCUREMENT OTHER THAN AIRCRAFT

For procurement and modification of equipment, supplies, and materials, and spare parts therefor, not otherwise provided for; ground electronic and communication equipment; and the purchase of passenger motor vehicles for replacement only (including 10 and 8 at not to exceed $3,000 and $2,400 each): $1,125,000,000, to remain available until expended.

Mr. LAIRD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LAIRD: On page 22, line 9, strike out all after the semicolon and insert $1,146,500,000 to remain available until expended, of which the amount of $21,500,000 shall be transferred to "Establishment of air navigation facilities," CAA for the Department of Defense share of the cost of the 1956 program for the air navigation system known as VORTAC.

Mr. MAHON. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Texas reserves a point of order against the amendment.

The gentleman from Wisconsin [Mr. LAIRD] is recognized.

Mr. LAIRD. Mr. Chairman, the Commerce Appropriations Subcommittees of both the House and Senate have been concerned with how the Nation could be provided with a system of aids to air navigation known as VORTAC (very high frequency omni-range tactical air navigation facilities). This equipment contributes to the safety of air traffic. The VORTAC units are signal devices necessary to the high performance aircraft now being utilized by the military

and will be essential to the new civil jetliners now being manufactured.

Detailed questioning by the committee has brought out that over 40 percent of the use of enroute air navigation facilities is made by military aircraft in bad weather conditions. The need for this equipment has been exhaustively studied and is strongly supported as a technical requirement by both Department of Defense and civil officials. Based on the best technical information available, it is necessary that a national system of improved air navigation aids, providing azimuth and distance data obtainable from VORTAC equipments, be in operation by July 1, 1960.

These facts are known to the House Appropriations Committee and the Commerce Subcommittee, as indicated in paragraph 5 of page 5 of our report, intended to provide adequate funds for the system but reasoned that, first, the military would for some time be the exclusive user of a portion of the VORTAC system; second, the military uses about 40 percent of the capacity of the Federal airways; and third, the military agencies had developed components of the system and have requirements which make it necessary to adopt and use VORTAC in lieu of other equipments suitable to civil purposes. These and other facts made it clear to the committee that in the adoption and use of VORTAC equipments for common civil-military navigation and traffic control of aircraft the Department of Defense has substantial vested interest. The committee, therefore, concluded that approximately one-third of the cost should be provided from Defense funds.

There is no difference of opinion as to the need for this equipment. If there is to be an effective system for navigational use of both civil and military aircraft, some 367 VORTAC units must be in operation by July 1, 1960. However, funds appropriated for this purpose will permit only 243, or approximately two-thirds of the requirement, to be installed by that date.

The purpose of the amendment I propose is to assure the availability of necessary equipment and associate the cost appropriately with the defense requirements. At this stage of the process of Congressional action on the 1958 budget, this much-needed equipment, which has been extensively considered in both the executive and legislative branches, can be assured by adopting my amendment which would increase the Department of Defense appropriation bill by $21.5 million.

I sincerely hope the gentleman from Texas will withdraw his point of order and will allow the House to vote on this important amendment.

I believe it is necessary for us at this time to increase the Air Force appropriation for procurement other than aircraft to provide that the Air Force will fulfill its responsibility for this new navigation facility which is so necessary for the Air Force now and will be vital as far as civilian aircraft is concerned when the jets come into being in 1960.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

The gentleman from Texas reserves a point of order; does he wish to withdraw the point of order?

Mr. MAHON. Mr. Chairman, I realize and I think we all realize that this amendment is subject to a point of order, and I am troubled as to what should be done about it. It is true that in the Commerce bill the Appropriations Committee in its report said it felt these funds—the gentleman from Georgia [Mr. PRESTON], knows about this—that it was the thought of the committee that these funds should be provided by the Air Force for this general air navigation purpose. That report was approved by the Committee on Appropriations and by the House, I assume, in approving the bill.

The other body took similar action.

I personally do not understand the problem well enough to be completely convinced as to what action should be taken, but I realize that we are to some extent committed to provide the funds. I do not like to do this in this way, but the gentleman from Kansas, who perhaps knows more about the Air Force budget than any other Member of the House of Representatives, feels very strongly about it. In view of the fact that undoubtedly the funds will have to be provided from some source in the interest of safer navigation I am willing not to make the point of order, and I shall vote for the amendment. It is all right with me to approve the item. Before it goes to the other body I shall ask the Department of Defense to thoroughly explore the matter. Then, when the matter goes to the other body I shall feel free to appear before the other body in connection with it as spokesman for our subcommittee if this appears desirable.

So under the circumstances I withdraw my point of order reservation.

Mr. SCRIVNER. Mr. Chairman, I move to strike out the last word.

As has been explained by the gentleman from Wisconsin, [Mr. LAIRD], the situation resolves itself this way and this simply: That in the Commerce Appropriations Subcommittee a $21-million reduction was made with the proviso that it would be forthcoming from the Air Force.

We cannot at this time reduce this item in the Air Force budget any further, and to carry out the commitment made by the full Appropriations Committee of 50 members, I feel that this amendment should be adopted.

Mr. MAHON. Mr. Chairman, I ask for a vote.

Mr. HASKELL. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Delaware?

There was no objection.

Mr. HASKELL. Mr. Chairman, I wish to speak in support of the amendment offered by the gentleman from Wisconsin which would provide $21.5 million for additional VORTAC, an electronic, navigational system which has been requested by the Civil Aeronautics Administration to improve our national air traffic control system.

I have talked with my good friend from Wisconsin about this matter, and I know of his great interest in seeing that action is taken to provide better air safety for commercial, private, and military aviation.

Military aviation, as well as our commercial and private aviation, depends heavily on our national system of air traffic control to fulfill its training and defense missions. It is proper that the the defense budget should make some provision for the acquisition of these units which would be of direct benefit to the military as well as the civilian. The adoption of this amendment would demonstrate the intention of Congress to see that effective steps are taken to correct the dangerous situation which exists in air traffic control today.

I have been deeply concerned with the air safety situation in the United States. Two weeks ago, I attempted to bring the problem to the attention of the House by pointing out that near collisions in midair are occurring between aircraft of all types several times a day over our major cities. Our present control system is outmoded and inadequate and I believe we must take immediate action.

These VORTAC units are part of CAA's overall program which I believe we must have to avoid a series of major air disasters in this country.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The amendment was agreed to.

PROGRAM FOR WEEK OF JUNE 3

Mr. MARTIN. Mr. Chairman, I move to strike out the last word and take this time to ask the majority leader if he can outline the program for next week.

Mr. McCORMACK. I shall be happy to.

With the completion of this bill today, if it is completed, and I hope it will be, there will be no more legislative business this week, tomorrow being May 30.

As to the program for next week:

Monday we will call the Consent and the Private Calendars.

There will be one suspension: H. R. 7238, to amend the Social Security Act relative to more effective distribution of Federal funds for medical and other remedial care. That was reported out of the Ways and Means Committee today.

That will be followed by H. R. 6974, to extend the Agricultural Trade Development and Assistance Act.

On Tuesday a Senate bill will be taken up for consideration, S. 469, termination of Federal supervision over the Klamath Indians.

On Wednesday, Thursday, Friday, and Saturday we will consider H. R. 6127, the Civil Rights Act of 1957. On Wednesday the rule will come up for consideration first. The rule provides for 4 days of general debate.

Mr. MARTIN. It is the purpose of the gentleman from Massachusetts to meet on Saturday to expedite passage of that bill?

Mr. McCORMACK. Exactly. From now on the Members might be alerted to the fact that we will meet on Saturdays, if necessary. We will meet constantly

throughout the week as the legislative business demands.

The usual reservations that conference reports may be brought any time and any further program will be announced later. I understand the Commerce Department conference report may be brought up Monday.

The Clerk read as follows:

MILITARY PERSONNEL

For pay, allowances, clothing, subsistence, transportation, interest on deposits of enlisted personnel, and travel in kind for cadets and permanent change of station travel for all other personnel of the Air Force of the United States on active duty including duty under sections 265 and 8033 of title 10, United States Code (other than personnel of the Reserve components, including the Air National Guard, on active duty while undergoing Reserve training), including commutation of quarters, subsistence supplies for issue as rations to enlisted personnel, and clothing allowances, as authorized by law; and, in connection with personnel paid from this appropriation, for rental of campsites and local procurement of utility services and other necessary expenses incident to individual or troop movements (including packing and unpacking and transportation of organizational equipment); ice, meals for recruiting parties, monetary allowances for liquid coffee for troops when supplied cooked or travel rations, and commutation of rations, as authorized by law, to enlisted personnel, including those sick in hospitals; transportation, as authorized by law, of dependents, baggage, and household effects (including storage thereof) of personnel paid from this appropriation; rations for prisoners of war and general prisoners; subsistence supplies for resale, as authorized by law; commutation of rations, as authorized by regulations, to general prisoners while sick in hospitals; subsistence of supernumeraries necessitated by emergent military circumstances; expenses of apprehension and delivery of deserters, prisoners, and members of the Air Force absent without leave, including payment of rewards (not to exceed $25 in any one case); confinement of military prisoners in nonmilitary facilities; and donations of not to exceed $25 to each civilian prisoner upon each release from a military prison, to each enlisted man discharged otherwise than honorably upon each release from confinement under court-martial sentence, and to each person discharged for fraudulent enlistment; $3,801,600,000.

Mr. YATES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I had intended to offer an amendment to this section of the bill on a matter which I feel deeply; but this is an appropriations bill and legislative provisions are improper. Hard as I have worked to draft one which would be in order and avoid the prohibition against provisions legislative in nature, I have been unable to find a proper form. Accordingly, I shall file a bill which will present the matter to the appropriate legislative committee.

But I could not in good conscience permit this bill to leave the House without making my protest against the flagrant discrimination toward military personnel of Jewish faith—American citizens, mind you—which exists today in the Middle East.

Mr. Chairman, tomorrow is Memorial Day, a day revered by all Americans. It is a day when with deep humility and gratitude we pay tribute to the heroic men and women of our armed services who gave their lives that our Nation might live. To many, the holiday brings special memories of loved ones who have gone—of thrilling deeds of courage—of examples of total sacrifice like that of the four chaplains of the *Dorchester*. You will recall that the *Dorchester* was a troopship which was struck by a torpedo in the mid-Atlantic. As the ship began to sink, some of the soldiers became frightened. In an effort to calm the boys, the 4 chaplains aboard—a priest, a rabbi, and 2 Protestant ministers took off their life belts and gave them to 4 soldiers who had none. Then, as the ship began to settle beneath the waves, the 4 chaplains placed their arms around each other's shoulders, looked heavenward and prayed to God, each in his own way. In this brotherly embrace, they went to their deaths together.

It is entirely fitting and proper that the appropriations bill for our Armed Forces should be considered during Memorial Day week. It is proper, too, because of the significance of Memorial Day that we review one of the items contained in this bill, rather small by comparison to other appropriations, but a meaningful one, nevertheless. It concerns the assignment of personnel for the Dhahran Airbase in Saudi Arabia. The United States does not own the base. We have a 5-year lease for its use under certain conditions. One of the conditions has been interpreted by the Government of Saudi Arabia to exclude all American military personnel of Jewish faith from service at the base. In response to objections which I have made against this intolerable condition, and which other Members of Congress have made, the State Department has filed protests with the Saudi Arabian Government, but has been unable to alter its attitude.

Last year the Senate took note of this abhorrent condition and passed a resolution reading as follows:

Resolved, That it is the sense of the Senate that it regards any such distinctions directed against United States citizens as incompatible with the relations that should exist among friendly nations, and that in all negotiations between the United States and any foreign state, every reasonable effort should be made to maintain this principle.

The principle to which the resolution was directed was the principle of religious freedom, which is one of the cornerstones of our Constitution. But nothing has been done by the executive branch to implement this resolution.

Some people may say that soldiers of Jewish faith are fortunate in not having to serve in such a desolate area. Others would say there is nothing we can do under the circumstances. We need the base. These viewpoints sound the triumph of expediency over principle, and represent an attitude which is basically inimical to our way of life. The principle of religious liberty has been a foundation of our foreign policy since the birth of our Nation. Time and again our Government has denounced attempts to interfere with the religious freedom of American citizens and has taken drastic action to correct efforts to flout the principle. Almost 75 years ago when Mr. Kelley was appointed American Minister to the Austro-Hungarian Empire, our State Department was advised by the Austro-Hungarian Government that this appointment was unacceptable because Mr. Kelley was married to a lady of Jewish faith. Our then Secretary of State Bayard indignantly rejected the Austro-Hungarian Government's note and immediately dispatched a reply:

It is not within the power of the President, nor Congress, nor of any judicial tribunal of the United States to take or even hear testimony in any mode, or to inquire into or decide upon the religious belief of any official, and the proposition to allow this to be done by any foreign government is necessarily inadmissible * * * to suffer an infraction of this essential principle would lead to a disfranchisement of our citizens because of their religious belief, and thus impair or destroy the most important end which our Constitution of Government was intended to secure.

A former Secretary of State of the United States, Louis Cass, stated the object of our foreign policy to be:

Not merely to protect a Protestant in a Catholic country, a Catholic in a Protestant country, a Jew in a Christian country, but rather to protect an American in all countries.

In another instance, under the leadership of Secretary of State Foster, grandfather of our present Secretary of State John Foster Dulles, a treaty of friendship with Russia was abrogated in 1911 because of Russia's discrimination against American citizens of Jewish faith.

Admittedly King Saud may establish conditions for entry into his sovereign state, but the United States is not required to accede to them. Jewish servicemen are not now permitted to serve with their comrades at the Dhahran Air Base. What would we do if King Saud were to extend his religious prohibition and exclude United States soldiers of Catholic or Protestant faith from entering his domain? After all, it has been reported that religious services for members of such faiths are subject to certain restrictions. Let us consider, also, what might have occurred a few weeks ago when the Government of Jordan was tottering and President Eisenhower dispatched the 6th Fleet and a Marine division to the eastern Mediterranean to show his readiness to implement the Eisenhower Middle East resolution. Would marines of Jewish faith have been removed from the troops sent to repel the aggressor?

Once having relented on our determination to sustain the principle of religious freedom, where would we draw the line against the same abject surrender in other instances of discrimination? We have bases in other nations of the world. If such nations were to impose provisos as intolerable as this, could we insist upon sustaining the constitutional principle having looked the other way in the Middle East? Expediency leads inevitably to frustration and the destruction of our ideals.

Many years ago, when Archbishop P. J. Ryan was a very young priest, he was stationed at a parish in St. Louis where Archbishop Kendrick presided over the diocese. The latter lived in a

very small, unpretentious house, scarcely in keeping with his position in the church. One day when Father Ryan was passing the house of the archbishop accompanied by a visiting priest, he pointed out the house as that in which the head of the St. Louis diocese lived. The visiting priest exclaimed in surprise: "Why, you should see the splendid residence we have in New York City for our archbishop." "Yes," said Father Ryan, "but you should see the splendid archbishop we have in St. Louis for our residence."

America is unique among the nations of the world for its democratic traditions and ideals. The world respects and admires the spiritual values we cherish. There is no question but that the airbase in Saudi Arabia is of great value. The principle of religious freedom is also of great value. If such values conflict, is not our choice—a splendid house or a splendid archbishop?

Mr. Chairman, it is unthinkable that this abhorrent and un-American situation shall be permitted to continue. Our Department of State must press relentlessly for its termination.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from New York.

Mr. ROONEY. Mr. Chairman, I rise to say that I am in thorough accord with the distinguished gentleman from Illinois in his just and rightful criticism of this situation. I feel that he should be highly commended for accentuating the deplorable agreement with King Saud in such eloquent fashion.

Mr. ROOSEVELT. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Chairman, I have had the privilege of working with the distinguished gentleman from Illinois in his efforts to find appropriate amendments to this appropriation bill.

It would seem incredible that a country of the standing of the United States ever would have to give in to the conditions such as demanded by Saudi Arabia, and I find it hard to belive that firm leadership in the beginning would not have overcome such demands or that, if insisted upon, our country could not have negotiated an equally advantageous base some other place.

I join with the distinguished gentleman from Illinois in hoping that legislation may be later approved which will prevent a reoccurence of this disgraceful situation and that never again will the United States ever give rise, even by implication, to the premise that we allow any distinction among our citizens in their equality or rights.

The Clerk concluded the reading of the bill.

Mr. ROOSEVELT. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Chairman, section 609 of this bill repeats in general form the intent of the Congress which has previously been stated as far back as the first War Powers Act of 1941. It was repeated when this act was amended in 1951. It was included in such measures as the Defense Production Act of 1950, the Armed Services Procurement Act of 1947, the Universal Military Training and Service Act of 1948, the Federal Property and Administrative Services Act of 1949, and the Department of Defense Appropriation Act of 1957.

These declarations come from recognition by the Congress that small business is a vital and necessary part of a rounded defense effort, as well as vital to the sound economic system in a democracy. Unfortunatey, the statement of Congressional policy, in spite of protestations to the contrary, has not been reasonably carried out by the Department of Defense. I merely cite the fact that, whereas in 1956 the Department of Defense in the continental United States spent $17,750,840,000, small-business concerns received only approximately $3½ billion or 19.6 percent. In 1957, the current fiscal year, according to current estimates, the percentage awarded to small business will decline to approximately 16.5 percent.

It is, therefore, my hope that the Appropriations Committee will find it possible to induce the Department of Defense to achieve the following program:

First. Raise the share of small-business concerns in purchases and prime contracts entered into by the military services to not less than 25 percent of the procurement dollars expended by the Department of Defense.

Second. Have the military services award a much higher percentage of their prime contracts in the procurement of supplies and services which small-business concerns are readily capable of furnishing in order to compensate for procurements which by their nature are beyond the capacity of small business.

Third. Conduct an extensive review of the products not now considered to be within the production capability of small business in order to determine whether some of these products cannot, in fact, be obtained through small business.

Fourth. Increase markedly the participation of small business in the research programs of the Department of Defense.

Fifth. Give added emphasis to the set-aside program now in operation in cooperation with the Small Business Administration. Make sure that in the awarding of prime contracts and supplies and services now considered by the Defense Department to be actually within the capacity of small business they actually are awarded to them.

Mr. Chairman, may I conclude by again congratulating the Committee on its handling of this profoundly important budget and in its devotion to the principles of providing for the United States the greatest possible national defense at the lowest possible cost to the country.

Mr. MAHON. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Chairman, I wish to make a reference to the problems of small business and insert in the RECORD at this point some reference to contract awards to small business.

CONTRACT AWARDS TO SMALL BUSINESS

I am happy that the gentleman from California [Mr. ROOSEVELT] has raised this very important question. The subcommittee on Department of Defense Appropriations has for many years expressed interest in the welfare and stability of our small business enterprises, not only from the standpoint of keeping this important segment of our economy strong, but also from the standpoint of encouraging greater competition for orders for military items of equipment and supply with resultant savings to the Government.

I am informed by the Department that from July 1956 through March 1957 small business received 57.6 percent of their potential. The term "potential" is used to designate the areas in which small business may compete and excludes such areas as guided missiles, aircraft, aircraft engines, and battleships, where there are no known small business sources. This small business potential during this period represented 29.3 percent of the total awards by the military departments. The Department of Defense has conducted a thorough analysis of the reasons why small business did not receive a higher percentage than 57.6 percent of their potential. Of the potential that was lost, 77.8 percent of it was due because small business was not competitive. Nearly 20 percent of this loss to potential was occasioned by the fact that small business did not bid on these items considered within their scope.

I also note that on page 692 of the RECORD for May 27, the gentleman from Massachusetts [Mr. PHILBIN] gives a rather thorough analysis of the situation surrounding small business and defense procurement. Mr. Philbin seems to feel that considerable progress has been made in the Defense Department with respect to expanding opportunities of small business to participate in defense procurement.

I also feel that the Department is giving serious and helpful consideration to small business. The bill continues language under section 609 which expresses the continued interest of Congress in this matter. The gentleman may rest assured that the committee will continue to encourage the expansion of the participation of small business enterprises in the large and varied procurement program of our defense establishment.

Mr. SIKES. Mr. Chairman, I wish to have inserted in the CONGRESSIONAL RECORD the article by Donald Baldwin entitled "Tour of Korean Front Finds United States Force Weak," which appeared in the Washington Post and

Times Herald on May 27, 1957. Mr. Baldwin's story follows:

TOUR OF KOREAN FRONT FINDS UNITED STATES FORCE WEAK

(By Donald Baldwin)

SEOUL, May 26.—United States forces in Korea today are woefully weak. Their unmanned battle positions are overgrown with weeds—an invitation to Communist attack.

In contrast, the North Koreans and Red Chinese across the demilitarized zone have built up an army in 4 years of armistice far more powerful than at any time during the Korean war.

The Communists have new jet planes, new tanks, new artillery, and in the opinion of South Korean intelligence officers they may also have atomic weapons. All the weapons in South Korea are either obsolete or obsolescent.

TEN-DAY INSPECTION MADE

A 10-day inspection by an Associated Press team found alert, seemingly well-trained South Korean soldiers manning 150 miles of the front from well-entrenched positions, although they were equipped with old, World War II weapons.

But a 5-mile-wide sector, athwart the classic invasion route north of Seoul, is entrusted to an American division only 60 to 80 percent of normal strength. The South Koreans—criticized during the war for failing to stand and fight alongside Americans—call the American sector the weakest link in the battle line. United States field commanders openly express concern.

This is how the opposing sides stack up today:

In the south, there are about 700,000 South Korean troops, about 80,000 Americans including 2 Infantry divisions and logistics and command units, and fewer than 5,000 other United Nations troops, including a British regiment in the process of being withdrawn.

This compares with an 800,000-man U. N. army at the end of the Korean fighting in 1953—but the weapons are old now and have not been replaced because of a ban in the armistice agreement against introduction of new-type equipment.

RED STRENGTH GREATER

In the north, according to intelligence reports, the North Koreans have a reorganized and reequipped a 400,000-man army and the Chinese Communists have a 350,000-man garrison. There are also at least a million Red Chinese troops across the Yalu River in Manchuria. The Communist forces in Korea during the war were estimated at more than a million.

The Communists have ignored the ban on new weapons. They have shipped in 1,672 artillery pieces, 340 new tanks, in addition to the 480 they already had, 500 jet and 300 propeller-driven planes.

There are recurrent—but unconfirmed—reports that their new artillery includes atomic cannon with a range of 15 to 20 miles, which is manned by Soviet technicians.

The Red jets include about 250 Mig-17's—later model interceptors than the Manchuria-based Mig's which were bested by United States Saberjets during the Korean fighting.

The U. N. forces still have about 150 Sabres, half flown by American pilots and half by South Koreans. Other United States fighter-bombers and light bombers have been withdrawn because of their age. Even the Sabres have been superseded elsewhere by newer fighters.

United States strategy appears to be based on the assumption that the Communists will not attack so long as there are any American forces in South Korea, even though understrength. South Korean generals, however, feel sure the Communists will invade the country again as soon as they feel able.

YANKS EXPENDABLE?

On the Allied side is the knowledge that a fast jet bomber could deliver an atomic bomb from its Okinawa base to a Korean target in under 2 hours, and the general assumption here is that no holds will be barred if fighting breaks out again.

In that event, some officers here say, American troops on the scene might of necessity be expendable if evacuation proved impossible. Asked what would happen if there was another Communist attack, a high officer in United States headquarters, said:

"We'd be in a terrible position."

On paper, both United States divisions are fully manned for action, with Americans firing every gun. But a visit to the two units showed both were far below strength.

All but one of the frontline regiments are miles from the frontline. It would take them from 1 to 3 hours to reach their battle positions, now weathered and overgrown with weeds in the almost 4 years of suspended combat.

The regiment that is close to its positions is located north of the Imjin River above Seoul, and in event of attack would probably have to pull back quickly behind the natural barrier or risk annihilation.

All across the American-held sector, however, continuous and active training programs are under way and morale appears to be good.

Still, a lieutenant colonel commanding a United States tank battalion said:

"If my outfit had to go into combat today I'd be forced to leave 15 or 20 tanks behind because I haven't the crews to man them."

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KEOGH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7665) making appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. CANFIELD. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. CANFIELD. I am, sir.

The SPEAKER. The gentleman qualifies.

The Clerk read as follows:

Mr. CANFIELD of New Jersey moves to recommit the bill to the Committee on Appropriations with instructions to report the bill back forthwith with the following amendments:

Page 8, line 1 (under Army operation and maintenance), after the word "Government", strike out the figure "$3,145,200,000" and insert in lieu thereof "$3,225,200,000."

Page 10, line 5 (under Army research and development), after the word "law", strike out the figure "$392,000,000" and insert in lieu thereof "$400,000,000."

Page 15, line 15 (under Navy aircraft and related procurement), after the word "appropriation", strike out the figure "$1,812,000,000" and insert in lieu thereof "$1,862,000,000."

Page 22, line 1 (under Air Force aircraft and related procurement), after the word "things", strike out the figures "$5,846,000,000" and insert in lieu thereof the figures "$6,021,000,000."

Mr. MAHON. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. CANFIELD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 151, nays 242, not voting 40, as follows:

[Roll No. 91]

YEAS—151

Addonizio	Dixon	Moore
Allen, Calif.	Dooley	Morano
Andersen, H. Carl	Dorn, N. Y.	Mumma
Arends	Dwyer	Nimtz
Auchincloss	Fenton	Norblad
Avery	Fogarty	O'Brien, N. Y.
Ayres	Ford	O'Hara, Minn.
Baker	Frelinghuysen	Osmers
Baldwin	Fulton	Ostertag
Bass, N. H.	Gavin	Patterson
Bates	George	Pelly
Becker	Griffin	Perkins
Belcher	Gubser	Pillion
Bennett, Mich.	Halleck	Poff
Bentley	Harden	Price
Berry	Harvey	Prouty
Betts	Haskell	Radwan
Bolton	Heselton	Reece, Tenn.
Bosch	Hess	Riehlman
Bow	Hill	Rodino
Bray	Holmes	Rogers, Colo.
Broomfield	Holt	Rogers, Mass.
Brown, Mo.	Horan	Sadlak
Brown, Ohio	Hosmer	St. George
Brownson	Hyde	Saylor
Broyhill	Jackson	Schenck
Bush	Jonas	Scott, Pa.
Byrnes, Wis.	Judd	Scudder
Canfield	Karsten	Seely-Brown
Carnahan	Kean	Simpson, Pa.
Carrigg	Kearns	Springer
Cederberg	Keating	Stauffer
Chamberlain	Kelley, Pa.	Taber
Chenoweth	Knox	Teague, Calif.
Chipperfield	Laird	Taylor
Clevenger	Latham	Tewes
Corbett	LeCompte	Thomson, Wyo.
Coudert	Lipscomb	Tollefson
Cramer	McConnell	Van Zandt
Cretella	McCulloch	Vorys
Cunningham, Iowa	McDonough	Vursell
Curtin	McIntire	Wainwright
Curtis, Mass.	McIntosh	Weaver
Dague	Mack, Wash.	Westland
Davis, Tenn.	Mailliard	Wharton
Dawson, Utah	Martin	Widnall
Delaney	May	Wigglesworth
Dennison	Merrow	Williams, N. Y.
Derounian	Michel	Wilson, Calif.
Devereux	Miller, N. Y.	Winstead
	Minshall	Younger

NAYS—242

Abbitt	Andrews	Beckworth
Abernethy	Anfuso	Bennett, Fla.
Adair	Ashley	Blatnik
Albert	Ashmore	Blitch
Alexander	Bailey	Boggs
Alger	Barden	Boland
Allen, Ill.	Baring	Bolling
Anderson, Mont.	Barrett	Bonner
	Bass, Tenn.	Boykin

Boyle
Breeding
Brooks, La.
Brooks, Tex.
Brown, Ga.
Budge
Burdick
Burleson
Byrd
Byrne, Ill.
Byrne, Pa.
Cannon
Celler
Chelf
Christopher
Chudoff
Church
Clark
Coffin
Collier
Colmer
Cooley
Cooper
Cunningham, Nebr.
Curtis, Mo.
Davis, Ga.
Davis, Tenn.
Delaney
Dempsey
Denton
Dies
Dingell
Dollinger
Donohue
Dorn, S. C.
Dowdy
Doyle
Durham
Eberharter
Edmondson
Elliott
Engle
Evins
Fallon
Farbstein
Fascell
Feighan
Fisher
Flood
Flynt
Forand
Fountain
Frazier
Friedel
Garmatz
Gary
Gathings
Gordon
Granahan
Gray
Green, Oreg.
Green, Pa.
Gregory
Griffiths
Gross
Hagen
Haley
Hardy
Harris
Harrison, Nebr.
Harrison, Va.
Hays, Ohio
Healey
Henderson
Herlong
Hiestand
Hoffman
Holifield
Holland
Hull
Ikard
Jarman
Jennings
Jensen
Johansen
Johnson
Jones, Ala.
Jones, Mo.
Koe
Keeney
Kelly, N. Y.
Keogh
Kilday
Kilgore
King
Kirwan
Kitchin
Kluczynski
Knutson
Krueger
Landrum
Lane
Lanham
Lankford
Lesinski
Long
Loser
McCarthy
McCormack
McFall
McGovern
McVey
Macdonald
Machrowicz
Mack, Ill.
Madden
Magnuson
Mahon
Marshall
Matthews
Meader
Metcalf
Miller, Calif.
Miller, Nebr.
Mills
Montoya
Morgan
Morris
Moss
Moulder
Multer
Natcher
Neal
Nicholson
Norrell
O'Brien, Ill.
O'Hara, Ill.
O'Konski
O'Neill
Passman
Patman
Pfost
Philbin
Pilcher
Poage
Polk
Porter
Preston
Rabaut
Ray
Reed
Rees, Kans.
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Riley
Rivers
Roberts
Robeson, Va.
Robeson, Ky.
Rogers, Fla.
Rogers, Tex.
Rooney
Roosevelt
Rutherford
Santangelo
Saund
Scherer
Scott, N. C.
Scrivner
Selden
Sheehan
Shelley
Sheppard
Shuford
Sikes
Simpson, Ill.
Sisk
Smith, Kans.
Smith, Miss.
Smith, Wis.
Spence
Staggers
Steed
Sullivan
Teague, Tex.
Teller
Thomas
Thompson, La.
Thompson, N. J.
Thompson, Tex.
Thornberry
Trimble
Tuck
Udall
Ullman
Utt
Vanik
Vinson
Walter
Watts
Whitener
Whitten
Wier
Williams, Miss.
Willis
Wilson, Ind.
Winstead
Withrow
Wright
Yates
Young
Zablocki
Zelenko

Mr. Miller of Maryland for, with Mr. Hébert against.

Mr. August H. Andresen for, with Mr. Buckley against.

Mr. Wolverton for, with Mr. Forrester against.

Mr. Kearney for, with Mr. Dawson of Illinois against.

Mr. Hoeven for, with Mr. Hays of Arkansas against.

Mr. Gwinn for, with Mr. Aspinall against.

Mr. Fino for, with Mr. Coad against.

Mr. Cole for, with Mr. Lennon against.

Mr. Hillings for, with Mr. McMillan against.

Mr. James for, with Mr. Hemphill against.

Mr. Kilburn for, with Mr. Rains against.

Mr. Smith of California for, with Mr. Bowler against.

Mr. Hale for, with Mr. Powell against.

Until further notice:

Mr. Beamer with Mr. Diggs.

Mr. Siler with Mr. Sieminski.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. MAHON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 394, nays 1, not voting 38, as follows:

[Roll No. 92]

YEAS—394

Abbitt
Abernethy
Adair
Addonizio
Albert
Alexander
Alger
Allen, Calif.
Allen, Ill.
Andersen, H. Carl
Anderson, Mont.
Andrews
Anfuso
Arends
Ashley
Ashmore
Auchincloss
Avery
Ayres
Bailey
Baker
Baldwin
Barden
Baring
Barrett
Bass, N. H.
Bass, Tenn.
Bates
Becker
Beckworth
Belcher
Bennett, Fla.
Bennett, Mich.
Bentley
Berry
Betts
Blatnik
Bliteh
Boggs
Boland
Bolling
Bolton
Bonner
Bosch
Bow
Boykin
Boyle
Bray
Breeding
Brooks, La.
Brooks, Tex.
Broomfield
Brown, Ga.
Brown, Mo.
Brown, Ohio
Brownson
Broyhill
Budge
Burdick
Burleson
Bush
Byrd
Byrne, Ill.
Byrne, Pa.
Byrnes, Wis.
Cannon
Carnahan
Carrigg
Cederberg
Celler
Chamberlain
Chelf
Chenoweth
Chiperfield
Christopher
Chudoff
Church
Clark
Clevenger
Coffin
Collier
Colmer
Cooley
Cooper
Corbett
Coudert
Cramer
Crotella
Cunningham, Iowa
Cunningham, Nebr.
Curtin
Curtis, Mass.
Curtis, Mo.
Dague
Davis, Ga.
Davis, Tenn.
Dawson, Utah
Delaney
Dellay
Dempsey
Dennison
Denton
Derounian
Devereux
Dies
Dingell
Dixon
Dollinger
Donohue
Dooley
Dorn, N. Y.
Dorn, S. C.
Dowdy
Doyle
Durham
Dwyer
Eberharter
Edmondson
Elliott
Engle
Evins
Fallon
Farbstein
Fascell
Feighan
Fenton
Fisher
Flood
Flynt
Fogarty
Forand
Ford
Fountain
Frazier
Frelinghuysen
Friedel
Fulton
Garmatz
Gary
Gathings
Gavin
George
Gordon
Grenahan
Gray
Green, Oreg.
Green, Pa.
Gregory
Griffin
Griffiths
Gross
Gubser
Hagen
Hale
Haley
Halleck
Harden
Hardy
Harris
Harrison, Nebr.
Harrison, Va.
Harvey
Haskell
Hays, Ohio
Healey
Henderson
Herlong
Heselton
Hess
Hiestand
Hill
Hoffman
Holifield
Holland
Holmes
Holt
Horan
Hosmer
Huddleston
Hull
Hyde
Ikard
Jackson
Jarman
Jennings
Jensen
Johansen
Johnson
Jonas
Jones, Ala.
Jones, Mo.
Judd
Karsten
Kean
Kearns
Keating
Kee
Keeney
Kelley, Pa.
Kelly, N. Y.
Keogh
Kilday
Kilgore
King
Kirwan
Kitchin
Kluczynski
Knox
Knutson
Krueger
Laird
Landrum
Lane
Lanham
Lankford
Latham
LeCompte
Lesinski
Lipscomb
Long
Loser
McCarthy
McConnell
McCormack
McCulloch
McDonough
McFall
McGovern
McIntire
McIntosh
McVey
Macdonald
Machrowicz
Mack, Ill.
Mack, Wash.
Madden
Magnuson
Mahon
Mailliard
Marshall
Martin
Matthews
May
Meader
Merrow
Metcalf
Michel
Miller, Calif.
Miller, Nebr.
Miller, N. Y.
Mills
Minshall
Montoya
Moore
Morano
Morgan
Morris
Morrison
Moss
Moulder
Multer
Mumma
Natcher
Neal
Nicholson
Nimtz
Norblad
Norrell
O'Brien, Ill.
O'Brien, N. Y.
O'Hara, Ill.
O'Hara, Minn.
O'Konski
O'Neill
Osmers
Ostertag
Passman
Patman
Patterson
Pelly
Perkins
Pfost
Philbin
Pilcher
Pillion
Poage
Poff
Polk
Porter
Preston
Price
Prouty
Rabaut
Radwan
Ray
Reece, Tenn.
Reed
Reer, Kans.
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Richlman
Riley
Rivers
Roberts
Robeson, Va.
Robeson, Ky.
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Mass.
Rogers, Tex.
Rooney
Roosevelt
Rutherford
Sadlak
Santangelo
St. George
Saund
Saylor
Schenck
Scherer
Scott, N. C.
Scott, Pa.
Scrivner
Scudder
Seely-Brown
Selden
Sheehan
Shelley
Sheppard
Shuford
Sieminski
Sikes
Simpson, Ill.
Simpson, Pa.
Sisk
Smith, Kans.
Smith, Miss.
Smith, Wis.
Springer
Staggers
Stauffer
Steed
Sullivan
Taber
Talle
Taylor
Teague, Calif.
Teague, Tex.
Teller
Tewes
Thomas
Thompson, La.
Thompson, N. J.
Thompson, Tex.
Thomson, Wyo.
Thornberry
Tollefson
Trimble
Tuck
Udall
Ullman
Utt
Vanik
Van Zandt
Vinson
Vorys
Vursell
Wainwright
Walter
Watts
Weaver
Westland
Wharton
Whitener
Whitten
Widnall
Wier
Wigglesworth
Williams, Miss.
Williams, N. Y.
Willis
Wilson, Calif.
Wilson, Ind.
Winstead
Withrow
Wright
Yates
Young
Zablocki
Zelenko

NOT VOTING—40

Andresen, August H.
Aspinall
Baumhart
Beamer
Bowler
Buckley
Coad
Cole
Dawson, Ill.
Diggs
Fino
Forrester
Grant
Gwinn
Hale
Hays, Ark.
Hébert
Hemphill
Hillings
Hoeven
Holtzman
James
Jenkins
Kearney
Kilburn
Lennon
McGregor
McMillan
Mason
Miller, Md.
Murray
Powell
Rains
Schwengel
Sieminski
Siler
Smith, Calif.
Smith, Va.
Van Pelt
Wolverton

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Baumhart for, with Mr. Mason against.

Mr. McGregor for, with Mr. Van Pelt against.

Mr. Jenkins for, with Mr. Holtzman against.

Mr. Schwengel for, with Mr. Smith of Virginia against.

Mr. Diggs with Mr. Hillings.

Mr. Hemphill with Mr. Jenkins.

Mr. Rains with Mr. Kearney.

Mr. Forrester with Mr. Kilburn.

Mr. Powell with Mr. Siler.

Mr. McMillan with Mr. Wolverton.

Mr. Murray with Mr. Hoeven.

Mr. Grant with Mr. Beamer.

Mr. Sieminski with Mr. Fino.

Mr. Bowler with Mr. Gwinn.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members speaking on the bill today may be permitted to revise and extend their remarks and insert appropriate extraneous matter, and that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMITTEE ON WAYS AND MEANS

Mr. COOPER. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight Friday night to file a report on the bill H. R. 7238, to amend the public assistance provisions of the Social Security Act so as to provide for a more effective distribution of Federal funds for medical and other remedial care.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

CHANGES IN FEDERAL EXCISE TAX LAWS

Mr. DELANEY, from the Committee on Rules, reported the following privileged resolution (H. Res. 270, Rept. No. 493), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7125) to make technical changes in the Federal excise tax laws, and for other purposes, and all points of order against the bill are hereby waived. That after general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on Ways and Means, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Ways and Means may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

POLICY AND PROCEDURE IN CONNECTION WITH CONSTRUCTION CONTRACTS MADE BY EXECUTIVE AGENCIES

Mr. MADDEN, from the Committee on Rules, reported the following privileged resolution (H. Res. 271, Rept. No. 494), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7163) to prescribe policy and procedure in connection with construction contracts made by executive agencies, and for other purposes. After general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendements of the Senate to the bill (H. R. 6871) entitled "An act making appropriations for the Departments of State and Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes."

STABILIZATION OF DOMESTIC LEAD AND ZINC MINING INDUSTRIES

Mr. METCALF. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. METCALF. Mr. Speaker, I have just introduced a bill to stabilize the domestic lead and zinc mining industries.

The bill would set the minimum price for lead at 18 cents a pound, for zinc at 15 cents. Lead is now selling for 15 cents, zinc is bringing 11½ cents.

Under the bill, an import tax of 6 cents a pound would automatically replace the existing tariff upon imported lead whenever the domestic market price averages less than 18 cents for 1 calendar month. The President would suspend the special tax after the domestic market price of common lead delivered at New York City averaged at least 18 cents a pound for 2 consecutive months.

An import tax of 6 cents a pound would automatically be imposed on zinc whenever the average domestic market price is below 15 cents a pound f. o. b. East St. Louis, Ill., for 1 calendar month. The President would suspend the tax after the average domestic market price of zinc averaged at least 15 cents a pound for 2 straight months.

Passage of this bill will set a price at which domestic miners can produce and sell in this country. The average production cost in this country is close to 17 cents for lead and just under 15 cents for zinc.

In 1950, United States mine production of lead was 430,827 short tons. In that same year, we imported 521,796 short tons, or 28 percent more than the domestic mine production. In 1956, domestic mine production had fallen to 348,329 short tons. Last year, we imported 458,553 short tons of lead, still 28 percent more than domestic production.

In 1950, domestic mines produced 623,375 short tons of zinc. That year, we imported 434,547 short tons, or 70 percent less than domestic production. In 1956, domestic production fell to 537,643 short tons—but we imported 770,775 tons, or 43 percent more than domestic production.

In the past 7 years, foreign producers have retained their dominance of our lead market and have virtually taken over zinc production. This has brought a recession to the miners of the West and to the business communities which serve them.

The administration program, outlined last Friday by Secretary of the Interior Seaton, is nothing.

As one miner told me, the administration's sliding-scale import tax proposal is slow death. If we cannot have something better, we might as well make it quick.

THE ANTI-AMERICAN RIOT ON FORMOSA ISLAND

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ZABLOCKI. Mr. Speaker, the subcommittee on the Far East and the Pacific of the Committee on Foreign Affairs has already inquired into the causes of the recent anti-American riots on Formosa, and demonstrations in other parts of the Far East. The subcommittee has received only preliminary reports and statements on this subject from officials in State and Defense Departments. It will want to know much more before it can make an accurate assessment.

It appears certain that the demonstration of the type which occurred in Taipei could not materialize spontaneously, without some preparation, and without some realization of the possibility that it was forthcoming on the part of the Chinese Nationalist Government, and of our own intelligence. If neither our own intelligence, nor that of the Nationalist Government, was aware of the

impending possibility of such a riot, such ignorance warrants an explanation.

The violence of the riot, the extensive damage it caused to United States property, and the physical violence it inflicted on American personnel on Formosa, cannot be lightly passed over. They call for a thorough reexamination of our position with respect to Formosa, and of our programs and actions affecting that island.

It would be shortsighted if we tried to delude ourselves into believing that a riot of such proportions does not point to the presence of factors and attitudes on Formosa which touch the very basis of our relationship with the Chinese Nationalist Government.

We have proceeded on the assumption that the Nationalist Government is the embodiment of the hope of the non-Communist Chinese and that its policies are supported by the people of Formosa, and that its course is securely bound to that of our Nation. We have considered it fundamental to our own security that Formosa not fall into the hands of the Communists.

The riot in Taipei, particularly in view of its proportions, raised a question about the extent to which the population of Formosa approves the course chartered by the Nationalist Government, and its relationship to our country and to our basic foreign policy. These aspects of the situation, in my opinion, warrant continued examination by the executive branch and by the Congress.

ADDITIONAL PROGRAM FOR NEXT WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, in addition to the program I announced earlier, I was later informed that there might be an agreement reached on the Commerce Department appropriation bill, in which event that bill will come up for consideration on either Monday or Tuesday, probably Monday.

Mr. Speaker, there will be no legislative business tomorrow. We are meeting tomorrow in order to adjourn over until Monday, otherwise we would have to adjourn from today to Friday and from Friday to Monday. We will adjourn until tomorrow and then meet on Monday next.

ADJOURNMENT FROM THURSDAY TO MONDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

JUSTICE FOR THE SELF-EMPLOYED

Mr. OSMERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. OSMERS. Mr. Speaker, America is penalizing ambition, initiative, thrift, and self-reliance. This is a shortsighted policy which we must act to rectify at once.

I seek tax justice for the 10 million self-employed Americans who earn their living in the best American tradition.

Many are physicians, dentists, lawyers, accountants, architects, veterinarians, and members of other professions which serve mankind.

They spent years preparing themselves for their lifework—years of expensive education for which many of them went heavily into debt. Often their peak earning years are crowded into a shorter span than those of the person who works in a salaried position. The years during which they might accumulate savings for retirement—are the years during which Uncle Sam takes the largest tax bite from their income.

Other self-employed taxpayers are our independent businessmen and farmers.

I believe that these fine people should not be penalized as they are today by full taxation on the accumulation of savings for old-age retirement, just because they have the ambition, the determination, and the self-reliance to work for themselves.

If they became employees, they would in many cases enjoy a tax break on some of their retirement income—a tax break for which they are now ineligible as self-employed workers.

This tax break is accorded to the beneficiaries of company pension plans which now cover some 15 million employees. These employees receive the benefit of Federal income tax liability deferment.

These company pension plans benefit not only the man behind the lathe in the plant, but to an even greater extent the executive behind the desk in the company office.

Here is how tax deferment works under present law to benefit a high-salaried executive.

For example, corporation Vice President Smith draws a $20,000 a year salary on which he pays the regular income taxes. In addition, his company pays $3,000 a year additional into its qualified employees' trust for Mr. Smith. This $3,000 benefit for Mr. Smith is not regarded as part of his taxable income until he actually receives it many years later from the trust.

By then, having retired, his income is probably less, and he is likely to be in a lower income bracket.

But self-employed people who set aside funds for their retirement have no such right to defer income tax liability on these savings.

I am a strong supporter of legislation proposed to correct this inequity. The Jenkins-Keogh bills, H. R. 9 and H. R. 10, would extend this tax deferment principle to America's self-employed on some of their savings for retirement income.

Here is what this legislation proposes:

In general, a self-employed person would be able to defer income tax liability on a specified portion of savings which are, first, put into restricted retirement life insurance or annuity contracts; or, second, into restricted retirement funds held by a bank as trustee or custodian.

The annual amount which could be put into such funds or insurance, with tax liability deferment, would be limited to 10 percent of earned income or $5,000 per year, whichever is less—up to a total of $100,000 during an individual's lifetime.

A special rule is proposed for taxpayers who would have passed the age of 55 on the effective date of the bill. They would be allowed to put additional money into such funds under the same conditions, with the additional amounts determined by their age.

Cash benefits would be subject to Federal income tax when received from these trust funds and insurance policies. In case of a lump sum distribution, they would be taxed as a long-term capital gain if the fund has accumulated over a period greater than 5 years.

Passage of this legislation would benefit the entire Nation as well as those individuals who would gain more equitable tax treatment.

It would encourage long-term savings which are an influential factor in combating inflation. This insidious enemy victimizes everybody, but is most harmful to those who live on fixed incomes from such sources as pensions and insurance.

According to most economists, a strong inflationary factor exists when the demands for capital for new construction, plant expansion, and so forth, are greater than the supply of money available for long-term investment.

This legislation facilitates an increase in the amount of long-term savings available for expanding our economy in a noninflationary manner.

The fact that many Americans are protected against destitution in old age through social security, company or government pensions, or a combination of these does not mean that it is no longer wise to be thrifty.

Many people put off retirement year after year because of economic necessity. They would not starve if they retired, but they would have to reduce drastically their standard of living.

To these people, additional retirement income could mean the difference between a dreary old age and a happy one.

But with present high taxes, much of the surplus which used to go into savings or the retirement annuity now goes to the tax collector instead. Many who are earning good money, at the peak of their earning powers, find themselves on a taxpaying treadmill.

Thrift is especially important to the self-employed. Often their major capital is their health and energy. An increase in capital must come from earnings, or from loans paid back out of earnings. The tax structure is such that it is difficult to accumulate capital through savings.

A man's business or his professional practice may be doing very well, but an emergency or illness may incapacitate him and leave nothing to show for his years of hard work.

If our self-employed and professional people were encouraged, by an income tax deferment provision, to provide for the future with trust funds or annuities, they would be helped to provide their own future security on a more equal basis with employed citizens.

Our American system of life is based on free enterprise. It has long been an ideal for many Americans to start their own business, or to enter a profession, and to be their own boss, so to speak.

American business, the jobs of those who work for others, our general prosperity, are all based on this spirit of individual enterprise. Every person who works for a company on a salary gets his paycheck because someone else started a business and made a go of it.

People who work for themselves should be encouraged, not penalized.

Unfortunately, the trend of much legislation from the early thirties into the early fifties has been to penalize the independent entrepreneur.

The Jenkins-Keogh legislation will grant the self-employed equal tax justice in providing for retirement income. It is a step in the right direction. It is endorsed by many groups of professional men. It has strong bipartisan support. I sincerely urge the Ways and Means Committee to report favorably these bills and their passage at this session of Congress.

NEW FARM PROGRAM FOR COTTON

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Speaker, Senator RUSSELL, of Georgia, and I are introducing a bill today, which would establish a new farm program for cotton. We have attempted to recognize and meet on a fair basis existing problems of the cotton farmer, though of course there is no perfect answer to the farm problem. In preparing this measure, we have had the full cooperation of the Office of the General Counsel of the Department of Agriculture.

To determine the relative merits of this measure, which would require no financing from the Treasury, it should be compared with: Existing law, with its acreage controls—which have proven self-defeating—with the production of basic commodities flowing into and out of the Commodity Credit Corporation, the Government paying the difference between the domestic support price and that at which such commodities are sold in world trade, and the Brannan-Benson plan for compensatory payments where the difference between farm income and a fair income would be paid direct from the Federal Treasury.

We would point out that this Brannan-Benson approach has one significant defect. It would make the farmer dependent for part of his cost and all his profit on annual direct appropriations of the Congress. The level of the farmer's income would then be subject to the strong economic and political pressures which develop from year to year. For the farmer to rely upon any such program would be exceedingly risky, since 87 percent of the American people, whom the Congress represents, are nonfarmers.

The principle of protecting a farm program, deemed essential to the general welfare, from being destroyed by competition which might take advantage of the farm law itself, as provided in this bill, is the same as that which supports section 22 of the Agricultural Adjustment Act, which authorizes the President to prevent the destruction of farm programs by foreign competition by imposing a tariff or even an embargo.

To meet the problem of preventing advantage to either cotton or synthetics, the greater part of which are made from farm products, from the operations of such law, the Secretary should exercise discretion similar to that he exercised in past years in providing price support levels for soybeans and cotton seed.

One major improvement contained in this bill is that the price would be the world price, and the support price provided in this bill would be the world price plus that added to offset American costs. This would leave no basis at all for complaints at United States production moving in world trade competitively.

This measure is being offered as a possible solution, so that it may have the consideration of the Congress and interested farmers and farm groups. We had hoped to prepare bills providing the same approach for other commodities; but time has not permitted us to do that. However, such approach could be expanded to include other commodities.

I give here a brief analysis of the measure:

GENERAL PROVISIONS OF BILL ON COTTON

First. Acreage allotments would be eliminated and no restrictions would be placed on the number of acres which could be planted.

Second. Cotton would move from the farm through the channels of the trade in this country at world prices. By means of a certificate system, farmers would receive an additional amount on their share of the domestic consumption to offset the high cost of producing American cotton.

Third. The domestic quota would be established and distributed to States, counties, and farms, based on the 5-year average production, 1952–57. Adjustments are provided for abnormal weather conditions and for minimum farm quotas for farms having 4 acres or less.

Fourth. Certificates representing each farm's share of the domestic quota would be issued to the persons sharing in the cotton produced on each farm. Manufacturers of synthetics similar to cotton would purchase certificates from CCC.

Fifth. The certificates would be used to identify cotton coming within the domestic quota, as well as synthetic materials similar to cotton.

Sixth. Domestic processors or manufacturers would be required to purchase certificates for all cottons and synthetics similar to cotton equal to the quantity of the raw cotton or synthetic used. A system of rebates for textile exports is provided for.

Seventh. Imported textiles would have to be covered by certificates in the amount of raw cotton or synthetic equivalent in those products.

Eighth. The value of the certificates would be equal to the difference between the world price and an amount to be determined by the Secretary of Agriculture, which would offset the higher cost of American production of cotton resulting from other laws, contracts, or regulations.

Ninth. Price support on the domestic quota would be available through loans. The loan level would be the world price as determined by the Secretary of Agriculture, plus the amount added for the higher cost for American production.

Tenth. Cotton acquired by CCC in price-support operations would be offered for export sale at competitive world prices.

SOIL-BANK PROGRAM

Mr. THOMSON of Wyoming. Mr. Speaker, I ask unanimous consent that the gentleman from Kansas [Mr. AVERY] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

Mr. AVERY. Mr. Speaker, the opponents of the soil-bank program seem to take considerable satisfaction in deleting the appropriation for the 1958 program. The only effective charges against the short-lived program were in its poor administration at the local level. Obviously the Members making those charges did not know that the soil-bank program was administered on the local level by a county committee elected by the farmer of the respective counties. Before one dollar of Federal funds could be paid to any farmer under the soil-bank program, a member of this farmer-elected county ASC committee was required to affix his signature to a soil-bank agreement which made two certifications: First, that the average productivity of the acres placed in the program was fairly appraised; and, secondly, that the farmers had met all requirements set out by the Secretary of Agriculture. The charge of poor administration of the program or of appraisal of the potential production of acres placed in the soil bank is a direct indictment against the locally elected ASC committee. It would appear to me to be a serious charge for a Member to make against his own constituents.

If the soil-bank program is to be scuttled, what will the program be for 1958?

I hope we do not have to wait in 1958 as we did in 1956, until planting time was past before we acted on the agricultural program for that crop year.

Posing virtually this same question, Mr. Speaker, is an editorial from a leading newspaper in my district, the Topeka Daily Capital. It presents a challenge to the opponents of the soil-bank program. The editorial follows:

IF NO SOIL BANK, THEN WHAT?

Secretary Benson, of the Department of Agriculture, was understandably disappointed in the House vote to kill soil-bank payments. This program, designed to cut down the surpluses of farm commodities, was the administration's effort to solve a pressing problem.

For years the farm income has been dwindling in relation to prices of what the farmers have to buy. The surpluses of the major crops were blamed, and probably were guilty, with depressing prices. While the soil bank may not have reduced surpluses as much as anticipated, without a doubt the taking of large acreages out of production would have helped.

Should the Senate adopt the House bill the farmers will be back where they were prior to enactment of the law last year. Whether the cost of maintaining farm income by subsidies, such as the flexible-support program, would be greater than the payments for taking land out of cultivation is uncertain. The comparable costs haven't been determined, due to the short time the soil bank has been in operation.

Opponents of the soil bank and the flexible-support programs probably favor leaving the farmers of the Nation to the not too tender mercies of an open market. This, of course, would leave them helpless in the economic system in which they have little or no voice.

So long as industry, transportation, and business generally are protected by various and sundry devices, just so long must agriculture be bolstered by the Government. Otherwise the food producers will be forced into total bankruptcy, which would surely bring on deep trouble for all other elements of our economy.

ARMY AND NAVY UNION OF THE UNITED STATES OF AMERICA

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am today introducing a bill which would provide a charter for the Army and Navy Union of the United States of America. This is the oldest veterans' organization in existence, and I hope sincerely the bill will pass unanimously.

The bill reads as follows:

H. R. 7833

A bill to incorporate the Army and Navy Union of the United States of America

Be it enacted, etc., That the following-named persons, to wit: Lawrence N. Farielio, New York, N. Y.; Warden V. Ankeny, Lakemore, Ohio; Rowland N. Chamberlain, Norfolk, Mass.; Ransom C. Gaskill, Jr., Atlantic City, N. J.; John Wagner, Akron, Ohio; Leo C. DeLapp, Sr., Richmond, Calif.; Joseph P. Burger, Akron, Ohio; Clarence A. Eberle, Akron, Ohio; John Nybel, Youngstown, Ohio; Noah Eckstein, Pleasantville, N. J.; Dr. Myron Silberstein, New York, N. Y.; the Reverend Herman S. Geske, Milwaukee, Wis.; George M. Bladen, Washington, D. C.; and James M. Callahan, Victor, Iowa, and their associates and successors, are hereby created a body corporate by the name of "Army and Navy Union of the United States of America" (hereinafter referred to as the "corporation").

PURPOSES OF CORPORATION

SEC. 2. The persons named in the first section of the act, or their successors are hereby authorized to meet to complete the organization of the corporation by the selection of officers, the adoption of a constitution and bylaws not inconsistent with this act, and the doing of such other acts as may be necessary for such purpose.

OBJECTS AND PRINCIPLES OF THE CORPORATION

SEC. 3. The objects and principles of the corporation shall be—

(1) to hold true allegiance to the Government of the United States of America and fidelity to its Constitution, laws, and institutions; to defend the United States of America from all enemies, at home or abroad; to maintain constant vigilance against, and to combat, all forces which might intend the destruction of our form of government through violence, sabotage, or other subversive activities;

(2) to serve our Nation in peace as well as in war through sincere devotion to God, by fostering the ideals of faith and patriotism, loyalty, justice, and liberty; by inculcating in the hearts of young and old, through precept and practice, the spirit of true Americanism; by participating in civic activities for the good of our country and our community;

(3) to unite in fraternal fellowship those who have served honorably and those who are now serving honorably in the Armed Forces of the United States of America; to protect and advance their civic, social, and economic welfare; to aid them in sickness and distress; to assist in the burial and commemoration of their dead; and to provide help for their widows and orphans;

(4) to perpetuate the memory of patriotic deeds performed by the defenders of our country; and

(5) to do any and all lawful acts which may be necessary, useful, suitable, desirable, and proper for the furtherance, accomplishment, and attainment of any or all of the foregoing purposes.

CORPORATE POWERS

The corporation shall have perpetual succession and power—

(1) to sue and be sued, complain and defend, in any court of competent jurisdiction;

(2) to adopt, alter, and use a corporate seal;

(3) to choose such officers, trustees, and employees as the business of the corporation may require;

(4) to adopt, amend, and alter a constitution and bylaws, not inconsistent with the laws of the United States or any State in which the corporation is to operate, for the management of its property and the regulation of its affairs;

(5) to contract and be contracted with;

(6) to charge and collect membership dues, subscription fees, and receive contributions of grants of money or property to be devoted to the carrying out of its purpose;

(7) to take and hold by lease, gift, purchase, grant, devise, or bequest, any property, real or personal, necessary for attaining the objects and carrying into effect the purposes of the corporation, subject to applicable provisions of law in any State (A) governing the amount or kind of real and personal property which may be held by, or (B) otherwise limiting or controlling the ownership of real or personal property by a corporation operating in such State;

(8) to transfer, encumber, and convey real or personal property;

(9) to borrow money for the purpose of the corporation, issue bonds therefor, and secure the same by mortgage, subject to all applicable provisions of Federal or State law;

(10) to use the corporate funds to give prizes, awards, or other evidences of merit or recognition to persons or groups for outstanding contributions toward the achievement of the purposes of the corporation;

(11) to publish magazines and other publications and materials, whether periodic or occasional, consistent with its corporate purpose;

(12) to adopt, alter, use, and display distinctive emblems, seals, and insignia;

(13) to establish, regulate, and discontinue subordinate regional, departmental, and other subdivisions and local units, garrisons, or naval branches;

(14) to promote the formation of subordinate ladies' auxiliaries and youth organizations, the membership requirements of which shall be determined according to the constitution and bylaws of the corporation;

(15) to have the sole and exclusive rights for the corporation and its regional, departmental, and other subdivisions, and local units, garrisons, or naval branches to use in carrying out its purpose the name of the Army and Navy Union of the United States of America"; and

(16) to do any and all acts necessary and proper to carry out the purposes of the corporation; and for such purposes, the corporation shall also have in addition to the foregoing, in this section and subsection, the rights, powers, duties, and liabilities of the existing corporation referred to in section 18 as far as they are not modified or superseded by this act.

CORPORATION HEADQUARTERS

SEC. 5. The headquarters of the corporation shall be located in Lakemore, Ohio, or in such other place as may later be determined by action of the council of administration of the corporation, but the activities of the corporation shall not be confined to that place and may be conducted throughout the various States, Territories, and possessions of the United States.

AGENTS TO ACCEPT SERVICE OF PROCESS

SEC. 6. (a) The corporation shall maintain at all times in the District of Columbia a designated agent authorized to accept service or process for the corporation, and notice to or service upon such agent, or mailed to the business address of such agent, shall be deemed notice to or service upon the corporation.

(b) The corporation shall file in the office of the secretary of each State in which subdivisions, and local units, garrisons or naval branches may be organized, the name and post-office address of an authorized agent in such State upon whom local process or demands against the corporation may be served.

MEMBERSHIP IN THE CORPORATION

SEC. 7. Eligibility for membership in the corporation, and rights and privileges of members shall, except as provided in this act, be determined as the constitution and the bylaws of the corporation may provide.

MANAGEMENT OF THE CORPORATION—OFFICERS AND VOTING

SEC. 8. The administration and regulation of the affairs of the corporation shall be conducted as prescribed in the constitution and bylaws of the corporation, providing that—

(1) officers of the corporation shall be elected at the annual encampment of the corporation by a majority of votes cast by officers and delegates who have been chosen

by ballot by the members of subordinate subdivisions and local units of the corporation: *Provided*, That any member shall be eligible for any office within the corporation;

(2) between encampments, the administrative power of the corporation shall be vested in a national council of administration, which shall be composed of the national commander, the national senior vice commander, four or more junior vice commanders, the national judge advocate, the national paymaster, the national quartermaster, the national adjutant, the commanders of all departments, a national councilman from each department, and all past national commanders in good standing in their respective local units;

(3) upon enactment of this act, the membership of the initial council of administration shall consist of the following-named persons, to wit: Lawrence N. Farielio, New York, N. Y.; Warden V. Ankeny, Lakemore, Ohio; Rowland N. Chamberlain, Norfolk, Mass.; Ransom C. Gaskill, Jr., 214 North California Avenue, Atlantic City, N. J.; John Wagner, Akron, Ohio; Leo C. Delapp, Sr., Richmond, Calif.; John Nybel, Youngstown, Ohio; Clarence A. Eberle, Akron, Ohio; Joseph P. Burger, Akron, Ohio; Arnold J. Storlazzi, Medford, Mass.; Angelo Russo, Roslindale, Mass.; Phillip V. B. King, Rensselaer, N. Y.; Irving McGough, Flushing, N. Y.; Jose P. LoBello, Bloomfield, N. J.; Ernest C. Burrows, Woodbridge, N. J.; Russell Mytenka, Akron, Ohio; Paul E. Weigel, Akron, Ohio; Herbert Borchardt, Washington, D. C.; Albert C. Allen, Washington, D. C.; Paul Knuese, Milwaukee, Wis.; Herman S. Geske, Milwaukee, Wis.; Okey Rookstole, Akron, Ohio; Warren E. Miller, Washington, D. C.; H. C. John Russell, Falls Church, Va.; Henry W. Gerber, Atlantic City, N. J.; James M. Callahan, Victor, Iowa; Joseph C. Stehlin, Miami Beach, Fla.; George W. Carr, South Bend, Ind.; and George F. Harnois, Needham Heights, Mass.; and

(4) thereafter, the council of administration of the corporation shall consist of such number (not less than 21), selected in such manner (including the filling of vacancies), and shall serve for such terms, as may be prescribed in the constitution and bylaws of the corporation.

DISPOSITION OF ASSETS

SEC. 9. No part of the income or assets of the corporation shall inure or be distributed to any member or officer thereof except upon dissolution or final liquidation of the corporation as provided in section 16 of this act. Nothing in this section, however, shall be construed to prevent the payment of compensation to officers of the corporation in amounts approved by its council of administration.

LOANS TO OFFICERS, MEMBERS, OR EMPLOYEES

SEC. 10. The corporation shall not make loans to its officers, members, or employees. Any officer or member of its council of administration who votes for or assents to the making of a loan to an officer, member, or employee of the corporation, and any officer who participates in the making of such loan, shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

NONPOLITICAL NATURE OF THE CORPORATION

SEC. 11. The corporation and its officers and members as such shall not contribute to or otherwise support or assist any political party or candidate for public office.

ACTS OF OFFICERS

SEC. 12. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

NO STOCK OR DIVIDENDS

SEC. 13. The corporation shall have no power to issue any shares of stock, nor to declare or pay any dividends.

BOOKS AND RECORDS, INSPECTION OF

SEC. 14. The corporation shall keep current and complete books and records of account and shall keep minutes of the proceedings of its encampments, meetings of its council of administration, and committees having any of the authority of said council. It shall keep at its principal office a record of the names and addresses of its members entitled to vote. All books and records of the corporation may be inspected by any member entitled to vote, or his agent or attorney, for any proper purpose, at any reasonable time.

ANNUAL AUDIT AND REPORT TO CONGRESS

SEC. 15. (a) The financial transactions shall be audited annually, at the end of the fiscal year established by the corporation, by an independent certified public accountant in accordance with the principles and procedures applicable to commercial corporate transactions. The audit shall be conducted at the place or places where the accounts of the corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to, or in use by the corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit; and full facilities for verifying transactions with the balances or securities held by depositors, fiscal agents, and custodians shall be afforded to such person or persons.

(b) A report of such audit shall be made by the corporation to the Congress not later than 6 months following the close of such fiscal year for which the audit is made. The report shall set forth the scope of the audit and shall include verification by the person or persons conducting the audit of statement of (1) assets and liabilities, (2) capital and surplus or deficit, (3) surplus or deficit analysis, (4) income and expense, and (5) sources and application of funds. Such report shall not be printed as a public document.

USE OF ASSETS ON DISSOLUTION OR LIQUIDATION

SEC. 16. Upon final dissolution or liquidation of the corporation, and after discharge or satisfaction of all outstanding obligations and liabilities, the remaining assets of the corporation may be distributed in accordance with the determination of the council of administration of the corporation and in compliance with the constitution and bylaws of the corporation and all Federal and State laws applicable thereto.

EXCLUSIVE RIGHT TO NAME, EMBLEM, SEAL, AND BADGES

SEC. 17. The corporation and its subordinate regional, departmental, and other subdivisions, and local units, garrisons, or naval branches, ladies' auxiliaries, and youth organizations, shall have the sole and exclusive right to use in carrying out its purposes the name of the "Army and Navy Union of the United States of America." The corporation shall have the exclusive and sole right to use, or to allow to refuse the use of, such emblems, seals, insignia, or badges as have heretofore been used by the corporation referred to in section 18, or which it may hereafter legally adopt in carrying out its program, it being distinctly understood, however, that nothing in this act shall interfere or conflict with established or vested rights.

TRANSFER OF ASSETS

SEC. 18. The corporation may acquire the assets of the existing corporation known as the Army and Navy Union of the United States of America, incorporated in the State of Ohio, and any auxiliary or subordinate unit thereof, upon discharging or satisfactorily providing for the payment and discharge of all of the liabilities thereof and upon complying with all the laws of the State of Ohio applicable thereto.

CONDITIONS PRECEDENT TO INCORPORATION

SEC. 19. The provisions of this act shall take effect on the filing, in the office of the clerk of the United States District Court for the Southern District of Ohio, of affidavits signed by the incorporators named in section 1 of this act, to the effect that the body corporate of the State of Ohio, known as the Army and Navy Union of the United States of America has been dissolved in accordance with law, but only if such affidavits are filed within 120 days after the date of enactment of this act.

"STATE"

SEC. 20. As used in this act, the word "State" includes the District of Columbia.

RESERVATION OF RIGHTS

SEC. 21. The right to alter, amend, or repeal this act is hereby expressly reserved.

PANAMA CANAL: UNITED STATES OWNERSHIP AND CONTROL

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. FLOOD] is recognized for 60 minutes.

Mr. FLOOD. Mr. Speaker, I have the honor of serving on the appropriations subcommittee for the Department of Defense and also the Department of Commerce and related agencies, among which allied agencies is the Panama Canal and the Panama Canal Company. I recently returned on official business for my subcommittee from the Canal Zone. I spoke to this House the day before I left at some length on the problem and I said I would speak again on my return because of my membership upon the Defense Appropriations Subcommittee. As you know, we have been in debate on that bill until just a few minutes ago. Therefore, this is my first opportunity to make that report.

You are aware that the political situation in the Suez has magnified and dramatically pinpointed the relationship of the Panama Canal and the Republic of Panama to our country. Because of those reasons and for others dealing with the need for the further physical development of the canal, the need to widen the canal, the need to deepen the canal, the need to go back and restore, the necessity for a lake-pooling area near the Pedro Miguel locks, all of those things which are necessary and essential not only to the national defense and international commitments were part of my investigation and are portrayed in this report. I feel that it would be indelicate for me at this time to discuss the international politics, and I do not intend so to discuss them other than in passing, but I repeat these things in my address today for the purpose of emphasis because of discussions now going on in European, Middle Eastern, Asiatic, African, and American papers on the fact that there may be a powder keg in the Panama area, and in my judgment there is such a serious delicate condition that does exist.

Mr. Speaker, the Suez crisis has focused world attention on the general subject of interoceanic canals to a degree not surpassed since the debates about the Panama Canal at the start of this century. In the mounting volume of discussion and propaganda, repeated demands at home and abroad have been

made to transfer jurisdiction over the Canal Zone and supervision of the Panama Canal from the United States to an international or other authority.

Most of this clamor comes from Soviet Russia and the satellites, but some of it comes from persons who occupy high positions in the United States. Regardless of its origin or form, or the unquestionably high intentions of those who voice it, this outcry conforms to the well-known program of penetration and subversion so characteristic of the Communist conspiratorial apparatus. Portions of it have appeared even in the annals of the present Congress.

CONCESSIONARY BASIS OF SUEZ CANAL

Though Suez and Panama are the only two truly interoceanic canals, the juridical bases for their construction differ materially. The Suez Canal was built under an act of concession granted by the Khedive of Egypt to the Universal Suez Maritime Canal Co., an Egyptian corporation administered for the profit of its stockholders, who include individuals of many nationalities and several governments. Its operation was, and still is, subject to the provisions of the convention of Constantinople of 1888. This international agreement requires that the Suez Canal "shall always be free and open, in time of war as in time of peace, to every vessel of commerce or of war, without distinction of flag." Thus, this convention established its international character, for which Egypt, then a part of the Ottoman Empire, and later a severed state, was specifically charged under international law with execution of these treaty provisions.

In meeting the demands of the current Suez crisis, the principal moves with respect thereto seem to have been aimed toward the expediencies of world politics rather than toward compliance with established principles of international law, justice, and concessionary and contractual obligations. Thus, its handling has played directly into the hand of those who would destroy the juridical foundation on which the Panama Canal rests.

JURIDICAL FOUNDATION OF PANAMA CANAL

What is the nature of that foundation? In contrast to the Suez Canal, which was built by private enterprise under French leadership, the Panama Canal was constructed by the United States with Federal appropriations derived through taxation of the American people.

As described in my address to the House on April 17, 1957, shortly before departing for the Canal Zone on official duty, the legal base for the Panama Canal consists of three important treaties:

First. The Hay-Pauncifote Treaty of 1901 between the United States and Great Britain, which facilitated its construction and adopted the major points in the convention of Constantinople of 1888 as rules for its operation.

Second. The Hay-Bunau-Varilla Treaty of November 18, 1903, between the United States and the Republic of Panama, which, on the part of the United States, guaranteed the independence of Panama and, on the part of Panama, granted to the United States in perpetuity the use, occupation, and control of the Canal Zone for the construction, maintenance, operation, sanitation and protection of the Panama Canal as if the United States were sovereign of the territory, and most significantly, to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power or authority.

Third. The Thomson-Urritia Treaty of April 6, 1914, proclaimed March 30, 1922, between the United States and the Republic of Colombia, the sovereign of the Isthmus prior to the Panama Revolution of November 3, 1903, which recognized Panama as an independent state and agreed that the title to the Panama Canal and Panama Railroad is vested entirely and obsolutely in the United States, without any encumbrances or indemnities whatever.

Here it should be pointed out that the Hay-Pauncifote Treaty is between the United States and Great Britain only, that no other nation has any treaty rights of its own as to the canal, and that whatever rights they enjoy are gratuitously granted by the United States under its treaty with Great Britain. Other nations cannot claim such rights, except Colombia and Panama with respect to the levy of tolls for the transit of troops, materials, and ships of war, and certain other privileges established by treaty. What more could an international body do to provide freedom of transit to ships of the world than obtains under the existing treaty arrangements?

UNITED STATES LOSES BARGAINING POWERS

In 1936 the original 1903 legal setup at Panama began to change with the signing of the Hull-Alfaro Treaty, which, because of opposition in the United States Senate, was not proclaimed until July 27, 1939. This treaty called for surrenders on the part of the United States of important sovereign powers and rights affecting the Panama Canal, including that of eminent domain, and authorized corresponding advances on the part of Panama, all without adequate compensation to the United States, which had borne all of the costs of construction and defense.

This erosion of the powers of the United States did not stop with the 1936 treaty. After prolonged secret negotiations started in 1953, the process was further advanced by the Eisenhower-Remon Treaty proclaimed August 26, 1955, which gave away additional valuable rights and properties, also without reasonable compensation or consideration.

Meanwhile, the United States had built the Trans-Isthmian Highway, and is still maintaining it, extended the Thatcher Highway to Rio Hato where many millions were spent on an Army base later abandoned to Panama, and had given to that country about $12 million worth of real estate in the city of Colon owned and held in the name of the Panama Railroad Co. under original concession from Colombia. In the interest of historical accuracy, it should be stated that these properties in Colon were bought from the Second French Panama Canal Co. and the title to it was specifically confirmed in the 1903 treaty with Panama. At the time of its surrender, the United States was drawing rentals therefrom approximating $350,000 annually.

The surrenders in the 1936 and 1955 treaties together with other relinquishments has served unfortunately to place the United States in a position without diplomatic bargaining power. As was clearly foreseen by competent students of the subject who, as far as I can determine, were not consulted in the course of the negotiations, these surrenders without consideration could only lead to new demands by Panama for further liquidation of the canal enterprise, the urgings for which are now being loudly voiced.

Not only that, the Republic of Panama has reportedly taken a negative attitude in the current negotiations for an undisclosed number of sites for Nike installations that are essential for protection of the Panama Canal and, indeed, for the defense of Panama itself.

By way of explanation, it should be mentioned here that under the original 1903 Hay-Bunau-Varilla Treaty these Nike sites could have been obtained by the exercise of the right of eminent domain.

UNITED STATES HAS EXCLUSIVE SOVEREIGN RIGHTS AND POWER IN CANAL ZONE

During recent weeks much has been published about demands in Panama and other parts of Latin America for denunciation of the perpetuity and sovereignty clauses in the Hay-Bunau-Varilla Treaty, along with claims for increased annuity and other benefits, which must be borne either by the United States or shipping that pays tolls, or both.

It is significant that former President Ricardo M. Arias of Panama, now Ambassador to the United States, in a recent public statement concerning canal treaties, virtually admitted that Panama is seeking further reductions of United States rights and powers with respect to the Panama Canal. He failed, however, to mention the fundamental point in the 1903 treaty that these perpetual sovereign rights and powers of the United States in the Canal Zone were granted to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power, or authority.

In the light of subsequent history, I wish to pay special tribute to the vision and sagacity of those great American statesmen, who early in this century developed our isthmian policies—Theodore Roosevelt, John Hay, Elihu Root, William Howard Taft, and John Bassett Moore. This type of leadership should be continued today.

POTENTIAL PANDORA'S BOX AT PANAMA

Suggestions for denunciation have a ring that resemble Old World power politics at their worst. If one nation can denounce treaties others could do likewise.

With the 1903 guaranty of the independence of Panama by the United States revoked in the 1936 treaty, what would become of Panama if Colombia undertook to abrogate any treaty provision that may stand in the way and declare that Panama has reverted to its previous Colombian status? With a less

definite protective obligation from the United States what would be the result of such a Colombian claim?

Would Colombia succeed in establishing again its previous rights and authority over the Republic of Panama and with it the complete ownership and control of the Panama Canal? To say the least, such a claim on the part of Colombia would present a situation conducive to a state of war between the two countries, with the operation of the canal thus crippled or endangered.

All careful students of the isthmian question know that the entire independence of Panama grew out of and is based on the Panama Canal. The economic life of that country, in large measure, depends on the canal enterprise and, with the passage of the years, this dependence will probably increase.

These are realistic facts that must be faced in any objective appraisal of the problem. In the light of the consequences that a change in the status quo would inevitably bring forth, it is undoubtedly best for all concerned that the present general relationship between Panama and the United States should continue as prescribed in solemn treaty agreements and obligations. We would consider it most unfortunate under the circumstances that Panama should press for nationalization of the canal. We do not wish to open a Pandora's box on the isthmus where other nations, which in no way contributed to the construction of the great waterway, will gain or have any treaty rights therein, except those prescribed in the existing Panama Canal treaties.

SUEZ LEGAL PROBLEMS ANALYZED

Though the historical background and legal foundations of the two great interoceanic canals differ from each other in fundamental respects, there are some important principles, stated or implied, applicable to both. It is most timely that the legal issues involved in the Suez situation have been analyzed and were presented on April 25, 1957, in a notable address before the American Society of International Law by Dr. George A. Finch, president of the Inter-American Academy of Comparative and International Law.

A distinguished scholar and experienced lawyer, Dr. Finch has added substantially to our understanding of the Suez problem. So constructive is his challenge of the legality of the Egyptian nationalization decree and so pertinent to what may later develop in some form or other in Panama, I include as part of these remarks at this point in the RECORD his entire address, and commend it for later careful study by all concerned with interoceanic canal problems.

Dr. Finch's address follows:

NAVIGATION AND USE OF THE SUEZ CANAL

(By George A. Finch, president of the Inter-American Academy of Comparative and International Law)

When the American Society of International Law was founded 51 years ago to promote the establishment and maintenance of international relations on the basis of law and justice there were many more skeptics than believers in that aspiration. Today world opinion is overwhelmingly opposed to the use of armed force to settle international disputes, certainly to the point that an offer of peaceful settlement should be made and refused before nations draw the sword in their legitimate right of self-defense. President Eisenhower's condemnation of the armed attack upon Egypt last fall represented an official expression of this generally accepted opinion; but the provocation for that attack continues to be the most imminent threat to the maintenance of peace on the basis of law and justice.

The aggression at the Suez Canal was triggered on July 26 last by the precipitate and legally unjustifiable act of the President of Egypt purporting to nationalize the Suez Canal Co. The decree transferred to the Egyptian Government all of the company's assets, rights, and obligations, and dissolved all the organizations and committees that now operate its management (art. I). The canal itself was, of course, the most valuable asset of the company. In plain language, the concession under which the canal was built and has been successfully operated for 88 out of a definitely agreed term of 99 years, to the mutual benefit and advantage of both parties to the concession contract, was arbitrarily abrogated, the company was dissolved, and its property confiscated by the Egyptian Government.

The offer of the Egyptian Government, if carried out in good faith, to indemnify the stockholders in accordance with the value of the shares shown in the closing quotations of the Paris Stock Exchange on the day preceding the confiscation was inadequate. It did not take into account the worth of the unexpired term of the concession, and no assurances were given as to the time or method of payment of the proposed compensation. The confiscation decree specified only that "the payment of said indemnity shall be effected after the Nation has taken delivery of all the assets and properties of the nationalized company." An offer to indemnify the owners from the proceeds of their own property might properly be considered unjust enrichment of the expropriator according to our legal standards.

The concession provides that at its expiration, when the Egyptian Government might lawfully resume possession of the canal it would be the responsibility of the Government "to take over all materials and supplies used in the company's maritime service and in return, to pay the company the value to be fixed, either by amicable agreement or on the basis of an opinion of experts" (art. XVI). The Egyptian Government cannot relieve itself of that responsibility by unlawfully terminating the concession.

There is no proper analogy of the so-called nationalization of the Suez Canal and the nationalization laws of other countries duly enacted incident to social and economic reforms. The Suez Canal is so impressed with an international public use that it was not subject to the exercise of the right of eminent domain for purely internal purposes by any party to the Convention of Constantinople of 1888. In a tripartite statement issued at London on August 2 the Governments of France, the United Kingdom, and the United States officially asserted that—

"The Universal Suez Canal Company has always had an international character in terms of its shareholders, directors, and operating personnel and in terms of its responsibility to assure the efficient functioning as an international waterway of the Suez Canal. In 1888 all the great powers then principally concerned with the international character of the canal and its free, open and secure use without discrimination joined in the Treaty and Convention of Constantinople.

"This provided for the benefit of all the world that the international character of the canal would be perpetuated for all time, irrespective of the expiration of the concession of the Universal Suez Canal Co. As recently as October 1954," the statement continued, "Egypt recognized that the Suez Canal is 'a waterway economically, commercially, and strategically of international importance,' and renewed its determination to uphold the convention of 1888."[1]

The circumstances under which the canal was seized and the reasons given for its seizure fail to bring this so-called act of nationalization within the sphere of what may be considered justified governmental action to promote internal, social, and economic reform. The record shows that the Egyptian decree of July 26, 1956, was an act of retaliation against the Governments of Great Britain and the United States for their declination to extend financial help to Egypt to build the high dam on the Nile River at Aswan, and the seizure of the canal was for the purpose of providing Egypt with substitute finances to build the dam.

The concession stipulates that "disputes which arise between the Egyptian Government and the company will be placed before local courts and decided according to the laws of the country." The record is devoid of any evidence that the Egyptian Government took any action in its courts against the company as a preliminary step to the abrogation of the concession.

The impact of the arbitrary action of the Egyptian Government upon those who still believe in the validity of contracts made by sovereigns is sought to be minimized by arguing that the nationalization applied only to the company and not to the canal. No one has ever contended that the Suez Canal Co. is of any nationality other than Egyptian. The decree of nationalization refers to the company as already being an "Egyptian stock company." Why, then, the decree of nationalization if it was to apply to the company alone?

The argument is likewise untenable in the light of President Nasser's speech at the time he announced his decree of July 26. "This canal is an Egyptian canal. * * * Today, citizens," he declared, "our rights in the Suez Canal have been restored to us after 100 years." Again, "The Suez Canal was built for the sake of Egypt and for its benefit * * * today, our wealth has been restored to us."[2]

Communist admirers and supporters of President Nasser attempt to maintain that his action was no breach of international law on the ground that the treatment of the company was a purely internal Egyptian matter over which that Government had exclusive control as a sovereign nation. In the view of this speaker, that position is also inadmissible. It is not a rule of international law that sovereignty confers immunity to violate international obligations. Sovereignty imposes duties as well as rights, including the exercise of good faith in the fulfillment of contracts legally made by governments with private concessionaires, as well as in the observance of the obligations of solemn treaties.

"Every nation, on being received, at her own request, into the circle of civilized governments, must understand that she not only attains rights of sovereignty and the dignity of national character, but that she binds herself also to the strict and faithful observance of all those principles, laws, and usages which have obtained currency among civilized states. * * * No community can be allowed to enjoy the benefit of national character in modern times without submitting to all the duties which that character imposes."[3]

Germany relied upon the same argument to justify on the ground of sovereignty her refusal to allow the S. S. *Wimbledon* to pass

[1] The Suez Canal Problem, Department of State Publication 6392, p. 34.

[2] The Suez Canal Problem, ibid., pp. 25–30.

[3] Instruction of Secretary of State Daniel Webster to the United States Minister to Mexico, April 15, 1842, 1 Moore, International Law Digest, p. 5.

through the Kiel Canal. The Kiel Canal was built by Germany within German territory, and it was conceded before the Treaty of Versailles that the canal was an internal canal under the exclusive control of the territorial sovereign. On the application of several governments parties to the Treaty of Versailles, who invoked Article 380 of that treaty, the Permanent Court of International Justice decided against Germany's contention, holding:

"The Court declines to see in the conclusion of any treaty by which a state undertakes to perform or refrain from performing a particular act an abandonment of its sovereignty. No doubt any convention of this kind places a restriction upon the exercise of the sovereign rights of the state, in the sense that it requires them to be exercised in a certain way. But the right of entering into international engagements is an attribute of state sovereignty."[4]

Notwithstanding the repeated disclaimers of the Egyptian Government that it has no intention to disregard the obligations of the Treaty of Constantinople of 1888, it is impossible to separate the legal issues raised by the cancellation of the company's concession, under the circumstances and for the reasons given for that act, from the relevant provisions of the convention.

The antecedents of that convention date back to the war between Russia and Turkey of 1877–78. At that time the Suez Canal was in Turkish, and therefore belligerent territory. The Institute of International Law at its session at Zurich on September 13, 1877, appointed a committee to study the methods by which the canal might regularly and finally be withdrawn from the jurisdiction of the common law of war. Following the recommendations of that committee, the Institute at its session at Brussels on September 4, 1879, adopted a resolution which declared: "It is of general interest to all nations that the maintenance and use of the Suez Canal for all kinds of communications shall be protected as much as possible by conventional international law." The resolution proposed "that states unite with a view to avoiding as much as possible any measure which may damage or put in danger the canal and its appendages even in case of war."[5]

The Convention of Constantinople, eventually concluded in 1888, follows closely the recommendations of the Institute. The preamble states the intention of the signatories to establish "by a conventional act, a definite system intended to guarantee, at all times and to all the powers, the free use of the Suez Maritime Canal, and thus to complete the system under which the navigation of this canal has been placed" by the Firman of the Sultan dated February 22, 1866. It refers to the convention as "sanctioning the concessions" of the Khedive of Egypt. In addition to stipulating for the free use of the canal "in time of war as in time of peace, to every vessel of commerce or of war, without distinction of flag," the convention provides for the neutrality of the canal in time of war.

The Convention requires the Egyptian Governments, within the limits of its powers, to take the necessary measures for enforcing the execution of the treaty (art. IX), and charges the agents of the other signatory powers in Egypt "to see that it is carried out" (art. VIII). Oppenheim classifies the Treaty of Constantinople as "a pure lawmaking treaty," and he construes article VIII as establishing an International Commission "for the supervision of the execution of that treaty."[6]

In flat contradiction of the pretensions of President Nasser that "the Suez Canal was built for the sake of Egypt and for its benefit," article XII of the Convention of Constantinople provides:

"The high-contracting parties, by application of the principle of equality as regards free use of the canal, a principle which forms one of the bases of the present treaty, agree that none of them shall seek, with respect to the canal, territorial or commercial advantages or privileges in any international arrangements that may be concluded."

It is submitted that the Egyptian Government cannot, within the accepted principles of international law applicable to the interpretation of the Convention, abrogate the international arrangements under which the canal was built and has been operated and protected for the last 83 years in order to subvert the canal to her own internal advantage. The motive of "territorial or commercial advantages or privileges," to repeat the words of article XII, for the abrogation of the international arrangements with the Suez Canal Company, sanctioned by the Treaty of Constantinople, is conclusively shown in President Nasser's speech announcing the so-called decree of nationalization. In addition to his braggadocio, already quoted, he linked the nationalization of the company with the building of "a strong and dignified Egypt, the Arab Egypt," industrialized and capable of competing with those who "used to suck our blood, our rights, and take them." "Citizens, today," he declared, "we are conscious of accomplishing glories and achieving true dignity. Sovereignty in Egypt will belong only to her sons."

The pretensions of President Nasser were answered by the 3 powers in their London statement of August 2, in which they said:

"They do not question the right of Egypt to enjoy and exercise all powers of a fully sovereign and independent nation, including the generally recognized right, under appropriate conditions, to nationalize assets, not impressed with an international interest, which are subject to its political authority. But the present action involves far more than a simple act of nationalization. It involves the arbitrary and unilateral seizure by one nation of an international agency which has the responsibility to maintain and to operate the Suez Canal so that all the signatories to, and beneficiaries of, the treaty of 1888 can effectively enjoy the use of an international waterway upon which the economy, commerce, and security of much of the world depends. This seizure is the more serious in its implications because it avowedly was made for the purpose of enabling the Government of Egypt to make the canal serve the purely national purposes of the Egyptian Government, rather than the international purpose established by the convention of 1888."[7]

The Egyptian defiance of international obligations is violative of another long-standing principle of international law. The Declaration of London of January 17, 1871, states: "It is an essential principle of the law of nations that no power can liberate itself from the engagements of a treaty, nor modify the stipulation thereof, unless with the consent of the contracting powers by means of an amicable arrangement."

The United States is not a party to either the canal concession or the treaty of 1888, but both stipulate for the free and equal use of the canal by all nations. Under international law that stipulation enures to the benefit of nonsignatories.[8] On the day following the publication of the Egyptian nationalization decree the United States Department of State made public an announcement in which it was said that "the seizure of the installations of the Suez Canal Co. carries far-reaching implications. It affects the nations whose economies depend upon the products which move through this international waterway and the maritime countries as well as the owners of the company itself."[9]

There has been no direct challenge to the international legality of the Egyptian nationalization decree as it affects the property rights of the company. All steps taken have been directed toward a negotiated political settlement with Egypt. The provisions of the United Nations Charter for the settlement of legal questions have not been invoked. Are the governments of the West no longer able or willing to speak in defense of the rights of private property? The decline of Western support of this fundamental human right was pointed out by the chairman of the United Nations Human Rights Commission in 1952. Mr. Charles Malik, of Lebanon, the chairman of the Commission for that year, wrote:

"The concept of property and its ownership is at the heart of the great ideological conflict of the present day. It was not only the Communist representatives who riddled this concept with questions and doubts; a goodly portion of the non-Communist world had itself succumbed to these doubts. A study of this particular debate will reveal the extent to which the non-Communist world has been communistically softened and frightened. It seems incredible that in these economic matters, which reflect indeed much more than mere economic divergencies, the Western World is so divided on itself as to be incapable of presenting a common front against communism."[10]

According to the Charter of the United Nations, the Security Council may recommend appropriate procedures or methods of adjustment of any dispute the continuance of which is likely to endanger the maintenance of international peace and security. It is specifically provided that in making recommendations the Security Council should take into consideration that legal disputes should as a general rule be referred by the parties to the International Court of Justice (art. 36). Legal disputes are defined by the corresponding provision of the Court's Statute to include disputes concerning (a) the interpretation of a treaty, (b) any question of international law, (c) the existence of any fact which, if established, would constitute a breach of an international obligation, and (d) the nature or extent of the reparation to be made for such a breach (art. 36).

It is immaterial, in our view, when the Security Council recommends what it considers the appropriate method of peaceful settlement, that any or all of the members of the United Nations involved in the dispute should have accepted the so-called optional clause incorporated in article 36 of the statute of the Court. The first paragraph of that article reads: "The jurisdiction of the Court comprises all cases which the parties refer to it and all matters specifically provided for in the Charter of the United Nations or in treaties and conventions in force."

President Nasser's refusal to agree to a political settlement and the failure to bring

[4] World Court Reports, edited by Manley O. Hudson, vol. I, p. 175.

[5] See Resolutions of the Institute of International Law, New York: Oxford University Press, 1916, pp. 23–24.

[6] International Law, vol. I (1905), pp. 495, 567.

[7] The Suez Canal Problem, ibid., p. 35.

[8] Phillimore, International Law, 46–49 (3d edition).

[9] The Suez Canal Problem, ibid., p. 32.

[10] United Nations Bulletin, Sept. 1, 1952, pp. 248–253.

him to the bar of international justice before the principal judicial organ of the United Nations permitted him to stand before the world as an innocent party. The ill-considered policy of the governments of Great Britain and France, in resorting to force and not to legal remedies after the peaceful political overtures to President Nasser were rejected, subjected them instead of Egypt to condemnation by the United Nations, and the world at large.

It cannot be denied that the Suez Canal dispute in all of its elements falls squarely within the definition of justiciable disputes laid down in the United Nations Charter. A refusal by Egypt to comply with a recommendation of the Security Council to refer the dispute in its several aspects to judicial settlement by the International Court of Justice would have kept the stigma of aggression where it originated and properly belongs, namely, upon those who seized the Suez Canal in violation of the obligations of an international contract and treaty.

It is logical to ask, what might have happened if Egypt refused to appear before the International Court or to accept a decision of the Court adverse to her position? In such case, in my opinion, the complaining states would have met the requirements of world opinion for the maintenance of international relations on the basis of law and justice, the object to which this society is dedicated. The same force of public opinion could be relied upon to support such sanctions as might be deemed to be necessary by the United Nations to fulfill its most important function, that of removing threats to world peace.

NO SUEZ CRISIS WILL BE PERMITTED AT PANAMA

Mr. Speaker, the conduct of political agitation about the Panama Canal has long been insidious and thus obscurred to public view, but now it is in the open. Conforming to the objectives of the communist conspiracy to place the United States on the defensive, it is aimed at the Panama Canal for the purpose of wresting its ownership and control from the United States. Thus, the situation created by this propaganda is fraught with diplomatic danger and uncertainty to which the United States must be alert.

The combined exercises of the United States Armed Forces in the isthmian area during the week, April 21–27, 1957, which coincided with my recent visit to the Canal Zone has already had a salutary effect. Observed by representatives of the armed services of 20 countries of this hemisphere, they served to emphasize that no Suez crisis will be permitted at Panama.

With this feeling, I have every reason to believe that our friends to the south will wholeheartedly join. Surely consideration for their own self-preservation requires such a commonsense attitude.

COMMUNIST SUPPORT FOR PANAMANIAN NATIONALIZATION THE KISS OF DEATH

As to the long-enduring and recently criticized—chiefly by the Soviets—practice of combined exercises by the armed forces in connection with the protection and defense of the Panama Canal, it should be emphasized that, with reference to the efforts of Communist powers to liquidate United States Isthmian ownership and interests, these powers have seized on the proposal of Panamanian nationalization and strongly supported it. The temporary success of the Communist effort to control the government of Guatamala is an outstanding example of the general purpose of the Communist conspiracy to penetrate and subvert Latin American nations.

That effort, after heroic action by truly patriotic citizens of this fine Central American country, failed, though at much sacrifice.

In various countries of Latin America, and perhaps to some extent in Panama itself, similar Communist efforts have been put forth. Here, for sake of emphasis, I repeat that Communist Russia wishes all ownership and control of the Panama Canal to pass out of the hands of the United States. If this could be brought about, Soviet Russia and its satellites could boast of a tremendous victory over the West and augment their prestige throughout Latin America and the world at large.

The general infiltration procedures and efforts of the Communist powers are well known in Latin American countries as in all other lands. Recent Moscow and Peiping radio broadcasts deal with the proposed liquidation of United States control over the Panama Canal.

As evidence of these activities, I include a newsstory published on May 5, 1957, in the well-known Latin American bilingual newspaper, the Americas Daily—El Diario Las Americas—of Miami Springs, Fla., which is self-explanatory. The support of organized communism for Panamanian nationalization, aside from all the equities involved, should mean the kiss of death for the proposal.

The newsstory, which is commended for later reading, follows:

RUSSIA AND RED CHINA STIRRING UP TROUBLE BETWEEN UNITED STATES AND PANAMA

WASHINGTON, May 4.—Russian and Red China have joined in a new propaganda drive aimed at stirring up trouble between the United States and Panama over the Panama Canal, American officials said.

Moscow radio, as overheard here, is telling listeners in Mexico and Central America that the recent United States military exercises in the Panama area were "intended to frighten the people of Panama."

Red China's Peiping radio in separate broadcasts to Europe makes the same charge and states that the Panama Canal belongs to the people of Panama and not to the United States. The Communist campaign has been spurred by Egypt's seizure of the Suez Canal.

Communist propagandists charge that the United States is "preparing for total occupation of Panama," and regards itself as the "lord and master of Panama, treating the people as inferiors."

American operations in the Panama Canal Zone are governed by treaties with Panama signed in 1903, 1936, and 1955. The basic treaty called for the United States to build and operate the canal.

There has been a running debate for many years over the question of sovereignty over the Canal Zone, however, and the Communist propagandists contend the 1903 treaty is illegal.

Officials said Panama understands the real aim of the red propaganda drive. They also noted that Moscow never has raised the Panama issue formally in any international forum.

But they said Russia apparently feels it may be successful in causing this country trouble and embarrassment.

Panama currently is seeking some increased benefits from the 40-mile-long 10-mile-wide Canal Zone. Bills now before Congress would provide equal pay for Panamanians for equal work in the zone and the return to Panama of Canal Zone land valued at about $25 million.

Annual tolls from Canal operations run about $36 million while expenses total about $21 million a year. Panama now receives an annuity payment of $1,930,000 annually, and may want a larger income from canal operations.

Canal tolls have not been raised since 1914 when the canal was opened. The rate is still 90 cents a ton, and the United States-run Panama Canal Company is still operating in the black.

INTERNATIONAL PROPAGANDA CAMPAIGNS UNFORTUNATE

Apropos of all these matters, informed citizens of the United States who are sincere friends of Panama are much disturbed at the propaganda campaign now being waged by certain officials of the administrative and diplomatic departments of the Government of that country to press the United States into granting ever-expanding benefits to Panama because of the canal. Apparently, the attempt is being made by such officials to portray our Nation as a culprit before the bar of international public opinion in order to secure the objectives sought, and this almost immediately after the most generous concessions made by our Government to Panama in the 1955 treaty. This indeed, is most unfortunate.

Certainly, it was believed that the 1955 treaty concessions would satisfy the demands of Panama for many years to come. But events indicate that this is not so.

Moreover, insistent demands are now being made for the emasculation of all treaty provisions under which the United States was led to undertake and complete the construction of the canal and to provide for its maintenance, operation, sanitation, and defense. All the results achieved, and now being achieved, at heavy costs borne by our Government and its taxpayers, seem to have been forgotten by these Panamanian officials. Forgotten also, apparently, is the great work of sanitation brought about by our Isthmian organizations whereby Panama ceased to be what was once regarded as the worst pest hole in the world and was transformed into a status of sanitation and health unmatched in any other tropical region of the earth.

Panama and the United States must be, and remain, friends. I respectfully submit that questions at variance between the two countries can be settled better by the two nations at the authorized council table rather than as a result of any effort by either country to pressure the other through processes of international propaganda.

This propaganda effort in behalf of Panama unfortunately aids and supports the Communist charge that kind and generous Uncle Sam is, in fact, a selfish and grasping Uncle Shylock guided alone

by imperialistic designs. That the truth is just the reverse is well illustrated by the fact that since World War II our Government, in its efforts to serve the people of the world at large, has given away more than $62 billion exacted from our own taxpayers.

It would be, indeed, unfortunate if Panama, which is not a Communist country and enjoys unique advantages growing out of the canal enterprise, should permit itself to be cast in a role in the Communist effort to liquidate the influence and authority of the United States.

Concerning the proposals for the surrender by the United States of all authority and control over the Panama Canal, I would emphasize the fact that the proposals are in no wise based on any failure by the United States to discharge in the most scrupulous manner its treaty obligations. To say the least, there can be no just reason for any such surrender unless or until this Nation shall fail to discharge its duty in the premises.

CANAL QUESTION REQUIRES REALISTIC TREATMENT

During my recent visit to Panama I had the privilege of talking to many leaders of the Republic and of the Canal Zone concerning problems of current interest—those involved in increasing the capacity of the Panama Canal and its operational improvement, as well as others of diplomatic character. Exceptional among my experiences was a helicopter flight over the entire length of the Panama Canal, which enable me to observe and study the canal picture from the air.

After such observations, I could not resist pondering what would be the result, in the event of a great emergency such as a complete closure of the canal by overwhelming slides in the Gaillard cut area, if the United States were to surrender all her authority and responsibility over the enterprise to some international or other authority.

Any such body would be without the funds or other resources essential for restoring traffic and inevitably would have to turn to the United States for the required assistance. If the United States refused such request the canal in all probability would be abandoned to the voracious jaws of the jungle, for no responsible government can assume responsibility without authority as regards a project of the magnitude of the Panama Canal.

What I have stated about the danger of complete closure is not beyond the realm of possibility as was shown by the recent menace of Contractors' Hill, which for a while threatened to close the canal. This, fortunately, was prevented by an emergency job of rock and earth removal and terracing at a cost of millions of dollars.

Also extremely clear to view from the air are the operational features of the canal with respect to its improvements for the purpose of providing increased capacity. As a result of my observations, more than ever I am of the judgment that the only wise, effective, and economic solution of its principal operational problems is through the Terminal Lake-third locks project and that the so-called sea-level design, coupled with its vastly greater costs, unprecedented engineering difficulties, and the necessity for further treaty arrangements with Panama, render that design as not being entitled to serious consideration.

Thus, the problems involved in planning the future canal are not ones for casual handling by routine administrative agencies but obviously require realistic treatment by an independent inquiry under congressional authorization. More than 10 years delay in resolving this question and a constant increase in the volume of traffic emphasize the necessity for prompt action by the Congress, which is the ultimate authority on canal questions.

PANAMA CANAL MUST REMAIN UNDER UNITED STATES CONTROL

United States Isthmian Canal policy has slowly evolved over a period of more than a century. Its culmination in the acquisition of the Canal Zone as a domain of the United States and in the construction and subsequent operation of the Panama Canal marks a highlight in the progress of man. There can be no turning back of the clock of history.

But to make unmistakably clear to the forces of world subversion, I wish to stress the point that the Panama Canal is not a project for local exploitation by any nation, but a sacred mandate of civilization assumed, with important obligations, by the United States in perpetuity. Its function, as an interoceanic public utility, is the economic and efficient transit of vessels of all nations on terms of equality with tolls that are equitable and just in accordance with the formula prescribed by law—Thompson Act of 1950.

In view of the uncertainties that have been injected into the public mind, it is the duty of the Congress to proclaim without further delay that the United States will continue to maintain, operate, sanitate, and protect it under terms provided by treaty.

The historic canal policy, which has been followd rigidly ever since the Panama Canal was opened to traffic in 1914, is best for the United States, best for the Americas, especially Panama, and best for the world at large, particularly those maritime nations whose vessels use the canal and pay tolls reflecting the costs involved in the construction and functioning of this mighty enterprise.

BENSON WANTS AUTHORITY TO BANKRUPT AGRICULTURE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. COOLEY] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. COOLEY. Mr. Speaker, I received from Secretary of Agriculture Ezra Taft Benson today a communication which is of deep concern to this House and to the Congress. It is of deep concern to every Member, irrespective of party.

Mr. Benson has submitted to me a proposal that would deprive the farm families of America of the price supports established by law and would leave all decisions pertaining to price supports entirely in his discretion. He sent to me his language for an amendment to the farm law which would give him absolute authority to set price supports as low as he wishes or to eliminate supports completely.

Mr. Speaker, it is my opinion that this proposal, if enacted, would sound the death knell of the farm program.

The action the Secretary suggests would turn back the clock of progress to the days of the great depression and deprive farm families of the legislative tools which Congress has provided and which were operating successfully and well until the time he took office.

Mr. Benson wants absolute power over price supports. His program would mean bankruptcy for farmers before Christmas. I am certain that the farmers of America will not approve the program he has submitted. Personally, I want no part of such a program.

We remember too well the tragic bankruptcies and foreclosures of the great depression, when farmers had no program to protect them. In recent years the decline in commodity prices and the loss of farm income have been distressing and devastating. Farmers need help. I am not willing to run the risk of ruining American agriculture. If the present farm program should be destroyed not only would agriculture collapse but the whole economy of our country could tumble into another great depression.

When Secretary Benson was before the House Committee on Agriculture on May 16, I asked him directly if he recommended any changes in the tobacco program, and the Secretary said he did not. I am surprised and astonished that the Secretary has now changed his mind and wants to put the tobacco program under flexible price supports and to fix the level of such supports in the free exercise of his own discretion, from zero to 90 percent of parity. I think I speak for the tobacco farmers when I say we want no part of such a program.

The price-support program on tobacco through the Commodity Credit Corporation, from its very beginning to date, a period of more than 24 years, has resulted in a negligible loss of only $92,000 according to the CCC statement of March 31, 1957, and tobacco farmers have prospered.

Our farm program was built upon a solid base and has served well its purpose. It seeks only fair treatment for farmers. It provides them with tools which are essential to the success of any business in our free enterprise system, namely, first, a means of adjusting their production to fit their markets and, second, a voice, like other business people, in the price of the things they produce and sell. The program simply seeks to comprehend the fact that, without Government help, agriculture is the only great segment of our economy that sells on auction markets and has virtually no bargaining power.

This program was remarkably successful prior to 1953. In each of 11 consecutive years—1942–52—prices paid to farmers were at or above 100 percent of parity.

Moreover, it is a fact that in all the 20 years prior to 1953 the Commodity Credit Corporation supported farm prices on basic and nonbasic crops at a loss of only $1,064,000,000 and that on January 1, 1953, after 20 years of operation, investments of CCC—inventory and loans—amounted to only $2,452,000,000; while in the last 4 years CCC losses have amounted to three times as much as was lost in the preceding 20 years, slightly more than $1 billion in 20 years and more than $3 billion in 4 years under Mr. Benson. CCC investments in commodities have increased to $8,211,000,000. When Mr. Benson took over the cotton program it showed a profit of $267 million. Now he advises us that losses on cotton in the last 15 months have amounted to $535 million. On dairy products alone, under Mr. Benson, we have lost over $1 billion.

Even with the great losses under Mr. Benson's administration, the cost of CCC price-support operations have been infinitesimal in comparison to the good that has been accomplished. During the 24 years prior to last January 1, farm marketings amounted to $475 billion; CCC loses at $4 billion were only a fraction of 1 percent of the total volume of agriculture.

Now, Mr. Benson proposes to scrap this program, and he offers nothing in its place but what he calls a free market at lower and lower prices for farmers. It has been evident virtually from the day he took office that it was his purpose to break down the price support program for agriculture, although in the early days of this effort he talked about, not 90 percent of parity, but "100 percent of parity in the market place."

And what has happened?

During the 4 years he has been in office, as he has been destroying the fixed support levels for the basic crops, farm prices have dropped 18 percent, while hourly wages of industrial workers increased 19 percent and dividends paid by corporations jumped by 33 percent.

Now, in these distressing circumstances, Mr. Benson requests the Congress to permit him to reduce the supports for farm prices not to 75 percent of parity, but all the way to zero, if he chooses.

I shall immediately call to the attention of the House Committee on Agriculture the letter Mr. Benson has written to me proposing specific changes in the law to permit him unlimited discretion in price support operations. The committee at an early date will review the Secretary's proposal, and I shall call before the committee all persons desiring to be heard on his proposal.

Meanwhile, I urge upon the farmers of America that they consider that during this fight to tear down our price support program we have seen wide dissensions created in agriculture, with crop alined against crop, region against region, and organization against organization. I plead with all concerned to come together in a community of effort to build a stronger, not a weaker, program for agriculture, in which our farm families will share equitably in the blessings of our free-enterprise system.

LEAVE OF ABSENCE

By unanimous request, leave of absence was granted to Mr. ASPINALL, after 1 p. m. on May 29 and May 30, 1957, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mrs. ROGERS of Massachusetts, for 5 minutes, today.

Mr. THOMPSON of New Jersey, on Tuesday next for 1 hour.

Mr. BRAY (at the request of Mr. THOMSON of Wyoming), for 30 minutes on Tuesday next.

Mrs. ROGERS of Massachusetts, for 5 minutes on Monday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mrs. ROGERS of Massachusetts and to include extraneous matter.

Mr. COLLIER and to include an editorial.

Mr. NEAL.

Mr. FLOOD to revise and extend the remarks he made in the Committee of the Whole today and include extraneous matter.

Mr. MULTER and to include extraneous matter.

Mr. DELANEY and to include a speech.

Mr. DORN of South Carolina and to include a speech by Dr. LONG.

Mr. FOGARTY.

Mr. DOYLE.

Mr. CANFIELD (at the request of Mr. THOMSON of Wyoming) and to include extraneous matter.

Mr. ASHLEY (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. FORAND (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. KEATING.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 6871. An act making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 5788. An act making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1958, and for other purposes.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock p. m.) the House adjourned until tomorrow, Thursday, May 30, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

902. A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation entitled "A bill to authorize travel and transportation allowances in the case of certain members of the uniformed services"; to the Committee on Armed Services.

903. A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation entitled "A bill to amend title 10, United States Code, to authorize the Secretaries of the military departments to settle certain claims in the amount of $5,000 or less and to partially pay certain claims which are certified to Congress"; to the Committee on the Judiciary.

904. A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation entitled "A bill to amend the Career Compensation Act of 1949 to provide incentive pay for human test subjects"; to the Committee on Armed Services.

905. A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation entitled "A bill to authorize, in case of the death of a member of the uniformed services, certain transportation expenses for his dependents"; to the Committee on Armed Services.

906. A letter from the Assistant Secretary of Agriculture, transmitting a report on price trends and relationships for forest products, pursuant to the Agricultural Act of 1956 (70 Stat. 188); to the Committee on Agriculture and ordered to be printed with illustrations.

907. A letter from the Secretary of Health, Education, and Welfare, transmitting the Annual Report of the United States Department of Health, Education, and Welfare, for the fiscal year 1956; to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the

Clerk for printing and reference to the proper calendar, as follows:

Mr. DELANEY: Committee on Rules. House Resolution 270. Resolution for consideration of H. R. 7125, a bill to make technical changes in the Federal excise tax laws, and for other purposes; without amendment (Rept. No. 493). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 271. Resolution for consideration of H. R. 7168, a bill to prescribe policy and procedure in connection with construction contracts made by executive agencies, and for other purposes; without amendment (Rept. No. 494). Referred to the House Calendar.

Mr. PRESTON: Committee of conference, H. R. 6700. A bill making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes (Rept. No. 495). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALGER:

H. R. 7827. A bill to provide that the provisions of the Natural Gas Act shall not apply to the sale of natural gas, as an incident of its production and gathering, by an independent producer not engaged in the interstate transmission of natural gas; to the Committee on Interstate and Foreign Commerce.

By Mr. ASPINALL:

H. R. 7828. A bill to authorize Federal assistance to the States and local communities in financing a program of atomic and disaster shelters in the Nation's schools; to the Committee on Armed Services.

By Mr. DEROUNIAN:

H. R. 7829. A bill to amend section 1461 of title 18 of the United States Code, relating to the mailing of obscene or crime-inciting matter; to the Committee on the Judiciary.

By Mr. DOLLINGER:

H. R. 7830. A bill to amend the Trading With the Enemy Act, as amended, so as to provide for certain payments for the relief and rehabilitation of needy victims of Nazi persecution; to the Committee on Interstate and Foreign Commerce.

By Mr. FORAND:

H. R. 7831. A bill to amend the Social Security Act to enable the States to establish more adequate public-welfare programs, and for other purposes; to the Committee on Ways and Means.

By Mr. HALEY:

H. R. 7832. A bill to amend section 8e of the Agricultural Adjustment Act (of 1933), as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, so as to provide for the extension of the restrictions on imported commodities imposed by such section to all imported citrus fruits, and to sliced figs, dried figs, and fig paste; to the Committee on Agriculture.

By Mrs. ROGERS of Massachusetts:

H. R. 7833. A bill to incorporate the Army and Navy Union of the United States of America; to the Committee on the Judiciary.

By Mr. SHELLEY:

H. R. 7834. A bill to amend title II of the Social Security Act to provide that widow's insurance benefits shall become payable thereunder at age 50 in the case of a widow who is under a disability; to the Committee on Ways and Means.

By Mr. SMITH of Virginia (by request):

H. R. 7835. A bill to increase the authorization for appropriations for the Hospital Center and facilities in the District of Columbia and for other purposes; to the Committee on the District of Columbia.

By Mr. WHITTEN:

H. R. 7836. A bill to amend the Agricultural Adjustment Act of 1938, as amended, to establish a certificate and domestic parity plan for upland cotton to enable the American cotton farmers to farm and secure a fair return from the users of their products for their labor and investment, to preserve the historical relationship of cotton and competing fibers in domestic markets in the interest of the general welfare, and for other purposes; to the Committee on Agriculture.

By Mr. ASHLEY:

H. R. 7837. A bill to amend title II of the Social Security Act to provide that an individual's benefits shall not be subject to deductions on account of outside earnings after the beginning of the year in which he (or the primary beneficiary) attains age 72; to the Committee on Ways and Means.

H. R. 7838. A bill to amend section 203 of the Social Security Act to limit the deductions which would otherwise be made, on account of outside earnings, from benefits to which an individual is entitled in the year in which he (or the primary beneficiary) retires; to the Committee on Ways and Means.

By Mr. ASPINALL:

H. R. 7839. A bill to amend the act of August 2, 1956 (70 Stat. 940), providing for the establishment of the Virgin Islands National Park, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FASCELL:

H. R. 7840. A bill to amend the Servicemen's Readjustment Act of 1944 to extend the veterans' guaranteed home-loan program by 1 year, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. FOGARTY:

H. R. 7841. A bill to authorize a 5-year program of grants for construction of medical, dental, and Public Health educational and research facilities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GARMATZ (by request):

H. R. 7842. A bill to provide that certain expenses of the Panama Canal Company and the Canal Zone Government shall be paid from tolls, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. LANKFORD:

H. R. 7843. A bill to authorize the payment from the Employees' Life Insurance Fund of expenses incurred by the Civil Service Commission in assuming and maintaining the assets and liabilities of certain beneficial associations; to the Committee on Post Office and Civil Service.

By Mr. METCALF:

H. R. 7844. A bill relating to the imposition of a tax on the importation of zinc and lead; to the Committee on Ways and Means.

By Mr. REECE of Tennessee:

H. R. 7845. A bill to amend title II of the Social Security Act to include Tennessee among the States which may obtain social-security coverage, under State agreement, for State and local policemen and firemen; to the Committee on Ways and Means.

By Mr. SAUND:

H. R. 7846. A bill to amend the act of July 3, 1926, so as to restrict, under regulations of the Secretary of State, the travel from the United States of unaccompanied minors not possessing valid passports; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. PATMAN: Senate Resolution No. 576, Texas State Legislature, favoring the passage of H. R. 221, which would authorize the Veterans' Administration to construct a general hospital within the 14th or the 15th Congressional District of Texas; to the Committee on Veterans' Affairs.

By the SPEAKER: Memorial of the Legislature of the State of Nebraska, memorializing the President and the Congress of the United States to reject any efforts to pass any additional legislation by the terms of which money would be appropriated and made available to the States through grants-in-aid or otherwise for construction of schools and that the matter of school construction continue to be a responsibility of the several States and individual school districts thereof; to the Committee on Education and Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRETT:

H. R. 7847. A bill for the relief of Rosalia La Licata Pitti; to the Committee on the Judiciary.

By Mr. BERRY:

H. R. 7848. A bill for the relief of Robert Lloyd Painter; to the Committee on the Judiciary.

By Mr. DEMPSEY:

H. R. 7849. A bill for the relief of Mrs. Young Chong How and her daughter, Chu Fung Lau; to the Committee on the Judiciary.

By Mrs. DWYER:

H. R. 7850. A bill for the relief of Yvonne Lu Pascal; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H. R. 7851. A bill for the relief of Giovanni Gambino Morasca and Giuseppe Gambino Morasca; to the Committee on the Judiciary.

By Mr. HILLINGS:

H. R. 7852. A bill for the relief of Siufeng Huang; to the Committee on the Judiciary.

By Mr. KING:

H. R. 7853. A bill for the relief of Mrs. Wilson Bryan Key, Jr., and her minor daughter, Leilani Key; to the Committee on the Judiciary.

By Mr. LANKFORD:

H. R. 7854. A bill for the relief of Alfred G. Chroniger; to the Committee on the Judiciary.

By Mr. MORANO:

H. R. 7855. A bill to authorize the sale by the Secretary of Commerce to the Dawd Shipping Co. of two 4,000-ton repair vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. MUMMA:

H. R. 7856. A bill for the relief of George Kalodikis; to the Committee on the Judiciary.

By Mr. TELLER:

H. R. 7857. A bill for the relief of Sultane P. Aboudi; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 7858. A bill for the relief of Paolo Tomaino; to the Committee on the Judiciary.

H. R. 7859. A bill for the relief of Saverio Tomaino; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Medical and Dental Schools and Schools of Public Health

EXTENSION OF REMARKS

OF

HON. JOHN E. FOGARTY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1957

Mr. FOGARTY. Mr. Speaker, I have introduced a bill in the House today to provide Federal funds on a matching basis for the construction of facilities for medical and dental schools and schools of public health.

The bill authorizes $60 million a year for a period of 5 years. Eight million a year is earmarked for dental schools, seven million for schools of public health, and forty-five million for medical schools.

The shortage of health education facilities today is probably the most serious bottleneck in our whole medical system. These schools which produce the general practitioners, the specialists, and the research scientists fall far short of accommodating the fully qualified and competent young men and women in America who are anxious to train and qualify in medical, dental, and public-health fields.

In 1955–56, in medical schools alone, only half of the 15,000 applicants for admission in this country were accepted. This left the other 7,500 to turn to other fields of endeavor or to go abroad for training. As a result, the number of American medical students who are forced to attend foreign schools is equivalent to the capacity of four additional medical schools in the United States.

Moreover a sharp increase in applicants is expected during the next 10 years by the Association of American Colleges, and from 1967 on, when the postwar generation will have come to age, the increase in national population and the increase in applicants for medical education will present a staggering problem. Unless we do something now to cushion that impact, the ratio of doctors to general population will drop to the point where the health of the entire Nation will be in jeopardy.

One year ago the Congress enacted a law providing $30 million a year on a matching basis for the construction of health research facilities. The first $30 million appropriated under the terms of that law was allocated in a few short months and already there are more valid applications on hand for grants than the entire $90 million authorization provides for. This research-building program is a fine one and it will add impetus to our research effort but unless the total pool of doctors is swelled we shall soon be short of research men, for the research program can draw men and women only from the total number of doctors in the country.

The Interstate and Foreign Commerce Committee has held long and thorough hearings on this subject. Hearings were held in the 81st, the 82d, the 83d, and the 84th Congresses. Early this year the committee published a staff report summarizing the facts that were brought to light in the course of those hearings. They were compelling facts and they point clearly to the need for immediate action for Federal aid on a matching basis for the construction of facilities in medical, dental, and public health schools.

I invite your attention to that fine report and urge that the bill I have introduced be considered at an early date so that it can be acted on in the first session of the current Congress.

Visit of a Great Statesman

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1957

Mr. KEATING. Mr. Speaker, Konrad Adenauer has been called the greatest German statesman in modern history. The record shows this is not an exaggeration.

Dr. Adenauer has been the leader and guiding light in rebuilding Germany to its present position as the mightiest industrial power of Western Europe. He has helped lay the foundations of a stable democratic society in a land wracked by totalitarian dictatorship and war. His support for the concept of a united Europe has been a moving factor in the formation of the European Coal and Steel Community. And today, Germany is taking her rightful place in erecting the military defenses of a united Western Europe.

Mr. Speaker, it is indeed a pleasure for the American people to again welcome this distinguished visitor to our land. With each successive visit, Chancellor Adenauer has been more widely recognized by our people as a man of courage, wisdom, and determination, whose vigor of mind and body belie his years.

We know him as both a great German and great European; indeed, as a champion of the free world itself.

Born in 1876 in the city of Cologne, where his father was registrar of the court of appeals, Konrad Adenauer prepared himself for the legal profession. A highly educated man, he studied law and economics at the Universities at Freiburg, Munich, and Bonn. He began to practice law in his native city, but soon entered public service as a deputy mayor of Cologne. In 1917, during the First World War, he was chosen to be lord high mayor. He occupied this office continuously from then until 1933 when he was ousted by the Nazis. He was mayor again for a brief period at the end of the Second World War. While in office, Adenauer rapidly became known as the greatest mayor in Germany. He founded Cologne's University, rebuilt its river port, provided superb housing for the workers, surrounded it with a green belt and started the famous Cologne Fair. During this same period, Konrad Adenauer served in the Prussian state council and became its president. Twice he was offered the post of chancellor of Germany in the days before Hitler. Both times he refused, preferring to remain mayor of Cologne.

When the Nazis came to power, Adenauer would have nothing to do with them. In 1933 he refused to display the swastika from the venerable town hall of Cologne. For this, he was promptly fired from all his high posts and forced to flee from the city where he had been the leading citizen. He was imprisoned for a brief period by the German Gestapo in 1934 and then retired to private life until the end of the war. Throughout the Hitlerian reign of terror he remained a staunch foe of this barbarian movement that ripped asunder the high values for which western civilization had stood through the ages.

When the war ended, Dr. Adenauer was almost 70 years old, an age when most men think of retiring. But for him it marked only the end of one public career and the beginning of a second.

Adenauer's second career has made him world famous. It began after the Second World War when he traveled throughout Germany carrying a blanket and a few slices of bread in his brief case, in an attempt to organize the Christian Democratic Party. This party was a cooperative movement of Roman Catholics and Protestants, seeking to apply Christian ethics in politics without, however, encouraging the participation of the churches themselves in political activities. A party based on cooperation of these denominations was itself a great help in attempting to build a sense of unity and stability in war-torn Germany.

Dr. Adenauer soon became president of the Christian Democrats in the British Zone of occupied Germany, and prominent in the North Rhine-Westphalia Provincial Diet. Then in 1948, when a Parliamentary Council was formed to draft a new basic law for West Germany, it was Dr. Adenauer who was elected its president. This position of leadership was continued when, in 1949, the Bundestag voted him the first Chancellor of the new Federal Republic of Germany.

This was a far different Germany from that which had existed before World War II and before the days of Hitler, when he had first been offered the job of Chancellor. His native city of Cologne was reduced from a population of 600,000 to a mass of holes and cellars inhabited

by a scant 40,000 hungry men, women, and children. Many other parts of the country were also devastated. Germany had lost her eastern provinces to Poland and was herself divided into four military occupation zones.

The United States, British, and French zones soon cooperated in the rehabilitation of Germany, but the authorities in the Soviet zone moved further and further away from their wartime allies. The Soviets concentrated on making sure that Germany would never again be a threat to their security.

Russia thus insisted on heavy reparations from Germany including the dismantling and export to Russia of a large number of industrial plants. She further made it obvious that it had become a fixed part of her defense plans to continue occupation of the Soviet zone in Germany. It was promptly cut off from contact with the western parts of Germany and a Russian satellite government installed there. Eighteen million Germans in the east were thus cut off from all hope of any immediate reunion with their fellow countrymen. Many more continued to exist in prison camps within the Soviet Union.

To top it off, of course, the spirit of the German people had been trampled upon by Hitler for 8 years and they had been led into a war upon the world. A whole generation of youth had grown up in Germany without any experience of the normal decencies of western society, to say nothing of democracy itself. Hitler had been especially strong in his denunciation of democracy. How could this Germany be turned into a reasonably happy, prosperous, united democracy—with a soul? This was the task that faced the German people under the leadership of Konrad Adenauer.

Events move so swiftly today and our lives are so caught up in their rapid pace that it is difficult to realize this was Germany less than 10 years ago. The changes that have been wrought in the land beyond the Rhine have been called a miracle, so prodigious is their magnitude. It would be an injustice to the vitality of the human spirit of all the German people to claim that what has been accomplished is the result of the actions and words of but one man, Konrad Adenauer. But it would be an equal injustice to the facts of history to deny that Dr. Adenauer has been the dynamic leader of the forces in West German life, who has guided them and given the German people exactly the type of inspiration they required in this hour. A hard-working people, blessed with natural resources and aid from the western allies—all these have moved together to bring about that which we call the German miracle. But it is not too much to say that without the Chancellor, the parts of this miracle might not have been put together.

The first thing that strikes one about postwar Germany is the amazing growth of its industrial might. In 1956 the gross national product of the Federal Republic reached a peak equivalent to $45 billion. Since 1950 the income of all employed persons has risen about 60 percent. But these advances have not been easy. Indeed, they are the direct result of hard work and self-denial. During these years of reconstruction, a steady 22 percent of the gross national product has been poured into the rebuilding of factories, homes, and capital goods that has made possible the continuing economic expansion.

Now there is talk of automation being applied to the German economy. Nearly everyone in Germany who wants a job has one. And there is a mounting scarcity of labor that has led both the unions and the employers to favor the devices of automation. Both sides are hopeful that it may permit Chancellor Adenauer's booming economy to move toward a 40-hour workweek, as well as to produce more goods at a lower cost to the public.

Chancellor Adenauer has been a strong advocate of free enterprise. Just this month we have seen the development of new plans to increase the ownership of industry by private persons. State-owned industrial plants, beginning with the famous Volkswagen automobile plant, are to be sold to individual investors through low-priced bonds. It is reported that the shares will be priced as low as $11.90 and that no one will be permitted to gain control of the company by monopolizing the purchases. Profit sharing by workers in all privately owned companies will be encouraged by investment plans operated by insurance companies and savings banks. In addition to all this, the Government is planning to make additional financial help available to people who want to buy their own homes.

At the same time that economic recovery has taken place, the Communists and the neo-Nazis have been decisively beaten. In the 1949 elections, the Communists received 5.7 percent of the popular vote. By the time the next elections rolled around in 1953, the German people slashed even this small figure to a mere 2.2 percent.

There is clearly no love of communism in the Federal Republic. Why should there be any love for this system that has enslaved 18 million in East Germany, refused to send home the many prisoners of war that remain in Russia, and refused to permit the reunification of the German Nation? Why indeed should communism be popular in Dr. Adenauer's Germany when the people there can see with their own eyes the poverty that exists in East Germany compared to their own well-being?

Communism promises a workers' paradise as an alternative to slavery under capitalism. Germany today is conclusive proof of the utter nonsense underlying this claim. In the Federal Republic, under 20th century capitalism, the people are enjoying the benefits of a fully operating, efficient economy. In East Germany, the people look with longing eyes at the prosperity of the West while they themselves live under an inefficient economic system that operates more in the interests of the Soviet Union than the German people.

Nazism has also died in Germany under the impact of Dr. Adenauer's government. In 1949, the neo-Nazis received only 1.8 percent of the popular vote and in the next election 4 years later, they tumbled to a shaky 1.4 percent. In that election Dr. Adenauer refused to seek the neo-Nazis' support. Instead, he saved his most biting condemnation of nazism and all its works for his speeches in the heart of the right-wing country.

Many feared it would be impossible to establish anything resembling a democracy upon the ruins of Hitler's Germany. But the facts of the last 12 years have shown how wrong they were. Chancellor Adenauer's government has become one of the most stable democracies in Western Europe, while communism and nazism have been vanquished.

West Germany today is well on the road toward building a humane democratic society, with protection for individual rights. But this Germany is incomplete. It is divided by the famous Iron Curtain which for many years separated the two parts of the nation. It is this division of Germany that has constituted the most important problem in German foreign policy since the end of the Second World War. Chancellor Adenauer has directed himself toward its solution with insight and tenacity.

His policy has been consistently based on the premise that a weak Germany will remain a divided Germany. It is only from a position of strength that the Federal Republic can face Soviet Russia across the conference table with any hope of gaining reunification based on free elections throughout both East and West Germany.

The events of the past year have made this problem even more difficult. It appears now that Russia is turning East Germany into a fortress from which she will send forth troops to maintain control throughout the whole satellite empire in Eastern Europe. It was from East Germany that the Soviet troops departed to quell the revolt of the Hungarian people. It is East Germany that is apparently now slated to receive Soviet atomic installations. A united Germany would eliminate the opportunity for the Soviet Union to control her satellites from the western side. It would thus further weaken her ability to keep the satellite empire intact.

In February of this year, Soviet Russia declared that reunification has become "ever more remote" as a result of the Federal Republic's participation in NATO, and her rearmament. In April the Soviets made their warning even stronger when the Soviet note said that any atomic armaments in the Federal Republic would "gravely endanger the reunification of Germany." Chancellor Adenauer has answered the Russian charges contained in these vindictive notes by stating clearly and unequivocally that his government's policy of continued membership in NATO is entirely defensive in nature. It thus offers no threat to the Soviet Union. Moreover, he has pointed out that Germany has pledged not to arm herself with atomic weapons.

But what do these Soviet policy statements imply for the future of German policy? Is it true that a policy of weakness and isolation would guarantee German reunification on the basis of free elections? A policy of weakness would

mean German abandonment of NATO and the withdrawal of NATO forces from Germany.

What if Russia should agree to recall all her forces to Poland, or even to the Soviet home border? Dr. Adenauer has pointed to the inevitable result of such a troop withdrawal. The Soviets would be only a stone's throw from Germany, while the United States would pull its troops back 3,000 to 6,000 miles. In the Chancellor's own words:

> On the one hand we would have the powerful Soviet bloc, and on the other hand a totally isolated Germany without any connection with the United States, and a number of other relatively weak European nations.

Thus a weakened, isolated Germany would be more a prey to Soviet power. Soviet Russia would have no reason whatsoever to agree to German reunification on the request of a weakened and isolated Federal Republic. Russia would gain absolutely nothing by agreeing to do this since she would have already achieved her main goal in central Europe, which is to guarantee a permanently crippled and ineffective Germany.

At the same time Russia would gain nothing by agreeing to reunification, it would lose a great deal by such a move. If current reports are correct in estimating that Russia is now using East Germany as a military base from which to keep her European satellites in line, then Russia will not willingly agree to surrender this vital base.

It seems to me, Mr. Speaker, that Chancellor Adenauer is quite correct in insisting that the only hope for German reunification lies in the alliance of a strong German Federal Republic with the free world. While reunification has not been achieved in these last years, and will not be easy to achieve in the immediate future, there is greater basis for hope in a policy of strong alliance than in one of weak isolation.

This policy of strength must be coupled with a door constantly open for negotiations with the Soviet Union that may reduce international tensions and thus lay the groundwork for an eventual settlement that recognizes the realities of Europe. These realities are, on the one hand, that the West is united and has absolutely no aggressive intentions toward the Soviet Union. On the other hand, Russia cannot expect to extend her control in Europe without risking war. Until a final settlement is achieved, NATO serves as both a deterrent to Soviet aggression and a shield that will enable the allies to defend themselves in the event war should prove necessary.

But beyond the problem of German unification and the matters of European defense, there is the growing experiment in European unity, which has excited the imaginations of us all. Konrad Adenauer has been a prime mover in these great experiments such as the Coal and Steel Community, the European Payments Union, and now the Common Market and European Atomic Energy Community. They are further reflections of Dr. Adenauer's conviction that the fate of Germany is now inextricably linked with the fate of Europe as a whole. The cornerstone of economic and political survival is cooperation between France, Germany, and Great Britain. His support for these movements, since he became Chancellor, has helped heal the old wounds that separated these powers for so many years.

The expansion of international politics to the current global struggle between the Soviet bloc and the free world has made it evident that cooperation must replace discord in Western Europe if the individual nation states are to live in security and prosperity. Modern industrial developments have further impelled the European states toward cooperation to reduce wasteful competition and organize for more efficient production and distribution. The Federal Republic, under the strong inspiration of its Chancellor, has taken a leading role in this movement so that today Germany is a respected and responsible member of the Western European community of free nations.

All of these many developments put together constitute the German miracle and the German part in the European miracle. Chancellor Konrad Adenauer has perhaps been more responsible for these events than any other single person. It is for these many reasons that we join with others in hailing our honored visitor as the greatest statesman of modern Germany.

Preliminary Public Hearings Between Defense Department and Special Subcommittee on Military Discharges, Armed Services Committee, Necessarily Postponed From June 3; Announcement Follows

EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1957

Mr. DOYLE. Mr. Speaker, by reason of unanimous consent, heretofore granted me so to do, I am pleased to produce for your information the following communication which has been sent to the 30 Members of the House who have heretofore filed companion bills on it relating to less than honorable discharges from the Military Establishment and from other interested persons.

Text of announcement follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 29, 1957.

MY DEAR COLLEAGUES IN THE HOUSE OF REPRESENTATIVES AND OTHERS INTERESTED: The previously announced target date, to wit: June 3, for the preliminary public hearings by the House Armed Services Special Subcommittee on Military Discharges (H. R. 1108) and companion bills, etc., will not begin June 3. The reason is that the House Armed Services Committee will not complete its public hearings and executive sessions on the military construction bill until about June 15 (estimated).

Promptly upon the completion of said hearings by the full Armed Services Committee, of which all members of the special subcommittee are members, these preliminary public hearings with the Defense Department as the only witnesses to be heard in said preliminary hearings, will be held.

Promptly thereafter it is planned to have public hearings in order that all Members of Congress who desire to do so, together with other interested and qualified persons, may appear and testify in public session.

You will receive notice of the date set for these preliminary hearings with the Defense Department as witnesses.

Sincerely yours,

CLYDE DOYLE,
Member of Congress; Chairman, Special Subcommittee on Military Discharges, Armed Services Committee.

(Subcommittee members: Hon. GEORGE HUDDLESTON, Jr., Alabama; Hon. A. PAUL KITCHIN, North Carolina; Hon. WILLIAM G. BRAY, Indiana; Hon. CHARLES S. GUBSER, California.)

Address by Hon. John W. McCormack, of Massachusetts, Upon the Presentation to Him of the Bellarmine Medal, Bellarmine College, Louisville, Ky., May 13, 1957

EXTENSION OF REMARKS

OF

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1957

Mr. DELANEY. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include an address by the distinguished minority leader, the Honorable JOHN W. MCCORMACK, upon the presentation to him of the Bellarmine Medal, May 13, 1957, at Bellarmine College, Louisville, Ky.

The award known as the Bellarmine Medal was established in 1955 by Bellarmine College, Louisville, Ky. Its purpose is to honor annually a person "who, on the national or international scene has exemplified in a notable manner the virtues of justice, charity, and temperateness in dealing with difficult and controversial problems."

The specific emphasis in the medal's definition of purpose is derived from the character and achievements of the college's patron, Robert Bellarmine, 16th century saint, theologian, philosopher, and educator. St. Robert lived and worked most of his life in the midst of controversy. His fairness, mildness, and dispassionate devotion to truth were the occasion of admiring wonder on the part of both friends and opponents.

The 1957 recipient of the Bellarmine Medal is the Honorable JOHN W. MCCORMACK, of Massachusetts, majority leader of the House of Representatives. He has been a Member of the United States House of Representatives since 1928. Since 1940, he has been majority leader of the House during the sessions when the House was organized by the Democratic Party. His achievements have been recognized by the presentation

of honorary degrees from 10 American universities and colleges.

Bellarmine College finds in the career of Mr. McCormack a notable exemplification of the qualities that the Bellarmine Medal was established to honor.

Mr. McCormack's address follows:

The Most Reverend John A. Floersh, Archbishop of Louisville, the distinguished president of Bellarmine College, Monsignor Horrigan, right reverend, very reverend, and reverend fathers; Your Excellency, Gov. Albert B. Chandler, Your Honor, Mayor Andrew Broaddus, distinguished and invited guests, ladies and gentlemen, I am deeply touched by the honor that has been conferred upon me. The fact that those who selected me as the recipient of this year's Bellarmine medal feel I am worthy of it, touches me very much. While I have received many honors in the past, all of which I value very much, there is none that I shall treasure more than the one you have conferred upon me this evening, and Mrs. McCormack joins with me in expressing to you our deep appreciation.

I might also say that Mrs. McCormack and I will carry away with us from Louisville fond and lasting memories of your hospitality.

Down through the ages our church has given to mankind great leaders, not only in times of peace and tranquillity, but particularly in times of pain and stress. Among those great leaders is a 16th century churchman, Robert Cardinal Bellarmine, Saint Robert Bellarmine—doctor of the church, educator, scholar, diplomat, and the patron of your young but dynamic college.

I know that Archbishop Floersh, the beloved spiritual leader of your archdiocese, derives great happiness and satisfaction, and rightfully so, in the existence of your fine college.

For after years of prayer and hope, it was under his far-seeing and courageous leadership that Bellarmine College came into being—the prayers, the hopes, and the planning of many years by His Excellency, and countless of others, and the fulfillment thereof some 7 years ago.

For many generations to come will go forth its graduates, possessing a complete education, and with its motto, "In the love of truth" firmly impressed upon their minds, graduate students possessing a truly integrated philosophy of life, and as so eloquently stated in the purposes of your college, aware that there is a higher and more certain source of truth, namely, the divine revelation entrusted by God to His church, and of the further fact that there can never be any genuine conflict between the truths of reason and the truths of revelation, since all truth, on whatever level, is from God.

And I can project my mind ahead and see for generations to come young graduates leaving the hallowed environment of Bellarmine College, becoming leaders in all walks of human activity, and wielding great influence for God, for country, for mankind, for college.

In the motto of your college the word "love" is an important part. How significant and meaningful is the word "love." And how significant and meaningful also is another word, the direct opposite and the enemy of the word "love"—the word "hate."

Let us apply those two simple, but significant, words to the world of today. One could well say that the struggle today is between the forces of love and the forces of hate—that love is the origin of our way of thinking and acting, of our philosophy of life; that hate is the origin of everything destructive and in the world of today, of the Communist ideology and thought and action.

Love of God, love of neighbor, the grave is not the end; position and power is a trust and not a personal attribute. The rights of the individual are God-given, such as liberty, freedom, and the pursuit of happiness. Government is the servant and not the master; the result is popular sovereignty, democracy, and representative government, and a government of law, and not of men.

Let me convey to you a short but comprehensive picture of the results that follow with hate the origin of Communist thought and action.

Hatred of God, hatred of neighbor, the grave is the end, power is personal, might is right, destroy all who do not agree or do not submit; the result: Vicious dictatorship in the form of atheistic or international communism with the imposition of persecution, imprisonment, death, and martyrdom. And the other important word in your college motto is "truth." For it is truth that makes men and women free; and the doctrine of popular sovereignty, the people determining their own form of government, has been taught through the centuries by the great doctors of the Catholic Church. One of the most notable in the world, as well as in church history, is Robert Cardinal Bellarmine, whose feast the church celebrates today.

From the time of his ordination in 1570 to his death in 1621, the brilliant cardinal had a most fruitful life. He has left his imprint on the prominent pages of church and world history.

The period in which he lived was one of religious and temporal controversy. It has been said of him that when he spoke, his words made him seem like one inspired.

As an illustration of his brilliant mind and the deep respect in which he was held, when Pope Clement VIII nominated him a cardinal, he did so on the ground that "he had not his equal for learning."

While in the controversy with King James I of England, Bellarmine stood out uncompromisingly as the champion of the Pope's supremacy in all things spiritual; he also wrote extensively on temporal authority, and is one of the great figures of history against the absolutism of his day, and a great advocate of the doctrine of the consent of the governed. It took a brave man to take such a position in his day.

There are remarkable facts about St. Robert Bellarmine's advocacy of the principle that all just government rests upon the free consent of the governed. He popularized the principal of popular sovereignty and democratic procedures at the time when kings and emperors were in the ascendancy, with the result that today whenever a scholar writes about King James the First's pretentions about "the divine right of kings" he completes the story by describing Robert Bellarmine's role as the King's most honorable, redoubtable and invincible critic whose victory in the controversy of his day and age is a source of satisfaction to all who hated tyranny in the 17th century, and has been ratified by an overwhelming vote of approval and confidence in our own age.

For Robert Cardinal Bellarmine was the outstanding champion in the age of royal absolutism, of a philosophy of the state that is best described as "perennial." He is one of those rare figures recorded in the pages of history who has truly and effectively influenced the course of history. It was the cardinal's vocation to revivify basic truths and, by the solidity and style of his presentation, to win a new audience for sound tradition. He knew how to put first things first. Let me quote a few of his utterances on the subject of popular sovereignty, as clear as they are explicit. "Political power in general, without reference to particular forms of it such as monarchy, aristocracy, or democracy, has its immediate origin from God alone. This is so because such power is a necessary corollary of the nature of man, and consequently must have its sanction from Him who made that nature."

The next question to be decided, however, was the juridical principle that brings the state into being as a concrete reality under a particular form of government. Once more, this prince of philosophers expresses himself in unmistakable terms:

"In the second place, it is to be noted that this power rests immediately, as in its subject, in the whole multitude of the people, for the power comes from God, and God having assigned it to no particular man must have given it to the multitude."

"For it is obvious," Bellarmine continues, "that concrete and particular forms of government have their sanction from the law of nations and not from the law of nature. For it is obvious that it rests with the people as a whole to decide whether they shall set over themselves a king, or consuls, or other magistrates. Furthermore, for a legitimate reason the people can change their government from a monarchy to an aristocracy or democracy, and also the other way about, as we read happened in ancient Rome." He also believed, as we do in America, that the interests of the general public are best served by a government of checks and balances. The distribution of powers among the coordinate branches of government, executive, legislative, and judicial, is the very core of Bellarmine's doctrine.

Commenting up the desirability of the nation or tripartite division of civil administration, the brilliant cardinal resumes his advocacy of popular participation in government. "All men," he writes, "assuredly prefer a form of government in which they can each have a share, and such a form is the one that we propose because in it a man's worth and not his birth is what counts."

These words are completely consonant, not only with the American Declaration of Independence, but also with the soul of the Constitution of the United States. According to Robert Bellarmine, every official of each one of the three coordinate branches of civil administration is obliged, under God, to seek "not his own advantage but the good of the people." "The citizen," he adds, "is governed with a view to his own interest, not to that of his ruler."

There is no question but what the views on popular sovereignty or Robert Cardinal Bellarmine had a profound impression upon George Mason when he framed the famed Virginia bill of rights, and upon Thomas Jefferson and James Madison in their contribution toward framing the Declaration of Independence and later the Constitution of the United States.

It is well known that these distinguished fathers of our country were students of the teachings and political philosophy of Bellarmine and the other great doctors of the Catholic Church.

For example, when the framers of the Declaration of Independence proclaimed, "All men are created equal" they were stating in condensed form the view of the bellarmine that "in a commonwealth all men are born naturally free and equal."

When the American patriots in the Declaration of Independece proclaimed that governments are instituted among men deriving their just powers from the Government. they were reasoning in terms comparable to those used by Bellarmine that "the people themselves immediately and directly hold a political power as long as they have not transferred this power to some king or ruler."

When Thomas Jefferson, writing in the name of his colleagues, declared that "prudence, indeed, will dictate that governments long established should not be changed for light and transient causes" he was emphasizing the same principle of caution and discretion which was proclaimed by Robert Bellarmine who taught that "if there be a lawful cause the multitude may change the kingdom into an aristocracy or a democracy."

When in giving the ultimate justification to their struggle for independence the Founding Fathers appealed to God, and insisting that the people "are endowed by their Creator with certain unalienable rights"; they could have summed up their whole position in the words of Bellarmine, who wrote that "political power emanates from God."

Cardinal Bellarmine lived in a period of intense controversy. Today, you and I are living in a period of controversy, one of the most trying periods of the known history of man. The thoughts and words of Bellarmine are just as applicable today as they were in his day.

As the church has given to mankind great leaders in the past, particularly in every crisis, so has the church given to the world a great leader during the period of pain that it is now undergoing. For in Pope Pius XII the church gives not only to the universal church, but to the world, one of the great leaders of all times.

On December 23, 1956, His Holiness Pope Pius XII gave his Christmas message to the world. It was an eloquent and effective message from one of the great men of all times, churchman, scholar, diplomat. What His Holiness said on that occasion will take its place as one of the great historic documents of all time.

In a few words his message could be characterized as one "calling for stronger alliance against the Communist conspiracy." Since 1939, His Holiness has made not less than 18 Christmas messages, but this one was direct and vigorous in its broad political sense, making in effect a ringing call for realism. It was a call against appeasement, inaction, and fear. It was the church militant speaking in the light of present world conditions.

The Pope reminded the world of the grim realisms of the life of today.

Among other things His Holiness said was, "men do look upon the struggle unjustly forced upon them by their enemy as a crusade." Like the conditions of the early centuries of the church, the days of martyrdom have returned again. And like we had the crusaders and their spirit of those days, so do we need the spirit of the crusaders today, the spirit of affirmative and dynamic democracy.

The days of martyrdom exist again. Catholic, Protestant, and Jew have all suffered through the vicious persecution of atheistic communism.

To all who want life and freedom, and without respect to race, color, or creed, or geographical location, the Christmas message of Pope Pius XII, if followed, charts the road to success and to peace.

As I have said, Pope Pius XII made a ringing call for realism. It is the duty of each and every one of us to be realistic and objective in our evaluation of world conditions. In doing that we have to take the hard road, oftentimes forming our opinions contrary to our hopes and desires.

For we must realize that we are faced with a cold, sinister ideology dominated by leaders with the minds of "world killers" bent on world revolution and world domination, and that as long as those who control the Kremlin adhere to doctrinaire communism, they are prisoners of an ideology that forces them on and on in their determination to dominate the whole world and to impose communism, if necessary by force and through fear.

The Holy Father spoke to the entire world, not to communicants of the Catholic church alone. He spoke with profound knowledge of the Communist conspiracy of world domination, its intents and its purposes. He spoke with knowledge of the inhuman consequences that follow wherever communism takes over. He knows that in this battle of "Love versus hate" that all peoples without regard to race, color, or creed putting into active and dynamic operation the commandments of God, is not only the answer to international communism, but is the only sure and ultimate road to victory. For while it is necessary for us to be powerful from a military angle, Pope Pius XII also knows it is necessary for us to be powerful from a moral and spiritual angle, for he knows that the moral and spiritual forces of the world, both outside and behind the Iron Curtain, with their love of and faith in God, will be the deciding influence between victory and defeat.

From the angle of our own beloved country, it is very apparent that we have a rendezvous with destiny. Whether we want it or whether we like it or not, the United States is the leader of the non-Communist world. All persons and all peoples who want to be free under their own law, and there are countless of millions of them behind the Iron Curtain, look to America for leadership.

In forming our policies we must think in terms of realism as so well stated by His Holiness in his message of last Christmas. We cannot afford to think and act alone in terms of a dream world, one that we dream and hope for. We can pray for such a world and ask God to guide and direct us in making our contribution toward such a future world, but in the face of the enemy that confronts us, to form our Nation's policies on hope alone in the road to inaction, weakness, uncertainty and appeasement. And Chamberlain showed that appeasement is the road to war.

I have said that the world is undergoing one of the most, if not the most, trying and challenging periods in the known history of man. It is the forces of dictatorship in most vicious form, dedicated to world conquest and determined to control not only the body, but the will and the spirit of man—to try and force that will and spirit to forget their beliefs, their faith in God and his law, and to be remolded to the likeness of atheistic or international communism.

To some the present period is one of frustration, of confusion, and of defeat. To others a period of faith and confidence and ultimate victory. This trying and challenging period is one that tests our faith, our courage, and our strength.

No matter how dark the situation may be, possession by individuals and nations of deep faith might well be the sustaining difference between victory and defeat. Faith keeps alive confidence and above all, spiritual strength, which is so important in any crisis.

I have made reference to the fact that there is now a return to the days of martyrdom. The history of the past 25 years shows that the days of persecution, death, and martyrdom are not over. This has been particularly evidenced by recent events in Hungary, and one of the principal ways by and through which the vicious forces of international communism can be frustrated and stopped is by the return of the spirit of the crusader.

I emphasize the fight of the brave people of Hungary because it is a living scene in our lifetime, historic to future generations, of the sacrifices people will make to possess liberty.

Hungary is representative of the hopes of people everywhere to either regain or retain liberty.

For the rights of the individual, called liberty, are God given and therefore inherent, which man may temporarily suppress, but can never destroy.

Bellarmine knew this and taught it in his day, as Pope Pius XII and others do today.

For Hungary has taught the Communist and non-Communist world of today that the spirit of freedom and desire for liberty cannot be killed by tanks and superior guns.

And there will be future Hungarys—for example, Poland, East Germany, Latvia, Lithuania, and even in the Soviet Union itself—for the inherent desire for liberty cannot be destroyed.

In the event of such uprisings, as in Hungary, we should, we must, have a policy to capitalize the situation, because the ultimate defeat of international communism is going to be made by those who, if necessary, are willing to fight and die for their liberty. There are many Patrick Henrys in the world of today.

The brave action of the people of Hungary shows: (1) That the Kremlin masquerade of moderation is over; (2) that peaceful coexistence is exposed for what it is, an expediency to try and deceive the Free World and to lull it into complacency; (3) that severe tensions exist behind the Iron Curtain; (4) that the world killers of the Kremlin cannot depend upon any satellite nation; (5) that if we capitalize the situation, Hungary will be the turning point of this era and the beginning of the death of atheistic communism.

But we can only capitalize by sound policy and by being strong, firm, and unafraid.

It is vitally important that our people be united in this grave emergency. In connection with this, a sound, objective public opinion is necessary. For public opinion wields a tremendous influence, for good or for harm, in forming policy and in the passage of legislation in the national interest of our country.

This is a responsibility of each citizen. And in days like we are undergoing, we must think the hard way, not the easy way, like "the river flows along the line of least resistance."

Far greater at times than Presidents, Members of Congress, governors, and other elected officials is the voice and power of public opinion.

For example, 3 months before Pearl Harbor I saw the extension of the Selective Service Act pass the National House of Representatives by 1 vote, 203 to 202. Every Member who voted against this very important bill was just as good an American as I and others who voted for its passage.

There is no question in my mind but what the honest, but emotional and erroneous public opinion that prevailed against the bill played an important part in the minds of Members who voted against it.

It is in these trying days that we are undergoing, when there is neither peace nor war, we are faced with a grave emergency that a democracy experiences its greatest strain.

For, in time of peace, we can have disturbing conditions, but people can take care of them at some future election.

In time of war, public opinion, in response to the law of self-preservation of nation and individual, even when in disagreement with some governmental policy must silence itself and support.

But, in the period I term a "danger potential," when there is neither peace nor war, public opinion is usually aroused spontaneously, operates violently, is mainly based on hope, not reason, and while honestly entertained, is to a powerful extent emotional and erroneous.

We must, therefore, think along objective lines.

We must realize that we are faced by a cold, calculating, deliberate force, determined to dominate the world by any means possible.

We must realize that as long as the Kremlin adheres to doctrinaire communism, and that expediency may cause them temporarily to change their policy, that their intent and purpose never change.

We must also realize that we cannot negotiate with them on a moral level, because they hate God and His law, and they have no moral concept.

We cannot deal with them on the level of idealism because they have no idealistic concept.

As long as they adhere to doctrinaire Marxism and international communism,

there is only one level on which we can negotiate with them, and that is on the level of the law of self-preservation. For they cannot deny that this law applies to the Soviet Union and its people as it does to other nations and their peoples.

And we must be strong militarily, for the only thing the Communists respect is what they fear, and that is force and power greater than they possess themselves.

But we must also have moral and spiritual strength, for that is a reserve strength that guns and tanks cannot defeat. It could well be the difference between victory and defeat.

And we must think and act not as Democrats, not as Republicans, but as Americans.

Relief to the Hungry Peoples of the Soviet Slave Empire

EXTENSION OF REMARKS

OF

HON. HAROLD R. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1957

Mr. COLLIER. Mr. Speaker, under leave to extend my remarks in the RECORD I would like to draw the attention of the House to some possibilities and some grave dangers in our Government's apparent aim to win the captive peoples of Eastern Europe away from their Soviet slaveowners.

There has been much talk recently in administration circles of providing assistance to the people of Hungary, Poland, Czechoslovakia, and the Baltic States who have for so many years suffered starvation and want as Red slaves. The idea apparently is to demonstrate the failure of communism by providing them with food and clothing which their Communist masters are unable to supply. The aim, if it works, is admirable.

But I submit there are extensive dangers in this proposal. The most important of these is that our altruism and free giving may boomerang. Instead of accomplishing our purpose of feeding the starving, and our ultimate goal of lighting for them the path to freedom, we may actually wind up bolstering the very tyranny which has caused the suffering in the Soviet orbit and which still beats the drums of world conquest.

A great American statesman who has served his country and humanity well for over 40 years has pointed the way to avoiding these pitfalls while still accomplishing our aims. As early as 1921, former President Herbert Hoover, then director of the American Relief Administration, foresaw the dangers and drafted a document to sidestep them. He undertook to feed and clothe the hungry and cold peasants and slum dwellers who for 4 years had been in the hell of Soviet slavery.

Mr. Hoover's proposals made in 1921 have been rediscovered by the Citizens Foreign Relations Committee and have been presented to Secretary of Agriculture Ezra Taft Benson. It is to be hoped that this remarkable document has been passed on to others in the administration.

Mr. Hoover recognized fully the dangers of the Kremlin taking credit for the bigness of the American heart. So, he drafted a most careful contract to be presented to Maxim Litvinov, who represented the slave owners in this negotiation. Under terms of this unusually foresighted contract, American relief supplies would have to be distributed directly to the suffering. ARA representatives, Americans for the most part, would administer the program right down to the street-corner level. The ARA would pick those Russians needed in distributing the supplies—the Kremlin would have no say in the matter at all. In short, American supplies would be controlled by American relief agents until they actually reached the stomachs of the recipients. And there was to be no propaganda claims by the Russians; indeed, there could be no such claims. It was apparent to all who received, that their Communist masters had failed them; that free Americans were willing and able to do the job.

The administration now has a copy of this contract. Additionally, it could, if willing, now call on the elder statesman of the United States, this same Herbert Hoover, for advice on how, if we are to supply such relief to the hungry peoples of the Soviet slave empire, such a program could be administered so the people in need would receive and the Kremlin would not be permitted to appropriate for the collective leadership of Russia the credit. Unless some such precautions are taken, the results of American help would be to tighten the fast-slipping control of Moscow's masters over people who after 12 years of dark terror are beginning to see the first faint streaks of the dawning of freedom.

Nuclear Giveaway

EXTENSION OF REMARKS

OF

HON. WILL E. NEAL

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1957

Mr. NEAL. Mr. Speaker, while it is not within the province of this House to usurp the treatymaking authority of the other side of the Hill, I do not think it amiss to call your attention to an international agreement now pending in that body which will affect us all.

I refer to the pending ratification of the charter of the International Atomic Energy Agency whose authority will embrace the widely heralded atoms for peace plan first proposed by President Eisenhower before the United Nations in 1953.

From that initial proposal, the President went on to declare in New York City on October 26, 1956, that the United States stood ready to make immediately available to this Agency some 5,000 kilograms of nuclear fuel uranium 235 from 20,000 kilograms allocated earlier in the year, the 5,000 kilograms to go for peaceful uses to friendly nations.

According to the best estimates, this would mean giving away some $125 million to other nations. All told, the 20,000 kilograms, to be distributed over a 3-year period, have cost the taxpayers of the United States approximately $500 million, according to best available estimates of the cost of this precious material.

Aside from its cost, however, there are graver considerations involved in a congressional decision on whether or not the Agency charter shall be ratified.

Its announced purpose is the peaceful use of the wondrous power of the shattered atom to promote health, industry, and peace throughout the world. I, for one, do not believe that the United States needs to prove much further its peaceful intentions and its philanthropy to all and sundry, including those who were our enemies during World War II.

In its organizational structure, the Agency leaves much to be desired from the standpoint of our own national interest and security.

The total membership of the Agency shall consist of 90 nations. I am told that some 80 nations have already signed the covenant with Soviet Russia and its satellites being among the first to get on this new combination band wagon and gravy train.

It would be governed by general conference of 10 members at first, with a rotation of 5 members annually after the first full year of operation.

Operation of this agency would be by majority vote, but here again, the United States will have, as it has in the United Nations, only 1 vote in contrast to the 3 satellites controlled by Russia. And beyond the satellite votes, there exists the generally sympathetic postures usually adopted by many of the so-called Asian and African members when matters affecting the Soviet Motherland come up for a vote.

Once again, it is the story of the United Nations—the United States will bear 80 percent of the cost, largely represented by our donation of 20,000 kilograms of uranium 235, but have only one-ninetieth of the operational control of the establishment which distributes the product made possible through the taxes paid by the citizens of this Republic.

As a threat to the security of this Nation, I cannot emphasize too strongly that the material to be distributed by the Agency is only two steps away from the fissionable material from which bombs are made. Some 90 percent of the processing necessary to make it suitable for bombs has been accomplished.

Think, Mr. Speaker, of the alarming possibilities should any member of the Agency fail to live up to its obligations and contractual promises once it had in its possession uranium 235. Solely on the treaty-breaking performances of a great many members of the United Nations to date, I am not so sanguine as to believe that their respect for international instruments would grow stronger in dealing with this precious and coveted material which American technical genius has created.

A great many careful studies have been made of this plan, and the only practical conclusion is that you can no more delineate between peaceful and military uses of uranium than you can resolve the old question of how many angels can dance on the head of a pin.

During United Nations debate on this matter, Soviet Russia contended that the meager safeguards set up in the original proposal were unnecessary. Her curious position was that in the absence of an agreement abolishing nuclear weapons, any safeguards having to do with inspection of even peaceful atomic installations constituted an invasion of the sovereign rights of a nation.

Her stand was immediately followed by the introduction of amendments by four neutralist but consistently pro-Russian United Nations members, which, although defeated, had an effect in sum total which watered down the original safeguard provisions.

And what will happen once we have made our initial giveaway of uranium 235?

I can foresee as the next logical step, a great demand from the recipients for continued billions in United States money to finance the industrial installations, to furnish the technicians, and the construction know-how necessary to utilize the raw energy of the uranium 235.

Most Members of this House are well aware that we have bought many a pig in a poke during and after World War II.

The wisdom of many of these international boondoggles has been disproved time and time again. In our case, the burned child does not dread the hot stove.

He seeks it out again and again as demonstrated in this instant case of another seizure of unwarranted international optimism.

Present Inequities in Social Security

EXTENSION OF REMARKS

OF

HON. THOMAS L. ASHLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1957

Mr. ASHLEY. Mr. Speaker, through the years the Congress has, wisely I believe, recognized that people receiving social security should be allowed to supplement their benefits with a modest amount of earnings. The amount of outside earnings allowed has been increased from $14.99 per month to $50 per month in 1950, to $75 per month in 1952, and finally, in 1954, to $1,200 a year. The 1954 amendments also changed the law so that persons aged 72 and over have no restrictions on earnings whatsoever. I have been concerned, however, with some inequities which have arisen through what I am convinced must have been an oversight in the drafting of this legislation. In shifting from a monthly income test to an annual test, inequities have arisen. These problems occur in the year of retirement and the year in which the individual reaches age 72.

The $1,200 per year exemption is based on average monthly earnings of $100 a month. But to relieve problems which arise with uneven earnings, the act states that an individual cannot lose a benefit for any month in which he earns $80 or less even though he exceeds the $1,200 limit.

Let us see how the system works in a specific fact situation—first in the year of retirement and then in the year of age 72.

For instance, let us take the example of a 65-year-old teacher who finishes his school year in June and must retire. He applies for benefits on July 1. During the first 6 months of the year he had earned $2,200. When he applied for social security he already had, therefore, exceeded the amount of earnings he is allowed for the year. He is told at the social security office that the law will still allow him to earn $80 monthly, but if he exceeds this amount his benefit for that month will be canceled.

If, however, he could have retired in January, instead of July, he would have been allowed to earn $100 a month for the entire year in addition to his retirement benefit. Thus the teacher, solely because he retires at midyear, loses $20 a month in earning power during his first 6 months of retirement. This is an arbitrary discrimination without basis in reason. It puts a premium on the date of retirement which seems wholly unrealistic. Moreover, it imposes a retirement test on income earned before retirement actually takes place.

Now let us see what can happen to the same teacher in the other situation—depending in this case entirely upon the accident of when his 72d birthday occurs. He has been earning $100 per month in the last few years and has also received a maximum social security benefit of $108.50 a month. Now that he has reached his 72d birthday he assumes that there is no longer any restriction on the amount of money he can earn and still receive benefits. He, thereupon, gets another job which pays him $150 a month—or $50 more than he was earning. At the end of the year he finds out, however, that he must pay back four monthly benefits—totaling $434 because he exceeded the $1,200 a year. In other words, because of earnings after age 72, he must return benefits he received before he became 72. He also discovers, to his dismay, that the extra $50 per month—totaling $300 for the 6 months on the new job—is more than canceled by the amount he owes to social security. He must repay them $134 over the extra $300 he earned to cover his $434 debt. This repayment in many cases, constitutes an extreme hardship.

The two bills I am introducing today will cure these inequities by very simple changes in the law. The first bill makes a special provision that will allow an individual to earn $100 a month in every month of the year in which he retires. The second bill removes completely the income limitation for the entire taxable year in which he becomes age 72. The two bills place him in the same position as that of other individuals who are fortunate enough to have their retirement dates and their birthdays in January, and thus, merely by happenstance, are attuned to the vagaries of existing law.

Certainly it is unrealistic to assume that most people can retire, or have their birthday, in January and thus avoid the complicated and sometimes confiscatory workings of the present provisions. We know that, for most people, the time of retirement is not a matter of choice. Frequently it is compulsory. Often, as in the case of schoolteachers, it is governed by provisions of law. In other cases, it is at the caprice of the employer. Clearly, the month in which a man was born should not influence the amount of social-security benfits to which he is entitled.

The cost to the social-security fund of the changes I propose would by very insignificant, and are fully warranted by the equities they effectuate. I urge the Congress to take prompt action on these bills so that the unfortunate characteristics of the present system can be changed.

Shut-In's Day

EXTENSION OF REMARKS

OF

HON. GORDON CANFIELD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1957

Mr. CANFIELD. Mr. Speaker, within a few hours, many of us in this House and our friends in business and industry will be closing our desks, packing our bags, and heading for seashore, lake, and mountain resorts to enjoy the long Memorial Day weekend. We will bask in the sun, relax, and come back refreshed to face the tasks ahead with new perspective, new interest, and vigor. It is good to put aside the daily routine, to see new places and things, to look up into blue skies and hear bird songs, instead of the steady pound of typewriters and the drone of our own voices.

But there are those among us who have no hope of getting away this weekend or any other weekend. They are the shut-ins, doomed through no fault of their own to spend the days and years in wheelchairs and hospital beds. For them the fragance of spring, the white stillness of winter, the flamboyance of autumn and the lazy luxury of summer are nothing more than the pages of a calendar to be flipped over. Alone and too often forgotten, they sit by their windows and watch the seasons slip by, remembering perhaps the world outside, yearning always for some release from the bonds of pain and illness that hold them prisoners within the four walls of their bedchambers.

There is a growing movement afoot to bring some bit of sunshine, some glimmer of happiness into the lives of our shut-in friends. Since 1941, Mrs. William Francklyn Paris, of New Jersey, and Ernest Barker, of Canada, have been working through the Shut-in's Day Association to have the first Sunday of each June set aside as a day of remembrance and recognition of the shut-in. Shut-ins themselves, they understand the aching need of the shut-in for acceptance, for friendship and understanding. Thanks to their tireless efforts, carried on with Herculean vigor in spite of their own handicaps, and aided by a growing band of shut-in and non-shut-in supporters they are making steady progress. From a limited observance that first year the movement has spread out in ever-widening circles, in this country and abroad. In 1955, official proclamations marking the first Sunday of June as Shut-in's Day were issued by the mayors of 69 cities in 29 States. My good friend and beloved colleague, the late T. Millet Hand, introduced legislation in this House last year to give recognition to this day. Currently there are pending before the Committee on the Judiciary 2 bills to effect this end, 1 sponsored by my own New Jersey colleague, PETER J. RODINO, Jr., and the other by the gentleman from Pennsylvania, Mr. HOLLAND. It is my sincere hope that this session will see some action on this worthwhile legislation. But we need not sit back and wait for this bright tomorrow, we can, each one of us make this first Sunday of June 1957, Shut-in's Day in actuality. We can pay a visit to some shut-in, send him or her a cheery card, a note, or a bright bouquet of flowers We can let him know that he is not forgotten, that somebody cares, that somebody is interested in his views, willing to exchange news and experiences from the world outside for the priceless philosophy and examples of courage that so many shut-ins have to offer. We can spread the word and implement it and, while we are doing it, may we never forget that many of today's shut-ins were the bright young heroes of yesterday; the boys whose blood bought the black beaches of Iwo Jima, stained the sands of Anzio and the snows of Pusan, and paid for the freedom we now enjoy. We can say "thank you" to them this weekend by remembering them on Shut-in's Day, and by giving as many shut-ins as we can, some cause to say with all sincerity, "What is so rare as a day in June?"

Public Welfare Act of 1958

EXTENSION OF REMARKS

OF

HON. AIME J. FORAND

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1957

Mr. FORAND. Mr. Speaker, I have today introduced for appropriate reference the Public Welfare Act of 1958.

This bill proposes to bring up to date the public welfare provisions of the Social Security Act and place our public-welfare program of aid and service to the needy, handicapped, and helpless on a realistic basis in terms of present conditions. Since the Social Security Act was originally conceived and enacted in 1935, major changes and advances have taken place in its social insurance aspects and these have, in turn, greatly modified the nature of public welfare responsibilities. Unfortunately, the assistance and child welfare titles of the act have not been brought up to date as these changes have occurred and this, in turn, has made it difficult for the States to make the adaptations in their own public-welfare programs necessary to meet actual needs. This bill incorporates basic changes long advocated by the major welfare organizations and leaders throughout the country. These changes would give the States an optional alternative to the present system under which they could develop a single welfare program which would be at once more adequate to meet existing needs and more efficient in terms of costs, personnel and flexibility.

The rapid growth of our social insurance program with respect to coverage and benefits has greatly reduced the need of persons in the average situation for public assistance. As we continue to apply the insurance principle on an even wider basis by gradual improvements in our OASI program, the role of public welfare will tend to become even more specialized. This trend is exemplified in the fact that today the average age of recipients of old age assistance is 75 years and the figure rises every year. This means that it is chiefly the very old—many of whom retired too early to benefit from OASI coverage—and those with special medical needs who have to turn to public welfare for help. Some of these need only money and are entitled to receive it with a minimum of investigation to establish eligibility. But a great many others require highly individualized attention to secure the kind of care they need, frequently involving more than average financial aid to secure necessary medical and nursing care. To meet this kind of need public welfare agencies require flexible provisions and adequate staff. Similarly in the families with small children requiring aid, social problems increasingly compound financial needs. Illegitimacy, desertion, and other family problems among the recipients of public assistance make the present arbitrary division between the child welfare and public assistance aspects of the public welfare function increasingly illogical and archaic.

The States have been moving steadily toward this concept of a single public-welfare program which can provide a real floor of protection against unmet social and economic need for all people. This does not mean, however, that they are seeking a monopoly on social services. For public welfare by its very nature moves in only when family and voluntary resources are unavailable to the individual seeking help. The strong support for adequate public-welfare programs shown by voluntary groups like the Family Service Association of America, the Council of Jewish Federations and Welfare Funds, and many other sectarian welfare agencies is good evidence that there is need in our society for both.

But State and local public welfare agencies have been handicapped in making the best use of their own resources and personnel by the rigid structure of Federal aid. This bill proposes to remedy this by providing the optional alternative of a single comprehensive public welfare plan with provisions which will make possible more adequate and flexible aid by relating Federal grants to the State's financial need, placing the ceiling on assistance payments on an average rather than individual grant basis, and eliminating the present arbitrary restrictions on eligibility. In return for this greater flexibility States are required to provide assistance for all persons who qualify within their own standards of need without arbitrary exclusions such as those based on residence. The bill also recognizes individualized service as an intrinsic element in all public welfare functions thus making it possible to bring about a closer coordination of all welfare programs in a single public welfare agency. The advantage of such a simplified approach to the person who needs help, to the Administrator and to the public constitute a major argument for giving early consideration to this proposal.

In the statement which follows a more detailed explanation of the provisions of this bill is given.

GENERAL

The bill provides a new title XVI for the Social Security Act under which a State could submit a comprehensive public welfare plan for assistance to needy persons and welfare services as defined in the bill. States that wished to do so could continue to operate programs of assistance under the existing provisions of title I, IV, X, and XIV but the new matching provisions described below are applicable only to title XVI and the usual provision is made to preclude assistance payments to any individual under more than one title of the act. For most States the scope, flexibility, and financial provisions of title XVI would probably prove an inducement to change, but the optional feature would ease the transitional process and make it possible for a State, which wished to retain certain programs—as, for example, aid to the blind—on the present basis, to do so.

COVERAGE FOR ASSISTANCE

This bill makes it possible for a State to receive Federal aid for assistance to any needy person and not exclusively for those over 65, blind, permanently and totally disabled, or those meeting the restrictive definition for aid to dependent children—as at present. Administration by categorical groups would, however, be optional with the States, provided the basis for establishing the categories was reasonable. Assistance could not, however, be paid to persons residing in public institutions other than medical institutions nor to patients in an institution for tuberculosis or mental disease.

HIGHER ASSISTANCE LEVELS

This bill would provide a more flexible, rational, and adequate financial base for assistance payments in all States by making the following changes:

First. Ceilings or the maximum payments subject to Federal aid would be increased to $75 a month for all adults and $37.50 for all children. Present maximums in old-age assistance, aid to the blind, and aid to the permanently and totally disabled are $60 a month; in aid to dependent children the present ceilings are $32 each for the first child and adult caretaker and $23 a month for each additional child.

Second. Matching on the average of all payments rather than in terms of each individual payment as at present would, however, make it possible to receive Federal matching for higher payments in cases of unusual need—provided these were offset by other payments below the maximum level.

Third. A new and simplified matching formula would replace the present complex and inequitable formula which neither recognizes the special needs of low-income States nor the great efforts made by some States to provide more adequately for their own needy. Under the proposed formula the total of all assistance payments—within the average ceilings as shown in first above—would receive a 62 percent Federal reimbursement in any State whose average per capita income was the same as that of the United States as a whole. For States above this average the percentage of Federal reimbursement would be proportionately decreased but would in no case fall below 50 percent. For States with a lower than average per capita income the percentage of Federal reimbursement would be proportionately increased but the maximum level of reimbursement would be 80 percent. Under this formula the needy in both the high and low income States would benefit: the former by the higher reimbursable ceilings and the latter by the higher rate of reimbursement.

Fourth. Welfare services provided by the public welfare agency would be subject to the same rate of reimbursement as assistance payments. Increasingly those persons turning to public welfare agencies for aid are those with special needs requiring knowledgeable service for their solution. Such service can often help speed the return of the individual to self-support, secure for him the care he needs from other sources, prevent serious or long-term future difficulties, and reduce the cost to the public of extended dependency. For example, many people needing medical care or rehabilitative service do not know what provisions are available or how to go about applying for them: Many people are lingering in general or mental hospitals simply because they have no other place to go—and no one to help them find such a place; many people living in areas where their former source of livelihood has ceased to exist need help in moving to areas of new opportunity; many children might be saved from juvenile delinquency or other forms of costly social maladjustment if their parents received helpful guidance at the crucial time or—in cases where substitute family care was necessary—the child welfare services of the public welfare agency could make prompt and adequate provision for their adoptive or foster-care placement. An advantage of this bill to the child welfare program is the fact that it permits child welfare workers to apply assistance funds to the placement of needy children requiring foster care. The grave injustice done to this neediest group of children under the present act, which denies assistance to children not living with a close relative, was pointed out by the welfare report of the Commission on Intergovernmental Relations.

Fifth. Simplified administration, with consequent benefits to those requiring public welfare aid as well as to those who do its work and pay its cost, is provided in this bill in several ways. Matching on the average of all payments, the optional elimination of categorical administration, and the provision of the same reimbursement formula for all types of aid would permit an enormous reduction in paperwork with subsequent reduction in the cost of overhead administration. The bill also requires that the program be administered by a single agency at each level of government thus eliminating costly duplication, overlapping, and confusion of responsibility. From the point of view of the individual or family requiring help the advantage of a single agency is obvious.

Sixth. Availability of benefits: The bill makes it a condition of the broadened base of Federal financial assistance provided by this new title that its benefits should be available to all qualified persons without residence or citizenship requirements. No public welfare program can be considered to be fulfilling its function as the ultimate guarantee against individual need if it arbitrarily excludes needy persons solely because of their length of residence. The very factors that make it essential for the Federal Government to share the broad public welfare responsibilities of the States make it equally essential that such aid be available to all.

Seventh. The Virgin Islands and Puerto Rico: This bill rights a long-standing injustice toward our fellow American citizens in the Virgin Islands and the Commonwealth of Puerto Rico by extending to these jurisdictions the same program provisions as apply in the States and territories.

Eighth. Confidential assistance records: This bill restores to all persons receiving assistance under this title the protection formerly required by all titles that the facts concerning their receipt of assistance be treated as confidential information.

Ninth. Personnel training: The bill recognizes the serious shortages in qualified public welfare personnel by providing special financial aid for training such personnel.

Large Importation of Woolen Textiles Harmful to the United States

EXTENSION OF REMARKS

OF

HON. EDITH NOURSE ROGERS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1957

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following statement of mine at the hearing conducted by the Office of Defense Mobilization on the effect of the importation of woolen textiles upon the American woolen industry and the threat to national security:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 29, 1957.

Mr. CHARLES H. KENDALL,
General Counsel,
Office of Defense Mobilization,
Executive Office Building,
Washington, D. C.

DEAR MR. KENDALL: I have the honor to submit my views for the record of the hearing being held on June 3 by the Office of Defense Mobilization concerning the effect of woolen textile importations on the woolen industry in the United States and the threat of these importations to our national security needs.

The woolen textile industry in the United States of America has been one of our national basic industries. It is an industry not only of importance within the general national economy, but also of tremendous importance in the Nation's national defense. Since World War II the contraction of the woolen textile industry in the United States has been so great it has presently reached a point of strategic seriousness in regard to just how long the industry might continue to survive and how long and how adequately it can be of service to our military forces in the requirements of national defense.

I am particularly interested in this alarming situation because almost 50 percent of the woolen and worsted spindles in the United States are located in the New England States. Although there are woolen textile plants in over 30 States of the Union, the industry is largely concentrated in the New England area. For many years it has been one of the backbone industries of the New England economy.

In the decade 1946–56, production in the woolen textile industry in New England has declined over 40 percent. Employment has declined approximately 50 percent. In Massachusetts, and particularly in the Fifth Congressional District which I have the honor to represent in Congress, the constant, continuing liquidation of woolen textile industries has been taking place at a tragic and serious pace. In the daily newspapers of Boston, Lawrence, Andover, and Lowell advertisements of auction sales, of woolen machinery and equipment and mill liquidations are constantly appearing. I need only mention the great Shawsheen Mills in Andover, Mass., one of the finest woolen textile plants in the world, which was liquidated at

public auction. There are the Wood and Ayer Mills of Lawrence, Mass., and many others. Hardly a week passes but there is an advertisement in the Boston papers advertising the sale of modern textile machinery and equipment. At the present rapidity of liquidation, the woolen textile industry in the New England area certainly cannot long endure.

This is an appalling and shocking situation, and it deserves the most careful examination. The causes of this situation must be found and pinpointed, and eliminated. In my view it is the duty of the Government of the United States to protect completely our national economy, and this cannot be accomplished unless the basic industries of America receive the support of their own Government.

According to my information, the principal cause threatening the woolen textile industry of the United States, and particularly in New England, is the overwhelming increase in the importation of woolen yarns and woolen woven fabrics. Within the last 10 years, the importation of woolen fabrics has increased over 700 percent and the same is approximately true of the importation of woolen yarns. The principal countries from which these importations take place are Great Britain, Japan, Italy, France, and Belgium. It is very easy to understand that these nations having a vastly lower wage pay schedule in their mills than the wage scale paid in the mills of the United States, and particularly New England, have a tremendous advantage over the industry in the United States in the American market. This advantage is due to the fact that the present tariff schedule does not offer sufficient protection to close the wage gap existing between these foreign industries and those here in America. This difference in the cost of production, which is not made up and leveled off by the present United States tariffs, I say is the major cause for the failure of the American woolen industry to compete in their own national market.

Now here in America we are proud of the American standard of living. We are proud of the fact that people in America enjoy much that makes life easier in this land of freedom. Our officials and leaders are constantly saying to the American people that the best ways and means should be constantly devised and developed not only to maintain this marvelous standard of living but to constantly increase and constantly better it and constantly make it available to more and more and more of the American people. I ask you how this can be done and at the same time subject a great basic industry such as the American woolen industry to the underpaid, yes, and underfed and ill-housed populations of foreign countries. How can this American standard of living be preserved and increased with unprotected competition of this kind. It is impossible to do it without adequate protection and every high-school student is sufficiently mature to understand this simple principle of economics.

You can't have your cake and eat it, too. I realize that is a rather trite phrase, but it certainly is completely true in this case. You cannot hold up America to the world as the land of freedom and opportunity, possessing the highest standard of living, and at the same time be undercutting this standard of living with procedures and methods the eventual effect of which would be to make life in America the same as it is in those foreign lands where life means only existence. In all of those countries constituting the principal competitors threatening the American woolen textile industry, the workers and the people are striving to immigrate to America, the land of opportunity. How long can this take place?

The answer to this question depends entirely upon the protection of American economy. In the practical operation of the Trade Agreements Act sufficient precaution must be taken to see to it that the American economy is protected to the extent at least that the American standard of living can be maintained. If the American standard cannot be maintained on a solid basis under the Trade Agreements Act, then certainly there is no other choice for the Congress of the United States but repeal of the Trade Agreements Act. As a nation, the United States of America and its people cannot be expected to give and give and give its billions and substance for the welfare of foreign nations and at the same time have the national economy threatened and thousands and thousands of jobs liquidated for the American people whose tax money is financing the giving. This is inconsistency of a serious nature. This is subjecting the American people to an impossible situation which cannot long continue.

In these times the United States of America is the bulwark of freedom in the world. This freedom is constantly being attacked by the Communist nations with all of their power and forces. The nations of the Free World depend upon the United States for protection and for their survival. To fulfill this great and grave responsibility, the national economy of the United States must first of all be completely and adequately protected. The military forces of the United States must possess every requirement and every need to do their job. The military forces of the United States, just as much as they are dependent upon airplane industries, important as they are, are dependent upon the woolen textile industry. Soldiers, airmen, and seamen must be protected against all kinds of climatic conditions. Their requirement is woolen textiles, woolen fabrics of every description, and even woolen textiles in certain types of defense mechanisms. The military forces of the United States are just as dependent upon the woolen textile industry of this country as they are upon those industries which provide the ammunition and mechanics for victory.

It is to be remembered and to be noted that it is presently the strength of the military forces of the United States which makes peace possible. So, both in peace and in war, American responsibilities as the bulwark of freedom are very gravely dependent upon the American woolen textile industry.

In view of the significance of this problem, and in view of the rapid decline of the woolen industry in the United States, I plead and urge the leaders in the Office of Defense Mobilization to take whatever steps that are open to them to provide adequate protection for the woolen textile industry of America. I urge you to consider that your first duty is to the welfare of our own country. It is perfectly obvious to anyone that when a great industry such as the American woolen textile industry is being forced to liquidate as rapidly as it is, that something very vital and serious is wrong. These wrongs must be discovered. These wrongs must be made right. The strength and power of your country and mine must come first if freedom is to continue, if life as we know it is to survive. This great bulwark of freedom, devised by man for the benefit of man, must prevail. To do so, its sinews of industry, of quality of living, and spirit cannot be weakened.

Protective action for the woolen textile industry of America is needed immediately. I urge you with all the force at my command not to postpone this action until it is too late.

EDITH NOURSE ROGERS,
Member of Congress.

Uniform Admission to the Federal Bar, H. R. 818

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 29, 1957

Mr. MULTER. Mr. Speaker, on January 3, 1957, I introduced H. R. 818 to make uniform the rules for admission to the Federal bar.

THE PURPOSE OF THE BILL

The purpose of this bill is to promote consistency and certainty, and to eliminate the present inequities and anomalies, in admissions to practice before the lower Federal courts.

The bill would amend title 28 of the United States Code by adding a new section 1657, so as to provide that membership in good standing at the bar of the United States Supreme Court shall be the sole requirement for admission to practice before the Federal courts of appeals and district courts, including the district court for the district of Alaska but not that of the District of Columbia. This provision would not apply to any person who is barred from practice before the district courts and courts of appeals by reason of holding public office.

THE PROBLEM

At present, the extreme diversity of admission rules in the Federal courts gives rise to many inequities and anomalies. Attention was recently called to this problem by an article in the American Bar Association Journal, volume 42, page 721, 1956. An article by Hugh Williamson, discussing the various admission rules of the Federal district courts was placed in the CONGRESSIONAL RECORD by me on July 21, 1953.

For admission to the bar of the United States Supreme Court, it is only necessary to be of good moral character and admitted, for 3 years past, to practice in the highest court of a State. Seven of the 11 circuit courts of appeals—the 3d, 4th, 6th, 7th, 8th, and 9th and the Court of Appeals for the District of Columbia—admit attorneys on this same basis. But these 7 circuits include only 29 States. In all the other States, there are special, additional requirements. One example will clarify the problem. For admission in the first circuit—Maine, Massachusetts, New Hampshire, Puerto Rico, and Rhode Island—the attorney must have been previously admitted to practice in some other United States appellate court. If all United States appellate courts adopted this rule, there would be no further admissions.

An even stranger spectacle of diversity and confusion is presented by the Federal district courts. Thirty of them will admit anyone who has been licensed to practice in the highest court of any State. But 22 others require a previous license to practice in the State in which the district court is located. It is this requirement that causes the most trou-

ble, since admission to the State bar—not the bar of the attorney's own State, to which he has already been admitted, but of the State where the Federal court sits—involves a period of residence which is often as long as a year. Other delays occur in studying for the State bar examination, waiting to be examined, waiting for the results of the examination, and waiting to be licensed. Meanwhile, an important pending case may be brought to a standstill, or lost to another attorney. In addition to delay, substantial expense may be incurred, especially by attorneys who practice in a number of Federal jurisdictions.

Like the circuit courts of appeals, particular Federal district courts have special rules of admission. Eight will admit anyone who has been previously licensed to practice by a district court in any other State. Two require examinations.

Even attorneys of the United States Government in the performance of their official duties are often not recognized in the lower Federal courts, except pro hac vice, and, even then, in association with local attorneys. Only 6 of the 85 Federal district courts make special provisions for attorneys of the United States Government.

Other anomalies arise from geography. In the Southern District of New York, a New Jersey lawyer is admitted freely, but a New York lawyer cannot be admitted in the Federal district court for New Jersey until he has been licensed in practice at the New Jersey bar. Similar situations exist in many parts of the country—for example, between New Jersey and Philadelphia, the two Kansas Citys, and so forth.

The closed shop kept by many of the State bars is in sharp contrast to the liberality of the Federal courts in admitting attorneys licensed by the States. This exercise of local monopoly simply aggravates the problem already discussed, arising from the requirement in many Federal district courts of a previous license to practice in the State where the court sits.

A recent State decision will illustrate this problem, but first a little background information may be helpful. Any members of the Federal bar in either district of California is freely admitted to the Federal district court in Arizona. But a member of the Federal bar in Arizona cannot be admitted to either Federal district court in California until he has become a member of the California State bar.

In *Application of Wasserman* (240 F. (2d) 213 (C. C. A. 9, 1956)), an attorney had applied for admission to practice in the United States District Court for the Southern District of California. He was a resident of California and a member of the State bar of Arizona though not of California. The district court denied the motion for his admission, on the ground that he was not a member of the California State bar.

In affirming this decision as not appealable, the circuit court of appeals delivered some interesting dicta:

(a) The Federal district court is an independent court and can make its own rules.

(b) On the other hand, "each—Federal district court—is considered a court of the particular State in which it sits and by which it is bounded"—page 214.

(c) It is a criminal offense to practice law in California without having been admitted to the State bar.

(d) On the other hand, California cannot regulate practice in the Federal courts.

As to the two arguments (a) and (b), it may be observed that a truly independent court would exercise its independence by determining, in its proper discretion, the admission of attorneys to its own bar. The second pair of arguments, (c) and (d), cancel each other out, so that the circuit court seems to have answered this argument itself.

Furthermore, it is hard to believe that any Federal court would permit a convict, who lost his right to practice law by reason of his conviction, to continue to practice in that court.

The circuit court then advanced its third argument, which merits serious discussion. It pointed out the danger that an attorney admitted in some other State which inadequately tested his qualifications, or who was subsequently guilty of unprofessional conduct, might be permitted to practice law in California through admission to the Federal district court. This danger, said the circuit court, "far outweighs, in our opinion, any theoretical desire that there may be a uniform rule for admission in the district courts of the United States"—page 216.

What about the equal danger that the qualifications of attorneys may be inadequately tested by the very State in which the Federal court sits?

What about the danger that an attorney admitted by the State in which the Federal court sits may later be guilty of unprofessional conduct?

The circuit court, in Application of Wasserman, has pointed out dangers but has not presented any adequate solution. Whatever rules of admission may be adopted, they would be deficient if they did not provide for revocation of the privilege upon the happening of anything that would have disqualified the practitioner as an applicant. As to substantive qualifications, the present situation is far from satisfactory; it has already been noted that only 2 of the 85 Federal district courts require examinations.

The real choice is between diversity and unity. Either the Federal courts in each State must take separate precautions against the dangers mentioned by the circuit court in Application of Wasserman, supra, or there must be a uniform system of admission to the Federal bar. If a uniform system of admission is adopted, by which attorneys admitted in the United States Supreme Court are freely admitted in the lower Federal courts, the moral qualifications of the applicants will be assured initially, as they are now. It may be necessary to supplement this system by periodic or ad hoc reinvestigations. Professional qualifications could also be assured by examinations on Federal law and procedure. But surely this matter can safely be left to the discretion of the United States Supreme Court at the time it makes the applicable rules and when it revises them from time to time as experience dictates.

THE ADVANTAGES OF THE BILL

The advantages of H. R. 818 may now be summarized:

(a) The bill would promote simplicity, consistency and certainty in admissions to practice before the lower Federal courts. By so doing, it would facilitate and economize the administration of the Federal courts, and would eliminate the present inequities and anomalies (previously discussed). In turn, the elimination of these inequities and anomalies would save much time, effort and expense of American lawyers whose practice has grown enormously in mobility and geographic extent owing to the continued expansion of economic activity and the economic role of Government.

(b) Under this bill, the admission of attorneys in the Federal courts would rest in the sole discretion of the Federal judiciary.

(c) The bill would give substance to the principle that the practice of law is a conditional privilege under the Federal Constitution. See *Ex Parte Garland* (71 U. S. (4 Wall.) 333, 378 (1866)). In that case, an act of Congress prohibiting the admission to the bar of United States district and circuit courts of any person who had not taken an oath that he had not aided in the secession was held contrary to the fifth amendment.

(d) Finally, Congress has power to regulate the admission of attorneys in the lower Federal courts under the Constitution, article III, section 1, which expressly authorizes Congress to ordain and establish such courts.

I urge the early enactment of my bill.

The Unfair Trial of Jesus of Nazareth

EXTENSION OF REMARKS
OF
HON. W. J. BRYAN DORN
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 29, 1957

Mr. DORN of South Carolina. Mr. Speaker, I commend to the House the following excellent address by the Honorable GEORGE S. LONG, of Louisiana. Dr. LONG did considerable research on this speech and has delivered it upon a number of occasions. It is characteristic of Congressman LONG and the principles and ideals which he upholds.

THE UNFAIR TRIAL OF JESUS OF NAZARETH

(By Hon. GEORGE S. LONG, of Louisiana)

In the beginning may I say that I am attempting to tell the story of the trial of Jesus Christ from a layman's point of view, just as though I had walked into a courtroom when the trial began, not knowing anything about the case, and sat through it, and after having heard all the evidence and arguments, made up my own mind.

My conclusions and thoughts on this earth-shaking event are based on a great deal of research and study. I have read The Robe, by Lloyd C. Douglas, The Trial of Jesus from the Standpoint of a Lawyer, by Walter M. Chandler, I have personally heard the lecture of the Honorable Prince Freling, former attorney general of the State of Oklahoma on the same subject, and have studied the account of the trial in the Bible many times. I have been aided by this and by the writings of Dr. Gerald L. K. Smith. I will make no attempt to show that I am a lawyer or that I have studied the case from the standpoint of law, but will merely express a layman's viewpoint of the trial after having heard it. I wish now to give you my own thoughts and the conclusions I have reached.

I believe this was the greatest miscarriage of justice that has ever been recorded in the history of mankind. No man, as far as I know, has ever been tried by a court with all of the rules of law disregarded as they were in the trial of Jesus.

One particular point that I want to emphasize is that in that day it was the custom to try one for a capital crime in the daytime. No one was tried at night. They had no electric lights at that time—they had only torches and candles, and it was thought that by having capital crimes tried in the daytime, the witnesses could be clearly seen and a just trial would be more likely to be had. That was for capital crimes. Yet, this custom was not followed in the trial of Jesus. They tried Him at night.

Another law of that day was that if all the judges in the trial unanimously voted to convict the accused, it was presumed that they were biased and prejudiced and the accused was deemed not guilty and would be acquitted. It was said that several of the judges who tried Jesus voted "guilty" because they felt that all having voted Him guilty, He would then be freed according to the law of that day. But the officials disregarded their own law and ordered Him crucified.

They knew that Jesus had never done anything except good, but in spite of this He was crucified.

Let's consider Jesus when He first appeared, speaking as a man or as a prophet, when His mother found Him after He had been away and asked where He had been. He answered, "Wist ye not that I must be about My Father's business," but from this moment for 16 years history is silent.

Suddenly He appears on the banks of the Jordan, and is baptized of John and begins His short but glorious ministry, which ended in a judicial fiasco at Jerusalem. His ministry portrayed the character of the man.

The Jews, after they returned from captivity, looked forward to the coming of a king. Their daily prayers were of his coming. When they retired at night, they thought he might appear before the morning, and take his place on the throne of David. They were looking for a king to appear with great pomp and with a large army who would rule the land.

Jesus boldly proclaimed that "I am the King, the Son of God, and the kingdom of God is within Me."

If this belief prevailed, it meant the destruction of the ruling class, and the priests themselves, who were the representatives of the ruling classes, set out to destroy Him. Their first effort was to entangle Him in His talk, in order to assure evidence against Him from His own lips, and for this purpose they employed detectives. This is the first record in history we have of detectives. It is a sad fact that during the last days of our Master's life, His footsteps were dogged by detectives. In seeking to secure evidence against Him, one detective asked Him, If several men successively married the same woman, whose wife would she be in your kingdom?

The next detective asked Him a harder and more difficult question and one it was thought impossible to answer, and one whether answered in the negative or in the affirmative was thought would convict Him.

This man asked Him, "Is it lawful to pay tribute to Caesar?" It was thought if He answered "Yes" it would ruin Him in the eyes of the Jews, and if He answered "No," it would make Him guilty of treason to Rome. He made the remarkable answer: "Render unto Caesar the things that are Caesar's, and unto God, the things that are God's." In other words, He meant simply, in plain words—obey the laws of your state and pay your taxes. Be a good citizen—but on the spiritual side, when you come to receive God, there shall be no person or thing that you should bow down to—then give unto Caesar the things that are his and unto God the things that are God's.

That answer was the basis of the foundation of this Republic. The separation of the church and the state. It sustained Roger Williams, who pleaded for religious liberty in the depths of a Rhode Island forest. The answer simply meant that a man owed a duty to God and one to his country, and our great Republic was founded on the fact that no church, however strong, shall ever control the Government of the United States of America.

These efforts having failed, more desperate proceedings were resorted to. Jesus had been preaching in Nazareth and had had many conversions. The Feast of the Passover was approaching and His enemies knew He would be in Jerusalem, and they set out to destroy Him. It is a significant fact that the great Sanhedrin court had three secret meetings for this purpose. The first was held in September; the second in February, prior to His death, and at this meeting it was said, "It is better that one man should die rather than a nation should perish."

Just a few days after this, one act occurred which hastened His destruction. This was the sublime miracle He performed when He raised Lazarus from the dead. Immediately following this, the Sanhedrin met and decided to put Him to death.

As I said, the Feast of the Passover was approaching and they knew Jesus would be present. He arrived, and they were surprised at the ovation which He received. The first day He was there He spent not as has been said, in hiding, but in the wilderness in constant prayer.

On the 6th day of April He ate the Last Supper at the home of Mark. It must have been an impressive scene. John, whom Jesus loved, was there. Peter, who was to deny Him, was there. Judas Iscariot, who was to betray Him, was there. Jesus gave an example of humility to all when He bathed His disciples' feet.

About midnight, after the singing of psalms, they left the home of Mark, and entered the Garden of Gethsemane, so called because a wine press was located there. The disciples slept—the Man of Sorrows prayed. Suddenly a noise was heard. Soldiers were approaching. We knew it was night because they carried lanterns, staves and torches. The remarkable and inexplicable thing is that they were Roman soldiers.

When they approached, they asked, "Where is Jesus of Nazareth?" Some confusion seemed to have resulted in determining which was He, and Judas kissed the Master's cheek to indicate the man who was wanted. The impetuous Peter drew his sword and cut off the ear of Malchus, a Roman soldier. This was an act of treason against the Roman Government, yet no arrest was made for this—only one of the Gospels mentioned the fact that Jesus stopped and healed the ear of Malchus, and this was Luke. He would probably have been more apt to record it, because he was a physician.

Jesus is now under arrest and the first question that arises is—was the arrest legal? No warrant was issued, and the law, as it existed then, required that no arrest be made during the week of the Feast of the Passover. Here again we see the disregard for their own laws in their eagerness to crucify the Saviour of mankind.

As the officers started off with Him, they did not go to any magistrate first. They went to the home of Annas, the smartest, the meanest, the craftiest Jew that ever lived. He had been chief priest of the temple and had conferred the honor on his son, and at this time his son-in-law, Caiphus, held the position. It is a remarkable thing that Annas and all of his household were up, and the time must have been between 1 and 2 o'clock in the morning.

It might be said here that they chose night because their deeds were evil. They were out to kill—to manufacture evidence or to do anything in any manner to hasten the death of Jesus. One asked Him concerning His preaching—whether or not He had said He could destroy the temple made with hands and build another made without hands. Jesus remained silent and one of the servants slapped Him in the face and He simply said, "If I have spoken evil, bear witness of evil—if not, why smitest thou Me?" This was not a plea for sympathy, but for justice from their hands, which they knew nothing about, cared nothing about—justice meant nothing to those people who had set out to destroy and crucify Jesus of Nazareth.

The procession starts again and wends its way to the great halls of the Sanhedrin. The Sanhedrin was the great court of the Jews. Its members were the highest type of men without a blemish of character. They came up on graduations from lower Sanhedrin, like advancing a judge from a justice of the peace through the county and district courts and on to the Supreme Court. No man could be a judge who had indulged in usury. He had to be a man of unblemished character. There were 70 of these judges and the chief priest presided, making 71. The court was established under the direct authority of God, as found in Deuteronomy. The court had unlimited jurisdiction. It tried every conceivable kind of offense in that day and the remarkable thing was that there were no lawyers in that time. Yet, I am unable to explain the case of St. Paul, for an orator was employed to speak against him.

The court had peculiar rules, one of which should be mentioned. If witnesses testified differently in any given case, no verdict would be had. The judges simply said somebody was lying and they did not know who it was, that it was impossible to see the human heart and the human brain and they did not assume the responsibility of determining the facts and the case was therefore thrown out of court. What a remarkable tribute to a country that could secure a conviction of any criminal on such a rule of law as this. If this rule were in force today, no district judge could grant a divorce or convict a bootlegger. This was the court then to which Jesus was taken. The court was in session, with all members present, and the chief priest presiding. When Jesus was led before the court, they began to question Him and when He refused to answer, the chief priest rent His garment. This was not an error of law, but merely an act of bad taste.

Two witnesses were ushered before the court and they testified, "We heard Him say that He could destroy the temple made with hands and build another temple within 3 days made without hands." No denial was made of the statement and indeed no denial was necessary.

This is it at last. The chief priest put the question to a vote and they unanimously voted He was guilty of blasphemy and worthy of death, but to accomplish this, they had to violate the law they themselves had made. The trial was held at night, and I have pointed out under the law, a capital case could not be tried at night. The great law writers pointed out that the examination in such a case is like that of a surgical case, where light is needed, and therefore, it was the law that no capital case could be tried at night, but this law was disregarded in the trial of Jesus. They tried Him at night, against the law, convicted Him and sentenced Him to death.

Another fatal error in the trial was this—the balloting was irregular. The law was that the roll should be called—that the youngest judge should vote first, and so on up to the eldest and the high priest—the reason being that this would show that no one was influenced by his elders. This was wholly disregarded in the case of Jesus. They voted all together that He should suffer death.

Another absolutely fatal error was this: according to the laws of that time, a unanimous verdict operated to acquit the defendant. The old Jew said that in such a case bias and prejudice entered in, and they would not permit a citizen to lose his life under circumstances such as these.

The vote in the case of Jesus, was unanimous. Now, there were judges who knew Him and knew His innocence, His great character, His great courage, and they voted "guilty." Nicodemus was a judge, and voted "guilty." The greatest lawgiver of his day and one at whose feet the Apostle Paul sat, was a judge, and voted "guilty." Surely they did not do so ignorantly, and we must assume that, knowing there was a sufficient number to convict, they voted guilty in an effort to render a unanimous and hence a void verdict, hoping the court would sustain the law.

Jesus, however, is not convicted of blasphemy, but here another obstacle appeared; Rome, in her idea of sovereignty, retained always the power of life and death, and while the Sanhedrin court could render the verdict, they could not carry it into execution without the approval of Rome, and for this purpose they repaired to the Temple of the Caesars.

It must have been a beautiful morning in April when they started to the judgment seat of Pilate. Their way took them through a beautiful park where fountains were glittering in the sunlight and hundreds of doves were preening their feathers at the water's edge.

The Roman Governor at this time was known by the name of Pontius Pilate. This was, perhaps, not his name. He had been a soldier in the army of Rome and had been decorated for bravery and given the police for distinguished services in battle, and probably took the name Pilate from this occurrence.

Pilate had many of the elements of greatness, but the less said of his family, the better.

Pilate was on the judgment seat when the party arrived and immediately asked them, "What charge do you bring against this man?" They hesitated, but finally forced to prepare a charge, they named three: first "He stirs up all Jewry, from Galilee to this place." Pilate knew this charge was too vague and dismissed it at once. They charged, second, "He refuses to pay his taxes." Pilate knew this to be untrue. Third, "He makes himself the king of the Jews." Pilate was inclined to dismiss all of the charges, and took Jesus inside of the royal residence to question Him privately. He asked Him about His mission, and Jesus answered, "That I should bear witness to the truth, for this purpose I was born, and for this I came into the world."

Pilate disdainfully asked, "What is truth?" and again repaired to the judgment seat and pronounced his judgment.

He tried to avoid the issue and sent Him to Herod. He must have known of the ill feeling between Herod and Jesus, for just a few days before Jesus spoke before the great multitude and said, "Go tell that fox that I perform these miracles, and today and tomorrow, and the third day I shall be perfected." The hearing before Herod amounted to nothing except to effect a reconciliation between Herod and Pilate, who had been on bitter terms.

Jesus was now bedecked with raiment, and again led to the judgment seat of Pilate. Pilate began to temporize and to avoid the issues. He said, "I will scourge him and release him." Cowardly subterfuge of a cowardly man. If he held to his first judgment, he would have come to us as the greatest judge that ever lived. He tried again to avoid the issue; "I will release either Jesus or Barabbas, whom do you choose?" Of course, the choice was Barabbas, for the friends of Jesus were not there.

They uttered in Pilate's ears the fateful words, "If you let this man go, you are no friend of Caesar's." This sealed Jesus' doom, and consigned to destruction the Master Spirit of the age.

It is unnecessary to dwell at any length on the execution, as every schoolchild knows it by heart.

They took Him to the hill called Golgotha. My own opinion is that the cross was lifted first and Jesus nailed upon it. A cup of wine was handed Him. He seemed not to know at first what it was, but He touched his lips to it and realized that it was aromatic wine which the Jewish women always prepared for those who were to undergo execution, that their senses might be dulled when they passed through the valley of the shadow. Jesus thrust it away, preferring to cross through the shadow unintoxicated, without the aid of any narcotic or anything else. He was ready to meet his Father—was there to pay the price for the sins of the world, and die—which He did.

His physical body must have been of the finest texture. He was placed on the cross about 10:30 o'clock in the morning and at the close of the day, the thieves placed with Him were not dead and they had to break their legs to hasten death, but about 3 o'clock in the afternoon Jesus uttered an awful cry. His head fell upon His breast, and He ceased to breathe.

A great many things enter into the life of Jesus which probably may have been overlooked. One thing is Mary, the mother of Jesus. I am thinking at this particular time when the dark hour came and when Jesus hung on the cross between two thieves and had been crucified for the sins of the world—she stood close to the cross.

Of course, this merely portrays and causes to stand out the true mother love, and to show how much greater was the love of Jesus for all mankind, who gave his life for our sins. I sometimes wonder in my studies if Mary was not conscious of the fact that her son Jesus was at that moment making history that would stand throughout time.

We all know that Jesus loved His mother and was giving us the lesson of humility. One of the outstanding things that will be noted in the life of Jesus was that He was not a scholarly man, but God chose to bring His message to the people in a manner that all could understand. Therefore, our Saviour would not be considered at this time as a highly educated, or scholarly, gentleman. I am sure the jeers and hisses that were hurled at Jesus in His dying hour were also cast at His mother.

Jesus was crucified for one reason and one reason only—because He was good and evil men feared Him. He went about preaching the laws of mankind, teaching us that we are our brother's keeper, and if we have plenty in store that we should be willing to divide with our neighbors and friends without price. That this earth was created by God Almighty and all the good things put upon the earth for the use of human beings, and that we are God's creatures, and that if we follow in His footsteps and love Him, He will devise ways and means where there will be no hungry men, women, or children. Starvation will never stalk the land so long as we, His children, adhere to the teachings of Jesus Christ, and when the time has come that all men believe alike and are willing to put the teachings of Jesus into practice, there will be no war, we will comfort the sick and dying and this will be a great and glorious world to live in. We will have no need for courthouses or jails for everyone will do right because it is right and because they love their God and their Maker.

In conclusion, I would like to quote the words of a great historian: "Rest now in Thy glory, Noble Founder, Thy work is completed, Thy divinity established. Fear no more to see the edifice of Thy efforts crumble through no fault of Thine. Henceforth above all frailty Thou shalt witness from the depths of Thy divine peace, the enduring work that shall follow Thy deeds. At the cost of a few hours' suffering, which has not even touched Thy great soul, Thou hast achieved immortality the most complete. For hundreds of years the world will breathe life from Thee. Above Thee as an ensign, will be fought our hottest battles. Take possession of Thy kingdom, Thou who hast conquered death. Whither, by the royal road Thou hast pointed out, long generations of adorers shall follow Thee.

"As for us, ever more children doomed to impotence, who labor without reaping, and who will never witness the fruits of that which we have sown, let us bow before Thee, Divine Man. Thou couldst do that which we cannot do—create, affirm, act."

Out of this background of what seemed to be defeat came the greatest victory mankind has ever witnessed; namely, complete defeat translated into complete victory.

Will greater originality be born again or will the world be content to follow the bold explorer of ancient days? We do not know, but whatever unlooked-for events may come, Jesus will never be surpassed. His worship will unceasingly renew His youth. His story will invoke the noblest tears. His suffering will subdue the noblest hearts; all nations and all ages will yet proclaim that among the sons of men no one has been born who is greater than He. There will never be another who is perfect on this earth until Jesus comes again.

Development of Indian Resources

EXTENSION OF REMARKS

OF

HON. JAMES E. MURRAY

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 29, 1957

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a letter dated April 18, 1957, which I received from Commissioner Glenn L. Emmons of the Bureau of Indian Affairs, and a letter dated April 25, which my colleague [Mr.

MANSFIELD] and I wrote to Mr. Emmons. My colleague and I believe—and I know many other Senators share this view—that one of the best ways to help the Indian people develop their own human resources and tribal resources and, incidentally, become taxpayers instead of tax recipients, is through the establishment of industry and more jobs in Indian country. Unfortunately, as the facts in our letter show, the Indian Bureau is not as enthusiastic about industrialization as it is about the relocation program, which is the only and inadequate suggestion which Commissioner Emmons makes concerning the plight of the Indians on Hill 57 near Great Falls, Mont.

At this time I commend the senior Senator from Illinois [Mr. DOUGLAS] for his keen awareness of the possibilities for developing Indian resources through passage of S. 964, the area redevelopment bill, which I was pleased to cosponsor. The Senator from Illinois has set aside a full day of hearings on S. 964 before his banking and currency subcommittee to consider the Indian assistance aspects of this tremendously important legislation. The date of this hearing will be May 14. I thank my good friend from Illinois for leading out in this important effort to deal justly with the first Americans.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
April 25, 1957.

Mr. GLENN L. EMMONS,
Commissioner of Indian Affairs, Department of the Interior, Washington, D. C.

DEAR MR. EMMONS: Several weeks ago you were informed of the willingness of citizens of Great Falls, Mont., to donate land on hill 57 for the purpose of establishing a reservation there. In your letter of April 18 you state that this suggestion could not be accepted by the Bureau.

You also ask that legislation to create a new reservation not be introduced. Your suggestion regarding Hill 57 and the Indians there is relocation.

"We will," you wrote, "pledge to offer to every eligible Indian who applies in person at his reservation the special relocation assistance to find a better way of life in areas where it is really available to those who are motivated to meet this challenge."

You gave no alternative to relocation, a program for which those Indians on Hill 57 who are not enrolled members of a tribe are ineligible.

As for those Indians who would be eligible, we would like to point out to you that, while we support the program, relocation in itself is no answer to the problems on Hill 57 and on the reservations of Montana and other States. Many Indians who want to relocate will do so whether or not there is a special relocation program. Others choose not to leave the land of their fathers. They are willing and anxious to work, if job opportunities are available nearby, and they have proved themselves to be skillful and competent workers in those few areas where jobs have been made available.

The Federal Government and the Indian Bureau, Mr. Emmons, do not fulfill their obligations to the Indians by offering only relocation, which frequently means moving from a rural slum to an urban slum. The Federal Government and the Bureau which you head have further obligations to our Indian citizens. One of the best ways to help the Indian people develop their own human resources, and incidentally become taxpayers instead of tax recipients, is through the establishment of industry and more jobs in Indian country.

We are aware of the modest efforts in this field by the Indian Bureau. If your Department supported industrialization with the enthusiasm with which it supports relocation, there would be no cause for complaint.

However, we note, for example, that the amount of money loaned to tribes for purposes such as industrial development has steadily decreased under your administration. As of June 30, 1956, the outstanding loans receivable and the cash balance in the revolving loan fund under the jurisdiction of your Bureau totaled $15,548,591. The amount of money on loan to the tribes has steadily decreased. The approximate amounts, by year, are: 1952, $11 million; 1953, $10.2 million; 1954, $9.5 million; 1955, $8.3 million; 1956, $7.7 million. What is your explanation of this decrease in the use of available money for development of tribal resources?

Your annual credit report for the fiscal year ending June 30, 1956, states that financing through the Bureau has increased from $22,991,070 in 1952 to $29,961,299. But included in these totals is $8,737,444 from tribal funds in 1952 and $21,216,541 in tribal funds in 1956. In other words some tribes were able to increase their own financing which is commendable. However, many tribes, including several in Montana, have practically no tribal funds. They could put to good use the money which has been steadily accumulating in the tribal loan fund under your administration.

We note, too, that the Indian Bureau has not yet submitted to the Banking and Currency Committee its views on S. 964, the area redevelopment bill which we cosponsored along with Senator DOUGLAS. A departmental report was requested 3 months ago and hearings have been in progress for some time. Passage of this bill would, in our opinion, be of tremendous benefit to Indian tribes, in that the bill would establish a program to attract industry to Indian country and help Indians establish their own industries. We cannot help but contrast your enthusiasm last year for the Indian help features of this legislation with your inaction so far this year.

To refer specifically to some of the industrial possibilities in Montana, we are following with great interest the negotiations for development of a pulpwood industry and establishment of a small sawmill on the Rocky Bay Reservation. We are hopeful that these new industries, which would provide jobs for a number of Indians, can get under way by this fall, and we shall appreciate such help as you can provide in this undertaking.

We would also like to receive from you verification of the statement, made to us verbally by Bureau officials, that arrangements will be made shortly for the northern Cheyenne Tribe to utilize its coal deposits on the Tongue River Reservation.

Along with our House colleagues, Representatives LEE METCALF and LEROY ANDERSON, we are willing and anxious to do all that can possibly be done to help our Indian citizens. We recognize the difficulties and burdens inherent in your task as Commissioner of Indian Affairs and hope that you can, as you suggested to the Indians in your letter of April 18, "meet this challenge."

We shall appreciate an early report from you on these matters, which we can discuss in greater detail at forthcoming hearings on Indian legislation.

Sincerely yours,

JAMES E. MURRAY,
United States Senator.
MIKE MANSFIELD,
United States Senator.

UNITED STATES DEPARTMENT
OF THE INTERIOR,
BUREAU OF INDIAN AFFAIRS,
Washington, D. C., April 18, 1957.

Hon. JAMES E. MURRAY,
United States Senate,
Washington, D. C.

DEAR SENATOR MURRAY: We have had several letters from you since March 21 regarding the establishment of Bureau facilities for Indians on Hill 57 near Great Falls, Mont. While the intentions of some of the citizens of Great Falls, Mont., to find ways and means of alleviating the conditions on Hill 57 are laudable, the suggestion they have advanced to designate this particular area as a reservation is one which cannot be accepted by the Bureau.

This Bureau does not have and cannot assume authority over or responsibility for this particular group of Indians any more than it could over any particular community or grouping of off-reservation Indians in any other part of the country. For years, Indians have been leaving the reservation areas and settling in other communities. Some have settled in metropolitan areas under quite unsatisfactory living conditions. Such situations, like those prevailing on Hill 57, are community problems and responsibilities of the State and its political subdivisions. The Federal Government could not discharge this task.

The many services extended to Indians living on reservation lands, including primarily services which are generally provided to our citizenry through State and local governmental auspices, have been enabled and justified as Federal responsibilities on the basis of Indian residency on trust (therefore tax-exempt) lands. The Bureau of Indian Affairs cannot, and should not, follow the Indian wherever he might go with a full gamut of services which duplicate those offered by local governments on the basis of residency rather than ethnic origin.

We understand that the great majority of the Indians who have congregated on Hill 57 near Great Falls are enrolled at the Fort Belknap and Turtle Mountain Reservations. Admittedly, these reservations are grossly overpopulated in relation to the resources base available there to afford them a living. But the Bureau does offer them alternatives in the form of very generous assistance to relocate in centers of maximum opportunity in a wage economy. Their failure to avail themselves of those services indicates a gravitation to Hill 57 by choice rather than by dint of necessity.

As you are probably aware, the act of March 3, 1927 (44 Stat. 1347, 25 U. S. C. 398d), has been construed to prohibit the establishment of new Indian reservations without enabling legislation by the Congress. Therefore, we are returning the deeds to land on Hill 57 which Messrs. Mallette propose to donate for the purpose of establishing a reservation. We would suggest that legislation not be introduced to create a new reservation, but rather we will pledge to offer to every eligible Indian who applies in person at his reservation the special relocation assistance to find a better way of life in areas where it is really available to those who are motivated to meet this challenge.

Sincerely yours,

GLENN L. EMMONS,
Commissioner.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 30, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, on this day of high and holy remembrance, we are calling to mind all who in times of great national trial and tribulations did not fail or falter.

Grant that our hearts may expand with pride and patriotism as we think of their incredible spirit of valor and heroism, of faith and fortitude.

The pages of history relate that they were willing to sacrifice their very all in order to gain and safeguard the blessings of freedom and democracy.

We pray that our own souls may be tempered with some finer essence of the spirit of patience and perseverance, of peace and brotherhood, of forgiveness and forbearance.

Help us daily to long and labor, to plan and pray for the dawning of that glorious day when the rule of force shall give way to the reign of reason and righteousness, and hatred and strife shall be supplanted by love and good will.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. RUTHERFORD in two instances.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 4 minutes p. m.), under its previous order, the House adjourned until Monday, June 3, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

908. Under clause 2 of rule XXIV, a letter from the Navy Club of the United States of America, transmitting the annual report of the Navy Club of the United States of America as of date April 30, 1957, which was prepared by L. R. Steffa & Associates, of Rockford, Ill., was taken from the Speaker's table and referred to the Committee on the Judiciary.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BERRY:

H. R. 7860. A bill to amend section 1 of the act of July 24, 1956 (70 Stat. 625), entitled "An act to provide that payments be made to certain members of the Pine Ridge Sioux Tribe of Indians as reimbursement for damages suffered as the result of the establishment of the Pine Ridge aerial gunnery range"; to the Committee on Interior and Insular Affairs.

H. R. 7861. A bill to provide that payments shall be made by the Secretary of the Army to those political subdivisions of the State of South Dakota which lose tax revenues because of the acquisition by the United States of real property for use in connection with certain projects in the Missouri River Basin; to the Committee on Public Works.

EXTENSIONS OF REMARKS

The Marine Corps

EXTENSION OF REMARKS
OF
HON. J. T. RUTHERFORD
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 30, 1957

Mr. RUTHERFORD. Mr. Speaker, some 5 or 6 years ago an issue was presented to the Congress. After extensive testimony, discussion, debate, and deliberate consideration, the Congress arrived at its conclusion. This decision once again demonstrated the genius of our system of Government for sifting and sorting and finally arriving at the correct decision.

This incident to which I refer is the action of Congress on the Marine Corps bill, as it is commonly termed. At the time the 82d Congress considered this bill in 1951 it was apparent that the efficiency of the Marine Corps was being seriously impaired and its role as the Nation's traditional force-in-readiness was endangered. This caused great concern, as you can remember, not only for this outstanding military organization, but, more fundamentally, for the safety and security of our country.

As a result of Congress' searching inquiry into this vital defense matter, the role of the Marine Corps as our ever-ready striking force was confirmed by law, the Marine Corps was to be represented on the Joint Chiefs of Staff, and the size of this readiness force was firmly established by law as not less than 3 full combat-ready divisions, with supporting elements, and 3 air wings.

The occasion for my comment at this time is to express approbation for the manner in which the Marine Corps has carried their responsibility under the law. Rather than adopt an impotent, inert position the Marine Corps has continued its history of strength and dynamic productiveness in the field of military accomplishment.

Starting 10 years ago with the development of a new approach tuned to the requirement of contemporary war and equipment, the Marine Corps has effectively developed its doctrine of vertical envelopment, using helicopters to increase mobility, versatility, and security.

Today our country can be pleased with and proud of our Congress, who provided a strong Marine Corps to assure the safety of our country. I am pleased to learn that the Marine Corps has lived up to its responsibilities. In this period of crucial and critical conditions throughout the world we are at peace, and this is due, no doubt, to the fact that our Nation has a strong Marine Corps posed to support our national policy and protect our interest wherever and whenever it be required.

With one marine division in the Far East, finely trained and equipped for instant use, the enemies of our country cannot mistake the resoluteness and firmness with which the United States views the necessity of peace. This force is proof positive to those who would hamstring our country that we are ready to and capable of effectively striking down any aggressive force unleased in that area.

Dramatic evidence of the effectiveness of the Marine Corps force in readiness was recently demonstrated in the explosive Middle East. At the very moment when war eruption appeared certain, the United States Navy moved its Sixth Fleet into the area, with a Marine Corps landing force. We all witnessed the electric effect this had upon the aggressive forces then on the move. War or warlike action was averted, and the interests of the Free World were protected and advanced.

The Marine Corps has lived up to its obligation and requirement of law by maintaining 3 combat-ready divisions and 3 air wings as our Nation's first force of protection from danger and war. The will of Congress has been followed, and I am of the opinion that the efficient and effective way in which it has been accomplished is worthy of comment.

A Single Chief of Staff

EXTENSION OF REMARKS
OF
HON. J. T. RUTHERFORD
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 30, 1957

Mr. RUTHERFORD. Mr. Speaker, I feel compelled to express some thoughts which are the result of my deep concern at this time. A reader of the press will note that in recent weeks there has been a resurgence of the long-extant movement to foist upon our country a supreme general staff ruled over by a single

chief of staff in complete dominance and control of our military forces, policy, and organization.

A glance at Congressional history reveals that this proposal has been pushed with vigor and force many times in the past 75 years. Congress, in committee and as a whole, has repeatedly and in great detail examined the philosophy and functioning of this method of military control, developed by and adopted from the Prussian system. The purported advantages have been aired and investigated and it has been concluded by our predecessors, in each and every instance, that advantages did not exist. As a matter of fact, the conclusion has been that monumental disadvantages and dangers would exist if a supreme general staff-single chief of staff was authorized. This repeated rejection by Congress of the system that led the Prussian-German people to disastrous defeat twice within 30 years is an example of the astuteness and soundness of our Congressional-legislative process. I have no fear that examination of this present proposal under objective conditions will once again result in its complete and unqualified rejection.

There is one area of this matter that I believe deserves special mention in the light of today's thinking and current conditions. The shield behind which the present sponsors and advocates of this single chief of staff scheme advance is the shield of economy. This, incidentally, indicates the clever manner in which this proposition is being promoted. All of us are vitally and sincerely interested in the question of Government expenditures and economy. Adoption of this system, from a military and national policy standpoint, would be inviting; yes, almost assuring, a debilitation of our military power and effectiveness. Leaving that aside for the moment, however, I would like to examine the economy claim we read so much about these days.

Our best yardstick, it would seem, to measure organizational efficiency is found in the business-industrial systems of our country. These organizations are continually subjected to the test of practical application and if they fail they disappear. Competition provides the test. Our industrial and business leaders of today are agreed that the greatest efficiency is developed by a decentralized organization. The more successful business enterprises have found that decentralization increases efficiency and economy, and thus builds a stronger and sounder organization. Whereas 50 years ago the single industrial emperor dominated the business scene, this strong man has today virtually disappeared—the victim of progress and efficient organization.

To adopt a single Chief of Staff—completely unified military organization would be to follow a path of retrogression and to saddle ourselves with a system proven to be uneconomical, as well as inefficient. True, we are dealing with military, not business, organization. But every indication is that it would be just as uneconomical in its military application as in business. This was pointed out by Secretary of Defense Wilson, as quoted in the New York Times of May 17, where it was stated:

> Secretary Wilson said he had been trying to "overcome the handicap of bigness" for 20 years as president of General Motors. He said neither money nor paperwork would be saved by putting the services "all together in one big pot."

The handicap of bigness that Secretary Wilson mentioned as a great problem at General Motors would be dwarfed by the handicap imposed by merging the services into one gigantic combine. Suppose you take the assets of General Motors, American Telephone & Telegraph, United States Steel, Standard Oil Company of the United States, Du Pont, and General Electric as a starter for comparison. Add to them the assets of more than 30 of the other leading corporations of the country. The resulting combination in business size, and complexity, would be less than half of the aggregate if the 3 military departments' assets were lumped into one pot. Any man who seriously claimed that it would be good business management to merge some 40 of the largest business concerns of the country into one gigantic firm would be a candidate for mental examination.

Furthermore, no matter how economical, the security and safety of the United States, as well as its traditional constitutional civilian control of the military, would prevent adoption of the supreme general staff-single chief of staff concept.

In addition to the searching Congressional inquiry in this field, the question was the subject of much attention by the Hoover Commission. This organization, dedicated without question to efficiency and economy, rejected on all counts the supreme general staff organization.

The present organization, the Joint Chiefs of Staff, provides us with the safest and surest method of advising on and carrying out our national policy. The victory of our Nation in two World Wars, when contrasted with the utter failure of the German supreme high command is ample evidence of the efficiency of this type system.

The JCS organization has been repeatedly examined in Congress and in each instance determined to be the best and soundest organizational form available. The Hoover Commission Task Force Committee on National Security concluded that there should be no change in our organization of military direction.

In dealing with this, the Task Force Report of the Hoover Commission concluded:

> There has been much loose criticism of the war efforts of the Joint Chiefs of Staff as constituting command by committee; yet there can be no doubt whatsoever that in the field of grand strategy a meeting of several minds is far safer—and in the end more sound—than the dictates of one. The responsibilities for strategic planning and the conduct of war are soundly placed by the National Security Act upon the shoulders of the Joint Chiefs of Staff, who, in turn, are under the authority, and subject to the control of, the President and the Secretary of Defense. There should be no change in this concept.

The fallacious cloak of economy and efficiency once again has been wrapped around the single chief-of-staff idea in an effort to make it more acceptable to the people of the United States. Regardless of what form it takes or what cover it has, this concept can spell naught else but trouble and disaster for the United States. It would not be a panacea, it would be an anathema—on our way of life and our constitutional form of government. I would not cry "Wolf" or "Beware of the man on horseback." But any man worth his salt and placed in the position of Chief of the Supreme General Staff, or whatever it might be denominated, would naturally and automatically acquire powers far beyond those envisaged by the Constitution. This era of total war would make this system intolerable to everyone in our country, however he may be engaged, without practical exception, for its impact would be felt and borne by all.

SENATE

FRIDAY, MAY 31, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father, God, turning from memorial wreaths and from the fluttering flags on countless grassy mounds, we come once more to face the never-ending struggle to maintain, preserve, and defend the freedoms which have been bought for us at so crimson a cost. From sea to sea of the homeland this May morning, where the grass has been trod by reverent feet, and in sacred patches of alien soil where is kept the bivouac of our valiant dead, we are conscious of the crosses and the flags blending in their mute testimony, knowing that eternal vigilance is the price of liberty, especially as we front foes whose only law is expediency. In these days of destiny, as we fight democracy's battle, at home and abroad, may those crosses and those flags speak to us of strength that is increased by its spending, of life that is saved by its losing, and of greatness that is measured by its serving. We ask it in the ever-blessed name of that One who gave His life a ransom for many. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

> UNITED STATES SENATE,
> PRESIDENT PRO TEMPORE,
> *Washington, D. C., May 31, 1957.*
>
> *To the Senate:*
>
> Being temporarily absent from the Senate, I appoint Hon. FRANK CARLSON, a Senator from the State of Kansas, to perform the duties of the Chair during my absence.
>
> CARL HAYDEN,
> *President pro tempore.*

Mr. CARLSON thereupon took the chair as Acting President pro tempore.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

AMENDMENT OF MEDALS OF HONOR ACT

The ACTING PRESIDENT pro tempore laid before the Senate the following communication from the President of the United States:

To the Senate of the United States:

In compliance with the request contained in the resolution of the Senate (the House of Representatives concurring therein), I return herewith S. 1463 entitled "An act to amend the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle."

DWIGHT D. EISENHOWER.
THE WHITE HOUSE, *May 31, 1957.*

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 7665) making appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H. R. 7665) making appropriations for the Department of Defense for the fiscal year ending June 30, 1958, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. The Chair asks that the unanimous-consent agreement entered on May 29, and relating to the proceedings today, be read.

The unanimous-consent agreement was read by the legislative clerk, as follows:

Ordered, That at the conclusion of its business today, the Senate adjourn until Friday, May 31, 1957, at noon; that on said day only requests for the insertion of matters in the RECORD shall be in order under a 3-minute limitation of debate; and that at the conclusion of its business on said day the Senate shall adjourn until 12 o'clock noon on Monday, June 3, 1957.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order just read be modified to the extent that the Senator from Oregon [Mr. MORSE] be extended the privilege of addressing the Senate for not to exceed 30 minutes.

I also ask unanimous consent that the order be modified so as to permit the introduction of bills or joint resolutions.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Texas? Without objection, it is so ordered.

ACTION OF THE BRITISH GOVERNMENT IN LIFTING THE EMBARGO ON COMMUNIST CHINA

Mr. KNOWLAND. Mr. President, the British Government has announced the lifting of the embargo against shipments of certain materials to Communist China. Many of the articles now to be shipped to Communist China must be considered strategic by any rule of reason. Locomotives, machine tools, trucks, perhaps entire rubber plants, may some day in the not too distant future strengthen Communist China to the point where it can feel it dares take the risk of taking over the Crown Colony of Hong Kong.

This is a calculated risk for which Her Majesty's ministers must alone bear the responsibility. When they weaken their own forces in Europe, as was recently done, we might question the wisdom of it; but as good and stout allies, we understand some of the economic reasons behind their action.

But, Mr. President, it is far more difficult to understand an action which can only strengthen our common enemies both in Asia and in Europe, for, Mr. President, up to the present time, Communist China has not agreed to a peace treaty with Korea; it has violated the armistice agreements in Korea; it has violated the armistice agreements in Southeast Asia, it still holds American citizens in prison.

I ask unanimous consent, Mr. President, to have printed in the body of the RECORD, as a part of my remarks, the official statement of the United States State Department, issued today, relative to the British action; and also an article entitled "Lifting Red China Embargo Termed Helpful to Russia," which was published this morning in the New York Herald Tribune.

There being no objection, the statement and article were ordered to be printed in the RECORD, as follows:

STATEMENT ON CHINA

The United Kingdom has decided that it can no longer agree to maintain a level of security controls over its exports to Communist China more severe than the multilateral controls applied to the U. S. S. R. and the Soviet bloc countries in Europe.

The United States is most disappointed by this action. It means that an agreement for the continuation of a differential trade control toward Communist China has not been reached, even though many of the nations which have been engaged in the recent talks on this subject expressed their support for such a program. For its part, the United States contemplates no change in its policy of total embargo on trade with Communist China.

AGREE TO PROPOSAL

The recent discussions among the cooperating governments have revealed that there was a wish on the part of all countries to retain a unified approach on the question of trade controls on exports to Communist China. A majority of the countries, including the United States, sought a unanimous agreement on the maintenance of a differential. The United States believed that the security interests of the free world would be best promoted by the maintenance of a significant differential. After an initial difference of opinion on the precise extent of the differential, the United States agreed to a proposal developed by representatives of a number of the participating countries. This proposal obtained the support of a majority of the cooperating governments.

BRITAIN'S STAND

The United Kingdom, however, supported by some countries, believed that there was no merit in applying a different level of controls to trade with Communist China as compared with the Soviet Union and that this differential should be totally abolished. No one advocated any reduction in the existing security controls applying to exports to the Soviet bloc countries in Europe, which controls would also continue to apply to Communist China.

The British policy announcement on China controls, while at variance with the position which the United States sought in the recent talks, makes clear the intention of the British Government to continue the application of security controls on strategic exports to Communist China, on the same basis as is presently being applied to the Soviet bloc countries of Europe.

[From the New York Herald Tribune of May 31, 1957]

LIFTING RED CHINA EMBARGO TERMED HELPFUL TO RUSSIA

(By David Lawrence)

WASHINGTON, May 31.—Sometimes it seems that, if the Communists only wait long enough, they will outtrade and outmaneuver the West. For apparently the alliance of the free world is not sufficiently sturdy or patient enough at times to maintain unity against the common enemy.

Pressed by British businessmen who want to sell their goods, the London government now has decided to relax its embargo on trade with Red China. Without getting a single concession in return, the British Government has yielded to the Red Chinese and will ship to them many of the commodities which hitherto have been banned.

This will strengthen Red China and help industrialize a country which is hostile to the West.

The United States Government is disappointed over the action and has said so publicly.

The British, on the other hand, are repeating a fallacious argument they have made often in the past—namely, that, since the goods can go into Soviet Russia, it is illogical to bar direct shipment to Red China of goods now going there indirectly.

BURDEN ON RUSSIA

The answer is that at present it costs the Soviets and the Red Chinese lots of money and takes a great deal of valuable freight space to send the goods over the trans-Siberian railway from Russia to China. Likewise, it is expensive to send by long sea voyage from Britain cargoes that can only be landed either in eastern European ports or carried to Siberian coastal ports—and all this with great difficulty and delay in certain seasons of the year.

Why should things be made easier for the Red Chinese, and the expenses of Soviet Russia cut down and her internal burden,

with scarce goods eased? These are questions which the British have not satisfactorily answered. It is known here that an influential lobby in England has been steadily pressing the Conservative government to relax the trade embargo. Britain exists to no small extent on world trade, and it is a sad fact that, even in the early years of World War I, some British businessmen traded with the enemy, much to the discomfiture of the United States, then a neutral, whose goods were stopped at the time on the high seas even when destined for other neutral countries.

WAYS TO OFFSET LOSSES

The power of the trader in politics is well established. In a sense, the losers in business could be taken care of through indemnities or through purchase of surpluses. After all, if a trade embargo will help to keep the Communist countries weak and if, through trade embargoes, the military machine of a potential combatant can be kept from reaching effectiveness, the people of many Western countries might rather see the business interests compensated in some other way.

Now the Red China regime is to have access to tractors, trucks, locomotives, generators, and other vital commodities hitherto embargoed. It could lead to a breakdown of controls on the really strategic items, too. It may be the beginning of the crumbling of the alliance that has thus far kept the economic sinews of the West from helping the Communists of both Soviet Russia and Red China.

AGREEMENT WAS VOLUNTARY

It is too early to tell how Congress will react to the change made by the British. Long and earnest efforts were made in vain by the State Department to persuade the London government not to relax the embargo. Each government, of course, decides for itself, as there is no control over the policies of independent nations. Whatever has been agreed heretofore has been by voluntary action.

But if the alliance breaks down, America will have to make her own decision with respect to other phases of the embargo. Will American companies, for instance, furnish the British vendors with any goods to ship to Communist China? The rule here is that the same ban will be maintained as before on American exports, but it will be much harder to police this now since the British have begun to let down the bars.

Fifteen countries have been meeting in Paris for more than a month trying to work out a unanimous agreement on maintaining the embargo, but the talks broke down because the British wanted to go it alone.

It is an unfortunate development and must be marked up as a signal victory for the Communists in the cold war. It was handed to them on a platter by Great Britain.

GAIL BORDEN

Mr. JOHNSON of Texas. Mr. President, history is compounded of many things—war, disaster, battles, retreats, victories, conferences, treaties, and mass migrations. It is also the story of men—some good, some bad, and some who have stamped their dreams and their visions indelibly on our daily lives for all the years to come.

This is the centennial of such a man—of Gail Borden, who was responsible for one of the most familiar and most necessary objects of our civilization.

Gail Borden was a restless man with an inquiring mind that roamed as widely as his physical wanderings. He had lived in almost every State, from New York to Mississippi, when he arrived in Texas at the age of 23. He had been a surveyor in Kentucky; a captain of militia in Indiana; a flatboat crewman on the Mississippi River; and a schoolteacher in the State of Mississippi.

In Texas—then a part of Mexico—he combined the occupations of surveying, farming, and ranching. In between, he found time to help write the first State constitution, run the land office, and publish the first permanent newspaper in that area.

When Texas became a republic, President Sam Houston named Gail Borden as its first collector of customs, with an office at Galveston. He became interested in real estate and laid out the city of Houston, today the largest city in the South.

All during this period he had tinkered with a number of inventions. None of them had achieved any commercial success, even though his meat biscuit did carry off 1 of the 5 prizes awarded to Americans at the London World's Fair in 1851.

In the mid-1850's, he began the experiments which eventually led to immortality. He tackled a problem which was one of the greatest that faced our ancestors—how to assure a supply of pure milk, especially for children, that would be safe, and could be transported for long distances.

Borden thought the answer might lie in condensation. He poured into the project enthusiasm, vigor, and his own money—so much so, that within a few years he was reduced from a man in fairly comfortable circumstances to a man deeply in debt.

They were hard years for Borden. He finally obtained a patent; and on May 11, 1857, he started the world's first condensary, in Connecticut, where he would be near the largest possible market.

He was 60 years old, in debt, and starting a brandnew venture. Twice he went broke, and had to close down. The third time, he managed to break even; and from there on, it was only a question of holding on until the flood of orders started to pour in.

When he died—west of Houston—in 1874, he was known as "the world's milkman," and his condensed milk was a "must" for mothers everywhere. It remains a "must" to this day.

I do not have to tell you, Mr. President, of the tremendous impact his invention has on society, even today. It has become such a familiar, everyday object that most Americans do not realize that there was a living, breathing, and very vital man behind it.

Before he died, Gail Borden summed up his own life in the epitaph he selected. It was:

I tried and failed,
I tried again and again, and succeeded.

Mr. President, I commend to you these lines, along with the man who changed the whole history of this country as much as any other American.

A CONNECTICUT YANKEE FROM TEXAS

Mr. BUSH. Mr. President, for this occasion I have prepared some remarks entitled "A Connecticut Yankee From Texas." I hope they will appear in the RECORD following the remarks of the distinguished majority leader.

I feel that I would be doing less than my duty as a Connecticut citizen if I did not take time here to pay tribute to a noted frontiersman who came to Connecticut from Texas to found the modern dairy industry in Connecticut 100 years ago this month.

I can pay tribute to this Texan because he was in reality a New Englander who came home. I speak of Gail Borden, whose people landed in New England in the 1630's, and have enriched the life of my section ever since.

Some of the members of the Borden family who landed in New England wandered off. And one, Gail Borden, got all the way to Texas, where he utilized his New England sense of conscience and industry to help get that infant Republic and later Lone Star State underway.

Parenthetically, I should not want that statement to be indirectly assumed to be a suggestion of any lack of conscience or industry in the great State of Texas, but we can point with a little pride to those elements and characteristics of Gail Borden, which were useful at that time.

That same sense of conscience also made him aware that the high mortality rate among infant children should not be dismissed with a shrug and a gloomy, "It's the will of God." Gail Borden believed that it was his duty to help alleviate human suffering and to pave the way for a stronger and healthier Nation. His attention centered on the need of pure milk—a milk which could be transported on long treks and stay pure and sweet, to provide nourishment to all, and particularly those far from the source of supply.

Accordingly, he established headquarters in and near present-day Torrington, in my home State of Connecticut, to work with the farmers of that region to improve the quality of milk, and to manufacture the lifegiving product of his own invention—condensed milk. He chose our specific area for the reason that men with ideas have frequently chosen Connecticut—the intelligent, energetic, and progressive outlook of the Connecticut citizenry; the proximity to financial institutions; and the availability of a large consuming market.

It was in Connecticut that he opened the world's first successful condensary, starting a business new to America. The official founding date is May 11, 1857; the place: Burrville. This infant business held together for several years, as have so many other fledgling Connecticut institutions, largely on the slender thread of faith, and not much else.

But the business founded by Gail Borden, like others in our historic State, provided a product based on need, and stressing quality, in his case milk that was pure and would stay sweet for long periods of time. The condensed milk first made by Gail Borden in Connecticut played a key role in America's years of westward expansion and in helping build the healthy Nation we are today. Until his product became available, westward-bound caravans had one thing in common—the cow tied to the tailboard of every covered wagon. Connecticut-made condensed milk came to the rescue of the migrating families of pioneers, assuring them of sustenance and good health in the then distant western reaches of America.

Connecticut is proud to possess such characteristics that a man like Gail Borden would choose it to get his real start in life—and he did not get this start until he was 56 years of age on his return to our State. And Connecticut is proud that through his effort, this State is the birthplace of the modern dairy industry—an industry which has grown nationally so dramatically that today it produces $10 billion worth of nutritious dairy foods. It is with great pride that the State of Connecticut salutes Gail Borden on this centennial of his lasting contribution to American life and health.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to make a brief announcement for the benefit of Senators. On Monday it is planned to consider the House Commerce appropriation conference report, if the House acts on it by that time.

The Senate may also consider Calendar No. 328, S. 1770, amending the retirement laws for the Metropolitan Police Force, the Fire Department, and other police officers;

Calendar No. 338, H. R. 53, consolidating certain Veterans' Administration laws;

Calendar No. 337, H. R. 4136, to extend the period within which the Export-Import Bank may make loans;

Calendar No. 318, S. 1740, relating to beneficial associations and the employees' life-insurance fund.

STATUS OF APPROPRIATION BILLS AS OF MAY 31

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the status of appropriation bills as of May 31, including the title of the bill, the subcommittee chairman, the date the bill passed the House, and the status in the Senate.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

Status of appropriation bills as of May 31

Bill	Subcommittee chairman	Passed House	Status
1. 2d urgent deficiency, 1957	Hayden	Apr. 15	Passed Senate Apr. 16; approved Apr. 16, Public Law 15.
2. Additional deficiency, 1957	do	Apr. 17	Passed Senate Apr. 18; approved Apr. 20, Public Law 19.
3. Treasury-Post Office	Robertson	Feb. 20	Passed Senate May 13; approved May 28, Public Law 37.
4. State-Justice	Johnson	Apr. 17	Passed Senate May 15. At White House.
5. General government matters	Magnuson	Mar. 13	Passed Senate May 22. At White House.
6. 3d supplemental, 1957	Hayden	May 7	Passed Senate May 20. Conference report ready for House action Monday.
7. Commerce	Holland	Apr. 9	Passed Senate May 17. Conference report ready for House action.
8. Interior	Hayden	Feb. 26	Marked up.
9. Independent offices	Magnuson	Mar. 20	Hearings not quite completed; 1 or 2 more days in June.
10. Labor-HEW	Hill	Apr. 4	Hearings concluded. Markup next week.
11. District of Columbia	Pastore	Apr. 8	Do.
12. Agriculture	Russell	May 15	Hearings concluded. Markup June 5.
13. Legislative	Stennis	May 23	Senate hearings not scheduled.
14. Defense	Chavez	May 29	Senate hearings started May 23.
15. Public works	Ellender		Senate and House holding hearings simultaneously. House may report next week.
16. Mutual security	Hayden		Waiting for action on authorization.
17. Supplemental for 1958	Full committee		

I hope we can continue our work on the appropriation bills with the same efficiency and expedition that has marked our conduct thus far. We have tried to be both careful and expeditious, and I believe that if we stay on the track we will be able to dispose of these bills in good time.

AGRICULTURAL ECONOMY—RESOLUTION OF OREGON HOUSE OF REPRESENTATIVES—STATEMENT

Mr. NEUBERGER. Mr. President, the future of the family farm today presents a question that has yet to be answered with any assurance of its survival as a fundamental American institution. State legislature bodies and farm organizations are among those urging that the problem of preserving the family size farm be solved before it is too late.

I have received a copy of House Memorial No. 3, which was adopted by the House of Representatives of the Oregon Legislature during their recent session, which urges congressional action in behalf of the family-type farm operator, whose net income from all sources does not exceed $10,000 per year.

I have also received a statement of a similar nature issued by the board of directors of the Oregon Farmers Union.

Mr. President, I ask unanimous consent that House Memorial No. 3, and the statement from the Oregon Farmers Union may be printed in the RECORD.

There being no objection, the resolution and statement were referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

House Memorial 3

To the Honorable Senate and the House of Representatives of the United States of America, in Congress Assembled:

We, your memorialists, the House of Representatives of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

Whereas Congress has, through the years, devoted much time, effort, and money on legislative programs pertaining to our agricultural economy; and

Whereas it is generally conceded that a reasonable degree of prosperity and agricultural income is necessary at the grassroots level; and

Whereas the family type farm operator is regarded as an essential part of our democratic form of government and any Federal legislation designed to influence or maintain a measure of the economic parity between the rural and urban areas should be so designed that the major provisions thereof provide a substantial benefit to the family type farm operator; and

Whereas in recent years, acts of Congress appear to have granted special privileges to corporate and absentee ownership types of farm operations and to a large extent have ignored the family type farm operator: Now, therefore, be it

Resolved by the House of Representatives of the State of Oregon, That the Congress of the United States enact legislation or amend the various Federal laws pertaining to agriculture to the end that the economic benefits provided in such laws be basically directed toward the family type farm operator whose net income from all sources does not exceed $10,000 per year; and be it further

Resolved, That copies of this memorial be sent to the President of the United States, the Secretary of Agriculture, and to all members of the Oregon congressional delegation.

Adopted by house May 13, 1957.

EDITH BYNON LOW,
Chief Clerk.

PAT DOOLEY,
Speaker of the House.

STATEMENT OF BOARD OF DIRECTORS, OREGON FARMERS UNION

Long recognized as the solid social and economic core of American agriculture, the family farm is fighting a desperate battle for survival.

So designed by size and diversification as to gainfully employ the services of the farmer and his family and return an adequate standard of American living, the family farmer finds his future imperiled by the squeeze of mounting production costs and falling commodity prices.

He faces the handicap—along with the small-business man—of the crippling effects of the high-interest hard-money policy on both cost and availability of sufficient credit.

The family farmer has been forced into the ropes by the administration of the sliding scale of diminishing returns and a program of support prices geared only to a few basic crops and not spread to afford protection to the production of a diversified farm.

He has been discriminated against by a program so managed as to provide unfair and unbalanced competition by determinedly refusing to limit the total amount of price protection to the individual, but that has permitted and sponsored payments of excessive sums to large mechanized and incorporated land companies and individual holdings.

The family farms of this State and Nation have diminished in the last few years at a rate that should be the real concern, not only of the farmers who produce, but of the consumers who depend upon a substantial and adequate supply of food products.

Labor, faced with the challenge of automation, has problems of its own and cannot well absorb all these people who leave the land, nor do we concede that the ranks of transient labor offer reasonable answer for the family farmer.

We do not believe the consuming public will ever gain any long-range benefits of price, or security of food supply, by the coming of monopolies into the field of food production.

Therefore, it is our intention now to respectfully memorialize the Congress of these United States to give immediate attention to the present plight of the family farmer and to devise measures realistically designed

to help this vitally necessary type of productive unit.

We would respectfully point out that unless some sense of responsibility for land controls and for an equitable and stabilized price program is soon established, the family farm faces extinction.

The loss of this long recognized institution of agricultural production is certain to have serious adverse social and economic impacts upon the security of America.

THE LATE SENATOR JOSEPH R. McCARTHY—RESOLUTION BY COMMITTEE ON GOVERNMENT OPERATIONS

Mr. MUNDT. Mr. President, on Wednesday, May 29, the Committee on Government Operations held its first meeting since the passing of our late colleague, Senator McCarthy, of Wisconsin. On behalf of the chairman of the committee [Mr. McCLELLAN] and as the ranking Republican member of the committee, I should like to read into the RECORD at this point the memorial resolution adopted by the committee:

JOSEPH R. McCARTHY

Whereas the late junior Senator from Wisconsin, the Honorable Joseph R. McCarthy, served with distinction as a member of this committee for a period of more than 10 years, 2 of which he served as chairman; and

Whereas during the entire period of his service in the Senate he was a member of this committee and participated actively in its deliberations and activities, and contributed much to its legislative accomplishments, particularly with reference to the improvement of budgeting, accounting and financial reporting, in the development of better procurement, property and records management procedures, the disposal of surplus Federal property, and in effecting reorganizations of the executive branch of the Government; and

Whereas for 2 years he served as the chairman of the Senate Permanent Subcommittee on Investigations of this committee, during which time he conducted a most aggressive and courageous fight against communism, striving constantly to awaken the American people to the threat of the international Communist conspiracy to our Government and the institutions upon which it was founded: Now, therefore, be it

Resolved, That the Committee on Government Operations has heard with profound sorrow and deep regret of the death of the Honorable Joseph R. McCarthy, late junior Senator from the State of Wisconsin; and directs its clerk to transmit a copy of this resolution to his wife, Mrs. Jean McCarthy, to his daughter, Tierney Elizabeth, and to other members of the family of the deceased.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILEY (for himself, Mr. ALLOTT, Mr. BENNETT, Mr. CAPEHART, Mr. CASE of South Dakota, Mr. CHURCH, Mr. FLANDERS, Mr. GREEN, Mr. HENNINGS, Mr. HOLLAND, Mr. HUMPHREY, Mr. JAVITS, Mr. MAGNUSON, Mr. MANSFIELD, Mr. MARTIN of Pennsylvania, Mr. McCLELLAN, Mr. PAYNE, Mr. POTTER, Mr. REVERCOMB, Mr. SALTONSTALL, Mrs. SMITH of MAINE, Mr. SPARKMAN, and Mr. STENNIS):

S. 2189. A bill to promote the increase and diffusion of knowledge of the Antarctic; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. WILEY when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY:

S. 2190. A bill to waive the $1,000 limitation on the authority of the Secretary of the Navy with respect to the settlement and payment of claims arising out of the crash of a United States Navy airplane at Minneapolis, Minn., on May 30, 1957; to the Committee on the Judiciary.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. McCLELLAN (for himself, Mr. BRIDGES, Mr. ANDERSON, Mr. PURTELL, Mr. GORE, Mr. THYE, Mr. KENNEDY, and Mr. GOLDWATER):

S. 2191. A bill to amend title III of the Legislative Reorganization Act of 1946, as amended, and for other purposes; to the Committee on Government Operations.

(See the remarks of Mr. McCLELLAN when he introduced the above bill, which appear under a separate heading.)

By Mr. THYE:

S. 2192. A bill to provide greater protection against the introduction and dissemination of diseases of livestock and poultry, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. ALLOTT:

S. 2193. A bill to amend section 8 of the act approved March 3, 1875 (18 Stat. 474), relating to the admission into the Union of the State of Colorado by providing for the use of public lands granted to said State for the purpose of construction, reconstruction, repair, renovation, furnishing, equipment, or other permanent improvement of public buildings at the capital of said State; to the Committee on Interior and Insular Affairs.

By Mr. MORSE (for Mr. NEELY and Mr. BEALL):

S. 2194. A bill to increase the authorization for appropriations for the Hospital Center and facilities in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

PROPOSED RICHARD E. BYRD ANTARCTIC COMMISSION ACT OF 1957

Mr. WILEY. Mr. President, I am pleased today to introduce, for appropriate reference, a bill to establish what I regard as a most essential organization in the executive branch—an Antarctic Commission.

This Commission would be named "the Richard E. Byrd Antarctic Commission," in honor of the great explorer whose name symbolizes man's search into the unknown, man's courage in the face of the elements, man's devotion to duty.

I introduce the bill, on behalf of myself and Senators ALLOTT, BENNETT, CAPEHART, CASE of South Dakota, CHURCH, FLANDERS, GREEN, HENNINGS, HOLLAND, HUMPHREY, JAVITS, MAGNUSON, MANSFIELD, MARTIN of Pennsylvania, McCLELLAN, PAYNE, POTTER, REVERCOMB, SALTONSTALL, SMITH of Maine, SPARKMAN, and STENNIS.

PURPOSE

The purpose of the bill is simple, and it is obvious. It is to establish a spearhead for a continuing Antarctic policy in the Government of the United States. I use each of these key words advisedly—"spearhead," "continuing," "policy."

SPEARHEAD

I use the word "spearhead" because a great many Government departments have now and will continue to have important responsibilities in the Antarctic field. At the conclusion of my remarks, I shall ask to have printed in the RECORD a list of all of the Government agencies participating in or interested in our Antarctic program.

Some of these agencies have a direct, immediate, and broad-gaged interest, such as that of the Departments of Defense, State, Interior, and Commerce. The interest of other agencies is more limited. But all told, no less than 14 separate agencies do have an interest.

In the past have these 14 separate establishments been so completely effective as we might have hoped in developing our overall United States program in this vast region? With all due respect to the many expert Government servants who have worked devotedly on this subject, I believe that the answer is "No."

I believe that the record of the past speaks for itself—that we cannot expect 14 separate agencies, without overhead direction and coordination, to do the necessary well-rounded job for us.

"Everybody's business becomes nobody's business.

This is not the sort of situation which, in my judgment, the National Security Council can indefinitely allow to persist.

We must have an organized spearhead.

CONTINUOUS

I use the word "continuous" because the establishment of a commission is the key element which is absent from the present situation.

As I explained in my comments in the CONGRESSIONAL RECORD on May 23, on pages 7499–7500, ours has tended to be an off-again, on-again, haphazard program in the Antarctic.

America's interest has been sporadic. We have sent expeditions, and those expeditions have been led and manned by great, gallant men. But thereafter, we have allowed the crews of the expeditions to be dispersed to many far different assignments, and the results of those expeditions have gathered dust in warehouses. Then, years later, we have become interested again, only thereafter once more to allow our interest to lapse. The result has been a scattered, uncoordinated, discontinuous approach. In effect, we have not done full justice to all the information compiled through the heroism, the patience, the persistence of the expeditions.

POLICY

Finally, I use the word "policy" because, in my judgment, and in the judgment of others who have worked on this Antarctic problem for a long time, we need to have a long-range national policy in the Antarctic. The time will come when we will stake out our own United States territorial claims in this area.

The time will come—must come—when we will decide how much of our physical resources—men, money, material—we will want to commit on a 5-year, 10-year, and longer basis in this area.

We cannot indefinitely postpone our decisions. We must have a national

policy, and it is only through a commission that we can establish such a policy. It is only through a commission that the President of the United States and the Congress of the United States may assure themselves that we as a nation are fulfilling our responsibility.

THE UNKNOWN

Let us understand the awesome dimensions of this challenge.

The Antarctic, as my colleagues may be aware, covers an area of 6 million square miles. This is about the equivalent to the combined areas of the United States and of Europe. It is sheathed in perpetual ice and snow. It is the world's coldest region and the least known land area. A great many parts of the interior plateau, averaging around 6,000 feet above sea level, have never been explored.

We are only beginning to know the secrets of what minerals lie locked beneath the surface. We are only beginning to understand the weather of the Antarctic, and all the many other facets of it.

This is a great frontier—a frontier as challenging as any which has ever faced this or any other Nation. We must be adequate to the challenges of this frontier, as our ancestors were adequate to the call to the North American Continent, or the call to the West, the call to the Louisiana Purchase, the call to Alaska.

And not only our national interest is involved, but the interest of many nations—friends, neighbors, allies, and others.

APPENDED MATERIAL

I send to the desk an additional statement and appended materials, including the text of the bill itself. I ask unanimous consent that these items be printed in the body of the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill, supplementary statement, and other matters will be printed in the RECORD.

The bill (S. 2189) to promote the increase and diffusion of knowledge of the Antarctic, introduced by Mr. WILEY (for himself and other Senators), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the Richard E. Byrd Antarctic Commission Act of 1957.

DEFINITIONS

SEC. 2. When used in this act:

(1) "Commission" means the Richard E. Byrd Antarctic Commission.

(2) "Director" means the Director of the Commission.

(3) "Council" means the Advisory Council.

(4) "Commissioned officer" means a commissioned officer of the Armed Forces of the United States.

THE COMMISSION

SEC. 3. There is established in the executive branch of the Government the Richard E. Byrd Antarctic Commission. The Commission shall consist of a Director and two Deputy Directors.

FUNCTIONS OF THE COMMISSION

SEC. 4. The Commission shall—

(1) maintain a depository of information relating to the Antarctic including: (A) all records of the Commission, (B) originals or copies of records within the executive branch relating to the Antarctic, (C) books, pamphlets, periodicals, and articles dealing with the Antarctic, and (D) such other information as the Commission considers desirable.

(2) conduct such field and laboratory studies and evaluations as it considers advisable to further the knowledge of the Antarctic.

(3) assist or advise in the establishment of territorial claims to the Antarctic by the United States.

(4) enter into contracts or agreements for the conduct of such research activity, investigation, or experimentation as the Commission considers essential to carry out the purposes of this act.

(5) perform, at the request of the head of any executive agency, specific research, investigation, or experimentation in connection with matters relating to the national defense or the interests of the United States.

(6) acquire by purchase, lease, loan, or gift, and hold or dispose of by sale, lease, or loan, real or personal property necessary for, or resulting from, the exercise of authority under this act.

(7) receive and use funds donated to the Commission if such funds are donated without restriction other than that they be used to carry out the general purposes of this act.

(8) publish or arrange for the publication of scientific, technical, historical, and general information so as to further the dissemination of information about the Antarctic, when the dissemination is consistent with the interests of national security and the public interest (publication may be made without regard to sec. 87 of the act of January 12, 1895, ch. 23 (28 Stat. 622), and sec. 11 of the act of March 1, 1919, ch. 86 (40 Stat. 1270, 44 U. S. C. 111));

(9) approve the plans for and supervise Antarctic operations or expeditions conducted by, or supported by, other agencies of the United States except for operations or expeditions or parts thereof which are military in character;

(10) assist private Antarctic expeditions or research programs when such assistance is in the best interests of the United States;

(11) accept and utilize the services of voluntary and uncompensated personnel and provide transportation and subsistence as authorized by section 5 of the act of August 2, 1946, chapter 744 (60 Stat. 808), as amended (5 U. S. C. 73b–2), for persons serving without compensation;

(12) report to the President before September 16 of each year, summarizing the activities of the Commission and making such recommendations as it considers appropriate. The report shall include the recommendation of the Council and any minority views of the members of the Council.

THE DIRECTOR OF THE COMMISSION

SEC. 5. (a) The Director shall be appointed by the President, by and with the advice and consent of the Senate, for a period of 6 years and shall be paid at the rate prescribed in section 107 (a) of the Federal Executive Pay Act of 1956 (70 Stat. 736). He may be a person appointed from civilian life or a commissioned officer in an active or retired status.

(b) The Director shall—

(1) manage the affairs of the Commission;

(2) issue such regulations as he considers necessary to carry out this act; and

(3) appoint and fix the compensation of such personnel as may be necessary to carry out this act.

(c) The appointments made and the compensation fixed shall be in accordance with the Classification Act of 1949 and the regulations of the Civil Service Commission. However, the Director may employ such technical and professional personnel, and fix their compensation, as he considers necessary, without regard to the Classification Act of 1949 or the regulations of the Civil Service Commission. The Director may terminate the employment of any officers or employees, including the Deputy Directors, whenever he considers that termination to be in the best interests of the United States, except that no person in the classified service may be removed or suspended without pay unless it is accomplished under the act of August 24, 1912, chapter 389 (37 Stat. 555), as amended (5 U. S. C. 652).

DEPUTY DIRECTORS

SEC. 6. (a) The Deputy Directors shall be appointed by the Director and shall perform such duties as he may prescribe.

(b) The Deputy Directors may be appointed from civilian life or may be commissioned officers in an active or retired status. However, if the Director is appointed from civilian life, only one Deputy Director may be a commissioned officer. If the Director is a commissioned officer, both Deputy Directors shall be appointed from civilian life.

(c) The Deputy Directors shall be paid $15,000 a year.

MILITARY STATUS OF DIRECTOR AND DEPUTY DIRECTORS

SEC. 7. (a) When a commissioned officer is appointed as Director or Deputy Director, he is not subject to military authority and may not exercise command over any members of the Armed Forces of the United States except as the President may prescribe.

(b) The appointment of a commissioned officer as Director or Deputy Director does not affect his status or rank or the pay and allowances incident to his status or rank. He is entitled to receive the pay and allowances payable to an officer of his rank and length of service, for which the appropriate department shall be reimbursed from any funds available to defray the expenses of the Commission. He is also entitled to be paid by the Commission the amount by which the compensation provided for the Director or Deputy Director exceeds his annual military pay and allowances.

THE ADVISORY COUNCIL

SEC. 8. (a) The Advisory Council, consisting of 12 members, shall be appointed by the President by and with the advice and consent of the Senate. The members of the Council must be persons who are eminently qualified in their professions. So far as practicable, the members shall be chosen from various fields of endeavor so as to provide a broad field of knowledge and experience which will properly relate the activities of the Commission to the national welfare. However, the majority of the Council must be persons eminently qualified in the knowledge of the basic sciences pertaining to the Antarctic.

(b) The members of the Council shall be appointed for a period of 6 years, except that (1) any member appointed to fill a vacancy occurring before the expiration of the term of his predecessor shall be anpointed for the remainder of the term; (2) the term of office of the members first taking office after the date of enactment of this act shall expire, as designated by the President at the time of appointment, 4 at the end of 2 years, 4 at the end of 4 years, and 4 at the end of 6 years; and (3) a member may be reappointed to the Council for not more than one additional term.

(c) The members of the Council shall be paid at the rate of $50 per day for each day they serve performing the functions of the Council, and shall be allowed travel expenses as authorized by section 5 of the act of August 2, 1946, chapter 744 (60 Stat. 808), as amended (5 U. S. C. 73b–2).

(d) The Council shall—

(1) meet annually on the first Monday in November and at such other times as the Chairman determines;

(2) elect a Chairman and Vice Chairman, at the regular annual meeting, to serve for the following year;

(3) review and assess the research and exploration activities relating to the Antarctic; and

(4) make such recommendations to the Commission as they consider appropriate for the advancement and dissemination of knowledge of the Antarctic.

SERVICES AND FUNDS OF OTHER AGENCIES

SEC. 9. (a) The Commission may, with the consent of the agency concerned, accept and utilize on a reimbursable basis, the officers, employees, services, facilities, and information of any agency of the United States. However, such services and facilities may be furnished only if it does not interfere with the performance of the primary mission of the agency concerned. An agency having custody of data relating to the matters within the jurisdiction of the Commission shall, upon request of the Director, make that data available to the Commission without reimbursement.

(b) Funds available to any agency of the United States for scientific or technical research, educational, or other public service are available for transfer, with the approval of the head of the agency concerned, to the Commission for such use as is consistent with the purposes for which those funds were provided. Funds so transferred shall be spent by the Commission for the purposes for which the transfer was made or for general administrative expenses until such time as an appropriation is made available to the Commission.

ACTS AMENDED

SEC. 10. Subsection 107 (a) of the Federal Executive Pay Act of 1956 is amended by adding the following after clause (22):

"(23) Director of the Antarctic Commission."

SEC. 11. Section 505 of the Classification Act of 1949, as amended (70 Stat. 762; 5 U. S. C. 1105), is amended by adding the following subsection:

"(f) The Director of the Antarctic Commission is authorized, without regard to any other provision of this section, to place a total of seven positions in the Antarctic Commission in grades 16, 17, and 18 of the general schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grades by subsection (b)."

The supplementary statement and other matters presented by Mr. WILEY are as follows:

SUPPLEMENTARY STATEMENT BY SENATOR WILEY

TRIBUTE

In introducing this bill today, I want to pay tribute to those who have worked long and hard toward the introduction and enactment of such a bill.

Greatest credit of all goes to Rear Adm. Richard E. Byrd himself, who, without expectation of this recognition, had done so much and so well, prior to his untimely passing.

But, then, there are others of his coworkers who deserve much credit for carrying on in the Byrd tradition.

I want to pay tribute to Adm. George Dufek, Admiral Byrd's worthy successor, and to Dr. James Mooney, officer in charge of the Navy's Antarctic program.

And there are great numbers of my colleagues on both sides of the Hill who have likewise been interested in this subject.

I should like, in particular, to single out the distinguished chairman of the Senate Foreign Relations Committee, the able senior Senator from Rhode Island [Mr. GREEN]. Earlier this year, my colleague sent to the State Department an inquiry asking the Department to comment as regards United States policy on the Antarctic.

I may say that this well-deserved inquiry follows up on previous inquiries which were sent by predecessor chairmen of the Senate Foreign Relations Committee, including the former senior Senator from Texas [Mr. CONNALLY].

Time does not permit me to list all of the other many Senators who have been interested in this subject. But I should like in passing to refer, if only briefly, to our associates from Mississippi [Mr. STENNIS] and from Vermont [Mr. FLANDERS].

And, of course, I need hardly state in detail the deep interest in this subject which I know is felt by one of the great lights in the Senate, the distinguished senior Senator from Virginia [Mr. BYRD], who while he is not a cosponsor of this particular bill, is nonetheless a most thoughtful observer of this entire subject.

I should also like to pay tribute to the interest which has been shown by the distinguished chairman of the House Interior and Insular Affairs Committee, our colleague from California [Mr. ENGLE].

TIME

We, the Senate cosponsors, realize, of course, that the hour is relatively late in this first session of the 85th Congress.

It will take time for the executive branch agencies to complete their study of this subject.

But it is my hope that in the not too distant future, hearings will be held on this legislation. And it is my hope that thereafter we will act to establish this Commission.

NEED FOR COORDINATION

I may say that I, for one, would ordinarily be skeptical of establishing still another instrumentality in the executive branch, since obviously there are far too many independent groups in that branch. And the whole trend of the Hoover Commission and of other studies has been toward consolidating such groups.

Nevertheless, we have learned that when there is a great need it cannot be fulfilled by a scattered, uncoordinated approach.

BILL OUR OWN

I should like to emphasize that this bill is introduced only on behalf of the Senators mentioned and myself. The bill represents the best thinking, the best judgment of drafting experts and Antarctic experts which could be mobilized on our request.

The bill is, however, our own. We will be looking forward to the results of the administration's further review of this subject with deep interest.

PROTECT OUR RIGHTS

I should like to state very clearly that one of my deep concerns with respect to the Antarctic is to make sure that the United States is fully protected as regards the claims which she will ultimately make as regards title to territory in the Antarctic.

In this connection, I have been studying with interest the law of nations bearing upon possession of territory in Antarctica.

There are a host of complex legal questions which arise in this connection. I have set out some of these questions in a memorandum which will follow these remarks.

In this connection, however, I invite attention to observations on the legal problems of title to polar and subpolar regions in the book Digest of International Law, by Green Hayward Hackworth, former legal adviser of the Department of State, volume I, as published by the Government Printing Office in 1940.

The references beginning on page 449 reflect the historic United States positions in this connection, but also reflect the myriad of problems which have arisen, and which we may expect to arise in the future, so far as territorial claims by the various nations are concerned.

THE FUTURE

Naturally, I am deeply interested in making sure that future generations will say of us that "they in 1957 did not forget the future needs of the American flag in the polar regions."

And while I am naturally desirous of protecting the rights of our flag, I am likewise desirous of promoting sound international relations.

The history of man's exploration of the polar unknown reflects many inspiring chapters of the cooperation of individuals of many nationalities.

INTERNATIONAL COOPERATION

At this very moment, the scientists of many nations contributing to the International Geophysical Year are writing a further story in splendid international cooperation.

It is so difficult to combat the elements in this area that it is obviously essential that there be such full cooperation by the scientists and explorers now at work in all parts of Antarctica.

GREETINGS TO ANTARCTICA

In introducing this legislation today, I would like to say a word of greeting to all of the men who are now manning the United States stations in Antarctica, to the men at Little America—at Byrd, Pole, Weddell, Knox, Adare, Williams Air Operations Facility Stations.

It has been my pleasure to hear from several of these men through the courtesy of shortwave operators. And I may say it gives one a real thrill to think of these modern-day Vikings serving the American flag. They are continuing a tradition, as courageous, as dedicated, as that recorded in any previous chapter of American history.

I am particularly proud that we have a very sizable contingent of Wisconsin men at these various stations. But whatever their State, indeed, whatever the land in which they or their forefathers were born, they are Americans all, and I am very proud of them.

The best tribute which we in the Congress can pay to these men is through enactment of legislation of this nature.

These are men who are willing to risk their all. Surely, the very least that we can do is to provide the top-side organization through which they will be most effective.

HONOR TO NAVY

I know that these men are proud to work with and in their respective agencies of the Government, especially, of course, the men who wear the proud uniform of Navy blue and gold. But through the proposed Antarctic Commission, the Navy (which has performed so splendidly in conditions of adversity in the Antarctic, as it always has elsewhere as well) will be in a still stronger position to serve this great objective. And so will the other agencies of Government.

I may say that the United States Government is the only one of the major powers in the world which lacks such a coordinating body as the Commission.

SPEED UNITED STATES PROGRESS

Yet, we are the great hope of the Free World for the speeding up of progress in the Antarctic. We alone, in the Free World, have the resources. It is our national interest which is at stake even more than that of the powers which are closely adjacent to the area, because it is the United States which is the leader of the free nations of the world.

Let us not delay in fulfilling our responsibility.

Let us not allow another year to pass, another 5 years, or 10 years, before we awaken as Dick Byrd implored us to awaken, to the challenges of this frontier.

Let us enact this bill, a bill which I humbly believe may prove to be one of the great landmarks of the 85th Congress.

FIVE APPENDED MATERIALS

There follow now the materials to which I have earlier referred, as well as other items.

The first item is a list of all of the United States Government agencies and bureaus of such agencies participating in or interested in the Antarctic.

The second is a list of the principal government-sponsored polar organizations of the foreign powers.

This list includes the organizations in all nations which have announced claims to territory in Antarctica.

It will be noted that with the possible exception of Chile, all the polar organizations listed are either autonomous units or quasi-governmental in character. Their missions vary, but all have a responsibility for maintaining their respective nation's interests in the Antarctic through, in part, the dissemination to the public of up-to-date information.

The third item is a chronology of United States activities in the Antarctic.

I may say that I am grateful to the Department of the Navy for furnishing me the factual material of the above three memoranda.

While, as I have indicated, neither the Department of the Navy nor the Department of Defense as a whole is responsible for this legislation, they have been most gracious and cooperative in fulfilling my requests for information.

And, finally, I should like to include the legal memorandum of my own—posing a few of the many problems which arise in connection with territorial claims in the Antarctic.

While these materials are of rather extended length, I believe that they are necessary to provide a satisfactory degree of understanding of this problem.

I may say that it is my intention to comment further in the Senate on this subject.

LIST OF UNITED STATES GOVERNMENT AGENCIES PARTICIPATING IN OR INTERESTED IN THE ANTARCTIC

1. Department of Defense: Joint Chiefs of Staff, Office of Special Operations.

(a) Department of the Navy: (1) Task Force 43, (2) Office of Naval Research, (3) Hydrographic Office, (4) Bureau of Medicine and Surgery, (5) Bureau of Aeronautics, (6) Bureau of Yards and Docks, (7) Bureau of Supplies and Accounts.

(b) Department of the Army: (1) Office of Chief of Staff for Research and Development, (2) Corps of Engineers (SIPRE), (3) Signal Corps.

(c) Department of the Air Force: (1) Director of Research and Development, (2) Air Force Cambridge Research Center, (3) Arctic, Desert, Tropic Information Center.

2. Department of State.

3. Department of the Interior: (a) United States Geological Survey, (b) United States Fish and Wildlife Service.

4. Department of Commerce: (a) National Bureau of Standards, (b) United States Coast and Geodetic Survey, (c) United States Weather Bureau.

5. National Science Foundation: Office for International Geophysical Year.

6. United States National Academy of Science.

7. Central Intelligence Agency.

8. Atomic Energy Commission.

9. Office of Defense Mobilization.

10. Department of Health, Education, and Welfare: (a) Food and Drug Administration, (b) National Institutes of Health.

11. National Archives.

12. Library of Congress.

13. Smithsonian Institution: (a) United States National Museum, (b) National Zoological Park.

14. United States Board on Geographic Names.

FOREIGN POLAR ORGANIZATIONS

Country: Argentina.

Title: Instituto Antartico Argentino.

Established: 1951.

Financing: Governmental.

Mission: To develop programs and provide support for scientific activities in the Antarctic, maintain collections and laboratories for research purposes, issue publications, encourage research, and stimulate public interest in Antarctic.

Remarks: The Argentine Antarctic Institute is organized as an autonomous unit with separate budget under the Ministry of Marine. Logistic support for Argentine Antarctic expeditions is provided largely by the Argentine Navy.

Country: Australia.

Title: Antarctic Division of the Department of External Affairs.

Established: 1948.

Financing: Governmental.

Mission: To direct the operations of the Australian National Antarctic Research Expedition and advise the Commonwealth Government upon all matters pertaining to Australian interests in the Antarctic.

Functions: Plans, finances, and directs logistic and scientific activities, maintains a library and archives, issues publications, and advises the Government.

Remarks: The Antarctic Division is both an operating and research agency lodged within the Australian equivalent of the State Department.

Country: Chile.

Title: Antarctic Department, Ministry of Exterior Relations Antarctic Department, General Staff of the Armed Forces.

Financing: Governmental.

Missions: The Antarctic Department, Ministry of Exterior Relations, plans the Chilean scientific problems. The Antarctic Department, General Staff of the Armed Forces, plans expeditions and provides logistic support.

Country: Denmark.

Title: Arktisk Institute.

Established: 1954.

Financing: Governmental.

Mission: To promote Arctic research, disseminate knowledge of the Arctic regions, and to maintain contact between Denmark and foreign countries in all fields connected with the Arctic.

Remarks: The Arktisk Institute has a six-man governing board which is assisted by a council of scientists and other prominent persons with day-by-day administration in the hands of a permanent official with the title of secretary.

Country: France.

Title: Expeditions Polaires Francaises: Missions Paul-Emile Victor.

Established: 1947.

Financing: Governmental and private.

Mission: To plan, support, and direct French expeditions to both the Arctic and Antarctic regions, collect and publish the results of such expeditions, and maintain archives and library for purposes of information and research.

Remarks: The Expeditions Polaires Francaises is an autonomous agency benefiting from State subsidies and subject to administrative and fiscal review by the Ministries of National Education and Finance. It is headed by a director, assisted by a management committee for administrative matters and a scientific commission which develops plans for research, reviews the results, and provides for publication.

Country: New Zealand.

Title: New Zealand Antarctic Society.

Established: 1933; suspended during World War II, revived 1949.

Financing: Private.

Mission: To collect and disseminate scientific and other information relating to the Antarctic, stimulate interest in the area, and assist explorers both New Zealand and foreign.

Remarks: New Zealand has no central governmental organization for the coordination of Antarctic affairs. The International Geophysical Year effort is being directed by a national committee. The New Zealand part of the British and Commonwealth trans-Antarctic expedition comes under the direction of a recently established Ross Sea committee. The ministry of external affairs has an Antarctic division, as have other interested ministries. Members of the New Zealand Antarctic Society participate in many of these governmental organizations.

Country: Norway.

Title: Norsk Polarinstitutt.

Established: 1948.

Financing: Governmental.

Mission: To plan and direct polar expeditions, compile results, issue publications, and maintain liaison with foreign polar organizations.

Remarks: Organized as an independent agency under the Minstry of Handicraft and Labor. It has a director and six divisions.

Country: Union of Soviet Socialist Republics.

Title: The Arctic Institute of the Soviet Union.

Established: 1930.

Financing: Governmental.

Mission: To direct scientific expeditions, conduct research, provide meteorological and other services, issue publications, and maintain a museum.

Remarks: With headquarters in Leningrad, the Arctic Institute maintains laboratories and field stations. It is part of the chief administration of the northern sea route, and its headquarters staff alone employs over 500 scientists and technical personnel. Its exact relation to the present Soviet effort in the Antarctic is not clear, but from it have been drawn the techniques, equipment, and trained personnel now in the area. Logistic support is provided in the Antarctic by the ships of the Northern Sea Route Administration. The present Antarctic expedition is under the All-Union Academy of Sciences, operating through a subordinate Antarctic Commission.

Country: United Kingdom.

Title: Scott Polar Research Institute.

Established: 1926.

Financing: Governmental and private.

Mission: To serve as a center for the collection of polar records and equipment provide expert advice on techniques of polar exploration, and provide research facilities for working up the scientific results of polar expeditions.

Remarks: The Scott Polar Research Institute started as a private organization with a small endowment. Since World War II, it has received grants from the Governments of the United Kingdom, Australia, Canada, New Zealand, South Africa, and the Falkland Islands. These grants currently account for four-fifths of the institute's income. It is organized as part of the geography department of Cambridge University with its own director and management committee. Not officially a part of the Government, the institute maintains close relations with the foreign office, colonial office, and other Government departments, partly through interlocking personnel.

CHRONOLOGY OF UNITED STATES ACTIVITIES IN THE ANTARCTIC

1790–1830: Heyday of Antarctic sealing. Based on Cook's 1772–75 reports of seals in the area, many voyages were made. In 1791, 102 vessels are known to have engaged in sealing in southern waters. During the 1820–21 season, 44 vessels were in the South Shetlands alone. The great majority of the sealers were American or British, but other

nations participated. Because sealers sought to keep secret the location of good hunting grounds, relatively little is known of these voyages. A few, of which the surviving records are extant and which have historical importance, are noted below. By 1830, the fur sealers were nearly extinct.

1819–20: J. P. Sheffield, a sealer, operated in South Shetlands.

1820–21: Numerous sealers operated around South Shetland Islands. N. B. Palmer on November 17, 1820, believed to have sighted Antarctica, south of Deception Island; Capt. John Davis on February 7, 1821, made first known landing on continent at Hughes Bay; Capt. Robert Johnson reported as reaching 66° south, 70° west.

1821–22: United States sealers, seeking seal beaches, visited islands and parts of Palmer Peninsula. N. B. Palmer accompanied by Englishman, George Powell, discovered South Orkneys in December 1821.

1822–23: Capt. Ben Morrell visited Bouvet, South Sandwich Islands, and possibly Weddell Sea.

1829–31: Capt. Ben Pendleton, first United States expedition to carry scientists, reached 62° south, 103° west.

1838–42: Lt. Charles Wilkes, United States Navy, with six ships, made first United States Government-sponsored expedition; in February 1839 visited South Shetlands and Louis Philippe Peninsula; penetrated pack off Thurston Peninsula; between December 1839 and February 1840, explored from about 160° east to 98° east, making numerous sightings and establishing fact that Antarctica was a continent.

1853–54: Capt. John Heard discovered Heard Island; during following years United States sealers were active in this vicinity, including wintering-over parties.

1928–30: Wilkins-Hearst expedition, largely financed by United States citizens and organizations, under Sir Hubert Wilkins; first airplane flight over Antarctica, in Palmer Peninsula area, November 26, 1928, with C. B. Eielson, a United States citizen, as pilot.

1928–31: Byrd Antarctic expedition, privately financed, under Rear Adm. R. E. Byrd, United States Navy, wintered at Little America I, Bay of Whales; discovered Rockefeller Mountains, Edsel Ford Mountains, and Marie Byrd Land; geological survey in Queen Maud Range; made first flight over the South Pole, November 29, 1929.

1933–34: First Lincoln Ellsworth expedition, visited Bay of Whales, January 1934.

1933–35: Second Byrd Antarctic expedition, privately financed, under Rear Adm. R. E. Byrd, United States Navy; wintered at Little America II, Bay of Whales; extensive use of aircraft, tractors, and other modern equipment; notable for the extent of scientific work, particularly in area east of the Ross Sea; an advanced weather station about 90 miles from the sea was manned for 7 months, much of the time by Admiral Byrd alone.

1934–35: Second Ellsworth expedition, based at Snow Hill Island; projected flight across Antarctica thwarted by bad weather.

1935–36: Third Ellsworth expedition, based at Dundee Island; November 21–December 5, trans-Antarctic flight from Dundee Island to vicinity of Bay of Whales; discovered Ellsworth Highland.

1938–39: Fourth Ellsworth expedition, discovered American Highland.

1939–41: United States Antarctic service expedition, officially sponsored, under Rear Adm. R. E. Byrd; established west base at Little America III, under Dr. Paul A. Siple, and east base on Stonington Island, Marguerite Bay, under Lt. Comdr. R. B. Black, United States Naval Reserve; extensive exploratory and scientific work carried on in southern part of Palmer Peninsula and in area east of Ross Sea.

1946–47: Operation Highjump, with Rear Adm. R. E. Byrd as officer in charge, and Rear Adm. R. H. Cruzen as commander, Task Force 68. Largest expedition ever sent to Antarctic, divided into three groups. Central group established Little America IV at Bay of Whales; 6 transport planes flown from an aircraft carrier to Little America IV to carry out 29 photo flights; eastern group photographed coast from 100° west to 125° west, and then eastward as far as Princess Martha Coast; western group photographed coast from 164° east to 15° east.

1947–48: Ronne Antarctic research expedition, with official and private sponsorship under Comdr. Finn Ronne, reoccupied east base of United States Antarctic service expedition; extensive sledge and aerial exploration and photographing; cooperated with Falkland Islands Dependencies Survey.

1947–48: United States Navy Operation Windmill, two icebreakers, under Comdr. G. L. Ketchum, cruised from 92° east to Marguerite Bay, making numerous landings en route, extensive use of helicopters.

1954–55: U. S. S. *Atka*, under command of Comdr. Glen Jacobsen, departed Boston on December 1, 1954; arrived Bay of Whales, January 1955; continued eastward as far as Cape Norvegia on a reconnaissance for station sites for the International Geophysical Year.

1955–56: Operation Deep Freeze with Rear Adm. Richard E. Byrd as officer in charge, United States Antarctic programs, and Rear Adm. George J. Dufek as commander, United States Naval Support Force, Antarctic, established naval air facility at McMurdo Sound, and Little America V at Kainan Bay; aircraft flights surveyed and photographed large areas of central ice dome, and one flight crossed from the Ross Sea to the Weddell Sea and return via the South Pole.

1956–57: Operation Deep Freeze II completed preparation for the International Geophysical Year by establishment of scientific stations along the coast at Cape Adare, Vincennes Bay, Gould Bay, and in the interior in the center of Marie Byrd Land and at the South Pole itself.

SOME INTERESTING AND IMPORTANT LEGAL ASPECTS OF ANTARCTIC EXPLORATION

The question may well be asked: Notwithstanding these or any other responsibilities, have our Departments of State and of Justice been giving adequate thought to the many territorial and legal questions which further exploration and/or use of the Antarctic will pose? Are they thinking in the 20th century toward the 21st century? Or are their thoughts back in terms of 19th-century legal standards?

What are a few of the points which might arise? Consider these questions: Does an act of discovery give a nation a right of possession? If so, under what circumstances?

How must that right be preserved and confirmed?

What is the relation of the doctrine of the freedom of the seas to the polar icecap floating on the sea beneath?

Should the large areas of ice which are permanently there be considered subject to the possession of any nation, since they can be inhabited and scientific stations of importance may be placed on them? Does not the increasing importance of the North Pole to aviation tend to affect this question? Or is the old assumption still acceptable that "a moving and shifting substance like the North Polar Sea ice" is within the freedom of the seas? Can the idea of a fixed boundary of a nation be adapted to a shifting surface, where there is always ice, but not always the same ice?

Then, shifting one's thought to the South Pole, is the resting of some ice on, or attachment of the shelf-ice area, at least partially, to solid ground enough to differentiate it from the icecap at the North Pole, legally speaking?

On the whole, should the same legal principles apply to that part of the Antarctic ice barrier which is afloat, as to the part which rests on solid ground? (All of it can apparently be used much as ice on land could. Almost none of it can be navigated as the open seas can.)

Must any rights gained by discovery or exploration be followed by occupation and settlement? If so, how soon must this occur? And how extensive and how dense must the settlement be?

Should the "rigor of climatic conditions in the polar regions" relax any requirement of territorial occupation? If so, must the nations exercise effective control over the area? Would control of the air above be sufficient?

If the Antarctic is not the possession of any sovereign state, how will sovereignty be exercised there? What law will apply and how will it be enforced?

If someone were murdered there, how would he be tried? Could one apply the law of the nations which sent out the expedition, an analogy to the law's following the flag on a seagoing vessel?

How can such questions be peaceably decided?

What tribunal would determine any conflicting claims?

How would title be enforced? How and with whom would title be recorded?

There follow some pertinent quotations concerning the international law of acquiring sovereignty over discovered territory by occupation. They are quoted from Oppenheim's standard treatise on international law, volume I, entitled "Peace," pages 506–514:

"Occupation is the act of appropriation by a state through which it intentionally acquires sovereignty over such territory as is at the time not under the sovereignty of another state.

"And it must be emphasized that occupation can only take place by and for a state; it must be a state act, that is, it must be performed in the service of a state, or it must be acknowledged by a state after its performance.

"Only such territory can be the object of occupation as is no State's land, whether entirely uninhabited, for instance, an island, or inhabited by natives whose community is not to be considered as a state.

"On the other hand, a territory which once belonged to a state, but has been afterward abandoned, is a possible object for occupation by another state.

"Theory and practice agree nowadays upon the rule that occupation is effected through taking possession of, and establishing an administration over, the territory in the name of, and for, the acquiring state.

"Possession: The territory must really be taken into possession by the occupying state. For this purpose it is necessary that it should take the territory under its sway (corpus) with the intention of acquiring sovereignty over it (animus). This can only be done by a settlement on the territory, accompanied by some formal act which announces both that the territory has been taken possession of and that the possessor intends to keep it under his sovereignty. It usually consists either of a proclamation or of the hoisting of a flag. But such formal act by itself constitutes fictitious occupation only, unless there is left on the territory a settlement which is able to keep up the authority of the flag.

"Administration: After having, in the aforementioned way, taken possession of a territory, the possessor must establish some kind of administration thereon which shows that the territory is really governed by the new possessor. If, within a reasonable time after the act of taking possession, the possessor does not establish some responsible authority which exercises governing functions, there is then no effective occupation, since in fact no sovereignty is exercised by any state over the territory.

"However, it was not until the 18th century that the writers on the law of nations postulated an effective occupation, or until the 19th century that the practice of the states accorded with this postulate. But although nowadays discovery does not constitute acquisition through occupation, it is nevertheless not without importance. It is agreed that discovery gives to the state in whose service it was made an inchoate title; it acts as a temporary bar to occupation by another state for such a period as is reasonably sufficient for effectively occupying the discovered territory. If the period lapses without any attempt by the discovering state to turn its inchoate title into a real title of occupation, the inchoate title perishes, and any other state can now acquire the territory by means of an effective occupation.

"Finally, in determining the degree of effectiveness of occupation necessary to confer sovereignty, regard must be had to the extent of competing claims of other states. Thus in the dispute between Denmark and Norway concerning the status of eastern Greenland, decided by the permanent Court of International Justice on April 5, 1933, the Court attached considerable importance to the fact that up to 1931 there had been no claim by any power other than Denmark to sovereignty over Greenland."

It seems to me that more intensive and continuous thought should be given by the United States Government to the title to the Antarctic, or as to what action, if any, should be taken to confirm our rights.

A good start in such thinking was made in 1933 by that able and well-known assistant legal adviser to the Department of State, the Honorable William R. Vallance.

There should be more analysis like his article entitled "Title to Land in Antarctica," which appeared in the October 1933 issue of the Federal Bar Association Journal, beginning at page 53.

WAIVING OF LIMITATION WITH RESPECT TO SETTLEMENT OF CERTAIN CLAIMS

Mr. HUMPHREY. Mr. President, Memorial Day in Minneapolis, Minn., was marred by a very tragic accident yesterday morning, when a fine young Navy officer died and four residents of the city of Minneapolis were seriously injured, and others were less seriously injured, in the crash of a naval aircraft in north Minneapolis following a ceremonial formation flyover for the Memorial Day service. I may add that there was also considerable property damage.

I believe that the practice of flying these nontraining flights should be severely restricted, both for the safety of the pilots and for the safety of the civilian population, for the usual practice in these cases is to schedule a formation flight at the lowest permissible altitude.

Therefore, I have written today to the Secretary of the Navy and to the Secretary of Defense, requesting that a policy directive be issued banning such low altitude close-formation ceremonial flights, and generally restricting all military flights to those with a legitimate training purpose.

In the case of the collision and crash yesterday, which, by the way, was one of a series of 3 or 4 such accidents in the past year in Minneapolis, the tragedy which occurred might have been compounded to shocking proportions if one of the planes which crashed in an unoccupied space had hit a nearby playground crowded with children, which was a very short distance away.

As it is, more than a dozen citizens of Minneapolis were injured, four of them very seriously, and, as I have indicated, there was extensive property damage to several residences.

The Federal Government should prepare, I strongly feel, to recompense the victims of this tragedy at the earliest possible moment, without the necessity of taking the matter into the courts. For this reason, I have prepared proposed legislation which would authorize the Secretary of the Navy, upon the presentation of just claims in this matter, to pay amounts in excess of $1,000.

Mr. President, this proposed legislation is traditional in the Senate. I prepared similar legislation about 7 months ago in regard to another crash which occurred at the naval airbase, Wold Chamberlain Airport.

Therefore, Mr. President, I introduce, for appropriate reference, a bill to fulfill these objectives. I ask unanimous consent that it be printed at this point in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred and, without objection, the bill will be printed in the RECORD.

The bill (S. 2190) to waive the $1,000 limitation on the authority of the Secretary of the Navy with respect to the settlement and payment of claims arising out of the crash of a United States Navy airplane at Minneapolis, Minn., on May 30, 1957, introduced by Mr. HUMPHREY, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the $1,000 limitation contained in the first section of the act of July 3, 1943, as amended (31 U. S. C. 223b), shall not apply with respect to claims arising out of the crash of a United States Navy airplane in the 1900 block of Pierce Street NE., Minneapolis, Minn., on May 30, 1957.

SEC. 2. With respect to claims filed as a result of the airplane crash described in the first section of this act, the Secretary of the Navy shall, within 30 months after the date of the enactment of this act, transmit to the Congress a report setting forth—

(1) each claim settled and paid by the Secretary of the Navy, with a brief statement concerning the character and equity of each such claim, the amount claimed, and the amount approved and paid; and

(2) each claim submitted which has not been settled, with supporting papers and a statement of findings of facts and recommendations with respect to each such claim.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have my letters to the Secretary of Defense and the Secretary of the Navy printed in the RECORD as part of my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MAY 31, 1957.

The Honorable CHARLES E. WILSON,
Secretary of Defense,
Department of Defense,
Washington, D. C.

DEAR MR. SECRETARY: As you know an unfortunate crash of two Navy jet aircraft over Minneapolis yesterday has resulted in the death of 1 pilot, Comdr. Newell Olson, USNR, and the serious injury of 4 civilians. It is my understanding that this flight was undertaken as a ceremonial flight during Memorial Day exercises.

In the attached letter to the Secretary of the Navy, I have urged that a policy directive be issued forbidding such tight formation ceremonial flights made at altitudes below 5,000 feet.

I urge that this policy be considered at the Defense Department level, to apply equally to all air components of the Defense Department.

Sincerely yours,
HUBERT H. HUMPHREY.

MAY 31, 1957.

The Honorable THOMAS S. GATES, Jr.,
Secretary of the Navy,
Department of the Navy,
Washington, D. C.

DEAR MR. SECRETARY: In reference to my telegram of May 30 regarding the unfortunate crash of two Navy jet aircraft in North Minneapolis, I wish to urge immediate consideration of a policy directive which would forbid the kind of ceremonial flights that resulted in the loss of Comdr. Newell Olson, USNR, and the serious injury of four civilians yesterday.

I do not feel that pilots should be called upon to make the kind of low-altitude, tight formation flights which are hazardous both to themselves and the general public below. I regret the loss of Commander Olson. He was a fine officer.

A uniform policy throughout the Defense Department forbidding tight formation ceremonial flights at altitudes of less than 5,000 feet would seem a desirable achievement.

Sincerely yours,
HUBERT H. HUMPHREY.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have my letter to the Senator from Georgia [Mr. RUSSELL], the chairman of the Senate Armed Services Committee, along with a telegram which I received yesterday from the mayor of Minneapolis, Hon. Eric G. Hoyer, printed in the RECORD, along with copies of telegrams I have sent.

There being no objection, the letter and telegrams were ordered to be printed in the RECORD, as follows:

MAY 31, 1957.

The Honorable RICHARD B. RUSSELL,
Chairman, Senate Armed Services Committee,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: In reference to my telegram to you on May 30, I wish to bring to your attention the attached letters which I have directed to the Secretary of the Navy and the Secretary of Defense regarding the crash of 2 Navy jet aircraft in Minneapolis yesterday, and urging that a new policy directive be issued for all air components of the Defense Department to forbid all such ceremonial flights by military aircraft as resulted in the death of 1 pilot and the serious injury of 4 civilians.

I respectfully request that the committee discuss this matter with the Defense Department to the end that serious consideration will be given to this proposal.

Frankly, I do not feel that these pilots in the armed services, who lead a hazardous enough life as it is, should be called on to fly tight-formation flights which are not for a training purpose. Of course, flying at low altitudes over heavily populated areas is simply asking for trouble.

Kindest personal regards.

Sincerely yours,
HUBERT H. HUMPHREY.

MINNEAPOLIS, MINN.

Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D. C.:

Regard tragic, airplane crash northeast Minneapolis this morning in which two Panther jets collided in midair, crashing, killing one pilot, and resulting in injuries to an undetermined number of civilians. It was my understanding that an agreement had been made that no jet operations would be made from Wold Chamberlain Airport and no jet flights would be made over the city of Minneapolis except for interceptor purposes. Was this agreement in effect at this time? If not why not demand immediate Congressional investigation to affix responsibility demand that jet operations cease immediately except for such interceptor purposes as are necessary.

ERIC G. HOYER,
Mayor of City of Minneapolis.

MAY 30, 1957.

Hon. ERIC G. HOYER,
Mayor, City of Minneapolis, Minn.:

Reurtel have requested Secretary of Navy Gates to initiate immediate investigation. Have also asked chairman, Senate Armed Services Committee, RICHARD RUSSELL, to begin investigation.

HUBERT H. HUMPHREY.

Senator RICHARD RUSSELL,
Chairman, Armed Services Committee,
Senate Office Building:

Urge immediate inquiry into new naval jet air crash tragedy involving civilians and civilian homes in Minneapolis today. Want to talk with you Friday about this situation.

HUBERT H. HUMPHREY.

Hon. THOMAS S. GATES, Jr.,
Secretary of the Navy,
Washington, D. C.:

Request an immediate investigation crash of two naval jet aircraft this morning in north Minneapolis, Minn.

HUBERT H. HUMPHREY.

AMENDMENT OF TITLE III OF LEGISLATIVE REORGANIZATION ACT OF 1946

Mr. McCLELLAN. Mr. President, on behalf of myself, and Senators BRIDGES, ANDERSON, PURTELL, GORE, THYE, KENNEDY, and GOLDWATER, I introduce, for appropriate reference, a bill to amend title III of the Legislative Reorganization Act of 1946, as amended, and for other purposes. This bill is to amend the lobbying statutes.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2191) to amend title III of the Legislative Reorganization Act of 1946, as amended, and for other purposes, introduced by Mr. McCLELLAN (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Government Operations.

AUTHORIZATION FOR INCREASED APPROPRIATIONS FOR DISTRICT OF COLUMBIA HOSPITAL CENTER

Mr. MORSE. Mr. President, I understand that consent has been given for the introduction of bills today.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. MORSE. There is a bill I should like to introduce on behalf of my great friend and colleague, the Senator from West Virginia [Mr. NEELY], and the Senator from Maryland [Mr. BEALL]. I will supply the desk with a copy of the bill in a few minutes. I introduce the bill now, and ask to have it appropriately referred.

The ACTING PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred.

The bill (S. 2194) to increase the authorization for appropriations for the Hospital Center and facilities in the District of Columbia, and for other purposes, introduced by Mr. MORSE (for Mr. NEELY and Mr. BEALL), was received, read twice by its title, and referred to the Committee on the District of Columbia.

TECHNICAL CHANGES IN FEDERAL EXCISE TAX LAWS—AMENDMENTS

Mr. BIBLE submitted amendments, intended to be proposed by him, to the bill (H. R. 7125) to make technical changes in the Federal excise tax laws, and for other purposes, which were referred to the Committee on Finance and ordered to be printed.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. COOPER:

Address entitled "Approval of Atomic Agency Essential to United States Leadership," delivered by Senator CLIFFORD P. CASE to New Jersey Young Republicans at Atlantic City, N. J., and published in the New York Herald Tribune of May 25, 1957.

By Mr. MARTIN of Iowa:

Address delivered by him on May 24, 1957, at Adas Israel Synagogue, Washington, D. C., at services honoring Jewish war veterans of the United States.

NOTICE CONCERNING NOMINATION BEFORE COMMITTEE ON THE JUDICIARY

Mr. McCLELLAN. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Jack Chapler Brown, of Indiana, to be United States attorney for the southern district of Indiana, for a term of 4 years. Reappointment.

On behalf of the Committee on the Judiciary notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Friday, June 7, 1957, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

AID TO SPAIN AND GREECE UNDER PUBLIC LAW 480

Mr. HUMPHREY. Mr. President, I am happy to report to the Senate this afternoon, with regard to some recommendations which were made following a trip I made to Spain and Greece and other areas, that the Department of State has taken some action which I felt was urgently needed and overdue.

I was informed on Wednesday afternoon late that both Secretary Benson and Secretary Dulles have wired the American Ambassador at Madrid, Spain, the Honorable John Lodge, to enter into proper negotiations or to draw up the necessary agreements for the sale of 70,000 tons of wheat under Public Law 480. It is a matter of record. I was very much disturbed over the previous failure to conclude this arrangement. The Spanish people are on the verge of bread rationing. The political situation is very difficult, as is the economic situation. It is gratifying to know that action has been taken. In my visit with the Secretary of State last Sunday afternoon, I urged that this action be taken at once, before time had run out.

I am also pleased to note for the RECORD, as a result of the recommendation made from Greece, that the Department of State and the Department of Agriculture have worked together on ordering the release of local currencies generated under Public Law 480 and in the hands of the International Cooperation Administration in Greece. These funds are for economic development. They are loans by our Government of the local currency which we received from the sale of foodstuffs in Greece. For almost a year these funds have been impounded. There has been no use made of them, even though the Greeks had been led to believe an agreement had been arrived at.

I am pleased to note that when Dr. Butz, the Assistant Secretary of Agriculture, was in Greece—and I think he arrived 2 days after I left—he, too, made this recommendation. As a result of these recommendations, the Department has reconsidered and action has taken place.

Mr. CARLSON subsequently said: Mr. President, earlier this afternoon the junior Senator from Minnesota [Mr. HUMPHREY] advised the Senate that the Department of Agriculture had agreed to sell 70,000 tons of wheat to Spain. I commend the Senator from Minnesota for his diligent efforts in securing the approval of the Department for this sale. I think it will be helpful, not only in furnishing food to a country which urgently needs it, but also because it will create good will which will benefit the United States in that section of the world.

I myself did not have an opportunity to take part in the transaction, but I know some of the problems in connection with it. I may say that I think it was an excellent piece of work on the part of the Senator from Minnesota. I think that if the United States will sell wheat to Spain, Israel, and Greece, and will accept their currencies in payment, we will be rendering a real service, not only to our own Nation, but also to the countries involved.

VISIT TO THE SENATE BY STUDENTS, PARENTS, AND FACULTY OF KENSINGTON JUNIOR HIGH SCHOOL, KENSINGTON, MD.

Mr. HUMPHREY. Mr. President, I notice the gallery is filled with a number of young people today from many schools throughout our land. In the gallery happens to be one of my sons, who is a freshman, a ninth-grader in the junior high school of Kensington, Md. I know he will be angry with his Dad for mentioning this, but a number of the students are here. We had lunch together, and we are going to have the afternoon together.

I wish to note for the RECORD that some of the students of this fine junior high school of Kensington, Md., along with faculty members, and mothers, including Mrs. Humphrey, are in the gallery, visiting the Senate. [Applause.]

REPORT OF SPECIAL COMMITTEE TO INVESTIGATE POLITICAL ACTIVITIES, LOBBYING, AND CAMPAIGN CONTRIBUTIONS (S. REPT. NO. 395)

Under authority of the order of the Senate of May 29, 1957, the following report of a committee was submitted:

Mr. McCLELLAN. Mr. President, as chairman of the Special Committee To Investigate Political Activities, Lobbying, and Campaign Contributions, created by Senate Resolution 219 of the 84th Congress, as extended by Senate Resolutions 47 and 128 of the 85th Congress, I ask unanimous consent to file the final report of the committee, including individual views of certain Senators.

The committee was created in February 1956. The life of the committee was extended from January 31, 1957, to May 31, 1957. The committee has spent $163,271.26, or less than one-half of the $350,000 appropriated, returning $186,728.74 to the Treasury.

It will be recalled that the creation of the committee was prompted in part by the so-called Neff-Patman incident which was promptly investigated by another committee. Despite intense efforts to secure leads on other acts of illegalities or improprieties, if any, our committee was not apprised of any such episodes and discovered none by independent investigation.

The question whether attempts to influence any Member of the Senate improperly or illegally is one that could best be answered by the Senators themselves. As I previously reported to the Senate, our committee invited and requested each Senator to supply the committee with any knowledge or information on the subject. Of the 43 Senators who replied, only 3 or 4 reported or suggested any facts or information on the subject.

In view of the expressions of the President in vetoing the Harris-Fulbright bill, regarding questionable activities in connection with that bill, an invitation was also extended to the President, the Director of the Budget, and the Attorney General for any facts or information in their possession concerning the subjects under the committee's jurisdiction. No evidence or information was furnished to the committee from these sources.

An invitation was thereafter extended to include members of the press and the public to furnish any facts or information to the committee on subjects under its jurisdiction.

As stated in the report, facts or information furnished to the committee under these invitations and appeals, were negligible. The committee promptly instituted an independent investigation of its own on all aspects of its commitments under the authorizing resolution.

The report being filed today is the culmination and result of a broad investigation and study of the matters under the committee's jurisdiction.

The committee is confident that the report contains many constructive suggestions and is a valuable contribution to the subject matter for consideration by legislative committees in the future. The report is an extensive one. I ask unanimous consent to have printed in the RECORD a copy of the statement the Senator from New Hampshire [Mr. BRIDGES] and I tendered to the press with respect to the subject matter, which briefly summarizes important phases of the report.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATORS JOHN L. McCLELLAN, CHAIRMAN, AND STYLES BRIDGES, VICE CHAIRMAN

The final report of the Senate Special Committee To Investigate Political Activities, Lobbying, and Campaign Contributions is divided into two general subjects: (1) lobbying, and (2) campaign financing.

As to lobbying, the report is unanimous. As to campaign financing, the report is unanimous on many phases and also contains the separate views of several members with respect to other points on which unanimity was not reached.

The work of the special committee may be described generally as (1) investigatory, and (2) a study for the purpose of making legislative recommendations. The report deals with the few specific complaints received by the committee and shows also, among other things, the varied nature of legislative activities, running the gamut from activities of so-called professional lobbyists to the subtle methods of influencing legislation by work at grassroots levels, sometimes referred to as indirect lobbying. The comprehensive nature of the committee's work is shown in the report.

One of the features of the committee's extensive investigation into the activities of supporters and opponents of the Harris-Fulbright bill to amend the Natural Gas Act (84th Cong.) was the disclosure that substantial contributions to groups active on said bill had been or were being treated by the contributors as ordinary business expenses, with the result that the Government was helping to defray the cost of activities to influence legislation to the extent of approximately $1 million. At the conclusion of the committee's hearing on this phase, the income tax feature was taken up with the Bureau of Internal Revenue. As a result, the committee has been advised by the Commissioner of Internal Revenue that the conclusion reached by his Department is "that contributions to the committee [Natural Gas and Oil Resources Committee] do not qualify as allowable deductions for Federal income tax purposes" (pp. 16, 17).[1] As a result, the Government stands to collect additional taxes of around $1 million from this source alone.

Another tax aspect considered by the committee has to do with so-called institutional advertising which does not specifically point to legislation but which tends to accomplish the same result by subtle means. On this score, a matter directly under the jurisdiction of the Internal Revenue Bureau, the report observes (p. 82):

"Also worthy of special attention by the Bureau of Internal Revenue are newspaper and magazine advertisements by varied interests which do not expressly support or oppose legislation but tend to accomplish the same result indirectly by subtle means, the cost of which is also treated as a business expense."

Turning from the extensive investigation conducted and study made by the special committee on the subjects of lobbying and campaign finances—dealt with and discussed at length in the report—to the legislative problems forming such an important part of the committee's work, it is the conclusion of the committee that the best available cure for vices that exist or may result from deficiencies in existing laws in both fields is the spotlight of publicity.

In this connection, the observation made by Justice Brandeis, in coping with an analogous problem, is appropriate. He said—

"Sunlight is said to be the best of disinfectants; electric light the most efficient policeman."

AS TO LOBBYING

The report summarizes the testimony adduced before the committee; describes the nature and extent of the committee's work and investigations; gives the history and background of existing laws and operations thereunder; discusses the many problems presented for committee consideration; and contains specific recommendations by the committee, implemented by a comprehensive proposed new law.

The present Federal Regulation of Lobbying Act has been in operation since 1946, being the first Federal statute on the subject. The statute has proven beneficial but has been found, by experience, to contain a number of uncertainties on important aspects and also to be deficient and inadequate in other respects.

Some of the important provisions of the bill recommended by the committee are:

A. Title of act

The present Federal Regulation of Lobbying Act does not regulate, is not truly descriptive, and is otherwise objectionable. The committee believes that a more appropriate designation would be "Legislative Activities Disclosure Act."

B. Administration

Under existing law, the Secretary of the Senate and the Clerk of the House of Representatives are mere depositories for statements and reports required to be filed under the act. The act imposes no other duties and responsibilities except the compilation of information for publication in the CONGRESSIONAL RECORD. Under the bill recommended by the committee, the Comptroller General is designated as the Administrator and charged with certain duties and responsibilities which it is felt will result in the effective administration of the act (secs. 303, 304; p. 98).

C. Registration requirements

The committee's bill requires persons who are deemed to be legislative agents to file notices of representation, identifying themselves and their principals and stating the

[1] Numbers in parentheses denote page numbers of final report unless otherwise indicated.

terms of their representation. A legislative agent is defined under the act as a person who, for any consideration, is employed or retained to influence legislation, in person or through any other person, by means of direct communications to Congress. Persons intended to be included under the definition of legislative agent constitute the so-called professional group in the lobbying field. For a more detailed explanation, see page 94 under group 1.

D. Reporting requirements

Every legislative agent must file a report, setting forth his receipts and expenditures, in such form as the Administrator shall prescribe. Reports must also be filed by the following:

1. Any person who employs or retains 1 or more legislative agents and who makes an expenditure of $300 or more in any calendar quarter to influence legislation;

2. Any person who receives $300 or more in a calendar quarter as compensation or reimbursed expenses (exclusive of personal travel expenses), or both, for the purpose of influencing legislation by direct communication;

3. Any person who requests or procures another to communicate directly with Congress to influence legislation if (a) the request or procurement is in writing and is addressed or distributed to more than 1,000 persons, or (b) the expense of the communication requested or procured is paid or agreed to be paid by the person making the request or procurement, and more than 25 persons are solicited to make such communication; and

4. Any person who has made expenditures exceeding $50,000 in the aggregate within the preceding 12 months in presenting a program addressed to the public, a substantial portion of which is intended, designed, or calculated to influence legislation. (Sec. 306; p. 96 under groups 5, 6, and 7.)

It is to be observed that the foregoing includes so-called indirect lobbying activities if done on a substantial scale.

E. Penalties

The committee's bill imposes criminal penalties for violations arising from direct lobbying activities and, in order to satisfy constitutional guaranties and to promote the objectives of the act, imposes civil penalties for violations under so-called indirect lobbying activities, with ultimate enforcement of civil penalties via injunction, etc.

Penalties have also been provided for transmission to Congress of spurious communications (sec. 311, p. 101), which the committee has condemned in its report thus (p. 80):

"Practices like these which pollute the stream of our legislative processes must be eliminated."

For complete details of the committee's recommended bill and a comparison with the existing law, see pages 97–105, with explanatory data at pages 93–96.

Summarizing, the reporting requirements have been improved, the law tightened, and streamlined in a number of respects, and standards set forth which will enable those interested to determine more readily whether or not they are subject to the provisions of the act.

Throughout its consideration of the subject, the committee has been mindful of the right of each citizen to petition the Congress under the first amendment to the Constitution. Apart from the traditional right of petition, the actual exercise of such right by our citizens is recommended by Members of Congress for the reason, among others, that the presentation of the views of the citizens, either in support of or in opposition to, proposed legislation is helpful in producing constructive legislation. The exercise of the right of petition has proven to be a valuable aid to Members of Congress in their quest for legislation that will prove beneficial to the Nation.

AS TO CAMPAIGN FINANCING

The report summarizes testimony given before the committee; describes certain phases of its investigations; states the views of former Members of the Senate, political scientists, and others concerning important aspects of the subject; states the conclusions and specific recommendations of the committee; and contains a proposed new law to implement the recommendations of the committee.

The report is not unanimous on all aspects of campaign financing, the separate views of several members of the committee being stated independently in connection with certain phases.

All of the members of the committee agree, as noted earlier, on the benefits derived from the spotlight of publicity.

Some of the important changes proposed under the committee's bill may be summarized as follows:

A. Title of act

The name of the law is "Political Activities Disclosure Act." The title of the present law, "Federal Corrupt Practices Act," is not truly descriptive of the subject matter, and is misleading (sec. 266; pp. 139, 153).

B. Administration

As is the case under the Lobbying Act, the Secretary of the Senate and the Clerk of the House are mere depositories of statements and reports which are required to be filed under the Federal Corrupt Practices Act, no duties or responsibilities being imposed upon either to administer the act. As is the case under the Lobbying Act, two places are designated for the filing of statements and reports under varying circumstances. The committee proposes that the designation of the Comptroller General, as administrator, with specified duties and responsibilities to effectuate the purposes and objectives of the law, will accomplish the goal of effective administration (secs. 242, 251; pp. 139, 145, 149).

C. Reporting requirements

The reporting requirements under the committee's bill have been streamlined and extended. All political committees, with an exception later noted, are required to report. For example, intrastate political committees, which are not required to file any reports under the present act, will be required to do so under the committee's bill. Extension of the areas of publicity, as provided in the committee's bill, will, it is hoped, prove beneficial. The committee has decided that political committees whose receipts or expenditures are inconsequential should be excluded from the reporting requirements, and has therefore provided an exception in its bill, to wit, that if a committee does not receive or expend more than $1,000 in any calendar year or does not receive any contributions exceeding $100 from one person, it is not to be deemed to be a political committee subject to reporting requirements (sec. 241; p. 139).

It is also proposed that reports must be filed by those who make expenditures of $100 or more in behalf of a candidate or political committee (other than by contributions) or contribute $3,000 or more to a candidate or political committee in a presidential election (sec. 248).

D. Fiscal agent

The committee's bill provides for the appointment of a fiscal agent by each candidate, with the right of a candidate to designate himself as such (sec. 246; pp. 139, 146). Such designation will centralize responsibility and improve the reporting procedure.

E. Limitations on contributions and expenditures

As to limitations on contributions and expenditures, the committee's bill makes radical changes, briefly described as follows:

1. No limitations are imposed in presidential contests. Although the present law imposes a limitation of $3 million on contributions that may be received or expended by a political committee during any calendar year, there is actually no genuine limitation since there is no bar to the formation of any number of additional committees desired, each one of which would be competent to receive and expend $3 million in any calendar year. The committee believes that a realistic approach requires that the fixation of any limitation in presidential contests should be removed.

2. Although there is considerable sentiment for the removal of ceilings in senatorial contests as well, the committee is not prepared to recommend such removal at this time. It is the feeling of the committee, however, that the amount of any limitation should be raised substantially from present levels and that a workable and reasonable limitation would be an amount equal to the amount obtained by multiplying 10 cents by the total population of the State at the last decennial census (sec. 245; pp. 141, 145).

3. As to contests for Representative at Large, the committee recommends the same formula applicable to senatorial contests.

4. As to district contests for the House of Representatives, the committee provides in its bill that the same 10-cent formula be applied except that the Congressional district shall be substituted for the State.

5. In order to strike a balance between cases where candidates with unlimited personal funds to spend in their own behalf are opposed by less affluent candidates, and cases where candidates are unable to raise outside funds to finance their campaigns, the committee has provided in its bill for the following limitations on a candidate's personal expenditures:

(a) In a senatorial contest, a candidate shall not be permitted to spend more than 15 percent of the prescribed ceiling out of his personal funds, or $10,000, whichever is higher, but in no event more than $25,000 (sec. 245; pp. 141, 146).

(b) In a contest for Representative at Large, the same standard as for senatorial candidate is applicable.

(c) In a contest for Representative, a candidate should be permitted to spend up to 15 percent of his ceiling, but in no event more than $10,000.

6. It is proposed that expenditures made by a committee authorized to support a candidate shall be included in the computation of the candidate's ceiling, and that where such approval is lacking, a limitation of $1,000 is placed on such expenditures. Excepted from these provisions are regular State central, county and local committees, which invariably support tickets with multiple candidates, National and State and also local (sec. 245; p. 142).

7. Contributions in any name but that of the actual donor are prohibited, as are contributions in excess of $100 by a person under 18 years (sec. 151; p. 142).

8. Individual contributions have been limited by a majority of the committee to $5,000 for one candidate for Federal office, or an aggregate of $15,000 for all candidates and political committees, in any calendar year, with a further provision requiring a 1-year lag between maximum permissible contributions and subsequent ones. A further restriction has been provided that any contribution made before June 30 of each year is a violation of the statute if, coupled with contributions made the preceding calendar year, the aggregate exceeds the limitations provided (pp. 142, 154).

F. Early filing dates

Earlier filing dates of reports are provided in the committee's bill in order to allow more preelection time for the perusal of reports (sec. 247).

G. Primary elections

The committee was evenly divided on the question whether primary elections should be included or excluded under the new act (sec. 241; p. 140).

H. Section 315, Federal Communications Act

The committee has recommended that section 315 of the Federal Communications Act be amended to provide for the allowance of equal broadcasting time to minority parties, upon condition that a minority party drew 5 percent of the vote at the last election, or, if a new party, presents a petition signed by 2 percent of the vote at the last election (p. 143).

I. Tax deduction

Another recommendation made by the committee is to allow taxpayers the right to deduct from gross income all political contributions up to the sum of $100.

Acknowledgment must be made of the great amount of time and effort devoted by all committee members to the important work of the committee. Despite heavy burdens, all members of the committee made extraordinary efforts to help solve the problems before the committee. The chairman wishes to record his deep appreciation to all members of the committee for their invaluable assistance.

Mr. McCLELLAN. Mr. President, I wish to acknowledge the devoted attention of members of the committee, each one of them, to the problems and work of the committee, and to express my thanks for the contribution made by each member of the committee. I also wish to acknowledge the diligent and conscientious efforts of the fine staff associated with the committee and to thank the staff for its invaluable contributions.

The PRESIDING OFFICER. The report will be received, and printed, together with the individual views, as requested by the Senator from Arkansas.

UNITED STATES CREDITED FOR GERMAN RECOVERY

Mr. THYE. Mr. President, a short time ago there was published in the Duluth News-Tribune an article reporting a tour by a group of 10 German construction leaders of the recently constructed housing projects in northeastern Minnesota. In this connection Eckehard O. Rastedter, a Berlin consulting engineer, spoke at a dinner sponsored by the Duluth building industry on May 27 and discussed the importance of American aid in the restoration of German economy since World War II.

Mr. Rastedter referred to the Berlin airlift as the most spectacular demonstration of the will of the American people to help the cause of freedom in Western Europe.

He went on to say that Germany's miraculous recovery would never have happened without the generous support of the American Government and of the American people.

Mr. President, this expression of appreciation for American aid is very timely now when the Senate Committee on Foreign Relations is considering President Eisenhower's recommendations for improving this obviously effective program.

I ask unanimous consent to have printed in the RECORD at this point in my remarks the article which appeared in the May 28th Duluth News-Tribune.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BERLIN ENGINEER CREDITS UNITED STATES FOR GERMAN RECOVERY

(By Einar W. Karlstrand)

Germany's rapid recovery from World War II damage was attributed largely to American aid last night by a Berlin consulting structural engineer.

Eckehard O. Rastedter, one of 10 visiting German construction industry leaders, made this report at a dinner sponsored by the Duluth building industry in the Kitchi Gammi club.

The group yesterday viewed Iron Range construction and today will go to Silver Bay for a tour of the Reserve Mining Co.'s townsite and other properties.

Rastedter said that the miraculous recovery of Germany would never have happened without the generous support of the American Government and of the American people.

He reported that within 6 years after the war, production and investments in western Germany reached the prewar level and shortly after surpassed it.

Germany's exports by 1953 exceeded those of the prewar period, he said.

The speaker explained that his homeland has attempted to ease the housing shortage by building or rebuilding an average of about 500,000 dwelling units a year since 1948 with the help of American capital.

"Besides providing apartments for the large number of families who need them," Rastedter said, "we have actively engaged in building or repairing a great many schools, hospitals, and churches for current needs."

The experience of the world's best architects is being used to spur German construction, he reported.

A part of this plan, he said, is the Berlin International Building Exposition of 1957 which opens in Germany's capital city June 15.

The ideas and styles conceived by the internationally known architects will be demonstrated as full-sized houses of 1 to 18 stories high. They will become regular dwelling units after the exposition.

Rastedter noted that he and his colleagues have profited tremendously from what they have seen and heard in their current United States trip.

At Biwabik yesterday they saw how a complete house is built at the Modern Home Manufacturing Co. plant and then shipped to the owner's homesite.

Later they visited Erie Mining Co.'s Hoyt Lakes housing project and shopping center and the company's taconite plant near Aurora. They also inspected United States Steel's Oliver iron mining division ore processing plant near Virginia.

The group heard three construction leaders explain how Erie Mining Co.'s townsite and plant were built. They are C. A. Stiles, chief project engineer; Col. C. D. Barker, Taconite Contracting Corp. labor relations director, and Gerald Galbreath, general manager of the Partridge Lakes Development Co.

Hans Jaeger, Gustavsburg, Germany, was so impressed with what he saw that he remarked the Federal agency in charge of the trip should have scheduled a 6-week visit in northeastern Minnesota.

Martin Ernst Abel, Wiesbaden, a technical building adviser, expressed interest in the manner personnel problems are handled in the Duluth and iron range construction industry.

Edward Barghusen, a Hamburg contractor, viewed with interest construction of concrete buildings in the area and Friedrich W. Classen, Bonn, a construction engineer, observed closely prefabricated building components.

One of the visitors, Wilhelm E. Fauner, Berlin, a professor of engineering, requested and was granted permission to try out the automatic nail machine at the Biwabik home building plant. He drew laughs from the group when he missed one of the nails.

A Hamburg architect, Heinrich P. Hans, took keen interest in Hoyt Lakes small home housing. So did Guenter P. K. Kindler, Berlin architect, who remarked that United States builders waste more materials than do those in Germany. Materials are relatively costly in Germany, they reported.

Gustav E. Kistenmacher, Heilbronn architect, observed closely school and church construction in which he is particularly interested.

Erie Mining Co.'s railroad from Aurora to Two Islands on the north shore of Lake Superior captured the interest of Ludolph D. Koehne, Hamburg. He is superintendent of construction and technical affairs for the German federal railways.

Rastedter said he was observing closely new methods used in concrete construction.

Mrs. Claire Metger, Washington, D. C., accompanied the group as an interpreter.

The visit of the German building leaders is cosponsored by the Duluth Builders Exchange, the Duluth Home Builders Association, and the International Housing Service of the Federal Housing and Home Finance Agency.

Rastedter told the dinner group that Germany suffered a complete defeat early in 1945.

"Apart from the many sufferings of the people," he said, "Germany's economy was virtually at a standstill.

"The desperate situation made it necessary to make three basic provisions: To restore transportation, to rebuild industrial plants and administrative agencies, and to provide for housing."

He said that in the reconstruction program transportation had the first priority.

"We had to restore more than 7,500 bridges," he reported. "We had to repair almost the entire system of streets and highways as well as nearly all the railroad tracks.

"This was so very difficult since we had to provide food for the population and raw materials for industry. We had to repatriate displaced persons and to rescue refugees and veterans.

"Within 3 years we succeeded in putting the federal railroads back into operation. But the real start of the reconstruction period was marked by the currency reform of 1948."

It was at that point that the rebuilding of industrial plants, administrative agencies, and housing started, he said.

Nearly all the well-known old German firms and many new enterprises started borrowing the necessary capital upon their name and reputation, the speaker related.

Rastedter said the "most spectacular demonstration of the will of the American people to help the cause of freedom in Western Europe" was the famous Berlin airlift.

"I myself lived through that blockade," he said, "and shall continue to live in Berlin, hoping that city will be once more the capital of a reunited Germany."

The German guests were introduced at last night's dinner by Eugene A. Tilleaux, Washington, training officer of the International Housing Service. Robert S. Mars, Jr., Duluth Builders Exchange president, was toastmaster. Greetings were given by Mayor Eugene Lambert and Joseph Veranth, president of the Duluth Building Employers Council.

STUDENT-INTERN PROGRAM IN OFFICE OF SENATOR NEUBERGER

Mr. NEUBERGER. Mr. President, if democratic government is to fulfill its most fruitful role, young people must be attracted to participate actively. Perhaps that was what was in the mind of Elihu Root, Secretary of State under President Theodore Roosevelt, when he told students at Syracuse University:

Politics is the practical exercise of self-government, and somebody must attend to it if we are to have self-government.

Since coming to the Senate I have tried to further interest in government among young people through a student-intern program in my office. My intern for the 1957–58 Congressional year has just been chosen by a selection committee which interviewed nearly a dozen candidates for the position on my staff.

I do not interfere in any way with the choice made by the selection committee. This notable group consists of Dr. John M. Swarthout, head of the political science department of Oregon State College, as chairman; Miss May Darling, retired Portland high-school teacher; Father David H. Fosselman, of the faculty of the University of Portland; and Mr. J. W. Forrester, editor of the Pendleton East-Oregonian. Miss Elizabeth C. Ducey, a Portland women's group leader, who is in charge of my Portland office, and Mrs. Vera M. Springer, secretary in that office, act as capable aids to the committee. I have imposed no restriction as to the religion, color, sex, or political affiliation of the student thus selected each year to work in my office.

The present intern is Larry Hobart, a young journalist with an interest in political science. After he completes his term on my staff, I understand he intends to continue study in this field. If the work in my office has contributed to his interest in government, I will consider the program a success. Mr. Hobart has written an outstanding article about his experiences as a research intern in a Senator's office. The story was published in the Sunday Oregonian of May 26, 1957, and I ask unanimous consent to have it printed in the body of the RECORD, following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Sunday Oregonian of May 26, 1957]

OREGON COLLEGE STUDENTS LEARN THE INNER WORKINGS OF NATIONAL POLITICS DURING YEAR SPENT AS ASSISTANT TO SENATOR NEUBERGER

Each year a committee of Oregon civic leaders and educators selects a graduating senior, or recent graduate of an Oregon college, to serve for 1 year as a salaried research intern in the Washington office of Senator RICHARD L. NEUBERGER.

Graduates in any field are eligible for selection if they have informed interest in the problems of government and public policy. Party affiliation is not a factor. This year's internee, Larry Hobart, is a Republican.

Purpose of the program is to offer public-spirited young Oregon citizens a year of practical experience in government as a background for future participation in community affairs or possibly for a career in government. The intern's assignments are designed to acquaint him with the legislative process as seen in the daily work of Congress. Several Senators from other States are planning to follow Senator NEUBERGER's lead in setting up this program.

Members of the intern-selection committee include Miss May Darling, member of the State board of education, Portland; J. W. Forrester, editor of the Pendleton East-Oregonian and a member of the State board of higher education; Father David H. Fosselman, of the faculty of University of Portland; and Dr. John W. Swarthout, head of the political science department of Oregon State college and chairman of the committee.

"CAPITOL CLASSROOM

"(By Larry Hobart)

"During the past 9 months I have participated in a unique on-the-job training course in American government. As a 'research intern' in the office of Senator RICHARD L. NEUBERGER I have been witness to the daily operating routine of the 'world's most exclusive club'—the United States Senate.

"My wife, Judy, and I came to Washington in September 1956. Our closest previous touch with active politics was Judy's candidacy for president of the sophomore class at the University of Oregon. In Washington we found a strange, new, partisan world.

" 'Shoptalk' in Washington means politics. In Salem, my hometown, political discussions seemed somewhat abstract; political science courses at the University of Oregon dwelt on government structure, separation of powers, checks and balances. In Washington a crucial Senate vote can mean the displacement of a party spokesman, establishment of a political debit or a vote-getting credit, the loss of a job.

"I was riding down an elevator in the Senate Office Building the day the Senate met to organize for the 85th Congress, when the young elevator operator asked me if I had heard how Senator LAUSCHE, of Ohio, intended to vote. Rumors were flying that day as the clock approached 12 noon, and I replied that it was apparently still questionable whether LAUSCHE would line up with the Republicans or the Democrats.

" 'Gee, I sure hope he votes with the Democrats,' the operator said. 'I don't know how I'll get through school this year if he doesn't; I'll lose my job.' He was one of dozens of college students who finance their way through a Washington university by holding down a patronage position.

"Senators enjoy great prestige on Capitol Hill. Elevators are summoned at the sound of the traditional three buzzes and halted at the Senator's command. Passengers on the subway cars which run between the Capitol and the Senate Office Building must give up their seats to Senators. However, I failed to realize just how much weight the office carried in Washington until I made my first request of a Government agency.

"When I telephoned for a pamphlet containing statistical information my call was transferred from department to department, each disclaiming any jurisdiction over the material. When I finally located the correct office and placed my order I waited 3 days for the information to arrive.

"When I mentioned this communications problem to a senatorial staff member he laughed. 'You just didn't phrase your request correctly,' he said. 'You should say, "the Senator wishes to obtain the following information."' My next call was referred directly to a special Congressional liaison office; the material arrived by messenger the same day.

"The workload of the Senate is tremendous. Statistics for the 84th Congress graphically illustrate the burden.

"The Committee on Government Operations reported that between January 5, 1955, and July 27, 1956, Senators considered in committee meetings (where 90 percent of the Senate's legislative work is carried out) a total of 7,290 legislative proposals, of which 4,835 originated in the Senate. Of these measures, 3,053 were reported from committee and 1,921 became laws.

"If the Senator spent 1 hour studying and familiarizing himself with each bill and joint resolution reported to the Senate in the 84th Congress he would have put in over 380 full working days before he completed the task.

"Even if this herculean job were feasible, other senatorial responsibilities would prevent its accomplishment. It is estimated that 3,951 Senate committee meeting were held during the 84th Congress, occupying a total of 11,677 hours. Senators may serve on 2 to 3 standing committees, as many as 14 subcommittees.

"These calculations do not include time spent relative to activities of the 24 boards and commissions of which Senators are members, party and policy meetings, legislative conferences, testimony before committees, reviewing and revising committee reports, preparing speeches, maintaining correspondence and a host of other duties.

"Senators are bombarded with letters. Senator NEUBERGER's office receives an average of 200 pieces of mail a day while Congress is in session. Communications range from pleas for legal advice in divorce suits and tax tangles to demands for a stated position on salvage of tin cans and suggestions for the development of a perpetual-motion machine, from grateful support of pending legislation to violent damnation of a proposed bill.

"In all senatorial offices an attempt is made to answer every letter from within the Senator's State; out-of-State mail receives a lower priority. Mass mailings of form letters tend to be answered in kind, due to the limitations of time and staff.

"As if the normal barrage of letters were not enough, some Senators solicit additional mail. Senate Democratic Leader LYNDON JOHNSON recently announced he had written to 39,000 Texans asking for 'recommendations and advice.' Senator THOMAS MARTIN of Iowa conducts an annual poll of voters in his State.

"Nothing is better calculated to impress the westerner with the newness of his State than a tour through one of Washington's antique homes located in Georgetown, a fashionable suburb.

"The Federal-type architecture and vertical construction are a marked contrast to the rambling one-story houses to which we were accustomed. A trip from the basement to the third-floor guest rooms is an exhausting experience.

"When we returned to our four-room apartment following one of these stair-climbing expeditions, Judy sank into a chair and announced: 'Please don't let me complain again about the housework here; it would take a week to dust that thing from top to bottom.'

"Call it patriotism or Potomac fever, sentiment or respect, there is a sense of history about Washington which affects even the most casual observer.

"When Judy insisted upon taking our 6-month daughter Jennifer with us when we visited Mount Vernon recently, I argued that a trip to Washington's home would make little impression on a baby. 'I know it's silly,' she replied, 'but I just want her to be able to tell her own children she's been there.'

"I stood on the Senate floor on one Tuesday evening in March as the clerk called the roll for the final vote on passage of the Middle East resolution. As each Senator answered with his 'yea' or 'nay,' I couldn't help feeling a thrill of excitement. One hundred years ago such men as Stephen A. Douglas, Charles Sumner, and Jefferson Davis were discussing the Dred Scott decision in the Senate Chamber. Within minutes this vote would also be history.

"Senator NEUBERGER's research intern program was initiated in 1955. It has been highly successful in its aim, encouraging young people to take a more active interest in our Government. Dick Judd, a former Lewis and Clark student and the first intern, is now on the staff of Senator WAYNE MORSE; Eric Coorsanger, a graduate of Reed College, returned to Oregon to work with the bureau of municipal research at the University of Oregon. Thomas L. Murdock, of Klamath Falls, a Willamette University senior in political science, has been announced as the 1957–58 intern, and will take place next September.

"The program has also succeeded in counteracting, in a small way, the popular assumption that politics is a dirty business, fit only for hacks.

" 'Our Government is not a theoretical mechanism to me any longer.' Voorsanger concluded, following his year in Washington. 'Nor are the disappointments and inefficiencies of Government totally without explanation, for I think I have learned that government does not exist separate from politics. Good government, likewise, depends on good politics.

" 'I have learned to respect the role of compromise, but have been heartened to see the courage of a number of Members of Congress who will stand for what they believe while others care little.'

"A few weeks before I left Salem for Washington, I was discussing the year ahead with a friend. 'You must be crazy,' he said. 'Here your wife is due to have a baby within a few weeks. You just returned from the service and haven't seen your old friends for nearly 2 years. And now you're leaving for Washington on a temporary position with a politician. But,' he added, 'it should be a rewarding and exciting experience.'

"And it has been."

EMPLOYMENT OF JOURNALISTS BY UNITED STATES INFORMATION AGENCY

Mr. NEUBERGER. Mr. President, because there was some discussion on the floor last week about the practice of the United States Information Agency in employing journalists to write material for the Agency, I have asked Mrs. Blair Moody, the widow of a former illustrious Member of the Senate, and congressional liaison officer for the United States Information Agency, to provide me with the background information explaining this particular procedure.

I have received, under date of May 29, a letter from Mrs. Moody, with certain accompanying material relating to this practice of the United States Information Agency.

For the information of the Senate and of the press, I ask unanimous consent that the statement sent to me by Mrs. Blair Moody be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Charge: That the Agency buys news stories from newspapermen throughout the United States at a cost of more than $50,000 a year to create a built-in pro-USIA propaganda setup.

During fiscal year 1956, the Agency used the free-lance services of about 300 stringers scattered about the country. Most of these individuals were journalists or reporters, recommended to the Agency by their city editors, who were hired by the Agency on a word-rate basis of 2 cents per word to write special articles for use overseas. Since most of the stringers who receive assignments from USIA work for American newspapers as reporters, they hardly would be in a position to influence the policies of their respective newspapers with respect to the activities or operations of the United States Information Agency. Most of the articles obtained from these individuals related to the activities of foreign visitors to this country. The Agency believes that the things these visitors do or find out about this country are of great interest to their compatriots overseas. Their stories are considered a most effective method of conveying a picture of America to people overseas through the eyes and words of their own compatriots.

The cheapest way to get such a story—about, for example, the activities of a Vietnamese who is visiting Minneapolis—is to hire a writer in Minneapolis to do an article about the visitor, rather than send a man out from Washington to get the story. In fiscal year 1956, the Agency spent $26,821 for a total of 1,306 individual stories on foreign visitors and current events of significance (average of $20.24 per story).

In addition, the Agency in fiscal year 1956 spent $16,095 for other free-lance services, which provided materials for 7 pamphlets and 115 special magazine articles for the periodicals America Illustrated and Problems of Communism (average cost per article of $126.50).

The various stories and articles procured from stringers do not mention or publicize the activities of the United States Information Agency. Use of such stories and articles is based on a solid and demonstrable program need. The charge that use of these individuals creates a pro-USIA propaganda setup is considered to be without basis.

FLOODS IN THE SOUTHWEST

Mr. JOHNSON of Texas. Mr. President, the disaster-weary Southwest has again been battered by torrential rains, high winds, hail, and tornadoes.

The news ticker has just brought us the latest story of disaster. Flash floods have hit the city of Fort Worth and high winds have blown apart buildings in southwest Texas.

There is only one cheerful note—this time no injuries or deaths were reported and the damage was described as "slight in comparison with other recent flood and tornado disasters."

Mr. President, this whole situation puts in bold relief the tragedy of inaction. Over every wrecked building and over the grave of everyone who has been killed by these disasters should be placed the sign "too little and too late."

The news ticker also records the experiences of the House Public Works Subcommittee, which is touring the area. One of the members, Representative ED EDMONDSON, of Oklahoma, said that dams on the Navasota at Waco, Lampasas, and Ferguson would have prevented much of the recent damage.

Representative JAMES WRIGHT, of Texas, says that dams should be constructed at Laneport, Lampasas, Ferguson, Summerville, and Waco.

Mr. President, earlier in the week, I said to the Senate that we must get ahead with the program of constructing dams on the Pedernales and San Gabriel Rivers where there have occurred great loss of property and great loss of life in the past few weeks.

We are getting ready to consider the public works bill in the Senate. I hope that when it comes to the floor every Senator will have vividly in his mind the tragedy of too little and too late.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. MORSE. Mr. President, I wish to say to the people of Texas from the floor of the Senate that I do not know of any Member of the Senate who over the years has worked harder for flood-control projects everywhere in the United States than the distinguished Senator from Texas [Mr. JOHNSON].

I am sure I speak for the people of my own State and of the whole Pacific Northwest when I say that I extend to the people of Texas our deepest sympathy for the tragedies they have suffered from the terrible floods. I say to the people of Texas they have every reason to have great pride and confidence in their senior Senator, the majority leader, who has been fighting in the Senate for flood-control projects everywhere.

I wish to say to my colleagues in the Senate, both Republican and Democrat, that we ought to rally around both Senators from Texas when the public works bill comes before us, and come to the relief of the State of Texas.

Many persons do not realize that for the past several years 244 out of the 254 counties in Texas have been water-disaster areas because of drought. Now nature has completely changed its course and whole sections of Texas are being flooded.

It proves the need for man to take the precautionary and preventive steps necessary to bring, wherever possible, the forces of nature under control.

I say to the Senators from Texas that in me they have a shoulder-to-shoulder ally because I think all of us owe it to the people of Texas to give them relief in this year's public works bill.

Mr. JOHNSON of Texas. I wish to express my deep gratitude to the distinguished senior Senator from Oregon for his statement. The 9 million people of my State welcome his assistance and his cooperation. We know that the Senator from Oregon always extends a generous hand to people in need, whether they are in the Northwest or in the Southwest.

Homes would be standing today, and men, women, and children would still be alive, if Congress had acted in time.

I am hoping that there will be early and complete surveys by the Army engineers of all the principal rivers and their tributaries in Texas, where so many

lives have been lost and so many millions of dollars worth of property destroyed. I am hoping, as the result of such surveys, that Congress will take some emergency action.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. HUMPHREY. The people of Texas know, I am sure, that the leadership of their senior Senator from Texas will be responded to by his colleagues. I assure the Senator that there is one vote I have something to say about, namely my own vote, and when the flood-control projects come before the Senate in the public works bill, those projects will receive my wholewhearted support.

The State of Minnesota, on occasion, has been the victim of floods. Like the Senator from Texas, I have always felt that had we had a little vision and had we taken some preventive action, we would not have had to suffer such serious human and economic losses as ultimately took place.

I assure the Senator from Texas that his plea for action by the Senate will receive enthusiastic and wholehearted response to the limit of my capacity and ability when the public works bill comes before the Senate.

Mr. JOHNSON of Texas. Mr. President, I am grateful for the expression of my good friend from Minnesota. He and I walked along the Pedernales River together. Only last week two women and a baby started down the highway that runs along that river. A flash flood came up. The mother and baby were drowned, and the other woman spent a night in a treetop. That happened because of "too little and too late." That tragedy could have been prevented if a dam had been constructed on the river. A survey had been authorized, but no action was taken.

I am hopeful that the disaster which has occurred, and which we have been able to endure, will serve as a lesson to Congress and perhaps bring vividly to its attention the fact that an investment in flood control is the best insurance policy Congress can buy.

I ask unanimous consent that the two articles from the United Press news ticker be printed in the RECORD at this point as a part of my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

FORT WORTH, TEX.—A House Public Works Subcommittee today flew over flood-ravaged portions of Oklahoma and Arkansas in the second day of its flood and drought inspection.

The subcommittee, consisting of Representatives JAMES WRIGHT, Democrat, of Texas, ED EDMONDSON, Democrat, of Oklahoma, and EMMET BYRNE, Republican, of Illinois, made a 600-mile aerial tour over the swollen Brazos and Trinity Rivers in Texas yesterday after holding hearings in Fort Worth.

The group is trying to assess damage from recent floods, check the effectiveness of existing flood-control projects, and make legislative plans for prevention of both future floods and droughts. The region was in the throes of an 8-year drought before the torrential rains fell.

The committee flew over farms where crops once wouldn't grow because of a lack of moisture and now can't be planted because of too much. The committee saw farmhouses isolated by water, areas in cities still bearing the scars of floods, farmlands flooded, and reservoirs spilling away excess water.

EDMONDSON said the area urgently needs three reservoirs to control floodwaters and store water for use during drought. He said had there been dams at Waco, Lampasas, and Ferguson on the Navasota, they would have prevented heavy damage to agriculture. The whole basin system should be controlled, he said. EDMONDSON gave no priority to any 1 of the 3 possible dams.

WRIGHT said dams should be constructed at Laneport, Lampasas, Ferguson, Summerville, and Waco. It is probable, he said, the Congress would approve the Waco Dam and the Proctor Dam, above the Belton Reservoir.

DALLAS, TEX.—Torrential rains, high winds, hail, and tornadoes returned to a wide area of Texas last night. They caused flash floods in soggy Fort Worth and ripped apart buildings in southwest Texas.

A cloudburst dropped 2.22 inches of rain on Fort Worth in 30 minutes and sent flash floods over the tops of cars in underpasses.

High winds possibly of tornado force howled over Monahans, in southwest Texas, destroying two 1-story buildings. A host of tornadoes was sighted in that area and as far north as Fort Worth.

There were no injuries, however, and damage was believed slight in comparison with other recent floods and tornado disasters.

"REACTIONARY" SOCIALISM IN GERMANY

Mr. CURTIS. Mr. President, whenever socialism has been tried it has always disappointed. It has resulted in inflation, increased poverty, and a denial of a standard of living which otherwise might have been attained.

I should like to read an editorial which appeared in the Omaha World-Herald of May 23, 1957. The editorial recounts a happening which should bring hope to those who oppose socialism. It is entitled "Reactionary Socialism." It reads:

REACTIONARY SOCIALISM

Last week Germany's Minister of Economy, Dr. Ludwig Erhard, announced that Government trusteeship of the Volkswagen automobile works would end and that the company would be sold to thousands of small shareholders.

In other words, the Volkswagen is returning to private enterprise. Its management will be responsible to the stockholders who, in turn, expect a profit.

That's plain old-fashioned capitalism, and it's interesting to note how the Volkswagen decision is being received in Germany.

Dr. Erhard said the sale is a means of achieving a broader ownership of the means of production in West Germany. He said it is the Christian Democrats' answer to the reactionary Socialist policy of state ownership or control.

The Socialists are alarmed and angry. They recognize that the sale is highly popular with the people, so instead of meeting the issue head on and defending state ownership, they are claiming politics and charging that the moderate Adenauer government is electioneering by catering to the popular will.

To American ears these charges may sound strange but it's explained that this is not the case in Europe. Socialism is old stuff there, both the soft socialism of the Social Democrats and the hard socialism of Hitler.

The new appeal, the attractive appeal, is private ownership.

Chancellor Adenauer's economics minister says the Volkswagen sale is only the beginning. Eventually, he says, the West German Government will sell all the Government's industrial holdings, estimated at $1 billion, to private investors.

Americans, who are sometimes apologetic about the enterprise system, may learn a lesson here. If collectivist theories are old fashioned and reactionary and hard to sell to the voters in Europe, they should be doubly hard to sell to the voters in successful America. The forward look in economic systems is not Marxism, with its dreary theme of share the poverty, but the enterprise system with its widely dispersed wealth.

RECIPROCAL-TRADE-AGREEMENT PROBLEMS WITH CUBA

Mr. CARLSON. Mr. President, on May 13 I discussed on the floor of the Senate some of our reciprocal-trade-agreement problems with our neighbor to the south, Cuba.

Cuba has been a traditional supplier of sugar to the United States, and, in turn, Cuba has been a major market for wheat flour from the United States. Both commodities have been included in the preferential trade treaties negotiated between the two countries over a long period of time, and they provide the type of reciprocity in trade which I believe is true reciprocity. Each commodity represents an industry which is basic to the country and for which it has many natural advantages for production and export.

Last year, as a member of the Senate Finance Committee, I assisted in working out some of the amendments to the extension of the Sugar Act of 1948. I, for one, insisted that we grant Cuba a generous share of our sugar imports, and I did this even though technically we might be able to become self-sufficient in sugar production, although I realize it would be an uneconomic production.

At the time I made my statement on the Senate floor regarding some of our reciprocal-trade problems with Cuba, I was advised that the Cubans were proposing to build a flour mill in Santiago, Cuba, under special concessions and protection which they hoped to receive from the Cuban Government. Another group was proposing a mill at Cienfuegos.

It is generally agreed that should the Cuban Government give approval to these projects our present flour exports to that country, as we have known them in the past, would come to an end. This, of course, would mean a permanent loss of much of the Cuban market for United States wheat, as well as flour, because the record clearly shows that when a flour mill is built in a foreign country, imports of United States flour are not automatically replaced with United States wheat.

I am pleased to advise the Senate today that information has come to me that the Cuban Cabinet has informed the National Bank and its affiliates that they refused to give their approval, even

though it may mean loss in the commitment to the Santiago project.

I am also informed that the two proposed mills for customs exemption have been rejected by the Cuban Government.

Mr. President, I appreciate very much the action which has been taken by the officials of the Cuban Government in this regard. This attitude on the part of the Cuban Government and its people further strengthens my belief in the fact that reciprocal trade is a two-way street, and can be used to the mutual advantage of two countries. I hope this will become a pattern with other nations with which we have reciprocal trade agreements.

This decision will mean much to the farmers of the United States who have already been forced to reduce their wheat production from approximately 80 million acres in 1951 to 55 million acres in 1957, under Federal restrictions.

I can assure my colleagues this is important to the wheat growers of Kansas, in that in 1951 we planted approximately 18 million acres of wheat, and last year our allotment acreage was 10.8 million acres, and our actual seeding, as a result of drought and unfavorable fall seeding conditions, was 6.3 million acres.

If more countries realize that access to the United States market also means some obligations on their part not to adopt measures which will hurt or restrict the market for United States commodities, we will have accomplished much in the way of friendly trade relations.

RAPID TAX AMORTIZATION BY IDAHO POWER CO.

Mr. DWORSHAK. Mr. President, on May 28, 1957, a spirited debate took place in the Senate between the Senator from Indiana [Mr. CAPEHART] and the Senator from Oregon [Mr. MORSE] concerning rapid tax amortization by the Idaho Power Co.

In order to secure the facts concerning this matter, I addressed a letter dated May 31, 1957, to Mr. Charles Kendall, General Counsel of the Office of Defense Mobilization. I ask unanimous consent to have printed in the RECORD at this point my letter to Mr. Kendall and his reply thereto.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

MAY 31, 1957.

Mr. CHARLES KENDALL,
General Counsel, Office of Defense Mobilization, Executive Office Building, Washington, D. C.

DEAR MR. KENDALL: I noticed in the CONGRESSIONAL RECORD of May 28 the following colloquy between Senator CAPEHART and Senator MORSE covering the amortization of the Idaho Power Co.:

"Mr. CAPEHART. There, again, if the Senator from Oregon will read the letter of the Secretary, and will analyze it, he will find that that situation is somewhat the same as the one about which he was complaining, when he said he was misquoted.

"Furthermore, he said this particular job will not be completed until 1961. Does the Senator from Oregon not know that the certificate will become void if the job is not completed by 1958, and that then the company will lose the certificate?

"Mr. MORSE. But in the meantime, the company will have collected all the advantages of the fast tax writeoff.

"Mr. CAPEHART. I wish to say to the able Senator from Oregon that the writeoff is 20 percent a year for 5 years.

"Mr. MORSE. Yes; and the company will get that much for every year it is allowed to get by with it.

"Mr. CAPEHART. But the certificate of necessity will not begin until the project is finished.

"Mr. MORSE. That is just where the Senator from Indiana is completely wrong.

"Mr. CAPEHART. I am not wrong.

"Mr. MORSE. It begins immediately after it is granted. The company will write it off, on its next year's tax report. What does the Senator from Indiana suppose the company wants it for? The company wants it in order to get it to help it build the project. That is why the company wants these millions of dollars of hand-outs—namely, to help it build the dams, at the cost to the taxpayers.

"Mr. CAPEHART. Mr. President, the Senator from Oregon was never more mistaken in all his life, because the certificate cannot begin until the project is finished and until the total cost is known. I challenge the Senator from Oregon to prove that that statement is not true.

"Mr. MORSE. Mr. President, I believe in doing my book work, and I will do it; and I will raise the question tomorrow.

"Mr. CAPEHART. Mr. President, I have been engaged in business. I am sure I am right about the matter; I will be amazed if I am wrong. It is impossible to obtain a certificate for a writeoff before the job is completed and before the cost of the materials used is known."

I would like to know which Senator is correct, and also would like to have your legal opinion.

Sincerely,

HENRY DWORSHAK.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF DEFENSE MOBILIZATION,
Washington, D. C., May 31, 1957.

Hon. HENRY DWORSHAK,
United States Senate, Washington, D. C.

DEAR SENATOR DWORSHAK: This has reference to your letter of May 31, 1957, in which you quote from the CONGRESSIONAL RECORD of May 28 the colloquy between Senator CAPEHART and Senator MORSE relative to the accelerated amortization deduction as it applies to the Idaho Power Co. projects at Oxbow and Brownlee. You ask, "Which Senator is correct?" and request my legal opinion.

The last sentence of section 168 (a) of the Internal Revenue Code of 1954, which provides for the accelerated amortization deduction reads as follows:

"The 60-month period shall begin as to any emergency facility, at the election of the taxpayer, with the month following the month in which the facility was completed or acquired, or with the succeeding taxable year."

The Bureau of Internal Revenue has informed us that the foregoing is interpreted literally and that accelerated amortization may not be taken until a facility is actually completed.

Any suggestion that the amortization deduction on the cost of a facility may be taken upon the commencement of or during the construction of a facility is incorrect.

In the case of the Idaho Power Co.'s Brownlee and Oxbow Dams, the certificates place the further restriction upon use of accelerated amortization that the facilities must be in operation on of before December 31, 1958. If the target date is met, the cost of the dams may be charged against taxable income at the accelerated rate in the following taxable years.

In summary, it may be stated that the Idaho Power Co. will not be able to take accelerated amortization on either the Brownlee or Oxbow Dams until such dams are completed and in no case will they be entitled to such deduction unless the facilities are in operation on or before December 31, 1958.

Sincerely yours,

CHARLES H. KENDALL,
General Counsel.

WITHDRAWAL OF NOMINATIONS BY THE PRESIDENT

Mr. MORSE. Mr. President, at the time the nomination of Scott McLeod was pending in the Senate, the staff of the Committee on Foreign Relations was asked to prepare a memorandum concerning the number of instances of nominations submitted by administrations, past and present, having been withdrawn from the Committee on Foreign Relations. The official staff memorandum was prepared and made available to members of the Committee on Foreign Relations, a copy of it being made available to me. I used it in the debate on May 8, 1957. A part of the memorandum dealt with the case of one Seymour Rubin, to be Assistant Director of the Mutual Security Administration.

In the course of my speech on May 8, 1957, at page 6577 of the CONGRESSIONAL RECORD, I cited from the memorandum prepared by the staff of the Committee on Foreign Relations and made the following statement:

I point out that the cases I have just mentioned involved nominations during the Truman administration. We also have the case of the nomination of Seymour Rubin, to be Assistant Director of the Mutual Security Administration. The nomination was made by President Truman, but was withdrawn by President Eisenhower. So this is a procedure which has been followed in various administrations.

I have received a letter from Mr. Rubin, who is a member of the law firm of Landis, Cohen, Rubin & Schwartz.

I ask unanimous consent that the entire letter be printed in the RECORD at this point in my remarks, together with certain exhibits which Mr. Rubin filed with his letter.

There being no objection, the letter and exhibits were ordered to be printed in the RECORD, as follows:

LANDIS, COHEN, RUBIN & SCHWARTZ,
Washington, D. C., May 16, 1957.

The Honorable WAYNE MORSE,
United States Senate, Washington, D. C.

DEAR SENATOR MORSE: I write on what I suppose might be called on the floor of the Senate a point of personal privilege. I believe you would want to correct an unfortunate inference, arising from your remarks of May 8, 1957, in regard to the McLeod appointment, that the Senate Foreign Relations Committee and/or the Eisenhower administration found me wanting in qualifications for the post of Assistant Director for Mutual Security.

The facts are:

I have been in the private practice of law since 1948. In 1951–52 I took on, at the request of the State Department and of Mutual Security Director Harriman, a short-term (2 months) negotiating job involving our relations with the NATO countries, and was fortunate enough to achieve the desired results. As a result, Mr. Harriman asked me, in the fall of 1952, to take on responsibility as his deputy for the Battle Act, with the title of Assistant Director for Mutual Security. I consented to do this, on the clear understanding that mine was again to be a short-term responsibility, that I would in any case resign in early 1953 to return to my law practice, and that the situation would be reexamined after the November 1952 elections.

On September 26, 1952, the Congress then not being in session, I was given a recess appointment by President Truman as Assistant Director for Mutual Security and Deputy Administrator of the Mutual Defense Assistance Control Act.

After the elections, President-elect Eisenhower designated Gov. Harold Stassen as Mr. Harriman's successor. In December 1952, I talked with Governor Stassen. I said that the position I held was one involving extremely sensitive relations between the administration and the Congress, and that I felt that he should have his own appointee in the position. I stated my intention of resigning before the end of the Truman administration, but expressed my willingness to remain on as a consultant for an interim and transitional period. Governor Stassen concurred in my views, and asked me to remain as a consultant during a transitional period.

On January 5, 1953, I submitted my resignation to President Truman. On January 10, 1953, President Truman accepted my resignation, effective at the close of business on January 19, 1953.

When President Eisenhower took office, therefore, there should have been no appointment pending before the Senate Foreign Relations Committee. Apparently, however, a mistake was made, and appointment papers were in fact before the committee. When, in February of 1953, a United Press dispatch stated that my appointment was pending before the committee, I communicated with the White House, and steps were taken to correct the error. It is presumably to these steps—which were the withdrawal of an appointment to a position from which I had already resigned during the previous administration—that you referred in your statement of May 8.

So far as I know, there was never any consideration of my name, and never properly could have been any such consideration, before the Foreign Relations Committee. I have never heard of any slightest objection on the part of any Senator to my recess appointment, or criticism of my conduct of my office while I held it under that appointment. I append hereto copies of letters which I received, upon my resignation, from President Truman; from the Mutual Security Director Harriman; and from the United States Special Representative in Europe, Ambassador William H. Draper, Jr. I also append a copy of a letter received from Mr. Stassen, upon my subsequent resignation as a consultant.

I would appreciate your insertion of this letter, together with its attachments, in the CONGRESSIONAL RECORD, together with such statement as you might at that time care to make.

Sincerely yours,

SEYMOUR J. RUBIN,
Attorney at Law.

THE WHITE HOUSE,
Washington, January 13, 1953.

Hon. SEYMOUR RUBIN,
Assistant Director for Mutual Security, and Deputy Administrator for Mutual Defense Assistance Control, Washington, D. C.

DEAR MR. RUBIN: In response to your letter of January 5, I accept your resignation as Assistant Director for Mutual Security and Deputy Administrator for Mutual Defense Assistance Control, effective at the close of business January 19, 1953.

You have every reason to be proud of your record of Government service, particularly during the past year, when your contributions have been most valuable. As Chief of the United States delegation, you skillfully guided the negotiation of complex tax agreements with a number of European nations, required by the Mutual Security Act of 1951.

Subsequently, you served as Averell Harriman's deputy on matters pertaining to the complicated problem of controlling trade between free nations and the Soviet bloc. I especially appreciate your accepting this complex and difficult task. In the space of only a few months, you have provided vigorous direction to the efforts of the United States Government in this field and have laid a solid foundation upon which the executive branch and the Congress will more readily be able to move forward.

You have my every good wish for success in private life.

Sincerely yours,

HARRY TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF THE DIRECTOR FOR MUTUAL SECURITY,
Washington, D. C. January 20, 1953.

Mr. SEYMOUR RUBIN,
Deputy Administrator, Mutual Defense Assistance Control Act, Executive Office of the President, Office of the Director for Mutual Security, Washington, D. C.

DEAR SY: I want to record my appreciation for the effective work that you have done during these last months in the administration of the Battle Act.

I know that you came at considerable sacrifice to yourself, and I am deeply grateful to you. You had a penetrating understanding for the complicated problems that are involved in East-West trade, and brought to the administration a wise balance of all of the factors that relate to our security and national interests.

I send you all my best wishes and warm regards.

Sincerely,

W. A. HARRIMAN,
Director for Mutual Security.

UNITED STATES SPECIAL REPRESENTATIVE IN EUROPE,
Paris, France, February 2, 1953.

The Honorable SEYMOUR J. RUBIN,
Deputy Administrator for Mutual Defense Assistance Control, Executive Office of the President.

MY DEAR MR. RUBIN: Thank you very much for your letter of January 21 with which you enclosed a copy of the second semiannual report under the Battle Act.

I cannot let you leave office as Deputy Administrator for Mutual Defense Assistance Control without expressing my personal appreciation and thanks for the complete and continuous cooperation I personally, and all of us over here, have received from you and, in a very large measure, from your entire organization.

Your fine work in the mutual defense assistance control field, coupled with the outstanding job you did in obtaining relief for the United States from upwards of a dozen different national governments in the tax field, make your record of public service an enviable one which you can look back on with a great deal of pride.

My personal association with you and with so many of your associates has been one of the most pleasurable aspects of my task over here. I hope very much that the association will continue and our paths cross frequently in the days to come.

With my best wishes, I am,

Sincerely yours,

WILLIAM H. DRAPER, Jr.

FOREIGN OPERATIONS ADMINISTRATION,
Washington, D. C., September 14, 1953.

Mr. SEYMOUR J. RUBIN,
Washington, D. C.

DEAR MR. RUBIN: Many thanks for your kind letter of August 26.

Be assured I have enjoyed very much working with you and thank you for your cooperation in these months of transition.

Renewed thanks and personal regards.

Sincerely,

HAROLD E. STASSEN,
Director, Foreign Operations Administration.

Mr. MORSE. Mr. President, I wish first to read from Mr. Rubin's letter, and then to make comments.

DEAR SENATOR MORSE: I write on what I suppose might be called on the floor of the Senate a point of personal privilege. I believe you would want to correct an unfortunate inference, arising from your remarks of May 8, 1957, in regard to the McLeod appointment, that the Senate Foreign Relations Committee and/or the Eisenhower administration found me wanting in qualifications for the post of Assistant Director for Mutual Security.

I digress to point out, respectfully, that that was not my implication, and it was not my intention to leave that implication. On the other hand, if I were the appointee, I can well understand how Mr. Rubin might, at least, think there was some question as to the implication which was left in the RECORD. I certainly want any implication which Mr. Rubin thinks reflects on him to be corrected, and that is exactly what I propose to do. But I want Mr. Rubin and others to know that what I placed in the RECORD was a reference to his nomination which was contained in the memorandum prepared by the professional staff of the Committee on Foreign Relations. Mr. Rubin goes on to say:

The facts are:

I have been in the private practice of law since 1948. In 1951–52, I took on, at the request of the State Department and of Mutual Security Director Harriman, a short-term (2 month) negotiating job involving our relations with the NATO countries, and was fortunate enough to achieve the desired results. As a result, Mr. Harriman asked me, in the fall of 1952, to take on responsibility as his deputy for the Battle Act, with the title of Assistant Director for Mutual Security. I consented to do this, on the clear understanding that mine was again to be a short-term responsibility, that I would in any case resign in early 1953 to return to my law practice, and that the situation would be reexamined after the November 1952 elections.

On September 26, 1952, the Congress then not being in session, I was given a recess appointment by President Truman as Assistant Director for Mutual Security and Deputy

Administrator of the Mutual Defense Assistance Control Act.

After the elections, President-elect Eisenhower designated Gov. Harold Stassen as Mr. Harriman's successor. In December 1952, I talked with Governor Stassen. I said that the position I held was one involving extremely sensitive relations between the administration and the Congress, and that I felt that he should have his own appointee in the position. I stated my intention of resigning before the end of the Truman administration, but expressed my willingness to remain on as a consultant for an interim and transitional period. Governor Stassen concurred in my views, and asked me to remain as a consultant during a transitional period.

On January 5, 1953, I submitted my resignation to President Truman. On January 10, 1953, President Truman accepted my resignation, effective at the close of business on January 19, 1953.

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I already have had the full letter printed in the RECORD.

Mr. President, in defense of the professional staff of the Foreign Relations Committee, I wish to say that my investigation shows they made a perfectly accurate report to the full committee. They reported only what the file showed. They were not aware of the background which Rubin points out in his letter, and therefore it was quite proper for them to make to the full committee the report in the official staff memorandum they filed. There was no intention on the part of any member of the professional staff of the Foreign Relations Committee to do any injury to Mr. Rubin.

I am very glad, however—as I always am, when any injury is being done any citizen because of any mistake of which I have knowledge which is made by anyone—to take this opportunity to make this statement, which I think corrects the record, and certainly does to Mr. Rubin the justice to which he is so clearly entitled.

Mr. President, I turn now to another subject.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). The Senator from Oregon has the floor.

THE SPEECH BY SENATOR MORSE AT DETROIT, MICH.

Mr. MORSE. Mr. President, I wish to thank the majority leader and the minority leader for granting me permission to fulfill a commitment I made to the Senate the other day, when I announced that today I would have ready a complete transcript of the tape recording of the speech I made in Detroit, at a Jefferson-Jackson day dinner on May 18, 1957, which speech caused me to be subjected to the attack which was leveled at me on the floor of the Senate a week ago Wednesday. When I said I would make the information available to the Senate today, I was not aware that there had been entered into an agreement to restrict the comments made today by Senators to insertions in the RECORD, under the 3-minute rule. The majority leader and the minority leader kindly agreed that today I should be allowed to make a statement not in excess of 30 minutes.

Mr. President, I shall make the statement without interruption, because I want it to appear in continuity in the RECORD. Then, if any Senator wishes to ask me questions about it, afterward, I shall be glad to yield for questions at that time.

Mr. President, I notify the Senate that what I shall now read into the RECORD is a complete transcript from the tape recording of my speech, of May 18, 1957, at the Jefferson-Jackson day dinner, at Detroit, Mich., dealing with the administration's handling of the Hells Canyon case, and with rapid tax writeoff benefits given to the Idaho Power Co. The press statements about this speech caused some of my colleagues in the Senate to make the criticisms and attacks on me which were made a week ago last Wednesday.

Mr. President, I shall now quote from the speech. I give the Senate my assurance that what I shall now read is the only part of the speech in which this matter was discussed. The tape is in my office, and is available to any Member of the Senate or to any member of the press who may wish to hear it. The speech was broadcast live from the banquet hall. A tape of the speech was taken by another radio station; and that tape was broadcast later on that evening or the next evening; at the moment, I am not sure whether it was broadcast on Saturday night or on the following evening, Sunday night.

I now quote from the speech:

I want to discuss this water resources issue from the standpoint, for example, of the Hells Canyon Dam issue. Why, there isn't one here who wouldn't be disappointed, I am sure, if I didn't mention Hells Canyon Dam. I want to mention Hells Canyon Dam as the great symbol of water conservation in America because it is a symbol of what ought to be. We must make it the natural resource policy of the Democratic Party, because it rests upon full development of a great river basin that has 60 percent, for example, of the potential hydroelectric power in this country. And the Eisenhower administration is cutting it down, if you follow their program, by about 50 percent. And what a shocking betrayal on the part of this administration of future generations of American boys and girls.

And the Hells Canyon Dam issue is but a repetition of the Grand Coulee issue. Don't forget, a group of bipartisan Senators—Republicans and Democrats—joined together when the private utility monopolies of this country tried to scuttle Grand Coulee. They had a friendly President in the White House, the great Franklin D. Roosevelt. They went to him and pointed out the private utility shell game. They pointed out that the private utilities were trying to build a low-head dam at Kettle Falls, and if they succeeded in building a low-head dam at Kettle Falls they would wash out Grand Coulee. And Roosevelt joined with these bipartisan Senators—Charlie McNary, of my State, a Republican; Hiram Johnson, of California, a Republican; Dill, of Washington, a Democrat; young Bob La Follette, of Wisconsin; the great George Norris, of Nebraska; and they stopped the scuttling of Grand Coulee.

The result was the greatest economic ally of the American people in World War II arose to its majesty, and without it you wouldn't have had either a great airplane armada program in World War II, nor would you have had a successful atomic energy program in World War II. And I do not intend to sit in the Senate and fail to give every effort within me of saving a great tragedy from occurring, that this Eisenhower administration is trying to foist upon the American people by its scuttling tactics on Hells Canyon Dam, because they are seeking to turn over to the Idaho Power Co. that reach of the Snake River, and if they succeed in doing it we cannot have full development, we cannot have adequate flood control, we cannot have the irrigation benefits we need.

And to tell you how far they are going, you need only look at the latest act of political immorality on the part of this administration, and I put it where it belongs, squarely on the shoulders of one man, the President himself. I do not join with Democrats that try to put the blame for the immorality of this administration upon underlings. I do not put the blame for this giveaway to the Idaho Power Co. of millions of dollars of your money, belonging to the taxpayers of this country, on one called Gray, who is the head of the Office of Defense Mobilization. The responsibility for it is the President's himself.

If you want to see a good example of political corruption, I give you the accelerated tax amortization scheme of the Eisenhower administration benefiting the private utilities of this country. Oh, says the President, when asked about it in a news conference the other day, he thought we ought to stop it. We ought to stop continuing these accelerated tax amortization certificates, but that what the Office of Defense Mobilization had done in connection with the Idaho Power Co. was within the law. It was perfectly legal. I taught law for many years, and I used to teach my students to remember that if you stay within the law, it doesn't mean necessarily that you have stayed within the realm of morality. [Applause.] The Eisenhower administration is doing its stealing within the law, but it is just as immoral because it knows it is betraying a public trust, and history will record that this President made an honest administration out of Harding, and a statesman out of Grant. That will be the record of this administration. [Applause.]

Take a look—take a look at this kind of political thievery in connection with these accelerated tax-amortization certificates. Why did we pass a law in the first place that permitted of this acceleration of taxpayment? In order to get industry to build plants that would be useless after the war. Read the congressional debate on accelerated tax amortization. That was the legislative purpose of this bill for accelerated tax amortization. But what the Eisenhower administration has been doing has been granting accelerated tax amortization to businesses in this country whose plants will be of greater value after they are built in peacetime than if put to defense purposes. And this administration cannot present a scintilla of evidence—and they didn't before the Byrd committee the other day—that would justify a tax certificate to the

Idaho Power Co. on the basis of its being a defense plant. It is a great private utility.

And what this handout of the Eisenhower administration amounts to is millions of dollars of an interest-free loan, of money belonging to you. And that is why, before the Kefauver committee yesterday, I said as far as the morality is concerned it is as immoral in my code of ethics as Dave Beck, who reaches into the pockets of the teamsters and takes out of them an interest-free loan for his own personal purpose, whereas this administration reaches into your pockets, takes an interest-free loan out of your pocket, and turns it over, gratis, to the Idaho Power Co. to the tune of a profit for that company on a 50-year basis at 6 percent, for example, of a great many millions of dollars. But, at the same time, remember you will be paying interest that your Treasury has to borrow in order to swing the kind of a tax loss that is Idaho Power Co. makes at your expense.

suffered as a result of the savings that the

I think the time has come to call the hand of this administration, as I have been doing since 1953. That is why, for example, on the floor of the Senate I protested the appointment, for example, of Mr. Talbott as Secretary of the Air Force, you will recall. I protested him because I read the record. Many of my colleagues didn't. And I found that his whole record was a record of conflict of interest, and I forwarned the Senate in that speech that if he was made Secretary of the Air Force we would have trouble with him over conflict of interest.

There it is, for history to read; and it wasn't very long, as DICK RUSSELL, of Georgia, said on the floor of the Senate, that the prophecy of the Senator from Oregon came true.

But what did this administration do after they had to really force Talbott's resignation? They gave him a medal for meritorious service as Secretary of the Air Force. And that is when I walked on the floor of the Senate and said, "The President, instead of giving him a medal, ought to have given him a chisel."

In the minute remaining let me say likewise we must take the issue to them on the hard-money policy, because what they are doing is driving thousands of small businesses into bankruptcy with the result that you have the highest small business bankruptcy rate in the last 25 years going on today in the United States.

We have to take the fight to them on tax favoritism, to big business. We have to take the fight to them, let me tell you, on the budget. And let me make clear the military budget no longer must be allowed to be the sacred cow in American politics. It needs to be revised in the interests of millions of dollars of savings to the American taxpayers.

I close by asking you as Democrats to put on your fighting clothes, join the issue, and demonstrate to the American people that this administration must start to be driven out of office in 1958, and the job completed in 1960.

Mr. President, this morning, before the Kefauver committee, testimony was given by the chief accountant of the Federal Power Commission. I am informed that the questioning was started by the Senator from Wisconsin [Mr. WILEY], and I am informed the chief accountant of the Federal Power Commission testified along the same lines I followed in the changes I have been making in regard to the fast tax writeoff to the Idaho Power Co. I am advised he testified that the interest costs to the Treasury, resulting from the loss of revenue occasioned by the fast tax writeoff to the Idaho Power Co., figured at an interest rate of 3½ percent, would be $83 million. That is a little higher figure than I, myself, have used.

I am advised that the information obtained from the chief accountant of the Federal Power Commission at the hearing this morning was to the effect that the value of certificates to the company, based upon a 6 percent return, which he assumed to be a proper return, over the period of time covered, would amount, according to the accountant's information, to $339 million. This is $10 million higher than the figure I presented to the Senate on April 29.

So far as I am concerned, it is a very important issue, and likewise it is very important that, in the interest of the taxpayers, this kind of a giveaway program shall be brought to an end.

It is important that Congress enact, at the earliest possible date, legislation which will clarify, beyond any question of a doubt, the narrow limits within which tax certificates by way of fast tax writeoffs can be granted.

Mr. President, so far as I am concerned, I shall be perfectly willing to be judged by history and by the American people for the fighting stand I have taken in the Senate of the United States, and outside the Senate, in opposition to the action of the Eisenhower administration in granting fast tax writeoffs and providing this bonanza benefit to the Idaho Power Co., while at the same time it has opposed full development with a high Federal Hells Canyon Dam.

I quite agree with the Secretary of the Interior, Mr. Seaton, in his letter of March 11, to Dr. Flemming, then Chairman of the Office of Defense Mobilization. I think he set forth a clear case against this writeoff.

I am very glad, Mr. President, that Secretary Seaton, relatively in the last few hours, or the last couple of days, has reaffirmed his own personal judgment about the matter. He has said what many of us have said. He has said, in effect, what many of us have said from the beginning, namely, that, so far as the letter of the law is concerned, Dr. Gray can justify granting the certificates; but, I repeat, Mr. President, that hiding behind the letter of the law does not justify what I consider to be immorality so far as acts against the American taxpayers are concerned. That kind of political immorality cannot be justified.

Mr. President, the other day, in an attack upon me, the Senator from Indiana [Mr. CAPEHART] had much to say, as the RECORD will show, because I changed my judgment of candidate Eisenhower in 1952. The Senator from Indiana made some pretty strong statements in the RECORD, charging me with intellectual immorality and indulging in some other uncomplimentary and disrespectful references.

I think, therefore, Mr. President, that I ought to read into the RECORD a letter which the Senator from Indiana issued on May 23, 1952, and sent to Republicans in the United States in regard to his position with respect to candidate Eisenhower in 1952.

I am perfectly willing to stand by my change of opinion; and I am very glad if, since he wrote this letter, the Senator from Indiana has come to think more highly of the Republican candidate of 1952; but on May 23, 1952, he sent this letter to Republicans, a copy of which I received from a very prominent public official in the Middle West. The letter reads as follows:

UNITED STATES SENATE,
Washington, D. C., May 23, 1952.

DEAR REPUBLICAN: I am writing this letter because I feel so deeply that the nomination of General Eisenhower would mean the end of the Republican Party. You have probably seen a copy of the Hall survey sent out by Professor Colegrove which shows how Eisenhower would lose support of a large percentage of his present followers if he took a position on many of the vital issues now before the people. It shows that from a popular candidate, he might become a weak candidate. It is significant that Lodge and Carlson and Duff and Hoffman, who are fronting for Eisenhower in the Republican Party, are urging him to keep still on every important issue until after the nomination. In response General Eisenhower has said as plain as day that he wouldn't say anything, and he won't even get out of uniform unless the Republicans nominate him in July. I am just one Republican, but I think every single Republican has the right to say to General Eisenhower that he cannot expect his support or his vote unless he tells him where he stands on the issues, and what kind of a campaign he will conduct.

There is another thing that a lot of the Eisenhower supporters keep mighty still about—we can't win with an amateur in politics. Campaigning is a mighty complicated matter that takes a terrific lot of experience and a lot of knowledge of the different parts of the country and the different groups to whom a candidate must appeal.

The first thing an amateur political aspirant is likely to do is to destroy the party organization. Both Landon and Willkie grew a lot weaker when they failed to recognize the importance of the many thousand party workers throughout the country. Nobody, from a precinct worker on up, knows where he stands or what the future of the party organization may be.

An inexperienced candidate can also destroy his candidacy with a single wrong answer when he is campaigning. Just think of a man trying to answer all the questions that arise in a political campaign when, even at this late date, he frankly says in a letter over his own signature that he doesn't know where he stands on Fair Employment Practices.

Senator Taft has never lost an election and has campaigned his way right up to the United States Senate and to the biggest plurality Ohio ever recorded for a Republican candidate for Senator. Furthermore, I have felt all along that if Senator Taft were nominated, he would be overwhelmingly elected because he knows the kind of campaign to win. What the Republican Party needs for victory is a fighting candidate who will make the issues against the Democratic New Deal, Fair Deal, Socialist, pro-Communist crowd in Washington. We have lost three straight presidential elections just for lack of such a fighting campaign. We can't win by approving the objectives of the New Deal and the Truman-Acheson foreign policy, and then trying to persuade the people that we will do it better. That is the kind of a campaign put on by Mr. Dewey, and I think it is the kind of campaign that General

Eisenhower would put on if he follows the advice of his present followers.

I want to tell you with all the sincerity of which I am capable that I firmly believe that Eisenhower is the Democratic candidate for the Republican nomination. They want to see him nominated, because if they can't beat him they feel that he would carry out practically the same policies in which they believe. I cannot conceive how any experienced political observer could fail to see that Eisenhower is the Democratic candidate for the Republican nomination. He is getting a buildup from every New Deal columnist, every New Deal editor, Jimmie Roosevelt, Elliott Roosevelt, Claude Pepper, Leon Henderson, and the billion-dollar-foreign-spender, Paul Hoffman. They apparently feel confident that if elected on any ticket, Eisenhower would continue the Truman-Acheson foreign policy and the high taxes, big spending and inflation policies here at home. It looks to me as if the Democrats are doing a swell job of trying to arrange so that both the Democratic and Republican Parties will have Democratic candidates so that they can't lose either way.

Look at Eisenhower's close personal advisers. He stayed with George Allen in Washington, and George Allen has gone to advise him in Paris. George Allen is Truman's old pal and side-kick, appointed to high office by Mr. Truman. Does anybody honestly think that Mr. Allen wants to help elect a Republican President? The Democrats, who have been putting out the propaganda that Eisenhower is the only man who can win for the Republicans, are trying to flood all the Republican primaries. If you have any doubts that the Democrats want us to nominate Eisenhower, the answer is that they are campaigning for him right now.

Every American citizen who applies for a passport to the United States State Department, headed by Mr. Acheson, gets a circular with Eisenhower's picture on the front cover and a story about what a great man he is.

The Post Office Department has just issued a NATO stamp to persuade the public that NATO is a tremendous success and that Eisenhower is its prophet.

Eisenhower had a close association with Roosevelt and Truman for many years. It was they who built him up to an international figure. He approved the policy of appeasing the Russians in Europe. He was Chief of Staff when Marshall and Acheson abandoned Chiang Kai-shek to the Communists in Asia.

I am willing to concede that Eisenhower is a brave general, but up to now he has been a very timid candidate. Unless we can nominate Taft we may not win, and unless we nominate Taft the New Deal is going to take over the Republican Party.

Sincerely,

HOMER CAPEHART.

That letter was written on stationery bearing the heading "United States Senate."

Mr. President, the Senator from New Hampshire [Mr. BRIDGES] in the attack upon me on May 22, also had some uncomplimentary things to say because I had criticized the President. In order to keep the record straight, I think there should be in the RECORD a statement quoted from the New York Times of May 11, 1938, an Associated Press dispatch:

Senator H. STYLES BRIDGES today termed Government spending under the New Deal a vote-buying scheme and as put forth by the President of the United States nothing more than a national swindle. Senator BRIDGES asserted that many New Deal measures had been intended to save President Roosevelt's face and added, "Not once has he admitted he was wrong. Not once in nearly 6 years has any proposal of Franklin D. Roosevelt ever been allowed to go sour. Something has always been done to save his face."

Then, in the Washington Star of April 16, 1952, the following story is attributed to the Senator from New Hampshire:

Senate Republican Leader BRIDGES today accused President Truman as having used a "trumped-up appeal" and "suspect" motives in seizing the steel industry. "The President's cry of emergency is as specious as his action without the basis of law," Senator BRIDGES charged. "It is clear that the President's appeal to emergency is a trumped-up appeal. It is clear that his motives are suspect."

Then in the Baltimore Sun of April 1, 1938, the following story is contained:

Through decentralization, said BRIDGES, President Roosevelt and his workers "should be shorn of the power * * * gained by usurpation, by coercion, by threats, by the sabotaging of independent commissions, by torpedoing civil service, and by making ridiculous trade treaties with foreign nations."

Then, from a summary of Republican accomplishments in the 82d Congress, written by the Senator from New Hampshire [Mr. BRIDGES] and Representative JOSEPH W. MARTIN, JR., of Massachusetts, quoted in the New York Herald Tribune of August 17, 1952, is the following:

Republicans want no more Truman wars like Korea where the Democrat President without authority of constitution or law plunged us into a bloody conflict.

These are only a few examples, Mr. President, of the exercise of free speech by a United States Senator in criticism of a President. I wish to say I shall defend that right when practiced by Republicans as well as when practiced by Democrats.

I close, Mr. President, by once again saying to the American people from the floor of the Senate today: Woe be unto America if this precious procedural protection of freedom in the United States is ever lost on the floor of the United States Senate. Woe be to freedom in America if the time ever comes when elected officials in the legislative branch of our Government are not free to walk on the floor of the Senate and utter criticisms of a President and other executive officers which in their honest judgment ought to be made, so that the American people can be forewarned of what is happening to them, in the minds of those who represent them in the Congress.

I wish to say I direct no criticism against the Senator from Indiana, the Senator from New Hampshire, and the other Senators who Wednesday of last week attacked and criticized me. That is a precious right which I wish to guarantee to them, Mr. President. But I raise my voice once again in the Senate of the United States for the protection of untrammeled free spech, for conformance to what the constitutional fathers clearly intended when the Senate of the United States was created because they were fearful of executive power. The constitutional fathers knew the danger of giving to the executive of any State unchecked and unbridled power. They knew that one of the greatest checks which could be provided in a democracy would be to confer the right on a United States Senator to stand on the floor of the Senate or off the floor of the Senate and communicate to the American people his sincere and honest judgment as to the course of action being followed by any administration, be it Republican or Democrat.

So far as the Senator from Oregon is concerned, so long as he is entrusted with the great obligation now resting upon his shoulders, he intends to tell the American people from time to time when he thinks this administration or any future administration is following a course of action which can properly be described as an action and a course of political immorality.

ADJOURNMENT TO MONDAY

The PRESIDING OFFICER (Mr. CASE of New Jersey in the chair). If there is no further business, pursuant to the order previously entered, the Senate will now stand in adjournment until 12 o'clock noon on Monday next.

Accordingly (at 1 o'clock and 28 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, to Monday, June 3, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 31, 1957:

DIPLOMATIC AND FOREIGN SERVICE

The following-named Foreign Service officers for promotion from class one to the class of career minister:

Vinton Chapin, of New Hampshire.
John Wesley Jones, of Iowa.
Frederick B. Lyon, of Nevada.
Carl W. Strom, of Iowa.

UNITED STATES ATTORNEY

Edward L. Scheufler, of Missouri, to be United States attorney for the western district of Missouri for a term of 4 years. He is now serving in this office under an appointment which expired April 16, 1957.

UNITED STATES MARSHAL

Omar L. Schnatmeier, of Missouri, to be United States marshal for the eastern district of Missouri for a term of 4 years. He is now serving in this office under an appointment which expired April 16, 1957.

Richard Beal Kidd, of Arkansas, to be United States marshal for the eastern district of Arkansas for a term of 4 years. He is now serving in this office under an appointment which expires July 31, 1957.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066 to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in rank as follows:

Maj. Gen. Robert Milchrist Cannon, O16168, United States Army, in the rank of lieutenant general.

EXTENSIONS OF REMARKS

A Tribute to Our Jewish War Veterans

EXTENSION OF REMARKS

OF

HON. THOS. E. MARTIN

OF IOWA

IN THE SENATE OF THE UNITED STATES

Friday, May 31, 1957

Mr. MARTIN of Iowa. Mr. President, on May 24, 1957, it was my privilege to attend the annual memorial services honoring Jewish War Veterans of the United States, held at Adas Israel Synagogue, Washington, D. C., and to take part in these memorial services. I ask unanimous consent that my address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A TRIBUTE TO OUR JEWISH WAR VETERANS

(Address by Senator THOS. E. MARTIN, Republican, of Iowa, at the annual memorial services honoring Jewish War Veterans of the United States, Adas Israel Synagogue, Washington, D. C., May 24, 1957)

It is a great honor to take part in these memorial services honoring the Jewish war dead. The ideals of your organization and the way in which you have carried these ideals into practice are eminently worthy of emulation.

Recently, I took the time to read part of the constitution of the Jewish War Veterans. I was particularly impressed by article II of this constitution. I would like to quote a portion of it:

"To maintain true allegiance to the United States of America; to encourage honor and purity in public affairs; to combat whatever tends to impair the efficiency and permanency of free institutions; to encourage the doctrine of universal liberty, equal rights, and full justice to all men.

* * * * *

"To instill love of country and flag in our youth and to foster such activities as will tend to perpetuate the objects and ideals of our organization."

The history of our country's struggle to secure and maintain the principles cited above is an inspiring story of purpose and devotion. The part played in these struggles by people of the Jewish faith is equally inspiring. From the first days of the Revolutionary War, American Jews have taken their place alongside men of all faiths and all beliefs in the common cause of freedom.

Early in our history the rumblings of freedom were heard in the Colonies. One of the first visible signs of the oncoming struggle was the Non-Importations Resolutions of 1765—the first real step toward independence—when a group of colonists indicated desire for freedom by refusing to trade with the English. It is highly significant that among the signers of these resolutions were nine Jews whose principal livelihood depended on such trade. Six Jews signed the more stringent agreement of 1770. But they took this action without fear because of their faith in the ideals of liberty and freedom.

When the fight for independence turned into actual war, the Jews of the Colonies carried their share of the burdens. Deeply etched on the rolls of the Revolutionary heroes are such names as Lt. Col. David Salisbury Franks who served with great distinction; Lt. Col. Isaac Franks, an aide-de-camp to General Washington; Mordecai Sheftall, who put his entire salary at the disposal of the Army physicians for the purchase of much-needed medicines and was badly wounded at the siege of Savannah; Manual Mordecai who also served on Washington's staff and who gave a fortune of $100,000 for the cause of independence; and Haym Salomon who was arrested by the British as an American spy and who later extended financial help to James Madison, Edmond Randolph, Thomas Jefferson, Arthur Lee, General Steuben, and Robert Morris and still later became the financial link between the United States and Europe. The Jews truly contributed their share of sacrifice and valor to the infant United States.

That the Hebrew played a conspicuous part in the drama of the Revolution, despite the relatively small size of his community, there can be little doubt. His aid was both military and financial. The record reads creditably on both counts.

When the tragic War Between the States broke out, Jews were found on both sides fighting for the causes in which they believed. Simon Wolf, who made an exhaustive study of that war, estimates that 8,400 Jews served with the northern army, and it was reported that John Seddon, Confederate Secretary of War, one time said there were between 10,000 and 12,000 Jews serving in the Confederate Army.

Although it is impossible to estimate accurately the total number of Jews who served in the War Between the States, some of the names and deeds of fighting Jews will live forever—names like Leopold Karpeles, who turned a retreat into a victory at the Battle of the Wilderness by rallying the northern soldiers; Benjamin Levy, the 16-year-old drummer boy who won the Congressional Medal of Honor for his bravery at the Battle of Charles City Crossroads; Leopold Blumenberg, about whom Lincoln once said, "He has suffered for us and served us well, had the rope around his neck for being our friend, raised troops, fought and been wounded"; and Edward Soloman, who served with great courage and valor at Gettysburg.

On and on this list of Jews who fought so gallantly could go. In each war there were Jews, great numbers of Jews, who compiled records that rank with America's bravest.

More than 1 million Jews have served in our Armed Forces in our country's wars. The list of Jewish heroes could go on for hours and we still wouldn't list them all. While we cannot possibly list all the Jewish heroes of World War I and World War II and Korea, we can pay special tribute to Chaplain Alexander D. Goode who, together with three other chaplains, two of the Protestant faith and one of the Catholic faith, gave their lives in the sinking of the *Dorchester* in the North Atlantic early in World War II. The story of Chaplain Goode and his fellow ministers of religion, Chaplains Clark V. Poling and George L. Fox, Protestant ministers, and Chaplain John P. Washington, a Catholic priest, is an epic of human dignity and sacrifice. As a lifeboat drew away from the stricken *Dorchester*, a young sailor who knew the four chaplains had given their life preservers to four enlisted men, saw them locked arm in arm and deep in prayer. And then suddenly the men and the ship were gone—gone beneath the icy waves.

In the First World War there were 3 Medal of Honor winners, 1 of whom is your genial and able national executive director, Ben Kaufman, 147 winners of Distinugished Service Crosses and Medals, and 982 other decorations, citations, and awards that were given to American Jews. In World War II, 2 more Jews won the Nation's highest award for bravery, the Congressional Medal of Honor, 64 men who won the Distinguished Service Cross, 27 who won the Navy Cross, and 34 who received the Distinguished Service Medal. In addition to this inspiring list there were actually thousands of additional awards and citations given to men of Jewish faith who served with distinction in the Second World War.

I have not been able to secure a breakdown of the decorations won by Jewish servicemen in the Korean conflict, but I am confident when the full story is written the pattern of service and patriotism forged by Americans of the Jewish faith in all our wars will be reproduced.

Perhaps the best description of the place of the Jew in the military history of the United States was made by Congressman Julius Kahn, of California, when he drew the first draft number for the First World War. I would like to repeat to you what he said:

"Many of the boys who go to the front will be wounded. Many of them will be killed. But Jews at all periods of the world's history have been ready to make the supreme sacrifice whenever the land that gives them shelter demands it. I know that I voice the sentiment of the overwhelming majority of the Jews of the United States when I say we will do our share toward keeping Old Glory floating proudly in the skies so that it may continue to shelter under its fold the downtrodden and the oppressed of every land."

The Jews of our country have always upheld the high appraisal of Congressman Kahn. Your record of sacrifice for the country you love has been far and beyond the call of duty. I consider it an honor to meet with you today.

International Atomic Energy Agency

EXTENSION OF REMARKS

OF

HON. JOHN SHERMAN COOPER

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Friday, May 31, 1957

Mr. COOPER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of an address entitled "Approval of Atomic Agency Essential to United States Leadership," delivered by the distinguished junior Senator from New Jersey [Mr. CASE] to the New Jersey Young Republicans in Atlantic City, and published in the New York Herald Tribune of Sunday, May 25, 1957.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

APPROVAL OF ATOMIC AGENCY ESSENTIAL TO UNITED STATES LEADERSHIP

(By Senator CLIFFORD P. CASE)

The following are excerpts from a speech by Senator CASE delivered recently to the New Jersey Young Republicans in Atlantic City:

"Nearly three and a half years ago President Eisenhower appeared before the United Nations and pledged this Nation to find the way by which nuclear forces could be dedicated to the benefit, not destruction, of man.

"His words sparked new hope throughout the world. Thus was launched an effort that is more than a key feature of the President's foreign policy. In a very real sense, it is key to our future and that of every man.

"For many years following the war the United States labored to bring about a system of international control of atomic energy. Those efforts were unavailing, primarily because of Soviet refusal to agree to effective control measures such as inspection.

"It was against this background that the President made his historic address in December 1953. He suggested a new effort that would concentrate on the peaceful uses of the atom. From his suggestion, over long months of negotiation, has developed the International Atomic Energy Agency. Last October the draft statute of the Agency was adopted unanimously by an 81-nation conference. Recently, the Senate Foreign Relations Committee opened hearings looking toward ratification by the Senate. Prompt ratification by the United States is, I believe, of the utmost importance.

"At this point in history the United States no longer has a monopoly of the nuclear energy field. A number of nations including, of course, the U. S. S. R., are engaged in nuclear development. Many others, especially the underdeveloped nations are eagerly seeking an opportunity to avail themselves of the marvelous benefits the atom can bring.

"The question is whether the United States will join with other nations in an effort to insure that the development of peaceful uses of the atom will go forward in ways which will best serve our interests and the peace of the world.

"We are faced with an opportunity that is unlikely to come again. For the first time there has been achieved well-nigh universal agreement on a plan of development and control in the atomic energy field and fortunately this comes at a time when relatively few nations are yet engaged in weapons development. We have an opportunity for leadership. If we forego that opportunity, we run the risk that others—of whose basic hostility to our way of life there can be no doubt—will exploit our failure to take the lead.

"What of the risks, it is asked, that are involved in membership in this new Agency? To that I can only say I have been unable to discover any substantial risk that can be avoided by refusing to join the Agency.

"The draft statute specifically forbids the use for military purposes of fissionable material supplied through the International Atomic Energy Agency. To insure the effectiveness of this prohibition, a comprehensive system of safeguards is provided. These safeguards are the equal, indeed the same I am informed, of any the United States now prescribes in its bilateral atomic agreements with other nations.

"Among the most important of the safeguards is the right of inspection, of free access by Agency personnel to all places, persons and data having to do with a project. This means, of course, that like any other country that seeks Agency assistance, any applicant among the Soviet satellite countries will have to submit the projects for approval and agree to continuous inspection and accountability procedures. This would at least open a window on an area now cut off from our view, though not from a major source of nuclear materials and technology.

"Qualified technical experts state that diversion of fissionable materials of the quality specified to military purposes would be most difficult, if not impossible, to achieve clandestinely. At the same time the strict accountability features in conjunction with other technical factors and the requirement that excess material be stored in Agency storehouses make it most unlikely that diversion could be accomplished secretly.

"We can refuse to join the IAEA but this does not mean we can stop the drive of other nations to secure for themselves the benefits of atomic energy. Or we can ratify the Charter and take the lead in establishing what the President has called 'an international body in which all may safely pool their knowledge and skill for the advancement of all.'

"To me the choice seems clear. We, no less than other nations, want and need 'this new instrument of peaceful progress.'"

SENATE

MONDAY, JUNE 3, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O God, who commandest the morning, and by whose word man goeth forth to his work and to his labor until the evening, open our ears, we beseech Thee, to hear the call of far horizons and the stirring trumpets of challenge sounding the advance to a new era for mankind when the vast treasure now being paid out for defensive armaments may be channeled into avenues which shall build and not blight. As we wrestle with powers of darkness which deny the divine sovereignty and human dignity, may the reality of the faith by which we live blaze with a new fire and luster. With the faith of our fathers revitalized to a new intensity, make us more and more alert to the spiritual values that underlie all the struggle of these epic days which are molding the shape of tomorrow's world.

In this forum of the Republic, as these elected representatives of perplexed and anxious millions debate problems of human relationships which confront and almost confound them, quicken and sanctify for Thy glory and for human good their best endeavors: in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Wednesday, May 29, 1957, and Friday, May 31, 1957, was approved, and reading was dispensed with.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The PRESIDENT pro tempore. If there be no reports of committees, the nominations on the Executive Calendar will be stated.

DIPLOMATIC AND FOREIGN SERVICE OF THE UNITED STATES OF AMERICA

The Chief Clerk proceeded to read sundry nominations in the diplomatic and Foreign Service.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations in the diplomatic and Foreign Service be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

CONSOLIDATION OF LAWS ADMINISTERED BY THE VETERANS' ADMINISTRATION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 338, House bill 53. My purpose in making this request is to have the bill made the unfinished business.

The PRESIDENT pro tempore. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 53) to consolidate into one act, and to simplify and make more uniform, the laws administered by the Veterans' Administration relating to compensation, pension, hospitalization, and burial benefits, and to consolidate into one act the laws pertaining to the administration of the laws administered by the Veterans' Administration.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill (H. R. 53) to consolidate into one act, and to simplify and make more uniform, the laws administered by the Veterans' Administration relating to compensation, pension, hospitalization, and burial benefits, and to consolidate into one act the laws pertaining to the administration of the laws administered by the Veterans' Administration, which had been reported from the Committee on Finance with amendments.

ORDER DISPENSING WITH CALL OF THE CALENDAR

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the call of the calendar today, under rule VIII, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour, for the introduction of bills and the transaction of other routine business. In that connection, I ask unanimous consent that statements be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CONGRESSIONAL HANDLING OF APPROPRIATION BILLS

Mr. JOHNSON of Texas. Mr. President, I wish to make a brief statement thanking my colleagues for their excellent cooperation in handling the appropriations bills.

Thus far this year the Senate has had an excellent record. Our committee has gone over the bills carefully and thoroughly. They have been considered on the floor in the same spirit. The result, I believe, has been the type of economy which the American taxpayers are demanding.

We are now entering a period in which the pace of the appropriation bills will step up rapidly. A number are on the point of being reported from the committee.

These measures are always difficult because of what appears to a widespread misunderstanding of the nature of appropriation bills. The pressures upon Congress are conflicting. There seems to be an idea that a vote on an appropriation bill is a vote for or against the President. That is an idea which Congress has consistently repudiated and should repudiate.

An appropriation simply reflects the judgment of Congress as to the amount of money adequate to finance a program. It is not an expression of confidence—or lack of confidence—in anyone.

No budget is sacrosanct. It is simply the judgment of the President and his Budget Bureau as to the amount of money the administration thinks it needs to operate over a period of time.

Congress is supposed to examine the budget, to hear the evidence, and then exercise its independent judgment. It is not supposed to vote blind acceptance or blind rejection.

We have been importuned by editorial writers and columnists to restore a number of sums on the ground that to fail to do so would be to express lack of faith in the President.

Personally, I believe that Congress will do what it should do; that is, grant the amount of money we are convinced is needed—not a cent more nor a cent less; and that applies to the defense budget, along with all the others.

We would be helped in this task if we were not under such heavy pressure to make up our minds in advance of the evidence. I congratulate the Members of the Senate for their determination to resist such pleas.

Mr. MANSFIELD. Mr. President, will the Senator from Texas yield to me?

The PRESIDENT pro tempore. Does the Senator from Texas yield to the Senator from Montana?

Mr. JOHNSON of Texas. I am glad to yield to my friend, the Senator from Montana.

Mr. MANSFIELD. Week before last the President made a speech, by telephone, to a Republican gathering in Trenton. In the speech he said that if he were given the power to veto items of appropriation bills, he could then accomplish a great deal in the way of savings.

Is it not true that the President has a 500-man Budget Bureau working on a year-around basis?

Mr. JOHNSON of Texas. As I understand, there are approximately 500 employees of the Budget Bureau, and they spent approximately $4 million in preparing the present budget, which took some 11 months, is about 1,200 pages thick, and represents the best recommendations of the personnel of that Bureau.

Mr. MANSFIELD. Mr. President, will the Senator from Texas yield further to me?

Mr. JOHNSON of Texas. I yield.

Mr. MANSFIELD. Is it not also true that insofar as the work of the Bureau of the Budget, as the budget is presented to the President is concerned, the President has the right to exercise an item veto at the time it comes to him?

Mr. JOHNSON of Texas. He does, and frequently he exercises it. If the Senator from Montana will recall, in the President's address to the Nation, he pointed out that he had reduced more than $10 billion worth of items from the Defense Department's budget, as it was submitted to him.

Mr. MANSFIELD. But he still has presented to Congress the largest peacetime budget in history.

Mr. JOHNSON of Texas. That is correct.

Mr. MANSFIELD. Now the President wishes to take away from Congress its constitutional power in the matter of appropriations and to transfer it to the Executive.

I wish to say that I agree with the distinguished majority leader that we in Congress have a responsibility, too. We will look into the budget as presented, and then we will do the best we can, in the light of all the facts and all the knowledge we have.

Mr. JOHNSON of Texas. That is exactly what I hope the Congress will do, and that is what I, myself, am prepared to do.

Mr. CARLSON subsequently said: Mr. President, earlier today in a colloquy between the Senator from Montana [Mr. MANSFIELD] and the majority leader, the Senator from Texas [Mr. JOHNSON] a discussion was held regarding the item veto, which the President had referred to in a statement to the regional Republican conference in New England. The President stated that if he had the privilege of using this item veto he could save substantial sums of money.

I should like to mention, Mr. President, that 39 States of this Union have provision for the item veto.

I have served as a governor of a State which does have such a provision, and I know from personal experience it gives the governor an opportunity to veto items in an appropriation bill which he feels are not in the best interest of the State, of the citizens, or of the budget. I think experience will demonstrate that the Chief Executive who has the responsibility to the people as a whole will not veto justified and meritorious projects. Records will show that it has not been abused and that it has resulted in actual savings to the States of the Union.

It does, however, tend to lead to legislative irresponsibility. It is easy for a member of the senate or the house of representatives of a State whose governor has the right to use the item veto, to say, "Let us put it in the appropriation bill. The governor will remove it." It works both ways.

Mr. President, I ask unanimous consent to have printed in the RECORD a list of States whose governors at present have the privilege of the item veto, and also a list of States where the partial item veto privilege prevails.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

The following States have the item veto on appropriation bills: Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Jersey, New Mexico, New York, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, Wisconsin, and Wyoming. All five of our Territories, Alaska, Guam, Hawaii, Puerto Rico, and the Virgin Islands have the item veto.

The PRESIDENT pro tempore. Morning business is now in order.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

THE LATE PRESIDENT RAMON MAGSAYSAY OF THE PHILIPPINES

A communication from the President of the United States, informed the Senate that Senate Resolution 115 of March 18, 1957, commemorating the untimely death of President Ramon Magsaysay of the Philippines, had been delivered to Carlos P. Garcia, President of the Philippines, on May 21, and that Mr. Garcia expressed deep appreciation on behalf of the family of the late President, and the Government and people of the Philippines; ordered to lie on the table.

SIMPLIFICATION OF WORK OF FOREST SERVICE

A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation to facilitate and simplify the work of the Forest Service, and for other purposes (with accompanying papers); to the Committee on Agriculture and Forestry.

LEASING OF CERTAIN OIL AND GAS DEPOSITS IN ALASKA

A letter from the Under Secretary of the Interior, transmitting a draft of proposed legislation to provide for the leasing of oil and gas deposits in lands beneath inland navigable waters in the Territory of Alaska (with an accompanying paper); to the Committee on Interior and Insular Affairs.

GOVERNMENT GUARANTY OF PRIVATE LOANS TO CERTAIN AIR CARRIERS

A letter from the Chairman, Civil Aeronautics Board, Washington, D. C., transmitting a draft of proposed legislation to provide for Government guaranty of private loans to certain air carriers for purchase of aircraft and equipment, and for other purposes (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

PROHIBITION OF SALE OF CERTAIN AIRLINE TICKETS

A letter from the Chairman, Civil Aeronautics Board, Washington, D. C., transmitting a draft of proposed legislation to prohibit the sale of airline tickets at a premium and the sale of such tickets under false names (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

REPORT OF FEDERAL TRADE COMMISSION

A letter from the Chairman, Federal Trade Commission, Washington, D. C., transmitting, pursuant to law, a report of that Commission, covering its accomplishments during the fiscal year ended June 30, 1956 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

AMENDMENT OF SECTION 5 OF FLOOD CONTROL ACT, RELATING TO EMERGENCY FLOOD CONTROL WORK

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to amend section 5 of the Flood Control Act of August 18, 1941, as amended, pertaining to emergency flood control work (with an accompanying paper); to the Committee on Public Works.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Acting Archivst of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of California; to the Committee on Armed Services:

"Assembly Joint Resolution 36

"Joint resolution relative to changing the method of computing the basic pay for members of the Armed Forces

"Whereas there is now pending before the Congress of the United States legislation, including S. 2014 and H. R. 7574, which would change the method of computing the basic pay for members of the Armed Forces; and

"Whereas the Military Establishment is desperately in need of a means for attracting and retaining persons with scientific, professional, combat leadership, and management skills necessary to maintain a deterrent power during these times of advancing technology and threat of aggression; and

"Whereas the Armed Forces do not presently have the means to enter into competition for trained personnel urgently needed for the defense of this country, and a significant factor in their inability to do so is the inadequacy of the present compensation practices now in use; and

"Whereas the proposed changes in the military pay structure are based on merit rather than longevity, will bring military pay more in line with the pay standards of industry, will offer first termers greater reenlistment incentive, and will relate pay more closely to the actual contribution of the individual in the service; and

"Whereas the change in pay structure, such as that proposed in S. 2014 and H. R. 7574, has the support of the Strategic Air Command and the 15th Air Force, as well as many other military leaders and organizations: Now, therefore, be it

"*Resolved by the Assembly and the Senate of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the Congress of the United States to take favorable action to revise the existing pay structure now in use in the Armed Forces along the lines proposed in S. 2014 and H. R. 7574; and be it further

"*Resolved*, That the Chief Clerk of the Assembly is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, and to each Senator and Representative from this State in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Finance:

"Senate Joint Resolution 22

"Joint resolution relative to the interest rate on veterans' home loans

"Whereas there are presently being considered before the Congress of the United States proposals which would, if adopted, result in an increase in the interest rate on veterans' home loans from 4½ percent to 5 percent; and

"Whereas such an increase in the interest rate could well place a new home out of the reach of veterans with an average income; and

"Whereas it would, unquestionably, accelerate the present decline in the building industry and, with the resultant increase in unemployment, could conceivably prove disastrous to the national economy: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the Congress of the United States, in the interests of both the veterans and the Nation as a whole, to reject all proposals to increase the interest rate on veterans' home loans; and be it further

"*Resolved*, That the secretary of the senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Interior and Insular Affairs:

"Senate Joint Resolution 25

"Joint resolution relative to the establishment of a domestic minerals program to stimulate the mining and production of strategic minerals and metals in the interests of national defense

"Whereas the threat posed to the security of the United States by the unsettled conditions abroad is such that it is imperative that the Nation, in maintaining and expanding its programs directed toward national preparedness and defense, insure the proper development of its mineral and metal resources to the end that adequate supplies of critical metals and materials essential to the production of modern military weapons and facilities be available; and

"Whereas the development and stimulation of the mining industry in California as well as throughout the entire Nation in the production of such critical metals and materials as antimony, asbestos, beryllium, chromite, cobalt, columbium-tantalum, fluorspar, iron, lead, manganese, mica, molybdenum, nickel, titanium, tungsten, vanadium uranium, and zinc, all of which are of critical importance in maintenance of the Military Establishment, can best be achieved by legislation at the national level; and

"Whereas proposed legislation introduced and pending before the Congress of the United States would, if enacted, provide a basis for the establishment of a long-range national domestic minerals program: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to effect a long-range program for the development of domestic metals and minerals: and be it further

"*Resolved*, That the secretary of the senate is hereby directed to transmit suitable copies of this resolution to the President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Post Office and Civil Service:

"Senate Joint Resolution 27

"Joint resolution relative to issuance of a centennial stamp in commemoration of discovery of the Comstock lode

"Whereas on January 28, 1859, diggings were commenced in the vicinity of Gold Hill, Nev., and shortly thereafter Henry T. P. Comstock claimed the Ophir Discovery, which subsequently made Virginia City, Nev., the richest and most celebrated gold- and silver-mining community of all time; and

"Whereas the Comstock was the first silver-mining camp in the United States, and its discovery brought multitudes of Americans from the East to the silver slopes of Nevada; and

"Whereas the golden memories and unforgettable history of the Comstock are deemed by the Legislature of the State of California to be of sufficient importance to warrant commemoration by every means and consequently should be recognized in the year 1959 by the issuance of a silver centennial commemorative stamp by the Government of the United States: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the President, the Postmaster General and the Congress of the United States to take whatever action is necessary to the end that a commemorative postage stamp recording this great and historical event shall be issued during the year 1959; and be it further

"*Resolved*, That the secretary of the senate be directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Public Works:

"Senate Joint Resolution 13

"Joint resolution relative to the study, design, and construction of the Park's Bar Dam on the Yuba River

"Whereas there have been frequent floods on the Feather River and the Yuba River in the State of California which have caused great loss of life and wide destruction of property and river-control works; and

"Whereas during the great flood of December 1955 damage of $75 million occurred, much of which was attributable to damage caused by the waters of the Yuba River; and

"Whereas the report of the State water-resources board indicates that a flood-control dam and reservoirs situated on the Yuba River at Park's Bar in Yuba County, costing approximately $21 million, will provide approximately 200,000 acre-feet of active storage, which will substantially reduce the flow of such floodwaters at Marysville and Yuba City: Now, therefore, be it

"*Resolved by the Senate and the Assembly of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to direct the United States Army Corps of Engineers to take such steps as may be necessary to insure the construction of the Park's Bar Dam or dams at suitable alternative sites on the Yuba River at the earliest possible date in order to prevent further loss of life and destruction of property; and be it further

"*Resolved*, That the secretary of the senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of Oregon; to the Committee on Finance:

"House Joint Memorial 19

"*To the Honorable Senate and the House of Representatives of the United States of America in Congress assembled:*

"We, your memorialists, the 49th Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

"Whereas Congressman BARRATT O'HARA, of Illinois, has introduced H. R. 358 to grant an increased pension for war widows of Spanish-American veterans: Now, therefore, be it

"*Resolved by the House of Representatives of the State of Oregon (the Senate jointly concurring therein)*, That we urge the Congress of the United States of America to pass H. R. 358 without delay; and be it further

"*Resolved*, That copies of this memorial be sent to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives and to all members of the Oregon congressional delegation.

"Adopted by house May 16, 1957.

"Adopted by senate May 20, 1957.

"EDITH BYRON LAW,
"*Chief Clerk.*

"PAT DOOLEY,
"*Speaker of House.*

"ROYAL R. OVERHULSE,
"*President of Senate.*"

A resolution adopted by the New Jersey Bankers Association, Atlantic City, N. J., favoring the appointment of a special independent citizens' commission in implementation of the recommendation of the President in his state of the Union message of January 10, 1957, to study the prevailing system of financial institutions in the country, and the supervisory bodies having jurisdiction over them; to the Committee on Banking and Currency.

REPEAL OF EXCISE TAX ON TRANSPORTATION—CONCURRENT RESOLUTION OF FLORIDA LEGISLATURE

Mr. HOLLAND. On behalf of myself and my colleague, the junior Senator from Florida [Mr. SMATHERS], I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, Senate Concurrent Resolution 381 of the Florida Legislature, regular session, 1957, memorializing the Congress of the United States to enact legislation providing for repeal of the Federal excise taxes upon the transportation of persons and property.

There being no objection, the concurrent resolution was referred to the Committee on Finance and, under the rule, ordered to be printed in the RECORD, as follows:

Senate Concurrent Resolution 381

A concurrent resolution memorializing the Congress of the United States to enact legislation providing for the repeal of the Federal excise tax upon the transportation of passengers and freight

Whereas the Federal excise tax upon the transportation of passengers and freight was adopted in 1942 as a wartime tax to discourage the movement of civilian passengers and freight during World War II; and

Whereas today, 11 years after the cessation of hostilities, there continues a 10-percent levy on the transportation of passengers and a 3-percent levy on the transportation of property, which taxes while collected by the common carriers of transportation by rail, by highway, by water, and in the air are imposed upon and collected from the users of such transportation; and

Whereas millions of dollars in revenues are paid to the State of Florida by those common carriers; and

Whereas the tax upon the transportation of freight by reason of the transportation of raw materials to the point of manufacture and from the point of manufacture to processing and ultimate distribution to the consumer, frequently has a cumulative effect resulting in a heavy and burdensome tax upon the finished product and the consumer thereof; and

Whereas such excise taxes on transportation by reason of the distance from the State of Florida and the markets for Florida products, agricultural, horticultural, and manufactured, impose a heavy and undue burden upon Florida shippers and also tend to burden tourist travel to and from the State of Florida; and

Whereas the continuance of Federal excise taxes upon common carrier transportation of persons and property is no longer necessary: Now, therefore, be it

Resolved by the Senate of the State of Florida (the House of Representatives concurring), That we respectfully urge and request the Congress of the United States to enact legislation which will provide for the repeal of the Federal excise taxes upon the transportation of persons and property; and be it

Resolved, That the secretary of state be directed to transmit a copy of this resolution to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives of the Congress of the United States, and each Member of the Florida delegation in the United States House of Representatives and the United States Senate, and to the respective houses of the legislature of the several States of the United States.

The PRESIDENT pro tempore laid before the Senate a concurrent resolution of the Legislature of the State of Florida, identical with the foregoing, which was referred to the Committee on Finance.

ISSUANCE OF SPECIAL STAMP COMMEMORATING QUADRICENTENNIAL OF ST. AUGUSTINE, FLA.—RESOLUTION OF FLORIDA LEGISLATURE

Mr. HOLLAND. Mr. President, the ancient city of St. Augustine, Fla., will celebrate its quadricentennial in 1965. This celebration will be a national historical occasion of very great importance.

Reputable historians agree that this city, originally a Spanish colony, was the first continuous settlement of the white race on the North American Continent. Believing that this event is of great importance in our history, the State Legislature of Florida in Senate Memorial 414, approved by the Governor on May 24, 1957, requests the issuance of a United States postage stamp and a United States Treasury coin bearing suitable inscriptions commemorating the 400th anniversary in 1965 of the original settlement of the city of St. Augustine.

Mr. President, I concur wholeheartedly in this request of the Legislature of Florida, and, I ask unanimous consent on behalf of myself, and my colleague, the junior Senator from Florida [Mr. SMATHERS], to have printed in the RECORD at this point in my remarks, and appropriately referred, Senate Memorial 414 of the Florida Legislature, regular session, 1957, as approved by the Governor and filed in the office of the secretary of state.

There being no objection, the resolution was referred to the Committee on Post Office and Civil Service, and, under the rule, ordered to be printed in the RECORD, as follows:

Senate Memorial 414

Memorial to the Congress of the United States requesting that a special United States postage stamp and a United States Treasury coin be issued honoring the quadricentennial of the settlement of the city of St. Augustine, Fla.

Whereas the city of St. Augustine will arrive at its 400th birthday in 1965, there having been established a colony at the site of the city in 1565, as the results of an expedition from Spain commanded by Don Pedro Menendez de Aviles, a Spanish nobleman; and

Whereas reputable historians agree that this colony was the first continuous permanent settlement of the white race on the North American Continent; and

Whereas this event was of great importance in our history and deserves a measure of commemoration by the Government of the United States: Now, therefore, be it

Resolved by the Legislature of the State of Florida, That the members of the Florida delegation in the Congress of the United States be requested to take the necessary action for the issuance of a United States postage stamp and a United States Treasury coin bearing suitable inscriptions commemorating the 400th anniversary in 1965 of the original settlement of the city of St. Augustine; be it further

Resolved, That the secretary of the senate be directed to send a copy of this memorial, duly executed by the proper officers of this legislature, to each member of the Florida delegation in the Congress, to the Post-

master General and to the Secretary of the Treasury of the United States.

Approved by the Governor May 24, 1957.

Filed in office, secretary of state, May 24, 1957.

By Mr. KERR:

A concurrent resolution of the Legislature of the State of Oklahoma; to the Joint Committee on Atomic Energy:

"House Concurrent Resolution 537

"House concurrent resolution memorializing the President and the Congress of the United States of America in cooperation with our delegate to the United Nations to exert every effort and use every peaceful means possible to create an international atomic health service with powers of inspection and regulation

"*To the President and Congress of the United States of America:*

"Your memorialist respectfully represents—

"That the atomic age upon which we have entered has created new conditions which can adversely affect the health and welfare of the people throughout the State of Oklahoma, the Nation and the entire world through exposure to radioactive material resulting from chemical processing plants, atomic nuclear reactor installations and principally from bomb explosions;

"That through such bomb explosions during recent years there has been released into the atmosphere now circling our planet gigantic quantities of radioactive elements, a poison or substance we can neither see, feel, hear, taste, nor smell, which may be inhaled in the air we breathe, absorbed by drinking polluted water or by eating contaminated food and which is capable of changing, damaging or killing living cells and which especially induces harmful mutations of the reproductive genetic patterns thereby creating the danger of causing physical and mental handicaps to future generations;

"That it is an established scientific fact that strontium, released in hydrogen bomb explosions to the winds of the earth, is absorbed by plants throughout the world which are eaten by animals, and thus passes into milk and food supplies, and this strontium referred to by scientists as a bone-seeker "goes to" the bone where its radiations, remaining active for years, can destroy the blood-producing marrow, causing leukemia or, in time, induce cancer of the bone: Now, therefore, be it

"*Resolved by the House of Representatives of the State of Oklahoma (the honorable Senate concurring therein)*:

"1. That the President and Congress of the United States in cooperation with our delegate to the United Nations exert every effort and use every peaceful means possible to create an international atomic health service with powers of inspection and regulation for the primary purpose of preventing the pollution of the air, water, and soil from dangerous quantities of radioactive materials or related poisonous substances.

"2. That copies hereof be transmitted to the Honorable President of the United States, to the Oklahoma delegation in Congress, to the Secretary General of the United Nations, and to the International Atomic Agency of the United Nations.

"Adopted by the house of representatives the 24th day of April 1957.

"B. E. HARKEY,
"*Speaker of the House of Representatives.*

"Adopted by the senate the 8th day of May 1957.

"COWBOY PINK WILLIAMS,
"*President of the Senate.*"

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Finance:

"House Concurrent Resolution 538

"Concurrent resolution memorializing the Congress of the United States of America to pass H. R. 358 without delay

"*To the Senate and House of Representatives of the United States in Congress Assembled:*

"Whereas H. R. 358 is pending before the Congress of the United States to increase pensions to widows of veterans of the Spanish American War; and

"Whereas the passage of this measure is necessary to adjust such pensions in accordance with the increase of the cost of living: Now, therefore, be it

"*Resolved by the House of Representatives of the 26th Oklahoma Legislature (the honorable Senate concurring therein)*, That the Congress of the United States of America be, and it hereby is, requested to pass H. R. 358 without delay; be it further

"*Resolved*, That a duly certified copy of this resolution be sent to the Senate of the United States and one to the House of Representatives of the Congress of the United States, and a copy to all members of the Oklahoma congressional delegation.

"Adopted by the house of representatives the 25th day of April 1957.

"B. E. HARKEY,
"*Speaker of the House of Representatives.*

"Adopted by the senate the 9th day of May 1957.

"COWBOY PINK WILLIAMS,
"*President of the Senate.*"

A resolution of the House of Representatives of the State of Oklahoma; to the Committee on Public Works:

"Enrolled House Resolution 571

"Resolution memorializing the Congress of the United States and the Appropriations Committees thereof; to direct special attention to the land-procurement practices of the Corps of Army Engineers in the Oolagah Dam area on the Verdigris River in northeast Oklahoma

"Whereas the Ooolagah Dam on the Verdigris River in northeastern Oklahoma is in the very early initial phases of construction, with work proceeding on only the first stage embankment contract on one side of the river, under the direction of the Corps of Army Engineers; and

"Whereas only a few hundred acres of land actually has been acquired for the project and with condemnation proceedings now in progress on an additional few hundreds of acres of land; and

"Whereas this $37 million project will finally take more than 70,000 acres of land in a well developed and productive agricultural and ranching area, resulting in the dislocation of several hundred farm homes and related schools, churches, cemeteries, Federal and State highways, county roads, electric power lines, telephone lines, oil transportation pipelines and gas lines; and

"Whereas the proposed lake will inundate and destroy the birthplace and home of the great Oklahoman, Will Rogers, which has become a national shrine and each year is visited by thousands of Americans who have come to love the simple and homely virtues of this great man; and

"Whereas on the lands to be taken for the Oolagah Dam project is located a sizable portion of the world's greatest shallow oil field, which has been producing oil continuously since its discovery before the turn of the century, and which today is recognized as having been the birthplace of the oil business in Oklahoma, the laboratory where secondary recovery was first tried and proven in Oklahoma and the field which has produced more oil by the water flood repressuring method of secondary recovery of oil than in any other field in Oklahoma; and

"Whereas the United States Bureau of Mines, in a report dated August 1, 1951, stated that a recoverable reserve of more than 50 million barrels of oil could be produced by today's known methods from the more than 25,000 acres of proven productive but undeveloped lands that are to be taken for the Oolagah Dam project; and

"Whereas a portion of the lands to be covered by Oolagah Lake have now been developed for the production of oil and this developed area is now producing several thousand barrels of oil each day; and

"Whereas the developed oil lands to be inundated by Oolagah Lake now gives employment to hundreds of oil field workers, pay tens of thousands of dollars each year in taxes to the State of Oklahoma and to the United States, and produces millions of dollars worth of economic wealth annually; and

"Whereas the oil field is served by a crude oil purchasing company whose storage tanks, pump stations, gathering lines, and pipeline transportation system is located on lands to be inundated by the Oolagah Lake, also, serves other oil productive areas located on lands adjacent to the proposed lake; and

"Whereas the engineering difficulties that will result for the pipeline opeartion following the building of Oolagah Dam and the loss of busness to the pipeline as a result of abandonment of that part of the oil field that will be inundated by Oolagah Lake, could make it unprofitable and economically impossible to operate the pipeline oil gathering system to serve the remainder of the oil field, and with the resulting loss of a pipeline market for that part of the oilfield adjacent to the lake, the entire oil field could be forced to shut down with a further economic loss to the entire section of the State; and

"Whereas congressional appropriations for the Oolagah project, which is a very minor part of the Arkansas Basin development program, were first made last year after almost 20 years of being seriously questioned as to the economic feasibility and the doubtful advisability of destroying a great known recoverable reserve of oil and a tremendously rich agricultural area; and

"Whereas the farmers and ranchers and oil producers of the Verdigris River area repeatedly through the years have voiced their objections to this project in personal and delegation appearances before the Congressional Appropriation Committees of both the House and Senate; and

"Whereas proponents of the project residing in other parts of Oklahoma, and other States, have envisioned great economic gains to groups of people, cities and towns, transportation users, and great industrial organizations as a result of the construction of Oolagah Dam, it was also recognized that a great displacement of people and business operations in the Oolagah Dam area must occur if the project was to be built, and, therefore, solemn assurances were repeatedly given to the people and business concerns to be displaced by said Oolagah Dam, both by the congressional committees and the personnel of the Corps of Army Engineers that, in the event of the construction of the project, every effort would be made to see that the people in the affected area would not be forced to bear unjust and undue economic hardship and loss while others are reaping the great economic gains that proponents have promised would result from the building of Oolagah Dam; and

"Whereas appraisals and purchases of land and residential properties in said Oolagah Dam area are in the process of being started

at this time by the land procurement office of the Corps of Army Engineers; and

"Whereas appraisement of property in the Oolagah Dam area is being made on the basis of assumed values in the present location with no consideration being given to replacement costs in kind in another location; and

"Whereas appraisement of many properties in the Oolagah Dam area are being made without due recognition of the known mineral values in the form of valuable coal deposits, gas reservoirs, and oil; and

"Whereas representatives of the Corps of Army Engineers procurement office in Tulsa, Okla., are quoted in newspapers of recent date as telling oil producers and minerals owners that only in the dam site and construction area does the Government have definite plans for buying mineral holdings outright, but would seek only to acquire flowage easements on minerals and under the flowage easement agreements oil operators would be required to subordinate their operations to the basic functions of the dam and reservoir; and

"Whereas the appraisement and procurement policies being followed by the Corps of Army Engineers in the Oolagah Dam area have met with the active and determined opposition of the landowners as is evidenced by the fact that the Corps of Army Engineers only recently has found it necessary to resort to condemnation action to acquire much of the initially needed lands in the dam site and constructon area; and

"Whereas in the condemnation actions pending as of this date against the landowners in the immediate vicinty of the Oolagah Dam itself, said actions covering more than 1,500 acres which is underlaid with valuable coal deposits, attorneys representing the Corps of Engineers have petitioned the court to take the surface land rights and reserve to the present owners all mineral rights and values, and to subordinate the reserved mineral rights and values to the prior rights of the United States to flood and submerge the land as may be necessary for the construction, operation, and maintenance of said project; and

"Whereas under several hundred acres of said lands now being condemned by the Corps of Army Engineers for the Oolagah Dam project, the schoolchildren of the State of Oklahoma own one-half of the mineral rights and values; and

"Whereas the schoolchildren of the State of Oklahoma, through the trusteeship of the State school land commission, own thousands and thousands of acres of mineral rights under lands located in the remainder of the Oolagah Dam area, the Keystone Dam area, the Eufaula Dam area, and in other areas where such projects are planned; and

"Whereas the mineral rights and values owned by the schoolchildren of the State of Oklahoma in the Oolagah Dam area now under condemnation will be forever inundated and the value of said rights will therefore be eternally lost to the schoolchildren of the State of Oklahoma; and

"Whereas the schoolchildren of the State of Oklahoma will suffer great and irreparable loss of wealth if the Corps of Army Engineers continue, through the length and breadth of the Oolagah Dam area, the Keystone Dam area, the Eufaula Dam area, and in the other areas where like projects are planned, this policy of taking, without payment, the mineral rights and values belonging to the schoolchildren of the State of Oklahoma, and by force of condemnation then subordinating those mineral rights and values to the prior rights of the United States to flood and submerge said mineral rights and values: Now, therefore, be it

"Resolved by the House of Representatives of the State of Oklahoma, That we respectfully urge, request, and petition the Congress of the United States to make such inquiry into the land procurement procedures of the Corps of Army Engineers, issue such directives and take such action as may be necessary to insure the fulfillment of the intent of Congress in the protection of the rights of the people in the Oolagah Dam area and in safeguarding the mineral values and rights of the schoolchildren of the State of Oklahoma in accordance with the laws and Constitution of the United States; and be it further

"Resolved, That the chief clerk of the House of Representatives of the State of Oklahoma be directed to send a copy of this resolution to the President of the United States, each member of the Oklahoma Congressional delegation, the Director of the Bureau of the Budget of the United States, and to the Chief of the United States Corps of Army Engineers.

"Adopted by the house of representatives the 27th day of May 1957.

"B. E. HARKEY,
"Speaker of the House of Representatives."

By Mrs. SMITH of Maine:

A joint resolution of the Legislature of the State of Maine; to the Committee on Interstate and Foreign Commerce:

"Joint resolution memorializing Congress to enact legislation concerning unjustified price increases of crude oil and refined petroleum products

"We, your memorialists, the Senate and House of Representatives of the State of Maine in the 98th legislative session assembled, most respectfully present and petition your honorable body as follows:

"Whereas the American public is seriously concerned and does have increasing doubts related to what may be the unjustified price increases of crude oil and refined petroleum products; and

"Whereas remedial legislation can have consideration best at the national level: Now, therefore, be it

"Resolved, That we, the memorialists, recommend to the Congress of the United States that Senate Resolution 64 before the Senate Committee on Interstate and Foreign Commerce be considered of utmost importance; and be it further

"Resolved, That a copy of this memorial, duly authenticated by the secretary of state, be immediately transmitted by the secretary of state to the Senate and House of Representatives in Congress, the membership of said senate and house of representatives from this State, and to the presiding officers of each of the legislatures in the New England States.

"In senate chamber, April 11, 1957.

"Read and adopted.

"Sent down for concurrence.

"CHESTER T. WINSLOW,
"Secretary.

"House of representatives: House receded from its action of April 24, 1957, whereby the resolution was indefinitely postponed, and on May 22, 1957, adopted the resolution in concurrence.

"HARVEY R. PEASE,
"Clerk."

RESOLUTIONS OF THE CHAMBER OF COMMERCE OF CHARLESTON, S. C.

Mr. THURMOND. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD three resolutions adopted by the Chamber of Commerce of Charleston, S. C. The first resolution is one protesting against the continuation of the foreign-aid program; the second one protests against the enactment of Senate bill 555, the Hells Canyon Dam bill; and the third one favors the enactment of Senate bill 76, relating to the secondary boycott.

There being no objection, the resolutions were received, appropriately referred, and ordered to be printed in the RECORD, as follows:

To the Committee on Appropriations:

"Whereas the proposed budget of the United States Government for the fiscal year 1957–58 is one of the highest ever proposed during peacetime; and

"Whereas it is recognized that appropriations for the Armed Forces should be adequate to develop and maintain the most effective equipment and the best-trained personnel commensurate with the international situation; and

"Whereas in the interest of world peace and the safety of our own citizens it has become necessary to render certain military and economic aid to friendly nations beyond our borders, although there have been many instances in which huge sums of money have been spent on nonmilitary projects of questionable value in foreign countries; and

"Whereas it is believed that definite reductions in the overall budget can be accomplished without impairment to the national defense or the effectiveness of a properly safeguarded foreign-aid program of limited scope: Now, therefore, be it

"Resolved, That the board of directors of the Greater Charleston Chamber of Commerce registers its opposition to any continuation of excessively large expenditures such as are proposed for foreign economic aid; and be it further

"Resolved, That while this board of directors recognizes the possible need for a limited expansion of governmental services and the necessity for some additional personnel, it questions the necessity for the expansion contemplated in the proposed budget, specifically the creation of approximately 40 new expanded or renewed services and the net increase of 31,000 new administartive personnel; and be it further

"Resolved, That Members of both Houses of Congress should be requested to carefully reexamine these and all other aspects of the proposed Federal budget with the view of reducing departmental budgets wherever possible; and be it further

"Resolved, That it is the sense of this board that any and all savings which may be accomplished by reduction of the proposed budget be applied, first, to the reduction of the national debt, and, second, to the reduction of taxes; and be it finally

"Resolved, That a copy of this resolution be forwarded with an appropriate covering letter to both United States Senators and all members of the Congressional delegation from South Carolina.

"Unanimously passed at the regular monthly meeting, May 28, 1957.

"R. HARRY MORSE,
"Acting President.

"Attest:

"JULIAN METZ,
"Executive Director."

Ordered to lie on the table:

"Whereas the board of directors of the Greater Charleston Chamber of Commerce, has previously gone on record as opposed to the Federal Government engaging in any business in competition with private enterprise; and

"Whereas it has come to the attention of this board that legislation to authorize construction of a Federal power dam at Hells Canyon, Idaho (S. 555) is again before the Congress; and

"Whereas a similar bill sponsored by the propublic power bloc was defeated in the United States Senate in 1956; and

"Whereas we are reliably informed that S. 555, if passed, would: first, wipe out nearly $50 million of private funds already committed to the construction of an alternate three-dam development at the same site; second, authorize a Federal agency to spend more than $400 million of tax money for another Federal power project despite the fact that private enterprise capital can and will do the job if permitted, and finally, passage of this bill will delay for 7 or 8 years a power supply urgently needed in the Pacific Northwest: Now, therefore, be it

"Resolved, That the board of directors of the Greater Charleston Chamber of Commerce reaffirms its previously stated position in opposition to the Federal Government engaging in any business operation in competition with free enterprise; and be it further

"Resolved, That this board go on record as opposed to the passage of the Hells Canyon bill (S. 555) and that both United States Senators—J. STROM THURMOND and OLIN D. JOHNSTON, and all Members of Congress from South Carolina be requested to oppose the passage of S. 555 and further, that all members of the South Carolina Congressional delegation be forwarded a copy of this resolution with an appropriately worded letter of transmittal.

"Unanimously passed at the regular monthly meeting May 28, 1957.

"R. HARRY MORSE,
"Acting President.

"Attest:

"JULIAN METZ,
"Executive Director."

To the Committee on Labor and Public Welfare:

"Whereas Congress intended the Taft-Hartley Act to outlaw the secondary boycott, and such is the spirit of the law; and

"Whereas labor unions, by means of loopholes and favorable court interpretations have been able to evade the clear meaning of the law with regard to secondary boycotts; and

"Whereas the secondary boycott is an unfair labor practice which often involves, and applies severe economic penalties to innocent third parties who have no direct relationship or concern with a particular labor dispute; and

"Whereas a new bill (S. 76) introduced by Senator CARL T. CURTIS, is designed to close the loopholes which permit the existence of the secondary boycott and to expressly prohibit the secondary boycott: Now, therefore, be it

"Resolved, That the board of directors of the Greater Charleston Chamber of Commerce hereby endorses and registers its support and approval of bill S. 76, introduced by Senator CARL T. CURTIS and any other bill designed to eliminate the secondary boycott; and

"Resolved, That the Members of both Houses of Congress from South Carolina be requested to support the passage of S. 76 or similar proposed legislation and to oppose the passage of bills designed to weaken or repeal the Taft-Hartley Act or those which would tend to expand the use of the secondary boycott, and that a copy of this resolution be forwarded with covering letter to Senator CARL T. CURTIS, of Nebraska, the author of S. 76; to Senators OLIN D. JOHNSTON and J. STROM THURMOND, to all Members of the House of Representatives from South Carolina, and to the Labor Relations Department of the Chamber of Commerce of the United States.

"Unanimously passed at regular monthly meeting on May 28, 1957.

"R. HARRY MORSE,
"Acting President.

"Attest:

"JULIA METZ,
"Executive Director."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MCCLELLAN, from the Committee on Government Operations, without amendment:

S. 1535. A bill to amend the Federal Property and Administrative Services Act of 1949 to authorize the Administrator of General Services to make contracts for cleaning and custodial services for periods not exceeding 5 years (Rept. No. 396); and

S. 1799. A bill to facilitate the payment of Government checks, and for other purposes (Rept. No. 397).

By Mr. MCCLELLAN, from the Committee on Government Operations, with an amendment:

S. 1408. A bill to provide allowances for transportation of house trailers to civilian employees of the United States who are transferred from one official station to another (Rept. No. 398).

By Mr. MCCLELLAN, from the Committee on Government Operations, with amendments:

S. 1141. A bill to authorize and direct the Administrator of General Services to donate to the Philippine Republic certain records captured from insurrectos during 1899–1903 (Rept. No. 399).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 18. A bill for the relief of Alessandro Renda (Rept. No. 400);

S. 250. A bill for the relief of Kyu Yawp Lee and his wife, Hyung Sook Lee (Rept. No. 401);

S. 254. A bill for the relief of Suhana M. Umanos (Rept. No. 402);

S. 255. A bill for the relief of Fumiko Shikanuki (Rept. No. 403); and

S. 303. A bill for the relief of Gaetano Mattioli Cicchini (Rept. No. 404).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 252. A bill for the relief of Katarzyna Siwik (Rept. No. 405);

S. 264. A bill for the relief of Miyako Ueda Osgood (Rept. No. 406); and

S. 286. A bill for the relief of Maria Matilde Picallo (Rept. No. 407).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THYE:

S. 2195. A bill to remove the $1,000 limitation in the case of the settlement by the Secretary of the Navy of certain claims arising out of the crash of two United States Navy airplanes at Minneapolis, Minn.; to the Committee on the Judiciary.

(See the remarks of Mr. THYE when he introduced the above bill, which appear under a separate heading.)

By Mr. DIRKSEN (by request):

S. 2196. A bill for the relief of Annadore E. D. Hauboldt; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina:

S. 2197. A bill to amend the Securities Act of 1933 to exempt certain securities which are secured by mortgages which are insured or guaranteed under the National Housing Act or the Servicemen's Readjustment Act of 1944; to the Committee on Banking and Currency.

By Mr. IVES:

S. 2198. A bill for the relief of Victoria Kent (y Siano); to the Committee on the Judiciary.

By Mr. NEUBERGER (for himself and Mr. MORSE):

S. 2199. A bill for the relief of Reinhard Klinefelter; to the Committee on the Judiciary.

By Mr. MORSE:

S. 2200. A bill for the relief of Louis James Seligson; to the Committee on the Judiciary.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. GOLDWATER:

S. 2201. A bill for the relief of Allen A. Stuart; to the Committee on Labor and Public Welfare.

By Mr. BEALL:

S. 2202. A bill to amend section II of the act of April 1, 1942, to provide for retirement of municipal and juvenile court judges for the District of Columbia; to the Committee on the District of Columbia.

By Mr. POTTER:

S. 2203. A bill for the relief of Moon Ha Sook; and

S. 2204. A bill for the relief of Margaret E. Culloty; to the Committee on the Judiciary.

By Mr. BUTLER:

S. 2205. A bill to amend section 116 (4) of chapter 10 of the Federal Bankruptcy Act; to the Committee on the Judiciary.

By Mr. NEUBERGER (for himself and Mr. MORSE):

S. 2206. A bill to amend the Bonneville Project Act to authorize the Administrator to establish priorities and preferences so as to benefit the general public and to promote diversified economic development fairly and equitably throughout the several States of the Columbia River Basin; to the Committee on Public Works.

(See the remarks of Mr. NEUBERGER when he introduced the above bill, which appear under a separate heading.)

By Mr. BARRETT:

S. 2207. A bill transferring the Heart Mountain division of the Shoshone Federal reclamation project to the Missouri River Basin project; to the Committee on Interior and Insular Affairs.

COMMUNIST INTERROGATION, INDOCTRINATION, AND EXPLOITATION OF AMERICAN MILITARY AND CIVILIAN PRISONERS

Mr. MCCLELLAN. Mr. President, on behalf of myself and the Senator from Washington [Mr. JACKSON], the Senator from Missouri [Mr. SYMINGTON], the Senator from North Carolina [Mr. ERVIN], the Senator from South Dakota [Mr. MUNDT], and the Senator from West Virginia [Mr. REVERCOMB], I submit for appropriate reference a resolution favoring the presentation to the United Nations of the facts as to Communist methods of treating prisoners in Korea.

The PRESIDENT pro tempore. The resolution will be received and appropriately referred.

The resolution (S. Res. 143), submitted by Mr. MCCLELLAN (for himself and other Senators) was received and referred to the Committee on Foreign Relations, as follows:

Whereas the Senate Permanent Subcommittee on Investigations of the Committee on Government Operations has held hearings and has submitted Report No. 2832 of the 84th Congress, 2d session, on Communist interrogation, indoctrination, and exploitation of American military and civilian prisoners; and

Whereas these hearings have shown that the Communists in Korea used compulsory courses of indoctrination of American prisoners, engaged in intense coercive interrogation of American prisoners to obtain military information and false confessions, and used the isolation of prisoners, the segregation of

prisoners, as well as deception, repetition, and harassment to obtain a given objective; and

Whereas the Communists in the Korean conflict flagrantly violated articles 13, 14, 16, 17, and 38 of the Geneva Convention: Therefore be it

Resolved, That (a) the Senate hereby express its grave concern as to the coercive techniques of interrogation and indoctrination employed by the Chinese Communists during the Korean conflict with respect to American prisoners of war who were captured by the Chinese Communists while serving in the United Nations Command.

(b) It is the sense of the Senate that delegates of the United States to the United Nations should be instructed to present to the United Nations at the earliest practicable time a full and complete statement of facts concerning the techniques so used by the Chinese Communists against American prisoners of war, together with violations of the Geneva Convention.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that I may proceed for approximately 5 minutes to explain the resolution.

The PRESIDENT pro tempore. Is there objection? Without objection, the Senator from Arkansas is recognized for 5 minutes.

Mr. McCLELLAN. Mr. President, on June 19, 20, and 27, 1956, the Senate Permanent Subcommittee on Investigations held hearings on Communist interrogation, indoctrination, and exploitation of American military and civilian prisoners. The hearings were run with the full cooperation of the Army, Navy, Air Force, and Marine Corps, as well as the Department of Defense.

They showed that the Chinese Communists in North Korea had a very rigid system of segregation of prisoners. Prisoners were segregated according to rank, according to race, and according to nationality. This enabled the Communist captors to tailor their indoctrination to fit a particular group of prisoners. The Chinese Communists conducted a schooling system which was compulsory, and which lasted for approximately 1 year. The courses totaled 13 in number, and were given under titles such as "The 60 Big Families in the United States" and "Illegality of Truman's Order Moving Troops Into Korea." Coupled with this forced schooling, the indoctrination program contained a very heavy diet of Communist news. For example, among the publications available for reading was the New York Daily Worker.

Interrogations for the obtaining of military information and for securing false confessions were more or less constant. It was not uncommon for an American prisoner to be kept in solitary confinement for months, during which period he would receive poor food, as well as inadequate clothing and inadequate medical attention. While in solitary confinement and subjected to rough treatment, such as handcuffing, he would be interrogated day after day. Harassment, deception, the writing of personal histories, the writing of essays, and walking conferences, all were part of the interrogation system. As a result of this harsh treatment, many false confessions were obtained.

Soviet Russia had key personnel in every major section in the Communist Prison Command in North Korea. There was a Russian who served as liaison for interrogation and indoctrination. Several Soviet propaganda experts actively supported the Chinese in carrying out this part of their program. In addition to the Soviets, there were two western newspapermen, namely, Allen Winnington, a foreign correspondent for the London Daily Worker, and Wilfred Burchett, an Australian newspaperman, who were primarily responsible for the preparation of propaganda. The prepared written propaganda was approved by a Central Peace Committee which was in charge of all prisoners, and its work was supplemented by the individual Prisoners of War Camp Peace Committee. In addition, there was a Communist newspaper entitled "Towards Truth and Peace." Attendance of prisoners was mandatory at such propaganda devices as the Lenin Debating Society, the Stalin Dramatic Society, as well as various oratorical contests.

Mail was released by the Communists to the prisoners only when it reflected bad news, thereby creating worries and loneliness on the part of the prisoners. The Communist captors attempted to develop informers among the prisoners by using a simple system of reward and punishment to gain their cooperation. Thus, more and better food, cigarettes, candy, alcohol, parties, and freedom from physical labor were used to gain some objective.

Our hearing established that the Communists flagrantly violated Articles 13, 14, 16, 17, and 38 of the Geneva Convention. These violations deal with solitary confinement, shackling of prisoners, exposing prisoners to the curiosity and insults of the local populace, failure to give adequate medical attention, failure to properly mark their clothing, physical maltreatment, mental torment, and forcibly being made to work.

The members of this subcommittee strongly feel that the matters developed through our hearings are of grave concern to the people of the United States. The methods and techniques of the Communists in the treatment accorded American prisoners of war should be brought to the attention of the entire world.

It is the subcommittee's recommendation that the United States Delegate to the United Nations present to the United Nations the facts as to Communist methods of treating American prisoners in Korea.

REMOVAL OF LIMITATION IN SETTLEMENT OF CERTAIN CLAIMS BY SECRETARY OF THE NAVY

Mr. THYE. Mr. President, a terrible tragedy occurred in Minneapolis on Memorial Day, last week. Two United States Navy jet airplanes collided over a heavily populated area of the city, and crashed to the ground, killing 1 of the pilots and hospitalizing 6 residents of north Minneapolis. One of the Panther jets crashed and exploded in the street, damaging 6 houses, 2 of them beyond repair.

A formation of four Panther jets had just completed a ceremonial "fly over" as a part of a Memorial Day observance. The planes were rolling out of formation when the wing of one plane caught that of another, while traveling at a rate of some 330 miles per hour. One of the planes landed in a vacant lot, and the other crashed in a nearby street, exploding in a mass of burning gasoline.

The unfortunate victims of this tragedy must be compensated for the losses they have suffered. On May 31, I sent the following telegram to Secretary of the Navy Gates:

I wish to urge that every action be taken to expedite the settlement of claims as a result of the Memorial Day jet crash in Minneapolis. I am prepared to introduce the necessary legislation in the Senate. Please keep me advised of the status and action taken on such claims.

Mr. President, pursuant to this telegram, I now introduce, for appropriate reference, a bill which would remove the $1,000 limitation on the ability of the Secretary of the Navy to settle claims arising out of incidents such as this one.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2195) to remove the $1,000 limitation in the case of the settlement by the Secretary of the Navy of certain claims arising out of the crash of two United States Navy airplanes at Minneapolis, Minn., introduced by Mr. THYE, was received, read twice by its title, and referred to the Committee on the Judiciary.

LOUIS JAMES SELIGSON

Mr. MORSE. Mr. President, I introduce, for appropriate reference, a bill for the relief of Louis James Seligson. The bill is designed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest and bond.

In introducing this bill, Mr. President, I wish to state that I am concerned to note that on one occasion Mr. Seligson refused to take the stand and testify that he had never been a member of the Communist Party. I wish to make clear at the outset that I hold no brief for his refusal to take the stand at his Ellis Island hearing in 1954. However, I understand that he did so testify under oath on two separate occasions, and in the Ellis Island proceedings the nature of the proof against him was of dubious probative value.

I have also been advised that he has under oath claimed that he is not now and never was a member of the Communist Party. When the representation was made to me in regard to the introduction of this bill I asked Mr. Seligson point blank if he was a Communist or had ever been a Communist. He assured me that he had never been a Communist and was not then a Communist.

I would be less than honest, Mr. President, if I did not say this bill has given me great concern, because I fully appreciate that the introduction of such a bill on behalf of anyone who has been under attack like that aimed at Mr. Seligson is always ammunition for those who

seek to smear a public official. But, Mr. President, in my position I happen to believe that it is my duty to give consideration at all times to what I consider to be moral values and humanitarian principles.

I am introducing this bill only for the purpose, Mr. President, of having the Committee on the Judiciary take a look at this case before this man is deported to Argentina, because of these facts.

I do not know Mr. Seligson. Representations have been made to me, however, by prominent people, and in one instance by a very prominent business official, that a great injustice will be done if this man is deported.

Mr. President, it is not so much Mr. Seligson himself with whom I am concerned, as it is his two young sons who are American citizens. It seems to me that the important consideration in this case is the future of these two young Americans. It is true that the mother and father are divorced, but I am advised that Mr. Seligson is in daily contact with his children, and that he and his former wife jointly contribute to the support of the boys.

It would seem to me tragic to separate these two young boys from their father and, for all practical purposes, make them fatherless. It is my understanding, and a question on which the Judiciary Committee will want to satisfy itself, that all of the evidence against Mr. Seligson involves activities in the 1930s. Under those circumstances, it would seem only humane to resolve whatever doubts exist in favor of enabling these two youngsters to have as many contacts as possible with their father.

Mr. President, I understand that Mr. Seligson was brought to this country from Argentina when he was 6 years old, and that, therefore, if he were to be deported to Argentina now, he would be at a distinct disadvantage in making an adjustment to that country's way of life. In any case, his two young sons would be deprived not only of their father, but probably of his financial support as well—at least for the period during which Mr. Seligson would need to orient himself in a strange land.

Therefore, Mr. President, from a purely humanitarian point of view, it is my judgment that for the reasons I have set forth it would be better to keep Mr. Seligson in this country, where he is subject to surveillance if necessary, rather than to deport him.

I ask that the bill be received and appropriately referred, and that the bill be printed in the RECORD at this point, as a part of my remarks.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2200) for the relief of Louis James Seligson, introduced by Mr. MORSE, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of Louis James Seligson. From and after the date of enactment of this act, the said Louis James Seligson shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and order have issued.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. MANSFIELD:

Four commencement addresses delivered by him at Billings, Mont., Butte, Mont., Great Falls, Mont., and Dubuque, Iowa, respectively.

By Mr. MONRONEY:

Statement prepared by him on the subject of floods, letter addressed to him by Welcome W. Wilson, regional administrator of Civil Defense, dated May 31, 1957; and articles published in Oklahoma City Times of June 1, 1957, and Tulsa Tribune of May 31, 1957, all relating to flood damage in Oklahoma.

NOTICE OF CONSIDERATION OF CERTAIN NOMINATIONS OF CAREER MINISTERS

Mr. FULBRIGHT. Mr. President, as acting chairman of the Committee on Foreign Relations, I desire to announce that the Senate received on May 31, 1957, the nomination of the following Foreign Service officers for promotion from class 1 to the class of career minister: Vinton Chapin, of New Hampshire; John Wesley Jones, of Iowa; Frederick B. Lyon, of Nevada; and Carl W. Strom, of Iowa.

Notice is given that the nominations will be eligible for consideration by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

RESIGNATION OF GEORGE M. HUMPHREY, SECRETARY OF THE TREASURY, AND NOMINATION OF ROBERT B. ANDERSON

Mr. MARTIN of Pennsylvania. Mr. President, I wish to join with my colleagues on both sides of the aisle in expressing regret at the resignation of the distinguished Secretary of the Treasury, George M. Humphrey.

Secretary Humphrey's decision to return to private life, while not entirely unexpected, will be regarded by most Americans as a great loss to our country.

In his 4½ years as the chief fiscal officer of the United States, Secretary Humphrey furnished an example of outstanding public service. He applied to the grave responsibilities of his high office the same sound, constructive policies which guided his career to success in private enterprise. In him were exemplified the initiative, courage, and vision of those who built our Nation's greatness.

Secretary Humphrey offered no easy or speedy cure-all for our national problems. He battled constantly for a strong, dynamic, and expanding economy to support the American way of life. His philosophy of government was founded on clear thinking, sound logic, and the highest patriotism. He was unswerving in his belief that stability, security, and progress could not be achieved without wise fiscal policies, balanced budgets, a sound currency, and the defeat of inflationary pressures.

As a member of the Senate Committee on Finance I greatly appreciated the benefit of his views on taxation and related matters. His clear and concise statements always went directly to the heart of the issue under discussion and were most helpful in establishing a better understanding of what would best serve the welfare of the United States and its people. I am sure that I speak for my colleagues of the Finance Committee, of both parties, in saying that he will be greatly missed.

It is most gratifying to know that an able and highly respected citizen, with a distinguished record of public service, has been nominated to succeed George Humphrey as Secretary of the Treasury. Robert B. Anderson will bring to that office a rich background of experience as Secretary of the Navy and Deputy Secretary of Defense. His pledge to carry forward the wise fiscal policies of Secretary Humphrey gives assurance that his service will continue to advance the strength and security of our Nation.

Mr. SMITH of New Jersey. Mr. President, I regret that I was absent from the floor last Wednesday when the resignation of the Secretary of the Treasury, the Honorable George M. Humphrey, was called to the attention of the Senate. Because of my high regard for this great, outstanding American, I should like to add a few words of personal appreciation.

George Humphrey is one of that generous class of talented and able citizens who relinquish highly important positions in private industry to give their valuable services to the Nation. The great economic advancement of the United States during the 4½ years of Mr. Humphrey's service as Secretary of the Treasury attests to the splendid caliber of his service. His valued advice was instrumental in putting a halt to the inflationary trend into which this country was propelled prior to 1953. Through his efforts the Nation has experienced the benefits of a great tax reduction, and it is now heading toward the third straight year of a balanced budget. At the same time, we have financed the heavy but necessary program of defense, and have expanded legitimate welfare services to all our people.

His warm personality is well known to his many friends on both sides of the aisle, and I know that I express the deep regret of all members of both House and Senate because of the circumstances that compel his return to private life. Our country is stronger and sounder because of the years George Humphrey has spent in Washington. To Mrs. Smith and me it has been a great privilege to know Secretary and Mrs. Humphrey as warm personal friends. We shall miss them sorely. Our affectionate best wishes go with them.

It is a great gratification to us all to realize that Mr. Robert B. Anderson, who

will succeed Secretary Humphrey, has a distinguished record as Secretary of the Navy and Deputy Secretary of Defense. He has announced that he expects to carry forward the aims and ideals of his predecessor, and it is reassuring to know that the Treasury Department and the fiscal affairs of the Nation will continue to be administered by such capable hands. We wish him every success in his new post.

Mr. President, I desire now to make a request for unanimous consent.

The PRESIDING OFFICER (Mr. THURMOND in the chair). The Senator from New Jersey has the floor.

THE FOREIGN AID PROGRAM

Mr. SMITH of New Jersey. Mr. President, in the magazine This Week of Sunday, June 2, there is an article by the Honorable Christian A. Herter, Under Secretary of State, entitled "Why We're Still Sending Money Abroad."

This is a very important contribution to the pending discussion on the subject of foreign aid, especially at a time when the Senate Committee on Foreign Relations is considering the administration's bill for fiscal 1958.

I ask unanimous consent that the article by Mr. Herter be printed at this point in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHY WE'RE STILL SENDING MONEY ABROAD

(By Christian A. Herter, Under Secretary of State)

This is the first article I have written since I have become Under Secretary of State. I am writing it because I earnestly desire to place the case for foreign aid before the American public. And I welcome the opportunity This Week magazine has offered me to give my views.

I do not expect that everyone will accept all my conclusions. But I do know from many years in public service that the successful operation of a democracy springs from an informed and intelligent citizenry. The mutual security program has now been presented to Congress, and a knowledge of just what it proposes is necessary to an understanding of the current discussion.

Actually, the program is not as complex as it is sometimes made to appear. Let me state it for you simply: the administration is requesting approximately $3.9 billion for two distinct and separate purposes abroad.

THE BREAKDOWN

First, it asks that $2.8 billion be added to our own Defense Department budget for allocation to 41 nations overseas—in other words, for military aid both in the form of arms and of such financial assistance as will permit their economies to support those arms. This sum will be used to build up the military capabilities of these nations so that they can better protect themselves and, through this added strength, serve as an effective Free-World bulwark against the aggressive intentions of international communism.

Second, the administration asks for approximately $1.1 billion to be used for economic aid to help certain nations establish a sound base for self-development. Economic development for such vitally needed public works as improvement of harbors and roads will in the future be on a loan basis. This figure also includes our program of technical cooperation and some grant assistance to meet emergency situations.

These, in broad terms, are the objectives of the proposed new mutual-security program.

Before we examine its details, come back with me to the anxious September of 1947. A special Congressional committee, which I had the privilege to head, was abroad to study European recovery needs. At this time the full expansionist drive of the Communist forces has not yet shown itself, but the danger signals were there. Western Europe, torn by war, was their prime target. The President, Secretary of State Marshall, the Congress, and the American people thought it was in our own best interests to help restore Europe's prewar economy. What our committee saw in 3 busy months convinced us that both the need and the danger were very great—that the job of European recovery had to be tackled as the first challenge in the struggle later to be called the cold war.

How successful was the Marshall plan, established at that time to meet this emergency? I think the answer to that question will surprise and hearten you. The program visualized was short range—$17 billion allocated over 4 years to stimulate Europe's recovery. In actual fact, the program took 5 years and cost only $13 billion. At its conclusion Western European productivity was 40 percent greater than before the war.

And in the process, our own economy progressed rapidly as a direct result of renewed faith in the stability of Europe and of increased international trade. Communism in Western Europe was arrested—no single foot of European territory has been taken by the Soviet since the plan began.

In the last 3 years no Marshall-plan country in Western Europe has received 1 cent of new economic aid. Together these countries now spend more per year for defense alone than they received for economic recovery in all the five Marshall-plan years together.

I think this record should give the public confidence in the whole concept of foreign aid, even if it is judged by the single standard of our own self-interest.

Now, let's look ahead and consider some questions with relation to the new security program pending before Congress.

1. Why is it necessary for us to give military aid? Couldn't some of these foreign nations do more to help themselves?

First of all, let's see how great the threat of aggression still is. The Korean war showed Communist ambitions in true perspective. The knowledge that the Soviet possessed the formula for the hydrogen bomb multiplied the danger. The United States decided to enter alliances with other nations interested in maintaining a free world. We undertook to give them support in developing mutually agreed forces by supplying items of equipment and other assistance they could not afford. The United States helps maintain 200 Free-World army divisions—of which the 19 we ourselves can reasonably afford are part. Through this program the Free World is defended by twice the number of fighting ships we have in our own United States Navy. And double as many planes are ready to oppose aggression as the United States alone could put in the air.

The story of Korea is a good example of why military aid is to our advantage. At present Korea has an army of 700,000 men, well-trained and equipped with American arms. They are holding the line against a combination of North Korean and Communist Chinese forces equipped mainly by the Soviet. It costs approximately $600 a year to maintain one Korean soldier in combat readiness. The annual cost of maintaining an American soldier along the same line in Korean would be about $6,000. And the drain on our manpower would be prohibitive.

Similar figures could be given for such allies along the rim of the Communist world as Taiwan, Vietnam, Pakistan, and Turkey.

2. What about economic aid and technical assistance? Isn't this part of the program just a handout?

On the contrary, it is a vital part of the overall job, with direct long-term benefits to the United States. Bear in mind that the threat of Communist subversion is as powerful as the direct military threat. Since World War II, 19 new nations have emerged in Asia and Africa. Often these new nations are faced with grave problems in trying to establish stable governments. It is in such a climate that Communist subversion thrives.

It makes sense to keep these countries in the Free World family; it is deep in the American heritage to help others to achieve and keep the basic rights our own forefathers won so dearly.

To do this we have two principal tools: Technical assistance and economic development.

Technical assistance is simply sharing our know-how in such fields as public health, education, agriculture and industry. Economic development envisages the best use of such natural resources as a country may have and the gradual maturing of a nation's agriculture and industry. The intention of the present program is that economic development shall be handled on a loan basis through a development fund. This would contribute to greater efficiency at less cost to the American taxpayer.

The cost of this phase of the program is small compared to the military part—roughly a cent-and-a-half out of six cents of your tax dollar that goes into mutual security. But it is of vital importance.

3. Must this economic aid go on and on?

I believe that United States Government assistance should end as soon as the economies of these countries are stable enough to attract private capital. We naturally hope that this will happen as rapidly as possible. What we do now will hasten that process, although it cannot but be recognized that the process is a slow and arduous one.

4. What use is it to help neutrals like India?

Many of the so-called neutrals, because of strategic location, size of population, vital resources, or political influence, are of great importance to both the Communists and the Free World.

India, for example, is the world's largest democracy. She faces the urgent problem of raising the standard of living of people who have existed in poverty for many centuries. It is in our own interest to help see that her democratic methods succeed. If we can successfully aid India's own efforts in rasing living standards, this may also materially benefit us as well.

5. What mistakes have we made in past years? What new approaches have we learned from such mistakes?

One mistake has been the wishful thinking that this program was a short-term, emergency operation, and that it could be financed and conducted on a "crash" basis, year by year. All Americans should realize now that the program, at approximately its present size, will be required for the foreseeable future unless international communism gives adequate proof that it has renounced its determination to attempt to dominate the world by force or subversion.

In my opinion ther can be many legitimate differences of opinion with regard to the details of administration of this overall program. One mistake, I think, is that the presentation of the program to the public has been too complicated. I am sure that in this, as in any other large program, some mistakes have been made. But I cannot see any possible relinquishment of the mutual-security program at the present time, or even in the immediate years to come, without very serious danger to the whole Free World.

THE TWO-PART PROGRAM

In order to make clear the purposes which the 1958 mutual-security program will serve, we are making a sharp separation between aid that helps the military preparedness of a country and aid involving straight economic development.

So here, once more, is the basic breakdown of the total program, as presented by President Eisenhower and Secretary of State Dulles:

We are asking that 75 percent of the money go for military aid—a less than 10 percent addition to the Department of Defense budget.

We are asking that the remaining 25 percent go for three purposes: economic development funds, emergency-grant aid and technical assistance funds. These will be identified separately and made as largely as possible on a loan basis. Funds for developmental assistance, which are for long-range projects, will be administered through loans authorized on a 3- to 5-year basis rather than a yearly one.

Emergency-grant assistance will continue to be necessary to meet crises such as the problem last winter of the Hungarian refugees, and cases where a newly developing country cannot qualify for a loan. These grants will continue on an annual basis.

I have watched the mutual-security program develop over a 10-year period from three distinct vantage points—as Congressman, as Governor and now as Under Secretary of State. I am convinced that it is a most vital part of our foreign policy and a powerful and flexible weapon in the grim war between the Free World and the slave.

I think its continuation is your best hope and mine, and our children's, for a free and prosperous world. It will be in a very real sense your understanding, as voter and taxpayer, that will insure its future.

THE MIDDLE EAST PROGRAM

Mr. SMITH of New Jersey. Mr. President, on Monday, May 27, the Honorable James P. Richards, former chairman of the Foreign Affairs Committee of the House of Representatives, and more recently special Ambassador and Assistant to the President, appeared before the Senate Committee on Foreign Relations and reported on his recent trip to the Middle East.

This is such an important contribution to the present discussion of the Middle East situation and the pending foreign aid legislation that I ask unanimous consent to have the statement of Mr. Richards printed at this point in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY AMBASSADOR JAMES P. RICHARDS, SPECIAL ASSISTANT TO THE PRESIDENT, BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE, MONDAY, MAY 27, 1957

I am very glad to appear before you to report on my mission to the Middle East and to answer any questions you may have in mind. I returned on May 8 from a 2-month trip as a special representative of the President to explain the joint resolution of the Congress on the Middle East. This journey reinforced my ever-growing conviction of the importance to the national security of the United States of both economic and military assistance extended under the mutual security program. I would like to tell you about my trip and why it has further convinced me that we can ill afford to dispense with, or even drastically curtail, the benefits that have accrued to us from these programs.

In his message to the Congress on January 5, the President stated that he was sending a mission to the Middle East to explain the proposals he then advanced. He asked me to take on the job. While the Congress was considering the joint resolution, I briefed myself on the problems which would be encountered. Thus, I was able to depart promptly after the passage on March 9 of the resolution. Accompanied by a small staff drawn from the Departments of State and Defense, International Cooperation Administration and USIA, I traveled almost 30,000 miles, visiting 15 countries.

The President had entrusted me with a fourfold task:

1. To explain the spirit and purposes of the joint resolution of the Congress on the Middle East;

2. To determine which countries wished to participate;

3. To make commitments for programs of economic and military assistance, within the provisions of the joint resolution and within the limitation of funds appropriated by the Congress, which I deemed to be essential and urgent to accomplish the purposes of the program; and

4. To report to the President my findings and make appropriate recommendations.

Regarding task No. 1, I explained in detail the President's Middle East proposals, as endorsed by the joint resolution of the Congress, to the top government leaders in the 15 countries we visited—Afghanistan, Ethiopia, Greece, Iran, Iraq, Israel, Lebanon, Libya, Morocco, Pakistan, Saudi Arabia, Sudan, Tunisia, Turkey, and Yemen. I was careful to bring out the significance of this American doctrine as symbolic of United States recognition of the need to play a more active role in the Middle East, but only at the request of area countries. I believe the enunciation by the executive and legislative branches of the Government acting together of a completely American policy was profoundly impressive to peoples of the area. The different heads of state invariably had many questions about the doctrine and wanted particularly reassurance that the United States was not out to impose anything or exact any political conditions derogating from national sovereignty. I believe I was able to convince my questioners that this was far from our intentions.

I did not visit three of the countries in the Middle East. In Jordan, King Hussein was proving by his actions that he understood thoroughly the meaning of international communism and was capable of moving decisively to protect his country's independence and territorial integrity. We have tried to help him by providing aid through normal channels. The second country, despite our inquiries, avoided making definite arrangements for a visit by my mission. From the third country we received a piece of paper which might have been construed as an invitation, but the attitude of the government as shown in official statements and through the controlled press made it abundantly clear there was no desire for real discussions.

Regarding task No. 2, 12 of the countries I visited publicly declared their support of the purposes and objectives of the doctrine. Subsequently Israel also endorsed it. Two countries with which we held discussions, Sudan and Yemen, thought it desirable not to take a public position at this time but they did not reject the American concept. Naturally the degree to which different nations recognized the threat of international communism, or were willing to proclaim opposition publicly, varied. Some stood up shoulder to shoulder in open opposition to international communism. Others are doing quite but nevertheless effective work in the same cause. One thing did not vary. That is, the determination to maintain independence and to achieve economic and social progress. To this end, United States help was welcomed.

Regarding task No. 3, in nine countries I determined that it was essential and urgent to extend United States economic or military assistance in accord with the doctrine. Conditions were such that immediate action would clearly further the purposes of the joint resolution either by building up strength to assist in countering possible overt armed attack or by increasing economic strength and internal security against subversion. I authorized in principle approximately $120 million in aid, always calling attention to the provisions of the joint resolution, including the requirement that appropriate congressional committees should be informed 15 days before the money was used. Slightly more than half of the money went for economic assistance. Most of this aid was in the form of grants, although I insisted on loans whenever feasible. The military aid granted was always in furtherance of established military plans. It consisted, for example, of additional hardware, expendable items such as ammunition or military construction. In the economic field our aid was directed at, for example, communications, transportation, education and water development. I sought opportunities to encourage regional cooperation. To the Baghdad Pact, I made available $12,570,000 toward projects approved by its economic committee for improvement of the regional communications system, railroad connections, and a highway project. This aid is intended both for surveys and actual construction.

With respect to task No. 4—to report to the President—I met with him immediately after my return. Although my mission was not charged with seeking solutions to intra-area problems, I found that the various countries visited held strong views on these matters. In accordance with requests from different governments, I have conveyed their views to the President. The importance of this American doctrine with respect to intra-area problems is that by turning back international communism, the Communists' continuing efforts to inflame these quarrels will be frustrated and thus their solution facilitated. I can assure you that our Government is not neglecting intra-area problems. Most of the countries visited are involved in such difficulties, many of them most complex and of the utmost importance to the people concerned. They are working to find solutions and the United States, quietly and through normal channels including the United Nations, is doing what it can to help.

On a trip like the one I have just completed, one comes back with a mass of impressions. I would like to call your attention to six that stand out most clearly:

1. The intensity of the aspirations of the peoples of the Middle East for economic and social progress: They are determined to improve their lot. They recognize the limitations of their own resources. They are therefore determined to get outside help. The Communists are blandly offering aid on deceptively generous terms. We know from experience the trap behind such offers but it is not so evident to people in the area desperate for help. Entirely apart from any humanitarian motivations, a hard-boiled desire for self-preservation demands that we not leave these nations with no choice but to become ensnarled with the Communists. We should not be deluded by distance into thinking the fate of each country of the Middle East does not concern us. Once ensconced, communism spreads like the plague.

The effects of the closure of the Suez Canal is a recent reminder of the area's importance to our welfare.

2. The value attached to old or newly won independence: To the peoples of the Middle East, their independence is either a sacred tradition or a new precious right they are just learning to exercise. In either case they are determined to preserve it from infringement by any source. Sensitivity on this score is an overriding obsession. Their receptivity to this American doctrine rests upon our success in convincing them that the United States will act only at their request and then only to help them help themselves. The return to the United States from the aid extended under the doctrine, or otherwise, flows from what it enables the recipient countries to do for themselves. Constructive results would be negligible were political conditions attached. Fortunately the mutuality of interests between ourselves and area countries and the clear evidence of the value to each of cooperation lead us naturally along the same path.

3. Attitude toward international communism: Communism is anathema in the Middle East from the point of view of religion and traditional social values. None of the countries wish to see that atheistic creed established on their soil. But some nations have a tendency to think they can flirt with international communism, using it for their own purposes while keeping free of its tentacles. Their willingness to take risks in this regard increases in proportion to their inability to find a helping hand elsewhere, and also, in certain cases, to see the possibility of what they consider just solutions to intra-area problems.

4. Attitude toward the United States: I had not realized what a reservoir of good will we have in the Middle East. Government leaders do not hesitate to blame us for certain policies. Nevertheless, they have faith in our good intentions, respect for our motives, and are eager to test the two-way value of cooperation. We have a unique opportunity and a responsibility, which we can neglect only at our own peril.

5. Recent improvements in area conditions: I believe the last months have seen significant improvement in the area situation. Perhaps it is best described as the opening of possibilities to press forward for permanent gains toward peace and stability. With like-minded people, we have made a beginning. But, there are no grounds for complacency lest we quickly slip back behind the starting line. The Middle East is not an area of political equilibrium, if it is possible to find such a situation anywhere in our present world. It is a case of either going up or down hill. We want to keep on climbing.

6. The importance and complexities of our aid programs: These aid activities of ours are often large scale operations. In the Middle East they are carried on under the most difficult conditions by relatively small numbers of people who undoubtedly make mistakes, but whose efforts in their entirety are a credit and a value to our country. But there is always room for improvement. It is the duty, indeed the obligation, of all concerned constantly to search for means of increasing their effectiveness. One lesson experience has taught is that economic aid is not something one can package neatly into 1-year bundles. There is need for continuity in drawing up and carrying out these programs, and for flexibility. The changes proposed by the President, I believe, are an important improvement.

To sum up, there are two main features of this American doctrine. The first is the deterrent effect provided by the declared determination of the United States to use at the discretion of the President its Armed Forces to provide assistance if requested against armed attack by a state controlled by international communism. We have made this intent abundantly clear to the U. S. S. R. and the states of the area. I am convinced the U. S. S. R. will not risk overt attack as long as we keep up our global defenses. This assurance has brought vast relief to countries of the area, especially to those on the borders of the Soviet bloc and especially to the responsible military men. This aspect of the American doctrine has already achieved a notable success. The second is the extension of economic and military aid to build up strength to resist subversion and to help repel any attack by international communism. This cannot be a one-shot operation. The flexibility in extension of aid provided by the joint resolution has made an important contribution. However, the Communists are constantly boring away, searching for weak spots. We need to have available, on a continuing basis, the authority to act quickly. The doctrine as a whole can be judged a success only if we make good in all particulars. It will profit little the American people and the people of the Middle East if we make effective provision against overt attack, but neglect to provide protection against subversion.

In conclusion, may I make a few observations regarding the proposed basic amendments to the Mutual Security Act. You may recall that last fall I was directed by the Foreign Affairs Committee as its chairman to conduct a study of our foreign-aid programs and to recommend to the Congress by January 1, 1957, ways and means for improvement. If you will consult the record, you will find that my report included recommendations for basic changes very much in line with those now proposed by the President. My views on the subject have been confirmed by my recent studies in the Middle East. It is my judgment that:

1. The mutual security programs, including provision of both economic and military aid, are essential to the security of the United States.

2. Flexibility and the ability to act quickly are of primary importance. The special fund requested by the President which in the Middle East will permit him in part to carry on the work started by the joint resolution is indispensable to getting maximum results from the program as a whole.

3. Besides providing for special and emergency situations, we need to help meet the demand for a non-Communist way toward sound development. The development loan fund and the closely related technical cooperation program will permit us to do this most effectively.

4. We would be unwise indeed, in my opinion, to forego the immediate and direct strengthening of our own defenses to be derived from the defense-assistance program. In order that the American people can clearly understand that the defense-assistance program is an essential part of our own worldwide national defense program, it should be included in the Defense Department budget along with our other national defense programs.

5. These programs should not be one-shot annual affairs. Authority to spend funds over more than 1 year is needed and will result in better utilization of available moneys.

I am convinced that by carrying forward these mutual security programs in the manner recommended by the President in his message of May 21, the American people will help themselves by helping others make their own full contribution to the common defense and economic advancement of the free nations.

LABOR'S ANSWER TO KHRUSHCHEV

Mr. KNOWLAND. Mr. President, on yesterday the first secretary of the Communist Party in the Soviet Union made a television rebroadcast to the American people, in which he made certain predictions relative to this country ultimately having a Marxian Socialist form of economy, and presumably the type of government to go with it. I think Mr. Khrushchev perhaps may be pardoned for his predictions inasmuch as his outlook on the world is obviously colored by the Communist indoctrination he has received over the period of years.

However, Mr. President, I think the best answer, in advance to Mr. Khrushchev was given by the American Federation of Labor–CIO executive council on May 22, 1957. It is very important in our country that we not only have those in government and in the press who recognize the dangers of international communism to the free way of life, but that also the outstanding labor organization, the American Federation of Labor–CIO, should also clearly recognize the dangers which confront not only our country, but the entire Free World.

Mr. President, because of the importance of this statement by the AFL–CIO executive council, I ask that the entire statement be printed in the body of the RECORD as a part of my remarks at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE INTERNATIONAL SITUATION

(Statement by the AFL–CIO executive council, May 22, 1957)

The barbarous suppression of the Hungarian democratic revolution caused a worldwide revulsion against the Kremlin dictatorship and international communism. This suppression entailed Moscow's having to sacrifice every pretense of peaceful coexistence and to turn to open brutal aggression instead. To millions of people, especially in Asia and Africa, Soviet policy was exposed as viciously reactionary and utterly inhuman colonialism. But the West and the United Nations failed to respond effectively to the historic events in Hungary. Today, the moral indignation aroused by the Soviet savagery in Hungary has already begun to fade away in the democratic world. As a result, the movement for democracy and national independence in other satellite countries, such as Poland, has been slowed down.

Having weathered the most serious crisis yet faced by the Soviet Empire, the Kremlin rulers are now again turning to their so-called peaceful coexistence strategy for furthering their basic aims through encouraging the spread of neutralism, the relaxation of vigilance in the West, and the Communist infiltration of the free-labor organizations. The latest phase of Soviet foreign policy seeks to overcome the moral ostracism and isolation to which the Kremlin has been subjected in consequence of its criminal aggression against the brave Hungarian people. Moscow is again seeking to secure western acceptance of the Soviet system of satellite regimes and captive peoples as permanent. Through these moves, the Communist dictators strive to check the rising desire for freedom among the Russian people themselves.

In line with this strategy, Moscow has resumed its so-called cultural exchange campaign. It wants to restore and enhance Communist influence among the artists, scientists, business groups, and the trade unions of the Free World. Through greater utilization of the scientific, technical, and industrial superiority of the western democracies, and through securing goods and credits from them, the Kremlin seeks to overcome the economic difficulties caused by Communist policies and aggravated by the revolt in the satellities. For Moscow, alleviation of these difficulties is urgent because they seriously impede the sixth 5-year plan, endanger Soviet capacity to render aid to some so-called uncommitted countries, and tend to engender revolt among the captive peoples yearning for elementary human rights and better conditions of life and labor.

Today the strongest barrier to Soviet world conquest is NATO and the industrial and military strength of the United States. The Kremlin dictators have come to realize that they cannot attain further imperialist expansion through armed aggression or even intimidation as long as the West is united in a strong collective defense system and as long as the United States maintains its lead in the nuclear field. The Soviet dictatorship is, therefore, maneuvering to undermine and overcome this barrier. It is proposing to dissolve NATO, to dismantle United States bases in Europe, and to have all American military forces returned to the United States. In return, Moscow would be ready to terminate the Warsaw pact with its satellites, withdraw the Red Army behind the present Soviet borders, and conclude a so-called European security pact guaranteed by the U. S. S. R. and the United States.

This Soviet scheme provides for the continued partition of Germany and the maintenance of satellite Communist regimes in Eastern Europe. With its gigantic military machine remaining intact, Moscow could easily keep its East European puppet regimes in power. The Kremlin knows that the moment NATO ceases to exist and the American Armed Forces are no longer in Europe, the much-weakened free European countries would be at the mercy of totalitarian Russia. Through pressure, blackmail, threats, ultimatums, Communist subversion and coup d'état, the Kremlin could overawe and dictate to the free countries of Europe.

Following the 1936–39 Hitler pattern of conquest, Moscow could overwhelm and control these free countries one by one. With the elimination of NATO and American military power as an immediately available force capable of deterring and defeating Soviet aggression, the final outcome would be either a Soviet Europe or World War II. For these reasons, the executive council of the AFL–CIO strongly urges our Government and its NATO allies to reject this latest Soviet maneuver as detrimental to freedom and world peace.

The Soviet rulers are supplementing their efforts to destroy NATO with a large-scale drive to end western superiority in the nuclear field. While frantically speeding up the Soviet development and production of atomic and hydrogen weapons, the Communist dictators are propagandizing a ban on the manufacture and tests of hydrogen bombs. While thus seeking to exploit for their own sinister aims the widespread and justified fear of an atomic war, the Soviet rulers are adamant in their opposition to the establishment of an effective worldwide system of inspection, control, and enforcement which alone could insure the discontinuance of further nuclear tests and an atomic war.

The fraudulent character of this Soviet maneuver and propaganda has been further exposed by Moscow's unequivocal rejection of Britain's latest modest but indispensible steps toward ending nuclear explosions. That the Soviet rulers are not animated by an earnest desire to relax international tension and seek only to weaken the democratic West is also confirmed by their latest response to President Eisenhower's proposal for aerial inspection. Moscow would have all of Western Europe and the Western half of the United States—but not the strategically important regions of the U. S. S. R.—subject to aerial inspection.

In view of the aforementioned developments, the executive council of the AFL–CIO urges our Government to adopt the following measures for protecting and promoting freedom, peace, prosperity, and social progress:

1. Give categoric assurance to the U. N. and the entire world that it will not enter into any bilateral arrangement or a deal with the U. S. S. R. for maintaining the international status quo—even under the guise of thus assuring world peace.

2. Be prepared to participate in another summit conference after the Soviet Government has complied with the U. N. decisions for the withdrawal of the Red army of occupation from Hungary and has discontinued its intrigue against and sabotage of peace in the Middle East.

3. Enter into negotiations with Moscow for a new European Collective Security Pact after the Soviet Government has carried out its previous pledges for German reunification in freedom and has complied with the Yalta agreement for "the * * * establishment through free elections of governments responsive to the will of the peoples" in the countries liberated from the Nazi yoke.

4. Place the problem of German national reunification and the situation of the captive countries on the agenda of the forthcoming 12th session of the U. N. General Assembly.

5. Mobilize all economic and diplomatic influence and resources to have Egypt comply with the U. N. six principles on the Suez situation so as to assure Israel and every other nation the right to freedom of navigation in the Suez Canal and the Gulf of Aqaba.

6. Move to reconvene the 11th session of the U. N. General Assembly for the purpose of acting on the full report of its Special Committee on Hungary and the continued Soviet repression of the Hungarian people.

7. Expand the American aid program for Hungarian refugees still in Austria and other countries to which they fled in the hope of coming to the United States.

8. Speed the transformation of NATO so as to enable it "to fulfill its primary purpose as a military defense body but in addition as an organ for greater economic and political cooperation in advancing peace, human rights, and improving living standards."

9. Work uncompromisingly and energetically for the establishment of a foolproof system of international inspection and control of nuclear and all other weapons of mass destruction in the air, on and under the ground, and on and under the sea in order to achieve progressively universal disarmament.

10. Assure congressional approval of the President's foreign-aid program with the additional proviso that America's efforts to help the needy populations in countries like Poland should be directed toward providing them, through an international agency, like the Red Cross, with consumer's goods rather than selling to their dictatorial regimes industrial machinery which might serve Moscow's military potential.

11. Call an international economic conference of all nontotalitarian countries for the purpose of promoting freedom, peace, prosperity, and social progress through joint action in: Raising the purchasing power and productive capacities especially of the peoples in economically underdeveloped areas; expanding their respective domestic markets; facilitating and expanding trade among the free nations; stabilizing prices of the basic raw materials; and organizing a more just international access to the world's natural resources; and securing more rational international utilization of the surplus manpower in any particular country.

Mr. KNOWLAND. Mr. President, while Mr. Khrushchev predicted that our grandchildren would be living under a Marxian Socialist system, I think it is perhaps for more accurate to say that the grandchildren of the present rulers of the Kremlin, and perhaps their children, or even the present generation of people in the Soviet Union, may be living under a free form of government long before the prediction Mr. Khrushchev made can ever be realized.

THE NEED FOR A MIDDLE EAST DEVELOPMENT AUTHORITY—ADDRESS BY DAVID ROCKEFELLER

Mr. WILEY. Mr. President, the other day there came to my attention a most significant address which was delivered by one of America's leading citizens, Mr. David Rockefeller, vice chairman of the board of directors of the Chase Manhattan Bank.

Speaking before the Arkansas Bankers' Association, Mr. Rockefeller addressed himself to the question of America's vital stake in the Middle East. He pointed out the vast and increasing needs of the Free World for petroleum. He pointed out further, however, that while the Middle East is rich with oil, only 6 of the 19 nations of that area are now enjoying oil production within their borders. As a result, there is an uneven distribution of the sizable oil revenues within this troubled, underdeveloped area.

Then, Mr. Rockefeller pointed out that many of the principal problems of the Middle East can best be solved on a regional rather than on a national basis.

He referred, for example, to such problems as the need for better utilization of waters of the Nile. This key matter involves not only Egypt but Ethiopia and the Sudan. Other regionwide problems are utilization of the Jordan River and widening of the Suez Canal.

Against this background, Mr. Rockefeller suggested that there be financed a Mideast regional development authority. Its organization and processes would be patterned on those of the World Bank.

This authority would make only sound loans and investments. Its management would be nonpolitical, highly trained, and skilled.

If such a Middle East authority were to be established, consideration might be given to allocating to it a part of the funds which our Government plans to assign to the Middle East under the Eisenhower doctrine.

This, then, is the basic outline of Mr. Rockefeller's suggestion.

In the short time since his helpful address, I am pleased to state that a number of leading journals throughout the United States have editorialized favorably on it.

I particularly commend it because I think it offers the type of new modus vivendi which is essential to extricate that region from the rut of troubles, frictions, and Soviet intrigue in which the Mideast now finds itself.

To establish such a Middle East authority would take a great deal of statesmanship, patience, and thoughtfulness.

Why? Obviously, because there is a deep pride among the Middle Eastern powers and, yes, deep suspicion and rivalry, as well.

And yet, I believe that among thinking leaders of the Middle East powers, there is a definite feeling that a new type approach must be adopted, if those who are truly devoted to the best interests of the region are to solve the Middle East's dilemmas—in a constructive fashion.

I ask unanimous consent that the text of Mr. Rockefeller's address be printed at this point in the body of the RECORD.

I trust that it will be given the most careful review by all interested parties.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

OUR STAKE IN THE MIDDLE EAST—ADDRESS BY DAVID ROCKEFELLER, VICE CHAIRMAN OF THE BOARD, THE CHASE MANHATTAN BANK, AT THE ANNUAL CONVENTION OF THE ARKANSAS BANKERS ASSOCIATION, WEDNESDAY, MAY 22, 1957, AT ARLINGTON HOTEL, HOT SPRINGS, ARK.

It is a great pleasure for me to be here today at the Arkansas Bankers Convention in this land which has been so very hospitable to my brother, Win, and which he has adopted as his home. I am particularly happy to have a chance to see at firsthand the remarkable progress you are making in this part of the country. I know that banking has played a most important role in stimulating the sound development and expansion of industry, commerce, and farming in Arkansas and her neighboring States. From all I have seen and heard, the banks of Arkansas are to be congratulated on the fine job that has been done, and you should look forward with confidence to continued advances in the period ahead.

When Jeff Burnett of the Arkansas Bankers Association asked me to speak to you today, we talked about what I might say to you which would be of interest. I suggested that this might be an appropriate time to discuss Our Stake in the Middle East. Developments in the Middle East have occupied substantial space on the front pages of our newspapers in the past 6 months. We have seen the seizure of the Suez Canal, the attack on Egypt, the U. N. cases-fire followed by the clearing of the canal, and more recently, the crisis in Jordan. In one sense, these events may seem remote, but in another they have a very important bearing on all of our lives.

The events we have mentioned have, indeed, been dramatic. Yet what I wish to emphasize today is not the news of the hour—or even of recent months—but rather the emergence of certain basic long-term facts and trends which cause the Middle East to assume a role of new and lasting importance for the whole Western World.

Why is it then that developments in the vast and faraway area of the Middle East should even affect banks and bank customers in the center of our country? To my mind, an answer to this question involves two main considerations. First, the Middle East is one of the key strategic areas of the world. We have a series of military bases there that form an integral part of our defense structure. These bases, and the recently proclaimed Eisenhower doctrine, reflect the importance which our Government assigns to the area from the point of view of our strategic defense against Russian aggression. Because it is at the crossroads of Asia, Europe and Africa and contain 1 of the 2 major canals of the world, the Middle East is of crucial importance to the economies of all the nations of the Free World, both in peacetime and in war. If the cause of freedom is to win out, it is vitally important to us to secure the support of the peoples of this area in our efforts to work out a secure and lasting peace. This is the politicomilitary side of the picture.

There is, however, a second reason for our concern about the Middle East. It is an area which contains 70 percent fo the world's proven oil reserves, but which now uses only 1 percent of the world's annual production. In contrast, the United States has only 15 percent of world petroleum reserves and uses more than half of all the petroleum and petroleum products the world now produces each year. Europe, the second most important market, has very little oil of its own. As the demand for oil in Europe and the Americas grows, the economic importance of Middle Eastern oil to the Free World grows correspondingly.

However, it could be that this very disparity between the countries having the big petroleum reserves and those which are the big consumers of petroleum will prove to be the basis for the development of sound and lasting economic relationships between the industrialized nations of the West and the underdeveloped nations of the Middle East. Both the United States and Western Europe need the oil which the Middle East can supply. By meeting this need, the Middle East can earn the funds and the foreign exchange necessary to support its general economic development.

To see why the nations of the Western World, and those of the Middle East, have a compelling mutual interest in development of the latter's vast petroleum resources, it is necessary to turn first to the basic trends in the world's supply of energy. An adequate supply of energy at reasonable cost—from coal, oil, natural gas, or other sources—is obviously a necessary condition for economic progress in the world of today. Our rising productivity depends on our ability to supplement human effort with energy applied through machines. Only through the harnessing of an ever-expanding amount of energy have we been able to increase our production at a rate that has exceeded the growth in our population. Only in this way has it been possible to keep pushing up our living standards.

Until recently, both the United States and Western Europe were able to provide the increasing supplies of the energy they needed to support industrial growth largely from domestic resources. During the past few decades here in our own country, we have had a truly phenomenal increase in oil and natural gas production. But since 1920, our use of oil has multiplied 7 times, and our use of natural gas 10 times. Thus, despite our growth in production, we were forced to become a net importer of petroleum and petroleum products about a decade ago. We now import about a tenth of the oil we use. It has been through developing our petroleum and natural gas resources that we have been able to meet our expanding needs for energy at costs the Nation could afford to pay. Our use of energy has shown a long-term growth averaging 3.3 percent per year, or somewhat more than the average annual growth of our production of goods and services. However, the overall cost of supplying the energy the United States uses has increased from 4½ percent of our gross national product in 1900 to almost 7 percent today, a 55 percent increase. Energy is still relatively low-priced in our country, but it is important to our future growth that we keep it that way. A 50 percent increase in the relative cost of energy in the next 50 years might well slow down the rate at which we could afford to use more energy. Therefore, we must seek ways that promise to prevent the cost of the energy the Nation requires from exceeding the present ratio of 7 percent of total output.

In Western Europe, the problem is somewhat different. There, the primary source of energy has been coal—in fact, coal still provides 70 percent of all energy on that continent (as against about 20 percent in the United States). Nevertheless, as recently as 1948, Western Europe met almost 90 percent of its energy needs from domestic production of coal and other fuels. But since that time, the industrial economy of Western Europe has experienced a considerable growth, while their domestic production of coal and other energy sources was bumping against a ceiling. Thus, Western Europe is now importing about a fifth of its energy requirements (or twice the proportion we import). Here again as is the case in the United States, the rising cost of energy is also a source of concern in Europe.

This brief review of recent trends in the United States and Western Europe shows that there has been a fundamental shift in the relationship between the demand for energy and the world distribution of energy sources. The industrialized nations of the west must now import a sizable part of the energy they use. However, the real significance of these trends emerges when you take a look at the future. A number of competent studies of probable future trends in the energy field have been made by governmental, international, and private institutions. In my opinion, which I hope is unbiased, one of the most authoritative of these is the recent report prepared by the petroleum department of the Chase Manhattan Bank.

But our studies show that the continued prosperity and expansion of the economies of our Nation and that of Western Europe depend on the accelerated expansion of petroleum production throughout the Free World, for they anticipate an increase in petroleum consumption in the Free World of more than 60 percent between 1956 and 1966. The increase for the United States itself is projected at 63 percent, whereas it is forecast that use in the rest of the Free World will more than double.

Where will we find the large petroleum supplies to meet this growing demand? Our petroleum department believes the United States domestic petroleum production may well rise almost 40 percent by 1966. However, it is unlikely to increase any more than this. It is not that the United States is running out of oil, far from it. But to continue to increase production 5 percent each year would involve a massive effort and a massive treatment. Even to sustain the 40 percent growth projected for 1966 means that we must find 1½ barrels of oil for each barrel produced, if we are to have adequate reserves. In the past 5 years, we have fallen short of this requirement.

The reason we have fallen short is that the cost of increasing our oil reserves has been rising steadily. I am told that the reserves added for each exploratory well drilled have declined from 450,000 barrels 10 years ago, to less than 200,000 barrels last year. And the cost of exploration has moved steadily higher. This is a hard fact with which I know all of you here in the Southwest are all too familiar.

In order to avoid a sharp advance in the cost of meeting our needs for petroleum, we must inevitably interest ourselves more actively in foreign sources of oil. I would like to emphasize that we should do this not to replace the present flow from domestic sources, but to supplement it. In looking abroad for additional petroleum supplies, it is natural that we should consider first the areas closest to us. Various surveys that have been made show that production in Canada, Venezuela, and other nations in the Americas could be increased rapidly enough, and economically enough, to supply the bulk of the Western Hemisphere's requirements.

The situation in Europe, however, is radically different. Careful studies show that even with a large-scale investment program,

the present prospect is that Western Europe's output of coal, oil, natural gas, and nuclear power combined could be increased by more than a third in the next 20 years. That would meet little more than one-third of the area's anticipated requirements for an increased flow of energy to support continued economic advance. In the short-term future, the only source Western Europe can turn to for additional energy supplies at reasonable cost is the Middle East.

In point of fact, unless vast new and unanticipated deposits are discovered, it seems clear that the Western Hemisphere alone could meet only about half the foreseen requirements of the Free World as a whole for increased oil supplies during the next 10 years. And this is why the Middle East is so important. There is not the slightest doubt that the Middle East has the physical capacity to produce as much oil as is needed to balance world demand in the foreseeable future. Moreover, the basic costs of production in that area (assuming reasonable arrangements for taxpayments to local governments) are likely to be lower than in other parts of the world.

Consequently, the Free World is becoming more and more dependent on the Middle East. This fact emerges most clearly when you consider that the future growth of the Western European economy is almost wholly dependent on an increased flow of Middle East oil. This is true despite the fact that oil shortage resulting from the recent crisis arising out of the closing of the Suez Canal was handled on an emergency and strictly temporary basis in admirable fashion with the help of the United States. The oil industry rose to the challenge and did a remarkable job in rearranging the flow of world oil to meet Western Europe's needs with a minimum of disruption. However, the very fact that Europe's use of oil is growing at a rate of 13 percent per year points to the fact that it will be more and more difficult to deal with a similar crisis should it occur a few years hence.

The Suez crisis emphasized how vulnerable future growth prospects in both Europe and the United States are to the shifting political tides in the Middle East. In Europe, this realization has acted as a powerful spur to the development of a common market encompassing six of the nations of Western Europe. This is a good thing for a free trade area in Europe (or the common market as it has come to be called) could strengthen the economies of the Western European nations making them less vulnerable to external developments.

In addition, the Suez crisis has provided a great impetus to the search for oil in the Sahara Desert and in Latin America; to the building of huge tankers; and to plans for the construction of additional pipelines to move Middle East oil to Mediterranean ports where it can be shipped to Europe.

The impact of Suez on our own economy has been less dramatic, since we were able to surmont the recent crisis without resorting to rationing or other measures of the sort that evoke a widespread public response. Yet indirectly the long-run implications may well be as significant for the United States as for Western Europe. We have a vital interest in the continued military and economic well-being of Western Europe. On the military side, the NATO alliance is perhaps the keystone in our attempt to build a secure peace. But NATO would quickly be placed in jeopardy if an adequate flow of oil to Europe were interrupted. NATO's vulnerability to an oil shortage was brought home most vividly in the recent Suez crisis.

On the economic side, we should be concerned about Western Europe's energy problems since even with the substantial resources of the Americas, the Western Hemisphere does not appear to have a petroleum supply adequate to meet the requirements of the entire Free World in the next few decades. An attempt to do without Middle East oil would complicate our energy problems enormously, both from a supply and a cost point of view.

It seems clear, then, that the Western World has a most vital interest in the Middle East. In view of the perplexing political problems surrounding that area, this is far from a reassuring conclusion. What I should like to suggest today, however, is that we should not approach our position in the Middle East with a defeatist attitude. The problems we face offer us a challenging opportunity to demonstrate what can be accomplished through private foreign investment supplemented by a realistic program of Government technical assistance and developmental aid.

Consider for a moment the bare economic facts of the Middle East as we find them today. The area includes 19 political entities with a population of 60 million people. Most of the inhabitants now exist at a minimum subsistence level; so low a level, in fact, that the average income per person is probably no more than $100 a year. The overall economy of the area produces no more than eight to ten billion dollars of goods and services annually—a small amount indeed compared to our standards.

In this situation, earnings from oil if wisely used, could make a tremendous contribution to the area's economic development. Estimates are that the Middle East's share in last year's petroleum production amounted to approximately $1 billion. That was 4 times the amount the area received in 1950, only 6 years earlier. The $1 billion earned from oil amounted to about 10 percent of the total production of the Middle East, and to a third of its foreign exchange earnings.

Projections of the world petroleum demand for 1966 show that the Middle East could readily increase its annual production 2½ times by that year. Thus, earnings from oil could likewise increase to $2½ billion annually by 1966. Over the total 10-year period, the area could look forward to receipts of about $18 billion from oil development.

If these earnings could be channeled into productive investment, they could generate a significant rise in living standards throughout the Middle East. Experience around the world shows that the nations which manage to invest as much as 15 to 20 percent of their annual production in roads, industrial equipment, farm development, and the like achieve a substantial rate of economic progress. Earnings from oil are sufficient to lift the rate of investment in the Middle East into this 15 to 20 percent range and thus help generate an upward movement in living standards throughout the area.

What is wanted is a program to sow the oil on the general pattern that has proven so successful in Venezuela. Venezuela has used oil earnings to finance general economic development. As a result, real income per person has increased 50 percent in the past 15 years. Similar results are achievable in the Middle East.

However, the problem of channeling oil earnings into growth-promoting activities is more complex in the Middle East than in Venezuela because there we are dealing with 19 political units of widely differing characteristics and problems. Moreover, direct receipts from oil production accrue to only 6 of these 19 nations. But other nations, as for example Egypt, Syria, and Jordan, could benefit from oil production, and could earn substantial sums by furnishing efficient facilities to transport oil to market. Egypt has been capitalizing on this through her control of the Suez Canal.

It is important to recognize, however, that in the long run no nation (not even Egypt) has a true monopoly of the means of transport for oil, or even of oil production. The huge tankers now being built are, in fact, too big to pass through the Suez. And the economics of tanker operations point to even bigger units.

Given time and sufficient capital investment in huge tankers, pipelines, and the search for new oil reserves, the Western World could bypass any artificial barriers such as Egypt is using in Suez—barriers that are imposed under the influence of short-sighted political pressures. In any event, oil remains the major opportunity—the great resource—which, if intelligently used, can lift the Middle East from its present level of relative poverty.

Some Middle Eastern nations have already made good progress in putting oil earnings to work to support general economic development. Iraq has completed major flood control projects on the Tigris and Euphrates Rivers, and is now working on a 6-year $1½ billion dollar development program. In oil rich little Kuwait, where oil revenues amount to the fantastic figure of $1,100 per person each year, a program is underway to build roads, develop a port and build a pipeline to bring water from Iraq.

However, the fact that oil earnings (the Middle East's major source of foreign exchange) are not evenly distributed throughout the region has led to uneven development. Some of the major oil-producing nations have greater annual revenues than they can use effectively in their present state of development, whereas other nations are hard pressed for funds to finance development. From a financial standpoint, therefore, there is need for a regional approach to the area's problems.

In fact, an impressive number of the Middle East's general problems can be solved efficiently only if handled on a regional basis. In broad terms, the two major problems are to develop a transportation system, and to bring water to parched lands. Three concrete examples can be advanced to support the case for a regional, as opposed to a national, effort:

1. The waters of the Nile could be used to develop agriculture not only in Egypt, but also in Ethiopia and the Sudan;

2. The Jordan River could be developed to provide power and irrigation in a manner that would benefit countries surrounding it;

3. The Suez Canal could be widened and deepened to accommodate the huge tankers now being built, thus increasing the flow of trade through one of the major arteries of the world.

These are only a few of the many examples of what might be done if a method could be found to use the region's massive earnings from oily effectively.

One way of accomplishing this might be to establish a regional development authority which would channel the surplus funds of the nations with large oil earnings into productive activities throughout the area. While I am always reluctant to suggest the creation of a new agency in a world that is already generously endowed in this respect, I do not believe that any existing organization can fill the need. Moreover, in view of the nature of the problems, it would seem desirable to have a new agency that the Middle East countries would consider their own.

In setting up such a regional development authority, I would urge that its structure and operations be patterned on those of the World Bank, which, through its progressive ideals coupled with able and conservative management, has been by all odds the most effective of all our postwar international economic organizations. Such a regional development authority, I believe, should make only sound loans and investments. It should follow the World Bank practice of making

sure that the projects it finances fit into an economically sound development program for the borrowing country. Its management should be competent and nonpolitical. In fact, it might be desirable to work out an arrangement by which the World Bank would provide technical assistance to the regional development authority in finding personnel and developing its pattern of operations.

If a balanced and constructive regional development authority could be established, it might be desirable to use it as the mechanism for handling a part of the $200 million of United States Government aid funds allocated to the Middle East under the Eisenhower doctrine. In addition, if such an instrumentality were to exist, the oil companies themselves might see fit to take part in some of its activities.

There is, of course, no guaranty that such an Authority would solve all the perplexing political, social, and economic problems of the Middle East. Yet, I am sure it would be an important step in the right direction, for without it, it is hard to see how the varied and conflicting forces in the Middle East could be brought together to solve the complex economic problems which confront them. Such an Authority would serve our interest in helping to promote the economic development of an area that is of crucial importance to our future security and prosperity. While economic growth is no panacea in itself, it may well be a prerequisite to progress on the social and political fronts and thus it can contribute importantly to world peace and stability.

I have talked today about developments in a part of the world that seems far away from us here in Hot Springs. Yet, as I have tried to show, what happens in the Middle East in the years ahead can have an important, perhaps even a decisive effect on our own Nation's security and prosperity. Middle East oil development can be expected to continue, and, in fact, some projections show that in 10 years, production there will be four-fifths as large as that in the United States. Over a longer period, Middle East production of oil may exceed our own. This is bound to have a strong effect on our industry. As Middle East oil production expands, the area could become one of the fastest growing markets for United States machinery, equipment, and other goods. Our total trade with this region, both exports and imports, now exceeds a billion dollars. But if we keep our share of the market, our exports to the Middle East could go up almost 10 percent per year in the next decade. It seems to me more and more clear that American businessmen and bankers need to keep up to date and well informed on Middle East developments.

In stressing the importance of the Middle East and the opportunities that can be opened up by the effective use of its huge oil resources, I do not wish to minimize the very real difficulties we can expect to encounter on the political front. As all of you know, it is a region of historic racial, religious, and political tensions, both domestic and international. It is also at present one of the primary targets of Soviet penetration. We can be sure that every possible device will be used by Russia to promote its interests in that area.

Yet, as I have tried to point out, the difficulty of the task should not blind us to the fact that the Middle East is vitally important to us, nor should it deter us from pursuing a positive and vigorous program. Fortunately, there is an interdependence between the Middle East and ourselves, for their only hope of using their oil effectively in the support of general economic progress lies in cooperating with the West.

Our task is first one of understanding. We cannot act intelligently until we know the history, the ambitions, and the mentality of the people who, for centuries, have lived in the Middle East. Next, we must formulate a program which takes into account both our own objectives and theirs. Finally, we must proceed on our course with conviction, strength and statesmanship. Our stake in the Middle East is huge. Let us not lose it by inaction or an ill-considered move.

THE NEED FOR EXPANDING OUR POOL OF FOREIGN LANGUAGE SPECIALISTS

Mr. WILEY. Mr. President, of the 2½ billion people on earth, only 250 million or so speak English as their native tongue.

This fact is one of the significant elements to bear in mind in connection with our efforts to maintain contact with the peoples of the world on both sides of the Iron Curtain.

Yesterday's CBS radio-television interview with Nikita Khrushchev shows that we are in a never-ending battle for the minds of men against a capable, resourceful, determined adversary.

MASS SOVIET TRAINING

But Mr. Khrushchev spoke Russian yesterday, and his cohorts are systematically graduating foreign-language specialists by the hundreds of thousands. These, in turn, can be sent to the farthest corners of the earth and speak the native tongue of foreign peoples, while helping build a dam or a road or a sewer system for them, and/or passing along Communist propaganda in the foreign tongue.

Meanwhile, as I have repeatedly stated here on the floor, the United States is sadly deficient in the foreign-language training of its own citizens.

We are short in terms of the needs of Government. We are short in terms of the needs of private business. We are short in terms of simple person-to-person contact for our own understanding as individuals.

I am pleased, however, to note that a number of steps are being taken by public and private sources so as to help cope with our shortage of foreign-language specialists.

FINE WORK OF MODERN LANGUAGE ASSOCIATION

In Madison, the capital of my State, from September 9 to 11, there will occur the annual convention of the Modern Language Association.

Important in this year's MLA program will be a discussion of the foreign-language problem.

In this connection, I send to the desk excerpts from a most helpful report which was prepared by Prof. William Riley Parker, of the department of English of Indiana University. Professor Parker, a member of the United States National Commission for UNESCO, and former executive secretary of the Modern Language Association, was asked by the Commission to prepare a discussion guide on this problem.

This is but one phase of the very important overall role which has been played by the Modern Language Association.

I send to the desk excerpts of Professor Parker's working paper. I precede them with two quotations which I believe highlight the importance of this issue. The first is from a message to the MLA from President Eisenhower. And the second is one from the present Director-General of UNESCO, the Honorable Luther H. Evans.

I ask unanimous consent that these excerpts be printed at this point in the body of the CONGRESSIONAL RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

I hope that you will explore * * * the ways in which language study can be used to strengthen our own cultural heritage as well as to cultivate better understanding between our citizens and those of other countries. * * * It is heartening to note that you are engaged in a study of the role which foreign languages and literatures should play in American life. (A message from President Dwight D. Eisenhower to the Modern Language Association of America, December 9, 1953.)

UNESCO has set itself to promote familiarity with the most widely spoken languages, so that larger sections of the world's population may communicate with one another. In so doing, the Organization is striving to make it easier for all the peoples to acquaint themselves with the world's civilization as a whole, while at the same time safeguarding and indeed developing the essential individuality of each one of them. (Luther H. Evans, Director-General of UNESCO.)

THE NATIONAL INTEREST AND FOREIGN LANGUAGES

(A discussion guide and work paper prepared by William Riley Parker for citizen consultations sponsored by the U. S. National Commission for UNESCO, Department of State)

PART III—TOMORROW'S FOREIGN LANGUAGE NEEDS

15. Foreign languages and international understanding

Everybody wants more international understanding. An increasing number of Americans, plain and prominent, are saying it is the most important subject to be taught in our schools. Although few of them go on to show specifically how it is to be taught, there is urgency in the talk; President Millicent McIntosh of Barnard College declares: "You might as well pour children's education down the drain unless they are taught international understanding today." Hundreds of people have recently called for more attention to foreign language study in our schools and colleges as an essential means to this end.

But knowledge of a foreign language, whether extensive or slight, brings no automatic or certain sympathy with the people speaking that language. It may bring the opposite. History is bloodstained with tales of nations speaking the same language and hating one another. We have twice been at war with England, which, like America, has suffered prolonged and disastrous civil conflict. Europe, where so many people speak the language of neighboring countries, has been a perpetual battleground. Communists are today learning English and Americans Russian more for protective rather than peace-seeking purposes.

What do so many people mean then when they talk today about a knowledge of foreign languages as a vital element in international understanding? The point, of course, is that language study speeds and increases understanding when the desire to understand is there—speeds and increases sympathy when the germ of it is present. Language study may, and often does (although there can be no guaranty), create

the desire to understand, the germ of sympathy. It may, and often does, prevent misunderstanding. Starting from good will, foreign language study makes possible that ready and more nearly perfect communication between peoples upon which mutual understanding depends. Starting from indifference, foreign language study makes possible, through better communication, the discovery of good will. As Secretary of State John Foster Dulles has said: "Interpreters are no substitute. It is not possible to understand what is in the minds of other people without understanding their language, and without understanding their language it is impossible to be sure that they understand what is on our minds."

But there is more to the issue. What has just been said has always been true. Two additional factors, however, have given the whole problem so much urgency, especially for Americans, that many public figures, like Leo M. Cherne, executive director of the Research Institute of America, are saying, "A knowledge of foreign languages is so much more useful and necessary today than it has ever been in our history." These two factors are what Cherne calls "the shrinking of the world" and America's new role in it. Communication between peoples was always a problem; but, thanks to modern science and technology, it is today a problem involving more people, more often, and more speedily, than ever before in the annals of mankind—and the climax of this development is not in sight. The details—air travel, films, radio and television, the press, and all the rest—are too familiar and omnipresent to be spelled out. Never have so many Americans encountered so much foreign speech with so little equipment for communication and so much depending upon communication. A sentence spoken in Paris or Rome or Moscow is read a few hours later in Chicago or Los Angeles, and whether accurately translated or not, who knows? And if literally translated, what connotations or nuances are lost, who knows?

It is a characteristic of the man with only one language that he naturally, but sometimes disastrously, tends to identify words with things. "Democracy" means something, and our word for it can, of course, be translated into other tongues. But what do the Russians mean by "democracy"? They are very fond of the word, and invite us to translate their usage literally. For that matter, what do the French mean by a "liberal" (a reactionary) and a "radical Socialist" (a conservative)? The man who acquires a second language learns the full meaning of words that seem the same as English words, but actually mean something different. This is a kind of knowledge crucial to international understanding.

Remember the American reporters (it was just a few years ago) who interviewed a French general and quoted him as "demanding" American aid for the French war in Indochina? (A deceptive word, "demander," except for those who know a little French.) Remember your fellow citizens (it was only a while ago) who accused UNESCO of preaching world government and one-world citizenship? UNESCO's headquarters are in Paris, and much UNESCO talk and writing are originally in French. UNESCO did and does promote civisme international, which until March 1952 usually got loosely translated into English as "world citizenship." It does not, of course, mean world citizenship in any legal sense (citoyennetté internationale), implying rights and duties between a state and an individual. But a single, too casual translation came close to damaging one of mankind's best hopes for peace.

America's new role in the world simply aggravates our national sensitivity to this unprecedented problem of stepped-up communication. Brig. Gen. M. K. Deichelman asks: "As world leaders, shouldn't we be the first to start breaking down present enormous language barriers which are bound to cause misunderstanding?" President Lynn White, of Mills College, puts it this way: "To expect the educated citizens of other lands to learn English without our troubling to acquaint ourselves with some foreign tongue is the sort of effrontery which is ruining America's reputation and influence abroad." In other words, the big question is now: International understanding in whose language?

Effrontery, linguistic complacency—such traits, we are told, do not suit our new role of global leadership. Even the appearance of them is to be avoided if possible in a nervous, easily resentful world, parts of which accuse us of cultural imperialism. Our indulgence of linguistic and cultural isolationism long after we professed to abandon political isolationism is, in the watchful eyes of other peoples, a suspicious paradox. No question about it, a great many foreigners understand English; but what they do not understand is America's evident ignorance of the fact that ethnic symbols and sympathies and aspirations defy translation and must be directly grasped by sufficient knowledge of a foreign tongue.

How well known is English—in France, for example? With the aid of the French Institute of Public Opinion, the magazine Réalités recently conducted a nationwide survey covering all French social classes and found that 8 percent say they know English, 22 percent say they have a smattering of it, but 70 percent say they do not understand a word of it. In India, only about 2 percent of 330 million people understand English.

Given an atmosphere of good will, an individual traveling abroad can, in a sense, "get by" or "get along" with English or, for that matter, with sign language. (A blind man gets along with a seeing-eye dog.) But given an atmosphere of global tension, which is the atmosphere in which we live today, it would seem that no nation, particularly not a nation with frightening power and enviable wealth, can long get by without even trying to talk the other fellow's language. One language makes a wall; it takes two to make a gate. That is why Americans, praying for peace and seeking an increase in international understanding, now gather to discuss foreign language study as a means to these ends.

16. Foreign languages and the Armed Forces

We pray for peace. We may again find ourselves at war. It would be folly to blink the possibility and equal folly to forget the military importance of foreign languages. The Armed Forces of the United States, which had needed a limited number of translators and interpreters in previous conflicts, discovered in World War II that proficiency in languages was a vital military weapon and thereupon spent an estimated $40 million to obtain it quickly. The wartime intensive language program was an aural-oral cramming process to meet an emergency. The emergency passed, what need now have the Army, Navy, and Air Force of foreign languages?

In June 1948 the Public Information Division, Department of the Army, sent to college and university presidents a lengthy communication beginning as follows: "The importance of training college and university students in the basic fundamentals of foreign languages as a vital requirement for national security in the event this Nation is ever forced into another war was stressed today by Gen. Jacob L. Devers, Chief, Army Field Forces. General Devers pointed out that a working knowledge of foreign languages is essential so that American troops would be able to deal intelligently with the personnel of any foreign allies this country would have in a future war, as well as a necessity in questioning prisoners of war of a foreign foe and in relations with enemy civilian nationals when enemy territory is occupied."

But what, exactly, are the present and the potential needs of our Armed Forces for men and women with a working knowledge of foreign languages? To this question there is no reliable answer except the lesson of history. In the early years of World War II the linguistic needs of our Armed Forces suddenly became great and urgent, and we were shockingly unprepared, for it was widely held before 1941 that Americans had little practical use for foreign languages. To be sure, during World War I an estimated 2,393,000 had seen service outside the continental United States, but that was briefly, and long ago. No one dreamed that between December 7, 1941, and the end of 1945 an estimated 11,453,000 American youths would serve outside our comfortably monolingual borders—and, during the Korean hostilities of 1950–53, about 3,700,000. Today no one knows how many American youths will next have to be sent where. We are currently spending about $40 billion a year on our defense effort.

Last year, of the 3 million or so Americans in active military service, about 1,370,000 were stationed in 900 foreign installations. In July 1954 the United States Air Force in Europe introduced a mandatory, on-duty, language training program for all personnel, aiming to break the linguistic barrier between American personnel and our allies, and foster better community relations in areas where Americans are stationed. The courses in 10 different foreign languages were therefore made available also, on a voluntary basis, to dependents of about 80,000 airmen. They have proved popular with wives and mothers, according to the USAFE director of education. The Air Force strongly encourages officers and airmen to take, beyond the mandatory classes, 2 or more years of foreign language study through university programs organized in a foreign theater; thus a year or so ago, more than 3,000 were enrolled at Air Force bases in University of Maryland language courses in French, German, and Russian. At home the Air Force has been sending its personnel to the Army Language School and to various universities.

We hardly need cite the new Air Force Academy, where language study is now required of all cadets (after an initial plan to offer them a choice between languages and a course in aircraft design), or the academies at Annapolis and West Point (at the latter every cadet studied French from 1802, its founding, until 1942, and today studies one of five languages offered). We should, however, note the installation of a language laboratory in the Army's Counterintelligence Corps School in Baltimore and also the establishment of the Navy's language school at Anacostia and the Army's language school at the Presidio of Monterey, Calif. (from 1946, although a program of instruction in Japanese was there as early as 1941). The Army's language school had graduated about 16,000 up to July 1955; it currently has some 2,300 students (more than are enrolled in modern foreign language classes in all the public high schools of Kansas or any one of eight other States) and about 550 instructors (note the ratio; 4 students per teacher), and it teaches a total of 31 languages. The students devote full time to language learning (11 months to Russian, 6 to Romance or Germanic languages), and classes are limited to about 8 persons (as are the first-year classes at West Point). The school has prepared and printed its own textbooks.

One of the Army's basic training manuals (FM 22-10, 1951) advises officers: "Learn

and cultivate the use of at least one foreign language. Lack of language facility is a marked handicap to leaders who must be prepared to serve the farflung interests of the United States." At SHAPE (Supreme Headquarters Allied Powers, Europe), where the official languages are English and French but the personnel have to deal with nationals of many countries, a language laboratory was installed in 1952, with tape recorders and all the latest accessories for speedy learning. Supreme Headquarters not long ago recommended that the study of English and French be stepped up in military schools and staff courses in all continental allied nations; earlier, NATO's Deputy Chief of Staff for Administration and Logistics had bewailed the mounting inefficiency resulting from language barriers.

The United States Armed Forces Institute (established 1943), which offers servicemen correspondence and self-study courses and materials for group-study courses, has found foreign languages among its most popular offerings (according to the 1954 official catalog, which lists not only conventional high school and college courses in the usual languages but also a spoken-language series in 21 languages for group study). During 1954 there were approximately 27,000 students in the first category, 26,500 in the second, with German the most popular language in each—and ranking ninth among the 32 most popular college courses offered.

That the Armed Forces continue to be convinced of the importance of foreign language study is clear from these and many other illustrations that could be adduced (e. g., in September 1955 the Marine Corps introduced a program of foreign language proficiency tests, to be administered from seven testing facilities, to identify new and active personnel with language skills). But many a young officer, commissioned in the Organized Reserve Corps from ROTC units in colleges and universities that have minimized language study, today feels cheated when he passes into active-duty status. He feels the more so if he has a chance to be detailed abroad as a military attaché to an American Embassy or as a member of a military mission, for one of the qualifications for appointment to these choice posts is knowledge of the foreign country's language or its most commonly used second language. Officers, otherwise competent, who have been denied this opportunity have been heard to complain that neither they nor their parents were properly advised in high school or college about the current value of foreign languages.

In Spain, on October 26, 1953, that current value was expressed in language that any high-school adviser could understand: Spanish military authorities announced a 15-percent increase in pay for all officers and noncommissioned men who can speak and write English, Russian, German, or Japanese; 10-percent increase for Arabic; 5 percent for French, Italian, or Portuguese. Should our own Armed Forces introduce such an incentive system? It might influence high-school and college students to such an extent that it would actually save money in the long run.

"Signs may get you a quick cup of coffee, but to know a people, learn their speech." That was the title of one of Harold Martin's columns (Oct. 4, 1953), in which he illustrated the complexity of our problem: "I've spent many a harassed hour in foreign lands, blocked at every turn because I could not speak the language. That was merely inconvenience. But it can lead to tragedy, too. For I saw a battalion badly bloodied once because nobody could understand what an excited Korean was trying to say—that a strong Red force was lying in ambush, just beyond the hill." (More than 3 months before the war in Korea began, the Modern Language Association's commission on trends in education warned that Korea might become of extreme importance to our national safety and urged that more Americans learn the language. It was a news release that few newspapers bothered to print.)

When Gen. Matthew B. Ridgway was Chief of Staff of the United States Army, he declared: "The value of a knowledge of foreign languages is nowhere more apparent than in the military profession. * * * My own military experience has repeatedly demonstrated that when allies can communicate with each other in a common tongue, their effectiveness is greatly increased. * * * I am convinced that increasing our knowledge of foreign languages will add significantly to our national security, not only by increasing our ability to work effectively with our allies but also by increasing the mutual understanding between nations." Ridgway's successor as Chief of Staff, Gen. Maxwell D. Taylor, is said to command six languages.

17. Foreign languages and government

"It is an oft-repeated complaint, how largely our public service abroad suffers from a lack of intimate knowledge of foreign languages." That statement was made in 1908. Although the need for Americans officially representing our Government abroad to know the language of the country where they are stationed might seem completely obvious, the unhappy fact is that only within recent years has it received much official recognition. We had first to make some costly blunders, to find ourselves grossly misinformed, to stand tonguetied at urgent and important conferences. We were not accustomed to think of our diplomats, or their entourage, as being able to communicate directly with anyone except, perhaps, members of the political party to which they owed their jobs.

Auspiciously, our Nation's leaders now illustrate for us the importance of foreign languages in diplomacy. In 1953 President Eisenhower delighted a joint session of the Canadian Parliament by speaking four sentences of hesitant French. There is even such a thing as foreign language diplomacy at home. In October 1952, speaking in New Orleans as a presidential candidate, Adlai Stevenson tried a few sentences in French; and a year later he said: "I can testify from long experience in the international field that a more extensive familiarity with foreign languages would be enormously helpful to our country."

Why it would be enormously helpful was made clear in an Associated Press story that appeared in the papers on December 29, 1952: "Until the first American trained especially for Indonesian duty was assigned to the Embassy in 1949, all translating was done by natives. To please their employers, they interpreted everything to sound rosy, pro-American. But when American area and language experts began to read Indonesian newspapers and attend session of the national legislature, the Embassy learned that strong Communist-inspired anti-American feeling was sweeping the country. * * * State Department officials, at their most optimistic, estimate the Department has only half the area and language experts which it considers a minimum need. * * * One career diplomat recalls that in 1946 the State Department did not have one officer who could read an Arabic newspaper. * * * To find out what Islam was saying in its newspapers, the diplomats had to mail them home to the Library of Congress for translation."

That was 1946, a decade ago, and it must be added that the situation is now greatly improved. But as recently as January 25, 1954, Under Secretary of State Bedell Smith told the House Committee on Appropriations: "Our training in the Department has reached a sort of an alltime low. * * * We found to our astonishment that we did not have one single officer or staff officer in the Czech Embassy who spoke Czech. * * * Our training setup * * * is not what you or we would like to have to support the foreign activities of the United States." Congressman Robert Sikes of Florida commented: "I have long been concerned about our inability as a people to speak the other fellow's language. * * * I think you should step up the language training program considerably more than you are now requesting funds for. * * * I do not see why we have not emphasized language training more among State Department personnel."

But the reason is clear: the American people as a whole have been slow to recognize the importance of foreign languages to the national welfare. It was not until 1946 that Congress finally established the Foreign Service Institute in the Department of State to give general training to diplomats and then to educate some as area and language specialists. The Department also has a Division of Language Services, which translates annually more than 10 million words. Much is now being done, but in January 1954 the Director of the Office of Personnel complained ruefully: "The present number of officers of the Foreign Service who have been given intensive full-time training in the language and areas pertinent to critical spots throughout the world is inadequate to meet the needs of the Service." That same month, speaking over television, Harry S. Truman declared that "to be a member of the Foreign Service" one ought to know "at least" 4 foreign languages "and all the history that you can."

Some Government officials, now aware of the need, turn elsewhere for speedy language training. In Washington itself, besides various commercial language schools, there is Georgetown University's School of Foreign Service and its Institute of Languages and Linguistics. But C. Douglas Dillon, Ambassador to France, Clare Boothe Luce, former Ambassador to Italy, and James B. Conant, former president of Harvard and now Ambassador to the Federal Republic of Germany, took Berlitz courses before entering upon their new duties. Vice Adm. Leslie C. Stevens learned Russian while on assignment to Moscow and came to the conclusion that none but Russian-speaking officials should thereafter be sent to Russia. Senator Joseph McCarthy picked up his working knowledge of Russian from phonograph records.

Investigating the Central Intelligence Agency, the Hoover Commission recently reported: "Lack of adequate linguistic preparation often has proved to be a serious handicap to our representatives abroad." Hence the Commission's Recommendation No. 9: "That a comprehensive, coordinated program be developed to expand linguistic training among American citizens serving the intelligence effort; and that the Department of Defense expand and promote language training by offering credit toward Reserve commissions to ROTC students and drill credit to Reserve personnel for completion of selected language courses."

That is an interesting proposal—one which the American people, through "Citizen Consultations" and other devices for group action, can help to make a fact. Let us consider a few other proposals which might merit public discussion leading to recommendation.

Senator ALEXANDER WILEY, of Wisconsin, has for a long time been "deeply interested in increasing the reservoir of American specialists in foreign languages" and wants the Congress to support a greatly stepped-up language training program. The president of Columbia University's Teachers College, having been sent abroad to study problems of our technical assistance programs, publicly warns the 43 United States universities which are involved to send faculty members who are able to speak the language of those

being helped. (Perhaps this should be called point 5.)

Our various Government agencies might consider the practice of the United Nations and offer a bonus to nonprofessional employees who acquire an additional language. At one point during 1955, after work, some 601 students representing 35 mother tongues and 47 nationalities—mostly staff members but also some delegates and career diplomats, who get no bonuses—were busily learning 1 of the 5 official languages, Chinese, English, French, Russian, and Spanish. This instruction, begun in 1947, has been offered in improvised classrooms scattered throughout the secretariat building, but a set of proper classrooms is now being constructed. Thus far more than 8,000 persons have taken advantage of the offerings. (For the famous simultaneous or consecutive interpretations of speeches, greater skills are, of course, required; these interpreters—there are currently about 61—are recruited fully or almost fully qualified, spend their first 2 years in probationary status, and are given such training as they need while on the job. Salaries range from $6,500 to $11,000. The U. N. also employs about 258 persons who translate written documents into the 5 official languages, and will soon add an Arabic translation section.)

Another suggestion: the Modern Language Association's Commission on Trends in Education recommends that, "in the interest of national safety, as well as the development of our economic and cultural independence in the field of languages, steps should be taken by the Government to provide financial aid for the training of especially promising students of foreign languages, looking to the establishment of a body of experts certified for the national service in peace and war. This training should begin not later than the junior college level with the selection by competitive testing of especially promising students both male and female and the award of fellowships for intensive work in one or more foreign languages through the senior college years. After graduation, successful candidates should be provided with fellowships for language and area competence in a foreign country, and after two years enrolled in a reserve corps of 'Foreign Language Experts,' drawing an annual stipend and subject to annual refresher work under the Departments of State and of Defense. The more proficient should be inducted into the national service as need arises. The training thus provided would also open a career in teaching or in industry or commerce."

For a final proposal we turn again to President Hollis L. Caswell of Teachers College, Columbia University, who says: "It is my belief that the national stake is such that efforts should be made to establish some agency comparable to the National Science Foundation to encourage and support study of foreign languages and cultures. * * * Our national welfare calls for the rapid development of resources in this area."

What have the American people to say to their Government about this and the other proposals?

18. Foreign languages and business

Can only our money talk to our foreign customers? Or is it true that you can buy abroad by speaking English, but to sell you had better talk the other fellow's language? By the end of 1955, according to the Commerce Department, private United States investments abroad had topped $29 billion, an increase of about $2.5 billion over the preceding year. The annual value of our foreign trade, including goods and services, has risen from less than $4 billion in 1914 to well over $42 billion today, according to the National Foreign Trade Council. These facts have inevitably made some branches of big and little business aware of the importance of foreign languages.

The Arabian-American Oil Co., for example, has six language experts on its payroll in Arabia. A different kind of interest is that of the Reader's Digest, which publishes more than 5 million copies monthly in 11 foreign languages. The curve of all such interests is upward. In 1953 the United States Council of the International Chamber of Commerce issued a guide to Doing Business Abroad, designed to induce additional American businessmen and corporations to extend operations to foreign countries. More than 50 foreign governments have more than 100 purchasing agents in this country.

An article in the New York Times (September 13, 1953) declared: "A great upsurge is taking place in the teaching of languages. * * * Business concerns sending workers abroad want them on speaking terms with the people they deal with." Harry C. Kenney, writing in the Christian Science Monitor (December 13, 1952), said: "International business organizations here have come to the conclusion that it is smart to have their representatives in foreign lands speak and understand the language of those countries. * * * Business has found that by the adoption of foreign languages not only its representatives but the companies involved are treated with a great deal more respect and appreciation. And the interchange of business activities is accomplished more quickly and efficiently. Airlines, such as Pan American World Airways and Trans World Airlines have discovered, somewhat to their surprise, but most tourists and business people not only want to but are making an effort to learn languages. Consequently they are giving their passengers booklets and pamphlets containing phrases, phonetics, and spelling."

Business Week (February 28, 1953) had a similar story to tell: "Today more and more executives are giving employees being readied for foreign service a concentrated course in language and social customs of the country they will be working in. A few companies conduct their own classes, using company personnel. But most—like Standard-Vacuum Oil Co.—take their problem to a specialist. * * * Linguaphone, which for many years did a tidy business with its phonograph record course, is now doing a booming trade with business firms and Government agencies whose employees must be bilingual to perform their tasks." Business Week went on to explain that in its two New York schools the Berlitz School of Languages instructs many company-sponsored pupils—trainees sent in by such companies as General Motors Corp., Remington Rand, Inc., National City Bank, as well as department stores, overseas airlines, and steamship companies.

A more recent article on the Berlitz schools, in the Saturday Evening Post, August 4, 1956, gives their gross annual yield at $8 million. "Many oil companies, banks, airlines, and motion-picture studios automatically include Berlitz fees in their overseas budgets. * * * Du Pont, TWA, Pillsbury, Quaker Oats, General Motors, and dozens of other American firms doing business overseas have set up special courses under Berlitz direction in Japan, Sumatra, Bombay and other distant outposts." Since the war more than 50,000 veterans have studied with Berlitz under the GI bill.

A recent issue of Export Trade and Shipper (January 30, 1956) editorialized: "The prospective big customer in Latin America, or in India or Saudi Arabia or where have you, may be able to understand English, it is true, but does he prefer English? In what language does he think? * * * Management of American manufacturing companies has often been criticized, and not without justification, in connection with the selection of export personnel, for failure to attach due importance to such qualifications as the fluent command of other languages. * * * The problem of language and correct idiom in advertising and other forms of communication will remain a major factor in world trade. Underestimation of its importance, by American business management, cannot fail to obstruct the maximum potential development of expansion in world markets."

Thus far, American schools and colleges have done nothing directly to help American business meet this growing need for foreign-language proficiency. Should they?

Many a leading businessman has lately spoken his piece on the importance of language learning. Perhaps the most piquant statement of them all came from Canadian-born Lord Beaverbrook, who, at 74, was taking lessons in French: "There are * * * certain branches of education which many youths consider unnecessary for a business career. Foremost among these are mathematics and foreign languages. * * * I regret that my business career was shaped on a continent which speaks one single language for commercial purposes from the Arctic Circle to the Gulf of Mexico. If a man can properly appraise the value of something he does not possess, I would place knowledge of languages high in the list of acquirements for success."

Omar N. Bradley offered perhaps the most concise summary of the situation: "The youngster of today will find that modern language study will pay great dividends in most fields of endeavor in the future."

(Selected references: Theodore Huebener, Opportunities in Foreign Languages (Vocational Guidance Manuals Co., 1955). Gives quotations from several dozen businessmen on the need for foreign-language proficiency. Quentin O. McAllister, Business Executives and the Humanities (University of North Carolina Press, 1951), ch. 3. Gives quotations from 43 leading businessmen on foreign-language study.)

19. Foreign languages and American society

There has long been a stock argument against foreign-language study in our schools and colleges which runs this way: "Sure, the Armed Forces and the Government and American business need a few specialists in foreign languages—more now, maybe, than before. But these few are only a small percentage of our whole population; the great majority of the American people will never have any real need for foreign languages; and the curriculums of our schools and colleges ought to prepare youngsters for needs they will actually meet." Those advancing this argument (you must have heard it) do not say how the student in school or college is going to determine in advance whether he will be drafted and sent abroad, or eventually enter Government service, or get into a business that is extending operations to foreign countries. They are concerned only with unspecified percentages, which they assume to be low.[1]

Education is concerned with both the predictable and the unpredictable future, and so had we better be, in talking about foreign languages and the ordinary citizen or his child. Without attempting prophecy, we may consider some facts and figures which do at least suggest the future, and the reader may project the curve for himself.

Travel. The ordinary American citizen has his most obvious need for foreign languages in his role as traveler to other lands.

[1] This argument has recently been advanced by Herbert F. A. Smith in the NEA Journal for May 1955, p. 271, and by Van Cleve Morris in Educational Forum for January 1954, p. 156.

Abroad, particularly if he sticks to tourist centers, he may find many persons who can speak English—to the extent of his tourist needs. But as Mrs. Margaret Thompson Biddle, seasoned traveler and European editor of Woman's Home Companion, said recently: "If the American traveling abroad is able to talk with the people of other countries in their own language, he gains a much broader and deeper understanding of their problems and attitudes." Mrs. Biddle (born in Helena, Mont.) added: "Don't scoff at our United States high school French—that's all I had to go on when I went to live in Paris, but it got me by."

The question, therefore, is: Are Americans traveling more, or traveling less, as the years go by? To this a very positive answer can be given. Every year the number increases and countless millions are looking forward to the trip some day. And why not? Air tourist service around the world for $1,348 is a reality. Except in the rush season, airlines offer reduced fares for families traveling together. Glamorous Paris is just 11 hours from New York.

The actual statistics are staggering. Take Spanish-speaking Mexico, which one may visit without a passport. During 1951–54 Mexico issued to United States citizens 1,703,433 tourist cards (461,961 in 1954 alone). No one knows how many Americans visit annually the parts of Canada where some 3,500,000 French Canadians live, or parts of the West Indies where foreign languages are spoken. But an official of the American Express Co. estimated that in 1954 approximately 1,250,000 United States citizens traveled beyond North America.

This estimate was based, presumably, on an interpretation of passport statistics. During 1947–55 the Passport Office of the Department of State issued 3,064,704 passports. The figures have been increasing steadily; in 1951, 290,407; in 1952, 395,337; in 1953, 418,170; in 1954, 434,044; in 1955, 525,259. The head of the Passport Office expects the annual total to be a million by 1960.

Consider all this in financial terms: Americans spend more than $1.5 billion a year on traveling abroad. (Little wonder that during 1954 at least 43 official government and tourist offices operated by 30 nations spent an estimated $6 million in an effort to gain American friends and woo American tourists.) But consider it also in human terms. John Gould said recently: "When somebody tells you that you can find somebody to speak English wherever you go, it is no doubt true. But I think the truth of the statement is beside the point; it seems to me the travelers are missing something. * * * You'll have a much better time if you break down and forget your English, and fiddle around with the other man's language. They may speak English wherever you go, but that's their intellectual achievement, not yours."

Robert Ulich, professor of education at Harvard, agrees "there always is somebody who speaks English," but warns: "Nevertheless, the fact remains that he understands you, but you do not understand him and his compatriots. This fact has had a deplorable impact on the international relations and international policies of this country."

Increased trade, among other factors, has been bringing increased travel, as our relations with the 160 million people in the 20 Latin American Republics illustrate. In 1954 the 20 republics speht $3,371,400,000 on United States merchandise, more than 6 times the 1938 figure; and in the same period our imports climbed from $443 million to $3,289,000,000. Some 500 United States companies have 2,000 Latin American subsidiaries and branches. Note, as one result, that whereas in 1928 only about 300,000 persons traveled between the United States and Latin America, in 1953 the total was 1,073,763—883,459 of them traveling by plane.

Isolationism: Was there a connection between the spirit of political isolationism once so prominent in American life and the public indifference to foreign language study during the same period? Writing in the 1953–54 winter issue of Public Opinion Quarterly, Elmo Roper reported: "There is no doubt whatsoever that the adult population of the United States is definitely committed to internationalism and international organization in one form or other." His findings indicate that 73 percent of us feel that the surest and wisest way to strive for peace is either to work along with the United Nations or to strengthen it, and only 9 percent believe that Washington should pursue a strict isolationist policy. A more recent (Aug. 1955) poll, by the National Opinion Research Center, found that 88 percent favor continued membership in the U. N. and only 5 percent still want to pull out. These polls may throw light on the increasing public interest in foreign languages.

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Multilingual America: The familiar argument that an American must travel abroad in order to put his foreign language to any use ignores not only books, movies, radio broadcasts, foreign visitors, and such; it also ignores the population of the United States. We do not refer to the American Indian, although, of 400,000 on tribal rolls, 61,000 cannot yet speak English. In many parts of the United States, conspicuously in our large cities, but also in Florida, in Louisiana, in parts of New England, and in our great Southwest, we may hear and speak foreign languages without need of passports.

Want to practice your high school French? There are some 2 million Franco-Americans of Quebec and Acadian stock now living in the United States. In New Hampshire alone (population about 450,000), French is spoken in the homes of about half the school children, and almost all parochial schools in the State teach in French as well as in English. In Maine about 22 percent of the population, or some 200,000 people, understand and use French very freely.

The 1940 United States census makes it clear that in various sections of our country there are persistent, relatively permanent foreign language groups, in the main descendants of the original settlers. Thus, 97.1 percent of the white persons in Louisiana reporting French as their mother tongue were natives of native parentage, and 87 percent of those reporting Spanish in New Mexico were of the third, or a subsequent, generation. This phenomenon is also to be found in Arizona, California, Florida, Maine, New Hampshire, Pennsylvania, Texas, Vermont, and other States.

The figures produced by the 1940 census may surprise some Americans who are unaware of them. Of 118,392,040 whites then in the United States, at least 21,996,240 had a foreign mother tongue. The 1950 census did not produce comparable figures, but did note 23,578,375 native whites of foreign or mixed parentage, plus 10,161,168 foreign-born.

New York City has nearly 40 movie houses which show only foreign-language films, without English subtitles. Scattered throughout America are nearly 400 radio stations that broadcast at least part time in foreign tongues. At least 82 foreign-language daily newspapers, with a gross circulation of about 1,200,000, are published in the continental United States, and there are in addition 600 other periodicals (from triweeklies to quarterlies) published wholly or in part in one of at least 45 different foreign languages.

In times past we were greatly concerned to "Americanize" in a hurry the newcomers to our shores, and a usual byproduct of this process was to make the second and third generations ashamed of their cultural heritage, including the foreign tongue. Thus, in many schools in the Southwest, children of Mexican background were punished for speaking Spanish in school, even on the playground. Although in the workaday world they are expected to know Spanish, these children still, for the most part, have no opportunity to learn to read and write their mother tongue until they elect Spanish in high school—if they get to high school, and if it is taught there. It has recently been announced, however, that Spanish-speaking children in New Mexico will hereafter be given the opportunity to master their mother tongue beginning in grade 5 (while English-speaking children will learn Spanish from grade 1).

Whereas speaking only English was once almost universally identified with good citizenship and patriotism, there are other signs that this inhumane and, in view of America's rich history, illogical tendency is diminishing. We may yet demonstrate our national maturity by inviting the educated among foreign-born Americans (i. e., those with accents we want to imitate) to help us acquire a second tongue and some knowledge of another culture than our own.

In September 1954, with these thoughts in mind, the Modern Language Association held a conference on intercultural understanding, bringing together language teachers, social workers, cultural anthropologists, and others interested in fostering self-esteem and mutual respect among the various cultural groups represented in America. The conferees agreed that the melting-pot theory is now obsolete, that the admixture of other languages and cultures does not corrupt but enriches our own culture. They agreed also that, since culture and language are inseparable, both should be taught inseparably, beginning, if possible, with very young children.

Movies: There are at least 151 art theaters in the United States that regularly show foreign films, and at least 311 part-time art theaters that occasionally do so. These figures do not include the movie houses that cater to a foreign language speaking population; in New York City, for example, there are 22 houses that regularly show films in Spanish, and 17 others that regularly show films in other foreign languages. Although no one seems to know precisely how many foreign language films are now imported annually (the United States Bureau of the Census lists imports of prints only), one thing is clear enough: foreign movies are steadily becoming more popular in this country and are being shown in quantity sufficient to allow many an American to test his listening comprehension of a foreign tongue.

Clubs: Since 1947 the General Federation of Women's Clubs has had in force a resolution urging increased study of foreign languages by Americans. Pilot International, a service club for women, passed a similar resolution at its 1954 convention. No one knows the number of adult groups scattered about America which have been formed for the express purpose of keeping alive an interest in foreign languages and cultures. There are three such in Stanford, Calif. In Wilmington, Del., there are French and Spanish luncheon clubs. Alert people get together at regular intervals to talk French (and France) in Vineyard Haven, Mass. Pleasure in a second language is common to clubs (doubtless unaware of each other's existence) in Topeka, Kans., Devon, Pa., and Fairfield, Conn. A year ago a group of Oxnard, Calif., businessmen were studying Spanish twice a week between 5 and 7 o'clock in the morning. At Gimbel's department store in Philadelphia, for the past 5 years or so, between 25 and 50 people have gathered monthly in the Clubwomen's Center to hear and talk Spanish.

Television: Foreign languages have been taught over 2 or 3 dozen TV stations, and may soon be taught over a national network. A kind of informal refresher course in languages has proved popular with countless men and women. An early example was the University of Rochester's French for Travel, designed especially for adults who once had a limited amount of high school or college French and wanted to brush up on it. A different type of foreign language teaching program, addressed to the whole family, is the one telecast—since September 1955—over WGBH-TV in Cambridge, Mass.

International conferences: One of the phenomena of our times is the increase in the number of meetings, held both in this country and abroad, involving business or professional men or ordinary citizens from different nations. These have done about as much as any other single factor to dramatize the language barrier. Languages Slow up Fisheries Session, declared headlines in the New York Times on May 26, 1953—there were 60 delegates from 10 countries to talk about conserving the North Atlantic fish supply. Writing in School Life, April 1955, on the First Inter-American Seminar on Secondary Education, held at Santiago, Chile, our delegates concluded their report: "Because of the language difficulty—all discussions and speeches were in the Spanish tongue—certain restrictions were placed on more extensive participation by the United States delegation in the plenary sessions." The report might have added, but did not, that Spanish is currently being studied by only 7.3 percent of our total public high-school population, as compared with 8.2 percent 7 years ago.

On August 24, 1955, at Niagara-on-the-Lake, French Boy Scouts attending a world jamboree booed noisily when a program put on by American scouts was introduced in English only—and jamboree officials hastily called for bilingualism in all public announcements. These scouts were monolingual children. Mrs. Eugene Jolas expresses the adult situation simply: "How sad to see members of international conferences—big men, leaders in their own countries—unable to talk to each other after the formal business is completed through interpreters." How many Americans is she describing?

We have no figures on the total number of international congresses held in recent years and involving Americans from all walks of life, but we offer the impression—which the reader may check—that they are on the increase. H. Houston Merritt, eminent neurologist, says they are, and adds, "The scientist is at a disadvantage if he is unable to converse with colleagues from other nations."

* * * * *

20. International exchange of persons

An important development of our time, sure to be remarked by historians, is the increasing number of Americans sent abroad, or foreigners brought here, by scholarships, fellowships, and grants designed to promote educational, cultural, and scientific exchange and international good will.

The United States embarked upon this vast adventure with scant awareness of the extent to which knowledge of foreign languages affects its success or failure. It was perhaps in the Government's Fulbright program that the realization first dawned that language is the best passport. In December 1953, its presidentially appointed Board of Foreign Scholarships, mindful of the restrictions which linguistic inadequacy presents on applications of American students desiring to study abroad under the educational exchange program, formally urged the Modern Language Association of America to redouble its efforts to stimulate the teaching and learning of foreign languages in universities and colleges throughout the United States.

The introduction to UNESCO's trilingual handbook, Study Abroad, declares: "No single cause of failure is more frequently found among the holders of international fellowships than their inability to understand or express themselves in the languages of the countries where they are studying. * * * It is undesirable that the first 2 or 3 months of study abroad should be spent in learning the language of instruction." In a Survey of Summer Travel Habits, published in September 1955, the Council on Student Travel cited the language barrier as the chief problem encountered by American student travelers.

Does it matter? There are about 50,000 American students traveling abroad annually, an estimated 7,000 of whom enroll in foreign universities. Since its establishment in 1947, about 12,000 Americans have gone abroad for study or teaching in 31 foreign countries under the Fulbright program. The international educational exchange program conducted by the Department of State exchanges each year about 7,000 persons representing about 70 countries. This year there are about 36,500 foreign students in approximately 1,650 colleges, universities, or professional schools in the United States.

These figures may be misleading. Actually, it is hard to grasp the extent—to say nothing of measuring the effect—of all the current programs of international education. Educational exchanges are now offered by more than 100 countries and territories, a number of United Nations agencies, and several dozen international organizations. Our Government has spent more than $35 million since 1948 on German-American exchange of persons alone. (That's the cost of one new destroyer without armament.) Currently open to Americans are so many opportunities for foreign travel or educational exchange that few persons can keep track of them. The Institute of International Education, a nongovernmental, nonprofit, American agency for advancing international understanding by means of educational exchanges, was founded as long ago as 1919, and currently advises about 100,000 people a year on their foreign study plans. Less familiar, perhaps, are many of the other programs and organizations. The International Educational Exchange Service, for example, in 1953 approved 589 exchange-visitor programs by private groups.

In the Experiment in International Living (1932), a nonprofit agency which has provided more than 8,000 young people with an opportunity to travel and live with selected families in 28 foreign countries, a minimum of 2 years' current and successful study of the foreign language is required for visits to 7 named countries—3 years for visits to 3 others. The assistant director of the International Farm Youth Exchange (1948), a National 4-H Club agency which has sent more than 400 rural young people to 36 foreign countries and brought a slightly smaller number to the United States, declares that the language barrier is a great handicap to American participants in the program, who are lent self-help booklets and language records from the foundation's 14-language library. American applicants for the World Council of Churches' ecumenical work camps in 19 countries are asked to sign a series of 9 presuppositions, 1 of which is: "for France you will speak French, and for Germany, German—for other countries, applicants are given preference who speak one of those or some other language."

During 1955 international scholarships of the American Field Service sent 605 American youngsters overseas and brought 653 foreign students here. Two years of foreign language training are a minimum prerequisite for the Americans; the Director pleads for more stress on auraloral proficiency in our language courses and more teaching of German in our high schools. (All the American boys and girls, he points out, come home with a very great desire to learn languages.)

On the chartered ships of the Council on Student Travel, a coordinating agency which has sent more than 46,000 students abroad and transported about 22,000 of them, 2 hours each afternoon used to be set aside for language classes; but in the summer of 1955 the council attacked the language barrier vigorously and enrolled 7,395 persons in shipboard classes in 20 languages. Many enrolled on ships homeward bound.

We have not even begun to cite all the programs that are today making a knowledge of foreign languages important to Americans (another example: Since 1937 Pan American World Airways has been awarding travel fellowships to students with a knowledge of the language of the country to be visited). No one knows how many small, college-sponsored programs there are providing foreign travel for educational purposes. Fairly well known are the several Junior Year Abroad plans initiated by the University of Delaware (1923), taken over by Sweet Briar College (1948), meanwhile imitated by Smith and Rosary Colleges (1925), and eventually participated in by about 157 institutions. Middlebury College in Vermont has regular graduate schools in France and Spain; students from the universities of Denver and Omaha visit Mexico to study for college credit; and each summer students from the University of Mississippi visit France. There are many such programs. The fact is that the international exchange of persons has now reached such proportions that almost all parts of America are in one way or another affected.

Take Oklahoma. In December 1953 its Governor, Johnston Murray, said: "I know definitely the many advantages that can be derived by knowing a foreign language. In the State of Oklahoma we have something like 350 students from foreign countries who are learning English and other subjects in an attempt to understand our way of life. * * * I feel that the students in the various colleges of Oklahoma are becoming more and more interested in foreign languages because of the association with these fine youngsters from abroad." This may be so; but the distance still to be traveled is perhaps suggested by the fact that 9 out of 10 of Oklahoma's public high schools offer no instruction in a modern foreign language, and during 1954–55 there were only 4,804 students of a modern foreign language in the high schools that do.

Meanwhile Americans everywhere might gain perspective on the problem by asking and answering three questions: How many foreign students are currently visitors in your community and State? How many students from your community and State are currently studying abroad? What are the implications of these figures for the foreign-language situation in your community and your State?

PROPOSED NATURAL GAS EXEMPTION LEGISLATION

Mr. WILEY. Mr. President, I have been pleased to receive today from Hon. Ivan A. Nestingen, mayor of the city of Madison, a resolution which had been adopted by the common council of that great municipality. It expresses sound opposition to H. R. 6790, now pending before the House Interstate Commerce Committee.

Thus, this resolution reiterates the well-merited position of Madison against

the exemption from Federal regulation of the production of natural gas.

The resolution parallels the position reflected by every other city of my State which has contacted me on this subject down through the years.

And I am glad to reiterate that my own views coincide 100 percent with the judgment of the mayors and the common councils, as well as the judgment of the Governor of my State, the attorney general, and the State legislature—all of whom have spoken and written similarly.

FOUR HUNDRED AND FOURTEEN THOUSAND WISCONSIN CONSUMERS

I want to point out that, according to figures furnished to me by the public service commission of my State, in 1956 natural-gas sales amounted to 42,895,000 thousand cubic feet.

An increase of but 1 cent per thousand cubic feet across the board would cost Wisconsin consumers around $500,000 a year, since current sales are running in the order of around 50 million thousand cubic feet.

As a matter of fact, if there was a substantial increase, the jump in price would price some of the industrial use out of the market. This would, in turn, add to the burden on the remaining customers.

All told, there are around 414,000 residential customers in my State, 25,800 commercial customers, and a little under 2,000 industrial customers.

Of the 414,000 residential customers, around 122,000 are dependent upon natural gas for heating their homes.

WHY THE HASTE ON THIS PROPOSED LEGISLATION?

But this sort of fact may not unfortunately impress the majority of membership of the House Interstate Commerce Committee.

We note that, unfortunately, the committee seems determined to rush to a final vote on this proposed legislation within the next few weeks.

It is a source of wonder to us that, with all the other important proposed legislation now pending before that committee, there is such frantic haste to complete action on such a controversial bill—one which obviously the American people so overwhelmingly oppose.

TWO ADMINISTRATION AMENDMENTS BETTER THAN NOTHING

Our people are particularly made aware of the powerful forces which are at work behind the scenes over this issue when we note that the gas industry is apparently furious even over the very mild amendments which the administration proposed. These include the amendment which would make optional—permissive, not mandatory—the power of the Federal Power Commission to consider producers' cost in determining the reasonable market price.

As I have previously indicated, this amendment, like its sister amendment, is, in my judgment, weak and totally inadequate to protect the consumer's interest. But the two feeble amendments are certainly better than nothing.

The gas industry, however, wants to be 100 percent sure, not 99.9 percent sure, that the Federal Power Commission will always allow a sky-high price that the traffic will bear.

The gas industry does not even seem to want to allow one-tenth of 1 percent of a chance that the consumers will someday be protected. I hope that the Congress will see to it that the consumer is not gouged.

GIVE FPC MINORITY A CHANCE

The Federal Power Commission majority may not care for the consumer. But apparently there is a minority on the Commission which does care. And certainly the majority of this Nation does care. I hope that the propublic minority on the FPC will be heard from and that its voice and report will not be suppressed. I earnestly hope, too, that the judgment expressed by the city of Madison and by other communities across the length and breadth of this Nation will be heeded. I ask unanimous consent that the text of the Madison resolution be printed at this point in the body of the CONGRESSIONAL RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION BY COMMITTEE OF THE WHOLE (REQUEST OF THE MAYOR)

Whereas the primary purpose of the Congress of the United States in adopting the Natural Gas Act of 1938 was to protect consumers from exploitation by suppliers of natural gas, while at the same time assuring the suppliers of a fair and reasonable price for their product; and

Whereas the means whereby Congress accomplished this purpose was to confer jurisdiction upon the Federal Power Commission to fix reasonable rates for sales of natural gas in interstate commerce for resale to consumers; and

Whereas at the present session of Congress there has been introduced bill H. R. 6790 by Congressman HARRIS, which would exempt from regulation by the Fedcral Power Commission independent producers of natural gas making sales in interstate commerce for resale: Now, therefore, be it

Resolved, That the Common Council of the City of Madison go on record as opposing the passage in Congress of bill H. R. 6790; and be it further

Resolved, That a copy of this resolution be forwarded to the Congressional representatives of the city of Madison in the United States Congress.

This is to certify that the foregoing resolution was adopted by the Common Council of the City of Madison, Wis., at a meeting held on the 23d day of May 1957.

ELDON L. HOEL,
Deputy City Clerk.

THE ST. LAWRENCE SEAWAY LEGISLATION

Mr. BUTLER. Mr. President, Mr. P. M. Shoemaker, president of the Delaware, Lackawanna & Western Railroad Co., in speaking before the Propeller Club of the port of New York, delivered what I believe to be an excellent Maritime Day address on the possible perversion of the St. Lawrence Seaway legislation to the detriment of Atlantic-coast ports. I request unanimous consent that Mr. Shoemaker's speech be printed in the body of the RECORD, to be followed by an editorial, dealing with the same subject, as appearing in the Baltimore Sun on May 31, 1957.

There being no objection, the address and editorial were ordered to be printed in the RECORD, as follows:

ADDRESS OF P. M. SHOEMAKER, PRESIDENT, THE DELAWARE, LACKAWANNA & WESTERN RAILROAD CO., AND PRESIDENT OF THE CHAMBER OF COMMERCE OF THE STATE OF NEW YORK, BEFORE THE PROPELLER CLUB, PORT OF NEW YORK, WALDORF-ASTORIA HOTEL, NEW YORK, MAY 22, 1957

As one deeply interested in the future of transportation of all kinds, and as one particularly interested in the port of New York, which means the welfare of the interests serving and using the port of New York, I am more than honored to have the opportunity of discussing a few aspects of the future of transportation before this responsible organization.

It was in 1922 that the Propeller Club of New York was conceived by farsighted shipping men for the purpose of constructively discussing not only mutual problems of the moment, but the future of American shipping as well. Over and above our direct day-to-day obligations to our individual organizations, there has come the realization, and it has been a wholesome one, that it is both good business and good citizenship to actively participate in trying to solve the broader problems of one's industry, the civic problems of one's community and the governmental problems of one's nation. The Propeller Club of New York, whose impact has now spread across the Nation, owes a debt of gratitude to the broad concept of industrial and national service which characterized the thinking of its founders 34 years ago.

In 1922 the shipping industry, in a period of business recession, was attempting to straighten out its affairs that were still tangled as a result of World War I. The railroad industry had been returned to private ownership. It, too, was faced with the then seemingly insurmountable problem of recovering from the Federal Government's incompentency in its handling of surface transportation. The airline industry and the over-the-road trucking industry were not yet major factors in the transportation picture, nor was the potentiality of pipeline transportation widely recognized. Thus two major private enterprise groups, the shipping industry and the railroads, had the task of restoring economic health to their components and at the same time meeting their ever-increasing responsibilities to the industrial growth of our Nation. The history of World War II tells us that the job was done well.

Since World War II great new problems have been on the horizon. There has developed great competition between the various forms of surface transportation. In a period of steady inflation the survival of the American merchant marine has been predicated upon Federal help to meet the competition of foreign labor and material costs in the shipping field. Domestically there has been a resurgence of governmental interference in the transportation industry, with all kinds of combinations of regulation, subsidy, and discrimination which in part relate to the tremendously rapid growth of our economy and in part to there being no overall look at transportation as a whole. I will come back to that point, emphasizing now its importance to the shipping industry, however, by stating that which you know so well: a healthy shipping industry is dependent upon good business; good business in the United States is dependent upon sound transportation. This is an historical truth recognized clearly even as far back as 1768 when, in those years before the Revolution, farsighted shipping and businessmen of the port of New York established the New York Chamber of Commerce, with its subsequent broad mandate of authority and

responsibility in its charter from the King of England. Like the Propeller Club, that organization, which became the chamber of commerce of the State of New York after the Revolution, has had from its inception a consistent and constructive interest in good transportation.

To most of us here, the health of the port of New York is a basic concern. National Maritime Day is a peculiarly appropriate time to examine an aspect of this great port's future, which is not a comfortable one from my point of view. It is in this connection that I am going to briefly reexamine with you the potential impact upon this port from the St. Lawrence Seaway development.

I am not going to take your time to reargue the merits of the seaway. Port of New York interests fought the project for at least 40 years. The battle was lost when the first Republican administration in almost a generation endorsed the theory that a part-time waterway could be justified under the guise of defense. This might have had some validity before the days of airpower and guided missiles.

When Congress finally enacted the seaway legislation it did so on explicit assurance that the project would be self-liquidating through tolls. General Pick, then Chief of the Corps of Engineers, testifying before a Senate committee in 1952, said:

"Annual economic carrying charges for the new navigation facilities on the St. Lawrence from Ontario to Montreal are estimated at $16,712,000. That sum includes costs for operation, maintenance, repairs, interest on the investment, and amortization with interest at 2½ percent.

"Comparison of the anticipated toll revenue—at least $36 million yearly, with annual economic charges of $16,712,000—demonstrates that the navigation facilities on the St. Lawrence can be made self-liquidating."

Some of the opponents of the legislation raised a skeptical eyebrow at these figures and said that the costs were grossly underestimated and the revenues overestimated.

At the time that the seaway was authorized, the cost estimates for constructing the 27-foot navigation channels, for which tolls were to be collected to put it on a self-supporting basis, were stated to be approximately $300 million—$100 million for the United States and $200 million for Canada. In order to give a little leeway for interest and other items during construction, the United States statute established the Seaway Development Corporation with authorization to borrow $105 million from the Treasury Department.

Now Congress is being asked, long before the seaway is actually completed, to raise this authorization to $140 million. After examining the papers submitted in support of this increase, it appears that the costs for which the United States is responsible were badly underestimated.

Three items of the original $105 million have been deferred or revised. One was a payment of nearly $8 million for interest during construction, which has been indefinitely postponed with the concurrence of the Treasury Department. Another was the Point Rockaway Canal and lock, which has been deferred in favor of a parallel canal on the Canadian side. Subtracting deferred items, the basic estimates of 1952 come to about $74 million. Now, $140 million is needed, or an increase of 90 percent. Apparently, of the $66 million extra funds now requested, only about $19 million represents price increases while $37 million are for items which were not included in the original planning.

While there are no official figures on the cost above estimates on the Canadian side, they are also probably high. It seems certain that this seaway project from Montreal to the lakes is going to cost at least twice the original estimates.

And it should be remembered that the deepening to 27 feet of the seaway has brought demands on the Public Treasury for corresponding deepening of the Great Lakes connecting channels and shortly Congress will be faced with further proposals to deepen the Great Lakes harbors at Federal expense. There is no telling what the ultimate bill will be for this aspect of the seaway, from which there will be no toll recovery. Some $115 million has already been authorized for these lake channels. However, if all the proposals made at public hearings, which the Army engineers have been holding on Great Lakes harbors, are brought into the Public Works Committee, the United States will be urged to lay out another sum approximately equal to the total cost of the seaway between Montreal and the lakes.

The portion of the seaway from Montreal to the lakes was authorized under the specific condition that it be made self-liquidating by tolls. Mr. Lewis G. Castle, Administrator of the Seaway Development Corporation, summed it up in a speech before the Toledo Chamber of Commerce on March 9, 1955, as follows:

"We are granted the authority to borrow as much as $105 million from the Treasury Department for construction purposes, and repay that sum from toll revenues to be collected after completion of the St. Lawrence project. Consequently, this program is not deficit spending or public aid. Our estimates are such as to assure fairly conservatively that we can retire the moneys which we will spend in this work within a 50-year period and possibly much less time, including interest accruing during the construction period."

Now it is being suggested by some of the proponents of the seaway, who confidently affirmed its self-liquidating features a few years ago, that something must be done to change the enabling act to furnish the money at less than the cost paid by the Treasury Department, postpone the amortization beyond the 50-year period, or otherwise subsidize the project. Dr. N. R. Danielian, president of the Great Lakes-St. Lawrence Association, and chairman of the Users Committee on St. Lawrence Tolls, now says the annual costs of operation and interest will run about $28,330,000 against the original figure of $14,600,000, and requests Congressional help in keeping down tolls so that shippers will not use transportation that is competitive with the seaway.

As Dr. Danielian said to the House Public Works Committee on April 10 of this year:

"Two Government agencies jointly are cooperating in the construction and operating of a gigantic public utility. But there is no uniform system of accounts, no definition of rate base or property valuation, and no experience with regard to what is and is not necessary in the public interest to create a 27-foot channel, and no supervisory or regulatory body that has the power to review management decisions affecting the rate base. We fear that any attempt to set rates which are high enough, as a theoretical matter, to secure the needed revenues will curtail the traffic and thus defeat its purpose. The economic issue is that due to the existence of the many competing routes available into and out of the Middle West, it may not be possible to charge toll rates high enough and, at the same time, retain a volume of traffic."

Dr. Danielian's costs, as further developed in his testimony, are just about double the estimates that were so confidently presented by the seaway proponents before the project was authorized. When opponents of the legislation questioned the validity of the estimated sum at that time, the proponents expressed assurance that the project would be completely self-supporting on the basis of toll revenues.

As I stated, the Treasury Department has already agreed to postponing the interest during construction, according to the annual report of the Seaway Development Corporation for 1956, and it appears that the beginning of the amortization schedule is going to be postponed for several years. These are already discretionary subsidies which are aimed at easing the financial aspects of the seaway. There is no question in my mind but that the backers of the seaway, who sold the project to the American people so enthusiastically as completely self-liquidating, are contemplating the eventual saddling of the cost on the American taxpayer, regardless of its ultimate effect upon Atlantic coast ports and upon other elements in the transportation picture.

There has just been published by the bureau of business research of Indiana University a study entitled, "The Effects of the St. Lawrence Seaway on Grain Movements." The Chicago Board of Trade provided the essential financing for the study. Among other things, it pointed out that in the 1952–55 period 53 percent of United States wheat exports went to Europe. For the crop year 1955–56, 73.6 percent of our European exports of United States wheat were handled via Atlantic coast ports. The study evaluates the impact of the seaway and says in part, "The seaway will apparently reduce the cost of exporting grain enough that a large volume will be diverted to the new route; grain ports on the Atlantic and Gulf coasts will lose a portion of their grain-handling business; Buffalo and Oswego will lose considerable transshipping business; Atlantic coast ports will lose approximately half of their current grain export volume; flour for export can be loaded directly to shipboard at Buffalo and other upper lake ports after the seaway opens. The entire cost of eastern rail or truck hauling can be eliminated."

During the 1952–55 period there were about 6,350,000 bushels of wheat and about 12 million bushels of all kinds of grain exported each year through the port of New York. While this was less than the handlings through Philadelphia, Baltimore, Albany, and Norfolk, it still was a large amount. I have not seen a breakdown of flour handling through the port of New York, but everyone in the transportation business knows that it is substantial.

Perhaps I am misinterpreting the Indiana University study, but the implication to me is clearly one of expectation that tolls will be of insufficient magnitude to be of competitive importance. Some shipping interests favorable to the Great Lakes trade say frankly that high tolls will destroy the seaway. A pattern can be expected to develop with the lake ports creating a clamor, followed by subsidy-hungry shippers and shipping interests emphasizing the great investment to the Congress, with it all pointed toward tolls being eliminated and the American taxpayers paying the entire bill.

It is bad enough to have the port of New York injured by Government credit being behind the seaway, even if user charges over a long period of time pay back the full investment and all current operating costs. But it would be unconscionable for a deal to be perpetrated upon the American people to have user charges weakened, if not eliminated, before the seaway is even constructed.

There is not the slightest question but that a seaway with no tolls, or with insufficient tolls, will seriously hurt the business through the port of New York, and thus every element of the port community. We should be alive to this situation and oppose such a development aggressively.

I urge that all interests of the port of New York actively campaign to be certain that total and correct capital costs, and all operating and maintenance costs of the seaway are reflected in the toll schedule and thus that tolls be determined on a fully

self-supporting basis as Congress initially provided.

Our duty to the port of New York is plain, and I can assure the Propeller Club of the Port of New York that the New York Chamber of Commerce and the Lackawanna Railroad, with both of whom I am associated, will actively support this position.

In my earlier remarks I pointed to the conflicton of Government interest with respect to transportation promotion. The irresponsible handling of the entire St. Lawrence Seaway issue clearly illustrates the condition from a promotional point of view.

Within the Department of Comemrce there exists the Defense Air Transport Administration, the Civil Aeronautics Administration, the Inland Waterways Corporation, the Maritime Administration, and the Bureau of Public Roads. Under the Department of Agriculture is a Transportation and Storage Services Division and a Performance and Aerial Photographic Division. Under the Department of the Interior is the Alaska Railroad. Within the independent offices and establishments of Government there is included the Air Coordinating Committee, the National Advisory Committee for Aeronautics, the Panama Canal Company, and the St. Lawrence Seaway Development Corporation. All of these, and probably many others including such parts of the military as the Corps of Engineers, have direct or fringe interests in transportation promotion or operation.

You will note I have not included the Interstate Commerce Commission, which has regulatory authority over railroads and some truck, water, freight forwarding and pipeline transportation, nor the Civil Aeronautics Board, with its regulatory authority over the airlines and the National Maritime Board regulating the ocean-shipping industry. I question its being good organization or good government to mix regulation with the other fields of promotional and operational interest in transportation matters.

Various Government departments and agencies advocate conflicting policy with respect to many aspects of transportation interests. Promotional activities are necessarily one-sided and even discriminatory. In the broad public interest I wonder if the time has not come when there should be seriously considered the establishment of a Department of Transportation, which would include all transportation promotion and operation which are not regulatory and not military.

The promotion of various modes of transportation should be a balanced one which recognizes inherent capabilities, and which recognizes the economic effects of possible Government promotion in one field adversely affecting the economic interest, and thus the public interest, in competitive modes of transportation. Our country has its future before it. Conflicting interests are less important than insuring for the future a healthy economic growth equipped with the best transportation human ingenuity can devise under our private enterprise tradition.

And I suspect such a Department of Transportation could be organized to operate at a saving in money over the present decentralization and lack of integration of this function. Such a byproduct would not be unwelcome in this period of inflation and excessive Government spending. If it is approached from the philosophy of minimizing Government interference with transportation development, and favor to none, we will indeed be on the road to improvement. Better Government can generally be achieved by less government.

I commend to the national organization of Propeller Clubs their serious study of the advantages and disadvantages, in the direction of a sound future for all kinds of transportation, of the establishment of a department of transportation, with its head at the Cabinet level. Your contribution to this being objectively considered in an atmosphere of nonpartisan, nonselfish transportation statesmanship, can be material and in the fine traditions of this outstanding organization.

In closing, I emphasize the profound respect which the railroad industry has for the shipping industry. We look forward with great anticipation to the privilege of cooperating with you on the many phases of transportation betterment in which, on behalf of the great future development of the country, we jointly have such a tremendous and responsible interest.

HELP COMPETITORS?

It was predicted in New York City last week that Great Lakes shipping interests will make a fight for the elimination of tolls for use of the St. Lawrence Seaway now under construction. The prediction was made by Mr. Perry M. Shoemaker, who is hardly an unprejudiced looker-on in seaway matters. Mr. Shoemaker is president of the Delaware, Lackawanna & Western Railroad and the seaway will give the railroad new competition.

But Mr. Shoemaker's prediction cannot be lightly turned aside. Obviously, the Great Lakes interests would be helped materially, if oceangoing ships could reach their piers without paying tolls for use of the long inland waterway. Furthermore, the matter of tolls has become a prime issue since the first of the year.

Here the cold hard fact is that the seaway is going to cost far more than its lusty proponents said that it would when they were making their fight for Congressional approval of the project. They argued, and in the end successfully, that the cost figure they cited could be readily amortized by reasonable tolls—in other words that the seaway would be self-supporting.

Now we have the far higher known cost. If this known cost is to be met through tolls alone, the rates for using the seaway will have to be higher than initially contemplated. This in turn could have an adverse effect on traffic and so reduce the benefits so confidently anticipated by the Great Lakes shipping interests.

And then there is the other side of the coin. If the tolls do not amortize the full cost or if they are eliminated entirely, a part of the cost or all of the cost of the seaway will be borne by the Nation as a whole. This means that we in Baltimore, and the people in other ports in our position, will be made to subsidize, in part, competitor ports on the Great Lakes. There would be a sour irony in this.

ANNOUNCEMENT CONCERNING THE COMMERCE DEPARTMENT APPROPRIATION BILL

Mr. HOLLAND. Mr. President, I should like to give notice to the Senate that the House has just approved the conference report on the appropriation bill for the Commerce Department and related agencies, and that I shall expect to call it up about the time Senators are through with lunch, in a half hour or three-quarters of an hour from now. I hope Senators will be on the floor.

The PRESIDING OFFICER. Is there further morning business?

FLOOD DAMAGE IN TEXAS

Mr. JOHNSON of Texas. Mr. President, it is with deep concern that I report continuing heavy floods in my State of Texas.

Flood damage in Texas this spring has been terribly costly in terms of dollars. Even worse, a heavy toll of human life has been taken. The newspapers this morning report that last night two members of the Air Force were swept away and drowned at San Antonio.

It seems that every day brings new disaster. Texas is suffering greatly.

The incessant rain, which began some 2 months ago, has fallen on lands that for 7 years had been baked hard by the worst drought in the history of our State.

Creeks that had dried up long ago have been turned into destructive torrents.

Rivers that had come little more than creeks have spread out over the countryside, taking human lives, sweeping away homes, ruining business and industrial properties.

Mr. President, we know from experience that this is a situation that can largely be controlled.

Bad as the situation is in Texas, it could have been worse.

We know that the damage would have been far greater except for the flood control and water conservation projects that have been constructed through the years.

Striking testimony regarding the effectiveness and value of such projects is contained in a telegram I have received from the Honorable Tom Griffin, county judge of Bastrop County, located in central Texas just south of our State capital.

The telegram sent to me by Judge Griffin reads as follows:

The commissioners' court, acting for the people of Bastrop County, have requested me to express their deep appreciation for the flood protection which the dams on the upper Colorado have afforded this entire area.

Many hundreds of us well recall the destruction in 1935 prior to the construction of the dams. The rainfall here was only half as great as this season, yet water ran 12 inches deep in our streets and many of the businesses and homes were damaged.

That was 1935.

Nineteen hundred and fifty-seven, with twice the rainfall, finds us dry, safe, and undamaged.

We wish to express our gratitude to you and other far-sighted persons at the helm of our Government, who have the knowledge, the courage, and the vision to deal in legislation for such worthwhile projects.

Mr. President, I submit that this message from a Texas county judge eloquently answers those who cry "pork barrel" when we speak of the need for building dams that will control floodwaters.

Additional evidence, also of a specific nature, as to the tremendous value of such projects is set forth in an editorial entitled "Water Hurts Texas as It Wastes" that appeared recently in the Plainview, Tex., Daily Herald. I ask unanimous consent that the text of this editorial be printed in the RECORD at the end of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD.

(See exhibit 1.)

Mr. JOHNSON of Texas. Mr. President, the budget submitted to the Congress by President Eisenhower requests the appropriation of $684 million for the civil functions of the Department of Defense.

When we come to consider that appropriation measure, it is my earnest hope that we shall approach it in a manner befitting our knowledge that flood-control and water-conservation projects are investments—sound, dividend-paying investments.

We will, of course, want to examine carefully the specific appropriations proposed. It may be that we shall find it wise to rearrange some proposals or to shift funds from one project to another. That is our responsibility; and I have no doubt we shall meet it fully.

In meeting it, we must not be deterred by those who, through lack of information or because of wrong information, raise the cry "pork barrel."

Mr. President, I have never regretted a dollar of any money I have voted to spend for controlling floods and conserving our water resources. These expenditures are wise, necessary investments. We need to make more of them this year and in the years ahead; and by doing so the result will be saving many lives and millions of dollars.

EXHIBIT 1

[From the Plainview Daily Herald of May 5, 1957]

WATER HURTS TEXAS AS IT WASTES

The torrential rains, which have broken the Texas drought, have poured hundreds of thousands of acre-feet more than the land can absorb and use.

Reservoirs in many parts of the State have been filled to overflowing and downstream areas inundated by the water spilled from the works, and other water racing to join it from the downstream tributaries.

These works have been invaluable in lessening the damage from floods.

We speak of flood prevention. Flood control is a better term.

It isn't so much the water which the dams hold in the reservoirs that prevents floods, as the regulation of the stream by release of this water coordinatedly throughout a watershed, that controls floods.

Timing water releases so that the full capacity of channels can be used, without overflowing, to conduct the water downstream is the secret of flood control.

Waco's flood problems have been greatly reduced by the construction of Possum Kingdom Dam near Mineral Wells. It is not primarily a flood-control dam, but does help control.

Downstream Whitney Dam, near Hillsboro, is primarily flood control.

Waco's perplexing water situation, scarcity of water followed immediately by devastating flood, points the need for construction of a dam on the Bosque River, the north branch of which has been on rampage that continues at this moment.

Such a dam would create a dependable water supply for Waco and other downstream users, and would be the link that, with upstream dams now existing on the main Brazos, would effect 95-percent flood control at Waco, maybe 100 percent.

Only Thursday the Brazos River Authority at Waco voted to advance a quarter of a million dollars for commencement of construction of the Waco Dam. Plans are well under way by the Army engineers, who will construct with the aid of the State of Texas and the city of Waco.

Immensity of the flood damage has been impressed on Texans by news reports of the floods.

The waste of water, which has flowed uselessly and damagingly to the sea, is not so well understood.

Take Possum Kingdom Lake. It is full. The water is standing at the 1,000-foot mark above sea level. Five of its floodgates were down Friday night and a 54,000-cubic-feet-per-second stream of water rushed wastefully over these works. That is 108,000 acre-feet of water a day, enough to flood Hale County with 2 inches of water. Wednesday all gates were down and 130,000 acre-feet of water spilled, unutilized.

Since April 26, 700,000 acre-feet have been thus discharged, while the reservoir, initially down to 10 feet, filled with 200,000 captured acre-feet.

Without downstream Whitney, what a flood it would have been.

At Bryan 2,500 acres of the George Chance agricultural land is flooded. Near Caldwell the Porter brothers have 1,250 acres inundated. At Navasota, Harry Moore has between 5,000 and 6,000 acres overflowed and in it 3,000 acres of lush oats ruined. Imagine what's happened to these crops. Their neighbors are in similar plight.

Multiply this by the number of river basins overflowing, and you'll have a more comprehensive picture of the situation.

It isn't enough that we conserve as much water as we need to drink and bathe in. Water is a limiting factor in the development of Texas, and we need to do something about it.

We have plenty of water. People get unduly scared about the adequacy of our water supply.

We don't have as much water as we need and want, when we want it, where we want it.

We need to conserve water and amplify our distribution systems.

A good start has been made. Let's keep up the good work.

SENATE DINING ROOM—LETTER FROM PRESIDENT OF NATIONAL RESTAURANT ASSOCIATION

Mr. NEUBERGER. Mr. President, inasmuch as there was some discussion on the floor of the Senate May 20 about the operation of the Senate restaurant and dining room, I believe that my fellow Senators will be interested in a very thoughtful letter which I have just received from Mr. Larry Hilaire, who is a leading restaurant operator in my own city of Portland, Oreg. In addition, Mr. Hilaire is serving this year as president of the National Restaurant Association, which includes thousands of restaurant owners and caterers all over the United States.

I believe it is significant that Mr. Hilaire has stressed the one-meal type of service and the resulting extravagant use of manpower as one of the factors which is at the source of economic difficulties encountered by the Senate dining room and restaurant. I ask unanimous consent that the letter to me from Mr. Larry Hilaire, of Portland, be printed in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HILAIRE'S RESTAURANTS,
Portland, Oreg., May 27, 1957.

The Honorable RICHARD L. NEUBERGER,
United States Senator,
The United States Senate,
Washington, D. C.

DEAR DICK: I read your discussion of the operating deficit of the Senate restaurant with a kindred interest. I agree that the prices for the food as comparable with those charged at other fine restaurants with the same atmosphere and service. I think you hit the nail on the head when you mentioned the one-meal service and the waste of manpower to serve it at all hours. Upon my last visit to the Senate restaurant I too was impressed with the amount of service available for the price.

I do not feel that the prices of food can be compared unless the size of the portion is the same. As you know, portion control and labor control are the determining factors. Service and atmosphere and other overhead costs are also important.

In my travels over the United States I find the prices charged in Portland are among the lowest in the Nation. And we are paying the highest wages in the Nation. The operators in this area have become most efficient.

I appreciate your interest in our problems, and hope to meet with you on one of my trips east.

With best wishes to you and Maurine.

Yours most sincerely,
LARRY HILAIRE.

FAST TAX WRITEOFF CERTIFICATES

Mr. MORSE. Mr. President, last week I introduced into the RECORD editorials from the Denver Post in opposition to the application of the fast tax writeoff law by this administration. In those editorials which the Denver Post used, some figures were challenged on the floor of the Senate.

On May 26, 1957, the Denver Post replied to the challenge in an article which I shall momentarily ask be made a part of my remarks, but I wish to read two paragraphs from the article:

Shortly after Mr. MORSE attacked the $65 million writeoff granted to the Idaho Power Co., for two dams near Hells Canyon on the Snake River, we reviewed the implications of such tax deferrals and found them to be huge, discriminatory and often unnecessary subsidies to a privileged few at the expense of the general public.

The Senator from Oregon insisted the writeoff amounted to an interest-free Government loan of $29,250,000 to the Idaho Power Co. Then he said that such a loan, figured over a 50-year depreciation life of the dams, was worth $329 million to the private utility.

That figure, $329 million, provoked challenge. This newspaper then checked the figure with the college of business administration at the University of Denver, and other reliable accounting and statistical sources, to prove or disprove it. Mr. MORSE is not, we concluded, substantially wrong in his estimates.

Fast tax writeoffs are interest-free Government loans.

Mr. President, I ask unanimous consent that the entire article be printed at this point in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GRAVY TRAIN ECONOMICS IS NOT FREE ENTERPRISE

Senator WAYNE L. MORSE, of Oregon, has catapulted the issue of special tax privileges for selected industries into a bitter name-calling contest over President Eisenhower's morality.

Mr. MORSE said the President and Dave Beck, teamster boss who is under grand jury indictment and Senate investigation, are two of the same kind of immoralists. It is the firebrand Oregonian's opinion that it is just as wrong for the Eisenhower administration to put its hands into the pockets of the taxpayers as it is for Beck to put his hands into the pockets of his union members.

Mr. MORSE's statements resulted in an unusual demonstration of Republican solidarity behind Mr. Eisenhower and sharp denunciations of the Senator's harsh words. While this newspaper finds the comparison of the President to Mr. Beck both offensive and indefensible, we are inclined to concur with the dour comment of Senator JOHNSTON, Democrat of South Carolina. "I, too, think it unfair to compare Beck to President Eisenhower," he said. "Because Beck knew what he was doing, but I doubt that the President does."

As a matter of fact, President Eisenhower, at a press conference within this month, joined his Secretary of the Treasury in calling for curtailment of fast tax writeoff privileges. Considering the effect of such privileges, it is hardly conceivable that the President would have countenanced them as long as he has—had he been fully and fairly advised.

Shortly after Mr. MORSE attacked the $65 million writeoff granted to the Idaho Power Co. for two dams near Hells Canyon on the Snake River, we reviewed the implications of such tax deferrals and found them to be huge, discriminatory, and often unnecessary subsidies to a privileged few at the expense of the general public.

The Senator from Oregon insisted the writeoff amounted to an interest-free Government loan of $29,250,000 to the Idaho Power Co. Then he said that such a loan, figured over a 50-year depreciation life of the dams, was worth $329 million to the private utility.

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Fast tax writeoffs are interest-free Government loans.

(A fast writeoff permits an industry to retain income taxes for 5 years on an amount of revenue equal to the writeoff. In the 6th year these postponed taxes begin to be repaid, through higher than normal taxes over the next 20 to 45 years or so, depending on the depreciation period taken for the new facility built with writeoff aid.)

Take the case of Idaho Power. The company will save or defer a net of about $6 million in taxes each year for 5 years under the fast writeoff certificate allowed it by Uncle Sam. This will total about $30 million which it otherwise would have paid in taxes during that same period.

In the 6th year Idaho Power will start repaying these postponed taxes of $30 million, without interest, over the next 45 years, assuming a 50-year depreciation period. This is the reasoning behind the contention that Idaho Power is receiving a $29 or $40 million interest-free Government loan.

But Idaho Power also incurs the obligation to pay above-normal taxes over the last 45 years, because it will have taken most of its depreciation deductions in the first 5 years. So some claim that the $30 million loan should be halved, to $15 million, to average it out over the full 50 years.

But when you borrow $2,000 to buy a car and repay by installments over 36 months, isn't that a $2,000 loan? You may have the full $2,000 for only 1 week or month and at the end of 3 years it has to be paid in full, and with interest. Still, it is a $2,000 loan, not a $1,000 loan, and the same thinking can be applied to Idaho Power's $30 million loan.

At one point, the end of 5 years, Idaho Power does have $30 million in actual tax dollars it otherwise would have paid. Invested in long-term bonds, this money should earn at least 3 or 4 percent compound interest by continual reinvesting.

Some have questioned the soundness of compound interest in calculating the value of fast writeoffs. Compound interest is available to all investors—even the smallest can obtain compound interest from any commercial bank savings account or from Government bonds. All investors can buy 91-day Treasury bills, which mature every 13 weeks and can be compounded 4 times a year by reinvestment to yield 3 percent on today's market.

However, a utility can make more than 3 or 4 percent compounded by simply putting its money into its own plant, on which it is entitled to earn 6 percent after taxes. This is general utility practice and the purpose of fast writeoffs in the first place. Thus, if the $30 million is plowed back into plant, it should earn 6 percent compounded in the rate base over the full 45 to 50 years.

So Mr. MORSE took $29 million as the amount of Idaho Power's interest-free loan, allowed for normal taxes and depreciation, applied 6 percent compound interest, and arrived at $329 million as the value of the $55 million writeoff to Idaho Power at the end of 50 years. The $329 million figure as the Senator used it appears to stand up.

But there are still other ways of looking at it. Subsidies are usually thought of in current instead of future values. And $329 million received 50 years from now is equal to $17.8 million received today. This figure can be computed by the statistical process of discounting $329 million at 6 percent. In effect, this means Idaho Power is building a $103 million power installation for about $65 million.

There are those who insist the only real benefit to Idaho Power is the interest it will save on its interest-free $30 million loan, since its tax savings in the first 5 years have to be repaid in the last 45 years. So they figure 4 percent interest on the actual annual balance over 50 years. By this method the total interest saved by Idaho Power amounts to about $30 million.

But this approach denies compound interest as a measure of the value of money, rejects the assumption of a reinvestment program, and ignores the earning power of the $30 million interest-free loan.

Invested in any sensible way, $30 million would pay itself off in 50 years and leave a sizable profit after taxes. And it should not be (and generally cannot be) paid out as dividends, because in reality it is a debt to the Government, carried on the books of most utilities as a reserve for income taxes deferred by fast writeoffs.

And what about the interest the Government pays on the money it must borrow to replace the $30 million loan? Treasury Secretary Humphrey has estimated the total interest cost to the United States over the years 1950 to 1960 at roughly $3 billion for the entire fast writeoff program.

The Washington Post fixed the interest cost to the taxpayers for the Idaho Power loan at $97 million, assuming long-term Government borrowing at 3 percent compounded over 50 years. But here again some deny the Government pays long-term compound interest to replace taxes deferred by fast writeoffs.

The Idaho Power loan, this argument goes, is an annual grant, made up for by short-term Government borrowing at simple 3 percent annual interest, not compound interest, and payable year to year on a declining balance over the 50 years. This would total about $23 million as the interest cost to taxpayers on Idaho Power's $30 million loan.

The fact remains, however, that the Government does borrow on long- and short-term obligations. It pays prevailing market rates of interest, which presently are higher than 3 percent for even the shortest term and which can be compounded by reinvestment. And the Government must borrow heavily for many years into the future to sustain fast writeoff tax losses until they are eventually repaid.

Still another theory has been advanced which holds that the Idaho Power writeoff requires certain Federal financing, through which the Government incurs an additional current liability of $13,607,000. Carried forward for 50 years at 3 percent compound interest, this would amount to a cost of $59,652,000 to the Nation's taxpayers.

Now, why all this attention to fast writeoffs—a controversy which led Mr. MORSE into an intemperate and unwise comparison of the Chief Executive with a labor despot?

Fast tax writeoffs were enacted first during World War II (F. D. R. called them privileges "for the greedy, not the needy"), and again during the Korean war, to encourage private capital to invest in building war plants and expanding defense production.

They were a device to wage war within the capitalist pattern at the same time averting even temporary socialization of war industry, the confiscation of profits and the commandeering of private property. They acted to offset excess profits taxes (which expired 3 years ago) and to free funds for defense investment.

Whether by neglect, faulty calculation or sly conspiracy, fast writeoffs were granted to a long list of industries long after clear defense justification for such subsidies had disappeared. The few have been given gravy at the expense of the many. And nobody, we repeat—nobody—has stepped forward to defend these wasteful, inflationary, discriminatory handouts for peacetime civilian purposes.

All of this is particularly ironic, of course, as it applies to the Idaho Power Co. development of the Snake River. For it was there that the old cry of "free enterprise versus socialism" was raised with such fervor—to be followed with disclosures that by special and privileged arrangement, the free enterprisers were (and are) permitted a subsidized ride on the backs of the American people.

Mr. MORSE. I ask also, Mr. President, that immediately following the Denver Post article there be printed in the RECORD another excellent article in opposition to the fast tax writeoff policy of this administration, printed in the May 22, 1957, issue of the International Wood Worker, Portland, Oreg., entitled "Big Steal Uncovered."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BIG STEAL UNCOVERED

The air was filled with denunciations of the pro-Hells Canyon people during the 1956 election campaign by the Welkers and McKays who loudly called the Idaho Power Co.'s three low-head dams a saving to the taxpayers.

As with other things, "murder will out" eventually. We now find that Ipco's plan was not only a giveaway on the part of Eisenhower, McKay, and Welker—but that it is a "steal" as well.

What was purported to be a saving to the taxpayer has become a loss of $330 million.

Even President Eisenhower's Federal Power Commission, packed as it is with more of the giveaway crowd, characterized these tax writeoffs as "a grant by our Government to a certificate holder of an interest-free loan."

Another individual that has never been famous for his support of Federal projects has reacted violently to the news of the Ipco tax writeoff. Senator HARRY F. BYRD, Dixiecrat, of Virginia, has attacked the writeoff gift to the private utility and has joined with WAYNE MORSE and other liberal Senators to prevent what the Oregon Senator calls an "unconscionable, politically immoral giveaway of the taxpayers' dollars to Idaho Power Co."

Under the provisions of the fast writeoff, Idaho Power Co. will save about $30 million in taxes during the next 5 years.

The way this works is interesting. The utility is given the fast writeoff certificate—which Ipco already has a result of the Office of Defense Mobilization's generosity—and it then proceds to deduct from its taxable income one-fifth of the cost of its low-head dams each year. After 5 years, the entire value of the ODM certificates will have been deducted and the company will have lifted from the pockets of the Nation's taxpayers about $30 million.

The life of the private utility's project is figured at 50 years. Ipco would have to pay at least 6 percent interest on this $30 million if they went out on the market to borrow it and of course they don't, in this case, because Uncle Sam is giving it to them.

Figuring interest at 6 percent and the term of the loan at 50 years—the life of the Ipco project—and you come up with a figure of $330 million, or almost twice what the project will cost the company to build, according to their own figures.

Not only is this true, but the people of America have been cheated out of a great multipurpose dam which could have been built and owned by them for just $352 million, or only $22 million more than the private low-head, single-purpose dams were alleged to have cost in the first place.

Summing it all up—the people of America are asked to give eastern financers a dollar bonanza the equal of which has never been seen even during the days of the great robber barons.

These great defenders of so-called private enterprise capitalism are planning on becoming $330 richer because of their ties to the present Government of the United States. This is, to say the least, something of a contrast. It appears that when things are just a matter of principle these boys favor private enterprise, but when it becomes a matter of cold cash they are as eager for Government interference as the creeping Socialists they like to talk about.

The fact that the Ipco low-head dams are being built just to produce power, whereas the high, federally built Hells Canyon Dam would be built to supply not only power and more of it at that, but navigation; flood control; recreation and navigation benefits as well, makes no difference to these plunderers. Thus, for less development and for an actual waste of our natural resources, we the people are asked to pay the bill.

We wonder what would have happened to the Eisenhower majority in the Pacific Northwest in 1956, if the people had known about the tax plum when they went to the polls?

Mr. MORSE. Mr. President, immediately following that insertion I should like to have printed in the RECORD, as a part of my remarks an article which appeared in the A. F. of L. News, Morgan Views the News, in which Mr. Morgan, the exceedingly able news commentator of the A. F. of L., also reviews this fast tax writeoff scandal and makes some very important and, I think, apropos remarks in regard to it.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MORGAN VIEWS THE NEWS

Representatives of the extreme-liberal and the extreme-conservative wings of the Democratic Party, in the persons of Oregon's WAYNE MORSE and Virginia's HARRY BYRD, have joined hands in the Senate to denounce the continuing administration practice of favoring big business with fast tax writeoffs.

Want to know who joined them in principle? Man named George Humphrey, Secretary of the Treasury.

Humphrey told the Senate Finance Committee, of which Senator BYRD is chairman that the fast tax writeoff program in effect the last 6 years was going to cost the Government, meaning the taxpayers, $3 billion, and the Secretary supported a bill which BYRD is pushing to end this program except where the production of direct military equipment is involved.

The rapid amortization plan was applied in World War II to encourage industry to expand its defense production quickly. It was reactivated at the start of the Korean war in 1950 and although hostilities there ceased in the first year of the Eisenhower administration, the program has continued.

What it does is to let a company deduct from its income for tax purposes parts or all of the capital investment in a new plant in 5 years; the normal period for such a writeoff is 20 years or more.

So what the privilege amounts to is an interest-free loan to the company. That was what Secretary Humphrey was talking about; he translated that $3 billion to mean interest charges on money the Treasury has to borrow to make up for tax collections deferred by the writeoff.

The administration has been bestowing them these writeoff plums in an interesting fashion. The most recent recipient of its generosity, which is supposed to be motivated solely by defense needs, is the Idaho Power Co., which won out in a long fight with public-power advocates and is in the process of building two dams in Hells Canyon on the Snake River between Oregon and Idaho.

The Office of Defense Mobilization granted quick tax writeoff certificates to the company amounting to more than $65 million. ODM did this in spite of the fact that a joint Congressional committee on taxation had recommended last year that the fast writeoff law be repealed and in spite of sharp protests by Senators, raised long in advance, about the claims of the Idaho Power Co. that its Hells Canyon projects could classify as essential to defense and therefore eligible for the rapid writeoff.

Mr. MORSE. Lastly, Mr. President, on this item I ask to have printed in the RECORD, immediately following the Morgan column, a most interesting editorial in the Monday, May 27, 1957, issue of the Milwaukee Journal, entitled "Hells Canyon Tax Deal Is On the Tricky Side."

The Milwaukee Journal proceeds to express its disapproval of the policies of the administration in respect to the fast tax writeoff issue in connection with plants which are not in fact war plants, plants which were not in fact built because they would not have great civilian productive use after an emergency, but, as in this case, are plants which are really capable of having greater value in the years to come than they had at the time they were built.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HELLS CANYON TAX DEAL IS ON THE TRICKY SIDE

Senator MORSE, Democrat, of Oregon, was intemperate in comparing President Eisenhower with Dave Beck, teamsters' union president. But the general complaint he was making remains valid and significant.

What has happened is this: A bitter dispute arose several years ago over whether the Federal Government should build a single large dam in Hells Canyon on the Snake River in Idaho or whether the Idaho Power Co. should build three smaller dams there. Public power advocates contended that only Federal development would result in adequate attention being paid to flood control, navigation, irrigation, and recreation as well as the production of cheaper electric power. The opposition countered that private industry could do the job without cost to the taxpayers.

Backed by the Eisenhower administration, private industry won the dispute. In 1955 the Federal Power Commission authorized the Idaho Power Co. to go ahead.

Now it turns out that the taxpayers are to help underwrite the dams anyway, but without owning any part of them. For the Idaho Power Co. has won Government consent to use the fast tax writeoff law, which was designed to speed construction of essential plants during wartime. Instead of depreciating the dams, for tax reduction purposes, evenly over 50 years, it can deduct 60 and 65 percent of their cost in the first 5 years.

In the later years, of course, when there is little depreciation left to claim, the taxes will be higher, and ultimately the Government will receive the same total. But meanwhile the utility will have the use and earning power of some $30 million that would normally have gone in taxes; the Government won't get the money, and will have to raise its equivalent elsewhere. In effect, this is subsidy, an interest-free-Government loan.

Senator MORSE and others who lost the public versus private power fight are understandably incensed. Even such a stalwart friend of private enterprise as Senator BYRD, Democrat, of Virginia, is opposed to this kind of fast writeoff. Secretary of the Treasury Humphrey, admitting that the practice has cost the Government $3 billion in interest since 1950, is supporting BYRD's bill to allow it only for special purpose plants making new defense items or doing research for the Defense Department or the Atomic Energy Commission.

The utility knew all along that a private power development was probably going to involve this kind of deal. Application for the fast writeoff certificates had already been on file 3 years when the company was running expensive magazine advertisements telling the taxpayers how they were saving money.

Even if it is all technically legal, the administration has thus been party to a fast shuffle—a cynical deception practiced upon the public. Senator MORSE's anger should find many to share it. And sincere advocates of private development of the Nation's resources find their cause badly tarnished.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, I invite the attention of Senators to the fact that it is my intention, at the conclusion of the morning hour, to suggest the absence of a quorum, following which consideration of the unfinished business, Calendar No. 338, House bill 53, will be resumed. However, as soon as the distinguished senior Senator from Florida [Mr. HOLLAND], chairman of the subcommittee handling the appropriations for the Commerce Department and other agencies, is ready to proceed with consideration of the conference report, the unfinished business will be temporarily laid aside and the conference report will be taken up.

As Senators know, the conference report is highly privileged. If Senators are interested in it, I hope they will be present in the Chamber, because the conference report will be taken up in a few minutes.

Mr. HOLLAND. Mr. President, I thank the distinguished majority leader. I am ready to proceed at any time with the consideration of the conference report. However, I promised 3 or 4 Senators who are interested in certain items that I would notify them before proceeding. It is hoped that we can proceed with the consideration of the conference report within 30 minutes.

The PRESIDING OFFICER (Mr. COTTON in the chair). Is there further morning business? If not, morning business is concluded.

The Chair lays before the Senate the unfinished business.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6700) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 11, 13, and 14, and concurred therein, and that the House receded from its disagreement to the amendment of the Senate numbered 18 to the bill, and concurred therein, with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 1463) to amend the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle, and it was signed by the President pro tempore.

CONSOLIDATION OF LAWS ADMINISTERED BY THE VETERANS' ADMINISTRATION

The Senate resumed the consideration of the bill (H. R. 53) to consolidate into one act, and to simplify and make more uniform, the laws administered by the Veterans' Administration relating to compensation, pension, hospitalization, and burial benefits and to consolidate into one act the laws pertaining to the administration of the laws administered by the Veterans' Administration.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Carroll	Hayden
Allott	Church	Hickenlooper
Anderson	Clark	Hill
Barrett	Cotton	Holland
Beall	Curtis	Ives
Bennett	Dirksen	Jackson
Bible	Douglas	Johnson, Tex.
Bricker	Dworshak	Johnston, S. C.
Bush	Eastland	Kefauver
Butler	Ellender	Kerr
Byrd	Ervin	Knowland
Capehart	Frear	Kuchel
Carlson	Goldwater	Malone
Mansfield	Neely	Smith, N. J.
Martin, Iowa	Neuberger	Sparkman
Martin, Pa.	O'Mahoney	Talmadge
McClellan	Potter	Thurmond
McNamara	Revercomb	Thye
Monroney	Robertson	Watkins
Morse	Saltonstall	Wiley
Morton	Schoeppel	Williams
Mundt	Scott	Yarborough
Murray	Smith, Maine	Young

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Missouri [Mr. HENNINGS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Ohio [Mr. LAUSCHE], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Rhode Island [Mr. PASTORE], the Senator from Georgia [Mr. RUSSELL], the Senator from Florida [Mr. SMATHERS], the Senator from Mississippi [Mr. STENNIS], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES], the Senator from New Jersey [Mr. CASE], the Senator from Nebraska [Mr. HRUSKA], and the Senator from New York [Mr. JAVITS] are necessarily absent.

The Senator from South Dakota [Mr. CASE], the Senator from Kentucky [Mr. COOPER], the Senator from Vermont [Mr. FLANDERS], and the Senator from Connecticut [Mr. PURTELL] are absent on official business.

The Senator from Indiana [Mr. JENNER], the Senator from North Dakota [Mr. LANGER] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The PRESIDING OFFICER. A quorum is present.

Mr. BYRD. Mr. President, I ask that the amendments to H. R. 53 be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Mr. BYRD. Mr. President, the purpose of the bill is to consolidate into one act and to simplify and make more uniform the myriad of existing Veterans' Administration laws which cover compensation, pension, hospitalization, medical, and domiciliary care, burial benefits and so forth. The bill has been under study for many months and has been clearly checked by the General Counsel's Office of the Veterans' Administration, and all suggestions and amendments proposed by the Veterans' Administration have been incorporated into the bill, as reported. The bill does not adversely affect the entitlement of any veteran or dependent presently on the compensation or pension rolls. The established rates of pension and compensation are maintained.

The bill was passed unanimously by the House of Representatives and has the approval of the Veterans' Administration, General Accounting Office, Bureau of the Budget, American Legion, Veterans of Foreign Wars, Disabled American Veterans, and AMVETS. The committee, as well as all persons who have to work with the existing veterans' laws, realize the necessity for consolidating and incorporating into a single act the vast number of laws which affect veterans. The bill will do much to aid in the administration of veterans' laws and will be easier for the Veterans' Administration to adjudicate claims, to answer correspondence, and to perform all of the day-to-day administrative functions which the Veterans' Administration must perform, by having this great body of law into one act.

All Members of Congress and their staff will find that the bill will greatly aid them in locating provisions of law now scattered throughout the vast number of enactments, and in turn will help them in performing their day-to-day functions with reference to veterans' correspondence.

All national veterans' organizations, service officers, claims officials, and legislative representatives will find the bill to be of the greatest assistance in their work.

The bill contains only a few minor substantive changes in the existing law, generally of a minor liberalization, and the cost of the bill, as reported, would be approximately $200,000 for the first year.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. REVERCOMB. Do I understand correctly that the measure is an administrative bill, which deals with the administration of the several laws affecting veterans and their pensions?

Mr. BYRD. The Senator is correct.

Mr. REVERCOMB. Does it in any way reduce the amounts paid to veterans, the members of their families, or survivors?

Mr. BYRD. No; there is a slight liberalization. The cost will be increased about $200,000 a year. That is simply an equalization.

Mr. REVERCOMB. As I believe I heard the Senator state, the bill has received the approval of veterans' organizations throughout the country.

Mr. BYRD. All the veterans' organizations, the Veterans' Administration, the Bureau of the Budget, and the General Accounting Office have approved the bill. It is one of the few bills with which I have ever had anything to do which seems to have the approval of everyone.

Mr. REVERCOMB. I thank the Senator from Virginia.

Mr. CARLSON. Mr. President, will the Senator from Virginia yield to me?

Mr. BYRD. I yield.

Mr. CARLSON. I wish to thank the distinguished Senator from Virginia, the chairman of the Finance Committee, for reporting the bill which recodifies the veterans' laws of the United States. I think the bill is one of the best measures in behalf of the veterans and those interested in their welfare that has been drafted over a period of many years. The bill makes it possible to find in one statute, one law, all the measures pertaining to veterans, instead of requiring the examination of 15 different acts passed by the Congress.

I desire to commend the distinguished chairman of the committee and the committee staff who have worked on the bill. I think it is an excellent one.

Mr. BYRD. I thank the Senator from Kansas.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments, which, by unanimous consent, are being considered en bloc.

The amendments were agreed to en bloc, as follows:

In the table of contents, on page 3, after "SEC. 404. Persons heretofore having a pensionable status.", to insert "SEC. 405. Payment of pension during confinement in penal institutions."; on page 27, after line 18, to insert:

"The foregoing shall not be applicable to any widow who, with respect to date of marriage, could have qualified as a widow for death compensation under any law administered by the Veterans' Administration in effect on the day before the effective date of this act."

On page 47, after line 18, to insert:

"PAYMENT OF PENSION DURING CONFINEMENT IN PENAL INSTITUTIONS

"SEC. 405. (a) No pension under public or private laws administered by the Veterans' Administration shall be paid to or for an individual who has been imprisoned in a Federal, State, or local penal institution as a result of conviction of a felony or misdemeanor for any part of the period beginning 61 days after his imprisonment begins and ending when his imprisonment ends.

"(b) Where any veteran is disqualified for pension for any period solely by reason of subsection (a) of this section, the Administrator may apportion and pay to his wife or children the pension which such veteran would receive for that period but for this section.

"(c) Where any widow or child of a veteran is disqualified for pension for any period solely by reason of subsection (a) of this section, the Administrator may (1) if the widow is disqualified, pay to the child, or children, the pension which would be payable if there were no such widow or (2) if a child is disqualified, pay to the widow the pension which would be payable if there were no such child."

On page 52, line 25, after the word "War", to insert "who is on the pension rolls on the day before the effective date of this act under any public law"; on page 53, line 18, after the word "War", to insert "as heretofore defined under public law administered by the Veterans' Administration"; on page 67, line 1, after "(e)", to strike out "Any disability of a veteran of the Spanish-American War shall be considered, for the purposes of this section an outpatient medical services under section 524, to be a service-connected disability incurred or aggravated during a period of war" and insert "Any disability of a veteran of the Spanish-American War, upon application for the benefits of this section or outpatient medical services under section 524, shall be considered for the purposes thereof to be a service-connected disability incurred or aggravated in a period of war."; on page 83, at the beginning of line 21, to strike out "thereof" and insert "therefor"; on page 90, line 7, after the word "Veterans'", to strike out "act of 1924" and insert "act, 1924"; on page 109, line 17, after the word "review", to strike out "of" and insert "on"; on page 110, line 9, after the word "this", to strike out "part" and insert "title"; in line 21, after the word "this", to strike out "part" and insert "title"; on page 112, line 23, after the numerals "1405", to strike out "(a)"; on page 113, after the word "the", to strike out "States or Territories" and insert "States, Territories, or commonwealths"; in line 14, after the word "the", to strike out "States or Territories" and insert "States, Territories, or commonwealths"; on page 114, after line 15, to strike out:

"(b) Persons may be appointed under this title while on terminal leave from the Armed Forces and may be paid for their services rendered under such appointment not withstanding any law or regulation to the contrary."

On page 125, line 11, after the world "duly", to strike out "authorized" and insert "authorized"; on page 130, line 25, after the word "source", to strike out "(except retired pay, but including emergency officers' retirement pay)"; on page 131, line 2, after the word "benefits", to insert "(except retired pay, but including emergency officers' retirement pay)"; on page 177, line 14, after the word "in", to strike out "public or private" and insert "private, State, and other Government"; on page 181, line 19, after the word "shall", to insert "to the extent feasible"; one page 219, after line 5, to insert:

"(227) The act of April 25, 1957 (Public Law 85-24)."

On page 226, at the beginning of line 2, to strike out "or death" and insert "(or death occurring before January 1, 1957)"; and, in line 3, after the word "veteran", to strike out "occurring before the effective date of this act."

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 53) was read the third time and passed.

DEPARTMENT OF COMMERCE AND RELATED AGENCIES APPROPRIATIONS—CONFERENCE REPORT

Mr. HOLLAND. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the 2 Houses on the amendments of the Senate to the bill (H. R. 6700) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read, for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of June 3, 1957, pp. 8218–8219, CONGRESSIONAL RECORD.)

Mr. JOHNSON of Texas. Mr. President, the House of Representatives has acted on the conference report on the Department of Commerce appropriation bill. I ask unanimous consent that the Senate now proceed to consider the conference report.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER (Mr. CHURCH in the chair). The question is on agreeing to the conference report.

Mr. JOHNSON of Texas. Mr. President, I ask that the yeas and nays be ordered on the question of agreeing to the report, so that all Members will be on notice that there will be a yea and nay vote on this question.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. HOLLAND. Mr. President, the conferees on H. R. 6700, the Department of Commerce and related agencies appropriation bill for 1958, met on Wednesday, May 29, and unanimously reached agreement with respect to the matters in the bill where House and Senate were at a variance. The report is signed by all the conferees on the part of the House and all the conferees on the part of the Senate.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a comparative statement on the Department of Commerce and related agencies appropriation bill for the fiscal year 1958.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Department of Commerce and related agencies appropriation bill, 1958 (H. R. 6700)

Appropriation	1957 appropriation	1958 estimate	House bill	Senate bill	Conference action
Title I—Department of Commerce:					
General administration:					
Salaries and expenses	$2,450,000	$2,835,000	$2,695,200	$2,695,200	$2,695,200
Aviation war risk insurance revolving fund		Language			
Total, general administration	2,450,000	2,835,000	2,695,200	2,695,200	2,695,200
Bureau of the Census:					
Salaries and expenses	7,475,000	8,535,000	7,881,800	7,881,800	7,881,800
1958 censuses of business, transportation, manufactures, and mineral industries	150,000	1,845,000	1,000,000	1,000,000	1,000,000
18th decennial census		4,100,000	3,250,000	3,250,000	3,250,000
Census of governments	1,750,000				
National housing inventory	1,000,000				
Total, Bureau of the Census	10,375,000	14,480,000	12,131,800	12,131,800	12,131,800
Civil Aeronautics Administration:					
Operation and regulation	136,804,000	195,000,000	177,747,800	190,201,000	181,747,800
Establishment of air navigation facilities	75,000,000	175,000,000	116,561,800	132,645,190	124,603,525
Grants-in-aid for airports (liquidation of contract authorization)	30,000,000	35,000,000	30,000,000	25,000,000	25,000,000

Department of Commerce and related agencies appropriation bill, 1958 (H. R. 6700)—Continued

Appropriation	1957 appropriation	1958 estimate	House bill	Senate bill	Conference action
Title I—Department of Commerce—continued					
Civil Aeronautics Administration—continued					
Washington National Airport:					
Maintenance and operation	$1,500,000	$1,800,000	$1,566,000	$1,566,000	$1,566,000
Construction		500,000	250,000	250,000	250,000
Maintenance and operation, Alaska airports	618,000	1,250,000	700,000	700,000	700,000
Air navigation development	1,500,000	2,000,000	1,500,000	1,500,000	1,500,000
Land acquisition, additional Washington airport	3,136				
Total, Civil Aeronautics Administration	245,425,136	410,550,000	328,325,660	351,862,190	335,367,325
Coast and Geodetic Survey:					
Salaries and expenses	[1] 10,900,000	12,100,000	11,550,000	11,550,000	11,550,000
Construction of surveying ship	3,700,000				
Total, Coast and Geodetic Survey	14,600,000	12,100,000	11,550,000	11,550,000	11,550,000
Business and Defense Services Administration:					
Salaries and expenses	6,975,000	7,075,000	3,515,000	5,682,000	5,682,000
Office of Area Development:					
Salaries and expenses		395,000	395,000	200,000	395,000
Bureau of Foreign Commerce:					
Salaries and expenses	2,400,000	2,645,000	2,261,500	2,445,000	2,353,250
Export control	3,000,000	3,060,000	3,060,000	3,060,000	3,060,000
Total, Bureau of Foreign Commerce	5,400,000	5,705,000	5,321,500	5,505,000	5,413,250
Office of Business Economics:					
Salaries and expenses	960,000	1,055,000	1,035,000	1,035,000	1,035,000
Maritime activities:					
Ship construction	100,700,000	94,500,000	3,000,000	3,000,000	3,000,000
Operating-differential subsidies	124,000,000	120,000,000	100,000,000	[2] 35,000,000	[2] 35,000,000
Salaries and expenses	15,350,000	15,850,000	15,425,000	15,425,000	15,425,000
Maritime training	2,200,000	2,585,000	2,394,300	2,394,300	2,394,300
State marine schools	660,000	660,000	660,000	660,000	660,000
War Shipping Administration liquidation	Language	Language	Language	Language	Language
Vessel operations revolving fund	Language				
Total, maritime activities	242,910,000	233,595,000	121,479,300	56,479,300	56,479,300
Inland Waterways Corporation:					
Administrative expenses limitation	(14,000)	(4,500)	(4,500)	(4,500)	(4,500)
Patent Office:					
Salaries and expenses	17,000,000	19,200,000	19,000,000	19,000,000	19,000,000
Bureau of Public Roads:					
Federal-aid highways (trust fund)	[3] (1,050,000,000)	(1,600,000,000)	(1,600,000,000)	(1,600,000,000)	(1,600,000,000)
Forest highways (liquidation of contract authorization)	23,000,000	28,000,000	25,000,000	23,000,000	25,000,000
Public lands highways (liquidation of contract authorization)	[4] 1,900,000	2,000,000	1,500,000	1,500,000	1,500,000
Inter-American Highway		12,000,000	12,000,000	12,000,000	12,000,000
Reimbursement to highway fund, District of Columbia	200,000				
Woodrow Wilson Memorial Bridge (Jones Point Bridge)	14,325,000				
Total, Bureau of Public Roads	39,425,000	42,000,000	38,500,000	36,500,000	38,500,000
National Bureau of Standards:					
Expenses	8,750,000	11,500,000	8,908,500	9,948,000	9,428,250
Plant and equipment	450,000	800,000	450,000	450,000	450,000
Construction of facilities	930,000	2,000,000			
Total, National Bureau of Standards	10,130,000	14,300,000	9,358,500	10,398,000	9,878,250
Weather Bureau:					
Salaries and expenses	35,400,000	39,300,000	37,480,100	38,252,200	37,880,100
Establishment of meteorological facilities	2,500,000	1,200,000	600,000	600,000	600,000
Total, Weather Bureau	37,900,000	40,500,000	38,080,100	38,852,200	38,480,100
Total, title I	633,550,136	803,790,000	591,387,060	551,890,600	536,007,225
Title II—The Panama Canal:					
Canal Zone government:					
Operating expenses	15,410,000	16,548,000	15,648,600	15,765,600	15,765,600
Capital outlay		1,100,000	1,000,000	1,025,000	1,000,000
Total, Canal Zone Government	15,410,000	17,648,000	16,648,600	16,790,600	16,765,600
Panama Canal Company: Administrative expense limitation	(3,679,000)	(7,820,000)	(7,820,000)	(7,820,000)	(7,820,000)
Total, title II	15,410,000	17,648,000	16,648,600	16,790,600	16,765,600
Title III—Independent agencies:					
Advisory Committee on Weather Control	300,000	310,000		250,000	0
Civil Aeronautics Board:					
Salaries and expenses	4,625,000	5,725,000	5,255,400	5,725,000	5,480,400
Payments to air carriers	16,200,000	42,340,000	38,754,000	37,228,000	37,228,000
Total, Civil Aeronautics Board	20,825,000	48,065,000	44,009,400	42,953,000	42,717,400
St. Lawrence Seaway Development Corporation: Administrative expense limitation	(325,000)	(410,000)	(400,000)	(400,000)	(400,000)
Small Business Administration:					
Salaries and expenses	1,900,000				
Revolving fund	[5] 95,000,000				
Total, Small Business Administration	96,900,000	(6)			
Tariff Commission	[7] 1,550,000	1,700,000	1,640,000	1,700,000	1,700,000
Total, title III	119,575,000	50,075,000	45,649,400	44,903,000	44,417,400
Grand total, titles I, II, and III	768,535,136	871,513,000	653,685,060	613,584,200	597,790,225

[1] Excludes pending supplemental $55,000 to be derived by transfer.
[2] And in addition $65,000,000 to be derived by transfer from "War Shipping Administration liquidation" fund.
[3] Includes $250,000,000 appropriated in Public Law 15.
[4] Includes $900,000 appropriated in Public Law 15.
[5] Includes $45,000,000 appropriated in Public Law 19.
[6] $77,500,000 proposed for later transmission (under proposed legislation).
[7] Excludes $25,000 supplemental.

Mr. HOLLAND. Mr. President, when the bill was passed on the floor of the Senate on May 17, the Senate version of the bill was in agreement with the House version on the item of $1,690,000,000 payable from the highway trust fund covering the interstate highway program and various other Federal aid highway programs. The Senate version of the bill was also in agreement with the House version on 20 of the remaining 36 money items. The bill as passed by the Senate—exactly as reported by the committee, and without amendment on the floor—contained 31 amendments of the House version of the bill.

In the conference—which was most pleasant—the Senate prevailed in the case of 8 amendments, covering items as follows: First, amendment No. 6, a reduction of $5 million in liquidating cash for airport grants; second, amendment No. 8, an additional $2,167,000 for the industry divisions of the Business and Defense Services Administration; third, amendment No. 12, a reduction of $65 million in appropriations for maritime operating-differential subsidies; fourth, amendment No. 22, additional funds of $117,000 for school facilities for handicapped children in the Canal Zone; fifth, amendment No. 24, language authorizing $100 per diem for consultants for the Canal Zone Government, subject, however, to an existing overall limitation of $15,000 per annum for such services; sixth, amendment No. 27, a reduction for the Civil Aeronautics Board of $1.5 million in payments to air carriers; seventh and eighth, amendments No. 28 and No. 29, provision of the full budget estimate for the Tariff Commission by the restoration of $60,000 to the House version of the bill.

As indicated by the message from the House, the House recedes from its disagreement to and concurs in amendments 11, 13, and 14. The first of these relates to provision of administrative expense authorization for ship-construction activities previously authorized; the latter 2 amendments include language providing $65 million for maritime operating-differential subsidies to be derived by transfer of balances from the War Shipping Administration liquidation fund, in lieu of an appropriation in a like amount, and provide for rescission of unrequired amounts remaining in the War Shipping Administration liquidation fund.

The House prevailed in 10 amendments, covering items as follows:

First. Amendment 3, involving aircraft in the Civil Aeronautics Administration.

Second. Amendment 9, restoration of a proposed $195,000 reduction from the budget estimate for the Office of Area Development.

Third and fourth. Amendments 15 and 16, $2 million additional over the amount provided in the Senate version of the bill for liquidating cash for forest highways.

Fifth. Amendment 17, consultant limitation for the Bureau of Public Roads.

Sixth. Amendment 21, elimination of proposed supergrades for the Civil Aeronautics Administration.

Seventh. Amendment 23, capital outlay funds for the Canal Zone Government reduced $25,000 from the Senate version of the bill.

Eighth. Amendment 25, elimination of funds for the Advisory Committee on Weather Control.

Ninth and tenth. Amendments 30 and 31, reinstatement of a prohibition on use of management consultants in the field of management or organization.

That is referred to generally as the Gross amendment, which had been adopted on the floor of the House.

Compromise agreements were reached in 10 other instances involving passenger motor vehicles and aircraft for the CAA; funds for operation and regulation of the Federal airways; the establishment of air navigation facilities; administrative-expense limitation for air navigation-development activities; foreign-trade promotion activities of the Bureau of Foreign Commerce; consultant authority and limitation on funds to be utilized for such purposes in the Bureau of Public Roads; basic program functions of the National Bureau of Standards; operating expenses of the Weather Bureau; and administrative expenses of the Civil Aeronautics Board.

The utilization of the $65 million in War Shipping Administration liquidation funds for the operating-differential subsidies account of the Maritime Administration—to which I have already referred—though a reduction in appropriations is not a reduction in expenditures and must not be so considered. It is, however, a needed step in the direction of eliminating a balance which has been carried on the Treasury books, with annual renewal by the Congress, since 1948.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. BYRD. I congratulate the Senator very heartily on that action, which I think could well be extended to many other inactive accounts. The Senator from Florida has done a splendid job, not only in respect to that item, but in regard to the entire bill, both as chairman of the subcommittee of the Senate, and as a member of the conference committee.

Mr. HOLLAND. I appreciate that statement very highly. Whenever anyone receives a compliment from the distinguished senior Senator from Virginia on the floor of the Senate, it means he must have acted rather cautiously and wisely. So, for the entire conference committee, consisting of the full number of our subcommittee from the Senate, and a similar number from the House, I want to say we greatly appreciate the comments of the distinguished senior Senator from Virginia.

Mr. BYRD. It was a very sincere compliment, and I certainly appreciate what the distinguished Senator from Florida has said.

Mr. HOLLAND. I thank the Senator.

I may say, with respect to this item, which currently amounts to approximately $76 million or $77 million, which is what remains of larger amounts continued available since 1948, under appropriations by Congress, $65 million was made available to a similar activity having to do with ships. As the House had suggested, we left $10 million as a reserve to complete the liquidation of the War Shipping Administration claims. The balance of between $1 million and $2 million we transfer to the surplus fund. So that the surplus funds, in one pocket, which the Senator from Virginia has been so strongly suggesting for several years ought to be rescinded, or appropriated where they can be used, and used on necessary expenditures for the current or approaching fiscal year, have been used for that purpose in this instance.

As a member of the Joint Committee on Reduction of Nonessential Expenditures, which is so ably headed by the senior Senator from Virginia, I may say I am happy this is one item, if not the first, in which we are carrying out one of the major objectives of that committee. The record shows that $10 million remaining in that liquidation account will be adequate to settle outstanding claims.

There are 1 or 2 additional comments I should like to make. Senators will recall that in the handling of the funds for safer installations on the airlines or on the air lanes for the CAA, both the House and the Senate committees had insisted that a sizable part of the appropriation recommended in the budget be transferred to the military budget, because it was for the serving of military planes.

I am happy to say that in spite of the great cuts made by the House in the defense appropriation bill, which it passed a few days ago, there was added to that bill by amendment from the floor the amount of $21,500,000, which is a necessary expenditure to provide for greater safety for military planes—and since it affords them greater safety, it means greater safety is likewise assured to civilian planes which must at times be traversing the same areas, so that the safety of people traversing the air lanes is being safeguarded in that particular way, by providing the particular appropriation in another measure.

I should like to make one more point. I think it is important for the RECORD to give a sort of summary of the reduction of which all members of the committees, both in the House and the Senate, are quite proud.

The amount covered by the conference bill, which is in a total of $597,790,225, is $55,894,835, or 8.6 percent, below the amount voted by the House.

The total of the conference bill is $15,794,065, or 2.6 percent, below the amount voted by the Senate.

The amount carried in the conference bill is $273,722,775, which is more than a quarter of a billion dollars, or 31.4 percent, below the budget estimate.

The conference bill appropriation is also 22.2 percent below the amount appropriated to date for the present fiscal year.

Mr. President, as a matter of making sure that the RECORD does not deceive anybody, while the amount appropriated in this bill is 31.4 percent below the budget estimate, it is only 23.9 percent below the budget estimate for expenditures. The 31.4 percent is the reduction

in new appropriations. The difference between the figures 31.4 percent and 23.9 percent is represented by the transfer of $65 million, to which I referred earlier in my statement.

One more figure needs to be mentioned, and then I will close. The conference bill is $170,744,911, or 22.2 percent, below the amount appropriated to date for the present fiscal year. Of that figure we are particularly proud.

Mr. President, I wish to say that the House committee, the Senate committee, and the conference committee have all proceeded in a way different from that of using a broad ax approach. I think the various activities and agencies covered by the bill can be operated, and operated reasonably, with the funds appropriated by the bill, except one. In conference we had to finally agree with the House—or not have a conference report—on the complete elimination of a minor amount which was in the bill to carry on to completion the program for the Advisory Committee on Weather Control. The Senate committee felt, and the Senate indicated by its action, that since we had extended that activity to continue through this coming fiscal year, by all means we should appropriate funds to complete it, but the House conferees were adamant. The amount being small, and other items being of much greater importance, the Senate conferees ultimately yielded on that point.

Mr. President, I ask first that the conference report be adopted. Then I shall ask to have laid before the Senate the single amendment which has to be reported back for consideration and approval following action on the conference report.

The PRESIDING OFFICER (Mr. CHURCH in the chair). The question is on agreeing to the conference report. On this question the yeas and nays have been ordered.

Mr. HOLLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The question is on agreeing to the conference report. On this question the yeas and nays have been ordered.

Mr. HOLLAND. Mr. President, before proceeding with the vote, I wish to repeat what some Senators may not have heard, namely, that the conference report was unanimously agreed to by all the conferees of the Senate and all the conferees of the House. All the conferees of both bodies have signed the report. I know of no item in controversy.

In closing, I express my great appreciation for the cooperation which I received, not only from my colleagues on this side of the aisle, but from all my colleagues on the other side of the aisle, and particularly from the ranking minority member, the senior Senator from Maine [Mrs. SMITH].

Mr. President, I am ready for a vote.

The PRESIDING OFFICER. The question is on agreeing to the conference report. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Missouri [Mr. HENNINGS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Ohio [Mr. LAUSCHE], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from West Virginia [Mr. NEELY], the Senator from Rhode Island [Mr. PASTORE], the Senator from Georgia [Mr. RUSSELL], the Senator from Florida [Mr. SMATHERS], the Senator from Mississippi [Mr. STENNIS], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

I further announce that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Rhode Island [Mr. GREEN], the Senator from Missouri [Mr. HENNINGS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Ohio [Mr. LAUSCHE], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from West Virginia [Mr. NEELY], the Senator from Rhode Island [Mr. PASTORE], the Senator from Florida [Mr. SMATHERS], the Senator from Mississippi [Mr. STENNIS], and the Senator from Missouri [Mr. SYMINGTON] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. BRIDGES], the Senator from New Jersey [Mr. CASE], the Senator from Nebraska [Mr. HRUSKA], and the Senator from New York [Mr. JAVITS] are necessarily absent.

The Senator from South Dakota [Mr. CASE], the Senator from Kentucky [Mr. COOPER], the Senator from Vermont [Mr. FLANDERS], and the Senator from Connecticut [Mr. PURTELL] are absent on official business.

The Senator from Indiana [Mr. JENNER], the Senator from North Dakota [Mr. LANGER], and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Connecticut [Mr. BUSH] is detained on official business.

If present and voting, the Senator from New Hampshire [Mr. BRIDGES], the Senator from Connecticut [Mr. BUSH], the Senator from New Jersey [Mr. CASE], the Senator from South Dakota [Mr. CASE], the Senator for Kentucky [Mr. COOPER], the Senator from Vermont [Mr. FLANDERS], the Senator from Nebraska [Mr. HRUSKA], the Senator from New York [Mr. JAVITS], the Senator for Maine [Mr. PAYNE], and the Senator from Connecticut [Mr. PURTELL] would each vote "yea."

The result was announced—yeas 67, nays 0, as follows:

YEAS—67

Aiken	Frear	Mundt
Allott	Goldwater	Murray
Anderson	Hayden	Neuberger
Barrett	Hickenlooper	O'Mahoney
Beall	Hill	Potter
Bennett	Holland	Revercomb
Bible	Ives	Robertson
Bricker	Jackson	Saltonstall
Butler	Johnson, Tex.	Schoeppel
Byrd	Johnston, S. C.	Scott
Capehart	Kefauver	Smith, Maine
Carlson	Kerr	Smith, N. J.
Carroll	Knowland	Sparkman
Church	Kuchel	Talmadge
Clark	Malone	Thurmond
Cotton	Mansfield	Thye
Curtis	Martin, Iowa	Watkins
Dirksen	Martin, Pa.	Wiley
Douglas	McClellan	Williams
Dworshak	McNamara	Yarborough
Eastland	Monroney	Young
Ellender	Morse	
Ervin	Morton	

NOT VOTING—28

Bridges	Hennings	Neely
Bush	Hruska	Pastore
Case, N. J.	Humphrey	Payne
Case, S. Dak.	Javits	Purtell
Chavez	Jenner	Russell
Cooper	Kennedy	Smathers
Flanders	Langer	Stennis
Fulbright	Lausche	Symington
Gore	Long	
Green	Magnuson	

So the report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 6700, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S., *June 3, 1957.*

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 11, 13, and 14 to the bill (H. R. 6700) entitled "An act making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes," and concur therein.

That the House recede from its disagreement to the amendment of the Senate numbered 18, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "$100 per diem: *Provided*, That not to exceed $10,000 may be expended for services of individuals employed at rates in excess of $50."

Mr. HOLLAND. Mr. President, there is one item which requires the adoption of an amendment by both Houses. The House has already acted. I now move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 18.

The motion was agreed to.

PAYMENT OF EXPENSES INCURRED BY THE CIVIL SERVICE COMMISSION

Mr. HOLLAND. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 318, Senate bill 1740.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 1740) to authorize the payment from the Employees Life Insurance Fund of expenses incurred by the Civil Service Commission

in assembling and maintaining the assets and liabilities of certain beneficial associations.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSTON of South Carolina. Mr. President the bill does nothing more than implement the action of the Senate a few days ago, when we included in an appropriation bill an amendment to accomplish the same thing this bill now does. The provision was stricken out in conference, because the House disagreed with the Senate. But it is absolutely necessary that this bill be passed in order that justice may be done to the different group insurance plans which were in existence prior to the passage of the employees' insurance law.

I shall read section 5 (c) of the Federal Employees' Group Life Insurance Act of 1954, to show that Congress is under obligation at this time to pass the bill:

(c) The sums withheld from employees under subsection (a) and the sums contributed from appropriations and funds under subsection (b) shall be deposited in the Treasury of the United States to the credit of a fund which is hereby created. Said fund is hereby made available without fiscal year limitation for premium payments under any insurance policy or policies purchased as authorized in sections 7 and 10 of this act, and for any expenses incurred by the Commission in the administration of this act within such limitations as may be specified annually in appropriation acts, except that such fund shall be available, without regard to any such limitations, for payment of any such expenses incurred in assuming and maintaining the assets and liabilities of associations referred to in section 10: *Provided*, That appropriations available to the Commission for salaries and expenses for the fiscal year 1955 shall be available on a reimbursable basis for necessary administrative expenses of carrying out the purposes of this act until said fund shall be sufficient to provide therefor. The income derived from any dividends or premium rate adjustments received from insurers shall constitute a part of said fund.

The administration desires passage of the proposed legislation, because it has only through August 31, 1957, in which to take over the various companies. Actually only some $79,000 would be required. The appropriation bill provided that the Commission could use slightly in excess of $115,000 in order to take over the policies of persons who have retired.

The difference between the amount appropriated and the estimated total of $194,000 is the amount which would be required to take over the policies of persons who are still employed by the Government.

The real point at issue is that unless the bill is passed, Congress will be discriminating by not providing for the taking over of the policies of many persons who have not yet retired. The Commission has found that it cannot legally take over the policies of those persons or those persons who are still employed. It should either take over all the policies held by any given beneficial association, or not at all.

The Commission already has taken over all the policies in 16 associations. The question now is whether it will be permitted to take over the policies of the nine remaining associations. As I see it, it is very important that that be done, in order that all persons may be treated alike.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. NEUBERGER. As one member of the Committee on Post Office and Civil Service, who serves under the leadership of the Senator from South Carolina, I wish to thank him for the guidance he has shown concerning the bill. It seems to me that it is necessary for Congress to protect the equity of the many retired Federal employees whose insurance is held in the various beneficial associations. I quite agree with the distinguished chairman that, if one or a few of those associations is to be taken over, then such action must be made universal.

Mr. President, I ask unanimous consent that three very cogent and pertinent letters which I have received from constituents in my own State of Oregon, who are former employees of various departments of the Federal Government, be printed at this point in the RECORD, for the information and benefit of the Senate.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

PORTLAND, OREG., *May 16, 1957.*

Hon. RICHARD NEUBERGER,
United States Senator.

DEAR SIR: I bought insurance in War Department Beneficial Association to provide a necessary burial fund many years before Congress made group life insurance available for Government employees. I cannot afford to lose it. I am sure you want to protect this for me just as much as for the members of 16 other associations whose insurance has been taken over by the Government. I, too, am entitled to this protection.

Please do all you can to see that the United States Civil Service Commission is authorized to use sufficient funds to take over my insurance. I am a retired Federal civil-service employee with 30 years' service—since 1953 with the Army Engineer Corps, Portland district.

Sincerely,

CLARENCE THOMPSON.

NELSCOTT, OREG., *May 18, 1957.*

Hon. RICHARD L. NEUBERGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR NEUBERGER: This is a request for your support of a matter now pending before the Senate in regard to funds for the Civil Service Commission for the assumption by the Government of all life insurance agreements of the various nonprofit associations of Federal employees.

Under the act of Congress approved 17 August 1954, as amended, the Civil Service Commission is authorized to take over these policies and has done so for 16 associations, but has suspended negotiations with the remaining 9 pending congressional authority to use funds for this purpose.

One of the 9 affected is the War Department Beneficial Association with which I have had 3 insurance policies since 1935, and as I am now at an age and with a total disability with no possibility of obtaining additional insurance, I am quite concerned that this insurance be protected in every way possible.

I would appreciate your conveying these views to Senator MORSE and other appropriate Members of the Congress to the end that all such associations may receive equal treatment.

With warmest regards from both of us and many thanks,

Sincerely,

OTTO W. CAHILL,
Lieutenant Colonel, USAF (Retired).

CHEMAWA, OREG., *May 29, 1957.*

Hon. Senator RICHARD NEUBERGER,
Washington, D. C.:

I bought insurance in Department of the Interior Beneficial Association to provide a necessary burial fund many years before Congress made insurance available for Government employees.

To be exact, I have been paying for twenty-some years, and I cannot afford to lose this, because it will mean very much to my peace of mind right now, and very much to my wife, because it certainly would make it hard for her.

I am near 65 years of age, and the Government insurance diminishes in value annually, and I feel it is necessary that I get the protection from this insurance that I have been paying for a long time.

I understand the Government has taken over the life insurance of some of the associations, but has suspended negotiatings with some others, including the one I am connected with, pending congressional authority to use funds for this purpose. I feel that I am justly entitled to some protection, and I ask you, honorable Senator, to do all you can to protect this for me, by trying to see that the United States Civil Service Commission is authorized to use sufficient funds to take over my insurance.

Sincerely yours,

JOSEPH J. BRUSH.

Mr. NEUBERGER. I thank the Senator from South Carolina for the direction and leadership he has shown in bringing this important bill before the Senate.

Mr. JOHNSTON of South Carolina. I thank the Senator from Oregon for his remarks. I have always found the Senator most helpful in all legislative matters which benefit and are necessary to carry on our Government.

Mr. MARTIN of Iowa. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. MARTIN of Iowa. As a member of the Committee on Post Office and Civil Service, am I correct in my recollection that there was no objection whatsoever to the bill by any member of the committee?

Mr. JOHNSTON of South Carolina. There was no objection; the committee was unanimous in reporting the bill.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). The bill is open to amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 5 (c) of the Federal Employees' Group Life Insurance Act of 1954 is amended by inserting before the colon preceding the proviso therein a comma and the following: "except that such fund shall be available, without regard to any

such limitations, for payment of any such expenses incurred in assuming and maintaining the assets and liabilities of associations referred to in section 10."

ORDER FOR ADJOURNMENT TO WEDNESDAY

Mr. JOHNSON of Texas. Mr. President, I am hopeful that tomorrow we shall be able to report several bills from the standing committees, particularly appropriation bills which have been marked up by the subcommittees considering them.

Therefore I ask unanimous consent that when the Senate concludes its deliberations today, it stand in adjournment until noon on Wednesday next.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Without objection, it is so ordered.

WIDESPREAD GEOGRAPHIC USE OF BONNEVILLE POWER SUPPLIES FOR INDUSTRIAL PAYROLLS

Mr. NEUBERGER. Mr. President, recently much concern has been expressed in Oregon that the marketing of hydroelectric energy from the Federal dams of the Columbia River Basin, under the present laws and policies of the Bonneville Power Administration, will be inequitable and prejudicial to the people of my State. I rise today to discuss these policies and to introduce a proposed amendment to the Bonneville Project Act, the purpose of which is to provide that low-cost Bonneville power will be used intelligently to promote diversified industrial and economic development fairly and equitably throughout the several States of the Columbia River Basin. First, I shall review the problem and the background of the present adverse power marketing policies. Next, I shall explain my proposal for a return to progressive and constructive Bonneville power policies. Finally I shall review some of the facts which lead me to my firm conviction that proper planning of the use of a major share of Bonneville power for industrial development is of central importance to the economic future of Oregon and the Pacific Northwest.

LOW-COST POWER TAKEN FOR GRANTED FOR NEARLY 20 YEARS

For nearly 20 years, the low-cost hydroelectric power which is inherent in the surging flow of the Columbia River and its tributaries has steadily and increasingly entered the economic bloodstream of the Pacific Northwest, until it has become one of the most basic and essential components of the economy of the whole Columbia River Basin. From the day when the first generators began to turn at Bonneville Dam in 1938, until a few years ago, a continuing series of large, multipurpose Federal dams, harnessing these flows, has steadily added new blocks of low-cost power to the capacity of the Bonneville system. First there was Grand Coulee in 1941, followed by Hungry Horse in 1952, McNary in 1953, Chief Joseph in 1955, and the Dalles Dam expected this year, not to mention numerous subsidiary projects on tributaries of the Columbia.

With this steady addition of new power supplies, the Bonneville Power Administration was able to meet the needs of a growing region for low-cost energy—energy which could not be obtained from coal, from oil, from natural gas or any other fuels, none of which are indigenous to the Northwest. With this low-cost energy supply, the Pacific Northwest experienced, through war and peace, the fastest economic growth of its history.

Mr. President, as is the case with so many important things which form an intimate part of our daily living, it may be that the majority of the people of the Pacific Northwest, those not directly concerned with power problems, came to take the Bonneville power program for granted. It had not been a partisan political question. Bonneville Dam itself had been the realization of a dream for which Oregon's illustrious Republican leader, Senator Charles L. McNary, had fought from as early as 1921. He had continued his fight for the projects which followed, in cooperation with Democratic Presidents in the White House—a cooperation which was symbolized in the great dam which was named for him after his death. So, Mr. President, when this great and successful Bonneville program of developing the hydroelectric resources of the Columbia basin was abruptly ended by the Eisenhower administration upon taking office in 1953, it took a while for the economic significance of this fact to become apparent to some of the people who had enjoyed the economic benefits of the stimulus of low-cost Bonneville power without being conscious of their source.

Mr. President, today the Pacific Northwest, and particularly my own State of Oregon, is confronted with two simultaneous developments which must bring home to all of us the significance of this administration's decision to end the Federal Columbia River power program. First, Oregon is in an economic slump. For several years, the average per capita income of Oregon residents has receded in its relationship to the national average, from being $202 above the average in 1947 to $10 below the national average in 1956. Today, Oregon is experiencing serious unemployment and underemployment of its labor force.

This is particularly significant at a time when the Nation as a whole is enjoying a relatively high measure of prosperity and is still seriously combating inflation. True, the immediate cause of Oregon's present difficulties lies in the administration's fiscal policies, with their depressing effects on homebuilding and thus on the lumber industry, rather than directly in the administration's power policies. But by dramatizing the adverse and dangerous effects of our dependence on the fate of a single natural resource—the timber of our vast forests—Oregon's present slump forcefully demonstrates the importance of such industrial diversification as might be attracted to our State and region by the intelligent and energetic development and use of our other great and unique resource, the low-cost power of our abundant rivers. Yet the second simultaneous development, Mr. President, is the growing apprehension that it may be almost too late—that we may not be able to resume the interrupted Federal river development in time to catch up with and exceed the steeply rising curve of demand for electrical energy in our region. If this should be true, and if the best available statistics and forecasts show that sooner or later, in the next two decades, the Northwest will consume far more electricity than can be produced at all the hydroelectric installations which may be developed at all the sites available in the basin consistently with protection of migratory fish runs, of national parks, and other conservation needs—then we must face the issue of how to make the best use we can of the economic asset of low-cost Bonneville power, and how to assure the equitable distribution of the benefits from this unique regional assets among all of the people of the region, and in the greatest national interest. This is the problem to which I am addressing myself today.

"PREFERENCE CLAUSE" IS KEYSTONE OF POWER-MARKETING POLICIES

The cornerstone in the marketing of power from Federal projects has been the preference granted public agencies and nonprofit systems in the use and distribution of such power. The preference clause has been the traditional expression of the public's decision to dedicate the product of public resources and public investment to the public benefit, and to prevent its monopolization for private profit. On May 15 of last year, during the debate of the bill to authorize construction of the Niagara River project by the State of New York, I had occasion to review the history of the preference clause from the Reclamation Act of 1906 through its inclusion in many subsequent Federal acts dealing with power, including the Federal Power Act, the Rural Electrification Act, and acts authorizing many specific projects constructed by the Federal Government. Senator McNary included a public power preference clause in his original draft of the bill which became the Bonneville Power Marketing Act. As that law was finally enacted, it included a preference clause phrased in the following terms as section 4, now title 16, United States Code, section 832c:

(a) General provisions: In order to insure that the facilities for the generation of electric energy at the Bonneville project shall be operated for the benefit of the general public, and particularly of domestic and rural consumers, the Administrator shall at all times, in disposing of electric energy generated at said project, give preference and priority to public bodies and cooperatives.

In other acts, the preference clause has been expressed in various other terms, but the principle has been the same. Its operation has justified the great importance which has so long been attached to it. It has offered the public a choice between the kind of service organization they prefer in what is necessarily a natural monopoly field. By offering real or at least potential alternatives to the distribution of federally generated power by private, profitmaking companies, it has kept down electric rates in the areas within its reach. Most important of all, in conjunction with the Rural Electrification Act, the preference clause has made possible electric service, and thus a whole new way of life, for thousands of farm families throughout our country. In Oregon, for example, on January 1, 1935, electricity from central station service reached only 18,000 of 65,000 farms, or 27.5 percent. A little more than 2 decades later, on June 30, 1956, nearly 97.3 percent of all Oregon farms had the incalculable benefits of such electric service. This is surely the most revolutionary change which has been made possible by the access given farmers, through co-operatives or otherwise, to low-cost electric power. And when we look back to the conditions of 1935, it is easily understandable why domestic, and particularly rural, consumers were specifically singled out as members of the general public for whose benefit the Bonneville project was to be operated.

"PREFERENCE CLAUSE" NEEDS RESPONSIBLE ADMINISTRATION

Mr. President, of course, the Bonneville preference clause which I have quoted above had to be applied by someone charged with the administration of the act and with responsibility for this new marketing function of the power generated at the Bonneville project. Although the act itself stated that "the form of administration established in this chapter for the Bonneville project is intended to be provisional pending the establishment of a permanent administration for Bonneville and other projects in the Columbia River," this marketing function has remained continuously in the hands of the BPA under the Department of the Interior.

Mr. President, from what I have reviewed so far, and from facts which I shall review in more detail later in my speech, it is apparent that the marketing policies of the Bonneville Power Administration play a central role in determining the impact of the federally generated supply of electric energy in the Pacific Northwest. Armed only with the brief criteria of the preference clause I have cited, the Administrator has had considerable discretion in allocating this power supply through various agreements with preference customers, with private utility companies, and, in some instances, directly with large industrial power users. Given a relatively abundant supply and the prospect of continued abundance through addition of new projects to the system, this discretion enabled the BPA to serve the needs of all of the divers interests of the region, both with domestic and rural power and with power for industry, wherever industry might decide to locate its plants within economic reach of a transmission line. And a policy of expansion, to meet the needs and to help develop the opportunities of an expanding region, was the guiding principle of BPA marketing policy prior to 1953.

Thus, Mr. President, soon after the end of World War II, Secretary of the Interior Harold L. Ickes issued a memorandum on power policy which set forth his view of the manner in which congressional acts in this field were to be interpreted and applied. This memorandum, dated January 3, 1946, included a series of guidelines under the heading of "Operations and Sales," which I ask unanimous consent to have printed at this point in the RECORD as a part of my remarks.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Is there objection?

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

OPERATION AND SALES

(a) Active assistance, from the very beginning of the planning and authorization of a project, shall be given to the organization of public agencies and cooperatives for the distribution of power in each project area. The statutory objectives are not attained by merely waiting for a preferred cutsomer to come forward and offer to purchase the power.

(b) Operations shall be economical and efficient.

(c) Wholesale rate schedules shall be nondiscriminatory and shall be designed to bring power at the lowest possible rates to distributors that are principally serving domestic and rural consumers.

(d) Resale rate and other provisions shall be included in wholesale contracts with distributors to insure that power is furnished to the ultimate consumer at the lowest possible rates, which shall reflect as nearly as may be the cost of the service.

(e) Public agencies and cooperatives shall be encouraged to build diversified loads and markets and neither the operations nor the markets of these agencies or of the Government facilities shall be restricted by contracts or operating agreements which might serve to limit the widespread use of the power from the Federal project.

(f) No contracts shall be made that operate to foreclose public agencies and cooperatives from obtaining power from the Government project. Contracts with these organizations shall recognize their preferential character and assure them full opportunity to secure the benefits of Federal power. Contracts with privately owned companies shall be limited in time and shall contain provisions for the cancellation or modification by the Government as necessary to insure preference to public agencies and cooperatives.

(g) Rates, contracts, and financial data shall be made public.

(h) A diversified development of the industries and resources of the region shall be given active encouragement in order to benefit the load factor and to promote the economic stability of the project as well as to aid in regional development.

(i) Public agencies and cooperatives which are existing or potential customers of the Federal project shall be given every assistance in promoting sound programs and operations.

Mr. NEUBERGER. Mr. President, I particularly wish to draw attention to paragraphs (e) and (h) of this memorandum. They are of central significance for the policy decisions which I am discussing today, and which urgently require the attention of the people of the basin whose economic future is intimately involved with them. Paragraph (e) emphasized the importance of diversification in the loads and markets for power to be distributed by public agencies and cooperatives. And this emphasis on diversification was made even stronger and more specific in paragraph (h), which directed that a diversified development of the industries and resources of the region shall be given active encouragement in order to aid in regional development.

Mr. President, I can think of no better statement than this last principle of our 1946 Federal power marketing policy, of the active pursuit of the promise of economic development which lies dormant in the Columbia Basin's vast hydroelectric potential. It expresses a philosophy of abundance and of confidence in the future. An administration motivated by such a conception of the proper function of the power program entrusted to it could play a truly dynamic role in economic development. To the extent of its plans and forecasts for future Federal projects which would continue to add low-cost power to the system, it could use the assurance of such a power supply as a magnet to attract to the Pacific Northwest industries to which power costs are important enough to overcome the disadvantages of high freight charges inherent in our distant location from national markets.

PHILOSOPHY OF ABUNDANCE ENDED IN 1953

But, Mr. President, this philosophy of abundance was abandoned when the Eisenhower administration took office in 1953. There would be no more new Federal projects recommended for authorization in the Columbia River Basin. The rivers were to be turned over to the private utility companies, which had consistently fought the Bonneville program every inch of the way, even while wheeling large proportions of Bonneville power to their customers. And with the end of new Federal dam construction and of transmission lines, there would no longer be an uncommitted supply of future power with which to encourage diversified loads and the diversified development of the industries and resources of the region. Thus, hand in hand with the ending of the Federal dam construction program by this administration went a sharp reversal in Bonneville marketing policy. On August 18, 1953, there was issued a new memorandum on Department of the Interior power policy, as conceived by the Eisenhower administration, which included the following section on preference to public agencies and cooperatives:

The Department of the Interior will operate the federally owned generating and transmission facilities under its control for the benefit of the general public, and particularly of domestic and rural customers, and the Department will give preference and priority to public bodies and cooperatives in disposing of electric energy generated at Federal plants. It will be the policy of the Department to dispose of power, remaining after provision for existing preference customers, to privately owned public utilities serving domestic and rural customers in the area. The Department will not ordinarily undertake to dispose of power directly to consumers except to carry out existing contracts or renewals or expansion thereof, nor

will it use or permit the use of the preference privilege as a means to provide power for large industrial consumers at the expense of domestic and rural customers served by either publicly or privately owned public utilities.

Mr. President, as I have said, this negative, restrictive, niggardly conception of Bonneville power marketing functions went hand in hand with the administration's simultaneous decisions to hand over the incomparable Hells Canyon site on the Snake River to the Idaho Power Co., and to propose giving up, under the so-called partnership scheme, the powerhouses at the John Day, Cougar, and Green Peter projects, all of which had been authorized as Federal dams under preceding administrations. Today, Oregon faces the consequences of this reckless and irresponsible abandonment of the only large-scale program of new resource development that offered any promise of diversification and new industrial payrolls for our State and region.

Today, Mr. President, some of the leaders in Oregon's public life and business, who must share in the responsibility for having encouraged this administration's destruction of the Bonneville program, have at last become concerned about these consequences. They recognize that the so-called partnership scheme has been decisively repudiated by the people of every western State where it has become a matter of controversy; but in the course of this unnecessary controversy, which was precipitated by their attacks on the existing Federal program, almost half a decade in waterpower development in the Columbia basin has been lost. They recognize that now we fight, not for an assured long-run abundance, but, more immediately, to stave off a crippling shortage of hydroelectric power. The first evidence of this new recognition has been the unanimity of support for immediate construction of John Day Dam, under its present authorization as an all-Federal project. Appropriations for this purpose even have been supported by a number of Oregon newspapers which previously have not been known for their enthusiasm for Federal power development, and now by representatives of the Portland General Electric Co. Many of these favored the anti-Federal power partnership scheme until recently.

Completion of the John Day project in the fastest feasible time can offer the Northwest a brief breathing spell in facing and planning the future of our power supply. Beyond this immediate concern for assuring the power available at John Day Dam lies a long-range concern over the future role of Federal power in the basin, and particularly over the equitable distribution of its benefits throughout the States of the basin.

OPPONENTS OF PUBLIC POWER NOW SEEK ALLOCATION OF POWER FROM JOHN DAY DAM

Only 11 years ago, spokesmen for private-utility companies told the Congress that additional Federal dams would generate more power than the Pacific Northwest could use, while conservative opposition kept public distribution of electricity, which could benefit from the preference clause, from being widely adopted in Oregon. Today, spokesmen for the same point of view point with alarm to Oregon's disadvantageous position in competing with publicly owned distribution system in Washington—which can take advantage of the preference clause—for a share of Federal power, as the demand for this power fast threatens to outstrip the supply which has been so tragically and needlessly throttled down. So now we hear urgent demands that something be done to assure more of a share in future Federal power for Oregon—if necessary, by tying a formula of geographic allocations for Oregon and other States, on a State-by-State basis, to future legislation or appropriations for Columbia River projects.

Mr. President, there is much irony in this situation; but I do not refer to these events for the purpose of criticism or to fix blame. I have reviewed them as necessary background for what I, as a Senator from Oregon, believe can be done to preserve the legitimate and essential interests of the people of my State in the renewed growth and vitality of the Bonneville power system.

I do not believe in the "Balkanization" of the Columbia River Basin by seeking to tie down, legislatively, specific benefits for specific States. The mountains, the high, narrow gorges, and the broad river valleys, the clouds which precipitate their loads of rain or snow over the watershed, the forests which regulate the runoff—these basic conditions, which form the water resources of the Columbia Basin, are facts of geography and climate that know no man-made boundaries. It always invites waste, misuse, and underdevelopment when comprehensive planning for the best use of such resources is subordinated so as to fit the straitjacket of man-made political units, whether they be local groups, States, or whole nations. Such planning and development in the Columbia River Basin could only suffer by being made a subject of controversy between different States in the basin, as it is already suffering by the long drawn-out controversy between our Canadian neighbors and ourselves over the allocation of the downstream benefits attributable to development of the vast upstream storage potential of the upper Columbia and Kootenay Rivers in British Columbia. I know that there are precedents for geographic allocations of power from Federal projects—at Hungry Horse, in Montana; in the Missouri Valley; and in the bill for the high Hells Canyon project which we shall soon debate in the Senate. These may have been necessary exceptions to meet special conditions; but when we are dealing with the hydroelectric power of the basin as a whole, such allocation must remain only a last resort. To propose it now would be to concede the end of the basinwide Federal power system which so many of us have fought so long to preserve against the attacks of precisely those who now ask for allocation, and of this administration. It would be to concede the end of the Pacific Northwest's philosophy of abundance of hydroelectric power, and to turn instead to the rationing of the scarcity which must result from this administration's deliberate policies toward our region. I, for one, am not prepared to concede that this would be in the best interests of the people of Oregon which it is my responsibility to represent in the Senate.

RETURN TO FORWARD-LOOKING POLICIES NEEDED

I propose, instead, that the Bonneville power program return to the principles and objectives which guided it prior to the change in administrations in 1953. First and foremost, I shall continue to fight for an accelerated program of adding new hydroelectric power capacity to the Bonneville system, in an effort to make up for the loss caused by the needless delays of the past 5 years. There is still time for everyone in Oregon, of whatever business, profession, or political persuasion, who has become concerned about our economic future, to unite in this effort. Perhaps we can soften the administration's opposition to appropriations for an immediate start on building John Day Dam. There is still time to authorize the incomparable high Hells Canyon Dam, the key water-storage project on this side of the border. I shall continue to urge early agreement with Canada on terms which will permit starts on the large Libby Dam and on the huge Mica project in British Columbia, which eventually would add the equivalent capacity of several Bonneville Dams to the Bonneville system, without endangering any fish, wildlife, or unique scenic values. Such a return to an aggressive program of water-resource development must be the indispensable first step toward a return to a Bonneville philosophy of abundance and of the use of power for economic expansion.

Second, the Bonneville Power Administration must again accept this philosophy as the guidline of its marketing policy. In the 1953 statement of Department of the Interior Power Policy which I have quoted, the administration explicitly abandoned its responsibility for using the low-cost power of the Bonneville system as a form of economic adrenalin for the economic circulatory system of the Pacific Northwest. Not only does Bonneville today not seek to stimulate new industrial diversification based on low-cost energy, but the Interior Department's 1953 statement of its policy on preference to public agencies and cooperatives expressly states that it will not sell directly to industrial users, nor permit preference customers to use their preference so as to obtain power for large industrial consumers.

Mr. President, one constructive proposal toward which the Oregon Legislature has taken the first steps this spring, and which the people of Oregon can adopt in the years immediately ahead, would be the creation of a State agency specifically charged with responsibility for obtaining power at the lowest possible cost and seeing that it is used where it is most needed. There is no doubt but that such a State agency is a public preference customer under the preference clause of the Bonneville Act. As such, it could serve the function of a magnet for power-using industry for Oregon which Bonneville itself no longer serves. As a preference customer, a State agency would put Oregon on equal terms with public agencies in other States, so far as access to federally generated low-cost power from BPA is concerned. For these reasons, I proposed such a State agency several months ago, and I have used such persuasive influence as I may possess toward having it created. Mr. President, I ask unanimous consent to have printed at this point in my remarks a press release from my office, dated March 11, 1957, concerning my support for establishment of a State industrial power agency for Oregon.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

POWER PREFERENCE FOR OREGON THROUGH STATE AGENCY PROPOSED BY SENATOR NEUBERGER

Oregon could enjoy expanded benefits of the public power preference clause if the State government will establish an industrial power marketing agency, Senator RICHARD L. NEUBERGER declared today.

NEUBERGER said he had received an opinion from the Legislative Reference Service of the Library of Congress, which "makes it evident that an agency of the State of Oregon can qualify as a preference customer under the terms of the Bonneville Power Act."

The Oregon Senator suggested that establishment of such an agency by the new State administration "would knock in the head the timeworn argument that Oregon is at a disadvantage because of the preference clause—a provision of law, incidentally, which was backed by the late Oregon Senator Charles L. McNary."

An opinion prepared for the Oregon Senator by James P. Radigan, Jr., senior specialist in American public law for the Legislative Reference Service, stated that "under terms of the Bonneville Project Act, States, public power districts, counties, and municipalities, including agencies and subdivisions of any one of them, are entitled to a preference and priority."

In his inquiry, NEUBERGER asked whether, under relevant Federal law, any distinction is made in the priorities of preference purchasers or of nonpreference purchasers of electricity on the basis of the uses for which it is to be resold or distributed.

Radigan replied that "the Bonneville Project Act does not establish any criteria that would make the uses for which the power is to be sold or distributed determinative of the right of the purchaser to receive. Reading the declaration of intention of congress contained in this act with the preference and priority provision does not provide a definitive conclusion that the proposed use of electrical energy by the grantee shall be controlling."

NEUBERGER also disclosed that the staff counsel of the Senate Interior and Insular Affairs Committee was continuing studies into the legal rights of a State power marketing agency whose primary objective would be to supply energy to industrial enterprises.

Mr. NEUBERGER. As I have stated, Mr. President, there can be no doubt that a State agency would be a preference customer. Nevertheless, my proposal has been, and continues to be, attacked as an inadequate solution for Oregon, on the ground that BPA, under its 1953 policies, will not sell power to a State or other public agency for resale to industrial customers.

It is my opinion, based on legal advice I am inclined to trust, that such a refusal to sell would be a violation of the preference law. The preference for public agencies in the law is expressed in absolute terms. But in its 1953 policy statement, and actions taken under it, the Department of the Interior has placed great reliance on the introductory phrase of the preference clause, which refers to the "benefit of the general public, and particularly of domestic and rural consumers." Although this is merely an introductory statement of the objective of the preference clause, which itself is stated in unqualified terms, the 1953 policy explicitly gives private utilities serving domestic and rural consumers priority over public preference customers, if these preference customers seek to obtain Bonneville power for an industrial load.

BILL INCORPORATES PRINCIPLES FOR EFFECTIVE AND FAIR MARKETING POLICY

Mr. President, I believe this policy is wrong. I believe that, in conjunction with the corollary policy of no new starts, it spells the end of economic development in the Pacific Northwest based on low-cost hydroelectric power. This policy is said to be based on the present preference clause of the Bonneville act. Let me read that clause again at this point:

In order to insure that the facilities for the generation of electric energy at the Bonneville project shall be operated for the benefit of the general public, and particularly of domestic and rural consumers, the Administrator shall at all times, in disposing of electric energy generated at said project, give preference and priority to public bodies and cooperatives.

BPA's present attitude is obviously not compelled by the language of the law, as the very different interpretation given this law up to 1953 proves. In fact, I think it is contrary to the law. But it is said to be based on the law. For that reason, Mr. President, I introduce today—for myself and the senior Senator from Oregon—a bill to amend this section of the Bonneville Act and I ask unanimous consent that the bill may be printed at this point in my remarks, so that it may be easily compared with the existing phrasing of that section.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2206) to amend the Bonneville Project Act to authorize the Administrator to establish priorities and preferences so as to benefit the general public and to promote diversified economic development fairly and equitably throughout the several States of the Columbia River Basin, introduced by Mr. NEUBERGER (for himself and Mr. MORSE), was received, read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 4 (a) of the Bonneville Project Act, title 16 United States Code section 832c (a), be amended to read:

"In order to insure that the electric energy disposed of by the Administrator appointed under this act will benefit the general public fairly and equitably throughout the whole Columbia River Basin, the Administrator may establish priorities for industrial uses which will best promote the diversified economic development of the several States of the basin and for distribution to domestic and rural consumers, and with respect to such distribution the administrator shall, in disposing of such energy, at all times give preference and priority to public bodies and cooperatives."

Mr. NEUBERGER. Mr. President, a comparison of my proposed amendment with the existing language of the Bonneville Act will indicate the program to which I believe BPA should return in its power marketing policies. Let me explain some of the points of difference.

First, reference to operation of the Bonneville project has been changed to refer to all power sold by the Administrator, because many subsequent projects have been added to the Bonneville system since the original act. This makes no substantive change.

Second, specific provision is made for the Administrator to establish a separate schedule of priorities for industrial uses of low-cost Bonneville power where it will make the greatest contribution to the diversified economic growth of the several States of the Columbia River Basin. No particular proportion of Bonneville power is required by my bill to be allocated to industrial uses. My purpose is to establish definitely and beyond doubt the discretion of the Administrator to channel the low-cost power generated at Federal projects throughout the basin into industries which will make a real contribution toward diversifying the economies of the States of the Pacific Northwest.

Third, in exercising this discretion, the Administrator is to be guided not only by considering the contribution which potential industrial users of Federal power will make to diversified economic development, but also by the desirability of having this diversified industrial and economic development distributed widely and equitably throughout the several States of the whole Columbia River Basin. That is the significance of the reference in my bill to "the several States" and to benefiting the public "fairly and equitably throughout the whole Columbia River Basin." Again, no specified proportion of the whole Bonneville power supply is required by my bill to be geographically allocated to any one State. But it would be obviously inequitable, as well as highly prejudicial to the continued future development of a regionwide power program, if increasingly disproportionate fractions of the total supply were to go to users in only 1 or 2 States in the basin.

In brief, Mr. President, under the marketing policy I propose, industries could again be attracted to the Pacific Northwest by the assurance of adequate amounts of low-cost power, in recognition of their contribution to the much-needed diversified economic development of our Northwest States. It would be up to the States themselves to attract industries to one or another site, for reasons other than the power supply. But if Oregon's State industrial power agency, for instance, were to persuade a

power-needing industry to locate in Oregon, it would be able to assure it of the power it requires, within the priorities and limits set by the Administrator in the light of the total available supply. And as between two or more such potential industrial loads to be located in different parts of the basin, the Administrator would—other things being equal—take into account the criterion of wide and equitable distribution throughout the several States of the basin of the economic benefits of low-cost Federal power, and presumably give highest priority to the industry which wants to locate in the State which is furthest from enjoying its equitable share of these benefits. This criterion will serve to protect Oregon and other States against preemption and loss of their vital interests in the Federal power system.

I repeat, Mr. President, that none of these things could not be done under existing law, given enlightened administration and enlightened policies of continued advance development of the abundant waterpower resources which have been bestowed so generously upon the Pacific Northwest. We have regrettably not enjoyed such enlightened policies toward the Columbia River Basin since 1953. One Senator, or even the united delegations from several States, cannot bring about such enlightened policies in the face of a hostile administration. I am proposing today what I believe the policies should be. I think they would serve the best interests of the people of Oregon, as well as the Northwest as a whole. As a member of the Senate Committee on Interior and Insular Affairs, I shall seek committee hearings on Bonneville's power-marketing policies. I have introduced my bill today in the hope that it may serve as a basis for comparing the present policies, and their economic effects, with the policies which I propose.

INDUSTRIAL POTENTIAL OF POWER NOT A NEW EMPHASIS

Mr. President, my emphasis on the potential which low-cost power could have for the diversified industrial and economic development of my State and region is not a new discovery with me. I have argued for many years that this is perhaps the best hope we have for building a diversified economy where we now are tied to the exploitation and export of a few basic raw materials, such as our forests, minerals, and agricultural products. In my campaign for the United States Senate in 1954, this constituted a major plank in my platform. I have spoken about it consistently during the 2½ years I have served in the Senate.

I recognize that we shall not always have enough low-cost hydroelectric power to serve all of our domestic needs and offer large amounts to industry, too. I believe the people of Oregon are prepared to face this fact. The rural electrification, which is the greatest accomplishment of low-cost power, has virtually been completed in the Pacific Northwest. The average household in the Northwest uses far more electricity than the national average. Unquestionably, we shall have to decide whether we want more kilowatts to roast our turkeys and light our TV sets; or whether we want to use the low-cost power which is the unique resource of our region to create new, year-round industrial payrolls and their subsidiary economic benefits, with which to buy the turkeys and the TV sets.

Mr. President, let me review some of the facts which indicate the significance of the decisions at issue.

The economic well-being of the Pacific Northwest region is intimately tied in with the adequacy of a low-cost power supply for industry. A recent study by Daniel E. Goldy, regional director of the Labor Department's Bureau of Employment Security, shows that the creation of new job opportunities in Columbia Basin States has lagged in the past 5 years. This period of slow-down in growth of the labor force coincides with a tightening of the power supply for industry. While the brakes have been applied to development of new jobs, the economy of the Nation as a whole has expanded dramatically.

It should be noted that during the past winter all four northwest States were among the six States in the Nation with the highest unemployment rates. My home State of Oregon had the highest unemployment rate in the Nation; Idaho was second; Montana fourth; and Washington sixth. Concentration of this adverse employment situation in the northwest States is due to its lack of industrial diversity. Essentially, the economy of the Pacific Northwest is resource-based, depending heavily on extractive industries such as agriculture, lumbering, mining, fishing, food processing, and pulp and paper manufacturing.

Mr. Goldy, in his recent able study of the northwest employment situation, summarized the problem as follows:

> When an economy is comprised disproportionately of resource-based industries, its employment patterns strongly reflect seasonal factors and market prices of raw materials. This is the case in the Pacific Northwest. Moreover, the timber and mineral resources of the Pacific Northwest are depletable. This poses an additional problem for the region, since new job opportunities must be created to replace declining employment in industries based on dwindling supplies of raw materials, in addition to taking up the slack caused by seasonal variations or sharp fluctuations based on market conditions of raw materials.

The employment situation in the Pacific Northwest has not always been so dim. It so happens that the period from 1939 to 1947 was the one decade in our history when manufacturing employment in the Pacific Northwest grew faster than in the entire Nation—329 percent for our region, as contrasted with 284 percent for the whole United States. This was the period of World War II, and armament needs dictated greatly expanded industrial production. Yet the whole country was involved in World War II; the Pacific Northwest did not provide the sinews of war alone. I think more revealing is the fact that the period from 1939 to 1947 saw the influx of a vast supply of low-cost kilowatts from Bonneville and Grand Coulee Dams. That condition did occur in the northwest alone. No other region of the Nation shared in this 2-mill industrial power.

As new industrial power was being made available from Federal dams, aluminum and other electroprocessing industries were attracted to the region. Employment flourished. For instance, in 1940 not an ounce of aluminum was smeltered west of the Mississippi. By the end of World War II, nearly 50 percent of the Nation's expanded aluminum production came from our region.

Aluminum's impact on Northwest industrial employment was illustrated not long ago in a study made by Stanford Research Institute. This study shows that in 1952 "the grand total of people whose incomes are directly or indirectly related to aluminum industry in the Northwest amounts to 85,127 people." None of these jobs existed in 1940, when Aluminum Company of America opened its first aluminum potline at Vancouver, Wash. Yet 12 years later this industry provided a major portion of the region's year-around manufacturing payrolls.

According to a study of Bonneville Power Administration experts, every job in a Northwest primary aluminum plant creates or stimulates at least four other jobs in the region. Aluminum makes its biggest economic contribution in the field of product manufacturing. It was emphasized in the Stanford study that at the peak of World War II it was estimated that 80 persons were employed in aluminum fabrication from every one in aluminum smelting. It has been found that more employment is created outside of aluminum plants than in the aluminum plants, and the trend for such employment continued to grow as long as new supplies of industrial power were available.

ALUMINUM NOT SOLE INDUSTRIAL POWER USER

Although aluminum plants took by far the largest portion of industrial power from the Bonneville Power Administration during this period of expansion, other industries also were attracted by this storehouse of low-cost energy. I should like at this point, Mr. President, to read a list of the industrial customers of BPA so as to illustrate the scope of end products utilizing the Federal power supply. They include: Aluminum Company of America, Vancouver and Wenatchee, Wash., plants; Anaconda Aluminum Co., Kaiser Aluminum & Chemical Corp., Spokane Aluminum fabricating and reduction plants, Tacoma reduction plant; Reynolds Metal Co., Longview, Wash., and Troutdale, Oreg., plants; Carborundum Co., Crown-Zellerbach Co., Electro-Metallurgical Co., Hanna Nickel Smelting Co., Keokuk Electro-Metals Co., Pacific Carbide & Alloys Co., Pacific Northwest Alloys Co., Pennsylvania Salt Manufacturing Co., Rayonier Co., Victor Chemical Works.

I have mentioned, Mr. President, that the Northwest region achieved its greatest advance in manufacturing during the period from 1939 to 1947. Why did this beneficial trend cease, and why did a reversal set in? I think it is noteworthy Mr. President, that from 1949 to 1955 there was little appreciable change in the amount of firm power sold by Bonneville Power Administration to the aluminum industry. This restriction of power supply placed a ceiling on expansion of

aluminum production facilities in the Pacific Northwest. While growth of the region's labor force has lagged in the past 5 years, the present administration has choked off the program for Federal dam construction in the Columbia Basin. At the same time, it has imposed the power sales policies which I have described to limit the amount of industrial energy which can be sold by its public utility customers. Little wonder that the region's economic progress has become stagnant.

Mr. President, the Bureau of Employment Security estimated that States of the Pacific Northwest must provide between 315,000 and 500,000 new jobs during the next decade to keep pace with population growth. This is an annual rate of as many as 50,000 new jobs per year. I submit, Mr. President, that this objective cannot be achieved solely through the planting of more crops, the harvesting of more trees, the opening of new ore veins. Expansion of these productive features will help, but they alone are not the answer. Rich as is this region in natural resources, it must turn more and more to the manufacturing of finished products if necessary employment goals are to be met.

Fortunately, our region is blessed with 42 percent of the waterpower potential of the Nation. It is our only source of energy to power the wheels of industry. Future demands will make it necessary to channel a larger and larger share of this renewable resource into industrial production. In so doing, we will achieve one of the goals voiced by the father of American conservation, Gifford Pinchot: "The greatest good of the greatest number for the longest time."

If wisely and fully used, Mr. President, the water resources for the Columbia Basin can turn the States of the Pacific Northwest into an electro-processing industrial complex of great magitude. Besides the light-metal industries which have been attraced to the region, the diversion of more energy into industrial channels promises the expansion of chemical and rare metal manufacturing. There is great potential for electric furnace treatment of low-grade phosphate ores in the region, for the new materials of the atomic age—zirconium, titanium, lithium, hafnium, tantalum, and columbium. These are the products of the future, based on technologies still largely in their industrial infancy. But they have great potential for the future, and for improving the economy of the Northwest region, if the energy base provided by the falling water of the Columbia River is directed toward its best possible use.

During the Easter recess, Mr. President, it was my pleasure to deliver the dedicatory speech at the new zirconium plant of the Wah Chang Corp., at Albany, Oreg. Zirconium is the metal which cloaked the atomic fuel of the submarine *Nautilus* on its historic 60,000-mile voyage. I have been told by management of the Wah Chang Co. that its expansion plans call for tripling of output of rare metals by the end of this year. This will mean an annual plant payroll of about 750 or 800 persons and the production of hundreds of thousands of pounds of a new industrial material which was virtually unknown only 10 years ago. It must be remembered that in 1945, scientists at the Bureau of Mines laboratory in Albany made metallurgical history when, after long research, they produced 90 grams of rare zirconium through a magnesium reduction process. In my opinion, the mushrooming of zirconium production from 1945 to 1957 is but one indication of the industrial potential which lies ahead through expansion of our industrial power supply. This is a new industry, heavily dependent on low-cost power in large volume, which will provide paychecks each week for 52 weeks a year. It is the kind of new industry which Oregon needs to help level out the peaks and valleys of unemployment experienced in the past because of our reliance on agriculture and lumbering.

POWER-BASED INDUSTRIES MAKE LARGE TAX CONTRIBUTIONS

Another facet of the impact of new industry is illustrated in 1952 study by Bonneville Power Administration researchers. It was shown that 13 electroprocess industries buying their power from BPA produced about $250 million in metals and chemicals. Federal income taxes and excess profits taxes on the output of these power-created industries amounted to an estimated $17 million. Local property taxes paid by the new companies were $1,669,000, or about 1 per cent of all taxes levied on real and personal property in the States of Oregon and Washington combined.

The effect of new industry in broadening the tax base also is felt at the local level. I have been advised by the Wenatchee, Wash., Chamber of Commerce that the Alcoa plant there alone pays a fraction over 12 percent of the entire property tax for Chelan County. The aluminum plant pays nearly double the taxes of the next largest taxpayer, the Great Northern Railroad, and nearly five times as much as the telephone utility. In addition, the Alcoa plant has the largest single payroll in the entire area, over $5 million annually.

Industry has come to the Pacific Northwest in the past, and more will come in the future if the supply is made available. But it must be low in cost. Because of its distance from major markets and high costs of transportation, the Northwest can maintain competitive equality with more favored areas only if energy for manufacturing is developed at the lowest possible cost. Waterpower is our region's principal natural source of fuel. The cost of generating it is of prime importance.

NEW YORK ALLOCATES LOW-COST POWER FOR INDUSTRIAL EXPANSION

This fact was brought home to me recently during the hearings of the Senate Subcommittee on Rivers and Harbors on a bill to authorize the State of New York to develop hydropower at Niagara Falls. I was greatly impressed by the number of corporations, such as International Minerals & Chemical Corp., Speer Carbon Co., Kimberly-Clark Corp., and Hooker Electrochemical Co., whose officials expressed to me in letters their great concern over availability of a low-cost power supply in the New York area, in which they had operated for many years.

For instance, a letter from the executive vice president of Kimberly-Clark Corp., Mr. W. R. Kellett, related:

> Kimberly-Clark located in this area initially because of the favorable power rates. These rates have enabled Kimberly-Clark to remain competitive in spite of the lack of basic raw materials in the Niagara Falls area.

It was apparent from this letter that power costs were a determining factor in the location of plants of this paper products company.

This matter of power costs was further underscored in a letter received from Mr. Bjarne Klaussen, president of Hooker Electrochemical Co., of Niagara Falls. This company employs more than 4,500 persons, over 86 percent of them in 4 plants located on the Niagara frontier. Mr. Klaussen wrote:

> The importance of power, at reasonable rates, to our company can be gathered from the following figures giving the percent of total manufacturing costs represented by power from some of our basic products:

	Percent
Caustic soda	21.3
Caustic potash	12.0
Chlorine	24.1
Hydrogen	11.6
Phosphorus	19.0
Sodium chlorate	30.0
Sodium perchlorate	29.4
Potassium chlorate	16.5
All products	10.3

Mr. President, these letters were a revelation to me, because political opponents often have challenged my claims that an ample supply of low-cost power through Federal dams would be an incentive to new industry. These critics of low-cost Federal power for Northwest industry usually contend that Oregon's tax structure, lack of an Oregon sales tax, real property levies, or some other tax factor blocks new industry from Oregon.

It was significant, I think, that the officers of these New York corporations did not mention any especially favorable New York State tax conditions as the reason for wanting action on Niagara Falls power development. Actually, Mr. President, the 1956 State individual income and corporation net income levies for the 2 States show Oregon collections from these sources were $49.58 per capita, New York collections were $41.40.

No, the concern of these executives was not primarily over the tax structure, but over the availability of power at low cost. I might add, Mr. President, they seek power even at rates nearly double the Bonneville Power Administration's average industrial charge of 2.24 mills per kilowatt-hour. I think it is reasonable to assume that Niagara's nearness to major market centers and moderate power costs, rather than tax factors, have determined the location of plants there. Likewise, it is reasonable to assume that the Northwest's hopes for new industry can only be achieved by preserving low-cost power and by directing a reasonable portion of the supply into industrial uses. No matter what the tax situation might

be, the State of Oregon could never compete for new industry if the advantage of low-cost power were erased.

Niagara area businessmen have made it apparent that they favor allocation of power to industries. This concept has been firmly fixed in proposals for development of St. Lawrence Seaway energy and Niagara Falls energy by the New York Power Authority. New York State's share of firm power production on the St. Lawrence will come to about 735,000 kilowatts. Of that portion, the New York Authority already has allocated 174,000 kilowatts of firm power to Aluminum Company of America and 200,000 firm kilowatts to Reynolds Metals Co. This latter contract was subjected to considerable controversy in New York State before it was finally approved by Gov. Averell Harriman. When the decision was finally reached, however, it was hailed in newspaper editorials as a contribution to the State's economic development. An editorial in the New York Times of February 15, 1957, reflected the general sentiment. It said:

The direct benefits of St. Lawrence and Niagara power at low rates are confined to economic transmission distance. But all the people of the State benefit indirectly when new industry is attracted, when business prospers. The localities build a sounder fiscal foundation, need less State aid. The State receives more bountiful tax collections. Mr. Harriman has made a decision that is good for New York State.

This action in New York is a strange contrast with what has happened in Oregon, where some business and financial interests have deprecated the contribution of the aluminum industry to our economy. The aluminum plant which will be built by Reynolds near Massena, N. Y., will cost approximately $88 million, about the same as a similar plant under construction by the Harvey Aluminum Co. near The Dalles, Oreg. Both plants will employ about 1,000 workers, with an annual payroll of over $5 million. In New York, the plant is greeted as a sound addition to the economy. In Oregon, some political figures and business interests attempted to have the contract canceled between Bonneville Power and Harvey. New York is not exactly a backward area and Oregon is not a booming industrial empire, so I am at a loss to understand the contrasting positions, but it is plain that New York wants power to go to new industry.

OREGON MUST PROFIT FROM EXPERIENCE OF EASTERN STATES

Oregon and the other States of the Pacific Northwest must base their hopes for new, permanent industrial payrolls on low-cost power in abundant supply. The region's economic future would be foreclosed by abandonment of the Federal power program. Let me explain what I mean.

Today, at the new community of Omal, Ohio, the Olin-Mathieson Chemical Co. is erecting a huge aluminum smelter and steam-power plant, which will burn coal for fuel at the mine mouth. This power will be produced for slightly less than 3.5 mills per kilowatt-hour. The coal supply is guaranteed by the mine owners for at least 100 years. The Ohio plant is located in the midst of the Nation's major aluminum-consuming market area.

What industry is going to erect a costly plant in the Northwest to obtain energy at private-utility rates when it has the opportunity to purchase steam power for 3.5 mills per kilowatt-hour within a mashie shot of millions of customers?

Even the Bonneville rate of 2.1 mills might have some difficulty competing under these circumstances, should railroad freight rates continue to rise. The Olin-Mathieson people, incidentally, have told me that they made unofficial representations to the Bonneville Power Administration for an adequate allotment of power but, of course, it was not available under existing circumstances in the Northwest. Two-mill industrial power might have brought Olin-Mathieson to Oregon.

The situation of Olin-Mathieson in Ohio is not an isolated instance of the small competitive margin between eastern-produced steam power and northwest-produced hydropower. The Kaiser Aluminum & Chemical Corp. has under construction a $216 million aluminum mill and smelter at Ravenswood, W. Va. Would this huge development have come to Oregon, Washington, Idaho, or Montana if the industrial energy were available? The answer is made moot by the circumstances—the power was not available in the Northwest. It was not available because the Federal river development on the Columbia had been throttled by the present administration. It was not available because of the administration's power policy closing off the sale of new power to industry.

I think both of these policies are unwise, shortsighted and adverse to the interests of my State and the entire Nation. I will continue to work for their reversal. I am proposing that low-cost Bonneville power be directed toward industrial uses because I believe that such action will be the key to the future expansion of every individual State in the Northwest which knows how to take advantage of it. It will determine the degree of maturity reached by the region's economy.

The plant being built by Kaiser at Ravenswood is an example of the dynamic business expansion which comes when new industry is brought to an area. I ask unanimous consent to have printed in the RECORD a story of this development which appeared in the New York Times of Sunday, May 26, 1957.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

VILLAGE TACKLES BOOM IN ADVANCE—KAISER ALUMINUM SUPPORTS RAVENSWOOD'S EFFORTS TO AVOID GROWING PAINS

(By Jack R. Ryan)

RAVENSWOOD, W. VA., May 24.—The $216,000,000 aluminum mill and smelter complex under construction down the road a piece might well have turned this little Ohio River village into a jerrybuilt boomtown by now.

Or, just as regrettably, into a dispirited company town owned and bossed by the Kaiser Aluminum & Chemical Corp.

The huge aluminum project is about half completed, and Ravenswood has managed to steer away from both those pitfalls. But the task has not been simple, either for the harassed town fathers or for the company.

The means they are working out to make sure the town will attract the kind of permanent families they want are being watched closely by other corporations planning similar invasions along the Ohio and elsewhere.

Before the turn of the century this was a bustling river port serving prosperous farms. But its importance faded when a railroad took over much of the river traffic and a major north-south highway bypassed the town several miles to the east. Its population dwindled, its young people moved elsewhere looking for jobs, and Ravenswood became a sleepy village of 1,175, inhabited mostly by elderly people.

To Kaiser Aluminum, Ravenswood looked like the answer to a serious problem in logistics. The company's only sheet and plate rolling facilities were in Spokane, Wash., its only foil mill near San Francisco. Mills here would be within 500 miles of 70 percent of the Nation's aluminum-consuming market. Delivery time would be cut sharply, transportation costs slashed as much as 75 percent.

Also, alumina—or semiprocessed bauxite—from a new plant at Gramercy, La., between Baton Rouge and New Orleans, would need to travel only about 1,000 miles by river barge to a smelter here, compared with a 2,600-mile rail haul from the old Baton Rouge alumina plant to the smelters in Washington.

And electric power for the smelter was available here in abundance, based on tremendous reserves of coal.

The plant envisioned in 1954—and twice expanded on the drawing board since—is going up on schedule. Machinery, furnaces and cranes are being installed in spawling, cavernous mill buildings made of aluminum. Thirty-two acres are under roof and a lacework of steel girders covers scores of acres more, where the smelter is being erected.

A few big rolling mill units already are turning out light-gage sheet and foil. Others are being tuned up. The first of four potlines, or series of smelting units, will start pouring primary ingot late this year. Three others should be in production by mid-1958, and 3 more are being planned for an ultimate primary capacity of 220,000 tons a year.

VILLAGE COMES ALIVE

To Ravenswood, the coming of this industrial giant ended a long stagnation. There were young people on the streets again, cash registers rang briskly, the number of bank depositors soared.

But stunning problems of housing, schooling, roads, sewers, recreation were thrust on the village. The handful of merchants who principally direct its civic affairs were suddenly faced with the need to prepare for a twelvefold increase in population within a few years.

Kaiser Aluminum brought in the first 70 families of supervisory personnel a year ago, chiefly from Washington, California and Louisiana—young people with children mostly, eager to establish pleasant and permanent homes and well able to pay for them. Many of these built handsome prefabricated homes. Others combed surrounding Jackson County for living quarters and drove as much as 40 miles over mountain roads to the plant.

Today there are three times that many supervisory families and the need for housing is acute. Some 200 housing units and 56 apartment units have been built—but 4,000 more will be needed for the approaching influx. Employment at the plant now numbers 800, not counting temporary construction workers. A year hence plant employment alone will be 3,000, and eventually it will reach nearly 5,000.

PLANNERS CALLED IN

Kaiser Aluminum is anxious to help stimulate the growth of a well-balanced community so as to stabilize employment, but it is trying to keep its own participation and control at a minimum. It does not want to dominate the lives of employees away from the job, and most of all it is determined to avoid anything smacking of a company town—particularly unpopular in West Virginia.

So it engaged a firm of urban planning experts to help Ravenswood's City Council with a master development plan. To prevent land speculation while the plan is being worked out, it optioned enough acreage for 4,000 homes adjacent to town. It intends to turn this over to builders at cost.

Much of the remaining land suitable for housing in this area of steep hills and occasional floods is owned by Ray E. Ritchie, president of a large construction concern here and of the Jackson County Bank. He has made an agreement with the company to withhold those 3,000 acres from market until the town decides on its plan, works out zoning, and chooses developers for its shopping centers and other facilities.

Meantime, entrepreneurs seeking to build stores and taverns and gasoline stations must wait.

Most of the schools in the country are 1-room buildings without running water; the rest are antiquated and impoverished. There were 3,600 pupils when Kaiser arrived. This fall there will be 5,000 and next year the school population may almost double.

An emergency school-bond issue was rejected by the voters recently, apparently because it stirred regional jealousies elsewhere in the county, according to townspeople here. Kaiser officials believe the pressure that will be put on the voters by increasingly concerned and active parent-teacher associations will remedy this situation eventually.

To ease the immediate crisis, the company is building a modern 20-classroom elementary school here that it will lease to the county for $1 a year.

The Appalachian Electric Co. solved the town's power-expansion problem by buying the little old municipal diesel-generating plant and connecting Ravenswood to a power network. The city council is hopeful of Federal assistance to get sewers built, and that a community development concern with which it is negotiating for mass housing will be able to arrange reasonable mortgage terms, despite the tight-money market, through the Federal National Mortgage Association.

Kaiser aluminum has contributed a picturesque old hillside farm to help start a recreation program, and has agreed to provide funds to remodel the farmhouse for a club and the barn for a dance and meeting room. Employees are doing the work on a volunteer basis and building picnic tables, barbecue pits, trap-shooting ranges and baseball diamonds.

Mr. MORSE. Mr. President, will my colleague yield for a few questions?

Mr. NEUBERGER. I am happy to yield.

Mr. MORSE. Before I ask my first question, I wish to congratulate my colleague for the excellent speech he has just delivered on one of the most important issues that confront the people of the Pacific Northwest.

I want the Senator to know that I am delighted to be associated with him as a cosponsor of the bill he has introduced.

My first question is this: Will not this bill provide an opportunity for hearings on the question of the operation of the so-called preference clause, about which there seems to be some controversial discussion in our State at the present time?

Mr. NEUBERGER. I appreciate the fact that the senior Senator from Oregon has asked that question. It is my intention to ask the able chairman of the Senate Committee on Interior and Insular Affairs, the distinguished senior Senator from Montana [Mr. MURRAY], to authorize hearings both at the field level and in the National Capital on the proposed amendment to the Bonneville Act, which the senior Senator from Oregon and I have introduced today.

Mr. MORSE. Mr. President, the introduction of this bill is very typical of my colleague, because it shows that he never ducks issues and never evades them. When a problem which is of concern to the people of our area arises, we can always be sure that the junior Senator from Oregon will ask the question, "What are the facts?"

Therefore, I ask the Senator this question: Does not the bill he has introduced today, of which I am a cosponsor, give the opportunity for a discovery of the facts, and give all people who have varying points of view, with respect to the question of the distribution of power, a chance to come forward and make a record of whatever facts they think they have to support their respective contentions?

Mr. NEUBERGER. It is also my intention—and I know the senior Senator from Oregon will join with me—to make a request of the chairman of the Senate Committee on Interior and Insular Affairs, that all available and legitimate points of view in the Pacific Northwest, as well as in the National Capital, be expressed at these proposed hearings.

Mr. MORSE. If my colleage and the Senate will permit me, I should like to take a minute or two preliminary to my next question to emphasize a couple of vital points which the Senator has made in his excellent speech.

Of course, Mr. President, as the junior Senator from Oregon has pointed out, this problem of the distribution of power between and among groups clamoring for it would not have arisen if we had had a program which was designed to provide adequate power development. What we have been confronted with in recent years is an administration whose natural resource and power program has been one of underdevelopment, not maximum development; it does not contemplate full development of our river basins, as my colleague brought out in his speech. The present administration has had a so-called partnership program, which has been a program of underdevelopment and not full development. The administration has been proposing a power program whereby the taxpayers would have to foot a substantial share of the bill for the construction of facilities which would be owned by the private utilities and not by the taxpayers.

One of the excuses for that kind of a giveaway program on the part of this administration has been that the private utilities would pay taxes on their plants, whereas a multiple-purpose dam owned by the taxpayers would not pay taxes. In fact, I was astonished to have an editor in our State so able as the editor of the Salem Statesman, a former Governor of our State, in an editorial attacking me a few days ago, make reference to the fact that I was standing for the building of dams which would not pay taxes. I may say, for the enlightenment of this editor, that is not news to anybody in the State of Oregon. Of course I stand for the building of multiple-purpose dams by the Federal Government, to be owned by the taxpayers and not given away, as this administration would give them, to private utilities, to be owned by private utilities, which would reap profiteering profits for decades to come.

I may say to the editor of the Salem Statesman in these remarks today that of course what my program would do—and it is the program joined in by my colleague, as my colleague has brought out in his speech, about which I wish to ask him a question in a moment—would be to bring into the Pacific Northwest private businesses which otherwise would never exist there, because they must come into the economic environment of low-cost power in order to make a profit in the Pacific Northwest.

What we have seen—and it is demonstrable and cannot be denied—is business after business and industry after industry go into the Pacific Northwest or spring into being there, because low-cost power has made it possible for them to operate at a profit. What they pay into the Federal Treasury by way of tax dollars over the years is hundreds of times—note my figure—the taxes that would go into the Federal Treasury from private utilities in connection with underdevelopment programs, by way of puny dams which would offer no inducement whatever for a great expansion of private enterprise in the Pacific Northwest.

Is it not true, as the figures which the junior Senator from Oregon has brought out in his able speech, that as a result of the low power cost in the Pacific Northwest, as a result of the multiple-purpose dams which have been built, we have been able to increase the taxes which have gone into the Treasury of the United States, which taxes would never have flowed into the Treasury in any such amounts if these resources had been left to the underdevelopment of private utilities?

Mr. NEUBERGER. There is no doubt that all the statistics presently available support what the senior Senator from Oregon has said about the economic development of the Pacific Northwest. Prior to the time that Franklin Delano Roosevelt, a great Democratic President, and Charles L. McNary, a distinguished Republican Senator, began to work together for industrial development on the Columbia River, only about 28 percent of the farms in Oregon had electrical service. In addition, there was not one ounce of aluminum smeltered anywhere west of the Mississippi River, to say nothing of the area west of the Continental Divide.

As a result of the power development which was brought about by the great Federal program in the Columbia River

Basin, more than 97 percent of the farms in our State today have central electrical service. In addition, there is produced in the Pacific Northwest more than one-third of all the light metal which is used in the United States for military purposes and civilian purposes.

There are so many other additional industries relying on cheap power, that if I were to undertake to enumerate them it would occupy nearly all the time of the Senate this afternoon. But those are specific statistical examples of how low-cost power development, initiated and carried out by the Federal Government, has made possible the greatest major industrial prosperity which has ever come to the Pacific Northwest.

I think it is significant that the very thorough economic atlas published by Oregon State College, at Corvallis, Oreg., shows that the 10-year period in which, for the only time in its history, the Pacific Northwest had a greater gain in industrial payrolls than the national average, happened to coincide exactly with the first decade when Bonneville power became available and first came on the line. It is obvious that what the senior Senator from Oregon says about industrial development in the Pacific Northwest is borne out by the facts which we have at hand.

Mr. MORSE. I am very glad the junior Senator from Oregon has made the comments he has made about the tax problem. He emphasizes one of the great fallacies of spokesmen for the administration with regard to the underdevelopment natural-resources program of the Eisenhower administration. Members of the administration are seeking to lead the American people to believe that those who are fighting for full development are urging a program which would result in less taxes going into the Treasury of the United States, when the fact is that full development means a greater chance of maximum development of our economic potentialities; and when we attain the maximum development of our economic potentialities, we increase the amount of money going into the Treasury by reason of such development.

Mr. NEUBERGER. There are also involved local taxes collected for schools, roads, hospitals, clinics, and the general public welfare, as well as all the other purposes of local government. That is a very important factor, because the taxes paid by the new industries burning Columbia River power for fuel are extremely valuable to all the county, school district, and State functions carried on in the Pacific Northwest.

Mr. MORSE. That leads me to the point I wish to make preparatory to the next question. Before proceeding with that subject, I wish to stress the fact that the jobs which would be created by reason of the program for which my colleague is fighting in the Pacific Northwest represent a great source of new taxes for the local communities to support their police departments, their fire departments, law-enforcement agencies, schools, and all the other costs of local government. Those benefits are in addition to the increased number of tax dollars which go into the Federal Treasury.

I wish now to come to another portion of the Senator's speech. He said that he did not undertake to fix responsibility for the existing situation. That is in accord with his usual charitable attitude. However, he did comment upon a certain irony in the situation with regard to the power-development program.

As my colleague well knows, for some years vested reactionary economic interests in our section of the country have been doing everything they could to thwart full development, and to sponsor underdevelopment. Now, when they realize that the people of that area manifested pretty clearly in November 1956, as they did in November 1954, that they want full development of our river basins, and that they have had enough of the underdevelopment of the Eisenhower administration, we hear the cry about allocation of power. Organizations such as the Portland General Electric Co. are urging that something be done at this time, before the dams are built, to obtain some commitments for the allocation of power on a State basis, because, as they say, a State like Washington has more public preference groups than does the State of Oregon.

It is ironical, but I say to the Portland General Electric Co., and to some of the other reactionary economic forces which are found within the Portland Chamber of Commerce—and that means most of its members—that if they had been fighting as hard as have the junior Senator from Oregon [Mr. NEUBERGER], and Representatives AL ULLMAN, CHARLES O. PORTER, and EDITH GREEN, before they came to the Congress and since they have been in the Congress, for full development of our power resources, by way, for example, of such a great power dam as Hells Canyon, they would not be so disturbed as they now are about the problem of the future in regard to allocation, because, as the junior Senator from Oregon has pointed out, our problem is to develop an abundance of power, not a scarcity of power, which would be the result under the Eisenhower program.

I appreciate the kindness of my junior colleague, but I do not propose to be quite so kind to these reactionaries. One of the reasons they find themselves in the plight they are now deploring is that they have used their powerful economic political force with this administration to block full development of power for the benefit of the people of Oregon.

I say to them, to complete the argument, Look to your Portland Chamber of Commerce, and some of the other chambers of commerce in the State of Oregon. Look to the Portland General Electric Co., the Pacific Power & Light Co., and some of the other private utility companies, if you want to know why you are confronted with a growing threat of more and more brownouts, because these selfish reactionary economic forces in the Northwest have been working against the best interests of the people of Oregon. They have been joining with privateers across the country in an effort to block, for example, great multiple-purpose dams such as Hells Canyon. I say to the people of Oregon that they can be sure that the Members of Congress from Oregon whom I have just named will stand shoulder to shoulder in their endeavor to bring about the great program which the junior Senator from Oregon has been supporting on the floor of the Senate today.

What we need is full development of our power potential, not underdevelopment of it. We shall never realize full development of our power if we follow the Eisenhower giveaway program in regard to our natural resources in the Pacific Northwest.

If we can bring about the construction of such dams as Hells Canyon, John Day, and the other very much needed multiple-purpose dams, then, I ask my colleague, shall we not have, for the first time, an opportunity, under our pooling principle with respect to power, to give careful consideration to such a program as he outlines in his bill today, whereby we can determine to what extent, for industrial puropses, we can agree upon a formula for the distribution of power, not on the basis of State lines, but on the basis of industrial and economic needs? The approach my colleague is making is the one that should be followed, after, however, there is a general recognition that the dams should be built. Then we can proceed with the consideration of a formula for the distribution of the power.

Mr. NEUBERGER. Mr. President, of course there is some genuine irony and incongruity in the situation mentioned by the senior Senator from Oregon. The people who created the power shortage are now bemoaning the fact that there is a lack of power—if I may use that expression—to divide up. The people who have thwarted Federal development of Hells Canyon on the Oregon border, now deplore the fact that there is not sufficient power for Oregon. Those same people took the lead in surrendering the Hells Canyon site for fractional and piecemeal use by a private power company, with only about 5 percent of its entire load for use within the borders of the State of Oregon. Those are the people who said Hells Canyon was not necessary. They are the people who have delayed for over 3 years the great John Day Dam, with over a million kilowatt capacity, by advocating their so-called partnership scheme, which proposes to deauthorize the John Day project as a Federal dam site.

They are the people who brought about the appointment of personnel to the international joint commission of people who have been hostile to Federal development on the Columbia River.

They are the officials who are now charged with the responsibility of negotiating with our Canadian neighbors for the great storage facilities along the upper Columbia, which will increase downstream production in the United States. Those are the people who now lament the fact that there is not enough power in Oregon, after they had been the leaders in the movement to deny Federal development.

It is almost like the case of somebody pushing a man off a high cliff, and then berating the family doctor because he did not save the man's life.

I should like to say this to the senior Senator from Oregon. The reason I have introduced the bill—and I am very happy about the fact that the senior Senator from Oregon has joined as a cosponsor—is that we can now discuss intelligently how this additional supply of power shall be distributed when it is eventually available.

I have included in the bill two phases of this distribution. One is a geographic distribution, and the other is with reference to the type of use made of the power. It seems to me that we must bring about a widespread geographic distribution of the power among the several States, and also the wisest possible type of utilization.

I believe that in the early days of the Bonneville project it probably was essential that the major use be for farms and homes. At that time most of the farms in our area had no electricity. I know, for example, that Mrs. Neuberger's own family, who ran a dairy farm, did not receive central electrical energy until the Bonneville system was created and the REA's came into existence.

However, today, when nearly all of our farms are electrified and when we have in the Northwest, if I am not mistaken, the greatest average use of electricity per residence in any region of our Nation—although at the same time we have the highest unemployment rate in the whole Nation—it may be that we should try now to get payrolls based on the low-cost power supplies, for which the senior Senator from Oregon fought so long to bring into being. That is what we want to have discussed when the hearings are held on the bill.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. NEUBERGER. I am very happy to yield?

Mr. MORSE. I wish to say that I associate myself with every word of the comment made by the Senator from Oregon. Before I ask my next question, I should like to comment on another bit of irony. It has some humorous characteristics too. Representatives of the Portland General Electric Co. are very much concerned now about the allocation program. They are concerned because some public preference bodies may get a substantial amount of power, with the result that the people in our State who are served by private utilities will find themselves lacking an adequate supply of power.

It was not so many months ago that my colleague debated all over the State of Oregon with the then Representative in Congress from eastern Oregon, and the now-defeated Mr. Sam Coon. In my opinion he was defeated primarily because of the wrong position he took on the power issue. However, it was personnel of the Portland General Electric Co. who traveled from debate platform to debate platform as advisers and, I think it is proper to say, coaches to Mr. Coon in his debates with the junior Senator from Oregon. In those debates the junior Senator from Oregon pointed out, as he has stated on the floor of the Senate today, the vital interest of the people of Oregon in maintaining their control and authority over public power resources.

It is rather ironic that in those debates, when the Portland General Electric Co. was trying to get monopolistic control of the John Day Dam, the Portland General Electric Co. wanted to get all the power under its control, under a kind of gift arrangement which it wanted to work out with the Eisenhower administration. I did not hear their coaches to Mr. Coon, or any of the other officials, at that time express any great concern about the people, those constituting the so-called public preference groups.

Now that they know they do not have a chance to get John Day as a partnership dam, they suddenly show great concern about getting power allocated for the benefit of, as they say, "all the people" of Oregon.

I am willing to cooperate with the Portland General Electric Co., if they want to cooperate. I will cooperate with them if they want to work for a new principle on the whole power program. So, from the floor of the Senate, I invite them to join with us now in using their influence—and they have demonstrated time and time again that they have great influence with the administration, along with other private utility bodies and their other colleagues, who helped to form Ebasco, for example, one of those service agencies for the private utilities monopoly combines—to secure the adoption of the principle we advocate.

I invite them to join with us in the battle for the great Hells Canyon Dam, a project which seeks to develop the maximum potentials of the Snake River for the benefit of all the people of the Pacific Northwest. I will say again what I have said to their representatives, when they have come to discuss this matter with me, "Once we get this power supply built up and working I will see to it that you get fair long-term contracts for power out of the common power pool—contracts which will not be limited to the amount of power you put in, but will be determined by a formula based upon the economic needs of the areas you serve."

That stand of mine has got me into trouble, I may say, with some so-called public preference groups, who seem to think that there should be no modification at any time, in any way, of the so-called public preference program. I have said to the public preference groups that I am a public preference man, but I do not recognize the public preference clause as a sacred cow. I am first for a power distribution program which will best serve the needs of the people of my area and Nation. I do not intend to make a sacred cow out of the public preference clause. One reason that I am a cosponsor of the bill introduced by the junior Senator from Oregon is that I think it offers an opportunity to gather the facts as to how public preference has worked in the past and what its advantages or disadvantages during any change may be in the future.

I think we should work to that end. But I may say that the private utilities, in my judgment, if they cooperate in a pooling program—and a pooling program is essential for low-cost power—are entitled to fair treatment when it comes to contracts which will make available to them the power they need to serve the private-utility consumers.

So I ask my colleague if the introduction of the bill means that not only will we make a review of the operation of public preference, but that we will have an opportunity to consider the so-called State power agency he has advocated for so long, which I think is absolutely sound, and which, of course, could supplement and strengthen the so-called public preference program. A State power agency, which would consider the economic needs of the State and the need for power, for example, by a private utility which may be serving a great need in some area of the State, could enter into a long-term contract with the private utility, be it the Portland General Electric Co., the Pacific Lighting Co., or Copco, or any of the others, in return for which, of course, there would be an agreement with respect to power rates and a guaranty of a continuation of low-cost power.

Will that not, I ask my colleague, strengthen the possibility of favorable consideration of a State public power agency, such as he referred to in his speech?

Mr. NEUBERGER. I believe the bill we have introduced today will afford an opportunity for a review of all Bonneville marketing policies.

In addition, I am happy to report to the senior Senator from Oregon, as I am certain he already realizes, that the recent Oregon State legislative session has placed on the ballot a proposal to create a State power agency, which we have discussed. It is my understanding that the people of Oregon will vote at a referendum on this particular issue in November 1958. It is my hope that the people of Oregon will then bring into being an active, effective State power agency which will qualify under the preference clause as a preference purchaser of energy from the Columbia River power system.

I believe the most important responsibility a State power agency could fulfill, as I have tried to point out in my remarks on the floor today, would be to buy power and resell it to industrial firms in the State of Oregon at the Bonneville wholesale rate. These should be firms which will offer the most widespread, diversified economic use of the power for payroll and employment purposes that it is possible to obtain.

Columbia River kilowatt-hours, which can be generated for from 2 mills to 3 mills a kilowatt-hour, are, in my opinion, virtually the greatest resource the State of Oregon has for additional economic development.

I believe at present the best use to which these kilowatt-hours can be put for our State is to find new and diversified payrolls.

I have high hopes that the State power agency will be brought into being in November 1958, and that the amendment which we have offered to the preference clause will give strength and vitality

to that State power agency as a source of new payrolls and new jobs in Oregon. I commend Gov. Robert D. Holmes and his legislative leaders on this particular measure—Representatives Dick Eyemann, of Lane County; and Don S. Willner, of Multnomah County—for the State power agency bill now on the Oregon ballot.

Mr. MORSE. I think there is another phase of the matter which ought to be mentioned in the colloquy, as we make our record today.

My colleague knows there has been a great deal of discussion in our State among many persons in regard to the possibility of a so-called corporation to be organized for the sale of bonds for the handling of power distribution. I have given much thought and attention to that proposal. Its most ardent advocate, as the Senator knows, is one of the most able power experts in our whole section of the country, Mr. Gus Norwood. I have said, as the public record shows, that if and when such a proposal is perfected in bill form, I shall be very glad to introduce it in the Senate for the purpose of holding hearings, so that we can ascertain what the pros and cons really are on the basis of the evidence advanced.

As my colleague knows, the general principle of such a program has been editorially supported by the Portland Oregonian. I hope that no editor on the staff of the Portland Oregonian will suffer a heart attack or a brain hemorrhage when he learns that he might be in agreement with me or that I might be in agreement with him on this particular project, since there are so few things in which I find myself in agreement with the editorial writers of the Portland Oregonian. But I say from the floor of the Senate today that, so far as I am concerned, I think that proposal also offers us the opportunity, probably in a subsidary way, prior to the introduction, at least, of any bill, to take a look at the whole problem of power generation and distribution in the Pacific Northwest, with some consideration being given to the corporation idea.

I think that what ought to be done—and I know my colleague, as a representative of the people of our State, will agree with me on this—is to place all the possibilities on top of the table. We ought to take a long look at all the various proposals for the solution of the very vital power need in the Pacific Northwest. The difficulty which confronts so many partisans is that they seem to think these programs are exclusive, one from another. I have never thought so. I think, for example, there can be some adjustment of the so-called public preference clause along the lines of a program for industrial use, such as is employed in the bill my colleague is introducing today, and at the same time for the consideration of a State corporation for the distribution of power, and also a State power agency, such as my colleague has suggested. At least, I do not think they are so exclusive, one from another, that they cannot be combined for consideration in one hearing.

I should like to see us, as we go into the hearing, proceed with the idea of ascertaining, on the basis of the facts, what, if any, modification of the Bonneville Act is needed. After all, the corporation idea amounts, in effect, to a modification of the Bonneville Act.

I wish to compliment highly my colleague for the introduction of the bill, because it is, I feel, an answer to some critics in Oregon who have been trying to give the false impression in our State that the two Senators from Oregon are for Federal power or no power at all. Once again we have demonstrated in this colloquy that those words cannot be reconciled with the truth. We have stood for the development of private power by private power companies at low-head dams, provided that it be at low-head dam sites. We have stood for the development of multiple-purpose dams at multiple-purpose dam sites, to be owned by the people of the country, with the proceeds, of course, to go into the Treasury of the United States, and a part of the proceeds to be used to pay for the other multiple-purpose needs such as irrigation, navigation, recreation, and the very important item of flood control.

Then we have stood for the pooling of power by public bodies and private utilities in a common pool, in order to maintain the low-cost consumer power rate in our section, a rate which is so vitally needed if we are going to develop economically because of the disadvantageous freight rate differential and other disadvantages.

I think my colleague is to be commended for once again focusing attention on this kind of program. As he has pointed out, respecting a great Republican Senator from our State in years gone by, Senator McNary, in a very real sense what the junior Senator from Oregon and I have been arguing for on the floor of the Senate today is the extension of what amounts to the McNary program.

Mr. NEUBERGER. Mr. President, I thank the senior Senator from Oregon for his generous observations.

In conclusion, I desire to point out that I, too, am openminded about the so-called regional corporation approach to the financing of other projects in the Columbia Basin. However, I wish to make it clear that the Federal development program was an outstanding success until January 1953. Had that program not been summarily ended in that year, it would not be essential and necessary for us to consider some of the alternatives which are now forced upon us.

Had we continued with the program begun by Franklin D. Roosevelt and Charles L. McNary, and continued by Harry S Truman and many others, it would not have been so compelling that we seek, or at least consider, such alternatives as the so-called regional corporation. Inasmuch as the senior Senator from Oregon [Mr. MORSE] has mentioned the position of the Portland Oregonian, I think it should be emphasized that the Oregonian has been supporting very ardently an Oregon State power agency which would be able to resell energy at wholesale to industrial customers. In that advocacy, I think the Oregonian is eminently correct, and is to be commended for trying to promote within our own State a State of Oregon entity which may qualify within the preference clause for the requisite authority to make sales that would encourage new payrolls in our State.

Inasmuch as the senior Senator from Oregon [Mr. MORSE] and I represent, together, in this body a State which during the past winter had the highest unemployment rate of any State in the Nation, we have a real responsibility resting upon us. In addition, we represent a State which approximately 8 or 9 years ago had a per capita income for its people far above the national average, whereas now it is slightly below the national average. These are circumstances which he and I cannot overlook, and which we are not overlooking. Both he and I realize that perhaps our greatest opportunity to terminate this economic decline in Oregon is to use low-cost power for jobs in Oregon. That is the goal we are seeking today in the Senate, and which we are going to continue to seek when hearings on the bill we have introduced in the Senate, are held.

Mr. President, I yield the floor.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 895. An act for the relief of Josefa Kusiak; and

S. 1203. An act for the relief of Lydia Anne Foote.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 6700) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes, and it was signed by the President pro tempore.

CORPORATE SALARIES

Mr. McNAMARA. Mr. President, last week the chairman of the Republican policy committee placed in the RECORD a list of salaries paid the presidents of American labor unions. I want to thank the senior Senator from New Hampshire for this service to statisticians, historians, and others who may be interested in the subject.

According to the Senator's statement, the source for this compilation was the statements filed annually with the Department of Labor, under the Labor-Management Relations Act. It was my understanding that it was the longstanding policy of the Labor Department to release these figures only to individual members of a specific union, if so requested, and perhaps to congressional committees in the pursuit of official business. I was not aware that the senior Senator from New Hampshire was a union member; but I know, of course, that he has the Republican policy committee well organized. I certainly do not want to accuse the chairman of any violation of the spirit of the Labor Department's policy in his zeal to place this vital information before the public.

As a matter of fact, recently I joined a number of my colleagues on both sides of the aisle in sponsoring Senate Joint Resolution 94, which provides for public disclosure of such information. Perhaps the Republican policy committee simply is anticipating passage of the joint resolution.

As I said, Mr. President, we should thank the committee for collecting the data on union salaries. Unfortunately, the committee only half completed the job. If we are to discuss intelligently this phase of labor-management relations, we should not slight management by leaving it out of the salary picture.

In the May 25, 1957, issue of Business Week magazine, a very reputable business publication, there was published a list of corporate executive earnings for 1956. According to Business Week, the figures were compiled from company reports submitted to the Securities and Exchange Commission. In a separate listing, the magazine gave the top 23 earners for the year, including additional compensation. I ask unanimous consent that this list be printed in the RECORD at this point in my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

23 top-ranking corporate earners for 1956

1. Eugene G. Grace, chairman, Bethlehem Steel $809,011
2. Harlow H. Curtice, president, General Motors $695,100
3. Arthur B. Homer, president, Bethlehem Steel 669,176
4. Crawford H. Greenewalt, president, Du Pont 600,886
5. Frederic G. Donner, executive vice president, General Motors 577,625
6. Louis C. Goad, executive vice president, General Motors 521,100
7. Robert E. McMath, vice president, Bethlehem Steel 514,340
8. J. W. Schwab, president, United Merchants and Manufacturers 386,588
9. Morse G. Dial, president, Union Carbide 383,386
10. Ernest R. Breech, chairman, Ford Motor 370,000
    Henry Ford II, president Ford Motor [1] 370,000
11. Henry B. du Pont, vice president, Du Pont 354,400
12. Samuel Bronfman, president, Distillers Corp., Seagrams, Ltd 351,042
13. Charles M. White, chairman, Republic Steel 351,000
14. Walter J. Beadle, vice president, Du Pont 350,831
15. Walter Dannenbaum, vice president, Du Pont 347,700
16. Albert Bradley, chairman, General Motors 341,300
17. Neil H. McElroy, president, Procter & Gamble Co 319,974

[1] Not given number; makes list 23 instead of 22.

23 top-ranking corporate earners for 1956—Continued

18. William S. Paley, chairman, Columbia Broadcasting $316,526
19. Delmar S. Harder, executive vice president, Ford Motor 315,000
20. Frank Stanton, president, Columbia Broadcasting 312,335
21. W. K. Whiteford, president, Gulf Oil 300,061
22. Lewis D. Crusoe, executive vice president, Ford Motor 300,000

(Source: Business Week magazine, May 25, 1957, from reports submitted to Securities and Exchange Commission.)

Mr. McNAMARA. Mr. President, as you will note, these payments range from a paltry $300,000 a year to $809,011.

Out of curiosity, I had the salaries of the presidents of the 146 labor unions totaled on an adding machine, and the total comes to $2,173,650.94. I am sure that the Senate will be interested to know that the earnings of the top 3 corporation executives alone would just about pay the salaries of all 146 union presidents.

Mr. President, so the top-ranking corporation executives will not feel they are being singled out for any special attention here, I ask unanimous consent that the full list, as published in Business Week, be printed in the RECORD at the conclusion of my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

	Salary	Additional compensation	1956 total	1955 total
AGRICULTURAL MACHINERY				
Allis-Chalmers Manufacturing Co.:				
R. S. Stevenson, president	$101,800	.....	$101,800	$85,033
W. G. Scholl, executive vice president	66,800	.....	66,800	54,200
J. L. Singleton, vice president	60,150	.....	60,150	54,350
Deere & Co.:				
Burton F. Peek, chairman	72,498	[1] $28,660	101,158	94,039
William A. Hewitt, president	99,600	.....	99,600	83,084
Bruce Lourie, vice president	69,903	.....	69,903	80,084
International Harvester Co. (Oct. 31, 1956):				
John L. McCaffrey, chairman	212,173	.....	212,173	211,858
Peter V. Moulder, president	132,445	.....	132,445	136,520
Christian E. Jarchow, executive vice president	118,785	.....	118,785	128,434
AIRCRAFT MANUFACTURING AND COMPONENTS				
Douglas Aircraft Co. (Nov. 30, 1956):				
D. W. Douglas, chairman and president	162,925	.....	162,925	162,528
F. W. Conant, senior vice president	108,450	.....	108,450	108,518
Arthur E. Raymond, vice president	76,405	.....	76,405	76,113
Lockheed Aircraft Corp.:				
Robert E. Gross, president [2]	125,928	[4] 17,965	143,893	143,408
Courtlandt Gross, executive vice president [3]	111,835	[5] 10,304	122,139	120,487
C. A. Barker, Jr., senior vice president	88,722	[4] 25,408	114,130	113,421
United Aircraft Corp:				
H. M. Horner, chairman	185,950	.....	185,950	185,700
Leonard S. Hobbs, vice chairman	152,700	.....	152,700	140,000
William R. Robbins, vice president	121,440	.....	121,440	120,800
AIRLINES				
American Airlines, Inc.:				
C. R. Smith, president	75,000	.....	75,000	75,000
William J. Hogan, Sr., vice president	60,000	.....	60,000	55,000
C. W. Jacob, Sr., vice president	60,000	.....	60,000	55,000
Trans World Airlines, Inc.:				
Warren Lee Pierson, chairman	66,099	[6] 10,112	76,211	89,837
John A. Collings, executive vice president	65,491	[6] 10,047	75,538	67,435
AIRLINES—Continued				
United Airlines, Inc.:				
William A. Patterson, president	$100,000	.....	$100,000	$100,000
J. A. Herlihy, vice president	50,000	.....	50,000	46,000
R. E. Johnson, vice president	50,000	.....	50,000	.....
APPAREL				
Cluett, Peabody & Co.:				
Barry T. Leithead, president	[8] 100,877	.....	100,877	157,563
Robert M. Dowling, vice president	[8] 60,368	.....	60,368	82,833
Robert L. Palmer, vice president	[8] 50,000	.....	50,000	70,813
Hart, Schaffner & Marx:				
Meyer Kestnbaum, president	102,600	.....	102,600	100,100
John D. Gray, vice president	67,400	.....	67,400	54,580
Morris Greenberg, vice president	54,400	.....	54,400	50,000
AUTO PARTS				
Bendix Aviation Corp. (year ended Sept. 30):				
M. P. Ferguson, president	[7] 150,599	.....	150,599	142,749
Charles Marcus, vice president	[7] 94,650	.....	94,650	90,300
R. P. Lansing, vice president	[7] 87,650	.....	87,650	83,300
Borg-Warner Corp.:				
R. C. Ingersoll, chairman	[9] 101,100	[9] 31,250	132,350	131,250
R. S. Ingersoll, president	[10] 57,100	[9] 32,500	89,600	82,270
L. G. Porter, executive vice president	[10] 49,000	[9] 31,000	80,000	.....
E. S. Russey, Warner Gear, president	[10] 75,500	[9] 50,000	125,500	135,160
Thompson Products, Inc.:				
F. C. Crawford, chairman	166,500	.....	166,500	155,450
J. D. Wright, president	151,700	.....	151,700	141,500
J. H. Coolidge, vice president	91,450	.....	91,450	85,300
AUTOMOBILES				
Chrysler Corp.:				
K. T. Keller, chairman	[11] 103,709	.....	103,709	301,000
L. L. Colbert, president	250,900	.....	250,900	500,700
James C. Zeder, vice president	135,400	.....	135,400	270,000

[1] Amount shown is actual pension benefits beginning on retirement, Apr. 30, 1956.
[2] Held president to Oct. 1, then chairman.
[3] Held executive vice president to Oct. 1, then president.
[4] Set aside under pension plan.
[5] Retirement plan.
[6] Includes additional compensation under employees stock purchase plan equal to cash dividend on common stock.
[7] Supplemental pay plan awards payable in 4 annual installments. Payments included here are 25 percent of awards for 1953-56.
[8] Corporation paid $84,200, balance represents payments from contributory retirement income.
[9] Payments in 1956 under contingent compensation plan.
[10] In addition to salary, $6,767, $7,850, and $12,595 was paid to contributory retirement plan, respectively.
[11] Retired May 3, 1956. (Under contract will render advisory and consulting services. Corporation will pay $75,000 a year for life.)

	Salary	Additional compensation	1956 total	1955 total
AUTOMOBILES—continued				
Ford Motor Co.:				
Ernest R. Breech, chairman	$185,000	[12]$185,000	$370,000	$565,000
Henry Ford II, president	185,000	[12] 185,000	370,000	565,000
Lewis D. Crusoe, executive vice president	150,000	[12] 150,000	300,000	490,000
Delmar S. Harder, executive vice president	150,000	[12] 165,000	315,000	490,000
Benson Ford, vice president	120,000	[12] 120,000	240,000	320,000
General Motors Corp.:				
Harlow H. Curtice, president	201,100	[12] 494,000	695,100	776,400
Albert Bradley, chairman	141,300	[12] 200,000	341,300	701,525
Louis C. Goad, executive vice president	146,100	[12] 375,000	521,100	596,300
Frederic G. Donner, executive vice president	157,625	[12] 420,000	577,625	596,300
BAKING AND MILLING				
General Mills, Inc. (May 31, 1956):				
Harry A. Bullis, chairman	[14] 125,000	[12] 4,813	129,813	112,000
Charles H. Bell, president	[14] 153,300	[12] 5,902	159,202	102,500
Walter R. Bargy, vice president	[14] 100,000	[12] 3,850	103,850	86,007
National Biscuit Co.: [16]				
George H. Coppers, president	128,600		128,600	129,200
Edward S. Moore, Jr., executive vice president	75,800		75,800	75,400
George A. Mitchell, vice president	64,400		64,400	
Pillsbury Mills, Inc. (May 31, 1956):				
Philip W. Pillsbury, chairman	85,676		85,676	95,173
Paul S. Gerot, president	98,858		98,858	109,815
R. J. Keith, executive vice president	58,639		58,639	58,498
Howard W. Files, vice president	42,179		42,179	46,855
BEVERAGES AND CANDY				
Coca-Cola Co.:				
H. B. Nicholson, chairman	125,000		125,000	125,700
William E. Robinson, president	112,500		112,500	102,225
C. H. Gager, vice president	[17] 93,750		93,750	
Hershey Chocolate Corp.:				
J. J. Gallagher, chairman	49,509		49,509	43,146
S. F. Hinkel, president	43,666		43,666	
L. W. Majer, vice president	35,333		35,333	
P. A. Staples [15]	42,061		42,061	75,000
BUILDING MATERIALS				
Johns-Manville Corp.: [18]				
L. M. Cassidy, chairman	152,700	55,916	208,616	170,910
A. R. Fisher, president	126,700	45,680	172,380	138,880
C. F. Rassweiler, vice president	77,500	31,117	108,617	105,028
U. S. Gypsum Co.:				
C. H. Shaver, chairman	125,000		125,000	115,913
Oliver M. Knode, president	90,000		90,000	90,000
H. E. Sadler, vice president	75,000		75,000	75,000
CHEMICALS				
Allied Chemical & Dye Corp.:				
F. J. Emmerich, president	125,000		125,000	125,000
Glen B. Miller, vice president	90,000		90,000	82,500
Forbes Silsby, vice president	80,000		80,000	72,500
Harry S. Ferguson, vice president	70,000		70,000	
American Cyanamid Co.:				
K. C. Towe, president	90,000	[20] 87,503	177,503	170,032
W. G. Malcolm, vice president	66,000	[20] 45,901	111,901	105,411
S. C. Moody, vice president	66,000	[20] 45,901	111,901	105,421
Dow Chemical Co. (fiscal year ending May 31, 1956):				
Leland I. Doan, president	163,721		163,721	137,808
Earl W. Bennett, chairman	107,879		107,879	99,222
Mark F. Putnam, executive vice president	116,869		116,869	107,490
A. P. Beutel, vice president	107,879		107,879	
E. I. du Pont de Nemours & Co.:				
Crawford H. Greenewalt, president	190,886	410,000	600,886	642,619
Walter J. Beadle, vice president	100,831	250,000	350,831	377,219
Walter Dannenbaum, vice president	97,700	250,000	347,700	374,200
Henry B. du Pont, vice president	104,400	250,000	354,400	380,080
Eastman Kodak Co.:				
Thomas J. Hargrave, chairman	211,356	([21])	211,356	209,852
Albert K. Chapman, president	210,172		210,172	207,186
Donald McMaster, vice president	151,127		151,127	138,333
Monsanto Chemical Co.:				
Charles A. Thomas, president	137,500		137,500	220,000
Carroll A. Hochwalt, vice president	93,750		93,750	130,000
William W. Schneider, vice president	93,750		93,750	

	Salary	Additional compensation	1956 total	1955 total
CHEMICALS—continued				
Union Carbide & Carbon Corp.:				
Morse, G. Dial, president	$300,000	$83,386	$383,386	$262,500
Kenneth H. Hannan, executive vice president	96,667	37,900	134,652	85,000
Howard S. Bunn, executive vice president	166,667	65,325	231,992	143,333
CIGARETTES				
American Tobacco Co.:				
Paul M. Hahn, president	129,000	143,496	272,496	272,734
Richard J. Boylan, vice president [22]	50,000	122,797	172,797	172,179
John A. Crowe, vice president	50,000	122,797	172,797	
Liggett & Myers Tobacco Co.: [22]				
B. E. Few, president	255,897		255,897	235,395
W. A. Blount, vice president	169,538		169,538	152,237
W. L. Perry, vice president	159,538		159,538	
R. J. Reynolds Tobacco Co.:				
John C. Whitaker, chairman	166,003	[24] 14,133	180,136	168,189
E. A. Darr, president	120,908	[24] 11,306	132,214	121,062
Bowman Gray, executive vice president	103,950	[24] 7,655	111,605	95,800
COMMUNICATIONS				
American Telephone & Telegraph Co.:				
Cleo F. Craig [25]	257,200		257,200	217,119
Frederick R. Kappel [26]	51,783		51,783	
Clifton W. Phalen [27]	67,606		67,606	
Wm. C. Bolenius, vice president	107,215		107,215	99,900
General Telephone Corp.:				
Donald C. Power, president	131,400		131,400	105,208
Thomas A. Boyd, vice president	56,200		56,200	43,124
CONTAINERS				
American Can Co.:				
Wm. C. Stolk, president	223,000		223,000	157,000
Russell C. Taylor, vice president	121,800		121,800	93,200
Continental Can Co.:				
Lucius D. Clay, chairman	108,000	42,000	150,000	150,000
Thomas C. Fogarty, president	100,000	[28] 20,396	120,396	112,689
Reuben L. Perin, executive vice president	105,625	[28] 10,198	115,823	
Container Corporation of America:				
Walter P. Paepcke, chairman	100,000	[29] 89,250	189,250	185,000
Wesley M. Dixon, president	80,000	[29] 47,250	[30] 127,250	130,865
John V. Spackner, executive vice president	75,000	[29] 42,000	[30] 117,000	120,490
DAIRY PRODUCTS				
Borden Co.:				
Theodore G. Montague, chairman	123,000		123,000	132,420
Harold W. Comfort, president	101,950		101,950	91,900
Roy D. Wooster, vice president	76,200		76,200	75,100
National Dairy Products Corp.:				
E. E. Stewart, president	186,820		186,820	183,217
L. A. Van Bomel, chairman	51,500	[31] 26,008	77,508	89,160
G. C. Pound, vice president of corporation and president of Kraft Foods Co.	111,000	[32] 31,839	142,839	111,360
DEPARTMENT STORES				
Federated Department Stores, Inc. (Jan. 28, 1956):				
Fred Lazarus, Jr., president	160,200		160,200	
Ralph Lazarus, executive vice president	90,180		90,180	
John F. Lebor, vice president and treasurer	72,220		72,220	
May Department Stores Co.:				
Morton J. May, chairman	[33] 100,450		100,450	100,250
Morton D. May, president	[33] 138,829		138,829	128,502
Leo J. Wieck, vice president	[33] 99,589		99,589	94,371
DISTILLERS				
National Distillers Products, Corp.:				
John E. Bierwirth, president	203,664	([34])	203,664	197,773
B. C. Ohlandt, vice president	102,407	([34])	102,407	99,621
R. E. Hulse, vice president	83,350	([34])	83,350	70,519
Distillers Corp.—Seagrams, Ltd. (fiscal year ending July 31, 1955):				
Samuel Bronfman, president	351,642		351,642	355,000
Allan Bronfman, vice president	200,521		200,521	202,500

[12] Supplemental compensation, if earned out, ¾ payable March 1957, and remaining fourths on Jan. 10, 1958, 1959, 1960.
[13] Bonus payable in 5 equal installments; include, respectively, 1,531 shares of stock valued at $69,737, 883 at $40,221, 1,289 at $58,714, and 1,366 at $62,221.
[14] Includes $12,000, $12,500 and $11,000, respectively, in deferred pay after retirement.
[15] Retirement.
[16] Roy E. Tomlinson retired as chairman Jan. 1, 1956.
[17] Deferred compensation agreement with Gager in lieu of benefits under retirement plan, provides deferred compensation in amount of $20,000 for each year of service as executive officer. Annual payments made consecutive beginning 1 year after ceases to be officer.
[18] Died July 23, 1956. Had been chairman and president.
[19] The following was paid by corporation into retirement fund respectively, $8,193, $9,310, and $4,702.
[20] Plus 2,957 shares, 1,220 shares, and 1,220 shares, respectively of common stock payable on termination of employment under plan adopted in 1955.
[21] Awarded under deferred incentive compensation plan 43 shares, 42 shares, and 27 shares, respectively valued at $87.95 per share.
[22] Retired Dec. 31, 1956.
[23] Salary includes bonus.
[24] Under profit-sharing plan, effective Jan. 1, 1956, a certain share is paid in trust for credit of trustee to accounts of regular full-time employees. Amounts shown are company's payment into the trust for 1956.
[25] President to Sept. 19, then chairman of board.
[26] President from Sept. 19.
[27] Executive vice president from May 16.
[28] Deferred remuneration, including 220 shares and 110 shares, respectively, valued at $9,680 and $4,840, payable after termination over 5 to 10 years.
[29] Includes $10,000, $8,000, and $7,500, respectively, contributed to the Container Common Stock Trust for benefit of all salaried employees.
[30] $5,865 and $5,490, respectively, to retirement fund.
[31] Annuity payment under plan started in 1951.
[32] Annuity payment.
[33] Approximately 52 percent represents fixed salary. Balance, compensation payable under incentive contracts.
[34] Company's extra compensation plan, 1,882, 941, and 753 shares common stock respectively, at $36.56 per share, payable in 10 equal annual installments following termination of employment.

	Salary	Additional compensation	1956 total	1955 total
DRUGS				
Abbott Laboratories:				
Ernest H. Volwiler, president	$88,324	[35] $779	$89,103	$88,975
James F. Stiles, Jr., chairman	74,336	[35] 779	75,115	74,506
George R. Cain, executive vice president	62,709	[35] 623	63,332	62,810
Rexall Drugs, Inc.:				
J. W. Dart, president	[37] 83,000	[36] 6,316	89,316	81,565
W. T. Lillie, vice president and treasurer	46,000	[36] 3,706	49,706	48,623
R. J. Drews, controller	46,500	[36] 3,220	49,720	
Sterling Drug, Inc.:				
James Hill, Jr., chairman	[38] 163,904		163,904	151,454
J. Mark Hiebert, president	90,600		90,600	81,200
E. I. McClintock, vice president	72,500		72,500	70,800
ELECTRICAL EQUIPMENT AND APPLIANCES				
Avco Manufacturing Corp. (year ending Nov. 30):				
Victor Emanuel, chairman	125,000		125,000	125,000
James D. Shouse, vice president	75,000		75,000	75,000
Chester G. Gifford, vice president	70,000		70,000	
General Electric Co.:				
Ralph J. Cordiner, president	259,988	[39] [40] 1,741	259,988	247,515
Philip D. Reed, chairman	165,032	[39] [40] 1,044	165,032	157,489
Roy W. Johnson, executive vice president	158,314	[39] [40] 774	158,314	
Westinghouse Electric Corp.:				
Gwilyn A. Price, president and chairman	117,833		117,833	123,541
Mark W. Cresap, Jr., executive vice president	94,666		94,666	89,416
L. E. Osborne, vice chairman	84,750		84,750	88,750
FOOD PRODUCTS				
Standard Brands, Inc.:				
Joel S. Mitchell, president	125,000		125,000	125,000
Albert Fleischmann, vice president	75,000		75,000	75,000
Leonard G. Reichhard, vice president	75,000		75,000	73,750
General Foods Corp. (year ended Mar. 31):				
Charles G. Mortimer, president	130,000	[41] 18,000	148,000	206,250
George Hampton, executive vice president	99,716	[41] 12,000	111,716	115,625
Udell C. Young, vice president	85,000	[41] 5,000	90,000	
GLASS				
Owens-Illinois Glass Co.:				
J. P. Levis, chairman	135,000		135,000	135,000
C. R. Megowen, president	125,000		125,000	125,000
H. C. Laughlin, executive vice president	90,000		90,000	90,684
Pittsburgh Plate Glass Co.:				
H. B. Higgins, chairman	120,000	[42] 95,000	215,000	170,116
David G. Hill, president	95,000	[42] [43] 70,000	165,000	107,634
R. B. Tucker, vice president	35,000	[43] 36,091	71,091	
GROCERY CHAINS				
Kroger Co.:				
Joseph B. Hall, president	175,000		175,000	175,000
Jacob E. Davis, vice president	80,000		80,000	72,735
William E. Carter, vice president	80,000		80,000	72,735
Safeway Stores, Inc.:				
Milton L. Selby, president	75,000	[44] 80,250	155,250	125,320
C. N. Sanders, vice president [45]	60,000	[44] 55,000	115,000	125,320
Russell Griffith, vice president	50,000	[44] 36,249	86,249	
INDUSTRIAL MACHINES				
Babcock & Wilcox Co.:				
Alfred Iddles, president	[46] 107,600		107,600	107,800
M. Nielsen, executive vice president	80,800		80,800	69,750
Edward A. Livingstone, vice president	70,550		70,550	63,750
Caterpillar Tractor Co.:				
L. B. Neumiller, chairman	125,000		125,000	121,250
H. S. Eberhard, president	100,000		100,000	100,948
A. T. Brown, executive vice president	85,000		85,000	100,888
Dresser Industries, Inc. (Oct. 31, 1956):				
H. N. Mallon, chairman	150,030		150,030	122,996
J. B. O'Connor, president	144,030		144,030	114,952
R. E. Reimer, vice president	90,030		90,030	

	Salary	Additional compensation	1956 total	1955 total
MAIL ORDER HOUSES				
Montgomery Ward & Co.:				
John A. Barr, chairman and president	$93,912		$93,912	$75,961
Joseph C. Kracht, vice president	68,411		68,411	
Sears, Roebuck & Co.:				
Fowler B. McConnell, president	135,000	[47] $1,540	136,540	136,820
Theodore V. Houser, chairman	135,000	[47] 1,540	136,540	136,820
Edward Gudeman, vice president	100,000	[47] 1,251	101,251	100,116
NONFERROUS METALS				
Aluminum Company of America:				
I. W. Wilson, president	210,000		210,000	210,000
F. L. Magee, executive vice president	135,000		135,000	130,000
Leon B. Hickman, vice president	126,500		126,500	116,500
American Smelting & Refining Co.:				
Roger W. Straus, chairman	[48] 104,796		104,796	104,115
Kenneth C. Brownell, president	[48] 88,877		88,877	84,722
Adin A. Brown, vice president	[48] 61,686		61,686	
Anaconda Co:				
Roy H. Glover, chairman	201,380		201,380	157,765
Robert E. Dwyer, president [49]	77,186		77,186	151,851
Clyde E. Weed, president, July 1, 1956	141,195		141,195	
Edward S. McGlone, executive vice-president	97,325		97,325	89,643
Kennecott Copper Corp.:				
Charles R. Cox, president	192,100		192,100	191,000
Frank R. Milliken, vice president	82,700	[50] 50,000	132,700	75,200
National Lead Co.:				
Joseph A. Martino, president	242,500	[51] 36,375	278,875	227,125
Herman T. Worshow, president	126,250	[51] 18,937	145,187	116,437
Alfred H. Drewes, vice president	118,750	[51] 17,712	136,562	107,062
Phelps-Dodge Corp.:				
Louis S. Cates, chairman	86,100	[52] 60,000	146,100	114,300
Robert G. Page, president	126,500	[52] 62,500	189,000	188,500
Reynolds Metals Co.:				
R. S. Reynolds, Jr., president	173,262	[53] [54] 1,684	173,262	142,317
J. Louis Reynolds, executive vice president	166,812	[53] [54] 1,459	166,812	
D. P. Reynolds, vice president	121,400	[53] [54] 1,459	121,400	
Walter L. Rice, vice president	111,760	[53] [54] 1,235	111,760	
OFFICE MACHINES AND EQUIPMENT				
International Business Machines Corp.:				
Thomas J. Watson, Jr., president	156,559	64,251	220,810	154,496
John G. Phillips, vice chairman	152,333		152,333	
Albert L. Williams, executive vice president	113,835	40,887	154,722	111,236
Louis H. LaMotte, executive vice president	113,735	40,887	154,622	
Sperry-Rand Corp.:				
James H. Rand, vice chairman and senior vice president	195,600		195,600	202,100
Gen. Douglas MacArthur, chairman	68,800		68,800	68,600
Harry F. Vickers, president and chief executive officer	240,798		240,798	
Harry Landsiedel, vice president of R-H, Inc.	111,300		111,300	81,600
OIL COMPANIES				
Cities Service Co.:				
W. Alton Jones, chairman	150,790	[55] 3,744	154,534	154,264
Burl S. Watson, president	141,663	[55] 3,487	145,150	130,240
Alfred P. Frame, vice president	64,570	[55] 1,585	66,155	
Continental Oil Co.:				
L. F. McCollum, president	126,650		126,650	126,500
E. F. Battson, vice president	81,750	[56] 2,358	84,108	83,900
Ira H. Cram, vice president	76,300	[56] 2,250	78,550	83,150
Chas. A. Perlitz, Jr., vice president	84,004	[56] 2,358	86,362	
Gulf Oil Corp.:				
S. A. Swensrud, chairman	150,000		150,000	200,025
W. K. Whiteford, president	175,000	[57] 25,061	300,061	262,522
David Proctor, executive vice president	100,000	[57] 87,509	187,509	162,533
Phillips Petroleum Co.:				
K. S. Adams, chairman	200,000		200,000	175,500
Paul Endacott, president	135,000		135,000	125,533
Stanley Learned, assistant to president	125,000		125,000	115,833
W. W. Keller, executive vice president	95,000		95,000	
Shell Oil Co.:				
H. S. M. Burns, president	200,000		200,000	175,000
James H. Doolittle, vice president	90,000		90,000	90,000
A. J. Galloway, vice president	105,000		105,000	100,000

[35] Stock bonus plan (retirement).
[36] Retirement trust.
[37] Agreement dated Feb. 24, 1956 under which 2/3 of amount payable under company's incentive compensation plan ($8,000 for Dart included in aggregate salary) will be accrued by company and will be payable to him as contingent compensation.
[38] Includes $20,000 paid under 1946 deferred compensation, payable for 5 years starting 1954.
[39] Shares valued at $64.62½ a share payable in 15 to 20 years annual installments after termination of employment, if earned out (incentive compensation).
[40] Shares.
[41] Deferred remuneration contingently payable in cash (August 1956).
[42] Incentive compensation.
[43] Also $21,866 was paid to contributory retirement plan.
[44] Shares in profit-sharing plan.
[45] Resigned Dec. 4, 1956.
[46] Agreement between company and Iddles commencing Apr. 1, 1957 (or later as full-time employment terminates). Company will pay $20,000 per year for life if he performs advisory and consultive services for company as reasonably requested.
[47] Profit-sharing plan.
[48] Plus 176 shares for Straus, 144 shares for Brownell, and 56 shares for Brown under contingent pay plan; in addition each got $2,871, $2,184, and $184 respectively, as dividend equivalents on contingent allotments.
[49] Retired as president, July 1, 1956.
[50] At 1956 annual meeting an executive compensation plan was approved—payable in 120 equal installments after termination of employment.
[51] Profit-sharing plan.
[52] Includes $10,000 and $12,500, respectively, in deferred profit sharing. Cates also received $15,000 retirement income.
[53] Incentive compensation, shares contingently allotted, valued at $44.53 per share.
[54] Shares.
[55] Thrift plan contribution.
[56] Thrift retirement plan.
[57] Incentive compensation plan.

	Salary	Additional compensation	1956 total	1955 total
OIL COMPANIES—continued				
Sinclair Oil Corp.:				
P. C. Spencer, president	$175,000	[42] $4,593	$180,193	$165,083
M. L. Gosney, chairman	110,850	[42] 2,886	113,736	102,316
W. F. Dan, vice president	60,850	[42] 1,512	62,362	55,550
Socony Mobil Oil Co.:				
B. B. Jennings, chairman	165,000	[42] 4,120	169,120	169,120
Albert L. Nickerson, president	125,000	[42] 3,120	128,120	104,560
J. C. Case, vice president	105,000	[42] 2,620	107,620	97,370
Standard Oil Company of California:				
R. G. Follis, chairman	185,000	[42] 17,688	202,688	202,074
T. S. Peterson, president	160,000	[42] 15,263	175,263	174,734
Gage Lund, vice president	110,000	[42] 10,436	120,436	115,528
Standard Oil Co. (Indiana):				
Robert E. Wilson, chairman	174,000	[41] 5,216	179,216	174,246
Frank O. Prior, president	163,166	[41] 4,679	167,845	156,360
Dwight F. Benton, vice president	94,000	[41] 2,820	96,820	94,372
John E. Swearingen, executive vice president	82,916	[41] 2,433	85,349	
Standard Oil Co. (N. J.):				
Eugene Holman, chairman	225,000	[42] 24,618	249,618	234,357
M. J. Rathbone, president	175,000	[42] 19,152	194,152	184,484
J. E. Crane, vice president to secretary	120,000	[42] 13,390	133,390	
E. E. Soubry, vice president	132,000	[42] 14,453	146,453	
The Texas Co.:				
J. S. Leach,[43] chairman	146,208	[44][45]20,364	166,572	191,965
Augustus C. Long, chairman	156,250	[44][45]14,532	170,782	163,948
R. F. Baker,[43] executive vice president	100,000	[44][45]15,922	115,922	115,550
M. Halpern, senior vice president	90,000	[44][45]14,331	104,311	
Union Oil Company of California:				
Reese H. Taylor, chairman	125,000	[42] 4,355	129,355	129,232
W. L. Stewart, Jr., vice chairman	50,000	[42] 1,742	51,742	62,127
A. C. Rubel, president	80,000	[42] 2,789	82,789	67,035
A. C. Stewart, vice president	65,000	[42] 2,094	67,094	
PAPER PRODUCTS				
Crown Zellerbach Corp.:				
J. D. Zellerbach, chairman, board	142,767		142,767	84,833
H. L. Zellerbach, chairman, executive committee	97,567		97,567	61,500
A. B. Layton, president	72,983		72,983	
R. O. Hunt executive vice president	66,533		66,533	
International Paper Co.:				
John H. Hinman, chairman	200,000		200,000	161,111
Richard C. Doane, president	137,500		137,500	125,000
Erling Riis, vice president	71,496		71,496	
St. Regis Paper Co.:				
Roy K. Ferguson, chairman and president	101,640		101,640	100,800
Edward R. Gay, executive vice president	70,770		70,770	66,461
RADIO AND TELEVISION				
Columbia Broadcasting System:				
Edward R. Murrow, director	[47] 177,233		177,233	316,076
Frank Stanton, president	300,000	[42] 12,335	312,335	293,857
Wm. S. Paley, chairman	300,000	[42] 16,526	316,526	241,526
Philco Corp.:				
William Balderston, chairman	75,000		75,000	60,000
J. M. Skinner, Jr., president	57,689		57,689	
John M. Otter, executive vice president	50,000		50,000	79,000
Leslie J. Woods, vice president	40,000		40,000	
Radio Corporation of America:				
David Sarnoff, chairman	200,000		200,000	200,000
Frank M. Folsom, president	165,000	[42] 19,993	184,993	197,991
E. W. Engstrom, senior executive vice president	110,000	[42] 43,993	123,993	96,982
RETAIL CHAINS				
W. T. Grant Co.:				
Edward Staley, president	[70] 136,688		136,688	144,747
Louis C. Lustenberger, executive vice president	[70] 112,207		112,207	109,876
J. Luther Knies, vice president	[70] 89,267		89,267	87,478
S. S. Kresge Co.:				
F. P. Williams, president	96,720		96,720	92,681
R. D. Kresge, vice president	61,350		61,350	61,340
H. J. Liverance, vice president	61,350		61,350	61,340

	Salary	Additional compensation	1956 total	1955 total
RETAIL CHAINS—continued				
J. C. Penney Co.:				
J. C. Penney, chairman	[71]$105,456		$105,456	$106,460
A. W. Hughes, president				
W. M. Batten, vice president and assistant to president	[71] 105,456		105,456	
R. C. Welderman, comptroller	[71] 105,456		105,456	106,460
F. W. Woolworth Co.:				
James T. Leftwich, president and chairman	[72] 221,930		221,930	212,015
Alfred L. Cornwell, chairman [73]	50,000		50,000	100,000
Robert C. Kirkwood, executive vice president	[72] 83,217		83,217	79,499
L. James Thrasher, vice president	[72] 83,217		83,217	
STEEL COMPANIES				
Armco Steel Corp.:				
Charles R. Hook, chairman	[74] 235,000		235,000	240,053
W. W. Sebald, president	[74] 265,050		265,050	265,049
Ralph L. Gray, executive vice president	[74] 230,450		230,450	196,283
Bethlehem Steel Corp:				
Eugene G. Grace, chairman	150,000	659,011	809,011	705,923
Arthur B. Homer, president	120,000	549,176	669,176	583,270
Robert E. McMath, vice president	75,000	439,340	514,340	445,615
Colorado Fuel & Iron Corp. (6 months, changed from fiscal (June 30) to annual year):				
A. F. Franz, president	65,549		65,549	116,200
Franklin Berwin, vice president	24,250		24,250	45,550
A. C. Bekaert, vice president	30,525		30,525	56,050
Jones & Laughlin Steel Corp.:				
Ben Moreell, chairman	150,000	77,668	227,668	230,110
C. I. Austin, president [75]	110,000	36,752	146,752	163,351
Avery C. Adams, president [75]	32,500	15,000	47,500	
J. E. Timberlake, vice president	70,000	37,896	107,896	103,968
National Steel Corp:				
Ernest T. Weir, chairman	277,868		277,868	273,106
Thomas E. Millsop, president	277,868		277,868	273,106
James J. Munns, executive vice president	110,50	[77] 3,795	114,045	
Republic Steel Corp:				
T. M. Girdler, chairman	126,812		126,812	250,000
C. M. White, chairman	351,000		351,000	340,000
T. F. Patton, president	203,950		203,950	170,500
Norman W. Foy, vice president	146,250		146,250	
United States Steel Corp.:				
Roger M. Blough, chairman	264,900		264,900	222,133
Clifford F. Hood, president	263,500		263,500	242,367
Robert C. Tyson, chairman, finance committee	205,967		205,967	
Youngstown Sheet & Tube Co.:				
J. L. Mauthe, chairman and president	170,668	[78] 63,550	234,218	235,979
Walter E. Watson, first vice president	114,440	[78] 42,613	157,053	159,689
A. S. Glossbrenner, vice president	98,906	[78] 36,829	135,735	129,704
TEXTILES				
Burlington Industries, Inc. (year ending Sept. 29):				
Herman D. Ruhm, Jr., president	130,000		130,000	
J. Spencer Love, chairman	130,000	[42] 8,650	138,650	147,605
Herbert M. Kaiser, senior vice president	112,000	[42] 6,228	118,228	117,476
Walter E. Greer, Jr., senior vice president	80,000	[42] 5,190	85,190	79,563
United Merchants & Manufacturers, Inc. (year ending June 30):				
J. W. Schwab, president	100,300	286,288	386,588	386,588
H. Harry Feldman, vice president	50,330	135,904	186,234	176,204
TIRE AND RUBBER COMPANIES				
Goodyear Tire & Rubber Co.:				
E. J. Thomas, president	187,372		187,372	188,697
R. W. Litchfield, chairman	[81] 141,093		141,093	141,093
R. S. Wilson, executive vice president	129,363		129,363	130,340
P. E. H. Leroy, executive vice president	130,492		130,492	131,469

[42] Employees' saving plan.
[43] Employees' saving plan.
[44] Contingently allotted under stock plan.
[45] Under employees' saving plan.
[46] Thrift plan. In addition to the above, there were payments to annuity purchase plan: Rathbone $16,195; Crane $20,619 and E. E. Soubry $14,453.
[47] Leach retired Oct. 1, 1956, and Baker on Feb. 1, 1957.
[48] Also company contributed under employees saving plan the following amounts respectively: $3,726; $4,626; $2,988; $2,700.
[49] Under company's group insurance and pension plan.
[50] Company's contribution to employees incentive plan.
[51] Excludes royalties on Person to Person.
[52] Pension plan.
[53] Bonus is payable in 5 annual installments, if earned out and amount shown was paid in 1956.
[70] Includes under deferred contingent compensation plan to be received after termination of employment in 10 annual installments:
Staley, 485 shares, at $35.50 per share.
Lustenberger, 313 shares, at $35.50 per share.
Knies, 173 shares, at $35.50 per share.
[71] $10,000 is salary, rest under general office compensation plan.
[72] Includes profit sharing.
[73] Retired June 13, 1956.
[74] Figure includes corporation's incentive compensation fund, $140,000 was allocated—only ⅓ paid at time, balance being payable in 2 equal installments (1958–59). Hook, chairman until Nov. 1, 1956, then consultant. Sebald, president until Aug. 15, 1956 thereafter chairman of executive committee and vice president of board. Gray executive vice president until Aug. 15 then president.
[75] Vice chairman after Oct. 1, 1956.
[76] President after Oct. 1, 1956.
[77] Retirement.
[78] Retired Aug. 21, 1956.
[79] Year and payments of profit-sharing bonus plus $24,641 to Mauthe and $99,214 to Watson received as they have reached normal retirement age.
[80] Paid to trustee under profit-sharing plan.
[81] Plus $2,174 paid under retirement annuity plan.

	Salary	Additional compensation	1956 total	1955 total
TIRE AND RUBBER COMPANIES—con.				
B. F. Goodrich Co.:				
John L. Collyer, chairman	$225,000		$225,000	$235,000
W. S. Richardson, president	168,600		168,600	165,000
A. Kelly, executive vice president	113,625		113,625	
Firestone Tire & Rubber Co. (Oct. 31, 1956):				
Harvey S. Firestone, Jr., chairman	170,500		170,500	155,000
Lee R. Jackson, president	143,000		143,000	130,000
James E. Trainer, executive vice president	113,300		113,300	103,000
John J. Shea, vice president	112,200		112,200	102,000
TOILET PREPARATIONS				
Colgate-Palmolive Co.:				
Edward H. Little, chairman	150,000	[82]$100,415	250,415	350,285
Hugh R. MacMillan, Jr., vice president	60,000	[82] 26,000	86,000	106,702
Stuart Sherman, vice president	68,409	[82] 26,000	94,409	
Procter & Gamble Co. (June 30, 1956):				
Richard R. Deupree, chairman	100,000		100,000	100,000
Neil H. McElroy, president	285,000	[83] 34,974	319,974	320,317
Howard J. Morgens, executive vice president	200,000	[83] 32,643	232,643	213,569
TRANSPORTATION				
General American Transportation Corp.:				
Sam Lend, chairman	$120,000		$120,000	$120,000
L. N. Selig, chairman executive committee	125,000		125,000	125,000
W. J. Stebler, president	100,000		100,000	100,000
New York Central RR.:				
Alfred E. Perlman, president	106,566		106,566	102,400
Karl A. Borntrager, senior vice president	65,000		65,000	60,000
Walter R. Grant, vice president	60,000		60,000	
Pennsylvania RR.:				
James M. Symes, president	127,981		127,981	127,530
James P. Newell, vice president	72,502		72,502	71,600
UTILITIES				
Commonwealth Edison Co. (Chicago):				
Willis Gale, chairman	120,000		120,000	110,000
John W. Evers, president	60,000		60,000	60,000
H. P. Sedwick, president, Public Service Co. division	60,000		60,000	
Consolidated Edison Co., New York:				
Hudson R. Searing, chairman	130,000		130,460	105,240
Harland C. Forbes, president	104,840		104,840	94,820
Earl L. Griffith, vice president	50,260		50,260	

[82] Bonus award, payable in 5 equal installments, if earned out.
[83] Profit-sharing trust plan.

RETIREMENT OF OFFICERS AND MEMBERS OF THE METROPOLITAN AND OTHER POLICE FORCES

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 328, S. 1770.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 1770) to provide for the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, and of certain officers and members of the United States Secret Service, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on the District of Columbia with amendments.

Mr. BIBLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CARROLL in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The first committee amendment will be stated.

Mr. WILLIAMS. First, Mr. President, may we have an explanation of the bill?

Mr. BIBLE. Yes. I intended to have the committee amendments adopted first if that will meet with the approval of the Senator from Delaware, and then to make a brief explanation of the changes and of the entire law. I thought that would be the more orderly way to proceed.

Mr. WILLIAMS. I think it would be better to have the explanation made now.

Mr. BIBLE. Very well; I have no objection to making a preliminary statement at this time.

Mr. President, the proposed legislation now pending before the Senate, Senate bill 1770, is designed to strengthen the retirement provisions for employees of the Police and Fire Departments of the District of Columbia. It was felt that the existing law, which had had no major overhaul for a great many years, should be brought more nearly in line with the Civil Service Retirement Act of 1956.

There were extended hearings by the District Commissioners, representatives of the White House Police Force, the United States Secret Service Division, the Park Police, the Metropolitan Police, the Fire Department, and the policemen's and firemen's associations of the District of Columbia.

After extended conferences, a bill was arrived at on which there was major agreement among those who attended the conferences.

The bill makes a number of changes as compared with the Civil Service Retirement Act.

There was introduced during the session of the Senate on the last calendar call a table, which is to be found at page 7383 of the CONGRESSIONAL RECORD of Wednesday, May 22. By reference to that table I should like to point out a number of changes which are being made by Senate bill 1770.

The first change is found under the heading "General Service Requirements." The present police retirement law requires no minimum service. Senate bill 1770, which is before the Senate makes no particular change in that respect.

There is a difference between S. 1770 and the Civil Service Retirement Act, because the Civil Service Retirement Act provides for at least 5 years' creditable civilian service, including 1 year's covered employment out of the last 2, unless separation is by death or for disability retirement. In that respect—and I think it is a minor difference—there is a difference between the Civil Service Retirement Act and the bill presently before the Senate.

The next section is the section entitled "Compulsory retirement (immediate annuity)." The present law provides "At or after age 60, regardless of length of service at discretion of District of Columbia Commissioners or head of employing department." We on the District of Columbia Committee made no change concerning this particular phrase of the question. The provision, however, is different from that in the Civil Service Retirement Act, because, as the Senator from Delaware is well aware, in the act the provision is "At or after age 70 with 15 years' service. The President," under that particular act, "is authorized to make exemptions from this requirement if deemed in the public interest."

The next general subject is "Optional retirement," and on this point there is a difference. The present law governing policemen and firemen in the District of Columbia provides for optional retirement at age 55 after 25 years' service, at 50 percent. The bill before the Senate provides for optional retirement at age 50, with 20 years' service, with a retirement factor of 40 percent. The Civil Service Retirement Act has a graduated scale affecting those involved in so-called hazardous occupations, which reads as follows, "Age 50, 20 years of service (hazardous law enforcement duty); age 62, 5 years of service; age 60, 30 years of service; age 55, 30 years of service (reduced annuity)."

That, too, is a change in the bill before the Senate, as compared with the Civil Service Retirement Act. As will appear later on in the analysis I am making for the Senator from Delaware, there is a percentage difference as well.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. BIBLE. I yield.

Mr. YOUNG. The bill before the Senate does not provide any additional benefits for those who have retired; it deals entirely with those who are employed. Is that correct?

Mr. BIBLE. That is a correct statement.

Mr. YOUNG. Has not all previous legislation affected both the retired and employed persons?

Mr. BIBLE. I do not believe that is correct. Perhaps I had better correct my statement. I may have made it a little too broad. The act will become retroactive to last October, the effective date of the Civil Service Retirement Act, and it does blanket in those who have retired from October 1956, up to the present date; but it does not take into consideration and provides no additional benefits for those who retired prior to the effective date of the Civil Service Retirement Act of 1956, nor, I am advised, does it provide any additional benefits for those who had previously retired under the Civil Service Retirement Act prior to October 1956.

Mr. YOUNG. Why does the bill go back only 1 year, and not all the way?

Mr. BIBLE. I think the answer to that is that there was a desire to make the effective date of the bill coincide with the effective date of the Civil Service Retirement Act. That is the reason the bill so provides. It was meant to go back to the effective date of the Civil Service Retirement Act of 1956.

Mr. YOUNG. Would there be any objection to including benefits for all those who have retired, as we have done in the past? I understand in the past we have included both employees and retired workers.

Mr. BIBLE. Everyone is included although they are not entitled to the increased benefits, so I am advised. I may say to the Senator from North Dakota that all previous retirees, those retired prior to October 1956, are included in the general provision where there are salary increases. They get the same benefits as under the previous retirement act.

Mr. YOUNG. Additional benefits are being provided only for those who are presently employed, and those who retired——

Mr. BIBLE. After October 1956.

Mr. YOUNG. Would the Senator object to making the bill retroactive so as to include all former retired personnel?

Mr. BIBLE. That question was discussed in committee. It was felt such a provision might open the door too wide for those under the retirement act. The question was also raised in other connections, insofar as the 3-percent factor is concerned.

We were advised by Chairman McLaughlin of the District Commissioners that at present a study was being made of the economic implications involved if the retirement system were broadened to cover those who had retired prior to October 1956. The question was asked of Chairman McLaughlin when he appeared, and it was felt it would be premature to attempt to blanket in everyone, without some definite date.

Mr. YOUNG. It would seem to me that not many additional people would be involved, if we made the bill retroactive all the way. It seems to me those who retired a few years ago need help more than some who are retiring now.

Mr. BIBLE. There may be considerable merit in what the Senator from North Dakota says. As chairman of the subcommittee, I assure the Senator that the matter will receive our careful consideration when we get the report from the Commissioners. They are making a study of the matter at this time. It was the feeling of the subcommittee, and a similar sentiment was expressed in the full committee, that pending the completion of that study it would not be wise to blanket in those persons who retired prior to October 1956.

Mr. YOUNG. Will there be any other legislative measure considered by the committee which could contain such a provision?

Mr. BIBLE. As soon as we get the recommendation of the Commissioners of the District of Columbia, I will say to the Senator from North Dakota, depending upon what the recommendations are, the matter might very well be included by way of amendment to the present law.

Mr. YOUNG. I dislike very much to see the bill passed now without a provision to include those who in my opinion need help most of all. I would rather see the proposed legislation carried over until we received the report and ascertained what the additional cost would be. I think the cost could not amount to very much.

Mr. BIBLE. I will say to my good friend the Senator from North Dakota that we were not sure of the exact amount. Pending the completion of the study, it was felt this bill should go forward, because we felt its enactment was needed, and that possibly its provisions could be enlarged at a later time, when the studies were completed.

Mr. YOUNG. I have a great deal of confidence in the fairness and judgment of my good friend the Senator from Nevada. I shall not raise any further objection now. I feel quite sure that when the study is completed serious consideration will be given to proposing additional legislation.

Mr. BIBLE. The Senator has our assurance that we will give the matter very careful consideration.

Mr. YOUNG. I thank the Senator very much.

Mr. BIBLE. The next point of difference between the pending legislation and the Civil Service Retirement Act is found in conditions relating to disability requirement. In the present law, which governs the retirement of police and firemen, there is no provision whatever for a case involving disability not occurring in line of duty. The bill was amended so as to provide that there could be allowances for disability not incurred in line of duty, after 5 years of police or fire service, when the disability was not due to vicious habits, intemperance, or willful misconduct precluding further service with the department.

The Civil Service Retirement Act in this respect is substantially the same as the bill now before the Senate. It says, "After 5 years' civilian service. Total disability for position held, not due to vicious habits, and so forth, within 5 years preceding onset of disability."

That is another change made by the committee in Senate bill 1770, as compared to the existing law, which is more nearly in conformity with the Civil Service Retirement Act.

Another change, which I might mention, is that disability incurred in line of duty after any length of service—injury during performance of duty, which permanently disables for such duty—is subject to a disability retirement allowance, and the Senate bill 1770 carried that forward. The Civil Service Retirement Act has no provision other than that I just noted, that there must be 5 years' civilian service.

The separation benefits are different. The present law with respect to police and firemen requires a refund of deductions without interest prior to retirement for any reason. The pending bill substantially carries that forward. It is different in that respect from the Civil Service Retirement Act, because the Civil Service Retirement Act provides that after 5 or more years of civilian service there may be a choice of refund or deferred annuity, starting at the age of 62. That again is a difference in the bill and the Civil Service Retirement Act.

There is a difference as to which the Senator from Delaware [Mr. WILLIAMS] commented on May 22, as to the computation of the basic annuity. The present act says, "not to exceed 50 percent of salary at time of retirement."

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. BIBLE. I yield to the Senator from Delaware.

Mr. WILLIAMS. Is the Senator referring to my comment on the previous occasion when this bill was discussed? My comments at that time were in the line of questions.

Mr. BIBLE. Certainly.

Mr. WILLIAMS. First I should like to read the question which I asked the Senator from Pennsylvania [Mr. CLARK]:

How does the formula provided in the bill for the computation of annuities compare with that prevailing under the regular Civil Service Retirement Act?

The Senator from Pennsylvania [Mr. CLARK] replied:

It is my understanding that it is identical.

I think it was definitely established then, and is certainly established by the explanation the Senator from Nevada has given today, that the formulas are not identical, and in fact, they are not anywhere near identical. Is that not correct?

Mr. BIBLE. I think they are not identical. I believe that is correct. I do not think I can go along with the statement that they are nowhere near identical. I think they are fairly close.

The computation we use in Senate bill 1770 is a final basic salary, whereas, as the Senator from Delaware knows, the basis of civil service retirement is the average salary for 5 highest consecutive years of service.

Of course, with reference to the police and firemen, though they have grades, they do not have within grade promotions as do the civil servants. I think that is a difference. I do not think there is any particularly great difference.

Mr. WILLIAMS. Does the Senator think these differences reflect much of a difference in the total cost of the two systems?

Mr. BIBLE. Would the Senator mind repeating the question? I am not sure I understood.

Mr. WILLIAMS. I put the question this way. Under the civil-service retirement system an employee pays 6½ percent.

Mr. BIBLE. The Senator is correct.

Mr. WILLIAMS. It is my understanding that under the bill the contribution of the members of this system has been raised from 5 percent to 6½ percent.

Mr. BIBLE. The Senator is correct. They pay the same amount.

Mr. WILLIAMS. The contribution of employees in each instance would be the same. Now the Government pays 6½ percent to the civil-service retirement system, which is considered about adequate to keep that system solvent. In the minds of the committee, how did they estimate the cost involved to the Government?

Mr. BIBLE. We asked for information upon that point. The main difference, as the Senator is undoubtedly aware, arises because of the additional percentage to be paid after 20 years of service, which is 3 percent. An additional payment is made of 3 percent, rather than 2 percent, after 20 years.

Mr. WILLIAMS. Does the committee have an estimate of that percentage increased cost, so that they can tell the Senate for the RECORD what it is? I think it would be well for us to know what we are doing.

Mr. BIBLE. Certainly.

Mr. WILLIAMS. And I think it should be established what this bill will cost the Government.

Mr. BIBLE. Certainly. I shall be very glad to read that into the RECORD.

The table affixed to the report shows, on page 5 of the report, an analysis of the estimated cost of the Commissioners' bill.

The Commissioners estimated that the total added annual cost of the Commissioners' bill to the District government in the first year of operation would be minus $479,100. They estimated that in the second year of operation it would be minus $378,000. They estimated that in the third year of operation it would be minus $101,400, and that in the fourth year it would be minus $31,400.

Then they estimated that in the fifth year it would cost an additional $37,600 to pay the retirement benefits contemplated under the Commissioners' bill, which was likewise introduced. The main difference between the Commissioners' bill and the bill now being considered by the Senate lies in the 3 percent after 20 years of service. That is the main difference, and I believe it would account for the difference in costs.

The 6th year the cost would be $107,600; the 10th year $391,600; the 15th year $731,600; the 20th year the cost would be $1,023,600; and the ultimate cost $1,539,600.

I ask unanimous consent to have the table to which I have referred printed in the RECORD at this point as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Analysis of the estimated cost of Commissioners' bill

Year of operation	Total annual cost increase over present law	Additional employee contributions [1] (1½ percent of payroll)	Total added annual District government cost
1	$46,900	$526,000	−$479,100
2	148,000	526,000	−378,000
3	217,000	318,400	−101,400
4	287,000	318,400	−31,400
5	356,000	318,400	+37,600
6	426,000	318,400	+107,600
10	710,000	318,400	+391,600
15	1,050,000	318,400	+731,600
20	1,342,000	318,400	+1,023,600
Ultimate	1,858,000	318,400	+1,539,600

[1] 1½ percent of payroll plus contributions for Government service credit.

Mr. BIBLE. I should also like to have printed in the RECORD an anlysis of the estimated cost under the bill now pending before the Senate. The difference in ultimate cost is $126,000, as between the Commissioners' bill which was submitted to the District Committee and the bill now before the Senate. For the earlier years, of course, the differential would be much less.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated annual costs of S. 1770

Year of operation	Total annual cost	Additional employee contributions [1]	Total added annual District of Columbia cost
1	$50,200	$526,000	−$475,800
2	160,900	526,000	−365,100
3	236,200	318,400	−82,200
4	312,500	318,400	−5,900
5	387,800	318,400	+69,400
6	461,000	318,400	+145,600
10	770,000	318,400	+451,600
15	1,133,800	318,400	+815,400
20	1,444,400	318,400	+1,126,000
Ultimate	1,984,600	318,400	+1,666,200

[1] 1½ percent of payroll plus contribution for Government service credit.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. BIBLE. I yield.

Mr. WILLIAMS. Based upon that computation, what is the Senator's or the committee's estimate as to the percentage of the payroll which the District of Columbia would have to figure upon paying to meet its proportionate part of the cost of retirement benefits? Under the Civil Service Retirement Act the Government pays 6½ percent and the employees pay 6½ percent. Under this bill the employees would be paying 6½ percent. How much would the cost for the employer, which is the Government, be?

Mr. BIBLE. These are the additional costs to the District of Columbia——

Mr. WILLIAMS. I am asking for the Government's part of the cost. The Senator says that the benefits under the bill would be substantially the same as under the Civil Service Retirement Act. The Civil Service Retirement Act costs the Government 6½ percent of the payroll. Now, what percent of the payroll will this cost? You mentioned the difference between this bill and the Civil Service retirement formula as being slight.

Mr. BIBLE. That is correct, so far as I have gone in my analysis. The major change is in the item of 3 percent.

Mr. WILLIAMS. I understand that, but I wonder if the Senator has an estimate as to the percentage of the cost which the District Government or the Federal Government would have to underwrite. How would that cost compare with the 6½ percent paid by the Federal Government in connection with the Civil Service Retirement Act?

Mr. BIBLE. The tables show the total amount which the District of Columbia would pay into the fund under either of the two bills. Percentagewise, the difference would be represented by the difference in percentage as between the ultimate figures of $1,666,000 and $1,539,600. I assume that roughly, that would be about 8 percent, at the ultimate figure, and far less in the earlier years.

Mr. WILLIAMS. Does that mean that the committee feels that this bill would cost 8 percent of the payroll so far as the District of Columbia is concerned, or does the 8 percent mean 8 percent more than the present cost? If so, what is the present cost?

Mr. BIBLE. The total annual cost increase in the first year of operation would be $50,200. If the Senator will take a look at page 5 of the report accompanying the bill——

Mr. WILLIAMS. I have done so, but the answer to my question is not to be found on that page. My question is this——

Mr. BIBLE. Perhaps I do not understand the question.

Mr. WILLIAMS. I do not think so.

The assumption is that if we pass this bill the employees will be paying 6½ percent.

Mr. BIBLE. That is correct. That is provided for in the bill.

Mr. WILLIAMS. What percentage will the employer or the District of Columbia be paying if the bill is passed?

Mr. BIBLE. It will be paying the matching 6½ percent plus the difference which I have indicated. That is my understanding, but I will check the figure.

Mr. WILLIAMS. I am sure the Senator knows what he is talking about. I am not questioning that. What I am trying to establish for the RECORD is, What is the percentage? The overall cost cannot be established without this figure.

Mr. BIBLE. I am sorry I cannot give the Senator the figures in terms of percentage. I can give the figures in terms of additional cost to the District of Columbia by way of contribution.

Mr. WILLIAMS. We could understand the situation better if we could have the difference stated in percentages, provided such percentages could be stated with reasonable accuracy. It seems to me the committee should know the overall cost.

Mr. BIBLE. We were not particularly interested in percentage figures. We were very well aware of the amount of money which would be added to the cost to the District government, as shown by the table. We did not apply the difference by way of a percentage figure, although I suppose that could very easily be done.

Mr. WILLIAMS. The reason I asked the question is this: We speak of this bill as being substantially in agreement with the Civil Service Retirement System and of the benefits as being about the same. Supposedly, the cost to the Government in each instance is about the same, but what I want to establish definitely is, is it the same? If not, then how much higher? We have been comparing this system with a system in which both employer and employee pay 6½ percent.

Mr. BIBLE. That is true.

Mr. WILLIAMS. When we consider the bill, we should have a similar percentage comparison as to cost. Let us assume that the cost to the District of Columbia would be increased by 1 percent. We could then visualize what it would mean if we were to vote for this bill and if we were later to extend similar benefits to other employees' retirement systems. That was the basis for my question. I just want an accurate estimate of the cost. I think the Senator from Nevada will agree that it has been our experience that once we adopt a certain formula for one system, employees under another system use that fact as an argument for requesting changes in their own retirement systems. They have a good argument on that point, because they will be paying 6½ percent, the same as these employees. If the Federal Government is going to underwrite greater benefits for one group which is paying 6½ percent of their salary than it is for another group making the same payments, we should know it. That is what I am trying to establish for the RECORD now.

Mr. BIBLE. I shall be very happy to supply that information for the RECORD. We did not make a percentage rundown. We knew what the various costs would be over the years of operation.

Mr. WILLIAMS. Cannot the Senator give us an estimate?

Mr. BIBLE. I have asked the staff member to check and ascertain the percentage comparison, so that it can be furnished before action is taken on the bill.

Mr. WILLIAMS. Is it the opinion of the Senator from Nevada that the costs would be anywhere near the same so far as the employer is concerned? Is that a reasonably accurate estimate.

Mr. BIBLE. I think the differential in the District of Columbia cost, as between the 2 percent and the 3 percent, falls within the range from 6 to 8 percent.

My able friend from Delaware refers to the cost to the District of Columbia or to the Federal Government. One of the main problems we have had in connection with District of Columbia appropriations has been to have the Federal Government carry what those of us on the District of Columbia Committee feel is an equitable share of the financial burden. Actually this cost is met by the taxpayers. The same is true in the Senator's city of Wilmington, or in Dover, the capital city of Delaware.

Mr. WILLIAMS. That is correct. I am not going into the merits or demerits of the proportionate share paid by the District of Columbia or by the Federal Government. I am referring to both of them as a unit when I refer to them as the employer. Certainly, we should establish for the record the liability we are creating for the employer, whether that employer be the District of Columbia, or the Federal Government, or a combination of both.

Without the information there is no way to estimate the projected cost, assuming later the same formula should be extended in other Government retirement systems.

That information should have been in the report.

Mr. BIBLE. We shall be very happy to furnish a percentage figure.

Mr. WILLIAMS. Is it the Senator's opinion that it would be somewhere between 6½ and 8 percent?

Mr. BIBLE. I do not think that is correct. The question the Senator asked me, and which I tried to answer, related to the difference, percentagewise, in the costs, as between the 2 percent and the 3 percent. My answer was that the difference in cost as between the 2 percent and the 3 percent, after 20 years' service, would be in the neighborhood of 6 percent. That was not responsive to the question the Senator had in mind.

Mr. WILLIAMS. What I am trying to establish for the RECORD is this: For the moment, let us forget the merits or demerits of the various proposals. Assume that we pass Senate bill 1770 as it stands. We shall be passing on to the employee a liability of 6½ percent. What liability would we be passing on to the employer? That is the point I am trying to raise, and certainly the answer is essential before voting.

Mr. BIBLE. That is the answer which we will supply before the deliberations on the pending bill are concluded.

Mr. WILLIAMS. Am I to understand that in the meantime the Senator can give no estimate?

Mr. BIBLE. As I have pointed out to the Senator from Delaware, the additional cost under the pending bill would be $1,666,200.

As to the percentage, I shall get that figure and supply it for the RECORD.

Mr. WILLIAMS. That still does not answer the question. Can the Senator tell me what percentage of the payroll the District is paying now?

Mr. BIBLE. The District is now operating under a very old retirement act which goes back to 1916. I understand it has had no major overhaul since that time. The District matches the employee's contribution. It is considerably less than 6½ percent, which is the figure called for under the bill. I believe the matching is to the extent of 5 percent of the basic salary.

Mr. WILLIAMS. The Senator thinks it is 5 percent that the District is paying now?

Mr. BIBLE. That is correct.

Mr. WILLIAMS. Then as I understand it we are now being told that the employer is now paying only 5 percent and under the pending bill will be paying this 5 percent plus the additional percentage needed to underwrite the extra cost involved in this bill. But as I understand it the Senator does not know exactly how much the additional amount will be. Is that correct?

Mr. BIBLE. I know how much the additional amount will be, but I do not know it in percentage figures.

Mr. WILLIAMS. Is the Senator certain that it is 5 percent that is now being paid?

Mr. BIBLE. My understanding is that it is 5 percent now.

The next point, which is one of the major points of difference, is the one which was pinpointed by the Senator from Delaware in the discussion the other day. It refers to the computation of the basic annuity. Under the present law, it cannot exceed 50 percent of salary at time of retirement.

Under the pending bill it is 2 percent of final basic salary times years of service for 20 years; 3 percent of final basic salary times years of service in excess of 20, but not to exceed 70 percent.

That is the point of departure from the Civil Service Retirement Act.

Under the Civil Service Retirement Act the percentage is 1½ percent, or $25 plus 1 percent of the high 5-year salary times the years of service up to 5 years; plus 1¾ percent, or $25 plus 1 percent, of the high 5-year salary times years of service over 5 years up to 10 years; plus 2 percent, or $25 plus 1 percent, of high 5-year salary times years of service over 10 years.

Of course, in the case of hazardous occupations, as pointed out by the Senator from Delaware—in the FBI and in the narcotics squad, for example—there is no provision for the 3 percent after 20 years of service. That is one of the main points of difference between this bill and the Civil Service Retirement Act.

There is a maximum provision in the Civil Service Retirement Act of 80 percent, whereas under the pending bill there is a maximum provision of 70 percent. That refers to the basic salary.

I do not know whether the Senator from Delaware desires an explanation of each of the changes. I have tried to analyze the bill and pinpoint the main differences as I see them. There is a difference in funeral expenses, for example. Under the old retirement act, which now governs policemen and firemen, the Commissioners of the District of Columbia may authorize a payment up to $250 to defray the funeral expenses of a member who dies in service. The pending bill authorizes that that amount be increased to $300.

Under the Civil Service Retirement Act there is no provision for funeral expenses for any employee dying in service.

I will say to my good friend from Delaware that the pending bill had the support of everyone appearing before our committee. The Commissioners of the District of Columbia, in their official report on the bill, pointed to 4 areas of disagreement, 3 of which I believe have been taken care of. The fourth point of difference was with respect to the additional 3 percent which is paid after 20 years of service at a minimum age of 50.

The testimony before the committee seemed to be clear that this additional incentive payment was necessary and desirable to encourage policemen to stay in the service. The testimony of Chief Murray was to the effect that the average age of the recruit was in the neighborhood of 23 or 25 years. He said it took about 3 or 4 or 5 years adequately to train a raw recruit for service. He said, also, that there was a heavy turnover in the police force in the District of Columbia. As the Senator well knows, there is a requirement that the authorized strength of the police force be maintained at 2,500. Testimony at the time of the hearing was to the effect that there were 2,272 policemen on the force. The police chief further testified as to his great difficulty in obtaining recruits and, after obtaining them, in holding them, because here in the Nation's Capital there is considerable competition from other Federal agencies which have more desirable pay scales and in the absence of the enactment of the pending bill, better retirement benefits and other benefits.

Therefore it was the thinking of the committee—unanimously, I might say—that we should make this provision. The only point of difference, as I said, so far as the District of Columbia Commissioners was concerned, was with respect to the 3 percent after 20 years of service. Even the Chairman of the Board of Commissioners testified that in his personal view he thought that should be added to the law as an additional incentive.

I am sure the Senator from Delaware is just as anxious as I am to keep a good, fine police force on duty in the District of Columbia, and at the strength that is authorized. The Commissioners have never been able to come up to that strength, because they cannot hold a sufficient number of men in the service. The chief thought this added incentive after 20 years would help in that connection.

It should be borne in mind that these men must retire after 30 years of service. It was felt that it was best to have that tenure of service in order to secure the maximum effectiveness from the police force, in view of the fact that it takes some time to train the raw recruit.

For those reasons, and based upon very thorough hearing of the matter, the subcommittee unanimously and, I may say, the full committee also, reported the bill to the Senate.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. BIBLE. I yield.

Mr. MORSE. I should like to ask a few questions of the Senator. As a member of the full Committee on the District of Columbia I rise to support the chairman of the subcommittee and to commend him and his colleagues on the subcommittee for the fine job they did throughout the hearings in making what I think is an unanswerable record.

Am I correct in understanding that the distinguished Senator from Maryland [Mr. BEALL] is a member of the subcommittee?

Mr. BIBLE. That is certainly correct. I may say that he is a very able and helpful member of the subcommittee. I know he will have something to say on the bill.

Mr. MORSE. He is certainly one of the most sincere friends the people of the District of Columbia have on the committee.

My first question is this: Is there anything in the record of the committee to show that the proposal of the subcommittee is in any way out of line with similar systems throughout the country?

Mr. BIBLE. There is nothing to show that it is out of line with similar systems throughout the country. I cannot answer as to the provision for 3 percent additional after 20 years of service that was written into the bill. There was some testimony before the committee to the effect that larger cities, such as New York, Philadelphia, Chicago, San Francisco, and, I think, possibly Portland and Seattle, provided for voluntary retirement after 20 years of service without any consideration of age whatever. It was the feeling of the committee that it was far better to hold a man in service after he had spent 20 years, and take advantage of his training and of his years of experience on the force, rather than to retire him after 20 years of service.

I will say in that respect that the bill before the Senate does not go so far as do other retirement plans for policemen and firemen in other cities of the United States.

Mr. MORSE. That is why I asked the question. It was my understanding, as a member of the full committee, when the report finally was made, that the proposal not only is not out of line with the systems in many cities of a size comparable with that of Washington, D. C., but that actually it is not as good as that which exists in some cities.

I wanted to have the record clear as to whether we are voting here today for a bellwether system, in that we are voting for a system which would be the leader in the Nation—although I would be willing to vote for a bellwether system—or whether we are voting for a system which we could say is, generally speaking, typical of the benefits paid in other cities of comparable size.

Mr. BIBLE. I think, as I have just indicated, that in many instances cities go beyond what we are attempting to do in the proposed legislation.

Mr. MORSE. Can the chairman of the subcommittee state how the benefits of the bill compare with the retirement benefits provided for other services which do not involve, for example, the constant risk of life which happens to be inherent in the work of a policeman, a risk which is taken for the benefit of all of us?

Mr. BIBLE. As I am certain the Senator from Oregon knows, the general provisions of the Civil Service Retirement Act dealing with the so-called hazardous occupations are scaled up to a maximum of 2 percent per annum times years of service. That would take into consideration the FBI and the narcotics agents. They may retire after 30 years of service, with a maximum, I stress, of 80 percent; whereas there is a ceiling of 70 percent in this particular retirement bill.

Mr. MORSE. I understand that. Let me restate my question. I am now comparing the retirement system of policemen and firemen—firemen also have very hazardous jobs—with the retirement systems outside the field of the civil service, but in American industry, where there is a lack of comparable hazards.

I shall put my question th[illegible]ay: Does the Senator know wheth[illegible] retirement benefits for pol[illegible] as are proposed in the bill, [illegible] in many cities, are, in fact, [illegible]er than those which [illegible]ent systems in a good [illegible] retirement systems wh[illegible] been negotiated between the unions and management across the collective bargaining table?

Mr. BIBLE. I should be inclined to think that the retirement systems of private industry and private life are far more favorable than the one we are considering.

Mr. MORSE. If the Senator will permit me to make a point, it is that we are lawmakers for the taxpayers, and we are dealing with one of the most dedicated groups engaged in public service—the policemen. I happen to believe that in the District of Columbia we could make a strong case for proposing a system which would be a model for the country. But the system which the Senator from Nevada is asking us to support this afternoon is not a so-called bellwether system. I think it is an exceedingly reasonable proposal, in the light of systems which exist in other cities of comparable size.

The point I wish to make is that we are considering a group of men who for us and our protection risk their lives every time they put on a uniform. Not very many days go by without our [illegible]ing of the risks which policemen encounter in protecting society. Theirs is a hazardous occupation.

I point out to the Senate that there have been negotiated across the collective bargaining table in private industry between management and organized labor many retirement systems the benefits of which are substantially greater than the amounts we offer our policemen. Policemen are not in a position, as are workers in an industrial plant, to enjoy the benefits of that type of collective bargaining. We must bargain for them. We have the public duty, it seems to me, of protecting them to the extent that annuities will protect them and their families.

I shall support the bill because I think it is an exceedingly fair one. I think a recommendation really could be made for even more than the bill allows. But I do not want the Senator to think that that reflects to the slightest degree any disapproval of the measure. I think the Senator from Nevada did outstanding work in bringing together the various

points of views in the hearings held by his subcommittee. I congratulate both the Republicans and the Democrats on the committee upon the bill they have reported.

Mr. BIBLE. I thank the Senator from Oregon for his statement.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. BIBLE. I yield.

Mr. WILLIAMS. I have said many times that the retirement system for the District of Columbia police and firemen should be brought into line with the civil service retirement system. Not only should the contributions into the system be brought into line, but certainly the benefits should be brought into line with the benefits under the Civil Service Retirement Act. With that purpose I am fully in accord. That is the basis on which the bill was reported to the Senate. But I think before this debate is over I can establish that the bill goes far beyond that.

I return to my original question, because I think we can more readily evaluate the proposal if we know what it will cost to project the costs in terms of other systems. What will be the cost to the employer after the enactment of S. 1770? That, I think, is a proper question.

Mr. BIBLE. I certainly recognize it as a proper question.

Mr. WILLIAMS. We have been told it was 5 percent prior to this time both to the employer and the employee.

Mr. BIBLE. I think if I said that—and I am certain I said it—I was in error. I think the contribution of the employers is probably more than 5 percent. We have asked the actuaries and the experts to supply us with the exact figures concerning the contributions which are made. We have not as yet secured that particular information.

The cost, over and above the amount now required by the District of Columbia, is in the neighborhood of $1,066,000.

Mr. WILLIAMS. I am certain the Senator will agree that that is a very proper question in considering the bill and one upon which we should have an answer before we act on the bill.

Mr. BIBLE. I certainly do. That is why I am doing my best to get the information for the Senator from Delaware at the earliest possible moment. I can give the exact figure of the appropriations made by Congress during the past 5 years, but I do not have the percentages.

Mr. WILLIAMS. The amount must be reduced to percentages because when it is reduced to percentage of payroll and projected to the Civil Service Retirement System, we will have an accurate comparison as to cost.

Suppose I ask the Senator this question: How does this retirement fund of the police and firemen stand as of today?

Mr. BIBLE. That likewise is a figure which will be furnished the Senator from Delaware; I do not have it at my finger tips.

Mr. WILLIAMS. Is it not true that the fund is "broke," "bankrupt," and that the only way the benefits under this bill could be financed would be by additional appropriations made directly by Congress?

Mr. BIBLE. I cannot answer the question of the Senator in that respect. If any danger of that kind was pointed out to the committee or the Commissioners who are in charge of fiscal affairs, they raised no question about the soundness of the fund.

Mr. WILLIAMS. Is that not an appropriate question to be raised? If we are asked to consider providing additional benefits to these employees when they retire, certainly it is a proper question, first, to evaluate the financial condition of the fund as of this moment. It is my understanding that the fund, as of this moment, has exactly zero in its treasury.

Mr. BIBLE. It is my understanding that the fund has repeatedly depended upon congressional appropriations, out of the general fund, just as Congress appropriates money for all the District of Columbia business.

Mr. WILLIAMS. The civil service retirement fund is a trust fund of several billion dollars. It is handled as a trust fund. The 6½-percent contributions of civil service employees are set aside along with Government contributions as a special fund, or trust fund, and kept intact to be used to pay the employees when they retire.

Is it not true that the District of Columbia has been spending for general expenses during the past several years all the money which should have gone into the employees' trust fund and that the District does not have a dime of it left?

Mr. BIBLE. They have been contributing a considerable amount of money as the employers' share, as well as using the employees' contributions in order to pay retirement benefits.

Mr. WILLIAMS. Is there any trust fund at all? Assuming that Congress stopped appropriating money for this purpose, would there be any money at all with which to pay any retirement benefits after July 1?

Mr. BIBLE. I should think that would depend upon the making of an appropriation; otherwise, there would not be any funds for the District of Columbia.

Mr. WILLIAMS. But by this measure, 6½ percent of the employees' salaries will be withheld.

Mr. BIBLE. That is correct.

Mr. WILLIAMS. Certainly those funds should be segregated by being placed in a trust fund. The Railroad Retirement Fund is maintained on that basis. All collections for the Social Security System are placed in a trust fund as are contributions from civil-service employees.

The Senator from Oregon compared this retirement system with the retirement system of private employers, but in all those instances the pension funds are set aside and are handled as trust funds.

However, in the case of the District of Columbia is it not true that there is no trust fund but that the amounts deducted from the employees' salaries are placed in the general fund and are used for general purposes—for instance, to pay for the cost of street repairs or to pay for other costs?

Mr. BIBLE. But the Commissioners of the District of Columbia had no question about the bill, except in one particular.

Mr. WILLIAMS. But does the Senator from Nevada not think it is time for this question to be raised?

Mr. BIBLE. I am happy to have the Senator from Delaware raise it, and I am trying to obtain the best possible answer.

Mr. WILLIAMS. Does the Senator from Nevada not think a trust fund should be established?

Mr. BIBLE. That may well be.

Mr. WILLIAMS. I am asking for the opinion of the Senator from Nevada as to how the moneys should be kept.

Mr. BIBLE. I certainly recognize that most retirement moneys are placed in trust funds by the agencies operating the retirement systems.

Mr. WILLIAMS. Does the Senator from Nevada not think it is highly improper to comingle these funds with the general funds of the District of Columbia and not to withhold these funds as trust funds established for the purpose for which the moneys have been withheld?

Mr. BIBLE. Of course, I do not know how the money is handled at the present time; but I have been trying to obtain the information for my distinguished friend, the Senator from Delaware.

Mr. WILLIAMS. I think the question should be answered; and I believe it should be answered here, before the Senate acts on this bill. Does not the committee know how the contributions to this fund are handled?

The other day when the bill was under discussion I said that I thought the employees' contributions should be increased to 6½ percent as in the case of the contributions made by the civil-service employees. I said the benefits should be increased so as to be on a par with those of the law-enforcement employees under the Civil Service Retirement Act. We begin with that basis.

All afternoon I have been trying to find out exactly what the committee is doing. Certainly we are in agreement that the funds should be placed in a trust fund and the system should be maintained with some degree of solvency. After all, there is no use in our voting to increase the retirement benefits for these employees if there will be no way to pay them.

In the case of the retirement fund for the Members of Congress, and other civil service employees, our contributions to the fund are withheld as deductions from our salaries, but that money is not put into the general fund and spent for the building of a dam or a highway or a bridge or for the dredging of a river. Instead, it is placed in a trust fund from which the required payments are to be made when the individual concerned retires.

Mr. BIBLE. I think I should point out to the distinguished Senator from Delaware—although I am sure he is aware of it—that the fiscal affairs of the District of Columbia are managed by three able Commissioners. Frankly, I do not know the mechanics of the retirement fund. But I know that when the Commissioners appeared before the committee, they pointed only to the additional cost which would be incurred. Certain moneys have been appropriated year after year by the Congress, taking into consideration all the tax moneys raised in the District of Columbia to operate the system.

The statement of the Senator from Delaware, namely, that the money is not placed in a trust fund, is absolutely new to me; I have no knowledge of it. The question has not been raised before now. I am happy to have him raise the question, and I shall do my best to obtain the proper answer to it.

Mr. WILLIAMS. It is a proper question.

Mr. BIBLE. I do not disagree with the right of the Senator from Delaware to ask the question; and it is a proper question.

Mr. WILLIAMS. The Senator from Nevada does not disagree, does he, with my statement that the money should be kept in a trust fund?

Mr. BIBLE. I think that is the established practice in the States and cities; and I believe it is a good practice, certainly.

Mr. WILLIAMS. Yes; I think we can at least agree on the fact that the money should be kept in a trust fund.

Those who have responsibility for the District of Columbia should know whether or not it is being operated as a trust fund.

Likewise, it should be established what percentage of the payroll will be required as a payment by the employer to keep the fund solvent.

Mr. BIBLE. I understand the question thoroughly; and as soon as the actuary gives me the answer, I shall be glad to provide it to the Senator from Delaware. In the meantime, I am very glad to yield to my distinguished colleague, the Senator from Maryland [Mr. BEALL], on the other side of the aisle, who will make a statement regarding the bill.

Mr. BEALL. Mr. President, I think perhaps the Senator from Delaware has made a very pertinent observation. At the same time, this measure has been considered, first, by the subcommittee, and then by the full committee. We recognized the need for this proposed legislation.

It seems to me the real question at issue, when all is said and done, is that suggested by the Senator from Oregon [Mr. MORSE], namely, Are we to have an adequate police force in the District of Columbia?

Some 3 years ago Congress provided that the District of Columbia police force should be increased to 2,500 members, and a drive was made to get a sufficient number of physically fit young men to qualify for the police department. At the present time, there are approximately 320 or 330 vacancies, after all these years of the drive. The FBI and other Government agencies have offered more inducements than those offered by the District of Columbia police department.

Mr. WILLIAMS. Mr. President, will the Senator from Maryland yield to me?

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Does the Senator from Maryland yield to the Senator from Delaware?

Mr. BEALL. I yield.

Mr. WILLIAMS. Time and time again I have emphasized the point that I want to have these employees given the same retirement benefits as those given to the FBI personnel or to other law-enforcement officers. But I wish to ascertain how that result is to be brought about. It seems to me that certainly the Senator from Maryland, as one of the sponsors of the bill, should know whether the money required in order to pay the benefits provided by the bill will be available. The bill does not carry an authorization for an appropriation. I am advised that in the District of Columbia there is no fund from which a single payment can be made to these employees, but that, on the contrary, the funds previously withheld have been commingled with the general funds of the District of Columbia and have been spent in their entirety. There is not a dime available to pay the benefits proposed under this bill unless the Congress later makes an appropriation for that purpose. That is a shocking state of affairs, particularly when the committee which is pressing for an increase in the benefits does not know whether such a trust fund has ever been established.

Mr. BEALL. Perhaps, again, that is the fault of Congress. The Members of Congress have been very shortsighted in making necessary contributions to the District of Columbia; and, as a result, it has been necessary for money in the police fund to be used in order to pay certain of the operating expenses of the District of Columbia government. Again, that is the fault of the Congress, which for years has failed to make for the District of Columbia the appropriations which the Congress properly should make. Perhaps the District of Columbia has used this money to pay some of the general expenses of operating the local government. I do not know that that is so; but, if it is so, I think the District of Columbia officials were justified in taking such action, since the expenses of the District had to be paid.

Mr. WILLIAMS. Does the Senator from Maryland not agree that these moneys should be maintained separately as a trust fund?

Mr. BEALL. Perhaps so; but when one Government agency borrows from another Government agency, I do not see why such an arrangement should not be made in this case. After all, the operating expenses of the District of Columbia must be paid.

Mr. WILLIAMS. Mr. President, will the Senator from Maryland yield for a further question?

Mr. BEALL. I yield.

Mr. WILLIAMS. Picture this situation: A former employee of a Government agency under the Civil Service Retirement Fund is employed by the District of Columbia and thereby comes under the provisions of this retirement system.

Mr. BEALL. Yes.

Mr. WILLIAMS. The employee then withdraws the contributions he had made to the Civil Service Retirement Fund, and he is required to redeposit those contributions with the District of Columbia before he can qualify under this bill.

My question is this: What does the District of Columbia do with that money after it has been withdrawn from the other retirement fund and has been turned over to the District of Columbia? Should it not be kept in a separate trust fund, rather than used as a part of the general fund of the District of Columbia, perhaps to pay the cost of constructing a street?

Mr. BEALL. Yes; I think perhaps it should be. But heretofore Congress has never seen fit to require that that be done; no Commissioner of the District of Columbia has ever requested it, nor has any one else.

Mr. WILLIAMS. Well, I am insisting on it now, and I think at least we should delay action on the bill long enough for the members of the committee to be able to find out whether such a trust fund is maintained.

Mr. BEALL. Certainly, that is a timely point.

Mr. WILLIAMS. It is my understanding that there is not a dime in the fund.

Mr. BEALL. Would the Senator from Delaware be willing to vote to increase the appropriations for the District of Columbia in an amount sufficient to make possible the payment of the benefits under this system?

Mr. WILLIAMS. If we are going to pass a retirement bill, I will vote to finance the cost. When we pass a retirement bill we have with the employees a contractual obligation on which we cannot renege. If there is in the District of Columbia a fund which is bankrupt—and it is my understanding that the fund in question is zero, that all the funds are commingled with the general fund—I think it is time that the committee of which the Senator is a member find out about it.

Mr. BEALL. Perhaps so, but why should the policemen and firemen be made to suffer for the shortsightedness of a previous committee or the present committee? Why should the retired policemen and firemen be made to suffer for something that was done many years ago? Now is the time to act, and if the Senator from Delaware or any other Senator desires to offer a proposal I think we as a committee will be glad to go into the question. We shall cooperate, as we always have cooperated with Senators on both sides of the aisle. The Senator from Oregon and I worked together for years on the committee. We shall be glad to work out a system. At this time, however, there is before the Senate the bill now being debated.

Mr. WILLIAMS. I most respectfully advise the Senator from Maryland that now is the appropriate time to know whether we have the money to pay for what is provided in the bill. If I am correct in my understanding that there is no money in the fund, I ask the simple question, "How is the District to pay for it?"

What is the use of holding out to these employees a glowing promise of a substantial increase in their retirement

benefits when the fund is bankrupt already? I am surprised that the District of Columbia Committee, which has had hearings on the bill, did not at least go into the bill sufficiently to ascertain where the money will come from to finance the law. There is no appropriation mentioned.

Mr. BEALL. The District Commissioners did not say they did not have any money. We had always understood they had the money.

Mr. WILLIAMS. If the Senator will yield, I remind him that in the area whence I come, we sometimes ask whether we have the money. I think sometimes I have heard the same question asked in Washington, and it might have been less embarrassing to the committee had you asked a few questions before reporting the bill.

Mr. BEALL. The legislation now proposed was requested by the District Commissioners. There is need for it. The District Commissioners did not tell us that they needed any additional money. So, we come back to what I previously said: if there is a shortage in the fund, it is the fault of Congress.

Mr. WILLIAMS. If the Senator will yield, I will ask him the same question as previously asked of the Senator from Nevada. Under the Civil Service Retirement Act the employees pay 6½ percent of their salaries into the fund. Under the pending bill the payroll deductions into the fund will be increased from 5 to 6½ percent. What will that cost be to the District of Columbia as the employer? We ought to have a reasonable estimate from some member of the committee as to the cost. I am asking for that percentage of payroll cost.

Mr. BEALL. The chairman of the subcommittee [Mr. BIBLE] did not work the figure out in percentages, but he did in dollars and cents.

Mr. WILLIAMS. How would it compare with the 6½ percent the Government pays?

Mr. BEALL. I do not know.

Mr. WILLIAMS. Does the Senator have any idea?

Mr. BEALL. No, I do not.

Mr. BIBLE. Mr. President, will the Senator yield at that point?

Mr. BEALL. I yield.

Mr. BIBLE. I shall try to clear up the question which the Senator from Delaware, very properly, has asked. I am advised the policemen's and firemen's retirement fund for the District of Columbia operates pretty much on a pay-as-you-go basis. I think the Senator from Delaware is aware the employer must pay the differential between the amount contributed by employees and the amount paid to various persons who retire.

Mr. WILLIAMS. It is my understanding that the funds collected from the employees are commingled with the general fund of the District of Columbia.

Mr. BIBLE. That is true.

Mr. WILLIAMS. Does the Senator from Nevada or does the Senator from Maryland know of any other fund in the Government or in private industry of which that is true?

Mr. BIBLE. Most retirement funds of which I have any knowledge—and I did have the privilege of drawing up the retirement law for the State of Nevada—are in trust funds. Although the employee contributes 5 or 6 or 6½ percent of the amount of money he receives, the employer contributes a far greater amount. It is not an equally matching basis.

I was in error when I indicated to the Senator from Delaware that the employer's share was 5 percent. I am now advised it is something closer to and in the neighborhood of 33 percent.

Mr. WILLIAMS. That is a substantial difference, the Senator must admit.

Mr. BIBLE. I am very glad to correct the RECORD in that respect.

Mr. WILLIAMS. Is it not a fact that this bill would cost the United States Government, or the employer——

Mr. BIBLE. I think the Senator should say the United States Government.

Mr. WILLIAMS. Is it not a fact that the employees will be paying 6½ percent under the bill and the United States Government will be paying 39.02 percent of the payroll into the fund after the program comes into full operation. That is 7 times as much as the 5 percent estimated cost mentioned earlier today.

Mr. BIBLE. If the bill is passed, including the interest, that is approximately what it will cost.

Mr. WILLIAMS. Then if we were to project the same formula into the Civil Service Retirement Act, what would be the additional cost to the Government under that act? Suppose the Government employees under the Civil Service Retirement Act were to say, "We are entitled to comparable benefits. We are paying 6½ percent, the same as these employees are paying"—which would be a logical argument, the Senator must admit—how much would it cost the United States Government?

Mr. BIBLE. I imagine it would cost the United States Government a considerable amount if the same formula were used for all the employees in civil service.

I should like to point out to my distinguished friend, the Senator from Delaware, that we are dealing with a question in the District of Columbia which involves the policemen and firemen. Admittedly, the retirement system which has applied to them, so I am advised, has never undergone any type of overhauling since 1913. The governing fathers of the District of Columbia have indicated that the bill now pending meets their approval, with one exception. That have reflected the cost, unquestionably, in the budget request they presented to the Appropriations Committee.

As I attempted to indicate to the Senator from Delaware, the additional cost will reach an ultimate of $1,666,200 over and above what the Commissioners are presently asking. The employer's share does not match the employee's share equally; there is no doubt about it.

Mr. WILLIAMS. Under the Civil Service Retirement Act the payment is on a matching basis, 6½ percent for the employees and 6½ percent for the employer.

Mr. BIBLE. The Senator is correct.

Mr. WILLIAMS. This bill was reported by the committee and submitted to the Senate on the basis that it was substantially in conformity with the present retirement law. Will not the Senator now admit that in one instance the Government's contribution is 6½ percent and in another will be 39 percent?

Mr. BIBLE. I think there were a number of differences. The purpose of the committee was to attempt to bring the policemen and firemen in the District of Columbia up to generally the same standards which exist in other retirement systems.

Mr. WILLIAMS. Let me ask another question.

Mr. BIBLE. So far as contributions are concerned, I think what the Senator says is correct.

Mr. WILLIAMS. It is correct as to contributions.

Mr. BIBLE. I do not disagree with that.

Mr. WILLIAMS. Let me ask one further question. The Senator speaks of firemen and policemen. This bill also brings in the Park Police in the District of Columbia.

Mr. BIBLE. That is correct.

Mr. WILLIAMS. Does it bring in the Park Police of Nevada, or Oregon, or the various other parks throughout the country?

Mr. BIBLE. It does not.

Mr. WILLIAMS. We would then have this situation, that the Park Police throughout the United States would be paying the same contribution out of their salaries into a retirement fund as do the Park Police in the District of Columbia. Is that not a true statement?

Mr. BIBLE. They will all be paying 6½ percent; the Senator is correct.

Mr. WILLIAMS. All will be paying 6½ percent, whether they be in Oregon, Nevada, or wherever they may be, as employees in any national park. They all pay 6½ percent. Would they not be entitled to the same benefits?

Mr. BIBLE. It would seem, on the face of the Senator's remarks, that they are entitled to the same benefits.

Mr. WILLIAMS. Would this bill not create such a situation that the benefits to the Park Police of the District of Columbia would be nearly double or substantially greater than the benefits to the Park Police in any other area?

Mr. BIBLE. I would not say they would be nearly double. I do not think that is a fair statement.

Mr. WILLIAMS. Let me phrase the question this way: Is it not a fact that the Government is making a contribution of 6½ percent to the retirement fund in the Park Police throughout the United States, and if this bill shall be enacted, the Government will be making a 39 percent contribution to the retirement fund of the Park Police of the District of Columbia or six times as much?

Mr. BIBLE. I do not think the Government would do so. I think the contribution of the Government, insofar as the Park Police is concerned, would be 6½ percent. It would be the same.

Mr. WILLIAMS. Oh, no.

Mr. BIBLE. When the appropriation comes from the governing board of the District of Columbia, the Commissioners.

Mr. WILLIAMS. I beg the Senator's pardon. I would not claim to be any authority, but Mr. John P. Jones, the actuary for the Director of the Budget, this morning said that it would cost the Government 39.02 percent of the salaries of all these employees we are proposing to bring in under the legislation and to give them the benefits of this bill. I have their letter here.

Mr. BIBLE. I was under the impression that that percentage was the cost to the District of Columbia; that that was the amount reflected in the budget request.

Mr. WILLIAMS. We will not go into the question of whether it is the District of Columbia or the United States Government. I am speaking of them jointly as the employer.

Mr. BIBLE. Certainly.

Mr. WILLIAMS. In fact, that is the language they use, that if the bill should be enacted, the total cost to finance it would be 45.52 percent of the payroll, of which 6½ percent would be paid by the employee and that 39.02 percent would be paid by the employer. Also, the Civil Service Retirement Division has pointed out that if we should extend to other employees the same benefits, there would be an increased cost of $1.2 billion.

They state:

> Based on the above considerations, we estimate that if the provisions of S. 1770 were extended to the Civil Service Retirement System, the Government's annual retirement cost would be increased by 13½ percent of the payroll, or by more than $1.2 billion per year.

Mr. BIBLE. I do not question the Senator's figures.

Mr. WILLIAMS. If we extend the formula of this bill to all employees who are paying 6½ percent of their salary—and every employee paying the 6½ percent has a right to claim the same benefits—it would cost $1.2 billion. Where is that money coming from?

Mr. BIBLE. I should like to make a comment there.

Mr. WILLIAMS. I am thinking of all the employees who are making similar contributions.

Mr. BIBLE. I should like to say to my friend, the Senator from Delaware, that we in the committee attempted to frame a bill which we thought would be helpful in developing and strengthening the police and fire forces in the District of Columbia. The intent of the bill was to give to the policemen and firemen in the District of Columbia that to which we thought they were entitled, in the form of greater consideration from the standpoint of retirement. We drafted the bill on that basis. We find that other employers in cities throughout the United States are doing exactly the same thing, and I think we could make the same comparison as to the amount the city of New York or the city of Wilmington is paying. I assume that the wonderful city of Wilmington has a fine retirement system. I daresay that contributions are not on a matching basis. I have no doubt at all that the city of Wilmington contributes far more than the 5, 6, or 7 percent which the employees contribute.

I think the Senator will find that situation to be true throughout the United States.

In the District of Columbia the Commissioners came to us with a bill, and they said, "We feel this would strengthen the police and fire forces of the District." The Commissioners are, in effect, the "city fathers," though for some rather unusual reason we in the Congress require them to clear everything with us. Personally, I favor home rule for the District, because I think it is their responsibility.

Mr. WILLIAMS. I may say, I will join with the Senator in backing home rule for the District of Columbia. Let us amend this bill and give the District of Columbia home rule, and perhaps that will clear up the situation.

Mr. BIBLE. I will go along with that, though it might encounter some difficulty along the legislative trail.

Mr. WILLIAMS. I have stated many times that I was in favor of home rule.

Mr. BIBLE. Nevertheless, I think the contributions should be on a matching basis. The Commissioners are the governing board, and they are the men who spend the money day after day, trying to work out the problems. They try to make the city a better place in which to live.

I think they pay a high percentage into this fund. Probably the failure to create a trust fund was not wise, as the Senator from Delaware suggests, but probably, depending upon congressional appropriations year after year, they did not know particularly which way they were headed and they did not quite know how to accomplish what the Senator considers to be desirable.

I might say the situation applies not only to retirement, but to other items. If the Appropriations Committee, now meeting on the District of Columbia budget, fails to appropriate the money, it might be necessary to close down the hospitals, or maybe the teachers will not get paid on July 1. I think we could go along ad infinitum on that subject.

All we are attempting to do here is build into the law a retirement system which, in our opinion, is justified in order to hold the persons employed in these hazardous occupations in the District of Columbia.

Mr. WILLIAMS. Does the Senator not feel that if we are to act on the bill we shall have to consider whether it will necessitate a cost factor of 35 or 40 percent—39 percent, to be exact—of the payroll by the employer in order to keep the fund solvent? Does the Senator not think that the bill should be presented to the Senate on such a basis rather than on the basis that there is substantially no difference between the cost of administering this bill and the cost of the Civil Service Retirement Act?

Mr. BIBLE. The Senator from Nevada never said that there was not considerable difference between the civil service retirement system and the system proposed by this bill.

Mr. WILLIAMS. I am speaking of the cost.

Mr. BIBLE. If I said there was no difference I was in error. I do not want to mislead the Senator from Delaware.

Mr. WILLIAMS. I certainly think the Senator started out by leaving the impression that at present the employees were paying 5 percent and the District of Columbia was paying 5 percent. Actually at present in the District the employee is paying 5 percent and the District is paying around 25 percent.

Mr. BIBLE. It did not take the Senator from Nevada very long to correct that wrong impression. He was wrong, and he certainly admits that the employer does pay a greater share.

Mr. BEALL. Mr. President, for the information of the Senator from Nevada and the Senator from Delaware, I point out that there never has been a retirement fund in the District of Columbia. The retirement system has always been operated through direct appropriations from year to year. I shall not discuss the question of whether that is right or wrong, but the system has operated all these years by means of direct appropriations each year. The policemen and firemen have paid into that system each year, just as taxpayers would pay. There has never been any retirement fund as such.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. BEALL. I yield.

Mr. WILLIAMS. I know the Senator wishes to keep the record straight. The fact is that any attempt to maintain a separate fund was abolished about 1935.

Mr. BEALL. I am very glad to receive that bit of information. I thank the Senator for the correction.

Mr. WILLIAMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Flanders	Morton
Allott	Frear	Mundt
Anderson	Fulbright	Murray
Barrett	Goldwater	Neuberger
Beall	Hayden	O'Mahoney
Bennett	Hickenlooper	Potter
Bible	Hill	Purtell
Bricker	Holland	Revercomb
Bush	Ives	Robertson
Butler	Jackson	Saltonstall
Byrd	Johnson, Tex.	Schoeppel
Capehart	Johnston, S. C.	Scott
Carlson	Kefauver	Smith, Maine
Carroll	Kerr	Smith, N. J.
Church	Knowland	Sparkman
Clark	Kuchel	Talmadge
Cotton	Malone	Thurmond
Curtis	Mansfield	Thye
Dirksen	Martin, Iowa	Watkins
Douglas	Martin, Pa.	Wiley
Dworshak	McClellan	Williams
Eastland	McNamara	Yarborough
Ellender	Monroney	Young
Ervin	Morse	

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). A quorum is present.

The question is on agreeing to the first committee amendment, which will be stated.

The first amendment of the Committee on the District of Columbia was, on page 1, at the beginning of line 7, to insert "Amendments."

Mr. WILLIAMS. Mr. President, first, I wish to repeat what I have said many times; namely, that I believe the formula

for computing the retirement benefits of the District of Columbia Policemen and Firemen should be the same as that provided for computing the retirement benefits of the law-enforcement officers under the Civil Service Retirement Act. That is the basis on which this bill was recommended by the committee; namely, that the employees' contributions would be increased from the present 5 percent to 6½ percent, and that their retirement benefits would also be raised to a comparable basis with those employees under the Civil Service Retirement Act. We were told by the committee that the formula for computing the annuities was comparable to that used under the Civil Service Retirement Act. In fact, when the bill was first called up, I asked—as appears on page 7382 of the CONGRESSIONAL RECORD for May 22—the following question:

> How does the formula provided in the bill for the computation of annuities compare with that prevailing under the regular Civil Service Retirement Act?

The Senator from Pennsylvania [Mr. CLARK], then in charge of the bill, replied:

> It is my understanding that it is identical.

In the colloquy which ensued, both the Senator from Montana [Mr. MANSFIELD], the Senator from South Carolina [Mr. JOHNSTON], and the Senator from Pennsylvania [Mr. CLARK] stated—and they were sponsors of the bill—that in their opinion the bill would result in having those who retired under the provisions of the bill receive substantially the same benefits as those received by persons retiring under the provisions of the Civil Service Retirement Act.

Under the Civil Service Retirement Act, the employees pay 6½ percent and the employer—the United States Government—pays 6½ percent.

But in the case of the pending bill, if it is enacted into law, the contribution made by the employees will be increased to 6½ percent; but the United States Government will be required to pay into the fund in order to make it solvent 39.02 percent of the salaries. A paycent of 25 percent will be required immediately, and it will gradually increase to 39.02 percent, and over the years it will average 39 percent. That is six times the contribution the United States Government makes to the retirement fund of the civil service employees.

Mr. BIBLE. Mr. President, will the Senator from Delaware yield to me?

Mr. WILLIAMS. I yield.

Mr. BIBLE. The Senator from Delaware said the United States Government would be required to make that payment. I do not believe that is a correct statement; I believe the District of Columbia, as the employer, would be required to make the payment.

Mr. WILLIAMS. What is the difference? Thus far the United States Government has been underwriting substantially the employer's contribution and under the provisions of the bill will continue to do so.

Mr. BIBLE. I think it follows the same percentage as the Federal contribution.

Mr. WILLIAMS. I should like to have the Senator explain what he meant by that statement. Is it his opinion that the United States Government would put only 6½ percent into the fund?

Mr. BIBLE. No; the Senator from Nevada does not say that. The employer's share depends on appropriations, regularly enacted, by the Congress of the United States. I mean to point out that of the moneys appropriated by the Congress of the United States in the regular District of Columbia appropriation bills, as the Senator from Delaware well knows, a great amount comes from taxes levied in the District of Columbia, such as excise taxes and the other types of taxes.

Mr. WILLIAMS. Let us get the record straight. Last year $5,020,000 was appropriated as the United States Government's part of the contribution to the retirement system, and the employees' contribution was $985,000. The Government paid five times as much as the employees paid. Employees contributed 5 percent of their salaries into that fund. They paid $985,000. The $5 million the Government contributed then was a little bit over 25 percent of the payroll. That is exactly what I said before. Last year the Government paid 25 percent. Over a period of years the Government, if this bill is enacted, will pay an average of 39.02 percent. The point I make is that no employer can afford to pay 39.02 percent of all salaries into a retirement system and keep solvent.

Just imagine projecting that formula into all Federal retirement systems. Furthermore, there is no provision in the bill authorizing the appropriation of money with which to pay the retirement benefits provided in the bill.

The argument was made in the Senate today that the money with which to pay retired employees would be paid out of the retirement fund. But that retirement fund is broke, and has been broke since 1935. There is not a single dime in the District retirement fund today. The contributions and deductions from the employees' pay have for years been commingled into the general fund and spent accordingly. There is today no retirement fund so far as employees of the District of Columbia are concerned.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. BUSH. I understood the Senator to say a moment ago that on a previous occasion the acting chairman of the committee, the Senator from Pennsylvania [Mr. CLARK] had said the purpose of the bill was to bring it into line with benefits for similar employees under Federal civil service. Is that correct?

Mr. WILLIAMS. That is correct.

Mr. BUSH. Has the Senator any estimate as to what would happen to the Federal civil service retired employees if they were brought into line with the benefits provided in this bill?

Mr. WILLIAMS. Under the bill, the contributions of employees will be increased to 6½ percent. Civil-service employees are now paying 6½ percent. Any civil-service employee who is paying 6½ percent, with the United States Government as the employer, has the right to expect comparable benefits. I asked the director of the civil service retirement fund to compute what it would cost the United States Government to extend to these civil-service employees, who likewise are paying 6½ percent, comparable benefits to those provided for employees under this bill. I quote from the letter received from Mr. Andrew E. Ruddick, Chief of the Retirement Division, answering that question:

> Based on the above considerations, we estimate that if the provisions of S. 1770 were extended to the civil service retirement system, the Government's annual retirement cost would be increased by 13½ percent of the payroll, or more than $1.2 billion a year.

Mr. BUSH. I thank the Senator.

Mr. THYE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. THYE. My concern, of course, is with the question whether the employees under consideration are entitled to retirement benefits at this time.

Mr. WILLIAMS. To which employees does the Senator refer?

Mr. THYE. The employees who are in question here. I understand they are the Park Police.

Mr. WILLIAMS. Yes.

Mr. THYE. They are entitled to retirement pay?

Mr. WILLIAMS. Yes and are getting it.

Mr. THYE. If they were eligible to retire under the present system, to how much a month would they be entitled?

Mr. WILLIAMS. I do not have the amount as to what they would get and would need information as to the number of years worked plus the salary received. I think it can be said—that under the present system these particular employees are not getting as much as employees who come under the Civil Service Retirement Act. It should be pointed out, however, that the employees under discussion are paying only 5 percent of their salaries toward their retirement, whereas civil service employees are paying 6½ percent.

The bill provides for an increase in the contribution to 6½ percent, which will be the same as that contributed by law enforcement officers under civil service. Therefore, I think they are entitled to benefits equivalent to those received by law-enforcement officers under the Civil Service Retirement Act.

Mr. THYE. That is what I was trying to get clear. I think there is no question that they should be receiving that much in the way of retirement, if other Federal employees under the classified service receive such benefits. While the Park Police are under the District of Columbia, they are policing Federal parks.

Mr. WILLIAMS: That is correct.

Mr. THYE. Therefore, in my opinion, they are justly entitled to come under Federal retirement benefits. If we have failed in the past, we may have erred; but certainly the employees should not suffer because we who are charged with the responsibility in Congress have failed properly to legislate to cover them in the past. I feel we should today take

the step necessary to protect the employees.

Mr. WILLIAMS. They are protected now, although, I repeat, I think the formula applying to them should be revised upward wherever necessary to give them all the benefits extended to any other law-enforcement officers under the Civil Service Retirement Act. We have been in complete agreement on that point. The bill was reported by the committee with the recommendation that that was the purpose of the bill. We are not in disagreement as to the stated purpose of the bill, but my point is that the bill goes far beyond what law enforcement or any other employees receive under the Civil Service Retirement Act.

As evidence of that fact, the Director of the Bureau of the Budget said that if we projected the benefits proposed under the pending bill to other civil-service employees who are paying 6½ percent into the retirement fund, it would cost the Government $1,200 million annually.

Mr. THYE. Mr. President, will the Senator yield for another question?

Mr. WILLIAMS. I yield.

Mr. THYE. Under the proposal in the bill how much retirement pay would an employee be eligible to receive? How much would his monthly payments be?

Mr. WILLIAMS. There are many ways in which the bill differs from the civil service retirement formula. The contribution of the employees is increased to 6½ percent. One change is that the retirement payment, instead of being computed on the average of the highest 5 years as is done under the civil-service system, may be computed on the basis of 1 year.

Mr. THYE. Will the Senator yield further at that point?

Mr. WILLIAMS. Yes.

Mr. THYE. Does the Senator mean there is provided a special opportunity for retirement by taking the last year's salary as the basis for computation?

Mr. WILLIAMS. That is correct. The salary does not have to be averaged over 5 years; the last year can be used as the basis for computation.

Mr. THYE. Will the Senator yield for a further clarification? The salaries of park policemen, with the exception of captains or lieutenants, are very much the same from year to year, except for longevity provisions based on the length of their service. Is that not correct? So that they are not faced with the same question as an employee would be who may have started as a clerk and reached an executive position in the past 2 or 3 years, and who may have a much higher salary on which retirement would be based, using the 5 highest years, rather than the last year, as in the case of a police officer.

Mr. WILLIAMS. That is perhaps true.

Mr. THYE. It seems to me the committee may have taken into consideration the fact that a park policeman, once he is qualified and put on the payroll, remains pretty much in the same status, unless he is promoted to a lieutenant or captain, and there are very few who reach that higher rank. It seems to me as if the committee may have done a pretty good job in taking the service into consideration. We may say it is an exception to the rule in civil service.

When we consider the Park Service alone—I am not too familiar with it, because I have never served on the District of Columbia Committee—by applying commonsense to the question, it seems as if the committee has used a lot of commonsense. If the Senator and I were park policemen, retiring tomorrow, and if we had been good, faithful servants of the Government, we would like to see our retirement made comparable to the retirement of other classified personnel and their privileges.

Mr. WILLIAMS. I may say to the Senator from Minnesota that I am trying to make their retirement comparable to others, but I do not think for the same amount of contribution they should go so far beyond. While this bill does propose to change the contributing formula to the same basis as civil-service employees, it substantially increases over the Civil Service Retirement Act for the park police in the District of Columbia the retirement benefits. The park police in Yellowstone Park, or in any other park, whether we call them rangers or park police, pay 6½ percent for their retirement into the fund, but they will not receive the benefits of this bill. It applies only to District of Columbia Park Police.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield to the Senator from West Virginia.

Mr. REVERCOMB. First, I wish to thank the Senator for yielding to me for a few questions.

Does the Senator mean that he is entirely willing that those covered by the bill, the police and firemen in the District of Columbia, shall have their retirement pay raised to the level of that of the other civil-service employees? Am I correct in my understanding?

Mr. WILLIAMS. The Senator is correct.

Mr. REVERCOMB. The Senator does object to raising it far beyond that amount, over and above that which anyone else is receiving. Is that a correct understanding?

Mr. WILLIAMS. The Senator is correct. We certainly cannot provide the additional benefits for this group unless we are ready to extend the new formula across the board, but to do this would cost an additional $1.2 billion. It is prohibitive.

Mr. REVERCOMB. The Senator wishes to be fair in giving them an equal amount, but he is not willing to set a precedent in this case whereby the other civil-service employees would desire the same raise. Is that correct?

Mr. WILLIAMS. The Senator is correct.

Mr. REVERCOMB. Would it not be a precedent, which would give the other civil-service employees the right to ask that their retirement be raised to a figure just as high as this bill would raise retirement for the police and firemen in the District of Columbia?

Mr. WILLIAMS. They would not only have the right, but I do not think Congress could defend its action in not responding to their demand should we adopt the precedent of this bill.

Mr. REVERCOMB. Congress would be in an indefensible position, would it not, if it raised the retirement pay for the park police, the police and firemen in the District of Columbia, up to such a high level and did not raise it for other civil-service employees?

Mr. WILLIAMS. The Senator is correct. Right here in the Capitol Building, a part of the police force or guards is under the Metropolitan Police Force Act, and a part is under the Civil Service Act. They are working side by side and are doing comparable work. They are both paying 6½ percent into the Retirement Fund.

Yet if we should pass the bill as it is worded, those men will still be paying 6½ percent, but one class will be getting substantially greater benefits from the retirement system than will the others under the Civil Service Retirement Act. We cannot defend such action.

Mr. REVERCOMB. Will the Senator yield further?

Mr. WILLIAMS. I yield.

Mr. REVERCOMB. Do I understand correctly that the Capitol Police are not to receive benefits which are to be given to the Park Police and firemen under this bill?

Mr. WILLIAMS. The Senator is correct.

Mr. REVERCOMB. Does the bill omit the Capitol Police?

Mr. WILLIAMS. We have omitted the guards at the Capitol, and we have omitted some of the police here. I do not know just where the dividing line is, but I do know that some are in and some are out of the bill. It does not take them all in—yet all make the same 6½ percent contribution.

We would also have this situation: If we passed the bill as it is worded, we are branching out beyond the Metropolitan Police and firemen and taking in the Park Police and some of the Secret Service. These employees are direct employees of the United States Government; and why should we transfer them to a city retirement fund especially when that fund is already bankrupt?

They are not employees of the city of Washington. Yet we would be putting them under the retirement system of the city.

We also would have the situation that as these men came under the system by election, they would withdraw their funds which they had contributed to the civil service retirement fund, and those funds would be redeposited in the District of Columbia. But the District of Columbia operates no trust fund, therefore the funds would go into the general fund of the District and be spent for repair of the streets or anything else.

Mr. REVERCOMB. Mr. President, will the Senator yield for a further question?

Mr. WILLIAMS. I yield.

Mr. REVERCOMB. It seems to me to be very unfair to the police of the Capitol, whom we know as Capitol police, to make a distinction against them in favor of any other group coming under

a retirement system. Does it not seem so to the Senator?

Mr. WILLIAMS. Yes. I think all law enforcement officers should be put on the basis of equality, all paying the same amount into a retirement fund and all receiving the same benefits.

Mr. REVERCOMB. Is this not a case where further study should be given to the bill, so that the Capitol police may be considered along with others, and certainly so that the park police, the city police, and firemen may be raised up to the level enjoyed by others, but not that a precedent should be established to bring about a pyramiding affecting every division of Goverment employees in respect to retirement?

Mr. WILLIAMS. I think it would result in that. Should it be felt that law enforcement officers, whether they be in the District of Columbia or in other branches of service, are entitled to more than they are getting now, the situation should be evaluated, a price tag should be placed on it, and it should then be brought before the Congress. The committee should not report a bill, as was done in this instance, with the statement, "Here is a bill that makes substantially no change in the formula as compared to the Civil Service Retirement Act," and then find such glaring differences as have been established.

Certainly $1.2 billion is a substantial change.

Certainly this bill was not brought before the Senate with proper representations. The Senate was not given all the facts behind the bill. We were told earlier in the colloquy today by the manager of the bill that under the existing formula the employees and employers in the District were each paying 5 percent. It was later developed beyond a question of doubt that the District of Columbia is paying 25 percent. That is 500 percent of the employee contribution. Surely the sponsors of the bill should be more accurate and know more about the bill than that.

We were also told that the fund was reasonably sound. Then it was later admitted that there was no fund. The fund is broke. There is absolutely no trust fund.

Mr. REVERCOMB. Mr. President, will the Senator yield further?

Mr. WILLIAMS. I yield.

Mr. REVERCOMB. I wish to compliment the Senator for the very careful study he has given this bill. I express the hope that the motion will be properly made to recommit, so that the bill may be further studied. It is a matter of grave concern, first, that we are not bringing the pay up to a level of the other civil-service employees, and, second, that we are setting a precedent which would raise the cost, a precedent which could not soundly be resisted, when others might come forward and ask for an increase up to the point of the increase granted by this bill. Therefore, I express the hope that the able Senator will move to recommit so that further study may be given to the bill, and that the motion will be agreed to by the Senate.

Mr. WILLIAMS. I thank the Senator from West Virginia.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield to the Senator.

Mr. MUNDT. First of all, I should like to associate myself with the congratulations extended by the junior Senator from West Virginia for the splendid public service the Senator from Delaware has rendered in analyzing the bill and exposing its fundamental and basic fallacies, as well as for taking the initiative—which I hope he will take, or perhaps has—as to suggesting a motion to recommit.

I do not believe this bill should be killed permanently. I think there is merit in what the committee has been trying to do. However, it certainly is loose legislation, improperly presented to the Senate, with basic fiscal errors, which demonstrate how easily Congress can stumble into an additional expenditure of $1.2 billion. May I ask the Senator, is that an annual increase?

Mr. WILLIAMS. That is an annual increase; yes.

Mr. MUNDT. None of us can sit here and maintain his self-respect if we are to give to one little select group of Federal employees benefits at a level which, in order to make them universally available, would cost $1.2 billion a year. It shows that prudence is important in connection with a measure of this kind.

I ask the Senator from Delaware whether his suggested remedy is to try to amend the bill on the floor of the Senate, or whether he thinks it should be recommitted to the committee, so that the committee can iron out the inequities and report a bill which will stand up on the basis of equality to all?

Mr. WILLIAMS. The bill should be recommitted. I would hesitate to try to amend it on the floor. We are dealing with a retirement system, which is rather delicate, and I think whatever changes are made should be evaluated from all angles. After all, the basic, fundamental value of a retirement system is that a man when he retires at the age of 60, 65, or 70, or whatever the retirement age is, should have confidence that the fund is sound. Therefore, we must not haphazardly pass a retirement bill with no one on the committee knowing whether or not there is any money in the fund to pay the benefits. Any employee who is paying to the United States Government a portion of his salary for retirement has the right to know that the fund is being kept intact. That is the case with our social security fund, the regular civil service retirement fund, and the railroad retirement fund.

Mr. MUNDT. Also that he is being treated with the same equity as are his associates in the Federal employment family, who are paying the identical contribution of 6½ percent.

Mr. WILLIAMS. That is correct.

I point out one further inequity which would be difficult to explain to a civil-service employee. Under the provisions of the pending bill, the widow of a dependent would receive a minimum of $1,800 a year. There are many civil service employees who have worked for the Government only a few years or perhaps had a lower salary. They may be drawing only $400 or $500 or $1,000 a year in retirement benefits. When such a man dies, however, his widow would receive a retirement benefit equal to about one-half his salary. Under the bill now before us a man's widow would be entitled to a minimum of $1,800 a year regardless of what his original retirement was.

I shall be glad to yield to the Senator from Nevada [Mr. BIBLE], if he wishes to take exception to this statement. However, I think he will agree with me that this is the effect of this bill.

Mr. BIBLE. There are a number of differences.

Mr. WILLIAMS. A man's widow would be entitled to $1,800 a year as a minimum, regardless of what his retirement payments might have been.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. MUNDT. I point out that in virtually every State there are Park Service employees. The Park Service maintains a force of men who perform the same kind of service as the Park Police render in the city of Washington. There are the same kind of gradations, as they move up the ladder of seniority. As the Senator from Minnesota appropriately pointed out, such service is not like working in a Government office and moving up from clerk to manager, and so forth, in following a lifetime career.

How could we justify paying a park policeman in Washington, D. C., benefits which we deny to those working in the Park Service in the several States? Would there be any justice in such action?

Mr. WILLIAMS. There would be no justice in it. It could not be defended.

I believe that this retirement system should be brought up to the basis of equality, with respect to formula, with the benefits provided for law-enforcement officers under the civil-service retirement system. But I do not think we would be justified in giving employees under this system greater benefits than we would be willing to extend to all the other law-enforcement officers. If it is the wisdom of the committee and the Congress that we should go further than what we are now providing under the civil-service retirement system, let us treat all employees in a similar category alike. Let us accurately estimate the cost and then make our decision. This bill has been advanced as having a negligible cost. Certainly $1.2 billion cost for extending similar benefits to other civil-service employees who likewise are paying 6½ percent is not negligible.

We could not justify taking 6½ percent of the payroll of 2 men—who, in many instances, are working side by side as employees of the United States Government—and then giving to one retirement benefits substantially greater than those provided for the other.

Mr. MUNDT. I think the Senator is entirely correct.

Mr. THYE. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS. I yield.

Mr. THYE. I should like to have an answer to this question: Assume that a Park Police private receives a flat annual salary of $5,000, and that another Federal employee, one in the classified service, also receives an annual wage of $5,000. Would the park policeman receive greater retirement benefits than the classified employee with the same salary?

Mr. WILLIAMS. Oh, yes.

Mr. THYE. How much more a year?

Mr. WILLIAMS. It would depend on the years of service, but the difference might run as high as 30 percent for a 30-year employee. I have not figured it for 20 years.

Mr. THYE. Consider, for example, the case of a classified employee in the Interior Department who has drawn a salary of $5,000 annually. Does the Senator mean that upon his retirement he would receive less retirement benefits annually than would a park policeman who retired with the same salary? Would the park policeman, upon retiring, receive a larger retirement annually than the Interior Department employee?

Mr. WILLIAMS. Oh, yes. Under the provisions of the pending bill there would be a difference of at least 20 or 30 percent, in many instances. The difference would depend upon the years of service. There might be a situation in which two employees had worked the same number of years; both had paid the same amount of money into a retirement fund; but under the terms of the pending bill one would receive substantially greater benefits.

Mr. THYE. I am trying to get the answers to these questions. I do not serve on the committee. This is my first opportunity to acquaint myself with the subject.

Take, as an example, a park policeman receiving a salary of $5,000 a year. He has been employed for the required number of years to make him eligible for retirement—let us say 20 years. He is now eligible for retirement agewise. Compare him with an Interior Department employee who has drawn $5,000 as an annual wage. He has served for 20 years, and is now eligible to retire. How much more would the park policeman receive in retirement benefits than would the employee of the Interior Department? That is the only way I can get the answer clearly in mind.

Mr. WILLIAMS. I can give the Senator the answer in dollars and cents in a few minutes, but I do not have it here.

Mr. THYE. Let us have the answer in dollars and cents.

Mr. WILLIAMS. The benefits which the Metropolitan policeman would receive would be computed on the basis of 2 percent for the first 20 years and 3 percent thereafter. The benefits for the Interior Department employee would be computed on the basis of 1½ percent for the first 5 years, 1¾ percent for the second 5 years, and 2 percent thereafter. There would be no 3 percent computation.

In addition, the Interior Department employee's widow would receive about 50 percent of his annuity, whereas under this bill the widow of a District park policeman would receive a minimum of $1,800.

Mr. THYE. I am trying to confine this question to the employee himself. When we bring in the widow, we become confused. How much would the Interior Department employee receive in retirement benefits if he were a 20-year employee and had a wage of $5,000, assuming that he were eligible for retirement today? How much would the retirement amount to a year?

Mr. WILLIAMS. About 20 to 30 percent, but I would have to compute it. It would depend upon salary and years of service.

Mr. THYE. The Senator knows the figure. He is so accurate with figures that he could tell me to the fraction of a penny how much he would receive a year. That is the information I am trying to get. Would it be $1,800 a year, $1,400, or what?

Mr. WILLIAMS. It would be 1½ percent of the $5,000 for the first 5 years, 1¾ percent of the second 5 years, and 2 percent of the remaining years. This bill provides for a flat 2 percent for the first 20 years and 3 percent of salary for the years thereafter.

Mr. THYE. The Senator has the answer in his mind. I wish he would give it to us.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. JOHNSON of Texas. I wonder if the distinguished Senator from Delaware has in mind any amendments which would correct the situation to which he objects.

Mr. WILLIAMS. No, I have not. I am about to make a motion that the bill be recommitted, so as to permit the committee to adopt the proper amendments. I think that would be the appropriate course. I do not have available the necessary amendments. Until about 1 o'clock I did not receive all of the requested information from the Director of the Bureau of the Budget as to the estimated cost. Therefore I was not in a position to draft amendments on the floor of the Senate.

Mr. JOHNSON of Texas. I wonder if the suggestion which I am about to make would be agreeable to the distinguished Senator from Delaware. I think there is merit in the position which he takes. A number of Senators on both sides of the aisle would like to review the bill further. The hour is growing late. Some of us have engagements which we much keep. I wonder if it would be agreeable to the Senator from Delaware for the Senate to adjourn at this time until Wednesday, which would give the Senator an opportunity to confer with the acting chairman of the committee, to see if some of the differences could be resolved.

Mr. WILLIAMS. I believe this matter could be settled very easily in a few minutes. We are dealing with a substantial increase in connection with the pending bill. I do not believe we should haphazardly pick figures out of the air on the floor of the Senate. Instead, I believe we should sit down with the actuaries of the Civil Service Retirement Board and get a factual estimate of the cost involved. Therefore I believe the proper procedure to take in this matter would be to send the bill back to committee, without prejudice, with the understanding that the bill would be reported to the Senate within 10 days, bringing this retirement system in line with provisions of other retirement acts dealing with the retirement of other law enforcement officers. I think that is the correct procedure to take in this situation. At least we would have a bill which could be submitted to us on the basis of what it would actually cost. That is the way to proceed, instead of trying to perfect the bill on the floor of the Senate.

Mr. President, in order that we may dispose of the question I move that the bill be recommitted with instructions to the committee to report to the Senate within 10 days a bill bringing the formula in the pending bill in line with that provided for in connection with the retirement benefits of other law-enforcement officers under the Civil Service Retirement Act.

Mr. BIBLE. Mr. President, will the Senator from Delaware withhold his motion for a moment?

Mr. WILLIAMS. I withhold it.

Mr. BIBLE. I have been in the Senate Chamber the better part of the afternoon, debating the bill with the Senator from Delaware and with other Senators. It seems to me that there is much merit in the suggestion made by the majority leader, to have the bill go over until Wednesday. I believe there is a great deal of merit, also, in what the Senator from Delaware says concerning the Park Service. I am a little worried, frankly, on that point. I am sure that can be taken up and disposed of without much difficulty. As to the basic difference between the Civil Service Retirement Act and the pending bill, which comes to us from the Commissioners, it seems to me that the Senator from Delaware and I are a little bit apart. I think the suggestion that the bill go over until Wednesday, to see if we can resolve that one point of difference, is a good suggestion.

Mr. WILLIAMS. On May 22 this same measure was debated by the Senate. I then made some of these same points during the debate of the bill. At that time the bill was put over until today. Apparently as far as the committee is concerned there is very little more known about it now than there was then. I do not believe that proposed legislation of this nature can be perfected on the floor of the Senate, whether it be today or tomorrow or Wednesday. I believe the bill should be sent back to the committee, so that proper reports may be obtained from all agencies concerned, and a proper comparison made with other existing retirement systems. I assure the Senators that I will make no effort to delay the consideration of the bill when it is again reported from the committee. I would be willing to agree to a unanimous-consent request to limit debate to 1 hour on each side, or whatever other limitation might be desired. All that I ask is that the bill be properly represented to the Senate.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. KNOWLAND. I think the Senator from Delaware has done a great service to the Senate this afternoon in calling its attention to some of the points which have been raised relative to the cost of the bill. He has stated that he did not receive some of the information on the bill until 1 o'clock this afternoon. Therefore I can see no particular reason why the distinguished Senator from Delaware should not make his motion to recommit and have it the pending motion when the Senate reconvenes on Wednesday. However, I believe that the request of the majority leader is not an unreasonable request, that the Senate take up the bill again on Wednesday, when the Senate reconvenes.

A motion to recommit is a debatable motion, of course. A number of Senators on this side of the aisle and on the other side of the aisle have indicated that, because of the lateness of the hour, they would like to have additional time to study the bill before they vote on it.

The Senator from Delaware would not be foreclosed with respect to his motion, if he decided to press it on Wednesday. However, in view of the ordinary procedures of the Senate, it is not an unreasonable request that the majority leader has made.

I might say that I had discussed this matter previously with the majority leader and I told him frankly that a great deal of additional opposition—if not opposition, at least some question—has been raised with respect to the bill as the result of what the Senator from Delaware has said. This is a matter all of us want to go into more thoroughly. At that time it might be desirable to press the motion to recommit. However, in the normal procedure of the Senate, what the majority leader suggests would be the better procedure.

Mr. WILLIAMS. I might say to the Senator from California and the Senator from Texas that I shall not insist that the Senate vote on my motion tonight if that is not desired. I was hoping that we could dispose of the matter voluntarily rather than make it necessary for me to enter my motion to recommit the bill. I was hoping the Senator in charge of the bill would voluntarily agree to take the bill back to the committee for further study. The committee is the place where the bill should receive further study and where it should be worked out. That is where the additional reports from the various agencies could be received and studied, and following such study the bill could be brought back before the Senate, together with the reports from the agencies along with an accurate estimate of the cost involved.

That is why I was asking that it be sent back to the committee. I shall not try to get action on the motion this evening if the majority and the minority leaders wish to have the matter go over until Wednesday.

I am wondering whether the Senator from Nevada does not feel that in the light of the discussion here today and the facts that have been developed that it would be better if he would withdraw the bill and take it back to committee for further study. The committee has the responsibility to do that in light of the facts developed here.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. MUNDT. I should like to associate myself with the suggestion of the Senator from Delaware that the bill be voluntarily taken back to committee. This is a very complicated measure the Senate has under discussion. If the bill were voluntarily taken back to committee, there would not be any need for a motion to recommit. It is too complicated a bill to risk it to debate on the floor of the Senate, and certainly the floor of the Senate is no place where such a bill should be worked out. The committee has already missed the amount by $1,200,000,000 a year. Therefore it would be asking too much of us to amend the bill properly on the floor of the Senate during debate.

Mr. WILLIAMS. I hope the Senator from Nevada will go along with my suggestion voluntarily to take the bill back to committee. Other bills are pending before committees which propose to increase benefits for other law-enforcement officers. I believe the Senator from South Carolina [Mr. JOHNSTON] has some in his committee. The members of the Committee on the District of Columbia should confer with the Senator from South Carolina and his committee and arrive at whatever recommendations they think should be made. If we are to increase the benefits for the Metropolitan Police, we will automatically be forced to increase them for all law enforcement officers. They should all be considered together.

That is why I was hoping that the Senator from Nevada would be willing to withdraw the bill and take it back to committee for further study. I have great respect for his ability. Certainly I want it understood that my criticism of the bill is not intended as criticism of his desire to have a good bill passed.

Mr. KNOWLAND. I will say to the Senator from Delaware, in all candor, that the procedure outlined whereby the committee can take the bill back and go over it, is sounder procedure than trying to amend a complicated bill and a very highly technical bill on the floor of the Senate.

Frankly, I am very hopeful that after consultation between the ranking minority member of the subcommittee the Senator from Maryland [Mr. BEALL] and the chairman of the subcommittee, the Senator from Nevada [Mr. BIBLE], and in consultation with the majority leader, they can come to a decision before the Senate reconvenes next Wednesday. I believe we will actually save time by following that procedure. I certainly believe that would be a sounder procedure to follow.

However, the distinguished majority leader, who has a unique responsibility in the Senate in connection with the general procedures of the Senate, should be supported on the procedure he suggests. That should be the case except where a situation involves something of a very far-reaching nature. I do not believe we should get into a situation in connection with the procedures of the Senate which would call for a test on this issue. It is not an issue on which we should have such a test.

Mr. WILLIAMS. Mr. President, I have stated my reasons why I think the bill should be recommitted. However, I shall be guided by the wishes of the majority leader.

Mr. JOHNSON of Texas. Mr. President, I certainly appreciate the position taken by the distinguished minority leader, and I am grateful to the Senator from Delaware for the position he takes.

It seems to me that the suggestion he has made that the matter be reviewed by the members of the committee, and perhaps to have the bill go back to the committee, may be a good suggestion. The committee will have an opportunity tomorrow and also before the Senate meets on Wednesday to determine the course of action it wants to take. At that time, either the committee, together with the Senator from Delaware, can ask that the bill be returned to the committee, or the Senate can vote on the matter and be guided by the views of the majority of the committee.

NATIONAL SCIENCE FOUNDATION APPROPRIATION

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in continuity in the body of the RECORD five items.

The first is a letter written by me on May 24, 1957, to the senior Senator from Washington [Mr. MAGNUSON], the chairman of the Subcommittee on Independent Offices and General Government Matters of the Committee on Appropriations, concerning the National Science Foundation and the restoration of funds therefor.

In the letter I point out to the chairman of the subcommittee the importance, as I see it, of the restoration of the $65 million requested by the Bureau of the Budget for the National Science Foundation for fiscal 1958.

Second, a statement I made before the Subcommittee on Independent Offices and General Government Matters of the Committee on Appropriations in support of funds for the National Science Foundation. The statement sets forth the argument which I would have the Senate and the committee consider in this very important matter.

Third, a letter dated March 8, 1957, written to me by Leonard S. Cottrell, Jr., of the magazine Sociometry, in support of funds for the National Science Foundation.

Fourth, a memorandum dealing with the problems of juvenile delinquency as they relate to the support of social science research by the National Science Foundation.

Lastly, a letter dated March 25, 1957, written to me by Dr. L. S. Cressman, head of the Department of Anthropology, University of Oregon.

In his letter, it seems to me, Dr. Cressman sets forth unanswerable premises

in support of funds for the National Science Foundation. For example, in one part of his letter, he says:

> Two cents out of every research dollar in all the governmental sponsored research programs for social science. Think of it.

Dr. Cressman does much in his letter, I think, to supply us with the information we need in support of the plea of the social scientists for a national foundation for which Dr. Cressman argues so eloquently.

While mentioning Dr. Cressman, I wish to express my thanks to him for the great educational leadership he has given to our State during his many years of service on the faculty of the University of Oregon.

Particularly I commend him for the crusading spirit with which he has exercised great leadership in the field of social science, especially in the field of anthropology.

I think at this period of time, when there is so much of a meat-ax approach to budgetary problems, we should be very careful that we do not destroy the great research values in our country because, after all, in America we cannot afford, in my judgment, to deal any serious blows to the research programs which are being carried on as incentives to education throughout our land.

I sincerely hope the committee and the Senate will give very careful consideration to the point made by Dr. Cressman in his letter; and when the committee report comes to the floor of the Senate, I hope it will recommend the restoration of funds asked for the National Science Foundation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MAY 24, 1957.

The Honorable WARREN G. MAGNUSON,
Chairman, Subcommittee on Independent Offices and General Government Matters, Senate Appropriations Committee, United States Senate, Washington, D. C.

MY DEAR SENATOR: As you probably know, I am greatly interested in the program of the National Science Foundation, and particularly in the social science research carried on by that agency.

Upon checking into the House action with respect to the fiscal 1958 appropriations for the National Science Foundation, I was very much disturbed to observe that the budget request for the Foundation had been reduced substantially by the House.

Under the circumstances, I would appreciate it very much if the subcommittee would give very careful consideration to the attached statement in which I urge restoration of the $65 million requested in the budget for the National Science Foundation for fiscal 1958. Also, would you kindly include the statement in the printed record of the hearings on the Independent Offices 1958 appropriations.

With best personal regards,

Sincerely,

WAYNE MORSE.

STATEMENT OF SENATOR WAYNE MORSE BEFORE THE SUBCOMMITTEE ON INDEPENDENT OFFICES AND GENERAL GOVERNMENT MATTERS MAY 24, 1957

NATIONAL SCIENCE FOUNDATION

Mr. Chairman and Members of the Senate:

This year the President's budget included a request of $65 million by way of appropriations for the National Science Foundation for fiscal 1958. In view of the importance of the work carried on by the Foundation in the field of research, I am of the opinion that the budget request was quite modest. In the years ahead, the free nations of the world must depend far more on brainpower than on manpower in coping with great international problems. That is why it is important that the research foundation grant be made available in greatly increased amounts.

It was with deep concern, therefore, that I ascertained that the House had cut back the Foundation's budget to its fiscal 1957 level, $40 million. In the long run this will prove not to represent economy but a very expensive reduction. In years to come our research programs will have to be intensified, and cutbacks today will have to be made up by increases in the future. Therefore, I urge the subcommittee to give serious consideration to restoration of the budget request of $65 million.

Furthermore, I should like to urge that you give particular attention to the extremely pressing need to support, within the framework of the Foundation's general programs, an adequate program of research and fellowships in the social sciences. As one of the coauthors of the legislation setting up the Foundation and as one of the original supporters of a strong social science program within the Foundation, you will readily appreciate the urgency of providing sufficient funds to permit the Foundation to support, at appropriate levels, research and training in the many areas of basic social science which have direct bearing on the national welfare and national security.

It is my understanding that only $600,000 of this year's $65 million budget request by the National Science Foundation would be applicable to an extremely limited program of support of research in selected areas of the social sciences, plus an additional small amount for a handful of fellowships in areas of convergence of the social sciences and natural sciences. Notice that this represents less than 1 percent of the total requested budget of the Foundation, a modest request, indeed. Yet this very meager request stands in jeopardy by virtue of the recent action of the House of Representatives.

Accordingly, if it should develop, unfortunately, that the $65 million budget request is not restored in this case, I urge that at least $600,000 be appropriated to permit the Foundation to begin seriously to develop a comprehensive program for support of significant social science research. Also I urge that it be recommended that an additional $400,000 for support of graduate fellowships in the social sciences be appropriated.

I am convinced that the Foundation could profitably use several times these modest sums for its social science programs but I believe that an adequate beginning could be made next year with these additional funds. I would expect the Congress to provide additional funds in the years to come.

In support of this request, I submit for your consideration, statements I have received from a former colleague at the University of Oregon, Dr. Luther S. Cressman, one of America's most distinguished anthropologists, and from Dr. Leonard S. Cottrell, Jr., an outstanding sociologist and social psychologist, who was formerly Dean of the College of Arts and Sciences at Cornell University and is now a senior staff member of the Russell Sage Foundation. I should also like to direct your attention to the following excerpts from the recent report of the Senate Committee of the Judiciary made by its Subcommittee on Juvenile Delinquency (Rept. No. 130, 85th Cong., 1st session). I endorse wholeheartedly this committee's emphasis on the importance of more basic research in the social sciences.

SOCIOMETRY—A JOURNAL OF RESEARCH IN SOCIAL PSYCHOLOGY

MARCH 8, 1957.

The Honorable WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR MR. MORSE: My attention has been directed to the following resolution of the American Sociological Society adopted at its annual sessions in Detroit, Mich., last September:

"The American Sociological Society notes with satisfaction the extension of the program of the National Science Foundation to include research support and graduate fellowships in selected social science areas, such as Anthropology, Demography, Experimental Social Psychology, Sociology of Science, Human Ecology, and related disciplines: Be it therefore

"*Resolved*, That the American Sociological Society hereby express its appreciation of the recognition and assistance to the social sciences, and that the Foundation be further commended for its emphasis on basic research in our field; Be it further

"*Resolved*, That the American Sociological Society express its hope that the National Science Foundation's program be further broadened in the immediate future to include the social sciences proper in addition to the areas of convergence with the natural sciences."

I should like to express my wholehearted concurrence with the spirit of this resolution. In establishing the National Science Foundation, the Congress clearly authorized the Foundation to make research grants and award fellowships and scholarships in the social sciences. Quite understandably, the Foundation's initial efforts were concentrated almost exclusively in the physical and biological sciences and, quite commendably, it has moved into the social science fields cautiously and carefully and only after intensive study and analysis.

However, the world crisis and our domestic situation have underscored the pressing need for better understanding of ourselves and our fellow men.

Congress itself has authorized increased social science research activities by Federal agencies in such applied fields as social security, health, agriculture, defense, housing, and education. There is, therefore, increasingly greater urgency to train specialists and to conduct research that will provide the fundamental knowledge on the basis of which applied social programs can be properly planned and implemented.

The imperative necessities of the current social crisis suggest that excessive timidity is a luxury we cannot afford. The National Science Foundation should be encouraged to broaden its various program activities, including its research support, fellowship, scientific information, and education in the sciences programs, to provide for reasonable support of significant research and educational activities in the social sciences.

I note that, on several occasions, the Subcommittee on Juvenile Delinquency of the Senate Committee on the Judiciary, chaired by Senator KEFAUVER, has recommended that the Foundation support social science research that would shed light on the major social problems with which that subcommittee has been concerned. A similar recommendation was made last year by the Subcommittee on Economic Statistics of the Joint Committee on the Economic Report, chaired by Representative BOLLING of Missouri. In the last Congres serious consideration was given to the desirability of directing the Foundation to award fellowships in the field of city planning and housing. I mention these developments to indicate that there is some concern in Congress with the

slowness and excessive caution with which the National Science Board is proceeding in this area.

A report of the National Science Foundation indicates that of the total Federal dollar going into scientific research and development 87 cents goes for physical science research, 11 cents for life science research, and only 2 cents for social science research. The social science share is small enough, indeed, yet considerably less than 2 percent of the total budget of the National Science Foundation is currently spent on support of the social sciences.

Some years ago, a committee of the House, known as the Cox committee, after its chairman, the late Representative Cox of Georgia, concluded in its final report that:

"It is entirely possible that in a time when man's mastery over the physical sciences threatens him with possible extermination the eventual reward from the pursuit of the social sciences may prove even more important than the accomplishments in the physical sciences."

I, therefore, strongly urge and recommend that ample funds be made available for the next fiscal year to permit the National Science Foundation to broaden its program of research support and fellowships in accordance with the resolution of the American Sociological Society. If only 5 percent of the Foundation's total budget were allocated for social science research and education, this would be a modest but commendable beginning, indeed. Such action would clearly and indisputably assist in achieving the objectives of the National Science Foundation Act of 1950 which are listed in the preamble to the act as: "To promote the progress of science; to advance the national health, prosperity, and welfare; to secure the national defense."

Very truly yours,

LEONARD S. COTTRELL, Jr.

P. S. Dr. Harry Alpert of the National Science Foundation staff is primarily responsible for the social science activities of that organization. I am sure that he would be happy, upon your request, to provide you with detailed information on the programs and plans of the Foundation in this area. He should also be in position to give you some evaluation of needs for further development.

P. P. S. I have sent a similar letter to the President and others in Washington, but knowing of your special interest in the social sciences I thought you might wish to make use of this letter in connection with Senate consideration of the 1958 appropriation of the National Science Foundation.

CONGRESSIONAL SUBCOMMITTEE RECOMMENDATIONS REGARDING SUPPORT OF SOCIAL SCIENCE RESEARCH BY THE NATIONAL SCIENCE FOUNDATION

The following excerpts are taken from Juvenile Delinquency, a report of the United States Senate Committee on the Judiciary made by its Subcommittee on Juvenile Delinquency (85th Cong., 1st sess., Senate Rept. No. 130, 1957):

"MORE BASIC RESEARCH IS NEEDED IN BEHAVIORAL PROBLEMS

"The insistent demands for immediate action programs to prevent and treat juvenile delinquency should not obscure the equally important need for long-range, fundamental research on the nature of man and society. Research provides the necessary basic knowledge concerning human social behavior upon which rational, effective, action programs must be based. In the course of its deliberations, the subcommittee was impressed time and time again with the serious gaps in our knowledge of the fundamental mechanisms of human behavior in society. Such knowledge is as essential for a far-reaching solution of juvenile delinquency as it is to other pressing social problems. The subcommittee, therefore, believes that the encouragement of basic research in the social sciences must be an essential feature of any systematic program designed to meet the problems created by delinquent behavior.

"Many expert witnesses before this subcommittee have reported on various phases of research findings to date. In the testimony some solid facts have been combined with interesting speculations and revealing insights. But much remains to be known. The intricate web of interrelationships among home environment, parent-child relationships, community facilities, personality structure, broken homes, intergroup relations, school curricula, religious and spiritual values, and the contents of the mass media of communication has been noted. The exact nature and deeper meaning of these relationships, however, still remains to be unraveled.

"Do disturbed children tend to watch television more than nondisturbed children? What does this mean in terms of the future behavior of the child? What are the basic personality characteristics and family environments of nondelinquent children brought up in disorganized and undesirable neighborhoods? Do comic books reinforce, discourage, or encourage antisocial behavior? Before we can begin to probe thoroughly such questions, we must know a great deal more about the nature of human beings, the course of personality development, and the social and cultural processes that shape and direct human behavior. Basic research can do much in helping us discover and define the general patterns of human social behavior, and thus establish the larger contexts in terms of which the mosaic of questions arising from specific social problems will be seen in proper perspective.

"Research plays a particularly important role in the attack upon social problems. It permits the formulation of hypotheses that can be tested and verified by experiments and systematic observations. It leads to the removal of a body of knowledge from the realm of speculation and subjective opinion, in which each individual deems himself to be an expert, to the realm of assured and demonstrated fact. It substitutes proof for unwarranted assertions. For example, only well-designed research can provide a sound basis for evaluating the controversial allegations about the impact of television and comic books and other mass media upon the study habits and behavior of children and youths.

"Research is also needed to provide hypotheses and guidelines in terms of which practical demonstration programs in juvenile delinquency can be organized and evaluated. Thus, proposed school-community experimental programs for the reduction of delinquency require basic research to find the postulates for the foundation upon which such programs can be planned and administered.

"Likewise, research is essential in broadening and deepening our understanding of man's hopes, desires, and aspirations and our knowledge of the social processes by which human ideals can be achieved. Man has achieved mastery over nature, but now needs more than ever the fundamental knowledge about his own nature and his family and community relationships which will permit him to achieve mastery of himself. This much is axiomatic.

"In this connection, the subcommittee has, on several occasions, recommended that the research support and fellowship programs of the National Science Foundation be broadened to include support of basic research and education in the social sciences. That recommendation is reemphasized. The importance of utilizing scientific methods in the study of human social behavior is recognized by all who have given thought and study to the problem.

"The subcommittee strongly recommends that ample funds be made available for the next fiscal year to permit the National Science Foundation to embark upon a program of social science support on a reasonable scale. The Foundation already possesses legislative authority to undertake programs in the social-science fields. The subcommittee believes that such a program would clearly be in the national interest and would provide for meeting an important national need." (Pp. 127-128.)

"7. The subcommitte has been concerned by the lack of firm knowledge concerning the social and psychological consequences of youth employment and unemployment, as well as by the absence of sound information about youth's career patterns, job satisfactions, and motivations. We need to know more, also, about the attitudes of employers who either give or deny job opportunities to young people and how these attitudes may be constructively modified. It, therefore, recommends that appropriate agenices and groups, including the National Science Foundation, the Department of Labor, and the Department of Health, Education, and Welfare, support basic research studies in this important area of community life. Research is also needed to clarify the further relationship between school dropouts and delinquency." (P. 218.)

"The subcommittee recommends that the National Science Foundation consider the possibility of extending its activities into the social sciences. It is true that, so far, the National Science Foundation has restricted itself almost exclusively to matters in the physical sciences, but the pressing need for research in the area of nonphysical sciences suggests a change in policies.

"The topic with which we are dealing represents a good example of why the Foundation should do so. To this end, the subcommittee further recommends that the National Science Foundation extend its work to support research in the crucial area of the effect of mass mediums on young people." (P. 227.)

"In view of the urgent requirement that teachers have a good grounding in the social and psychological sciences so that they may better understand themselves and their students, it is important that our fundamental scientific knowledge of human social and psychological behavior be deepened. To this end, it is recommended that appropriate agencies, including such Federal agencies as the Department of Health, Education, and Welfare, and the National Science Foundation, broaden their programs of support of basic research in the social and psychological areas. In this regard, the subcommittee recommends that the National Science Foundation extend its activities into the social sciences. It is true that, so far, the National Science Foundation has restricted itself almost exclusively to matters in the physical sciences, but the pressing need for research in the area of nonphysical sciences, as indicated in the studies of this subcommittee, suggests a change in policies." (P. 242.)

UNIVERSITY OF OREGON,
Eugene, Oreg., March 25, 1957.

The Honorable WAYNE L. MORSE,
Senator from Oregon,
The Senate, Washington, D. C.

DEAR WAYNE: I have been considerably concerned, especially in the years since the close of World War II, with the developing acute problems in the general field of education, and research in particular, and I have become seriously disturbed at what seems to me to be the course which trends in research support seem to be following. I take it, however, that these simply reflect the values in our American way of life. Although we were colleagues, some 25 years ago, our paths have diverged. I am still, as it were, in the front line in the education field and you are a Senator who is in a position of critical importance to influence national policy. It is from this relationship that I am writing you at this time.

I have been a teacher of social science for over 30 years in colleges and universities, and at the same time have been carrying out a research program both in social science and in a field which generally is considered to overlap with the natural sciences, so that I have a fairly intimate knowledge of the nature of the social sciences and the natural sciences. What seems to be happening in the field of research and the emphasis in education since World War II is inevitable and is the outgrowth, obviously, of the rather desperate situation in which this country finds itself vis-a-vis Russia. Survival in some form or other is obviously the issue at stake and no one can complain about the tremendous concentration on research in technology, the development of which may spell the difference between success or failure in the situation in which we find ourself. However, there are a great many social byproducts of this tremendously rapid rate in the development of technological processes as well as from other sources and it is at this point, it seems to me, that we are failing to recognize the nature and gravity of the social problems with which we are faced, or to take adequate steps to meet them.

A National Science Foundation report, Federal Funds for Science, V, the Federal Research Development Budget, fiscal years 1955, 1956, 1957, give us the most reliable figures we have available on the amount of money spent for research by the Federal Government; and the disparity between the different fields is startling. In physical sciences the estimated budget for research in 1957 was $2,075 millions of dollars. For life sciences, $269 million, and for the social sciences, $39 million. These figures may be presented in another way which shows how the research dollar is spent. On page 8 of this report the foundation states, "The approximate distribution of the research dollar among the major fields in the fiscal years 1955, 1956, and 1957 is 87 cents for the physical sciences (including engineering sciences), 11 cents for the life sciences, and 2 cents for the social sciences." The report goes on to state, "Funds for the social sciences, while considerably more limited than those for the other fields, shows sizable percentage increases in fiscal years 1956, 1957, 27 and 20 percent respectively. The Department of Agriculture, which provides about 40 percent of the Government's total social sciences research funds, obligated about 25 percent more for this purpose for the fiscal year 1956 than in 1955; a similar increase is anticipated in fiscal year 1957. Although the Department of Agriculture ranks first among the agencies in this field, the obligation for social sciences account for only about 15 percent of the Department's total obligation for conducting scientific research development."

"Social sciences," I am now quoting from the same report, "are those sciences directed toward an understanding of the behavior of individuals as members of a group* * *." Research in the social sciences falls into two categories, as in all other sciences, that is, what has come to be known as (1) basic research and (2) applied research and development. "Basic research is that type of research where the primarly aim of the investigator is the fuller knowledge or understanding of the subject under study, rather than a practical application thereof." It is a matter of real importance in connection with our basic research program in the social sciences that there are just two organizations in the Government which support basic research exclusively, those are the Smithsonian Institution and the National Science Foundation. If basic research in the social sciences is to be stepped up there is obviously only one place or organization which can be the active agent in such a program, and that is the National Science Foundation.

I suppose the lack of awareness for the need for basic research in the social sciences, and I mean here toward an understanding of the behavior of individuals as members of a group, is due to a variety of factors. One of these, I think, is the nature of the history of social science itself during the development of which there was a great deal of confusion between real basic research and programs which were essentially reform movements. Another difficulty was that characteristic of all sciences in the early stage of the development and that is the problem of working out a sound and effective methodology. Another reason I think is inherent in our democratic way of life in which we confuse the right of the citizen as a voter to decide on policy through the ballot with the process of investigation of a problem to determine exactly what the facts are in the relationship between two or more variables in a social situation. Basic research, of course, is not concerned with policy, and the social scientist is no more concerned than a physicist with whether the results of his investigation indicate a situation is good or bad. This is something which I think we social scientists have never made quite clear to the people we teach and, to the public at large. I believe though, that the situation is changing now, certainly with regard to the development of a good group of hard-boiled social scientists who can, and do, distinguish between the basic and applied aspects of their fields. Furthermore, methods have been enormously improved for research and are constantly being raised to higher levels of discrimination so that the results that we arrive at can withstand even the sharpest kind of scientific scrutiny.

Thoughtful people in all walks of life are very much concerned with the problems that we face as human beings living together in groups. What we need to realize is that, with the tremendous stimulus that is given to research in the physical sciences, we create many problems facing us as human beings living in communities that we shall be unable to meet unless we can speed up, and speed up tremendously, effective research in the social sciences. Some people have tried to talk about establishing a moratorium on research in the physical sciences to let the program in the social sciences catch up. This is the sheerest nonsense, for it cannot be done, nor will anybody try to do it. The solution is to make every effort to reduce the gap by much stronger support of sound basic research in the social sciences. It is significant in connection with my point that the Bell Telephone Laboratories at Murray Hill, N. J., have established a department for basic research in social science.

I could list a whole series of problems from international relations to the development of automation and its economic and social significance as areas of study which are problems of extraordinary importance for the future, but there is no point in doing this, for any thoughtful person can spend a long period of time and not list all of them. With the tremendously rapid change which is so characteristics of modern life, (anyone of us who is over 50 years old can think back over his own lifetime), all the complex problems which face the human community in its efforts to lead a meaningful life are enormously increased and sharpened in their intensity; and the only approach to being some kind of a master rather than a victim of life is by basic scientific research which enables us to understand the nature of the problems and the human being concerned to provide a sound basis for intelligent action by government and an informed electorate. The basic concept which justifies universal education and the democratic process of government is that in the long run education will be an effective guide to political action. But education can only serve this end if it continues to replace fictitious with factual knowledge and, it is my firm belief that this end can only be achieved by the development of a greatly expanded program of significant, basic research in the social sciences. Two cents out of every research dollar in all the governmental sponsored research programs for social science. Think of it.

When the National Science Foundation Act was debated in the Senate in 1948, you, Wayne, were, I believe, given specific and definite assurance that the bill, as approved, permitted the Foundation to support social science research which met the scientific criteria set by the National Science Board. Yet the board has approached the social sciences with excessive caution, unaware of the contribution social science research has made toward the national welfare and defense. Not only should the National Science Foundation devote more of its research funds to the social sciences, it should also provide more fellowships to graduate students and postdoctoral scholars in the social sciences in order to insure an adequate supply of properly trained personnel in these fields. If the foundation spent only around 10 percent of its research funds and a like ratio of its fellowship funds for the social sciences, this would be extremely modest and meager, but could become the initial starting point for an important, developing program.

The Government has an obligation to support the National Science Foundation, the only Federal organization but one devoted to basic research, yes, even direct it to develop the social science field of basic research on a vastly expanded program comparable to those of the physical and the life sciences.

Sincerely yours,

L. S. CRESSMAN,
Head, Department of Anthropology.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, for the information of the Senate, I wish to announce a list of the bills which have been cleared for floor consideration and which may be taken up on Wednesday or soon thereafter.

Calendar No. 379, H. R. 2493, to authorize the Secretary of the Interior to permit the construction of a bridge and road across Chincoteague National Wildlife Refuge, and for other purposes.

Calendar No. 381, S. 1366, to amend the act entitled "An act to authorize the construction, protection, operation, and maintenance of public airports in the Territory of Alaska," as amended.

Calendar No. 391, S. 695, providing for the revision and printing of a compilation of Federal laws relating to the regulation of carriers subject to the Interstate Commerce Act.

Calendar No. 392, S. 1027, to authorize the Secretary of Commerce to prescribe seals for bureaus and offices of the Department of Commerce, and for other purposes.

Calendar No. 393, S. 1791, to amend the Reorganization Act of 1949, as amended, so that such act will apply to reorganization plans transmitted to the Congress at any time before June 1, 1959.

Calendar No. 394, S. 1941, to authorize the payment by the Bureau of Public Roads of transportation and subsistence costs to temporary employees on direct Federal highway projects.

Calendar No. 395, S. 1536, to amend subsection 507 (a) of the Federal Property and Administrative Services Act of 1949, as amended.

Calendar No. 396, S. 806, to authorize the Administrator of General Services to quitclaim all interest of the United States in and to certain lands located in Indiana to the State of Indiana and to the board of trustees for the Vincennes University, Vincennes, Ind.

Calendar No. 397, Senate Concurrent Resultion 30, to print a compilation of studies and reports on the foreign-aid program.

Calendar No. 398, Senate Resolution 139, to print additional hearings on S. 963, control of advertising on interstate highways.

Calendar No. 399, Senate Resolution 140, authorizing the printing of additional copies of Senate Report 130, 85th Congress, 1st session, entitled, "Juvenile Delinquency."

Calendar No. 400, H. R. 790, to amend the Legislative Appropriation Act, 1955, with reference to official office expenses of Members of Congress.

Calendar No. 401, H. R. 7234, to fix the responsibilities of certifying officers and disbursing officer of the Library of Congress.

Calendar No. 402, S. 434, to provide for improved methods of stating budget estimates and estimates for deficiency and supplemental appropriations.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, June 3, 1957, he presented to the President of the United States the enrolled bill (S. 1463) to amend the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle.

ADJOURNMENT TO WEDNESDAY

Mr. MANSFIELD. Mr. President, pursuant to the order previously entered, I move that the Senate adjourn until noon on Wednesday next.

The motion was agreed to; and (at 5 o'clock and 57 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Wednesday, June 5, 1957, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 3, 1956:

DIPLOMATIC AND FOREIGN SERVICE OF THE UNITED STATES OF AMERICA

The following-named persons to be Ambassadors Extraordinary and Plenipotentiary of the United States of America to the country placed with their respective names:

Llewellyn E. Thompson, of Colorado, to Union of Soviet Socialist Republics.

Francis White, of Maryland, to Sweden.

John M. Cabot, of the District of Columbia, to Colombia.

Earl E. T. Smith, of Florida, to Cuba.

ROUTINE APPOINTMENTS

To be consuls general

Ivan B. White, of Washington.
W. Wendell Blancké, of New York.
Olcott H. Deming, of Connecticut.

To be Foreign Service officers of class 2, consuls, and secretaries

Eric E. Oulashin, of Maryland.
Philip Raine, of the District of Columbia.

To be consuls general

William C. Affeld, Jr., of New Jersey.
Mervyn V. Pallister, of Michigan.
Thomas W. Simons, Sr., of the District of Columbia.
Charles D. Withers, of South Carolina.

To be Foreign Service officer of class 3, consul, and secretary

Knox Lamb, of Mississippi.

To be Foreign Service officers of class 4, consuls, and secretaries

Roger G. Gifford, of Virginia.
Hugh C. Reichard, of California.
Edward H. Widdifield, of California.

To be Foreign Service officer of class 5 and consul

Robert H. Miller, of Washington.

To be Foreign Service officers of class 5, consuls, and secretaries

Miss Doris Meltana Luellen, of California.
Miss Josephine D. Wharton, of Florida.
Thomas A. Fain, of Oklahoma.

To be consul

Robert E. Barbour, of Tennessee.

To be Foreign Service officers of class 6, vice consuls of career, and secretaries

Dwight M. Cramer, of Nebraska.
Frank D. Durey, of Minnesota.
Andrew J. Fink III, of California.
Richard Forschner, of New Jersey.
Miss Ellen Gavrisheff, of Texas.
Ralph M. Kearney, of Illinois.
George A. Mailloux, Jr., of Rhode Island.
Mrs. Louise deCourcy O'Grady, of Florida.
Miss Geraldine M. Oliva, of Oregon.
John H. Seate, of Texas.
Miss Eleanor M. Shields, of California.
Joseph Terranova, Jr., of Maryland.

To be Foreign Service officers of class 8, vice consuls of career, and secretaries

George A. Anderson, of Iowa.
Michael S. Bank, of New York.
Richard C. Barnum, of Ohio.
Richard D. Belt, of Ohio.
Robert O. Blucker, of California.
Michael P. Boerner, of Maryland.
Miss Kathleen C. Bruguiere, of California.
Thomas E. Cummings, of California.
Ralph Estling, of California.
Miss Alta F. Fowler, of Virginia.
Rogelio Garcia, of New York.
James L. Gorman, of Oregon.
John T. Haldane, of the District of Columbia.
Ashley C. Hewitt, Jr., of California.
William P. Keasbey, Jr., of California.
Lowell C. Kilday, of Wisconsin.
Robert A. Krier, of New York.
Nelson C. Ledsky, of Ohio.
Perry W. Linder, of California.
W. Douglas McLain, Jr., of Illinois.
Miss Barbara J. Marvin, of California.
Noble M. Melencamp, of Kansas.
Alan C. Mencher, of California.
James K. Powell, of Texas.
Kenneth N. Rogers, of New York.
Peter Sebastian, of New York.
John P. Shumate, Jr., of California.
Herbert D. Swett, of California.
John J. Taylor, of Tennessee.
Richard H. Thompson, of Indiana.
John T. Vanderveen, of California.
Donald B. Wallace, Jr., of Indiana.
Leonard A. Warren, of California.
Alfred J. White, of the District of Columbia.
Edward E. Wright, of Louisiana.

The following-named Foreign Service staff officers:

To be consuls

Joe B. Cox, of Ohio.
John C. Donnell, Jr., of Washington.
N. Marbury Efimenco, of Michigan.
Clyde J. Hanna, of California.
William J. Herget, of Maryland.
Wilford J. Kramer, of Illinois.
James M. McDonald, Jr., of New Jersey.
Roger P. Ross, of California.

The following-named Foreign Service reserve officers:

Orville H. Bathe, of California.

To be Foreign Service officers of class 8, vice consuls of career, and secretaries

Donald C. Ide, of Washington.
Sanford S. Marlowe, of Virginia.
William Grant Parr, of Nebraska.
Samuel R. Sanders, Jr., of Virginia.

To be vice consuls and secretaries

Duane A. Rames, of Virginia.
Harold M. Young, Jr., of California.

To be vice consuls

Robert G. Brewster, of Illinois.
Robert K. Heathman, of Florida.
Alfred Schelp, of Missouri.
Alvin L. Smith, Jr., of Florida.

To be secretaries

John E. Baker, of Virginia.
George W. Edman, of Massachusetts.
Frank F. Friberg, of Massachusetts.
Maurice J. Gremillion, of Texas.
John H. Leavitt, of Virginia.
Joseph F. McEvoy, of Florida.
John P. McKnight, of North Carolina.
William E. Nelson, of New York.
Bruce T. Odell, of Massachusetts.
Miss Evelyn M. Schwarztrauber, of Illinois.
Howard E. Stone, of California.
Maurice F. W. Taylor, of California.
Ghosn J. Zogby, of Virginia.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 3, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Eternal God who art the source of our faith and hope, our joy and strength, bless us during this day with a sense of Thy nearness and may we never surrender to moods of doubt and denial.

Thou art here for Thou art everywhere and Thou knowest what we most need. We beseech Thee to take our wandering minds and wayward spirits and fill them with those thoughts and desires which Thou dost delight to satisfy.

Forgive us that we so frequently seek and strive for that which is only transient and temporal rather than for the good that is timeless and eternal.

May the whole purpose, passion, and power of our life find their highest fulfillment and freedom in a complete and joyous obedience to Thy holy will.

Hear us in Christ's name. Amen.

The Journal of the proceedings of Thursday, May 30, 1957, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6659.—An act to extend and amend laws relating to the provision and improvement of housing to improve the availability of mortgage credit, and for other purposes.

The message also announced that the Senate insists on its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. FULBRIGHT, Mr. SPARKMAN, Mr. DOUGLAS, Mr. MONRONEY, Mr. CLARK, Mr. CAPEHART, Mr. BRICKER, Mr. BENNETT, and Mr. BUSH to be the conferees on the part of the Senate.

AUTHORITY TO DECLARE RECESS TODAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that it may be in order at any time today for the Speaker to declare a recess subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PERSONAL ANNOUNCEMENT

Mr. HALE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. HALE. Mr. Speaker, when the rollcall No. 91 on the motion to recommit the defense appropriation bill began, I was in the House radio room transcribing a broadcast to my district.

The bells do not ring in the radio room, and I was unaware of the rollcall until the second round. On learning of the rollcall I hurried to the Chamber only to hear the reading clerk call the name of HARDY. Of course, I could not qualify to vote. This I deeply regret. I voted in Committee of the Whole for all amendments to restore cuts in the budget figures. Had I voted on the motion to to recommit I should have voted "aye."

On questions of national defense I want to err on the side of too much too soon rather than on the too familiar side of too little, too late.

THE LATE HONORABLE ROBERT CROSSER

The SPEAKER. The Chair recognizes the gentleman from Ohio [Mr. VANIK].

Mr. VANIK. Mr. Speaker I regret to inform the Members of this House of the death today of the Honorable Robert Crosser, my predecessor, who represented the 21st District of Ohio for 38 years between 1912 and 1954. He was born in Scotland in 1874 and his death occurred 4 days before his 83d birthday.

Robert Crosser's career in public life began when he was elected to the Ohio Legislature in November 1910. In 1912 he was elected to membership in the Fourth Constitutional Convention of Ohio and served as chairman of the initiative and referendum committee which prepared the initiative and referendum amendments to the Ohio constitution. Mr. Crosser was a liberal spokesman for the principles of human betterment ever since.

On March 4, 1913, Robert Crosser commenced a long and brilliant Congressional career. Two years later he was instrumental in bringing about the passage of the Adamson Act, which limited the working hours of railroad employees to 8 hours a day on interstate carriers. This was the first of Robert Crosser's vigorous efforts to improve the plight of labor and in particular the railroad worker.

In Congress, he served as member of the Interstate Commerce Committee since the 69th Congress and as chairman of this great committee in the 81st and 82d Congress. He was affectionately referred to as the father of the railroad retirement law and as a firm believer in the human rights which stemmed from his devotion to Henry George and the doctrines of single tax.

In the 21st District of Ohio his great work in this Congress is household legend and will be long in the memories of our people. We regret the passing of this great and devoted public servant.

Mr. Speaker, I ask unanimous consent that all Members of the House may extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. RAYBURN. Mr. Speaker, in the passing of Robert Crosser, I have lost a longtime friend and the country has lost a great citizen and one who loved his country with a great passion. He was a very positive character and was a man of deep conviction.

His was a full and useful life. His family has my deepest sympathy. With them I shall miss him very much.

Mr. McGREGOR. Mr. Speaker, I have just learned of the death of a former colleague, Robert Crosser, of Cleveland, Ohio. Bob, as he was affectionately known to all of us, was a great American, a scholar, and a gentleman in every sense of the word. His actions in Congress and the many pieces of legislation that he sponsored in behalf of his fellow men, will long be remembered. Mr. Speaker, he had a great spirit. For many years he suffered, as we all know, from a physical handicap and he appeared on the floor of this great legislative body in a condition that would have caused many to give up and take to their beds, but Bob Crosser, with the determination of the great Scotchman that he was, carried on for the benefit of mankind.

Mrs. McGregor joins with me in extending to his family our sincere sympathy in this their hour of bereavement.

Mr. CLEVENGER. Mr. Speaker, I join my colleagues from Ohio in paying tribute to the memory of Robert Crosser.

It was my privilege to have known the late Congressman Bob Crosser for the past 20 years. He was conscientious, devoted to duty and, during his entire service in the House of Representatives, rendered outstanding service to his constituents, and his State and Nation.

Mr. HARRIS. Mr. Speaker, it is with deep regret that I learn of the passing this morning of the Honorable Robert Crosser, who served in this House for 38 years as a Representative from the 21st District of Ohio. Except for a 4-year period—1919 to 1922—Mr. Crosser served in the House continuously from 1913 until his retirement in 1954. He was chairman of the great Committee on Interstate and Foreign Commerce during the 81st and 82d Congresses.

Mr. Crosser had a remarkable career. Born in a Scotch coal-mining village, he came to America in 1881 at the age of seven with his immigrant parents. His father went to work as a miner at Salineville, Ohio, and young Bob learned the hard lessons of poverty. The family had little of the world's goods but were rich in character and had a deep respect for knowledge. Mr. Crosser worked his way through Kenyon College, Gambier, Ohio, and the Cincinnati Law School. He devoted his energies to public service at a very early age. In 1910 he ran for the State Legislature in Ohio and was elected. He was chosen as a delegate to the State convention which rewrote Ohio's constitution.

One of Mr. Crosser's greatest achievements in the early years was putting into the State constitution the "initiative" and "referendum" provisions which gave the people of Ohio the power to make their own laws whenever they saw fit and to reject bad laws passed by the State legislature. While in Congress, Mr. Crosser achieved the everlasting friendship of railroad labor by sponsoring the first successful Railroad Retirement Act and the Railroad Unemployment Insurance Act. He also was the author of amendments to the Railway Labor Act.

Many of the Members of the House will always remember Mr. Crosser as a great liberal fighting for the benefit of the workers in this country. He was a philosopher; a man of unimpeachable character; a man whom everyone admired and deeply respected.

I think it would be most appropriate to repeat one of Mr. Crosser's favorite poems which he read to the House on many occasions:

An old man, going a lone highway,
Came, at the evening, cold and gray,
To a chasm, vast and deep and wide,
Through which was flowing a sullen tide.
The old man crossed in the twilight dim;
The sullen stream had no fears for him;
But he turned, when safe on the other side,
And built a bridge to span the tide.
"Old man," said a fellow pilgrim near,
"You are wasting your strength with building here;
Your journey will end with the ending day;
You never again must pass this way;
You have crossed the chasm, deep and wide—
Why build you the bridge at eventide?"
The builder lifted his old gray head;
"Good friend, in the path I have come," he said,
"There followeth after me today
A youth, whose feet must pass this way.
This chasm, that has been naught to me,
To that fairhaired youth may a pitfall be.
He, too, must cross in the twilight dim;
Good friend, I am building the bridge for him."

Mr. Crosser was my personal friend and I was his admirer for many years. I am saddened by his passing.

I want to extend my deepest sympathy to the members of the Robert Crosser family in their hour of loss and grief.

Mr. MARTIN. Mr. Speaker, it is with keen regret I learned of the death of

Bob Crosser. For years he was an able and popular Member of Congress. He enjoyed the good will and high regard of all with whom he came in contact. His record was crowned with success as he battled for the enactment of humane legislation and legislation which would be of great value. As chairman of the great Committee on Interstate and Foreign Commerce, he had a difficult position and he filled it with general satisfaction.

It was my privilege to enjoy his close friendship and to his family goes my deepest sympathy in this hour of bereavement.

A great legislator and a great American has passed away.

Mr. BETTS. Mr. Speaker, I am indeed sorry to learn of the death of Mr. Crosser. He and I had a strong common interest in that we were for several years the only graduates of Kenyon College in Congress. We had many pleasant conversations about our alma mater and from them I learned to know him well and we became good friends. He had a warm friendly personality. He served his country long and faithfully and I am sorry to hear of his passing.

Mr. BROWN of Ohio. Mr. Speaker, it is with deep regret that I have learned of the passing of one of my very good friends and colleagues here in the House—the Honorable Robert Crosser—who had served his community, State, and Nation with great distinction and devotion of duty for so many years.

We knew him here as Bob Crosser. He was a member, as well as chairman, of the important House Committee on Interstate and Foreign Commerce, and I had the privilege of serving with him on that committee. No man was a harder worker or a more able legislator. He was personally responsible for preparing and guiding through Congress a great deal of legislation which has been of benefit to the railroad workers of the Nation, as well as participating in the general activities of that very important committee.

Mr. Crosser also served his State ably and well as a delegate to the Ohio State Convention which rewrote and modernized the Ohio constitution nearly a half-century ago.

Robert Crosser was a man of strong character and convictions; of unusual ability, and moral courage. Born in Scotland, he believed in the traditions and virtues of his homeland. Despite long and severe illness, which for many years confined him to a wheelchair, he truly and ably represented the people of his district and State in a way that was an inspiration to many of us who served with him.

Now that his long and useful life has come to a close, I join in expressing my sympathies to his family and in saying, "Well done, my good and faithful servant."

Mr. VORYS. Mr. Speaker, the passing of our old friend, Bob Crosser, brings back memories to us, especially in Ohio, of his long and historic public service. Others have dwelt on his long and distinguished service here in the House. Many may not know of his great activity in the constitutional convention in Ohio in 1912. As a young lawyer many years after that date, I had occasion to study the debates of that convention in connection with litigation involving our Ohio constitution. I found, on page after page, the wise words of Bob Crosser, as he helped to shape the fundamental framework for our State.

From his early days as an undergraduate at Kenyon College, down through the years, he was a great student, a fighter for the causes in which he believed. In his later years his life was a tragic struggle with increasing physical infirmities that limited his bodily activity, but not his mental keenness. His long life will live long in our memories. My sympathy goes out to his fine family.

Mr. BAUMHART. Mr. Speaker, I would like to join with my colleagues in expressing my deep regret upon the passing of our former colleague, Mr. Robert Crosser. It was my pleasure to serve in the 77th Congress with Mr. Crosser.

He was dedicated to the service of his constituents and to his country. It was a real pleasure to have known and worked with him for many years.

Mrs. BOLTON. The passing of "Bob" Crosser, so long the Representative here in the House of Ohio's 21st District, brings many warm memories to those of us who knew him down the years. A dour man in many ways, there was underneath a warm heart, a sweetness which he hid under what was often an irascible exterior. He represented those responsible for his long tenure of office faithfully and well.

No father was ever more tenderly cared for by his children. To them I would like to express my appreciation for all they did for him, who was my long time friend.

Perhaps his dependence upon them will give them a curiously poignant loneliness. Yet, I shall hope—and pray—that they will find joy and peace in the release granted their beloved—my friend, the Honorable Robert A. Crosser.

Mr. MINSHALL. Mr. Speaker, although it was not my privilege to serve in this House with Bob Crosser, I knew both him and his family well. His passing is a grievous loss, not only to his loved ones but to those of us who knew him in Cleveland. He served his Congressional district with distinction and his honor and integrity were beyond reproach. I should like to express my very deepest sympathy to his family.

Mr. FEIGHAN. Mr. Speaker, it was with profound sorrow that I learned this morning of the passing of our former colleague, Honorable Robert Crosser, who so ably represented Cleveland's 21st district for about 40 years.

Mr. Crosser was devoted to his duties and to the interests of his constituents. He worked assiduously for the welfare of the working men and women and was arduous in his efforts to improve their living standards. The physical handicap under which he labored the last several years never seemed to deter his unflagging determination to render the highest type of service to his constituency and to his country.

To his family I offer my sincere sympathy.

Mr. SPENCE. Mr. Speaker, I have heard with profound regret of the death of our distinguished former colleague, Robert Crosser. He was born in Scotland in 1874 and moved to Cleveland, Ohio, with his parents when he was 7 years old. He had been a teacher of law, a member of the Ohio State Constitutional Convention, and had attained distinction in his profession before he came to Congress in 1913. Robert Crosser had a long, distinguished, and useful career in the House of Representatives where he served 19 terms. He was chairman of the House Interstate and Foreign Commerce Committee for many years and was the author of much progressive and constructive legislation. Under his chairmanship his committee explored the pioneer field of railroad retirement and unemployment insurance. He was author of laws on these subjects together with the Railway Labor Act of 1934.

Bob Crosser served his people with fidelity and zeal. He had an infinite capacity for work and an intense interest in legislation beneficial to the plain people. He was a man of genial and friendly disposition as was evidenced by his many friends in the House. The confidence and respect his people had in him is expressed by the many approvals they gave to him in succeeding elections.

The country and his community has sustained a greal loss and he will be remembered with admiration and respect by all who knew him. After his long, patriotic, and devoted life, I know the great Judge of all will render His judgment, "Well done, thou good and faithful servant."

Mr. CHENOWETH. Mr. Speaker, I was greatly saddened when I learned of the passing of our former colleague, Robert Crosser. I wish to join in paying tribute to his memory.

I had the great pleasure and privilege of serving on the House Committee on Interstate and Foreign Commerce when Mr. Crosser was chairman. I soon learned to admire his sterling qualities and recognized him as an outstanding American. My service on this committee under the leadership of Bob Crosser was a most happy experience, and I shall always have pleasant memories of my association with Mr. Crosser.

He told me the story of his life and of the fight that he had to make in order to reach the pinnacle of success that he obtained. It is an inspiring and challenging story and made a deep impression upon me. He was a philosopher and a keen student of history.

I always enjoyed a visit with Mr. Crosser. He was always in good spirits, in spite of his physical ailments. I was proud to have him as a friend, and my life is richer for having known Robert Crosser.

I wish to extend my sincere sympathy to his daughter and son, and to the other members of the family.

Mr. McCORMACK. Mr. Speaker, it is with unfeigned sorrow that I have to announce to the House the death, on Monday last, at Suburban Hospital, Bethesda, of my dear and honored friend, Robert Crosser, late representative from Ohio. To you also, Mr.

Speaker, I know the news brings especial grief, as it must at the same time evoke many memories across the years, for you both became Members of this House on the same day, March 4, 1913, the day which saw the first inauguration of Woodrow Wilson as President of the United States. How far away and long ago that must seem to you.

Robert Crosser was born June 7, 1874, the son of a Scotch physician, Dr. James Crosser, of Holytown, Lanarkshire. We are told in a biographical sketch which appeared some years ago that the first book Robert ever owned was awarded him by the headmaster of the Glengowan School for learning to read well. The book was entitled "Being Afraid," a singularly inappropriate title, it would seem, for one who was never to be afraid of anything. In that same year, 1881, the family immigrated to America, settling first in Cleveland, Ohio, and later in the little town of Salineville, in Columbiana County of the same State. Here the boy grew to manhood.

As Dr. Crosser's income as a country physician was not large, Robert was obliged to fend largely for himself. His grit and ambition were early manifested. During summers he worked on farms or as a bricklayer's tender. He won a scholarship to Kenyon College from which he was graduated in 1897 with a fine record both as student and athlete.

So far back as his high-school years he set his heart upon becoming a lawyer. In the autumn following his graduation he entered Columbia University Law School, but for financial reasons was unable to complete the first year's attendance. He found temporary employment in Allegheny, Pa., and in the fall of 1898 entered the Cincinnati Law School where one of his professors was a future President and Chief Justice of the United States, William Howard Taft. After a 3-year course at the Cincinnati Law School he received his bachelor of laws degree and was admitted to the bar of the Ohio Supreme Court as attorney and counselor at law, solicitor in chancery, and proctor in admiralty. The Scotch lad was now ready to face the world, and as the first step of his career he began the practice of his profession in the office of Ford, Snyder, Henry & McGraw in Cleveland.

After 2½ years in the Cleveland firm, Crosser was appointed professor of the law of torts in Baldwin-Wallace University Law School. In 1907 he formed a partnership in Cleveland with Clyde M. White, which lasted until Crosser's first election to Congress.

Crosser had early manifested keen interest in politics. There appears to be some element in the soil and air of the Buckeye State that predisposes one to such a calling, as I am sure my distinguished colleagues from Ohio on both sides of the aisle will agree. So the presidential campaign year of 1908 found Crosser energetically stumping the State for the Democratic candidate, William Jennings Bryan and against Crosser's old professor, Taft. Two years later Crosser himself won his first public office by his election in November 1910, to the Ohio Legislature for the term 1911–12.

An indication of the rapidity of his rise in popular esteem, both in the practice of his profession and as legislator, was seen in his election to the Fourth Constitutional Convention of Ohio—a very great honor for so young a man who had been in the public eye for so brief a time. The judgment of Crosser's friends and constituents was immediately confirmed by his election by the convention as chairman of the initiative and referendum committee. It was this committee which reported those provisions of the present constitution of Ohio which are embodied in the initiative and referendum amendments. The chairman himself contributed a scholarly discussion of the committee's work to the Annals of the American Academy of Social and Political Science for September 1912.

With his interest in public affairs and the prestige he had acquired as a member of the constitutional convention, it was inevitable that Crosser should be a contender for a seat in the National Legislature, and in the elections of November 1912, which witnessed the overturn of the Republican administration, Crosser was elected as Democratic Representative at Large from Ohio to the 63d Congress.

I sought a seat in Congress—

He remarked at this time—

because I believe the best place for a man who has a philosophy of things is in the law-making body where he may speak openly, and freely advocate principles believed by him to be right.

Two years later Crosser was reelected, this time as Representative of the 21st Ohio District, covering several wards of the city of Cleveland. He quickly made himself felt in this House. During his first term he had attracted considerable attention by sponsoring a resolution to instruct the House Commerce Committee to report on a bill for Government ownership of the railroads which, he declared, had been "operated in a manner prejudicial to the country." Two years later, in 1916, Crosser was instrumental in bringing about passage of the Adamson Act limiting working hours of railroad employees to 8 hours a day; concomitantly, he advocated municipal ownership of public utilities. All this, at the time, was considered by many to be very drastic indeed, but Crosser never hesitated to sponsor radical measures when he thought radical measures were called for, and looking back we can see that in many respects he was ahead of his time. For instance, in his capacity as a member of the first Flood Control Committee, Crosser was "one of the first advocates of reforestation and system of tributary dams and reservoirs to control floods."

With the advent of the First World War Crosser's strongly marked traits, arising from deeply cherished convictions, came dramatically to the fore. Those of us, Mr. Speaker, who are old enough to hark back to that far-off period, can remember the irresistible wave of warlike enthusiasm, bordering at times on hysteria in certain quarters, which swept the country and did not leave this body unaffected. It has been true of every war: it has always been so, and it always will be so. Representative Crosser, along with his Ohio colleague, Representative William Gordon, could not accept the principle of conscription. To him, it was deeply repugnant: it attacked the sacred dignity of the individual—and if ever there was one who might truly be described as a symbol of rugged individualism that man was Robert Crosser, of Ohio. His conviction in this matter, it may be added, was shared by the then Speaker, Champ Clark. Crosser was 1 of 24 Congressmen who had the temerity to vote against the President's conscription bill; more, he offered to Mr. Wilson's espionage bill an amendment "for the behoof and protection of philosophical anarchists," conscientious objectors; and, finally, for the purpose of financing the war, he proposed a national single tax. His course at the time was terribly unpopular, but, while men might deplore his judgment, they were compelled to admire his courage. It is never easy, at any time, to make a Scotchman's blood quail—and Crosser was born in Lanarkshire. The inevitable happened: Crosser lost the support of the Cleveland Democratic organization and was defeated for renomination in the summer primaries of 1918 by the organization candidate. Two years later, in 1920, he ran again and was defeated by a single vote. This, considering the unpopularity of his war views, was really a great tribute: it demonstrated impressively that he still held the respect of his old constituents. Say what one will, men do respect courage.

This was presently confirmed by Crosser's reelection to the 58th Congress, and on March 4, 1923, he resumed his old place in the House. It is not the time or the place, Mr. Speaker, to review the brilliant and fruitful legislative career which followed Mr. Crosser's return to the House. In the 32 years which ensued until his retirement in 1955, Mr. Crosser achieved a record which, for constructiveness and fidelity to duty, was second to none in this Chamber. I could not hope, in a brief summary, to do it justice.

Always interested in the problems of tranportation, Mr. Crosser had the hearty support of the great railroad brotherhoods. He introduced, as early as February 1932, a bill to encourage operation of American passenger airship lines between the United States, Europe, and the Orient by amending the Merchant Marine Act to enable the Postmaster General to make mail contracts with airlines similar to those of ocean liners. Six years later, the Air Line Pilots Association, an affiliate of the AFL, conferred upon Crosser honorary membership carrying the title "Chief Pilot—International" in recognition of meritorious and unselfish service repeatedly rendered to the airline pilots when their horizons were beclouded with trouble and uncertainty.

With the return of the Democratic Party to control of Congress in March 1933, Crosser was named to the new Democratic Steering Committee in the House; he became its first chairman and was again to serve in that capacity in

the 78th Congress—1943–44. As a member of the House Committee on Interstate and Foreign Commerce, Crosser was instrumental in the passage, in 1934, of amendments to the Railroad Labor Act which, in the words of D. B. Robertson, president of the Brotherhood of Firemen and Enginemen, established the right of railroad workers to organize and bargain collectively.

Mr. Crosser's 25th anniversary was fittingly celebrated at a testimonial dinner in Cleveland upon which happy occasion the guest of honor and his fellow guests were fortunate enough to have you, Mr. Speaker, as the principal speaker. An editorial at this time, which appeared in the Cleveland Plain Dealer, hailed Mr. Crosser "an uncommon Congressman" who "with Caledonian tenacity sticks to his convictions, whether or not they are popular at the moment."

Illness forced him into a wheelchair in 1937, but he continued steadfastly to discharge his duties as a Member, and later chairman, of the Interstate and Foreign Commerce Committee. At last, as the end of his service in the 84th Congress approached, he felt it necessary to bow to the creeping infirmities against which he had battled so long and so bravely. In 1945 he had lost his wife, to whom he had been married for nearly 40 years. Two children and five grandchildren survive him. To them, I know the House extends its deep sympathy.

At the time of Mr. Crosser's retirement, Mr. Speaker, to pronounce his eulogy, you fittingly observed of Mr. Crosser that "he has performed a great service not only to the people of Ohio but to the country."

Let those words stand as his accolade as we bid our departed friend an affectionate farewell.

Mr. CELLER. Mr. Speaker, to have learned of the passing of one of our beloved former colleagues, Robert Crosser, is to learn again how life both enriches and deprives. These many years I have known Robert Crosser, and many the hour he spent with me in my office granting me the benefit of his wisdom, of his sentient observations, his grasp of essentials. I feel myself one of the beneficiaries of his wisdom, and I feel most keenly the deprivation of this friendship which I valued. He left his legacy of wisdom for all of us to share.

His passing moves me to pause and take note that it is a portion of the lot of those of us serving in the Congress to make many friends here and then suffer their loss. This is true, in a measure, of all people, but because we work in closer relationship with other Members of the Congress each departure carries with it a poignancy of personal loss.

His was an indomitable spirit, and for that, as well as for his sensitivity, his courage and his learning, we honor him. Along with his many, many friends I offer my sympathy to his beloved family.

Mr. ROONEY. Mr. Speaker, I was deeply saddened this morning to learn of the passing of our former colleague and my good friend, the Honorable Robert Crosser, of Ohio.

Bob Crosser became a Member of this House on March 4, 1913, and served for 38 years as a Representative from the city of Cleveland, Ohio. Except for a short interval he served continuously until the time of his retirement in 1954. His was a long and distinguished career. He served as a member of the Interstate and Commerce Committee since the 69th Congress and as chairman of this great committee in the 81st and 82d Congresses. He was well known for his leadership in the enactment of the Railroad Retirement Act, the Railroad Unemployment Insurance Act, and many improvements in them from time to time. He was affectionally known as "Bob" to the rail workers and millions of other workingmen and women in this country for whom he fought through his long and brilliant career.

It was my privilege to have known Bob Crosser since I first came to Congress in June 1944, and I always found him to be a kind and conscientious legislator whose chief interest was the welfare of the people of his district, his State and his adopted Nation.

His achievements are legend and all the more noteworthy when we remember the fact that for many years he suffered from a physical ailment that would have caused many another person to abandon or curtail their activities. However, his spirit and determination never diminished in his fight to carry on for his fellow man.

I have lost a good friend. I join my colleagues in extending deepest sympathy to the members of his family in their bereavement.

Mr. McCULLOCH. Mr. Speaker, I have just learned, with deep regret, of the death of my late, great friend, Robert Crosser, longtime Member of the United States House of Representatives.

Bob Crosser devoted most of his adult life to a public service, which was long and fruitful.

In addition to his long and effective service in the House of Representatives, he served with honor and distinction as a member of the Ohio Constitutional Convention which, in large part, rewrote and gave the State of Ohio a modern and model constitution.

He was a fighter for freedom with a Scotsman's courage, which never wavered. We, his friends, will miss him more than we now know.

DEPARTMENT OF COMMERCE AND RELATED AGENCIES APPROPRIATION BILL, 1958

Mr. PRESTON. Mr. Speaker, I call up the conference report on the bill (H. R. 6700) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 495)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6700) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 9, 15, 16, 17, 21, 23, 25, 30 and 31.

That the House recede from its disagreement to the amendments of the Senate numbered 6, 8, 12, 24, 27, 28 and 29, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the number proposed by said amendment insert "44"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$675,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$181,747,800"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$124,603,525"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$218,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert $2,353,250"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$9,428,250"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$37,880,100"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$5,489,400"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 11, 13, 14, and 18.

PRINCE H. PRESTON,
ALBERT THOMAS,
JOHN J. ROONEY,
SIDNEY R. YATES,
JOHN F. SHELLEY,
DANIEL J. FLOOD,
CLARENCE CANNON,
CLIFF CLEVENGER,
FRANK T. BOW,
WALT HORAN,
MELVIN R. LAIRD,
JOHN TABER,
Managers on the Part of the House.

SPESSARD L. HOLLAND,
ALLEN J. ELLENDER,
WARREN G. MAGNUSON,
JOHN STENNIS,
LYNDON B. JOHNSON,
JOHN PASTORE,
CARL HAYDEN,
MARGARET CHASE SMITH,
STYLES BRIDGES,
WILLIAM F. KNOWLAND,
EDWARD J. THYE,
CHARLES POTTER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6700) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—DEPARTMENT OF COMMERCE

Civil Aeronautics Administration

Amendment No. 1: Authorizes the replacement of 44 passenger motor vehicles instead of 40 as proposed by the House and 49 as proposed by the Senate.

Amendment No. 2: Provides $675,000 for hire of aircraft instead of $600,000 as proposed by the House and $750,000 as proposed by the Senate.

Amendment No. 3: Authorizes operation and maintenance of 92 aircraft as proposed by the House instead of 100 as proposed by the Senate.

Amendment No. 4: Appropriates $181,747,800 for "Operation and regulation" instead of $177,747,800 as proposed by the House and $190,201,000 as proposed by the Senate.

Amendment No. 5: Appropriates $124,603,525 for "Establishment of air-navigation facilities" instead of $116,561,860 as proposed by the House and $132,645,190 as proposed by the Senate.

Amendment No. 6: Appropriates $25,000,000 for "Grants-in-aid for airports" as proposed by the Senate instead of $30,000,000 as proposed by the House.

Amendment No. 7: Authorizes $218,000 for administrative expenses, air navigation development instead of $192,000 as proposed by the House and $255,000 as proposed by the Senate.

Business and Defense Services Administration

Amendment No. 8: Appropriates $5,682,000 as proposed by the Senate instead of $3,515,000 as proposed by the House.

Office of Area Development

Amendment No. 9: Appropriates $395,000 as proposed by the House instead of $200,000 as proposed by the Senate.

Bureau of Foreign Commerce

Amendment No. 10: Appropriates $2,353,250 instead of $2,261,500 as proposed by the House and $2,445,000 as proposed by the Senate.

Maritime activities

Amendment No. 11: Reported in disagreement.

Amendment No. 12: Appropriates $85,000,000 for operating differential subsidies as proposed by the Senate instead of $100,000,000 as proposed by the House. In view of the language agreed to which transfers $65,000,000 from the inactive account "War Shipping Administration Liquidation, Treasury Department" the amount available for expenditure in fiscal year 1958 under this action will be $100,000,000, the same amount as would have been expended under the House bill.

Amendments Nos. 13 and 14: Reported in disagreement.

Bureau of Public Roads

Amendments Nos. 15 and 16: Appropriate $25,000,000 for "Forest highways" as proposed by the House instead of $23,000,000 as proposed by the Senate.

Amendment No. 17: Eliminates language proposed by the Senate relating to a limitation on employment of consultants.

Amendment No. 18: Reported in disagreement.

National Bureau of Standards

Amendment No. 19: Appropriates $9,428,250 instead of $8,908,500 as proposed by the House and $9,948,000 as proposed by the Senate.

Weather Bureau

Amendment No. 20: Appropriates $37,880,100 instead of $37,480,100 as proposed by the House and $38,252,200 as proposed by the Senate. The additional $400,000 agreed to in conference is to be used for the rental of a high-speed electronic computer for meteorological research.

General provisions

Amendment No. 21: Eliminates language proposed by the Senate to authorize additional supergrade positions.

TITLE II—THE PANAMA CANAL

Amendment No. 22: Appropriates $15,765,600 for operating expenses of the Canal Zone Government as proposed by the Senate instead of $15,648,600 as proposed by the House.

Amendment No. 23: Appropriates $1,000,000 for capital outlay, Canal Zone Government, as proposed by the House instead of $1,025,000 as proposed by the Senate.

Amendment No. 24: Authorizes maximum of $100 per diem for consultants as proposed by the Senate.

TITLE III—INDEPENDENT AGENCIES

Amendment No. 25: Strikes out language proposed by the Senate to appropriate $250,000 for the Advisory Committee on Weather Control.

Civil Aeronautics Board

Amendment No. 26: Appropriates $5,489,400 for salaries and expenses instead of $5,255,400 as proposed by the House and $5,725,000 as proposed by the Senate.

Amendment No. 27: Appropriates $37,228,000 for payments to air carriers as proposed by the Senate instead of $38,754,000 as proposed by the House.

Tariff Commission

Amendment No. 28: Appropriates $1,700,000 as proposed by the Senate instead of $1,640,000 as proposed by the House.

Amendment No. 29: Corrects printing error.

TITLE IV—GENERAL PROVISIONS

Amendments Nos. 30 and 31: Restore language as proposed by the House restricting the employment of management experts and consultants.

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JOHN TABER,
Managers on the Part of the House.

Mr. PRESTON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 11: Page 8, line 14, insert the following: "*Provided*, That transfers may be made to the appropriation for the current fiscal year for 'Salaries and expenses' for administrative and warehouse expenses (not to exceed $1,700,000) and for reserve fleet expense (not to exceed $500,000), and any such transfers shall be without regard to the limitations under that appropriation on the amounts available for such expenses."

Mr. PRESTON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 13: Page 9, line 1, insert the following: "and in addition, $65,000,000 to be derived by transfer from the appropriation 'War Shipping Administration Liquidation, Treasury Department'."

Mr. PRESTON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 14: Page 12, line 4, insert the following: "*Provided*, That the unexpended balance of such appropriation to the Secretary of the Treasury less the amount of $10,000,000 continued available and less the amount of $65,000,000 transferred to the appropriation 'Operating differential subsidies,' by this act, is hereby rescinded, the amount of such unexpended balance to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this act."

Mr. PRESTON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 18: Page 19, line 2, strike out "$50" and insert "$100."

Mr. PRESTON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. PRESTON moves that the House recede from its disagreement to the amendment of the Senate No. 18, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment insert the following: "$100 per diem: *Provided*, That not to exceed $10,000 may be expended for services of individuals employed at rates in excess of $50."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

Mr. PRESTON. Mr. Speaker, I ask unanimous consent that all Members be permitted to extend their remarks just before the passage of the conference report on the Department of Commerce and related agencies appropriation bill, 1958.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

NECESSITY FOR FLOOD CONTROL

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, the special subcommittee on flood control of the House Committee on Public Works which inspected flood damage in the Southwest returns to Washington late Saturday night after a tour which took us over 1,500,000 acres of flood land in Texas, Arkansas, Oklahoma, and southern Kansas. Preliminary damage estimates by the Army engineers placed the damage total in Texas and Oklahoma alone at well over $100 million. I have little doubt that it will exceed $150 million in these two States when the final tabulations are made. While existing flood control projects prevented approximately $118 million in damages, presently authorized projects which have not yet been built would have prevented at least $50 million more in damage which occurred in those two States. Some way must be found to expedite these projects and eliminate the present time lag in their construction.

I think some way also must be found, Mr. Speaker, to expedite our flood disaster measures in this area and to present a program to meet the distress—the tragic distress of our farm people—on the basis of more generous proportions than presently planned, if we are to prevent financial ruin to literally thousands of farmers in the flood area.

In this connection, I understand the President's disaster funds are now practically exhausted and recommendations have been sent to this House for additional disaster relief funds by the Executive.

I earnestly hope that the House will soon have the opportunity to provide these additional and urgently needed funds.

HON. BROOKS HAYS

Mr. DAVIS of Tennessee. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. DAVIS of Tennessee. Mr. Speaker, all of us are made happy when any of our colleagues receive outstanding recognition, appreciation, and honor. On occasions it has been our good fortune to recognize our majority leader and other Members of his religious faith for outstanding contributions to the church.

Today we add to that list of our warm friends the name of BROOKS HAYS. Last week he was elected president of the Southern Baptist Convention at its meeting in Chicago. This is one of the largest Protestant denominations in our land. It includes more than 8½ million church believers in its membership. Rarely has this body elected a layman as its chief officer.

All of us recognize that BROOKS HAYS does his very best to lead a sincere, quiet, and humble religious life. That is a real test imposed upon one with whom others associate daily.

That he may have the strength and the grace to fulfill this high office with continued credit to this body of good men, and that his influence for good may be ever far-reaching, is our genuine prayer.

IMPORTATION OF WOOLEN TEXTILES

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I express great appreciation to the Speaker because he is recessing the House in order that the Republicans may see the President.

Mr. Speaker, this morning I appeared at a hearing conducted by the Office of Defense Mobilization on the effect of the importation of woolen textiles upon the American woolen industry and the threat to our national security.

I pointed out the amount of woolen goods that is used in our national defense. I pointed out the fact that 146 woolen industries have been liquidated within the last 8 or 9 years. You can picture the loss of wages to the workers, the loss to the shops, and the great hardship that would ensue. I pointed out that our economy cannot survive if we keep on liquidating our industries. I believe that this Board will grant some relief. We should certainly scrap our trade agreements if they are going to ruin our great woolen industry. My complete statement will appear in the CONGRESSIONAL RECORD today.

TELEVISION AND RADIO PROGRAM POLICIES

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON. Mr. Speaker, I am very much interested in what is going on over the air waves. The headlines of this morning's papers tell of Khrushchev's broadcasting over our air waves.

I am just wondering how many of our men are going to be permitted to broadcast over the Russian air waves.

I think it would be interesting to know the purpose of the broadcast.

Mr. WALTER. Mr. Speaker, will the gentlewoman yield?

Mrs. BOLTON. I shall be happy to yield.

Mr. WALTER. Does the gentlewoman know whether or not provision has been made by the broadcasting companies that broadcast this poorly disguised attempt to fool the American people to give somebody the opportunity for rebuttal?

Mrs. BOLTON. That is a most interesting question, I may say to my colleague from Pennsylvania. I do not know the answer but would be happy to have it explained.

BRITAIN'S TRADE POLICY WITH CHINA AND RUSSIA

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, I call attention to the fact, as most Members of the House know, that the British Government has now seen fit to tear down practically all the barriers that have been in effect against the shipment of strategic materials to Red China.

This should come as no particular surprise, for it was announced not long ago a combine of British businessmen would move into Russia and build in that Communist country the largest tire and rubber-products plant outside of the United States.

Mr. Speaker, I wonder if this administration will continue to ignore the Battle Act; will continue to say that it is in the enlightened self-interest of this country to continue to subsidize the British, while they come to the aid of Red China and Red Russia with the strategic materials necessary to wage war?

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce

may have permission to sit during the sessions of the House this week.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar Day. The Clerk will call the first bill on the Consent Calendar.

SETTLEMENT FOR CERTAIN INEQUITABLE LOSSES SUSTAINED BY OFFICERS OF THE COMMISSIONED SERVICES UNDER EMERGENCY ECONOMY LEGISLATION

The Clerk called the bill (H. R. 293) to authorize settlement for certain inequitable losses in pay sustained by officers of the commissioned services under the emergency economy legislation, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, I would like to ask the chairman of the Committee on the Judiciary whether or not he has been successful in getting a rule for this proposed legislation?

Mr. CELLER. No; I may say to the gentleman, but it is proposed to ask to suspend the rules and pass the bill.

Mr. FORD. Under those circumstances, the gentleman would have no objection to the bill being stricken from the calendar?

Mr. CELLER. I cannot say I would have no objection. I hope it will be passed on the Consent Calendar. If the gentleman objects, and it is a proper objection, I will have to have recourse to suspension of the rules.

Mr. FORD. I may say to the chairman of the Committee on the Judiciary that several weeks ago I did object, but I would prefer to have it stricken from the calendar. At the gentleman's request I will not seek to have it stricken at this time but under the circumstances when the next Consent Calendar is called we will ask to have it stricken. It does not qualify under the Consent Calendar rule, as the gentleman knows.

Mr. CELLER. I understand that.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

LIMITING PAYMENTS TO CERTAIN BENEFICIARIES OF CERTAIN VETERANS

The Clerk called the bill (H. R. 72) to amend section 21 of the World War Veterans' Act, 1924, to provide for the disposition of certain benefits which are unpaid at the death of the intended beneficiary.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice. A rule has been granted. There are very dangerous provisions in the bill.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

THE KLAMATH TRIBE OF INDIANS

The Clerk called the bill (S. 469) to authorize the United States to defray the cost of assisting the Klamath Tribe of Indians to prepare for termination of Federal supervision, to defer sales of tribal property, and for other purposes.

Mr. CUNNINGHAM of Iowa. Mr. Speaker, a rule has been granted on this bill, therefore I ask unanimous consent that it be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

THE BOY SCOUTS OF AMERICA

The Clerk called the bill (H. R. 6881) to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Boy Scouts of America for use at the Gold Rush '57 Jamboree of the Boy Scouts of America, and for other purposes.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

EXCHANGE OF LAND BETWEEN THE UNITED STATES AND THE STATE OF CALIFORNIA

The Clerk called the bill (H. R. 787) to authorize the exchange of certain lands between the United States of America and the State of California.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army is authorized to convey to the State of California all of the right, title, and interest of the United States of America in and to that certain real property located in the county of Alameda, State of California, as more particularly described in section 2 of this act, and in consideration for said conveyance, to accept on behalf of the United States of America all of the right, title, and interest of the State of California in and to that certain real property described in section 3 of this act. Said conveyances shall be made by, and accepted on behalf of, the United States of America subject to (1) all reservations, rights, and easements hereinbelow set forth, and (2) to such other and further terms and conditions as may be expressly agreed upon by the parties thereto.

SEC. 2. The property to be conveyed by the United States of America to the State of California is all of that property situated in the city of Alameda, county of Alameda, State of California, described as follows:

Portions of tracts 35, 36, and 39 as said tracts are shown on the map of Alameda marshlands filed July 30, 1900, in book 25 of maps, at pages 74 to 78, inclusive, in the office of the county recorder of Alameda County, said portions being described as follows:

Parcel A: Commencing at the southeasterly corner of that certain parcel of land designated as tract 25A described in deed dated August 27, 1948, and recorded September 2, 1948, in book 5597, page 433, official records of Alameda County; thence along the southerly line of said parcel north 87 degrees 12 minutes 43 seconds west (recorded bearing, north 88 degrees 20 minutes west), 482.41 feet; thence leaving said southerly line along a curve to the right from a tangent which bears north 14 degrees 28 minutes 13 seconds west, with a radius of 1,434 feet, through an angle of 7 degrees 07 minutes 56 seconds, an arc distance of 178.51 feet to a point of compound curvature; thence along a tangent curve to the right with a radius of 1,222 feet, through an angle of 31 degrees 53 minutes 47 seconds, an arc distance of 680.28 feet to a point of compound curvature; thence along a tangent curve to the right with a radius of 60 feet, through an angle of 63 degrees 17 minutes 05 seconds, an arc distance of 66.27 feet to a point on a curve concentric with and distant 50 feet westerly, measured radially from the "N" line of the department of public works' survey for the Webster Street tube in Alameda County, road IV-Ala-226-Ala-Oak; thence along said concentric curve to the right from a tangent that bears north 23 degrees 00 minutes 12.2 seconds east, with a radius of 30,047.89 feet, through an angle of 0 degrees 56 minutes 00 seconds, an arc distance of 489.47 feet to the northerly boundary line of that certain 1,480-acre parcel of land designated as parcel 3, tract 15, in the deed from Central Pacific Railway Company, a corporation, and Southern Pacific Company, a corporation, to United States of America, dated July 24, 1945, and recorded August 9, 1945, in book 4757, page 138, official records of Alameda County; thence from a tangent that bears south 77 degrees 17 minutes 52 seconds east, on said northerly boundary line along a compound curve, to the right having the following radii, central angles and arc distances:

Radii	Recorded radii	Central angles			Arc distance	Recorded distance
Feet	Feet	°	′	″	Feet	Feet
719.29	719.343	1	10	59	14.65	----------
576.10	576.140	3	00	00	30.17	30.17
480.65	480.683	3	36	00	30.20	----------
412.48	412.51	19	58	10	143.76	----------

to the westerly line of Webster Street; thence along the last said westerly line the following courses: South 0 degrees 18 minutes 46 seconds west (recorded bearing south 0 degrees 50 minutes east) 628.05 feet; along a tangent curve to right with a radius of 26.32 feet (recorded radius, 26.32 feet), through an angle of 43 degrees 15 minutes 00 seconds, an arc distance of 19.87 feet to a point of reverse curve; along a tangent curve to left with a radius of 40.0 feet, through an angle of 33 degrees 25 minutes 00 seconds, an arc distance of 23.33 feet; south 10 degrees 08 minutes 46 seconds west (recorded bearing, south 9 degrees 00 minutes 00 seconds west) 60.98 feet; along a tangent curve to left with a radius of 79.99 feet (recorded radius, 80 feet) through an angle of 9 degrees 50 minutes 00 seconds, an arc distance of 13.73 feet; south 0 degrees 18 minutes 46 seconds west (recorded bearing, south 0 degrees 50 minutes east) 65.50 feet; along a tangent curve to the left with a radius of 126.84 feet (recorded radius, 126.85 feet), through an angle of 20 degrees 46 minutes 12 seconds (recorded central angle, 20 degrees 46 minutes 40 seconds), an arc distance of 45.98 feet (recorded arc distance, 46.0

feet) to a point of reverse curve; along a tangent curve to the right with a radius of 126.84 feet (recorded radius, 126.85 feet), through an angle of 20 degrees 46 minutes 12 seconds (recorded central angle, 20 degrees 46 minutes 40 seconds) an arc distance of 45.98 feet (recorded arc distance, 46.0 feet) south 0 degrees 18 minutes 46 seconds west (recorded bearing, south 00 degrees 50 minutes east) 285.43 feet, and south 6 degrees 52 minutes 06 seconds west, 72.30 feet (recorded bearing and distance, south 7 degrees 08 minutes 11 seconds west 72.55 feet) to the point of commencement.

Containing 13.131 acres, more or less; subject, however, to an easement 20 feet in width to be reserved by the United States for railroad purposes across the northerly portion of said parcel.

Parcel B: Commencing at the northeasterly corner of that certain parcel of land designated as parcel 2, tract 1, described in deed to the United States of America dated December 4, 1944, recorded December 18, 1944, in book 4663, page 35, official records of Alameda County; thence along the northerly line of said parcel north 88 degrees 00 minutes 44 seconds west (recorded bearing, north 89 degrees 09 minutes 30 seconds west) 142.93 feet to a curve concentric with and distant westerly 50 feet, measured radially, from the "N" line of the department of public works' survey for the Webster Street tube, in Alameda County, road IV–Ala–226–Oak; thence along said concentric curve to the left from a tangent that bears south 24 degrees 11 minutes 16.5 seconds west, with a radius of 30,047.89 feet, through an angle of 0 degrees 12 minutes 27 seconds, an arc distance of 108.82 feet to the southerly line of that certain 0.523 of an acre parcel of land designated as parcel 2, tract 14, in that certain deed to United States of America, recorded August 9, 1945, in book 4757, page 138, official records of Alameda County; thence along said southerly line on a compound curve to the right from a tangent that bears south 76 degrees 57 minutes 08 seconds east, having the following radii, central angles, and arc distances:

Radii	Recorded radii	Central angles			Arc distance	Recorded distance
Feet	Feet	°	′	″	Feet	Feet
741.79	741.843	0	50	15	10.84	
598.60	598.64	3	00	00	31.34	31.35
503.15	503.183	3	36	00	31.61	31.62
434.98	435.01	17	30	49	132.96	

to the westerly line of Webster Street; thence along last said line north 00 degrees 18 minutes 46 seconds east 180.06 feet to the point of commencement.

Containing 0.516 of an acre, more or less; subject, however, to an easement 60 feet in width to be retained by the United States for street and roadway purposes across the northerly portion of said parcel.

SEC. 3. The land to be conveyed to the United States of America by the State of California is all of that real property situated in the city of Alameda, county of Alameda, State of California, described as follows:

Parcel 1: A portion of tract 39, according to the map entitled, "Map of Alameda Marsh Land, as partitioned among the owners thereof in the suit numbered 8923 and entitled, 'Pacific Improvement Company, plaintiff, against James A. Waymire, et al., defendants,' Superior Court of Alameda County, State of California," filed July 30, 1900, in the office of the recorder of Alameda County and of record in map book 25, pages 74, 76, and 78, said portion being described as follows:

Commencing at the northwesterly corner of certain parcel of land described in the deed to the United States of America, dated July 6, 1944, recorded July 21, 1944, in book 4499, page 401 of official records of Alameda County; thence along the westerly line and its southerly prolongation south 2 degrees 47 minutes 17 seconds west (recorded bearing, south 1 degree 40 minutes west) 1,505.42 feet to the northern boundary line of that certain 76.15 acre parcel of land described in declaration of taking, case numbered 30735, recorded December 21, 1951, in book 6618, page 339 of official records of Alameda County; thence along said northern boundary line north 87 degrees 12 minutes 43 seconds west (recorded bearing, north 88 degrees 20 minutes west) 537 feet to a line parallel with the said westerly line; thence along said parallel line north 2 degrees 47 minutes 17 seconds east, 1,497.80 feet to the southern boundary line of that certain parcel of land described in deed from Oakland Water Front Company to Central Pacific Railway Company, dated March 7, 1904, and recorded March 9, 1904, in book 952, page 293 of official records of Alameda County; thence along last said boundary line south 88 degrees 01 minute 30 seconds east (recorded bearing, south 89 degrees 16 minutes east) 537.05 feet to the point of commencement.

Excepting therefrom that certain 0.3004± of an acre parcel of land described in the deed to the United States of America recorded September 2, 1948, in book 5597, page 433 of official records of Alameda County.

Containing 18.193 acres, more or less.

The bearings and distances used in the above-described parcel are on the California coordinate system, zone 3.

Parcel 2: A portion of tracts 39 and 40, as shown on the map filed in book 25 of maps, at pages 74 to 78, inclusive, in the office of the Recorder of said Alameda County, and entitled "Map of Alameda Marsh Land," more particularly described as follows:

Beginning at the northwest corner of that certain 18.193-acre parcel of land, deeded to the State of California by the regents of the University of California, by deed, recorded February 14, 1955, in book 7567, page 119, official records of Alameda County, said corner being on the southerly line of the parcel of land described in that certain indenture dated March 7, 1904, between the Oakland Water Front Company and the Central Pacific Railway Company, recorded March 9, 1904, in book 952 of deeds, page 293, records of Alameda County; thence north 89 degrees 16 minutes west along last said line, a distance of 694.19 feet to the most easterly corner of that certain parcel of land deeded to the Central Pacific Railway Company by the regents of the University of California by deed dated June 28, 1946, and recorded September 21, 1946, in book 4980, page 383, official records of Alameda County; thence westerly along the southerly line of last said parcel of land the following courses and distances: From a tangent which is the last described course on a curve to the left, having a radius of 1,130.43 feet, through a central angle of 4 degrees 42 minutes an arc distance of 92.73 feet (chord bears south 88 degrees 23 minutes west 92.70 feet) to a point; thence tangent to curve at last said point, south 86 degrees 02 minutes west a distance of 74.85 feet to a point; thence from a tangent which is the last described course, on a curve to the right, having a radius of 1,161.59 feet, through a central angle of 2 degrees 19 minutes an arc distance of 46.97 feet (chord bears south 87 degrees 11 minutes 30 seconds west 46.96 feet) to a point; thence tangent to curve at last-mentioned point, south 88 degrees 21 minutes west a distance of 183.18 feet to a point; thence from a tangent which is the last described course, on a curve to the left, having a radius of 557.56 feet, through a central angle of 15 degrees 51 minutes, an arc distance of 154.24 feet (chord bears south 80 degrees 25 minutes 30 seconds west 153.75 feet) to the most westerly corner of last said parcel of land; thence southwesterly leaving last said southerly line, and along the southerly line of said railway company's land from a tangent that bears south 72 degrees 30 minutes west, on a curve to the left, having a radius of 955.37 feet, through a central angle of 1 degree 14 minutes 55 seconds an arc distance of 20.82 feet (chord bears south 71 degrees 52 minutes 32½ seconds west 20.82 feet) to the most northerly corner of that certain parcel of land, deeded to the United Engineering Company, Limited, by the regents of the University of California, by deed dated May 8, 1944, and recorded June 27, 1944, in book 4558, page 285, official records of Alameda County; thence south 1 degree 39 minutes east along the easterly line of last said parcel, a distance of 28.0 feet; thence north 75 degrees 51 minutes east a distance of 80.37 feet to a point; thence north 89 degrees 05 minutes 09 seconds east a distance of 1,183.53 feet to the westerly line of said 18.193-acre parcel of land, deeded to the State of California; thence north 1 degree 32 minutes 47 seconds east along last said line a distance of 28.0 feet to the point of beginning.

Containing 1.103 acres, more or less.

The bearings and distances used in the above described parcel are on the California coordinate system, zone 3.

Parcel 3: A piece or parcel of land, situate, lying, and being in the city of Alameda, county of Alameda, State of California, and being a portion of tracts 39 and 40 as shown on the map filed in book 25 of maps, at pages 74 to 78, inclusive, in the office of the recorder of said Alameda County, and entitled "Map of Alameda Marsh Land," more particularly described as follows:

Beginning at the northwest corner of that certain 18.193-acre parcel of land, deeded to the State of California by the regents of the University of California by deed, recorded February 14, 1955, in book 7567, page 119, official records of Alameda County, said corner being on the southerly line of the parcel of land described in that certain indenture, dated March 7, 1904, between the Oakland Water Front Co. and the Central Pacific Railway Co., recorded March 9, 1904, in book 952 of deeds, page 293, records of Alameda County; thence north 89 degrees 16 minutes west along last said line and along the northerly line of property now or formerly owned by the regents of the University of California, a distance of 694.19 feet to the most easterly corner of that certain parcel of land described in deed to the Central Pacific Railway Co. from the regents of the University of California, dated June 28, 1946, and recorded September 21, 1946, in book 4980, page 383, official records of Alameda County; thence westerly along the southerly line of last said parcel of land, the following courses and distances: From a tangent which is the last described course on a curve to the left, having a radius of 1130.43 feet, through a central angle of 4 degrees 42 minutes an arc distance of 92.73 feet, (chord bears south 88 degrees 23 minutes west 92.70 feet) to a point; thence tangent to curve at last said point, south 86 degrees 02 minutes west, a distance of 74.85 feet to a point; thence from a tangent which is the last described course, on a curve to the right, having a radius of 1161.59 feet, through a central angle of 2 degrees 19 minutes an arc distance of 46.97 feet (chord bears south 87 degrees 11 minutes 30 seconds west 46.96 feet) to a point; thence leaving the southerly line of last said parcel of land, north 1 degree 51 minutes 40 seconds west a distance of 10.00 feet to a point; thence north 86 degrees 02 minutes east, a distance of 238.51 feet to a point; thence easterly from a tangent which is the last described course on a curve to the right, having a radius of 1136.01 feet, through a central angle of 3 degrees 03 minutes 09 seconds an arc distance of 60.52 feet (chord bears north 87 degrees 33 minutes 34½ seconds east, 60.51 feet) to a point; thence tangent to

curve at last mentioned point, North 89 degrees 05 minutes 09 seconds east parallel with and distant 20.00 feet measured at right angles southerly from the northerly line of land of said Central Pacific Railway Co., a distance of 1,216.24 feet to a point; thence continuing parallel with last said northerly line and 20.00 feet distance southerly at right angles therefrom, South 89 degrees 16 minutes east, a distance of 367.67 feet to a point; thence easterly from a tangent which is the last described course, on a curve to the right, having a radius of 563.14 feet, through a central angle of 6 degrees 00 minutes 30 seconds an arc distance of 59.05 feet, (chord bears south 86 degrees 15 minutes, 45 seconds east, 59.03 feet) to a point; thence tangent to curve at last mentioned point, south 83 degrees 15 minutes 30 seconds east, parallel with and distant 22.50 feet measured at right angles southerly from last said northerly line, a distance of 335.29 feet to a point on the southerly line of land of said Central Pacific Railway Co., said point being south 1 degree 00 minutes 30 seconds west, 97.70 feet and south 88 degrees 59 minutes 30 seconds east, 186.29 feet from a monument marked by a standard traverse station disk stamped "Stand A 1947"; thence north 88 degrees 59 minutes 30 seconds west along last said southerly line a distance of 827.87 feet to a point, said point being south 1 degree 00 minutes 30 seconds west, 109.78 feet and south 88 degrees 59 minutes 30 seconds east, 194.32 feet from a monument marked by a standard traverse station disk, stamped "Stand B 1947"; thence south 1 degree 36 minutes 30 seconds west along the boundary line of land of the Central Pacific Railway Co., a distance of 20.79 feet to a point on the southerly line of said parcel of land described in indenture to the Central Pacific Railway Co. dated March 7, 1904, last said point being the northeast corner of said 18.193-acre parcel of land deeded to the State of California by the regents of the University of California; thence north 89 degrees 16 minutes west along the northerly line of said 18.193-acre parcel and along last said southerly line, a distance of 537.05 feet to the point of beginning.

Containing an area of 1.581 acres, more or less.

Subject to: Sewer easement as shown in decree from United States District Court, Northern District, Southern Division, case No. 22606–F.

Easement for sewer line to East Bay Municipal Utility District as recorded in book 6498, official records, page 537, Alameda County records.

With the following committee amendment:

On page 2, line 4, after "conditions as" insert the words "have been or."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STATE OF WASHINGTON

The Clerk called the bill (H. R. 2224) providing for payment to the State of Washington by the United States for the cost of replacing and relocating a portion of secondary highway of such State which was condemned and taken by the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the State of Washington the sum of $581,721.91. The payment of such sum shall be in full satisfaction of the claim of the State of Washington against the United States for the cost of replacing and relocating a portion, 28 miles in length, of secondary Highway No. 11A of the State which was condemned and taken by the United States in 1943 for use in connection with the construction and operation of the Hanford atomic energy project.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MEAT-PRODUCTION PROGRAM

The Clerk called the bill (H. R. 7244) amending the Packers and Stockyards Act, 1921, to permit deductions for a self-help meat-production program.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BAILEY. Mr. Speaker, reserving the right to object, I would like to have someone, either the author of this bill or someone on the committee, make an explanation of just what this legislation proposes. I have been getting a number of letters from certain of my people back in the State of West Virginia. One of these comments goes something like this: "It seems to me that the meat industry may need a shot in the arm to stimulate sales but I cannot see that it is up to the impoverished farmer of the present day to provide the pecuniary measures and assistance necessary to carry out this legislation."

Will someone be kind enough to tell us about this legislation?

Mr. POAGE. Mr. Speaker, we hope to bring this matter before the House under a rule. It has been my understanding we would bring it up under a rule. I realize the Farm Bureau is opposed to the legislation, and that even though most livestock producer groups favor the bill, there are a number of Members who desire to follow the views of the bureau. This bill authorizes for the livestock industry exactly the same opportunity of self-help which every other segment of agriculture enjoys today. All other segments of agriculture have the right to make contributions to any kind of fund they want. Why should we deny any group of producers the right to use their own money to promote the sale of their own product? For instance, the National Cotton Council has operated for many years. It is supported by a checkoff of practically every gin in the United States. The gins deduct from every bale of cotton. The dairy people carry on the same kind of program. Every group of agricultural producers has the right to do it except the livestock growers, and the reason the livestock growers do not have that right is because of the act of 1920. The Packers and Stockyards Act specifically prohibits the marketing institutions on the posted markets from making any deduction. This bill simply relates to posted yards. It does not relate to general markets all over the country, because they have the right to make this kind of checkoff now. The Livestock and Meat Board has been getting this kind of a checkoff from a good many yards over the United States without any objection on the part of the Department of Agriculture. This would simply place everybody on the same basis so far as promotion of their products is concerned, and would give the meat producers some little degree of protection in that it limits the amount that can be checked off, although nobody can be forced to contribute.

This bill would not require a checkoff of any individual who objects to it. Neither does it require any marketing agency to make any checkoff at all unless it wants to. The bill leaves it entirely to the institution that is making the checkoff. The institutions can refuse to make any checkoff at all. The institutions can decide whether they consider the promotion agency worthwhile or not. The producer can decide for himself whether he wants his money so used. In fact unless this bill is passed we will have slammed the door in the face of a group of producers who ask only the opportunity to help themselves—the one and only group of producers who are now denied that right.

Mr. BYRNES of Wisconsin. Mr. Speaker, I demand the regular order.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WEAVER. Mr. Speaker, in view of the fact that a rule has been requested, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

REPEALING SECTION 1157 OF TITLE 18 OF THE UNITED STATES CODE

The Clerk called the bill (H. R. 3836) to repeal section 1157 of title 18 of the United States Code, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1157 of title 18 of the United States Code, as amended, is repealed.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

AMENDING ACT OF AUGUST 24, 1912, AS AMENDED

The Clerk called the bill (H. R. 3837) to amend the act of August 24, 1912, as amended, with reference to educational leave to employees of the Bureau of Indian Affairs.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the proviso of the act of August 24, 1912 (37 Stat. 519, 25 U. S. C. 275), as amended by the act of August 24, 1922 (42 Stat. 829, 25 U. S. C. 275), and by the act of May 8, 1928 (45 Stat. 493, 25 U. S. C. 275), is hereby amended to read: "*Provided*, That hereafter teachers and other employees who give instruction in schools operated by the Bureau of Indian Affairs may be allowed, in addition to annual leave, educational leave not to exceed 30 workdays per calendar year, or 60 workdays in every alternate year, for attendance at educational gatherings, conventions, institutions, or training schools, if the interest of the Government requires, under such regulations as the Secretary of

the Interior may prescribe; and no additional salary or expense on account of such leave of absence shall be incurred."

With the following committee amendment:

Page 1, line 7, strike out "and other employees who give instruction."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

TRANSFER OF COYOTE VALLEY INDIAN RANCHERIA

The Clerk called the bill (H. R. 6692) to authorize the transfer of the Coyote Valley Indian Rancheria to the Secretary of the Army, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the following described land which was acquired by the United States pursuant to the acts of June 21, 1906 (34 Stat. 325, 333), and April 30, 1908 (35 Stat. 70, 76), for the use of landless Indians in California, together with the improvements thereon, is hereby transferred from the Secretary of the Interior to the Secretary of the Army for use in connection with the Coyote Valley Dam:

All that certain lot, piece or parcel of land, situate, lying and being in the County of Mendocino, State of California, and bounded and particularly described as follows, to wit: That portion of lot numbered 149 of the Yoyako Rancho, described as follows: Beginning at the northwest corner of lot 149 of the Yoyako Rancho, said point being in the center of channel of the East Fork of the Russian River; thence south along the west line of said lot 32.69/100 chains; thence east 28 chains; thence north and parallel with the west line of said lot 149 38.49/100 chains to the center of the county road leading from Ukiah to Lake County; thence south 56 degrees west 1.44/100 chains; thence south 86 degrees west 1.14/100 chains; thence north 83 degrees west 3.79/100 chains to a point in the center of said road; thence north, and leaving said road 2.12/100 chains to the center of the channel of the East Fork of Russian River; thence westerly through the center of the channel of said East Fork of Russian River to the point of beginning, lying in the northwest corner of said lot 149 of the Yokayo Rancho, containing approximately 100 acres.

The appraised value of such land and improvements, which is hereby determined to be $54,000, shall be transferred from the appropriation available to the Corps of Engineers for the construction of the Coyote Valley Dam to the Secretary of the Interior for distribution among the Indians who have assignments on the land. Such sum shall be distributed by paying to each assignee the appraised value of the land assigned to him and the appraised value of the improvements thereon. The remainder of the sum, representing the value of the unassigned portion of the land, shall be distributed equally among the assignees.

SEC. 2. All reimbursable indebtedness charged by the United States against the land described above or the improvements thereon is hereby canceled.

With the following committee amendments:

Page 1, line 9, following the words "Coyote Valley Dam" add "of the Russian River Basin project, California."

Page 2, line 23, following the words "Coyote Valley Dam" add "of the Russian River Basin project, California."

Page 3, line 5, add a new sentence reading: "The payment or distribution of the proceeds from any sale or condemnation pursuant to this act shall not be subject to any lien, except for debts owed to the United States or to Indian organizations indebted to the United States, and shall not be taxable."

The committee amendments were agree to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT

The Clerk called the bill (H. R. 5110) to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Federal Property and Administrative Services Act of 1949, as amended, is hereby further amended as follows:

By designating paragraphs (2) and (3) of subsection (a) of section 507 as paragraphs (3) and (4) and adding a new paragraph (2) to read as follows:

"(2) to direct and effect the transfer to the National Archives of the United States of any records of any Federal agency that have been in existence for more than 50 years and that are determined by the Archivist to have sufficient historical or other value to warrant their continued preservation by the United States Government, unless the head of the agency which has custody of them shall certify in writing to the Administrator that they must be retained in his custody for use in the conduct of the regular current business of the said agency."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FOUR HUNDREDTH ANNIVERSARY OF SETTLEMENT IN FLORIDA

The Clerk called the resolution (H. Con. Res. 117) to commemorate the quadricentennial anniversary of the establishment of the first settlement in Florida.

There being no objection, the Clerk read the resolution, as follows:

Whereas August 15, 1959, will mark the 400th anniversary of the first recorded attempt to establish a European settlement in what is now the continental United States; and

Whereas, on August 15, 1559, Don Tristan de Luna landed his Spanish colonists in Florida at Pensacola; and

Whereas the city of Pensacola now commemorates annually the Fiesta of Five Flags in observance and celebration of this anniversary, which has gained national and international recognition; and

Whereas this occasion reestablishes and reemphasizes the ties of friendship and heritage between the nations of the Western Hemisphere: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That the Congress of the United States joins the people of Florida in commemorating the quadricentennial anniversary of the first attempt to found a European settlement in Florida at Pensacola.

SEC. 2. A copy of this resolution, suitably engrossed and duly authenticated, shall be transmitted to the Governor of Florida, the mayor of Pensacola, and the Fiesta of Five Flags Association, Pensacola, Fla.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AMENDING SECTION 20b OF THE INTERSTATE COMMERCE ACT

The Clerk called the bill (H. R. 3775) to amend section 20b of the Interstate Commerce Act in order to require the Interstate Commerce Commission to consider, in stock modification plans, the assents of controlled or controlling stockholders, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That paragraph (2) of section 20b of the Interstate Commerce Act, as amended (49 U. S. C. 20b (2)), is amended by striking out the fifth and sixth sentences and inserting in lieu thereof the following: "The Commission shall have the power to make such general rules and regulations and such special requirements in any particular case in respect of the solicitation of assents, opposition, assurances of assent, acceptance, approval, or disapproval of such holders (whether such solicitation is made before or after approval of the proposed alteration or modification by the Commission), as it shall deem necessary or desirable; and no solicitation shall be made, and no letter, circular, advertisement, or other communication, or financial or statistical statement, or summary thereof, shall be used in any such solicitation, in contravention of such rules, regulations, or special requirements. The Commission may direct that the assents (and any revocations thereof) of such holders to the proposed alteration or modification shall be addressed to a bank or trust company, approved by it, which is incorporated under the laws of the United States or any State thereof, and which has a capital and surplus of at least $2 million, and is a member of the Federal Reserve System. Any bank or trust company so approved shall certify to the Commission the result of such submission and the Commission may, in its discretion, rely upon such certification as conclusive evidence in determining the result of such submission. If the Commission shall find that as a result of such submission the proposed alteration or modification has been assented to by the holders of at least 75 per centum of the aggregate principal amount or number of shares outstanding of each class of securities affected thereby (or as to any class (i) where 75 percent thereof is held by fewer than 25 holders, or (ii) which is entitled to vote for the election of directors of the carrier and the assents of the holders of 25 percent or more thereof are determined by the Commission to be within the control of the carrier or of any person or persons controlling the carrier, such larger percentage, if any, as the Commission may determine to be just and reasonable and in the public interest), the Commission shall enter an order approving and authorizing the proposed alteration or modification upon the terms and conditions and with the amendments, if any, so determined to be just and reasonable."

SEC. 2. Paragraph (3) of section 20b of the Interstate Commerce Act, as amended (49 U. S. C., sec. 20b (3)), is amended by striking out the last sentence and inserting in lieu thereof the following: "For the purposes of this section a security (other than a security entitled to vote for the election of directors of the carrier) or an evidence of indebtedness shall not be deemed to be outstanding if, in the determination of the

Commission, the assent of the holder thereof to any proposed alteration or modification is within the control of the carrier or of any person or persons controlling the carrier. The Commission shall, for the purposes of this section, divide the securities to be affected by any proposed alteration or modification into such classes as it shall determine to be just and reasonable."

SEC. 3. The amendments made by this act shall take effect on the first day of the fourth month following the month in which this act is enacted.

With the following committee amendments:

Page 3, line 10, strike out "any" and insert "any,".

Page 3, line 11, strike out "'reasonable'." and insert "'reasonable.'"

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VIRGINIA TOBACCO

The Clerk called the bill (H. R. 7259) relating to marketing quotas and price supports for fire-cured, dark air-cured, and Virginia sun-cured tobacco.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 301 (b) (15) of the Agricultural Adjustment Act of 1938, as amended, is amended by adding the following new proviso at the end thereof: "*Provided further*, That with respect to the 1958 and subsequent crops, type 21 (Virginia) fire-cured tobacco shall be treated as a 'kind of tobacco' for the purposes of all of the provisions of this title, except that for the purposes of section 312 (c) of this title, types 21, 22, and 23, fire-cured tobacco shall be treated as one 'kind of tobacco'."

SEC. 2. Section 2 of the act of July 28, 1945 (59 Stat. 506), is amended by adding the following proviso: "*Provided*, That, beginning with the 1958 crop, the levels of support for such kinds of tobacco shall not exceed the higher of (a) the level applicable to the 1957 crop or (b) 90 percent of the parity price."

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

REINSURANCE OF PUERTO RICAN COFFEE CROP INSURANCE

The Clerk called the bill (H. R. 632) to amend the Federal Crop Insurance Act, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 508 of the Federal Crop Insurance Act, as amended (7 U. S. C. 1508), is amended by adding a new subsection (f) to read as follows:

"(f) Notwithstanding any other provision of this title, the corporation is hereby authorized, under such terms and conditions as it deems consistent with sound reinsurance principles, to provide reinsurance on any crop or plantation insurance provided in Puerto Rico by a duly authorized agency of the Commonwealth of Puerto Rico: *Provided*, That, no application for reinsurance authorized herein shall be approved, unless the corporation shall have determined that the reinsurance deemed necessary is not available from recognized private sources at reasonable cost."

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That concludes the call of the Consent Calendar.

PRIVATE CALENDAR

The SPEAKER. This is the day set aside for the call of the Private Calendar. The Clerk will call the first bill on the Private Calendar.

MRS. ELISE T. KIRK

The Clerk called the bill (H. R. 1412) for the relief of Mrs. Elise T. Kirk.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. AVERY and Mr. VAN PELT objected, and, under the rule, the bill was recommitted to the Committee on the Judiciary.

PETER V. BOSCH

The Clerk called the bill (S. 189) for the relief of Peter V. Bosch.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Peter V. Bosch, of Rugby, N. Dak., the sum of $175, representing the value of his Holstein cow which died shortly after and as a result of injuries sustained by her while undergoing an examination for disease conducted by representatives of the Disease Eradication Branch of the Agricultural Research Service of the Department of Agriculture on May 6, 1955: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. AVERY. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

MRS. RHEA SILVERS

The Clerk called the bill (H. R. 2070) for the relief of Mrs. Rhea Silvers.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Rhea Silvers, Baltimore, Md., the sum of $105.40. The payment of such sum shall be in full settlement of all claims of Mrs. Rhea Silvers against the United States for reimbursement of the amount which her late husband, Jacques Silvers (serial number 37050836), was required to refund to the United States because he received such amount while he was an alien enlisted man in the Army of the United States from January 24, 1941, to May 23, 1941: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Strike all after the enacting clause and insert "That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Rhea Silvers, Baltimore, Md., the sum of $173.40. The payment of such sum shall be in full settlement of all claims of Mrs. Rhea Silvers against the United States for reimbursement of the amount which her late husband, Jacques Silver (serial number 37050836), was required to refund to the United States because he received such amount as pay from January 24, 1941, to June 30, 1941, while serving as an alien enlisted man in the Army of the United States: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALBERT A. HEINZE

The Clerk called the bill (H. R. 2075) for the relief of Albert A. Heinze.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Albert A. Heinze, Fostoria, Ohio, the sum of $5,000, as a gratuity for the death of his son, Harold A. Heinze (Veterans' Administration claim No. XC-3159865), who died on March 24, 1943, while serving on active duty with the Army of the United States: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdeameanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM R. AND ALICE M. REARDON

The Clerk called the bill (H. R. 2340) for the relief of William R. and Alice M. Reardon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William R.

and Alice M. Reardon the sum of $904.07, such sum being the difference between $958, the price they actually paid the United States for the 43.14 acres of land described in section 2 of this act, and $53.93, the price at which they could have purchased such land under the provisions of the act entitled "An act to authorize the Secretary of the Interior to issue patents for certain lands in Wisconsin bordering upon inland lakes or rivers," approved August 24, 1954 (43 U. S. C., secs. 1221–1223), had they been able to defer such purchase until the date of enactment of such act, as was the case with other landowners in the same locality.

SEC. 2. The land referred to in the first section of this act is more particularly described as follows:

"Lot 8 in section 8, township 39 north, range 18 east, located in Florence County, Wis., being 43.14 acres of land on the shore of Lake Emily in said county."

SEC. 3. No part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. LANE. I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. LANE of Massachusetts.

On line 6, page 2, change the comma to semicolon and add the following: *"Provided*, That the said William R. and Alice M. Reardon shall, as a condition of payment, present to the Secretary of the Treasury an affidavit executed by any persons who acquired title to such land through the said Reardons setting forth that the original payment to the United States of $958 was made by the said Reardons, and not by affiants, and releasing the United States from any further liability thereon to any one of the persons involved."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

CLARA M. BRIGGS

The Clerk called the bill (H. R. 5719) for the relief of Clara M. Briggs.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Clara M. Briggs, the sum of $5,945.47, in full satisfaction of her claim for compensation for damages from burns received by her when a fire of unknown origin occurred on April 5, 1947, in Alcott Hall in the District of Columbia, a temporary barracks owned and operated by the United States, and there being no showing of tort negligence on the part of the United States which would bring the claim within the purview of the Federal Tort Claims Act, as amended: *Provided*, That no part of the amount appropriated in this act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

JOSEFA KUSIAK

The Clerk called the bill (S. 895) for the relief of Josefa Kusiak.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Josefa Kusiak shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LYDIA ANNE FOOTE

The Clerk called the bill (S. 1203) for the relief of Lydia Anne Foote.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any period of time in which Lydia Anne Foote may reside in France within 5 years after the date of enactment of this act shall not be deemed to be residence in a foreign State within the meaning of section 352 (a) (1) of the Immigration and Nationality Act.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That concludes the call of the Private Calendar.

RECESS

The SPEAKER. The Chair declares the House in recess until 2:30 p. m.

Accordingly (at 12 o'clock and 37 minutes p. m.), the House stood in recess until 2:30 p. m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker, at 2 o'clock and 30 minutes p. m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6700) entitled "An act making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House to Senate amendment number 18 to the above-entitled bill.

PUBLIC ASSISTANCE MEDICAL CARE PROVISIONS OF SOCIAL SECURITY ACT

The SPEAKER. The Chair recognizes the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 7238) to amend the public assistance provisions of the Social Security Act so as to provide for a more effective distribution of Federal funds for medical and other remedial care.

The Clerk read as follows:

Be it enacted, etc., That part I of title III of the Social Security Amendments of 1956 (including the amendments made thereby) is repealed, effective August 1, 1956.

SEC. 2. Section 3 (a) of the Social Security Act is amended by striking out the final period and inserting in lieu thereof the following: ", and (4) in the case of any State, an additional amount equal to one-half of the total of the sums expended during such quarter (but not counted in computing the amount payable to such State for such quarter under clause (1) or clause (2)) as old-age assistance under the State plan in the form of medical or any other type of remedial care (including expenditures for insurance premiums for such care or the cost thereof), not counting so much of such expenditure for any month as exceeds the product of $6 multiplied by the total number of individuals who received old-age assistance under the State plan for such month. In computing the amount payable to any State for any quarter under clause (1) or clause (2), sums expended under the State plan during such quarter as old-age assistance in the form of money payments shall be taken into account before sums expended under such plan in any other form."

SEC. 3. Section 403 (a) of the Social Security Act is amended by striking out the final period and inserting in lieu thereof the following: "; and (4) in the case of any State, an additional amount equal to one-half of the total of the sums expended during such quarter (but not counted in computing the amount payable to such State for such quarter under clause (1) or clause (2)) as aid to dependent children under the State plan in the form of medical or any other type of remedial care (including expenditures for insurance premiums for such care or the cost thereof), not counting so much of such expenditure for any month as exceeds (A) the product of $3 multiplied by the total number of dependent children who received aid to dependent children under the State plan for such month, plus (B) the product of $6 multiplied by the total number of other individuals who received aid to dependent children under the State plan for such month. In computing the amount payable to any State for any quarter under clause (1) or clause (2), sums expended under the State plan during such quarter as aid to dependent children in the form of money payments shall be taken into account before sums expended under such plan in any other form."

SEC. 4. Section 1003 (a) of the Social Security Act is amended by striking out the final period and inserting in lieu thereof the following: "; and (4) in the case of any State, an additional amount equal to one-half of the total of the sums expended during such quarter (but not counted in computing the amount payable to such State for such quarter under clause (1) or clause (2) as aid to

the blind under the State plan in the form of medical or any other type of remedial care (including expenditures for insurance premiums for such care or the cost thereof), not counting so much of such expenditure for any month as exceeds the product of $6 multiplied by the total number of individuals who received aid to the blind under the State plan for such month. In computing the amount payable to any State for any quarter under clause (1) of clause (2), sums expended under the State plan during such quarter as aid to the blind in the form of money payments shall be taken into account before sums expended under such plan in any other form."

SEC. 5. Section 1403 (a) of the Social Security Act is amended by striking out the final period and inserting in lieu thereof the following: "; and (4) in the case of any State, an additional amount equal to one-half of the total of the sums expended during such quarter (but not counted in computing the amount payable to such State for such quarter under clause (1) or clause (2)) as aid to the permanently and totally disabled under the State plan in the form of medical or any other type of remedial care (including expenditures for insurance premiums for such care or the cost thereof), not counting so much of such expenditure for any month as exceeds the product of $6 multiplied by the total number of individuals who received aid to the permanently and totally disabled under the State plan for such month. In computing the amount payable to any State for any quarter under clause (1) or clause (2), sums expended under the State plan during such quarter in the form of money payments shall be taken into account before sums expended under such plan in any other form."

SEC. 6. The amendments made by sections 2, 3, 4, and 5 shall become effective July 1, 1957.

The SPEAKER. Is a second demanded?

Mr. REED. Mr. Speaker, I demand a second.

Mr. COOPER. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may extend their remarks in the RECORD just prior to the vote on the pending bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, I also ask unanimous consent that all Members may have 5 legislative days within which to extend their remarks on the bill, H. R. 7238.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, H. R. 7238 was introduced by the gentleman from Massachusetts [Mr. MCCORMACK] and is designed to correct an unintended result stemming from the public assistance medical care provisions of the 1956 amendments to the Social Security Act. The 1956 amendments, if not changed prior to July 1, 1957, will operate to penalize some States with respect to their public assistance medical care programs.

The problem is somewhat involved, and I believe it can be expressed in its simplest terms by reviewing very briefly the background out of which it arises. As Members will recall, prior to the 1950 social security amendments, Federal matching for State expenditures for old-age assistance, aid to the blind, and aid to dependent children was limited to unrestricted money payments made directly to the needy recipients. The 1950 amendments to the Social Security Act made two important changes. First, it added a new program, aid to the permanently and totally disabled, to the three programs I have just mentioned. Second, it expanded the area of Federal participation beyond unrestricted money payments directly to recipients, and permitted the inclusion of payments for medical care in determining the amount of assistance for each recipient with respect to which the Federal Government would participate. In short, the 1950 amendments permitted Federal matching for the payment for medical care, with such payments being made either directly to the person rendering the medical care—vendor payments—or to be included in the unrestricted money payment to the recipient.

Last year the administration recommended the institution of a new formula for matching vendor expenditures for medical care for public assistance recipients under the four programs. The Committee on Ways and Means conducted hearings on these and other proposals in the spring of 1956. In the meantime, it was our informal understanding that the Senate Finance Committee would probably add the administration recommendations for this new formula to the then pending social security bill. This in fact happened, the new formula being added by the Senate Finance Committee and accepted by the Senate, and subsequently accepted with minor modifications by the House conferees.

Under the new formula, effective July 1, 1957, Federal matching for "vendor payments" for medical care will be limited solely to Federal participation in one-half of the cost of such care up to an average expenditure of $6 per month for each adult, and $3 per month for each dependent child, receiving assistance either in the form of money payments or medical care. Effective July 1, 1957, there will be no Federal matching for "vendor payments" for medical care for recipients within the maximum for individual recipient as has been true since October 1950.

Information presented to your committee clearly indicates that some States are faced under the 1956 formula with substantial losses of Federal funds. In addition, still other States which have well developed programs for medical care will be faced with having to institute undesirable and administratively costly procedures in order to avoid losing any Federal funds.

It is this situation which will arise under the 1956 formula that your committee's bill is designed to correct. This correction would be accomplished by permitting the States to have expenditures in the form of payments to suppliers of medical care taken into account for purposes of determining Federal participation in any 1 of 3 ways, the method to be selected by the State:

First, under the 1956 formula alone;

Second, under a combination of the 1950 and the 1956 formulas; or

Third, under the 1950 formula alone.

In other words, Mr. Speaker, your committee's bill would guarantee to the States the right to take advantage of the funds which the Congress intended to make available to all the States in such a way as to not impose upon the States administratively costly and undesirable changes in their medical programs or accounting procedures. It would also insure that no States will incur any financial losses with respect to their public assistance medical care programs.

The method which your committee has chosen in solving this problem arising under the 1956 formula was considered to be the most feasible and most desirable of the several alternatives which were presented. It is considered to be a sound approach to the matter, and I urge that the House speedily approve this legislation.

The SPEAKER. The Chair recognizes the gentleman from New York [Mr. REED].

Mr. REED. Mr. Speaker, I speak in support of H. R. 7238 and urge my colleagues in the House to join in obtaining favorable consideration of this necessary legislation. The need for the legislation arises from an inadvertent oversight in connection with the Social Security Amendments of 1956. As my esteemed friend and distinguished chairman, the Honorable JERE COOPER of Tennessee, has already explained to you, this legislation would permit States to receive Federal matching within the limits of the $60 statutory maximum matchable amount per recipient for vendor payments made with respect to an individual on the assistance rolls. Effective July 1, 1957, present law provides that such vendor payments cannot be included within the $60 statutory maximum. Instead, the only matching that would be allowed in the case of vendor payments would be under the new averaging formula provided by the 1956 amendments, applicable only to medical care expenditures and providing that a State and the Federal Government shall share equally medical care expenses up to an average medical payment maximum of $6 in the case of public assistance for adults and $3 in the case of aid to dependent children. There are a few States with existing well-developed medical care programs involving vendor payments that will find the Federal matching inadequate under the $6 and $3 limitations to maintain their existing programs. In addition, there are several States whose medical care programs may progress to the point in the foreseeable future where these maximums would preclude realization of the Federal matching intended by the Congress.

If H. R. 7238 does not become public law, those States which would be threatened with the loss of Federal funds that Congress intended they should have, would, in order to avoid the loss of such funds, be compelled to abandon the vendor payments made in connection with their medical care programs and resort to cash payments to assistance recipients that would include an allowance for medical care or to sustain the loss of the extent of Federal participation in the State program. Such an event would entail either a curtailment in the medical care programs of the affected States or would impose upon the States the need for adopting cumbersome and costly procedures with respect to program administration.

Mr. Speaker, it is a matter of evidencing our good faith to those States that would be adversely affected by the Social Security Amendments of 1956 that necessitates favorable action on the legislation before this House today.

Mr. COOPER. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. LANE].

Mr. LANE. Mr. Speaker, under the social security formula that goes into effect on July 1, 1957, the Federal Government will match one-half of State medical care expenditures for public assistance recipients, up to specified maximums.

Even though the cost of living has gone up for the eighth straight month, and this includes increases in the cost of drugs, doctors' fees, and group medical plans, 1956 amendments to the Social Security Act would curtail the help given by the Federal Government to the States for medical care to persons on public assistance.

This is economy at the expense of the needy aged, the blind, the permanently and totally disabled, and dependent children.

The irony in this situation is that a few States will lose Federal funds, beginning July 1, as compared with the amount of Federal aid they are currently receiving.

Because these States are currently spending money for medical care—and receiving Federal sharing—at a rate in excess of the maximum specified in the new legislation.

In other words, those states with advanced programs, are being told that the humane decisions of their own legislatures, made with due consideration of their own financial responsibility, do not meet with the approval of the Federal Government. To point up this attitude, a penalty is attached. Over and above the stated maximums, the Federal Government will withdraw its support.

The net result is that these few States with a "social conscience" will lose $8.6 million dolars a year in Federal grants, effective July 1, unless the law is changed before that date.

I recognize that the economic circumstances within many States, do not permit them up date their public assistance programs to the extent that they would prefer, and that the evolution of social legislation would warrant.

That is no reason, however, for slowing down those States that are in the vanguard. Rather, we should encourage them to experiment, so that the lessons learned from their practical experience shall serve as a guide and as an encouragement to those that follow.

Mr. MASON and I have filed bills which are substantially the same as the one by Mr. MCCORMACK that has been reported favorably by the Committee on Ways and Means.

The proposed legislation retains the formula established under the 1956 amendments to the Social Security Act, plus "the difference, if any, between the total expenditures which could be counted if each individual received the maximum matchable money payment under the program involved, and total expenditures for money payments which are counted in computing the amount payable to the State under that program."

Massachusetts is one of the States that will stand to lose Federal aid for such purposes. This is an inequity that cannot be overlooked.

As public assistance for the aged—as distinguished from public assistance to the blind, the permanently and totally disabled, and dependent children—will decline as more people qualify for old-age and survivors insurance which they have earned through their own contributions and those of their employers, outlays for old-age assistance will automatically lessen. With the expanding economy and the increase in the working population, this is no time for reducing medical care under the public-assistance program. It is a form of retreat, when we are but halfway toward our goal. It falsely assumes that we are cutting back on a complete program. With the rising cost of living, this inflicts real hardship on the recipients of public assistance, who were not getting adequate medical care even before the restricting amendments that will become effective on July 1, 1957.

Our purpose is to expand rather than contract the medical care that should be available to them. And to make certain that those States that are expanding such programs, shall not be cut off from Federal aid because they are making progress toward a well-rounded program that inevitably will be recognized, and shared in, by the Federal Government.

Mr. MCCORMACK's bill, H. R. 7238, will "provide for a more effective distribution of Federal funds for medical and other remedial care."

At the same time, it will protect those States that are in danger of losing Federal funds for the incongruous reason that they understand, and are trying to meet the realities of our present day welfare program for those who are unable to help themselves.

We shall be going about economy the wrong way, if in our haste, we slash or freeze those basic obligations of the Federal Government in this modern age.

Medical care for persons eligible for public assistance, is a poor place "to swing the ax."

Instead, we should make moderate progress by supporting the aims of H. R. 7238.

Mr. REED. Mr. Speaker, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. VAN ZANDT] to speak out of order.

Mr. VAN ZANDT. Mr. Speaker, I speak for economy. Not for the kind of economy which whittles and slices at this or that appropriation bill with hoping and longing to save a few million dollars. No. I speak for long-term continuing, self-perpetuating economy which will save many billions of dollars while at the same time paying a bonus of increased national defense.

On several occasions I have introduced legislation aimed at rectifying the compensation of the personnel of our Armed Forces. I say with determination that I intend to go on introducing such bills until we have achieved a state of equity in the realm of military pay; until we reward the members of the uniformed services with pay comparable to that received by their nonmilitary counterparts. I do not say commensurate with their value to national defense for I nor any other man can make an appraisal of the security of the United States.

Recently I introduced H. R. 7574 to change the method of computing basic pay for members of the uniformed services. Founded on the recommendations of the Defense Advisory Committee on Professional and Technical Compensation—the Cordiner Committee—the bill is aimed at instituting a modern concept of military pay and concurrently achieving the greater combat effectiveness of our defense forces.

I do not claim this as the bill to end all military pay bills or that it is the panacea for all the manpower problems of our Armed Forces. It is also not a patchwork and piecemeal approach to a problem which canont be solved in small parts but which must be treated as one inseparable whole. My bill is a beginning and a basis for us, the Members of Congress, to take the greatest step toward real economy. As the Committee Chairman, Mr. Ralph J. Cordiner, said, "We must begin somewhere to halt and reverse the inflationary trend toward ever higher costs of Government, and here, for a small initial investment, is a very promising place to start."

On May 14, 1957, President Eisenhower addressed the Nation on the size of the budget. He emphasized the gamble involved in reducing that portion which contributed to national security, and specifically to that part allotted to the Department of Defense. Relief from world tension, he said, is about the only way to reduce military spending. The statement is absolutely true when applied to the quantity and quality of arms and equipment we must have to maintain our edge of strength over the Soviet Union and international communism. But the statement is partially misleading when applied to the personnel who use those arms and equipment. Let me explain this paradox.

Today, 2,800,000 men and women make up our Armed Forces. Not all of these are engaged in supplying direct military defense for the country. Roughly 500,000 members are involved in formal training activities, while other hundreds of thousands are undergoing on-the-job training in operational units. This trainee force is a corps of amateurs in an otherwise professional organization. If the time should come when our Army, Navy, Air Force, and Marine Corps were thrown into combat—and let me say that there will be little warning—those trainees would be of little or no help to the effort.

It is taking 500,000 trainees just to maintain an effective combat force and to support the services of 2.3 million. In other words, 22 percent of our personnel strength is noneffective, not combat-ready. Why is this so? Because of the high turnover rates in professional and technical skills. Because these skilled people leave the services and obtain employment with higher wages in companies working in fields related to technical military specialties. The Armed Forces are creating and maintaining an expensive training ground for industry. Not only this, but the turnover is costing the country not less than $2 billion a year.

The implications are obvious. This is a poor business practice, inefficiency. Any good businessman will tell you that a 22-percent personal loss is poor employee utilization; it is nonproductivity and waste.

One of the country's outstanding businessmen, Ralph J. Cordiner, president of General Electric, has pointed out the guidelines for not only eliminating this waste but of improving the combat effectiveness of the services as well. Our objectives, he says, are first, to offer genuine incentives in order to retain the high quality officers and enlisted men in the services and thereby second, to build a professional force.

Ours is a country of free enterprise. Here the individual citizen is our prime concern. In this democratic atmosphere our people have the opportunity to develop their talents and are free, even encouraged, to go to those jobs or positions which offer them higher pay and greater benefits.

Human motivations must be recognized. Among them patriotism is a strong force. Fortunate for the Nation, patriotism has held many of the dedicated and devoted in the Armed Forces during peacetime and given us their great leadership in time of war. Patriotism is, however, a nebulous thing, manifesting itself most frequently in times of crisis. Cold wars do not have the impelling force of a crisis, and patriotism is pitted then against compensation.

The compensation practices in the services today are contrary to human motivations. They were adopted from the British Navy in 1812, and are as outmoded now as the 1812 navy itself. Without a doubt, those practices are the major impediment to national security.

The more of the 2.3 million trained people we can induce to remain in the services, the fewer trainees we will need to build a professional force. In fact, this professional force can be achieved only by increasing the retention rate. Expensive as it is to build and maintain, the professional force is by far the cheapest and most effective in the long run. Rather than composed of members forced by law to serve, it will be made up of career-professional members wanting to serve.

The problem in its basic form is manpower. Manpower is mindpower, brainpower. The human brain still remains the inventing and guiding force behind the machine. And never can the machine substitute for man. As one of our Air Force leaders said, "You can't build creative ability into a machine. You can't design a circuit to take the place of courage. Above all, you can't enclose dedication to freedom in a magic black box." Plainly then, our most precious national resource is our men and women.

The manpower problem, and the coordination of manpower and machines, is our most compelling concern. It is more important than providing increasing amounts of money for complex equipment because that equipment becomes only a metallic heap when trained hands are not available to use it.

This bill will provide a long-term solution to the basic manpower problems of the Armed Forces.

It will result in about a 15-percent improvement in the combat capability of the Armed Forces.

It will bring about sharp reductions in training accidents now, and in military and civilian losses in the event of war.

It will reduce the number of military personnel required to produce a given level of national security.

Finally, and significantly, it will result in savings up to $5 billion annually by 1962, in the cost of producing our present levels of combat capability.

Let me pronounce again, the purpose of the bill is to change the method of computing basic pay. Those who believe that this is nothing more than a general pay raise for military personnel have been misled by misinformation. If they see the bill as inflationary, they are incorrectly reading the label. This is a bill for readjustment pay computation. It is a bill for increased management efficiency and for savings. It is a bill for reducing the cost of defense, the largest single item in the Federal budget.

The Cordiner report upon which my proposal is based has received the approval of the Secretary of Defense, the Secretaries of the three military services, and the Joint Chiefs of Staff. The Department of Defense has even agreed to absorb the entire cost of the program for the first year without an increase of its budget.

Failure of the Congress to act on this manpower and defense problem will have dire consequences. Those members of the armed services who have been waiting for this pay adjustment, and who have remained in service expecting it, will find no further cause to remain. Enlistments will drop sharply. Officers in large numbers will ask for release. Combat efficiency will decline with the shrinking of what we now have to a professional force.

I urge immediate action on this proposal. I ask that we not be penny-wise and pound-foolish, but that we recognize the long-term investment in annual savings of billions and in increased combat effectiveness. I ask that we think big and act boldly. This proposal is not limited, idealistic, or unsound. It is broad in scope, realistic, and purely economical.

The Nation's security is at stake.

Mr. COOPER. Mr. Speaker, I have no further requests for time.

Mr. REED. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

SETTLEMENT FOR CERTAIN INEQUITABLE LOSSES SUSTAINED BY OFFICERS OF THE COMMISSIONED SERVICES UNDER EMERGENCY ECONOMY LEGISLATION

Mr. CELLER. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 293) to authorize settlement for certain inequitable losses in pay sustained by officers of the commissioned services under the emergency economy legislation, and for other purposes.

The Clerk read as follows:

Be it enacted, etc., That upon application of any officer or former officer (including the widows and legal representatives of such officers who are deceased) of the services mentioned in the Joint Pay Act of June 10, 1922, who, upon advancement in rank, did not receive an increase in the rates of pay or allowances for any part of the period beginning July 1, 1932, and ending June 30, 1934, by reason of the application in the case of such officer of section 201 (except as to longevity increase provided for in the 10th paragraph of section 1 of said Joint Pay Act) of the Legislative Appropriation Act for the fiscal year ending June 30, 1933, the Comptroller General shall determine the aggregate amount of pay and allowances, in addition to that otherwise accruing, which would have accrued to such officer if such section had not been applied in his case (except as to longevity) and pay to such officer the amount so determined. Applications under this act shall be made in such form and contain such information as the Comptroller General may prescribe, but an application under this act not filed in the General Accounting Office prior to the expiration of 2 years from the date of enactment of this act shall be of no effect. Any officer of the United States is authorized and directed upon request of the Comptroller General to supply any information from the records in the custody of such officer to aid the Comptroller General in passing upon applications under this act.

SEC. 2. There is hereby authorized to be appropriated such a sum as may be necessary to carry out the provisions of this act.

The SPEAKER. Is a second demanded?

Mr. ALLEN of Illinois. Mr. Speaker, I demand a second.

Mr. CELLER. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, this bill is identical with one that passed in the last Congress.

It has the approval of the Department of Defense and its purpose is to restore certain inequitable losses sustained by officers who were promoted in rank between the years 1932 and 1934.

In the Economy Act of 1932 it was provided that employees in the Federal Government, both civil and military, would not be entitled to automatic increases in pay. As this law was interpreted, the Federal civilian employees were authorized to receive the increased pay incident to promotion from one grade to another grade; however, in a very strained construction of the law by the Comptroller General it was ruled that officers of the uniformed services who were nominated by the President and confirmed by the Senate were not allowed the pay which should have gone with the advanced rank. This was contrary to the intent of Congress, as shown in the report on the original bill. In other words, we have the inconsistency where under that Economy Act, civilian employees, although not entitled to automatic increases where they were advanced in rank, were given increases, whereas the officers in uniform who advanced in rank were not given any increases, increases that they were entitled to because of an advance in rank.

Mr. ALLEN of Illinois. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Illinois.

Mr. ALLEN of Illinois. Has the gentleman taken this up with the gentleman from New York [Mr. KEATING], the ranking Republican member of the Committee on the Judiciary?

Mr. CELLER. Yes, I have taken the matter up with the gentleman from New York [Mr. KEATING]; also with the gentleman from Massachusetts [Mr. MARTIN], the minority leader last week. The bill was reported unanimously by the subcommittee and also unanimously by the full Committee on the Judiciary. I do not know of any objection to the bill except the objection of the so-called professionals who handle the Consent Calendar who felt it was not the type of bill that should be considered in connection with the Consent Calendar. For that reason I am asking for suspension of the rules to pass the bill.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Illinois.

Mr. MASON. This, then, is to correct an inequity that was passed away back in 1932 in the Economy Act?

Mr. CELLER. That is correct.

Mr. GROSS. Mr. Speaker, if the gentleman yields, I cannot find a copy of the bill or the report over here. I wonder if this bill should be considered until we have something, at least, that we could look at.

The SPEAKER. The Chair has a report in his hands which was filed some time ago.

Mr. GROSS. It is not available at the desk, Mr. Speaker.

Mr. CELLER. I will furnish the gentleman a copy.

Mr. ALLEN of Illinois. Mr. Speaker, I have no requests for time.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

Mr. O'NEILL. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 264 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6974) to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes. After general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. O'NEILL. Mr. Speaker. I yield myself 30 minutes, and at the conclusion of my remarks, I will yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. Speaker, House Resolution 264 provides for the consideration of H. R. 6974 to extend Public Law 480, the Agricultural Trade Development and Assistance Act of 1954.

The resolution provides for an open rule and 2 hours of general debate on the bill.

Title I of Public Law 480 authorizes the President to enter into agreements with friendly nations, or organizations of friendly nations, for the sale of surplus agricultural commodities for foreign currencies, to be used mainly for market development, foreign assistance, and payment of United States obligations abroad. The act originally provided for an authorization of $700 million for the sale of surpluses abroad for foreign currencies. The authorization was increased to one billion five hundred million in 1955, three billion in 1956, and this bill further increases the authorization to a total of $4 billion.

The bill also provides for an increase in the authorization under title II of $300 million. This title of the act authorizes a program by which we can help friendly foreign people in time of need.

The termination date of these programs under titles I and II is extended from June 30, 1957, for 1 year until June 30, 1958.

No change is made in the provisions of title III of the act which deals with barter and the permanent surplus disposal and donation programs embodied in the Agricultural Act of 1949.

I urge the adoption of House Resolution 264 so the House may proceed with the consideration of H. R. 6974.

I note in the Saturday Evening Star, a Washington paper, an AP dispatch, and in talking about farm losses it says:

> The Agriculture Department reports that it lost $1,056,900,000 in farm price support programs in the 10 months ending April 10. That was the biggest loss for any such period in the history of Government farm price support operations.
>
> Losses are incurred largely through the sale at less than cost of surpluses acquired from farmers under price-support loans.
>
> There has been heavy movement of surpluses abroad during the past year.
>
> Losses for the comparable period last year totaled $771,958,909.

The bill proposes that this year we go into the pockets of the taxpayer for another $1 billion.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield.

Mr. MASON. The gentleman referred to the fact that this bill covers exchanges with friendly nations. Would the gentleman be willing to define for me, in the light of present-day conditions, what a "friendly nation" is?

Mr. O'NEILL. It is very difficult to say what a "friendly nation" is. I am one of those who believes that you cannot buy friends. The policy of this Government for years has been to try to buy friends. What you find out is that they resent your helping them.

Mr. MASON. That is right.

Mr. O'NEILL. If you do not give from a friendly heart, you do not have a friend. America gives to other countries of the world, for its own protection, because of its greed. We think we are protecting ourselves. We are not giving to the other countries of the world in order to help them, although that is the real purpose behind legislation of this type.

It is interesting to note some figures of the Commodity Credit Corporation. Incidentally, this bill was reported out of the Committee on Rules about 2 weeks ago, but, because of the appropriation bill for the armed services being in the House, it was not reported to this House. I called on the Department of Agriculture because I was interested in the question of these surplus sales that have been made. I asked to have sent up to my office the record of the sales from Commodity Credit Corporation stocks that were made that amounted to over $100,000. The record is very interesting on that. This all comes under title I.

For example, in 1955 there were sales amounting to $72,496,847 of CCC surplus commodities. Three international cartels handled approximately 68 percent of these transactions. From July 1955 through April 1957 they sold surplus commodities amounting to $233,258,935. Three of the cartels handled 65 percent of those goods.

Those companies are Cargill, Inc., which handled 19 percent or $45 million; Continental Grain, which handled over $77 million or 33 percent of the program; and Leval, which handled over $30 million, or 13 percent of the program.

You can see the same pattern all through the transactions of the Commodity Credit Corporation. There were

1 or 2 or 3 or 5 companies at the most. Thirty-seven different companies have handled these transactions, but the bulk of them is locked in the hands of 3 companies, 2 of which are not American-controlled companies.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman.

Mr. GROSS. Can the gentleman give us any idea of the services that these three cartels performed?

Mr. O'NEILL. I am sure the gentleman is aware of how this operation works. Technically speaking our Government would go to a foreign government that is in need of one of these surplus commodities. Then we arrange to sell X million bushels of grain or of corn or of wheat or of cotton. Then after we have agreed on that, we make the sale to the Government. Then one of the cartels steps in and acts allegedly as a purchaser, but is in fact a broker in the deal since our Government and the purchasing government have already agreed on the sale. Their profit, of course, is at the expense of the United States taxpayer. Actually I do not know what the profit is, but there must be a tremendous amount of profit on over $233 million worth of goods which represents only a part of the total sales since the beginning of these operations.

An interesting thing about these cartels in this. One of these companies has 15 subsidiaries and agents in various countries in the world. One would be in India or in Pakistan or Italy, Greece, and so forth. They go to these governments probably before our officials. They say to the Government of Greece or the Government of Lebanon or the Government of Pakistan or the Government of India or any one of these other governments, "You need this United States surplus or that United States surplus." The cartel's agent induces them to buy the surplus. We are not offering them these things. These various cartels have their agents throughout the world. They are producing business. Under agreements made between the American Government and different countries with which we are doing business, the cartels come in and bid among themselves. They are the ones then who distribute these products to the foreign nations.

Mr. GROSS. That is exactly the point. I do not understand why these people should come in as middle men. As a Government do we not maintain all kinds of foreign attachés, a very army of foreign employees in various agencies?

Mr. O'NEILL. I certainly agree with the gentleman.

While I was doing a little research on this piece of legislation I secured and have here the report of the United States contributions to international organizations. As you know, under this particular bill we are being paid in foreign currencies. For example, if we were to sell X millions of dollars worth of wheat to India, we would be paid in the monetary system of India, which I believe is rupees. Those rupees would be left there, part of them used as counterpart funds. The record shows that others we lend back to India on a 30-year loan, and they can pay us in rupees again at the end of that time.

As to this contribution of the United States to international organizations, you will note as we have gone along in the past few years that we originally, about 3 years ago, paid $95 million for the support of the organizations. In 1956 we paid $105 million for the support of the organizations. Now, in 1957, we are paying $127 million for the support of the organizations. In 1958 it is going to be even higher.

I believe that this foreign currency credited to the account of the United States pursuant to transactions carried out under Public Law 480 but not already obligated should be used as payment in whole or in part of the United States contributions to international organizations in lieu of United States dollars, whenever said payment in foreign currencies credited to the account of the United States under this act has been determined by the President of the United States to be such as not to impair the functions of any or all of the international organizations which are to receive United States contributions, in whole or in part, in the form of foreign currencies. All United States departments or agencies making contributions to international organizations by virtue of appropriated funds, or otherwise, should henceforth reimburse the Commodity Credit Corporation with the dollar value of the foreign currency funds used in lieu of United States dollars in the payment of the United States contributions to international organizations.

I had intended to offer what I just stated as an amendment to the bill. I have already been informed that the amendment is out of order. Whether it should be considered by the Committee on Banking and Currency or the Committee on Foreign Affairs, is not clear but certainly something should be done with this money that we have lying around in the equivalent amounts of hundreds of millions of dollars, in all the nations of the world; and then we pay into these international organizations something that is mounting year after year after year. This year, in 1957, we are spending $127 million. In 1958 it is going to be more.

Mr. ALLEN of Illinois. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield.

Mr. ALLEN of Illinois. The full Committee on Agriculture has held hearings for two days on this intricate problem of surpluses. I know the gentleman would agree with me that when you go into the field of just what to do with surpluses you really have a job on your hands. I believe the full Committee on Agriculture had 2 days of hearings on this matter and then unanimously reported this bill.

Mr. O'NEILL. I agree with the gentleman. The Committee on Agriculture did unanimously report this bill.

Mr. ROONEY. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from New York.

Mr. ROONEY. I have a question I should like to propound to the distinguished gentleman from Massachusetts or a member of the Committee on Agriculture. On page 12 of the committee report on the bill H. R. 6974 we find the following language:

> In many countries additional physical facilities, including perhaps a more suitable residence, would be of assistance to the agricultural attaché in selling American agricultural products.

I should like to inquire what is meant by this, and whether or not we are under the terms of this bill creating another Foreign Service, a super Foreign Service, where from the proceeds of these agricultural commodities under Public Law 480 we will be building ambassadors' residences for the agricultural ambassadors.

Mr. O'NEILL. I cannot answer the question of the gentleman as to whether we are going to set up another organization such as the gentleman stated, but I do know this—the Commodity Credit Corporation has been reimbursed only to the extent of $52,650,241 out of expenditures under this act that total $1,590,618,866 out of CCC funds. In other words, we received back approximately 3 percent of the money. I do not know what you can do with these rupees or pesos and these foreign currencies. Perhaps, they can be used for wallpaper or something like that. But, on the other hand, it may be best if it was used to build buildings in these foreign countries rather than to let the money just pile up—I just do not know.

Mr. ROONEY. But this idea of having Agricultural Department buildings all over the world. I thought our representation in the various countries of the world was under the Secretary of State.

Mr. O'NEILL. I agree with the gentleman. One thing I can see here is that we are asking for an authorization of another $1 billion. We are losing on this thing steadily, steadily, and steadily. We are not getting any return. We are not getting any value out of it. In my opinion, we are not getting any value out of it. But, I realize something must be done with these surpluses. I have already mentioned to you these international cartels that pass themselves off as purchasers, but who in fact appear to be brokers at the expense of the United States taxpayers in these matters. Certainly, I think the Committee on Agriculture or the Committee on Foreign Affairs or the Committee on Banking and Currency or whoever has jurisdiction over these matters should do something to eliminate or restrict these agents—who are not even the agents of American controlled corporations but who are making huge profits out of our surplus commodities.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield.

Mr. COOLEY. I would just like to say to the gentleman from New York, that in the first place, our agricultural attachés are not merely salesmen. In this section, we are talking not about surplus commodities but about surplus funds,

counterpart funds, which, as the gentleman from Massachusetts has indicated, are accumulating in enormous amounts. Is it better to permit the funds to accumulate throughout the world, or is it better to take a part of those funds and invest the funds in real estate—even, perhaps, a residence for our agricultural attachés, most of whom now are not adequately housed or adequately financed.

Mr. O'NEILL. The matter of building residences for our representatives abroad comes under the jurisdiction of the gentleman from New York so far as appropriations are concerned since the gentleman is the chairman of the Subcommittee on State, Justice and the Judiciary Appropriations.

Mr. COOLEY. The Federal Government is paying out enormous sums in American dollars for the rental of buildings.

Mr. ROONEY. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield.

Mr. ROONEY. I wonder at the statement of the distinguished gentleman from North Carolina, my friend, who is chairman of the great House Committee on Agriculture when he says that the agricultural attaché is not a salesman. In his report on this bill, he states, "suitable residences would be of assistance to the agricultural attaché in selling American agricultural products."

Mr. COOLEY. I agree with the gentleman on that. Recently, the Congress took the agricultural attachés out from under the State Department so to speak, and they now report directly to the Secretary of Agriculture. That is the way I think it should be. I think the agricultural attaché is stationed in a foreign country for the purpose of collecting information for our own Department of Agriculture, for the purpose of pointing out to American businessmen the possibilities of trading in foreign countries, and to assist Americans to find markets for its products. But, certainly, the agricultural attaché is not a salesman in the usual sense of the word. He has nothing to sell and he has no authority to consummate the sales on any commodity; but certainly a big part of his job is to help American agriculture find foreign markets for its commodities.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield.

Mr. MASON. It is a fact, is it not, that the Committee on Agriculture voted unanimously in support of this bill?

Mr. O'NEILL. That is true.

Mr. MASON. And it is also a fact that the Committee on Agriculture has as its main objective the benefit of the American farmers in getting rid of these surpluses; is that not a fact?

Mr. O'NEILL. That is true.

Mr. MASON. In view of those two facts, the Committee on Agriculture cannot be expected to have in mind the economic welfare or the general well-being of the people of this Nation. They can only keep in mind the welfare of the farmers, and getting rid of these surpluses for these counterpart funds which are no good to anybody and which we ought to be able to use, as the gentleman says at least to get some benefit out of, such as paying the rent for these agricultural attachés, if necessary, or providing them with homes. But we ought to get some good out of these counterpart funds in order to get a little return on the tax money we have spent to accumulate them.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield.

Mr. GROSS. This being an off year, as far as elections are concerned, I wonder how much will be left this time next year when the junketing parties get through.

Mr. O'NEILL. They use only a small part of these funds. As a matter of fact, you could have half of America go on a junket and they could not spend all the money they set up in these situations.

Mr. GROSS. About 3 years ago we turned over to the British Government more than a billion dollars in counterpart funds to retire their debt. That is a good way of taking care of that difficulty.

Mr. O'NEILL. I yield to the gentlewoman from New York [Mrs. KELLY].

Mrs. KELLY of New York. On page 10 of the report:

> It is an emergency law designed for the sole purpose of making the best of a bad situation by providing for the disposal of agricultural surpluses in a manner which will return some benefit—if possible, a permanent benefit—to the United States.

I do not call surpluses a bad situation. I am just wondering if at this time it would not be advisable to consider defeating the rule on this matter, for one other reason. I am deeply concerned over the fact that the Members of this House do not know that which is involved in this bill. What is involved in this bill is much deeper than the simple bill before us, of an increase from $3 billion to $4 billion. What is involved in this bill is a fundamental basis which we should decide. That is, the present negotiations for Polish aid is involved in the passage of this law. Saturday the State Department gave a release, and that which was involved, as far as this law is concerned, is in the sale of surpluses to Poland. On April Fools' Day—it is a rather good day as far as this is concerned—the law was declassified by the State Department claiming Poland no longer under the domination of the Soviet regime. It certainly was true on April Fools' Day. On that basis negotiations were held, but that which was made public is only a small portion of the real negotiations. I think it is most unfair to the membership of this House to vote on a law or a bill in which they do not know the fundamental and true facts of the negotiations with Poland.

Mr. O'NEILL. No change has been made in title III of this act which deals with barter and permanent disposal programs, and donation programs embodied in the Agricultural Act of 1949. As this act passes here, as I understand it, you could not barter with Poland, or any country behind the Iron Curtain at this time, but I understand that in April the Senate passed a bill stating there would have to be——

Mrs. KELLY of New York. Just let me amplify that. It is true that 103 and 304 are not changed under the basic law. But under that the executive branch can decide if a nation is friendly. So, under the determination of December 20, they determined that Poland was a friendly nation. Therefore negotiations could be held with Poland. I am not disputing that right of the Government to consider trading with Poland. But using this law as a basis for negotiations, the State Department went further in their negotiations than the trading of surplus commodities.

Regarding that I cannot address the House for the simple reason that it is classified.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield.

Mr. COOLEY. I do not know what classified information the fair lady from New York has that she cannot disclose to the House, but I think that the situation she is grieved about resulted from an interpretation of the Polish situation by the officials of the State Department when they declared that Poland was now a friendly nation, and having declared Poland as a friendly nation the State Department or some other officials of some other department of the Government has now entered into negotiations.

But the fact remains that there is no provision in this bill which has changed the situation which she has in mind. Of course, if no funds are provided there would be nothing to trade with. I understand exactly what her objection is and that is that the State Department has interpreted the situation in Poland contrary to her own idea of what the situation really is and perhaps contrary to my idea, because I do not consider that the Polish Government is a friendly government. I do not consider that the Polish Government is not dominated by the U. S. S. R. If it is dominated by the U. S. S. R. they have no right to negotiate with them if they are in fact negotiating.

Mrs. KELLY of New York. Mr. Speaker, will the gentleman yield further?

Mr. O'NEILL. I yield.

Mrs. KELLY of New York. I would like to say as a member of the Committee on Foreign Affairs that I cannot divulge that which is classified. But I can also say that before the session this afternoon one of the members of the Committee on Agriculture told me he was acquainted with what I considered classified matter, and that the Department had told him parts of it. If he wants to divulge it on the floor that is up to him.

Mr. DORN of New York. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield.

Mr. DORN of New York. I wonder if the distinguished chairman of the Committee on Agriculture, in view of the statement he made, would accept an amendment to the effect that under this bill Poland is considered an unfriendly nation, so it would be in black and white in the bill itself.

Mr. COOLEY. No; I would not accept the responsibility of defining a friendly nation or an unfriendly nation.

Mr. DORN of New York. There is a definition of "friendly nation" in the bill. Under my interpretation of the bill Poland would not be a friendly nation, but the State Department interprets it differently. I think in view of the gentleman's reasoning it should be set out in the bill itself.

Mr. COOLEY. I said I am inclined to agree with the position of the gentleman, but the fact is that the situation might drastically change at any time, and in the event there were a drastic change and the Polish Government did in fact become a friendly government, then I would be in favor of dealing with her as a friendly nation.

Mr. DORN of New York. Cannot that be set forth in the bill? Because if the bill remains as it is now we are going to not have that. I think it should be in the bill.

Mr. COOLEY. If the gentleman will let me proceed for just a minute, in the law now there is a restriction and a limitation to the effect that we cannot trade with Iron Curtain countries. We have been urged to remove that restriction from the law. The Secretary of State wants to remove it, the Secretary of Agriculture wants to remove it, and perhaps the entire executive branch wants it removed. The Senate, I understand, has removed the limitation, but the House committee had declined to take action although it was carefully considered. We eliminated it from the bill that was transmitted to us from the Secretary of Agriculture. It did contain the provision. I deleted that provision from the bill during committee consideration. That question is not now before us. If the gentlewoman from New York desired to put in a limitation that we cannot deal with Poland and name Poland, she has the right to do so.

Mr. DORN of New York. Do I understand from what the gentleman says that he would favor such an amendment?

Mr. COOLEY. No. I think I am inclined to favor what I know now to be in the law and leave the interpretation to somebody in the executive branch who is better prepared than I would be on the information available to me.

Mr. DORN of New York. It has been indicated that the belief is that Poland is a friendly nation.

Mr. COOLEY. I think they have actually declared that and I think the gentlewoman from New York can inform the House in very clear and unambiguous language as to where we stand in that regard.

Mr. O'NEILL. Mr. Speaker, I would like to direct my remarks to the Chairman of the Committee on Agriculture. The act originally provided for an authorization of $700 million for sales abroad to foreign countries. The authorization was then increased to $1,500,000,000 and to $3 billion in 1956. This bill further increases the authorization under the title to $4 billion. I want to know when you are going to stop. I am asking the gentleman from North Carolina, Chairman of the Committee on Agriculture. There is no answer to that, but I think there are a lot of people would like to know when it is going to stop.

Mr. COOLEY. The gentleman is asking me?

Mr. O'NEILL. I said that in 1955 the original authorization was for $700 million, which was increased to $1,500,000,000, then to $3 billion and now to $4 billion. I want to know when it is going to stop.

Mr. COOLEY. That situation is detailed in the report and I assume the gentleman is reading from the committee report. We made a full disclosure of the situation. The gentleman must be aware of the fact that the executive branch of the Government presented these figures. The executive branch recommended the increase of $1 billion in one place and $300 million in another place. This bill was reported by the committee unanimously. It was considered in an atmosphere that was free from partisan politics. The gentleman asks the question when are we going to stop? My answer is I do not know.

Mr. O'NEILL. That is a fair answer.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Ohio.

Mr. BOW. Last week the Congress adopted a conference report on appropriations for the State Department and other agencies which contained an international exchange item, translation of publications and information and education items as well. Can the gentleman explain to us to what extent these funds are used for the purpose of these items that we have already appropriated large sums to be used by the State Department and USIA?

Mr. O'NEILL. There is a breakdown in the report as to how much of it is used. Actually only about 15 percent of this foreign currency is used by the Government for any purposes.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. O'NEILL. Mr. Speaker, I want to conclude my remarks by making the following statement:

Commodity Credit Corporation sales records—of all sales in excess of $100,000—for a 22-month period from July 1955 to, and including, April 1957, reflect that the total dollar-value of commodities sold under title I, Public Law 480, to be in the amount of $233,258,935. Thirty-seven companies participated in these purchases but three of the companies allegedly bought about 65 percent, or almost two-thirds of the over $233 million sales made by CCC under this title.

Two of the three companies that control the bulk of these purchases are known to be integral parts of international cartels. One of the three companies purchased in a 3-day period in February 1956 over $11 million worth of title I commodities in addition to over $5 million of surplus commodities from the CCC for a 3-day total purchase from CCC of $16,580,775. This situation hardly gives much opportunity to American businessmen.

These international cartels that control the bulk of Public Law 480 sales are nothing more than brokers, since the sale is agreed to between the United States and the purchasing country before, at least theoretically before, the international cartel enters the picture. I say this because it appears that despite the prohibition against bidding before the purchase authorization is announced by the Department of Agriculture, these international groups have already commenced their operations through contacts in the foreign country, long prior to the agreement between nations.

I think the Committee on Agriculture or whatever committee has jurisdiction of this matter certainly should look into it and something should be done.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from North Carolina.

Mr. COOLEY. I would just like to say that some of these transactions involve as many as three nations, and unless you know all the facts and circumstances it is difficult to say whether there is anything evil involved or not. The gentleman used the word "cartel." I know that there are transactions now in the bill, so to speak, that have actually been approved by the National Defense Committee of this House that involve far more than the items mentioned there. I think one is a military-housing project that involves about $50 million.

Mr. O'NEILL. I am not saying that these are not legitimate transactions, but my curiosity is certainly aroused when the CCC handles $233 million worth of sales and 65 percent of it is handled by 3 companies, 2 of them not United States corporations, and I think it is time that this Congress look into the matter.

Mr. COOLEY. I assure the gentleman that the devoted members of our committee are very much interested in the subject he has discussed and we will do our dead level best to investigate and to study each of these proposals.

Mr. O'NEILL. I thank the gentleman.

Mr. ROONEY. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from New York.

Mr. ROONEY. In regard to the very pertinent question asked by the distinguished gentleman from Ohio [Mr. BOW] awhile ago concerning the items set forth at page 8 of the committee report in regard to this bill, and in particular the $7.4 million for information and education, which would be on top of the appropriation just passed by this body and the other body for that purpose and $1.75 million for translations and publications, I should like to say in regard to the figure of $17.15 million in the international education exchange program that that amount compares with not more than $1.5 million at the present time and in this very fiscal year. It would seem to me as though we are just

going hog wild with the use of these funds, and I think it should be called to the attention of the House, particularly the comparison between not over $1.5 million in the present year and $17.15 million as provided under this authorization.

Mr. O'NEILL. May I ask the distinguished chairman of the Subcommittee on Appropriations for Foreign Affairs what he thinks of this proposal, in view of the fact that at the present time we are giving to the United Nations and special agencies $27 million; North Atlantic Treaty Organization, $1,150,000; Inter-American Organization, $6,448,000; other international organizations, $428,000; temporary organizations or organizations in which the United States participates, $26,000; special programs financed by voluntary United States contributions, a total of $126,045,000, that we use some of this surplus commodity money that is lying in these different nations, and instead of paying out cash dollars each year to the amount of now $126 million, and next year it is going to be around one-hundred-and-thirty-odd million dollars, that we use these funds ourselves.

Mr. ROONEY. I would say to the distinguished gentleman from Massachusetts that if that could be achieved in proper fashion I would most certainly favor it. However, it should not be done through this method of bringing a bill such as this to the floor. This seems to me like a beautiful mess of porridge, with everybody waiting to get into it with a huge spoon. That is what is happening with regard to these funds. I do not think they should be used to increase a program from $1,500,000 in the current year to $17 million plus as authorized under this bill.

Mr. O'NEILL. I thank the gentleman.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. LAIRD].

CALL OF THE HOUSE

Mr. TABER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 93]

Alexander	Dennison	Holt
Anfuso	Diggs	Holtzman
Barden	Dixon	James
Bass, N. H.	Dollinger	Jenkins
Beamer	Donohue	Kearney
Blitch	Durham	Keogh
Bonner	Eberharter	Kilday
Bowler	Engle	Knox
Boykin	Evins	Landrum
Brooks, La.	Farbstein	Lankford
Brownson	Fino	Latham
Buckley	Flood	McConnell
Celler	Flynt	McCormack
Chiperfield	Fogarty	McGovern
Christopher	Fountain	Mack, Ill.
Cole	Frazier	Miller, Md.
Coudert	Green, Pa.	Miller, N. Y.
Cretella	Halleck	Montoya
Curtis, Mass.	Hays, Ohio	Morano
Curtis, Mo.	Healey	Morrison
Davis, Ga.	Hess	Moss
Dawson, Ill.	Holifield	Norblad
O'Brien, N. Y.	Roosevelt	Utt
O'Konski	Scott, N. C.	Wharton
Patterson	Scott, Pa.	Williams, N. Y.
Philbin	Seely-Brown	Wilson, Ind.
Powell	Sheehan	Wolverton
Prouty	Shelley	Wright
Rains	Teague, Tex.	
Rivers	Teller	

The SPEAKER. On this rollcall 325 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

The SPEAKER. The gentleman from Wisconsin [Mr. LAIRD] is recognized.

Mr. LAIRD. Mr. Speaker, I strongly support enactment of H. R. 6974, a bill which would extend title I of Public Law 480 for 1 year and increase the authorization by $1 billion. It would also extend the title II famine relief authority for 1 year and increase the authorization by $300 million.

On May 23, 1957, I addressed the House on the need for this legislation and outlined in detail the operations of this law since its enactment by the Republican 83d Congress.

Mr. Speaker, I have just seen the Department of Agriculture's estimate of agricultural exports for the first 10 months of the current fiscal year. Already they total in excess of $4 billion. We are well on our way to setting a new alltime high in farm product exports. The total for the current year will probably exceed $4.5 billion. The foreign currency sales program under title I has made a major contribution to this export gain.

During 1956 and 1957, it is resulting in the movement of about 160 million bushels of wheat, 16 million bags of rice, over 600 million pounds of soybean and cottonseed oil, 1.5 million bales of cotton, as well as quantities of other products such as cheese, powdered milk, butter, feed grains, tobacco, lard, tallow, fruit, meat products, and vegetable products.

The whole milk reconstitution program that is being carried on in Japan at the present time is a direct result of this 480 legislation which was passed originally in the 83d Congress.

For the first time in years, expanded exports including those made under title I are helping reduce price depressing surpluses of Government inventories in the hands of the Commodity Credit Corporation. The foreign currency exports are helping swell rice and vegetable oil shipments to new alltime highs. The wheat shipments are helping make possible a record or a near record wheat export year. Cotton shipments are expected to be the highest in three decades.

As of March 1, the Commodity Credit Corporation investment in price support stocks is down about $500 million as compared with the same date a year earlier. By June 30, the investment should be about $800 million less than it was 12 months earlier.

Title I has been particularly helpful in that it makes possible the movement of surplus commodities to those countries of the world which limit their commercial purchases because of a lack of sufficient foreign exchange. The program also helps to maintain our markets in other countries of the world which suffer temporary foreign exchange problems. In general, title I has immediate benefits by helping move the surpluses into constructive use abroad. It also helps build longer time demands for our farm products.

TOTAL UNITED STATES AGRICULTURAL EXPORTS AND TITLE I OF PUBLIC LAW 480

I am sure all of us heartened by the progress which has been made in expanding agricultural exports. These exports have increased in value from about $2.8 billion in 1952–53 to $3.5 billion in 1955–56. On a volume basis, the increase was even more impressive. Last year's exports were the highest in quantity for the last 30 years.

The gain in exports is proceeding at an accelerated rate during the current season. For the first 8 months of 1956–57, overseas shipments totaled about $3.2 billion in value. This is 50 percent higher than the export total on the same date last year. It appears that for the entire 1956–57 season our agricultural exports could total as much as $4.5 billion. The attainment of such a level would mean new alltime highs in both value and volume, far above previous records.

The improved export outlook results from many factors including a stepped-up program to dispose of price support stocks and more competitive export pricing policies, particularly for cotton, greater needs abroad because of poor crop conditions, some forward buying abroad because of the uncertainty resulting from the situation in Suez and behind the Iron Curtain, and the effects of special surplus disposal programs especially those undertaken under title I of Public Law 480.

Very briefly, it appears that the title I program has had the following major commodity effects:

First. The program is largely responsible for the commitment of the rice surplus accumulated from the 1953, 1954, and 1955 crops and a part of the potential surplus from the current crop—this has materially strengthened marketing conditions for rice producers during the current season.

Second. Title I has made a major contribution to a tremendous expansion in wheat and wheat flour exports during the current season which could total as much as 450 million bushels. This would make possible a reduction in surplus wheat stocks of about 50 million bushels, the first reduction in carryover in 5 years.

Third. Exports of nearly 600 million pounds of cottonseed and soybean oil moved under the foreign-currency program during 1955–56, which helped to raise our total exports of vegetable oils to a new record level—this was the major factor in maintaining firm soybean prices to producers last year and it kept soybeans and cottonseed out of CCC hands under the support program.

Fourth. Title I exports of over 100 million pounds of lard made in 1955–56 have been of material help along with

other actions taken by the Department of Agriculture in the present strength in hog prices.

Fifth. Public Law 480 exports of 71 million pounds of tobacco last year represented about three-fifths of the increase in tobacco exports as compared with the previous year and helped push exports to the highest level in 10 years.

Sixth. Title I programs were responsible for the movement of over 20 percent of total cotton exports last year despite the fact that prices were not competitive most of the year and the movement of as much as 1½ million bales of cotton this season which will help swell cotton exports to the highest level in 23 years.

TITLE I, PUBLIC LAW 480, COMMODITY HIGHLIGHTS

DAIRY PRODUCTS

Dairy products sales for foreign currency under title I of Public Law 480, are helping us keep the commodities (butter, cheese, nonfat dried milk) under the price-support program down to a current basis. Out of 800 million pounds of nonfat dried milk, over 15 million pounds are disposed of under title I, Public Law 480. India is expected to import about 10 million pounds of this 800 million pounds. Twenty to twenty-five million pounds out of 150 million pounds of butter will be disposed of under this program. It is expected that about 5 million pounds of cheese will be taken under title I during the next fiscal year. During the program to date the major countries involved in programing the cheese have been Israel, Greece, and Korea. USDA is now able to take care of the surpluses on a seasonal basis so that it can dispose of everything acquired by CCC under the price-support program.

RICE

The story on rice must certainly be most welcome to rice producers. At the beginning of the current year about 22 million bags on a milled rice basis were in CCC inventory or under loan. By June 30, CCC stocks should be cut in half. This huge reduction in surpluses will result from a record export year of about 25 million bags. And about two-thirds of these exports are being made under title I programs with India, Korea, Pakistan, and Indonesia. Thus, in the space of 12 months expanded export disposals largely stimulated by Public Law 480 are resulting in the liquidation of the rice surplus accumulated from the 1953, 1954, and 1955 crops, and a substantial part of the potential surplus from the current crop. Rice producers are benefiting from improved marketing conditions for the current crop and 1957 marketings will not be depressed by the weight of heavy surpluses.

WHEAT

The surplus holdings of wheat have grown larger each year since 1952–53. But in 1956–57 for the first time in 5 years the surplus should be reduced by about 50 million bushels.

The reversal in surplus accumulations is due almost entirely to expanded exports which have risen from 220 million bushels in 1953–54 to 344 million last year. The Department of Agriculture some time ago estimated wheat and flour exports for the current season at a minimum of 415 million bushels. Now it appears that exports should reach 450 million bushels.

A large share of the credit for this gratifying outlook must go to Public Law 480 and particularly to title I. Exports for foreign currency have increased from 24 million bushels in 1954–55 to 93 million bushels last year and are expected to equal or exceed 150 million bushels this year. Much of these shipments are going to countries like India which is finding it possible to expand consumption of wheat as the result of their ability to make purchases in their own currency.

The possibility of a cut in the surplus wheat stockpile is even brighter for 1957–58. With prospects good for continued high-level exports and a substantial reduction in wheat production because of the soil-bank program, the reduction in the wheat carryover at the end of next season should be much larger than the 50 million bushels in sight this year.

COTTONSEED AND SOYBEAN OIL

The programing and shipment of cottonseed and soybean oil under title I in 1955–56 was the key factor in keeping cottonseed and soybeans out of CCC hands. These activities have added millions of dollars to the incomes of soybean and cottonseed producers. Nearly 600 million pounds of these oils were shipped abroad under the foreign currency program last year and this helped push edible oil exports to a record level of almost 1.2 billion pounds, about 55 percent higher than the previous record level. The large exports of oils together with record exports of soybeans kept soybeans and cottonseed above support levels last year. Despite the fact that farmers placed about 30 million bushels of soybeans under price support in 1955–56, only a few thousand bushels were taken over by CCC and these were sold easily.

The record 1956 harvest of 456 million bushels of soybeans, almost 84 million bushels higher than last year's level, made marketing conditions look dark last fall. But again title I has proved of great help. For the entire season, combined exports of cottonseed and soybean oil should approximate last season's record with the continued strong help of Public Law 480.

LARD

Lard exports which totaled about 625 million pounds in 1955–56 have done much to ease the pressure on the livestock industry. Public Law 480 title I shipments accounted for 100 million pounds of this total. This was of material assistance in reaching this export total. It is expected that lard exports under the foreign currency program will be at the same level this year. These exports helped to bolster lard prices during the last few months which in turn contributed to the improvement in prices that hog producers have been experiencing.

TOBACCO

Tobacco exports last year of about 580 million pounds were the highest in 10 years and about 115 million pounds more than in 1954–55. About three-fifths of this increase over the previous year resulted from exports financed under the title I program. The program helped to increase stocks in a number of countries, such as the United Kingdom. It also opened up a new postwar market for tobacco in Korea. The usual marketing requirements under the program have been an important factor in helping increase dollar sales, which accounted for 88 percent of our total tobacco exports in 1955–56.

This year tobacco exports, although expected to be high, may be down to 500 million pounds. The decrease will result from greater competition from other exporting countries, and foreign-buyer resistance to price rises in stronger flavored tobacco and to those varieties of flue-cured tobacco produced last year, which lacks flavor and aroma. The title I program will help to prevent a further decline in exports by moving about 55 million pounds of tobacco abroad this year.

COTTON

The big news in cotton is without doubt that American cotton is fully competitive in world markets. This has been the outstanding factor in prospects for exports of at least 7 million bales this year, more than triple last year's low level. Additional factors were rising consumption abroad and a desire to add to low inventories. This sharp change in export outlook means that for the first time in 6 years instead of adding to the existing surplus, carryover stocks should be reduced by more than 2 million bales.

But title I helped to move cotton last season, and the large programs negotiated last year are helping considerably with the strong export movement this year.

In 1955–56 we exported only 2.2 million bales of cotton. This was primarily because our prices were not competitive in world markets during most of the season. But title I helped to keep exports from going lower. Such foreign currency shipments were responsible for about 22 percent of last year's exports. And it is interesting to note that countries with which there were title I cotton programs last season took 99 percent as much cotton as they did the season before, whereas non-Public Law 480 countries took only 40 percent as much cotton in 1955–56 as the year before.

Japan is an outstanding example. We exported 833,000 bales to that country for dollars and yen in 1955–56 which was almost 30 percent higher than exports in the previous year. The United Kingdom, on the other hand, with which there was no program, reduced their takings from us by 64 percent.

I repeat that this year, the major reason exports are zooming is because of competitive pricing and so far 7 million bales have been sold for export by CCC. But the fact that title I agreements were outstanding on August 1, 1956, for the movement of about 1.2 million bales of cotton gave considerable strength to the market. Traders could buy with confidence that in addition to improved dollar markets mainly in Europe, cotton

purchased could be moved in large volume to title I countries which in most cases are short of foreign exchange. This year it appears that exports under the title I program may be as high as 1½ million bales. And much of this is going to countries like India, Spain, Indonesia, Burma, and Pakistan whose purchases of cotton from us would otherwise be severely limited because of foreign exchange difficulties.

WHY THE TITLE I, PUBLIC LAW 480, EXTENSION SHOULD BE LIMITED TO 1 YEAR AND $1 BILLION

The Department of Agriculture has requested a 1-year extension in the time in which new agreements may be negotiated under title I of Public Law 480, and an increase of $1 billion in title I funds.

There as general agreement that this disposal program has worked effectively. However, some have suggested that the program should be extended for 2 or 3 years and the funds increased by $2 or $3 billion, rather than the limited extension and addition proposed by the Department of Agriculture.

I believe we should support the recommendations of the Department of Agriculture for the following reasons:

First, and additional $1 billion will permit the same or a larger rate of shipments in 1957–58 as during the current year. This year title I shipments will be about $700 million. Of the agreements already signed, a balance will remain for shipment in fiscal year 1958 of about $400 million. The additional $1 billion will result in new programs totaling about $650 million at export value. About two-thirds of this amount should be shipped in fiscal year 1958. So it is evident that actual shipments next year will be at least as large as this year.

Second, the rate of new programing at a $1 billion annual rate compared favorably with the rate of new agreements signed in the past. Some have assumed that the Department of Agriculture's request represents a decrease in the rate of new agreements, since about $1.4 billion in new agreements have been negotiated since last July 1. We should keep in mind that of this total about $500 million represents second- and third-year portions of the 3-year agreements with India and Brazil. Thus, the $1 billion request compares favorably with the programing done during the current year if the fiscal year 1957 and 1958 parts of 3-year agreements are excluded.

Third, a 1-year extension assures that the Congress will take another look at this law during the next session of Congress to decide if it should be extended further or altered. After all, our major aim is to sell our agricultural products for dollars. Public Law 480 was passed as a temporary measure to help move the accumulated surplus into channels which did not have dollars to pay us. We are making progress in whittling down the surplus. I think it is healthful for us to have a periodic review of the progress made in surplus disposal. During this review we can also take a close look at the way in which the disposal tools are being used, and whether any changes should be made.

And fourth, and this is entirely a personal reason, I am happy to support request for an authorization from an agency which says do not give us more money than we request. It is refreshing and most unusual. The people in the Department of Agriculture know this program. If they thought they should use more funds effectively, I am sure they would have asked for more. They have done a good job—let us go along with their recommendation.

HOW TITLE I, PUBLIC LAW 480, FOREIGN CURRENCIES ARE USED

Now, it might be interesting to see just how the foreign currencies are used under Public Law 480.

Commodities are sold under title I of Public Law 480 for foreign currencies. The $3 billion current authorization will result in payments of approximately $2 billion. The $1 billion difference reflects the cost of commodities to the Government under the price support program and the lower world market prices at which commodities are sold for foreign currency.

In round figures, about one-fourth of the $2 billion total will be used to meet United States expenses abroad. This use will return dollars to the Commodity Credit Corporation. Examples of such use are the construction of United States military bases in Spain and Turkey, and the construction of housing for United States military personnel and their dependents in the United Kingdom. About one-tenth will be given to our allies to strengthen their military forces. These funds are being used in the same way as foreign aid defense support funds, and certainly they cut down on the amount of foreign aid dollars that would otherwise have to be appropriated for this purpose.

I believe that we can make our full commitments to our friendly nations throughout the world for economic support and for defense support through the use of these funds rather than the direct appropriation of United States aid dollars.

About 6 percent of the $2 billion will be used for a variety of purposes including the purchase of strategic materials for the United States national stockpile; the purchase of goods for other friendly countries; grants for economic development; the international educational exchange program; and for help to American colleges abroad.

Somewhat less than 2 percent of the total will be used by the Department of Agriculture to develop longer-time commercial markets for agricultural commodities abroad. This program clearly supplements the regular market development work carried on by the Department. These activities are conducted in cooperation with United States trade associations and they give promise of helping boost commercial exports long after the Public Law 480 program has ended.

The largest part of the currency, over half the total, will be loaned to participating countries for economic development. There is no question that these loans help to reduce the amount that the Congress would otherwise have to appropriate for the foreign-aid program. And certainly it makes sense to use our surpluses as capital to help in the development of other friendly countries. As their economies expand, they will be better commercial customers for our farm products.

I would like to point out that many people have referred to title I as a giveaway program. This is not true. Many of the countries receiving loans of foreign currency under title I are also receiving loans, primarily for the import of American industrial materials, from either the Export-Import Bank or the World Bank. If Public Law 480 loans are not regarded as a sound investment, then none of the loans made directly or indirectly with United States funds are a sound investment to these countries. Furthermore, it should be pointed out that the loans are to be repaid, and as repayments take place, they may be used to meet the dollar expenses of the United States in the participating countries.

I believe, Mr. Speaker, that these funds must be carefully supervised by the appropriate committee of Congress, but I feel it is much better to use the food stocks of the Commodity Credit Corporation, exchanging them for foreign currencies abroad and using this type of program to help our friendly countries.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. LAIRD. I yield to my friend, the gentleman from Ohio.

Mr. BOW. Will the gentleman say what appropriate committee of the Committee on Appropriations handles the international exchange, translations, publications, information, and education funds?

Mr. LAIRD. The committee that it should come under the jurisdiction of, it seems to me, is the Department of State and Justice Subcommittee of the House Appropriations Committee.

Mr. BOW. I agree with the gentleman it should, but I do not believe it does. What committee is now handling the distribution and control of these funds generated by this program in these areas?

Mr. LAIRD. I think the gentleman plans to offer an appropriate amendment to the bill so that there will be proper controls, and I certainly agree that there should be. I intend to support such an amendment which I believe will improve the present law.

Mr. BOW. Does the gentleman agree with me that at this time there is no committee of the Committee on Appropriations that is policing these funds?

Mr. LAIRD. I think it has been handled very loosely and should be improved, and I believe an appropriate amendment can be inserted to strengthen the control of the use of these funds. I am confident that the administration will follow a policy of using these funds only after receiving budgetary approval of the Appropriations Committee.

Mr. HOSMER. Mr. Speaker, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from California.

Mr. HOSMER. The portion of the money that goes to foreign assistance, is that a transfer between the foreign aid

funds, or is it in addition to the regular foreign aid appropriation?

Mr. LAIRD. The committee, in handling the bill, can appropriate these funds in the foreign aid program.

Mr. HOSMER. In addition to the regular foreign aid program?

Mr. LAIRD. In addition to the regular foreign aid funds. I believe it can be substantially cut down as for as direct appropriation of United States dollars, and that these counterpart funds should be appropriated for that purpose.

Mr. HOSMER. One other question, with respect to the exchange rate that is used when the foreign people purchase; is that an artificial exchange rate, established by foreign governments for their currency, or is it the actual exchange rate as reflected by a free market?

Mr. LAIRD. It is the actual exchange rate. The gentleman understands that the commodities are sold at the world market price. That is the reason there is the difference in the amount of money that has been collected under the program; $2 billion is available from commodities sold, $3 billion was transferred in commodities from the Commodity Credit Corporation. The $1 billion loss reflects the difference between the United States support prices and the world market prices for the commodities.

Mr. VURSELL. Mr. Speaker, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from Illinois.

Mr. VURSELL. Mr. Speaker, I would like to point out that counterpart funds are being used to pay our own expenses in Turkey, for instance, in the amount of $51,500,000; in Japan over $65 million, which money we would otherwise have to spend in dollars. Instead of dollars, counterpart funds are being used.

Mr. ALLEN of Illinois. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker, will whoever is in charge of this bill on the Democratic side tell me, is this an Eisenhower program?

Mr. O'NEILL. I do not know; apparently it is an Eisenhower program.

Mr. HOFFMAN. Does the leadership on the Republican side agree that this is an Eisenhower measure?

Mr. MARTIN. It is a measure that has been submitted by the Department of Agriculture; yes.

Mr. HOFFMAN. That will be helpful. I hope the Congressional Quarterly will take notice, if someone is not here and does not vote; that it will not do as it has been doing in the past, charge it up against that Member as a vote against the administration. That has been a fraudulent practice on the part of the Congressional Quarterly.

It has not been my effort to have anything to do with what it publishes or does not publish. The point that I have been urging against that publication is that it is sailing under a false flag. It is just like a pirate ship; it does not tell the truth about how a man votes. That is all I want it to do.

Now back to this program. As I understand, this bill adds $1,200,000,000 of authorization; is that right? May I ask that question of some gentleman on the Democratic side?

Mr. COOLEY. One billion three hundred million dollars.

Mr. HOFFMAN. That goes, part of it, for the purchase of cotton, does it not, if I may ask the gentleman again?

Mr. COOLEY. Certainly not.

Mr. HOFFMAN. Is not cotton in surplus?

Mr. COOLEY. Yes; but it is not restricted to cotton.

Mr. HOFFMAN. I know, but cotton is in it, is it not?

Mr. COOLEY. Absolutely; yes.

Mr. HOFFMAN. I notice that in 1955 and 1956 one former Member of Congress from the South, a Democratic Member, got $230,734.68 under that cotton program. That same provision is in the law today, for the cotton grower and the wheat grower, is it not?

Mr. COOLEY. The gentleman says that some Member of Congress got that much?

Mr. HOFFMAN. A former Member of Congress. But I say that that provision, enabling a cotton grower to get a subsidy of that amount in 1 year, is still in the law; all he has to do is to grow enough cotton.

Mr. COOLEY. Yes; but Mr. Benson has not advocated the repeal of the law to which the gentleman refers.

Mr. HOFFMAN. He has not?

Mr. COOLEY. No.

Mr. HOFFMAN. Would the gentleman support it if he did?

Mr. COOLEY. I am not sure that I would.

Mr. HOFFMAN. No; I guess not. Of course the gentleman would not.

Here is the thing that bothers me a little bit. The President said in his state of the Union message that if we did not watch our step we were going to ruin ourselves by spending too much money.

Then he said the other day, if I got it right, that if we did not go along with this defense appropriation, if we cut that any substantial amount, we were in danger of losing our freedom, that our national security was in danger.

Of course, we all know that somewhere there is a ceiling on the number of tax dollars we can collect. I want to go along with the President. I want to support the Eisenhower program if I can. But what puzzles me is, if there is a ceiling on the number of dollars and if we cannot take any away from defense, is it wise for the administration to come up here with another $1,300,000,000 to take care of the farmers' surplus? That is a question I have been thinking about. I do not know whether anyone else has or not.

Can I follow a President, keeping in mind his state of the Union message, who says we must watch our step about appropriations but that we cannot cut defense? Of course, I think we can. We can squeeze enough water out of, cut enough fat off, our defense appropriations.

About this bill, is someone else going to tell us where we are going to get that extra $1,300,000,000 and take in payment foreign currencies? I can understand how that is helpful to Congressmen who go abroad and get these counterpart funds.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Minnesota.

Mr. JUDD. This bill does not authorize the appropriation of an additional $1,300,000,000, it authorizes the sale for foreign currencies of a billion dollars' worth of surplus commodities that have already been bought and paid for——

Mr. HOFFMAN. By us.

Mr. JUDD. And the grant for relief purposes of $300 million worth which has already been bought and paid for by the taxpayers. It does not authorize or appropriate additional money.

Mr. HOFFMAN. Of course, we could use that money to replace some of these other expenditures.

Mr. JUDD. Yes; if we abandon the program of agricultural price supports. But the money has already been appropriated and spent by the Commodity Credit Corporation when it bought the surplus commodities. When we can use these commodities in our foreign-aid program, the dollars appropriated for foreign aid are used to repay the Commodity Credit Corporation. It requires just that much less to restore the capital or purchasing capacity of the CCC.

Mr. HOFFMAN. Does the gentleman mean that we take the foreign currency, counterpart funds, instead of getting it in dollars?

Mr. JUDD. If the countries are unable to pay in dollars, yes, we get foreign currencies instead of dollars.

Mr. HOFFMAN. When the gentleman and I go across we get it.

Mr. JUDD. Otherwise we get nothing.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. DORN].

Mr. DORN of New York. Mr. Speaker, I am opposed to this rule. I am opposed to it particularly because under it we will be giving aid to Communist Poland.

How will we be giving aid to Communist Poland? Contained in title 1, Public Law 480, which the bill H. R. 6794 continues, is section 107, which states in part:

> That as used in this act "friendly nation" means any country other than (1) the U. S. S. R. or (2) any nation or area dominated or controlled by the foreign government or foreign organization controlling the world Communist movement.

On December 28, 1956, Assistant Secretary Robert C. Hill, of the State Department, wrote to Senator Walter F. George and stated in part as follows:

> The Secretary has also determined, on the basis of a careful examination of the Polish situation since October 1956, that Poland is not now dominated or controlled by the U. S. S. R., and accordingly qualifies as a friendly nation within the meaning of section 107 of the Agricultural Trade Development and Assistance Act of 1954, as amended.
>
> He intends to inform the Secretary of Agriculture that Poland is eligible for title I and title III, Public Law 480, transactions.

So that this bill, if passed, will provide agricultural surpluses to Poland.

Senator KNOWLAND, in the other body, stated:

The figures indicate that during the past few years the Soviet Union has drawn out of Poland agricultural resources of the value of approximately 16 billion rubles. At the current rate of exchange—and I realize, of course, that the ruble is overvalued by any legitimate standard—that means about $4 billion.

In other words, the Soviet Union, as is customary, is stripping its satellite states of their resources. What we are proposing to do is to bolster the Soviet economy and enable it not only to undermine our friends abroad but also neutral nations because we would replenish the stocks of countries behind the Iron Curtain which the Soviet Union is stripping of their resources.

In order to help feed the population within the Soviet Union, it has been necessary for the Kremlin to withdraw foodstuffs from the captive nations for consumption within the Soviet Union. It is impossible to earmark or identify a ton of wheat or a ton of corn or anything else. The commodities are withdrawn from Poland, from Hungary, and from Czechoslavakia and put into the granaries of the Soviet Union. Then, Mr. Khrushchev says:

Our latest 5-year plan on agriculture has been a great success.

Under this program, we would replenish those stocks in the satellite countries. If we did so, there is no assurance that the Soviets would not withdraw what we send in there. There is no assurance that the Soviets would not draw such American stocks for use in the Soviet Union.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Speaker, I just want to get one thing straight, which I think the Members of the House should be acquainted with. When this bill was originally introduced, it is true it was in a Republican Congress, in the 83d Congress. But, I may say this was very much a bipartisan arrangement. Let me list the Members of the House who introduced the bills, all of which were identical and which were requested by all three of the farm organizations.

Mr. POAGE, of Texas, introduced one of the bills.

Mr. BURLESON, of Texas, introduced one of the bills.

Mr. JUDD, of Minnesota, introduced one of the bills.

I introduced one.

Mr. HARRISON of Nebraska introduced the fifth one.

These are all identical bills having the same purpose in mind. There was never at any time any intention for this to become a partisan matter. This bill was concurred in unanimously by every Member of the Committee on Agriculture, both Democratic and Republican. May I say, too, this bill was requested when it was introduced and passed, by the American Farm Bureau Federation, the National Grange, and the National Farmers Union. In other words, it was concurred in by all of the farm organizations as being necessary, if we were to dispose of these surpluses overseas. I did want to point that out to the House because I do not think the debate on this bill ought to take out on a partisan or political nature on either side of the aisle.

Mr. VURSELL. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. VURSELL. The purpose of this bill was to remove farm surpluses. Members on both sides of the House, at least many of them, said it would be better for agriculture if they were all dumped into the sea. This program has served a useful and important purpose. I want to point out one purpose here, which I think is important. In barter alone, under Public Law 480, we have benefited by selling $229,180,000 worth of farm products for which we have received strategic materials and stockpile materials. That is just exactly the same as cash, because it is on a dollar-cash basis. That is only one of the many benefits of getting rid of surpluses and getting something back for it.

This bill has done more to encourage exports and to help hold up farm prices, and is of more interest to the farmers of this Nation than probably anything else in the agricultural life at the present time.

Mr. SPRINGER. The gentleman is right. I endorse this bill because I think it has all the characteristics which have been described, as far as benefit to the agricultural population of this country generally is concerned.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. FULTON. As a member of the Committee on Foreign Affairs, I heartily recommend the passage of this bill, and join with the gentleman in his statement. Ninety-five percent of the population of Poland is Catholic, and has now been able to stand independently and save the $600 million that Russia has been taking away from them. So we need an independent Poland.

The SPEAKER. The time of the gentleman from Illinois [Mr. SPRINGER] has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the remainder of the time to the gentleman from Massachusetts [Mr. O'NEILL].

Mr. O'NEILL. Mr. Speaker, I simply want to clarify myself. A portion of this act Public Law 480 is very loosely drawn, I believe. There are certain nations of the world who would buy commodities in the world market, and are now getting it under the Surplus Commodity Act. They are hurting our program. I do not believe we should allow these foreign funds to stack up in foreign countries the way they are stacking up over there, and only use them as counterpart funds. I do not believe there should be a monopoly, and that we should allow two or three international cartels to handle the operation and the delivery of these goods. But I believe there is a lot of merit to the bill. For example, the Fulbright scholarships come under this bill. There are distressed areas in the Nation; the miners of West Virginia and Pennsylvania have benefited by the results of this bill in the past, and other sections of the country who have been economically hurt. For that reason I advocate the passage of this rule, and I hope that after the rule is adopted there will be amendments offered that will tighten up this act.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6974) to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 6974, with Mr. HAYS of Arkansas in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from North Carolina [Mr. COOLEY] will be recognized for 1 hour, and the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] will be recognized for 1 hour.

The CHAIR recognizes the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, I think at the outset I should make it perfectly clear that this is not an authorization bill; it is not an appropriation bill, but it is a bill that authorizes the sale of property that is now already owned by the United States Government, and the bill in effect is a limitation upon the sale of the property referred to in the measure. We know the property that I mentioned consists of agricultural surplus commodities.

I want to congratulate, Mr. Chairman, the gentleman from Massachusetts [Mr. O'NEILL] for the splendid manner in which he has presented the rule to the House. I think he demonstrated that he had a thorough knowledge of all the pertinent facts and circumstances involved, and that he was impressed with the importance of the subject with which we are dealing.

It is true that the bill authorizes the sale of an additional $1 billion under title I, which is the title authorizing sales for foreign currency. There is also an additional $300 million under the donation provisions of the law, title II.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield for a question?

Mr. COOLEY. I yield for a question; yes.

Mr. WHITTEN. In times past I have been very much disturbed by the operations of this bill because, unfortunately, it was used in substitution for sales through normal channels. I ask the gentleman as chairman of the Committee on Agriculture if it is not correct

that he and his committee feel that the provisions of this bill should be used in addition to regular sales through normal channels and certainly not be used in substitution of sales through regular channels?

Mr. COOLEY. I am sure my friend knows that that is exactly what is contemplated by the law; it is what the law itself provides, that donations cannot be made, and sales transactions cannot be made in a manner which will disrupt the normal channels of commerce.

Mr. WHITTEN. I appreciate the gentleman's statement. I wanted that in the RECORD. I wanted to point out that my opposition arose 2 years ago at a time when the Secretary refused to offer United States commodities in world trade through normal channels. I call attention to the discussions we had in the consideration of this bill. I certainly do not wish to return to that and I think it perhaps good to let the RECORD be clear here as to the stand of the gentleman and his committee.

Mr. COOLEY. I have just talked with one of the officials of the Department of Agriculture today, and he assured me that it was the purpose of the Department of Agriculture to protect the normal channels of trade and to sell for dollars wherever it was possible to sell for dollars these agricultural commodities which are now in surplus supply.

The purpose of this program has been to expand foreign trade in agricultural commodities. The bill was presented to the committee and reported by the committee I think unanimously. There was one controversial section in the bill which came up from the executive branch and that was the section which removed the restriction now in the law prohibiting barter with Iron Curtain countries. That subject was very controversial in our committee and the committee decided to not insert that section. I had already deleted it before introducing the bill sent up by Secretary Benson. I thought when we did that we would eliminate all possible controversy and avoid a fight on this measure.

Mr. DORN of New York. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from New York.

Mr. DORN of New York. I appreciate the gentleman yielding. Does not this bill as it stands enable the Executive to give aid to Poland, to sell agricultural surpluses to Poland?

Mr. COOLEY. I wanted to ask the gentleman a moment ago if he was not reading from a communication signed by an official of the State Department. That is what I wanted to ask.

Mr. DORN of New York. That is right.

Mr. COOLEY. In that communication it was clearly indicated that the State Department had decided that Poland was no longer an unfriendly nation but, on the contrary, was a friendly nation, which means that because of the interpretation placed upon the Polish situation by the officials of the State Department, they are now negotiating with Poland for a considerable volume of these surplus commodities.

Mr. DORN of New York. That is the reason I cannot support this bill.

Mr. COOLEY. The gentleman did not support the rule. Now he is called upon to support the bill or not support the bill, but even if we stop where we are, even if this bill is recommitted or defeated, you are not going to stop the negotiations which you are now complaining about unless you can get the officials of the State Department to reverse their decision. I do not want to delegate to myself the authority to define friendly and unfriendly nations. I do not believe any Member of Congress is as well prepared or is as well fortified to make those important decisions as are the officials of the State Department who have at their disposal all of the classified information and all of the data that bear upon the subject.

Mr. DORN of New York. The gentleman means that Congress has not got sufficient intelligence or has not sufficient information to make the decision?

Mr. COOLEY. I think we have the intelligence but perhaps we do not have all of the information and I do not delegate to myself the right to make the decision.

Mr. DORN of New York. Does not the gentleman think that Congress should have the information, and it is available, too. It shows that the head of Poland at the present time is an atheist Communist, that Poland is completely under the domination of Russia. We as an intelligent body should prevent the Executive from doing what you think is proper from the knowledge that we have.

Mr. COOLEY. Suppose in the coming autumn when the Congress is not in session they establish a very democratic government in Poland that needed assistance. We would have to call a special session of Congress to pass upon the question as to whether or not we would come to the aid of that country.

Mr. DORN of New York. It is not a matter that is coming up in September. It is that fact that at the present time, without any question, Poland is a Communist nation and we are aiding Poland.

Mr. COOLEY. Why does the gentleman not take that up with his own President?

Mr. DORN of New York. I am taking it up with the Members of this Congress right now who have the power to vote and should vote.

Mr. COOLEY. The gentleman wants this House today to say that Poland is an unfriendly nation.

Mr. DORN of New York. I want this House to say today that we should not give any aid or comfort to Poland, a nation dominated by the U. S. S. R. That is what I want this House to say today.

Mr. COOLEY. Will the gentleman let me answer? I will not yield further, Mr. Chairman. The gentleman saw I was trying to make an observation, and he took the words out of my mouth. He is trying to make a speech on my time. I am going to make my speech in my own way, and I am going to say this. I am saying we have no right to put the proposition up to this House as to whether or not you want this Congress to repudiate here on the floor of the House today the decision that you read here a moment ago which was rendered by the officials of the Department of this Government who are charged with our foreign policy, and I, for one, on that issue, am not willing to even repudiate Mr. Dulles or Mr. Eisenhower in that regard until I have more information than I now have.

Mr. DORN of New York. The gentleman just a few minutes ago said something like this.

Mr. COOLEY. I am not yielding further, Mr. Chairman.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I believe you are correct in your statement that the question concerning the government of a foreign country is a matter of foreign policy which under the Constitution is decided by the President and the Secretary of State. Likewise the decision is in conformity with the provision under this statute which has been passed by the Congress which authorizes this decision to be made. It has been legally made by the President that Poland is a friendly country by the highest foreign policy authority of the United States, the President.

Secondly, on this comment by the gentleman from New York that Poland is now a completely dominated Communist nation, dominated by Soviet Russia, I believe from my knowledge of the facts as a Member of the House Foreign Affairs Committee, that is not correct.

As a matter of fact, since the events that took place last October in Poland, Poland has been able economically to stand up and take a bargaining position with Russia and say that she will not sell Russia any more coal at 90 percent below world market prices, and that Russia must now give Poland equivalent value of products based on the world market prices. So, this means that Poland will save approximately $600 million in the next few years by her ability to stand up. So, by this bill we are really sustaining Poland's independent position in her dealings with other Communist nations.

May I further say that the agencies of the Catholic Church recommended their members in Poland to support the election by Gomulko and Cardinal Wyszynski has been released by the present government. Ninety-five percent of the fine Polish people are Catholics to this day, and freedom of religion has been restored in Poland. While I am an American, I admire the good Polish people for standing up for their faith and, God bless them, we in America ought to help them when they are without food and clothing in these difficult times. We have no better friends through the years than the Polish people.

Mr. COOLEY. Does not the gentleman agree with me that if we put a prohibition in here now in this bill which would stop the negotiations with the Polish representatives, that we, in effect, would be repudiating the foreign policy of this administration?

Mr. FULTON. That is exactly right. And, may I say further that a prohibition in this bill will not stop the negotiations, because already in past statutes now on the records there have been grants authorized which can, under present legislation, be given. Likewise, under our United States Government financial institutions like the Export-Import Bank, there can be loans made which will accomplish the same purpose. I firmly believe the gentleman is right.

The Polish issue should not be fought in this bill, which simply provides a continuation of the means of keeping the Polish people from starving to death, giving them fats, oils, grains, and cotton to use for clothing. I do not believe the American people will or have come to the time when we should use as a method of foreign policy the art of starving people. I believe that whether you are a child or an adult and you need help against starvation and disease, whether you are before or behind the Iron Curtain, we have a duty to perform as citizens of a nation of high principles.

Mr. COOLEY. Does not the gentleman agree if we should defeat this law that we might be cutting off relief where it is most needed and will do the most good? Our aid to our own needy people in the United States is under our permanent law now by action of Congress last year, rather than the extension of Public Law 480 now under debate.

Mr. FULTON. But if this bill is defeated, it will mean additional money will be necessary for the United States foreign aid program. If we do not well dispose of our surplus United States agricultural commodities, it will hurt our United States farmers. It will likewise continue the storage costs of commodities that are being held by the Commodity Credit Corporation. So, of course, we should make proper disposals of surplus commodities both for our own people at home and likewise for the friendly people who are so near starvation in Poland. We should not destroy the faith the average people of Poland have in us, nor lose their basic historic friendship to the United States.

Mr. BENTLEY. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Michigan.

Mr. BENTLEY. It is not my intention at this time to discuss this question of aid to Poland. I expect to do that a little later. But, I would like to clarify one thing, if I may. Am I correct that when last December the State Department found that Poland was not a country dominated by international communism, it therefore fell into the category of a friendly nation which qualified it for assistance under Public Law 480 and permitted the undertaking of negotiations in February?

Mr. COOLEY. I am sure the gentleman is correct in his statement. As to whether or not I would have made the same finding, I am not in a position to say. But likewise I am not in a position to criticize that decision because I am lacking woefully in the accurate information concerning it. I think this House should hesitate before we fly right in the face of our own foreign policy by saying to Mr. Eisenhower, to Mr. Dulles and to the rest of them that they may not go further with their negotiations.

Mr. BENTLEY. Inasmuch as I happen to have had the good fortune to visit Poland briefly only about 6 weeks ago, I hope to contribute a little bit to the understanding of this situation later on.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman.

Mr. BELCHER. If we on the floor of this House were to attempt to make a determination of who are the friendly or unfriendly nations of the world, would we not have to go into the background of every nation, and not just pick out Poland?

Mr. COOLEY. We would.

Mr. BELCHER. We might disagree with the State Department as to their decision concerning a great many nations. So if we are to pick out one nation, we would have to take all of them.

Mr. COOLEY. Certainly, and that would be the case whether it was Yugoslavia or Vietnam, and there would be no end to it.

Mr. BELCHER. Not only that, but conditions are changing constantly in these various nations.

Mr. COOLEY. And they may change soon after we adjourn, when we would be in recess and we would find ourselves greatly embarrassed because we had restricted the executive branch.

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield for a question?

Mr. COOLEY. I yield to the lady.

Mrs. SULLIVAN. The gentleman said that this bill takes care of our own needy people. Would the gentleman explain how the bill takes care of our own needy people in this country?

Mr. COOLEY. Under amendments embodied in Public Law 480, these surplus commodities are made available to charitable organizations and needy people in this country.

Mr. POAGE. Mr. Chairman, would the gentleman yield to me to answer the question the gentlewoman asked?

Mr. COOLEY. I yield to the gentleman.

Mr. POAGE. The lady will remember that about a year ago the Committee on Agriculture brought into this House, at the request of the gentleman from West Virginia and under the authorship of the gentleman from Virginia [Mr. JENNINGS], a bill specifically to allow the grinding of wheat and of corn and the providing of packaged food under the terms of this bill. That is a domestic relief program and it is an amendment to Public Law 480.

Mrs. SULLIVAN. Is that under title I or title II or title III?

Mr. COOLEY. It is in the general provisions under title III.

Mrs. SULLIVAN. I just wanted to know if it affected anything under title III—that is, this bill we are working on right now.

Mr. COOLEY. No; it does not.

Mrs. SULLIVAN. It was my understanding from the reading of the bill that it would just affect the distribution of food to foreign countries. I did not know that it affected anyone in our own country.

Mr. COOLEY. The lady is right. This is a bill "to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes," but the provisions of law to which she refers are permanent amendments to the Agricultural Act of 1949 made by title III of Public Law 480 and are not affected by this bill. They have no termination date. The purpose of this bill is to extend the authority of the act and to raise the limitations upon the sale and barter and the foreign donation of these commodities.

Mrs. SULLIVAN. So it does affect only titles I and II?

Mr. COOLEY. Yes.

Mrs. SULLIVAN. I thank the gentleman.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman.

Mr. FULTON. May I say to the gentlewoman that the currently proposed negotiations now pending with Poland do not refer to title III. Title III of the bill refers to barter. The proposals are with respect to sale to the Polish people for their own Polish currency.

Mrs. SULLIVAN. I was not interested in the point as to whether Poland should or should not get it. When the gentleman mentioned it was to help take care of our own needy people here in the United States, it was not my understanding that was involved in the bill.

Mr. FULTON. If the gentlelady will yield, I want to answer that the original distribution of surplus United States food to needy persons in the United States was originally authorized under the Agricultural Act of 1949, but the present method of distribution was changed in Public Law 480. It is now in the permanent law so this extension of Public Law 480 would not directly affect United States surplus distribution.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Ohio.

Mr. BOW. Can the gentleman tell us whether there is any representation allowed for our entertainment allowance in this bill? Are the funds used for that purpose abroad?

Mr. COOLEY. Not in this particular bill, as I understand it. I am quite certain that under the provisions of the Agricultural Trade Development and Assistance Act of 1954 some counterpart funds could be used for that purpose, if they were meeting American obligations abroad.

Mr. BOW. Does the gentleman have the amount of representation allowances and the amount used for entertainment purposes?

Mr. COOLEY. No, I do not.

Mr. FULTON. If the gentleman will yield again, when these funds are obtained as counterpart funds there nevertheless now under the currently involved statutes must in major categories be a specific appropriation. We are not really debating the particular items that these

funds will be appropriated and used for here; that will come generally under the appropriation bill procedures.

Mr. COOLEY. No. The gentleman has in mind the possibility of using some of these counterpart funds for entertainment purposes. As such, I have no information regarding that particular subject, but I am quite certain that these funds could be used to pay American obligations in foreign countries, and might, therefore, be used as the gentleman suggests if the incurring of such an obligation were otherwise authorized.

Mr. FULTON. Only by a specific appropriation in major matters such as military, and so forth, or payment of United States obligations, but there are exceptions in certain categories, and where the President waives the requirement by deciding it is necessary.

Mr. BOW. I believe the gentleman from Pennsylvania is in error. This bill when originally passed specifically waived section 1415, or the Rabaut amendment to the Appropriation Act, which does take all of these funds away from specific appropriations, so they are no longer appropriated, as the gentleman said.

Mr. COOLEY. May I say it is my understanding that perhaps in some instances you do have to have specific authorizations, but certainly you would not in all circumstances. I know that these funds could be used, for instance, for the purpose of paying traveling expenses for Congressmen away from here on official business. I have personally never used a dime of any counterpart funds, but I do not see anything wrong in using counterpart funds to pay the expenses of a Congressman if he is traveling on official business for his Government.

I regret that that is a very poor answer I have given the gentleman and I will try to obtain the information to ascertain if any part of the counterpart funds have been used for official entertainment.

Mr. BOW. I thank the gentleman.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Iowa.

Mr. JENSEN. On the first page of the committee report appears this paragraph:

> Title II originally authorized the expenditure of not more than $300 million for foreign donation programs. This was later increased to $500 million and this bill would again increase this amount to a total of $800 million.

Does any of this money come back to this fund in any way, shape or form? Further, why does the committee feel it necessary to increase this fund from $500 million to $800 million?

Mr. COOLEY. In the first place, the larger part of the first $500 million has been spent. My recollection is that about $300 million has been spent. We are now increasing the amount to the original $500 million.

Mr. JENSEN. No, you are increasing it to $800 million, from $500 million to $800 million.

Mr. COOLEY. That is right.

Mr. JENSEN. That is what the report says.

Mr. COOLEY. That is right, but it merely restores the amount available to the President to about $500 million.

Mr. JENSEN. Does this mean that the American taxpayers are going to have to foot this bill for $300 million more annually or for the next year?

Mr. COOLEY. Out of agricultural surplus commodities that we have on hand, yes.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. POAGE. We have already bought these agricultural commodities. They are the property of the United States Government today. We have no market for them in the normal channels of trade. The question before us now is—are we going to continue to hold them at a rather substantial cost to the Government every month and every year with no prospect of a favorable market developing at any time in the foreseeable future or are we going to sell them in those places where we can do so without interfering with the normal channels of trade, as is required under the act, and get for them foreign currencies where we cannot get American dollars? That is really all that is involved. It is not a matter of appropriating an additional $300 million. It is simply an authorization to use these commodities for which we have already paid $300 million to the extent of $300 million worth of commodities. We do not put up an additional $300 million until such time as the gentleman and his committee and the Committee on Appropriations must make an appropriation to restore the capital stock of the Commodity Credit Corporation, and I think you will have less to restore if we move these commodities out now than you will if we keep them in storage next year.

Mr. JENSEN. All right, I appreciate the gentleman's answer to my inquiry. So, in fact, the facts are that this is not an expenditure of funds, but simply an authorization of $300 million worth of more commodities that we already have to be distributed in the manner in which it is proper to distribute them normally in the distribution program.

I thank the gentleman.

Mr. OSTERTAG. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. OSTERTAG. I just want to make clear one point as to title II about which the gentleman from Iowa has been talking that that is strictly a donation or giveaway program, and that there is no return to the Treasury as a result of it.

Mr. COOLEY. That is right.

Mr. HARRISON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HARRISON of Virginia. I would like to inquire about the commodities that are included. I have read the report of the committee in connection with this bill. It is certainly very clearly the intent of the Congress to cover any agricultural product in surplus supply including poultry or anything else, and whether it is a basic crop or not. So that that intent will be clear to the administrators of the law and to make certain that the poultry sales program which commenced in Germany last year under this act will continue through the fiscal year 1958, I would like to ask the gentleman whether this measure does provide for the continuance of that program in Germany, and the sale of poultry products under this law to any friendly country where a market can be found.

Mr. COOLEY. I say to my friend, the gentleman from Virginia, my interpretation of the law is that the program should be continued. I believe I reflect the views of the committee when I say that the program should be continued, and I believe the Department of Agriculture will continue it. I have been assured by officials of the Department of Agriculture that they will carry on this program and it seems to me that they have an opportunity here to carry on a transaction under Public Law 480 which will pay substantial dividends not only by making available a foreign currency for which we will get full dollar value but in establishing a consumer demand and a market for American products that will result in profitable dollar trade in the future.

Mr. HARRISON of Virginia. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. HARRISON of Virginia. Mr. Chairman, I want to go on record in supporting the views of the committee as expressed in its report that greater emphasis be placed on the development of new commercial markets for surplus agricultural products for which market opportunities appear to exist.

Public Law 480 should certainly be extended. It provides a unique opportunity to develop new markets for United States agricultural products which are in surplus supply and thereby strengthen our domestic economy. If we are to take full advantage of this opportunity it is important that poultry, as well as other surplus agricultural products, be programed for sale under this extended authority. Poultry is the third largest producer of cash farm income. It is now in surplus supply and poultry farmers are in a distressed condition. A great market potential has been demonstrated to exist for poultry in Germany, Italy, and a number of other countries. Yet to date the poultry programed has amounted to only three hundredths of 1 percent of the total value of all commodities programed under the act. This is not commensurate with the importance and value of poultry to our farm and national economy. It is one of our most important farm crops. It also serves as the principal outlet for all of our commercial feedstuffs. Every pound of poultry meat exported is the equivalent of exporting 4 pounds of grain. The per capita consumption of poultry abroad is very low, amounting to only a few pounds per

person as compared to our own consumption of about 30 pounds per person. If per capita consumption abroad can be increased only slightly, say one pound per person, the market which would be opened up would be very substantial. There is every reason to believe that this can be done. We have succeeded in doubling the per capita consumption of poultry in the United States in recent years, during which time there has been an abundance of other foods also available to the general public. The German and Italian trade who have had limited opportunity to acquaint themselves with United States poultry have evidenced a willingness to invest their money to purchase, handle, and merchandise United States poultry, in the belief that a substantial market exists which can be developed. We should capitalize on this opportunity.

I want to commend the chairman of the Committee on Agriculture for his clear statement that poultry products as well as other surplus agricultural products will be given full opportunity to find and develop new markets under the authority of this act and that the poultry program for Germany will be continued. The program to date has shown that a substantial market exists which can be developed. But it can only be developed through a program which guarantees the shipment of high-quality product together with effective promotion to acquaint the German consumer with the values of high-quality ready-to-cook United States poultry.

The poultry industry of the United States in cooperation with the Department of Agriculture is presently carrying out a poultry market development program in Germany. During this market developmental stage it is essential that shipments be continued under Public Law 480 so that the German consumer can be made fully acquainted with the advantages of the new type, high-quality, ready-to-cook United States poultry. The continuation of the program is also essential to assure the German trade which must invest and carry stocks of poultry that low-priced undergrades will not be shipped. These assurances can only be given under Public Law 480. Once this market development work has been carried out, it will be possible to seek dollar liberalization and complete free trade for poultry products for which a German market will have been established.

Mr. HILL. Mr. Chairman, I yield myself such time as I may require.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield at this point?

Mr. HILL. I yield for a question.

Mr. WHITTEN. I would like to announce, with the gentleman's permission, that I have sent an amendment to the desk, because for 2 or 3 years we have sold under Public Law 280 and we have refused to sell for dollars. That has since been corrected, and we are selling those commodities for dollars now. For several years this bill was used in substitution for normal sales. I am simply calling attention to an amendment which I expect to offer at the bottom of page 1. Add the following proviso:

Provided, That no commodity of which the Commodity Credit Corporation has a supply, and which commodity is not being offered for sale in world trade through normal channels at competitive prices for dollars shall be eligible for sale to foreign countries under the provisions of this act.

That means you have to offer them for dollars first. History has proven that we should have that proviso here, because for several years that course was not required.

Mr. HILL. I thank the gentleman. In my remarks I shall attempt to cover that subject.

Mr. Chairman, 3 years ago the Congress enacted Public Law 480 as a temporary measure to "expand international trade among the United States and friendly nations, to facilitate the convertibility of currency, to promote the economic stability of American agriculture and the national welfare, to make maximum efficient use of surplus agricultural commodities in furtherance of the foreign policy of the United States, and to stimulate and facilitate the expansion of foreign trade in agricultural commodities produced in the United States by providing a means whereby surplus agricultural commodities in excess of the usual marketings of such commodities may be sold through private trade channels and foreign currencies accepted in payment therefor."

To accomplish these objectives the legislation provided that surplus commodities could be sold at competitive prices in foreign markets for local currency, could be bartered for strategic materials needed by the United States, and could be given as outright grants for emergency assistance to friendly peoples of other nations to meet famine or other disasters. The legislation also expanded the availability of surplus food for needy persons in the United States and the school-lunch program.

Under our agricultural programs, we are producing vast quantities of food and fiber that is in excess of our domestic market needs. These surpluses are being stored and warehoused at tremendous expense to the taxpayer while we continue to increase the production of the same commodities.

Public Law 480 was designed to help eliminate these surpluses so as to restore to a more normal condition our domestic markets. With the surpluses hanging over the heads of the farmer, he is subject to a depressed market that has not kept pace with the general rise in other segments of our economy.

The program has been successful, as far as it has gone, and all this bill does is extend it for another year. Each year under its operation the disposal program has accelerated until in the last 12 months we have reduced the holdings of the Commodity Credit Corporation by approximately $1,300,000,000 from its peak $8,900,000,000 in February of 1956.

At the same time, our export trade in agricultural commodities is higher than it has been at any time except for the Korean war year of 1952–53.

Further reductions of Commodity Credit holdings are likely as a result of the combined effects of continued surplus disposals if this program is continued.

The bulk of our disposal has been under title I, and the foreign currency accumulated therefrom may be used for our Government expenses abroad. Part of the money is being spent to develop new markets for our surplus products throughout the world. Continued success of the program will assist in eliminating surplus Government stocks and, at the same time, increase the demand for commodities in foreign markets. Properly controlled and directed, much of this foreign market will be directed into actual dollar sales.

Although we all are gratified with the quantity of surplus farm products which has been sold for foreign currency under title I of Public Law 480, we must never lose sight of the fact that our primary goal in developing foreign markets is to develop dollar markets for our products which will be moved through regular commercial channels.

For example, title I sales have been made to certain West European countries which have generated local currencies that are now available for market development purposes. Such funds can of course be used to develop markets for commodities other than those which are sold to generate the funds in the first place. Moreover, the funds can be used for market development purposes over a period longer than the 1 year in which the Public Law 480 commodities were moved into the country. In this way, the funds can be and should be used to promote the expansion of dollar markets through commercial channels. It is my understanding that this is what is meant, for example, by the language on page 13 of the Report No. 432 dealing with the extension of Public Law 480, where the report makes specific reference to the poultry program which was started in Germany last year. Using this case as an illustration, I understand that local currency funds are available for continued market program activities this year. If those activities can be directed to expansion of a dollar market for United States poultry in West Germany, for example, then this kind of program will have accomplished one of the primary purposes that Congress had in mind when we enacted Public Law 480 during the 83d Congress.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield.

Mr. SPRINGER. Is it not fair to say, to bring this down to a realization of its effect upon the farm population of this country that if this bill had not been in operation during the calendar years 1955 and 1956, that meats, particularly pork; cotton, soy beans, wheat, rice, and 1 or 2 other commodities would have been selling on the local market at very substantially lower prices than they did during those 2 calendar years?

Mr. HILL. The gentleman is exactly correct.

Mr. SPRINGER. May I just make one addition statement: It is estimated that in my congressional district—and this will be true I think in every district

where soy beans are raised—that if it had not been for the 65 million bushels that were sold overseas in the calendar year 1956, soy beans would have been selling in the open market from 50 to 75 cents a bushel lower than they did.

Mr. HILL. I thank the gentleman.

I would like to turn for one moment to the testimony given before our committee on this bill, then I will be glad to yield. I think we get tangled up in our thinking as to what this bill is supposed to do. First of all, it is a bill to dispose of surplus products that we already own. It is not a purchase program, in any sense of the word. We are trying to dispose of the surpluses that are now in the bins, bought, paid for, and under the control of the Commodity Credit Corporation.

Mr. BROWN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Missouri.

Mr. BROWN of Missouri. In view of the gentleman's statement that here we have something we do not need, something that is costing us money to store, and, further, it is depressing the value of some things we have that could be more valuable if it were not for the surpluses, it would look to a country boy that if we got nothing but a pocketknife or an airplane trip for Secretary Dulles out of it we have gained by cutting down on the surplus storage expenses.

Mr. HILL. There is no question about that statement because of the fact that we already own this product.

Now, Mr. Chairman, here is something that most of us forget. We are paying storage every day amounting to hundreds of thousands of dollars. Now, let us take corn. In my area we have from 500,000 to 1 million head of stock on feed. Not a single feeder would look at corn that was over 4 years old. You are going to take that loss. Everyone in the United States is going to take that loss.

Let me make another statement about wheat. How many in this room know that after you have had wheat from 10 to 14 years in storage you would not get a single copper per bushel for it? You are going to lose that. This program takes the top off of the surpluses that we have paid for and that are now in storage.

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Massachusetts.

Mr. O'NEILL. The truth of the matter is if you take off the surpluses and send them overseas, as soon as you get more storage space in the bins you buy more surpluses, and the storage bins are always full.

Mr. HILL. Does the gentleman believe that?

Mr. O'NEILL. I do; yes.

Mr. HILL. The gentleman thinks that because he does not know the figures. These are true and the gentleman can check them if he wants to. A year ago we had more than $600 million worth of wheat stored. That is your wheat, that is my wheat. It is already paid for. Does the gentleman know what we have today? He will be surprised. A little over $325 million. That is a wonderful record. I do not think we are going to do what the gentleman said.

Mr. O'NEILL. But you are asking for an additional billion dollars this year, is that so?

Mr. HILL. Yes.

Mr. O'NEILL. In the report there is shown that of the money in the various nations overseas, for example we spent $7,500,000 for the purchase of strategic materials, and also for military procurement.

Mr. HILL. Do not quote strategic material figures to me because that is not what I am talking about.

Mr. O'NEILL. I want to ask this question: The Defense Department spends money for the military program or it spends money for the purchase of strategic materials. Now do they in turn pay that money back to the Commodity Credit Corporation?

Mr. HILL. The gentleman asks a double barreled question. Of course, they do to a certain extent. In Spain alone they are using these counterpart funds up to 25 to 30 percent. In country after country they are using these funds that we have purchased in other countries. We are using them for the purchase of, let us just make it plain, airplane strips or let us say they are for buildings that we must have, not only to house our military men but to house some of our other personnel.

Mr. O'NEILL. I appreciate the problem of farm surpluses, make no mistake about that. I realize it is a terrific problem. Whether this is the correct way I doubt very, very much, when I see all of this money piled up over there the way it is in the various nations of the world.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Oklahoma.

Mr. ALBERT. On the question of buying additional commodities, the law fixes the requirement for the purchase of commodities under the price-support program, and the Commodity Credit Corporation will purchase those commodities or take them under loan regardless of any Public Law 480 program, so it will not add at all to the number of purchases made by the Commodity Credit Corporation.

Mr. HILL. Of course, there is no question about that. There is no one against this program if they understand it. I make that statement without fear of contradiction.

Mrs. KELLY of New York. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentlewoman from New York.

Mrs. KELLY of New York. Since we have the surpluses which we cannot use here in the United States to a greater degree, would it not be better to give these surpluses to these nations abroad who are on the borderline of diverting or defecting from Communist control? In that way we would have the right to distribute them, thereby making sure that the people of that nation received our aid.

Mr. HILL. Using the old TV gag, I am glad the lady asked that question. Nothing could be more true than what she said. But, we are doing that, and I have always felt in my own heart if we had done the thing the lady suggests in the beginning with surpluses and put no strings onto any hungry people, whoever they were or wherever we could find them, and gotten the surpluses to them, I think we would have been money ahead. But, we did not. Now, we have a complex program. It is working excellently not only in the way I suggest, but it is the very thing that the gentlewoman suggested. Time after time in disasters in foreign countries the Secretary of Agriculture has done a magnificent job in seeing that these surpluses get into the area that is in distress. And, he has done the same thing in these United States. Now, that answers the gentlewoman's question completely.

Mrs. KELLY of New York. It has been a good program, I agree, and I would vote for it, but I cannot see selling it to governments and thereby relieving the necessity of the Soviet regime in bearing the responsibility for the failure of their economic theory.

Mr. HILL. That is a fine suggestion, and I wish we would have started out on it, but we did not. We are not going back; we are going forward, and I am glad the gentle lady said she would support it.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Washington.

Mr. PELLY. I would like to ask the gentleman if these agricultural commodities must go, at least up to 50 percent of them, on American ships.

Mr. HILL. As I understand, that is legislation that passed in this House and it is still on the books. I would have to ask the chairman of our committee: Are half of these supplies shipped in our own bottoms?

Mr. COOLEY. Donation supplies go 50–50.

Mr. PELLY. Anything financed by our Government must go at least 50 percent in American ships?

Mr. HILL. I think that is correct.

Mr. PELLY. Does the gentleman know of any effort that has been made in connection with the legislation to eliminate that 50–50 provision?

Mr. COOLEY. We have eliminated it a few times, and if I had my way, I would eliminate it again. But, they have put it back each time.

Mr. PELLY. Some of us would like to know if there will be any amendment offered to that effect.

Mr. COOLEY. I do not know.

Mr. HILL. I doubt if we could eliminate it on the floor of this House.

Mr. NEAL. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from West Virginia.

Mr. NEAL. I would like to get a little more clarity on this question of where the United States comes out on this thing. I understand that before these commodities can be distributed, the Government must purchase those things from the Commodity Credit Corporation. Is that true?

Mr. HILL. Let me read the gentleman a paragraph that will answer his question fully. I was just going to read

it and I am glad the gentleman asked the question. This is testimony delivered before our committee. I believe these 10 or 12 lines will answer the gentleman's question:

Title I agreements are reached through the coordinated efforts of several Government agencies affected by the sale. Although the Secretary of Agriculture is authorized to determine the countries with whom agreements shall be negotiated and the commodities and quantities which may be included in these negotiations programs are developed in consultation with such agencies as the Department of State, the International Cooperation Administration, the Bureau of the Budget, the Department of Defense and other departments and agencies. This coordination is necessary because Public Law 480 is a complex act. It combines many purposes which affect domestic and foreign economic policies and involves activities of several departments and agencies.

I think the report will show how many agreements we have made with these countries. I hear some of our friends talking about this and one would think that this was a free, open, dumping program. It is nothing of the kind. A foreign country makes an agreement, signs up saying that it will do a certain thing. We make a contract that we will furnish the surplus commodity that we own, to which we have title—you and I and the taxpayers of America.

Have I answered the gentleman's question?

Mr. NEAL. When the agency makes that contract it does not own that commodity. It belongs to the Commodity Credit Corporation; is that right?

Mr. HILL. That is right. It never passes out of the control of the Commodity Credit Corporation until it passes through the Export-Import Bank, if I recall the testimony that was given to our committee. They are the financial agency for this activity. I am sure I am right on that.

Mr. NEAL. As the financial agent——

Mr. HILL. Our financial agent.

Mr. NEAL. As our financial agent do they repay to the Commodity Credit Corporation the cost of these commodities?

Mr. HILL. Any dollars they get back, yes. Sometimes they do not get dollars back. That is all right, because in the course of the next 2 or 3 or 5 years we will be able to use those funds in the trades that we are making with that country. In other words, we will get back at least 25 percent or 50 percent in dollars, which dollars we would have had to provide if we did not have the currencies of those nations.

Mr. NEAL. Insofar as we are able to use the currencies of the foreign nations to our advantage we will benefit by that much, by not having to appropriate dollars to take care of certain things?

Mr. HILL. That is right.

Mr. NEAL. The difference between the actual cost to the Government of the commodities it purchased and stored and the amount of money we receive, represents the loss that the Government takes which it has to pay to the Commodity Credit Corporation.

Mr. HILL. You are putting money back into the Commodity Credit Corporation right in this bill to make up for some of those losses. And you will never spend money to any greater advantage than in that effort, in my own personal opinion.

Mr. HIESTAND. Mr. Chairman, will the gentleman yield on that very question?

Mr. HILL. I yield to the gentleman.

Mr. HIESTAND. Do I understand that the appropriations for such expenditures are to come from other subcommittees, such as the subcommittee handling foreign aid, or the subcommittee handling domestic aid, or whatever the subcommittee may be? Or will the appropriation have to come from the Subcommittee on Agriculture, because this is an agricultural bill?

Mr. HILL. The gentleman is talking about what kind of an appropriation now? I do not quite understand the gentleman.

Mr. HIESTAND. This authorizes expenditures, as I understand it.

Mr. HILL. This authorizes the sale of surplus commodities up to a definite amount.

Mr. HIESTAND. That is correct. Can the gentleman assure me that there will be no additional expenditures necessary because of the passage of this bill?

Mr. HILL. The gentleman means there will be no money taken out of the Treasury; yes. There will be no additional cost or funds expended for the surpluses.

Mr. HIESTAND. I thank the gentleman.

Mr. OSTERTAG. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from New York.

Mr. OSTERTAG. I should like to return to the question raised by the gentleman from Massachusetts in regard to what happens when these commodities are sold or bartered or given away to foreign countries.

Mr. HILL. The gentleman does not mean to say "given away" because these are not given away, unless the gentleman assumes that the currency is no good; and the gentleman is not making that assumption.

Mr. OSTERTAG. There are provisions in this bill for donations.

Mr. HILL. That is right.

Mr. OSTERTAG. To me, "donation" means "give away."

Mr. HILL. For disaster; that is right.

Mr. OSTERTAG. The gentleman from Massachusetts referred to the fact that as fast as you sell these commodities or barter or trade or give them away, the bins and the storehouses of America are continuously filled. That is true. We all agree about that, except that unless this bill passes and this program goes forward we will not have storeroom enough to take care of the surplus that is continuing to develop and exist.

Mr. HILL. Of course the gentleman is correct. If we are going to carry on that type of program, which I do not think we will, the bins in our country will be too small to hold what we are going to produce. As a unit, our entire farm program needs overhauling. But that is no reason why we should not pass a bill like this that will help us in our immediate need. We are now searching for a better agricultural program. I think it will come in time.

Mr. OSTERTAG. In other words, it will cost us more for storage than it does today if something like this program is not passed?

Mr. HILL. Of course.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Ohio.

Mr. BOW. The gentleman said a few minutes ago there is confusion about this bill. I admit there is some, and I am confused somewhat.

The gentleman said this is to get rid of surplus property. I notice it is said in the report, among other things, that Spain has received canned hams. I assume from that that we are in surplus in canned hams. At the same time, we can go into our markets and buy Polish ham, Holland ham, and other ham shipped in here. Can the gentleman explain that confusion to me, why we have the surplus we are sending out under this, yet these Polish, Holland, and other hams are coming into the country?

Mr. HILL. In order to answer the gentleman intelligently I would have to know why the Federal Government through its operations, and I include all the departments, sold hams to Spain, and I would naturally assume that we may not have been short, but the Department of Agriculture feels and I feel this very day that the price of pork is on a fairly stable level at this time. If they could use more ham shipped into Spain, where we are spending plenty of hard dollars, it might have been a good business deal regardless of what the gentleman says.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Pennsylvania.

Mr. FULTON. For the purposes of our own defense we are building tremendous bases in Spain, putting millions and millions of dollars in there for United States security so of course there are many transactions back and forth. Under this bill the International Cooperation Administration has the power to make the grants and set up loans under State Department policies. So that is part of our foreign policy, a part of our United States security.

Mr. HILL. I would say to the gentleman from Ohio [Mr. BOW], and I think he is entitled to the information, and I know I am entitled to it, that we shall ask the Department to give him, with a copy to me, a full and complete report, because I have the feeling that this is a legitimate deal, and probably the gentleman would be happy that the Department made it.

Mr. BROWN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield.

Mr. BROWN of Missouri. I believe the distinguished gentleman's point was, Why are we still importing hams from foreign nations when we have it in surplus enough to include it in the agricultural disposition of surplus act?

Mr. HILL. We have talked that over in our committee time on time. So far as I know we have never had it answered. The truth of the matter is that the amount of pork produced in this country compared with what little ham you have shipped in from other countries is so small that really and truly, it has never made any imprint. It is just something to talk about, but it is something that so far as having any effect on our agricultural economy is concerned, amounts to nothing. I think I can prove that by the amount of pork that we produce and use.

Mr. BROWN of Missouri. I thank the gentleman.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield.

Mr. GROSS. Would it be possible for Poland under the terms of this bill to buy feed grains at bargain prices from the United States?

Mr. HILL. Well, No. 1: Do you know what feed grain is in surplus?

Mr. GROSS. What feed grains are in surplus? Why, wheat and corn are in surplus.

Mr. HILL. How much?

Mr. GROSS. A good many bushels, I am sure.

Mr. HILL. Just because corn is in storage in American storehouses in the United States is no reason to come to the conclusion that corn is in surplus. I am of the opinion that you do not have too large a surplus of corn—although I could be wrong.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman if he has the answer to that question.

Mr. COOLEY. I think our committee was advised that the surplus in corn amounted to about 120 days supply.

Mr. HILL. I think you will find there is no surplus there so really corn is out. Let us get on to something else.

Mr. GROSS. May I ask the gentleman this question then. Are we exporting any corn under this surplus program?

Mr. HILL. Very little corn is being exported. I did not read the record, but I have it here. Very little corn, as I recall it, was exported. Corn does not lend itself, and this is a strange statement to make, to exportation. Why?

First. They are not used to feeding it. Corn was an Indian food and it has never been able to work its way into European consumption.

Second. It does not ship as well—it draws moisture a little more than wheat does.

Mr. GROSS. Of course, I am talking about corn for feed purposes and I based my question to you originally along that line.

Mr. HILL. For feed? Do you mean people?

Mr. GROSS. I mean feed for livestock.

Mr. HILL. I did not see, when I visited Europe, any corn being fed to livestock.

Mr. GROSS. I assume that hogs in Europe will eat corn, will they not?

Mr. HILL. My guess would be that they do not feed too much corn to hogs anywhere in Europe.

Mr. GROSS. They could eat it and they would eat it, if they could get it at bargain prices.

Mr. HILL. But, corn is not in great surplus and would not fit much into this program.

Mr. GROSS. I do not know what you mean by much.

Mr. HILL. There is not a surplus of corn in the world market, let us put it that way.

Mr. GROSS. I will get some time on my own tomorrow and try to get the answer to my question.

Mr. HILL. I am sure the gentleman will find just exactly what I said is true.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield.

Mr. FULTON. Under title I of this program, 75 million bushels of feed grains were shipped so the answer to the gentleman from Iowa is that there were feed grains shipped under this program, but not any large amount.

Mr. HILL. We would have to break that down and see what was corn and what was maize and how much was in other types of grains. We could get that for the gentleman from Iowa, and I can get him the actual number of bushels.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield.

Mr. JUDD. I do not know whether this answer applies to the question raised about the Polish and Dutch hams and why we are importing these hams when we have our own American canned hams in surplus. But with reference to certain other commodities, the reason is that there are Americans who will pay their money to buy through the channels of private trade certain foreign products which they prefer to our American products. We think Minnesota blue cheese is the best blue cheese in the world, but we have people in Minnesota who will buy blue cheese from Denmark even though we have our cheese stored here in caves which we have bought under the surplus commodity program. It could well be that there are people who like Polish and Holland hams enough that they will buy them. Unless we are going to regiment our economy, we cannot forbid them from buying them through the ordinary processes of international trade.

That leaves us sometimes with wonderful hams cured by our American packers, which we must dispose of abroad before they spoil.

Mr. HILL. There is also the possibility that by selling hams we might be able to sell other products that are in tremendous surplus, which would be a good deal as far as the United States is concerned.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. GORDON].

Mr. GORDON. Mr. Chairman, I wish to support this legislation. Among the many reasons for my support is that this measure will enable the United States to furnish much-needed assistance to the Polish people in their struggle to become free and independent.

Under Gomulka we have seen the Polish people begin to progress away from domination by the Soviet tyrants and toward achievement of a free and independent Poland. Anything we can do to assist in the achievement of this goal will be valuable to the United States. When we assist another nation in achieving independence from the Soviet Union we are in effect assisting the United States. To the degree that Poland can become independent of complete dependence on the Soviet Union economically and politically we are working for the national interest of the United States. Not only are we helping Poland to become free but we are setting an example for the other satellites.

It is my understanding that the executive branch has already determined that no change is necessary in existing law to permit the sale of agricultural surpluses to Poland. Title II of Public Law 480 already permits the gift of such surpluses. Therefore, it is not necessary to amend this bill for that purpose.

I hope, and I am sure, that some of the surpluses authorized to be disposed of by this bill will be used to assist Poland in her struggle. I support that purpose.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentle- from Chicago, [Mr. KLUCZYNSKI].

Mr. KLUCZYNSKI. Mr. Chairman, I take this time to speak out of order to invite all Members of this august body, ladies and gentlemen, Democrats and Republicans, to come to Chicago in the early days of October, the 1st, 2d, 3d, and 4th, for the purpose of attending the World Series with the Chicago White Sox.

Mr. BOLAND. I want to compliment the gentleman for his generous invitation. Let me say also I compliment him specifically for his warm enthusiasm for the White Sox. It so happens that this is only the 40th game, completed yesterday. There are 114 games to go.

May I ask you whether the invitation you gave extends to eating at the Syrena Restaurant on Archer Avenue?

Mr. KLUCZYNSKI. Oh, it certainly does. They can go and eat all they want.

Mr. BOLAND. Is it on the house?

Mr. KLUCZYNSKI. Oh, no. You have to pay.

Mr. BYRNE of Illinois. I would like to associate myself with the gentlemen's remarks. I cannot think of a greater ball club to win the pennant than the Chicago White Sox. If the National League should win the pennant, I would like to see them go to Milwaukee.

Mr. BOLAND. Was it not last year that the White Sox were on top at this stage, and when the end of the season came they were last?

Mr. KLUCZYNSKI. Oh, no. Last year we were five games behind at this time. Right now we are five games ahead. We are going to win the championship.

The CHAIRMAN. The time of the gentleman has expired.

Mr. COOLEY. I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose, and the Speaker having resumed the Chair, Mr. HAYS of Arkansas, Chairman of the Committee of the Whole House on the

State of the Union, reported that that Committee, having had under consideration the bill (H. R. 6974) to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes, had come to no resolution thereon.

BILATERAL AIR TRANSPORT AGREEMENT WITH GERMANY

Mr. BOW. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOW. Mr. Speaker, ever since the negotiation by the United States in 1955 of the bilateral air transport agreement with Germany, the subject of the policy of the Department of State in the negotiation of these air agreements has been of increasing concern to the interested committees and individuals in Congress.

We have reason to be proud of our United States-flag air transport system, and of the marked progress which it has made over the years in becoming free of subsidy. This subsidy-free status, however, is not one which can be achieved and maintained in the face of foreign air route grants by the Department of State taken in total disregard of the economics of international air transport.

In the domestic field, careful consideration is given by the Civil Aeronautics Board to the award of competitive services. Similar considerations must be taken into account in the grant of routes to foreign countries. We must have a policy which results in sensible, controlled regulation of entry into the United States market. We cannot have one which results in every country in the world operating an airline to the United States.

It is for these and other reasons that I hope the Department of State will deny the request which I understand the Government of Australia has made for an extension of its route beyond San Francisco to New York and on to London and around the world. This is a service which is not economically needed. To grant such a route to the Australians would destroy the equity of the present route exchange between the two countries, and would result in a decided imbalance in favor of Australia. It would be wrong to grant this route to Australia, and I trust the Department of State will not permit it to be done.

HELLS CANYON DAM

Mrs. GREEN of Oregon. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, due in great measure to the yeoman work of the distinguished senior Senator from my own State—Senator WAYNE MORSE—the American public is becoming increasingly aware of the exact meaning of the term "fast tax writeoff" as applied to the Idaho Power Co.'s proposal for the inadequate development of the Snake River as a sham substitute for the high Hells Canyon Dam. We who have been fighting the battle for the proper development of Oregon's great natural resources have in recent weeks been highly criticized because of our estimate that this fast tax writeoff to the Idaho Power Co. amounted to an interest-free loan of $329 million. We were told that our figures were wrong.

The figures were wrong. We underestimated the size of this loan by the taxpayers to the Idaho Power Co. by some $10 million based on figures supplied only the other day to the Kefauver Committee by the Federal Power Commission's own chief accountant. The total of the interest-free loan is not $329 million, but rather $339 million.

With this in mind, Mr. Speaker, I ask unanimous consent that there be printed in the CONGRESSIONAL RECORD House Joint Memorial No. 18, passed by the Oregon State Legislature, memorializing the President of the United States to reconsider and to deny or substantially reduce the fast tax writeoff granted to the Idaho Power Co.

House Joint Memorial 18

To His Excellency, the Honorable President of the United States, and to the Honorable Senate and the House of Representatives of the United States of America, in Congress assembled:

We, your memorialists, the 49th Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

Whereas Idaho Power Co. has been allowed an acceleration of depreciation on a major part of the construction costs to be expended for dams in Hells Canyon; and

Whereas such allowance was made under a 1951 act passed during the Korean war, in the interest of national security; and

Whereas Idaho Power Co. is able to finance expansion without this type of Government assistance, which assistance results in an increased burden on other taxpayers; and

Whereas the benefits accruing to the company will not in turn ultimately accrue to the taxpayers either from the standpoint of national security or from the standpoint of reduced rates: Now, therefore, be it

Resolved by the House of Representatives of the State of Oregon (the Senate jointly concurring therein), That the President of the United States hereby is memorialized to direct appropriate Federal officials to reconsider and to deny or substantially reduce the allowance of the fast write-off made to the Idaho Power Co. in connection with its dams in Hells Canyon; be it further

Resolved, That the Congress of the United States be memorialized to repeal the 1951 act which was passed as a national security measure and which is now outmoded and unnecessary; and be it further

Resolved, That copies of this memorial be sent by the Chief Clerk of the House to the President of the United States and to all members of the Oregon congressional delegation.

Adopted by house May 7, 1957.
Adopted by senate May 15, 1957.

EDITH BYNON LOW,
Chief Clerk.
PAT DOOLEY,
Speaker of House.
BOYD R. OVERHULSE,
President of Senate.

O'MALLEY'S TAXPAYER-BUILT DODGER BALL PARK

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, I have really reached the saturation point with regard to the nonsense in connection with the threatened transfer of the Brooklyn Dodgers' franchise to the west coast. Following adjournment of the House on Thursday last I found this item on the front page of that day's Washington Evening Star:

MAYOR WAGNER GIVEN BRUSHOFF BY O'MALLEY

NEW YORK, May 30.—Neither the Brooklyn Dodgers nor the New York Giants have announced definite moves to the west coast as of today, but both have made it plain that the old saying "Be it ever so humble, etc.," is definitely passe.

* * * * *

O'Malley, long of the opinion that he and the Dodgers have been snubbed by city officials in their request for a new stadium, got around to doing some snubbing of his own yesterday. While New York Mayor Wagner discussed the problem with Manhattan and Brooklyn borough presidents, O'Malley huddled with Norris Poulson, the dapper Los Angeles mayor.

Wagner had requested a chat with O'Malley, but was turned down.

"Tomorrow is a holiday," O'Malley told Wagner, "and I have a lot of things to clear up at my office."

O'Malley, a heavy-jowled, cigar-smoking poker player, instead sat back calmly talking with Poulson, holding a pat hand.

* * * * *

Wagner talked 90 minutes with his borough subordinates, then announced:

"We will seek immediate assurance from O'Malley that he intends to stay in Brooklyn. If he tells me he is not going to stay, I will ask him to reconsider."

Wagner also made it clear that "the city does not permit itself to be blackjacked into anything," in reference to the National League vote which gave the Dodgers and Giants permission to move their franchises to the west coast.

Now, I think the time has come to clearly express one's thoughts on this business. For years the Brooklyn Baseball Club has coined money for the few stockholders of its closely held stock. The owners never shared any of their profits with the fans. They took advantage of the Dodger fans at every turn over the years. They moved part of their schedule to Jersey City. They presently threaten to move in toto to Los Angeles. I say let them move to Los Angeles if the alternative is to succumb to an arrogant demand to spend the taxpayers' money to build a stadium for them in Brooklyn.

I am opposed to uprooting decent citizens living in my congressional district in the vicinity of the Long Island Railroad depot at Flatbush and Atlantic Avenues in order to put more money in the pockets of my dear friend Walter O'Malley and the private profitmaking Brooklyn Baseball Club stockholders. I would rather have a loyal AA club or even a loyal III league team representing Dodgertown.

Let Walter O'Malley and his stockholders who have no civic pride for Brooklyn, where they made their money, move to the west coast in quest of more almighty dollars. And remember that when we talk of big-league baseball being covered by the antitrust laws Walter and his big-league cronies portray themselves as great sportsmen, as eleemosynary characters imbued with great civic pride for their communities. The present hassle over the Dodger franchise move may come to have a great deal of bearing on whether or not big-league baseball should be exempt from our monopoly laws.

On Thursday, May 23, 1957, the following article was published here in the Washington Evening Star:

ONLY TWO SITES CONSIDERED FOR DODGER STADIUM

NEW YORK, May 23.—A special committee appointed by Mayor Wagner to work with the Brooklyn Sports Center Authority has announced that only two sites for a possible stadium for the Dodgers are under consideration.

Five sites have been suggested by various city officials. But the committee said only a site immediately north of the intersection of Atlantic and Flatbush Avenues in Brooklyn and another almost directly opposite it on Atlantic Avenue are being considered.

The committee announcement yesterday stated that both the committee and the sports authority have been given to understand either would be acceptable to the Dodgers.

Is it not sickening to learn that we have to tear down properties, move families, and spend taxpayers' money in a manner "acceptable to the Dodgers"? I repeat, leave the folks living in the vicinity of the depot alone and stop all this nonsense.

O'Malley will never truly transfer the Brooklyn Dodgers to Los Angeles, for they will not be the Brooklyn Dodgers once they leave Brooklyn—they will be O'Malley's former Brooklyn Dodgers.

THE ROYAL NONESUCH OF LIFE MAGAZINE—AN UNFAIR ATTACK ON THE COTTON PROGRAM

Mr. POAGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. POAGE. Mr. Speaker, the recent editorial in Life magazine on King Cotton is appropriately subtitled "The Royal Nonesuch" for truly there is nonesuch program as described. One should not be too critical of the editor of Life on account of his lack of understanding of the cotton problem, when less than 2 weeks ago the Secretary of Agriculture himself, his Undersecretary, an Assistant Secretary and their whole staff of statisticians soberly insisted before the House Committee on Agriculture that we picked an average per acre of 530 pounds of lint cotton in Texas in the year 1956. As every cotton farmer knows, this is pure nonesuch and is just about twice what we actually produced, but they continued to stand by their figure even after I, as a Texan, had disclaimed this brag. At last it developed that they were quoting the figures on American-Egyptian cotton which bears about the same relationship to commercial cotton that buckwheat bears to wheat and which for purposes of the support and acreage control laws is not cotton at all. Clearly the Department of Agriculture either does not know or does not care much about cotton or cotton producers. After reading the editorial, I doubt that Life magazine either knows or cares as much as the officials of the Department.

As an illustration, the editorial refers to the losses involved in last year's cotton export program, but it fails to mention the fact that for 20 years prior to 1953 the cotton loan program had been operated at a profit and had placed over a quarter of a billion dollars into the Treasury or that all of this has been dissipated and substantial losses have accrued since the present Secretary took over. Flexible supports have not decreased the Government's losses. They have only decreased the producer's income.

This is not to say that any support price above the world market does not tend to restrict our sale of cotton. Everyone agrees that it does and 18 months ago I introduced legislation designed to let cotton move at the world price and at the same time to maintain farmer income at some reasonable percentage of a fair living standard. Recently several other representatives of cotton-growing areas have introduced rather similar bills but neither Life magazine nor the Secretary of Agriculture has suggested any plan. All they seem to be able to think of is to reduce the price. Admitting that we must reduce the price, what do they propose to do about the farmer? So far, neither have proposed to do anything but to reduce him also. To move him to the city or to let him starve.

The similarity of the arguments in this editorial and those which have been coming out of the Department of Agriculture indicate that there may be more than mere coincidence to the present rash of criticism of the cotton program and of cottongrowers. Why do we hear no such criticism of the wheat program? Every bushel of wheat that leaves American shores carries at least an 80-cent subsidy. Why do we hear no similar criticism of the corn program? Of course, there is no effective production control of corn. On the contrary, last year the President authorized the support, in the commercial corn area, of noncompliance corn—corn grown in violation of acreage allotments—at the rate of $1.25 a bushel. Farmers in this area who complied with their allotments got supports at $1.50. In contrast, cotton planters who overplanted their allotments were penalized 50 percent of the support price of the overproduction. Corn farmers of the commercial area alone received 79 cents out of every dollar spent for the soil bank in 1956 and they still overplanted their allotment and were given support loans for doing so. At the same time, there were 600 million bushels of corn and 800 million bushels of corn equivalent—other feed grains—grown outside the commercial corn area for which no comparable program was available. All cotton is subject to the same controls wherever it is grown.

Apparently, the first objective of the Department of Agriculture has been to set consumer and producer at odds. Instead of pointing out that the American housewife is able today to buy more and better food for fewer hours of her husband's labor than ever before, the Department and its partisan spokesmen have tried to emphasize that certain food products are still bringing reasonably high prices on the retail market. very rarely, indeed, are we told that the that much of the retail price is the result of the increased and improved processing that the housewife demands. Very rarely indeed are we told that the percentage of the housewife's dollar which goes to the producer of food has steadily fallen from well over one-half to just over one-third. If there were not a deliberate desire on the part of the Secretary of Agriculture and of Life magazine to widen the breach between producer and consumer, why do they not give the public these facts?

If there is not a deliberate attempt to widen the breach, between groups of American farmers, why this concerted effort to make the cotton program look bad in the eyes of the public? If the Department or Life magazine had any real idea of improving the lot of the cotton farmer, why have they not offered some constructive suggestion rather than to merely repeat the demand for lower and even lower prices?

True, Secretary Benson has criticized the wages of American workers, but as far as I know, he is the only individual in a responsible position who takes the position that we can destroy the American wage scale and maintain our standard of living. No more can we destroy the income of our farmers and maintain our standard of living. It is true that American labor certainly cannot work for the 10 to 20 cents an hour wage scale of Japan, of Hong Kong, or of India. It is equally true that American farmers cannot produce cotton at prices which might be acceptable in Egypt, in Pakistan, and in Nigeria.

When the American wage scale was threatened we passed maximum hour laws. What is the basic difference between a 40-hour work week and a cotton allotment that cuts the amount of cotton the farmer can produce by 30 percent? But we were careful when we reduced the work week to keep the weekly wage just as high as it we before the cut in hours. We have cut the farmer's total effective working hours when we limited his plantings. With 90 percent of parity supports we figured we would maintain his buying power within 10 percent of what he had been making before the Government limited his acres, but Mr. Benson now wants to reduce the farmer's weekly and annual wage by reducing his support price.

Those of us who have suggested a direct payment as a substitute plan believe that it would be cheaper than what we are doing now—at least the Department of Agriculture's own figures indicate it would be something like $100 million a year cheaper, that it would get the Government out of the cotton business completely; that it would put the trade back in private hands; that it would increase the income of cotton farmers by half a billion dollars; and that it would provide at least some reduction in the cost of cotton goods to consumers and it would let all American cotton move into consumption both at home and abroad at competitive world prices.

The best the Department has been able to say in opposition to this is that "it would work so well that other farm crops would demand the same kind of program." So what? Why should they not have such a program if it works well and why should the people of the cotton South not have a program that works as well as the programs for the major crops of the State of Utah—wool and sugar? Both wool and sugar producers receive direct payments. Wool has been supported at 106 percent of parity, sugar at approximately 98 percent of parity. I voted for both programs. Secretary Benson supported both programs. Both programs seemed to be working rather satisfactorily. Why should the cotton farmer, or any other farmer for that matter, not be treated as well as these Utah farmers?

Of course, Life magazine doesn't even offer the slightest hint of a solution to the problem. They say they are not "agin" the farmer, but they have nothing to offer the farmer except criticism and sarcasm. They say the present program "keeps the marginal, uneconomic, hillside farmer turning out poor cotton that isn't needed." Again, I would like to indulge in some Texas brags, but the hard facts are that the average quality of the cotton from small farms is just as high, or higher, than it is from our large scale operations on the plains of Texas. The magazine then says:

> It (the support program) keeps them at it when if left to their own devices, they could go to town and work at a useful job.

Apparently Life's editor doesn't realize that the cotton program doesn't compel anybody to grow cotton. Nobody is denied the right to go to town under the present program or any that is proposed, but if we adopt his program of no help which is exactly what we had 30 years ago that little farmer would have no choice. He would then be compelled to go to town and apparently this is really what both Life magazine and Secretary Benson want to force the farmer to do.

Fundamentally, all of these critics of the cotton program fail to understand that a man who depends on cotton or any other cash crop for his livelihood does not have the freedom of choice that a businessman running an industry has. They doubtless assume sincerely that if a cotton farmer—a man dependent entirely upon cotton for the support of his family—finds himself faced with the certainty of a much lower price he will reduce or abandon his cotton plantings. This may be sound economics for the big-business man and even for the corporate farmer, but it is not sound economics for the head of a family with five little mouths to feed. All he can do if he stays on the farm is to seek to make up by additional volume what he is losing in price. The result is that he plants more, not less, cotton—or wheat or tobacco.

The cotton history of the United States records that the largest crop we ever grew was produced when we had a support price of 52 percent of parity. It seems to me that if the Secretary's reasoning were even partially correct we would have had to import cotton that year for every cotton producer knew that 52 percent of parity was a ruinously low return, but every cotton producer felt that he had to plant more cotton when faced with those low prices. This is the fundamental error of the Eisenhower administration as it relates to agriculture. Flexible supports flexing ever downward have not led to that "100 percent of parity in the market place" and by themselves they never will.

Let us admit that we should make the price of cotton competitive. Let us make it competitive just like the price of wool and sugar in Utah is competitive with the world price, but let us maintain the cotton farmer's living standards just as we maintain the living standards of the beet sugar grower and the sheepman.

If there is some better way of handling the cotton program, surely the least we should expect of the Secretary of Agriculture and the editor of Life magazine is to suggest what that better method is. Until they come forward with something constructive, it seems to me that they might at least keep their mud in their own backyard and not throw it at those who are trying to suggest a practical way to handle a difficult situation.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL—1958

Mr. MARSHALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MARSHALL. Mr. Speaker, when the bill making appropriations for the Department of Agriculture for fiscal year 1958 was before the House, an amendment was offered to eliminate the $239 million loan authorization for the Rural Electrification Administration. The Committee of the Whole rejected this proposal by a vote of 58 to 26, and I pointed out that not a single Member on the Democratic side of the aisle rose in support of the amendment.

This, however, was apparently only a small beginning in the drive to increase interest rates to the farmers who have worked together to build a system of electric cooperatives which have revolutionized American agriculture and which have played a major role in providing the abundance enjoyed by American consumers in the time of war or peace.

President Eisenhower and his congressional leaders at a recent conference announced that the administration is preparing legislation to block loans by the REA at present interest rates which are fixed by law. In spite of the serious cost-price squeeze under which farmers are suffering, the administration seems determined to further burden farm families with additional costs in their operations.

It was stated that new legislation would directly affect the 2 percent interest rate on funds loaned by REA. Whether it is the administration bill or not, such legislation has been introduced. It was also stated after the President's conference that the plan has already been approved by the Bureau of the Budget and is now being reviewed by the Treasury Department.

The argument has been made that rates must be increased to meet the higher interest charges the Government itself has to pay on borrowed money. Let us examine a few facts about this jacked-up interest rate.

First of all, it is not true that the Government has to pay 3½ percent on all the money it borrows. As a matter of fact, the Treasury Bulletin reports that for February 1957, the latest figures available, the Government paid an average cost of money of 2.719 percent.

Fact No. 2 is that the hard-money policy now in effect is a contrived policy. To be sure, the average cost of money to the Treasury has increased from 1.9 percent in 1948 to the current 2.7 percent. The hard-money policy has been contrived by the Treasury Department, the Federal Reserve Board, the big bankers of the country and big business—as one can only conclude from an analysis of who benefits from the policy and who suffers. And what a reason they give for the jacked-up contrived interest-rate increase—they tell us it will halt inflation—it will restrict the supply of credit. But inflation goes on and the farmers and consumers of the Nation continue to suffer.

In every year down through 1951, since the start of the REA in 1935, the rural electric cooperatives have paid a rate of interest higher than the average cost of money to the Government on marketable securities. Prior to the passage of the Pact Act, the rural electric cooperatives paid interest costs as high as 3 percent, and at times the average cost of money to the Government on marketable securities has been as low as 1.718 percent.

From 1952 to date the average cost of money to the Government has been above 2 percent, although not appreciably so until beginning in 1953. Since 1953, the average cost of money to the Government has increased by leaps and bounds—as a result of the contrived hard-money policy.

The rural electric cooperatives have a most enviable repayment record. It is doubted that any other lending agency can claim as good a repayment record as the Rural Electrification Administration. As of April 1957, the rural electric cooperatives have paid back $410 million in principal and $272 million in interest to the Federal Government. Payments

in advance of due date amounting to $105 million have also been made. There is only $195,000 overdue more than 30 days, and the Administrator of REA has stated that he was confident that this money would be repaid shortly. This delinquency amount equals less than one-twelfth of 1 percent of all funds loaned to the rural electric cooperatives.

As a result of the fact that interest rates paid by the rural electric cooperatives over the years have been higher than the cost of money to the Federal Government, the Rural Electrification Administration reported that as of the end of fiscal 1956 the agency has net income from lending operations of $47.5 million. The Federal Government has not lost money on its rural electrification loans—it has made money.

If a bill is enacted to raise REA interest rates to 3½ percent, amounting to a 75-percent increase, it would make many of the existing and proposed projects of the rural electrification and rural telephone cooperatives infeasible. In addition, the right and opportunity of the co-ops to generate their own power, where necessary, will be adversely affected, and the bargaining position of co-ops which purchase power from commercial power companies will also be adversely affected.

The rural electric cooperatives now pay 9 percent of their operating revenue in interest charges. A 75-percent interest increase, raising the cost of money to $35,000 per million borrowed as compared to the current $20,000 per million, would devastate the rural electrification and telephone programs.

At the same time the President is criticizing the REA interest rate, he has just renegotiated a loan with the British Government bearing an interest rate of 2 percent. But this renegotiated loan has some other interesting sidelights. The British wanted to waive its interest and principal payments on their original loan. In the original loan, provisions had been made not only to defer principal payments for the first 5 years—but no interest at all was charged for the initial 5-year period. Moreover, the British, under the renegotiated loan, are entitled to waive up to 7 of the annual principal and interest payments, which has the effect of stretching out the loan for an additional 7 years—therefore, the loan can run through the year 2007. This makes an interesting comparison.

In other words, the President will grant a 2-percent loan to the British, and give them other financial beneficial considerations, but at the same time he charges that the farmers' rural electrification interest rate is subsidized and should be raised.

In amending the income-tax laws in 1954, enormous concessions were made to big business. For example, the accelerated amortization program was extended and a liberalized depreciation amendment was added to the Internal Revenue Code. Under these two provisions alone the power companies have been granted interest-free loans under the accelerated amortization program, which, over the next 33⅓ years, will amount to $4.9 billion subsidy. And, under another liberalized depreciation provision, they will get an additional estimated $18 billion subsidy over the next 20 years.

Was the 2-percent British loan indefensible? One could also argue that it seems somewhat strange to grant interest-free loans to private-power companies when the farmers' rural electric and telephone cooperatives must pay 2 percent on the money they borrow.

MOBILIZING RELIGIOUS INFLUENCE

Mr. ZELENKO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include therewith a letter to the President.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ZELENKO. Mr. Speaker, on May 29, 1957, I wrote to President Eisenhower requesting him to assume world leadership in mobilizing religious influence in the fight for the minds and conscience of mankind.

It is my opinion that the continued expenditure of monies for armaments and foreign aid is necessary, but is of defense value only since in these areas the Communist world has apparently been able to match us to a stand-off posture. Our great strength and our greatest opportunity of victory is to effectively revitalize man's sense for self-respect and dignity so that he can gain a deep religious satisfaction from his own role for the fight against atheistic communism. This role can most appropriately be carried out by religious rather than political leaders. I have, therefore, requested the President to call and facilitate a world convocation of leaders of all religious faiths and sects, who can operate completely free of political direction, to organize and issue a positive universal credo against atheistic communism, to which religious men of all creeds all over the world can aspire, consistent with their own religious traditions. In my communication with the President, I have also expressed the thought that if he deems my suggestion a favorable one I would present legislation for the appropriation of necessary funds for such a convocation. The sum involved would cost our Government less than one jet bomber.

I submit herewith the text of the letter to the President:

MAY 29, 1957.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: We have reached a critical stage in the war with the Communists for the minds and conscience of mankind. I write to you as our Commander in Chief in this struggle, in which we have expended so unsparingly our economic resources and our ingenuity. Our great strength has dictated an unprecedented mobilization of weapons of destruction and the beneficence of financial aid to every ally and potential ally on the horizon.

It is the tragedy of our times, Mr. President, that in the areas where we have chosen to demonstrate our muscle to the Communist world, our adversaries have demonstrated a willingness to match us weapon for weapon, promise for promise, missile for missile and bomb for bomb. As fought so far, the issue remains in doubt and the prognosis for the future is guarded.

It is my belief, Mr. President, that in our preoccupation with our materialistic and intellectual strengths we may possibly have overlooked our greatest logistical resource in the struggle against communism—the spiritual fiber of men and women all over the world.

It is this God-given spark which fires men to place their sense of dignity above the lure of the free handout. Belief in God, regardless of the form that such belief may take, is the antidote to the poisonous materialistic theology of Karl Marx. If this struggle for man's spirit is to be resolved it will have to be on the philosophical level, for with each passing day it becomes increasingly apparent that the alternative fields of combat, namely, economic warfare and military warfare, will bring with it the extinction of our civilization.

There is a desperate need for the leadership of the Free World to mobilize our most potent allies, the spiritual leaders of the world, whom we have sadly neglected. Our most effective skirmishes with atheistic communism have been won by men of the cloth of every religion, fighting alone in their parishes and missions, in Warsaw, in Budapest, and all over the world. Marx, Lenin, and Stalin most desperately feared and most violently condemned these brave soldiers of God, whom they recognized had to be crushed before man's conscience could be entrapped.

I now recommend that you take the leadership in an all-out effort to enable the religious leaders of the world to organize a collective security pact for the protection of the souls of mankind. To that end, I ask that you call for such a convocation in Washington in 1958. All governmental participation in such an endeavor should be avoided, for obvious reasons. Aside from furnishing the facilities, the transportation expenses, the time, and the place for such a meeting, the entire problems of organization and agenda should be left to the religious leaders of the various denominations and sects. We may hope at the best for a permanent world organization of men in religion; at the least, regardless of agenda, there would be a manifesto from such a conference that would represent a philosophical rallying point for men of spiritual belief everywhere, which would affirmatively extoll a life of freedom.

By this kind of spiritual offensive we can end the isolation of individual religious groups who may respectively feel that they are alone in the struggle. With each other's convictions thus reinforced, mankind may well record its greatest triumph.

I look forward to the day when the role of the individual man or woman in the fight against godless communism can become a rich and deeply rewarding religious experience. This is the one weapon which the Communists can never effectively resist on either side of the Iron Curtain.

If you agree with this proposal in principle it would be one of my proudest moments to introduce a bill in Congress appropriating the funds requisite for such a history-making convocation.

Respectfully yours,

HERBERT ZELENKO,
Member of Congress.

LONG-RANGE FARM PROGRAM

Mr. HILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include a statement by Secretary Benson.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. HILL. Mr. Speaker, in May, Secretary of Agriculture Ezra Taft Benson

appeared before the House Committee on Agriculture and gave a very excellent statement on matters concerning a long-range farm program.

In his statement he suggested that modern and improved agricultural production methods as well as sale promotion plans must all be brought up-to-date to meet modern business methods now being used at home and abroad.

I shall place in the CONGRESSIONAL RECORD the testimony given on May 16, 1957.

During the years previous to World War II our agricultural legislation was based on the depression then existing in agriculture.

The basic Agricultural Act of 1938 set apart 6 crops: Wheat, corn, cotton, rice, tobacco, and peanuts, and gave special treatment to these products. By the time the 1938 act came into full operation we were catapulted into World War II.

During the war years demand was high for all types and kinds of farm production. That is the usual effect of war on our economy. Expanding markets followed World War II and the Korean war. It seemed as if farm prices would never drop and consumption would continue to rise.

Many farmers and agricultural experts felt that we could continue to guarantee farm prices at 100 percent of parity. However, with increased production it appeared to even a casual observer that 100 percent of parity could not be maintained.

Of course, no farm program is sound when products are placed in federally owned or controlled storage. They are still a threat to the market, as legislation that places crops in storage could be changed overnight, freeing these products, thereby destroying the market.

The results of the 100 percent parity price have been disastrous to farmers who wish to produce for an open and free market.

Many experts on agricultural legislation felt, and still do, that acreage control and crop production sale control would be necessary if we were to continue 100 percent of parity. This position, of course, has not been supported by farmers.

To develop a farm price support system that will work in peacetime is a difficult task.

We have been trying to hold our world markets under the support price system for our domestic market and we have failed.

Secretary Benson's remarks are worth serious consideration. Some may disagree with him; however, I am sure everyone will be stimulated by reading and considering his thought-provoking suggestions made to our Committee on Agriculture.

STATEMENT OF SECRETARY OF AGRICULTURE EZRA TAFT BENSON BEFORE THE HOUSE COMMITTEE ON AGRICULTURE, MAY 16, 1957

Mr. Chairman and members of the committee, I appreciate this opportunity to join with you in considering matters of long-range farm policy referred to on May 2 in my letter to Senator ELLENDER.

In that letter and also in my comments yesterday before the Senate Committee on Agriculture and Forestry, three points were made:

1. Controls are not effective in reducing overall agricultural production, despite the severe restrictions they impose on farmers' freedom to produce and market.

2. Agricultural products are likely to continue to be abundant. Under such conditions they cannot be priced as if they were scarce.

3. The present legal formulas governing acreage allotments and price supports are proving obsolete.

My comments were based on the fact that a technological revolution is occurring on American farms. This creates a new dimension in farm policy, making it virtually impossible to curtail agricultural output with the type of controls acceptable in our society.

In my letter attention was called to the fact that reduction of our stocks through the surplus disposal program and the soil bank is going forward rapidly, and I expressed gratification to the Congress for providing this necessary legislation. However, this reduction in surpluses will mean that the price formula escalators in the present laws will soon operate to stimulate and expand production, which will create new surpluses and require tight production controls.

As we move out surplus No. 1, governing legislation sets the stage for surplus No. 2.

My letter pointed out that our price support and production control programs have twice been bailed out of difficulty by war—once during World War II and once during the Korean war. Now, in time of peace, shortcomings are showing up.

The high cost of existing farm programs is a matter of increasing concern. Programs primarily for the support of farm prices and farm incomes in fiscal 1956 showed a net realized cost of $1.9 billion. This year the figure will be much larger. These costs are boosted by the inability of our production controls to hold production within bounds. They are high because we report costs when commodities are disposed of, not when they are acquired. Many of the stocks now being moved were acquired years ago.

The total agricultural budget now before the Congress is in the neighborhood of $5 billion. During this spring's debate on the corn bill it was pointed out on the floor of the House that this is the equivalent of nearly half the net income of our farm people. I hasten to add that this budget includes loans which will be repaid, permanent improvements in the agricultural plant, and exports of farm products used for economic and military operations abroad. Many of these activities are not for the primary purpose of supporting farm prices and farm income. But however, computed, the cost of the price support—acreage control program is great and growing.

Few would object seriously if these heavy costs were temporary and if the problems were being solved permanently. Instead, however, with the formulas in governing legislation, costs seem likely to continue high with little progress toward a permanent solution.

I outlined in my letter and the supporting document the difficulties which confront our farm people. They are being subjected to the forces generated by the technological revolution. They are adjusting from wartime to peacetime demands. Their markets are burdened by surpluses which result at least in part from past wartime programs. With the reduction of surpluses, farmers will feel that acreage allotments should be increased, and will present this view with considerable logic and with increasing vigor. Under present law, however, farmers are unlikely to receive increased allotments for most of the basic crops, despite surplus reduction. Hence, under present law, disappointment awaits many farm families. Allotments to individual farms, based largely on history, depart to a considerable degree from considerations of equity and wise land use. It is extremely difficult to fit millions of diverse farm operations into a pattern based on a legal formula.

The program we have had leans unduly upon the parity concept, a weak measuring rod. Parity prices do not indicate what can be sold at satisfactory prices nor that competition can be satisfactorily met, either at home or abroad. Programs which are economically sound, administratively feasible and financially supportable simply do not flow from fixed formula calculations.

A quarter of a century ago, before the program of restricted production, the basic commodities brought in 26 percent of our farm income. Last year this share was reduced to 23 percent.

In recent weeks I have spoken to audiences in Louisiana, Illinois, and North Dakota regarding our three great crops: cotton, corn, and wheat. These are some of the facts I reported regarding the impact of past programs for these crops:

COTTON

Twenty-five years ago, before the acreage control program, cotton grew on more than 40 million acres of United States farmland. This year the allotment is 17.6 million acres. Three million acres of that allotment have gone into the soil bank. The actual acres of cotton produced this year seem likely to be about one-third as many as before the control program began.

Twenty-five years ago, before American cotton growers began to hold the price umbrella for foreign cotton producers, cotton production abroad totaled 11 million bales. This past year foreign cotton production was twice as great, 25 million bales.

World production of synthetic fibers has increased during the past 25 years from an insignificant quantity to an equivalent of more than 14 million bales, an amount larger than the 1956 United States cotton crop. Most of the growth in the world market, resulting from increased population and increased per capita consumption, has gone to foreign cotton and to manmade fibers. This growth has been marked. The worldwide per capita increase in consumption of all fibers during the past 20 years was from 8.2 pounds to 9.6 pounds. And the world population during this period increased by approximately 500 million persons.

Undoubtedly production of manmade fibers would have increased and foreign cotton production would have risen during the past 25 years even if there had been no program to restrict supplies and raise prices in the United States. But it is equally certain that the cotton program served to encourage our competition and speed its expansion.

While the growth in their markets has largely been captured by the competition, cotton farmers have been restricted in their decisions as to management of their farms.

Controls breed controls. Cotton production has been restrained from moving to the most efficient farms. Allotments to individual farms, whether based on history or on tillable cropland, are frequently considered unfair.

It is extremely difficult to fit nearly a million diverse cotton operations into a pattern based on a legal formula.

Cotton producers and agriculture in general should not sacrifice the efficient use of agricultural resources on the alter of price support. To do so would discredit price supports, which are and can be a useful stabilizing tool. As matters now stand, cotton growers are operating on a part capacity basis. Some producers have continued planting marginal acres to cotton for the main purpose of maintaining their historical acreage base.

With acreage controlled, producers have simply fed the land more fertilizer, used more insecticides, and used other devices to produce almost as much cotton as before on far fewer acres. We should never overlook the ingenuity of the American farmer—the most efficient in all the world.

Not only have we kept marginal land in cotton, we have kept marginal producers in cotton, hurting both themselves and cotton growers in general. The result is to push up the national average unit cost of production of cotton to a level which handicaps American cotton in competing effectively against foreign cotton and synthetics.

Some marginal producers, of course, have withdrawn from cotton production. Some took jobs in the expanding industries of the South. Others went into the production of meat animals, dairy products, poultry, eggs, and other commodities. By and large, those who got out of marginal cotton production have improved their situation.

The decline of cotton has had many secondary effects. Small towns and trade centers which once serviced 40 million acres of cotton now service 15 million. Some of our transportation facilities are no longer needed, employment opportunities for local labor in the cotton industry have been reduced, the cottonseed industry has suffered.

What has been the cause of the difficulties experienced by farmers, rural tradesmen, and the cotton trade generally?

The major cause is that for many years, agricultural legislation has focused on a single objective, a high level of price support.

The legislative goal of a high support price based on parity, ignores the fact that cotton farmers are interested in net income, not just price per pound. And it is income that farmers spend, not price. Net income is the result of price times production minus costs.

Present legislation seeks to maintain the support price per pound through drastic restrictions on the right to produce and market. Inevitably this raises production costs per pound. The long-run result of reduced volume and higher unit costs of production is to reduce net income.

Back in 1929, before we embraced the single objective of high price supports, cotton lint brought in 13.4 percent of our farm income. Last year cotton brought in only 7.5 percent of our farm income.

Twice the cotton program has been rescued by war. Were it not for that fact, its shortcomings would have been highlighted long before now. Carryover built up to 13 million bales before World War II, and was substantially reduced following the end of the war. Carryover built up again prior to the Korean war, and the demands of war pulled down our stocks. From 1952 to 1956, we experienced the greatest inventory buildup of all time. This buildup is now being liquidated at tremendous cost, in a time of peace and abundance instead of a time of war and scarcity.

CORN

The present mandatory price support-acreage control program for corn, based on legal formulas, has not worked and is unworkable. Its objective is scarcity. Corn acreage, cut back by the control program, is now at the lowest level in 66 years. This program has reduced corn acreage in the Corn Belt and increased it in California, Washington, Oregon, and other areas. To a degree the Corn Belt has forgone its natural advantage in feed-grain production and has defaulted to the West, the South, and the Northeast. The corn-producing area has been spread out and diluted. Nineteen years ago, when the commercial corn area was laid out for acreage control purposes, it included parts of 12 States. Now it includes parts of 24. Originally it included 556 counties; now it includes 894.

But even more amazing is the size of the corn allotment in the commercial area. In 1938, the allotment totaled 40 million acres; for 1957, the allotment is 37 million acres. With a smaller pie being cut into more pieces, is it any wonder that most corn producers in the Corn Belt prefer to ignore their allotments?

Corn is the major feed grain, far exceeding in importance all the other feed grains combined. But the other feed grains are moving up. By cutting back on corn, the program has provided an opportunity for an expansion in the acreage of competing feed grains such as barley and sorghum grain.

Are corn farmers willing to move in the direction of competitive pricing, more freedom, and growing markets?

It appears that they are. More than 61 percent of the corn farmers who voted in last fall's referendum expressed a preference for greater freedom to plant, coupled with greater flexibility of price supports. Yet, because the law required a two-thirds vote to carry, corn farmers today continue under a program which the majority of them have disapproved.

Clearly, the corn farmers have given leadership in the direction of freedom and enterprise, the institutions which have made America great.

WHEAT

The level of price support has been a major incentive for overplanting, for planting merely to protect existing allotments and for excessive stimulation of yields. Last year, 1 out of every 3 wheat farmers in the United States considered it profitable to plant more than his allotment, and did so. More than 100 million bushels of wheat were produced on the excess acreage on farms which exceeded their allotments. In some cases, wheat producers found the price sufficiently attractive that they deliberately overplanted their allotments and paid a penalty of $1.12 per bushel.

Foreign nations, thinking about bread for their teeming millions, look at our high price and restrictions on production. They then expand wheat production even on rocky hillsides, while wheat production on our fertile prairies is prohibited. From 1928–29 to 1954–56, United States wheat production increased 18 percent while production in the rest of the world increased 42 percent. And much of the United States production during 1954–56 went into storage or was exported with the assistance of Government programs.

Back in 1925–29, before the control program, wheat brought in 7.5 percent of cash farm receipts in the United States. After nearly a quarter century of controls and supports, this percentage has fallen to 6.1.

Many wheat farmers have too small an allotment to be efficient or to earn a satisfactory income. Advancing technology makes it possible—indeed, almost imperative—for small wheat farmers to increase their acreage. But this will be practically impossible so long as we restrict production in an effort to achieve a high level of price support.

Farmers have the established right, in cooperation with Government, to undertake programs which increase the prices of their products if they wish to do so. As much as any other group, they have the moral right to influence supply and price in what they deem their own interest. They are entitled to the sympathetic help of their Government in meeting their economic problems, the same as any other group.

There hard-won rights should not be used in behalf of a program which has the long-run effect of losing markets and restricting farmers' rights to make their own decisions.

The price support program for the basic commodities was originally designed to combat the effects of a general depression, and had considerable justification on that basis. Strong measures were needed in those days.

The program was overhauled during the war for the purpose of expanding production, a need which it served in acceptable fashion.

Our present need is not that of combating a general depression, not of stimulating production to meet the needs of war. Our need is for agricultural adjustments to accommodate the tremendous technological revolution through which agriculture is passing.

There is much evidence that farmers themselves do not want the kind of regimentation that would really be needed to keep output under effective control. This attitude on the part of farmers has been reflected in actions taken by the Congress and by the executive branch from time to time. A partial list includes: minimum national allotments, minimum individual allotments, checking compliance on the basis of harvested rather than planted acres, use of an outmoded formula in computing the acres needed to provide a normal supply, and production on acres diverted out of the basic crops.

The Agricultural Act of 1954 was a necessary forward step. It established a beachhead of rationality in the setting of price support levels. No one ever maintained that it was an answer to all our farm problems. With the tremendous changes brought on by the technological revolution, no legislation can answer all the problems, or keep them answered.

The Agricultural Act of 1956 successfully defended the ground gained in 1954 and in addition provided a temporary weapon, the soil bank, for dealing directly with our heavy stocks.

We have made substantial progress with the help of these laws. The long downward slide of the farm economy has been checked and reversed. Farm prices have risen, farm incomes have increased, and surpluses have been reduced. Markets have been expanded. This is gratifying to the farmers and to the Nation. We now have an economic climate in which further remedial legislation can be considered objectively; this would have been impossible without the improvements brought about by the Agricultural Acts of 1954 and 1956. If I were content to look only at the present, I would report progress achieved rather than a problem unsolved.

We have many of the tools we need to reduce our surpluses and get agriculture into better balance. We have one tool that we don't need but which the old basic law requires us to use. That is the requirement that price supports be increased as soon as surpluses are moved. The real difficulty lies in the fact that with the price support formulas in the old basic law, once Government warehouses are emptied, the stage will be set to fill them again.

If market conditions warrant, the level of price support should flex upward, as I have often said, but an automatic legal formula lacks the necessary discernment.

The law does not provide adequate opportunity to meet the problems of advancing technology. For example, on the 55 million acre minimum national allotment we now produce more than enough wheat for all our needs, domestic and exports. On an allotment calculated to produce 10 million bales of cotton, we grew almost 15 million. On the smallest corn acreage allotment we ever had, and with a drought in the western Corn Belt, and with the beginnings of a soil bank, 1956 corn production approached an all-time record. And there is no sign that the current phase of the technological revolution in agriculture has run its course.

This, I say, is the new dimension in farm legislation.

The basic question to be answered regarding any price support legislation is this: Are the supports intended to stabilize and undergird the farm economy? Or are they intended to hold prices continually and substantially above competitive levels?

If the purpose is permanent high-level price support, then inevitably decision-making must be taken out of the hands of farmers and placed in the hands of Government. And Government must demonstrate willingness and ability, greater than has hitherto been shown, to make decisions that are necessary, though unpopular, and to make them stick.

The evidence is convincing that we should move in the direction of more freedom for our farmers to produce, coupled with less reliance on the establishment of price support levels by means of formulas.

There are various ways in which this might be done.

Authority for establishing support levels could be vested in the executive branch, with general guidelines provided by the Congress, as is now the case for most farm products.

This discretion could be within wide limits, as at present for the nonbasic commodities like the feed grains.

It could be within a range prescribed by law, as presently for a few designated nonbasic commodities.

Regardless of the range prescribed for establishing price supports, the present rigid formulas in price support legislation should be eliminated.

There are more than 200 farm products for which we are authorized to provide price supports. For six of these, the basic commodities, programs are in effect to control production and to support prices according to a legal formula. Yet for these six commodities, surpluses are greater, costs are higher, infringements on farmer decisions are more extensive and farmer complaints are more vociferous than for all the other 200 commodities combined.

As price supports move toward a more competitive level, acreage allotments could be increased. We would hope that in time they could be eliminated, crop by crop, as conditions warrant. This would have to be gradual, of course. The soil bank and the surplus disposal program would ease the adjustment; it would be well to begin moving away from controls while the soil bank and the surplus disposal program are operative.

We have all heard the argument that a reduction in the level of price support will result in increased production by causing farmers to plant more acres as they strive to maintain income. I know of no competent research which supports this view. I am impressed with the fact that when the Congress really wanted increased production, as during the war, it raised supports. When reduced production was wanted, as for potatoes some years ago, supports were reduced.

When technology is going forward and production is increasing very rapidly, as at present, an important function of a lower support level may be merely to slow the rate of the increase. When a car is moving forward rapidly, one may apply the brakes to reduce the rate of speed.

It will not be easy to win back markets. Markets lost over a period of 25 years cannot be regained overnight. A quarter century of sheltered existence is poor conditioning for the rough-and-tumble of market competition.

As I have often said, the present and prospective difficulties of our farm people are traceable at least in part to actions of their Government. Farmers were asked for all-out production during the war, and they responded magnificently. Production once expanded is difficult to contract. It would be unfair to ask 22 million farm people to bear the burden of adjustment for which the whole community is responsible.

I do not wish to appear to infer that agriculture's problems are exclusively the result of legislation. The post-war adjustment and the impact of the scientific revolution would be enough, by themselves, to cause serious problems, even with the best possible farm program, whatever that might be.

The American people will gladly undertake costs of great magnitude in order to solve a problem, but not to carry it indefinitely.

As we consider further changes in basic legislation, we must beware lest we fly from the known shortcomings of present programs to the unknown but possibly greater evils of other programs. In present circumstances, every remedy, good and bad, will be put forward. Old and new programs will be offered. These should be examined with open mind and with reference to known principle and established history. The farmers themselves, directly and through their organizations, should be given an opportunity to express themselves, since they are directly concerned.

A question has been promoted in the minds of some by my letter to Senator ELLENDER: Does the letter mean that the Secretary would like to scrap farm programs and return farmers to the unrestricted forces of the free market?

The answer to that question is an emphatic "No." Farmers need the enlightened help of their Government. They cannot be expected to submit to the full force of the competitive system when other major vocations are insulated from it to a greater or less degree. They cannot be expected to extricate themselves, without help, from a situation which is a national responsibility.

Farmers have fought a good fight, these past 25 years, for the right to equal economic status, before the law, as compared with other groups. They have been successful in that fight, and this committee has helped in that cause. I applaud and defend that victory.

There must, however, be better ways of using that victory than in behalf of programs which lose markets, restrict the opportunity for farmers to make their own decisions and pile up surpluses. I am ready to join with you in search of further needed improvements.

Price supports are only one of a large number of Government programs which help farm people. Research, education, sales promotion, market building, credit, marketing agreements, and conservation are worthwhile programs that should be continued and in some cases expanded. For those rural people on the lowest rungs of the economic ladder, the Rural Development Program can open new doors of opportunity.

Price supports, as they have operated for a number of commodities, including some of the feed grains and the oilseeds, have been generally helpful. I am not proposing that we scrap farm programs or that we scrap price support programs. I am saying that we need to revise some of our programs so that they better serve the needs of our farm people. We are now ready to take the next step in this direction.

My objection to the kind of price support we have had for the basic commodities is that it gives farmers not too much but too little. It gives them too small a market, too few of their own decisions, too small a net income and too little chance to meet their competition at home and abroad.

What farmers need is a program which will add to markets, increase net income, liberalize the opportunity to make their own decisions, and protect their hard won rights for equality of bargaining power.

I do not want to take anything away from farmers. Farm people and those who represent them should ask themselves whether a program of restriction and intended scarcity can ever mean as much in the long run as a program involving more freedom for market growth.

Mr. Chairman, I shall be happy to respond to such questions as you may have.

THE PRICE SUPPORT PROGRAM

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BYRNES of Wisconsin. Mr. Speaker, I have today introduced H. R. 7862 to amend section 22 of the Agricultural Adjustment Act.

Section 22 was designed to regulate imports of agricultural commodities when the duties imposed by the Tariff Act of 1930 are insufficient to protect program operations of the United States Department of Agriculture, with particular reference to the price support program. It has been made uncertain in application, however, due to the fact that our policy respecting foreign trade improvement through the tariff concessions and our policy regarding agricultural price supports appear at times to be antagonistic. Congress has never spelled out just how these two policies are to be correlated. As a result, there is a great deal of administrative confusion and pulling at cross purposes between those who conduct the programs of the Government to improve the economic position of our farmers and those who carry out the authority granted them by the Congress to remove barriers to our foreign trade through tariff concessions and other means.

In addition, the procedure under section 22 as it now stands is cumbersome, uncertain, and in many instances it is not invoked until harmful results with respect to the price support program have already taken place, and as currently administered, the section and the proclamations which have been issued by the President thereunder are subject to considerable evasion by importers.

These factors all have led to more costly operations under the price support program, the encouragement of unusual items of import into this country as part of the evasive techniques that have been developed by importers, and continual harassment of the industry as a result of such evasion.

At the present time, for example, we are confronted with a most flagrant evasion of a quota established pursuant to the present section 22.

On January 15 of this year, the United States Tariff Commission held a hearing to consider putting import quotas on butter oil. This commodity had never been imported into this country but when butter exporting nations found that butter oil was not subject to the quotas previously established under section 22, they started shipping this commodity. After the hearing, the Tariff Commission recommended to the President that butter oil and dairy products containing more than 45 percent butterfat be subject to quotas. The President, acting on this recommendation, placed a quota of 1,800,000 pounds on the importation of such commodities for the present calendar year, and 1,200,000 pounds per year thereafter.

In this connection, it is to be noted that the proclamation of the President

placed the quota on "butter substitutes, including butter oil, containing 45 percent or more of butterfat and classified under paragraph 709 of the Tariff Act of 1930, as amended."

This proclamation was issued April 18, 1957, and almost immediately there arrived in this country about 9 million pounds of a new commodity called exylone. Analysis indicates that this commodity contains 76.6 percent butterfat, 15.2 percent moisture, 8.2 percent sugar, and a trace of vanilla. The Customs Bureau classified this commodity under paragraph 1158 of the Tariff Act apparently holding it was neither butter, a butter substitute, or butter oil. Of course, the commodity will move immediately into use in ice cream manufacture, where the factor of flavor and some sugar will be of no consequence. The case of butter oil, and now the case of exylone, demonstrates the ease with which quotas established under present law can be evaded. The effect of such evasion upon the price support program is readily apparent. Every 4 pounds of exylone imported into this country eliminates the market for 3 pounds of butter which then must be purchased by the Government under the support program. When it is remembered that about one billion pounds of butter move in international commerce each year, and that it is very easy indeed to shift from the production of butter to the production of commoditise such as exylone, it should be apparent that the continuation of such a situation can easily wreck the price support program.

Bill H. R. 7862 has three major purposes:

First. It established some degree of coordination between our foreign-trade policy and our domestic agricultural power. As things stand now, and have for many years, there is no clearcut line of demarcation as to where the price policy regarding domestic agriculture and our foreign-trade policy begins or ends. The bill makes it clear that in no event should imports exceed the 5-year average as long as the price of such commodities in the United States is below 90 percent of parity.

Second. Since much of the time of the dairy industry and other industries in proceedings before the Tariff Commission has been consumed by arguments as to whether a given commodity is competitive or noncompetitive with a similar commodity in this country, a determination of this question will be made by the Secretary of Agriculture.

Third. The bill would stop the peculiar twists and turns in our foreign trade in dairy products under which commodities are imported into this country, not on the basis of need for them, or as a part of our usual market supply, but solely to evade and circumvent our import regulations. Any commodities which had not previously been imported into the United States and which are found by the Secretary of Agriculture to be competitive with or substitutable for any agricultural commodity under the support program would automatically be embargoed during the period of a quota restriction.

The provisions of H. R. 7862 may be summarized as follows:

Subsection (a): Statement of policy.

Subsection (b): Imposes a quota equivalent to the average imports for the preceding 5 years on any commodity with respect to which a support program is being conducted. This quota to remain in effect as long as the market price of such supported commodity is below 90 percent of parity.

Subsection (c): Makes subsection (b) applicable to any product not previously imported into the United States or any newly developed product which the Secretary of Agriculture finds is competitive with or substitutable for any agricultural commodity being supported under the price-support program.

Subsections (d), (e), (f), (g), (h), and (i) are continuations of the present provisions of section 22. The only change in the current language of section 22 as covered by these subsections is the elimination of the emergency powers of the President under section 22 to take action to apply quotas and limitations prior to a hearing before the Tariff Commission.

Section 2 continues, in effect, current quotas as proclaimed by the President under the present provisions of section 22 of the Agricultural Adjustment Act, where such quotas provide greater protection than the application of the automatic quotas under subsection (b).

PHILIPPINE MEMORIAL HOSPITAL

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I wish to call attention to the very fine editorial which appeared in the New York Times today regarding the importance of expanding the Veterans' Memorial Hospital in the Philippines. It might become a great research center for the entire eastern part of the world. I visualize the importance and far reaching value of such a project in many ways.

The people of the Philippines have expressed deep gratitude for the hospital. I instantly think of their great contribution to us in loyalty and fighting men—we owe them much—they have been our best friends.

The editorial follows:

A PHILIPPINE MEMORIAL

There is now an opportunity greatly to expand the functions and scope of the Veterans' Memorial Hospital in Manila. Thus far, operating in a sense as an adjunct of the United States Veterans' Administration inasmuch as its costs have been reimbursed, the hospital has been obliged to work in a limited field. This can be modified as the Philippines take over complete responsibility for the service, which under present law will take place by 1960.

Meanwhile, modest amendments to existing legislation and perhaps some new authorization can make it possible to embark on a much more ambitious program. What has been suggested in the Philippines and what will probably be discussed at this session of Congress is the creation of a great Asian medical center with the Veterans' Memorial Hospital as its nucleus. Its primary service for veterans would not be changed, but it could be enlarged and thrown open to others.

Most important, it could be made an invaluable place for research and training in the field of tropical medicine. The possibilities presented are enormous and the hospital and medical center could become the greatest and most useful memorial to the fruitful Philippine-American association. The background for such a project is almost ideal. The Philippines have been a magnificent laboratory in the field of tropical medicine for almost three generations. In addition to this scientific background, however, is the geographical background. Manila could become a training point for young men from Thailand, Vietnam, Cambodia, Laos, and even Indonesia and Malaya. It could become a truly "Asian" health center. This is not an idle dream. It is a practical possibility.

GENERAL IMPORT QUOTA BILL

The SPEAKER. Under the previous order of the House, the gentleman from West Virginia [Mr. BAILEY] is recognized for 30 minutes.

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include related matter.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, on request of the House Committee on Ways and Means, the Departments of State and Commerce have recently made reports on the general import quota bill introduced by myself and other members of this body.

At this point, Mr. Speaker, I wish to insert in the RECORD comments of the Department of State on the legislation in question:

APRIL 8, 1957.

The Honorable JERE COOPER,
Chairman, Committee on Ways and Means, House of Representatives.

DEAR MR. COOPER: This is in reply to your letter of March 25, 1957, signed by Mr. Irwin, in which you requested the views and recommendations of the Department of State on H. R. 2566 and H. R. 2776, bills "To regulate the foreign commerce of the United States by establishing import quotas under specified conditions, and for other purposes." After a careful examination of H. R. 2566 and H. R. 2776 this Department has concluded that their enactment would be harmful to the national interest.

The United States has generally avoided the use of import quotas as a means of regulating international trade. This policy has been based on its conviction that import quotas create more problems than they solve.

The establishment and operation of an import quota is inherently complex. It requires the meticulous definition of the product which it to be subjected to the quota, and the establishment of numerous import regulations and licenses, and the periodic determination of the size of the quota in terms of its quantity and value, and often in terms of the countries of origin of the product.

The complex character of an import quota system is illustrated by the proposed legislation which would require the classification of all foreign industries exporting merchandise to the United States into seven

categories based on the average wage payments made to the workers in those industries. In view of the thousands of industries throughout the world which export some of their products to this country, the statistical and analytical problems raised by this requirement would appear to be formidable and may well be insuperable. The same may also be said regarding the provisions of the bills relating to the reallocation of the country quotas to reflect alterations in the wage levels of the industries exporting to the United States. The complexity of these features of the bills would appear to pose substantial administrative problems for the Government agencies concerned. For the American foreign trade community they would make long-term planning extremely difficult by making uncertain the status of foreign export industries under the law.

In establishing import quotas, extensive efforts are required to reconcile the interests of the domestic producers, importers, and consumers of the product involved. These efforts are rarely successful since a purpose of an import quota is to give one segment of the population an economic advantage which it would not normally possess under the free enterprise system. The attempts of Government to balance these interests and to enforce the control system are not only time consuming but also costly to the extent that they require special staffs and regulations. Thus, in addition to their complexity, import quotas may also lead to a widening of the powers of the Federal Government over the economy. This was noted by Secretary of State Dulles in his testimony before the Ways and Means Committee on H. R. 1 on January 17, 1955, when he declared that the use of quotas "* * * tends toward the socialization of an industry" and that the process of distributing quotas imposes upon those who are subjected to them "almost a cartel system, and an allocation of the market."

Import quotas are also objectionable in that they invite retaliation by foreign governments. The United States has made substantial progress since the end of World War II in obtaining the elimination of import quotas imposed by many foreign governments for balance-of-payments reasons. This program must be maintained and continued, but it would be placed in jeopardy if the United States were to adopt a trade policy distinguished by the extensive use of quotas directed against imports since other governments could be expected to anticipate problems for their exporters under the United States legislation and to prepare legislative or administrative measures permitting prompt retaliation against imports from the United States when those problems would arise.

The prosperity of the United States is importantly associated with its merchandise export trade, which amounted to approximately $17 billion dollars last year. This Department would not wish to see legislation enacted which could jeopardize the continued sound expansion of that trade by inviting retaliation against our exports. This Department believes that enactment of H. R. 2566 and H. R. 2776 would lead to such retaliation.

In this connection it is noted that the bills would permit the imposition of quotas notwithstanding any international agreement relating to tariffs or trade entered into by the United States or to be entered into hereafter. This section would, in effect, notify foreign governments that none of the benefits they had expected to obtain from the United States in return for benefits granted by them could be counted on to continue. Thus, the bills in question would raise doubts in the minds of other governments regarding the good faith of the United States with respect to obligations freely undertaken by it under the trade agreements program established by the Congress.

It is noted that H. R. 2566 and H. R. 2776 provide that a Tariff Commission order establishing a tariff quota or an absolute quota or modifying either shall become effective as law within 15 days from the date of its preparation. These provisions overlook the broad foreign policy and national security considerations which might make it undesirable for a quota to be proclaimed. For many countries located in areas of strategic and political importance to the United States, the maintenance of a sound export trade with the United States means the difference between a stable and an unstable political system. Because of its concern for the strengthening of the free world, the United States has fostered a policy designed to expand international trade among the nations of the free world on a mutually advantageous basis. This Department believes that the President alone is in a position to weigh the various considerations of domestic and foreign policy which should be taken into account before any measure, potentially as far-reaching in its impact on our foreign relations as an import quota, is established.

It is certain that the political and other benefits which have accrued to the United States as a result of its policy of eliminating unnecessary barriers to world trade could not be maintained if this country were to reverse that policy and accept the restrictive import policy which H. R. 2566 and H. R. 2776 would require.

In his testimony before the Ways and Means Committee, which was referred to above, Secretary of State Dulles made the point that import quotas often produce more evils than those which they were designed to cure. Their basic complexity, their adverse impact on the free enterprise system, the retaliation they invite against our imports, and the disturbing affects they can have on our political and other relations with friendly governments support the Secretary's view. It is for these reasons that this Department is opposed to the enactment of H. R. 2566 and H. R. 2776.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this report, and for the reasons indicated above enactment of this legislation would not be in accord with the program of the President.

Sincerely yours,

ROBERT C. HILL,
Assistant Secretary
(For the Secretary of State).

I would also like, Mr. Speaker, to insert the comments of the Department of Commerce at this point:

THE SECRETARY OF COMMERCE,
Washington, April 18, 1957.

Hon. JERE COOPER,
Chairman, Committee on Ways and Means, House of Representatives, Washington, D. C.

DEAR MR. CHAIRMAN: Reference is made to your letter of January 29, 1957, in which you request the views of this Department regarding H. R. 961 and H. R. 2821, bills to regulate the foreign commerce of the United States by establishing import quotas under specified conditions, and for other purposes.

This will also reply to your letter of March 25, 1957, requesting our views on H. R. 2566 and H. R. 2776, which are similar bills.

These bills would authorize the Tariff Commission to establish import quotas, and in the case of H. R. 2821 to adjust import duties, when there is injury to a domestic industry as defined by the provisions of the bills. Injury is determined in accordance with a fixed set of rules based on changes in the percentage share of imports in domestic consumption. The import quotas are also based on the percent of domestic consumption provided by imports, with an adjustment factor for changes in the wage levels paid by the foreign producers as compared with domestic wage scales.

These bills assume that all competitive imports in excess of fixed percentages of domestic consumption are automatically injurious to domestic business. No consideration is given to the differences in the availability of domestic production to fill consumption demands. The method of determining import quotas gives no consideration to the levels of import dutites or prices.

The trade agreement legislation currently in force, the Trade Agreements Act of 1934 and the Trade Agreement Extension Act of 1951, as amended and extended, contains safeguards such as the "peril point" injury caused by imports. The variety of conditions affecting domestic industries require that full investigations of possible injury be made, as provided in current legislation, rather than restricting consideration to the arithmetical relationship between imports and consumption.

In the long run such a tariff system would result in a series of rigid import quotas on all competitive imports. It is our belief that a wide extension of the use of import quotas would seriously hamper our foreign trade without benefit to our domestic economy. Such rigid restrictions could also have a disastrous effect on our export trade should other countries adopt similar systems of import quotas.

For these reasons we recommend against the enactment of these bills.

We have been advised by the Bureau of the Budget that it would interpose no objection to the submission of this report to your committee, and further that the enactment of these bills would not be in accord with the program of the President.

Sincerely yours,

WALTER WILLIAMS,
Acting Secretary of Commerce.

That these reports from the executive branch would be unfavorable was a foregone conclusion. Our State Department has crusaded against import quotas for two decades and in 1947 succeeded in writing into the General Agreement on Tariffs and Trade or GATT a general ban on import quotas. This ban was the outgrowth of one particular view on a question that is controversial.

The Department, of course, had not the least right to commit this country to such a ban. We do not treat controversial problems by banning them from consideration. The State Department's action was the same as agreeing on behalf of Congress, and without asking Congress, that this body would give up a useful, practical, and effective method of regulating our foreign commerce because such method was not to the Department's liking. It is amazing that the State Department could advance any such preposterous renunciation for Congress. What notion the Department could have about the functions of Congress as defined in the Constitution must remain a mystery unless the Department holds the Constitution and the people whose rights it defines, in very low esteem.

The Congress under the Constitution is empowered to regulate the foreign commerce of this country. No one can deny that import quotas are a means of regulating foreign commerce. The Department of State has never satisfactorily explained where it derived the

authority to renounce import quotas on behalf of the United States. It has merely made noises. Obviously not even Congress itself could authorize the State Department to act for Congress in this manner. Congress cannot renounce doing what the Constitution says it is to do. Nor can it authorize the executive to make international agreements that will impair, ensnarl or compromise this express power fixed by the Constitution.

Yet this is what the State Department did in Geneva in 1947 when it signed GATT on behalf of the President. By agreeing to a contractual commitment with other countries not to impose import quotas, that is, not to establish or maintain them, the State Department interposed an international obligation between the legislative power of Congress and the freedom to exercise that power.

The ability of the State Department through an executive agreement thus to frustrate Congress would enable that Department to drive Congress out of its own domain and reduce it to an estate of mumbling futility.

The evident obstinacy of that Department as revealed in its letter to the Ways and Means Committee merits the sharpest rebuke. Far from recognizing the pernicious character of its act in 1947 the State Department makes bold to drive home the very argument that should reveal to it the very impudence of its position.

Says the Department's letter, dated April 8, 1957:

> Thus, the bills in question (i. e., the import quota bills) would raise doubts in the minds of other governments regarding the good faith of the United States with respect to obligations freely undertaken by it under the trade agreements program established by the Congress.

I can only ask by what theory of government the State Department could arrive at such an interpretation. The statement proves completely what I have just said, namely, that the Department elects to act as if Congress had authorized it to make an international agreement under the terms of which Congress renounced its right to legislate as it sees fit. True, the Department denies that it has done this. It says Congress still has the right to legislate as it sees fit.

This is, of course, an intolerable interpretation. The right to legislate at the expense of violating our solemn commitments is no right at all; and the State Department should not suggest that it is. In saying that it is a right the Department indicates that either it seeks to fool Congress and the electorate or other countries. It cannot have it both ways.

If our international commitments are solid, as I hope they are, and as they should be, then Congress has no right whatsoever to break them. To say that Congress has such a right represents duplicity, or concealment, or both, or something worse.

It must be that the Department has never looked this proposition in the face. Its acceptance would make it appear that the creators of our Constitution were agents of duplicity and intrigue, or indeed architects of Government in which craftiness and underhanded schemes were accepted methods of dealing. Delegations of power under this view open into dim labyrinths where nobody can be identified and concealment is a part of the game.

It is abhorrent to think that the leading executive department of our Government should have talked itself into such an untenable and infamous position.

I shall ask the Secretary of State to take time out from his excursions to the "brink" to think through the proposition that the State Department may make executive agreements that place an international obligation between the right of Congress to legislate and its actual freedom to do so. Also I shall ask the Secretary to sit down long enough to tell us whether Congress itself, be it the 74th Congress, or the 85th, or any other, can authorize the executive to make international agreements in which it is a condition of compliance that a future Congress will not carry out its function under the Constitution.

Until now the State Department has evaded completely the far-reaching and noxious implications of such a proposition. It is time for a showdown. If the Department can make end runs around Congress in this fashion there is no point in even trying to legislate. By hook or crook the State Department will nullify every intent of Congress that is not in accord with State Department policy.

Let me quote a little further from the State Department letter. It says:

> In this connection it is noted that the bills would permit the imposition of quotas notwithstanding any international agreement relating to tariffs or trade entered into by the United States or to be entered into hereafter.

The general import quota bill would indeed permit the imposition of import quotas under conditions set forth in the bill. Where else is the authority to legislate to be found? Must we go to GATT to find out whether and in what manner we may legislate?

If so, do we now live under two constitutions?

One thing is sure. Our own Constitution authorizes Congress to impose import quotas. Then from what other source must Congress get its power? From Geneva? If so, by what channel did such power move to Geneva?

Did Congress at any time shift any part of the Constitution to Geneva? Or, more specifically, could Congress itself by any mere enactment shift our Constitution anywhere or change any part of it? Or would any change in our basic law have to be brought about by amendment in accordance with its own provisions?

These questions answer themselves.

Yet the State Department complains that the import quota bills "would permit the imposition of quotas notwithstanding any international agreement relating to tariffs or trade."

Very well; but who went so far out of line as to make such an inexcusable agreement? Who so far forgot that we even had a Constitution as to enter into an agreement such as GATT? Are the clear words of the Constitution mere mouthings of irresponsible opportunists or do they mean what they say?

The State Department is completely out of line and if they have anyone in their legal department who is worth his salt they must know it. Unquestionably the Department hopes it can cow and intimidate Congress. And the Department obviously will not hesitate to ride roughshod across the lines of legislative power if we let it do so.

As I said in the beginning, it was a foregone conclusion that the State Department and any or all of the other satellite executive departments would oppose the import-quota bills. No one who has anything to do with foreign trade would long remain on the rolls of such departments if he did not bow and say "amen" to the top policy.

The only question was what objections would be raised to the bills. In order to give some of the answers, it was evidently necessary to misread the provisions of the bills or to misinterpret them. I shall not go into the details of the two letters. Some of my colleagues who also introduced the bill may have something to say about the objections raised by the State and the Commerce Departments.

I do want to say that we have come to a pretty pass when the State Department draws on powers delegated to it through the President to tell the Congress that it must not or cannot legislate against the wishes of the Department. The Department in a moment of forgetfulness or exaggerated sense of power, told other countries that Congress would not do what the State Department tells it not to do. Now, are we in our constitutional position to be bound by such State Department foolhardiness? I say it is time we told the Department to get back on the track of straight dealing and, above all, to stop making such ill-advised and trouble-breeding agreements as GATT.

At this time, Mr. Speaker, I desire to yield to the gentleman from Nebraska [Mr. WEAVER].

Mr. WEAVER. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. VAN ZANDT], may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, I number myself among the sponsors of the general import quota bill and I support fully what my colleague, the gentleman from West Virginia [Mr. BAILEY], has said.

There can be no question about the State Department's right nor that of the Department of Commerce to comment or give a report on bills before Congress. All our committees send bills to the executive departments for reports.

But something has gone far wrong when the State Department says, as it does in its letter to the Ways and Means Committee, that our proposed legislation would violate obligations freely undertaken by the United States.

It is no healthy state of affairs when a bill that lies entirely within the enumerated powers conferred upon Congress by the Constitution, such as the regulation of foreign commerce, would, if enacted, breach the foreign obligations freely undertaken by the United States. We ask ourselves, how can this be?

The answer is that in signing the General Agreement on Tariffs and Trade in 1947 the State Department agreed to outlaw import quotas. But how can a mere executive agreement such as the general agreement—GATT—narrow the field of legislation of Congress? Such agreements do not bind Congress; at least that is the usual interpretation.

The warning in the State Department's letter must therefore spring from some new doctrine. Under this doctrine that Department could soon become supreme in our Government. What should stop the Department from making international agreements on immigration and then warning Congress against proposed legislation? Or on civil rights or even taxation? There need be no limit to the indirect legislative power that might thus be taken over by the Department of State.

The basis of the warning issued by the State Department in the present case, to repeat, is to be found, as the gentleman from West Virginia [Mr. BAILEY] has also pointed out, in the general agreement. GATT is the instrument that the State Department has been pushing for 10 years as the international instrument for controlling our commerce.

Let us see where we stand. The State Department continues publicly to disavow any intention to trench upon the powers of Congress in shaping our tariff and trade policies. Yet almost every official pronouncement of the Department on this subject betrays its real intent. The letter to the Ways and Means Committee merely shows how deeply rooted is the thinking on this point. Despite the general disavowals of intent the contents of this letter are a dead giveaway. They cannot be read without getting the impression that the Department feels quite secure in its obvious presumption that the field of tariffs and trade is its own private domain; and that in entering it or seeking to reenter it Congress is guilty of trespassing.

Let us examine the letter itself.

The Department complains in it that the establishment and operation of import quotas "is inherently complex." Coming from the Department that generated the barbed-wire entanglement known as GATT this seems a strange objection indeed.

The fourth paragraph of the letter says that the import quota bill would require the classification "of all foreign industries exporting merchandise to the United States into seven categories based on the average wage payments made to the workers in those industries."

To say this the writer must have failed to read the bill. The bill says that foreign industries "may be classified" in the manner specified. As a practical matter actual classification would be necessary only in individual cases, as when a foreign industry claimed that it was entitled to a larger quota because its wages had increased sufficiently to qualify under the bill. To claim as the State Department did in its letter, that "the statistical and analytical problems raised by this requirement would appear to be formidable and may well be insuperable" is about as accurate as saying that our immigration laws require us to know his name and address of all people in the countries from which immigrants might come. It would be just about as sensible to keep a record of wages paid in the various industries in other countries for the purposes of the import quota bill as it would be to keep a card catalog of all persons in the world eligible to emigrate to the United States as a means of enforcing our immigration laws.

Of course, what the State Department might better have done, rather than slugging blindly, would have been to say that no matter what kind of a bill was submitted to it, the Department would object to it and oppose it so long as it authorized the use of import quotas. The Department's mind is hermetically sealed against the entertainment of any kind of an import quota bill. It made up its mind 20 years ago. Its political philosophy froze solid at that time and neither commonsense nor experience will prevail against it.

I believe that the real complaint of the State Department is to be found in the sentence which reads:

> This Department believes that the President alone is in a position to weigh the various considerations of domestic and foreign policy which should be taken into account before any measure, potentially as far-reaching in its impact on our foreign relations as an import quota, is established.

Here we have the Department's view in a nutshell; and we should not forget that the President looks to that Department as his guide and his source of information.

The real sense and meaning of this view is that the Constitution is wrong. The President and not Congress should regulate the foreign commerce of the United States.

Fortunately the Constitution cannot be changed by a mere bureaucratic assertion. The State Department's declaration that the President alone is in a position to deal with the question of import quotas does not change the Constitution; nor does the declaration alter the fact that not everybody agrees with the idea that the President alone is in such and such a position.

In spite of this the State Department seeks to have its own particular view prevail.

Beyond the assertion about the President's unique position, the State Department makes it clear that it believes that tariffs and quotas should be regarded as pawns in the conduct of foreign relations. Says the Department:

> Because of its concern for the strengthening of the free world the United States has fostered a policy designed to expand international trade among the nations of the free world of a mutually advantageous basis.

There is nothing in the general import quota bill that would stand in the way of sharing our market with imports. In fact the bill contemplates exactly that. It makes provision for that very thing. What it does not contemplate is laying our market for any product open to progressive capture by imports. We do not believe that we owe to other countries any such prospect, nor do we think that any other country has a right or even an expectation that we should let them drive our industries out of business.

The import quota combined with the tariff or the import quota by itself is the very instrument that is needed to prevent imports from taking the whole market from our own producers of certain products, or such a large share of it that many of our producers would knock each other out in competing for what was left of the market.

I do not believe that we owe it to other countries to allow such a state of affairs to develop; nor do we owe it to those of our producers who export to other markets. It is not sensible policy to expose some of our producers to ruin in order to make foreign trade more profitable for others.

Experience during the past 10 years has shown that the use of the tariff alone as a means of regulating import competition leaves much to be desired. In many cases the amount of tariff increase that would be possible under the escape clause of the Trade Agreements Act would be wholly inadequate. This is especially true, as in the case of residual fuel oil, where the duty is specific rather than ad valorem. The sharp rise in prices since the end of World War II has almost nullified the protective effect of our specific duties. On top of that many of them have been reduced.

The general import quota bill would permit the establishment of tariff quotas. This would make it possible to allow imports to come in at the reduced rate up to a specified level. Beyond that a higher rate would apply. Then, if necessary, a secondary dam could be erected to keep imports within limits. Specific rates could be brought into line with the price increases. If, for example, the price of a product has doubled, the specific rate could be doubled when used in conjunction with a tariff quota. In this way its protective effect would be maintained instead of leeched away by the inflation of prices. If the price of the product in question in 1930 was $1 per pound and the specific duty was 25 cents per pound, and if since then the price has risen to $2, the duty beyond a specified volume of imports could be raised from 25 cents to 50 cents to compensate for the price increase. This higher rate would, however, not apply to the import volume allowed to come in at the existing rate. It would apply only to imports in excess of that level.

Depending on the postwar record of imports, a volume equal to 10 percent, 15 percent, 30 percent, 50 percent or even a higher share of the market might be allowed to come in before the higher rate would apply.

Thus it is clear that the general import quota bill is not designed as a restrictive trade measure. One of its purposes is to introduce some order and

predictability into import competition without stifling trade. Another purpose is to offset the high vulnerability created for our industries by the national policies that have greatly increased the costs of production in this country.

The bill in principle is no more than extension of the benefits of section 22 of the Agricultural Adjustment Act to industry—and for reasons just as sound as those that justify section 22. The high rigid costs that have been saddled on our industries by a combination of various national laws make our industries just as vulnerable to import competition as are our agricultural producers.

Mr. Speaker, I am not impressed by the State Department objections to the general import quota bill.

That the demand for import quotas has grown tremendously as a result of postwar experience with import competition cannot be denied. The time has come for serious consideration of legislation that would authorize a competent agency of Congress to impose import quotas under conditions specified by Congress.

The Ways and Means Committee should hold hearings during this session of Congress on the bill that I along with others have introduced to reshape and make more effective our tariff and trade regulatory measures. It is not only not necessary to wait until the second session of this Congress to begin such hearings; they should be gotten underway without further delay.

Mr. LANHAM. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I shall be glad to yield to the gentleman from Georgia, one of the coauthors of the legislation.

Mr. LANHAM. Mr. Speaker, I have a great deal of interest in the establishment of import quotas. Last year I introduced a general bill that would have empowered the Tariff Commission to impose absolute quotas if it found that the trend in imports of a particular product was as described in the bill.

This year I introduced a modified bill to include tariff quotas as well as absolute quotas. I believe that tariff quotas are more easily administered than absolute quotas and also would be more flexible.

My interest in import quotas was aroused by the great increase in imports of textiles, principally from Japan in recent years. Before that time I had fully supported the trade-agreements program in Congress on the grounds that it promoted trade and was a good thing. Also I guess I listened a little too credulously to the assurances of the executive branch, particularly the State Department, that no domestic industry would be allowed to be seriously injured by imports.

Well, I have learned my lesson, along with many others from my section of the country who have also had their eyes opened.

We found that the escape-clause procedure and section 22 of the Agricultural Adjustment Act were apparently only so many words that did not really mean what they said.

At the same time we woke up to the fact that the tariff rates that could be applied even if the escape clause worked, would be wholly inadequate to correct the situation.

These considerations drove me and others to seek other methods of preventing imports from wholly disorganizing and disrupting our market for textiles by saturating it with ever-increasing volumes of imports. This quest led us to the import quota and after considerable inquiry I introduced the first bill in the 84th Congress. I am convinced that in the quota system lies the answer, even though not a perfect one, to our problem.

For this reason I was greatly interested in the reaction of the two executive departments, State and Commerce, to the import-quota bills introduced by myself and others. I agree with the gentleman from West Virginia [Mr. BAILEY] that it was obvious beforehand that neither department would have a good word to say about import quotas. It was only a question of what they would be able to say against the identical bills that have been introduced.

I was amazed at the extent of misinterpretation reflected in the replies.

The Department of Commerce said:

> These bills assume that all competitive imports in excess of fixed percentages of domestic consumption are automatically injurious to domestic business.

The bills do not assume such injury. They create a presumption to that effect but the presumption is subject to rebuttal by facts to the contrary. Also it is wrong to say that imports in excess of "fixed percentages" of domestic consumption are assumed to be injurious. The bills fix no percentages.

The share of the market that must be supplied by imports in order to create a presumption of injury may differ from product to product. The bills aim at the trend in the share of the market captured by imports, not at the share of the market itself.

Obviously it is the trend in the share of the market supplied by imports that tells us something about the competitive situation. If imports have stood still since 1948, which is the point of departure fixed in the bill, or have increased no more than the domestic consumption itself has expanded, they cannot be regarded as very harmful, unless indeed they got a jump on our own producers during the war and captured a heavy share of the market while our producers devoted themselves to war production. There is special provision in the bills to meet that kind of a situation.

On the other hand, if imports successively captured an increasing share of our market, that is, gained more than our own producers, even if the latter also expanded, then obviously some decided competitive advantage must have boosted imports.

I am convinced that the competitive advantage in the case of textile imports lay principally if not exclusively in the very low wages paid in Japan compared with those paid by our own industry. Japanese mills have modern machinery and equipment and are therefore in an excellent position, considering their low wages, to produce at a cost far below our own.

This gap between their costs and ours enabled the Japanese to expand their exports to this country very rapidly. By leaps and bounds they captured larger and larger shares of our market for particular kinds of textiles and textile garments, such as velveteens, ginghams, damasks, blouses, sport shirts, and so forth. The import quota bill that I have introduced, and those like it, would make it possible to put a quota on the particular textile product in question, such as velveteens or damasks, while leaving alone those that are not in trouble.

It is a situation of the kind found in textile imports in the past several years that would make a product eligible for an import quota. The tariff by itself would do very little unless it were raised to a higher point than would be possible under the escape clause. Should the latter be done by legislation it would unnecessarily hurt the overall import trade.

What my bill proposes is to let imports up to a level ascertainable by the provisions of the bill come in at the present low rate of duty. Imports above that level would become subject to the 1930 rate of duty. Should this not be high enough to check imports, as it might well fail to do in some cases, a secondary dam, so to speak, 50 percent higher than the 1930 rate would be applied to all imports above this secondary level.

What percentage of the market must have been captured by imports in order to create eligibility for an import quota under the bill obviously cannot be predetermined for any product. It is a question of fact to be ascertained in each case. The determining factor is the upward swing in the share of the market captured by the imports.

There is good reason for this. It is the gain made by imports, especially if it is startling, that causes alarms among the domestic producers. It is the upward trend of imports that throws planning for the future out of gear. The uncertainty and justified fear that such a trend provokes, disrupt orderly marketing and destroy confidence. The low prices at which imports are offered upset all production and inventory calculations.

Now, if by limiting imports through application of the brakes at ascertainable but unfixed levels, these disorganizing and upsetting factors could be brought under control, that is what we should do. That is the purpose of these bills.

If a tariff quota would not remedy the situation an absolute quota could be used. Under the bills introduced this could be done only if imports had already captured 25 percent or more of the market. This was provided because absolute quotas, limiting as they do, the imports to a specified quantity, require more administrative work and supervision than tariff quotas. The bills provide that absolute quotas are to be used only if in the judgment of the Tariff Commission a tariff quota would not remedy the injury and then only if imports supply 25 percent or more of the market.

It is difficult, in view of what I have just said, to understand or to explain

the Department of Commerce's observation that:

In the long run such a tariff system would result in a series of rigid import quotas on all competitive imports.

This seems to me like complete nonsense. I repeat, it looks as if the Department had not read the bills very carefully. There would be no rigid quotas at any time. Not even the absolute quotas would be rigid. They would be geared to domestic consumption.

Also I am sure that quotas would not be extended to all competitive imports. Only some of them would qualify under the eligibility rules.

Elsewhere the Commerce Department letter says that current trade agreement legislation "contains safeguards such as the 'peril point.'" It seems unnecessary to answer such an observation. Members of Congress know all too well the nullification of the escape clause and similar administrative remedies that has occurred at the hands of the President since 1951 when the escape clause was enacted, to be fooled by any such assurance and safeguards. It seems strange that the Department of Commerce would chafe our sensibilities in this manner.

By and large the Commerce Department's report to the Ways and Means Committee can hardly be taken seriously.

What of the State Department's reply? The Member preceding me has already paid his respects to this reply in clear terms. I agree with his conclusion that the State Department is concerned above all with retaining unto itself the regulation of our foreign commerce.

This was well demonstrated when it accepted the so-called arrangement with Japan whereby that country agreed to place a quota limitation on its cotton textile exports to the United States.

Now, a quota limitation is a quota limitation whether it is in the form of an export or an import quota. The State Department is opposed to quotas. It went to great lengths to prevent our own laws on the subject from being applied. Why then was it agreeable to making an arrangement with Japan that had the same result?

In my opinion what was at stake in the State Department's mind was not the principle of a quota limitation, which the Department accepted, but rather State Department control of our foreign trade. The Department preferred violating its own policy toward quotas to the application of a remedy controlled by law and therefore by Congress.

This is the real battle over the quota bills. The State Department's letter to the Ways and Means Committee, which has been inserted into the Record for reference, strikes me very much as the reaction of a spoiled child that refuses to give up what does not belong to it but the possession of which it has enjoyed over a period of time.

"The President alone," says the letter, "is in a position to weigh the various considerations of domestic and foreign policy that should be taken into account" before such a thing as an import quota is established.

Congress is not competent; the Tariff Commission is not competent—neither is in a position, according to the State Department, to do what the Constitution tells the Congress to do.

This is the very heart of the issue. The State Department, seeing the possible loss of its influence over the regulation of our foreign commerce, is willing to throw over the Constitution. The notion that the welfare of our industry, our farmers and the workers employed by them, should be thrown into the churning pot of foreign relations has become so deep seated in the State Department that it easily outweighs constitutional considerations in its eyes. For that Department foreign affairs are the beginning and end of things. They rise above all other considerations.

I do not agree.

Foreign affairs are, indeed, important but so are other considerations. Of course, the State Department might be embarrassed if its power over our foreign trade were broken; but only so if it has over the years misrepresented to other countries the true state of affairs. It may be—in fact, it is probable—that State Department representatives have slightly exaggerated their powers in conferences with foreign countries, and presumed to speak for the United States in matters in which it was not their place nor within their authority to commit the United States.

This sort of irresponsibility or lack of proper regard for the division of authority should not, however, place the State Department in a position to lay down the law to Congress. Quite the contrary. Having by misinterpretation or willful usurpation of power moved itself into a position of embarrassment should Congress legislate constitutionally in its own field, why should the State Department be in a position to lecture Congress on its functions?

The Department's report states that Secretary of State Dulles in his testimony before the Ways and Means Committee made the point that import quotas often produce more evils than those they were designed to cure.

This is, of course, purely a naked assertion, but it has some truth in it if the quotas referred to are the kind used so extensively by other countries. I will be the first to admit that import quotas imposed at will, arbitrarily, might be as they have been, destructive of trade, and forerunners of retaliation. But that fact does not condemn quotas as such any more than the possible lethal character of a knife condemns all cutlery.

The quota system that others and myself have proposed is far from arbitrary. It is designed to meet the stubborn problems that have been cast up in recent years under the trade agreements program and that have not otherwise been solved. The State Department's attitude of rule or ruin as reflected in its report is of no help.

The Ways and Means Committee itself should hold hearings in order to open the subject to legislative consideration. This should be done in the near future, since this session is moving along toward the deadline. I have requested such a hearing and hope that it will be granted so that this subject will get the attention to which it is entitled.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore [Mr. THORNBERRY]. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I would like to express my appreciation for the tremendously fine work that the gentleman has always performed in protecting the industries of our country. I would like to remind the gentleman that in the case of the velveteens a month or two ago the State Department was very helpful in bringing about a restriction in the imports of that particular commodity.

Mr. BAILEY. I appreciate the comments of the gentlewoman from Massachusetts very much.

FEDERAL RESERVE CALLED UPON TO PROTECT UNITED STATES TREASURY IN CRISIS; ALSO TO PREVENT FURTHER REPUDIATION OF MARKETABLE BONDS

The SPEAKER pro tempore (Mr. THORNBERRY). Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 15 minutes.

Mr. PATMAN. Mr. Speaker, last Friday I sent a telegram to Chairman William Martin of the Federal Reserve Board. It discusses the following:

First, resignation of Secretary Humphrey and nomination of Mr. Robert Anderson to be his successor.

Second, asking that entire Open Market Committee study critical financing situation confronting the incoming Secretary.

Third, deploring the fact that the Federal Reserve refuses to facilitate Treasury borrowings.

Fourth, formidable refinancing task now confronting Treasury in tightest money market in recent times.

Fifth, recommending commencement of purchases of Government bonds until they are restored to par.

Sixth, suggesting one of many alternatives which could be used to prevent inflation instead of increasing interest rates and depressing bond prices.

Seventh, Russia repudiates her bonds 100 percent, and we are condoning repudiation equal to 12 percent of our own long-term marketable bonds. A copy of the telegram is as follows:

WASHINGTON, D. C., *May 31, 1957.*

Hon. WILLIAM McC. MARTIN, Jr.,
Chairman, Board of Governors,
Federal Reserve System,
Washington, D. C.:

I am taking this particular opportunity, presented by the resignation of Secretary of the Treasury Humphrey and the nomination of Mr. Robert Anderson to be his successor, to ask you and the entire Open Market Committee of the Federal Reserve System to carefully study the critical financing situation that confronts the incoming Secretary. I am asking you as chairman of the Open Market Committee and Chairman of the Board of Governors of the Federal Reserve to carefully weigh the consequences both for the Treasury and the Federal Reserve of the continued refusal of the Open Market Committee to facilitate Treasury borrowings. The Treasury is faced with a formidable refinancing task in the immediate period ahead. It is confronted by one of the tightest money market in recent times. A repetition of the attrition experienced by the Treasury on its last refinancing will surely have critical repercussions throughout the entire bond market.

The Federal Reserve stands at an historical crossroads. Its actions will be closely watched by the business community, by the people of the country and above all by the Congress of the United States, whose agent it is. The time has come for the Open Market Committee to make a decision. Will the Federal Reserve be restored to its intended function of providing the economy with the money and credit necessary to carry on commerce and trade, and of aiding the Treasury in its borrowings at such times as may be necessary, or shall the System insist on standing aloof, ignoring its responsibilities to the people and the Government, and let the money market become the master instead of the servant?

I fervently hope that you will use your great influence, Mr. Chairman, with the members of the powerful Open Market Committee and bring home to them the gravity of the situation with which the Treasury is now confronted, and the opportunity for the System to make a wonderful contribution to the country. I urge you, Mr. Chairman, to recommend that the Open Market Committee commence purchases of Government bonds until they are restored to par. If it is deemed necessary to offset inflationary credit expansion, there are several alternatives, including raising reserve requirements and other methods of immobilizing bank reserves.

Russia repudiates her bonds 100 percent. The Federal Reserve Board representing a majority on the Open Market Committee is permitting and causing our people who are holding marketable United States Government bonds to be required to accept 12 percent discount on their bonds if sold today, which is 12 percent repudiation.

This is certainly a national disgrace, and I hope the Board takes firm, positive action at once to remove this blight on our economy and the reflection on our great system of government.

WRIGHT PATMAN,
Member of Congress.

From 1935 to 1951, the outstanding United States Government marketable bonds were not allowed to go below par. When necessary they were supported by the Open Market Committee of the Federal Reserve System. This committee is composed of the 7 public members who are on the Board of Governors and 5 presidents of the Federal Reserve Banks. The latter are elected by their respective boards of directors, a majority of whom are representatives of the private commercial bankers. In early 1951, an "accord" was reached between the Treasury and the Open Market Committee. This accord was for the purpose of giving notice that while the Federal Reserve Open Market Committee would no longer rigidly support the market on Government bonds at par it would nevertheless work out jointly with the Treasury a program of Government financing as well as maintain an orderly market for Government securities. This resulted in some of the long-term issues falling slightly below par during the year 1951–52. But it was not until 1953 that the Federal Reserve withdrew complete support and permitted some of our long-term Government marketable bonds to fall below 90. At this time many of them are down to 88. The Open Market Committee could have supported these bonds without cost to the Federal Reserve, without cost to the taxpayers or the United States Government, and such support would have greatly benefited the entire Nation. But the Treasury's debt manager, Under Secretary Burgess, did not want any Federal Reserve support and when he came in at the end of 1952 he gave them complete freedom to boost rates and depress bond prices.

INFLATION CHARGE

The charge that it would have caused inflation to support Government bonds is the usual charge that is made to justify a reactionary course. There are better and more effective ways to stop inflation than sharply increasing interest rates. In fact it has been proven that increasing interest rates is not only worthless, it is even harmful, in a fight against inflation. There is abundant evidence that increased interest rates have increased capital costs, which in turn have forced up prices and added to the inflationary pressures rather than diminishing them. In other words, it is much like using gasoline to put out a fire.

Not only has the high interest rate tight money policy been proven futile as an anti-inflation weapon but it has been disastrous for the Government's financing as well. Barron's, a national business and financial weekly, in a front page editorial today, June 3, 1957, states:

Specifically, in the exercise of one of its most strategic functions, management of the public debt, the Treasury has suffered painful reverses. It has been compelled to raise money with distressing frequency and at steadily rising costs. At the same time, its serious financial straits have posed a mounting threat to overall economic stability. In short, while the Nation remains as solvent as ever, debt management has come perilously close to bankruptcy. Putting the United States fiscal house in order will be perhaps the greatest—and surely the most pressing—task of the new Treasury Secretary.

It is further stated in this editorial:

Last month, to illustrate, in exchange for maturing securities, the Treasury offered a 1-year certificate and a 4¾-percent-year note, bearing interest rates of 3½ to 3⅝ percent, respectively, highest in a generation. Despite the handsome return available, nearly one-third of the amount outstanding was turned in for cash—perhaps the worst market rebuff ever suffered by the United States Government.

There is no way to intelligently estimate how high the interest rate will have to be on the next Treasury financing if the Federal Reserve continues to fail to perform its public duty by refusing to come to the rescue of the people by aiding their Government in a time of crisis.

The truth of the matter is that the Treasury will be unable to meet its borrowing needs without the help of the Federal Reserve.

Mr. Speaker, it cannot be said that the situation we face today was not foreseen. I do not wish to appear to be saying "I told you so" but I do think it is timely to point out to the Members what the report of the Patman Committee on Monetary Policy and the Management of the Public Debt—July 3, 1952—said on this question: Discussing the composition and independence of the Federal Reserve and its Open Market Committee the report warned that the influence of the private bankers "might result on some future occasion in the adoption of an open-market policy not compatible with the overall economic policy of the United States as approved by Congress"—page 54.

And addressing itself further to this question of monetary policy the report warned of the danger that "the advantages of restrictive monetary policy may be overemphasized due to an unconscious institutional bias on the part of the Federal Reserve staff"—page 59.

WHAT IS THE FEDERAL RESERVE SYSTEM AND HOW DOES IT FUNCTION?—OBLIGATION OF THE FEDERAL RESERVE AND THE TREASURY DEPARTMENT TO WORK TOGETHER—INTEREST RATES AND GOVERNMENT BONDS

Mr. PATMAN. Mr. Speaker, during the year 1951, Senator O'MAHONEY, chairman of the Joint Committee on the Economic Report, appointed a Subcommittee on Monetary Policy and the Management of the Public Debt. The subcommittee was composed of the following members: Senators DOUGLAS and FLANDERS; Representatives BOLLING and WOLCOTT, and Representative WRIGHT PATMAN, chairman.

The investigation lasted about 18 months. During that time, all the important questions concerning the Federal Reserve System and the Treasury Department of the United States were gone into and carefully discussed by those in authority. The so-called accord between the Treasury Department and the Federal Reserve Board received much attention, and a copy of the correspondence between the President, the Chairman of the Federal Reserve Board, and the Treasury Department is included in the compendium. It is my belief that a public service will be rendered by inviting to the attention of the Members of the House and Senate the value of these two books, constituting the compendium.

The Government Printing Office has sold a large number of these volumes. The first volume sells for $1.75 a copy, and the second volume is $2.50 a copy. The volume of hearings sells for $2.25 a copy at the Government Printing Office.

I believe the best way to explain the contents of these volumes is to insert the table of contents from each volume.

The titles of these volumes are "Monetary Policy and the Management of the Public Debt—Their Role in Achieving Price Stability and High-Level Employment," "Replies to Questions and Other

Material for the Use of the Subcommittee on General Credit Control and Debt Management."

The following is the table of contents of volume 1:

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Foreword.
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2. Economic policy of Treasury.
3. Emphasis of Employment Act on high-level employment and price stability.
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B. Policy formulation in the executive branch.
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5. Powers over operations of Federal lending agencies.
6. Desirability of additional authority over Federal lending agencies.
7. Resolution of policy conflicts between Treasury and lending agencies.
8. Powers over operations of Federal Reserve System.
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10. Possibility of continuing conflict in policies.
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12. Monetary powers.
13. Functions with respect to incoming gold and silver.
14. Influence of Treasury deposits on the monetary situation.
15. Coordination of monetary policies with those of Federal Reserve System.
16. Development of legislative authority on public debt matters.
17. Issues involved in policy discussions with Federal Reserve between end of war and "accord."
18. Description of Treasury-Federal Reserve accord.
19. Differences concerning fundamental economic objectives between Treasury and Federal Reserve.
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21. Cooperation with Federal Reserve in matters of common interest.
22. Role of general credit policy in counteracting inflation or deflation.
23. Comparative effectiveness of general credit controls under differing circumstances.
24. Appropriate roles of general and selective credit controls under differing circumstances.
25. Effect of direct physical controls on need for general credit control.
26. Influence of interest rates on nonbank demand for Government securities.
27. Desirability of a stable long-term Government bond market.
28. Treasury actions affecting interest rates on Government securities.
29. Interest on the public debt as a budgetary cost.
30. Effect of growth of public debt on appropriate monetary and credit policy.
31. Effect of economic changes on traditional Federal Reserve operations.
32. Influence of Treasury on money market through choice of maturities of new securities.
33. Relation of decisions on interest rates of new securities to decisions on other terms.
34. Effect of higher interest rates on sale of Series E bonds.
35–36. New types of reserve requirements.
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43. Use of selective and general credit controls by foreign countries.
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1. Directives bearing upon economic objectives.
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3. Principal credit policy actions since date of organization.
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9. Functions of directors and presidents of Reserve banks.
10. Are the Reserve banks part of the executive branch of Government? What are the implications of ownership of Federal Reserve bank stock?
11. Are reports to Congress on pending legislation submitted to the Bureau of the Budget?
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17. Allocation of authority over various credit control instruments.
18. Coordination of credit control instruments.
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21. Tenure of office.
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23. Annual expenses of the Board and Reserve banks.
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53. Insulation of Government securities from private credit market in foreign countries.
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54. Changes in banking activities since establishment of Federal Reserve System.
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57. Analysis of banking facilities in relation to population, 1920–50.
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58. Availability of credit and capital to small business.
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The Comptroller of the Currency.
The Chairman of the Federal Deposit Insurance Corporation.
The Administrator of the Reconstruction Finance Corporation.
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Bankers.
Life insurance company executives.
United States Government security dealers.

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3. Relation of Reserve banks to Government.
4. Congressional policy directives to the Federal Reserve System.
B. Organization of the Federal Reserve Banks.
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5. Managerial roles of presidents and boards of directors.
6. Election of class A and B directors.
7. Appraisal of present methods of selecting directors.
C. Distribution within the Federal Reserve System of authority on credit policies.
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8. Regional versus national credit policies.
9. Roles of directors and presidents in credit policy formulation.
10. Historical development and significance of open market operations.
11. Allocation of authority over various credit control instruments.
12. Coordination of credit control instruments.
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Question:
13. Effects of rising yields of short-term Governments, August 1950 to March 1951.
14. Role of general credit policy in counteracting inflation or deflation.
15. Responsiveness of bank lending to credit policy measures.
16. Credit policy in relation to Treasury borrowing.
17. Influence of interest rates on nonbank demand for Government securities.
18. Use of rediscounting privileges by member banks.
19. Effects of credit restriction on national defense and standard of living.
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24. Feasibility of other selective credit regulations.
25. The voluntary credit restraint program.
26. Moral suasion as an instrument of credit control.
27. Function of bank reserves and present reserve requirements.
28. Application of reserve requirements to nonmember banks.
29. Basing reserve requirements on type of deposit.
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32. Basing reserve requirements on assets rather than liabilities.
33. Statutory authority for, and usefulness of, credit "rationing."
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5. Responsiveness of bank lending to general credit controls.
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8. Appropriate roles of direct and credit controls under differing circumstances.
9. The voluntary credit restraint program.
10. Statutory authority for, and usefulness of, credit rationing.
11. Effects of credit restriction on national defense and standard of living.
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17. Compulsory sale of Government securities.
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Question 21. Extension of coverage of deposit insurance.
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2. Nature and purpose of examination of banks.
3. Congressional directives bearing upon economic objectives.
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D. The banking structure.
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Chapter VII. Reply by the Chairman of the Federal Deposit Insurance Corporation.
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7. Suggestions for legislation.
C. Earnings and expenses of the Corporation.
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18. Extension of coverage of deposit insurance.
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1. Effects of credit policies resulting in large and small changes in interest rates.
2. Role of credit expansion in the postwar and post-Korean booms; effectiveness of general and selective credit controls.
3. Roles of direct controls, selective credit controls and general credit restriction in restraining inflation under differing circumstances.
4. Insulation of public debt securities from effects of general credit policies.
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1. Response of customers to credit and debt management moves since Korea.
2. Effect of changes in credit policies on customer preferences for different maturities of Government securities.
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The Chairman of the Federal Open Market Committee (in collaboration with the Vice Chairman).

VOLUME OF HEARINGS

The title of the hearings is: "Public Document—Monetary Policy and the Management of the Public Debt—Their Role in Achieving Price Stability and High-Level Employment—Hearings Before the Subcommittee on General Credit Control and Debt Management of the Joint Committee on the Economic Report—82d Congress, 2d Session, Pursuant to Section 5 (a) of Public Law 304 (79th Cong.)."

The names of the witnesses who testified and the contents of the panel discussions are as follows:

CONTENTS

Statement of:
Appelby, Paul, dean of the Maxwell School of Citizenship and Public Affairs of Syracuse University.
Bell, James Washington, chairman, department of economics, Northwestern University (submitted).
Blough, Roy, member, Council of Economic Advisers.
Brown, Edward Eagle, chairman, board of directors of the First National Bank of Chicago.
Bryan, Malcolm, president, Federal Reserve Bank of Atlanta.
Cook, H. Earl, member Board of Directors, Federal Deposit Insurance Corporation, accompanied by E. H. Cramer and L. L. Robertson, of the Federal Deposit Insurance Corporation.
Cumberland, W. W., Ladenburg, Thalmann & Co., New York City (submitted).
Economists' National Committee on Monetary Policy, New York, a submitted statement by 63 members.
Fennelly, John F., Investment Bankers Association of America, accompanied by Robert Craft, vice president, Guaranty Trust Co. of New York.
Folsom, Marion B., Chairman, Board of Trustees, Committee for Economic Development.
Harris, Seymour E., professor of economics, Harvard University.
Hemingway, W. L., American Bankers Association.
Kemmerer, Donald L., professor of American economic history, University of Illinois (submitted).
Keyserling, Leon H., chairman, Council of Economic Advisers.
Lanston, Aubrey G., president, accompanied by Leroy M. Piser, vice president in charge of research, Aubrey G. Lanston & Co., Inc.
Martin, William McC., Jr., Chairman, Board of Governors of the Federal Reserve System.
Pollock, Dr. James K., professor of political science and chairman of the department of political science, University of Michigan.
Powell, Oliver S., chairman, national committee, voluntary credit restraint program, and member of the Board of Governors of the Federal Reserve System, accompanied by George B. Vest, Robert C. Masters, Charles H. Schmidt, and Harold L. Cheadle.
Preston, Howard H., professor of money and banking, University of Washington (submitted).
Robinson, Leland Rex, professor of political economy, New York University (submitted).
Ruml, Beardsley.
Shanks, Carroll M., president of Prudential Insurance Company of America, and chairman, committee on inflation control of the American Life Convention and the Life Insurance Association of America.
Snyder, John W., Secretary of the Treasury, accompanied by members of the Treasury staff.
Sonne, H. Christian, chairman, board of trustees, National Planning Association.
Spahr, Walter E., professor of economics, New York University (submitted).
Sproul, Allan, president, Federal Reserve Bank of New York.
Thomson, J. Cameron, Chairman, Committee on Monetary, Fiscal, and Debt Policy, Committee for Economic Development.
Trant, James B., dean, College of Commerce, and professor of money and banking, Louisiana State University (submitted).
Wiggins, A. L. M., chairman, board of directors, Atlantic Coast Line Railroad Co., and associated railroad companies.
Panel discussions:
How should our monetary and debt management policy be determined?
Participants:
Bach, G. L., professor of economics, Carnegie Institute of Technology.
Goldenweiser, E. A., member, Institute for Advanced Study, Princeton University.
Stein, Harold, staff director, Committee on Public Administration Cases.
Viner, Jacob, professor of economics, Princeton University.
Wilmerding, Lucius, Jr.
The role of business, labor, and agriculture in the determination of monetary and debt management policy.
Participants:
Baker, John A., legislative secretary, National Farmers Union.
Chamber of Commerce of the United States (submitted).
Kline, Allan B., president, American Farm Bureau Federation.
Lincoln, Murray D., president, Farm Bureau Insurance Cos., Columbus, Ohio.
Montgomery, Donald E., director of Washington office, International Union, UAW-CIO.
Newsom, Herschel D., master, the National Grange.
Shiskin, Boris, economist, American Federation of Labor.
Voorhis, Jerry, secretary, Cooperative League of the United States of America.
The role of the banking system in a dynamic economy.
Participants:
Fleming, Robert V., president and chairman of the board, the Riggs National Bank, Washington, D. C.
Lindow, Wesley, vice president, Irving Trust Co., New York City.
Reierson, Roy L., vice president, Bankers Trust Co., New York City.
Tapp, Jesse W., executive vice president, Bank of America, San Francisco, Calif.
Woodward, Donald B., second vice president, the Mutual Life Insurance Company of New York.
What should our monetary and debt management policy be?
Participants:
Ellis, Howard S., professor of economics, University of California.
Friedman, Milton, professor of economics, University of Chicago.
Mikesell, Raymond F., professor of economics, University of Virginia.
Samuelson, Paul, professor of economics, Massachusetts Institute of Technology.
Whittlesey, C. R., professor of finance and economics, University of Pennsylvania.
Supplementary statements:
Bryan, Malcolm, president, Federal Reserve Bank of Atlanta.
Friedman, Milton, University of Chicago.
Keyserling, Leon H., chairman, Council of Economic Advisers.

Mikesell, Raymond F., University of Virginia.
Additional information furnished for the record:
Behavior of deposits prior to suspension in a selected group of banks.
Correspondence on debt management and monetary policy between the Federal Reserve System and the Treasury, and the Federal Reserve System and the President, during the period from the outbreak in Korea (June 25, 1950) to the Treasury-Federal Reserve accord (March 4, 1951).
Correspondence with the Comptroller General concerning governmental agencies not audited by the General Accounting Office and the reasons therefor.
Dormant account balances in national banks at close of business on December 31, 1951.
Editorial in the New York Journal of Commerce concerning the testimony of Prof. Seymour Harris, Professor Harris' answer thereto, and a rejoinder.
Effect of changes in interest rates on the cost of servicing the public debt.
Excerpt from book by Carter Glass, entitled "An Adventure in Constructive Finance" (1927).
Federal Reserve System preparation of answers to questionnaire.
Financial responsibilities of member banks on account of membership in the Federal Reserve System.
Impact of voluntary credit restraint program on demand for and supply of credit.
Legal status of the Board of Governors of the Federal Reserve System and of the Federal Reserve banks.
Lending, Inc., Fifth District Commercial Banking Voluntary Credit Restraint Committee, report of.
Letter from Chairman Martin on miscellaneous legal points arising during the hearings.
Letter from Library of Congress, to joint committee, relative to Federal agencies having independent sources of income.
Letter from Preston Delano, to Congressman PATMAN, relative to affiliation between banks in Texas.
Letter received from Allan Sproul on the independence of the Federal Reserve System.
Letter to Congressman PATMAN from Carrol M. Shanks, regarding removal of Secretary of Treasury from the Federal Reserve Board.
Letter to Congressman PATMAN, from National Association of Manufacturers, regarding appearance at hearing.
Letter to Senator Maybank, from Walter P. Reuther, CIO, relative to panel discussion on mortgage financing conducted by Senate Banking and Currency Committee, on February 6, 1952.
Memorandum from the President, regarding the need for credit restrictions, February 26, 1951.
Miscellaneous material requested of the Board of Governors of the Federal Reserve System.
Monetary Management, by E. A. Goldenweiser, excerpt from.
"Open Mouth" Rule Ends in United States Bonds, article from New York Times.
Payments to the Treasury by Federal Reserve banks.
Remarks of Allan Sproul, president, Federal Reserve Bank of New York, at 75th annual convention of American Bankers Association, San Francisco, Calif., November 2, 1949.
Remarks of Allan Sproul, president, Federal Reserve Bank of New York, before 45th annual meeting of Life Insurance Association of America, New York City, December 12, 1951.
Report of the four-member committee (Charles E. Wilson, chairman), appointed on February 26, 1951, and reporting on May 17, 1951.
Reserve bank reserve requirements and Federal Reserve credit.
Schedule of hearings (announced before opening).
Treasury Department, preparation of answers to questionnaire.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. FOUNTAIN (at the request of Mr. KITCHIN) on account of official business.

To Mr. PROUTY (at the request of Mr. MARTIN) for 2 days because of illness in family.

To Mr. MILLER of Maryland (at the request of Mr. MARTIN) for the balance of the week on account of illness.

To Mr. LANKFORD (at the request of Mr. ALBERT) for today, Monday, June 3, 1957, on account of illness.

To Mr. POWELL (at the request of Mr. CELLER) for an indefinite period on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PATMAN, for 15 minutes, today.

Mr. SMITH of Wisconsin, on tomorrow, for 30 minutes.

Mrs. ROGERS of Massachusetts, for 10 minutes, on tomorrow, June 4.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. LANE and to include extraneous matter.

Mrs. KEE in two instances.

Mr. WALTER and to include an address he delivered in Baltimore.

Mr. BAILEY and to include extraneous matter.

Mr. ENGLE in two instances and to include extraneous matter.

Mr. PATMAN to revise and extend his remarks and include certain extraneous matter on the special order for today.

Mr. DOYLE in two instances and include extraneous matter in each instance.

Mr. ROGERS of Florida and include extraneous matter.

Mr. VURSELL and include extraneous matter.

Mr. HARRIS and include a speech he made to the conference of presidents and other officers of State medical societies at the American medical convention on yesterday.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 6700. An act making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1463. An act to amend the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle.

ADJOURNMENT

Mr. LANHAM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 43 minutes p. m.), the House adjourned until tomorrow, Tuesday, June 4, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

909. A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1958 in the amount of $149,500,000 for the Post Office Department (H. Doc. No. 190); to the Committee on Appropriations and ordered to be printed.

910. A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation entitled "A bill to facilitate and simplify the work of the Forest Service, and for other purposes"; to the Committee on Agriculture.

911. A letter from the Acting Archivist of the United States, transmitting a report on lists or schedules covering records proposed for disposal by certain Government agencies, pursuant to the act approved July 6, 1945 (59 Stat. 434); to the Committee on House Administration.

912. A letter from the Chairman, Civil Aeronautics Board, transmitting a draft of proposed legislation entitled "A bill to provide for Government guaranty of private loans to certain air carriers for purchase of aircraft and equipment, and for other purposes"; to the Committee on Interstate and Foreign Commerce.

913. A letter from the Chairman, Civil Aeronautics Board, transmitting a draft of proposed legislation entitled "A bill to amend the Civil Aeronautics Act of 1938, as amended, so as to prohibit certain practices regarding passenger-ticket sales and reservations"; to the Committee on Interstate and Foreign Commerce.

914. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill to amend section 5 of the Flood Control Act of August 18, 1941, as amended, pertaining to emergency flood-control work"; to the Committee on Public Works.

915. A letter from the Under Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to provide for the leasing of oil and gas deposits in lands beneath inland navigable waters in the Territory of Alaska"; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of May 29, 1957, the following bill was reported on May 31, 1957:

Mr. COOPER: Committee on Ways and Means. H. R. 7238. A bill to amend the public assistance provisions of the Social Security Act so as to provide for a more

effective distribution of Federal funds for medical and other remedial care; without amendment (Rept. No. 496). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted June 3, 1957*]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BURDICK: Committee on the Judiciary. H. R. 1942. A bill for the relief of the Sergeant Bluff Consolidated School District; with amendment (Rept. No. 522). Referred to the Committee of the Whole House on the State of the Union.

Mr. LANE: Committee on the Judiciary. H. R. 1061. A bill to amend title 10, United States Code, to authorize the Secretary of Defense and the Secretaries of the military departments to settle certain claims for damage to, or loss of, property or personal injury or death, not cognizable under any other law; with amendment (Rept. No. 523). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY: Committee on Post Office and Civil Service. H. R. 5836. A bill to readjust postal rates and to establish a congressional policy for the determination of postal rates, and for other purposes; with amendment (Rept. No. 524). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 7249. A bill to improve and extend, through reciprocal legislation, the enforcement of duties of support in the District of Columbia; without amendment (Rept. No. 525). Referred to the Committee of the Whole on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. S. 768. An act to designate the east 14th Street highway bridge over the Potomac River at 14th Street in the District of Columbia as the Rochambeau Memorial Bridge; without amendment (Rept. No. 526). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. POFF: Committee on the Judiciary. S. 407. An act for the relief of Julian D. Dycaico; without amendment (Rept. No. 497). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. S. 1008. An act for the relief of Col. Benjamin Axelroad; without amendment (Rept. No. 498). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. S. 1206. An act for the relief of Antoine Velleman; without amendment (Rept. No. 499). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1492. A bill for the relief of Gillous M. Young; without amendment (Rept. No. 500). Referred to the Committee of the Whole House.

Mr. BOYLE: Committee on the Judiciary. H. R. 1634. A bill for the relief of Antonio Ranalletta; without amendment (Rept. No. 501). Referred to the Committee of the Whole House.

Mr. CRAMER: Committee on the Judiciary. H. R. 1861. A bill for the relief of George W. Arnold; with amendment (Rept. No. 502). Referred to the Committee of the Whole House.

Mr. BOYLE: Committee on the Judiciary. H. R. 2058. A bill for the relief of the Franklin Institute of the State of Pennsylvania; with amendment (Rept. No. 503). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 2302. A bill for the relief of Phyllis L. Ware; without amendment (Rept. No. 504). Referred to the Committee of the Whole House.

Mr. BOYLE: Committee on the Judiciary. H. R. 2592. A bill for the relief of Lucy Rolandone; with amendment (Rept. No. 505). Referred to the Committee of the Whole House.

Mr. POFF: Committee on the Judiciary. H. R. 2740. A bill for the relief of Mrs. Harriet Sakayo Hamamoto Dewa; with amendment (Rept. No. 506). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 2928. A bill for the relief of Harry and Sadie Woonteller; with amendment (Rept. No. 507). Referred to the Committee of the Whole House.

Mr. BOYLE: Committee on the Judiciary. H. R. 2937. A bill for the relief of Clarence L. Harris; without amendment (Rept. No. 508). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 2985. A bill for the relief of Alton B. York; with amendment (Rept. No. 509). Referred to the Committee of the Whole House.

Mr. BOYLE: Committee on the Judiciary. H. R. 3280. A bill for the relief of Mrs. Grace C. Hill; without amendment (Rept. No. 510). Referred to the Committee of the Whole House.

Mr. BOYLE: Committee on the Judiciary. H. R. 3309. A bill for the relief of Harry Gold; with amendment (Rept. No. 511). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 3899. A bill for the relief of William E. Hellmann; with amendment (Rept. No. 512). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 4335. A bill for the relief of Ramon Tavarez; without amendment (Rept. No. 513). Referred to the Committee of the Whole House.

Mr. POFF: Committee on the Judiciary. H. R. 4541. A bill for the relief of Leslie A. Batdorf; without amendment (Rept. No. 514). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 5268. A bill for the relief of Orville G. Everett and Mrs. Agnes H. Everett; without amendment (Rept. No. 515). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 5627. A bill for the relief of Mrs. Emma Hankel; without amendment (Rept. No. 516). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 6176. A bill for the relief of Fouad George Baroody; without amendment (Rept. No. 517). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 6621. A bill for the relief of Mrs. Jane Barnes; without amendment (Rept. No. 518). Referred to the Committee of the Whole House.

Mr. CRAMER: Committee on the Judiciary. H. R. 7014. A bill for the relief of Madame Henriette Buaillon and Stanley James Carpenter; without amendment (Rept. No. 519). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 7213. A bill for the relief of Louis S. Thomas and D. Grace Thomas; with amendment (Rept. No. 520). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 7554. A bill for the relief of Edward Neal Fisher; without amendment (Rept. No. 521). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1446. A bill for the relief of Philip J. Denton; with amendment (Rept. No. 527). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 4992. A bill for the relief of Michael D. Ovens; without amendment (Rept. No. 528). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. House Resolution 260. Resolution providing for sending the bill H. R. 3320 and accompanying papers to the Court of Claims; without amendment (Rept. No. 529). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BYRNES of Wisconsin:

H. R. 7862. A bill to amend section 22 of the Agricultural Adjustment Act, as amended; to the Committee on Agriculture.

By Mr. ALLEN of California:

H. R. 7863. A bill to amend the District of Columbia Alcoholic Beverage Control Act; to the Committee on the District of Columbia.

By Mr. BARTLETT:

H. R. 7864. A bill to amend the act of May 4, 1956 (70 Stat. 130), relating to the establishment of public recreational facilities in Alaska; to the Committee on Interior and Insular Affairs.

By Mr. CARNAHAN:

H. R. 7865. A bill relating to the acquisition of certain land in Pulaski County, Mo., adjacent to the Fort Leonard Wood Military Reservation; to the Committee on Armed Services.

By Mr. CELLER:

H. R. 7866. A bill to amend title 28, United States Code, relating to the Court of Customs and Patent Appeals; to the Committee on the Judiciary.

By Mr. CHAMBERLAIN:

H. R. 7867. A bill to amend title II of the Social Security Act so as to permit the State of Michigan to provide for the extension of the insurance system established by such title to service performed by certain policemen and firemen in such State; to the Committee on Ways and Means.

By Mr. DOOLEY:

H. R. 7868. A bill to encourage the establishment of voluntary pension plans by self-employment individuals; to the Committee on Ways and Means.

By Mr. ENGLE:

H. R. 7869. A bill to promote the increase and diffusion of knowledge of the Antarctic; to the Committee on Interior and Insular Affairs.

By Mr. FALLON:

H. R. 7870. A bill to amend the act of July 1, 1955, to authorize an additional $10 million for the completion of the Inter-American Highway; to the Committee on Public Works.

By Mr. McGREGOR:

H. R. 7871. A bill to amend the act of July 1, 1955, to authorize an additional $10 million for the completion of the Inter-American Highway; to the Committee on Public Works.

By Mr. FINO:

H. R. 7872. A bill to provide opportunity for Government employees to produce and examine witnesses in connection with actions involving dismissal from the service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. GATHINGS:

H. R. 7873. A bill to increase farm income and to expand markets for cotton by enabling cotton to be sold competitively in domestic and foreign markets; to the Committee on Agriculture.

By Mr. HEMPHILL:

H. R. 7874. A bill to encourage the establishment of voluntary pension plans by self-employed individuals; to the Committee on Ways and Means.

By Mr. HUDDLESTON:

H. R. 7875. A bill to establish the Civic Health Through Athletic and Mental Proficiency Society of the United States; to the Committee on Education and Labor.

H. R. 7876. A bill to permit bad debt deductions for payments by guarantors of corporate obligations which had become worthless; to the Committee on Ways and Means.

By Mr. MARSHALL:

H. R. 7877. A bill to authorize the partition or sale of inherited interests in trust and restricted allotted lands and restricted purchased allotted lands in the State of Minnesota, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MULTER:

H. R. 7878. A bill to amend the Small Business Act of 1953, as amended, and for other purposes; to the Committee on Banking and Currency.

By Mr. O'HARA of Illinois:

H. R. 7879. A bill to amend the public assistance provisions of the Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. PORTER:

H. R. 7880. A bill to establish on public lands of the United States a national wilderness preservation system for the permanent good of the whole people, to provide for the protection and administration of the areas within this system by existing Federal agencies and for the gathering and dissemination of information to increase the knowledge and appreciation of wilderness for its appropriate use and enjoyment by the people, to establish a National Wilderness Preservation Council, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 7881. A bill to amend the Bonneville Project Act to authorize the Administrator to establish priorities and preferences so as to benefit the general public and to promote diversified economic development fairly and equitably throughout the several States of the Columbia River Basin; to the Committee on Public Works.

By Mr. ROBERTS:

H. R. 7882. A bill to provide that seat belts sold or shipped in interstate commerce for use in motor vehicles shall meet certain safety standards; to the Committee on Interstate and Foreign Commerce.

By Mr. UTT:

H. R. 7883. A bill to authorize the restoration of time taken from patents covering inventions whose practice was prevented or curtailed during certain emergency periods by service of the patent owner in the Armed Forces or by governmental controls; to the Committee on the Judiciary.

By Mr. MILLS:

H. R. 7884. A bill to encourage the discovery, development, and production of manganese-bearing ores and concentrates in the United States, its Territories, and possessions, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 7885. A bill to encourage the discovery, development, and production of manganese-bearing ores and concentrates in the United States, its Territories, and possessions, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BUCKLEY:

H. J. Res. 347. Joint resolution authorizing and requesting the President to invite the several States and foreign countries to take part in the Fourth International Automation Congress and Exposition to be held in the New York Coliseum at New York, N. Y., from June 9, to June 13, 1958; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. McINTIRE: Memorial of Maine Senate and House of Representatives supporting Senate Resolution 64 relating to unjustified price increases of crude oil and refined petroleum products; to the Committee on Interstate and Foreign Commerce.

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to changing the method of computing the basic pay for members of the Armed Forces; to the Committee on Armed Services.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to the establishment of a domestic minerals program to stimulate the mining and production of strategic minerals and metals in the interests of national defense; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to issuance of a centennial stamp in commemoration of discovery of the Comstock lode; to the Committee on Post Office and Civil Service.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to the study, design, and construction of the Parks Bar Dam on the Yuba River; to the Committee on Public Works.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to the interest rate on veterans' home loans; to the Committee on Veterans' Affairs.

Also, memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States to enact legislation providing for the repeal of the Federal excise tax upon the transportation of passengers and freight; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States relative to requesting passage of H. R. 358 without delay; to the Committee on Veterans' Affairs.

Also, memorial of the Legislature of the State of Texas, memorializing the President and the Congress of the United States relative to proposing an amendment to the Constitution granting the power to the several or individual States the right to conserve and regulate the exploration, production, and distribution of their petroleum products, water, sulfur, and all other minerals and natural resources; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Texas, memorializing the President and the Congress of the United States relative to endorsing the principles of judicial review embodied in S. 1629 and urging early enactment of such legislation; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CHAMBERLAIN:

H. R. 7886. A bill for the relief of Martha Csak; to the Committee on the Judiciary.

By Mr. CHELF:

H. R. 7887. A bill for the relief of Shu-Yuan Yen (Jane Yen); to the Committee on the Judiciary.

By Mr. CRAMER:

H. R. 7888. A bill to authorize the sale and conveyance of certain of the publicly owned lands of the United States to the American Federation of the Physically Handicapped Institute for Human Engineering; to the Committee on Agriculture.

By Mr. KING:

H. R. 7889. A bill for the relief of Annette Pamela Cooke; to the Committee on the Judiciary.

By Mr. MADDEN:

H. R. 7890. A bill for the relief of Pejo Sever; to the Committee on the Judiciary.

By Mr. MULTER:

H. R. 7891. A bill for the relief of Jacob Naggar; to the Committee on the Judiciary.

By Mr. NIMTZ:

H. R. 7892. A bill for the relief of Mrs. Elly Schmidt Pietrzak; to the Committee on the Judiciary.

By Mr. ROONEY:

H. R. 7893. A bill for the relief of Domenica Buttaro; to the Committee on the Judiciary.

By Mr. SCUDDER:

H. R. 7894. A bill for the relief of Wong Yick Shue; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Floods and Tornadoes in the Southwest

EXTENSION OF REMARKS

OF

HON. A. S. MIKE MONRONEY

OF OKLAHOMA

IN THE SENATE OF THE UNITED STATES

Monday, June 3, 1957

Mr. MONRONEY. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement I have prepared concerning damage caused by floods and tornadoes in Oklahoma, Texas, Arkansas, and other parts of the Southwest.

I ask unanimous consent also to have printed following my statement, the text of a letter, dated May 31, 1957, I have received from Welcome W. Wilson, regional administrator of civil defense, containing a summary of the damage as of May 22, 1957.

I ask unanimous consent also to have printed in the CONGRESSIONAL RECORD an article entitled "Loss in Floods Is $32 Million," written by Allan Cromley, and published in the Oklahoma City Times of June 1, 1957, and an article entitled "Congressmen See Bulging State Dams, Flood Havoc," written by Joseph E. Howell, and published in the Tulsa Tribune of May 31, 1957. These articles give estimates of the flood damage and describe the terrible devastation which has been created by the unprecedented floods, the worst in Oklahoma history.

Mr. Howell's article details the devastation which was revealed on the trips made by Members of the House Subcommittee on Public Works, as they surveyed the flood damage from the air on a recent trip to Oklahoma.

There being no objection, the statement, letter, and articles were ordered to be printed in the RECORD, as follows:

FLOODS IN OKLAHOMA

Mr. President, on Friday, our distinguished majority leader told the Senate something of the tragedy that has hit the Southwest in the form of floods and tornadoes. He related some of the experiences of the House Public Works Subcommittee as its members visited Texas.

Today's and Sunday's newpapers brought news of new furies lashing at Oklahoma and Texas, with new warnings of additional flooding on our already swollen rivers. The Oklahoma City Times carried a dispatch by Allen Cromley describing the testimony of Army engineers at a hearing, in Tulsa, Okla., that dams and levees already built had reduced the flood's damage in Oklahoma and adjoining strips of Texas, Kansas, and Arkansas nearly $12 million, but estimating the overall disaster cost thus far at $32 million.

Congressional inquiries to the Denton, Tex., regional office of the Federal Civilian Defense Administration, which has been coordinating State and Federal activities in this disaster, brought a reply a few minutes ago, which includes an estimate for the overall damage in Oklahoma alone at $40 million, a larger figure. That is the figure given by Mr. Tom Brett, Oklahoma State civil defense director, who has included agricultural damages over the States. He lists 61 of our 77 counties with damages severe enough to make them eligible as disaster counties, and 28 cities, including the three biggest cities in the State, as disaster cities under Public Law 875, the 1950 Disaster Act.

Five persons were killed, according to Red Cross preliminary estimates, although news stories have now listed 9 deaths, and 88 were injured, while families suffering loss were listed as 1,877 with nearly 2,000 homes or buildings damaged. Continued rainfall and flooding has made it impossible to survey damage adequately, but between 60 and 75 percent of the counties in my State have damaged roads. I have a map with 110 crosses on it indicating damage to the State highway system.

A newspaper report in the Tulsa Tribune of Friday describing a visit of the House subcommittee in Tulsa, with reports of the first part of its trip through Oklahoma, describes the spectacular but tragedy-packed scenes observed by the congressional party more vividly than I can picture it.

DENTON, TEX., *May 31, 1957.*

Hon. MIKE MONRONEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MONRONEY: Thank you for your letter of May 22 with regard to the Oklahoma flood situation.

Tom Brett, Oklahoma State civil defense director, has estimated the overall damage at $40 million. Included in this estimate are agricultural damages over most of the State, particularly along the main streams and their tributaries.

Mr. Brett indicated the following counties and cities have sustained damage that will be eligible under Public Law 875, commonly known as the Disaster Act of 1950: Counties: Adair, Alfalfa, Atoka, Beckham, Blaine, Bryan, Caddo, Canadian, Carter, Cherokee, Choctaw, Cleveland, Comanche, Craig, Creek, Custer, Dewey, Ellis, Garfield, Garvin, Grady, Grant, Greer, Harper, Haskell, Hughes, Jefferson, Johnston, Kay, Kingfisher, Kiowa, Leflore, Lincoln, Logan, McClain, McIntosh, Major, Marshall, Mayes, Murray, Muskogee, Noble, Nowata, Oklahoma, Okmulgee, Osage, Pawnee, Payne, Pittsburg, Pontotoc, Pottawatomie, Pushmataha, Roger Mills, Rogers, Seminole, Sequoyah, Stephens, Tulsa, Wagoner, Woods, Woodward.

Cities: Alva, Bixby, Canton, Coyle, Dover, Elk City, Enid, Fort Gibson, Guthrie, Haskell, Hennessey, Jenks, Kingfisher, Lawton, Lexington, Lindsay, Moffett, Muskogee, Nowata, Oklahoma City, Owasso, Pauls Valley, Sayre, Shawnee, Stillwater, Tulsa, Wanette, and Waurika.

Mr. Brett estimates that between 60 and 75 percent of the counties have damaged roads. Some of the major highways are still blocked and damage to the Federal-aid road systems is estimated at between $4 million and $5 million. Approximately 110 locations on Oklahoma highways have bridge and other flood damages affecting traffic. These are located on the Federal-aid systems, for the most part, however, and do not include any rural and county roads. A newspaper article and drawing showing the damaged facilities is enclosed.

Preliminary reports of the American Red Cross indicate the following statistics up to May 22:

(NOTE.—Much more damage to persons and property, especially homes has occurred since.)

Persons killed, 5; persons suffering minor injuries, 88; dwellings destroyed, 18; dwellings with major damage, 217; dwellings with minor damage, 1,355; other buildings destroyed, 12; other buildings with major damage, 50; other buildings with minor damage, 178; the total number of families suffering loss, 1,877.

Requests for surveys for specific damages have been made by Alva, Canton, Elk City, Lawton, and Stillwater, for damages to sewerage disposal plants; Guthrie, damage to water mains; Stillwater, damage to school; Fort Gibson, damage to water plant; Sayre, damage to water lines.

One Federal team composed of 2 engineers from the Corps of Engineers, 1 health and sanitation representative from the Department of Health, Education, and Welfare, and a Federal Civil Defense Administration representative is now in the field and other teams are being formed and sent to the cities as rapidly as possible.

At the present time, it is somewhat difficult to estimate the total amount of Federal funds that will be needed for Oklahoma. As you undoubtedly know, civil-defense survey teams go into each damaged area and make every precise inspection. In many instances, the surveys have not been possible yet because of continued rainfall and flooding. The most severe damages have apparently been to roads and bridges. Federal funds will be provided for the temporary repair of those not on the Federal-aid system. Some funds will also be necessary for the control of mosquitoes, flies, rodents, and for the purification of wells and other health measures. When we have been able to make a fairly accurate estimate of the total amount needed, we will be happy to advise you.

Sincerely,

WELCOME W. WILSON,
Regional Administrator.

[From the Oklahoma City Times of June 1, 1957]

STATE TALLIES UP: LOSS IN FLOODS IS $32 MILLION

(By Allan Cromley)

TULSA.—The United States Army Engineers Saturday estimated flood damage totals $32 million in 8 river basins of Oklahoma.

Col. John D. Bristor told a visiting congressional flood inspection team and approximately 200 persons at a public hearing that the damage would have been $43,800,000 if existing flood control projects had not been in place.

He said the total would have been $21,900,000 if all authorized large flood control projects had been completed.

TEXOMA CRITICAL

He said there is a critical problem at Lake Texoma, where too much rain above the dam and too much water below the dam are combining to threaten further widespread damage.

He said there was a 6-inch rain Friday night on the lake itself and that water is 1.6 feet over the spillway. The levee was .4 feet Friday when the congressional investigators flew over the lake on a 1,600-mile aerial survey of flood damage in Texas, Oklahoma, eastern Arkansas, and southern Kansas.

Brig. Gen. L. E. Seeman, division engineer, Fort Worth, told the group Saturday morning, "this flood season is still not over." He urged the lawmakers to approach the flood control problem on a broad river basin basis.

STORM TOLL SET

A regional civil defense official estimated that floods and tornadoes have caused $40 million damage in the State. Gaines F. West director of educational services, civil defense regional headquarters, Denton, Tex., said this is a very conservative figure.

United States Army engineers at Fort Worth Thursday told the committee damage in Texas was almost $70 million. This brings the official estimate of the region total to more than $100 million.

Ironically, rain was pouring down outside the building here where the hearing was held, and a number of would-be witnesses telephoned that they would be unable to attend because of the weather.

MAYORS ON HAND

Some 20 mayors of cities in the Oklahoma flood region were prepared to detail devastation in their areas.

Bristor broke his official flood damage estimate into 8 river basins which either flow into, through, or out of Oklahoma.

He listed the damage as follows: Red River, $6,250,000; Arkansas and minor tributaries in Kansas and Oklahoma, $15,700,000; Cimarron River, $5,900,000; Verdigris River, $1,420,000; Grand River, $870,000; Illinois River, $75,000; Poteau River, $235,000; and Canadian River, $1,885,000.

ONE MILLION DOLLARS MINOR

Bristor estimated Red River flood damage would have been $9,300,000 without the protection afforded by Lake Texoma and Altus Reservoir.

He said the $1 million already advanced by the Federal Government to the State for storm disaster relief "seems a very minor sum."

He said civil defense officials probably will advise Governor Gary to request another million.

West estimated 11,500 persons in Oklahoma have been evacuated from flood areas, some of them more than once.

ELEVEN LOSE LIVES

He said 11 persons have lost their lives in floods, 4 in tornadoes, and 150 have been injured. He said 1,400 homes have been partially or completely destroyed by Mother Nature.

He said a total of 152 bridges have been damaged by floods, and estimated a $5 million to $6 million loss on highways and for which the State receives Federal aid funds.

West estimated agriculture losses from floods at about $20 million.

Bristor said his flood damage estimates do not include losses in headwater areas.

FIGURES NOT COMPLETE

Bristor said his estimates do not include secondary losses such as those sustained by merchants who suffered business reverses through decreased income of persons flooded.

He said loss of income and manpower hours are not included. He explained that the estimates are based on figures gathered in previous floods, and an actual determination of loss cannot be made until a year or two.

Representative ED EDMONDSON, Muskogee, 1 of 3 visiting members of the House Public Works Committee, said, "Knowing acreage destroyed, and municipal damage, I have a feeling the estimate is very conservative and that damage exceeds $50 million in the State."

[From the Tulsa Tribune of May 31, 1957]

TULSA HEARING SATURDAY—CONGRESSMEN SEE BULGING STATE DAMS, FLOOD HAVOC

(By Joseph E. Howell)

Scenes which in theory at least will not be reenacted for 100 years, spread out today before a congressional subcommittee inspecting flood damage and flood control work in the Southwest.

The committee flew over giant Lake Texoma, which recently has filled for the first time since it was completed 13 years ago.

"This is a sight we may never see again in our lifetime," said Joe Brennan, engineer consultant for the House Committee on Public Works.

He explained the Denison Dam was built to exactly hold a flood of the size which has filled it this month and that the studies which the engineers made in designing the dam based on the flood history of the Red and Washita Rivers, indicated this flood would occur but once in a century.

Brennan said, however, the fact the flood had occurred this year is no guarantee it will not occur again next year or every year for 10 years.

He said that when the experience this year goes into the record books and a new analysis made, it may develop that it will be considered an 80-year flood instead of a 100-year flood.

The subcommittee members flew 600 miles over flooded river valleys between Fort Smith and Tulsa this morning.

After leaving Forth Worth, where they saw streets filled from curb to curb when 2.22 inches of rain fell Thursday night, the party flew north to Ardmore and then down the Washita arm of Lake Texoma to the Denison Dam.

There, they saw about 5,000 cubic feet of water per second going through the 2,000-foot uncontrolled spillway and more than 30,000 cubic feet per second being discharged through the penstocks.

Below the mouths of these giant tubes, the water roared out in a great mass of foam, filling the river below the dam bank to bank.

Down the river for more than 200 miles, the Congressmen flew before they again found the Red River in flood near Idabel and on down to Index and Fulton, Ark.

Roy Penix, chief of technical liaison for the southwestern division of the Army engineers, said the water being discharged from Texoma will flow down the valley of the Red behind the flood which is spreading out today at Fulton.

The Congressional party saw the proposed sites of a series of dams in the Kiamichi Mountains, designed to hold back the mountain streams which have been causing the flooding on the lower Red River.

The Millwood site where a controversial dam has been proposed on Little River just before it joins the Arkansas, came in particularly for attention. Thousands of acres of timberland spread out below the Army plane carrying the party, and the water standing on the ground around the trees was plainly visible from the air.

From Millwood, the tour went up Little River and Mountain Fork across the mountains and over Lake Wister.

Wister, like Texoma, is full to the brim and discharging water over an uncontrolled spillway, but the Poteau River below the dam appeared to be back within its banks.

There still were patches of water in the low places in the Moffet Bottoms at Fort Smith where the Arkansas has been nearly 7 miles wide, but the Arkansas itself appeared to be back within banks today.

The flight continued up the Arkansas River, past the Short Mountain Dam site to the point where the junction of the South Canadian and the Arkansas was visible on one side of the Army plane and the lake behind Tenkiller Ferry, at the highest level in its history, was visible on the other side.

There was some water being discharged at Tenkiller.

A more spectacular sight was provided by the Fort Gibson Reservoir which had nearly all of its gates open and was creating some flooding in the Grand Valley.

The Arkansas, Verdigris, and Grand Rivers were clearly defined as they met at a common junction northeast of Muskogee.

Congressman ED EDMONDSON, of Oklahoma, and JIM WRIGHT, of Texas, spent a busy morning checking the Red and Arkansas Rivers flood problems with the help of Brig. Gen. E. L. Seeman, the division engineer for the Army from Dallas.

The third Congressman, Representative EMMETT BYRNE, Republican, of Chicago, took a much less active interest in the southwestern flood scene.

Seeman said the trip "stresses again the extremes of nature and of the vast amount of water that flows unused out of Texas and Oklahoma."

He said it calls attention of taking advantage of the occasion when nature is bountiful.

"You go from many years of drought to a flood very suddenly," Seeman related.

"The reverse is not true of drought. Drought creeps up on you."

The general said the trip has given "the Congressmen a real bird's-eye view of the problems we face.

"We couldn't have done it from the ground."

From the airship the flooded streams below seemed more like a giant model on which the engineers can work out flood control measures.

The Congressional party by noon today had flown areas which have suffered $118 million in damages since arriving in Texas Wednesday night, Representative WRIGHT said

It was estimated that by the time the committee had completed its 2-day tour it would have seen a million acres of flooded land.

Wright said his first reaction as he looks at the flood scene is to think of the problems of the people whose property has been inundated. He said it gives you a weird feeling to step from a motorboat to the roof of a house as he has done in the last few days and to see the stunned expressions on the faces of people who have been evacuated or have refused to leave their homes.

Wright lived in Seminole as a boy and delivered the Tulsa Tribune there.

The Congressional party was scheduled to fly over the Cimarron Valley and upper Arkansas in the afternoon. Its itinerary included Enid, the Great Salt Plains Reservoir, the Toronto and Oologah dam sites on the Verdigris River, Hulah Reservoir on Caney River and Grand Lake.

A public hearing will be held beginning at 9 a. m. Saturday in the Tulsa Chamber of Commerce Building.

In addition to the Congressmen, Brennan, Seeman, and Penix, the touring party includes Richard J. Sullivan, chief counsel for the House committee on public works, and Lt. Col. Robert W. Dalrymple, Assistant Chief of Civil Works for the Army engineers.

Progress Report on Saline Water Research Program

EXTENSION OF REMARKS

OF

HON. CLAIR ENGLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1957

Mr. ENGLE. Mr. Speaker in 1952, legislation which I authored, was enacted initiating the saline water research program under the direction of the Secretary of the Interior. The objective of this program was to find ways and means of economically converting saline or salt water to fresh water. The progress made under this program during the 5 years since it was initiated has been disappointing; however, eventual success is foreseen if the program is put in high gear with the view of producing concrete results at an early date. This is the conclusion of the House Interior and Insular Affairs Committee as the result of recent hearings held for the purpose of reviewing the program.

The objective of the committee's hearings was to determine, first, just where we stand at the present time with respect to finding economic means of converting salt water to fresh water; second, whether the Department of Interior is in agreement with the expressed views of Congress with respect to the degree of urgency warranted in this research program; third, what measures the Department has taken to speed up the program; and fourth, if additional legislation is needed or would be of assistance in meeting the objectives of the program at an earlier date. In 2 days of hearings the committee heard and questioned officials of the Department, contractors, and consultants.

The committee's report on the hearing is critical of the Department of the Interior, both for its handling of the program, and for misrepresentation to the American people of the progress made under the program. The hearings indicated that the Department has not attached to this program the degree of urgency directed by Congress in the 1955 legislation amending the 1952 basic act, and has allowed it to drift along without concrete results while numerous optimistic statements by high officials of the Department have left the impression that large-scale use of converted saline or salt water is just around the corner. My concern and that of the committee is that such misrepresentation of progress may lull the Nation into a false sense of security with respect to water and that the immediate need for conserving and making better use of the water available from natural sources will be overlooked and not properly emphasized.

No concrete evidence was presented to the committee as to measures to accomplish a speed-up in meeting the objective of the program, nor did the Department indicate any immediate need for additional legislation. While it was made clear that pilot plants or demonstration plants of appreciable magnitude to test the more promising processes would require specific Congressional authorization no positive program was presented for getting the demonstration plant phase of the program underway.

With respect to the nature of the research work the Department seemed to be placing emphasis on small and special purpose conversion units, whereas the committee believes that the immediate need is for processes capable of producing large quantities of water for municipal and industrial use near populous or potentially populous areas.

It is not the purpose of the committee's report to present a pessimistic view with respect to the possibility of economical saline and salt water conversion at an early date; however it is the committee's purpose to apprise the American people of the true situation with respect to sea water conversion in order that those charged with responsibility of providing water supplies do not expect too much from this program too soon and do not reduce efforts to fully conserve and make maximum use of the water available from natural sources.

The committee believes that, eventually, converted saline or salt water will be used extensively for municipal, industrial, and perhaps even agricultural uses. The problem has become one of economics or cost.

California Real Estate Magazine Features Information About State and National Legislators

EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1957

Mr. DOYLE. Mr. Speaker, to my desk has come a very lovely and interesting magazine published by the California Real Estate Association for the month of February 1957, featuring the 1957 California State Legislature and the United States Congress.

In this magazine are nicely arranged and printed pictures of each of the members of the California State Senate and Assembly—and also each of the Members of the House and Senate of the United States from California. And opposite each of the photos is a designation of the district represented by the State legislator or the National Representative, together with a short but appropriate descriptive statement of some of the facts about the gentlemen.

Throughout the magazine are feature articles such as the opening message by Hon. Goodwin J. Knight, Governor of California, How Bills Become Laws, Crucial Issues Confronting 1957 Legislature, Streamlining the Legislative Process in California.

Mr. Speaker, I wish to observe that in arranging and publishing this issue of this monthly magazine by this group of California realtors they have rendered a really valuable service to the enlightenment of their members and other readers about the State Legislature in California and about the United States Congress.

I wish to further observe that if more regularly published magazines circulating to memberships of business and professional and other groups throughout our Nation would do some such act at appropriate times in connection with legislative activities in their respective States and in our Nation, it would certainly also be a definite contribution to the representative way of life under our State and United States Constitutions.

The Consumers Study Subcommittee Points the Need of Our Postal Employees

EXTENSION OF REMARKS

OF

HON. ELIZABETH KEE

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1957

Mrs. KEE. Mr. Speaker, retail food prices have increased 16 percent in the past 10 years, according to the preliminary findings of the Consumers Study Subcommittee of the House Committee on Agriculture, which were recently made public.

The subcommittee, and the purposes for which it was created, represent something of a departure from the scope of the Agriculture Committee's previous activities which have, pretty generally, been confined to dealing with the Nation's farm problems as such. This year, however, the constantly rising cost of living prompted the committee for the first time in its history, to take a look at the high prices of food from the consumer's angle.

The Consumers Study Subcommittee was created on March 14, 1957, to study and investigate, among other things, the reasons for the continuing spread between the retail prices city dwellers pay for what goes into their market baskets and the prices farmers receive for the foodstuffs they produce for market. And in another precedent-breaking move, let me add, also for the first time in the Agriculture Committee's history, the chairman appointed to head the new subcommittee is himself a representative of urban consumer groups. He is the Honorable VICTOR ANFUSO, Congressman from New York City's teeming Eighth District—one of the first, I believe, if not the first Member of Congress from a big city to serve on the House Agriculture Committee.

In the preliminary report of its work to date, Mr. ANFUSO's subcommittee has produced a great many thought-provoking facts, and I am confident that before its work is completed, it will have rendered an outstanding service to the Nation.

Returning to the opening statement in this column, that retail food prices have risen 16 percent in the past 10 years—a figure which I have no doubt the subcommittee will be adjusting upward with the latest statement from the Labor Department's Bureau of Labor Statistics, reporting the 14th month straight rise in consumer prices—it is, I feel, significant to note that during this same 10-year period, the average city family increased its expenditures for food by $500, or 50 percent, while farm prices were declining 14 percent.

"Of this additional family outlay," the subcommittee reports, "$400, or 80 percent, went to food processing, transportation, and distribution agencies, and only $45 to farmers. The remainder was expended on imported foods."

Breaking this data down into specifics, the subcommittee states that—again over the 10-year period—the farm price of wheat dropped 7 percent, while retail prices of cereals and bakery products rose a staggering 34 percent.

In other words, most of what we pay for today is in the processing, packaging, and distributing of the product and not its content. For example, there is less than 3 cents' worth of farm-produced corn in a 22-cent package of corn flakes; only 4 cents' worth of wheat in a 28-cent package of soda crackers; and only 2.6 cents' worth of wheat—at farm value—in the pound loaf of bread we purchased in 1956 at an average price of 18 cents.

Here are some other price facts culled from the report that should be of great interest to city and country housewives, alike. In 1956 the contents of the can of sweet corn or peas for which they paid a retail price of between 18 and 22 cents brought the farmer only 2 to 3 cents. A can of tomatoes—staple commodity on most housewives' shelves, as it is on mine—which retailed for 15 cents, had only 2.3 cents' worth of tomatoes in it.

I am greatly concerned with these facts and figures because of legislation which is presently pending in the Congress to grant cost-of-living pay increases to postal employees and other Federal classified employees. Bills have also been introduced, although no action has been scheduled on them, to increase the minimum social-security retirement benefits of older citizens who now average between $30 and $40 a month.

The average city family spent about $1,500 for food in 1956 compared with $1,100 in 1950 when, according to a Bureau of Labor Statistics survey taken at that time, the income before taxes of the average city wage and clerical worker's family was $4,332. Most of the families interviewed in this 1950 survey spent more than their incomes in that year.

Today in West Virginia, the average take-home pay of a top-grade regular clerk in the post office is about $3,800, after deduction for taxes, retirement and life insurance. With the slightly more than $1,500—because of rising prices—that this worker would spend, on the average, for food for his family in 1957, this would leave him approximately

$2,300 to take care of all other living expenses—rent and repairs, clothing, medical and dental care, group hospitalization, transportation, recreation and something put aside for the future education of his children. Obviously, this worker cannot get by economically without going heavily into debt, taking a part-time outside job or having his wife work to help eke out the family income.

As for our older citizens living on retirement pittances of $30 to $40 per month, it is clear that they cannot hope to maintain even the most substandard existences without outside aid—either from grown children, hard-pressed and with families of their own to support—or through public assistance.

Both of these groups stand in dire need of economic help—in the form of pay raises for our postal employees and of an increase in the minimum benefits paid to our older citizens covered by the old-age and survivors insurance program. It is my intention to remind the Congress of this inescapable fact at every possible opportunity—until something is done about it.

Annual Questionnaire to Sixth District

EXTENSION OF REMARKS

OF

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1957

Mr. ROGERS of Florida. Mr. Speaker, each year it has been my custom to submit a questionnaire to the people of my district setting forth various questions which will be considered by the Congress of the United States in its deliberations. This year through the cooperation of the fine newspapers of my district, the questionnaire was published, and to supplement the publication in the paper, I also mailed out a number of questionnaires to broaden the base of the coverage. I am pleased to be able to say that over 23,000 people have answered this questionnaire, which I think is one of the highest participations of any like questionnaire.

The Sixth District of Florida is comprised of 11 counties. The district extends from the east coast to the west coast and has many interests, including not only the tourist business, but many small businesses, industries, fishing, and agriculture. This district in 1950 had a population of about 284,000; presently, the population of the district is over 500,000. It is populated by residents who have settled there from all over the United States, therefore, I think the response to the questionnaire reflects not only the thinking of the people of the sixth district but in good measure reflects the thinking all over the United States.

I greatly appreciate the fine response we have had and I am gratified to say that the people of the Sixth District of Florida are intensely interested in their Government and are willing to take time to participate in it because they know that government is everybody's business.

The following is the questionnaire and the results, first in the actual figures and second in percentages:

1. The President's budget for fiscal 1958 proposes that the Federal Government spend $71,800,000,000. Do you favor the reduction of this budget by Congressional action? Yes, 19,489 (89.9 percent); no, 2,177 (10.1 percent).

2. The President's budget requests the Congress to appropriate an additional $4,400,000,000 for foreign aid (military and technical). Do you—

(a) Favor this amount? Yes, 2,494 (12.5 percent); no, 17,532 (87.5 percent).

(b) Favor no additional money for foreign aid when there are unspent appropriations still on hand? Yes, 13,930 (70.2 percent); no, 5,904 (29.8 percent).

(c) Favor discontinuing all foreign aid? Yes, 8,170 (41.9 percent); no, 11,306 (58.1 percent).

3. Do you favor Federal aid to education? Yes, 12,155 (58.8 percent); no, 8,529 (41.2 percent).

(a) If Federal control is included? Yes, 4,533 (23.2 percent); no, 14,923 (76.7 percent).

4. Do you favor extending minimum wage law coverage to include retail, chain store, hotel and other employees not now affected? Yes, 14,655 (71.6 percent); no, 5,725 (28.4 percent).

5. Should postal rates be increased on:

(a) First-class mail? Yes, 7,323 (36.6 percent); no, 12,657 (63.4 percent).

(b) Second-class mail? Yes, 12,822 (64.2 percent); no, 6,920 (35.8 percent).

(c) Third-class mail? Yes, 13,314 (69.8 percent); no, 5,758 (30.2 percent).

6. Should present excise taxes be extended for one more year? Yes; 10,410 (52.2 percent); no, 9,502 (47.8 percent).

7. Do you favor enactment of my bill, H. R. 2494, to extend the Kennedy-Rogers Act to place the Federal budget on a yearly basis (recommendation of bipartisan Hoover Commission)—estimated to save $4 billion annually? Yes, 21,366 (98.4 percent); no, 349 (1.6 percent).

An Honor Well Deserved

EXTENSION OF REMARKS

OF

HON. CLEVELAND M. BAILEY

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1957

Mr. BAILEY. Mr. Speaker, today in my home State in the city of Morgantown, the University of West Virginia will confer an honorary degree of doctor of laws upon a most distinguished American, John L. Lewis. Mr. Lewis has been president of the United Mine Workers of America since 1919. During his presidency of that proud organization America's union coal miners have become the highest paid industrial workers in the world.

West Virginia has been for some years the largest coal-producing State in the Union. It is fitting that Mr. Lewis' first honorary doctorate should come from our State university. He has led West Virginia's coal miners from the depths of economic depression and personal indignity to the place they now enjoy in our State as well paid, free mountain men.

In commenting on the degrees to be awarded this year by the University of West Virginia, one of the largest daily papers in our State, the Charleston Gazette, said:

One name stands out as distinctive and that is John L. Lewis, head of the United Mine Workers of America. In coming up from the coal pits to eminent status in the American labor movement, and giving dignity to the coal miners in this largest of coal-producing States, we think his is a degree long overdue.

This editorial states only the truth. Mr. Lewis is a great man and an erudite man. It is fitting that he be formally recognized as such.

Wool-Textile Imports Weaken a Basic American Industry

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1957

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my statement at the hearings which began today at the General Services auditorium, under the auspices of the Office of Defense Mobilization, on petition by the National Association of Wool Manufacturers on alleged "threat to national security presented by wool-textile imports."

The statement follows:

WOOL TEXTILE IMPORTS WEAKEN A BASIC AMERICAN INDUSTRY

(Statement of Congressman THOMAS J. LANE, Democrat, of Massachusetts, at the hearings beginning June 3, 1957, General Services auditorium, under auspices of the Office of Defense Mobilization, on petition by the National Association of Wool Manufacturers on alleged threat to national security presented by wool textile imports)

Mr. Chairman, the textile industry as a whole, has been suffering from many complications since the end of World War II. The woolen-worsted section of that industry is actually fighting for its very existence, due to the added danger of foreign imports.

It is an astonishing and disturbing fact that the Federal Government, under international trade agreements, is making it more difficult for this industry to survive.

Repeatedly we must hammer home the following official statistics, in order to awaken responsible agencies of the Government, so that effective steps will be taken to protect this vital industry.

In New England alone, from 1949 through 1957, 145 woolen and worsted mills have liquidated, displacing over 65,000 skilled operatives.

As most of these workers have had to establish themselves in other industries, their special skill in textiles have been lost to the industry and to the Nation, in the event of an emergency.

Of the various factors, regional competition within the United States was once thought to be the principal one that forced many older woolen and worsted textile mills in New England to go out of business.

Unnoticed for some time, was the growing volume of foreign competition.

In 1951, imports of wool yarn from Japan were none. By 1956, they had reached a total of 1 million pounds for that year.

Since 1948, when cloth tariffs were slashed, imports of woven woolen cloth from Britain,

Japan, Italy, France, and other sources, increased by over 25 million yards. From 1946 to 1956, these imports jumped 735 percent.

Corporate net income after taxes, of the wool textile industry in the United States, dropped from $82 million in 1948, to a loss of $7 million in 1952.

On the basis of the three-fourths of a man-hour per yard needed to produce 16 ounces of Army serge, British manufacturers can produce it for 82 cents per yard less, and the Japanese for $1.10 per yard less. This startling wage gap receives no protection from our export-import policies. Without such protection, our manufacturers and workers cannot possibly compete with imports, even right here in our own home market.

This unfair competition is forcing more and more of our mills out of business, and is preventing the remainder from expanding or even modernizing the plant and equipment that would be called upon for extra duty if a military emergency should arise.

In 1942, output for the military alone was three-fourths of the total production in 1956. The reserve capacity of the industry is lower than it ever has been, in relation to our growing population.

Official indifference to the problems of the industry has resulted in the present dangerous situation where the mobilization needs for essential wool textiles would probably exceed our capacity to produce. Technological progress along other lines has not replaced the Nation's dependence upon a woolen and worsted industry located within the United States, to provide an adequate supply of clothing for its civilian population and its defense forces.

The embattled wool textile industry is not looking for any handouts. It only seeks protection to insure fair competition.

Is this too much to ask, when its very existence depends upon action by the Government to halt the flood of imports?

The threat is present, and it is serious. It materially affects our national security.

We therefore ask the Office of Defense Mobilization to advise the President of the danger, and recommend adjustments by him to reduce wool textile imports, to protect a basic and strategic American industry.

Housing Conference Report Offers Chance for Big Savings

EXTENSION OF REMARKS

OF

HON. CHARLES W. VURSELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1957

Mr. VURSELL. Mr. Speaker, while the other body last week, by amendments, made considerable improvement in the housing bill reported to it by the Banking and Currency Committee, if the Members of the House, when considering the conference report that will soon come to us, will stand firm and refuse to concur on certain provisions of the bill, which yet should be corrected, we can save the taxpayers in the future billions of dollars.

The House bill, when it went to the other body, contained the Fisher amendment, which was stricken out by that body. The difference between these two bills in this one instance with respect to public housing is so fundamental that the House should refuse to concur. If the Fisher amendment can be maintained over future years, it alone will save the taxpayers billions of dollars.

Then, again, 4 or 5 of the public-housing amendments approved by the other body are so far reaching, in adding additional expense that they should be stricken, as they go beyond the welfare purpose which was the original intent of the law.

Here are their provisions:

First. Would permit over-income tenants to remain in public housing indefinitely if the public housing authority determines that adequate housing is not available in the private market consistent with the tenant's income less all his exemptions—section 401 (a) of the Senate-passed version of H. R. 6659.

Second. Would repeal the requirement that a community have a workable program for the prevention of slums or blight as a prerequisite to public housing—section 401 (c). Note: The workable program was placed in the law in 1954, repealed in 1955, and reenacted in 1956.

Third. Would increase the income exemptions for determining whether a family is eligible for admission to public housing. Exemptions are also increased for determining eligibility for continued occupancy. The exemptions relate to adult members of the household other than the principal wage earner, and apply to the wages of this other adult group; that is, grown children, in-laws, and so forth, section 401 (b).

Fourth. Would increase the construction cost limits for public housing from $1,750 to $2,000 per room; and where designed for elderly persons, from $2,250 to $2,500 per room—section 401 (d).

URBAN RENEWAL SHOULD BE REDUCED

The Senate bill carries $250 million more in authorizations for urban renewal than was carried in the House bill. The House by all means should refuse to concur, and reduce the amount by $250 millions.

In urban renewal the House bill provided that no one State could have allocated to it over 10 percent of the total funds allocated in the bill. New York City has been allocated and committed an amount of $92 million, which has about reached its allotment, and consumed the State's allotment.

Chicago has $74 million, Philadelphia $54 million, and many other big cities many other millions.

The mayors of these large cities have been insisting the allotment percentage per States be raised from 10 to 15 percent.

The Senate bill raises these allotment rates from 10 to 15 percent, which will lift the ceiling to the extent that New York City and other cities can secure up to $200 million of the taxpayers' money in grants—none of it to be returned. The House adamantly refuses to concur in this amendment.

There has been allocated for urban renewal a total of $1¼ billion in grant money to do a face-lifting job, so to speak, mostly in improving large cities at the expense of every taxpayer in every congressional district in the United States.

I am wondering how many Members of Congress know that these funds are all grants to be given away, with not a single dollar returned to the Treasury, from which it comes.

It would seem to me that no Congressman can defend before the people in his own district the giveaway of over a billion dollars of the taxpayers' money out of the Treasury to the wealthy big cities of the country, and to many cities of smaller size—all of which are more able to improve their own cities than is the Federal Government—thereby taxing all laboring men, farmers, professional and small-business men throughout the Nation.

It would seem to me that if we believe in economy that we ought to put on the brakes and reduce the costs carried in this housing bill rather than to expand and increase them year after year.

The House of Representatives, which reduced the defense budget by $2½ billion, ought to seize upon the opportunity of reducing the intolerable and unnecessary waste provided in the housing bill that will come before us shortly in a conference report.

Special Subcommittee Chairman of House Armed Services Committee Makes Announcement of Dates for Hearings on Subject of Less than Honorable Military Discharges—Public Hearings To Begin Monday, June 24, and Run Through June 28

EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1957

Mr. DOYLE. Mr. Speaker, by reason of unanimous consent heretofore granted me so to do I am pleased to advise you and all the other Members of this distinguished body that the public hearings on the Doyle bill, H. R. 1108, and companion bills dealing with the subject of less than honorable discharges will commence at 10 a. m., Monday, June 24, in room 313A, 3d floor of the Old House Office Building. At that time the special subcommittee of five members of the full Armed Services Committee, appointed by the Honorable CARL VINSON to hold such hearings, will ony be able to hear, on Monday, the witnesses from the Defense Department. Beginning on Wednesday at 10 a. m. the Members of Congress and other interested witnesses representing the veterans groups and others will be heard and continue the balance of the week. Every effort will be made to accommodate the time element for all Members of Congress who desire to testify in the public sessions during the week but I regret to say that on account of the large number of witnesses who have already indicated such desire, the oral testimony of witnesses must needs be limited to 10 minutes;

with the privilege of inserting in the record of the hearings additional written material which the Congressional Member deems relevant.

Since the hearings on Monday are limited to witnesses from the Defense Department to the desirable end that members of the special subcommittees shall have the benefit of their stated position known throughout the balance of the week, I have taken pleasure in cordially inviting all Members of the House desiring to do so to also attend the hearings on Monday so as to also have the benefit of hearing the position of the military on these bills.

Mr. Speaker, the special subcommittee has held several executive meetings preparatory to these public hearings and I wish to state that it has already been a real pleasure for me to have the opportunity to sit with these distinguished members of the House Armed Services Committee on this special subcommittee appointed for these important hearings. And we have given our best considered attention to this very difficult and important problem which annually relates to several thousand members of our military establishments. We enter these hearings with the Defense Department and other witnesses who appear before us in a studious attitude, determined to seriously and conscientiously endeavor to ascertain the facts applicable to the problem so as to be able to recommend to the attention of the full Armed Services Committee, and through them if our recommendations be approved, to Congress itself; that which may definitely be of good report and real merit in a field which it is generally recognized some meritorious advancement should be promptly made.

Members of Congress desiring to make their wishes known for opportunity to appear in the hearings should promptly notify Mr. Russell Blandford, committee counsel, at the House Armed Services Committee office, phones 217 and 341. The members of the special subcommittee appointed by Honorable CARL VINSON are: CLYDE DOYLE, chairman, California; WILLIAM G. BRAY, Indiana; GEORGE HUDDLESTON, JR., Alabama; CHARLES S. GUBSER, California; and A. PAUL KITCHIN, North Carolina.

Subcommittee on Mines and Mining Adopts Resolution Supporting Funds for Mineral Program

EXTENSION OF REMARKS

OF

HON. CLAIR ENGLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1957

Mr. ENGLE. Mr. Speaker, the Subcommittee on Mines and Mining of the House Committee on Interior and Insular Affairs, chairmaned by our colleague WALTER ROGERS of Texas, on May 24, 1957, adopted a resolution urging the House to approve the $30 million provided for tungsten, asbestos, fluorspar, and columbium-tantalum by the Senate in the third supplemental bill, H. R. 7221.

The mining subcommittee spent many days of hearing when this program was authorized under Public Law 733 in August 1956, and received further testimony on the subject on May 24 of this year.

The resolution adopted by the mining subcommittee supports a similar position taken by the Senate Committee on Interior and Insular Affairs, the Senate Appropriations Committee, the Senate itself twice by overwhelming votes, and by the executive agencies—the Department of the Interior, the Office of Defense Mobilization, and the Bureau of the Budget.

So far as I know, the House Committee on Appropriations is the only committee or agency that has had anything to do with the problem that has recommended against this appropriation.

A copy of the resolution is as follows:

RESOLUTION OF THE SUBCOMMITTEE ON MINES AND MINING OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS, HOUSE OF REPRESENTATIVES

Whereas during World War II and at the beginning of war in Korea in 1950 the United States was almost wholly dependent upon supplies of foreign produced tungsten; and

Whereas by Public Law 733, 84th Congress, approved July 19, 1956, the domestic tungsten, asbestos, acid-grade fluorspar, and columbium-tantalum miners were encouraged to believe by the highest authorities in the land—namely, a law passed by both Houses of the Congress and approved by the President—that general purchase programs (as distinct from individual negotiated contracts) to be in effect through December 31, 1958, were to be carried out; and

Whereas the General Services Administration, to which was delegated responsibility for administration of this program, indicated to the domestic miners that the necessary funds to carry out the programs were expected to be forthcoming and that the miners should conduct their operations on this basis (as detailed in letters from GSA in November and December, 1956); and

Whereas one of the surest ways to encourage all the citizens of the land to respect the laws of the land is for the Congress itself to carefully respect the very laws that it itself causes to be enacted into law; and

Whereas any present official statements as to defense requirements for high temperature metals, such as tungsten, columbium, and tantalum, are completely obsolete (as noted in the letter of December 13, 1956, from the Deputy Secretary of Defense to the Office of Defense Mobilization); and

Whereas future defense requirements for high-temperature metals such as tungsten, columbium, and tantalum can only be expected to increase significantly in view of the fact that tungsten is the metallic element with the highest melting point known to man—about 6,152° F. (indeed of all the elements, the melting point of tungsten is exceeded only by that of carbon)—while columbium and tantalum are also high-temperature metals, iron-free asbestos is necessary for electric-cable coverings, and fluorine is a constituent of high-temperature fuels—and our entire technological civilization requires the utilization of ever higher temperatures (as acknowledged by the Director of the Office of Defense Mobilization in the February 26, 1957, hearings by the Senate Committee on Interior and Insular Affairs on the Necessity for Implementing Public Law 733); and

Whereas it would be the utmost folly and it could be disastrous to let our present domestic mining mobilization base collapse, as it will surely do in the face of the competition of cheap foreign-mined material coming largely from sources of extreme vulnerability in time of emergency; and

Whereas there is as yet no other program to maintain the domestic mining mobilization base, although the Congress has been promised on several occasions that a long range minerals program would be recommended to it; and

Whereas the real cost of the material acquired under this program is substantially less than the base price set forth in the law when Federal, State and local taxes paid by the mining companies and their employees and suppliers are taken into consideration; and

Whereas the costs of any future Government procurement programs for metals and minerals that may be found to be necessary in the uncertain years ahead in this age of peril will of necessity be much higher if the operators have before them the example of breach of faith in the execution of prior programs such as failure to carry out that set forth in Public Law 733; and

Whereas while it may well be that the present spot price of foreign material is lower than that for domestically mined material, history in the case of many strategic materials shows clearly that the price of foreign material can rise many times over once the domestic source of production has been scuttled, and consumers are then put through a real price wringer when it is too late to reactivate domestic mining properties that are flooded and caved: Now, therefore, be it

Resolved by the Subcommittee on Mines and Mining of the Committee on Interior and Insular Affairs of the House of Representatives, That the House of Representatives is hereby urged to forthwith take the necessary action to implement fully the provisions of Public Law 733, 84th Congress, the Domestic Tungsten, Asbestos, Fluorspar, and Columbium-Tantalum Production and Purchase Act of 1956, and in particular to agree to make available the sum of $30 million which is provided therefor by the Senate amendment to H. R. 7221, 85th Congress, 1st session, the 3d supplemental bill, 1957.

Adopted May 24, 1957.

WALTER ROGERS,
Chairman, Subcommittee on Mines and Mining.

NANCY J. ARNOLD,
Clerk.

The Third Party in Medicine

EXTENSION OF REMARKS

OF

HON. OREN HARRIS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1957

Mr. HARRIS. Mr. Speaker, I was privileged on June 2, 1957, to address the Conference of Presidents and Other Officers of State Medical Associations at a session preceding the annual meeting of the American Medical Association in New York City. My speech was entitled "The Third Party in Medicine" and it deals in part with the proper role that the Federal Government can play as a third party to the physician-patient relationship. Because of the importance of the question, I call it to the attention of our

colleagues and under unanimous consent I include my discussion herein:

THE THIRD PARTY IN MEDICINE

I consider it a great honor that you have asked me to address you today. I may assume, of course, that you do not expect me to impart to you any knowledge in the field of medicine which I do not possess. I would rather think that you want me to discuss some issues which concern both physicians and Members of Congress because legislative proposals involving these issues have been entertained in the Congress in the past and are apt to be considered again in the future.

Not a day passes on which I as an individual Member of Congress or as chairman of the Interstate and Foreign Commerce Committee do not receive a number of communications involving some questions of health and health care. You may wonder why the Committee on Interstate and Foreign Commerce of all congressional committees should concern itself with questions of health. Certainly the name of the committee does not appear to imply any such concern. As frequently is the case, the explanation is a historical one and readily explains the connection between commerce and health.

Since colonial days our country has depended on merchant vessels to bring goods from foreign lands to our shores and to carry our exports abroad. Merchant seamen manning these vessels, when falling ill or becoming incapacitated, imposed an undue burden upon local facilities and local resources in our port cities.

When the Congress met in 1789, a resolution was adopted appointing a committee to prepare a bill providing for the establishment of hospitals for sick and disabled seamen. However, no such legislation was enacted until 9 years later when the 5th Congress passed an act to establish the Marine Hospital Service (I might say parenthetically that things today are still pretty much the same as they were during the early days of the Republic—it usually takes several sessions of Congress to develop and pass major legislation).

The Marine Hospital Service Act was approved by President Adams on July 16, 1798. It authorized the President "to nominate and appoint, in such ports of the United States as he may think proper, one or more persons, to be called directors of the marine hospital of the United States, whose duty it is to provide for the accommodation of sick and disabled seamen."

The Marine Hospital Service formed the basis of the United States Public Health Service as we know it today, and from this interesting bit of history you will appreciate the historical connection between commerce and health which has resulted in the assignment to the Committee on Interstate and Foreign Commerce of legislative jurisdiction over public health and health care problems.

I would like to make it abundantly clear that the Committee on Interstate and Foreign Commerce feels very strongly that its responsibility in the field of health is one of the most important legislative responsibilities given to it, and the committee takes these responsibilities very seriously indeed. This field of the committee's legislative responsibility differs somewhat from other fields assigned to it because in the case of health legislation the committee deals with human needs of all of our citizens. In many of the other legislative fields assigned to us we are dealing primarily with business organizations and trade associations, etc., and economic considerations frequently predominate and necessarily so.

In an effort to more effectively discharge the committee's responsibilities in the field of health, I have as chairman of the committee appointed a Subcommittee on Health and Science, of 11 members, with Congressman JOHN BELL WILLIAMS, of Mississippi, as chairman. It is my purpose to see that special attention is given to the problems and legislation in these two fields. It is also my aim that this subcommittee of able Members of the Congress keep in mind in the consideration of these matters, the subject which I have in mind for you today, The Third Party in Medicine.

I have not related to you the history of our committee's legislative responsibilities in the field of health merely to explain why our committee and not some other congressional committee has legislative jurisdiction over health measures. I wanted, however, to call to your attention that from the very inception of the Republic, Congress, in case it found such action was justified on the basis of a clearly established need, has accepted the fact that a third party might be required in special situations to provide needed medical services.

Every thoughtful person appreciates, no doubt, that a third party entering into a two-party relationship creates quite a problem. In the case of a marriage relationship, intervention of a third party almost invariably results in a breaking up of the marriage. Fortunately, however, this is not the rule with regard to all third parties. Take for example the case of the relationship between a Member of Congress and his constituents. A third party in the form of an interested group or an executive agency, might attempt to influence the Congressman-constituent relationship. Quite frequently a third party may improve this relationship by helping both the constituent and the Congressman. Then, there are other instances where nothing is further from the mind of a third party than to strengthen the relationship between the Congressman and his constituent, but on the contrary, is out to sever the relationship and to sever it for good.

What am I trying to say? I am trying to say that in the case of the relationship between a physician and his patients, just as in the case of other relationships, each case of a third party must be examined carefully on its own merits in order to determine whether the third party is likely to benefit or harm the relationship.

Let me examine then the nature and purpose of some of the third parties which participate in the physician-patient relationship and let us try to determine whether their participation has been beneficial or adverse. I do not mean with a view of determining the advisability of whether they are good or bad. Most of us have our own opinions about some of these programs. I merely wish to point to some results and with particular emphasis to the trend of today.

Let us take hospitals, for example. Surely they must be considered third parties when it comes to the doctor-patient relationship. However, could you imagine practicing medicine today without hospitals. As a matter of fact, it might be said that the construction of many hospitals, particularly in rural areas and small communities, has contributed to the establishment of new physician-patient relationships, because in many instances physicians could be induced to practice medicine in rural areas and small communities only after adequate hospital facilities were made available in those areas. Hospitals also help train new members of your profession by providing the facilities where medical students, interns and residents gain the practical experience required by physicians.

If we consider hospitals third parties then can we consider the Federal Government a third party once removed because the Federal Government, through the hospital construction program, has given impetus and support to the construction of new hospital facilities by State and local governments and private, nonprofit organizations.

While hospitals on the whole must be considered third parties which greatly benefit the physician-patient relationship, there have been some instances in which some hospitals have been criticized for disturbing established physician-patient relationships. Such criticism has come from physicians as well as from patients. It has been directed against the practice generally followed by hospitals of being selective about admitting members of the medical profession to their staffs. This selectivity (and I am not criticizing it when I refer to it) definitely affects the relationship between some physicians and some patients.

Where does that leave the hospitals as third parties? On balance, I would think, your profession would not want to do without hospitals. This does not mean however that each and every act of these third parties invariably is beneficial to the relationship with exists between a given physician and his patients.

Let us look at some other third parties. Their number has become legion in recent years. Private insurance carriers and prepayment organizations have increasingly become third parties which importantly participate in the physician-patient relationship. These carriers may be commercial insurance companies, or, they may be nonprofit organizations like the Blue Cross or Blue Shield. They may be prepayment plans organized by employers or employees, or they may be organized jointly by both employers and employees. They may be prepayment plans organized by consumers on a communitywide basis, or they may be prepayment plans organized by local medical societies which compete with consumer-sponsored prepayment plans.

All of these third parties greatly differ from each other with regard to the methods which they employ in participating in the physician-patient relationship. Your profession, through its local, State, and national organizations has scrutinized, and appropriately so, these methods for many years. You have approved some and you have actively opposed others. As I understand it there are many different points of view as to whether a given plan or method is beneficial or detrimental to the traditional physician-patient relationship.

This is a fundamental issue that has beset many Members of Congress, and especially the members of our committee, in the consideration of the many proposals, and I might say, demands which we have had in matters of public health. I am personally concerned about the trend in the thinking that goes into these legislative proposals but want to emphasize here that this is the fundamental principle involved between the traditional system, the freedom and unrestrained relationship on the one hand and governmental interference, or often referred to as socialized medicine on the other.

As new third parties appear on the scene, new issues will be raised for some time to come and perhaps the debate will become heated in particular cases to the point where some of these controversies will, as they have in the past, reach the courts, State legislatures, and the Congress of the United States.

There are other third parties that are not thought of quite as frequently as third parties because their attempts to influence the traditional physician-patient relationship are of a different character. I have in mind drug and pharmaceutical firms on the one hand and foundations and voluntary associations operating in the health field on the other hand. The committee has received a number of interesting communications from members of your profession pointing to the increasing amount of advertising engaged in by some pharmaceutical firms addressed to the public in general. The purpose of this advertising obviously is to create a demand on the

part of the general public for particular drugs. Some of these drugs may be sold on prescription only. Therefore, such public advertising is aimed at creating a demand on the part of the patients that physicians prescribe particular drugs. Thus, the pharmaceutical houses engaged in such advertising seek to influence the physician-patient relationship. Some physicians who have communicated with our committee have suggested that such advertising constitutes an unwarranted interference on the part of the particular drug manufacturer in the traditional physician-patient relationship. It is my understanding that the problems have been the subject of study by a special committee established by the American Medical Association. If these practices continue and increase in frequency, our committee too may desire to study how these practices affect the public welfare, or should I say public tranquility.

Public demand for particular drugs, or biological products, is created not only on the basis of public advertisements. Foundations and voluntary organizations concerned with particular diseases aim at reaching the public to arouse interest in these specific diseases and to stimulate their prevention or cure. In some instances substantial differences of opinion have arisen on the part of medical experts, whether a vaccine or a pharmaceutical or biological product is safe and efficacious and whether it should or should not be given to patients. There might be further disagreement among medical experts with regard to the methods which should be employed in applying the vaccine or the pharmaceutical product. The direct contact however which a foundation or other organization may have with the general public may greatly influence traditional physician-patient relationships. We cannot easily forget an experience so recently had which pointed out so forcefully this particular problem.

So, you can see we have a multitude of third parties which seek to participate in the physician-patient relationship. Some of the third parties have become generally accepted by physicians and patients. As to other third parties the situation is often not so clear, and this is particularly true with regard to some of the more recent third parties whose potential power for good or evil is very great indeed. As an example, you have the existing contentions which have arisen recently on certain kinds of prepayment plans.

It is impossible for me to discuss the benefits and disadvantages, both actual and substantial, of all the third parties that I have referred to so far. Therefore, I would like to single out for attention one third party to whose role with regard to the traditional physician-patient relationship I have given particular thought—and I refer to the Federal Government as a third party in medicine.

How are we to judge the role of the Federal Government as a third party? In order to do this we must be ever mindful of the nature of the physician-patient relationship.

In spite of the general tendency toward increasing specialization on the part of the medical practitioner, modern medicine appears to stress more and more the interrelationship of all human functions and the need for dealing with the whole person of the patient. This concept of medicine requires more than ever a peculiar relationship of confidence between patient and physician. Any attempt to make this relationship of confidence over into a service which can be routinized or standardized and which may be purchased at a going price in the market place can only result in destroying that relationship. This does not mean, however, that ways and means might not be found in the future by the medical profession on the basis of carefully conducted experiments of facilitating the rendering of medical services through the utilization of new and improved methods of prevention, diagnosis, and treatment.

If this personal relationship of confidence is to be preserved—and I, for one, am determined that it will be—it follows that the role of the Federal Government as a third party in that relationship must be carefully circumscribed if it is to further and not harm that relationship.

We might postulate, first, that the Federal Government should not play any "third party" role unless there is a clearly demonstrated actual need for such a role, and unless there is substantial agreement that such need cannot be met in any other way.

Secondly, we might say that after the actual need has been clearly demonstrated, and after substantial agreement has been reached that the Federal Government should become a "third party," then the needs should be met, wherever possible, through indirect rather than direct methods. In other words, the Federal role should not be, except in special circumstances like in the case of our Armed Forces, for example, to provide medical services but to help provide the facilities in which, or to create the conditions under which, physicians are enabled to furnish the needed material services without further participation of the Federal Government.

I believe that these two yardsticks—the yardstick of clearly demonstrated actual need and the yardstick of indirectness—have been employed by the medical profession in judging the merits—or the lack thereof—of health legislation. Those legislative programs which the medical profession has supported in the past, such as programs for Federal aid in the construction of hospitals and research facilities, have met this dual test of need and indirectness.

Another program which is pending before our committee, calling for Federal aid for the construction of medical school facilities likewise appears to meet these two tests and thus is receiving your support. Even though there is great urgency for this program to meet an emergency with the economy wave and the consciousness of ever great Federal responsibilities I have as chairman of the Committee experienced difficulty thus far in getting off of the ground with further authorization. Our committee has observed the caution sign emanating throughout the country.

The fact that in the case of some programs the Federal Government is an "indirect third party" does not mean at all that it is an "insignificant third party." Take the appropriations for the National Institutes of Health for medical research. These have grown over a 20-year period from slightly less than one-half million dollars in 1938 to more than $220 million in 1958.

In the case of the Hill-Burton program, Federal funds appropriated for the current fiscal year amount to $125 million, and the budget request for the next fiscal year is only slightly less. Since the inception of the program in 1946, the Congress has appropriated over $937 million for the construction of hospitals.

On the other hand, plans calling for compulsory health insurance which would have resulted in a substantial curtailment of the independent character of private insurance carriers and prepayment organizations have met with your spirited opposition, and I can truly say, mine too, consistently. I venture to say that in regard to that proposal you probably felt that there appeared to be no clearly demonstrated need for such a far-reaching program, and that the methods proposed in these measures directly injected the Federal Government as a "third party" in physician-patient relations.

Finally, let me say that in my judgment the Committee on Interstate and Foreign Commerce, whenever health legislation comes before it for consideration, will exercise the greatest care to see to it that the Federal Government does not unnecessarily become a "third party" in medicine. When a need for Federal participation has clearly been established, the Committee will examine the proposal to determine whether the methods by which the Federal Government would be called upon to participate are such that they will not adversely affect the all important relationship of confidence that must exist between physician and patient.

I want to remind you, however, that the American people have always felt free to call upon Congress to act in any area of their lives if they feel that a need for action exists. As you well know, a considerable amount of public attention has been focused on the high cost of medical care (of which doctors' fees are only a part). If the American people should feel that large segments of the population, as for example, the aged or the chronically ill are unable to secure adequate medical care because the cost of such medical care is beyond their ability to pay, then they will call upon the Congress to meet these needs.

In this respect the American people have changed little if any since the days when the famous Frenchman, Alexis de Tocqueville, visited these shores. Upon his return to France in 1830 he wrote: "These Americans are the most peculiar people in the world. You will not believe it when I tell you how they behave. In a local community in their country a citizen may conceive of some need which is not being met. What does he do? He goes across the street and discusses it with his neighbor. Then what happens? A committee comes into existence and then the committee begins functioning on behalf of that need."

Today, when individual needs remain unmet, through the efforts of private groups or through local or State government programs, the outcry to have something done in behalf of these needs reaches the Congress with increasing frequency.

I hope that some of the serious health needs to which I have referred can be met by your profession with the aid of private third parties. If they are not met in this manner, public pressure will be growing steadily at enlarging the area in which the Federal Government should participate as a "third party in medicine." The dangers inherent in such expansion of the Federal role in medicine are very real indeed, and much is at stake for your profession. I am confident, therefore, that you will not slacken in your effort to participate actively in trying to meet some of these urgent needs.

It Is Later Than You Think

EXTENSION OF REMARKS

OF

HON. FRANCIS E. WALTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1957

Mr. WALTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address, which I made on June 1, 1957, at the Catholic War Veterans' convention in Baltimore, Md.

Included is the statement of T. S. Bruchalski, commander of the Christopher Post of the Catholic War Veterans' 1957

Americanism trophy presented to Congressman WALTER by Commander Bruchalski:

IT IS LATER THAN YOU THINK

(Address by Hon. FRANCIS E. WALTER before Catholic War Veterans of the United States of America, Baltimore, Md., June 1, 1957)

On the letterhead of your organization appear these words: "The only thing necessary for the triumph of evil is that good men do nothing." This might well be the text upon which to base my remarks before this organization, the roots of which stem from spiritual sources, belief in God, the dignity of the human soul, and the direction of which is toward patriotic service.

These intangibles are the priceless heritage of the free West, to which approximately one-third the population of this globe adheres. The way of life which these intangibles sustain has been 2,000 years and more in development.

Just 100 years ago a German scholar, Karl Marx, under the influence of Hegel's philosophy of contradictions, and Ludwig Fuerbach's philosophy of the primacy of material things, developed a philosophy which, in essence, denies the existence of God and of the human soul. As a corollary, it denies the existence of morality stemming from a code of spiritual values. It asserts that man, his institutions, and society are determined exclusively by materialistic considerations. It conceives of a world class struggle as inevitable because of presumed clash of interest between those who produce and those who own; it proclaims that upon the elimination of the ownership class, the bourgeoisie, and a merging of production and ownership in a dictatorship of the proletariat, the working class, each will give according to his ability and will receive according to his needs, the state will wither away, evil will disappear, the millenium will have arrived.

Just 50 years ago the philosophy of Karl Marx gained impetus as an organized force at a conference of the Russian Social Democratic Party, held in London, where Nicolai Lenin formed a Bolshevik faction, later known as the Communists, to be the catalytic agent of this inevitable class warfare. Here are the words from the Communist manifesto:

"The Communists disdain to conceal their views and aims. They openly declare that their ends can be attained only by the forcible overthrow of all existing social conditions."

Here are the words of Nicolai Lenin:

"The existence of the Soviet Republic side by side with imperialist states for a long time is unthinkable. One or the other must triumph in the end, and before that end supervenes a series of frightful collisions between the Soviet Republic and the bourgeois states will be inevitable.

"We must be able to withstand all this, to agree to all and every sacrifice, and even—if need be—to resort to various strategems, artifices, illegal methods, to evasions and subterfuges."

You and I may agree that this Communist force is unsound and unworkable, and we, like the overwhelming majority which it enslaves, do abhor it, but nevertheless today, just 50-odd years from its inception by Lenin, this force, called communism, controls one-third of the population of the world. In other words, today one-third of the population of the world are adherents to the basic philosophy to which you and I adhere, grounded in faith in God and spiritual value. One-third of the population of the world is enmeshed within the grip of international communism, and the remaining one-third—the so-called neutral bloc, the Middle East and the Far East, consisting of 800 million people, appear to be gravitating within the orbit of the international Communist conspiracy.

Now, let us face up to two elemental cold, hard facts:

First, today, of the 86 nations of the world, there is only 1 principal deterrent to world domination by the Communist conspiracy, and that is the United States of America.

Second, the Soviet Union, its satellites, and all within its influence are at war with the United States of America. It is a war which has already cost billions of our Treasury and the blood of our youth. It is a total war—political, economic, psychological, diplomatic—and it is a global war. Finally, it is a war which they, and not we, are winning.

In the course of the last year the Committee on Un-American Activities has assembled and released factual material on the international Communist conspiracy. We released some several months ago a report prepared for us by the Research Institute of America, which is one of the outstanding research organizations of the Nation. This report, after an appraisal of each of the many facets of the world Communist conspiracy, has this conclusion:

"These are the hard facts: Economic and military strength of the Moscow-directed one-third of the globe is rising steadily. The new Soviet leadership's domestic and foreign policies are far more subtle and shrewd than those of Stalin. Most important, the new Soviet policies have been astonishingly successful. It adds up to this: Right now we and our allies are losing the battle against world communism."

Several months ago, our committee brought to the United States for consultation, Ernest Tillich, who is head of one of the strongest anti-Communist groups in Europe. This group is the fighting group against inhumanity. In the course of his testimony, we asked him how late it is on the timetable of international communism. His response was "it is 5 minutes until midnight and the clock is moving fast."

We likewise received the testimony of experts on the Hungarian revolt. We were impressed with two conclusions on which the experts agreed. The first is that the Hungarian revolt demonstrated to the neutral bloc nations the impotency of the West, and second, that the result was a clear warning that there can be no successful defection from the grip of the Red octopus.

We likewise received testimony from experts respecting the Communist penetration in the Middle East where the recent Suez crisis has been exploited by Communist propagandists, and where the minds of hundreds of millions are being swayed toward Moscow. May I mention in passing that the testimony before our committee by experts on world Communist propaganda is to the effect that over $3 billion annually are spent by the Communist bloc on its ideological offensive, with hundreds of millions being spent in the Middle East alone.

Our committee received testimony from authoritative sources respecting the Communist penetration and now virtual control of vast areas of Asia. We heard of the narcotics offensive stemming from Red China, in which there is a deliberate highly financed campaign piercing principal capitals of the non-Communist countries of Asia for the purpose of demoralizing these pockets of resistance and to obtain hard currency with which to run the war machine of Red China.

I have given you just a few highlights of this international world conspiracy which is controlled through a network of 25 million Communist agents encircling the globe. My purpose in alluding to these few facets of the world conspiracy is so that my discussion of the Communist Party in the United States may be in proper perspective, because we must never overlook the fact that the Communist Party in the United States is a fifth column of foreign agents on American soil—foreign agents who are working zealously night and day as part of a world conspiracy for which the principal target is this Nation.

Here are the words of William Z. Foster, who is now the leader of the Communist Party of the United States: "When a Communist heads the Government of the United States—and that day will come just as surely as the sun rises—the Government will not be a capitalist government, but a Soviet government, and behind this government will stand the Red army to enforce the dictatorship of the proletariat."

In the United States today, there are an estimated 17,000 trained hard-core agents of the Kremlin, who are the nerve centers of our society. These are the so-called members, and I emphasize the word "members," of the Communist Party. Under date of June 4, 1951, the national committee of the Communist Party issued an order that "only those members whose membership is approved by the appropriate committees of the Communist Party on or before August 8, 1951, will be, and remain, party members."

At that time the Internal Security Act of 1950, which was developed by the House Committee on Un-American Activities, was just beginning to take effect and so the Communist Party burrowed deeper underground. How many comrades relinquished formal membership but remained in the apparatus, I do not know. We do know, however, that for every 1 of the 17,000 members of the Communist Party, there are an estimated 10 who are under Communist Party discipline. This apparatus of 170,000 people operates in this country through over 800 front organizations, and through thousands of fronts which they have created in front of the fronts. Compare this army, if you please, with the FBI, which is a magnificent organization, but which has roughly five to six thousand agents who are committed for all kinds of enforcement work, of which internal security matters are only a small part.

As chairman of the Committee on Un-American Activities, I say to you now, as the witness Clifford Miller, who had served as an undercover agent for the FBI in the Communist Party, testified at our recent hearings held here in Baltimore, that the Communist Party today in the United States is a greater menace than ever before.

How does this conspiracy operate? What are its objectives? What is it accomplishing for the world conspiracy here, now?

Let me pause to quote one of the top world figures of the Communist Party, George Dimitrov, who was a leading instructor in the Lenin School in Moscow:

"As Soviet power grows, there will be a greater aversion to Communist parties everywhere. So we must practice the techniques of withdrawal. Never appear in the foreground; let our friends do the work. We must always remember that one sympathizer is generally worth more than a dozen militant Communists. A university professor who, without being a party member, lends himself to interests of the Soviet Union, is worth more than a hundred men with party cards. A writer of reputation, or a retired general, are worth more than 500 poor devils who don't know any better than to get themselves beaten up by the police. Every man has his value, his merit. The writer who, without being a party member, defends the Soviet Union, the union leader who is outside our ranks but defends Soviet international policy, is worth more than a thousand party members.

"Those who are not party members or marked as Communists enjoy greater freedom of action. This dissimulated activity which awakens no resistance is much more effective than a frontal attack by the Communists. Our friends must confuse the adversary for us, carry out our main directives; mobilize in favor of our campaigns people who do not think as we do, and whom we

could never reach. In this tactic we must use everyone who comes near us; and the number grows every day."

Let me say here, that one of the principal objectives which the Communist Party has attained in the United States, is to develop a spirit of apathy, an attitude that those who fight the Communists are the real menace and not the Communists themselves. Let me give you a few illustrations of what I have in mind. Some few months ago, a man who was a professor in a college in my State was identified as a hard core Communist by a witness of unimpeachable integrity under oath before our committee. In accordance with the practice of our committee, this professor was subpenaed and interrogated respecting the identification of himself as a hard core member of the Communist conspiracy. This professor invoked the fifth amendment as he had a right to do. A copy of the transcript of the entire proceedings was requested by the college and after the proceedings were carefully studied, this professor was called before the governing body of the college for examination. He was thereafter discharged. Within the course of just a week or two, the American Association of University Professors issued a censor condemnation of this college for firing this Communist. The censure condemnation was on the ground that the action taken by the college constituted an interference with academic freedom.

I could spend literally hours reciting to you similar incidents of the growing strength of the anti-anti-Communist movement in the United States, including the work of the $15 million tax-exempt Fund for the Republic which spent $120,000 on a dishonest report to the effect that there is a wave of hysterical discrimination in employment against people because of political belief. We investigated the background of this report and revealed that in every instance used as a basis for the report, the individual involved was an identified Communist, and that the actual discrimination or so-called blacklist has been and is against those who are dedicated, patriotic, anti-Communists, rather than against the Communists whom the report characterizes as merely persons of a particular political belief.

May I say in passing that it was this same Fund for the Republic that made an award of $5,000 to a church group in my State on the erroneous theory that this church group employed an identified Communist as a librarian. The facts are, of course, that the church group, the Plymouth Quaker meeting, was opposed to the employment of the Communist librarian; that the members of the Quaker faith who served in the library board that did engage the Communist librarian, resigned in protest, and that the $5,000 award has not been accepted.

A subcommittee of the Committee on Un-American Activities, some several months ago, was in the process of developing factual material on what we termed "Communist political subversion," namely the efforts of the Communists to bring pressure on governmental agencies through grassroots organizations controlled by the conspiracy. In the course of the hearings which were then being conducted in Los Angeles, certain lawyers who are representing identified Communists, and who themselves had been identified by witnesses under oath as members of the Communist Party, so disrupted the proceedings by every conceivable type of disorderly conduct that the subcommittee had no alternative but to cause the Communist lawyers to be ejected from the hearing room. Thereafter, the Bar Association of California issued a scathing indictment of the Committee on Un-American Activities on the theory that by evicting disorderly Communist lawyers from our proceedings we were in some way depriving their clients of a free selection of the attorneys who should represent them.

I think I should mention that Congressional committees do not have contempt power such as the courts have for punishing those who disrupt the proceedings. The only contempt power that a Congressional committee has is to refer, via the Congress, to the courts for trial, anyone who fails to furnish information which the law provides that the committee is entitled to receive, or who commits perjury. Beyond that, committees of Congress are powerless, and of course the Communists know this and take every advantage of it.

I have often thought that the effectiveness of the Committee on Un-American Activities is in direct proportion to the amount of attack and criticism which we receive. I was therefore a little surprised to find that we did not receive more criticism than was actually leveled at us as a result of the hearings which were held recently here in Baltimore. I was glad that the hearings were telecast, so that the average Mr. and Mrs. American here in this great area could see for themselves not only the facts which were developed in the course of the hearings, but the procedures and practices of the committee itself. May I say that with a few notable exceptions, the communications we have received from this area respecting the hearings are most heartening. We knew that our hearings in Baltimore produced only a fair sampling of Communist activity in this vital area. Our responsibility as a Congressional committee is so broad and our facilities are too limited for us to attempt to run down all possible leads in any given area. We have a staff of only 35 persons, with just 6 investigators for the entire Nation. We did, however, I believe, develop information here of significance and value in the discharge of our duty.

Some several months ago, the Communist Party created an organization with the innocent name Citizens Committee To Preserve American Freedoms whose purpose is to coordinate the activities of all Communist fronts and the fronts in front of the fronts, for the avowed objective of abolishing the Committee on Un-American Activities. Before the Baltimore hearings, we knew that the Communist Party had sent instructions to comrades here as to how they were to proceed and the manner of their attack against our committee.

Recently my attention was directed to an article in a Baltimore paper carrying a severe criticism of our Baltimore hearings by a member of the clergy, who, among other things, is alleged to have said that the real reason for the public inquiry was that it was necessary in some people's minds to cultivate fear of Russia. I would not for a moment suggest, because I do not know, that the author of the attack is under Communist Party discipline. I do know that in April of 1943 he was listed as one of the signers of a letter asking the then President to set aside deportation orders against international Communist agent Harry Bridges. I do know that in January of 1953, he was listed as one of those from Baltimore who urged the President to extend clemency to atom spies Ethel and Julius Rosenberg. I do know that he has lent his name and prestige to the Communist-front American Council on Soviet Relations.

Let me quote J. Edgar Hoover, in his testimony before our committee in 1947: "I confess to a real apprehension so long as Communists are able to secure ministers of the gospel to promote their evil work and espouse a cause that is alien to the religion of Christ and Judaism."

I know too, that the force which we fight is dedicated to the destruction of religion; that in its ascendency to power it crushed within Soviet Russia alone, 20 million human beings and it destroyed an estimated 40 million human lives in Red China. I am more than a little puzzled that a minister of the gospel would be so blind that he would rely upon the integrity and good faith of the cynical atheistic conspirators instead of the integrity and good faith of the elected representatives of the people of the United States.

How serious is the Communist conspiratorial operation to our national defense? Glance, if you will, at just two typical items of information before our committee. Right now the International Union of Mine, Mill, and Smelter Workers having an estimated 85,000 employees in mines vital to the defense of this country, is controlled lock, stock, and barrel by the Communist Party. Right now, employees of the American Communications Association, the top leaders of which have all been identified as members of the Communist conspiracy, man the tie-lines and lease-lines emanating from the Pentagon itself, and service the North Atlantic cable.

What is the political objective of the Communist Party now in the United States? The No. 1 objective, as announced to the comrades assembled at the National Communist Convention in February, is the destruction of the Immigration and Nationality Act. In the course of the last 2 or 3 years, the Communist Party has created in the United States 180 organizations in 15 key States all for the purpose of bringing pressure on the Senators and Congressmen to repeal the Immigration and Nationality Act. Most of the people who are in this apparatus do not have any idea that they are being used by the Communist Party.

Now I would not say, although I suspect, the leftwing press will misinterpret my statements, that everyone who advocates changes in the Immigration and Nationality Act is a Communist or under Communist Party discipline. The fact is that the Communists have found ready allies in the professional immigrationists, the do-gooders, and in the politicians who seek to woo the so-called nationality bloc vote, promising more and more visas at a time when we have the highest immigration since 1926.

Masquerading behind a facade of humanitarian appeals, this drive which is now in process, if successful, would destroy the principal safeguards of our immigration system. It would triple immigration to this country and abolish the only nonpolitical formula; the national origin quota system, which has ever been devised for apportioning visas among the clamoring millions of the world. As coauthor of the Immigration and Nationality Act, and as one who has spent literally years in careful study and investigation of our immigration system, I say to you that weakening amendments to the Walter-McCarran Act which are currently pending in the Congress, will undermine the security structure of this Nation. I shall fight those weakening amendments with every fiber of my being, because in my studied judgment, I will be fighting the cause of preserving this Nation.

How late is it?

Here are excerpts from an article by Msgr. William McGrath, as it apepared in the Brooklyn Tablet of July 1955:

"No war. No hydrogen bombs. No mass slaughter—till after the victory has been won.

"The coup d'etat, in course of accomplishment even while you are reading these lines, will be engineered to final success by the entrenched and untouchable traitors in high places, aided and abetted by their strategically placed cohorts in the nerve centers of the Nation.

* * * * *

"It will be the fulfillment of the prophecy made by Lenin in 1923: 'First we will take Eastern Europe, then the masses of Asia, then we will encircle the United States, which will be the last bastion of capitalism.

We will not have to attack. It will fall like an overripe fruit into our hands.'

* * * * *

"Condone. Appease. Pretend. But above all forever surrender. Peace in our time, wherever we've heard that before. Bury your head in the sand while Russia enslaves the rest of the world and hope—that it cannot happen here.

* * * * *

"Thank Heaven not all people have given up. A few brave souls in America are trying to arouse the country from its sleep of death."

Yes, my friends, it is later—much, much later than you think. It is happening, and it is happening here, now.

PRESENTATION OF CHRISTOPHER POST, NO. 841, CATHOLIC WAR VETERANS, 1957 AMERICANISM TROPHY, JUNE 1, 1957

(By T. S. Bruchalski)

Mr. Toastmaster, our honored and most distinguished guest, Congressman WALTER, distinguished guests at the dais, reverend members of the clergy, officers and members of the Catholic War Veterans, ladies and gentlemen, a few weeks ago we in the Baltimore area were privileged—if it can be called a privilege—to partake in a drama—really a tragedy—at which the very soul of our beloved Republic was being torn asunder by those whose hate should have been a love, whose calculated betrayal should have been a dedicated devotion.

However, that which we witnessed, either in person or in our homes, was actually an epilogue. For it was, in reality, a sorrowful summation of a series of traitorous events by those who would destroy, yes, by those who would destroy within the very shadows of that lady whose majestic mantle was so richly woven with the faith and devotion of dedicated men, dedicated to the principle that we posses inalienable rights, rights whose origins of their very essence come from God—not from men.

Tonight, however, we have with us some of those who were a part of that drama, but those who have supped and drank freely of these truths, those in whose minds the memorable words of Lincoln, that "to sin by silence when they should protest, makes cowards of men," must have been indelibly enshrined.

Out of a tremendous love for their country, they gave freely of themselves, out of that same dedicated devotion so characteristic of our fathers of yore for their beloved Republic so richly blessed.

They must have known what it would mean to play the role of a traitor—knowing all the while—that others surrounding them were actually and consciously dedicated to this horrendous crime.

Tonight, we of the Christopher Post have asked them to share the joys of this evening with our honored guest. We felt proud that they should have sacrificed their sterling individuality—at least for a while—to have immersed it into one so deathly alien to them.

It was a difficult thing. Even the best of us would have desisted from this bitter task.

Our unit has already formally extended to them our gratitude, and tonight, all of us here assembled to honor the driving force—as it were—of that courageous Americanism as exemplified in our honored guest, have an opportunity to express our sincerest wishes to Miss Irene Barkaga and Mr. Charles Craig, present here this evening as guests of our post. (Because of his unexpected work schedule, Mr. Clifford Miller could not attend but verbally sends his personal wishes to his other two compatriots and to our honored guest of the evening.)

Congressman WALTER, we of the Christopher Post feel that this presentation of our 1957 Americanism award is really a token of boundless appreciation from all of us here assembled.

Let it be an emblem of our united faith in you and the tremendous task to which you are so completely dedicated.

Let this humble award—but a human symbol of our dedication to your noble cause—be ever a spiritual reminder of our hope in you and in those like you, yet remaining in the ranks of the valiant, against this unholy breed.

We cannot help but feel that they who would destroy are dissipating our ranks. And yet by silence, we cannot and shall not sin. For that is a coward's lot.

Nor are we afraid. For, as has been so ably said, that even one with God, is a majority.

To Him, therefore, we send up our prayer when we in the simple words of this inspiring Irish wish would want to say:

"God be good to you in all your days
God be kind to you in all your ways
God give strength to you when crosses lean
God send light to you the clouds between
God give peace to you in times of strife
God bless everything that fills your life
God send joy to you when grief is o'er
God make way for you at heaven's door."

Protect Our Workers Against Further Intrusion by Foreign Fuel

EXTENSION OF REMARKS

OF

HON. ELIZABETH KEE

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1957

Mrs. KEE. Mr. Speaker, the coal industry has been bludgeoned by unfair competition from international oil companies for the past 10 years. Since 1947 more than a billion barrels of foreign residual oil—the equivalent of 275 million tons of bituminous coal—have entered America's fuel markets.

To communities of West Virginia and other coal-producing States, this deluge has brought needless destitution and despair. More than 250 million man-hours of work have been lost—never to be regained—for coal miners alone. Consequent unemployment in the railroad industry has also been staggering. American families have been forced to survive without many of the necessities of life. In this period of aggression on the part of international oil shippers, many children have grown to adolescence without proper nourishment—a deficiency that in many cases can never be remedied. Young men and women have been deprived of an opportunity for higher education because their fathers had to suffer the ignominy of idleness in order that rich international oil companies might get richer.

We in Congress who are familiar with this situation have pleaded in vain that the prayers of our people may be heard by responsible officials in the executive department. We were given some hope 2 years ago when a Presidential Advisory Committee took cognizance of the danger inherent in excessive oil imports. Unfortunately, there has been no enforcement of the recommendations thus submitted by the committee and later included as the national defense amendment to the Extension of the Trade Agreements Act. Residual oil continues to sweep onto our shores in whatever volumes the shipping companies choose to send.

The President recently ordered the Director of the Office of Defense Mobilization to take action toward reducing import levels, yet we have no actual assurance that a cutback in imports will be insisted upon. Furthermore, the White House directive did not specify that residual oil should receive specific consideration in the import matter. Unless this product is categorized apart from crude and imports in general, it would be possible for the shippers to make up a preponderant portion of their import allowables with residual oil; for that matter, if a total of a million barrels per day of crude and products were permitted to come in, there would be nothing to stop the shippers—unless the ODM rules otherwise—from increasing their residual oil import schedules to 366 million barrels per year.

While the coal industry is forced to operate in an atmosphere of insecurity that will prevail so long as the extension of the violation of its markets is to be determined by the whims of international oil executives, still another threat is forming from outside our borders. A group of international financiers is now striving to encroach anew upon the coal industry and the people who depend upon it for a living.

Mr. Speaker, I refer to the applications now before the Federal Power Commission for bringing natural gas from Canada into Midwest markets being served by coal from West Virginia and other Appalachian areas. Our people do not understand why the United States Government should permit world fuel merchants to flimflam them out of their means of livelihood. In the past several weeks I have spoken with coal producers and mine union representatives about the problems confronting us. I have told them frankly that I feel Congress has been negligent in not making it clear to the Federal Power Commission that it is obligatory upon the Commission to reject applications for bringing natural gas across our borders when such imports would be inimical to the general welfare. While to me it is inconceivable that the Commission would approve applications which would inevitably result in layoffs for a great number of American workers, it is nevertheless our duty as Members of Congress to make certain that the Commission understands its duty in this respect.

Earlier I mentioned that many sons and daughters of coal miners have been deprived of college educations because their fathers' paychecks stopped coming in when residual oil imports began to flood American markets. Can this Government permit a repetition of this situation by approving this promotional scheme which will benefit most those few people who expect to make a financial killing through the Canada-United States pipeline? I have been to many high school graduations. I think that most of us adults share similar emotions

as our young men and women consummate more than a decade of scholastic training by participating in the traditional ceremonies that mark the termination of a high school career. We recognize that the ceremonies are a tribute to a meritorious achievement of those young people, but at the same time we—better than they—are mindful of the responsibilities that lie ahead. For those children who aspire to additional learning but realize that the roads to colleges and universities are closed to them because their parents are unable to pay the way, graduation day's joys are tempered with dismay and frustration. This outlook is in prospect for many boys and girls who will be graduating in West Virginia and other coal-producing States in the days immediately ahead. For the FPC to allow further destruction of the labor market in those States would be to add immeasurably to the woes of those young people and their families.

Now let us consider the situation of some of the promoters of the plan to bring natural gas across our border and at the same time debilitate the employment capacity of the coal industry and of the railroads which are accustomed to carrying this fuel to market. Let me quote a portion of a news dispatch from Timmins, Ontario, that appeared in the Toronto Daily News of May 11, 1957, in its reference to an address by a member of the Conservative Commonwealth Federation:

M. J. Coldwell, CCF leader, last night kicked off a national campaign in this gold-mining city with a charge that United States promoters of the Trans-Canada pipeline have already harvested more than $26 million in profits.

"And this before a single cubic foot of natural gas has been moved through the pipeline; indeed, before the pipeline has ever been completed," he remarked.

Two Canadian officials of Trans-Canada alone * * * would make more than $1 million each, as a result of Trans-Canada stock options, the CCF leader charged.

Mr. Speaker, I of course cannot vouch for the authenticity of this statement. There has been, however, so much criticism about the financing of the pipeline project that I question whether it would be either moral or practical for the FPC to agree to allow this proposed invasion of United States markets. On March 27, 1957, the Stratford, Ontario, Beacon Herald printed an editorial which began this way:

Who says there are no more success stories?

Consider the case of Mr. Nathan Tanner, of Alberta, and of Mr. Charles Coates, of Texas.

Mr. Tanner, president of Trans-Canada Pipe Lines, Ltd., took up an option on 55,000 shares of Trans-Canada at $8 a share, and Mr. Coates, vice president of Trans-Canada, an option on 50,000 shares.

On a recent Friday Mr. Tanner's and Mr. Coates' Trans-Canada shares were selling at $24.

Nice work, if you can get it.

I ask whether it would be moral to approve of a United States connection with the Trans-Canada pipeline because it seems to me that there is too great a disparity between the financial and economic positions of our coal miners and the pipeline promoters to permit further enrichment of the latter at the expense of the former. I ask whether it would be reasonable and practical to allow this pipeline to oust coal and oil from the Midwest markets that they have established and have come to depend upon. If there is already so much debate in Canada about the financing of this project, who is to say that—once it were established and our markets were to depend upon it—there would not be a tendency to raise drastically the price of the gas or even to put an enormous tax upon it as a means of replenishing what reportedly has already been lost to the Canadian public because of the manner in which it has been promoted?

Mr. Speaker, I do hope that the FPC will reject the applications for bringing Canadian gas into these markets if the evidence in the case indicates that American interests may be adversely affected by the Canadian gas proposals. An indication of the serious public questions involved in this case is evidenced by the fact that the applications for Canadian gas are being protested by the following:

National Coal Association.
United Mine Workers of America.
Fuels Research Council, Inc.
Anthracite Institute.
Chesapeake & Ohio Railway Co.
Maher Coal Bureau.
Midwest Coal Producers Institute, Inc.
Truax-Traer Coal Co.
Baukol-Noonan, Inc.
Dakota Collieries Co.

Meanwhile I believe it would be judicious and humane on our part to make whatever revisions are necessary in the Natural Gas Act to be sure that our men, women and children in coal-mining communities will not be exposed additionally to a predatory foreign fuel.

Commencement Addresses by Hon. Mike Mansfield, of Montana

EXTENSION OF REMARKS

OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Monday, June 3, 1957

Mr. MANSFIELD. Mr. President, during the past week I delivered four commencement addresses in Montana and Iowa. I ask unanimous consent that the addresses made by me on those occasions be printed separately in the RECORD.

There being no objection, the addresses were ordered to be printed in the RECORD, as follows:

THE NATION'S FUTURE IN THE WORLD

(Address by Senator MIKE MANSFIELD, of Montana, commencement exercises, Central Catholic High School, Billings, Mont., May 26, 1957)

Ladies and gentlemen of the graduating class of 1957, distinguished members of the faculty, parents, relatives, and friends, I am deeply honored to be asked to participate with you in this graduation.

To me, graduation means more than an end or a beginning. It means both at the same time. It means, in other words, a continuity which links one phase of life to another.

In this sense, a graduation is an expression of the law of life, which is change in the unchanging. That may sound mysterious and profound. In fact, it is neither.

Look around you, think for a moment, and you will see the meaning of this law of life. You will see that in the past few weeks spring has come to replace winter and the earth has grown green again. You will see that boys and girls are moving into manhood and womanhood. Those of you who are old enough to remember—that would include only the gentlemen present—those of you who are old enough will note that even Billings has grown into something different, into a larger community with a new look, in the space of a few short years.

If you look around you, then, if you think about it for a moment, you will be aware of change in all things—constant, endless change.

There is a sadness in some of this change. We are reluctant to see the passing of a time with which we are familiar, a time which has brought many happy associations. We are not certain of what will come in its place and it is hard to trust what we do not know.

Yet, change must come; that is clear. It seems to me that we can find strength to face the challenge of change, if we bear this in mind: the law of life is not only change; it is, as I noted, change in the unchanging.

Just as the spring has come this year, it will come again and again. Just as the earth has grown green this year, it will grow green each year in all the years to come. That is the constant. That is the unchanging in the changing.

So it is with the things that have lasting meaning in each of our lives. There, too, we will find things that are enduring in the midst of the changing. What, for example, made your days as students in this high school worthwhile? Your studies? No doubt. But studies change. Some will continue to interest you and some will not. Your extracurricular activities? Undoubtedly. Perhaps some of you may think that they were even more worthwhile than your studies. But extracurricular activities also change and some will continue to interest you and some will not.

I think that beneath these things, beneath the day to day routine of the past few years there was something deeper that made high school worthwhile for you. There was something less tangible perhaps than studies or extracurricular activities, but, in the long run, more important. There was something which gave lasting meaning to these years in your lives.

Was it, perhaps, the understanding that you had from friendly members of the faculty? Was it the affection which you shared with one another? Was it the courage with which you faced the problems of learning and living? Was it the faith you felt that life was good and God was good?

I know that these are things that a person is not aware of every minute of the day. That does not make them any less important. They are there, in all of us, and they are fundamental. They are constants, the enduring. They will be there with you throughout your life.

What we see, then, changes. What we do, changes. But what we are and what we feel underlies everything we see and do. That is the unchanging in the changing. If you go into the future with the understanding and tolerance, with the honesty, with the courage and with the faith, which gave deeper meaning to your life here during the past few years then you can go into it without fear. These feelings will guide you in dealing with whatever may arise in that future.

What applies to each of us individually also applies to our country. I talk to you today, about our country because its future and yours are closely interwoven. Just as your responsibility for your own future will grow increasingly heavier in the next few years, so too will your share of responsibility for the Nation's future.

Countries, ours no less than others, are governed by the same law of life that governs each of us: change in the unchanging. It could hardly be otherwise, for nations are the creations of human beings. This Nation is constantly changing. What we call the United States at this moment is not an abstraction. It is the product of the lives of all the individuals who have composed the Nation since the beginning. It is the sum of the great lives and the unknown lives, the lives of the countless millions who have made their contribution in conquering a wilderness, in agriculture, in labor, in defense, in science and industry, in religion, in education, in ideas, and hopes, in the raising of each new generation to maturity. All of these lives have left their impression on the shape of the Nation and that is your national heritage. But just as the Nation is different today than it was 50 years ago, 50 years from now it will be still something different.

The United States, in short, grows and changes as the individuals within it grow and change. It must change if it is to endure. As it is with the individuals so it is with the Nation. In growing and changing there are certain constants which make our national existence worthwhile, which enables us to meet new challenges successfully.

When we think of our Nation's future in the world it will be helpful to think of it in those terms, as though it were a growing individual. And I want you to think of the Nation's future, today, for as I mentioned, it is interwoven with your own. Each of you will have much to do with shaping the future of the United States and that future, in turn, will exercise a great influence on yours.

Time does not stand still and neither does our country. I would like you to reconstruct from your studies of history a picture of the United States a century ago. You will recall that our State of Montana, most States west of the Mississippi were settled then by a handful of people—many of them were your grandparents and great grandparents—many of them immigrants. They lived in isolated communities with little contact between one community and the next. They hunted and fished. They did some simple farming. They raised stock. They dug minerals from the mountains. They had few machines to help them. They had few of the conveniences that we take for granted today. There was no electricity, no telephone, no theaters, no radio or TV. They had few schools in which to educate their children.

Until the railroads came, there was little regular contact with the more settled areas of the eastern part of the country. Not many people knew or cared what was happening west of the Mississippi if they were east of it. And if they were west of the river they knew little of what was happening in the East. As for the rest of the world, few people in the United States knew anything about it or gave much thought to it.

Now, that has changed. The people who came to Montana, to the West, their children and their children's children built a new way of life here. Population has grown. The power of rivers has been harnessed through dams like Hungry Horse, Kerr, Tiber, Canyon Ferry, and more will be harnessed in our service through new dams like Libby in northwestern Montana and, in this section, Yellowtail, if we are ever able to convince the President that we need it, as you and I know that we need it. New industries have developed and more will develop. Schools have multiplied and we have learned many new ways of thinking and doing.

Most significant in the changes of the past century within our State is that we are no longer a scattering of communities, isolated and unconnected. We are linked together as never before by a complex system of airways, rails, and roads. We can pick up a telephone here in Billings and call any point in the State. Soon, I hope, TV will link every part of the State and the State with the rest of the Nation, as radio already does.

What is all this leading up to? The point I am trying to make is that, over the past century, the citizens of this State have been drawn by the processes of change into closer and closer integration. What is happening within the State is also happening within the Nation. All of the States are now tied together more closely than ever before.

What happens in other States and in Washington is now known to us immediately and affects us very directly. In turn, what we do affects the rest of the Nation profoundly and is known elsewhere promptly. In other words, a great interdependency and unity has developed throughout the United States. This means that, more and more, the Nation grows and prospers as a whole or it does not grow and prosper at all.

And what is happening in the United States is happening throughout the world. Other countries are no longer remote from us. We know promptly what is happening beyond our borders and others know promptly what is happening here. Our products are sold in vast quantities on every other continent. We draw on those continents for many of the essential products of our daily life.

A few decades ago we would not have even learned of a political upheaval in the Middle East until days or perhaps weeks after it had occurred. Today, almost simultaneous with its occurrence, the President finds it necessary to dispatch a fleet of naval vessels to the scene because he believes it may involve our vital national interests.

In other words, a process similar to the integration which has gone on within our State and within the Nation has also taken place in the world. We are no longer immune from the impact of events thousands of miles away. These events may act to hurt the Nation or to help the Nation. One thing is certain, however, sooner or later, they are bound to affect us.

No single person brought about this situation. It is the result of the never-ending process of change which goes on wherever there is life. We may not like the situation. We may feel uncertain as to where we are headed, just as I noted earlier you men and women may sense a sadness and uncertainty in graduating. Nevertheless, out of consideration for the Nation's future, we have got to face these changes in the world. We have got to try to understand what they mean to us. We have got to try to deal with them in a way which safeguards the Nation and its future.

What are the changes which have taken place in the world during these past few decades? Again, if you will recall your studies of history, you will have a picture of what the world was like a few decades ago so that we may contrast it with what it is like now. You will recall that Europe, particularly Great Britain, a half century ago was the citadel of international power. It shaped events practically everywhere else in the world. The United States and Japan were the principal exceptions. These two countries were growing rapidly in independent strength. Elsewhere, however, the countries of Europe controlled a seemingly inert and motionless world. The Europeans directed international commerce and industry and the political life of many peoples. China, India, and most of Asia were in a state of political sleep. Latin America, Africa, and Australia-New Zealand were great but little known continents. They poured natural wealth into the channels of international commerce but otherwise had little effect on events in the world.

The Europeans themselves were divided into rival national states. So long as they keep their rivalries from erupting in war among themselves, however, the rest of the world did not challenge their combined power. Their rule over other peoples produced at least a semblance of peace and calm over the face of the earth.

Under the surface of this calm, however, change—that constant law of life—was at work everywhere. It was hidden and it was often suppressed but it was not to be denied. In two great wars and the swift cavalcade of international events in their aftermath, the force of these long pent-up changes burst upon us.

We find ourselves, today, in another world, far different from that of a half-century ago. Europe is no longer the great citadel of power that once it was. Instead, the nations of that Continent have had to struggle for years merely to restore the devastation of World War II and to preserve their independent survival. And they would have been unable to do either had it not been for the help which this country extended to them. A dozen years after World War II, the European nations have still to regain their former importance and they are not likely to regain it unless they draw closer in unity among themselves. They are suspended between two poles. The one pole is the expanded totalitarian power of the Soviet Union. The other is the power of freedom of the United States. They are attracted towards us but many of their citizens look towards Russia or fear the power of Russia.

This new world in which we find ourselves today is also a world in which the slumbering nations of the past have awakened. India, China, nations in the rest of Asia, in the Middle East and Africa—these nations are coming out of a long night of political sleep. Some have awakened in a friendly, cheerful mood. Some have awakened growling and scowling. And some have just plain got up on the wrong side of the bed. Whatever the case, however, all of these nations are a part of this changed world in which we find ourselves and they have to be reckoned with.

So, too are the developing nations of Latin America and elsewhere—Canada, for example. Each in its growing strength and in its expanding achievements is a new factor in the world in which we must work out our future.

This world of today is also a world of instant communications. And it is a world in which space is losing its meaning. In aviation, distances are no longer calculated in miles but in hours of flying time; with the coming of the jet age they will soon be calculated in minutes and seconds.

It is a world in which nations depend intimately upon one another for the food, the minerals, the countless products which are essential to their existence. It is a world in which no one part is far from or can be separated from the rest.

It is, in short, a greatly different world from that of a century or a half century ago. It is a world of new dangers. You graduates know from your science studies the grim possibilities which it contains. You know the implications of the threat of atomic war.

Even the testing of nuclear weapons let alone war with these weapons, raises complex questions. When a single hydrogen bomb is set off in a test in the Pacific, for example, it is necessary to close off over 400,000 square miles of the ocean to all ships to guard against accidental death or injury. And we do not yet know with any degree of certainty what the long-range effect of the so-called radioactive fallout from nuclear explosions will be on human life and

future generations. We do know, however, that like X-rays, the effect of this fallout is cumulative and that it can be highly dangerous to mankind in concentrated amounts. Moreover, no nation is immune from it, even though the nation may be hundreds or thousands of miles from the scene of the explosions.

Three countries are already testing these nuclear weapons—the United States, Soviet Russia, and Great Britain. Others will in all probability have them in the not too distant future. The level of radioactive fallout in the atmosphere will increase as testing increases.

That is the kind of new danger which confronts us in the present world. If testing of weapons alone is such a serious matter, it is not too difficult to imagine the danger posed by such weapons in the hands of an aggressor nation capable of delivering them in jet planes and guided missiles.

If the world today contains new dangers for the Nation as it most certainly does, it also contains new hope. You graduates know from your studies that there are two sides to the coin of scientific progress. You know it is rich in the promise of a better tomorrow. You know that this world of today and tomorrow contains infinite possibilities of material progress for all mankind. Even more important, you know that the new international contacts which it compels can enrich our spirits and bring this planet closer to that brotherhood of man which God has enjoined upon us.

Let me turn now for a few minutes before closing to the implications of this world of today and tomorrow for the Nation's future and for your individual futures. I think it is clear that we cannot safeguard the Nation's place in this world if we start by imagining that we are living under conditions that existed a half century ago.

We can no longer dismiss other nations as too remote to be of concern to us when we know that, in fact, they are no longer remote. We cannot assume that events thousands of miles away have no meaning for us when we know that three times in the lives of some of us, those events have plunged the Nation into war. We cannot proceed on the old assumption that Europe still dominates the world and will keep a kind of peace in it when we know in fact that power has gravitated from Europe toward the Soviet Union and toward the United States. We cannot ignore the fact that many new nations have come into independence in recent years and that they will be a force for good or evil in what happens from now on. We cannot, in short, turn back the clock.

To do so would be to try to preserve the Nation in a world and time that no longer exists, a world and time when the principal dangers we faced were frontier conflicts, fought with bow and arrow and musket, when people in this State and the West lived largely by hunting and fishing and simple agriculture. If this Nation today were to plan and act on what existed yesterday, the real world would soon leave us behind. Even more likely, it would submerge us in its swift and ever-changing currents.

That is why this Nation must be ever alert to the continuing changes in the world. Our relations with other nations must reflect this awareness. The foreign policies which were adequate 50 years ago to protect the Nation and its future had ceased to be satisfactory 25 years ago. Those of today will undoubtedly have to be adjusted tomorrow.

In other words, change is to be expected and it must be faced. If you recall, however, I stressed that the important thing was change in the unchanging. There are constants which have marked the life of this Nation from the beginning. These can provide us with the strength to move into an uncertain future with the conviction that we can make it a worthwhile future no matter what it may contain. These constants include a belief in human freedom, in human equality and in human dignity.

They include a respect for the past coupled with a willingness to explore new paths of understanding and achievement. They include a willingness to defend our own rights coupled with full respect for the rights of others. They include a faith in ourselves and in God's infinite wisdom.

The task for the Nation, and that means all of us, then, is to seek always to enlarge our understanding of the world around us. The task for the Nation is to adjust our relations with other nations in the light of its realities. The task for all of us is to see to it that in making these adjustments we do so without losing the unchanging, the enduring in our national life. I call upon you young men and women of the graduating class of 1957 to join with us in that task.

GRADUATES IN 20TH CENTURY WORLD

(Address by Senator MIKE MANSFIELD, of Montana, commencement exercises, Butte Public High School, Butte, Mont., May 28, 1957)

Ladies and gentlemen of the class of 1957, distinguished members of the faculty, parents, relatives, and friends, to each of us this graduation means something different. For you who are parents of graduates, the occasion is a landmark in the growth and progress of those closest to you. For you who taught the graduates, it is a moment of gratification which can be fully appreciated only by those who have dedicated themselves to the heavy responsibility of educating the youth of the land. For the invited guests like myself, it is both an honor and a pleasure to be permitted to participate.

And for you who are graduates, this commencement marks a significant point in your lives. It is a symbol of change, of the ending of an era and the beginning of another. Your thoughts at this time, I am sure, must be mixed. There must be in them both a reluctance to leave the old and the familiar and yet an anticipation of the new and the unknown. With each of you, I am sure, these thoughts take on a highly personal form. You are concerned with your particular experiences at this school over the past few years and your particular regrets at their closing. You are also concerned with your individual futures and what each may contain.

It is natural at decisive moments in life that you consider most carefully what affects you most closely. Let me suggest, however, that you have plenty of company when you ask yourself the question "What lies ahead for me?" If you stop to think of it, you will realize that not only are you asking that question, but graduates in Anaconda, in Lewiston, in Missoula, in Miles City, in Plentywood, all over the State and the Nation, are asking the same question. You will realize, too, that thousands of graduates in London, Paris, in Tokyo, in Calcutta, in the new African Republic of Ghana, in Moscow, graduates throughout the world are asking the same question: "What lies ahead for me?"

Each graduate wants to work out in his own way the answer that is right for himself. In that sense, each answer will be a personal answer, but it will also have much in common with the others. And one of the things, perhaps the most important thing, that the answers will have in common is that they will be dependent to a large extent on the kind of country or environment in which each graduating group lives and on the kind of world in which we all live.

Let me try to illustrate this point. Suppose for a moment, that this graduation in Butte were taking place not today but a hundred years ago. To you, gentlemen of the class of 1857, the answer to the question, "What lies ahead for me?" would still be a personal one but it would also be a simpler one than it is today in at least one respect. The number of choices open to you would be limited. For most of you, graduation would be followed by homesteading somewhere in the West. Or you might find a job in a store of some kind or open one yourself. Or, if you were restless, you might set out to prospect for gold in California. Five or six of you might head eastward to one of the Nation's few colleges. If you came back at all, it would be as a minister, a doctor or perhaps a lawyer or teacher.

As for the ladies of the class of 1857, it is unlikely that there would be any of you, for in those days people had very serious doubts about the wisdom of educating girls. But if there were, the choices of a future would be even narrower than the men's. One or two of you might have become teachers and you would, of course, be in demand as wives. But with a high school diploma, you might be regarded as having too much education even for that honorable profession.

What I am trying to get across to you is the fact that your futures—all of your futures—will be sharply influenced by the kind of world and the part of the world in which you find yourself. Let me, then, try to give you a picture of the different situations which confront high school graduates in different parts of the world, not in 1857 but in 1957.

Beginning in the United States, what is the setting in which you and your fellow graduates throughout the country must shape your future? It is, first of all, the setting of a growing country with a rapidly expanding population. It is a setting which finds us at a new peak of technological progress and on the threshold of even greater progress. Advances in agriculture, science and industry are transforming our economic way of life at an incredible speed. We are learning new ways, easier ways of growing and making the things that are necessary for daily living. We are only at the beginning of the age of nuclear energy, of the new power of the atom. Developments in transportation and communication have unified the country as never before. The science of medicine is steadily increasing the life expectancy of all of us. Developments in other sciences are expanding our knowledge of the planet on which we live and, indeed of the universe of which the earth is a part.

This setting opens wide horizons for careers for all of you, horizons that are by no means limited to those whose talents run to science, agriculture, and to industry. The fact is that the changes in technology in these fields will find their counterparts in education, in the arts, in the law and in all other aspects of human endeavor in this country.

All of you, whatever your interests, can look forward to a future of promise. It is not, however, a future without problems. And perhaps the greatest problem which the Nation will face in the next 25 years is to see to it that our technological progress does not run away with us, overwhelm us and, in the end, destroy those things in our way of life which make it most worthwhile.

We must not, in our fascination with the dazzling achievements of science, overlook the fact that technological progress is not an end in itself. It must enrich the lives and open new possibilities for the spiritual development of all our citizens or it will have served no useful purposes.

We must see to it, therefore, that this progress does not get out of hand. We must see to it that it creates opportunities for employment rather than destroys them. We must see to it that its benefits reach all our citizens, in better living conditions, in greater security, in better educational, health and recreational facilities. And we must see to it that the burdens of progress, for there are burdens as well as boons in progress, are borne equitably by all.

Most important, we must see to it that progress takes place in a pattern which preserves the fundamental values of American life. Those values are a high and equal respect for the dignity, the freedom, and the worth of every individual citizen.

You graduates will also work out your futures in a Nation whose position with respect to the rest of the world has undergone great changes in the past few decades. Once isolated by the oceans from other countries, we are now linked with them by the airways and modern communications. Once a small Nation with little influence or interest beyond our borders, we are now an enormous Nation with worldwide influence and worldwide interests.

The great power of the United States places us in a position of great responsibility. It is first of all a responsibility to ourselves and to future generations. If we no longer have the immunity of distance and remoteness from developments in the rest of the world—and technological progress has ended that immunity—then we must take steps to safeguard the Nation in its new contacts. What we do or fail to do in our relations with others has a great influence throughout the world. Our actions are an important factor in determining whether the world will keep a measure of peace or whether it will be plunged into a great war from whose destructiveness no nation will escape. What we do or fail to do in our relations with others also has a great influence on the continued progress of all mankind and ourselves as a part of it.

These are new problems to which a short time ago people in this country gave little thought. Now we have no choice but to give a great deal of thought to them. We will have to use our great power with wisdom, with restraint, and with economy to safeguard peace or we shall be compelled to use it recklessly in the terrible waste of war. As your Senator, I have tried as others have tried to give these international problems the attention they must have if your Government is going to handle them successfully. I have done so because they involve the safety and well-being of the people of this State, of all the people of the United States; in fact, of civilization itself. They are the major problems confronting us today and they will become even more important tomorrow.

That, then, is the kind of situation in which you graduates will work out your futures. What of graduates in Western Europe—in London, Paris, or Rome? In Germany and in Scandinavia? The young people in Western Europe will find themselves in a situation which has many similarities with yours. They, too, have grown up in an atmosphere of freedom and scientific progress.

They will not have as great an opportunity as you will have. The European countries are older and more crowded lands. Many of the graduates will migrate, as did our forebears, to seek a new life in Canada, in Latin America, in Australia or Africa. Some will come to this country. They will add their labor, their spirit, and their thought to the continuing stream of American life.

For those who remain in Europe, life will not be easy. Their countries lie directly in the shadow of the massive totalitarian power of Soviet Russia. They know that if they are to live in freedom they must be prepared to defend themselves. Yet they know the price of past wars, and they live in dread of a new one. These graduates in Europe today almost without exception have felt the effects of war themselves. They have seen the marching armies of World War II. They have heard the bursting bombs.

They know, too, that their countries are small countries, as the world measures countries these days and that individually, they have little influence on the course of international developments. They know, finally, that for centuries their countries have been torn by rivalries and conflict which in the end have weakened them all.

Yet, for all its weaknesses, Europe is not without promise for its graduates of 1957. You know from your readings of history that that continent has many sources of strength. It is the birthplace of most of the great ideas of freedom which have spurred people throughout the world to action for human betterment—ideas which today, we take for granted in this country. Europe has also had its geniuses of science and industry. Indeed, the development of atomic energy in this country during World War II was at least as much of the work of Einstein, and other European-born scientists as it was of our own. Europe has produced its great men of art and literature, and music. Finally, Europe has made its contribution in the struggle for freedom. Countless thousands of its soldiers fought and died for liberty in our Revolution, in the two great wars of this century and in Korea.

A Europe which can produce men of genius, works of civilization such as it has, is not without hope for the future. A Europe which can rise up in the cause of freedom as it has done many times is not a dead continent. A Europe which can recover from the terrible ravages of World War II as it has done with assistance from the United States, is not without inner strength.

If Europe is to continue to survive and to grow in freedom, however, it has two great challenges which it must meet. It must bring Germany, a united Germany, into a peaceful place in a unified and peaceful Western Europe. And Western Europe must stand fast together against the threats, the taunts and the harassments of totalitarian Russia. These two questions dominate the situation in which the graduates of the class of 1957 in Western Europe will work out their futures.

What of the graduates on the other side of the globe, in Japan? Their situation is a difficult one. Japan is a small country, no larger than our State of Montana. It has less natural wealth and only limited land fit for farming. Yet, within that country live 90 million people. You might try to imagine what it would be like in Montana if, instead of 650,000 citizens, we had 90 million. For one thing, you might expect that the population of Butte would be not 40 thousand, but several million. We would have, to say the least, a housing problem to end all housing problems.

Yet Japan must feed, clothe, house, educate, and otherwise take care of its 90 million people. How is it done? For one thing, by a lower standard of living. There is less to go around in the way of food, clothing, shelter and conveniences and the Japanese have adjusted themselves to doing with less. The Japanese also produce high yields of rice and other crops from their limited lands by intensive cultivation and extensive irrigation. They fish the waters of the Pacific from the Arctic to the Antarctic. Most important, they depend on trade with other countries based on their highly developed industry.

For Japan, the problem is literally one of having to fish and trade abroad on a large scale if they are to survive in peace and independence. In order to do both, the Japanese are turning increasingly to relations with Russia and Communist China. Before we condemn them for this, however, we had better ask ourselves, "What alternative do they have?"

The situation, then, that is faced by the Japanese graduates of 1957 is that: They live in a poor country which brought great destruction upon itself and others by the militarism of its leaders in World War II. By their own efforts and with assistance from the United States, the Japanese have restored their country and now have a fairly prosperous existence, perhaps more prosperous than they have ever known, but in no way comparable with what we take for granted in this country. They have a responsible, elected government, and they have independence.

Even under the best of circumstances, however, it will be difficult for the Japanese to maintain this situation. The Japanese islands are close to both of the centers of totalitarian communism—Russia and China. Economic circumstances compel the Japanese to deal with both. The Japanese will have to walk a narrow line if they are to trade goods with these Communist lands without ending up in their camps. Whether the new generation of Japanese will be able to walk such a line, whether they will be able to work out their futures in freedom, will depend to a great extent on how well the ideas of freedom, implanted by the United States after the war, take root. It will also depend on the understanding with which other free nations, including ourselves, treat Japan's very real needs for cooperation in economic matters.

Let me turn now to the class of 1957 in India, let us say in Calcutta or New Delhi. What is true for the students in these cities is also to a great extent true for graduates in the Middle Eastern countries—Egypt, Syria, and Pakistan, for example. It is true for graduates in Burma, Ceylon, Indonesia and the countries of Indochina.

In connection with the work of the Senate, I have had occasion to visit newly independent countries many times. I have done so because what happens in them, the way they go, is of the greatest significance to us. Their vast population, numbering in the neighborhood of 750 million, is almost a third of the world's total. These people can be a decisive factor in determining whether there will be peace or war, and I can think of no question which is more important to the people of this State, to the people of the United States. As these countries develop, moreover, our trade and other relations with them can become increasingly beneficial to both sides.

This huge world of newly independent nations which stretches from Africa through the petroleum-rich Middle East to the shores of Australia is already of great significance to us. It will have become even more important by the time you graduates have reached the age of your parents. I venture to predict that many of you will be at work in these distant places. You will be carrying skills which you have learned here in the United States to help others to a better way of life. You will be carrying on business affairs since commerce, more and more, no longer stops at our national boundaries.

What kind of situation, then, is it that the graduates in the newly independent nations find themselves in? They find themselves in countries which for the most part have known for centuries only poverty almost beyond imagining for the many beside great wealth for the few. They exist in countries like one I visited several years ago—Nepal—in which there is sometimes only one doctor for hundreds of thousands of people, where less than half the children born survive their first year. They live in countries where the number of people who can read and write is often less than 10 percent of the population. They live in countries where a foot-powered sewing machine would be an example of advanced mechanization. They live in countries where many people have seen airplanes overhead, but never a railroad or an automobile.

Until recently, these countries were colonies of European nations. The Europeans brought many improvements and they also

developed the natural resources of the lands largely for the benefit of Europe. The ideas of liberty and Christianity also entered these lands from Europe. Over the years these ideas built in the hearts of native leaders a burning desire for national independence and improvement in the conditions under which their people lived.

The desire for independence has now been fulfilled in virtually all of the countries of Asia, and it is being fulfilled very rapidly in Africa. The graduates of 1957 in these two continents have lived through this change from colonialism to national freedom. As children they heard their present leaders deliver impassioned pleas for independence. They have now grown up to see those pleas answered.

Independence, however, has not solved the problems of poverty, ignorance, and disease from which their countries have long suffered. It will fall to these graduates to tackle these problems if the promise of independence is to be fulfilled for all of the people of the newly independent nations. It will fall to them to use the power of independence boldly yet responsibly to bring their countries fully into the modern world. It will fall to them to rise above the bitter hatreds which the struggles of their fathers for freedom engendered. Other nations, like our own, can help to some degree but the initiative must come from them if their independence is not to be an empty word.

The graduates of 1957 in the newly independent countries have a difficult but inspiring future ahead of them. It is one of hard work, heavy responsibility, and many challenges. If they make of it what they can, however, they will have contributed immeasurably to the growth of their countries, the welfare of millions of people and to the strength of freedom throughout the world. I hope you graduates will keep an interest in their work and do what you can in the future to help them.

Before concluding, I should like to turn to one other class of 1957, the graduates of Moscow or Leningrad or any other city in Soviet Russia. Because of the great tension which has existed between this country and Russia, it is easy to overlook the fact that many of the same problems of life confront the people of Russia as we ourselves know. Their graduates, I am sure, also ask the question, "What's ahead for me?" And the setting in which they live as is the case anywhere else, to a great extent, controls their answer.

The graduate in Russia lives in a country which in a technical sense is not unrecognizable to us. The Russians in the last 20 years have laid great stress on industry. They have their extensive mining operations. They have their tractor factories, their railroads, their automobile plants, their mechanized farms. Most important, they have developed atomic and nuclear weapons, and the jet aviation and the guided missiles with which these instruments of destruction are linked in modern warfare.

The quality of Russian production is in general inferior to the material things we know and so is the quantity. The standard of living of the average person is far lower than it is in this country.

Except for these differences, however, what we might call the look of Russia to its graduates is not too dissimilar to the look of the United States to you graduates as you both contemplate the question, "What's ahead for me?"

Yet we sense and we sense correctly that there are enormous differences in the situations which confront the Russian graduate and the graduate in the United States. I believe if you think of it for a moment you will discover that of these differences, two are outstanding. They are the principal differences between freedom and totalitarianism. The first is the degree of freedom of choice you will exercise over your future, as compared with the Russians. In this country, it is you who will eventually choose what work you will do, where you will live and what you will make of your life. For the Russian graduate, that choice will be largely determined by the state. The task of choosing what we are to do with our lives is sometimes a difficult one. It is a price of freedom which the Russian graduates will not have to pay. But it is also a priceless heritage of freedom which they will never know.

The second great difference is that while you may criticize your Government and prefer Republicans to Democrats or Democrats to Republicans, I believe you have a measure of confidence that life in the future in this country will continue on a fairly level keel. You know that you will not be plunged into the nightmare of war by some sudden act of a mad ruler. You know, in short, that you live in a country with a responsible, an accountable government. It is a government which the people of this country have made and can unmake by orderly processes.

The Russian graduate has no such assurance. He must work out his future under an autocratic government. Today, it is run by the combination of Khrushchev and Bulganin but sudden upheavals in the night and tomorrow's ruler may be another power-mad Stalin. Even in the case of the present Soviet leaders—this week they may smile at the world, and next week frown at it. This week they may talk peace. Next week the order may go out for war. A graduate in Soviet Russia, as he develops his career, may make a great contribution to science and be honored for it in 1 year, but the next he may be sent into exile because the party in control has changed its mind.

Since such is the state of affairs in Russia, I believe you can see that the Russian graduate deserves our sympathy as much as his totalitarian government deserves our condemnation.

Unfortunately, the effect of the situation in Russia is not confined within the borders of that country. The totalitarian influence of that country is worldwide. Not only has it suppressed the independence of neighboring nations, but it has kept the entire world in constant fear of aggression and war.

That brings me to the final thought I wish to leave with you tonight. As you graduates, not only here in Butte High School, but throughout the world, work out your futures in accordance with your personal desires and the setting in which you find yourselves, there is one problem which all of you must face. That is the problem of maintaining peace in the 20th century world. That is a problem for which no single country can find the solution. There are no simple answers to this problem, yet all of us must do what we can to contribute to a solution. We cannot pass it off as futile and sit down to wait for our fate. If we can conquer this problem, a world—a universe—of undreamed of possibilities will open before us. Your creative contributions together with all those who have gone before will provide the key. If we fail, then all mankind in this nuclear age stands on the brink of unspeakable disaster. We cannot fail. We must not fail.

A Foreign Policy for Peace

(Address by Senator Mike Mansfield, of Montana, commencement exercises, College of Great Falls, Great Falls, Mont., May 29, 1957)

When Monsignor Donovan asked me to deliver the commencement address here at the College of Great Falls, I felt both honored and flattered. When the Monsignor also asked me to receive the honorary doctorate degree, I was overwhelmed. It was with a deep sense of gratitude and humility that I accepted.

I wish there were some way, some special honor, some higher degree—some superior mortar board, so to speak—that I might in return bestow upon the Monsignor, not because he needs it more than I but because he deserves it more.

This year, as you may know, is his silver anniversary in the priesthood. Twenty-five years of devotion to religion and years of service in the education of the youth of all faiths are ample testimony to his superior worth.

I regret, Monsignor, that I cannot give you a higher degree or a better mortar-board. I can however, express on behalf of all here, the deepest admiration and affection for you for your great contribution to this community. I can also express the hope that your next 25 years will be spent among us so that your magnificent work may go on.

This year is also the silver jubilee of the College of Great Falls. The 25 years of its existence have been years of astonishing growth, for the school, for the city, for the State and the Nation. The progress of the College of Great Falls is all the more remarkable since the school was founded at a time when the Nation was in the lowest depths of the great depression. For you graduates the great depression may be just a title in history. For your parents, however, it is far more than that. They will remember it as a time when colleges, like banks and businesses were busy only at closing their doors. It took courage and faith to establish a school in that climate. The vindication of the courage and faith of the founders of the College of Great Falls is to be seen in this graduating class of 1957.

Since all numbers seem to lead to 25 today, I should also note that a quarter of a century ago with the coming to power of Adolf Hitler in Germany, preparations began in earnest for World War II. We did not know it then but less than a decade later the entire world was to be engulfed in a struggle which brought civilization very close to the edge of doom.

The world has now recovered from the material damage of that war. The physical scars have healed even though the personal losses are still felt by those who suffered them. War has become an unpleasant subject for discussion. Many would prefer not to talk about it, just as people preferred not to talk about it in 1932.

Yet the shadow of war still hangs above the earth. The shadow today, moreover, is darker than that which preceded World War II. It is a darker shadow than any in the history of mankind. It is the shadow of a war which threatens not only the Soviet Union and this country but all countries. It is the shadow of a war which threatens not solely civilization but the human race itself; not merely this generation but all generations to come.

I shall not dwell at length, today, on the terrors of this war of the future. You have read of them. You have heard of them. Sufficient to say that each year its potential destructiveness grows larger as atomic weapons are brought to an ever higher state of perfection. We have already reached the point where it is necessary to clear an area three times the size of the State of Montana in order to test a hydrogen bomb. Think of it for a moment. Over 400,000 square miles of the Pacific Ocean must be emptied of unprotected shipping before a single explosion can be set off safely. Even then, there must also be a prayer that the winds hold and that there has not been a miscalculation. If we have already reached this state merely in testing nuclear explosives, it is not difficult to imagine what would happen if such explosives were released in actual warfare.

The United States, Soviet Russia, and Britain already have these weapons. It will not be long before other nations add them to their arsenals.

And we are only at the beginning. Guided missiles are commencing to replace piloted planes for delivering nuclear explosives in warfare. These missiles now travel several hundred miles with uncanny accuracy. Both Russia and the United States are already experimenting with new models that will speed to targets 1,500 miles away in a matter of minutes. It is only a question of a few years until these devices will have been developed to the point where they will carry nuclear explosives between the continents and reach speeds of 15,000 miles or more per hour in their flight.

This is not science fiction but scientific fact. These are the realities of the world in which we live in this second half of the 20th century.

It is no wonder that the conscience of humanity has begun to speak out. We have heard it in the words of His Holiness, Pope Pius XII. We have heard it from the depths of Africa in the words of that great missionary, Albert Schweitzer. We have heard it from other religious leaders throughout the world.

The words of each may differ but the message in every case is the same. The warning is clear: Mankind is walking blindly on the brink of an overwhelming catastrophe. There is little margin for error. There is little margin of time.

I said that I would not dwell at length today on the dangers inherent in war and I shall not. What is essential is that we recognize these dangers as very real. What is essential is that we do not close our minds to them as being beyond our comprehension. What is essential is that we seek to understand the problems that these weapons pose for the Nation and do what we can to deal with them.

That brings me to the question I wish to discuss with you in detail today. What is the alternative to accepting the inevitability of a nuclear war? The alternative, it seems to me, the only alternative is to work actively for peace.

There is no more important problem facing our State or the Nation. It is a problem which has a special significance for you young men and women who are graduating in the year 1957. You will be face to face with this problem through your maturing years. You will work out your dreams, your careers, your lives, under its overpowering influence.

As your Senator, I have given a great deal of thought and time to this question. If he is to serve the citizens of his State, a Senator must be concerned with a Hungry Horse or a Tiber Dam. He must be concerned with the price of wheat or cattle. He must be concerned with the cost of government as it is expressed in the budget and taxes. He must be concerned with the improvement of transportation and communications and the countless other problems of the citizens of the State.

As he considers these domestic matters, however, he is in much the same situation that you young people find yourselves in thinking of your futures. He must consider them in the light of the immense problems of war and peace which face the Nation.

The cost of past wars and preparations for defense in the event of another runs to over 80 percent of the $71.8 billion budget presented to Congress by the administration a few months ago. You have heard much, I am sure, of the so-called battle of the budget. Actually, it is more a skirmish than a battle. Congress has done what it can to reduce spending, to increase efficiency. The major costs of government, however, have to do as I noted, with defense costs, with what might be called war costs. So long as serious threats exist to the security of the Nation these are the most difficult costs to reduce.

The questions of war and peace, therefore, are not remote from the interests of the people of this State, or any State. They are at the core of our interests. And because they are, as a Senator, I have been deeply concerned with them. I have traveled widely in the world these past few years in an effort to grasp their implications as fully as possible. I have tried to understand what roads lead to peace, what roads to war.

The way the nation acts for peace is primarily through foreign policy, just as we work to defend ourselves in war through defense policies. A foreign policy is not a mystical formula no one can understand except the President and the Secretary of State, and of which ordinary citizens need stand in awe. In this Nation, it is your foreign policy and the more you know about it, the better policy it is likely to be. You will gain if this country has an effective foreign policy. You will suffer incalculably if it is an inadequate policy.

Foreign policy is the course of action we follow as a Nation in the world. It is what we do or fail to do in our relations with others to safeguard our national interests. Fifty years ago or even 25, these interests did not appear to be of great consequence. Yet 3 times in the lives of many here today, they were sufficient to plunge the Nation into the deep sorrow and the tremendous losses of great military conflicts.

In the light of these experiences can we believe any longer that the Nation's international interests are of little consequence? In the light of these experiences, is it reasonable to assume that if a major conflict breaks out in the world we can avoid it? If we were unable to do so when other nations were more remote from us, when the oceans provided a defense of insulation, are we likely to do so now? Are we likely to do so when technological advances continue to bring nations into ever-closer contact with one another? Are we likely to do so when not only the oceans but even the polar regions have ceased to be a barrier to this contact?

It seems to me that there is only one way in which we can hope to safeguard our overriding national interest in avoiding an involvement in war. That is by reducing the likelihood of an outbreak of war. It is by building a positive foreign policy for peace.

A policy of peace is one which first of all recognizes and is based solidly on the realities that exist in the world. It is one which is adjusted not to conditions as we would like them to be but to conditions as they are. Most important, it is a policy which isolates the principal dangers of war in the world and acts, insofar as it is within our capacity to act, to curb or remove those dangers.

Before I deal with the dangers to peace and the actions that are necessary to cope with them, let me say this about the nature of foreign policy. No matter how effective it may be, peace depends on what others do as well as on what we do. The most that we can expect is that those responsible for our foreign policy assess accurately the situation that exists in the world, that they face this situation honestly and then set a courageous course of action for dealing with it. They can do no more. We can ask for no more.

I have spoken, as you may know, many times in recent years on matters of foreign policy, in the Senate, at home in Montana, and elsewhere. As a result, some have come to regard me as a critic of the administration's foreign policy. I can assure you, however, that my purpose has not been criticism for the sake of criticism. My purpose has been to impress upon those responsible the commonsense principles of policy I have just mentioned: Assess the international situation accurately; face it honestly; deal with it courageously.

In these terms, a foreign policy for peace requires that first of all we isolate the dangers to peace in the present international situation. When we consider these dangers, most of us think automatically of Soviet Russia. There are sound reasons for this chain of thought although I should like to emphasize that the problem of maintaining peace involves much more than the actions of any single country or any single ideology. The problem has been with the world long before "communism" was even a word in the language and it may well be with us even after communism is remembered only in history.

At this moment, nevertheless, a major threat to peace does arise from the Soviet Union. That is because Russia is a militant totalitarianism and a powerful totalitarianism. It is the second industrial power of the world and possesses enormous military strength. Moscow is the summit of a worldwide system of power which extends over most of Eastern Europe and deep into the heart of Asia. The Russians have allies in the Middle East and support wherever Communist Parties operate in the world.

Soviet Russia is cut from the same cloth that has characterized all tyrannies. The threat it poses to peace lies basically in the unpredictability of the rulers of the Communist system. They are ruthless men and if they are like Stalin, they are men obsessed with a fear and hatred of freedom. They are men who cannot rest content while people or nations who do not agree with them continue to exist in independence.

The danger to peace arises from that fact that these men—these men without fixed responsibility to their peoples—control vast forces of destruction. They can unleash these forces in a moment of fear, in a moment of miscalculation, in a moment of whim.

Strangely enough the hope that peace shall not give way suddenly in these circumstances lies in the fact that these Soviet rulers are not only ruthless men, they are also intelligent men. They are fully aware of the dangers to themselves as well as to others in modern warfare. They know something of the power of nuclear weapons since they themselves have them and they are fully aware that these weapons are held by the United States and other free nations. They know that if they launch a military aggression it will be met by retaliation. Since such is the case, if they act as intelligent men, they will not invite their own destruction by precipitating a war.

That is not much of a hope for peace. It is a delicate fulcrum on which to balance the fate of civilization. For the moment, however, there is no other. That is one of the realities of the situation which confronts the Nation, and we have no choice but to live with it.

There is still another hope, however, a hope for a more durable peace. To realize it, will require endless patience and the deepest wisdom and restraint on our part. This other hope, this long-range hope lies in the fact that the Soviet totalitarianism is no more impervious to change than any other system and changes within the Communist realm could lead in the direction of greater stability, greater responsibility, and a more secure peace.

Pressures for change already exist throughout the vast stretch of the Soviet system, from Eastern Europe to the Pacific. There are people living within the Communist countries who resent oppression and who resist it. We have seen their influence in developments in Yugoslavia, in Hungary, and in Poland. In time, that influence is likely to reveal itself elsewhere in the Soviet system, even within Soviet Russia itself.

What, then, does the situation within the Soviet system add up to in terms of a foreign policy for peace? What attitudes and actions on our part does it suggest? It suggests, first of all, that we cannot underestimate the continued danger of aggression from the Soviet system. It also suggests, however, that if we can do anything to lessen the threat which a potential war with the scientific weapons of today represents to all mankind, we ought to be prepared to do it. We should be prepared to negotiate at any time and at any place and on any matter which relates to the control of this warfare of the future. These negotiations must be pursued not with blind optimism but with all the soberness we can command, with a full awareness that there is no room for false steps or empty promises.

I am confident that we can trust the President of the United States to negotiate in that fashion. It amazes me when people say that the President, our representatives, or other Americans cannot talk with the Russians without being contaminated or without getting the worst of the bargain. If we ever reach the point where we fear negotiations on any matter because we believe we are less capable, less competent or more subject to contamination than others, or because we regard ourselves less able to distinguish between what is good or bad for this Nation then we shall indeed have reached a sorry state.

To afford immediate protection against war, then, we need a combination of military strength and a willingness to negotiate to reduce the risks of war. For the long-range hope of peace we need to be constantly alert to developments inside the Soviet system. We need to be flexible in our policies for dealing with these developments.

Whenever changes within that system promise to lead to greater freedom and to peace we ought to do what it is prudent to do to encourage these changes. One thing we ought not to do is to stimulate uprisings in any country by incendiary words or promises of liberation and then provide only tears and sympathy to the martyrs to liberty when these uprisings are crushed by brutal power.

Freedom will come to the countries now suppressed by Soviet Russia and even to the people within Soviet Russia. It will come, however, primarily on the initiative of the peoples of these lands. Our words and actions in this connection can be harmful as well as helpful unless they are governed by great wisdom, understanding, and restraint.

If I may turn now from the problems posed for foreign policy by the Soviet system, I should like to consider with you another threat to peace. The threat which arises from within the circle of the free nations themselves. Twice in this century the world has been plunged into wholesale conflicts. The origins of World War I and World War II had little to do with Soviet totalitarianism. They were wars which began primarily in Western Europe. They were wars which resulted from the disunity and rivalries of the very nations which are closest to us in culture, in traditions, and in outlook. They were wars, in short, which struck at the heart of the free civilizations of the Western World.

World War I dealt a severe blow to the ideals and achievements of Europe. World War II almost brought an end to liberty in Western Europe. It took an enormous effort on the part of the people of that region, great human and financial sacrifices on the part of the people of the United States, to restore that region, to give it one more chance to live again in freedom.

I believe it is the last chance. The countries of Western Europe now have little choice. Either they move toward greater unity or they will once again split apart into the rivalries which characterized them before World War II. They will lay themselves open to a new suicidal conflict and to a long night of totalitarian domination.

In recent years, I have had occasion to talk at length with many of the political leaders of Western Europe. Most of them recognize that the hope for the continued freedom of their countries lies in unity. They have done much to overcome the fears and suspicions of centuries, such as those which have characterized German-French relations, and they have moved their countries a long way toward integration. Much remains to be done, however, if the unity of Western Europe is to become a living reality. There is a need to rejoin the two halves of a divided Germany in peace and there is a need for a continued advance in binding together all of Western Europe in common efforts for defense and for economic and scientific progress.

During the past decade this country has done a great deal to contribute to the stability of Western Europe and to encourage its integration. Public funds, funds to which all of us contribute in taxes, were used to bring about economic recovery in the European countries under the Marshall plan. They have been used through the North Atlantic Treaty Organization to promote a common defense against totalitarian aggression.

We have made this contribution because it has been in our national interest to make it. We have made it because, as I suggested earlier, the advances of technology and science have linked our peace with the preservation of peace elsewhere. We have made it because there is no real defense against a major nuclear war except the defense of a strongly maintained peace.

I should like to turn now to a third major danger of war. It is a danger which arises from the vast political transition which is taking place in Asia and Africa. On those continents, one-third of mankind is on the move. These peoples have moved or are moving from colonial systems into a status of independent national life. They are impelled by the same urge to freedom and to better conditions of life that has inspired many others since the American Revolution in the 18th century.

This country can only sympathize with the motives which underlie this urge to change in the Afro-Asian world. To do otherwise would be to deny our noblest political beliefs and traditions.

When that has been said, however, we must also recognize that the vastness and the rapidity of the transition creates major problems for the maintenance of peace. As we have seen in the recent Suez and Middle Eastern crisis, this transition can involve bloodshed and it can bring the nations of the world close to major war. It can, as we have seen in the case of China, create aggression. Unless the transition to political independence is coupled with economic progress and the growth of responsible governments it can lead to disillusionment with freedom and to the rise of new totalitarianisms.

A foreign policy for peace must be acutely aware of these possibilities in the colonial transition. It must act to encourage the strengthening of the forces of freedom in the newly independent countries and their peaceful economic progress. It must not, however, produce an unending dependence on this country or an irresponsibility or an arrogance in the leadership of these new nations.

The point 4 program of technical cooperation has done much to help the peoples of the newly independent nations in an appropriate fashion. It has assisted them in acquiring the skills necessary to promote public health, education and other basic and essential services of modern life. I have seen this people-to-people undertaking in operation in many countries. The men and women who are engaged in point 4 work, the teachers, the public health specialists, the county agents, are performing an outstanding service to humanity and, in the process, are doing a great deal to promote an understanding and an appreciation of the finest qualities of our national life. However, I have also seen other types of foreign aid, often excessive and ill-advised military and economic aid that has been wasteful and harmful. It was for that reason that last year I suggested a full investigation of foreign aid by the Senate. That investigation has now been completed and I believe we have the facts which will enable us to separate the necessary from the superfluous, the wheat from the chaff, in foreign aid in the future.

If I may summarize, then, a foreign policy for peace has to deal with three principal dangers of war: the threat of aggression from the Soviet totalitarian system, the tendency toward disunity in Western Europe and the difficulties of the transition to freedom in Asia and Africa.

There are ways, as I have tried to indicate, in which we may cope with these dangers. We can stand firm with others against the threat of aggression from Soviet sources while we bend every effort to reduce by negotiation the perils which modern warfare and weapons pose for all humanity. We can do what we are able to do, to encourage the greater unity of the free nations of Europe and the Western world. We can help to guide the progress of the newly independent nations into channels of freedom, responsibility and economic progress.

We have no choice but to face the fact that all of these efforts require money. Let us, however, bear this in mind. It costs about $200 million a year to run the Department of State, the agency charged with primary responsibility for peace. It costs over $40 billion a year to run the Department of Defense, the agency charged with primary responsibility for defending the Nation in war. Further, most of the foreign aid we now provide supplements these expenditures for defense. If there is to be a major reduction in the price of government, in taxes, therefore it will be brought about only by an effective foreign policy that reduces the danger of war and the cost of defense against war.

Let me make this one final point clear. Money is not a guarantor of the success of a foreign policy for peace. Peace cannot be bought. Money is not a substitute for an intelligent understanding of the international problems we face. It is not a substitute for wise leadership in dealing with these problems. Least of all is it a substitute for an essential human compassion and for an essential human courage. Least of all is it a substitute for the faith and the determination that what must be done can be done to keep a decent peace in the world so that this Nation may live and prosper in peace.

Your Heritage of Freedom

(Address by Senator Mike Mansfield, of Montana, commencement exercises, Clarke College, Dubuque, Iowa, June 1, 1957)

It is customary on occasions such as this for the speaker to begin his remarks with some comments, lighthearted and otherwise. He might truthfully refer, for example, to the fact that his wife had been on this campus as a young student several years ago. He might point out that they were, perhaps, the happiest years of her life and that the Christian education she received here has been the mainstay of our lives. Or he might comment on his own days in college.

Usually by the time such comments have been exhausted, the commencement address is far enough along so that the more restless graduates—or their parents—are looking for the nearest exit. Thereafter, those portions of the address which the speaker is likely to think are the most important may not receive much attention.

I propose to reverse that procedure today and plunge immediately into my subject. I may make some assertions without proof of

their validity. But bear with me for 20 minutes and I will try to tie these remarks into a bundle you may carry with you for the next few years. There may even be some time left to tell you what a fine-looking group of graduates you are.

There are two periods in the life of man (and I use the word "man" in its generic sense) when he is likely to contemplate his place in history.

First, he is expected to think of his potential contribution to history when he graduates from college.

Secondly, he is likely to think of his contribution to history when he begins to think of death.

Most of the rest of the time, however, man is so occupied with living—he is so close to the stirring event of life itself—that he is usually not able to assess his impact on history.

I was once a schoolteacher. During those years, I discovered that the time to teach a student something was when he was paying attention. I believe you are attentive today because this is one of the moments in your personal life history when you are ready to learn and to plan.

There is one simple thought that I want to leave with you. It is this:

Every man and women has an opportunity to leave his or her mark on the history of the human race.

If we could somehow visualize the history of mankind as a total, it might look something like a pyramid—perhaps a pyamid of people, or of ideas, piled one on the other.

The essential of any pyramid which can be built to its apex is that it rests on a sound foundation.

The foundation for this pyramid of life is that it rests on man's belief in God. It is by that belief that man knows his contributions will not be lost for any divine reason. He knows the foundation will not fail. If man's contribution is to be lost, it will be because of man's failure, not God's failure.

A second essential of a pyramid is that each stone rests firmly on another. Lives and ideas must be fitted together so that each succeeding level of construction rests firmly on the foundation beneath it.

Your place in this pyramid is yet to be determined. Determine it well for I assure you that one day you will be called upon to tell what you have contributed to mankind. When you are ready to pass from this life, you must ask yourself: What have I contributed?

You have heard the story of the rich and favored king who asked a wise Athenian whether he considered the king lucky. The answer was quick: How can I tell? You aren't dead yet."

And this, I suppose, a characteristic of the contributions we make. Their total impact may not be known until we have passed on.

I have been told that one point impressed on men when they are learning to fly is that they owe their lives to the men who went before them. The pilot who first flew into a cloud and crashed because he could not maintain his equilibrium must not have felt that he was making a contribution to life. But lives sacrificed in all lines of endeavor have contributed to man's knowledge and growth and have helped to build the pyramid toward its apex.

All that man is able to do today he owes to what others have done before him. What man will be able to do tomorrow, he will owe to those of us who live today.

But what can you do? You are but one of billions of people on this earth.

One thing is clear. You can do worse than nothing. You can live a life that destroys rather than builds. You have the potential of becoming a burden on your community. You can force others to take care of you in the county jail or elsewhere. You can be a source of destructive acts in your community and not contribute to the growth of mankind. In short, you can act in such a way as to sap the resources of your community and require others to devote extra energy to your protection, rather than to be able to devote themselves to the growth of man.

But at the opposite end of the scale from doing nothing or worse than nothing, it is also clear to me that you have the potential—as an individual—of contributing to the advance of mankind.

One of our great contemporary authors has written: "Nothing was ever created by two men. There are no good collaborations, whether in music, in art, in poetry, in mathematics, in philosophy. Once the miracle of creation has taken place, the group can build and extend it, but the group never invents anything. The preciousness lies in the lonely mind of man."

The preciousness of our religion and our Government lies in their ability to preserve and to promote the capability of every individual to make his unique contribution to the progress of mankind.

None of us can know the contribution he may make toward man's progress. Some may develop new ideas; others will improve our physical surroundings; some will influence the lives of their companions; others will pass their heritage on to children capable of greater contributions than their parents. We each have the capacity to leave the world a better place than it was before we arrived in it.

Man as an individual has laboriously struggled upward. He understands things today he did not understand last year or the year before. He moves ahead step by step. He can continue this progress when his spirit and mind can operate in freedom. His growth will be stunted if his freedom is impaired.

It is for this reason that it is so important that we as individuals and as a sovereign entity shape our destiny toward protecting and promoting the freedom of this Nation.

You young women gathered here today to take an important step in life are the offspring of a free people. You are here to carry on the heritage that has been built. You are each fitting yourselves to make your unique contributions to the progress of mankind.

I have now completed what are the more serious portions of my remarks. The time has come to stop talking philosophy and to talk practicalities. You have jobs ahead of you. You have a community and a world in which you must live.

What is this world you face? Is it likely to be a peaceful world?

Last year I delivered an address to the graduating students of Montana State University. I told them that for the first time in my experience I could state my belief that a world war in their lifetime might be avoided. I said that I believed this was possible because of things done by men and women from many nations.

I reminded them of the discovery of atomic power—a discovery which was a threat, and still is—but which may also be a benefit in disguise because any nation which might start a war may now reasonably expect to bring about its own destruction. Nations of the world have realized in the past 2 years that another war might destroy all life. We live at peace as the result of what Sir Winston Churchill has described as the mutual terror resulting from the threat of atomic destruction.

Two years ago, at the summit conference, the United States and the Soviet Union crystallized an unspoken and unwritten understanding. The understanding was that neither country on pain of self-destruction could start a major war or permit a situation between other powers to deteriorate to the point where a major war might threaten.

Today if we get into a world war, it is not likely to be because the great powers want war, but because they will have slipped into war inadvertently.

Recall, for a moment, the most serious situation of last fall, the situations in the Middle East. Israeli troops had moved on Suez. France and Great Britain brought force to bear in the same area. The situation was fraught with danger that a small war might become a big war.

I cannot go into the details of those historic months. But I call your attention to the fact that the world stood virtually united in demanding that the use of force cease. The United States and the Soviet Union, with no understanding between them, found themselves on the same side. Together, unwillingly together, they worked through the United Nations to snuff out the fire of military action in the tinderbox of the Middle East.

I do not attribute the stopping of hostilities in the Middle Eastern crisis to any great diplomatic finesse on the part of the United States, the Soviet Union, or any other nation. I attribute it to the overriding, but unspoken, threat posed by the existence of weapons of mutual terror. These weapons might inadvertently have been unleashed had the use of force in the Middle East continued unrestrained.

It has been 2 years since the President met at Geneva with the chiefs of state of France, the United Kingdom, and the Soviet Union. It may well be that the time is approaching for another such meeting.

Much has happened in these 2 years which might shape the thinking of such a meeting. Britain has a new Prime Minister. President Eisenhower has been reelected by the greatest majority of any President. The leaders in the Soviet Union have faced the crisis of rebellion in the satellite nations. The Middle East crisis has warned us all that war lurks around the corner for nations not ever mindful of the terrible consequences that might flow from relatively isolated military action.

It seems to me that the people of the earth have the right to expect that the chiefs of state of these great powers should gather at least once every 2 years to discuss the issue of war or peace.

I believe that another summit conference will soon be due, and I suggest a new technique for such a conference. Past conferences of this kind have been followed by disillusionment and disappointment, I believe partly because they tried to do too much.

Would it not be advisable then in devising an agenda for such a conference to limit it to one important problem? Could the nations not agree, for example, to consider only one question on which agreement might be expected?

One of the difficulties in past conferences of this type has been that the agenda has been as wide open as the problems that face the great powers. Such an agenda tends to concentrate discussions on all the problem areas on which we disagree.

Why could not the chiefs of state take up just one problem—a big one I must admit—but one upon which there is some chance of agreement?

I have felt for some time now that real progress might be made toward agreement for the suspension of testing of hydrogen bombs of great size.

This should not be a suspension of tests on our part only. I propose instead that we endeavor to reach agreement with the Soviet Union and the United Kingdom on suspending tests of bombs over a certain strength level.

An agreement of this kind would be self-enforcing. We know from reading the daily press that our detection devices as well as those of many other countries can infallibly detect hydrogen test explosions when they

exceed a certain size. It follows therefore that if any party to an agreement not to test the biggest bombs were to violate that agreement, the violation would instantly be known to the entire world.

I grant that such an agreement would not be without its dangers. But I believe that the time has come when the dangers of further uncontrolled big tests outweigh the dangers of agreement to suspend such tests. Surely this is an important enough issue for the heads of state to explore together ways of agreeing to limit or stop altogether the testing of hydrogen bombs so large that their fallout of radioactive material poses a threat to mankind.

It is a strange thing that the United States which has been the leading nation in the development of military uses of the atom has somehow failed to occupy a leadership position in the development of the peaceful uses of the atom. It is a strange thing that this Nation has somehow failed to convince much of the world that we are in the forefront in seeking to control the devastating effects of the atom and to put it to peaceful uses.

The time has now come for a vigorous and vital effort, led by the President of the United States, to begin to roll back the dangers of atomic warfare.

The President cannot exert this leadership by occasionally authorizing his press secretary, Mr. Jim Hagerty, no matter how competent, to respond to pronouncements by Bulganin or Khrushchev. Neither can Mr. Dulles counter the propaganda moves of the Soviet Union by authorizing his press secretary, Mr. Lincoln White, to answer Mr. Gromyko. The voices of our leaders must be heard, not the voices of their press secretaries.

Moreover, leadership can never be exerted by waiting for the other side to make a statement to which this Nation can then respond.

An essential element of leadership on the part of a man or a nation is willingness to take the initiative, to move out ahead. Leadership requires imagination and boldness and coolly calculated assessment of alternatives in any course of action.

Leadership is not based on big talk, big size, or big emotion. I am sure that you have had experience enough to know that some men are assumed to be leaders, just because they are big, strong, and have a powerful voice. But you also know that real leadership among men or nations is not based on appearance, but rather is based on performance. Acts speak louder than words, as the saying goes.

There has been a tendency in the past few years for this Nation to rely on words instead of deeds. This situation is illustrated by recent hearings which were held in the Senate on the annual appropriation for the United States Information Agency, one operating part of which is the Voice of America. After sitting through some days of hearings when witnesses testified to the need for additional funds to carry the story of America abroad, I had the impression that much of this Agency operates under the philosophy that if we can just manage to shout louder than anyone else that we are good and they are bad, we will establish freedom and democracy throughout the world and communism will be defeated.

Leadership depends not only upon what we say, but upon what we do. Reverting to my opening remarks, the pyramid of your life—the pyramid of your Nation—cannot rest on words alone. It must rest on solid ideas and acts.

One of the reasons I have commented on what has seemed to me to be a deterioration in our leadership in the world in the past few years is the fact that our future as a Nation is molded by the present and past, just as your futures as citizens are molded by the present and the past. Your world of the past 4 years has been Clarke College in the heart of the American Midwest. You will carry the impressions of these years, of your devoted teachers, of this campus, of your fellow students throughout your life.

The same is true of our Nation. Its future is being molded by the acts of today. Our acts of today are establishing the United States as a great leader, or as a great failure. Nations rise and fall. The past is studded with the relics of empires which were unable to adapt themselves to the new. It is studded with the relics of nations that lived in the glory of past victories and were never able to face and to deal with the problems of the present.

Can we look at our Nation today and know that we are willing to face the issues? Are we able to look a fact in the face and recognize it as a fact? Or do we look at facts and call them fancies because we aren't willing to face them? Do we see the Russians as they are, or as we would like to think them to be? Do we recognize the threat of hydrogen weapons, or do we hide from it? Do you read the comic section of your newspaper because you are unwilling to face the hard issues of the editorial page? Do you say, "Let those in Washington worry about that one—they're the experts"?

In asking these questions, I have intentionally mixed together those we should ask as a Nation with those we should ask as individuals, because what we are, as a group of individuals, we are as a Nation. If we as individuals adopt an attitude of "let George do it," if we as individuals are unwilling to face facts, be honest, and do the best we can with what we've got, then we as a Nation cannot expect to exercise the leadership essential to the creation and maintenance of a world in which freedom shall not perish.

That brings me to the final thought I wish to leave with you tonight. As you graduates, not only here in Clarke College but throughout the world, work out your futures in accordance with your personal desires and the setting in which you find yourselves, there is one problem which all of you must face. That is the problem of maintaining peace in the 20th-century world. That is a problem for which no single country can find the solution. There are no simple, no cheap, no quick, no easy answers to this problem, yet all of us must do what we can to contribute to a solution. We cannot pass it off as futile and sit down to wait for our fate. If we can conquer this problem, a world—a universe—of undreamed-of possibilities will open before us. Your creative contributions, your abilities and capabilities, together with all those who have gone before, will provide the key. If we fail, then all mankind in this nuclear age stands on the brink of unspeakable disaster. We cannot fail. We must not fail.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 4, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Lord, our God, Thou art always gracious and merciful, and dost never withhold from us any needed blessing.

With a humble spirit and a contrite heart, we acknowledge that so often we receive Thy blessings with too little gratitude and use them with too little wisdom.

We pray that Thou wilt continue to bestow upon us the manifold gifts of Thy divine grace, which we so sorely need, as we face the duties and responsibilities of our high vocation.

Grant that governed by Thy divine will and guarded by Thy boundless love and care, we may meet all our most difficult problems with confidence and courage, with patience and perseverance.

In Christ's name we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 53. An act to consolidate into one act, and to simplify and make more uniform, the laws administered by the Veterans' Administration relating to compensation, pension, hospitalization, and burial benefits, and to consolidate into one act the laws pertaining to the administration of the laws administered by the Veterans' Administration.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1740. An act to authorize the payment from the employees' life insurance fund of expenses incurred by the Civil Service Commission in assuming and maintaining the assets and liabilities of certain beneficial associations.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 57–12.

LAWS ADMINISTERED BY THE VETERANS' ADMINISTRATION

Mr. DORN of South Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 53) to consolidate into one act, and to simplify and make more uniform, the laws administered by the Veterans' Administration relating to compensation, pension, hospitalization, and burial benefits, and to consolidate into one act the laws pertaining to the administration of the laws administered by the Veterans' Administration, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 3, under "Sec. 404." of title IV, insert:

"SEC. 405. Payment of pension during confinement in penal institutions."

Page 27, after line 24, insert:

"The foregoing shall not be applicable to any widow who, with respect to date of marriage, could have qualified as a widow for death compensation under any law administered by the Veterans' Administration in effect on the day before the effective date of this act."

Page 47, after line 18, insert:

"PAYMENT OF PENSION DURING CONFINEMENT IN PENAL INSTITUTIONS

"SEC. 405. (a) No pension under public or private laws administered by the Veterans' Administration shall be paid to or for an individual who has been imprisoned in a Federal, State, or local penal institution as a result of conviction of a felony or misdemeanor for any part of the period beginning 61 days after his imprisonment begins and ending when his imprisonment ends.

"(b) Where any veteran is disqualified for pension for any period solely by reason of subsection (a) of this section, the Administrator may apportion and pay to his wife or children the pension which such veteran would receive for that period but for this section.

"(c) Where any widow or child of a veteran is disqualified for pension for any period solely by reason of subsection (a) of this section, the Administrator may (1) if the widow is disqualified, pay to the child, or children, the pension which would be payable if there were no such widow or (2) if a child is disqualified, pay to the widow the pension which would be payable if there were no such child."

Page 52, line 8, after "War", insert "who is on the pension rolls on the day before the effective date of this act under any public law."

Page 53, line 1, after "War", insert "as heretofore defined under public laws administered by the Veterans' Administration."

Page 66, line 14, strike out all after "(e)" down to and including "war" in line 18 and insert: "Any disability of a veteran of the Spanish-American War, upon application for the benefits of this section or outpatient medical services under section 524, shall be considered for the purposes thereof to be a service-connected disability incurred or aggravated in a period of war."

Page 83, line 10, strike out "thereof" and insert "therefor."

Page 89, line 23, strike out "act of 1924" and insert "act, 1924."

Page 109, line 3, strike out "of" and insert "on."

Page 109, line 18, strike out "part" and insert "title."

Page 110, line 6, strike out "part" and insert "title."

Page 112, line 11, strike out "(a)."

Page 112, line 20, strike out "States or Territories" and insert "States, Territories, or Commonwealths."

Page 113, line 2, strike out "States or Territories" and insert "States, Territories, or Commonwealths."

Page 114, strike out lines 4 to 7, inclusive.

Page 125, line 9, strike out "authorzied" and insert "authorized."

Page 130, lines 22 and 23, strike out "(except retired pay, but including emergency officers' retirement pay)."

Page 130, line 24, after "benefits" insert "(except retired pay, but including emergency officers' retirement pay)."

Page 139, line 5, strike out "now."

Page 177, lines 14 and 15, strike out "public or private" and insert "private, State, and other Government."

Page 181, line 19, after "shall" insert "to the extent feasible."

Page 183, line 11, strike out "3" and insert "(3)."

Page 188, line 18, strike out "part" and insert "section."

Page 219, after line 5, insert "(227) The act of April 25, 1957 (Public Law 85-24)."

Page 226, line 2, strike out "or death" and insert "(or death occurring before January 1, 1957)."

Page 226, lines 2 and 3, strike out "veteran occurring before the effective date of this act," and insert "veteran."

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. DORN of South Carolina. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN of South Carolina. Mr. Speaker, the amendments of the Senate are limited to technical, typographical, or grammatical corrections which do not change the intent, meaning, or effect of the bill as passed by the House. There is one substantive correction made necessary by the enactment of Public Law 85-24, prohibiting the payment of pension to veterans who are incarcerated for periods of 60 days or more. This latter law passed both the House and Senate unanimously.

CALL OF THE HOUSE

Mr. TABER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their name:

[Roll No. 94]

Beamer	Healey	O'Brien, N. Y.
Bowler	Holifield	O'Konski
Buckley	Holtzman	Powell
Celler	James	Prouty
Christopher	Jenkins	Rains
Cole	Jensen	Rivers
Coudert	Judd	Sheehan
Dawson, Ill.	Kearney	Shelley
Diggs	Kilday	Siler
Durham	McConnell	Utt
Engle	McCormack	Wigglesworth
Feighan	McGovern	Wolverton
Fogarty	Miller, Md.	
Halleck	Norrell	

The SPEAKER. On this rollcall 386 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMUNICATION FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following communication from the President of the United States, which was read:

THE WHITE HOUSE,
Washington, May 29, 1957.

The Honorable SAM RAYBURN,
Speaker of the House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: I have been informed by the Secretary of State that the original of House resolution 201, of March 18, 1957, commemorating the untimely death of President Ramon Magsaysay of the Philippines, and my letter of transmittal were delivered to Carlos P. Garcia, President of the Philippines, on May 21. Mr. Garcia expressed deep appreciation on behalf of the family of the late President, and the Government and people of the Philippines.

Sincerely,

DWIGHT D. EISENHOWER.

AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 6974) to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 6974, with Mr. HAYS of Arkansas in the chair.

The Clerk read the title of the bill.

Mr. COOLEY. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, the legislation we have before us today is an extension of an act which has been in operation for several years and which has worked remarkably well. It is rather unusual these days that one can come before the House and report that an agricultural program is working very well and to the satisfaction of all sides and to all sections of our country. I think it is quite clear that there has been more general agreement with this program, established under what is commonly known as Public Law 480, and that it has received more general acceptance, than any other of our major agricultural programs.

It attempts to dispose of surpluses. It has nothing to do with the accumulation thereof. Whether we pass it or whether we do not will have nothing to do with the volume commodities coming into the Government warehouses. You can defeat this bill, and you will still have just as much surplus accumulating each year as if you pass the bill. You will still have to do something with the commodities.

This bill gives you a way to dispose of those surpluses, and regardless of what you think about the accumulation of the surpluses, they are there, and you cannot get rid of them just by wishing them away.

Now what can we do? We have tried a good many programs. We have tried a number of disposal methods. We have tried to sell these commodities at 105 percent of the acquisition cost, and in most cases we did not find any takers. We have tried other disposal programs. We subsidize the exportation of wheat at about 80 cents a bushel, and we subsidize the exportation of cotton at about $70 a bale. Those are rather expensive

programs. And more recently we have tried to prevent the accumulation by a soil-bank program which proved even more expensive. But the surpluses are there and they must be disposed of, or we have got to pay even more for keeping them.

A great many years ago we tried destroying some of our commodities, and we found that the public did not believe in that. You do not believe in it and I do not believe in it, and we know we are not going to take that course. Even though it might be the cheapest way in the long run, it is a harsh method and we are not going to resort to it.

So we come to you with a program that for the past 3 years has provided for the disposal of a substantial amount of agricultural commodities. Somebody says, "But look, you are just adding tremendously to the budget. You have $1.3 billion in this bill." No; we do not have any appropriation whasoever in this bill. There is no additional expenditure in this bill. This bill simply brings some money into the United States Treasury. The billion-dollar provision under title 1 and the $300 million provision under title 2 are not authorizations to expend money, but rather they are limitations upon the value of the amount of the commodities that can be disposed of under the program. We have already paid for the commodities. This bill does not make you pay for them a second time. There seems to be considerable misunderstanding in that respect.

This bill gives us a chance to at least get some of that money back and is probably the most effective program that we have had. Oh, but you say, "We will get it back in foreign currency." So we do, under this bill, but remember that we have received back under this bill and we have used of this foreign currency for the payment of United States obligations $476 million. For these payments we would have had to appropriate American dollars had we not had this foreign currency. We have spent $7 million for the purchase of strategic materials for which we would have had to spend American dollars had we not had this bill. We have under this program purchased $241 million of military procurement for which we would have had to spend American dollars had we not had this bill.

In other words, what you have done is, you have spent wheat, you have spent cotton, you have spent oils, you have spent these commodities that are now in surplus and for them you have received these things for which you would have had to pay American dollars.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. Certainly, I yield to my chairman.

Mr. COOLEY. And the amount that the gentleman mentioned, $478 million, is actually 37 percent of the total value of the foreign currencies.

Mr. POAGE. That is right. For every dollar of foreign currency we have taken in, we have received tangible goods for which we would have otherwise been compelled to spend American dollars, to the value of at least 37 cents. So, if you never got anything from the rest of the foreign currencies, you have gotten nearly 40 cents on the dollar.

Oh, but you say, that is a tragically small amount. What did you get when you sold surplus war materials? What did you get when you sold surplus industrial goods? You averaged about 5 cents on the dollar, 5 cents on each dollar that these goods had cost the Government. So we are getting about 8 times as much for these surplus agricultural goods as we got for our surplus industrial goods; about 8 times as much in American dollars. And you are also getting the other 60 percent in the foreign currencies which undoubtedly will bring us a very substantial return—not 100 cents on the dollar, but a very substantial return in the future.

And we are selling these commodities, not at a cut-rate price. We are selling these commodities on the world market at the world price and taking foreign currencies in payment. It is not such a bad deal. It is not such a giveaway. It is not the kind of a program that many of the Members have thought that it was. On the contrary, it is probably the soundest business in which we have engaged since we have been faced with the question of the disposal of these surpluses.

It does not involve the kind of losses that many of our other disposal programs have involved.

Some people have gotten the idea that this was simply a foreign program for the benefit of somebody on foreign shores. We hope that if our program can help our neighbors that it will help them while at the same time solving some of our economic difficulties. But in this particular case the primary effect is to help America to get the most cash dollars for those things that we now have on hand that we can possibly get, as quickly as we can, to stop the cost of storage and handling as soon as possible.

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman.

Mr. DEMPSEY. I have here a bulletin from the Department of Agriculture dated May 28, 1957. It shows the bartered minerals that may be shipped to the United States. One paragraph says:

> Materials delivered under barter contracts may not be produced or processed in the United States. Heretofore, foreign-produced materials could be processed.

In other words, we are not going to get the raw materials. We are going to have them finished over there while our people are out of work over here. Is that the thing to do?

Mr. POAGE. That certainly does not seem to me to be the thing to do.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman.

Mr. COOLEY. This announcement that the gentleman from New Mexico [Mr. DEMPSEY] has referred to is dated May 28. Unfortunately it had not come to my attention and I am quite certain that the gentleman from Texas [Mr. POAGE] has not had an opportunity to read it. It is of importance, and I would like to say to my friend from New Mexico that the committee will give the matter attention and, if necessary, have hearings to determine just what change, if any, is contemplated by the United States Department of Agriculture as a result of this program announced on May 28.

Mr. DEMPSEY. I appreciate that, but it covers zinc, lead, copper, practically every mineral we have.

Mr. POAGE. Of course I have not read the particular item to which the gentleman is referring, but this bill has nothing whatsoever to do with what commodities we can buy under this strategic minerals program. Nor does this bill involve title III the barter section. It relates only to titles I and II. These sections refer only to the source from which you get the money with which you pay for these minerals. The program for the purchase of strategic materials is not set up by Public Law 480. The program for the purchase of strategic materials is set up by a separate law which provides the details of what we can buy, the amount to be paid for it, and the condition in which it may be brought into the United States. The only connection that program has with Public Law 480 is the question of how you get the money to make the payments for the obligations that have been incurred by the strategic materials program.

If we did not have Public Law 480 we would have to use American dollars to get the money to pay for it.

Mr. DEMPSEY. But you are going to throw our people out of work over here because they will process these barter metals and minerals over there with foreign workers.

Mr. POAGE. I agree with the gentleman that the regulations he has read seem to me to be ridiculous, but the gentleman ignores the point, and I hope that he does not do it intentionally.

Mr. DEMPSEY. I will put this in the RECORD intentionally.

Mr. POAGE. It is not Public Law 480 that provides the conditions under which commodities may be brought into the United States.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from North Carolina.

Mr. COOLEY. The statement the Governor has here clearly indicates that the strategic materials brought in under 480 must come in in processed form rather than raw.

Mr. POAGE. That is exactly correct so fas as the instructions are concerned but does not the Department of Agriculture receive its instructions as to what it can bring in and the conditions under which it can bring it in from another agency of the Government?

Mr. DEMPSEY. The Department of Agriculture obtains a list of strategic and critical materials which can be stockpiled in this country either in the Office of Defense Mobilization stockpile or a supplemental stockpile maintained by the Commodity Credit Corporation. The authority for barter is vested in the President of the United States who delegates it to the various departments under his administration. The Office of Defense Mobilization sets up a list of metals,

minerals, and other commodities from which the Department of Agriculture, through the Commodity Credit Corporation can choose for the barter list. This determination is made by the Board of Directors of the Commodity Credit Corporation, of which Secretary of Agriculture Benson is the Chairman and the remaining members are largely his assistant secretaries. It is not difficult to determine who decides on this policy. This Board also sets up the regulations, including the one which says that none of these foreign produced materials can be processed in this country. That is the place where the full responsibility lies for this provision, which takes away from American plants and workers the jobs that are being done in the foreign countries. I would like to point out that the Board of Directors of the Commodity Credit Corporation authorized the issuance of the following announcement, which I include, in part, as a portion of my remarks:

USDA OUTLINES REVISED BARTER PROGRAM

The United States Department of Agriculture announced today that the Commodity Credit Corporation barter program, suspended since the end of April, is being resumed immediately on a revised basis.

The revamped program, under which CCC will continue to exchange surplus farm products for strategic and other materials from foreign countries, is intended to insure that each barter contract results in a net increase in exports of the agricultural commodity involved. One of the principal factors leading to suspension at the end of April of new barter transactions was the possibility that some of the barter contracts were simply replacing dollar sales with no net gain in the total volume of agricultural exports.

The program, as revised, contains the following principal provisions:

1. In general, if the barter contractor can satisfy the Commodity Credit Corporation that a proposed barter transaction will mean a net increase in United States exports of the agricultural commodity involved, CCC will enter into a barter contract providing for delivery of any CCC-owned agricultural commodity (or tobacco held as collateral for CCC loans) for export to any friendly foreign country.

2. Exports of cotton, wheat, and feed grains to certain countries will be automatically presumed to be in addition to normal exports, and therefore a special showing that the barter transaction will result in a net increase in total United States exports will not be required. These countries will include all those not named in the country lists given later in this release.

3. Each barter contract must contain a specific designation of the agricultural commodity involved in the transaction. Up to now, barter contractors could export virtually any CCC-owned commodity under their contracts.

4. If barter contractors desire delivery of agricultural commodities in advance of delivery of material to CCC, such advance deliveries will be permitted but interest at the rate which would be applicable to credit sales by CCC will be charged until the material is delivered or payment is otherwise effected for the agricultural commodities. Payment for the interest charges will be delayed until final settlement under the contract but must be paid in cash. An irrevocable dollar letter of credit acceptable to CCC must be posted for the value of agricultural commodities which are delivered by CCC in advance of delivery of materials to CCC plus the estimated amount of interest. Heretofore, interest was not charged for the first 2 years.

5. Barter contractors must provide assurances satisfactory to CCC that the agricultural commodities exported under barter contracts will not be transshipped from the approved countries of destination. In the past, only assurances against transshipment to unfriendly countries was required.

6. Materials delivered under barter contracts may not be produced or processed in the United States. Heretofore, foreign-produced materials could be processed here.

7. Each barter contract for strategic and other materials must designate the country of origin of the materials to be delivered. In the past, this was not required.

Foreign produced strategic and other materials currently acceptable to CCC under the barter program include aluminum; antimony; asbestos (amosite); bauxite (Jamaica, Surinam, and refractory grade); chromite (metallurgical and refractory); copper; fluorspar (metallurgical); lead; manganese (synthetic battery grade, chemical types A and B, and metallurgical); mica (Muscovite block, Muscovite film, Muscovite splittings, and phlogopite splittings); palladium; selenium (chemical grade); silicon carbide (crude); and zinc.

CCC's ability to conclude barter proposals for materials depends at any one time upon such factors as requirements, existing commitments, and market conditions.

Authority to barter was initially provided in 1948 by the Commodity Credit Corporation Charter Act. This authority has been enlarged and clarified in other legislative provisions, including an amendment to the Charter Act; the Agricultural Acts of 1949, 1954, and 1956; and Public Law 480.

The barter program was suspended at the end of April 1957 to permit a detailed study by the Department of possible safeguards against the substitution of barter transactions for dollar sales, without a net gain in total export of agricultural surpluses. Program revisions announced today reflect the results of that study.

I believe this announcement should be carefully studied by every Member of the House, particularly those who are concerned with the welfare of our mining industry, which is one of the most important segments of our entire national economy. This announcement provides that this long list of minerals, duly processed, shall be brought into this country at a time when parts of our mining industry are in bad shape. Our zinc mines, for instance, are closing down. In New Mexico alone, I am advised that 750 zinc miners are either out or will be out of work very shortly. The reason given by the mine operators is that so much zinc from foreign countries, employing cheap and slave labor, is being dumped into our market that the prices are dropping to a point where our mines cannot compete.

This is not a new situation, as all of the Congressmen from the mining States well know. Several months ago the Tariff Commission concluded long hearings on the imports of zinc and lead. That Commission recommended to the President that the tariff be increased and that import quotas be set in order to save our own industry. The recommendation was not followed.

Within the last couple of weeks Felix Wormser, Assistant Secretary of the Interior for Minerals Policy, sent a like recommendation to the White House. No action has been taken on this recommendation.

The motivating force back of all this can be found in our State Department and our present foreign policy. This may not come within the purview of title I of Public Law 480, but it does come within the provisions of that section of the law which sets up the barter authority for the President. Regardless of which law is concerned, the fact remains that this is another way of dumping these foreign minerals into our markets and stockpiles, while our mines are closing down and our miners are out of work. It seems to me that this is an apt illustration of the confusion that exists in our dealings with foreign countries. Apparently our right hand does not know what our left hand is doing. If we must barter our surplus agricultural commodities, let us barter them for those materials which will not play havoc with our own industries.

I wonder if Secretary Benson and the other directors of the CCC know what consequences their barter program may have? I believe they should be advised what their program may do to damage another segment of our national economy. I believe that they should be informed in no uncertain terms that this Congress does not approve of any plan to throw our workers out of jobs in order to give employment to those in foreign countries. This program has all of the earmarks of another foreign giveaway and I, for one, do not like it. I certainly am glad that the chairman of the Committee on Agriculture intends to have this matter thoroughly investigated. I hope the necessary steps will be taken to see that the barter program does not do further damage to our mining industry.

Mr. POAGE. I appreciate what the gentleman is talking about and I agree with his position thereon, but I doubt it is under Public Law 480 that we make those requirements.

Mr. DEMPSEY. If they have the authority to make it, then we should stop this money that gives them the wherewithal to do it.

Mr. POAGE. The gentleman means he does not want to trade for these critical metals? Does he want us to just buy them? You have your choice, and it is just this simple: You can either trade wheat, which is in surplus, or cotton, which is in surplus, or you can pay American dollars.

Mr. DEMPSEY. We have foreign zinc in surplus here right now. Our zinc mines are closing down. Our copper mines are reducing. Now those factories that process it are going to be affected. They change it in this bulletin I have right here, dated May 28 of this year.

Mr. POAGE. But they do not do this under authority of Public Law 480.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. FULTON. I would like to point out to the gentleman from New Mexico what section 104 (b) provides. Section 104 (b) shows that the purchase of strategic materials abroad is made only under the terms of the Strategic and Critical Materials Stockpile Act. I will read it:

SEC. 104:

(b) To purchase or contract to purchase strategic and critical materials, within the applicable terms of the Strategic and Critical Materials Stockpile Act, for a supplemental United States stockpile of such materials as the President may determine from time to time under contracts, including advance payment contracts, for supply extending over periods up to 10 years. All title shall be placed in the above-named supplemental stockpile and may be additional to the amounts acquired under authority of the Strategic and Critical Materials Stockpile Act. Materials so acquired shall be released from the supplemental stockpile only under the provisions of section 3 of the Strategic and Critical Materials Stockpile Act.

It is there where the gentleman should go to see that agreements with 70 countries are properly carried out or properly made and not here where we are just setting up a method for the distribution of surplus commodities to help American agriculture, I might point out.

Mr. DEMPSEY. May I say to the gentleman from Pennsylvania that I do not have the time to go to 70 countries to inquire about these questions. This is the place and the forum where this question should be decided. If this Congress wants us to have certain strategic materials in exchange for cotton or some other agricultural commodity, that is all right, but the question I raise is that these materials must be processed in the countries from which we purchase them, and I have read from the statement where the Agriculture Department states that heretofore they did not do that.

Mr. FULTON. The Department of Commerce handles the strategic materials stockpiling.

Mr. COOLEY. It seems to me that the gentleman from New Mexico should be satisfied with the suggestion made a moment ago that we will immediately investigate this matter, and if the gentleman's interpretation of this release is accurate, our committee will investigate the matter immediately and take appropriate action.

Mr. DEMPSEY. That is perfectly agreeable to me.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. SANTANGELO. I would like to have a bit of information. Can the gentleman tell us how much money in counterpart funds our Government has accumulated in all these foreign countries?

Mr. POAGE. When the gentleman says counterpart funds, does the gentleman mean under this bill?

Mr. SANTANGELO. I am referring to these funds which we have in these foreign countries where we cannot get any money out, but where we can get the value in goods of some sort or another.

Mr. POAGE. If the gentleman means how much we received all told under this bill, the amount is about $1,700,000,000.

Mr. SANTANGELO. That is $1,700,000,000?

Mr. POAGE. I think that is about correct.

Mr. COOLEY. The gentleman is inquiring as to what money is located in other countries?

Mr. SANTANGELO. That is what I am trying to find out. How much money has been accumulated in these countries as a result of this program where we sell them our surplus commodities?

Mr. POAGE. We have contracted, or we have entered into agreements involving the sale when the goods are all delivered of about $1,700,000,000.

Mr. SANTANGELO. Then it is with this money in the amount of $1,700,000,000 that our Government is purchasing other kinds of goods from foreign countries either under this law or under other laws; is that correct?

Mr. POAGE. Yes; but as I understand it we are purchasing these products under other laws and not under this law. The point I wanted to make clear to the gentleman from New Mexico was that we can only make purchases involving any of these commodities under other laws, not under Public Law 480. It was necessary to have the authority of some other law in order to make the purchase.

Mr. SANTANGELO. As I understand the complaint of the gentleman from New Mexico, it was that these funds which have accumulated in these foreign countries are being used under other laws to destroy the zinc and copper industries of our country.

Mr. POAGE. That is not quite correct because if we did not have Public Law 480, we would make the same purchases in foreign countries and pay for them in American dollars on the same terms.

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. O'NEILL. I believe your report shows that up to February 28, 1957, you had $1,984,088,000.

Mr. COOLEY. That is what is covered by agreement. Actual shipments total $1,320,000,000 up to May 27, 1957.

Mr. POAGE. And that includes the ocean transportation.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. FULTON. I think it is a matter of getting these strategic materials abroad. Actually under this act it is only a bookkeeping transaction. This is where the money comes from. So we do not have to put up real American dollars but we use surplus agricultural commodities.

Mr. POAGE. That is the only effect. It has nothing whatsoever to do with the terms under which these products are brought into the United States, but only as to where you get your dollars.

That, my friends, is the crux of this whole thing—that we use surplus agricultural commodities to pay rather than to use American dollars.

The CHAIRMAN. The time of the gentleman from Texas [Mr. POAGE] has again expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, there are some things about this bill that need considerable attention. There is a considerable part of the things that go abroad that are paid for by counterpart funds; that is, items that result in the foreign country's cash currency, and those things are available, the way the law stands, for expenditure for all sorts of things. For instance, as I understand it, they can take this money and pay agricultural attachés or other people who are over there in that particular country; pay their expenses. They can build residences for those attachés. They can pay the expenses of those who are in that part of the country on detail from the committees to which they belong, either in this body or the other body, and there is no control at all over the thing. Frankly, in the Appropriations Committee we passed a provision known as section 1415 which was designed to correct that evil. The extension of this statute by this bill is an appropriation coming from a committee that has no authority to bring an appropriation bill before the Congress, and it must necessarily be corrected before it goes through. I think we all ought to understand that if we are going to provide appropriation of funds without any control over them at all, that we are giving up the authority of the Congress of the United States to control things. Frankly, I dislike to see that happen, and if I can help it I do not intend to see it happen. That is the thing that bothers me about this bill. I do not like that feature of it. I expect, when the proper time comes, that someone will offer an amendment designed to correct that situation. If we continue to educate these bureaucrats with the idea that they can spend money without paying any attention to us, it would not be long before we would be out of business as a Congress. There will be no brake upon the executive whatever.

I hope that when this comes up the Committee will treat it with a sense of responsibility and a desire to see that the bill is corrected. Frankly, I do not want to stand in the way of the disposal of these surplus agricultural products. At the same time, we must see that it is done in a proper way and in a way which does not damage the United States.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. ROONEY. I should like to say that I am in thorough accord with every word uttered here on the floor today by the distinguished gentleman from New York. It will be recalled, as it was discussed here yesterday in the Committee of the Whole, that under this legislation the administration could purchase all over the world residences for agricultural attachés. The No. 2 man who becomes the chargé d'affairs in the absence of the Ambassador to Italy would continue to live in his present 6-room apartment in Rome, while they could purchase one of the Roman palaces for the agricultural attaché with the proceeds of this unhampered fund.

Mr. TABER. That is correct.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. KEATING].

Mr. KEATING. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Chairman, the decision yesterday of the Supreme Court of the United States in the Jenks case has posed a very serious problem for the security of our Nation which should be brought immediately to the attention of the Congress.

If this decision stands and nothing is done by the legislative branch it may well result, as Justice Clark has indicated in his minority opinion, in our investigative agencies having to close up shop. The FBI and other investigative agencies must be greatly concerned.

I have asked the Attorney General to assist me in the preparation of legislation which can immediately be studied by the Judiciary Committee in order that we can come to grips with this serious threat to our security.

Mr. McCULLOCH. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield.

Mr. McCULLOCH. Mr. Chairman, I wish to commend the gentleman from New York for so promptly bringing this vital matter to the attention of the Congress. I think that Justice Clark has so clearly let us know the importance of this matter that it would be worth while to quote 2 sentences from his dissenting opinion, and that I would like to do. Justice Clark said:

> This fashions a new rule of evidence that is to our Federal jurisprudence. The rule has always been to the contrary.

Without burdening the House with a necessary long quotation at this time, I wish to say that I will later request authority to insert in the RECORD the entire dissenting opinion of Justice Clark. I would commend it to every Member of the House for his serious reading as soon as it is available.

Mr. KEATING. I thank the gentleman and hope every Member will read the opinion.

Mr. McCULLOCH. The opinion referred to follows:

SUPREME COURT OF THE UNITED STATES—No. 23, OCTOBER TERM, 1956—CLINTON E. JENCKS, PETITIONER, v. UNITED STATES OF AMERICA—ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

June 3, 1957

Mr. Justice Clark, dissenting.

The Court hold "that the criminal action must be dismissed when the Government, on the grounds of privilege elects not to comply with an order to produce, for the accused's inspection and for admission in evidence, relevant statements or reports in its possession of Government witnesses touching the subject matter of their testimony at the trial." This fashions a new rule of evidence which is foreign to our Federal jurisprudence. The rule has always been to the contrary. It seems to me that proper judicial administration would require that the Court expressly overrule *Goldman* v. *United States* (316 U. S. 129, 132 (1942)), which is contra to the rule announced today. But that is not done. That case is left on the books to haunt lawyers and trial courts in their search for the proper rule. In Goldman the Court was unanimous on the issue of disclosure of documents[1] and refused to order produced "notes and memorandums made by the [Federal] agents during the investigation." The rule announced today has no support in any of our cases.[2] Every Federal judge and every lawyer of Federal experience knows that it is not the present rule. Even the defense attorneys did not have the temerity to ask for such a sweeping decision. They only asked that the documents be delivered to the judge for his determination of whether the defendant should be permitted to examine them. This is the procedure followed in some of our circuits. My Brother Burton has clearly stated in his concurring opinion the manner in which this procedure works. Perhaps here with a recanting witness the trial judge should have examined the specific documents called for, as the defense requested, and if he thought justice required their delivery to the defense, order such delivery to be made. I would have no objection to this being done. But as Brother Burton points out, this would not require a reversal but merely a vacation of the judgment and a remand to the trial court for that purpose.

Unless the Congress changes the rule announced by the Court today, those intelligence agencies of our Government engaged in law enforcement may as well close up shop for the Court has opened their files to the criminal and thus afforded him a Roman holiday for rummaging through confidential information as well as vital national secrets. This may well be a reasonable rule in State prosecutions where none of the problems of foreign relations, espionage, sabotage, subversive activities, counterfeiting, internal security, national defense, and the like exist, but any person conversant with Federal Government activities and problems will quickly recognize that it opens up a veritable Pandora's box of troubles. And all in the name of justice. For over eightscore years now our Federal judicial administration has gotten along without it and today that administration enjoys the highest rank in the world.

Director J. Edgar Hoover back in 1950 tellingly pointed this out before a subcommittee of the Committee on Foreign Relations of the United States Senate. Among other things he said, "I have always maintained the view that if we were to fully discharge the serious responsibilities imposed upon us, the confidential character of our files must be inviolate. * * * [U]nless we drastically change or circumscribe our procedures, they should not be disclosed." In describing the files of the Bureau, he continued:

> "FBI reports set forth all details secured from a witness. If those details were disclosed, they could be subject to misrepresentation, they could be quoted out of context, or they could be used to thwart truth, distort half-truths, and misrepresent facts. The raw material, the allegations, the details of associations, and compilation of information * * * are of value to an investigator in the discharge of his duty. These files were never intended to be used in any other manner and the public interest would not be served by the disclosure of their contents.
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> "These files contain complaints, allegations, facts, and statements of all persons interviewed. Depending upon the purpose of the investigation, particularly in security cases, they contain, not only background data on the individual but details of his private life * * * the identities of our confidential sources of information and full details of investigative techniques. In short, they consist of a running account of all that transpires.
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> "For want of a more apt comparison, our files can be compared to the notes of a newspaper reporter before he has culled through the printable material from the unprintable. The files do not consist of proven information alone. * * * One report may allege crimes of a most despicable type, and the truth or falsity of these charges may not emerge until several reports are studied, further investigation made, and the wheat separated from the chaff.
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> "If spread upon the record, criminals, foreign agents, subversives, and others would be forewarned and would seek methods to carry out their activities by avoiding detection and thus defeat the very purposes for which the FBI was created." (Hearings before a subcommittee of the Senate Committee on Foreign Relations on S. Res 231, 81st Cong., 2d sess., 327–329.)

I can add nothing to this graphic expression of the necessity for the existence of the rule which, until today, kept inviolate investigative reports.

My Brother Burton's concurrence also points up the failure of the majority to pass upon another important question involved; namely, the sufficiency of the trial judge's instructions. The impact of this failure on him and on my Brother Frankfurter was such that they have announced their own views though the majority never reaches the point. For myself alone, I believe that the instructions on the whole were sufficient. It is unfortunate that the majority does not announce its position. This is only 1 of some 10 Communist affidavit cases now pending in the trial and appellate courts. Unless this case goes as did Gold's,[4] the question of the sufficiency of instructions will come up in this as well as in each of the other cases. The Court is sorely divided on this important issue and proper judicial administration requires that charges as to what constitutes membership and affiliation in the Communist Party be announced.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Virginia [Mr. ABBITT].

[1] Though the Court was divided on an issue not here material, the two dissenting opinions expressed no disagreement whatsoever on the disclosure issue.

[2] The opinion cites only two of our cases for support. The quotations from *Gordon* v. *United States* (344 U. S. 414 (1953)), an opinion by my late Brother Jackson, a former Solicitor General and Attorney General, are lifted entirely out of context. The case holds explicitly that documents must be produced only after a foundation is laid "showing that the documents were in existence, were in possession of the Government, were made by the Government's witness under examination, were contradictory of his present testimony, and that the contradiction was as to relevant, important and material matters which directly bore on the main issue being tried: the participation of the accused in the crime." (Id., at 418–419.) Likewise, *United States* v. *Reynolds* (345 U. S. 1 (1953)), by my late Brother Chief Justice Vinson, approved the refusal of the Government to produce documents in a tort claims suit. The opinion gave no approval whatever to the conclusion announced by the majority here. I purposely omitted the reference in the opinion after the penultimate sentence, "Accord, *Roviaro* v. *United States* (353 U. S. 53, 60–61)." That case had to do with the disclosure of a dead informant's name and did not touch on the problem of the disclosure of Government documents.

[4] In *Gold* v. *United States* (352 U. S. 985 (1957)), this Court reversed and remanded the case for a new trial because of official intrusion into the privacy of the jury. The case was dismissed on oral motion of the Government on May 9, 1957.

Mr. ABBITT. Mr. Chairman, we have this morning again seen demonstrated in the Washington Post and Times Herald glaring evidence of the conspiracy to hoodwink the American people into believing that the so-called civil-rights legislation is just a little innocent piece of legislation dealing with the protection of the right to vote.

In the lead article on the first page of the Washington Post dealing with the jury-trial amendment in the civil-rights legislation there appeared the following:

> Under its terms, persons charged with violating Federal court injunctions forbidding interference with the right to vote must be tried by a jury rather than a judge.

This is just another instance of certain segments of the press, particularly the Washington Post, trying to pull the wool over the eyes of our people and fool them into believing that this vicious anti-civil-rights legislation will not affect the rights of the vast majority of our people in this country. There has been a constant effort to play down this legislation and to show it up as dealing with the right to vote only. As a matter of fact, this is the most dangerous, liberty-destroying legislation that has been offered in the Halls of Congress since I have been here, in my opinion. This bill is all embracing and covers all fields of civil rights. First, it sets up a Commission on Civil Rights with the authority and directive to include a study of all civil rights. The Commission will be a roving commission of inquisitors trying to browbeat and intimidate our people and make them amenable to the desires of the NAACP and kindred organizations. Second, it creates a Civil Rights Division in the Department of Justice which will be a small gestapo to harass the American people. Third, it confers upon the Attorney General of the United States the authority to institute civil action in the name of the United States or for the United States in all civil-rights matters. Furthermore, it allows the Attorney General to take up claims whether or not the party alleged to have been aggrieved desires it or not. It wipes out State remedies, deprives the States and localities of their police power and the authority and duty of the enforcement of criminal law. It permits the administration of laws by contempt and injunction proceedings, wiping out the right of trial by jury. And, lastly, it permits preventative action in right-to-vote matters, which is one of the minor provisions of the bill, and, in my opinion, will be less obnoxious than the other areas of jurisdiction covered in the bill.

I think it is high time that the American people be given a forthright and honest analysis of the proposed legislation. I am surprised at the effort being made in certain quarters to cover up the real intent, purpose, and effect of this legislation.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. HARVEY].

Mr. HARVEY. Mr. Chairman, I think the debate we are having on the extension of Public Law 480 is a very healthy one. I have been particularly impressed with the type of interested questions we have had. I believe the suggestion which was offered by the gentleman from New York [Mr. TABER] to provide for better control and disposal of these counterpart funds is a good idea. I want to comment briefly on two or three points I noticed have been receiving a good deal of attention.

I have heard the criticism voiced in reference to this program that it is disposing mostly of wheat and cotton and not doing enough for the dairy people, for example, of some of the other States where dairy products are a substantial portion of their production. The inequality of that complaint is not quite as apparent as it might seem. First of all, wheat and cotton are normally exportable commodities. Dairy products are not as exportable, but we are doing a terrific job of using dairy products on a domestic basis for the school-lunch program, through extra consumption by our service personnel, by charitable institutions. So dairy products are receiving substantial donations and attention in other farm legislation than Public Law 480 in the domestic market; and cotton and wheat, for example, are receiving more attention in the export or foreign market.

I want to address myself particularly at this time to one point that seemed to receive a great deal of attention yesterday. It is one facet of this problem I have interested myself in. I refer to the importation of Polish ham. I have followed the importation of Polish ham and have been against it for a long time. From what I have been able to find out, percentagewise it is not a very important product as an import proposition. It is a specialty product, it is a high-priced product, and it goes mostly into certain areas where people have a particular liking for this product.

I spoke to the packers in my own area as to why they did not meet the competition of this product and they said it is a sealed product. It comes sealed in tins and the demand totalwise was not sufficient to justify them setting up the necessary facilities to produce this specialty product.

I have figures which I can show to any Member if interested to cite the amount that is coming in. However, may I say that Polish ham does not all come from Poland. As a matter of fact that is sort of a trade name for the product.

I have some figures I would like to give the Members, because I think they are worth while. They are as follows:

Imports of canned ham and canned pork to the United States, 1954

Country	Export of canned ham and pork to United States	Import of all agricultural commodities from United States
Canada	$37,337,000	$298,038,000
Denmark	20,796,000	19,491,000
Netherlands	35,032,000	248,244,000
West Germany	11,896,000	265,393,000
Czechoslovakia	179,000	896,000
Poland	17,483,000	4,000
Total	122,723,000	832,066,000

May I say that there is no law which prevents Poland from shipping their products into our country provided they pay the duty of 3¼ cents per pound. I am opposed to the idea of trading with Poland because it is a one-way street. In my opinion, they are using the millions of dollars that they get from us to buy strategic materials at other places to finance their war effort. For that reason I think there ought to be something done to tighten up trade with a country like Poland. However, the product, Polish ham, comes from many of the other countries and it is really the same product. We cannot complain about importation from friendly countries who are good customers of the United States.

I support Public Law 480 extension and hope it will be continued based upon the past experience of excellent administration.

Mr. COOLEY. Mr. Chairman, I yield 6 minutes to the gentleman from Florida [Mr. MATTHEWS].

Mr. MATTHEWS. Mr. Chairman, I rise in support of the extension of Public Law 480 and would like to take this opportunity to emphasize several points that might be of particular interest to the committee.

If you have had an opportunity to read the report of the committee, you will note that the committee is earnestly desirous that the expenses incurred under this program have a strict accounting and that those expenses chargeable to agriculture should be properly charged. We realize that some of the money spent under the provisions of this bill should not be charged to agriculture. You will note, for example, that $225 million will be spent for ocean transportation. Our colleagues who do such a wonderful job of promoting the maritime interests of this great Nation I know will take cognizance of that and will be glad to support the Commodity Credit Corporation as it comes back to Congress from time to time to get more money for the transaction of its business. You will note, if you have had a chance to read this report, that approximately 37 percent of the foreign currency available under title I will be used for military procurement by the United States and to take care of its obligations in nations throughout the world. Certainly, then, that particular item should not be charged to American agriculture.

You will recall that several months ago we were told, for example, that the budget for agriculture this year is approximately $5 billion. Mr. Chairman, that is not the truth of the matter, because, as you know, perhaps only about half of that should be charged to agriculture and certainly not more than a maximum of $3 billion. If I had time today, I should like to go into detail on that particular matter.

Now, as we consider title I—and most of the consideration thus far has been given to title I—you will note that only 1.6 percent of the money planned to be spent is planned to be spent for the development of our agricultural markets. The committee has insisted that we pay more attention to the development of our agricultural markets and in particular with the nations to the south of us.

Now, title II, Mr. Chairman, is one of the most stimulating titles in the bill. That is the donation program to needy

people abroad. I have been particularly impressed with the way this program has been directed by our great religious and charitable organizations. The Jewish, Catholic, and Protestant organizations have done a magnificent job to let these people abroad, our friends, know that this food is a gift of the taxpayers of the United States. Title III will not be changed in this bill. As you know, that is the title that makes possible the feeding of our needy people at home. I do not believe there will be a vote cast against this bill, because in it we have a provision to feed 12 million school children, 1.4 million people in charitable institutions in America, and people living in 3.5 million family units in 39 States in the United States, Alaska, and Puerto Rico. So often you hear people say, "Let us help our people at home." I am glad, Mr. Chairman, that we have an opportunity in this bill to do that.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield.

Mr. MATTHEWS. I yield to the gentleman from Minnesota.

H. CARL ANDERSEN. I appreciate the gentleman from Florida [Mr. MATTHEWS] yielding for a brief comment, as I want to personally commend him for the fine job he has done in bringing this Public Law 480 program into proper perspective. The good our surpluses are accomplishing in helping hungry people all over the world is to my way of thinking one of the most important, if not the most important, features of this program.

One has to see hungry people in the Middle East, for example, only once to remember forever the look in their faces. We know that this is one of the worst trouble spots in the world today, but few people seem to realize that the real root of the trouble is lack of sufficient food. A few years ago I went into that area on an inspection tour, and I saw literally thousands of human beings living in those Arab refugee camps under deplorable conditions. I saw little children who had been born in those camps after their families had been displaced, and I know we would not tolerate such conditions here in the United States of America.

Those people barely exist with hardly enough food to keep body and soul together. It is no wonder that they are restless and that their leaders agitate and foment trouble. Hungry people are desperate people and there is little difference with them between dying of starvation and dying in riot, rebellion, or war.

Think of the good that has been accomplished and that can be accomplished by proper and effective use of our blessings of abundance. What better use can a Christian nation make of its abundant production than to share it with suffering humanity in other parts of the world?

In country after country I have personally seen the good we are doing with our surplus food. The masses of poor people in those nations may not even see, let alone appreciate, the industrial developments of our foreign aid program and they may even resent our military aid—but almost without exception we have found that they do appreciate our sending our food. It has been proven in Pakistan and all over the Middle East that our surplus food shipped to hungry people has made us more lasting friendships than all the dollars and guns and bombs we could ever hope to ship abroad.

The charge has been made that this program is a subsidy for American agriculture. Nothing could be further from the truth. Certainly it helps our agricultural economy to have some of these surpluses removed but the real value of the program is in the field of diplomacy and international relations. I would remind the critics of the Public Law 480 program that the commodities going abroad under this program are owned by the Commodity Credit Corporation. The producers have already received their settlement from the Government and these stocks are federally owned.

It is just good business on the part of our Government to sell, barter, and where proper to do so give these surplus stocks to customers and hungry people abroad. Every bushel of wheat and every pound of edible fat we ship abroad, through one means or another, is just one more block in the barrier of defense we are building against Communist aggression. By strengthening the Free World the Public Law 480 program is serving all the people in the United States, not just our farmers who produced the food. It would make as much sense to claim that the foreign aid program was a subsidy for American labor which produces the equipment provided under that program as it would to claim that the program before us today is a subsidy for our farmers.

Mr. MATTHEWS. I appreciate that comment of the gentleman. I know, like many of you feel, this feeding of friendly people should certainly be charged to the cost of this cold war. I am delighted that the Congress during the past several years has recognized the legitimacy of this kind of endeavor, and not only with our vast armaments should we fight this cold war, but with this great amount of food which we have in such providential surplus.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. MATTHEWS. I yield to the gentleman.

Mr. FULTON. I think the gentleman is to be complimented on his statement. Actually, it should be pointed out that the title of Public Law 480 is The Agricultural Trade Development and Assistance Act of 1954. The purpose is to increase the consumption of United States agricultural commodities in foreign countries. And so it is really a bill to assist our own United States farm areas, and for our own United States safety and security abroad as well.

Mr. MATTHEWS. I thank the gentleman for his contribution.

Mr. Chairman, this bill is a good bill. I, along with other members of the House Committee on Agriculture, introduced similar legislation.

The facts concerning the extension of Public Law 480 are well presented in the committee report to accompany H. R. 6974.

Public Law 480 was approved July 10, 1954, as an emergency program for disposing of surplus agricultural commodities through sale for foreign currencies, barter, and donation—both domestic and foreign. The act consists of three titles.

Title I deals with sales for foreign currency and originally provided an authorization of $700 million for the sale of surpluses abroad to friendly countries for foreign currencies. On August 12, 1955, this authorization was increased to $1.5 billion and on August 3, 1956, to $3 billion. This bill will further increase that authorization to a total of $4 billion.

Title II originally authorized the expenditure of not more than $300 million for foreign donation programs. This was later increased to $500 million, and this bill would again increase this amount to $800 million. The termination date of programs under titles I and II of the act is June 30, 1957, and is by this bill extended to June 30, 1958. No other changes are made in the act by this bill.

Title III deals with barter and with a permanent surplus disposal and donation program embodied in the Agricultural Act of 1949.

I would like to point out that, of course, this bill will help us to continue disposing of the agricultural surplus. From latest reports, there are over $8 billion worth of these agricultural surplus commodities in the hands of the Commodity Credit Corporation. I think it is most commendable on the part of Congress to recognize that in our efforts to win the cold war that in addition to the implements of warfare, that food is equally important, if not more important. I think many of the expenses incurred under Public Law 480 might well be considered part of the total defense effort and should be charged to the cold war. Recent events in Formosa call for a reevaluation on the part of Congress as to the value of many of our foreign aid programs. It is interesting to note in this connection that I have personally talked with colleagues who have visited Formosa and they told me months ago that we had entirely too many civilians on that island. Over half of the total 15,000 Americans are not in any way connected with the military departments. I think among other reasons for the recent demonstration on the part of the Chinese Nationalists against Americans is that fact that these people resent our superior standard of living and I, for one, am convinced that food distributed in the name of the United States to hungry people throughout the world will do more to improve American relations with the remainder of the world than many of our present programs involving a tremendous number of civilian personnel.

In the committee report, attention is invited to the need that we have in the United States to help develop new markets for agricultural commodities on a mutually benefiting basis with other countries. I should especially like to emphasize the possibility here with our neighbors to the south. I feel that we have been overlooking our South American neighbors. There are many countries in South America who have an

abundance of mineral resources but can never develop agriculture as we can here in the United States. Certainly one of the most important needs for developing agricultural markets is to give other nations dollar reserves with which they can buy our products. An ideal relationship, it seems to me, could be promoted with many of our South American countries where we, in exchange for their mineral resources, could ship to them agricultural commodities that are in such great surplus in our own country.

Many times I do not think we recognize the fact that our trade in all commodities, agricultural or otherwise, is most promising with nations that have high standards of living. Canada, our best customer, has a high standard of living. Often as our programs of assistance to other parts of the world have given to these undeveloped nations a desire for economic improvement, we find that agriculture suffers to a certain extent because the need for heavy machinery and other mechanical equipment gets first attention on the part of these nations in order to improve their own economies. I think it should be stressed, also, that many times we have a favorable trade balance with nations, such as Cuba, that benefit the whole of American economy, but at the same time, does not benefit agriculture as such. I voted for our present sugar program, for example, and will continue, I think, to vote for it, because among other things, it helps the friendly nation of Cuba. Cuba, in turn, buys a tremendous amount of goods from the United States, but most of these goods are in areas other than agriculture. In the Everglades section of Florida we could produce enough sugar to feed the world, and yet our sugar growers in America are not permitted to produce enough sugar to feed the United States because of our trade program with Cuba and other nations of the world. I repeat again that I voted for this sugar program, but it points out some of the difficulties facing American agriculture.

Another point which should be mentioned here is the fact that many times we hear expressed the sentiment that our agricultural programs benefit only the producers of the six basic crops—rice, tobacco, corn, wheat, peanuts, and cotton. It is interesting to point out that through Public Law 480 that $97 million worth of feed grains have been exported to foreign nations, $251 million worth of fats and oils, and $48 million—approximately—of other products, have been exported to other nations. It should also be pointed out that section 32 funds, which of course, are not a part of Public Law 480, but which specifies that funds from import taxes on agricultural commodities shall be used for the promotion and sale of agricultural commodities that are not the basic crops, have accounted for the disposition of literally hundreds of millions of dollars worth of beef, pork, vegetables, milk, and other items.

I should like to comment briefly on the value of title II, which authorizes a program by which we can help friendly foreign people in time of need. You may recall that just recently this program has been used to help feed Hungarian refugees in Austria. Title III deals with barter and with domestic donations. I think the fact should be emphasized that under titles II and III, in the fiscal year 1956, more than 2 billion pounds of food were distributed to needy persons at home and abroad, and of this amount 789 million pounds were distributed in the United States.

Let me repeat again what I have said before. So often we hear criticisms that we are taking care of people all over the world and do not attend to the needs of our people at home. Every State in the Union can set up a program to receive donations under title III for their needy people. There are 3,443,803 persons in the United States from 39 States, Alaska, and Puerto Rico receiving food under title III of this bill in family units. In addition these foods are going to about 12 million schoolchildren, and to 1.4 million persons in charitable institutions.

In foreign countries, these surplus foods are distributed primarily through voluntary relief agencies, chiefly of a religious and charitable nature. I emphasize again that I have been very much impressed with the fine program that our religious and charitable groups here in America have developed for the distribution of this surplus food in foreign countries. I think we must always keep in mind that this food should clearly indicate that it comes as a gift of the taxpayers of the United States. Our various groups in America, in my opinion, have done a fine job in this connection. I want to repeat again what I have said earlier—that to me a hungry person in a friendly foreign country receiving food through a voluntary American organization which tells the recipient that the food is a gift of the taxpayer of the United States—does more good in winning friends and influencing people for the cause of the Free World than almost any other single thing we are doing. I believe the American people would be willing to expand this program, provided, of course, they realize that the food is not used to keep in power a particular person or group of persons but is used for direct relief purposes as our people have every right to expect. I think more use should be made of title II, especially as it concerns the authority to assist refugees.

I should like to emphasize here, again, the fact that all kinds of agricultural commodities have been used under titles II and III of this program. To give some specific totals for fiscal year 1956 and through the months of July to March of fiscal year 1957, the following amounts of commodities have been distributed: dried beans, 204 million pounds; butter, 272.7 million pounds; butter oil, 99 million pounds; cheese, 424.7 million pounds; eggs, 36.2 million pounds; frozen hamburger, 66 million pounds; lard, 59.4 million pounds; milk, nonfat, dry, 899.4 million pounds; pork, 164.7 million pounds; shortening, including cottonseed oil, 64.2 million pounds; sweetpotatoes, 21 million pounds; frozen turkeys, 25.2 million pounds—and other commodities 19.4 million pounds.

Mr. Chairman, I hope that H. R. 6974 receives the unanimous approval of the House. It is a bill of many facets. It will help some, I hope, the plight of the American farmer. Time and time again we have been told here on the floor of the House that the American farmer has not participated in the general prosperity of the Nation. This is true because he is caught in the price squeeze. He has no organization to demand a fair return for his product. He cannot compete in a protected economy unless he, in turn, gets protection from the Government. The farmer continues to pay more and more for what he buys and he gets less and less for what he sells. His share of the consumers' dollar is below 40 cents. In some commodities, of course, much less, and a few commodities a little more. If we could just devise a program whereby the farmer could get a fair share of the consumers' dollar I believe his problems would be solved. The soil bank has not proved to help the current income of the farmer, and has positively proved damaging to the economy in the rural areas.

In my own Eighth District of Florida we shall probably have ten to twelve millions of dollars less in circulation this year because of the soil bank. The farmer is receiving income from the soil bank, but that income is less than what he would receive if he cultivated his land and were paid a reasonable price for what he produces.

The small merchant, the automobile dealer, gasoline dealer, professional man, in rural areas all are suffering today to an extent that I still do not believe is recognized by the public at large.

The soil bank was intended to help cut down the huge surplus of agricultural commodities, and I hope and pray when we take stock at the end of this year we find that it has. This, of course, in itself, will help the farmer, and his goods will bring more in the market place.

The extension of Public Law 480 is a device also to get rid of agricultural commodities in surplus, and by so doing help the farmer. It goes much further than that, however, and Public Law 480 is a tool to help us in the struggle with Communist Russia. It is a means not only of promoting the best interests of American agriculture, but it is a method whereby we feed hungry people at home and abroad, and by so doing we reflect the humanitarian impulses of our people, which have been the strength of our Nation since the founding of the Republic.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Chairman, every time this House considers a measure seeking to resolve an agricultural problem, which is the objective of H. R. 6974, I keep comparing the situation with tranquilizer pills. In other words we keep passing legislation to ease tension and worry over farm problems, but we do not courageously meet the illness with major medical or surgical treatment to try to cure or remove the basic cause of the worry.

I was told that the Congressional Digest's last recapitulation showed my

voting record indicates 77 percent in support of the President's program. If so, it would have been better had I supported the soil bank, but the distinguished chairman of our Agriculture Committee urged termination of the plan to allow time for his committee to come up with a more workable program. Of course that is wishful thinking. I doubt if the House Committee on Agriculture, or if the Department of Agriculture is going to come up with a plan; we will continue with tranquilizers in the way of special treatment to ease the suffering.

These pills are pretty expensive—and in spite of what one hears and reads, I fear are habit forming. The cost to the American taxpayer represents about $1,000 for each farm in America. There are about 4.9 million farms and our farm subsidy amounts to about $5 billion.

Last Sunday afternoon CBS and its television show "Face The Nation" had Nikita Khrushchev on a nationwide hookup. Maybe much of this show was propaganda, but Khrushchev was not exaggerating, I am sure, when he made the prophecy that our grandchildren in America will live under socialism.

Does not our Federal Government subsidize our farmers to the extent of 46 cents of every dollar of agricultural income? I call that a reasonable basis for Khrushchev's prediction. The nature of socialism is such that the individual exchanges his personal freedom and individualism in return for collective benefits. But once the individual barters his rights away only by means of outright revolution can the state be forced to cancel its authority and revert to free competitive enterprise and individualism.

Khrushchev is quoted as saying that our grandchildren will not understand how we, their grandparents, did not understand the progressive nature of a Socialist society. I would say "how true" to that—for certainly the people who support tranquilizer programs for the farmer are blind to the danger of socialism and communism inherent in such legislation.

The Farmers' Union, meanwhile, says we are not progressing fast enough; the more conservative Farm Bureau believes its policies are those of a capitalistic free society. As for me, all I ask is that the people of America be given the facts, because few persons I have ever found want socialism and I think a little courage and sacrifice is the answer.

Congress has been too kind at times. We have exempted farmers from paying the gasoline tax; we have exempted his trucks and produce from regulation on the highways; we reimburse farmers for fertilizer and lime; we support peanuts as if it were a basic crop; we subsidize his power and telephone bills; we loan to him at artificially low interest rates; we give free information on how to increase crop yields; we take his surplus products off his hands; we give him dollars and the Government takes foreign currency.

Actually is not our agricultural industry pretty close to socialism now?

We need a new program more than an extension of the old one.

We are asked for authority so the Secretary of Agriculture can barter with socialistic European satellites of the Soviet Union. Why not repeal section 304? Really the truth is we have a Federal system of socialist management, distribution and control. The difference between the Soviets and ourselves is small. Our Federal Government has not taken over the ownership of farms—that is about all. But as Khrushchev believes it may well have to take over the ownership before too long.

The passage of tranquilizer legislation soothes the American people into the illusion that we do not have collectivism already to a high degree.

I am willing to vote to increase the authority from $3 billion to $4 billion of farm products the Government can sell from its stocks to other nations as provided by this bill. But I will only support the increase because it will be Federally owned products we will be disposing of and because the sale will reduce the huge bill for rental which the Commodity Credit Corporation is forced to pay to store these surplus crops. Also, of course, the surplus crops will spoil if we do not dispose of them.

Meanwhile where is the new program to replace the soil bank plan which admittedly has not worked? Are my city consumers to continue paying 46 cents of the farm income dollar and also pay artificially high food prices, too?

Every American has a right to expect of Congress that the basic farm problem be solved within the framework of the free enterprise system. I am awaiting the workable program the chairman of the House Agriculture Committee said he hoped to bring us.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MASON. Mr. Chairman, I take this time to notify the Committee that the Army today issued a news release which the ticker tape says was agreed to by the Republican leaders at the White House at the last conference to the effect that the Girard boy, from Ottawa, Ill., who killed a Japanese woman while he was on duty, is to be turned over to the Japanese for trial; in view of the fact that the international situation is tense, following the Formosa riots, we now propose to give up our sovereignty and turn this boy over to the Japanese to try, in order to prevent or head off another international incident such as the Formosa riots. Is that what our American soldiers can expect in the future? Are we to forget principle and be guided in the future by appeasement even if it means sacrificing the lives of our own boys?

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Chairman, I do support the enactment of H. R. 6974. This bill would extend Public Law 480 for 1 year and increase the authorization by $1 billion. No appropriation or expenditure of funds are involved.

I was 1 of the 5 Congressmen who introduced this legislation early in 1954. The others included the gentleman from Texas [Mr. POAGE], the gentleman from Texas [Mr. BURLESON], the gentleman from Minnesota [Mr. JUDD], and the gentleman from Nebraska [Mr. HARRISON]. All of these men and myself introduced these bills after long and serious consultations with all three of the national farm organizations. These included the American Farm Bureau Federation, the National Grange, and the National Farmers Union.

It was their feeling and ours that there was no other way in which our surpluses could be disposed of within any reasonable length of time. Many of these surpluses were in a seriously deteriorated state, and disposal in some form was imperative. It appeared to us at that time that the disposal of these goods in foreign markets for foreign currencies was reasonable and in the best interests of our country. I might point out that this was the first departure which this country had made in its entire history in which we had not demanded dollars in return for our produce.

In this respect the program has worked far better than we expected when it was enacted. We have found uses for the native currencies in our foreign-policy programs in all of the intervening years. We have been able to pay operating expenses of this Government in the various countries where this program has been in effect.

I am sure all of us who are vitally interested in agriculture are heartened by the progress which has been made in expanding agricultural exports. Last year's exports were the highest in quantity for the last 30 years.

The gain in exports is proceeding at an accelerated rate during the current season. For the first 6 months of the fiscal year July 1, 1956, to July 1, 1957, overseas shipments totaled approximately $2.3 billion in value. This is 40 percent higher than the export total on the same date last year. It appears that for the entire 1956–57 season, our agricultural exports will total as much as $4.4 to $4.5 billion. The attainment of that level would mean new alltime highs in both value and volume—far above all previous records.

My purpose today is to present a statement on the contribution that the Public Law 480 sales program has made and is continuing to make to the expansion of export markets for surplus agricultural commodities.

WHAT IS PUBLIC LAW 480?

On June 30, 1954, the 83d Congress passed the Agricultural Trade Development and Assistance Act of 1954.

This law, more commonly referred to as Public Law 480, authorizes disposal programs of three different kinds: First, sales for foreign currency; second, gifts of surplus commodities to combat emergency needs abroad or to help meet continuing relief needs at home or abroad; third, a strengthening and emphasis of

the CCC program for the exchange of agricultural surpluses for strategic materials or other materials needed by United States agencies abroad.

COTTONSEED AND SOYBEAN OIL

The programing and shipment of cottonseed and soybean oil under title I in 1955–56 was the key factor in keeping cottonseed and soybeans out of CCC hands. These activities have added millions of dollars to the incomes of soybean and cottonseed producers. Nearly 600 million pounds of these oils were shipped abroad under the foreign currency program last year and this helped push edible oil exports to a record level of almost 1.2 billion pounds, about 55 percent higher than the previous record level. The large exports of oils together with record exports of soybeans kept soybeans and cottonseed above support levels last year. Despite the fact that farmers placed about 30 million bushels of soybeans under price support in 1955–56, only a few thousand bushels were taken over by CCC and these were sold easily.

The record 1956 harvest of 456 million bushels of soybeans, almost 84 million bushels higher than last year's level, made marketing conditions look dark last fall. But again title I has proved of great help. Already title I exports have accounted for over one-third of the 350 million pounds shipped abroad during the first 3 months of the season. For the entire season, combined exports of cottonseed and soybean oil should approximate last season's record with the continued strong help of Public Law 480.

Even though we have a soybean crop about 84 billion bushels larger than last year, the quantity under loan currently is only 30 million bushels higher. This is solid evidence of the strength that the Public Law 480 program is contributing to markets. We will probably end the season with some beans in CCC hands, but the amount is being reduced because of the strong action being made to move surplus oil under Public Law 480, and during the heavy marketing season price levels have been maintained above the increased support level.

LARD

Lard exports which totaled about 625 million pounds in 1955–56 have done much to ease the pressure on the livestock industry. Public Law 480, title I, shipments accounted for 100 million pounds of this total. This was of material assistance in reaching this export total. It is expected that lard exports under the foreign-currency program will be at the same level this year. These exports helped to bolster lard prices during the last few months, which, in turn, contributed to the great improvement in prices that hog producers have been experiencing.

WHEAT

The surplus holdings of wheat have grown larger each year since 1952–53. But in 1956–57 for the first time in 5 years the surplus should be reduced by about 50 million bushels.

The reversal in surplus accumulations is due almost entirely to expanded exports which have risen from 220 million bushels in 1952–53 to 344 million last year. The Department of Agriculture some time ago estimated wheat and flour exports for the current season at a minimum of 415 million bushels. Now it appears that exports could reach 450 million bushels.

A large share of the credit for this gratifying outlook must go to Public Law 480 and particularly to title I. Exports for foreign currency have increased from 24 million bushels in 1954–55 to 93 million bushels last year and are expected to equal or exceed 150 million bushels this year. Much of these shipments are going to countries like India which is finding it possible to expand consumption of wheat as the result of their ability to make purchases in their own currency.

The possibility of a cut in the surplus wheat stockpile is even brighter for 1957–58. With prospects good for continued high level exports and a substantial reduction in wheat production because of the soil-bank program, the reduction in the wheat carryover at the end of next season should be much larger than the 50 million bushels in sight this year.

Finally, the effect of increased exports and larger purchases of free market supplies by private traders for export has meant more money in the pockets of farmers. As of mid-January, wheat prices at the farm level were about 10 cents per bushel more than at the same time last year.

SUMMARY

The request for the extension of this program will permit the United States to program agricultural commodities for the fiscal year 1958 at about the same annual rate as in the past 2 years. It will permit us to plan our disposition programs well in advance for next year and facilitate the orderly disposal of commodities during that period.

In programing the additional authorization our emphasis will continue to be concentrated in underdeveloped, low-income countries. Sales will be made to expand consumption, to regain or establish new markets, to meet foreign needs arising from crop failures, and to expand reserve stocks overseas.

The administration has limited the request for the additional authority to a 1-year extension because it believes it desirable that the results obtained under this program be subjected to a periodic review. This request also emphasizes the administration's position that Public Law 480 is a temporary program designed to deal primarily with accumulated farm surpluses. Such a periodic review also permits consideration of alternative methods of surplus disposal and other actions aimed at expanding normal export markets.

Mr. Chairman, this law has worked successfully for 3 successive years. On the basis of accomplishment alone this authorization for an extension is deserved and in the public interest.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield 3 minutes to the gentleman from Maine [Mr. MCINTIRE].

Mr. MCINTIRE. Mr. Chairman, we have heard a very extensive discussion of this bill. I wanted to take the opportunity of putting into the RECORD my words of commendation of Gwynn Garnett, the Administrator of the Foreign Agricultural Service, and his deputy, Mr. Clayton Whipple, and all of those associated with them in the Foreign Agricultural Service and in the Department of Agriculture, for the job they have done in administering very complex legislation and the very complex problem with which they are dealing.

I think it is also appropriate that we commend our agricultural attachés for their efficiency in representing the interests of American agriculture abroad and reporting back to American agriculture the situations as they see them in countries in which we are very much interested in developing markets.

This is a very complex problem. We are dealing with surpluses which, of course, are a real problem. We are dealing with them as constructively as possible. We are opening the possibility of developing permanent foreign markets, which American agriculture sorely needs. I think we should look at some of these facts as well as some of the problems of the administration, because the primary objective of this legislation is sound.

I sincerely hope it will be supported by the Members of the House, recognizing the complexities of it, but I think in these areas in which this program is working it is developing for the American farmer outlets which would not otherwise have existed.

The program is saving the American taxpayers by converting commodities into money which can be used, and in that balance this program deserves our support for its extension as suggested in this legislation.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. MCINTIRE. I yield to the gentleman from Illinois.

Mr. SPRINGER. I should like to join in the commendation which the gentleman from Maine has made here today with reference to Gwynn Garnett, the Administrator of this program. I know of no man in this Government more dedicated and honest, and who has done a better job all the time he has been in this position, than Gwynn Garnett. He has had a wonderful background, having been legislative adviser to the American Farm Bureau Federation before he came into this job, having been with the State Department overseas, and having seen this problem first hand for a period of many months; so he has had the background and experience necessary to administer the law. I think he has certainly done a wonderful job in administering Public Law 480.

Mr. MCINTIRE. I certainly concur in the gentleman's remarks.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield 3 minutes to the gentleman from Nebraska [Mr. HARRISON].

Mr. HARRISON of Nebraska. Mr. Chairman, I want to associate myself with what has been said about the Administrator of the Foreign Agricultural Service, Mr. Garnett, who has done an

outstanding job in administering this legislation.

I ask for support of the bill H. R. 6974. I think it is very important that we pass it at this particular time. As was mentioned yesterday, I was one of the original sponsors of this particular legislation. I want to direct my remarks to the importance of it because of the importance of the agricultural industry. I think we are pretty much agreed here in the House of Representatives that the agricultural industry is one of the most important, if not the most important industry we have in this country, and that the agricultural industry more than any other industry is in trouble at the present time. It is in trouble because of the surplus commodities we have built up. We have been trying through these different measures of different kinds throughout the ages, more or less, to circumvent a very important law, the law of supply and demand. We have not been able to do that and this law, Public Law 480, is the only piece of legislation, the only medium and the only vehicle we have been able to come up with to reduce our surpluses that are hanging over the heads of our farmers today with a depressing effect on markets. The farmer is in a fairly good position if he has a good market. We know how important it is to have a free market and to have these surpluses moved. Let me give you just one example. I think it is important that we realize the necessity for letting the law of supply and demand operate. You will remember a couple of years ago the pork industry was in a very bad situation because of an oversupply of pork. Today it is in a fair position, I would say a good position because the amount of pork has been reduced to the point where it is not in surplus and thus the price of pork is good. If we can put wheat, corn, rice, cotton, and other commodities in that position, we will put the farmer in a position that he wants to be, and the position in which he can get his fair share of the Nation's prosperity which he is entitled to. Public Law 480 is the only medium making it possible for the farmer to through reduced surpluses improve his prices that we have come up with thus far to this date.

Public Law 480 has accomplished the following:

Operations under the law have grown rapidly in volume. Agreements were signed during the first year the law was effective, 1954–55, totaling $488 million at CCC cost and $362 million at export market value. In 1955–56, new agreements were signed in the amount of $1 billion at CCC cost and $686 million at export value. To date this year, additional agreements negotiated total $1.4 billion at CCC cost and $939 million at export market value. Thus, in 9 months of 1956–57 new agreements were concluded almost as large in total as in the previous 2 years.

Included in agreements signed to date are wheat, 430 million bushels; feed grains, 75 million bushels; rice, 22 million hundredweight; tobacco, 145 million pounds; cotton, 2.5 million bales; fats and oils, 1.6 billion pounds.

I think it would be useful to clarify one point—that is, the difference between CCC costs and export market value. As you know, the fund limitation in the law is in terms of CCC costs. This means that the authorization is charged the full cost of any commodities supplied under the program. Such costs include the cost of acquisition and carrying charges of price-support commodities, processing, transportation, and handling charges. Thus, during 1955–56 a bushel of wheat delivered to port resulted in an average charge of about $3.30 to the authorization. The foreign buyer paid about $1.65 a bushel which was the prevailing export price and this was the amount he was required to pay in his own currency. In general, to date the authorization has been charged $3 for every $2 worth of commodities purchased by foreign buyers.

Looking at results another way, exports in 1954–55 were small, totaling about $73 million at export value or about 2 percent of total agricultural exports. In 1955–56 title I shipments jumped to $435 million which was 12 percent of agricultural exports. In the first 8 months of 1956–57 title I exports averaged about $60 million monthly, 16 percent of our farm exports. And this rate should hold for the balance of the year. This is solid evidence of the contribution the title I program has made and is continuing to make to the booming export outlook.

The current $3 billion authorization is virtually exhausted at the present time. Agreements have been signed for almost $2.9 billion at CCC cost and the small balance will be used in a very short time. That is why action should be taken promptly on the administration's request for additional funds. I understand that hundreds of millions in new requests have been received which cannot be considered until new funds are made available.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield 1 minute to my colleague the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Chairman, the debate on this measure has gone far afield. At times the arguments have been so far removed from the question before us that one walking into the Chamber might think another bill was being discussed. I plead with my colleagues to not let these extraneous matters interfere with their thinking in passing judgment on the merits of the Public Law 480 program. Let us consider this program on its own merits and let us not be influenced by collateral disagreements which have no relationship whatsoever to the matter at hand.

This is one of the best programs ever devised by any nation to help its less fortunate neighbors. This program offers the best possible outlet for our agricultural surpluses and how much better it is to see our excess food going into hungry bodies rather than be stored indefinitely at such great expense to plague and depress our own markets.

It is not only a good program of which the legislative authors may be justifiably proud, but it is one of the best administered programs in our Government today. The Foreign Agricultural Service of the Department of Agriculture has made this a really effective program. From Gwynn Garnett, the Administrator, to the agricultural attachés and their staffs all over the world we have had able and enthusiastic people carrying out this program. Some of them have testified before my subcommittee, and I have visited with some of the attachés at their stations abroad, and I can honestly say that I know of no more dedicated public servants anywhere in our Government. If for no other reason, we would be justified in extending this program because they have put so much time and effort into its development.

I repeat, Mr. Chairman, the plea that this program be considered on its own merits. If that is the case, I am sure this extension of the program will be approved by an overwhelming majority.

The CHAIRMAN. The time of the gentleman has expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Connecticut [Mr. SADLAK].

Mr. SADLAK. Mr. Chairman, it is a matter of great importance that the United States and the free Western World wage their fight against international communism wherever it exists. The free democratic world must give active aid not only to Poland but to any satellite country liberating itself successfully from the shackles of Soviet despotism. We must meet the needs and the aspirations of these people who have lost freedom and who are struggling to regain it. We must never allow a situation to arise that would force them to turn despairingly back again to their Soviet masters.

I would today like to remind my colleagues that the disputed issue of aid to Poland is most ironical. With the start of World War II Poland was a free nation, and she was the first to sacrifice blood and people in defense of liberty. As our ally, she should have shared in the victory of the freedom she so gallantly defended. She belongs in the camp of the democracies, but her present plight is traceable to the Yalta infamy and betrayal in which we, to our everlasting regret, so shamefully participated.

When World War II ended, Poland was a terribly battered nation. Almost 9 million of her people were dead, most of them tortured and killed in the labor camps of Russia and in German concentration camps. Her only hope was the promise that we, the United States, gave her. As our ally, she was promised freedom and liberty. So it is now time for us to execute that promise. In her struggle for freedom, we are asked to help her not by use of force or threats of violence to her aggressors, but only by selling to her, from our abundant stock of surpluses, some wheat and some cotton which she so desperately needs. That is much too small a request not to have it granted.

It is being argued, however, that American aid should not be granted because it will contribute to the strengthening of a Communist regime. It is falsely suggested that economic aid from the West will in no way improve the living standards of the Polish people; that it will only be wasted and used in the interests of Soviet imperialism.

It is not to be denied that after Stalin's death there was a certain relaxation of the strict Communist rule. The people of Poland today are more and more losing their fear of the secret police. They talk more freely, listen to the radio, and exchange remarks and views on what they hear. They travel more. Everybody in Poland once again seems to be enjoying some measure of freedom, and what's more, they are determined to keep that freedom, and strive to complete it.

It is wrong to brand Gomulka as another edition of the Yugoslav dictator, Tito. We must not forget that the Western World embraced Tito even though he was and still remains a Communist, and his nation was and still is communistic. If we can justify the fact that he qualified for our American support, does it not seem fair that Poland would be more deserving of our support because of her proven loyalty to the philosophy and traditions of the democratic way of life?

Has not Poland, for example, already restored almost fully religious freedom, including the right to religious education in schools for anybody demanding it? Religious freedom in Yugoslavia under Tito is nonexistent.

Our President and our Secretary of State have both commented favorably on the friendly desire of the Polish nation to cooperate with the West, and they are both perhaps in better positions than we to appraise existing relations between the Gomulka government and our own.

There is no doubt that American aid will strengthen the present Gomulka regime, but in so doing, it will also strengthen Polish independence. By giving aid, we will considerably advance the cause of restoring democracy to an unhappy but freedom-loving people. We will give encouragement and enable them gradually to push forward toward a democratic way of life.

What Poland needs is wheat, cotton, fats, coal mining machinery, and means of transportation.

Even though politically independent, Poland cannot afford to go it alone economically. Stalinism brought Poland to the brink of economic ruin.

I wish to emphasize, however, the point that the Poles are not asking for grants, but loans. They are not seeking relief-type help. They want to put an end to forced deliveries of grain and establish a free market, and they want to speed up decollectivization of farming. To accomplish this, they need considerable stockpiles of wheat as an offset to inflation during the changeover. They also want to obtain cotton for their textile factories to relieve their heavy dependence on the Soviet Union. Cotton is in extremely short supply in Poland with the continual threat of factory closings and unemployment. If Poland could obtain cotton from the United States, she would not be so dependent on Russia.

The mere fact that Poland has asserted her autonomy is the most hopeful development along the Iron Curtain in many years. Poland has pursued the kind of liberation policy we have been supporting—a policy short of war and solely from within. We must not fail her. It would only lead to discourage other satellite countries who would dare aspire to independence on the basis of promises from the West.

I urge the rejection of any amendment which would impede passage of this bill authorizing release of our farm surpluses to any nation struggling against Communist ideologies. Both commodities are in large surplus in the United States and I know of no better use to which these surpluses could be put.

It lies in our interest to have a free and independent Poland in Europe. It would be another step in the direction of realizing world peace.

Mr. COOLEY. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. BONNER].

Mr. BONNER. Mr. Chairman, I want to compliment the distinguished chairman of the Committee on Agriculture [Mr. COOLEY]. As usual, he has brought in a splendid bill that carries out the love in his heart in supporting agriculture. I join him in supporting the bill and in his efforts for agriculture throughout America—East, West, North, and South.

I only ask for this time to ask the gentleman, my close friend from North Carolina, what he means by restriction on ships. On page 13, it reads:

> Officials should also exercise to the fullest their authority to permit use of any available shipping when suitable space is in tight supply.

I would like to have the gentleman's attention. Does he mean in this sentence that he is trying to affect in any way at all the 50–50 provisions of the now existing shipping laws?

Mr. COOLEY. No. I do not have any idea of doing away with the gentleman's pet project of 50–50 shipping. I know that he is the guardian angel of the Coast Guard and the ships that sail the seven seas from all of our ports, but we want to see that they carry out the true intent and purpose of Congress in using shipping were shipping can be used more economically. For instance, even in our own State they are not using our ports along the North Carolina coast and in other places, but are giving preference to other ports. I was prompted to put this in by somebody from North Carolina.

The CHAIRMAN. The time of the gentleman has expired.

Mr. COOLEY. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. BONNER. I am just as interested as anybody in selling our surplus agricultural commodities abroad, as provided in this legislation. But if it were not for the American-flag ships, the prices that would be asked by foreign-flag ships would be so high that you might not be able to ship all the material that you desire brought under this program.

Mr. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield.

Mr. BOGGS. The distinguished gentleman knows that this body has expressed itself a half dozen times on this subject. On several occasions the committee headed by my good friend, the gentleman from North Carolina [Mr. COOLEY], chairman of the Committee on Agriculture, and also the Committee on Foreign Affairs, have tried to change this basic principle, and on each occasion the House has reversed them.

Mr. BONNER. I would say to the gentleman that was a friendly debate, and it has been decided permanently, and, I hope, forever.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. BONNER] has again expired.

Mr. COOLEY. Mr. Chairman, I yield myself the remaining time.

Mr. Chairman, frankness requires me to say that if I were permitted to do so, I would remove the 50–50 shipping provision, but I do not have the authority to do it, and I have no intention of doing it, but I am anxious for the officials administering this program to treat all ports of the country fairly and equitably.

Mr. Chairman, I understand that some amendments will be offered, and that perhaps a point of order is being considered on this bill. First I want to reiterate that this is an administration measure. It was prepared by one of the Cabinet officers of the Eisenhower administration and transmitted through the Speaker to me, as chairman of the Committee on Agriculture.

I do not regard this as an appropriation bill. I do not regard it as an ordinary authorization bill. In section 101, the bill provides:

> In furtherance of this policy the President is authorized to negotiate and carry out agreements with friendly nations or organizations of friendly nations to provide for the sale of surplus agricultural commodities for foreign currency.

Now that is one sentence. It authorizes the President to negotiate contracts by which we will sell agricultural surplus commodities to foreign countries for foreign currencies.

It seems to me that any restriction of that power which we have given to the President shows clearly a lack of confidence in Mr. Eisenhower and those who will assist him in administering this program.

On this floor today Members of Congress have complimented those who have administered this program up to now. It seems to me it is a rather late date for any Member of the House to try to restrict the President in the exercise of a power which you say has been well exercised in the past.

It is plain to see that if the President must first have approval of the Appropriations Committee and of the Congress, either one or both, the President will be hamstrung in conducting his negotiations. He could make only tentative agreements which would have to be submitted to the Appropriations Committee, and the Appropriations Committee would have veto power. Under such circumstances I believe that the administrators would be very badly handicapped in administering this law.

The suggestion has been made that we should not exempt any transaction from section 1415 of the Supplemental Appropriation Act of 1953. If the law is

changed I still say that the President will be badly embarrassed and handicapped.

I want to read you one other proviso of the law which is as follows:

Provided, however, That section 1415 of the Supplemental Appropriation Act, 1953, shall apply to all foreign currencies used for grants under subsections (d) and (e), and for payment of United States obligations involving grants under subsection (f) and to not less than 10 percent of the foreign currencies which accrue under this title: *Provided, however,* That the President is authorized to waive such applicability of section 1415 in any case where he determines that it would be inappropriate or inconsistent with the purpose of this title.

It is plain to see that the Congress understood what it was doing at the time we passed this law and conferred this authority—and it is broad authority—upon the President and upon his associates in the executive branch of the Government, it seems to me that if a point of order were to be made the time has long passed for the making of such a point of order, because, when this bill was here when it came from our committee no one made a point of order to any part of the bill, as I recall it.

Now I ask the committee to vote against the amendment, if it is proposed, which will hamstring the President in the prosecution of his efforts.

The CHAIRMAN. The time of the gentleman from North Carolina has expired. All time has expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended as follows:

(1) Sections 109 and 204 of such act are amended by striking out "1957" and substituting in lieu thereof "1958."

(2) Section 103 (b) of such act is amended by striking out "$3,000,000,000" and inserting in lieu thereof "$4,000,000,000."

(3) Section 203 of such act is amended by striking out "$500,000,000" and inserting in lieu thereof "$800,000,000."

Mr. COOLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COOLEY: On page 2, following line 3, add the following new paragraph No. 4:

"Section 104 (e) of such act is amended by striking out the semicolon at the end thereof and adding a comma and the following: 'for which purposes not more than 25 percent of the currencies received pursuant to each such agreement shall be available through and under the procedures established by the Export-Import Bank for loans mutually agreeable to said bank and the country with which the agreement is made to United States business firms and branches, subsidiaries, or affiliates of such firms for business development and trade expansion in such countries for the establishment of facilities for aiding in the utilization, distribution, or otherwise increasing the consumption of, and markets for, United States agricultural products. Foreign currencies may be accepted in repayment of such loans.'"

Mr. TABER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TABER. Mr. Chairman, this is an appropriation on a bill coming from a committee which has no authority to report appropriations to this body.

The CHAIRMAN. Does the gentleman from North Carolina desire to be heard?

Mr. COOLEY. Yes, briefly.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. COOLEY. Mr. Chairman, I think I need only call the Chair's attention to the language right in the beginning of the amendment. It says:

For which purposes not more than 25 percent of the currencies received pursuant to each such agreement shall be available through and under the procedures established by the Export-Import Bank for loans mutually agreeable to said bank and the country with which the agreement is made to United States business firms and branches—

And so forth. That is clearly a limitation. If the money has heretofore been authorized and appropriated, clearly this is nothing more or less than a limitation, because it says "not more than." I do not see how you could have language that would more clearly indicate it is a limitation when you say "not more than 25 percent."

Mr. TABER. Mr. Chairman, the trouble with that is nothing would be available for the purposes set forth in this amendment if that were not there. That is the trouble with the argument of the gentleman from North Carolina.

Mr. COOLEY. As I understand it, the President now has the authority in existing law to make these agreements and to use the money as provided by law. This is in effect saying he shall not use more than 25 percent of it for these purposes.

The CHAIRMAN (Mr. HAYS of Arkansas). The Chair is ready to rule. The Parliamentarian has directed the Chair's attention to the fact that on July 18, 1956, in the consideration of a similar measure, the gentleman from Georgia [Mr. PRESTON], being Chairman of the Committee of the Whole, ruled on a point of order similar to that made by the gentleman from New York.

This is the ruling, and the reasons for it in the language of Chairman PRESTON, which the Chair adopts:

The gentleman has made a point of order against section 2 of the bill. The bill under consideration by the Committee seeks to amend existing law known as Public Law 480 of the 83d Congress. In the pending bill it is clearly evident that a new activity is being created by the legislation. New authority is being granted in the handling of the foreign credit derived from the sale of commodities. Therefore, in the opinion of the Chair, it constitutes an appropriation. The Chair, therefore, feels constrained to sustain the point of order.

The Chair sustains the point of order made by the gentleman from New York [Mr. TABER].

Mr. ROONEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROONEY: Page 2, line 4, insert:

"(4) Section 104 is amended by striking the words at the beginning of the section, which read as follows: 'Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law', by striking the two provisos at the end of the section and by inserting the following proviso: '*Provided, however,* That section 1415 of the Supplemental Appropriation Act, 1953, shall apply to all foreign currencies used under this section.'"

Mr. COOLEY. Mr. Chairman, I would like to reserve a point of order against the amendment offered by the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Chairman, the purpose of my amendment, and it is offered by one who is and has been in thorough accord with the purposes of Public Law 480, is to properly control expenditures of the funds of foreign currencies generated under Public Law 480. As was pointed out yesterday during general debate, without a control such as the one offered, we find at page 12 of the committee report on this bill that:

In many countries additional physical facilities, including perhaps a more suitable residence, would be of assistance to the agricultural attaché in selling American agricultural products.

Now, under the law as it stands, these agricultural commodity funds could be used, for instance, as I said a while ago, in Rome to buy a palace for the agricultural attaché, while the No. 2 man, who is frequently the chargé d'affairs, lives in a 6-room apartment, and this at a time, as was pointed out in the report of the House Appropriations Committee on the State, Justice, judiciary, and related agencies appropriation bill for 1958, at page 6 thereof, when the Government has already acquired real property valued in excess of $150 million, consisting of some 201 office buildings, 128 principal officers' residences, 162 residences for senior officers and attachés, and 1,999 staff living units. Now, if this pending amendment is not adopted, these funds may be used to buy real estate all over the world on top of what the State Department has already acquired. The bulk of the acquisitions of the State Department were effected by way of foreign currencies in countries which owed us such foreign currencies.

As was pointed out yesterday on the floor of the House with regard to the educational-exchange program—and I and the members of my subcommittee on appropriations are all for that program—when, after having the State Department appropriation bill pass the House, pass the Senate, following extensive hearings in both bodies, go to conference, arrive at the amount $20.8 million for this program and then come into this Chamber and find in the committee report on this bill—I believe it is at page 8 thereof—that the amount of $17.15 million additional is being authorized for the same purpose, I think it is time to call a halt. All that the amendment presently before the Committee of the Whole provides is that section 1415 of the Supplemental Appropriation Act of 1953 be adopted and followed. That section provides that foreign credits owed to or owned by the United States Treasury will not be available for expenditure by agencies of the United States after June 30, 1953, except as may be provided for annually in appropriation acts and provisions for the utilization of such credits for purposes

authorized by law are authorized to be included in general appropriation acts.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I am glad to yield to my distinguished friend, the able chairman of the great House Committee on Agriculture.

Mr. COOLEY. As I pointed out a moment ago, this bill before the House is not an appropriation bill and does not purport to be.

Mr. ROONEY. The gentleman surely understands that each year now since this program was started the Committee on Appropriations has had nothing at all to do with the use of these funds in connection with the educational exchange activities, in connection with agricultural attachés, and so forth.

Mr. COOLEY. When this bill was originally before the House, as I pointed out a moment ago, I do not recall that any such argument as the gentleman is now making was then made. We gave the President the authority. The program has been operated successfully and well, and now, because we did put something in the report indicating that some part of these funds might be used to buy some homes abroad, it seems to me what the gentleman is doing is trying to take over for the Committee on Appropriations all of the negotiations looking toward the sale of surplus commodities. That would be a burden to your committee that it could very well ill afford to bear in this instance. In the second place, I do not think the Committee on Appropriations would be able to do a much better job than is now being done.

The CHAIRMAN. The time of the gentleman from New York [Mr. ROONEY] has expired.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Chairman, I respectfully say that that is exactly the problem. Nothing is being done to check on these expenditures. The Department of Agriculture comes up here to the Committee on Agriculture and suggests $17 million plus additional for a program which was provided for and passed by both Houses of Congress less than a week ago.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, the gentleman has stated the situation quite clearly. When this bill was up before, as I remember it, it came in here under a rule waiving all points of order. The main legislation unquestionably contains appropriations and provides how funds may be distributed. But the extension that is before us now is also an appropriation bill because it extends an appropriation bill into a future time. There is not any question in my mind about that. I do not like to see these things brought in without an annual review by somebody representing the House of Representatives. The power of the purse is the power that Congress holds in this country.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from Ohio.

Mr. VORYS. Section 1415 applies to all other counterpart funds except these; is not that the case?

Mr. ROONEY. I believe that is so.

Mr. VORYS. The purpose was this. We found counterpart funds were running into billions of dollars in value. We found this was real money and that it ought to be studied carefully and appropriated as carefully as we do with dollars.

Mr. ROONEY. We are talking about over $1 billion in counterpart funds at the moment.

Mr. VORYS. And this item here is over $1 billion that we are talking about. I can see no reason for making an exception to the rule that we apply to other counterpart funds.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from North Carolina.

Mr. COOLEY. I would like to ask the gentleman what would be the basis of your authorization to appropriate money? You must have an authorization to appropriate money before your committee can function. There is no authorization here in this proposal other than an authorization to sell personal property.

Mr. ROONEY. Mr. Chairman, may I say that my amendment finds no fault whatever with the general program. I am all for this surplus agricultural commodity program. My amendment is directed to what may occur after the proceeds have been collected.

Mr. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from Louisiana.

Mr. BOGGS. Mr. Chairman, I asked the gentleman to yield to get some information. Does the gentleman know the total amount of the funds generated by Public Law 480?

Mr. ROONEY. Approximately a billion dollars.

Mr. BOGGS. How are those funds disposed of? What control does the Congress have over them?

Mr. ROONEY. The Congress has no control whatever over the great part of these funds. I shall ask the gentleman from North Carolina [Mr. COOLEY] if that is not so?

Mr. COOLEY. No; you have control completely over 21 percent of the funds.

Mr. ROONEY. Then the Congress has no control over 79 percent of the funds.

Mr. COOLEY. And your committee should not have control over the other part of the funds, because if you do, you have control over all the negotiations and you would never sell a bushel of wheat or a bale of cotton.

Mr. ROONEY. We are not interested so much in the negotiations. We are more interested in the dollars and cents and what happens with regard to the funds generated under this program.

Mr. COOLEY. Look at page 8 of the committee report and you will see exactly what has happened with every dollar of the money that has been generated.

Mr. ROONEY. Exactly. Referring to page 8, Mr. Chairman, let me call attention to the fact that under "International Educational Exchange," which I mentioned awhile ago, there is the amount $17,150,000, for translation and publication of documents, $1.75 millions, and for the information program, which we just finished appropriating for 6 days ago, May 29, $7.4 million.

Mr. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Louisiana.

Mr. BOGGS. The gentleman from North Carolina said that 79 percent of these funds were not under the control of Congress in any fashion.

Mr. COOLEY. I did not mean to say that; not under the Appropriations Committee.

Mr. BOGGS. If they are not under the Appropriations Committee, under whom are these funds?

Mr. COOLEY. These are funds properly made available to the President.

Mr. ROONEY. May I inquire of the distinguished gentleman from North Carolina how many days his committee spent in the hearings, which are not before the House at all, on this extension?

Mr. COOLEY. I do not remember how many days we spent on this extension, but I know we heard people from the State Department and the Department of Agriculture. I would say this: The committee room was packed and jammed with people, and I asked the question if there was a single witness in the room who was appearing in opposition to the extension of this bill, and there was not a single one there.

Mr. ROONEY. I am in favor of the extension of this law, but I think the matter of Congress controlling the expenditures is highly important.

Mr. BOGGS. Assuming the gentleman's amendment is adopted, what will be its effect upon the 79 percent?

Mr. ROONEY. If the pending amendment is adopted, the administration will go to the proper subcommittees on appropriations and justify the expenditure of these funds.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Indiana.

Mr. HARVEY. The point that seems to be in controversy here and about which I am doubtful is whether in this case the Appropriations Committee would have to make the determination whether the President could sell these commodities, or how the determination would be made as to how the counterpart funds would be used after a sale had been made.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from New York.

Mr. TABER. No one would have any authority to interfere with the President in making a deal for these counterpart funds. He would absolutely have that authority. This amendment has no effect on his operations in making the deal. After the counterpart funds were obtained and were deposited in the Treasury of the United States, then any department that wanted to use them would have to come and justify the right to use them.

Mr. COOLEY. If the gentleman will yield, the very use of the counterpart funds constitutes a vital part of the agreement. You cannot make the agreement until you determine how the counterpart funds will be used.

Mr. TABER. There is nothing of that kind in the statute.

Mr. COOLEY. Everything is in the statute.

Mr. ROONEY. All the pending amendment seeks to do is to put this matter of the disposition of these foreign currencies on the basis on which we have had for years, that is, appropriate dollars to get the funds out of the Federal Treasury, the same as we do when we buy real estate for our diplomatic people all over the world.

The CHAIRMAN. Does the gentleman from North Carolina insist on his point of order?

Mr. COOLEY. No, Mr. Chairman; I do not think I will insist upon the point of order.

Mr. HIESTAND. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. HIESTAND to the amendment offered by Mr. ROONEY: On page 2, line 4, insert *"Provided*, That all funds received from the sale of such surplus commodity shall be deposited as far as practicable in banks or branches of banks approved by the Secretary of the Treasury."

Mr. HIESTAND. Mr. Chairman, I shall be very brief. I doubt if there will be any objection to this amendment. I have secured the approval of the chairman, had his amendment been not subject to a point of order.

The point of this amendment is just this: We in times past have several times lost control of these counterpart funds by reason of the fact that the nations assembling them in their own currencies had deposited them in their own banks. When use of them was requested in a perfectly legitimate way, the State Department declined, stating that they had no control over those funds, that they were in other banks than those either owned or controlled by American banks. I suggest that instead of specifying an American-owned bank, we simply say "with the approval of the Secretary of the Treasury." Thus, the Congress and the American officials will have control over all counterpart funds belonging to us. I do not believe there can be any objection to the amendment, if it is intended to implement the amendment offered by the gentleman from New York.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman yield?

Mr. HIESTAND. I yield.

Mr. ROONEY. May I say to the gentleman I see no reason to deviate from the present system with regard to the State Department and the United States Treasury. I have no idea as to what an amendment such as this would result. It may be that it would result in a windfall to the Bank of America. I just do not know. Therefore, I respectfully urge that this amendment be rejected.

Mr. COOLEY. Mr. Chairman, will the gentleman yield

Mr. HIESTAND. I yield.

Mr. COOLEY. I understand the purpose of the gentleman's amendment is to provide wherever possible that these funds should be deposited in American banking institutions abroad rather than in foreign banks.

Mr. HIESTAND. That is exactly it.

Mr. COOLEY. I stated to the gentleman personally I have no objection to it, but I want to state to the Members of the House that I have no authority from the committee to accept the amendment, and I do not accept it on the part of the committee. It might be well, since some of us do oppose the pending amendment, if the gentleman would withdraw his amendment and offer it at a later time.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. HIESTAND. I yield.

Mr. VORYS. I find in section 102 (b) of Public Law 480 there is apparently a provision for carrying out the provisions the gentleman suggests. For instance, at the tail end of this first sentence it says:

And for this purpose accounts may be established on the books of any department, agency, or establishment of the Government, or on terms and conditions approved by the Secretary of the Treasury in banking institutions in the United States.

It seems your proposal is already in the law, but it certainly has no place as an amendment to the pending amendment.

Mr. HIESTAND. Mr. Chairman, the instance I ran into where we did not have control over these funds by reason of their being deposited in a foreign bank was an instance several years ago. Since the gentleman from Ohio has cited the law possibly enacted since that time, I have no hesitancy in asking unanimous consent to withdraw my amendment.

The CHAIRMAN. Without objection, the amendment offered by the gentleman from California is withdrawn.

There was no objection.

Mr. COOLEY. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York [Mr. ROONEY].

Mr. Chairman, I do not believe the Committee on Appropriations has the authority to appropriate the sale of surplus agricultural commodities, nor do I believe they have a right to interfere with the negotiation of an executive agreement. Further, I do not believe that even a negotiated executive agreement gives the Committee on Appropriations the authority to interfere. This amendment, I know, was not intended to embarrass the administration. I do not think the author of the amendment had that in mind at all. I think the gentleman offered his amendment in good faith thinking that he is throwing some safeguards around the use of these foreign currencies. But, I think the effect of this amendment will be to embarrass the administration and to almost make it impossible for the administrator to negotiate successfully agreements which would result in the disposition of these commodities. If the gentleman who has offered this amendment could show wherein there had been abuses, wherein there is something wrong or something evil that is taking place, then there might be some justification for throwing some further safeguards around the funds. But, to this moment during this debate, no one has disclosed anything that would indicate the law had been misused nor has anyone suggested that it has been abused in any way. We want to know where the funds have been used. Look at our report on page 8 and there you will see a detailed chart showing the use of the money. Yesterday someone asked about the possibility of some part of this money being used for entertainment purposes. I have tried to make inquiry on that subject. If any part of the funds have been used for entertainment purposes, it perhaps would come under the item, "Payment of United States obligations," or under the other item, "Marketing development."

I do not know whether any part of it has been used for entertainment or not, and as far as I am concerned I do not care whether some of it has been used for appropriate entertainment.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman from North Carolina yield?

Mr. COOLEY. I yield.

Mr. ROONEY. The gentleman is making a much more convincing argument than I could in behalf of the pending amendment. He says we do not know whether they are spending the money for entertainment or anything else. That is the purpose of the amendment; to find out what they are spending.

Mr. COOLEY. Under the Reorganization Act it is not the prerogative of the Appropriations Committee. Our committee is charged with the responsibility of exercising some degree of supervision. Perhaps there have been some rotten transactions, but none of them have come to my attention. I have assured this House that our committee will, when given authority to do so, investigate the use of these foreign funds abroad. I do not intend to vote for an amendment that I know is going to embarrass the administration and hamstring the administration in the performance of the functions which have been vested in them by the laws now on the books.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. SPRINGER. I think I can explain this. It has not come out yet. But many of these programs are entered into for as much as a 3-year program. Of course they cannot bind this Congress to go ahead, but we have signed 3-year agreements and entered into them. They must know how these currencies are going to be spent and what it is to be spent for. They will not be able to enter into these agreements, they will not enter into them. I think your program will be substantially and severely restricted.

Mr. COOLEY. Is it not true that the agreement, to which the gentleman refers, and all these other agreements, deal with the foreign funds that are generated by the sale of the commodity?

Mr. SPRINGER. Exactly. All of that is done at the time the sale is made.

Mr. COOLEY. And if we adopt this amendment we are taking away from the executive branch the right to negotiate and to consummate these transactions, and turning the finances over to the Appropriations Committee, which is already overburdened.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. COOLEY] has expired.

(By unanimous consent, Mr. COOLEY was granted 3 additional minutes.)

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. TABER. The trouble with that situation is that the bill that you have before the House right now expires in 1958, and there is no such thing as a 3-year contract.

Mr. COOLEY. Well, I am not sure whether the expiration would have anything to do with it or not. I understand that there is available for economic loans $1,700,000,000; programed for loans $386,000,000; left for loans $1,300,000,000. That authority is already in the President. Certainly we would have to carry out the contracts he has negotiated and signed up to date. I do not think we should turn over to the Appropriations Committee functions which could be more properly administered by the executive branch.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. ARENDS. It would prohibit more than 21 percent of the program becoming effective, would it not?

Mr. COOLEY. I think that is the effect of it. The other 79 percent will be left in the lap of the Appropriations Committee.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. ABERNETHY. Does not the gentleman agree with me, as much respect as we have for members of the Appropriations Committee, that if this amendment is adopted the very objective and the heart of 480 is dead? This bill not only involves the sale of commodities, but it primarily involves the use of the funds as a result of the negotiated deal that the President has made with those countries.

Mr. COOLEY. I agree with the gentleman. I think that the situation is a misunderstanding. The use of the counterpart fund is a vital part of the negotiations and a vital part of the contract. If you say you are going to reserve to the Appropriations Committee the right to determine what use shall be made of the counterpart funds, then you are stripping the President of the authority given by the act to consummate a single contract.

Mr. ABERNETHY. In other words, the authority of the President to negotiate an exchange of this merchandise for dollars or for foreign currencies and the use of them thereafter would be completely cut off.

Mr. COOLEY. And suppose they wanted to build even a schoolhouse in some distant country; they would have to come to the Appropriations Committee and ask their permission to build this schoolhouse.

Mr. ABERNETHY. They cannot go back to the Appropriations Committee because there would be no deal made, no transaction unless the President is authorized to carry out some form of transaction.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Iowa.

Mr. GROSS. It is difficult for me to understand how there can be this accumulation of funds if the counterpart funds are disposed of. How could they have funds accumulate?

Mr. COOLEY. They are being held in abeyance to determine what use shall be made of them, as I understand; they are available for loans in the future.

Mr. HOFFMAN. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. HOFFMAN moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. HOFFMAN. One purpose in offering the motion, but not the overriding purpose, to strike the enacting clause was to get a recess so that members of the Appropriations Committee and of the Agriculture Committee might get together, come up with something that would satisfy those who are in favor of this legislation.

My thought is that if the enacting clause is stricken and we get back into the House we might send the bill back to the committee with instructions to take into consideration the recent dangerous and deplorable situation which has arisen in the State of Michigan.

We are all familiar with the fact that various sections of the country have been given relief because of disaster. In Texas not long ago there was a drought but before money could get to them for relief of that damage floods overwhelmed them.

We are having our troubles in Michigan. It is possible that some of our unemployed workers and others who will be unemployed if the present situation continues or grows worse as it is, can use up a large part of this surplus.

You ask me why? Let me read to you, if I may, the headlines in the Detroit Sunday Times of June 2. Here it is: "Industrial Blight Saps City's Economy."

We all know that Michigan is a great industrial State. That Detroit is the center of our great industrial empire. Throughout the State we have small factories which get prime or subcontracts out of the Detroit area—contracts for the manufacture of parts that are used in Detroit industry. Here is what the first sentence of the Times story says:

"Proud Detroiters had better buffer up for a big shock.

"Dynamic Detroit soon could become decaying Detroit."

Do you realize what that means to the rest of the State and country? What will become of this great agricultural surplus if the Detroit workers cannot use their normal share of it?

And why that situation?

To me one of the saddest, saddest days I ever lived through was the day following the elections last November when we learned by radio, television, and press that our Democratic colleagues, our CIO Democratic friends, rather, had taken over every elective office in the State of Michigan. Was not that a catastrophe? I thank you for the applause from the majority side of the aisle.

You sowed the seed when you let the CIO take you over and dominate your political philosophy. Now here you have the harvest of unemployment.

Do you get it? The Times, a Detroit daily, names it "Dynamic Detroit"—"Dynamic Decay."

The Department of Defense wished to let a contract for the building of $119 million worth of Army tanks.

Detroit has more than 200 acres of idle factory floorspace. It wanted this contract. It has the equipment and the skilled workers to carry it out. But the contract was awarded to Chrysler operating in another State.

The Detroit Times captioned the story, "Tank Job Loss Stirs New Furor." The Sturgis (Mich.) Journal captioned its story, "Governor Blasts Army Secretary," followed by the statement, "Angered by Claim State Tax Caused Big Contract Loss." The Journal item states: "Gov. G. Mennen Williams today accused the Army of 'playing politics' with a tank contract issued to Chrysler Corp.'s Delaware plant." He added, "The Army is obviously playing politics with this tank contract."

Other dailies throughout the State carried similar stories.

Detroit, which is an industrial labor-distress area, to avoid unemployment disaster was looking for this order from the Department of Defense. Did Michigan get the order? It did not. Governor G. Mennen Williams charged, as just stated, that, in refusing to give it to Detroit, the Department of the Army was "playing politics."

Gov. G. Mennen Williams is now serving his fifth term. From almost his first day in office, he has been under the domination and control of the CIO, headed by Walter Reuther and Gus Scholle.

Although Michigan has a Republican legislature, remedial legislation has been effectively opposed by Governor Williams, who has the power of veto.

It is matter of common knowledge that the CIO's political bosses, with but 1 or 2 exceptions, have dominated the Governor's conduct. He has been dependent upon Walter Reuther and upon Reuther's political associates for his continuance in office. He is responsible for the financial situation of the State. He has insisted upon spending and upon taxation which has given Michigan a bad name with industry.

Sunday's Detroit Times states that 160 Detroit factories have closed since 1950. It asks "How many more moveouts should be expected immediately?

Why the continuing exodus? A Detroit organization mailed out questionnaires and learned that 213 more firms now have definite plans to move out of the city."

Other industrial plants in Michigan, expanding, build their new facilities in other States. Why?

An industry, once located in a community, especially in an area where there is surplus skilled labor, is inclined to stay put just as long as costs can be held down so that the product can be sold at a profit.

But in Michigan more and more industries are learning to their sorrow that an ever-increasing tax burden, with arbitrary demands from the Reuther-controlled unions, are making it impossible for them to continue to operate at a profit.

Reuther is responsible for the demands of the members of his union. No one begrudges an industrial or any other worker adequate compensation for his toil, but one thing is as sure as the rising or the setting of the sun, and that is that, if an employer cannot make and sell at a profit, the industry will be closed or moved.

Note this story on page 2 of the Detroit Times of last Sunday. The caption is "Bundy Moves Fab Operation; Blames Taxes."

BUNDY MOVES FAB OPERATION; BLAMES TAXES

All general fabricating operating operations of the Bundy Tubing Co. are awaiting transfer from the Detroit area to a new plant at Winchester, Ky., it was revealed Saturday. The firm makes small metal tubing and auto parts.

The move will result in indefinite layoffs for 22 men and 220 women employees.

They were told a study of Michigan's higher tax setup, both from Warren Township and the State, prompted the move to Kentucky.

CONTINUES ONE JOB

Bundy, however, will continue production of its Bundyweld base tube at the Warren Township plant, 12354 East Nine Mile, Van Dyke. It also will produce serpentine coils and push rods at the Nine Mile plant, which is being converted to provide more manufacturing space.

In an announcement to employees, W. W. Anderson, Jr., vice president and general manager, explained the company's decision to build a new plant in Kentucky instead of here. He said:

"We found, on comparing the various taxes which Bundy faces in Warren Township and the State of Michigan with the taxes in Kentucky, that Bundy would be subject to considerably less tax in the latter location. In fact, approximately $45,000 a year less."

FEAR OTHER TAXES

"We are also, as of course you all know from articles in the newspapers, faced with the threat here in Michigan of additional or other taxes, any one of which we believe would increase our load."

Anderson said the possible additional taxes might come from Warren Township as well as the State. He said:

"For instance, a 6 percent corporation income tax, which has been urged to replace either the Michigan franchise or business activity tax, would make the difference in taxes somewhere between $86,000 and $93,000 a year, depending on which Michigan tax was eliminated."

SEEK TO CUT COSTS

Anderson said the company had found it necessary to expand tubemaking 20 percent and to have a new plant and an efficient operation to keep costs down. Old patents no longer protect the company, he said.

This objective is causing the Nine Mile plant to be converted and a new office building is being constructed.

If the general fabricating operations were also kept there it would cost the company $500,000 more than to locate in a new building in Kentucky, Anderson said.

Only a week or so ago, there was a wildcat strike in the Detroit Chrysler plant.

DETROIT AREA INDUSTRIES CANNOT GUARANTEE PERFORMANCE

There is another reason why armed services is not justified in awarding a contract to industries in the Detroit area.

That is the lack of assurance that the contract will be performed on time and according to its terms.

Without such assurance, those charged with the defense of our country cannot with safety award any contract to any area.

Let me cite an illustration of what is meant.

Do you remember way back 10, 12, or 15 years ago, when the Navy let a big contract in Detroit and the CIO closed the plant? Do you remember that?

In 1939, the Navy had a contract with the Bohn Aluminum and Brass Corporation of Detroit for the production of special bearings and castings for aircraft engines. The company was under the domination of Local 208 of the United Automobile Workers—CIO.

That union called a strike in all seven of the company's plants. In one instance, the strike continued for 24 calendar days; in the other, for 41 calendar days, and for a part of that time the union refused to permit the Navy to remove its own plans, specifications, or equipment, and "the delivery of completed castings, bearings, and parts, also those in the process of manufacture, was delayed for the duration of the strike." See exhibit A printed at the conclusion of these remarks.

When production for national defense can be delayed—not because of lack of appropriations—but at the caprice of Walter Reuther, unhampered by Governor Williams, the chief executive and law-enforcing agent of the State, the Defense Department is not justified in awarding a contract involving defense to any area.

Do you wonder why, if it is necessary for the armed services to get munitions of war, to get tanks, to get the other things they must have and by a certain date, the Secretary of the Army cannot place a contract in Detroit when he knows from the past record that the CIO, Brother Reuther and Brother Williams, Siamese twins—their demands, must be met or no delivery? You cannot do business in Michigan without the approval of both.

Governor Williams with his veto power has forced upon our people of Michigan a tax policy that is driving industry out of Michigan, creating a situation where the Secretary of the Army or of the Navy or of the Air Force dare not let a contract involving national defense in Michigan because the production may be stopped at any moment. At whose command? At the edict of Walter Reuther. Williams and Reuther have sown the seed and Detroit workers are harvesting unemployment.

EXHIBIT A

(No. 253)

REQUESTING CERTAIN INFORMATION FROM THE SECRETARY OF NAVY ON CERTAIN MATTERS IN CONNECTION WITH A STRIKE OF EMPLOYEES IN THE PLANTS OF THE BOHN ALUMINUM CO. AT DETROIT, MICH. (H. RES. 314)—MR. HOFFMAN

NAVY DEPARTMENT,
Washington, October 20, 1939.

The CHAIRMAN, COMMITTEE ON NAVAL AFFAIRS,
House of Representatives,
Washington, D. C.

MY DEAR MR. CHAIRMAN: The resolution (H. Res. 314) requesting information from the Secretary of the Navy on certain matters in connection with a strike of employees in the plants of the Bohn Aluminum Co. at Detroit, Mich., was referred to the Navy Department by your committee with request for report.

The questions in the resolution are set forth below, the answer to each appearing immediately thereafter:

(a) Whether the Navy Department did have a contract with said corporation.

At the time the said strike was called, the Navy Department did have a contract with the Bohn Aluminum & Brass Corp., of Detroit, Mich., for the manufacture of special bearings for aircraft engines. In addition, the corporation was also engaged in the manufacture of special bearings and castings for manufacturers with whom the Navy Department had contracts.

(b) Whether a strike which interfered, or would interfere, with the activities of the Navy Department occurred.

A strike actually occurred in the plants of said corporation which did interfere with the activities of the Navy Department.

(c) How long such strike continued.

A strike was called at the corporation's plant No. 1, Detroit, Mich., on August 29, 1939. At the time the strike was called, plant No. 1 was engaged in the manufacture of special bearings for aircraft engines for manufacturers with whom the Navy has contracts. On September 15, 1939, a second strike was called at all of the seven plants of the corporation in the Detroit district in sympathy with the strike at plant No. 1 (bearings). At the time of calling the second strike, plant No. 2 was engaged in the manufacture of castings for airplane engines in process of manufacture at the Naval Aircraft Factory, Navy Yard, Philadelphia, Pa.; also castings for a manufacturer with whom the Navy has a contract for a special type of marine engine.

The duration of the strike in plant No. 1 (bearings) was from the 29th of August to October 8, inclusive, 41 calendar days. The duration of the strike in plant No. 2 (castings) was from September 15 to October 8, 1939, inclusive, 24 calendar days.

(d) Whether the delivery of bearings or parts which had been manufactured for the Navy, or of plans, specifications, or equipment, or any of them was delayed.

The delivery of completed castings, bearings, and parts, also those in the process of manufacture, was delayed for the duration of the strike.

The Navy Department was unable to obtain the return of the Government-owned patterns, plans, and equipment for the duration of the strike.

(e) What, if any, representations were made by the Navy Department to the corporation looking toward the ending of said strike.

No representations were made by the Navy Department to the corporation looking toward the ending of the strike.

(f) What, if any, representations were made by the Navy Department to the union or its representatives looking toward the settlement of the strike?

On September 28, 1939, the United States Navy resident inspector of naval material at Detroit, Mich., informed the regional director of the United Automobile Workers, Congress of Industrial Organizations, Detroit, Mich., of the seriousness of the delay in the delivery of the material due on contracts, also the urgent need of the shipment of patterns and requested that he instruct his representative in charge of the picket line at the corporation's plant No. 2 to allow a representative of the inspector of naval material and a truck to pass through the picket line to pick up Government-owned patterns and ship them on a Government bill of lading.

The regional director of the United Automobile Workers, Congress of Industrial Organizations, sent three representatives of union local No. 208 to discuss the removal of the patterns with the inspector of naval material. The representatives of union local No. 208 were given full access to the files on the Navy contracts and they were informed that the delay in releasing patterns for delivery were seriously jeopardizing the manufacture of airplane engines at the Naval Aircraft Factory. At the end of the discussion, the union representatives stated that as the strike situation stood at the present time, their answer was emphatically "No" and that they would not let patterns or inspected castings be removed. No further action was taken by the Navy Department to remove the patterns and castings. The Navy Department kept in touch with the strike situation at the Bohn plants through its field representatives, and through United States Department of Labor, but took no steps looking toward the settlement of the strike.

Sincerely yours,

CHARLES EDISON,
The Acting Secretary of the Navy.

Mr. POAGE. Mr. Chairman, I rise in opposition to the motion offered by the gentleman from Michigan [Mr. HOFFMAN].

Mr. Chairman, there seems to be considerable misunderstanding about this matter of appropriations and why there should be some reluctance on the part of those who want to make this program continue to function to accept an amendment that simply says that the Appropriations Committee must appropriate any money that comes in as a result of this transaction. I agree that when the Federal Government has money, before it can be expended it should be appropriated. That is the proper way to spend public money.

But we do not have money in this case. We have wheat, we have cottonseed oil, we have soybeans, we have corn, we have cotton, and we want to dispose of those products. We find somebody who will trade with us if we will make a trade whereby their economy can avoid danger. They cannot buy dollars. They might convert their own currency into dollars and buy our commodities. They cannot afford to do that. Neither can any of these countries with which we are dealing allow us to simply take a lot of their money, put it in our pockets and say that we will use it any way we please.

These deals between nations cannot be made as are deals between individuals. Let us assume that we had a billion dollars of Mexican currency. If we could use that without any limitation anywhere in the world any day we wanted to, we could utterly destroy the economy of the Republic of Mexico any time we saw fit. Suppose some other nation might hold $10 billion of American currency and had the right to come in and demand its redemption in goods at any time in the world they laid the money down, they could absolutely destroy our economy. And so it is with the smaller countries, only in a much more aggravated way. They realize they cannot give us the right to come in without restriction or restraint and demand a redemption of their currency in goods at any time and in any way we ask. So a part of the agreement and a part of the sales price of these goods is the fact that we agree in each instance that we will use this money only for certain purposes. It is only because we make that agreement to use the money for certain purposes that these nations can afford to deal with us at all. They could not afford to deal with us if we demanded the unrestricted right to use this currency as if we got it in a normal commercial transaction.

So it is not simply the price which enables us to sell these commodities we are moving under Public Law 480. We are selling all of these commodities at a price which is the world market price. We are not giving these countries any concession on price. We are giving them the concession on an agreement that we will not use their currency in a way that will hurt their domestic economy. Now, if we cannot make those agreements and under the Rooney amendment we cannot make binding agreements at the time that we make the trade, Unless we can, we cannot sell these commodities. It seems to me to be just that simple. The method of the use of the local currency is surely a part of the consideration. What we are giving is not simply so much wheat, but we are giving in return for their pesos or their liras or their francs so much wheat plus the agreement that if you give us your lira, we will not use it to your disadvantage but use it only under certain circumstances.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Ohio.

Mr. VORYS. Title I is entitled "Sales for Foreign Currencies." What that means is this——

Mr. POAGE. Mr. Chairman, I cannot yield any longer, because my time is running out. I do not care what the title is or what it is entitled. We recognize that the sale has two parts, that the sale involves on our part selling a commodity and selling an agreement that we will do certain things with the foreign currency that we get in exchange. So, it is not a commercial sale. It is a sale, but it is a sale on conditions, and no nation can live without those conditions.

The point that many of us overlook—and I am surprised that a member of the Committee on Foreign Affairs should stand up here and suggest that we could trade with those people just as individuals could trade with each other, because nations cannot trade that way, and if you are going to have this trade, you have to keep the power to make these conditions.

The CHAIRMAN. The question is on the preferential motion.

The preferential motion was rejected.

Mr. McINTIRE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it is with the greatest respect for the gentleman from New York who has proposed this amendment and also the gentleman from New York who is the ranking minority member of the Committee on Appropriations that I rise in opposition to this amendment.

I think perhaps it has already been said, but if you will bear with me, I will repeat it, that we are dealing here substantially with commodities that are owned by the Federal Government. These commodities are being used in transactions with friendly countries, and the very bases of those transactions are the items of agreement or items upon which agreements have been made before any of these commodities can be moved from the Commodity Credit Corporation inventory.

Now, it is true that they generate funds that are held under this agreement, and before any transactions are consummated, the disposition of those funds is agreed upon. Now, with all deference to those who propose that this amendment would not interfere in any way with the development of these agreements, I think that the very mechanism of developing those agreements does not balance with that argument, because they are made before any of these transactions are consummated.

Now, I would like to direct a question to the author of this amendment, the gentleman from New York [Mr. ROONEY]. In the use of these funds it is my understanding that some of these funds are used in the manner of loans, which loans are developed and approved by the ICA, and these loans then are turned over to the Export-Import Bank for administrative or service purposes. In relation to the amendment which has been proposed, what would be the situation in regard to the funds which ICA has been using for loans from the funds generated under these agreements?

Mr. ROONEY. This pending amendment would include all the funds under this program to Congressional approval. They would be justified to the Appropriations Committee just the same as the Mutual Security bill is justified to the Committee on Appropriations of each House, every year. There is a great deal of misunderstanding with regard to this amendment. We proponents are all for the program. We are for its becoming the greatest thing that ever happened. But we think the Congress is entitled to know what happens to these funds generated under the program. That is it, pure and simple. All this superfluous business about foreign currencies and these agreements, has nothing whatever to do with it.

The same and proposed procedure is followed in connection with the acquisition of buildings abroad by the Department of State. We appropriate the dollars, they go down to the Treasury and withdraw the foreign currencies and buy a piece of property, let us say, in

Italy. That is all we seek to do by means of this pending amendment.

Mr. McINTIRE. Mr. Chairman, the reason I asked that question of the gentleman from New York is that reference was made previously in the discussion only to such uses as the gentleman referred to at this point and I wanted to inquire as to whether or not it would also encompass the area of loans which are being worked out through ICA and serviced by the Export-Import Bank. I believe I have my answer.

Mr. ROONEY. In effect, this amendment would not interfere with such loans. Does the gentleman understand that the entire bill now before the Committee of the Whole is very clearly subject to a point of order?

Mr. McINTIRE. I am not familiar with the technical nature of the bill and whether it is subject to a point of order.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. McINTIRE. I yield to the gentleman.

Mr. COOLEY. If the gentleman from New York [Mr. ROONEY] and other Members of the House will read the chart on page 8 of our report, they can very clearly see what has become of the money. We do not have, I say unfortunately we do not have, a detailed breakdown. But I am sure that all I would have to do is to ask the Department to send up a detailed breakdown of the expenditure of counterpart funds.

There is one other observation I should like to make, and I think I am accurate in saying this: That all of the counterpart funds that are on deposit now here or elsewhere are already obligated in some sort of fashion. They were obligated by the very contract that was negotiated under which we disposed of the surplus commodities.

Mr. McINTIRE. Mr. Chairman, I would like to reemphasize that point, because as I understand the operation of this act, these agreements are made prior to the development of any of these funds. It is my sincere opinion that this amendment will greatly interfere with the further continuation of the program and the equitable distribution of the funds; and also the fact that it would make it almost impossible to negotiate agreements under this restriction.

Mr. WHITTEN. Mr. Chairman, I offer a substitute for the Rooney amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTEN as a substitute for the amendment offered by Mr. ROONEY: Add the following new paragraph:

"Within 60 days after any agreement is entered into for the use of any foreign currencies, a full report thereon shall be made to the Senate and the House of Representatives of the United States and to the Committees on Agriculture and Appropriations thereof."

Mr. WHITTEN. Mr. Chairman, I have offered that amendment as a substitute in the hope of bringing these different viewpoints together. I do not think there is anything more sound than to have the Committee on Appropriations—not because it is that committee, but an arm of the Congress to approve the use of funds, whether they are United States currency or foreign currencies which the Government has received and which normally would go into the Treasury for whatever they are worth. But I do believe that in this particular field we are dealing with something where the use of the currency is the come-on to the foreign country.

I am firmly convinced that unless this amendment as I have written it is accepted—let me put it the other way; I am convinced that in this type of operation if the President of our country had to wait upon the Committee on Appropriations and the Congress to approve each and every use of the currencies that would be generated by these sales as provided in the Rooney amendment, you never would have any Public Law 480 program.

I should like to add this, that in a moment I am going to offer another amendment which I hope will receive the attention and the support of the committee. That amendment would provide that we not sell for a foreign currency any commodities we would not sell for dollars. I believe I can make you a very strong argument, supported by facts and figures, to show that we need that protection, but unless we let the President work out agreements which will also include agreements as to the use of the funds, if you have to wait for the Congress to act before you can make an offer or accept or agree, you will not have any real 480 operation. It is just as plain as that. You cannot wait on the Congress to tell the President whether they will permit the use of these foreign currencies in line with his agreements.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from North Carolina.

Mr. COOLEY. I wonder if the gentleman from New York will not agree to accept the amendment offered by the gentleman from Mississippi. While I have no authority to speak for the committee, I think the gentleman has offered a constructive amendment, and I personally would approve the amendment the gentleman from Mississippi has offered.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman from Mississippi yield?

Mr. WHITTEN. I yield to the gentleman from New York.

Mr. ROONEY. May I say I am unalterably opposed to this substitute, for the reason that, referring to the situation that happened in connection with the education-exchange program, a bill just passed within the last 6 days by both Houses, the Appropriations Committee would have no control whatever if, having allowed $20.8 million in that bill 6 days ago, you would then come along with an authorization of $17 million on top of that, as is set forth on page 8 of this report. This amendment does not take the place of the one now pending.

Mr. WHITTEN. I regret that this has come up to where we do not have the time to dig into the facts in the case to which the gentleman refers. I agree with him it is bad practice for our Committee on Appropriations after months of work and having reported to the Congress a full story on a program to find that through some other channel they have gotten funds to have many more employees than we realized. I realize it is bad for the gentleman from New York in his situation. But if my amendment which is offered as a substitute is adopted, the gentleman's committee would be notified what part of that program is being paid for with 480 funds and presumably would take that into consideration in determining how much new cash to give them.

I have the same problem the gentleman has; in fact, I suspect I have much more of it, because our Subcommittee on Agriculture will doubtless have more contact with this program than will the gentleman's own subcommittee. But I would urge again on the Members that if you do not permit the President to work out agreements with foreign countries as to what those currencies will be used for, a major part of them, you will have no agreement and you will have no sales.

I am going to offer another amendment in a minute. I do not think there should be any sales under 480 unless we stay in the market to sell for dollars. The record shows you can do lots of damage if you cannot sell what you have for dollars, but instead use 480 as a substitute. I hope the amendment I have offered will be adopted.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from North Carolina.

Mr. COOLEY. The gentleman is a very distinguished member of the Subcommittee on Appropriations. When the capital stock of a corporation has been impaired, it is necessary for the gentleman's committee to pass upon the appropriation restoring the capital stock of that appropriation; is that not true?

Mr. WHITTEN. That is true.

Mr. COOLEY. Then the Appropriations Committee, on which the distinguished gentleman from New York is also a member, does have some responsibility and does have some authority as to whether or not it will restore that capital after it has been impaired.

Mr. WHITTEN. We have, but I would say to the gentleman that the Commodity Credit Corporation gets no credit on its books for the value of the foreign currencies, so there is real reason why the Appropriations Committee should have full knowledge of these activities. But if we have to approve it in advance, you will have no agreements and actually you will have no sales.

I hope the amendment is adopted.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Ohio.

Mr. VORYS. Section 105 of this law provides that every department or agency using any foreign currency shall reimburse the Commodity Credit Corporation in an amount equivalent to the dollar value of the currencies used, so that this bill provides for restoring such impairment of the Commodity Credit Corporation capital as it may have caused

without reference to the Committee on Appropriations at all.

Mr. WHITTEN. The gentleman has made a point there, but to my knowledge I do not recall that our attention has ever been called to a single instance in which any funds were returned to the Commodity Credit Corporation in all the days I have dealt with that corporation.

Mr. VORYS. That provision has been in the law. I do not know whether they do it.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. MULTER. I think the gentleman overlooked the one important fact. Under your amendment, there would be required a report to the Congress and to the committees within 60 days after making the agreement.

Mr. WHITTEN. That is right.

Mr. MULTER. But, you do not say what shall be done after that. Suppose we disapprove? I think you need a provision added to your present amendment to permit the Congress to approve or disapprove of it.

Mr. WHITTEN. I say if the Congress has to agree in advance, which would be true under the amendment offered by the gentleman from New York, you would have no sales and you would have no agreements in my judgment, judging from how the negotiations have been carried on in the past. What my amendment does is to provide that an agreement as to how the funds would be used would be reported to the appropriate committees and any place where we are paying for our foreign-aid bill, from that fund presumably we would take that into consideration in the amount of money that we had in bills which are brought to the Congress.

Mr. BOW. Mr. Chairman, I rise in opposition to the substitute amendment.

Mr. BOW. Mr. Chairman, I am in opposition to the substitute amendment, which it seems to me is simply locking the barn door after the horse has run away. I favor the amendment offered by my distinguished chairman of the Subcommittee on Appropriations for the Department of State. But, I would like to refer back again to this question which he has mentioned many times about the international exchange program. Let us see just exactly what we are getting into here. Here is a program where last week the House approved the conference report and appropriated $20.8 million. Here we find an additional $17,400,000. This program is being extended for 1 year. What has happened to us? At the end of that year, representatives of the State Department and representatives who believe in the exchange program are going to come in and say, "Well, now, you approved this last year. You set this thing up on a $37 million or $40 million basis and now we have to continue it because we cannot offend these countries. We cannot cut down this program which already has been started." What would you be up against next year or the year after when this law expires? You would be appropriating dollars to carry on a program you are establishing under this bill. So we have to look beyond this year. People talk about counterpart funds. I am amused at times when I hear people talk about these counterpart funds and they say these are not dollars—this is not money. I say to you, my colleagues, that these are some of the most expensive dollars that have ever been spent. We did not get these products for nothing. They cost us money. We got them with expensive dollars. I want to say I am in favor of this program. I believe in this bill. I believe in the method, but it should be controlled by the Congress. When you get into questions of international exchange and the translation of publications—that is the small-book program put out by the Information Agency—we gave them money in the State Department bill, but you build it up here and next year they are going to say, "Well, we have to have more."

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield.

Mr. COOLEY. The gentleman mentioned something about locking the barn door after the horse has run away. That would seem to me that the gentleman indicates he is not willing to trust those who are administering this program. Does the gentleman have any evidence that anybody has let the horse run away in this program?

Mr. BOW. May I say to the gentleman, and I decline to yield any further, of course, I trust the President of the United States. But, I will say to the gentleman that the President of the United States cannot take the time to sit down and review every item that this money is going to be spent for. The President of the United States cannot determine how large a house you build for an agricultural attaché in Rome. He cannot determine all of these various items. Those are things that our Committee on Appropriations handles. I say in our FBO, that is the foreign buildings abroad program today, we are using counterpart funds created under executive agreement, if you please, the same as these are. The President has entered into an agreement in the past. In the bill which you approved here just a few days ago, there was a provision for $20 million for the FBO and I think $15 million of which shall be in counterpart funds. We did not affect the negotiation of contracts by doing that. We did not affect how the President should deal in making these agreements. We are simply considering how counterpart funds will be used after such funds have been generated or created.

Mr. ROONEY. I should like to point out that in connection with the educational exchange activities program in the State-Justice bill there is a provision that of the $23 million some seven or eight million shall be by way of counterpart funds.

Mr. COOLEY. I wonder why the Appropriations Committee did not ascertain during its consideration of this matter how much counterpart funds was being used for the purpose of the committee.

Mr. ROONEY. We certainly were informed on it, in answer to our demands. That is the reason we have this pending amendment. These things are done before the Appropriations Committee knows anything about it. Does the gentleman think the House Appropriations Committee would have the inexcusable temerity to be here with the silly unexplained explanation at page 8 of this report for over a billion dollars? You would expect us to work on this kind of expenditure for a month, from early morning until late at night. The House is entitled to that.

Mr. COOLEY. Why did you not ascertain from the officials of the Department how much of this was used for exchange education?

Mr. ROONEY. I just explained that we did do so.

Mr. COOLEY. But, notwithstanding that, you went ahead and gave the money and we had no control over the figure.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. BOW] has expired.

Mr. SMITH of Mississippi. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York, and in support of the substitute offered by my colleague from Mississippi. The point that has been made in regard to lack of control, or the fact that the Appropriations Committee would not handle this appropriation ignores the purpose of Public Law 480 as it was first passed. These exchange programs have been referred to, and various other programs put through under the 480 provisions, paid for by counterpart funds, are a part of this plan to provide for the greater use of American commodities. That is why they are not handled by the Department of State, such as the educational-exchange program. These programs which are financed through the counterpart funds and which are authorized under this bill and which would be made impossible under the amendment offered by the gentleman from New York [Mr. ROONEY], are designed to promote the use of American agricultural products to benefit the American farmer, and to benefit all of our citizens through the greater use of these products and by providing greater markets.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman from Mississippi yield?

Mr. SMITH of Mississippi. I yield for a question.

Mr. ROONEY. Just a short statement?

Mr. SMITH of Mississippi. A short question only.

Mr. ROONEY. Very well; if the gentleman insists. Would not my distinguished friend from Mississippi say it is a fact that the gentleman from New York who offers this amendment, insofar as his voting in his years in the House, has been a friend of the farmer?

Mr. SMITH of Mississippi. I understand that the gentleman from New York is a friend of the farmer. The only rivals that he has as a friend of the farmer from New York are perhaps the distinguished gentlewoman from New York or perhaps the distinguished member of the Committee on Agriculture from New York City.

Mr. ROONEY. The gentleman does not give me an exactly satisfactory answer. Is the gentleman not proud of the fact that I have never voted the other way, against the farmer?

Mr. SMITH of Mississippi. I value the gentleman from New York as one of the finest friends of the farmer. He is also a great friend of the entire program overseas. I think he is really mistaken here, because if his amendment goes through it will handicap rather than help our efforts to sell farm commodities.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Mississippi. I yield.

Mr. ARENDS. I wish the gentleman from New York would be a friend of all farmers instead of just certain farmers, because I happen to have this record on the desk where he voted against the corn farmer legislation.

Mr. ROONEY. I voted with the best interests of the farmer and the chairman of the Committee on Agriculture on that proposition.

Mr. ARENDS. Let us keep the record straight. Here it is.

Mr. SMITH of Mississippi. I do not think there is any question about any of the 435 Members of the Congress not being friends of agriculture; the only question is whether they are right in their friendship at the moment.

What we are doing here if we adopt the amendment of the gentleman from New York is to make the provisions of Public Law 480 ineffective as far as permitting use of American agricultural commodities in the rest of the world and as it will affect making these agreements. It will make it impossible to work them out, because it will contain no provision for the payment for these programs through the sale of commodities for local currencies. There will be no way to work out agreements in advance if this amendment is adopted. I think that the full consideration that the Congress will give and the report it will make as ordered by the substitute amendment will convince us that we have had some good programs and are accomplishing something toward the disposal of surplus products.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Mississippi. I yield.

Mr. ABERNETHY. Would it not be fair to say that if this amendment is adopted it will result in the virtual repeal of Public Law 480?

Mr. SMITH of Mississippi. It will completely alter the method now used under Public Law 480 and it would be useless as a means of disposing of surplus commodities or promoting the further use of surplus agricultural commodities.

Mr. WHITTEN. The gentleman has reference to the Rooney amendment and not to the substitute.

Mr. SMITH of Mississippi. Of course.

Mr. FULTON. Mr. Chairman, I move to strike out the last word.

I would like to ask the gentleman from New York a question about his amendment. Actually the amendment offered by the gentleman from New York strikes out the two provisos that are in the section referred to, section 104; does it not?

Mr. ROONEY. Yes.

Mr. FULTON. May I point out what that does. Section 104 reads:

SEC. 104. Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, the President may use or enter into agreements with friendly nations or organizations of nations to use the foreign currencies which accrue under this title for one or more of the following purposes:

Then the last proviso reads as follows:

Provided, however, That the President is authorized to waive such applicability of section 1415 in any case where he determines that it would be inappropriate or inconsistent with the purposes of this title.

I would point out that we would thereby be tying the hands of the President of the United States in his handling of Public Law 480, because we knock out the proviso that permits the President to waive applicability of section 1415 in any case where he determines it would not be feasible, or in the words of the act where it would be inconsistent or inappropriate, with the purposes of this title.

We must look at this Public Law 480 either as primarily a method for the disposal of agricultural surpluses or as merely a method of carrying out subsidiary programs abroad such as the education-exchange program, the information program, and so forth.

The trouble with the amendment offered by the gentleman from New York is two fold: First, it ties the hands of the President of the United States completely and puts the operation in the Appropriations Committee; and, second, it bypasses all committees which are legislative committees concerned with the type of programs abroad authorized by section 104. For example, the Banking and Currency Committee as to Export-Import Bank loans, should have the authority to pass on those programs if the Appropriations Committee is given the power to appropriate. The Foreign Affairs Committee then should have to authorize any program under its jurisdiction and be given the authority to pass on it. Does not the chairman of the Committee on Agriculture agree with me?

Mr. COOLEY. If the gentleman will yield, I agree with the gentleman. Again I would like to point out that if you adopt the amendment offered by the gentleman from New York you might as well throw out the whole business, because you deprive the President of all right to negotiate and transfer that power over to the Appropriations Committee.

Mr. FULTON. The third point is this: We have negotiations pending for the disposal of the United States surplus agricultural commodities abroad. Under the amendment of the gentleman from New York, the Executive must come to the Appropriations Committee to see if they will authorize the kind of program that the counterpart money will be used for.

That is the program implemented by the agreement which provides the foreign currency. Unless we give the President latitude in this act to dispose of these surplus commodities for the purposes which everybody agrees on, unless we give him the power to negotiate, we tie his hands in dealing with these foreign countries on the sale of United States surplus agricultural commodities abroad, and the United States farm program suffers.

Especially do we tie the President's hands under the amendment offered by the gentleman from New York when it does not even let the President set aside the Appropriations Committee jurisdiction when he deems it inappropriate to require this delaying procedure. I do not wish to tie the hands of the President of the United States of America on foreign policy in that regard in negotiating these agreements for the disposal of United States agricultural surpluses, because these are necessary and sometimes confidential agreements that are being made. Of course, the Appropriations Committee, even in connection with the education exchange fund, has the power to look at the next appropriation and decide whether to give that program more dollars or counterpart funds, so that committee does have a pretty effective practical control. Likewise, as clearly pointed out in section 105, if any department of the United States Government uses any of these funds for their programs they must then supply the Commodity Credit Corporation with dollar funds of an equivalent amount of the value of the commodity or foreign funds used, is that right?

Mr. COOLEY. Yes; section 105 provides that. We are not faced with the question of where we are going to get the money. It is a question of what we are going to do with surplus commodities. We have passed the question of where we are going to get the money.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from New York.

Mr. TABER. Is the gentleman in favor of tearing down the bars and not having any control in Congress of appropriations and what is done with the people's money? That is the trouble with this thing. If we do not have any restrictions or any control, the House of Representatives might just as well give up the ship.

Mr. FULTON. I respectfully believe the Agriculture Committee and the Appropriations Committee can exercise adequate supervision and control under the present act, and the Bureau of the Budget approves these provisions. We are discussing section 104 that authorizes the President of the United States to enter into agreements with friendly nations or organizations to dispose of surplus agricultural commodities already owned and stored by the Commodity Credit Corporation, and are not authorizing new funds. Secondly, under this section 104 there is the first proviso which refers to appropriations committee jurisdiction. I am surprised that if the great Appropriations Committee did not like it, they let the first proviso go in the legislation last year and the year before.

Mr. TABER. That was because they came in with a rule that permitted them to control it.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

(By unanimous consent (at the request of Mr. ROONEY) Mr. FULTON was allowed to proceed for 3 additional minutes.)

Mr. FULTON. Mr. Chairman, the first proviso under section 104 provides that under subsections (d) and (e), the programs must go before the House Appropriations Committee. That covers under (d) financing the purchase of goods or services for other friendly governments and likewise under (e) programs to develop balanced economic development and trade between nations. Likewise the section says programs to pay United States obligations involving grants under subsection (f) must go before the House Appropriations Committee. Also not less than 10 percent of the foreign currencies that are generated under this bill must go before the House Appropriations Committee. So this legislation is not a case where the Appropriations Committee has lost full control.

But under the amendment offered by the gentleman from New York, it will in all cases tie the hands of the President of the United States and will not give him any discretion ahead of time to dispose of United States surplus agricultural commodities without having the secondary programs individually approved.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from New York.

Mr. ROONEY. There has been a lot of loose talk here this afternoon. It has been said that the President would not have authority to negotiate agreements. The pending Rooney amendment refers only to section 104 of this act.

Mr. FULTON. Yes.

Mr. ROONEY. Is the gentleman familiar with section 101 which says:

In furtherance of this policy, the President is authorized to negotiate and carry out agreements with friendly nations or organizations of friendly nations to provide for the sale of surplus agricultural commodities for foreign currencies.

Mr. FULTON. Yes, but here is the point. Your amendment is simply going to put the money from the sales of these United States surplus commodities into the United States Treasury and then the Committee on Appropriations decides what to do with it from there on, and the President does not have power to negotiate terms of agreements to make a program up with these countries. The President has to have the power to make a good agreement to get rid of the United States agricultural surpluses by agreeing to a lot of specific side programs, at the same time as he negotiates the surplus commodity agreements in many cases.

May I just point out to the gentleman who has just spoken, why does he not look at section 102 and try to amend it too, if he wants appropriation power?

Mr. ROONEY. The pending amendment does not apply to section 102.

Mr. FULTON. I know, but you should put the appropriation power in section 102, in order to be fully logical on your amendment.

Mr. ROONEY. We do not want to do that. If you will approve the pending amendment, we will see what happens to these funds after they are generated under this program, and we might be building schoolhouses all over the world and buying palaces for agricultural attachés.

Mr. FULTON. Why did you strike out the second proviso which gives the President discretionary power to refer it to the Committee on Appropriations?

Mr. ROONEY. I will tell you.

Mr. FULTON. Because this is the crux of it.

Mr. ROONEY. To do a neat and clean job, we merely insisted that section 1415 be followed.

Mr. FULTON. Yes; and you are doing a good, neat, clean job doing that to the exercise of the President's power, too.

Mr. CURTIS of Missouri. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to support the amendment offered by the gentleman from New York and also the position as expressed by the ranking minority member of the Committee on Appropriations [Mr. TABER]. I cannot for the life of me see the argument being presented by the Committee on Agriculture that this will in any way interfere with the agricultural surplus-disposal program. In essence, this is no more than a three-part program: One part is the disposal of agricultural products. Another is purely an appropriation bill, and all the details that you will find in the foreign-aid bill are in here, or, rather, they should be in here, but they are not in here; only the general substance of it is here. The third part of this program is ways and means, that is, providing the money whereby the operations are going to be paid for.

The orderly procedure, of course, on any program is to have the committee that is concerned with the overall legislation authorize the program, in this instance the Committee on Foreign Affairs, and they should authorize these programs. Then the Committee on Appropriations comes in and specifies what particular appropriations are needed on that program, and then we get the money. Now, how you get the money is not of too much concern to the committees, I regret to say. It is something we have to be concerned with though when we try to balance the budget.

Already the procedure has been utilized by the Committee on Appropriations to balance off the payments of some of these foreign-aid programs partly with new money from the Treasury, partly from money generated in these counterpart funds.

Now, there is no reason at all that the President in negotiating some deal on the sale of some of our agricultural commodities cannot go to a foreign country and say, "Now look. We have a certain foreign-aid program on our books that will permit us to spend a certain amount of money for schools in your country or for any of these purposes listed here, and some of this money that would be generated by your purchasing these agricultural products will go for that purpose under the authority of the Congress." There is nothing at all that prevents that from happening. As a matter of fact, that is the orderly way to proceed.

Mr. Chairman, I submit that this amendment proposed by the gentleman from New York is one of the most important amendments that we are going to have to vote upon, and those of you who are particularly interested in getting control over the foreign-aid program might as well save your breath when the appropriation bill on foreign aid comes up if you are not going to take an affirmative stand on this and at least turn over to the Committee on Appropriations the power to dig into these programs. There is at least as much money being spent under this guise as there is through direct appropriations.

Mr. HIESTAND. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield to the gentleman from California.

Mr. HIESTAND. Do I gather that the gentleman from Missouri does not approve the substitute amendment offered by the gentleman from Mississippi?

Mr. CURTIS of Missouri. Oh, no. The substitute amendment is, as someone expressed it, like locking the door after the horse is stolen.

Mr. HIESTAND. But the gentleman from Missouri heartily approves the amendment offered by the gentleman from New York?

Mr. CURTIS of Missouri. I think it is one of the most important amendments that has been presented to this Congress in this session.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield to the gentleman.

Mr. VORYS. Title I of Public Law 480 is labeled "Sales for Foreign Currency." It starts out by saying that the President is authorized to provide for the sale of surplus agricultural commodities. If, in addition, to being authorized to sell, the President is authorized to give away, then that title and all the rest of it is sophistry. However, in addition to being an agricultural surplus disposal bill, this is a foreign aid bill. This section, 104, authorizes foreign aid.

Mr. CURTIS of Missouri. That is right.

Mr. VORYS. But we ought to appropriate for that foreign aid after we authorize it. It is not merely a matter of committee jurisdiction. It is the way the Congress itself functions. First we say that we are going to approve a principle, we are going to authorize something. Then we say we want to take a second look at it and see how much money, domestic, or foreign money, we are going to spend on it. All that section 1415 does is to apply to these mounting amounts of foreign currency the same rule that we apply to American dollars.

Mr. CURTIS of Missouri. Mr. Chairman, I think the gentleman has stated it exactly right. I cannot conceive, in any way, how this would interfere with the disposal of our surplus commodities.

Mr. HILL. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I hesitate to inject myself into this debate, but frankly either this is a good program or it is not; either Public Law 480 is worth preserving because of the type of work it has been doing in our relations with foreign countries or it is not. It is my personal opinion that we should pass this bill as it is, and not support either one of the amendments that have been proposed. I say, how are you going to use the Committee on Appropriations—and they are all friends of mine I hope—when we are trying to deal not only with large foreign countries who are in need of our surpluses but small foreign countries who are in need of our surpluses, for which we are going to take their currencies. This is strictly a barter program. I like the illustration of locking the barn door after the horse is stolen. That is fine, but in the amendments that have been proposed they lock the barn door before the horse ever gets into the barn. So there is no chance in the world for this program to succeed if we support these amendments. That is my personal opinion and I hope everyone within the sound of my voice realizes what he is doing.

Some of the things previous speakers have said are correct. They have made some wonderful statements on this program. But after all, here is a program we have developed during great emergency in the world today. We have the surpluses to give away. I think we had better embrace the bill as it has been offered here, almost as the Senate passed it, and then you will have very little trouble getting this bill down to the White House.

Mr. GROSS. Mr. Chairman, I move to strike out the requisite number of words.

Mr. GROSS. Mr. Chairman, I was delighted to hear the gentleman from Ohio [Mr. VORYS] a moment ago properly label title I of this bill as strictly foreign aid. That is exactly what it is 100 percent, and it ought to be charged directly to the foreign giveaway appropriation.

I support the Rooney amendment and oppose the Whitten amendment. I know of no reason why the Committee on Appropriations should not take a look at how these counterpart funds are being spent. I note that there is $27 million worth of tobacco involved in the agreements that have been entered into up to February 28, 1957; $27 million worth of tobacco going to the United Kingdom.

Someone in this Government only a few years ago—I do not know who it was—but someone in this Government approved the British use of more than $1 billion of our counterpart funds to help retire their internal debt; and another $400 million of our counterpart funds to build airplanes. I understand some of that construction was commercial airplanes. Only recently, and I referred to this on the floor yesterday, a combine of British businessmen supported by their government, entered into a contract to build in Soviet Russia the biggest tire and rubber products plant outside the United States.

It appears these counterpart funds are being used indirectly to subsidize the building of rubber plants in Communist Russia and steel mills in India.

This is a good amendment and I hope it is adopted. Some committee certainly ought to scrutinize carefully the spending of these counterpart funds, and I say to the chairman of the House Committee on Agriculture that his argument against the Rooney amendment might have more validity had the Committee on Agriculture held hearings so that we could today read the hearings and thereby ascertain the justifications for the spending of the counterpart funds as proposed in this bill. Then the gentleman would be on far more solid ground in opposing the amendment.

Mr. COOLEY. May I say to the gentleman that we had hearings. We heard every living human being that wanted to be heard. I asked the question, "Is there a single witness here that is opposed to the bill?"

Mr. GROSS. Will the gentleman tell me where I can obtain a printed copy of the hearings?

Mr. COOLEY. I am not certain the hearings were transcribed. I am told by a member of our staff that they were printed and that they are available. Had we received any complaint about anything that was wrong naturally we would have inquired into it. My recollection is that all the farm organizations, all the Department officials, everybody appeared in favor of the bill.

Mr. GROSS. What I should like to see are the justifications for the expenditure of these counterpart funds as you have them set up in the report.

Mr. COOLEY. I have assured the House today we have the responsibility in our committee to look into these expenditures. We have a chart on page 8 showing exactly what became of the money, showing that 37 percent of the value was used to pay off obligations of our own Government. If you adopt the Rooney amendment, in my opinion, you are going to wreck the entire program.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman from North Carolina yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. ROONEY. I should like to point out that all we have in justification is page 8 of this report with regard to the amount of $1,984,000,000, with not even a transcript of the testimony of the witnesses heard before the Committee on Agriculture to justify it.

Mr. GROSS. Yes; and here is further wording in the report for which I would like an explanation from someone:

> Wheat is to be sold to Spain for resale to Switzerland for financing the procurement of Swiss goods for Spain.

Will somebody tell me what that means?

Mr. COOLEY. I can tell the gentleman what I know about that. It was a transaction under which Switzerland wanted some of our surplus grain from America shipped in with the understanding it would not interfere with normal shipments and the normal consumption of grain in Switzerland. Switzerland in exchange, according to my recollection, was to ship to Spain some high-class machinery, locomotives, and so forth.

Mr. GROSS. We could not produce high-class machinery in this country?

Mr. COOLEY. It was something Spain wanted from Switzerland in exchange for the commodities. We finally ended up with pesetas, and the pesetas were used to pay our obligations in Spain.

Mr. GROSS. We increase the tariff on Swiss watches and then turn around and subsidize this transaction between Spain and Switzerland. What I want to get at is this: What else are we doing with counterpart funds in many other countries of the world?

Mr. Chairman, I support the bill and the Rooney amendment. The Whitten amendment merely provides for another report that would undoubtedly be buried with scores of others that are called for each year from the various departments and agencies of government. Let us try to control the purse strings—not merely ask for another report.

Mr. COOLEY. Mr. Chairman, I rise in support of the Whitten amendment.

Mr. Chairman, I hesitate to prolong this debate, but I want to emphasize the importance of the vote we are about to take now. I think the amendment offered by the gentleman from Mississippi [Mr. WHITTEN] makes sense. It is perfectly reasonable for us to require a report. At the same time I am mindful of the fact that under the reorganization act, our committee already has authority to summon all of these officials before our committee and to inquire into each of these items. Had any member of our committee desired to have done so, he could have gone into these items in detail. But, no complaints have been submitted by those who are so apprehensive about the way this program has been administered. Since we had no complaints, there was no real reason for us to go into the matter any further than we have. The Members of the House talk about hearings and they wanted to have some accounting and they wanted the Appropriations Committee to pass judgment on these items. I wonder why those same arguments were not submitted at the time the original act came before this Congress. The original act is now the law, and I submit the law has been properly administered so far as we know up until this time. But, if it has not been properly administered, it is the responsibility of our committee to ascertain wherein it has been abused. I know you have some faith and confidence in the Committee on Agriculture. You know of our great interest in this program. I think the program has been mutually advantageous for us and for the countries with which we have been dealing. I do not know of any opposition, and I challenge any Member of the House Committee on Agriculture to stand up and say he is opposed to this bill. My recollection is that we were unanimous. As I said this morning, we considered this bill free from any partisan politics. I think this debate has been free from partison politics. I have been standing in the well of the House defending those who have been administering the program and I am perfectly willing to do so as long as the program is properly administered. But, if we adopt the Rooney amendment, we may just as well close up shop and let the people know that we have repudiated the President and that we have actually thrown doubt upon the agreements that have already been entered into. I think we will probably find upon inquiry that all of the counterpart funds now on deposit to the credit of the United States in various banks throughout the world are obligated in some fashion by the original agreements which resulted in the sale of our commodities.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. FULTON. I would like to point out to the Committee that in a communication of Mr. Benson, Secretary of Agriculture, on behalf of the administration he says:

> The Bureau of the Budget advises there is no objection to the submission of the proposed legislation to the Congress.

That is, the Bureau of the Budget approves the bill in this form. Mr. Benson says further:

> Enactment of such legislation would be in accordance with the program of the President.

So it is really President Eisenhower's program and we are voting his authority up or down in these two amendments.

Mr. COOLEY. I think the gentleman is correct. I think when you say you want to hold an ante-mortem examination rather than a post-mortem examination, you are reflecting upon those who are administering the program.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. ARENDS. I concur in what the gentleman has just said. I think, if we adopt the Rooney amendment, we will find ourselves absolutely in an impossible position.

Mr. COOLEY. I think that is absolutely correct.

Mr. Chairman, the Whitten amendment requires a report and the report is to be submitted to the Committee on Appropriations. If anything does develop that is inappropriate, we can take the necessary action to correct it.

Mr. Chairman, I ask for a favorable vote on the Whitten substitute amendment at this time.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Mississippi [Mr. WHITTEN] in the nature of a substitute for the amendment offered by the gentleman from New York [Mr. ROONEY].

The question was taken; and on a division (demanded by Mr. ROONEY), there were—ayes 103, noes 45.

So the substitute amendment was agreed to.

The CHAIRMAN. The question is on the amendment as amended by the substitute.

The amendment as amended was agreed to.

Mr. WHITTEN. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

> Amendment offered by Mr. WHITTEN: At bottom of page 2 add the following new paragraph: "*Provided*, That no commodity of which the Commodity Credit Corporation owns a supply shall be eligible for sale to foreign countries under the provisions of this act, unless such commodity is being offered for sale in foreign trade through normal trade channels at competitive prices for dollars."

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Chairman, if I had to determine at the moment whether Public Law 480 had done more good or bad, I would be hard put to decide. The reason for that is that the Congress and the committees, acting in perfectly good faith, offered Public Law 480 as an additional means of disposing of agricultural commodities. Unfortunately, for a number of years Public Law 480 was substituted in place of sales through normal trade. There was a period of years when you could read in the U. S. News & World Report, Nation's Business, and other magazines the technical provisions of how to sell 480 commodities, as though that were the only way. This is surprising to some of you; but the Secretary of Agriculture, Mr. Benson, had been in office many months when he appeared before our committee, and it was brought out at that time that he did not even realize he had authority to sell for dollars. We had reports before our appropriations subcommittee from the Commodity Credit Corporation, and they referred to how many commodities they had disposed of and how much they had gotten rid of, how much had disappeared. The value ran into huge amounts of money. Never once in the report did they refer to how much they sold for dollars.

I am not going to make my sales speech all over to you again; but suffice it to say that our committee, in an effort to get United States commodities sold, went so far as to say we would not recommend any funds to control acreage of any commodities that CCC refused to sell for dollars. We set up a sales organization and tied the money down for that purpose only, in order to get this thing broken. During that period it was argued you had to sell under Public Law 480—that you could not sell for dollars. In 1953 CCC sold only $1,500,000 worth of commodities for dollars. In 1954 we insisted and got the Department to offer a few relatively minor commodities for sale, and they went like hotcakes—$92 million.

We insisted further in 1955 and we sold $219 million of commodities for cash. And, listen to this: In 1956, for the first time, the Department went all out offering these commodities, which had formerly been held for Public Law 480 sale for foreign currencies, in competitive markets for dollars and in 1956 the Department sold $2,723,000,000 worth of commodities for cash.

What is the difference? Where you sell under Public Law 480, do not be misled, our committee is asked to replace that money in appropriations. If you sell under Public Law 480 you have to restore the impairment of the capital of the Commodity Credit Corporation. In the bill we reported to you this year we provided $637 million in appropriations for losses in Public Law 480 sales.

Now the Department tells us that having sold $2,700,000,000 of commodities for cash, and that money went into the Commodity Credit Corporation as American dollars, it kept us from having to appropriate that money.

Next year the Department, if it keeps up this sales program through normal channels for dollars, through regular trade channels, estimates they can sell almost $4 billion worth of commodities, through normal trade channels.

My amendment merely says: "Mr. Secretary, Mr. Department of Agriculture, we approve Public Law 480; but we do not mean for you to substitute it for normal sales. You cannot give commodities away under Public Law 480 unless you put such commodity out on the counter offering it for sale at dollars."

The record clearly shows we would have saved billions of dollars in times past if they had sold these commodities in the open market, as they are selling them now; and the feeling on the part of the Congress and the country in the situation would have greatly improved.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. TABER. Have the authorities in the Commodity Credit Corporation or the Department of Agriculture the right to make these sales without the language the gentleman has proposed?

Mr. WHITTEN. Which sales does the gentleman have reference to?

Mr. TABER. The sales which you were urging in this amendment.

Mr. WHITTEN. The Commodity Credit Corporation charter, from the start, has given unlimited authority to the Secretary to offer these Commodity Credit Corporation stocks in world trade at competitive prices. That authority has been in the original charter throughout; and, in selling the $2,700,000,000 worth of commodities they sold in 1956, they were using the authority that had existed all along; and that authority still exists.

Mr. TABER. What change would that result in from the policy that has been followed lately?

Mr. WHITTEN. Since January 1956 it would not result in any so far as I know.

The purpose of putting this language in the bill is to avoid getting back into the old habit of letting some of our international traders perhaps talk us into not selling for dollars, but sell under Public Law 480 where we virtually give the commodities away for foreign currencies. It is to require a continuation of the good policy that has been followed for the last 18 months.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. VORYS. I believe the Fairless Committee appointed by the President made a recommendation along this line, and that they urged that sales not be made for foreign exchange. This would be in that direction.

Mr. WHITTEN. I thank the gentleman. And permit me to say at this time that I was pleased when the Secretary of Agriculture in appearing before our committee was very nice and complimentary to me for having insisted through the years that he use this method of offering for sale for dollars in normal channels. He says he has been greatly pleased at how well it has worked.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. COOLEY. I think the gentleman is in error when he says Public Law 480 was in operation in 1953. Actually it was not passed before July 10, 1954, and it was probably put into operation either in late 1954 or in full operation in 1955. I realize that within the last 15 months under pressure from Capitol Hill perhaps the Secretary has disposed of an unusually large amount of cotton.

Mr. WHITTEN. Has sold, if I may say to the gentleman.

Mr. COOLEY. Well, he has sold it for what?

Mr. WHITTEN. For dollars.

Mr. COOLEY. By reducing the price to the world price level or lower and taking a large and substantial loss of $535 million in 15 months.

Mr. WHITTEN. May I continue by pointing out that the maintenance and storage of these commodities was eating up hundreds of millions of dollars.

Not only that, but the record shows that every day and every month we kept that policy, the situation deteriorated still further. Rather than saying that the Secretary reduced the price I would express it this way, and perhaps you will say it is the same thing. There is no way of selling anything unless you make your price competitive. The authors of the Commodity Credit Corporation Act recognized that. There can be no other type of sale. So the losses that the gentleman mentions are much, much less than they would have been had you continued to hold the commodities. May I say again that some of the losses you had there ran as high as $40 a bale for storage during periods we were offering them for sale. I might point out that in February 1955, the Commodity Credit Corporation had $3,600,000,000 worth of farm commodities which had never been offered in world trade for sale competitively for dollars. We are remedying that situation at the moment. This amendment, if adopted, means that Public Law 480 shall not take the place of selling for dollars, but it will be an additional means and not be permitted to usurp and take away the normal trade through normal channels where we receive dollars for what we sell.

Mr. WATTS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Kentucky.

Mr. WATTS. The gentleman in his amendment refers to commodities owned by the Commodity Credit Corporation. I assume he means commodities to which the Commodity Credit Corporation has title?

Mr. WHITTEN. Certainly.

Mr. WATTS. And not commodities we have an outstanding loan against?

Mr. WHITTEN. That is right. It would not refer to the latter instance. I hope the amendment will be adopted.

Mr. COOLEY. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Mississippi [Mr. WHITTEN].

Mr. Chairman, again I do not question the good faith of the author of this amendment but I do say that the amendment should not be adopted. The very law that we are dealing with contemplates sales and donations of surplus commodities over and above the normal requirements of recipient countries.

A moment ago we referred to transactions between Spain, Switzerland, and the United States. I understand that Switzerland accepted agricultural commodities from America over and above its normal consumption and normal requirements. If the amendment offered by the gentleman from Mississippi [Mr. WHITTEN] is adopted, it means that the Secretary of Agriculture will have to shop around the world in an effort to find a place to sell these commodities for dollars on competitive prices in the world markets, before he can offer to give them away or before he can barter them away or before he can sell for foreign currency. I think it is only reasonable to assume that the Secretary will sell for dollars wherever he has an opportunity to sell for dollars.

Just yesterday I spoke to one of the Secretary's assistants about the poultry situation in Germany. In that conversation I was told that we have a very substantial potential market for ready-to-cook American poultry in Germany. The Department did not want to be dangling the possibilities of gifts and sales in local currency over the head of Germany, however.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from New York.

Mr. TABER. The thing that bothers me about that is that I have heard that as a result of sales that might be forced on to the Department the prices of such things as cotton might be dropped so low to the foreign purchasers that they could come back into the market and shut up our cotton mills and that sort of thing.

Mr. COOLEY. What we are doing now is selling cotton at below the domestic market by 6 or 7 cents a pound. If we put American cotton under competitive prices on world markets we are going to be competing with the low standards of labor in all the cotton-producing areas.

I do not believe that we would want cotton to go that low.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I would like to correct one thing. In the first place, the amendment is limited to sales for foreign currencies and would not affect dollars. Section 22 of the Agricultural Adjustment Act provides protection from foreign imports authorizing the President to levy as much as 50 percent tax or put an embargo on, so we do have those protections in the law.

Mr. COOLEY. I am very cognizant of the fact that we have protection under section 22 to protect our own products here at home, and we also have authority, which we vested in the President last year, to negotiate with representatives of foreign countries to limit the imports of manufactured goods coming in in competition with domestically produced goods.

Mr. WHITTEN. While the gentleman is speaking against my amendment, I do believe I understood the gentleman to say that he does not believe in giving away commodities through aid if we are unwilling to sell them for dollars.

Mr. COOLEY. I do not believe the department has indicated an unwillingness to sell for dollars. They are selling for dollars now, and the only way they can sell for foreign currency is over and above agricultural consumption in recipient countries.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Pennsylvania.

Mr. FULTON. This is already in the law. On line 6, section 2, of the act it provides:

> And to stimulate and facilitate the expansion of foreign trade in agricultural commodities produced in the United States by providing a means whereby surplus agricultural commodities in excess of the usual marketings of such commodities may be sold through private trade channels, and foreign currencies accepted in payment therefor.

Mr. COOLEY. The gentleman is correct.

Mr. FULTON. And on specific instructions on negotiating agreements, section 101, it reads:

> (a) take reasonable precautions to safeguard usual marketings of the United States and to assure that sales under this act will not unduly disrupt world prices of agricultural commodities.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Oklahoma.

Mr. BELCHER. The Secretary of Agriculture would not be permitted to sell for dollars to certain countries without the permission or consent of the State Department if it interfered with foreign policy.

Mr. COOLEY. That is right.

Mr. BELCHER. Then, if the State Department refuses to permit the Secretary of Agriculture to sell for dollars, he would not be permitted to take any action under this bill.

Mr. COOLEY. That is right.

Mr. BELCHER. It would just eliminate this bill if the State Department did not approve a sale for dollars.

Mr. COOLEY. I think the gentleman is correct.

I just want to say in conclusion before you vote on this amendment I think it is tremendously important, and I think it is very unfortunate that the gentleman from Mississippi did not present the matter to the Committee on Agriculture. I am sure that had he presented it to the Committee on Agriculture it would have been carefully considered; we could have had the views of the State Department officials and the Department of Agriculture and we could have had the benefit of a lot of information that we do not now have.

I hope the Committee will defeat the gentleman's amendment.

Mr. WHITTEN. Mr. Chairman, if the gentleman will yield further, the gentleman has rendered great service to agriculture, and I know that we are both trying to reach a common ground. Here is the point I would like to make. Under existing law you cannot use Public Law 480 if you upset any of the normal channels of trade. I would just like to point out that in 1953 we sold out of the Commodity Credit Corporation only $1.5 million and in 1954 $92 million. You could easily determine and pick up those years when we were not in the world market competitively.

Mr. COOLEY. You know and I know that we had an abnormal situation because we did not have a definite, positive program for cotton, and as soon as we had an announced program we started selling cotton. We sold a million bales in the first 40 days and about 9 million in 15 months, when we lost $535 million and we dissipated a profit of $267 million which we had January 1, 1953.

Mr. WHITTEN. We had already incurred the loss. We had the cotton and had no use for it.

Mr. COOLEY. We did not incur a loss. You could not have incurred a loss, because under the law you could not sell it for less than 105 percent of parity plus carrying charges. Soon after the Secretary announced the cotton export subsidy program, the $267 million profit which we had on January 1, 1953, had been dissipated. Now instead of having a profit of $267 million, we are told that within the last 15 months we have lost $535 million. Certainly, it is not reasonable to believe that the Secretary would sell cotton or any other commodity in any market to any buyer under any circumstances for local currencies or would barter with surplus commodities if such commodities could be sold for dollars in the normal channels of trade. I am certain that the Secretary would prefer to sell all of our commodities for dollars rather than for foreign currencies. I am likewise certain that he would rather sell for dollars rather than barter for materials or to donate to foreign countries. I hope that the amendment will be defeated.

Mr. BARDEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time just to ask this question of the gentleman from Mississippi. The chairman of the committee, the gentleman from North Carolina [Mr. COOLEY], just remarked that they had disposed of so many million bales of cotton. I would like to know, had that cotton been disposed of for foreign currencies, would the foreign currencies derived from that sale have been available to give away also for other projects without any check by the Committee on Appropriations?

Mr. WHITTEN. May I say to the gentleman that it would; and, if I may carry this one step further, in our bill this year there was $637 million provided to restore capital impairment of the Commodity Credit Corporation. If we had not sold these commodities in world trade for dollars, there would have been an additional request to this Congress to appropriate $2,723,000,000. So it is clearly to our interest to sell for dollars, and I think it is clearly to our interest to see that you sell for dollars before we start giving away the same commodities.

Mr. BARDEN. I should like to ask one further question of the chairman of the committee. Does the gentleman from North Carolina understand that the statement made by the gentleman from Mississippi [Mr. WHITTEN] is correct?

Mr. COOLEY. No; I do not agree with the gentleman that the losses were sustained before the cotton was sold. The gentleman said that we had to restore capital impairment of the Commodity Credit Corporation to the extent of $637 million. Five hundred and thirty-five million dollars of the loss was sustained on the cotton program that the gentleman has been advocating in the last 15 months. That is what the losses are, according to the Secretary of Agriculture.

Mr. BARDEN. And what would have been the situation under the gentleman's program?

Mr. COOLEY. Had we sold it in the foreign markets and above normal consumption in those countries, we would have received foreign currencies and could have used those currencies to build up the internal economy of those countries and for other purposes.

Mr. BARDEN. They could have used it for that purpose and for other purposes.

Mr. COOLEY. Yes.

Mr. BARDEN. Without the approval of the Congress?

Mr. COOLEY. Yes. Here is what the President could use it for. It is set out in the act itself under section 104.

Mr. BARDEN. Mr. Chairman, I should like to ask the gentleman this question. Had you sold it for dollars, with those dollars coming back here to our Government, could those dollars have been spent as you would have spent the foreign currency or would those dollars come to our Government and be subject to appropriation by the Congress?

Mr. COOLEY. The commodity that the gentleman from Mississippi [Mr. WHITTEN] spoke of sold for dollars, but sold at 7 cents a pound below the domestic market.

Mr. BARDEN. I want to know whether they sold it for 50 cents or whatever the price was, but for dollars, those dollars would have come back to this Government and then Congress would have control as it has over other Government funds.

Mr. COOLEY. No; they would have gone back to the Commodity Credit Corporation and used by the Commodity Credit Corporation for its original purpose.

Mr. BARDEN. And could not have been given away to strengthen the economy of the other countries without Congressional approval.

Mr. COOLEY. No; this $535 million that we lost was given away. We got nothing in return, not even foreign currencies.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I will say this, that we sold and got the cash in the amount of $2,723,000,000. That money went to the Commodity Credit Corporation to meet the purposes of that organization, which are spelled out. In the absence of having collected that cash, if we had sold for foreign currencies or had given it away, let us say, we would have been faced this year with a request by the Department of Agriculture for an appropriation of $2,723,000,000 to restore capital impairment of the Commodity Credit Corporation.

Mr. COOLEY. Let me ask the gentleman this question. Suppose you had sold it in the world market at competitive prices, how much would you have had to appropriate to restore capital impairment of the CCC?

Mr. WHITTEN. We did restore that capital impairment by $637,000,000. But that is a far cry from over $3 billion which we would have lost if we had gone on under Public Law 480 instead of under the normal trade channels.

Mr. COOLEY. But you sold a substantial volume under Public Law 480 for foreign currencies.

Mr. WHITTEN. That is right. And we had to pick up the tab for $637 million, which amount our committee recommended appropriating and you passed on it.

In connection with the discussion the gentleman from North Carolina and I had as to when you lost the money on the cotton, if you have cotton on hand and do not need it, and are paying storage on it, and it is not worth in the world markets except what you can get, I respectfully submit that your losses were incurred when you got it on its decrease in value. You see the amount when you sell it, but the loss was there to start with. It was not worth any more than that whether you sold it or whether you kept it and paid something like a million dollars a day in storage.

Mr. COOLEY. The gentleman knows as well as I do that that cotton to which he is referring could not have been sold in the domestic market at less than 105 percent of parity with all the handling and other charges included.

Mr. WHITTEN. That is true.

Mr. COOLEY. Therefore, you could not have lost a dime until you embarked on the subsidy program abroad.

Mr. WHITTEN. That is right. We held it 8 years and we could not sell it on the domestic market.

Mr. COOLEY. The gentleman does not know what he is talking about. In

1953 we had an embargo on American cotton and could not send it out of this country.

Mr. BARDEN. Let me get it down to the point where even I can understand it. You have 100 bales of cotton. You sell it for dollars. Those dollars come back here, and every dollar that goes into the Commodity Credit Corporation means that Congress will have to appropriate that much less. Now you sell those same 100 bales of cotton for foreign currency. Where does that foreign currency go?

Mr. COOLEY. The fact is you would not sell that same 100 bales of cotton because this foreign currency sale must be over and above normal consumption.

Mr. BARDEN. Let us say we sold any 100 bales of cotton.

Mr. COOLEY. Where does the money go?

Mr. BARDEN. Yes.

Mr. COOLEY. The foreign currency goes wherever the original contract provides it should go.

Mr. BARDEN. What contract?

Mr. COOLEY. The contract which results in the disposition of the surplus commodity in the first place. That is the reason I say it is a contract made by the President, negotiated by representatives selected by the President. Of course the President does not go out and do all the negotiating himself. He does it under the law and under the spirit of the law. As to the counterpart funds, I may say to my friend, we have now not only a surplus of commodities but we have a surplus of foreign currency.

Mr. BARDEN. That is what I am talking about. I am interested in getting some dollars back instead of setting up a revolving foreign-aid program over which Congress will have no control over, and not even know what is being done with it or where it is.

Mr. COOLEY. It is in banks around the world.

Mr. MARSHALL. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, it has been my great privilege to serve on the great Committee on Agricultural Appropriations under the able chairmanship of the gentleman from Mississippi [Mr. WHITTEN]. The farmers of this country and the taxpayers of this country owe a real debt to our chairman, JIMMY WHITTEN, of Mississippi. He has done an outstanding job in our committee in attempting to get those commodities sold into competitive world trade and get as much money as we can from it.

Let me read his amendment:

Provided, That no commodity of which the Commodity Credit Corporation owns a supply shall be eligible for sale to foreign countries under the provisions of this act, unless such commodity is being offered for sale in foreign trade through normal trade channels at competitive prices for dollars.

What is wrong in selling our commodities for dollars if we can get dollars? What is wrong with using the normal trade channels? Is there anything wrong with that?

Mr. HARRISON of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield.

Mr. HARRISON of Nebraska. I think that is a part of the law, and I think the law has been carried out by the administration.

Mr. MARSHALL. I am glad to have my friend, the gentleman from Nebraska, make that statement. Therefore, since the law is being carried on in that particular fashion, this amendment fits right in with the manner in which the law is being administered. I know the people from the Department have been before us and they have said this is true. There is this thing that comes about, occasionally through misunderstanding and occasionally because of the overzealousness of some people, it is difficult to keep this thing in line. If we can sell these commodities for dollars and use the normal trade channels and get dollars, those dollars go back to the Commodity Credit Corporation. That is purely and simply all that this amendment does. What is wrong with that?

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to my distinguished chairman.

Mr. COOLEY. I would just like to say, of course, every Member of the House would be in favor of using the normal channels of trade. But, if it is a normal transaction, it cannot be a foreign currency transaction. Foreign currency transactions are over and above the normal transactions. So the gentleman does not make a point when he says we should use normal trade channels. Certainly, we should. Nor when he says we should sell for dollars—to be sure we should sell for dollars. But we sell all we can for dollars in the normal way, and then over and above that we sell for foreign currencies. That is the whole program contemplated by this law. But, if you say that every bushel of wheat and corn and all other commodities must be sold for dollars in the world market sometime, somewhere, before we can resort to foreign currency transactions, you are going to bog down this program.

Mr. MARSHALL. I know my distinguished friend from North Carolina and also my good friend and my distinguished chairman from Mississippi, and a moment ago the distinguished chairman of the Committee on Agriculture, made the statement that it would be nice had this amendment been presented to the Committee on Agriculture before. I agree with the chairman. However, this bill goes to conference with the other body. What is wrong with including this amendment and then looking into it further? Certainly, if there is anything wrong, I know my chairman, the gentleman from Mississippi, does not want to do anything that is going to damage the sale of these commodities in any way and neither do I.

Mr. COOLEY. There is nothing morally wrong and there is not anything legally wrong about the gentleman from Mississippi not presenting it to our committee. I merely suggested that had he presented it, we would have considered it and we could have ascertained the facts from these officials who are administering this program. But, the gentleman did not do that and, therefore, we had no opportunity to hear him present his views.

Mr. MARSHALL. If the gentleman will excuse me, is that not what my good friend, the gentleman from Mississippi, is now offering you an opportunity to consider?

Mr. COOLEY. Yes; in the last few minutes of debate here, we get this amendment.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield.

Mr. WHITTEN. I wish to thank the gentleman for his very kind statement regarding me. I would like to point out that certainly it has been a pleasure to come before the gentleman from North Carolina and his committee on each occasion that I have appeared before his committee and each time I have been invited, I have gone to the committee. Unfortunately, I have been tied up on military appropriations work until just the other day since the 10th of January, and in view of these long hearings before the Committee on Appropriations, it is not always easy to find time to appear before the gentleman's committee. Until this bill came up yesterday, I did not know when the hearings were being held and I did not know along with many other people that the hearings would involve this matter. I thought that this was more or less a routine case of an extension of an existing law and presumably there was no need for lengthy hearings. I would like to say again, if I may impose on the gentleman's time, that this, contrary to the discussion you have heard about cotton, this has to do with all commodities. Under Public Law 480, if the Commodity Credit Corporation does not have a supply on hand, you can barter even though you have a supply.

Mr. MARSHALL. If my chairman will yield to me, I have looked over the amount of commodities which have been offered for sale, and while cotton is a part of it, certainly, the major proportion has been wheat, and there has also been rice and dairy products and a lot of other things.

Mr. Chairman, I urge the adoption of the amendment.

Mr. HOEVEN. Mr. Chairman, I take this time to announce to the Republican Members of the House that the conference called for this afternoon is being postponed until after adjournment tomorrow.

Mr. BROWN of Missouri. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I as unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BROWN of Missouri. Mr. Chairman, I have great respect for the distinguished gentleman from Mississippi [Mr. WHITTEN], and the distinguished gentleman from Minnesota [Mr. MARSHALL], but before you vote on this amendment let me say a few words.

If it is in order, I would like to talk a little bit about the big purpose of this legislation we are discussing. It is interesting to argue about foreign currencies and about the prospects of dollar markets for some of our farm products, but let us face facts. The big possibilities in the Public Law 480 are to stabilize American agriculture at home. That is the initial purpose as outlined in the bill passed by the 83d Congress. And this act can have a tremendous impact on American agriculture prices at home, far greater than we are getting now, if it is administered aggressively with vision and ingenuity.

Let us open our eyes to some new horizons for a moment. In addition to all Commodity Credit Corporation surpluses that we have in warehouses that are costing us a million dollars a day to store, we are producing on the farms of the United States enough surplus food, extra food, to feed and partially clothe some seventeen to thirty million people—in addition to our population in the United States. What are we going to do with that surplus production?

I grew up in a town called Humansville, Mo., a town with a population of 757. We are just country folks down there, but whenever we have something on hand that we do not need and cannot use, we look around for some place to put it to work. We do not hang on to it and squeeze it and pay storage on it try to protect it as if it were a handful of diamonds. If we cannot sell it for what it is worth, we take a loss. We take less than what it is worth, because it is that much. And if we cannot sell it at all, we give it to somebody who can use it, because we believe that is the Christian way.

I ask you, are we using this surplus food and fiber to the fullest possible advantage? I submit that we are not. We are making an effort. Perhaps we have made some progress. But I will guarantee you that we are not using it aggressively, and with enough vision and ingenuity to get the full impact of it on the domestic farm market at home. That I submit can be done with only a few supplementary additions to the agricultural trade development and assistance law and by more aggressive, imaginative administration of it.

We start with surplus, market-depressing food and fiber. How can we use it?

Well, every time you turn around somebody is talking about countries overseas that are struggling to maintain their independence; people who are hungry and ill clad. The foreign-aid advocates say that those people must get a better break out of life and get a good meal now and then, if they are to stick with freedom and join us in the struggle against communism. Rightly or wrongly, we have helped a great many of them; but if you will notice, when the diplomats start doling out help, 9 times out of 10, it is scarce money or scarce steel or scarce industrial machinery. Only on rare occasions is it surplus food and fiber.

I saw a figure last night. I do not know whether it is correct or not, but a distinguished author says that we have spent some $60 billion in foreign aid in the last decade. Less than $5 billion of that, including the $3 billion in exchanges for foreign currencies, have been food and fiber. In this struggle against communism there seems to be a big place for American industry, but only a very tiny place for the American farmer. If we are really trying to keep the wolves away from the doors of some of these struggling new nations, if it is really in our self-interest, I submit that we must make better use and bigger use of the surplus food and fiber that we now have running out of our ears.

Wherein lies the best interest of the United States of America? To trade $10 million of surplus dairy products to some nation for its foreign currency or to give them 10 million American dollars?

Wherein lies the best interest of the struggling nation you are trying to help? To take American dollars, build them a plant that uses silica and operates only 30 days because it runs out of silica? We did that in 1 Asiatic country. Or would it be better to sell them at bargain prices in their currency some of our broiler meat that is depressing our domestic market. You know if they eat American-style broilers for awhile they will form a new eating habit and will want to start a broiler industry of their own and feed our feed grains.

A broiler industry will employ more people in one of these agricultural countries than any single industrial plant ever will. If you do not believe it, go down to the State of Georgia. Some 20,000 families are now employed down there today growing broilers. Thousands more are growing feed to feed the broilers; thousands more are dressing those birds, and others are hauling them to market. That is what I call a big industry, and it is far less costly to start than a heavy equipment plant of some kind.

But no, the people administering our foreign economic-aid program seem to think in terms of hydroelectric dams, steel mills, and tire-manufacturing plants. They forget that the United States of America started as an agricultural Nation, then improved its agriculture and gradually built industries out of the profits and demands of that agricultural economy.

But the experts seem to want to leap over a whole generation of sound economic evolution and plunge some of these countries into a giant industrial era before they are ready for it.

If the law we are considering were being used more aggressively it could improve farm prices at home and foreign relations abroad. I submit, however, the administration is not doing that; it is not using it with enough ingenuity and imagination. They are moving so cautiously and so fearfully that we are losing the full impact of its potential.

For instance, Mr. Benson knew by the 4th of July last year that we had a serious overproduction of poultry meat in this country. Under this law, Public Law 480, without any additional authority the executive department could have purchased some $5 million worth of breeder hens and roosters, cut broiler hatchings by a healthy reduction, sent those breeder hens to some South American countries where they want to get the business started, and we could have prevented the disastrous crash of the broiler market last fall, the worst poultry industry depression since the early 1930's.

Did Mr. Benson do it? Certainly not. Oh, he sold some poultry to Germany—one one-thousandth of 1 percent of the national production. And what was the glorious outcome of this picayunish effort? It was just like trying to raise the tide by pouring a teaspoonful of salt water into the Atlantic Ocean. It did not help the agricultural picture at home because it was not bold enough in its concept, courageous enough in its execution. Let me give you another example.

The price of milk today in the market place is so low that you can't make a living out of milking unless you have so many cows in the stanchions that it takes you until midnight to get them milked.

Dairying is a $4 billion a year industry in the United States. Since this Public Law 480 was passed, American dairy farmers have produced some $10 billion worth of dairy products. Some 2 percent of it has been market-depressing surplus.

Has the administration used this Agriculture Trade Development Act to stimulate foreign sales? Look at the committee report: $25 million worth of milk in 3 years. That is two-tenths of 1 percent of production, and even then, Mr. Benson was afraid he was overdoing it.

Did you read the President's last semiannual report on activities under this law, July 1 through December 31, 1956?

On page 21, it says "Butter and butter oil were withdrawn July 1, 1956, because CCC inventories were depleted." And for the same reason, dry milk foreign donations were reduced substantially during the third quarter of the year.

Now, what kind of foolishness is this? Mr. Benson has yelped for 4 years about market-depressing milk surpluses. He gradually worked them down; and last July, just as the warehouses were about empty, when just a tiny bit more foreign trade would have adjusted supply to the point of profitable domestic demand, what does he do? He cuts out Public Law 480 foreign trade. Maybe he stabilized the price of milk but he stabilized it at a bankruptcy level.

Now I understand butter and dairy products are backing up on him again, because cautious, fearful administrators quit operating just at the point when they could have helped.

Now look—there are 4½ million farmers in the United States, each trying desperately to make a living in these times of higher and higher price tags on everything they buy. Not a one of them has a defense contract.

None has suffered from all this foreign aid.

This spring—as every spring—they started out to produce food and fiber to feed and clothe the people of the United States. And not a one of them knows what quantity of any product he, himself, will produce—much less what the total national production will be—whether there will be overproduction

or underproduction, because there are too many hazards, too many unpredictable factors.

Even if he tries to hold down production, he must allow a small margin for error or unexpected mortality, for droughts, and floods.

And yet, it is that vital, necessary margin for error that is killing the farmer in these times of inflation.

A little too much milk and grade C milk drops to $3 a hundred. A few too many turkeys, and turkeys drop to 25 cents.

Now maybe that situation is more or less normal in peacetime, when prices on automobiles, refrigerators, gasoline, and other commodities rise and fall with supply and demand.

But these are not peace times. There is a cold war going on—a struggle against communism—and big industries and their industrial workers are participating in that struggle, profitably, very profitably, on purchase contracts signed by the United States Government.

Now, why cannot the American farmer be included in that charmed circle? Is there any good reason why more of his food and fiber cannot be utilized more efficiently and aggressively in combating the Communist menace?

Nothing could be sounder than taking something you do not need, something that is actually a temporary liability to you and depressing the value of other things you do need, and trading it for something that might be worthwhile—new customers for tomorrow, new allies against communism today.

If we will continue this Public Law 480 as a foundation and then expand it with some new ideas, and get them aggressively administered, we could have a successful temporary farm program.

For instance, would this be possible? Suppose there is going to be a 3-percent surplus of dairy products this year, over and above domestic consumption, make it mandatory that 3 pounds of milk out of every hundred that a farmer sells is impounded for foreign market development and the Government pays only half price or so for that 3 pounds.

In fact, any farmer could afford to give you 3 pounds of milk free, if it meant that he could get 90 or 100 percent of parity for 97 percent of his production.

Right today, in the case of turkeys, with a tremendous carryover from last year, you could impound a percentage of this year's production at a very, very reduced price, and the grower would be better off by getting a decent domestic market price for what we will eat here at home.

And it could lead to new markets.

If we take some shiploads of tender juicy broilers or broad-breasted turkeys to some of these countries, sell them at even ridiculous prices with 1-cent-sale gimmicks and a little Madison Avenue-style promotion, the people will learn to like them. Then, see if we do not develop a customer for the United States farmers' extra food production.

And let us make even better use of this foreign currency. Loan it to some resourceful, aggressive American small-business men who will move a little basic equipment into one of those countries and, with a lot of ingenuity plus what that local currency would purchase, build industries and create new wealth.

Regardless of how it is done—the basic principle is this: We have a tremendous asset in our food and fiber production capacity that is now going to waste. Let us use it in the struggle against communism and invest it in developing new markets.

And let us not pussyfoot around about it. Let us either go into it aggresively to get the job done and make the trading of worthless food surpluses the major part of our foreign aid, or let us drop foreign aid completely.

It may be more difficult to give food away than it is to give dollars, but we have surplus food and we do not have surplus dollars.

And furthermore, if this international struggle against communism is half as serious as the foreign affairs experts say it is, we need the American farmers' productive power as much as we need American industrial power.

Let us renew this Public Law 480 and use it as a foundation for a cold war farm program that will put the American farmer on an equal basis with the American industrialist in the fight for freedom against Communist encroachment.

Mr. O'NEILL. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, a Member asked what we did with the foreign currency. I have here the statement of Mr. Gwynn Garnett, Administrator, Foreign Agricultural Service, before the House Committee on Agriculture on March 29, 1957. In part, Mr. Garnett said:

> Substantial amounts of the foreign currencies are being used to promote economic development. Virtually all of these development funds are loaned to participating countries with programs being worked out by the foreign governments in cooperation with the United States. Direct grants of currencies for economic development purposes are made only in special circumstances.
>
> Of the agreements signed to date, almost 60 percent, or about $1.1 billion of foreign currency payments is earmarked for use for economic development loans. The administration of the loan funds is the responsibility of the International Cooperation Administration. Considerable emphasis is placed upon coordinating plans for the use of these funds with the overall development programs of the countries. In considering loan projects for agricultural purposes care is exercised to avoid encouragement of production which would result in reduced outlets for United States agricultural commodities.

So up to the present time we have practically given away $1,100,000,000 in money which we have loaned to these various countries. If we keep on lending this money to these countries we are going to have to put money back into the CCC funds.

Mr. Chairman, I therefore want to go along with the amendment offered by the gentleman from Mississippi [Mr. WHITTEN].

Mr. McINTIRE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it has been pointed out to the Committee that in the language of this bill under title I the Department is instructed to take reasonable precautions to safeguard normal and usual marketings of these commodities. I think perhaps we lose sight of the tremendously complicated matters with which we are dealing in the handling of these commodities abroad. I think the Department is to be commended in their efforts not to disturb the price domestically. They are to be commended in their efforts to make sure that those commodities are used in excess of those which are going through normal channels.

I think this amendment, while I have a great deal of respect for the gentleman from Mississippi in his sincerity in offering it, accomplishes nothing but to aggravate and complicate the administration of this bill. So, I think in that in balance it would add nothing and would simply turn out to be a further complication, making the bill more difficult to administer. It is very difficult as it is.

Mr. Chairman, in my opinion, this amendment should not be approved.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. McINTIRE. I yield to the gentleman from Indiana.

Mr. HARVEY. Is it not true that the administrators of this act have been guided on every occasion and also have taken into consideration the views of the State Department in regard to these programs to make sure that the surplus commodities do not in any way interfere with the regular channels of trade?

Mr. McINTIRE. That is my understanding. I might say to the gentleman from Indiana that in consideration of this legislation the Committee on Agriculture of the House has conferred with representatives of the State Department and it has been our intention that the language of this legislation would lend itself to cooperative action on the part of the Department of Agriculture and the State Department. I believe that this amendment, as offered by the gentleman from Mississippi, while it has a commendable objective, is not necessary, because instruction in this regard is implicit in the legislation itself.

Mr. SISK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to inquire of the Chairman of the Committee regarding a matter of considerable importance to my particular district. It seems, in some of the discussions that have gone on, that some of these programs are intended primarily for cotton. I was a little bit concerned about the colloquy that went on a little while ago between the gentleman from North Carolina and the gentleman from Mississippi as to whether or not we were just talking about cotton. But I have a concern above and beyond cotton, if I may say to the distinguished gentleman from North Carolina, and I call his attention to the third paragraph on page 3, where, in your report, you discuss the fact that this program might be applicable to items that are not held in the inventory of the Commodity Credit Corporation.

I would like to have the gentleman state to me what the intent of his committee, and thereby the intent of the Congress is with reference to that.

Mr. COOLEY. Section 106 reads as follows:

> SEC. 106. As used in this act, "surplus agricultural commodity" shall mean any agricultural commodity or product thereof, class, kind, type, or other specification thereof, produced in the United States, either privately or publicly owned, which is or may be reasonably expected to be in excess of domestic requirements, adequate carryover, and anticipated exports for dollars, as determined by the Secretary of Agriculture.

That is the law and that is the definition of surplus agricultural commodity. I direct the gentleman's attention to page 13 of our report, to the subhead "Fruit and Other Commodities." I do not want to take all of the gentleman's time, merely to say that it does include poultry, citrus fruit, and other commodities, whether they are owned actually by the Commodity Credit Corporation or not.

Mr. SISK. In other words, it is the intent of the Committee on Agriculture and the intent of the Congress that Public Law 480 shall be used for any agricultural commodity in surplus whether or not it be in Commodity Credit Corporation inventory; is that correct?

Mr. COOLEY. Yes, sir; I think the gentleman is correct. And I am glad the gentleman has mentioned it because some of the poultry producers have been very anxious about the poultry program. I am assured, I am certain that the Congress intends that the same interpretation be placed upon this law as the gentleman has indicated he interprets it.

Mr. SISK. I deeply appreciate the statement of the chairman because for the past 2 years I have been attempting to get that very kind of interpretation from the Department of Agriculture and only within recent months have we been able even to get our foot in the door to any extent. So it would be my hope and as I understand it is the position of the committee, that the Department of Agriculture will so interpret the law.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Mississippi.

Mr. WHITTEN. The gentleman made a point earlier concerning the amendment. May I say again that this applies to those commodities of which the Commodity Credit Corporation owns stocks or a supply and it would not restrict other commodities. While we had our colloquy on cotton, this applied to all the commodities that the Corporation has.

Mr. SISK. I appreciate that statement. I, too, have cotton in my area, but I wanted to call attention to the fact that this is applicable to many other commodities that many of us are very much concerned about.

Mr. SMITH of Wisconsin. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

INTERNATIONAL COMMUNISM SEEKS TO DISARM AMERICA

Mr. SMITH of Wisconsin. Mr. Chairman, the Communist conspiracy is seeking to disarm America. By clever propaganda, it is seeking to create a national hysteria so the people will demand that our H-bomb testing be stopped. The campaign is underway and its objective is to spread fear among Americans and thus eventually disarm our country.

This first became evident when a copy of the Sunday Worker came to my office recently. A first glance puzzled me. The Communist tabloid carried a banner headline which read: " 'Catastrophe'—If World Fails To End H-Tests."

There on the front page of this Communist propaganda sheet was the picture of Pope Pius XII. With it was a story saying the Pope was appealing to mankind to stop its race toward what it called atomic death.

Also, there appeared the picture of Dr. Albert Schweitzer, the Nobel prize winner, humanitarian, and scientist. And to my amazement, this Communist organ carried a long article by Dr. Schweitzer appealing for an end to nuclear tests.

Mr. Speaker, it soon became clear to me why this free copy of this particular issue of the Communist Sunday Worker had come to my office. It was the launching of a massive crusade to end the H-bomb tests. This was reported by the International News Service, and I quote:

> The biggest, boldest, Communist-sponsored global drive for "ban the bomb" signatures starts rolling this week. The Red-inspired petition propaganda campaign aims to enlist millions to force the United States to halt H-bomb tests immediately.

Later, I heard a newscast on a Washington radio station report on the situation. The first story was one quoting a leading scientist to the effect of the terrible ravages the H-bomb tests were causing the human race.

Was this all accidental timing? Or was it part of the campaign as revealed in the news reports?

The scientist who was quoted spoke out in Chicago. All three major press services carried the story. The scientist, identified as a Nobel prize winner, gave this alarming scare report:

> Ten thousand are dead or dying around the world because of the atomic or hydrogen bomb tests carried out to date.
>
> Dr. Linus Pauling, a chemist at California Institute of Technology, said if Great Britain performs scheduled hydrogen bomb tests on Christmas Island in the Pacific, another 1,000 will die of leukemia.

The test was held and the predictions of Dr. Pauling did not occur.

In reading the CONGRESSIONAL RECORD of April 30, I was further amazed. Dr. Schweitzer's long article which had appeared in the Communist Sunday Worker under his byline had been inserted in the CONGRESSIONAL RECORD by a Member of this House. He referred to Dr. Schweitzer as one of the world's greatest men and stated that the article appealing to end nuclear tests had been printed in the New York Times of April 24.

It then became apparent that Dr. Schweitzer's article had appeared in the New York Times 4 days before it was carried in the Communist propaganda paper. This alarmed me. So I compared the articles. They were identical, word for word.

It is clear what the Communists are doing. They are using the great humanitarians and the great men of peace of our day as tools of their propaganda. They are placing themselves on the side of peace. They are identifying themselves with the great cause of humanity. They are donning the cloak of respectability in the eyes of the unthinking. They know that when people are emotionally disturbed, their thinking processes are impaired. This is what wins good people to their evil cause.

Though they denounce guilt by association they seek to attain respectability by association. Never in the history of man has there been recorded such deception that composes the heart and soul of Communist propaganda. And in their reckless use of good people, they abandon all respect for the dignity of such people. Their only concern is for that which is of value to them.

It was not unusual therefore that it should be brought to my attention by Mr. Norman Cousins, the editor of the Saturday Review that the Communists had exploited Dr. Schweitzer's statement.

Writing in the Saturday Review, Mr. Cousins revealed that he had urged Dr. Schweitzer to speak out on the H-bomb subject.

Had not Mr. Cousins encouraged Dr. Schweitzer to make the statement, the Communist conspiracy would not have been provided with a tool for propaganda purposes. This is the tragedy of the age in which we live that the free peoples of the world are providing the tools for their own destruction.

In his letter to Members of Congress, Mr. Cousins did not take exception to the fact that the New York Times had published the same Schweitzer statement as was carried in the Sunday Worker. He did not criticize the Times for carrying the same excerpts of the statement. Indeed, this opens the way to many questions.

Someone, somewhere, took it upon himself to edit the Schweitzer Declaration of Conscience. Whoever did it did a thorough job. The original statement printed in the Saturday Review covered 88 column inches. The edited version carried identically by the Times and the Worker measured about 37½ inches. Thus the Times and the Worker left out more than 50 inches, or over half of the original statement of Dr. Schweitzer.

The question arises: Did someone edit the statement and provide separate copies to the New York Times and the Daily Worker? Or did the New York Times edit the statement and the Daily Worker lift the statement from the Times for its Sunday edition?

One of the paragraphs which the Times and the Worker left out in their versions referred to guaranties that nuclear agreements would be kept. The version printed in the Times and Worker concentrated on the horrors of further nuclear testing and urged that public opinion demand that such tests be halted. But the paragraph indicating that guaranties, reliability, and trust be fundamental to any agreement was not printed by either the Times or the

Worker. The following is one of over 45 paragraphs omitted in the identical reports of these two publications:

An agreement * * * presupposes reliability and trust. There must be guaranties preventing the agreement from being signed by anyone intending to win important tactical advantages foreseen only by him. Public opinion in all nations concerned must inspire and accept the agreement.

Mr. Chairman, I submit to you, to the American people and to the world that here is a clear-cut case of where well-intended humanitarianism has been used by the Communist conspiracy. Though such humanitarianism is well-meaning, I say to you that it is dangerous to even contemplate the possibility of reaching agreement with godless communism on any issue. Those leaders, such as Dr. Schweitzer and Pope Pius XII, who speak out only to have their words turned into words of Communist propaganda, are indirectly assisting those forces which would disarm us.

What are the people of America and the rest of the world to think when our leaders one day say: "You can't trust the Communists" and the next day, those same leaders say: "We must come to an agreement with them on the H-bomb"? We are playing into their hands. We are following the road which 40 years of history has shown to be littered with broken promises and captive nations.

The liberals and humanitarians of today are only courting danger when they espouse the causes which communism is promoting.

The Communists are not humanitarians. They do not wish to stop the H-bomb tests because of any radioactive danger to humanity. Their motive is diabolical. Under the pretense of noble virtue, they seek to take from us the strength and the power which are sheltering our freedom. Once they have taken from us the weapons of defense, they will then take from us the liberty which we have cherished since the days of 1776.

The Communist conspirators are tackling this project on an organized basis. On May 13, the International News Service reported:

Communists put the chain letter to work last week to pressure the White House into halting the H-bomb tests.

The nationwide mail device is another step in the high-powered Red fear propaganda campaign, now at its peak.

The purpose: Grassroots support to force an end to hydrogen experiments—without waiting for international agreements providing protective safeguards.

That is the way the Communist conspiracy affects policy. It saturates the public with its propaganda message. The message is wrapped in pretty paper with liberal thinking and tied with ribbons of humanitarian ideals. Thus camouflaged, the propaganda message brainwashes 170 million Americans. Moved by these emotional appeals, the mass of America asserts its voice upon the leaders of their government. Public opinion demands a change in policy, or a new policy. Government leaders, sworn to serve the people, acquiesce to what they believe to be the will of the people. Thus like a chain, Communist propaganda exploits the very basic principles of democracy and subverts them to its own depraved ends.

If Dr. Schweitzer's statement was used as a propaganda tool by the Communist Sunday Worker, was it no less so when it appeared in the same context in the New York Times? Was not the Times just as responsible in the errors of omission as was the Communist Worker? Should not Mr. Cousins be as disturbed with the Times as with the Communist Worker, for they both printed identical portions of Dr. Schweitzer's appeal?

Is it not clear that liberal forces serve the Communist cause when they indiscreetly proceed to proclaim to the world the No. 1 tune on the Communist hit parade? Until the liberal elements are convinced in their hearts as well as in their minds of the terrifying evil that communism is, the free world will be in dire jeopardy both from within and from without.

That is the real danger that faces us. The danger is not radioactive fallout. To be sure, there are some scientists who have expressed concern about that matter. But there are just as many who contend that there is no cause for alarm. Are we to blind ourselves to the real danger—the growing Communist conspiracy—as compared to a far less danger which is highly disputed. There is no dispute about the Communist menace. It is a real subversive threat. There are no pros and cons about it. It has resolved to push us to our graves.

Who are they who are trying to make us believe that radioactive fallout is a greater threat to humanity than the Comunist conspiracy? They who seek to propound this belief are blinding themselves and their fellow men to the realities of the hour. They are overlooking the fact that the Communist conspiracy is the cause of most of the world's problems today. Indeed, it is the real reason why there is radioactive fallout in the sky at all. Were it not for the threat posed against humanity by the men in the Kremlin, there would be no need for the H-bomb tests. There would be no need for the guided missiles or our spending for national defense.

Indeed, the real threat is the threat to our freedom. It is the conspiracy taking form to disarm us. How can freedom be defended without the weapons of defense? Will we be forced to make grenades from bottles of gasoline as were the valiant patriots of Hungary who had been disarmed?

Yet the propaganda mills are churning out hysterical outcries about the terrible dangers of the very weapons that would defend us—the very weapons which have virtually made war obsolete. Are we to submit to these propaganda outcries and disarm ourselves in the face of the conspiracy laying siege to our institutions, our traditions, and even our code of morality. Mr. Speaker, I reiterate that we cannot let the superficial, disputed fear of radioactivity blind us to the greatest threat of all—atheistic communism.

This evil alone has killed more people in its 40 years of life than all the H-bomb testing we could do from now until years to come. Why do not the scientists tell us about the millions which communism has "scientifically" and "unscientifically" liquidated?

If there is a threat to humanity, it is only because communism exists and is scheming to disarm us so it can destroy our way of life. That was the way the Reds won China. Our wartime leaders kept war material from reaching Chiang Kai-shek, material which we had promised to deliver to him. They weakened him militarily. They disarmed him.

Now the plan is to disarm America. The disarmament plans are being discussed. And Moscow and the Communist propaganda machine are saturating America with their pleas to stop the H-bomb tests. They are using our humanitarians, our men of religion, and even the chain-letter routine as their tools. No sane man would believe that Moscow's motive was in the interest of human decency. To accept that would be a total error in the reading of history. For Moscow's motive over the span of 40 years has been based on how to win control of the world.

The double danger involved is that the Communist appeal is tailored for idealists, liberals, some religious leaders, and wishful thinkers. Mr. Adlai Stevenson loudly called for working out an agreement with Russia to end the nuclear testing during the last political campaign. The reaction of the American people to his suggestion was repudiation at the polls.

This business of trying to work out agreements with Soviet Russia borders on sheer insanity. Anyone who proposes such a course is to say the least naive in his concept of world communism.

Even former President Truman admits that he found this out the hard, bitter way. He is now one of the most vocal in stating that "we can't trust Russia." Said Mr. Truman on a Milwaukee telecast:

If you'll read the agreements that were made at Yalta and the agreements that were made at Potsdam, 32 of those agreements were broken within 1 year, and that's what caused the difficulty. The Russians didn't keep their agreements, and they won't keep them now.

Those who are realistic about Soviet Russia state categorically that there can be no trust placed in a nation whose past record is one of complete insincerity. One of those to speak out just recently was none other than the highest military official in the United States, Adm. Arthur W. Radford, Chairman of the Joint Chiefs of Staff. As the Nation's senior military authority, Admiral Radford voiced blunt distrust of Russian disarmament proposals advanced at London. He was quoted by the press as saying:

We cannot trust the Russians on this or anything. They have broken their word too many times.

Indeed, the record supports this indictment. Ever since 1917, world communism has regarded an agreement but a scrap of paper. An agreement to it

is but a means to an end, a mirage, a delusion, a vehicle of expediency. In a study of this subject, the Senate Internal Security Subcommittee found that the Soviets have broken their word to virtually every country to which they ever gave a signed promise.

Said Senator EASTLAND:

I seriously doubt that if during the whole history of civilization, any great nation has ever made as perfidious a record as this in so short a time.

History is crowded with warnings about trusting this international outlaw. At Paris in 1919, Clemenceau of France said:

I need not say how valueless their promises are.

Speaking of the Bolshevik leaders of Russia.

On March 28, 1919, also in Paris, Herbert Hoover referred to bolshevism as a "murderous tyranny" which "we cannot even remotely recognize" let alone execute with them a valid and lasting agreement.

And in a speech on September 6, 1919, in Des Moines, President Wilson declared:

It (bolshevism) is the negation of everything that is American, but it is spreading and so long as the world is kept waiting for the answer of the kind of peace we are going to have and what kind of guaranties they are to be behind that peace, that poison will steadily spread more and more rapidly until it may be that even this beloved land of ours will be distracted and distorted by it.

One year later, President Wilson's Secretary of State, Bainbridge Colby, warned again:

The existing regime in Russia is based upon the negation of every principle of honor and good faith. * * * The responsible leaders of the regime have frequently and openly boasted that they are willing to sign agreements and undertakings with foreign powers while not having the slightest intention of observing such undertakings or carrying out such agreements.

Charles Evans Hughes repeated this warning in 1924. And in 1955, William C. Bullitt said:

The aim of the Soviet Government is and will remain, to produce world revolution.

That the Soviets have no intention of keeping an agreement to ban nuclear weapons is not only clear from past history and past warnings; but Soviet leaders themselves openly boast that agreements are mere devices. The record has stated this for all to see.

Zinoviev, a Lenin lieutenant, in 1919, said:

We are willing to sign an unfavorable peace—it would only mean we should put no trust whatever in the piece of paper we should sign. We should use the breathing space so obtained in order to gather our strength so that the mere continued existence of our Government would keep up the worldwide propaganda which Soviet Russia has been carrying on for more than a year.

Stalin was equally as despicable in dishonoring agreements, as Mr. Roosevelt and Mr. Truman so painfully found out to the sorrow of all. Said Stalin:

Words must have no relations to actions—otherwise what kind of diplomacy is it? Words are one thing, actions another. Good words are a mask for concealment of bad deeds. Sincere diplomacy is no more possible than dry water or wooden iron.

Those who speak of agreements with Russia now are grossly uninformed on the history of dealing with that nation. Those who say we can work out some system of trust so that the Russians will also ban their weapons are courting certain suicide.

That is the motive behind the propaganda to ban the H-bomb tests—to disarm the free world—to swing the balance of power and control to the Communists. Communist publications and literature are filled with propaganda imploring the United States to disarm and become humanitarian. But these same Communist organs fail to urge the Kremlin to do likewise. They fail to mention that Russia has 175 divisions under arms while we have only 19. They fail to say anything about Russia's 400 submarines and its air force and atomic weapons. It is only America whom they want to disarm.

Listen, if you will, to this pertinent passage from the January 1957 issue of Political Affairs, the monthly Communist pamphlet which lays down the Communist line in America. It said:

Great headway could be made in Congress and in 1958 and 1960 were labor to develop its own positive peace based on a settled national policy of peaceful negotiations and peaceful coexistence, expanded world trade, an end to H-bomb tests and the peacetime draft and a shift of the swollen arms programs to peacetime production.

Note the great emphasis the Communists place on disarming America. The entire Communist program is aimed at weakening the United States militarily. First, it would seek an agreement on the H-bomb which in reality would mean a return to conventional warfare if such occurred. But secondly, there is included the proposal to do away with the draft which would be a great blow to a nation forced to fight a conventional war.

To accept the Communist program would be counter to all commonsense, counter to mankind's very desire for self-protection and self-preservation. We must remain strong in this time of great danger.

To discontinue the perfecting of our weapons of defense and to seek an agreement with the unworthy Soviet leaders would be an abdication of our responsibility to mankind. To do this would be to forfeit our very insurance policy against war and against conquest. Our strength is our insurance. To forfeit our strength is to forfeit our insurance. That is tantamount to disaster.

One whose opinion on this is highly respected is William L. Laurence, a world famous science writer, who was the only journalist at the first atom bomb test in New Mexico in 1945. He also saw the bombing of Nagasaki and won a Pulitzer prize for his story on that attack and for subsequent articles on the development of the atom bomb. Mr. Laurence sees virtue in the possession of the hydrogen bomb, not unlimited danger. He says it is a savior of mankind; not a destroyer of it. Let me quote him:

This great iridescent cloud with its mushroom top * * * is actually a veritable protective umbrella that will forever shield mankind everywhere * * * against the threat of annihilation in any atomic war.

Any sizable war has become impossible, because no aggressor could from now on even dare to start an aggressive war, without the certainty of absolute and swift annihilation.

This world-covering, protective umbrella * * * will continue shielding mankind everywhere. * * *

To those who would have us stop our tests in the Pacific, I would therefore say: "These tests * * * serve as an effective substitute for war. History will record that World War III was fought and won on the Pacific proving ground."

It was when I saw that awesome force blast the peaceful Pacific sky that I believed the human race was freed from the threat of nuclear war.

From this expert observer, we see that nuclear weapons are the protectors, the shepherds of the civilized world. Mr. Laurence contends that the mere existence of these nuclear forces has virtually nullified the possibility of war. This is something that man has tried to do from the beginning of time; to outlaw war—to make war impossible. Thus the hydrogen bomb has invaluable virtue by its mere existence.

I say to my colleagues and to the world that the threat of atheistic communism is a far greater threat to mankind than the disputed fears over radioactive fallout. Communism has permeated all of society. It is a vicious evil destroying nations, civilizations, cultures, and peoples. Its radioactive propaganda has been poisoning the minds and hearts of men since the birth of its philosophy 109 years ago. The terror which it has visited upon humanity beggars description.

Let us never, in a fit of folly, submit to the urging of those who would have us disarm ourselves in face of this stupendous threat. Let us not become victimized by "nuclear neurosis" and unwisely compromise away that which is saving us. Let us rather keep strong—strong in our defense, strong in our spirit, and strong in our fervent belief in God. If we do that, no one will be able to disarm us. No one will dare challenge us. And we shall remain free.

Mr. POAGE. Mr. Chairman, I ask unanimous consent that the Clerk again report the amendment of the gentleman from Mississippi.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

(The Clerk again reported the amendment of the gentleman from Mississippi [Mr. WHITTEN]).

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time first to ask the gentleman from Mississippi just what effect this would have upon the sale of rice, as an illustration.

Mr. WHITTEN. It would have the effect of preventing the sale of any commodity for foreign currencies where the commodity is given away if we do not sell it for dollars. It so happens that at the moment I did not know we were selling rice for foreign currencies that we could not sell for dollars. But in all frankness I would say that it is my

opinion, looking at the American financial interest and the interest of the farm program that we should not give commodities away when we could sell them and get dollars. That is what my amendment is intended to bring about, and if rice is being given away now, this would stop it.

Mr. POAGE. I do not know that rice is being given away anywhere. Rice is being sold for foreign currencies. I understand that rice is not being sold on the world market for dollars, because of the 105-percent program at home, and we have no particular export program for rice that I know of. But I merely use that as an illustration. I would like to say this points up the danger of something that looks good on its face, and that may be good. I would not say that it might not work out, but this amendment certainly has so many unknown factors in it, there are so many involvements about which none of us are sure; even the author of the amendment is not sure, that it seem clear that we should not pass it without considerable study.

I make no charges, but I do know there are not three Members of this House who understand what this amendment will do. The gentleman who offered it did not come before the committee. The committee had no opportunity to try to find out what it would do. We cannot find out here on this floor what it will do.

We have a program that is working pretty well. We have a program that has been moving a lot of commodities. We have a program that has been probably the most successful of the agricultural disposal programs. This might be a helpful amendment, and I certainly agree with the gentleman we ought not to sell even for foreign currency something we can sell for dollars. But our basic law provides that you cannot sell any of these commodities as long as the normal market in the normal channels of trade exists. Our Public Law 480 sales must be in excess of the normal trade. Consequently it seems to me we have in the basic legislation protection against the very thing the gentleman from Mississippi wants to protect us against, and the committee wants to protect us against. We are protected against that by the basic legislation.

The gentleman comes and suggests legislation to us. Neither he nor I nor the chairman of this committee nor any other Member of this House knows what it will do. It might not do a thing in the world except what the present law is doing. If it does not, we do not need it. If it does anything else, it is something we do not know about. It may very well destroy the usability of this program for a good many segments of agriculture.

I hope you will vote down the amendment.

Mr. WHITTEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I regret to take this additional time when everyone wishes to vote. When the gentleman from Texas said I was unaware of what this amendment would do, I think he is in error. The amendment will do what it says it will do. If we are giving away commodities that could be sold for dollars, it would stop such practice. I do not know of any at the moment which meet that description. However, we did do that for several years. If we are doing it now, this amendment would stop it. Basically, what I would point out is the fact that we need to regain world markets. We need to let the world know that we are a producer and will sell competitively.

Getting rid of commodities, made surplus by being held off world markets, is no cure. Because these commodities were held off world markets, we accumulated huge amounts, commonly called surpluses. I just read to you that in 1953, 1954, and 1955 we were virtually out of the world market. So if we say that the yardstick is limited to normal trade, we may count years in which sales were low. We must be careful that under this Public Law 480 we do not give away what we could sell; that we do not let Public Law 480 be substituted for this very fine program which the Secretary is now carrying out, and under which he sold $2.7 billion worth of commodities for American dollars this past year.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Oklahoma.

Mr. BELCHER. I think I misunderstood the gentleman, but I understood him to say that for many years we gave away products under this bill that could have been sold for dollars. The gentleman did not intend to make that charge, did he?

Mr. WHITTEN. Let me put it this way: For many years all the efforts to sell and all the sales were under Public Law 480. At that time the Department refused to sell competitively. Therefore, we were selling under 480, and we were not selling competitively. Since the Department has started selling competitively—last year we sold $2,700,000,000 worth of commodities for cash; and judging by the experience since he has started selling competitively, I think you can draw the conclusion that we could have sold for dollars what we sold under Public Law 480 for foreign currencies, then virtually turning around and giving such foreign currencies back to the countries involved.

Mr. COOLEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I just want to say again it is unfortunate that the gentleman from Mississippi [Mr. WHITTEN] did not bring this amendment to the attention of our committee when we could very thoroughly have considered it. I hope the Committee will vote it down because, as the gentleman from Texas [Mr. POAGE] pointed out, we do not know just what effect it will have on the program. I ask the House to vote down the Whitten amendment.

Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. WHITTEN].

The amendment was rejected.

Mr. ROONEY. Mr. Chairman, I rise to a point of order against the entire bill, H. R. 6974, on the ground that it is a bill from a committee not having authority to report an appropriation.

The CHAIRMAN. Does the gentleman from North Carolina [Mr. COOLEY] desire to be heard?

Mr. COOLEY. Yes, Mr. Chairman; I do want to be heard very briefly.

Mr. Chairman, I think the Chair is aware of the fact that this legislation was originally reported by the House Committee on Agriculture. It came before the House some time in June or July of 1954. On July 10, 1954, it became a law. The bill is not in any sense of the word an appropriation bill. The original bill only authorized the President of the United States to negotiate certain contracts—sale contracts, if you please, under which we sought to sell or to barter or to give away these tremendous agricultural surpluses. The bill we now have before us extends that law and only increases the limitation. You cannot call it an appropriation. It merely changes one limitation from $3 billion to $4 billion and another from $500 million to $800 million limitations on the President's authority under this act. It authorizes the President to negotiate in a certain fashion and with reference to certain uses, the ultimate aim being twofold. First, to rid ourselves of these surplus commodities, and second, to improve the internal economies of other countries, friendly nations with which we are dealing. It does not amount to any appropriation at all, and I submit that the point of order should be overruled. But, before concluding, I would like to say that when I have concluded, I intend to move that the Committee do rise for the one purpose, and that is to permit our committee to go before the Committee on Rules in the hope that we can obtain a rule waiving points of order. Assuming that we do secure a rule waiving points of order, the point of order raised by the gentleman from New York will prove to be only dilatory and will delay final action on the pending bill.

Mr. ROONEY. Mr. Chairman, a point of order. I do not believe the distinguished gentleman from North Carolina has the right at this time, in arguing a point of order, to refer to the gentleman from New York in the fashion that he does.

Mr. COOLEY. I am arguing the parliamentary situation. If it pleases the Chair, I certainly do not mean to reflect upon the gentleman from New York. The gentleman from New York has a perfect right to raise the point of order that he has. I am a little bit apprehensive that the point of order may be sustained, if the Chair is called upon to rule on it. But, I think it would be very unfortunate for us to delay final action on the bill, and in the circumstances we have no other alternative other than to move that the Committee do now rise, and so, Mr. Chairman, I make that motion.

The CHAIRMAN (Mr. HAYS of Arkansas). The Chair is prepared to rule on the point of order, but the motion offered

by the gentleman from North Carolina that the Committee do now rise is in order, and the Chair will put the question.

The question is on the motion offered by the gentleman from North Carolina.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HAYS of Arkansas, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 6974) to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes, had come to no resolution thereon.

TEXTILE DEVELOPMENTS

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, in connection with textile matters, New England textile mills have been through the economic wringer in late years in large measure because of the reciprocal trade treaties, although there are other factors pertaining to sectional wage differentials, taxes, power costs, raw material sources and the like, that undoubtedly contributed to the decline of this industry.

New England woolen and worsted mills notwithstanding the crushing effects of foreign imports still produce more than one-half of the woolen and worsted fabrics of the United States. These mills employ 40,000 textile workers in 170 mills throughout the New England States. It is interesting to note the effects of sweatshop, low-wage, foreign goods imports since import duties were slashed about 10 years ago. In this period, foreign goods imports have increased by more than 800 percent and were so selectively managed that they absorbed the greatest share of the United States markets.

Hundreds of our American mills have been forced to liquidate and it is a fact that over 100,000 men and women have lost their jobs in the textile industry in the past decade because of this situation. All the while, the foreign producers of woolens and worsteds have enjoyed a substantially growing market in the United States. For example, the Japanese woolen and worsted industry now operates twice as many looms as the United States. In the past 3 years, Japan has increased its imports in this field to the United States by 650 percent. England and Italy have also increased their imports. In medium priced goods Japanese imports have increased by over 600 percent and higher priced fabrics over 1,200 percent.

In certain types of quality goods, imports have risen from one-half to almost two-thirds of the domestic production of similar goods, and many textile mills which a few years ago produced these fabrics are now out of business and the remaining mills are threatened with extinction by severe losses and steady decline of business. For example, American production and employment in these types of goods has decreased by one-third, imports have increased by 3½ times. It should be apparent to anyone, and it certainly does not take an expert to appreciate the fact, that no industry subject to this type of competition entailing 10 and 12 cents an hour wages can long survive. It is not a question of spreading the business. It may be a question of giving it all to the importers and before long, closing down American factories and throwing American men and women out of their jobs.

These are the plain, bald, unadorned facts and they present a shocking picture of lack of concern for the interests of a great American industry with its hundreds of thousands of honest, hard-working workers who, by calculated American policy have had their livelihood destroyed, the bread and butter taken out of the mouths of their wives and children, their family life disrupted, the education of their children jeopardized or cut off, and the stark, pathetic reality of public assistance staring them in the face as the result of cutthroat foreign competition stemming from direct action of the Government of the United States of which they are loyal citizens and to whom they have paid heavy taxes from their hard-earned wages.

Thus, by Government edict and policy, the number of textile workers in Japan, England, and other countries steadily increases, and the number of textile workers in the United States steadily decreases, and thousands and thousands of them are forced onto the welfare rolls. This is a rather weird result to be precipitated by a Government which boasts about its beneficent interest in the welfare of the people and its love of social justice, and its broad, world-scaled relief projects.

Of recent date the President has acted to apply controls to these hazardous imports, and it is to be hoped that this commendable action will be in time to alleviate and relieve the American textile industry.

TESTING OF NUCLEAR BOMBS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, yesterday, Dr. Linus Pauling, head of the division of chemistry and chemical engineering of California Institute of Technology, in Pasadena, announced that 2,000 American scientists have signed a statement, which was prepared by him, urging international agreement to stop the testing of nuclear bombs.

I insert information respecting Dr. Linus Pauling from the public records of the House Committee on Un-American Activities.

The Daily People's World—official organ of the Communist Party on the west coast—in its issue of November 15, 1950, page 10, reported that Dr. Linus J. Pauling, "the noted chemist," had appeared as a witness before the California senate interim committee on education. The article stated that he had answered all questions—"with one important exception." He was said to have refused to answer the question: "Do you or did you ever pay dues in the Communist Party?" It was further reported that Dr. Pauling "had steadily maintained that the loyalty oath for teachers did grave harm and no good, and that he believed Communists should be allowed to teach so long as they did not propagandize their teaching."

The following is quoted from the Daily People's World of March 19, 1951, page 10:

> Dr. Pauling, nationally known peace advocate and opponent of atomic warfare, was prepared to leave soon for Hawaii, where he was to dedicate a new $1,270,000 chemistry building at the Honolulu campus of the University of Hawaii.
>
> Suddenly, over the weekend, the noted scientist received a curt cable:
>
> "Disregard letters. Plans changed. Dedication postponed."
>
> It was signed by Gregg M. Sinclair, president of the Hawaiian University.
>
> Then came a press story quoting President Sinclair.
>
> The Territorial committee on un-American activities, he said, had reported that Dr. Pauling refused to answer the question of whether he was a Communist during the California Senate un-American activities committee hearings on education last fall.
>
> Consequently, said the Hawaiian educator, Pauling was being uninvited.

It was reported in the Daily People's World of April 30, 1951, page 3, that Dr. Pauling intended to go to Honolulu and speak, despite the withdrawal of the invitation to speak at the dedication of the chemistry building. He was said to have announced that he had been invited "by the Hawaiian section of the American Chemical Society, the department of chemistry at the Hawaiian University, and the students chemistry club, to come to the islands for a series of addresses."

The Communist Daily Worker—April 3, 1951, page 9—reported that Dr. Pauling had "asked the University of Hawaii to reinvite him to dedicate the school's new chemistry building." The article stated that Pauling said he sent the regents a letter asking that they "give immediate consideration to action" which would "minimize the damage" they had done.

An article from Honolulu which appeared in the Daily People's World of May 21, 1951, page 2, said:

> Although Dr. Pauling's invitation to address the university was rescinded by the administration, he will speak here May 26 to a number of academic societies on nonpolitical subjects.

On April 1, 1951, the Committee on Un-American Activities released a report on the Communist Peace Offensive—A Campaign To Disarm and Defeat the United States, which contained a section —pages 85–87—concerning the leading role in the Communist peace movement in the United States, played by Dr. Linus Carl Pauling. The Daily People's World, April 9, 1951, page 12, reported that Dr. Pauling had "sharply

answered the House Un-American Committee's charge that the noted California Institute of Technology professor has aided the Communist peace offensive." He was quoted as saying:

I have sponsored the Committee on Peaceful Alternatives, the American Peace Crusade, and other movements. I have spoken several times in support of the Quaker proposals for peace. I have supported Senator Taft and other Members of Congress when they have advocated action that seemed to me to increase the chance for a peaceful future. All of my political activity is open, and known to the public. I carry it on as my patriotic duty to my fellow man and my country. I shall continue to act in the way that my conscience tells me is best.

The following is quoted from the New York Times, July 16, 1952, page 19:

The State Department has granted a limited passport of Dr. Linus Pauling * * * after having rejected his passport application three times in the last few months.

The State Department said that it had acted after new evidence had been submitted, and the whole case reevaluated.

One of the conditions on which the passport was granted, it was said, was Dr. Pauling's certification that he is not now and never has been a member of the Communist Party. Authorities indicated that such an affidavit was sometimes required in questionable cases.

Dr. Pauling's applications have been turned down in the past on the ground that his travel would not be in the best interests of the United States.

This was also reported in the Daily Worker of July 17, 1952, page 1.

According to the Daily Worker of December 17, 1947, Dr. Pauling signed a petition to the United States Attorney General in behalf of Hans Eisler—a German Communist, brother of Gerhart Eisler—protesting his deportation.

The following references report other activities of Dr. Pauling in support of cases involving known or alleged Communists:

The March 25, 1949, issue—page 4—of Narodna Volya—Bulgarian language organ of the Communist Party—and the Daily Worker of February 28, 1949, page 9, named Dr. Pauling as a signer of a statement in defense of 12 Communist leaders. He signed a statement in behalf of the Los Angeles Communits cases, according to the Daily People's World, June 15, 1949, page 2. The Daily People's World of October 20, 1949, page 3, reported that he spoke against the conviction of Communist leaders. The Sunday Worker—southern edition—of October 30, 1949, page 6, named him as a signer of a statement on Communist cases. The Daily Worker—December 7, 1949, page 5, and February 1, 1950, page 3—reported his support of lawyers defending the defendants in the Communist cases. He was listed as a signer of a letter in behalf of 11 Communist leaders in the Daily People's World, April 18, 1950, page 2. He signed a statement asking parole for Hollywood cases, according to the Daily Worker of December 22, 1950, page 3.

Dr. Pauling was named as a sponsor of a Conference of Inquiry Into the Facts of the Rosenberg Case scheduled for May 16, 1953, in Los Angeles—Daily People's World, May 12, 1953, page 6. He was a signer of an amicus brief petitioning the Supreme Court for a new trial for Morton Sobell, who is serving a prison term for conspiracy to commit espionage—Daily People's World, December 22, 1953, page 6; December 23, 1953, page 2. The Daily People's World of January 7, 1954, pages 2 and 6, reported that he had called for a new trial for Morton Sobell.

As the main speaker at the Pasadena Conference on Human Rights, Dr. Pauling defended the Communist Party, according to the Daily People's World, November 3, 1947, page 4.

It was reported in the Daily People's World—December 28, 1951, page 12—and the Daily Worker—January 2, 1952, page 2—that Dr. Pauling was a signer of an advertisement in the Los Angeles Times urging repeal of the Smith—anti-Communist—Act.

The Daily People's World—December 15, 1952, page 3—announced that Dr. Pauling would speak at a farewell dinner for Dr. Richard W. Lippman, who was one of three physicians fired from the staff of Cedars of Lebanon Hospital for political reasons. His defense of the ousted physicians was also reported in the Daily People's World of January 14, 1952, page 3.

The following is quoted from the Daily Worker of November 25, 1953, page 2:

One hundred and thirty-four educators, ministers and other professionals from 21 States and three foreign countries today declared their support of the "constitutional right" of Americans to teach and learn Marxism in institutions like the Jefferson School of Social Science, a 10-year-old adult evening school in New York.

Their joint statement was issued here on the eve of hearings scheduled to begin tomorrow * * * before the Subversive Activities Control Board on the petition by Attorney General Herbert Brownell, Jr., petition to order the Jefferson School to register as a "Communist front organization" under the (McCarran) Internal Security Act of 1950.

Dr. Pauling was listed as a signer of the statement in behalf of the school.

The Special Committee on Un-American Activities cited the Jefferson School in its report of March 29, 1944—page 150—which said:

At the beginning of the present year, the old Communist Party Workers School and the School for Democracy were merged into the Jefferson School of Social Science.

The United States Attorney General cited the school as an "adjunct of the Communist Party"—letter to the Loyalty Review Board, released December 4, 1947; included in consolidated list released April 1, 1954.

The Washington Evening Star of October 30, 1951, page A-7, contained an advertisement—paid for by contributions of signers—in the form of an open letter to the Attorney General in behalf of four trustees of the bail fund of the Civil Rights Congress of New York, who had been imprisoned for contempt following the disappearance of four Communist leaders for whom the bail fund had posted bond. Dr. Pauling was listed as a signer of the letter. The Civil Rights Congress was cited as subversive and Communist by the United States Attorney General—letters to the Loyalty Review Board, released December 4, 1947, and September 21, 1948; included in consolidated list released April 1, 1954. The Committee on Un-American Activities described it as being "dedicated not to the broader issues of civil liberties, but specifically to the defense of individual Communists and the Communist Party" and "controlled by individuals who are either members of the Communist Party or openly loyal to it"—report No. 1115, September 2, 1947, pages 2 and 19.

The following sources name Dr. Pauling as a signer of statements sponsored by the Committee for Peaceful Alternatives to the Atlantic Pact: a letterhead dated August 21, 1949; Daily Worker, August 22, 1949, page 3; Daily People's World, August 22, 1949, page 2; statement attached to press release of December 14, 1949, page 1; letterhead dated March 30, 1950; Daily Worker, July 28, 1950, page 8. The Committee for Peaceful Alternatives to the Atlantic Pact was cited as an organization which was formed as a result of the Conference for Peaceful Alternatives to the Atlantic Pact to further the cause of "Communists in the United States" doing "their part in the Moscow campaign"—Committee on Un-American Activities, House Report No. 378, April 25, 1951, page 54.

Dr. Pauling was named as a sponsor of the American Continental Congress for Peace, which was held in Mexico City, September 5–10, 1949—Daily Worker, July 29, 1949, page 5; Daily People's World, August 18, 1949, page 2. A mimeographed sheet—written in Spanish—giving biographical data concerning speakers for the Congress named Dr. Pauling as a speaker. The Committee on Un-American Activities cited the Congress as "another phase in the Communist 'peace' campaign, aimed at consolidating anti-American forces throughout the Western Hemisphere"—Committee on Un-American Activities, House Report No. 378, April 25, 1951, page 21.

A letterhead of the American Sponsoring Committee for Representation at the World Peace Congress—dated December 1, 1950—listed Dr. Pauling as a sponsor of the organization, which has been cited by this committee—Committee on Un-American Activities, House Report No. 378, April 25, 1951, page 36.

The following sources name Dr. Pauling as a sponsor of various activities of the American Peace Crusade: Daily Worker, February 1, 1951, page 2; minutes of sponsors meeting, Washington, D. C., March 15, 1951, page 4; Daily Worker of May 1, 1951, page 11; leaflet, An Invitation to American Labor To Participate in a Peace Congress"; American Peace Crusader, May 1951, pages 1 and 4; leaflet, American People's Congress Invites You To Participate in a National Peace Competition—June 29, 1951; Daily Worker, April 22, 1951, page 2; call to the American People's Congress—June 29–July 1, 1951; letterhead, February 25, 1953. The American Peace Crusade was cited as an organization which "the Communists established" as "a new instrument for their 'peace' offensive in the United States"—Committee on Un-American Activities, statement issued on the March of Treason, February 19, 1951; also cited in House Report No. 378, page 51.

Dr. Pauling was listed as regional chairman of the National Council of the Arts, Sciences, and Professions on two letterheads of the organization in the files of this committee—one received in January 1949; another dated April 24, 1950. These sources named him as chairman of science for the council: Leaflet, Policy and Program Adopted by the National Convention, 1950; Daily Worker, May 1, 1950, page 12; letterhead, July 28, 1950; letterhead dated December 7, 1952. He signed statements sponsored by the organization, according to the following: Daily Worker, October 19, 1948, page 7; CONGRESSIONAL RECORD, volume 95, part 7, page 9435; handbill, Halt the Defamers Who Call Peace Un-American—announcing an address by Dr. DuBois on September 28, 1951. He was a sponsor of the Cultural and Scientific Conference for World Peace, arranged by the council and held in New York City, March 25–27, 1949, according to the call to the conference, the official program, and the Daily Worker—February 21, 1949, page 2. The National Council of the Arts, Sciences, and Professions was cited as a Communist front by the Committee on Un-American Activities, in its Review of the Scientific and Cultural Conference for World Peace, House Report No. 1954, April 26, 1950, page 2.

The Daily People's World, January 12, 1946, page 3, reported that Dr. Pauling was to be chairman of a mass meeting conducted by the Hollywood Independent Citizens Committee of the Arts, Sciences, and Professions on January 21. The issue of February 26, 1946, page 3, named him as a signer of a statement sponsored by the organization. A letterhead dated May 28, 1946, listed him as a member of its board of directors, and a letterhead dated December 10, 1946, showed his name as vice chairman. The Independent Citizens Committee of the Arts, Sciences, and Professions was cited by the Committee on Un-American Activities as a Communist front—House Report No. 1954, April 26, 1950, page 2; and House Report No. 378, pages 11 and 12.

Dr. Pauling was named as a sponsor of the American Committee for Protection of Foreign-Born in the following sources: Three 1950 letterheads of the organization; a 1951 letterhead of the Midwest Committee for Protection of Foreign-Born; the Daily Worker, August 24, 1951, page 8. The American Committee for Protection of Foreign-Born was cited as subversive and Communist by the Attorney General in letters to the Loyalty Review Board released June 1, 1948, and September 21, 1948—included in consolidated list released April 1, 1954; the special committee cited it as "one of the oldest auxiliaries of the Communist Party in the United States"—report of March 29, 1944; also cited in report of June 25, 1942, page 13.

The Committee on Un-American Activities issued a report, dated August 25, 1956, entitled "Trial by Treason—The National Committee To Secure Justice for the Rosenbergs and Morton Sobell," which contained the following references to the subject individual:

The National Committee To Secure Justice in the Rosenberg Case issued various propaganda petitions which were to be signed and forwarded to President Eisenhower. One of these printed forms carried the name of Prof. Linus Pauling as one of the "clemency supporters listed from newspaper reports." A reproduction of this appeal appears on page 41 of the committee's report.

Professor Pauling was named—page 70—as one of the southern California sponsors of a "conference of inquiry" on the Rosenberg case, which was announced in April 1953.

A reference to Professor Pauling on page 124 of the report says:

The national campaign gathered momentum again in 1955. A $6.50-a-plate dinner was held * * * in Chicago on February 12 as a testimonial to Dr. Urey, who was presented by Mrs. Sobell with a bound volume of some 6,000 scrolls signed by "prominent persons throughout the world honoring [him] for his achievements as a scientist and contributions as a citizen." (The Daily Worker and the Daily People's World listed the following persons as signers of the scroll * * * Dr. Linus Pauling * * *.)

The following appears on page 131:

On May 11, 1956, the Daily Worker reported that a group of 60 persons had signed a letter to President Eisenhower urging him "to exercise his Executive authority either by asking the Attorney General to consent to a new trial for Morton Sobell or by the granting of Executive pardon or commutation." The signers listed in the Daily Worker article were: * * *, Dr. Linus Pauling, Nobel prize scientist, Pasadena, Calif.

The National Committee To Secure Justice in the Rosenberg Case—including local affiliates—was cited as a Communist front by the Committee on Un-American Activities in its annual report for 1955, as well as in the report referred to in the foregoing, Trial by Treason.

PONY EXPRESS POSTAL SERVICE

Mr. KELLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KELLEY of Pennsylvania. Mr. Speaker, the President again is asking for more money for the Post Office Department, and the Postmaster General again is telling Congress he cannot get along on the amount he is going to receive for the coming fiscal year, beginning July 1.

Actually, Mr. Speaker, it is even worse than that. The Postmaster General says the money requested in the budget submitted by the President in January for the coming fiscal year would not be enough, even if Congress appropriated the whole amount. Between last January and now, in other words, the Postmaster General has discovered that his budget requests for next year are far too low.

That raises the question, Mr. Speaker, just what does the Postmaster General do with this money after it is appropriated? How is it possible, Mr. Speaker, for the postal service to cost us continually more and more, while the service gets worse and worse? It is not because of any pay raise to the employees. They have had no raise. Then how does Mr. Summerfield manage to get rid of so much money with such poor results?

Every Member of Congress, and many of our citizens, could, no doubt, come forward with many examples of the kind of poor service to which I refer. Just the other day a newspaper editor in my congressional district forwarded to me the envelope in which I had sent him a special-delivery letter. The letter was mailed in plenty of time for the editor's deadline, but he could not use the material he requested from me for his paper because it did not arrive in time. It was mailed at the Capitol at 7 p. m., May 27—that is what the postmark shows—and it arrived in a Westmoreland County, Pa., post office 2 days later—at 7:30 a. m., May 29.

This is the kind of service Mr. Summerfield is now providing. If it takes 2 days for a special-delivery letter to go from Washington, D. C., to Westmoreland County, Pa., one wonders how long it takes a regular letter to go anywhere in this country. It sounds like the days of the pony express all over again.

TRIAL OF SP3C. WILLIAM S. GIRARD

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, I was shocked and grieved to read a press release delivered to my office this morning, announcing that an American soldier is to be sacrificed on the altar of appeasement in Japan.

The decision of the Secretary of State and Secretary of Defense to deliver Sp3c. William S. Girard for trial in a Japanese court, for an alleged act which occurred in the line of duty, is nothing less than disgraceful.

I can only imagine how low the morale of our servicemen in Japan, as well as in other countries where Status of Forces Agreements are in effect, will be when they realize the significance of this unthinkable action. Here we have two of the highest officials of the Government announcing to the world that our men in uniform no longer can expect the protection of the American flag and our precious Constitution, even while they are on duty.

Was Specialist Third Class Girard on duty when he was alleged to have caused the death of a Japanese woman? Even the joint statement by Secretary Dulles and Secretary Wilson admits that he was. Let me read just one sentence of the press release delivered to my office:

"The commanding general of Girard's division certified that Girard's action was done in the performance of official duty."

Now that the decision in this individual case has been announced, apparently there is nothing we in the Congress can do for Specialist Third Class Girard.

But we can do something to prevent repetition of this outrageous act.

Pending before the Committee on Foreign Affairs are resolutions introduced by the gentleman from Ohio [Mr. BOW], by myself and others, providing for revision of Status of Forces Agreements so that foreign countries no longer will have criminal jurisdiction over American Armed Forces personnel.

I urge the Committee on Foreign Affairs to give the Members of this body an opportunity to express their will by reporting one of the resolutions to the floor of the House at the earliest possible date.

PERMISSION TO SIT DURING SESSION OF THE HOUSE

Mr. LANE. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have permission to sit tomorrow during general debate in the House.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

NEEDED AMENDMENT TO INTERNAL REVENUE CODE OF 1954—H. R. 7876

Mr. HUDDLESTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HUDDLESTON. Mr. Speaker, yesterday I introduced bill H. R. 7876, which I feel will accomplish a muchly needed amendment to the Internal Revenue Code of 1954 in the fair administration of the Federal tax law.

The Supreme Court of the United States has recently decided the case of *Putnam* v. *Commissioner of Internal Revenue* (77 S. Ct. 175), wherein a guarantor's loss on a corporate demand note was held to be a nonbusiness bad debt and not a loss incurred in a transaction entered into for profit within the meaning of section 23 (e) of the 1939 Internal Revenue Code.

The United States courts of appeal until the Putnam case had all consistently held that losses incurred on individual guaranties of corporate indebtedness, where the corporation was insolvent at the time the guaranty was honored, were section 23 (e) losses. These circuits included the third circuit in the case of *Pollak* v. *Commissioner* (209 F. (2d) 57), the fifth circuit in *Edwards* v. *Allen* (216 F. (2d) 794), and the sixth circuit in *Cudlip* v. *Commissioner* (220 F. (2d) 565). These cases all followed the earlier leading case decided by the second circuit on July 2, 1951, *Fox* v. *Commissioner* (190 F. (2d) 101).

The Supreme Court of the United States in the Putnam case in concluding that the loss sustained by the guarantor was from the worthlessness of a debt, although the debt was plainly worthless at the time of payment of the guarantor, placed primary reliance on an amendment effected by the Internal Revenue Code of 1954 in section 166 (f) thereof. In this connection, the Court stated:

> The Congress recently confirmed this treatment in the Internal Revenue Code of 1954 by providing that a payment by a noncorporate taxpayer in discharge of his obligation as a guarantor of certain noncorporate obligations "shall be treated as a debt." (*Putnam* v. *Commissioner of Internal Revenue* (77 S. Ct. 175, 177).)

My search of the congressional history leading up to this change in section 166 (f) disclosed no intention on the part of Congress to change the existing law relating to guarantors' losses. Mr. Justice Harlan impressively points this fact out in the dissenting opinion of the Court in the Putnam case, with the statement:

> I am unable to find in this, or in any of the other legislative history to which the Court refers, any clear intimation of a broad policy to analogize generally all types of nonbusiness loans to other forms of capital investment, still less anything which indicates that guarantors' losses were considered as falling within the new section. Likewise, I think that the Court's reliance on section 166 (f) of the 1954 code is misplaced. That section provides that an individual taxpayer's guaranty payment discharging the obligation of a noncorporate debtor "shall be treated as a debt becoming worthless within such taxable year," and shall be deductible in full if (a) the proceeds of the guaranteed obligation were used "in the trade or business of the borrower;" and (b) that obligation was worthless at the time the guarantor made payment. The Court says that by enacting this section Congress confirmed the administrative practice of treating guarantor's losses as bad-debt losses, at least so far as guaranties of certain noncorporate obligations are concerned. I cannot agree, for again I think this action had a specific and limited purpose, which did not include the thrust which the Court now gives the section. That purpose, I think, was simply to permit deduction of certain guaranty payments that were not deductible at all under the 1939 code. (*Putnam* v. *Commissioner* (77 S. Ct. 175, 183–184).)

Further, the gross injustice results to small business enterprises. It is the usual practice among banks and lending institutions in making loans to small corporate businesses to compel the responsible officer of the corporation to endorse the corporate obligations. Without such endorsement, adequate financing cannot be expected by small businesses. To permit an ordinary deduction on the payment by a noncorporate taxpayer in discharge of his obligation as guarantor of a noncorporate obligation and deny equal treatment in the case of the guarantor of his corporation's paper, is inequitable and unfair. I do not believe such an inequitable result was ever intended by the Congress in enacting the 1954 code.

I have, therefore, on yesterday, introduced bill H. R. 7876, making technical amendments to the Internal Revenue Code of 1954, retroactive to July 2, 1951, the date of the Fox decision. This bill amends section 166 (f) of the Internal Revenue Code—relating to deductions for bad debts in the case of guarantors of certain noncorporate obligations—by striking out the words "a noncorporate obligation" and inserting in lieu thereof "an obligation."

Such an amendment, in my opinion, is required in the fair administration of the Federal tax law. Those taxpayers who relied on the consistent and uniform decisions of the United States District Courts or the Courts of Appeal will not be penalized by reason of having followed the advice of their accountants and lawyers following the established judicial tenet of stare decisis. Construction of the varied sections of the Internal Revenue Code, I recognize, cannot be uniform. There is as much lack of consistency on the part of the Commissioner of Internal Revenue as on the part of taxpayers. The Congress knows of many inconsistencies such as cases involving capital gains and capital losses, where the consistency of the Commissioner oftentimes is only in which position will produce more taxes in the Treasury.

In conclusion, I state my firm belief that in the Putnam case, the Supreme Court of the United States reached its decision by judicial legislation contrary to the real congressional intent on the issue involved. I am fortified in this belief by the circuit judges of four United States Courts of Appeal. The Congress should eliminate the resulting hardship to taxpayers who acted on the plain language of the statute and the judicial interpretation thereof, as confirmed in the four separate and distinguished circuit courts of appeal.

I urge the careful consideration of bill H. R. 7876 by the Members of the House and particularly by the members of the Ways and Means Committee.

IKE SHOULD ASK FOR EQUAL TIME

Mr. REUSS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. REUSS. Mr. Speaker, once we have gotten over our sense of outrage at Khrushchev coming right into our parlors on Sunday's TV, we ought to look at what he said, particularly about the prospects for a settlement in Middle Europe. He said, "Why don't you withdraw your troops from Germany and France, and we will withdraw ours from Germany, Poland and Hungary?" It should be noted that Khrushchev did not ask for the abandonment of NATO or of our strategic airbases abroad which are the main deterrent force against Communist aggression. Now, Khrushchev may hedge on what he said. But if he does, the TV tape in CBS's possession will brand him before the world as a hedger.

So Khrushchev breathes peace into every home in the world. So far, our only official reaction has been furnished by the President's press secretary, Mr. Hagerty, who vigorously denies the charge made by Khrushchev—and by anti-Eisenhower Republicans, for that matter—that the United States is headed for socialism. Really, Mr. Speaker, the world deserves something better than this from us. If all we do is to do nothing, we give Soviet Russia an incalculable advantage.

For Russia says it has a foreign policy for Middle Europe—the kind of disengagement which Khrushchev outlined on TV. The blunt fact is that we don't have a foreign policy: we haven't said what action we propose for Middle Europe on the question of German unification, on the question of liberation of the captive nations. Congress is asked to vote enormous budgets for armaments, for foreign aid, for USIA, all of which are supposed to be in support of a foreign policy. Everything is at hand, in short, except the foreign policy.

Mr. Eisenhower frequently complains that the Democrats never make any constructive suggestions. Well, here's one. Let Ike have a television-radio film made at the White House, in which, after his introductory remarks, he submits to questioning from Russian newsmen, whether from Tass here in Washington, or sent over from Russia for the occasion. Let the format parallel CBS's Khrushchev job as closely as possible. Let us then offer the film to the State Broadcasting and Television Committee set up only last week by the Soviet Council of Ministers, of which D. I. Chesnokov has been named chairman. Let us ask that it be beamed into every home in Russia capable of receiving it, and be played over the loudspeakers in every Russian farm, factory, cooperative, and public place. According to the Library of Congress' latest estimates, there are in Russia 19 TV stations and a TV audience of 4 million, and 6 million radio receivers, 30,000 radio relay centers, and 20 million public address loudspeakers.

Let the President start his interview by spelling out some positive goals for United States policy in Middle Europe. If he cannot think of anything better, I suggest he use the phraseology employed by 12 Democratic Members in a letter to the President last December—HUGH J. ADDONIZIO, THOMAS L. ASHLEY, CHARLES A. BOYLE, JOHN D. DINGELL, TORBERT H. MACDONALD, EUGENE J. MCCARTHY, HENRY S. REUSS, GEORGE M. RHODES, PETER W. RODINO, JR., JAMES ROOSEVELT, B. F. SISK, and FRANK THOMPSON, JR.:

> The United States wants, in concert with Great Britain, France, Western Germany, and its other friends, an order in Middle Europe that will help to bring about peace, not war. We think that such a policy can flow from our own revolutionary ideals of life, liberty, and the pursuit of happiness:
>
> 1. Life: To bring an end to the threat of war in Central and Eastern Europe. A road toward that goal: Creation of a demilitarized area, without the capacity to make aggressive war, from the Rhine to Russia's historic boundaries, with the demilitarization and the security of the area guaranteed by East and West.
>
> 2. Liberty: To free the peoples of Central and Eastern Europe from foreign occupation or domination; to confirm their right of free elections, free speech, free worship, the civil liberties, protection for minorities; and at the same time to guard against the rebirth of totalitarianism from any quarter. A road toward that goal: Embedding these human rights in the constitutions of the liberated states, with an international guaranty of their preservation.
>
> 3. The pursuit of happiness: To hasten the economic and social progress of the liberated areas, and to provide an alternative to the old nationalistic rivalries for territory and resources. A road toward that goal: encouraging (by such steps as economic aid under international auspices) regional federation and economic integration in Central and Eastern Europe.

Such a foreign policy proposal would serve our own national interest, the interest of our allies, the interest of the captive peoples, and the interest of the Russian people themselves. If there is an ounce of sincerity in Khrushchev's position, there could be the basis for a fruitful negotiation. If there is not—if Khrushchev is indeed trying to hoodwink the world—the best way to unmask him is to put before the world a proposal that can inspire freemen everywhere.

Ike should ask for equal time.

A BILL TO AMEND THE SOCIAL SECURITY ACT

Mrs. KEE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from West Virginia?

There was no objection.

Mrs. KEE. Mr. Speaker, on behalf of a small and voiceless minority among our citizens, I introduce for appropriate reference, a bill to amend the Social Security Act in order that a gross inequity may be corrected and the slate of social justice may be wiped clean of discriminatory legislation.

I refer, Mr. Speaker, to an inequity now present in the law, which is visited upon the widows of those who formerly worked in covered employment under title II of the Social Security Act and who are, therefore, to all intents and purposes, entitled to the survivors benefit insurance left to them by their late spouses.

As the act is presently written, many thousands of these unfortunate women—many of them in their middle or late fifties—unless they have dependent children under 18 years of age, or older sons or daughters physically and permanently handicapped—may not draw survivors' insurance benefits until they have reached 62 years of age.

As one of the pertinent facts of life, Mr. Speaker, permit me to point out that very few women past middle-age are the proud and fortunate possessors of children under 18 years of age.

Yet, without such minor children, or without the added grief and tragedy of a child forever handicapped and dependent upon them, these widowed women—these women who have lost their sole mainstay and financial support in life—these women who are deserving of our deepest commiseration and solicitude—are condemned by the laws of the land to years of destitution and drudgery, or to the humiliation of economic dependency upon the charity of friends and relatives, at best, and at worst, upon public assistance. For at this point in their lives, where shall they find employment?

It is, perhaps, fitting, Mr. Speaker, that I should raise my voice on behalf of these women. For within the four walls of this Chamber, I, too, am a member of a minority; not, I will admit, an entirely voiceless minority, nor a political minority, but a minority, nonetheless. It is not, I feel, necessary to point out that, in the language of legislation, 420 to 15 constitutes something of an impressive majority.

Consequently, it is to this overwhelming majority, to the gentlemen of the House, that I wish particularly to address my remarks on behalf of the widows of the Nation.

Gentlemen, throughout the world the reverence, the protectiveness, which American men have ever extended toward their womenfolk, is traditional. Indeed, throughout the length and breadth of this country, no finer exponent can be found of that chivalry and courtesy for which our great Southland is renounced, than exists in the distinguished person of our beloved Speaker himself.

And yet, Mr. Speaker, what have we done for this group of middle-aged and older women, those who have passed their 50th birthdays, who are approaching, but have not reached their sixties, who have lost their mates, and with them, their economic security, indeed, their very day-to-day subsistence, and who would, under normal circumstances, be the recipients of our most profound sympathy and solicitous concern?

Or, perhaps I should rephrase my question. It is not, What have we done for these women? for we have done nothing. It is, What we are doing to them?

Deprived suddenly, or after long and costly illness, of their financial support and, more or less, of their economic independence, nevertheless we bid them wait 5, 8, even 10 years, before they become eligible to receive the benefits, and pitifully small benefits they are in most instances, of the social security insurance program into which their husbands paid during their lifetimes. Moreover, these former breadwinners, Mr. Speaker, gladly paid into social security under the impression that they were thus providing some measure of protection for their wives in the event of their own deaths.

The inequity of the situation is clear when we consider—and I believe I am correct in this, for so I have been advised—that under our civil service retirement system there is no age limitation placed upon the time the widow commences to draw the monthly pension left her by her husband. Provided she has been named his survivor, she becomes the beneficiary of a pension at the time of his death. The same holds true for the widow of a deceased Congressman. Provided she is named the survivor, she becomes the immediate beneficiary of monthly pension payments regardless of her age.

But what of the tens of thousands of widows covered under the old-age and survivors insurance program by reason of their late husbands' contributions? To these women we say: "If you have no other means of support, get a job. Go to work and become self-supporting or starve until, if you are lucky enough, you manage somehow to exist until you are 62 years old."

And nearly starve, most of them do, Mr. Speaker, for it is utterly unrealistic on our parts to expect that these women

who have been housewives for the greater portions of their lives—who are entirely untrained and unskilled—to be able to compete in the labor market for any gainful employment except that of the lowest-paid kinds of work—say that of a domestic servant or charwoman.

Let me ask the fathers, the sons, and the husbands who are the Members of the House, if any of them would purchase commercial life insurance policies for their wives or other dependents, knowing that these policies would not become payable for anywheres from 10 to 12 years following their own demise?

Nevertheless, under the social security program—and that is exactly what social security is, gentleman—that is exactly why we call it the old-age and survivors insurance program—nevertheless under the program, this is what we actually do. We condemn the husbands and breadwinners of thousands of women to buy into an insurance program that will not provide for their widows for many years after their own deaths.

Why? There is no sound reason that I can find for this arbitrary act. This money is a trust. It is in a trust fund and it must eventually be paid to these women. Why then do we make them wait for what so many of them need so desperately?

As nearly as I have been able to ascertain, there is only one reason for this—a reason that is no longer valid nor even practical.

When the Social Security Act was first passed, no one knew for certain just how the law would work out in practice. No one knew for certain how many widows there would be as claimants to survivors benefits in the first few years after the program went into effect. And no one knew, with any degree of accuracy, how great a demand would be made upon the trust fund for payments to such beneficiaries. No one could tell for sure to what extent the trust fund could withstand such withdrawals and still remain sound. So the age for these widows without dependent children was arbitrarily set at 65 years. The 1956 amendments reduced this to 62.

Today, we have the answers to most of those early questions. We know that the trust fund is sound and that the amounts that would be withdrawn to pay survivors insurance benefits to widows at age 50 and over, would not be likely to jeopardize the fund's solvency.

Consequently, the only reason why we have not corrected this obvious inequity in the law, the only reason we have not moved to right this grave injustice which we are presently inflicting upon a group of hapless and helpless women is, I am sorry to say, apparently based upon sheer thoughtlessness.

The money is there, gentlemen. It must be paid to these widows later. It should be paid to them now. For today, only Heaven and our State directors of public assistance know how many of these women manage to subsist during the years that we force them to wait for that which will rightfully be theirs in the end.

Mr. Speaker, I feel it to be my painful duty to gently chide the gentlemen Members of the House—that overwhelming majority who are my admired and distinguished colleagues—for this seeming lapse from the considerate attitude which has traditionally been theirs toward American womanhood.

Mr. Speaker, I ask your own chivalrous support and leadership. I ask the Members of the House, one and all, to join with me in giving unqualified support to the bill which I have introduced to relieve the plight of this group of American women whose menfolk are no longer here to protect and provide for them.

TELEVISION CHANNEL 13

The SPEAKER. Under the previous order of the House, the gentleman from Indiana [Mr. BRAY] is recognized for 30 minutes.

Mr. BRAY. Mr. Speaker, in a decision adopted March 6, 1957, the Federal Communications Commission granted the application of the Crosley Broadcasting Corp. for television channel 13 which has been allocated to Indianapolis. In so doing, the Commission passed over the applications of three locally controlled Indianapolis corporations. The grant went to a corporation which is the wholly owned subsidiary of the Avco Manufacturing Corp., located in New York. The president and dominant stockholder of Avco is Victor Emmanuel, a resident of New York City. None of the officers or directors of Avco or of the Crosley Broadcasting Corp. are, ever have been, or propose to be residents of Indianapolis or Indiana. Thus the avowed intent of the Commission to grant the applications of local interests where qualified was ignored in this case.

The Commission found that each of the applicants was legally, technically, and financially qualified to operate the proposed television station, and the hearing was held on a comparative basis with respect to the background, experience and management, operation and program proposals of each applicant.

I would not argue the point that the Crosley Broadcasting Corp. is experienced and possesses the general qualifications for this permit. It certainly should be experienced, for by the fiat of the Commission it presently operates four other VHF channels. Three of these four stations are in Ohio, and with the addition of the Indianapolis channel, Crosley telecasting will blanket an area stretching from the Indiana-Illinois border to the eastern boundaries of Ohio along Pennsylvania and West Virginia. These 4 stations will cover 33,935 square miles, within which there is a population of 5,077,442. The coverage of the stations will overlap, and nearly 2 million persons will receive service from 2 Crosley television stations, and more than 90,000 persons will receive service from 3 Crosley television stations. The people living within these areas are and would be limited in their selection of programs to the extent that Crosley programs are duplicated. Giving all of these channels to the Crosley Broadcasting Co., a subsidiary of Avco, is certainly heaping great material gain on the stockholders, but the viewers are denied the advantages of management and ownership familiar with and experienced in the community. It is noteworthy that George C. McConnaughey, Chairman of the FCC, is from the State of Ohio.

Let me reiterate that I do not believe the Crosley corporation lacks any essential qualifications to successfully operate a television station. Had there been no other qualified applicants, it would be understandable that the Commission might have been justified in overlooking the concentration involved in granting this application. Had there not been 1, let alone 3, fully qualified locally owned applicants, we could more easily see why the Commission turned its eyes away from the hometown people.

Thus, we find that three basically qualified local Indiana applicants were denied in favor of an absentee multiple owner by virtue of a decision which required the Commission to reverse or ignore the major policy factors which have been applied in other comparative decisions. The sole area in which Crosley was found to be superior was in experience. Assuming that this finding was correct, it still does not and cannot serve as an adequate basis for overriding the more important criteria upon which the Commission has previously depended.

In considering qualifications and experience, however, it should be noted that the experience and character qualifications credited to Crosley by the Commission are possessed solely by employees. The owners of Avco possess only the reflected qualifications of their employees, while the broadcasting experience and character qualifications of the other three applicants were established primarily, if not exclusively, through their respective owners. Two of the three other applicants have a longstanding record of public service to the city of Indianapolis, and both have established this record under the immediate direction of their controlling stockholders who will continue to be personally identified with the operation. Some of these owners individually have established admirable records of public service and civic responsibility.

The third local applicant lacks broadcasting experience, but its character qualifications are those of its stockholders, not employees. Technically qualified personnel can and will be employed so long as the Commission makes certain that its licensees are owned and operated by persons whose character qualifications are established. In the case of Crosley the experience and character qualifications upon which the Commission places reliance can be changed and eliminated at any time by a decision made in New York, which decision is not subject to Commission jurisdiction or review. Prior to the Indianapolis decision, the Commission has in an overwhelming number of decisions held that character qualifications of employees, no matter how impressive their title, could not be a controlling consideration because the tenure of such persons is uncertain and is not the subject of Commission jurisdiction.

The grant of the Crosley application in a comparative hearing against three locally controlled Indianapolis corporations thus marks a milestone in Commission decisions. It is the first time that the Commission, having available to it a number of qualified applicants, has voluntarily chosen to grant a television frequency to an applicant who already dominates and controls the television service available to several million people lying within a concentrated and well-defined geographical and political area. The grant is contrary to the basic philosophy of the Communications Act insofar as the prevention of monopoly broadcast facilities is concerned. In 1953 the Commission issued a report and order on its multiple-ownership rules which stated that—

> The fundamental purpose (of the Communications Act) is to promote diversification of ownership in order to maximize diversification of program and service viewpoints—as well as to prevent any undue concentration of economic power contrary to the public interest. * * * It is our view that the operation of broadcast stations by a large group of diversified licensees will better serve the public interest than the operation by a small and limited group of licensees (9 Pike & Fischer, pp. 1563, 1568).

This philosophy has been repeated by the Commission in numerous decisions and judicially sanctioned by the courts in many cases. Yet, the grant to Crosley involves a reversal of this decision in a case completely devoid of reasons, compelling or otherwise, for a radical departure from a well-considered and well-established basic philosophy This reversal of a well-established policy served no purpose but to make a big New York corporation such as Avco bigger at the expense of a number of qualified local applicants. While bigness should not be condemned because of size alone, it should not be aided by the grant of Government franchises to grow at the expense of equally qualified smaller businessmen who have not previously benefited from comparable Government franchises.

Mrs. HARDEN. Mr. Speaker, will the gentleman yield?

Mr. BRAY. I yield to the gentlewoman from Indiana.

Mrs. HARDEN. I concur in what the gentleman from Indiana has said and I wish to commend him for his fine statement which is of great interest to many people in Indiana.

Mr. BRAY. I thank the gentlewoman from Indiana.

Mr. HARVEY. Mr. Speaker, will the gentleman yield?

Mr. BRAY. I yield to the gentleman from Indiana.

Mr. HARVEY. I appreciate very much the fine statement that our colleague has made. I want to express my belief that the policy of the Commission has not been followed in this instance and I regret the fact that opportunity for local ownership was not given a fair, or at least we will say an equitable hearing at the time the decision was made.

Mr. BROWNSON. Mr. Speaker, will the gentleman yield?

Mr. BRAY. I yield to the gentleman from Indiana.

Mr. BROWNSON. I appreciate the gentleman's solicitude for these stations which are located in my district and I also appreciate the cooperation of the Indiana delegation when we went to call on Commissioner McConnaughey to advise him of our belief that the State of Indiana deserves home ownership for a television station in its capital city.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. BRAY. I yield to the gentleman from Ohio.

Mr. BOW. I know nothing of the merits or demerits of the controversy that the gentleman has referred to. The gentleman, however, in his statement has referred to the Chairman of the FCC, Mr. McConnaughey, and brought out the fact that an Ohio corporation apparently has been favored and indicated that the Chairman lived in the State of Ohio. I should like to say to the gentleman that Mr. McConnaughey has served the State of Ohio in many capacities for many years. He is well known and respected throughout the State and I am sure that his residence in the State of Ohio would not influence him or cause him to do anything improper in any decision he might make. He may be wrong in his decision, I know nothing about the merits of this matter, but I would not want the record left showing a possible inconsistency on the part of the Chairman because of his residence in the State of Ohio as perhaps favoring someone there as against the great State of Indiana.

Mr. BRAY. The facts in this case speak for themselves. He is from the State of Ohio. The Crosley Co., of Ohio, a subsidiary of Avco, does have three stations blanketing the State of Ohio, of which he is a resident. He was the Chairman of the Commission that granted to a New York corporation, Avco, which is the parent corporation, a license for channel 13 in Indianapolis, which, with the station already given to Avco gives them coverage from Pennsylvania and West Virginia to the border of Illinois. There is no attack made on the Chairman. I am merely stating the facts, and the facts in the case speak for themselves.

Mr. BOW. I appreciate the statement the gentleman has just made that there are no illusions against the Chairman because of that fact. It is a coincidence that he lives in Ohio and the license has been granted. But, I would not want the inference that that had influenced his decision in the matter.

Mr. BRAY. If the facts do create an inference that is unfriendly to McConnaughey, I am not making the inference, it is the facts that make the unfriendly inference.

LETTER FROM ATTORNEY GENERAL REGARDING JURY TRIAL AMENDMENT TO CIVIL RIGHTS BILL

Mr. KEATING. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include a letter from the Attorney General of the United States with reference to the proposed jury-trial amendment to the civil-rights bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, in order that the Members may have the benefit of the views of President Eisenhower and Attorney General Brownell in opposition to the proposed jury trial amendment to the civil rights bill, I quote below the text of the letter to me from the Attorney General dated May 31, 1957, dealing with this subject. It is submitted that this letter contains cogent and unanswerable arguments why such an amendment should be rejected.

MAY 31, 1957.

Hon. KENNETH B. KEATING,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN KEATING: Thank you for your letter of May 29, 1957, requesting my comments on the proposed amendments to the civil rights legislation which would require a jury trial in contempt proceedings. In addition to the comments which follow may I particularly call to your attention the statement of the American Civil Liberties Union opposing an amendment to require jury trial in contempt proceedings arising under the proposed civil rights legislation. This statement was reprinted in the CONGRESSIONAL RECORD for May 22, 1957, at pages 7369–7371.

The proposed legislation seeks merely to apply long-established civil procedures for enforcing Federal laws to civil rights cases where experience has shown the need for civil remedies. In urging Congress to authorize the Government to institute civil suits for preventive relief in civil rights cases we are requesting the right to use procedures long available to the Government as a means of enforcing other types of Federal laws. Ever since the adoption of the Sherman Act in 1890 the Department of Justice has been empowered to institute proceedings in equity to prevent and restrain civil violations of the antitrust laws as well as to bring criminal prosecutions. The Department of Labor uses the injunctive process as a means of enforcing the Fair Labor Standards Act. The Interstate Commerce Commission, the Civil Aeronautics Board, the Securities and Exchange Commission, the National Labor Relations Board, the Atomic Energy Commission, and other Government agencies have similar authority to use civil remedies in addition to criminal prosecutions. In none of these fields are jury trials required in contempt cases.

There are valid reasons for the ever-increasing use of civil suits for preventive relief as a means of enforcing Federal law. Judicial determination of the validity of a course of conduct in advance aids the Government in its primary purpose of preventing violation of law. It also aids the defendant since he can litigate the legality of his proposed conduct without the necessity of taking action at the risk of a criminal conviction if he guesses incorrectly.

All of these reasons exist in the civil-rights field, particularly in connection with the protection of the right to vote. The primary interest of the Government is in making it possible for all citizens to vote without discrimination based upon race, creed, or color, not in punishing local officials for denying such rights. Often it is not clear whether the particular conduct of a registrar of voters, for example, does constitute a violation of Federal law. Under present law the Government can only wait until the harm has been done—the right to vote denied—and then proceed with a criminal prosecution as a means of testing the validity of the registrar's action. The registrar himself is often caught between community pressures to discriminate and the fear of Federal criminal prosecution with no way to resolve the issue in advance. With civil remedies authorized, the Government will often be able to obtain a judicial ruling

in advance of the election which will determine the legality of the proposed conduct of the registrar; removing from him the necessity of risking criminal prosecution and effectively protecting the constitutionally guaranteed right of citizens to vote without discrimination based on race, creed, or color.

Suits for preventive relief under the proposed legislation will be governed by the traditional rules of procedure which have always applied to such suits. The Government seeks no new or radical procedures to govern injunction suits in civil-rights cases. Under the proposed legislation the rules of procedure which have traditionally governed equitable suits in the Federal courts would apply in the same manner and to the same extent that they now apply to other suits by the Government for preventive relief. The defendant in an injunction suit in a civil-rights case will have the same rights that the defendant now enjoys in a similar suit under the antitrust laws, the Fair Labor Standards Act, or any other one of the Federal laws mentioned above.

These procedural protections are ample to protect all legitimate rights of the defendant. He gets a full hearing before the court on the question of whether his conduct violates Federal law and hence should be enjoined. If he disagrees with the determination of the court, he may appeal the ruling for full consideration by the appellate courts. In most cases this is the end of the matter. The defendant obeys the court order and the public interest in the enforcement of the Federal law has been vindicated. But if the defendant chooses to ignore or defy the court order he may be subjected to punishment for contempt of court. Again he is entitled to a full hearing before the court. He is presumed to be innocent, his guilt must be established beyond a reasonable doubt, and he cannot be compelled to testify against himself. If he is found guilty, he again may appeal. And an examination of the cases in recent years demonstrates that the appellate courts are alert to protect defendants against any possible unfairness in contempt proceedings.

It is true that wherever the Government is authorized to sue for preventive relief the defendant is not entitled to a jury trial in contempt proceedings. The Constitution of the United States recognizes the traditional differences between the procedures of courts of law and courts of equity and does not require jury trial in equitable proceedings. As long ago as 1890 the Supreme Court of the United States said: "It has always been one of the attributes—one of the powers necessarily incident to a court of justice—that it should have this power (the contempt power) of vindicating its dignity, of enforcing its orders, of protecting itself from insult, without the necessity of calling upon a jury to assist it in the exercise of this power." In 1914 Congress passed a statute (now 18 U. S. C. 3691) extending the right to jury trial in criminal contempt cases where the acts constituting the contempt also constitute criminal offenses under Federal or local law. This statute expressly excepted contempts arising out of disobedience to court orders entered in suits brought in the name of the United States. Since criminal contempt proceedings are not often sought in private litigation (the Clinton, Tenn., case is one of the few instances of its use), this statute has had little impact upon the enforcement of Federal court orders. In 1932 in the Norris-La Guardia Act Congress, after removing almost all of the jurisdiction of the Federal courts to issue injunctions in labor dispute cases, provided for jury trial in contempt proceedings arising under the act. It was only with the enactment of the Taft-Hartley Act in 1947 that the Government was given jurisdiction to seek injunctions in any substantial number of labor dispute cases and that act expressly provided that the jury trial requirement of the Norris-La Guardia Act should not apply to it. Hence it is probable that the statute which appears to grant jury trial in contempt proceedings for violation of injunctions issued in labor dispute cases (18 U. S. C. 3692) has no application to injunction suits brought by the Government under Taft-Hartley, which are, for all practical purposes, the only type of injunction suits (private or governmental) in labor dispute cases over which the Federal courts have jurisdiction. (See *United States v. United Mine Workers of America* (330 U. S. 258).)

With reference to jury trial, then, the procedure under the proposed legislation would be the same as that which has always governed suits by the Government for preventive relief. This procedure appears at the present time to be effective and satisfactory. I am aware neither of abuse nor of serious complaint of abuse by the Federal courts in contempt proceedings instituted for the purpose of enforcing injunctions issued in governmental litigation. I foresee no reason why this procedure should not be equally satisfactory in civil rights cases.

Enactment of legislation providing for jury trial in contempt cases arising out of governmental litigation would undermine the authority of the Federal courts by seriously weakening their power to enforce their lawful orders. The effect of adopting current proposals for jury trial would be to weaken and undermine the authority of the Federal courts by making their every order, even when issued after due hearing and affirmed on appeal, reviewable by a local jury. Referring to proposals similar to those now advanced President (and later Chief Justice) Taft said in 1908: "The administration of justice lies at the foundation of government. The maintenance of the authority of the courts is essential unless we are prepared to embrace anarchy. Never in the history of the country has there been such an insidious attack upon the judicial system as the proposal to interject a jury trial between all orders of the court made after full hearing and the enforcement of such orders."

Furthermore the proposed amendment to existing procedures that is being advocated under the innocuous slogan of "jury trial" would permit practical nullification of the effectiveness of the proposed civil rights legislation. The enforcement of any court order may require prompt and vigorous action if it is to be effective. Prompt action will often be vital in civil rights cases, especially election cases where the registration period or the election may pass while enforcement is delayed. The injection of a jury trial between an order of a court enjoining discrimination against Negroes in an election and the enforcement of that order would provide numerous opportunities for delay beyond the time when the order could have practical effect.

I hope that the foregoing statement provides the information requested by you. If I can be of further assistance, do not hesitate to call upon me.

Sincerely,

HERBERT BROWNELL, Jr.,
Attorney General.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. SCHERER on June 5, 1957, and from June 17 to June 21, on account of hearings of the Un-American Activities Committee at Albany, N. Y., and San Francisco, Calif.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HOFFMAN (at the request of Mr. WEAVER), on Monday next, for 30 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. LOSER and to include an address by the gentleman from Indiana [Mr. MADDEN].

Mr. COAD and to include extraneous matter.

Mr. LONG and to include a joint statement of Secretary Dulles and Secretary Wilson on the William S. Girard case.

Mr. DAWSON of Utah in two instances.

Mr. CORBETT and to include a resolution.

Mr. MAY on the subject of Armenian independence.

Mr. DEMPSEY and include a statement and report from the Department of Agriculture on the barter program at the point in the debate today where he addressed the Committee.

Mr. KEATING.

Mr. HARRISON of Nebraska (at the request of Mr. WEAVER) and include an editorial and an address.

Mr. TUCK (at the request of Mr. ALBERT) and include extraneous matter.

Mr. WILSON of California and include extraneous matter.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1740. An act to authorize the payment from the Employees' Life Insurance Fund of expenses incurred by the Civil Service Commission in assuming and maintaining the assets and liabilities of certain beneficial associations, to the Committee on Post Office and Civil Service.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 895. An act for the relief of Josefa Kusiak; and

S. 1203. An act for the relief of Lydia Anne Foote.

BILL PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 6700. An act making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 42 minutes p. m.), the House adjourned until tomorrow, Wednesday, June 5, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

916. A letter from the Secretary of Commerce, transmitting the quarterly report of the Maritime Administration of this Department on the activities and transactions of the Administration under the Merchant Ship Sales Act of 1946, from January 1, 1957, through March 31, 1957, pursuant to the Merchant Ship Sales Act of 1946; to the Committee on Merchant Marine and Fisheries.

917. A letter from the Acting Secretary of State, transmitting a draft of proposed legislation entitled "A bill to amend the North Pacific Fisheries Act of 1954"; to the Committee on Merchant Marine and Fisheries.

918. A letter from the Attorney General, transmitting the report of the Attorney General on the administration of the Subversive Activities Control Act of 1950 for the year ending May 1957, pursuant to the Subversive Activities Control Act of 1950; to the Committee on Un-American Activities.

919. A letter from the Secretary of the Interior, transmitting additional material relating to a letter dated February 12, 1957, transmitting a report on negotiations with prospective purchasers of the falling water to be produced by the Trinity River division of the Central Valley project, pursuant to Public Law 386, 84th Congress; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McMILLAN: Committee on the District of Columbia. H. R. 6517. A bill to provide for the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, and of certain officers and members of the United States Secret Service, and for other purposes; with amendment (Rept. No. 530). Referred to the Committee of the Whole House on the State of the Union.

Mrs. KELLY of New York: Committee on Foreign Affairs. Report of the Special Study Mission on Policy Toward the Satellite Nations; without amendment (Rept. No. 531). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOYLE:

H. R. 7895. A bill to provide for extension of terms of patents where the use, exploitation, or promotion thereof was prevented, impaired, or delayed by causes due to war, national emergency, or other causes; to the Committee on the Judiciary.

By Mr. CHAMBERLAIN:

H. R. 7896. A bill to amend title II of the Social Security Act to increase the amount of outside earnings permitted without deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. CUNNINGHAM of Iowa:

H. R. 7897. A bill to amend section 1332 of title 10 of the United States Code to provide for counting active service in wartime as double time for the purposes of determining eligibility for and the amount of retired pay for nonregular service; to the Committee on Armed Services.

By Mr. CURTIS of Missouri:

H. R. 7898. A bill to revise the authorization with respect to the charging of tolls on the bridge across the Mississippi River near Jefferson Barracks, Mo.; to the Committee on Public Works.

By Mr. FLOOD:

H. R. 7899. A bill to authorize the sale of certain vessels to Belgium for use in the exportation of anthracite coal from Philadelphia to ports in Belgium and the Netherlands; to the Committee on Merchant Marine and Fisheries.

By Mr. FORD:

H. R. 7900. A bill to permit the Secretary of Agriculture to sell to individuals land in Ottawa County, Mich., which was acquired pursuant to the provisions of title III of the Bankhead-Jones Farm Tenant Act; to the Committee on Agriculture.

By Mrs. GRANAHAN:

H. R. 7901. A bill to revise the Postal Field Service Compensation Act of 1955 to provide certain employment benefits for postal field service employees; to the Committee on Post Office and Civil Service.

By Mr. GUBSER:

H. R. 7902. A bill to authorize travel and transportation allowances in the case of certain members of the uniformed services; to the Committee on Armed Services.

By Mr. HYDE:

H. R. 7903. A bill to amend title 18, United States Code, to authorize the enforcement of State statutes prescribing criminal penalties for subversive activities; to the Committee on the Judiciary.

By Mr. KEATING:

H. R. 7904. A bill to provide for the issuance of special nonquota immigrant visas to certain aliens who applied for admission to the United States under the Refugee Relief Act of 1953, and for the issuance of such visas to spouses and children of aliens admitted to the United States under such act; to the Committee on the Judiciary.

By Mrs. KEE:

H. R. 7905. A bill to amend title II of the Social Security Act to reduce from 62 to 50 the age at which widows' benefits become payable thereunder; to the Committee on Ways and Means.

By Mr. MURRAY:

H. R. 7906. A bill to amend the laws relating to the bonding of bidders and contractors for the transportation of mail; the advertisement and extension of mail routes; and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 7907. A bill relating to contracts for the conduct of contract postal stations, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 7908. A bill to amend certain provisions of law in order to provide for the reimbursement of the Post Office Department for expenses incurred in performing certain services for other agencies, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 7909. A bill to clarify the law relating to the acceptance of business reply cards and letters in business reply envelopes, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 7910. A bill to revise the laws relating to the handling of short-paid and undeliverable mail, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MURRAY (by request):

H. R. 7911. A bill to amend certain sections of title 13 of the United States Code, entitled "Census"; to the Committee on Post Office and Civil Service.

By Mr. PATTERSON:

H. R. 7912. A bill to authorize, in case of the death of a member of the uniformed services, certain transportation expenses for his dependents; to the Committee on Armed Services.

By Mr. PILLION:

H. R. 7913. A bill to promote the increase and diffusion of knowledge of the Antarctic; to the Committee on Interior and Insular Affairs.

By Mr. REECE of Tennessee:

H. R. 7914. A bill to amend the Career Compensation Act of 1949 to provide incentive pay for human test subjects; to the Committee on Armed Services.

By Mr. WALTER:

H. R. 7915. A bill to amend section 1733 of title 28, United States Code; to the Committee on the Judiciary.

By Mr. BROOMFIELD:

H. Res. 272. Resolution to authorize the Committee on Education and Labor to conduct an investigation and study of the feasibility of returning a portion of moneys collected as Federal taxes to the State, Territory, or the District of Columbia (as the case may be), from which such taxes were derived, for use for school construction; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLATNIK:

H. R. 7916. A bill for the relief of Nikola Matak; to the Committee on the Judiciary.

By Mr. CELLER:

H. R. 7917. A bill for the relief of Ernst Haeusserman; to the Committee on the Judiciary.

By Mr. HERLONG:

H. R. 7918. A bill for the relief of Olson Corp. of Beresford, Fla.; to the Committee on the Judiciary.

By Mr. HOLT (by request):

H. R. 7919. A bill for the relief of Louis Narni-Mancinelli; to the Committee on the Judiciary.

H. R. 7920. A bill for the relief of Myer Leveen; to the Committee on the Judiciary.

By Mr. HOLTZMAN:

H. R. 7921. A bill for the relief of Branko Franovic; to the Committee on the Judiciary.

By Mr. JAMES:

H. R. 7922. A bill for the relief of Mardiros Kapamaciyan; to the Committee on the Judiciary.

By Mr. McDONOUGH (by request):

H. R. 7923. A bill for the relief of Mrs. Marie Seraydarian; to the Committee on the Judiciary.

H. R. 7924. A bill for the relief of Mrs. Lucy Seraydarian Vartanian; to the Committee on the Judiciary.

By Mr. MACHROWICZ:

H. R. 7925. A bill for the relief of Maria Strociak; to the Committee on the Judiciary.

By Mr. MACK of Washington:

H. R. 7926. A bill for the relief of Catherine Katalinich; to the Committee on the Judiciary.

By Mr. PRICE:

H. R. 7927. A bill for the relief of Nuvart Donikian; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

263. Mr. HOEVEN presented a petition of Sioux City, Iowa, Chamber of Commerce urging that the Congress appropriate sufficient funds to permit operation of the Federal flood-insurance program as authorized under Public Law 1016, 84th Congress, which was referred to the Committee on Appropriations.

EXTENSIONS OF REMARKS

Statement of Hon. Kenneth B. Keating, of New York, To Extend the Refugee Relief Act of 1953

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1957

Mr. KEATING. Mr. Speaker, today I have introduced a bill to extend the Refugee Relief Act of 1953 for some 58,000 immigrants cut off by termination of the act.

Under terms of the bill, special nonquota immigration visas would be issued to spouses and minor unmarried children who for various reasons were left behind, when their breadwinner came to the United States under the Refugee Relief Act of 1953.

Another section of the bill would grant special nonquota visas to "pipeline" cases—those people and their spouses and unmarried minor children whose assurances had been received and whose applications for entrance into the United States had begun to be processed, but who were unable to come to this country due to the expiration of the act, or the shortage of visas.

Under both sections of the bill, the immigrant involved would be required to file an application, have assurances from American sponsors submitted and verified by State Department officials, and undergo investigations as provided in the Refugee Relief Act. An exception to this rule would be in cases involving immigrants for whom assurances had been submitted and verified under the old act. They would merely be required to have their original assurances reverified. If the old assurance were found to be no longer valid, however, a new assurance would have to be submitted and verified.

All safeguards of the Refugee Relief Act, including thorough investigatory provisions are retained in the proposed act, which would terminate 2 years after the date of its enactment.

The plight of families separated by expiration of the Refugee Relief Act is stark in the extreme. Many families sent their breadwinner on ahead to America, in full expectation the dependents could follow, only to be thwarted by the end of the act, a dearth of visas, or the complexities of the immigration laws.

Today, those from countries with heavily oversubscribed quotas face years and years of separation from their loved ones while awaiting visas. We must end these heart-rending separations.

This country should also permit entrance to those pipeline cases whose hopes for coming to America were raised only to be crushed when quotas became filled. After having earned the privilege of a visa, they now face the prospect of waiting for years for such authorization. We should grant these people special nonquota immigration visas.

According to estimates supplied by the Department of State, the following is a list of pipeline applicants who failed to obtain visas:

Belgium	1,601
France	2,001
Germany	868
Great Britain	1,563
Greece	11,323
Italy	24,175
Netherlands	362
Norway	24
Sweden	402
Jordan	367
Kuwait	36
Lebanon	495
Turkey	20
Burma	2
China	694
Hong Kong	13,357
Japan	1,865
Korea	175
Singapore	29
Australia	6
Costa Rica	1
Spain	2
Total	58,868

Passage of this legislation could strike a telling blow for America at a time when we are the target of so much worldwide criticism because of the stringency and inflexibility of our immigration laws. By enacting this bill into law, we can thus help ourselves abroad by raising our prestige, and can help ourselves at home by enriching our national blood with new and worthy citizens.

It is my hope that early hearings can be held on this legislation, as well as all other legislative proposals which have been made to amend our immigration statutes.

National Better Newspaper Contests

EXTENSION OF REMARKS

OF

HON. WILLIAM A. DAWSON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1957

Mr. DAWSON of Utah. Mr. Speaker, one of the many attractions of living in rural areas or small towns in this great country of ours is the hometown paper, more often than not a weekly with a total circulation which does not approach the street sale alone of a metropolitan daily.

These newspapers serve an entirely different purpose from their larger daily brethren, but they form as integral a part of that inestimable institution, the American Press. They prove, every week of the year, that the highest standards of journalism are not confined to, have no relation to, the size of newspaper circulation, staff, or plant.

Recently, the National Editorial Association announced the winners of its 1957 National Newspaper Contests. I am proud to notice, and to call to the attention of the House, that 2 of the plaques in the under 2,000 circulation class were won by Utah weeklies. The Springville Herald won first place for best news story with its outstanding account of a railroad wreck, and the Nephi Times-News won third place in service to agriculture. Our congratulations should go not only to those papers, but to their readers.

Address by Hon. Leverett Saltonstall, of Massachusetts, Before Graduating Marine Lieutenants of the Basic School at Quantico, Va.

EXTENSION OF REMARKS

OF

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1957

Mr. WILSON of California. Mr. Speaker, on May 11, the distinguished senior Senator from Massachusetts, LEVERETT SALTONSTALL, addressed the graduating Marine lieutenants of the basic school at Quantico, Va. Because he is the ranking minority member of the Armed Services Committee of the Senate, his opinions regarding our Defense Establishment are particularly worthy of note. Unanimous consent is requested to insert at this point in the RECORD excerpts from his speech of May 11:

In our new role of world leadership among the free nations, the United States cannot follow the easy road of expediency but must always follow the sometimes hard road of keeping to our word.

We helped to establish the United Nations and we are firmly and irrevocably committed to abide by its charter. Sometimes we find ourselves confronted with the bitter choice of keeping our promises under that charter and taking actions which appear in the short run to be against our friends.

Such was the case in Hungary and again in Egypt. Here the leaders of our country had to make trying decisions but in each case the decision was that we should keep our word. Future generations will determine whether the courses we followed were right or wrong but it is my firm conviction that it is never wrong to stand by solemn promises. This applies to a nation as well as an individual. We want to live up to our word as we have in the past, and this is even more important to us now as leaders of the free nations of the world so that we can inspire the confidence of others in us.

We must also make other important decisions. We must remain strong and powerful in our armed services and in our economy. We must make the determinations as to just what our force levels should be and how much of our national productivity should be expended for our national defense. We must continue to develop new weapons for defense and retaliation and we must maintain the most modern military doctrines. Overall, we must be alert and imaginative as well as realistic and practical.

Marine Corps officers must be prepared to be first-line diplomats as well as frontline soldiers.

They must demonstrate to the world the high integrity and good character of American citizens. The time has passed when our military officers can consider their qualifications complete when they attain technical and military proficiency. Today our officers

all over the world represent symbols of the American way of life. On you rests the great responsibility of demonstrating to people in foreign lands wherever you may be the qualities of Americanism and the traditions of our heritage of which we are so justly proud.

You have reason to be proud of your corps and of the school from which you have today graduated. These schools at Quantico have had the distinction in modern military history of being among the outstanding doctrinal leaders in new military concepts. After the disastrous defeat of the British amphibious landing force at Gallipoli in the First World War, military strategists discarded the amphibious attack. The Marine Corps nonetheless persisted in its beliefs in a balanced fleet and through the bleak thirties developed the successful amphibious doctrine which was ultimately responsible for our victory in the Pacific during World War II.

Your own commander after the Second World War inspired the development of another new concept—the vertical envelopment, an amphibious assault tailored to an atomic era. Gen. Merrill B. Twining has been imaginative and vigorous in his development of new military concepts for our Navy and Marine Corps. He has indeed recognized the unique function of the marines when in a Navy Day address he said, "The United States Fleet, in the form it exists today, is just such a force (versatile, highly mobile force in being), and is tailored to the exact requirements. Its flexibility enables it to meet nearly any situation. An occupation, a brush fire war, a nonatomic war in a Communist controlled satellite area, or a major assault on the enemy's homeland—all these require varying degrees of military force, nicely graduated to fill the gap between scattering leaflets and dropping hydrogen bombs."

The Marine Corps, unique among military organizations as an integrated, coordinated military team, is an important part of our Nation's balanced military defense concept.

The Marine Corps has throughout its history and does today represent a mobile force in readiness. We hope that we will not have to use our forces. We do not start wars. But if they start one, we have mobile fleet marine forces which are always ready.

The United States Marine Corps has traditionally stood as a symbol to the world of American determination to resist aggression and tyranny, whether by Barbary pirates on the shores of Tripoli or Communists in Korea.

You can be proud of this tradition. You can be proud to be marines.

Armenian Independence Day

EXTENSION OF REMARKS

OF

HON. EDWIN H. MAY, JR.

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1957

Mr. MAY. Mr. Speaker, on June 2, in New Britain, Conn., I had the distinct privilege of being principal speaker at a gathering of 350 people of Armenian descent who were celebrating the 39th anniversary of Armenian independence day.

On May 28, 1918, Armenian independence was proclaimed and a democratic republic was established. Independence for this valiant people was short-lived, however, and after 2½ years the Armenian Republic was beset by Soviet intrigue and invasion. During the existence of the republic, the United States was generous in its assistance to the Armenian people by sending clothing, food, and medicine.

A heroic stand was made against the occupation by the Soviet Union in February 1921. The Soviets were ejected and for a period of 3 months were kept from occupying the country. Ultimately, the small republic, faced with overwhelming military odds, fell and since that time, Armenia has been under the heel of Soviet tyranny. It is now one of the so-called independent republics of the Soviet Union.

In the United States and elsewhere in the world there are people of Armenian origin who will never rest until the beloved land of their origin is again a free and independent nation. To work toward this end, an organization was formed and is known as the American Committee for the Independence of Armenia.

Let us in Congress remember that the cries and prayers for freedom from the Armenian people, although not audible from behind the Iron Curtain, are, nevertheless, as real and as fervent as the cries of the Hungarian people and those of the other captive countries. Let us work and pray, too, for the eventual liberation of the brave and suffering people of Armenia.

Revision of the Natural Gas Act

EXTENSION OF REMARKS

OF

HON. MERWIN COAD

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1957

Mr. COAD. Mr. Speaker, the following is a statement which I made before the House Interstate and Foreign Commerce Committee in opposition to the measures which call for the revision of the Natural Gas Act. My statement to this committee is as follows:

STATEMENT BEFORE INTERSTATE AND FOREIGN COMMERCE COMMITTEE ON JUNE 4, 1957, BY HON. MERWIN COAD, OF IOWA

Mr. Chairman, I am MERWIN COAD, Representative in Congress from the Sixth Iowa District, and I appreciate the opportunity afforded me in coming before your committee. I will be brief in my statement as I know you have heard many learned persons to date on the subject under consideration and many are yet to be heard.

The Sixth District of Iowa is composed of 15 large counties which are largely rural but are dotted with many towns and some small cities. We already have many of our communities using natural gas and at the present time arrangements are being made and negotiations completed to bring more natural gas to still additional towns and communities in the district. The people desire the efficient, clean, and moderately priced natural gas for use in their homes and for industrial purposes.

There are no oil or gas wells located in the State of Iowa, much less in the Sixth Iowa District. Therefore, all of the people whom I represent are consumers and I am stating this case in their behalf. However, even though all my people are consumers, they are still aware of the fact that those who produce, transport, and distribute natural gas must make a healthy margin of profit in order to continue their operations. There is no controversy whatsoever about this. But on the other hand, it is obvious that the rights of the consumer must be protected in those measures which would change the situation which has seemingly been fair and equitable to all involved. Admittedly the producers through to the distributors of natural gas have been regulated by one or another agency of the Government whether Federal, State, or local. But even so, there have been no cases recorded publicly to my knowledge wherein any Government agency acted in such manner as to bring about the economic death of any natural-gas producer, transporter, or distributor. In fact, the economic picture of the entire gas industry has been, throughout the years, one of good health. The general utility field has been one of the surest and safest attractions for capital.

It is obvious then, when an industry which has fared well under the observation, supervision, and regulation of a governmental agency wants to be removed from this control, it is not to reduce its pricing structure, nor to lower its profit level. Quite to the contrary, the only reason any group would want to free itself from any constricting regulation would be to further enhance its own economic picture.

Let us remember that those who are natural-gas consumers are limited and controlled. They are limited to using natural gas for they are controlled by the fact that they have a heavy investment in those appliances which utilize only natural gas. It is not a matter of deciding one day to change from one fuel to another.

Further, it should also be remembered that the industrial users will not shoulder the load of any increased costs, for already the home user pays the bulk of the costs which include the profit and the industrial users pay little more than the actual cost of the gas plus transportation.

Obviously, the consumer will pay for any increase in the cost of natural gas, just the same as the consumer pays the increased cost of any commodity. With the pricing structure the way it is already set up, it will mean that the families, in their homes, will pay any increase in the cost of natural gas.

There are millions of American families tied to the natural gas lines. Unless the Congress maintains a constant vigil for their rights, they stand unprotected.

Originally, the Natural Gas Act of 1938 was to protect the consumer against exploitation at the hands of natural gas companies when it was clearly seen that the States could not adequately supply this basic protection. It is also a known fact that the large oil companies control the production of natural gas. These companies have fared very well under the present regulatory law and the people's rights have been protected. Surely, for the sake of justice and fairness it would be unwise to turn loose these industrial giants upon the unorganized forces of our family unit consumers.

There have been many attempts to repeal the Natural Gas Act, but always there have been those who have stood firmly voicing the concern of the people who are not in a position to speak for themselves. Today, I stand in opposition to H. R. 6790 which would only free the producers of natural gas from pricing control. I do not believe this bill would be in the best interests of my people, nor would it be in the best interests of the total American consuming public. The only ones who would benefit by this measure would be those who are the producers of natural gas and their profit-and-loss sheets do not provide evidence that they have been the recipients of any economic abuse under the present Natural Gas Act.

I take this opportunity to express to you again my appreciation for the graciousness of your committee in permitting me to make this statement.

Poll Results

EXTENSION OF REMARKS

OF

HON. ROBERT J. CORBETT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1957

Mr. CORBETT. Mr. Speaker, since my first term in Congress in 1939 I have regularly conducted polls of public thinking on vital national issues in my Congressional district. The polls have been in the form of a printed questionnaire, requiring simple yes-and-no answers, mailed to registered voters in my district, regardless of political affiliation.

Total responses to the questionnaires have always been excellent. Because of the manner in which the polls are conducted, the tabulated results virtually constitute a referendum of the district and they have proved of enormous value to myself and, I hope, to my colleagues in the Congress.

My Congressional district is probably as representative and contains as many varied interest groups as any in the Nation. It has the wealthy, the poor, and the so-called middle class. It has a high concentration of labor, white-collar workers, small business, large industries, and some of the finest farmlands found anywhere. The district includes a thickly populated section of Pittsburgh, extends to the rural areas, and takes in many large and small residential towns in northern Allegheny County.

The percentage tabulation of the answers on the poll I have just recently conducted are included below without comment, along with the results of the poll I conducted at the beginning of the session.

I trust the results will prove as interesting and informative to all who study them as they are to me.

The polls follow:

POLL RESULTS, JANUARY 1957

1. Do you like the President's determined efforts to establish equal rights for Negroes? Yes, 72 percent; no, 28 percent.

2. Should we give permanent status to the Hungarian refugees? Yes, 38 percent; no, 62 percent.

3. Do you agree that we can admit a somewhat larger number of permanent immigrants? Yes, 32 percent; no, 68 percent.

4. Do you prefer a balanced budget to an income-tax reduction? Yes, 81 percent; no, 19 percent.

5. If a Treasury surplus develops would you prefer debt reduction to a cut in excise taxes? Yes, 81 percent; no, 19 percent.

6. Do you believe that the selection of Congressional committee chairmen by seniority is very bad? Yes, 70 percent; no, 30 percent.

7. Would you oppose increasing postal rates? Yes, 33 percent; no, 67 percent.

8. Do you think we are spending too much money on national defense? Yes, 19 percent; no, 81 percent.

9. Do you think we are spending too much money on foreign aid? Yes, 78 percent; no, 22 percent.

10. Do you oppose the Federal Reserve Board's policy of restricting credit (so-called hard money program)? Yes, 28 percent; no, 72 percent.

11. Do you believe the voting age should be lowered to 18 years? Yes, 37 percent; no, 63 percent.

12. Should the Congress grant the President the powers he requests to deal with the problems of Egypt and Asia Minor (so-called Middle East)? Yes, 77 percent; no, 23 percent.

POLL RESULTS, JUNE 1957

1. Do you approve appropriating Federal funds for a public school construction program? Yes, 55 percent; no, 41 percent; no reply, 4 percent.

2. President Eisenhower has reduced his request for foreign aid to $3.9 billion. Do you think it would be wise to cut his request by as much as $1 billion more? Yes, 50 percent; no, 45 percent; no reply, 5 percent.

3. Do you feel that substantial cuts can safely be made in funds available to the armed services? Yes, 38 percent; no, 56 percent; no reply, 6 percent.

4. Do you favor the construction of the Allegheny River Reservoir, often called the Kinzua Dam? Yes, 53 percent; no, 36 percent; no reply, 11 percent.

5. Should such professional sports as baseball, football, basketball, and hockey be subject to the antitrust laws? Yes, 54 percent; no, 31 percent; no reply, 15 percent.

6. Congress will soon vote on statehood for Hawaii and Alaska. Would you vote "yes" or "no"? Yes, 86 percent; no, 9 percent; no reply, 5 percent.

7. The House committee has favorably reported a bill raising postage rates on all classes of mail about $500 million. How would you vote? Yes, 77 percent; no, 19 percent; no reply, 4 percent.

8. Do you believe that Government is more to blame for post-Korean war price increases than labor and management? Yes, 29 percent; no, 59 percent; no reply, 12 percent.

9. Are you generally satisfied with President Eisenhower's conduct of domestic affairs? Yes, 73 percent; no, 23 percent; no reply, 4 percent.

10. Are you generally satisfied with President Eisenhower's conduct of foreign affairs? Yes, 63 percent; no, 31 percent; no reply, 6 percent.

P. S.—I am endeavoring to answer all separate requests and comments accompanying the returned questionnaires. Because of the workload some may undoubtedly be overlooked. Consequently, if you do not receive a reply within the next 10 days to any such request, please inform me.

Alaska Statehood

EXTENSION OF REMARKS

OF

HON. WILLIAM A. DAWSON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1957

Mr. DAWSON of Utah. Mr. Speaker, I wish to take just a moment or two to comment on the results of the meeting of the House Interior and Insular Affairs Committee of Tuesday, May 28. At that time the full committee considered the bill which would admit Alaska into the Union. The Subcommittee on Territories and Insular Affairs had, a short time prior to the aforesaid meeting, voted out the statehood bill, after having conducted hearings and having considered innumerable amendments since the legislation was first taken up on March 11, at the 1st session of the 85th Congress.

Of the amendments that were adopted by the subcommittee, four principal amendments were considered separately by the full committee for adoption or rejection. First of all, an amendment providing that an election be held in Alaska to determine whether the duly qualified electors wished to have their Territory become a State, before it could legally become such even though Congress had favorably passed the legislation, was rejected by the committee. I felt that the people of Alaska had expressed their wishes on this matter previously; directly, in a referendum on the question in 1948, and indirectly, by approving the proposed Alaskan constitution drafted at a 75-day session commencing on November 8, at a constitutional convention formed pursuant to a law enacted by the 1955 territorial legislature. It is interesting to note that the Governor-designate of Alaska, Mike Stepovich, of Fairbanks, Alaska, indicated by telegram to the Interior Committee that while he would accede to the wishes of the Congress on this matter, he felt, as I have stated, that the foregoing was an indication of the feelings of the Alaskan people on this subject plus the further fact that a further referendum would be an unnecessary expense.

The second amendment considered by the committee was a proposal which would have delayed for 5 years after Alaska finally became a State, the transfer of jurisdiction over the fish and wildlife resources to the new State. This amendment, which was rejected by a 17–14 vote, means that the bill as it now stands, if enacted into law, would transfer these resources from the control of the United States Fish and Wildlife Service to the new State of Alaska. What this will mean to Alaska can be shown by simply referring to the 1956 Annual Report of the Governor of Alaska, where, on page 1, it is stated:

> Alaska's economic condition was generally good and did not change materially during the year. Total production from Alaska's natural resources totaled $131 million. Of this, $69.7 million was from the fisheries.

The third and fourth amendments, which were also considered separately by the committee, included a proposal by Delegate BARTLETT, of Alaska, to substitute language so as to require any Federal agency to obtain Congressional approval before taking over 5,000 acres or more of public land for its use during the first 5 years of statehood, and a proposal for retention in the Federal Maritime Board of its exclusive jurisdiction over common carriers engaged in transportation by water between any ports in the new State of Alaska, and between any port in Alaska and other ports in the United States, its Territories, or possessions. While a somewhat similar bill to the substitute language proposed by Delegate BARTLETT, in respect to the maximum amount of public-land withdrawals without Congressional approval is pending before the House Interior Committee, the proposal to substitute was also rejected by the full committee as was the final amendment.

The full committee then adopted the rest of the amendments contained in the bill before it and proceeded to vote out the statehood bill by a vote of 24 to 6. As a firm believer in statehood for Alaska and Hawaii, I was happy to see that 11 of the 13 Republicans who voted on the bill and 13 of the 17 Democrats voted in favor of the legislation. It is this kind of bipartisan proceeding that will be necessary for the passage of this statehood legislation. I sincerely hope that it will be demonstrated when the House of Representatives votes on this important measure.

Address of Hon. Peter F. Mack, Jr., of Illinois, at Memorial Day Service, Honor Roll Park, Morrisonville, Ill., on Thursday, May 30, 1957

EXTENSION OF REMARKS

OF

HON. J. CARLTON LOSER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1957

Mr. LOSER. Mr. Speaker, our distinguished colleague, the Honorable PETER F. MACK, JR., delivered an outstanding address at Memorial Day services at Honor Roll Park in Morrisonville, Ill., on Thursday, May 30, 1957.

Under leave to extend my remarks, I am inserting in the RECORD this very fine address:

ADDRESS OF HON. PETER F. MACK, JR., OF ILLINOIS, AT MEMORIAL DAY SERVICES AT HONOR ROLL PARK, MORRISONVILLE, ILL., ON THURSDAY, MAY 30, 1957

I am proud to have been asked to participate in your Memorial Day service. But I am wondering why I was selected for this high honor.

Possibly it is because I am your neighbor and treasure the association and friendship of your fellow townsman.

Perhaps it is because I have served in the military service and have a continuing interest in it through my participation in the active Naval Reserve.

I think it is more logical, however, that you chose me because of my office as your Representative in Congress.

This office has been made possible by those men who have given their lives to protect our democratic form of Government.

Without their sacrifices our Congress would not exist nor would the liberties which we enjoy under our representative form of Government.

Therefore, it was appropriate for you to call on me, as your Congressman, to participate in this memorial service, so that I can be reminded of the responsibilities we have assumed in continuing the fight for a peaceful world.

Many of the Morrisonville men who gave their lives, and whose names appear on the honor roll in this park, were personal friends of mine.

There is no honor we can pay that is too great for the one who has made the supreme sacrifice of giving his life for his country.

In our feeble way, we are trying to remember the great contributions of our war dead and the sacrifices they made, by inscribing their names on this scroll and coming to honor them every Memorial Day. This is little enough for the service they rendered.

We should pray to God every single day of our life in this democratic country that these men we honor today will be sufficiently rewarded and decorated in the halls of heaven for their sacrifices on the sea, in the air, and on the battlefields of Europe, Korea, and the South Pacific.

Most of us here today are old enough to remember Memorial Days when there were still a few Civil War veterans around to occupy seats of honor on the platform.

We can recall when men who had fought in the Spanish-American War of 1898 were in the vigorous prime of early middle age.

Youthful veterans of the First World War led the march to the cemetery on Memorial Day. Most of us called it Decoration Day then.

Now, it is we veterans of World War II who have turned gray at the temples.

Veterans of the Korean war are the latest group of Americans who offered to give their lives that the Nation might live.

Each of the earlier wars had its troublesome aftermath. But none posed as many vexing problems, as much uncertainty or as grave a threat to our very existence, as our present concern with the hydrogen bomb.

In Washington this week the congressional Joint Committee on Atomic Energy, composed of Members of the Senate and the House of Representatives, began public hearings on the question of radioactive fallout from nuclear weapons explosions and its effect on man.

These hearings probably won't get as many headlines as the investigation of Dave Beck, but a Washington newspaper calls the fallout hearings the biggest quiz show of the century. As this newspaper put it, the question is: How much radiation from weapons tests, natural cosmic rays and medical X-rays can man tolerate without placing a veto on future generations?

The answer of the scientists seems to be nobody knows.

Nobody knows for sure how much radiation the human system can tolerate without hazard to health.

Nobody knows for sure how big a nuclear dose can be absorbed without harm to future generations.

We do know that radiation from any source—natural or manmade—is harmful.

The fallout hazard probably is greater in countries like the United States where medical X-rays already have subjected many people to considerable radiation.

Just what is fallout? I have heard it defined as the dropping back to earth of radioactive particles hurled into the atmosphere by nuclear explosions.

Scientists tell us that the most dangerous element of radioactive fallout is strontium 90. Two physics professors, John Fowler of Washington University in St. Louis and Norman Goldberg of the University of Pennsylvania, told of the dangers from strontium 90 in an article reprinted in the CONGRESSIONAL RECORD.

They wrote: "There is a strong possibility * * * that any amount of strontium 90 can cause serious damage—leukemia or bone tumors. Many scientists strongly suspect that any radiation which takes us appreciably above the existing natural level of radiation, which is due to cosmic rays, natural radioactivity in the soil, etc., is dangerous. We do not know what amount of damage is being done by these natural radiations and so cannot safely evaluate the effect of adding to them."

Yet we are told by a member of the Atomic Energy Commission, Dr. Willard Libby, that the risk from fallout is extremely small. Dr. Libby feels that these risks have been exaggerated by the many scientists and others who have called upon the United States, Britain, and Russia to stop testing large nuclear weapons.

On the other side of this question we have such scientists as Linus Pauling, winner of the Nobel prize in chemistry, and Laurence H. Snyder, president of the American Association for the Advancement of Scientists; such humanitarians as Pope Pius XII and Dr. Albert Schweitzer, and such statesmen as Adlai Stevenson, all of these men have urged that the testing of nuclear bombs be halted.

Just this week a petition signed by 25 prominent scientists, including Dr. Pauling and Dr. Snyder, states that—and I quote—"Each added amount of radiation causes damage to the health of human beings all over the world and causes damage to the pool of human germ plasm such as to lead to an increase in the number of seriously defective children that will be born in future generations."

Even Dr. Libby, who sees no real danger in continuing the tests, concedes that—and again I quote—"No scientist maintains that there is no risk at all from test fallout."

Another official who holds somewhat the same view is Dr. Charles L. Dunham, Director of the Biology and Medicine Division of the Atomic Energy Commission. Testifying before the joint committee, Dr. Dunham said that there is no question that any quantity—I repeat, any quantity—of radioactive fallout is undesirable.

But then he went on to say that other policy considerations besides health govern the continuance of weapons tests. Dr. Dunham said that from 300 to 500 scientists employed by the Atomic Energy Commission are now devoting their full time to studying radiation hazards.

My own view is that the United States should take the initiative now—with or without an international agreement—to stop the testing of large nuclear bombs.

Limited experimentation with small nuclear weapons may be necessary. But we should strive for an agreement that will put a stop to explosions of hydrogen bombs and other large nuclear devices that scatter harmful radioactive ash all over the world.

The United States was the first Nation to achieve atomic fission. We were the first Nation to drop an atom bomb. We are the only Nation that has ever used a nuclear bomb as an instrument of warfare. We have a greater moral responsibility than any other nation in this matter. I am not criticizing the decision to drop the atom bomb on Japan during World War II. Responsible statesmen and military leaders say these bombings actually saved lives by shortening the war.

I do say, however, that because we were the first to use the atom bomb in war, we have a moral responsibility to take the lead in taming the atom.

We should concentrate our efforts on adapting nuclear energy to peaceful uses so that it will become a blessing to mankind instead of a curse.

In my humble opinion there is nothing constructive to be gained from continued testing of hydrogen bombs or other large nuclear weapons.

I am not an atomic scientist. But as a layman with a continuing interest in this subject, I have been convinced that we already are capable of devastating one-quarter the surface of the earth in a matter of a few hours. Must we carry the art of destruction to any greater degree of perfection?

The small nations of the world look to the United States for leadership in this matter.

We must remember that nuclear weapons are now being manufactured by only three nations—the United States, Britain, and Russia.

But the peoples of the small countries of Europe and Asia, Africa, and the Americas, cannot evade the hazards to which they are exposed by our continued experimentation.

It has been said that the soil of Japan has been contaminated by Russian experiments in Siberia while the fish that are the staple of the Japanese diet has been contaminated by American experiments at Bikini.

Our moral responsibility is all the greater because of these risks to other peoples because of a national policy over which they have no control.

Why do not the United States, Britain, and Russia come to an agreement to end the testing of atomic bombs? Albert Schweitzer, the great humanitarian and winner of the Nobel peace prize, gives this answer.

"The real reason," Dr. Schweitzer wrote, "Is that in their own countries there is no public opinion asking for it. * * * Public opinion in all nations concerned must inspire and accept the agreement."

The Gallup poll recently reported that 63 percent of Americans believe the United States should stop testing nuclear weapons and H-bombs if Russia also agrees to stop.

It is my belief that the United States, without risk to our security, can stop these tests now, without waiting for agreement from Russia.

The effect of such a decision by us would go farther toward winning allies in this troubled world than the billions we have spent on foreign aid.

It has been said that the cold war is principally a battle for minds and souls of peoples in the neutral nations.

The proposed ban on further testing of H-bombs is a propaganda weapon of the greatest magnitude. Let's use it to advance the cause of peace in the world.

Representative Glenn Cunningham, of Nebraska, Shows How Matching Funds Penalize Industrious States and Cities

EXTENSION OF REMARKS

OF

HON. ROBERT D. HARRISON

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1957

Mr. HARRISON of Nebraska. Mr. Speaker, my colleague from Nebraska, Representative GLENN CUNNINGHAM, was given the 1957 outstanding alumnus award by the University of Omaha Alumni Association. Mr. CUNNINGHAM received this annual award in recognition of his work in civic and governmental affairs since his graduation from the university in 1935.

At the annual award banquet June 1 in Omaha, Mr. CUNNINGHAM spoke out sharply against certain matching funds of the Federal Government which allow reapportionment of unused State quotas. He pointed out that these programs are penalizing those States and cities which have gone ahead and done the job on their own, not waiting for or looking for a handout from Washington. His address follows:

ADDRESS BY THE HONORABLE GLENN CUNNINGHAM, MEMBER OF THE HOUSE OF REPRESENTATIVES FROM NEBRASKA, ON THE OCCASION OF THE 1957 ALUMNI ACHIEVEMENT DAY BANQUET, UNIVERSITY OF OMAHA, JUNE 1, 1957

Ladies and gentlemen, these past few months in Washington have been interesting—perhaps fascinating is a better word—but they have also been quite revealing. The manipulations of those in Government are interesting to follow, and the workings of our vast and complex Government sometimes leave you shaking your head.

Tonight I would like to take a few minutes to discuss an area of legislation which involves a sizable share of the 1958 budget. It is an area which promotes and fosters spending—not only by the Federal Government—but by States and cities as well.

It is an area that must be the delight of the free spenders and big dealers * * * those implanted in Government during the days when it was so fashionable to outbid the fellow at the next desk in devising schemes to give away Federal money.

JUST ONE FACET

Let me briefly describe this activity that is costing all of us a lot of unnecessary money. And please bear in mind that this information is the result of a study I have undertaken of just one small facet of the huge budget which contains 1,150 pages in all. There are many other parts where great economies can be made, such as in the public works bill—better known as the pork barrel. Year after year, this bill includes some public works projects which have not been approved by the departments concerned. Fortunately, last year President Eisenhower vetoed such a bill because of the unauthorized projects. But the good and approved projects get set back too. Senator ROMAN HRUSKA, a past recipient of the award given me tonight, made a valiant but futile fight on the floor of the Senate to strike out these unapproved projects this year, but the economy forces could not muster the needed strength, and the pork barrel rolled on.

But to return to my subject—matching fund programs. I am sure you are all familiar with matching fund projects, where Federal funds help pay for a State or local project, provided there is a certain share of the program paid by State or local contributions. In most projects of this type, State and local money is matched dollar for dollar by the Federal money.

TYPES OF PROGRAMS

There are three general types of matching programs. In the first, communities go to the Federal Government with their individual projects. If the plans meet certain standards and specifications set up by Congress or the administrator of the program, then the project is rated according to various criteria and placed on a waiting list. As Federal funds are available for the programs, the money is transferred to the communities. A program of this type is the watershed protection and flood-prevention program. Many Nebraska farm areas and cities are safer as a result of watershed protection and flood-prevention program.

Secondly, there are programs in which money provided by Congress is divided among the States on a quota basis, each State receiving a certain amount for its own use. If the State, or cities within the State, want Federal funds for the program, they apply to Washington, and the money is committed as long as it lasts. If there are not requests for all of one State's quota, the funds revert unspent to the Treasury. A program of this type is Federal aid for hospital construction, which has been of benefit to a number of Nebraska hospitals.

In the third type of program we find a real culprit. There is again a State quota of funds as in the second case mentioned. But if a State does not use all of its quota within a certain time, the unused Federal funds are made available to other States that have used their shares and still want more. A classic example of a program of this type is Federal aid to airports. Let me say now that using the airport program as an example does not mean I oppose the entire idea, but I was disturbed to find this certain section.

EXAMPLE CITED

Recently the Department of Commerce and the Civil Aeronautics Administration announced State quotas for $60 million worth of airport aid. Nebraska is scheduled to receive a little more than $750,000 of this money.

Now let's suppose that for some reason there is no interest in airport work in Nebraska, or that we have no need of additional airport facilities. There would be no applications to Washington, and none of the $750,000 would be spent in Nebraska.

After holding Nebraska's share for 2 years, the officials would then cancel our right to the funds, but the money does not revert to the Treasury in this case as it does with hospital construction funds. Instead it is reapportioned among the 48 States again. So let us assume now that Maine has spent all of its share of the original $60 million. But there are still some cities in Maine that would match Federal funds if they were available. As a result of Nebraska's lack of interest or need, the Nebraska funds are now available for cities in Maine, and in any other States that want the money.

So what happens is that Nebraska taxpayers contribute their share of this $60-million program through income taxes. After a small servicing charge by Washington administrators, a share of this money was reserved for us here in Nebraska to improve our airports. But we assumed nobody here wanted or needed airport improvements, so Nebraska loses its share of this money and it goes to Maine and other States to help them. The only way to get our own money back from this program is to spend more money on the local level. And if we don't, we find our taxes going to other States for their programs.

THE GRAB FOR FUNDS

Thus, in the cities and States of the country we find persons who can say of a certain matching fund program, "If we don't get the Federal money, somebody else will." I heard this said from time to time when I was mayor and interested parties made an effort to push a new local spending program through. In Washington I became interested in the matter again, and I have been able to do some research on the matter.

I was shocked to learn that there are several programs of this type which allow this Federal money, which is really your money and mine, to flow into those States which spend the most money themselves. Here in Nebraska our State government is trying to save money by reducing the budget and lowering taxes. How does such a policy affect these matching programs?

You know that answer yourself. If we don't have the State money to match a Federal fund, Nebraska's share goes to other States which then benefit from our taxes. So we end up with this ridiculous situation: States and cities increase their tax rates to raise money to match the Federal funds involved in these programs. The taxpayer is squeezed by the pressure from Federal income taxes and from State and local taxes. And remember this, so long as some States and cities match all this Federal money, the programs will roll on. For the sponsors who come back year after year for Federal money from Congress can show that r'l the previous year's appropriation has been gobbled up and more was wanted. So more Federal money is appropriated into matching funds of this type, and the people of the whole country keep paying their Federal taxes to support these programs.

NEARLY $2 BILLION

I said a few moments ago that I was shocked to learn that there are several programs which reapportion this matching money. And I think you will be equally

shocked to learn that these few programs I have uncovered so far are listed in the 1958 budget to receive $1,870,575,000—nearly $2 billion, or more than 9 percent of the total domestic budget.

That's a lot of money flowing from State to State by way of Washington. It penalizes those States and cities that are sincerely interested in trying to save tax money. Worse yet, it penalizes those States and cities that have gone ahead and done the job on their own, not waiting for or looking for a handout from Washington. Such programs could very well destroy the initiative so vital in State and local affairs. And I can prove it.

I received a letter earlier this year from a school district that was going to build a new school building. The officials of this small school district wanted my opinion about building now with their own financing or waiting to see if there would be a handout from Washington. And while they would wait for some of this free money from Washington, the children would also be waiting—for schoolrooms. Needless to say, I wrote them to get going and not to count on Congress to act, because they could get 435 different views on Federal aid to schools in the House of Representatives alone.

I was happy to see this ridiculous reapportionment provision knocked out of one bill already this year. And as my research finishes in the next few weeks on other matching aid programs, I will enlist the support of other economy-minded Congressmen in trying to make the necessary changes in the basic laws setting up these programs so that this spender's holiday can be slowed down, at least a little.

Speech of Hon. E. L. Forrester, of Georgia, Before the Georgia Bar Association, Savannah, Ga.

EXTENSION OF REMARKS

OF

HON. WILLIAM M. TUCK

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1957

Mr. TUCK. Mr. Speaker, under leave to extend my remarks in the RECORD, I am glad to include an address delivered by our able colleague, the Honorable E. L. (TIC) FORRESTER, before the Georgia Bar Association in Savannah, Ga., on May 30, 1957.

The gentleman from Georgia is an able and distinguished lawyer. I am glad to be associated with him on the Judiciary Committee of the House of Representatives.

The address of Congressman FORRESTER should be of particular interest at this time because of the so-called civil rights bill which will come up before the House tomorrow. It is as follows:

SPEECH OF E. L. (TIC) FORRESTER, OF GEORGIA, BEFORE THE GEORGIA BAR ASSOCIATION, SAVANNAH, GA., MAY 30, 1957

Mr. Chairman, my colleagues of the bench and bar of Georgia, distinguished guests, ladies and gentlemen, I am sure that all of us have experienced certain satisfactions from our professions, our public life, and public service. Over all of the experiences I have had over many years the most satisfying are those I derived from being just a country lawyer and being one of you. One of the finest compensations in my life has been the privilege of knowing you, working with you, sometimes maybe working against you, associating with you, and at all times partaking deeply of the generous friendships which the Georgia bench and bar has undeservedly but completely extended me through the years.

I have always loved the bench and bar of Georgia. I always will. I know as a fact that there has never been a greater bench and bar than the bench and bar of our great State. Almost 7 years of service in Congress, and during that entire time being a member of the House Committee on the Judiciary, has further pointed up that positive fact.

I am keenly and deeply appreciative of the great honor extended me when, in your generosity, you permitted me to appear on your program. I have looked forward to being with you. It is a distinct pleasure to be here. Unless I get news from Washington that certain legislation is likely to be brought upon the floor this week I plan to stay through this convention and indulge my desire to have the opportunity of fraternizing with you and to renew the bonds of friendship and affection that we have had for each other over the years.

It is an additional honor, and additional privilege, to appear before this convention at a time when my warm and genuine friend, Howell Hollis, is president. Under Howell's leadership the Georgia Bar Association has had one of its most productive and progressive years. He is an outstanding lawyer, a conspicuously brilliant public servant, a man of incorruptible integrity, a devoted friend, and one whose future demands our brightest hopes and fondest expectations.

Permit me to express my gratitude over the splendid but most generous introduction by my long-time friend, Ernest Vandiver. I have observed Ernest as you have observed him, both as a lawyer and as lieutenant governor of our State. He has made a brilliant record. He is capable and efficient, the possessor of that rare indomitable courage necessary to support his convictions and a most effective champion of the principles in which you and I believe.

It was suggested to me that you would like for me to discuss the legislation pending in Congress masking itself under the spurious label of "civil rights." That I will attempt to do.

Those of you who know me, I do not have to assure that I was perfectly happy down in the little town of Leesburg, Ga., in the role of a country lawyer and solicitor general of our judicial circuit. I believe you know that I had no desire whatever to leave the section of Georgia which had been so kind to me, to leave the bench and bar, which had been a part of my life, and to take up my abode in Washington, other than the desire to try to be of assistance in restoring our ancient landmarks, to preserve our Constitution, to preserve our racial integrity and the racial integrity of any group or groups which take pride in their respective races upon the premise that their race is worth preserving. To that end I committed myself and to that end have I labored. If, and when, those desires are to any appreciable extent gratified, then I will consider that my work has been done and you can certainly expect me to return to Georgia for the balance of my days, with a generous amount of those remaining days being used in associating with you and the people who are the bone of my bone and flesh of my flesh. Yes, you can expect me then to spend the remainder of my days with the people whom I respect, admire, and genuinely love.

It so happens that I have been exposed to civil-rights legislation during the entire time I have been a Member of Congress. I have been on the committee which has handled this legislation, and I have had the opportunity to know this legislation as fully as any man in Congress. In order to discuss this legislation with you, it will be necessary that we discuss some of the background of this legislation.

This type of legislation had its inception as an aftermath of that terrible War Between the States when brothers were arrayed against brothers. It had its birth in an era of hysteria and at a time when there had not been a sufficient cooling period for minds of ordinarily reasonable men to act calmly and with judgment. Maybe with generosity, maybe with truth, we could draw upon that principle of legal jurisprudence that persons acting under the excitement of passion, without any mixture of deliberation whatever, and without malice, will not be held to the same strict accountability to the law as would a person acting in a calm atmosphere and at a time when irresistible passions were not aroused. It is not surprising to lawyers that civil-rights legislation was passed shortly after the War Between the States, for our legal minds are trained to take into consideration the infirmities and weaknesses of mortal man. Though that legislation was unjust and added to the problems of a prostrate section trying to arise from the ashes, we can see extenuating circumstances, perhaps, and ponder whether that legislation was inspired by malice or because of passion destroying reason and deliberation.

Neither is it surprising to lawyers that in a few short years, when hot blood had cooled, and reason had its sway that Congress on its own volition would annual some of that legislation and that the United States Supreme Court would void portions of that legislation because of its manifest unconstitutionality.

It is not surprising to you that by 1875 the high-water mark of that era had reached its peak and that no further civil-rights legislation was enacted by Congress since the year 1875, and during many years following 1875 Congress set itself to the task of annulling some of that legislation and the United States Supreme Court rose to the occasion and struck down those portions that they agreed were offensive to our Constitution.

It is surprising to you and surprising to me that 50 or 60 years later, and after we had become a united nation, indeed, and as comrades in arms had fought to victory through two wars—one a world war—and with indications that we would be called upon to fight other world wars and, if so, the South would cover itself with glory and distinction upon the battlefield, that agitation again would rear its ugly head, and that groups would urge, yes demand, that the very legislation which was annulled by Congress and the very legislation which was struck down by our Supreme Court as being unconstitutional, together with other more offensive and stringent legislation completely at odds with our Constitution and our philosophies would be placed upon the back of our people, despite the fact that we had the same Constitution and despite the fact that every one admits that those so-called problems are disappearing year by year.

It is to that startling development that I ask you as lawyers to address yourselves today.

Just why have our principles of jurisprudence been so rudely upset? Why is it that at a time when reason should hold sway and hot blood should have long ago cooled, that the people of this country are being assaulted with fervor unparalleled in our country? We do not have to look far to find the answer. You need look no further than the 176th Georgia Supreme Court Report, pages 832–869, in the case of *Herndon v. the State*. There was unfolded the Communist conspiracy to agitate and to overthrow this country by force and violence.

The Georgia court did its duty, convicted Herndon, but the United States Supreme Court reversed that conviction, I believe, on the premise that the State failed to show that the defendant and his coconspirators intended presently to overthrow our Government. Nevertheless, that Court was evidently not prepared to hold that the Federal

Government had preempted the field as the present United States Supreme Court held in the Nelson case and thereby striking down the laws of the States punishing insurrection, or attempts.

It might be of interest to you to know that the Communist Party platform of 1928 set out its demands regarding social and racial equality, and that virtually all of those demands have been fully met by judicial, administrative, and executive decrees and that the proposed legislation is simply for the purpose of implementing them.

One of the most unfortunate decisions ever rendered by the United States Supreme Court was in the case of *Missouri* v. *Holland* in 1920. There the Court ruled that treaties overruled our Constitution.

In the report of President Truman's Committee on Civil Rights, issued in 1947, will be found the following:

"It is true that the Federal Government does not possess broad, clearly defined delegated powers to protect civil rights which it may exercise at its discretion. A detailed examination of the constitutional aspects of the civil-rights problem makes clear that very real difficulties lie in the way of Federal action in certain areas."

But, let's continue reading; they gleefully say:

"In its recent decision in *Missouri* v. *Holland* in 1920, the Supreme Court ruled that Congress may enact statutes that carry out treaty obligations, even where in the absence of a treaty, it has no other power to pass such a statute. This doctrine has an obvious importance as a possible basis for civil-rights legislation."

But, read on:

"The Human Rights Commission of the United Nations is at present working on a detailed international bill of rights designed to give more specific meaning to the general principle announced in article 55 of the charter. If this document is accepted by the United States as a member state, an even stronger basis for Congressional action under the treaty power may be established."

In 1949, 81st Congress, the then Attorney General Tom Clark, now a Justice of the Supreme Court, made a statement before the House Committee on the Judiciary while advocating an omnibus bill encompassing civil-rights legislation or proposals in every field the human mind could conceive of, and his entire statement can now be found in hearings before subcommittee No. 5, 85th Congress 1st session, pages 325–347.

Mr. Clark made the following statements, among others:

"Following the Civil War, a number of civil-rights statutes were enacted, but over the years, through decisions of the Supreme Court and Congressional action in 1894 and 1909, the laws implementing the 3 amendments (13th, 14th, and 15th) were reduced in number and scope," page 326.

Also the following:

"I am not unmindful, of course, that serious questions of constitutionality will be urged with regard to some of the provisions of this bill. But I am thoroughly satisfied that the bill, as drawn, is constitutional. It is true that there is a line of decisions holding that the 14th amendment relates to and is a limitation or prohibition upon State action and not upon acts of private individuals (*Civil Rights* cases (109 U. S. 3); *U. S.* v. *Harris* (106 U. S. 629); *U. S.* v. *Hodges* (203 U. S. 1).) * * * However, without entering here upon a discussion of whether or not these decisions are controlling or possess present-day validity in this connection, it may be pointed out that such a provision punishing persons as individuals need not rest solely upon the 14th amendment. Upon proper Congressional findings of the nature set forth in H. R. 4683, the constitutional basis for this bill would include the power to protect all rights flowing from the Constitution and laws of the United States, the law of nations, the treaty powers under the United Nations Charter, the power to conduct foreign relations, and the power to secure to the States a republican form of government, as will as the 14th amendment" see page 347.

On page 329 Mr. Clark said that the legislation he was proposing would bring about a greater awareness of the obligations of this Nation as a member of the United Nations.

Page 334 shows that Mr. Clark pointed out that he was removing by his proposed legislation what appears to be an unnecessary technical limitation to citizens, and it may be properly urged, at this date, that the extension of coverage is in accordance with the general public policy of the United States, as subscribed to in the United Nations Charter, to promote respect for, and observance of, human right and fundamental freedoms for all.

On page 331 Mr. Clark said that his Civil Rights Department "has aided the Office of the Assistant Solicitor General in cooperating with the State Department in connection with United States participation in the preparation by the United Nations of the universal declaration of human rights and of a proposed covenant to enforce some of these rights." And, on that same page, Mr. Clark said that his Civil Rights Division assisted in the preparation of amicus curiae briefs submitted by his Department to the Supreme Court in the restrictive covenant cases. All of that is well known to the legal fraternity and the pity is that his successors have followed in his footsteps.

Alger Hiss contends that he was virtually the architect of the United Nations Charter. He may have been the inspiration, but he had lots of help. I have in my office a book entitled "Review of the United Nations Charter," published pursuant to Senate Resolution 126, 83d Congress, 1st session, presented by Senator WILEY and I believe you can obtain that work by ordering same from the United States Government Printing Office. That book ought to be in the library of every lawyer in our country. That charter was signed in San Francisco on June 26, 1945, by the United States and 49 other governments. It was ratified by the United States Senate in July 1945, and ratified by the President on August 8, 1945.

On July 2, 1945, President Truman submitted the charter to the Senate for approval and among other things said that the objectives were, among other things, "to achieve universal respect for, and observance of, human right and fundamental freedoms for all men and women without distinction as to race, language, or religion." Also, he said, "It seeks to remove the economic and social causes of international conflict and unrest."

On page 69 of that work, entitled "Purposes of Legislation," the committee said that "unless we are prepared to take all steps which are necessary to effectuate our membership in the United Nations, we will merely be defeating the hopes of the United States and humanity in ratifying the charter. The committee feels that the people and the Members of the Senate understand clearly the consequences and requirements of our membership in the United Nations and that they are prepared to undertake the responsibilities of membership in order to enjoy the privileges which that membership may ultimately bring in the form of world security."

Pages 247–251 show the universal declaration of human rights adopted by the General Assembly, United Nations, December 10, 1948. Page 251 shows the address of Mrs. Eleanor Roosevelt before the United Nations Committee 3, September 30, 1948. She identified herself as Chairman of the Human Rights Commission and as a delegate of the United States, charged with the responsibility of the subject of human rights. In her statements she said:

"The importance which my Government attaches to the promotion and preservation of human rights in general and to this declaration in particular has already been made amply clear by Secretary Marshall."

Also, she said:

"The United States looks forward to the approval of this declaration by the General Assembly as one of the great achievements of this session. The declaration will serve as a challenge to all nations and all peoples so they will all strive to achieve the standards set forth in the declaration. The declaration of human rights is of course only the first step in the implementation of the human-rights program called for by the Charter of the United Nations."

On page 253 she said:

"My Government is nevertheless prepared to accept the declaration as it stands and we will support its approval without amendment if other states are ready to follow that course."

I pause to say to you here that you will find the United Nations Charter and the universal declaration of human rights of great value in your attempts to reconcile any recent decisions of our United States Supreme Court, with our Constitution and the respect you have been taught to have for the rule of stare decisis.

Indeed, Thomas Jefferson said: "If the treaty power is unlimited, we have no Constitution."

If the *Missouri* v. *Holland* decision is correct, and I dispute it, or even if the United States Supreme Court thinks it is correct, then you may be willing as lawyers to concede that they had some basis for their rulings in the famous school case decisions. It may be that they were not ignorant of stare decisis, but were of the opinion that the ruling of *Plessy* v. *Ferguson* and other cases did not apply, because *Plessy* v. *Ferguson* was applicable to the Constitution only and was decided before the United Nations Charter overrode our Constitution.

This thought may be speculated upon with interest, inasmuch as in the recent football case (*Radovich* v. *National Football League*, February 25, 1957) the same court refused to disturb the decision rendered 25 or more years ago holding that baseball was not a business under the interstate commerce laws, recognizing the rule of stare decisis, and suggested that if Congress wished to legislate upon that subject Congress had the power.

Indeed, under the Universal Declaration of Human Rights, implementing the United Nations Charter, a lawyer can see some kind of basis for the rulings that the States exceeded their authority in denying admission to the bar of applicants confessing that they were once upon a time Communists. (Universal Declaration of Human Rights, art. 2, reading:

"Everyone is entitled to all the rights and freedoms set forth in this declaration, without distinction of any kind, such as race, color, sex, language, religion, political or other opinion, national or social origin, property, birth, or other status.")

Rulings that passports must be issued to suspected Communists might be understood under the Charter and the Declaration. (See Universal Declaration of Human Rights, art. 13 (2), reading:

"Everyone has the right to leave any country, including his own, and to return to his country.")

Even the upsetting of Stephen Girard's will might not be considered so heinous.

You are, of course, familiar with the Genocide Treaty, adopted by the United Nations, December 9, 1948. That was the proffered treaty that people, particularly lawyers, in the United States became highly interested in and opposition developed to such an extent that the Bricker amendment was proposed. It was never ratified, true. Bear in mind, the universal declaration of human rights did not require ratification. They are enunciations of charter principles.

The book I have referred to as presented by Senator WILEY, page 262, shows a letter written by Secretary Dulles to Mrs. Lord, the United States Representative before the Human Rights Commission, United Nations, dated April 3, 1953, saying:

"The President and I are anxious that you carry a personal message to the Commission. We believe that the American people are determined to do all within their power to make the United Nations become an ever more effective agency for promoting, in the words of the charter, 'respect for human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion'."

On pages 263–264 Mr. Dulles tells Mrs. Lord to say to the Commission that the covenants will not be as widely accepted by United Nations members as initially anticipated and he recommended a change in approach, saying:

"We recognize that in presenting to the Commission a change in approach, extended discussion will be required in the Commission and later in the Economic and Social Council and General Assembly as well. By reason of the considerations referred to above, the United States Government has reached the conclusion that we should not at this time become a party to any multilateral treaty such as those contemplated in the draft covenant on human rights, and that we should now work toward the objectives of the declaration by other means."

What are the other means? Are they Executive orders, administrative orders, new interpretations of our Constitution? Certainly, they have had that deleterious effect. Also, can one of the ways be the recitals set out in an article entitled "A Reappraisal of the Constitutionality of Miscegenation Statutes," by Weinberger, Cornell Quarterly, volume 42, No. 2, Winter, 1957, pages 208–222, and particularly page 218, saying:

"Under the sponsorship of the United Nations Educational, Scientific, and Cultural Organization (UNESCO), 12 scientists representing physical anthropology and human genetics met in June 1951 to consider the preparation of a statement which would effect the crystallization of scientific theory and opinion on matters of race and race differences."

Also:

"The statement on the nature of race and race differences was released by UNESCO in September of 1952. The statement at article 7 said concerning pure races: 'There is no evidence for the existence of so-called pure races. Skeletal remains provide the basis of our limited knowledge about earlier races. In regard to race mixture, the evidence points to the fact that human hybridization has been going on for an indefinite but considerable time. Indeed, one of the processes of race formation and race extinction or absorption is by means of hybridization between races. As there is no reliable evidence that disadvantageous effects are produced thereby, no biological justification exists for prohibiting intermarriage between persons of different races.' "

In the footnotes Weinberger said that certain school boards had voted unanimously to discontinue use of textbooks containing un-American ideas on the origin of races.

Also, the UNESCO has distributed the statement in a variety of publications, and it is only one of several publications in the series.

I ask you: Was your conception of the United Nations Charter a mutual undertaking for mutual security, or was it for one-world government, and the wiping out of our philosophy? We all believe in mutual security, we believe in uniting for that protection, but we contend that only the people themselves have the right to destroy their Constitution.

Certainly, you view with interest and alarm the quotations of Justices Black and Douglas in *Oyama* v. *California* (332 U. S., pp. 633–689) and the expressions of Justices Murphy and Rutledge, same case, page 73. Those four Justices said that as additional reasons for striking down a law of the State of California is the United Nations Charter which this Nation had recently pledged itself to observe. You would doubtless like to read the case of *U. S.* v. *Pink* (315 U. S. 203), where the Supreme Court extended the treaty doctrine to executive agreements. Also, you might wish to read United States Reports (Cunard Steamship Co.) (262 U. S., p. 100), which involved a secret negotiation made by President Coolidge authorizing importation of prohibited liquors on British ships though the 18th amendment was in full effect.

In the 84th Congress there were introduced 51 so-called civil-rights bills. Many of those bills contained a declaration of public policy and as a part of that public policy recited:

"To promote and enforce universal respect for, and observance of, human rights and fundamental freedoms for all, without distinction as to race or religion in accordance with the undertaking of the United States under the United Nations Charter, and to further the national policy in that regard by securing to all persons under the jurisdiction of the United States effective recognition of certain rights and freedoms proclaimed by the General Assembly of the United Nations in the universal declaration of human rights."

These so-called civil-rights bills were introduced in the present 85th Congress, many of them containing the same recitals regarding a declaration of public policy. Last year, I called the committee's attention to the declaration and that all of this civil-rights legislation was predicated upon the United Nations Charter. Last year, when it became evident that H. R. 627, a bill by the gentleman from New York [Mr. CELLER], was going to be reported favorably by Subcommittee No. 2, with the recitation relating to the public policy aforesaid being stricken, Mr. Brownell hurriedly prepared and sent over to Republicans on our committee what is now known as the Brownell civil-rights legislation.

Mr. Brownell did not set out any declaration of public policy. You, as lawyers, know that it was not necessary. The United Nations Charter and the universal declaration of human rights are either the law of the land or not. That Mr. Brownell was depending upon the United Nations Charter and implementing declaration there can be no doubt when the language of his legislation is considered. "By their fruits ye shall know them" remains a true criterion.

The Brownell legislation was voted out of Subcommittee No. 2 by a vote of 6 to 1, I being the only dissenter. The legislation was rushed through the committee and upon the floor of the House, and was passed by the House in the waning days of the 84th Congress, but too late for the Senate to consider. At the beginning of the present session of Congress the Brownell civil-rights legislation was taken up in subcommittee upon the convening of Congress. In this connection, an NAACP official in Washington is quoted as of a week or two ago as saying: "To Republicans, civil-rights legislation is a happy hunting ground; to Democrats civil-rights legislation is a necessity."

The Brownell version consisted of four parts. I will attempt to discuss each of those parts with you briefly.

Part I provided a Commission, to be appointed by the President, to investigate allegations that certain citizens are being deprived of their right to vote, or are being subjected to unwarranted economic pressure by reason of their color, race, religion, or national origin; to study and collect information concerning economic, social, and legal developments constituting a denial of equal protection of the laws under the Constitution; appraise the laws and policies of the Federal Government with respect to equal protection of the laws under the Constitution.

Here, let me say that this year for the first time was the opposition permitted to appear and testify in opposition to civil rights legislation. I availed myself of that privilege and I called upon the Governor to furnish to me the attorney general and the Honorable Charles Bloch of Macon. The Governor complied—those gentlemen appeared. They performed magnificently. I can hear Charlie Bloch now saying: "Mr. Chairman, how can you legislate on religion? Is not the first amendment to our Constitution a complete bar? Mr. Chairman, does not that amendment provide for the free exercise of religion?"

You know that the free exercise of religion carries with it indubitably the right to discriminate. Were that not so, there would be no basis for religious groups such as Catholic, Episcopalian, Baptist, Methodist, Seventh-day Adventist, and so forth. That amendment was for the purpose of conferring upon each and every one the right to be different in his religious faith, so as to protect against the very tyrannies that churches in Europe had practiced upon our ancestors by requiring them to conform. The American Civil Liberties Union tipped its hand by saying: "Free censorship of books, magazines and motion pictures is rapidly disappearing," but criticized boycotts whereby religious and other groups not only exercise their right to guard their membership from material believed objectionable, but also may keep other people from exercising their judgment. Also: "That the Roman Catholic Church was one of the religious groups that had moved in that direction."

That first amendment guarantees to all churches, including the Catholic Church, a right to recommend to their congregations, their members, and the public the boycotting of theaters, picture shows, the reading of books and magazines, and any other recommendations they desire to make in the religious field. By the way, it preserves the right of the ministers of our faith and our churches to the same extent.

Frankly, it is my considered opinion that the fight made by the attorney general and Charles Bloch caused that subcommittee to strike the phrase "or being subjected to unwarranted economic pressures by reason of their color, religion, and so forth." and restricted such investigations to deprivation of the right to vote by reason of color, race, and so forth.

Pressure mounted, and the word religion was placed again in the legislation, so far as deprivation of the right to vote on account of religion was concerned. That is innocuous, but unwise. It is my personal opinion that the word religion should never appear in such legislation, and it would be salutary to adhere to the first amendment. To tamper with that amendment is unwise.

As that provision now stands, the only excuse for such a Commission can be on political grounds. Every lawyer knows that existing statutes are sufficient to protect anyone who has been unconstitutionally deprived of the right to vote.

The Justice Department in the past has administered that provision, and if the Justice Department, with its horde of assistants, and with the cooperation of all of the district attorneys in the United States, cannot protect those rights, then we need another Justice Department and another Attorney General.

As the bill now stands, we have stripped it of the phrase "unwarranted economic pressures" and the words "economic," "social," none of which can be identified in the Constitution, but which are words and phrases taken bodily from the United Nations Charter. Of course, attempts may be made to

reinstate those provisions when we get upon the floor. Then, too, to establish such a Commission will mean an abdication on the part of Congress toward its responsibility.

If an investigation is going to be had, it ought to be a congressional investigation. I challenge them to rise up to their responsibility, hold such investigations as they think necessary, and accept my challenge to televise the proceedings, giving us the right to cross-examination and right to produce witnesses to testify. If we could have that kind of investigation I would be willing, for the good people of the United States, sitting in their homes or their offices, after hearing the truth and both sides, to bring in their verdict.

The Commission still has the right to have volunteer and uncompensated personnel, which, of course, will be the NAACP and other leftwing organizations, and, also, a waiver that persons otherwise disqualified because of service with the Government can be eligible. Of course, those provisions are completely political.

Part II appears to be an innocent provision, providing for an additional Assistant Attorney General. The trouble is, it does not tell how many assistants to the Assistant Attorney General will be required. We tried to get the Department to say, but they would never express themselves. Will Maslow, general counsel, American Jewish Congress, testified that it ought to have at least 50 lawyers in it. The cost of this Commission and the assistants to the Assistant Attorney General would probably be at least $2 million for the 2 years that the Commission is to operate, and a million dollars a year thereafter for the assistants to the Assistant Attorney General.

You, as lawyers, know that with this additional personnel there will be the requirement that we have additional judges to a number not even capable of envisioning.

Part III would amend section 1985, volume 42, United States Code, by adding 2 additional paragraphs. That, of course, is the conspiracy statute, and the one referred to as the Ku Klux Klan Act. One of the paragraphs to be added provides that whenever any persons have engaged or there is reasonable grounds to believe that they are about to engage in any acts giving rise to a cause of action under that section, the Attorney General may, in the name of the United States, institute a civil action for preventive relief, permanent or temporary injunction, or other order, without regard to the requirement that the aggrieved shall have exhausted the administrative or other State remedies, and without the consent of the alleged aggrieved.

The effect would be that in every imaginable conspiracy the United States, at the taxpayers' expense, will throw the entire Justice Department against our school officials, our registrars, and persons charged with the electoral process, free of cost to the alleged aggrieved, while the defendants will have such representation and assistance as their pocketbooks permit. What the phrase "about to engage" means, I do not know. No one else knew in the committee, including the authors of the legislation.

Part IV would amend section 1971, United States Code, so that "whenever any person has engaged or is about to engage in any act depriving any person of the right of any privilege secured by subsection A or B, the Attorney General, in the name of the United States, for the benefit of the real party, may institute a civil action or other proceeding for preventive relief, including permanent or temporary injunction, restraining order or other order; and that the district courts shall exercise jurisdiction without regard to whether the party aggrieved has exhausted any administrative or other remedies provided by law.

Make no mistake, the district courts would be required to entertain suits arising by virtue of any kind of election, general, special, and primaries, for the purpose of selecting candidates down to the lowest local levels including trustees of schools, justices of the peace, county surveyor, etc. The question is, does Congress want to approach this subject in such a general and blundering manner?

In view of the ruling in the Cloverleaf Butter case and the Steve Nelson case, to the effect that the Federal Government had preempted the field, and in view of the ruling in *U. S. v. Classic* (313 U. S. 299, 3) reading as follows:

"The right to vote for representatives in Congress is a right 'derived from the States' only in the sense that the States are authorized by the Constitution to legislate on the subject, as provided by section II of article I, to the extent that Congress has not restricted State action by the exercise of its powers to regulate elections under section 4 and its more general power, under article I, section 8, clause 18, to make all laws which shall be necessary and proper for carrying into execution the foregoing powers," and in view of the provision in this proposed legislation that all State judicial and administrative remedies shall be bypassed, it is my opinion that lawyers will seriously ponder whether or not the Supreme Court would hold that the Federal Government had preempted the field so far as the voting rights, the mode of holding our elections and primaries are concerned, and that these fields would hereafter be dominated from Washington.

Under parts III and IV of the proposed legislation, the district courts would have the right to grant ex parte injunctions upon the petition of an all-powerful government, with such an extensive staff that they could grind out over night thousands of affidavits, perjurous or not, and the judge then having established manmade law, whether right or wrong, could punish the defendant for contempt and sentence him to prison, the judge being the legislator, the prosecuting attorney, the judge, and the executioner. In other words, there is no provision for the right of trial by jury. The Attorney General has seen to that. He says that juries might not convict. You and I think that is why jury trials should be provided, because after all, there are some innocent defendants. By making the United States a party, the Attorney General has deliberately sidestepped the provision requiring that a suit be for at least $3,000 before the Federal court can entertain jurisdiction, that requirement not applying where the United States is the plaintiff. He has also proposed eliminating a jury trial in criminal contempt cases, realizing that jury trials are not permissible where the United States is the plaintiff, except in the one instance providing jury trials in labor disputes. The Attorney General knows full well that these exceptions applicable to the Government were for the purpose of preventing the defense of our country from being stymied. He well knows that it was not intended to make the Government a Frankenstein. Except where the Nation's defense is involved, the Government should be more than willing to go into court under the same terms and laws as the private individual.

When this bill gets upon the floor of the House, and it probably will on June 3, we certainly intend to offer an amendment for the purpose of deleting the provision that State judicial and administrative remedies can be bypassed and an amendment providing jury trials in all contempt cases. When we do that we will be asking only for the same privileges that Donald Richberg, Clarence Darrow, Easby-Smith, and other brilliant attorneys argued that labor should have and which Justices Taft, Hughes, Frankfurter, Cardozo, and others said labor should have.

We will be asking for exactly what the platforms of both the Republican and Democratic Parties in 1928 said labor should have. We will only be asking for what the House of Representatives said in 1932 that labor could have; 362 Congressmen voted for those rights for labor, while only 14 voted to deny those rights. We will be asking for those things which Gov. Al Smith said that labor should have. I have checked the CONGRESSIONAL RECORD, and southern Congressmen, including my distinguished predecessor, Hon. Charles Crisp, voted for labor to have those rights. It was a southern chairman of the House Committee on the Judiciary, Hon. Hatton Sumner, Texas, who stood upon the floor and fought for this legislation in behalf of labor. That legislation was designed to protect people, guilty or innocent, against the abuses knowingly practiced by some judges and from the ignorance of other judges. Also, for protection against the strong arm of the Attorney General, who reaches out over every Federal court district and who, it is said in Washington, tells every prosecuting attorney whether he can or cannot nolle pros a case.

The debate of this labor legislation I have referred to show that Congressman La Guardia charged Harry Daugherty, the Attorney General in the time of the Debbs case, with handpicking Judge Wilkerson to try that case and quoted from an article by Mr. Daugherty saying that he was most fortunate in getting Judge Wilkerson. "Judge Wilkerson listened to my argument with profound attention. He agreed with me on every point and granted the temporary injunction without a minute's delay."

It further developed that Judge Wilkerson was appointed, at the earnest solicitation of Mr. Daugherty, just a few weeks before.

I do not have time to go into it, but I am familiar with the ex parte injunction and the contempt proceedings arising out of the school desegregation issue in Clinton, Tenn. Without commenting upon the justice or injustice of the proceedings so far as the facts are concerned, but only from a lawyer's standpoint, interested in each and every defendant being tried according to law and having his rights accorded to him, that case standing alone, should cause legislators to provide the right of trial by jury.

I have talked too long and I know it. In a matter of a few days now the House will work its will. I can only assure you, that in my limited way, I will be upon that floor every minute of the time and I will do my best in an effort to defeat this legislation and at least try to preserve some of our constitutional concepts, the sovereignty of our States, the right to regulate and conduct our elections, and the right of trial by jury.

Joint Statement of Secretary of State John Foster Dulles and Secretary of Defense Charles E. Wilson

EXTENSION OF REMARKS

OF

HON. GEORGE S. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1957

Mr. LONG. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement:

JOINT STATEMENT OF SECRETARY OF STATE JOHN FOSTER DULLES AND SECRETARY OF DEFENSE CHARLES E. WILSON

The case of United States Army Sp3c. William S. Girard has far-reaching implications, involving as it does the good faith of the United States in carrying out a joint decision reached under procedures established by treaty and agreement with Japan.

The case involves actions by Girard which caused the death of Naka Sakai, a Japanese woman, on January 30, 1957. The issue arose as to whether or not Girard should be tried by United States court-martial or by a Japanese court. After careful deliberation in the joint United States-Japan committee established by the 2 Governments pursuant to treaty arrangements, the United States representative on this committee was authorized to agree, and on May 16, 1957, did agree, that the United States would not exercise its asserted right of primary jurisdiction in this case. In view of this completed action, attempting to prolong the dispute over the jurisdictional issue would create a situation which could basically affect United States relations not only with Japan, but also with many other nations.

For these reasons, Secretary of State John Foster Dulles and Secretary of Defense Charles E. Wilson have carefully reviewed all the available facts in the case. They have now concluded that the joint committee's agreement that Girard be tried in the courts of Japan was reached in full accord with procedures established by the treaty and agreement, and that in order to preserve the integrity of the pledges of the United States, this determination by the joint committee must be carried out.

The Secretaries' review disclosed the following:

The incident occurred in a maneuver area provided by the Japanese Government for part-time use of United States forces. The Japanese Defense Force uses the same area about 40 percent of the time. When the area is not in use by either the United States or Japanese armed forces, Japanese civilians are permitted to farm or otherwise use the area.

Efforts to keep civilians away from the area during such military exercises have not proved effective. In this particular case, red boundary flags were, as customary, erected as a warning to civilians to keep off, and local authorities were notified of the proposed exercises. But, as was frequently the case, a number of Japanese civilians were in the area gathering empty brass cartridge cases at the time of the incident. These civilians had created such a risk of injury to themselves in the morning exercises when live ammunition was used that the American officer in charge withdrew live ammunition from the troops prior to the afternoon exercises. In the interval between two simulated attacks during the afternoon, Girard and another soldier, Sp3c. Victor M. Nickel, were ordered by their platoon leader, a lieutenant, to guard a machinegun and several field jackets at the top of a hill. Girard and Nickel were not issued live ammunition for this duty.

It was while these soldiers were performing this duty that the incident occurred. Mrs. Naka Sakai, a Japanese civilian, died a few moments after being hit in the back by an empty brass rifle shell case fired by Girard from his rifle grenade launcher. She was not over 30 yards from Girard and was going away from him when he fired the rifle. Girard had previously fired similarly in the vicinity of a Japanese man, who was not hit.

Girdard's action in firing empty shell cases from the rifle grenade launcher was not authorized. He asserted that he fired from the waist, intending only to frighten the Japanese civilians. Others stated, but Girard denied, that empty shell cases were thrown out to entice the Japanese to approach.

Under the United States-Japanese Security Treaty and article XVII of the administrative agreement under that treaty, as established by the protocol adopted September 23, 1953, the authorities of Japan have the prior right to jurisdiction to try members of the United States Armed Forces for an injury caused to a Japanese national, unless such injury is one arising out of any act or omission done in the performance of official duty.

The Japanese authorities have taken the position that Girard's action in firing the shell cases was outside the scope of his guard duty and was, therefore, not done in the performance of official duty.

The commanding general of Girard's division certified that Girard's action was done in the performance of official duty.

In accordance with the procedure established under the treaty and administrative agreement, the disputed matter was, on March 7, 1957, taken before the joint United States-Japan committee established under the provisions of the treaty and administrative agreement previously referred to.

Various meetings were held between the United States and Japanese representatives on the joint committee. As is customary, a representative of the American Embassy in Tokyo also attended these meetings in the capacity of observer. Both sides continued to press their respective claims to primary jurisdiction, and the committee was unable to reach agreement.

The commanding general, Far East Command, reported the facts to the Department of the Army, the executive agent for the Department of Defense. The Department of Defense considered having the joint committee refer the matter in dispute to the two Governments for settlement, but rejected this procedure as inadvisable under the circumstances. Department of Defense instructions were accordingly issued, through the Department of the Army, to the Far East Command to the effect that the United States representative on the joint committee should continue to press the claim for jurisdiction, but that, in case of continued deadlock, he was authorized to waive jurisdiction to Japan. After 3 weeks of additional negotiations, the United States representative waived jurisdiction in the name of the United States.

Girard was subsequently indicted by the Japanese judicial authorities for causing a death by wounding—the least serious homicide charge for which he could have been indicted under Japanese law. In determining whether Girard's actions were in violation of law, all the facts, as presented by both sides, must now be weighed by the Japanese court, just as they would by a United States court-martial, if trial were held under United States jurisdiction.

In accordance with Public Law 777 of the 84th Congress, the United States Government will pay for counsel chosen by Girard to defend him in this trial. Pursuant to the administrative agreement under the Japanese treaty, Girard will be guaranteed a prompt trial, the right to have representation by counsel satisfactory to him, full information as to all charges against him, the right to confront all witnesses, the right to have his witnesses compelled to attend court, the right to have a competent interpreter, the right of communication with United States authorities, and the presence of a United States representative as an official observer at the trial. This observer is required to report to United States authorities on all aspects of the trial and the fairness of the court proceedings.

The United States authorities will, of course, see that all evidence is available to Girard and his counsel, and will render every proper assistance to him and his counsel in protection of his rights.

United States troops are stationed in many countries as part of our own national defense and to help strengthen the free world struggle against Communist imperialism. The matter of jurisdiction in cases of offenses against the laws of host countries, whether by our servicemen abroad or by servicemen of other countries in the United States, is dealt with by mutual agreements.

In the operation of this system in Japan there has been the greatest measure of mutual trust and cooperation. Since the present arrangement became effective in October 1953, Japan, in the overwhelming majority of the cases in which it had primary right to try American personnel, has waived that right in favor of United States action. There is every reason to believe that trial of United States Army Sp3c. William S. Girard in the Japanese courts will be conducted with the utmost fairness.

SENATE

WEDNESDAY, JUNE 5, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our gracious Father: Before the toil of a new day opens before us, we lay before Thee the meditations of our hearts. May they be acceptable in Thy sight. Bend our pride to Thy control. Prepare us for the solemn role of responsibility committed to our fallible hands in this appalling day, with its vast issues that concern not only our own dear land, but all nations and the islands of the sea. May our loins be girt and our lamps burning and ourselves as men who watch for their Lord's coming. In the Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Monday, June 3, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Tribbe, one of his secretaries, and he announced that the President had approved and signed the following acts:

On May 31, 1957:

S. 51. An act for the relief of Mary Barme and her two minor children, Steran Barme and Dinah Barme;

S. 94. An act for the relief of Lee Chong Taik;

S. 124. An act for the relief of Josephine Suydam;

S. 162. An act for the relief of Jew Gim Gee;

S. 271. An act for the relief of Johannes Sukevainen;

S. 358. An act to authorize the conveyance to the State of Wyoming of about 37.75 acres of land comprising a part of Francis E. Warren Air Force Base;

S. 754. An act for the relief of John (Ioannis) Legatos;

S. 799. An act for the relief of Eldur Eha; and

S. 1274. An act to amend the act of March 3, 1911 (36 Stat. 1077), to remove restrictions on the use of a portion of the Springfield Confederate Cemetery, Springfield, Mo., and for other purposes.

On June 4, 1957:

S. 184. An act for the relief of Mary C. Frederick.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 53) to consolidate into one act, and to simplify and make more uniform, the laws administered by the Veterans' Administration relating to compensation, pension, hospitalization, and burial benefits, and to consolidate into one act the laws pertaining to the administration of the laws administered by the Veterans' Administration.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 293. An act to authorize settlement for certain inequitable losses in pay sustained by officers of the commissioned services under the emergency economy legislation, and for other purposes;

H. R. 632. An act to amend the Federal Crop Insurance Act, as amended;

H. R. 787. An act to authorize the exchange of certain lands between the United States of America and the State of California;

H. R. 2070. An act for the relief of Mrs. Rhea Silvers;

H. R. 2075. An act for the relief of Albert A. Heinze;

H. R. 2224. An act providing for payment to the State of Washington by the United States for the cost of replacing and relocating a portion of secondary highway of such State which was condemned and taken by the United States;

H. R. 2340. An act for the relief of William R. and Alice M. Reardon;

H. R. 3775. An act to amend section 20b of the Interstate Commerce Act in order to require the Interstate Commerce Commission to consider, in stock modification plans, the assents of controlled or controlling stockholders, and for other purposes;

H. R. 3836. An act to repeal section 1157 of title 18 of the United States Code, as amended;

H. R. 3837. An act to amend the act of August 24, 1912, as amended, with reference to educational leave to employees of the Bureau of Indian Affairs;

H. R. 5110. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes;

H. R. 5719. An act for the relief of Clara M. Briggs;

H. R. 6692. An act to authorize the transfer of the Coyote Valley Indian Rancheria to the Secretary of the Army, and for other purposes;

H. R. 7238. An act to amend the public assistance provisions of the Social Security Act so as to provide for a more effective distribution of Federal funds for medical and other remedial care; and

H. R. 7259. An act relating to marketing quotas and price supports for fire-cured, dark air-cured, and Virginia sun-cured tobacco.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 117) to commemorate the quadricentennial anniversary of the establishment of the first settlement in Florida, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and they were signed by the President pro tempore:

S. 895. An act for the relief of Josefa Kusiak;

S. 1203. An act for the relief of Lydia Anne Foote; and

H. R. 53. An act to consolidate into one act, and to simplify and make more uniform, the laws administered by the Veterans' Administration relating to compensation, pension, hospitalization, and burial benefits, and to consolidate into one act the laws pertaining to the administration of the laws administered by the Veterans' Administration.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated.

H. R. 293. An act to authorize settlement for certain inequitable losses in pay sustained by officers of the commissioned services under the emergency economy legislation, and for other purposes;

H. R. 2070. An act for the relief of Mrs. Rhea Silvers;

H. R. 2075. An act for the relief of Albert A. Heinze;

H. R. 2224. An act providing for payment to the State of Washington by the United States for the cost of replacing and relocating a portion of secondary highway of such State which was condemned and taken by the United States;

H. R. 2340. An act for the relief of William R. and Alice M. Reardon; and

H. R. 5719. An act for the relief of Clara M. Briggs; to the Committee on the Judiciary.

H. R. 632. An act to amend the Federal Crop Insurance Act, as amended; and

H. R. 7259. An act relating to marketing quotas and price supports for fire-cured, dark air-cured, and Virginia sun-cured tobacco; to the Committee on Agriculture and Forestry.

H. R. 787. An act to authorize the exchange of certain lands between the United States of America and the State of California; to the Committee on Armed Services.

H. R. 3775. An act to amend section 20b of the Interstate Commerce Act in order to require the Interstate Commerce Commission to consider, in stock modification plans, the assents of controlled or controlling stockholders, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 3836. An act to repeal section 1157 of title 18 of the United States Code, as amended;

H. R. 3837. An act to amend the act of August 24, 1912, as amended, with reference to educational leave to employees of the Bureau of Indian Affairs; and

H. R. 6692. An act to authorize the transfer of the Coyote Valley Indian Rancheria to the Secretary of the Army, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 7238. An act to amend the public assistance provisions of the Social Security Act so as to provide for a more effective distribution of Federal funds for medical and other remedial care; to the Committee on Finance.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 117) to commemorate the quadricentennial anniversary of the establishment of the first settlement in Florida, was referred to the Committee on the Judiciary, as follows:

Whereas August 15, 1959, will mark the 400th anniversary of the first recorded attempt to establish a European settlement in what is now the continental United States; and

Whereas on August 15, 1559, Don Tristan de Luna landed his Spanish colonists in Florida at Pensacola; and

Whereas the city of Pensacola now commemorates annually the Fiesta of Five Flags in observance and celebration of this anniversary which has gained national and international recognition; and

Whereas this occasion reestablishes and reemphasizes the ties of friendship and heritage between the nations of the Western Hemisphere: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That the Congress of the United States joins the people of Florida in commemorating the quadricentennial anniversary of the first attempt to found a European settlement in Florida at Pensacola.

SEC. 2. A copy of this resolution, suitably engrossed and duly authenticated, shall be transmitted to the Governor of Florida, the mayor of Pensacola, and the Fiesta of Five Flags Association, Pensacola, Fla.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following subcommittees were authorized to meet today during the session of the Senate:

The Subcommittee on the Judiciary of the Committee on the District of Columbia.

The Subcommittee on Public Health, Education, and Safety of the Committee on the District of Columbia.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour, for the introduction of bills and the transaction of other routine business. In that connection, I ask unanimous consent that statements be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

AUDIT REPORT ON NAVY INDUSTRIAL FUND

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Navy Industrial Fund, United States Naval Shipyards, Bureau of Ships, Department of the Navy, dated December 1955 (with an accompanying report); to the Committee on Government Operations.

SUPPLEMENT TO REPORT ON TRINITY RIVER DIVISION OF CENTRAL VALLEY PROJECT

A letter from the Secretary of the Interior, reporting, pursuant to law, certain data as a supplement to his report on the Trinity River division of the Central Valley project, dated February 12, 1957; to the Committee on Interior and Insular Affairs.

AMENDMENT OF NORTH PACIFIC FISHERIES ACT OF 1954

A letter from the Acting Secretary of State, transmitting a draft of proposed legislation to amend the North Pacific Fisheries Act of 1954 (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

REPORT OF MARITIME ADMINISTRATION

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report of the Maritime Administration on the activities and transactions under the Merchant Ship Sales Act of 1946, from January 1, 1957, through March 31, 1957 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

REPORT OF ATTORNEY GENERAL, RELATING TO SUBVERSIVE ACTIVITIES CONTROL

A letter from the Attorney General, transmitting, pursuant to law, his report concerning activities under the provisions of the Subversive Activities Control Act of 1950, for the period June 1, 1956, through May 31, 1957 (with an accompanying report); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law pertaining to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the Los Angeles County Federation of Republican Women, relating to the Status of Forces Treaty; to the Committee on Armed Services.

A resolution adopted by the Southwest Missouri Annual Conference of the Methodist Church, at Joplin, Mo., favoring the enactment of legislation to control the advertisement of alcoholic beverages; to the Committee on Interstate and Foreign Commerce.

CONCURRENT RESOLUTION OF THE SOUTH CAROLINA LEGISLATURE COMMENDING THE SELECTION OF JOHN C. CALHOUN TO SENATE HALL OF FAME

Mr. KENNEDY. Mr. President, I ask unanimous consent to have printed in the RECORD a concurrent resolution adopted by the South Carolina House of Representatives and concurred in by the Senate on May 15, 1957, commending the committee of the United States Senate upon the selection of John C. Calhoun to the Senate Hall of Fame.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

Concurrent resolution commending the committee of the United States Senate upon the selection of John C. Calhoun to the Senate Hall of Fame

Whereas the people of the State of South Carolina have long held in respect and admiration the memory of John C. Calhoun; and

Whereas John C. Calhoun served his State and Nation with distinction as a United States Senator, Vice President of the United States, Secretary of War, and Secretary of State; and

Whereas in those positions he exemplified all that is admirable in a public servant; and

Whereas the General Assembly of the State of South Carolina desires to express its appreciation to the Senate committee which named John C. Calhoun to the Senate Hall of Fame: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the General Assembly of the State of South Carolina expresses its appreciation to the Senate committee for the selection of John C. Calhoun, an illustrious servant of the people of the State of South Carolina and of the United States, to the Senate Hall of Fame; be it further

Resolved, That a copy of this resolution be forwarded to the Honorable JOHN F. KENNEDY, United States Senate, chairman of the committee.

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the South Carolina House of Representatives and concurred in by the senate.

INEZ WATSON,
Clerk of the House.

THE LATE SENATOR McCARTHY OF WISCONSIN—RESOLUTION OF ILLINOIS SENATE

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Senate of the State of Illinois, expressing its sorrow over the passing of the late Senator Joseph R. McCarthy, of Wisconsin.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Senate Resolution 45

Whereas the gravest threat facing this country today is world communism, which has as its objective the establishment of a world totalitarian dictatorship and the abolition of all freedoms guaranteed by and enjoyed under our constitutional form of government; and

Whereas the methods used by the exponents of communism include deceit, terrorism, espionage, sabotage, subversion, infiltration into government and our every way of life, and other treacherous and unlawful procedures; and

Whereas the Honorable Joseph R. McCarthy, as United States Senator from Wisconsin, through his courageous and unceasing efforts exposed this communistic plot and awakened the American people to the dangerous threat with which we are confronted; and

Whereas this great patriot continually labored to expose and defeat all communistic endeavors to infiltrate, subvert, and eventually overthrow our form of government and our way of life; and

Whereas as a result of his courageous activities, Senator McCarthy was made the object of attack by the Communists and the leftwing segment of the press, and was persecuted unmercifully by many persons, groups and organizations, including many of the officials of our Government who did so in order to find favor with the leftwing press and for political gain; and

Whereas the constant struggle against communism under the strain of unjust criticism eventually weakened the strength of this great fighter for freedom, and was in no small measure responsible for his untimely death; and

Whereas the members of this senate, as well as the people of the United States and all foes of communism, are saddened by the death of Senator McCarthy, who will live throughout the history of this Nation as a courageous investigator of communistic activities and as the great American, who, despite severe and unjust opposition, awakened the American people to the treacherous communistic plot against our very way of life: Therefore be it

Resolved by the Senate of the 70th General Assembly of the State of Illinois, That we express our sincere sorrow caused by the death of the Honorable Joseph R. McCarthy; that we extend our heartfelt sympathy to Mrs. McCarthy; and that a suitable copy of this preamble and resolution be forwarded to Mrs. McCarthy and to the President pro tempore of the United States Senate.

Adopted by the senate May 9, 1957.

JOHN WM. CHAPMAN,
President of the Senate.

EDWARD E. FERNANDES,
Secretary of the Senate.

RESOLUTION OF NATIONAL EXECUTIVE COMMITTEE, JEWISH WAR VETERANS

Mr. HUMPHREY. Mr. President, I have just received a copy of a resolution passed by the national executive committee of the Jewish War Veterans of the United States of America at its meeting in Washington, D. C., May 25 and 26, 1957. The resolution supports the President's request for funds to implement the mutual security program.

I ask unanimous consent that the resolution be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

Whereas our organization has for 10 years, consistently supported the essential elements of the mutual security program and appropriations fully adequate for the need thereof; and

Whereas the military aid, economic support in the form of loans and grants and technical assistance made available under that program, have strengthened our traditional allies and the independent nations of the world, especially those newly independent since World War II; and

Whereas the results of the mutual security program have inured to our own country's improved military defense and capacity for swift retaliation in the event of any Communist attack; and

Whereas the combination of our own strength and the capacity of the nations

which we have aided, to withstand the subversive and infiltrating activities of the Communists has served to deter Communist aggression and to frustrate their intent to dominate the world: Now, therefore, be it

Resolved, That the national executive committee of the Jewish War Veterans of the United States of America at its regular meeting in Washington, D. C., May 25–26, 1957, wholeheartedly supports the President's minimum request for funds to carry out the mutual security program as proposed in the President's message of May 21 to Congress and reaffirms its confidence that the dollars thus appropriated will be the most effective expenditure our country can make in achieving a durable, just peace.

RESOLUTION OF CLOQUET CENTRAL LABOR UNION, CLOQUET, MINN.

Mr. HUMPHREY. Mr. President, I have just received a notice from the Cloquet Central Labor Union, Cloquet, Minn., of their endorsement of a resolution previously adopted by the St. Paul Trades and Labor Assembly. Several other Minnesota unions have similarly endorsed this resolution. It protests action taken by the House in striking the contingency language of the Labor-HEW appropriation bill, thus depriving the States of funds for the administration of their employment service and unemployment programs for 1958.

The resolution asks the Senate Appropriations Committee to restore the contingency language and appropriate the total $270 million request made by the Department of Labor.

I ask unanimous consent that the resolution be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

Whereas the Department of Labor requested $270 million made up of $258 million basic request and $12 million contingency request for grants to States for administration of their employment service and unemployment insurance programs for 1958; and

Whereas the House of Representatives eliminated the contingency request on a technical point of order and reduced the basic request by $8,186,000; and

Whereas appropriations made by the Congress for grants to States for administration are charged by Public Law 567, 83d Congress, against collections under the Federal Unemployment Tax Act, and the remainder of such collections over $200 million are distributed to the unemployment trust funds of the various States; and

Whereas the cuts made would increase the distribution to the unemployment trust funds which do not need such funds, and

Whereas the cuts by operation of Public Law 567, 83d Congress, not only would not save the taxpayers any money, but would result in building up the unemployment trust funds at the expense of necessary funds which are urgently needed for efficient and proper administration of State employment and unemployment insurance programs, and

Whereas, the quality of services by State Employment Security Agencies to difficult-to-place groups such as older workers and physically handicapped, technical service such as counseling and testing and better employment and housing conditions of domestic migratory workers, and similar activities would have to be curtailed rather than expanded and improved, and

Whereas, these cuts, in the face of increasing costs to State employment security agencies for increases in salaries required by State laws and the rising costs of nonpersonal items, would seriously impair the services provided by employment security agencies to the public through reduction of personnel in such agencies already understaffed, and

Whereas these cuts, if sustained by the Senate, would result in reduction of personnel and services in the Minnesota Department of Employment Security: Now, therefore

The St. Paul Trades and Labor Assembly does hereby protest the action taken by the House of Representatives and petitions the Senate Labor-HEW Subcommittee on Appropriations to restore the contingency language and appropriate the total $270 million request made by the Department of Labor.

SERVING OF ALCOHOLIC BEVERAGES ON AIRCRAFT—PETITION

Mr. CARROLL. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD a petition signed by Edith A. Barcroft, and sundry other citizens of the State of Colorado, praying for the enactment of Senate bills 4 and 593, relating to the serving of alcoholic beverages on aircraft.

There being no objection, the petition was referred to the Committee on Interstate and Foreign Commerce and ordered to be printed in the RECORD, as follows:

We, the undersigned, voters in your State, do respectfully urge you to do all you can for the passage of the following bills: S. 4, THURMOND; S. 593, NEUBERGER.

These bills are important for the safety of airplane passengers.

(Signed by Edith A. Barcroft and 26 citizens of Colorado.)

HELLS CANYON DAM—PETITIONS

Mr. MORSE. Mr. President, I am in receipt of a series of identical petitions, signed by 1,127 citizens of the State of Oregon, praying for the enactment of Senate bill 55, authorizing the construction of Hells Canyon Dam on the Snake River, which bill is now on the calendar. I ask unanimous consent that one of the petitions may be printed in the RECORD.

There being no objection, the petition was ordered to be printed in the RECORD, without the signatures attached, as follows:

We, the undersigned citizens of the United States, believing that construction of a high dam at Hells Canyon will assure maximum comprehensive multipurpose development of the middle Snake, and will contribute materially to the economic growth of the region and the national economy and security, do respectfully petition that Senate bill 55, authorizing a Federal multiple-purpose high dam at Hells Canyon, be passed by Congress.

Mr. MORSE. Mr. President, I ask unanimous consent that the letter from James Harris, chairman, Hells Canyon Committee, Jefferson Young Democrats, Jefferson High School, Portland, Oreg., transmitting the petition just referred to, together with an article by Richard L. Strout, published in the Christian Science Monitor for the first of this month, entitled "Inept Handling of Power Issue," may be printed in the RECORD.

There being no objection, the letter and article were ordered to be printed in the RECORD, as follows:

PORTLAND, OREG., *March 6, 1957*.

Hon. WAYNE MORSE,
United States Senator from Oregon,
Senate Office Building,
Washington, D. C.

DEAR SIR: Enclosed you will find a petition signed by 1,127 citizens of the United States. These signatures by people favoring passage of high Hells Canyon were gathered in 2 weeks in a small area by 10 members of the Jefferson Young Democrats, who had to place circulating the petition second to school and mountains of schoolwork.

We are sending the petition to you, knowing that you will make the best possible use of it. It was on this very day shown to the seven members of the Multnomah County delegation in the State legislature. (Four of us were very fortunate and were able to go down to Salem to hear the debate with Monroe Sweetland. We have Alfred Corbett and him to thank that an Oregon house memorial may be passed; this, of course, I know little about, seeing as the whole affair took place only a few hours ago.)

One interesting thing about the petition is that we got about 1 percent of the population of Portland's adult population. This was from a very small area (the map is included), and we found about half the people not home. Naturally, a very large percentage of the people were apathetic toward anything to do with the State, dams, and Government. An exceedingly high percentage seemed slightly lukewarm for the dam and/or nearly completely uninformed. Many people would have liked a week to think it over; we had no time to backtrack. We did, however, find many, many people very much for the dam. The surprising thing about this was the lack of distinction between opinions of various parties. I mean we found life-long Republicans for high Hells Canyon, Republican members of precinct boards, and even one Republican who voted against you (as well as Stevenson). She agreed to keep a copy in her dry-cleaning store, and everyone that came in, she tried to get his signature. On the lower levels, Republicans seem to be very much with us after they've given the matter thought. We found several stanch Republicans quite irritated at the administration's power program. Did I only say several? It was way more than several.

We are certainly hoping here in Oregon. Well, perhaps this petition will help a little in showing how we in Oregon stand.

Good luck.

Sincerely and hopefully yours,
JAMES HARRIS,
Chairman, Hells Canyon Committee, Jefferson Young Democrats, Jefferson High School.

P. S.: Please thank Senator NEUBERGER for the cooperation given us by his Oregon secretary in mimeographing the petition.

[From the Christian Science Monitor of June 1, 1957]

INEPT HANDLING OF POWER ISSUE

(By Richard L. Strout)

Some Washington observers argue that it was not the celebrated Dixon-Yates contract itself but the way it was handled that caused the administration all its grief.

Now it is being asked if a similar pattern is not unfolding in the current Congressional controversy over Hells Canyon. It has just been disclosed—almost by inadvertence—that the present Secretary of the Interior, Fred Seaton, 2 months ago recommended against giving the Idaho Power Co. (incorporated in Augusta, Maine) a valuable tax amortization writeoff. Without disclosing this adverse recommendation of Mr. Seaton, Dr. Gordon Gray, head of the Office of Defense Mobilization, went ahead anyway and granted the tax benefit to the power company.

Democratic conservative HARRY F. BYRD, Democrat, of Virginia, denounced the tax grant at Hells Canyon as utterly indefensible and a subsidy.

It should be explained that the fast tax writeoff was a wartime act to provide financial incentives to build projects that were not useful in a peacetime economy. When Dr. Gray went before a Byrd subcommittee he failed to advise it of the Seaton letter. He left the impression that he was only following recommendations of the Interior Department.

Insofar as the recommendations of former Secretary of the Interior Douglas McKay went, this was correct. But times have changed. Republicans took a beating in the northwest power States in the 1956 election. Some years ago Congress voted to turn Hells Canyon over to private development—but the decision hasn't been popular in the area involved. It means that instead of a maximum-production high-level dam on America's last remaining great waterpower resource the private company will build three smaller dams and produce less electricity. One estimate of the loss is 400,000 kilowatts of prime power in perpetuity. The 1 big high-level dam would cost perhaps $400 million; the company's 3 smaller dams around $130 million.

Advocates of public power in Congress are now attempting to reverse this decision. A new vote will come soon in the Senate. It has appeared that they would be defeated. But with the new developments this is less certain.

One reason advanced for private development at Hells Canyon was that it would not cost the taxpayers anything—all expenses would be assumed by the company. But under the fast tax writeoff provision opponents now argue it will cost the taxpayers lost taxes on what amounts to a $30.5 million, 50-year, interest-free loan. This was one argument advanced by Mr. Seaton, it is now disclosed, in his letter of March 11 opposing the grant.

Why did Dr. Gray not tell Senator BYRD of the Seaton letter? He did not disclose it either to the Kefauver-O'Mahoney subcommittee which is currently making an inquiry. Senator KEFAUVER got a copy through another source. Dr. Gray explained that he had thought at first that the letter might be covered by so-called executive privilege. This is the right claimed by administration officials not to tell Congress about interdepartmental exchanges preliminary to official actions. (The same issue rose in the Dixon-Yates inquiry.) On the day before Mr. KEFAUVER got a copy of the Seaton letter, Dr. Gray explained, he had been advised that it was not privileged after all.

Dr. Gray agreed that he had discussed his current difficulties with Sherman Adams, Howard Pyle, and other White House assistants to the President. (Mr. Adams also came in as troubleshooter in the Dixon-Yates row.)

Other oddities are that when Mr. Seaton wrote his letter from a hospital some of his assistants never heard of it and have only just learned about it; again, Dr. Gray only learned in committee room that one of his assistants had been in touch with the Idaho utility to speed the date for completing the dams, so as to get the tax writeoff.

Nothing illegal seems involved in all this. But inept handling sometimes has serious political consequences.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. HUMPHREY, from the Committee on Government Operations, without amendment:

S. 931. A bill to provide for the reorganization of the safety functions of the Federal Government, and for other purposes (Rept. No. 408).

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—FEDERAL EMPLOYMENT AND PAY

Mr. BYRD. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit a report on Federal employment and pay for the month of April 1957. In accordance with the practice of several years' standing, I ask unanimous consent to have the report printed in the RECORD, together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD, as follows:

FEDERAL PERSONNEL IN EXECUTIVE BRANCH, APRIL 1957 AND MARCH 1957, AND PAY, MARCH 1957 AND FEBRUARY 1957

PERSONNEL AND PAY SUMMARY

(See table I)

Information in monthly personnel reports for April 1957 submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures is summarized as follows:

Total and major categories	Civilian personnel in executive branch			Payroll (in thousands) in executive branch		
	In April numbered—	In March numbered—	Increase (+) or decrease (−)	In March was—	In February was—	Increase (+) or decrease (−)
Total [1]	2,395,764	2,392,987	+2,777	$899,697	$847,617	+$52,080
Agencies exclusive of Department of Defense	1,230,972	1,224,925	+6,047	456,010	425,756	+30,254
Department of Defense	1,164,792	1,168,062	−3,270	443,687	421,861	+21,826
Inside continental United States	2,190,548	2,188,431	+2,117			
Outside continental United States	205,216	204,556	+660			
Industrial employment	657,553	656,739	+1,186			
Foreign nationals	270,497	271,349	−852	27,415	27,172	+243

[1] Exclusive of foreign nationals shown in the last line of this summary.

Table I breaks down the above figures on employment and pay by agencies.

Table II breaks down the above employment figures to show the number inside continental United States by agencies.

Table III breaks down the above employment figures to show the number outside continental United States by agencies.

Table IV breaks down the above employment figures to show the number in industrial-type activities by agencies.

Table V shows foreign nationals by agencies not included in tables I, II, III, and IV.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during April 1957, and comparison with March 1957, and pay for March 1957, and comparison with February 1957*

Department or agency	Personnel				Pay (in thousands)			
	April	March	Increase	Decrease	March	February	Increase	Decrease
Executive departments (except Department of Defense):								
Agriculture	85,417	83,341	2,076		$27,567	$26,650	$917	
Commerce [1]	49,305	48,020	1,285		20,824	19,706	1,118	
Health, Education, and Welfare	51,607	51,288	319		20,803	19,958	845	
Interior	51,269	50,263	1,006		20,117	18,939	1,178	
Justice	30,452	30,652		200	14,480	13,916	564	
Labor	5,928	5,942		14	2,607	2,508	99	
Post Office	524,265	524,347		82	192,747	173,970	13,777	
State [2]	33,568	33,384	184		12,030	11,620	410	
Treasury	83,857	82,789	1,068		33,683	31,827	1,856	
Executive Office of the President:								
White House Office	389	399		10	222	213	9	
Bureau of the Budget	444	437	7		286	270	16	
Council of Economic Advisers	30	28	2		21	21		
Executive Mansion and Grounds	70	69	1		26	26		
National Security Council [3]	28	27	1		18	17	1	
Office of Defense Mobilization	261	270		9	156	167		$11
President's Advisory Committee on Government Organization	6	5	1		3	2	1	

[1] April figure includes 303 seamen on the rolls of the Maritime Administration and their pay.

[2] April figure includes 11,141 employees of the International Cooperation Administration as compared with 11,026 in March and their pay. These ICA figures include employees who are paid from foreign currencies deposited by foreign governments in a trust fund for this purpose. The April figure includes 2,681 of these trust fund employees and March figure incindes 2,643.

[3] Exclusive of personnel and pay of the Central Intelligence Agency.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during April 1957, and comparison with March 1957, and pay for March 1957, and comparison with February 1957*—Continued

Department or agency	Personnel				Pay (in thousands)			
	April	March	Increase	Decrease	March	February	Increase	Decrease
Independent agencies:								
Advisory Committee on Weather Control	16	14	2		$7	$4	$3	
Alexander Hamilton Bicentennial Commission	11	11			6	6		
American Battle Monuments Commission	618	609	9		89	85	4	
Atomic Energy Commission	6,711	6,709	2		3,422	3,281	141	
Board of Governors of the Federal Reserve System	583	581	2		293	278	15	
Boston National Historic Sites Commission	5	5			1	1		
Civil Aeronautics Board	597	597			325	316	9	
Civil Service Commission	4,410	4,420		10	1,957	1,887	70	
Commission of Fine Arts	4	4			2	2		
Corregidor Bataan Memorial Commission	2	2			1	1		
District of Columbia Auditorium Commission	18	18			1	1		
Export-Import Bank of Washington	186	189		3	113	109	4	
Farm Credit Administration	954	953	1		477	467	10	
Federal Civil Defense Administration	1,169	1,177		8	626	585	41	
Federal Coal Mine Safety Board of Review	7	7			3	5		$2
Federal Communications Commission	1,167	1,161	6		597	565	32	
Federal Deposit Insurance Corporation	1,133	1,122	11		535	531	4	
Federal Home Loan Bank Board	725	721	4		334	318	16	
Federal Mediation and Conciliation Service	332	336		4	228	223	5	
Federal Power Commission	713	711	2		372	363	9	
Federal Trade Commission	747	744	3		407	377	30	
Foreign Claims Settlement Commission	118	116	2		60	56	4	
General Accounting Office	5,346	5,368		22	2,428	2,310	118	
General Services Administration	27,463	27,483		20	9,583	9,202	381	
Government Contract Committee	16	21		5	10	10		
Government Printing Office	6,468	6,467	1		2,848	2,708	140	
Housing and Home Finance Agency	10,018	9,983	35		4,662	4,458	204	
Indian Claims Commission	14	14			11	10	1	
Interstate Commerce Commission	2,159	2,146	13		1,057	1,013	44	
Jamestown-Williamsburg-Yorktown Celebration Commission	5	4	1		2	2		
National Advisory Committee for Aeronautics	7,720	7,721		1	3,751	3,571	180	
National Capital Housing Authority	251	250	1		94	90	4	
National Capital Planning Commission	27	30		3	18	16	2	
National Gallery of Art	332	331	1		102	103		1
National Labor Relations Board	1,128	1,130		2	618	595	23	
National Mediation Board	110	111		1	76	68	8	
National Science Foundation	290	308		18	153	125	28	
National Security Training Commission	5	6		1	2	2		
Panama Canal	14,124	14,101	23		3,616	3,573	43	
Railroad Retirement Board	2,395	2,349	46		913	845	68	
Renegotiation Board	414	417		3	263	254	9	
St. Lawrence Seaway Development Corporation	38	35	3		24	22	2	
Securities and Exchange Commission	789	786	3		418	402	16	
Selective Service System	6,994	6,996		2	1,703	1,607	96	
Small Business Administration	1,074	1,049	25		538	495	43	
Smithsonian Institution	772	771	1		284	270	14	
Soldiers' Home	1,018	1,017	1		235	225	10	
Subversive Activities Control Board	36	36			26	21	5	
Tariff Commission	215	216		1	120	118	2	
Tax Court of the United States	141	141			90	89	1	
Tennessee Valley Authority	15,345	15,147	198		$6,769	$6,220	$549	
Theodore Roosevelt Centennial Commission	6	4	2		2	2		
United States Information Agency	11,887	11,783	104		3,250	3,057	193	
Veterans' Administration[2]	177,246	177,232	14		56,896	55,001	1,895	
Woodrow Wilson Centennial Celebration Commission	4	4			2	1	1	
Total, excluding Department of Defense	1,230,972	1,224,925	6,466	419	456,010	425,756	30,298	$14
Net increase, excluding Department of Defense			6,047				30,254	
Department of Defense:								
Office of the Secretary of Defense	1,679	1,700		21	991	1,070		79
Department of the Army	428,015	428,357		342	158,511	150,453	8,058	
Department of the Navy	390,895	391,939		1,044	159,056	150,630	8,426	
Department of the Air Force	344,203	346,066		1,863	125,129	119,708	5,421	
Total, Department of Defense	1,164,792	1,168,062		3,270	443,687	421,861	21,905	79
Net change, Department of Defense			3,270				21,826	
Grand total, including Department of Defense	2,395,764	2,392,987	6,466	3,689	899,697	847,617	52,173	93
Net increase, including Department of Defense			2,777				52,080	

TABLE II.—*Federal personnel inside continental United States employed by the executive agencies during April 1957, and comparison with March 1957*

Department or agency	April	March	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	84,046	82,023	2,023	
Commerce[1]	45,501	44,321	1,180	
Health, Education, and Welfare	49,871	49,459	412	
Interior	46,978	46,010	968	
Justice	29,917	30,115		198
Labor	5,812	5,827		15
Post Office	521,792	521,868		76
State[1]	8,602	8,580	22	
Treasury	82,845	81,783	1,062	
Executive Office of the President:				
White House Office	389	399		10
Bureau of the Budget	444	437	7	
Council of Economic Advisers	30	28	2	
Executive Mansion and Grounds	70	69	1	
National Security Council[2]	28	27	1	
Office of Defense Mobilization	261	270		9
President's Advisory Committee on Government Organization	6	5	1	
Independent agencies:				
Advisory Committee on Weather Control	16	14	2	
Alexander Hamilton Bicentennial Commission	11	11		
American Battle Monuments Commission	18	17	1	
Atomic Energy Commission	6,692	6,689	3	
Board of Governors of the Federal Reserve System	583	581	2	
Boston National Historic Sites Commission	5	5		
Civil Aeronautics Board	593	593		
Civil Service Commission	4,394	4,404		10
Commission of Fine Arts	4	4		
Corregidor-Bataan Memorial Commission	2	2		
District of Columbia Auditorium Commission	18	18		
Export-Import Bank of Washington	186	189		3
Farm Credit Administration	945	944	1	
Federal Civil Defense Administration	1,169	1,177		8

[1] April figure includes 303 seamen on the rolls of the Maritime Administration.
[2] April figure includes 1,744 employees of the International Cooperation Administration as compared with 1,722 in March.

[1] Exclusive of personnel of the Central Intelligence Agency.

TABLE II.—*Federal personnel outside continental United States employed by the executive agencies during April 1957, and comparison with March 1957*—Continued

Department or agency	April	March	Increase	Decrease
Independent agencies—Continued				
Federal Coal Mine Safety Board of Review	7	7		
Federal Communications Commission	1,140	1,134	6	
Federal Deposit Insurance Corporation	1,131	1,120	11	
Federal Home Loan Bank Board	725	721	4	
Federal Mediation and Conciliation Service	332	336		4
Federal Power Commission	713	711	2	
Federal Trade Commission	747	744	3	
Foreign Claims Settlement Commission	118	116	2	
General Accounting Office	5,272	5,294		22
General Services Administration	27,361	27,380		19
Government Contract Committee	16	21		5
Government Printing Office	6,468	6,467	1	
Housing and Home Finance Agency	9,849	9,817	32	
Indian Claims Commission	14	14		
Interstate Commerce Commission	2,159	2,146	13	
Jamestown-Williamsburg-Yorktown Celebration Commission	5	4	1	
National Advisory Committee for Aeronautics	7,720	7,721		1
National Capital Housing Authority	251	250	1	
National Capital Planning Commission	27	30		3
National Gallery of Art	332	331	1	
National Labor Relations Board	1,110	1,112		2
National Mediation Board	110	111		1
National Science Foundation	290	308		18
National Security Training Commission	5	6		1
Panama Canal	397	422		25
Railroad Retirement Board	2,395	2,349	46	
Renegotiation Board	414	417		3
St. Lawrence Seaway Development Corporation	38	35	3	
Independent agencies—Continued				
Securities and Exchange Commission	789	786	3	
Selective Service System	6,802	6,801	1	
Small Business Administration	1,064	1,040	24	
Smithsonian Institution	770	769	1	
Soldiers' Home	1,018	1,017	1	
Subversive Activities Control Board	36	36		
Tariff Commission	215	216		1
Tax Court of the United States	141	141		
Tennessee Valley Authority	15,345	15,147	198	
Theodore Roosevelt Centennial Commission	6	4	2	
United States Information Agency	2,756	2,763		7
Veterans' Administration	175,997	175,981	16	
Woodrow Wilson Centennial Celebration Commission	[2]	4		
Total, excluding Department of Defense	1,165,317	1,159,698	6,060	441
Net increase, excluding Department of Defense			5,619	
Department of Defense:				
Office of the Secretary of Defense	1,633	1,653		20
Department of the Army	364,662	364,990		328
Department of the Navy	357,630	358,863		1,233
Department of the Air Force	301,306	303,222		1,916
Total, Department of Defense	1,025,231	1,028,733		3,502
Net decrease, Department of Defense			3,502	
Grand total, including Department of Defense	2,190,548	2,188,431	6,060	3,943
Net increase, including Department of Defense			2,117	

TABLE III.—*Federal personnel outside continental United States employed by the executive agencies during April 1957, and comparison with March 1957*

Department or agency	April	March	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	1,371	1,318	53	
Commerce	3,804	3,699	105	
Health, Education, and Welfare	1,736	1,829		93
Interior	4,291	4,253	38	
Justice	535	537		2
Labor	116	115	1	
Post Office	2,473	2,479		6
State[1]	24,966	24,804	162	
Treasury	1,012	1,006	6	
Independent agencies:				
American Battle Monuments Commission	600	592	8	
Atomic Energy Commission	19	20		1
Civil Aeronautics Board	4	4		
Civil Service Commission	16	16		
Farm Credit Administration	9	9		
Federal Communications Commission	27	27		
Federal Deposit Insurance Corporation	2	2		
General Accounting Office	74	74		
General Services Administration	102	103		1
Housing and Home Finance Agency	169	166	3	
National Labor Relations Board	18	18		
Panama Canal	13,727	13,679	48	
Independent agencies—Continued				
Selective Service System	192	195		3
Small Business Administration	10	9	1	
Smithsonian Institution	2	2		
United States Information Agency	9,131	9,020	111	
Veterans' Administration	1,249	1,251		2
Total, excluding Department of Defense	65,655	65,227	536	108
Net increase, excluding Department of Defense			428	
Department of Defense:				
Office of the Secretary of Defense	46	47		1
Department of the Army	63,353	63,367		14
Department of the Navy	33,265	33,071	194	
Department of the Air Force	42,867	42,844	53	
Total, Department of Defense	139,561	139,329	247	15
Net increase, Department of Defense			232	
Grand total, including department of Defense	205,216	204,556	783	123
Net increase, including Department of Defense			660	

[1] April figure includes 9,207 employees of the International Cooperation Administration as compared with 9,204 in March. These ICA figures include employees who are paid from foreign currencies deposited by foreign governments in a trust fund for this purpose. The April figure includes 2,681 of these trust fund employees and the March figure includes 2,643.

TABLE IV.—*Industrial employees of the Federal Government inside and outside continental United States employed by the executive agencies during April 1957 and comparison with March 1957*

Department or agency	April	March	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	3,162	3,150	12	
Commerce	2,716	2,739		23
Interior	8,200	8,263		63
Treasury	5,619	5,644		25
Independent agencies:				
Atomic Energy Commission	146	145	1	
Federal Communications Commission	14	13	1	
General Services Administration	1,089	1,090		1
Government Printing Office	6,468	6,467	1	
National Advisory Committee for Aeronautics	7,720	7,721		1
Panama Canal	7,254	7,272		18
Tennessee Valley Authority	12,531	12,389	142	
Total, excluding Department of Defense	54,919	54,893	157	131
Net increase, excluding Department of Defense			26	
Department of Defense:				
Department of the Army:				
Inside continental United States	[1] 181,650	[2] 181,845		195
Outside continental United States	[1] 23,900	[2] 23,916		16
Department of the Navy:				
Inside continental United States	219,657	220,338		681
Outside continental United States	5,958	5,995		37
Department of the Air Force:				
Inside continental United States	164,818	165,117		299
Outside continental United States	6,651	6,635	16	
Total, Department of Defense	602,634	603,846	16	1,228
Net decrease, Department of Defense			1,212	
Grand total, including Department of Defense	657,553	658,739	173	1,359
Net decrease, including Department of Defense			1,186	

[1] Subject to revision.

[2] Revised on basis of later information.

TABLE V.—*Foreign nationals working under United States agencies overseas, excluded from tables I through IV of this report, whose services are provided by contractual agreement between the United States and foreign governments, or because of the nature of their work or the source of funds from which they are paid, as of April 1957 and comparison with March 1957*

Country	Total		Army		Navy		Air Force	
	April	March	April	March	April	March	April	March
Belgium	6	6					6	6
Denmark	1						1	
England	7,221	7,533			37	37	7,184	7,496
France	25,592	26,100	17,873	18,231			7,719	7,869
French Morocco	5,791	5,818	156	160	950	951	4,685	4,707
Germany	98,234	98,463	82,127	82,358	565	543	15,542	15,562
Japan	128,117	127,801	[1] 66,523	[1] 66,523	19,252	19,235	42,342	42,043
Korea	4,804	4,922	4,804	4,922				
Malta	115	90			115	90		
Netherlands	42	41					42	41
Norway	24	25					24	25
Trinidad	550	550			550	550		
Total	270,497	271,349	171,483	172,194	21,469	21,406	77,545	77,749

[1] Subject to revision.
[2] Revised on the basis of later information.
NOTE.—The Germans are paid from funds provided by German Governments. The French and English reported by the Army and Air Force are paid from funds appropriated for personal services. All others are paid from funds appropriated for other contractual services.

FOREIGN NATIONALS

Table 5 segregates and accounts for certain categories of personal services rendered to the United States Government overseas, which cannot be regarded as ordinary direct employment.

Generally, this personal service is rendered military agencies overseas under agreements with the foreign governments. In most cases the employment is indirect. The foreign governments hire the employees. The United States military agencies in most cases administer or direct the activity.

The source of funds for the payment of these employees varies. The Germans are employed without direct reimbursement by the United States and by agreement, payment is made from the German economy. The Japanese are employed under a master labor contract between United States agencies and the Japanese Government.

French and English are employed for the Army and Air Force under agreements with the respective governments. Funds originally appropriated for "Personal service" are used for this purpose. The Koreans and others are paid under varying contractual agreements with funds appropriated for "Other contractual services."

Personnel hired and used under such circumstances cannot be properly considered in the same category as regular employment, but they are used and should be counted for what they are.

The Joint Committee on Reduction of Nonessential Federal Expenditures is endeavoring to identify these groups of employees and to count them along with, but separate from, the regularly reported United States employment overseas.

STATEMENT BY SENATOR BYRD

EMPLOYEES

Executive agencies of the Federal Government reported regular civilian employment in the month of April totaling 2,395,764. This was a net increase of 2,777 as compared with employment reported in the preceding month of March.

Civilian employment reported by the executive agencies of the Federal Government, by months in fiscal year 1957, which began July 1, 1956, follow:

Month	Employment	Increase	Decrease
July	2,398,673	14,280	
August	2,400,493	1,820	
September	2,388,854		11,639
October	2,396,163	7,309	
November	2,394,324		1,839
December	2,389,788		4,536
January 1957	2,387,015		2,773
February	2,390,517	3,502	
March	2,392,987	2,470	
April	2,395,754	2,777	

Inside continental United States civilian employment increased 2,117 and outside continental United States civilian employment increased 6,660. Industrial employment by the Federal agencies in April totaled 657,553, a decrease of 1,186.

Civilian agencies

Total civilian employment in civilian agencies during the month of April was 1,230,972, an increase of 6,047 as compared with the March total of 1,224,925.

Civilian agencies reporting the major increases were Agriculture Department with 2,076, Commerce Department with 1,285, Treasury Department with 1,068 and Interior Department with 1,006. The increases in the Departments of Agriculture, Interior, and Treasury were largely seasonal.

Military agencies

Total civilian employment in the military agencies in April was 1,164,792, a decrease of 3,270 as compared with 1,168,062 in March.

In the Department of Defense decreases in civilian employment were reported by the Department of the Air Force with 1,863, the Departments of the Navy with 1,044 and the Department of the Army with 342.

These figures are from reports certified by the agencies as compiled by the Joint Committee on Reduction of Nonessential Federal Expenditures.

FOREIGN NATIONALS

The total of 2,395,764 civilian employees certified to the committee by executive agencies in their regular monthly personnel reports includes some foreign nationals employed in United States Government activities abroad, but in addition to these there were 270,497 foreign nationals working for United States military agencies during April who were not counted in the usual personnel report. The number in March was 271,349. A breakdown of this employment for April follows:

Country	Total	Army	Navy	Air Force
Belgium	6			6
Denmark	1			1
England	7,221		37	7,184
France	25,592	17,873		7,719
French Morocco	5,791	156	950	4,685
Germany	98,234	82,127	565	15,542
Japan	128,117	66,523	19,252	42,342
Korea	4,804	4,804		
Malta	115		115	
Netherlands	42			42
Norway	24			24
Trinidad	550		550	
Total	270,497	171,483	21,469	77,545

PAYROLL

The regular monthly Federal civilian payroll in March totaled $899,697,000. United States pay for foreign nationals working under Federal agencies abroad totaled $19,003,000. The total March payroll for agencies of the executive branch of the Federal Government was $918,700,000.

These figures for the month were certified by executive agencies to the Joint Committee on Reduction of Nonessential Federal Expenditures. Payroll figures are on an actual basis and necessarily lag 1 month behind the personnel count.

Payroll for the first 9 months of fiscal year 1957, including United States funds for foreign nationals not on regular rolls, totaled $8.4 billion. This was a monthly average of $934 million, since fiscal year 1957 started July 1, 1956.

These payroll figures by months follow:

[In millions of dollars]

Month	Regular payrolls	Foreign nationals not on regular rolls, United States funds	Total
July	907	17	923
August	950	17	967
September	846	17	863
October	947	17	964
November	931	17	948
December	933	18	951
January 1957	990	17	1,008
February	848	16	864
March	900	19	919
Total (9 months)	8,251	155	8,406

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CAPEHART:

S. 2208. A bill to amend sections 542 (c) (6) and (7) of the Internal Revenue Code of 1954 relating to interest received by licensed personal finance companies and lending companies; to the Committee on Finance.

By Mr. CARLSON:

S. 2209. A bill to provide for the construction of the Cheney division, Wichita Federal reclamation project, Kansas, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WILEY:

S. 2210. A bill for the relief of Emmanuel Kim Kosmitis; to the Committee on the Judiciary.

By Mr. MAGNUSON (by request):

S. 2211. A bill to amend the Civil Aeronautics Act of 1938, as amended, so as to prohibit certain practices regarding passenger ticket sales and reservations; and

S. 2212. A bill to amend the North Pacific Fisheries Act of 1954; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bills, which appear under separate headings.)

By Mr. ROBERTSON (for himself and Mr. CAPEHART):

S. 2213. A bill relating to the release of materials from the supplemental United States stockpile of strategic and critical materials; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. ROBERTSON when he introduced the above bill, which appear under a separate heading.)

By Mr. SYMINGTON (for himself and Mr. HENNINGS):

S. 2214. A bill to revise the authorization with respect to the charging of tolls on the bridge across the Mississippi River near Jefferson Barracks, Mo.; to the Committee on Public Works.

(See the remarks of Mr. SYMINGTON when he introduced the above bill, which appear under a separate heading.)

By Mr. JACKSON (for himself and Mr. MAGNUSON):

S. 2215. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Spokane Valley project, Washington and Idaho, under Federal reclamation laws; to the Committee on Interior and Insular Affairs.

By Mr. IVES:

S. 2216. A bill for the relief of John C. Walsh; to the Committee on the Judiciary.

By Mr. MAGNUSON (for himself and Mr. JACKSON):

S. 2217. A bill to authorize the Secretary of the Army to sell certain lands at the McNary lock and dam project, Oregon and Washington, to the port of Walla Walla, Wash.; to the Committee on Public Works.

S. 2218. A bill to provide for certain reductions in the reimbursable construction cost of the Kittitas division of the Yakima reclamation project, Washington; and

S. 2219. A bill to provide for the apportionment by the Secretary of the Interior of certain costs of the Yakima Federal reclamation project, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. KEFAUVER:

S. 2220. A bill to amend the Sherman Act to declare the primacy of free enterprise, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. KEFAUVER when he introduced the above bill, which appear under a separate heading.)

By Mr. CARROLL:

S. 2221. A bill for the relief of Elfrieda Heuberger Glanz; to the Committee on the Judiciary.

By Mr. KENNEDY:

S. 2222. A bill to provide for the issuance of special nonquota immigrant visas to certain aliens who applied for admission to the United States under the Refugee Relief Act of 1953, for the issuance of such visas to spouses and children of aliens admitted to the United States under such act, and for other purposes; to the Committee on the Judiciary.

By Mr. BYRD:

S. 2223. A bill for the relief of Catherine Pochon Dike; to the Committee on the Judiciary.

By Mr. HUMPHREY (by request):

S. 2224. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, regarding advertised and negotiated disposals of surplus property; to the Committee on Government Operations.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. KNOWLAND:

S. 2225. A bill for the relief of Wong Yick Shue (also known as Wong Jock); to the Committee on the Judiciary.

By Mr. SYMINGTON (for himself, Mr. MCCLELLAN, Mr. HENNINGS, and Mr. KEFAUVER):

S. 2226. A bill to increase farm income and to expand markets for cotton by enabling cotton to be sold competitively in domestic and foreign markets; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. SYMINGTON when he introduced the above bill, which appear under a separate heading.)

By Mr. KUCHEL:

S. 2227. A bill for the relief of Mario Angelini and Mrs. Anna Maria Sodani Angelini; to the Committee on the Judiciary.

By Mr. CHAVEZ (by request):

S. 2228. A bill to amend section 5 of the Flood Control Act of August 18, 1941, as amended, pertaining to emergency flood-control work; to the Committee on Public Works.

By Mr. MONRONEY (by request):

S. 2229. A bill to provide for Government guaranty of private loans to certain air carriers for purchase of aircraft and equipment, and for other purposes; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MONRONEY when he introduced the above bill, which appear under a separate heading.)

SPECIAL COMMITTEE TO INVESTIGATE OPERATION OF STATUS-OF-FORCES TREATY WITH JAPAN

Mr. ALLOTT. Mr. President, the case of Army Sp3c. William S. Girard has been very perturbing to me as it has been, I am sure, to a great many Members of Congress.

I have followed this case since it came into public view, about 2 weeks ago. There are many equities involved, as well as our own national interest, the interests of individual American boys abroad, and, finally, the interests of the country which our troops occupy.

Mr. President, as a lawyer, as a father, and as a United States Senator, I believe it is our obligation to investigate this entire situation. We must determine beyond all doubt whether or not those charged with the administration of treaties and agreements have acted and are acting within their authority, or whether there has been some laxity in the use of the authority and in carrying out the intent of Congress.

The resolution which I now submit spells out clearly what I believe should be done.

Because of the serious implications and manifest significance of this case, and because an impartial study is a necessity in the national interest, it seems to me that a special committee is required if we are to do this effectively.

Nothing is more important than the constitutional rights of our citizens. They, and all the world, for that matter, are entitled to know that we intend to stand behind our obligations, and that we intend also to protect the rights of our citizens, wherever they may be. Certainly it is our obligation to see that our house is in order.

Therefore, Mr. President, I submit, for appropriate reference, a resolution and ask that it be printed in the RECORD.

The resolution (S. Res. 144), submitted by Mr. ALLOTT, was referred to the Committee on Foreign Relations, as follows:

Resolved, etc., That (a) there is hereby established a special committee to be composed of 8 Senators to be appointed by the President of the Senate, of whom 4 shall be members of the majority party and 4 shall be members of the minority party.

(b) The President of the Senate is instructed to appoint the members of this special committee from the following: Two members from the Committee on Armed Services, 2 members from the Committee on Foreign Relations, 2 members from the Committee on the Judiciary, and 2 members of the Senate at large.

(c) The committee is authorized and directed to conduct a full and complete study and investigation for the purpose of determining—

(1) The background, legality, sequence of events, the justification or lack of it under present laws, treaties and protocols upon which the decision was reached to give the person of United States Army Sp3c. William S. Girard over to the Japanese Government for trial in a Japanese court on charges now pending.

(2) Whether in fact the United States has primary jurisdiction in this case, and like cases under law, treaties, agreements, and protocols entered into with the Japanese Government;

(3) Whether the joint United States-Japan Committee established by the two Governments pursuant to treaty arrangements exceeded their authority, acted without authority, or in an unreasonable way so as to be prejudicial to the best interests of the United States or the rights guaranteed citizens of the United States under the Constitution;

(4) Whether such action as the joint United States-Japan Committee did take in the case of Army Specialist William S. Girard was in full accord with procedures established by treaty and agreement, and if such action was necessary to preserve the integrity of the pledges of the United States;

(5) Whether it was the intent of the United States, the intent of the Congress and the people represented thereby under the United States-Japanese Security Treaty and article XVII of the administrative agreement under that treaty, as established by the protocol adopted September 23, 1953, to give to the authorities of Japan the prior right to jurisdiction to try members of the United States Armed Forces for an injury caused to a Japanese national while such member of the United States Armed Forces was acting, with or without authority, but while on official duty status;

(6) The meaning and intent of the clause "arising out of any act or omission done in the performance of official duty" as used in the administrative agreement under the before-mentioned treaty as established by the protocol adopted September 23, 1953.

(7) Whether any official of the United States acting under instructions from higher authority or otherwise, acted illegally, without authority or was derelict in the performance of his duty;

(8) Whether the enactment of legislation is necessary to provide the intended protection of United States citizens serving in the Armed Forces of this country, while on assignment outside the continental limits of the United States, and, if such legislation is determined to be necessary, what legislation would be most likely to provide the necessary protections.

SEC. 2. The committee shall, at its first meeting, to be called by the President of the Senate, select a chairman and vice chairman from among its members. Any vacancy in the committee shall be filled in the same manner as the original appointment.

SEC. 3. (a) For the purposes of this resolution the committee is authorized to (1) hold such hearings; (2) sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate;

(3) require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents; (4) administer such oaths; (5) take such testimony either orally or by deposition; (6) employ on a temporary basis such technical, clerical, and other assistants and consultants, and, with the prior consent of the executive department or agency concerned and the Committee on Rules and Administration, employ on a reimbursable basis such executive branch personnel, as it deems advisable.

(b) A quorum of the committee shall consist of 4 members, except that the committee may provide that, for the purpose of taking testimony, 3 members, 2 from the majority party and 1 from the minority party, shall constitute a quorum.

SEC. 4. The expenses of the committee, which shall not exceed $50,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

SEC. 5. (a) The committee shall report the results of its study and investigation, together with such recommendations as it may deem advisable, to the Senate not later than January 15, 1958.

(b) Upon the filing of its report, the committee shall cease to exist.

AMENDMENT OF CIVIL AERONAUTICS ACT OF 1938, RELATING TO PROHIBITION OF CERTAIN PRACTICES REGARDING PASSENGER TICKET SALES

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to amend the Civil Aeronautics Act of 1938, as amended, so as to prohibit certain practices regarding passenger ticket sales and reservations. I ask unanimous consent that a letter from the Chairman of the Civil Aeronautics Board, requesting the proposed legislation, be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2211) to amend the Civil Aeronautics Act of 1938, as amended, so as to prohibit certain practices regarding passenger ticket sales and reservations, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The letter presented by Mr. MAGNUSON is as follows:

CIVIL AERONAUTICS BOARD,
Washington, May 29, 1957.

Hon. RICHARD M. NIXON,
President of the Senate,
United States Senate,
Washington, D. C.

DEAR MR. PRESIDENT: The Civil Aeronautics Board recommends to the Congress for its consideration the enclosed draft of a proposed bill to amend the Civil Aeronautics Act of 1938, as amended, so as to prohibit certain practices regarding ticket sales and reservations.

The Board has been advised by the Bureau of the Budget that there is no objection to the presentation of the draft bill to the Congress for its consideration.

Sincerely yours,

JAMES R. DUFFEE,
Chairman.

AMENDMENT OF NORTH PACIFIC FISHERIES ACT OF 1954

Mr. MAGNUSON. Mr. President, at the request of the State Department, the States of Washington, Oregon, and California, and the commercial fisheries industry of the Pacific coast and Alaska, I introduce, for appropriate reference, a bill that will in effect amend the North Pacific Fisheries Act of 1954, to extend Federal authority to regulate United States fisheries operations on the high seas, south of Dixon entrance in Alaska, to the entrance of the Strait of Juan De Fuca between the State of Washington and British Columbia, Canada.

The proposed amendment will serve to coordinate the efforts of the three Pacific Coast States with Canada to provide more effective conservation regulations to conserve and strengthen the important ocean fisheries resources of the Pacific area.

In addition, the suggested legislation will provide, for the first time in this area, legal responsibility over United States citizens fishing on the high seas, and will make possible the adoption of coordinated conservation fisheries practices for both United States and Canadian fishermen.

The act does not interfere with the right of the three Pacific Coast States to exercise control over resident fishermen, and provides for the three States participation with Federal and Canadian authorities to effect conservation laws and regulations for the protection of the common coastal fisheries.

I have been informed that the Canadian Government has preceded us in the enactment of similar legislation governing the high seas and coastal fishing operations of Canadian fishermen.

I hope the Congress will give prompt and favorable consideration to this bill.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2212) to amend the North Pacific Fisheries Act of 1954, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

RELEASE OF MATERIALS FROM SUPPLEMENTAL STOCKPILE

Mr. ROBERTSON. Mr. President, on behalf of myself, and the Senator from Indiana [Mr. CAPEHART], I introduce, for appropriate reference, a bill relating to the release of materials from the supplemental United States stockpile of strategic and critical materials. I ask unanimous consent that a brief explanation of the provisions of the bill may be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the explanation will be printed in the RECORD.

The bill (S. 2213) relating to the release of materials from the supplemental United States stockpile of strategic and critical materials, introduced by Mr. ROBERTSON (for himself and Mr. CAPEHART), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

The explanation presented by Mr. ROBERTSON is as follows:

STATEMENT BY SENATOR ROBERTSON

The Joint Committee on Defense Production at a hearing on May 21, 1957, was informed by the General Services Administration that materials placed in the supplemental stockpile could not be used for the national defense at the direction of the President in time of war or emergency due to the technical phrasing of the present law. Materials in the stockpile itself can be so used. The committee recommended that the law be changed to remedy this undesirable possibility. The accompanying bill will accomplish this result.

The Agricultural Trade Development and Assistance Act of 1954 permits the acquisition of materials to accomplish its purposes by barter and otherwise and provides that strategic and critical materials so acquired be placed in a supplemental stockpile. The act states that they shall be released only under the provisions of section 3 of the Strategic and Critical Materials Stockpile Act. Section 3 of the latter act provides that no material can be disposed of without the express approval of Congress except by reason of obsolescence of that material for use in time of war. It further provides that notice of the date and plan of disposition shall be published in the Federal Register and given to the Armed Services Committees of the Senate and the House 6 months in advance of such disposition. Section 5, however, gives the President the power to order the release of materials in the stockpile for use, sale, or other disposition when in his opinion such release is required for the common defense, and in time of war or a national emergency to delegate this authority to an appropriate agency. Materials in the supplemental stockpile at present cannot be released under this emergency provision.

Materials other than those acquired under the Agricultural Trade Development and Assistance Act may be placed in the supplemental stockpile. The Domestic Tungsten, Asbestos, Fluorspar and Columbium-Tantalum Purchase Act of 1956 (Public Law 733) provides that tungsten and other materials acquired thereunder be made available to both the supplemental stockpile or the stockpile itself, but it is silent as to their disposition thereafter. Therefore, the instant bill makes provision for the release of all materials placed in the supplemental in like manner to those placed in the stockpile.

AUTHORIZATION FOR COLLECTING TOLLS ON JEFFERSON BARRACKS BRIDGE, MISSOURI

Mr. SYMINGTON. Mr. President, a serious traffic bottleneck has developed at the Jefferson Barracks Bridge which spans the Mississippi River near St. Louis, Mo. This bridge, constructed several years ago, is daily being taxed to capacity.

To alleviate this situation, the county of St. Louis wants to construct a companion bridge across the river, one span then to be used for eastbound, the other for westbound traffic. Congressional authority for such additional construction already exists in the 1946 Bridge Act—Public Law 601 of the 79th Congress.

Additional legislation is needed, however, to allow the county to continue to charge tolls on the existing bridge until

such time as the bonds for the new span are retired. This action is necessary to avoid having 1 toll bridge and 1 free bridge side by side across the river.

Therefore, Mr. President, at the request of the St. Louis, Mo., County Council, on behalf of myself and my colleague, the senior Senator from Missouri [Mr. HENNINGS], I introduce, for appropriate reference, a bill to accomplish this purpose, and ask unanimous consent that the bill, together with a resolution adopted by the St. Louis County Council, be printed at this point in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and resolution will be printed in the RECORD.

The bill (S. 2214) to revise the authorization with respect to the charging of tolls on the bridge across the Mississippi River near Jefferson Barracks, Mo., introduced by Mr. SYMINGTON (for himself and Mr. HENNINGS), was received, read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That, notwithstanding any provision to the contrary contained in the act entitled "An act authorizing the county of St. Louis, State of Missouri, to construct, maintain and operate a toll bridge across the Mississippi River near Jefferson Barracks, Mo.," approved August 7, 1939 (53 Stat. 1257), authority is hereby granted to the county of St. Louis, State of Missouri, to fix and charge tolls, in accordance with the provisions of this act, for transit over the bridge constructed pursuant to such act of August 7, 1939 (hereinafter referred to as the "Jefferson Barracks Bridge").

SEC. 2. The rates of the tolls authorized by the first section of this act shall be so adjusted that the amounts collected from the tolls on the Jefferson Barracks Bridge together with the amounts collected from the tolls imposed on not more than one additional bridge hereafter to be constructed by such county adjacent to the Jefferson Barracks Bridge and across the Mississippi River, will provide (1) a fund sufficient to pay the cost of the maintenance and operation of both such bridges, and (2) a sinking fund sufficient to amortize (a) any unamortized cost of the Jefferson Barracks Bridge and approaches thereto and the cost of any reconstruction or improving of the Jefferson Barracks Bridge, (b) the cost of constructing such additional bridge and the approaches thereto, and (c) interest and financing costs, within a period of not more than 30 years after the date such reconstruction and improvement, or construction, is commenced, whichever first occurs. After there has been collected from such tolls an amount sufficient to provide such funds, both such bridges shall be maintained and operated free of tolls.

The resolution presented by Mr. SYMINGTON is as follows:

Resolution 294

Resolution endorsing proposed legislation which would amend existing laws to enable St. Louis County to finance, by the sale of revenue bonds, the construction of an additional bridge across the Mississippi River adjacent to the present Jefferson Barracks Bridge

Whereas it has been called to the attention of the St. Louis County Council, by the Jefferson Barracks Bridge Association, that traffic over the Jefferson Barracks Bridge, owned and operated by St. Louis County, has shown a large increase each year and it has become apparent that the capacity of the bridge will be exceeded in the near future; and

Whereas the council has been informed that the highway connections to the bridge have been or will be designated as part of the Federal Interstate Highway System; and

Whereas the council also has been informed that neither the Missouri State Highway Commission nor the Illinois Division of Highways plan to construct an additional bridge on this portion of the Interstate System in the near future; and

Whereas it appears to be in the interest of St. Louis County and the St. Louis metropolitan area to provide, as expeditiously as possible, for the anticipated additional traffic across the Mississippi River at this point by constructing, through the sale of revenue bonds, an additional bridge adjacent to the present Jefferson Barracks Bridge, thereby creating two additional traffic lanes across the river; and

Whereas there is doubt that under existing laws it would be possible to so finance and construct such additional bridge and, therefore, amendments to existing applicable Federal and State laws are necessary; and

Whereas there has been introduced in the General Assembly of Missouri, house bill 561, a proposed act to amend chapter 234, Revised Statutes of Missouri, 1949, and there has been submitted to Senators STEWART SYMINGTON and THOMAS C. HENNINGS, JR., and to Congressman THOMAS B. CURTIS, a proposed act to amend an act approved August 7, 1939, which relates to the Jefferson Barracks Bridge, which proposed bill and act, if enacted into law, would make possible the financing and construction of such a second bridge: Now, therefore, be it

Resolved by the County Council of St. Louis County, Mo., as follows, That it go on record as favoring the passage of appropriate legislation which would authorize an additional bridge adjacent to the present Jefferson Barracks Bridge; and be it further

Resolved, That the supervisor of St. Louis County be, and he hereby is, directed to promptly take such action as may facilitate the construction of such second bridge; and be it further

Resolved, That the county clerk forward a copy of this resolution to the speaker of the house, the president pro tempore of the senate, each member of the senate and house of St. Louis County, Mo., to the United States Senators from Missouri and to the Representative in Congress from St. Louis County, Mo.

Adopted this 17th day of April 1957.

L. GORDON DAVIS,
Chairman, County Council.

Attest:

LEO E. SIEVERS,
County Clerk.

AMENDMENT OF SHERMAN ANTITRUST ACT, RELATING TO PRIMACY OF FREE ENTERPRISE

Mr. KEFAUVER. Mr. President, the bill which I am about to introduce is identical with H. R. 2142, which was introduced in the House by Representative EMANUEL CELLER, Democrat, New York. It amends the Sherman Act by having Congress declare that it is the policy of the United States to maintain, to the maximum extent possible, the American system of free, competitive enterprise which has so long been embodied in our antitrust laws.

One of the primary purposes of this bill is to establish and furnish a guide for administrative agencies, regulatory bodies and the courts in the exercise of their powers over business, and involving exemptions from the antitrust laws. The bill clearly creates a presumption in favor of free enterprise that should assure that our national policy favoring competition is not subordinated unless it is clearly found necessary to meet the objectives established by Congress. Administrative bodies will be clearly admonished by this bill, in the regulation of business and industry, that Congress intended this regulation to supplement and not to supersede our free, competitive system.

The need for this proposed legislation is clearly indicated by rulings of administrative bodies and the courts which have unduly expanded authorized exemptions from the antitrust laws. Under the so-called doctrine of primary jurisdiction, the courts of the United States have declined to give relief and the Attorney General has in fact failed to seek relief against allegedly unlawful restraints of trade where it appeared that administrative agencies have been vested with authority to approve some or all of the activities challenged as illegal. This reluctance on the part of the courts and the Attorney General to take action has been out of deference to so-called superior technical experience, commonly referred to as expertise, vested in the regulatory bodies. One of the most striking results of this doctrine of primary jurisdiction has been the ouster of the Attorney General from his prescribed duty to enforce the antitrust laws in regulated industry. A void has been created in certain trade areas that primarily come under regulatory agencies. Such business firms have been granted a greater immunity than was intended by Congress.

This bill admonishes any official, agency, board or commission in the exercise of its vested power and authority to give the maximum effect practicable to the objectives of the antitrust laws. Most important, the bill makes it clear to the courts that it is the intention of Congress that suits brought by the United States challenging violation of the antitrust laws shall not be barred or stayed for the reason that any administrative body or agency has jurisdiction, or is exercising jurisdiction, over some or all of the activities included in the alleged antitrust violation.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2220) to amend the Sherman Act to declare the primacy of free enterprise, and for other purposes, introduced by Mr. KEFAUVER, was received, read twice by its title, and referred to the Committee on the Judiciary.

PROPOSED FAMILY REUNIFICATION AND EMERGENCY REFUGEE ACT OF 1957

Mr. KENNEDY. Mr. President, I introduce, for appropriate reference, a bill to provide for the issuance of special

nonquota immigrant visas to certain aliens who applied for admission to the United States under the Refugee Relief Act of 1953, for the issuance of such visas to spouses and children of aliens admitted to the United States under such act, and for other purposes. I ask unanimous consent that I may speak on the bill in excess of the 3 minutes allowed under the order which has been entered.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the Senator from Massachusetts may proceed.

The bill (S. 2222) to provide for the issuance of special nonquota immigrant visas to certain aliens who applied for admission to the United States under the Refugee Relief Act of 1953, for the issuance of such visas to spouses and children of aliens admitted to the United States under such act, and for other purposes, introduced by Mr. KENNEDY, was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. KENNEDY. Mr. President, I have introduced a bill which I believe should be acted on by the Congress at the earliest possible opportunity. It would provide principally for the reuniting of families separated when the breadwinner emigrated to the United States under the Refugee Relief Act of 1953, leaving his wife and children behind. It would also admit a limited number of so-called pipeline cases—refugees who were given assurance of jobs and homes under the act, and for whom processing had been begun, but who were unable to emigrate before the act expired.

In addition, it provides special nonquota visas for four classes of refugees whose resettlement is urgent for humantiarian, political, and economic reasons. Under these provisions the bill would admit: 10,000 refugee-escapees presently in Austria, 10,000 refugee-escapees presently in NATO countries, 4,000 orphans adopted by United States citizens, 5,000 Middle East refugees temporarily in refuge in Western Europe.

The total number expected to be admitted under the bill would be about 89,000 over a period of 2 years. Dependents and "pipeline cases" together would be limited under the bill to 60,000. It is estimated that some 20,000 of those would be dependents of refugees already in the United States.

I believe that there can be little doubt in any Senator's mind that it is morally incumbent upon the Congress to reunite the families which were inadvertently broken by the workings of the Refugee Relief Act. In Italy, for instance, there are about 10,000 wives and children waiting to be reunited with husbands and fathers who are now in this country and who are employed and capable of taking care of their families. Human decency demands that we facilitate the reunion of these broken families.

The Refugee Relief Act, as great a humanitarian effort as it was, had some unfortunate after effects. It raised the hopes of many thousands of refugees who had obtained assurances of jobs and housing in this country and for whom processing had been initiated. However, the act expired and the hopes which had been raised were dashed. This bill will permit these people, whose efforts to begin a new life were frustrated through no fault of their own, to finally emigrate. It is both morally and psychologically indefensible to allow the situation to continue as it is.

In addition to those persons who were left stranded by the expiration of the Refugee Relief Act, there are several other categories of escapee-refugees which present urgent problems for the United States not only from a humanitarian point of view but because our seeming indifference poses serious political and economic difficulties for the Free World. If enacted, this bill would relieve these economic and social pressures, reduce United States budgetary costs, and remove a condition which is grist for the Communist propaganda mill.

The bill would admit up to 10,000 escapee-refugees from Austria, including 3,000 Hungarians, and 10,000 refugee-escapees who are now temporarily residing in NATO countries. Many of the persons who would be admitted under these provisions have languished in camps for years, and the United States has and is indirectly contributing to their support through the United States escapee program. Thousands of refugees have already permanently settled in Western Europe or in other countries through the efforts of private agencies and the Intergovernmental Committee on European Migration, but there remains a significant number still to be resettled abroad. It is fair and in the best interest of this country to welcome a reasonable number of these refugees to the United States. It should be pointed out that to the extent that these people are resettled they will no longer constitute a drain on United States budgetary resources through the USEP program but instead will become self-supporting, industrious residents of this Nation.

Speedy action should also be taken to admit another group of aliens. I refer to those orphans throughout the world who, friendless and without parents, have been adopted by United States citizens but cannot be admitted to this country. These are truly the forgotten ones of the postwar years. Born in a world torn by strife and tension they have never enjoyed that which is the right of every child—the love and security of parental care. It is unthinkable that the Congress would not act to permit these children to join their adoptive parents—many of them members of the military services. The number of orphans who would be admitted under this bill is small—4,000 over a 2-year period—but the happiness which it would bring to adoptive parents and children alike is immeasurable.

The last small group of alien refugees which would be admitted under this bill are some 5,000 Greeks, Italians, and stateless Jews who have been expelled from countries in the general area of the Middle East and who arrived in overcrowded Italy and Greece. Although many of us believe that these homeless people could be admitted under the parole provisions of the Immigration and Nationality Act, the Attorney General has declined to do so. These are worthy cases and deserve our consideration. Many of these expellees have relatives in this country.

There are several general provisions in the bill to which I should like to draw attention. The first would permit the aliens to be admitted under this bill to enter the country under the regular provisions of the Immigration and Nationality Act. All of us recognize that the procedures of the Refugee Relief Act were cumbersome, time-consuming and expensive. Those in the Congress who know our immigration law best have advocated the return to the normal provisions of the Immigration Act which, while simple, afford necessary protections.

This bill also provides for the regularization of the immigration status of refugees who have heretofore been admitted under the parole provisions of the basic law. This is something that must be done sooner or later. This action will permit parolees to acquire a regular immigration status. This is an orderly procedure and should be followed with a minimum of delay.

Various past acts of Congress have mortgaged quota numbers available under the regular Immigration Act so that for all practicable purposes immigration from some countries is impossible until well into the 21st century. This, it seems to me, and I know to most of my colleagues in the Congress, is a fantastic situation which should be corrected promptly. This bill would cancel the mortgages which have been placed on immigration quotas by previous acts of Congress. It would merely have the effect of making all quotas under our immigration law current.

In summary I should like to say that the provisions of this bill meet the minimum requirements of the present refugee-escapee crisis. The situations to which the provisions of the bill are directed are well recognized by the Members of Congress and I believe there is general support for action in each of these areas, especially among those who have been closely associated with immigration and refugee legislation over the years.

The bill is directed to pressing situations, the continued existence of which is morally indefensible and abhorrent to the American conscience. The number of aliens which this bill would admit is relatively small—less than 90,000 over a 2-year period—yet the advantages to the United States and the people affected are tremendous. More importantly, however, this bill has great moral significance having as its basic purpose the preservation of families and the extension of assistance to the homeless. Who among us would suggest seriously that families should not be reunited as promptly as possible? And who would deny to orphan children the loving care of generous and eager adoptive parents?

This bill is no panacea nor is it a final answer to the immigration problem. As I have repeatedly stated, I believe that Congress must seriously and thoughtfully reexamine our entire immigration policy. However, the problems of the human beings to which the legislation is primarily addressed cannot await a thorough legislative review. These problems are urgent and their solution is vital—not only to the persons directly affected but to us to whom the power has been given to alleviate the distress suffered by other human beings. I cannot urge too strongly that Congress act during the present session on this important matter.

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT, RELATING TO ADVERTISED AND NEGOTIATED DISPOSALS OF SURPLUS PROPERTY

Mr. HUMPHREY. Mr. President, on behalf of the Committee on Government Operations, and at the request of the Administrator of General Services, I introduce, for appropriate reference, a bill to amend the Federal Property and Administrative Services Act of 1949, as amended, regarding advertised and negotiated disposals of surplus property.

This bill is a part of the 1957 legislative program of the General Services Administration and is proposed as being in accord with recommendations of the Commission on Organization of the Executive Branch of the Government in its report on use and disposal of Federal surplus property.

I ask unanimous consent that a letter from the Administrator of General Services addressed to the President of the Senate, which sets forth the need for the proposed legislation, be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2224) to amend the Federal Property and Administrative Services Act of 1949, as amended, regarding advertised and negotiated disposals of surplus property, introduced by Mr. HUMPHREY, by request, was received, read twice by its title, and referred to the Committee on Government Operations.

The letter presented by Mr. HUMPHREY is as follows:

GENERAL SERVICES ADMINISTRATION,
Washington, D. C., May 23, 1957.

Hon. RICHARD M. NIXON,
President of the Senate,
Washington, D. C.

MY DEAR MR. PRESIDENT: There is hereby transmitted for referral to the appropriate committee, a draft bill prepared by this Agency "to amend the Federal Property and Administrative Services Act of 1949, as amended, regarding advertised and negotiated disposals of surplus property."

The draft bill is part of the 1957 legislative program of this Agency. It is consistent with and will implement recommendations of the Commission on Organization of the Executive Branch of the Government contained in its report on use and disposal of Federal surplus property.

The bill prescribes in considerable detail the situations in which the disposal of surplus Federal property, real and personal, must be accomplished by public advertising and when disposals may be accomplished by negotiation. The bill prescribes also the advertising procedure to be observed, including such matters as the period of advertisement, opening of bids, and making the award.

The bill would provide a "charter" in this field for the disposal of surplus property comparable to the one contained in title III of the subject act applicable to the procurement of property and services. It is based on extensive experience and would replace by permanent law interim extensions of negotiation authority.

The statutory background of the draft bill is illuminating. The Surplus Property Act of 1944 provided that surplus property disposals "may be made without regard to any provision in existing law for competitive bidding, unless the Board shall determine that disposal by competitive bid will in a given case better effectuate the policy of the act" (sec. 29, 58 Stat. 781).

In 1946, the general advertising statute, section 3709, Revised Statutes, was amended to apply expressly for the first time to the disposal of surplus property, although exceptions were made for disposals under the Surplus Property Act of 1944 and disposals of small dollar value (sec. 9, 60 Stat. 809).

The Federal Property and Administrative Services Act of 1949 as originally enacted provided: "Unless the Administrator shall determine that disposal by advertising will in a given case better protect the public interest surplus property disposals may be made without regard to any provision of existing law for advertising until 12 o'clock noon, eastern standard time, December 31, 1950" (sec. 203 (e), 63 Stat. 386).

This provision has been amended four times, primarily to provide additional temporary authority. In July 1952 the negotiation authority was revived and extended to June 30, 1953 and a requirement was added that an explanatory statement be prepared and submitted to the appropriate Congressional committees, with a copy preserved in the file, of all cases where negotiated disposal occurs (sec. 1 (1), 66 Stat. 593). Authority was similarly revived and extended in August 1953 to June 30, 1954 (67 Stat. 521), in July 1954 to June 30, 1955 (68 Stat. 474), and in August 1956 to July 31, 1958 (Public Law 971, 84th Cong., 70 Stat. 1020).

Each interim extension of authority was granted only after the previously given authority had already lapsed, the period of lapse twice being a matter of weeks and twice being in excess of a year, reaching a maximum of 1½ years.

Plans for orderly disposal become disorganized under such procedure. Negotiations pending when the authority to negotiate expires must be suspended and perhaps terminated, to the disappointment of the prospective buyer and the vending Government agency. Less suitable sales machinery is then invoked. In some circumstances where negotiation with a particular buyer is especially desirable legislation is introduced covering the individual transaction. Sales through other methods are then postponed until action on the special legislation develops.

These difficulties merely highlight the accuracy of the principle of public administration that permanent operating responsibilities cannot adequately be carried out with only temporary grants of power.

The interim extensions were granted to provide ample opportunity for studies and plans to be made for the enactment of permanent legislation on the subject. The enclosed draft bill is based on considerable experience, and consultation with other Federal agencies. It is flexible to adapt to the variety of circumstances under which Federal surplus property is sold and seeks to protect the just interests of prospective buyers as well as the Government. We believe the proposed bill should properly supersede the present temporary authority now contained in section 203 (e).

Some comments on provisions of the draft bill follow:

Paragraph (1) of subsection (e) requires that surplus property be disposed of by public advertising unless disposal is made by abandonment, destruction, or donation, or through contract realty brokers, or on a negotiated basis in the nine situations set forth in paragraph (3), or, in the case of personal property, by sales at fixed prices as provided in paragraph (5).

Paragraph (2) prescribes advertising procedure similar to that of title III in procurement. Slight changes were made to accommodate auction sales.

Paragraph (3) authorizes negotiation procedure, rather than public advertising procedure, in certain enumerated special disposal situations. The negotiation procedure must be conducted under regulations prescribed by the Administrator of General Services and must include as much competition as is feasible.

Subparagraph (A) of paragraph (3), like its counterpart in title III, will facilitate Government operations during a national emergency. Undue delay and publicity may be avoided and particular property transferred to a particular contractor for defense purposes. Use of this authority is restricted to particular lots of property and, for short periods of time, to categories or general classes of property. Under paragraph (6), a justification must be prepared when this authority is exercised. Declaration of a national emergency without other pertinent circumstances would not constitute a justification.

Subparagraph (B) provides obviously desirable facility to make disposals in a manner which will further the public health, safety, or national security. Drugs and military items can be steered away from illicit traffic; surplus property can be directed to contractors who will use the property for public protection.

Subparagraphs (C), (E), and (F) correspond to similar provisions in title III on procurement procedure. They represent a suitable open-market limitation and recognized exceptions to the requirement of public advertising made by section 3709, Revised Statutes.

Subparagraph (D) will enable steps to be taken in disposals to prevent dislocation of the national economy from disruptive impacts of disposals on an industry. The serious effect of such impacts on employment and investment was critically noted recently by the second Hoover Commission (Commission on Organization of the Executive Branch of the Government, Report to the Congress on Use and Disposal of Federal Surplus Property, April 18, 1955, pp. 50–51, 53–54).

Subparagraph (G) is limited to real property, and would permit negotiation where the character or condition of the property or unusual circumstances make it impractical publicly for competitive bids.

The public interest is substantially safeguarded by the requirement in this subparagraph that, in the exercise of the negotiation authority, there must be obtained the estimated fair market value of the property and other satisfactory terms of disposal. The subparagraph strengthens the position of the Government in making disposals of surplus realty where competitors may not be on an equal footing, as in the case of scrambled industrial facilities or in-place Government property on leased property. It also will permit the Government to reconvey property to former owners where the equities of the situation justify such action.

Subparagraph (H) authorizes the Administrator of General Services to provide for the negotiation of sales of surplus property at fair market value with State and local

governments subject to obtaining such competition as is feasible. Purchasing agents of some of these governments labor under legal handicaps in submitting public competitive bids for property. The subparagraph will improve the likelihood of such public bodies buying Federal surplus property.

Subparagraph (I) corresponds to a provision in title III. Among the other situations where negotiation is authorized by the act is in the disposal of contractor inventory under section 203 (f). Such authority continues unaffected by section 203 (e).

Paragraph (4) supplements Public Law 760, 83d Congress (68 Stat. 1051, approved August 31, 1954), which amended the Federal Property and Administrative Services Act of 1949 to provide for the payment of brokers' (and other) fees from the proceeds of disposal of surplus real property. Under this paragraph, realty brokers retained by this agency under contract will observe the usual commercial practices in disposing of realty and will give wide public notice of properties for sale or lease.

Paragraph (5) would expressly grant to the Administrator of General Services the authority to make negotiated sales of surplus personal property at fixed prices, either directly or through disposal contractors. Such authority is consonant with recommendation No. 17 of the second Hoover Commission (pp. 68 and 69 of its aforementioned report to Congress of April 18, 1955). The Commission was of the opinion that private distributors and disposal agents could profitably be used for selected classes of surplus commodities. We believe that authority to employ this method of disposal should be made crystal clear in the permanent disposal charter represented by the accompanying draft bill.

Paragraph (6) recites a requirement contained in the present section 203 (e). The other requirement of that section, submission of the explanatory statement to the appropriate committees of Congress, has been omitted as unnecessary in a permanent law detailing the situations in which either public advertising or negotiation may be followed.

Paragraph (7) like its counterpart in title III, is a technical provision which avoids confusion as to governing law.

The Hoover Commission in its recent report on surplus property recognized the desirability of suitable use of advertised and negotiated disposals and in its recommendations Nos. 12 (a), (c), 13, and 22 (b) urged improved advertising and award procedure and careful selection of the best methods of sale (report cited above, pp. 55–57, 85–86). The draft bill will help reach these goals.

The Commission also recognized that in a commercial-type activity such as surplus property disposal the consideration of maximum net return was significant but not exclusive (report cited above, p. 50). The draft bill reflects this point of view. It seeks economy and efficiency without sacrificing the public interest.

For these reasons, prompt and favorable consideration of the enclosed draft bill is recommended.

While GSA is convinced that enactment of the proposed legislation will insure more timely and orderly disposals of surplus property with some savings in operating costs, we cannot at this time offer any firm estimate of the amount of such savings.

The Bureau of the Budget has advised that it interposes no objection to the submission of this bill to the Congress.

Sincerely yours,

FRANKLIN G. FLOETE,
Administrator.

PROPOSED PROGRAM FOR COTTON

Mr. SYMINGTON. Mr. President, the time has come for a serious reevaluation of our farm programs. The Secretary of Agriculture, Mr. Benson, recently stated that our present farm legislation is not achieving the desired results; and also that he has no comprehensive alternative solution.

This statement by the Secretary has stimulated interest on the part of farmers, farm organizations, and interested agricultural leaders throughout the country.

Those who are concerned with the future of our agricultural economy have ideas, and are making proposals, for new and better legislation to deal with our farm problems.

The bill I am about to introduce goes to the heart of the problem. It would, if enacted, expand cotton markets by enabling cotton to be sold on a competitive basis, both in the domestic and foreign markets.

The position of American cotton, the world's leading textile fiber, has declined over the past 25 years. Foreign markets have been lost to the expanded production of other countries throughout the world.

Domestic consumption has not kept pace with the rapidly expanding production of synthetic fibers.

In recent years, the American cotton growers have witnessed a steady deterioration of their income. As acreage allotments and price supports have been reduced, cotton farmers have found it increasingly difficult to maintain a minimum income.

The United States textile industry has suffered from the competition of foreign manufacturers—in many cases competition encouraged by our pricing policies.

The consumer has borne a double cost—the tax cost of Government support and loan programs, plus higher prices for the finished cotton goods he purchased.

Normal trade channels have been affected by the events of the past 25 years.

These were the conditions that faced the leaders from all segments of the cotton industry as they began work on a sensible solution.

After considerable thought, study, and several industry-wide conferences, the representatives from each area of the industry agreed on the principles offered in this bill.

The main thesis of their proposal is to put cotton back in the market place—to sell it, not to store it. Other advantages have been outlined as follows:

A. Protect the farmer's income and permit him to use his land and equipment more efficiently.

B. Provide full price competition both at home and abroad.

C. Eliminate the need for a special export sales program.

D. Increase consumption and prevent accumulation of surpluses.

E. Return cotton handling and marketing to normal channels of trade.

F. Eliminate present conditions which create unfair competition for American cotton mills.

G. Benefit consumers through lower retail prices and wider choices of fabrics.

H. Reduce the cost to the Government.

I. Counteract inflationary trend in textile markets.

The stated objectives would be accomplished as follows:

First. The loan program would be continued, but the loan level would be slightly—probably 5 percent—under the world price for cotton as determined by the Secretary of Agriculture as of June 1 of the calendar year in which the cotton is produced.

Second. The national marketing quota would be estimated domestic consumption plus exports. Under this method the minimum national marketing quota for 1958 would be 14 million bales which would provide a national acreage allotment of 20½ million acres, or an increase of 17 percent over 1957. This method would insure continuation of acreage allotments and marketing quotas and provide protection against unregulated production.

Third. Producers taking advantage of increased cotton allotments would be excluded from the cotton acreage reserve provisions of the soil bank. State, county, and farm history would be preserved under this provision.

Fourth. Domestic allotment: Marketing equalization payments would be made to the producer through the cotton merchant to represent the difference between the average spot market price or loan price, whichever is higher, and a stated percentage—probably 90 percent—of parity.

Export allotment: There would be no marketing equalization payments.

Fifth. The program would be financed with unused funds available for cotton payments under the Soil Bank Act; and, insofar as such funds are insufficient, the Secretary of Agriculture would be authorized to use funds of the Commodity Credit Corporation.

I respectfully urge that this bill be given serious study—that it be analyzed and compared with the other proposals, as well as with the present program.

If we approach these problems with a receptive but critical mind, I am confident that a new and more successful farm program will result.

On behalf of myself and Senators McCLELLAN, HENNINGS, and KEFAUVER, I introduce, for appropriate reference, a bill which merits the study and consideration of those searching for a more satisfactory solution to the problems facing the cotton industry.

Mr. President, I ask unanimous consent that the bill lie on the table for the remainder of this week, in case there be other Senators who wish to become cosponsors of it.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, will lie on the table, as requested by the Senator from Missouri.

The bill (S. 2226) to increase farm income and to expand markets for cotton by enabling cotton to be sold competitively in domestic and foreign markets, introduced by Mr. SYMINGTON (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

GOVERNMENT GUARANTEE OF PRIVATE LOANS TO CERTAIN AIR CARRIERS

Mr. MONRONEY. Mr. President, at the request of the Civil Aeronautics Board, I introduce, for appropriate reference, a bill to guarantee loans for local service and territorial airlines, which is aimed at improving air service to communities throughout the United States, Alaska, and Hawaii.

By making loans more readily available for new equipment that will provide more efficient and economical operation, it is hoped that savings will enable these airlines to go off subsidies that now are costing $30 million a year.

These carriers, that reach the smaller cities off the main trunk routes, are equipped mainly with DC-3's, the old workhorse that went into service in 1936. For speed, comfort, and seat-mile economy, replacements are urgently needed.

Loans for new planes are hard to negotiate. The CAB has asked authority to guarantee private loans not to exceed $5 million per company for the 13 local service airlines serving areas of the United States; for the 6 airlines operating within Alaska; and for the 2 within Hawaii.

The purpose, amount, and duration of the loans will be fully controlled by the Board. Under the bill, the Board cannot guarantee the loans if the carrier can obtain necessary funds on reasonable terms without them. Such loans also are limited to 90 percent of the aircraft cost, and must provide full repayment within 10 years.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2229) to provide for Government guaranty of private loans to certain air carriers for purchase of aircraft and equipment, and for other purposes, introduced by Mr. MONRONEY, by request, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. HILL:

Address delivered by Senator NEUBERGER at annual Memorial Day ceremonies at Hyde Park, N. Y., in memory of Franklin D. Roosevelt, on May 30, 1957.

By Mr. HUMPHREY:

Address entitled "The Human Approach to Foreign Relations," delivered by him before the American Pharmaceutical Advertising Club luncheon, at the Waldorf-Astoria, in New York, on June 3, 1957.

By Mr. COOPER:

Commencement address delivered by Senator HILL at the University of Kentucky, Lexington, Ky., May 27, 1957.

By Mr. JACKSON:

Correspondence between himself and the Atomic Energy Commission relative to health and safety aspects of using the Columbia River as a coolant for the Hanford Atomic Works.

By Mr. YARBOROUGH:

Article entitled "Floods, Twisters Leave Impact on 9,000 Texans," published in the Austin (Tex.) American of June 1, 1957, dealing with the effects of floods and tornados in Texas.

By Mr. JAVITS:

Editorial entitled "Overloaded Court," published in the Washington Post and Times Herald of May 25, 1957.

DEDICATION OF NEW WISCONSIN FARM BUREAU FEDERATION BUILDING

Mr. WILEY. Mr. President, next Sunday, June 9, there will be dedicated a new State office building in the capital of my State for one of the great private organizations of America's dairyland—the Wisconsin Farm Bureau Federation.

The Farm Bureau and its affiliates are not only indispensable aids to the agricultural population of my State; they are among the foremost constructive forces in civil-minded leadership for the State as a whole.

I was pleased to note in last Sunday's—June 2—issue of the Wisconsin State Journal, a tabloid supplement exclusively devoted to the Farm Bureau in my State—to its history, its achievements, its personnel, its outlook. The supplement is inspiring reading.

The federation is grassroots democracy at work for the welfare of the rural citizen and his family and for the welfare of the State as a whole. I convey warmest greetings to the federation.

I ask unanimous consent that excerpts from the supplement be printed at this point in the body of the CONGRESSIONAL RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

JUNE 1, 1957.

To the People of Wisconsin:

The Wisconsin Farm Bureau Federation and affiliated companies on Sunday, June 9, will dedicate their new State office building in Madison.

Ten board of directors join me in inviting you to our open house, beginning at 10:30, and the dedication ceremonies at 2.

We are proud of our new building—as the State office for 32,000 members of the farm bureau, as a place to work, and as a worthy addition to the architecture of Madison.

Farm bureau and affiliates, Wisconsin Farmco Service Cooperative and Rural Insurance companies, employ 200 persons in Madison and an additional 225 throughout the State. The insurance companies are represented also by 100 general and special agents in 53 counties.

The annual payroll from Madison alone exceeds $1 million. This goes to local people, most of them living in Madison, working for a farm organization and yet part of the city and its economic life.

Our fine new building on a 5½-acre grounds at South Park Street and the Beltline incorporates the most modern features. It gives travelers from the south and those traveling the Beltline an impressive introduction to the Madison business community.

The cost of the building including fixtures, land, and landscaping, was near a million dollars. Practically all of it was contracted in Madison.

Farm bureau is a free, independent, nongovernmental, and voluntary organization of farm families, united for the purpose of analyzing their problems and formulating action to achieve educational improvement, economic opportunity, and social advancement.

The new farm bureau building symbolizes the accomplishment of our members, past and present, in giving agriculture in Wisconsin its position of respect and importance. The produce of our farms now exceeds $1 billion annually.

We are happy to see this new building take its place in the capital city, marking as it does the place of farm bureau in the life of Wisconsin.

CURTIS HATCH,
President.

THE WISCONSIN FARM BUREAU

DEDICATION

"Gifts of Soil," symbolizing the source of the Farm Bureau's strength, will be the theme of the dedication ceremonies for the Wisconsin Farm Bureau's new headquarters at 801 West Badger Road next Sunday.

Speakers and dignitaries present will each present a gift of soil from a part of Wisconsin or the United States. The soil samples will be mixed in a flowerbed in which will be grown, in flowers, the emblem of the Wisconsin Farm Bureau Federation.

The day's activities will begin at 10:30 a. m. with tours of the building. Members and visitors will be invited to picnic on the lawn. The Farm Bureau will provide free milk and cheese.

Vice President Arthur Murphy will be master of ceremonies for the dedication program at 2 p. m. Music will be furnished by the 4-H band from De Forest.

Lt. Gov. Warren P. Knowles will present gifts of soil from each of Wisconsin's 71 counties. Dean Rudolph K. Froker of the University of Wisconsin College of Agriculture will contribute soil from the campus and branch experiment stations.

Soil from each of the 48 States will come from George Scarseth, director of the American Farm Research Association. Many of the States will send earth from historic spots, such as Virginia's Jamestown.

Mrs. Harold Russell, Janesville, Farm Bureau Women's Committee chairman, will lead the presentation of gifts of soil from the most important places of all, Farm Bureau members' own farms.

President Curtis Hatch will accept the gifts on behalf of the entire Wisconsin membership, and will unveil the dedication plaque.

While the makeup of the Wisconsin Farm Bureau Federation has remained basically the same through its 37-year history, changes occur occasionally to fit changing conditions.

Historically the basic unit of Farm Bureau organization has been the township. Now, however, modern means of transportation and communication tend to minimize the importance of township lines. Consequently the Wisconsin Farm Bureau is turning to neighborhood councils as the means of building solidarity between neighbors. Six to 12 families constitute a neighborhood council.

When the time comes to elect members to the county Farm Bureau board, all the councils in the township, plus any unattached families, elect one representative from the township.

County boards meet monthly. Each county is represented at the annual State convention on the basis of membership. One voting delegate is allowed for the first 25 members in a county and one additional delegate for each 100 additional members.

County Farm Bureaus are autonomous units, true to the traditional concept of Farm Bureau rule coming from the bottom up, rather than from the top down.

Dues are $10 per family per year in all counties except Rock and Jefferson, where they are $15. The Wisconsin Farm Bureau receives $4.25 of each family's dues and in turn passes $1 on to the American Farm Bureau Federation.

The recruitment activities of the State federation, once handled by a lone man, are now conducted by Robert Davie, State director of organization, and seven fieldmen.

Heading the Wisconsin Farm Bureau Federation in 1957 with president Curtis Hatch are vice president Arthur Murphy, Route 4, Chilton, and secretary-treasurer William KasaKaitas, Madison.

FARM BUREAU YOUNG PEOPLE

An organization that does not provide for continuity of leadership is headed for certain disaster. The Wisconsin Farm Bureau Federation is insuring its future by sponsoring Farm Bureau Young People, dedicated to teaching rural youth better methods of farming, better citizenship, and better leadership.

Formed in 1948, Farm Bureau Young People numbered about 300 for several years. Under the leadership of James Mersberger, Farm Bureau fieldman for young people's activities, it spurted to a record membership of 860 in 1956.

The county and State Talk Meets are one of the ways FBYP prepares members for their future tasks of presenting their ideas clearly and forcefully to promote Farm Bureau programs.

To be eligible for the State Talk Meet, to be held during the State convention at La Crosse, November 10–13, each contestant must have participated in a local contest judged by a competent person. Contestants will be prepared to speak on three topics, and will choose one of them for a 5-minute speech.

The young person's responsibility to his home community is stressed in the 1957 community service contest.

County FBYP groups will keep records of their community betterment activities during the year to be used as the basis for the contest report, to be submitted by November 1.

Competing groups will choose from projects in the general categories of citizenship, health, community beautification, recreation leadership, and safety.

In 1956 over 140 young men from all parts of the world spent 10 to 11 months on American farms. Six came to Wisconsin. Seven more are spending 1957 in our State with FBYP members.

The Market Basket program gives FBYP members a clearer understanding of the value of Wisconsin's crops to the Nation while they take this information to the public.

WISCONSIN FARM BUREAU WOMEN

Wisconsin farm women realized early in the Farm Bureau movement that there was a place for them in the big job of improving farm living.

The town of Waukesha, in Waukesha County, produced the first ladies' auxiliary, in the State, and in the same year, 1921, a county auxiliary was formed. Leaders of the county group reported their progress to the 1922 annual convention, prompting recommendations that more women's groups be formed.

The State executive committee of the WFBF voted July 13, 1923, to call a meeting of county women leaders at Madison July 27.

Attending this pioneer gathering were Maud Spooner, Evansville; Lu Frankenkoff, Boscobel; Karolyn Napp, Fennimore; Mattie Grebel, Randolph; Blanche Neis, Juneau; Mrs. Harry Berger, Hales Corners;

Mrs. Rolland Stitles, Winslow, Ill.; Mrs. Myra Reinhart, Browntown; Mrs. John Ehler, New Glarus; Mrs. William Olson, Monroe; Mrs. John Bolger, Waterloo; Mrs. Shelby Divan, Browntown; Mrs. Raymond Metcalf and Mrs. Harlan Metcalf, Dodgeville.

Mrs. Berger was elected chairman and Mrs. R. W. Jenkyns, Fond du Lac, vice-chairman; Maud Spooner was elected secretary-treasurer.

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Today over 30,000 women in 50 Wisconsin counties are taking part in a wide variety of projects of the Associated Women.

One of the most important of these is the good-health giant milk program designed to give Wisconsin schoolchildren in 19 counties a better understanding of the value of dairy products in their lives.

Statewide cooking contests sponsored by Farm Bureau women promote the use of Wisconsin dairy products in old and new ways. In 1954 and 1955 contestants baked custard pies; in 1956, cheesecake.

The Associated Women are well aware that farm women and urban women need to cooperate and to understand each other's needs and problems. To get them together, the organization held three town and country dinners this spring in Madison, Eau Claire, and Green Bay.

The name "Associated Women" was changed to "Farm Bureau Women's Committee" in 1954.

Associated Women of the Farm Bureau are also members of the Associated Country Women of the World.

GENERAL HISTORY

Wisconsin farmers in 1920 were in much the same situation they find themselves in today.

The wartime period of high production and high farm prices had given way to a period of surpluses and slumping prices. Commodity prices dropped, but the farmer's costs didn't, and the now-familiar cost-price squeeze was on.

Farmers in a few Wisconsin counties had heard about the new approach to farm organization, the farm bureaus that had sprung up in other parts of the United States. They watched the county units federate into State farm bureaus, and they saw the birth in 1919 of a union of bureaus, the American Farm Bureau Federation.

By early 1920 there was farm bureau sentiment in Rock, Fond du Lac, Waukesha, Jefferson, Walworth, Dodge Dane, Ozaukee, and Crawford Counties. Feeling the time had come for a State organization, their leaders called for a State organizational meeting in Waukesha May 27, 1920.

The temporary chairman of the meeting, George W. Hull, Whitewater, was elected president of the Wisconsin Farm Bureau Federation. S. A. Baird, Waukesha, was vice president; C. W. Keys, Fond du Lac, treasurer; and Charles Peterson, Rosendale, secretary.

After voting to affiliate with the American Farm Bureau Federation and adopting a tentative constitution, the meeting elected an executive committee. Members were Hugh Hemmingway, Janesville; Math Michels, Fond du Lac; Gavin McKerrow, Pewaukee; Paul Gavin, Walworth; Paul Burchard, Fort Atkinson; and William Coogan, Watertown.

The infant national federation to which these few Badger farmers had attached themselves was unique in its makeup. It developed, not in a mood of violent rebellion, as so many farm organizations had in the past, but in the spirit of self-help and mutual cooperation that bred the county-agent system.

The county-agent system developed first in the South just after the turn of the 20th century. Specialists who started out to beat a specific problem, the boll weevil, stayed to give general help and advice. Broome County, N. Y., had the North's first county agent in 1911. The Smith-Lever Act of 1913 made possible a nationwide system of agents on a firm financial basis.

Groups of farmers, organized to advise the county agents, began to call themselves farm bureaus. In some States they contributed money to the work.

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This organization seeks to promote friendship between groups of women in all countries. It works for better conditions in rural homes in all countries. The pennies for friendship program finances the central office of the organization, triennial conferences of delegates from member organizations, and sends representatives of ACWW to United Nations meetings.

Mrs. Harold Russell, route 2, Janesville, is State chairman of the women's committee of the Farm Bureau since 1951. Mrs. A. J. Baumann, route 2, Cottage Grove, is vice chairman, and Mrs. Alfred Winkler, route 3, Montello, is secretary.

INSURANCE

Farm Bureau operates to help solve farmers' problems. The cost of insurance is a sizable item in the cost of operating a farm. Farm Bureau believes that the problems of farm insurance can best be met by farmer-owned and controlled insurance companies which will provide insurance fitted to farmer needs and operated on a participating basis.

The Farm Bureau Mutual Insurance Co. began operations June 1, 1935, as a casualty company insuring only Farm Bureau members.

Membership was low during the depressed 1930's, and the number of policies in force was correspondingly low. When L. F. Roherty became manager of the company in 1937 there were only 2,200 policyholders. Twenty years later he manages an operation serving 86,000 policyholders.

The growth of Farm Bureau membership during World War II and immediately afterward brought expansion opportunities to the insurance company. The Rural Mutual Fire Insurance Co. was organized in 1947 to provide fire, windstorm, and crop hail insurance.

In was also in 1947 that Farm Bureau Mutual Insurance Casualty Co. became Rural Mutual Casualty Insurance Co.

The next step was life insurance, authorized by voting delegates in June 1949. The Rural Security Life Insurance Co. began operations that year as a stock company, with stock sold to Farm Bureau members.

Later this stock was recalled and reissued to Rural Mutual Casualty, Rural Mutual Fire, and the Wisconsin Farm Bureau Federation. The life company now operates as a participating stock company, with dividends to stockholders limited to 5 percent and all other profits going to policyholders or surplus.

Casualty claim service is offered on a unique patrol system, which has done much to improve relations between the companies and the policyholders. Ten claims adjusters are constantly in the field, keeping regular schedules of office hours at county headquarters. Policyholders are thus given the promptest possible service.

Beginning July 1, 1957, the casualty and fire companies will be merged under the name of Rural Mutual Insurance Co. The change was authorized by policyholders at a meeting on March 12, and voted by the board of directors the same month.

The casualty company had total assets at the end of 1956 of $3,180,613. The fire company's assets were $555,806 and the life company's assets were $2,543,912.

The merged company will have a surplus of $1,300,000.

BUILDING

The house that farmers built shows Madison and its visitors in a dramatic way the growth and importance of the Wisconsin Farm Bureau Federation.

Located at 801 West Badger Road, near the intersection of South Park Street and the south beltline, the Farm Bureau's new home is becoming a landmark with its clean lines and its arresting two-tone exterior.

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FARMCO

A group of farsighted Wisconsin farmers laid the foundation for a $15 million business, when, in 1933, they started buying cooperatively the feed, seed and fertilizer they needed to conduct their farming operations. These farmers, all members of the Wisconsin Farm Bureau, banded together to form a State cooperative, now supplying products to 53 county member companies, with a total of 132 retail outlets in the State of Wisconsin.

The demand for service increased rapidly, so that by 1937 it was necessary to establish a separate company to fulfill the needs of county farm supply companies. Then, too, came the decision of the American Farm Bureau Federation that State federations should not be involved in commercial activities.

Farm Bureau members in Dane, Green, Rock, Sauk, Iowa, Jefferson, Waukesha and Wood counties, through their county cooperatives, founded the Wisconsin Cooperative Farm Supply Co. as a central purchasing and manufacturing agency. Howard Johnson was named the manager of the new company.

The first home of the farm supply cooperative was located in the State Farm Bureau headquarters, 744 Williamson Street—the present home of the R. E. Ela Co.

FERTILIZER MANUFACTURING STARTED

It was in the basement of this warehouse and office building that Farmco first manufactured fertilizer. An old cement mixer, crude elevator and shovels constituted the equipment for this early manufacturing operation.

With expanded operations came the need for enlarged State headquarters. In 1940 the Farm Supply Co. built an office building at 18 South Thornton Avenue, Madison, which served as a home for Farm Bureau and its affiliated companies. The front quarter of the building housed the federation offices and the insurance and supply companies. The State warehouse and feed manufacturing plant took up the rear three-quarters.

Green County Farm Bureau members were the first to get into the oil business by building bulk storage tanks and giving delivery service to Green County farmers. This service company was started in 1942 with Farm Bureau members in Stephenson County, Ill. Service companies in Dane, Rock, and Jefferson Counties were established soon afterward.

Wartime demands on Wisconsin soil made vast inroads on soil fertility. Farmers needed and wanted high analysis plant food, but it was difficult, if not impossible, for them to purchase it.

The fertilizers then most common were of a 2–12–6 (2 percent nitrogen, 12 percent phosphorus, 6 percent potash), or 0–14–7 grades. These analyses were not high enough to do the job that Farm Bureau members felt ought to be done. Besides, these commercial fertilizers contained from 400 to 600 pounds of useless sand per ton. This situation was soon rectified with the establishment of the Wisconsin Cooperative Farm Plant Foods in 1944. Farm Bureau members took only a few weeks to purchase an entire subscription of $500,000 worth of 6 percent preferred stock to establish the new company.

The first source of high analysis fertilizer, which later became an identification phrase for the new company, was the purchase of part ownership of a cooperatively owned manufacturing plant at Hartsdale, Ind.

Ray L. Pavlak was named general manager of the new Plant Food Co.

The fertilizer program grew so rapidly that within a year the plant foods company built its own manufacturing plant at Green Bay. A mixing plant at Prairie du Chien was added in 1946, and in 1948 a second plant was built for the conversion of rock phosphate to a form making the phosphorus readily available to the growing plant.

Further growth necessitated the erection of plants at Antigo in 1949, Whitewater in 1950, and more recently, Cameron and South Wayne.

In order to have a good supply of basic fertilizer ingredients, Wisconsin Cooperative Farm Plant Foods joined with other Midwestern cooperatives to form Central Farmers Fertilizer Co. in 1946. Three big new projects of this firm will keep Farmco abreast of new fertilizer developments.

One is a phosphate mine in Idaho. Another is an $18 million nitrogen plant put into operation at Lawrence, Kans., in 1956.

The third, a $16 million nitrogen plant of the St. Paul Ammonia Products Co. at St. Paul, Minn., has just begun operations.

Another important development was the addition of equipment at Whitewater, Prairie du Chien, and Green Bay for the manufacture of a granulated fertilizer rather than the pulverized form.

Granulated fertilizers are easier to handle, they are free from dust and more even application is possible because of the freedom from drift on windy days. In addition, the granulated product is homogeneous. Each particle contains the complete analysis.

Continued growth of both the Farm Supply Co. and the Plant Food Co. in the busy years after World War II made a new business organization desirable. The two companies were merged in 1953 to form Wisconsin Farmco Service Cooperative, with Ray L. Pavlak named as general manager by the board of directors.

Wisconsin dairymen found that the Farm Bureau Open Formula feed filled their demands for a quality dairy feed. Good livestock men want to know exactly what they are feeding their livestock and the policy of listing on the feed tag exactly what's in the bag was promoted to do just that.

THE NEED FOR EXPLORATION OF THE UNKNOWN

Mr. WILEY. Mr. President, yesterday, together with 5 Norwegian sailor lads who had crossed the ocean in a sailing ship, I stood before the painting, that hangs in the Senate Gallery, of an historic event in the history of the North American Continent. I refer to the painting of the discovery of America by Leif Ericson in the year 1000.

The reaching into the unknown, which Ericson's bold exploit symbolized, brought to mind a similar reaching into the unknown on Friday, May 31, when 22 other Senators and I introduced S. 2189, to establish an Antarctic Commission. This bill is designed to formulate comprehensive American plans for our future efforts in the Antarctic, as well as to capitalize fully on all the data based on previous expeditions there. In this atomic age, who can tell what the significance of this vast continent of snow and ice will be—I mean the great significance these 6 million square miles—largely unexplored so far—may have in terms of the future safety, welfare, and economic well-being of our own country.

As Leif Ericson stood in his open boat and saw the coast of America, little could he dream of the America that we know today. Are we not now in a similar position in this great exploratory age of the 20th century? We can little dream of what lies before us. But we do know that man is reaching upward toward the stars and into the hidden forces of nature.

I have suggested that the Antarctic Commission be called the Richard E. Byrd Antarctic Commission, in honor of the great American who recently passed on—the brother of the distinguished senior Senator from Virginia [Mr. BYRD].

Admiral Byrd worked his heart out, almost worked his life away at the pole because he was a dedicated servant of the Republic. He, too, had the Viking spirit, reaching out for more knowledge, more light concerning this hidden continent.

Certainly, as anyone looks around today and recognizes the tremendous searching man is undertaking in every direction, he cannot help but realize that we have no alternative but to continue moving ahead in the Antarctic.

With outposts of the Kremlin already present in the Antarctic, in connection with the International Geophysical Year, we can hardly afford to do anything less than make our own most significant effort.

The International Geophysical Year, which commences on July 1, is a mighty world undertaking, involving the cooperation of 61 nations. In the Antarctic, in the Arctic, as elsewhere, the scientists of the world are assembling data to unlock the secrets of nature.

In Antarctica, we as a nation have established seven outposts. One of them is directly at the South Pole. At the opposite end of the globe, in the Arctic, the United States is establishing 58 stations. Nineteen of them are in cooperation with our good neighbor Canada.

Long after the International Geophysical Year will have concluded in December 1959, we must continue this exploration process. We must have a permanent Antarctic Commission. We must have, as a matter of fact, a permanent airfield in Antarctica.

Not long ago Admiral Byrd's worthy successor, Adm. George Dufek, was in my office. I asked him then about the possibility of establishing a permanent airfield, and he described how it could be done. It would be a costly project; yet it would have benefits in terms of commercial aviation for ourselves and for the Free World, and in terms of defense, whose value would be almost incalculable.

We need to compile more facts about aviation across the Antarctic route and about aviation over the Arctic and the North Pole—over the roof of the world, as well.

We need to have American airlines pioneer these routes, and we need to have the American Government encourage the Viking spirit in this and in many other ways.

Why? Not simply because of the material values to which I have already referred. Not simply because of passenger traffic, and commercial freight, and the scores of different minerals, such as manganese, which have already been discovered in the Antarctic, but because there are intangible values there, as well. I am thinking of these other horizons, far beyond the material. I am thinking in terms of the overall role which freemen must play if the human race is to advance.

Mr. President, we have but touched the surface of its knowledge that lies ahead.

I should like to recall the words of the poet Browning, who said:

That life has meaning, and to find its meaning is my meat and drink.

This Nation has become not only the leading nation of our day, but also the reservoir, or we might call it the treasury or safety deposit vault, of man's accomplishments in all the thousands of years which have gone before. We are the custodian of the highest achievements in the realm of the spiritual. We cannot sleep. We cannot stand still. We must go up and onward.

So it is my hope that the proposal to establish an Antarctic Commission, whose purposes I described in the CONGRESSIONAL RECORD, beginning on page 8130, and earlier on page 7499, will be acted upon favorably.

As an indication of man's overall search into the unknown, I send to the desk the text of an article which was published in the Monday, June 3, issue of the New York Times. The article describes the 61-nation effort for the International Geophysical Year. I ask unanimous consent that it be printed at this point in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GEOPHYSICAL YEAR STATIONS TO HOLD TESTS THIS WEEK—PREPARATIONS FOR STUDIES STARTING JULY 1 ARE NEARLY COMPLETE, WITH NO SERIOUS SETBACKS—SIXTY-ONE NATIONS TAKING PART

(By Walter Sullivan)

Scientists the world over have almost completed preparations for giving their planet its first full-scale physical examination.

The examination will begin July 1 and continue for 18 months. Known as the International Geophysical Year, or IGY, it involves simultaneous observations of the earth and its environment by scientists at stations scattered from Tomsk to Tuckahoe, from the North Pole to the South Pole.

Reports from New York Times' correspondents in many capitals indicate that the mobilization of men and instruments for this project has been carried out without serious setbacks.

Test runs will start this week at many of the 2,500 or more observing stations.

A large part of the work is being done by the United States and the Soviet Union.

Nevertheless 61 nations have formed national committees to supervise studies within their own borders.

This, in the words of Lloyd V. Berkner, president of the International Council of Scientific Unions, is to be "the greatest cooperative venture in science the world has ever known."

It is, he adds, "a peaceful effort, which I believe is of particular importance in these troubled times, and which promises immeasurable benefits to all."

Dr. Berkner is president of Associated Universities, Inc., of New York.

Prof. Ivan Bardin, chairman of the committee conducting the Soviet program, terms the IGY "the outstanding scientific event of the 20th century."

The studies will be in sciences that are heavily dependent on synoptic observations—those made of many points at the same time.

The most obvious of these is meteorology, the science of weather, but geophysics also embraces those fields of science concerned with oceans, glaciers, and such interrelated phenomena as cosmic rays, the earth's magnetism, aurora, and sunspots.

Headquarters for this effort by about 8,000 scientists and technicians is a suite of offices in the Belgian observatory at Uccle, a wooded suburb of Brussels.

It is staffed by an overworked team of 15 men and women, led by Dr. Marcel Nicolet, an expert on matters of the upper atmosphere.

His office serves primarily as a clearinghouse for information and an organizer of conferences. Each country plans its own program. The work in each scientific field has been coordinated at a series of international meetings.

During the last few months numerous new devices have been mounted to enable scientists to look through many windows at this planet and the space through which it is flying.

Among these are new types of radio telescopes, cosmic ray telescopes, and highly sensitive instruments that can detect infinitesimal changes in the force of gravity.

EARTH TIDES STUDIED

The latter are already being used to study earth tides that lift and lower great cities like New York. The Russians estimate that Moscow rises and falls 20 inches a day.

The most revolutionary of the new research devices are the earth satellites being prepared in both the United States and the Soviet.

If these can be placed in orbits around the earth, man will have achieved a major step toward space travel, not through a weapons race but through what many regard as a contest in scientific and technical know-how.

The United States had hoped to fire its first satellite into the sky this September. But now, because of various difficulties, the first earnest try is not expected until spring.

American technicians feel they have somewhat of a headstart on the Russians in the prior possession of the Viking, a rocket similar in many respects to the one necessary to lift a satellite outside the earth's atmosphere.

SOVIET EFFORT EXPECTED

Nevertheless, it is felt that Moscow, mindful of the prestige to be gained by beating the United States into outer space, is making an all-out effort to do so.

The Soviet Union anounced Saturday that it had created the rockets and all the instruments and equipment necessary to solve the problems of the artificial earth satellite.

No date was given for the first launching.

The United States satellite program has been slowed—but not stopped—by a succession of technical problems in producing the three rockets, which, when assembled into a single vehicle, will carry the artificial moon into its orbit.

A fully instrumented satellite already has been produced by the United States. It weighs only 21½ pounds, whereas the vehicle necessary to carry it aloft weighs 20,000 pounds.

There have been some difficulties with the engine for the first-stage rocket, which must lift the vehicle 40 miles in 2 minutes to a speed of more than 3,000 miles an hour.

SECOND-STAGE ENGINE READY

The engine for the second-stage rocket has been accepted and two competing rockets for use on the third stage are being tested.

Even if the satellite vehicle is ready before next spring, the cameras that are to photograph it will not all be installed. Twelve such cameras are to be set up at widely scattered points from Peru to India.

These telescopic cameras will be able to photograph the 20-inch spheres against a backdrop of stars even when the satellites are 1,000 miles away and flying at 18,000 miles an hour.

The resulting pictures should furnish sufficient data on the satellite's orbit to reveal to what extent the earth is flattened at the poles.

The 12 cameras necessary to insure that the flight path is recorded will not be in operation until next April.

SCIENTISTS FACE PROBLEMS

The problems that have confronted scientists preparing for the IGY have varied according to local conditions in various parts of the world.

Shipment of intricate instruments to some Latin-American countries has become bogged down in customs regulations.

Preliminary firings of IGY rockets into the sky 158 miles above Hudson Bay have been troubled by radio transmissions from Canadian taxis.

These upset recording instruments in the rockets. The solution, it was found, was to fire the rockets on Sundays, when most taxis were idle.

An international fleet has been organized to study the world's oceans and in particular the movement of deep chilly waters that are believed to have long-range effects on our weather.

About 140 special oceanographic vessels have been recruited for this concerted effort.

Reports from various nations of their preparations for the IGY follow:

UNITED STATES

The National Committee for the IGY reported to Congress on May 1 that the worldwide United States effort would be essentially in complete operation by the start of the year.

The greatest achievement to date has been the establishment of seven outposts in Antarctica, one of them directly at the South Pole.

This had to be set up entirely by air, as distances and mountains girdling the Polar Plateau ruled out the use of tractor trains.

The Pole Station was flown in through a joint effort of the Navy and Air Force.

One of the other six stations, at Cape Hallett, is manned jointly by Americans and New Zealanders. Scientific observations at all these points are already underway.

In the Arctic, at the opposite end of the globe, the United States is establishing 58 stations, 19 of them in cooperation with Canada.

The most northerly are two camps set up by airlift on drifting ice. About 400 locations are involved in the United States effort, many of them on lonely islands some of which have never been inhabited.

Jarvis Island, for example, is a rock in the Pacific about 2 miles long and 15 feet high.

United States furnishes instruments

To aid less developed nations the United States is sending instruments and technicians to outposts throughout the world. Seismographs, to measure earth tremors, are going to Lwiro in the Belgian Congo; Poona, India; Huancayo, Peru; Uppsala, Sweden; Hong Kong and Fiji, as well as a number of points closer to home.

In most cases the delicate instruments have been delivered and installed without difficulty.

About 2,100 packages of weather-observing materials weighing more than 125 tons were delivered to the American outposts in Antarctica with little damage.

An exception was the parachuting of radiosondes to the camp at Byrd Station in Marie Byrd Land.

So many of these instruments, used to broadcast weather information from high-flying balloons, were broken that upper-air observations, scheduled for twice daily, can only be made once a day.

SOVIET UNION

Soviet reports state that 100 scientific institutions in the Soviet Union are taking part in preparations for the IGY, with thousands of scientists and technicians involved.

An additional 292 weather stations have been set up to supplement the network of several thousand regular stations.

In the Arctic, the Soviet Union has established about 100 outposts for scientific studies, including 3 drifting stations on the ice of the Arctic Ocean. Last week the Soviet press reported that aircraft had set up 14 automatic weather stations in the Arctic as well as 11 radiobeacons.

The latter, placed on ice floes, would facilitate study of current in the Arctic Ocean. One automatic weather station was placed at the North Pole.

The Soviet Union has 4 or 5 stations manned in the Antarctic.

However, the Russians will be unable to set up bases at their assigned locations in the hinterland until next October or November.

The points allocated to the Soviet Union are the Magnetic Pole and the pole of Inaccessibility. The latter is the point farthest from the sea.

Flights to the Pole of Inaccessibility last year revealed that it was about 14,000 feet above sea level. This apparently has prevented the Russians from establishing their base by airlift. Rarefied air at that elevation makes it difficult if not impossible for aircraft to take off.

Soviet oceanographic ships will operate in both the Atlantic and Pacific. A nonmagnetic ship, the *Zarya*, made of wood and nonmagnetic metals, is scheduled to make a 50,000-mile cruise.

BRITAIN

Stations have been activated throughout the British Commonwealth. Forty have been set up in the British Isles and thirty elsewhere. Seven research ships will take part in the program.

About £500,000 has been allocated by the government, half of it for the Royal Society station at Halley Bay in the Antarctic and the rest for other IGY projects. This is equivalent to about $1,400,000.

In addition, stations operated by the Colonial Office in Antarctica will conduct observations in a number of sciences.

One of the chief scientific efforts in Britain is the construction of a gigantic radio telescope at Jodrell Bank in Cheshire. Due to delays it will probably not be in operation until August.

FRANCE

France's chief effort is its expedition to Adélie Land, Antarctica. A coastal base, manned by 23 men, has been established at Point Geologie. Another outpost 200 miles inland toward the South Pole is manned by 8 men.

Other expeditions have been sent to the heart of the Sahara in French Equatorial Africa; to Tahiti, and to Kerguelen Island in subantarctic waters.

The chief difficulty of the French has been financial. Constant inflation has squeezed the IGY budget and this may prove a limiting factor to the program.

OTHER COUNTRIES

Reports from other capitals tell of widespread preparations. Expeditions have been established in Antarctica by a number of smaller nations.

Communist China, a comparative latecomer to the program, is to have 35 participating stations.

A number of international expeditions are being organized. One, formed jointly by France, Denmark, Switzerland, and West Germany, will study the Greenland icecap.

A Swiss-Finnish-Swedish expedition will be based at Murchison Bay, Spitzbergen, and will study the peculiarities of radio transmission in the polar regions.

TRIBUTE TO ARTHUR GODFREY

Mr. JOHNSON of Texas. Mr. President, there are four airmen who may owe their lives to a generous act performed by the well-known television and radio personality, Arthur Godfrey.

These airmen, flying from Yuma, Ariz., to Houston, Tex., encountered bad weather. They would have been forced into a crash landing if they had not spotted the lighted runways of the Gillespie County airport near Fredericksburg, Tex.

Those runways were lighted only through the generosity of Godfrey. More than a year ago, he flew down to Texas and—when landing at Fredericksburg—noticed that the airport had no lights. He promptly donated a set to the county authorities, and they have been a boon to the people of the county ever since.

On behalf of the citizens of the county, I wish to express deep thanks to Mr. Godfrey for his generosity. I ask unanimous consent that the article in the Fredericksburg Standard describing the plight of the four airmen be printed in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AIR CORPS MEN MAKE EMERGENCY LANDING HERE

Page Arthur Godfrey and tell him the landing-field lights he gave to the Gillespie County Airport probably saved the lives of four Air Corps men during the past week.

During last Friday night's turbulent weather, four United States Air Corps men, stationed at Yuma, Ariz., made a landing at the Gillespie Airport while en route to Houston, Tex.

The men told Fredericksburg Mayor Wm. Schroeder they were in desperate circumstances and undoubtedly would have had to crash-land if they hadn't spotted the lighted runway of the Gillespie Airport.

The men had left Yuma that afternoon and battled storms all the way across west Texas at a time when more tornadoes than planes were in the sky. Matters were made worse because there was so much static their radio was practically useless.

They arrived over Fredericksburg at 9:30 p. m. in their twin-engined plane and after circling the area spotted the lights on the field.

They made a good landing but their landing gear was damaged when they came down and the plane is still at the airport awaiting the arrival of Air Corps mechanics to put it back into flying condition.

As it was, the plane received only minor damages. It could have been much worse.

The landing-field lights, that have been a boon to fliers in this area for over a year now were donated to Fredericksburg by Arthur Godfrey, the famed TV and radio entertainer, who flew his own plane here a year ago last fall to visit his friend, Senator LYNDON JOHNSON.

He noted there were no lights on the field so he donated a set that were installed by city and county crews.

Godfrey, incidentally, is pictured on this week's cover of Look magazine, and is the author of an article entitled, "Plane Talk," that appears in the magazine.

BASIC CONSERVATION ISSUES FACING THE NATION

Mr. NEUBERGER. Mr. President, in his conservation column in the New York Times for June 2, 1957, Mr. John B. Oakes has stated succinctly the issues at the core of three major problems affecting our human resources and our natural resources.

To begin with, Mr. Oakes has noted that the indiscriminate use of insecticides and pesticide solutions has sometimes resulted in as much harm as good, under certain conditions. Nature's delicate balance is upset.

Second, the conservation editor of the New York Times has emphasized once again the stake in protection of roadside beauty which belongs to the American motorists who soon will be spending $33 billion for a new network of interstate highways. Mr. Oakes strongly favors legislation such as my bill S. 963, to keep our roads from being defaced and scarred by a picket fence of billboards.

Third, Mr. Oakes has stressed the reasons why the proposed Bruces Eddy Dam, on the North Fork of the Clearwater River, in Idaho, will endanger migratory fisheries, priceless elk herds, and wilderness values. This dam, already unfortunately authorized by the Senate on a contingent basis, can yet be eliminated from the omnibus public works bill in the House of Representatives.

I ask unanimous consent that the article by John B. Oakes, conservation editor of the New York Times, appear in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONSERVATION: NATURE'S BALANCE—GYPSY MOTH FIGHT RAISES VARIETY OF PROBLEMS OF CONTROL

(By John B. Oakes)

The danger and folly of introducing animal or insect species from the environment where they are controlled by their natural enemies to another where there is no such control is once again illustrated by the current $5 million spraying campaign against the gypsy moth. This insect pest, which has defoliated millions of trees in New England and other parts of the Northeast, was deliberately brought to the United States from France less than a century ago for the purpose of cross-breeding with silkworms in order to improve silk production, an experiment that not only failed but led to tremendous damage to American woodlands.

The hazard of artificial introduction of new species from one area to another is never-ending, and its consequences may ripple outward for years and generations. The introduction of the rabbit to Australia is of course the classic example; but, as has been previously pointed out in this space, the demand, and the danger, keep right on irrespective of the horrible examples of the past. For instance, in recent years we have seen pressure from sportsmen in some areas of the United States to introduce artificially the San Juan rabbit for hunting purposes. When man thus begins to play around with the delicate balance that nature has established through the eons, he is inviting disaster, but he never seems to learn.

CAUSE OF UPROAR

The spread of the gypsy moth in a westerly and southerly direction from New England is the basic cause of the present uproar over the Department of Agriculture's control methods. In an effort to stop the advance of this destructive insect, the Department has embarked this year on an aerial DDT-spraying campaign to cover some 3 million acres in a wide arc from central New York

through eastern Pennsylvania and northern New Jersey, out to Long Island.

A concentration of 1 pound of DDT per acre is being used which is generally considered to be relatively harmless to animal and bird life so far as its direct effect is concerned, but which is and has been damaging to fish and of course to many varieties of insects, including beneficial ones. That is the major difficulty: When any kind of poison is used on a wholesale basis, it is more likely than not to destroy both the specific species against which it is aimed and also various other species that may be of great value.

In the present case, there can be little doubt that some of the insects and parasites that have developed a taste for the gypsy moth over the years are being wiped out along with the moth itself, thus reducing whatever natural control there now exists against this particular pest.

FISH DESTRUCTION

Furthermore, the indiscriminate spraying of 3 million acres of the Northeast has already led to reports of considerable fish destruction, not to mention the potential health danger to humans which many medical authorities believe to be a very real possibility. The fact is that not enough is yet known about the long-range effects of wholesale chemical poisoning to warrant its use on such a widespread scale. And one of the greatest problems is the psychological one. As one expert of the Fish and Wildlife Service pointed out in a study of insecticides some years ago: "Human nature being what it is * * * there is frequent philosophizing that 'if a little is good, more should be better.' Such a doubling up of dosage (above the 1-pound-per-acre concentration) to insure a good kill has resulted in unfortunate and unnecessary losses to wildlife."

DAMAGE MAY BE HEAVY

Even this dosage may be doing right now much more damage than the Department of Agriculture is willing to admit. Certainly many individual property owners whose lands have been sprayed are reporting the death of countless fish and even birds.

Dr. Robert Cushman Murphy, one of the world's great authorities on birdlife, has been a leader in the as yet unsuccessful court fight on Long Island against the Department's program. Dr. Murphy points out that in addition to destroying the gypsy moth's natural enemies, DDT-spraying may well lead simply to the process known as "trading one pest for another," i. e., to an outbreak—such as has occurred before—of a different kind of insect pest once the gypsy moth has been reduced.

He notes that protests from the Fish and Wildlife Service have led to exclusion of eastern Long Island salt marshes from the spraying program, but "private landowners appear to share no such rights or privileges." One of the basic complaints against the way the program is being carried out is that property owners were not notified and that aerial spraying—as distinct from ground-spraying—is done on an indiscriminating basis.

The Fish and Wildlife Service, which has reportedly approved the present program, favors a pending bill introduced by Representative METCALF, of Montana, providing a comprehensive study of the effect of pesticides. Ross L. Leffler, Assistant Secretary of the Interior, notes that "pesticide programs have gone ahead without adequate information on the effects which the pesticides have on fish and wildlife resources." Some insecticides are being used, he says, at "10 times" the strength which can be tolerated by wildlife, with the resultant death of thousands of birds and fish.

RECREATION RESOURCES

Important support for the proposal to establish a commission to study the future needs and the lands still available for outdoor recreational purposes, and to make recommendations for their preservation and use, has come from the Department of the Interior. Under Secretary Hatfield Chilson has placed the Department on record in favor of the projected National Outdoor Recreation Resources Review Commission, the aims and objectives of which were discussed in this space last month. Observing that "in recent years * * * there has developed more and more an appreciation of the natural and scenic beauty, and the wilderness areas that are a part of our national heritage," the Department suggests that recognition of this phase of outdoor recreation and appreciation be set forth with more emphasis.

The Department's endorsement of the recreation resources review is commendable; but it should not be allowed to head off the parallel drive of many independent conservation agencies for the proposed wilderness preservation bill (S. 1176) which would give a firm legal basis—now—to the present wilderness system that exists largely only under administrative fiat. Both measures are desirable. The resources review to learn exactly what our future needs will be and to draw up plans to meet them; and the wilderness bill to nail down the relatively small amount of unspoiled natural areas that we have left. It is to the second—and more immediately important—of these two measures that typically bureaucratic objections have been raised within some of the Federal agencies committed to conservation of our natural resources.

BILLBOARDS

Time is growing short for Congressional action on a billboard control measure for the new Federal Highway System. The problem is simple: Is the billboard lobby sufficiently powerful to prevent any effective Federal prohibition of nauseous advertising signs lining the 41,000 miles of interstate roads now being constructed almost entirely with Federal funds?

Senator NEUBERGER, of Oregon, has proposed that the Federal Government be empowered to buy up advertising rights along the highways; the Department of Commerce—presumably acting for the administration through President Eisenhower's support for this measure has been less than lukewarm—has suggested withholding a small part of Federal funds from the States that do not agree to prescribe billboard restrictions. A third proposal, offered by Federal Highway Administrator Bertram D. Tallamy, would give the States a small bonus for complying with the Government's proposed billboard-control standards. This idea has already been approved by a Senate subcommittee.

At least 2 of these 3 proposals offer a complete answer to the shopworn argument about States rights that was first raised by former Senator George of Georgia in this connection. States rights is, of course, not the real issue; the real issue is whether the people of the United States have the power and the will to keep highways that they themselves pay for clean and clear, so that they can look at the countryside they are passing through and not become a captive audience even out on the so-called open road.

BRUCES EDDY

The $1.5 billion omnibus rivers and harbor bill was vetoed last year by President Eisenhower. A similar bill was passed this year by the Senate, is now in the House and contains a number of pork-barrel projects that have not even been fully reviewed by the competent authorities. But the one among them that has aroused most bitter opposition of conservationists is the proposed Bruces Eddy Dam on the North Fork of the Clearwater River in Idaho, a $177 million project that if undertaken may do irreparable damage to the fish and wildlife resources of the Northwest. Even if this dam is excluded from the House bill, it can still be restored in conference. The only sure means of defeating this proposal again is through Presidential veto of the entire measure.

COMPREHENSIVE RESOURCES DEVELOPMENT

Mr. CHURCH. Mr. President, comprehensive resource development is national policy, spelled out by Congress many times. It was enunciated by Theodore Roosevelt in 1908, when he said:

> Every stream should be used to its utmost. No stream can be so used unless such use is planned in advance. When such plans are made, we shall find that, instead of interfering, one use can often be made to assist another. Each river system, from its headwaters in the forest to its mouth on the coast, is a single unit and should be treated as such (S. Doc. 325, 60th Cong., 1st sess.).

There is no partisan flavor in the roster of great United States Senators identified with the fight for these principles—Senators identified with the fight for these principles: Senator Newlands, of Nevada; Hiram Johnson, of California; George W. Norris, of Nebraska; the elder La Follette, of Wisconsin; Charles McNary, of Oregon, and William Borah, of my own State.

Consequently, when my colleagues from the Northwest and I wrote to the President about the present chaos in the administration in river development and control issues, we did so in keeping with a national tradition, not a partisan tradition.

Mr. President, the White House reply to our letter has been printed in the RECORD. That reply is evidence of a policy of comprehensive confusion. I can do no better, in commenting upon it, than to have printed in the RECORD the Lewiston (Idaho) Tribune editorial of May 29, and I ask unanimous consent that that be done.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE SENATORS HIT THE JACKPOT

A surprising letter from the White House made public yesterday by Senator FRANK CHURCH, Democrat, of Idaho, represents a major strategic triumph for the 7 Democratic Senators from the 4 Pacific Northwest States.

"The President has asked me,' wrote Jack Z. Anderson, White House administrative assistant, "to send you this further reply to your May 8 letter cosigned by six of your western colleagues. After careful consideration of your request for a conference on water-resources development in the Columbia Basin, the President asked me to say that he believes such a meeting would be premature at this time".

The rest of the letter took issue with the Senators' contention that administration river-resources policies in the Northwest were chaotic. The arguments and examples used by the White House, however, were like political manna from heaven for the Democrats. Using those arguments and examples, the seven Northwest Senators should have little difficulty in translating the White House's premature to mean: So far we have just barely wrecked the Democrats' comprehensive river-development plan in the Northwest. Obviously it would be premature to expect us to have fashioned another one.

The worst of it was, from the Eisenhower administration's point of view, that the considerable ignorance of problems and pitfalls

displayed in the letter could not be blamed upon one agency or another of the several which have adopted conflicting approaches to this region's river problems. This time the letter came from the White House itself. It becomes rather difficult for any agency of Government to overrule the White House after the White House has voiced policy in public

Nevertheless, some adjustments certainly will have to be made. The contradictions in the Eisenhower administration's recent Northwest river-development plans and studies might be excused or even ignored as long as they were bandied about intermittently by various agencies. They are bound to attract public attention, however, when they are proclaimed as virtues by the White House itself.

It was obvious that the seven Democratic Senators from the Northwest had devised a masterful stroke of politics when they dispatched their letter to the White House May 8 asking for a conference with the President on the region's river problems.

They wrote, in part:

"Although the Federal Power Commission has licensed a private company to build three dams in Hells Canyon, the Department of the Interior has proposed a high-storage dam which would flood out one and possibly two of these units. The staff of the FPC has recommended construction of another project which would be impossible to construct if the Interior Department proposal were approved. A third agency, the Corps of Engineers, has disclosed plans for a complete restudy of the Middle Snake River, including the Hells Canyon section. The inconsistency and irreconcilability of these conflicting proposals is evident."

Even if they never expected to hit the jackpot in getting a reply, Senators MAGNUSON, JACKSON, MORSE, NEUBERGER, MANSFIELD, MURRAY, and CHURCH must have glowed when they posted this letter. All they asked for was a conference—so the President could not very gracefully refuse it. But they made the proposal at the time when the administration was knee deep in river plan contradictions—so he could not very well grant the audience requested either. The only question was how he would wiggle out of a difficult situation.

Probably the Senators had no idea that the White House would plunge recklessly into the trap they had baited. But the White House most certainly did.

After three paragraphs of attempted justification of the Hells Canyon giveaway by the FPC, the White House letter continued:

"With respect to your comments concerning the 'objectives and means of implementing a full and comprehensive program for use of Columbia Basin resources,' the Corps of Engineers is reviewing its original 308 report on the Columbia Basin. The proposed project for Glacier View has, apparently, been rejected. The corps now plans, I am informed, to consider recommending construction of the project with 5 million acre-feet of storage at the Libby Dam site, instead of 4,250,000 as originally proposed. * * *"

Can it be that the White House does not know that the administration's feverish effort to build Libby Dam has been completely stymied by disagreements with Canada over backing water onto Canadian soil? Is it possible that the White House is unaware of how former Secretary of the Interior Douglas McKay was hooted in the Northwest for proclaiming that he was going to build Libby instead of Hells Canyon—when Libby already had been stalemated by the failure of former Gov. Len B. Jordan, of Idaho, to complete a deal with Canada? The letter would seem to suggest, at least, that the White House does not regard talk of Libby Dam as a political liability—even after all these years of failure to produce a start on it.

"In addition," the letter continued, "the Bruces Eddy and Penny Cliffs projects on the Clearwater are now under consideration by the Corps of Engineers. These projects would add 3,700,000 acre-feet for flood-control purposes. The Department of Interior is cooperating with the Corps of Engineers in the latter's general restudy of this basin."

At the very moment that Bruces Eddy authorization was under fire from wildlife interests in Congress, the White House muddied the waters by linking Bruces Eddy with the much more controversial and thoroughly sidetracked Penny Cliffs Dam on the Middle Fork of the Clearwater River.

This newspaper, for example, increasingly favors the construction of Bruces Eddy Dam as the evidence mounts that the prophecies of damage to wildlife were grossly exaggerated. We support authorization of the project now so that planning can proceed along with wildlife studies. We would favor construction only if construction were justified when the facts were in.

Objections to Penny Cliffs Dam from wildlife interests, however, seem to us to be much more valid than the objections to Bruces Eddy. The threat of Penny Cliffs to a primitive area and to the present Lewis & Clark Highway route was enough in this area to sidetrack the project for future consideration. The White House did its Bruces Eddy plans no good by its introduction of the Penny Cliffs issue again. This section of the letter certainly should have been reviewed by someone who understands the regional circumstances. From the Democratic Senators' point of view, however, the reference to Penny Cliffs was simply grease on the griddle already heated for the administration.

"Furthermore," the letter continued, "the Department of Interior is making a detailed study preparatory to a final feasibility report on the Pleasant Valley project. The detailed analysis of this project is complementary to the study being made by the Corps. Interior's role involves the complete evaluation of all facets of the proposed projects, including the effect upon the fisheries resources on the Columbia in the event the Nez Perce Dam were to be constructed."

And now observe how the excuses and alibis of the FPC's Hells Canyon decision become the binding principles which must be observed in later decisions:

"In this connection, I understand that an FPC staff study indicates the desirability of construction of a dam at the Nez Perce site because the Salmon River, which the FPC found in the Idaho Power Co. opinion to be one of the two principal flood-producing streams in the Snake River Basin, is presently unregulated."

There, indeed, would be the supreme irony—if the FPC recommended the fantastic and visionary Nez Perce dam to be consistent with the excuses it issued in what the White House so truly calls the Idaho Power Co. opinion.

"You may be sure," the letter concluded, "that this administration has been and will be insistent that all developments of our water resources shall conform to the principle of comprehensive development for the best and wisest use of river basin resources."

Hear. Hear. The White House itself is proclaiming this goal and is spelling it out in terms of acre-feet of water storage. That has always been the key to comprehensive development in the Northwest, vigorously though the FPC ignored or denied that fact. And here the White House is making a public pledge, in effect, that the great error of Hells Canyon will not be repeated, citing embarrassing and conflicting case after case to tie its own hands in the future.

The Democratic Senators, it seems from this distance, really hit the jackpot. It will be most difficult now for the administration to overrule the White House in western water policies.

Mr. CHURCH. Mr. President, I have a footnote on this confusion I wish also to have appear in the RECORD. The White House letter of May 25 referred to a detailed study of the feasibility of a high Pleasant Valley project on the Middle Snake as in progress.

The White House, it now appears, was in ignorance of the facts. Yesterday I received a letter from Commissioner of Reclamation Dexheimer advising me that on May 7, 2 weeks earlier than the White House letter, all investigation activities on the Middle Snake had been suspended, and they are still suspended.

Mr. President, I ask that my letter to Mr. Dexheimer and his reply be printed in the RECORD at this point:

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MAY 24, 1957.

Hon. W. A. DEXHEIMER,
Commissioner, Bureau of Reclamation, Department of the Interior, Washington, D. C.

DEAR MR. DEXHEIMER: On May 23, Congressman MILLER of Nebraska inserted into the CONGRESSIONAL RECORD your remarks at Portland on April 27. In that talk, you made reference to the reexamination of the middle Snake being conducted by your Bureau.

Will you please advise me whether this study is still proceeding and, if it is, when it will be completed? If it has been terminated, I would appreciate being advised of the circumstances of the termination.

Sincerely,

FRANK CHURCH,
United States Senator.

UNITED STATES
DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Washington, D. C., June 3, 1957.

Hon. FRANK CHURCH,
United States Senate,
Washington, D. C.

DEAR SENATOR CHURCH: As you noted in your letter of May 24, my remarks on April 27 before the meeting of the Pacific Coast Fuel Oil Dealers' Association referred to the reexamination of the middle Snake being conducted by the Bureau of Reclamation.

The Secretary of the Interior instructed the Bureau to make an analysis of a high Pleasant Valley Dam last September. That study was made, using reconnaissance-type information, and a special report was prepared in October 1956. It was on the basis of the special report that Secretary Seaton wrote to Mr. Kuykendall, Chairman of the Federal Power Commission, on February 14, at which time he forwarded the special report and indicated that the high Pleasant Valley Dam held enough promise that he was having the Bureau of Reclamation make a more detailed study.

It was our intent that Pleasant Valley studies be carried forward as rapidly as possible in fiscal year 1957 by reprograming the funds already appropriated for investigations work. This reprograming of funds was accomplished within the Bureau of Reclamation and a start made on the studies. The work started included the issuance of specifications for drilling at the Pleasant Valley site. Other types of work were also started.

During the April 8 hearings conducted by the Appropriations Subcommittee on Public Works, House of Representatives, the subcommittee asked to be informed as to the work being done by the Bureau. It was our understanding from the subcommittee that award of the drilling contract should be withheld until the subcommittee had been advised on the matter. This information was sent to the subcommittee on April 11. Subsequently we were informed that the desires

of the subcommittee extended beyond the mere suspension of awarding the drilling contract and applied to all activities on the middle Snake River studies. Accordingly, on May 7, 1957, all investigation activities were suspended pending additional information and instructions as to the desires of the subcommittee.

Activities on the middle Snake River studies are thus suspended at this time.

Sincerely yours,

W. A. DEXHEIMER,
Commissioner.

Mr. CHURCH. Mr. President, the Army Engineers 308 Review Report, although compiled during a democratic administration, is not a partisan document. The needs there pointed out for flood control, and the opportunities for hydroelectric development and future reclamation benefits are engineering facts, not political facts.

A new study will not change the conformation of the rivers and mountains or the flow of water. It is paltry politics to scuttle the comprehensive plan long enough to give the vital Hells Canyon Dam site away, and then seek refuge in the same principles of comprehensive planning in order to foist upon the people discreditable alternatives necessary to reclaim the benefits lost in the giveaway.

It is time for the Congress to step in with leadership the Executive has abdicated, and reestablish the program for comprehensive development of the great Columbia-Snake River Basin.

WIDESPREAD USE OF COLUMBIA RIVER FOR INDUSTRIAL PURPOSES

Mr. NEUBERGER. Mr. President, at last Monday's session of the Senate, I introduced Senate bill 2206, an amendment to the Bonneville Project Act, to authorize the Administrator of the Bonneville Power Administration, as the marketing agent for the power from Federal dams on the Columbia River, to establish a new priority for industrial uses of power, within the framework of the public body preference clause.

The amendment, which would also recognize the principle of fair geographic distribution of power to promote economic diversification among the States of the Columbia Basin, was drafted with the view of assisting, for example, an Oregon State Power Agency to qualify as a preference customer in order to attract industrial power users to Oregon. Such a State agency could contract with manufacturing plants for large blocks of energy under long-term contracts. It is my belief that under the geographic provisions, an Oregon agency would have an equitable position alongside similar agencies in other States.

In my speech, I expressed the hope that the Senate Committee on Interior and Insular Affairs would hold hearings on my bill as a basis for comparing the present marketing policies of the Bonneville Power Administration with those which I believe would be in the public interest and which I have sought to express in the bill. I find, however, that although these policies are made and administered within the Department of the Interior, legislative jurisdiction over them is vested in the Committee on Public Works. I should, therefore, have been speaking of hearings by the Senate Committee on Public Works; as a member of that committee, also, I hope that such hearings can be arranged.

The amendment was introduced to give expression to my view that low-cost Columbia River system energy must in the future be used primarily for creation of new payrolls and for diversification of industry in the area, rather than to augment residential loads. Proposals for channeling of Federal power into industrial uses for expansion of Oregon's economy have evoked considerable editorial discussion in the State in recent weeks, because of the serious employment dilemma resulting from the decline in lumbering and agriculture.

Mr. President, I ask unanimous consent to have printed in the body of the CONGRESSIONAL RECORD two recent articles from the editorial page of the Oregonian, of Portland, Oreg. One article, entitled "Limbo Awaits GOP Unless It Mends Ways," by Albert McCready, associate editor of the Oregonian, was published on May 28, 1957. The other article, entitled "Power Is Key to Aluminum Survival," by Herbert Lundy, editor of the editorial page of the Oregonian, was published on May 31, 1957.

These articles emphasize the urgent need of the State of Oregon for low-cost power in abundance, so that new industrial payrolls can be attracted. In my opinion, the articles by Mr. McCready and Mr. Lundy serve to demonstrate the wisdom of the recent introduction of my power amendment to the Bonneville Power Act, which will assure industrial usage of energy a higher priority when power sales are authorized by the Administrator.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Portland Oregonian of May 28, 1957]

LIMBO AWAITS GOP UNLESS IT MENDS WAYS

(By Albert McCready)

In the Oregon Legislature just ended, Republican members exerted a considerable influence. Under the leadership of Senator Warren Gill of Lebanon, the 15-vote GOP bloc in the senate learned quickly the virtues of party discipline and, through dickering based on this strong position, won much that the Republicans wanted and thwarted much that the Democrats wanted.

But now the legislature has departed, leaving behind in the statehouse a Democratic governor armed with the great executive powers given to that office by recent Republican-dominated legislatures. For the first time in a long time the Republican Party in Oregon finds itself on the outside looking in at the machinery of State government.

The task of the Republicans, with the 1958 primaries less than a year away, is to work toward the recapture of their lost power. The other day the party held a grassroots conference in Salem to assess the opinions of Oregonians from all over the State concerning the performance of Republicans and Democrats in the statehouse. These opinions, it was thought, would help GOP candidates to do and say the right things to win voter support in 1958.

But who were the grassrooters? They were prominent GOP leaders—successful and respected businessmen, bankers, lawyers, lumbermen. As such, they were well qualified to pass along impressions from other conservative thinkers traveling in their social and professional circles. But what of the views of postmen, longshoremen, grocery clerks, and filling-station attendants? These are the voters whose opinions the Republican Party had best seek and heed if it wants to win any more elections in Oregon.

Before this legislature there was a bill for formation of a State power agency which might work to soften the harsh provisions of the public power preference clause in the Bonneville Act, and give Oregon a more even share of the hydroelectric energy from Federal dams in the Northwest. Without this or some other alteration of the present situation, the lion's share of cheap Federal power in a few years will be flowing into the lines of public power agencies serving most of the State of Washington. If private power companies serving most of the State of Oregon are obliged to turn to high-cost steam generation to supply their customers, this State can kiss goodby its prospects for attracting new electroprocess industries to stabilize our not-so-solid economy based on forest products and agriculture.

Far from being a threat to private enterprise, which the Republican Party properly supports, this program was intended to provide the stimulus to business of all kinds. Specifically, it barred the State from superseding private utilities in distributing electricity. But it would allow the State to sell power in amounts of 10,000 kilowatts or more at wholesale rates, thus to attract large, new electroprocess industries. Hundreds of smaller fabricating plants employing thousands of men and buying power from local utilities have grown up around such basic industries in Washington.

The Oregonian was among the first to propose such an agency. This newspaper did not, and does not, regard this as a partisan proposition. We simply believe that in the long run this plan could work to bring more industry, and more payrolls, to Oregon, and as such we indorse it.

The private power companies do not like the plan. They have hopes that somehow, if left alone, they can avoid any power shortage that would hurt Oregon. A State power agency, they fear, would revive a now-moribund movement to establish more public utility districts in this State. Their attitude, from the standpoint of self-interest, is understandable, and no one can blame them for trying to protect themselves. The squelching of H. R. 780 is considered by the power company lobbyist a notable victory.

Perhaps it is, for them, but is it a victory for the Republican Party, whose Senate Members obediently responded to the wishes of the utilities on this measure?

The Senate killed the bill in the final hours of the session, by the parliamentary device of refusing to suspend the rules calling for a 1-day delay between the second reading of a bill and the record vote on it. Fourteen of the Senate's fifteen Democrats wanted to suspend the rules, and thus can be said to have voted in favor of the bill. Fourteen of the Senate's fifteen Republicans refused to sanction the rule suspension, and thus can be said to have voted against the bill.

Thus did the Senate Republican bloc hand to the Oregon Democrats a most excellent campaign weapon with which to belabor the GOP at the polls next year.

Why did the Republicans do this? Because, as one disgruntled party member observed the other day to a representative of this page, the GOP inherently is committed to the philosophy that the interests of free enterprise take precedence over almost any other consideration. In addition to this philosophical attitude, there is the practical one that party leaders feel themselves beholden to the party's big campaign contributors, who in turn are closely identified with and sympathetic to the major corporate entities in Oregon, including of course the private utilities.

Well, as recent election results plainly have shown, Oregon voters no longer are convinced that the sometime associate of Li'l Abner is right when he declares that what is good for General Bullmoose is good for everybody. They have been taking long, thoughtful looks at the policies and the deeds of the rival parties, and have been marking their ballots in what seems to them to be their own self-interest.

If the Republican Party is to survive as an influential force in Oregon politics its members had best adopt a more realistic and practical point of view. They need to discover the true meaning of the much misinterpreted term, "grass roots." They should face the cold arithmetical facts that there are a lot more ordinary, wage-earning voters in Oregon than there are big contributors to the GOP coffers, and that it is futile to have the backing of the latter without the favor of the former.

True friends of Oregon Republicans hope sincerely they can take an honest look at themselves and realize some of the turns they have been taking are labeled, "Dead End." Otherwise, it may be predicted the influence of the GOP in Oregan public affairs will not be regained for a long, long time.

[From the Portland Oregonian of May 31, 1957]

POWER IS KEY TO ALUMINUM SURVIVAL

(By Herbert Lundy)

SPOKANE.—It's everyone for himself in the regional battle for kilowatts, as the Federal Government falls farther and farther behind in meeting the utility responsibility it was so eager to assume in the 1930's. In there slugging is the aluminum industry. And most concerned is Kaiser Aluminum and Chemical Corp. which gives three-shift, year-around jobs to 6,500 of the 11,400 persons employed in Northwest aluminum plants.

The availability and cost of power are critical factors in survival of the Northwest's aluminum industry, which operates plants with original cost of $255 million, pays $4,900,000 in State and local taxes, $63,900,000 in annual wages and $32,900,000 a year for materials, supplies, and services bought in the Northwest. These are the factors presently limiting expansion. Power cutbacks cause annual losses from shutdowns.

Kaiser pays an average price of 2.8 mills for the power it buys from the Bonneville Power Administration for its Mead reduction plant, second largest in the Nation. It could not survive by buying power from the local private utility, even if such power were available, at a cost of around 12 mills.

Rail freight rate increases and more efficient generation from coal and gas in other sections of the Nation have narrowed the margin of advantage attributable to 2.8-mill power in the Northwest to the vanishing point. Aluminum Company of America, offered power at around 3 mills from Grant County PUD's Priest Rapids project, recently chose instead to build a new plant at Evansville, Ind., where it can get coal-produced power for about 4 mills, and is in the heart of the eastern market. The difference in freight costs is approximately the equivalent of 2 mills of power cost, between aluminum production in the Northwest and in the Ohio Valley.

Most of the freight cost is in the shipment of alumina by rail. Kaiser's bauxite comes from Jamaica by ship and is reduced to alumina, a fine white powder, at Baton Rouge, La. Kaiser receives 20 carloads of alumina a day at the Mead plant, which employs 2,000, and ships 10 carloads of pig and ingots 15 miles to the sprawling Trentwood plate and tube mill, which employs 4,000.

The Mead primary aluminum plant is the big user of electricity in its furnaces. But only 52 percent of its power supply from the Federal Bonneville system is firm power—that is, available without diminution night and day the year around. The remaining 48 percent is interruptible; the Government can and does withdraw any portion of the interruptible supply in periods of shortage, which are almost annual. It costs aluminum producers a lot of money to shut down pot lines, and to unfreeze them to start up again.

In addition to the shortage of firm power, there is the problem of Bonneville contracts. Kaiser's 20-year contracts with BPA will expire in 1972. Other aluminum companies, Alcoa and Reynolds, will come to the end of their contracts in the same period. None has any assurance of renewal.

I have discussed on this page the problem the private utilities and the State of Oregon face in the inevitable withdrawal of Federal power to meet the demands of preference customers, PUD's, municipalities, and REA's chiefly in Washington. The private utilities can lose their power, on 5-years' notice, despite their contracts. The industrial customers of Bonneville are protected against such withdrawals until their contracts expire. But at that time, they may not be able to renew. The uncertainty of the interruptible power and of contract renewal explains why Kaiser's Northwest manager, Norman L. Krey, and power manager, W. A. Dittmer, are spending Kaiser money and manpower to try to develop power supplies which will be approximately as low-cost but outside the control of the Federal system.

Kaiser has offered to dam Arrow Lakes in Canada for storage, returning 20 percent of the power increment at Federal dams on the Columbia in the United States to the Province of British Columbia in repayment for water. The British Columbia government is receptive. But the Dominion Government at Ottawa is bearish. Ottawa's present attitude is that Canada should build its own dams and use its own power. Also, United States Federal departments—Interior and Army—are dragging their feet on the Arrow Lakes formula. Bigger projects await an American-Canadian master agreement—Libby and Mica Creek Dams.

Kaiser also has advanced to Douglas County PUD in Washington the money for surveys and engineering for the Wells Dam on the Columbia below Chief Joseph Dam. Under this agreement, Kaiser may get excess power from Wells—under a pullback contract. But there is a gimmick. Douglas PUD insists that 150,000 kilowatts of the amount it would deliver to Kaiser be put into a plant in Douglas County, many miles from the Trentwood mill. Kaiser is more in need of such power in the Spokane plants.

The Kaiser power plans are only one demonstration of how every group except the State of Oregon is doing something for itself powerwise. Those who discount the value of low-cost power—and oppose an Oregon Power Commission to get some—should visit Spokane. In addition to providing 6,000 jobs at Kaiser's Mead and Trentwood plants, this production has brought into the Spokane Valley since 1946 more than 40 smaller aluminum fabricating plants.

Some of these of larger size are Brown Trailer, Aeroliner, General Machinery Co., Aluminum Supply Co., and Miller-Posten. Some compete with Kaiser's Trentwood in production of irrigation pipe. Equally significant, 30 percent of the aluminum plates, tubes, and other stock produced at Trentwood are consumed in the 11 Western States. If Oregon had Kaiser's Mead and Trentwood plants—and the power to keep them going—this State would not be so badly shaken by seasonal unemployment in lumber and agriculture.

AGREEMENT FOR COOPERATION WITH ECUADOR

Mr. PASTORE. Mr. President, I ask unanimous consent to have printed in the RECORD an agreement for cooperation with the Republic of Ecuador, together with accompanying correspondence. This agreement was signed on May 31 and was received at the Joint Committee on Atomic Energy on June 1. It is a standard research agreement which provides for the lease of up to 6 kilograms of contained U-235 in uranium, enriched up to a maximum of 20 percent U-235.

There being no objection, the agreement was ordered to be printed in the RECORD, as follows:

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., May 31, 1957.

Hon. CARL T. DURHAM,
Chairman, Joint Committee on Atomic Energy,
Congress of the United States.

DEAR MR. DURHAM: Pursuant to section 123c of the Atomic Energy Act of 1954, there is submitted with this letter:

1. An executed agreement for cooperation between the Government of the United States of America and the Government of the Republic of Ecuador concerning civil uses of atomic energy.

2. A letter dated April 18, 1957, from the Commission to the President recommending approval of the agreement.

3. A letter dated April 23, 1957, from the President to the Commission containing his determination that it will promote and will not constitute an unreasonable risk to the common defense and security, approving the agreement, and authorizing its execution.

This agreement, as executed, makes cooperation possible between the United States and the Republic of Ecuador on the design, construction, and operation of research reactors, including related health and safety problems; the use of such reactors in medical therapy; and the use of radioactive isotopes in biology, medicine, agriculture, and industry. The Republic of Ecuador, if it desired to do so, would be able to engage United States companies to construct research reactors, and private industries in the United States will be permitted, within the limits of the agreement, to render other assistance to the Republic of Ecuador. No restricted data would be communicated under this agreement. The Atomic Energy Commission, however, would lease to the Republic of Ecuador up to 6 kilograms of contained U-235 in uranium enriched up to a maximum of 20 percent U-235, plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous operation of the reactor or reactors while replaced fuel elements are radioactively cooling in the Republic of Ecuador or while fuel elements are in transit. This expressed limitation will restrict the Republic of Ecuador in determining the choice of reactor to be constructed to a research reactor.

You will note that the agreement includes in article V provisions for the sale or transfer of research quantities of materials of interest in connection with defined research projects. The amount of special nuclear material which would be made available to the Republic of Ecuador under this agreement would not be important from the military point of view.

Article VIII of the proposed agreement records the obligations undertaken by the Republic of Ecuador to safeguard the special nuclear material to be leased by the Commission and article X contains the guaranties prescribed by section 123 of the Atomic Energy Act.

This agreement expresses the hope and expectation of the two Governments that this first stage of cooperation will lead to further development of the peaceful uses of atomic energy in the Republic of Ecuador.

The agreement will enter into force when the two Governments have exchanged notifications that their respective statutory and constitutional requirements have been fulfilled (article XI).

Sincerely,

LEWIS STRAUSS,
Chairman.

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., April 18, 1957.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the enclosed proposed agreement entitled "Agreement for Cooperation Between the Government of the United States of America and the Government of the Republic of Ecuador Concerning Civil Uses of Atomic Energy," and authorize its execution.

The agreement has been negotiated by the Atomic Energy Commission and the Department of State pursuant to the Atomic Energy Act of 1954, and is, in the opinion of the Commission, an important and desirable step in advancing the development of the peaceful uses of atomic energy in Ecuador in accordance with the policy which you have established. The agreement would permit cooperation between the two Governments with respect to the design, construction, and operation of research reactors, including related health and safety problems; the use of such reactors in medical therapy; and the use of radioactive isotopes in biology, medicine, agriculture, and industry. The agreement contains all of the guaranties prescribed by the Atomic Energy Act of 1954. No restricted data would be communicated under this agreement, but the Commission is authorized to lease to the Government of the Republic of Ecuador up to 6 kilograms of contained U-235 in uranium enriched up to a maximum of 20 percent U-235 for use as reactor fuel. You will note that article V of the agreement would permit the Commission to transfer limited quantities of special nuclear materials, including U-235, U-233, and plutonium, for defined research projects related to the peaceful uses of atomic energy.

The Government of the Republic of Ecuador, if it desires to do so, may engage United States companies to construct research reactors, and private industry in the United States will be able, under the agreement, to render other assistance to the Government of the Republic of Ecuador. The agreement expresses the hope and expectation of the two Governments that this first stage of cooperation will lead to further discussions and agreements relating to other peaceful uses of atomic energy in Ecuador.

Following your approval and subject to the authorization requested, the agreement will be formally executed by the appropriate authorities of the Governments of the Republic of Ecuador and the United States and then placed before the Joint Committee on Atomic Energy in compliance with section 123c of the Atomic Energy Act of 1954.

Respectfully,

LEWIS L. STRAUSS,
Chairman.

AUGUSTA, GA., *April 23, 1957.*

The Honorable LEWIS L. STRAUSS,
Chairman, Atomic Energy Commission,
Washington, D. C.

DEAR MR. STRAUSS: Under date of April 18, 1957, you informed me that the Atomic Energy Commission had recommended that I approve the proposed agreement for cooperation between the Government of the United States of America and the Government of the Republic of Ecuador concerning civil uses of atomic energy, and authorize its execution. The agreement recites that the Government of the Republic of Ecuador desires to pursue a research and development program looking toward the realization of the peaceful and humanitarian uses of atomic energy and desires to obtain assistance from the Government of the United States and United States industry with respect to this program.

The recommended agreement has been reviewed. It calls for cooperation between the two Governments with respect to the design, construction, and operation of research reactors, including related health and safety problems; the use of such reactors in medical therapy; and the use of radioactive isotopes in biology, medicine, agriculture, and industry. The agreement contains all of the guaranties prescribed by the Atomic Energy Act of 1954. No restricted data would be communicated under the agreement, but the Commission is authorized to lease to the Government of the Republic of Ecuador up to 6 kilograms of contained U-235 in uranium enriched up to a maximum of 20 percent U-235 for use as reactor fuel. In addition, article V of the agreement would permit the Commission to transfer limited quantities of special nuclear materials, including U-235, U-233, and plutonium, for defined research projects related to the peaceful uses of atomic energy.

Pursuant to the provisions of section 123 of the Atomic Energy Act of 1954 and upon the recommendation of the Atomic Energy Commission, I hereby—

1. Determine that the performance of the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States; and

2. Approve the proposed agreement for cooperation between the Government of the United States and the Government of the Republic of Ecuador enclosed with your letter of April 18, 1957; and

3. Authorize the execution of the proposed agreement for the Government of the United States by appropriate authorities of the United States Atomic Energy Commission and the Department of State.

It is my hope that this agreement represents but the first stage of cooperation in the field of atomic energy between the United States and the Government of the Republic of Ecuador, and that it will lead to further discussions and agreements relating to other peaceful uses of atomic energy in Ecuador.

Sincerely,

DWIGHT D. EISENHOWER.

AGREEMENT FOR COOPERATION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF ECUADOR CONCERNING CIVIL USES OF ATOMIC ENERGY

Whereas the peaceful uses of atomic energy hold great promise for all mankind; and

Whereas the Government of the United States of America and the Government of the Republic of Ecuador desire to cooperate with each other in the development of such peaceful uses of atomic energy; and

Whereas the design and development of several types of research reactors are well advanced; and

Whereas research reactors are useful in the production of research quantities of radioisotopes, in medical therapy, and in numerous other research activities and at the same time are a means of affording valuable training and experience in nuclear science and engineering useful in the development of other peaceful uses of atomic energy including civilian nuclear power; and

Whereas the Government of the Republic of Ecuador desires to pursue a research and development program looking toward the realization of the peaceful and humanitarian uses of atomic energy and desires to obtain assistance from the Government of the United States of America and United States industry with respect to this program; and

Whereas the Government of the United States of America, acting through the United States Atomic Energy Commission, desires to assist the Government of the Republic of Ecuador in such a program:

The parties agree as follows:

ARTICLE I

For the purposes of this agreement:

(a) "Commission" means the United States Atomic Energy Commission or its duly authorized representatives.

(b) "Equipment and devices" means any instrument or apparatus and includes research reactors, as defined herein, and their component parts.

(c) "Research reactor" means a reactor which is designed for the production of neutrons and other radiations for general research and development purposes, medical therapy, or training in nuclear science and engineering. The term does not cover power reactors, power demonstration reactors, or reactors designed primarily for the production of special nuclear materials.

(d) The terms "restricted data," "atomic weapon," and "special nuclear material" are used in this agreement as defined in the United States Atomic Energy Act of 1954.

ARTICLE II

Restricted data shall not be communicated under this agreement, and no materials or equipment and devices shall be transferred and no services shall be furnished under this agreement to the Government of the Republic of Ecuador or authorized persons under its jurisdiction if the transfer of any such materials or equipment and devices or the furnishing of any such services involves the communication of restricted data.

ARTICLE III

1. Subject to the provisions of article II, the parties hereto will exchange information in the following fields:

(a) Design, construction, and operation of research reactors and their use as research, development, and engineering tools and in medical therapy.

(b) Health and safety problems related to the operation and use of research reactors.

(c) The use of radioactive isotopes in physical and biological research, medical therapy, agriculture, and industry.

2. The application or use of any information or data of any kind whatsoever, including design drawings and specifications, exchanged under this agreement shall be the responsibility of the party which he receives and uses such information or data, and it is understood that the other cooperating party does not warrant the accuracy, completeness, or suitability of such information or data for any particular use or application.

ARTICLE IV

1. The Commission will lease to the Government of the Republic of Ecuador uranium enriched in the isotope U-235, subject to the terms and conditions provided herein, as may be required as initial and replacement fuel in the operation of research reactors which the Government of the Republic of Ecuador, in consultation with the Commission, decides to construct and as required in the agreed experiments related thereto. Also, the Commission will lease to the Government of the Republic of Ecuador uranium enriched in the isotope U-235, subject to the terms and conditions provided herein, as may be required as initial and replacement fuel in the operation of such research reactors as the Government of the Republic of Ecuador may, in consultation with the Commission, decide to authorize private individuals or private organizations under its jurisdiction to construct and operate, provided the Government of the Republic of Ecuador shall at all times maintain sufficient control of the material and the operation of the reactor to enable the Government of the Republic of Ecuador to comply with the provisions of this agreement and the applicable provisions of the lease arrangement.

2. The quantity of uranium enriched in the isotope U-235 transferred by the Commission under this article and in the custody of the Government of the Republic of Ecuador shall not at any time be in excess of six (6) kilograms of contained U-235 in uranium enriched up to a maximum of 20 percent U-235, plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous operation of the reactor or reactors while replaced fuel elements are radioactively cooling in the Republic of Ecuador or while fuel elements are in transit, it being the intent of the Commission to make possible the maximum usefulness of the 6 kilograms of said material.

3. When any fuel elements containing U-235 leased by the Commission require replacement, they shall be returned to the Commission and, except as may be agreed, the form and content of the irradiated fuel elements shall not be altered after their removal from the reactor and prior to delivery to the Commission.

4. The lease of uranium enriched in the isotope U-235 under this article shall be at such charges and on such terms and conditions with respect to shipment and delivery as may be mutually agreed and under the conditions stated in articles VIII and IX.

ARTICLE V

Materials of interest in conection with defined research projects related to the peaceful uses of atomic energy undertaken by the Government of the Republic of Ecuador, including source materials, special nuclear materials, byproduct material, other radioisotopes, and stable isotopes, will be sold or otherwise transferred to the Government of the Republic of Ecuador by the Commission for research purposes in such quantities and under such terms and conditions as may be agreed when such materials are not available commercially. In no case, however, shall the quantity of special nuclear materials under the jurisdiction of the Government of the Republic of Ecuador, by reason of transfer under this article, be, at any one time, in excess of 100 grams of contained U-235, 10 grams of plutonium, and 10 grams of U-233.

ARTICLE VI

Subject to the availability of supply and as may be mutually agreed, the Commission will sell or lease, through such means as it deems appropriate, to the Government of the Republic of Ecuador or authorized persons under its jurisdiction such reactor materials, other than special nuclear materials, as are not obtainable on the commercial market and which are required in the construction and operation of research reactors in the Republic of Ecuador. The sale or lease of these materials shall be on such terms as may be agreed.

ARTICLE VII

It is contemplated that, as provided in this article, private individuals and private organizations in either the United States or the Republic of Ecuador may deal directly with private individuals and private organizations in the other country. Accordingly, with respect to the subjects of agreed exchange of information as provided in Article III, the Government of the United States will permit persons under its jurisdiction to transfer and export materials, including equipment and devices, to and perform services for the Government of the Republic of Ecuador and such persons under its jurisdiction as are authorized by the Government of the Republic of Ecuador to receive and possess such materials and utilize such services, subject to:

(a) The provisions of Article II.

(b) Applicable laws, regulations and license requirements of the Government of the United States and the Government of the Republic of Ecuador.

ARTICLE VIII

1. The Government of the Republic of Ecuador agrees to maintain such safeguards as are necessary to assure that the special nuclear materials received from the Commission shall be used solely for the purposes agreed in accordance with this agreement and to assure the safekeeping of this material.

2. The Government of the Republic of Ecuador agrees to maintain such safeguards as are necessary to assure that all other reactor materials, including equipment and devices, purchased in the United States under this agreement by the Government of the Republic of Ecuador or authorized persons under its jurisdiction shall be used solely for the design, construction, and operation of research reactors which the Government of the Republic of Ecuador decides to construct and operate and for research in connection therewith, except as may otherwise be agreed.

3. In regard to research reactors constructed pursuant to this agreement, the Government of the Republic of Ecuador agrees to maintain records relating to power levels of operation and burn-up of reactor fuels and to make annual reports to the Commission on these subjects. If the Commission requests, the Government of the Republic of Ecuador will permit Commission representatives to observe from time to time the condition and use of any leased material and to observe the performance of the reactor in which the material is used.

4. Some atomic energy materials which the Government of the Republic of Ecuador may request the Commission to provide in accordance with this arrangement are harmful to persons and property unless handled and used carefully. After delivery of such materials to the Government of the Republic of Ecuador, the Government of the Republic of Ecuador shall bear all responsibility, insofar as the Government of the United States is concerned, for the safe handling and use of such materials. With respect to any special nuclear materials or fuel elements which the Commission may, pursuant to this agreement, lease to the Government of the Republic of Ecuador or to any private individual or private organization under its jurisdiction, the Government of the Republic of Ecuador shall indemnify and save harmless the Government of the United States against any and all liability (including third party liability) from any cause whatsoever arising out of the production or fabrication, the ownership, the lease, and the possession and use of such special nuclear materials or fuel elements after delivery by the Commission to the Government of the Republic of Ecuador or to any authorized private individual or private organization under its jurisdiction.

ARTICLE IX

The Government of the Republic of Ecuador guarantees that:

(a) Safeguards provided in article VIII shall be maintained.

(b) No material, including equipment and devices, transferred to the Government of the Republic of Ecuador or authorized persons under its jurisdiction, pursuant to this agreement, by lease, sale, or otherwise will be used for atomic weapons or for research on or development of atomic weapons or for any other military purposes, and that no such material, including equipment and devices, will be transferred to unauthorized persons or beyond the jurisdiction of the Government of the Republic of Ecuador except as the Commission may agree to such transfer to another nation and then only if in the opinion of the Commission such transfer falls within the scope of an agreement for cooperation between the United States and the other nation.

ARTICLE X

It is the hope and expectation of the parties that this initial agreement for cooperation will lead to consideration of further cooperation extending to the design, construction, and operation of power producing reactors. Accordingly, the parties will consult with each other from time to time concerning the feasibility of an additional agreement for cooperation with respect to the production of power from atomic energy in the Republic of Ecuador.

ARTICLE XI

1. This agreement shall enter into force on the day on which each Government shall receive from the other Government written notification that it has complied with all statutory and constitutional requirements for the entry into force of such agreement and shall remain in force for a period of 5 years.

2. At the expiration of this agreement or of any extension thereof the Government of the Republic of Ecuador shall deliver to the United States all fuel elements containing reactor fuels leased by the Commission and any other fuel materials leased by the Commission. Such fuel elements and such fuel materials shall be delivered to the Commission at a site in the United States designated by the Commission at the expense of the Government of the Republic of Ecuador and such delivery shall be made under appropriate safeguards against radiation hazards while in transit.

In witness whereof, the parties hereto have caused this agreement to be executed pursuant to duly constitued authority.

Done at Washington, in duplicate, in the English and Spanish languages, this 31st day of May 1957.

En testimonio de lo cual, las partes contratantes, debidamente autorizadas a tal fin, han convenido en la ejecución de este convenio.

Hecho en Washington, en duplicado, en los idiomas inglés e español, el día treinta y uno de mayo de 1957.

For the Government of the United States of America:

Por el Gobierno de los Estados Unidos de America:

R. R. RUBOTTOM, Jr.
W. L. LIBBY.

For the Government of the Republic of Ecuador:

Por el Gobierno de la Republica del Ecuador:

José R. CHIRIBOGA V.,
Ambassador.

GEN. CURTIS E. LEMAY LEAVES STRATEGIC AIR COMMAND

Mr. HRUSKA. Mr. President, after more than 8 years in command, Gen. Curtis E. LeMay is leaving the post of Chief of the Strategic Air Command which has its headquarters in Omaha,

Nebr. He has been reassigned as Vice Chief of Staff, Air Force.

My home city of Omaha and my native State of Nebraska greatly regret his leaving our midst. We have been proud to claim General LeMay as an adopted citizen.

This is not the time to note the place or to recite the many achievements of the Strategic Air Command since its coming into being in 1946. Under the leadership of General LeMay, however, we have witnessed two very fine developments.

In the first place, he has led the Strategic Air Command to a high point of achievement in its mission: The development and maintenance of a striking power which is the prime deterrent of Soviet aggression. The record of growth and size, efficiency, and effectiveness constitutes a tremendous tribute to the driving and dedicated personality and capability of the commanding general. Due to his singleness of purpose in the past 8 years, SAC has become powerful, tough, devastating, and above all, ever ready.

A second major achievement consists of the very satisfactory and happy public relations which have been so outstanding between Air Force bases of the Strategic Air Command and the respective communities in which they exist. We have noticed this particularly in and around Omaha. Progress in this area has been concrete. It has consisted of far more than lip service. For example, there has been a constant and very effective campaign for safety in driving of motor vehicles. This campaign has gone far beyond the confines of the Air Force base itself. It has been carried out in the driving of the officers and men on the highways of the surrounding territory. In this day of great slaughter on the highways, this very tangible evidence of coordinating his authority and influence with similar drive-safely efforts, has made General LeMay stand high in civic achievement.

In similar ways he has shown himself to be aggressively concerned about the conduct of his men on and off the base, in the matter of housing and living conditions for his officers and men, and in community activity generally.

The Omaha community has sought to cooperate with that approach. It has done so generously and forthrightly.

As we Omahans and Nebraskans bid farewell to this fine military leader, we extend to him the very best of wishes in his continued success in his new assignment.

Recent announcement has been made of General LeMay's successor as Chief of the Strategic Air Command, in the person of Lt. Gen. Thomas S. Power. This bids to be a very happy choice because General Power had served for several years as General LeMay's deputy out at SAC Headquarters. We bid him welcome to the Omaha community and to the Strategic Air Command Headquarters, confident that he will make every effort to maintain the high plane which SAC has attained under the leadership of his predecessor. This will take a lot of doing, but I can assure General Power of the continued keen interest of the community and its forthright support insofar as that will be needed to get the job done.

Mr. President, I ask unanimous consent that a recent editorial of the Omaha World-Herald entitled "LeMay's Successor" be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Omaha World-Herald of May 21, 1957]

LEMAY'S SUCCESSOR

Of all the jobs in the Military Establishment of the United States, that of Chief of the Strategic Air Command presents a peculiar challenge.

A half dozen military men might do well as Chief of the Joint Chiefs of Staff, which is the top position for a uniformed military man. Perhaps a score or more are qualified to be Chief of Staff of their service.

But not many have the know-how and the temperament and the all-around ability to be boss of SAC. In large part, Gen. Curtis LeMay is responsible for making that job so hard to fill. He is so thoroughly competent and has such a strong and vivid personality that SAC couldn't be more "LeMayish" if he had put his brand on it.

The next best thing to having General LeMay himself to run the show is to get somebody who knows SAC's operations under General LeMay inside and out.

The Air Force people say the newly appointed Chief, Lt. Gen. Thomas S. Power, is such a man. He is known to have been the choice of General LeMay.

General Power is no stranger to Omaha. He was the deputy boss of SAC for several years. His return to Offutt Air Base will be in a sense a homecoming. He has the respect and admiration not only of the men and women of SAC but of the entire community, which is proud to be SAC's friend and neighbor.

PRINTING AS A SENATE DOCUMENT THE INTERIM REPORT OF THE COMMISSION ON INCREASED INDUSTRIAL USE OF AGRICULTURAL PRODUCTS

Mr. CURTIS. Mr. President, I ask unanimous consent that the vote by which Senate Resolution 131 was agreed on May 16, 1957, to be reconsidered.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Nebraska? The Chair hears none, and the vote is reconsidered.

The resolution is before the Senate.

Mr. CURTIS. Mr. President, I offer a further amendment to the resolution on line 1, to strike out the word "interim" and insert in lieu thereof the word "final."

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Nebraska.

The amendment was agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the resolution, as amended.

The resolution, as amended, was agreed to, as follows:

Resolved, That the final report of the Commission on Increased Industrial Use of Agricultural Products, submitted to the Congress April 17, 1957, pursuant to Public Law 540, 84th Congress, be printed as a Senate document, and that 6,500 additional copies be printed for the use of the Committee on Agriculture and Forestry.

The title was amended so as to read: "Resolution authorizing the printing as a Senate document of the final report of the Commission on Increased Industrial Use of Agricultural Products."

ORDER FOR ADJOURNMENT TO TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations today, it stand in adjournment until 12 o'clock tomorrow.

The PRESIDENT pro tempore. Without objection, it is so ordered.

NOTICE OF CONSIDERATION OF PROTOCOL BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF CANADA

Mr. JOHNSON of Texas. Mr. President, I desire to make an announcement. We have on the Executive Calendar Executive C, a protocol between the Government of the United States and the Government of Canada relating to the sockeye salmon fisheries in the Fraser River system.

I should like to announce, for the information of all Senators, that we shall proceed to the consideration of the Executive Calendar on tomorrow. As usual, we will have a yea-and-nay vote on the treaty, and so I particularly want all Senators to be on notice.

NEW CRISIS IN THE MIDDLE EAST

Mr. JAVITS. Mr. President, a new crisis is building up in the Middle East. This time political—not military—but just as serious. There is an indicated breakdown of international support for the maintenance of the Palestine Arab refugees through the United Nations Relief and Works Agency for Palestine Refugees and notice of a new declaration of economic warfare on Israel by the Arab League. The league's economic council has just voted to start the process—unless halted by more levelheaded Arab leadership—of tightening the boycott and blockade of Israel and blacklisting firms, even American firms, that sell to Israel. It will be recalled that it was the Arab League, sparked by Egypt and Syria, which in 1955 kicked over the Johnston plan for the use of the Jordan River waters through a United Nations authority—which had been agreed to by Israel and Jordan, the two principal countries interested—and with it one of the Mid-East's best hopes for peace and stability. This new crisis is threatened at a time when there were reasons for looking toward a brightening situation.

The military situation is relatively stable; the influence of Colonel Nasser is diminishing; United Nations and United States-Israel relations are much improved; the Eisenhower doctrine has been accepted in practical effect by the Arab countries, other than Syria and Egypt, and by Israel; and the United Nations emergency force remains in the Gaza strip and on the Gulf of Aqaba.

I urge the administration to start a major drive now in the Middle East for the resettlement of Palestine Arab refugees in the Arab lands. To do this, we should call in our Ambassadors and block out a diplomatic campaign to win acceptance for the Johnston plan for the development of the Jordan River Valley as the first step among the governments involved, and we should follow through from that point.

We are about to consider the Mutual Security Act again. It contains provisions allowing of our backing for regional development programs in the Mid-East like the Johnston plan, and it also provides continued authorization for our share of the United Nations cost of caring for the Palestine Arab refugees.

The same principle is applicable to the remainder of the $200 million available under the Eisenhower doctrine authorization resolution. It means that our Government needs to pursue the initiative with determination, which was opened to us by the failure of Egyptian influence to dismember Jordan and the first success of the Eisenhower doctrine in that operation.

Most observers believe that the Palestine Arab refugees remain one of the most nettling problems standing in the way of some affirmative progress toward permanent peace in the Middle East. I have been in the Gaza Strip recently, and have seen the Palestine Arab refugees there. From my personal observation, I am convinced that the camps no longer contain any appreciable numbers of doctors, lawyers, educators, or other professional or merchant class people, but that those remaining are essentially farmers who should be relatively easy to resettle. By now it is clearly recognized even by objective Arab statesmen themselves that substantial resettlement is practical only in the Arab States. Israel has already admitted 5,000 of such refugees officially, and is, I understand, permitting some 40,000 more to remain unofficially to reunite Arab families. Israel will, I believe, repatriate some additional modest number, but cannot be asked to admit a potential fifth column by the tens of thousands.

The Johnston plan provides for dividing the waters of the Jordan River and its tributary the Yarmuk, with Israel getting 40 percent and the Arab States 60 percent of the water. This project would reclaim enough desert to resettle an estimated one-half of the about 500,000 Palestine Arab refugees in Jordan, whose natural restlessness has contributed much to Jordan's unsettlement, now comprising the bulk of all the 800,000 to 900,000 Palestine Arab refugees; 922,000 are reportedly drawing U. N. rations. The project will aid as well in facilitating the settlement of the increased thousands of European and Arab-land Jewish refugees coming to Israel. The plan involves estimated costs of $200 million; and sharing of costs, contributions by the Arab States, Israel, and our country as well as others, remain to be worked out, but the objections to it are political, and this is the time when they can be overcome.

Our country has a large financial stake in this matter, too, aside from the overriding issue of peace, as we have been contributing about 70 percent of the funds contributed by participating member nations in the U. N. for the support of the Palestine Arab refugees, through the U. N. Relief and Works Agency for Palestine Refugees, having contributed approximately $173 million from June 1948 to the present. We are also committed to participate in a U. N. resettlement fund of $200 million, of which less than 10 percent has been spent for rehabilitation because of Arab opposition to resettlement projects. Moscow has never contributed one penny to helping the Palestine Arab refugees, and even the oil-rich Arab States have contributed small sums of under $100,000 a year. Also involved is the financial viability of Jordan, a key Mid-East problem, and one the Johnston plan could affect mightily for the good.

RETIREMENT OF OFFICERS AND MEMBERS OF THE METROPOLITAN AND OTHER POLICE FORCES

Mr. WILLIAMS. Mr. President, the unfinished business is Senate bill 1770, and I have made a motion that the bill be recommitted. At this time I ask unanimous consent that I may withdraw my motion.

The PRESIDENT pro tempore. Without objection, the motion is withdrawn.

Mr. BIBLE. Mr. President, the discussion of the bill last Monday was most helpful. A number of points were made during the debate which deserve further consideration by the Committee on the District of Columbia. I have conferred with the ranking minority member on the committee, the junior Senator from Maryland [Mr. BEALL] and at this time I ask unanimous consent that Senate bill 1770 be recommitted to the Committee on the District of Columbia.

The PRESIDENT pro tempore. Without objection, the bill will be recommitted.

EXTENSION TIME FOR MAKING OF LOANS BY EXPORT-IMPORT BANK

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of order of business No. 337, House bill 4136.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 4136) to extend the period within which Export-Import Bank of Washington may make loans.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

PRINTING OF ADDITIONAL HEARINGS ON S. 963, CONTROL OF ADVERTISING ON INTERSTATE HIGHWAYS

Mr. HAYDEN. Mr. President, I move that the Senate proceed to the immediate consideration of Senate Resolution 139, Calendar No. 398.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). The resolution will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 139) to print additional hearings on S. 963, control of advertising on interstate highways.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona.

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. HAYDEN. The purpose of the resolution is to authorize the printing of 800 additional copies of the hearings relating to control of advertising on interstate highways.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 139) was agreed to as follows:

Resolved, That there be printed for the use of the Committee on Public Works of the United States Senate eight hundred additional copies of the hearings on Control of Advertising on Interstate Highways, Senate bill 963, held by that committee during the current session of Congress.

SUMMARY OF HOUSE AND SENATE ACTION ON FISCAL 1958 APPROPRIATIONS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a summary of House and Senate action on fiscal 1958 appropriations, as of June 5, 1957. This summary lists the bills, the amount of the Senate reductions under the House figures, and the amount by which the public law figures are under the estimates as well as the percentages for each.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

Summary of House and Senate action on fiscal 1958 appropriations, June 5, 1957

Bill	Amount of Senate reduction under House		Public-law figure under estimate	
	Amount	Percent	Amount	Percent
Treasury-Post Office	None		−$80,364,000	2.0
Commerce	−$40,100,770		−273,722,775	31.5
State-Justic-Judiciary	−714,500		−102,758,509	15.4
General Government matters	−11,000		−4,911,500	23.8
Total	−40,826,270	0.9	−461,756,784	8.4

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I express the hope that next week we shall have available for the consideration of the Senate the Agriculture Department appropriation bill, the District of Columbia appropriation bill, the independent offices appropriation bill, and the Labor-Health, Education, and Welfare appropriation bill. Those bills are now in the final stages of being approved by either the subcommittee or the full Committee on Appropriations. Proper notice will be given. Consent has been granted to file reports when the Senate is not in session.

I hope all Members of the Senate who are interested in any of those bills will obtain copies of the hearings and reports just as soon as they are filed, and study them, because we do expect to have a very heavy schedule of appropriation bills next week.

Mr. President, it is not the intention to have a meeting of the Senate on Friday. We are hopeful that the Committee on Appropriations can use Friday and Saturday to good advantage in the consideration of those bills previously mentioned, and that the Committee on Foreign Relations can do the same, since it has under consideration the atomic energy and mutual security bills.

In the event there are appropriation bills which are ready to be considered, and there is no objection, we could meet on Friday, but I doubt that that will be the case. I think all Senators may be assured there will be no controversial legislation considered on Friday, even if there should be a meeting of the Senate on that day. I wish to give that notice as far in advance as possible, so that Senators may make their plans.

Mr. President, I now desire to make a motion.

The PRESIDING OFFICER. The Senator from Texas has the floor.

IMPROVED METHODS OF STATING BUDGET ESTIMATES, ETC.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the immediate consideration of Senate bill 434, Calendar No. 402.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 434) to provide for improved methods of stating budget estimates and estimates for deficiency and supplemental appropriations.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Government Operations, with an amendment on page 3, after line 20, to insert:

SEC. 2. (a) Whenever an appropriation bill or an amendment thereto provides for an appropriation in terms of annual accrued expenditures, or specifies that an appropriation therein is based upon annual accrued expenditures, it shall be in order to provide in any such appropriation bill or in any amendment thereto the authority to enter into contracts for the purposes of such appropriation in an amount in addition to the amount of such appropriation.

(b) The provisions of subsection (a) of this section are enacted by the Congress—

(1) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply; and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

So as to make the bill read:

Be it enacted, etc., That section 201 of the Budget and Accounting Act, 1921, as amended, is further amended by adding the following new subsections:

"(b) It is the sense of the Congress that revisions in presentation of budget estimates and estimates for deficiency and supplemental appropriations are essential in order to provide a more informative basis for the enactment of appropriations by the Congress, to reduce or eliminate the large carryover balances of appropriations from 1 fiscal year to another, and to bring about economy in Government expenditures. It is therefore the policy of the Congress that estimates for proposed appropriations will be determined on an annual accrued expenditure basis.

"(c) The amount of proposed appropriations referred to in sections 201 (a) and 203 of this act shall, to the maximum extent deemed desirable and practicable by the President, be determined on an annual accrued expenditure basis.

"'Annual accrued expenditures' shall relate to goods and services to be received in a fiscal year, advance payments, progress payments, and such other payments as are authorized by law to be made in such fiscal year.

"This subsection shall not apply to appropriations for the payment of claims certified by the Comptroller General and of judgments; appropriations for the refund of Federal taxes and of other moneys erroneously received and covered into the Treasury of the United States; appropriations for private relief; appropriations for the payment of interest on trust funds; appropriations to provide or increase revolving funds; appropriations for the payment to former members of the Armed Forces, their dependents and beneficiaries, of any benefits to which they are entitled by reason of military service; appropriations for the payment of pensions and annuities; appropriations for the payment of any obligation of the United States for which liability is fixed by treaty; and other appropriations or funds analogous to the foregoing.

"(d) The conversion to the use of the annual accrued expenditures method for stating proposed appropriations in accordance with section 201 (c) of this act shall be accomplished in such manner and at such times as may be determined by the President.

"(e) As of the end of each fiscal year, the excess of any appropriation or fund made on an annual accrued expenditure basis over the accrued expenditures under such appropriation or fund shall lapse, unless hereafter provided otherwise in an apropriation act or other law. Any remaining balances of each such appropriation or fund shall be merged with any appropriation or fund made for the same general purpose for the ensuing fiscal year and shall constitute a single account."

SEC. 2. (a) Whenever an appropriation bill or an amendment thereto provides for an appropriation in terms of annual accrued expenditures, or specifies that an appropriation therein is based upon annual accrued expenditures, it shall be in order to provide in any such appropriation bill or in any amendment thereto the authority to enter into contracts for the purposes of such appropriation in an amount in addition to the amount of such appropriation.

(b) The provisions of subsection (a) of this section are enacted by the Congress—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply; and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

Mr. HUMPHREY. Mr. President, I appreciate the action of the Senate in considering Calendar No. 402, S. 434, the bill introduced by the Senator from Massachusetts [Mr. KENNEDY] for himself and 49 other Members to provide for the stating of appropriation estimates on an annual accrued expenditure basis.

The bill was referred to the Committee on Government Operations and to the Subcommittee on Reorganization, of which it is my privilege to be chairman.

Last year a similar measure was before the Subcommittee on Reorganization, at which time the Senator from Massachusetts [Mr. KENNEDY] was the chairman and I was a member of the committee. The Senate passed that bill in the previous congress but the annual accrued expenditures provision was stricken by the House.

This year the subcommittee again held hearings, and heard testimony of officials of the executive branch of the Government, representatives of the Hoover Commission and all others interested in the bill.

I am happy to say that the bill was reported unanimously by the full committee and the subcommittee.

This bill, if enacted, would directly implement a most important objective of the second Hoover Commission report, namely that the executive budget and congressional appropriations be in terms of estimated annual accrued expenditures, namely charges for the cost of goods and services estimated to be received. That was recommendation No. 7 of the Hoover Commission budget and accounting report.

I am convinced, Mr. President, that this bill, when passed and signed by the President, will provide for much better control over the Government's expenditures—both by the Congress and the executive branch.

I am very appreciative of the leadership the Senator from Massachusetts [Mr. KENNEDY] has given in promoting this proposed legislation. He has concentrated his attention upon it now for more than a year, and I know it is a source of satisfaction to the Senator from Massachusetts, as it is to the other sponsors, that the Senate has the bill under consideration, today.

I desire to invite attention of the Senators to the report on the bill—Senate report No. 394. I shall not ask that the report be printed in the RECORD, but I do ask that it be referred to in the RECORD, so that Senators may familiarize themselves with the details of the bill.

Mr. KENNEDY rose.

Mr. HUMPHREY. I yield to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I wish to express appreciation to the Senator from Minnesota [Mr. HUMPHREY] for the leadership he has given on this matter. This is a most vital proposal of the Hoover Commission. It has been a matter of great interest not only to me but to the Senator from Virginia [Mr. BYRD] and the Senator from Maine [Mr. PAYNE]. The Senator from Maine [Mr. PAYNE] was especially instrumental in bringing this proposed legislation forward. The bill would place all expenditures of the Government on an annual accrued basis, giving the Congress, as the Senator from Minnesota [Mr. HUMPHREY] said, much greater control and assuring much greater economy. It would prevent the huge carryover of funds which has made governmental accounting and appropriating so difficult in the past few years.

Mr. COTTON rose.

Mr. HUMPHREY. I wish to thank the Senator from Massachusetts. I yield now to the Senator from New Hampshire.

Mr. COTTON. Mr. President, I appreciate the Senator's yielding to me.

I was a member of the Committee on Government Operations last year. Under the able leadership of the Senator from Minnesota, the present chairman of the subcommittee, and also of the Senator from Massachusetts, who was then chairman, we worked on this bill. We were disappointed that we did not get the bill passed last session. It is the keystone of the arch of the Hoover Commission recommendations. I am glad that the bill is being considered by the Senate this morning. I wish to join in commending the Senator from Minnesota and in expressing my satisfaction that this vital legislation is now on its way.

Mr. HUMPHREY. I thank the Senator from New Hampshire. I will say to the Senator that if commendation is to be doled out, for which we are all grateful, the Senator from New Hampshire is at the head of the list.

Mr. COTTON. I thank the Senator.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a statement which I have prepared relating to this legislation, along with the Comptroller General's statement on the bill, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY

This bill provides that estimates for proposed appropriations of the executive agencies of the Government shall, where appropriate, be prepared on an annual accrued expenditure basis.

Agencies would present their budget estimates for the fiscal year on the basis of expenditures actually to be made or to be accrued that fiscal year—not for expenditures to be made in subsequent fiscal years, as frequently occurs at present.

If appropriations are converted to the annual accrued expenditure basis, authority must be provided for forward contracting of long lead-time programs, such as the building of an aircraft carrier, which would require several years. Senator KENNEDY's amendment to the bill authorizes the Appropriations Committees to grant such contract authority where necessary for the forward planning of these long lead-time programs.

The President on four separate occasions has requested authority to convert appropriation estimates to the accrued expenditure basis where conducive to better fiscal control. In addition, the Secretary of the Treasury, the Director of the Bureau of the Budget, and the Comptroller General strongly endorse this change in the appropriations process.

The bill directly implements the Hoover Commission's recommendations for (1) improved financial management within the executive branch; and (2) strengthening congressional control over Government expenditures.

The Senate approved the objectives of S. 434 last year when it passed S. 3897, which contained the identical objectives of the present bill. However, the budget estimates section was stricken by the House of Representatives when it acted on S. 3897.

The following statement by the Comptroller General before the Senate Subcommittee on Reorganization on April 12, 1957, is a convincing documentation of the necessity of enacting this legislation into law:

"STATEMENT OF JOSEPH CAMPBELL, COMPTROLLER GENERAL OF THE UNITED STATES, BEFORE THE REORGANIZATION SUBCOMMITTEE OF THE COMMITTEE ON GOVERNMENT OPERATIONS, UNITED STATES SENATE, ON S. 434, 85TH CONGRESS

"Mr. Chairman and members of the subcommittee, we appreciate the opportunity to appear before you to discuss S. 434 which is designed to carry out recommendations 7 and 17 of the report on budget and accounting of the second Hoover Commission. These recommendations are:

"'Recommendation No. 7. That the executive budget and congressional appropriations be in terms of estimated annual accrued expenditures, namely, charges for the cost of goods and services estimated to be received.

"'Recommendation No. 17. That each department and agency be authorized to maintain a single account under each appropriation title or fund for controlling the amount available for the liquidation of valid obligations.'

"S. 434 provides for the submission of requests for appropriations on an annual accrued expenditure basis, with certain exceptions. Under this method, appropriations proposed by the agencies would be stated in terms of the charges for goods and services to be received during the budget year and pyaments otherwise authorized by law to be made during that same year. In other words, the amount of each proposed appropriation would represent the estimated amount of financing required for the program of work to be conducted during the budget year.

"The proposed legislation provides in subsection (e) that any accrued expenditures charged to the appropriation for a fiscal year but not paid during such year shall be merged with the similar appropriation for the next year to constitute a single account for disbursing purposes. The latter provision covers the accounts payable on June 30 of any year for goods and services received during that year. Any remaining balance of the appropriation shall cease to be available after the end of the fiscal year.

"We endorse S. 434. The stating of appropriations on an annual accrued expenditure basis, together with the furnishing of cost data to the Congress as provided by Public Law 863, approved August 1, 1956, would provide great impetus to improved correlation of programing, budgeting, accounting, and funding of authorized Government activities each year. Congressional control of costs and expenditures can only be achieved by the maximum utilization of many tools. The stating of appropriations on an accrued expenditure basis can be a very important tool for the Congress.

"This basis of stating appropriations is a natural extension of the cost budgeting enacted in Public Law 863. Under that provision of law, the agencies will prepare annual budgets which will show the estimated costs of the authorized programs and the inventories and other assets available for use in the performance of the programs. Budgets on this basis provide needed tools for management and control of Government programs and activities in terms of annual and total costs.

"However, since the present basis of stating appropriations is in terms of obligating authority, i. e., the amount of funds to be earmarked for contracts and orders covering current and future deliveries of goods and services, the amounts of the appropriations requested for any year under the present method are not, in many cases, closely related to the cost of planned performance under the programs during that year. This results in large carryovers of appropriation balances from year to year. The 1958 budget contains requests for appropriations and other obligating authority totaling $73.3 billion. This is in addition to a $70 billion balance of appropriations and other obligating authority carried forward from prior years, resulting in $143.3 billion proposed to be available to the agencies during 1958, with actual expenditures estimated at $71.8 billion.

"The budget surplus or deficit is determined annually based on the difference between annual receipts and expenditures. But the appropriations, on the present basis, are in terms of obligations against the current and future years. Establishing a direct correlation between annual appropriations and expenditures vests in the Congress and the President a greater opportunity to control the level of operations during a particular budget year on the basis of conditions existing in that year.

"As matters now stand, Congress has little control over spending once the funds are voted, and the President has limited control over spending after apportionments of authority to incure obligations are made by the Budget Director to the agencies. The present situation stems from the fact that congressional control through the appropriation of funds and Budget Budget control through apportionments are both stated in terms of authority to obligate rather than budgeted work plans for the cost of goods and services estimated to be received by the agencies.

"This does not measure currently the cost of progress or performance where long lead-time items are involved. It is only when a program is totally completed that obligations approximate costs and then only if all resources have been consumed. Under the annual accrued expenditure basis of appropriations, Congress would base its appropriations of funds on the annual costs in relation to the accomplishments obtained and to be obtained for those costs, in the light of current conditions and the inventories and other assets on hand, after considering the total estimated costs of a program.

"We believe that total estimated costs should be considered by both the agencies and Congress before a program is initiated in the Government and while a program is

being performed. All of the present safeguards of consideration and control of total program costs are retained under the annual accrued expenditure basis of stating appropriations. Indeed they are improved, because, in addition to providing for consideration of the total estimated cost, this method of determining appropriations provides a means of direct congressional control over the yearly segments of planned performance. The proposed method provides for an orderly review by the Congress of the amount of funds needed in any year in relation to the year-by-year accomplishments and their costs as compared to each year's estimated performance and estimated costs, as well as the continuing need of the program in relation to current national and international conditions.

"An examination of the present-day practices in the long lead-time areas (for example, in procurement, construction, and research and development) involving extensive reprograming, a multitude of changes in engineering plans and specifications during the period of production of many items, and other factors, discloses the necessity for controlling total costs in terms of annual accrued expenditures. Because of these inherent factors in the operations involved, cost budgets as provided by Public Law 683, teamed with appropriations on an accrued expenditure basis, would provide a type of continuing budget presentation that would bring out the adequacy of management planning or the lack of it and would give the Congress an opportunity to have a voice in setting the level of operations from year to year.

"It is inherent in the proposed annual accrued expenditure basis of stating appropriations that congressional authority be granted as necessary on long lead-time items for the issuance of contracts which precede the phase of operations covered in an annual accrued expenditure appropriation. The Hoover Commission noted this necessity in its discussion preceding its Recommendation No. 7. We believe that the necessity for forward planning authorizations, both as to timing and amount, should be determined by the Congress as circumstances may warrant. Of course, under whatever method may be employed in granting such authorizations, the need for them would be subject to annual review from the standpoint of the costs and accomplishments, both completed and projected, and the proposed annual accrued expenditure appropriation.

"This authority has been exercised in the past by the Congress in the form of 'contract authorizations.' The authority to include requests for such contract authorizations in the budget, which is contained in the present section 201 of the Budget and Accounting Act, 1921, in view of the definition of the term 'appropriation' contained in section 2 of that act, will not be abrogated by the provisions of S. 434.

"It is a significant fact, however, that heretofore both the 'contract authorizations' and subsequent appropriations 'to liquidate contract authorizations' were stated in terms of obligational authority. Under the annual accrued expenditure basis of stating proposed appropriations, any necessary authority to enter into contracts and orders for future delivery of goods and services would be stated on the obligational basis but the appropriation of funds would be stated annually in terms of the accrued expenditures for the year based on the more precise planning possible on a year-by-year basis of planned performance.

"The need for contract authority, or any other form of obligational authority, in conjunction with annual appropriations on the accrued expenditure basis, is limited to the areas of operations where forward contracting is required to provide an orderly flow of product. It will not ordinarily be required for salaries, allowances, travel expense, and other current administrative expenses.

"The determination of appropriations on the annual accrued expenditure basis, with concurrent authority to enter into contracts to insure orderly future deliveries of long lead-time items, is in no way detrimental to the interests of contractors. They would be paid for performance just as they are now, the only difference being that such payments would be made out of the funds appropriated by the Congress for that year and not out of funds appropriated in some past year.

"The Government's liability to a contractor under a canceled or terminated contract would be no different than the Government's liability in similar circumstances under the present method of stating appropriations in terms of obligations. If, in the considered judgment of a Congress, a program entered into by an agency should be curtailed or eliminated in the best interests of the United States, the unperformed portion of the contract would be canceled and undoubtedly the Congress would, if necessary, appropriate funds to pay for the termination.

"The year-by-year congressional control of program performance, inherent in the annual accrued expenditure basis of stating appropriations, provides the Congress with an improved current and continuing tool for exercising restraint over contracting on a program when actual costs are substantially exceeding the original estimated costs, when performance is lagging behind schedule, or when the conditions under which the program was originally approved have changed substantially.

"In view of the changes that are required in many agencies to place into effect the accrual accounting and cost budgeting practices authorized by Public Law 863, which are necessary to support appropriations on an annual accrued expenditure basis, we endorse proposed subsection 201 (c) that permits flexibility in the timing of the change in the method of stating appropriation requests. It is believed that it is essential to approach such a change on the basis of individual programs or appropriations rather than any sweeping across-the-board plan.

"First of all, the successful use of these practices presumes a basic foundation of adequate accounting and the ability to program effectively. These fundamentals do not exist in a number of significant areas. To endeavor to adopt the annual accrued expenditure basis of appropriation before the groundwork is laid for it could only lead to confusion and unsatisfactory results.

"Moreover, the greatest advantages to be attained are in the areas of operations involving the long lead-time commitments, such as in major procurement, construction, and research and development. These appropriations are relatively few in number and it is logical to prove the value to Congress and the executive branch of the revised practices in such areas before complete adoption of the practices, government-wide, in the areas where the advantages to be gained are significantly less. The selection of areas to be converted and the timing of the changes should be a matter of mutual determination by the Congress, the Budget Bureau, and the individual agency.

"We believe that the legislation proposed in S. 434, if effectively implemented, would provide both the President and the Congress much greater control over Federal expenditures. We recommend its favorable consideration."

Mr. HUMPHREY. I also ask that a statement prepared by the Senator from Maine [Mr. PAYNE], who is unable to be present today, be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PAYNE

As one who has played a leading part in the development of legislation to modernize financial administration in the Federal Government it is highly gratifying to me that the Senate is today considering S. 434. As all of my distinguished colleagues know, this bill would authorize the President to state the annual budget requests to Congress in terms of annual accrued expenditures, rather than on the basis of the present concept of obligational authority. In so doing the bill would directly implement one of the most significant of the budget and accounting recommendations of the second Hoover Commission. In passing it should be noted that this bill will, for all practical purposes, complete action on the second Hoover Commission's budget and accounting recommendations since most of them were put into effect by Executive action and legislation last year.

Before going further I want to take this opportunity to pay a word of well-deserved tribute to my very able and distinguished colleague, the junior Senator from Massachusetts [Mr. KENNEDY], for without his untiring efforts S. 434 might well never have come this far through the legislative process. In addition to Senator KENNEDY and myself the bill is sponsored by 48 other Members of the Senate, all of whom are to be commended for the valuable part they have played in the development of this very vital measure. However, very special praise should be given to the distinguished junior Senator from Minnesota [Mr. HUMPHREY], who, as chairman of the Reorganization Subcommittee of the Senate Government Operations Committee, has so ably conducted the hearings and given thorough consideration to the bill. His work in connection with this legislation has been outstanding, as is readily apparent to anyone who reads the very excellent report (S. Rept. 394) which he has submitted discussing fully and fairly the merits of this bill.

The history of the legislation which is now under consideration may fairly be said to have started in June 1955 when the second Hoover Commission submitted its budget and accounting report to the Congress. As an accountant with experience in private business and in Government, this report was of particular interest to me. Since I had long been concerned over the inadequacy of existing Federal financial practices this report held a great deal of promise. After long and careful study I drafted and introduced legislation in February of 1956 to implement most of the Commission's budget and accounting recommendations, because I was convinced that they represented the best possible approach toward putting our fiscal house in order. Twenty-one Members of the Senate joined with me in sponsoring that bill. After hearings were held in March 1956 by the reorganization subcommittee, which was then under the able chairmanship of Senator KENNEDY, it was decided that certain amendments should be made. When the White House announced in April that it had adopted the recommendations in this field which could be implemented by executive action, it was decided that a clean bill should be written and introduced. In May such a bill was submitted to the Senate by Senator KENNEDY and myself along with many of our colleagues as cosponsors. That bill contained a provision to recognize the annual accrued expenditure concept, together with other major financial improvements, such as cost-based budgets, accrual accounting, and simplification of the fund allotment system. It was passed by the Senate as reported from committee, and ultimately became Public

Law 863, but only after the House of Representatives eliminated from it the provisions for stating budget requests in terms of annual accrued expenditures.

It can fairly be said, then, that S. 434 is the logical followup of the work of improving the Federal Government's financial management that was accomplished last year. Without cost-based budgeting and accrual accounting, which were established by Public Law 863, the annual accrued expenditure method of stating budget requests and appropriations could never be made to work efficiently. In other words, these items are necessary prerequisites and now that the foundation has been laid we are ready to adopt the accrued expenditure principle.

President Eisenhower has on four separate occasions specifically requested the authority contained in this bill. In addition, the principle involved is strongly recommended by the second Hoover Commission and has the complete support of the Secretary of the Treasury, the Director of the Bureau of the Budget, and the Comptroller General. I am personally firmly convinced that until this measure is enacted Congress will never be able to get a really complete picture of the financial status of the Federal Government, and consequently will not be able to regain control of the purse which has been lost, largely because of the present cumbersome method of handling the Federal budget. It is my sincere hope that the Senate will today approve S. 434, and that this year it will be possible to secure the approval of the House of Representatives of this important concept which could be of material benefit to the Nation.

Mr. JAVITS. Mr. President, I should like to ask the Senator from Massachusetts [Mr. KENNEDY] a question about this bill, through the Senator from Minnesota.

Mr. HUMPHREY. I shall be happy to be the conduit for this discussion.

Mr. JAVITS. Will the Senator from Massachusetts tell us the extent to which the bill conforms Government budget practices to modern accounting practices? As I understand, the bill would accomplish that purpose. I think the Senator has done an outstanding job in heading this effort. I compliment him on it. I have discussed the bill with the Senator from Maine [Mr. PAYNE], whose seat is next to mine, and I know that he would join me in commending the Senator from Massachusetts who was most generous in according credit to the Senator from Maine.

I feel that this subject is extremely important. It should not be passed by without specific reference to how the bill will modernize Government accounting practices, so that the executive agencies will not be charged, in every budget, with money which they are not going to spend.

Mr. KENNEDY. The bill does bring governmental accounting more nearly into line with standard business practices, by providing that expenditures shall be placed on an annual accrued basis. As I have previously stated, it will prevent a great carryover of funds, both with respect to foreign aid and defense, which makes it almost impossible for us to know exactly what we are doing, and the effect our actions will have on the amount of money available to the executive branch. Under the new accounting practice, appropriations will be made each year. This bill, in combination with the cost-basis bill which was passed last year, will give us far greater control over the amount of money the Government will spend in each year.

So far as concerns long-range appropriations needed for defense, they will be handled through contract authorizations, but they will be subject to review each year. So I think this bill will give Congress far greater control. The reason why the Hoover Commission stated that it would save hundreds of millions of dollars is that placing this system in operation in business has brought about savings of 1, 2, and as much as 3 percent.

I think this is the most important budgetary reform in the past 15 years. I am glad the Senator from New York has brought out the importance of the bill. We should not underrate its importance merely because the bill is passed quickly. I trust the bill will also pass the House.

Mr. JAVITS. I join the Senator in the hope that the bill will pass the House, and that the President will sign it.

I thank the Senator from Massachusetts. I think he has rendered an outstanding public service.

Mr. KENNEDY. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

INCREASE IN INTEREST RATES ON SAVINGS BY CERTAIN NEW YORK BANKS.

Mr. BUSH. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks excerpts from an article entitled "Three Big Commercial Banks Move To Raise Savings Interest to 3 Percent," published in a recent issue of the New York Times, calling attention to the increase in the interest rate on savings accounts by certain New York banks.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

THREE BIG COMMERCIAL BANKS MOVE TO RAISE SAVINGS TO 3 PERCENT

Three of the five major New York City branch system commercial banks increased from 2½ to 3 percent yesterday the interest rate they will pay on savings deposits, effective July 1. A fourth is expected to take action shortly.

The move brings all of the city's big branch system banks in line with the Chase Manhattan bank, which led the local commercial bank parade to the higher rate last December.

Some 1,200,000 depositors with deposits of almost $1 billion are expected to receive nearly $5 million a year in added interest payments as a result of yesterday's action.

Mr. BUSH. The article calls to our attention the fact that the savers of this country, the forgotten men and women, so to speak, in the economic scheme of things for many years, are now coming into their own, to a modest extent. The article in the New York Times refers to an increase in the interest rate on savings from 2½ to 3 percent by certain banks in New York, resulting in approximately 1,200,000 depositors receiving nearly $5 million a year on savings accounts, in those particular banks.

I also ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks an editorial entitled "Demand and Supply," published in the New York Times of June 2, 1957. The editorial commends the Federal Reserve Board for its courageous action and steady hand in connection with the operation of the money markets and the credit supply.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DEMAND AND SUPPLY

Are the Federal Reserve authorities responsible for the present so-called tight money situation?

This week's news provided us with another answer to this question in the quarterly statistics released by the Securities and Exchange Commission on new offerings of corporate securities. According to the figures of the SEC, security issues brought out by American corporations in the first quarter of 1957 set an all-time high of $3.6 billion. This meant that corporations came into the market for 20 percent more investment funds in the first quarter of 1957 than in the last quarter of 1956. What is even more striking is the fact that the figure of $3.6 billion represented an increase of 60 percent, as compared with the corresponding quarter of 1956.

It should be noted that this enormous difference between the volume of new corporate financing in the first quarter of 1956 and the first quarter of 1957 did not signify the emergence of business from a subnormal level of activity and production. When the SEC notes that security issues were 60 percent higher in the first quarter of 1957 than in the first quarter of 1956 it is saying that business financing in the capital market was nearly two-thirds greater than in a recent, comparable period of very active business conditions. Needless to say, corporate capital issues constitute but one category of the innumerable sources of demand for a comparatively limited volume of savings available at the present time. There are similar pressures, just to mention a few, in the form of wages, for consumer credit and for State and municipal public expenditures.

True, the Federal Reserve could create sufficient credit to meet such demands, and at the interest rate prevailing, say, a year ago. But what would be the result? By increasing the volume of money relative to land, labor, and other resources, the result would simply be to increase the prices of all of these.

Demanding that the Reserve accommodate its monetary policies, at a time of high-level employment and maximum production, to the demands of everyone who wishes to increase his resources, in one form or another, immediately, would be a little like removing the safety valve of a boiler because from time to time the exhausting steam produced disagreeable and annoying sounds.

EXTENSION OF TIME FOR MAKING OF LOANS BY EXPORT-IMPORT BANK

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate resume consideration of Calendar No. 337, House bill 4136.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 4136) to extend the period within which the Export-Import Bank of Washington may make loans.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

ADDRESS BY ROY A. ROBERTS UPON AWARD FOR DISTINGUISHED SERVICE IN JOURNALISM

Mr. MANSFIELD. Mr. President, on May 3, 1957, Mr. Roy A. Roberts, president, editor, and general manager of the Kansas City Star, was presented with the Missouri honor award for distinguished service in journalism, at the University of Missouri. On that occasion he delivered an address entitled "Newspapers in the New World Ahead." I ask unanimous consent that the address by Mr. Roberts, which I think is worthy of consideration by every Member of the Senate, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

NEWSPAPERS IN THE NEW WORLD AHEAD

Sincerely, from the heart, I thank you for this honor you have accorded me.

There are two reasons why I especially cherish it. First, it comes from my neighbors and friends who have known me all these years. Somehow, recognition from home folks, who really are the hardest to fool, counts more. More impelling, I have known the Missouri School of Journalism from its first day on. Over the years its founder—the man who had the great idea—the beloved Walter Williams, was a close, valued friend. So was Charlie Ross, the master stylist, who was with him at the start so long ago. Over the years the contribution your school has made to newspaperdom, not just here in the United States, but over the world, has been profound. Your graduates and former students can be found everywhere. Even after nearly 50 years, the school's arteries show no symptoms of hardening. Under the able leadership of Dean English it still is a major constructive force for making better and more responsible newspapers.

When it comes to passing out kudos and honors, too often the recipients have lived most of their lives. They are apt to be garrulous. Too often as they speak to you, they dwell upon and look to the past. That's only human.

I, too, could regale you with a human story of personages and friends, and some enemies, I have known over 50 years as a newspaperman. I have known every President of the United States from Theodore, the first Roosevelt, down to Dwight D. Eisenhower. The first, of course, only after he had retired from the White House. I don't mean just a nodding acquaintance with them. Most of them I have known rather closely, some more intimately than others. I have known every Governor of Missouri, and Kansas, too, for that matter, for a half century—the strong, the weak, too many just average. I could tell you about nearly every conspicuous figure in American journalism the past 50 years.

In my span as a worker in the journalistic vineyard, I have experienced the coming of the automobile, the airplane, radio and television and many more of these onetime magics of science, now accepted as commonplace. I have lived through two major World Wars, several small ones, and world crises too many to recount. I have been through significant political and economic revolutions—through booms and busts.

It's been a fascinating era. It has meant living to the fullest, all these years. Yet I can resist the temptation to relate to you stories and anecdotes of the past, because the future—attempting to pry into what's ahead—is far more fascinating, yes, fantastic. That's what interests me, even at nearly 70. Certainly it is what more vitally concerns you. The pace of change is so much faster. It will continue to accelerate. The problems will be more challenging. Truly the years ahead will see a new world. Whether a better one, depends upon mankind's ability and daring to learn how to live in such a complicated scheme of things. The political and economic change will be as fast, as revolutionary as the advance of magical science in the atomic era ahead. It can't help but be.

The world, yes, life, is certainly on the move. What a great adventure it will be to live through such challenging years, to have the task of reporting them, even to be a part of them. The trite, even polite, thing to say would be that we oldsters made pretty much of a mess of our era and it is up to you to succeed where we failed. Well, frankly, I think you will strike out more often than we did. Why? Because you have a much more intricate world to live in. Your opportunity to mess things up is infinitely the greater. But the challenging future should make living a greater adventure. Oh, to be a part of it.

Before you discuss specifically what's ahead in the field of newspapers you have to ask: What kind of a world will they be produced in? The past decades especially have seen such an advance in methods of destruction, it's axiomatic now that "it's peace or else," and that "else" is terrible to contemplate.

H-bombs capable of total annihilation, guided missiles making possible push-button destruction thousands of miles away, supersonic planes not on the drawing board, but in being, that can outspeed the shell in flight from a 16-inch gun. Those are not things that are going to be; they are here. So mankind's learning to live with one another in peace is always present and first in importance.

We hear so much of the destructive forces in being that too little emphasis, and this should appeal especially to you newspapermen of the future, has been placed upon the corresponding counterpart to all this. There has been an equally magical development in the field of communications and electronics. The whole world is linked together so there is quick, almost instantaneous communication.

In some measure, at least, this knitting the world together through the airwaves can be and is almost the only answer to this buildup into this fantastic arsenal of annihilation, for the battle for peace ultimately has to be won in the minds of men. We must use this new development in communication with more effectiveness, with more imagination, and with more daring.

Dictators may attempt to put up barriers. Lack of mass ownership of receiving sets and substandard intelligence, of course, will always be a limiting factor. But no longer can any dictatorship enforce a complete blackout. A world statesman or even a national leader can make a vital policy statement. In less than 30 minutes it will be all over the globe to peoples everywhere in many languages.

Somehow, I don't like the term "containment." Its use may be necessary at times. You know what generally happens when one team has control of the ball most of the time trying this offensive or that while the other team merely wears itself out trying to improvise a defense. Too often the offensive breaks through. In this world battle for peace, essentially a battle to reach the minds of men the globe over, we need to take the offensive more. We must keep everlastingly at it. The United Nations may seem feeble and futile in times of crisis. But it must be made to work or the world will depend upon force alone.

Nothing is easier than being a Monday morning quarterback. We witnessed some months back how the world can and will react when a voice for peace that peoples everywhere respect and trust speaks out. The Near East, with its years-old insoluble hatreds, exploded violently. At the same time, in Hungary, a people with a tradition of centuries of sacrifice for freedom arose against the brutal oppressor, the Communist dictatorship. It seemed for a time that world war III, with all its tragic implications, was upon us. One voice spoke out clearly and firmly, and it was heard around the world. You got a glimpse—just a glimpse—of the possible future, the new order, of a world based on international law and justice, not force. Britain and France bowed to outspoken world moral opinion. Russia did not.

Young folks know too well what happens when one member of a football conference lives up to eligibility rules; another flouts them. But even if bleeding, dying Hungary paid the price, gave her all in a passion for freedom, it was not in vain. In spite of tanks and machine guns and brutal murderers, Hungary did much to destroy the march of world communism. The tragedy on the streets and barricades of Budapest forever stripped any pretense of communism as a revolutionary movement for the people. It left it exposed stark naked, as a brutal despotism seeking to enslave, not free, the world.

Probably a letdown couldn't be helped. But soon we were back in the trenches of cold war, moves and countermoves, and what looked like a glorious start for a real peace offensive bogged down completely. We are too much on the defensive.

From putting in economic aid just in vital danger spots, thinking only in terms of containment, we now are pouring out our substance the world over. And more and more aid is being asked. We are taking on military commitments to defend the free world the globe over. More and more the burden financially, as well as militarily, is being placed back on our shoulders. Our partners and allies are cutting down their efforts—possibly necessarily so—and letting us carry the burden. We might as well face facts. Our economy is beginning to feel the strain.

If the questioning of where our foreign policy is leading us is mounting at home, and it is, how are our peace aims and program going over with the all-important neutralist blocs, even with our historic free world partners? Secretary Dulles, fine and dedicated an individual as he may be, is not putting our story over.

One voice certainly can put the story over. That voice should not be worn thin in the petty partisan infighting now prevailing in Washington. It should be saved for the major world problem—peace.

There is nothing wrong with the American people. They will make any sacrifice—as they have so often in the past, a simply incredible record of accepting world responsibility. But the American people want to know the score. They haven't been getting it. I wonder if the time is not near, if not actually overdue, to get out of the trenches

of cold war and make a peace offensive—one of imagination and daring.

At the moment one question is giving newspapers great concern, rightfully so. That's the policy of our State Department in erecting barriers against newsmen penetrating Red China to find out what is going on so they can tell the story to the American people. I can't imagine a more fitting forum for discussion of such a question than here at the Missouri School of Journalism which has been conspicuous over the years for its many graduates in the foreign field, especially the Far East. I feel a bit of hesitancy on lifting my voice on this topic in the campany of two such distinguished personages as Hollington Tong, truly a dedicated man if there ever was one, and Riley Allen, my old friend, the Sage of the Pacific, who at his listening post in Hawaii for nearly a half century certainly has come to know the Orient. Probably neither will agree with what I say, although all three of us abhor communism.

But as I see it, a fundamental basic principle is at stake. That principle transcends any possible expediency of the immediate present.

If we are going to have a foreign policy that means something, it must have the support of an informed public. And that public can't be informed intelligently when our own Government puts up barriers to newsmen seeking out the truth, forcing us to depend on State Department pronouncements as a sole basis of opinion. It's as simple as all that.

Only a few days ago I returned from our annual newspaper meetings in New York. I confess to a feeling of humiliation when I heard the annual report of the great Associated Press read. It recounted as one of the achievements of the year's report, the carrying of an exceedingly intelligent survey of conditions inside of China by a Canadian newspaperman. Yes, it was a good series. But has the American press abdicated its prime responsibility and function to the point where we must look to news writers of other nations to inform our people?

The implication was shocking. Nothing drove home to me more forcefully what a basic principle was involved in this question. It's not just a mere minor controversy with the State Department. While newspaper organizations, as well as radio and television, have spoken out on the subject in insisting on a change in Government policy, I am afraid there has been too much leaning over backward so as not to embarrass our Government. The fundamental issue is too precious for such a course when we have our own Government not only refusing to permit our news services and newsmen to enter Red China but implying retaliations on those who seek to enter.

Sound Government policy should be one of tearing down all barriers against the flow of world news and information, not erecting them. The reasons assigned by the State Department for a news blackout on Red China are in no sense valid. Nothing could demonstrate this more clearly than Secretary Dulles' latest shift in position. Now it is suggested the Department might consent to a pool arrangement for a few men to go in, their findings to go to all the press. A free press means not a hand-picked press. The Government should be prodding the press to go in, not seeking to bar such enterprise. If any individual seeking passport accreditation is subversive, let the Department say so. But the blackout on firsthand news from China should end. The sheer fact the State Department has now retreated to a grudging suggestion it might consider a pool arrangement clearly shows there was and is no justification for the policy.

On this subject I feel I can speak without suggestion of being a partisan critic. Goodness knows, no one ever accused our newspaper of being "New Deal." Yet we supported the foreign policy of Franklin D. Roosevelt. No one could accuse my fellow townsman, former President Harry S. Truman, of having any excess of love for our institution. Yet we supported the Truman foreign policy.

We have consistently supported the Eisenhower foreign policy. I might say we still like Ike. But on this basic question I say sincerely and with all the emphasis in me, the State Department is all wrong. Keeping American newsmen out of China is not a contribution to world peace. Sincerely let us trust there will soon be a complete reversal and that all the major news services and major newspapers will have bureaus in China bringing back to the American people facts—the truth. After all, that's the only basis on which an intelligent foreign policy can be furthered.

The road to peace, over the long pull, does not lie in building walls to divide peoples, but in tearing them down. A free flow of trade and commerce, under as normal conditions as circumstances permit, is in itself a potent agency working for better understanding. Exchange of scholarships, of missions, even travel itself, are simple but effective steps of progress. Above all, the press wires and air waves of a free press carrying the day-by-day news developments contribute far more toward a peaceful world than all the government-inspired propaganda whatever be its source—even our own.

Again, I wonder if newspapers themselves, yes, and schools of journalism, shouldn't approach and prepare for the swiftly changing world ahead with a more imaginative, a more daring conception—as forceful as that suggested for our foreign policy. Are we too rigidly adhering to the format of the past? Of course, newspapers are infinitely better than they were years ago. Our orbit, the field of coverage, then was small. One day recently we had stories in the Star by our own Star man from London telling the repercussions of the average Britisher toward the United States after the Suez crisis. The same issue had a story from a Star correspondent down at the South Pole on a geophysical expedition. The globe is our news beat today, not just main street, the state capitals, or even the National Capital. In that respect, newspapers have kept pace with the changing, broadening world.

Has education, including schools of journalism, kept pace? Are they clinging too rigidly to the prototype of the past? Are they preparing you even in a kindergarten degree for the new world ahead? By and large, today's output is sound. But is that enough? Are you getting even a sketchy base on which to deal with the fantastic years ahead?

Over the long pull, journalism schools probably will become graduate schools. But not overnight. I wonder if it wouldn't be worthwhile for some school to toy with the idea of sawing off for one semester all journalism education and curriculum as such. Devote those last months in preparing you for the complexities of the atomic world ahead. What I am thinking of, in crude form, is giving you an intensive briefing on some of the major things you will face in the changing world ahead in which you will live. How many of you know anything about nuclear power, uranium, fission, etc.? It shouldn't be thought of solely in terms of H-bombs but also in usefulness to mankind. Bring in an expert to talk just the primary ABC's for 2 weeks. Do nothing else except cram on that subject. Then take another 10 days or 2 weeks and go into world geography. Not the geography we learn in our common schools but world geography significant of the future races, populations, climates. Experts could be brought in on that. Population trends.

Another solid week or two on economics, taxation, business, labor, and management problems. You could cover just highlights. A lecture or two by experts on where research is headed. And then cap it off with maybe a couple of weeks of intensive briefing on reading and thinking—just a touch of philosophy. Too much canned thinking now. Too many, especially commentators, are willing to do all your thinking for you.

Of course, a briefing on the evolution in politics from the municipal to the national level. The pattern is changing almost too fast to record. What effects do the flight to the suburbs, the wider distribution of wealth, have on voting habits?

All this and more won't make you an expert. Never fear. But maybe enough will brush off on you to help you understand things better in the world ahead. If nothing more, it might stimulate your thinking.

Finally, back to what's ahead for newspapers. Erosion of costs and taxes will steadily increase the number of one newspaper-ownership cities, already the rule, instead of the exception. I see nothing to halt the process. Television, radio, the news magazines have come into the news field. I am just guessing. I think TV will settle down largely to entertainment, with news coverage largely confined to spectacular, dramatic, one-shot events. Radio, however, is growing as a purveyor and conveyor of news.

The big metropolitan papers even after finding themselves alone in their field face a troubled future—not just in costs and taxes but in getting distribution because of traffic congestion in city streets. That factor alone is making necessary significant changes in big city afternoon newspapers. They have to go to press so early they tend more to features and the interpretive and entertainment. Morning papers, with few exceptions, the weak sisters of years past, will dominate more generally the mass-wide territory circulation coverage in the years ahead.

Offsetting the shrinkage of circulation zones of afternoon newspapers, more and more strong afternoon community papers are building up, ringing all large cities. Population shift, the flight to the suburbs, is making this change. Sheer problems of declining advertising revenues because of the decay of the downtown districts coupled with this flight to the suburbs of population in itself are putting a limiting factor on great metropolitan afternoon papers. Little suburbs are becoming great cities. New York is surrounded with them now. Chicago and Los Angeles are outstanding examples. All around cities there are developing strong community afternoon papers built on the revenues of stores appealing to those areas. Sheer economics of costs and distribution will accelerate this tendency. That's just one phase of this changing world that opens to you budding newspapermen of the future—if. Well, if you are smart enough to make your opportunity; it won't be handed you on a platter, silver or wooden.

Another and significant change is under way. That is the matter of newspaper ownership of the future. Taxes and the impossible burden of inheritance levies are bringing amazing shifts in newspaper ownership. Some of the most powerful newspapers, even the chains, are headed into trusts or pension fund ownerships or are already there. There is no other alternative. The great McCormick empire is controlled by a charitable trust, the Hearst ownership lodges in final analysis in a charitable foundation; the basic plan of ownership of the fine Gannett chain already is in operation under a foundation plan; the Washington Post-Herald. I could go on and mention many properties either now controlled by or headed for the charitable foundation, public trustee or pension fund ownership route.

Just where all this is leading, I can't say. As a strong individualist, responsibility of newspaper ownership has always been a fetish with me. Seldom can a property rise above the inspiration and source of its actual ownership. For the first few years, the immediate future, I have no concern. Those left in charge usually are trained, dedicated men. Most likely they will give a lift to properties entrusted to them for a time. New incentive and responsibility will furnish the spur. Eventually with actual ownership flowing to trustees and pension funds, can and will newspapers retain the virility, the aggressiveness, the spirit of individualism that the responsibility of individual ownership brought? Frankly, I don't know. Some may contend it will bring more objectivity. I doubt it, without the impelling drive of direct personal ownership.

So you young folks just going into journalism in this changing world face a more exciting, adventuresome future than we did. But what a chance, what a challenge. What an opportunity just to be a part of it and find your niche in it.

Don't get impatient if you don't hit the summit all at once. That belongs to us oldsters. Impatience is the prerogative of us oldsters, not of youth. After 50 years in newspaper work, I can truly still look ahead, not behind, with the creed of the ancient philosopher: "So much still to do. So little time."

You have the time.

INDEMNIFICATION OF OWNERS OF BRUCELLOSIS REACTORS IN MINNESOTA

Mr. HUMPHREY. Mr. President, during the past weekend I learned that the Animal Disease Eradication Division of the Agricultural Research Service has decided not to participate in the planned program of the State of Minnesota to indemnify owners of brucellosis reactors whose animals must be destroyed under a new Minnesota law, unless each Minnesota herd is specifically tested immediately prior to the destruction of the reactors.

Dr. Ralph L. West, the secretary of the Minnesota Livestock Sanitary Board, and one of the great pioneers in the antibrucellosis effort, points out in a recent letter to me that there are already extraordinary testing precautions being taken in this matter. Each of the herds has been tested within the past 6 months, many of them within weeks and even days. In addition, each herd in which a reactor animal is found, must successfully pass three successive tests before being removed from the retest list.

The cost, inconvenience, and delay involved in requiring additional testing before Federal participation can only result in a suspension of the antibrucellosis program and the undoing, at least in part, of a splendid effort, very near to completion, to make Minnesota a brucellosis-free State.

Mr. President, I ask unanimous consent to insert at this point in the RECORD a letter from Dr. Ralph L. West dated May 29, 1957; a copy of Dr. West's letter to Dr. R. J. Anderson, Director of the Animal Disease Eradication Division; and a copy of my reply to Dr. West, and my letter to Dr. Byron T. Shaw, Administrator of the Agricultural Research Service, requesting that the decision of the Department be reviewed in the light of Dr. West's discussion of the problem.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

STATE OF MINNESOTA,
LIVE STOCK SANITARY BOARD,
St. Paul, May 29, 1957.

Hon. HUBERT H. HUMPHREY,
Senator from Minnesota,
Washington, D. C.

DEAR SENATOR HUMPHREY: I am enclosing herewith a copy of a letter I am writing to Dr. R. J. Anderson, Director of the Animal Disease Eradication Division, Agricultural Research Service, United States Department of Agriculture, pertaining to a ruling recently received that the Federal Government cannot participate in the payment of indemnity for reactors to the brucellosis test, which have been and are being held in the herds where tested, in accordance with the present Minnesota State law. I believe the letter is self-explanatory and presents my arguments for a reconsideration of that ruling.

I do not know that there is anything that you can do to assist the Live Stock Sanitary Board in this matter, but I felt you would like to be informed of what is taking place.

Since this ruling could well jeopardize our brucellosis program in this State, we hope and trust that the Agricultural Research Service will see fit to participate in the payment of these reactors as they have been and will continue to pay for new reactors disclosed in the testing in Minnesota.

Sincerely yours,
RALPH L. WEST,
Secretary and Executive Officer.

STATE OF MINNESOTA,
LIVE STOCK SANITARY BOARD,
St. Paul, May 28, 1957.

Dr. R. J. ANDERSON,
Director, Animal Disease Eradication Division, Agricultural Research Service, United States Department of Agriculture, Washington, D. C.

DEAR DOCTOR ANDERSON: Reference is made to your letter of May 20 and several conversations, personal and by telephone, with you and Dr. C. D. Van Houweling. These communications refer to the participation of the Federal Government in the payment of indemnity for certain cattle condemned for brucellosis in Minnesota.

At the present time, all counties in Minnesota are and have been for several years, eradicating brucellosis under the area plan. Under separate cover, I am forwarding to you the report of the last test in the 87th county, Mille Lacs, which if approved, will declare the entire State of Minnesota a modified certified brucellosis free area. This plan under Minnesota law, requires participation of all cattle owners in Minnesota.

The present law permits owners to retain reactors, either segregated from all other cattle, or if the owner provides proper facilities for protecting neighboring herds by double fencing where necessary, fencing away from water courses, et cetera, to operate his herd under the so-called B plan. All such herds, however, are and have been under quarantine and close supervision. They are retested at approximately 6-month intervals. On each successive retest, all old reactors are examined, retagged, and rebranded if necessary, and all new reactors are also identified.

The 1957 Minnesota Legislature amended the brucellosis law to provide that after July 1, 1957, all reactors must be sold for slaughter within 15 days after appraisal. The Minnesota attorney general has ruled that in compliance with this law, it will be necessary for the Minnesota Live Stock Sanitary Board to appraise all reactors retained either in isolation or in plan B herds, as promptly as possible after July 1, 1957, which under the law as amended, will require their shipment for slaughter within 15 days thereafter. He has also ruled that indemnity shall be paid for all such reactors, which are otherwise eligible for indemnity even though they have been held in the owner's herd for an indefinite time since they were condemned and identified.

We estimate there will be on July 1, 1957 approximately 2,000 of these old reactors in Minnesota. It is our intention to assign the appraisal of these animals to our fieldmen on that date, hoping to have the work completed and all old reactors shipped within the shortest time possible. We understand from your letter, however, and from my most recent telephone conversation with Dr. Van Houweling, that the Federal Government will not participate in the payment of indemnity for these animals unless we also retest all herds in their entirety in which these animals are maintained at the time these appraisals are made. We believe this ruling is unsound for the following reasons:

1. All cattle in these herds have been repeatedly tested, and retested, and all reactors have been identified following each such test. All herds in this category have been tested within the last 6 months, and many of them of course, within a matter of weeks.

2. All herds in which reactors are now maintained, will remain on the retest list and under close supervision until they have passed three consecutive negative tests following removal of reactors.

3. While it is recognized that each and every reactor is potentially dangerous, experience in retesting herds where such animals are retained, indicates that a large percentage of such herds will disclose no additional reactors. In such herds, retesting before the reactors are removed, represents an unnecessary expense and inconvenience to the owner, since it will still be necessary to conduct at least three tests thereafter before such herds are removed from the retest list.

4. Owners of herds which have been rontinely tested within a short time prior to July 1, will justifiably object to another test at that time. They will, of course, realize such test cannot serve as one of the three negative retests required to remove their herds from the retest list. The good relationship between the disease-control agencies and the cattle owners, which exists in this State, will certainly suffer if we require tests which the owner must recognize as unnecessary.

5. We plan to assign field employees who are not veterinarians, to appraise these reactors. If a test of the herds is required, the appraisal work will be delayed and also the testing of infected herds to which the veterinarians have been assigned, since the veterinarians in that case will be engaged in retesting the plan B herds.

6. Since the money available for payment of indemnity appropriated by the legislature is limited and earmarked for that purpose only, and since Minnesota law provides that when the funds for the payment of indemnity are exhausted, no further tests may be conducted nor authorized, failure on the part of the Federal Government to participate could and probably will result in suspension for several months of all brucellosis activities in Minnesota, undoing much of the work already accomplished in this State.

7. Section 51.9, Item (h) of the Code of Federal Regulations quoted in your letter, does not appear to apply to the question under discussion, in that the entire herds of which these reactors are a part, have been tested and retested, and will be again retested at the specified intervals until they have passed at least three consecutive negative tests after all reactors are removed.

It is my opinion the inference in your letter that the appraisal and shipment of these old reactors without first again retesting these herds is not sound disease eradication practice is made without full consideration of the facts as they exist in Minnesota. We have been seeking legislation requiring the elimination of these potential sources of infection for many years. We believe the action of the 1957 legislature is a long step in advance in the final eradication of this disease in this State. Participation by the Federal Government in carrying out the elimination of these disease carriers is, without question, money better spent than the hundreds of thousands of dollars spent in participation in the payment of indemnity in scattered individual herds in States where no orderly systematic plan of eradication is in progress.

I sincerely hope this matter will be given further consideration in order that the program in Minnesota may be continued without disastrous interruption.

Very truly yours,
RALPH L. WEST,
Secretary and Executive Officer.

JUNE 3, 1957.

Mr. RALPH L. WEST,
Secretary and Executive Officers Live Stock Sanitary Board, State of Minnesota, St. Paul, Minn.

DEAR DR. WEST: Thank you for giving me the opportunity to help in your efforts to persuade the Agricultural Research Service to take a reasonable view of the situation as regards the indemnity of reactors to the brucellosis test. Surely the Department of Agriculture recognizes that Minnesota's brucellosis program, the success of which is due in large part to your own leadership and planning, is the soundest in the country.

I assure you that I am glad to follow up your well-reasoned letter of May 28 to Dr. Anderson of the Animal Disease Eradication Division, and you will note from the attached copy of my letter to Dr. Byron T. Shaw that I am doing just that. Certainly the Federal Government would be shortsighted to require a separate test of each herd when there has been such a recent test, and when such elaborate safeguards are provided already in the system.

Sincerely yours,
HUBERT H. HUMPHREY.

JUNE 3, 1957.

Dr. BYRON T. SHAW,
Administrator, Agricultural Research Service, Department of Agriculture, Washington, D. C.

DEAR DR. SHAW: Dr. Ralph L. West, the distinguished secretary of the Live Stock Sanitary Board of the State of Minnesota, and a pioneer in the field of brucellosis control as you well know, has written to the Director of the Animal Disease Eradication Division of the ARS by letter of May 28, appealing the decision that the Federal Government will not participate in the payment of indemnity for brucellosis reactors unless all herds are retested in their entirety.

I wish to point out that Dr. West has led perhaps the most effective antibrucellosis program in the world, and under his leadership Minnesota has developed a splendid testing and eradication system enjoying the confidence and cooperation of all Minnesota livestock owners. When he assures the Animal Disease Eradication Division that recent tests of Minnesota livestock, and a projected succession of additional tests will follow after the removal of a reactor from a herd, I for one feel that his advice should carry great weight.

Dr. West points out there are more than adequate safeguards which obviate any necessity to require an immediate retest of these herds, none of which was tested more than 6 months ago. He also points out that the earmarked funds for indemnity appropriated by the Minnesota Legislature will not nearly suffice to indemnify all the herd-owners concerned, and should the Federal Government fail to participate there will probably be a suspension for several months of all antibrucellosis activities in Minnesota—undoing much of the fine work already accomplished which will soon make Minnesota a modified certified brucellosis free area.

Sincerely yours,
HUBERT H. HUMPHREY.

Mr. THYE. Mr. President, will my colleague yield at that point?

Mr. HUMPHREY. I am very happy to yield to my colleague from Minnesota.

Mr. THYE. I received a similar communication from Dr. West. Immediately upon its receipt, I called the Department of Agriculture and discussed the question with them.

I share the conviction of my colleague that there is a need for a review of this entire question, and that it should be done at once. I believe that the present stated policy of the Department of Agriculture will slow up the eradication of brucellosis. That should not happen. The fight against brucellosis should be accelerated, and the disease should be stamped out. Minnesota has a very splendid record in this regard, and the policy of the Department of Agriculture will very definitely have the effect of slowing up the program.

Mr. HUMPHREY. I wish to thank the senior Senator from Minnesota for his contribution and his work in this field.

Mr. President, I wish to refer now to another subject.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

UNITED NATIONS GENERAL ASSEMBLY ACTION ON THE HUNGARIAN REPORT

Mr. HUMPHREY. Mr. President, at the Tenth National Convention of the American Veterans Committee on April 26–28, 1957, they adopted a resolution requesting the reconvening of the United Nations General Assembly as soon as the special United Nations Commission on Hungary released its report. That report is about to be submitted. As a delegate to the United Nations General Assembly I wish to join the AVC in its recommendation. I too feel that the Hungary report is of the greatest urgency and I hope that a way can be found for the U. N. General Assembly to consider this report while the issue is still immediate.

I ask unanimous consent that the text of the AVC resolution as well as a letter which I have received from Kenneth M. Birkhead, the Executive Director, be printed at this point in the RECORD.

There being no objection, the resolution and letter were ordered to be printed in the RECORD, as follows:

AMERICAN VETERANS COMMITTEE,
Washington, D. C., June 4, 1957.

DEAR MEMBER OF CONGRESS: The Special Commission of the United Nations which has investigated Communist actions in Hungary is submitting its report to the United Nations. U. N. Secretary-General Dag Hammarskjold has indicated that the report cannot be considered until the U. N. General Assembly meets in the fall.

The American Veterans Committee feels that this would be a crime of the highest order since this delay in acting on the report would mean that more Hungarians would be subjected to Communist oppression.

The American Veterans Committee urges that the Congress immediately pass a resolution stating that it is the sense of our Congress that the United Nations General Assembly be called into special session to act on the Hungarian report. Our action is based on the attached resolution passed by the 10th national convention of AVC held here in Washington, D. C., on April 26–28, 1957.

We urge you to be one of those who assume the leadership in seeing that the Congress takes such action at the earliest possible moment.

Sincerely yours,
KENNETH M. BIRKHEAD,
Executive Director.

RESOLUTION ON HUNGARY AND THE UNITED NATIONS

AMERICAN VETERANS COMMITTEE, INC.,
Washington, D. C.

Whereas the U. N. General Assembly passed 10 resolutions condemning the crimes of the Soviet Union and the puppet Kadar government in Hungary;

Whereas these resolutions have been totally defied;

Whereas the U. N. General Assembly, when its observers were barred from Hungary, finally set up a Commission to hear eyewitness accounts of events in Hungary from its refugees, as well as from newsmen and neutral observers;

Whereas this Commission has finished its investigations and has begun to compile its report;

Whereas each day's delay means that more people in Hungary may be persecuted and condemned to deportation or death without even the help of protests from world public opinion, or from the United Nations; and

Whereas U. N. Secretary-General Dag Hammarskjold has indicated the Commission report won't be considered by the General Assembly until its next regular session late in September: Therefore, be it

Resolved, That this convention record itself as demanding for humanity's sake that the present session of the U. N. General Assembly, which currently is in suspension, be reconvened as soon as the Hungarian Commission report is completed to hear it and to take immediate action regarding it; be it also

Resolved, That copies of this resolution be directed to the attention of the United States Secretary of State, to United States Ambassador to the U. N., Henry Cabot Lodge, to U. N. Secretary-General Hammarskjold, to the public press, and to the President of the United States.

LOUIS M. RABINOWITZ

Mr. HUMPHREY. Mr. President, there are many stories of success and achievement in America, but none more illustrious or meaningful than the life story of Mr. Louis M. Rabinowitz, bibliophile, industrialist, and philanthropist, of New York City.

The New York Times editorial of April 30, along with the feature story in the same issue, reveals the character and quality of this man.

Mr. Rabinowitz came to this country from Lithuania at the age of 14. He did not have the advantage of a formal education. Although an immigrant boy, he became one of our most dedicated, patriotic and noted citizens. Denied the opportunity of a formal education, he became the patron of literature, arts and science. Few men have given more to

cultural institutions and the field of scientific research. His life is a continuous story of good deeds, generosity and the enrichment of our cultural heritage.

I knew Louis Rabinowitz as a personal friend. To share in that friendship was a rare privilege. America is a better and nobler country because Louis Rabinowitz came to our shores. The arts and science and literature are much more advanced because of his generous gifts and his constant care and attention. Louis Rabinowitz brought honor not only to himself, but to his family, his faith, and the country of his choice.

I ask unanimous consent that the editorial and the article from the New York Times of April 30 be incorporated at this point in my remarks.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the New York Times of April 30, 1957]

LOUIS M. RABINOWITZ

That this country is a land of opportunity for all has been proved innumerable times in the lives of innumerable individuals, but never more vividly than in the case of Louis M. Rabinowitz, who died in New York on Saturday at the age of 69. Arriving here as a penniless immigrant from Lithuania at the age of 14, he sold remnants from a pushcart on Hester Street and then became a house painter's helper. Knowing no English when he arrived, he studied the language by reading Darwin's "Descent of Man" at the Cooper Union Library. At his death, he was not only a very wealthy man but also one of the most truly cultured people in the United States.

But if he received much from this country, he also gave much. "People die, but culture doesn't die," he remarked once, and it was to help make sure that culture and freedom do not die that he devoted much of his fortune over many years. The Yale University Library, Hunter College, the New York Public Library, the Jewish Theological Seminary, and Columbia University were but a few of the institutions that benefited from his generosity and his love and respect for human culture.

No one man can assure the survival of culture, and more particularly of the books, paintings, and other physical objects which transmit culture from one generation to another. But the limits of what one man could do in this cause were brilliantly demonstrated by Louis M. Rabinowitz, and it is for this demonstration particularly that his passing will be mourned and that his name will go down in the history of the friends of the humanities.

[From the New York Times of April 29, 1957]

L. M. RABINOWITZ, BIBLIOPHILE, DIES—MANUFACTURER OF FASTENERS GAVE BOOKS AND FUNDS TO COLLEGES AND LIBRARIES

Louis M. Rabinowitz, bibliophile, industrialist and philanthropist, died Saturday of a cerebral hemorrhage in St. Vincent's Hospital. He lived at 1052 East Eighth Street, Brooklyn. His age was 69.

Mr. Rabinowitz came to this country from Lithuania at the age of 14 and dispensed with formal education thereafter. Over the years, however, he became interested in books and art and had presented thousands of dollars worth of paintings, books, and manuscripts to colleges, libraries, and museums.

He was founder and president of L. M. Rabinowitz & Co., 120 East 16th Street, a hook-and-eye fastener manufacturing concern.

Although Mr. Rabinowitz donated books and manuscripts to the New York Public Library, the Library of Congress, and the Jewish Theological Seminary, among others, the bulk of his gifts went to Yale University.

He was the donor of the Rabinowitz Fund for Judaica Research at Yale for the purpose of fostering researches in the legacy of Judaism. In 1955, Mr. Rabinowitz made a grant to the university for the establishment of a chair in Semitic languages and literature.

HONORED BY YALE IN 1955

He had served as a director of the Yale University Association of Fine Arts and as an honorary trustee of the Yale Library Associates. He was cited 2 years ago by the university for his activities.

Mr. Rabinowitz was a director of the Jewish Theological Seminary. He established the Louis M. Rabinowitz Institute for Research in Rabbinica at the seminary in 1951 and had donated many rare books to it. The seminary honored him with a gold medal in 1955 and an honorary degree of Doctor of Letters last year. He also was a benefactor of the New York Public Library and had served as an adviser to its reference department.

Mr. Rabinowitz's gift of $60,000 to Columbia University in 1951 made possible a 2-year study of academic freedom.

Two years later he established the Louis M. Rabinowitz Foundation for the purpose of financing archeological explorations in Israel in conjunction with the Hebrew Union College of Cincinnati. He sponsored the surveys for 5 consecutive years.

MADE GRANT TO HUNTER

The Hebrew University in Jerusalem made him an honorary fellow in 1955 in recognition of his work. Hunter College was the recipient of a Rabinowitz grant of $106,000 in 1955 to establish a coeducational Graduate School of Social Work.

He gave many paintings to museums in Israel and was chairman of the American Fund for Israel Institutions exhibition committee at the Metropolitan Museum of Art in 1953. He served as a vice president of the New York Chapter of the America-Israel Society.

He was vice president of the Jewish Hospital of Brooklyn and presented several murals to the hospital. He was also vice president of the American Jewish Historical Society.

Surviving are his widow, Rose; a daughter, Mrs. Samuel Perlman; a son, Victor Rabinowitz, of New Rochelle, N. Y., and four grandchildren.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am very happy to yield to the Senator from New York.

Mr. JAVITS. I knew Louis Rabinowitz, the gentleman of whom the Senator from Minnesota speaks, for many years as a friend and distinguished fellow New Yorker. It certainly reflects a great deal of credit on the Senator from Minnesota to make his significant observations in memoriam of the rather typical career of an immigrant who came to our country because of our institutions and opportunities, and did so well for our community and our country, as well as in a personal sense. His family will be most grateful for this fine expression.

It is a very fine thing that the Senator from Minnesota has seen fit to speak of these things on the floor of the Senate, and to give national recognition to them.

Mr. HUMPHREY. I know that my late departed good friend Louis M. Rabinowitz thought very highly of the Senator from New York. That was additional good evidence of his fine judgment. I wanted to say these few words about him because his story touched my heart. I know how his hand of generosity reached out to touch our great Library of Congress. He was one of the great benefactors of what is known as Lincolnianna. He gathered from all over the United States papers and documents and personal effects bearing on the beloved great President, Abraham Lincoln. A man of such quality and kindness and generosity is needed very much indeed. When we lose from our midst such a man, it is only fitting that those of us who knew him should say a word about him.

Mr. JAVITS. I thank the Senator.

WEST GERMAN GOVERNMENT TO REDUCE UNITED STATES TROOP FUNDS

Mr. CHAVEZ. Mr. President, I have before me an article entitled "Bonn Will Halve United States Troop Funds," written by Arthur J. Olsen, and published in the New York Times of June 5, 1957. Before asking to have the entire article printed in the RECORD, I wish to read certain portions of it.

BONN, GERMANY, June 4.—The United States was reported today to have agreed to accept a 50-percent reduction in funds contributed by West Germany for the support of United States Forces in the Federal Republic.

The report, from German sources, was not denied by the United States Embassy here.

Another portion of the article is as follows:

The support-cost issue was raised on the United States side during Chancellor Konrad Adenauer's visit to Washington last week. When the Bonn officials were found to be firm on their standing offer, the problem was referred to the Embassy here for direct negotiation. A settlement on the main terms of the agreement followed quickly.

I am the chairman of the subcommittee which is handling the Department of Defense appropriation bill, which runs into billions of dollars. The matter referred to in the article affects every American taxpayer.

According to the agreement heretofore made, the West German Government was supposed to pay in deutschemarks the equivalent of so many United States dollars for the support of the United States Army. The Department of State has now agreed that that amount may be cut in half. If it be cut in half, there is only one other source from which the expenses can be paid, namely, American taxpayers.

Mr. President, I ask unanimous consent that the entire article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BONN WILL HALVE UNITED STATES TROOP FUNDS—WILL REDUCE SUPPORTS COSTS BY AMOUNT OF INCREASE GRANTED TO THE BRITISH

(By Arthur J. Olsen)

BONN, GERMANY, June 4.—The United States was reported today to have agreed to accept a 50-percent reduction in funds contributed by West Germany for the support of United States forces in the Federal Republic.

The report, from German sources, was not denied by the United States Embassy here.

Embassy officials said that an announcement on a "support costs" agreement for the 1957–58 administrative year could be expected within a few days.

Qualified German informants said that the essence of the agreement was Bonn's pledge to contribute in the year ending April 30, 1958, 835 million deutschemarks ($78 million) to help defray the local expenses of the 250,000 United States soldiers and airmen in West Germany.

This is one-half the sum made available in 1956–57. The Bonn Government made the new offer in February and held to it in the face of repeated United States requests for a renewal of last year's contribution of 650 million deutschemarks, German sources said.

United States negotiators were said to have succeeded, however, in obtaining at least one concession from the West German Foreign Ministry. This was said to be Bonn's agreement to consider a future United States request for continuation of the support-costs payment for at least another year beyond 1958.

The support-cost issue was raised on the United States side during Chancellor Konrad Adenauer's visit to Washington last week. When the Bonn officials were found to be firm on their standing offer, the problem was referred to the Embassy here for direct negotiation. A settlement on the main terms of the agreement followed quickly.

The West German Government decided last winter to scale down its financial contribution to the Western Allied forces from 1,450,000,000 deutschemarks to 1,200,000,000. It then negotiated an agreement with Britain to pay 588 million marks in 1957–58 and another with France for 223 million marks.

The agreed payment with France and the 64 million marks earmarked for the Belgian and Danish forces represent slight reductions from the level of the preceding year.

The net result of the series of negotiations was, in broad terms, to reduce West German support for United States forces by approximately the sum Bonn increased support for the British forces.

RADIOACTIVE FALLOUT

Mr. NEUBERGER. Mr. President, 10 days ago a special subcommittee of the Joint Committee on Atomic Energy began hearings on the nature of radioactive fallout and its effects on man. Since that initial session, a number of scientists have appeared before the subcommittee, which is headed by Representative CHET HOLIFIELD of California's 19th District, to testify regarding the dangers of radiation exposure. These hearings are unique in that they represent the first attempt on the part of Congress to gather and coordinate information on this subject, which is becoming of increasing concern to the people of the United States and of the world as we push forward more rapidly into an atomic era.

Although testimony before the subcommittee has been primarily concerned with the effects of radioactive fallout resulting from the explosion of nuclear weapons, important conclusions can be drawn from the evidence submitted regarding the dangers inherent in the use of military and industrial reactors and medical use of radioactive materials. As research progresses in this area, we know that man will risk ever greater perils of exposure to radiation.

As sponsor of S. 1228, a bill to establish a National Radiation Health Institute within the Institutes of National Health, I have been particularly interested in the hearings being conducted by Representative HOLIFIELD's subcommittee. Yesterday a group of the Nation's top geneticists informed the subcommittee that all radiation, regardless of the amount of the dose, represents a danger to mankind. Dr. Hermann J. Muller, winner of the Nobel prize for physiology and medicine in 1946, proposed that a "Radiation Health Institute" be established to conduct more genetic research to determine more exactly the degree of danger involved.

Mr. President, I hope that Congress will heed the advice of this eminent scientist. The peril of radiation exposure is acknowledged. Surely we owe it to the citizens of this country to insure that they receive at least basic protection through accelerated research and establishment of elementary precautions such as those provided for in my bill now pending before the Senate Committee on Labor and Public Welfare.

Mr. President, I ask unanimous consent that an article by Mr. Warren Unna, which appeared in today's Washington Post and Times Herald, and which describes yesterday's testimony before the Holifield special subcommittee, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ANY RADIATION PERILS MAN, TOP GENETICISTS TELL HILL COMMITTEE—FALLOUT PRODUCED NOW WILL SHORTEN LIVES IN FUTURE, UNANIMOUS VIEW

(By Warren Unna)

A panel of the country's top geneticists was unanimous yesterday in telling Congress that radiation, no matter how small the dose, endangers future generations of mankind.

The group further concluded that the radioactive fallout from atomic-weapons tests conducted so far will have a definite effect—although proportionately not a great one—in shortening future lives, increasing deformaties, and impairing man's fertility.

The scientists' main worry came in anticipating what radioactive fallout will do to coming generations if the present weapons-test rate continues—or, as many expect, goes up.

MOST PESSIMISTIC VIEW

The most pessimistic view came from the most prominent panel member, Hermann J. Muller, Nobel prize-winning Indiana University professor and one of the world's foremost authorities on the effects of radiation on heredity.

Without hesitation, he declared: "The number of lives that will be seriously curtailed or injured throughout the world in future generations as a result of the tests already held is in all probability in the hundreds of thousands, or millions, and is therefore enormous."

A full-fledged nuclear war, Muller said, would result in the cataclysmic ruination of humanity in general.

Yesterday was the midway point in a Joint Atomic Energy Subcommittee's 2- to 3-week showdown hearing on what is and is not known about radioactive fallout.

The momentous topic of mankind's chances at survival was discussed in the quiet dignity of the Capitol's Old Supreme Court Chamber, with Muller acting as a genetics instructor for the Subcommittee's Senators and Representatives as he chalked up pictures of damaged genes and cells on a portable blackboard.

CHILDREN IN AUDIENCE

Representative CHET HOLIFIELD, Democrat of California, hearing chairman, looked at several rows of Orr Elementary School pupils in the audience and noted: "The gravity of this hearing is for you, the future generation."

The class teacher explained upon leaving: "We've been studying atomic energy back in school."

Yesterday's hearing was by no means confined to the academic halls. The Atomic Energy Commission, which up to now has been the chief authority on fallout, came in for considerable criticism.

Mueller said that "higher echelons in the AEC" had kept him from appearing in person at the August 1955, Geneva Atoms-for-Peace Conference to discuss radiation effects on heredity.

Mueller noted a curious official silence concerning radiation victims and proposed that a Radiation Health Institute be established at the National Institutes of Health to conduct more genetic research.

H. Bentley Glass, of Johns Hopkins University, said an unbalance existed in the AEC between emphasis on the physical aspects of atomic energy and on the biological counterpart. He proposed that a geneticist or biologist be appointed to the Commission itself, or at least be represented on the AEC's General Advisory Committee.

Glass is himself a member of an advisory committee for the AEC's Division of Biology and Medicine. He indicated later that his group's report on strontium-90 effects, requested by the Commission more than 2 years ago, has yet to be issued in its final form because of AEC reluctance.

Glass testified that the increasing tempo of weapons testing in 1957 will certainly make a reevaluation necessary for last year's National Academy of Sciences report on radiation effects.

EXPOSURE TO INCREASE

He said that man's radiation exposure is certain to increase as wastes from the development of peaceful uses of atomic energy multiply. On top of this, Glass predicted a fivefold increase in fallout from present weapons tests would add a grave problem.

A. H. Sturtevant, California Institute of Technology genetics professor, emphasized every bomb test adds to the biological hazard.

He said scientists have made a serious effort to present an objective statement of the biological hazards and suggested that the AEC reciprocate with a detailed and objective statement of the reasons for continued testing.

Sturtevant disputed the administration analogy that the risk from test fallout is similar to the risk from wearing a wristwatch with a radium dial. He said no one is forced to wear the wristwatch, while they are forced to be exposed to the radiation from tests.

ALL WORLD EXPOSED

James F. Crow, University of Wisconsin geneticist, told the Holifield subcommittee: "The number of people exposed to fallout is as large as the world population and therefore we can be sure that several hundreds, or thousands, or tens of thousands, or perhaps more persons will be diseased, or deformed, or will die prematurely, or be otherwise impaired as a consequence of fallout if the present rate of testing continues.

"In my opinion, even one unnecessary individual tragedy is too many and no increase in radiation for any reason should occur unless it offers some compensating benefit for mankind," Crow declared.

Crow said studies on hereditary effects in insects, mice, corn, virus, bacteria, and some fragmentary effects on the children of radiologists indicate:

There is no such thing as a safe dose of radiation; any amount of radiation involves a risk.

The number of mutations on hereditary genes is strictly proportional to the amount

of radiation received; and "almost all" mutations are harmful.

It makes no difference whether 1 person receives a radiation dose of 10 roentgens or 10 persons each receive a 1-roentgen dose; the cumulative effect on future generations will be the same.

Crow said fallout from the present rate of weapons testing will mean only a "small damage" to future generations—in proportion to the number of people on the globe.

Both Dr. W. L. Russell of the Oak Ridge National Laboratory and Dr. B. Hardin Jones of the University of California Radiation Laboratory, reported "significant evidence" of life-span shortening in the first generation offspring of irradiated animals.

Russell added: "There is no recovery from genetic damage at any time after irradiation."

Senator BOURKE B. HICKENLOOPER, Republican, of Iowa, at one point in the hearing commented: "All of us would like to hope that we never had to test atomic weapons. By the same token, we could abolish automobiles and go back to horses."

Johns Hopkins Professor Glass summarizes for the scientists: "We know there is a genetic hazard. We don't know the exact amount. We think it is better to overestimate and play it safe than to underestimate and wreak irreparable havoc."

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. NEUBERGER. I am delighted to yield.

Mr. HUMPHREY. I am very appreciative of the Senator's action in bringing this matter to the attention of the Senate again by way of these fine articles.

I should like to add, for the purpose of the RECORD, that the Senate Subcommittee on Disarmament, some 3 months ago had before it as witnesses some of the leading scientists of the Nation. At that time we discussed radioactive fallout. We suggested to the Joint Committee on Atomic Energy the importance of beginning a study, which is now underway, and we are deeply indebted to Representative HOLIFIELD, representing the Joint Committee on Atomic Energy, for his initiative in taking up this matter.

I would only have it noted that the information which now comes forward, which has received headlines, and which has commanded public attention—and all to the good—was presented to the responsible agencies of the Government some months ago by what I consider to be a responsible committee of the United States Senate.

I hope our country may proceed to give leadership in limiting these tests, not on a unilateral basis, but at least on a basis of seeking an agreement.

Today, as all of us may be aware, the President of the United States had something to say about the subject. In fact, the President spoke in response to questions about testimony given before the congressional committee. I read from an Associated Press dispatch, as follow:

Eisenhower first said that some of the scientists giving views on the subject appear to have gotten out of their field of competence. He added that it seemed to be an organized sort of thing.

Asked why he felt that way, Eisenhower said he did not mean organization in any evil kind of way. Personally, he went on, he prefers to base his judgment on a study of the situation put out last October by the National Academy of Scientists.

Eisenhower said, of course he is concerned about the possibility of fallout danger to future generations, but that he also is concerned with defense of the United States.

He said further that the United States has succeeded in reducing fallout in its nuclear tests by nine-tenths of what it previously was.

I read now from a later bulletin which appears on the news ticker:

President Eisenhower said today he would favor a complete ban on testing of atomic weapons—if there could be total and complete disarmament.

Then, in a later dispatch:

Eisenhower said he would like to allay worldwide anxiety over fallout radiation.

But Eisenhower went on to say at a news conference that the United States never could join in any ban on testing unless there also were an agreement with Russia against use of atomic weapons.

The President did express doubt that this country ever again will test such tremendously devastating hydrogen bombs as it has in the Pacific on two occasions.

Mr. President, all of this seems to add up to the fact that the administration reluctantly—and I emphasize the word "reluctantly"—is reconsidering a position it took last October, because of the pressure of scientific evidence and the deep concern of people all over the world regarding the dangers involved in radioactive fallout. I hope the Atomic Energy Commission will pursue this matter in a way which will give us some final answers, because the testing continues—even the testing conducted by our own allies—and certainly this is a matter of concern and worry to the entire world.

While Mr. Stassen is in London, negotiating with respect to disarmament, I hope he will include on that important agenda an effort to arrive at an agreement on banning or limiting—I emphasize the word "limiting"—tests of the large thermonuclear weapons, so that the constant fear facing the people will not continue.

Mr. COOPER. Mr. President, will the Senator from Oregon yield to me?

Mr. NEUBERGER. I yield.

Mr. COOPER. I heard the Senator from Minnesota state that the President's position on this matter is a revision of his position of last October. Was the Senator referring to any statement about the effects of fallout, or was the Senator stating that it was a change of the position taken against the discontinuance of tests until some adequate inspection agreements have been reached?

Mr. HUMPHREY. Mr. President, if the Senator from Oregon will yield further to me, let me say that I know of no responsible person who has felt that the United States alone should discontinue the tests. Instead, the feeling is that that matter should be the subject of agreement between the major powers. But I repeat that I believe the administration is making a strategic redirection, so as to come around to the point where the testing of large thermonuclear weapons will be the subject of negotiation and of an effort to limit them.

Mr. COOPER. As I understand the statement of the Senator from Minnesota, it relates only to the effects of the fallout.

Mr. HUMPHREY. That is correct.

Mr. COOPER. And not to any change of position about discontinuing the tests in the absence of adequate controls.

Mr. HUMPHREY. I do not think anyone has ever suggested that they be discontinued in the absence of effective controls. During the last campaign an attempt was made to indicate that Mr. Stevenson had suggested such a procedure, but he had not. However, I am saying that today responsible men, both in and out of Government, are recognizing the dangers as a result of the continuing tests; and they are looking to the scientists for effective answers. The scientists are divided in their opinions regarding the effects of the fallout. I am saying that the administration is reaching the point where it may prefer and may seek a limitation on the testing of thermonuclear weapons.

Mr. COOPER. I agree, and particularly in connection with the negotiations regarding disarmament. But I wished to point out that there was no indication that the administration proposed that the tests be discontinued in the absence of some stable agreements about disarmament or about control.

Mr. HUMPHREY. Of course that position has always been held by all responsible persons.

Mr. COOPER. I thank the Senator from Oregon for yielding to me.

Mr. MONRONEY. Mr. President, will the Senator from Oregon yield to me?

The PRESIDING OFFICER (Mr. SCOTT in the chair). Does the Senator from Oregon yield to the Senator from Oklahoma?

Mr. NEUBERGER. I yield.

Mr. MONRONEY. Is it not a fact that the statement by Governor Stevenson, proposing negotiations looking toward the banning of hydrogen bomb tests and the establishment of aerial inspection or the presently known means of detecting atomic explosions, was pooh-poohed and was called ridiculous nonsense by the spokesmen for the White House? So I think we observe an indication of a change of attitude on the part of the White House today, when it advocates the banning of thermonuclear bomb tests, such as have occurred in the Pacific area, and when it also furnishes leadership—as it has done during the past few weeks—about such banning, in connection with the discussions at London. I think that constitutes a shift from the position taken during the campaign, when the Democrats were said to be recklessly trying to turn over the H-bomb to Russia. However, at the present time, with the same detection devices available, and with no more ability to police than we had before, we find the White House moving in the same direction as that proposed by Mr. Stevenson.

Mr. NEUBERGER. Mr. President, I think the Senator from Oklahoma has brought up a most important point. During the 1956 campaign Gov. Adlai E. Stevenson and those who took the same position that he did were ridiculed, because of their warning with respect to the danger inherent in the fallout of

strontium-90 as a result of the hydrogen bomb tests. Yet in the past few months, the most eminent scientists of our Nation and of the world have been warning about the resultant dangers to the human race.

I noted with interest that the Senator from Kentucky [Mr. COOPER] joined in the discussion. I think he will recall that in his part of the country, near the Oak Ridge atomic plant, scientists found a muskrat with a highly cancerous hind leg which had a very large degree of radioactivity, and it was assumed in some way to be the result of nuclear production at Oak Ridge.

A few days ago Dr. Albert Schweitzer, the famous humanitarian in the African jungles, issued his declaration of conscience, and it referred to the Columbia River, in the area from which I come, and Dr. Schweitzer pointed out the high measure of radioactivity in plankton found in the Columbia River, near the Hanford atomic energy works. Of course, the plankton is eaten by fish, and the fish are eaten by waterfowl, and both the fish and the waterfowl are perhaps eaten by mankind. All these grave matters have come to light since Gov. Stevenson issued his warnings.

Those of us who serve in the Senate of the United States are responsible not only for the defense of our country, but in some degree for the health and safety of the people of the United States and of the entire human race. I believe that we must give attention to the warnings about these dangers, as those warnings have been issued by Dr. Muller and others whom I have been quoting here on the floor of the Senate. Certainly we cannot take this matter lightly at all.

Mr. COOPER. Mr. President, will the Senator from Oregon yield further to me?

Mr. NEUBERGER. I yield.

Mr. COOPER. I have noted that during the past several weeks the distinguished Senator from Oregon has referred again and again to this question. I think his efforts in that connection have been outstanding and notable.

However, I believe there have been changes from the position of last fall. Governor Stevenson made speeches in which he pointed out the dangers of the fallout. It is possible that perhaps my own party discounted some of those statements. On the other hand, a great many persons believed that at the outset Governor Stevenson was proposing or suggesting that the tests be discontinued, and was not stating whether there should be controls or reciprocal agreements on the part of Russia. A great many persons believed he was taking that position, and at first I thought he was taking that position. But that has passed.

I believe that what the Senator from Oregon has pointed out since that time is most important, in connection with the statements about the dangers of fallout, as those statements have been issued by a great body of scientists.

I agree with the Senator from Oregon that a consensus of opinion has developed on the subject. I also agree that the facts disclosed concerning fallout are most terrifying to the people of the United States and to the people of the rest of the world today, and therefore the Government of the United States, including the Congress of the United States, should urge those who are trying to find a means of arriving at disarmament to do everything possible to achieve an agreement in that field. Of course, such an agreement might involve some risk on the part of the United States; but we must balance against that the risk involved in a continuance of thermonuclear tests and, perhaps, the risk of eventual thermonuclear warfare.

Mr. NEUBERGER. Mr. President, I appreciate the statement the Senator from Kentucky has made.

Mr. COOPER. In connection with this matter, I should like to make a brief statement regarding another subject which soon will be before the Senate. I believe that one of the great instruments our Government has in the effort to bring its influence to bear on the question of disarmament is, curiously enough, its maintenance of adequate military strength and defense. If the Congress makes severe and serious cuts in the appropriations for defense and military security, and thereby gives Russia the impression that we are letting down or relaxing our defenses, I believe we shall be removing from our own hands one of the great instruments available to us in pushing toward disarmament.

Mr. NEUBERGER. Mr. President, I quite agree with the Senator from Kentucky. His remarks are characteristically candid. I agree with him that the United States must maintain its defenses; and of course I have supported a good many of the President's budget requests, even when many members of my own party have not agreed with me in that respect.

We have an obligation not only to provide for the defense needs of our country, but also to provide for our country's health needs; and we must couple our defense activities with an attempt to control the terrible menace to the health of the human race, which has been discussed by the scientists and physicists.

Certainly it is possible that we could defend ourselves successfully against the Russians, and yet might create within our country and over the entire world a menace ultimately even greater than that of military conquest. This is the menace of deadly and lethal fallout. We have opened up cosmic forces which certainly very few persons in the Senate understand. I admit I do not understand them. Perhaps the Senator from Kentucky understands them, yet I do not. But when persons who have won Nobel prizes in the field of science call the matter to our attention, I certainly think Members of the Senate ought to take it into consideration.

That is the reason why I have placed in the RECORD Dr. Albert Schweitzer's declaration of conscience. When a man of Dr. Schweitzer's spiritual as well as medical attainments makes such a declaration, I think we should take it into very serious consideration.

Mr. JAVITS. Mr. President, I should like to support my colleague the Senator from Kentucky, who has made, as has the Senator from Oregon, such a typically frank statement on this subject. I campaigned in New York on this very issue of A and H bomb tests. It was one of the very important issues between myself and my opponent. The people had the definite understanding, rightly or wrongly, that what was being advocated on the other side from me was a unilateral abandonment of nuclear tests by the United States. That was not advocated on my side, speaking from my personal standpoint, because I urged that there should be an insistence on inspection and control before there was an abandonment of the tests. I feel that men of wisdom and experience on both sides, without regard to politics, are deeply committed to the idea of inspection and control.

Mr. President, I know of the deep feelings of my colleagues who have spoken on the Senate floor on the health question. But this is the sort of subject which easily carries us away. We have to make hard decisions. When we vote "yea" on a resolution for war or for sending our troops to Korea, it is peaceful and quiet and not bloody on the floor of the Senate; but elsewhere I have seen it otherwise, and so have other Senators. It is very serious business. I think the Senator from Oregon is right when he says that we are guarding not only the national security, but the lives and the health of our people. At the same time, our people want us to keep our efforts for national security in the right direction. In the face of the testimony on radioactive fallout which has been given, we might easily be pushed into an abandonment of the tests while what we should try to arrive at is some real balance between security and the protection of the public health.

In short, I urge that we be not carried away in either direction. I urge that upon my colleagues, and upon the people of the country. I feel that this is a tense moment. It is the first time in a marked public discussion that we have come to grips with this problem of radioactive fallout. At the same time, it can blind us to the problems of maintaining peace in terms of military security. I think there are equally substantial and strong reasons why we need nuclear tests, in order to keep ourselves abreast of new developments.

So while I join both my colleagues in everything they have said, I feel a word of caution must also be addressed to all that we keep a proper balance, and that there should not be an outweighing on either side—because of national security wish or health wish—on the basis of what has been brought out in public testimony.

Mr. NEUBERGER. I thank the Senator. I point out to him that several months ago I introduced proposed legislation to create, within the United State Institutes of Health, a National Institute of Radiation Health, which would have the primary responsibility of measuring the effect on human health of fallout of radioactive materials, and reporting that information to the Government and to the people of the Nation. It seems to me that is the very least we can do, so that all possible information can be made available to the President, to the Congress, and to the

scientific and medical people in the country. After all, human life may be at stake.

It is my hope that the leadership of the side of the Senator from Kentucky, the Senator from New York, and the Senator from Wisconsin [Mr. WILEY], who has just come upon the floor, will be willing to lend their support to the establishment of an additional National Institute of Radiation Health, within the present framework of the National Institutes of Health, to measure the things we are talking about, so we may possess the necessary knowledge and information and basis on which to make these very difficult decisions.

Mr. JAVITS. I am sure I shall give the subject my most serious and prayerful attention, and shall try to support such a proposal.

EXTENSION OF TIME FOR MAKING OF LOANS BY EXPORT-IMPORT BANK

The Senate resumed the consideration of the bill (H. R. 4136) to extend the period within which the Export-Import Bank of Washington may make loans.

Mr. MONRONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MONRONEY. Is H. R. 4136 the unfinished business?

The PRESIDING OFFICER. It is, and it is now under consideration.

Mr. MONRONEY. Mr. President, H. R. 4136 would extend the life of the Export-Import Bank of Washington from its present expiration date of June 30, 1958, to June 30, 1963. It would make no change in the powers or authorities of the Export-Import Bank. This bill was passed by the House of Representatives on April 9, 1957, and was reported by the Committee on Banking and Currency on May 16, 1957. A similar 5-year extension bill was passed by the Senate last year, but died at the end of the 84th Congress.

The proposed extension was recommended by the Departments of State, Treasury, and Commerce. The President's Economic Report also recommended an extension of the bank's authority. No opposition to the extension has been made known to the committee.

The Export-Import Bank originally was incorporated in 1934, and it has been extended every few years up to the present time. It has continued under substantially its present authority since the enactment of the Export-Import Bank Act of 1945.

The bank has broad general powers to engage in banking, in order to aid in financing and to facilitate exports and imports and the exchange of commodities between the United States and foreign countries. It has a capital of $1 billion, and may also borrow up to $4 billion more from the Treasury. The outstanding amount of its loans, guaranties, and insurance may not exceed $5 billion.

This bank is the principal instrument for the preservation of our foreign trade on a solid, sound banking basis. Most of the loans are either made to the central banks of the countries or are guaranteed by those banks, or are made to our exporters here in exchange for their credit.

In the bank's regular semiannual report to the Congress for the period ending December 31, 1956, the history of the bank's operations from 1934 through 1956 is summarized. The following items are particularly noteworthy: It authorized loans totaling $8,362,000,000. It made disbursements of $5,277,000,000. It received repayments amounting to $2,641,000,000. Loans outstanding at the end of 1956 amounted to $2,636,000,000, and, in addition, $1,533,000,000 had been authorized but not yet disbursed. The gross earnings of the bank over the period from 1934 through 1956 amounted to $777 million. It paid $178 million to the Treasury as interest and $150 million as dividends. It built up a reserve of $435 million. Losses over this entire period have been just over $525,000, and the installments of principal in default at the end of 1956 amounted to only $9.3 million. This amount has not been charged off, because the bank still feels there is a good chance of collecting it.

The bank has conducted its affairs with careful attention to the needs of private business and has increasingly emphasized its policy of obtaining participations in its loans by private banking sources. Virtually all of the bank's transactions are to enable foreign countries to buy goods produced in the United States, or for the purpose of providing insurance to such exports.

I think it might be interesting to note some of the loans which have been made in the past 6 months of 1956. Nine credits were granted to Brazil for capital equipment, totaling $167 million. Credits of $100 million were granted to Argentina for transportation, industrial, and agricultural equipment. Four credits were granted to Japan for turbo-generating equipment, aircraft, and cotton in the amount of $92.7 million. Credits amounting to $500 million were granted to the United Kingdom, to meet dollar requirements for petroleum in the oil lift and other United States products. This loan was secured by marketable securities held by the United Kingdom in the United States. No withdrawals have yet been made by the United Kingdom under this credit.

In every case these vast loans or credits represented payments for United States goods and products to be shipped to the countries involved.

During the past 6 months the bank showed a net profit of $30.2 million. It is interesting to note that, borrowing money from the United States Treasury, it pays substantial interest. On December 31, 1956, the bank was paying 3½ percent interest, and interest rates charged by the bank on its loans have increased in proportion.

In spite of this, the applications for Export-Import Bank loans have increased.

In many cases where loans should have been and normally would have been handled by private financial institutions, the bank declined to take on new business which was offered, in order to comply with the directives of Congress not to interfere with private business, and in order not to assume obligations that they felt private banking could properly carry.

In addition to the highly desirable function of assisting United States exports, the bank's activities have played a large part in the development of friendly foreign nations on a sound commercial basis, thereby contributing substantially to the strength of the Free World.

In other words, these loans have helped to build up in foreign countries a sound economy, that could produce foreign trade and create new wealth, and thereby have aided in building up even a more substantial market for goods produced in the United States and needed by such countries.

I urge that the Senate act favorably on H. R. 4136.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. MONRONEY. I am glad to yield.

Mr. COOPER. As the Senator knows, I am not a member of the committee which reported the bill. Was the bill reported unanimously?

Mr. MONRONEY. As I recall, the bill was reported unanimously. There was no objection from within the committee, or from anyone who communicated with the committee. The bill has been recommended by the President, and recommended by the State Department, the Treasury Department, and the Commerce Department.

One of the needs, I might say, for passing the bill at this time is to reestablish the bank for another 5 years, although the expiration does not occur until 1958. The extension would avoid any lack of continuity in operation. People who particularly wish to do business with the bank, if it has only 1 or 2 years of life to go, will find it very difficult, because they will not know whether or not it is going to be in existence beyond the interim financing.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

PRINTING OF COMPILATION OF STUDIES AND REPORTS ON FOREIGN-AID PROGRAM

Mr. MONRONEY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 397, Senate Concurrent Resolution 30.

The PRESIDING OFFICER. The resolution will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A concurrent resolution (S. Con. Res. 30) to print a compilation of studies and reports on the foreign-aid program.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oklahoma.

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. MONRONEY. Mr. President, I should like to ask the Senator from Georgia [Mr. TALMADGE], who is on the floor, to explain the purpose of the resolution.

Mr. TALMADGE. Mr. President, this concurrent resolution calls for the printing as a Senate document of a compilation of studies and reports prepared under the direction of the Special Committee To Study the Foreign Aid Program. Eight thousand additional copies would be provided for the use of the special committee.

The total estimated cost of this printing is placed at $19,167.31. The Senator from Rhode Island [Mr. GREEN] is chairman of the special committee, and his letter of May 21, 1957, justifying the concurrent resolution, is reproduced in report No. 390, which accompanies the measure.

Mr. MONRONEY. Mr. President, I ask that the concurrent resolution be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The concurrent resolution (S. Con. Res. 30) was agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there shall be printed as a Senate document a compilation of studies and reports prepared under the direction of the Special Committee To Study the Foreign Aid Program, created by Senate Resolution 285, agreed to July 11, 1956, as amended by Senate Resolution 35, agreed to January 30, 1957.

SEC. 2. There shall be printed 8,000 additional copies of such Senate document. Such additional copies shall be for the use of the Special Committee To Study the Foreign Aid Program.

PRINTING OF ADDITIONAL COPIES OF SENATE REPORT NO. 130

Mr. MONRONEY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 399, Senate Resolution 140.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 140) authorizing the printing of additional copies of Senate Report No. 130, 85th Congress, 1st session, entitled "Juvenile Delinquency."

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oklahoma.

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. MONRONEY. Mr. President, may I ask the distinguished junior Senator from Georgia [Mr. TALMADGE] to explain this resolution, for the benefit of the Senate.

Mr. TALMADGE. Mr. President, this resolution merely authorizes the printing of additional copies of Senate Report No. 130 of the 85th Congress, entitled "Juvenile Delinquency." The demand for this publication has been very great, and additional copies are needed to meet requests now pending or expected.

In the new printing, the Committee on the Judiciary wishes to incorporate certain footnotes, without altering the text, to give the report greater clarification and render it more useful to the Congress.

The total amount involved is $1,198.

Mr. MONRONEY. Mr. President, I do not believe there is any objection to the resolution, or any further discussion desired. I ask that the resolution be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 140) was considered and agreed to, as follows:

Resolved, That there be printed for the use of the Committee on the Judiciary 3,000 additional copies of Senate Report No. 130, 85th Congress, 1st session, entitled "Juvenile Delinquency," with sundry footnotes.

OFFICIAL OFFICE EXPENSES OF MEMBERS OF CONGRESS

Mr. MONRONEY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 400, H. R. 790.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 790) to amend the Legislative Appropriation Act, 1955, with reference to official office expenses of Members of Congress.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oklahoma.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MONRONEY. Mr. President, may I ask the distinguished junior Senator from Georgia [Mr. TALMADGE] to explain the bill to the Senate.

Mr. TALMADGE. Mr. President, this bill passed the House of Representatives on May 16, 1957. Under the existing law, Members of the House of Representatives may be reimbursed for official office expenditures incurred in their Congressional districts, in an amount not to exceed $150 quarterly. A number of Members coming from the same large metropolitan areas, however, often have offices in the same Federal buildings not actually situated in their respective Congressional districts. Technically, these Members are excluded from reimbursement. This bill, if enacted, would correct that situation.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

RESPONSIBILITIES OF CERTIFYING OFFICERS AND DISBURSING OFFICER, LIBRARY OF CONGRESS

Mr. MONRONEY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 401, H. R. 7234.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 7234) to fix the responsibilities of certifying officers and disbursing officer of the Library of Congress.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oklahoma.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MONRONEY. Mr. President, may I ask the distinguished junior Senator from Georgia [Mr. TALMADGE] to explain the purpose of the bill.

Mr. TALMADGE. Mr. President, this bill would fix the responsibilities of certifying officers and the disbursing officer of the Library of Congress. It passed the House of Representatives on May 21, 1957.

The measure has been introduced, in behalf of the Librarian of Congress and with the endorsement of the Comptroller General, in the interest of improved administration of the Library of Congress. It would establish clearer definitions of fault and liability for expenditures of appropriations and funds, and provide for adequate surety bonds for all certifying officers and employees.

Such employees or officers, however, could be relieved of liability by the Comptroller General under certain conditions. Also they would be entitled to obtain advanced decisions of the Comptroller General on any question of law involved in a payment.

The fixing of financial responsibility, the provision for adequate bonds, and the prerogative of obtaining relief and advance decisions from the Comptroller General are the three main provisions of H. R. 7234. The Librarian of Congress has advised that he is convinced the financial operations of the Library of Congress will be improved materially as the result of this proposed legislation.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

CONSTRUCTION OF BRIDGE ACROSS CHINCOTEAGUE NATIONAL WILDLIFE REFUGE

Mr. MONRONEY. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 379, House bill 2493.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 2493) to authorize the Secretary of the Interior to permit the construction of a bridge and road across Chincoteague National Wildlife Refuge, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MONRONEY. Mr. President, the bill would authorize the Secretary of the Interior to grant easements and rights-of-way for bridge and road construction, to a private authority for the establishment of a toll bridge and road across the Chincoteague National Wildlife Refuge

on Assateague Island, to open up 10 to 15 miles of ocean sandy beach area for public recreation.

A private toll bridge and road authority, known as the Assateague Bridge Corp., was authorized by the 1956 Virginia General Assembly, which, acting as a corporation, could issue $300,000 in revenue bonds to finance the project.

The bill and the project has the support and endorsement of the United States Fish and Wildlife Service. Senators HARRY F. BYRD and A. WILLIS ROBERTSON, of Virginia, support the bill and it has the backing and support of the citizens of the city of Chincoteague and surrounding area.

No expenditure by the United States is involved. Construction and maintenance of roads and bridge will be undertaken by an agency of the State of Virginia.

The staff has discussed the subject with the Senator from Oregon [Mr. MORSE], and has ascertained that the bill does not in any way violate the Morse formula.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

AMENDMENT OF ALASKAN AIRPORTS ACT OF 1948

Mr. MONRONEY. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 381, Senate bill 1366.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1366) to amend the act entitled "An act to authorize the construction, protection, operation, and maintenance of public airports in the Territory of Alaska," as amended.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interstate and Foreign Commerce with an amendment, on page 2, line 6, after the word "years", to insert a comma and "and any such lease heretofore made may be renewed or renegotiated for any such period", so as to make the bill read:

Be it enacted, etc., That section 5 of the act entitled "An act to authorize the construction, protection, operation, and maintenance of public airports in the Territory of Alaska," approved May 28, 1948 (62 Stat. 277), as amended, is further amended to read as follows:

"SEC. 5. The Secretary of Commerce is empowered to lease under such conditions as he may deem proper and for such periods as may be desirable (not to exceed 10 years) space or property within or upon the airports for purposes essential or appropriate to the operation of the airports: *Provided*, That real property within or upon the airports may be leased for purposes of erecting structures necessary or incident to the operation of the airports, for periods not exceeding 55 years, and any such lease heretofore made may be renewed or renegotiated for any such period."

The amendment was agreed to.

Mr. DIRKSEN. Mr. President, may we have an explanation of the bill?

Mr. MONRONEY. Mr. President, this bill was introduced at the request of the Department of Commerce. The bill would amend section 5 of the act under which the Department operates airports at Anchorage and Fairbanks, Alaska—May 28, 1948; 62d Statutes at Large, page 277.

Section 5 empowers the Secretary of Commerce to lease real property on the airports for periods of not more than 20 years for the erection of structures necessary or incident to the operation of the airports, such as airline hangars, executive offices, and so forth. S. 1366 would extend the maximum period of leases from 20 to 55 years.

The 20-year-maximum term was originally considered adequate because, prior to the liquidation of the Reconstruction Finance Corporation, it was possible for national banks to make construction loans for commercial facilities on land held under lease for 20 years. Under present law, however, national banks are prohibited from lending money secured by mortgages on leaseholds having less than 50 years to run from the date of the loan—title 12, United States Code, section 381. Since national banks are the principal source for financing the type construction which should now be undertaken at these airports by private industry, the 20-year-maximum term limitation tends to prevent the necessary development of these airports.

This same problem as applied to leases made by the Alaska Railroad for industrial development along its right-of-way has already been dealt with in Public Law 232 of the 84th Congress, which also increased maximum leasehold terms from 20 to 55 years.

AGENCY COMMENTS

The General Accounting Office favors enactment of this legislation. The Civil Aeronautics Board has no objection to the bill, and the Departments of Interior and Justice have expressed no comment.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RAPID TAX AMORTIZATION IN CONNECTION WITH PROPOSED HIGH DAM IN HELLS CANYON

Mr. GOLDWATER. Mr. President, I ask unanimous consent that there be printed in the body of the RECORD at this point a statement which I have prepared on the subject of rapid tax amortization in connection with the proposed high dam in Hells Canyon.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR GOLDWATER

The backers of the Federal Hells Canyon bill and other friends of public power have bandied about some astronomical figures concerning the benefits they claim Idaho Power Co. will receive as a result of ODM's rapid tax amortization certification of the Brownlee and Oxbow Dams.

In 1955, when another Hells Canyon bill—S. 1333—was pending in the Senate, they produced a benefit figure of $338 million. This year they have come up with a figure of $329 million. In any case, they have been so generous as to make them suspect of trying to kill Idaho Power's projects with kindness.

These figures are the product of mathematics done with mirrors. It is a part of a public power indignation campaign to whip up a fury against Idaho Power and thus win substitution of a half-billion-dollar Federal Hells Canyon Dam for the public utility's three-dam project now well underway on the Snake River.

It is worth examining the method used in achieving this figment of mathematical imagination on the part of the Hells Canyonites. This method is described in the testimony given by Mr. Charles A. Robinson, Jr., staff engineer of the National Rural Electric Cooperative Association before the Senate Irrigation and Reclamation Subcommittee on May 3, 1955. That's when S. 1333 was before the subcommittee. A reading of this tertimony clearly exposes the kind of mathematical legerdemain which has been and is being used. It would be downright sad if it were not so ludicrous. It recalls that old math gimmick which involves figuring how many billions we would have now if we had had the foresight to invest 1 cent at 6 percent compound interest in the year 1.

I append for printing in the RECORD at this point excerpts from Mr. Robinson's testimony on May 3, 1955, before the Subcommittee on Irrigation and Reclamation of the Senate Interior and Insular Affairs, and I call particular attention to the observations of my esteemed colleague the Senator from New Mexico [Mr. ANDERSON].

EXCERPTS FROM THE TESTIMONY OF CHARLES A. ROBINSON, JR., STAFF ENGINEER, NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION, ON S. 1333, HELLS CANYON PROJECT, BEFORE THE SUBCOMMITTEE ON IRRIGATION AND RECLAMATION OF THE SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS, MAY 3, 1955

What is the proposal of the private utility company for financing this project? The cost of its plan has been estimated at between $129 million and $176 million, and it claims that it will all be financed by private investment. Nonetheless, the company had pending on April 25, 1955, before the Office of Defense Mobilization applications for rapid tax depreciation certificates which would allow them to write off $35.9 million of the cost of the Oxbow development and $67.1 million of the proposed cost of the Brownlee development.

Senator ANDERSON. Not writeoff, but accelerated depreciation over a 5-year period.

Mr. ROBINSON. Yes, sir. Depreciate whatever portion of the certificates were granted to them in a 5-year period.

Senator ANDERSON. What is the normal depreciation on a powerplant, around 35 or 40 years?

Mr. ROBINSON. I would say that would be reasonable; yes, sir.

Senator ANDERSON. On these dams it has been 50 or even more years.

Mr. ROBINSON. On Federal projects the cost of the dam is repaid over a period of 50 years, that is, the rate is designed to repay the power cost over a 50-year period. However, the benefit-to-cost ratio of many dams is figured on a 100-year period. So we can assume that under the Federal plan, probably the entire cost will be repaid in a 50-year period, and then the Government will get the revenue from the project for an additional 50-year period, during which there will be no repayment of initial capital cost.

I asked our economist, Dr. Cochran, who is here with us today, to determine what these rapid tax-depreciation certificates would mean to the company in the way of benefits. Invested over a 50-year period at 6 percent, we figure the company would earn a total benefit of over $338 million on these certificates, and that is almost twice the highest estimate of the entire construction cost of all 3 projects.

This is the way we arrived at that figure. Take the amount that the company is authorized to depreciate over a 5-year period. That enables them to accumulate each year during the first 5 years a great percentage or a high percentage of the amount they would ordinarily pay for taxes. That is, if they were allowed to write off $100,000 a year, we will say, the tax rate is 50 percent, roughly on a corporation, 52 percent, I believe. That means the company would save each year half that amount, or $50,000 in taxes. Our calculations assume that after this money was accrued by the company during the first 5 years it would be invested at 6 percent for the remaining 45-year period, and each year during the succeeding 45-year period the company would repay the taxes that were withheld during the first 5-year period, which we think is a reasonable assumption.

In summary, Mr. Chairman, our people in the Pacific Northwest and throughout the country are in wholehearted support of the project. We feel it will provide significantly more prime capability and more average annual energy than the company plan, both of which are badly needed in the Pacific Northwest.

We feel that the large reservoir storage capacity of the Federal project as contrasted with the company plan will spell security for the Government's existing $2 billion investment in downstream multiple-purpose projects, and would help to maintain the feasibility of the Columbia River development plan.

The argument is frequently made, Mr. Chairman, that commercial power-company development will mean more revenue to the Government because of the fact that the revenue from the company project would be subject to Federal income tax. From this premise the companies figure that private construction means increased taxes from the area.

We believe this to be a false conclusion because of the fact that the income tax coming to the Government from any particular area depends not only on the tax rate and the amount contributed by any given corporation, but also upon the entire tax base of the area. In areas where the Federal Government has undertaken large-scale development, major industrial, agricultural, and economic development has followed, which we feel has increased the tax base and made available more revenue than probably would have been made available had the Federal plan not been pursued.

I believe this is especially true in the TVA area.

We think that the obvious attempt of the Idaho Power Co. to secure Federal subsidization of its plan through the issuance of tax amortization certifications indicates that the company expects the taxpayers to lend it appreciable financial assistance and, by comparison, Federal construction will return to the taxpayers not only the benefits of area development, but the entire cost of the project within a 50-year period.

That is all, Mr. Chairman, except that I would like to submit for the record two resolutions in support of the Hells Canyon project which are attached to my statement, and which urge construction by the Federal Government. They were unanimously adopted by our 13th annual meeting of members in Atlantic City, N. J., on February 17, 1955.

I appreciate the opportunity of presenting my somewhat voluminous statement, and I am sorry I have taken so much time.

Senator ANDERSON. That is all right. I do think the figures on certificates, on page 14 of your statement, are subject to quite a bit of analysis.

Mr. ROBINSON. Would you like to go into that, sir?

Senator ANDERSON. I just want to give you my own reaction to it. If it is $103 million over a 5-year period, that is a writeoff of $20 million a year, a savings of $10,400,000 a year in taxes. For a 5-year period it would be a total saving of maybe $50 million. At the end of that period they are certainly not going to be able to invest that money at 6 percent or, if they can, they ought to go out of the utility business and go into the investment business.

Secondly, you want to remember that after that, for the next 45 years, they will pay higher taxes, because they will not be permitted to take the depreciation.

Understand me, I do not like this any better than I like the fact that Duquesne Power & Light Co. wrote off its plant up at Shippingport, Pa. I think it is wrong, and I do not believe in it at all. There is no defense connected with it. But I do not believe it figures out to a saving of $300 million.

Mr. ROBINSON. Let me comment on your question, and then I would like to introduce Dr. Clay Cochran, who prepared those figures.

You see, the thing is that after the first 5 years, assuming you invest at 6 percent or possibly at——

Senator ANDERSON. You start with an assumption. Can you tell me where to put money at 6 percent?

Mr. ROBINSON. The utility companies constantly claim that they need a 6-percent return to stay in business.

Senator ANDERSON. I am not arguing that. As a matter of fact, as you well know, I have had a few things to say about a certain Dixon-Yates contract which was built up on that basis. But I say you cannot figure that somebody is going to invest his money so it makes 6 percent.

COMPILATION OF FEDERAL LAWS RELATING TO REGULATION OF CARRIERS

Mr. MONRONEY. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 391, Senate bill 695.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 695) providing for the revision and printing of a compilation of Federal laws relating to the regulation of carriers subject to the Interstate Commerce Act.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MONRONEY. Mr. President, this bill is identical with S. 4145 of the 84th Congress, which was reported favorably by the Committee on Interstate and Foreign Commerce and passed by the Senate. It died in the House.

The bill would allow the Interstate Commerce Commission to revise and bring up to date and prepare for printing an annotation of the acts administered by the Interstate Commerce Commission.

The present annotation consists of 16 volumes, the last of which was printed in 1953. Volumes 6 through 11 were printed as Senate documents, and during the last Congress the Commission suggested that volume 17 be so printed. This committee amended the bill so as to authorize appropriations and to direct the ICC to prepare the material itself.

In other words, we did not want the documents dealing with the Interstate Commerce Commission activities to be charged up to the printing bill of the Senate.

The present ICC budget contains a request for $67,650 for this work. The ICC advises that the next budget will contain the same request and the budget after that a request for $54,925.

The Commission plans to revise and condense the material in some 10 or 11 volumes so that it will be modernized and up to date. The budget requests are keyed for the preparation of 4 volumes per year for the first 2 years and 3 the following year.

It would appear that this annotation of the many cases and the laws which the Commission administers is badly needed by not only the Government but by the practitioners in the field.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed as follows:

Be it enacted, etc., That the Interstate Commerce Commission is authorized to revise, bring up to date, and prepare for printing in suitable form the complete set of volumes entitled "Compilation of Federal Laws Relating to the Regulation of Carriers Subject to the Interstate Commerce Act, With Digests of Pertinent Decisions of the Federal Courts and the Interstate Commerce Commission and Text of or References to General Rules and Regulations."

SEC. 2. There are hereby authorized to be appropriated such sums as may be necessary for the preparation and printing of such revised material.

SEALS FOR BUREAUS AND OFFICES, DEPARTMENT OF COMMERCE

Mr. MONRONEY. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 392, Senate bill 1027.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1027) to authorize the Secretary of

Commerce to prescribe seals for bureaus and offices of the Department of Commerce, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MONRONEY. Mr. President, the pending bill is identical with S. 2909 of the 84th Congress, which was reported favorably by the Committee on Interstate and Foreign Commerce, and passed by the Senate, but died in the House.

The Department of Commerce advises that in the performance of its activities it functions through 13 primary organizations, each responsible to the Secretary. In the conduct of its business the various bureaus and offices are called upon, or often required to verify various documents for court use or for recordation. Except for the Patent Office and the Bureau of Census, which have their own seals, all other papers must be processed in the Office of the Secretary of the Department of Commerce. The Secretary feels that if seals could be official for the units involved, and used in the field, much saving of time would result.

The Department of Justice interposes no objection. The Comptroller General has no comments.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of Commerce is hereby authorized to prescribe or modify individual seals for the constituent organization units of the Department of Commerce. Each seal so prescribed shall contain such device as the Secretary of Commerce may select. Each seal shall remain in the custody of any officer or employee of the constituent unit whom the Secretary of Commerce may designate and, in accordance with regulations issued by the Secretary of Commerce, may be affixed in lieu of the seal of the Department of Commerce to any certificate or attestation that may be required from such organization unit. Judicial notice shall be taken of any seal prescribed in accordance with this authority, a facsimile of which has been published in the Federal Register together with the regulation prescribing such seal and the affixation thereof. Nothing herein contained shall be construed as affecting or modifying existing legislation authorizing seals for specific bureaus or offices of the Department of Commerce.

THE COST OF LIVING

Mr. CARROLL. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Report Kept Secret," written by Sylvia Porter, and published in the Washington Evening Star of June 3, 1957. The article deals with a so-called secret report which is supposed to be contained in the files of the Standard Oil Company of New Jersey. The report is alleged to be an exhaustive study of the reasons why the cost of living has been climbing almost without interruption since World War II.

One of the most significant paragraphs contained in the article reads as follows:

Standard Oil's unpublished report must reveal that despite the fact that labor is getting most of the blame for the postwar inflation, the pricing practices of some of our basic industries have been the more important reason for the cost-of-living spiral.

It is a most noteworthy article, and I hope the Members of the Senate will pay close attention to it.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REPORT KEPT SECRET

(By Sylvia Porter)

In the files of Standard Oil Co. (New Jersey), the largest oil corporation in the world, there is a secret report. It is an exhaustive study of the reasons why the cost of living has been climbing almost without interruption since World War II.

The report, as I understand it, shows dramatically which has been most responsible for our creeping inflation—industry's price raises year after year, or labor's wage demands year after year.

The study is finished, ready for publication. But it hasn't been released by Standard Oil and the odds are it won't be.

"Why?" I bluntly asked Monroe J. Rathbone, Standard Oil's president, when he disclosed the existence of the study in a private talk. "Does it indict people you don't want to see indicted?"

He shrugged his shoulders expressively.

"It is an indictment," he said. And after a bit more prodding, he added, "Yes, it is an indictment of some in industry."

RETICENCE CITED

I didn't have to press Mr. Rathbone any further. Mr. Rathbone's reticence told the tale.

Standard Oil's unpublished report must reveal that despite the fact that labor is getting most of the blame for the postwar inflation, the pricing practices of some of our basic industries have been the more important reasons for the cost-of-living spiral.

The top brass of Standard Oil threw a party a few days ago in the city and I stopped by. It was billed as a "no-work" affair, but—well, if you had a chance to chat privately with the head of Jersey Standard, would you waste the time talking about the weather?

Here is how Mr. Rathbone answered my questions on matters of deep bread-and-butter interest to you.

Is there any possibility of a reduction in the prices of gasoline and fuel oil in the foreseeable future?

No. There will be price wars here and there. There will be seasonal dips and competitive clashes which will give buyers temporary bargains. "But assuming economic conditions remain as they are, I can't see general price cuts. Rising costs are eliminating this trend."

Is the future then one of higher and higher prices?

There won't be any more price increases this year. The oil firms are having trouble enough making the January raises stick.

"But over the longer term, prices of gas and oil are going up. Rising prices of materials we must buy, rising wages in our industry and others, the need for us to finance enormous expansion and research programs at increasing costs are putting constant pressure on prices. As the costs of doing business go up, gas and oil prices will go up too."

RECORD EARNINGS

In view of your record earnings ($806 million net in 1956, $237 million in the first quarter of 1957), isn't this price trend hard to justify?

As far as Mr. Rathbone is concerned, it isn't; he makes no apologies for price raises or peak profits. Instead, he insists Standard Oil must make the profits so it has the cash to finance its huge expansion—set at $1.2 billion for 1957 alone. He sees the demand for oil growing at a fantastic rate, doubling by 1975. "It's better to have higher prices and sufficient oil than lower prices and oil shortages that will stop the economic machine in its tracks."

But where will this price trend end?

"I don't know. That's what scares me more than anything else. I just don't know the answers."

And this admission of impotence—or at least failure on the part of a man of Rathbone's power to see how the spiral can be stopped—is the grimmest part of this grim report.

If neither giant business nor giant labor nor giant government will take positive action to curb it, where does it end?

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I have previously announced that on tomorrow the Senate will consider the sockeye salmon fisheries protocol. In addition, the Senate may consider Calendar No. 390, H. R. 7143, to continue in effect the provisions relating to the authorized personnel strengths of the Armed Forces.

I should also like now to give notice that the following bills, which have been cleared for floor action, may be considered tomorrow:

Calendar No. 403, S. 1535, to amend the Federal Property and Administrative Services Act of 1949 to authorize the Administrator of General Services to make contracts for cleaning and custodial services for periods not exceeding 5 years.

Calendar No. 404, S. 1799, to facilitate the payment of Government checks, and for other purposes.

Calendar No. 405, S. 1408, to provide allowances for transportation of house trailers to civilian employees of the United States who are transferred from one official station to another.

Calendar No. 406, S. 1141, to authorize and direct the Administrator of General Services to donate to the Philippine Republic certain records captured from insurrectors during 1899–1903.

Mr. President, I also express the hope that the Judiciary Committee will take early action on previously approved House bills of a private nature, and also report to the Senate any Senate bills of a similar nature at the earliest possible date.

TOBACCO AND CANCER

Mr. KEFAUVER. Mr. President, tobacco both as the basis for industry and an important segment of agriculture is of great importance.

It was the substance of the first international trade. It is of particular importance in the Middle South, where

most of the tobacco is grown and where much of the industry based on tobacco is located. My own State of Tennessee, which is a substantial producer of burley and other kinds of tobacco, which has been increasing in value and importance, has a vital stake in the tobacco business.

For some years charges have been made that the smoking o cigarettes had a relationship to the development of cancer of the lungs and heart disease. The American Cancer Society has now released the findings of a scientific committee, based on a long statistical study. The conclusions of the committee are that cigarette smoking increases the likelihood of lung cancer and heart disease. The effect of this report will be felt throughout the tobacco industry.

What has not been discovered is a causative agent in cigarette smoke. We do not know if the causative agent is in the tobacco itself, in the cigarette paper, or exactly what is it. We simply do not know.

The tobacco industry, of course, is cooperating in scientific efforts to find this cause. Once it is isolated and identified, steps can be taken to remove it or lessen its effect.

Since the interest of a great industry is involved, and since a thriving portion of our agriculture is at stake, it seems to me that the appropriate scientific resources of the Federal Government ought to be brought into the picture.

The tobacco industry is a basis for hundreds of millions of dollars in taxes paid both to the Federal Government and the State governments, and often to municipalities. In view of the billions of dollars which it has produced for the Treasury during its long history, it seems only fair and right that we should be willing to help the tobacco industry find the answer to the problem promptly.

Time and time again Congress has demonstrated its vital concern of the Nation's health. Here is a matter that concerns deeply the majority of our citizens who are smokers. It concerns our tax revenues. It affects an important industry. It affects the lives of many thousands of farmers and the communities in which they trade. The need for action is immediate, and time is of the essence.

AMENDMENT OF REORGANIZATION ACT OF 1949, AS AMENDED

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar 393, S. 1791.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1791) to amend the Reorganization Act of 1949, as amended, so that such act will apply to reorganization plans transmitted to the Congress at any time before June 1, 1959.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. Do I correctly understand that the pending business is Calendar No. 393, Senate bill 1791, amending the Reorganization Act of 1949, as amended?

The PRESIDING OFFICER. That is correct.

Mr. JOHNSON of Texas. The distinguished junior Senator from Minnesota [Mr. HUMPHREY] is in the Chamber, and is prepared to explain this measure. I ask that he be recognized for that purpose.

Mr. HUMPHREY. Mr. President——

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. HUMPHREY. Mr. President, this bill proposes that the Reorganization Act of 1949 be continued from its present expiration date of June 1, 1957, to June 1, 1959. Inasmuch as we are now in the first week of June, it is obvious that this measure must be enacted promptly if the work involving reorganization of the Government under the terms of the Hoover Commission reports is to be continued.

The objective of the bill is to permit more effective reorganization of the executive branch of the Government, by authorizing the President to submit reorganization plans which will become law unless disapproved by a majority of the authorized membership of either House within 60 calendar days following the date of submission.

The President has recommended the enactment of this measure, as has the Director of the Bureau of the Budget. The bill has full administration support. Furthermore, the bill was unanimously reported by the Committee on Government Operations; and the bill was introduced by the chairman of the committee, the Senator from Arkansas [Mr. MCCLELLAN].

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1791) was ordered to be engrossed for a third reading, read the third time, and passed as follows:

Be it enacted, etc., That subsection (b) of section 5 of the Reorganization Act of 1949 (63 Stat. 205), as amended by the act of February 11, 1953 (67 Stat. 4) and the act of March 25, 1955 (69 Stat. 14), is hereby further amended by striking out "June 1, 1957" and inserting in lieu thereof "June 1, 1959."

PAYMENT OF TRANSPORTATION AND SUBSISTENCE COSTS TO TEMPORARY EMPLOYEES ON FEDERAL HIGHWAY PROJECTS

Mr. HUMPHREY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 394, Senate bill 1941, to authorize the payment by the Bureau of Public Roads of transportation and subsistence costs to temporary employees on direct Federal highway projects.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1941) to authorize the payment by the Bureau of Public Roads of transportation and subsistence costs to temporary employees on direct Federal highway projects, which had been reported from the Committee on Government Operations with amendments on page 2, line 1, after "1949", to insert "and the Standardized Travel Regulations insofar as consistent with this act", and, in line 3, after the word "of", where it appears the first time, to strike out "temporary" and insert "seasonal", so as to make the bill read:

Be it enacted, etc., That funds authorized to be appropriated under the Federal-Aid Road Act approved July 11, 1916, as amended and supplemented, for direct Federal highway projects, and funds made available to the Bureau of Public Roads from other Federal agencies for such Federal projects shall be available, under regulations approved by the Secretary of Commerce, for payment of transportation expenses and per diem in lieu of subsistence expenses, in accordance with the Travel Expense Act of 1949, and the Standardized Travel Regulations insofar as consistent with this act, for travel of seasonal employees between points of hire and project locations and while performing duty at project locations.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Committee on Government Operations.

The amendments were agreed to.

Mr. ALLOTT. Mr. President, may we have a brief explanation of the bill?

Mr. HUMPHREY. Mr. President, the bill was introduced at the request of the Secretary of Commerce, who stated that enactment of the bill is necessary in view of a recent decision of the Comptroller General which precludes the payment of transportation and subsistence expenses in connection with the hiring of students and other available persons on a temporary or seasonal basis in carrying out direct Federal highway-construction programs.

The Secretary stressed the need for urgency, since the peak of the highway construction period is during the months of June, July, and August, and, without the authority requested, a serious staffing problem will be created. In other words, there would then be the problem of hiring permanent employees, instead of temporary employees.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1941) was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949, AS AMENDED

Mr. HUMPHREY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 395, Senate bill 1536, to amend subsection 507 (a) of the Federal Property and Administrative Services Act of 1949, as amended.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1536) to amend subsection 507 (a) of the Federal Property and Administrative Services Act of 1949, as amended.

The PRESIDING OFFICER. A companion (H. R. 5110) has been received from the House of Representatives.

Mr. HUMPHREY. Mr. President, is the House bill identical?

The PRESIDING OFFICER. The Chair so understands.

Mr. HUMPHREY. Then, Mr. President, in order to facilitate action on this measure, and if agreeable to the acting minority leader, I shall ask that Senate bill 1536 be temporarily laid aside, and that the Senate proceed to the consideration of House bill 5110, an identical bill.

The PRESIDING OFFICER. The Chair lays before the Senate a bill coming over from the House of Representatives.

The bill (H. R. 5110) to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes, was read twice by its title.

Mr. HUMPHREY. I move that the Senate proceed to the consideration of the House bill.

The motion was agreed to; and the Senate proceeded to the consideration of the bill (H. R. 5110) to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes.

Mr. HUMPHREY. Mr. President, the pending bill will amend section 507 of the Federal Property and Administrative Services Act of 1949, as amended, by authorizing the Administrator of General Services to direct and effect the transfer to the National Archives of any Federal records which have been in existence for more than 50 years. Under the provisions of the bill, the Archivist of the United States will determine whether the records have sufficient historical value to warrant their continued preservation. The authority would not apply in cases where the head of the agency certifies to the Administrator that the records must be retained in his possession for the conduct of current official business.

Mr. President, the real purpose of the bill is economy. Let me add that all the bills discussed in the past few minutes, which have been reported from the Committee on Government Operations, are directed toward substantial cash savings for the taxpayers. It is the belief of the committee, as well as those in the executive branch who, along with the Hoover Commission, have studied this situation, that by the elimination of some of the paperwork and the storage of the records, substantial savings in Federal expenditures will be made.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 5110) was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1536 is indefinitely postponed.

QUITCLAIM OF INTEREST IN CERTAIN LANDS IN INDIANA

Mr. HUMPHREY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 396, Senate bill 806, to authorize the Administrator of General Services to quitclaim all interest of the United States in and to certain lands located in Indiana to the State of Indiana and to the board of trustees for the Vincennes University, Vincennes, Ind.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 806) to authorize the Administrator of General Services to quitclaim all interest of the United States in and to certain lands located in Indiana to the State of Indiana and to the board of trustees for the Vincennes University, Vincennes, Ind., which had been reported from the Committee on Government Operations with an amendment to strike out all after the enacting clause and insert:

That (a) the Administrator of General Services is authorized and directed to convey by quitclaim deed, without consideration, to the board of trustees for the Vincennes University, Vincennes, Ind., all right, title, and interest in and to that parcel of land located in the city of Vincennes, Ind., title to which was vested previously in the city of Vincennes, Ind., by section 2 of the act of March 3, 1881 (21 Stat. 505), and which was authorized to be conveyed with certain reservations to the board of trustees for the Vincennes University by the act of June 30, 1944 (58 Stat. 645). The Administrator shall except from such conveyance that area of land within such parcel bounded by Third and Fourth Streets and Indianapolis Avenue and Hickman Street (now College Avenue).

(b) The Administrator shall withhold execution of the conveyance provided for in subsection (a) until he determines that the city of Vincennes, Ind., has released and conveyed to the board of trustees for the Vincennes University any right, title, and interest that such city may have in and to the parcel of land defined in subsection (a). In the event the city of Vincennes fails to release and convey such right, title, and interest within 6 months from the date of enactment of this act, the authority contained herein shall terminate and be of no further force or effect.

Mr. HUMPHREY. The bill, known as S. 806, was introduced by the senior Senator from Indiana [Mr. CAPEHART], and was referred to the Committee on Government Operations.

The purpose of the bill, as amended, and as reported unanimously, I believe, by the committee, is to remove certain reversionary restrictions so that the Vincennes University in Indiana may erect much needed school facilities on land which is a part of the university campus.

The Government's interests in this property are nominal only, and the reversionary restrictions proposed to be removed are reported as having little or no monetary value. Furthermore, all the protections which are usually afforded the Government in this type of legislation are included.

Mr. President, I ask unanimous consent that there may be printed in the RECORD at this point an extract from the report on the bill, as marked. I do this because the bill involves a transfer of some property, and so that every Senator who is interested in the bill may be informed.

There being no objection, the extract from the report (No. 389) was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill, as amended, is to remove certain reversionary restrictions so that the Vincennes University may erect much-needed school facilities on the land which is a part of the university campus. The Government's interests are nominal, and the reversionary restrictions proposed to be removed are reported as having little or no monetary value.

The bill, as amended, provides as follows:

"That (a) the Administrator of General Services is authorized and directed to convey by quitclaim deed, without consideration, to the board of trustees for the Vincennes University, Vincennes, Ind., all right, title, and interest in and to that parcel of land located in the city of Vincennes, Ind., title to which was vested previously in the city of Vincennes, Ind., by section 2 of the act of March 3, 1881 (21 Stat. 505), and which was authorized to be conveyed with certain reservations to the board of trustees for the Vincennes University by the act of June 30, 1944 (58 Stat. 645). The Administrator shall except from such conveyance that area of land within such parcel bounded by Third and Fourth Streets and Indianapolis Avenue and Hickman Street (now College Avenue).

"(b) The Administrator shall withhold execution of the conveyance provided for in subsection (a) until he determines that the city of Vincennes, Ind., has released and conveyed to the board of trustees for the Vincennes University any right, title, and interest that such city may have in and to the parcel of land defined in subsection (a). In the event the city of Vincennes fails to release and convey such right, title, and interest within 6 months from the date of enactment of this act, the authority contained herein shall terminate and be of no further force or effect."

BACKGROUND

Information furnished the committee by Vincennes University, under date of April 12, 1957, gives the chronological history of the real estate involved, and the need for the present legislation, as follows:

"1. By an act of Congress approved March 3, 1881 (21 U. S. Stat. 505), title to all of the real estate here involved was vested in the city of Vincennes, for use as a city park, with a reservation that if it ceased to be used as a park the title should revert to the United States.

"2. By an act of Congress approved June 30, 1944 (58 U. S. Stat. 645), the city of Vincennes was authorized to convey its interest in said real estate to the board of trustees for the Vincennes University with the double reservation that if the university ceased to use the property for school purposes, it would revert to the city for park purposes, and that if the city ceased to use it for that purpose it would then revert to the United States.

"3. On April 9, 1946, the city of Vincennes conveyed all of its interest in said property to the board of trustees for the Vincennes University. This deed was approved by the Secretary of the Interior on May 7, 1946, and is recorded in Deed Record 113 at pages 50 to 56 in the recorder's office of Knox County. The city of Vincennes has not since claimed and does not now claim any interest in this property.

"4. On April 25, 1949, the trustees of the university conveyed two city blocks; bounded by Indianapolis Avenue, Second Street, Fourth Street, and Hickman Street (now College Avenue); off the east end of the above tract to the State of Indiana. This conveyance was made upon the understanding that the land conveyed would be used as a site for a National Guard Armory which might be used by the university when it was not needed for military purposes.

"5. On the following day, April 26, 1949, the city of Vincennes executed a similar deed to the State. This deed was not for the purpose of conveying title, since the city did not claim to have any title, but was merely in the nature of a quitclaim of all interest of the city in the property involved.

"6. Being unable to comply with its promise to Vincennes University, the State of Indiana, on the 7th day of February 1957, reconveyed to Vincennes University and the city of Vincennes that part of said real estate which is bounded by Hickman (now College Avenue), First and Second Streets, and Indianapolis Avenue. This deed is duly recorded in the recorder's office of Knox County, Ind.

"7. All of the land described in this legislation is actually used and occupied by Vincennes University as a college campus. The Federal Government has already parted with title to it, except on the contingencies that the university shall cease to use it for school purposes, and, in which event, the city of Vincennes should then cease to use it for park purposes.

"8. The only purpose of this legislation is to release the land from these reversionary restrictions, so as to vest the fee simple title in the university. Before this can be done, the bill provides that the city shall again release its reversionary interest in favor of the university. The proposed act is necessary so that the university may obtain a self-liquidating loan from the Federal Housing Administration for the erection of much-needed school facilities on its campus.

"It should be pointed out that the Federal Government has no substantial interest in the property and that its remote reversionary interest has no monetary value."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute.

The amendment was agreed to.

The bill (S. 806) was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the Administrator of General Services to quitclaim all interest of the United States in and to a certain parcel of land in Indiana to the board of trustees for the Vincennes University, Vincennes, Ind."

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SCOTT in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AGRICULTURAL TRADE DEVELOPMENT ACT—NOTICE OF HEARINGS BEFORE COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. HUMPHREY. Mr. President, on another matter, for the information of my colleagues in the Senate, I should like to announce, acting on behalf of the chairman of the Committee on Agriculture and Forestry, the Senator from Louisiana [Mr. ELLENDER], that starting on the morning of the 11th day of June, at 10 a. m., the full Committee on Agriculture and Forestry will begin hearings of a rather exhaustive and comprehensive nature relating to the administration of Public Law 480, which is known as the Agricultural Surplus Disposal Act, or, in more formal language, the Agricultural Trade Development Act.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. These hearings will be continued for several weeks in an effort to find out about this legislation, how it operates, how it is being administered, the relationship of the agricultural program to our foreign policy, and, finally, what, if any, improvements can be made not only in the administrative features, but in the substantive legislation itself.

I now yield to the Senator from Montana.

Mr. MANSFIELD. I should like to ask the distinguished Senator from Minnesota if he has any idea as to how much money has been spent under Public Law 480 up to this time.

Mr. HUMPHREY. I believe approximately $3 billion.

Mr. MANSFIELD. Does the Senator have any idea as to precisely what the United States Government has received in return?

Mr. HUMPHREY. Yes. I would say that the United States Government has received in return, under Public Law 480, first of all, an expansion of its export market, and the development of some new consumer habits in American food products. It has also received a substantial amount of foreign currency which, if properly used, can be of benefit to our country. Best of all, I would say we have received a lot of good will and a tremendous appreciation on the part of other peoples. I think it is an appreciation on the part of governments, but surely on the part of their people.

Mr. MANSFIELD. Where is the money which we received in return for Public Law 480 disbursements?

Mr. HUMPHREY. I wish to say to the Senator, that is going to be a part of our inquiry. I have been very much disturbed, as the Senator from Montana knows, by what I consider to be rather loose administrative control and operation of the funds generated or gained by the sale of our surplus commodities to other countries.

The Executive order—the number of which escapes my memory for the moment—relating to the administration of Public Law 480, is a prime example of confused bureaucracy.

Mr. MANSFIELD. Under whose authority is Public Law 480 administered?

Mr. HUMPHREY. That is one of the great mysteries and secrets of modern government. Allegedly and supposedly Public Law 480 is a Department of Agriculture program, but under the different titles of Public Law 480 various officers in the Department of Agriculture have some authority.

I believe title I, the sales part of the program, is under Assistant Secretary McLain. Title III, covering the barter provisions, is under Mr. Berger, head of the Commodity Stabilization Service. They do not really control the situation either, because under the executive order much of this program must be coordinated with the Administrator of the International Cooperation Administration, Mr. Hollister.

Mr. MANSFIELD. But the entire program deals with surplus commodities produced in this country.

Mr. HUMPHREY. Exactly.

Mr. MANSFIELD. In the final analysis, is not Mr. Benson, the Secretary of Agriculture, the man who is responsible?

Mr. HUMPHREY. He should be.

Mr. MANSFIELD. He does not know where the funds are, which have been returned for disbursement under the Surplus Products Act, Public Law 480.

Mr. HUMPHREY. There is evidence which would lead one to believe that no one in the Government of the United States is entirely sure as to exactly where the funds are. If anyone is sure, he has not told us where they are, or what has been done with them. I am very much upset over the situation.

Mr. MANSFIELD. Did not Mr. Benson announce to the press earlier in the week that his Department had suffered another $1 billion plus loss because of his having to buy up surplus food products?

Mr. HUMPHREY. The Senator is absolutely correct. As I recall, during the weekend—on Friday or Saturday—there were announcements in the press to the effect that the Secretary of Agriculture was telling the American people that the price-support operations for the past year had cost the taxpayers $1 billion, and that most of this loss was due, as he said, to the sale of our surplus commodities overseas under the terms of Public Law 480.

I have this observation to make: First, any department head who offers as his claim to fame, or to a headline, the fact that he lost $1 billion, that he cost the people $1 billion, ought to tender his resignation, or at least try to suggest some method for improvement of the administration so that such losses would not occur. In my judgment, the loss of $1 billion is not a qualification for

fame, or for outstanding administrative management.

But what is more important is that the $1 billion loss, so called, is not a loss at all, at least in terms of the $1 billion, because if these commodities are sold, they are sold for the currencies of other lands, and those currencies, such as lira in Italy, or drachmas in Greece, are available to the Government of the United States for the purpose of paying the costs of our Embassy missions and other governmental activities in the area. They are also available for economic development in the respective countries, on the basis of interest-bearing loans.

But what does Mr. Benson do? I want to be fair about this. Because of the way the program is set up, Mr. Benson says that when we sell $100 million worth of wheat to Greece, and we receive the equivalent of $100 million in Greek drachmas, we cannot call that money. It really is not money at all, until the Department of Defense or some other department of Government uses the money, and repays the Department of Agriculture in dollars, through a bookkeeping transaction. Until that point arrives, Mr. Benson says there is no money; we have lost it, despite the fact that we have in foreign banks the equivalent of millions of dollars in currency of foreign countries, owned by the Government of the United States. Despite that fact, the Secretary of Agriculture announces to the American people that we have lost $1 billion.

Those drachmas would buy something today in Greece. They would pay for the student exchange program. They would buy books. They could be used for economic development. As the Senator knows, during the past week we released some of those funds for purposes of economic development. On such loans the Greek Government will pay 4 percent interest, on a long-term basis.

With a little imagination and creativeness—which, by the way, is something for which this administration has no reputation, and justifiably so—that money could be loaned to American businessmen in any country at reasonable rates of interest, on the basis of a 10-, 15-, 20-, or 25-year loan, for the purpose of American business investment. A gentleman is waiting for me in my office at this moment to discuss that very question.

Mr. MANSFIELD. How could our officials do that when they do not even know how much they have?

Mr. HUMPHREY. We intend to find out about that; and no one has tried harder to find out than has the Senator from Montana. What we are trying to find out is how many dollars, in terms of foreign currencies, are available to the Government of the United States. The information seems to be a guarded secret. I think it is labeled "top secret," and that it will require something like an Atomic Energy clearance to find out about it.

Mr. MANSFIELD. Mr. President, will the Senator yield for one further question—and this will be the last?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. Is it not true that the disbursements under Public Law 480, in connection with the foreign-aid program, are in addition to the funds requested by the President?

Mr. HUMPHREY. Exactly. I think it ought to be made very clear that the funds generated by the sale of American surplus commodities are in addition to any funds appropriated for foreign aid or for military expenditures.

I should like to say, in behalf of the farm producers of America, that there is no single thing the Government of the United States is doing that is accomplishing more toward filling the reservoir of good will on the part of other peoples toward the United States than our food program.

This Senator will make it his work in the Senate to try to have a policy established under this Government for the use of the blessings of food and fiber as instrumentalities of American compassion and foreign policy.

I have come to the conclusion that some of the tanks which we send to people who do not know how to operate them—and every Senator knows I am telling the truth—should perhaps be loaded with powdered milk, wheat, or rice. Some of the tanks are sent to countries where the personnel is incapable of handling them. They end up as a sort of memorial to the folly of a military assistance program in areas where the people are not trained to operate them.

Mr. President, on April 13 I forwarded a letter to the Secretary of Agriculture requesting an analysis of the effect of Public Law 480 on sales, on price support levels, on farm prices, and on income of farmers. In response to that request a small task force of representatives of several agencies of the Department of Agriculture was appointed, and that group submitted to me a very fine report relating to the effect of title I of Public Law 480 on exports, on farm prices, on income, and on price support levels.

I am pleased to announce that the overall effect of this program on domestic farm income has been very good and helpful. For example, exports of cotton under title I of Public Law 480 will probably result in the support level—and hence the prices received by farmers for the 1957 cotton crop—being from three-quarters of a cent to a cent higher than would have been the case in absence of this legislation. This is a foreign sales program which has had a decidedly beneficial effect upon the domestic producers and the domestic crop.

I say to my friends from the cotton States that without Public Law 480 the American cotton export program could have been severely crippled. With it there has been a decided improvement in the export market of our cotton crop.

For example, let us take rice. It is estimated that the prices received a hundred pounds by rice farmers for the 1955 crop were 19 cents, and those for the 1957 crop will be at least 27 cents higher. They were 19 cents a hundred pounds higher in 1955, and will be 27 cents a hundred pounds higher in 1957. That is because of the use of Public Law 480.

This is also true, Mr. President, in terms of feed grains and corn. It is estimated that the increased price for corn will probably be about 1 cent a bushel, and for barley from 1 to 2 cents. That does not sound like very much in terms of 1 unit, or 1 bushel. However, when it is realized that we produce billions of bushels of a commodity, it does represent a substantial gross income.

For fats, oils, and oilseed, it is fair to say that Public Law 480 has had great beneficial effect.

The prices of lard and edible tallow were about 2 cents higher because of the effect of this law. Prices of cottonseed and soybeans rose from 1½ to 2 cents a pound in 1955, and 2 cents a pound in 1956.

I have had a tabulation made from which I find that, according to the Department of Agriculture, the farmers' cash receipts from the sale of farm products have been increased by about $165 million in 1955–56, and by about $275 million in 1956–57, as a result of exports until title I of Public Law 480. It is estimated that the amounts in 1957–58 may not be greatly different from those of 1956–57, although there are indications that they may go higher.

Mr. President, I shall not go through the entire report, because it is my hope that the Senate Committee on Agriculture and Forestry will print this analysis and study, made by the Department of Agriculture, as a committee study.

However, I should like to say to the Presiding Officer, the Senator from North Carolina [Mr. SCOTT], who represents one of the great agricultural States of the Union, and to the acting majority leader, the Senator from Oklahoma [Mr. MONRONEY], that this program of agricultural market development and the surplus disposal program, under Public Law 480, if properly understood by those who adminster it, if properly understood by the Members of Congress who have legislated it, if properly understood and applied by our foreign service officers abroad, particularly our embassy officials and our military officials, and if this development could take place, and if this understanding could be brought about, could have a tremendously important and constructive effect upon American foreign policy.

I wish to say again from the floor of the Senate that in the Middle East food is much more important than guns. I wish to say also that if the policy of America in that area of the world would have a little less regard for kings and oil and a little more regard for people and water, and if a little more emphasis were placed upon food, instead of merely upon power, we would have a much more effective policy for the long run.

Mr. President, this program is designed not only to sell commodities, but it is designed also to extend the warm hand of American humanitarianism through the voluntary agencies of our churches and our nonprofit, volunteer groups, to the needy peoples of the world.

A country such as ours, which has a very fine and modern and up-to-date agricultural economy, a country such as ours, with its productive soil, a country

such as ours, which has the God-given blessing of abundance instead of scarcity, ought to be using every means at its command to use this positive element, namely, food, and build strength with it.

Khrushchev, the new television star Secretary of the Communist Party in the U. S. S. R., laid down two challenges to the American people on Sunday afternoon in his television appearance. The first challenge he laid down was that the grandchildren of those in America who were listening to his words and viewing his television appearance would live under communism or socialism.

That was not merely an assertion by Khrushchev; that was a challenge. I suggest, Mr. President, that we accept the challenge and see who is right and who is wrong. If Khrushchev thinks communism or socialism will gain the ascendancy in this country, he has another "think" coming, provided that we will use the human and material resources we have and keep our economy of opportunity, and provided that we will use our material and human resources to give people a chance to live the good life.

I should like to see our country challenge the Soviet system in every area—military, political, economic, cultural, and social.

I am not one of those who feel that, merely because a leader of a country whose traditions and institutions are inimical to our own interests, says something is going to happen, we should permit it to happen.

We know that if we concentrate our attention and dedicate our resources and our strength, we can make not only America a continuing area of political and economic progress, with ever-broadening opportunity, but we can also extend the program.

That is the challenge we should throw right back to the Soviets and say, "If you want to compete with us economically, all right, let's go. If you want to compete with us politically, if you want to compete with us educationally, if you want to compete with us in science and technology, we join the issue right now. Let us start the race."

However, Mr. President, it will require us to concentrate our attention. I am optimistic about the future, provided that we realize that freedom is not free, and provided that we are willing to pay the price in sacrifices in order to attain the objectives of liberal democracy.

What was the second challenge? I want every Senator who has one or more farmers in his State to listen to this challenge. The second challenge was that in the years to come the Soviet Union will out-produce the United States of America in wheat, in beef cattle, in pork, in milk, and in agriculture in general.

He laid it right down on the line. Khrushchev, whose country only a few years ago saw its collective system of agriculture falling apart, Khrushchev, who sent his people to America to see the great farms of Iowa and Minnesota and Illinois and other States, the same Khrushchev now feels a sense of confidence. Why? It is because of the tilling of virgin soil and the opening up of some 20 million acres of land to wheat production, and because that land produces a large crop. The number of cattle in the Soviet Union is increasing for the first time since the revolution of 1917. The Soviet is making a determined effort to extend its agriculture. Why? Because Khrushchev, who knows that in food there is strength and power, and who lives by power in the Soviet Union, and who understands the meaning of power, is now preparing his country to develop the food and fiber resources of Russia, and to drive America out of Europe, Asia, and Africa. Yet we have a Government which toys around with the food program as though it were a liability and as though it were a problem.

I have said on the floor of the Senate, not once but 50 times, that if the Soviet Union had 800 million bushels of wheat in surplus, if the Soviet Union had a billion bushels of corn, if the Soviet Union had 5 million bales of cotton, if the Soviet Union had edible fats and vegetable oils, they would be going around the world like a Fuller brushman—forgive me for bringing the Fuller brushman into this debate—they would be going around the world like a salesman exchanging their resources for others. I saw them do it in Egypt, and they are doing it in other places.

But here we are with a surplus of food. Every time the United States Government sends some food abroad, I hear someone say or I read what some writer states in his column to the effect that the Government is subsidizing agriculture. But when we buy tanks from an American automobile company and send them overseas to people who do not even know how to operate them, we say that is military assistance. We say it is our foreign policy. That is the way we do things.

Every time the Government of the United States decides to send a little food to hungry people, or even to feed armies which we have armed—and, Mr. President, we have armed armies which were so weak physically that they had to be fed before they could carry the weapons—someone says, "That is surplus disposal; that is a subsidy; it is a loss to the Government."

Who says it? The man who runs the Department of Agriculture and his cohorts.

Mr. President, Napoleon knew something about fighting wars and winning them. Napoleon once said that an army travels on its stomach. He was the greatest tactician of his time in the use of artillery. But he spent less time talking about artillery and more time speaking about food.

I repeat: Khrushchev has challenged America in the field of agriculture. We had better place someone in control of the United States agricultural program who knows how to use food for the purposes of peace, progress, and strength. We are beginning to make an effort. We are beginning, I should say, to make some progress. The purpose of my remarks today is to serve warning on all officials in the Government of the United States that I shall be as relentless in my pursuit of this objective as Cato was about Carthage. Cato said every day in the Roman Senate:

> Delenda est Carthago.
> Carthage must be destroyed.

HUBERT HUMPHREY is going to say in the Senate, every day, "America needs a food policy—a food policy not only at home, but also abroad."

One thing I will say for this administration is that it has wrecked the farm program. It has done that. Its farm program is an utter shambles. I hope the farm policy at home can be rebuilt, and that our farm policy abroad can be supplemented by the use of food and fiber in a constructive manner.

If there are officials of the Government who do not know how to use Spanish currency in Spain, when Spain has bought soybean oil, or when it has bought wheat or cotton; if there are officials of the administration who are so unimaginative, so uncreative, and so abysmally unbusinesslike that they do not know how to spend money for constructive purposes, then I suggest that there be a change of personnel. The matter is that simple.

I suggest that if there are in the Government officials who do not know how to use the currencies of other lands for good, constructive purposes, besides those I have mentioned, we simply should change the personnel.

The time is at hand for the American Government to coordinate its foreign policy elements. The Senator from Montana [Mr. MANSFIELD] put his finger on the problem by his question not long ago, when he asked, "How much of that currency is available, and where is it?"

It is the old story of "Button, button, who's got the button?" as people used to say years ago. Now it is, "Currency, currency, who's got the currency?" Nobody quite knows. All I know is that there is plenty of it. My suggestion is that it be used for good purposes.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to my good friend, the great junior Senator from Tennessee.

Mr. GORE. I thank my colleague. I am enjoying immensely his very able address.

I saw recently in a national magazine and also in a large daily newspaper a photograph to which I wish to call the attention of the distinguished junior Senator from Minnesota. It was a picture of United States farm aid, or foreign aid, to agriculture in Vietnam. The picture was of a huge, 4-disk plow.

I have a farm background. I own and undertake to operate a small farm in Tennessee. I know it takes quite a plantation to justify a 4-disk plow. As I understand, the average-sized farm in Vietnam is quite small, many farms being so small that a 4-disk plow and a caterpillar tractor to pull a plow would have difficulty making a turnaround. It appears to me that that is not the kind of technical assistance which I support. It is not the kind of practical assistance usable by the people who need the assistance which I support.

While I was in southeastern Asia, I saw other examples of United States aid programs which are grandiose and impractical. We must try, it seems to me, to enable the people indigenous to the areas we desire to aid to improve their own conditions by their own efforts. I doubt if it is of much assistance to the farmers of Vietnam to give them huge, 4-disk plows and caterpillar tractors unless we want to encourage them to have communal farms.

Mr. HUMPHREY. I thank the Senator from Tennessee for his very wise and timely observation. This is the very sort of thing, as the Senator from Tennessee knows, that the Committee on Foreign Relations is attempting to go into, as we now have before us for consideration the authorization request for the new Mutual Security Act. It is much the same type of material—not in this specific detail relating to Vietnam, except in some other instances—which has been brought forth in the questioning of the Administrator of the ICA and his associates.

I think these questions are asked and the remarks are made in a constructive manner. What we seek to do is to get the most for the dollars we expend. That is the purpose of hearings and the purpose of inquiry by a committee.

Mr. GORE. Mr. President, will the Senator further yield?

Mr. HUMPHREY. I yield.

Mr. GORE. I know the Senator is aware that I speak not as a foe of technical assistance, not as a foe of the programs which have been in effect in past years, to bring about effective ecopomic aid through the point 4 program. I speak as one who has supported those programs.

I see on the floor the distinguished junior Senator from Oklahoma [Mr. MONRONEY] and the distinguished senior Senator from Colorado [Mr. ALLOTT]. The three of us were present in a conference with the late President Magsaysay in the Philippines. I regarded President Magsaysay as the greatest democratic statesman in the entire Asiatic theater. I recall President Magsaysay discussing with us the kind of aid and assistance which the farmers in the Philippines needed. He said they wanted a caribou and a plow with a metal point on it. They want stock for a little fish pond. They do not want a huge caterpillar tractor, which perhaps 1 person out of 10,000 can drive. A huge, four-gang plow is worthless to those people.

I should like to see our program put on a more practical basis than the one it is on at the present time. When it is placed on a practical basis, I shall not only be pleased to endorse it, but I shall be its supporter.

Mr. HUMPHREY. Again I wish to thank the Senator from Tennessee. Every Member of this body knows—as, I am sure, do the President and those in charge of these programs—that the Senator from Tennessee has been, and continues to be, a fervent supporter of these programs, and seeks to improve them. These programs are of the utmost importance. That is why I have raised my voice loudly today in behalf of Public Law 480.

Mr. President, when the Congress makes a large appropriation for the assistance of troops in Turkey—and, by the way, I believe such an appropriation is wise and necessary; the Turks are our good allies, and there are no finer or braver soldiers in all the North Atlantic Alliance countries than the Turks—I have yet to hear compliants about the necessary expenditure of the money of our taxpayers for the military assistance program to Turkey, and I hope I shall not hear any complaint about it. But I observe that it takes much longer—2 or 3 times as long—for the Government of the United States to act upon requests that wheat or cotton or rice or powdered milk be given by us to one of our allies. Certainly the Turkish Army needs food, and the Turkish economy needs food, and the Turkish Government knows that the food is needed. But when requests for food come to us from Turkey, I hear some say, "We do not have any money for food." But, Mr. President, we already have the food; it has been paid for by the Government of the United States, and is in storage. The trouble is that the administration did not have sufficient foresight to request of Congress soon enough, or with enough determination, an authorization for the transfer of the food from the Commodity Credit Corporation into the hands of our allies.

Since the Senator from Wyoming [Mr. O'MAHONEY] is in the Chamber, I should like to call to his attention an observation which was made to me less than a month ago. I remember when the Senator from Wyoming stood on this floor some years ago after having processed in the Appropriations Committee a Defense Department appropriation bill amounting to almost $50 billion; and I remember the fatigue that showed on his face, as a result of the long hours of work he had done in the committee. I am sure the Senator from Wyoming remembers that.

Mr. President, Admiral Briscoe, chief in command of the southern NATO forces in Naples, Italy, the man who is responsible for the defense of the Mediterranean, a man who is responsible for the southern flank of NATO, told me that if war were to break out in Europe, if the Soviets were to attack, there was such an inadequate amount or such a deficit of food in the area he was committed to defend that the troops upon which he would have to rely and the countries upon which he would have to rely had less than a month's supply of food. I am being very generous in my comment, Mr. President, for security reasons. I would not even wish to say publicly how little food they have; I would not say it publicly because at the time we were in executive session or secret session. But let the RECORD read "less than a month's supply."

On the other hand, the Soviet Union has almost 450 submarines. At the beginning of World War II, Nazi Germany had less than 60 submarines; I believe the correct number is 57. Even so, numerous tankers were sunk by Nazi submarines close to the coastline of the United States. In fact, because of the effectiveness of the Nazi submarine warfare, the allies almost collapsed before it was possible to get the full weight of American power into the war. Therefore, Mr. President, 450 submarines, or even 300, in the hands of the Soviets would surely be as effective, if not more so, as the 57 Nazi submarines.

The United States is stockpiling weapons in Europe, and is stockpiling munitions in Europe, and is building a 485-mile-long pipeline across Spain, at a cost of millions of dollars, for fuel for airplanes; and the United States is establishing a great logistics system in France and Italy, for supplies, and is building pipelines for aviation gasoline. But someone has forgotten that people must eat. What about food? What about transferring, for example, some of our great resources of wheat, and putting them into storage facilities in such places as Great Britain, Spain, Greece, or Italy? What about making adequate preparations in the case of foodstuffs, in addition to adequate preparations for atomic weapons?

Many things could be done. I lay no claim to being an expert in this field, but I do lay claim to having an inquisitive mind in regard to these matters. So I am prepared to defend the thesis that everyone's business is no one's business, in the case of Public Law 480. In this case, everyone has his hand on it, but no one is directing its course. Everyone has something to say about it, but no one does much about it. Everyone in the Government has something to say about the money obtained from the sales, but no one seems to know quite what to do with the money.

I come from a section of America and from a family which has always had an idea of what might be done with money, whenever it was available. I hope our country has not become so rich and so fat that the people have lost their ability to act constructively in such a situation as this one, and to use in a constructive way the financial resources in our possession and under our guidance.

Mr. President, for a moment I thought I would read into the RECORD the report I hold in my hand. Instead, however, I should like to request permission that it be printed as a public document. I refer to the report entitled "Effects of Title I, Public Law 480, Exports on Farm Prices, Income, and Price Support Levels." It is a United States Department of Agriculture report.

This study was made, not by me, but by the administration itself. The study underscores what I have argued for, for months, namely, that such a program is not only good internationally, but also is good domestically. Instead of paying money for the storage of these commodities, let us use them; instead of complaining about the situation, let us apply them for good purposes.

Mr. MONRONEY. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. MONRONEY. I wish to express my appreciation of the excellent description the Senator from Minnesota has given of the work under Public Law 480 and its worldwide influence in winning peace. I wonder whether the efforts of our Government to stabilize the economies of these countries, through lending back some of the domestic currencies over a period of time, have also played an important part in holding the remaining democracies away from the influence of the Iron Curtain.

Mr. HUMPHREY. I would say to the Senator he is absolutely right. The countries to which we sell the food first get the use of the food to alleviate some of their human problems at home, and, secondly, under the arrangements which are made, in connection with which there is a great amount of consultation, they get the use of the money as a 35- to 40-year loan, at 5 percent interest. What that has done has been miraculous. Rural electrification has been put into effect in Greece with some of this money. Great reservoirs and dams are being constructed in northwestern Spain to reclaim arid land there. I was in Israel and witnessed what the people there were able to do with Public Law 480 funds. If there ever was a country in which new building and progress are earnestly being undertaken, and in which planning and prudent investment are the theme of the day, it is Israel.

Mr. MONRONEY. In other words, we are not forced to lend dollars or hard currency, but in exporting our agricultural surpluses and taking the local currencies of the country, we resiphon the money, and they are able to use the local currency for which the food surpluses have been sold for the creation of rural electrification, public-health uses, and other worthwhile works. Is that correct?

Mr. HUMPHREY. And schools. The money is used for every good project conceivable.

I say to our farmers, to Mr. Farmer, Mrs. Farmer, and all their fine children, I know of no place where the wheat and the cotton, or the milk which was converted into powdered milk, have been used to buy arms. I know only that the money received has gone into health, education, libraries, electricity, irrigation, and into other works of man for peace.

That fact made me feel good. I have seen food from my own State of Minnesota feed hungry children. I felt better and cleaner as an American. I have seen the cotton which came from the State of the Senator from Oklahoma converted into clothing for the people who needed it. I have seen rice from Arkansas and Louisiana used to feed children in areas of the world such as Greece, where 1 out of every 3 children is an orphan. Think of it, Mr. President, 1 out of every 3 is an orphan. I have seen wheat converted into flour so that people could have a better diet, and then have seen the currencies which were generated from their sale, as the Senator from Oklahoma has said, immediately used to build schools or health centers or 50-bed hospitals. That has been done.

Mr. MONRONEY. The Senator from Minnesota has just returned from the Middle East. He is also familiar with the Far East. Does he not also believe that in buying agricultural surpluses under Public Law 480, those countries do not have a feeling of dependency, and that critics within those countries or outside the countries cannot charge them with being puppets of our Government and of being dominated by the United States Government? In other words, I feel, and I wonder if the distinguished and able Senator from Minnesota does not agree with me, that we must be wary of our good deeds in order that we do not undermine the very governments we are trying to help by furnishing them gratis, in grants, funds they need for public works and military assistance. Under the program the Senator is discussing, they shop for their needs with their own currencies, and they spend their own money.

My question is, Is it not a safer program, if we are trying to help the small and underdeveloped nations, to help them as much as we can in that way, instead of with dollar grants that would cause them to be suspicious of being dominated by the United States?

Mr. HUMPHREY. The Senator is correct. I would not say there are not places where we do not need to help some countries with dollar grants, or with dollar loans, as we come into this new program. We get a twofold effect out of the program. There is the immediate effect of good nutrition from good food, and the second effect is the long-range one of using interest-bearing loans for the good of the country.

Some persons may say, "You are never going to get the money back." That is no way for anyone to feel. The odds are that we will get it back. As a matter of fact, we have found that persons who could not get loans from private lending institutions, some of our own farm people who have gotten money from the Farm Credit Administration, were the best credit risks. They have paid the loans back. I suppose there will be some defaults on some of these loans in certain countries, because we cannot predict their political stability, but I am sure there will be a better degree of political and economic stability and new markets.

I have heard it said that Europeans would not eat cornmeal. I come from an area where there is produced most edible corn. It has been said that Europeans will not eat it. That is not true. They are using it.

I have heard it said that we could not export Cheddar cheese, that Europeans and Asians would not eat it. They do eat it, and love it. What is more, they are developing a taste for it. As they go into the private markets where they are able to purchase their own groceries, they ask to buy Cheddar cheese, which is a product we can export for dollars. This is good business, good foreign policy, and, I may say, a good humanitarian policy.

I hope that in the days to come more Senators will participate in debate on this question. I wish only to add that the total amount of authorizations since 1953 has been $3 billion, and of that amount more than $2,100,000,000 is the value of the currencies we have received. Another $225 million has been paid for ocean freight to deliver relief commodities, commodities for the needy, in places where we could not sell anything—such as the CARE program, the church relief program, the National Catholic Welfare program. I have seen those programs operate. I pay tribute to them. What a magnificent and honorable job they have done.

Mr. President, let someone tell me of any other program in the field of national security that has actually cost the taxpayers less in 3 years than $800 million. That is presuming that the worst happens, that we get nothing back. The amount is $800 million. It is less than that if we deduct ocean freight payments for relief commodities. We authorized $3 billion, which has been used, and we have been able to get back $2,100,000,000 in local currencies. The rest of it has been used because of the difference between the price the United States Government pays to domestic producers and the price at which we can sell on the world market. That money has been used to keep countries well fed. It has been used to keep Turkish soldiers and the Turkish people well fed. It has been used to prevent starvation and economic crises. It has been used to buttress our $350 million airbase program in Spain. General Kissner, whom I greatly admire and respect, and who negotiated the 1953 agreement in Spain, told me that without this food program the base program could not be successful. Yet the Government of the United States has not made up its mind whether it is going to sell food to Spain. The other day I was given the assurance that 70,000 tons of wheat would be made available, at long last. They need 400,000 tons.

I do not hesitate to say that the Spanish people are a fine people. The more contacts we can have with them the better it will be. That does not mean we have to approve a particular person who runs the government. I am talking about people to people. But I also say—and I repeat again and again—when the man who is entrusted with the expenditure of a third of a billion dollars, to build concrete runways for B-52's and B-47's, says, "These bases are not secure and these bases may very well not be of any help to us unless we can avert starvation in Spain," then I must ask, What is wrong with the Department of Agriculture and the Department of State? Why do they not hear that message? I ask, Why do we have an Ambassador there if we do not pay any attention to him? By the way, he is a good Ambassador. He is Mr. Lodge. If all we are going to have is somebody there to see whether the mail is picked up every morning, we can hire a Western Union boy.

I should like to respond to the requests of our Ambassadors who are on the spot. At least, their reactions should be given the most serious consideration, particularly when they are qualified, as is the gentleman to whom I referred.

Let us not talk about this program being wasteful. Let us not talk about it being expensive. As a matter of fact, in the light of what we spend in other areas I should say this is one of the more modest programs. This is one of the examples of frugality in modern times.

No doubt there are many other examples, but this is one we can point to.

Mr. President, I thank my colleagues for their participation in this discussion. I shall try to enlist their assistance later.

The PRESIDING OFFICER. Does the Senator desire that the matter be printed as a document?

Mr. HUMPHREY. No; not at this time.

Mr. O'MAHONEY. Mr. President, let me say to the Senator from Minnesota I am happy to have had the opportunity of listening to his analysis of the food program as it applies to foreign countries. If I understand the message, simply stated, it is that it is more effective and more Christian to serve the peoples of the world with bread and butter than with bombs and bullets.

Mr. HUMPHREY. I wish to thank the Senator, whose mind is always incisive, whose tongue is always articulate, and whose heart is always great and warm. He has stated exactly what needs to be said.

Mr. O'MAHONEY. The Senator is very kind. Mr. President, I desire to discuss another subject.

The PRESIDING OFFICER. The Senator from Wyoming has the floor.

THE SUPREME COURT DECISION AGAINST E. I. DU PONT DE NEMOURS

Mr. O'MAHONEY. Mr. President, I think the request I am about to make follows quite logically the speech which the Senator from Minnesota has made. I ask unanimous consent to have printed in the body of the RECORD at this point the decision rendered by the Supreme Court of the United States on Monday, June 3, in the case of the United States of America, appellant, against E. I. du Pont de Nemours & Co., and others, both the majority and dissenting opinions.

There being no objection, the majority and dissenting opinions were ordered to be printed in the RECORD, as follows:

SUPREME COURT OF THE UNITED STATES—No. 3, OCTOBER TERM, 1956—UNITED STATES OF AMERICA, APPELLANT, *v.* E. I. DU PONT DE NEMOURS AND COMPANY ET AL.—ON APPEAL FROM THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS, JUNE 3, 1957

Mr. Justice Brennan delivered the opinion of the Court.

This is a direct appeal under section 2 of the Expediting Act[1] from a judgment of the district court for the northern district of Illinois,[2] dismissing the Government's action brought in 1949 under section 15 of the Clayton Act.[3] The complaint alleged a violation of section 7 of the act[4] resulting from the purchase by E. I. du Pont de Nemours and Co. in 1917–19 of a 23-percent stock interest in General Motors Corp. This appeal is from the dismissal of the action as to Du Pont, General Motors, and the corporate holders of large amounts of Du Pont stock, Christiana Securities Corp., and Delaware Realty & Investment Co.[5]

The primary issue is whether Du Pont's commanding position as General Motors' supplier of automotive finishes and fabrics was achieved on competitive merit alone, or because its acquisition of the General Motors' stock, and the consequent close intercompany relationship, led to the insulation of most of the General Motors' market from free competition, with the resultant likelihood, at the time of suit, of the creation of a monopoly of a line of commerce.

The first paragraph of section 7, pertinent here, provides:

"That no corporation engaged in commerce shall acquire, directly or indirectly, the whole or any part of the stock or other share capital of another corporation engaged also in commerce, where the effect of such acquisition may be to substantially lessen competition between the corporation whose stock is so acquired and the corporation making the acquisition, or to restrain such commerce in any section or community, or tend to create a monopoly of any line of commerce."[6]

Section 7 is designed to arrest in its incipiency not only the substantial lessening of competition from the acquisition by one corporation of the whole or any part of the stock of a competing corporation, but also to arrest in their incipiency restraints or monopolies in a relevant market which, as a reasonable probability, appear at the time of suit likely to result from the acquisition by one corporation of all or any part of the stock of any other corporation. The section is violated whether or not actual restraints or monopolies, or the substantial lessening of competition, have occurred or are intended. Acquisitions solely for investment are excepted, but only if, and so long as, the stock is not used by voting or otherwise to bring about, or in attempting to bring about, the substantial lessening of competition.

We are met at the threshold with the argument that section 7 before its amendment applied only to an acquisition of the stock of a competing corporation, and not to an acquisition by a supplier corporation of the stock of a customer corporation—in other words, that the statute applied only to horizontal and not to vertical acquisitions. This is the first case presenting the question in this Court. *International Shoe Co.* v. *Federal Trade Commission* (280 U. S. 291), and *Thatcher Mfg. Co.* v. *Federal Trade Commission* (272 U. S. 554), involved corporate acquisitions of stock of competitors.

During the 35 years before this action was brought, the Government did not invoke section 7 against vertical acquisitions. The Federal Trade Commission has said that the section did not apply to vertical acquisitions. See FTC, Report on Corporate Mergers and Acquisitions, 168 (1955). Also, the House committee considering the 1950 revision of section 7 stated that "it has been thought by some that this legislation [the 1914 act] applied only to the so-called horizontal mergers." (H. Rept. No. 1191, 81st Cong., 1st sess., 11.) The House Report adds, however, that the 1950 amendment was purposed "to make it clear that the bill applies to all types of mergers and acquisitions, vertical and conglomerate as well as horizontal."

This Court has the duty to reconcile administrative interpretations with the broad antitrust policies laid down by Congress. Cf. *Automatic Canteen Co.* v. *Federal Trade Commission* (346 U. S. 61, 74). The failure of the Commission to act is not a binding administrative interpretation that Congress did not intend vertical acquisitions to come within the purview of the act. Accord, *Baltimore & Ohio R. Co.* v. *Jackson* (353 U. S. 325, —).

The first paragraph of section 7, written in the disjunctive, plainly is framed to reach not only the corporate acquisition of stock of a competing corporation, where the effect may be substantially to lessen competition between them, but also the corporate acquisition of stock of any corporation, competitor or not, where the effect may be either (1) to restrain commerce in any section or community, or (2) tend to create a monopoly of any line of commerce. The amended complaint does not allege that the effect of Du Pont's acquisition may be to restrain commerce in any section or community but alleges that the effect was "* * * to tend to create a monopoly in particular lines of commerce. * * *"

Section 7 contains a second paragraph dealing with a holding company's acquisition of stock in two or more corporations.[7] Much of the legislative history of the section deals with the alleged holding company evil.[8] This history does not aid in interpretation because our concern here is with the first paragraph of the section. There is, however, pertinent legislative history which does aid and support our construction.

Senator Chilton, one of the Senate managers of the bill, explained that the House conferees insisted that to prohibit just the acquisitions where the effect was substantially to lessen competition would not accomplish the designed aim of the statute, because "a corporation might acquire the stock of another corporation, and there would be no lessening of competition, but the tendency might be to create monopoly or to restrain trade or commerce." "Therefore," said Senator Chilton, "there was added * * * the following: 'Or to restrain such commerce in any section or community or tend to create a monopoly of any line of commerce.'"[9] This construction of the section, as embracing three separate and distinct effects of a stock acquisition, has also been recognized by a number of Federal courts.[10]

We hold that any acquisition by one corporation of all or any part of the stock of another corporation, competitor or not, is within the reach of the section whenever the reasonable likelihood appears that the acquisition will result in a restraint of commerce or in the creation of a monopoly of any line of commerce. Thus, although du Pont and General Motors are not competitors, a violation of the section has occurred if, as a result of the acquisition, there was at the time of suit a reasonable likelihood of a monopoly of any line of commerce. Judge Maris correctly stated in *Transamerica Corp.* v. *Board of Governors* (206 F. 2d 163, 169):

"A monopoly involves the power to * * * exclude competition when the monopolist desires to do so. Obviously, under section 7 it was not necessary * * * to find that * * * [the defendant] has actually achieved monopoly power but merely that the stock acquisitions under attack have brought it measurably closer to that end. For it is the purpose of the Clayton Act to nip monopoly in the bud. Since by definition monopoly involves the power to eliminate competition a lessening of competition is clearly relevant in the determination of the existence of a tendency to monopolize. Accordingly in order to determine the existence of a tendency to monopoly in * * * any * * * line of business the area or areas of existing effective competition in which monopoly power might be exercised must first be determined * * *."

Appellees argue that there exists no basis for a finding of a probable restraint or monopoly within the meaning of section 7 because the total General Motors market for finishes and fabrics constituted only a negligible percentage of the total market for these materials for all uses, including automotive uses. It is stated in the General Motors brief that in 1947 du Pont's finish sales to General Motors constituted 3.5 percent of all sales of finishes to industrial users, and that its fabrics sales to General Motors comprised 1.6 percent of the total market for the type of fabric used by the automobile industry.

Determination of the relevant market is a necessary predicate to a finding of a violation of the Clayton Act because the threatened monopoly must be one which will substantially lessen competition "within the area of effective competition."[11] Substantiality can be determined only in terms of the market affected. The record shows that automobile finishes and fabrics have sufficient peculiar characteristics and uses to constitute them products sufficiently distinct from all other finishes and fabrics[12] to make them a "line of commerce" within the meaning of the Clayton Act. Cf. *Van Camp & Sons Co.* v. *American Can Co.* (278 U. S. 245).[13] Thus, the bounds of the relevant market for the purposes of this case are not coextensive with the total market for finishes and fabrics, but are coextensive with the automobile industry, the relevant market for automotive finishes and fabrics.[14]

The market affected must be substantial. *Standard Fashion Co.* v. *Magrane-Houston Co.* (258 U. S. 346, 357). Moreover, in order to establish a violation of section 7 the Government must prove a likelihood that competition may be "foreclosed in a substantial share of * * * [that market]."[15] Both requirements are satisfied in this case. The substantiality of a relevant market comprising the automobile industry is undisputed. The substantiality of General Motors' share of that market is fully established in the evidence.

General Motors is the colossus of the giant automobile industry. It accounts annually for upwards of two-fifths of the total sales of automotive vehicles in the Nation.[16]

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[1] 32 Stat. 823, as amended, 15 U. S. C., sec. 29. The Court noted probable jurisdiction (350 U. S. 815).

[2] 126 F. Supp. 235.

[3] 38 Stat. 736, 15 U. S. C. (1946 edition), sec. 25.

[4] This action is governed by the Clayton Act as it was before the 1950 amendments, which by their terms are inapplicable to acquisitions prior to 1950. 64 Stat. 1125, 15 U. S. C., sec. 18.

[5] The amended complaint also alleged violations of secs. 1 and 2 of the Sherman Act, 26 Stat. 209, as amended, 50 Stat. 693, 15 U. S. C., secs. 1, 2. In view of our determination of the case, we are not deciding the Government's appeal from the dismissal of the action under the Sherman Act.

[6] 38 Stat. 731, 15 U. S. C. (1946 edition), sec. 18.

[7] This paragraph provides: "No corporation shall acquire, directly or indirectly, the whole or any part of the stock or other share capital of two or more corporations engaged in commerce where the effect of such acquisition, or the use of such stock by the voting or granting of proxies or otherwise, may be to substantially lessen competition between such corporations, or any of them, whose stock or other share capital is so acquired, or to restrain such commerce in any section or community, or tend to create a monopoly of any line of commerce" (38 Stat. 731, 15 U. S. C. (1946 edition) sec. 14).

[8] Sec. e. g., S. Rept. No. 698, 63d Cong., 2d sess. 13; H. Rept. No. 627, 63d Cong., 2d sess. 17.

[9] CONGRESSIONAL RECORD 16002.

[10] *Aluminum Co. of America* v. *Federal Trade Comm'n.* (284 F. 401); *Ronald Fabrics Co.* v. *Verney Brunswick Mills, Inc.* (CCH 1946–1947 Trade Cases, paragraph 57, 514); *United States* v. *New England Fish Exchange* (258 F. 732); cf. *Transamerica Corp.* v. *Board of Governors* (206 F. 2d 163); *Sidney Morris & Co.* v. *National Assn. of Stationers* (40 F. 2d 620, 625).

[11] *Standard Oil Company of California* v. *United States* (337 U. S. 293, 299, n. 5). Section 3 of the act, with which the Court was concerned in Standard Oil, makes unlawful certain agreements "* * * where the effect * * * may be to substantially lessen competition or tend to create a monopoly in any line of commerce" (38 Stat. 731, 15 U. S. C. (1946 edition) sec. 14).

[12] For example, the following is said as to finishes in the Du Pont brief:

"The largest single finish item which Du Pont sells to General Motors is a low-viscosity nitrocellulose lacquer, discovered and patented by Du Pont and for which its trademark is 'Duco.'

* * * * *

"The invention and development of 'Duco' represented a truly significant advance in the art of paint making and in the production of automobiles; without 'Duco' mass production of automobiles would not have been possible.

"By the early 1920's the need for better finishing materials for automobiles had become urgent * * * The varnish method then used in finishing automobiles was described in detail at the trial by automobile pioneers * * * Finishing an automobile with varnish required an intolerably long time—up to 3 or 4 weeks—to apply the numerous coats needed. When the finish was complete, its longest life expectancy was less than a year, and often it began to peel off before the car was delivered. * * *"

Du Pont's Director of Sales since 1944, Nickowitz, testified as to fabrics sold to automobile manufacturers as follows:

"Question. Now, over the years, isn't it true that speaking generally Du Pont has followed the policy in selling its fabrics to the automobile field of undercutting its competitors in price? You don't try to sell it on a lower price than that quoted by any other competitor, do you?

"Answer. Well, we don't know. We go in and we bid based on our costs. Now, in the automotive industry, we have a different situation than you do in the furniture trade, for example, where you have an established price.

"You see, in the automobile industry, each manufacturer uses a different construction. They all have their own peculiar ideas of what they want about these fabrics. Some want dyed backs, and some want different finishes, so you don't have any standard prices in the automobile industry."

And see extended discussions in the opinion of the trial court, as to finishes (126 F. Supp., at 288–292), as to fabrics (id., at 296–300).

[13] "The phrase ['in any line of commerce'] is comprehensive and means that if the forbidden effect or tendency is produced in one out of all the various lines of commerce, the words 'in any line of commerce' literally are satisfied" (278 U. S. at 253).

[14] The General Motors' brief states:

"If the market for these products were solely or mainly the General Motors Corp., or the automobile industry as a whole, General Motors' volume and present share of the automobile industry might constitute a market large enough for the Government to rely on."

[15] *Standard Oil Company of California* v. *United States* (337 U. S. 293 at 314).

[16] Moody's Industrials lists General Motors' proportion of the industry:

	Percent
1938	42+
1939	42+
1940	45.6
1941	45.3
1942	World War II
1943	World War II
1944	World War II
1945	World War II
1946	36.3
1947	38.5
1948	38.8
1949	42.7
1950	45.6
1951	41.8
1952	40.3
1953	44.7
1954	49.9
1955	48.8

In 1955 General Motors ranked first in sales and second in assets among all United States industrial corporations[17] and became the first corporation to earn over a billion dollars in annual net income.[18] In 1947 General Motors' total purchases of all products from Du Pont were $26,628,274, of which $18,938,229 (71 percent) represented purchases from Du Pont's finishes division. Of the latter amount purchases of "Duco"[19] and the thinner used to apply "Duco" totaled $12,224,798 (65 percent), and "Dulux"[20] purchases totaled $3,179,225. Purchases by General Motors of Du Pont fabrics in 1948 amounted to $3,700,000, making it the largest account of Du Pont's fabrics division. Expressed in percentages, Du Pont supplied 67 percent of General Motors' requirements for finishes in 1946 and 68 percent in 1947.[21] In fabrics Du Pont supplied 52.3 percent of requirements in 1946, and 36.5 percent in 1947.[22] Because General Motors accounts for almost one-half of the automobile industry's annual sales, its requirements for automotive finishes and fabrics must represent approximately one-half of the relevant market for these materials. Because the record clearly shows that quantitatively and percentagewise Du Pont supplies the largest part of General Motors' requirements, we must conclude that Du Pont has a substantial share of the relevant market.

The appellees argue that the Government could not maintain this action in 1949 because section 7 is applicable only to the acquisition of stock and not to the holding or subsequent use of the stock. This argument misconceives the objective toward which section 7 is directed. The Clayton Act was intended to supplement the Sherman Act.[23] Its aim was primarily to arrest apprehended consequences of intercorporate relationships before those relationships could work their evil, which may be at or any time after the acquisition, depending upon the circumstances of the particular case. The Senate declared the objective of the Clayton Act to be as follows:

"* * * Broadly stated, the bill, in its treatment of unlawful restraints and monopolies, seeks to prohibit and make unlawful certain trade practices which, as a rule, singly and in themselves, are not covered by the Act of July 2, 1890 [the Sherman Act], or other existing antitrust acts, and thus, by making these practices illegal, to arrest the creation of trusts, conspiracies, and monopolies in their incipiency and before consummation * * *" (S. Rept. No. 698, 63d Cong., 2d Sess. 1).

"Incipiency" in this context denotes not the time the stock was acquired, but any time when the acquisition threatens to ripen into a prohibited effect. See *Transamerica Corp* v. *Board of Governors* (206 F. 2d 163, 166). To accomplish the Congressional aim, the Government may proceed at any time that an acquisition may be said with reasonable probability to contain a threat that it may lead to a restraint of commerce or tend to create a monopoly of a line of commerce.[24] Even when the purchase is solely for investment, the plain language of section 7 contemplates an action at any time the stock

[17] Fortune Directory of the 500 Largest United States Industrial Corporations, July 1956, p. 2.

[18] New York Times, Feb. 3, 1956, p. 1, col. 3.

[19] A finish developed specially by Du Pont and General Motors for use as an automotive finish.

[20] A synthetic enamel developed by Du Pont which is used on refrigerators, also manufactured by General Motors.

[21] 126 F. Supp., at 295.

[22] Id., at 300–301.

[23] *Standard Fashion Co.* v. *Magrane-Houston Co.* (258 U. S. 346).

[24] Cf. *Corn Products Refining Co.* v. *Federal Trade Commission* (324 U. S. 726, 738).

is used to bring about or in attempting to bring about the substantial lessening of competition.[32]

Prior cases under section 7 were brought at or near the time of acquisition. See, e. g., *International Shoe Co.* v. *Federal Trade Commission* (280 U. S. 291); *V. Vivaudou, Inc.* v. *Federal Trade Commission* (54 F. 2d 273; *Federal Trade Commission* v. *Thatcher Manufacturing Co.* (5 F. 2d 615), revised in part on other ground (272 U. S. 554); *United States* v. *Republic Steel Corp.* (11 F. Supp. 117); *Vanadium-Alloys Steel Co.* (18 F. T. C. 194). None of these cases holds, or even suggests, that the Government is foreclosed from bringing the action at any time when a threat of the prohibited effects is evident.

Related to this argument is the district court's conclusion that 30 years of nonrestraint negated "any reasonable probability of such a restraint" at the time of the suit.[33] While it is, of course, true that proof of a mere possibility of a prohibited restraint or tendency to monopoly will not establish the statutory requirement that the effect of an acquisition may be such restraint or tendency,[34] the basic facts found by the district court demonstrate the error of its conclusion.[35]

The Du Pont Co.'s commanding position as a General Motors supplier was not achieved until shortly after its purchase of a sizable block of General Motors stock in 1917.[36] At that time its production for the automobile industry and its sales to General Motors were relatively insignificant. General Motors then produced only about 11 percent of the total automobile production and its requirements, while relatively substantial, were far short of the proportions they assumed as it forged ahead to its present place in the industry.

At least 10 years before the stock acquisition, the Du Pont Co., for over a century the manufacturer of military and commercial explosives, had decided to expand its business into other fields. It foresaw the loss of its market for explosives after the United States Army and Navy decided in 1908 to construct and operate their own plants. Nitrocellulose, a nitrated cotton, was the principal raw material used in Du Pont's manufacture of smokeless powder. A search for outlets for this raw material uncovered requirements in the manufacture of lacquers, celluloid, artificial leather, and artificial silk. The first step taken was the Du Pont purchase in 1910 of the Fabrikoid Co., then the largest manufacturer of artificial leather, reconstituted as the Du Pont Fabrikoid Co. in 1913.

The expansion program was barely started, however, when World War I intervened. The Du Pont Co. suddenly found itself engulfed with orders for military explosives from foreign nations later to be allies of the United States in the war, and it had to increase its capacity and plant facilities from 700,000 to 31 million pounds per month at a cost exceeding $200 million. Profits accumulated and ultimately amounted to $232 million. The need to find postwar uses for its expanded facilities and organization now being greater than ever, Du Pont continued its expansion program during the war years, setting aside $90 million for the purpose. In September 1915, Du Pont bought the Arlington Works, one of the Nation's two largest celluloid companies. In June 1916, the Fairfield Rubber Co., producers of rubber-coated fabrics for automobile and carriage tops, was taken over by Du Pont Fabrikoid. In March 1917, purchase was made of Harrison Bros. & Co., manufacturers of paint, varnish, acids, and certain inorganic chemicals used in paint manufacture. Shortly afterwards, Harrison absorbed Beckton Chemical Co., a color manufacturer, and, also in 1917, the Bridgeport Wood Finishing Co., a varnish manufacturer.

Thus, before the first block of General Motors stock was acquired, Du Pont was seeking markets not only for its nitrocellulose, but also for the artificial leather, celluloid, rubber-coated goods, and paints and varnishes in demand by automobile companies. In that connection, the trial court expressly found that " * * * reports and other documents written at or near the time of the investment show that Du Pont's representatives were well aware that General Motors was a large consumer of products of the kind offered by Du Pont," and that John J. Raskob, Du Pont's treasurer and the principal promoter of the investment, "for one, thought that Du Pont would ultimately get all that business * * *"[37]

The company's interest in buying into General Motors was stimulated by Raskob and Pierre S. du Pont, then Du Pont's president, who acquired personal holdings of General Motors stock in 1914. General Motors was organized 6 years earlier by William C. Durant to acquire previously independent automobile manufacturing companies, Buick, Cadillac, Oakland, and Oldsmobile. Durant later brought in Chevrolet, organized by him when he was temporarily out of power, during 1910–15, and a bankers' group controlled General Motors. In 1915, when Durant and the bankers deadlocked on the choice of a board of directors, they resolved the deadlock by an agreement under which Pierre S. du Pont was named chairman of the General Motors board, and Pierre S. du Pont, Raskob, and two nominees of Mr. Du Pont were named neutral directors. By 1916, Durant settled his differences with the bankers and resumed the presidency and his controlling position in General Motors. He prevailed upon Pierre S. du Pont and Raskob to continue their interest in General Motors' affairs, which both did as members of the finance committee, working closely with Durant in matters of finances and operations and plans for future expansion. Durant persistently urged both men and the Wilmington people, as he called it,[38] to buy more stock in General Motors.

Finally, Raskob broached to Pierre S. du Pont the proposal that part of the fund earmarked for Du Pont expansion be used in the purchase of General Motors stock. At this time about $50 million of the $90 million fund was still in hand. Raskob foresaw the success of the automobile industry and the opportunity for great profit in a substantial purchase of General Motors stock. On December 19, 1917, Raskob submitted a treasurer's report to the Du Pont finance committee recommending a purchase of General Motors stock in the amount of $25 million. That report makes clear that more than just a profitable investment was contemplated. A major consideration was that an expanding General Motors would provide a substantial market needed by the burgeoning Du Pont organization. Raskob's summary of reasons in support of the purchase includes this statement: "Our interest in the General Motors Co. will undoubtedly secure for us the entire Fabrikoid, Pyralin (celluloid), paint and varnish business of those companies, which is a substantial factor."[39]

This thought, that the purchase would result in Du Pont's obtaining a new and substantial market, was echoed in the company's 1917 and 1918 annual reports to stockholders. In the 1917 report appears: "Though this is a new line of activity, it is one of great promise and one that seems to be well suited to the character of our organization. The motor companies are very large customers of our Fabrikoid and Pyralin as well as paints and varnishes." The 1918 report says: "The consumption of paints, varnishes, and fabrikoid in the manufacture of automobiles gives another common interest."

This background of the acquisition, particularly the plain implications of the contemporaneous documents, destroys any basis for a conclusion that the purchase was made solely for investment. Moreover, immediately after the acquisition, Du Pont's influence growing out of it was brought to bear within General Motors to achieve primacy for Du Pont as General Motors' supplier of automotive fabrics and finishes.

Two years were to pass before Du Pont's total purchases of General Motors stock brought its percentage to 23 percent of the outstanding stock and its aggregate outlay to $49 million. During that period, Du Pont and Durant worked under an arrangement giving Du Pont primary responsibility for finances and Durant the responsibility for operations. But J. A. Haskell, Du Pont's former sales manager and vice president, became the General Motors vice president in charge of the operations committee. The trial judge said that Haskell "* * * was willing to undertake the responsibility of keeping Du Pont informed of General Motors' affairs during Durant's regime. * * *"[40]

Haskell frankly and openly set about gaining the maximum share of the General Motors market for Du Pont. In a contemporaneous 1918 document, he reveals his intention to "pave the way for perhaps a more general adoption of our material," and that he was thinking "how best to get cooperation [from the several General Motors divisions] whereby makers of such of the low priced cars as it would seem possible and wise to get transferred will be put in the frame of mind necessary for its adoption Du Pont's artificial leather]."

Haskell set up lines of communication within General Motors to be in a position to know at all times what Du Pont products and what products of Du Pont competitors were being used. It is not pure imagination to suppose that such surveillance from that source made an impressive impact upon purchasing officials. It would be und[illegible]ndably difficult for them not to interpret it as meaning that a preference was to be given to Du Pont products. Haskell also actively pushed the program to substitute Fabrikoid artificial leathers for genuine leather and sponsored use of Du Pont's Pyralin sheeting through a liaison arrangement set up between himself and the Du Pont sales organization.

Thus sprung from the barrier, Du Pont quickly swept into a commanding lead over its competitors, who were never afterward in serious contention. Indeed, General Motors then principal paint supplier, Flint Varnish and Chemical Works, early in 1918 saw the handwriting on the wall. The Flint president came to Durant asking to be bought out, telling Durant, as the trial judge found, that he "knew Du Pont had bought a substantial interest in General Motors and was interested in the paint industry; that * * * [he] felt he would lose a valuable customer, General Motors."[41] The Du Pont Co. bought the Flint Works and later dissolved it.

In less than 4 years, by August 1921, Lammot du Pont, then a Du Pont vice president and later chairman of the board of General Motors, in response to a query from Pierre S. du Pont, then chairman of the board of both Du Pont and General Motors, "whether General Motors was taking its entire requirements of Du Pont products from Du Pont," was able to reply that 4 of General Motors 8 operating divisions bought from Du Pont their entire requirements of paints and varnishes, 5 their entire requirements of Fabrikoid, 4 their entire requirements of rubber cloth, and 7 their entire requirements of Pyralin and Celluloid. Lammot du Pont quoted Du Pont's sales department as feeling that "the condition is improving and that eventually satisfactory conditions will be established in every branch, but they wouldn't mind seeing things go faster." Pierre S. du Pont responded that "with the change of management at Cadillac, Oakland, and Olds [Cadillac was taking very little paints and varnishes, and Oakland but 50 percent; Olds was taking only part of its requirements for Fabrikoid], I believe that you should be able to sell substantially all of the paint, varnish, and Fabrikoid products needed." He also suggested that "a drive should be made for the Fisher Body business. Is there any reason why they have not dealt with us?"

Fisher Body was stubbornly resistant to Du Pont sales pressure. General Motors, in 1920, during Durant's time, acquired 60 percent stock control of Fisher Body Co. However, a voting trust was established giving the Fisher brothers broad powers of management. They insisted on running their own show and for years withstood efforts of high-ranking Du Pont and General Motors executives to get them to switch to Du Pont from their accustomed sources of supply. Even after General Motors obtained 100 percent stock control in 1926, the Fisher brothers retained sufficient power to hold out. By 1947 and 1948, however, Fisher resistance had collapsed, and the proportions of its requirements supplied by Du Pont compared favorably with the purchases by other General Motors divisions.

In 1926, the Du Pont officials felt that too much General Motors business was going to its competitors. When Pierre S. du Pont and Raskob expressed surprise, Lammot du Pont gave them a breakdown, by dollar amounts, of the purchases made from Du Pont's competitors. This breakdown showed, however, that only Fisher Body of the General Motors divisions was obtaining any substantial proportion of its requirements from Du Pont's competitors.

Competitors did obtain higher percentages of the General Motors business in later years, although never high enough at any time substantially to affect the dollar amount of Du Pont's sales. Indeed it appears likely that General Motors probably turned to outside sources of supply at least in part because its requirements outstripped Du Pont's production, when General Motors proportion of total automobile sales grew greater and the company took its place as the sales leader of the automobile industry. For example, an undisputed Government exhibit shows that General Motors took 93 percent of Du Pont's automobile Duco production in 1941 and 83 percent in 1947.

The fact that sticks out in this voluminous record is that the bulk of Du Pont's production has always supplied the largest part of the requirements of the one customer in the automobile industry connected to Du Pont by a stock interest. The inference is overwhelming that Du Pont's commanding position was promoted by its stock interest and was not gained solely on competitive merit.

We agree with the trial court that considerations of price, quality and service were not overlooked by either Du Pont or General Motors. Pride in its products and its high financial stake in General Motors' success would naturally lead Du Pont to try to supply the best. But the wisdom of this business judgment cannot obscure the fact, plainly revealed by the record, that Du Pont purposely employed its stock to pry open the General Motors market to entrench itself as the primary supplier of General Motors' requirements for automotive finishes and fabrics.[42]

Similarly, the fact that all concerned in high executive posts in both companies acted honorably and fairly, each in the honest conviction that his actions were in the best interests of his own company and without any design to overreach anyone, including Du Pont's competitors, does not defeat the Government's right to relief. It is not requisite to the proof of a violation of section 7 to show that restraint or monopoly was intended.

The statutory policy of fostering free competition is obviously furthered when no supplier has an advantage over his competitors from an acquisition of his customer's stock likely to have the effects condemned by the statute. We repeat, that the test of a violation of section 7 is whether at the time of suit there is a reasonable probability that the acquisition is likely to result in the condemned restraints. The conclusion upon this record is inescapable that such likelihood was proved as to this acquisition. The fire that was kindled in 1917 continues to smolder. It burned briskly to forge the ties that bind the General Motors market to Du Pont, and if it has quieted down, it remains hot, and, from past performance, is likely at any time to blaze and make the fusion complete.[43]

The judgment must therefore be reversed and the cause remanded to the district court for a determination after further hearing of the equitable relief necessary and appropriate in the public interest to eliminate the effects of the acquisition offensive to the statute. The district courts, in the framing of equitable decrees, are clothed "with large discretion to model their judgments to fit the exigencies of the particular case." *International Salt Co.* v. *United States* (332 U. S. 392, 400–401).

The motion of the appellees Christiana Securities Co. and Delaware Realty & Investment Co. for dismissal of the appeal as to them is denied. It seems appropriate that they be retained as parties pending determination by the district court of the relief to be granted.

It is so ordered.

Mr. Justice Clark, Mr. Justice Harlan, and Mr. Justice Whittaker took no part in the consideration or decision of this case.

SUPREME COURT OF THE UNITED STATES—No. 3. OCTOBER TERM, 1956—UNITED STATES OF AMERICA, APPELLANT, v. E. I. DU PONT DE NEMOURS AND CO. ET AL.—ON APPEAL FROM THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS, JUNE 3, 1957

Mr. Justice Burton, whom Mr. Justice Frankfurter joins, dissenting.

In June 1949, the United States brought this civil action in the United States District Court for the Northern District of Illinois under section 4 of the Sherman Act and section 15 of the Clayton Act to enjoin alleged violations of sections 1 and 2 of the Sherman Act, and section 7 of the Clayton Act. The amended complaint, insofar as pertinent to the issues here, alleged that Du Pont and General Motors have been engaged, since 1915, in a combination and conspiracy to restrain and monopolize interstate trade, and that Du Pont's acquisition of General Motors stock had the effect of restraining trade and tending to create a monopoly. In brief it was alleged that, by means of the relationship between Du Pont and General Motors, Du Pont intended to obtain, and did obtain, an illegal preference over its competitors in the sale to General Motors of its products, and a further illegal preference in the development of chemical discoveries made by General Motors. Appellees denied the charges.

The trial of these issues took nearly 7 months. The district court heard 52 witnesses, including most of the principal actors, and received over 2,000 exhibits. The evidence contained in the 8,283-page transcript of record covers in minute and intimate detail the facts bearing on the Government's charge that Du Pont, by coercion, agreement, control, or influence, had interfered unlawfully with General Motors' purchasing and manufacturing policies. On the basis of this evidence, the district court found that the Government had failed to prove its case and, specifically, that (a) Du Pont did not control General Motors, (b) there had been "no limitation or restraint upon General Motors' freedom to deal freely and fully with competitors of Du Pont" or upon its "freedom * * * to deal with its chemical discoveries," and (c) after 30 years in which no such restraint had resulted, there was no

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[32] Section 7 provides, in pertinent part:

"This section shall not apply to corporations purchasing such stock solely for investment and not using the same by voting or otherwise to bring about, or in attempting to bring about, the substantial lessening of competition * * *" (38 Stat. 731, 15 U. S. C. (1946 ed.) sec. 18).

[33] 126 F. Supp., at 335.

[34] *Standard Fashion Co.* v. *Magrane-Houston Co.* (258 U. S. 346, at 356–357).

[35] There is no significant dispute as to the basic facts pertinent to the decision. We are thus not confronted here with the provision of Federal Rules of Civil Procedure, 52 (a), that findings of fact shall not be set aside unless clearly erroneous.

[36] Before 1917, Du Pont supplied General Motors with coated fabrics. 126 F. Supp., at 297.

[37] 126 F. Supp., at 243.

[38] 126 F. Supp., at 241.

[39] 126 F. Supp., at 241.

[40] 126 F. Supp., at 245.

[41] 126 F. Supp., at 267.

[42] The Du Pont policy is well epitomized in a 1926 letter written by a former Du Pont employee, J. L. Pratt, when a General Motors vice president and member of the executive committee, to the general manager of a General Motors division:

"I am glad to know that your manufacturing, chemical and purchasing divisions feel they would be in better hands possibly by dealing with Du Pont than with local companies. From a business standpoint no doubt your organization would be influenced to give the business, under equal conditions, to the local concerns. However, I think when General Motors divisions recognize the sacrifice that the Du Pont Co. made in 1920 and 1921, to keep General Motors Corp. from being put in a very bad light publicly—the Du Pont Co. going to the extent of borrowing $35 million on its notes when the company was entirely free of debt, in order to prevent a large amount of General Motors stock being thrown on the open market—they should give weight to this which in my mind more than overbalances consideration of local conditions. In other words, I feel that where conditions are equal from the standpoint of quality, service and price, the Du Pont Co. should have the major share of General Motors divisions' business on those items that the Du Pont Co. can take on the basis of quality, service and price. If it is possible to use the product from more than one company I do not thing it advisable to give any one company all of the business, as I think it is desirable to always keep a competitive situation, otherwise any supplier is liable to grow slack in seeing that you have the best service and price possible.

"I have expressed my own personal sentiments in this letter to you in order that you might have my point of view, but I do not wish to influence your organization in any way that would be against your own good judgment, keeping in mind that above all the prime consideration is to do the best thing for Delco-Light Co., and that considerations in regard to the Du Pont Co. or other concerns are secondary, and I am sure that is your feeling."

[43] The potency of the influence of Du Pont's 23-percent stock interest is greater today because of the diffusion of the remaining shares which, in 1947, were held by 436,510 stockholders; 92 percent owned no more than 100 shares each, and 60 percent owned no more than 25 shares each (126 F. Supp., at 244).

"basis for a finding that there is or has been any reasonable probability of such a restraint within the meaning of the Clayton Act" [126 F. Supp. 235, 335].

The Government's basic contention in this Court is that Du Pont violated sections 1 and 2 of the Sherman Act in that, by means of its alleged control of General Motors, it obtained an unlawful preference with respect to General Motors' purchases of materials. In the closing pages of its brief, and for a few minutes in its oral argument, the Government added the assertion that Du Pont had violated section 7 of the Clayton Act in that its stock interest in General Motors "has been used to channel General Motors' purchases to Du Pont."

This Court, ignoring the Sherman Act issues which have been the focal point of 8 years of litigation, now holds that Du Pont's acquisition of a 23-percent stock interest in General Motors during the years 1917–19 violates section 7 of the Clayton Act because "at the time of suit [in 1949] there [was] a reasonable probability that the acquisition [was] likely to result in the condemned restraints." Ante, page 17. In reaching this conclusion, the Court holds (1) that section 7 of the Clayton Act applies to vertical as well as horizontal stock acquisition; (2) that in determining whether the effect of the stock acquisition is such as to constitute a restraint within section 7, the time chosen by the Government in bringing the action is controlling rather than the time of the acquisition itself; and (3) that section 7 is violated when, at the time of suit, there is a reasonable probability that the stock acquisition is likely to result in the foreclosure of competitors of the acquiring corporation from a substantial share of the relevant market.

In applying these principles to this case, the Court purports to accept the carefully documented findings of fact of the district court. Actually, it overturns numerous well-supported findings of the district court by now concluding that Du Pont did not purchase General Motors' stock solely for investment; that Du Pont's stock interest resulted in practical or working control of General Motors; that Du Pont has used or might use this "control" to secure preferences in supplying General Motors with automobile finishes and fabrics; that the relevant market includes only automobile finishes and fabrics; and that there was, even at the time of suit in 1949, a reasonable probability that Du Pont's competitors might be foreclosed from a substantial share of this relevant market.

The Court's decision is far reaching. Although section 7 of the Clayton Act was enacted in 1914—over 40 years ago—this is the first case in which the United States or the Federal Trade Commission has sought to apply it to a vertical integration.[1] Likewise, this appears to be the first case in which it ever has been argued that section 7 is applicable to a stock acquisition which took place many years before.[2] The Court, in accepting both of these contentions, disregards the language and purpose of the statute, 40 years of administrative practice, and all the precedents except one district court decision. The sweeping character of the Court's pronouncement is further evident from the fact that to make its case the Court requires no showing of any misuse of a stock interest—either at the time of acquisition or subsequently—to gain preferential treatment from the acquired corporation. All that is required, if this case is to be our guide, is that some court in some future year be persuaded that a reasonable probability then exists that an advantage over competitors in a narrowly construed market may be obtained as a result of the stock interest. Thus, over 40 years after the enactment of the Clayton Act, it now becomes apparent for the first time that section 7 has been a sleeping giant all along. Every corporation which has acquired a stock interest in another corporation after the enactment of the Clayton Act in 1914, and which has had business dealings with that corporation is exposed, retroactively, to the bite of the newly discovered teeth of section 7.

For the reasons given below, I believe that the Court has erred in (1) applying section 7 to a vertical acquisition; (2) holding that the time chosen by the Government in bringing the action is controlling rather than the time of the stock acquisition itself; and (3) concluding, in disregard of the findings of fact of the trial court, that the facts of this case fall within its theory of illegality.

I

Section 7 of the Clayton Act, quoted in full in the appendix, post, pages 48–49, does not make unlawful all intercorporate acquisitions and mergers.[3] It does not apply to acquisitions of physical assets.[4] It applies only to certain acquisitions of stock, and even then with important exceptions. The first paragraph of section 7, which is the statutory provision primarily involved in this case, provides—

"That no corporation engaged in commerce shall acquire, directly or indirectly, the whole or any part of the stock or other share capital of another corporation engaged also in commerce, where the effect of such acquisition may be to substantially lessen competition between the corporation whose stock is so acquired and the corporation making the acquisition, or to restrain such commerce in any section or community, or tend to create a monopoly of any line of commerce" (38 Stat. 731–732, 15 U. S. C. (1946 ed.), sec. 18).

This paragraph makes unlawful only those intercorporate stock acquisitions which may result in any of three effects: (1) substantially lessen competition between the acquiring and the acquired corporations; (2) restrain commerce in any section or community; or (3) tend to create a monopoly of any line of commerce. The Government concedes that General Motors and Du Pont have never been in competition with each other. Since the substantially lessen competition clause applies only to acquisitions involving competing corporations (generally referred to as horizontal acquisitions), that clause concededly is not applicable to this case. The questions before us are whether the other unlawful effects, namely, restraint of commerce in any section or community and tendency to create a monopoly of any line of commerce, are applicable to this case, and, if so, whether the 1917–19 acquisition of General Motors' stock by Du Pont resulted or may result in either of those unlawful effects.

Section 7 never has been authoritatively interpreted as prohibiting the acquisition of stock in a corporation that is not engaged in the same line of business as the acquiring corporation. Although the language of the act is ambiguous, the relevant legislative history, administrative practice, and judicial interpretation support the conclusion that section 7 does not apply to vertical acquisitions.

The report of the House Committee on the Judiciary, presented by Representative Clayton, stated emphatically that the provisions relating to stock acquisitions by corporations, which originally appeared as section 8 of the bill, were intended to eliminate the evils of holding companies (H. Rept. 627, 63d Cong., 2d sess., p. 17). Although a "holding company" was defined as "a company that holds the stock of another company or companies," the one "evil" referred to was that a holding company "is a means of holding under one control the competing companies whose stocks it has thus acquired." Ibid. Two minority statements appended to the House report evidence a similar understanding that the provisions of the bill were limited to competing corporations (Id., pt. 2, p. 6; pt. 3, p. 8). The substance of the House report was adopted by the Senate Committee on the Judiciary in its report on the bill (S. Rept. 698, 63d Cong., 2d sess., pp. 13, 43, 46).

The extensive debates on the bill in each House of Congress contain many detailed discussions of the provisions relating to intercorporate stock acquisitions. These discussions are devoid of any suggestion that the provisions were to apply to vertical acquisitions.[5] On the contrary, these provisions of the bill were repeatedly described as prohibiting the acquisition of stock of competing companies.[6] The one specific reference to a vertical acquisition during the entire debate on these provisions ended with a flat statement by Senator Reed to the effect that the bill as then written (containing the tendency toward monopoly clause but not the restraint of commerce clause) would not prevent a steel manufacturing corporation from acquiring stock in an ore-producing corporation, a classic type of vertical integration.[7] A reading of the legislative history of

[1] *Ronald Fabrics Co.* v. *Verney Brunswick Mills, Inc.*, CCH Trade Cases 57,514 (D. C. S. D. N. Y. 1946), discussed infra, n. 10, was a private action for treble damages.

[2] *Transamerica Corp.* v. *Board of Governors* (206 F. 2d 163 (C. A. 3d Cir. 1953)), involved a series of stock acquisitions over many years, some of which took place at about the time of suit.

[3] Sec. 7 of the Clayton Act, 38 Stat. 731, 15 U. S. C. (1946 edition), sec. 18, was amended in 1950 so as to broaden its application, 64 Stat. 1125, 15 U. S. C., sec. 18. The amendments, by their terms, were inapplicable to acquisitions made before 1950. Thus this case is governed by the original language of sec. 7 and not by sec. 7, as amended.

[4] One of the earliest ruling of the Federal Trade Commission was that sec. 7 did not prohibit asset acquisitions. 1 F. T. C. 541–542. The primary purpose of the 1950 amendments was to bring asset acquisitions within sec. 7. Proponents of the 1950 amendments asserted on several occasions that the omission of asset acquisitions in the original Clayton Act had been inadvertent. See, e. g., 96 CONGRESSIONAL RECORD 16443. However the legislative history of the Clayton Act demonstrates that the purpose of sec. 7 was to prevent the formation of holding companies and certain evils peculiar to stock acquisitions, particularly the secrecy of ownership. See 51 CONGRESSIONAL RECORD 9073, 14254, 14316, 14420, 14456; H. Rept. No. 627, 63d Cong., 2d sess., 17; S. Rept. No. 698, 63d Cong., 2d sess. 13.

[5] The remarks of Senator Chilton relied on by the majority, ante, p. 3, do not indicate that he thought that sec. 7 was applicable to vertical acquisitions. His statements indicate merely that he thought that the restraint and monopoly clauses of sec. 7 were not entirely synonymous with the substantially lessen competition clause.

[6] See e. g., 51 CONGRESSIONAL RECORD 9270–9271 (Representative Carlin); id., at 9554 (Representative Barkley); id., at 14254–14255 (Senator Cummins); id., at 14313 (Senator Reed); id., at 15856–15861 (Senator Walsh); id., at 15940 (Senator Nelson); id., at 16001 (Senator Chilton); id., at 16320 (Representative Floyd).

[7] 51 CONGRESSIONAL RECORD 14455. Senator Reed had offered an amendment to the first paragraph of sec. 7 which would have prevented a corporation from acquiring stock in another corporation engaged in the same line of business. This was an attempt to stiffen the bill in order to relieve the Government from proving that competition had been substantially lessened by the acquisition, an element of proof which he, Senator Cummins, and others thought would be quite difficult. See 51 CONGRESSIONAL RECORD 14254–14255, 14419–14420. Senator Chilton asked Senator Reed whether his amendment would prevent a corporation engaged in the manufacture of steel from acquiring stock in a corporation engaged in the production of iron ore. Senator Reed replied that his amendment would not bar such an acquisition, but that neither would the bill as written:

"But I call the Senator's attention to the fact that if the illustration he uses would not be covered by the language of my amendment it certainly would not be covered by the language I seek to amend. His argument would go as much against that, and even more than against my amendment. I do not claim that this will stop everything. I claim that it will be a long step in that direction." Id., at 14455.

No one disputed Senator Reed's interpretation of sec. 7.

the bill leaves the distinct impression that intercorporate relationships between buyers and sellers which resulted in noncompetitive preferences were intended to be dealt with exclusively by the provision forbidding interlocking directorates (sec. 8 of the Clayton Act), if not covered by the specific prohibitions of certain price discriminations (sec. 2), and of certain exclusive selling or leasing contracts (sec. 3).[8]

Forty years of administrative practice provide additional support for this view. Neither the Department of Justice nor the Federal Trade Commission, the two principal enforcing agencies, has brought any action under old section 7 (other than the instant case) that has not involved a stock acquisition in allegedly competing corporations. The Federal Trade Commission repeatedly has declared its understanding that section 7, prior to its amendment in 1950, applied only to competing corporations.[9] In a recent report it stated without qualification:

"While the 1914 act applied solely to horizontal mergers, the 1950 act applies not only to horizontal acquisitions but to vertical and conglomerate acquisitions which might substantially lessen competition or tend to create a monopoly" (FTC, Report on Corporate Mergers and Acquisitions (May 955), 168 H. Doc. No. 169, 84th Cong., 1st sess.).

Beginning in 1927, the Federal Trade Commission included in its annual recommendations to Congress a request that section 7 be amended to remedy its inadequacies. This result was achieved in 1950 (64 Stat. 1125, 15 U. S. C. sec. 18). As the Court recognizes in its opinion, ante, page 3, note 6, one of the reasons for amending section 7 in 1950 was, in the words of the House report on the amendments, "to make it clear that the bill applies to all types of mergers and acquisitions, vertical and conglomerate as well as horizontal" (H. Rept. 1191, 81st Cong., 1st sess. 11). Forty years of established administrative practice, acquiesced in and recognized by Congress, is persuasive evidence of the proper scope of section 7. *Federal Trade Commission* v. *Bunte Bros., Inc.* (312 U. S. 349, 351–352).

The cases cited by the Court, with the one exception of *Ronald Fabrics* Co. v. *Verney Brunswick Mills, Inc.* (CCH Trade Cases, par. 57,514 (D. C. S. D. N. Y. 1946),[10] do not support the Court's conclusion that section 7 applies to a vertical acquisition. In *Aluminum Co. of America* v. *Federal Trade Commission* (284 F. 401 (C. A. 3d Cir. 1922)), the Aluminum Co., which previously had had a monopoly of all sheet aluminum produced in the United States, acquired control through an intermediary corporation of a competing sheet aluminum company established in 1916. A divestiture order of the Federal Trade Commission was upheld, the court holding that the stock acquisitions substantially lessened competition and tended to create a monopoly of the sheet aluminum business. In *United States* v. *New England Fish Exchange*, 258 F. 732 (D. C. Mass. 1919), two holding companies which had acquired the stock of virtually all the wholesale fish dealers trading on the New England Fish Exchange, which handled about 95 percent of all the ground fish sold in interstate commerce in the United States, were held to have violated the provisions of section 7. Each of these cases was concerned with the acquisition of directly competing corporations—not vertical acquisitions. Statements in the opinions, not essential to the decisions, merely stand for the proposition that the restraint and monopoly clauses of section 7 are not entirely synonymous with the substantially lessen competition clause.

Assuming that the three unlawful effects mentioned in section 7 are not entirely synonymous with each other,[11] such an assumption does not require the conclusion that section 7 was intended to apply to vertical acquisitions as well as to horizontal acquisitions. Corporations engaged in the same business activity in different areas do not necessarily "compete" with each other so that their combination would substantially lessen competition between them, even though their combination might result in a restraint of commerce or a tendency toward monopoly violative of section 7. Such a possibility was presented in *Transamerica Corp.* v. *Board of Governors* (206 F. 2d 163 (C. A. 3d Cir. 1953)), where a banking corporation through a series of transactions acquired stock in 48 local banking corporations, most of which were located in communities in which no other bank was acquired. A divestiture order of the Board was reversed on the ground that the Board had not proved that the acquisitions of these banks in five Western States either substantially lessened competition or tended to create a monopoly.

Finally, this Court has twice construed old section 7 as applying only to stock acquisitions involving competing corporations. In *International Shoe Co.* v. *Federal Trade Commission* (280 U. S. 291 (1930)), the Court held that the acquisition of the fifth largest shoe manufacturing company by the largest shoe manufacturer did not violate either the substantially lessen competition clause or the restraint of commerce clause of section 7, because the preexisting competition between the two corporations was insubstantial, and because the acquired corporation was in a precarious financial condition. Substantial preexisting competition was said to be a requisite for violation of either clause of section 7 (280 U. S. at pp. 298, 303). An even more direct holding is found in *Thatcher Manufacturing Co.* v. *Federal Trade Commission* (272 U. S. 554, (1926)), where this Court affirmed that portion of the lower court's decree which had allowed Thatcher, a milk bottle manufacturer, to retain the assets of Woodbury, a bottle manufacturer specializing in condiment and whisky bottles, on the ground that the acquisition did not violate any of the three clauses of section 7, since Thatcher was not in competition with Woodbury (272 U. S., at p. 560, affirming in part and reversing in part *Federal Trade Commission* v. *Thatcher Manufacturing Co.* (5 F. 2d 615 (C. A. 3d Cir. (1925)). These holdings apparently will be overruled sub silentio by today's decision.

The legislative history, administrative practice, and judicial interpretation of section 7 provide the perspective in which the Government's present assertion that section 7 applies to vertical acquisition, should be viewed. Seen as a whole, they offer convincing evidence that section 7, properly construed, has reference only to horizontal acquisitions. I would so hold. However, even if the opposite view be accepted, the foregoing views of the enforcing agencies and the courts are material to a proper consideration of the other issues which must then be reached.

II

In this case the Government is challenging, in 1949, a stock acquisition that took place in 1917–19. The Court, without advancing reasons to support its conclusion, holds that in determining whether the effect of the stock acquisition is such as to violate section 7, the time chosen by the Government in bringing its suit is controlling rather than the time of the acquisition of the stock. This seems to me to ignore the language and structure of section 7, the purpose of the Clayton Act, and all existing administrative and judicial precedents.

The first paragraph of section 7 provides that "no corporation * * * shall acquire * * * the stock * * * of another corporation * * * where the effect of such acquisition may be * * *." Yet the Court construes this provision as if it read "no corporation * * * shall acquire or continue to hold * * * the stock * * * of another corporation * * * whenever it shall appear that the effect of such acquisition or continued holding may be * * *." Continued

[8] In the *Ronald Fabrics* case, a rayon converter alleged that a competing corporation had restrained commerce by acquiring control of a source of supply of rayon. The district court held that this allegation stated a cause of action under sec. 7 of the Clayton Act.

[9] See e. g., the statement by Representative Carlin, one of the managers of the bill in the House, to the effect that the interlocking directorate provision contained in sec. 8 would prevent a director of a corporation which supplied railroads with materials from becoming a railroad director and, in effect, "buy[ing] supplies from himself." 51 CONGRESSIONAL RECORD 9272.

[10] See e. g., FTC Annual Report for Fiscal Year 1929, 6–7, 60, where the Commission stated that it could take no corrective action under the Clayton Act against large consolidations in the food industry "even though the consolidation was effected through the acquisition or exchange of capital stock," because "most of these consolidations and acquisitions were of corporations engaged in the distribution of allied but noncompetitive products." See also, FTC Annual Report for Fiscal Year 1927, 13–15; Statement by Chief Counsel Kelley in hearings before a subcommittee of the Senate Committee on the Judiciary on H. R. 2734, 81st Cong., 1st and 2d sess., 37; Report of the Federal Trade Commission on Interlocking Directorates, H. Doc. No. 652, 81st Cong., 2d sess., 1.

[11] A minority in the Senate, led by Senators CUMMINS and WALSH, sought to strike out the "tend to create a monopoly" language of section 7. 51 CONGRESSIONAL RECORD 14314–14316, 14319, 14459–14461. They argued that this language was superfluous because the creation of a monopoly always substantially lessened competition, and because the Sherman Act contained similar language, and that there was a danger that the language would be considered as an implied repeal of the Sherman Act. The failure of these efforts to eliminate the tendency toward monopoly clause (the restraint of commerce clause had not been added to section 7 at this time) indicates that the tendency toward monopoly clause was not intended to be limited to situations already encompassed by the substantially lessen competition clause. Similarly, the remarks of Senator Chilton, quoted by the court from 51 CONGRESSIONAL RECORD 16002, ante, pp. 4–5, indicate that he thought the tendency toward monopoly and restraint of commerce clauses added something. But I find no evidence that what they did add included vertical acquisitions.

holding, to be sure, is a prerequisite to any action under section 7 because, if the stock is no longer held, the violation has been purged and there is nothing to divest.[13] But the fact of continued holding does not allow the Government to dispense with the necessity of proving that the stock was unlawfully acquired. The offense described by section 7 is the acquisition, not the holding or the use, of stock. When the acquisition has been made, the offense, if any, is complete. The statutory language is unequivocal. It makes the test the probable effect of the acquisition at the time of the actual acquisition, and not at some later date to be arbitrarily chosen by the Government in bringing suit.

The distinction carefully made in the several paragraphs of section 7 between an unlawful acquisition and an unlawful use of stock reinforces this conclusion. The first paragraph of section 7, which speaks only in terms of acquisition of stock, is concerned solely with the purchase of stock in another corporation. It is the only provision that is applicable in this case. The second paragraph, which expressly prohibits both acquisition and use, is concerned with stock purchases in two or more corporations. Concededly, it is not applicable here. When Congress chose to make unlawful the use of stock subsequent to its acquisition, it did so in specific terms. The omission of the phrase "or the use of such stock by the voting or granting of proxies or otherwise," contained in the second paragraph of section 7, from the first paragraph of the section was not inadvertent. The phrase therefore cannot be read into the first paragraph of section 7.[13]

The Clayton Act was not intended to replace the Sherman Act in remedying actual restraints and monopolies. Its purpose was to supplement the Sherman Act by checking anticompetitive tendencies in their incipiency, before they reached the point at which the Sherman Act comes into play. This purpose was well stated in the Senate report on the bill:

"Broadly stated, the bill, in its treatment of unlawful restraints and monopolies, seeks to prohibit and make unlawful certain trade practices which, as a rule, singly and in themselves, are not covered by the act of July 2, 1890, or other existing antitrust acts, and thus, by making these practices illegal, to arrest the creation of trusts, conspiracies, and monopolies in their incipiency and before consummation" (S. Rept. No. 698, 63d Cong., 2d sess. 1).

This purpose places emphasis on the probable anticompetitive effects of transactions or occurrences viewed as of the date of their occurrence. The determination required by the act is one of predicting the probable outcome of a particular transaction, here an acquisition of stock in another corporation. If, at the time of the stock acquisition, a potential threat to competition is apparent, the acquisition is unlawful under section 7. If, on the other hand, a potential threat to competition is not then apparent, an antitrust violation is not involved unless subsequent use of the stock constitutes a restraint of trade prohibited by the Sherman Act.[14]

The Court ignores the all-important lawfulness or unlawfulness of the stock acquisition at or about the time it occurred, and limits its attention to the probable anticompetitive effects of the continued holding of the stock at the time of suit, some 30 years later. The result is to subject a good-faith stock acquisition, lawful when made, to the hazard that the continued holding of the stock may make the acquisition illegal through unforeseen developments. Such a view is not supported by the statutory language and violates elementary principles of fairness. Suits brought under the Clayton Act are not subject to any statute of limitations, and it is doubtful whether the doctrine of laches applies as against the Government. The result is that unexpected and unforeseeable developments occurring long after a stock acquisition can be used to challenge the legality of continued holding of the stock. In such an action, the Government need only prove that probable rather than actual anticompetitive effects exist as of the time of the suit. The Government may thus set aside a transaction which was entirely lawful when made, merely by showing that it would have been unlawful had it occurred at the time of suit, many years later. The growth of the acquired corporation, a fortuitous decline in the number of its competitors, or the achievement of control by an accidental diffusion of other stock may result, under this test, in rendering the originally lawful acquisition unlawful ab initio. Strikingly enough, all of these factors are involved in this case.[15]

The Court's holding is unfair to the individuals who entered into transactions on the assumption, justified by the language of section 7, that their actions would be judged by the facts available to them at the time they made their decision.

"The prohibition [of sec. 7] is addressed to parties who contemplate engaging in merger transactions and is meant, in the first instance, to guide them in deciding upon a course of action. The only standard they are capable of applying is one addressed to the circumstances viewed as of the date of the proposed transaction. Since this is the standard which the parties must apply in deciding whether to undertake a transaction, it seems reasonable to conclude that it is the standard which enforcement agencies should apply in deciding whether the transaction violates the statute." (Neal, The Clayton Act and the Transamerica Case (5 Stan. L. Rev. 179, 220–221).)

The Court cites no authority in support of its new interpretation of this 40-year-old statute. On the other hand, examination of the dozen or more cases brought under section 7 reveals that in every case the inquiry heretofore has centered on the probable anticompetitive effects of the stock acquisition at or near the time it was made.[16] See, e. g., *International Shoe Co.* v. *Federal Trade Commission* (280 U. S. 291 (1930)); *Transamerica Corp.* v. *Board of Governors* (206 F. 2d 163 (C. A. 3d Cir. 1953)); *V. Vivaudou, Inc.* v. *Federal Trade Commission* (54 F. 2d 273 (C. A. 2d Cir. 1931)); *Federal Trade Commission* v. *Thatcher Mfg. Co.* (5 F. 2d 615 (C. A. 3d Cir. 1925), reversed in part on other grounds, 272 U. S. 554); *United States* v. *Republic Steel Corp.* (11 F. Supp. 117 (D. C. N. D. Ohio 1935)); *In re Vanadium-Alloys Steel Co.* (18 F. T. C. 194 (1934)). The conclusion thus seems inescapable that the unlawfulness of a stock acquisition under the first paragraph of section 7 properly turns on the potential threat to competition created by the acquisition of the stock at the time of its acquisition and not by its subsequent use.

That the time of acquisition is controlling does not mean that the Government is unable to bring an action if it fails to proceed within a few years of the stock acquisition. It means only that if the Government chooses to bring its action many years later, it must prove what section 7 plainly requires—that the acquisition threatened competition when made.

Nor does it mean that evidence of subsequent events is necessarily irrelevant. Evidence that anticompetitive effects have occurred since the acquisition, and that these effects are traceable to the original acquisition rather than to other factors, may support an inference that such effects were "reasonably probable" at the time of acquisition. The element of causation is the necessary link with the past. However, if events subsequent to the acquisition indicate that no anticompetitive effects have occurred, that evidence may support an inference that an unlawful potential did not exist at the time of acquisition. Evidence as to what happened after the acquisition is relevant to the extent that it bears on the central question whether at the time of the acquisition, there was a reasonable probability of a threat to competition.

I agree with the Court that section 7 does not require findings and conclusions of actual anticompetitive effects. Unlike the Sherman Act, section 7 merely requires proof of a reasonable probability of a substantial lessening of competition, restraint of commerce, or tendency toward monopoly. *International Shoe Co.* v. *Federal Trade Commission* (280 U. S. 291); *Transamerica Corp.* v. *Board of Governors* (206 F. 2d 163). When a vertical acquisition is involved, its legality thus turns on whether there is a reasonable probability that it will foreclose competition from a substantial share of the market, either by significantly restricting access to needed supplies or by significantly limiting the market for any product. See Report of the Attorney General's National Committee To Study the Antitrust Laws (1955), pages 122–127. The determination of such probable economic consequences requires study of the markets affected, of the companies involved in relation to those markets, and of the probable immediate and future effects on competition. A mere showing that a substantial dollar volume of sales is involved cannot suffice. As the Court says, "The market affected must be substantial," ante, page 8, and "substantiality can be determined only in terms of the market affected," ante, page 6. Section 7 thus requires a case-by-case analysis of the relevant economic factors.

However, when, as here, the Government brings a proceeding nearly 30 years after a stock purchase, it must prove that the acquisition was unlawful when made (i. e., that there was a reasonable probability at that time that Du Pont's competitors would be foreclosed from a substantial share of the relevant market), and also that the effect of the acquisition continue to be harmful to competition at the time suit was brought. Illegality at the time of acquisition is required by the first paragraph of section 7; continuing illegality is a prerequisite for obtaining equitable relief. See *United States* v. *W. T. Grant Co.* (345 U. S. 629); *United States* v. *Oregon Medical Society* (343 U. S. 326, 333); *United States* v. *South Buffalo R. Co.* (333 U. S. 771, 774). This is particularly true under section 7 since it is a prophylactic measure designed to prevent stock acquisitions which probably will have a deleterious effect on competition. Proof that competition has not in fact been harmed during a long period following a stock acquisition itself indicates that a restraint in the future is unlikely. In such a case, the actual effect of the acquisition largely supplants the conjecture as to its probable effects which otherwise must be relied upon.

In this case, the district court found that the challenged acquisition, which took place over 30 years ago, had not resulted in any restraint of trade "in those many intervening years." The district court properly concluded that, when there had been no restraint for 30 years, "there is not any basis for a finding that there is any reasonable probability of such a restraint within the meaning of the Clayton Act" (126 F. Supp., at 335). If the evidence supports the district court's conclusion that there has been no restraint for 30 years, the judgment below must be affirmed.

III

The remaining issues are factual: (1) Whether the record establishes the existence of a reasonable probability that Du Pont's competitors will be foreclosed from securing General Motors' trade, and (2) whether the record establishes that such foreclosure, if probable, involves a substantial share of the relevant market and significantly limits the competitive opportunities of others trading in that market. In discussing these factual issues, I meet the Court on its own ground, that is, I assume that the old section 7 applies to vertical acquisitions, and that the potential threat at the time of suit is controlling. Even on that basis the record does not support the Court's conclusion that section 7 was violated by this 1917–19 stock acquisition.

A. FORECLOSURE OF COMPETITORS

This is not a case where a supplier corporation has merged with its customer corporation with the result that the supplier's competitors are automatically and completely foreclosed from the customer's trade.[17] In this case, the only connection between Du Pont, the supplier, and General Motors, the customer, is Du Pont's 23-percent stock interest in General Motors. A conclusion that such a stock interest automatically forecloses Du Pont's competitors from selling to General Motors would be without justification. Whether a foreclosure has occurred in the past or is probable in the future is a question of fact turning on the evidence in the record.

The Court, at the outset of its opinion, states that the primary issue is whether Du Pont's position as a substantial supplier to General Motors "was achieved on competitive merit alone," or resulted from Du Pont's stock interest in General Motors, ante, page 2. In resolving this issue, the Court states that the "basic facts" are not in dispute and hence that it is unnecessary to set aside the findings of fact of the district court as clearly erroneous. See Federal Rules of Civil Procedure, volume 52 (a). The basic facts are said to be that Du Pont had no standing as a General Motors supplier before the stock purchases of 1917–19, that it gained a "commanding position" after the stock purchases, and that certain items of evidence in this gigantic record tend to indicate that Du Pont hoped to get and actually did get a preference in General Motors' trade. From these alleged facts the Court draws the conclusion that Du Pont has misused its 23-percent stock interest in General Motors "to entrench itself as the primary supplier of General Motors' requirements for automotive finishes and fabrics." Ante, page 19. "The inference is overwhelming," the Court concludes, "that Du Pont's commanding position was promoted by its stock interest and was not gained solely on competitive merit." Ante, pages 18–19. With these words, the Court overturns the district court's unequivocal findings to the effect that Du Pont was a principal supplier to General Motors prior to the 1917–19 stock purchases, that Du Pont maintained this position in the years following the stock purchases, and that for the entire 30-year period preceding the suit, General Motors' purchases of Du Pont's products were based solely on the competitive merits of those products. The evidence supporting these findings of the district court may be summarized as follows:

Du Pont is primarily a manufacturer of chemicals and chemical products. Thousands of its products could be used by General Motors in manufacturing automobiles, appliances and machinery. Despite Du Pont's sales efforts over a period of 40 years, General Motors buys many of the commodities produced by Du Pont from Du Pont's competitors.[18] The Court, ignoring the many products which General Motors declines to buy from Du Pont or which it buys only in small quantities, concentrates on the few products which Du Pont has sold in large volume to General Motors for many years—paints and fabrics. Before examining the history of those large-volume purchases, it is essential to understand where and by whom purchasing decisions within General Motors have been made.

For many years, General Motors has been organized into some 30 operating divisions, each of which has final authority to make, and does make, its own purchasing decisions. This decentralized management system places full responsibility for purchasing decisions on the officers of the respective divisions. To speak of "selling to General Motors" is, therefore, misleading. A prospective supplier, instead of selling to General Motors, sells to Chevrolet, or Frigidaire, or Ternstedt, or Delco Light, as divisions. Moreover, when there are several plants within a division, each plant frequently has its own purchasing agent and presents a separate selling job.

The record discloses that each division buys independently, that the pattern of buying varies greatly from one division to another, and that within each division purchases from Du Pont have fluctuated greatly in response to price, quality, service, and other competitive considerations. For example, Oldsmobile is the only division which buys antifreeze from Du Pont and 1 of the 2 car divisions which does not finish its cars with Duco. Buick alone buys Du Pont motor enamel, and Cadillac alone uses Du Pont's copper electroplating exclusively. Thus the alleged nefarious influence arising from Du Pont's stock interest apparently affects the Oldsmobile antifreeze buyer, but not the Oldsmobile paint buyer; the paint buyers at Chevrolet, Buick, and Pontiac, but not the antifreeze or electroplating buyers; and the electroplating buyer at Cadillac, but not the Cadillac paint buyer.

1. Paints: Du Pont, for many years, has had marked success in the manufacture and sale of paints, varnishes, lacquers, and related products.[19] In 1939, it produced 9.5

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[13] *Federal Trade Commission* v. *Western Meat Co.* (272 U. S. 554, 561).

[14] It might be argued that the mention of subsequent misuse in the third paragraph of sec. 7, the investment proviso, enlarges the substantive content of the first paragraph of sec. 7. This paragraph provides that "This section shall not apply to corporations purchasing such stock solely for investment and not using the same by voting or otherwise to bring about, or in attempting to bring about, the substantial lessening of competition." But the mention of use in this paragraph has the effect of limiting the exception it contains, that is, the exception for stock purchased solely for investment. This exception is lost if the stock is subsequently misused. But the exception contained in this paragraph does not come into play unless the acquisition first comes within the substantive prohibition of the first two paragraphs of sec. 7. This limitation on the exception cannot expand the substantive prohibition to which the exception applies.

[15] It may be that sec. 7 is inapplicable when the Government fails to bring suit within a reasonable period after the consummation of the stock acquisition. If so, the 30 years here involved would exceed a reasonable period of incipiency. Even though sec. 7 of the Clayton Act, under this theory, would be inapplicable, any alleged restraint could be dealt with under the Sherman Act.

[16] The Court apparently concedes that Du Pont's stock acquisition in General Motors was lawful when made because "its sales to General Motors were relatively insignificant" at that time and because "General Motors then produced only about 11 percent of the total automobile production." Ante, p. 12. Throughout, the Court stresses the growth in size of General Motors. Ante, pp. 8–9, 12. The decline in the number of automobile manufacturers is not mentioned, but is well known. And the Court states that diffusion of General Motors' stock through the years has increased "the potency of the influence of Du Pont's 23-percent stock interest." Ante, p. 20, n. 36.

[17] Except in this case, the enforcing agencies appear never to have brought an action under sec. 7 more than 4 years after the date of the acquisition. Consequently, the precise problem raised here has not been directly adjudicated. Nevertheless, the cases cited in the text spell out the proof required for a violation of sec. 7, and thus have an important bearing on this problem.

[17] Cf. *United States* v. *Columbia Steel Co.* (334 U. S. 495), holding that even the exclusion of competition resulting from complete vertical integration does not violate the Sherman Act unless competition in a substantial portion of a market is restrained.

[18] The following table compares General Motors' purchases, in 1947, of several products from Du Pont with its purchases of the same products from competitors of Du Pont:

Type of product	Purchases from Du Pont	Purchases from competitors of Du Pont	Total General Motors purchases	Percent of purchases from Du Pont
Finishes	$18,724,000	$8,635,000	$27,359,000	68.4
Fabrics (imitation leather and coated fabrics)	3,639,000	5,815,000	9,454,000	38.5
Adhesives	12,000	3,056,000	3,068,000	.4
Chemicals:				
Anodes	2,000	1,206,000	1,208,000	.2
Solvents	430,000	3,183,000	3,622,000	12.1
	22,816,000	21,895,000	44,711,000	51.0

[19] The following table compares Du Pont's total sales of industrial finishes in recent years with its sales of the same finishes to General Motors:

Year	Sales to General Motors			Total finish sales	Sales to General Motors as percent of total sales
	Duco	Other finishes	Total		
1938	$4,569,604	$1,625,625	$6,195,229	$31,357,134	19.8
1939	6,312,005	2,448,844	8,760,849	38,514,763	22.7
1940	8,876,970	2,850,091	11,727,061	44,974,778	26.1
1941	9,765,119	3,757,389	13,522,508	61,204,127	22.1
1946	6,911,596	3,518,236	10,429,832	75,117,079	13.9
1947	12,224,798	6,713,431	18,938,229	105,204,686	18.0

The years 1942 through 1945 are omitted from all tables because of the suspension of automobile production during the war.

percent of the total dollar value of all finishes produced in the United States and, in 1947, 8.1 percent. In recent years, approximately three-fourths of Du Pont's total sales to General Motors have consisted of industrial finishes.[23] Although Du Pont has been General Motors' principal supplier of paint for many years, General Motors continues to buy about 30 percent of its paint requirements from competitors of Du Pont.[24] Moreover, the sales of paint from Du Pont to General Motors do not bulk large in the respective total sales and purchases of either company. In 1948, Du Pont's finish sales to General Motors were only 3 percent of its total sales of all products; they were an infinitesimal percentage of General Motors' total purchases.

Two products account for a high proportion of these finish sales to General Motors: "Duco," a nitrocellulose lacquer invented and patented by Du Pont, and "Dulux," a synthetic resin enamel developed by Du Pont.[25] However, Duco and Dulux did not come into commercial use until 1924 and 1931, respectively, and Du Pont's position as a principal manufacturer of finishes was attained much earlier.

Du Pont first assumed a leading position in the automotive finish field with its acquisition, in 1918, of a majority of the stock of the Flint Varnish & Color Works at Flint, Mich. At that time, and for some years before, Flint supplied the finishes used on all General Motors cars except Cadillac, and also for many other automobile companies. Du Pont's acquisition of General Motors stock in 1917–19 did not influence the General Motors' divisions in purchasing from Flint. In 1921, Flint lost one-half of the Oakland business and, in 1923, a substantial portion of the business at Buick, Oakland and Oldsmobile (126 F. Supp., at 288).

The invention and development of Duco in the early 1920's represented a significant technological advance. Automobiles previously had been finished by applying numerous coats of varnish. The finishing process took from 12 to 33 days, and the storage space and working capital tied up in otherwise completed cars were immense. The life expectancy of varnish finishes was less than a year. In December 1921, General Motors created a Paint and Enamel Committee which contacted numerous paint manufacturers in an attempt to find a quicker drying and more durable finish.

Meanwhile, Du Pont had been doing pioneering work in nitrocellulose lacquers. In 1920, a Du Pont employee invented a quick drying and durable lacquer which contained a large amount of film-forming solids. This patented finish, named Duco, was submitted to the General Motors Paint and Enamel Committee in 1922 to be tested along with finishes of other manufacturers. After 2 years of testing and improvement, the Paint and Enamel Committee became satisfied that Duco was far superior to any other product or any other method of finishing automobiles then available.

The gradual adoption of Duco by some of the General Motors' car divisions, viewed in conjunction with its proved superiority as an auto finish, illustrates the independent buying of each division and demonstrates that Duco made its way on its own merits. Oakland (now Pontiac) first adopted Duco for use on its open cars in 1924. The new finish was an immense success and was used on all Oakland cars the following year. Buick and Chevrolet adopted Duco in 1925, but Cadillac, which had offered it as an optional finish in 1925, did not abandon varnish for Duco until 1926.[26]

From the beginning, General Motors continued to look for competitive materials. Letters were sent to other manufacturers urging them to submit samples of their pyroxylin paint for testing. Until 1927, none of the competing lacquers was comparable in quality to Duco. But the strenuous efforts by General Motors to develop competitive sources of lacquer eventually worked a substantial change in the Du Pont position. Oldsmobile and Cadillac switched to a competitor, Rinshed-Mason, in 1927, and have continued to buy almost exclusively from that company ever since. Chevrolet, Buick, and Pontiac continued to buy Duco, partly because of better service from nearby Du Pont plants, and partly because repeated testing failed to disclose any lacquer superior to Duco.

Finally, the success of Duco has never been confined to the General Motors' car divisions. In 1924 and 1925, nearly all car manufacturers abandoned varnish for Duco. By the end of 1925, all cars, except Ford and Cadillac, were using Duco. Nash, Hudson, Studebaker, Packard, and Willys have bought, and still buy, Duco in substantial amounts from Du Pont. Chrysler bought Duco in large volume until the early 1930's when, in pursuance of a policy to obtain suppliers to whom it would be the most important customer, it concentrated its purchases on one company, Pittsburgh Plate Glass. Ford has chosen to make a large part of its own requirements. During the 1920's, when Ford was losing its leadership in the low-priced field to Chevrolet, it continued to finish its cars in black japan. Mr. Ford is reported to have said, "Paint them any color, as long as they are black." Finally, in the 1930's, Ford was forced to shift to a synthetic enamel finish of its own manufacture. During this transition period, Du Pont sold Ford a substantial amount of finishes. In 1935, Ford was making half, and buying half from Du Pont; by 1937, Ford was making three-fourths and buying one-fourth from Du Pont. In 1938, Henry Ford "issued instructions that the Ford Motor Co. was not to purchase any more material from the Du Pont Co." From that time until Henry Ford II became active in Ford management, purchases from Du Pont practically ceased. Since then, Ford has purchased finishes from Du Pont in very substantial amounts.

General Motors has continued to test paints on thousands of cars annually. Du Pont has retained its position as primary lacquer supplier to several General Motors divisions because these divisions have felt that Duco best fits their needs. Kettering, who was a leader in General Motors research activities and who had been active in the testing and development of pyroxylin lacquers, testified that one of the reasons why General Motors cars had a higher resale value than comparable cars in a used car lot is the paint.

As the district court found, "In view of all the evidence of record, the only reasonable conclusion is that Du Pont has continued to sell Duco in substantial quantities to General Motors only because General Motors believes such purchases best fit its needs" (126 F. Supp., at 298).

The second largest item which General Motors buys from Du Pont is Dulux, a synthetic enamel finish used on refrigerators and other appliances. Prior to the development of Dulux, Duco was widely used as a finish for refrigerators. However, in 1927, Duco began to be replaced by porcelain, particularly at Frigidaire, a General Motors' appliance division. In 1930 and 1931, in collaboration with General Electric, Du Pont developed Dulux, a greatly superior and cheaper product. Since its development, Dulux has been used exclusively by all the major manufacturers of refrigerators and other appliances—General Electric, Westinghouse, Crosley, and many others—except Frigidaire, which continues to finish part of its refrigerators with porcelain. Disinterested witnesses testified as to the superior quality and service which has led them to continue to buy Dulux.[27] The district court did not err in concluding that Dulux—"is apparently an ideal refrigerator finish and is widely used by a number of major manufacturers other than General Motors. Several representatives of competitive refrigerator manufacturers testified that they purchased 100 percent of their requirements from Du Pont. There is no evidence that General Motors purchased from Du Pont for any reason other than those that prompted its competitors to buy Dulux from Du Pont—excellence of product, fair price and continuing quality of service" (126 F. Supp., at 296).

The Court fails to note that Du Pont's efforts to sell paints other than Duco and Dulux to General Motors have met with considerably less success. Du Pont does sell substantial amounts of automotive undercoats to Chevrolet and Buick but it has failed, despite continued sales efforts, to change the preference of Fisher Body, the largest purchaser of undercoats, for a competitor's undercoat. The successes and failures of other Du Pont finish products at various General Motors' divisions emphasize the independent buying of each division and negate the notion that influence or coercion is responsible for what purchases do occur. Frigidaire uses large quantities of black finishing and machine varnish, but has not

[23] In 1947, a typical year, General Motors' total purchases of all products from Du Pont were $26,628,274. Of this amount, $18,938,229, or 71 percent of the total, was finishes.

[24] In 1947, over 400 paint manufacturers other than Du Pont sold finishes to General Motors. The total amount they sold was $8,635,000, 31.6 percent of General Motors' requirements. Twenty-five companies, other than Du Pont, each sold amounts of finishes to General Motors in excess of $30,000 in that year; one company sold as much as $3,205,000.

[25] In 1947, General Motors' purchases of industrial finishes from Du Pont, by type of finish, were as follows:

		Percent
Duco	$12,224,798	65
Dulux	3,179,225	17
All others	3,534,206	18
Total	18,938,229	100

Thus, Duco and Dulux comprised 82 percent of Du Pont's finish sales to General Motors in that year.

[26] Du Pont initially sold more Duco to other auto manufacturers than it did to General Motors. In 1926, Du Pont's sales of colored Duco were distributed as follows: To General Motors, 19 percent; to other auto manufacturers, 33 percent; to all others, 48 percent. The primary market for clear Duco has always been the furniture industry.

[27] For example, Van Derau, a Westinghouse executive, testified that his company bought its entire requirements of refrigerator finishes from Du Pont because of Du Pont's quality and service:

"Now, another factor—and I think I can say this without it being harmful to any other suppliers—Du Pont has the finest trained technical group at their beck and call, at the beck and call of the users of the materials, of anybody in the business and we have had several times, when we have had a little problem, and I am thinking of one in particular where we were going to find it very difficult to keep in production until the trouble would be overcome, which I called from Pittsburgh to the Chicago, office, and the next morning one of the men of Du Pont was on the job, and within a very few hours they had materials coming in from their Toledo plant that kept us in production.

"You cannot laugh off that kind of service. They have been simply excellent, and I don't know how you could say, any better."

bought these products from Du Pont since 1926. At A-C Spark Plug division, located in Flint, Mich., where Du Pont has a finishing plant, Du Pont has been consistently successful in selling a substantial volume of the finishes used by that division. Delco-Remy Division, however, purchases most of its requirements of insulating varnish from Du Pont's competitors. The electromotive division prefers a competitive lacquer for the interior finish of its locomotives, but uses Duco on the exterior because the railroads, most of which use Duco for the exterior of the balance of the train, specify that finish. At Guide Lamp Division, Du Pont developed and still supplies a finish for the inside of headlight reflectors, but a competitor developed, and has kept, that division's substantial primer business. At the inland division, which produces steering wheels, Du Pont had some of the business at one time, but has been completely supplanted by a competitor offering better service.

The Du Pont experience at the Packard Electric Division, which uses large quantities of high and low tension cable lacquer, is illustrative. Until 1932, Packard Electric was a separate company wholly unrelated to General Motors, and Du Pont was a principal supplier of low tension lacquer and the sole supplier of black high tension lacquer. Now, as a division of General Motors, Packard Electric purchases its entire requirements of high tension lacquer from Du Pont competitors, and produces its own low tension lacquer from film scrap bought from Du Pont competitors.

The district court did not err in concluding, on the basis of this evidence, that Du Pont's success in selling General Motors a substantial portion of its paint requirements was due to the superior quality of Duco and Dulux and to Du Pont's continuing research and outstanding service, and that "Du Pont's position was at all times a matter of sales effort and keeping General Motors satisfied. There is no evidence that General Motors or any division of General Motors was ever prevented by Du Pont from using a finish manufactured by one of Du Pont's competitors; nor is there any evidence that General Motors has suffered competitively from its substantial use of Duco" (126 F. Supp., at 296).

2. Fabrics: The principal fabrics which Du Pont has sold to General Motors are imitation leather (Du Pont's Fabrikoid and Fabrilite) and top material for open cars and convertibles (Du Pont's Pontop, Everbright, and Teal).[28] Its sales of these materials to General Motors in 1947 totaled $3,369,000, or about 38.5 percent of General Motors' total purchases of such materials. In earlier years, before closed cars with all metal tops came to predominate, these materials constituted a larger proportion of the total fabrics used in an automobile than they do today. By 1946 they averaged, apart from the top material for convertibles, only about 1.6 yards, costing about $2.22 per car. They are used, principally for seat tops and backs, kick pad, rear shelves, et cetera. Du Pont does not manufacture the cotton and wool products of which most of the upholstery is composed.

Du Pont entered the manufacture of coated fabrics in 1910, when it purchased the Fabrikoid Company of Newburgh, N. Y. Artificial leather, as it was then known, was of poor quality and had very limited areas of acceptance. As Du Pont succeeded in improving both its quality and appearance, its use rapidly broadened. By mid-1913, Du Pont Fabrikoid, a pyroxylin-coated fabric, had been accepted by the automobile industry for upholstery and interior trim. Three years later, in 1916, almost every automobile company was a purchaser of Fabrikoid, and a contemporary Du Pont estimate in that year stated that 60 percent of all cars produced in the United States would be equipped with Fabrikoid. In that same year, Du Pont rounded out its line of fabrics by acquiring the Fairfield Rubber Co., a manufacturer of rubber-coated fabrics. Du Pont thus had achieved, before it purchased its General Motors stock, a leading position in the automotive fabric field. Before 1917, it was supplying substantially all of the coated fabrics requirements at Chevrolet and Oldsmobile, about half of the requirements at Buick, and about a third of the requirements at Oakland. At the Cadillac division, Du Pont supplied all of the coated fabrics for interior trim but none of the top material (126 F. Supp., at 296–297).

Although there have been variations from year to year and from one car division to another in response to competitive considerations, Du Pont generally has maintained its pre-1917 position as the principal supplier of coated and combined fabrics to General Motors. In 1926, General Motors purchased about 55.5 percent of these fabrics from Du Pont, largely because Chevrolet switched entirely to Du Pont after an unfortunate experience with competitive products during the preceding year. By 1930, the proportion had declined to about 31.5 percent, and Du Pont was selling more fabrics to Ford than to General Motors. At the time of suit, Du Pont's share had increased to 38.5 percent, the remainder being supplied by Du Pont's competitors.

In addition to the mass of evidence supporting the district court's finding that "such purchases of fabrics as the General Motors division have made from Du Pont from time to time were based upon each division's exercise of its business judgment and are not the result of Du Pont domination" (126 F. Supp., at 301), the record clearly indicates that Du Pont's fabrics can and have made their way in the automotive industry on their merits. Prior to the early 1920's, Du Pont was the principal supplier of coated fabrics to all three of the then major producers—Ford, Willys-Overland, and General Motors. After Ford and Willys began to produce their own coated fabrics they still turned to Du Pont for much of what they could not produce. Chrysler purchased substantial amounts from Du Pont until, in the early 1930's, it embarked on its policy of one principal supplier for each product and chose Textileather, a Du Pont competitor. Du Pont has continued to be Ford's largest supplier for the material which it does not manufacture for itself. Du Pont likewise has supplied, over the years, a considerable part of the coated and combined fabrics of most of the smaller automobile companies.

The district court did not err in concluding that "Du Pont, the record shows, has maintained its position as the principal fabrics supplier to General Motors through its early leadership in the field and by concentrating upon satisfactorily meeting General Motors' changing requirements as to quality, service, and delivery" (126 F. Supp., at 301).

3. Other products: The court concludes only that Du Pont has been given an unlawful preference with respect to paints and fabrics. By limiting the issue to these products, it eliminates from deserved consideration those products which General Motors does not buy in large quantities or proportions from Du Pont.[29] Yet the logic of the Court's argument—that the stock relationship between Du Pont and General Motors inevitably has or will result in a preference for Du Pont products—requires consideration of the total commercial relations between the two companies. Du Pont influence, if there were any, would be expected to apply to all products which Du Pont makes and which General Motors buys.

However, the evidence shows that Du Pont has attempted to sell to the various General Motors' divisions a wide range of products in addition to paint and fabrics, and that it has succeeded in doing so only when these divisions, exercising their own independent business judgment, have decided on the basis of quality, service and price that their economic interests would best be served by purchasing from Du Pont. Six such groups of products were considered in detail by the district court: plastics, brake fluid, case-hardening materials, electroplating materials, safety glass, and synthetic rubber and rubber chemicals (126 F. Supp., at 319–324). A few examples drawn from the findings will suffice.

Du Pont's sales to General Motors of celluloid (Du Pont's Pyralin), used as windows in the side curtains of early automobiles, initially declined in 1918 after the stock purchase, and only revived when an improved product was adopted by all the large auto manufacturers. Instead of purchasing brake fluid and safety glass from Du Pont, General Motors embarked, during the 1930's, on its own production of these substantial items. With respect to case hardening materials, General Motors has purchased less than half of its requirements from Du Pont, while other auto manufacturers have purchased amounts larger in proportion and quantity. Although Du Pont's new electroplating processes were widely adopted in the automobile and other industries in the 1930's only Cadillac has used Du Pont's processes exclusively, Oldsmobile and Pontiac have used it occasionally, and Chevrolet and Buick never have used it except for brief periods. Neoprene, a synthetic rubber developed by Du Pont, has been used to a much greater extent by Chrysler and Ford than by General Motors. Chrysler also uses, and helped develop, Du Pont's synthetic rubber adhesive for brake linings, but the General Motors divisions prefer a more expensive type of synthetic rubber.

[28] The following table compares Du Pont's total sales of industrial fabrics, primarily imitation leather and coated fabrics, in several recent years, with the sales of those same products to General Motors:

Year	Sales to GM	Sales to others	Total sales	GM sales as percent of total sales
1938	$446,357	$6,647,112	$7,093,469	6.6
1939	803,854	7,775,778	8,579,632	9.4
1940	1,285,280	7,780,105	9,065,385	14.2
1941	1,773,079	13,093,469	14,866,548	11.9
1946	2,083,166	14,170,639	16,253,805	12.8
1947	3,639,316	16,722,610	20,362,926	17.9

[29] The following table compares the dollar amount, in 1947, of Du Pont's total sales of the products of its various departments with the amount sold by it to General Motors:

Type of product	Du Pont sales to General Motors	Total Du Pont sales	Sales to General Motors, as percent of total sales
Finishes	$18,938,229	$105,266,655	18.0
Fabrics	3,639,316	20,362,926	17.9
Ammonia	1,742,416	50,320,207	3.5
Grasselli chemicals	1,024,320	74,212,311	1.4
Electrochemicals	1,019,272	47,687,843	2.1
Plastics	105,422	34,828,026	.3
Organic chemicals	83,254	94,632,256	.1
Rayon	45,616	250,467,514	(*)
Explosives	26,032	58,875,482	(*)
Pigments	3,530	81,496,024	(*)
Photo products	867	25,699,756	(*)
	26,628,274	793,849,000	3.4

*Less than 0.1 percent.

The record supports the conclusion of the district court: "All of the evidence bearing upon Du Pont's efforts to sell these various miscellaneous products to General Motors supports a finding that the latter bought or refused to buy solely in accordance with the dictates of its own purchasing judgment. There is no evidence that General Motors was constrained to favor, or buy, a product solely because it was offered by Du Pont. On the other hand, the record discloses numerous instances in which General Motors rejected Du Pont's products in favor of those of one of its competitors. The variety of situations and circumstances in which such rejections occurred satisfies the court that there was no limitation whatsoever upon General Motors' freedom to buy or to refuse to buy from Du Pont as it pleased" (126 F. Supp., at 324).

Evidence relied on by the Court: The Court, disregarding the mass of evidence supporting the district court's conclusion that General Motors purchased Du Pont paint and fabrics solely because of their competitive merit, relies for its contrary conclusion on passages drawn from several documents written during the years 1918–26, and on the logical fallacy that because Du Pont over a long period supplied a substantial portion of General Motors' requirements of paint and fabrics, its position must have been obtained by misuse of its stock interest rather than competitive considerations.

The isolated instances of alleged pressure or intent to obtain noncompetitive preferences are four: (1) The Raskob report of December 1917; (2) several letters of J. A. Haskell, written during 1918–20; (3) certain reports and letters of Pierre and Lammot Du Pont during 1921–24; and (4) a 1926 letter of John L. Pratt. Passages drawn from these 1918–26 documents do not justify the conclusion reached by the Court. Each of them is a matter of disputed significance which cannot be evaluated without passing on the motivation and intent of the author. Each failed to achieve its specific object. Read in the context of the situations to which they were addressed, each is entirely consistent with the finding of the district court that, although Du Pont was trying to get as much General Motors' business as it could, there was no restriction on General Motors' freedom to buy as it chose, and that General Motors' buyers did not regard themselves as in any way limited.[27]

Moreover, even if isolated paragraphs in these documents, taken from their context, are given some significance, and the other evidence relating to the period from 1918 to 1926 is entirely ignored, all of the evidence after 1926 affirmatively establishes without essential contradiction that Du Pont did not use its stock interest to receive any preferential treatment from General Motors.

Nor can present illegality be presumed from the bare fact that Du Pont has continued to make substantial sales of several products to General Motors.[28] In the first place, the record affirmatively shows that the new products which Du Pont has sold to General Motors since 1926 have made their way, at General Motors as elsewhere, on their merits. Sales of Duco, Dulux, Fabrilite, and Teal are not attributable in any way to dealings in the earlier period. Secondly, the Court's presumption is based on the fact that Du Pont does not sell to all other automobile manufacturers in the same proportion as it does to General Motors. But there is no reason why it should—the Government has not shown that sellers normally sell to all members of an industry in the same proportion. In any event, the record fully explains the disproportion. Since 1930, Du Pont's sales to others members of the industry have proportionately declined, largely because Ford has chosen to make the major share of its requirements of paint and fabrics, and because Chrysler has followed the policy of selecting a single supplier to whom it can be the most important customer. The fact is that Du Pont has continued to sell in substantial amounts to the smaller members of the automobile industry. The growth in the dominance of General Motors, Ford, and Chrysler—compsnies which together account for more than 85 percent of automobile production—when combined with the policies adopted by Ford and Chrysler, adequately explains why Du Pont sells a larger proportion of paint and fabrics to General Motors than it does to the industry as a whole.

It is true that section 7 of the Clayton Act does not require proof of actual anticompetitive effects or proof of an intent to restrain trade. But these matters become crucial when the Court rests its conclusion that Du Pont's stock interest violates the act on evidence relating solely to an alleged Du Pont intent to obtain a noncompetitive preference from General Motors, and on a finding that such a preference was actually secured through the unlawful use of Du Pont's stock interest. Preference and intent are also relevant because the Government has brought this case 30 years after the event. If no actual restraint has occurred during this long period, the probability of a restraint in the future is indeed slight. Especially is this so when the only change in recent years has been in the direction of diminishing Du Pont's participation in General Motors' affairs.

Rule 52 (a) governs this case.—The foregoing summary of the evidence relating to General Motors' purchases of paint and fabrics from Du Pont, comparatively brief as it is, reveals that a multitude of factual issues underlie this case. The occurrence of events, the reasons why these events took place, and the motives of the men who participated in them are drawn in question. The issue of credibility is of great importance. The district judge had the opportunity to observe the demeanor of the witnesses and to judge their credibility at first hand. Thus, this case is a proper one for the application of the principle embodied in rule 52 (a) of the Federal Rules of Civil Procedure: "Findings of fact shall not be set aside unless clearly erroneous, and due regard shall be given to the opportunity of the trial court to judge of the credibility of the witnesses." *United States* v. *Oregon Medical Society* (343 U. S. 326, 330–332, 339); *United States* v. *Yellow Cab Co.* (338 U. S. 338, 341–342).

This is not a situation in which oral testimony is contradicted by contemporaneous documents. See *United States* v. *United States Gypsum Co.* (333 U. S. 364). In this case, the findings of the district court are supported both by contemporaneous documents and by oral testimony. For example, General Motors' search for a better automotive finish, the superiority of the product developed by Du Pont and General Motors' continuous efforts to secure an equally good lacquer from other sources are all proved by letters and reports written in the early 1920's as well as by the oral testimony of many witnesses. Similarly, contemporaneous exhibits prove that General Motors purchased fabrics from Du Pont because of the superiority of Du Pont products, and that on other occasions it turned to competing suppliers even though Du Pont's products was just as good. Appellate review of detailed findings based on substantial oral testimony and corroborative documents must be limited to setting aside those that are clearly erroneous. The careful and detailed findings of fact of the district court in this case cannot be so labeled.[29]

competitor of Du Pont. When the competitor failed to solve a paint problem which confronted Delco, it called on Du Pont for help. However, although Du Pont solved the problem and obtained one order for paint, Delco asked Du Pont to withhold delivery so that the competitor could be given another opportunity to retain the business. Understandingly, Elms of the Du Pont paint department was somewhat piqued by this, and he wrote a personal letter to his friend Pratt asking for his assistance. Pratt's letter to the general manager of Delco was the result.

Despite the fact that the Du Pont product was offered at a lower price and the fact that the technical staff at Delco thought the Du Pont product superior, Delco nevertheless continued to buy from the competitor. Du Pont never did receive the business to which the correspondence related. Judged by either its content or its result, the Pratt letter is a poor example of an alleged Du Pont policy of "purposely employ[ing] its stock to pry open the General Motors market." Ante, p. 19.

[28] The Court, without referring to any supporting evidence, ventures the conjecture that "General Motors probably turned to outside sources of supply at least in part because its requirements outstripped Du Pont's production." Ante, p. 18. As I read the record, Du Pont was actively soliciting more business from General Motors and others throughout the period covered in this suit. I find no hint that Du Pont was surfeited with business and unable to fill General Motors' orders.

[29] The Court also overturns the district court's express finding that Du Pont purchased General Motors' stock solely for investment. The Court does this on the basis of an alleged Du Pont purpose to secure a noncompetitive preference which the Court finds expressed in the Raskob letter and in certain statements in Du Pont's 1917 and 1918 reports to its stockholders. These documents, however, are not inconsistent with the district court's finding of an investment purpose. The district court said:

"Raskob's report, the testimony of Pierre S. and Irenee du Pont and all the circumstances leading up to Du Pont's acquisition of this substantial interest in General Motors, as shown by the record, establish that the acquisition was essentially an investment. Its motivation was the profitable employment of a large part of the surplus

[27] Because the Court quotes fully from, and apeats to place special weight on, the 1926 letter of J. L. Pratt, a brief discussion of it is appropriate by way of illustration. Ante, pp. 19–20, n. 35.

The letter only purports to be an expression of Pratt's personal views—he makes it clear in the last paragraph that he is expressing his own opinions and not General Motors' policy. It has, therefore, comparatively little bearing on Du Pont's intent. Moreover, it is significant that Pratt's attitude toward Du Pont was based not on the stock relationship, but on the fact that Du Pont saved General Motors from financial disaster in 1920. His views, apparently, would have been the same whether or not Du Pont owned stock in General Motors. In any event, all that Pratt says is that, in making purchases, General Motors should "always keep a competitive situation," and "the prime consideration is to do the best thing for Delco-Light Co." (Pratt was writing to the general manager of Delco, a General Motors' division.)

An examination of the circumstances in which this letter was written disposes of any notion that it expressed a policy that General Motors should prefer Du Pont's products when they were equal in quality, service, and price. The circumstances were these: Delco Light was buying paint from a

B. RELEVANT MARKET

Finally, even assuming the correctness of the Court's conclusion that Du Pont's competitors have been or will be foreclosed from General Motors' paint and fabric trade, it is still necessary to resolve one more issue in favor of the Government in order to reverse the district court. It is necessary to hold that the Government proved that this foreclosure involves a substantial share of the relevant market and that it significantly limits the competitive opportunities of others trading in that market.[30]

The relevant market is the "area of effective competition" within which the defendants operate. *Standard Oil Co. of California* v. *United States* (337 U. S. 293, 299–300, n. 5). "[T]he problem of defining a market turns on discovering patterns of trade which are followed in practice." *United States* v. *United Shoe Machinery Corp.* (110 F. Supp. 295, 303, aff'd per curiam, 347 U. S. 521). "Determination of the competitive market for commodities depends on how different from one another are the offered commodities in character or use, how far buyers will go to substitute one commodity for another." *United States* v. *E. I. du Pont de Nemours & Co.*, 351 U. S. 377, 393. This determination is primarily one of fact.

The Court holds that the relevant market in this case is the automotive market for finishes and fabrics, and not the total industrial market for these products. The Court reaches that conclusion because in its view "automobile finishes and fabrics have sufficient peculiar characteristics and uses to constitute them products distinct from all other finishes and fabrics. * * *" (ante, pp. 6–7). We are not told what these peculiar characteristics are Nothing is said about finishes other than that Duco represented an important contribution to the process of manufacturing automobiles. Nothing is said about fabrics other than that sales to the automobile industry are made by means of bids rather than fixed price schedules. Dulux is included in the automobile market, even though it is used on refrigerators and other appliances, but not on automobiles. So are other finishes and fabrics used on diesel locomotives, engines, parts, appliances, and other products which General Motors manufactures. Arbitrary conclusions are not an adequate substitute for analysis of the pertinent facts contained in the record.

The record does not show that the fabrics and finishes used in the manufacture of automobiles have peculiar characteristics differentiating them from the finishes and fabrics used in other industries. What evidence there is in the record affirmatively indicates the contrary. The sales of the four products principally involved in this case—Duco, Dulux, imitation leather, and coated fabrics—support this conclusion.

Duco was first marketed not to General Motors, but to the auto-refinishing trade and to manufacturers of furniture, brush handles, and pencils. In 1927, 44 percent of Du Pont's sales of colored Duco, and 51.5 percent of its total sales were to purchasers other than auto manufacturers. Although the record does not disclose exact figures for all years, it does show that a substantial portion of Du Pont's sales of Duco have continued to be for nonautomotive uses.[31]

It is also significant that Duco was a patented product. Prior to the expiration of the patent in 1944, only 3 years before this suit was brought, Du Pont issued over 250 licenses—to all that applied—covering its patented process. If Duco is to be treated as a separate market solely because of its initial superiority, Du Pont is being penalized rather than rewarded for contributing to technological advance.

Dulux has never been used in the manufacture of automobiles. It replaced Duco and other lacquers as a finish on refrigerators, washers, dryers, and other appliances, and continues to have wide use on metallic objects requiring a durable finish. Yet the Court includes it as a finish having the unspecified but "peculiar characteristics" distinctive of "automobile finishes." (Ante, p. 8.)

In 1947, when Du Pont sales of Duco and Dulux to General Motors totaled about $15,400,000, the total national market for paints and finishes was $1,248,000,000, of which about $552 million was for varnishes, lacquers, enamels, japans, thinners, and dopes, the kinds of finishes sold primarily to industrial users.[32] There is no evidence in this record establishing that these industrial finishes are not competitive with Duco and Dulux. There is considerable evidence that many of them are. It is probable that Du Pont's total sales of finishes to General Motors in 1947 constituted less than 3.5 percent of all sales of industrial finishes.

The record also shows that the types of fabrics used for automobile trim and convertible tops—imitation leather and coated fabrics—are used in the manufacture of innumerable products, such as luggage, furniture, railroad upl. stery, books, brief cases, baby carriages, hassocks, bicycle saddles, sporting goods, footwear, belts, and table mats. In 1947, General Motors purchased about $9,454,000 of imitation leather and coated fabrics. Of this amount, $3,639,000 was purchased from Du Pont (38.5 percent) and $5,815,000 from over 50 Du Pont competitors. Since Du Pont produced about 10 percent of the national market for these products in 1946, 1947, and 1948, and since only 20 percent of its sales were to the automobile industry, the Du Pont sales to the automobile industry constituted only about 2 percent of the total market. The Court ignores the record by treating this small fraction of the total market as a market of distinct products.

It will not do merely to stress the large size of these two corporations. The figures as to their total sales—$793 million for Du Pont and $3,815,000,000 for General Motors in 1947—do not fairly reflect the volume of commerce involved in this case. The commerce involved here is about $19 million of industrial finishes and about $3,700,000 of certain industrial fabrics—less than 3.5 percent of the national market for industrial finishes, and only about 1.6 percent of the national market for these fabrics. The Clayton act is not violated unless the stock acquisition substantially threatens the competitive opportunities available to others. *International Shoe Co.* v. *Federal Trade Commission*, (280 U. S. 291); *Transamerica Corp.* v. *Board of Governors* (206 F. 2d 163); *V. Vivaudou, Inc.* v. *Federal Trade Commission* (54 F. 2d 273). The effect on the market for the product, not that on the transactions of the acquired company, is

which Du Pont had available and uncommitted to expansion of its own business.

* * * * *

"Raskob's reports and other documents written at or near the time of the investment show that Du Pont's representatives were well aware that General Motors was a large consumer of products of the kind offered by Du Pont. Raskob, for one, thought that Du Pont would ultimately get all that business, but there is no evidence that Raskob expected to secure General Motors trade by imposing any limitation upon its freedom to buy from suppliers of its choice. Other documents also establish Du Pont's continued interest in selling to General Motors—even to the extent of the latter's entire requirements—but they similarly make no suggestion that the desired result was to be achieved by limiting General Motors purchasing freedom. On the contrary, a number of them explicity recognized that General Motors trade could only be secured on a competitive basis" (126 F. Supp., at 242–243).

Whether any stock purchase is an investment turns largely on the intent of the purchaser. *Pennsylvania R. Co.* v. *Interstate Commerce Commission* (66 F. 2d 37), affirmed by an equally divided court (291 U. S. 651). In this case, since the district court's finding with reference to that intent is unequivocal and not clearly erroneous, the stock acquisition falls within the proviso, stated in the third paragraph of section 7, expressly excepting acquisitions made "solely for investment."

[30] The district court did not reach this question since it found that there was no reasonable probability of any foreclosure of Du Pont's competitors by reason of Du Pont's 23 percent stock interest in General Motors. Consequently, there are no findings of fact dealing with the relevant market. Also, the record appears deficient on such crucial questions as the characteristics of the products, the uses to which they are put, the extent to which they are interchangeable with competitors' products, and so on. For these reasons, I believe the Court in any event should remand the case to the district court to give the district judge, who is more familiar with the record than we can be, an opportunity to review the record, and entertain argument with respect to the substantiality of the share of the relevant market affected by the foreclosure which the Court finds to exist. By declining to remand, the Court necessitates a scrutiny here of this huge record for a determination of an essentially factual question not passed on by the district court, and not thoroughly briefed or argued by the parties.

[31] The Court states that General Motors took 93 percent of Du Pont's automobile Duco production in 1941 and 83 percent in 1947. (Ante, p. 18.). These figures are of little significance. Not only do they omit the crucial sales—those made outside the automobile industry—but they give a misleading impression with respect to Du Pont's sales to the automobile industry. As previously stated, Ford chose to make its own requirements after about 1935 and Chrysler desired to concentrate its purchases on one supplier. Under these figures, after eliminating Ford and Chrysler, and deducting Du Pont's sales to General Motors, Du Pont must have supplied nearly half of the entire requirements of all remaining auto manufacturers in 1941 and an even larger portion in 1947.

The record does not contain complete figures on the amount of Duco sold outside the automobile industry. However, there are figures for selected years. In 1927, for example, 51.5 percent of all Duco sales were to other than automobile manufacturers (1,166,220 gallons, out of a total of 2,263,000 gallons). In 1948, Du Pont's gross sales to purchasers other than General Motors of the same kinds of finishes bought by General Motors amounted to about $97 million; its sales to General Motors in the same year were $21 million, or 21.7 percent of the total. The record reveals that General Motors' purchases of finishes from Du Pont have ranged, in recent years, from 14 percent to 26 percent of Du Pont's sales of such finishes to all customers. The conclusion seems clear that Du Pont's finishes have found wide acceptance in innumerable industries and that Du Pont is not dependent on General Motors for a captive paint market.

[32] U. S. Department of Commerce, Bureau of the Census, II census of manufactures: 1947, statistics by industry, 414–415. There were 1,291 establishments manufacturing these products. Du Pont's total sales were 8.1 percent of the industry.

controlling. *Fargo Glass & Paint Co.* v. *Globe American Corp.* (201 F. 2d 534).[*]

The Court might be justified in holding that products sold to the automotive industry constitute the relevant market in the case of products such as carburetors or tires which are sold primarily to automobile manufacturers. But the sale of Duco, Dulux, imitation leather, and coated fabrics is not so limited.

The burden was on the Government to prove that a substantial share of the relevant market would, in all probability be affected by Du Pont's 23 percent stock interest in General Motors. The Government proved only that Du Pont's sales of finishes and fabrics to General Motors were large in volume, and that General Motors was the leading manufacturer of automobiles during the later years covered by the record. The Government did not show that the identical products were not used on a large scale for many other purposes in many other industries. Nor did the Government show that the automobile industry in general, or General Motors in particular, comprised a large or substantial share of the total market. What evidence there is in the record affirmatively indicates that the products involved do have wide use in many industries, and that an insubstantial portion of this total market would be affected even if an unlawful preference existed or were probable.

For the reasons stated, I conclude that section 7 of the Clayton Act, prior to its amendment in 1950, did not apply to vertical acquisitions; that the Government failed to prove that there was a reasonable probability at the time of the stock acquisition (1917–19) of a restraint of commerce or a tendency toward monopoly; and that, in any event, the district court was not clearly in error in concluding that the Government failed to prove that Du Pont's competitors have been or may be foreclosed from a substantial share of the relevant market. Accordingly, I would affirm the judgment of the district court.

"SEC. 7. That no corporation engaged in commerce shall acquire, directly or indirectly, the whole or any part of the stock or other share capital of another corporation engaged also in commerce, where the effect of such acquisition may be to substantially lessen competition between the corporation whose stock is so acquired and the corporation making the acquisition, or to restrain such commerce in any section or community, or tend to create a monopoly of any line of commerce.

"No corporation shall acquire, directly or indirectly, the whole or any part of the stock or other share capital of two or more corporations engaged in commerce where the effect of such acquisition, or the use of such stock by the voting or granting of proxies or otherwise, may be to substantially lessen competition between such corporations, or any of them, whose stock or other share capital is so acquired, or to restrain such commerce in any section or community, or tend to create a monopoly of any line of commerce.

"This section shall not apply to corporations purchasing such stock solely for investment and not using the same by voting or otherwise to bring about, or in attempting to bring about, the substantial lessening of competition. Nor shall anything contained in this section prevent a corporation engaged in commerce from causing the formation of subsidiary corporations for the actual carrying on of their immediate lawful business, or the natural and legitimate branches or extensions thereof, or from owning and holding all or a part of the stock of such subsidiary corporations, when the effect of such formation is not to substantially lessen competition.

"Nor shall anything herein contained be construed to prohibit any common carrier subject to the laws to regulate commerce from aiding in the construction of branches or short lines so located as to become feeders to the main line of the company so aiding in such construction or from acquiring or owning all or any part of the stock of such branch lines, nor to prevent any such common carrier from acquiring and owning all or any part of the stock of a branch or short line constructed by an independent company where there is no substantial competition between the company owning the branch line so constructed and the company owning the main line acquiring the property or an interest therein, nor to prevent such common carrier from extending any of its lines through the medium of the acquisition of stock or otherwise of any other such common carrier where there is no substantial competition between the company extending its lines and the company whose stock, property, or an interest therein is so acquired.

"Nothing contained in this section shall be held to affect or impair any right heretofore legally acquired: *Provided*, That nothing in this section shall be held or construed to authorize or make lawful anything heretofore prohibited or made illegal by the antitrust laws, nor to exempt any person from the penal provisions thereof or the civil remedies therein provided" (38 stat. 731–732, 15 U. S. C. (1946 edition) sec. 18).

Mr. O'MAHONEY. This decision, Mr. President, will, I think, take record alongside of the memorable decision which was handed down by the Supreme Court back in 1911, when the Standard Oil Company of New Jersey was held by the Supreme Court to be in such violation of the antitrust laws that it should be dissolved into various segments. One of the most interesting things about the results of that decision was that the segments of the Standard Oil Company of New Jersey became more wealthy and powerful than the mother company was when it resisted the suit brought by the Department of Justice.

In other words, monopoly, or a narrow control of commerce and industry, is never so productive for those who own and manage industry and for the people as is the free-enterprise system, by which I mean not any system that binds or fences off or protects monopolistic organizations, but a system which keeps the door of opportunity open for every individual and every group which seeks to enter the field of commerce, trade, and industry.

It is worthy of note that this case was initiated 8 years ago. It was brought in 1949 under section 15 of the Clayton Act. The United States District Court for the Northern District of Illinois ruled against the Government. The case was taken up on appeal to the Supreme Court. The decision which was rendered on Monday was a 4-to-2 decision.

The opinion was rendered by one of the recent appointees of the President to the Supreme Court, Mr. Justice Brennan. Associated with him in the decision were the Chief Justice, Mr. Earl Warren, Mr. Justice Douglas, and Mr. Justice Black.

A dissenting opinion was filed by Justice Burton and Justice Frankfurter.

Justices Clark, Harlan, and Whittaker did not take part in the decision at all. I suppose that Justice Clark withheld because he was at one time the head of the Department of Justice. Justice Whittaker has only recently been appointed to the Court and probably had no opportunity to hear the argument. Whatever reason Justice Harlan may have had does not appear on the face of the record.

The striking thing about the decision is that it points out in very simple language that one of the greatest dangers to economic independence is the power of monopoly. The Sherman antitrust law was enacted to punish conspiracies in restraint of trade after they had happened. The Clayton Act was passed, and the Federal Trade Commission was established, for the purpose of establishing a system of regulation which would nip monopoly in the bud, before anything had happened.

In this case the facts showed that the Du Pont Co. had acquired a 23-percent stock interest in the General Motors Corp. This acquisition was made in 1917 and 1919, and at that time, according to the evidence, one of the prominent managers of Du Pont pointed out that by the purchase of the stock the Du Pont Co. would create an opportunity for itself to have a market for the materials it produced. So in one sense it was a purchase made for the purpose of supplying a market. There may be some question as to what extent this market existed and to what extent it was used, but there is no doubt that throughout the period since Du Pont became the owner of this amount of stock the products of Du Pont were purchased by General Motors, and those purchases were made apparently to the exclusion of other suppliers.

In other words, this decision points to the captive markets which have been established in our modern industry by some of the giant corporations having satellite companies which they advertise as independent companies, but which are in fact not independent at all but revolve around the giant corporation.

That reminds me to say that recent figures furnished by the Library of Congress, from the best fiscal sources available—Standard, Poor's Manual, Moody's Manual, and other publications which report upon the statistics of giant business—show that the five largest American corporations, namely General Motors, Standard Oil of New Jersey, American Telephone & Telegraph Co., Ford Motor Co., and the United States Steel Corp., in a single year—I believe it was 1956—had revenues which were 5½ times as great as the revenues of the five wealthiest States in the United States. The States of New York, Ohio, Pennsylvania, California, and Texas had a total income from taxes and other sources during that year amounting to $6,669 million. The income of the five giant companies I have named was $31,660 million.

This shows the great disparity in economic power which has been produced in this country because corporations are created by the States, which have no power to regulate commerce among the States or with foreign nations. The States create the corporations which carry on this sort of commerce.

The companies which I have mentioned, including Du Pont and General Motors, are engaged in interstate and foreign commerce, but the States which created them have no power to regulate such commerce in the public interest.

The result has been, as shown by this decision, that General Motors Corp., the greatest industrial corporation in the world—and I use the word "greatest" both in the sense of size and probably in the sense of ability and skill—is equipped with technological experts, engineers, and scientists of the most outstanding quality. They can and do render great service. But it remains as a fact that these giant corporations are managed by paid employees. The officers and directors of none of these corporations are the owners of the corporations. They own only fragmentary shares of stock in the corporations. On the stock market, the share ownership is distributed in minute quantities, so to speak, among millions of individuals who are the technical owners, but who have nothing to say about the management of the corporations.

I remember very well that when Mr. Harlow E. Curtice, president of General Motors, testified before the Antitrust and Antimonopoly Subcommittee of the Committee on the Judiciary a year ago, he pointed out that no individual stockholder of General Motors owned more than 2 percent of the stock. I think he said 1 percent, but I am doubling the figure in order to be quite sure that I am not exaggerating the situation.

The stock of Du Pont is also scattered in the hands of many small stockholders, who exercise no more managerial power than to send in a proxy for the annual meeting. Du Pont owns 23 percent of the stock of General Motors Corp.

Du Pont is represented by directors and officers on the managerial board of General Motors. This situation is not peculiar to General Motors and Du Pont alone. Similar situations exist throughout our economy.

Therefore, because this decision throws a bright light upon the organization of our giant corporations and upon the laws which Congress has passed in prior years to prevent monopolistic control, I have asked the privilege of having both the majority decision and the dissenting opinion printed in the body of the RECORD.

My point, in conclusion, is this: We know that the whole world is in a state of great turbulence. We know that the United States, through its executive, legislative, and judicial branches, believe that ours is a government of the people. We know that the Soviet Government is a government of dictators. As the Senator from Minnesota [Mr. HUMPHREY] pointed out a few minutes ago, when Mr. Khrushchev, Secretary General of the Communist Party, made his television broadcast to our people last Sunday, he asserted that by 1960 or 1961, I believe, Soviet Russia would be outproducing the United States agriculturally. It may be outproducing us now in military production.

These facts are well known. The Soviet Army consists of about 119 divisions. Our Army consists of not more than 20 divisions. The Soviet Government has the largest navy in the world, probably, next to ours. We may have the largest, but it is true that the submarine fleet of Soviet Russia is far greater than was that of Herr Hitler; and in World War II Hitler's submarines were able to prevent the transportation of large quantities of petroleum from South America to our Atlantic coast for the use of our refineries in making fuel for our military weapons, our tanks, our naval vessels, and our airplanes. We were handicapped in the use of fuel.

If there should be a third world war, the Communist submarine fleet would in all probability be able to bottle up in the eastern Mediterranean any attempt to ship Middle East oil to this country to supply our defense needs.

What I am pointing out is simply that, before the third world war begins—and we all pray that it never will begin—one of the principal objectives of American statesmanship and American Government should be the preservation of the capitalistic system. Soviet Russia believes that it is outmoded, that it cannot last. They believe that through the concentration of the economy in the hands of monopolists, too many of our people will be excluded from participating in the economy. Therefore they are hoping that the capitalistic system will fail.

By opening the door of equal opportunity to all businesses, all groups, and all individuals, and by the strict enforcement of all antitrust laws—the Sherman Act, the Clayton Act, and the other acts—in order to prevent monopolistic practices and discriminatory selling, we will be able to preserve the capitalistic system as a method of expanding the economy and raising the standard of living of all the people.

Mr. President, I believe that any person who reads this decision will be benefited thereby. I have placed in the RECORD both the majority and the minority opinions, because they are both worthy of study, and because I believe that these opinions from the highest court in the land will stimulate and encourage those of us who desire to make the antitrust laws of the United States more competent to preserve economic opportunity for the masses of the people.

Mr. President, I yield the floor.

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[*] In the Fargo case, Maytag, an appliance manufacturer, acquired a 40-percent stock interest in, and contracted to purchase the entire output of, Globe, a gas range manufacturer. A Globe dealer, who lost his source of supply as a result of the transaction, brought a treble damage action alleging, inter alia, that the stock acquisition violated section 7 of the Clayton act. The evidence showed that there were about 70 manufacturers of gas ranges, and that Globe was about 18th in size, selling a little less than 2 percent of the national market (about $5 million a year). The Court of Appeals for the Seventh Circuit held that the stock acquisition did not violate section 7 because the plaintiff had other readily available sources of supply.

The acquisition of an outlet is governed by similar principles. In either case, the question is whether competitors may be substantially limited in their competitive opportunities. Assuming that Du Pont had purchased General Motors outright, and thus commanded an outlet consuming about 4 percent of the national market for industrial finishes and about 2 percent of the national market for industrial fabrics, it seems unlikely that Du Pont's paint and fabric competitors would be substantially limited in selling their products, when 96 percent and 98 percent, respectively, of the national market would remain open to them.

WORK OF SENATOR KEFAUVER IN EXAMINING ACCELERATED TAX WRITEOFF POLICY

Mr. NEUBERGER. Mr. President, on May 17 the Senate Judiciary Subcommittee on Antitrust and Monopoly, under the chairmanship of the able and distinguished senior Senator from Tennessee [Mr. KEFAUVER], opened hearings on the circumstances which have made it possible for the Idaho Power Co. to enhance its monopoly position, and at the same time gain special benefits at the expense of the Federal Treasury.

Results of the Judiciary subcommittee's hearings have been disturbing and revealing. They have shown that not only has this administration handed to the Idaho Power Co. the unique natural resources of the middle Snake River for private profit; it has done so in such a way that the taxpayers of the United States will carry part of the load of helping this private utility company with its wasteful underdevelopment of an irreplaceable resource.

The price tag to the taxpayers for the quick tax writeoff given to Idaho Power has been set at over $83 million, showing conclusively the emptiness of the company claim that its dams would be built without cost to the taxpayers. The diligent Senator from Tennessee again has exposed the favoritism being enjoyed by monopoly interests under policies of this administration. He is performing a service of inestimable value to the Nation by revealing the facts behind the shocking maneuvers in connection with betrayal of the public interest at Hells Canyon. I commend him for his tireless and courageous work.

Mr. President, I ask unanimous consent to include in the RECORD with my remarks, an editorial from the Nashville Tennessean of Friday, May 31, 1957, and a column entitled "Washington Wire" by T. R. B. in the New Republic of June 10, 1957, both of which set forth some of the positive accomplishments of the recent hearings on the tax writeoff bonanza to the Idaho Power Co.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the Nashville Tennessean of May 31, 1957]

NO FAST FRIENDSHIPS FOR IKE DESPITE THE FAST WRITEOFFS

If President Eisenhower likes enigmas, he has one of his very own to play with these days: Why, in the midst of his budget woes, has he been forsaken by the powerful business interests which have occupied so privileged a place in his administration?

Mr. Eisenhower's romance with big business bloomed from the very first. His stag dinners brought guests whose names read like a roster of Who's Who in Business and Industry. Bankers, industrialists, statesmen were invited, but no ordinary citizen ever found his name on any invitation.

As a general, Mr. Eisenhower never mingled with the enlisted help, or even the lower

echelon brass. And as a President, he had a boyish awe of the big shots, particularly the big corporation big shots. Most of his golfing, bridge, dinner, or shooting companions are the boys with the big cigars, whose troubles, if any, were "these here taxes, Ike, ol' boy."

Having viewed the world through the aromatic haze of smoke from a-buck-a-piece cigar, Mr. Eisenhower was not likely to be overly concerned about how the peasants were faring. And special favors were not hard to find by the dinner guests of good ol' Ike.

One type of favoritism has been drawing a huge outcry in recent days, thanks to a Senate investigation and Senate speeches. That is the fast amortization through 5-year tax writeoffs of depreciation which is enjoyed by all sorts of industry still, though months and months ago administration officials admitted this defense measure—launched during the Korean war—was going to be curtailed.

But that was before Idaho Power Co., of Augusta, Maine, came forward with demands for relief in its plans to build two low dams on Hells Canyon under the administration partnership plan.

Idaho Power, crying loudly in the sacred name of defense, was given the writeoffs, allowing it to depreciate 65 percent of the cost of its Brownlee Dam and 60 percent of its Oxbow Dam over 5 years instead of the usual 50. It was thereby enabled to save itself $30,500,000 in taxes at the cost of the taxpayer.

The whole business was put over despite a recommendation by Secretary of the Interior Fred Seaton who had urged that Idaho Power needed no tax incentive, that its dams would not produce excess power and failed to meet a critical requirement of the act.

The Seaton letter was allowed to be "lost," and was later turned up by Senator ESTES KEFAUVER's judiciary subcommittee, which had been misled about the Interior Department's stand by Mr. Gordon Gray, director of the Office of Defense Mobilization.

The whole air of secrecy, evasion and suppression leads to the inevitable conclusion that this writeoff smells of some very special treatment indeed, not only at an amazing cost to the taxpayers now but later to the power consumers of the Pacific Northwest.

Then, there is the fast tax writeoff to Freeport Sulphur Co. which was to encourage the production of nickel, and which has cost the Government $10 million in a market price loss.

Another form of "favoritism" has been Admiral Strauss' offer of all kinds of special inducements to industry to get them into construction of atomic reactors for power production.

Also, there is the tax privilege of a 27½ percent depletion allowance for the oil industry. Some Senators tried to get it scaled down recently, but were thwarted. And Treasury Secretary Humphrey said he would study this tax device. Obviously, he never got around to it.

While American citizens are bending under their individual tax loads, and small business is in a bind, this superconsideration for private power and big business is a shameful thing. The Kefauver subcommittee and other Senate probers should be urged to all-out zeal in uncovering the whole "romance" of Mr. Eisenhower—a courtship now turned cool—which has been so costly to the taxpayers.

[From the New Republic of June 10, 1957]

WASHINGTON WIRE: ANOTHER DIXON-YATES?

Way back before you were born the United States came within an inch of selling Muscle Shoals to Henry Ford. Coolidge and Hoover advocated it; George Norris stopped it. If the deal had gone through, we wouldn't have had TVA.

But under Eisenhower, Hells Canyon—the last great natural power resource on the North American continent—was handed over to the Idaho Power Co. (incorporated in Augusta, Maine). Truman's Oscar Chapman held it off, but Eisenhower's Douglas McKay put it through as the first major action taken under the new power policy.

The great canyon demanded a dam as noble as the site—a single thrilling structure to express for all time the spirit of the people and the Nation that produced it. Instead, the private utility undertook to build three small dams—dams that would not really harness the river and that, year after year, for ever and ever, would lose perhaps 400,000 kilowatts of prime power. A sleazy Niagara.

The argument for the private utility—in addition to encouraging free enterprise—was expressed by the Federal Power Commission. It could be realized, it explained, "without expense to the United States." The Quixotic utility in its generosity, it explained, would take the magnificent resource right off our hands and exploit it without its costing the Treasury a cent.

And Congress agreed. But now we are beginning to find out what "no expense to the United States" means. We have given away a vast natural resource; we have created a situation where generations to come will look at an incompletely harnessed site and say, "Why did the men of those days lack vision?" And, on top of this, we now discover that the Idaho Power Co. is sending in a bill. Yes; and an embarrassed administration is trying to cover it up very much as it tried to cover up realities in the now-canceled Dixon-Yates contract.

The utility has applied for, and been granted by Eisenhower's administration, a rapid tax writeoff subsidy to aid its construction. It is now officially estimated that this will cost the Treasury $83.5 million. (Total cost of the utility's three small dams is estimated at about $130 million.) This isn't the whole story.

RETURN OF THE HOUND DOG

You may remember how the Eisenhower administration twisted and squirmed over the Dixon-Yates contract until the Kefauver committee finally revealed that one of the key figures was working not only for the Government but for the private companies (a fact the oblivious Eisenhower himself twice denied). Now KEFAUVER is at work again. He has uncovered the fact that Interior Secretary Fred Seaton two months ago strongly recommended against giving the Idaho company its big Federal fast tax writeoff subsidy. He has disclosed that Gordon Gray, head of the Office of Defense Mobilization, although knowing of the adverse Seaton recommendaiton kept it secret and granted the tax write-off. (Such a conservative as Senator HARRY BYRD, Democrat, of Virginia, called the grant "utterly indefensible.") Gray left the impression in public testimony that he was following Interior Department policy, neglecting to mention that McKay policy had been superseded by Seaton policy (just as Eisenhower power policy seems to have altered slightly after 1956 election returns) from the angry power-minded Pacific States. Gray, it turns out, took his troubles to Sherman Adams, just as officials did in the Dixon-Yates row, and he now refuses (just as they did) to testify on the subject. Only when KEFAUVER got hold of the Seaton letter from an independent source did Gray suddenly decide that it was not "privileged" after all.

Ploddingly, implacably, like a hound dog on a hot scent, KEFAUVER is turning up hidden bodies. The Senate has one more chance to reverse its decision and take Hells Canyon away from the "no cost"—$83.5 million subsidy—Idaho Power Co. Another vote in Congress has been arranged. While the chances of reversal look rather slim, a lot of voters are going to mark this one down for keeps.

Mr. President, I now turn to another subject.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

RADIOACTIVE FALLOUT

Mr. NEUBERGER. Earlier today I engaged in a discussion on the floor of the Senate with the Senator from Minnesota [Mr. HUMPHREY], the Senator from Kentucky [Mr. COOPER], the Senator from Oklahoma [Mr. MONRONEY], and the Senator from New York [Mr. JAVITS], on the subject of atomic fallout. We discussed this great peril in varying terms.

I should now like to read two paragraphs from an article published in this morning's Washington Post and Times Herald, which, it seems to me, the Senate cannot ignore:

H. Bentley Glass of Johns Hopkins University said an "unbalance" existed in the AEC "between emphasis on the physical aspects of atomic energy and on the biological counterpart." He proposed that a geneticist or biologist be appointed to the Commission itself, or at least be represented on the AEC's General Advisory Committee.

Glass is himself a member of an advisory committee for the AEC's division of biology and medicine. He indicated later that his group's report on strontium 90 effects, requested by the Commission more than two years ago, has yet to be issued in its final form because of AEC reluctance.

Mr. President, it seems to me that this report, prepared by medical advisers to the Atomic Energy Commission on the impact of strontium-90 on the human race, should be released to the American public. The report should not be suppressed. I fail to understand how a report such as this can possibly have any direct bearing on strategic or military material which would be useful to the enemy.

However, I do believe that the facts in the report are of the utmost importance to the American people, who are concerned about their own health and that of their children.

When a member of the AEC Advisory Committee on Biology and Medicine says publicly that the report of his group has been suppressed, and when that report deals with such a vital matter as the impact of strontium-90 on human life, the Senate should take an interest in the situation.

I believe that the Atomic Energy Commission should release the report to the rest of the Government, to Congress, to the President, and certainly to the public. The very least the Atomic Energy Commission should do is to give some concrete reasons why the report has not been released, if it is to continue with its reluctance to disclose material that is of such vital importance to us all.

SUSPENSION OF TROOP CEILINGS IN THE ARMED FORCES

Mr. MONRONEY. Mr. President, so that the Senate will have unfinished business when it adjourns for the day, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 390, H. R. 7143.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 7143) to amend the act of August 3, 1950, as amended, to continue in effect the provisions relating to the authorized personnel strengths of the Armed Forces.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma?

There being no objection, the Senate proceeded to consider the bill.

Mr. MONRONEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection it is so ordered.

EXECUTIVE AND LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I wish to announce again, for the information of the Senate, that on tomorrow there will be a yea-and-nay vote on Executive C, 85th Congress, 1st session, a protocol between the Government of the United States of America and the Government of Canada to the Convention for the Protection, Preservation, and Extension of the Sockeye Salmon Fisheries in the Fraser River system, signed at Washington on the 26th day of May 1930, which protocol was signed at Ottawa on December 28, 1956.

I desire all Senators to be on notice that there will be a yea-and-nay vote on the protocol, in accordance with the previously established procedure on treaties.

The leadership is hopeful that next week it may be possible for the Senate to consider H. R. 6070, the independent offices appropriation bill, the subcommittee, under the chairmanship of the distinguished senior Senator from Washington [Mr. MAGNUSON] having completed hearings on that bill.

Also, it is hoped that the Senate may consider next week H. R. 6287, the Labor and Health, Education, and Welfare appropriation bill, which is being considered by a subcommittee under the chairmanship of the distinguished senior Senator from Alabama [Mr. HILL].

It is hoped that the Senate may also consider then H. R. 6500, the District of Columbia appropriation bill, which is being considered by a subcommittee headed by the distinguished junior Senator from Rhode Island [Mr. PASTORE].

It is also hoped that the Senate may consider next week the Department of Agriculture appropriation bill, H. R. 7441, which is being handled by a subcommittee headed by the distinguished senior Senator from Georgia [Mr. RUSSELL].

The subcommittee handling the Department of the Interior Appropriation bill hopes to be able to report that bill, H. R. 5189, to the full committee next week. Hearings are now being held on House bill 7665, the Defense Department appropriation bill, under the chairmanship of the distinguished senior Senator from New Mexico [Mr. CHAVEZ].

It is my information that the public works appropriation bill is ready for consideration by the House of Representatives. The Senate committee has been holding hearings on the bill, under the chairmanship of the distinguished senior Senator from Louisiana [Mr. ELLENDER]. The bill should be ready to be reported to the Senate soon after the House acts on it.

Mr. President, I want the RECORD to show that we intend to have first priority given to these appropriation bills. I hope it will be possible for the Senate to dispose of some 5 or 6 of them during the next 10 days.

In addition, the atomic energy treaty is before the Foreign Relations Committee. I had expected that it would be reported this week, but there has been some delay because of the request for a report from the Secretary of State and because of the possibility that some reservations will be made to the treaty.

Furthermore, the mutual security bill is being marked up by the Foreign Relations Committee. I hope the committee will order the bill reported this week.

I should like to have all my colleagues on both sides the aisle know that the weeks ahead will be very busy ones; we will have several appropriation bills to consider in the next week or 10 days, in addition to the mutual aid authorization bill, and at least 2 treaties.

EQUIPMENT FOR THE WASHINGTON HOSPITAL CENTER

Mr. MORSE. Mr. President——

Mr. JOHNSON of Texas. I yield to the Senator from Oregon.

Mr. MORSE. Mr. President, I wish to make several insertions in the RECORD; but, first, I wish to make a statement on another matter.

Mr. JOHNSON of Texas. Mr. President, I had been informed by one of the Senate aids that the Senator from Oregon wished to make an insertion in the RECORD. However, inasmuch as he wishes to make a statement, I now yield the floor to him. I ask that when he finishes his statement, he move that the Senate adjourn.

Mr. MORSE. Very well.

Mr. President, I wish to make a preliminary report on behalf of the Subcommittee on Public Welfare, of the Committee on the District of Columbia. Today, we had in the subcommittee what, to me, was a very thrilling experience in connection with the testimony of a group of distinguished doctors and hospital representatives in this community, including former Representative Dewey, now the president of the District of Columbia Hospital Association. We were confronted with the serious problem of a proposal by the General Services Administration and the Bureau of the Budget to cut from $1,710,000 to $500,000, a budget request, for hospital equipment which the testimony of witness after witness showed is essential. The testimony clearly showed that if the equipment is not obtained, it will be impossible to supply the medical services needed in these hospitals. That would be the result of following the recommendation of the General Services Administration and the Bureau of the Budget.

Mr. President, I raise the question of whether that is an example of being conservative in economic affairs and being liberal in human affairs, on the part of this administration.

Mr. President, the position taken by the Bureau of the Budget was so untenable that our subcommittee followed an extraordinary course of action. Following consideration of the bill, although the subcommittee had other bills to consider, it took a recess, insofar as the public hearing was concerned, and went into executive session, at which time it unanimously recommended the full amount of $1,710,000, on the ground that neither the Bureau of the Budget nor the General Services Administration had submitted a scintilla of evidence which would justify the cut they proposed in the budget item.

I wish to compliment the great surgeons and doctors of the District of Columbia who took their time this afternoon to come before the District of Columbia subcommittee and protest against that proposed cut. The members of subcommittee thought that time was so much of the essence, that they took the course of action I have just described, and then excused a member of the subcommittee, I refer to the Senator from Pennsylvania [Mr. CLARK], to have him go directly to the Senate Appropriations Subcommittee, to present to it our point of view.

As we said in the statement we released to the press, so far as we are concerned, we are not going to be a party to economizing in the District of Columbia at the expense of human suffering, on the part of hospital patients who, as was testified to, today, by doctor after doctor, would not be able to obtain the medical services they would need, if such a budget cut were authorized.

Mr. President, I wish to mention that situation, while speaking today on the floor of the Senate, because I am very proud of the dedicated work of my colleagues on the District of Columbia Committee. It is a rather thankless job; and I am very proud of the work of the committee and of what the committee is attempting to do, in an effort to see to it that justice is done for thousands of voteless people in the District of Columbia.

Mr. MAGNUSON. Mr. President, will the Senator from Oregon yield to me?

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Does the Senator from Oregon yield to the Senator from Washington?

Mr. MORSE. I yield.

Mr. MAGNUSON. I just finished holding the appropriations subcommittee hearing which heard the testimony of the same group which appeared before the Senator's subcommittee prior to coming before our group. I think we have all the facts well in mind.

After making such large expenditures for the hospital, it would seem obvious that the necessary equipment should be provided. Of course, we shall have to wait for the authorization. I hope the House Committee on the District of Columbia acts as promptly as the Senator from Oregon and the other members of the subcommittee of the Senate Committee on the District of Columbia acted this afternoon.

Mr. MORSE. Let me say to the chairman of the appropriations subcommittee having jurisdiction over this matter that one of the witnesses testified that if the necessary equipment is not provided, certain parts of the hospital cannot be used; and in that connection the interest charge alone for the unused facilities would equal a considerable part of the cost of the equipment.

One of the doctors testified that one of the cuts proposed by the Bureau of the Budget would prevent the installation of air conditioning in the nurses' home. He pointed out that the nurses will work during the day in the hospital, which is air-conditioned, but then will be required to return to what he described as cubicles, by way of dormitory facilities, in Washington, D. C., in the summertime; and the proposal was that there be eliminated from the budget the amount for air conditioning the nurses' home.

The Senator from Washington knows the problem we have in obtaining an adequate number of nurses, anyway.

Mr. MAGNUSON. This is the only nurses' training school in the United States, I believe, in conjunction with a large hospital unit.

Mr. MORSE. At least, it is one of the few. All the doctors testified that there is great need for it in the District of Columbia.

I suggested to the doctors present that if we really felt there would be very much difficulty over that item, I would do the best I could to see to it that the air conditioning in the Capitol Building was shut off on the day when the vote on this item was taken; I thought it might be helpful to have that done.

Mr. MAGNUSON. There are some Government installations that do not have air conditioning—for instance, the veterans' hospitals throughout the country. There is a problem in that connection, of course. In addition, certain of the Government office buildings in the city of Washington do not have air conditioning. The Appropriations Committee is moving as quickly as possible to take care of that situation.

Certainly it might be false economy not to install air conditioning in the new hospital building.

Mr. MORSE. As was intimated in this case, it is also a problem of health for the nurses themselves, and there is a question whether we have a right to send them from an air-conditioned hospital to a hot cubicle in a dormitory.

Mr. MAGNUSON. I hope the Senator will use his good offices to have the authorization approved as quickly as possible, so we may be able to discuss and consider the amount of money needed.

Mr. MORSE. I pledge to the chairman of the Subcommittee on Appropriations that I shall do everything in my power.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 5, 1957, he presented to the President of the United States the following enrolled bills:

S. 895. An act for the relief of Josefa Kusiak; and

S. 1203. An act for the relief of Lydia Anne Foote.

THE NATIONAL FOREST WILDERNESS SYSTEM

Mr. MORSE. Mr. President, I desire to put in the RECORD an address by the Chief of the Forest Service on the National Forest Wilderness System as a complement to a recent speech by Mr. Brewer, of the Sierra Club.

For a long time I have had a high regard for the Forest Service. Every member—from the men manning the fire towers and in the ranger stations right through to the chief of the Forest Service—has helped make the wonderful record in conservation of natural resources that this Agency has. This does not mean that I think that the Forest Service is perfect, but they have done a good job. When we think of the difficulties that have beset their path and view accomplishments in this perspective, the job done has been even better.

In his speech Mr. McArdle has attempted to explain a decision made on the reduction of the Three Sisters Wilderness Area in my State.

In my judgment, the major errors in this decision should not occur again. Here is what happened. The Department reduced the Three Sisters Wilderness Area by 53,000 acres. At the same time they created new wilderness area elsewhere. Thus they claim a net increase of 32,000 acres.

The Three Sisters decision was mixed with another, and the claim emerges with a net wilderness increase of 32,000 acres in my State.

I think that if the Department was going to create the new wilderness areas, this should have been done in one order, while the Three Sisters reduction should have been made in another.

One of the significant oversights in Three Sisters is that the Department did not present the conservationists with their plan of operation for the 53,000 acres that was put into commercial use. Thus the conservationists had no way of assessing how the timber operations planned against the boundary of the wilderness area will affect it.

It is my considered judgment that we need two things. First, we need State or regional wilderness reviews to establish the total area that should be committed to wilderness. Second, we need more public information on how lands to be eliminated from wilderness will be managed, especially when the lands are next to a remaining wilderness area. Sound public policy calls for giving the people all of the facts so that they may appreciate the situation. This did not occur in Three Sisters.

The wilderness system of our national forest is not large. As the chief of the Forest Service points out, we need more public understanding on the problem the Forest Service has in maintaining an area as wilderness.

Certainly the Forest Service has responsibilities here as the custodian of the national forests. I hope they will exercise this responsibility by keeping the public fully informed. I hope that never again will a wilderness area be reduced until the plan for commercially operating the area has been presented to the public and their comments have been reviewed. I also hope the Forest Service will support and help implement plans which will provide for regional or State reviews of our wilderness needs.

The preservation of primeval America is a necessary part of preserving and promoting the traditions that stand for this great Nation. I am confident that as we move forward in conservation, the Forest Service will be motivated by the nobleness of purpose that guided Theodore Roosevelt, Gifford Pinchot, and the great conservationists of the turn of the century who recognized that the future of America's resources must be protected. Our moral strength as a nation will be determined in large measure by the national outlook we develop toward our resources. In this troubled world we must maintain this strength to protect our Nation from the godless materialism of communism and the police state.

Therefore, as a part of my remarks, I ask unanimous consent that the speech delivered by Richard E. McArdle, Chief of the Forest Service, be printed in the RECORD as a part of my remarks.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE NATIONAL FOREST WILDERNESS SYSTEM

(By Richard E. McArdle, Chief, Forest Service, U. S. Department of Agriculture, at Wilderness Conference, San Francisco, March 16, 1957)

(NOTE.—It seemed to me that various concepts of wilderness had been expressed at this meeting. To avoid possible misunderstanding of my prepared statement, I thought it desirable to preface my remarks with an off-the-cuff comment that as I would use the term "wilderness" does not refer to developed areas such as city or State parks open to mechanized means of travel, campgrounds and picnic areas, or even to backcountry areas if accessible by roads. I also commented that although I could join other speakers in arguing the need for preserving wilderness conditions, I would use the time available to me to concentrate on some of the practical problems the Forest Service is trying to solve in order to preserve and protect wilderness.—R. E. McA.)

The Department of Agriculture has recognized the desirability of protecting and preserving wilderness for a long time. We will continue to do so. I know from my own association with five Secretaries of Agriculture that each of them has given personal support to sound wilderness policy.

The guiding principles of national-forest management are multiple use and sustained yield of products and services for the greatest

good of the greatest number in the long run. This means that all resources, all uses, all users must be considered. Within that framework the Forest Service will protect, preserve, and maintain as wilderness those areas on the national forests which are predominantly valuable for that purpose. We will continue our study of the existing primitive areas and classify as wilderness or wild areas those portions which are predominantly valuable for wilderness. We will establish new areas under regulation U-1 or U-2 when such action is justified by public need and by careful analysis of the total resource situation in each potential or proposed wilderness area.

The Superior airspace reservation and the Superior roadless area are examples of actions under our wilderness policy. The Superior airspace reservation, which prohibits the operation of aircraft at elevations under 4,000 feet on the Superior roadless area, is the only airspace reservation of its kind. We have had some tough fights to maintain the airspace reservation. So far we have won them all. The Superior Roadless Area Act (of June 22, 1946, amended June 22, 1956) is a clear recognition by Congress that purchase of private property inside the Superior roadless area is essential to protect the unique qualities and natural features of this superlative canoe country. The Secretary of Agriculture recommended this legislation in 1948 and again last year strongly supported its amendment to substantially increase the amount authorized for expenditure.

I know that most of you agree with our principles for managing public properties, but I think some of you sometimes wonder whether the Forest Service will always use the right yardstick or give proper weight to intangible values in determining when wilderness is the highest public use of an area. Let's take a look at the record.

Back in the 1920's the Forest Service gave formal recognition to wilderness as a significant national-forest use. A large part of what is now the Gila Wilderness was administratively set up as a special area for the preservation of wilderness in 1924. In 1926 parts of the Superior roadless area were given special protection.

In 1929 the Forest Service recommended regulation L-20, the first secretarial regulation on wilderness use. This regulation authorized the establishment of primitive areas for the purpose of protecting wilderness conditions. The first primitive area under regulation L-20 was established in 1930. By 1939 we had established 73 primitive areas and 2 roadless areas, totaling 14,235,000 acres.

As we gained experience we found ways to strengthen the implementation of our wilderness policy, and in 1939 the Secretary of Agriculture, on Forest Service recommendation, established still more restrictive regulations. These are regulation U-1 for the establishment of wilderness areas (over 100,000 acres) and regulation U-2 for wild areas (5,000 acres to 100,000 acres). I think most of you are familiar with these regulations.

When regulations U-1 and U-2 were established, we announced that in accordance with these regulations the 73 primitive areas would be systematically restudied, and that all portions predominantly valuable for wilderness would be reclassified as wilderness or wild areas under regulations U-1 and U-2. We also announced that we would not wait for reclassification but would immediately begin to manage all primitive areas in accordance with the more restrictive provisions of the new regulations.

We now have 12 wilderness areas, a total of 3,969,000 acres; 23 wild areas, totaling 815,000 acres; 3 roadless areas with 814,000 acres; and 43 remaining primitive areas with 8,252,000 acres.

Here is what has happened since regulation U-1 was established in 1939: 29 primitive areas, totaling 4,375,228 acres, have been reclassified under regulation U-1 or U-2; 8 new wild areas, totaling 289,962 acres, and 1 new roadless area of 37,889 acres have been established. In 1941, 432,167 acres of the High Sierra primitive area in California were transferred by act of Congress to the Kings Canyon National Park and are still managed as wilderness. (Another 206,000 acres had been transferred in 1938 by act of Congress from the Olympic primitive area to the Olympic National Park and continue to be managed as wilderness.) The 32,784-acre remnants of the Olympic primitive area were not suitable for wilderness classification, and we dropped them from further consideration. We were obliged to discontinue one primitive area—the Mt. Shavano in Colorado—because the wilderness character of this 30,729-acre area was destroyed by mining activity and mining roads during World War II.

The reclassification of 29 primitive areas has involved, in total, rather sizable boundary adjustments—additions as well as deletions. If you want to evaluate what has happened in total acreage since regulations U-1 and U-2 were established in 1939, I think it would be necessary to allow for the more than 400,000 acres removed by act of Congress from Forest Service administration but still managed as wilderness. Allowing for this action, the balance sheet on March 1, 1957, shows a net increase in wilderness administered by the Forest Service of 65,376 acres.

Three new wilderness areas are now being proposed. The Tracy Arm-Fords Terror area in Alaska has been advertised and a public hearing is scheduled for April. Public notice has been given on the Jarbidge area in Nevada, and preliminary proposals on the Glacier Peak area in Washington have been sent to interested groups for discussion. These 3 proposals comprise a total area of more than 780,000 acres.

Since 1939 there has been only one change in a wilderness or wild area after it was formally established under Regulations U-1 or U-2. That was a relatively minor change in the Superstition Wilderness area, in Arizona. The owner of private land inside the wilderness area built a road to his land in accordance with his statutory right of ingress and egress. We therefore eliminated the 7,680 acres affected by this road, as prescribed in Regulation U-1.

I think the Forest Service has a right to be proud of this whole record. It covers 33 years of protection and preservation of lands for wilderness use. It covers the administration of six Chiefs of the Forest Service and demonstrates a strong continuity of policy and purpose. May I add, parenthetically, that since I became Chief, 13 of these primitive areas have been reclassified as wilderness or wild, 2 new wild areas have been established, and 3 proposals for new areas totaling some 780,000 acres are in the mill. I intend to continue to protect and preserve the wilderness resources of the national forests, and I have every confidence that future Chiefs of the Forest Service will continue to do so on lands which are predominantly valuable for that use.

Under our present policy and procedure, there have been very few serious disagreements with wilderness advocates. Our discussions with interested groups and individuals usually have resulted in agreement on mutually satisfactory boundaries. This kind of cooperation has led to mutual understanding of interests and viewpoints. We realize that there may sometimes be differences of viewpoint which cannot be resolved easily. In those instances public hearings are held. This was done for three areas—the San Gorgonio, Gila, and Three Sisters. We learned a lot from those hearings, and they helped us to better understand the many aspects of wilderness and the viewpoints of wilderness people. I will make an additional comment on the Three Sisters area a little farther on.

So much for the policy and the past record. Now I want to talk about some of the problems of managing wilderness areas. From now on when I say "wilderness" I'm using the term in its generic sense to mean any area being managed for the protection and preservation of primitive conditions, including wilderness areas, wild areas, roadless areas, and primitive areas.

I have said many times and I repeat: Use for wilderness purposes of large areas of national forest is an important use, a desirable use. But you all know that it is only one of many important and desirable uses of the national forests. The need for full use of the resources of the national forests will become even greater as our population grows. There is not enough national forest to satisfy all the needs of our growing population. Large as the national forests are, 181 million acres is not enough to provide each and every group of users with exclusive use of all the areas each group wants and with the particular areas they want.

That is why we stress multiple use and sustained yield of resources and services as overall objectives of national forest management. We want the national forests to satisfy as many public needs as possible and thereby yield maximum public benefits. Wilderness is a special problem because use for this purpose does not lend itself to sharing an area with many other uses. In some respects it is a rather restrictive use. Wilderness areas can, of course, yield water (except for large reservoirs), forage, wildlife (in limited quantities), and scientific values in addition to wilderness enjoyment; but timber utilization, mass recreational use, big water-storage projects, scenic highways, and other commercial uses must be excluded if the wilderness character of the area is to be preserved.

You can't just set aside 14 million acres of wilderness and forget it. Wilderness areas must be managed and protected in order to remain useful as wilderness. That is a difficult and often rather costly job. Although legislation might be helpful in resolving some difficulties, many of them are administrative problems which can't be solved by legislation.

Formal establishment—however it may be done—as a wilderness area does not guarantee preservation of resource values. Fire, insects, disease, and windthrow are constant threats not only to forests in the wilderness area, but there is also overpresent danger that big fires or disease or insect epidemics may spread to adjoining lands outside the wilderness.

I've seen big burns in many of our wilderness areas, and they are not attractive. The inaccessibility of wilderness areas makes fire control difficult, dangerous, and expensive. One night last fall a group of us were discussing this problem. We were in the heart of one of the largest wilderness areas, so perhaps our physical location at the time made our discussion even more realistic. The map we were examining was literally peppered with small dots, each dot representing a fire—for the most part fires started by lightning. Almost any one of those fires, had it not been controlled, might have swept over thousands, and perhaps hundreds of thousands of acres of fine wilderness country. It might have spread to lands outside the wilderness. As many of you of course know, we have developed an elite corps of

firefighters—our smokejumpers—to help us meet this difficult situation.

I think that sometimes in our enthusiasm for wilderness preservation we are inclined to ignore some of the costs. Maybe this is a carryover from pioneer days, when land was to be had for the taking. Maybe it's because many people think of wilderness as idle land, doing nothing. You don't get wilderness for free; it costs something and those costs are increasing. Part of the cost is measured in terms of what you can't have if you do have wilderness—less timber, less forage, less water, less opportunity for people to enjoy the best scenery, and so on. Some of it is measurable in dollars; some isn't.

But let's get back to my fire-occurrence map. Every dot on that map represents not only a fire; it also represents two or more smoke jumpers—two or more men who risked their lives to preserve wilderness values. Without roads it's expensive as well as terribly time consuming to get these smoke jumpers back into circulation when they've finished their job. I wish I could assure you that smoke jumping is the whole answer to fire control in large, back-country areas. It isn't. I wish I could tell you that we aren't worried about the possibility of having an enormous conflagration that will be tremendously difficult to control under wilderness conditions. The certain destruction by such a conflagration of water values, of scenic values, of other resource values worries us even more than the cost of fire control. Loss of water, loss of other values may not have been so critical 50 years ago, 25 years ago, or even 10 years ago. It would be today. It will be much more critical in the future. Quick access is the key to fire control, but quick access is what you don't have if you want wilderness. These aren't theoretical considerations. They are hard facts and they're right on us.

Insect epidemics also are grim reapers of forests—including forests inside wilderness areas. When they build up to epidemic proportions they spread over large areas and do great damage. Much of the Flat Tops primitive area in Colorado has been ruined by insects that got away from us. Aerial spraying can be done effectively in wilderness areas against some insects and diseases, but cannot be used to combat others.

Every big blowdown of timber in a wilderness poses a problem and a threat of big damage from fire and insects. Some of the worst forest insect epidemics in this country gained rapid headway because of the ideal breeding conditions created by large blowdowns. We can and do have blowdowns inside wilderness areas.

There are other problems connected with wilderness—overgrazing by pack stock, cleanup and sanitation at heavily used camp sites, overgrazing by big game which can't be harvested because of inaccessibility, a number of others. I won't discuss these—you all recognize them.

Practically every wilderness area contains timber, minerals, water, and vast opportunities for mass recreation which in time may be needed by our growing population. If the need for those resources becomes critical, there will be public demand to modify the wilderness so that these resources may be used. The time may come when there will be a showdown between fully appraised wilderness values versus other values.

The best way to avoid that pressure on wilderness is to provide an adequate supply of other resources by good multiple land use on nonwilderness areas. For example, the best way to reduce the demand for the timber in wilderness areas is to see to it that all commercial forest lands are managed so well that they can supply all the timber the Nation needs.

The same comment could be made for mass recreational use. For every person who has the strength, the time, and the money to enjoy national-forest wilderness areas, there are 100 who don't enjoy them because they can't get into them. I am not taking sides in what could someday develop into a real controversy among recreationists. I am simply pointing to a hard fact that can't be ignored: 99 percent of the people who hunt, fish, camp, picnic, or just ride around enjoying the scenery on the national forests don't use our wilderness areas. There is a steadily growing demand—unorganized as yet, although your proposed scenic-resources review may do so—to make more recreational areas accessible to motor transportation. Sportsmen know that some of the best hunting and fishing are in wilderness areas, but many of them don't have the time or money to get there. They may want better access to these areas. In 1955 recreation use of the national forests was 45½ million visits and probably will climb to 66 million in 1962 and 100 million by 1975. Space for forest recreation use is being narrowed down as the Nation's population grows.

Here again the best wilderness protection is going to be the best job of using, developing, and protecting all of the mass recreation opportunities that are available on all land ownerships. "Operation Outdoors" is a plan and a program to do just that on the national forests. But regardless of how well we develop the recreation resources of the national forests, there is still going to be increased demand for better access to certain special recreation resources in wilderness areas. You have been discussing the scenic resources of the United States at this meeting. Most of the best scenic resources of the national forests are in wilderness areas, but they are not available to the average tourist. How are we to come up with the right answer to that?

These are some of the problems of keeping and managing our wilderness areas. I am sure they are not new to many here today. The point I want to make is that these things need to be considered when we plan wilderness. In the final analysis, preservation of our wilderness heritage does not rest in my hands nor in yours. It rests with the American people as a whole. We can harm our cause if we oversimplify or ignore these practical problems as we reach for objectives that we feel strongly about.

Before I close, I want to make at least mention of the Three Sisters area and the wilderness bills now before Congress.

Some of you are unhappy with my recommendation on the Three Sisters area. I've been accused of ignoring advice, of yielding to political pressures, of domination by lumber interests, of making a recommendation while sitting in an ivory tower. Parenthetically, I might comment that much of this came from people who I doubt ever saw the area.

When I lived in Oregon the Three Sisters country was one of my favorite places. I thought I knew it pretty well, but I delayed making any recommendation even in my own mind until I could refresh my memory by again visiting the area. I spent hours and hours reading letters from completely sincere people. I read all of the Eugene hearing record. I think I saw everything that was written to any unit of the Forest Service or to the Secretary of Agriculture. I studied maps and aerial photographs. I asked my top staff people to study the situation and give me their independent comments. The task was not made easier by the obvious fact that the Three Sisters area cannot be considered by itself, in a vacuum. There were other areas in the central Oregon Cascades that many of us felt should be added to the wilderness system of that broad area. These were areas of far higher wilderness value than the 53,000 disputed acres west of Horse Creek. At the same time I did have to consider entirely separate and apart from all other areas the specific values of these 53,000 acres.

There have been claims that there was strong pressure from wood-using industries to eliminate the area west of Horse Creek. There was not. There was no pressure from the Secretary's office for me to recommend for or against anything. I had a free hand in coming to the conclusion that the 53,000 acres west of Horse Creek had much greater values for other purposes than for wilderness, and I made my recommendation accordingly. The Department did not make the final decision until after Assistant Secretary Peterson checked my recommendation on the ground.

When we had completed our study of wilderness in the Oregon Cascades, we wound up with a net increase of about 32,000 acres. This is more than 5 percent of the national-forest land in that area. The total size of established wilderness areas in Oregon national forests is approximately the same area as the State of Rhode Island.

Now about the many wilderness bills which have been introduced in Congress. I am in sympathy with the general objectives of these proposals and believe that it would be helpful if Congress were to enunciate a policy on wilderness so that administrators of public lands would have some direct guidance from Congress as to the protection and preservation of wilderness and the objectives of wilderness management. This statement should not be construed as specific approval by me or by the Forest Service of these specific legislative proposals. The Department has been asked for a report stating its position and recommendations on several of the wilderness bills, and we are studying them carefully. The Department has not yet made its report, and I am not at liberty to discuss the bills except in very general terms.

Essentially, the same comment applies to current legislative proposals to establish a National Outdoor Recreation Resources Review Commission. Many people believe that a survey of the Nation's recreation resources is desirable so that we will know what we have in the way of recreation resources and what will be needed to accommodate present and future needs. The Department has been asked for reports on these bills, but until these reports are released I cannot with propriety discuss their merits.

I want you to know that our interest in wilderness is strong and that it will stay that way. The Forest Service believes that wilderness is a valuable use of national-forest resources. We are going to do our best to manage the national forests so that they can supply the Nation with water, with timber, with opportunities for mass recreational use, with minerals, with forage, and with wilderness. We are going to try to protect these lands and manage them so that there will be a sustained yield of all services and all resources needed by this Nation's rapidly growing economy.

FAST TAX WRITEOFF FOR IDAHO POWER CO.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, as a part of my remarks, an editorial from the Capital Times, of Madison, Wis., for May 24, 1957, supporting the position I have taken in opposition to the fast tax writeoff for the benefit of the Idaho Power Co.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHAT'S THE DIFFERENCE?

Republican Members of the United States Senate apparently resent any outside intrusion on what they consider an exclusive right to criticize President Eisenhower—a right they have been exercising with increasing frequency lately.

They are in a high fury at Senator WAYNE MORSE, Democrat, of Oregon, for saying that he sees little difference from a moral standpoint between Dave Beck taking interest-free loans from the teamster funds and the Eisenhower administration using the people's money to give the Idaho Power Co. an interest-free loan.

There was a time when Republicans would not have minded a comparison of the President to Beck. That was when Beck, a Republican labor leader, was supporting the President for reelection and was paying visits to the White House where he and the President were snapped in friendly poses by photographers.

It was during this time that Philip Kuehn, head of the Wisconsin Republican Party, publicly cited Beck as his idea of a good labor leader.

Attacking Senator MORSE for his criticism of the President, Senator BRIDGES, of New Hampshire, said he was shocked at the comparison of the President "with a man who has taken the fifth amendment over 200 times."

It is strange that BRIDGES should mention this aspect of Beck's record, for it is here that the parallel is quite noteworthy.

In the Dixon-Yates scandal, for example, members of the executive agencies, on orders of the President, used the constitutional grounds of separation of powers to justify their refusal to testify before Congressional committees seeking the facts about Dixon-Yates. The Bureau of the Budget, the Securities and Exchange Commission, Presidential Assistant Sherman Adams, and other executive agencies refused to testify about facts in the Dixon-Yates case.

As a consequence, the public has still not learned the truth about Dixon-Yates.

What's the difference between pleading the constitutional separation of powers to avoid testifying and the constitutional privilege against self-incrimination?

Mr. MORSE. Mr. President, I also ask unanimous consent to have printed in the RECORD as a part of my remarks another editorial from the Coos Bay Times, of Coos Bay, Oreg., entitled "No Saints in White House," dealing also with the fast tax writeoff issue.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NO SAINTS IN WHITE HOUSE

Senator WAYNE MORSE caused quite a flurry on the Republican side of the Senate aisle the other day when he was quoted as saying that President Eisenhower and Dave Beck were "the same kind of immoralists." He said he could see no difference in Beck's helping himself to union funds and the administration's action in giving Idaho Power Co. a big tax writeoff on its Hells Canyon pigmy dams, thus allowing Idaho Power Co. to take money from the taxpayer's pockets.

The explosion was not long in coming. Senators CAPEHART, of Indiana, and HICKENLOOPER, of Iowa—both strongly anti-Eisenhower within their own party—cried "Foul." They suggested that MORSE be censured by the Senate if he should utter those horrible words on the floor. MORSE promptly took the floor and reiterated his beliefs, and challenged the Senate to censure him. The gentlemen from Indiana and Iowa backed down.

They had made a mistake, it seems.

Not only had they threatened something they couldn't deliver—a vote of censure—but they had once more called attention to the odious action of the Eisenhower administration of robbing—yes, that's the word, "robbing"—the taxpayers to benefit the Maine-owned power company, which the GOP had already enriched at the taxpayers' expense with a gift of the people's dam site.

If memory serves, Senators CAPEHART and HICKENLOOPER were in the forefront of bitter, personal attacks on former occupants of the White House. But it seems that the President is sainted, above criticism of ordinary mortals. He's an institution, like the Lincoln Memorial—above reproach.

Apparently Senator MORSE does not think so. Neither do we. And history has never yet found a subject immune from critical review.

HELLS CANYON AND TAXES

Mr. MORSE. Mr. President, I also ask unanimous consent to have printed in the body of the RECORD, as a part of my remarks, an editorial entitled "Hells Canyon and Taxes," from the La Grande (Oreg.) Evening Observer.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HELLS CANYON AND TAXES

An old controversy is going to get a new twist when a new Hells Canyon Dam authorization bill comes up for debate in the Senate. Senator WAYNE MORSE, Democrat, of Oregon, who introduced the measure—with 25 Democratic and 2 Republican cosponsors—served notice on May 6 that the issue was going to be carried directly to the President, and that one of the lines of approach will be an attack on tax concessions to private power companies.

The President ought to read the mail I am getting in regard to this unconscionable act of recent days for which he has to take the responsibility when his own ODM has granted to the Idaho Power Co. something which will cost the American taxpayers millions of dollars.

The Office of Defense Mobilization announced on April 29 that two certificates of necessity for rapid tax writeoffs had been issued to the Idaho Power Co. for its power developments on the Snake River. One project was certified for 65 percent of its $67,138,240 cost and the other for 60 percent of its $35,943,730 cost.

Sec. 216 of the Revenue Act of 1950 allows certain corporations to write off depreciation on new plants for tax purposes in 5 years rather than the customary 20 years. The ODM grants certificates of necessity to these corporations, vouching for the potential defense need for the new facilities. The Idaho Power Co. applied for necessity certificates for the Snake River projects in August 1953.

The Federal Power Commission in August 1955 granted Idaho Power licenses to construct the projects. The Department of the Interior 2 months later recommended the granting of necessity certificates.

Construction actually began in 1955, but issuance of the ODM certificates was held up pending settlement of litigation aimed at overthrowing the FPC approval of the Snake River projects. The Supreme Court on last April 1 let the FPC order stand, refusing to review the decision of a lower Federal court.

Senator HARRY F. BYRD, Democrat, of Virginia, chairman of the Senate Finance Committee, on April 4 introduced a bill which would amend the law to "restrict the issuance of certificates for rapid amortization." Actually, BYRD's measure would extend the concessions only to "certain carefully restricted military equipment."

BYRD termed the section a "tax loophole," and referred to a staff report of the Joint Committee on Internal Revenue Taxation. This study defines "rapid amortization" as: "a form of special Government assistance to private manufacturers, or, bluntly, a subsidy. As does any subsidy, it involves favoring one firm, that gets a subsidy, over another."

Industry leaders contend that the revenue loss to the Government through rapid amortization is only a temporary one. Secretary of the Treasury George M. Humphrey, in backing the Byrd bill for the Senate Finance Committee on May 7, admitted that the more than $5 billion lost to the Treasury in the early years of rapid amortization "will be recovered in the years after 1960."

But, said Humphrey, "The interest cost to the Government, over the entire period of lag in tax collections, will be roughly $3 billion." Senator PAUL H. DOUGLAS, Democrat, of Illinois, a member of the Congressional Joint Economic Committee, on March 4 had put the rapid tax writeoff "subsidy" to private utilities alone at $4.7 billion.

Mr. ALLOTT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT

Mr. MORSE. Mr. President, pursuant to the order previously entered, I move that the Senate stand adjourned until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 22 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Thursday, June 6, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 5, 1957:

RAILROAD RETIREMENT BOARD

Howard William Habermeyer, of Illinois, to be a member of the Railroad Retirement Board for the term of 5 years from August 29, 1957 (reappointment).

UNITED STATES CIRCUIT JUDGE

Jean Sala Breitenstein, of Colorado, to be United States circuit judge, 10th circuit, vice Walter A. Huxman, retired.

UNITED STATES ATTORNEY

Leonard G. Hagner, of Delaware, to be United States attorney for the district of Delaware for a term of 4 years. He is now serving in this office under an appointment which expires June 9, 1957.

Charles P. Moriarty, of Washington, to be United States attorney for the western district of Washington for a term of 4 years. He is now serving in this office under an appointment which expires August 5, 1957.

UNITED STATES MARSHAL

Pervie Lee Dodd, of Alabama, to be United States marshal for the northern district of Alabama for a term of 4 years. He is now serving in this office under an appointment which expires August 5, 1957.

Howard Call, of Utah, to be United States marshal for the district of Utah for a term of 4 years. He is now serving in this office under an appointment which expired May 21, 1957.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 5, 1957

The House met at 12 o'clock noon.

Rev. John D. Davey, St. Mark's Methodist Church, Houston, Tex., offered the following prayer:

Our Father, we bow in Thy holy presence on this day. We thank Thee for moments of high service. We ask this day, O God, for Thy guidance, Thy wisdom in place of our folly, Thy light in place of our darkness, Thyself in place of ourselves.

O Father, we would commit ourselves this day to Thee and to Thy care and to Thy keeping. By Thy hand of guidance, by Thy hand of mercy, by Thy hand of love, guide these who represent us each day. May Thy wisdom, O God, lead them. May Thy love replace our hate, Thy faith our distrust. And may we, O God, clasp hands with Thee and follow Thee and Thy guidance wherever Thou wouldst lead us.

We ask these things in Thy name and for Thy Son's sake. Amen.

The Journal of the proceedings of yesterday was read and approved.

DEFENSE CUTS MADE BY THE DEPARTMENT OF DEFENSE

Mr. SIKES. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, a week ago we were told that Congress would force reductions in military personnel, in planes, and in guided missiles by the cuts carried in the defense appropriations bill. Actually, these are the programs the committee had made it a point not to cut. The Congress knows they are the key parts of our defense.

Now we see a totally different story. The Secretary of Defense has ordered cuts in the Defense Establishment. These cuts can very well bring about reductions in the exact areas which a week ago were charged to the committee. Now the cat is out of the bag. Mr. Wilson's Department of Defense, not Congress, is responsible for what may be dangerous cuts in America's defense. Make no mistake about it, these cuts when made cannot be charged to the Congress.

DANGER OF FURTHER A-BOMB TESTS

Mr. VANIK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VANIK. Mr. Speaker, the testimony of leading scientists before the Joint Committee on Atomic Energy relating to the harmful and disastrous effects of fallout confirms the bold and forthright position against further A-bomb tests expressed last year by Democratic nominee Adlai Stevenson.

As a matter of fact, there are strong indications that there was a deliberate suppression of available scientific data on the subject during last year's presidential campaign. We cannot be proud of such suppression, either the persons who ordered it or the informed persons who lent themselves to it for the purposes of political expediency.

KEEPING THE DODGERS IN BROOKLYN

Mr. DORN of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DORN of New York. Mr. Speaker, there have been many statements made about the Brooklyn Dodgers leaving Brooklyn. The ones I have heard here in the House of Representatives do not entirely reflect the point of view of all the people in Brooklyn. Certainly they do not reflect my point of view.

We Brooklynites love the Dodgers. We do not want them to leave Brooklyn. They were born in Brooklyn. They became great in Brooklyn. All true Brooklynites have always rooted for and supported them.

The Dodgers are Brooklyn as much as the Brooklyn Bridge and Prospect Park. Everything must be done to keep them in Brooklyn. It is not a matter of business, though it might be to some people. It is sentiment, it is emotion, it is love. Brooklyn would not be Brooklyn without the Dodgers, and baseball would not be baseball without the Dodgers in Brooklyn. Walter O'Malley cannot permit the team to leave Brooklyn. He is a Brooklynite and as a Brooklynite has this same love, this same emotion, this same sentiment and it will prevent him from permitting this ill-conceived move.

I, for one, am doing everything possible to keep the Dodgers for Brooklyn and Brooklyn for the Dodgers. But it is not up to our businessmen, our legislators, or our public officials; it is up to the people themselves. I would like to know from the people of Brooklyn if this is how they feel.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 95]

Bailey	Curtis, Mass.	Holland
Beamer	Dawson, Ill.	Holtzman
Blitch	Diggs	James
Bolton	Engle	Kearney
Bowler	Feighan	McGovern
Broyhill	Gubser	Machrowicz
Christopher	Harrison, Nebr.	Miller, Md.
O'Konski	Sieminski	Utt
Powell	Siler	Withrow
Scherer	Steed	Wolverton

The SPEAKER. On this rollcall 401 Members answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CIVIL RIGHTS ACT OF 1957

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 259 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6127) to provide means of further securing and protecting the civil rights of persons within the jurisdiction of the United States. After general debate, which shall be confined to the bill and continue not to exceed 4 days to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield the usual 30 minutes to the gentleman from Pennsylvania [Mr. SCOTT] on the minority side, and pending the use of that, Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. MADDEN], who favors this legislation.

Mr. MADDEN. Mr. Speaker, the chairman and members of the Judiciary Committee are to be commended for reporting favorably on H. R. 6127, a bill for the further securing and protecting the civil rights of persons within the jurisdiction of the United States.

The Rules Committee has provided 4 days for general debate on the floor in the Committee of the Whole after which, under an open rule, amendments can be offered under the 5-minute rule of the House. This bill is divided in four main parts; the first of which establishes a six-member bipartisan Commission on Civil Rights to be appointed by the President with the consent of the Senate. This Commission would be authorized to subpena witnesses, documents, and hold hearings under similar rules governing House committees. It would be empowered to investigate allegations and affidavits in writing under oath that certain citizens are being deprived of their right to vote by reason of their color, race, religion, or national origin. The members of this Commission would receive the sum of $50 per day for each day actually spent in the work of the Commission, besides being reimbursed for actual and necessary travel expenses. The Commission is authorized to appoint a full-time staff director and other personnel which it deems advisable in conformity with the civil-service and classification laws. The limitation of 15 persons is placed upon this authorization of a competent staff selected by the Commission. This Commission may confer with governors, attorneys general, and other representatives of State and local governments and private organizations if it deems so advisable. Under this bill, subpenas for attendance and testimony of witnesses and the production of documents and other matters may be demanded according to the rules of the Commission.

Under part 2 of the bill there shall be established in the Department of Justice, one additional Assistant Attorney General who shall be appointed by the President with the advice and consent of the Senate. This Department will be given complete control and jurisdiction over all complaints and problems involving the violation of the civil rights of any citizens of the United States.

Part 3 of the bill provides that whenever any persons have engaged, or there are any reasonable grounds to believe that any persons are about to engage, in any acts or practices that would jeopardize or violate the civil rights of American citizens, the Attorney General may institute for the United States, or in the name of the United States, a civil action or other proper proceedings for preventative relief, including an application for a permanent or temporary injunction for a restraining order or other order. The United States, under actions of this kind, shall be liable for all court and other costs, the same as a private person. The district courts of the United States shall have jurisdiction of proceedings instituted pursuant to this section.

Part 4 of the bill provides for measures to protect voting rights of persons eligible to cast ballots for candidates for Federal office, which includes President, Vice President, presidential electors, Members of the United States Senate or Members of the House of Representatives, Delegates or Commissioners from the Territories or possessions at any general, special, or primary election held solely or in part for the purpose of selecting or electing such candidates. This section gives the Federal courts jurisdiction, regardless as to whether a complainant has exhausted all other remedies in other courts. Provisions are also made to recover damages or to secure equitable or other relief under any act of Congress providing for the protection of civil rights, including the right to vote. The Attorney General would be empowered to institute in the name of the United States a civil action or other proper proceedings for preventative relief, including an application for a permanent or temporary injunction in case of sufficient evidence that a citizen's constitutional civil rights are being jeopardized.

No doubt, during the debate and consideration of this bill on the floor of the House, opponents of this legislation will exert every effort to amend and attach provisions which would nullify and render ineffective the purposes for which this legislation is so much needed. No doubt, considerable effort will be made to amend this bill on the theory that it denies citizens the constitutional right to trial by jury.

The proposal to broaden jury-trial guaranties under this legislation would not promote, but would defeat, the true intent and purposes of this bill. The constitutional right to equal protection of the laws and the protection of the right to vote are fundamental. The proper use of injunctions in contempt proceedings to protect these rights is in accordance with due process of the Constitution. The aim of this bill is to prevent violations or deprivations of constitutional rights, not punishment. These are not criminal proceedings in any sense, but precautionary measures to protect rights of citizens; therefore, the proper use of injunctions and contempt proceedings to protect these rights is in accord with due process of law under the Constitution. There is no constitutional guaranty of jury trial in contempt proceedings. Prevention of wrongdoing, not punishment, is the object of the injunction authorized in the pending civil-rights legislation. Injunctions and restraining orders merely preserve the status quo until a full hearing can be had on the issuance of a permanent injunction. In each of these temporary remedies, Federal law carefully safeguards the rights of the litigants.

Both national political parties, Democratic and Republican, enacted planks in their platforms endorsing effective civil-rights legislation. This bill reflects in the main the general intent of both political parties.

I do hope this long-delayed legislation to protect the civil rights of all American citizens under the jurisdiction of the United States will be enacted into law this session.

Mr. SCOTT of Pennsylvania. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, the Committee on the Judiciary, in reporting this bill, states:

The need for legislation such as proposed by the bill H. R. 6127 has, in the opinion of the majority of the members of the committee, been clearly established. In support of such a contention are the report of the President's Committee on Civil Rights in 1947, the message of President Truman in 1948, and the messages of President Eisenhower in 1956 and on January 19, 1957, and corroborating those recommendations is that of the Attorney General of the United States as contained in an executive communication of April 9, 1956, which was repeated again during the course of his testimony before the committee in 1957. The provisions of the bill H. R. 6127 are designed to achieve a more effective enforcement of the rights already guaranteed by the Constitution and laws of the United States. This is particularly true with regard to the right of franchise in Federal matters. Moreover, the bill reflects what the committee believes to be the desire of the American people to continue to expand our American concept of freedom. That is done by the creation of a Commission on Civil Rights for the purpose of investigation and study of a denial of a right to vote because of race, creed, color, or racial origin, and to analyze the legal developments in Federal policies and laws involving the constitutional right of equal protection under the laws.

Mr. Speaker, as I am sure everyone here recognizes, the main issue arising from this bill and exciting the greatest amount of interest has been the controversy over the so-called right of trial by jury. I think that requires some elucidation here because it is a fact that with a single exception trial by jury has never been required in contempt cases to which the United States Government was a party. The exception was the Norris-La Guardia Act of 1932, which required jury trials in criminal contempt proceedings arising from labor disputes. The provision was in effect repealed, and repealed with the enthusiastic support of many of those who now assert that such a right should exist, by the Labor-Management Relations Act of 1947.

I call your attention to the fact that the only exception where trial by jury was permitted by act of Congress at all was in a criminal contempt proceeding. The right of trial by jury arising in the Federal Government in these instances has never in any instance been conferred in instances of civil contempt, which is what we are dealing with in this bill, and there is in fact very grave doubt, raised by the Supreme Court in the Michaelson case, as to the constitutionality of any attempt to limit the jurisdiction and the right effectively to enforce the decrees of the Federal Government in a civil contempt proceeding. Therefore, the so-called trial by jury amendment under Supreme Court decisions is itself in all probability unconstitutional.

Mr. Speaker, the opponents of civil rights, in my judgment, are not fighting for jury trial but for the right to violate the law. Their entire argument is based on the expectation that civil-rights decrees of the Federal courts will be violated and disregarded. They are fighting for the right of defiance to the law of the land without fear of punishment or restraint. There can be no warrant whatever for accepting the easy arguments of the opposition because never in its history, as I have said, has Congress accorded jury trials as of right in civil contempt proceedings.

What the opponents of this measure propose here is an entirely new development. It is not an affirmation of the original Anglo-Saxon right of trial by jury at all. It is not an affirmation of our Constitution or Bill of Rights, because the only right to trial by jury guaranteed there is in criminal cases and in civil cases over $20. Trial in contempt cases was clearly not even contemplated. This proposed amendment is an attempt to change the entire concept of Federal judicial proceedings by bringing in a new feature which the whole tenor of our history has indicated is of doubtful constitutionality. The opposition to the pending civil-rights bill claim that it is an attempt to punish citizens without a jury trial. But, the pending civil-rights legislation is not a bill to punish for crime, but rather to prevent the commission of crime. Prevention and not punishment is the purpose of this bill. If prevention succeeds either by obedience to law without court order or by obedience to court order, no action arises for any contempt action and the fears of all those who express opposition to this bill are, therefore, groundless so long as the law and the decisions of the Federal court are obeyed. All that the pending legislation contemplates is judicial process to restrain violations of the civil rights of citizens.

Trials of violators of Federal decrees are not part of the process contemplated by the pending bill unless those who are enjoined defy judicial orders and thereby choose to subject themselves to civil or criminal contempt proceedings. Insofar as any penalties are imposed by the Federal courts, such disciplinary action would be for disobedience of a specific court order directed to a specified defendant and not for violation of the criminal law.

The pending bill accuses no one of crime. It does not seek to punish, but it seeks to make punishment unnecessary and the likelihood of trial and punishment arises only because opponents of civil rights by stripping the courts of power to make civil-rights injunctions effective would invite disobedience and defiance. The civil-rights bill is intended to secure compliance. It is the opponents of civil rights who anticipate and who would encourage defiance, which, in turn, would require the substitution of punishment for prevention. Assistant Attorney General Warren Olney, on the 5th of April, referring to the so-called trial by jury amendment describes it as "a clever device to nullify" the civil-rights proposals. He says if this amendment were enacted, the civil-rights program "would be no more effective than present laws in protecting the constitutional right to vote." He said there was no constitutional right to a jury trial in either civil or criminal contempt cases. He said he knew of no State law that provided jury trial in civil contempt cases and the Supreme Court has said the courts should have such power of vindicating their dignity without calling upon a jury to assist them. Civil contempt adjudications after disobedience of final orders and decrees are in any event fully reviewable in the appellate courts and there are many Supreme Court decisions to that effect. No jury is provided for as a matter of right to a defendent in civil contempt proceedings, where the United States is a party. Only Congress can confer such a right in the Federal courts. There is, of course, full judicial authority to employ an advisory jury, and this authority would exist in proceedings arising from the pending bill. A court of equity always has authority to submit questions of fact to an advisory jury. It was so held by the Supreme Court in Federal Reserve Bank against the Idaho Seed Growers Association. Rule 39 (c) of the Federal Rules of Civil Procedure specifically provides that—

> In all actions not triable of right by a jury, the court upon motion or of its own initiative may try any issue with an advisory jury.

Mr. Speaker, I am somewhat regretful of the fact that since we are most concerned here with a matter which is basically a legal matter, perhaps, some of the things I say may sound a little dull. But, there is nothing dull in the right to be free. There is nothing dull in the right to have the privileges guaranteed by our Constitution protected by our laws and there is nothing dull in the fight which lawyers have made before and since the John Peter Zenger case to secure those rights to all American citizens, without fear or favor. Therefore, if I bore you I apologize, but I assure you that all I seek to do is to bring one point of view before you, a point of view which I believe sustains the fact that there is no constitutional right to trial by jury. In fact, an attempt to invoke the right of trial by jury in a civil-contempt proceeding is probably unconstitutional.

The SPEAKER. The time of the gentleman from Pennsylvania [Mr. SCOTT] has expired.

Mr. SCOTT of Pennsylvania. Mr. Speaker, I yield myself 5 additional minutes.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. SCOTT of Pennsylvania. I yield.

Mr. CELLER. Is it not true that in most of the States of the Union, with very, very few exceptions, I believe only 4 or 5 exceptions, in the case of contempt, the contemner is not entitled to a trial by jury?

Mr. SCOTT of Pennsylvania. The gentleman is right. I have quoted the statement of the Assistant Attorney General to the effect that he knows of no State where there is a constitutional right of jury trial in civil or criminal contempt proceedings.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. SCOTT of Pennsylvania. I yield.

Mr. ABERNETHY. I notice the Commission is authorized to investigate the violation of the civil rights being denied them because of religion. Would the gentleman tell us what religion they are talking about?

Mr. SCOTT of Pennsylvania. If I were in a position to indicate a religion, I would not be in a position to justify this bill, because the protection in the case of religion is obviously protection of all religions and all faiths and all creeds. Therefore I would reject any implication that any particular religion could be involved.

Mr. ABERNETHY. I assumed there was a complaint somewhere by someone because of their religious faith. I think the House wants to be advised of the faith that is complaining.

Mr. SCOTT of Pennsylvania. I know of no such motivation for this bill.

Mr. ABERNETHY. Then you would not be in favor of this remaining in the bill?

Mr. SCOTT of Pennsylvania. I am in favor of it remaining in the bill as a guaranty of a civil right, but I do not know of any motivation which occurs by reason of anyone's religious faith.

Mr. ABERNETHY. You do not have, then, any foundation for this particular inference in this bill?

Mr. SCOTT of Pennsylvania. I do not accept the gentleman's interpretation of it. I have asserted that the right is in the bill because there is reason for it. I have rejected the gentleman's inference that some person, by reason of his particular religion, is seeking to secure an advantage over any other person by reason of his particular religion. I want to be generous with the gentleman, but I have very limited time.

Mr. CELLER. Mr. Speaker, will the gentleman yield further?

Mr. SCOTT of Pennsylvania. I yield.

Mr. CELLER. Attorney General Brownell testified that he had received complaints of discrimination concerning voting, based upon religion. The Attorney General did so testify.

Mr. SCOTT of Pennsylvania. I thank the gentleman.

I now return to the fact that in other State courts, the States have uniformly held, so far as I am aware, that there is no right to trial by jury in civil contempt proceedings. Therefore, in all of the States from which we come, the right which some seek here is denied in the home States of the Members of Congress, and is obviously not regarded as essential in keeping clean the waters of justice. An interesting opinion is one from the State of Mississippi:

> The power to fine and imprison for contempt, from the earliest history of jurisprudence, has been regarded as a necessary incident and attribute of a court, without which it could no more exist than without a judge.
>
> It is a power inherent in all courts of record, and coexisting with them by the wise provisions of the common law. A court without the power effectively to protect itself against the assaults of the lawless, or to enforce its orders, judgments or decrees against the recusant parties before it, would be a disgrace to the legislation and a stigma upon the age which had invented it. (*Watson v. Williams* (36 Miss. 331, 341).)

Mr. HERLONG. Mr. Speaker, will the gentleman yield?

Mr. SCOTT of Pennsylvania. I yield.

Mr. HERLONG. May I say that the quotation the gentleman has cited, of course, is for contempt committed in the presence of the court, but what I was asking the gentleman about was the gentleman's statement that the State courts have no precedent for trial by jury in contempt proceedings. Why, then, does the gentleman object to bypassing the State courts and going straight to the Federal courts in these proceedings? Why does the gentleman advocate that method?

Mr. SCOTT of Pennsylvania. I simply advocate that the Federal courts and the Federal Government should have the right to enactment of those laws which are consistent with the Constitution and its amendments which protect the rights of American citizens, and that the Federal courts ought not to be hampered in the exercise of their jurisdiction by the entry of a new concept of law which does not now exist, an entry of a concept of law which is perhaps unconstitutional, an entry of a concept of law which has never before been adopted by our courts, because the United States Government by the actions of this Congress has never at any time conferred or attempted to confer the right of jury trial in civil contempt proceedings. I think it should not do so now. I, therefore, support the rule and hope it will be adopted.

Mr. HYDE. Mr. Speaker, will the gentleman yield further?

Mr. SCOTT of Pennsylvania. I yield.

Mr. HYDE. An amendment will be offered to preserve the right of jury trial

in cases of criminal contempt. How does the gentleman feel about that?

Mr. SCOTT of Pennsylvania. I would rather see the amendment when it is offered. But since there is no provision of which I am aware in this particular legislation which applies to criminal contempt proceedings I could not adequately answer the gentleman until I know what he had in mind.

Mr. HYDE. But the gentleman will admit that under this bill as it is now a man can be tried for criminal contempt.

Mr. SCOTT of Pennsylvania. That is under any Federal legislation which imposes an obligation upon an individual.

Mr. HYDE. And under this bill a man can be tried for criminal contempt.

Mr. SCOTT of Pennsylvania. Under that particular interpretation, yes. Of course a criminal contempt proceeding could arise for the violation of any Federal court order, where such order is based upon the commission of a crime.

Mr. HYDE. So the gentleman is not prepared to say how he would stand on an amendment which preserves the right of trial by jury in a case of criminal contempt.

Mr. SCOTT of Pennsylvania. I would be glad to tell the gentleman that I will retain an open mind on it until I see what the gentleman has in mind, when he presents his amendment.

The SPEAKER. The gentleman from Pennsylvania has consumed 17 minutes.

Mr. COLMER. Will the gentleman from Pennsylvania use some more of his time?

Mr. SCOTT of Pennsylvania. Not at this time; I have only one further speaker.

Mr. COLMER. That is my situation likewise.

Mr. SCOTT of Pennsylvania. Does the gentleman have only one speaker? I would prefer that he yielded to him.

Mr. COLMER. That is my temporary situation, Mr. Speaker.

Mr. SCOTT of Pennsylvania. I would prefer that the gentleman continue.

Mr. COLMER. So would I. Ordinarily I certainly would follow that procedure. Just to be perfectly frank with the gentleman so he will understand, it was my purpose to close the debate on this rule and at present I have no other applicants for time.

I was trying to be generous with my colleague that in the event one of them did want to speak I would not tie myself down to that. That is what I wanted to say.

Mr. SCOTT of Pennsylvania. I appreciate what the gentleman has to say. The gentleman has no requests for time?

The SPEAKER. The gentleman from Mississippi is entitled to close the debate.

Mr. COLMER. Mr. Speaker, I do have a request for time. It was just made to me during the progress of this colloquy.

Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. DIES].

Mr. DIES. Mr. Speaker, no committee should propose legislation, and especially far-reaching legislation such as this, unless there is a necessity for it, unless there is a need. The apparent purpose of this bill is to protect the right of people to vote. There are 435 Members of this House and each Member knows and understands his district better any anyone else.

I ask you, frankly, from every section of the country, do you know of anyone who is being deprived of the right to vote? Let us be perfectly frank. In the State of Texas there is not a citizen who is deprived of the right of vote. As a matter of fact, we have campaigns every year urging all of our people to pay their poll tax so that they can vote. It only costs $1.75 to pay their poll tax and anyone who does not have enough appreciation of the privilege of citizenship to pay $1.75 should not complain about it. They all vote. All those who want to vote do vote. As a matter of fact, on election day there is a stream of Negroes who vote in every election box. Of course, this bill is designed primarily to appeal to the Negro vote.

Mr. Speaker, this bill is built upon distrust. The gentleman from Pennsylvania expressed that distrust. It is a shocking thing that anyone would stand in the well of this House and say that there is a section of the United States whose people you cannot trust to enforce the law. That is what he said, you cannot trust the southern people to enforce the law through the jury system and, therefore, you must give that right to a Federal judge. It is that distrust which causes so much of the resentment in certain sections of our country. As a matter of fact, our juries are selected in the Federal court from responsible, qualified citizens. They are perfectly capable of discharging their responsibilities to this Nation and since there is no violation of the right of people to vote, why the legislation?

I pause to afford any Member of this House the opportunity to stand up here on the floor and say that he personally has either seen or that he has been informed reliably of, one instance of anyone in his district who has been deprived of the right to vote. Is there anyone here who will stand up and say that is true, in any section of the country, or have you ever visited any section of the country where there is a violation of that right? Do you know of any Baptist, Catholic, Methodist, or anyone else who cannot vote in any section of the United States because of his religion?

Mr. Speaker, what is back of this? You have the Negro vote and unfortunately, like certain other votes, it has become a bloc vote in many sections of our country.

Mr. Speaker, there is something that is just as dangerous as religious bigotry and, certainly, there is not anything worse in a free country than anyone who preaches hatred against his fellow man because of race or creed. There is something else equally dangerous and that is the promotion of race consciousness. Promoting race consciousness, appealing constantly to people because of their race, in order to benefit economically or politically is extremely dangerous. This bill is designed for political purposes so that those who want to run for office can go back to the Negro and say, "Look what I did." This is not going to protect any rights that are not protected now. You have ample statutes to safeguard the rights of every citizen. The Constitution does that. You must depend on the patriotism of the people of every State. When the time comes that you cannot depend upon the people of Texas or South Carolina or Virginia to promote the best interests of our country and to defend it, then your Republic is in grave jeopardy.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. DIES. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. I concur in what the gentleman says. There is another thing. It seems to me that the bill is designed also to curry favor with those of some religious faith, and I think that is one of the most dangerous things to be brought before this House.

Mr. DIES. Let me tell the gentleman the answer. No one believes in this legislation at all. The plain truth is that political expediency is back of it, and that is the reason it has never passed. There is one great virtue in this Congress. We often face a situation where political necessity requires us to vote, but underneath, there is sound judgment and patriotism in the Congress, and that patriotism has, through the years, kept this sort of legislation from going on the statute books.

Now, I realize that many of you feel that you have to vote for this bill. But, let us do something to show some confidence in our Southern States. Let us give them the right of trial by jury. If you fail to do it and bypass all their State courts you simply say to a great section of the United States, "We have no faith in you as our fellow Americans; though you fought side by side with us, belong to the same political party, and work with us, yet we cannot trust you, and, therefore, we will deny you the right to have a trial by jury." It seems to me that the least you can do is to adopt an amendment to guarantee the right of trial by jury.

Mr. SCOTT of Pennsylvania. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. KEATING].

Mr. KEATING. Mr. Speaker, I shall be very brief, because it appears to me that a discussion of the details of this legislation might better wait until we get into the Committee.

We are facing today and in the next few days, in a rather unprecedented length of debate, an issue that is charged, we all admit, with great emotionalism on both sides. I hope during the debate to keep my own emotions completely under control and to accord to the opponents of the measure every consideration. I know that there are sincere Members of this body who feel that this is unwise legislation. I hope that they will attribute to those of us who favor the legislation the same depth of sincerity which we accord to them.

The bill before us is a very moderate proposal. It imposes no harsh penalties whatever. There were proposals before our committee which went very much farther than this bill. They were rejected. This bill creates no new rights. It simply affords new remedies designed

to strengthen and protect existing rights.

As a matter of fact, this bill is in essence, you might say, a watered-down version of the civil rights bill which this House passed in the last Congress. The only respects in which it is changed from that are that additional protective provisions have been written into it, such as, for instance, the provision that the same rules will apply to the hearings of the Commission on Civil Rights as apply to our own congressional committees; the fact that the subpena power to bring people before this Commission to testify is limited to the judicial circuit in which the witness is found; and that the complaints filed with the Commission must be sworn complaints in order to set in motion the procedure for hearing by the Commission.

In other words, in all respects, after lengthy hearings held by our committee, and with an ample opportunity to all sides to be heard, there have been some additional provisions written into the bill which were the subject of objection the last time we discussed it.

Mr. Speaker, I want to talk a minute about this issue of a jury trial because that is probably the principal issue which we will face in this discussion. There are 28 Federal statutes where similar rights are given to enforce the laws and in no one of those is there any right to a trial by jury. Let me enumerate some of these. The Department of Labor uses a similar injunctive process to enforce the Fair Labor Standards Act. The Atomic Energy Commission, the Interstate Commerce Commission, the Civil Aeronautics Board, the Securities and Exchange Commission, the National Labor Relations Board, and other Government agencies employ precisely the same procedure. All of these bodies and others have the right to bring an action to enjoin certain actions and if the resulting order of the court is flouted there is no right to a jury trial. It would be injecting something entirely new and foreign into our jurisprudence to put into this bill a provision for a jury trial.

Why pick out this particular bill to make an exception in our law? We have heard talk about a jury trial being taken away by this bill. This bill does not remove in any respect any existing right to a jury trial. The effort of those who seek to tack on this amendment is an attempt to put something new into this law which will make it more difficult of enforcement, entirely contrary to all of the precedents in all of our Federal statutes today.

So that I hope when the Members come to that point they will not feel that in this particular legislation we should reach out and inject into this statute something entirely novel and foreign to all of our other jurisprudence, both Federal and State.

Just one more word. This bill is not in any way any revolutionary proposal. Not only, as the gentleman from Indiana [Mr. MADDEN] said, was civil rights legislation specifically written into the platform planks of both of the great political parties, but I call the attention of my Republican colleagues to the fact that this specific bill was mentioned and written into the Republican platform as one which should be supported. It has the wholehearted and enthusiastic support of the President of the United States who just today dealt with this jury trial issue in as emphatic a way as he possibly could by referring to the words of President Taft, later Chief Justice Taft, when he was faced with a similar situation to this jury trial amendment, when he said:

> The administration of justice lies at the foundation of government. The maintenance of authority of the courts is essential unless we are prepared to embrace anarchy. Never in the history of the country has there been such an insidious attack upon the judicial system as the proposal to interject a jury trial between all orders of the court made after full hearing and the enforcement of such orders.

I am confident that the Members of this body do not want to make an attack upon our entire judicial system; that when they understand the full ramifications of this effort to write into this bill a jury trial amendment they will reject that proposal.

Mr. SCOTT of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. KEATING. I yield.

Mr. SCOTT of Pennsylvania. The gentleman has referred to the proceedings in the adoption of the platform at the Republican National Convention in San Francisco. I was there during those lengthy proceedings into the night that were presided over by Messrs. BUSH, of Connecticut, and DIRKSEN, of Illinois. That platform, which puts the party formally on record in support of this bill, was arrived at after the most careful consideration and after hearing the views of representatives of the Republican Party from every State and geographical section of the Union. I am glad the gentleman brought that out.

Mr. KEATING. There are places in this country in both the North and the South, and this is not a sectional bill, where some of our citizens have not been accorded the equal treatment of the laws and where attempts have been made by one means or another to deprive them of the right to vote. This is to correct that situation. It is simply fundamental Americanism backed by the platforms of both political parties and endorsed and urged upon us by the Chief Executive of our Nation today.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I am glad the gentleman has pointed out that the situation is not just a sectional one. It exists both North and South. There are many reasons why people are denied the right to vote when they want to.

One problem we have here, of course, is: How do we provide that the citizens of the United States of America, who bear the burden of taxes and military service, when they want to vote shall be able to vote, because so many now are denied that right. I believe the burden is on the opponents to come up with some method to show us they can vote. I am simply one of those who want the citizens to vote.

Mr. SCOTT of Pennsylvania. Mr. Speaker, I have no further requests for time. I therefore yield back the balance of my time.

Mr. COLMER. Mr. Speaker, I yield such time as he may desire to the gentleman from Massachusetts [Mr. LANE].

Mr. LANE. Mr. Speaker—

> We hold these truths to be self-evident, that all men are created equal, that they are endowed, by their Creator, with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness.

Certain unalienable rights, including civil rights. Of these, none is more important than the right to vote—in principle and in fact.

From time to time in this country, and not necessarily limited to any one section of this country, citizens have been denied the exercise of this right under one pretext or another.

Those who oppose the Civil Rights Act of 1957 will deny this—and vehemently. They will advance all kinds of technical obstructions to divert our attention away from the incontrovertible fact that those rights have been denied. As long as any American citizens, no matter how small in number, are walled off from the exercise of that right, and thereby reduced to second-class status, we are not living up to the Declaration of Independence, or the Constitution of the United States which, in amendment 15, clearly states that—

> SECTION 1. The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude.
>
> SEC. 2. The Congress shall have power to enforce this article by appropriate legislation.

The language is plain and specific. But we have failed in the 87 years since that mandate was written to apply it in all cases.

Schoolchildren, reading this amendment and then comparing it with certain contradictory facts that cannot be hidden, are puzzled.

"Does the Constitution mean what it says?"

How can we answer them as long as this contradiction persists?

Grownups experience a similar frustration.

When a visitor from another country points out the discrepancy between preachment and practice, how can we possibly defend it?

For 87 years we have waited for the several States to honor this obligation.

With increasing education and understanding, we had hoped for more progress. But abuses continue.

As the majority report of the House Committee on the Judiciary emphasized:

> In the field of civil rights, the Federal Government must assume the ultimate responsibility for the protection of individuals when State and local enforcement and protection of such rights fail.
>
> The need for legislation such as proposed by the bill H. R. 6127 has, in the opinion of the majority of the members of the committee, been clearly established. In support of such a contention are the report of the President's Committee on Civil Rights in 1947, the message of President Truman in 1948, and the messages of President Eisenhower in 1956, and on January 19, 1957, and corroborating those recommendations is that of the Attorney General of the United States as contained in an executive communication of April 9, 1956, which was repeated again during the course of his testimony before the committee in 1957.

It is obvious, therefore, that support for such legislation is nonpartisan and is broad in scope.

The majority report continues:

> The provisions of the bill H. R. 6217 are designed to achieve a more effective enforcement of the rights already guaranteed by the Constitution and laws of the United States. This is particularly true with regard to the right of franchise in Federal matters. Moreover, the bill reflects what the committee believes to be the desire of the American people to continue to expand our American concept of freedom. * * * The hearings before the committee indicated the need for what has been termed a necessary minimum. Moreover, it has been demonstrated to the committee that the problem is not a provincial one but a national problem. * * * While there may or may not be a need for additional legislation, there can be no denial of the fact that there is an existing need for an immediate strengthening of the enforcement of existing rights. * * * The proposal does not extend nor increase the area of civil rights jurisdiction in which the Federal Government is entitled to act. Those rights are presently protected by constitutional amendment and when violations occur they are subject to Federal prosecution. The provisions of the legislation, in fact, merely substitute civil proceedings for criminal proceedings in the already established field.

The right to vote is basic to our form of government. It is a right that must be exercised on a given day. Harsh criminal action to punish those who deprive others of that right, or recoveries for deprivation of the right to vote, are not enough. The harm should be prevented before it occurs. That is why this bill provides that State administrative remedies do not have to be exhausted in civil-rights cases before Federal injunctive relief is sought. So that action may be taken to prevent deprivation of rights, rather than wait until an injury has occurred. To bypass the artificial roadblock of contrived delays that have been employed to deny a person's right to vote.

The four major proposals of this bill are:

First. The creation of a Commission on Civil Rights that shall have a life of 2 years, unless extended at a later date. This Commission shall be authorized to investigate allegations in writing under oath of affirmation that certain citizens of the United States are being deprived of their right to vote by reason of color, race, religion, or national origin. It shall study and collect information concerning legal developments constituting a denial of equal protection of the laws under the Constitution. It shall appraise the laws and policies of the Federal Government with respect to equal protection of the laws under the Constitution.

Second. The establishment of a Civil Rights Division in the Department of Justice.

Third. Provide civil remedies against conspiracies depriving a person of civil rights.

Fourth. Provision for a civil remedy by the Attorney General to strengthen and protect the right to vote. Through injunctive relief.

In our day, the concept of civil rights covers a wide field.

The bill that we are debating is temperate in its approach, limiting itself to one fundamental right that is beyond question. Suppression of other rights, through social or economic force, is not an issue here. The burden is on those States where certain United States citizens are deprived of the right to vote, to honor the spirit and the intent of the Constitution. The present legislation is to provide a remedy in such cases where the State or the community fails in its sworn duty to uphold the Constitution of the United States.

> The rights and privileges of all Americans are the responsibility of the Federal Government because those rights and privileges are anchored in the Constitution and laws of the United States; they are attributes of national citizenship which recognize the dignity of the human being as the true basic reason for the very existence of government itself. Under our American concept of government, the consent of the governed is the sole source of political authority.

In these words, the majority report brings out into the open, an issue that has been hidden for too long. We cannot sidestep it, or deliberately confuse it in a maze of irrelevant technicalities. Neither fear nor prejudice will serve as an excuse for further delaying actions.

The national conscience is deeply disturbed by the evasions and the subtleties that are continuously resorted to, in order to deprive some American citizens of their right to vote.

The conspirators, the victims, the vast number of Americans, as well as many people in foreign countries, know that intolerance and discrimination mock our pious assertions that all Americans enjoy equality under the law.

The spin-drift arguments advanced by opponents of this bill vanish before the fact that the States and the localities still retain the initiative, the sovereignty, and the responsibility, to make certain that no citizen is deprived of the right to vote by reason of color, race, religion, or national origin.

It is only when there are reasons to believe that the States and the localities are failing their sworn duty to uphold the Constitution of the United States in such instances, through complaints in writing and verified, that the Federal Government shall be empowered to initiate civil action for preventive relief.

We believe that this legislation will encourage those areas where abuses persist to clean up their own houses. It will stir them out of the apathy and prejudice that combine to deny a fundamental right of their fellow citizens.

"As human beings subject to the frailties of our nature," we do not thereby condone the continuation of conditions that are, in effect, a defiance and a repudiation of the Constitution.

As President Eisenhower observed in his state of the Union message of last year:

> We must strive to have every person judged and measured by what he is, rather than by his color, race, or religion. There will soon be recommended to the Congress a program further to advance the efforts of Government, within the area of Federal responsibility, to accomplish these objectives.

Can anyone deny that some Americans are unjustly deprived of their right to vote?

Or can anyone maintain that these conditions should not be remedied?

No. For both positions would be untenable, on facts germane to the issue.

When any State or community fails to secure and protect the citizen's right to vote, there is but one recourse: civil action by the Federal Government to prevent deprivation of that right.

This Congress has an outstanding opportunity to strengthen our democratic processes by enacting the Civil Rights Act of 1957.

Mr. COLMER. Mr. Speaker, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. BARRETT].

Mr. BARRETT. Mr. Speaker, today the House of Representatives begins 4 days of general debate on H. R. 6172, the Civil Rights Act of 1957. Because of the importance of this bill to all Negro Americans throughout the United States, I rise to announce to this body that I intend to fight for its speedy enactment into law because our civil rights are the distinguishing characteristic of our American society. They are the fruit of the sacrifices of all Americans, and they are the heritage of all Americans.

It is, however, regrettable that not all Americans are permitted the full exercise of these rights.

The Negro people, who, in the face of overwhelming odds, have made tremendous progress, are deprived of the full enjoyment of these rights in many parts of the United States. American Negroes have made substantial contributions to their country. Their love of America, their patriotism, and their devotion to American principles have been demonstrated over and over again.

But the stubborn fact remains that all the blessings of American freedom, which the Negroes understand so well, are not as yet theirs to enjoy.

Civil rights in America are expressed in the basic law of the land—in the Bill of Rights of our Constitution. But all of our laws, including our Constitution, are only a reflection of even more fundamental values which we cherish.

One of the most profound of these values, one upon which our conception of civil rights is based, is the importance of the individual. If history teaches us only one great lesson, it is this; free government simply cannot exist unless the freedom of every individual citizen is guaranteed and protected.

To the extent that each citizen is free, the government is one of freedom. To the extent that the rights of the citizens are curtailed, the government itself suffers from the evils which most of us in the United States find so distasteful.

It is, therefore, true that when the Negroes or any other group of Americans find their rights limited, it is not that group alone which loses. All of America loses. Every American citizen is made poorer when any American citizen is not

granted the full benefits of his civil rights.

Our civil rights are not just a series of high-sounding theories. They are very real. They are indispensable to the full development of our separate personalities as well as to the health of our Government and to the shaping of the character of our Nation.

To me civil rights means a number of concrete things. It means the right to be treated equally before the law. It means the right to equal opportunity for education, employment and decent living conditions. It means that none of these rights shall be denied because of race, color or creed.

The Negro people have given the world much beauty and wisdom and have proved false the groundless myths that some races are inferior to others. All races produce great men and mediocre men. No race has a monopoly on brains or virtue or anything else. All people are pretty much the same and we should judge each man solely on the basis of what he himself is and what he himself does.

The Negro people have made great strides toward obtaining the full equality that they deserve. They have worked hard and struggled courageously in their efforts to get what is no more than justly theirs. Often in the face of severe provocation they have shown great restraint. In situations that would try the patience of Job, they have shown magnificent patience.

In their efforts to obtain the full realization of their civil rights, the Negro people have the full support of the law. I deeply regret that the Congress has not yet passed an adequate civil rights law, but I am proud of my own efforts and those of many of my colleagues to enact such legislation. We have, at least, dramatized this issue before the country and I feel certain we will now achieve our goal.

I believe that the conscience of America will demand in simple justice that all Americans receive the blessings that our country has to offer. America can afford to do no less. The civil rights of all citizens will never be any stronger than our determination to maintain and extend them.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. COLMER] is recognized for 18 minutes to close debate.

Mr. COLMER. Mr. Speaker, I would not be presumptuous enough to assume that on a measure with all of the political appeal, shall I say, that this has, that I could influence any votes, yet I feel it a solemn duty on my part to speak my little piece here as a representative of the people of a sovereign State in this aggregation of States comprising the United States in opposition to this iniquitous piece of legislation. For, it is contrary to the very foundation upon which this Government of freemen was founded.

Make no mistake about this to begin with. This is not the innocuous bill the gentleman from New York [Mr. KEATING] and others would have you believe it to be. This is a bill which would further extend the already extended arm of the powerful Federal Government and put it into your State as well as into my State and concentrate power here in the city of Washington at the expense of the sovereign States and at the expense of all the people. The thing that is the hardest for me to understand in all of this new philosophy, new deal, fair deal, new Republican philosophy is how can liberals, the true liberals, justify this type of legislation? I admit that my section of the country is the one that the gun is pointed at in this bill. I admit that my friends on the left—Republicans—who have not much to gain politically anyway because we do not give them any support down in my section can sponsor legislation objectionable to the entire South which has a problem peculiar to itself. It is a little difficult to understand however how my friends on the right —Democrats—who, when election times comes around and these political issues are involved, look to my section to get their vote—and that is where they get them. I ask the gentleman—well, I am not going to be personal—I ask any of you over here, you who call yourselves liberal Democrats, Where did you get your votes 5 years ago, and where did you get them last year? You got them down there in the section that you have pointed the gun at with this legislation. Frankly, I wish a different situation prevailed in my native Southland. In fact, the Democratic Party carried only one border State outside of the solid South in 1952 and again only one border State in 1956. I have said it at home and I say it here—I wish we had a two-party system in my section of the country. I am tired of my section just being taken for granted. But, I did not intend to go into that when I started. I said that this is not an innocuous piece of legislation.

You liberals on both sides of the aisle, you modern liberals, you who subscribe to the Jeffersonian theory of democracy, certainly, those of you on this side who are acting as you do, should go over to the Hamiltonian side as it was originally because you are following the Hamiltonian philosophy of concentrating all of the power in the hands of the Federal Government at the expense of the States, municipalities, the counties, and the individuals—and you know I am telling the truth. Because under this bill, a veritable Gestapo could be set up. Yes, it is an improvement over what the bill was last year. And the bill last year was an improvement over what the one was the year before. And the bill next year—the next Congress—will be an improvement over this one. For, I am convinced that the more study, thought, and consideration that is given this type of proposal, the more convinced fair-minded people are that it is inequitous, that it is contrary to the American concept of government as conceived by the Founding Fathers. Therefore, as the years go on and this rich political plum is offered the minority year after year, the more educated the public generally becomes and the more opposition will exhibit itself not only from the South, but from people all over the country opposed to centralization of government in Washington and the further whittling away of the rights of all of the people. But it still sets up a veritable Gestapo. And the powerful arm of the Federal Government—you liberal Democrats who give lip service at the Jackson-Jefferson Day dinners, listen to this—you would set up a Gestapo here that would permit the strong Hamiltonian theory of government to reach out and grab your people and take them across State lines under a veritable Spanish inquisition, under this so-called Commission.

Yes, I am a Democrat. I am a Jeffersonian Democrat, and I have no apologies for that either. I still subscribe to the Jeffersonian theory of government that that people is best governed who is least governed. That is good philosophy for my friends on the left as well.

Now you liberals, you people who pride yourselves on being great liberals, what are you doing? You are destroying the liberty of the man on the street. Talk about injunctions, talk about jury trials, fine arguments are made and will be made and have been made by my friends from New York, Mr. KEATING and Mr. CELLER, about jury trials; that you do not have to have them in this kind of cases; it will be a departure. I make the flat statement now, and I challenge them when they make their presentation on the floor to answer it, that this bill is designed purposely to avoid the right of trial by jury. The gimmick in this thing is that your attorney general—where? in Illinois? in New York? in California? Oh, no. The Attorney General of the great, powerful Federal Government is the man who is party complainant. Therefore you have no jury trial. That is the gimmick. The gentleman from Indiana [Mr. MADDEN] who opened this debate and the gentleman from New York [Mr. KEATING] say in the debate that you have these laws already. Of course you have them already. There is nothing new in this bill not already covered by existing law. All of the guaranties of civil rights in this bill are on the statute books today, but the gimmick is that the Government is made the party complainant, so that the right of trial by jury will be denied.

Now let me say to you people who are not lawyers, you will listen to a lot of fine oratory around here the next few days about the niceties and distinctions of the law—why this should apply here and not apply there. You go home, let me say to my liberal friends, and try to explain that to the man in overalls, who works on the job. I am not talking about the big, high-paid labor leader. But you try to talk about it to the man who earns his wages by the sweat of his brow. Try to explain to him why he is denied a right of trial by jury. See where you will get.

Now, while we are on that matter, an amendment is going to be offered to guarantee the right of trial by jury, a constitutional right of trial by jury, the same right that Congress gave to labor.

Prior to 1932 when we had strikes, yellow dog contracts, and all that kind of thing, you will recall that the right of

trial by jury was denied to those men in overalls who had violated an injunction. What happened? The great liberals of this country, the true liberals of that day, arose in this body and in the body at the other end of the Capitol, and pleaded to do away with that thing, to prevent these Federal judges from dragging these people up and sending them to jail without giving them a trial by a jury of their peers. The result was the Norris-LaGuardia Act.

That was in 1932. And may I say again to my friends on the right that when that bill was passed that gave to those labor people the right of trial by jury when they were charged with violating one of these broadcast injunctions, that the Members from the so-called South at which the cannon is pointed here, voted to give labor that right. You liberals go back and look at it. Every one of them with the exception of one man from the entire South voted for that bill.

Do you know who one of the chief proponents of that bill was? My good friend the gentleman from New York [Mr CELLER] whose name this bill bears. He was the gentleman who came down into the well of this House and argued oh, so eloquently, and how he pled and bled to give the right of trial by jury to these people charged with violating labor injunctions. I have the records here.

Mr. TELLER. Mr Speaker, will the gentleman yield?

Mr. COLMER. I am sorry, I just do not have the time. Of course I would have to yield to some people but I am sorry—nothing personal in that, excuse me; I am sorry, I just cannot yield.

Mr. FULTON. Will the gentleman yield for a correction?

The SPEAKER. The gentleman declines to yield.

Mr. COLMER. I am rather limited for time. I do not like to be discourteous.

As I say, the Norris-LaGuardia Act was passed.

Mr. CELLER. Mr. Speaker, will the gentleman yield to me? He mentioned my name.

Mr. COLMER. Of course I yield to the chairman. I invited the gentleman's request; but I hope he will be brief.

Mr. CELLER. I only want to say that I did not stop growing up in 1932.

Mr. COLMER. I do not know whether the gentleman stopped growing or what he did, but I know that liberty and the right of trial by jury, the inherent rights of free people, do not change from year to year; they do not change from youth to adulthood; they are as immutable as the stars; they are the same today as yesterday.

Mr. FULTON. Mr. Speaker, will the gentleman yield for a correction?

Mr. COLMER. I am sorry, please.

Mr. FULTON. Not for a correction of your record?

Mr. COLMER. I am sorry, please.

The SPEAKER. The gentleman declines to yield.

Mr. COLMER. I do not want to be discourteous. I hope the gentleman will not press me.

Since we have gone into that, let me read to you what the gentleman from New York said when that bill was up:

I have read injunctions so fantastic, so arbitrary, that they were practically but one step from a threat of jail to a striker if he coughed, spat, or chewed. Some injunctions read very much like orders of an army of occupation bent upon vicious revenge. Many injunctions are not used to protect property from irreparable loss, but issued to disorganize unions and to terrorize and intimidate those on strike.

Then the gentleman from New York [Mr. CELLER] plead most earnestly and eloquently for the right of trial by jury for those charged with violating the Federal court injunctions.

What assurance does the gentleman from New York or anybody else have that we will not have a recurrence of that?

Then, again, when the Taft-Hartley bill was up for consideration, the gentleman from New York [Mr. CELLER] said:

I am old enough to remember, and many of you here are old enough to remember the tragedy of the Danbury Hatters case, involving the so-called ex parte injunction. We would bring back the days of the Danbury Hatters. In those days the judges, without hearing, issued injunctions based upon affidavits of stooges and stool pigeons and agents provocateur.

The same type of provision for the issuance of injunctions based upon affidavits of stooges and stool pigeons and agents provocateur are all provided for in this bill and subject to the same abuse.

The abuses in the granting of these injunctions so aroused the Nation that we in 1932 passed the Norris-LaGuardia Act which outlawed the granting of ex parte injunctions against labor.

Provisions for ex parte injunctions are in this bill.

This bill would reinstate those ex parte injunctions against labor and would turn the clock back and return us to the robber baron days and the days of the industrial buccaneers.

That is not half of the case. Do you know that there is a bill reposing up there in the Rules Committee now—it does not have the political appeal that this one has because it was up there before this one got there, and from the same Committee on the Judiciary, and by the same author, although I am not sure about that—that would do what? That would streamline these fifth amendments boys who are in contempt of Congress and more speedily get them before the court for trial. When it was brought out in the Rules Committee that those fifth amendment boys, those boys who were in contempt of Congress, would be denied the right of trial by jury, the whole thing lost its interest and the bill has never been reported. It is still up there in the Rules Committee.

Mr. Speaker, what I am saying is simply this. That the proponents of this streamlining bill were most diligent in getting this miscalled civil rights bill out of the Rules Committee and to the floor of the House. But, when I brought out in the hearings before the Rules Committee on the bill which would change existing law with reference to the fifth amendment pleaders would be denying the right of trial by jury, they lost interest in the bill. The net result is that the proponents of this civil rights legislation apparently are perfectly willing that other privileged classes, including the Beck's and others in contempt of Congress, should have the right of trial by jury, denying to governors, members of the legislatures, registrars, election officials and the common citizens generally, who might be charged with the violation of this bill the inherent right of trial by jury.

Mr. Speaker, on July 16, last year, when this political appeal was before the Congress, I also handled that rule. On that occasion I addressed the House as follows:

Mr. Speaker, it is with the greatest reluctance that I have called up this rule making in order the consideration of H. R. 627, the erroneously labeled "civil rights bill." With complete frankness, I reported this rule to the House some weeks ago for the simple reason that I desired to control its consideration and delay the proposed legislation as long as possible.

While I realize that this proposal is aimed at my section of our common country for the purpose of incurring favoritism among certain minority groups in other sections, may I be permitted in the outset to state my own philosophy on the racial question, which philosophy, I believe, is shared by a great majority of all good citizens of my Southland?

First, I harbor no hatred for my colored brother. On the contrary, my desire is to see him improve his condition in life. There is no difference between good citizens of either the South or the so-called North in this. The trouble apparently lies in the manner of achieving that objective. The so-called race problem is relative. The problem exists in proportion to the relative degree of the residence of the two races. The trouble I find with the do-gooders and the political approach is that they overlook, on the one hand, or willfully ignore on the other, that the lot of this minority group cannot be improved by legislative statute or judicial decree. The desired goal cannot be accomplished through legislative or judicial action any more than temperance could be achieved by an act of national prohibition. No race of people has ever made greater progress in a similar period of time than has the Negro in the United States. This progress has been accomplished under the leadership of his white friends, chiefly his southern white brother. We in the South are proud of this progress and we hope for its orderly continuation. But it must be realized that it is impossible by legislative enactment or judicial decree to place overnight a race of people, who until a few generations ago were unenlightened human beings, running wild in the jungles of Africa, on an equal plane with another race of people who for thousands of years have enjoyed the benefits of civilization, education, culture, and Christianity. As much as this might be desired, if it can be done, we can only conclude that the white man back some thousands of years ago was done an injustice. There was no legislative statute or judicial decree hastening his advancement. His progress from the caveman period has been a hard and slow one. Possibly the greatest tragedy of this whole proposal is that continued progress of our Negro friend and the harmonious relations and good will existing between him and his white brother is not only being disturbed, but neighborly good will is being displaced by racial hatred. Therefore, the consideration of this legislation can only result in grievous harm and

injustice to the very people whom the proponents profess to assist.

Because of the attack it makes upon the sovereignty of all the States and the real civil rights of all the people of this Republic of all races, creeds, and points of origin including the people of the white race, I keenly deplore that it be considered at all.

In this connection, considering the fact that the Congress is scheduled to adjourn within the next few days, can it be considered improper to propound the very realistic question of why it is necessary to waste the time of the Congress and the taxpayers' money to spend the next several days debating a bill, which all Members are agreed has absolutely no chance of becoming a law at this session of the Congress? Does the answer to that question lie in the political implications of the bill? Is it true that the existing flames of discord, lighted by the Court's school decision, must be fanned to new heights for political purposes in this election year? Is it the purpose of the Democrats, on the one hand, to furnish campaign fodder for the reelection of a Democratic Congress by lip-service appeal to a minority group? Or, on the other hand, is it the aim of the Republican high command to drive a further wedge of discord between northern and southern Democrats?

If the answer to any of these proposals is in the affirmative, such action is unworthy of this great legislative body.

WOULD SET UP A GESTAPO

But, Mr. Speaker, I have an abiding faith and confidence in the Members of this body that once the rank and file of patriotic Americans, who make up this House, understand the far-reaching provisions and implications of this proposal, they will refute it by their vote. The trouble lies in the fact that in these closing weeks of the Congress, with the multitudinous duties of the Members incident to the hurried consideration of dozens of other bills, the Members simply have not had the opportunity to study and ascertain the far-reaching provisions of the proposed legislation.

As one who has had an opportunity to make such study, I say to you in all truth and without reservation that this bill would set up a veritable Gestapo to harass all of our citizens regardless of race or color.

While it is impossible in the limited time to blueprint and spell out the detailed assault contained in this iniquitous proposal on the liberties of the people of this Republic, I should like to point out some of the evils and the far-reaching powers to be concentrated under this legislation in an already powerful Federal Government, all at the expense of the sovereignty of the States and the liberties of the people of the Union.

POWERS OF THE COMMISSION

The bill proposes still another unnecessary Federal commission. This Commission would have powers far in excess of the numerous other commissions centered here in Washington. For instance, it would be given the unprecedented power of subpena, a power not heretofore granted to any other Federal bureau. Under this power the strong arm of the Federal Government could and would reach out and summons your constituents from New York and California, as well as mine from Mississippi, to the seat of the Central Government here at Washington. The Commission would have the power, and, of course, would utilize it, to not only hail the private citizens to Washington, but force them to bring and open their books for public inspection on a mere suspicion of discrimination against an employee or a neighbor. This Commission would not only further interfere with the liberties of all of the people, but its powers to regiment our people is almost unlimited.

Those of you who are concerned about the ever-increasing concentration of power in Federal bureaucracies had better stop, look, listen, as well as reason before authorizing this most far-reaching proposal.

THE NEW ASSISTANT ATTORNEY GENERAL

Moreover, the proposed legislation would provide for an Assistant Attorney General in the Department of Justice under the guise of protecting the rights of minorities. Again, the powers and implications, not to mention the cost to the taxpayers, of this proposal are unlimited. The testimony before the Judiciary Committee was to the effect that a minimum of 50 additional lawyers would be employed in this new Department. But even worse is a provision providing for the employment, without limits, of private citizens or informers. Then, of course, there is a provision for filing of private lawsuits with or without the consent of the plaintiff at the expense of the Federal Government by the Attorney General. And, this could be done on the simple charge that the defendant is about to engage in an attempt to do something which this division of the Attorney General's Office conceived to be objectionable. And, bear in mind, that the bill further provides for the trial of these cases in the Federal courts, without the benefit of trial by jury.

It does not require much imagination to see what would happen if an unscrupulous and politically minded person became head of this Department.

There is little that such an Attorney General, armed with 50 to 100 assistants, with thousands of snoopers, many of whom would be prejudiced, could do under this provision that is not today being done in Russia and other totalitarian countries.

Mr. Speaker, this is not only the old FEPC bill, it is an omnibus bill, which strikes at the very basic foundation of our Government. If enacted into law, it would destroy the liberties of the people guaranteed under the Bill of Rights. Regardless of whether it has a chance of passage in the other body is immaterial. As guardians of the liberties of all of the people, it is our solemn and sworn duty to prevent its passage here.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. COLMER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

Mr. COLMER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 291, nays 117, not voting 25, as follows:

[Roll No. 96]

YEAS—291

Adair
Addonizio
Allen, Calif.
Allen, Ill.
Andersen, H. Carl
Anderson, Mont.
Andresen, August H.
Anfuso
Arends
Ashley
Aspinall
Auchincloss
Avery
Ayres
Baker
Baldwin
Baring
Barrett
Bass, N. H.
Bates
Baumhart
Becker
Belcher
Bennett, Mich.
Bentley
Berry
Betts
Blatnik
Boland
Bolling
Bolton
Bosch
Bow
Boyle
Bray
Breeding
Broomfield
Brown, Mo.
Brown, Ohio
Brownson
Budge
Burdick
Bush
Byrd
Byrne, Ill.
Byrne, Pa.
Byrnes, Wis.
Canfield
Cannon
Carnahan
Carrigg
Cederberg
Celler
Chamberlain
Chenoweth
Chiperfield
Chudoff
Church
Clark
Clevenger
Coad
Coffin
Cole
Collier
Corbett
Coudert
Cretella
Cunningham, Iowa
Cunningham, Nebr.
Curtin
Curtis, Mo.
Dague
Dawson, Utah
Delaney
Dellay
Dempsey
Dennison
Denton
Derounian
Devereux
Diggs
Dingell
Dixon
Dollinger
Donohue
Dooley
Dorn, N. Y.
Doyle
Dwyer
Eberharter
Edmondson
Fallon
Farbstein
Fenton
Fino
Flood
Fogarty
Forand
Ford
Frelinghuysen
Friedel
Fulton
Garmatz
Gavin
George
Gordon
Granahan
Gray
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Gross
Gubser
Gwinn
Hagen
Hale
Halleck
Harden
Harvey
Haskell
Hays, Ohio
Healey
Henderson
Heselton
Hess
Hiestand
Hill
Hillings
Hoeven
Hoffman, Ill.
Holifield
Holland
Holmes
Holt
Horan
Hosmer
Hull
Hyde
Jackson
Jenkins
Johansen
Johnson
Judd
Karsten
Kean
Kearns
Keating
Kee
Kelley, Pa.
Kelly, N. Y.
Keogh
King
Kirwan
Kluczynski
Knox
Knutson
Krueger
Laird
Lane
Lankford
Latham
LeCompte
Lesinski
Lipscomb
McCarthy
McConnell
McCormack
McCulloch
McDonough
McFall
McGregor
McIntire
McIntosh
McVey
Macdonald
Machrowicz
Mack, Ill.
Mack, Wash.
Madden
Magnuson
Mailliard
Marshall
Martin
May
Meader
Merrow
Metcalf
Michel
Miller, Nebr.
Miller, N. Y.
Minshall
Moore
Morano
Morgan
Moss
Moulder
Multer
Mumma
Neal
Nicholson
Nimtz
Norblad
O'Brien, Ill.
O'Brien, N. Y.
O'Hara, Ill.
O'Hara, Minn.
O'Neill
Osmers
Ostertag
Patterson
Pelly
Perkins
Pfost
Phillbin
Pillion
Polk
Porter
Price
Prouty
Rabaut
Radwan
Ray
Reece, Tenn.
Reed
Rees, Kans.
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Riehlman
Robsion, Ky.
Rodino
Rogers, Colo.
Rogers, Mass.
Rooney
Roosevelt
Sadlak
Santangelo
St. George
Saund
Saylor
Schenck
Schwengel
Scott, Pa.
Scrivner
Scudder
Seely-Brown
Sheehan
Shelley
Sheppard
Siemenski
Siler
Simpson, Ill.
Sisk
Smith, Calif.
Smith, Wis.
Springer
Staggers
Stauffer
Sullivan
Taber
Taile
Taylor
Teague, Calif.
Teller
Tewes
Thompson, N. J.
Thomson, Wyo.
Tollefson
Udall
Ullman
Vanik
Van Pelt
Van Zandt
Vorys
Vursell
Wainwright
Walter
Weaver
Westland
Wharton
Widnall
Wier
Wigglesworth
Williams, N. Y.
Wilson, Calif.
Wilson, Ind.
Yates
Younger
Zablocki
Zelenko

NAYS—117

Abbitt
Abernethy
Albert
Alexander
Alger
Andrews
Ashmore
Barden
Bass, Tenn.
Beckworth
Bennett, Fla.
Blitch
Boggs
Bonner
Boykin
Brooks, La.
Brooks, Tex.
Brown, Ga.
Broyhill
Burleson
Chelf
Colmer
Cooley
Cooper
Cramer
Davis, Ga.
Davis, Tenn.
Dies
Dorn, S. C.
Dowdy
Durham
Elliott
Evins
Fascell
Fisher
Flynt
Forrester
Fountain
Frazier
Gathings
Grant
Gregory
Haley
Hardy
Harris
Harrison, Va.
Hays, Ark.
Hébert
Hemphill
Herlong
Huddleston
Ikard
Jarman
Jennings
Jensen
Jonas
Jones, Ala.
Jones, Mo.
Keeney
Kilburn
Kilgore
Kitchin
Landrum
Lanham
Lennon
Long
Loser
McMillan
Mahon
Mason
Matthews
Mills
Morris
Morrison
Murray
Natcher
Norrell
Passman
Patman
Pilcher
Poage
Poff
Preston
Rains
Riley
Rivers
Roberts
Robeson, Va.
Rogers, Fla.
Rogers, Tex.
Rutherford
Scott, N. C.
Selden
Shuford
Sikes
Smith, Kans.
Smith, Miss.
Smith, Va.

Spence
Steed
Teague, Tex.
Thomas
Thompson, La.
Thompson, Tex.
Thornberry
Trimble
Tuck
Vinson
Watts
Whitener
Whitten
Williams, Miss.
Willis
Winstead
Wright
Young

NOT VOTING—25

Bailey
Beamer
Bowler
Buckley
Christopher
Curtis, Mass.
Dawson, Ill.
Engle
Feighan
Harrison, Nebr.
Holtzman
James
Kearney
Kilday
McGovern
Miller, Calif.
Miller, Md.
Montoya
O'Konski
Powell
Scherer
Simpson, Pa.
Utt
Withrow
Wolverton

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Dawson of Illinois for, with Mr. Utt against.

Mr. Wolverton for, with Mr. Kilday against.

Until further notice:

Mr. Buckley with Mr. Simpson of Pennsylvania.

Mr. Holtzman with Mr. Curtis of Massachusetts.

Mr. Miller of California with Mr. James.

Mr. Engel with Mr. Beamer.

Mr. Feighan with Mr. Withrow.

Mr. Christopher with Mr. Scherer.

Mr. Powell with Mr. O'Konski.

Mr. Bailey with Mr. Harrison of Nebraska.

Mr. McGovern with Mr. Miller of Maryland.

Mr. Bowler with Mr. Kearney.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CIVIL RIGHTS

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, in view of the fact that a letter which I addressed on May 20, 1957, to the Attorney General of the United States, the Honorable Herbert Brownell, Jr., received some discussion, it would seem fair and proper to acknowledge the receipt of the Attorney General's reply and enclosures.

The Attorney General's forthright opinion and his flat statement that the civil rights program should be passed in its present form without amendments should have determining weight with Republicans and Democrats alike, who are convinced that the Federal Government should not surrender its own democratic foundation by tolerating wholesale denial of the right to vote in any part of the land.

I regret that as this historic debate is about to begin in the House that the President of the United States has not seen fit to back up his Attorney General by a nationwide direct television and radio appeal to all the citizens of the country whom it is our privilege to represent.

I print below for the information of interested Members the reply of the Attorney General and his enclosed letter to the Honorable CLIFFORD P. CASE:

JUNE 1, 1957.

Hon. JAMES ROOSEVELT,
House of Representatives,
Washington, D. C.

DEAR MR. ROOSEVELT: Thank you very much for your letter of May 20. I will answer your questions in the order in which you asked them.

1. The position of the Department of Justice on this question is fully set forth in a letter addressed to Senators CASE of New Jersey and KUCHEL of California. I am enclosing a copy of that letter and call your attention particularly to the last two long paragraphs.

2. Federal jury panels are chosen in accordance with the provisions of title 28, United States Code, sections 1861 and 1871. These statutes apply equally to all sections of the country. They do, however, give relatively broad discretion to the district courts in selecting jury panels. As a result variations in local practices exist.

3. The Department of Justice has no authority with respect to the selection of jury panels. Under the statutes cited above control over the selection of jury panels is given to the Federal district courts.

4. The power of the Federal courts in selecting jury panels is set forth in the statutes cited above. I suggest that you examine these statutes directly.

5. The Department would not favor granting the courts of appeal the power to determine whether or not jury trials may be had in contempt cases. We urge instead that the administration civil-rights program be passed in its present form for the reasons set forth in detail in the letter referred to above.

Sincerely,

———,
Attorney General.

MAY 31, 1957.

Hon. CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

DEAR SENATOR CASE: Thank you for the letter of May 15 signed by you and Senator KUCHEL requesting the comments of the Department of Justice relative to the minority report filed by Senators ERVIN and JOHNSTON in opposition to S. 83 (the administration's civil-rights program) and particularly to their discussion of their jury trial amendment. In addition to the comments which follow may I particularly call to your attention the statement of the American Civil Liberties Union opposing an amendment to require jury trial in contempt proceedings arising under the proposed civil-rights legislation. This statement was reprinted in the CONGRESSIONAL RECORD for May 22, 1957, at pages 7369–7370.

The proposed legislation seeks merely to apply long-established civil procedures for enforcing Federal laws to civil-rights cases where experience has shown the need for civil remedies. In urging Congress to authorize the Government to institute civil suits for preventive relief in civil-rights cases we are requesting the right to use procedures long available to the Government as a means of enforcing other types of Federal laws. Ever since the adoption of the Sherman Act in 1890 the Department of Justice has been empowered to institute proceedings in equity to prevent and restrain civil violations of the antitrust laws as well as to bring criminal prosecutions. The Department of Labor uses the injunctive process as a means of enforcing the Fair Labor Standards Act. The Interstate Commerce Commission, the Civil Aeronautics Board, the Securities and Exchange Commission, the National Labor Relations Board, the Atomic Energy Commission, and other Government agencies have similar authority to use civil remedies in addition to criminal prosecutions. In none of these fields are jury trials required in contempt cases.

There are valid reasons for the ever-increasing use of civil suits for preventive relief as a means of enforcing Federal law. Judicial determination of the validity of a course of conduct in advance aids the Government in its primary purpose of preventing violation of law. It also aids the defendant since he can litigate the legality of his proposed conduct without the necessity of taking action at the risk of a criminal conviction if he guesses incorrectly.

All of these reasons exist in the civil-rights field, particularly in connection with the protection of the right to vote. The primary interest of the Government is in making it possible for all citizens to vote without discrimination based upon race, creed, or color, not in punishing local officials for denying such rights. Often it is not clear whether the particular conduct of a registrar of voters, for example, does constitute a violation of Federal law. Under present law the Government can only wait until the harm has been done—the rights to vote denied—and then proceed with a criminal prosecution as a means of testing the validity of the registrar's action. The registrar himself is often caught between community pressures to discriminate and the fear of Federal criminal prosecution with no way to resolve the issue in advance. With civil remedies authorized, the Government will often be able to obtain a judicial ruling in advance of the election which will determine the legality of the proposed conduct of the registrar, removing from him the necessity of risking criminal prosecution and effectively protecting the constitutionally guaranteed right of citizens to vote without discrimination based on race, creed, or color.

Suits for preventive relief under the proposed legislation will be governed by the traditional rules of procedure which have always applied to such suits. The Government seeks no new or radical procedures to govern injunction suits in civil-rights cases. Under the proposed legislation the rules of procedure which have traditionally governed equitable suits in the Federal courts would apply in the same manner and to the same extent that they now apply to other suits by the Government for preventive relief. The defendant in an injunction suit in a civil-rights case will have the same rights that the defendant now enjoys in a similar suit under the antitrust laws, the Fair Labor Standards Act, or any other one of the Federal laws mentioned above.

These procedural protections are ample to protect all legitimate rights of the defendant. He gets a full hearing before the court on the question of whether his conduct violates Federal law and hence should be enjoined. If he disagrees with the determination of the court, he may appeal the ruling for full consideration by the appellate courts. In most cases this is the end of the matter. The defendant obeys the court order and the public interest in the enforcement of the Federal law has been vindicated. But if the defendant chooses to ignore or defy the court order he may be subjected to punishment for contempt of court. Again he is entitled to a full hearing before the court. He is presumed to be innocent, his guilt must be established beyond a reasonable doubt, and he cannot be compelled to testify against himself. If he is found guilty, he again may appeal. And an examination of the cases in recent years demonstrates that the appellate courts are alert to protect defendants against any possible unfairness in contempt proceedings.

It is true that wherever the Government is authorized to sue for preventive relief the defendant is not entitled to a jury trial in contempt proceedings. The Constitution of the United States recognizes the traditional differences between the procedures of courts of law and courts of equity and does not require jury trial in equitable proceedings. As long ago as 1890 the Supreme Court of the United States said: "It has always been one of the attributes—one of the powers necessarily incident to a court of justice—that it should have this power [the contempt power] of vindicating its dignity, of enforcing its orders, of protecting itself from insult, without the necessity of calling upon a jury to assist it in the exercise of this power." In 1914 Congress passed a statute (now 18 U. S. C. 3691) extending the right to jury trial in criminal contempt cases where the acts constituting the contempt also constitute criminal offenses under Federal or local law. This statute expressly excepted contempts arising out of disobedience to court orders entered in suits brought in the name of the United States. Since criminal contempt proceedings are not often sought in private litigation (the Clinton, Tenn., case is one of the few instances of its use), this statute has had little impact upon the enforcement of Federal court orders. In 1932 in the Norris-La Guardia Act Congress, after removing almost all of the jurisdiction of the Federal courts to issue injunctions in labor dispute cases, provided for jury trial in contempt proceedings arising under the act. It was only with the enactment of the Taft-Hartley Act in 1947 that the Government was given jurisdiction to seek injunctions in any substantial number of labor dispute cases and that act expressly provided that the jury trial requirement of the Norris-La Guardia Act should not apply to it. Hence it is probable that the statute which appears to grant jury trial in contempt proceedings for violation of injunctions issued in labor dispute cases (18 U. S. C. 3692) has no application to injunction suits brought by the Government under Taft-Hartley, which are, for all practical purposes, the only type of injunction suits (private or governmental) in labor dispute cases over which the Federal courts have jurisdiction. (See *United States* v. *United Mine Workers of America* (330 U. S. 258).) For a detailed discussion of the history of jury trial in injunction suits, I refer you to the statement placed in the CONGRESSIONAL RECORD for April 18 of this year (pp. 5982–5988) by Senator DOUGLAS.

With reference to jury trial, then, the procedure under the proposed legislation would be the same as that which has always governed suits by the Government for preventive relief. This procedure appears at the present time to be effective and satisfactory. I am aware neither of abuse nor of serious complaint of abuse by the Federal courts in contempt proceeding instituted for the purpose of enforcing injunctions issued in governmental litigation. I foresee no reason why this procedure should not be equally satisfactory in civil-rights cases.

Enactment of legislation providing for jury trial in contempt cases arising out of governmental litigation would undermine the authority of the Federal courts by seriously weakening their power to enforce their lawful orders. The effect of adopting current proposals for jury trial would be to weaken and undermine the authority of the Federal courts by making their every order, even when issued after due hearing and affirmed on appeal, reviewable by a local jury. Referring to proposals similar to those now advanced President (and later Chief Justice) Taft said in 1908: "The administration of justice lies at the foundation of Government. The maintenance of the authority of the courts is essential unless we are prepared to embrace anarchy. Never in the history of the country has there been such an insidious attack upon the judicial system as the proposal to interject a jury trial between all orders of the court made after full hearing and the enforcement of such orders."

Furthermore the proposed amendment to existing procedures that is being advocated under the innocuous slogan of jury trial would permit practical nullification of the effectiveness of the proposed civil-rights legislation. The enforcement of any court order may require prompt and vigorous action if it is to be effective. Prompt action will often be vital in civil-rights cases, especially election cases where the registration period or the election may pass while enforcement is delayed. The injection of a jury trial between an order of a court determining, for example, that a registrar of voters is discriminating against Negroes in administering a literacy test and enjoining the continuance of the practice, and the enforcement of that order would provide numerous opportunities for delay beyond the time when the order could have practical effect.

I hope that the foregoing statement provides the information requested by you. If I can be of further assistance, do not hesitate to call upon me.

Sincerely,

———,
Attorney General.

THE KHRUSHCHEV INTERVIEW

Mr. ANFUSO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ANFUSO. Mr. Speaker, I take this time to touch on a very important subject upon the solution of which all questions, including that of civil rights, are dependent.

Last Sunday many of us watched the television debut of the Russian dictator Nikita Khrushchev, in which he told us that our grandchildren in America will live under socialism. To Khrushchev, of course, that means communism. The moderator of the program, which afforded to Khrushchev a wide forum to reach the American people, was the well-known American newspaperman Stuart Novins.

This coming Saturday, June 8, at 2:30 p. m., I am scheduled to appear on a television program in New York known as Congressional Closeup. Two other colleagues from this Chamber, the Honorable GORDON CANFIELD, of New Jersey, and the Honorable J. ERNEST WHARTON, of New York, and I will form the panel, and our moderator will be Stuart Novins—the same Mr. Novins who conducted the interview with Khrushchev. May I caution all my colleagues in the House not to draw any inferences or parallels from this coincidence, because I have the greatest admiration for Stuart Novins and a very high respect for the Columbia Broadcasting System.

My purpose in bringing this matter to your attention at this time is that I expect to turn the tables around. Instead of having the panel answer all the questions, I should like to ask a few questions of Mr. Novins, and I am giving him advance notice so that he will not be surprised about the questions I am going to ask him. I hope to proceed somewhat in this fashion:

Mr. Novins, let us turn the tables around a little bit. Let us put you on the witness chair for a while. You know, sometimes I have the feeling that you reporters overstep certain limits and you "get away with murder." Of course, it is all done under the license of freedom of the press. I am not criticizing you. I am merely pointing it out now, because what I have to say involves such important questions as foreign policy and national security. I would like to have you answer some questions. Are you willing to do that?

I am referring to the interview which you and several of your press colleagues had with Mr. Khrushchev. Here are my questions:

First. With whom did you clear the interview? Did you submit in advance to the State Department, the United States Information Agency or the Central Intelligence Agency the questions you were going to ask of Mr. Khrushchev? And did you have any idea, before the interview, as to what the answers to your questions would be?

Second. Did you prepare certain other questions for Mr. Khrushchev, but which he told you in advance of the interview that he would not answer? If so, I would be interested to know what these questions were.

Third. What did you expect to accomplish by this interview? Did you expect to get a confession from the leader of world communism that the Communist system is bad? Or that the American people, who are 99.9 percent opposed to communism, should obtain a better understanding of it in order to help bring the two peoples closer together?

Fourth. What Government officials, if any, assisted you in the preparation of your questions?

Fifth. What, if anything, do you think was accomplished by the interview?

Sixth. Why was there no answer by some responsible United States Government spokesman, immediately following the interview with Mr. Khrushchev, to point out certain flaws and inaccuracies in his remarks? Since the Russians thought so well of the program that they broadcast it to their own people, it seems to me that we would want to bring evidence to show that some day their grandchildren, or perhaps even their children, would be living under a free form of government.

Seventh. At the end of your interview, Mr. Novins, you thanked Mr. Khrushchev and his associates for their cooperation in granting you permission to have Mr. Khrushchev expound his Communist philosophy upon the American people. Do you believe that you could get Mr. Khrushchev to allow an American public official—and I, for one, would be willing to undertake such a task—to be interviewed by Russian newspapermen under similar conditions, and then have the interview broadcast over the air behind the Iron Curtain so that the people of Russia and the satellite countries could listen to it?

Eighth. Mr. Khrushchev said that the Russian Government had the right to jam or interfere with our radio broadcasts beamed to Russia because of the great love for music which the Russian people are supposed to have. How could they tell in advance that what we had to say would not be music to their ears, unless they first heard it? In other words, why shouldn't they give us the same right we accord them of saying what we please even though they may or may not agree with us?

Ninth. Finally, Mr. Novins, what I have said here is not intended as criticism of you nor of the Columbia Broadcasting System. You have followed true and basic American principles that we are ready and willing at all times to listen to the opinions of others. Who was it that said: "I disapprove of what you say, but I will defend to the death your right to say it." The question I would like to have you answer is this: "Will the Soviet officials permit our citizens the same right to express their opinions to the Russian people?"

Mr. Speaker, these are the questions which I intend to ask Mr. Novins on our television program this coming Saturday at 2:30 p. m. I shall be very interested to know how Mr. Novins will answer these questions, and I am sure all of my colleagues here will be interested in the answers. At any rate, I invite all of you who will be in the New York metropolitan area on Saturday to listen in.

LIBERALIZING OUR SOCIAL SECURITY SYSTEM

Mr. FINO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINO. Mr. Speaker, in this Congress, as on previous occasions, I have introduced and fought for a series of bills to humanize and liberalize our social security system. I have called attention to the hardship in millions of American homes caused by the arbitrary and unrealistic provisions in our law.

In the past 5 years, as a Member of Congress, I have risen on the floor of this House on numerous occasions to urge lowering the retirement age to 60 for men and 55 for women; eliminating the age limit for total and permanent disability benefits; striking out the work clause for persons over 65; increasing the minimum monthly benefits; providing a 10-percent increase in all monthly benefits and other corrective and necessary measures.

Mr. Speaker, today I want to talk about my bill H. R. 2865, which would lower the eligibility age to 60 for men and to 55 for women. Congress last year recognized that the retirement age of 65 is outmoded. In the social security amendments of 1956, we made benefits available to totally disabled persons at age 50, and we reduced the age for widows' eligibility for full benefits to 62 years. Also, we made benefits available at age 62 for working women who retire and for the wives of workingmen who retire, but in these instances the amendments exact a penalty in the form of reduced payments, from those working women and wives who begin drawing benefits before age 65. I am proposing in another bill to eliminate that penalty.

I supported the amendments of 1956, because, in spite of their inadequacies, they were a step in the right direction. Now we should take the next logical step. We should lower the retirement age for both men and women.

Simple as this change may appear, it represents in reality a broad-scale approach to a variety of problems which have arisen largely as a result of the magnificent expansion of our productive power. Americans today can produce goods and services far more abundantly than they could a few decades ago and with far fewer work hours.

We have recognized this change in productivity by reducing sharply the number of hours of work in each day and by shortening the workweek. But in our old-age, survivors, and disability insurance system we have thus far given only the scantiest token recognition that the principle which brings about the shorter workday and the shorter workweek applies also to reduce the length of the work life required of most of us.

Studies of average work life in this country have shown that in 1890 more than two-thirds of all men over 65 were still working. Sixty-five years later, in 1955, the proportion had dropped to 38 percent. There is every indication that this downward trend will continue. If it does continue, even without acceleration, a man who is 20 years old in 1975 can look forward, on the average, to at least 1 year of retirement for every 6 years of working life. Even today, the average is more than 1 year of retirement for about 7 years of work.

Mr. Speaker, my bill accepts the opportunity and the challenge presented by these developments. By an appropriate reduction in the work-life standard embodied in the social security law, this legislation would make it possible for millions of our older citizens to enjoy the earlier retirement which economic progress has made feasible.

Because it will permit people to leave the labor force earlier, this measure should help to create job openings for younger persons. At present, the low birth rates of the 1930's are reflected in the relatively limited number of young people who are entering the labor market to compete for jobs. But within a very few years the baby boom of World War II will be adding millions of new young workers to the labor force, and the number will increase sharply during the 1960's. By 1965 there will be nearly 9 million more people in the age group 15 to 24 than there are now. This is far in excess of the rate of increase of the total population. These young people will need employment—and the Nation should have the full benefit of their vigorous productivity. By permitting earlier retirement under social security, we shall open more opportunities for these young people.

This legislation would alleviate the hardships of unemployment which now plague many middle-aged older workers who are not yet 65. Men and women who lose their jobs after age 35 or 40 encounter almost insurmountable obstacles in finding new employment. Most employers are reluctant to hire older workers, particularly women, and the barriers rise higher with each additional year of the applicant's age. The suffering which unemployment causes these people is a tragic, cruel, and, in my opinion, an avoidable byproduct of our splendid economic system. All too few of these displaced people have any substantial savings to tide them over the interval until retirement benefits become available. Moreover, older workers generally have lagged behind the younger ones in sharing in the national prosperity, though their needs for income are often as pressing and the rise in the cost of living is greatest for goods and services for which they have proportionately greater needs—for example, medicines and medical care. By permitting earlier receipt of retirement income, we can make the transition a great deal easier.

Mr. Speaker, we need have no fear that earlier eligibility for benefits will of itself compel great numbers of workers to leave the labor force if they do not otherwise choose to stop working and if employers are willing to retain them. This is not a proposal for compulsory retirement. Even with the present higher age limit on eligibility for social security, millions of people continue working beyond the time when they have qualified for retirement income. Most people who are physically able to work prefer to carry on until they are forced out by employers' policies or by physical infirmity, and I am sure this will continue to be true for most people. Employment practices are influenced to some extent by the retirement age specified in the Social Security Act, but this is only one among many considerations. Technical developments, automation, and the need for new types of skills are far more influential. In fact, the availability of earlier individual retirement rights under old-age insurance should make it easier for employers to adopt more flexible hiring and retirement policies.

The change I am proposing would recognize these realities. It would reduce the obstacles to retirement which now confront those who have difficulty finding reemployment and those whose infirmities or family responsibilities are such that they should no longer be under economic compulsion to work. It would bring the Social Security System into line with the standards of progressive retirement plans in industry and Government. Civilian employees of the Federal Government may be retired involuntarily at any age after 25 years of service, and have the option of retiring, though with some reduction of annuity, at age 55 after 30 years of service. The Federal Reserve banks permit retirement at age 50. Employees of my own State of New York, as of several other States and large cities, are given retirement benefits at age 60. The American Telephone & Telegraph Co., General Electric, General Motors, DuPont, Eastman Kodak, and the United Mine Workers fund, and the Railroad Retirement System all

provide for retirement at age 60 and, in some instances, at earlier ages.

Mr. Speaker, the bill which I have offered sets the eligibility age for women at 55, 5 years lower than for men. I have always believed that women should be given the choice of retiring at 55 because we know that a woman who must seek employment at this age has an extremely slim chance of finding it, even in today's conditions of high employment. This heartbreaking experience is particularly typical for a widow who goes out to look for work at age 55 or over. Often she has never worked before or has been out of the labor market for many years. She finds all doors closed against her. If she does get a job, it is almost inevitably in retail trade or those personal-service occupations which are among the lowest paid. In the age group 55 to 64, women who have been employed go out of the labor force about 2½ times faster than men. They cannot be expected to be able to continue working as long as men—many of them have carried for years the dual responsibility of job and home. Several large companies have recognized this by providing in their pension systems a lower retirement age for women. These include the General Electric, Standard Oil of New Jersey, and American Telephone & Telegraph Companies.

The average age difference between husbands and wives around age 60 is about 2½ years. In making women eligible for benefits at age 55, therefore, the bill will give earlier protection to the widows of insured workers who have died—many of them before reaching the retirement age. It will enable these women to live out their lives with some measure of economic security and human dignity—a privilege now granted by the social security law only to those whose widowhood or retirement comes after the age of 62.

In urging your support for this legislation, I wish to emphasize my belief that such a reduction of the retirement age is a straightforward approach to many of the difficult social problems which have resulted from the wonderful growth of our industrial productivity. This is a method of assuring, within the framework of our free-enterprise system, that we do not create a forgotten group of older citizens, stranded on an island of insecurity where they are unable to get employment and are temporarily ineligible for retirement income under social security. This bill is concerned with preserving one of the most valuable assets of the Nation—the dignity, the self-respect, the integrity and happiness of millions of our people who in their later years may find themselves unable to get work or who are physically unable to stay at work. It will enable these Americans to have the benefits of retirement when they are most able to enjoy them.

Mr. Speaker, I believe that we must no longer delay in the matter of correcting this inequity in our social security system. In providing benefits at a lower age we will substantially improve the protection provided by social security, and we will help to meet a great need in millions of American homes.

THE LONG-RANGE MINERALS PROGRAM

Mr. DAWSON of Utah. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DAWSON of Utah. Mr. Speaker, in recent weeks we from the lead- and zinc-mining areas of our Nation have repeatedly brought to the attention of the House the desperate plight of our domestic lead-zinc industry owing to excessive, cheap-labor foreign imports.

Kept afloat on these troubled seas of international trade relations only by such makeshift rafts as bartering and stockpiling, this domestic industry has been leading a day-to-day existence for years, waiting for a rescue which is always on the way but never arrives.

Now the administration has lowered a seaworthy lifeboat called the long-range mineral program. Implementing legislation for this program will be introduced shortly, and, I hope and trust, will soon come before us for consideration.

Included in this program are features which are a wide departure from the sink-or-swim attitude of the last two decades or so. In the realization that American standards of wages and living can never permit the domestic lead-zinc mining industry to meet head on the competition of low-cost foreign producers, the administration proposes a sliding scale of import excise taxes. When lead and zinc prices are at a reasonable level these taxes will go off and those metals will be free-traded. When prices drop below the point of fair return imports will be inhibited by application of the excise taxes at a rate designed to restore the market prices at a level which will permit the American mines feasibly to continue production.

This is the lifeboat which the administration has offered to an industry which is in danger of going down for the last time. Yet before the boat reaches the water, partisan attempts have been made to stave in its sides. The program, it has been said, does nothing for the lead and zinc industry. Significantly, I have not heard that complaint from the lead and zinc industry itself.

Some who 2 weeks ago were ready to grasp at straws now are complaining because the rescue craft is not a luxury yacht.

At the other extreme is the temptation to overload the boat by adding oter minerals to the import excise tax scale. If the boat sinks, none will be saved. In the development of the long-range minerals program the situation of each of the other important minerals was explored and the conclusion was reached that for one reason or another direct Government assistance is not required or would not be beneficial at the present time. They would, however, be benefited by the general provisions for research, development, and exploration which also are included in the administration's program.

I would be the last to say that the long-range minerals policy must be held sacrosanct in its present form; indeed, it has been presented only as a recommendation for a national policy. The danger point in lead and zinc prices well may need some upward revision; changing conditions and fuller consideration may indicate more assistance is needed for some of the other metals; other features of the program may well be improved by amendment.

But we have here the brightest hope which has been held out to the mining industry in three administrations. I for one extend my heartiest gratitude for it to President Eisenhower; to the Secretary of the Interior, Fred A. Seaton, his now-retiring assistant, Felix E. Wormser, and all the others who worked so hard to bring forth this forward-looking program.

I hope the program will obtain the full support of this body for the well-being of our mining industry, our national security and economy, and, last but not least, the thousands of American miners and their families who are dependent upon the industry for their livelihood.

SPECIAL ORDER

The SPEAKER. Under the previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that the 5 minutes allotted to me today be transferred until tomorrow, because the Republicans are going to have a caucus and I do not want to interfere with it.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to:

Mr. MACHROWICZ, from June 6 to June 25, 1957, on account of official duties.

Mr. MCCONNELL (at the request of Mr. MARTIN), for an indefinite period, on account of official business.

Mr. MCGOVERN, for the balance of the week, on account of official business.

SPECIAL ORDER GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to Mrs. ROGERS of Massachusetts, for 5 minutes, on tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. THOMAS and to include extraneous matter.

Mr. SADLAK and to include an editorial.

Mr. HALE and to include extraneous matter.

Mr. THOMPSON of New Jersey.

Mr. MULTER and include extraneous matter.

Mr. PHILBIN and include extraneous matter.

Mr. VAN ZANDT and include related matter.

Mr. WESTLAND and to include related matter.

Mr. NIMTZ and to include related matter.

Mr. BOW.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 53. An act to consolidate into one act, and to simplify and make more uniform, the laws administered by the Veterans' Administration relating to compensation, pension, hospitalization, and burial benefits, and to consolidate into one act the laws pertaining to the administration of the laws administered by the Veterans' Administration.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 7 minutes p. m.) the House adjourned until tomorrow, Thursday, June 6, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

920. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Navy industrial fund, United States naval shipyards, Bureau of Ships, Department of the Navy, December 31, 1955, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

921. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a draft of proposed legislation entitled "A bill to insure greater consistency among Federal loan programs, to avoid hidden subsidies, and to achieve more effective coordination between Federal loan programs and the fiscal and credit policies of the Federal Government"; to the Committee on Ways and Means.

922. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (1) of the Immigration and Nationality Act of 1952; to the Committee on the Judiciary.

923. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to Public Law 863, 80th Congress; to the Committee on the Judiciary.

924. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (5) of the Immigration and Nationality Act of 1952; to the Committee on the Judiciary.

925. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of the orders granting the applications for permanent residence filed by the subject pursuant to section 6 of the Refugee Relief Act of 1953; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WILLIS: Committee on the Judiciary. H. R. 7261. A bill to amend the Federal Probation Act to make it applicable to the United States District Court for the District of Columbia; without amendment (Rept. No. 532). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILLIS: Committee on the Judiciary. H. R. 6789. A bill to provide for reasonable notice of applications to the United States courts of appeals for interlocutory relief against the orders of certain administrative agencies; without amendment (Rept. No. 533). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. S. 1179. An act for the relief of Harold George Jackson; without amendment (Rept. No. 534). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1701. A bill for the relief of Abram van Heyningen Hartendorp; without amendment (Rept. No. 535). Referred to the Committee of the Whole House.

Mr. HILLINGS: Committee on the Judiciary. House Joint Resolution 338. Joint resolution for the relief of certain aliens; with amendment (Rept. No. 536). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROOMFIELD:

H. R. 7928. A bill to authorize the Secretary of Defense to make a monetary allowance in lieu of headstones or markers for certain graves; to the Committee on Armed Services.

By Mr. FOGARTY:

H. R. 7929. A bill to amend the Federal Property and Administrative Services Act of 1949 to permit the donation of surplus property to volunteer fire-fighting organizations; to the Committee on Government Operations.

By Mr. GARY:

H. R. 7930. A bill to correct certain inequities resulting from the involuntary conversion of salaries of certain employees to the postal field service schedule under the Postal Field Service Compensation Act of 1955; to the Committee on Post Office and Civil Service.

By Mr. LANKFORD:

H. R. 7931. A bill to amend the Classification Act of 1949 to authorize the establishment of pay differentials for hazardous employment; to the Committee on Post Office and Civil Service.

By Mr. LESINSKI:

H. R. 7932. A bill to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon claims of customs officers and employees to extra compensation for Sunday, holiday, and overtime services performed after August 31, 1931, and not heretofore paid in accordance with existing law; to the Committee on the Judiciary.

By Mr. MCMILLAN (by request):

H. R. 7933. A bill to amend the act relating to the small claims and conciliation branch of the municipal court of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. METCALF:

H. R. 7934. A bill to authorize Federal assistance to the States and local communities in financing a program of atomic and disaster shelters in the Nation's schools; to the Committee on Armed Services.

By Mr. O'BRIEN of New York:

H. R. 7935. A bill to amend title II of the Social Security Act to include New York among the States which may obtain social security coverage, under State agreement, for State and local policemen and firemen; to the Committee on Ways and Means.

By Mrs. ROGERS of Massachusetts (by request):

H. R. 7936. A bill to encourage employment of veterans with pensionable or compensable service-connected disabilities through Federal reimbursement to any employer, insurer, or fund, of amounts of workmen's compensation paid on account of disability or death arising out of such employment; to the Committee on Veterans' Affairs.

By Mr. SAUND:

H. R. 7937. A bill to amend section 8 (e) of the Agricultural Adjustment Act (of 1933), as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, so as to provide for the extension of the restrictions on imported commodities imposed by such section to all imported citrus fruits, and to sliced figs, dried figs, fig paste, dates with pits, dates with pits removed, and date products; to the Committee on Agriculture.

By Mrs. SULLIVAN:

H. R. 7938. A bill to protect the public health by amending the Federal Food, Drug, and Cosmetic Act so as to provide for the safety of chemical additives in food; to the Committee on Interstate and Foreign Commerce.

By Mr. SMITH of Kansas:

H. R. 7939. A bill to provide an improved farm program; to the Committee on Agriculture.

By Mr. THOMSON of Wyoming:

H. R. 7940. A bill transferring the Heart Mountain division of the Shoshone Federal reclamation project to the Missouri River Basin project; to the Committee on Interior and Insular Affairs.

By Mr. BROOMFIELD:

H. J. Res. 348. Joint resolution proposing an amendment to the Constitution of the United States relative to disapproval of items in general appropriation bills; to the Committee on the Judiciary.

By Mr. TELLER:

H. Res. 273. Resolution that a select committee be appointed to conduct a full and complete investigation and study of the use of chemicals and other additives in food and medicine, and beverages with a view to ascertaining what deleterious effects such chemicals have on human life and health; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. HALE: Memorial of the Senate and House of Representatives of the State of Maine in the 98th legislative session assembled, recommending to the Congress of the United States that Senate Resolution 64 before the Senate Committee on Interstate and Foreign Commerce be considered of utmost importance; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolution were introduced and severally referred as follows:

By Mr. BYRD:

H. R. 7941. A bill for the relief of Mrs. Harry B. Kesler; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H. R. 7942. A bill for the relief of Cesare Guglielmi; to the Committee on the Judiciary.

By Mr. GORDON:

H. R. 7943. A bill for the relief of Fong Bick Sem; to the Committee on the Judiciary.

By Mr. MUMMA:

H. R. 7944. A bill for the relief of the Spera Construction Co.; to the Committee on the Judiciary.

By Mr. PASSMAN:

H. R. 7945. A bill for the relief of McRay Vestal; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H. R. 7946. A bill for the relief of Allan Levy; to the Committee on the Judiciary.

By Mr. SAUND (by request):

H. R. 7947. A bill for the relief of Amarjit Singh Sekhon; to the Committee on the Judiciary

By Mr. SMITH of California:

H. R. 7948. A bill for the relief of Mrs. Rita Maria Wilson; to the Committee on the Judiciary.

By Mr. WIGGLESWORTH:

H. R. 7949. A bill for the relief of Roy C. Kang; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

An Adequate Juvenile Court for the Nation's Capital

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Wednesday, June 5, 1957

Mr. JAVITS. Mr. President, when the Congress created the present juvenile court in the District of Columbia, its caseload was approximately 2,500 annually. By 1948 the court was hearing 3,000 cases a year, by 1953 the load had risen to 10,000, and presently this 1-judge court is handling more than 16,000 cases a year. Of these some 2,000 are felony type cases. The United States District Court for the District of Columbia uses a minimum of 3 justices to handle its annual felony caseload of 1,500; the District of Columbia juvenile court must rely on 1 judge.

The Bar Association of the District of Columbia, the Law Enforcement Council of the District of Columbia, the Washington Criminal Justice Association, the Metropolitan Washington Chapter of the National Association of Social Workers, and other civic groups, have joined the District of Columbia Commissioners in their recommendation for a second judge in this most important court. Legislation to this effect, S. 2154, is presently pending before the Senate Committee on the District of Columbia.

As attorney general of the State of New York, I was deeply concerned with crime by youths, and juvenile delinquency, and so my interest as a member of the Committee on the District of Columbia is attracted to that problem in the city of Washington. We find the juvenile court in the District of Columbia heavily overloaded, and a grave need for an additional judge in that court. It is for that reason that I call attention to this matter.

The District of Columbia Council on Law Enforcement asserts that a real emergency exists; and, as the Washington Post, in its editorial of May 25, 1957, emphasizes: "The emergency concerns essential human rights and the welfare of children. It should be met by Congress just as speedily as possible."

I ask unanimous consent that the full text of the editorial be printed in the Appendix of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

OVERLOADED COURT

It would be hard to point to a community need more clearly demonstrated than the need for an additional judge for the District's juvenile court. The court has a load of more than 16,000 cases a year. No single judge, no matter how dedicated and industrious, could handle such a load with the attention to individual problems which is peculiarly requisite to juvenile court. Judge Orman W. Ketcham, who began service on the court only last week, managed to dispose of 192 cases during his first 3 days on the bench by sitting for a 9- or 10-hour day; even so, he acknowledged, he had a distinct feeling that many persons felt they had not had their proper day in court. In urging the creation of a second judgeship, the District's Council on Law Enforcement was amply justified in asserting that a real emergency exists. The emergency concerns essential human rights and the welfare of children. It should be met by Congress just as speedily as possible.

Going Against the Grange

EXTENSION OF REMARKS

OF

HON. JACK WESTLAND

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1957

Mr. WESTLAND. Mr. Speaker, under leave to extend my remarks I would like to protest what I belive to be unfair treatment of the National Grange regarding seizure by the Government of National Grange headquarters.

The Government has issued an order of taking on this property, an 8-story building located in the heart of downtown Washington. The property is to be used for landscaping and for a corner of the seventh in a series of Government office buildings.

As I have previously stated, I am opposed to the seizure of this property, which for more than a decade has been the headquarters of one of our outstanding farm organizations. The plans for the new building have been drawn with absolutely no consideration for the special site involved. I am particularly displeased with the fact that the major portion of this property is going to be used for a garden. This may be esthetic, but it is highly impractical for an area which has a limited amount of property that should be put to maximum use. Monumental structures with palatial gardents are not necessary for the efficient conduct of Government business, and their contemplation is testimony to the visionary type of castle building that will cost the American taxpayers millions of dollars to satisfy the whims of a few master planners.

There is no reason why a nice-looking, functional office building could not be erected on the remainder of the block harmonizing with the Grange building, which in itself is an attractive structure. However, since Congress already has alloted funds over which the General Services Administration has sole control, it is evident that seizure of the building is almost inevitable.

My objection to the method being used by the Government is that the Grange will be forced to pay rent on this property, yet the General Services Administration has not signified when it intends to use the site for the new building.

Franklin G. Floete, Administrator of the General Services Administration, in a recent release said that since building costs are at present so high, it would be advisable for the Government to postpone indefinitely its lease-purchase building program because the costs of new buildings would be out of line. Since the order of taking has already been issued, the law says the Grange must start to pay rent on its property until the Government gets ready to use it.

I do not believe that this is fair. This organization will be faced with the problem of seeking another site, a task that borders on the impossible as far as getting a convenient location similar to the present headquarters. The Grange is being offered about a third of the $1 million price of the property. Moving the headquarters will be expensive.

I believe that the proposal by National Grange Master Herschel Newsom that the title be restored to the Grange until the Government definitely gets ready to use the property has merit. If restoration of title is not possible, I believe it only fair that the General Services Administration should assist this organization in its process of being transplanted by canceling out the rent payments. Somehow it seems rather un-American to me to seize an organization's property today with no particular date in mind for use of this property, and then to force the organization to pay rent until the Government decides what it is going to do with the building and land.

Since the Government's lease-purchase program has wisely been postponed to save the taxpayer the burden of excessive building costs, it appears only logical to me that actions instituted under the old schedule should be subject to review and that amelioration of unjust and onerous burdens which the postponement would impose on groups such as the Grange would be in order.

Visitors From St. Mark's Methodist Church of Houston, Tex.

EXTENSION OF REMARKS

OF

HON. ALBERT THOMAS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1957

Mr. THOMAS. Mr. Speaker, this morning we were privileged to have present in the House gallery a fine representative group of young men and women of the St. Mark's Methodist Church, Houston, Tex., during the prayer given by one of their pastors and counselors, the Reverend John D. Davey. The prayer was a beautiful, inspirational one and well received by the Members. It is a good thing for the Nation for these young people to be brought to the Capitol under the tutelage of their patriotic church leaders. It is upon these young people and others like them that we must depend for the protection of our homes, our churches, and our country against the ever-present threat of communism.

I want to commend the Reverend C. T. Morris and Reverend Davey for their ingenuity and leadership. They are an inspiration to all. Their counselors, Mr. E. R. Beadle, Mrs. Ben E. Loeffler, Mrs. Joyce Thompson, and Mrs. Ruth Froehner also are deserving of much praise for their unselfish, important activities in behalf of this outstanding group, composed of Beverly Nixon, Anne Maresh, Karey Patterson, Marilyn Froehner, Arlie Moore, Bonnie Knepple, Bettye Marie Pfeffer, Verna Bertucci, Sylvia Hughes, Joan Castle, Carolyn Prince, Barbara Gail Kobs, Jeanne Broker, Carol Phillips, Virginia Massey, Jaunece Atteberry, Margaret Jane Nunez, Rhea Jean Brogdon, Thomas Morris, Jr., Johnny Klepper, Ritchie Atteberry, Ella Lee Campbell, Mary Pruett, Mary Standish, Carol Ann Keen, Allen Lee Norton, Richard Wagenhauser, Gary Lee Homburg, Jimmy Mooney, and Richard Gebhardt.

Let's Dedicate Ourselves to America

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1957

Mr. VAN ZANDT. Mr. Speaker, in observance of Memorial Day, the editorial of the Family Weekly, a magazine supplement distributed by over 150 daily newspapers in the United States, featured in the May 26, 1957, issue a portion of my Memorial Day message under the title, "Let's Dedicate Ourselves to America."

The article follows:

Memorial Day is a day of memories and a day of rededication.

We Americans know that the man who dies in the service of our country makes this sacrifice in order that the hopes and ambitions of our Founding Fathers might be realized, and that our Constitution may continue to stand as the bulwark of our Nation.

Those whom we honor were adequate to the challenges before them. Now is the time for the living to resolve that we will be adequate to the challenges before us. This is the greatest honor we can give those who have gone before.

We Americans write and speak and think freely. We worship God as we please. We are protected from unlawful searches and seizures. We enjoy the freedom to elect those who administer and legislate for us, and we fix conditions and limitations on their authority. We are secure in our property rights and in living our lives as we wish.

These great privileges, far from being a matter of course, were never enjoyed by any nation until 170 years ago. Are the fortunate and happy conditions in which we live entirely of our own making? They are not.

They are gifts from the dead, not conquests of the living.

Let us not only acknowledge our debt, but let us try to pay it. There is one way in which we can make some small payment. These men gave their lives for our Nation and the principles upon which it was founded. We can honor America's dead by understanding our heritage and, further, by preserving unity among the living.

If our honored dead could tell us what reward they would wish us, they would, I believe, say, "Continue the fight for the great cause for which we gave our lives."

These heroes know that our Nation may be destroyed as ruthlessly in times of peace as by ruthless enemies in time of war. In peace, it may be destroyed by subversive doctrine, by abandonment of fundamental principles, by surrender of the rights and privileges of the citizens, by an economy which denies to men their political freedom, or by a vicious and wasteful fiscal system which destroys individual initiative.

Against the armed enemy we rush forward to do our part in defense of our country. Often peacetime undermining of our civic structures comes in such pleasing disguise it leads many to welcome and encourage it.

We are apt to forget history's lesson that government by the people is not eternal and that such governments have fallen victim to internal decay. In paying our debt to the heroes to whom Memorial Day is dedicated, let us be as vigilant in guarding against our own apathy as again foreign foes.

The American form of government is only for those who appreciate it, who deserve it, and who are willing to defend it against all enemies at home or abroad. Let us resolve that, no matter what the cost, we will deserve our form of government, we will protect it, and we will pass it on unimpaired to those who follow.

Today, tomorrow, next week, next month, let us take time to recall in grateful appreciation the services and sacrifices of those who have made possible these blessings which we enjoy.

Let us make Memorial Day truly a day of renewed dedication to all the ideals for which America stands.

Cadet John H. Vickers

EXTENSION OF REMARKS

OF

HON. ANTONI N. SADLAK

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1957

Mr. SADLAK. Mr. Speaker, yesterday's graduation at the United States Military Academy at West Point was a remarkable day for those who attained their commissions after their strenuous but wonderful 4-year course of scholastic and military training.

I am sure all my colleagues in the House of Representatives join me in rejoicing in the outstanding success of Cadet John H. Vickers, my appointee from Fairfield, Conn., son of Mr. and Mrs. Irving H. Vickers, who graduated as No. 1 in his class and who received 12 of the 29 military and academic awards presented to the members of the first class. The awards to Cadet Vickers were:

A life membership in the National Geographic Society given by the American Legion for the highest rating in chemistry; a wristwatch by the Military Order of Foreign Wars of the United States for the highest average in social sciences; the Francis Vinton Greene memorial pistol for standing first in general order of merit for 4 years; a camera by the Veterans of Foreign Wars for the highest average in physics; and a wristwatch by the Steuben Society of America for the highest rating in foreign languages.

Also, a set of books from the American Bar Association for the highest rating in law; a pair of binoculars by the Ladies Auxiliary of the Veterans of Foreign Wars for the highest rating in mechanics of solids; the Robert E. Lee saber by the United Daughters of the Confederacy for the highest rating in mathematics; a set of books as a memorial to the late Brig. Gen. William A. Mitchell for the highest rating in military engineering and military history; a portable radio by the Armed Forces Communications and Electronics Association for the highest rating in electrical engineering; a portable typewriter by the Daughters of the American

Revolution for the highest rating in mechanics of fluids; and a rifle by the American Ordnance Association for the highest rating in ordnance.

This is the largest number of prizes a cadet has won in recent years; in fact, it might be termed "quite a haul."

I am justly proud and pleased in the brilliant record achieved by this young man who should go far in his chosen career. Each of us entrusted with the privilege and responsibility in naming candidates to the Academies must rejoice with this outstanding example of an opportunity to attend one of those and the remarkable result attained through the application to his studies and using to the fullest his natural talents.

Opinion Poll Report

EXTENSION OF REMARKS

OF

HON. F. JAY NIMTZ

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1957

Mr. NIMTZ. Mr. Speaker, for the past several weeks I have been conducting an opinion poll among my constituents in the Third Congressional District of Indiana on eight important issues currently confronting the Congress.

Starting late in April and continuing through most of May, questionnaires were mailed from my office in Washington to approximately 100,000 voters in the 4 northern Indiana counties I represent, St. Joseph, Elkhart, La Porte, and Marshall. Ballot forms also were printed as a public service by several daily and weekly newspapers in the district, and readers were invited to mail them directly to me.

Questionnaires were sent to practically every household in the district. Wherever possible, mailing lists of registered voters were used, particularly in the South Bend-Mishawaka area. In cities such as Elkhart, Goshen, La Porte, Michigan City, and Plymouth, telephone directories were employed. Ballots also were mailed to every rural and postoffice boxholder in the four counties.

The response has been most gratifying. A total of 12,356 ballots have been received and tabulated to date, and they are still coming in.

A great many voters who took part in the poll added comments to their ballots or wrote separate letters explaining or qualifying their replies. Others expressed views on issues not covered in the poll.

These comments have been carefully studied by me and have been most helpful in determining the sentiment of my constituents on current problems.

Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following news release reporting the results of my 1957 opinion poll:

BUDGET AND TAX CUTS FAVORED IN NIMTZ POLL

Congressman F. JAY NIMTZ, South Bend Republican, today reported the results of an opinion poll among his northern Indiana constituents showing overwhelming support for a cut in Federal spending and a general reduction in taxes.

More than 12,000 voters in St. Joseph, Elkhart, La Porte, and Marshall Counties returned question forms in the poll, which has been underway for more than a month, Congressman NIMTZ reported.

The closest division of opinion was on the question of Federal aid for school construction, NIMTZ said. The vote in favor was 46 percent, with 45 percent opposing and 9 percent expressing no opinion.

A limited program of Federal grants for new school buildings has been proposed by President Eisenhower but is opposed by Indiana Gov. Harold W. Handley.

Eighty-nine percent of those questions favored legislation to regulate and safeguard labor union welfare funds, with only 6 percent opposed.

Greatest opposition in the poll was shown to proposals for a more liberal immigration policy, with 76 percent voting against a change in the law and only 14 percent in favor.

Two key programs of the Eisenhower administration were endorsed by votes of nearly 2 to 1 in the poll. They were the foreign-aid program and the Federal program of flexible farm price supports.

Voters also endorsed Postmaster General Summerfield's request for an increase in postal rates by a margin of 72 to 21 percent.

The vote in favor of a tax reduction was better than 10 to 1, while cuts in the Federal budget were advocated by 65 percent of the voters.

The Nimtz survey got replies from 12,356 voters who either returned question forms sent out by the Congressman or clipped out ballots from newspapers. Here is the final breakdown of the voting:

	Percent		
	Yes	No	No opinion
Do you favor—			
1. Reducing the budget even if it means cutting out programs of direct benefit to you?	65	25	10
2. Legislation to regulate and safeguard labor union welfare funds?	89	6	5
3. A general tax reduction if cuts can be made without leaving the budget out of balance?	89	8	3
4. Increasing postal rates on all classes of mail to help reduce the postal deficit?	72	21	7
5. Direct Federal grants to States to help build more schools?	46	45	9
6. Foreign military and economic aid as a means of resisting Communist expansion?	54	31	15
7. Changing our immigration laws to admit more people to this country?	14	76	10
8. A flexible program of Federal price supports for basic farm products?	52	28	20

Floods and Tornados in Texas

EXTENSION OF REMARKS

OF

HON. RALPH W. YARBOROUGH

OF TEXAS

IN THE SENATE OF THE UNITED STATES

Wednesday, June 5, 1957

Mr. YARBOROUGH. Mr. President, I have been informed by the Corps of Engineers and the region 5 office of the Federal Civil Defense Administration that the cost of the physical damage caused by the floods which have ravaged my home State of Texas will exceed $100 million.

Existing flood-control projects in Texas, according to estimates of the Corps of Engineers and others, prevented damage in the amount exceeding $100 million. And at least another $50 million in damage could have been prevented, I am informed, if presently authorized but as yet unbuilt projects were in operation.

An untold amount of damage was prevented on the Colorado River watershed alone, to my home city of Austin, Tex., and to all the cities, towns, villages, and farms and ranches on the Colorado below Austin, by the dams of the Lower Colorado River Authority.

And so there is a lesson to be learned from this long-lasting and continuing state of disaster. The lesson is that flood control pays its way and is worth every cent it costs.

Additionally, for those of us whose home areas are subject to alternating periods of drought and flood, as is my home State, there is another lesson. About 80 percent of the floodwaters now roaring down the rivers of Texas are pouring into the Gulf of Mexico, wasted, when if multipurpose dams were in operation on these rivers, this water might be used to generate electric power and might be saved for use in time of drought.

I have no report yet as to the amount of precious topsoil scoured from the face of Texas by these devastating floodwaters, but it is certain to be tens of thousands of tons. This can never be replaced.

I have spoken only of physical damage. There has been another kind of damage—the impact of disaster on human beings. This, of course, cannot be determined in dollars. Some measure of what disaster means to people is contained in a new report just issued at Austin, Texas, by the American Red Cross.

This Red Cross report has been summarized in an article printed in the June 1 editions of the Austin American. I ask unanimous consent that the text of this article be printed in the RECORD at the conclusion of these remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Austin American of June 1, 1957]

FLOODS, TWISTERS LEAVE IMPACT ON 9,000 TEXANS

Floods and tornadoes the last 2 months in Texas left their impact on 9,000 families and damaged or destroyed thousands of homes and buildings, according to a new report issued in Austin Friday by the American Red Cross.

Summarizing its disaster operations during April and May, the Red Cross said more than 36,000 persons felt the force of the State's turbulent weather.

Of these, 8,080 received mass care from the Red Cross—food, clothing, and shelter in the emergency phases of disasters.

Tremendous property loss is revealed in the report's figures on destruction and damage to houses, farm buildings, and other structures.

Floods and tornadoes, according to the Red Cross, destroyed 745 homes, 284 farm buildings, and 197 other buildings. There has been major damage to 1,636 houses, 334 farm buildings, and 665 buildings of other types. Minor damage was found at 5,623 houses, 638 farm buildings, and 665 buildings other than homes or farm structures.

The report also says that 3,738 families have applied to the Red Cross for assistance during rehabilitation phases of the Texas disasters of April and May. This assistance has been for repair or rebuilding of homes, replacing of household furnishings, clothing, food and medical care for the injured, and occupational supplies.

In addition, the Red Cross says it has fed 5,894 rescue workers in disaster areas.

"The Red Cross rehabilitation program for disaster sufferers in Texas for the months of April and May will cost $1,250,000," the report adds.

"Red Cross policy is to assist people affected by disaster in reestablishing themselves in the community * * *. This assistance is given on the basis of the need of the individual and not on the basis of his loss.

"The money spent by Red Cross for families will also help to restore the economic welfare of the disaster-stricken community. The families take Red Cross disbursing orders to local merchants * * * to buy their building materials, household furnishings, etc. In this manner Red Cross dollars in the normal trade channels of the community help to rehabilitate the entire community."

"Americans Have Been Rediscovering That the Most Important Thing in the World Is Ideas With Ideals," Says Mrs. R. I. C. Prout, President of the General Federation of Women's Clubs, Which Heralds a Significant New Trend

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1957

Mr. THOMPSON of New Jersey. Mr. Speaker, a very important meeting is being held at this time in Asheville, N. C., by the General Federation of Women's Clubs which is holding its 66th annual convention there.

I was very interested to find the first vice president of this fine organization, Chloe Gifford, of Lexington, Ky., saying in her annual report:

Let us, I beg of you, no longer eye the educated with suspicion or refer to the intelligent individual as an egghead or a highbrow.

She keyed her remarks to this year's convention theme, "Knowledge Is Power," and warned the delegates that one of America's paramount dangers is "the growing loss of individualism." She declared "Let us outgrow our lust for the mediocre."

Mrs. R. I. C. Prout, president of the General Federation of Women's Clubs, told the representatives of the Nation's clubwomen:

Americans have been rediscovering that the most important thing in the world is ideas with ideals.

It will be recalled that the terms "egghead" and "highbrow" became terms of derision and ridicule only in recent years, mainly in the 1952 political campaign when the Republicans made this the major point of their attack upon the Democrats and Democratic standard-bearer Gov. Adlai E. Stevenson.

At a breakfast in Los Angeles, on September 24, 1954, President Eisenhower said:

We had so many wisecracking so-called intellectuals going around and showing how wrong everybody is who doesn't happen to agree with them. By the way, I heard a definition of an intellectual that I thought was very interesting: A man who takes more words than are necessary to tell more than he knows. I hope that no one is going to get up and wisecrack to me and say, "You've already done it."

If you were to seek the deep psychological reason for the low estate of the schoolteacher, the college professor, the learned in the society of our time I think you will find it not only in their scandalously low salaries, but in this contempt that seems to have seeped from the top into our thinking about the people among us who can state a cause, a principle, a position without doing violence to vocabulary and to syntax.

I hope I am sorely mistaken if I hold the conviction that one of the reasons for at least the extent of the defeat of Governor Stevenson for the Presidency of the United States in the elections of 1952 and 1956 was the fact that he spoke good English.

It must, I think, go down in the history of elections that at least one quite important segment of the voting public did not understand the Democratic candidate. Yet, if we read his speeches in those campaigns, we would be hard put to it to find anything in them that was either esoteric or highfalutin, or too polysyllabic. His sentences were most simple and declarative, with flashes of wit, and while thoughtful and even profound, they were hardly a tax on the intellect.

Yet they were complained of—of all things—for reasons of style and for the respect which the candidate manifestly had for the intelligence of the American people. The complaint was that the speeches were over the heads of the voters. This complaint when summed up seems to mean that Adlai Stevenson's speeches failed to hit a sufficiently low level of maudlin simplicity.

I believed then, and I believe now, that these criticisms were as false and as distorted as that leveled in editorial and cartoon against Woodrow Wilson because of his professorial past.

Now that the captains and the kings of the era that was Wilson's have departed, who will deny him his place as one of the most brilliantly articulate Americans of our history? And one of the most wisely intellectual and learned? Should that be regarded a shortcoming?

In fact, in our time, what seems to commend a candidate for political office, to some portions of his audience at least, is precisely his inability to complete a sentence.

This is presumed to convey the relaxed attitude and the air of casualness that grafts onto politics and debate the television techniques of presentation.

It is as if a philosophy had been sedulously cultivated that the wrong way of doing things brings us closer to being our free and uninhibited selves.

In fact, I take it there is presumed to be some special sales advantage in being offhandishly ungrammatical. Thus there is this new advertising syntax which tells us that a certain cigarette tastes good like a cigarette should.

I include here as a part of my remarks a report in the Washington Post and Times Herald regarding the 66th annual convention of the General Federation of Women's Clubs.

GENERAL FEDERATION OF WOMEN'S CLUB DELEGATES TOLD: "DON'T CRACK AT EGGHEADS"

(By Eileen Summers)

ASHEVILLE, N. C., June 4.—The much abused "egghead" found a public defender here today at the opening session of the 66th annual convention of the General Federation of Women's Clubs, where some 3,000 delegates met amid the blue banners of their clubs. Chloe Gifford of Lexington, Ky., first vice president of the General Federation of Women's Club, in her annual report said:

"Let us, I beg of you, no longer eye the educated with suspicion or refer to the intelligent individual as an egghead or a highbrow."

She keyed her remarks to this year's convention theme, "Knowledge Is Power" and warned the delegates that one of America's paramount dangers is "the growing loss of individualism." She urged them:

"Let us outgrow our lust for the mediocre."

The Federation's national president, Mrs. R. I. C. Prout, told the representatives of the Nation's clubwomen:

"Americans have been rediscovering that the most important thing in the world is ideas with ideals."

To aid the Nation's clubwomen to reach a clearer understanding of current political and economic events, Mrs. Prout announced that a 2-day world affairs conference has been planned for members of the Federation's national board in October, following their meetings, October 10–11.

President Eisenhower sent his greetings to the Federation. The message said in part:

"Advancing toward common objectives of mutual benefit, your membership combines many talents with notable success. Congratulations as you continue your leadership in public service.

"DWIGHT D. EISENHOWER."

H. R. 6328, To Provide an Additional Remedy for Persons Having a Claim Against the United States Arising Out of Contracts Relating to Certain Vessels

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1957

Mr. MULTER. Mr. Speaker, on March 25, 1957, I introduced H. R. 6328, for the purpose of clarifying the jurisdiction of the United States district courts and the United States Court of Claims in connection with the handling of claims against the United States arising out of contracts of the United States for repair, completion, or alteration of or addition to any type of vessel.

HISTORY OF PROBLEM

As recently as 1951, our Government took the position that claims against the United States arising out of a contract for the repair of a public vessel could not be brought under the Suits in Admiralty Act; and that position was sustained by the courts. *Eastern S. S. Lines v. United States* (187 F. 2d 956 (C. A. 1), 125 C. Cls. 422, 128 C. Cls. 775). Again, in the case of *Hadden v. United States* (132 C. Cls. 529), where suit was brought in the United States Court of Claims in connection with a contract for ship repairs, removals, replacements, renewals, additions, alterations, separations, and reconversions, the Government did not object to the jurisdiction of the court. Once more, in the case of the *Yankee Comett S. S. Corp. v. Brewer Drydock Corp.* (37 F. Supp. 512 (E. D. N. Y.)), the court held that an action for damages for repudiation of a contract to repair a vessel was not a maritime cause of action.

Nevertheless, in two suits now pending in the United States Court of Claims, to wit, *Anco Steel Construction Corp., et al. v. The United States*, No. 462–56, and *Continental Casualty Company v. The United States*, No. 63–57, the Government has taken the position that since they are based upon claims arising out of ship repair contracts, the United States Court of Claims does not have jurisdiction, such jurisdiction being exclusively in the United States district court under the Suits in Admiralty Act. A similar position was advanced and maintained in the Second Circuit Court of Appeals, in *Sword Line, Inc., v. United States* (228 F. 2d 344), where a suit on a contract for the charter of a ship was held maritime in nature, and, therefore, the admiralty courts were held to have exclusive jurisdiction. Certiorari was granted in that case, and the Second Circuit Court was affirmed by the Supreme Court in a per curiam opinion. In the case of *Smith-Johnson Steamship Corp. v. The United States*, the United States Court of Claims—decided July 12, 1956—took the position that the Sword Line decision compelled it to hold that contracts involving the possession or operation of vessels are maritime causes of actions and that the Suits in Admiralty Act furnishes the exclusive remedy against the United States.

THE ISSUE

There is a 2-year statute of limitation which applies to actions brought under the Suits in Admiralty Act, and a 6-year statute of limitations for suits brought under the Tucker Act. The issue is whether suits on ship-repair contracts should be limited by the 2-year statute.

ARGUMENT

Claims arising out of contracts for the repair of vessels "can be no more deemed cases of admiralty and maritime jurisdiction than cases of common-law jurisdiction." Volume 3, Story's Commentary on the Constitution, 1833, section 1666, note, fifth edition, 1891, quoted with approval in *Taylor v. Carryl* (61 U. S. (20 How.) 583, 598), and in volume 1, Benedict on Admiralty, sixth edition, 1940, pages 25–26. 266. Contracts for the repair or alteration of vessels are quite similar to contracts for the repair or alteration of buildings. The same legal principles should apply. Moreover, there is nothing more maritime about the repair or alteration of a vessel than the construction of it. Since the construction of vessels is considered not maritime in nature, there is no logic in considering the repair or alteration of a vessel maritime in character.

However, assuming arguendo that there is some maritime aspect in a contract for the repair or alteration, and so forth, of a vessel, this does not mean that the jurisdiction of determining issues arising from such contracts should be exclusively within the Courts of Admiralty. Government contracts for the repair, alteration, and so forth, of vessels have the same "disputes" clause that is found in other types of Government supply and construction contracts. Such a "disputes" clause requires a contractor to appeal to an administrative board within 30 days after the contracting officer makes his findings of fact. In ship-repair contracts, in addition to the direct claims of the contractor, there are claims of subcontractors which must be asserted by the contractor for the benefit of the subcontractors. The situation is sometimes further complicated by the claims of banks or finance companies as assignees of the proceeds of the contract, their rights being derived under the provisions of the Assignment of Claims Act. Still other complications are posed when a surety company is involved as a result of a default and a reprocurement. In many, many cases the resulting situations cannot be resolved within 2 years. The Government's position that suit in such cases must be instituted within 2 years, within the limitations of the Suits in Admiralty Act, would preclude orderly exhaustion of administrative procedures; would compel resort to the courts in numerous cases where administrative disposition of the disputes is not only possible but desirable; and would impose substantial unnecessary burdens on the courts.

I hope that my bill will be set for early hearing by the Judiciary Committee and that it will be favorably reported.

Constitutional Integrity and Foreign Trade

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1957

Mr. PHILBIN. Mr. Speaker, I have had occasion in the past to express my protests and state of alarm concerning the impact of our reciprocal trade treaties policies and practices. I am fearful that the dire predictions I have made in the past concerning the distressing results that would ensue from opening the floodgates of foreign competition have been realized in our economy to an even greater extent than I had feared.

The textile industry, badgered and plagued by foreign imports over a period of years, has suffered major losses with numerous textile units liquidated and very many others brought into a state of depression. The new plastic and electronic industries are now facing similar conditions because of imports, and many other industries are gravely threatened.

And yet the end of these disastrous developments does not seem to be in sight. Instead of reversing the harmful practices that have produced these economically and socially destructive conditions, this Government has stepped up the tempo, so to speak, and we have proceeded further down the road of free trade under the guise of abortive "internationalism, giveaway, and do-gooder" policies that in the last analysis do not result in much good for anyone concerned, but visit great harm and danger upon American industries as well as upon the economies of some other nations.

In this process facts have been distorted, the evidence has been twisted, speeches and arguments predicated on so-called commendable humanitarian motives have dominated the scene and have succeeded in blinding the eyes of a great many people to the great danger that is being done to our American economy. It is time for us to pause and ask ourselves whether the American Congress, acting under its historic constitutional mandate, or international agencies in which we are badly outvoted, will dominate policymaking for American trade relations and tariffs. I do not want to belabor this point because it has been very broadly discussed in this body by able Members of Congress, but we should never lose sight of the fact that under the Constitution, it is not only our right, but our duty, at all times to retain control of tariffs and imports, and we should never under any circumstances allocate this vital function which, depending upon the way it is exercised, could mean life or death for American industries, to be transferred to any international agency.

Every strategem has been used to throw dust in the eyes of the American people regarding trade and tariff policies, and to try to make them believe that, short of being harmful, present policies are beneficial, when the actual facts clearly indicate that the contrary is the case. We are asked not only to permit foreign agencies, in effect, to make our tariff laws, but also to allow foreign nations to pay for American exports by deluging this country with a flood of foreign imports manufactured and produced abroad at only a fraction of the domestic cost of similar competitive items.

Efforts have been made to amend certain of these internationalistic proposed controls to make them look innocuous and harmless and hence a more palatable dose, but nothing that is done can possibly conceal two facts: first, that these proposals look to placing American tariffs under international control, and, secondly, that the application of present trade policies is resulting in stagnation and threatening ruin to many American industries.

If these policies are continued this stagnation and ruin will spread and grow until it will encompass virtually every segment and every industry in the Nation. We should never forget that American methods of mass production, technology, machinery, and know-how have been, like American money, deliberately migrated to almost every nation in the world. But that is not all. In addition to technical advice and assistance, machinery, scientific methods, and know-how, we have also put up the money under our foreign-aid program by which foreign nations can build factories, powerplants, develop raw materials, and do other things necessary to set themselves up in competitive business with our own country and in increasingly wider, broader fields of activity. If present trends continue, this movement is bound to have fresh and steadily encroaching, damaging effects upon the whole American economy and its component parts, and subsequently upon the employment and well-being of millions of Americans.

It is undeniably true that this Nation must and should encourage world trade. This is in accordance with our historic practice which we have followed for many years. We realize that there are mutual advantages in this trade and that in this era particularly it is designed to strengthen the Free World. The trouble with present programs is that they seek to go beyond the mere encouragement of trade and the mere exchange of goods and dealings on the basis of mutual advantage. Present programs, by affirmative provisions and methods, put all or most of the advantages in the hands of foreign nations. Thus, what is supposedly world trade is tending to become a one-way street. Foreign nations financially supported by our money enjoy marked trade expansion and great prosperity at the expense of the American businessman and workers.

It is time for the American Government to recognize that it exists to promote the welfare of the American people and not the welfare of other peoples. Our own Government exists under free institutions to support and defend the United States and to strengthen its way of life and to advance and improve the welfare of the people and that must continue to be the primary aim of this Government.

It is certainly not a crime, but rather a duty, to protect American interests first. When that has been accomplished, it may then be appropriate to render such help to other nations and peoples that we reasonably can, not only with humanitarian motives which are so compelling to all Americans, but also in our own plain interest to unify and strengthen the Free World. But in these efforts we should never pursue policies that will result in weakening our own country. Yet that is what it seems we are doing when we allow foreign competition ruthlessly to assail one American industry after another.

No number of boards and commissions, hand picked usually to reflect extreme international views, is qualified to cope with these questions. It is only through study and action by the American Congress and its committees that appropriate solutions can be found and a proper balance struck between legitimate world trade, and imprudent, profligate, giveaway programs that threaten our very existence. We must remember too, that the American Executive, under our Government, exists to execute the laws, and not to make them. The regulation of foreign commerce and the imposition of tariff duties are duties which the Constitution specifically and definitely imposes upon the Congress, and these are duties which this Congress must discharge fearlessly and courageously and without being dragooned and wheedled by international propagandists and extreme internationalists into abdicating powers and duties which repose solely in the Congress.

It is our province and our obligation to listen to the voice of the American people, and not to the voices of foreign propagandists. We must listen to the men and women who till our soil, who produce and develop our natural resources to sustain the Nation, the workers in our factories and our shops and their families, our professional people, white-collar workers and small-business men, the managers of our great industries, and all those whose livelihood and future destiny is so gravely threatened by foreign competition.

We should ponder well before we authorize any international body in any respect to control our commerce and our tariffs, and we should recognize that we can never permit that result. Foreign control of American constitutional functions is a gross breach of our Constitution and our traditions.

I realize that there are those who say no legislation is necessary to transfer these vast powers over our trade and commerce and imports and tariff to international agencies. I am not in accord with that view, because I do not think it reflects either the law or the facts of our present situation. It certainly does not accord with the public interest of this Nation, and to my mind there is no way by which these organic proposals could possibly be amended which would make them acceptable to the people or compatible with our constitutional provisions.

In a word, we have come too far along the road of allowing foreign nations to determine American policy regarding these matters. It is time, not for extension of these policies, it is a time for further restriction. It is time to revise these policies and the best thing that could possibly happen in the interests of the American economy and the American working man and woman would be if the Congress would reestablish its full power over foreign trade and provide for panels of scientists, educators, businessmen, commerce, trade, and monetary experts, and other highly qualified men and women who know their business to join with the Tariff Commission in regulating tariffs where necessary.

If this step were taken, it would put the Nation back on the original track of its historic policy. It would in the first instance protect our farmers, our workers, our businessmen, and our people. In the second place, it would result in fair treatment of foreign nations and in development of a sound policy whereby free, economic intercourse would be encouraged and a free flow of international trade assured, on a basis that would not be harmful to this country, or to any other country, but that would move in the direction of developing truly, mutually advantageous trade and commercial relations between our Nation and other nations of the world.

I realize we will always have Pollyannas in our midst who can see nothing ahead for future generations but milk and honey, and doubtless we have human ostriches who in the presence of danger and their enemies will hide their heads in the sand. But Members of this body are elected by the people. They are under a direct mandate to protect the Nation and to provide those policies in Government which will develop the economic and social well-being of the Nation. There is no place within the confines of this great land where there are so many able, experienced, patriotic men gathered trying to serve the Nation as in this body. We well know the problems of the moment, and I think most of us full well realize the ominous problems of the future. It may be, in fact, later than people think, but, in any event, it is not a time for glossing over these great problems. We must face them and we must face them soon and realistically, if we desire to carry on our great constitutional mandate and make sure that we have done our best, not only to protect the Nation against its enemies, but to insure the future well-being and development of its economy, its prosperity, and the happiness, safety, and security of its people.

The Wise Use of Federal Money

EXTENSION OF REMARKS

OF

HON. ROBERT HALE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1957

Mr. HALE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by Senator MARGARET CHASE SMITH:

THE WISE USE OF FEDERAL MONEY

(By Senator MARGARET CHASE SMITH, United States Senator from Maine, senior Republican, Senate Subcommittee on Reorganization)

I am, indeed, pleased to have this opportunity to speak to this distinguished audience upon a subject of such vital importance to each of us: The Wise Use of Federal Money.

In my opinion, no problem of greater significance faces us today than that of restoring this Nation to the sound financial foundations upon which its strength, its integrity, and its greatness have been forged—and which have made it the mightiest Republic upon the face of the earth.

For, surely, it is obvious that we cannot hope to keep our economy strong, maintain the posture of military strength that we must, and move forward into what we fervently hope will be the Atomic Age of Peace,

except upon a foundation of national solvency.

Today, many events, many forces, imperil our economic stability and our national security. World War II, the seething caldrons of Hungary, the Middle East, and Asia, the ever-present threat of another, perhaps final, global war, make it imperative that we maintain our military might at the hilt, with resultant imbalances in our own domestic economy and fantastic expenditures which threaten inflationary disaster.

As you are aware, the President on January 16, last, presented the Congress with a $71.8 billion budget for fiscal 1958—the largest peacetime budget in history. It is the fifth largest in the history of this Nation—only 3, in 1943, 1944, and 1945, the peak years of World War II, and 1, in fiscal 1953, after Korea, have been higher.

And, as each of us knows, the national debt, although reduced slightly in recent years, still amounted to a staggering $272.8 billion last July 1; with the grave danger, despite high Government receipts in 1953, that, if some curb is not placed upon expenditures, we could witness additional increases in the future.

Interest on the national debt, I might remind you, even with reductions in the amount of the debt, it is estimated will reach the alltime high-water mark of $7.3 billion for fiscal 1958—because of higher interest charges in the current "tight money" market.

To me it is almost a frightening comparison that the Federal Government today pays more in interest on its national debt than it paid for all governmental expenditures in fiscal 1938—just 19 years ago.

In addition to our fantastic budget—in addition to our "Frankenstein" of a national debt—the Federal Government has more than $450 billion in loans, commitments, obligations and guarantees outstanding—commitments which this Government must some day meet—debts which future generations some day must pay.

These are some of the forces which threaten our financial solvency—forces which, if not controlled, could set a torch to inflation, which, like a prairie fire sweeping across the plains, could wreck the financial stability of this Government—and this Nation.

In relation to this, it is a harrowing thought to consider that the Government today has outstanding in unexpended appropriation balances the tremendous sum of $74 billion hanging over the head of the Secretary of the Treasury like a dark ominous cloud—more in unexpended balances than the total Government budget for fiscal 1958.

I ask you, how can we have any semblance of sound financial policy when the Government has more money outstanding in unexpended appropriations, some dating back as many as 5 years, than it takes in either annually in tax receipts or appropriates annually for its operations.

How could any business firm or corporation operate in the black in such a Wizard-of-Oz atmosphere?

I think our commendations should go to those officials of the Government who have held Federal spending down, who have held the line against inflation and who have balanced the budget. I refer, among others, to the Honorable George H. Humphrey, the Secretary of the Treasury, who has steadfastly combatted tremendous pressures for more Government spending—the near ruinous policies of the 20 years between 1932 and 1952 which largely are responsible for the dangerous predicament we find ourselves in today.

Parenthetically, I would inform you that on the morning of January 17, 1957, immediately after reading in the papers that Secretary Humphrey had stated that there are a lot of places in this budget that can be cut I wrote him a letter stating that as a member of the Appropriations Committee charged with the responsibility of passing on the budget spending requests, and as one who has been rated by the Council of State Chambers of Commerce as being champion of economy in the Senate, that I would greatly appreciate such information and identification as to those places in the President's budget he felt could be cut. I could have stated that I am equally interested in this in my capacity on the Government Operations Committee, as ranking Republican and former chairman of the Reorganization Subcommittee and as a sponsor of legislation I shall mention later in my remarks.

I sincerely believe that Secretary Humphrey has a solemn obligation and responsibility to the American people and to Congress to specify where he feels the budget can be cut. It is not enough to say that the budget can be cut in several places. Such a public statement carries with it the serious obligation to specify those places instead of placing Congress in the position of guessing as to what those places are.

At this point in my remarks I must digress somewhat from the original text of my speech in the advance release that I made of it last Tuesday. The digression is caused by the fact that on February 1, 2 days after giving the advance release, I received a reply from Secretary Humphrey to my letter. I now read that letter to you:

"MY DEAR SENATOR SMITH: Thanks for your letter regarding my comments on the budget. As I have said publicly several times, as well as to the full House Appropriations Committee, I felt that the budget as presented was the best that we could do at that particular time, and I could point to no specific items which should be eliminated. I do believe, however, that in the next 18 months, before spending under this budget is ended, we should be able on a day-to-day, case-by-case basis to find savings that can be made without hurting our security or necessary services. To do this effectively will require the most earnest cooperation of the public, the Congress, and all the departments and agencies of the Government in searching out not only things which are no longer needed, but make sure that the things we have to do are done in the most efficient manner.

"The President in his state of the Union message asked that everyone in the executive branch continue to search out ways to save money and urged the cooperation of the Congress as well. The President has also expressed publicly the firm belief that if the Congress can find ways to cut spending without impairing security and services that it would be the duty of the Congress to do so.

"If we can achieve more effective control of our spending we will have brought about a desirable restraint on inflationary pressures which can open the way to lower taxes, greater incentive, and the making of more and better jobs for the long-run well-being of our Nation.

"Sincerely,

"G. M. HUMPHREY"

I note with interest that Secretary Humphrey replies that he "could point to no specific items which should be eliminated." Apparently the press statement attributed to him that "there are a lot of places in this budget that can be cut" was in error and he was misquoted. I gather from his reply that he feels the President's budget is fat free.

At this point, I depart from my text since I have received reports that some members of the press are unhappy about this next to last sentence of mine. I made the observation that in view of Secretary Humphrey's letter to me, apparently—and I stress the word "apparently"—he has been misquoted and the press report I read was in error. Representatives of the press complain about this saying that they have the verbatim transcript of the Secretary's press conference to prove otherwise.

If there is any difference on this it is between the press and the Secretary. However, I have never been shown or given the transcript of the press conference and all the proof in this matter that I have is the signed letter of Secretary Humphrey—and my conclusion is based upon the Humphrey letter.

I say here, with all respect to those in high position in the Nation's financial councils, that balancing the budget by taking more money from the people in taxes as their personal income rises or by taking more money from corporate industry as business actively expands is not the way to national solvency—as good as it might look in the newspaper headlines. Balancing the budget by reducing governmental expenditures is.

Time does not permit, nor am I a seer who can prophesy all the steps that must be taken by responsible authorities to bring to halt this trend toward increasing expenditures, toward financial irresponsibility, and, eventually, toward insolvency, but I do wish to mention what I consider to be one of the most significant developments toward financial responsibility of the last decade.

I refer to the Hoover Commission's recommendation to the Congress that appropriations be determined on an annual accrued expenditure basis—recommendation No. 7 in its budgeting and accounting report.

The Senate last June 20 acted favorably upon the Hoover Commission's recommendation when it approved Senate bill 3897, which incorporated all the Commission's recommendations on budgeting and accounting.

However, as you may recall, the all-important section relating to preparing appropriation estimates on an expenditures basis was stricken in conference between the two Houses of the Congress when it became obvious because of the objections of the House of Representatives that we could not get a bill through the Congress implementing the other Hoover Commission recommendations, with the aforementioned appropriations provision in it.

As I stated on the Senate floor when the conference report was filed on July 26, 1956, deletion of the Hoover Commission's highly recommended revision of our appropriations procedures struck at the very heart of the objective we seek: Namely (1) improving financial management within the executive branch, and (2) restoring control of the public purse to the Congress.

A few days after that, and again on January 7, last, in the first days of the present 85th Congress, I introduced legislation to write the Hoover Commission's recommendation into law. I was joined this year in the introduction of this measure by Senator FREDERICK G. PAYNE, of Maine, and Senator JOHN F. KENNEDY, of Massachusetts, on Senate bill 316.

I am confident you will agree that there is no more important legislation pending before the Congress than that which would provide for strengthening the financial foundation upon which this Government rests. The amount of money that the Federal Government spends is controlled when it is appropriated by the Congress—not when it is expended by the executive agencies, although improved fiscal management within the agencies can produce economies in operation which should have sizable sums.

The bill I have introduced would place the entire governmental financial structure on an annual accrued expenditures basis. In other words, the Congress would appropriate for each fiscal year upon the budget estimates of Government expenditures actually to be made or to be accrued during that fiscal year.

The executive agencies would present their estimates for the forthcoming fiscal year, their expenditures for the preceding fiscal year and their justification for new appropriations on the basis of the current fiscal year only—not on the confused, complicated

"obligation" system presently in effect which frequently covers 3 or 4 fiscal years, thereby completely clouding any intelligent grasp of the current state of our finances.

To obtain firm command of Government finances there must be a direct correlation between tax receipts and expenditures for each fiscal year—because the annual budget surplus or budget deficit is measured by the difference between the two—and not the difference between appropriations and expenditures, as many people believe.

By establishing this direct correlation between annual appropriations and annual expenditures as the Hoover Commission wisely recommended, we vest not only in the Congress, but in the President as well, much greater opportunity to control the level of Government operations during the budget year on the basis of actual conditions existing that year.

Moreover, this would eventually mean the elimination of the vast carryover balances to which I have previously referred now available for expenditure some time in the distant future at the discretion of the executive agencies, with little or no control over their spending by the Congress, which is responsible in the final analysis to the people for the use of their money.

I conclude, therefore, with this thought upon the subject assigned to me, The Wise Use of Federal Money—I say without hesitation that I can think of no more important legislation to bring about the wise use of Federal money than the implementation of the Hoover Commission's recommendation toward that goal.

In concluding, I would be remiss were I not to pay tribute to President Hoover for his leadership of the two Reorganization Commissions which bear his name.

The former President not only made a great contribution in heading up these two crusades for better government, but he did something else. He practiced what he preached.

At the expiration of both the Commissions he headed he returned to the Treasury of the United States a surplus. In other words, he took the apppropriation the Congress gave him, did the job Congress asked him to, and then had something left over. A rarity, indeed, in bureaucratic Washington, where the emphasis seems to be to spend, not save.

I am glad to say that I can join President Hoover's exclusive company. As chairman of the Subcommittee on Reorganization of the Senate Committee on Government Operations in the 83d Congress, I, too, returned to the Treasury a surplus, using less money than the Congress appropriated to get the job done.

So, my friends, I, too, practice what I preach.

Thank you.

The Human Approach to Foreign Relations

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 5, 1957

Mr. HUMPHREY. Mr. President, it was my privilege to speak to the American Pharmaceutical Advertising Clubs of New York, the Middle West, and Montreal, Canada, in joint session on the noon of June 3, 1957, in New York City. Also in attendance at this meeting were members and officers of the American Medical Association; the AMA is now holding its convention in New York City.

The subject matter of my address was entitled "The Human Approach to Foreign Relations." I ask unanimous consent that the text be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

HEALTH, HAPPINESS, HOPE—THE HUMAN APPROACH TO FOREIGN RELATIONS

(Address by Senator HUBERT H. HUMPHREY, American Pharmaceutical Advertising Club luncheon, Waldorf-Astoria, New York, June 3, 1957)

It is indeed an honor to be speaking before this great assembly of representatives of many pharmaceutical firms and of the professions of pharmacy and medicine today, on the opening day of the American Medical Association annual convention.

I am even more pleased because there is a special personal element in my appearance before you. As many of you know, I am still a registered pharmacist and a part owner of our family drugstore in Huron, S. Dak.

My dad was a pharmacist and pharmacy was my first love. I studied it and worked behind the prescription counter. So this setting is warm to my heart.

How true to our national tradition are you research and manufacturing pharmacists. Less than 20 years ago, the United States was dependent on our European cultural parents, hanging on to the skirts of their pharmaceutical chemistry and industry, just as we were in several other scientific and industrial fields.

With the Second World War we learned we had to produce not planes and tanks alone, but new medicines. And we did it. We produced a stream of fantastic new chemicals and biological armaments against infection.

And it is heartening to report that our creativity in biotherapy and chemotherapy has never left us. Right through the sulfas, broadspectrum antibiotics, hormones, poliomyelitis vaccine, a series of breathtaking developments have taken place which I hardly need to mention here. We can take pride that these developments have enabled our physicians and people to face courageously the problems of degeneration, disease, and death.

To the practicing pharmacist, what a difference the last few years have made. He has to know and keep up with all the potent and specific new agents. Comparisons are odious, but sometimes interesting. For instance, in 1929, our pharmacists filled 166 million prescriptions. Today the figure, I am told, is beyond half a billion.

And the pharmaceutical industry has grown immensely. From a scientific industry of two or three hundred million dollars a year, it has grown to almost a billion and one-half dollars.

If you like to play around with averages, as I do, you might be interested to know that since 1947 alone a new compound has been made available to physicians every day.

Among the people working together in fields associated with you, are more than 188,000 practicing physicians, 50,000 pharmacists, 500 pharmaceutical firms, 9,000 hospitals, 600 distributors of ethical preparations, 300 leading medical and pharmacy journals, and 15,000 "detail" men who help to inform physicians.

This biochemical confederation has helped to save almost a million lives in recent years through the use of pharmaceuticals that were unknown a generation ago. Our pharmaceutical industry is not taking a back seat and gloating over past achievements. It continues to pour more and more of its financial and scientific resources into research. From a research expenditure of $10 million two decades ago, the amount has increased to $100 million a year. This is one of the most intensive research programs throughout American industry. I am proud to be associated with this whole intensive pharmaceutical endeavor, however small my contribution may be.

But while there is this personal element, I want to speak to you as a United States Senator who is concerned with the problems of world health and how they influence our foreign relations. I know that you—the pharmacists, the physicians, the drug manufacturers, the pharmaceutical chemists and the students of medicine—that you are as vitally concerned as I.

Living here in the United States—in this prosperous country of ours and in light of our technical accomplishments—it is difficult for us to believe that more than two-thirds of the world is sick. There are those who would say the figure is closer to 4 persons out of every 5. This is serious food for thought.

Millions of suffering people are bound by the oppressive chains of disease. In large sections of the world, malnutrition, illiteracy, and inadequate shelter are still part of the everyday life of many millions of our fellow men.

Drugs are playing a major role in freeing these people.

For example, the World Health Organization reports that there are still 10 to 12 million lepers in the world. In Nigeria alone, the estimate for 1956 was 195,000. But this high incidence has a new outlook. Lepers are no longer ashamed as they have been for thousands of years. They report to health authorities. And they report largely because of the growing confidence in new drugs to treat this old scourge.

In many parts of the world, trachoma has been a terrible, disheartening enemy of the people. As an American travels, he is deeply affected to see children blinded by this eye disease. Now, many countries are organizing their people against it. In one effort in Egypt, for example, an antibiotic ointment was used to treat 2,500 school children twice a day for 60 days. Five thousand preschool children received sulfa drugs. One can see how drugs enable and inspire society to organize itself against disease. More needs to be done—these are but beginnings.

There are an estimated 300 million annual cases of malaria. There are an estimated 50 million cases of tuberculosis. There are, as well, an unestimated number of cases of other preventable disease, running into additional hundreds of millions. These are diseases which strike in the productive years of life—or before life has barely begun.

I am happy to say there seems unanimous support in Congress this year for President Eisenhower's proposal to fight malaria. The United States under the President's program would pay one-fifth of the $500 million that would eradicate the disease. The antimalaria project has engendered much good will for America.

A vigorous, peaceful, happy, productive world can arise from abundant health and vitality of men and women * * * it can never grow under the existing burden of sickness, malnutrition, and poverty. No amount of diplomacy or armament can bring peace where the bodies and minds of men are sick.

I have seen how communism thrives on misery. Recently the Soviets have moved into the Middle East and the Far East. There on my recent factfinding mission for the Foreign Relations Committee, I saw poverty and misery provide the fertile ground for the very dissatisfactions that so often make communism acceptable.

Faced as we are with a new Soviet approach in those areas where the greatest doubt and misunderstandings as to our way of life exist, we are now, more than ever,

challenged to help the starving and disease-ridden people of the world to raise themselves up out of their misery.

Had Karl Marx never lived, and Lenin and Stalin never come to power in the Soviet Union—had communism never been heard of—there would still be great social challenges that we cannot afford to ignore. We ought not to need, as our motivation for doing what we ought to do anyway, the wicked and evil philosophy of communism. Sick people ought to be healed even if a Communist never lived. Illiterate people ought to be educated without ever having to receive the inspiration for this noble work out of fear of Communist infiltration.

What we Americans need to do is to be ourselves. Just do what comes naturally—to be the generous humanitarian and compassionate people that have endeared us in the past to our neighbors and has become the hallmark of our tradition and heritage.

But I know that the American people have never needed prodding to help others who needed our help. One of the proudest and most cherished traditions in our history is to help those who are suffering or are afflicted.

By helping suffering people to rid themselves of disease, we can place those people on a firmer foundation. It is up to us, a people with tremendous technical ability and know-how, to supply the way for people everywhere to achieve freedom from preventable disease.

There is a growing awareness of the fact that disease-ridden populations are unproductive and therefore a drain upon national economies and upon the world economy. This in turn becomes a drain on our own economy.

The promotion of international health is one of the best means of promoting international cooperation and understanding. Whatever we can do to promote health will also promote peace and will reap for us tremendous dividends in friendship and appreciation of our way of life.

Just as it is right for us to share our blessing of abundance with victims of hunger, so it is also right for us to share our medical skills, supplies, and technical equipment with the victims of disease and ill health. May I assure you, the sharing of our abundance of food and fiber can be a powerful factor in our foreign policy. We need to look upon our great agricultural production and productive capacity as a source of strength in the world scene.

Health is intimately associated with man's cultural, emotional, social, and economic problems. And I recognize, as you do, that pharmaceuticals of both chemical and biological types are fundamental factors in the health field. So I feel I can talk to you and make suggestions for the usefulness of your particular specialty in this battle.

Now all this is not to say that nothing is being done. Far from it. In fact the record is quite impressive.

One of the leaders in the field is the World Health Organization. WHO is participating in 700 health projects in 102 countries. It is this invaluable work which is paying off in terms of a lowered mortality rate throughout the world. This organization is certainly to be commended for its tremendous achievements.

It was my privilege in the last session of Congress to sponsor the joint resolution which authorized an appropriation to enable the United States to extend an invitation to the World Health Organization to hold the 11th World Health Assembly in the United States in 1958. The Assembly will afford another invaluable opportunity for nations of the world to pool their knowledge and line up forces in the fight against ill health in the world.

The World Health Organization, with a membership of 88 nations, was established shortly after World War II as one of the organs of the United Nations. It has the responsibility to serve governments in building up the health and vitality of their people. As you know, WHO welcomes the interests of private and voluntary agencies who want to help humanity everywhere.

In recent years, more and more voluntary agencies have given material help and have cooperated with the World Health Organization in establishing hospitals and clinics.

There are 43 nongovernmental organizations with whom WHO maintains official relations. The World Medical Association, which stemmed from the American Medical Association, is among these. Among others is the International Pharmaceutical Federation, the International Council of Nurses, and the League of Red Cross Societies.

WHO is collaborating with 1,800 scientific institutions in the world, including laboratories research units and scientific studies. Most of these institutions are devoting time and energy on a voluntary basis in the interest of the advancement of science. I understand that only 40 of the 1,800 organizations get any funds from WHO at all. Research is being coordinated in more than 50 laboratories in the field of influenza. Many others are busy in polio research.

Projects approved by the United Nations Children's Fund, known as UNICEF, bring food, medical care, and other aid to more than 32 million children, annually. Impressive as these figures are, they represent only a small proportion of the critical needs of so many children. How many will forget the heartwarming television presentation by Danny Kaye earlier this year in which the dramatic role played by UNICEF in children's health was so well depicted?

Work on the treatment of leprosy in French Equatorial Africa and Gambia and Thailand; on yaws in the Gold Coast and Nigeria among others; on trachoma control in Morocco and Indonesia; on tuberculosis of children in Cambodia, Ceylon, and Vietnam—these are the dramatic attacks on ancient diseases still prevalent in the 20th century. UNICEF is out to eradicate these ancient enmeies of mankind.

Keep in mind that UNICEF is a voluntary, cooperative program of self-help. Each country desiring assistance must first request aid and must be able to give satisfactory evidence that it will be able to develop and continue the program on its own initiative after the UNICEF part of the work has been terminated. In addition, each assisted country must agree in advance to contribute in goods or services an amount equal to the UNICEF contribution. Being the only program devoted solely to children, this work supplements the broad objectives of United States assistance.

Under the Fulbright Act, the United States currently has 27 students, lecturers, and specialists in the field of medicine, including 1 pharmacist, in Europe in postgraduate study. There are 166 foreign students, lecturers, and speicalists, including 13 pharmacists, in the United States for study on the graduate level.

The United States Public Health Service is in the field of international activity, cooperating with other nations in tackling world health problems of concern to us and to others. It also participates in programs in which we give a helping hand to friendly naitons on a country-to-country basis to remove disease and build national strength.

At the National Institutes of Health, there is at all times a small group of research projects which require that individual scientists conduct research in foreign countries or that they work in close formal collaboration with foreign investigators.

The Voice of America and the Public Health Service cooperate closely in preparing broadcasts on international health activities. The Voice interviews trainees from abroad who come to the United States under ICA fellowships. The Voice also broadcasts programs on the activities of the World Health Organization and on United States participation in WHO.

I cannot stress too strongly the cooperation which exists between the various Government agencies and private interests in combating world health problems. Permit me to cite only a single example of scores that can be made.

A number of agencies were jointly concerned with helping the Greek Government in its malaria-eradication program. The Rockefeller Foundation came in first, and later the United Nations Recovery and Rehabilitation Administration came in, followed by the assistance given by the World Health Organization and the United States bilateral program. At one time or another these agencies all worked hand in hand to help Greece tackle various aspects of the malaria problem.

There is cooperation between governmental groups. Tuberculosis, for instance, is still a serious world problem though virtually licked in the United States. WHO and UNICEF continue to cooperate with governments on mass-vaccination campaigns, and on studies of diagnostic and control procedures that might be usefully adopted for antituberculosis programs under primitive conditions. As a result of pilot projects administered by UNICEF and WHO in the field of trachoma, it is now clear that mass treatment with antibiotics has given hope of eventually controlling this serious eye disease which often leads to complete blindness.

The more I have visited various places in the world, the more I have witnessed what we have done in our aid programs, the more I am convinced that it isn't only the money, but rather the people who really count. It is the people * * * their attitudes * * * all over the world that are important in putting across a program. Among the best instruments of this method are the American voluntary agencies, including those supported by the three great faiths. They have been active in 78 countries and areas of the world giving not only first aid, but planful care to the most dispossessed of humanity.

I could relate for hours the work these organizations have done in the field of health, but time will permit me to only give you an idea of their work.

The Jewish American Joint Distribution Committee gives generous support to medical institutions, schools, and children's institutions not only in Israel, but throughout north Africa. * * * In cooperation with an advisory committee of both French and American doctors, the Unitarian Service Committee assisted in the placement of nine French interns in United States hospitals. Also under sponsorship of the Unitarian Service Committee, five American medical scientists shared their knowledge of anesthesiology with Japanese physicians. The American Friends Service Committee runs a surgery and pathology wing in the Kunsan, Korea, provincial hospital and has hope that during this year medical specialists will be sent to Kunsan to give special training to Korean doctors. Incidentally, under this scheme a gynecologist already has been sent.

The American Bureau for Medical Aid to China's overseas program is conducted along various lines—training personnel for all branches of medicine and surgery, providing financial support, medical supplies, and supervisory services for a nurses' training program, supporting nine medical and nursing fellowships for training in America.

My friends, in breaking the vicious circle of poor health, low productivity, and low-living standards leading again to poor health, these voluntary groups, the world organizations, our Government, and some private interests, are helping to eradicate the social and economic causes of war. The goals are not beyond reach: in those places where project goals have been reached, complete

cooperation has been assumed by local governments.

Yet despite these recent improvements in health conditions, there are major problems still to be solved. It will be many, many years before the incidence of malaria, sleeping sickness, yaws and the numerous parasitic infections are reduced to minor proportions.

Forward-looking groups such as yours can and should perform a service in advancing ideas and establishing a favorable climate for a new world health leadership. Science has given us the tools with which to wipe away disease from the face of the earth. What we need is the personnel and research to carry out the work and the funds with which to operate.

There is a need in the world today for a nonpublic, international, professional medical group or foundation whose aim would be to lift the burden of disease from the shoulders of mankind through research, study, assistance, and information exchange.

This foundation could be composed of representatives of medical and pharmaceutical professions and the pharmaceutical industry from all parts of the world. As I have tried to indicate, there are many areas of world health where private enterprises are much more effective than governmental units. And we must keep in mind that the more we can do on a private scale, the less a government is required to do.

The aims of such an interprofessional organization can be generally outlined as follows:

First, to bring the great benefits of American advances in chemotherapy to more people everywhere.

Many countries are extremely backward when it comes to new drugs. If all peoples everywhere were made aware of all the antibiotics, insecticides and new vaccines which are available, it would be possible, not only to control disease, but to eradicate it in many areas. Work with these drugs could be the inspiration for new discoveries, new applications.

A second aim, to encourage the development of pharmaceutical research and other research facilities in countries less advanced than the United States, always with the help of professional, scientific, and industrial experts from other countries with modern technology.

This could be achieved through agreements between a needy country's government and American pharmaceutical firms or those in other countries. Here we see the possibilities of a program designed around private group to government—a relatively new concept.

As we move into countries with preventative medicines, we should realize that this is the only type of health program which is reaching mass populations. In many instances, it is the first contact of modern medical attention these people have had. This mass preventative program lays the foundation for acceptance of curative drugs. Pharmaceutical research could be a vital link in this chain.

A third aim would be to encourage the appreciation, adaptation, and application of our medical and pharmaceutical institutions in other countries.

Many countries and their professional organizations have already shown their interest in studying American institutions and methods such as the Food and Drug Administration, the United States Pharmacopeia, the educational curriculums and many others.

These suggestions and recommendations could be made acceptable through a broader application of person-to-person contact through exchange, hence—

A fourth aim, to encourage many more contacts among physicians, pharmacists, pharmaceutical scientists and industrialists, hospital people and other medical specialists.

Let me give you an example:

Recently a representative of Israeli pharmacy was in the United States seeking assistance for pharmacy colleges there. Through the new group I have suggested, young men and women from pharmacy colleges in Ceylon, Israel, Chile, if they wanted to, could come here. They could become acquainted with our colleges, our pharmacies, our pharmaceutical laboratories, our physicians.

On the other hand, American pharmaceutical firms might organize teams of research chemists, pharmacologists, clinical investigators, to visit other countries to help in problem analysis and the establishment of professional schools.

It is hardly surprising that person-to-person contacts are coming to play a still larger role in international affairs than they have in the past. Experience has indicated the desirability of this expansion, and the ease of arranging international travel in recent years has made it possible.

The opportunities are readily apparent: a growth in understanding on the part of visitor and visited alike, and deeper insights and more lasting impressions than other means of communication usually permit.

We should remember that numerous governments and hundreds of private groups already are supporting programs to exchange students, teachers, and scholars between this and other countries. A few also are enabling persons who are leaders in other walks of life to travel for study or observation. I already have mentioned the Fulbright program. The World Health Organization has 1,000 grants a year in its fellowship program. Foreign governments have invited our doctors to their hospitals, and we have reciprocated. However, there still exists a need for expansion if the people of the United States and other nations are to understand each other better and work together for world health and understanding.

A fifth aim, to help alleviate the shortage of trained pharmacists, chemists, and other related specialists in many countries, including ours, by encouraging students through scholarships to enter the various fields, and by subsidizing the professional institutions either directly or through research projects.

A final, and sixth aim might well be for the private foundations to focus the attention of all governments on such related questions as the status of pharmaceutical development and the standards of education in medicine and pharmacy, through close liaison with such organizations as WHO and UNICEF.

It is my relief that this objective can be more readily obtained if we integrate with the Federal Government's efforts, the potential of the Nation's private economy—the professional people, investors, civil, religious, and educational establishments.

Sometimes any kind of intervention—whether to alleviate hunger or to alleviate ill health—may be misunderstood or resented. People who may be wary of accepting aid from the United States will more readily accept the assistance of an international organization to which they themselves belong. The world professional foundation, of which I have talked, could be one such organization through which professional and industrial members can work to help each other and to help themselves.

Permit me to summarize the aims of this plan once again: They are to bring the great benefits of American advances in chemotherapy to more people everywhere; to encourage the development of pharmaceutical research and other facilities in countries less advanced than ours; to encourage the adaptation and application of our medical and pharmaceutical institutions in other countries; to encourage more person-to-person exchanges; to help alleviate shortages of trained personnel and to focus attention of all governments on aspects of the medical field as developed by the plan.

Through official and private channels, the foundation could offer help with public health education, distributing visual and literal aids.

Meetings could be held in major cities of the world to discuss the pharmaceutical challenges in relation to world health problems. The group could encourage the dissemination of knowledge through publications and, as I have said, person-to-person contact.

Unless I have overlooked limitations of a highly resistant nature, I think the American pharmaceutical industry will not shirk its humanitarian obligations. Again and again it has demonstrated that it cares by shipping needed drugs abroad to help their fellows overcome emergency.

Yours is an industry that has thrived on the challenge and the excitement of creating new medicines. You sometimes even "live dangerously" as business goes, by making a maximum financial effort to find an elusive aid against a disease, with no assurance of success and return to your stockholders.

Such a plan as I have outlined, cannot and should not be achieved solely by the efforts of governments working either independently or together. We need the coordination of private interests and private investments—we need the sharing of skill and experience—we need the helping of the weak by the strong.

The underdeveloped countries, especially those in Asia and Africa have acquired a new importance to the United States and the Free World. No one privileged to serve on our American delegation to the United Nations, as I have been at the current session, can fail to grasp that these new and developing nations of Asia and Africa, now numbering 27, control more than a third of the votes in the General Assembly. Almost all future additions to the family of free nations will likely be in Asia and Africa. The outcome of the great struggle between freedom and communism will unquestionably be decided by the turn of events in these countries. Our future is tied in with theirs.

People can only start thinking of freedom and the rights of the individual when they are freed from the day-to-day concern of trying to eke out a bare survival and are in good enough health to turn their attention to matters other than sheer subsistence. In helping others to help themselves, we are achieving in a practical way a means for these people to live fuller lives.

It is through an increasing coordination of endeavor within nations and between nations—on a people-to-people basis—that the modern need of worldwide health can, will, and is being transformed from a hope into a reality * * * resulting in happy relationships between people. This sort of security can be the basis for a lasting world peace.

But the requirements of a just and enduring peace are exacting and difficult.

Clearly we cannot expect to live peacefully in a world alum overflowing with disease, tension, and hate. Nor can we impose peace by bombs and tanks.

As former President Truman said: "The only kind of war we seek is the good old fight against man's ancient enemies * * * poverty, disease, hunger, and illiteracy."

We must join in this all-out attack on poverty, disease, hunger, and illiteracy. We must share our technical assistance—the scientific know-how—in food production, industrial development, health services, and education. Such a program will increase the health and welfare of the underdeveloped countries and bring greater opportunities to their people.

All of us—through consistent practical, concrete action, must demonstrate in unmistakable terms our genuine concern for the

rank and file of humanity, and our willingness to help them build a better life.

Such a program will take time. The poverty and insecurity that beset the majority of the world's people were centuries in the making, and they will not be erased overnight. But delay cannot be tolerated. We must march ahead with confidence, hope, imagination, and boldness.

Radioactivity in the Columbia River

EXTENSION OF REMARKS

OF

HON. HENRY M. JACKSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Wednesday, June 5, 1957

Mr. JACKSON. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an exchange of correspondence between myself and the Atomic Energy Commission relative to the health and safety aspects of using the Columbia River as a coolant for the Hanford Atomic Works.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

MAY 21, 1957.

Mr. LEWIS L. STRAUSS,
Chairman, Atomic Energy Commission,
Washington, D. C.

DEAR MR. STRAUSS: In Albert Schweitzer's Declaration of Conscience, given upon receiving the Nobel prize, and reprinted in the CONGRESSIONAL RECORD for May 15, 1957, there is the following paragraph:

"What this storing of radioactive material implies is clearly demonstrated by the observations made when, on one occasion, the radioactivity of the Columbia River in North America was analyzed. The radioactivity was caused by the atomic plants at Hanford, which produce plutonium for atomic bombs, and which empty their waste water into the river. The radioactivity of the river water was insignificant. But the radioactivity of the river plankton was 2,000 times higher, that of the ducks eating plankton 40,000 times higher, that of the fish 15,000 times higher. In young swallows fed on insects caught by their parents in the river the radioactivity was 500,000 times higher, and in the egg yolks of water birds more than 1 million times higher."

I would appreciate hearing from the Commission any comments it might care to make concerning this statement, and concerning the health and safety aspects of using the Columbia River as a coolant for the Hanford plant.

Sincerely yours,

HENRY M. JACKSON,
United States Senator.

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., May 24, 1957.

Hon. HENRY M. JACKSON,
United States Senate.

DEAR SENATOR JACKSON: Thank you for your letter of May 21, 1957 in which you ask for our comments on a part of Dr. Albert Schweitzer's Declaration of Conscience, and also on the health and safety aspects of using the Columbia River as a coolant for the Hanford plant.

The data cited by Dr. Schweitzer are essentially those presented by Hanford employees of the General Electric Co. at the International Conference on the Peaceful Uses of Atomic Energy. These data were published in 2 papers in volume 13 of the proceedings of this conference. They are:

Paper 280: pages 364–367, The Accumulation of Radioactive Substances in Aquatic Forms, by R. F. Foster and J. J. Davis.

Paper 281: pages 385–388, Radioactivity in Terrestrial Animals Near an Atomic Energy Site, by W. C. Hanson and H. A. Kornberg.

It is important to understand that the figures which appear in the tables in the papers referred to above, and from which Dr. Schweitzer apparently obtained the figures which appear in the paragraph quoted in your letter, represent ratios, that is, the relative increase in concentrations of radioactivity from water to plankton and on down the plant-animal food chain. These ratios are not meaningful from the standpoint of health unless the concentrations are converted into amounts of radioactivity and a comparison is made with permissible concentrations of radioactivity in food consumed by humans. In other words, it is necessary to distinguish between rate of concentration and amount of radioactivity. In this connection, it is also important to take into account the normal process of radioactive decay.

The radioisotope of primary concern which enters the food chain in the Columbia River is phosphorus 32. It has a 14.3 day half-life and has a maximum permissible concentration in water of 2×10^{-4} microcuries per cubic milliliter. Its concentration below the Hanford site is a small fraction of that level, namely, 0.02×10^{-4} to 0.2×10^{-4}. At such levels in the water people could eat fish every day in the year without exceeding the conservative standards for exposure to the general population.

The manner in which Dr. Schweitzer presents the ratios implies that there is a progressive increase in the concentrations of radioactivity through the plant-animal food chain. This is not generally true. If one refers to the table from which Dr. Schweitzer took his values for birds (table 1, p. 385, vol. XIII of the proceedings of the International Conference on the Peaceful Uses of Atomic Energy) it will be found that the last column of the same table gives ratios of concentrations of P–32 in the bird to P–32 in its food. In only one case is the concentration in the bird higher than in its food.

Another problem is that Dr. Schweitzer takes his figures from two different tables. The value of 2,000 which he uses for plankton is for gross activity. The other higher values in the paragraph quoted are for the specific isotope, P–32. Since the P–32 activity in the water is less than 1 percent of the total activity in water, the concentration form of P–32 from water to plankton is 200,000. Hence, the increases in concentrations from water to ducks, of 40,000, and from water to fish, of 15,000, should be compared to the value for plankton of 200,000, not the 2,000 figure which Dr. Schweitzer apparently obtained from another table. Therefore, as a general proposition there is not a progressive increase in the concentration of P–32 throughout the plant-animal food chain as implied by Dr. Schweitzer.

The fish in the Columbia River are monitored through the seasons the year around. The average concentration in whitefish (the species in which the highest concentrations have been measured) has been about 10^{-4} microcuries per gram (the unit of weight comparable to volume as measured in milliliters). At that concentration one could eat 7 pounds of fish a week, year in and year out, and still be within permissible levels.

As you know, the AEC has a substantial health research program at the Hanford site and at all other major AEC industrial sites, and at the Nevada and Pacific test areas. These programs include not only precise monitoring of radioactivity in air, water, and soil, but follow radioactive products as they pass along the plant-animal food chain. Special emphasis is given to consideration of the levels of radioactivity required to produce detectable injury in individuals and in population groups. A conservative estimate of the Commission's expenditures in environmental health research at AEC sites and at universities throughout the Nation, is about $1.8 million a year. This estimate does not include a substantial amount of laboratory support at AEC sites, nor does it include a vast amount of related research, such as, for example, the metabolism of fission products and instrumentation.

Should you desire additional information on the program at Hanford or on the broad environmental health program of the Commission, we shall be pleased to provide it.

Sincerely yours,

LEWIS L. STRAUSS, *Chairman.*

Memorial Day Address by Hon. Richard L. Neuberger, of Oregon, at Hyde Park, N. Y.

EXTENSION OF REMARKS

OF

HON. LISTER HILL

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 5, 1957

Mr. HILL. Mr. President, our colleague, the junior Senator from Oregon [Mr. NEUBERGER], delivered the commemorative address at the annual Memorial Day ceremonies held on May 30 at Hyde Park, N. Y., in memory of Franklin D. Roosevelt. The junior Senator from Oregon is a Senate member of the Franklin D. Roosevelt Memorial Commission, and he spoke on the conservation ideals and programs of Franklin D. Roosevelt.

No man in the Nation has given more of his thought and of his time to the conservation of our great natural resources or has used his able pen more in this vital cause than has the junior Senator from Oregon. He truly speaks with authority and is a devoted and valiant disciple of Franklin D. Roosevelt in waging the never-ending struggle for the conservation of America's God-given resources.

The address delivered by the junior Senator from Oregon is most timely, informative, and challenging, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

CONSERVATION IDEALS AND PROGRAM OF FRANKLIN DELANO ROOSEVELT ARE HERALDED AT HYDE PARK CEREMONIES BY SENATOR RICHARD L. NEUBERGER

(Excerpts from the address delivered at the grave of Franklin D. Roosevelt on Memorial Day by RICHARD L. NEUBERGER, junior Senator from Oregon and Senate member of the Franklin D. Roosevelt Memorial Commission)

Like Antaeus of old, Franklin Roosevelt gained strength just by touching the goodness of earth. He treasured the land and all its kindred—water, trees, wildlife, soil, flowers, shrubs, and the air above. He had a feeling about America which stemmed from Jefferson and Thoreau and Gifford Pinchot.

He believed that resources were a gift from the Almighty, and that we all are under a sacred duty to hand them on to the next generation—undefiled and untrammeled. He was the greatest conservationist of our era.

Perhaps some of Franklin Roosevelt's philosophy in this respect originated on the shores of the Hudson River, where he was born and raised, and where he today lies at eternal rest.

The quiet majesty of this spot may have helped to inspire the governmental policy which did so much to assist the American people in laying renewed claim to their natural resources in every distant corner of the land. It may be that, at Hyde Park, there was begun the idea which had a far-off fruition in the great canyons of the Columbia and the Colorado, on the uplands of the Yellowstone and the Sierras, and along the forested seacoast of the Olympic Peninsula.

The first time I ever saw Franklin D. Roosevelt was in the municipal auditorium of the city where I was born—Portland, Oreg. He stood there, on September 21, 1932, and promised that the next great hydroelectric-power development to be undertaken by the Federal Government would be along the surging river where lurked more than 40 percent of all the latent hydroelectricity in the Nation.

CAMPAIGN PROMISE KEPT

No promise during a political campaign was ever kept with greater fidelity, rectitude, and with greater benefits.

From that promise came the biggest waterpower system ever built anywhere in the world, a system which included Grand Coulee Dam, the most massive single edifice yet reared by man on our planet.

I am glad my wife Maurine is here with me today. I think she could tell something about the tangible benefits to humanity from that one deed initiated by Franklin Roosevelt.

Maurine's widowed mother runs a dairy farm which lies about 10 or 12 miles from the banks of the Columbia. It is one among thousands of farms in the Northwest which had no electricity prior to the arrival in the White House of Franklin D. Roosevelt. The farm was a short distance from the greatest source of hydroelectric power on our continent—but Maurine's mother cooked with kindling, she had no refrigeration, she carried a kerosene lamp from room to room at night, the dairy barn could not be fitted with milking machines or floodlights because there was no power to operate such equipment. In the midst of potential plenty, countless American farm families lived like this—in frontier conditions despite the presence of the electrical age.

Franklin Roosevelt brought about the construction of Grand Coulee and Bonneville Dams. He innovated the Rural Electrification Administration. Today, the farm of my wife's mother—and innumerable other farms—enjoy the blessings of electricity, and at substantially lower rates than are paid in the major cities of this State, for example.

RURAL ELECTRIFICATION INCREASED

When Franklin D. Roosevelt entered the White House in 1933, less than 10 percent of America's farms had central station electric service. When he died approximately 12 years later, 50 percent of our farms had such service.

This single statistic tells a story of natural resources put to work for the benefit of humanity. It tells the story of farm wives and mothers spared the aches and indignity of drudgery; it tells the story of life made more comfortable and bearable; it tells the story of a President who cared about the personal happiness of his people.

I have chosen today to discuss Franklin Roosevelt as a conservationist for two reasons which seem to me to be important. To begin with, few nations have looted their natural resources as profligately and in so short a period as the United States, and we need to be reminded of an era when a great man and his associates dedicated themselves to a program of genuine respect and protection for this legacy which we have received from the Almighty.

And, secondly, as we stand here in this hallowed and historic spot at Hyde Park, an administration reigns in Washington which has surrendered surging rivers, valuable forests, rare wildlife preserves and immense mineral deposits to private groups for piecemeal exploitation. It is well, I think, that the contrast in this vital domain of government between the present administration and that of Franklin Delano Roosevelt should be emphasized on this Memorial Day of the year 1957.

CCC PROVIDED MANY BENEFITS

I wish many of you could go with me into the national forests of the Western States. Today, a quarter of a century after Franklin D. Roosevelt swore the oath of the Presidential office for the first time, we still can trudge trails and camp at picnic grounds in those magnificent outdoor realms which were built by the Civilian Conservation Corps. The CCC may be merely a bygone set of governmental initials now. But, in 1933, it was a program inaugurated by Franklin D. Roosevelt which achieved a dual purpose. It got off the streets and alleys of eastern cities thousands of boys who came from broken homes, who were potential inmates of prison cells and who had no economic chance in life. These boys not only were rehabilitated personally in the scenic arena of our western mountain ranges, but they also helped to restore watersheds, to fight erosion and to provide the finest recreational facilities ever furnished in our marvelous national-forest system.

The program of conservation implemented through the CCC has probably never been matched. Not only did this program help make good citizens of 2½ million American youths, but it resulted in the planting or seeding of over 2½ million acres of trees, the development of 10,000 acres of public campgrounds, construction of nearly 32,000 wildlife shelters, the building of over 6 million check dams to halt soil depletion, plus numerous other conservation and recreation structural improvements which continue to benefit our country today. Yet this great public works project cost less than $3 billion, only a fraction of the value it represents in the protection and maximum development of natural resources.

RIVER VALLEY RESTORED

I wish there were time during this brief ceremony to describe all the achievements in the field of conservation of Franklin D. Roosevelt. I wish time afforded me the opportunity to discuss in detail the Tennessee Valley Authority, which restored perhaps the most worn-out river valley of our Nation and made it a haven for prosperous industries, for modern farms, for growing cities. The dams of the TVA have attracted payrolls with cheap power, they have electrified farms and homesteads, they have retarded and prevented floods, they have provided recreation and boating on vast artificial lakes.

The vision of Franklin Delano Roosevelt is perhaps no better evidenced than in his policies regarding water and power resources development. He saw the problem and the particular projects, not as something isolated and apart, but as a springboard for comprehensive development. In many ways the TVA serves to illustrate. In his message of April 10, 1933, to the Congress proposing TVA, he said in part:

"It is clear that the Muscle Shoals development is but a small part of the potential usefulness of the entire Tennessee River. Such use, if envisioned in its entirety, transcends more power development; it enters the wide fields of flood control, soil erosion, afforestation, elimination from agricultural use of marginal lands, and distribution and diversification of industry. In short, this power development leads logically to national planning for a complete river watershed involving many States and the future lives and welfare of millions. It touches and gives life to all forms of human concerns."

At the dedication of Grand Coulee Dam in my own great Northwest, the President declared:

ROOSEVELT'S VISION CONFIRMED

"We are going to see, I believe, with our own eyes electricity and power made so cheap that they will become a standard article of use, not only for agriculture and manufacturing, but also for every home within reach of an electric light line."

Today's electrified rural America confirms this vision.

As a native of the Pacific Northwest, I feel a particular sense of appreciation to Franklin Delano Roosevelt that he made certain the great hydroelectric resources of our region would be widely distributed to all the people through a so-called postage stamp rate. It is somewhat distressing now to see certain people in Franklin Roosevelt's home State who are taking the leadership in violating this principle. Franklin Roosevelt believed that rivers belonged to everybody, to all the people. We only can hope and trust that his political descendants in the great State of New York will return to this ideal.

The realm of nuclear fission represented an even more adventurous deed by Franklin D. Roosevelt. After the genius Albert Einstein had told President Roosevelt that it might be possible to end World War II with a prodigious weapon produced from the atom, the President staked $2 billion of the American people's funds on the mysterious Manhattan project, a project which never could have been feasible without the immense quantities of waterpower available from Grand Coulee Dam and the TVA. It was a success. It attained its cosmic and unfathomable purpose. But can we imagine the outraged howls which would have gone up from Franklin Roosevelt's political foes, from those who never gave him credit for the Manhattan project, if that colossal undertaking had failed?

F. D. R. ADVOCATED COMPREHENSIVE DEVELOPMENT

I believe it might be fitting to reduce to specific terms exactly what the philosophy of Franklin Roosevelt meant, when applied to natural resources, as compared with some of the attitudes which prevail in high levels of Government today.

Within a few weeks the United States Senate will vote probably for the last time, on the fate of the finest hydroelectric-power site remaining in our country. The choice is decisive. Either the Federal Government will construct at Hells Canyon, in a mile-deep chasm, a dam capable of storing nearly 4 million acre-feet of water for flood control and of making possible 1 million kilowatts of power. Or, as an alternative, a private utility company will impound some 1 million feet of water and produce approximately half the quantity of firm year-around power of the Government dam. Furthermore, the Government dam would sell energy at a cheaper rate and over a far wider geographic area than the private project.

The present administration has used its utmost influence to favor the private project. While he was President of the United States, Franklin Roosevelt employed his prestige, authority, and influence to bring about authorization of water-conservation projects which would combine maximum development of resources with a sharing of the benefits of this development among the entire population. Should a great river be the

property of a single absentee-dominated corporation or should it be the possession of all the people, developed in their interest and welfare by their Government—with power revenues used to finance such benefits as flood control and irrigation of land? This is a crucial question.

In such a clash of philosophies, the views of Franklin D. Roosevelt stand in direct contrast to those of his present successor in the highest elective office of the Free World.

PRESIDENT INSPIRED CONSERVATION EFFORTS

I never knew Franklin Roosevelt intimately. Through the kindness of Mrs. Roosevelt and others, I was privileged to talk with him occasionally. I was then a young journalist specializing in books and articles about conservation and related matters. I always found in the President a source of inspiration to press forward harder and more tirelessly on this vital frontier. Others have told me of similar experiences. Senator LYNDON B. JOHNSON has said that Franklin Roosevelt instilled in him an awareness of the vital importance of water to his arid State of Texas. I have heard from Tom Corcoran, Judge Rosenman, and Ben Cohen of FDR's constant insistence upon the benefits of natural resources being widespread among all the population, instead of narrowed to a powerful few. Oregon's Senator Charles L. McNary, although the Republican leader in the Senate for many years, once remarked to me, "You know, President Roosevelt is a whole lot more familiar with what needs to be done on the Columbia River than are a lot of our own folks right here in the Northwest."

F. D. R. had read his history, his geography, and his economics well. From an observation-car platform in Pendleton, Oreg., or at Boise, Idaho, he could talk more conversantly than some of the local people about the condition of the upland grazing range in that area or how the water table was faring in a year of limited snowfall.

ROOSEVELT CONSIDERED CONSERVATION NONPARTISAN

Although Franklin Roosevelt's faith in conservation was in sharp contrast to some of the exploitation tolerated today by those in charge of our Government, conservation was never to him a partisan issue. Under his aegis the United States Fish and Wildlife Service was originated, thus consolidating in one agency all governmental efforts directed toward a safeguarding of our big-game animals, of our migratory water birds, and of our fisheries.

Franklin D. Roosevelt's first appointment as the new Director of this great Agency was of a lifelong Republican—Dr. Ira N. Gabrielson, one of the Nation's most noted biologists in this field. F. D. R. wanted the best man available to be in charge of our animals and wild creatures. As F. D. R. realized, the man's political party had nothing to do with his knowledge of elk, his familiarity with the seals of the Probilofs, his ability to detect the safest nesting ground for ducks and geese. But we need only compare F. D. R.'s nonpartisanship in this respect with the fact that the present administration discharged the then head of the United States Fish and Wildlife Service when it entered office—not because of any incompetence upon the part of a faithful career servant, but merely because he happened to be registered as a Democrat.

For more than two decades prior to 1933, conservation enjoyed what some have called obscure respectability. The problems of resource use had not been forgotten, but adequate solutions had not yet been applied and many of these problems were becoming increasingly and painfully noticeable to more and more people. In philosophy and experience Franklin Delano Roosevelt was ideally equipped to spark what has since become known as the Roosevelt era in conservation.

CONSERVATION RECORD REVIEWED

I would like to review briefly just a few of his many other accomplishments while he held public office in New York State and during his historic tenure as President of the United States.

Between 1910 and 1914, Franklin Roosevelt was a State senator in the New York State Legislature and served as chairman of the senate committee on forestry. In 1912 he secured the enactment of two laws creating a yield tax provision for small forest owners. When we remember that forestry was just in swaddling clothes at that time, we can see how far Franklin Roosevelt was looking ahead in his effort to recognize the problems of the small timberland owner.

He did not return to State government until 1928 when he became Governor. Conservation was an important part of his legislative program. Governor Roosevelt supported continuation of a monumental study to determine what should be done about the submarginal farmlands of New York State, and under his leadership a constitutional amendment was adopted which provided for the acquisition of lands for timber-growing purposes outside of the Adirondack and Catskill preserves. This farsighted program resulted in New York State acquiring several hundred thousand acres of land better suited for forestry purposes than for farming or dairying. The State is dotted with these forests which are now producing timber and which also serve as demonstration forests, lighting the way toward better forest practices in the Empire State. While there are many people associated with that great effort, full credit must go to Franklin Roosevelt for the interest he showed in solving a critical problem. The land-management concept that was involved later came to be a Federal program when, under his leadership as President of the United States, the Bankhead-Jones Act was enacted.

There were other forward steps in conservation that Franklin Roosevelt took while Governor. Tree nurseries in the State were expanded in 1929. The activities of the conservation department were enlarged to provide for better information to the public on conservation and recreation. In 1931 the area in the Adirondack Park was increased from 3 million to 4.6 million acres. He also lent his support to a constitutional amendment, which was adopted by a vote of 3 to 1 by the people of the State, which allowed the State to incur debts to fight forest fires.

These are just a few of Franklin D. Roosevelt's many accomplishments for conservation in his 8 years in the State government. Because he practiced conservation principles in the management of his own forest lands here at Hyde Park, he knew intimately the problems involved in preservation of this natural resource. He successfully applied these principles through the machinery of State government. The additional training and experience that he received in these 8 full years enabled him to provide this Nation with his tremendous conservation leadership in his 12 years as President.

That the long-standing interest of Franklin Delano Roosevelt in conservation was not quickly devitalized by the far reaches of new political horizons, soon had abundant testimony.

Although much major forestry conservation legislation was already on the books before 1933, a major untouched field of development was land purchase for reforestation. In 1933, the first year of Franklin Roosevelt's administration, land purchase for this purpose jumped from 83,086 acres to 667,314 acres and in 1934 the figure was 4,206,817 acres. These amounts represent more than cold statistics. They are ample evidence of President Roosevelt's desire to protect our God-given resources.

In addition to this massive reforestation project, some 78 primitive wilderness areas, in total area about 14 million acres, were set aside by the Forest Service, thus permitting millions of Americans in future generations to enjoy the beauty of our great outdoors in its pure and undefiled original state.

RESOURCES PLANNING BOARD ESTABLISHED

Though planning is not in itself action, it may well be the basis of more effective action. The recognition of this truth by President Roosevelt was expressed in his continuing interest in the National Resources Planning Board, an organization established by the President in July 1934, to prepare plans of procedure "dealing with all aspects of the problem of development and use of land, water, and other national resources in their physical, social, governmental, and economic aspects."

In January 1935 the President was able to report to the Congress: "For the first time in our national history we have made an inventory of our national assets and the problems relating to them." And the President outlined the direction in which he hoped that the Nation would move in utilizing these resources:

"We think of our land and water and human resources not as static and sterile possessions but as life-giving assets to be administered by wise provision for future days. We seek to use our natural resources not as a thing apart but as something that is interwoven with industry, labor, finance, taxation, agriculture, homes, recreation, good citizenship."

This study represented a milestone in resource planning. Some of the fundamental studies are even now very nearly the only comprehensive factual surveys of parts of the field. In its entirely, it was a great influence in the promotion of integrated thinking and planning with respect to the interrelationships between all natural resources and between difference parts of larger regions.

In April 1935 the Soil Conservation Service came into being. During the 1930's, for the first time in our history, the Nation became thoroughly soil-conscious. The Roosevelt period provided much of the foundation of engineering design, conserving practices and grassroots growth of the program which had by the mid-1950's included nearly a half-billion of our acres and more than 1½ million farmer participants. This handiwork of Franklin Delano Roosevelt and Hugh H. Bennett is on our land, with us and our grandchildren, for scores of years, if not for centuries in the future.

SHELTER BELT PROGRAM INITIATED

Allied with the soil conservation efforts were the immediately acute problems of the Great Plains, especially during and following the major drought years of 1934 and 1936. In 1936, the President allocated to the Forest Service an initial $1 million of emergency funds for large-scale shelter-belt planting. As of June 1942, when the project was transferred to the Soil Conservation Service, some 18,600 miles of shelter belts had been planted with 30,000 farmers cooperating. Today the magnificent success of this program is widely acknowledged.

A major milestone in the development of public land policy for those areas chiefly suited for grazing was accomplished with enactment of the Taylor Grazing Act of 1934, a measure which permitted Federal regulation of grazing on public domain in the interests of national conservation.

Under Franklin D. Roosevelt's administration, a national flood-control policy and program were created and the groundwork was laid for the water pollution legislation enacted after his death.

America's national park system was greatly expanded during President Roosevelt's administration, a conservation achievement of marked significance today for millions of peripatetic recreation-seeking Americans. The President's words at the dedication of Shenandoah National Park illustrate his belief in the value of our national park system: "This park, therefore, together with its many sisters which are coming to completion in every part of our land is in the largest sense a work of conservation. Through all of them we are preserving the beauty and the wealth of the hills, and the mountains and the plains and the trees and the streams. Through all of them we are maintaining useful work for our young men. Through all of them we are enriching the character and the happiness of our people."

Under Franklin Roosevelt's leadership, further protection was extended to our wildlife through enactment of the duck-stamp bill, creation of game sanctuaries on all public properties, and conclusion of the Migratory Bird Treaty with Mexico supplementing a similar treaty with Canada.

INTERNATIONAL RECOGNITION ACCORDED

In January 1935 the President was awarded the Sir William Schlich Memorial Medal, which is made in rotation to five English-speaking countries in commemoration of a world-renowned British forester. In response to this international recognition of his effective work for forest conservation, he said in part: "A forest is not solely so many thousand board feet of lumber to be logged when market conditions make it profitable. It is an integral part of our natural land covering, the most potent factor in maintaining nature's delicate balance in the organic and inorganic worlds. In his struggle for selfish gain, man has often needlessly tipped the scales so that nature's balance has been destroyed, and the public welfare has usually been on the short-weighted side. Such public necessities, therefore, must not be destroyed because there is profit for someone in their destruction. The preservation of the forests must be lifted above mere dollars and cents considerations."

Like Thomas Jefferson, who was his idol, Franklin Roosevelt had a feeling for our land. It stirred him deeply. He once said, in a little speech in the Northwest, that every American lad should go out to the coast by train on the southern route and back by train on the northern route. This, continued Mr. Roosevelt, would afford that lad some appreciation of the vast dimensions and scope of the American Continent. Tales of the pathfinders of old fascinated Mr. Roosevelt—of Lewis and Clark and Fremont and Bonneville and Kit Carson. He knew about our Indians, and his keen sense of injustice was prodded by his historic awareness of the injustices committed by the white invaders against that sublime and noble race. This was why men with real social consciences, men like John Collier and others, served as Commissioners of Indian Affairs when Mr. Roosevelt was President.

"O beautiful for spacious skies, for amber waves of grain—for purple mountain majesty above the fruited plain": these were more than mere words to Franklin Roosevelt. Exactly 20 years ago, back in 1937, I rode with him on a special Great Northern railroad train over the Washington State uplands which led to the settlement of Ephrata, where he would disembark for an automobile ride with Senators Bone and Schwellenbach to the site of Grand Coulee. The President pointed to the snow-tinted pinnacles of the Cascades at our back, to the gaunt swales of sagebrush billowing all about the railroad right-of-way.

ROOSEVELT SERVED AS EDUCATOR

"Just imagine," said he, "water can make this desert bloom like the Garden of Eden. Orchards and alfalfa and row crops can grow here, if only we use water wisely. That is what I am trying to do, if the people of this country will help me to accomplish it."

He went as fast as the people would let him—occasionally a little faster. He served as an educator, too, and he constantly related to his fellow Americans of what had happened to civilizations which had wasted water, plundered forests, and slaughtered wildlife. He had a respect for government. He did not deride it, as some in our time are prone to do. He saw the wisdom lurking in John Muir's famous remark that "while only God can grow a tree, only Uncle Sam can save a tree." And Franklin Roosevelt did not want Uncle Sam to get into the hands of the wrong people. He knew that no trees, or other parts of our heritage, would be saved then.

He is gone now, and his task has become ours. In this quiet grave of stately trees—trees which saw him grow to manhood and which will be growing when we, too, are gone—let us join with Mrs. Roosevelt in pledging ourselves to a preservation of his ideals. This, of course, will mean a preservation of the resources which are our legacy and those of the future generations who will come after us. Our chief obligation to Franklin Roosevelt is not to eulogize him in words but to perpetuate his program in deeds. Perpetuation of his program, in time, will perpetuate in wise and careful custodianship the water and scenery and forests and animals of this magnificent domain we are privileged to inhabit.

Good Government Is the Issue

EXTENSION OF REMARKS

OF

HON. FRANK T. BOW

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1957

Mr. BOW. Mr. Speaker, in our concern with the immediate problem of effecting economies in the appropriations bills, we should not overlook the long-range benefits to be gained by adopting the recommendations of the Hoover Commission. Our able colleague, the gentleman from Ohio [Mr. BROWN], who was one of the sponsors of the legislation establishing the two Commissions on Reorganization of the Executive Branch of the Government, and who served with distinction on both Commissions, delivered an excellent address on the subject at the Third National Reorganization Conference, sponsored by the Citizens Committee for the Hoover Report. Under leave to extend, I offer Good Government Is the Issue by our colleague:

GOOD GOVERNMENT IS THE ISSUE

(By the Honorable CLARENCE J. BROWN)

I want to congratulate, first of all, the Citizens Committee for the Hoover Report for the splendid work it has done throughout the last few years. You have done a grand job. You have alerted a great many people to the fact that there has been a commission or two commissions operating in Washington to look into the affairs of government and to attempt to obtain greater economy and efficiency in the conduct of public business.

Yet, sometimes, I cannot help but wonder just how well the people have been educated by your efforts. I receive a great many letters in my office as a Member of Congress relative to the Hoover Commission reports; letters which indicate the writers do not know much about the Commission's recommendations, except that they favor them, because they think their tax money may be saved.

I even get some such letters once in a while that hurt me just a bit—letters, even from my district, which demand to know just where I stand on Hoover Commission recommendations. When I reply, I always include a form paragraph which reads something like this:

Inasmuch as I originated the idea of the two Hoover Commissions, personally wrote, sponsored, and guided through Congress the legislation which created both Hoover Commissions; served as a member of both, helped prepare and write all of the recommendations made by both, and now sit on the committee in Congress which must pass upon most of such recommendations when they come before Congress—I can assure you that I do have some little interest in the Hoover reports and the recommendations contained therein.

It is just over 10 years ago—10 years this month—that I introduced in the House of Representatives, and then later Senator Lodge introduced the same bill in the Senate, the bill which created the first Hoover Commission.

I am rather proud of the structure of that Commission and the ideas behind it. It was like nothing ever created, or which ever existed in the past. No other commission had ever been established like the Commission on Organization of the Executive Branch of the Government. It was a bipartisan Commission, 12 members, resembling the jury system which we value so highly in this country. Six members were from private life and six from public life. Four were selected by the Speaker of the House; four by the President of the Senate; and four by the President of the United States. So no one controlled the Commission.

That Commission, like the second one, labored hard and long in a nonpartisan way to make a series of recommendations for obtaining the greater economy and efficiency in government which we sought.

I would like to say here, if I may digress for a moment, that there was never a single division within the Commission along partisan lines, with the Democrats on one side and the Republicans on the other. Never was there a division between the civilian representatives on the one hand and those of us who were in public office on the other.

There were great differences, I think you should bear in mind, between the objectives and authorities of the two Commissions. The first Commission was authorized and directed to serve as an arm of Congress, not of the President, to chart better organization in the executive branch.

President Hoover was elected as Chairman of both Commissions by the Commissions themselves. He was not appointed by anyone. Those of us who were members of each Commission agreed unanimously that Mr. Hoover was the one man best qualified to head the Commissions, and to give to them his great prestige, wisdom, and leadership.

As I have said, we were confined, in the first Commission, to going into matters of organization only, to determine how to achieve a better organization, and a more efficient and economical organization, in the executive branch of the Government.

The second Commission was authorized not only to go into matters of organization, but also into questions of policy. There is a great difference between the two. We

found out in the first Commission that it was not enough just to go into the matter of organization, but that we should also look into the factors that made an organization bad—in other words, some wrong or foolish policy that had been put into effect in the past.

To explain it another way, if the first Commission found the Government operating a barber shop somewhere, our group was limited to giving its suggestions as to how best the Government could operate a more efficient, more economical barber shop. But the second Commission had the authority to say: "You should close this barber shop; the Government ought not to be in the barbering business."

I have learned in my rather long and busy career in public life that you must always seek and know the facts. Let me say to you now, that I am not happy at all with the progress that has been made, and is being made, in effectuating the various recommendations of the Hoover Commission.

True, about 75 percent of the recommendations of the first Commission has been made effective, with savings estimated at from 2 to 3 billion dollars a year.

But the potential savings, if the recommendations of the second Commission are effectuated, are beyond the power of any of us to comprehend. The estimates—depending on the way matters are handled and how many recommendations are adopted—run anywhere from $5 billion to as high as $15 billion annually, and that is a lot of money.

We have saved 2 or 3 billion dollars a year as a result of the work of the first Commission. We are saving several hundred million annually now from effectuating the recommendations of the second Hoover Commission. Yet I wonder where the money we have saved has gone, because we are faced today with a Federal budget that is the highest in all our peacetime history. Virtually every year we have watched the cost of government going up, notwithstanding, and regardless of, the Hoover Commission recommendations. Sometimes I become a bit frustrated, and just a little provoked—if I may use such words—with the fact that somehow or other the spenders seem to be able to get rid of the taxpayers' money faster than we can save it. There is something for all of us to think about.

Now I want to bring up to date what has been done in connection with the second Commission's recommendations. The Commission made 314 or 306 recommendations, according to the way you figure. According to the executive branch of the Government, we made some 479 recommendations, and I understand that since I obtained this information they have broken down the recommendations further to 491.

Of the 479 recommendations that were considered as dealing with the executive branch of the Government, as of last week only 189—or 39 percent—have been, and I quote, "accepted wholly or with minor modification" by the administration and the departments and agencies within the executive branch. Thus far, approximately one and a half years after the reports were issued, only 59—or 31 percent of those recommendations adopted by the agencies—have been implemented. Another 71—or 38 percent—are reported to be what they call, and I quote, "in process of implementation."

Some of us who are veterans on Capitol Hill have had a lot of experience with this process of implementation. It is a long, drawn-out, endless procedure that somehow never gets completed.

The departments and agencies have accepted, and again I quote, "partially or as to objective" the remaining 290 recommendations.

Personally, I do not believe it should take anybody over 2 minutes to accept as an objective the idea that we should have greater economy and efficiency in the conduct of public business. I cannot give much credit for that great decision, since only 11 of these recommendations have actually been put into effect—with an additional 52 reportedly "in process of implementation."

Stating it another way, the executive branch has adopted a total of 70 recommendations and is in the process of activating 123 additional recommendations in whole or in part. Assuming 100 percent completion of this endeavor, a total of 193 recommendations, representing 40 percent of the Commission's work, will have been placed in effect. Our job concerns the balance of 286 recommendations which seem to have fallen by the wayside.

Let us examine the record in more detail. If we assume for the moment that a 40-percent accomplishment is the record to date, let us see if this points to the way in which further progress may be accomplished. The greatest numerical progress has been achieved in accepting the reports on depot utilization and research and development, both of which are more than four-fifths completed. I must add, however, that both of these topics have been the subject of extensive hearings in Congress.

The paperwork recommendations fall next in line. I am told the agencies are making very comfortable progress in this field. Next we find that consideration of the food and clothing report is 73 percent completed. I need not remind you of the impetus given the acceptance of these recommendations by the famous "hamburger hearings," in which I had the great pleasure of being the chief cross-examiner. A great many faces became redder than the hamburger or the catsup involved before we finished.

Consideration of the budget and accounting report is 65 percent complete, after some very fine work by the committees of the 84th Congress. I was a member of the committee which considered the series of bills implementing the recommendations of this report. We did not get all we wanted, but we came out with a bill that at least is a good start toward forming sound budgeting and accounting practices in the Federal Government. Our hearings indicated that it will take several years to fully implement this splendid legislation.

But we at this conference are principally interested in areas where little or nothing has been accomplished. I was sorely disappointed to learn that 11 recommendations of the overseas economic operations report are still under review.

Only meager progress is reported on the findings of the task force on legal services and procedure, and the devoted work done by the water resources and power groups. Only 20 percent completion is reported on the suggestions for reducing expenditures in the field of medical services. The report on business enterprises relating to Government competition with private industry—about which we have heard so much—shows an acceptance factor of only 20 percent, not 100 percent as it should be.

Even more surprising, since it represents probably the greatest potential money saver of all, is the fact that only one-fourth of the recommendations on the business organization of the Defense Department has been put into effect. This report was compiled by a committee headed by Mr. Charles R. Hook, of Middletown, Ohio. No man has contributed more to his Government, or to the efforts of the Hoover Commission, than Mr. Hook. He is not only a great businessman; he is a great leader and a great American.

Most of us know that a great many recommendations by the Hoover Commission can be put into effect through executive or administrative order. Others require legislative action. Some require both executive and administrative orders and legislative action.

The President, in my opinion, has endeavored and attempted in every way possible to cooperate with the Hoover Commission and to put into effect the recommendations which we have made that are subject to executive or administrative order. However—and I am speaking very frankly; for some people may not like it, but I do not particularly care—I am certain there are many within the administration who are only giving lip service to these recommendations.

These people may tell us, "Oh, yes, we are working on it; we are very interested," but they actually are attempting to submarine these recommendations because it disturbs the status quo and the way things have always been done. It remains for Congress and its various committees, and for organizations such as the Citizens Committee for the Hoover Report, to put what we sometimes describe in rough parlance as the "heat" on some of these agencies to see that they do what they are supposed to do.

There are many dedicated men and women in Congress who have set as their goal the introduction, sponsorship, and passage of legislation that will meet the legislative responsibility in connection with these recommendations. It is a big job. It is going to take a lot of time. But inasmuch as the second Commission deals with matters of policy, we have found that when you get into the field of policy, you also enter the field of controversy.

I think we should consistently bear in mind that there is nothing sacred or sacrosanct about the recommendations of the Hoover Commission. If the Congress or the President or the head of any executive agency can come up with some idea, some plan or program, that will better accomplish the desires and objectives of the Hoover Commission, and do a better job than the Commission's recommendations, in obtaining greater economy and efficiency in the Government, then we can only say, "God bless you."

Those of us who served on the Commission for 4 long years—as I did—and others who served for only 2 years, realize that all of the wisdom in the world was not incorporated in our particular group. After all, what we tried to do was set goals which we should strive to reach as a self-governing people.

If there are better ways, or shorter ways, to reach these goals let us hear of them. Otherwise let us get behind these recommendations of the Hoover Commission and, to the best of our ability, see to it that the Congress and the departments and agencies of the executive branch put them into effect.

Commencement Address by Hon. Lister Hill, of Alabama, at the University of Kentucky

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EXTENSION OF REMARKS

OF

HON. JOHN SHERMAN COOPER

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Wednesday, June 5, 1957

Mr. COOPER. Mr. President, on May 27, 1957, the senior Senator from Alabama [Mr. HILL] delivered an address at the commencement exercises of the University of Kentucky, at Lexington. The senior Senator from Alabama is held in high regard in Kentucky, and the people of my State were glad to welcome him.

I ask unanimous consent that the text of the very inspiring address he delivered be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY HON. LISTER HILL, UNITED STATES SENATOR FROM ALABAMA, COMMENCEMENT EXERCISES, THE UNIVERSITY OF KENTUCKY, LEXINGTON, KY., MAY 27, 1957

May I express my deep appreciation for the honor that Dr. Dickey has done me in asking that I speak to you today. It is always a privilege to speak in Kentucky, so glorious in her history and so rich in her contributions to our Nation. But this is a particularly auspicious day—auspicious because you, our young friends of the graduating class, go forth to launch your careers and to begin your life's work; auspicious because the University pays tribute to a great son of Kentucky and of the Nation, my cherished friend, the late Alben W. Barkley. Today you receive his personal papers—intimate and priceless record of so much of the history of our time. Here these papers will be preserved and studied for our benefit and the benefit of future generations.

Alben Barkley was truly a citizen of this century. His political life began literally in the horse and buggy days. It ended in the nuclear age.

Alben Barkley's time overlapped four historic periods in the development of our Nation:

First, America's coming of age with Woodrow Wilson, when a people became conscious of their destiny and their leadership in the family of nations.

Second, the days of the great depression, when it was demonstrated that in time of domestic crisis a vigorous, determined Government can act to protect the people from stagnation, and despair, and needless suffering.

Third were the years of World War II and after, when America used her might to beat down the totalitarian enemies of the free world and then to hold back those who sought world domination by infiltration, subversion and cold war.

And finally, he lived into the age of nuclear energy, of flight faster than sound, of man's first tentative thrust into outer space with the building of the earth satellite.

Alben Barkley was at home in all these times. He retained always the resilience of youth, the zest for new things, the willingness to try uncharted paths. He looked always to the future.

This man lived for us in our time the sturdiest, the most romantic tradition of American political life—the rise from humble and unlovely beginnings to power and international fame. He was born in a log cabin. He worked long and hard on the farm. As he said, he "did man's work at a boy's age." He put himself through college. He became successively county prosecutor, county judge, Congressman, Senator, and Vice President. Like that other immortal Kentuckian, Henry Clay, his name outshines many of those who have held the office of President of the United States.

Alben Barkley had his moments of disappointment and sorrow. But he knew that only the stream impeded has a song. To him, the test was not that he always should win, but that he should carry on. When he lost, he never complained. He met disappointment with determination, and defeat with renewed vigor. His sense of justice, of the eternal fitness of things, never failed him.

In his autobiography, Alben Barkley declares:

"For my part, every time I get to taking myself too seriously, I remind myself of several stories.

"One was told me by a prominent Englishman, who was explaining to me why governmental problems are more complex in the United States than in his country. 'There are at least 57 varieties—like those famous pickles—of you Americans, and every one of you has different ideas,' he said. 'In my country there are only 4 kinds of people with 4 ideas. There are the Scots, who won't wear rubber heels because they give. There are the Welsh, who pray on their knees—and prey on everyone else. There are the Irish, who don't know what they want and are willing to fight for it. And finally, there are the English, who are self-made and worship their creator.'

"The moral, so far as I am concerned, is that every time I get to thinking of myself as a self-made man, I remember not to get too enthusiastic about my 'creator.'"

Thus did Alben Barkley laugh at himself. But he did not laugh at other men. He was too sensitive of the feelings of others, too understanding of human nature, too loving of his fellow man. He laughed with people. He broke their tensions. With his rich fund of stories and his inimitable humor he brought joy and delight to their hearts.

Sir James Barrie tells us that courage is the lovely virtue—the rib of Himself that God has sent down to His children.

Of all the great qualities of Alben Barkley, perhaps the most notable were his courage and his integrity. Throughout his life there runs the shining thread of his courage, his deep sense of personal integrity.

Alben Barkley's courage carried him to a place among the leaders of our Nation. And where he felt his integrity was at stake, Alben Barkley with courage put aside all personal considerations.

During much of his life in Washington, Alben Barkley was the stanch ally and confidant of Franklin D. Roosevelt. In his autobiography he tells the story of his break with President Roosevelt over the tax bill in the spring of 1944. He tells of the President's veto of the tax bill. And of his stinging reply on the floor of the Senate to the veto message, which he felt was a calculated assault upon the legislative integrity of the Members of Congress.

Alben Barkley's courage led him into the break with Franklin Roosevelt. His integrity led him to follow it through, whatever the cost.

In his reply to the veto message, Alben Barkley declared: "There is something more precious to me than any honor. This is the approval of my own conscience and my own self-respect. That self-respect and the rectitude of that conscience I propose to maintain."

The speech may well have cost Alben Barkley the Presidency of the United States. For these words were spoken a few short weeks before the 1944 Democratic National Convention. Alben Barkley knew that the time was too short to heal a breach and open the way for his nomination as the Vice President, the nomination which led to the Presidency. Above this honor he placed his integrity, his self-respect.

But Alben Barkley did not have it in his heart to harbor ill will toward any man. The old friendship for President Roosevelt was still in his heart, and throughout the war years and up to the time of Roosevelt's death, he continued to be the President's strong right arm on Capitol Hill.

The lessons we learn from the life, the character and the service of Alben Barkley are many. But one central fact stands out.

In a sophisticated age, he was not afraid to be himself. He treasured the homely virtues of truth and honesty, of courage and forthrightness, of humility and love of his fellow man. Because of his belief in these old and homely virtues, Alben Barkley was at home in any time and any place. Seated on a rock for Thanksgiving dinner with the GI's in Korea, in the company of princes and heads of state, in the bosom of his family, this man bore always the sterling stamp of his pioneer Kentucky folk.

We know that Alben Barkley left the company of living men while addressing the students of Washington and Lee University. This was most fitting. He loved young people, for he was ever young in mind and spirit. He saw in the young the hope and promise of the future. As a true patriot, he went to that great source of patriotism—the enthusiastic spirit and idealism of young men and young women.

As you young people today go out into the great adventure—life—you feel, perhaps, like many other young people that you have missed something exciting by being born in the 20th century. The frontiers, you feel, have disappeared and with them—adventure.

True, there is scarcely a spot on the globe that has not been discovered and charted. But the days of adventure are not past. Never has there been a time in our history when the Nation so greatly needed the pioneer.

Ever present, ever more challenging, is the intellectual frontier. For as we seek new raw materials and new sources of energy, we must delve deeper into the earth's crust and ever outward into space; we must look deeper into the heart of matter and its nuclear secrets. And, as we seek within man himself greater understanding of his being, we must search relentlessly into the human mind.

Bold new adventures lie before us—in the field of medicine, in scientific advancement and engineering, in teaching, in business, in industry and agriculture, in politics and public affairs, and in the building of the peace of the world.

We stand today at the threshold of a golden age of medicine. I predict that within a few short years the world will see a tremendous breakthrough of medical knowledge that will enable us to overcome the dread diseases that have plagued and baffled mankind through the ages. There is reason for confidence that this breakthrough will yield the answer to heart disease, cancer, mental illness, the virus diseases, and the many other crippling and degenerative ailments.

The Salk vaccine has given at last the means for wiping out poliomyelitis in its dread forms. We have radioactive isotopes, antibiotics, multiple vaccines, new drugs and chemicals, and diagnostic tests. Dramatic new tools are now in use or near practical application.

With these tools the hopes and dreams of today can become the realities of tomorrow.

The breakthrough of knowledge will not come from any one discovery. It will be the accumulation of many discoveries. And from you who go forward in the study of medicine—or in chemistry, physics, biology, engineering—from you may come the overlooked fact, the vital unnoticed clue, that causes a host of other facts to fall into place. And brings another sensational step forward.

It has been said that science has compressed into the past 50 years more advances than the previous sum of all man's scientific achievement.

The advance of science and technology unfolds new wonders to this world of ours. It holds out new opportunity and new adventure for you.

Today science and technology serve us in almost every phase of daily living. They produce the food we eat and the fiber we wear, purify the water we drink, and in some localities even cleanse the air we breathe. They are present in industry with new materials, automation, and new equipment for productivity. They form the foundation stone of national defense and our international relations.

Before us lie further developments in nucleonics, electronics, aerodynamics, and other fields. Even as we seek full knowledge

of atomic energy and its constructive uses, man turns to renewed study of solar energy, and the life-giving effects of the light as well as the heat of the sun.

The march of science, the amazing economic growth, the needs of national defense, the increasing complexity of the world we live in have combined to generate a rising demand for trained and skilled people in the United States.

World disorder has forced us to adopt a radically different and a higher concept of defense, employing the most terrible and costly weapons that man can devise, yet we have been willing to limp along on an educational system that is wholly inadequate to turn out sufficient numbers of highly trained citizens and to meet the multiplied demands for moral discipline and for wisdom in great affairs.

The hour demands a radically different and higher concept of education, and a far greater support for our schools, colleges, and universities.

To attract workers industry is spending millions of dollars in newspaper advertisements and sending swarms of recruiters to the campuses of our colleges and universities.

Behind this need for trained manpower lies a more fundamental need—the need for more teachers.

Record school enrollments, and college enrollments which are expected to double by 1970, further accentuate this need.

Teachers are our seed corn of knowledge. We are told that to assure the succeeding harvests of trained young men and women 1 out of every 12 trained persons must be retained for teaching.

In recent years we have been in danger of consuming our seed corn. The shortage of trained people has drawn many teachers out of education and into business and industry.

I have worked with and for teachers for many years. I know the fulfillment that comes with the giving of themselves for the knowledge, the guidance, the inspiration they impart to others. But the teacher, like the rest of us, is human. He has human wants and needs that must be met.

The teacher, in this era of remarkable contrasts and swift change, must be assured of opportunity for continued study and educational growth. Salaries must be high enough to enable the teacher and his family to enjoy a good standard of living, know recreation and travel, and look forward to security in later years.

The Nation must recognize the essential worth and dignity of the teacher. The Nation must realize it is the teacher who nurtures our national destiny.

Here in Kentucky, we see a new day of industrial growth and diversification. This new day gives encouragement to business initiative. It offers opportunity to young men and women in commerce, in production, in distribution, in business management.

You know Kentucky's natural resources. In the production of coal your State is third in the Nation; in production of fluorspar second only to Illinois; it is well endowed with natural gas, petroleum, lead, zinc, and refractory clays. Nearly half of Kentucky's land area—11 million acres—is covered with rich hardwood timberland, a resource that replenishes itself year after year through the selective cutting of your lumber industries. Kentucky burley tobacco is famous and is enjoyed throughout the world.

Upon the foundation of these God-given resources, Kentucky is now building a mighty structure of business, industry, and agriculture. At Paducah the billion dollar atomic energy installation with TVA power has brought new jobs for Kentucky workers and new markets for Kentucky coal and other products.

Kentucky has seen a phenomenal growth in new and expanded industries. Aluminum, steel, chemicals, plastics, electronics, synthetic rubber, glass fiber—these and many more have strengthened and prospered your economy.

Kentucky's splendid growth is an inspiration to all the South. But the very magnificence of her achievement presents a challenge, and particularly a challenge to you young graduates.

With all her progress, Kentucky ranks 43d in per capita income. The South's per capita income is still only 70 percent of the national average. The leading southern State in per capita income ranks only 24th among all the States.

This is a challenge you cannot refuse. Kentucky's proud record of progress demonstrates to you what can be done. The South's young people no longer need migrate to other States to find opportunity and success. Kentucky has cradled you, reared you, educated you—here in Kentucky you can find endless opportunity to use your knowledge, your skills, your training to serve her, while you build your own future.

Today, my friends, we look upon a world, ever new, ever changing, ever bright with opportunity and challenge. In this world one task compels us all, the building of a lasting peace.

We have fought two world wars to bring peace. We have poured out our blood and our treasure. We have shared our wealth, our goods, our resources to rebuild our allies shattered by war. We have stood guard for the free world to preserve an uneasy peace.

Now, new compulsions for men to live without war press upon both sides of the Iron Curtain. The United States and Russia have the atomic means to destroy each other. War within the next decade will mean guided missiles that can travel into space at 16,000 miles an hour and plummet to the other side of the earth, blasting the largest city to atomic dust—or worse, spreading death from bacteriological warheads.

There are signs that even the masters of the Kremlin shrink from bringing such searing, deadly war to this planet. But we must not be misled into false security. The end to danger is not in sight. America must stand strong—flexible in her ability to meet massive attack or the corrosion of minor conflicts. America must hold fast to her historic allies. America must continue to strengthen her friends among the newly independent nations.

Let us look with the eye of history on the events of the past decade. The problems of world politics in this period are the birth pangs of a new world community that must—of necessity—be born. The shape of this world community will depend so much upon the courage and determination, the leadership and vision that we of our Nation give. We are the leader among nations. We must measure up to the demands and responsibilities of leadership.

My young friends of the graduating class, this hour I bid you—whatever may be your life's work—go forward, play your part in public affairs, be leaders in the building of the peace of the world. Go forward with the qualities that were ever Alben Barkley's. Go forward with his untiring dedication to duty, his understanding and sympathy, his skill at bringing agreement among men, his steadfast courage to fight for the right, his love of country.

Go forward, not with the sickly complaint of Hamlet, "The time is out of joint. O cursed spite, that ever I was born to set it right." But rather in the spirit of Rupert Brooke, the Christian Crusader, who gave his life to set men free, and who declared, "Now God be thanked who has matched me with His hour."

SENATE

THURSDAY, JUNE 6, 1957

Rev. C. T. Morris, St. Mark's Methodist Church, Houston, Tex., offered the following prayer:

Our Heavenly Father, we thank Thee for Thy great guiding influence, that, in spite of our differences, our partisanship, and our sectarianism, has molded us into "one Nation, indivisible, under God, with liberty and justice for all." Bless this body of dedicated men who labor here from day to day for the common good of the millions of souls Thou has trusted to the care of our Government; and grant us this day Thy peace, we pray in Jesus' name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Wednesday, June 5, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Tribbe, one of his secretaries, and he announced that on June 5, 1957, the President had approved and signed the following acts:

S. 93. An act for the relief of Dominic Paul Steinhauser (Hiroshi Tsuruda);

S. 687. An act for the relief of Stylianos Lecompiles;

S. 696. An act for the relief of Alecos Markos Karavasilis; and

S. 797. An act for the relief of John Leary.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 790. An act to amend the Legislative Appropriation Act, 1955, with reference to official office expenses of Members of Congress;

H. R. 2493. An act to authorize the Secretary of the Interior to permit the construction of a bridge and road across Chincoteague National Wildlife Refuge, and for other purposes;

H. R. 4136. An act to extend the period within which Export-Import Bank of Washington may make loans;

H. R. 5110. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes; and

H. R. 7234. An act to fix the responsibilities of certifying officers and disbursing officer of the Library of Congress.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committee and subcommittees were authorized to meet today during the session of the Senate:

The Foreign Relations Committee;

The Subcommittee on Roads of the Committee on Public Works; and

The Judiciary Subcommittee of the Committee on the District of Columbia.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour, for the introduction of bills and the transaction of other routine business. In that connection, I ask unanimous consent that statements be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

VISIT TO THE SENATE BY MEMBERS OF THE SENIOR SUNDAY SCHOOL DEPARTMENT, ST. MARK'S METHODIST CHURCH, HOUSTON, TEX.

Mr. JOHNSON of Texas. Mr. President, seated in the gallery today is a group of fine young men and women of whom I am very proud. They are the members of the senior Sunday school department of St. Mark's Methodist Church, of Houston, Tex. Their leader—the Reverend C. T. Morris, who now sits by my side—delivered the prayer that opened today's session of the Senate.

I met with them this morning, and it gave me a deep sense of pride to welcome them to the United States Senate. They are the type of young people who justify the confidence that America has in the future.

To them—and to their parents—I extend the best wishes of all of us.

I ask unanimous consent that a list of those present from St. Mark's Methodist Church be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

ST. MARK'S METHODIST CHURCH, HOUSTON, TEX.

In the group coming to Washington are:

Rev. John D. Davey, minister of education (in charge of the group).

Counselors: Mr. E. R. Beadle, Mrs. L. E. Froehner, Mrs. B. E. Loeffler, Rev C. T. Morris, Mrs. Billy M. Thompson.

Young people: Juanece Atteberry, Ritchie Atteberry, Verna Bertucci, Rhea Jean Brogden, Jeanne Broker, Ella Lee Campbell, Joan Castle, Marilyn Froehner, Mike Gebhardt, Gary Homburg, Sylvia Hughes, Carol Keen, John Klepper, Bonnie Knepple, Barbara Gail Kobs, Ann Maresh, Virginia Massey, James Mooney, Arlie Alice Moore, Tommy Morris, Beverly Nixon, Allen Norton, Margaret Nunez (president), Karey Patterson, Bettye Pfeffer, Carol Phillips, Carolyn Prince, Mary Pruett, Mary Standish, Richard Wagenhauser.

FLOOD DEVASTATION AT LAMPASAS, TEX.

Mr. JOHNSON of Texas. Mr. President, the grim reality of flood can be appreciated only by those who have lived through it.

Last week's issue of Newsweek carried an article on the city of Lampasas, Tex., one of the worst-hit towns in my State. It it a story of devastation and of courageous people who are determined to stick it out and to recover.

I want my colleagues to have a vivid picture of the kind of people who would be saved from disaster by the projects which so often are sneeringly called "pork." I ask unanimous consent that the article written by Simon Bourgin, of Newsweek's Los Angeles bureau, be printed in the RECORD, as part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DROUGHT, FLOODS, TORNADOES: A TOWN TAKES A BEATING

(EDITOR'S NOTE.—For weeks, the weather in the American Southwest has been the worst on record. And the hardest hit of all the Southwest States has been Texas. First, Texas suffered its most severe drought since 1670. Then came floods (the State is having the wettest weather in more than 50 years) and tornadoes. In a year that may well go down as the most tornado-ridden in history, Texas recorded 20 or a single day last week alone. How do people stand up under such repeated assaults? For the answer to this question, Simon Bourgin, chief of Newsweek's Los Angeles bureau, gives an on-the-spot report on one of the worst-battered towns in all Texas, the community of Lampasas.)

The remarkable thing about Lampasas, Tex., last week was the tone of ferocious optimism of its people: The lost-nerve optimism of people who have no place to go but up.

If you wanted to ask the question, how much disaster can a town take, Lampasas had the answer: Just about any amount if its people keep their nerve.

Through its 101-year history, Lampasas has known its highs and lows. Once it was called "The Saratoga of the Southwest" because of its red-plush, 24-hour-a-day gambling facilities and its sulfur springs; and once it boasted the longest frame building in the United States—325 feet—where the Texas Democratic convention of 1892 was held. Nowadays, it serves principally as a market place (population: 5,000) for the livestock raisers of the surrounding ranches.

Like many another town in central Texas, for almost 8 years Lampasas had been scraping through the worst drought of its recorded history. The cattlemen had used all their cash reserves long since; they were mortgaged to the last nickel. Many of them were holding down jobs at nearby Fort Hood, while their wives worked the ranches; the banks could extend no more credit. Lampasas was about on its last legs.

Relief, when it came a few weeks ago, wore the face of disaster itself: Early in the evening of May 12, what seemed like a "wall" of water 15 feet high (it rose at the rate of a foot every 2 minutes) rolled through the town. Five persons were killed, damage was estimated at $3 million, 90 percent of the businesses in town were destroyed.

Next morning, the town knew the despair that only people who have been through disaster piled on calamity can know. (To add to their troubles, the looters had been out at dawn, stealing what they could.) Homes and stores were wrecked, meat was already rotting in the sun, most of the town was deep in what one Lampasasan called "the slickest, slimiest, nastiest damned mud you ever saw." This was the penalty of living along a stream called Sulphur Creek. This, thought most of the town's citizens, was the end.

One merchant after another looked on the wreckage of his business:

Grocer Fred McDonald found his store washed from its foundations.

Chevrolet dealer Gar Wood Burns lost his stock of nine new—and uninsured—cars. (Most dealers buy on terms, which include insurance; Burns had paid cash.)

A. Boone Chastain, of the Chastain-Miller Department Store, who had already twice lost his business (once to a tornado, once to fire) was completely wiped out again.

The town was a shambles, and at first the townspeople were almost apathetic; they couldn't get going.

"They didn't know what to do," said Ryan Howard, Lampasas insurance agent and rancher. "They knew they had to get the mud out of their places. I watched one fellow leaning on his wide-open store front—the glass was out—watching somebody else clean up. He just hadn't made up his mind what to do: Just leave the whole mess where it was, or start to work."

First things had to be done first, however, and help was already on the way; a bright, sparkling sun was rising in the blue and cloudless sky.

The Red Cross and the Salvation Army were already on the scene; special supplies of medicine had been rushed in and doctors from Temple, east of Lampasas, were preparing to give typhoid shots; the State highway patrol and soldiers from Fort Hood were patrolling the streets to halt the looting; the 35th Engineer Construction Group was on its way to town (also from Fort Hood) to help in the task of cleaning up.

In the morning, the sun began to dry the mud.

Hail the Army: By noon, canteens were feeding people in the streets. The Army was burying exposed meat, canned goods, and debris; they had started on the Herculean task of moving 10,000 truckloads of muck. (No praise could be too high for the Army in Lampasas.)

By evening of the first day after the flood, with hours of hard work behind them, the dead-tired mood of the Lampasasans had begun to change. (The author-editor Stanley Walker, who lives in Lampasas, once described the "peculiarly fine-grained type of citizenship" of his fellow townsmen.)

By the morning of the second day, people had had a little time to think things over. That morning, two Lampasasans met by chance in Eisasser's bakery.

"I hear that some folks are leaving," one said.

"That's a damned lie," said the other, a little hotly, "don't you go telling anyone that."

The task of cleaning up and rebuilding was interrupted by the melancholy chore of burying those who had been killed. There was sorrow, but it was the sorrow of life that can be borne.

As the days went by, Lampasas slowly struggled back to its feet; it was through these days that it developed its spirit of ferocious optimism—the feeling that nothing could stop it.

Financial help: The first aid given the town from the outside world had been to bind up its wounds from the flood; in the following days it got further aid to assure its recovery. The first came from the Federal Small Business Administration; then individual private corporations lent a hand.

By last week, most Lampasasans were concerned only with the future; the flood had not destroyed them.

One of the town's leading physicians, Dr. W. M. Brook, said: "Now, with the rains, it will take 4 years to get the debts paid, to get grass on the range, and put some money in the till. But nobody here is quitting. That's just part of living in Texas."

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to make a brief announcement, for the information of the Senate:

Our workload on the floor of the Senate this year has been as heavy as is normal in the first session of a Congress. But in the days to come, the workload is going to be materially increased.

It is the hope of the leadership to have before the Senate, during the next week, the following extremely important appropriation bills; and I want this notice to appear in the RECORD, so that each Senator will have proper advance notice regarding the heavy schedule confronting us:

First, we hope to have the independent offices appropriation bill reported by the subcommittee tomorrow. The chairman of the subcommittee is the Senator from Washington [Mr. MAGNUSON.]

The Labor-Health, Education, and Welfare Subcommittee of the Appropriations Committee will report its bill to the full Appropriations Committee tomorrow, and we hope it will be promptly reported to the Senate. That subcommittee is under the chairmanship of the senior Senator from Alabama [Mr. HILL].

The District of Columbia Appropriations Subcommittee, under the chairmanship of the Senator from Rhode Island [Mr. PASTORE], reported the District of Columbia appropriations bill this morning to the full committee and the full Appropriations Committee has ordered the bill reported to the Senate. The hearings, the bill, and the report will be available to any Senator who may desire to receive them tomorrow.

The Agriculture Appropriations Subcommittee, under the chairmanship of the senior Senator from Georgia [Mr. RUSSELL] has already marked up its bill; and we expect the full Appropriations Committee to report it to the Senate tomorrow. The extensive hearings, the report, and the bill will be available to all Senators who may care to review them over the weekend.

We are hopeful that the Interior appropriations bill, under the chairmanship of the distinguished senior Senator from Arizona [Mr. HAYDEN], will be reported to the Senate in time to be considered next week.

So, Mr. President, in summarizing, let me say that we expect the Interior Department appropriation bill; the independent offices appropriation bill; the Labor-Health, Education, and Welfare appropriation bill; the District of Columbia appropriation bill; and the Agriculture appropriation bill to be reported to the Senate within the next few days.

In the meantime, let me say, for the information of the Senate, that hearings are being held in both the morning and the afternoon on the Defense Department appropriation bill; and there have been rather extensive hearings on the public works appropriation bill. It will probably take another 10 days to complete the work on the Department of Defense appropriation bill, and of course the Senate cannot act on the public works appropriation bill until it has been passed by the House of Representatives and until the appeals have been taken and the additional hearings have been held.

There are pending many general pieces of proposed legislation in which a great many Senators are interested.

I am hopeful that by the end of next week I may have for the Senate a report on the current status of the 146 various recommendations—some important; some not so important—which have come to the Congress from the executive branch of the Government, particularly from the President of the United States. I expect to make a report on that matter to the Senate in open session, so all Senators may understand the situation which will confront us in the days ahead.

Next week, I expect the Senate to meet early in the day, and perhaps to hold sessions each day of the week. I give notice now that if it meets with the approval of my colleagues the Senate sometimes will convene as early as 9:30 or 10 a. m., and the sessions will run until late in the evening, if that is necessary, in order to dispose of the appropriation measures before the end of the fiscal year.

I am expecting the Foreign Relations Committee to report, next week, the atomic energy treaty and the mutual aid authorization bill. Both the treaty and the authorization bill will require some debate.

Therefore, Mr. President, I want all Senators to be informed that although the Senate has not had many yea-and-nay votes on Mondays, and although it has not been necessary thus far—through June 6—to hold more than 1 or 2 night sessions, and although we have been able to accommodate our colleagues by not holding sessions on Fridays and Saturdays, those days are gone and forgotten; and—

The bridge of the railroad now crosses the spot
Where the old diving logs lie, sunk and forgot.

We are now entering a period during which the Senate will meet in the mornings and in the evenings and on Mondays and on Saturdays. So I hope all Senators will adjust their schedules accordingly.

I thank my colleagues for their indulgence.

Mr. THYE. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. THYE. Mr. President, I think the schedule just announced is an excellent one, and I accept it with enthusiasm.

Mr. JOHNSON of Texas. Mr. President, my friend, the Senator from Minnesota, has already endeared himself to me by his generous consideration of my problems; and I must say that today I feel deeper in his debt than usual.

Mr. President, unless Senators wish to ask questions on this subject, I shall yield the floor.

Mr. WATKINS. Mr. President, I desire to join my friend, the Senator from Minnesota, in saying that the Senator from Texas has worked out a good program. It will be somewhat strenuous, of course. I have the feeling that I would have preferred to have had it stretched over the entire session, rather than to have it concentrated in a period of 2 months. Nevertheless, I am willing to cooperate as best I can.

Mr. JOHNSON of Texas. The Senator from Utah has always cooperated. I know he understands that except for the cooperation I have received from the leadership on his side of the aisle, including his own help, we would not be able to function with the efficiency and dispatch with which we have functioned. Of course, the constitutional requirement that all revenue measures originate in the House, and the interpretation which has been placed on that requirement with respect to appropriation bills, make it almost impossible for the Senate to give due consideration to those measures until and unless the House has acted on them. For that reason, the Appropriations Committee is unable to consider the general appropriation bills for the first 3 or 4 months of the session. After the Senate receives them, it takes several weeks for the committee to process them. In my judgment excellent progress has been made. So I commend all of my colleagues and express my gratitude for their diligence and understanding and for their dedication to the national good.

Mr. WATKINS. I did not hear any announcement as to the consideration of any other proposed legislation except appropriation bills.

Mr. JOHNSON of Texas. The Senator from Texas said he hoped to have a report from the chairmen of the various legislative committees on all the 146 recommendations the President in his wisdom has submitted to the Congress. When that report on the present status and what action is contemplated is received, the Senator from Texas will make the information available to his colleagues. I hope that may be the latter part of next week or the early part of the following week.

Mr. WATKINS. Am I to understand that action next week will be only on appropriation bills?

Mr. JOHNSON of Texas. Not necessarily. I do not want to be precluded from having the Senate take action on other bills. I hope to have the atomic energy treaty and the mutual-aid authorization bill ready for consideration, in addition to the five appropriation bills, which ordinarily have the highest priority.

The PRESIDENT pro tempore. Morning business is now in order.

IMPROVEMENT OF FEDERAL BUDGETARY PROCEDURE

The PRESIDENT pro tempore laid before the Senate a letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a draft of proposed legislation to insure greater consistency among Federal loan programs, to avoid hidden subsidies, and to achieve more effective coordination between Federal-loan programs and the fiscal and credit policies of the Federal Government, which (with the accompanying paper) was referred to the Committee on Finance.

AREA REDEVELOPMENT—RESOLUTION OF PENNSYLVANIA SENATE

Mr. CLARK. Mr. President, I have the honor to inform the Members of this body that the Senate of the Commonwealth of Pennsylvania has adopted a resolution in support of a bill that the eminent senior Senator from Illinois [Mr. DOUGLAS] and 18 other Senators, including myself, have introduced to provide Federal assistance to areas of chronic and heavy unemployment. This bill, S. 964, is pending in the Banking and Currency Committee.

The resolution is of particular interest since it was passed by a legislative body where the Republicans are in the majority. Since the Governor of Pennsylvania, the Honorable George M. Leader, and members of his Cabinet, have testified on behalf of this legislation, it is clear that this expression of the Pennsylvania Senate reflects the views of both parties and the preponderant sentiment of our entire Commonwealth.

I ask unanimous consent that the resolution be inserted in the RECORD and appropriately referred.

There being no objection, the resolution was referred to the Committee on Banking and Currency and, under the rule, ordered to be printed in the RECORD, as follows:

Senate resolution memorializing Congress to enact Senate bill 964, known as the area redevelopment bill

Pennsylvania has had to face serious economic and unemployment problems for decades; and Pennsylvania's unemployment rate has consistently run higher than other States and the Nation for many years, all of which problems derive from the fact that the State's unemployment has always been very heavily concentrated in certain distressed areas of the State; and as a consequence Pennsylvania has continuously had far more than its share of areas of substantial labor surplus or so-called depressed areas; and

Pennsylvania currently has 11 areas classified as areas of substantial labor surplus on the official area classification list of the United States Department of Labor, 4 of which are major metropolitan areas which are regularly included in the classification system and 7 are smaller areas which are classified because they have substantial labor surpluses, and all have been continuously classified as surplus areas for 2 years or longer; and

In the United States as a whole, only 19 major areas are currently listed as areas of substantial labor surplus, so that the 4 major areas in Pennsylvania alone account for more than one-fifth of the total in the entire country and the 7 smaller areas of substantial labor surplus represent one-eighth of the United States total of that type; and

The basic cause of Pennsylvania's unemployment problem arises out of the fact that the State and its depressed areas have a heavy preponderance of basic national industries in which severe and sustained long-term employment declines have been occurring due to the toll of progress and technological advancements of which anthracite and bituminous coal mining, railroad transportation, railroad equipment manufacturing, textile manufacturing, and metals manufacturing are notable examples; and

The persisting heavy volume of unemployment has contributed very substantially to the large volume of unemployment compensation activity in Pennsylvania, as represented by over 56 million claims filed and over $990 million—almost $1 billion—in benefits paid during the years 1950 to 1956, inclusive; and

Public assistance costs in Pennsylvania have been swollen as a result of the continuing high levels of unemployment in the years 1950–56, inclusive, to over $732 million in direct payments to people in need; and

Although extensive efforts have been undertaken by the State government and by local communities to increase employment in the depressed areas the gains have not been sufficient to stem the rising tide of unemployment flowing from continued job losses in problem industries and from the continued normal growth of local labor forces; and

In order to reduce unemployment to 3 percent of the labor force in these 11 surplus areas in Pennsylvania, 56,941 additional jobs are needed, requiring a total estimated capital investment of $427,095,000, approximately 25 percent of which, or $106,774,000, would be required for factory buildings alone; and

Assuming that 10 percent of this total, or $11 million, is raisable from community subscriptions for equity capital, and 50 percent of this total, or $53 million, is raisable from private banks, insurance companies and other sources of private investment capital as first mortgages, a balance of 40 percent, or $43 million, in second mortgage revolving capital funds would be necessary from State and Federal Government sources; and

The job to be done is manifestly enormous, and it is obvious that the problem of chronic unemployment with its vast waste of manpower and severe drains on the economy of a State as large and important as Pennsylvania should be a matter of grave concern to the Nation and to the Congress, as well as the State itself and the communities directly involved, and since various aspects of the problem transcend State boundaries and are sectional and even national in scope, and therefore are not susceptible to State and local remedies: Therefore be it

Resolved, That the Senate of the General Assembly of Pennsylvania, in behalf of the people of Pennsylvania hereby memorialize the Congress of the United States to enact Senate bill No. 964, known as the area redevelopment bill; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, the Vice President of the United States, the Secretary of Labor and Industry, the Secretary of Commerce, the Speaker of the House of Representatives, the chairman of the Committee on Banking and Currency of the Senate, and to each Senator and Representative from Pennsylvania in the Congress of the United States.

Adopted May 23, 1957.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SMATHERS, from the Committee on Interstate and Foreign Commerce, with an amendment:

S. 939. A bill to amend section 22 of the Interstate Commerce Act, as amended (Rept. No. 410).

By Mr. RUSSELL, from the Committee on Armed Services, without amendment:

H. R. 6548. An act to amend the Universal Military Training and Service Act, as amended, as regards persons in the medical, dental, and allied specialist categories (Rept. No. 411); and

H. R. 7505. An act to permit a retired officer of the Navy to be employed in a command status at Port Lyautey, Morocco (Rept. No. 412).

DISTRICT OF COLUMBIA APPROPRIATIONS—REPORT OF A COMMITTEE

Mr. PASTORE. Mr. President, from the Committee on Appropriations, I report favorably, with amendments, the bill (H. R. 6500) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1958, and for other purposes, and I submit a report (No. 409) thereon.

The PRESIDENT pro tempore. The report will be received, and the bill will be placed on the calendar.

Mr. JOHNSON of Texas. I desire to thank the Senator from Rhode Island for his fine job in holding hearings on the appropriation bill. This is the Senator's first year on the Appropriations Committee, and we welcome him to the committee. If it meets with the Senator's approval, we expect and hope to act on the bill Tuesday next.

Mr. PASTORE. I shall be ready.

OFFICE BUILDING FOR ATOMIC ENERGY COMMISSION—REPORT OF A COMMITTEE—INDIVIDUAL VIEWS

Mr. ANDERSON. Mr. President, from the Joint Committee on Atomic Energy, I report favorably, without amendment, the bill (S. 1918) to amend Public Law 31, 84th Congress, 1st session, to increase the authorization for appropriation to the Atomic Energy Commission for the construction of a modern office building in or near the District of Columbia to serve as its principal office, and I submit a report (No. 413) thereon. I ask unanimous consent that the individual views of the junior Senator from New Mexico and the senior Senator from Georgia [Mr. RUSSELL] may be printed as a part of the report.

The PRESIDENT pro tempore. The report will be received, and the bill will be placed on the Calendar; and the individual views will be printed as requested by the Senator from New Mexico.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WATKINS:

S. 2230. A bill to authorize the Secretary of the Interior to convey certain lands to the Charlotte Rudland Dansie Association; to

the Committee on Interior and Insular Affairs.

By Mr. McCLELLAN (by request):

S. 2231. A bill to amend section 203 (c) of the Federal Property and Administrative Services Act of 1949 to permit the exercise of options contained in certain leases of Government property; to the Committee on Government Operations.

(See the remarks of Mr. McCLELLAN when he introduced the above bill, which appear under a separate heading.)

By Mr. HILL:

S. 2232. A bill for the relief of Sherrie Kay Helms; to the Committee on the Judiciary.

By Mr. WILLIAMS:

S. 2233. A bill for the relief of Mrs. Elise Sophie Omsted Miller; to the Committee on the Judiciary.

By Mr. BENNETT:

S. 2234. A bill to amend section 615 of the Internal Revenue Code, relating to exploration expenditures; to the Committee on Finance.

(See the remarks of Mr. BENNETT when he introduced the above bill, which appear under a separate heading.)

By Mr. JENNER:

S. 2235. A bill for the relief of Maria E. Watson; to the Committee on the Judiciary.

By Mr. SMATHERS:

S. 2236. A bill to amend section 5701 (b) (2) of the Internal Revenue Code of 1954 so as to adjust the rates of tax on cigars; to the Committee on Finance.

S. 2237. A bill for the relief of Viola Belger; to the Committee on the Judiciary.

By Mr. MARTIN of Pennsylvania:

S. 2238. A bill relating to the applicability of section 164 (d) of the Internal Revenue Code of 1954 to taxes on real property sold before date of the enactment of such code pursuant to a contract of sale entered into before January 1, 1954; to the Committee on Finance.

By Mr. THURMOND:

S. 2239. A bill for the relief of Wadiha Salime Hamade; to the Committee on the Judiciary.

By Mr. PURTELL:

S. 2240. A bill to amend the Tariff Act of 1930 with respect to the marking of imported articles and containers; to the Committee on Finance.

By Mr. MAGNUSON:

S. 2241. A bill to authorize the Secretary of Commerce to sell war-built vessels and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. COOPER (for himself, Mr. MORTON, Mr. DIRKSEN, Mr. DOUGLAS, Mr. CAPEHART, and Mr. JENNER):

S. J. Res. 98. Joint resolution to establish a commission for the commemoration of the 150th anniversary of the birth of Abraham Lincoln; to the Committee on the Judiciary.

(See the remarks of Mr. COOPER when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. BEALL:

S. J. Res. 99. Joint resolution proposing an amendment to the Constitution to provide that the people of the District of Columbia shall be entitled to vote in Presidential elections; to the Committee on the Judiciary.

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT, RELATING TO EXERCISE OF OPTIONS IN CERTAIN LEASES

Mr. McCLELLAN. Mr. President, I introduce, for appropriate reference, a bill to amend section 203 (c) of the Federal Property and Administrative Services Act of 1949 to permit the exercise of options contained in certain leases of Government property. I am introducing the bill at the request of the Administrator of General Services.

A recent decision of the Attorney General questions the authority of the Administrator of General Services to make use of options to purchase in leases executed under the provisions of the Federal Property and Administrative Services Act of 1949, as amended, and casts doubt upon the authority to use options to renew or extend leases executed under the act. The purpose of this bill is to clarify the authority of the Administrator to renew or extend the term of leases for one or more additional periods, and to permit the exercise of options to purchase in accordance with the usual commercial practice.

I ask unanimous consent that a letter from the Administrator of General Services addressed to the President of the Senate, which explains the purpose of this proposed legislation, be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2231) to amend section 203 (c) of the Federal Property and Administrative Services Act of 1949 to permit the exercise of options contained in certain leases of Government property, introduced by Mr. McCLELLAN (by request), was received, read twice by its title, and referred to the Committee on Government Operations.

The letter presented by Mr. McCLELLAN is as follows:

GENERAL SERVICES ADMINISTRATION,
Washington, D. C., May 24, 1957.

Hon. RICHARD M. NIXON,
President of the Senate,
Washington, D. C.

MY DEAR MR. PRESIDENT: There is enclosed a draft of a proposed bill "To amend section 203 (c) of the Federal Property and Administrative Services Act of 1949 and to permit the exercise of options contained in certain leases of Government property." It is respectfully requested that appropriate steps be taken to secure consideration by the Congress of this legislative proposal.

The draft would amend section 203 (c) of the Federal Property and Administrative Services Act of 1949 (63 Stat. 385, 40 U. S. C. 484 (c)) by inserting after the word "lease" the parenthetical clause "(which may include one or more options to purchase or to renew or extend the lease)."

The Attorney General has recently expressed doubt as to whether the Federal Property and Administrative Service Act of 1949, as amended, confers authority for the use of options to purchase in leases executed thereunder. This expression also casts doubt upon the authority to use options to renew or extend the lease in leases executed under the Federal Property and Administrative Services Act of 1949, as amended.

At the present time the General Services Administration is administering leases executed pursuant to the act referred to above, which contain options to purchase or provisions similar thereto, or which contain options to renew or extend the term for one or more additional periods in accordance with the usual commercial practice.

There are two cases now pending in which the lessee has given notice of intent to exercise an option. One of them involves an option to purchase in a lease the term of which expires May 31, 1957. The other involves an option to renew in a lease expiring December 31, 1957.

Since these options were granted in good faith and in the belief on the part of the representatives of the Government and the lessees that the governing legislation gave authority to use options and their use conformed to administrative practice of many years standing established in connection with disposals under earlier laws, it is felt that the General Services Administration is under obligation to recommend legislation to the Congress to clarify the statute so as to remove any doubt as to whether it includes authority for the use of options.

The Bureau of the Budget has advised that there is no objection to the submission of this proposed legislation.

Sincerely yours,

FRANKLIN G. FLOURE,
Administrator.

AMENDMENT OF SECTION 615 OF INTERNAL REVENUE CODE, RELATING TO EXPLORATION EXPENDITURES

Mr. BENNETT. Mr. President, I introduce, for appropriate reference, a bill to amend section 615 of the Internal Revenue Code, relating to exploration expenditures.

Under section 615 of the Internal Revenue Code of 1954 a mining company could deduct up to $100,000 a year for each of 4 years for money spent on exploration and development. The purpose of this bill is to permit companies, which in the past have not had 4 years of income against which they could make such a deduction, to have the privilege of making deductions for up to 4 more years if they have profits in those years.

In effect, the program proposed is for the benefit of those companies which, under the inspiration and impetus of the previous program, actually spent their money in search of mineral deposits, but which, because they either did not discover any deposits, or those which they did discover, did not yield them a net profit, have not, in fact, been able to take advantage of the provisions of the act.

This bill, if enacted, would give them the encouragement to continue their exploration and, if and when they discovered new deposits showing possibility, would permit them to use this special allowance, which has been available for 4 years in the past, to companies whose operation has made them profit large enough to take advantage of the offsetting deduction permitted by section 615.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2234) to amend section 615 of the Internal Revenue Code, relating to exploration expenditures, introduced by Mr. BENNETT, was received, read twice by its title, and referred to the Committee on Finance.

ONE HUNDRED AND FIFTIETH ANNIVERSARY OF THE BIRTH OF ABRAHAM LINCOLN

Mr. COOPER. Mr. President, I introduce, for appropriate reference, a joint resolution to establish a Commission for the Commemoration of the One Hundred and Fiftieth Anniversary of the Birth of Abraham Lincoln. Joining me in the introduction of the joint resolution are my colleague, the junior Senator from Kentucky [Mr. MORTON], the senior Senator from Illinois [Mr. DOUGLAS], the junior Senator from Illinois [Mr. DIRKSEN], the senior Senator from Indiana [Mr. CAPEHART], and the junior Senator from Indiana [Mr. JENNER], all of us representing the States in which Abraham Lincoln lived. I do not think the purpose of the joint resolution needs any elaboration on my part.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 98) to establish a Commission for the Commemoration of the One Hundred and Fiftieth Anniversary of the Birth of Abraham Lincoln, introduced by Mr. COOPER (for himself and other Senators), was received, read twice by its title, and referred to the Committee on the Judiciary.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. BEALL:

Address on Communism, delivered by him at banquet of Maryland Forty and Eight, Baltimore, Md., June 1, 1957.

Statement for himself and Senator BUTLER relating to installment sales credit.

By Mr. BENNETT:

Correspondence dealing with S. 11, on the subject of freight absorption.

By Mr. MURRAY:

Article entitled "MANSFIELD Says It's Time That Benson Recognized Small Farmers' Dilemma," and editorial entitled "MANSFIELD Points to Benson's Conflicting Statements," published in the Great Falls (Mont.) Tribune of May 31 and June 1, 1957.

THE PRESIDENT'S PRESS CONFERENCE

Mr. JOHNSON of Texas. Mr. President, President Eisenhower at his press conference yesterday made a number of statements which will have considerable impact upon the policies of this country.

He stated his views on banning nuclear-test explosions; on trade with Communist China, and on the case of the American soldier who has been turned over to Japanese authorities for trial.

This press conference was of such importance, Mr. President, that I believe it should be available to all who follow the CONGRESSIONAL RECORD.

Therefore, I ask unanimous consent that the transcript, carried in the New York Times, be printed in the body of the RECORD at this point in my remarks.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

[From the New York Times of June 6, 1957]

TRANSCRIPT OF THE PRESIDENT'S NEWS CONFERENCE ON FOREIGN AND DOMESTIC MATTERS

President Eisenhower: "Please sit down. Good morning, ladies and gentlemen. I have no announcements."

Marvin L. Arrowsmith, of the Associated Press: "Mr. President, in the last few days some top geneticists and other scientists have testified that fallout radiation from nuclear weapons tests will damage hundreds of thousands and, perhaps, millions of the yet unborn in terms of physical deformities and shortened life spans. Could you, as the man who must make the final decision on these tests for our country, tell us what your scientist advisers tell you on this matter?"

Answer: "Well, first of all, last October we published a very long report from the National Academy of Sciences which gave a very full discussion of this whole matter, bringing up the amount of radiation you get from natural sources, the sun and X-ray pictures and all the rest of it—I believe down even to include phosphorous on the dial of your watch, and things of that kind.

"That is the authoritative document by which I act up to this moment, because there has been no change that I know of. Now, on the other hand, here is a field where scientists disagree. Incidentally, I noticed that in many instances scientists that seem to be out of their own field of competence are getting into this argument, and it looks like almost an organized affair.

"I am concerned just as much as I am of this fallout, I am concerned with the defense of the United States. [The President apparently meant that he was just as concerned over fallout as over defense.] I have tried, and this Government has tried, to make the abolition of tests a part of a general system of disarmament, controlled and inspected disarmament.

"If we can do that, we will be glad enough and very quickly, to stop tests. But we do have the job of protecting the country."

TESTS CALLED DEFENSIVE

"Our tests in recent years, the last couple of years, have been largely of the—in the defensive type of armament to defend against attack from the air and, particularly, to make bombs cleaner so there isn't so much fallout.

"We have reduced the fallout from bombs by nine-tenths. So that our tests of the smaller weapons have been in that direction, to see how clean we can make them."

Peter J. Kumpa of the Baltimore Sun: "Mr. President, Mr. Alcorn, the chairman of the Republican National Committee, told you yesterday that some of the State finance chairmen are having trouble and difficulty in getting contributions from some of the old heavy contributors. He said that they were not happy about the high budget. I wonder, sir, if you have any advice to these State chairmen in their soliciting?"

Answer: "Well, I don't know whether advisement at this time—I think Meade Alcorn, or whoever gets to be chairman of the finance committee, would do that.

"I would point out one or two things, however: That it might be better for some of these people that are complaining so bitterly to look up the actual facts instead of merely listening to partisan speeches, and some of the facts that would be interesting is what would be the budget today if it followed the projection that was here in 1953, or what would be the budget if we had followed and adopted some of the programs presented by the opposition in the last 2 or 3 years affecting roads and schools and a number of other things that involved a lot of money.

"I have no particular appeal of my own to make to these people, except to read the facts, understand what is going on, why we need a lot of money for this Government, and what are they going to do about it."

QUESTIONED ON FALLOUT

Merriman Smith of the United Press: "Mr. President, could you elaborate a little for us, sir, on your saying that among the disagreeing scientists on the question of fallout that some of them are out of their field of competence, and it looks like an organized affair? Why do you say that, sir? Who is organizing it, in your opinion?"

Answer: "I don't know. I haven't any idea, but I just say it seems to come up in so many places and so many different speeches, and you find scientists of various kinds other than geneticists and physicists in this particular field that have something to say about it."

Robert E. Clark of International News Service: "Mr. President, can you tell us what you think about Khrushchev's television interview Sunday, including his offer to withdraw Russian troops from Europe if the United States would do likewise?"

Answer: "Well, this is what I say, of course, about such an appearance. Now, let us make no mistake, that appearance was not the same as taking a kinescope of one of these press conferences and broadcasting it completely in Russia.

"We know that there are no prepared questions here and no prepared answers. It is a matter of trying to deal honestly with each other, and then putting it on—in the papers and on the radio and in the television—on the television screen; and this other performance of last Sunday afternoon was far from that.

"Now, with respect to his proposal, he took one part of a proposal that affects not especially our country, but countries of our allies, and it is an old method: When you are dealing with a number of allies to try to propose something which seems to be to the obvious interests of one in order to drive a wedge between them.

"What is done in Europe, what we do there, is always going to be the subject of consultation between us and our allies before we do anything about it.

"So this matter—I noticed he didn't say that Germany would be reunified or anything of that kind, just merely withdraw the troops."

Edward V. Koterba of the Hammond (Ind.) Times: "Mr. President, the new Federal highway program has caused apprehension among some communities and States and toll-road commissions.

"These agencies have been waiting for the interstate projects to get going and this, in effect, has caused them to hold up their own road-building plans. Could you, sir, give some assurances of a speedup in Federal road building that may clear up any doubts regarding the Federal highway program?"

Answer. "Well, the last report on it, I thought it was rather favorable. It had not been authorized too long; and it takes time to get these things going; and I believe they told me $700 million in contracts are already let. And I would think that would be a pretty good showing up to this moment. There is no—not even a suggestion has been made to me that we should evade, let up, or do anything else but to carry out the law just as it is written [laughter]."

BACKS GAS BILL AGAIN

Milburn Petty of the Oil Daily: "Mr. President, do you still feel that legislation to remove utility-type controls from gas producers is still absolutely essential, as you said several weeks ago?"

Answer: "Yes, I believe that a reasonable bill to encourage exploration for gas and oil in this country is just as much in the interests of the consumer as it is of the producer.

"I don't by any manner or means say that someone with a monopoly on this kind of fuel should be able to exploit the country to the full. But you do have these public utilities which are the interstate pipelines; but I do seriously object to any kind of public utility control over the well or the producer himself."

John Scali of the Associated Press: "Mr. President, Mr. Khrushchev, in answering questions on disarmament, said that Russia,

in his words, was quite prepared to seek a first step of partial disarmament agreement rather than to hold out for the comprehensive disarmament agreement, which has been their policy in the past. Since this objective also is what we are seeking, do you think that his words, at this particular time, add encouragement to the possibility that an agreement along these lines is really possible at this time?"

Answer: "Well, I think that we can only say we can only hope so.

"As I told you before, all the reports are that this time at London the conference reflects, apparently on all sides, a more serious, a more definite purpose to get ahead with substantive matters than ever before, and to use it, the occasion, less as mere, as a mere platform for propaganda. So every word that indicates a desire to meet sensibly on a step-by-step basis, which is the only way, by the way, I think it can ever be done, I welcome it, and certainly don't reject it until it's been explored to the full."

Louis R. Lautier of the National Negro Press Association: "I wonder if you would care to add any comment to that of the Attorney General on efforts of opponents to add crippling amendments, such as the jury-trial amendment, to your civil-rights proposals?"

Answer: "Well, I don't think I have anything to add. One thing that I have been struck by, it was [former] Chief Justice Taft's comments on a similar effort, and he stated that if we tried to put a jury trial between a court order and the enforcement of that order, that we are really welcoming anarchy.

"Now, I think most of us here are not great constitutional lawyers. But, Mr. Taft, by the way, made that statement when he was President in 1908, but there is no evidence that he ever changed his mind; and I would take his opinion far more than I would an opinion that was given in, let's say, in the heat of partisan argument."

HOME FOR VICE PRESIDENT?

Ronald W. May of the Madison (Wis.) Capital Times: "Joseph E. Davies has offered to give his million-dollar estate as the official residence for the Vice President.

"No one has accepted this offer, and some have suggested that the Vice President needs such a residence for official entertaining, as you did in your budget message earlier this year.

"Senator WILEY [Republican, of Wisconsin] has now proposed a study commission of Members from Congress and from the executive branch of Government to look into the whole question of official entertaining.

"I wonder if you still favor such a residence and how you feel about such a commission?"

Answer: "Well, certainly, I think if the Vice President is being used to the limit of his capabilities, I mean the limits of his capacity, for aid in the interests of the United States, he ought to have something of that sort.

"Now, you must remember that the history of America does not always show any close connection between the President and Vice President. In fact, sometimes they have been rather opposed to each other, and under such circumstances, I assume the Vice President can do very little except to attend to his own constitutional duties.

"But in the way that Mr. NIXON has worked and in the way he has acted in the welfare—for the interests of the United States, I certainly think that kind of a Vice President should have it, and since, I assume, that we are probably establishing a little precedent for others to follow, I am in favor of it very much."

James Reston of the New York Times: "Mr. President, the comments here this morning, sir, about the fallout are, I think, open to the inference that this is just an organized campaign, and that the scientists who are——"

Answer: "Oh, no."

Question: "Disturbed about it——"

Answer: "Oh, no; I didn't say that at all. I said there does seem to be some organization behind it, I didn't say a wicked organization."

Question: "I think it is, the way it is left right now, this is merely an opinion, is open to that inference."

Answer: "Well, I don't mean that at all.

"There are as many of these people just as honest as they can be, there is no question about that. But as I say, when they begin to talk a little bit out of their field, then I would rather go myself to the Academy of Sciences, which has no ax to grind of any kind, is not looking for publicity, and say, 'Now, what do you people think?' I made mention that I was living by the document that they have given at this moment."

DOES NOT HAVE PLANS

Question: "May I ask two questions about this: Whether you have any plans to deal with anxiety of the country about the fallout; and, second, whether in any way you are modifying your plan about testing?"

Answer: "Well, I wouldn't say I have got a plan, because the plans that we have for testing are all bound up in the plans we have for disarmament, which we think is necessary. We think if you are going to include these weapons as a positive or almost certain weapons of war in any future global thing, we would be foolish indeed to be behind anybody else.

"Now, that means testing, because the scientists in your laboratories each year believe they have found something that makes them cleaner, better, more efficient or particularly what we are working on so hard, as you know, is defense against hostile aircraft. So those people cannot continue to work unless they can test them.

"On the other hand, I would like to allay all anxiety in the world by a total and complete ban of all testing, based upon total disarmament in this field is what I'd like."

Raymond P. Brandt of the St. Louis Post-Dispatch: "You have told us several times what you would do and would not do as President. Can you give us your conception of the role of a President as the leader of his party?"

Answer: "Well, that is quite a lecture, I should think, you are asking for. He is the leader not of the, you might say, the hierarchy of control in any political party.

"What he is, is the leader who translates the platform into a legislative program, in collaboration with his own executive department and with the legislative leaders.

"And after that, once that program is established, I think it is his duty to use whatever means he deems most effective in order to get that program as large as he can translated into law."

Question: "On that point, we have had in American history, three strong Presidents: Theodore Roosevelt, Franklin Roosevelt, and Harry Truman. They were leaders of their party. Do you consider yourself in that class?" [Laughter.]

Answer: "I don't believe I would go in for comparisons, thank you." [Laughter.]

Spencer Davis, of the Associated Press: "In view of the attention that has been focused on the status of forces agreements by the Girard decision yesterday, would you say if you felt that"——

Answer: "I didn't understand the first part of your question, you will have to repeat it."

Question: "The attention that has been focused on Status of Forces Agreement"——

Answer: "Oh."

Question: "By the decision in the Girard case announced yesterday, do you see any need for a new approach to the status of forces agreements in our relations with foreign countries? And also would you have any comment on your decision in the Girard case?"

Answer: "I think that the Status of Forces Treaty lays out as nearly an equitable arrangement between sovereign states as can be devised. You might change it a little bit in some detail. I started working on this in 1951, when I was sent to Europe, after leaving Columbia, and all the time I was there I conferred with governments in the effort to get this Status of Forces Agreement written.

"One of the most irritating things that one nation can do is to have its own troops stationed in the territory of a friend. It gives rise to all sorts of difficulties, and it creates dissenion at home when people believe that their sons should always be tried solely by the courts of their own nation.

"Now, the Status of Forces Treaty in this particular case was not brought into question.

"The United States never gave up primary jurisdiction in this case, I mean, never admitted that it does not have a primary jurisdiction. But in the actual operation, there are certain processes that go through that sometimes make it better, better for all concerned, to cede or to turn over to another primary jurisdiction.

"For example, there have been over 14,000 cases of this kind arise in Japan. Thirteen thousand six hundred and forty-two of those were turned over by Japan with primary jurisdiction to the American forces, voluntarily. It wasn't—they weren't compelled, and there wasn't in the treaties—there was nothing in the treaties that could have kept them from trying these 13,000 if they had wanted to. They turned them over voluntarily.

"In this case, due to a number of things that are explained fully and carefully in the statement just issued yesterday morning, jurisdiction was turned over.

"Now, I do want to make this one comment: Merely because you let another nation try your man does not relieve the defense forces or, indeed, the commander in chief for the need for following that case and seeing that justice, fair justice, is done.

"Actually, in the cases the Japanese courts have tried, they have been eminently fair, and our legal people have reported to me that their respect for the Japanese legal procedures and the sentences that they pass out is very high indeed, and based upon very great concern for the rights of the individual, and justice to him.

"We pay for the lawyer to defend him; we watch it through our lawyers all the way through, and if any possible injustice happened to that man, it would be a case that would be taken up diplomatically, of course."

NO TIME FOR SUCH STUFF

Harold R. Levy, of Newsday:

"It has been suggested that the time might be appropriate for realinement of parties, such as has occurred before in American history. That today's modern Republicans and liberal Democrats might form one new party, and the nonmodern Republicans and southern Democrats another. What do you think, sir, of the possibility or desirability of such a realinement?"

Answer: "I am busy; I am working hard. I haven't any time for such stuff as that."

William McGaffin, of the Chicago Daily News: "Sir, the newspaper reports say that you will not ask for equal time on the Soviet radio and television to reply to Mr. Khrushchev. Well, sir, aren't you missing a good opportunity to get to the Russian people?

You would have a perfect reason to ask for a quid pro quo in this case."

Answer: "Well, now, let's take a look at this: A commercial firm in this country, trying to improve its own commercial standing, went to [laughter] unusual effort to get someone that was, really made a unique performance in front of our people, and he could do that because this is a free country. Everybody could listen, and the newspapers carried it in general in the full text.

"Now, if the President of the United States should go to Russia and ask for full time, now let's see what he would get: First, of all, there are 12 television stations—[the President conferred with James C. Hagerty, his press secretary]."

Mr. Hagerty: "Fourteen."

Answer: "Pardon me. Don't let me cheat—14—and there is radio coverage.

"I would say this: If the Soviet Union, in return for that courtesy of themselves wanted to ask an American, no matter who it might be, because, after all, you know Khrushchev is not the head of the Russian state—except in power [laughter]—but if they should invite an American to come, and guarantee that there would be no jamming, there would be no interference, that they wouldn't put up counter attractions to take people away from their radios, and all that sort of thing, for that time, if you can believe that that will happen, I can tell you this, that somebody in this Government would be glad to accept."

MACAULAY QUOTED

Robert J. Donovan of the New York Herald Tribune: "Mr. President, on the same subject: The President, former President Truman had a grandson born this morning. Do you believe that this lad will grow up to live under socialism?"

Answer: "Well, you can see, of course, and in any free country, developments and signs that seem to point toward a readiness of some part to accept governmental control over great portions of their economic life in return for something that might appear to be a quick advantage. Such things can, of course, in the long run lead to communism, but we have had this same kind of thing inherent in our form of Government for many years.

"If you will read your Macaulay again, you will find that Macaulay, I think about 1828, showed why the American experiment was bound to fail under the influence of pressure groups on the Congress, and that eventually you would have an entirely different form of Government. While he didn't say socialism, it was something of that kind.

"Now, frankly, if they are going to have socialism by the time that child grows up to live under it, at least they are going to say this:

"If I live these next 3½ years, the first 3½ years are going to be a terrible battle. They can say that."

Chalmers M. Roberts of the Washington Post: "The speaking, sir, of your desire for what I believe you call the total and complete ban on tests under disarmament agreement, do you mean, sir, that you would be willing to agree to such a ban under this first step agreement, as part of this first step agreement, with the Soviet Union?"

Answer: "You could only do that, I think, in toto, the way I expressed it there, in a complete thing, you could do that only if the same agreement were so couched, so made, that you could see there would be no more atomic bombs used in war."

Question: "But it could be as part of the so-called first step if it were firm enough?"

Answer: "Well, only if it brought in that other part, though, that we were going to eliminate these things as weapons of war, and there was an inspection system that could make sure that was coming about; otherwise, you couldn't do it."

Question: "I am not clear, sir. Are you speaking of the so-called fourth country problem?"

Answer: "No, not at all. Other fourth countries have got a right to do as they please. I am saying that we couldn't enter into any program which forever banned tests unless we also had a system which we knew would and could be convinced would, forever ban the use of weapons—of these weapons in war."

Mrs. May Craig of the Portland (Maine) Press Herald: "Mr. President, the simultaneous translation of the Khrushchev TV appearance was very sketchy. Did our Embassy in Moscow or any other official American take a tape or a stenographic, for our use, or on what are you depending for the text?"

Answer: "Nothing except what the rest of you have seen on the—in the—have we got——"

[The President conferred with Mr. Hagerty.]

"Mr. Hagerty says we have it. I haven't seen it. All I have seen is what you saw on the television."

Charles Von Fremd of Columbia Broadcasting System: "A moment ago you referred to a commercial firm [laughter] trying——"

Answer: "I meant it was not governmental."

Question: "Trying to improve its commercial standing, sir. The CBS news and public affairs program was 'Face the Nation,' which is a sustaining program. I just did want to get this clear, sir."

Answer: "Well, isn't the CBS a commercial firm?"

Question: "Yes, but the program on which he appeared is a sustaining program. I just did want to get this straight, Mr. President, and that is: You don't believe, do you, that CBS was remiss in its news judgment in seeking to get Mr. Khrushchev to appear on the program?"

Answer: "Well, I am not willing to give an opinion on that one [laughter]."

Sarah McClendon of the San Antonio Light: "Sir, a House Public Works subcommittee surveyed the flood situation in the Southwest last week, and found the dams that had been constructed were saving millions of dollars worth of property, but that there were not as many dams there as were needed. I wonder if you would go along with the views of Senator LYNDON JOHNSON that expenditures for flood control is a good—are a good investment?"

Answer: "I go along with the advice, the engineering advice, of the Corps of Engineers, and the Bureau of Reclamation when they have surveyed each carefully as a part of a whole rivers system and say that such and such a dam is necessary and is consonant with the need of the whole, with the whole river basin, and not merely that immediate part; that is what I go along with."

Edward P. Morgan of American Broadcasting Co.: "Mr. President, particularly since the Formosa riots, there have been an increasing amount—there has been an increasing amount, of speculation on the possible need to reassess our position toward the two Chinas.

"Can you clarify this, particularly on two points: The possibility of some increased commercial relations with Peiping, and what this administration thinks of the durability of our relations with the Nationalist government in the possibility of the disappearance of Chang Kai-shek, either by death or other means?"

Answer: "Nobody—it has occurred to no one to ask any easy question this morning, has it? [Laughter.]

"In the first instance, there is nothing in this particular case that would in itself require a reassessment of our relationships with the so-called two Chinas. The Generalissimo has been very prompt in his expressions of regret and has, as a matter of fact, taken a great deal of blame for himself for not moving more rapidly.

"While the violence of the outburst was unexpected, there was also very many signs that there was some kind of organization behind it, no one knows what. But in any event, our relationships with Formosa are unchanged as a result of that incident as of this moment, and so far as I know, no one has suggested any change.

"With respect to the trade, there is a law on the books, I believe, preventing all shipments of American property to Red China. So long as that law is on the books, of course, that is that.

"Now, there is a very great division of opinion in America, as there is in the world, about the value of trade with Communists.

"There is—we have had this subject up here before—there is one school of thought that thinks any trade with the Communist countries is bound to be to their benefit; whereas there is another school of thought that thinks that the Yankee, for example, is a very fine trader, and that we got to be a great country by trade, and they assert that trade in itself is the greatest weapon in the hands of a diplomat, and if skillfully used, it can be used as a very great instrument of governmental policy.

"In this case the argument or the point of issue has been, over the last many months, Should we maintain the differential between the shipments allowable to the western part of the Communist area, in Eurasia, and the eastern part?

"Those that argue for the elimination quote several things. First, that it is foolish to say China can't have something, and then you ship it to Russia and it can go on through. The opposing argument is that they have to do that and use their transportation space; that costs them some money.

"Another argument on the side of this, of the liberation—the liberalizing of this trade—is that Japan, our friend, must make a living. She can't trade all around the world because too many people have some kind of bars. Here in this country, as you know, there is constant agitation to set up bars against textiles and light machinery, and all that sort of thing.

"Where is she going to trade? All right. They say we want Japan for our friend, 95,000,000 of people. They should be allowed to trade somewhere and, therefore, we ought to liberalize the trade with China.

"The other side says if you let that happen, the next thing you know you are going to have Japan communized. So it is that kind of an argument, going into numbers of factors, that goes on all the time.

"Now, frankly, I am personally of the school that believes that trade, in the long run, cannot be stopped. You are going to have either just authorized trade or you are going to have clandestine trade. You can stop the shipments from here, that is on the law, and that will be continued as long as it is on the law.

"But whether or not it should be—whether we should eliminate this differential, frankly, I don't see as much advantage in maintaining the differential as some people do, although I have never advocated its complete elimination."

Robert L. Riggs of the Louisville Courier-Journal: "Can you give us any information on the progress of the selection of a board member for the Tennessee Valley Authority?"

Answer: "The what?"

Question: "The selection of a board member for the Tennessee Valley Authority, TVA?"

Answer: "No, that is still under argument."

Richard L. Wilson of Cowles Publications: "Mr. President, it seems to me that the discussion on testing of H-bombs has left a lot of vacant spaces that we don't completely understand—at least I don't understand. You have said that our tests are going toward the point of testing clean weapons at the present time."

Answer: "Yes."

Question: "Does this mean that we will not test any more H-bombs which create a great fallout?"

Answer: "Well, as a matter of fact, I don't think your statement is correct. I think we have found that the H-bomb in proportion to its size is probably one of the cleanest. I don't think that your statement is correct."

Question: "Let me ask it again."

Answer: "You could check up against—you could check up against the AEC and Admiral Strauss (chairman of the AEC), but I think that is correct."

Question: "Let me ask it again. Will there be any more tests of H-bombs similar to the large one in the Pacific which caused such a wide fallout?"

Answer: "The early one, you mean?"

Question: "Yes."

Answer: "I would doubt that anything like that would ever be repeated. But I want to say this again: Our plans, and even our thinking on this, we are trying to weave into programs which we must concert with our allies before they are of great value, and if I have not been as frank in this one subject as you people think I should, remember this, if I say something that Britain or France or some other great ally, or Canade, cannot accept, and they get irritated or embarrassed by it, then our whole program of trying to achieve real disarmament and real cessation in all these terrible fields is hurt. So I have told you what I think is public property, and what I think is proper to say."

Edward T. Folliard of the Washington Post: "Mr. President, this is an easy question.

Answer: "Sure."

Question: "It is about the plan to tear down this old State, War, and Navy building, and put up a White House office building. As you know, there has been some controversy about it."

Answer: "Yes."

Question: "Just how do you feel about that plan?"

Answer: "Well, put it this way: I worked 9 years in this building, and so from sentiment's sake I would say probably I wouldn't want to see it torn down.

"But I appointed a disinterested commission, and I have this feeling, that only in a term of office such as I am now holding can you really expect progress to be made on this line and disinterested action to be taken. Everybody knows you couldn't change things in time to do anything for me. Therefore, it is for future Presidents that we should be concerned.

"Now, this commission was made up of able men, thoughtful men, who turned in a good report, and as long as they say that is what should be done, I believe it should, and I will add one thought:

"We must never minimize what the White House, just as a building, means to America. I have seen strong men come into that building, and merely because they were invited to walk through its social parts, with tears on their cheeks.

"Therefore, I think the White House should never be overshadowed by anything or ill-treated, that we weren't maintaining a White House of this type of architecture for every generation that is coming along, not only these grandchildren we talked about a while ago, but on into the distant future."

Mr. Smith: "Thank you, Mr. President."

UTAH STATE UNIVERSITY COURSE ON IRRIGATION PROBLEMS AND PRACTICES

Mr. WATKINS. Mr. President, I wish to take a few moments to call to the attention of my colleagues an annual educational program of international interest which will be conducted for the fifth time next month at Utah State University at Logan, Utah.

The occasion is the fifth annual special short course on irrigation problems and practices that is being conducted at the Utah State University at Logan, Utah.

This course, conducted by internationally-known specialists at the Utah school, will attract 15 irrigation leaders from 10 foreign nations this year. It is a part of a program at this educational institution of extending American know-how in irrigation and arid land reclamation to our neighbors in foreign lands.

A description of this program was carried in a recent issue of the Logan Herald-Journal. In view of the general interest in such programs of American economic assistance, I request unanimous consent to have this article by Mr. Ed. Haroldsen, which appeared in the May 19 issue of the Herald-Journal printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HERE'S IRRIGATION COURSE THAT COVERS 4,000 MILES

(By Ed. Haroldsen)

A little United Nations on wheels!

That's the air-conditioned, chartered bus scheduled to leave Utah State University to take a group of foreign irrigation officials on a 4,000-mile tour of western reclamation projects this summer.

The tour will climax the fifth annual special short course on irrigation problems and practices opening June 2 at Utah State University, an internationally recognized event.

Fifteen irrigation leaders from 10 foreign nations will participate this year. The course is being given by the Utah State University irrigation department in cooperation with the International Cooperation Administration and the United States Department of Agriculture.

The foreign students will go to school at Utah State University and tour Utah points of interest until July 7. Then they will leave on the extended tour.

Utah State University was picked to conduct the short course because it has an international reputation in irrigation agriculture.

As every schoolboy knows, Utahans were the first white men to practice irrigation in America. In 1847, Mormon pioneers under the leadership of Brigham Young turned the waters of City Creek onto parched desert soil in what today is downtown Salt Lake City.

Dr. John A. Widtsoe, onetime Utah State University president and director of the agricultural experiment station, wrote the world's first textbook on irrigation. Dr. O. W. Israelsen, emeritus professor of irrigation at Utah State University, is author of the leading college textbook on irrigation used today. His book has been translated into Russian, Spanish and Portuguese. It now is being translated into Chinese.

Dr. R. H. Walker, dean of agriculture and director of Utah State University's foreign programs, was assistant director of the Foreign Agriculture Service in Washington, D. C., while on leave from Utah State University in 1952 and 1953.

Drs. Wynn Thorne and H. B. Peterson of Utah State University are authors of a textbook on fertilization and management of irrigation soils used throughout the Nation today.

Thus it is not surprising that Utah State irrigation people are in worldwide demand. For instance, Dr. Israelsen has served as irrigation engineering consultant in such faraway places as Brazil, India, Iran, and South Africa. Prof. Cleve H. Milligan, present head of the department, spent 2 years in Iran. Prof. Alvin Bishop has been in the Dominican Republic and recently returned from a 6 months' assignment in Japan. Dr. Vaughan E. Hansen has been in Brazil and in South Africa several times. Prof. Bruce Anderson has spent 4½ years in Iran. Prof. Jay Bagley was in South Africa.

And Utah State University irrigation graduates are world leaders in their field. For instance, the entire Canadian delegation and many members of other foreign delegations attending the recent third congress of the International Commission for Irrigation and Drainage in San Francisco were Utah State University graduates.

"It was just like old home week at Logan," Professor Bishop reported.

Leader of this year's short course will be Prof. James R. Barker. Professor Barker does not claim to be a Dag Hammarskjold. But he's got a big job in international relations.

He not only has to keep the group on schedule in an exhausting class and tour program extending over 3 months and a lot of States; but he has to work out a host of details on meals and accommodations to suit divergent tastes, cultures, and prejudices.

NO PLANNED MENUS

"We've found that it's best not have any planned menus," explained Professor Bishop, who has conducted the course in the past. "However, almost everyone, Jew, Mohammedan, or Christian, will eat fish and chicken."

One year, a foreign irrigation leader became ill on the tour and had to be hospitalized for a week. And the tour leader had to make the hospital arrangements.

This year everyone of the group speaks good English. Thus language shouldn't be a problem. Nine have been enrolled at Utah State University the past quarter and taking a class from Professor Barker.

Language was a problem the first 2 years the course was held. In 1953, 2 women linguists acted as translators. As Utah State University instructors lectured, the linguists translated simultaneously, one into French and the other into German. Students listened in Utah State University's Rural Arts Building with headsets just as delegates do at the United Nations in New York.

Trouble developed, however, when the group began touring. Headsets couldn't be used. And at every stop where someone gave a talk the group had to wait until it could be translated into the two other languages. In 1954, everyone spoke English but five Italians. So they had to wait for the Italian translator.

UNDERSTAND ENGLISH

Since 1954, the folks planning the course have insisted that participants know English.

With many nationalities represented some interesting situations have developed, even without language difficulties. Two years ago, for instance, Honduras and Nicaragua were having border troubles in Central America. But the Honduran and Nicaraguan members of the short course were buddies.

One year, when the Jews and Arabs were skirmishing in the Near East as usual, there were both Jewish and Arab representatives in the short course.

"But they had no arguments—just didn't mix," Professor Bishop recalled.

Since 1953 when the course began, more than 100 irrigation leaders from 34 foreign nations have been represented in the program. Participants have generally been government officials charged with administering irrigation affairs in their own lands.

This year the students are from Afghanistan, Brazil, China, Costa Rica, Israel, Japan, Philippines, Greece, Thailand, and Yugoslavia.

WALRUS HUNTING

Mr. WATKINS. Mr. President, at the last session, by request, I introduced a bill dealing with improved conservation measures in the taking of walrus in North Pacific waters. The Congress thereafter approved this proposal, and, upon signature of the President, it became public law.

I am pleased to note that new regulations, based upon this law, have now been issued by the Department of the Interior.

There is a conservation lesson for us all in this situation. Walrus originally were abundant in the Bering Sea, but ruthless slaughter in the 19th century, almost annihilated them. Thereafter protective measures were taken. We now have a stable walrus population, and through proper safeguards there is no reason why hunting and economic interests of Alaskan natives and sportsmen cannot be assured under this new program.

In an article entitled "United States Plans Revival of Walrus Hunting," the New York Times of June 5 referred to the new regulations. I ask unanimous consent that the article be printed as a part of my remarks at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES PLANS REVIVAL OF WALRUS HUNTING

Walrus hunting off the coast of Alaska is to be revived under new regulations issued by the Department of the Interior.

The Department's Information Service said that the hunting season would be limited to the 3 months from May 15 to August 15 of each year. Hunters will be restricted to territorial waters of the Bering Sea, Chukchi Sea and the Arctic Ocean north of 59 degrees north latitude.

They are allowed, under the new regulations, to bring back the head and the hide of the walrus bagged. The successful hunter, however, must donate the meat of the animal to the inhabitants of the nearest native village. A nonnative hunter must employ and be accompanied by a native guide when stalking a walrus.

Walruses are large marine mammals and originally were abundant throughout the Bering Sea area. The animals were hunted ruthlessly from 1840 to 1890. From 12,000 to 15,000 walruses were killed annually and their number was depleted sharply.

Conservation measures have achieved a stable walrus population in recent years. Experts now feel that regulated hunting will not endanger the future of the walrus.

THE CASE OF MIKE OSCEOLA, A SEMINOLE INDIAN

Mr. WATKINS. Mr. President, during the 83d Congress, while serving as chairman of the Subcommittee on Indian Affairs, I well remember the hearings conducted regarding the proposed termination of special Federal supervision over the Seminole Indians of Florida; and particularly during the Seminole hearings I recall with pleasure the forthright and thoughtful statements made by a great-great-grandson of the famed Seminole warrior-chief, Osceola. This man was Larry Mike Osceola, who at the time of the hearings in March 1954, was but 33 years of age and yet already noted for the record of individual achievement he had made.

Here was an Indian fullblood, born, as he told the subcommittee, "right with the crocodiles and snakes in the Everglades," who "traveled around the country first, then wanted to go to school," and who, without any prior education, in attending Miami High School achieved not only a commendable scholastic record, but likewise distinguished himself in athletics. In 1940 Mike Osceola was Florida State champion in the javelin, second in the discus, third in the shotput, and on the football and track teams.

Later, while awaiting a military call, he became a trainee in an aircraft factory, in 3 months worked to a top classification, and thereafter as a civilian served in the United States Naval Air Corps.

Still later, just out of the hospital following an illness, and now married, on a $1.35 capital, determination, and trust, Mike secured a 10-acre property upon which he began a highway-area business. In 3 or 4 years a valuation of $50,000 was put upon it, such was Mike Osceola's enterprise.

Mr. President, I feel very keenly about the matter of Indian rights and Indian citizenship. As a boy, I grew up in an area in Utah where Indians were our constant neighbors. I have known many fine ones, but I believe that I can say that the impression that Mike Osceola left with me following those hearings on the Seminole program was among the best I have received of any one of them.

Imagine then my feelings when I saw in newspaper reports yesterday, Wednesday, that Mike Osceola, according to his own statements, was staked out to bake in the Florida sun—and this by four of his brothers, aided by other members of his tribe. And the reason for this, Mike Osceola said, was the nature of his progressive ideas. For these he was first beaten and then left tied in the sun.

According to the press report, his brothers became angry when he helped a committee to draft a constitution for operation of the Seminole nation, and the tribal elders did nothing to aid when he was staked out, his hands bound behind his back.

Through action of Sheriff Doug Hendry, of Collier County, deputies arrived and freed Mike Osceola. Warrants have been sworn out for the four brothers and deputies assigned to search the swamp for them. The victim's watch and $200 from his wallet have not yet apparently been recovered.

Mr. President, when Mike Osceola testified before the Senate subcommittee 3 years ago he spoke from wide knowledge of and deeply sympathetic interest in his people. He emphatically favored full recognition for the Seminoles as first-grade American citizens. He felt they should stand on their own feet, go out into the world and secure regular employment. Yet his interests were completely sympathetic with his people and as he said:

> I would be the first one to give my last dollar to anyone who needs it, that is crippled, sick, or anything like that. But I am not sympathetic, I must admit, to the people who just don't have any desire to do anything or don't want to do anything for themselves.

Mr. President, the right to freedom of speech is one we as Americans especially cherish. I have a feeling that from the frank and revealing testimony Mike Osceola gave to the members of our subcommittee here in Washington may stem much of the hostility that exists between this witness and others of his family and tribe. I believe that in all fairness we should take further interest in learning what are the facts in this case, and in seeing to it that Mike Osceola is assured the full protection of his civil rights and the safety of his own property and person.

I therefore urge that the chairman of the Senate Committee on Interior and Insular Affairs or the chairman of the Subcommittee on Indian Affairs call for a full investigation of this unfortunate situation, and that all aid be given to civilian authorities in seeing that justice is done.

As the Senate is aware, the Seminoles of Florida were among those tribes named in House Concurrent Resolution 108 of the 83d Congress as being most eminently fitted for full freedom from special Federal controls. It was, and I am sure is, Mike Osceola's opinion that the Seminoles should be accorded that freedom soon, particularly for their own best interests.

If, by not taking conclusive action at that time and in later sessions, we have left bad blood among the Seminoles, it is high time that we do what we can in this Congress to rectify the situation.

Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks the article, referred to above, from the Washington Post and Times Herald of June 5. It is very brief.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SEMINOLE SAYS BROTHERS LEFT HIM TO BAKE IN SUN

MIAMI, FLA., June 4.—A 36-year-old descendant of a Seminole Indian chief charged today that four of his brothers staked him out to bake in the sun because of his progressive ideas.

Mike Osceola told police his brothers, aided by other members of the tribe, seized and beat him yesterday at a green-corn dance on the Seminole Reservation in the Everglades.

Sheriff Doug Hendry, of Collier County, said that warrants were sworn out for Doug, Howard, John, and William McKinley Osceola. Deputies were assigned to search the swamp for them.

Mike, the first Florida Seminole to attend a public school, said his brothers became angry when he helped a committee draft a constitution for operation of the Seminole Nation recently. This activity, he said, got him tagged as a "progressive" Seminole.

Mike said tribal elders stared at him impassively while he was staked out with his hands bound behind his back. Deputies, apparently tipped off by other Indians, arrived and freed him. Mike also charged that his brothers stole his wristwatch and took $200 in cash.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. WATKINS. I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, first I wish to express my very great appreciation for the sustained interest which the Senator from Utah has shown in the Seminole Indians in Florida, and particularly in the young Indian he has just mentioned.

Like the Senator from Utah, I have been deeply distressed to see the press reports of the violence done to this young man, apparently by his own brethren, as a result of his efforts to advance the Seminole Indians in their acceptance of civilization and, further, their acceptance of status as full citizens of the United States.

I wish to assure the Senator from Utah, since he is concerned about the matter, that I have asked the peace officers of Florida who handled the matter to submit a full report as to what happened. Apparently, from the reports, the Florida officers have been diligent in successfully averting a tragedy, but as to what has happened within the Osceola family or within the tribe I have no further information than that which is stated in the news article.

I wish to assure the Senator, first, of my appreciation for his interest and, second, of the fact that we in Florida realize this is a difficult problem which will have to be worked out in some way with these aborigines, and that we stand ready to do our full part in seeking to inculcate in them a more enlightened point of view.

I hope to be able to report in some detail to the Senator who, because of his interest, is certainly entitled to know what is the immediate reaction following the discovery of this near tragedy in the Everglades of Florida.

Mr. WATKINS. Mr. President, I greatly appreciate the remarks of the Senator from Florida. I wish to say that I have a rather deep feeling that this particular young Indian, who has shown such marked ability, probably incurred much resentment among the members of his tribe because of the testimony he gave before the committee on the matter of the so-called termination bill which was then before the committee. Most of the tribe testified against the bill, and as a result of their testimony no action was taken on it.

I think it would be very wise indeed for the Committee on Interior and Insular Affairs to conduct an investigation, though not necessarily a public one. The committee should have someone check to ascertain what happened in Florida to this Indian.

Mr. HOLLAND. Mr. President, if the Senator from Utah will yield further, I hope he will follow through with that suggestion. The Senator will recall that during the course of the hearings to which he referred some of the older Seminoles professed not to be able to understand English, and the committee was having great difficulty with them. When the Senator from Florida came into the hearing, the Senator from Utah was astounded to find that the particular old Indian who was on the stand, who had stated he could not understand English, was at least able to understand the kind of English spoken by the Senator from Florida. [Laughter.] All the Senators then present will remember that we all had a good laugh because of that incident.

The Seminoles are simple-minded people, but I think most of them want to do the right thing. This is a matter which is going to call for very great patience and kindness, such as have been exemplified by the attitude of the Senator from Utah.

Mr. WATKINS. Mr. President, I thank the Senator for his remarks. I hope the suggestion he made will be followed.

WATER RESOURCE DEVELOPMENT IN THE COLUMBIA BASIN

Mr. MURRAY. Mr. President, on May 8 the Senators from Oregon and Washington, the junior Senator from Idaho, the junior Senator from Montana, and I respectfully requested a conference with the President, to discuss water-resource development in the Columbia Basin.

The seven Members of the Senate received a reply to this request on May 25.

It was, as is the White House custom under this administration, signed not by the President but by one of his assistants, Jack Z. Anderson.

Mr. Anderson informed the seven Senate Members, including me, that the President asked him to say that such a meeting would be premature.

As the junior Senator from Oregon observed, the President was willing to take time out for conferences with Dave Beck last fall, but he does not have time to confer with seven Senators representing a part of the Nation with the greatest natural resources.

This morning's Washington Post and Times Herald indicates that while the President will not see seven Northwestern Senators on a matter of great national concern, he will see an oil millionaire who wants the Government to provide him a private lake.

I ask unanimous consent to have printed at this point in my remarks an article in this morning's Washington Post and Times Herald reporting on yesterday's hearing before a House Government Operations Subcommittee, headed by Representative CHUDOFF. This article relates how Mr. Sid Richardson, Texas oil millionaire, complained to the President when the Army engineers tried to buy some of his land for a reservoir, suggesting they take an easement instead. The President talked to the Deputy Chief of the Army Engineers about this complaint. A review of policy followed.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PROBERS TOLD OF COMPLAINT TO PRESIDENT

(By Tom Nelson)

House investigators heard testimony yesterday that Sid Richardson, Texas oil millionaire, complained to President Eisenhower personally when Army engineers tried to buy some of his land for a reservoir.

Maj. Gen. Bernard L. Robinson, Deputy Chief of the Engineer Corps, said Mr. Eisenhower mentioned the complaint when Robinson went to the White House to outline land acquisition policies.

Robinson appeared before a House Government Operations Subcommittee which is looking into these policies. Chairman EARL CHUDOFF, Democrat, Pennsylvania, said it wanted to determine whether the policies were revised with the aim of "taking care of one man in Texas who wanted to have a private lake."

The dispute involved about 1,200 acres of Richardson's land near Fort Worth, which the engineers wanted to acquire for construction of the Benbrook Reservoir.

Robinson said Richardson wanted to give the Government an easement on the land rather than sell it outright. An easement would allow the land to be used only for a specific purpose. CHUDOFF said the easement "would have given Mr. Richardson a private lake."

He told of going to the White House in July 1954, with Robert B. Anderson, then Deputy Secretary of Defense. Robinson said Anderson, a Texan whom Mr. Eisenhower recently nominated to be Secretary of the Treasury, felt the engineers were acquiring too much land by purchase when they built reservoirs.

He said Mr. Eisenhower told him he had received "a personal complaint from Mr. Richardson." Afterward, he said, there was a review of the policy. The acquisition of the Richardson property still is tied up in the courts, he said.

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the RECORD this morning's column in the Washington Post and Times Herald by Drew Pearson. Mr. Pearson reports how President Roosevelt and President Truman responded personally to Members of Congress. President Roosevelt and President Truman also conferred with Members of Congress whenever possible.

As Mr. Pearson points out, Democratic Senators are not singled out for refusals. It is even difficult for members of the President's own party to see the present White House incumbent.

It is in my judgment very regrettable when the man who bears the responsibility of the Presidency is so insulated that Senators of either party cannot see him on issues of great importance.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE WASHINGTON MERRY-GO-ROUND

SENATORS UNABLE TO SEE PRESIDENT

(By Drew Pearson)

One reason Ike is having trouble with his budget is that Senators and Congressmen seldom get in to see him. They can't even get him to answer letters. Every Congressman who wrote a letter to Mr. Roosevelt or Mr. Truman always received a personal reply. Almost all who requested appointments with Mr. Truman got in to see him. He made it a point to see every Congressman except ADAM CLAYTON POWELL, of Harlem, Democrat, and Clare Boothe Luce, Republican, of Connecticut. Both had once criticized Mrs. Truman.

Not every Congressman got in to see Mr. Roosevelt during the war years, but they did prior to the war.

One month ago eight Southern Senators asked to see Mr. Eisenhower regarding what they considered CAB discrimination against Eastern Air Lines. They received a reply from Gen. Wilton Persons, Ike's Deputy Assistant, as to why they couldn't get an appointment. Six weeks ago, seven Senators asked to see Ike regarding Hells Canyon. They are MURRAY and MANSFIELD, of Montana; MAGNUSON and JACKSON, of Washington; MORSE and NEUBERGER, of Oregon; CHURCH, of Idaho.

After waiting a month, White House aide Jack Anderson wrote a long, involved letter explaining why Ike couldn't see them.

Observed Senator NEUBERGER: "The President was willing to take time for conferences with Dave Beck last fall, but he hasn't time to confer with seven Senators representing a part of the Nation with the greatest natural resources."

ADDRESS BY MR. HARVEY WILLIAMS, PRESIDENT OF THE PHILCO INTERNATIONAL CORP.

Mr. WILEY. Mr. President, I have long stressed the importance of encouraging free enterprise throughout the world to serve the needs of mankind, to increase world trade, raise domestic standards of living, and promote economic health.

I was pleased, therefore, to note a significant and constructive address which was delivered by Mr. Harvey Williams, president of the Philco International Corp.

Keynoting the second annual conference on Foreign Operations of the International Management Association, Mr. Williams addressed himself to this very important problem and challenge.

He specifically suggested that we make greater use of the potentialities for good will and good economic relations which are available to us through Public Law 480, which, as we recall, provides for sales of farm surpluses to friendly foreign lands with repayments in the buyer's currency.

He suggested that there be expanded the present administration objective which is to the effect that 25 percent of the amounts loaned back should be channeled to private enterprise. This goal, as Mr. Williams indicated, has unfortunately not been met to date. But, far from falling short of it, he suggests that we ought to surpass that goal and try to see that 40 percent of local currencies are earmarked for private enterprise use.

I commend his thoughtful observations to the earnest review of my colleagues. I ask unanimous consent that the text of his address be printed at this point in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

NEW DIMENSIONS FOR AMERICAN FOREIGN OPERATIONS

(Keynote address by Harvey Williams, president, Philco International Corp., before second annual special conference on foreign operations of the International Management Association, New York, N. Y., May 22, 1957)

It is both a responsibility and an honor to be asked to keynote this second annual conference on foreign operations of the International Management Association. Many of you will recall the first meeting, held in this same building a year ago, when the keynote address was delivered by my old chief and associate, Jack Heinz.

From the program of this year's conference even the old experienced hands should find much to stimulate new lines of thought, while newcomers to foreign operations should receive a particularly well-rounded indoctrination. We should congratulate Larry Appley and his AMA organization, but particularly Fred Pemp and the IMA organization, for a fine piece of programing and express our warm appreciation to them for the many hours of forethought and hard work needed to bring about a conference with such a well-balanced agenda.

It is a stroke of genius that the purpose of this conference is described as plotting a course for new profit horizons. American enterprise, inventiveness, and skill have combined to fashion an economy and a society within the boundaries of the United States which enjoys the highest standard of living ever achieved by any nation in history. The productivity of our people, enhanced by the mechanization of all kinds of activity from farming great acreages in the corn- and wheat-growing States to dishwashing in our individual homes, has become so great that we have outrun our domestic supplies of important raw materials and must go abroad for iron ore, bauxite for aluminum, copper, molybdenum, and manganese—just to mention a few.

The phenomenal development of the American economy is one of the great wonders of the world. What can be more reasonable or more challenging now, than that the financial, production, selling, and administrative brains which have created this standard of living in our own country should be turned to assisting our friends abroad in raising their standards of living by supplying them, or teaching them how to produce for themselves, more of the goods, services, and conveniences which are now commonplace on the American scene.

I am convinced that the next two decades will demonstrate such overseas extension of activities to be one of the great growth opportunities in both sales and profits open to American industry.

To accomplish such an objective for enduring peace and widespread prosperity requires overall, long-range planning—the discussion of which this conference envisages. Business expansion abroad is dependent, to a large degree, on political implications. The seething Middle East is a vivid demonstration. For these reasons, may I reflect for a moment on the world as we find it today and then offer some suggestions for business development abroad in light of present conditions.

Canada enjoys circumstances and environment so like our own, including currency and language, that many American companies continue to consider their Canadian operations as part of their domestic activities.

Many of you, I am sure, are familiar with the Fortress America concept which conceives the maintenance of the free enterprise system in the North and South American Continents utilizing the scientific, technical, and production experience of the United States and Canada in conjunction with the large population and vast stores of raw materials in South America. Its proponents urge the particular attention of American industry and Government to the rapid development of South America as a supplement and backstop to our own economy in the event of atomic warfare.

In Latin America, we find traditions, customs, and environments entirely unique to these nations. The relatively lesser degree of economic development in South America, than in some other areas, means that these economies start, today, lower on the upward curve of development. Therefore, their rate of growth will be more rapid, their demand for capital will continue at a high level and the returns will be large for successful enterprises in these countries.

Great Britain is an economy carrying on under very special circumstances. It raises 40 percent of its own food, but it must manufacture and sell in export a quantity of goods sufficient to earn the money to buy the remaining 60 percent of its food plus its requirements for clothing, shelter, and other personal needs plus the raw materials with which to continue the manufacturing on which it is dependent for existence.

When Britain devotes too large a proportion of its total man-hours to making products for its domestic market, the goods available for export diminish—and so do Britain's earnings of foreign currencies.

Consequently, the British Government finds itself continuously on the horns of a dilemma. It would like to increase the standard of living of the British people by allowing a greater proportion of total production to flow into domestic consumption. On the other hand, it must maintain controls, through taxes or otherwise, designed to force a substantial portion of Britain's production into export markets and so maintain earnings of foreign exchange. It is a highly developed society balancing on an economic razor edge.

In continental Europe, the common market slowly approaches a reality. Not all customs barriers will be swept away quickly. If, over a period of 12 to 15 years, barriers against the movement of goods can be eliminated substantially, and labor can flow from over-populated sections with unemployment, to industrial areas providing jobs, we can look forward to the possibility of a unified economy, of approximately 180 million people, with the opportunity to greatly increase its standards of living by lowering production costs and increasing productivity of the individual—much as has taken place in the United States.

The exciting potentialities of this development can be illustrated by a single comparison. In the American economy of 168 million people today, there are approximately 52 million automobiles. In the continental European economy of 180 million people, there are now only 14 million automobiles.

Imagine a development in Europe which might bring the use of automobiles within 20 years to two-thirds that in the United States currently. Then, there would be some 35 million automobiles in Europe with the collateral manufacturing and service activities the development of which we witnessed in the United States between 1920 and 1940.

This is an opportunity for American manufacturers and for American exporters alike. American companies which become established in Europe now will share in this economic development as their parent organizations have shared in the expansion of our domestic economy. Exporters will benefit by supplying specialized capital

goods and other types of products required by the expanding economy which the common market will create.

We are all familiar with the degree to which our own economic development was financed by British and European capital between the end of our Civil War and the beginning of World War I. We may well be on the verge of several decades during which we shall see a reversal of that historic capital flow and during which a renaissance of production and material well-being in Europe will be financed, in part, from the United States.

Currently some risk attaches to investment in Europe due to its proximity to the Communist area. Recent events in Hungary and Poland indicate restlessness in the eastern satellites. If their desire for self-determination and for a return to the ideals and ways of the free enterprise system continues, and manifests itself with violence as it did in Hungary, one cannot escape the risks of proximity to such potentials. However, if the eastern satellites regain a measure of self-determination by the slower and more conservative tactics of Yugoslavia and Poland, American investments in the European area may have a bright future by virtue of the development of the common market.

It seems likely that Africa will be developed from Europe and will be the special expansion area of the older European economies. We see the French interested heavily in Tunisia, Algiers, Morocco, and the Sahara; the Belgians in the Congo—the British in the East African areas and South Africa. Consequently, American participation in European business activities may well carry with it the correlary of participation in the very undeveloped areas of Africa.

I am one of those who believe that the future business potentials of the portion of Southeast Asia which remains in the free enterprise area are enormous. In Pakistan, India, Burma, Thailand, Malaya, Indonesia, and the Philippines, there are some 700 million people living at almost minimum standards. The circumstances and environments existing in these economies are totally different from those existing in Europe, Africa, or South America. These are areas more easily subverted by communism because of their poverty and illiteracy. For that reason alone, they should have the special attention of the foreign-aid officials of our Government but, more particularly, the interest and aid of our able and foresighted managers in private industry.

Japan is an island economy which must import and export to maintain its existence. If the Japanese will hasten the conclusion of reparations agreements with additional nations in Southeast Asia, their need for trade with Communist China will be lessened and their economic potential can rise quickly. The American companies which have established operations in Japan, often in association with Japanese concerns, would benefit substantially.

In Australia there is a special situation—a continent equal in size to the United States, wealthy in vast natural resources, currently populated by only 9 million people. It is an economy in continuing need of capital and one which has made outstanding progress since World War II. It is a society particularly friendly to the American way of doing business and one which Americans can well afford to include in plans for overseas operations.

Consequently, as men of management approach the objective of securing maximum market penetration overseas with maximum profitability, we find no common denominators which will work equally well in every country. The only common characteristic is the urgent need for encouraging and assisting economic development to meet the universal demand for a higher standard of living. This urgent desire for a better way of life, combined with a dramatic reduction in infant mortality, a lengthening of the average span of life and an accelerating pace of technological development is why we find growth trends abroad roughly double those in the United States.

Most of us are familiar with certain basic foreign trade figures, but let us restate them to create a frame of reference. Our exports are running at the rate of approximately $17 billion a year. Concurrently, our imports are on the order of $13 billion. The differential of $4 billion to $5 billion is a very important factor in our relationships with other nations. If it had not been made up by military aid expenditures, foreign economic aid and American investment abroad, our customers in foreign countries would long since have used up their available dollars. Our exports then, would be necessarily of somewhat the same size as our imports. Of one thing we can be sure, every dollar which goes abroad as payment for an import, for investment purposes, for a loan for economic development, or an expenditure for military security will, in due course, come back to the United States to purchase American goods or services.

Prior to World War I, our foreign trade consisted largely of exports of agricultural products such as cotton and wheat. We were a debtor nation. We used exports of food and raw materials to pay interest and to return capital which had been invested in the development of the United States by foreign investors.

After World War I, we became a creditor nation. We needed relatively few products from abroad. Therefore, our imports were limited. However, we continued to try to sell overseas. Our manufactured goods became increasingly attractive to foreign customers and consumers. As a result, the foreign exchange situation became acute in the late twenties and continued so until after World War II.

With much of the world looking to the United States for capital goods and the supplies necessary for reconstruction after World War II, the foreign exchange situation became really critical. The Marshall plan and its successors, providing economic aid and military expenditures abroad, bridged the gap. The $52 billion expended by the United States during the last 12 years has enabled our friends abroad to procure from us what they needed. Now, as we are forced to spend more dollars overseas for raw materials, it is quite likely that there will be a gradual lessening of the acute dollar scarcity paralleling the increase in our dollar payments to the rest of the world.

Meanwhile, a new dimension has been added to our foreign operations. Prior to the First World War, our direct investments abroad are reported by the Department of Commerce to have been $2.7 billion. In 1929 they approximated $7.5 billion.

By the end of 1957 United States investments overseas are likely to be $32 billion, producing profits at the rate of about $4 billion annually. It has been estimated that American-owned subsidiaries and branches abroad are manufacturing close to $40 billion worth of goods in 1957. This is three times the value of manufactured goods exported from the United States last year. In the case of our own company, the ratio of production abroad to exports from the United States will be 5 to 1 in 1957.

This is one of the vital new dimensions in foreign operations—investment and production abroad as the principal means of penetrating foreign markets rather than by traditional export sales programs.

The excellent study of American investment and operations in Latin America made by Messrs. Pizer and Cutler, of the Department of Commerce, is the most comprehensive analysis which we have today on the effects of American investment and American production in foreign economies. It would be a most constructive step in aiding American businessmen and our Government to fully understand what is really taking place abroad if the Department of Commerce could undertake promptly a similar analysis for the entire free-enterprise area of the world. This should include research not only on the output of American-owned operations abroad but also on the output of licenses or other overseas affiliates of American parent companies.

It is clear that this new dimension of private investment and production abroad creates a factor in overseas market penetration which did not exist earlier in this century. Competition encountered today is more likely to come from American-owned or American-sponsored production abroad than from American exports.

What are the other circumstances which are creating such an increase of interest in foreign operations amongst American investors and businessmen today.

First, many growth potentials abroad are greater than those in the United States. We think of Great Britain as an advanced, venerable, highly organized economy. Nevertheless, out of 14 million British homes wired for electricity, less than 10 percent use electric refrigerators—as compared with 94 percent in the United States. Only 18 percent use washing machines contrasted with 85 percent here.

In the United States, we take running hot water for granted. Yet, in countries such as France and Germany, it is doubtful if over 30 percent of the dwelling units have any supply of running hot water. No wonder sales of consumer durables are increasing more rapidly in such economies than they are here.

Second, the reduction in infant mortality and the lengthening of the span of life made possible by modern pharmaceutical and medical knowledge are skyrocketing populations, particularly in the less developed economies. We live and must plan in a period of "exploding" populations when the number of our potential customers is being revised upwards repeatedly.

Thirdly, nationalism brings not only increased import barriers and restrictions, but also local industrialization and the urbanization of populations. As more and more people become employed in cities at regular wages, in more or less skilled occupations, growing middle-class markets are created. In some countries overseas, this is a unique development—close to being revolutionary. It is another vital cause for the increasing purchasing power of foreign markets.

We are also in an era of petroleum politics. With oil and natural gas being used more and more to produce electricity, and with automobiles, trucks, tractors and aircraft providing the modern means of transportation, petroleum is becoming the key source of energy to power the progress of the world.

Petro-politics was involved when the Egyptians bottled up the Suez Canal. This action has had a deep effect on the thinking of the free-enterprise area. There is no doubt that the development of petroleum resources in South America, West Africa, the Sahara and other areas will be stimulated and expedited as a result. Adequate petroleum resources in Brazil, Argentina, Australia, or West Africa could harden local currencies or strengthen such economies dramatically.

With this brief review of the environment and circumstances within which foreign operations must be planned and conducted today, let us examine what these conditions impose upon the three fundamentals of every business enterprise—men, materials and money.

Men are the most important element in any enterprise. One can have fine bricks and mortar, machinery and inventories, warehouses and other facilities, but without a

dedicated team and an energetic, inspired leadership little may be accomplished.

This conference includes discussions of personnel and personnel practices related to overseas operations. Therefore, only two brief points are significant now.

First, if you can staff your foreign operations with nationals of the country in which they are located, you will have a more economical operation and probably a more satisfactory one.

Second, when a man moves from domestic into foreign operations, a most important quality for him to possess is tolerance and sympathetic understanding. American methods which work successfully—in fact are essential—in our highly competitive economy, may seem quite as inappropriate in another country as did some of the actions of the proverbial Yankee in King Arthur's Court. Our job as managers is one of adaptation and combination, not one of imposition of American ideas and methods, without regard for local custom, tradition, and conditions.

Prior to World War I and in the decades between the two world wars, a relatively few American companies established subsidiaries abroad. A far more usual concept of foreign market penetration was an export manager located in an obscure office, assisted by a couple of clerks, a stenographer and a shipper. In years when business was good in the United States, he had great difficulty getting merchandise for his foreign customers. In years when business was bad at home, he was under pressure constantly to liquidate surplus inventories abroad. Usually, he was a third, fourth, or fifth echelon executive with little or no contact with the president of his corporation and no participation in long-range planning with respect to product design, merchandising and sales strategy, company financial policies, etc. There are still American companies today which follow this concept of foreign selling but, fortunately, they are becoming fewer and fewer. If you wish to peddle goods in Puerto Rico, Venezuela, Cuba, or the few other countries which have ample dollars, then, perhaps, you can be satisfied with this approach. However, under today's conditions of overseas trade and international economic development, it is as obsolete as the horse and buggy.

Today's complex international factors have created a new type of executive responsible for his company's overseas operations.

A modern manager of foreign operations finds himself to be a market and financial analyst today, a negotiator of prospective manufacturing licenses tomorrow, a member of a foreign board of directors representing his company's minority stock interest, and a consultant—in the management engineering sense—to licensee and subsidiary company managements. He must be a financier, manufacturer, sales executive, personnel director, economist, negotiator, and diplomat. More probably, he is a capable analyst, planner, and administrator with proven ability to coordinate into an effective team specialists in all of the various functions of business.

He is responsible for exporting American-made goods to countries which have sufficient dollars to buy them and also, for exporting similar goods made abroad to countries which can buy only with other currencies.

He finds himself responsible for the welfare of wholly owned foreign subsidiaries for which he implements the full range of management functions. He must assist local operating management in arranging adequate finance, personnel development, management succession, provision and maintenance of economical production facilities, production schedules, sales objectives, cost control, and, finally, personnel training and development including the bringing of local nationals to the home office and factories of the parent company for training and instruction.

In relationship to overseas licenses, he exercises similar management functions, but often in an advisory rather than a direct manner.

Even this brief definition of the functions of a modern manager of foreign operations makes it clear that he can only discharge these responsibilities well with the closest collaboration of his top management in integrating the domestic planning, policies, and organization of his company with its program for foreign operations. He must be in constant contact with his company's senior executives on finance, manufacturing, selling, and research—which means that the modern manager of foreign operations needs to be a member of senior top management.

How can he know whether or not to plan for another subsidiary operation abroad unless he knows his corporation's future financial program.

With today's rapid dissemination of news and of American publications to foreign businessmen and bankers, any change of price, model, or sales approach announced to the American public through domestic advertising is known to most overseas distributors and their bankers within a maximum of 3 weeks. A well-planned foreign-selling program can be upset completely by announcement of a domestic sales campaign of which foreign operations was uninformed when it launched its own plans.

The top managements of the leading American corporations, which have attained the greatest success in foreign operations, recognize these principles with respect to personnel and organization.

With respect to materials, the second fundamental in any foreign enterprise, the same basic considerations apply as in the United States. There must be an adequate, economical source of supply of raw materials, transportation, an appropriate labor force, proper channels of distribution and all the similar other elements necessary for success. I do not believe that we are here this morning to repeat these familiar fundamentals.

So let us consider the final, but most important, element, money. Until now the $52 billion of aid and military expenditures made by the United States overseas during the last 12 years has provided the life blood which stepped up the level of employment and the rate of production around the world to record heights. As employment increased, as more wages were earned, as purchasing power grew larger, the desire for a better way of life was fed. The demand so created requires record capital investments not alone in the United States but in the other major countries of the free-enterprise area as well. So, today we find that substantially every more advanced country is outspending its rate of savings. Capital has grown scarce and interest rates have increased materially. With the worldwide desire for more goods and better living, capital will continue relatively scarce and interest rates relatively high for a considerable period to come.

Under these conditions, how do we finance new foreign operations? How does American industry take advantage of the desire for its know-how and abilities to establish or increase local production abroad? How can economic aid be made available through the enduring relationships of private endeavor and private enterprise?

The manufacturing license agreement is a partial answer because such arrangements utilize the existing basic facilities of the overseas licensee. New capital is required primarily for special tooling and inventories of the newly licensed products. However, in many countries abroad where money is tight and expensive, it may be more difficult for local enterprise to raise capital funds than for an American company to do so at home.

There is, I believe, another very simple answer, merely awaiting implementation by Washington officials, through a mechanism which has already been established. I am referring to the use of the funds obtained from the sale of our commodity surpluses to foreign countries for local currency under Public Law 480.

A few weeks ago Secretary of State Dulles proposed to the Senate Foreign Relations subcommittee that a means be found for providing true nonmilitary economic aid, on a long-range basis, through the economic development fund. The sequence of action envisaged by Public Law 480 can provide the mechanism which the Secretary of State was seeking.

Under our agricultural support programs, enacted by the Congress, the Commodity Credit Corporation purchases certain surplus commodities from our farmers. Today an inventory of over $7 billion worth of such commodities is in storage.

To move these commodities to nations in need of them, the Congress enacted Public Law 480 authorizing the Department of State to make sales agreements with friendly foreign countries under which the purchase price is paid in the buyer's currency. Contracts totaling almost $3 billion have been negotiated.

When the United States Government is credited with these local currencies, the International Cooperation Administration is authorized to loan such currencies back to the country from which they came or to keep a portion for on-the-spot official American use. The administration has a policy guidance that 25 percent of the amounts loaned back should be channeled to private enterprise but actual experience appears to indicate that this objective has not been reached.

How useful to our foreign aid and foreign development programs would it be if these funds, in local foreign currencies, could be loaned on an increasing scale to competent private borrowers—either Americans or others—for local investment in new productive enterprises. This would make it possible for American private enterprise—often in association with local interests—to undertake additional projects abroad, create new job opportunities, and participate materially in economic development toward higher standards of living. It would enlist the full knowledge, competence, and experience of the American business community in seeking out those productive enterprises which can be established most soundly and profitably under existing conditions.

If the Congress wishes to take an enlightened viewpoint toward the fuller utilization of these local currency funds, it might well stipulate that 60 percent be loaned back to the Government of the country in question—one half (or 30 percent) to be used for public works, including highways, irrigation, public buildings, hospitals and schools—the other half to be used to augment or improve fundamental services such as transportation, communications and the generation of electric power.

With respect to the remaining 40 percent, the Congress should stipulate that it is to be earmarked for lending to private industry—one half to be loaned by the United States Government through a Washington agency while the other half is loaned through a local financial agency designated by the foreign government.

Obviously, such loans should be made on terms commensurate with conditions prevailing in the country in question. In addition, the terms available to private industry through Washington or the local financial agency must, of necessity, be the same.

Such local currency loans to private industry provide an added source of capital in a worldwide tight capital market.

In addition, the use of such local currencies eliminates the exchange risk of devaluation which is always present when a direct dollar investment is made abroad. Avoidance of this risk alone should be a great

encouragement to greater industrial development overseas under the guidance of American private enterprise.

With continuing purchase of agricultural commodities under the various support programs, and a continuing need for such commodities by foreign countries abroad, we have the prospect of a reasonably steady flow of funds in local currencies for both public and private investment overseas. With such a plan, Congress could report to its constitutents that foreign aid programs are of direct benefit to both the agricultural and industrial sectors of the American economy.

From the standpoint of the overseas country involved in such a program, it will bring to it a more rapid influx of American know-how; a greater willingness of Americans to invest; more jobs and a corresponding increase in local purchasing power; greater skills to local populations; and a demand for collateral services and activities will create additional local investment, business activity and jobs. These are the foundation stones of both economic and political stability.

In consequence, let us bring these elements together into an orderly conclusion.

The demand for a better way of life is expressing itself vigorously throughout the world. The resultant demand for goods and services is exhausting the savings of the advanced nations and is creating a worldwide capital shortage with increasing interest rates. The opportunities thus offered to investors in the more advanced nations make less attractive the development of more primitive areas.

The Congress has created a plan through Public Law 480 which could well generate a pool of local currencies of perhaps $1 billion per year. In these circumstances, is the time not ripe for the American Government and American private enterprise to combine these local currency resources and dollar funds available through a bonafide, nonmilitary, economic foreign aid program? Such a program could carry to both the older, more advanced nations as well as to the hundreds of millions of people in the relatively primitive new nations an effective public and private development program including local production and employment of a type best suited to each particular economy, leading to more earning power, consumption, economic and political stability, and a better way of life.

Through such a joint effort, the Congress and the administration can enlist all the American genius for organization, financing, production, distribution, personnel training and development, and can apply it in the most enduring fashion through enterprises in which Americans and local nationals are working together under normal, commercial incentives.

I believe, gentlemen, that the organization of such a program can be one of the most effective "secret weapons" of the United States in winning the cold war or maintaining the peace. Organization of such a program on a basis which is equitable to both the Americans and the businessmen and workers of the country in which each project may be undertaken, is one of the greatest challenges which American industry ever has had the opportunity to accept.

I commend to you the thought that the new dimensions in American foreign operations—the experience we have had already in organizing for production and distribution abroad has prepared us, as businessmen and free enterprisers, to carry our part of the responsibility for the success of such a joint program.

SWEDISH CONSTITUTION AND FLAG DAY

Mr. HUMPHREY. Mr. President, it is with a great deal of pride and personal regard that I rise today in the United States Senate to pay tribute to one of the greatest friends and partners for peace that the United States has, the great nation of Sweden. Today is the 148th anniversary of the adoption of the Regeringsformen, the liberal Swedish Constitution.

Sweden, this gallant friend of freedom, embarked on a reform movement in 1809 which has resulted in a model democrary that stands today as an inspiration to the peoples of the world. It is a tribute to her great and courageous people and their fine government, Mr. President, that this Scandinavian nation enjoys today one of the world's highest living standards.

The adoption of the constitution 148 years ago came as the result of a reform movement that overthrew the despotic ruler, Gustav IV. Beginning with Charles XIII, who was placed on the throne, Sweden entered into an era of progressive liberalization in government and of industrial development that lives on to this day.

There are today in the United States more than a million Swedish descendants in our farm communities alone—a sturdy and self-reliant people who are carrying on the farming traditions of their parents' homeland, helping to produce the blessing of abundance that the United States enjoys today.

Mr. President, it is with added pride that I say that almost 250,000 of these descendants live in my own State of Minnesota, according to the 1950 census. The Swedish population of Minnesota has been instrumental in building there a civilization recognized throughout the United States for its contributions to a liberal, democratic society—once again, a reflection of a heritage brought from beyond the seas.

The arts and sciences, agriculture, and industry in the United States, are enriched by the works and accomplishments of those who are of Swedish descent within our borders.

Mr. President, the United States and Sweden have worked together in warm and sincere efforts to bring to the world a lasting peace by setting an example in economic, social, and political cooperation.

It is with the thought in mind of continued "togetherness," that I offer this statement as an expression of good will to Sweden and as a salute on this important anniversary.

SUPPRESSION OF REPORT RELATING TO DANGERS INHERENT IN EXPOSURE TO RADIOACTIVE MATERIALS

Mr. NEUBERGER. Mr. President, today I again bring to the attention of the Senate a matter which I believe is of great importance to the American people.

On Tuesday of this week, Dr. H. Bentley Glass, professor of biology at Johns Hopkins University, indicated through the press that a report on strontium 90 effects submitted to the Atomic Energy Commission by an advisory committee, of which Dr. Glass is a member, has not yet been issued in final form due to official reluctance on the part of the AEC. I understand that the study was requested by the Commission over 2 years ago.

The American public has a right to know of the dangers inherent in exposure to radioactive materials. Suppression of this report on the part of the Atomic Energy Commission represents a betrayal of public trust.

This subject is one of vital concern to all Americans. It affects not only the present population of the United States, but future generations as well. An attempt to shield the facts from public scrutiny is inexcusable.

I believe that the AEC owes the public an explanation as to why the report was not previously released.

I urge the Atomic Energy Commission to make public the report on strontium 90 effects prepared by its Advisory Committee on Biology and Medicine. Full disclosure of unclassified information regarding radiation exposure is vital to establishment of informed public opinion and the rational discussion of this issue which looms paramount in the minds of many Americans.

BARRIERS TO TRADE WITH ISRAEL

Mr. HUMPHREY. Mr. President, in the Washington Evening Star of June 4, 1957, there appeared an article entitled "Arabs Plan New Barriers on Trade With Israel." The Associated Press dispatch is dated Cairo, June 4. It points out that—

The 9-nation Arab League says it is going to tighten its economic squeeze on Israel.

The league's economic committee decided last night to:

1. Blacklist motor firms that sell vehicles to Israel.

2. Blacklist foreign firms under contract to furnish Israel services or goods.

3. Set up a unified boycott system to control exports and imports between Arab States and others in order to prevent Arab goods from reaching Israel and to prevent Israeli products from reaching Arab nations through intermediaries.

I ask unanimous consent that the entire article be printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARABS PLAN NEW BARRIERS ON TRADE WITH ISRAEL

CAIRO, June 4.—The nine-nation Arab League says it is going to tighten its economic squeeze on Israel.

The league's economic committee decided last night to—

1. Blacklist motor firms that sell vehicles to Israel.

2. Blacklist foreign firms under contracts to furnish Israel services or goods.

3. Set up a unified boycott system to control exports and imports between Arab States and others in order to prevent Arab goods from reaching Israel and to prevent Israeli products from reaching Arab nations through intermediaries.

The Arabs in the past have blacklisted only a few firms for doing business with Israel. The chief effect of the boycott against Israel has been to bar Israeli shipping from the Suez Canal and to close the oil pipeline across Saudi Arabia to Haifa.

The council, which has been conferring 10 days, also called for an Arab congress to meet in Cairo next February to try to

unify Arab policy on oil, main resource of the Middle East group.

It recommended that the Arab States exchange ideas on coordinating oil refinery output and distribution of refined products so they could benefit to the greatest extent possible.

It urged construction of refineries to produce high octane aviation gasoline.

Mr. HUMPHREY. Mr. President, I note that these nation states are pursuing a course which can lead only to further trouble. This is not a contribution to peace and stability. It surely is not a recognition of the urgent need of the area, namely, the exchange of goods and services.

I had hoped that those who direct our foreign policy would give their attention to trying to inculcate a sense of reality in the minds of the Arab leaders. We are contributing millions of dollars to the Arab States, under the Eisenhower doctrine. Much of the money is going for very useful purposes.

But we are also a friend of the State of Israel, and I think we ought to make it crystal clear to the Arab States that we do not respect their boycott, and that under no circumstances will the Government of the United States knuckle down to the kind of blacklisting which goes on with respect to American firms which may wish to do business with a friendly nation state.

I ask unanimous consent that an editorial entitled "Barren Statesmanship," published in the Washington Evening Star of June 5, 1957, relating to this news story, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BARREN STATESMANSHIP

On certain issues, some members of the Arab League—which is made up of Egypt, Saudi Arabia, Syria, Jordan, Lebanon, Iraq, Yemen, Libya, and Sudan—are barely on speaking terms with each other. But all of them seem to be able to maintain a common front of sorts against Israel. And although their unity in that respect may actually be more apparent than real, it is nonetheless formidable enough, at least from the propaganda standpoint, to be a major impediment to a peace settlement in the Middle East.

This is well illustrated by the league's decision to intensify its economic squeeze on its Jewish neighbor in two ways, among others: (1) By boycotting firms that sell motor vehicles to Israel or are under contract to provide it with goods and services, and (2) by establishing a unified system of export-import controls that would prevent intermediary nations from shipping Arab products to the Israelis or Israeli products to the Arabs. If really put into full effect, such an operation could be seriously hurtful not merely to Israel's interests, but to those of the entire Middle East as well.

Of course, because of its own internal divisions, the Arab League may in fact be incapable of effectively waging this type of economic warfare, and so the whole undertaking may prove to have much more bark than bite in it. But still, as something that can serve only to keep alive mutual hostility and tension in the Middle East, it constitutes an act of barren statesmanship deplorably designed not to promote but to obstruct progress toward a decent Arab-Israeli settlement. Certainly its authors are poor candidates for the Nobel peace prize.

Mr. HUMPHREY. The editorial points out, in the concluding portion, that—

Of course, because of its own internal divisions, the Arab League may in fact be incapable of effectively waging this type of economic warfare, and so the whole undertaking may prove to have much more bark than bite in it. But still, as something that can serve only to keep alive mutual hostility and tension in the Middle East. it constitutes an act of barren statesmanship, deplorably designed not to promote but to obstruct progress toward a decent Arab-Israeli settlement. Certainly its authors are poor candidates for the Nobel peace prize.

I join with the editor of the Washington Evening Star in underscoring every line of that editorial. I wish to commend him. I hope that our representation in those countries, through our Embassies, will make it crystal clear that the action of the Arab League is about as close to hostilities as it is possible to come without shooting a gun. I hope it will be made clear that we deplore it and reject it, and that we will do everything we possibly can to avoid it. I hope it will be made clear that we will not contribute to such an operation, designed to strangle a friendly state, namely, the State of Israel.

FINANCIAL PROBLEMS OF THE ADMINISTRATION

Mr. BUSH. Mr. President, I hold in my hand an editorial entitled "A Problem Is Not a Crisis," published in today's issue of the New York Times. The editorial has to do with the debate now in progress with respect to the question of interest rates, the money market, the financing of the United States Government, the assertions that this administration fosters a so-called hard money or tight-money policy, and the argument that this presents a crisis.

The editorial writer takes issue with those who claim that there is a crisis. He says in part:

But when political opponents and other critics of the administration employ the term "crisis" to describe this situation, publicly lament the danger of rising Government interest costs and speak darkly of the "threat to Government credit," they are being even more unrealistic.

The editorial also states:

The purpose behind the current policies of our monetary authorities is the prevention of all-out inflation.

The editorial goes on to say:

While the Treasury may not be particularly happy with conditions as they are, it realizes that, though it may not be able to finance, for the time being, on as favorable terms as it would wish, it is not complaining about the Federal Reserve Board's monetary policies. And it is not complaining because it knows that, despite the immediate cost of those policies, they represent the best insurance man has yet devised against the infinitely more costly danger of inflation.

Mr. President, the editorial makes it clear that the responsibility for the management of the money market—if it can be called that—lies not with the Treasury, but with the Federal Reserve System. I have attempted to point that out repeatedly, and I believe it needs emphasis.

I ask unanimous consent that the editorial appearing in today's New York Times be printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A PROBLEM IS NOT A CRISIS

When he takes over the reins as Secretary of the Treasury as successor to George M. Humphrey, Robert B. Anderson will take over at the same time a number of pieces of unfinished business that rate the designation of "problems." Generally speaking, these problems are to be found in the area of debt management. They are the sort of problems that might be expected to beset an administration that (1) inherited a huge public debt, consisting in the main of short-term obligations, and (2) has been compelled to do its refinancing for 2 years now under conditions of uninterrupted prosperity and tightening money rates.

It would be unrealistic to deny that these represent very real practical difficulties, and certainly they have constituted a major setback to the Treasury in its plans to put the Federal debt on the sound permanent basis it wants to see it. But when political opponents and other critics of the administration employ the term "crisis" to describe this situation, publicly lament the danger of rising Government interest costs, and speak darkly of the "threat to Government credit," they are being even more unrealistic.

Interest charges on the Federal debt amount at the present time to roughly $7 billion a year, and certainly this is a very substantial figure, judged by historic standards. But let us keep things in perspective. Only a very small fraction of that figure is attributable to the present and recent high cost of money. Lest we forget, the Federal debt, which is now in the neighborhood of $280 billion, was only $50 billion as recently as at the end of 1940. No nation can increase its public debt by nearly fivefold, even under artificially easy interest rates, and not expect a pretty spectacular rise in that part of the budget representing interest.

What is the answer, then? If you are to believe those critics who, one suspects, are less worried by the Government refinancing problem than the inconveniences to which they find themselves subject as a result of tight money it lies in a return to cheap money. There is no question that such a program would help simplify the immediate problems of the Treasury; but to stop there is to consider only one side of the balance sheet.

The purpose behind the current policies of our monetary authorities is the prevention of all-out inflation. As against the effect of a restrictive monetary policy in this $7 billion annual figure, it is necessary, therefore, to consider for a moment what a removal of the anti-inflation brakes could mean in terms of Government costs as a whole.

A glance at the most recent figures on the gross national product shows spending on goods and services by the Federal Government alone to be running currently at an annual rate of approximately $50 billion a year. A rise in prices and living costs of 5 percent, everything else being equal, therefore would mean an increase of $2.5 billion in this figure; a price inflation of 10 percent would mean an increase of $5 billion, and an increase of 14 percent would raise it by $7 billion, the amount of the total burden of carrying the public debt.

This is the simple basic arithmetic behind the fact that, while the Treasury may not be particularly happy with conditions as they are, it realizes that, though it may not be able to finance, for the time being, on as favorable terms as it would wish, it is not complaining about the Federal Reserve Board's monetary policies. And it is not

complaining because it knows that despite the immediate cost of those policies they represent the best insurance man has yet devised against the infinitely more costly danger of inflation.

THE GIRARD CASE IN JAPAN, AND THE STATUS OF FORCES AGREEMENTS

Mr. JAVITS. Mr. President, there is a great deal of interest being manifested in the Girard case.

As a member of the other body, I had occasion to consider the legislation authorizing the Status of Forces agreements. The basic line of division was between the performance of duty when the serviceman should be absolutely under the United States control, including any crimes committed, and leave or off-duty time, when the serviceman entered into the normal community life of the country where stationed, when under suitable safeguards, the host country should have jurisdiction over any crimes committed. The question was in neither case one of guilt or innocence of the accused. I deeply believe that the people of our country will understand the situation if this line of demarcation is kept very clear.

The Girard case in Japan, as well as the case of Sergeant Reynolds in Formosa, raises the whole question of Status of Forces agreements.

I wish to express my deep belief that those agreements are essential to the security of the United States and the Free World and to world peace. Without them, local pressures and public opinion could soon invalidate the presence of United States forces in many countries where their presence is now indispensable to security against Communist aggression.

Moreover, the absence of such agreements would make our country more vulnerable to subversive propaganda within the countries where our forces are now stationed. But, as I believe in the need for these Status of Forces agreements, they must, at the same time, be so fair and just as to be acceptable to the people of our country and to the mothers and fathers, families and friends, of the 1,250,000 American soldiers, sailors, and marines who serve overseas, afield or afloat.

I believe that in this regard the Girard case is especially noteworthy, in view of the fact that the general commanding Girard's division has certified that he was engaged in the performance of official duty. In that case, even if he exceeded his orders, he should be considered subject to military discipline and military disciplinary action.

I realize the solemnity of decisions made by our Government and by our President, and I respect them, and I certainly propose to abide by them. However, as a Senator from New York, I urge upon the Federal Government that there is a real difficulty in the operation of the United States-Japanese Security Treaty which deals with this question, because the procedure to determine whether or not Girard was engaged in the performance of official duty was not backed up with sufficient detailed criteria.

After all, as a lawyer, I know that the commission of a crime would never be in the line of performance of official duty. Therefore, at all times the question would be subject to negotiation between the two Governments, through their top representatives.

The Status of Forces Subcommittee of our Armed Services Committee will undoubtedly make some findings and submit recommendations with respect to our internal organization in these areas. However, our Government should invite the Japanese Government to undertake the renegotiation of the United States-Japanese Security Treaty and the administrative agreement under it, with a view specifically to clarifying the line of demarcation which I have suggested, and changing the clause introduced into the agreement in a protocol of September 23, 1954, which permits a contrary interpretation. The other agreements made under the status of forces legislation should be similarly reviewed, as well as our situation in Formosa with which we have no such agreement.

Mr. President, my reason for making these suggestions, most respectfully, to our Government, is this: There is a grave danger in the present situation of a wave of public opinion in the United States which will cause Congress to repeal the authorizing legislation and sweep away the Status of Forces agreements. I would consider this a serious reversal of our foreign policy, and a serious jeopardy to our national security.

For that reason I believe the administration must give the United States-Japanese Security Treaty its prompt attention.

At this point I ask unanimous consent to have printed in the RECORD an editorial published in the New York Times entitled "The Girard Case," which makes a substantial number of the points I have made.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE GIRARD CASE

After a full review of the case of Army Specialist Girard, charged with killing a Japanese woman on an American rifle range in Japan, President Eisenhower and Secretaries Dulles and Wilson have agreed to yield to Japanese demands and to turn the accused man over to the Japanese courts for trial. They have done so, they say, to keep good faith in carrying out our Status of Forces Agreement with Japan and to preserve the Free World's defense structure against Communist imperialism in the Far East.

This defense structure has already suffered a blow to its prestige as a result of the riots on Taiwan following a similar incident, and Japanese leftwing elements have so inflamed public opinion over the present case as to threaten like outbursts in that country. We need not lack understanding of the feelings of a proud people over the irritations and often deplorable incidents arising from the presence of foreign troops on their soil. But it will be an evil day if Communists or other anti-American elements are permitted to impair the defense structure by exploiting or manufacturing incidents. The situation calls for reciprocal understanding of popular feeling in the United States.

The question involved here is not the guilt or innocence of the accused, which must still be determined. The question is whether American soldiers on duty abroad are to submit to the judgment of foreign courts such decisions as whether they were or were not on duty at the time of an incident, whether they properly carried out their duty or whether they exceeded it, and even whether and how far they are to be under control of their officers in military affairs. This involves the fundamental question of military morale and discipline, and neither we nor the host countries can have any interest in impairing these elements of military strength.

There is no doubt in this case that Girard, being on an American rifle range during military exercises and assigned to guard duty, was on duty. The general commanding his division has certified this fact. Girard may have, as our Government's statement concedes, exceeded his orders; he may be even guilty, as some assert, of playing a cruel game with Japanese scavengers who invaded the rifle range. But, even then, he should be considered subject to military discipline and military disciplinary action.

The Status of Forces Agreement provides for trial by local courts of offenses committed by American soldiers abroad while off duty and off military grounds, and the clause introduced in the agreement with Japan 4 years ago, permitting a contrary interpretation, has no proper place there. The Japanese promise a fair trial for Girard, and there is no reason to question their good faith, proved in many previous cases. But the best thing the Japanese court could do would be to declare the case outside of its jurisdiction and return Girard to American justice, where he belongs.

ORDER FOR CERTAIN FORMAL PROCEDURES DURING THE ADJOURNMENT FOLLOWING TODAY'S SESSION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that during the adjournment following today's session of the Senate, authority be given, first, to the Secretary to receive messages from the House of Representatives; second, for committees to submit reports; and, third, for the Vice President or the President pro tempore to sign enrolled bills and joint resolutions duly passed by the two Housse.

The PRESIDING OFFICER. Without objection, it is so ordered.

RADIOACTIVE FALLOUT

Mr. BENNETT. Mr. President, one of the most pressing problems confronting the great nations of the world today is that of steadily increasing radioactive fallout as a result of the testing of nuclear weapons. On the one hand, we are faced with the conflicting but disconcerting testimony of scientists; on the other hand, we are faced with the obvious risks involved in any slowdown of our program of nuclear research and development.

I ask unanimous consent to have printed in the RECORD at this point an editorial from the Salt Lake Tribune of June 2, which in my opinion summarizes very effectively the situation we now face in this respect.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FEAR OF NUCLEAR FALLOUT CAN'T BE IGNORED

In one week of hearings the Senate-House Committee on Atomic Energy has developed

the fact that there is agreement among American scientists on the need for international action limiting tests of nuclear weapons. The agreement is qualified, of course, by the wide divergence in scientific opinion as to the extent of the danger to mankind from radioactive fallout under present conditions. That is understandable. Fission and fusion are so new that the matter of long-range radioactive consequences must involve a great deal of guesswork.

The important point, however, is the agreement among the scientists, including spokesmen for the Atomic Energy Commission, which heretofore has minimized radioactive danger. The AEC's position is that radioactive risks had to be taken because of the greater danger involved in failure to keep ahead of Soviet Russia in the development of nuclear weapons.

Whenever a nuclear explosion is set off, tiny particles of radioactive material are dispersed into the atmosphere, most threatening of them being strontium 90, a probable cause of bone cancer and leukemia. Strontium 90, unlike some other radioactive products, also remains potent for a long time. And since each nuclear explosion puts more strontium 90 into the atmosphere, the more nuclear tests there are, the more menacing the problem becomes.

Last week residents of the Northern Hemisphere were given something else to think about when a meteorological researcher told the Congressional committee that radioactive fallout, no matter what its point of origin, tends to concentrate in the atmosphere over the heavily populated North Temperate Zone.

Undoubtedly many popular ideas about fallout verge on the hysterical, at least from the scientific standpoint.

But it is highly improper, as well as unscientific, to blame hysterical people for the widespread, genuine concern over fallout.

First of all, the scientists themselves are far from agreeing. Some say there is nothing to worry about. Others believe that there is a definite danger, and this group includes geneticists who are concerned with generations yet unborn rather than with persons now living.

Second, and probably more important, the public itself simply doesn't know what to think when scientists disagree. Science has become such a fetish that when science does not produce a definite answer the fear of the unknown becomes overwhelming.

The Senate-House committee has bravely attempted to explore the unknown. It remains to be seen whether the committee was the proper agency for the job. Nevertheless, somebody had to do something. Discussion of radioactive fallout had taken off into the stratosphere and was losing all connection with reality. And the Atomic Energy Commission, which should have been a stronger anchor, didn't help any with its policy of substituting tut-tutting for frankness.

The danger from fallout may or may not be as great as many people fear it to be, but the very fact that the fear exists cannot be ignored.

The committee hearings, though inconclusive as yet, disclosed the depth of the fear and the need of action to allay it.

That may mean international action, something still in the future. How long can we afford to wait?

If bomb tests continue unchecked, it is possible that the atmosphere could become so poisoned as to make conventional disarmament talks academic.

In this matter, as in most others, the prime question is how far the Communists can be trusted. But there is also one big difference—the atmosphere recognizes no political boundaries, and radioactive fallout cannot be driven away by border guards. If the Communists are reasonable and logical men, they should recognize these things as clearly as anyone else.

Mr. BENNETT. Mr. President, one of the very real dangers in this situation is the fact that the technical nature of the problem can easily result in misinterpretation of published data, thereby creating hysteria based upon half-truths.

When Paul Jacobs' now famous article on radiation was published in the Reporter magazine, creating widespread alarm, particularly in certain communities of Utah and Nevada, I wondered if this might be such an example. For instance, he had pointed out that in one city in Utah the volume of the danger of radioactive fallout was 1,260 times the maximum permissible level.

I asked the AEC, in a letter dated May 9, 1957, to reply to the assertion in the Reporter article.

I have received a letter from Dr. W. F. Libby, of the AEC, together with a report made by the AEC's Division of Biology and Medicine on the questions I raised. These two documents do not pretend to answer all the questions now being asked in connection with radiation fallout, but they do answer, to my satisfaction at least, several of the statements made in the Reporter article which have caused a great deal of anxiety.

Because of the urgency of this problem and because of the interest in the current hearings being conducted by the Joint Committee on Atomic Energy, I ask unanimous consent that Dr. Libby's letter and the Report of the Division of Biology and Medicine be printed in the RECORD at this point.

There being no objection, the letter and report were ordered to be printed in the RECORD, as follows:

DEAR SENATOR BENNETT: Thank you for your letter of May 9, 1957, expressing interest in the promotion of safety in connection with nuclear weapons tests in Nevada and requesting comments on some of the statements made by Mr. Paul Jacobs in an article which appeared in the May 16, 1957, issue of the Reporter magazine. You indicate particular interest in the statement that exposure of residents of St. George, Utah, to radiation "* * * during one 24-hour period was 1,260 times greater than the provisional permissible concentrations established for radiation workers * * *" You also request comments on the exposures to radiation experienced by residents of Hurricane, Utah, in 1953 and in the same year to occupants of Riverside Cabins off Highway 91.

We share with you, of course, the view that the record should be set straight and that the facts should be publicized. This we have endeavored to do by a variety of means over the past several years. There have been statements to the press, numerous articles prepared by the technical staff and published in scientific journals and in nonscientific periodicals; speeches by Commissioners and by the scientific staff of the Division of Biology and Medicine; correspondence with Members of the Congress, and detailed discussions in our seminannual reports to Congress. Our 13th seminannual report featured a 48-page section, Public Safety in Continental Weapons Tests, discussing the many factors involved in assuring public safety; and our most recent report, the 21st seminannual report to Congress, featured a 150-page section, Radiation Safety in Atomic Energy Activities.

The statement by Mr. Jacobs concerning the air concentration at St. George illustrates the difficulty of keeping the record straight because of the complexity of the subject matter. Our 13th seminannual report discusses briefly the basis of maximum permissible concentrations and states, "Fallout material includes a number of radioisotopes, some of which are of more concern than others as internal radiation hazards. A maximum permissible air concentration for mixed fission products following a nuclear detonation has been established by the United States Atomic Energy Commission upon the recommendation of an advisory panel of experts * * * averaged over a 24-hour period * * * the maximum permissible concentration is 1 microcurie per cubic meter of air if the radioactivity is associated with particles less than 5 microns in diameter." However, Mr. Jacobs in commenting on the concentration of fallout in the air at St. George, reported by the AEC to average 1.29 microcuries per cubic meter over a 24-hour period, states that the concentration was 1,260 times permissible concentrations.

Mr. Jacobs' statement is presumably based on his own interpretation of table 2, page 11, of National Bureau of Standards Handbook 52, a copy of which is enclosed for convenient reference. This table, as is apparent from the accompanying text, is intended to apply only to concentrations of radioactivity of unknown identity in air and water and for much longer periods of time. It assumes, in fact, that the radioactivity could consist entirely of strontium 90, whereas only about 0.001 percent of the radioactivity in fallout at 24 hours after detonation is due to this radioisotope. The table is, therefore, not applicable to fallout situations in which the isotopic composition and the chemical and physical characteristics of the radioactive material are sufficiently well known to permit estimates of permissible concentrations appropriate to the relatively short periods of time that the material is in the air. Hence the application of the value from table 2, used by Mr. Jacobs, to fallout from weapons tests constitutes an incorrect use of the table and results in a grossly misleading and inaccurate conclusion.

In discussing the actual exposures of residents of St. George to radioactivity in the air, it should be noted that the residents were generally indoors during the period of high concentration. Experience shows that the concentrations of fallout indoors, as in the case of other dusts, are much smaller than outdoors. Thus the average concentration of radioactivity in the air actually inhaled by the residents of St. George may have been only a small fraction of the one microcurie per cubic meter criterion.

Because of the complexity of the subject matter I have asked our Division of Biology and Medicine to prepare a report describing in appropriate detail the differences between exposure to concentrations of fallout in the air and exposure of the whole body to radiation from fallout on the ground, and the significance of these different forms of exposure from the standpoint of possible hazard to health. This report, which is enclosed, shows that in the evaluation of exposure from early fallout, the radiation dose from the inhalation of radioactive materials in air is relatively small compared to the radiation dose from fallout on the ground.

The fallout of radioactive material at Riverside Cabins resulted in the highest radiation level observed to date in the United States in an inhabited place outside of the test site. Taking into account the average protection afforded by shelter and reduction in intensity due to weathering, it is estimated that the 15 nontransient residents might have accumulated a dose of from 7 to 8 roentgens. A detailed discussion of the considerations involved in evaluating the significance of this exposure is given in the enclosed report.

Current discussion of the possibility that radiation from fallout at such low dose levels might be hazardous is concerned entirely with the possibilities of delayed effects—leukemia, cancer, or reduction in life expectancy, and genetic mutation. If these effects can occur from low levels of exposure, such as those under consideration here, it is to be expected that the probability of such an effect will depend upon the radiation dose accumulated over a period of years.

Consideration of the possibilities of delayed effects coupled with increased opportunity for exposure to radiation over periods of many years is reflected in a recent revision of the recommendations of the National Committee on Radiation Protection adding to previous standards a recommendation which limits the average exposure of radiation workers over a period of years to 5 roentgens per year. Under current standards (as recently revised) an occupational worker could accumulate radiation doses up to 15 roentgens per year and may, over a period of 20 years, accumulate a radiation dose up to 100 roentgens. By comparison, the exposure to the residents of Riverside Cabins was approximately one-half the dose which an occupational worker might accumulate in 1 year. That the National Committee on Radiation Protection would in its recommendations permit exposures as high as 15 roentgens in 1 year and 100 roentgens over 20 years gives some indication of the remoteness of the possibility of delayed effects from exposures in that range and over similar periods of time.

Insofar as immediate effects are concerned (as distinguished from the remote possibility of delayed effects), exposures to levels much higher than those experienced by the residents of Riverside Cabins would produce no detectable effect on the well-being of the individual.

We shall be pleased to provide you with any additional information you may desire to assure you and the people of Utah of the elaborate precautions taken in connection with test operations.

Sincerely yours,

W. F. LIBBY,
Chairman.

REPORT BY THE DIVISION OF BIOLOGY AND MEDICINE CONCERNING QUESTIONS RAISED BY SENATOR WALLACE F. BENNETT, UTAH, IN CONNECTION WITH AN ARTICLE BY PAUL JACOBS, CLOUDS FROM NEVADA, THE REPORTER, MAY 16, 1957

The following information is provided in reply to questions raised by Senator WALLACE F. BENNETT in his letter of May 9, 1957.

In discussing the fallout on St. George during the Nevada test series of 1953, as reported in the Atomic Energy Commission's 14th semiannual report to Congress, July 1953, Mr. Jacobs says:

"The entire matter is disposed of in a few sentences. * * * Nothing is said in the report of the fact that in St. George the air contamination at one time was 1,260 times more than the provisional permissible concentration established for radiation workers."

Page 51 of the same semiannual report gives a list of eight "* * * highest concentrations of airborne radioactivity in communities surrounding the test site * * *" during the series. The community of St. George appears first on the list, with an estimated average concentration, for the 24-hour period following the arrival of the fallout, of 1.29 microcuries per cubic meter. Following the table is the statement: "As an operational guide, the test organization has attempted to hold airborne radioactivity to a level of 1 microcurie per cubic meter, averaged over 24 hours. Since the highest reading of 1.29 microcuries per cubic meter existed for only a single 24-hour period, it can be concluded that this was not a dangerous concentration level."

Mr. Jacobs' statement that the observed concentration was "1,260 times more than the provisional permissible concentration established for radiation workers" is presumed to be his own interpretation of a recommendation of the National Committee on Radiation Protection as published in Handbook 52 of the National Bureau of Standards, 1953. A copy of this handbook is attached. Table 2, page 11, of the handbook gives "provisional levels of permissible concentration of radioactive contaminants for use beyond the control area."[1] For beta or gamma emitters in air, the table gives the value of 10^{-9} microcuries per cubic milliliter, which is equivalent to 0.01 microcuries per cubic meter. The concentration of 1.29 microcuries per cubic meter for St. George quoted in the Commission's 14th semiannual report is 1,290[2] times this value.

The values contained in table 2 of handbook 52 are intended for use, (1) where one knows nothing of the radioisotopic composition of the radioactive material involved, and (2) where it may be assumed that exposures at these levels may be continuous over long periods of time.

In the case of fallout from a weapons test, the composition is well known as a function of time. See, for example, the analysis by H. F. Hunter and N. E. Ballou, Fission Product Decay Rates, published in Nucleonics, November 1951. The value given in table 2 is not only inapplicable to the conditions under discussion but, contrary to the impression given by Mr. Jacobs' statement, the concentration of fallout in the air at St. George contributed only a small fraction of the total dose received by the inhabitants. The dose of principal importance was whole body dose which inhabitants may have received from fallout on the ground—which in the case of St. George was about 3 roentgens.

In the protection of persons against excessive exposure to radiation, one's interest in cencentrations of radioactivity in air is primarily in the radiation doses which may result to various portions of the body as a result of inhalation of the radioactive material.[3] If it were assumed that the residents of St. George were out of doors during the period of high air concentrations, the radiation doses received by various portions of the body would have been approximately as follows: lungs, 0.3 roentgen[4] thyroid, 0.3 roentgen; large intestine (as a result of swallowing inhaled material), 0.1 roentgen; skeleton (from strontium 90, strontium 89, barium 140, and rare earths), 0.01 roentgen. Because the inhabitants were indoors, the concentrations of radioactive material in the air which they breathed and, consequently, the radiation doses to these organs were much less. Observations elsewhere indicate that concentrations of fallout indoors may be from 1 percent to 10 percent of those outdoors.

The dose to the thyroid is a direct quotation from an article by Dr. Gordon Dunning, of this division, Two Ways to Estimate the Dose to the Thyroid, Nucleonics, February 1956, in which he uses the fallout at St. George as an example. A reprint of this article is attached. Doses to the gut and to the skeleton are based on unpublished computations.

In considering the importance of a dose to the lungs of 0.3 roentgens or less, in relation to a whole body dose of perhaps 3 roentgens, it should be explained that a dose of 3 roentgens to the whole body means a dose of 3 roentgens to each portion of the body. The sum of the 2 doses is, then, a dose of 3.3 roentgens to the lungs, plus a dose of 3 roentgens to the remainder of the body. However, because the radiosensitivity of the lungs is much less than that that of several other portions of the body, particularly the blood-forming organs, this additional dose to the lungs may be neglected in evaluating the total effect of the exposure.

Our conclusion that the radiation from inhaled fallout is of much less importance than the radiation from fallout outside the body is borne out by observations made in the case of the very heavy fallout on the island of Rongelap, Marshall Islands, in March of 1954 from which the inhabitants are estimated to have received radiation doses of about 175 roentgens from fallout outside the body. The studies of the medical team that cared for the Rongelapese are summarized in the publication, Some Effects of Ionizing Radiation on Human Beings, published by the Atomic Energy Commission, July 1956. A copy of this report is attached. In paragraph 6.35 of the summary of this report the authors state:

"* * * From data on the Marshallese exposed to fallout, it is seen that the degree of internal hazard in the exposed persons was small. This is encouraging, since these people lived in a relatively primitive state where the maximum probability of contamination of food and water supplies existed. If the hazard was minimum under those conditions, it should be even less under conditions of modern American living."

Estimates of radiation doses received at Hurricane and Riverside Cabins from material outside the body are about 4.2 roentgens and from 7 to 8 roentgens, respectively. For brevity, we consider only the case of maximum exposure, that of the 15 nontransient residents of the Riverside Cabins. The fact that the exposures to these persons were from 2 to 3 times established in the criteria for the guidance of the Test Organization raises the question of possible effects upon the individuals exposed.

A dose of 5 or 10 roentgens produces no detectable effect upon an individual. Doses required to produce symptoms of radiation sickness are in the range from about 75 to 150 roentgens. There is no reason to suppose that the current health of these individuals is affected in any way by a radiation dose of 10 roentgens. One's interest in radiation doses of this size is in the hypothetical possibility that they may contribute to a serious delayed effect. Delayed effects which can result from much higher doses of radiation, received either in a short period of time or accumulated over long periods of time, are increased probability of leukemia, cancer, aplastic anemia, and genetic mutation, and reduction in life expectancy.

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[1] Mr. Jacobs is in error in referring to the values given in table 2 as "permissible concentrations established for radiation workers. As indicated in the heading of table, they are "for use beyond the control area."

[2] We assume that Mr. Jacobs' use of the number 1,260 in this statement involves a typographical error.

[3] While there is exposure of the whole body to radiation from the radioactive material in the air, in the case of early fallout from nuclear weapons the dose from this source is small compared to the dose received from material deposited on the ground.

[4] If the dose to the lungs were estimated, by direct proportion, from the value given on page 116 of the Commission's 13th Semiannual Report to Congress, January 1953, one would obtain a dose of 1.4 roentgens. There an observed concentration of 0.19 microcuries per cubic meter, averaged over a 24-hour period, observed in the test series of 1952, was estimated to result in a dose to the lungs equivalent to 0.2 roentgens. The present estimate assumes that only 20 percent of the inhaled radioactivity underwent radioactive decay in the lung.

Even with large numbers of animals and under carefully controlled conditions, it is impossible to determine directly whether or not levels of exposure much higher than those to the general population from weapons tests can induce leukemia or cancer. Some of our leading radiobiologists believe that there must be levels of exposure to radiation below which there is no possibility of the exposure's resulting in leukemia or cancer; while others believe it possible that for any dose of radiation, no matter how small, there is a correspondingly small probability that it will result in such a disease. In either case, one can intelligently discuss the risk only in relation to the size of the radiation dose.

Similar considerations apply to reductions in life expectancy resulting from exposure to radiation. Some experiments on animals have indicated that if a large group of small animals is exposed to enough radiation to kill about half of the animals, the average lives of those which survive will be reduced by about 7 percent. Lower doses are less effective in reducing life expectancy. In fact, some experiments seem to indicate that at levels up to several hundred times natural background, the effect may be to prolong life rather than to reduce it. While this apparent result is believed to be due to difficulties involved in measuring small effects, it serves to illustrate the fact that statements concerning possible reduction in life expectancy from exposure to low levels of radiation are highly speculative.

Standards for protection of radiation workers against excessive exposure to radiation over a period of many years are based on the judgment of radiobiologists that the probability of a radiation induced disease from a cumulative exposure of one or two hundred roentgens received during one's period of employment is either zero or is so small that it represents an acceptable risk.

In the case of occupational exposures to radiation, the principal interest in a single dose of from 5 to 10 roentgens is not in the effect of the dose, but in the possibility that over a period of years the employee who incurs such exposures frequently will accumulate a radiation dose which involves a serious risk. These considerations have led the National Committee on Radiation Protection and the International Commission on Radiological Protection to recommend the exposures of radiation workers be limited to 15 roentgens in any 1 year and to an average of 5 roentgens per year. The recommendations of the national committee further limit the 13-week dose to the equivalent of 3 roentgens per 13 weeks if the exposure is taken at a nonuniform rate. A copy of the statement of the National Committee on Radiation Protection on the subject is attached for your information.

One of the principal reasons for recommending certain limitations on the dose received per week, per quarter, or per year is that these low-dose rates make it administratively easier to limit average dose rates over long periods of time. It is possible that a 10-roentgen dose received in 1 day constitutes a somewhat greater insult to the human body than if the same dose were accumulated over a period of several months or a year. However, there is no evidence of a significant difference, and it seems unlikely, from our knowledge of the effects of large exposures to radiation accumulated over a period of many years that a 10-roentgen exposure received in 1 day would be of much greater significance to an individual than if spread over a period of a year or more.

A second comparison of interest is with the radiation exposures which participants in test activities may take on a planned basis. In some tests, measurements are required which cannot be taken without the chance of one or several participants receiving exposures which are anticipated to be in the range of 10 to 15 roentgens and which conceivably may be as high as from 20 to 30 roentgens. We do not consider these exposures desirable; however, if the data is badly needed we consider that the overall risk involved is acceptable under the circumstances.

A recent article discussing the possibility of leukemia from small doses of radiation is that by E. B. Lewis, Leukemia and Ionizing Radiation, Science, May 17, 1957. On the basis of estimates of the probability of production of leukemia from high doses of radiation, and on the assumption that the natural incidence of leukemia is due to natural sources of radiation, Lewis speculates that each roentgen of radiation dose received by an individual contributes 2×10^{-4} to the probability of his contracting leukemia in any subsequent year. If his hypothesis were correct, this would mean that an individual receiving a dose of 10 roentgens would have 2 chances in 100,000 of contracting leukemia in any subsequent year, and one chance in 1,000 of contracting leukemia in the next 50 years.

In quoting Lewis, we should mention that he is not a specialist in leukemia, and that it is too early to say what acceptance his hypothesis will receive among scientists who are students of leukemia. Rather we use his hypothesis as an illustration of the kind and degree of risk which might conceivably be involved in a radiation dose of 10 roentgens if such low doses can contribute to the incidence of leukemia.

Precautions taken by the Atomic Energy Commission in conducting its testing program have been discussed in considerable detail. The section of the 13th semiannual report dealing with this subject was printed separately and widely distributed. Some discussion of this subject is contained in the booklet Atomic Tests in Nevada, a copy of which we attach.

If Senator BENNETT desires more detailed information on any of the matters discussed above, we will be glad to supply any information available.

Attachments: (1) NBS Handbook No. 52; (2) Reprint, Two Ways to Estimate Thyroid Dose from Radioiodine in Fallout; (3) report, Some Effects of Ionizing Radiation on Human Beings; (4) report, Atomic Tests in Nevada; (5) statement, Maximum Permissible Radiation Exposures to Man.

FLOODS

Mr. FULBRIGHT. Mr. President, the rains came to the Ozarks in February of this year; and as my colleagues know from reading the newspaper accounts and listening to the radio and television broadcasts, many of the areas of the Southwest long ago passed the saturation point. Prolonged torrential rainfall has caused violent flooding, bringing about the loss in lives and property which inevitably follows such conditions. But in one area of my State, Mr. President, citizens have escaped the attendant circumstances of prolonged flood conditions, and they have escaped by reason of one fact—the fact that a dam exists on the White River to protect them from the specter of flood devastation.

I ask unanimous consent, Mr. President, that an article appearing in the Northwest Arkansas Times, Fayetteville, Ark., on Saturday, June 1, 1957, be printed in the body of the RECORD at the conclusion of my remarks.

This article, entitled "Unfinished Table Rock Dam Proves Lifesaver for White River Valley," is an excellent story of how one dam—a dam not yet completed—has already paid for itself.

Had it not been for the dam—

The article states—

the White River Valley would have suffered its worst flood in history this spring.

Mr. President, we in the Senate will shortly consider an appropriation bill for a program of construction of public works. I urge my colleagues to read this excellent article before considering the public-works appropriations, and I express the hope at this time that the current so-called economy wave in the Congress does not affect the thinking of the Congress when we vote on this bill.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ENGINEERS WERE SURPRISED—UNFINISHED TABLE ROCK DAM PROVES LIFESAVER FOR WHITE RIVER VALLEY

BRANSON, Mo.—The price tag on giant Table Rock Dam, now 70 percent finished, is $78 million—but ask anyone living in the White River Valley below the barrier and he'll tell you the dam already has paid for itself.

No one, least of all the Army engineers and the construction companies, had any idea there would be any water behind the dam until the gates were closed sometime next year, but right now, after weeks and weeks of almost steady rainfall, Table Rock Lake probably contains as much water as it was designed to impound.

Had it not been for the dam, the White River Valley would have suffered its worst flood in history this spring. It could well be that the cities of Branson and Hollister, immediately below the dam, and all the resort area stretching along Lake Taneycomo would today be a shambles, were it not for the dam.

As the 261-foot-high concrete wall across the river commenced to take form, all that was left open at the river floor were the flood gates, large enough to accommodate a normal flow of water, plus an occasional high water such as has been experienced in the preceding 5 years of drought.

But along in February it began to rain in the Ozarks of Missouri and Arkansas—and seemingly it has been raining almost every day since. For a time the floodgates were large enough to take the runoff, but gradually water began backing up behind the dam.

WATER RISES DAILY

Through March and April the water mounted steadily higher, and the contractors—Morrison-Knudsen, Inc., and a syndicate of six other firms—took advantage of every possible break in the weather to build the concrete monolith ever higher. Once in early May, it appeared that the flood threat had been licked when 16 feet of concrete in a narrow gap was poured in a week's time—enough to keep ahead of the flood crest by a scant 4 inches.

More rains came in mid-May, however, and the contractors found it impossible to keep ahead of the rising tide. On May 25 the water began flowing across the top of the dam, and by the time the flood had reached its crest, on May 28, water to a depth of 7 feet was churning through the narrow 54-foot gap.

Had it not been for the dam, unfinished as it is, the White River Valley for many miles downstream would have been hit by the worst flood in history. As it turned out, Lake Taneycomo and Bull Shoals Lake downstream, have been well able to absorb the excessive flow.

Table Rock Dam, 20 years in the planning stage, didn't actually begin to take form until late in 1954. When it is completed in the spring of 1958, it will be a concrete and earthen wall stretching 6,400 feet across the valley. Behind it will be a lake covering 52,000 acres with a shoreline of 857 miles, most of it in Stone County, Mo., but with arms reaching into Barry and Taney Counties in Missouri and into Carroll and Boone Counties in Arkansas.

Engineers hope, of course, that the present high water will drain out of the lake at least so that work can proceed with two bridges crossing arms of the lake and so that trees and underbrush can be cleaned out.

At the crest of this month's high water, the level had been computed at 880.9 feet above sea level. Eventual top elevation of the dam's flood-control pool is to be 931 feet.

CHRYSLER CORP. TANK CONTRACT

Mr. McNAMARA. Mr. President, for some weeks I have been closely involved in attempts to secure a $119 million tank contract for the Detroit area.

This contract was to be awarded by the Army to Chrysler Corp. However, the question was whether Chrysler should perform the work at Detroit or in Newark, Del.

Governor Williams, of Michigan, and I, and others, in meetings and by correspondence with Army Secretary Brucker, established Detroit's claim to this contract.

Primarily, we emphasized the available tank-producing facilities in Detroit; the need for keeping these facilities in readiness; and the high unemployment level in the Detroit area.

Last Friday, however, Secretary Brucker announced that the contract would be placed in Delaware. He stated that, all factors considered, a saving of $1,879,000 would be produced by building the tanks in Delaware.

In a letter to me last Monday, Secretary Brucker itemized how these savings would occur. He stated:

Chrysler's basic bid for production at Detroit was $49,000 less than its bid for production at Newark. Another saving of $142,900 in certain transportation costs would have been realized if the work were performed at Detroit Arsenal. Further savings of $90,000 in the cost of maintenance of idle equipment and of $175,000 in cost of facilities would have been realized by producing tanks at Detroit. In summary, a total of $456,900 accrued to the credit of Detroit Arsenal as a result of our evaluation.

On the other hand, savings to be effected by performance of the contract at Newark include $1,352,900 in terms of transportation; $300,000 as a contingent liability because of the Michigan State possessory use tax, and $683,000 required to transfer production equipment between the Newark area and Detroit. The total thus accruing to the credit of the Newark facility amounts to $2,335,900—or $1,879,000 more in savings than could be realized at Detroit Arsenal.

There may be a legitimate quarrel with the Army over how some of these costs were figured. Some would appear not to have a wholly sound basis.

Unfortunately, the coldly analytical approach of the Army does not take into account the 98,000 unemployed workers in the Detroit area. Since human and economic suffering does not lend itself to a dollars-and-cents formula, Detroit's unemployed have no place in the Army's calculations.

However, the shocking thing to me was how the loss of this contract was greeted by certain elements in Michigan. Did they attempt rationally to challenge the Army's figures? Did they accept this loss and immediately proceed to win new contracts for Detroit?

No. They sought, instead, to link the loss of the tank contract to the vicious and untruthful attack on Governor Williams. This attack was leveled for political reasons, and by those who would like to evade their responsibilities to the State of Michigan. I referred to this matter in remarks on the Senate floor on May 17.

When news of the contract award reached Detroit last Friday, this was the banner headline in the Detroit News: "Tank contract lost; high taxes blamed."

What were the high taxes affecting the tank contract, Mr. President?

As I quoted from Secretary Brucker's letter to me, the Michigan possessory-use tax was figured as conceivably costing the Government $300,000 if the contract were placed in Detroit.

According to the Army's figures, however, even had this tax not been involved, the so-called savings to the Army by placing the award in Delaware still would have been in excess of $1,500,000. Therefore, the use tax was an almost insignificant factor.

This does not mean that the Michigan tax is a bad one. It is considered to be eminently fair. I understand California has a similar tax; still, defense contracts worth more than $2 billion went to California in the 6 months ending in December, while Michigan received contracts worth only $158 million.

Neither Michigan taxes nor Governor Williams is to blame for what has happened in this instance. Yet those who row the gravyboat for giant industry persist in using this argument. What they are actually doing is discrediting their own State.

Mr. President, I ask unanimous consent, in this connection, that some statistics compiled by Governor Williams in support of his position in this matter be printed at the conclusion of my remarks.

There being no objection, the statistics were ordered to be printed in the RECORD, as follows:

STATISTICS COMPILED BY G. MENNEN WILLIAMS, GOVERNOR OF MICHIGAN

LANSING.—Some new figures have just been compiled at my request by the Department of Economic Development, which completely demolish the claim that business has been leaving Michigan.

These figures show that in the 5 years from 1952 to 1956, Michigan had a net gain of more than 150,000 jobs from the movement of industry.

These are the first trustworthy statistics on this question which have come to light in all the recent commotion about an alleged "exodus of business" from our State. I believe they are just about as close as you can get to the truth, bearing in mind that there are some borderline cases which could be counted either way.

THREE TO ONE

The economic development figures show that the companies moving into Michigan outnumbered those that left Michigan by about 3 to 1.

In the 5-year period, 95 plants moved out of the State for a variety of business reasons, with a loss of 5,369 jobs. In the same period 104 plants moved into Michigan, with 12,595 new jobs.

Also, in the same period, companies already operating in the State established new plant facilities here equivalent to 143,000 new jobs.

By adding and subtracting these figures, we get a net gain of 150,226 jobs.

That is what some of the daily papers have been calling a business "flight" from Michigan.

AUTO PLANTS

There has unquestionably been a decentralization of the automobile industry as the big companies build branch plants closer to regional markets. There has also been a marked trend toward merger and monopoly in the auto industry, with consequent loss of jobs in all the independent auto plants.

This trend has nothing to do with State taxes. Such plants as Packard, Kaiser-Frazer and Hudson, which did not move away from Michigan but for all practical purposes went out of business, are not included in the above computation. Only plants which actually moved in or actually moved out and continued in business are counted.

OHIO AND INDIANA

It is noteworthy that in the list of 104 plants which moved into Michigan, 10 came here from Ohio and 13 from Indiana. These are two great neighbor States which have been pictured as industrial tax-free paradises, into which Michigan business was flocking as fast as it could pull stakes.

Maybe part of the answer lies in some facts which I discovered last week when I checked into the Indiana tax structure. A little over 50 percent of that State's total revenues are obtained from something called a "gross income tax." This is a tax on everything taken in by individuals and business firms, whether in return for goods sold, or services rendered, or in the form of wages and salaries.

It is really a pyramided sales tax on top of an income tax. Everybody passes it along to the next fellow, until it gets down to the consumer, the wage and salary earner, the small-business man, and the farmer.

These groups, being low men on the Indiana totem pole, have nobody to pass the tax along to, and consequently they pay the great bulk of it, either directly or in higher prices.

Inequitable as Michigan's tax structure is, I don't think the people of Michigan would put up with that type of taxation for very long.

The last session of the Indiana Legislature raised this tax by about 50 percent, and provided that it must be withheld from the wages of the little fellows so they'll be sure to pay it.

The pasture on the other side of the fence always looks greener, but seldom is.

PLANTS MOVING INTO MICHIGAN IN THE LAST 5 YEARS

Abitibi Power & Paper Co., Ltd., of Toronto, to Alpena.

Acme Protection Equipment Co., of Chicago, Ill., to South Haven.

Aircraft Tool & Manufacturing Co., of Thorpe, Wis., to Vassar.

Albert, Inc., of Chicago, to Negaunee.

Aluminum Specialties Co., of Manitowoc, Wis., to Iron Mountain.

American Agricultural Chemical Co., of New York, to Kalamazoo.

American Bitumals & Asphalt Co., of San Francisco, to Howell.

American Can Co., of New York City, to Detroit.

American Colortype Co., of Chicago, to Decatur.

American Nitrogen Corp., of Huntington, W. Va., to Traverse City.

Auto-Crat Co., division of B-N Corp., of Los Angeles, to Ypsilanti.

Benson Optical Co., of Minneapolis, to Escanaba.

Bituminous Materials Co., of Terre Haute, Ind., to Bay City.

Bituminous Materials Co., Inc., of Terre Haute, Ind., to Escanaba.

Bliss, E. W., Co., of Canton, Ohio, to Hastings.

Bliss & Laughlin, Inc., of Harvey, Ill., to Macomb County.

Bolta-Carparts, Inc., of Lawrence, Mass., to Owosso.

Bound Brook Oil-Less Bearings Co., of Bound Brook, N. J., to Sturgis.

Bowes Industries, Inc., of Paducah, Ky., to Three Rivers.

Bradford Machine Tool Co., of Cincinnati, Ohio, to Lansing.

Bridgeport Brass Co., of Bridgeport, Conn., to Adrian.

Brine Stock, Inc., of St. Louis, Mo., to Eaton Rapids.

Bryan Manufacturing Co., of Fort Wayne, Ind., to Reading.

Bryan Manufacturing Co., of Fort Wayne, Ind., to Hillsdale.

Buffalo Tank Corp., of Dunellen, N. J., to Romulus.

Calgon, Inc., of Pittsburgh, to Rockwood.

CBS, Hytron division of CBS, of Danvers, Mass., to Kalamazoo.

Celotex Corp., of Chicago, Ill., to L'Anse.

Charmin, of Green Bay, to Cheboygan.

Children's Garment Manufacturing Co., of Chicago, to Frankfort.

Clark, H. A., Perforating Co., of Rochester, N. Y., to Milan.

Clinton Machine Co., of Maquoketa, Iowa, to Clinton.

Arthur Colton division, Snyder Tool & Engineering Co., of Paducah, Ky., to Mancelona.

Continental Can Co., of Chicago.

Continental Can Co., of New York, to Three Rivers.

Coona, E. W., Co., of Hibbing, Minn., to Wakefield.

Cowles Chemical Co., of Cleveland, Ohio, to Monroe.

Crystal Pearl Products Co., of Evansville, Ind., to Belding.

Cupples Door & Frame Corp., of St. Louis, Mo., to Dowagiac.

Davison Chemical Co., of Baltimore, to Lansing.

DeVry Corp., of Chicago, to Livonia.

Dog Life Corp., of Chicago, to Hamilton.

du Pont, E. I., de Nemours & Co., of Wilmington, Del., to Montague.

Fiddes-Moore & Co., of Fort Wayne, Ind., to Richville.

Fish Net & Twine Co., of New Jersey, to Menominee.

Ford-Pugh Potato Chip Co., of Lima, Ohio, to Manton.

Fox Valley Instrument Co., of Ingleside, Ill., Cheboygan.

Frankfort Manufacturing Co., of Chicago, to Frankfort.

Fun, Inc., of Evansville, Ind., to Houghton.

Garod Radio Corp., of Brooklyn, N. Y., to Charlotte.

General Electric Co., of Schenectady, to Holland.

Goerlich's, Inc., of Toledo, Ohio, to Dowagiac.

Great Lakes Products Co., of California, to Avoca.

Hagstrom Wood Products, of Hurley, Wis., to Ironwood.

Harbison-Walker Refractories Co., of Pittsburgh, Pa., to Ludington.

Hehr Manufacturing Co., of Los Angeles, Calif., to Chesaning.

Huss Lumber Corp., of Chicago, Ill., to Ontonagon.

Ipsen Log Construction Co., of Rockford, Ill., to L'Anse.

Johnson, Almon A., Inc., of New York City, to Iron Mountain.

Jolly Kids Togs, of Chicago, to Onaway.

John Wiley Jones Co., of Caledonia, N. Y., to Riverview.

Kay-Mar Industries, Inc., of South Bend, Ind., to Cassopolis.

Lok-A-Blok Co., of Denver, to Traverse City.

Luxaire Cushion Co., of Canton, Ohio, to Wayland.

Maloney Aluminum Door Co., of Alliance, cago, to Cassopolis.

Metalstik Corporation of America, of Dayton, Ohio, to Three Rivers.

Metropolitan Picture Frame Co., of Chicago, to Cassopolis.

Michigan Mold & Tool Co., of Chicago, Ill., to South Haven.

Michigan Standard Alloy Casting Co., of Cleveland, to Detroit.

Monsanto Chemical Co., Detergent, Inc., division, of Columbus, to Trenton.

Mueller Colorplate Co., of Milwaukee, Wis., to Battle Creek.

National Container Corp., of New York City, to Detroit.

National Lift division of Gar Wood Industries, Inc., of Waukesna, Wis., to Ypsilanti.

New York Air Brake Co., of New York, to Kalamazoo.

Osmose Wood Preserving Company of America, of Madison, Wis., to East Tawas.

Perfex Corp., of Milwaukee, to Iron Mountain.

Photographic Industries, Inc., of Chicago, to Harbor Springs.

Pur-Pak division of Kieckhefer Paper Co., of Bensonville, Ill., to Three Rivers.

Reish Products, Inc., of South Bend, to Kalamazoo.

Root Archery Co., of Chicago, to Rogers Heights.

Security Sportswear Co., of Chicago, to Allegan.

Shawinigan Resins Corp., of Springfield, Mass., to Trenton.

Silvercote Products, Inc., of Chicago, to Otsego.

Sperti-Faraday Corp., Violet Ray division, of Hoboken, N. J., to Adrian.

Squire-Dingee Co., of Chicago, to Deckerville.

Stream-EZE Tackle Co., of South Bend, to Charlevoix.

Superior Plating Co., of Bridgeport, Conn., to Howell.

Talon, Inc., of Meadville, Pa., to Tecumseh.

Tesar Printing & Binding Co., of Chicago, to Stevensville.

Thompson Electric Welding Co., of Lynn, Mass., to Oscoda.

Truck Equipment Co., of Milwaukee, to Norway.

Union Carbide & Carbon Corp., of New York City, to Montague.

Unit Structures, Inc., of Peshtigo, Wis., to Hermansville.

United Garment Manufacturing Co., of Minneapolis, to Iron Mountain.

United States Wood Co., of Chicago, to Norway.

Universal Gear Corp., Novo Pump division, of Indianapolis, to Lansing.

Universal Marine, Inc., of Brimfield, Ind., to Houghton Lake.

Vanderby Co., of Hammond, Ind., to Holland.

Weber Animal Trap Co., of Madison, Wis., to Escanaba.

Whetstone & Mueller Co., of Wapakonsta, Ohio, to Owosso.

Wilmapeg Industries Corp., of Fayette, Ohio, to Morenci.

Wizard Boat Co., of Costa Mesa, Calif., to St. Joseph.

Wright Machine Co., of Riverside, Ill., to Montague.

Whetstone & Mueller, of Spencerville, Ohio, to Zeeland.

Young & Greenawalt Co., of East Chicago, to Shelby.

POINT 4 FOR AMPUTEES

Mr. HUMPHREY. Mr. President, one of the truly outstanding citizens of the United States is Dr. Howard A. Rusk. He has contributed much of his professional skill and his very valuable time to the service of the United States Government. He has been one of the foremost advisers in the Veterans' Administration medical program. As a result of his advice, the program has been considerably improved.

Dr. Rusk also, as we know, has been a member of the President's Committee on Mobilization of Medical Manpower Resources, and has made a significant contribution to the adequacy of medical care for our men and women in the Armed Forces.

I could continue to list many other qualifications and contributions of this distinguished gentleman and outstanding doctor. I would, however, note now that Dr. Rusk has been dedicating a good deal of his time and effort to the promotion of international projects for the improvement of health.

I call to the Senate's attention an article written recently by Dr. Howard Rusk, entitled "Point 4 for Amputees. A View on the Need for the United States To Share With Others Its Advances in Prosthetics." The article was published in the New York Times of Sunday, June 2, 1957.

Dr. Rusk is an expert in the field of medicine and rehabilitation. His advice and counsel are sought the world over. He has done much good work in the field of research and development of artificial limbs for amputees. The United States has one of the finest programs in the world, if not the best, in this field of research.

Dr. Rusk's proposal is that a program to cost $1 million should be established under the authority of the International Cooperation Administration, for applying, on a worldwide basis, the advances the United States has made in the artificial limb industry.

I ask unanimous consent that this splendid article written by Dr. Rusk may be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POINT 4 FOR AMPUTEES—A VIEW ON THE NEED FOR THE UNITED STATES TO SHARE WITH OTHERS ITS ADVANCES IN PROSTHETICS

(By Howard A. Rusk, M. D.)

When our first casualties in World War II came home, those who had suffered amputations strongly criticized the quality and efficiency of the artificial limbs they received. Many remarked bitterly, "It doesn't seem right that a nation capable of producing the atom bomb and radar shouldn't be able to give us better artificial limbs."

Congress held a series of hearings on their complaints and found them justified. In the past the development of artificial limbs had proceeded through the years without the benefit of an organized, scientific approach.

However, since 1946 the Veterans' Administration, with a special Congressional appropriation of about $1 million a year, through the prosthetic research board of the National Academy of Sciences has conducted an extensive artificial limb research program through nonprofit contracts with universities.

In addition, the Army and Navy cooperate by supporting prosthetic research laboratories within their medical services, and the Veterans' Administration also conducts direct programs.

Earlier last month Congressional committees saw a spectacular demonstration of the achievements of the last 10 years' effort. All types of amputees dramatically showed their modern artificial arms and legs in action. Today without doubt our Nation has the finest prosthetic devices in the world.

CONTRIBUTIONS SHARED

We in the United States are interested in sharing the technical advances in nuclear energy for peaceful purposes with the rest of the world. We could make a significant contribution to the effective understanding of American ideals of democracy and the high value we place on human worth and dignity if, as a part of our mutual security program, we would share these advances in prosthetics with the rest of the world. This is truly a people-to-people program.

Currently, some international voluntary organizations such as the World Veterans Federation, the International Society for the Welfare of Cripples, and the new World Rehabilitation Fund are attempting to do this. Important as their efforts are, however, they are meager in relationship to both the need and the opportunity to advance American ideals.

As with other aspects of technical assistance under the point 4 program, the potential values of this prosthetics-for-peace program are too great for voluntary effort. Yet the estimated fund of $1 million a year required over a 2-year period, if supplied by our Government, would cost each American but one-half cent a year. It would require but 0.027 of 1 percent of the total foreign aid proposal.

With this relatively small sum, highly qualified American consultants could be sent, at the invitation of interested governments, to visit all parts of the world to survey their needs. Four completely equipped mobile prosthetic shops, each staffed by a qualified American prosthetist and physical therapist could be sent to southwest Asia, the Near East, north Africa, and South America.

These units could spend 4 to 8 weeks in a given community working with local surgeons in giving direct service to amputees by fitting them with prosthetic devices and training them in their use. It is ironic that a similar and highly successful project, which had a great political impact, has recently been conducted in Okinawa by the Japanese Government. It is even more ironic that the director of the project had his advanced training in prosthetics in the United States.

CENTERS ESTABLISHED

The one-half cent a person a year program would also permit United States assistance in establishing permanent demonstration prosthetic shops and training centers at strategic points throughout the world. Sufficient artificial limb components to provide modern prosthetic devices for 40,000 amputees could be distributed globally. All of the available technical literature and visual aids in prosthetics developed here in the United States could be translated and published in the necessary languages.

Lastly, the most important part of the project, more than 400 trainees from parts of the world lacking prosthetics services could be brought to the United States for prosthetic training. These prosthetic trainees would then join the 600 health workers receiving professional training in the United States under the auspices of the International Cooperation Administration and the hundreds more trained here by voluntary groups and their own governments.

Nowhere else could we get permanent ambassadors to spread the ideals of democracy as well, as effectively, and as cheaply as these dedicated rehabilitation workers who would return to their own countries to teach the lame and the halt to walk and to work.

Prosthetics for peace is a program the man in the street can see and feel and understand. He may not know who built the dam in the hills or the roads or factories, but he will know who taught his neighbor to walk and his child to play.

We in the United States have received a rich dividend on our investment in prosthetic research in vastly improved artificial limbs for both veteran and civilian amputees. Further political, social, and humanitarian dividends would accrue if we would take these advances to the amputees of the world. Never could more goodwill, understanding, and dignity be purchased for so little.

Mr. HUMPHREY. Mr. President, I simply add that Dr. Rusk describes his program as "the one-half-cent-a-person-a-year program."

He said the program would also permit United States assistance in establishing permanent demonstration prosthetic shops and training centers at strategic points throughout the world.

He continues by pointing out that a program costing less than one-half cent a person a year would actually make it possible to provide modern prosthetic devices for 40,000 amputees distributed globally.

I have advanced this proposal in the Committee on Foreign Relations. My reason for asking that the article be printed in the RECORD today was that I am hopeful it will be possible to get a directive for such a program in the authorization for the mutual-security-assistance program. If that is not possible, it is my intention to offer an amendment on the floor of the Senate and to ask for its favorable consideration. Therefore, I urge my colleagues to read Dr. Rusk's article.

ARMENIAN INDEPENDENCE DAY

Mr. PURTELL. Mr. President, last week, we observed the 39th anniversary of the proclamation of Armenian independence.

Tragically, there was no observance in the homeland and heartland of this great people. Many of the sons and daughters of this land, which is one of the oldest countries of recorded history, have been scattered to the four corners of the world. They have been forced to abandon their homes and all that they hold dear.

Yet, wherever Armenians gathered throughout the world last week, there was an observance of Armenian Independence Day. The love of liberty held by these people could not be denied expression—even though the expression was made thousands of miles from their homeland.

In that homeland, that same fierce love of freedom burns in the hearts of those Armenians who daily bear the brunt of Soviet oppression. Yet they were united spirtually with their countrymen who, in far places throughout the world, were observing the anniversary of Armenia's independence.

Civilization had a new start in Armenia when the biblical Ark of Noah came to rest on Ararat. Today, that nation is a symbol of physical conquest by communism; but its people remain unconquered and true to their ancient traditions and love of freedom which sustained them from 1375, when the independent kingdom was lost, until 1918, when independehce was proclaimed.

Early in 1921, these valiant people threw out the occupying Communists, and were able to resist for 3 months the military might of the Reds. But then the Republic fell before the overwhelming might of the Soviets; and since that time it has been under the Soviet yoke, as one of the 16 so-called independent Republics of the U. S. S. R.

We who love freedom join with the Armenians of the world in the prayerful hope that independence will once again be restored to this ancient land and its resourceful people, who have contributed much, not only to our own welfare, but to the welfare of the world.

We join with our fellow Americans of Armenian descent in observing this anniversary as a signal to those in Armenia that they are not forgotten and that they will not be forgotten.

THE RISE IN INTEREST RATES

Mr. GORE. Mr. President, during consideration of the housing bill last week, on May 28, I expressed my deep concern over the policies being pursued by the administration, which have had, and are having, the effect of pushing interest rates higher and higher. By means of an amendment to the bill, I sought to bring about Congressional action which would have had the effect, I believe, of halting, at least with respect to certain categories of loans, the spiraling rise of interest rates. Unfortunately, my amendment was not adopted. But, Mr. President, at the time I suggested that unless these policies were reversed, interest rates would go still higher.

I wish to read from an Associated Press article appearing in today's issue of the Washington Post and Times Herald, under a New York dateline:

The cost of borrowing money in a tight-money market rose another notch today with ⅛ percentage point boosts in the rates of both bankers' acceptances and commercial paper. Both are now at their highest rates in more than 20 years.

The article concludes with the following:

The bond market currently is at the lowest level in more than 20 years, as the tight-money squeeze has repressed the value of fixed-income securities, analysts said.

There appeared in today's issue of the New York Times, in the financial section, an article containing the following:

Short-term money rates were advanced yesterday. Dealers increased the rate on one maturity of commercial paper and on all bankers' acceptances one-eighth of 1 percentage point.

The article further states:

The increases put the commercial paper rate at the highest level since the early 1930's.

Mr. President, I also note that the Government Victory bonds are now selling at approximately $12 below par.

During the debate on the housing bill, the distinguished senior Senator from Florida [Mr. HOLLAND] interrogated me with respect to the inequities which might flow from adoption of the amendment I proposed.

In reply, I called to his attention the inequities resulting from current monetary policies and the discrimination being practiced against the holders of Victory bonds. I called to the attention of the distinguished senior Senator from Florida my conviction that unless action was taken to reverse these fallacious policies, the inequities would become more severe.

Only a week later United States Government 2½-percent bonds were selling for 87.24. I am advised that there are a number of small banks in the country which would be insolvent today if their holdings of Government bonds were listed at their current market values. Bank examiners, so I am advised, permit banks to carry Government bonds at par rather than at market value.

I also call attention to the fact that after I warned the Senate that unless remedial action was taken in some way, somehow, at some time, to call a halt to the interest-rate spiral, further increases in interest rates would occur, on the very next day, May 29, 1957, 91-day United States Government bills were offered, and they sold at the highest rate since 1933. Ninety-one-day bills sold on May 29 at an interest rate of 3.374 percent. When this administration came into office, 91-day bills were being sold at a rate of interest of about 2 percent.

Mr. President, again I express to the United States Senate my deep concern over this trend toward higher and higher interest rates. It is accelerating, gathering momentum as it goes. If the only cost were the increase in the cost of carrying the national debt, I would not be so concerned as I am, although that increase in cost is significant and it must be paid for many years to come.

More serious is the effect upon the economy of the country. While the interest rates reach new highs, and Government bonds reach new lows below par, the bankruptcy rate is reaching new highs and small businesses are closing their doors at the highest rate since the early 1930's.

The excuse offered for this policy is that it is necessary to control inflation. Meanwhile the cost of living has increased each month for 14 consecutive months. I shall have something to say a little later about the type of inflation we have experienced and about the inadequacy and the inappropriateness of the so-called remedy which is being applied. I want to say to the Senate once again that if this policy is pursued further, disastrous effects are inevitable.

Mr. LONG. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. LONG. I am sure the Senator from Tennessee realizes that if the same so-called independent action of the Federal Reserve Board, theoretically making interest rates entirely subject to supply and demand—had been pursued during World War II and in the years subsequent thereto, unless we had had higher taxes the Nation would be at least $50 billion more in debt than it is today.

Mr. GORE. I thank the able Senator for his contribution.

Mr. LONG. We would be paying higher interest rates on that extra $50 billion debt, too.

Mr. GORE. I agree with the Senator that the national debt would have been very much larger and the cost of carrying the debt would have been still much greater.

Mr. LONG. I am sure the Senator will agree with me that if during the time when we had real inflationary pressures we had tried to control inflation by increasing interest rates, interest rates could have been pushed to the sky and still inflation would not have been controlled.

Mr. GORE. I repeat what I said last week. There are few factors more inflationary than a spiraling interest rate.

The cost of money is an important factor in the cost of products and in the cost of doing business. Higher interest rates are no answer to inflation. Higher interest rates have certain restraining influences under certain conditions, but they are not the answer to the inflation in the price of certain goods and commodities which we have witnessed during the past months.

Mr. LONG. Mr. President, will the Senator yield further?

Mr. GORE. I yield.

Mr. LONG. The Senator from Tennessee failed to mention farmers in his speech. Is the Senator aware that if interest rates on farms are increased 1 percent, it means a 2½ percent reduction in net farm income? If interest rates are increased 2 percent, which is more nearly what has happened to farm loans, it means a 5 percent reduction in net farm income.

Mr. GORE. I appreciate the comments of the able Senator and congratulate him for his study of this problem and the diligent manner in which he has applied his great ability to this issue, which will become a paramount issue before the American people. Unfortunately, I believe the issue is not now properly understood by the American people; but I fear that disastrous consequences may cause it to become all too widely understood.

JURY TRIAL IN CONTEMPT CASES

Mr. CASE of New Jersey. Mr. President, I am deeply troubled by the double standard implicit in the effort to block right-to-vote legislation by requiring a jury trial for those who disobey court orders. I know of no other explanation for the discrepancy between civil rights opponents' endorsement of jury trials for Federal contempt cases and the contrary practice in their own home States.

Their preachments recall the counsel of those "ungracious pastors" who, as Hamlet's fair Ophelia complained:

Show me the steep and thorny way to heaven, whilst like a puff'd and reckless libertine, himself the primrose path of dalliance treads.

Some time ago my attention was called to the discrepancy between advice and action which prevails on this jury question in the South. I have had this assertion checked. The best legal advice I can get indicates that not 1 of the 10 Southern States which are in the forefront in the effort to defeat right-to-vote legislation has in its laws a provision for jury trial in contempt cases of the kind here involved.

In most, if not all of these States, the legislature has provided by statute that courts of record—and in many instances certain quasi-judicial agencies—may punish for contempt persons who willfully disobey court orders. And their casebooks are replete with decisions asserting the "inherent power" of courts to punish without a jury trial persons who refuse to comply with orders of the court. As Arkansas' highest court stated in the case of *Freeman* v. *State* (188 Ark. 1058):

The power of punishment for contempt is independent of statutory authority, being inherent in and an immemorial incident of judicial power, its conclusions to be reached and judgments found without the intervention of a jury.

This is, of course, precisely what Attorney General Brownell and a number of others among us have been saying since this question was first raised. The Federal precedent has been amply documented on several occasions. Those who still seek to stall the right-to-vote bill under the shibboleth of jury trial might well look to their own State law, if they will not heed the dictates of Federal precedent.

They cannot, then, fail to see the jury slogan for what it really is: at best, an effort to apply in this particular bill a different standard for the Federal courts than has heretofore applied to State or Federal courts in other cases; at worst, an effort to seriously undermine the courts' authority. As President, and later Chief Justice, Taft said of a similar proposal in 1908:

Never in the history of the country has there been such an insidious attack upon the judicial system as the proposal to interject a jury trial between all orders of the court made after full hearing and the enforcement of such orders.

TENTH ANNIVERSARY OF THE MARSHALL PLAN

Mr. SMITH of New Jersey. Mr. President, yesterday, June 5, was the tenth anniversary of the so-called Marshall plan. It was just 10 years ago that Secretary Marshall delivered his famous commencement address at Harvard and announced the American plan to restore economic health to a stricken Europe. It was a self-help program. The European nations developed the

necessary plans and also put up funds to match America's contribution.

In the midst of the current economic boom and strength of the Western World, we tend to forget that only 10 years ago Britain was forced to ration even potatoes, that the French bread ration had fallen to two-thirds of what it had been under German wartime occupation, and that coal and steel production was below prewar levels. It was tragically evident that hope and the will to resist tyranny were ebbing in Europe, in 1947.

In announcing the plan, the United States made evident a major decision, the iteration of our belief that without the return of normal economic health in the world, there could be no political stability and no assured peace. In the years since 1947, peace has prevailed in Europe. Communism has been contained.

The United States spent $12 billion on the plan in 3 years, and at the end of that period Europe was producing 40 percent more than in 1938. The rise in industrial and agricultural production was joined by increasing financial stability and expanding overseas trade by the European nations. Vitality returned to our exhausted allies, and the advance of famine, disease, and lethargy, on which communism breeds, was halted and thrust back.

The Marshall plan was a spectacular example of enlightened self-interest by America. It represented the assertion to the world of the American recognition of the correlation of interest among all free nations, and our willingness to assume responsibility in the great task of checking communism. I am happy today to recall my memories of that occasion 10 years ago, and to pay tribute to the men who were most responsible for conceiving and putting the plan into execution, Secretary Marshall and the late Senator Vandenberg.

The progress of the free world and the increase in its strength have been very substantial since 1947. Today we are in a formidable position of power, far more able to contain and retaliate against Soviet aggression than ever before. The anniversary of this momentous event is a moment in which to consider the gains and triumphs which have been attained, and to renew our pledge of responsibility of continuing the effort until peace becomes an eventuality for all mankind.

ORDER FOR ADJOURNMENT TO MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. MONRONEY in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nomination of William E. Barmore, to be postmaster at Donalds, S. C., which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mrs. SMITH of Maine. Mr. President, from the Committee on Armed Services I report favorably the nominations of 11 rear admirals for permanent promotion in the Naval Reserve and the nomination of Maj. Gen. Richard Clark Lindsay to serve as commander, Allied Air Forces, Southern Europe, in the rank of lieutenant general. I ask that these nominations be placed on the Executive Calendar.

The PRESIDING OFFICER. The nominations will be placed on the Executive Calendar, as requested by the Senator from Maine.

The nominations are as follows:

Maj. Gen. Richard Clark Lindsay, Regular Air Force, to be assigned to a position of importance and responsibility designated by the President in the rank of lieutenant general; and

John J. Bergen, and sundry other officers, for permanent promotion to the grade of rear admiral in the line and staff corps of the Naval Reserve.

Mrs. SMITH of Maine. Mr. President, in addition to the above officers I report favorably a group of 1,405 temporary and permanent appointments and promotions in the Navy and Marine Corps in the grade of captain and below. These names have already appeared in the CONGRESSIONAL RECORD. To save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Vice President's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, the nominations will lie on the desk, as requested by the Senator from Maine.

If there be no further reports of committees, the Executive Calendar is in order.

PINK SALMON PROTOCOL

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Executive C, a protocol between the United States and Canada relating to sockeye salmon fisheries.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the protocol (Ex. C., 85th Cong., 1st sess.) a protocol between the Government of the United States of America and the Government of Canada to the Convention for the Protection, Preservation, and Extension of the Sockeye Salmon Fisheries in the Fraser River System, signed at Washington on the 26th day of May 1930, which protocol was signed at Ottawa on December 28, 1956, which was read the second time, as follows:

The Government of the United States of America and the Government of Canada, desiring to coordinate the programs for the conservation of the sockeye and pink salmon stocks of common concern by amendment of the Convention between the United States of America and Canada for the Protection, Preservation, and Extension of the Sockeye Salmon Fisheries in the Fraser River System, signed at Washington on the 26th day of May 1930, hereinafter referred to as the Convention,

Have agreed as follows:

ARTICLE I

The Convention as amended by the present protocol shall apply to pink salmon with the following exception:

The understanding stipulated in the Protocol of Exchange of Ratifications signed at Washington on the 28th day of July 1937, which provides that "the Commission shall not promulgate or enforce regulations until the scientific investigations provided for in the Convention have been made, covering 2 cycles of sockeye salmon runs, or 8 years;" shall not apply to pink salmon.

ARTICLE II

The following words shall be deleted from the first sentence of article IV of the Convention: "* * * that when any order is adopted by the Commission limiting or prohibiting taking sockeye salmon in any of the territorial waters or on the high seas described in paragraph No. 1 of article I, such order shall extend to all such territorial waters and high seas, and, similarly, when in any of the waters of the United States of America embraced in paragraph No. 2 of article I, such order shall extend to all such waters of the United States of America, and when in any of the Canadian waters embraced in paragraphs No. 2 and 3 of article I, such order shall extend to all such Canadian waters, and provided further".

ARTICLE III

The following paragraph shall be added to article VI of the Convention:

"All regulations made by the Commission shall be subject to approval of the two Governments with the exception of orders for the adjustment of closing or opening of fishing periods and areas in any fishing season and of emergency orders required to carry out the provisions of the Convention."

ARTICLE IV

Article VII of the Convention shall be replaced by the following article:

"The Commission shall regulate the fisheries for sockeye and for pink salmon with a view to allowing, as nearly as practicable, an equal portion of such sockeye salmon as may be caught each year and an equal portion of such pink salmon as may be caught each year to be taken by the fishermen of each party."

ARTICLE V

Paragraph (3) of the understandings stipulated in the Protocol of Exchange of Ratifications signed at Washington on the 28th day of July 1937, shall be amended to read as follows:

"That the Commission shall set up an Advisory Committee composed of six persons from each country who shall be representatives of the various branches of the industry including, but not limited to purse seine, gill net, troll, sport fishing, and processing, which Advisory Committee shall be invited to all nonexecutive meetings of the Commission and shall be given full opportunity to examine and to be heard on all proposed orders, regulations, or recommendations."

ARTICLE VI

1. The parties shall conduct a coordinated investigation of pink salmon stocks which enter the waters described in article I of the Convention for the purpose of determining the migratory movements of such stocks. That part of the investigation to be carried out in the waters described in article I of the Convention shall be carried out by the Commission.

2. Except with regard to that part of the investigation to be carried out by the Commission, the provisions of article III of the Convention with respect to the sharing of cost shall not apply to the investigation referred to in this article.

3. The parties shall meet in the seventh year after the entry into force of this protocol to examine the results of the investigation referred to in this article and to determine what further arrangements for the conservation of pink salmon stocks of common concern may be desirable.

ARTICLE VII

Nothing in the Convention or this protocol shall preclude the Commission from recording such information on stocks of salmon other than sockeye or pink salmon as it may acquire incidental to its activities with respect to sockeye and pink salmon.

ARTICLE VIII

The present protocol shall be ratified and the exchange of the instruments of ratification shall take place in Ottawa as soon as possible. It shall come into force on the day of the exchange of the instruments of ratification.

In witness whereof the undersigned, duly authorized by their respective governments, have signed this protocol and have affixed thereto their seals.

Done in duplicate at Ottawa this 28th day of December 1956.

For the Government of the United States of America:

[SEAL] LIVINGSTON T. MERCHANT.
WM. C. HERRINGTON.

For the Government of Canada:

[SEAL] JAMES SINCLAIR.

Mr. JOHNSON of Texas. Mr. President, the distinguished chairman of the Foreign Relations Committee, the beloved senior Senator from Rhode Island [Mr. GREEN], is prepared to give a brief explanation of the protocol; but before doing so, and in accordance with the procedure which the distinguished minority leader and I have agreed on, I ask for the yeas and nays on the question of agreeing to the resolution of ratification so all Senators will be on notice that there will be a rollcall on the protocol.

The yeas and nays were ordered.

Mr. JOHNSON of Texas. I wonder if the Senator from Rhode Island is prepared to give a brief explanation of the protocol.

Mr. GREEN. Mr. President, the principal purpose of the pending protocol is to institute a program for the conservation of pink salmon of the Fraser River system, coordinate with that which was established for sockeye salmon under the convention of May 26, 1930. To that end, the protocol amends the 1930 convention, so as to charge the United States-Canada commission with the same duties with respect to pink salmon that it now has in the case of sockeye salmon.

These duties are: To make an investigation of the history of pink salmon and its spawning-ground conditions; to recommend to the two governments the removal or bypassing of obstructions to the river ascent of the salmon; to regulate the taking of salmon in the Strait of Georgia, the Strait of San Juan de Fuca, and in certain areas of the Pacific Ocean, and to prescribe open and closed seasons, as well as the size of net mesh. The fisheries would be controlled so as to allow an equal portion of the catch to United States and Canadian fishermen.

The provisions of the 1930 convention relative to enforcement of orders and regulations adopted by the commission will apply, under the protocol, to orders and regulations issued concerning pink salmon. In that connection, article III of the protocol amends article VI of the 1930 convention so as to require the approval of both governments for all regulations issued by the commission, excepting those to adjust the closing or opening of fishing periods and areas in any fishing seasons, and emergency orders required to carry out the provisions of the convention.

The administration has emphasized the urgency of the pending protocol because the spawning season of the pink salmon, which occurs in alternative years, will take place next August. In consequence, if effective conservation measures are to be taken, they will have to be adopted in the very near future, well in advance of the spawning period.

At very moderate cost, which is estimated at the average annual sum of $60,000, an important segment of the national economy, as well as of American food resources, will be protected against depletion.

The protocol, Mr. President, has the unqualified endorsement of the labor and management leadership in the fishing industry, as well as of officials of the State of Washington, whose government is most directly concerned in this matter.

I therefore urge the Senate to give its approval to the protocol, so that it may be implemented with the least possible delay.

Mr. MAGNUSON. Mr. President, I wish to say to the distinguished chairman of the Committee on Foreign Relations that the enabling legislation which will implement this protocol was approved by the Committee on Interstate and Foreign Commerce, and the Senate has already passed the bill authorizing United States participation in the provisions of the treaty with Canada.

Mr. President, I wish to add a few remarks, because the protocol before the Senate does involve primarily the State of Washington.

Mr. President, the Senate has before it by Executive request or protocol, a new treaty, for approval, which involves both the United States and Canada in a cooperative effort to protect an important fisheries resource of the Pacific coast, known as the pink salmon.

The protocol, to which the United States and Canada have agreed, places the control and the management of the pink salmon under the jurisdiction of the International Pacific Salmon Fisheries Commission. It was signed at Ottawa, Canada, on December 28, 1956.

So far as the United States fisheries are concerned, this matter involves only the fisheries of the State of Washington.

Since the adoption of the original treaty to provide for international control of the Fraser River sockeye salmon fishery with Canada, May 26, 1930, our two countries, working together, have made great progress in the rehabilitation of these fisheries.

The sockeye and the pink salmon fisheries concerned under this treaty annually provide a large revenue for both United States and Canadian fishermen and millions of pounds of the most delectable food for the American and the Canadian people.

It should be noted that these natural runs of salmon returning to the rivers of the State of Washington and British Columbia are of such a delicate nature that the full cooperation of all interests are required if these resources are to be maintained.

The advancement of our modern civilization causing diversions of our streams and pollution of our waterways, in addition to the problems arising from management, makes it paramount that we share with Canada the responsibility of caring for this important resource, and to divide equally the rewards gained from this cooperative effort.

In the case of the Pink Salmon Treaty now before the Senate for ratification, I am pleased to speak for Gov. Albert D. Rosellini, the legislature, and the industry of the State of Washington, who have memorialized Congress, requesting the approval of this treaty, and for the passage of the enabling legislation which provides for United States participation in the management of these important fisheries, which the Senate has already approved.

I have been informed that the Canadian Parliament has preceded us in the ratification of this agreement, and has enacted legislation to implement it.

Often I have appeared critical of the manner of our administrations' handling of international fisheries' problems; however, I am pleased to praise the fine work of the Department of State for their part in concluding this important understanding with our Canadian neighbors.

Mr. NEUBERGER. Mr. President, I wish to join with my colleague the senior Senator from Washington [Mr. MAGNUSON] in commending the Department of State, the Senate Committee on Foreign Relations, and the chairman of the committee, the Senator from Rhode Island [Mr. GREEN], for their work in bringing the protocol with our neighbors from Canada with respect to salmon before the Senate.

A great many of the fishermen from the Oregon seacoast, particularly those from the area near the mouth of the Columbia River, go with their trawlers into the waters and reaches of the Puget Sound to fish for the famous sockeye salmon. This is one reason, Mr. President, why so many of us, such as the

senior Senator from Washington and myself, have been active in opposing the proposed diversion of the upper Columbia River into the Fraser River system. This has been suggested by some prominent people in Canada. If it were done, the next step would be a series of very high dams in the gorges of the Fraser River, and this, of course, would result in the probable destruction of the Fraser River as a source of salmon spawning. These dams would be too high to be negotiated by ladders, and in all probability the small fingerling fish would be killed on their travels downstream to the Pacific.

I was pleased that the Senator from Washington mentioned this question in his dedicatory speech at the Ice Harbor Dam project last week along the Snake River.

For this reason, a great many of us hope there will be successfully concluded with Canada a series of negotiations for power development on the upper Columbia River. This realm already has been shut off for migratory fish and spawning salmon, so that the question of fisheries is not involved. These particular salmon runs have been moved in toto. If we can secure adequate power development and hydroelectric projects on the upper Columbia in Canada, there will no longer be any legitimate excuse for blockage of the great fish runs of the Fraser River system. It is those runs that are involved in the protocol which the Senate soon will vote upon.

In conclusion, I ask unanimous consent to have printed in the RECORD an article from the Vernon, British Columbia, News of May 27, 1957, which describes the speech made in that area by James Sinclair, the Minister of Fisheries for the Dominion of Canada. In that speech Mr. Sinclair emphasized what I have related to the Senate today. Mr. Sinclair pointed out that power development in British Columbia should be secured on the Upper Columbia River, because, in his words:

> To dam the Fraser would be to ruin the last great salmon river in the world.

I fully support what the Canadian Minister of Fisheries has pointed out. I believe he is correct. He wants to save the Fraser for sockeyes. I believe his views, as well as those already stated on the Senate floor, point to the wisdom of the Senate today advising and consenting to the resolution of ratification of this protocol.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CAN HAVE POWER AND FISH SINCLAIR TELLS MEETING

"Columbia River power development can satisfy the power demands of southern British Columbia for the next 20 years—without damming the Fraser and ruining the salmon industry," Hon. James Sinclair, minister of fisheries, told an audience at the Vernon Senior High School Friday.

Speaking in support of Hilda Cryderman, Liberal candidate for Okanagan-Revelstoke, Mr. Sinclair painted a growing picture of the industrial future of the Okanagan Valley when cheap power is available from the Columbia.

"Ontario is the biggest industrial Province because of its cheap hydroelectric power," Mr. Sinclair told an audience of over 200. "The Okanagan Valley and the interior of British Columbia can build up industry, too, if a plentiful supply of power is brought in.

"To dam the Fraser would be to ruin the last great salmon river in the world. But with the Columbia harnessed, we can have fish and power, too."

Pointing out that there are two great issues at stake in this election, the minister listed them as security of lives in the era of the hydrogen bomb, and economic security within the framework of Canadian living.

The PRESIDING OFFICER. If there be no objection, the protocol will be considered as having passed through the various parliamentary stages up to and including the presentation of the resolution of ratification, which the clerk will state.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive C, 85th Congress, 1st session, a protocol between the Government of the United States of America and the Government of Canada to the Convention for the Protection, Preservation, and Extension of the Sockeye Salmon Fisheries in the Fraser River System, signed at Washington on the 26th day of May 1930, which protocol was signed at Ottawa on December 28, 1956.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the resolution of ratification of the protocol. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Illinois [Mr. DOUGLAS] and the Senator from West Virginia [Mr. NEELY] are absent on official business.

I further announce, if present and voting, the Senator from Illinois and the Senator from West Virginia would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Wyoming [Mr. BARRETT], the Senator from New York [Mr. IVES], the Senator from Michigan [Mr. POTTER], and the Senator from Kansas [Mr. SCHOEPPEL] are absent on official business.

The Senator from North Dakota [Mr. LANGER] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Colorado [Mr. ALLOTT] and the Senator from Nevada [Mr. MALONE] are detained on official business.

If present and voting, the Senator from Colorado [Mr. ALLOTT], the Senator from Wyoming [Mr. BARRETT], the Senator from New York [Mr. IVES], the Senator from Maine [Mr. PAYNE], the Senator from Nevada [Mr. MALONE], the Senator from Michigan [Mr. POTTER], and the Senator from Kansas [Mr. SCHOEPPEL] would each vote "yea."

The yeas and nays resulted—yeas 85, nays 0, as follows:

YEAS—85

Aiken	Bennett	Bridges
Anderson	Bible	Bush
Beall	Bricker	Butler
Byrd	Hill	Murray
Capehart	Holland	Neuberger
Carlson	Hruska	O'Mahoney
Carroll	Humphrey	Pastore
Case, N. J.	Jackson	Purtell
Case, S. Dak.	Javits	Bevercomb
Chavez	Jenner	Robertson
Church	Johnson, Tex.	Russell
Clark	Johnston, S. C.	Saltonstall
Cooper	Kefauver	Scott
Cotton	Kennedy	Smathers
Curtis	Kerr	Smith, Maine
Dirksen	Knowland	Smith, N. J.
Dworshak	Kuchel	Sparkman
Eastland	Lausche	Stennis
Ellender	Long	Symington
Ervin	Magnuson	Talmadge
Flanders	Mansfield	Thurmond
Frear	Martin, Iowa	Thye
Fulbright	Martin, Pa.	Watkins
Goldwater	McClellan	Wiley
Gore	McNamara	Williams
Green	Monroney	Yarborough
Hayden	Morse	Young
Hennings	Morton	
Hickenlooper	Mundt	

NOT VOTING—10

Allott	Langer	Potter
Barrett	Malone	Schoeppel
Douglas	Neely	
Ives	Payne	

The PRESIDING OFFICER. Two-thirds of the Senators present having voted in the affirmative, the resolution of ratification is agreed to.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be notified forthwith that the resolution of ratification has been agreed to.

The PRESIDING OFFICER. Without objection, the President will be immediately notified.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Without objection, the Senate will resume legislative session.

The Senate resumed the consideration of legislative business.

CONTRACTS FOR CLEANING AND CUSTODIAL SERVICES

Mr. MANSFIELD. Mr. President, after consultation with the acting minority leader, I should like to call up several noncontroversial bills.

Mr. President, I move that the Senate proceed to the consideration of Calendar No. 403, S. 1535.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1535) to amend the Federal Property and Administrative Services Act of 1949 to authorize the Administrator of General Services to make contracts for cleaning and custodial services for periods not exceeding 5 years.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to, and the Senate proceeded to consider the bill.

Mr. HUMPHREY. Mr. President, I shall not discuss the bill, but merely ask unanimous consent to have printed in the RECORD a statement of the purpose of the bill. It is a noncontroversial

measure, and was reported unanimously by the Committee on Government Operations.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AMENDING THE FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949 TO AUTHORIZE THE ADMINISTRATOR OF GENERAL SERVICES TO MAKE CONTRACTS FOR CLEANING AND CUSTODIAL SERVICES FOR PERIODS NOT EXCEEDING 5 YEARS

PURPOSE

This bill would further amend the Federal Property and Administrative Services Act of 1949 by authorizing the Administrator to enter into contracts with private concerns for cleaning, maintenance, elevator operation, and similar custodial services of Government buildings for periods not exceeding 5 years.

NEED FOR LEGISLATION

This bill was introduced at the request of the Administrator of General Services, as a part of the GSA legislative program for 1957. The purpose and objectives of the bill have been approved by the Bureau of the Budget and the General Accounting Office.

Under existing law, the Administrator is permitted to procure space for Government use in and outside the District of Columbia for periods of time not exceeding 5 years. However, no authority of law or regulation exists for the procurement of custodial services, elevator operation, or cleaning of public buildings beyond 1 year. As a result, many buildings are cleaned and serviced by Government employees who are paid on an hourly rate in accordance with the area wage-board rates of pay.

The Administrator has requested enactment of S. 1535, because it is believed that certain economy and efficiency will be possible, by permitting the execution of contracts with private concerns for such services in excess of 1 year but not exceeding 5 years' duration. These objectives will be possible in those areas where the number of Federal buildings are not large enough to obtain maximum efficiency from a full-time custodial force, or in those instances where the buildings are located in isolated areas, or where a centralized custodial staff would not be practicable or efficiency maintained. It is also believed that, if this authority is granted, the Administrator will be in a position to make cost and management surveys and, if convinced that savings can be effected and the service improved, he could then solicit bids and execute multiple-year contracts for such services from private concerns. Under this procedure, savings could be effected because the contractor could amortize the cost of supplies and equipment over a 5-year period, rather than on a single-year basis as is the customary practice at the present time.

The Administrator states that this proposal may be considered as a tool for better management and custody of public buildings, and will increase economy and efficiency in the maintenance and operation of Federal space, since in some areas it is quite possible that public building services can be obtained on a contractual basis for less money than is possible by the use of full-time Government employees.

The committee is advised that the House Committee on Appropriations has considered the proposal to utilize private contractors for these services and has concurred in the recommendations of the Administrator of General Services that legislation, as proposed by S. 1535, be enacted to authorize the use of private contractors for cleaning and maintenance of public buildings.

The PRESIDING OFFICER. If there be no amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 210 (a) of the Federal Property and Administrative Services Act of 1949, as amended (40 U. S. C. 490 (a)), is further amended by the addition of paragraph (13), to read as follows:

"(13) to contract for cleaning, maintenance, elevator operation, and similar custodial services for periods not exceeding 5 years."

FACILITATION OF PAYMENT OF GOVERNMENT CHECKS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 404, S. 1799.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1799) to facilitate the payment of Government checks, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to, and the Senate proceeded to consider the bill.

Mr. HUMPHREY. Mr. President, this bill, likewise, was reported unanimously by the Committee on Government Operations. It is a procedural bill, to expedite and reduce the cost of processing and handling Government checks. We believe it will result in a substantial saving to the Government.

I ask unanimous consent that an explanation of the bill be printed in the RECORD at this point.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

PURPOSE

This bill will make possible a number of changes in the accounting procedures required by existing statutes, in paying Government checks, issuing substitutes for checks which are lost, stolen, or destroyed, and related accounting operations. The provisions of the bill are designed and intended to expedite and reduce the cost of processing and handling Government checks.

The bill amends several provisions of law which will make possible changes in the internal accounting methods and procedures followed by the Department of the Treasury in handling checks drawn on the Treasurer of the United States.

The bill was introduced in the Senate at the request of the Secretary of the Treasury. It was drafted by representatives of the Department, in cooperation with the Bureau of the Budget and the General Accounting Office, as a part of a project of the joint accounting program. These agencies reported that the bill will make possible improvements in operating procedures and reduce the cost of processing checks drawn on the Treasurer of the United States.

The PRESIDING OFFICER. If there be no amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 of the act of July 11, 1947 (61 Stat. 306; 31 U. S. C. 132) is hereby amended to read as follows:

"That (a) all checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, shall be payable without limitation of time: *Provided,* That where on presentation of any check for payment the Treasurer of the United States is on notice of a doubtful question of law or fact the payment of such check shall be deferred pending settlement by the General Accounting Office.

"(b) The amount of all checks drawn by authorized officers of the United States on designated depositaries which have not been paid prior to the close of the fiscal year next following the fiscal year in which the checks were issued shall be withdrawn from the accounts with such depositaries and deposited with the Treasurer of the United States for credit to a consolidated account or accounts on the books of the Treasury. Claims for the proceeds of such unpaid checks shall be payable from such consolidated accounts by checks drawn on the Treasurer of the United States pursuant to settlement by the General Accounting Office.

"(c) The limitation imposed in respect to certain claims or demands against the United States by the act of October 9, 1940 (54 Stat. 1061; 31 U. S. C. 71a, 237) shall not be deemed to apply to original or substitute checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, or drawn by authorized officers of the United States on designated depositaries."

SEC. 2. Section 3 of the act of July 11, 1947 (61 Stat. 309; 31 U. S. C. 134) is hereby amended to read as follows:

"SEC. 3. The Secretary of the Treasury is authorized to transfer, at appropriate intervals, amounts of unpaid checks from the accounts on which drawn to a consolidated account or accounts on the books of the Treasury and to transfer to such consolidated account or accounts the balance of the special deposit account established pursuant to section 1 of the act of July 11, 1947 (61 Stat. 308), which consolidated account or accounts shall be available for the payment of such checks, and any unpaid checks heretofore payable from the special deposit account. The Secretary of the Treasury is further authorized to transfer, at appropriate intervals, from the accounts available for the payment of unpaid checks to the appropriate receipt account on the books of the Treasury any amounts not required for the payment of such checks and with the concurrence of the Comptroller General to make such rules and regulations as he may deem necessary or proper for the administration of the provisions of this act."

SEC. 3. (a) Section 2 of the act of June 22, 1926 (44 Stat. 761; 31 U. S. C. 122) is hereby amended to read as follows:

"SEC. 2. Hereafter all claims on account of any check, checks, warrant, or warrants appearing from the records of the General Accounting Office or the Treasury Department to have been paid, shall be barred if not presented to the General Accounting Office or the Treasurer of the United States within 6 years after the date of issuance of the check, checks, warrant, or warrants involved. However, any claims for the proceeds of checks payable in Philippine pesos heretofore issued in payment of claims certified by the Philippine War Damage Commission,

shall not be barred if received by the representative of the Chief Disbursing Officer, United States Treasury Department, at Manila, Republic of the Philippines, within 6 years after the date of issuance of such checks."

(b) Section 1 of the act of March 6, 1946 (60 Stat. 31; 31 U. S. C. 129) is hereby amended by inserting immediately after the words "General Accounting Office" the words "or the Treasurer of the United States."

SEC. 4. Subsection (a) of section 3646 of the Revised Statutes of the United States, as amended (31 U. S. C. 528 (a)), is hereby amended to read as follows:

"(a) Except as provided in this section, whenever it is clearly proved to the satisfaction of the Secretary of the Treasury that any original check of the United States is lost, stolen, or wholly or partly destroyed, or is so mutilated or defaced as to impair its value to its owner or holder, the Secretary of the Treasury is authorized to issue to the owner or holder thereof against funds available for the payment of the original check a substitute showing such information as may be necessary to identify the original check, upon receipt and approval by the Secretary of the Treasury of an undertaking to indemnify the United States, in such form and amount and with such surety, sureties or security, if any, as the Secretary of the Treasury may require; but no such substitute shall be payable if the original check shall first have been paid: *Provided*, That nothing contained in this section shall be deemed to relieve any certifying officer or his sureties or any disbursing officer or his sureties of any liability to the United States on account of any payment resulting from the erroneous issuance of the original check."

SEC. 5. (a) Subsection (c) of section 3646 of the Revised Statutes of the United States, as amended (31 U. S. C. 528 (c)), is further amended by deleting the phrase "prior to the expiration of 10 years from the date on which the original check was issued" and inserting in lieu thereof "prior to the close of the fiscal year next following the fiscal year in which the check was issued".

(b) Subsection (e) of section 3646 of the Revised Statutes of the United States, as amended (31 U. S. C. 528 (e)), is further amended by deleting the phrase "prior to the expiration of 10 years from the date on which the original check was issued."

(c) Subsection (f) of section 3646 of the Revised Statutes of the United States, as amended (61 Stat. 310; 31 U. S. C. 528 (f)), is further amended to read as follows:

"(f) Substitutes issued under this section drawn on the Treasurer of the United States shall be deemed to be original checks and payable under the same conditions as original checks."

SEC. 6. Section 2 of the act of July 11, 1947 (61 Stat. 309; 31 U. S. C. 133) and section 5 of the act of July 1, 1916, as amended (61 Stat. 309; 31 U. S. C. 154), are hereby repealed.

ALLOWANCES TO CIVILIAN EMPLOYEES FOR TRANSPORTATION OF HOUSE TRAILERS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 405, S. 1408.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1408) to provide allowances for transportation of house trailers to civilian employees of the United States who are transferred from one official station to another.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Government Operations with an amendment on page 1, line 10, after the word "States," to insert "within Alaska, or between the continental United States and Alaska," so as to make the bill read:

Be it enacted, etc., That section 1 (b) of the act entitled "An Act to authorize certain administrative expenses in the Government service, and for other purposes," approved August 2, 1946, as amended, is amended by adding at the end thereof the following: "Under such regulations as the President may prescribe, any civilian officer or employee who transports a house trailer or mobile dwelling within the continental United States, within Alaska, or between the continental United States and Alaska, for use as a residence and who would otherwise be entitled to transportation of household goods and personal effects under subsection (a) shall be entitled to a reasonable allowance, not to exceed 20 cents per mile, in lieu of such transportation."

Mr. HUMPHREY. Mr. President, this bill was requested by the Department of the Interior. Its enactment will to a considerable extent help to ease the difficult housing situation encountered by workers going from one area to another, particularly outside the continental limits of the United States. It will result in a saving of money to the Government. The bill was reported unanimously by the Committee on Government Operations. I ask that an explanation of the bill be printed in the RECORD at this point.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

PURPOSE

This bill, as amended, would authorize the heads of departments and agencies of the Government to pay a mileage allowance to civilian employees to cover the cost of transporting their house trailers when transferred from one official station to another, within the continental United States, within Alaska, or between Alaska and the continental United States. The bill further provides that the mileage allowance to be authorized will be controlled by regulations promulgated by the President of the United States, and will be paid to employees who would otherwise be entitled to the movement of household effects at Government expense. The amount to be paid will be determined by the head of the agency; however, in no instance would the amount exceed 20 cents a mile for transportation of house trailers or mobile dwellings.

The bill further provides that the trailers would have to be used for dwelling purposes by the employee, and their movement would have to be in connection with a permanent change in duty from one official station to another. To qualify for a mileage allowance the employee would have to be entitled to transportation of his household goods and personal effects because of a change of official duty.

ESTIMATE OF COST

During the consideration of an amendment to the Career Incentive Act of 1955, testimony was given before the House Armed Services Committee that, if an employee had 5,000 pounds of household effects and was transferred from Topeka, Kans., to Fort Worth, Tex., the Government would save about $106 by moving his personal effects and house trailer on a reimbursable basis in lieu of packing, crating, and transporting his household effects by common carrier.

When the Senate Armed Services Committee considered this measure in 1955 and reported a bill (H. R. 4720) to cover the movement of house trailers for military personnel, the report (S. Rept. 125) contained the following statement:

"The committee was of the opinion that it was only equitable that a serviceman who transports his trailer for use as a residence should receive an allowance. It is significant to note that the cost to the Government will be much less by awarding the mileage allowance than it would be by shipping the man's household effects by private carrier under the prescribed weight limitations."

The committee, in reporting S. 1408, agreed that, since employees who elect to ship their household goods and personal effects, when transferred from one place of employment to another, are entitled, within limitations prescribed by regulations, to the expenses of transportation, packing, crating, temporary storage, drayage, and unpacking such items, the enactment of the proposed legislation would effect savings to the Government.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DONATION OF CERTAIN RECORDS TO THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 406, S. 1141.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1141) to authorize and direct the Administrator of General Services to donate to the Philippine Republic certain records captured from insurrectors during 1899–1903.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Government Operations with an amendment on page 1, after line 9, to strike out:

SEC. 2. Prior to effecting such transfer, the Administrator of General Services shall cause to be made a complete microfilm copy of said records for preservation in the National Archives of the United States.

SEC. 3. There is hereby authorized to be appropriated the sum of $35,000 to cover the costs of microfilming and of transporting said records to Manila.

And, in lieu thereof, to insert:

SEC. 2. Before effecting such transfer, the Administrator of General Services shall cause to be made a microfilm copy of each document contained in such records which the Secretary of State or his designated representative shall select for preservation in the National Archives of the United States.

SEC. 3. There is hereby authorized to be appropriated to the Administrator of General Services such sum, not exceeding $35,000, as may be required to cover the costs of microfilming records and transporting the originals thereof to Manila in conformity with the provisions of this act.

So as to make the bill read:

Be it enacted, etc., That the Administrator of General Services is authorized and directed to transfer to the Government of the Republic of the Philippines, without compensation, the records captured by United States forces from the Philippine insurgents during the period 1899–1903 and now maintained as part of record group 94 in the National Archives of the United States.

SEC. 2. Before effecting such transfer, the Administrator of General Services shall cause to be made a microfilm copy of each document contained in such records which the Secretary of State or his designated representative shall select for preservation in the National Archives of the United States.

SEC. 3. There is hereby authorized to be appropriated to the Administrator of General Services such sum, not exceeding $35,000, as may be required to cover the costs of microfilming records and transporting the orignals thereof to Manila in conformity with the provisions of this act.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, this is a procedural bill. It deals with vital records which are held by the Federal Government, and which are to be transferred from the National Archives to the Government of the Philippine Republic.

Rather than to take the time of the Senate to make a detailed explanation, I ask unanimous consent to have printed at this point in the RECORD the explanation of the bill and the amendment which is contained in the committee report.

There being no objection, the explanation from the report (No. 399) was ordered to be printed in the RECORD, as follows:

PURPOSE

This bill would authorize and direct the Administrator of General Services to transfer, without reimbursement, to the Philippine Government certain records now maintained by the Archivist of the United States. It further provides that certain records and documents be microfilmed by the Administrator of General Services. The sum of $35,000 is authorized to be appropriated to defray the cost of microfilming such records as may be designated by the Secretary of State or his designated representative, prior to transfer to the Republic of the Philippines.

The purpose of the amendment is to establish a maximum to be expended to cover the cost of microfilming and transportation of the records to Manila, since it is the view of the committee that the sum of $35,000 requested for this purpose is excessive.

The committee is of the opinion that some of these records may not be of such great importance or significance as would require microfilming for retention in the files of the United States Government. Therefore, the committee approved the amendment in an effort to reduce the costs, if possible, and, further, provided that the Secretary of State, or his duly authorized representative, review the records and determine which papers should be microfilmed before released to the Philippine Republic.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SUSPENSION OF TROOP CEILINGS IN THE ARMED FORCES

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate the unfinished business.

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which will be stated.

The LEGISLATIVE CLERK. The bill (H. R. 7143) to amend the Act of August 3, 1950, as amended, to continue in effect the provisions relating to the authorized personnel strengths of the Armed Forces.

THE INESTIMABLE PRIVILEGE OF TRIAL BY JURY

Mr. ROBERTSON. Mr. President, for us in Virginia there is irony in the fact that in the midst of celebrating the 350th anniversary of the Jamestown settlement, where representative government on the North American continent was started, we must pause to fight a proposal sponsored by the President of the United States to abridge one of the most valued rights of self-government, namely, trial by jury.

Under the mocking label of civil rights, the President and his chief law-enforcement officer, the Attorney General, are pressing upon the Congress legislation which would undermine our constitutional liberty and restrict rights which have been cherished since colonial days.

Earlier this week the Senate committee which has been considering the so-called civil-rights bills voted to insert in the one recommended by its subcommittee an amendment assuring to defendants in civil-rights cases the same kind of protection of their right to a jury trial which is now granted in cases involving labor disputes.

On the other side of the Capitol, however, there is a bill under consideration almost identical with the Senate subcommittee's bill in which the threatened abridgment of jury rights still remains.

We do not know what the status of this provision will be in the bill which may be sent to the Senate by the other House. We cannot be sure that those who have accepted the Attorney General's viewpoint that abridgment of jury trials is the heart of the bill will not succeed in their efforts to have the Senate Judiciary Committee reverse its decision. And, in any case, we know that whenever one of these bills is considered on the floor of the Senate a major issue will be the right of trial by jury.

When the time comes for that Senate debate, which now seems inevitable, I shall say, as I have said throughout my service in the Congress, that so-called civil-rights legislation is ill considered, inadvisable and unnecessary. I shall try to point out how it would create friction and ill will that, in the long run, would harm instead of help those alleged to be its beneficiaries. And, above all, I shall try to make clear the danger that the precedent set and the forces placed in motion by such legislation would strike another blow at the already weakened foundation of a government of balanced powers—a central government having only delegated powers with the sovereign States and the people retaining control of all others not specifically prohibited to them.

In the meantime, however, before the stage of debate on a specific bill is reached, I want to bring to the attention of the Senate the significance, as I see it, of the issue of trial by jury as it is involved in this legislation. I desire to remind the Senate of the background of the right which would be infringed and to point out that this is not a sectional matter but a fundamental one which vitally concerns the citizens of every State of the Union.

And, Mr. President, because I have high personal regard for the present occupant of the White House, it is with sorrow that I must point out the disservice he is doing to the cause of constitutional liberty, in which I am sure he too believes, when he allows the prestige of his office to be thrown behind this legislation.

What a grand opportunity the 350th anniversary of the first permanent English settlement gave the President to emulate the example of Daniel Webster on the 100th anniversary of the birth of George Washington. After praising Washington's contribution to the birth of a new nation; after extolling the benefits the people had derived from the form of government Washington had helped to frame, Webster made an eloquent plea for its preservation. He concluded with the eloquent reminder, which I have often quoted in the past, that other misfortunes may be borne and their effects overcome, but that we cannot reconstruct the fabric of demolished government.

"Who shall rear again the well-proportioned columns of constitutional liberty?" Webster asked; and he solemnly answered "If these columns fall, they will be raised not again."

I had hoped that when the President of the United States became aware of the significance of some of the proposals being made under the label of civil rights he would denounce them in the name of constitutional liberty, but I have been disappointed.

At a press conference last month the President said:

> The civil rights bill is a very moderate thing, done in all decency and in a simple attempt to study the matter, see where the Federal responsibilities lie, and to move in strict accordance with the Supreme Court's decision, no faster and no further

Then, when the representative of a Virginia newspaper asked how he felt about the bill's denial of jury trials, the President replied that he was "not going to talk about that matter," and said his questioner would have to ask Attorney General Brownell, who "knows more about it than I do."

As I have said, I have high personal regard for the President and although I do not always agree with him, I frequently have been able to support his

recommendations. I am not unmindful of the fact, however, that the Attorney General is by tradition a political appointee who after he has taken office does not always abandon his partisan viewpoint and I must frankly say that my observation of the conduct in office of Mr. Brownell has not convinced me he is an exception to this rule.

Therefore, I am not willing to accept as final the word of the Attorney General as to the merits and characteristics of this and other civil rights bills, and I am concerned by the implication in the quotations I have cited that the President has placed such reliance on this subordinate official.

I am not so optimistic as to believe the President will find time to read all that I say here today, or that it will be read by the millions of citizens who have not yet realized what a chipping away of the right of trial by jury might mean to them and to their children in the future.

I am determined, however, at least to get on the record some analysis of the right of every citizen to trial by his own neighbors, which has been well called the favorite child of English law.

There is, it seems to me, Mr. President, a certain lack of logic in the argument of the sponsors of these bills. On the one hand, they protest that it is only a little thing to slip civil rights cases into the limited classifications of injunctions which may be handled without jury trials, and they say all the important legal rights of defendants still will be preserved.

On the other hand, however, the Attorney General calls the jury provision the heart of the bill, and it is coupled with such shortcutting procedures as authority to institute action whenever the Attorney General thinks someone is about to engage in acts that would violate the law, and the privilege of taking cases directly to Federal court before available State administrative remedies have been attempted.

No wonder the Washington Star, in an editorial published on April 16, 1957, said these bills contemplate a radical and even dangerous projection of the Federal judicial power, and asked: "In principle, why should not defendants in civil-rights disputes be entitled to at least the same jury protection as defendants in labor disputes?"

To give just one illustration of the meaning of these proposals regarding jury trials, let us contrast an actual case with one which might arise if the Attorney General's proposal is accepted.

On May 27, in Guntersville, Ala., where a labor dispute was in progress, there occurred a shooting in which 2 persons were killed and 6 others were wounded. A local judge then granted a temporary injunction against mass picketing. If, in that acute situation, pickets had marched, in defiance of the order, and had been arrested, they could have demanded and obtained a jury trial.

On the other hand, let us suppose that a registrar of voters in some State should refuse to register an applicant who failed to comply with some requirement of State law. Let us suppose, further, that the applicant belonged to a minority group and appealed to the Attorney General who, under the proposed civil-rights bill, could then go into a Federal court and obtain an injunction in the name of the United States, calling upon the official to register the would-be voter. The registrar might feel he was in peril of prosecution from the State if he made the registration in violation of the State law; but if he refused, and thereby violated the Federal injunction, he would be subject to imprisonment, and would have no opportunity to have the facts in his case considered by a jury.

Obviously, just such cases are the ones the sponsors of this proposed legislation have in mind when they say there cannot be the kind of enforcement of the civil-rights laws which they want, if jury trials are permitted. They anticipate that a man's neighbors, who know his reputation and his devotion to duty, will not see him sent to jail for making the wrong choice between apparently conflicting obligations. In a direct conflict between Federal and State laws, they know the former must prevail; but they will distinguish between such cases and attempts to enforce some Federal official's ideas of what should be done in the light of modern sociological trends and psychological studies.

As the Senators from North and South Carolina said in their minority subcommittee views on the Senate bill:

> The arguments that criminal prosecutions are cumbersome and slow and that jurors are reluctant to indict and convict are identical with those given for the establishment of the court of star chamber, the enactment of the acts of Parliament depriving American colonists of the right of trial by jury, and the congressional opposition of former days to the jury trial provision of the Clayton and Norris-LaGuardia Acts.

Mr. President, I digress here to add something which is not included in my prepared remarks. I refer to a development of yesterday, namely, the statement President Eisenhower made when he quoted from the acceptance speech of William Howard Taft, in 1908, at the Chicago nominating convention. Mr. Taft, who later became the distinguished President Taft, was a great and able man. But ultimately he was defeated because he was in favor of a high protective tariff, especially on wool, and that displeased his sponsor, Teddy Roosevelt; and also because in that speech Mr. Taft went on record as saying that it would never do to give union labor or labor of any kind a jury trial, when the case was before a Federal judge on injunction proceedings.

Because my friendship with President Eisenhower has lasted a long time—I knew him when I was a major in the Army, in World War I, and he was a lieutenant colonel, and I have known him ever since—I regret that anyone should suggest to him that he attempt to bolster the opinion of the Attorney General in this matter, in regard to a broad category of cases, by quoting the statement made by William Howard Taft in regard to trial by jury—a statement which evidently the press did not catch correctly, because I have before me the exact words used by Mr. Taft, as published; and I heard over the radio a quotation from President Eisenhower's statement. In the first place, the words used by President Eisenhower are not exactly the ones used by Mr. Taft, although perhaps President Eisenhower was quoting from memory. However, the point is that Mr. Taft was at that time criticizing the Democratic platform on which William Jennings Bryan had been nominated, which platform said that when a violation of an injunction order occurs outside a courtroom, those who had engaged in the violation should have the right of trial by jury.

Trial by jury, Mr. President, never was intended as a quick and easy way to obtain convictions. Trial by ordeal or by torture used to be much more effective from that standpoint. The introduction of the principle of trial by jury into Anglo-Saxon jurisprudence was not for the purpose of simplifying the work of prosecutors, but was for the protection of the rights of the accused; and it was established only over the opposition of kings and tyrants and their henchmen.

Even though there are, as the Attorney General and his assistants have pointed out, particular kinds of cases involving either civil or criminal contempt in which citizens of the United States have no constitutional right of trial by jury, the primary purpose in these instances is to protect the status quo with regard to property while the issue is being settled. To argue that because there is this limited area of exclusion, we are justified in extending it to include new classes of cases by the indirect device of making the United States a party to the action, is to ignore the whole theory on which trial by jury rests and the history of its development.

In his interesting historical study entitled "Trial by Jury," published in 1875, William Forsyth said:

> Trial by jury does not owe its existence to any positive law * * * it is not the creature of an act of Parliament establishing the form and defining the functions of a new tribunal.

The great English legal authority Blackstone called it "a trial that hath been used time out of mind in this Nation, and seems to have been coeval with the first civil government thereof"; and Sir Francis Palgrave said a tribunal of sworn witnesses elected out of the popular courts and employed for the decision of rights of property may be traced to the Anglo-Saxon period, although the use of a jury in criminal cases appears to have been unknown until the time of William the Conqueror.

Blackstone thought trial by jury was provided for in Magna Carta, which declared that no freeman shall be hurt in either his person or property except by the legal judgment of his peers or by the law of the land. Forsyth doubted whether the term "trial by his peers" could have been applied to a jury because of its limited function of passing on facts, rather than rendering judgments; but he conceded that a conclusive finding of facts is a judicial act, and

said the term "judgment" might, therefore, be applied to a jury's decision.

This is a nice point for controversy, and I invite my Senate colleagues to visit Jamestown, Va., where one of the originally enrolled copies of Magna Carta is on display, and read that document for themselves. I am happy to see on the floor two distinguished colleagues who have already done that, the distinguished Senator from Ohio [Mr. LAUSCHE], and the distinguished Senator from North Carolina [Mr. ERVIN]. Regardless of technicalities, I believe any of my colleagues who visit Jamestown will come away from that spot "where the infancy of our Nation was cradled and defended" convinced that the spirit, at least, of Magna Carta is violated when a politically appointed officer in the executive branch of the Government is authorized to intervene in an action of one individual against another individual in the name of the Federal Government and to obtain a sentence of imprisonment from a Federal judge appointed for life, without an opportunity for the accused to call on a panel of his fellow citizens to pass on the facts involved in the case.

Going back to the early history of England, we find disputes respecting land decided by the voice of the community where the parties lived, and, as a later development, a select number was substituted for the whole community. This group gave their testimony upon oath and therefore were called the jurata. This suggested to Henry II and his counselors the idea of the assize, which was the jurata in a technical form, but the assize had a technical meaning and was applied only to certain proceedings.

An ancient statute of uncertain date provided that in cases where land of small extent or value was involved the justices might select a jury of 12 free men instead of the grand assize of 12 knights. Thus, the common man obtained a decision from his peers. Gradually justices appointed to hold the assize were directed to entertain other questions than those concerning land, and juries were allowed to accept evidence from witnesses in court. By the reign of Edward III, trials by jury in criminal cases were nearly, if not quite, the same as at the present day.

This was the Anglo-Saxon heritage which came to America with the colonists in 1607, and which they made a part of their own system after the first representative government in America was set up at Jamestown in 1619.

The regard in which our forefathers held the right of trial by jury is indicated by their statement in the colonial Declaration of Rights of October 19, 1765, which said "trial by jury is the inherent and invaluable right of every British subject in these Colonies," and which condemned an act of Parliament "extending the jurisdiction of the courts of the admiralty beyond its ancient limits," so they could try the colonists for various offenses without a jury—a procedure similar to that attempted in the bill before the Judiciary Committee today.

This colonial reaction against the Stamp Act enforcement methods had been preceded by a more reserved resolution passed by the Virginia House of Burgesses on May 30, 1765, but it was followed, on February 27, 1766, by an unequivocable statement of a distinguished group, headed by Richard Henry Lee, which met at Leedstown, Va.

The Leedstown resolution signers declared "all due allegiance and obedience to our lawful sovereign," and asserted their determination to "preserve the laws, the peace, and good order of this Colony as far as is consistent with the preservation of our constitutional rights and liberty."

They went on to say, however, that they knew it to be the birthright privilege of every British subject, including the people of Virginia, to be legally tried only by their peers, and they declared:

> If therefore any person or persons, shall attempt by any action or proceeding to deprive this Colony of those fundamental rights we will immediately regard him or them as the most dangerous enemy of the community and we will go to any extremity not only to prevent the success of such attempts but to stigmatize and punish the offender.

Mark you, Mr. President, that was long before the Declaration of Independence.

The resolutions pointed out that the Stamp Act in many cases worked to deprive the British American subject of his right to trial by jury, and said:

> We do determine at every hazard and paying no regard to danger or to death, we will exert every faculty to prevent the execution of the said Stamp Act in any instance whatsoever within this Colony.

Mr. President, the names of many of the Virginians who signed the Leedstown resolutions are preserved in our State today through their descendants, and their spirit also has been handed down. If the attempt is made by the Federal Government now, in a so-called civil rights bill, to constrict the right of trial by jury, as George III did nearly two centuries ago in his Stamp Act, Mr. President, you will find not dozens, but thousands of Virginians, and their fellow believers in constitutional liberty in other States, ready again at every hazard to exert every faculty against usurpation of their fundamental rights.

As I previously indicated, the sentiments expressed in the colonial resolutions of 1765 and 1766 were stated again in the Declaration of Rights of October 14, 1774, which said the colonists were entitled to "the great and inestimable privilege of being tried by their peers of the vicinage."

These views were reiterated in the Declaration of Independence, written by Thomas Jefferson and adopted by the Continental Congress in 1776, which accused the King of England of trying to establish an "absolute tyranny," and included in the list of grievances against him: "depriving us in many cases of the benefits of trial by jury."

And, of course, trial by jury in criminal cases was embodied in and made part and parcel of the Constitution of the United States, which provides in article III:

> The trial of all crimes, except in cases of impeachment, shall be by jury; and such trial shall be held in the State where the said crimes shall have been committed.

When the first 10 amendments were adopted this was reinforced by the 5th amendment, which says:

> No person shall be held to answer for a capital, or otherwise infamous crime, unless on a presentment or indictment of a grand jury.

And the sixth amendment, which says:

> In all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed.

The framers of the Constitution included no provision for jury trials in civil cases, leaving that to determination by the respective States, but this omission led to such sharp and widespread criticism that in the first session of the Congress there was included, among the Bill of Rights amendments, the seventh, which provides:

> In suits at common law, where the value in controversy shall exceed $20, the right to trial by jury shall be preserved. And no fact tried by a jury shall be otherwise reexamined in any court of the United States than according to the rules of the common law.

This—

Said Mr. Justice Story—

> is a most important and valuable amendment, and places upon the high ground of constitutional right the inestimable privilege of a jury trial in civil cases—a privilege scarcely inferior to that in criminal cases, which is conceded by all to be essential to political and civil liberty (Story's Commentaries, III, 638).

Mr. President, I want to repeat, for emphasis, the last quotation from one of the great Justices of our Supreme Court and one of our leading authorities on constitutional law. Mr. Justice Story said the privilege of trial by jury in civil cases is "scarcely inferior to that in criminal cases, which is conceded by all to be essential to political and civil liberty."

How ironic, then, to seek, in what is called a civil-rights bill, to tamper with, circumvent, and limit a right which is conceded by all to be essential to political and civil liberty.

Mr. Justice Story, in his discussion of this subject, also referred to a Supreme Court decision on an appeal in a civil suit in which it is stated:

> The trial by jury is justly dear to the American people. It has always been an object of deep interest and solicitude, and every encroachment upon it has been watched with great jealousy. The right to such a trial is, it is believed, incorporated into, and secured in every State constitution of the Union.

It has been said that if Englishmen are distinguished for one moral feature more than another it is a love for fair play and an abhorrence of injustice. The very essence of the jury trial is its principle of fairness.

A significant comment on the influence of jury trials on national character and political institutions is to be found in Alexis de Tocqueville's book on Democracy in America.

De Tocqueville warned that a jury system limited to criminal trials always is

in peril because the people see it in operation only at intervals and in particular cases. They are accustomed to dispense with it in the ordinary affairs of life and look upon it merely as one means, and not the only means, of obtaining justice. But this French statesman and writer, a keen observer of our American experiment, who predicted that the two great powers of the world would be Russia and the United States, said that when jury trials embrace civil actions they are constantly before the eyes of the people and affect all their interests. The jury then becomes associated with the very idea of justice.

He said the jury, and especially the civil jury, serves to imbue the minds of the citizens of a country with a part of the qualities and character of a judge, and this is the best way of preparing them for freedom. It spreads among all classes a respect for the decisions of the law; it teaches them the practice of equitable dealing. Each man in judging his neighbor thinks that he may be also judged in his turn. So, said de Tocqueville, the greatest advantage of the jury is its use as an instrument for the education of people who will govern themselves.

This writer went on to say that the jury also is a political institution of the highest value.

The jury—

He wrote—

is emphatically a political institution. The man who judges in criminal cases is, then, really a master of society. The institution of the jury places the people themselves, or at least one class of citizens, upon the seat of the judge. The institution of the jury, then, actually places the direction of society in the hands of the people, or of this class.

In his book on the English Government, Lord John Russell said:

It is to trial by jury more than even to representation (as it at present exists) that the people owe the share they have in the government of the country; it is to trial by jury, also, that the government mainly owes the attachment of the people to the laws; a consideration which ought to make our legislators very cautious how they take away this mode of trial by new, trifling, and vexatious enactments.

Once again, Mr. President, I want to repeat for emphasis that statement of Lord Russell, reminding us of how much the attachment of a people to the laws of their country stems from their reliance on trial by jury and warning legislators that they should be "very cautious how they take away this mode of trial by new, trifling, and vexatious enactments."

The proposal of the Attorney General, backed by the President, to abridge the right of trial by jury is new and it is vexatious. But its final effect may be far from trifling.

No Member of this distinguished body will dare assert that the preservation of American constitutional liberty is of no moment in his home State. How, then, can any Senator assume that if he votes to limit and restrict the constitutional right of jury trial he is not voting away cherished rights of his own constituents?

The first experiment in the use of such new Federal power to evade jury trials because it is easier to convict without a jury may be in the South, but the cold, hard fact is that we are considering a law of national application, not limited to the question of suffrage. As stated on page 17 of the subcommittee minority views, the Senate bill "covers in substantial measure the entire spectrum of civil rights."

No State, of course, is without the seeds of an economic, religious, or racial problem.

The point involved here is well illustrated by a case decided by the Supreme Court of the United States in 1866—*Ex parte Milligan* (4 Wall. 2 (118)). This involved a citizen of Indiana who had not been in military service but who was sentenced by a military tribunal in 1864 to be hanged for disloyal conduct during the Civil War.

Just as the pending bill would allow civil rights cases to be taken directly into Federal courts and tried without a jury without first exhausting administrative remedies or the possibilities of action by State courts, so in 1864 the military court took jurisdiction and sentenced a man although the courts of Indiana never were closed during the war.

The Supreme Court set aside the military conviction, saying the defendant should have been tried before a jury in a court of law and in the decision this language was used:

Time has proven the discernment of our ancestors; for even these provisions, expressed in such plain English words that it would seem the ingenuity of man could not evade them, are now after the lapse of more than 70 years, sought to be avoided.

Those great and good man foresaw that troublous times would arise, when rules and people would become restive under restraint, and seek by sharp and decisive measures to accomplish ends deemed just and proper, and that the principles of constitutional liberty would be in peril unless established by irrepealable law. The history of the world had taught them that what was done in the past might be attempted in the future. The Constitution of the United States is a law for rulers and people, equally in war and peace, and covers with the shield of its protection all classes of men, at all times, and under all circumstances. No doctrine involving more pernicious consequences was ever invented by the wit of man than that any of its provisions can be suspended during any of the great exigencies of government. Such a doctrine leads directly to anarchy or despotism.

That statement, made by the Supreme Court of the United States in 1866, is no less pertinent today and certainly there is less excuse for avoiding jury trials now to help the Attorney General handle some pet cases than there was for trying to get around it in the stress of the War Between the States.

The only safe and just rule to follow is the golden rule, and if my colleagues will think of what might happen sometime in their own States, as it did in Indiana in 1864, they will join me in opposing any bill which would deprive a single citizen of the right of trial by jury which he otherwise would enjoy.

Mr. ERVIN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Does the Senator from Virginia yield to the Senator from North Carolina?

Mr. ROBERTSON. I yield to my colleague, the Senator from North Carolina.

Mr. ERVIN. I wish to commend the able and distinguished Senator from Virginia for his excellent explanation of the right of trial by jury, and why that sacred right of the American people ought not to be abrogated as to any segment of our society as to any class of cases.

I have observed that the President has been asked a number of times at press conferences about this bill. On one occasion he stated that he did not understand the legal quirks in the bill, and that his questioners would have to ask Attorney General Brownell about that subject. Is that the Senator's recollection?

Mr. ROBERTSON. That is correct. To me that is rather discouraging.

Mr. ERVIN. I will ask the Senator if, from his study of the campaign speeches of the President, he does not believe that President Eisenhower would be opposed to the enactment of this bill if he understood the bill and its implication?

Mr. ROBERTSON. President Eisenhower's campaign speeches were so persuasive that the Senator from Virginia would have voted for him if he had not been a dyed-in-the-wool Democrat. The Senator from Virginia cannot reconcile the President's statements on the subject of States' rights with the provisions of the bill.

The only logical conclusion is that the bill has not been presented to the distinguished soldier in the light of a legal argument he could fully understand. As I have already mentioned, he would not have used as authority the reference to what Judge Taft said in 1908 about jury trials if he had realized that he was going on record against all the labor unions in the Nation, and against what we have given them since 1914, under democratic legislation, in the form of the right of trial by jury in injunction proceedings. I know that he did not intend to imply that he favors repealing the right of trial by jury in labor disputes.

Mr. ERVIN. I ask the distinguished Senator if, at the time William Howard Taft made the statement which has been quoted, he was not engaged in making a political speech, rather than acting in a judicial capacity, and pointing out what the law should be?

Mr. ROBERTSON. He had accepted the nomination for President, and was hopeful of being elected. The natural inference is that he was engaging in a little political discussion.

Mr. ERVIN. I ask the distinguished Senator from Virginia if William Howard Taft, in making that speech, was not speaking in opposition to the Democratic platform, which guaranteed that the Democratic Party would stand for the right of trial by jury on behalf of labor when labor was charged with contempt based on alleged violations of injunctions issued by Federal courts.

Mr. ROBERTSON. As I have previously stated, either the President did not quote the speech correctly, or the press did not quote the President correctly.

The Senator from Virginia will answer his distinguished colleague by reading what Judge Taft actually said:

With respect to notice, the Democratic platform contains no recommendation.

There has been much dispute as to whether injunctions should be issued against labor unions without any previous notice. Taft had said, "There are too many of them. We must act quickly. We do not have time to handle them." But, he said, "There are not too many cases of this kind, and it does not make any difference whether they get notice or not."

Reading further:

Its only intelligible declaration—

That is, the Democratic platform's—

in regard to injunction suits is a reiteration of the plank in the platform of 1896 and 1904, providing that in prosecutions for contempt in Federal courts, where the violation of the order constituting the contempt charge is indirect, that is, outside of the presence of the court, there shall be a jury trial.

There is the record. There are the words of Judge Taft, that from 1896 on the Democrats wanted to give the workingman, who was grabbed by the scruff of the neck and haled into Federal court, a chance for a jury trial before he was sent to the penitentiary. Judge Taft said, "Oh, no; that will not do at all. We could not stand for that."

That was apparently good politics in 1908; but in 1912 the same candidate for the Presidency carried only two States. The Senator can draw his own conclusion as to where the labor vote went.

Mr. ERVIN. On May 31, 1957, Attorney General Brownell, who is reputedly the father of the current civil-rights bill, wrote a letter to Representative KEATING, of New York, advancing certain arguments for the enactment of that bill. I wish to read one of the statements the Attorney General made in that letter, which appears in the CONGRESSIONAL RECORD for June 4, 1957, at pages 8325–8326. The Attorney General said:

Suits for preventive relief under the proposed legislation will be governed by the traditional rules of procedure which have always applied to such suits.

I ask the distinguished Senator from Virginia how he or Attorney General Brownell himself can reconcile the Attorney General's statement which I have just read with the provision of the bill which says that the suits are not to be brought in the name of the real party in interest, but are to be brought in the name of the United States, and, according to the Attorney General's interpretation, can be brought by the Attorney General without the consent or even against the will of the real party in interest. How can the Senator from Virginia or the Attorney General of the United States reconcile the statement of the Attorney General, to the effect that the bill merely authorizes traditional equity procedure, with the provision of the bill to which I have referred?

Mr. ROBERTSON. The Senator from Virginia has read the bill. He has read a great deal of the testimony. He has read the reports of committees in both the House and Senate. He cannot reconcile the statement of the Attorney General with the provisions of the bill, because, in the opinion of the Senator from Virginia, the statement is 100-percent wrong.

Mr. ERVIN. As a matter of equity procedure, I ask the Senator from Virginia if it is not a basic rule of equity that a suit in equity must be brought by the real party in interest in the name of the real party in interest.

Mr. ROBERTSON. Absolutely.

Mr. ERVIN. I ask the Senator if that traditional equity procedure is not absolutely inconsistent with the provisions of the bill, and if the Attorney General's statement with reference to the bill is not absolutely inconsistent with the provision of the bill.

Mr. ROBERTSON. The Senator from North Carolina is indubitably right.

Mr. ERVIN. I read to the distinguished Senator from Virginia another statement made by the Attorney General of the United States in the same letter:

The Government seeks no new or radical procedures to govern injunction suits in civil-rights cases.

Mr. ROBERTSON. Does the Senator wish to have me answer that statement?

Mr. ERVIN. Yes.

Mr. ROBERTSON. I have made a study of so-called civil-rights cases. I read the 100-page decision in the Slaughter House cases. I have read outlines as long as one's arm. The courts have enumerated a great many issues as being civil-rights issues. Civil rights have been interpreted as covering the 13th amendment, the 14th amendment, the 15th amendment, and due process of law.

What does the bill do? It covers them all. It outlines in great detail questions relating to suffrage.

The third section of the bill gives the Attorney General the right to enter school segregation cases at almost any point. Then he can act on behalf of any citizen, any alien, or any corporation coming to him with a complaint that some civil right, involving due process of law, has been violated.

What is "due process of law"? The courts have not yet finished defining what due process of law is, but it involves many civil-rights cases. Therefore it is the pluperfect of camouflage to call the bill in dispute a voting bill. It covers all civil rights. It is misrepresenting essential facts when the Attorney General asks for the privilege of obtaining court decisions, in suits primarily devised for the protection of property without the intervention of juries, to say that he is not proposing to take away the right of trial by jury in hundreds of instances, involving millions of people.

The proposal is something new. It is a departure. It is a violation of their constitutional rights.

Mr. ERVIN. Mr. President, I should like to invite the attention of the distinguished Senator from Virginia to the question raised by the attorney with respect to equity procedure. I invite his attention to an opinion of the Supreme Court of the United States, in the case of Myers against the Bethlehem Corporation, which is found in volume 303, United States Reports, beginning at page 41. The court, speaking through that great liberal jurist, Justice Brandeis, stated that the plaintiff was not entitled to equity relief by way of injunction, because under the "long settled rule of judicial administration, no one is entitled to judicial relief for a supposed or threatened injury until the prescribed administrative remedy has been exhausted."

I also invite the Senator's attention to the effect that in footnote 9, at the bottom of page 51 of that decision, Justice Brandeis sets out that this rule, namely, that one cannot resort to courts for judicial relief until he has used and exhausted the prescribed administrative remedy, "has been most frequently applied in equity where relief by injunction was sought."

Although the Attorney General says he does not seek any drastic changes in equity procedure, the bill twice states, in substance, that whenever the Attorney General exercises his discretionary power to bring suits under the civil rights bill, all administrative and other remedies cease to be in force and effect.

I ask the Senator from Virginia if he can possibly reconcile these two provisions in the bill with the statement in the Attorney General's letter, which reads as follows:

The Government seeks no new or radical procedures to govern injunction suits in civil rights cases.

Mr. ROBERTSON. The Senator from Virginia cannot reconcile those statements. What the bill proposes represents a wide departure from established procedure. It goes even further than the Senator from North Carolina has indicated, because it also confers upon the Attorney General, or his assistant who would be handling the cases, the privilege of acting on what he thinks will happen. He can say, "I think something will happen," and proceed with his judicial process.

Mr. ERVIN. I ask the distinguished Senator from Virginia if he can imagine a more radical or a more drastic change that can possibly be made in equity procedure than to provide that State laws and administrative procedures can be nullified at the whim of the Attorney General.

Mr. ROBERTSON. As the distinguished Senator from North Carolina probably knows, the junior Senator from Virginia has been giving a great deal of thought in recent months to the 350th anniversary of the settlement of Jamestown. He has been reviewing the political history and the economic history of the country, its development first as an aggregation of Colonies, then as a weak Nation, and then as the strongest Nation in the world.

In my honest opinion there have never been, in the three hundred and fifty-odd years, more than two other similar attempts of this kind. One was when King George took trial by jury away from the people; the other was when a partisan Congress passed the act of 1866, which President Johnson vetoed as unconstitutional. It was necessary to get another

amendment to the Constitution. The partisans then wanted the military courts to function, and designated Virginia as Military District No. 1. It was stated that Virginia was incapable of self-government.

Those are the two instances in which the right of trial by jury was taken away, or attempted to be taken away, in the history of our Nation.

Mr. ERVIN. In other words, the present executive department is the first executive department since the establishment of American independence which has made an attempt to secure the passage by Congress of a law under which American citizens can be deprived of the right of trial by jury. Is that not correct?

Mr. ROBERTSON. Let the junior Senator from Virginia say, because of his great fondness for the President, it is the one time in the history of the United States that the Attorney General has come forward with a proposal to take away the right of trial by jury.

Mr. ERVIN. In other words, we have had King George of England, and a Reconstruction Congress under the leadership of Thaddeus Stevens take such action in times past?

Mr. ROBERTSON. That is correct.

Mr. ERVIN. And now an Attorney General of the United States emulates their examples. Those are the only three men, in responsible executive positions in Government, who have advocated taking the right of trial by jury from American citizens?

Mr. ROBERTSON. That is correct so far as my knowledge of history is concerned. If anyone can cite another instance, we will give him plenty of time to state it before this argument is over.

Mr. ERVIN. Mr. President, will the Senator yield further?

Mr. ROBERTSON. I yield.

Mr. ERVIN. Is it not true that under the law as now written, there are sufficient statues on the books to enforce all the alleged civil rights of all the American people by the present system of procedures, without the passage of any new laws?

Mr. ROBERTSON. There can be no question about that. I am rather familiar with voting in Virginia, because I first ran for public office in 1916, and have been running for public office ever since. I have never known of any illegal effort in Virginia to deprive anyone of the right to vote because of race, color, or previous condition of servitude. If a person does not pay the poll tax, he cannot vote. However, it is utterly absurd to say that we have deliberately or illegally deprived anyone of his right to vote.

So far as all the other so-called civil rights are concerned, Virginia juries honor their oaths. They are made up of responsible men. It is a base slander to say that in a Federal case a jury in Virginia should not be permitted to pass on the issue because the members of the jury would ignore their oaths and turn a guilty person loose. That is a base slander.

Mr. ERVIN. I should like to ask the Senator from Virginia whether all civil rights cannot now be enforced by the following methods: First, by criminal prosecution, in which the accused has the right, in the case of a felony, to be indicted by a grand jury, and the right, in the case of a felony or a misdemeaner, to be tried by a petit jury, and the right to confront and cross examine his accusers?

Mr. ROBERTSON. The Senator is correct.

Mr. ERVIN. In the second place, any individual who is aggrieved by any alleged denial or deprivation of his civil rights, has the option of bringing suit for damages, or a suit in equity for injunctive relief.

Mr. ROBERTSON. That is correct.

Mr. ERVIN. I will ask the Senator, if such a person brought a suit for damages, the parties would be entitled to trial by jury under the seventh amendment to the Constitution; and in case the suit was brought in equity, he would not be entitled to trial by jury under the Clayton Act, as embodied in sections 402 and 3691 of title 18 of the United States Code?

Mr. ROBERTSON. The Senator is correct. There is one thing that should be added. As I previously said, when the Democrats came into power in 1913 the Clayton Act was amended to provide trial by a jury in cases of indirect contempt in injunction suits in labor cases and the penalty was limited to 6 months in jail.

In 1948, Congress saw fit to lift those provisions from the antitrust act, and to put them in both the code and the Statutes at Large. The Senator from North Carolina, who is one of the ablest lawyers in the Senate, and a former member of the supreme court of his State, knows that the civil-rights bill will seriously affect these statutes. Is that not correct?

Mr. ERVIN. It is certainly true.

Mr. ROBERTSON. Certainly the limit on punishment would be removed.

Mr. ERVIN. Yes. The Senator from Virginia has correctly observed that under existing provisions of the Clayton Act, which are embodied in section 402 and section 3691, of title 18, there is a limitation on punishment of 6 months' imprisonment and a fine of not to exceed $1,000, when the fine is paid to the Federal Government.

If the bill were passed in its present form, containing the provision that the action is to be brought in the name of the United States, rather than in the name of the aggrieved party, the defendants in civil-rights cases would lose the protection of that limited punishment and could be sent to jail for contempt, under the Federal decisions, for years and years and years, until it was shown that there had been a violation of the very nebulous provision of the eighth amendment which prohibits cruel and unusual punishment. I have found one Federal decision which upheld a jail sentence of 4 years in a case tried without a jury.

Despite that fact, the Attorney General tries to tell Congress that this is a mild bill. But if the bill be passed, the punishment of 6 months could be extended to any number of years a judge might decree, until it offended the eighth amendment.

I will ask the distinguished Senator from Virginia if it is not true that where a man is punished for a contemptuous act which is also a crime, he can still be punished for violating the criminal law, can he not?

Mr. ROBERTSON. The Senator is correct.

Mr. ERVIN. He can be subjected to double punishment, despite the double-jeopardy provision of the Constitution. This is true because the theory is that in one case he has violated the criminal law, and in the other case he has disobeyed the command of the judge not to violate the criminal law.

Mr. ROBERTSON. Yes. The Attorney General has tried to tell us that this is a mild and innocuous bill, one which is intended to provide a little improvement in the protection of the right to vote. But he has not sold that idea to one State, to my knowledge; the States know it is not correct.

Mr. ERVIN. I ask the Senator from Virginia if the proposed law would not, in a sense, become the possession of the occupant of the Office of Attorney General, and if the Attorney General could not grant the use of the law to one citizen, deny it to another, use it against another, and refuse to use it against still another?

Mr. ROBERTSON. Certainly; the Attorney General would have absolute discretion.

I was interested to learn that a motion was made in the House Committee on the Judiciary to limit the number of assistants to the Attorney General to 25; but the motion was defeated, because the Attorney General did not want the number of his assistants to be limited to 25. He wants the right to appoint 100, 200, or 250, depending on the amount of money Congress grants. Those assistants then would spread out over the country, and each one would exercise his own discretion. He could say, "In the name of the United States, open the code."

Mr. ERVIN. I believe the United States is supposed to have a government of laws rather than a government of men. The fundamental distinction is that in the one case the laws have authority over men; in the other case, men have authority over the laws.

I ask the Senator from Virginia if the bill does not offend that principle, in that it gives the Attorney General complete control over the proposed law.

Mr. ROBERTSON. For the first time in the recollection of the Senator from Virginia—and I have been in Congress since the spring of 1933—I have seen a bill which provides that something shall not be a crime until the Attorney General decides it is a crime.

Mr. ERVIN. I will ask the Senator if the bill does not place a political club in the hands of the Attorney General, and if the Attorney General could not use it to usurp the power of the State and local officials. Could not the Attorney General say to a registrar, "If you do not register this man," or to a school principal, "If you do not assign this child to that school," I will put the law on you; and when I put the law on you, the legal and financial might of the United States will be arrayed against you in a suit in which you will be denied the benefit of all the constitutional and legal safeguards erected by the Constitution and Congress to protect American citizens from governmental tyranny" I ask the Senator from Virginia if that could not be done under the provisions of the bill.

Mr. ROBERTSON. The Senator is eminently correct. The bill is honeycombed with politics, and includes powers which could be exercised in a political manner by the Office of the Attorney General.

Mr. ERVIN. I ask the Senator from Virginia, if that kind of action on the part of the Attorney General, would not compel the local official to whom such a threat is directed to take one of three different courses of action. First, he might be tempted to say, "Well, I am serving in this local office as a matter of public duty, without any adequate compensation. Rather than to run the risk of being victimized by the Attorney General, I will resign my office. I will quit."

He could do that, could he not?

Mr. ROBERTSON. He could do that.

Mr. ERVIN. Or he could say, "The only thing I can do under the circumstances is to bow down and make obeisance to the will of the Attorney General and run my local office just as the Attorney General wants me to do."

Mr. ROBERTSON. He could do that.

Mr. ERVIN. Or he could stand up for his convictions and run the risk of being sent to jail for years and years and years, unlimited by anything except the eighth amendment, simply because his idea as to how the should discharge the duties of his State office might differ from those of the Attorney General and a single Federal judge.

Mr. ROBERTSON. Over and above that, while I do not know what the laws of North Carolina provide, in Virginia there is no fund with which to defend a person who is prosecuted by the district attorney or the Attorney General; he must defend himself. If he is bankrupt, he has to defend himself.

Under the bill, if someone made a charge, and the Attorney General should ask, "Can you prove it?" and the complainant said, "No, but I suspect it," that would be sufficient to put the case in court. The defendant then would have to pay the costs of his own defense.

Mr. ERVIN. I ask the Senator, from his own knowledge of conditions in Virginia and other States, if most of the defendants in such cases will not be State or local officials who are performing necessary governmental services at State and local levels, with little or no compensation, out of a sense of public duty.

Mr. ROBERTSON. That is true. But consider, also, the places from which witnesses could be subpenaed. I have not seen the latest action of the committee of which the Senator from North Carolina is a member; but under the bill, as I recall, a person could be subpenaed anywhere within the jurisdiction of the circuit court of appeals having jurisdiction of a case. For example, if he lived in the jurisdiction of the Fourth Circuit Court of Appeals, that would include Baltimore and every other place in Maryland, Virginia, West Virginia, North Carolina, and South Carolina. He could be subpenaed anywhere he could be reached within that area.

Think of what a departure that would be from the practice of proceeding against a man in his home area and among his home friends. But the bill provides that a proceeding against him may be started anywhere in the jurisdiction of the circuit court of appeals of his area.

Mr. ERVIN. I ask the Senator from Virginia if he has ever seen or heard of a single human being whom he would be willing to entrust with the autocratic and despotic power which the bill would confer upon the occupant of the Office of the Attorney General.

Mr. ROBERTSON. No; I never have. As Thomas Jefferson said, we should grant no man power on the assumption that he would not violate it. Bind him down, Jefferson said, by the chains of the Constitution. The proponents of the bill are trying to violate the Constitution by providing more power than any man should have.

Mr. ERVIN. I ask the Senator if this is not a fair analysis of what the bill would accomplish, if it were enacted: It would place State and local officials on a constitutional and legal basis inferior to that granted to murderers, counterfeiters, dope peddlers, smugglers, and persons alleged to be parties to the Communist conspiracy.

Mr. ROBERTSON. The bill would do that, and would do it to an extent which used to be mentioned during the prohibition days, namely, to such an extent that a four-horse team could be driven through the hole which would be broken in the 10th amendment to the Constitution.

Mr. President, these rights must be maintained. All through the years they have been upheld by the Supreme Court. Bu this bill would wipe out the distinction between the Central Government and the sovereignty of the States, as set forth in the 10th amendment to the Constitution, namely:

> The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

Mr. ERVIN. Mr. President, the Senator from Virginia undoubtedly has heard the term "second-class citizen," which has been used for several years now. If the bill were enacted into law, would it not make legal pariahs and third-class litigants out of State and local officials involved in civil-rights cases?

Mr. ROBERTSON. It certainly would have a tendency to do that very thing. Certainly we do not want to see that happen in Virginia.

Mr. ERVIN. I thank the Senator from Virginia for yielding to me.

Mr. ROBERTSON. Mr. President, I have been glad to yield to my colleague, the Senator from North Carolina, for the reason that he is the best informed Member of the entire Congress in regard to this proposed legislation. We in Virginia are eternally grateful to him for the fight—at great inconvenience to himself, because he carries a heavy load in other committees—which he has made, in endeavoring to see to it that the facts in regard to the bill are developed in the committee and on the floor of the Senate and in the press.

Much remains to be done, because the people of the Nation honestly do not realize what the bill really means. It is a short bill. It sounds simple. If one should read it when he is half asleep, he would not think it means very much except an effort to help someone who claims he is not permitted to vote. But when we examine the penetrating analysis which has been made of the bill by a great lawyer, such as the Senator from North Carolina [Mr. ERVIN], it chills one's blood to think that before 2 weeks have passed, if last year's example is followed, this measure, without any substantial amendment, will come to the Senate from the House of Representatives. Then what will the Senate do? Is the Senate to say, "We wash our hands of it"? Mr. President, the Senate cannot wash its hands of this measure; the Senate has a grave responsibility.

I have taken this opportunity—far from undertaking to discuss the provisions of the bill, because I do not know what they will be, in the final analysis—to discuss one phase of the subject of which Viriginia has always been the keystone in the arch of our independence, of our freedom, and of our representative form of government. As Webster said:

> If you tear down that structure—

Namely, the Constitution—

> which so skillfully unites national sovereignty with State rights and the prosperity of the people, it will never be reconstructed.

Mr. President, that is the issue on which we shall have to pass before the end of this session.

So again I desire to express my thanks to the distinguished Senator from North Carolina [Mr. ERVIN] for the helpful questions he has asked me. I regret that I did not know more about this matter, so I could have responded more fully to his questions. But I thank him, on behalf of the people of Virginia, and on behalf of all the people of the Nation, for the magnificent work he has been doing to inform us and the American people just what is under consideration.

Mr. LONG. Mr. President, will the Senator from Virginia yield to me?

The PRESIDING OFFICER (Mr. SYMINGTON in the chair). Does the Senator from Virginia yield to the Senator from Louisiana?

Mr. ROBERTSON. I yield.

Mr. LONG. I wish to congratulate the Senator from Virginia on the very able statement he has made on this matter. I agree with him completely concerning the right of trial by jury.

I also wish to associate myself with the compliment he paid the distinguished Senator from North Carolina [Mr. ERVIN]. I read the minority views of the subcommittee which reported the bill to the full Judiciary Committee, and I must say that it is one of the best pieces of legal analysis I have seen for some time.

Mr. ROBERTSON. I thank the Senator from Louisiana. I am sure that all of us join in the opinion he holds of the distinguished Senator from North Carolina.

Mr. THURMOND. Mr. President, will the Senator from Virginia yield to me?

Mr. ROBERTSON. I yield.

Mr. THURMOND. Mr. President, I wish to join in congratulating the distinguished Senator from Virginia for the magnificent address he has made. I am sure it is enlightening to the Nation to have a great statesman from a great State make to the Senate and to the people of the country so illuminating a presentation as the one he has made on this occasion.

I also wish to associate myself with the distinguished Senator from Virginia in complimenting the able and distinguished Senator from North Carolina [Mr. ERVIN]. I do not know of any Senator who has worked more zealously or has done more to bring to the attention of the people of the country the dangers inherent in these so-called civil-rights bills. Actually, they are not civil-rights bills; instead, they are so-called civil-rights bills.

Mr. President, the civil rights of the people of the United States are set forth in the Constitution of the United States. The right of trial by jury is to be found in the original Constitution, in article 3, section 2, and in the amendments to the Constitution.

I am very proud that the Senator from Virginia has on this occasion brought his excellent analysis to the attention of the United States Senate.

Mr. ROBERTSON. Mr. President, my distinguished colleague, the Senator from South Carolina, has praised me beyond my desserts; but I appreciate very much his kind words.

Mr. President, I yield the floor.

UNITED STATES-MEXICAN AIR SERVICE

Mr. LONG. Mr. President, recently, Mr. Drew Pearson, on his radio program and in his syndicated column, attributed to me certain statements with regard to the recent recommendation of a Civil Aeronautics Board examiner that Eastern Air Lines be denied the right to operate nonstop service between the New York, Washington, and Mexico City terminals of their certificated route, and that these rights should be granted, instead, to Pan American World Airways.

Pan American World Airways apparently feels very sensitive about the matter, because this world-girdling corporation immediately went to the trouble of issuing a special blue brochure defending its position and attacking the statements attributed to me, without ever taking the trouble to inquire whether those statements represented my views.

I did not make the statement, attributed to me, that the award of these rights to Pan American World Airways was the "most inconceivable example of malfunction in Government" that I had ever seen. I have perhaps seen worse examples of malfunction in Government. What the Civil Aeronautics Board's examiner recommended that this Government do for Pan American World Airways in this case, however, cannot be justified by any logic or language.

Mr. President, the issue involved is greater than that of justice for the people of New Orleans and the State of Louisiana. The record in this case demonstrates how the people of my State and 10 other sovereign States have been deliberately denied their rights and privileges for 11 long years, in order that Pan American World Airways could enjoy an unfair monopolistic advantage in international air traffic. It illustrates the tremendous power this global corporation exercises within our Government and on our relations with the other nations of the world, on whose friendship and cooperation we greatly rely in our plans for peace.

Of all of the regions of the United States, the section which, historically, has been most seriously handicapped by lack of adequate transportation for the development of trade and closer relations with our neighboring Republic of Mexico, is the area from the Atlantic seaboard through the Southeast to Mexico. In the 12 States which comprise this area are concentrated the bulk of our country's industry and population.

Some 23 years ago, to provide this area with the benefits of modern air transportation, Eastern Air Lines pioneered the direct air route from New York and New England, through the key cities of the South, to New Orleans. Because at that time there were no aircraft capable of providing passenger service across the open Gulf of Mexico, this New York-New Orleans route was extended around the gulf to the Mexican border. There, however, after carrying their passengers some 2,000 miles from New York, Eastern was forced, because of Pan American's original monopoly, to turn them over to that carrier at Brownsville, Tex., for the final four-hundred-odd-mile stage of the through flight from New York.

In 1946, when aircraft capable of flying across the Gulf of Mexico became available, the Civil Aeronautics Board issued to Eastern Air Lines authority to extend its service from New Orleans, thus completing the direct route from New York to Mexico City. The purpose and intent of the Civil Aeronautics Board and the White House are clearly spelled out in that 1946 order of the Board and in Eastern's certificate.

On pages 883 and 884, the decision of the Board stated:

> Eastern's service from New Orleans to Mexico City will serve the eastern seaboard.
>
> As has been indicated, the primary benefit which will accrue from this (Eastern) route is the establishment of a direct service between Mexico City and the East.

In the pattern of air service determined by the Civil Aeronautics Board and the President as required to serve the public need for improved transportation between various sections of the United States and points in Latin America, the United States certificated three airlines, each authorized to provide service to Mexico from specified areas in the United States. They were Eastern Air Lines, from the Northeast to Mexico City, on the direct New York-New Orleans-Mexico City route; American Airlines, from the central sections of the United States, through Dallas and Fort Worth; and Western Air Lines, from the Pacific coast area through Los Angeles. At the same time, this Government confirmed three exclusive routes for Pan American World Airways: one from Miami to Merida, in Yucatan; the second, from New Orleans to Merida, and beyond to Central America; and a third route which would extend their original service from the border northward to Houston, Tex.

For the next 11 years no other routes but those of Pan American and American Airlines were put into operation. For year after frustrating year, first one obstacle, then another, was placed in the path of Eastern Air Lines and the other carriers which had been commissioned by the United States Government to extend their services to Mexico City in 1946. Frequently, it appeared that the stumbling blocks were raised in Washington. Just as frequently, it appeared that the obstructions arose in Mexico City. In every case it seemed quite clear that behind-the-scenes influences were operating to make it impossible for any other carriers, except American and Pan American, to operate into Mexico.

After 6 years of futile bilateral negotiations the Government of Mexico granted Eastern Air Lines a permit to extend their service from New York and New Orleans to Mexico City. Eastern then had the formal authority of both the United States and Mexico to institute the long-delayed service. But the forces which had been successful in preventing bilateral agreement again prevailed, and the authority for Eastern's operations was stated to be withdrawn. This irregular stratagem continued effectively to block the implementation of this service.

Two years later, in 1954, the Civil Aeronautics Board granted a foreign-flag carrier, Air France, authority to operate nonstop service between the New York and Mexico City terminals of the Eastern route. The intent and purpose of the authorization to Air France, of course, was to permit that carrier to serve the traffic moving between Mexico and France. Because our Government had held up the implementation of Eastern's New York-Mexico City certificate, however, we were confronted with an embarrassing spectacle. We were forcing United States citizens to use the service of a foreign-flag carrier in order to move expeditiously between New York and Mexico City.

In what they described as a "national emergency," the State Department and the Civil Aeronautics Board, meeting behind closed doors in a confidential session, arrived at a decision to call upon

American Airlines to save the United States flag. Lacking the overall bilateral agreement with Mexico, and while the hands of Eastern Air Lines were tied, the Board called upon American Airlines to provide through service from New York to Mexico City.

The United States courts did not look with favor upon the Civil Aeronautics Board's methods in this instance, and a stay against the Board's order was issued. Mexico took a similarly dim view of the plan, and refused to grant American Airlines the necessary permit. In the meantime, 90 percent of the traffic between the New York and Mexico City terminals of Eastern's route was being, and still is being, carried by Air France.

Two years ago the importance of adequate American-Mexican air service to the two governments was mutually recognized, and at the meeting between the heads of state during the conference at White Sulphur Springs a year ago, it was agreed that a fair and equitable exchange of air-route permits would be agreed upon to provide for an intensive development of trade and tourism between the two republics. It was through the recognition of the importance of this objective to the foreign relations of both countries, as well as for the benefits of the peoples of the United States and Mexico, that the present provisional air agreement between the two countries was successfully concluded.

On March 6, 1957, an agreement was signed. Within 24 hours, the President of the United States reconfirmed the validity of the certificate issued to Eastern Air Lines in 1946 between New York and Mexico City, and urged that these services be made—the word he used was "immediately"—available.

High hopes were inspired by the conclusion of the agreements and the prompt action of the President in confirming the 1946 service authorization. We were given every reason to believe that these long-delayed services would be made available as soon as the new bilateral agreement went into effect on June 5.

Senators can readily appreciate our deepening disappointment while the necessary intergovernmental permits, provided for in the bilateral agreement for the extension of the route from New Orleans to Mexico City, are still not issued.

The key to the whole situation seems to be the processing of applications for authority to operate the nonstop services between the New York, Washington, and Mexico City terminals of that 1946 New York-Mexico City air route. This situation itself came into true focus when an examiner for the Civil Aeronautics Board recommended that the nonstop service between the New York, Washington, and Mexico City terminals of Eastern's certificated route be granted, not to Eastern Air Lines but to Pan American World Airways.

This recommendation, as I have said, cannot be justified by any logic or any language. It cannot be harmonized with either the intent or the provisions of the Civil Aeronautics Act.

I invite Senators' consideration of the lengths to which the examiner has gone in order to find justification for his recommendation to deny Eastern Air Lines nonstop rights and to grant them instead to Pan American World Airways. In the light of the past history of the whole matter, I have read the formal briefs of both parties in the case and have read and reread the examiner's opinion. I can find no conceivable justification that can be offered for such a decision as the examiner recommends that the Board submit for the approval of the President of the United States.

Without burdening Senators with the details, let me cite these four salient points:

First. In innumerable instances the Board and the examiner emphasize that the issues in this case are concerned only with the service between New York and Mexico City.

Second. The bilateral agreement between the United States and Mexico specifically limits the authorization to service between New York and Mexico City.

Third. The understanding reached between the President of the United States and the President of Mexico was that the agreement would be devoted to the intensive development of trade and tourism between the two Republics.

Fourth. The certificate issued to Eastern Air Lines, and the order of the Civil Aeronautics Board in connection therewith, specifically authorize Eastern Air Lines to provide service between New York and Mexico City.

Nevertheless, Mr. President, the examiner for the Civil Aeronautics Board recommends that Pan American World Airways be given the right to use the New York and Mexico City terminals of this main route. This is not to serve the needs of the people of the United States, but to enable that operator to seize on another global air route, an air route from Mexico City to Europe, on which this Nation has no rightful claim.

Pan American World Airways says, and the examiner agrees, it is vital that the United States recapture this tremendous flow of traffic now carried by Air France, if it is to maintain its dominant position across the Atlantic and on the global airways. Just what is this tremendous traffic?

The traffic between Mexico City and Europe, this traffic which Pan American says, and the examiner agrees, it can recapture for the United States, amounts to exactly 1½ passengers per flight per day in each direction between Mexico and Europe.

Mind you, Mr. President, Air France is already flying over this route 2 flights daily with planes carrying more than 70 passengers each to serve these 13 passengers per day. Does that appeal to Senators as a reason for the decision the examiner has recommended to the Board and to the President?

The 50 million citizens of 12 States have a serious interest in this matter. Everyone realizes that the costs of selling tickets for short flights is just as great as that for long flights. The cost of handling baggage is the same. Other administrative costs are similar. Yet long flights bring much higher prices. Consequently the long-range flights tend to be the more profitable for an airline. Profits thus generated tend to reduce the administrative costs, particularly when considered on a passenger-mile basis. It also makes possible a better balanced, better planned schedule. It means better equipment and better service for the money.

Furthermore, the fact that an airline providing the milk-run local services is permitted to carry some of the cream has other advantages to the intermediate points. For New Orleans, it means that Eastern should and could encourage New York to Mexico tourists to visit New Orleans at no added cost as a part of the return trip, thus helping New Orleans to share more fully in the benefits of mutually advantageous American-Mexican tourist business.

Pan American World Airways is demanding, and the Examiner for the Civil Aeronautics Board agrees, that they should have a right to overfly 11 States on the domestic route certificated to Eastern Air Lines. This would deprive citizens of these States the full measure of service to which they are rightfully entitled, in order to carry a small amount of traffic to which neither this country nor that carrier is entitled under the bilaterial agreement with Mexico. In addition, the traffic could only be carried by Pan American at the expense of our country's good relations with Mexico and at a considerable cost to the American taxpayer.

Nowhere in the many pages of Pan American's legal briefs to the Board do they, at any time even suggest that they would provide this service without calling on the American taxpayers to provide additional millions for subsidy, for a service which could not, in any way, benefit the American people.

On the other hand, the examiner appears to be properly impressed with Pan American's threat that if this Government does not give them the route they want, it is going to cost the American taxpayer another $500,000 a year in subsidy.

Let me touch on this subject of subsidy for a moment. Pan American World Airways has received more money from the United States Treasury in subsidies than all other United States airlines combined. The Civil Aeronautics Board in the pursuit of its responsibilities does not know, nor does any other agency of this Government know, the actual amount of money Pan American has obtained from the United States Treasury.

In the almost 30 years of its existence, Pan American has never yet had to make a detailed accounting of the money it has received. The best estimate that can be made is that Pan American World Airways has drawn from the American taxpayer, in subsidies and in the form of other revenues from the United States Government, an amount in excess of $750 million.

Contrast this, if Senators will, and as obviously the examiner did not, with the fact that Eastern Airlines was the first scheduled airline to stop requesting Government subsidy. It has not been subsidized for the past 10 years and it commits itself unreservedly to provide this nonstop service without asking for

a penny. In fact, it promises to reduce fares.

This is a matter of importance to our foreign relations, to use the term employed by the President of the United States, in urging the Civil Aeronautics Board to take prompt advantage of the hard-won agreement with Mexico. As I have previously stated, the agreement itself and the underlying and motivating understanding was that the agreement would be used to provide for the most intensive possible development of trade and travel between our two Republics.

There have been long years of distrust and the lack of confidence in dealing with us on aeronautical matters, which the Mexican Government had to overcome in order to enter into this present agreement. The Mexicans were assured that, if they would sign, they would be dealt with fairly and equitably. In the somewhat limited terms which could be included in the formal document itself and in the gentlemen's agreement accompanying it, the Mexican people were assured that we would work out our neighborly destinies in aviation matters in the true spirit of fairness and equity which is due between such close neighbors.

It is important to realize that this agreement, in the first place, is provisional only and is limited to 2 years. Mexico insisted on this 2-year limitation to give the United States a full opportunity to prove its friendship and its proffer of partnership in the development of the mutually vital air services to serve the best interests of the two Republics.

The use of this provisional agreement by Pan American to operate an airline, not devoted to the interests of both countries, but designed for Pan American's global ambitions, would be a violation of both the spirit and the letter of that agreement. That this Government would be a party to such a breach of faith is unthinkable.

Traffic between Mexico and Europe is the concern not of the United States, but of Mexico and of the European countries. Mexico has the hope of one day carrying its own flag proudly across the Atlantic and around the world. But Mexico realizes that its aviation must walk before it runs. It needs time to develop the experience and the resources with which to enter this highly competitive field of foreign operations.

No one needs to be an expert in international negotiations to appreciate what harm can be done to Mexico if the examiner's recommendation is accepted by the Board and the President. To give a powerful and richly subsidized operator, Pan American World Airways, with all of the wealth, the resources and control of equipment and supplies and innumerable other details, a 2-year head start on the route between Mexico's capital city and Europe, would leave little room for the Mexican-flag airline to later gain a foothold on a route which properly belongs to them and not to us.

When the time comes for Mexico to negotiate for its own reciprocal rights in Europe, Pan American's prior seizure of Mexico's traffic with Europe would leave little with which Mexico could bargain in negotiating with the European countries principally involved.

In all of its aeronautical dealings with every other country in the world, this Government has inflexibly insisted that neither this Nation, nor any other nation, could usurp such air rights to such traffic. The Congress, itself, made this the firm policy of the Government when it provided, in section I of the Civil Aeronautics Act, that the air commerce which our civil aviation was to serve was that commerce "with the United States, or its Territories and possessions, and between the United States, its Territories and possessions, and points outside thereof."

In section II of that same Civil Aeronautics Act, the Congress expressly stated that the authority of the Board extended only to the encouragement and development of an air-transportation system for the needs of the foreign and domestic commerce of the United States. This proposal to deny a United States certificated carrier of its rights to a route, established in accordance with the specific requirements of this act, in favor of a global air carrier whose purpose is to serve largely unrelated traffic between Mexico and Europe, cannot be reconciled with the law of this land.

Furthermore, in section 1102, the Congress directed the Civil Aeronautics Board to act "consistently with any obligation assumed by the United States in any agreement" with any other country. Certainly, the obligations assumed by the United States under the agreement with Mexico are clear and unequivocal. Yet, in the case of our closest neighbor on the south, the examiner for the Civil Aeronautics Board would have us ignore this policy and violate the law to favor Pan American World Airways with another global air route and another key to the United States Treasury.

For this Government to be a party to an attempt by Pan American World Airways to grasp a 2-year head start, in order to dominate Mexico's own traffic to Europe, would be a colossal blunder. It could mean that by this demonstration of our lack of good-faith compliance, our agreement with Mexico might not be renewed in June 1959 when the current accord expires.

Even more serious is the fact that an attempt by the Civil Aeronautics Board to give this route to Pan American could mean that even the present agreement might never go into effect.

Having discussed this matter with responsible persons in the State Department whose duty it is to advise on these matters, I am free to say that it is their opinion that if Pan American or any other American airline is given the New York-Mexico City route for the reasons stated in the examiner's decision, it will constitute a direct violation of the bilateral agreement. This could well mean that the Mexican Government may very well refuse to permit the agreement to be implemented.

The operating permits which, under the agreement, each Government is obligated to issue, have not yet been forthcoming from the Government of Mexico. Normally, the State Department advises me, a period of 30 days is sufficient to complete the necessary technicalities and the intergovernmental formalities involved in such an international agreement. Ninety days have already passed since the agreement was signed. The permits have not yet been forthcoming.

That is only one side of the coin. The other is the obvious fact, which Pan American has demonstrated over the past 11 years, that so long as our Government could be induced to insist upon a bilateral agreement before air routes would be authorized, only Pan American World Airways could operate any United States service to Mexico with the one exception of American Airlines' inland route from Dallas and Fort Worth. In other words, the status quo would favor Pan American and its Mexician subsidiaries, CMA and Aeronaves.

Now, after 11 years of maintaining this one-sided status quo, can we be sure that even now we have all of the facts on the record? Can any of us be sure that Pan American's efforts are not, even now, aimed primarily at again frustrating rather than implementing air traffic by competing carriers from the United States to Mexico? Can we be sure, Mr. President, that such a perverted use of this hard-won agreement would not force Mexico to refuse to permit it to go into effect? Can we be sure that this is not the real purpose behind Pan American's demands—to break up this bilateral agreement and force both Mexico and the United States to revert to the status quo under which Pan American's monopoly is maintained and all threat of unsubsidized competition is barred?

I urge the interested Members of the Congress, the Civil Aeronautics Board, and the President to most carefully consider all of the facts before rendering a decision which could have seriously harmful effects upon our relations with our good and friendly neighbor to the south.

Mr. President, there is another point which bears directly upon the question of those facts. For 11 years, 50 million citizens of the United States have been deprived of urgently needed air transportation services due to our Government's failure to arrive at a satisfactory agreement for an exchange of air route permits with the Government of Mexico.

Repeated charges have been made by some of the highest and most honorable servants of our Government that the failure of our Government to implement these services has been due to the willful and deliberate interference of Pan American World Airways, either directly, through its controlled subsidiaries or by both methods to prevent the United States from carrying out its policy and purposes.

Evidence on this subject is contained in reports and documents in the files of the State Department and of the Civil Aeronautics Board, protected under the label of "secret." The records of this present nonstop case have been held open for more than 2 years because of these secret documents. And after 2 years of pleading, the examiner for the Civil Aeronautics Board finally agreed

to permit legal representatives of the interested parties a restricted view of these documents under pledge of secrecy which prohibited them from in any way revealing their contents.

I was, therefore, surprised to read the conclusion of the examiner in this case, presumably reached after study of those documents, that neither Pan American World Airways nor any of its representatives at any time interfered with this Government's efforts to implement the 1946 certification of Eastern Air Lines. Having also reviewed these documents personally, I am strongly drawn to the opposite conclusion.

Under the peculiar circumstances surrounding this case, Mr. President, the examiner has placed himself in an impossible position. If the examiner's conclusion is in accordance with the facts contained in those documents, then secrecy is no longer needed.

If the examiner is right, then this Government owes it to Pan American World Airways to make these documents available so that the public, impartial and unbiased, can render its own judgment. If the public confirms the conclusion of the examiner, then this Government owes Pan American World Airways a clean bill of health.

Quite the contrary, the whole picture continues to suggest a long period of seeking improper advantage. For that reason, I have felt compelled to make my views on this matter known in the hope that they may in some measure contribute to a proper and just solution of this problem.

Admittedly the secret files do not prove that Pan American is guilty of the charges of improper methods. Yet they offer a good starting point for anyone who wanted to prove such charges, and they reflect the opinion of honorable and responsible men who have no ax to grind to the effect that such charges are true.

However, the point is not so much that improper influence has been used as the fact that there is no good reason why Pan American should have the route in question as compared with Eastern Airlines. While there is in fact compelling reason that Pan American should not have it, there is every reason of justice, fairness, equity, and every possible precedent to support an award of the New York-Mexico City route to Eastern Airlines.

If Pan American is given the right to fly nonstop between New York, Washington, and Mexico, thus overflying Eastern Airlines' route, it will be the first time that the CAB has given nonstop rights to another carrier before the local service carrier has been authorized to fly nonstop between the terminal points on its own route. It should require compelling and valid reasons to break the precedent which has been established in this regard. There is no such justification in this case.

It is manifestly fair to grant the first nonstop privileges to the carrier which has to provide service on intermediate points. If traffic develops which will justify certifying an additional carrier, I am wholly in accord with the practice of the CAB in certifying an additional carrier or carriers. In fact, I have always favored the maximum amount of competition between airlines when circumstances would permit, and I have no favorites among the airlines in this respect.

Only recently I strongly advocated that Delta Airlines be authorized to compete with Eastern Airlines on its New Orleans to New England routes, which was vigorously fought by Eastern. If future traffic between New York, Washington and Mexico City should make it possible to provide for an additional carrier to provide additional service, I would have no personal objections to this certification being given to any other American air carrier provided, of course, it was agreed that no increase in their subsidy would result from their operation of this route.

It should be noted that there will be three carriers competing for this traffic in the very near future. Air France is already flying the route and there will be a Mexican carrier named by the Mexican Government very soon. It cannot be expected that traffic will be sufficient to justify a fourth airline for some time to come. If Eastern Airlines is not authorized to operate nonstop service at the present time, therefore, the injury to that airline may well be of long duration.

Pan American World Airways, in its blue brochure attacking my views, infers that a Senator from Louisiana has no legitimate interest in this matter. I have already given several reasons why Pan American is wrong in making that suggestion; and there is another.

We who serve in the Congress must remember that the CAB is a creature of the Congress. Congress, having created the CAB, and having delegated lawmaking powers to that board, has the duty constantly to observe its functioning.

As a Member of the Congress, I deem it my duty to speak out when I believe that improper action or injustice is afoot in any regulatory agency of this Government. I shall do so as long as I serve in this body.

Mr. ELLENDER. Mr. President, I, too, have been singled out for special attention by Pan American World Airways. My name and an alleged report of my activities as a member of this body, and in connection with my obligations to the people of my State, were featured in the remarkable literary treatise, the blue brochure, to which my distinguished colleague [Mr. LONG] has referred. I may also say that I have had other attentions conferred upon me by this great global corporation, particularly within the past week or so. Were I susceptible to pressure, I would certainly have been blown to bits by this time. However, I have, obviously, so far survived.

As many Senators so well know and, particularly, as do my colleagues from other States whose people have been so unjustly deprived of rights and benefits by the denial of this air service for the past 11 years, I have periodically brought to the attention of this body, and of the White House, reports on the progress, or rather lack of progress, in implementing the orders of this Government with respect to the air service between New York, New Orleans, and Mexico City—service which the Civil Aeronautics Board and the White House authorized Eastern Airlines to provide in 1946.

Through all these years, I have, occasionally, also voiced my growing concern over the repeated and demonstrated inability of our Civil Aeronautics Board or the State Department to control the activities of Pan American World Airways, even when their activities were clearly recognized by all concerned to be subversive to the clear policy and purpose of the Government of the United States.

The issue of whether or not the forces capable of being generated by this global corporation are to be permitted to continue to deprive our citizens in the northeast and the southeast of the urgently needed transportation facilities which this Government promised, but failed to produce for 11 years, is a matter of considerable concern to all of us.

However; the present case pending before the Civil Aeronautics Board and upon which the President of the United States will shortly be required to render judgment, becomes of much greater importance to this Government and to the American people than the matter of the air services involved and the question of which carrier shall operate them.

This importance is magnified because the case of the air services between New York, New Orleans, and Mexico City illustrates, perhaps more graphically than any similar issue with which the Civil Aeronautics Board and our Government have been confronted, the manner in which Pan American World Airways, has been able to use the power it has amassed from 30 years of largesse from the Public Treasury, to dictate its own terms on aeronautical matters.

The economics of this case, the historical precedents and the law itself, are abundantly clear in pointing to the only decision which can be made in accordance with the rights of our citizens, the provisions of the law and the policies of the United States.

My distinguished colleague has presented an excellent brief on this subject. I wish, however, to elaborate upon only one phase of this remarkable situation. In his recommendation to the Civil Aeronautics Board, a trial examiner included another incredible opinion, that Pan American World Airways, or its representatives were not guilty of obstructing the implementation of the 1946 orders of the Civil Aeronautics Board.

Now, the reasons for the repeated failure of the Government of the United States to arrive at a satisfactory bilateral agreement with Mexico are well known both to our Government and to the Government of Mexico. The records locked in the so-called secret files of the Civil Aeronautics Board and the State Department and which have, from time to time over the years, been made available for the confidential information of interested members of committees of the Congress, contain incontrovertible proof that the repeated failure of this Government in its negotiations with Mexico

was due to the willful and calculated obstructions placed in the way of this Government's negotiators by Pan American World Airways.

Eastern Air Lines brought formal charges that Pan American World Airways had deliberately obstructed the implementation of the air service between New York, New Orleans, and Mexico City which this Government certificated Eastern Air Lines, in 1946, to operate.

Yet time after time, on one pretext or another—or none at all—requests that the accusing documents be made a matter of record in this case, were repeatedly refused.

This very case has been held open for nearly 2½ years to give the Board and the State Department time to consider whether and how they can handle this "hot potato" of the "secret" documents.

Once the bilateral agreement was signed, there appeared to be a clear desire on the part of Pan American to use that treaty for their own advantage. The Civil Aeronautics Board moved with alacrity to clear up this matter of the New York-Mexico City nonstop. To do so, the Examiner had to do something with the secret papers which, at repeated urging, the Civil Aeronautics Board had collected. The Board decided that legal counsel of the airlines concerned could read certain excerpts bearing on the question of Pan American's guilt, but only on the condition that they would take an oath of secrecy not to use any of the material contained in those documents, except within the restrictions of the Board. Under no circumstances could any of the information be made available to the public.

These documents contain an abundance of evidence pointing to behind-the-scenes manipulations by Pan American—actions which were the motivating factor if not the absolute cause of successive breakdowns in negotiations concerning this much-needed service.

Yet, despite the weight of evidence to the contrary, the Examiner reached the amazing conclusion that Pan American World Airways was innocent of the serious charges launched against them.

Mr. President, the contents of those documents, which are known to me, categorically deny any conclusion that Pan American's hands were clean.

However, as an illustration of Pan American World Airways' methods, they have seized upon this questionable conclusion of the Trial Examiner to prejudice the press and other interests on their behalf on the matter of the New York-Mexico City nonstop service.

As only one example of these methods, for instance, a newspaper in New Orleans, in an editorial prominently featured in Pan American's brief to the Civil Aeronautics Board, has criticized me for having raised the question of Pan American's guilt and has challenged me to produce the evidence which would show Pan American's implication in the process of obstructing this Government's implementation of the 1946 air services authorized for New Orleans.

This challenge was promoted by those who knew full well that so long as the Civil Aeronautics Board was kept from making these documents public, I would be left without the means of answering the charges through my inability to publicly produce the documents which contain the true facts of the case.

Members of the Senate have, on many occasions in the past, raised serious questions on the type of information which various governmental agencies shield under the label of "secret." The example, in this case involving Pan American World Airways, shows to what ridiculous limits this sometimes arbitrary policy can be stretched.

I submit, Mr. President, that the Civil Aeronautics Board has an obligation to the Members of this Chamber and to the American people, to make these records public, and I have formally called upon the Chairman of the Civil Aeronautics Board to make these documents available.

If the Board's examiner is correct in his conclusion that these documents do not reveal Pan American's guilt then, certainly, there can be no reason for any longer concealing them.

If they do, as I maintain, document the activities of Pan American in thwarting for over a decade the air service my State needs, and deserves, then they should be made public as a matter of vital public interest.

From my past knowledge of the history of such matters, I can anticipate that the answer will be that these documents cannot be made public because of the injurious effect they could have upon the foreign relations of the Government of the United States.

This is the time-worn shield behind which Pan American World Airways has hid for more than 30 years—on every occasion when a question of their irregular activities has ever been raised. Probably, the best thing we could do for our foreign relations with Mexico in this matter would be to bring those documents into the light, to let the American people, in their impartial and unbiased judgment, rule on the question. If guilt is proved, then let us use the process of our democratic constitution and law to insure that justice shall be done. Such action, actually, is expected of us, not only in Mexico, but in every other country in the world in which we preach the high morals and integrity of our democratic process of Government.

In this particular case, the true story of what has happened to the United States Government's efforts to reach a bilateral agreement with Mexico over the past 11 years is far better known in Mexico City than it is in Washington.

The Mexican people, on many occasions in the past, have questioned why this Government condones such activities on the part of Pan American World Airways—why our Government, which so powerfully preaches morality in all other things, permits such activities to continue, as a weak father excuses and condones the deliberate and willful acts of a spoiled and irresponsible child.

Mr. President, as I have said, I have made a formal request to the Civil Aeronautics Board to produce those documents for the open record. They are an essential and controlling element of the case which the Civil Aeronautics Board must shortly present to the President of the United States. The President cannot conceivably make a proper decision in this matter unless he has all of the facts available, and particularly the contents of these carefully hidden reports of officials and representatives of this Government who charged that they were blocked in their efforts to perform their assigned duty to the United States, by the willful interference of Pan American World Airways. Unless those documents are brought out into the open and made available to the public, I have the most serious doubts that they will, in full and unexpurgated form, ever reach the desk of the President.

Mr. LONG. Mr. President, will my colleague yield?

Mr. ELLENDER. I yield.

Mr. LONG. My colleague undoubtedly knows that Pan American World Airways owns 21 percent of the stock of Aeronaves and 42 percent of the stock of CMA, the two major Mexican airlines. Therefore, Pan American World Airways, if it cares to do so, is in a position at all times to use its influence behind the scenes, not necessarily through Americans, but through Mexicans who are associated with Pan American because of Pan American's major stock ownership in those two corporations.

Mr. ELLENDER. The Senator is correct. I wish to make this further point, that Pan American might be competing with itself if perchance these same companies were competing with Pan American between New York and Mexico City.

Mr. LONG. That is correct.

Mr. ELLENDER. That is entirely possible.

Mr. President, I ask unanimous consent to have printed in the RECORD, as a part of my remarks, a copy of a letter dated May 20, 1957, written by me to James R. Durfee, Chairman of the Civil Aeronautics Board, and his reply to me, dated May 29, 1957, in response to my letter.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

CIVIL AERONAUTICS BOARD,
Washington, D. C., May 29, 1957.

Hon. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry, United States Senate, Washington, D. C.

DEAR SENATOR ELLENDER: This will acknowledge receipt of your letter of May 20, 1957, requesting that the Board make available to the public the documents contained in the confidential portions of the record in the New York-Mexico City nonstop case, docket No. 2909 et al., which is presently pending before the Board.

The confidential portions of the record are directed to the issue of whether any of the applicants in the Board proceeding have in the past improperly obstructed or improperly interfered with prior United States-Mexico negotiations looking toward the conclusion of a bilateral air transport agreement. The particular material furnished for the record came from the files of both the Board and the Department of State, most of the information contained therein is classified and, although taken from the files of two separate agencies, is substantially intertwined in factual content. In determining what particular information could be furnished for the record, it was the responsibility of the Board and the Department of State under Executive Order No. 10501 to determine the extent to which classified information originating with each agency could be declassified. As indicated in Board Order No. E-11109, dated March 11, 1957, the Board and the Department of State concluded that the material furnished should be declassified only for the purpose of this proceeding, and under the restrictions noted in the Board's order.

Thus, as you are aware, the documents to which you refer are not presently public information. The Board will, however, give consideration to your request and, in this connection, we are also asking the Department of State whether material in the confidential record which originated with the Department can now be publicly released. The Board will advise you further as soon as possible after the Board and the Department have reached a decision in the matter.

For your information there are enclosed copies of (1) Order No. E-9030, dated March 22, 1955, pursuant to which the information was furnished for the record; and (2) Order No. E-11109, dated March 11, 1957, describing the nature of the information and the present restrictions on its use.

Sincerely yours,

JAMES R. DURFEE,
Chairman.

MAY 20, 1957.

Hon. JAMES R. DURFEE,
Chairman, Civil Aeronautics Board, Department of Commerce Building, Washington, D. C.

MY DEAR MR. CHAIRMAN: As you know, I have had an active and long-standing interest in securing proper implementation of the air transportation services which the Civil Aeronautics Board and the President of the United States, in 1946, authorized Eastern Air Lines to extend to our neighboring Republic of Mexico.

Recently, several instances of criticism of the position I have held and misleading statements to the press and in other quarters bearing on the fitness and qualifications of Pan American World Airways with respect to the New York-Washington-Mexico City aspects of this case have been brought to my attention.

Specifically, this criticism and these statements stem from quotation, by representatives of Pan American World Airways, of the conclusion by the Board's trial examiner that "Pan American World Airways and/or representatives of that carrier did not, at any time, improperly obstruct and interfere with the implementation of the United States air route program established in the Latin American decision of 1946."

My knowledge of the contents of certain classified documents from the Civil Aeronautics Board's files which have been, from time to time, produced for the confidential information of members of the committees of the United States Senate, and which are the same documents on which the examiner was required to base his judgment, support quite a contrary conclusion.

If the examiner's opinion, as it is being quoted by representatives of Pan American World Airways in the public press and elsewhere, is in harmony with the facts contained in those classified documents, then certainly no possible harm can result from making those documents a matter of public record.

In a matter of such importance to the national aeronautical interests of the United States and to the future relations of this country with our good neighbor, Mexico, I am sure you agree that the people of the United States, whose welfare is not directly affected, and the President of the United States, upon whom rests responsibility for the final decision in this matter, are entitled to have those facts brought out into the open, so that the record may be completely clear.

Therefore, because of the grave implications involved in this case and since the Board's trial examiner has now given his opinion that Pan American World Airways is not guilty of the serious charges made, it is urgently requested that the Board make these classified documents promptly available to the public and before a final decision is rendered in this case.

Respectfully submitted.

ALLEN J. ELLENDER,
United States Senator.

Mr. LONG. Mr. President, will my colleague yield?

Mr. ELLENDER. I yield.

Mr. LONG. I quite agree with my colleague that before the President and the Board finally decide upon the matter, both the Board and the President should take a look at these documents, which can easily be separated from the bulk of the file. They reflect the views of those who returned unsuccessfully from Mexico after trying to negotiate a bilateral arrangement for better air service for the citizens of the two countries, and who expressed their opinions as to why they were unsuccessful, during 11 years, in obtaining better air service for the people of this Nation and the people of Mexico.

Mr. ELLENDER. I think the documents will speak for themselves. That is why I am anxious that they be made public and particularly that they be placed in the hands of the President, because I do not believe the President knows anything about them at the moment. I hope and pray that before he makes his decision, they will be brought to his attention, so that he may have all the facts.

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRADE WITH RED CHINA

Mr. FULBRIGHT. Mr. President, a transcript of the President's press conference on June 5, 1957, as published on page 14 of the New York Times of June 6, 1957, contains the following statement:

With respect to the trade—

With Communist China—

there is a law on the books, I believe, preventing all shipments of American property to Red China. So long as that law is on the books, of course, that is that.

Later in his statement the President said:

Now, frankly, I am personally of the school that believes that trade, in the long run, cannot be stopped. You are going to have either just authorized trade or you are going to have clandestine trade. You can stop the shipments from here, that is the law, and that will be continued as long as it is on the books.

I submit, Mr. President, there must be some confusion about what the law is, because I know of no law which prohibits the shipment of American property to Red China in the broad sense in which the President's statement would indicate there is such a law. The Export Control Act of 1949 authorizes the President to prohibit or curtail exports from the United States. I emphasize: It merely authorizes the President; it does not direct or require the President to prohibit or curtail such exports. That law authorizes the President "to the extent necessary (a) to protect the domestic economy from the excessive drain of scarce materials and to reduce the inflationary impact of abnormal foreign demand; (b) to further the foreign policy of the United States and to aid in fulfilling its international responsibilities; and (c) to exercise the necessary vigilance over exports from the standpoint of their significance to the national security."

Under this law, an embargo was placed on all shipments from the United States to Communist China and Northern Korea immediately after the Chinese intervention in Korea in December 1950.

At the same time, financial transactions with Communist China were prohibited under the authority of the Trading With the Enemy Act, and American ships and planes were forbidden to go to Communist China or North Korea or to carry goods destined to those areas, whatever the origin of the goods, under the authority of the Defense Production Act of 1950.

All these actions were taken on the orders of President Truman, under the discretionary authority conferred on him by these acts. In no case did the act itself require that the action be taken.

Positive restrictions on trade with the entire Communist bloc are imposed by the Mutual Defense Assistance Control Act—sometimes called the Battle Act. However, these restrictions do not apply to shipments from the United States. Title I of the Battle Act requires the immediate termination of all military, economic, or financial assistance to any foreign nation which knowingly permits the shipment of war materials—"arms, ammunition, and implements of war, atomic energy materials, petroleum, transportation material of strategic value, and items of strategic significance used in the production of arms, ammunition and implements of war"—to the Soviet bloc, including Communist China. Title II of the Battle Act requires the termination of such assistance to any nation which does not cooperate in restricting shipments to the Soviet bloc, including Communist China, of materials not embargoed under title I but which should be controlled or restricted.

It would clearly be unreasonable to administer the Export Control Act and the other related statutes so as to permit shipment from the United States to Communist China or any other part of the Soviet bloc of war materials covered by title I of the Battle Act. In this sense, it can be said that the Battle Act restricts the President's discretion under the Export Control Act, even though the Battle Act does not directly apply to shipments from the United States.

In the case of materials not covered by title I of the Battle Act—they are the strategic materials—the President is not compelled by any statutory compulsion, however indirect, to maintain the embargo which has been imposed under the Export Control Act, the Trading With the Enemy Act, and the Defense Production Act.

I bring this to the attention of the Senate and of the country simply to clarify what I believe to be confusion in the mind of the Chief Executive as to his present powers. I think there is no law on the books requiring him to continue an embargo upon general trade with China, except as to strategic materials.

Mr. ANDERSON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ERVIN in the chair). Without objection, it is so ordered.

SPEECH BY BOBBY MORROW TO THE TEXAS STATE LEGISLATURE

Mr. YARBOROUGH. Mr. President, I ask unanimous consent to have printed in the RECORD a speech on Christian living, delivered to a joint session of the Texas Legislature by Bobby Morrow, the winner of three gold medals at the Olympic Games held last year in Australia.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SPEECH BY BOBBY MORROW TO TEXAS STATE LEGISLATURE

Mr. President, Mr. Speaker, Mr. Bishop, and members of the joint session, I feel deeply honored by your invitation to speak briefly to you who provide the leadership for our great State.

As Texans, you share with thousands of others the reputation around the world of being the friendliest people in America.

I am sure that the Texas smiles and the Texas handshakes which Eddie Southern and I took with us to Melbourne, Australia, created more news stories than all of our running efforts combined.

Almost without exception, the foreign newsmen covering the Olympic games asked first about the big State of Texas and then asked us about the United States.

And let me say here that I sincerely appreciate the interest and consideration which the sportswriters, sportscasters, radio, and TV newsmen have taken in track and field activities. For it is through their efforts that the opinions of millions of people have been formed.

It was perhaps the greatest thrill of my life to represent Abilene Christian College and the people of Texas in the world's greatest sports event and to compete with so many fine athletes not only from America, but also from 67 other countries of the world.

Though marred in several instances by political differences, the games were characterized by the finest kind of wholesome competition and sportsmanship.

Regardless of natural origin, every Olympic athlete participated under the same set of rules.

I believe the greatest moment for me at the Olympic games occurred when I was privileged to take the No. 1 spot on the victory stand after the 100-meter competition.

I cannot describe the feeling, but I do remember that chills ran up and down my spine when I heard the Star Spangled Banner and saw Old Glory rise to the uppermost spot of the ceremonial stand.

At that moment, I thought of all the individuals who had helped me through the years to accomplish the victory which had just occurred.

I thought of my high school coach, Jake Watson, and the start which he gave me in track.

I remembered the words of my high school principal, Mr. Jim Barnes, who told me early in my track endeavors at San Benito that I would run in the 1956 Olympics. It sounded almost unbelievable to me then. But for the keen instruction and encouragement which I received from my ACC track coach, Oliver Jackson, especially in Melbourne, I would not have the three gold medals which were awarded me. I have said it before and I say it to all of you—Oliver Jackson is the greatest track coach in the world.

But uppermost in my mind was the deep sense of gratitude which I owe my Maker who gave me whatever natural ability I possess, along with a strong, healthy body.

Realizing that my body is the temple of God, I have always tried to keep it swept clean for Him.

For this belief and determined conviction, I pay tribute to my mother and father, who from my childhood have guided my feet in the way.

To my lovely wife, Jo Ann, who has inspired my every effort, and who is building a Christian home with me, I owe my all.

My decision to receive a Christian education came after I realized that I wanted more from college than book learning and track success.

Practically every member of our United States team came by my room at the Olympic Village to see the 7½-foot-long telegram signed by some 1,079 fellow students from Abilene Christian College.

After reading the sincere wishes of my fellow students, who supported me even when I was losing, many members of our team remarked, "I wish I could go to a school like that."

Upon our return to the United States, we received a heartwarming welcome home at Los Angeles, Abilene, and San Benito, and as I thrilled on these occasions, I thought to myself how fortunate we are to return to the land of the free.

I am proud to be a member of the church, a student at Abilene Christian College, and a citizen of the great State of Texas.

I sincerely believe that my greatest race, the Christian race, is the most important of them all and is yet to be won. Thank you.

AID TO CENTRAL AMERICAN AND SOUTH AMERICAN COUNTRIES

Mr. SMATHERS. Mr. President, the Senate Foreign Relations Committee is at the present time marking up the foreign-aid authorization bill. I am most hopeful that the committee will see fit to include in the bill the amendment I have submitted, which would increase aid to Central American and South American countries. That area of the world means a great deal to us politically, socially, and economically; but those countries feel that up to the present time we have not given them the attention which is their due.

I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, an article entitled "Latins Hit United States Indifference," which was written by Edward Tomlinson, and was published in the Washington Daily News and also an article entitled "Importance of Pan Americanism," which incorporates a speech made by Mr. Marcos Kohly, who is the head of the Latin American department of the city of Miami Beach News Bureau.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Daily News of February 25, 1957]

LATINS HIT UNITED STATES INDIFFERENCE

(By Edward Tomlinson)

The usual smoldering impatience among Latin American politicians over what many of them feel is topflight official Washington's indifference to inter-American problems has increased lately, if the tone of Latin American newspapers is used as a gage.

They watch with no little envy what one outstanding South American publisher calls, "the procession of European political big wigs and neutralist, not to say antiwestern, potentates from Asia and the Middle East that marches on the North American capital to receive red-carpet treatment."

NO PERILOUS ISSUES

There is no general criticism of the ability of our professional diplomats. Thanks largely to them, there are no dangerous issues confronting us in Latin America at the moment.

Whatever we may thing about it, our neighbors cannot understand why friendly, free nations as big, rich, and populous as Mexico or Brazil, Venezuela or Chile, should not receive at least as much high official as well as public attention as the tiny, one-man kingdoms and principalities of Africa and the Middle East.

We have more investments in the 20 republics to the south than in all other parts of the world put together, Canada excepted.

FIGURES PINPOINTED

In World War II, 75 percent of all imported food products and 40 percent of strategic minerals and metals came from the other Americas.

Today 34 of the critical raw materials we are stockpiling come from these sources.

Our peacetime uses are proportionately as great.

Today competition for their commerce and economic resources is at a peak. Not only Western European nations and Japan, but Communist Russia and Red China are negotiating for South American markets.

Communist agents and propagandists are spending enormous sums of money to build up anti-United States feeling among labor unions, and to inflame students, small time politicians and extreme nationalists against us. They spare no effort to discredit United States investment and industrial enterprises from Mexico to Argentina, and simultaneously harp on Yankee neglect of Latin America.

Because of this situation, the Latins want to feel that the head men in our Government also have them very much on their minds. It is not only human for them to feel this way, but it is vital to us.

[From the Miami Springs (Fla.) Americas Daily of April 19, 1957]

IMPORTANCE OF PAN-AMERICANISM: LATIN AMERICANS BUY OVER 3 BILLION FROM UNITED STATES OF AMERICA—RESIDENTS AND VISITORS CONTRIBUTE OVER $9 MILLION TO DADE ECONOMY

Speaking to a PTA meeting of the Ada Merritt Junior High School, Mr. Marcos Kohly, head of the Latin American Department of the City of Miami Beach News Bureau, stressed the great importance of United States trade with the Latin American countries, as well as the substantial economic contribution to Dade County made by the 90,000 residents of Latin American origin, Mr. Kohly said:

"We are gathered here tonight to observe the 67th annual Pan American Week to discuss its meaning and importance and to at the same time show to the neighboring sister republics of Latin America, that we have not forgotten them.

"Many of you are smiling at my last remark, and I wish to state quite frankly, that I have intentionally chosen those words, because unfortunately, ladies and gentlemen, the annual observance of this important week has become more or less a routine affair, that year in, year out, is carried out in the schools, civic and social clubs, the State, municipal, and local authorities, the press, radio, and TV.

"I am complaining about its routine observance; just as one hears the rain drops during a spring shower.

Pan Americanism is a living thing, of great importance to each and everyone of you, sitting here tonight. It affects you in more ways than you can imagine. Have you ever stopped to consider what it represents to the overall economy of this Nation and particularly to Florida, and south Florida?

"Let me put it this way: If the countries of Latin America were tomorrow to cut off importing from the United States the hundreds of commodities, semimanufactured and manufactured goods and foodstuffs, the results would be such a staggering blow to the economy of the United States that it would make the 1929 stock market crash to become inperceptible, every phase of human endeavor and enterprise in the United States would be directly affected, steel mills, heavy industry, railroads, and transportation, farmers and banks all would feel it and of course you too would be affected by it in your take-home moneys.

"When you stop to consider that Latin America accounted for a total of $4,771,000,000 in 1955 with sales of $4,946,000,000 you can realize its importance. In 1956, Latin America's trade with the United States amounted to $3,645,000,000 in imports from United States. Over 300 United States companies, branches, and subsidiaries are at present operating in Latin America with more than $9 billion invested.

"But let us not deal in these astronomical figures and look locally here at its importance:

"Over 90,000 persons of Latin American origin reside in Dade County and they contribute $89,760,000 to our local economy, in sales, purchases, taxes and investments here annually. If we were to take a conservative ratio figure of 5 persons that they know in their respective countries, we find that this is increased to 450,000 families that are conscious of Dade County and Miami (metropolitan).

"We here in Dade County feel justifiedly proud of the growth and development of our airport and its business, which has made it one of the Nation's top. Stop and consider that the greatest asset of same is its trade with Latin America. Consider also the great volume of passengers that pass through our airport to and from Latin America, the thousands of workers that are employed in and around aviation. Also the movement of trade among our growing industries, locally and from outside the State of Florida. Can we, therefore, treat Latin America as something routine? To do so would be committing suicide, at least economically.

"How can we remedy this? by preparing ourselves to truthfully making of Dade County and Greater Miami the gateway to Latin America, but this requires some effort by all of us. We must live and believe in pan-Americanism, not only once a year during Pan-American Week, but every one of the 365 days of the year.

"We are linked to Latin America, economically, historically, and socially, and there does exist a cultural phase to our everyday social life. The Spanish language is widely spoken locally and in other parts of the State. Our children are being taught the Spanish language in school in their elementary grades, thus preparing them for the immediate future, we must selfishly think of today as well as tomorrow for you and you, Mr. and Mrs. Floridians. Do you have an interest in Latin America, whether it is direct or indirect? More and more industries are being attracted to this market, not only for the climate and other facilities but also for Florida and Dade County's proximity to the Latin American market.

"Are we going to miss the golden opportunity which lies at our very feet, because we cannot see it? Other cities and communities that are thousands of miles away are doing their utmost to capture the Latin American market and trade, whilst we here in south Florida talk and play the Latin American theme song, but sit back and wait for the mountain to come to us, instead of going forward to seek it and retain it for ourselves and our posterity.

"Ladies and gentlemen, the responsibility lies upon our shoulders, we can and must accept the challenge, think of these words and talk them over with others and I am certain that we will very soon demand more action regarding them. If we are really desirous of being known as the 'gateway,' then let's start building it upon solid foundations of everyday practice."

ORDER FOR ADJOURNMENT FROM MONDAY TO 9:30 A. M. ON TUESDAY, JUNE 11, 1957

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations on Monday, June 10, it stand in adjournment until 9:30 a. m. on Tuesday, June 11.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM—ADJOURNMENT TO MONDAY

Mr. JOHNSON of Texas. Mr. President, again I should like to remind all Senators that the Senate will meet early and sit late all next week, and I expect the Senate to be in session every day, if the Appropriations Committee adheres to its schedule, and reports on tomorrow and Monday the five bills on which it is scheduled to act.

Mr. President, I serve notice that, in accordance with the order which has been entered, following the session on Monday, the Senate will convene at 9:30 a. m. on Tuesday, will have the morning hour, and then will proceed to the consideration of the District of Columbia appropriation bill, which will be followed by consideration of the Department of Agriculture appropriation bill, in the event that bill is reported—as planned—on tomorrow.

As soon as the mutual aid authorization bill comes from the committee, and also the atomic energy treaty and the other previously mentioned appropriation bills, they will be considered as priority measures.

I should also like to give notice of the possibility of holding late evening sessions, as well as a Saturday session, next week.

Mr. President, pursuant to the order previously entered, and in order that the committees may have Friday and Saturday in which to carry on their work, I now move that the Senate stand in adjournment until Monday, at noon.

The motion was agreed to; and (at 4 o'clock and 5 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Monday, June 10, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 6, 1957:

UNITED STATES DISTRICT JUDGE

Clifford O'Sullivan, of Michigan, to be United States district judge for the eastern district of Michigan vice Arthur A. Koscinski, retired.

UNITED STATES ATTORNEY

Lester Shields Parsons, Jr., of Virginia, to be United States attorney for the eastern district of Virginia for a term of 4 years. He is now serving in this office under an appointment which expires June 9, 1957.

UNITED STATES MARSHAL

Harry Jennings, of Michigan, to be United States marshal for the western district of Michigan for a term of 4 years. He is now serving in this office under an appointment which expires July 31, 1957.

COAST AND GEODETIC SURVEY

The following for permanent appointment to the grade indicated in the Coast and Geodetic Survey:

To be ensigns

Bernard R. Berson	John J. McCoy
John D. Daly	Sidney C. Miller
Roy W. Entz	Philip L. Rotondo
Robert W. Franklin	Loyd D. Thurman
Duane F. Georgeson	James N. White
Leon W. Heidebrecht	Bobby S. Woodruff
Wesley P. James	Ben Frank Worsham, III
Bobby W. Jester	
Vello Kiisk	

WITHDRAWAL

Executive nomination withdrawn from the Senate June 6, 1957:

POSTMASTER

William E. Barmore at Donalds, S. C.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 6, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, we call Thee Father for Thou art no respecter of persons. All are the children of Thy household and the sons and daughters of Thy love and care.

We thank Thee for our beloved country which affords men of every color and creed, tongue and tradition, the opportunity, the privilege, and the joy of living and laboring together in the spirit of mutual respect and mutual confidence.

Show us how, as fellow citizens, under the protection of the Stars and Stripes,

we may develop our capacities to live a happy and helpful life.

Grant that in seeking to find the righteous and just solution to the problems of human relationships may we always be charitable in our attitude toward all who may have differing convictions and points of view.

Help us to hasten the coming of that golden age of brotherhood when the strong shall bear the burdens of the weak and righteousness and peace shall cover the earth as the waters cover the sea.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 790. An act to amend the Legislative Appropriation Act, 1955, with reference to official office expenses of Members of Congress;

H. R. 2498. An act to authorize the Secretary of the Interior to permit the construction of a bridge and road across Chincoteague National Wildlife Refuge, and for other purposes;

H. R. 4136. An act to extend the period within which Export-Import Bank of Washington may make loans;

H. R. 5110. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes; and

H. R. 7234. An act to fix the responsibilities of certifying officers and disbursing officer of the Library of Congress.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 434. An act to provide for improved methods of stating budget estimates and estimates for deficiency and supplemental appropriations;

S. 695. An act providing for the revision and printing of a compilation of Federal laws relating to the regulation of carriers subject to the Interstate Commerce Act;

S. 806. An act to authorize the Administrator of General Services to quitclaim all interest of the United States in and to a certain parcel of land in Indiana to the board of trustees for the Vincennes University, Vincennes, Ind.;

S. 1027. An act to authorize the Secretary of Commerce to prescribe seals for bureaus and offices of the Department of Commerce, and for other purposes;

S. 1366. An act to amend the act entitled "An act to authorize the construction, protection, operation, and maintenance of public airports in the Territory of Alaska," as amended;

S. 1791. An act to further amend the Reorganization Act of 1949, as amended, so that such act will apply to reorganization plans transmitted to the Congress at any time before June 1, 1959;

S. 1941. An act to authorize the payment by the Bureau of Public Roads of transportation and substance costs to temporary employees on direct Federal highway projects; and

S. Con. Res. 30. Concurrent resolution to print a compilation of studies and reports on the foreign aid program.

CIVIL RIGHTS ACT OF 1957

Mr. COLMER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair understood that the gentleman from New York wanted to propound a unanimous consent request.

Mr. COLMER. Mr. Speaker, I withhold my point of order until the gentleman has made his unanimous-consent request.

Mr. CELLER. Mr. Speaker, I ask unanimous consent that when the House adjourns on Friday, tomorrow, it stand adjourned until Monday next; that instead of having 4 days' general debate on the bill H. R. 6127 the debate be limited to 3 days, that we will then start reading the bill under the 5-minute rule on Tuesday; that when the House adjourns on Tuesday evening it stand adjourned until Thursday. The House, therefore, will be in recess on Wednesday in order to enable Members of the House who wish to do so to see the maneuvers off Portsmouth. On Thursday the Committee of the Whole will then resume reading of the bill under the 5-minute rule until conclusion of consideration of that bill.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

Mr. MARTIN. Mr. Speaker, reserving the right to object, the gentleman has covered the matter pretty fully, but does the gentleman specify when we shall vote on the measure itself?

Mr. CELLER. Well, I have no way of determining that.

Mr. MARTIN. Well, why not make it all-embrasive, then, and say that on Thursday of next week we will vote.

Mr. CELLER. Well, we will continue the reading of the bill on Thursday so that we may conclude on Thursday. I think there is evidence made manifest that it is the desire to conclude on Thursday, but I do not think it would be possible to get an ironclad agreement on it.

Mr. MARTIN. The ironclad agreement is to give you a day off on Wednesday, but probably very few of the Members of the House will attend the maneuvers.

Mr. CELLER. Well, I am making the request. I thought we had received the approval of those interested on your side, and those on this side are ready to concur. I do hope the gentleman will not object to the unanimous consent request.

Mr. MARTIN. Well, I, of course, knew what the request was going to be, but I really think we have got to commence and do some work if we are ever going to get through this year.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

Mr. MADDEN, from the Committee on Rules, reported the following privileged resolution (H. Res. 274, Rept. No. 538), which was referred to the House Calendar and ordered to be printed:

Resolved, That during the consideration of the bill (H. R. 6974) to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes, all points of order against the bill are hereby waived.

ONE HUNDRED TWENTY-EIGHTH ANNIVERSARY OF THE BROOKLYN SUNDAY SCHOOL UNION

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEOGH. Mr. Speaker, today a solemn and inspiring event is taking place in Brooklyn. In every section of the borough there will be marching Sunday school children with their adult leaders, officers, and teachers in observance of the 128th anniversary of the Brooklyn Sunday School Union.

In 1829, there were four churches participating in the first parade. Today, there will be 26 divisions representing the Bible schools of over 450 Protestant churches in Brooklyn. Special floats have been entered centering on the theme "Christ, the Prince of Peace," and in some divisions prizes will be offered for the best interpretation of the theme. All of the marchers will wear parade shoulder bands with the theme inscribed.

Mr. William A. Gatehouse, president of the Brooklyn Sunday School Union, chief marshal of the 1957 parade, and a trustee of the Andrews Methodist Church of Cypress Hills, has predicted that over 120,000 will be marching in this great spiritual undertaking.

Today's event may best be described in the words of the Brooklyn division of the Protestant Council:

More than a mere parade, anniversary day is a living symbol of a community's faith in religious values, and it might very well be called a "children's crusade in modern dress."

4-H CLUBS IN KENTUCKY CONTRIBUTE TO GOOD CITIZENSHIP

Mr. NATCHER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. NATCHER. Mr. Speaker, the contributions made by the members of our 4-H Clubs in Kentucky, and throughout America, have been of tremendous value, not only in connection with agriculture and home economics, but in improving community living by way of efforts toward the betterment of schools and churches in respective localities. When we consider that the 4-H Club movement was only started at the turn of this century, while cooperative extension work in agriculture and home economics was only provided for by the Congress in 1914, we can understand the remarkable strides that can be attributed to these young people.

An example of outstanding 4-H Club work can well be illustrated by the achievements of two of the members from the Second Congressional District of Kentucky—Helen Stinnett, of Hopkins County, and Harold Smith, from my home county of Warren. This young lady and young gentleman are 2 of the 4 holders of this year's top award in 4-H Club work in Kentucky who will attend the 27th National 4-H Conference to be held in Washington, D. C., June 15 to June 21. They have also won trips to the National 4-H Club Congress in Chicago for superior project work. Miss Stinnett, 17 years of age, and State records champion, has completed about 50 projects in home economics, leadership, electricity, dairying, gardening, and food preservation. In order to interest young people, she has made more than 50 talks on 4-H Club work. Mr. Smith, 18 years of age, and State dairy winner, started with two Guernsey heifers in 1949. He now has 21 heifers, 7 of which are producing. He has won honors in exhibiting, showmanship, and judging of animals. Harold Smith has been a junior leader and five times was president of his club.

The accomplishments of Helen Stinnett and Harold Smith clearly demonstrate the value of 4-H Club training. The activities engaged in by these public-spirited youths of today can but insure character development and good citizenship. They will be our leaders of tomorrow, and to them we can look for advancement in agriculture, improvement in home conditions, as well as to strengthening the forces of right and justice in our Nation. It is not only upon material resources that the United States of America should depend, but also upon human resources. I am convinced that the boys and girls connected with the 4-H Club program will be capable and ready to assume responsibilities of leadership in the years to come.

SWEDEN'S CONSTITUTION AND FLAG DAY

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, today here in the House of Representatives of the Congress of the United States we pause in our deliberations to note that this is Sweden's Constitution and Flag Day, and on this glad anniversary occasion our thoughts abide with the proud and friendly people of the Scandinavian land whose sons and daughters from earliest days have contributed so mightily to the building of our United States. I am happy that in the district that I have the honor to represent are many men and women of Swedish blood. In the professions and the trades, in the activities of business, in religion, in education, and in the arts, in cultural and civic participation, they have been pillars in upholding the highest standards of personal deportment and citizen responsibility. I would feel remiss in my duty as their representative if I permitted the 148th anniversary of the adoption of the Swedish Constitution to pass unnoticed.

Although Sweden's Constitution and Flag Day dates from 1809, this date is a comparatively recent one in Sweden's renowned history. Various clauses in the democratic constitution which was adopted on June 6, 1809, bespeak the character of that admirable country and indicate the antiquity of the standards of happiness and independence, of justice and truth which it sets forth. Article 114 declares that:

The ancient privileges, advantages, rights, and liberties of the estates of the kingdom shall remain in force.

Nor are these principles, which were promulgated "with deepest emotion and loving participation in the fortunes of the people," as the preamble states, glorified on paper only. In actuality Sweden has typified for many generations an ideal among nations. All the people take part in a truly democratic life, a representative government, a society concerned with the welfare of the nation as a whole and as composed of individuals, each with his own necessity for social security, for good housing, for recreation, for education, for culture, for the comforts of life, and the attributes of better living.

Sweden is one of the few countries of the world where the national wealth is fairly evenly distributed. The national savings in the banks compare very favorably with those of other countries. Swedes drink more coffee than any other people in the world. Every second person owns a bicycle; every home a radio. Yet the Swedish people are great readers too. Of the large number of books published annually in Sweden, one-third are of a literary character. The newspaper circulation in Sweden is greater per capita than anywhere else in the world. One of the oldest periodicals in the world, the official newspaper of Sweden, was founded in 1645.

We in America have been enriched both by the influence and by the very real accomplishments of her sons and daughters who have settled here. They brought with them their newspapermen, who pioneered in foreign-language newspapers. They brought their great farmers, lumberjacks, scientists, authors, educators, men of religion, and other contributors to our American civilization.

In our own State of Illinois, at Rock Island, there is today Augustana College, the oldest remaining of the many colleges and academies founded in America by the Swedish settlers.

Leaders in various fields at home and abroad, the Scandinavian people have led the world in social security and labor legislation. A Swede, Karl von Linné—or Carolus Linnaeus—led the world in botany. Among all the famous names which the thought of Sweden conjures up, perhaps that of Nobel is the best known internationally. Donor of the fortune which has furnished the Nobel prizes annually awarded in the fields of physics, chemistry, medicine, literature, and the promotion of peace, Alfred Nobel was the inventor of, among other things, dynamite. A bit wistfully—and grimly—we of the nuclear weapon age read, about 100 years later, of his hope that his invention was so frightful and so destructive that it would bring an end to war.

It is to Sweden's leadership of a constitutional nature that we in the United States owe one of our great debts of gratitude. We cherish it as a memory, too, that it was Sweden who first—and unsolicited—recognized the United States as a nation. Before the peace had been signed with England acknowledging our independence, Sweden's King had directed his Minister in Paris to call on Benjamin Franklin there to discuss the possibility of a Swedish-American treaty—which was to follow in 1783. As one author has put it, "Sweden was the first neutral nation to recognize the United States."

It is significant that Sweden, renowned especially for her freedom, her independence, her respect for individuality, and her neutrality, should have been the first to recognize us. For we have in common so many rich traditions. And it is with pleasure in her accomplishments and pride in our analogies that we salute today Sweden's flag and her constitution which reads in part:

Our and our subjects' mutual rights and obligations are so clearly laid down in the new constitution that they incorporate the Swedish nation's liberty as by law established.

"THE TROUBLE WITH AMERICAN MORALS"

Mr. FINO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINO. Mr. Speaker, in the July issue of Esquire magazine, which goes on sale today, there appears a very interesting article written by Tallulah Bankhead entitled "The Trouble With American Morals." I urge each and every Member of this House to read it.

Miss Bankhead, one of America's greatest ladies of the stage, gives her own frank and straight-from-the shoulder opinion on various phases of moral standards.

Of particular interest are her outspoken thoughts on the subject of gambling.

She says:

Some think gambling a vice, others a disease. Most States call it just plain illegal. Well, I think gambling is a man's prerogative. I say gambling is natural to life, and, admit or not, we all enjoy it. A broker buying and selling new stock, an actress opening a play, a jockey leaving the starting gate, all of us take our chances against odds every day. Yet, we have stringent laws against gambling with money. It's like putting blinders over our eyes so that we can pretend the rest of the world isn't there.

You can't legislate a fact of life out of existence. All our experience proves it.

Because of my keen interest in the establishment of a national lottery, I was favorably impressed with Miss Bankhead's thoughts on this subject.

She says:

I think we should have a national lottery. What harm could a dollar or two-fifty ticket possibly do? The country is flooded with

black-market lotteries anyway. If lotteries were legalized, they might satisfy the great American craving to bet a little lettuce from time to time. Consider how many hospitals and schools could benefit. There might even be a way to help the income-tax situation or inflation with a lottery.

Let me assure the Members of this House that the views expressed by Miss Bankhead on legalized lotteries are shared by 59 percent of the American people in this country. The recent Trendex News Poll shows that most Americans in every section of the country and in every income bracket favor a Federal lottery to reduce taxes.

Does not the will of a majority of the people have any affect? Must we continue to allow hypocrisy to blind us from the obvious? Will we ever have the intestinal courage to banish hypocrisy and make this tax-relief dream a reality? A majority of the American people deserve honest answers to these questions. It is our responsibility to furnish them with immediate action on my bill H. R. 3520.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. HOFFMAN. Mr. Speaker, my understanding of the legislative program for next week was not quite complete. Was there anything in that understanding which would permit the suspension of the rule as to a quorum during general debate?

The SPEAKER. That would not be the proper thing to do.

PERSONAL ANNOUNCEMENT

Mr. DAVIS of Tennessee. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. DAVIS of Tennessee. Mr. Speaker, because of illness, it was impossible for me to be on the floor Thursday, April 4, 1957. Had I been present, I would have voted aye on rollcalls Nos. 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, and 50.

CALL OF THE HOUSE

Mr. COLMER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 97]

Ashley	Gregory	O'Konski
Ayres	Gwinn	Poage
Barrett	Harrison, Nebr.	Powell
Beamer	Holtzman	Prouty
Blatnik	James	Radwan
Bowler	Kearney	Sadlak
Buckley	Keeney	Taylor
Cederberg	Kilday	Thompson, Tex.
Dawson, Ill.	Krueger	Utt
Engle	McConnell	Wilson, Ind.
Fallon	McGovern	Withrow
Garmatz	Miller, Md.	Wolverton
Green, Oreg.	O'Brien, Ill.	Zelenko

The SPEAKER. On this rollcall 392 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CIVIL RIGHTS ACT OF 1957

Mr. CELLER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6127) to provide means of further securing and protecting the civil rights of persons within the jurisdiction of the United States.

Mr. SMITH of Virginia. Mr. Speaker, I make a point of order against the bill.

The SPEAKER. The gentleman will state his point of order.

Mr. SMITH of Virginia. Mr. Speaker, I make the point of order that the report on the bill does not comply with the provisions of the Ramseyer rule, which is rule XIII, clause 3.

I call the Speaker's attention to the provision of the bill appearing on page 7, line 12, which reads as follows:

> Members of the Commission, voluntary and uncompensated personnel whose services are accepted pursuant to subsection (b) of this section, and members of advisory committees constituted pursuant to subsection (c) of this section, shall be exempt from the operation of sections 281, 283, 284, 434, and 1914 of title 18 of the United States Code, and section 190 of the Revised Statutes.

Now, Mr. Speaker, I also call attention to the provision of the bill providing on page 9, line 8, for the appointment of another and additional Assistant Attorney General, which changes existing law and which fixes the number of Assistant Attorneys General and which changes the provision of existing law that fixes the qualification of Assistant Attorneys General in that it omits the requirement that an Assistant Attorney General must be a member of the legal profession.

Mr. Speaker, I am prepared to discuss the matter in some detail unless the gentleman from New York is prepared to concede the point of order.

Mr. CELLER. Mr. Speaker, the gentleman is not prepared to concede anything.

The point of order is not well taken. With reference to the statement referring to the members of the Commission, the gentleman called attention to page 7, lines 12 to 19. That is a waiver of the conflict-of-interest statutes which involves no change whatsoever in those statutes. It simply provides for the waiver of the statutes. That is very frequently done. The Committee on the Judiciary has jurisdiction over matters of that sort; namely, the waiver of conflict-of-interest statutes.

With reference to the gentleman's opinion concerning the part II provision for an additional Assistant Attorney General, lines 6 to 14 on page 9, I wish to state that no law is amended. We simply provide for an additional Assistant Attorney General.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New York.

Mr. KEATING. I agree with the gentleman in what he has just said, but I would like to add that the reference to these sections in lines 12 to 19 in no way changes the section. It is simply a reference to it, which we frequently find in legislation.

Mr. SMITH of Virginia. Mr. Speaker, I would like to discuss some of the precedents on this subject.

Now, on the matter of waiver of the conflict of interest statute, in that case this bill in effect puts a proviso on each one of those sections: *Provided*, That this bill shall not be applicable to employees under this act. Now, there are 6 or 7 of those statutes that are amended. There is no question or doubt but that it is just the same as if there was a proviso in the bill that this statute shall not apply to A, B, and C. There can be no question about that now. That question has been raised in past decisions. The only cases in which the Chair has overruled a point of order in all the long line of decisions that I have examined are cases where there was no law shown that was amended.

Now, in this case it is perfectly apparent that they all are. For instance, on the matter of the Assistant Attorney General. The present statute provides that there shall be in the Department of Justice 7 officers. That is section 295 of title V: There shall be in the Department of Justice 7 officers learned in the law. Now, this is the first time I have ever heard of an Assistant Attorney General being appointed or being authorized that was not required to be learned in the law. That is a technical phrase used for a person being an attorney-at-law. I do not know why that was left out. It must have been left out by design, because otherwise this bill generally follows the language of the existing law. As to the seven Assistant Attorneys General, under this provision a nonlawyer can be appointed Assistant Attorney General.

Now, what was the purpose of the Ramseyer rule? The purpose of the Ramseyer rule was to cover just such a situation as here presented. Unless you go back and look up all the sections of the code, which I have done, here is a law which drastically changes the qualifications of Assistant Attorneys General, and the House might not want to say that an Assistant Attorney General should be other than an officer learned in the law. That was the purpose of the Ramseyer rule, and it is so stated in all the decisions laid out here; that the purpose of the Ramseyer rule is that the committee shall find out what changes they are making in the law and that the changes shall be specified in the report to the House, so that all members of the House may know what is proposed in the way of changes in the law.

The most notable case that I think of is the case of the revision of the patent laws, copyright laws. It was just a general provision that all laws in conflict with the bill are hereby repealed or amended, as the case may be. There was no reference to any law that was being

amended or repealed. The point of order was raised and discussed on the floor of the House. The contention was that in order to comply with the Ramseyer rule it would be necessary to write a volume. The Chair said that that was the very purpose of the Ramseyer rule, so that Members of Congress may know, without having to look up all these laws, what they are voting on; so that they may know whether they are voting to give the Attorney General the power to appoint an Assistant Attorney General who does not have the qualifications of a lawyer; so that they may know that under this bill, the whole system of conflict-of-interest statutes, 7 of them in number, 7 acts, are amended which will permit this Commission to hire people who are in the employ, for instance, of the NAACP. That is the reason it is put in there. There could be no other reason.

The reason for this rule is that the House and the Members of the House may know that that is what is being done in this bill; that this Commission that is being appointed is given authority by amendment to the conflict-of-interest statutes, to hire employees of the NAACP, put them on their salary roll, to administer this proposed act.

Is that what the Members of the House want to do? I do not know, but certainly they are entitled to know what they are doing. That is what the Ramseyer rule is all about. I want to read what the presiding officer said in response to the claim that to comply with the rule would require the writing of a whole volume of statutes. Here is what the Speaker said:

> The gentleman from Indiana well argues that it would be a task of considerable magnitude to do what is proposed here, and yet that seems to be the purpose of the rule, that the Member making the report of the committee shall do the work of investigation and submit to the House information as to what statutes are repealed.

That is the purpose of the rule, namely: that every Member of the House is entitled to know what the Committee on the Judiciary is proposing in the way of changes in the law. I would venture the assertion that there is not a Member of this House, outside of the members of the Committee on the Judiciary and perhaps myself, because I have made some investigation of the subject, who knows what is being done in the matter of changes of the existing law. And there is no way for them to know unless they examine each individual statute and each individual provision of the United States Code that relates to these subjects. Mr. Speaker, how in the world can we get along with the Ramseyer Rule, what purpose would it have, what would be the effect of it, if merely by not mentioning that we are amending the law we were to go ahead and amend it? That is the argument that is being made here.

That is, the Ramseyer rule does not mean anything if we merely omit to tell the House the truth, that we are amending the law. Is that the kind of rule we are going to live under?

I am interested in the integrity of the rules of this House. If this House does not want such a rule, they do not have to have it. But certainly if the rule means anything at all, it must mean that a committee cannot bring a bill in here and evade the rule completely by simply not mentioning the fact that we are amending it.

Does anybody doubt that we are amending the law? Here is the law. Here are the statutes. I could read every one of them. I can tell you what each one of them means; I have a memorandum here. But the effect of this bill as written is to put a proviso on each one of those statutes saying that this statute shall not apply to persons employed under this act. If that is not an amendment to the law, then I do not know what an amendment to the law is. The same applies to the provision which changes the number and the qualifications of assistant attorneys general.

I wonder how many Members of this House, if they were advised as they should have been advised by the report of the committee that they were to vote to give the Attorney General the power to appoint an Assistant Attorney General who was not a lawyer, would have voted for it. Yet you are left completely in the dark. You are given no intimation by the committee.

I would say, Mr. Speaker, that to do that is really a worse offense then if you mentioned the amendment, because then Members would know something about it. But here we amend the law in a roundabout way, I might say, almost in effect surreptitiously, although I do not mean to reflect on the committee. It was done inadvertently. If they had thought about it, they probably would have corrected it. But here is a situation where they have obviously deviated from the rule, where they have obviously violated the rule.

Mr. WILLIS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Louisiana.

Mr. WILLIS. Is not the purpose of the Ramseyer rule to inform Members what they are voting on? That is certainly my understanding of it. On page 7, starting at line 12, there is language to the effect that the members of the Commission shall be exempt from the operation of named sections of law. If I understand the gentleman correctly, from a reading of the bill we do not know what this is and there is nothing in the report from which we can find out what it is.

Mr. SMITH of Virginia. I venture the assertion that not one Member of the House outside of the Judiciary Committee knew until this discussion took place what amendments would be made to the law.

Mr. ROGERS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. ROGERS of Colorado. Do I correctly understand it is the gentleman's contention that the part on page 7, running from lines 12 to 19, does not comply with the Ramseyer rule due to the fact that the failure of the committee to set forth sections 281, 283, 284, 434, and 1914 of title 18 of the United States Code, and section 190 of the Revised Statutes (5 U. S. C. 99), is in violation of the Ramseyer rule? Is that the gentleman's contention?

Mr. SMITH of Virginia. That is my assertion.

Mr. ROGERS of Colorado. Does the gentleman construe the Ramseyer rule, then, to mean that whenever any reference is made to any other statute it is the duty of the committee to set forth that statute in detail?

Mr. SMITH of Virginia. No; it is not my contention, it is my assertion, based upon the decisions of the Chair that establish the interpretation of the rule. The gentleman perhaps was not listening. That is what I have been talking about for the last 15 minutes.

Mr. ROGERS of Colorado. The point I am making is, Does the gentleman feel that in connection with every bill we consider it is the duty of the committee to set forth in detail in its report that statute, otherwise this committee cannot consider the legislation? Is that the gentleman's contention?

Mr. SMITH of Virginia. No. I hope the Chair will be patient with me, but the gentleman evidently does not understand what has been going on today. The Ramseyer Rule provides that whenever there is proposed a change in existing law it shall be set out by such typographical devices or otherwise as may be required, to inform the House what changes are proposed to existing law. For instance, a case came up here where the bill added a proviso to an act. The committee proposed a proviso to an existing law. That is exactly what these gentlemen are doing. They are proposing a proviso to seven different laws providing that this act shall not apply to the employees employed by the Government under this bill. After discussion, the Chair ruled that they had to print the whole law that preceded that proviso. Why did the Chair rule that? The Chair ruled that so that Members of the House would know what was going on and would be informed. I hope the Chair will bear with me when, for the benefit of the gentleman from Colorado, I read again what the Chair said in the copyright case which I have just referred to. It said:

> The gentleman from Indiana well argues that it would be a task of considerable magnitude to do what is proposed here. And, yet, that seems to be the purpose of the rule, that the Member making the report of the committee shall do the work of investigation.

That is what it says he must do. You must do the work of investigation and find out how many of these laws you are changing; what the changes are; and submit to the House information of what statutes are to be repealed and what is proposed to be amended.

The Speaker in that case further said:

> On March 17, 1930, a point of order was made against a bill in very much the same situation as this bill on the ground that it did not conform with section 3, rule 13. In that case the Speaker pro tempore happened to be the gentleman from New York, Mr. Snell. The chairman of the Committee on Rules had reported this rule, and the Chair sustained the point of order.
>
> It seems clear to the Chair that the ruling then made was correct. No other ruling can

be made here other than to sustain the point of order.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. CELLER. I want to say to the gentleman that I have been a member of the Committee on the Judiciary for many years. We have on innumerable occasions waived the conflict of interest statutes and we have used the format used in the pending bill. There has never been a point of order raised to any of these bills in the sense that there was a violation of the Ramseyer rule, and for the simple reason when you waive the provisions of a statute, you do not change the provisions of that statute and you do not amend the provisions of that statute. The Ramseyer rule provides that if you do provide for language that is amendatory, then you must set forth the manner in which the provision added is amendatory. As in the case here, with reference to the Assistant Attorney General, there again we do not amend any statute at all. We are simply adding an Attorney General. If the gentleman from Virginia wishes to address himself to the merits of that provision—section 114—certainly, his parliamentary maneuver must fail for the reason that there is nothing in the nature of amending any kind of bill. We simply add to the statutes that there shall be an additional Attorney General. Now the question as to whether he shall be learned in the law goes to the merits, and if the gentleman from Virginia feels that the provision is not meritorious because there is no provision there for the appointee to be learned in the law or be a lawyer, then he can vote down that provision or make a suitable amendment when we reach that stage under the 5-minute rule.

Mr. SMITH of Virginia. May I say in reply to the gentleman that he misses the point entirely. Of course, you can offer an amendment to the bill. That has nothing to do with the Ramseyer rule. The Ramseyer rule says that the committee reporting a bill must tell the membership of the House what is proposed to be done. After the committee has told the membership what is proposed to be done, then there comes into play the question which the gentleman raises and then the House, if it wishes, can strike it out or the House can say the appointee shall be learned in the law.

Mr. COOPER. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. COOPER. Mr. Speaker, I desire to concur in the point of order made by the gentleman from Virginia and I concur in the very able arguments presented by him in support of his point of order. I would invite the attention of the Chair to the fact that there can be no question the pending bill seeks to amend existing law in many particulars and in many respects. By an examination of the report accompanying the pending bill, it is readily apparent that the Ramseyer rule is not complied with with respect to those changes sought to be made in existing law by the enactment of the pending bill.

I would especially emphasize the point raised by the distinguished gentleman from Virginia, Mr. SMITH, chairman of the Committee on Rules, that on page 7 the language referred to by him certainly changes existing law, in that the members of this Commission have the conflict of interest statute waived as to them. Certainly if there was no change in existing law there would be no logic in including this provision in the bill.

It is well recognized, Mr. Speaker, that on page 9 the language to which reference has been made certainly changes existing law, in that certain provisions are now required with respect to the qualifications of an Assistant Attorney General. There is no effort made in the report accompanying the bill to set out the provisions of existing law that are sought to be changed by this provision of the pending bill.

I submit most respectfully, Mr. Speaker, that the argument presented by the gentleman from Virginia [Mr. SMITH] is sound, and that the point of order presented by him is sound.

Mr. SMITH of Virginia. Mr. Speaker, I thank the distinguished gentleman from Tennessee for his contribution, which is so valuable, because he is known as perhaps the best parliamentarian in this House. I want to propound a question to the gentleman, if I may. I know he is interested in maintaining the integrity of the Rules of the House under which we operate. I want to ask the gentleman from Tennessee [Mr. COOPER] if he concurs in my opinion that if this point of order is not sustained under these circumstances, does it not open the door for a complete nullification of the whole Ramseyer rule by simply not saying that this is an amendment, or printing it as an amendment, but by just mere reference to it you can abolish the Ramseyer rule. Am I correct in that?

Mr. COOPER. Mr. Speaker, I agree with the statement made by the gentleman, and I also invite attention to the fact that, as he well knows, it has been my privilege to appear on many occasions before his great Committee on Rules with respect to legislation reported from the Committee on Ways and Means, of which I have the honor to be chairman. We have always requested a waiving of points of order on legislation of that type, for the very reason that if points of order were not waived with respect to the application of the Ramseyer Rule, we would have to print the entire Internal Revenue Code in the committee report on a tax bill that was being reported to the House.

Mr. Speaker, I feel that the distinguished gentleman from Virginia [Mr. SMITH] is correct in the position he has taken.

Mr. KEATING. Mr. Speaker, may I be heard on the point of order?

The SPEAKER. The gentleman from New York is recognized.

Mr. KEATING. With reference to the Internal Revenue Code, which has just been given as an illustration, it seems to me that points up what the Ramseyer rule really is intended to accomplish. In the case just cited, it is the Internal Revenue Code which we are amending, and the Ramseyer rule says "whenever a committee reports a bill or joint resolution repealing or amending any statute or part thereof, it shall include"—and then, correctly reported by the gentleman from Virginia, "a print of the original law."

There are certain statutes amended by this law, and the committee has reported a bill amending certain provisions of the law.

But now I refer to the provisions on page 7, lines 8 to 19. This is not any part of any of these laws which are sought to be amended by this bill. Therefore, it does not fall within the Ramseyer rule.

As to the additional Attorney General, there are a great many statutes in which we have added now one and now another Attorney General. We are not in any way changing those statutes; we are simply providing for an additional Attorney General.

It seems to me, Mr. Speaker, significant that the chairman of the Committee on Rules who had before him this report prepared by our colleague the gentleman from New Jersey [Mr. RODINO], and before whom a lengthy debate took place, he did not in the Rules Committee raise any question about the insufficiency of the report. It strikes me that the gentleman from Virginia [Mr. SMITH]——

Mr. SMITH of Virginia. Mr. Speaker, will the gentleman yield? He has mentioned my name. Will he permit me to interrupt at that point?

Mr. KEATING. I yield to the gentleman.

Mr. SMITH of Virginia. I would like to say to the gentleman that neither at that time nor any other time have I been willing or anxious to extend any aid to the passage of this measure.

Mr. KEATING. I rest my case on that, Mr. Speaker.

The SPEAKER. The Chair will hear the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Briefly, Mr. Speaker, on the point of order and the Ramseyer rule, it seems to me my friend the gentleman from Virginia [Mr. SMITH] is talking about a noncompliance. An examination of the report shows a compliance with the rule, because all through the report of the majority reference is made to changes in the law.

There is a difference between strict noncompliance and compliance with the rule.

It seems to me the report taken as a body and as a whole must be considered as being in compliance with the rule.

Mr. COLMER. May I be heard on the point of order, Mr. Speaker?

The SPEAKER. The Chair will hear the gentleman.

Mr. COLMER. Mr. Speaker, I had not intended to say anything on this, but if the Chair will bear with me very briefly, the gentleman from Massachusetts who is usually very profound and accurate in his statements was never more wrong in his life than he was in the statement he just made. I wish to read from Cannon's Precedents, but before I do let me call the attention of the gentleman from Massachustts to the fact that there are references and attempts to comply with

the Ramseyer rule in some cases, but in the particular cases to which the point of order has been made there has been no attempt to comply with the rule. Cannon's Precedents states:

> Although a bill proposed but one minor and obvious change in existing law, the failure of the report on the bill to indicate this change by typographical device was held to be a violation of the rule.

Mr. DAVIS of Georgia. Mr. Speaker, may I be heard on the point of order?

The SPEAKER. The Chair is prepared to rule, but the Chair will hear the gentleman from Georgia.

Mr. DAVIS of Georgia. I thank the Speaker. I will not trespass on the time of the House longer than to speak directly to the statement made by the distinguished gentleman from Massachusetts [Mr. McCORMACK].

I refer the Chair to one bill, H. R. 8156, in the 71st Congress, 2d session. The principle involved in that ruling is set out in Cannon's Precedents, volume 8, section 2236, in this language:

> Although a bill proposed but one minor and obvious change in existing law, the failure of the report on the bill to indicate this change by typographical device was held to be a violation of the rule.

This bill, Mr. Speaker, consisted of only a few lines. I will read them:

> *Be it enacted, etc.*, That the limit of cost fixed in the act approved February 16, 1929, entitled "An act to provide for the acquisition of a site and the construction thereon and equipment of buildings and appurtenances in the Coast Guard Academy," is hereby increased from $1,750,000 to $2,500,000.

That is all that was in the bill.

The gentleman in charge of the bill argued in opposition to the point of order that the bill in that case conformed to the spirit of the rule.

He said "Nobody can have any question about the meaning and purpose of this bill."

The Speaker ruled as follows, and this is his language:

> It is perfectly apparent to anyone reading the bill that its language is not exactly in the form prescribed by the Ramseyer rule which provides that—

And he quoted the sections of the Ramseyer rule.

The Chair further said:

> The Chair does not think that that rule has been complied with. What is required under the second part has not been done.

May I say to the Speaker that case presented a much weaker point for sustaining the point of order than the present bill offers. In the case of the Coast Guard Academy bill no one could read the language of the bill itself and fail to understand the one simple change that the bill purported to make. Yet the bill designated the act which was to be changed in one simple particular. The report failed to quote the act which was to be modified as required by the Ramseyer rule and failed to point out the change to be made. The Chair said in that respect:

> The Chair does not think that that rule has been complied with. What is required under the second part has not been done. Of course, the rule is intended to make it evident just what change in a bill or resolution is intended. It is to make this change apparent to anybody without consulting the statutes which it is intended to amend.

Mr. Speaker, addressing my remarks specifically to section 105 (d), lines 12 through 19 on page 7 of the bill, this section provides:

> Members of the Commission, voluntary and uncompensated personel whose services are accepted pursuant to subsection (b) of this section, and members of advisory committees constituted pursuant to subsection (c) of this section, shall be exempt from the operation of sections 281, 283, 284, 434, and 1914 of title 18 of the United States Code, and section 190 of the Revised Statutes.

I call the attention of the Chair to these facts, then I am through:

Six existing statutes are designated in this section of the bill.

Each of these designated sections is modified and amended by this paragraph of the bill, in that each of said sections is nullified and rendered inoperative as to all of the officials, committees, and personnel who are mentioned in this paragraph of the bill.

It is not possible by reading the bill or the report, or both, to know from what requirements, restrictions, or provisions of law these named members of the Commission, committees, and personnel will be exempted under the terms of this bill.

The only way to determine that is to read the five sections of the United States Code, and the one section of the Revised Statutes which are designated in the paragraph of the bill.

The purpose of the Ramseyer rule, and the reason for its adoption and retention by the House, is to relieve the member from the burden of searching out the statutes or existing law which the bill undertakes to repeal or modify.

These statutes are not carried in the committee report, and it is not possible to read the bill or the report and ascertain what the meaning of this bill is, or what the legal effect of this section would be if enacted.

The SPEAKER. The Chair is prepared to rule.

This question, or parallel questions, has been raised many times. The rulings of the Chair have been uniform.

The Chair might read the so-called Ramseyer rule:

> Whenever a committee reports a bill or a joint resolution repealing or amending any statute or part thereof, it shall include in its report or in accompanying document—
>
> (1) the text of the statute or part thereof which is proposed to be repealed; and
>
> (2) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italic, parallel columns, or other appropriate typographical devices, the omissions and insertions proposed to be made.

Turning to the first part of the bill on page 7, paragraph (d), which reads as follows: "(d) Members of the Commission, voluntary and uncompensated personnel whose services are accepted pursuant to subsection (b) of this section, and members of advisory committees constituted pursuant to subsection (c) of this section, shall be exempt from the operation of sections 281, 283, 284, 434, and 1914 of title 18 of the United States Code, and section 190 of the Revised Statutes (5 U. S. C. 99)," the Chair holds that that is simply a waiver of the statute and not a specific amendment to any existing law. Therefore, the Chair overrules the point of order with respect to that.

Section 111, page 9, which reads as follows: "SEC. 111. There shall be in the Department of Justice one additional Assistant Attorney General, who shall be appointed by the President, by and with the advice and consent of the Senate, who shall assist the Attorney General in the performance of his duties, and who shall receive compensation at the rate prescribed by law for other Assistant Attorneys General," does not amend any specific law, because it does not refer to any. Congress has the right at any time it pleases, the Chair thinks, to provide for an additional Assistant Attorney General or an additional assistant in any other department.

Now then, we come to the part of the bill where specific statutes are amended. And, the Chair might say here that Mr. Snell, Speaker pro tem on February 7, 1931—Cannon's Precedents, volume VIII, section 2235—made this ruling: In order to fall within the purview of the rule requiring indication of proposed changes in existing law by a typographical device, a bill must repeal or amend the statute in terms, and general reference to the subject treated in a statute without proposing specific amendment is not sufficient.

Mr. O'Connor of Nev. York on April 13, 1932—Cannon's Precedents, volume VIII, section 2240—made a ruling on this specific question, and the gist of that is that the bill is not subject to the rule requiring comparative prints unless it specifically amends existing law.

Now, the gentleman from Tennessee [Mr. COOPER] on April 15, 1940, as Speaker pro tempore, went just a little further than that. The substance of his ruling was: In determining whether or not a committee in reporting a bill has complied with the Ramseyer rule, the duty does not devolve upon the Chair of analyzing every word of existing law and the changes sought to be made. Hence, Mr. COOPER held that an effort to substantially comply with the rule only was necessary.

Now, let the Chair read portions of part III and part IV of the bill, where specific law is specifically amended:

> PART III—TO STRENGTHEN THE CIVIL RIGHTS STATUTES, AND FOR OTHER PURPOSES
>
> SEC. 121. Section 1980 of the Revised Statutes (42 U. S. C. 1985) is amended by adding thereto two paragraphs to be designated "Fourth" and "Fifth" and to read as follows:
>
> "Fourth. Whenever any persons have engaged or there are reasonable grounds to believe that any persons are about to engage in any acts or practices which would give rise to a cause of action pursuant to paragraphs First, Second, or Third, the Attorney General may institute for the United States, or in the name of the United States, a civil action or other proper proceeding for preventive relief, including an application for a permanent or temporary injunction, restraining order, or other order. In any proceeding hereunder

the United States shall be liable for costs the same as a private person."

* * * * *

SEC. 122. Section 1343 of title 28, United States Code, is amended as follows:

(a) Amend the catchline of said section to read:

"§ 1343. Civil rights and elective franchise"

* * * * *

PART IV—TO PROVIDE MEANS OF FURTHER SECURING AND PROTECTING THE RIGHT TO VOTE

SEC. 131. Section 2004 of the Revised Statutes (42 U. S. C. 1971), is amended as follows:

(a) Amend the catchline of said section to read, "Voting rights."

(b) Designate its present text with the subsection symbol "(a)."

Remembering what has gone before, the Chair finds on page 16 of the committee report changes in existing law set forth as follows:

In compliance with clause 3 of rule XIII of the House of Representatives, there is printed below in roman existing law in which no change is proposed by enactment of the bill as here reported; matter proposed to be stricken by the bill as here reported is here enclosed in black brackets; new language proposed by the bill as here reported is printed in italic.

And there follows then the existing law proposed to be amended.

The Chair has examined this bill carefully and has examined this committee report very carefully, and must hold that the committee did comply in substance and in fact with clause 3 of rule XIII.

Therefore, the Chair overrules the point of order.

Mr. CELLER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6127) to provide means of further securing and protecting the civil rights of persons within the jurisdiction of the United States.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 6127, with Mr. FORAND in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. CELLER. I yield myself such time as I may consume.

Mr. Chairman, at the outset I wish to state that I made the unanimous-consent request concerning adjournment from Tuesday over to Thursday primarily because the Secretary of the Navy, Mr. Gates, sought some arrangement with this Chamber whereby a goodly number of Members might have the opportunity to attend the naval maneuvers off Portsmouth, Va., on Wednesday. The unanimous-consent request was made so that Members could thus be accommodated.

I understand that the Secretary of the Navy had had conversations with the Speaker of the House, the majority leader, and others, making a request concerning the convenience of the Members so that they could attend these maneuvers. And it was in that spirit that I made my unanimous-consent request this morning.

I pointedly make this statement because of the colloquy that I had with the genial and able and distinguished gentleman from Massachusetts, the minority leader [Mr. MARTIN].

Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. CHUDOFF].

Mr. CHUDOFF. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CHUDOFF. Mr. Chairman, the enactment of the civil-rights bill now being considered by the House of Representatives is essential to the welfare of our Nation.

As all of you know, I believe that the highest duty of Government is to protect and strengthen the civil rights of its citizens. For by protecting the rights of each of its citizens the Government strengthens the Nation as a whole.

I wish that H. R. 6127 were broader: I wish it included provisions dealing with the problems of discrimination in employment, and in housing, which adversely affect the lives of millions of our people throughout the country. I wish that it included provisions to strengthen our Federal criminal laws which are at present inadequate to deal with the growing threat to law and order that is arising in our country as a result of the opposition in some localities to the Supreme Court's decision in the school segregation cases.

Nevertheless, I think that H. R. 6127 represents a basic minimum standard. It is a standard also upon which all Congressmen can and should agree, if they will only approach it with the sense of responsibility that rests on each of us as Members of a legislative body which legislates for our entire Nation.

This bill would provide for investigating the condition of civil rights in this country. Certainly it is necessary to find out what the facts are in this controversy about civil rights. Secondly, the bill would strengthen the legal powers of the Department of Justice to safeguard the civil rights of our people in connection with the security of their persons and their right to vote.

These are certainly mild proposals. They relate to the elemental prerequisites for the maintenance of citizenship and the right to life, liberty, and happiness. How can any decent-minded American oppose these objectives?

The assertion that the provision for civil action and injunctive procedure by the Attorney General would deprive the voting registrars who now disenfranchise Negro citizens of their constitutional right to a trial by jury is a bogus argument. It is a pseudolegalistic effort to perpetuate racial discrimination. The legal brief which Senator PAUL DOUGLAS inserted into the CONGRESSIONAL RECORD of April 18, 1957, shows conclusively that the jury-trial proposal not only lacks any precedent, either in the Constitution or the statutes of Congress, but also that the proposal would itself be contrary to the Constitution.

The truth is that the bill would not deprive anyone of any constitutional right. The constitutional right to a jury trial in a criminal action would still remain unchanged. There has never been a constitutional right to a jury trial in a civil action.

Nor would anybody be denied his right to due process of law. No injunction would be issued without a hearing before a judge, with full right to counsel and the right to cross-examine. Any such injunction, as well as any order of contempt that might be issued if the injunction is disobeyed, would be subject to the right of appeal.

This procedure has been approved by Congress and is used as a regular course in some 28 statutes. There is nothing wrong with it. It is part of our American system of justice, and it will work in the field of civil rights also, with full protection to the rights of any defendant.

The sole purpose of the jury-trial argument would be to perpetuate the disfranchisement of Negro citizens in the South, a situation that is a scandal in a society which pretends to democratic political principles. It should be rejected as unworthy of our American heritage and tradition of fair play and equal opportunity.

Mr. CELLER. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. MACHROWICZ].

Mr. MACHROWICZ. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MACHROWICZ. Mr. Chairman, I regret exceedingly that official duties will require my absence from the country when the vote will be taken on this bill. I have, however, made arrangements to have my vote recorded in favor of its adoption.

This is indeed a moderate civil-rights bill. It contains a mere minimum of what is most certainly required from us as representatives of a democratic people in this great democracy of ours. It does not contain some provisions which we should enact, but which were eliminated in the interest of harmony and united action. It has the endorsement of the leadership of both parties. Its features were contained in the platforms of both parties. It is based upon recommendations of President Eisenhower and former President Truman. There is nothing in the bill that any person, believing in the Bill of Rights and in justice, could possibly object to. A unanimous, or nearly unanimous, approval by Congress would do more to build the prestige of our Nation among the free people of the world than anything I can think of.

I am not so naive as to think that our action will be unanimous, but I certainly hope that those who do not believe in civil rights will express their convictions by voting against the bill rather than by trying to cripple it with amendments which are designed to make it objectionable to certain groups and have nothing to do with the bill's basic purposes.

Frequently we call upon the Communist world leaders to prove their sincerity by action rather than words. Here indeed is an opportunity for us to prove to the world by our action that the principle of equality to all men is not a mere slogan to us, but a living fact. I trust, also, that the debate on the bill will be maintained at a high level, and that an overwhelming vote for the bill, as reported by the committee, will stand as our proof of America's moral leadership in the Free World today.

Mr. CELLER. Mr. Chairman, as we begin debate on this bill before us, it is imperative that we keep paramount in our minds the purpose of this bill, which is, and I emphasize, the preservation and the fulfillment of the provisions of the Constitution. The Constitution states bluntly and incisively that Congress shall have the power

To make all laws that are necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof.

Hence, when there is a denial of constitutional rights to any person or to any segment of our society, it is the duty of Congress a duty which it has shirked much too long, to provide the remedy.

What we have before us is not a question of conscience, ethics, morality, or custom. What we have before us is a matter of rights, rights guaranteed by the Constitution, rights that have been withheld and, as a consequence, we have done a singular dishonor to our Constitution.

This is not to say that the acceptance of the proposals before us will be a simple matter, that the acceptance will not be painful to many in our country who have absorbed uncritically a regional way of life. The breaking of a pattern is never easy but we, the Congress of these United States, cannot permit any longer constitutional guarantees to be submerged and drowned by a pattern which has been permitted to harden and encrust the basic values of democracy.

While the argument of States rights has its validity, a validity based on the Constitution, which we seek here to protect, we must keep first and foremost in our minds that what we are discussing here are constitutionally guaranteed rights, particularly by the amendments to the Constitution. These are not the rights that grew out of the reserved powers of the States, these are the rights guaranteed by the Federal Government. Hence the responsibility rests upon the Federal Government to guarantee these rights, rights like equality before the law, due process, equality in education, nondiscrimination in voting, transportation, and the like. This is the warranty given by the Constitution.

I personally deplore the necessity for engaging in argument which must necessarily bring pain to many Members of the House who represent a Southern constituency, but if the espousal of the bill that bears my name touches the raw nerves of those so deeply and emotionally involved, I cannot retreat. It is not that I have any less affection for my colleagues from the South but rather it is I have a compelling adherence to the Constitution and to its guaranty of civil rights to all the people, regardless of race, color, or creed. To have the color of one's skin determine whether the Constitution governs him or not is a thesis for which I can have no stomach.

I realize the sectional differences obtaining in these fair United States. We have always had dissidence to contend with from our very beginning, when we were a mere confederation of States, but we soon learned that each section cannot have its own measuring rod. That leads along an endless trail of absurdity and confusion, which leads to national ossification. We cannot have the Constitution meaning one thing to one section and another thing to another section. Our Constitution must be one thing to all men—not many things to many men. Otherwise, we belie our history. Indeed, we cannot be troglodytes who live in caves nor ostriches who bury their heads in the sands. We must recognize the great changes that have come upon us—transitions that may demand the change of opinions and changing patterns. I hope that in that spirit we will consider the bill. The remedy proposed today is long overdue. The past history in a number of States, I fear me, and I regret to state, is not a creditable one as far as civil rights is concerned. The past gnaws at the future of these States. The past, however, forces a remedy that brings in its train great discomfiture—and as I said before great pain. That suffering is the price that must be paid for the prevention and the cure. We cannot change this past, but we can mold the future. This we can no longer do—preserve segregation against the tide of history. We cannot any longer accept separate but equal against the imperatives of the law, against the Supreme Court's decision. Indeed, I might say, the bill re-echoes the advice of Leviticus enshrined on the Liberty Bell in Philadelphia: "Proclaim liberty throughout the land—to all the inhabitants thereof."

See how wise they were in those days. They did not just say "proclaim liberty throughout the land." They added—they nailed it down—and they said "to all the inhabitants thereof."

I admit that the discovery that colored people are members of the human race and citizens of the United States—and that is the essence of a now famous decision of the Supreme Court—came to many as an infuriating shock. It was hard for many to believe—but believe they must.

I am a civil libertarian, anxious to protect—not reduce or cancel out any civil rights. If this bill involved any deprivation of any civil rights or any existing right, I would be against it. We are told that because we did not provide in certain respects trial by jury that we are depriving certain people of their civil rights. The right to trial by jury in a contempt case, I will say, never existed in common law or by statute. The Clayton Act in 1914 first granted it in a very limited fashion. I want to say, generally, it is only granted, if at all, as a matter of grace and not as a matter of right. There is no constitutional right of trial by jury to any contemnor. Thus, one cannot take away that which never existed, for example, the right to trial by jury in civil rights cases and especially where the Government is a party.

I repeat there is no constitutional right to a trial by jury in a civil or criminal contempt case. As long ago as 1890, the United States Supreme Court said:

It has always been one of the attributes, one of the powers necessarily incident to a court of justice that it should have this power of vindicating its dignity, and of enforcing its orders, or protecting itself from insult without the necessity of calling upon a jury to assist it in the exercise of this power.

I am aware of neither State nor Federal legislation canceling out that decision. The argument of lack of trial by jury in my opinion is just a draping of a sectional cause of intransigence in a matter of constitutional frame. It is just a facade to hide obstructive and dilatory tactics. The lofty language used to defend the historical right of trial by jury contrasts mightily with the stony silence when contempt citations are issued against the National Association for the Advancement of Colored People, with no jury trials. In Alabama, Georgia, Louisiana, and Texas the failure of the National Association for the Advancement of Colored People to register was made the basis of an attack to outlaw the organization because it refused to turn over complete membership lists. There was no possibility of trial by jury. Court injunctions were obtained barring all activity of the Association for the Advancement of Colored People until all of its records were turned over to the State.

In Alabama, a clearly excessive fine of $100,000 was imposed upon that organization, without trial by jury, for so-called violation of an injunction requiring them to divulge membership lists.

I could go on and on and illustrate that in certain of these areas whence came these cries of "How dare you take away our trial by jury?" from the contemnor. I could cite these cases in these various areas where when the shoe is on the other foot there is no outcry. But, as I said before, all we have there is stony silence.

I remember during the era of prohibition 42,000 places were padlocked as a result of so-called violation of injunctions issued by United States District Judges on the score that they violated the order of the courts, and were guilty of contempt. I heard nobody make any outcry against such actions. No one lamented lack of jury.

I would say that the tears that are being shed now in that regard are just crocodile tears. Beyond that there is a serious question whether the Congress or a State legislature has the right, under the separation of powers, to grant a jury trial to a contemnor, when guilty of a violation of an order of the court.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. HYDE. May I ask the distinguished chairman of the Committee on the Judiciary if it is not the purpose of

the so-called jury trial provision in this bill to try the subject matter of these constitutional rights before the courts rather than before a jury?

Mr. CELLER. There is no jury provision in this bill at all.

Mr. HYDE. No. But is it not the purpose of the provisions of this bill under section 121 and section 131, is it not the purpose of those provisions to try the issue involved before a judge, rather than before a jury?

Mr. CELLER. No; I do not think that is the case.

Mr. HYDE. Is that not what it does?

Mr. CELLER. No; I do not think so. I think if the gentleman will read it carefully and read the record, he will find that it is a little different.

But may I go on with my thought. Numerous decisions in State courts have held that the legislature has no power so to restrict the authority of the courts by requiring jury trials in contempt proceedings as to render judicial authority ineffective.

The four earlier authoritative decisions of State courts which reject legislative power to impair the inherent authority of courts to punish contempt are—and let me say in these cases are decided: *Carters* case (96 Va. p. 791); *Bradley* v. *the State* (111 Ga. p. 168); *Ex parte McKeon* (139 N. C., 1905).

Those are the States that have sent their distinguished representatives to this chamber who have made outcry. I would say they should go back to their own States and make outcry there before they come here. Before they take the beam out of my eye let them look to the mote in their own.

Mr. WILLIS. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman.

Mr. WILLIS. I ask the gentleman whether or not that those cases referred to civil contempt?

Mr. CELLER. No; they refer in general to civil and criminal contempt.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. The gentleman reprimanded my State. I would like to look at it. Can the gentleman tell me the citation?

Mr. CELLER. I shall be very happy to. I hope the gentleman gets much enlightenment from it. *Carters* case, (96 Va. 791, 32 S. E. Rep. 780, 1899). Let me read from the Carters case and the Mississippi case. In Carters case the Supreme Court of Virginia gives a full and cogent analysis, which has been relied on universally in States where the legislature has attempted to require jury trials in contempt proceedings.

There is probably no more concise statement of the constitutional reasons for retaining summary enforcement power in the judiciary than that given by the Supreme Court of Mississippi in the case of Watson against Williams. I quote from that decision:

> The power to fine and imprison for contempt from the earliest history of jurisprudence has been regarded as a necessary incident and attribute of a court without which it could no more exist than without a judge. It is a power inherent in all courts of record and coexisting with them by the wise provisions of the common law. A court without the power effectively to protect itself against the assaults of the lawless or to enforce its orders, judgments, or decrees against the recusant parties before it would be a disgrace to the legislation and a stigma upon the age which invented it.

I will set forth some of these other cases when I revise and extend my remarks, and ask that permission, Mr. Chairman.

The CHAIRMAN. Is the gentleman asking to insert extraneous material?

Mr. CELLER. No; a further explanation of these other cases to which I have adverted.

The CHAIRMAN. If it is the gentleman's explanation he may do so.

Mr. CELLER. Recently we were told about a case where there was a jury trial. That case I think could be deemed typical of what could happen where there are jury trials where the population and the milieu where the trial is held has been inflamed and whipscourged into excitement and into a highly emotional state by these—shall I say—demogogs on the other side: On May 30 last, last Thursday, an all-white jury in Montgomery, Ala., after exactly 95 minutes of alleged deliberation acquitted 2 white men of charges that they had bombed a Negro Baptist church. Reports of the proceedings indicate that the guilt of the defendants apparently was hardly in doubt or in dispute.

The issue that the defense attorney made clear was whether their act should be considered a crime in these days of Alabama's last desperate stand against desegregation. Without remonstrance from the presiding judge, the defense lawyer cried "We must show the Negro race that the white race will not give one inch more in its fight to prevent the downfall of our tradition."

The defense attorney appealed for a verdict that would give encouragement to "every white man, every white woman, every white child, in the South who is looking to you members of the jury to preserve our sacred conditions."

Mr. Chairman, this is an illustration of the failure of criminal prosecutions against white defendants in these charged race tensions. That is why we bring in this bill to get away, if we can, from criminal prosecutions which bring in their train these horrible conditions, because our bill provides for a civil remedy, that the Attorney General shall go into equity and seek an injunction to prevent the wrong or the evil before it starts and before it spreads. Criminal prosecutions under the conditions that I have mentioned stir up still further ill feelings, strife, and danger. That case, if it can be cited for anything at all, points up the need to pass the bill before us.

State officials are then not subject to the indignity of insult and possible bodily harm from an aroused mob because they do their duty and prosecute to the full extent of the law. The Montgomery case is another case where racial animosities and excitement preclude a petit jury from rendering a just verdict.

With reference to trial by jury, it is interesting to note that we passed in this House in the last few decades some 28 or 29 specific measures of great importance in gravity where there is provided the right of the court or the judges to issue injunctions and if those injunctions are violated the judge can mete out punishment by virtue of inflicting a jail sentence or a money penalty without trial by jury.

Let me name you some of those statutes. All of the antitrust laws provide for restraining violations under direction of the district court without trial by jury. Associations engaged in the marketing of acquatic products, the association of producers of agricultural products that may be restraining trade, also the Atomic Energy Act, the bill providing for bridges over navigable rivers. Injunctions are provided there with no right of trial by jury. The Clayton Act, the Utility Companies Act, the False Advertisement Act, the Freight Forwarders Act, the Fur Products Labeling Act, the enclosure of Public Lands Act, all the various acts involving the Securities and Exchange Commission. In all of these very important acts the district court has a right to issue injunctions for violations of its order and the violator or contemner can go to jail.

Never have I heard a word of protest when we passed all these SEC acts. Where were those gentlemen who now come forward and who indicate grave anxiety here about the protection of civil rights when we were passing those bills?

Then we have the Fair Labor Standards Act, providing for injunctions against labor; the Longshoremen's and Harbor Workers Act; the Import Trade Act; the Wool Products Act; the Stockyards Act; the Submarine Cables Act; the Sugar Quota Act; Water Carriers in Interstate and Foreign Commerce Act; the Flammable Fabrics Act; the National Housing Act.

Now, those are highly important acts, yet the district court has the right to issue an injunction for the violation of which the court can, in addition, put a man in jail or inflict the sanction of fines.

Mr. BASS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Tennessee.

Mr. BASS of Tennessee. I would like to point out and to also remind the gentleman that all of those acts which he has mentioned deal with the business activity of the individual instead of the personal or social activity of the individual, do they not?

Mr. CELLER. No. Would you say the Longshoremen's and Harbor Workers Act is a matter appertaining only to industry? There are humans involved there.

Mr. BASS of Tennessee. There are humans involved in all business activity, but that is an act which deals with a specific business operation.

Mr. CELLER. It refers to the laboring man, the workingman.

Mr. BASS of Tennessee. The gentleman also mentioned the Labor Act, and I would remind the gentleman of the

Norris-La Guardia Act, which guarantees a trial by jury in the case of injunction where strikes are involved——

Mr. CELLER. You can find no case under the Norris-La Guardia Act where the Government was a party and there was a trial by jury in a contempt case.

Mr. BASS of Tennessee. It is a part of this, though, where they would not ordinarily be.

Mr. CELLER. No; I do not agree with the gentleman on that.

Mr. WILLIS. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Louisiana.

Mr. WILLIS. The Norris-La Guardia Act provides that a right of trial by jury is available in all cases arising under the act.

Mr. CELLER. Under the act, but it is limited to the act itself. But, I can tell the gentleman that subsequent acts like the National Labor Relations Act, the Wagner Act, the Taft-Hartley Act, waive those provisions of the trial by jury, so that it would be as hard as finding a needle in a haystack to find any case under these acts where there was a trial by jury.

Mr. WILLIS. As a matter of fact, the Taft-Hartley law does not, in terms, repeal the Norris-La Guardia Act, is that not correct?

Mr. CELLER. I am not going to enter into a discussion of that act now.

Mr. WILLIS. And it does not use the word "waive," either, does it?

Mr. CELLER. I must disagree with the gentleman. It does not repeal, but it does waive the act.

Mr. WILLIS. Does it say that, waive the act?

Mr. CELLER. The words used are "shall not be applicable."

Mr. WILLIS. The jurisdiction of the court should not be limited to the provisions of the Norris-La Guardia Act.

Mr. CELLER. Well, I do not want to get into an argument on the semantics of this question.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Illinois.

Mr. YATES. Does the Taft-Hartley Act not permit a court to issue an injunction without a jury trial?

Mr. CELLER. Yes; it does.

Mr. BASS of Tennessee. Mr. Chairman, if the gentleman will yield further, but the gentleman has not pointed out one single case where an individual, accused of an infraction of the law in dealing with his fellow man, from a human relation standpoint, has not been afforded the protection of a right of trial by jury.

Mr. CELLER. If any man is guilty of an infraction of the law, he is guilty of a crime, and he is entitled to a trial by jury. This is not a case of infraction of law; we are speaking of the case of violation of an injunction. It might be interesting to point out that there are many cases of injunction where there is no trial by jury. You have them in your everyday life. If a man makes an agreement for the purchase of real estate, for example, and the purchaser of the real estate finds that the seller, at the closing date, refuses to pass title or sign the deed, he goes into court and he demands specific performance. The court says to the vendor: "You must give a deed; you must comply with the terms of the contract," and if the vendor refuses to comply with the order of the court, he is guilty of contempt. There is no jury trial. We never have a jury trial in a case like that.

In the case of payment of alimony, a man may refuse to pay alimony to his wife, who goes into court and the court orders the guilty husband to pay the alimony. If he does not pay, the judge may send him to jail until he pays. Of course, he holds the key to the jail in his own hands. He can open the gate of the jail by paying the alimony. But there is no jury trial. So it is in cases of the custody of children; so it is in the question of divorce and divestiture by order of the court in antitrust proceedings. Even in a Federal tort claim, where one sues the Government for a Federal tort, there is no trial by jury, whereas you may have a trial by jury involving anybody else or any other entity. But I have never heard any remonstrance when we brought out the Federal Tort Claims Act, that the bill was faulty because it lacked trial by jury. There are many other instances where we do not have trial by jury.

H. R. 6127 was piloted through the Committee on the Judiciary with considerable difficulty. We finally got it past the shoals and the reefs. There had been a concerted effort to batter it beyond recognition. We have it now before us almost undamaged.

I say that the proposals are moderate. The bill consists of four major parts. The first establishes a Commission on Civil Rights. The second provides for the appointment of an additional Assistant Attorney General. The third strengthens the existing civil-rights statutes. The fourth provides means of further securing and protecting the right to vote.

The bill before us is substantially similar to the bill, H. R. 627, which passed the House in the second session of the 84th Congress. That bill contained four provisions similar to the ones I have just referred to. There are, however, certain differences of a substantive nature between the two bills. These major differences relate to the rules of procedure of the Commission; the limitation on the subpena power of the Commission; the restraint and penal provisions for the wrongful disclosure of evidence obtained by the Commission in an executive session.

H. R. 6127 does not impose upon the Commission the duty to investigate allegations of unwarranted economic pressure, as did the previous bill. Under the bill before us the allegations of complaint must be in writing verified.

Among the duties placed upon the Commission is the duty to study the legal developments which constitute denial of equal protection of the laws, but this duty does not include the economic and social aspects of that subject, as did the bill that was passed in the last Congress.

The bill now under consideration differs from the one of last year in that H. R. 6127 restricts the utilization by the Commission of voluntary and uncompensated personnel and limits the number of such personnel to be utilized at any one time to 15. You may recall that last year's bill contained no such restriction.

And finally, another major difference between the two bills is that the instant bill restricts the authority of the Attorney General as set forth in parts 3 and 4 to institute civil actions in certain cases for equitable relief only. Under the old bill, the Attorney General could also bring an action at law to recover damages for the benefit of the real party in interest. H. R. 627, the act which was passed in the last Congress had a provision that the written request of the aggrieved party was necessary. But that provision is not required in the bill now under consideration.

The instant bill contains a 6-man bipartisan Commission on Civil Rights whose members are to be appointed by the President and confirmed by the Senate. Its Chairman and Vice Chairman would be designated by the President and its quorum is fixed at four members. The Commission is a temporary one and will expire 2 years from the date of enactment of the bill.

The rules of procedure of the Commission are the same as those which govern the committees of the House. For example, the chairman is required to make an opening statement as to the subject of the hearing. Witnesses are furnished with a copy of the Commission's rules and may be accompanied by counsel. The chairman is authorized to punish breaches of order by censure and exclusion. Protection is furnished to witnesses when it appears that a person may be the subject of derogatory information by requiring such evidence to be received in executive session, and affording the person affected the right to appear and testify, and further to submit a request for subpena of additional witnesses.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. Would the gentleman take some time and give us some idea of what the Commission is expected to do and what it is supposed to investigate? From listening to the gentleman's speech, and I do not say this in any criticism, I assure the gentleman, the findings have already been made by the gentleman himself and I assume that they have been made by a majority of the members who voted to report the bill. What I am trying to find out is, What is the necessity for the Commission? What is the Commission going to do? To follow the gentleman's speech, I would conclude that the verdict is rendered.

Mr. CELLER. The gentleman has not asked a question, he has given me a self-serving declaration.

Mr. ABERNETHY. I am seeking information.

Mr. CELLER. I understand that, and I respect the gentleman, but if the gentleman would be good enough to read

pages 5 and 6, starting at line 18, he there would see the duties of the Commission very carefully stated. They are to "investigate allegations in writing under oath or affirmation that certain citizens of the United States are being deprived of their right to vote by reason of their color, race, religion, or national origin; which writing, under oath or affirmation, shall set forth the facts upon which such belief or beliefs are based; study and collect information concerning legal developments constituting a denial of equal protection of the laws under the Constitution; and appraise the laws and policies of the Federal Government with respect to equal protection of the laws under the Constitution."

The Commission shall submit interim reports, and then shall terminate its activities after making a final report at the conclusion of 2 years.

Mr. ABERNETHY. I read that, but I should like to ask the gentleman some questions about these duties, and what the testimony was before the committee. On page 5, line 19, I read these words:

The Commission shall investigate allegations in writing under oath or affirmation that certain citizens of the United States are being deprived of their right to vote by reason of their color, race, religion, or national origin.

I presume that when the gentleman presented his bill he had testimony to the effect that people had been deprived of their right. I endeavored to find out yesterday what faith is there in the United States, or religion, or what people of what faith are being denied their right to vote because of their faith.

Mr. CELLER. I read from the hearings before the Senate.

Mr. ABERNETHY. What testimony did the gentleman's committee have on that?

Mr. CELLER. We had testimony, not exactly like it, but of similar import:

Mr. BROWNELL. We have hundreds of complaints based on deprivation of the right to vote based on color.

We have not had any complaints at all in the 4 years that I have been there that anybody was denied the right to vote because he was or was not a member of a labor union.

Senator HRUSKA. And yet if it did arise and did occur, if there is anything of that kind, would not this Commission be interested in it?

Would you as the administrator of the Department of Justice be very interested in it?

Mr. BROWNELL. I believe we could take care of that under existing law. I have never heard of a case arising. We have to take first things first. The problem here seems to be the one as to which we get complaints practically every day, that there is discrimination on account of color in this area.

As I say, if Congress after its study decides that that is an important issue that should be studied, I believe it should be separately studied. I believe it should be studied by people who are experts in the field of labor and labor relations.

Senator HRUSKA. How many complaints does your Department have with reference to deprivation of the vote on the ground of religion?

Mr. BROWNELL. We have some.

Senator HRUSKA. How many?

Mr. BROWNELL. I could not give you the exact number, but it is substantial enough to make us feel there is a serious problem there.

Mr. ABERNETHY. Who asked that question?

Mr. CELLER. The questions were asked by Senator HRUSKA.

Mr. ABERNETHY. When was that question propounded of the Attorney General?

Mr. CELLER. The date of the hearings?

Mr. ABERNETHY. Yes; what date was it?

Mr. CELLER. If the gentleman will bear with us a moment, the hearings were so long, we have to thumb through the pages.

Mr. ABERNETHY. I would like to know. It is important.

Mr. CELLER. It was on Saturday, February 16, 1957.

Mr. ABERNETHY. The gentleman's bill was reported on April 1, 1957. I am assuming, although the gentleman did not cite that information on yesterday when I asked this question, that he had that information yesterday when I propounded the question. If the gentleman had the information also before April 1, when he reported this bill, why did not the gentleman interrogate the Attorney General on that matter when he was before the gentleman's committee?

Mr. CELLER. In the first place, this is not the first bill that we have had. We had a bill 2 years ago. That bill contained the word "religion" in it. We had information in the hearings with reference to it.

Mr. ABERNETHY. Will the gentleman cite me one question propounded by the members of his committee or his subcommittee inquiring of the Attorney General what people of what religious faith in the United States are being denied the right to vote because of their religion?

Mr. CELLER. I am not going to argue with the gentleman that people were discriminated against because of their faith. I just read the gentleman some testimony concerning voting and that the Attorney General indicated they had a number of complaints on discrimination against people voting because of their faith.

Mr. ABERNETHY. Well, what faith? Let the House know what faith. That is what we want to know.

Mr. CELLER. I am sorry I cannot tell you what faith. I am resting upon the assertion of the Attorney General, and I believe the Attorney General. Therefore, on the basis of what the Attorney General said for the commission to be set up to investigate this matter.

Mr. ABERNETHY. May I ask the gentleman another question. And I assure the gentleman I am not trying to embarrass him nor is it my purpose to delay.

Mr. CELLER. Just a moment. The gentleman said I did not state certain things to him yesterday. If the gentleman will look at page 8410 of the CONGRESSIONAL RECORD.

Mr. ABERNETHY. I assure the gentleman I heard what he said yesterday.

Mr. CELLER. May I remind the gentleman that I have the floor and the gentleman will have to listen. As I said, referring to the RECORD at page 8410, it reads as follows:

Mr. CELLER. Mr. Speaker, will the gentleman yield further?

Mr. SCOTT of Pennsylvania. I yield.

Mr. CELLER. Attorney General Brownell testified that he had received complaints of discrimination concerning voting, based upon religion. The Attorney General did so testify.

Mr. ABERNETHY. I do not dispute that. The gentleman did very definitely state that. What I said was that the gentleman has just cited testimony from the Senate hearings. I interpreted what the gentleman had to say just now and on yesterday that he was speaking of his own hearings. Let me ask the gentleman another question, and I ask this in all seriousness. Does the gentleman know of any person who is being denied the right to vote or anyone who is endeavoring to deny any person of the right to vote because of the religious faith of that particular person? If he does, let us have the details and then there will be some reason for this authority to investigate being included in the bill.

Mr. CELLER. I personally do not know of any, but I would suggest the gentleman take time out to read a very illuminating article that appeared in "Look" a few weeks ago.

Mr. ABERNETHY. The magazine "Look" is not an authority. This committee is the authority for reporting this bill.

Mr. CELLER. If the gentleman is willing to listen, I can answer him, otherwise, I cannot answer the gentleman. There is a very illuminating article in Look magazine entitled "Klan Brings New Terror to the South." And there is unfolded in that very illuminating article by chapter and verse many of the excesses being practiced by the Klu Klux Klan in various States in the South resulting in discriminations and resulting in the corrosion of certain civil rights of certain peoples. I think we have the right to take legislative cognizance of that article and other similar articles that appear in the daily prints. I think it is incumbent upon this Commission, when it is formed, to check on these articles and to summon before it the writers of these articles and to question them and get on the record the complete story. If the gentleman is anxious to combat any conclusions reached by those authors and those investigators, I am sure that the Commission would be glad to welcome the gentleman from Mississippi and hear him at length.

Mr. ABERNETHY. I appreciate the gentleman's suggestion. Of course, when the Commission begins its investigation I shall be happy to appear.

May I ask the gentleman one final question?

Mr. CELLER. I am always happy to yield to the distinguished gentleman from Mississippi.

Mr. ABERNETHY. Did the Look magazine article, which the gentleman just cited, cite instances of any particular religious faith which was being denied the right to vote because of their faith?

Mr. CELLER. I will be glad to put this article in the RECORD.

Mr. ABERNETHY. Will the gentleman answer the question?

Mr. CELLER. Yes. If you will read it carefully. I will put this article in the RECORD, and you can read it at your leisure.

Mr. ABERNETHY. I am a member of the Methodist church. Are any Methodists complaining that they are being denied the right to vote because they are Methodists or Protestants?

Mr. CELLER. I refuse to answer that. I do not know what church is doing it. I am simply saying that the Ku Klux Klan is doing it.

Mr. ABERNETHY. Who is the author of the article? Is he complaining?

Mr. CELLER. Is he complaining what?

Mr. ABERNETHY. That he is being discriminated against or denied the right to vote.

Mr. CELLER. No. He is just making a factual report. He is putting it in a responsible publication called "Look magazine."

Mr. ABERNETHY. Did he come before the committee voluntarily and give you this information?

Mr. CELLER. I think these questions are incompetent, irrelevant, and immaterial. They have no bearing on this matter at all. I am sorry I have to say that.

Mr. ABERNETHY. I would like to say one other thing. I think, in all fairness to the Members of this House, that since the hearings do not disclose the object of this authority conferred upon the Commission, that those who support the bill certainly ought to disclose to the Members of the House the object of conferring the authority upon the Commission, and cite us some instances for the necessity of so doing. I think that would be fair.

Mr. CELLER. I think the Members will take deeply into consideration the admonitions of the gentleman from Mississippi.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Texas.

Mr. DIES. The gentleman has studied this bill and is familiar with it. Under the terms of the bill, if enacted, will the gentleman answer this question: Let us assume that certain persons have been deprived of the right to vote. Now those persons can come before the Commission and have the matter investigated, or they can go to the Attorney General and have the guilty persons prosecuted, or they can have an injunction issued to prevent it in the future. Is that true?

Mr. CELLER. No; I do not think that is true. It may be that under the old Ku Klux Klan statutes, which were passed in 1871, where there is a conspiracy to deprive an individual of his right to vote—that means more than one individual is involved—he has the right to proceed for damages or by injunction, individually. But unfortunately those individuals in those States know nothing about the statute. They are either too ignorant to know what those statutes are, or if they do know what those rights are they cannot hire lawyers so that they can protect their rights, so that they could go into court. I would say that those statutes have gone into a sort of, shall I say, innocuous desuetude; they are unused.

But we say here in order to give that individual the right to vote we must give him a speedy remedy. If he goes to the Commission he simply places the complaint. The Commission cannot compel the registrar or the board of elections to accord him the right to vote.

But in the last section of this bill we say to the Attorney General that he shall have the right on behalf of the individual aggrieved to compel the board of registration or board of elections, or whatever you may call it, to allow this man to vote. If his name has been stricken from the roll an injunction may be issued by the court to put his name back on the list, and if the registrar, superintendent of elections, or whatever his name may be, refuses to obey the order of the court then he has to suffer the consequences.

Mr. DIES. The gentleman has not answered my question.

Mr. CELLER. I think I have.

Mr. DIES. Let us see if we can understand each other. Let us assume that there are certain persons who have been deprived of the right to vote; they can go to the Commission and on written application have it investigated.

Mr. CELLER. Yes; but by the time the Commission makes its investigation the election will be over. It is an abortive right.

Mr. DIES. I am not arguing the merits; I am simply trying to understand.

Mr. CELLER. I do not want improper inferences gathered from our colloquy here and I want to explain that by the time the Commission would act the election would be over.

This remedy must be speedy. All the Commission can do is to collect facts, examine into the facts and circumstances, and check the complaints, then come to a general conclusion and refer that conclusion to the President. That is all the Commission does. Then the President probably makes a recommendation to the Congress. But we go further than that, I want the gentleman to know.

Mr. DIES. Let us see if we can go back now to this question and get an answer. All I am asking the gentleman is if certain persons were deprived of the right to vote they could go before the Commission and they could make complaint. Is not that true?

Mr. CELLER. That is right; there is no question about that.

Mr. DIES. All right. Now, the same person could go to the Attorney General, and if he had been deprived of the right to vote, under the terms of this act, the Attorney General could proceed against the guilty party.

Mr. CELLER. If we pass this bill; yes.

Mr. DIES. That is what I am assuming. So the aggrieved persons have two choices; they can go either to the Commission——

Mr. CELLER. Or both.

Mr. DIES. Or to the Attorney General, or both; and if the act has already been committed, the Attorney General can prosecute them criminally. Is that right?

Mr. CELLER. It is a question; I do not know whether there can be a criminal prosecution unless there is a prima facie case of a penal violation.

Mr. DIES. If more than one person is involved, it would be a conspiracy.

Mr. CELLER. Yes.

Mr. DIES. Let us assume there is a conspiracy.

Mr. YATES. They could not be prosecuted under this.

Mr. CELLER. No; there is no criminal prosecution in this act at all.

Mr. DIES. What could the Attorney General do if the aggrieved person went to him instead of going to the Commission?

Mr. CELLER. The gentleman is assuming that this bill is passed.

Mr. DIES. I am assuming that the bill will pass.

Mr. CELLER. The Attorney General then would instruct one of his assistants in the particular area where the individual comes from and would examine into the facts. If he found that, for example, the name had been stricken from the voters' list, he would do some checking. Then he could ask that the voters' list be revised; and if it is not done, he could go into court, and the court could then say upon the petition of the Attorney General representing the United States and setting forth the facts and asking as relief that this man's name be reinstated on the election roll.

Mr. DIES. Since the Attorney General can do this, and it is his duty to do it, why have the Commission?

Mr. CELLER. The Commission's purpose is entirely different. The appeal to the Attorney General is for a remedy so that the man can have his rights immediately conserved. The purpose of the Commission is to make an overall study to get the complete picture throughout the Nation as to whether there is or is not discrimination or the corrosion of civil rights or of the right to vote or the effect on the economic life of the Nation.

Mr. DIES. Assuming that the Commission takes jurisdiction of a particular allegation and has a hearing and those hearings disclose that certain persons are being deprived of the right to vote, would it then not become the duty of the Attorney General to proceed against the guilty person?

Mr. CELLER. He could not under this bill because we provide no criminal remedies under this bill.

Mr. DIES. It is an application for an injunctive measure?

Mr. CELLER. This is not a criminal remedy. This is a civil remedy.

Mr. DIES. I understand that, but they can put him in jail.

Mr. CELLER. Or fined if he violates the injunction.

Mr. WILLIS. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Louisiana.

Mr. WILLIS. Just two questions on the matter of jury trial. I wish the gentleman would pick up the hearings and refer to page 342. Page 342 is an appendix containing all of the civil rights criminal statutes on the books. I wish the gentleman would look at the middle of the page under the heading "Intimidation of voters" which is taken from section 594 of title 18 of the United States Code. Does the gentleman have that before him?

Mr. CELLER. Yes; I have.

The CHAIRMAN. The gentleman from New York has consumed 1 hour. Without objection, the gentleman from New York [Mr. CELLER] may proceed.

There was no objection.

Mr. CELLER. Mr. Chairman, I yield myself an additional 20 minutes.

Mr. WILLIS. I see the gentleman has read that section. I am sure he will take my word for it later, but I want him to read it. Will the gentleman please pick up the bill and refer to page 11 (b). I will ask the gentleman if I am not correct in saying—I have collated it 4 or 5 times—that the language of paragraph (b) is word for word the language of the criminal statute?

Mr. CELLER. But the language of the act is not criminal.

Mr. WILLIS. Let us get one thing at a time. We do understand each other on that?

Mr. CELLER. Yes. I have not compared it but I will take the gentleman's word it is substantially the same.

Mr. WILLIS. The gentleman may. But he did glance at both?

Mr. CELLER. I will accept that.

Mr. WILLIS. May I ask this of the gentleman: If an application for an injunction were filed in a civil suit pursuant to the language of paragraph 3, and if the allegations of the application for injunction are accepted for the purpose of this question to be true, is it not correct that the Attorney General could go right across the street independently or simultaneously and file an application for an indictment or a bill of information?

Mr. CELLER. No; because one is on the civil side and the other is on the criminal side.

Mr. WILLIS. I think the gentleman understands me. Could not the Attorney General go to the United States criminal district attorney?

Mr. CELLER. Oh, yes; but he would have to prove certain things.

Mr. WILLIS. I want to get this straight, because this is it on the question of jury trial. Is it not true that the allegations, if true, that would justify the application for an injunction in the civil courts, would likewise be also a crime——

Mr. CELLER. Now, you must make the distinction I tried to make.

Mr. WILLIS. I am making a distinction.

Mr. CELLER. Let me please answer.

Mr. WILLIS. I am sorry.

Mr. CELLER. In the case of a criminal statute—page 342—you could not get an indictment or conviction on an indictment unless the United States attorney would prove criminal intent and willfulness.

Mr. WILLIS. Here is the distinction.

Mr. CELLER. Wait, please. Whereas in the case of page 11, the section that you read with reference to the procuring of an injunction, you do not have to obtain all that evidence involving criminal intent or willful conduct.

Mr. WILLIS. Oh, how right the gentleman is, and that is what I am coming to. I thank the gentleman for anticipating what I had in mind.

Mr. CELLER. That makes a big difference.

Mr. WILLIS. It makes all the difference in the world. I know the gentleman is fair-minded and very keen and capable and one of the dearest friends I have, but is it not true, I repeat, that while the Attorney General is reciting facts and dictating a petition for an injunction, he could have an assistant, assuming the facts to be true, file a bill of information before the criminal court at the same time? I agree that the burden of proof is vastly different. That is exactly what I am leading up to.

Mr. CELLER. I would say again there is a big difference, because when he goes on the criminal side he can seek a punishment for that which has occurred, because the action has already occurred; a crime has been committed. When he goes on the other side, the civil side, he tries to prevent the commission of a crime, or he tries to prevent a series of future crimes; so that in the one case, on the civil side, he does not have to go as far in his proof as he does on the criminal side.

Mr. WILLIS. I thoroughly agree.

Mr. CELLER. He can do both, if he wishes.

Mr. WILLIS. Exactly. That is the point.

Mr. CELLER. If, for example, a crime has been committed, then he can go on the criminal side, but he could not go on the other side, because it would not do him any good, because the injunction would be abortive. Only in certain cases could he do both, but he could not do it where the crime has been committed already. It would be useless to get an injunction, because the act has been perpetrated. Does the gentleman follow me?

Mr. WILLIS. I am talking about a jury trial. Having admitted that, the Attorney General, if this bill is passed, can go either before the civil court or the criminal court.

Mr. CELLER. I did not admit that. Wait a minute. I did not admit to the extent the gentleman is saying at all. I said he could do it in certain cases, but he could not do it in a case where the crime had already been perpetrated, because it would be useless and abortive to go on the civil side to get an injunction.

Mr. WILLIS. I am not talking about an injunction.

Mr. CELLER. Then, my answer is not "Yes," as you say it is, because there is a limit here.

Mr. WILLIS. The gentleman knows perfectly well that under the law today, without this bill, if the Attorney General proceeded under this law, the defendant would be entitled to a trial by jury.

Mr. CELLER. Because he has committed a crime.

Mr. WILLIS. Let me ask the gentleman this question, then. Does not this bill take a criminal law that is on the books today and insert it in a civil law to be enforced by injunction and, the Government being a party, there would be no trial by jury. But under the law today, if proceeded against under this very worded bill, he would have a right to trial by jury?

Mr. CELLER. I do not agree with the gentleman because, as I said, in one case the crime has been committed, where they invoke section 243 of title 18 of the United States Code. In the other case there may not be a crime at all; there may be no crime, but there may be a suspicion of that a crime is about to be committed and the man may go into court and say to a judge, "We think there are the earmarks that a crime is about to be committed and we want to prevent that crime; we want an injunction." That is an entirely different proposition.

Mr. WILLIS. The gentleman wants to argue the merits of the case; in my hypothetical question I asked the gentleman to assume the facts to be true, provable beyond a reasonable doubt.

Mr. CELLER. I cannot assume those facts that the gentleman offers because they are not the facts that fit this case. I cannot do that. I wish I could. I would like to say "Yes," to the gentleman, but I must say "No." In one instance you speak of a criminal statute, which you can invoke only after the crime has been committed. In the other case, in this bill, you speak of trying to go into the equity side of the court to get an injunction to prevent a crime before the crime has been committed. You present an entirely different state of facts when you operate under this bill, if it pass, than if you operate under section 243, title 18 of the United States Code. I must stand on that.

Mr. WILLIS. Very well; I have two more questions and I hope we can get along better.

Mr. CELLER. The gentleman and I will always get along.

Mr. WILLIS. Why, surely. It is a fact, though, is it not, that the language of section B was taken from a criminal statute?

Mr. CELLER. That may be.

Mr. WILLIS. And it is true, also, therefore, that proceedings under this act resulting in contempt would be known in law as a criminal contempt?

Mr. CELLER. I am afraid I must disagree with that.

Mr. WILLIS. That is the essence and the wording of the Clayton Act.

Mr. CELLER. I am afraid the gentleman is misguided on that subject and I cannot agree with him; I am sorry, I wish I could.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman.

Mr. HYDE. May I refer the gentleman to page 6 of the report and ask whether it is not true that the proposition of the gentleman from Louisiana [Mr. WILLIS], is proven by this statement, where the majority says:

> The provisions of the legislation, in fact, merely substitute civil proceedings for criminal proceedings in the already established field.

Is not that just the point that the gentleman from Louisiana made?

Mr. CELLER. No. He inferred quite different things from that. I tried to explain that and spent considerable time on it. One is a criminal statute and one is a civil statute. The wording may be the same, but the application is quite different. That is what we must take into consideration, the application of it.

Mr. FORRESTER. Mr. Chairman, will the gentleman yield to me?

Mr. CELLER. If the gentleman would please be brief.

Mr. FORRESTER. I certainly shall and I hope the gentleman will have the opportunity to complete his argument. I want to say here and now that the gentleman has been most kind and considerate and very fair in all of the committee hearings that we had on this measure. The gentleman said he did not know whether or not they were criminal prosecutions that could be applied in cases where a person was denied the right to cast his ballot, that he thought there had to be a conspiracy.

Mr. CELLER. No; I said under those old statutes, under the Ku Klux statutes. They are conspiracy statutes, which we are trying to amend by this bill.

Mr. FORRESTER. Yes, but what I want to ask my distinguished chairman now is, Is it not possibly true that the gentleman forgot the case of *U. S. v. Classic* (313 U. S. Supreme Court Reports), where it said this on page 315:

> Obviously included within the right to choose, secured by the Constitution, is the right of qualified voters within a State to cast their ballots and have them counted at Congressional elections. This Court has consistently held that this is a right secured by the Constitution.

It cited several cases, then it said:

> Since the constitutional command is without restriction or limitation, the right, unlike those guaranteed by the 14th and 15th amendments, is secured against the action of individuals as well as States.

Was not that particular case an indictment on the criminal side of the court in Louisiana, where the point was made by demurrer that the indictment was not valid because it was descending to individuals? The United States Supreme Court in this case held that the indictment was good and the Court erred in sustaining the demurrer.

Mr. CELLER. I always thought the Classic case referred to Federal elections and primary elections, and that is what the main purpose of that case was.

Mr. FORRESTER. It could not be dicta because that very ruling is the very thing the Court sent it back on, and to try the defendant under the criminal indictment.

Mr. CELLER. So what?

Mr. FORRESTER. It charged him with denying certain persons the right to vote and to have the vote counted. There were two counts. The trial court sustained the demurrer, but the United States Supreme Court reversed it and cited several cases. This 313th United States Supreme Court Report is to some extent an old case, probably 15 or 20 years of age.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Illinois.

Mr. YATES. The gentleman from Maryland made a point with reference to the first paragraph on page 6. He spoke about the last sentence:

> The provisions of the legislation, in fact, merely substitute civil proceedings for criminal proceedings in the already-established field.

Should not that sentence be interpreted to mean that the provisions of this legislation merely provide for civil proceedings in addition to criminal proceedings in the already-established field, rather than in substitution thereof?

Mr. CELLER. I think the gentleman's interpretation is correct.

Mr. GREEN of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. GREEN of Pennsylvania. Referring to part IV, "To provide means for further securing and protecting the right to vote," in the colloquy the gentleman had with the gentleman from Texas [Mr. DIES], he proceeded to show where there were two ways this matter could be approached. One was by application to the Commission and the other by proceeding before the Attorney General. In discussing it with him, the gentleman said the trouble would be the election would be over and the man would not have an opportunity to vote. Can the gentleman explain to me the practical application of this provision providing that the people have a right to vote? Let us suppose that a man goes into a polling place on election day and finds he is stricken from the list.

Mr. CELLER. If the gentleman will read paragraph 4 on page 11, we first say that no person shall be guilty of intimidation, threatening or coercion or attempt to do that by way of depriving another of his right to vote and whenever that happens or there is reasonable ground to believe that a person is engaging in or is about to engage in that practice, then the Attorney General may institute in the name of the United States a civil proceeding for preventive relief.

Mr. GREEN of Pennsylvania. Suppose that happens on election day?

Mr. CELLER. If I may finish.

Then the Attorney General may institute in the name of the United States a civil proceeding for preventive relief or application for a permanent or temporary injunction or restraining order or other order.

Yes; that could happen on election day even. We have in New York cases where people have been deprived of the right to vote. The attorney general has special agents and they hear these pleas. They rush right into court in all counties. Usually in the metropolitan area there is an especially assigned supreme court judge ready to issue these injunctions to the various election boards and various precincts so that we get speedy relief in New York and that practice could be followed in the district courts.

Mr. GREEN of Pennsylvania. I am not asking the gentleman if the practice can be followed. I am asking the gentleman if that is the practice that is going to be followed because if it happens on election day, the only way a man can actually be given the right to vote is to have a Federal judge sitting there in the Federal court and directing the election board to allow the man to vote.

Mr. CELLER. I imagine that is what would happen. I cannot foretell exactly what the procedure will be. I think we have to allow the Attorney General some leeway and some liberality in that regard. He will probably promulgate rules of procedure to govern him so that the public will know exactly how he will proceed.

Mr. GREEN of Pennsylvania. What I am trying to determine, Mr. Chairman, is if a man is entitled to vote and he goes into an election place on election day and is stricken off the list for some reason, will he be able to vote?

Mr. CELLER. I hope he will be able to vote under this bill. He will be able to get his name reinstated, for example, and I think he would get suitable remedies in that regard.

Mr. GREEN of Pennsylvania. In that case, you would have to have a Federal judge sitting on election day in every county.

Mr. CELLER. Maybe foresight would be the better procedure.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. YATES. With reference to the question of the gentleman from Pennsylvania, no distinction should be drawn between the case of a person who is not on the voting list and the person whose name is on the voting list and whose name has been stricken off the list. I think with respect to the right of a Federal court to enjoin action, the Federal court would have the right to protect all persons who are entitled to vote. If a person is entitled to vote, the court would have the right to compel the board to put the person's name on a voting list; is that correct?

Mr. CELLER. I think the gentleman is correct.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CELLER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks so as to include a more mature and detailed explanation of the bill, and then I want to read this brief statement.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. LAIRD. Mr. Chairman, reserving the right to object. I would like to know just how the time is being divided here. I have been waiting for an hour

and a half to hear the able and distinguished ranking minority member of the Committee on the Judiciary speak on this bill and thus far we have not been able to hear a Member on this side of the aisle. I wonder how the time is being divided.

Mr. CELLER. I will be finished in a few minutes provided, of course, I am not guilty of being rude to Members who are asking me questions and not replying to them. I do not want to be rude.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, the statement I want to read is as follows:

"Men and women too long denied their rights become less of models of patience and tolerance. We court far greater dangers by ignoring the denial of constitutionally guaranteed rights than by the passage of moderate legislation permitting the ballot box to rule rather than pent-up emotions of men and women long denied their rights as citizens of a free country. Both in the 84th and 85th Congresses, exhaustive hearings were held. Nobody was denied an opportunity to be heard. Consideration of the bill in full committee was earnest and searching. Each one was permitted to have his say without hindrance. Now the bill finally is before the House. The hearings are printed. The facts, the theories, the fancies, the passions are all before this body. The House has before it this opportunity to work its will. The House has before it this opportunity to say whether the Constitution reflects its adherence to the dignity and equality of opportunity for all people whose shield it is and whether these principles shall be reaffirmed and the precious gift of life shall be honored.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. HARRIS. I thank the gentleman for yielding, and I join with others in thanking the gentleman for his generosity in yielding. I want to refer back to the question which the gentleman from Illinois [Mr. YATES] brought up a few moments ago, which I think is an important question. That is with reference to the authority this bill extends on election day. In our State we have what is referred to as county commissioners—three in each county. They have supervisory control over elections on that day. When any question comes up it is carried to that board for regulating and guidance. We also have in our State a provision of State law for absentee voting. On many occasions a particular ballot will come in for an absentee vote and a question will arise as to whether or not it complies with the State law. That question is then referred to the county board for decision. Do I understand from the chairman of this great Committee on the Judiciary, who knows this subject so well, that this bill would in fact supersede the State laws and the authority of the county commissioners on a particular problem of that kind?

Mr. CELLER. I would not say that. I would say if the facts are as you state them, I hardly think any United States attorney would interfere in such case. Your facts do not meet the provisions set forth in the bill.

Mr. HARRIS. But, under the provisions of this bill, could he?

Mr. CELLER. There is a provision that a party aggrieved may not exhaust his State remedies, but under your facts the provisions in the bill do not apply, there is no intimidation or coercion.

Mr. HARRIS. I understood you to say that that situation could prevail and you could go right into a court on election day and file proceedings and the judge would render a decision then.

Mr. CELLER. Only where the occasion fits this language on page 11, line 11 and following:

No person, whether acting under color of law or otherwise, shall intimidate, threaten, coerce, or attempt to intimidate, threaten, or coerce any other person.

If he does that, then I think this law can be invoked.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield to me for a moment?

Mr. CELLER. I yield.

Mr. SMITH of Virginia. I being from one of those so-called backward States, Virginia——

Mr. CELLER. I do not want to have it inferred that I said Virgina was a backward State.

Mr. SMITH of Virginia. Before coming here I was a State judge, and it was a habit of the State judges then, and it is now, that on election day they sat in chambers informally. Anybody who had any question about voting or who was refused the right to vote, could go into the judge's chamber, and he would hear the case informally and decide it just that quickly. If you are going to take that out of the hands of our judges, I am sure they will all go fishing on election day.

Mr. CELLER. I did not say that, sir.

The CHAIRMAN. The time of the gentleman from New York has again expired.

(By unanimous consent, Mr. CELLER asked for and was granted 2 additional minutes.)

Mr. CELLER. I do not say that to the gentleman; I say that if the action is that which can come under the words which I read, "intimidation, threatening, coercion," then the provisions of this act can be invoked. It must cover those points; if it does not then it is perfectly all right.

Mr. SMITH of Virginia. The gentleman has been very patient. He knows I have wanted to discuss with him on the floor and we have had several agreements as to when we were going to debate it, that is, the question of whether the Norris-LaGuardia Act had been repealed or revised, whether the right of trial by jury of labor unions had been taken away from them. Will the gentleman fix the hour?

Mr. CELLER. That is going to be a very abstruse and difficult technical subject.

Mr. SMITH of Virginia. Not at all.

Mr. CELLER. I would be glad to, shall I say, fence with the gentleman and meet him in the field of combat on that subject, say on Monday. I do not want to take any more time now.

Mr. SMITH of Virginia. No. The gentleman has been very patient. There are a number of questions I would like to ask him.

Mr. CELLER. Would Monday be all right?

Mr. SMITH of Virginia. I think so, but I want some time.

Mr. CELLER. Mr. Chairman, I will not consume any more time now.

The CHAIRMAN. The gentleman from New York [Mr. CELLER] has consumed 1 hour and 27 minutes.

The gentleman from New York [Mr. KEATING] is recognized.

Mr. KEATING. Mr. Chairman, I yield myself 25 minutes.

Mr. Chairman, in the interest of orderly procedure I ask that I be not interrupted, because I want to explain the provisions of this bill. I will then yield the floor and allow others who have been pressing me for time to be heard; and I give you my word that later today, or tomorrow, or Monday, I will return to the floor for the purpose of being interrogated as much as any Member wishes to interrogate within reason.

Mr. Chairman, almost 100 years have passed since the Great Emancipator, Abraham Lincoln, issued his proclamation. And it is almost that long ago that Congress enacted, and the States ratified, amendments to the Constitution guaranteeing the rights and privileges of American citizens against State or Federal action.

The Negro race has come a long way since 1863. Many of our leading citizens today are members of that race. In many sections of this country the Negro now has the same economic opportunities, the same educational opportunities, and the same political opportunities as white members of his community.

These opportunities have become a reality only through the gradual acceptance on the part of the people of one change after another. The process has been a slow one. The rate of progress may have been at times frustrating to many of those directly involved. But the problem has been so fraught with emotion that any attempt at revolutionary advances would not only have been unsuccessful, but unwise.

Those advances that have been made, have been spurred on, in many instances, by legislation and court action. There has always been an initial reaction against any advance, but acceptance has just as always followed in good time.

But there are today some places in this country, both in the North and in the South, where all our citizens have not been accorded equal treatment under the laws and where attempts have been made by one means or another to deprive them of their right to vote.

Both the Republican and the Democratic Parties have pledged themselves to take action to correct this situation. H. R. 6127, now before you, is the proposal which President Eisenhower recommends and supports.

Let me explain the provisions of that proposal. It is substantially similar to the bill which was passed by the House on July 23 of last year by a vote of more than 2 to 1. Since then, however, so

much has been written and spoken about this measure that there is little wonder many have lost sight of what the bill actually provides. For that reason, before debating its merits, we should examine closely all of its provisions.

I. COMMISSION ON CIVIL RIGHTS

Part I establishes a six-member bipartisan Commission on Civil Rights appointed by the President with the advice and consent of the Senate. The President is to designate the Chairman and Vice Chairman, and four members of the Commission will constitute a quorum.

Members of the Commission not in the service of the Federal Government will be paid $50 for each day of work devoted to the Commission, plus travel expenses and subsistence.

The Commission is empowered only to study and investigate. It will not have power to prosecute, nor, of course, any power to legislate. The purpose of the Commission is primarily to determine whether there is need for further legislation in the field of civil rights. It is to complete its work in 2 years.

Investigations by the Commission will be bound by rules of procedure modeled after those applicable to congressional committees. A copy of these rules must be made available to every witness who appears before the Commission.

Witnesses before the Commission have the right to counsel, and the Chairman has the power to punish breaches of order and decorum on the part of counsel by censure and exclusion from the hearings.

If it should find that evidence or testimony about to be adduced at any hearing might defame or incriminate any person, the Commission must receive it in executive session and must afford the person involved an opportunity to appear voluntarily as a witness. In addition, the person involved may, through the Commission, subpena additional witnesses in his own behalf.

Brief and pertinent sworn statements in writing may be submitted by witnesses and included in the record at the discretion of the Commission.

For the further protection of persons who may be affected by investigations conducted by the Commission, we have inserted another provision, which is not found in the rules of the House pertaining to Congressional hearings. The bill makes the unauthorized release or use of evidence or testimony taken in executive session punishable by a fine of $1,000 or imprisonment for not more than 1 year.

To avoid the necessity of extensive travel on the part of witnesses, the Commission may not issue a subpena for the attendance of any witness at a hearing to be held outside the judicial circuit in which the witness is either found, resides or transacts business. Witnesses are entitled to the usual fees for mileage, attendance and subsistence.

The Commission is to investigate allegations that persons are being deprived of the right to vote by reason of race, color, religion or national origin.

To avoid the Commission's instituting unwarranted investigations, all allegations must be in writing, under oath or affirmation, and must set forth the facts upon which they are based.

The Commission is also to collect information about any legal developments which it is claimed might constitute a denial of equal protection of the laws under the Constitution, and to appraise not only the laws but also the policies of the Federal Government with respect to this problem.

In addition to interim reports, the Commission must submit to the President a final report, with recommendations, not later than 2 years from the date of the act. Sixty days after submission of the final report, the Commission will cease to exist.

The Commission is authorized to appoint a staff and to utilize the services of voluntary, uncompensated personnel, not in excess of 15 at any one time. It is also given the power to constitute advisory committees and to consult with such representatives of State and local governments and of private organizations as it may deem advisable. As to members of the Commission and uncompensated personnel, the conflict-of-interest statutes are waived, as is usual in such cases.

The Commission, or any subcommittee authorized by the Commission, may hold hearings and may issue subpenas for the attendance and testimony of witnesses or the production of written or other evidence in accordance with its rules of procedure. If any witness should refuse to obey a subpena, or refuse to testify, the Attorney General may apply to the Federal district court within the jurisdiction of which the witness is found, resides or transacts business, to issue an order requiring the witness to appear and give testimony on the matter under investigation. If the witness fails to obey the court order, he may be punished for contempt.

II. ADDITIONAL ASSISTANT ATTORNEY GENERAL

Part II of the bill establishes in the Justice Department one additional Assistant Attorney General, who is to be responsible for the enforcement of any criminal or civil statutes relating to civil rights. At present, there is, in the Justice Department, a section of the Criminal Division known as the Civil Rights Section. One of its purposes has been to conduct prosecutions of violations of Federal laws enacted for the protection of civil rights. But it is also charged with other functions and duties.

The problems involved in civil rights legislation and litigation, however, require the attention of personnel trained especially in this field. Moreover, if the proposed bill becomes law, there will be involved not so much criminal prosecutions as civil remedies. For these reasons a separate Division on Civil Rights should be established, separate and apart from the Criminal Division.

III AND IV. AMENDMENTS TO EXISTING LAW

Parts III and IV of the bill propose amendments to existing statutes designed to strengthen civil rights laws and to further secure and protect the right of citizens to vote. These amendments would not create any new rights but would provide a remedy hitherto unavailable.

Section 1985 of title 42 of the United States Code, often referred to as the Ku Klux Act, at present gives a right to recover damages to one injured or deprived of his rights as a result of certain conspiracies described in the section. There must be a conspiracy. There is no right of action against one who has acted alone.

The first subsection of section 1985 is directed at those who conspire to interfere with an officer of the United States in the discharge of his official duties. The second subsection relates to conspiracies to obstruct justice through the intimidation of parties, witnesses or jurors. The third subsection is directed against those who conspire by force, threat, or intimidation, to deprive another of equal protection of the laws, of equal privileges and immunities under the laws, or of the right to vote in Federal elections.

Part III of the bill before us now would add to section 1985 two additional subsections. The first subsection creates a new remedy by authorizing the Attorney General to bring a proceeding for preventive relief whenever any persons have engaged in, or are about to engage in, any of the acts now prohibited under the statute. Any such proceeding would be instituted for, or in the name of, the United States, and the United States would be liable for costs the same as a private individual.

While this new subsection would create a remedy designed more effectively to accomplish the purposes of the present law, it is certainly a moderate change. It does not proscribe conduct not already prohibited by the law, and there still must be a conspiracy of one or more persons to give rise to an action.

A further fact to bear in mind is that where the Attorney General seeks to enjoin threatened acts, he must establish that there are reasonable grounds to believe that a threat exists. So much has been said about this so-called unlimited power we are putting into the hands of the Attorney General that many may have lost sight of the fact that the Government has the burden of proving that there are grounds for injunctive relief. An impartial court must rule on that question after a trial at which the defendant will have full opportunity to present any evidence to meet the Government's case.

Unless the court is satisfied that unlawful acts are being committed or are threatened, no injunction will or can be granted. And without an injunction there can, of course, be no contempt proceedings. If the court has acted arbitrarily or on insufficient evidence or has committed error of any kind, the defendant has the usual right to have the case reviewed on appeal. So it is the court, and not the Attorney General, that will have the power in these cases.

The second new subsection to be added to section 1985 confers upon Federal district courts jurisdiction over proceedings instituted by the Attorney General, regardless of whether the injured party has exhausted State administrative or other remedies.

Since the whole purpose of adding this new remedy is to afford a person whose rights are threatened adequate and speedy relief, to require him to exhaust State judicial and administrative remedies would be to defeat that purpose.

Actually, insofar as the exhaustion of judicial remedies is concerned, the Supreme Court has ruled, in *Lane* v. *Wilson* (307 U. S. 268 (1939)), that a party need not exhaust State judicial remedies before resorting to a Federal court for relief under Federal civil-rights statutes.

On the other hand, the proposed amendment to section 1985 would change existing case law with respect to the exhaustion of State administrative remedies. Nevertheless, if it were necessary for complainants to resort to State administrative remedies prior to seeking injunctive relief in Federal courts, there is little doubt that the harm threatened would in most instances be suffered or the opportunity to vote would pass before relief could be made available. Furthermore, the door would be left open to the creation of all sorts of administrative procedures to block effective relief under this bill.

While part III of the civil-rights bill attempts to strengthen statutes which have been enacted for the protection of civil rights in general, part IV is directed specifically at the right to vote. It amends section 1971 of title 42.

The present section provides that every citizen who is otherwise qualified to vote in any election shall not be deprived of the right to vote by reason of his race or color, regardless of any constitution, law or custom. This section presently declares a right without providing a remedy for its violation.

The proposed bill would add three new subsections to section 1971. The first would make it unlawful for a person, whether acting under color of law or otherwise, to interfere, or attempt to interfere, with the right of any other person to vote for any candidate for Federal office at a general, special, or primary election. The law now provides that a person guilty of such conduct shall be liable to the party injured in an action at law or a suit in equity. The proposed amendment to section 1971 would authorize the Attorney General to bring the action which at present can only be brought by the injured party.

The need for such a provision is quite obvious. There are many cases in which the individual deprived of the right to vote either does not realize that he has a remedy or is reluctant to pursue it. While to the individual the right to vote may not be worth the expense and, in some cases, the hazard of enforcing it, when whole groups of individuals cannot exercise that right, the public interest becomes affected. The remedy is proposed, therefore, as much for the protection of the public as for that of the individual.

I cannot foresee the probability of the Attorney General's acting in behalf of one or only a few citizens. He can be expected to step in for the most part where a number of citizens find themselves unable to vote through one device or another employed by voting officials.

Those are the provisions of the civil-rights bill recommended and supported by the President. It is a bill to insure to all citizens of this Nation the rights, privileges and immunities and equal protection of the laws, all of which are guaranteed by the Constitution.

It is a moderate proposal. It imposes no harsh penalties. It creates no new rights. It simply affords new remedies designed to strengthen and protect existing rights.

As a matter of fact, H. R. 6127 is, in many respects, a "watered down" version of the civil-rights bill which the House passed in the 84th Congress. In the first place, the powers of the Commission have been restricted with the addition of provisions designed specifically to protect citizens who appear before it.

The subpena power of the Commission is now limited to the judicial circuit in which the witness is found, resides or transacts business. Moreover, the willful and unauthorized disclosure of evidence adduced at an executive session of the commission has been made punishable offense.

The scope of the Commission's investigations has been substantially reduced in this year's bill. Last year we authorized the Commission to investigate allegations of unwarranted economic pressure applied to persons because of their color, race, religion, or national origin. That phrase, "unwarranted economic pressure," has been stricken in the bill before us.

Complaints filed with the Commission must now be not only in writing but also verified.

Even the field of study to be conducted by the Commission has been limited. While the bill last year provided for the study of economic and social developments constituting a denial of equal protection of the laws, the present bill authorizes the Commission to study and collect information only on legal developments.

When we reported the bill from our committee last year, it contained no rules of procedure to govern the Commission. This year we have inserted the same rules as those provided in our House rules to safeguard the rights of citizens appearing before Congressional committees.

The nature of the remedy created by the bill has also been limited. The bill which passed the House in the 84th Congress authorized the Attorney General to bring a civil action in the name of the United States, but for the benefit of the real party in interest, to recover damages as well as to obtain preventive relief for the deprivation of certain civil rights and voting rights. The present bill has limited the authority of the Attorney General to the bringing of an action for injunctive relief only.

H. R. 6127 is, therefore, certainly not a revolutionary measure. If this bill is revolutionary at all, it is so only in the sense that it may breathe new life into our existing civil rights statutes and, indeed, into the Constitution itself.

This bill is by no means a cure-all for all racial discrimination. Many would go much further on the legislative front. Far more drastic and punitive proposals were presented to our committee. They were rejected.

Before us today is the bare minimum which is needed to redeem the solemn promises of our political platforms. But perhaps even more important, the bare minimum to make our statutes and our Constitution meaningful.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield.

Mr. PELLY. Would not the gentleman from New York agree with me that it is greatly to be regretted that his colleague from New York [Mr. POWELL] is prevented from being here due to illness? I know that the gentleman and I worked with the gentleman from New York [Mr. POWELL] toward the consummation of legislation along the lines of this bill. We know of Mr. POWELL's interest and we know that his interest transcended party lines and that he supported President Eisenhower because he was so much interested in the passage of this bill.

Mr. KEATING. I certainly do share in regret at his illness and his inability to be here.

Mr. RODINO. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield.

Mr. RODINO. Mr. Chairman, "we hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness." Strong words, they are, and words that moved an entire generation of Americans to fight for freedom and independence. Those words inspired our forefathers to create a firm, yet flexible constitution to guarantee those unalienable rights within an ordered framework of government. Those words moved a later generation to fight, bleed, and die so that human rights and human dignities could not be denied to any man simply because of the color of his skin.

The words are very familiar today. But their meaning has in some areas become meaningless. The intent of America's founders is most surely being thwarted in every State where citizens are denied or restricted in the franchise, in every community where housing facilities are not freely available to all who can pay the standard price, in every town where the money that was taxed equally from all is used to supply good schools for white children but inadequate schools for others, and in every district where the equal protection of the laws has been interpreted to provide only justice for one race, one sex, or one economic class. America is in danger of becoming a nation of hypocrites if we permit these conditions to exist under a constitution which specifically states that its purpose is to "secure the blessings of liberty to ourselves and our posterity."

The civil-rights bill of 1957, H. R. 6127, which I am supporting, represents a sincere, serious, and above all moderate approach to these blatant violations of constitutional rights. This bill does not,

I wish to emphasize, create, or define any new offenses; it does not provide any more severe penalties for previously described crimes; it does not threaten any person who is not engaging in activities that have already been prohibited by the Constitution and the Federal statutes for almost 100 years.

The scope of this bill is limited. Personally, I would prefer to have seen a more comprehensive measure that would have recognized that discrimination takes many and interrelated forms and that would have attempted to check economic pressures as well as purely political ones. But it is necessary to make a start in this field. Too long now, we have been urging legislation of this sort with no results. This measure, essentially so reasonable, so moderate, cannot honestly be opposed by anyine who remains true to the ideals of Christianity and of democracy.

What exactly does this bill provide? First of all, it sets up a commission to investigate the area of civil rights; to hold hearings upon allegations that civil rights are being denied, and in general to publicize throughout the Nation the problems that are involved in insuring to all citizens the equal protection of the laws. The rules and procedure of the Commission are clearly outlined; no one will be summoned before it unless a discriminatory practice has been uncovered; expenses will be paid to all who are summoned. It is an interesting fact that some of those who have protested most loudly against the Commission as a new extension of bureaucracy at the same time attempted to include the whole field of labor activities within the Commission's investigating power. That move unmistakably indicates that the whole opposition to the Commission is not based upon a general objection to extending Government activities but rather upon a very specific objection to investigations in a field where violations upon the State level have been so flagrant. The work of the Commission is very necessary to illustrate to the country as a whole the need for a genuine enforcement of civil rights; it will also point the way for Federal prosecutions where they are warranted; and above all, its activities will strengthen all those conscientious citizens who are trying to be fair and will weaken those lawless elements who show no respect for any others at all.

The bill also provides for an Assistant Attorney General to head a Civil Rights Division in the Department of Justice. It is no longer advisable or appropriate that civil-rights questions be handled by a small sector of the Criminal Division. First, as I am going to point out, civil-rights offenses are not necessarily all criminal ones. And, second, the area is a large and complicated one. It cannot be effectively handled as an adjunct to another division.

In the final sections of the bill are found the most effective measures for coping directly with civil-rights violations. Here it is provided that the Attorney General may institute for the United States a civil or other action for preventive relief on behalf of anyone who is being deprived of his civil rights. In other words, if a person feels that any of his rights as a citizen of the United States are being threatened by a conspiracy of persons with or without the connivance of local officials, he may apply to the Department of Justice to protect him. The need for the Justice Department to take this active role is very apparent when one considers that many of those who suffer most from discrimination are poor and unable to undertake a legal action themselves. Their economic status is deliberately being used to deprive them of legal rights. The only way to remedy this abuse is to permit the Justice Department to step in and preserve the privileges and immunities which are threatened as much by the indifference of local enforcement agencies as by the lawlessness of civil-rights violators.

The final sections of the bill are aimed at stopping intimidation, threats, and coercion designed to prevent or influence voting. The Attorney General is empowered to bring suits where the right to vote is actually denied, or where there are reasonable grounds for believing that it will be denied. In these cases it is necessary to provide prompt relief or the opportunity to vote will be lost. Surely there can be no honest grounds for asserting that government by injunction is a violation of individual rights when the only other kind of justice that has been offered must wait until the defendant's heirs come of age.

The right to vote is the cornerstone of a free and democratic government. One of the main reasons for the American War of Independence was to abolish the hateful custom of taxation without representation. One of the main aspirations of our foreign policy today is to work for the day when all nations will have the right to hold free national elections. These truths, which no one would dare to deny outright, are nevertheless being denied subtly by those who are not willing to protect them with reasonable legislation here in this country today.

I must confess that I do not understand how people can profess a respect for American ideals, for the Declaration of Independence, for the American Constitution, and at the same time assert that it is unconstitutional or unwise to pass a law to guarantee those principles. In place of the right to vote, other new or wholly irrelevant rights are being produced and dragged like red herrings across the trail of real freedom. The right to trial by jury is a genuine right in criminal cases; but it is not a right that applies where a judge is simply trying to keep order and insure a proper respect for the dignity and independence of the courts. The right to work sounds very fine too, but it is not a right that should be used to nullify the equally important right of an individual to join a union. And it certainly has no place in a bill to protect civil rights. States rights constitute a very valuable field, too, but when they turn out to be the right of a State to deprive United States citizens of the privileges and immunities of United States citizenship, no amount of 18th-century reasoning can justify their existence in 20th-century America.

States rights are all important, and valuable too, in their place. But they are not and never can be substitutes for the right to vote. When a substantial number of American citizens with an intent and desire to vote are frustrated by individual administrators aided and abetted by State negligence, then the existing law has been broken both in letter and in spirit. Its violation cannot be distorted by a defense of States rights or any other kind of rights, for there are no other kinds of rights that will condone the breach of law and even of morality that has occurred.

Gentlemen, do not be misled by an apparent concern for the right of trial by jury or the right of a State to regulate elections. Society is a constant intermeshing of rights and duties. For every right there is a duty; in other words, for every right that I have to do something, I have a duty to do it well and conscientiously, whether it is voting, or just driving down the highway. And every right that I have, I also share with every other citizen. But, to take a very obvious example, if I choose to exercise my right to drive by roaring through Washington on the left side of the street, I would soon find that my right would have to be sacrificed to the rights of other Washingtonians to drive and walk safely themselves. Every right is valid only in relation to the rights of other individuals in society. All those who would affirm that the right to trial by jury in contempt of court cases, the right to work, and the right of a State to run elections to the exclusion of almost half the electorate are more important than the simple right of the citizen to vote are in effect arguing that they do have the right to drive through Washington and indeed through the whole Nation on the wrong side of the road.

Let me make one more point in concluding. You are all perfectly aware, I know, of the peculiarly and dangerously divided world in which we live. You are all aware that over a third of the world has been conquered by a power that has no respect for the individual human beings or for the impartial rule of law. You are aware also of the flood of propaganda that spews forth from that nation, a continual proclamation of people's democracy, of peaceful growth, of welfare for all. That proclamation is contradicted only by the facts. And it is becoming increasingly clear that the Free World is more impressed by the facts of Russian behavior than by the words of Russian propaganda.

Let us, here in America, the leader of the Free World, take note. Let us not fall into the same trap of believing that all we have to do is talk about freedom and democracy. American praise of justice and equality will have precious little effect abroad as long as everyone can see that individuals here are being deprived of their basic rights of citizenship. Let us make it perfectly clear to Russia, to the world, and to ourselves that we praise freedom because we really believe in it and because we are willing to go to great lengths to preserve it. Let us take care when we speak of the rights of the individual that

we really mean what we are saying and that we really are concerned about those rights.

I sincerely believe that the bill, H. R. 6127, has been drawn up as a result of a deep and serious concern with individual rights. I believe that if it is passed it will contribute effectively to the preservation and protection of the civil rights which have been guaranteed to all Americans by the Constitution.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield.

Mr. YATES. As part of the gentleman's remarks, he made the point that he did not envision the Attorney General filing an injunction for the relief of 1 or 2 or 3 individuals, but rather that the Attorney General would use the injunctive process or would inaugurate the injunctive process only where substantial groups of people were involved. The gentleman did not mean to indicate by that remark that the Attorney General was to be proscribed from filing an appropriate suit in order to protect the rights of any individual; did he?

Mr. KEATING. Oh, not at all. I am glad the gentleman brought that up. What I meant to say was that as I envisioned the future under this bill, it would be unusual for him to bring an action on behalf of one individual. Most of the cases that I could envision under it would be, as some of our evidence indicated where a whole group was disenfranchised. Under the bill he could bring an action in any case where a single individual was denied the right to vote.

Mr. YATES. But does not the gentleman agree with me that this right to vote is of paramount importance in this bill, and the Attorney General should be ready on election days to protect the rights of individuals whether they are in small numbers or in large numbers to make sure that they are given the right to vote by preparing proceedings which would permit him to go before a Federal court and assure those individuals of the right to vote on election day?

Mr. KEATING. I think so. But, I think this. In the cases where that need would arise there would be normally a considerable number involved. There would be instances where a single person would be involved, but I would think that would be an exception rather than a rule.

Mr. YATES. I wish the gentleman would take just a little more time so that we may clear this question up. I think the disagreement I have with the gentleman and it is only on this point that I disagree with the gentleman's very excellent statement is in the use of the term "considerable numbers." Admittedly, this is a relative term. I would not want the RECORD to show, and I would not want the gentleman to leave the floor with the RECORD showing that the gentleman believes the only time the Attorney General could undertake an action would be when considerable numbers were involved.

Mr. KEATING. No.

Mr. YATES. Because this term is so ambiguous.

Mr. KEATING. In my remarks I was only referring to what I could envision as the likely thing that would happen in the future. There would undoubtedly be cases where one person would be involved where he should act and he could act under this bill. As I would look forward in the light of the evidence which the committee had, I would expect that in most of those cases it would be a considerable number that would be involved, but he would not be precluded from bringing an action on behalf of one individual or a small number.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KEATING. Mr. Chairman, I yield 1 minute to the gentlewoman from Illinois [Mrs. CHURCH].

Mrs. CHURCH. Mr. Chairman, I merely wish to take this short minute to express to the gentleman from New York the admiration of those of us who fight this battle with him. We recognize and acclaim the understanding and skill with which he has handled this problem, and the patience which he has exhibited in trying to find a sound and fair solution of what certainly is one of the greatest and most shocking problems of our day and of our country.

Mr. KEATING. I appreciate the gentlewoman's remarks.

The CHAIRMAN. The time of the gentlewoman from Illinois has expired.

Mr. KEATING. Mr. Chairman, I yield 20 minutes to the gentleman from Maryland, Mr. HYDE.

Mr. HYDE. Mr. Chairman, I am going to address myself merely to one phase of this bill. I am not opposed to the bill in its entirety. As a matter of fact, I think much good might come out of the bill, but I am going to address myself to an amendment which will be offered under the 5-minute rule, which will preserve the right of a jury trial in cases of criminal contempt. That is the point to which I want to address my remarks.

The gentleman from New York, the chairman of this great committee [Mr. CELLER], when he opened his statement on this bill, said that its primary purpose, the real thing to keep your eye on, was the preservation of the Constitution. That is what he and his supporters of this legislation were seeking to do.

I want to remind the gentleman from New York that nothing is more dangerous than to look only at the end and to neglect the means. So it is to the means, or at least to one of the means for accomplishing this purpose, namely the preservation of the Constitution, to which I want to address myself this afternoon.

This is not a pleasant task. I say it is not a pleasant task because it is not pleasant to oppose my President on such an important issue, and it is certainly not pleasant to find it necessary to debate the right to a trial by jury of a citizen of the United States charged with a crime. It is because I do not want the Members to be misled that I put the issue exactly in that way. That is the issue here with respect to this amendment about which I am going to address myself, the right to a jury trial of a person charged with the crime of violating the civil rights of a citizen of the United States.

Mr. FORRESTER. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I would appreciate it if the gentleman would wait until I finish my statement.

Mr. FORRESTER. Mr. Chairman, a point of order. This is a very important discussion, and I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Seventy-eight Members are present, not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 98]

Ayres	Harden	O'Konski
Baldwin	Harrison, Nebr.	Poage
Barden	Hays, Ark.	Powell
Barrett	Healey	Prouty
Beamer	Hillings	Radwan
Blatnik	Holifield	Reece, Tenn.
Boggs	Holtzman	Rhodes, Pa.
Bowler	James	Rogers, Colo.
Buckley	Kearney	Sadlak
Cederberg	Keeney	Scrivner
Chiperfield	Kilburn	Simpson, Pa.
Christopher	Kilday	Smith, Wis.
Dawson, Ill.	McConnell	Spence
Durham	McGovern	Springer
Eberharter	Machrowicz	Taylor
Fallon	Michel	Thompson, Tex.
Fino	Miller, Md.	Utt
Fogarty	Miller, N. Y.	Wilson, Ind.
Garmatz	Montoya	Withrow
Gregory	Morano	Wolverton
Gwinn	O'Brien, Ill.	Zelenko

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FORAND, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill H. R. 6127, and finding itself without a quorum, he had directed the roll to be called, when 367 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland [Mr. HYDE].

Mr. HYDE. Mr. Chairman, may I repeat just a few words of what I said before the rollcall?

The chairman of our committee has said that the purpose of this bill was to preserve the Constitution. I want to remind the House, Mr. Chairman, that in doing this it must be remembered that nothing is more dangerous than to look only at the ends we seek to accomplish and to neglect the means by which we are seeking to accomplish these ends. In these days and times, when the important fight is on an ideological level, the means with which we seek our ends is of the utmost importance.

The issue to which I wish to address myself is the right to a jury trial of a citizen of the United States charged with a crime. I am not opposing the entire bill. I think there is much good in most of the bill. But, I am addressing myself only to the so-called jury provision. And I am in favor of an amendment which will be offered under the 5-minute rule, which will provide, in effect, that in all cases of criminal con-

tempt arising in any proceeding under this act, the accused shall enjoy the right to a speedy and public trial by an impartial jury. I submit, Mr. Chairman, that the majority report bears out what I have said about the real issue in this jury trial question. That is the issue of the right of a citizen to a jury trial when he is charged with a crime. I point to that sentence on the top of page 6 of the majority report in which they say:

> The provisions of the legislation, in fact, merely substitute civil proceedings for criminal proceedings in the already established field.

In other words, the majority admits what they are doing here is substituting a proceedings, but the substance of the offense for which the man is being tried stays the same. Let us look at exactly what happens here and what we have before us. Under title 18 of the Federal Code you have the criminal section dealing with civil rights. It is a crime for anyone to deprive any inhabitant of the United States of any rights secured by the Constitution under section 242 of title 18. It is a crime to disqualify any person from serving on a jury because of race or color under section 243. So you have the civil rights of citizens of this Nation protected by the criminal statute under title 18, and under those statutes you are entitled to a jury trial if you are charged with their violation. Then under title 42 of the United States Code, you have civil proceedings whereby any citizen who is aggrieved or who feels he has been damaged by a denial of his civil rights can sue the person who has committed the offense against him for such damages as he can prove he has sustained. So that is the present posture of the law—criminal procedure under title 18 and civil procedure under title 42—and the language in both the civil and the criminal procedure is almost the same. It is somewhat the same as if a person should strike you. That person would be subject to criminal prosecution and you would also have the right of civil action for damages against that person. What has been done here? They have added to the civil section under title 42 these provisions in this bill which provide an additional proceeding. They say that if anyone is violating someone's civil rights the Attorney General may enjoin him from doing that. Then they have provided that in those cases the United States may be a party. Under the United States Code it is that language which deprives a person of the right of a jury trial in a contempt proceedings which might arise out of any injunction issued.

You see what has been done. The substance of the offense throughout is the same, but they have provided another proceeding under which a citizen is deprived of a jury trial. It has been argued at great length on this floor and in the press and up and down the country that you are not entitled to a jury trial, and never have been, in a contempt proceeding. My answer to that is that they are absolutely right, but it is beside the point. As the gentleman from New York [Mr. CELLER] said in answer to somebody earlier today, it is incompetent, irrelevant, and immaterial, and of no consequence. It is beside the point. I will admit you are not entitled to a jury trial in contempt proceedings, but do you not see what is being done? Sure, it is a contempt proceeding, but you have transferred this offense of a violation of civil rights from the criminal section, and from certain sections of the civil code, and you have put it under a new procedure. That is all. The procedure is different. The substance is the same. Now this has been done before in history. There is nothing new about this sort of thing. The King of England tried the same thing on the colonists when they would not enforce certain of his laws. He transferred jurisdiction to try those cases from the criminal court to the admiralty court. Why? Because under the admiralty court there was no traditional right of jury trial. Hence, you would deprive a man charged with a crime of the right of a jury trial. When a colonist complained, he could argue, just as is being argued today, there is no traditional right to trial by jury in admiralty cases. What are you complaining about? That is exactly what is being argued here. But that is a smokescreen. If you will see exactly what is taking place; namely, they are taking these offenses that are now under the criminal section and under the civil section in certain cases, in either case of which he has a right to trial by jury, and they are putting that in the equity branch of the civil court, where you can get an injunction, and they are doing it for one purpose only. I do not know why they argue about it. There is no question but that they are doing it for the purpose of taking it away from a jury. There is no question about it. Otherwise, why have this procedure?

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I will yield later if you will permit me, please.

That is the reason it is being done. Bear in mind what I am arguing for here is simply the right to a jury trial in cases of criminal contempt. There is nothing in the amendment for which I am arguing that will prevent a judge from issuing a preliminary injunction in case someone is being kept from voting in a particular election, and on that hearing there may be no jury. This will not give any right to a jury trial there. There need be no delay whatever. But when a man is charged with violating an order of the court, not carrying out its order, and that is part of it, he can be put in jail; and bear in mind, when you are tried for criminal contempt, the punishment is a jail punishment. When a man is in jail, he is in jail just as much under contempt as if it were under a criminal prosecution.

The proponents of this antijury provision surely have for their use, the weapon of emotion. Those of us who oppose it, I submit, have only the weapon of reason.

Emotion is swift, sharp, painful, but usually transient in its effect. Reason is slow, blunt, but generally deadly if it can be brought to bear before emotion has done its fatal work. Mr. Chairman, I am appealing today to reason.

One of the great foundation stones of this Nation which makes it possible for us to preserve civil rights, which makes it possible, for example, even to get up and argue that civil rights are not being preserved, one of the basic civil rights, is the right of a jury trial in cases of crime.

So, Mr. Chairman, let us listen to reason. We must, in this bill, preserve the right to a trial by jury. Now I am glad to yield to the gentleman from New York.

Mr. KEATING. The gentleman concedes that there are many instances where a single act would give rise to a right for damages or injunctive right and a criminal action.

Mr. HYDE. That is right.

Mr. KEATING. This in that respect is no different from any other. The gentleman concedes also that in contempt cases——

Mr. HYDE. Oh, no; I do not concede that this case is no different from any other. I make no such contention; that is the gravamen of this whole thing; it is different.

Mr. KEATING. In the respect of difference I just could not figure it out.

Mr. HYDE. All right; I will give the gentleman the difference. The gentleman has asked me the question. The thing that makes this so serious is this: You are taking a criminal statute which is already on the books and for which you have a civil statute and a civil remedy, you are taking this means of providing another remedy, another form of procedure which, in effect, denies trial by jury; that is the difference.

Mr. KEATING. I will say to the gentleman that I was the author of this provision as it came to me from the Justice Department. I say to the gentleman categorically that, while it may be an admission of ignorance, it never entered my mind that I was taking away anybody's right to a jury trial when I introduced this measure or when I voted for it in committee and in the last Congress. Such a motive was never in my mind. I do not know whether it was in the mind of anyone else or not.

We had a similar bill up a year ago and adopted it and it was never, except in a cursory manner, brought up that that was the purpose. Certainly, if that had been the motivation someone among the brilliant lawyers in this body would have raised this point at that time.

The purpose in my mind was this: You do have now a criminal penalty, but in many of these cases, indeed, in most of them, the people involved are election officials, and generally respectable, fine citizens.

Mr. HYDE. May I use the rest of my time?

Mr. KEATING. I will yield the gentleman additional time.

A criminal prosecution is not the proper remedy. These people should not be branded as criminals under ordinary circumstances. What is sought to be accomplished is to safeguard the right to vote. A civil proceeding to prevent a denial of that right will usually be more effective and more fair to all concerned

than to visit upon the offender harsh criminal penalties after the event. That is the motive that actuated me and I believe actuated the gentleman from New York and others who sponsored this legislation.

Mr. HYDE. Now will the gentleman yield to me?

Mr. KEATING. I yield the gentleman 2 additional minutes.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I must first answer the gentleman from New York [Mr. KEATING].

With all due respect to my friend from New York, the gentleman knows that the whole argument and reason for the procedure in 121 and 131 of title 3 and title 4 of this bill was that juries in the South would not convict for these violations.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield.

Mr. KEATING. The gentleman has never heard me make that statement on this floor and he never will.

The basis of my attack upon it is that it is an interference with the judicial system, and that is why in every State of this Nation and in our Federal jurisprudence you do not allow, after a court has made an order and a person seeks to defy it, you do not allow anyone to step in between the court and the offender and say that he can defy the court. Such a result would eventually lead to a breakdown of our judicial system.

Mr. HYDE. I must further answer the gentleman from New York. I cannot, of course, argue with the gentleman about his personal motives, his personal ideas and convictions. Only he can express that. But I simply leave it to the House and to the public as to why all the argument about this jury-trial provision and what it is all about and why they call it a crippling amendment. Why do they call it a crippling amendment? The reason is that if you have this amendment they say you will throw it to juries for consideration and there will be no conviction. There can be no doubt about my position on that. How they can argue is a mystery to me.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Minnesota.

Mr. O'HARA of Minnesota. The gentleman, I know, has lived with this so long he assumes all of us understand it. But is it not true that under the language of the bill which the gentleman has been talking about, if a person violates the law and is brought up for contempt charges, the court would under this bill be permitted to send him to jail, for how long? Two years?

Mr. HYDE. Almost as long as the court might see fit, but at least for the full period provided in the criminal section.

Mr. O'HARA of Minnesota. What is that?

Mr. HYDE. One year.

Mr. O'HARA of Minnesota. And a $10,000 fine or both?

Mr. HYDE. Yes.

Mr. O'HARA of Minnesota. That could be imposed under this procedure?

Mr. HYDE. Absolutely.

Mr. O'HARA of Minnesota. I thank the gentleman.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from New York.

Mr. CELLER. I want to say at the outset I agree with what the gentleman from New York [Mr. KEATING] said with reference to our motives. As I said before, I am a libertarian, and I would not want by any stretch of the imagination to take away any rights from anyone. I would like to ask the gentleman a question. The gentleman says that he wants to have a trial by jury for what he calls criminal contempt. Does he mean to limit that trial by jury to criminal contempts arising under the instant bill, or does he want to provide for trial by jury in all criminal-contempt proceedings where the Government is a party?

Mr. HYDE. The amendment will read:

> Notwithstanding any other provision of law or of the rules of procedure of the United States district courts, in all cases of criminal contempt arising in any proceeding under this act, the accused shall enjoy the right to a speedy and public trial by an impartial jury.

Mr. CELLER. Why limit it to trial by jury in that case and not apply it to all criminal-contempt proceedings?

Mr. HYDE. That is all I have had time to consider up to now.

Mr. CELLER. This is a serious situation. If you want to apply it to one, you have to apply it to all.

Mr. HYDE. If we can deal with this satisfactorily, we can deal with others later on.

Mr. CELLER. There are multitudes of them, and the gentleman will have his hands full if he is going to provide trial by jury in all criminal-contempt proceedings.

Mr. HYDE. I am trying to bring it within the provision of the existing sections of the code, and particularly the one with which the gentleman is so familiar and with which the gentleman had so much to do 18 or 20 years ago.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. In view of the very careful, learned, and complete statement and exposition that the gentleman from Maryland has made about this jury-trial provision, and the fact that the ranking minority member of the committee says he does not mean to do that and the gentleman from New York, chairman of the Committee on the Judiciary, says he did not mean to do that, he did not realize that, and did not intend to do anything like that, I am wondering what all the argument is about? Why do we not say, Let us just put it in there?

Mr. HYDE. I am as puzzled as is the gentleman from Virginia on that point.

Mr. CELLER. I yield such time as he may desire to the gentleman from Mississippi [Mr. WINSTEAD].

Mr. WINSTEAD. Mr. Chairman, at the last session of the Congress, when I rose in opposition to the so-called civil-rights bill then under consideration, I said that never during my 14 years in the House had I seen a more vindictive, a more unnecessary, a more politically inspired, or a more unconstitutional bill reach this floor for action. I thought it highly improbable that a bill more repugnant to my political philosophy would ever be considered by the House of Representatives. However, members of both political parties who are so intent on currying the favor of the Negro and left-wing voters have succeeded in bringing to this floor H. R. 6127, a bill which is even more reprehensible. H. R. 6127 is obviously designed to heap vindictiveness upon the Southern States, and yet I do not believe that even the South-hating Thaddeus Stevens would support it were he a Member of this body today. The enactment of this bill would mean the loss of a fundamental constitutional right to every American—the right of a trial by jury for grave offense.

This bill contains most of the evil provisions of last year's so-called civil-rights bill, plus an additional section which would empower the Attorney General of the United States to seek injunctions in the Federal district courts for the enforcement of alleged violations of civil-rights laws. These suits would be in the nature of civil actions and would be instituted by the Attorney General with or without the consent of the person or persons whose civil rights it is alleged have been, or are about to be, violated. These suits would be financed by and brought in the name of the United States Government.

The relief in these civil suits would be of a preventive nature in the form of applications for temporary or permanent injunctions, or a restraining or other order.

Under the provisions of this bill, any person accused of contempt of court for the violation of a court order would be tried by the judge of the court which issued the order allegedly violated. The accused would be tried by the judge without a jury. The presiding judge would act as prosecutor, judge, and jury. This clever provision of this bill, which would deny the accused the time-honored right of trial by jury, and would substitute therefor a trial by injunction and contempt, was spawned by Attorney General Brownell and is being nurtured by the NAACP, the American Civil Liberties Union, and other leftwing groups of the like ilk.

We find many of the national labor leaders in the forefront of those demanding the enactment of this legislation. They are demanding that this Government, in its trial of civil-rights-violation cases, return to the use of the very same procedure which the forces of labor once so vehemently condemned when it was being used in contempt trials in labor cases. They are demanding that persons charged in civil-rights-contempt cases be denied the very same right they once so strongly and diligently fought for and eventually received when

the Norris-La Guardia Act was passed in 1932.

Every student of our Federal system of government knows that the right of trial by jury for grave offenses is one of the cornerstones of our Constitution and of our political philosophy. It is a right which I never dreamed I would have to fight on this floor to protect. It is a right which we had every reason to believe would remain inviolate. It is a right which is expressly referred to three times in our Constitution. It is a right which I believe to be worth fighting to retain. This I shall continue to do with all my energy and ability.

To the Members of this body who will, by voting for this bill, surrender this basic and inherent right of trial by jury for potential Negro and leftwing support at the ballot boxes, I ask if you do not think the price of this surrender is rather high? I ask you, What more inherent and fundamental right has a citizen of this country than the right of trial by jury when he is charged with grave offense?

The influence of potential votes on the action of some of the Members of this body always amazes me. If this bill is passed in the House, it will not be because a majority of the Members believe in its merits, but it will be due, in my opinion, to their belief that to support it is politically expedient.

Many Members of the House of both political parties who are Representatives from districts in States outside the South were emphatic in their denunciation of the United States Supreme Court for some of its recent decisions which they thought constituted an invasion of the rights of the States they represent. There is little doubt but that many of those who were most profound in their criticism of that Court for its actions, will be found in the forefront of those waging a hue and cry for the enactment of this bill—a bill which would subvert the independence of the sovereign States of this Union to the Federal Government.

This bill would give the Attorney General of the United States the power to effect the actions of the State, county, and city boards of education, the school systems of the county and State and all the election officials in the various States. It would also provide him with a club to wave threateningly over the heads of all State law enforcement officials.

Its passage would make the States subservient to the whims of one man—the Attorney General of the United States. I say there is grave danger in giving any one executive official of this Government so much authority when there is a chance it may be arbitrarily, politically, or unscrupulously exercised by him.

Although this legislation is directed toward the people of the South, its far-reaching provisions make it a potential threat to the peace, security, and liberty of all the citizens of the States. Everyone in every State of this Union would become a possible target for an accusation by another having violated his civil rights. He would become the target of disgruntled persons, the Civil Rights Commission and the Attorney General. Under the provisions of this bill, a person would be forced to appear as a witness at a Commission hearing upon complaint that he had violated the civil rights of another person or persons. He would be required to attend such hearings as a witness if they were held in the same United States circuit court district where he was found, resided, or transacted business. To give you an idea of the possible distance a witness might have to travel to appear before this Commission, the United States circuit court, of which Mississippi is a part, is composed of Mississippi, Georgia, Alabama, Texas, and the Canal Zone.

Section 1 of this infamous bill provides for the establishment of a Government Commission on Civil Rights. It says that there shall be six Commissioners appointed by the President and subject to the approval of the Senate. This Commission would, among other things, be empowered to investigate allegations that persons are being deprived of their right to vote by reason of their color, race, religion, or national origin. Also, it would be empowered to hire a full-time staff director and other such personnel as it deems advisable. And it would have the authority to pay the expenses of not more than 15 persons at any one time to "snoop" for the Commission. You may rest assured that these 15 "snoopers" and the unlimited number of persons which this Commission would be authorized to hire as staff personnel would be recruited from the NAACP and other left-wing groups.

It is a foregone conclusion that the activities of these snoopers in the South would cause inestimable chaos, confusion, and unrest among its people and would greatly increase the tension and agitation between the races there.

This Commisison would have at its disposal any money in the Treasury not otherwise appropriated and it would have the authority to use as much as it thinks necessary to carry out the provisions of this bill.

This Commission besides doing this snooping would serve as a kind of grand jury for Mr. Brownell and the Department of Justice. It would have the investigative and subpena powers of a Federal grand jury but would not have the authority to issue indictments. However, this lack of authority by the Commission to issue indictments would not mean that the witnesses who testified at the hearings would escape possible prosecution. For the Attorney General would have the authority to use the testimony adduced at these Commission hearings as the bases for instituting injunctive proceedings against the person or persons allegedly guilty of the civil rights violations of others.

What this so-called civil-rights bill has the audacity to say to our States is that we in the South do not know what justice is and must have it forced upon us by the Federal Government from Washington. It says that our State courts, our State educational systems, our State law enforcement machinery, and our State election officials have no respect for the rights of every individual. This bill proclaims that the people in Mississippi, Alabama, Florida, Georgia, Louisiana, Virginia, and the Carolinas, hate our fellow man and deny him justice; that the Congress of the United States by this legislation proposes to make us treat him fairly. This bill is a gross insult to every public official and every citizen of these States.

In order to make us treat fairly those whom this legislation so wrongly says we mistreat, this obnoxious bill proposes to designate the Attorney General of the United States, along with the Civil Rights Commission and its "snoopers," as prosecutors to see that this is done.

The stipulations of this bill represent to me the vicious catalog of a legislative crime. Its greater destructive quality consists not so much in the stipulated power accorded in this way to the Attorney General, the Civil Rights Commission and the Federal district courts, which is a gross distortion of the Constitution and an invasion of States rights, as in the aura of justice for all and the cloak of pious Federal protection which invests this piece of legislation.

By being labeled falsely as a civil-rights bill, many decent and devout Christians have been deceived and deluded into fighting for a cause which they do not understand—the end result of which would deprive them of one of their basic constitutional rights. It has made a race-conscious people see indignity and mistreatment where none exists. It has given a paintbrush of smear and a pot of propaganda materials to the National Association for the Advancement of Colored People, an organization which is not so much an association for the advancement of colored people as it is an instrument for causing agitation between the races. In this role the NAACP is not only untrue to what its avowed functions are supposed to represent, but is a menace to law and order in the United States.

Let me reiterate some reasons and add other reasons why I am unequivocally opposed to this bill:

First. It is un-American fanaticism frozen into the dangerous language of a legislative proposal.

Second. It is a ruthless distortion of the true principle of civil rights.

Third. Its application may be national, but everybody knows that it is aimed definitely and primarily at the Southern States. The poison of its agitation is spreading to the North, Middle West, and West.

Fourth. It revives sectional animosities and drags up and modernizes the fading basic controversy of the War Between the States in a new, live, and irritating form.

Fifth. A hard core of sponsors of this measure are motivated solely by a cynical greed for capturing the votes of easily misled, highly sensitive, and often emotionally unstable minorities in their own areas.

Sixth. I am opposed to this so-called civil-rights bill because I believe it to be unconstitutional and an invasion of the rights of the States, and contrary to the efforts of those, like myself, who

seek decentralization in our Government for the sake of returning to the principles of our Founding Fathers.

Seventh. I am opposed to it also because it has intensified the feeling between the races in the South and has retarded adjustment that was taking place before it appeared on the scene.

Eighth. The bill's provisions are such that depending upon the political affiliation of the Attorney General and the members of the Civil Rights Commission, the pressure upon them, and their characters, there is room for endless executive abuses under it.

Ninth. Legislation should never be used like a club by one group of Americans to beat down the heads of another group.

Tenth. I am opposed to it because it is unnecessary. It is unnecessary because every person's civil rights are already adequately protected by existing Federal laws.

There are many other reasons, too numerous to mention, why this bill should be overwhelmingly defeated.

Mr. CELLER. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. ADDONIZIO].

Mr. ADDONIZIO. Mr. Chairman, on May 21, hardly a fortnight ago, the way was at last cleared for consideration of the civil rights bill by the entire House of Representatives. After testimony that seemingly never would end, first in a Judiciary subcommittee, then in the Rules Committee a moderate bill with a single purpose, the enhancement of human justice, has struggled onto the calendar. This is a bill which is as consistent with our basic religious teachings—"God hath made of one blood all nations of men"—as it is with our fundamental political teachings—all men are created equal and are endowed by their Creator with certain unalienable rights." The past failures of Congress to act on civil rights, and to act decisively, bear witness to man's inhumanity to man. For wherever we find denials of equal opportunity—in employment, in education, in housing, in public recreation, in health facilities, in transportation, in the right to vote, and even in our courts—we find violation of a fundamental principle of our democracy. This is the principle which holds that men are to be judged on their individual merits, not according to the accident of their membership in one race or another, not according to their choice of religious affiliation.

No devoted American would support a measure which sought blindly to achieve egalitarian results, a measure which sought to make all men equal by depriving from each man his last vestige of individuality. Such a measure would represent a flagrant abuse of the American manner, a brazen theft of liberty, a barbarian onslaught upon justice. Indeed, the American manner has room for the principle of aristocracy—in point of fact depends upon it for invention, for initiative, for ideas, for progress. But the type of aristocracy which true Americanism condones is the type which won the acclaim of our Founding Fathers, of the liberal Jefferson, of the conservative Adams. It is not an aristocracy based upon race or religion, or any other accident by birth. It is an aristocracy of merit, ability, and virtue. The civil rights bill now awaiting our appraisal represents a moderate step toward advancing the American brand of aristocracy. It does not propose all it might. Indeed, I regret that it leaves significant areas of discrimination and grievance untouched. However, it remains a commendable bill in that it narrows the field of bogus aristocracy and broadens the scope of equal opportunity.

The civil rights bill as submitted by the Judiciary Committee reflects several points of emphasis. Its chief point of emphasis, quite clearly, is protection and encouragement of the right to vote. This is a mission which I would hope no devoted American would criticize. History teaches us that the most effective method yet found for holding governors responsible for their deeds and misdeeds comes from granting free, universal suffrage to the governed. History demonstrates further that when in civil society a large number of problems and injustices exist, the most reasonable, the most moderate, the most lasting course of remedy results from obtaining greater protection or expansion of the right to vote. To this extent, not only is the measure before us perfectly consistent with democratic practice; it contributes, in addition, to a movement in American political life which is as old and as trusted as the Constitution itself—and, I may add, as fundamental.

The moderate approach to civil rights shortcomings which characterizes this bill has been termed in the favorable majority report a "necessary minimum." That indeed it is. Offered here is a long-range solution to problems, some of which are short-range in nature. But offered here is a bill on which persons from all sections of our land who are devoted to the free and meaningful franchise can find agreement.

Opponents of civil rights legislation have pointed out that we already have criminal statutes providing fines and imprisonment for persons convicted of depriving others of their rights to equal protection under the law—including the right to vote in Federal elections. They have asserted further that civil statutes exist under which a private citizen can file suit to protect his own civil rights. On both counts the critics are correct. What they have neglected to add, however, is that neither remedy is effective: The first is inadequate not only because criminal procedures are unavailable until after the harm has been done, but also because the harsh criminal penalties discourage both indictment and conviction. The second is inadequate because often the victim of voting interference is too poor, too preoccupied with the task of subsisting to engage adequate counsel to plead his cause before the time-consuming, vastly expensive machinery of local administrative agencies and State courts—and all these before his case even reaches the Federal courts.

Accordingly, the pending civil rights bill is aimed less at making major substantive changes in the civil rights laws than at offering new methods of enforcing laws already on the books. The new bill would bypass the administrative agencies and State courts and allow a civil rights plaintiff to take his case directly to the Federal courts. Moreover, it would empower the United States Attorney General to file civil suits whenever any persons have engaged or there are reasonable grounds to believe that any persons are about to engage in acts which would violate existing civil rights statutes.

Suppose under the proposed law a person complains to the Justice Department that he has been threatened with harm should he vote. In the name of the United States, but on behalf of the person threatened, the Attorney General would bring suit in the nearest Federal court. The burden of proof would fall on the Government. The defendant would have the usual rights to cross-examine, present witnesses, and appeal. Should the Federal judge decide that there were reasonable grounds to believe interference would be forthcoming, an injunction would be issued ordering the defendant to cease and desist from such activity. Now should the defendant cease and desist as ordered, the affair would end at that point. However, should he fail to do so, he could be held in civil contempt. At his contempt hearing, if found guilty of failing to heed the injunction, he could be jailed until he purged himself of the contempt by agreeing to obey the injunction.

In recent weeks this proposed series of procedures has been severely attacked, especially the provision which allows a Federal judge to declare a disobedient defendant guilty of contempt of his court. Critics of the provision vigorously assert that it involves abolition of trial by jury. Do we wish to sanction a measure, they ask, which repudiates a precious element of Anglo-American justice—the right to a jury trial? By fortifying their arguments with attractive platitudes and utterly misrepresenting both the letter and spirit of Anglo-American justice, the foes of civil rights have demonstrated the horrendous ends to which they will go to preserve conditions which are as outdated by enlightenment as they are outlawed by morality.

Let me briefly highlight the truth of the matter:

First. Jury trials in contempt cases have absolutely no basis in equity or constitutional law and precious little legislative sanction. With a single exception, trial by jury has never been required in contempt cases to which the United States Government was a party. The single exception, the Norris-La Guardia Act of 1932, required jury trials in contempt proceedings arising from labor disputes. This provision was virtually repealed, I might note, by the Taft-Hartley Act of 1947.

Second. The contempt citation is the judiciary's historic enforcement tool. Throughout the centuries it has been the chief weapon employed by judiciary agencies—whether at the State, Federal, or congressional level—to guarantee that its rulings are not ignored or its dignity besmirched.

Third. Were jury trials to be provided in civil rights contempt citations, the courts would be emasculated in performance of their duty, and the entire civil-rights program would be rendered effete.

Fourth. Under the new law, there certainly would not be wholesale harassment or displacement of voluntary and State activity, since the Attorney General could act only when existing civil rights statutes were about to be, or were violated.

Fifth. The entire contempt procedure could be easily avoided were there no interference with the right to vote or were such interference terminated once the court so ordered. It must be remembered that only when a person refuses to obey a court injunction ordering him not to deprive another of his voting right does the contempt procedure become operative.

In short, what the opponents of civil rights legislation are doing is advocating a radical, almost unprecedented innovation under the guise of traditional, established procedure. They are employing the respected verbiage of the democratic process to establish procedures which are antithetical to the healthy operation of a strong, workable judicial system. Wearing the wig and frock of the conservative, waving the shibbolethos of the custodian, they expouse a radical notion.

Should the new methods of enforcing our civil-rights laws, which also provide for an Assistant Attorney General to handle their prosecution, reveal certain shortcomings or imperfections, these will surely be noted by the proposed Civil Rights Commission. This 6-member bipartisan Commission has as its major assignment a careful study of the civil-rights situation over the next 2 years. It is especially commendable and symbolical, I think, that the Commission has bipartisan membership. For, surely, it is indisputable that the problems it must confront are bipartisan in nature. They are problems which distress us not only as a people but also as a leading member in the free-world community.

Mr. Chairman, we deplore, and rightly so, the Iron Curtain which separates the free from the oppressed. But many loyal Americans attest to the fact that the curtain separating the potential voter from the free ballot appears at times also to be made of iron. Mr. Chairman, we deplore, and rightly so, the wicked practice of jamming the Voice of America. But countless public-opinion polls, articles, letters, and, indeed, congressional votes reveal that the Voice of America will also be jammed should the civil-rights bill meet devastation or defeat.

This measure, the result of 3 years of intensive study, moderate, flexible, and just, merits the swift and unqualified approval of our Congress.

Mr. CELLER. Mr. Chairman, I yield 20 minutes to the gentleman from Louisiana [Mr. WILLIS].

Mr. WILLIS. Mr. Chairman, there has been so much discussion about the so-called jury trial amendment in the last few weeks appearing in the press almost every day, and it is so much on the people's minds that I, too, like my good friend from Maryland [Mr. HYDE] will use the time allotted now to a discussion of that subject. Later on during consideration of the bill under the 5-minute rule we, of course, will discuss other features of the bill.

The bill under consideration does not even mention trial by jury, but it does contain an adroit provision that would deprive the people of this precious civil right. How is that accomplished?

There is an old law which guarantees the right to a trial by jury in any and all contempt cases, except where the suit is brought "for the United States, or in the name of the United States." Now if you look at the top of page 10 of the bill, you will see that all suits will be brought by the Attorney General "for the United States, or in the name of the United States." The proponents of this legislation apparently believe that they can deprive people of their right to a trial by jury by this simple provision which would require the Government to be a party to all suits. In other words, not a single new right or cause of action is given to individuals who are supposed to be aggrieved. The bill does not require the aggrieved parties to give their consent to any suit, either in writing, orally, or otherwise. In fact, people may be involved in lawsuits against their neighbors without their consent and over their protest. And the reason for such an unheard of approach is this. If the suits were filed by the real parties who are supposed to be aggrieved all defendants would be entitled to a trial by jury in criminal contempt proceedings; and so, the proponents of this bill are trying to get around the right to trial by jury by the cynical device of requiring all suits to be brought by the Attorney General "for the United States, or in the name of the United States." I predict that they will not succeed in this effort.

We all know that it is when the might of the Federal Government is hurled at an individual that he really needs a trial before a jury of his peers. And I will show you that Congress never intended the waiver of a jury trial when the Government is a party to a suit as a wide-open loophole to send people to jail wholesale. I will prove by the words of the author of that old law, Mr. Clayton, himself, and the then Attorney General of the United States, Mr. Wickersham, that the purpose of the exception was to enable the Government to enforce our antitrust laws.

Now, under a special provision of the Norris-La Guardia Act of 1932 labor unions are entitled to a trial by jury in all contempt cases arising under the act, and even though the Government might be a party to the suit. We say that there is no reason to set labor unions apart as a separate class and that what is good for labor unions in labor disputes cases should be good for the people in general. Accordingly, we will propose an amendment to preserve the right to trial by jury in civil rights cases, even though the Government might be a party to the suits.

But before discussing the amendment itself, I want to explain why its adoption is necessary.

Our Constitution expressly provides that the judicial power of the United States shall extend to all cases, both at law and in equity. It draws a sharp distinction between a civil case and a criminal prosecution. When a man's liberty is at stake he is entitled to a trial by jury. An equity court has no jurisdiction over criminal prosecutions. The primary purpose of an injunction is to restrain. It was never intended that the power of injunction should be used as an instrument to convict. Yet that is exactly what some of the proponents of this bill are asking you to do. And they are asking you to do it openly, without blush or shame. You know it and I know it. We may as well face the problem squarely in the face before we vote.

We can start with Mr. Brownell himself, who testified before our committee.

Please understand that we already have two general laws on the subject of civil rights. One is a civil law under which the suits are to be instituted by individuals, and the other is a criminal law under which defendants are to be prosecuted by the Government. These laws cover every conceivable civil-rights violation. But what disturbs Mr. Brownell is that our predecessors had the effrontery to preserve the right to trial by jury under either law. Why? Well, if a criminal prosecution is filed by the Government, of course, the defendant is entitled to a jury trial; and if an individual applies for an injunction, and contempt proceedings result, the defendant is again entitled to a jury trial.

Mr. Brownell said that what he wanted was to strengthen the civil-rights laws. He was asked if he wanted to broaden and stiffen the criminal statute on the books. He said in effect, "Oh, no. Criminal prosecutions are too inflammatory, and besides it's too hard to convict."

Mr. Olney, chief of the criminal division, was also quoted in the press to the effect. The gentleman from New York [Mr. CELLER] also says that juries might not convict. The gentleman from California [Mr. ROOSEVELT] says the bill would be meaningless without a no-jury-trial gimmick. I am not saying they are insincere. I am simply taking them at their word: convict, convict, convict, that's their password.

No one that I know of is against punishing the guilty. I know I am not. In my book, however, only juries can make convicts out of people. But what do some of the proponents of this measure want you to do? They are asking you to convert or shall I say pervert equity or chancery courts into criminal tribunals.

Twice before in our history, and under similar historical circumstances, an effort was made to abuse the power of injunction, and on each occasion this Congress rebelled in righteous indignation. The first resulted in the Clayton Act of 1914, and the second in the Norris-La Guardia Act of 1932.

In testifying before the Rules Committee, the chairman of my own committee, my very good friend from New York [Mr. CELLER] described the conditions that brought about the Clayton Act

and the Norris-La Guardia Act. He said:

> Those were the days of the so-called yellow-dog contracts, the so-called days of the sweatshop conditions, when judges were prone, more than prone, they were avid to issue injunctions, and there were wholesale injunctions issued and wholesale violations of the injunctions, and labor leaders went to jail for long stretches.

Accordingly, the Clayton Act did two things. In the first place it limited the very power and jurisdiction of the Federal courts to issue injunctions in labor disputes. And then it provided that a defendant charged with contempt for any alleged violation of any injunction decree is entitled to a trial by jury.

The contempt provisions of the Clayton Act of 1914 were the successful fruition of many years of effort by the Congress to curtail the abuse by the courts of their power to punish for contempt. The provisions contained in the Clayton Act relative to contempt of court were taken verbatim from the bill which had been passed by the House in 1912, and not acted upon by the Senate.

If there was one person in Congress who knew the purpose of the law, it was the author of the bill, Mr. Clayton. Here is what he said:

> The courts have, under the guise of contempt of court, had men arrested and tried for crimes without the intervention of a jury. That is the reason why this legislation is necessary. This bill is not intended to and does not subtract one iota from the enforcement of any civil remedy or redress that any man has through the chancery court and through its power to punish for contempt, but it says that the chancery court which was never designed to be a court of criminal jurisdiction, which was never designed to try crimes, shall not be vested with criminal jurisdiction, except that when it does exercise jurisdiction in a criminal case the man charged with crime shall have the Anglo-Saxon, the American, right of being confronted by his accusers, to cross-examine his witnesses, and to be tried by a jury of his peers before his liberty shall be taken from him.

Following the custom of the time, the CONGRESSIONAL RECORD indicates that there was applause in this great body when Mr. Clayton uttered those noble and prophetic words in this very well of the House.

At that time chancery and equity courts were being used as criminal tribunals. The answer of Congress was to guarantee trial by jury. History is repeating itself today. Are we men of lesser stature? Is jury trial meaningless today? Are we afraid of jury trial today? Do we want to turn the clock back 45 years?

You must remember that the Clayton Act relative to contempt was tacked on as an amendment to the antitrust law in 1914. And as I have said, the act does contain a provision waiving jury trial when the suit is brought "for the United States, or in the name of the United States." Now, why was that provision inserted? Again, the man who knew the reason was Mr. Clayton, and here is his explanation:

> The next objection that was made to it was that it would probably detract from the power of the courts to enforce their decrees of dissolution of combinations denounced by the antitrust law. I violate no confidence when I say that that was the criticism of the chief legal officer of the present administration, Attorney General Wickersham. We have met that objection by providing in this bill that it shall not apply in any case where the United States is the party complainant. Every man in this House knows that in all proceedings under the Sherman antitrust law the United States is necessarily, by the terms of the statute, the complainant. So we answered that criticism of this bill.

In the light of the history of the legislation, I say to you that in my opinion to use the Clayton Act as a vehicle to deprive persons of the right to a trial by jury would be in direct violation of its intent and purpose.

Events after 1914 convinced the Congress that the Clayton Act did not go far enough in connection with labor disputes. Accordingly, the Norris-La Guardia Act of 1932, as subsequently refined, went two steps further. It imposed additional limitation on the broad power and jurisdiction of the Federal courts to issue injunctions, in the first place, and, in the limited number of cases where the courts were permitted to issue injunctions in labor disputes, it provided that defendants charged with contempt of court would have the right to a trial by jury, even though the Government might be a party of the suit.

The amendment we will propose will tract the contempt provisions of the Norris-La Guardia Act word for word. The net effect of our amendment would be to preserve the right to trial by jury even though the actions under this bill will be brought for the United States, or in the name of the United States.

And I want to make one point perfectly clear. Our amendment would definitely not go as far as the Norris-La Guardia Act. Under that Act Federal courts are forbidden to issue injunctions in labor disputes, except in a limited number of situations. Under our amendment there would be no limitation on the broad powers of equity courts to issue injunctions in any and all civil rights cases. Under our proposal the judge could still punish for contempt committed in the presence of the court or so near thereto as to interfere with the administration of justice. We are only asking for a jury trial when a person is threatened with a jail sentence for events occurring after the trial of the injunction.

Remember also that we are not asking for any right that the people do not already enjoy. As I pointed out, under present law, if the Government prosecutes a criminal action for violation of alleged civil rights, the defendant, of course, is entitled to a trial by jury; and if criminal contempt results from a civil suit filed by an individual for alleged deprivation of his own civil rights, the defendant, again, is entitled to a trial by jury. But under the clever wording of the bill before us, which would make the Government a party to civil suits, the defendants would be deprived of their right to trial by jury. The purpose of our amendment is to offset this attempt to bypass jury trial, by requiring that such right will be preserved, even though the Government might be a party to the suit. The Clinton, Tenn., case, illustrates the status of the law today and what it would be tomorrow if this bill should be adopted without our amendment.

In that case certain colored persons requested a mandatory injunction to compel the local school board to admit them in a public school. The plaintiffs finally won out on appeal. The Federal judge accordingly ordered the school to be integrated and issued an injunction forbidding not only the school board but the people in general from violating "or in anywise interfering with the carrying out of the aforesaid order of this court either by words, or acts, or otherwise."

Later on the Department of Justice filed criminal contempt proceedings in the case, alleging that 16 persons in the community had violated the decree. These people were not even parties to the original injunction suit. They were total strangers to the original proceedings. They deny that they violated the injunction. Perhaps they did, and if they did, they should be punished. But the point is that they are being threatened with a jail sentence and never had their day in court. In any event, they asked for a jury trial and under the law as it stands today the Federal judge ruled that they are entitled to it.

Now, if this bill should be adopted without a jury trial amendment the right to a trial by jury would be completely wiped out not only in a situation such as was presented in the Tennessee case but in any and all conceivable contempt proceedings that might be filed "for the United States, or in the name of the United States."

And the Clinton, Tenn., case affords a typical illustration of the kind of blanket injunction decrees that will be issued in suits brought by the Attorney General "for the United States, or in the name of the United States." If anyone should tell you that this bill would not take away the present right of people to be tried before a jury of their peers, ask them this simple question: What about the Tennessee case?

So fundamental is the right to trial by jury that it is guaranteed not only in criminal prosecutions but in suits at common law where the value in controversy exceeds $20. Did you know that? Look at the seventh amendment in the Bill of Rights.

I remind you that we are only asking for a jury trial in contempt cases under circumstances where that right is guaranteed to members of labor unions. I remind you also that persons charged with contempt of Congress are entitled to a trial by jury. Known and hardcore Communists are entitled to a jury trial for contempt of this Congress itself.

Mr. COLMER. Mr. Chairman, will the gentleman yield to me briefly at that point?

Mr. WILLIS. I yield to the gentleman from Mississippi.

Mr. COLMER. Is it not also a fact that the Committee on the Judiciary which has reported out this bill under consideration now which would deny the right of trial by jury reported out a bill which would streamline this procedure to get these fifth amendment boys to the court; that that bill has never been reported to this House; that it is up in the Rules Committee today because it does not have the political appeal that this bill has, and that apparently nobody is pushing to get it out because it was brought out in the Rules Committee that that bill would deny these fifth amendment pleaders the right of a trial by jury?

Mr. WILLIS. The gentleman is absolutely correct; and on that score I will say two things: First, I protested against that bill, not only orally but also in writing, because I do not believe in bypassing traditional constitutional rights to trial by jury. I went on record against it. And, secondly, I will say to the gentleman, that I, too, predict that that bill will never see the light of day out of his committee.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. WILLIS. I yield.

Mr. KEATING. The bill to which the gentleman refers is the one of which I am the author.

Our mutually good friend [Mr. WALTER] favors the bill. But I will say to the gentleman that last year it passed unanimously out of our committee. This year it passed unanimously out of our committee and never a word was raised in the discussion in committee on that bill and not until the furor rose in connection with the civil rights matter was any question raised about that.

Mr. WILLIS. Last year it slipped through, and I am blaming no one, by unanimous consent. I did not know about it, but I went and record against it.

Mr. KEATING. It was discussed at length in our committee last year.

Mr. WILLIS. I was not present.

Mr. KEATING. I do not know that the gentleman was present.

Mr. WILLIS. That is why I had to go on record.

I understand that the Attorney General has written a letter to certain Members of Congress in a last minute defense of his no-jury-trial gimmick. He says that our amendment would give a jury the right to review the original order of court. That statement is not only incorrect but it could be very misleading. Take the Clinton, Tenn., case for instance. The court ordered the school board to admit certain colored persons to the public school. I understand that these colored children are now attending the school. As I pointed out, the defendants are charged with contempt in connection with facts and events that occurred since the issuance of the injunction. The purpose of the jury trial there is not to review the original order of court. The purpose is to punish third parties to the original suit who never had their day in court. It is a brand-new trial, presenting brand new facts and circumstances.

I have heard reference made to the practice of punishing a husband who does not pay alimony to his wife or children without a trial by jury. If that argument is worthy of consideration, then I would suggest this to you. The defendant who fails to pay alimony had his day in court. He had the right to show his earning capacity as the basis upon which the judge arrived at the amount. If his financial circumstances change, he can ask the court for a reduction of the amount. Moreover, the suit is one at law and not in equity. There is and can be only one defendant in the case. Under the present proposal there would be numerous defendants, just like in an injunction against a labor union. If the judge in a divorce case would undertake to issue a decree not only against the single defendant but against all unfaithful and delinquent husbands, I imagine some people might be in a devil of a fix. But I would not know too much about this divorce business. I guess I am old timey—it happens that I was only married once for the last 28 years.

And practically the same argument is made in connection with injunctions issued under special acts of Congress. On reflection, however, you will find that these statutes were enacted pursuant to powers specifically delegated to the Congress by the Constitution. They involve such fields as interstate and foreign commerce, and the protection of our national security. In each case the injunction is issued to enforce a specific act of Congress and it does not have the broadside nature or effect as in cases involving labor unions and civil rights. For example, an injunction issued pursuant to the Sherman antitrust law has for its limited purpose the prevention of a monopoly or combination in restraint of trade, such as was recently presented in the $2 billion suit against the Du Pont Corp.

Again, under the Atomic Energy Act, the power to restrain by injunction is in the interest of our national security, such as the threatened violation of atomic-energy secrets.

But here the broad power of injunction is sought in the wide open field of the private rights of individuals. Under this bill the present, and future Attorneys General, would be the repository, the guardian, the Great White Father of all civil rights. This proposition is so novel and so far-reaching that it has never been thought about, much less tried, in our history. I say to you that if such powers are to be granted at all, they should be restricted at least to the point of preserving for the people their precious civil right to be tried before a jury of their peers.

And in conclusion let me suggest this to you. Attorneys General are political appointees. They come and they go. But the right to trial by jury is an institution that should be as permanent and eternal as the Government itself. I ask you not to be a party to its possible destruction. And in the name of the Great Emancipator himself, I ask you not be afraid of a government of the people, by the people, and for the people.

Mr. THOMPSON of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. WILLIS. I gladly yield to my colleague.

Mr. HOFFMAN. Mr. Chairman, if the gentleman will yield, may I interrupt now before you go further with the debate to give a little advice to the gentlemen over there on the Democrat side? We have just listened, as far as I am concerned, to a wonderful, instructive, and convincing talk, but the gentleman has been talking to "believers." He did not have the opportunity to ask those opposing the bill to hit the sawdust trail. Why do you who oppose the bill not get out and let me make a point of no quorum so that some of those who do not now support the measure may be called in on a quorum call and perhaps become converts? No use calling upon "sinners" to come forward when they are not present to hear the call.

A mutual admiration society or group is enjoyable but it does not get votes.

Mr. THOMPSON of Louisiana. Mr. Chairman, I would like to associate myself with the remarks made by my learned friend and colleague, the gentleman from Louisiana [Mr. WILLIS], and to compliment him on a most brilliant dissertation. I hope everybody got as much out of it as I did.

It is gratifying to me that such convincing and crystal clear arguments, designed to illustrate to the intelligent and openminded people of this body, can be made on a basis of legal and constitutional rights of the people of America in every section without resort to emotional appeal as sometimes is wont to spur a legislative body into questionable action. The question of the right to trial by a jury in any criminal contempt action which is fundamental in our way of thinking, not only in the South but all over America, is not the only great principle involved in this consideration.

The matter of placing the Government and more specifically the office of Attorney General in the position of prosecution in behalf of American citizens who do not feel there should be action will, to say the least, be embarrassing and upsetting to any individual who, depending upon a whim of one delegated with the authority of the Attorney General, might be thrust in the midst of court action against his neighbors and friends. This entire subject matter indicates to me that it stems from those who were nurtured on the Hamiltonian theory of government with more and more centralized powers placed in the hands of the central government. As a matter of principle in government, I shall remain a believer of the Jeffersonian approach which recognizes the sovereignty of the individual State. Never will I accede to the embarrassment of the dignity of State processes such as this legislation implies. If there is doubt that juries, for instance, in certain areas of the country will not react properly in the name of justice in cases of violation of civil rights and injunctions, why then would the proponents of this measure not under their philosophy go further and place in the hands of Federal judges without benefit of trial by jury of murder trials which is the extreme in violation of civil rights? This legislation, ladies and gentlemen of the House, is not one to be debated as a matter of rectifying certain wrongs in cases where the rights of individuals have been infringed upon but rather one that, regardless of the motives of

its proponents, is the most far-reaching proposal to place more and more powers in the hands of appointed individuals of the Central Government for expediting in accomplishing the will or the whim of the few rather than the entire citizenry who under our Constitution are really our fundamental government. This Government, I hope, will remain one of law and not of man.

I have every confidence that the due processes of local and State law in my State of Louisiana will always reflect the highest ideals of true democracy as we in America enjoy. Preemption of local processes as this proposal, under the guise of civil-rights legislation will permit, would be the beginning of a crumbling of the sovereign rights of the States which all of us should fight to retain. I hold the same high regard for the processes in your State, and it is my sincere hope that will will join with us in preserving these fundamentals of our Government.

Mr. KEATING. Mr. Chairman, I yield 20 minutes to the gentleman from Virginia [Mr. POFF].

Mr. MASON. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Forty-eight Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 99]

Anderson, Mont.	Farbstein	O'Brien, Ill.
Arends	Fino	O'Konski
Avery	Fogarty	Philbin
Ayres	Forand	Poage
Bailey	Garmatz	Powell
Baker	George	Prouty
Barden	Gray	Radwan
Barrett	Gregory	Reed
Beamer	Gwinn	Rhodes, Pa.
Blatnik	Halleck	Rogers, Colo.
Boggs	Harrison, Nebr.	Sadlak
Bowler	Healey	Scrivner
Breeding	Hillings	Sieminski
Buckley	Holifield	Simpson, Pa.
Burleson	Holtzman	Smith, Wis.
Canfield	Horan	Spence
Cederberg	James	Staggers
Chamberlain	Keeney	Steed
Chiperfield	Kelley, Pa.	Taber
Christopher	Kilburn	Taylor
Clark	Kilday	Teller
Coudert	King	Thompson, Tex.
Cunningham, Nebr.	Kluczynski	Udall
	Krueger	Utt
Curtis, Mo.	McConnell	Wharton
Dawson, Ill.	McGovern	Williams, N. Y.
Dempsey	McIntire	Wilson, Calif.
Donohue	Machrowicz	Wilson, Ind.
Dorn, N. Y.	Miller, Calif.	Withrow
Eberharter	Miller, Md.	Wolverton
Engle	Miller, N. Y	Zelenko
Fallon	Morano	
	Multer	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ALBERT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 6127, and finding itself without a quorum, he had directed the roll to be called, when 331 Members responded to their names, a quorum, and he submitted the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The Chairman. The gentleman from Virginia [Mr. POFF] is recognized for 20 minutes.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. POFF. I yield.

Mr. PELLY. Mr. Chairman, I ask unanimous consent to extend my remarks following those of the gentleman from Virginia.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. POFF. Mr. Chairman, may I say first of all that I was not the one who caused the roll to be called.

Mr. Chairman, a simple understanding of the jury-trial amendment which will be offered later requires a simple explanation of the injunction and contempt process. An injunction is nothing more or less than a court order requiring the performance of some act or restraining the performance of some act. Violation of such an order is considered contemptuous of the dignity and authority of the judge, and "contempt proceedings" is the process whereby obedience to the court's order is enforced by threat of punishment or the court's wounded dignity is redeemed by actual imposition of punishment.

In civil contempt proceedings where the injunction is employed primarily for the benefit of one of the injured civil litigants—as in a domestic nonsupport case—a jury trial is not a matter of right, although the judge in his discretion may empanel a jury to act in an advisory capacity in the determination of questions of fact. Neither is a jury trial a matter of right in a criminal contempt proceeding when the contemptuous acts are committed in the presence of the court or so near thereto as to interfere directly with the administration of justice.

This is an oversimplified explanation of the general abstract rules and regulations of the injunction and contempt process as it relates to the jury trial as a matter of right. Now let us examine the Federal statute dealing with the subject. Paraphrasing that statute—section 3691 of title 18 of the United States Code—any person charged with contemptuous acts in violation of a Federal court injunction is entitled as a matter of right to a trial by jury if those acts also constitute a violation of the criminal laws of the Federal Government or of the State in which they were committed. The bill under debate authorizes the use of an injunction to restrain the commission or omission of an act which would violate a civil right. The violation of virtually every civil right is also a crime, either under a State law or a Federal law. That being true, under the statute cited, any person charged with a contemptuous act in violation of such an injunction would be entitled to a jury trial upon request.

However—and this is the crux of the problem—this statute contains an exception to the general rule. If the United States is a party to the litigation out of which the injunction arose, then the person charged with contempt is not entitled to a jury trial, even though the contemptuous acts with which he is charged are also criminal under a Federal or State statute. The bill under debate expressly makes the United States a party litigant in every civil-rights injunction proceeding. The amendment which will be offered will make an exception to the exception; it would guarantee a jury trial even though the United States is a party litigant.

The injunction historically has been recognized by students of jurisprudence as an extraordinary legal process. By the literary composition of the injunctive order, the judge translates into his own verbiage his own subjective interpretation of the substantive law. In the process, his own motives, his own convictions, his own predilections, and yes, even his own human prejudice and bias must necessarily creep, perhaps unnoticed and unintended by him, into the body of his order. In effect, he writes a new law governing the case at bar. A violation of the judge's order is an affront to his personal dignity. Accordingly, a judge sitting without a jury in a contempt proceeding is at once the lawmaker, the accuser, the injured party, the judge of the law and the arbiter of the facts, all rolled into one. The consolidation of such a vast amount of powers in one individual, however fair and infallible he may be, constitutes a serious threat to personal liberty. For these reasons, the legislatures of history have authorized the use of the injunctive process only with the most painful reluctance and conscientious jurists have used it only sparingly.

I regret to say that some of our modern-day jurists have not been so conscientious in this regard. How a Federal judge can employ the injunctive power to circumvent and repudiate sacred constitutional liberties was dramatized recently in the case of McSwain et al. against County Board of Education of Anderson County which arose in the United States District Court for the Eastern District of Tennessee. In the language of the court's injunction, the accused who were specifically named and "others whose names are not known" were "enjoined and prohibited from further hindering, obstructing, or anywise interfering with the carrying out of the aforesaid order of this court, or from picketing Clinton High School, either by words or acts or otherwise." Although it is plain from this language that the injunction violated the constitutional guaranties of freedom of peaceful assembly, freedom of speech, and possibly freedom of the press, still the injunction when issued and signed by the judge became the law of the case. Violation of that injunction would be contemptuous, the penalty for which would be a fine or imprisonment or both, and after the United States became a party to the litigation, those cited for contempt—which might include any person in the entire eastern district of Tennessee, regardless of whether he was a party to the suit or whether he had knowledge of the injunction—would be denied the right of a trial by a jury of their peers and be compelled to throw themselves on the mercy of the very judge who had issued the injunction.

Those of us who support the jury trial amendment to this bill are, of course, concerned about the abuse of the injunction and the denial of jury trials in civil rights contempt proceedings. But our fears are not confined to that. We are afraid that this may be used as a precedent to extend the injunction doctrine to other areas of Federal jurisprudence. The Constitution is quite explicit and unequivocal concerning jury trials in criminal cases. In one instance it says, "The trial of all crimes, except in case of impeachment, shall be by jury," and in another, "In all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial, by an impartial jury." The Constitution further guarantees the accused the right "to be informed of the nature and cause of the accusation," the right "to be confronted with the witnesses against him" and the right of a presentment or indictment by a grand jury. In spite of these constitutional guaranties, it might be possible with the use of the injunction and contempt process, to prosecute, convict, and punish one who has violated a Federal criminal statute without benefit of an indictment or a jury trial. Under sections 111 and 1114 of title 18 of the code, any person who assaults or kills a Federal law enforcement official during the performance of his official duty may be tried in a Federal court and if convicted confined in a Federal penitentiary. Under the law as now written, a person accused under this statute would be entitled to a jury trial. Suppose, however, that Congress should authorize the Attorney General on behalf of the United States to obtain an injunction similar to the one authorized in this bill when he had "reasonable cause to believe that any person is about to" assault or kill a Federal law-enforcement official? If, after the injunction was signed, that person should actually commit the assault, he could be dragged immediately without indictment, before the judge, and since the United States would be a party to the suit, the judge could proceed to try him without a jury, pronounce judgment upon him and punish him by imposing the maximum statutory penalty. This may ineeded be an extreme example and only a remote possibility, but it is nonetheless a possibility and one which serves to illustrate the more proximate dangers along the road upon which we inescapably set forth when we authorize in the civil-rights field the injunction and contempt process without the guaranty of a jury trial.

The demand for a jury trial in injunction and contempt proceedings is not something new. In 1895, in the case of *Debs v. United States* (158 U. S. 564), the Supreme Court held certain offenses against property, even though penalized by criminal statutes, could also be enjoined and punished as contempt by the judge without a jury. This decision led to widespread abuse in the use of injunctions in labor disputes. Organized labor revolted against this denial of jury trials and loudly condemned what was called Government by injunction. In 1914 the Congress in the Clayton Act reversed the Debs decision and partly corrected the problem by authorizing jury trials in labor injunction cases except when the United States was a party to the suit. In 1932, Congress completed the job by enacting the Norris-LaGuardia Act which repealed the exception and authorized jury trials even when the United States was a party to the suit. Although I am sure it will be argued by the gentleman from New York [Mr. CELLER], the chief exponent of the civil rights bill and the chief opponent of the jury-trial amendment, that the Wagner Act of 1935 repealed the jury-trial guaranty of the Norris-La Guardia Act, the fact remains that the law as codified in 1948—title 18, United States Code, section 3692—reads as follows:

> In all cases of contempt arising under the laws of the United States governing the issuance of injunctions or restraining orders in any case involving or growing out of a labor dispute, the accused shall enjoy the right to a speedy and public trial by an impartial jury of the State and district wherein the contempt shall have been committed.

Mr. HOFFMAN. Mr. Chairman, I note there are only about 50 Republicans on the floor, and I should like the Chair to count. I make the point of order that a quorum is not present.

Mr. CELLER. Mr. Chairman, I move the Committee do now rise.

The CHAIRMAN. The gentleman from New York has made a preferential motion that the Committee do now rise. The question is on the motion.

The motion was rejected.

The CHAIRMAN. Does the gentleman from Michigan insist on his point of order?

Mr. HOFFMAN. I do, Mr. Chairman. I want the Republicans to hear this.

The CHAIRMAN. The Chair will count. [After counting.] 122 Members are present; a quorum.

The gentleman from Virginia [Mr. POFF] will proceed.

Mr. POFF. This law is a great safeguard to the rights and liberties of the workingman who happens to find himself on the wrong end of a Federal labor injunction. It assures him that no Federal judge, angry, offended, and therefore biased on account of disobedience to his personal decree, can fine him or imprison him without a jury trial, even when the United States is a party to the suit. It assures him that a group of citizens drawn from his own community will stand between him and the arbitrary power of a single individual—an individual who would not have charged him with contempt had he not already considered him guilty. The workingman recognizes the jury as the balance wheel in the scales of justice, and woe betide the man who would try to deprive him of it. In principle, is there any difference between labor injunctions and civil-rights injunctions? Should the State and local officals who may be the victims of civil-rights injunctions be entitled to any less protection than labor leaders?

It is, I think, extremely significant that the only argument made against the jury-trial amendment is that southern juries will be reluctant to convict in civil-rights contempt proceedings. In the first place, such an argument presupposes that every man accused of contempt must be guilty and should be punished. For my part, I prefer the time-tested principle that every man is presumed innocent until found guilty. In the second place, such an argument is a mass indictment of the integrity of the entire southern populace of this country. What could be more reprehensible or more irresponsible than a charge that a whole people would be faithless to a solemn juror's oath? But assuming that juries, weighing all of the facts involved, would be slow to convict, is it not better from the standpoint of liberty that the jury system be preserved, even if 10 guilty men go free while 1 innocent man is convicted? No system for the administration of justice has yet proved itself perfect, and liberty suffers from every imperfection. But of one thing we can be sure, this Government cannot guarantee liberty for all so long as it denies the safeguard of liberty to a single one of its citizens, and there is no safeguard more perfect, more sacred than the right of trial by jury.

Mr. PELLY. Mr. Chairman, I am in strong support of H. R. 6127, the Eisenhower administration bill for the further securing and protecting of the civil rights of persons within the jurisdiction of the United States. Having myself introduced similar legislation I think the situation is that while this is a watered-down bill it has to do with the right of the voting franchise, and as such where there are other evils which need curing, freedom of the ballot box will itself in time be a means of eliminating objectionable conditions for which there is no provision made in this measure. This legislation covers the basic and most important issue of civil rights, and because the bill is not all-inclusive, to make it thus more palatable to more Members, I am hopeful it will have wider support, and in accordance with the wishes of President Eisenhower and both political party platforms be passed by both Houses of Congress.

Opponents of civil rights we learn are going to offer an amendment, in order to kill the effect of the bill, providing for jury trial in contempt cases arising out of Government litigation of civil rights. Naturally any American citizen who hears of an attempt to curb the right of jury trial will resist such action to the utmost. However, this bill does not substitute the injunctive process for trial by jury.

Actually such an amendment is a device to nullify the law. Instead of taking away any right, the bill gives the Federal court the power of vindicating its dignity. Thus if a judge orders a county official to register certain legal voters, and the official does not comply, then under this act the judge could hold the official in contempt without a trial by jury. Such a civil contempt adjudication after the disobedience of final orders and decrees would be reviewable in a higher court of law, so there is protection of the county official. In the past no right of jury has been provided a defendant in civil contempt proceedings where the United States is a party. So it seems to me, after listening to much debate, that the proposed amendment is without justification and is really intended to emasculate the legislation.

Therefore I urge passage of H. R. 6127 without any crippling amendments. As President Eisenhower said earlier this week in his press conference, putting a jury trial between a court order and the enforcement of that order is welcoming anarchy. The best legal argument I have heard supports the President's statement. I shall vote against any such amendment and vote for the bill as originally reported after full and careful hearings by the Judiciary Committee.

Mr. CELLER. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Chairman, I would like to make a very brief statement. We have had two quorum calls this afternoon. I do not want anyone to be under the misapprehension that there will be any effort to conduct any sort of filibuster during the consideration of this bill. But it seems that there were so many Members who were most anxious to get this bill to the floor, and as soon as we got it to the floor and commenced to dissect this creature everybody left. I do think that out of respect to this cause which so many of you are so vigorously espousing that you at least ought to have minds sufficiently open to come here and listen to the argument. I do not see how anyone with an open mind who listened to the last three speeches made here this afternoon by the gentleman from Maryland [Mr. HYDE] the gentleman from Louisiana, [Mr. WILLIS] and the distinguished gentleman from my own State of Virginia [Mr. POFF]—as I say, I do not see how anyone with an open mind who listened to those arguments could do otherwise than correct this bill and see to it that when it does go from this House it will be in proper form.

I simply rise for the purpose of saying to the House that while we have no intention of filibustering on this bill, we shall insist that at least a quorum remain on the floor at all times during the discussion of this measure. If we have to make quorum calls, we will be very sorry to do so because we want this time that we have for general debate, but there is no point in our debating this measure before empty benches.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. HOFFMAN. The point of order that a quorum was not present was because this bill and the amendment calling for trial by jury both strike at the foundation of our system of administering justice. All afternoon you have on your side a quorum present, but on this side comparatively few of those supporting the bill have been on the floor to listen to the arguments of those who oppose it. We feel that we are entitled to at least an opportunity to present our arguments to you. Apparently a quorum is present at the moment but it is my purpose to make a point of no quorum every time you gentlemen on that side walk out and so make it possible for me to force a call of the House in order to insure the attendance of the proponents of the bill.

The gentleman from Virginia [Mr. POFF] is making an able, logical, convincing argument opposing the bill and our colleagues should be advised that he is addressing the Committee.

Mr. CELLER. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose, and the Speaker having resumed the chair, Mr. FORAND, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 6127) to provide means of further securing and protecting the civil rights of persons within the jurisdiction of the United States, had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. PROUTY (at the request of Mr. MARTIN), indefinitely, on account of illness in family.

To Mr. CHAMBERLAIN, for June 7 and 8, 1957, on account of necessity to be in Michigan's Sixth Congressional District on said dates on official business.

SPECIAL ORDER GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mrs. ROGERS of Massachusetts, for 5 minutes, on Monday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. BOLAND and to include extraneous matter.

Mr. FOGARTY.

Mr. BROOKS of Louisiana in four instances and to include extraneous matter.

Mr. MATTHEWS.

Mr. EVINS in three instances and to include extraneous matter.

Mr. MILLER of California and to include extraneous matter.

Mr. STAUFFER and to include a citation by the President of the United States to ex-President Hoover, and his reply.

Mr. MILLER of Nebraska and to include an open letter addressed to him and his reply.

Mr. TRIMBLE and include a speech.

Mr. WILLIS to revise and extend the remarks made in the Committee of the Whole and include a letter.

Mr. FLOOD (at the request of Mr. EDMONDSON) and to include extraneous matter.

Mr. BREEDING (at the request of Mr. EDMONDSON) in two instances and to include extraneous matter.

SENATE BILLS AND CONCURRENT RESOLUTION REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 434. An act to provide for improved methods of stating budget estimates and estimates for deficiency and supplemental appropriations; to the Committee on Government Operations.

S. 695. An act providing for the revision and printing of a compilation of Federal laws relating to the regulation of carriers subject to the Interstate Commerce Act; to the Committee on Interstate and Foreign Commerce.

S. 806. An act to authorize the Administrator of General Services to quitclaim all interest of the United States in and to a certain parcel of land in Indiana to the board of trustees for the Vincennes University, Vincennes, Ind.; to the Committee on Government Operations.

S. 1027. An act to authorize the Secretary of Commerce to prescribe seals for bureaus and offices of the Department of Commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 1366. An act to amend the act entitled "An act to authorize the construction, protection, operation, and maintenance of public airports in the Territory of Alaska," as amended; to the Committee on Interstate and Foreign Commerce.

S. 1791. An act to further amend the Reorganization Act of 1949, as amended, so that such act will apply to reorganization plans transmitted to the Congress at any time before June 1, 1959; to the Committee on Government Operations.

S. 1941. An act to authorize the payment by the Bureau of Public Roads of transportation and subsistence costs to temporary employees on direct Federal highway projects; to the Committee on Public Works.

S. Con. Res. 30. Concurrent resolution to print a compilation of studies and reports on the foreign-aid program; to the Committee on House Administration.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 790. An act to amend the Legislative Appropriation Act, 1955, with reference to official office expenses of Members of Congress;

H. R. 2493. An act to authorize the Secretary of the Interior to permit the construction of a bridge and road across Chincoteague National Wildlife Refuge, and for other purposes;

H. R. 4136. An act to extend the period within which Export-Import Bank of Washington may make loans;

H. R. 5110. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes; and

H. R. 7234. An act to fix the responsibilities of certifying officers and disbursing officer of the Library of Congress.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On May 30, 1957:

H. R. 6871. An act making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes.

On June 6, 1957:

H. R. 53. An act to consolidate into one act, and to simplify and make more uniform, the laws administered by the Veterans' Administration relating to compensation, pension, hospitalization, and burial benefits, and to consolidate into one act the laws pertaining to the administration of the laws administered by the Veterans' Administration;

H. R. 790. An act to amend the Legislative Appropriation Act, 1955, with reference to official office expenses of Members of Congress;

H. R. 2493. An act to authorize the Secretary of the Interior to permit the construction of a bridge and road across Chincoteague National Wildlife Refuge, and for other purposes;

H. R. 4136. An act to extend the period within which Export-Import Bank of Washington may make loans;

H. R. 5110. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes; and

H. R. 7234. An act to fix the responsibilities of certifying officers and disbursing officer of the Library of Congress.

ADJOURNMENT

Mr. EDMONDSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 39 minutes p. m.) the House adjourned until tomorrow, Friday, June 7, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

926. A letter from the Secretary of State, transmitting the 17th Semiannual Report on the International Educational Exchange Program covering the period January 1 through June 30, 1956, pursuant to Public Law 402, 80th Congress; to the Committee on Foreign Affairs.

927. A letter from the Chief Commissioner, Indian Claims Commission, transmitting a report that proceedings have been finally concluded with respect to the following claim: *The McGahey Band of Choctaw Indians, Descendants of Alexander F. McGahey, Susana Graham and John E. Stewart, Petitioners v. The United States of America, Defendant* (docket No. 201), pursuant to the Indian Claims Commission Act of August 13, 1946; to the Committee on Interior and Insular Affairs.

928. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated April 23, 1957, submitting a report, together with accompanying papers and illustrations, on a review of reports on Mahoning River Basin, Ohio, West Branch Reservoir, requested by a resolution of the Committee on Public Works, House of Representatives, adopted March 10, 1955 (H. Doc. No. 191); to the Committee on Public Works and ordered to be printed with two illustrations.

929. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated May 20, 1957, submitting a report, together with accompanying papers and illustrations, on an interim report on Monroe Reservoir, Salt Creek, White River Basin, Ind., requested by resolutions of the Committee on Public Works, House of Representatives and United States Senate, adopted April 20, 1948, and July 30, 1954, respectively (H. Doc. No. 192); to the Committee on Public Works and ordered to be printed with two illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MADDEN: Committee on Rules. Resolution 274. Resolution for the consideration of H. R. 6974, a bill to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes; without amendment (Rept. No. 538). Referred to the House Calendar.

Mr. DURHAM: Joint Committee on Atomic Energy. H. R. 6978. A bill to amend Public Law 31, 84th Congress, 1st session, to increase the authorization for appropriation to the Atomic Energy Commission for the construction of a modern office building in or near the District of Columbia to serve as its principal office; without amendment (Rept. No. 539). Referred to the Committee of the Whole House on the State of the Union.

Mrs. PFOST: Committee on Post Office and Civil Service. H. R. 3048. A bill relating to the charging of interest on deposits to the credit of the civil service retirement and disability fund; with amendment (Rept. No. 540). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. H. R. 5183. A bill to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon a certain claim of the Padbloc Co., Inc., and Harry G. Lankford, of Wichita, Kans.; without amendment (Rept. No. 537). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARRETT:

H. R. 7950. A bill to assist cities and States by amending section 5136 of the Revised Statutes, as amended, with respect to the authority of national banks to underwrite and deal in securities issued by State and local governments, and for other purposes; to the Committee on Banking and Currency.

By Mr. BOWLER:

H. R. 7951. A bill to amend the public assistance provisions of the Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. BREEDING:

H. R. 7952. A bill to amend the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mr. COOLEY:

H. R. 7953. A bill to facilitate and simplify the work of the Forest Service, and for other purposes; to the Committee on Agriculture.

By Mr. COOPER:

H. R. 7954. A bill relating to the exemption of furlough travel by service personnel from the tax on the transportation of persons; to the Committee on Ways and Means.

By Mr. REED:

H. R. 7955. A bill relating to the exemption of furlough travel by service personnel from the tax on the transportation of persons; to the Committee on Ways and Means.

By Mr. GATHINGS:

H. R. 7956. A bill to authorize transfer under certain conditions of 1957 acreage allotments; to the Committee on Agriculture.

By Mr. HEALEY:

H. R. 7957. A bill to amend section 207 of the Legislative Reorganization Act of 1946, to provide that the Boards for the Correction of Military or Naval Records shall give consideration to satisfactory evidence relating to good character and conduct in civilian life after discharge or dismissal in determining whether or not to correct certain discharges and dismissals, and for other purposes; to the Committee on Armed Services.

By Mr. MILLS:

H. R. 7958. A bill to authorize transfer under certain conditions of 1957 acreage allotments; to the Committee on Agriculture.

By Mr. MONTOYA:

H. R. 7959. A bill to exclude from gross income for Federal income-tax purposes amounts received as reimbursement for certain moving expenses; to the Committee on Ways and Means.

By Mr. OSTERTAG:

H. R. 7960. A bill to provide for the registration and reporting of employee welfare and pension benefit plans, and for other purposes; to the Committee on Education and Labor.

By Mr. SCHWENGEL:

H. R. 7961. A bill to adjust the compensation of officers and employees of the United States, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SIMPSON of Pennsylvania:

H. R. 7962. A bill relating to the applicability of section 164 (d) of the Internal Revenue Code of 1954 to taxes on real property sold before the date of the enactment of such code pursuant to a contract of sale entered into before January 1, 1954; to the Committee on Ways and Means.

By Mr. SPENCE:

H. R. 7963. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. THORNBERRY:

H. R. 7964. A bill to remove the limitation on the use of certain real property heretofore conveyed to the city of Austin, Tex., by the United States; to the Committee on Government Operations.

By Mr. WALTER:

H. R. 7965. A bill for the relief of certain relatives of United States citizens and lawfully resident aliens; to the Committee on the Judiciary.

By Mr. WATTS:

H. R. 7966. A bill to amend Public Law 654, 84th Congress, in order to provide an expanded conservation program for wildlife through maximum use of Commodity Credit Corporation surplus feed grains; to the Committee on Banking and Currency.

By Mr. HYDE:

H. R. 7967. A bill to effectuate the intent of the Congress as expressed in section 1, paragraph (k) of Public Law 846, 77th Congress, approved December 24, 1942, by adding to the list of the institutions named in said paragraph the name of the American Association for the Advancement of Science, an institution similar to the institutions so named; to the Committee on the District of Columbia.

H. R. 7968. A bill to effectuate the intent of the Congress as expressed in section 1, paragraph (k) of Public Law 846, 77th Congress, approved December 24, 1942, by adding to the list of the institutions named in said paragraph the name of the American Psychological Association, an institution similar to

the institutions so named; to the Committee on the District of Columbia.

By Mr. REES of Kansas:

H. R. 7969. A bill to provide for the construction of the Cheney division, Wichita Federal reclamation project, Kansas, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ALBERT:

H. R. 7970. A bill to authorize transfer under certain conditions of 1957 acreage allotments; to the Committee on Agriculture.

By Mr. CUNNINGHAM of Iowa:

H. R. 7971. A bill making the 14th day of June in every year, a legal holiday; to the Committee on the Judiciary.

By Mr. FORRESTER:

H. R. 7972. A bill to provide for the conveyance to the city of Warner Robins, Ga., of certain lands located in such city; to the Committee on Armed Services.

By Mr. REES of Kansas:

H. R. 7973. A bill to provide for disabled veteran employees of the Government additional credits for service-connected disabilities for purposes of retention in reductions in force; to the Committee on Post Office and Civil Service.

By Mr. TOLLEFSON:

H. R. 7974. A bill to amend the North Pacific Fisheries Act of 1954; to the Committee on Merchant Marine and Fisheries.

By Mr. WHARTON:

H. J. Res. 349. Joint resolution providing for the revision of the Status of Forces Agreement and certain other treaties and international agreements, or the withdrawal of the United States from such treaties and agreements, so that foreign countries will not have criminal jurisdiction over American Armed Forces personnel stationed within their boundaries; to the Committee on Foreign Affairs.

By Mr. MERROW:

H. J. Res. 350. Joint resolution proposing an amendment to the Constitution of the United States relative to disapproval of items in general appropriation bills; to the Committee on the Judiciary.

By Mr. NIMTZ:

H. J. Res. 351. Joint resolution to establish a Lincoln Sesquicentennial Commission; to the Committee on the Judiciary.

By Mr. PATTERSON:

H. Con. Res. 180. Concurrent resolution expressing the sense of the Congress that the Atomic Energy Commission should establish an experimental reactor in the State of Connecticut; to the Joint Committee on Atomic Energy.

By Mr. COOLEY:

H. Res. 275. Resolution amending House Resolution 157, 85th Congress; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States to pass all necessary legislation to finance and carry out the homesteading of the lands in the Klamath Drainage District, etc.; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES:

H. R. 7975. A bill for the relief of Mrs. Helene White; to the Committee on the Judiciary.

By Mr. BROWNSON:

H. R. 7976. A bill for the relief of Maria Eugenia Gonzales Watson; to the Committee on the Judiciary.

By Mr. FOUNTAIN:

H. R. 7977. A bill for the relief of Mable Jernigan Bell; to the Committee on the Judiciary.

By Mr. HESS:

H. R. 7978. A bill for the relief of Lance Stevens; to the Committee on the Judiciary.

By Mr. MULTER:

H. R. 7979. A bill for the relief of Guglielmo DiMaggio; to the Committee on the Judiciary.

By Mr. RABAUT:

H. R. 7980. A bill for the relief of Joseph Daniel Murphy; to the Committee on the Judiciary.

By Mr. RAY:

H. R. 7981. A bill for the relief of Bela Bernat; to the Committee on the Judiciary.

By Mr. ROBESON of Virginia:

H. R. 7982. A bill for the relief of George L. Waltrip, Carroll E. Brizendine, R. E. Skillman, and William Rowe; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H. R. 7983. A bill for the relief of Eugenia Papantonakis; to the Committee on the Judiciary.

By Mr. SHELLEY:

H. R. 7984. A bill for the relief of Mrs. Timothy Chu (Chu Liu Chok Mui); to the Committee on the Judiciary.

By Mr. SHEPPARD:

H. R. 7985. A bill for the relief of Builders Corporation of America, Herlong-Sierra Homes, Inc., and Landis Building & Investment Co.; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H. R. 7986. A bill for the relief of Kengo Murakami; to the Committee on the Judiciary.

By Mr. WHARTON:

H. R. 7987. A bill for the relief of Maria Giannalia; to the Committee on the Judiciary.

By Mr. McCORMACK:

H. J. Res. 352. Joint resolution to authorize the Secretary of Commerce to sell a certain war-built cargo vessel, and for other purposes; to the Committee on Merchant Marine and Fisheries.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

264. By Mr. CRETELLA: Resolution of Connecticut Federation of Chapters, National Association of Retired Civil Employees, Meriden, Conn.; to the Committee on Post Office and Civil Service.

265. Also, resolution of Connecticut Federation of Chapters, National Association of Retired Civil Employees, in convention assembled, Meriden, Conn.; to the Committee on Post Office and Civil Service.

266. By Mr. MORGAN: Petition of Mrs. David W. Hughes and 86 other residents of Washington County, Pa., favoring the enactment of legislation which would prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

267. By the SPEAKER: Petition of Frank McCann, master, Chehalem Center Grange No. 780, Newberg, Oreg., petitioning consideration of their resolution with reference to requesting favorable action on legislation to authorize a high dam at Hells Canyon; to the Committee on Interior and Insular Affairs.

268. Also, petition of Mrs. Mildred F. Garlow, Deer Clan mother of Seneca Nation, Allegheny and Cattaraugus Reserves, Lewiston, N. Y., petitioning consideration of their resolution relative to the anxiety caused by the proposed construction of the Allegheny Reservoir project, in the form of Kinzua Dam, at Kinzua, Pa., on the Allegheny River, which flows through their lands; to the Committee on Public Works.

EXTENSIONS OF REMARKS

Greetings From the President

EXTENSION OF REMARKS

OF

HON. OVERTON BROOKS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 6, 1957

Mr. BROOKS of Louisiana. Mr. Speaker, as a high point in the course of the 44th annual convention of the National Rivers and Harbors Congress, the President of the United States sent a short letter of greetings to the convention. The letter was personally brought by the Honorable Jack Z. Anderson, of the White House staff, and personally read by him to the convention. It is certainly timely, and was well received by the hundreds of delegates who crowded the main dining room of the Mayflower Hotel for this occasion.

The letter follows:

THE WHITE HOUSE,
Washington, May 16, 1957.

The Honorable OVERTON BROOKS,
Member of Congress, President, National Rivers and Harbors Congress,
Washington, D. C.

DEAR OVERTON: It is a pleasure to send greetings to the members of the National Rivers and Harbors Congress assembled in their 44th national convention.

The importance of your objectives cannot be overestimated. With the continuing growth of our country, every effort must be directed toward the wise use and orderly development of the Nation's water resources. And, as each year passes, it becomes more apparent that sound programs can be assured only through broad participation by the public on every level of interest, Federal, State and regional, local communities and private individuals. All of these must be coordinated through comprehensive long-range planning and the acceptance of just financial responsibility.

The recent floods following the drought in the Southwestern States are a forceful illustration of the need to avoid inadequate, piecemeal, single-phase planning of our water resources.

Progress is being made on actions recommended by the report of the Cabinet Advisory Committee on Water Resources

Policy which I sent to the Congress last year. That report contained a working arrangement within which all the levels of Government, and other public and private interests, could join in developing our water resources. With your support and the united efforts of all groups working together in this vital matter, I am sure we can achieve a sound and equitable water-resources program for the good of our land now and for all future generations.

Sincerely,

DWIGHT D. EISENHOWER.

Installment Sales Credit

EXTENSION OF REMARKS

OF

HON. J. GLENN BEALL

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Thursday, June 6, 1957

Mr. BEALL. Mr. President, the National Automobile Dealers Association recently paid tribute to one of the Nation's outstanding sales finance institutions which, I am exceptionally pleased to say, has its home office in the great Free State of Maryland. The recipient of the National Automobile Dealers Association's honors was the Commercial Credit Co., which on last May 31 observed the 45th anniversary of its founding. Coincidental with this memorable occasion was the 10 millionth financing of a motor vehicle by Commercial Credit. In recognition of these events I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement on behalf of myself and my colleague from Maryland [Mr. BUTLER].

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

INSTALLMENT SALES CREDIT

Installment sales credit has been a large factor in the growth of the American economy during the last two generations. In recognition of the accomplishments which this section of American business has made I wish to commend those who contributed toward its development.

One of the institutions which played a major part in the growth and development of installment sales credit was founded on May 31, 1912, by Alexander E. Duncan, an industrious and foresighted young man from the State of Kentucky, who knew that American business was ready to expand with great growth. To assist in bringing about this development a new kind of financing was necessary. Accordingly he founded Commercial Credit Co. in Baltimore, Md., with a total invested capital of $300,000. This beginning marked a new era in financing manufacturers and wholesalers which was to demonstrate its utility to the American economy so that today this financing plan has broadened its services and its applications to the point where it is now internationally accepted and represents billions of dollars in advances.

Until 1916 this company confined its business to this commercial financing. However, in that year it expanded its operations and became one of the first companies to finance the retail purchase of an automobile for a customer. In 1922 Commercial Credit acquired the majority of the capital stock of Continental Guaranty Corp., of New York, formerly Guaranty Securities Corp., the granddaddy of all the automobile finance companies.

Acquisition of this company broadened Commercial Credit Co.'s operations to where it became national in scope. Commercial Credit was now handling both the retail and wholesale financing of new cars for the motor dealers throughout the United States and Canada. The manufacturers of household appliances, machinery and equipment, having studied the merchandising success of this installment plan, requested from Commercial Credit Co. and received, a similar program to finance the distribution and sale of such articles through distributors and dealers.

Commercial Credit Co. grew rapidly and in 1929 its business had skyrocketed to almost 50 times the amount of business done in its first year. But even during the depression years that followed the company sought to expand its facilities to better service American industry. In 1933 it acquired one of the best known and oldest of the factoring houses, Textile Banking Co., Inc., of New York. In 1935, it acquired a second factoring company, Edmund Wright Ginsberg Corporation of New York.

In 1936 the company purchased American Credit Indemnity Company of New York thereby broadening the services it could offer industry through the issuance of credit insurance to protect manufacturers and wholesalers against losses on open accounts.

From the beginning of installment sales of automobiles it had been the custom of the industry to require that cars be insured against the hazards of fire and theft and, as traffic hazards increased, also against damage from collision. Commercial Credit Co. experienced endless difficulties maintaining a mutually satisfactory connection with independent insurance companies in connection with the protection of and service to its customers. The company came to the conclusion that only by ownership of the insurance company could continuous and satisfactory service be rendered. Accordingly, in 1939, the company ventured further into the insurance field by creating Calvert Fire Insurance Co. to write physical damage insurance on automobiles and other articles usually sold on the timepayment basis. In 1946, it further broadened the insurance facilities it offered by creating American Health Insurance Co. to write group health and accident insurance.

During 1941 the gross volume of receivables acquired by this company for the first time amounted to over a billion dollars. Certainly an indication of its service to American industry and the American consumer.

The war years that followed thrust upon the company new problems. First, how could a finance company make a contribution to the war effort? Second, how could it employ its available resources so that when victory was achieved the company could resume its role as one of the Nation's great financing houses, prepared once more to contribute its strength to the resumption of our way of life. The management, therefore, prepared a program looking to the purchase of manufacturing companies where its capital could increase their productivity and thus it acquired a number of manufacturing companies which produced bombs, shells, pyrotechnics, gun mounts and special purpose machinery. This was an extraordinary departure for a finance company, but the fact is that these manufacturing companies made a notable contribution to America's productive efforts during the war.

Today Commercial Credit Co. is one of the largest sales financing institutions in the world with capital and surplus in excess of $200 million and a broad financing program that serves all elements of our national economy. Today the company and its subsidiaries employ more than 13,000 employees in over 400 offices and plants throughout North America.

Commercial Credit Co. now has over $1,400 million in total resources and it has paid out to its preferred and common stock holders an excess of $220 million in dividends. The annual volume of its finance subsidiaries exceeds $3 billion, net sales of its manufacturing affiliates are in excess of $100 million, and the earned premiums of its insurance subsidiaries exceed $30 million.

The National Automobile Dealers Association in recognition of the 45th anniversary of the founding of Commercial Credit Co. directed the following statement to E. C. Wareheim, chairman of the board:

"In expressing congratulations to Commercial Credit Co. upon occasion of its 45th anniversary as a sales finance institution, the National Automobile Dealers Association pays sincere tribute to the important contribution made to the retail automobile industry and to the car buying public by finance companies.

"Probably no single factor has been so vital to the mass production and sale of automobiles as has been the development of installment credit as it is made available to purchasers of automobiles. Commercial Credit Co.'s important role in automobile financing is pointed up dramatically at this time by its financing of the 10 millionth motor vehicle.

"On behalf of franchised new car dealers, through whom your sales financing service is carried on exclusively, National Automobile Dealers Association extends to Commercial Credit Co. its best wishes for continued growth and progress."

I feel that these remarks are most appropriate because they briefly summarize the contribution which this organization has made to the betterment of the American way of life.

Dedication of the New Eberhard Faber Pencil Co. Plant at Wilkes-Barre

EXTENSION OF REMARKS

OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 6, 1957

Mr. FLOOD. Mr. Speaker, I rise to call attention briefly to a subject that is constantly in the thinking of all Members of the Congress.

My reference is broadly to the industrial development of our respective States and, in turn, to their respective areas.

A gracious Heaven has richly endowed this land of ours with endless bounty. There is within our borders an abundance of natural resources for satisfying all of man's ever-growing wants. These blessings have attracted to us from less-favored lands the most vigorous and most enterprising, who have here found the opportunities they needed to achieve fulfillment and complete personal dignity.

Adapting their natural talents and skills to the new land, they have been largely instrumental in building an awe-inspiring American industry, to which no goal seems impossible and most goals seem relatively simple.

We cannot yet be too proud. We have built only with what a benevolent God has given us, and much remains to be built before maximum opportunity is available to all.

But we can take pride in this: That in those areas where Nature has withheld some of her favor, we have not been frustrated by a lack of natural resources. The Nation has forged a great and efficient system of distribution which has freed many industries from the paralyzing necessity of proximity to its sources of supply. Industry has thus become more flexible and can give more attention to other factors.

The abundance of these advantages offered by the Commonwealth of Pennsylvania is pointed up by a symbolic event that will occur there on Wednesday, June 19, 1957. On that day, on a mountaintop overlooking the city of Wilkes-Barre, one of the Nation's oldest yet most enterprising industries is dedicating its new factory. For both that industry, the Eberhard Faber Pencil Co., and for the area, the event opens also a new era.

It is no paradox that the Nation's oldest manufacturer of quality writing instruments is the creator of the world's newest and most advanced facility for such manufacture.

The spirit of enterprise and progress is a young spirit and is kept always green by an unflagging faith in the future of this Nation. For 108 years this spirit has been kept brightly burnished by the descendants of the first Eberhard Faber. They have always chosen as their associates men of like vision and youthful spirit.

Nor is it strange that they selected the Wilkes-Barre area for their principal factory and world headquarters. In this area repose the skills and the talents which Eberhard Faber requires above all else to sustain its enterprise and to broaden further its world markets.

From ships that have crossed oceans, from remote forests, and from farflung mines come the raw materials that are blended and welded by men into the writing tools they must have for the earliest expression of their ideas and for the communication of these ideas to others. Indeed, graphite, which men use to lubricate their wonderful machines, is here enclosed within a simple pencil to serve an even more important purpose, that of lubricating the flow of thought from man to man, from nation to nation.

From Wilkes-Barre, which now becomes truly the pencil capital of the world, these basic implements will move speedily out on glistening rails, over white concrete highways, and along the fast-flowing streams of the air above, to all corners of the globe.

For here, all these efficient means of communication are at hand.

It should be instructive to all other parts of this Nation which can accommodate industry, and which require it to sustain and develop the standard of living of their citizens, that the massive decision to relocate in Wilkes-Barre did not occur to Eberhard Faber spontaneously.

It was enterprise and zeal and abundant faith and local pride of a very practical kind that led to the decision. Working together, the Wilkes-Barre Chamber of Commerce, the Wilkes-Barre Industrial Fund, and the Committee of One Hundred, later given unstinting aid by the Pennsylvania Industrial Development Commission, took the initiative.

For Eberhard Faber, the removal means not only an opportunity to acquire newer and more modern production facilities. It means also new room for future growth. To the locality mainly affected, it means more jobs, better jobs, the use of its people at their highest skills, and thus greater prosperity and happiness.

There is another lesson here for industry-starved areas of our country. In their desperate efforts to attract industries, local sponsors sometimes lose sight of the stability of an industry in prospect. It must be sound in structure and in management, however small it may also be. Its primary advantage to the area must be that it will create employment, but this employment should bring solid and lasting benefits to those who take it.

The character of management should therefore be weighed carefully, lest a new industry bring with it more chaos than benefit.

In the arrival of the Eberhard Faber Pencil Co., the Wilkes-Barre area has taken a clear, long step forward in its progress. In making the move, the community-conscious Eberhard Faber people have shown American industry that no business is limited by rigid frontiers.

They have shown that expansion and progress are up to men, and that men of sagacity and vision can effectively control their own destinies, subject only to the will of their Creator.

Indeed, American communities and American industry can learn much from this happy wedding of Eberhard Faber and Wilkes-Barre. From this union will come gladness to the community, to industry, and to the Nation itself.

The All-American Family for Florida

EXTENSION OF REMARKS

OF

HON. D. R. (BILLY) MATTHEWS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 6, 1957

Mr. MATTHEWS. Mr. Speaker, in the Eighth Congressional District of Florida there is a family of whom I am very proud. I refer to Mr. and Mrs. Stacey Quincey, of Route 1, Trenton, Fla., and their 3 children, James, 21; Horace, 16; and Kathy, 5. I am certainly not alone in my high opinion of this outstanding family, because the Quinceys have recently been named All-American Florida Family, and then tied for third place in the nationwide All-American Family Search. Stacey Quincey is the kind of farmer who is the backbone of my Congressional district. He raises corn, peanuts, and watermelons. He and Mrs. Quincey are hard-working, Christian people who typify the finest in American citizenship, and they have raised their children in the same traditions and ideals which they possess.

The oldest child, James, recently left the University of Florida for one semester in order to discharge his duties as a national vice president of the Future Farmers of America. James has achieved national recognition through his FFA work, and is one of the finest, most personable young men that I know. His younger brother, Horace, is coming along in the same path and is already a leader at Trenton High School. The little girl, Kathy, like her mother, is beginning to contribute to the family those priceless feminine qualities and touches which make American family life so meaningful and gracious. I have been well acquainted with this wonderful family for a number of years, and I am sure my pride and happiness almost equaled theirs when the good tidings of their selection became known. As we all know, the family is the foundation unit of our American democracy and is the place where our boys and girls receive the love, training, and encouragement which enables them to grow and progress into fine American citizens. The Quincey family is representative of all the attractive families who can be found on the farms and in the small towns of my district and throughout rural America. They were chosen by a national selection board composed of editors of the Book of Knowledge and members of the national staff of the Boys' Clubs of America, conductors of the All-American Family Search, together with members of the national advisory committee of civic and service leaders and educators from each State. I feel humbly grateful to have people like this living in my district whom I can represent in the National Government. It is with a great deal of pride and pleasure that I can call this family to your attention.

Tax Subsidies to the Private Utility Companies

EXTENSION OF REMARKS

OF

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 6, 1957

Mr. EVINS. Mr. Speaker, several days ago I addressed the House on the subject of the TVA and in the course of my remarks I mentioned the tax amortization certificates private utilities had received and the tax relief and subsidy they have thereby enjoyed. Several members have spoken to me concerning the need for additional information on the subsidies enjoyed by private utilities in their States. Having obtained a list of subsidy certificates, interest free loans and other benefits to private electric companies, I ask unanimous consent to have reproduced these tables of grants and favoritism in the CONGRESSIONAL RECORD.

These tables were obtained from the Power Facts Handbook prepared by Paul Nelson and Clay Cockran and published by the National Rural Electric Cooperative Association. The following comments may increase the value of those tables.

A tax certificate permits the recipient to amortize his capital investment in 5 years instead of the much longer period provided by conventional practice. The actual life of power projects is normally considered to range from 25 to 50 years. On a $2 million powerplant construction—with a 50-percent or $1 million tax certificate grant—the company would be permitted to depreciate $200,000 a year instead of $20,000 each year under normal procedure. Assuming that the company was already in the 52-percent bracket—as most of them would be—the tax saving, as compared to what it would have had to pay if it had followed the 50-year depreciation pattern, would amount to $93,600 per year. Over the 5-year period the total saving would be $468,000. So that during the 5 years the company enjoyed rapid amortization it would pay a total of $468,000 less in taxes than under normal depreciation procedures—the private utility company also would have the benefit of using the funds represented by the tax saving and therefore the total tax relief amounts to an interest-free loan from the Government.

The first of the following tables presents the picture for the 48 States; the second for most major power companies in the United States. The first column gives the amount of tax certificates obtained, the second the amount of tax relief these certificates have or will yield or, to put it another way, the interest-free loan they have thereby received; and the final table gives the total subsidy from these grants.

I certainly agree with Senator BYRD who said in a report on these rapid amortization scandals that they clearly and obviously represent a subsidy to the private utilities—a subsidy that should be discontinued.

It is easy to see how these beneficiaries of clear and measurable dollar and cents subsidies can spend millions of dollars in magazine and newspaper advertisements trying to give the impression that public-power projects like the TVA, Bonneville Power Administration, the REA co-ops, and others, enjoy what the private electric companies call subsidies—they should know. I might point out also that the next time we see one of these propaganda ads asking "Where do your taxes go?" that these tables will provide one very clear and incontrovertible answer—to subsidies, in the form of fast tax writeoffs, interest-free loans, and favoritism to the private utilities.

The tables follow:

TABLE I.—*Estimated value of accelerated depreciation certificates, interest-free loans, and other subsidy benefits to private electric companies from June 9, 1951, through July 11, 1956*

[Application under the electric power goal was suspended on Dec. 3, 1953, reopened in April 1955 and closed again on Jan. 1, 1956]

State	Amount certified for accelerated depreciation	Amount of interest-free loan	Total subsidy up to 33½ years at 6 percent	State	Amount certified for accelerated depreciation	Amount of interest-free loan	Total subsidy up to 33½ years at 6 percent
Alabama	$52,539,226	$23,222,337	$78,808,839	New Hampshire	$33,146,000	$14,650,532	$49,719,000
Arizona	11,668,700	5,166,405	17,533,050	New Jersey	43,309,000	19,142,578	64,963,500
Arkansas	33,812,000	14,944,904	50,718,000	New Mexico	24,045,237	10,627,994	35,067,855
California	312,209,799	137,992,752	468,301,198	New York	165,884,515	73,320,956	248,851,011
Colorado	29,932,350	13,230,099	44,898,525	North Carolina	51,235,944	22,646,288	76,853,909
Connecticut	43,356,727	19,163,672	65,035,090	North Dakota	2,040,000	1,343,650	4,560,000
Delaware	28,136,000	12,436,112	42,204,000	Ohio	371,531,333	164,216,847	557,296,998
Florida	82,621,395	36,518,643	123,932,047	Oklahoma	73,448,600	32,464,282	142,637,182
Georgia	60,322,554	26,662,569	90,483,831	Oregon	63,605,693	28,113,716	95,408,540
Idaho	10,971,000	4,849,182	16,456,500	Pennsylvania	184,316,026	81,467,683	276,491,496
Illinois	77,927,273	34,443,765	116,890,609	South Carolina	44,335,014	19,596,076	66,554,387
Indiana	130,048,870	57,481,600	195,073,304	South Dakota	899,562	397,580	1,349,253
Iowa	31,820,698	14,064,748	47,731,047	Tennessee	3,934,908	1,739,229	5,902,363
Kansas	47,987,160	21,210,325	71,980,740	Texas	202,594,337	89,546,698	303,891,506
Kentucky	8,707,905	3,848,894	13,061,857	Utah	1,664,640	735,771	2,496,960
Louisiana	71,924,862	31,790,790	107,887,293	Vermont	1,402,000	619,684	2,103,000
Maine	28,119,628	12,428,875	42,179,441	Virginia	170,306,691	75,275,558	255,460,036
Maryland	33,209,400	14,678,555	49,814,100	Washington	94,173,050	41,624,497	141,259,605
Massachusetts	26,711,571	11,806,514	40,067,356	Washington, D. C.	6,399,000	2,828,358	9,598,500
Michigan	122,167,925	53,998,223	183,251,888	West Virginia	148,559,534	65,663,313	222,839,301
Minnesota	39,384,068	17,407,738	59,076,102	Wisconsin	36,979,000	15,018,718	50,968,500
Mississippi	33,367,694	14,748,521	50,051,541	Wyoming	14,917,500	6,593,535	22,376,250
Missouri	75,728,435	33,471,966	113,592,652				
Montana	12,286,000	5,430,390	18,429,000	United States total	3,146,932,885	1,390,944,203	4,720,398,877
Nevada	5,232,550	2,312,920	7,849,275				

Source: Electric Consumers Information Committee.

TABLE II.—*Estimated value of accelerated depreciation certificates, interest-free loans and other subsidy benefits to private electric companies from June 9, 1951, through July 11, 1956*

[Application under the electric power goal was suspended on Dec. 3, 1953, reopened in April 1955 and closed again on Jan. 1, 1956]

Name of company	Amount certified for accelerated depreciation	Amount of interest-free loan	Total subsidy up to 33½ years at 6 percent	Name of company	Amount certified for accelerated depreciation	Amount of interest-free loan	Total subsidy up to 33½ years at 6 percent
Alabama Power Co	$52,539,226	$23,222,337	$78,808,839	Columbus & Southern Ohio Electric Co	$19,509,750	$8,623,309	$29,264,625
Appalachian Electric Power Co	159,519,334	70,507,546	239,279,001	Commonwealth Edison Co	39,491,000	17,450,602	59,221,500
Arizona Edison Co., Inc	66,000	29,172	99,000	Connecticut Light & Power Co	12,808,537	5,661,373	19,212,805
Arizona Public Service Co	11,300,000	4,994,600	16,950,000	Connecticut Power Co	1,905,750	842,341	2,858,625
Arkansas-Missouri Power Co	71,000	31,382	106,500	Consolidated Edison Company of New York	57,512,250	25,420,414	86,268,375
Arkansas-Power & Light Co	33,812,000	14,944,904	50,718,000	Consolidated Gas & Electric (Maryland)	24,939,000	11,023,038	37,408,500
Atlantic City Electric Co	7,625,000	3,370,250	11,437,500	Consumers Power Co	51,559,943	22,789,495	77,339,914
Basin Light & Power Co	66,750	29,503	100,125	Dallas Power & Light Co	21,489,000	9,498,138	32,233,500
Black Hills Power & Light Co	69,502	30,700	104,253	Delaware Power & Light Co	28,136,000	12,436,112	42,204,000
Boston Edison Co	13,109,594	5,794,440	19,664,391	Derby Gas & Electric Co. (Connecticut)	150,000	66,300	225,000
California Electric Power Co	9,240,132	4,084,138	13,860,198	Detroit Edison Co	68,478,983	30,267,710	102,718,474
California-Oregon Power Co	33,563,193	14,834,931	50,344,790	El Paso Electric Co	7,308,000	3,230,136	10,962,000
Carolina Power & Light Co	48,695,755	21,523,524	73,043,625	Electric Power, Inc. (Connecticut)	3,904,000	1,725,563	5,856,000
Central Arizona Light & Power Co	46,200	20,420	69,300	Empire, District Electric Co. (Kansas)	9,106,100	4,024,896	13,659,150
Central Hudson Gas & Electric Corp	4,385,200	1,938,258	6,577,800	Florida Power & Light Co	43,440,000	19,200,460	65,160,000
Central Illinois Electric & Gas	4,330,200	1,913,550	6,495,300	Florida Power Corp	28,513,200	12,602,634	42,769,800
Central Illinois Light Co	5,378,000	2,377,076	8,067,000	Frontier Power Co. (Colorado)	198,000	87,516	297,000
Central Illinois Public Service Co	1,705,000	753,610	2,557,500	Georgia Power & Light Co	212,000	93,704	318,000
Central Kansas Power Co	1,187,000	524,654	1,780,500	Georgia Power Co	60,085,554	26,557,815	90,128,331
Central Louisiana Electric Co., Inc	11,748,300	5,192,749	17,622,450	Gulf Power Co	10,693,165	4,726,379	16,039,747
Central Maine Power Co	27,300,453	12,066,800	40,950,679	Gulf States Utilities (Texas)	26,196,000	11,578,632	39,294,000
Central Power & Light Co. (Texas)	22,286,300	9,850,545	33,429,450	Hartford Electric Light Co	19,675,000	8,696,350	29,512,500
Central Vermont Public Service Corp	1,187,000	524,654	1,780,500	Houston Lighting & Power Co	37,745,893	16,683,685	56,618,840
Cincinnati Gas & Electric Co	46,018,145	20,340,020	69,027,217	Idaho Power Co	10,827,000	4,785,534	16,240,500
Citizens Utilities Co	739,940	327,053	1,109,910	Illinois Power Co	19,472,775	8,606,966	29,209,162
Cleveland Electric Illuminating Co	82,711,245	37,000,370	125,566,867	Indianapolis Power & Light Co	19,430,123	8,588,114	29,145,184
Colorado Central Power Co	766,350	338,727	1,149,525				

TABLE II.—*Estimated value of accelerated depreciation certificates, interest-free loans and other subsidy benefits to private electric companies from June 9, 1951, through July 11, 1956*—Continued

[Application under the electric power goal was suspended on Dec. 3, 1953, reopened in April 1955 and closed again on Jan. 1, 1956]

Name of company	Amount certified for accelerated depreciation	Amount of interest-free loan	Total subsidy up to 33½ years at 6 percent
Indiana & Michigan Electric Co	$53,859,348	$23,805,831	$80,789,021
Iowa Electric Light & Power Co	6,541,000	2,891,122	9,811,500
Iowa Illinois Gas & Electric Co	1,713,700	757,455	2,570,550
Iowa Power & Light Co	14,972,700	6,617,933	22,459,050
Iowa Public Service Co	5,128,098	2,266,619	7,692,147
Iowa Southern Utilities Co	4,460,360	1,971,479	6,690,540
Kansas City Power & Light Co	28,144,550	12,439,891	42,216,825
Kansas Gas & Electric Co	23,710,950	10,480,240	35,566,425
Kansas Power & Light Co	7,848,000	3,468,816	11,772,000
Kentucky & West Virginia Power Co	835,000	369,070	1,252,500
Kentucky Power Co	780,000	344,760	1,170,000
Kentucky Utilities Co	6,031,000	2,665,702	9,046,500
Kingsport Utilities, Inc	655,942	289,926	983,913
Knoxville Power Co	610,155	269,689	915,233
Lake Superior District Power Co	1,148,000	507,416	1,722,000
Long Island Lighting Co. (New York)	27,687,000	12,237,654	41,530,500
Louisiana Power & Light Co	30,127,712	13,316,449	45,191,568
Maine Public Service Co	819,175	362,075	1,228,762
Marietta Electric Co	49,000	21,658	73,500
Michigan Gas & Electric Co	14,000	6,188	21,000
Minnesota Power & Light Co	17,984,068	7,948,958	26,975,102
Mississippi Power & Light Co	19,991,000	8,826,022	29,986,500
Mississippi Power Co	13,376,694	5,912,499	20,065,041
Missouri Public Service Co	2,884,900	1,275,126	4,327,350
Monongahela Power Co	16,927,216	7,481,829	25,390,824
Montana-Dakota Utilities Co	3,040,000	1,343,680	4,560,000
Montana Power Co	11,285,000	4,987,970	16,927,500
Nantahela Power & Light Co	5,156,000	2,278,952	7,734,000
New England Power Co	29,705,000	13,119,610	44,557,500
New York State Electric & Gas Corp	25,928,000	11,460,176	38,892,000
Niagara Mohawk Power Corp	40,964,065	18,106,117	61,446,097
Northern Indiana Public Service Co	446,000	197,132	669,000
Northern State Power Co. (Wisconsin)	626,000	276,692	939,000
Northern States Power Co (Minnesota)	22,230,000	9,825,660	33,345,000
Northern Virginia Power Co	64,000	28,288	96,000
Ohio Edison Co	43,652,000	19,294,184	65,478,000
Ohio Power Co	186,232,760	82,314,880	279,349,140
Oklahoma Gas & Electric Co	30,383,300	13,429,419	45,574,950
Pacific Gas & Electric Co	178,640,401	78,959,499	267,962,101
Pacific Power & Light Co	80,069,550	35,390,719	120,104,325
Pennsylvania Electric Co	24,252,000	10,719,384	36,378,000
Pennsylvania Power & Light Co	59,306,926	26,213,561	88,960,389
Pennsylvania Power Co	4,897,000	2,164,474	7,345,500
Pennsylvania Water & Power Co	6,772,000	2,993,224	10,175,447
Philadelphia Electric Co	52,865,000	23,366,330	79,297,500
Portland General Electric Co	$30,042,500	$13,273,785	$45,063,750
Potomac Edison Co	15,505,150	6,853,276	23,257,725
Potomac Electric Power Co	17,399,000	7,690,358	26,098,500
Potomac Light & Power Co	616,000	272,272	924,000
Public Service Company of Colorado	28,968,000	12,803,856	43,452,000
Public Service Company of Indiana, Inc	52,642,724	23,268,084	78,964,086
Public Service Company of New Hampshire	13,656,000	6,035,982	20,484,000
Public Service Company of New Mexico	7,616,750	3,366,603	11,425,125
Public Service Company of Northern Illinois	863,000	381,446	1,294,500
Public Service Company of Oklahoma	43,065,300	19,034,863	64,597,950
Public Service Electric & Gas Company of New Jersey	35,684,000	15,772,328	53,526,000
Rockland Light & Power Co	9,408,000	4,158,336	14,136,239
South Carolina Electric & Gas Co	24,204,014	10,698,174	36,306,021
South Carolina Generating Co	20,131,000	8,897,902	30,248,366
South Indiana Gas & Electric Co	5,280,000	2,333,760	7,920,000
South Penn Power Co	179,000	79,118	268,500
Southern California Edison Co	124,319,266	54,949,115	186,478,899
Southern Nevada Power Co	5,232,850	2,312,920	7,849,275
Southwestern Gas & Electric Co	12,084,850	5,341,504	18,127,275
Southwestern Public Service Co	36,269,665	16,031,192	54,404,497
Texas Electric Service Co	32,087,000	14,182,454	48,130,500
Texas Power & Light Co	45,722,300	20,209,257	68,583,450
Toledo Edison Co	18,468,000	8,162,856	27,702,000
Union Electric Company of Missouri	43,242,885	19,113,355	64,864,227
Union Electric Power Co. (Missouri)	6,093,138	2,693,073	9,129,207
Union Light, Heat & Power Co	1,061,005	469,362	1,592,857
United Illuminating Co	4,665,000	2,061,930	6,997,500
Upper Peninsula Power Co	75,000	33,150	112,500
Utah Power & Light Co	1,808,640	799,419	2,712,700
Virginia Electric & Power Co. (Vepco)	94,582,081	41,805,280	141,873,121
Washington Water Power Co	30,022,000	13,269,733	45,033,030
West Pennsylvania Power Co	35,871,700	15,855,231	53,867,550
West Texas Utilities Co	7,815,916	3,454,635	11,723,874
Western Light & Telephone Co	7,136,210	3,154,205	10,704,315
Western Massachusetts Electric Co	3,386,977	1,497,044	5,080,465
Wheeling Electric Co	1,907,352	843,049	2,861,028
Wisconsin Electric Power Co	16,957,000	7,494,994	25,435,500
Wisconsin-Michigan Power Co	1,387,000	613,054	2,080,500
Wisconsin Power & Light Co	15,423,000	6,816,966	23,134,500
United States total	3,146,932,585	1,390,944,203	4,720,398,877

Source: Electric Consumers Information Committee.

Senator Martin Speaks on Flood Control

EXTENSION OF REMARKS

OF

HON. OVERTON BROOKS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 6, 1957

Mr. BROOKS of Louisiana. Mr. Speaker, under leave to extend my remarks, I present an address delivered by the Honorable EDWARD MARTIN, United States Senator from Pennsylvania, before the fifth annual convention of the National Rivers and Harbors Congress held in Washington, D. C., on Friday, May 17, 1957:

ADDRESS OF UNITED STATES SENATOR EDWARD MARTIN, OF PENNSYLVANIA, AT THE 44TH NATIONAL CONVENTION OF THE NATIONAL RIVERS AND HARBORS CONGRESS AT WASHINGTON, D. C., FRIDAY MORNING, MAY 17, 1957

Mr. Chairman and my fellow Americans, I am highly honored by your invitation to address this important meeting.

Your organization is outstanding in its devotion to a great and patriotic purpose. With each passing year the objectives to which you are dedicated grow increasingly important.

The economic well-being of our country, the expansion of our industrial production, the growth of our commerce, the prosperity of our people and the defensive strength of our Nation are becoming more and more dependent upon the development of our water resources.

This covers a broad area and I cannot praise too highly the distinguished public service which your organization has contributed in the national interest.

The subject assigned to me for discussion today is the River and Harbor Flood Control Act of 1957. But first I would like to make some observations of a more general nature relative to the situation in our country today.

We are in a period when spending by Government has become a matter of deep concern to a large part of our population. Never before in my experience has the average American been more seriously alarmed over the high cost of government and the heavy burden of taxes.

In every section of the country there has developed a demand for economy, for reduced spending and for lower taxes.

That, my fellow Americans, is a good sign. It reflects a growing and more widespread interest in the affairs of government. It is good for the United States when more and more people question the wisdom and the safety of expenditures that take one-third of the earnings of everyone who works for a living. That applies to the taxes imposed by the three levels of government—Federal, State, and local.

It is good for the United States when the people see cause for worry in a budget which is 17 percent greater than the combined spending of 32 other countries, including all the important nations of the world except Russia.

Those of you who are familiar with my record in public life know that I have always been on the side of economy in government. I can say, without meaning to be boastful, that I have always fought against waste and extravagance at all levels of government. I have always believed that the sound principles of business efficiency and economy should be applied to the conduct of governmental affairs.

As a member of the Senate Public Works Committee and as a former chairman of that committee, I can tell you that sound business principles, taking into account all the economic and engineering factors, have been applied to every navigation project and every flood-control project that has come before us for authorization.

We have looked upon these projects as investments in the future of the United States—investments that have paid big dividends in the past and will continue to do so in the future.

Every American is a stockholder in our ocean ports and in our great inland waterways. Year by year they pay generous dividends by providing low cost water transportation for commerce and industry, bringing prosperity to countless cities and towns, building up great centers of production and expanding opportunities for gainful employment for our working men and women.

Therefore we are on solid ground when we maintain that a constructive national program that expands the usefulness of our rivers and harbors and brings real and lasting benefits to our country can never be called a waste of public funds.

On the contrary, such expenditures are sound, prudent investments in a great national asset, contributing in a large measure to our economy in peacetime and to our defensive strength in time of national emergency.

In the same way the flood-control program undertaken by the Federal Government has more than justified its cost. In the prevention of property damage it is paying off at the rate of more than $3 for every $1 invested. And that does not include the saving of lives and the security established for homes and farms in areas formerly endangered by destructive floods.

One of the most beneficial developments in connection with flood control has been the increasing emphasis on related purposes, such as hydroelectric power, conservation of water for municipal, agricultural, and industrial uses, the abatement of stream pollution, recreation and sanitary facilities.

As you are well aware, the River and Harbor-Flood Control Act of 1957 is before Congress today because the bill passed by the 84th Congress was vetoed by the President.

The President did not minimize the importance of the legislation. In his veto message, he said—and I quote:

"I believe the periodic enactment of river and harbor and flood-control legislation is an important step in the formulation of a sound Federal program for the wise development of the Nation's water resources."

In his message, the President referred to 32 projects involving about $530 million to which the Budget Bureau had found reason to object.

The bill in its present form, as approved by the Senate Public Works Committee without a dissenting vote, is essentially the same bill that was passed by the 84th Congress. Most of the projects to which exception has been taken have been reviewed on the basis of recommendations submitted to Congress by the Corps of Engineers. As stated in the report on the bill, it includes those projects which the committee considered fully justified for authorization at the present time.

A substantial majority in the Senate agreed with that view and passed the bill by a vote of 42 to 22, after rejecting two proposed amendments. One amendment sought to give the President authority to postpone $375 million of its total authorization. The other would have recommitted the bill with instructions to reduce the authorizations by not less than $350 million.

This is a good bill. It should be enacted into law without delay in order to expedite the beginning of work on urgently needed projects. But I am unable to tell you whether the Budget Bureau experts will give their approval.

That brings up a matter which should be given serious thought and careful attention. It has to do with a fundamental principle of our system of government which places exclusive control of the Federal purse within the jurisdiction of the legislative branch.

Many are wondering whether the executive branch, in the exercise of those functions assigned to the Bureau of the Budget, should be permitted to override the will of Congress.

Let me give you one example in which I am very much interested because it has great strategic importance from the standpoint of the national economy and national defense. I refer to the project for deepening the channel in the upper Delaware River. This was authorized by Congress in 1954 after thorough debate. The authorization calls for a 40-foot channel depth from Philadelphia to Trenton but the Bureau of the Budget continues to define the improvement as an "interim 35-foot channel," even though it has been clearly established that a substantial saving could be achieved by completing the improvement to 40 feet in one operation.

I hope the day will never come when Congress will weaken its legislative responsibility by surrendering any part of its powers granted by the Constitution, to the Budget Bureau or any other agency of the executive branch.

You men here know that after authorization it is necessary to go before the Appropriations Committee for funds with which to carry out the approved project. This gives an opportunity for further congressional study, so that each proposal, no matter how meritorious, is placed under strict scrutiny in relation to the whole national picture. I maintain that is a proper and exclusive legislative function and that the decisions of the Budget Bureau should never be considered as binding on the Congress of the United States.

The national program for the improvement of our rivers and harbors has been a Federal responsibility since the beginning of our Nation. As early as 1827 President John Adams in his message to Congress, referring to appropriations for waterway and other internal improvements said they may be considered, and I quote, "as treasures laid from the contributions of the present age for the benefit of posterity."

In more recent times Herbert Hoover, then Secretary of Commerce, speaking in 1927 about prudence in expenditures for the modernization of the Mississippi River system said, and I quote:

"Upon this point, we can do no better than quote the most successful statesman in economy in our national history—President Coolidge—who in his message to Congress said in referring to these very projects:

" 'Expenditure of this character is compatible with economy. It is in the nature of capital investment.' "

Again, at Louisville, on October 29, 1929, upon completion of the Ohio River project, President Hoover said:

"As a general and broad policy I favor modernizing every part of our waterways which will show economic justification in aid of our farmers and industries. • • •

"A nation makes no loss by devotion of some of its current income to the improvement of its estate. That is an obligation we owe to our children and our grandchildren. I do not measure the future of America in terms of our lifetime. God had truly blessed us with great resources. It is our duty to make them available to our people."

Fifteen-Acre Wheat Farmer

EXTENSION OF REMARKS

OF

HON. J. FLOYD BREEDING

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 6, 1957

Mr. BREEDING. Mr. Speaker, in the interests of the wheat producers of the Fifth District of Kansas I am today introducing legislation to repeal the wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as it affects the 15-acre wheat farmer and the 200-bushel exemption: paragraph (7) of Public Law 74, 77th Congress—United States Code, title 7, section 1340 (7)—and section 335 (d) of the Agricultural Adjustment Act of 1938, as amended—United States Code, title 7, section 1335 (d)—effective beginning with the 1958 crop of wheat.

To anyone familiar with the critical situation facing the areas dependent on a wheat economy it would be apparent that the number of 15-acre wheat farmers is spreading in ever-increasing numbers over the commercial and noncommercial wheat-producing areas of our country. It is my sincere belief that unless there is some adequate controls placed, and soon, to prevent the 15-acre wheat growers from increasing in numbers they will cause untold economic hardship in many areas.

Protection must be provided the one-crop producers of our Nation's agriculture, especially when there is proven evidence that the area is unable to support itself with any other crop.

My district, which is one of the larger commercial wheat producing districts of the United States, would be pleased to find new means of supporting our economy. We would like to have new industries in southwestern Kansas. Thoughtful people in my State are hard at work on these matters.

As further evidence of our efforts to help ourselves the Kansas Legislature recently passed the Kansas Wheat Act providing a seven-man Kansas Wheat Commission. The Kansas Wheat Commission will collect a levy of 2 mills per bushel for the purpose of conducting a campaign for development, education and publicity for uses of wheat and the finding of new markets for wheat and wheat products.

We have been hard hit with drought. While the recent rains will be of untold help to this year's crops we will still be faced with the unrestricted competition of the 15-acre wheat farmer.

The Department of Agriculture recently furnished me a figure of 1,026,424 15-acre wheat farmers in the commercial wheat-growing areas of the United States. Add to this the unknown number of 15-acre wheat farmers in the noncommercial wheatgrowing States and you will see the staggering numbers of wheat farmers producing in competition with the highly controlled commercial wheat farmer.

As rapidly as the 15-acre wheat farmers are increasing in number it will be only a short time before total domestic consumption needs will be supplied by the wheat produced on the 15-acre farms. With our present modern methods of production and marketing, together with the fact that every State in the Union does grow wheat, it presents an evergrowing threat to the economy of my district, limited as it is to a wheat producing country by the nature of its geographical location and climatic conditions.

Citation to Former President Herbert Hoover

EXTENSION OF REMARKS

OF

HON. S. WALTER STAUFFER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 6, 1957

Mr. STAUFFER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following remarks by the President in conjunction with his presentation of a citation to former President Herbert Hoover for distinguished civilian service to the citizens

of the United States at the luncheon given by the Citizens Committee for the Hoover Report at the Shoreham Hotel, Washington, D. C., February 4, 1957:

THE WHITE HOUSE.

President Hoover, Mr. Chairman, and my friends, you see, there was some excuse for my question addressed to the chairman because I had been assigned a very specific and succinct part of this program. But I did feel I wanted to express a few personal sentiments with which I hope most of you can agree.

First, my purpose was to pay a great tribute—as great a tribute as I am capable of delivering—to the youthfulness of our guest of honor, Mr. Hoover.

Someone said that any man is young who retains his optimism. And optimism, I believe, is a capacity for looking toward the future with hope and enthusiasm.

Now our guest of honor has shown his optimism twice. He has headed great commissions determined to deliver to us better service in the Government that we must maintain, and at less cost to ourselves. He remains optimistic, or he would not have devoted so many years of his life to this work.

And in his case, I think, there would be a great deal of excuse—at least at times I feel so—for an opposite conclusion.

He spent many years in public service, and I know something of some of the frustrations and difficulties he had during at least 4 years of that service.

He knows what it means to attempt to install new methods, new procedures, in a great hierarchy, in a great bureaucracy.

Now, I would not have any of you think that your public servants in the civil service and in other areas are not good people. Indeed they are. Some of them are extraordinarily intelligent and capable. But they are a very large group that has been accustomed to operate according to certain procedures—certain methods. We do it ourselves, in our daily lives. We become creatures of habit.

I won't venture to remark about the ladies. But I would bet any man here puts the same foot into his trousers first every morning.

In all our daily lives you can find that we fall into habits. Take the one of eating. How many people are in this room, I wonder, whose doctors have not asked them to keep their weight down, but who go on indulging themselves?

The same way in government. We become used to these procedures and practices, and they involve these millions of people. I declare, if you could provide for the Government, through the Bureau of the Budget, a new accounting system, with the utmost expedition and efficiency, it would certainly take you many months before you could reach the last echelon of government. And why not? They will plead: Why, we have blank forms printed for the next 3 years. We will have to retrain our clerks. They have every good reason in the world for not doing this hastily.

Our guest of honor has never lost his enthusiasm for better government through all this kind of thing.

I merely wanted to point out, this is an unusual kind of enthusiasm and leadership, from which all of us benefit.

And may I say that every one of the recommendations submitted by the people—by the leaders of the Hoover Commission, have been the subject of earnest study. They have been monitored within the Government by one of our noted businessmen, Mr. Meyer Kestnbaum, in order to get every one of them implemented as rapidly as possible. I am very sorry to admit that that speed has not been sufficient and all we could ask. But it is progress, and it will continue. That I promise this body, which has worked so hard to bring it about.

And now after that, the real purpose of my coming to this platform to speak: I have been privileged to prepare—to get ready for Mr. Hoover a short citation which I shall now read:

CITATION TO FORMER PRESIDENT HERBERT HOOVER FROM PRESIDENT DWIGHT D. EISENHOWER

To Herbert Hoover, statesman and citizen, honored in every field of human endeavor: Science, business, government, education, art, charity, I address the Nation's recognition of a crowning achievement.

To a searching examination of the executive branch of the Government, you have freely applied unparalleled knowledge. Inspired by your concern for the whole truth, disciplined by your unremitting insistence on accuracy, united by your respect for majority opinion, your Commissions have wrought incalculable good.

Through your efforts, ours will be a stronger country. In so adding strength to the American Republic, you have added strength to the Free World.

We are grateful.

DWIGHT D. EISENHOWER.

FEBRUARY 4, 1957.

Mr. HOOVER. Mr. President, fellow members of this Citizens Committee, I want only to express my deep emotion and appreciation for the extraordinary honor which the President has just conferred upon me. And I also want to express to him the appreciation which you have for the constant support that he has given to the work of this body of citizens.

And I have the idea that when he has finished this term, he will certainly merit even a greater tribute than that which has come to me.

For he will have, I hope, a successor with an appreciation of a great national man.

Thank you.

Statement of Hon. John E. Fogarty, Member of Congress, Second District of Rhode Island, Before the Committee on Interstate and Foreign Commerce of the United States House of Representatives, on Proposed Amendments to the Natural Gas Act, June 4, 1957

EXTENSION OF REMARKS
OF
HON. JOHN E. FOGARTY
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 6, 1957

Mr. FOGARTY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement made by me before the Committee on Interstate and Foreign Commerce of the House of Representatives on proposed amendments to the Natural Gas Act, June 4, 1957:

Mr. Chairman, I appreciate the opportunity of testifying on H. R. 6790 and related bills which have received the earnest consideration of your committee for the past several weeks. While I do not regard myself as an expert on the matter of natural gas, I have followed these hearings with a great deal of interest and wish to commend you and the other members of the committee for the attention which you have given the views of both proponents and opponents of the basic legislation.

As Congressman from the Second District of Rhode Island, I represent thousands of consumers of natural gas who are totally dependent on a source of supply located in areas of the country far removed from them. These people have been appropriately termed "captive consumers" of natural gas. They have no freedom of choice between competitors in this all-important commodity, hence they have no protection against unreasonable price increases in the cost of the basic commodity. This lack of a free market in an item so essential to their everyday needs is a compelling reason for me to view with some alarm the consistent efforts of the profitable and highly organized oil-gas industry to free itself from the regulation intended by the Natural Gas Act of 1938. I say the oil-gas industry for the reason that natural gas as a byproduct of oil exploration is principally controlled by the same small group of powerful oil companies which recently rocked the consuming public from coast to coast with their post-Suez petroleum-product increases. The basic purpose of Federal regulation under the Natural Gas Act is and should be the advancement of the public interest by balancing the self-interest of the owners of producing gas wells with the interest of the more than 21 million American families who have come to depend upon gas for family and household needs. Since the Phillips decision in 1954, however, the Federal Power Commission has scarcely been given the opportunity to carry out this public-interest purpose, and yet this proposed legislation would make that task impossible for the simple reason that it is weighted in favor of the producers.

I am sure you are surfeited with statistics after these many weeks of hearings and I do not propose to burden the record further on that score. Moreover you have had presented to you a careful section-by-section analysis of this bill by both proponents and opponents. For my part, I propose to state my objections in a nontechnical, simple fashion. After a careful examination of H. R. 6790, I am compelled to the conclusion that there has been no demonstrated need for this legislation. I have been unable to learn of one single natural gas producer who has suffered from the appropriate regulation which the Federal Power Commission is authorized to administer under the present provisions of the Natural Gas Act. Financial statistics available on the pages of any of our newspapers have told us during recent months that the oil-gas industry is enjoying its period of highest prosperity. For them the recent 1-cent per gallon price increase in fuel oil and gasoline added to these rising profits and based on a 9-million-barrel-per-day consumption of petroleum products in the United States, it meant more than $1 billion a year out of the pockets of American consumers. Rising costs of natural gas would take additional tolls from the consuming public and add them to the rich profits already enjoyed by an industry which we favor with special tax treatment designed to offset the special risks which are inherent in their operations.

In his veto message of February 1956 returning H. R. 6645, President Eisenhower pointed out the need for any new legislation to include specific language protecting consumers "in their right to fair prices." Mr. Chairman, I am unable to find any such language contained in H. R. 6790. I believe with the President that consumers do have a "right to fair prices" of natural gas and I further believe that the only way to protect that right is through Federal regulation by the Federal Power Commission over prices charged for natural gas delivered to interstate pipeline companies. This bill, in my opinion, would only impede and hamper that needed regulation.

I have been much impressed with the provisions of H. R. 6813, a bill sponsored by Mr. MACDONALD, which in effect steers the middle course on this general subject of regulation of sales of natural gas in interstate commerce. As I understand it, enactment of this bill would remove from Federal regulation approximately 96 percent of the producers who make sales to interstate pipeline companies. However, it would leave subject to regulation those large producers who sell in excess of 90 percent of all the natural gas which is the subject of sale in interstate commerce. After hearing so much about the plight of the small independent gas producer, but never really seeing one who came before any of our committees to tell his story, I would imagine that this proposal would be welcomed by the vast majority of the members of the oil-gas industry. I am reliably advised, however, that to date there has been little enthusiasm shown by the industry itself in support of the Macdonald bill. If this is correct, it only confirms my belief that there has been no demonstrated need for any legislation whatever. But if we must have legislation designed to relieve natural gas producers from threatened Federal regulation, I intend to give serious consideration to full support of this enlightened proposal.

In conclusion, therefore, I respectfully submit that H. R. 6790 is not designed to serve the public interest in that it contains no assurance that consumers of natural gas will be protected in their right to fair prices, but on the other hand, will weight the scales heavily in favor of a monopoly industry which needs to be regulated in this phase of its activity.

Annuities of Civil Service Retirees

EXTENSION OF REMARKS
OF
HON. GEORGE P. MILLER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 6, 1957

Mr. MILLER of California. Mr. Speaker, I have submitted a statement, which I would like to have extended in the RECORD, to the House Post Office and Civil Service Committee in support of legislation to increase the annuities of retired civil-service workers.

My statement follows:

STATEMENT BY CONGRESSMAN GEORGE P. MILLER TO THE POST OFFICE AND CIVIL SERVICE COMMITTEE IN BEHALF OF H. R. 786, A BILL TO INCREASE ANNUITIES PAYABLE TO CIVIL SERVICE RETIREES

Mr. Chairman, the annuities of the civil service employees who have retired under the provisions of the Civil Service Retirement Act should be immediately increased. Such an increase is long overdue and the House Committee on Post Office and Civil Service and the Congress should act with dispatch and celerity in bringing a bill before the House to effect such an upward adjustment.

If the President exercises his prerogative and vetoes such a measure, as has been rumored, let the responsibility of his action rest with him.

You and I are both aware of the story recently carried on the front pages of newspapers across the Nation, recounting the fact that the cost of living hit a new alltime high for the ninth month in a row. High prices for food, medical expenses, rents, clothing, et cetera, affect each American consumer alike. No one is spared. However, annuitants on a fixed income are the hardest hit when prices soar since their incomes remain static.

If we analyze the Bureau of Labor Statistics reports we find that the costs of food varies seasonally while there has been a progressive increase in such items as rent, utilities, transportation, and medical expenses. Rent has been going up and up since the removal of rent control.

A superficial argument and one, incidentally, without moral foundation, has been made against increasing annuities on the ground that it would be inflationary. Any money coming into the economy is inflationary if you want to be highly technical, I suppose. But is the money we will pay these people any more inflationary than the rise in the cost of gas granted the big utilities? Is it more inflationary than the arbitrary rise in the cost of steel—basic to our economy—or the stock dividends paid by the big corporations out of their recordbreaking high earnings? Is it more inflationary than the continued tight-money policy of the administration? I do not think it is.

Annuitants are caught in a trap. They are victims of the times and their troubles are not of their own making. We are in a position to free them from this entrapment and, as far as I am concerned, we have a moral obligation to do so.

Three-fourths of all retired Federal workers receive less than $150 a month. It is difficult for them to maintain a decent standard of living and, at best, all they can afford are the bare necessities of life.

The money paid to annuitants circulates. It is not impounded where all the people do not enjoy its benefits. They are, by necessity, forced to spend the money they receive. And they spend it at the lowest level of our economy, for food, clothing, medical care, and shelter. It goes to small business and professional men. It is the kind of spending that stimulates small business—the kind of spending we need right now.

The Congress should give serious consideration to changing the formula by which pensions are computed under the Civil Service Retirement Act. Armed services personnel receive retirement pay based on the current salary of the job. In my opinion this is a reasonable solution to the problem.

Pensions received by retired Government workers are presently based on the average annual salary of the highest continuous 5 years of the beneficiaries former employment. In most cases the employee reaches his maximum salary just before he retires so it is his average last 5 years salary that becomes the "multiplier." His years of acceptable service times the "multiplier" is his retirement pay.

The salaries of Government employees have steadily risen over the long years in rough proportion to the higher cost of living. However, this raise has not been a real one but a relative one. So we find that the percentage paid into the retirement fund, a denial of buying power, is relatively the same.

For instance, a letter carrier earning $1,800 15 years ago paid into the fund, on the basis of a 6 percent contribution, $104 a year. A letter carrier today, paid at the median level of $4,000 a year, would contribute to the retirement fund about $250 a year. The benefits paid to the annuitant and to the man in active service when he retires will be in substantially the same proportion.

The $104 that the annuitant denied himself during his working life would have purchased 1,040 loaves of bread at 10 cents a loaf. The $250 paid by today's worker into retirement would purchase about 1,130 loaves of bread at 22 cents a loaf.

So if we interpret the 2 contributions in terms of loaves of bread, we find them in the same relative position to their respective incomes. But under the fallacious theory that we pay fixed annuities, we give no consideration to the fact that the annuitant today can buy only 473 loaves of bread—a decline in purchasing power of over 50 percent.

Congress should give earnest thought to the continuing plight in which retired Government workers find themselves and enact legislation to give them a deserved increase in their annuities which will enable them to live with the dignity that is the inherent right of all Amercans. They paid for their security: It is not a gift. They are not responsible for the galloping cost of living. They served us well. Let us be as generous with them.

Problems of Farmers

EXTENSION OF REMARKS
OF
HON. JAMES E. MURRAY
OF MONTANA
IN THE SENATE OF THE UNITED STATES
Thursday, June 6, 1957

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an article entitled "MANSFIELD Says It's Time That Benson Recognized Small Farmers' Dilemma," and an editorial entitled "MANSFIELD Points to Benson's Conflicting Statements," which appeared in the May 31 and June 1, 1957, issues of the Great Falls (Mont.) Tribune.

The editors of the Tribune share the concern of my distinguished colleague and myself over the Eisenhower-Benson farm policy.

They conclude that—

There is serious question whether the farmers or the country can afford many more of Benson's kind of forward steps.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Great Falls Tribune of May 31, 1957]

MANSFIELD SAYS IT'S TIME THAT BENSON RECOGNIZED SMALL FARMERS' DILEMMA

Charging the economic welfare of the farmers has been "tossed back and forth like a football," Senator MIKE MANSFIELD said Thursday it is time Secretary Benson recognized the dilemma faced by the small farmer and did something about it beside viewing the situation "through rose-tinted glasses."

MANSFIELD issued the statement Thursday prior to returning to Washington, D. C. He arrived Wednesday to deliver the commencement address at the College of Great Falls graduation ceremonies and was conferred an honorary degree.

Continuing, MANSFIELD said facts and figures indicate "we have a Secretary of Agriculture and a department under his jurisdiction who tell completely different stories.

"Farm prices are 15 percent below the level prevailing when President Eisenhower took office. Farm surpluses are nearly three times as large as they were in January, 1953. The Federal Government spent more on agriculture in the first 4 years of the Eisenhower administration than in the preceding 20 years.

"In February, Secretary Benson indicated that organized labor was to blame for this situation when he said, 'When there is * * * strong demand for industrial products and a tight labor market, "soft" settlements of wage disputes are all too frequently made * * * These increased costs are passed forward to consumers in the form of higher prices, and backward to producers of many raw materials, especially farm products, in the form of lower returns.'

"However, the facts show that the farm family income dropped by $3½ billion between 1952 and 1956, but none of this drop

is accounted for by increases in farm production expenses. These expenses were $300 million less in 1956 than in 1952.

"The Secretary of Agriculture has indicated on a number of occasions that farm surpluses were under control. This is what the departmental figures show: Commodity Credit Corporation losses between 1933 and 1953 were $1.1 billion. CCC losses between July 1, 1953, and January 31, 1957, were $2.9 billion. The total CCC inventory on January 1, 1953, was $1.09 billion. CCC total inventory in February on February 28, 1957, was $5.7 billion.

"The CCC has three times as much corn on hand now as when Secretary Benson took office: 266,711,000 bushels in January 1953, and 967,122,000 bushels in February 1957.

"There were 127,779,000 bushels of wheat in CCC storage in January 1953. In February of this year, there were 798,918,000 bushels of wheat on hand.

"Secretary Benson and I agree that 'The family farm has long held an important place in the economic and social life of our country.' We do disagree about their present status. The secretary says that their relative position has not changed. I disagree; the family farm is disappearing from the American scene. Between 1952 and 1956, the total number of farms in the United States decreased by 460,000. The farm population dropped by over 2,000,000.

"During this 4-year period the farm debt rose $3.3 billion and the farm foreclosure rate doubled. Since 1952, the farm credit interest rates rose 108 percent over the 1947–1949 level.

"In regard to the Department of Agriculture's budget, the secretary says: 'We don't want to increase our department by any number of thousands. We only want to have the people who need to carry out the programs for which we have responsibility.' The department's modest employment increase has amounted to 16,258 persons since 1953 and the budget has risen over $2 billion since 1954."

[From the Great Falls Tribune of June 1, 1957]

MANSFIELD POINTS TO BENSON'S CONFLICTING STATEMENTS

Before returning to Washington Thursday from his speaking engagement in Montana, Senator MIKE MANSFIELD made some pertinent remarks on the dilemma faced by the small farmer. He charges that in the more than 4 years of the Eisenhower-Benson farm administration the economic welfare of the farmers has been "tossed back and forth like a football." He thinks it is time Secretary of Agriculture Benson did something about the situation besides "viewing it through rose-tinted glasses."

MANSFIELD says we have a Secretary of Agriculture and a Department under his jurisdiction who tell completely different stories. He points out Department statistics show farm prices are now 15 percent below the level prevailing when President Eisenhower took office and farm surpluses are nearly three times as large as they were in January 1953.

In February Secretary Benson indicated that organized labor was to blame for the squeeze of the farmer between higher costs and lower market prices. But Department of Agriculture statistics show that between 1952 and 1956 the family farm income in this country dropped by $3½ billion. But none of this drop is accounted for by increases in farm expenses. These expenses were $300 million less in 1956 than in 1952.

About a week ago Secretary Benson said in a U. S. News & World Report interview that we "must quit trying to legislate scarcity." But he adds that farmers have a right to expect Government help "in this period of transition."

In the same interview, Benson reports the total agricultural budget submitted for the coming fiscal year exceeds $5 billion. And he points out that this is an amount equal to nearly half the total net income of all the farmers in the nation. He concedes, however, that "much of this huge budget does not go to the farmer at all."

He says also, "it is becoming increasingly clear that our present complicated legal formulas governing acreage allotments and price controls have failed in their principal purpose—to maintain an adequate farm income."

That series of statements could be supplemented by a lot of others from Secretary Benson. But they all add up to the most expensive Federal farm program we ever had and results distinctly on the deficit side.

Benson says his program was developed after calling on more than 500 people to participate in a study of farm programs.

It can be added that Mr. Benson was pretty choosey about what part of their recommendations he would accept.

Now he says the program is a failure and adds: "It is time for Congress to consider another forward step in farm legislation."

We will agree that it is time to consider a forward step but there is serious question whether the farmers or the country can afford many more of Benson's kind of forward steps.

Freight Absorption

EXTENSION OF REMARKS

OF

HON. WALLACE F. BENNETT

OF UTAH

IN THE SENATE OF THE UNITED STATES

Thursday, June 6, 1957

Mr. BENNETT. Mr. President, those of us who live in the West and Far West are keenly aware of the economic fact that our industry can neither prosper nor survive without the competitive opportunity of selling our manufactured goods in the consuming markets to the East. The right to absorb freight—that is, to meet the competitive lower prices of more favorably located sellers—is indispensable to our right to compete in the Eastern markets.

Necessarily, therefore, sugar-beet farmers in the West have been deeply concerned over the possible impact on freight absorption of pending legislation to restrict the right of sellers to meet lower prices of their competitors.

I have received correspondence from the Executive Secretary of the National Beet Growers Federation, made up of 19 local associations, of sugar-beet farmers in the States of Washington, Oregon, Montana, Idaho, Utah, North Dakota, South Dakota, California, Kansas, Nebraska, and Wyoming. He expresses his deep concern and confusion over the application of S. 11 to freight absorption.

He asks my help in straightening out the conflicting views given him on this subject, and in my effort to do so I welcome any possible assistance. Particularly, I hope that any report of the Committee on the Judiciary will fully explain whether freight absorption is outside the provisions of S. 11 or whether it is not any different than any other price reduction.

I ask unanimous consent to insert in the CONGRESSIONAL RECORD a letter from Richard W. Blake to the chairman of the Judiciary Subcommittee on Antitrust and Monopoly, dated May 16, 1957, and the chairman's letter of April 8, 1957, to Mr. Blake, both of which letters were sent to me by Mr. Blake.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

APRIL 8, 1957.

Mr. RICHARD W. BLAKE,
Executive Secretary, National Beet Growers Federation, Greeley, Colo.

DEAR MR. BLAKE: I am very glad to have the opportunity of giving you my reaction to your statement with regard to S. 11.

I believe that I understand from what you and others have said that freight absorption is essential in selling beet sugar. The hearings on S. 11 have made it clear that freight absorption is but a name for lowering prices in a given area in order to be competitive in that area. Such being the case, S. 11 would effect freight absorption precisely in the same manner as it would any other lowering of price to meet competition, that is to say, in the absence of conspiracy, and when done on an individual basis, such lowering of prices could continue so long as there was not such a discrimination between competing customers as would probably lessen competition or tend to create a monopoly.

I have emphasized the words "between competing customers" because in the campaign conducted by some manufacturing interests it has been stated over and over again that the lower price would have to be made throughout the entire country or among all customers. Such is not the purpose or effect of S. 11.

It seemed to me as I read your statement that your opposition might have stemmed from the misconception of the purpose and effect of the bill which I have tried to correct above.

With kindest regards, I am,

Sincerely,

ESTES KEFAUVER,
Chairman, Antitrust and Monopoly Subcommittee.

MAY 16, 1957.

Hon. ESTES KEFAUVER,
Chairman, Antitrust and Monopoly Subcommittee, Committee on the Judiciary, Senate Office Building, Washington, D. C.

DEAR SENATOR KEFAUVER: I appreciate very much your letter of April 8, 1957, but I must say that it leaves me even more confused about S. 11 than I had been previously.

I assume you have now changed your mind about the application of this legislation to freight absorption. Your letter of April 8 says that freight absorption is but a name for lowering prices in a given area, and presumably S. 11 would affect freight absorption in the same way it affects any other pricing practice. However, during the hearings last year you said several times that freight absorption would not be in any way affected by the enactment of S. 11; see for example, page 7, first paragraph, and page 252 of the 1956 Senate hearings on S. 11.

Our concern is over the propriety of absorbing freight to distant markets in order to meet prices already lawfully available to customers in those markets from more favorably located buyers. You say that this would be lawful under your bill as long as it would not properly lessen competition; but we cannot understand when such a competitive pricing practice would ever lessen competition. It would seem to me that this practice merely permits additional sellers to compete in the market and, when it is done individually in order to meet prices already lawfully available to the buyer, it could never lessen competition. Therefore, I cannot understand what situations your bill is intended to make unlawful with regard to the competitive practice of freight absorption.

Your letter then underlines for emphasis "between competing customers" and suggests that price discrimination is unlawful only when it is between competing customers. After rereading your bill several times I do not find the phrase "between competing customers" in the bill; and even if it were included I do not see any indication of how we can ever determine when customers in Chicago are in competition with customers in, say, Kansas City.

There are many cases holding price discrimination is unlawful in the absence of injury to competing customers, and as you probably know in the Corn Products case the Commission found that candy manufacturers in Chicago were in competition with candy manufacturers in Kansas City.

Yours very truly,

RICHARD W. BLAKE,
Executive Secretary, National Beet Growers Federation.

Address by Senator John F. Kennedy Honoring the Honorable Herbert Hoover

EXTENSION OF REMARKS

OF

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 6, 1957

Mr. BOLAND. Mr. Speaker, one of the great misconceptions about the second Hoover Commission is that it undertook its studies with preconceived notions to curtail Government services to many citizens. I would like to call to the attention of my colleagues that Senator JOHN F. KENNEDY, of Massachusetts, who is well know to the Members of this body in which he served from 1947 to 1953, refuted misconceptions about Hoover Commission recommendations in his remarks given at a dinner honoring former President Hoover on February 4, 1957, during the third national reorganization conference, sponsored by the Citizens Committee for the Hoover Report, at the Hotel Shoreham here in Washington. Senator KENNEDY is well qualified to speak on this subject, for he was chairman of the Senate Subcommittee on Reorganization during the 84th Congress and he conducted many hearings on Hoover Commission legislative proposals.

Under leave to extend my remarks in the RECORD, I ask that Senator KENNEDY's speech honoring former President Hoover be included. It follows:

ADDRESS BY SENATOR JOHN F. KENNEDY, HONORING THE HONORABLE HERBERT HOOVER

I deem it a great privilege to be here tonight, not only because of my esteem for the guest of honor, but also because of my sense of gratitude for your invitation. Senators are not always asked to participate in ceremonies lauding economy and budget reductions. On the contrary, some schoolboys believe the Constitution gives the House the power to originate taxes and the Senate the right to originate spending. And Will Rogers always said that "It is not the initial cost of a Senator we have to look out for, it's the upkeep. He may be the deciding vote on an appropriation bill that will cost us more than 100 high-priced men."

One way in which we in public life can assist you who labor long and without notice in the cause of governmental economy and efficiency is to help clear up misconceptions in the public mind which impede your work. There are three popular misconceptions about the work of the second Hoover Commission which I would like to mention tonight.

First is the mistaken belief held by a few cynics that the greatest benefit given the Commission by former President Hoover was the use of his name and reputation. But anyone who makes this assertion doesn't know Herbert Hoover very well. He is totally unlike Senator John Sherman of Ohio over half a century ago, who was famous for two laws, the Sherman silver-purchase law and the Sherman antitrust law, although a contemporary Senator observed, "The first was adopted against his protest, the other he introduced by request. I doubt very much whether he ever read it, or, if he did, whether he ever understood it."

No. Herbert Hoover does not propose measures he has not read, nor approve those he does not understand. At the age of 81, when most men are firmly fixed to their rocking chairs, he accepted without hesitation the challenge offered by President Eisenhower to undertake once again an examination of the executive branch of the Government. And I have it from an unusually reliable source that he was a working chairman, probably the "workingest" chairman any commission or committee ever had. His prodigious efforts were reflected in the preparation of every draft and report, in the harmonizing of men with conflicting attitudes, and in the acceptance of their findings by the public, the Congress and the Administration. The name of Herbert Hoover has truly become synonomous with efficiency and economy in government and I am privileged to join with those gathered here tonight to pay tribute and thanks to you, President Hoover, for your notable achievements in the improvement of the operation of our Government.

Secondly, I want to mention a misconception which has resulted from the adverse comments of some pressure groups and politicians—and some of my best friends are politicians—and that is the notion that the Second Hoover Commission was a biased, reactionary group which reached preconceived conclusions in a slanted, controversial report that would deny services to millions of Americans. This position is best refuted by the facts. During the 84th Congress, a Democratic Congress, it was my privilege to act as chairman of the Senate Reorganization Subcommittee, to conduct hearings on many Hoover Commission legislative proposals and to participate in the Senate's discussion of them. Of the 59 measures relating to the second Hoover commission's recommendations which were referred to the Senate Committee on Government Operations, 36 were favorably acted upon by our subcommittee. After consolidations and approval by the full Committee on Government Operations, 16 bills, incorporating the objectives of these 36 bills on which the subcommittee had acted, passed the Senate, all by unanimous vote; and of those 16, 13 are already law.

Still another Hoover Commission measure I was privileged to cosponsor, with Senator LISTER HILL, far from being a step backward, established our Nation's first great medical library. Still another measure expanded, not reduced, funds for basic research in medicine and other fields. Whatever differences President Hoover and I may have politically or otherwise, this will never prevent us from working together in the interests of better government.

Third and finally is the misconception that must discourage you the most—the notion that since the Hoover Commission has completed its work the job is over. What happened to all those budget savings, taxpayers are going to be asking in a few months. But the job is far from complete, despite the gratifying progress which I reported to you. The legislative process in a democracy is a slow process, and it always will be. For as Winston Churchill once said: "Democracy is the worst form of government—except all those other forms that have been tried from time to time."

However slowly, there is every sign that we will continue to move ahead. A major piece of unfinished business is the bill which passed the Senate unanimously last year, and which provides that our national budgets be based on the actual expenditures to be incurred by the Federal departments and agencies during the budget year, the cost-type budget. This bill is important not only in terms of the savings it will bring, but even more significantly, I believe, in terms of developing greater cost consciousness on the part of all citizens, employees of the Government and otherwise.

If all of us, in the Congress, in the citizens' organizations and in the general public, can share but a small part of President Hoover's unselfish dedication to this task, regardless of critics and pressure groups and political considerations, then continued progress and achievement are ours. We may say of him whom we honor tonight as Edmund Burke said of Charles James Fox:

"He has put to hazard his ease, his security, his interest, his power, even his * * * popularity. * * * He is traduced and abused. * * * He may live long, he may do much. But here is the summit. He never can exceed what he does this day."

National Rivers and Harbors Congress

EXTENSION OF REMARKS

OF

HON. OVERTON BROOKS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 6, 1957

Mr. BROOKS of Louisiana. Mr. Speaker, under leave to extend my remarks I present a report which I, as President of the National Rivers and Harbors Congress, made to the 44th annual convention held in the Mayflower Hotel, Washington, D. C., on May 18, 1957. It is as follows:

REPORT OF THE PRESIDENT, REPRESENTATIVE OVERTON BROOKS, OF LOUISIANA, TO THE 44TH ANNUAL CONVENTION OF THE NATIONAL RIVERS AND HARBORS CONGRESS AT THE MAYFLOWER HOTEL, WASHINGTON, D. C., MAY 18, 1957

Ladies and gentlemen of the convention, it again becomes my duty to make a report concerning the activities of the congress during the year since we last met on May 10–12, 1956, for our 43d national convention. I am happy to report that we have had another fine year marked by progress in every direction toward our goals.

Our 43d annual convention achieved a new high in enthusiasm for conservation of water resources. An outstanding event in the organization's long history of accomplishment, the gathering attracted 358 official delegates from 43 States, Hawaii, Puerto Rico, the District of Columbia, and one foreign country (Colombia, South America). In addition, there were several hundred others in attendance, guests, visitors, and representatives of the press and radio. Again Louisiana led the States in number of delegates, with 41; North Carolina was second with 30; while Ohio and Texas were tied for third place with 22 each.

The projects committee's all-day hearings opened the convention on May 10. The committee received testimony on 41 applications for approval of projects, of which it recommended for endorsement 16, estimated to cost $242,416,998. The committee put 10 projects in class II, meritorious; 6 in class III, expeditious report requested on authorized survey; 7 in class IV, survey recommended; and 2 in class V, not classified.

The resolutions committee, composed of one delegate from each State, dealt with a wide range of subjects as outlined in the agenda for the convention; gave careful consideration to each proposal; made many suggestions; and reached agreement on the committee's report which was further amended from the floor of the convention and adopted unanimously; thereby constituting the policy and program of the Congress for the ensuing year.

One other committee report attracted widespread attention, the report of the Special Committee on the Panama Canal, which devoted 2 years of intensive study to the problem and unanimously recommended construction of a sea level canal.

During the last year we have noted with growing uneasiness certain disquieting developments regarding the Panama Canal Zone. The backwash of the Suez crisis of last year has begun to lap at the shorelines of the Western Hemisphere. There has been a succession of significant events. We hear reports that elements in Panama are beginning to suggest that we share our sovereignty over the Canal Zone with them—despite the exclusive sovereignty granted the United States in perpetuity under the 1903 Treaty with Panama. Simultaneously, Soviet shortwave stations are beaming programs to Central America, demanding that the United States withdraw from the Canal Zone. And, more recently, we hear suggestions by a few misguided Americans urging us to turn over operation of the canal to the United Nations. The idea is that we would thus dramatize our good faith of last year, at the height of the Suez crisis when we suggested that all the world's key waterways be internationalized.

In the light of such developments, your president issued a statement through the National Rivers and Harbors Congress on April 28, warning that "we will have trouble in our own backyard if we fail to exercise the most skilled diplomacy." The NRHC has had a traditional and almost godfatherly interest in the Panama Canal project since its inception.

The United States has no territorial ambitions. At the same time, it has no intention of turning over one of its main assets to the United Nations in exchange for a mere pat on the back. I trust we have not become that softheaded.

Passage by the House of Representatives on May 22, 1956, of the civil works appropriations bill for 1957 was a fitting climax for our 43d national convention. The bill as reported by the House Appropriations Committee on May 21 carried a total of $787,453,000, a cut of only $26,000 in the budget estimates for the Army's civil functions (river and harbor improvement, flood control, shore protection, multipurpose projects, etc.) as contrasted with the reduction of nearly $60 million the committee recommended in these appropriations in the previous year.

When the bill was taken up on the House floor the next day, the chairman of the committee referred to the effort made the preceding year when Vice Chairman Simpson and I called a meeting of our colleagues to discuss the very drastic cuts made by the committee in the budget estimates, and said, in part: "Here we have a bill giving something to everybody. And I voted for it. A year ago we thought we had a very reasonable bill. * * * But the boys held a little caucus over it in the caucus room in the Old House Building. Both sides of the aisle got together and they agreed * * * and they came over here and ran over us like a bunch of wild steers. You knew, 2 or 3 experiences are enough. So I am going to 'jine 'em'—I am going to vote with them today."

Whereupon the House added $460,000 for 2 projects and took out $25,000 for 1, rejected a motion to recommit the bill, and sent it to the Senate. On May 28, 1956, accompanied by Representative PAUL G. ROGERS, of Florida, resolutions committee chairman at our 43d convention, and the executive vice president, William H. Webb, I appeared before the Public Works Appropriations Subcommittee of the Senate. The bill as finally approved carried a total of $856,727,000, an increase of $38,226,000 over the amount recommended by the budget and $65,969,000 more than was allowed by the House of Representatives.

The bill's total of $635,012,500 for the Army engineers' public-works program was the second largest amount ever made available for a single year, being exceeded only by $4,739,690 in the 1950 fiscal year. Construction of 235 individual projects and planning of 98 were provided $446,387,500 and $9,562,000, respectively, these projects being located in 46 States, Alaska, Hawaii, the District of Columbia, and the Virgin Islands. They included 121 continuing projects and 114 new starts and resumptions.

Representative ROGERS, Mr. Webb, and I made our second appearance before the full Committee on Public Works of the House of Representatives and presented our resolutions and projects committee's reports. On July 7, 1956, that committee reported favorably an omnibus flood control and rivers and harbors bill authorizing $80,604,000 for 29 navigation and 7 beach-erosion projects, and $1,263,267,000 for flood control and multiple-purpose projects in 21 river basins throughout the United States and in Alaska. Subsequently, the bill was passed by the Senate after the Public Works Committee of that body had added numerous projects, but it met with a veto by President Eisenhower because it included projects which had not been through all the processes of engineering reports and studies as now prescribed by law.

On June 27, 1956, both House and Senate agreed to a conference report on the bill to strengthen and extend the Water Pollution Control Act and authorize grants of $50 million per year to States, municipalities, etc., for the construction of sewage-treatment works, and the bill was approved by the President on July 9.

Also, on July 5, 1956, the Senate agreed to the House amendments to the bill authorizing $10 million per year for small flood-control projects and increasing to $400,000 the limitation for any individual project, and on July 11 President Eisenhower signed it into law.

Fourteen national directors attended the board meeting immediately after adjournment of our 43d national convention; reelected all national officers; authorized the president to appoint an executive committee of not less than 5 members, in addition to the budget committee; agreed to meet semiannually; and pledged cooperation with the national officers to increase the membership of the congress and thereby its effectiveness.

Efforts by the national headquarters office to increase the number of active, contributing members of the congress have continued throughout the year with marked success. Also, during the latter part of last summer and early fall, our treasurer, William G. Zetzmann, of New Orleans, organized a membership campaign in that city by selecting a small membership committee and corresponding with a number of firms, corporations, organizations, and individuals who it was believed would be interested in affiliating with the Congress and sharing in its work. Mr. Zetzmann will report to you a little later on this morning's program on this fine job which he and his associates in New Orleans did, and as you listen to him, I hope every one here will give consideration to doing a similar job in his own city and community. Only by this means can we expect to enlarge our membership and thereby equip ourselves with the necessary sinews to do the job that more and more is expected of our organization.

Today we detect a marked improvement in the public's attitude toward water development programs. The public seems more favorably disposed toward appropriations and authorizations for flood control and harbor projects.

Formerly, efforts were made to ridicule them out of Congress by using such terms as "pork barrel," "log-rolling," and "boondoggling." It tried to make the public believe that it was somehow wasteful and prodigal to spend money for flood prevention projects. Floods were frequently shrugged off as natural catastrophes. Somehow, it was supposed to be a divine virtue to endure them stoically. Of course, this was a comfortable and contented philosophy as long as the weather remained normal and favorable—and polite.

Within our lifetime it has taken about a half a dozen major catastrophes to bring those who were brain-washed back to their senses. There was the great Mississippi River flood of 1928; the Ohio River floods of 1936 and 1937; and more recently floods in California, the Connecticut Valley and in the Southwest. In addition, there was a series of vicious hurricanes that harassed the eastern seaboard and Gulf of Mexico areas.

Prodded by these catastrophes, we have made a sound beginning on a nationwide flood control program during the last two decades. Today, more than 400 flood control projects have been placed in full or partial operation. We have now accumulated sufficient statistics and experience with these projects to prove beyond a reasonable doubt that they have already justified their existence many times over.

The House Public Works Committee last month published a staff study showing the amount of damages estimated to have been prevented by existing projects. You should have a copy of that report: Costs and Benefits of the Flood Control Program. One table, based on figures supplied by the United States Army engineers, gives flood prevention figures for the 391 Federal projects in full or partial operation as of June 30, 1954. Over an average operational period of 11 years these 391 structures saved $7.3 billion. This is already twice the total amount spent for their construction. Assuming an economic life of 50 years, these projects will ultimately provide annual benefits of more than 3 times the annual charge for everything—amortization, interest, maintenance, and operation. These dollar-and-cent benefits do not take into account all the lives that otherwise would have been lost. Nor do they reflect such secondary satisfactions as wearing dry shoes, having dry basements, and keeping the mud off the living room carpet.

The National Rivers and Harbors Congress has just compiled similar figures showing flood savings during the past 12 months. In that period, the Nation has experienced floods in five areas: The lower Mississippi; the Ohio River Valley of Kentucky, Tennessee, Virginia, and West Virginia; the Tennessee River Valley; the Pacific Northwest; and more recently in the Texas-Louisiana area. Our survey, based on official figures, shows that existing Federal projects have prevented damages of from $230 to $280 million during the last year. (In my judgment, these figures are on the conservative side.) These savings represent more than one-third of the $635 million requested in

the pending budget for projects all over the country during the next fiscal year.

Congressional committees are now holding hearings on flood control and harbor bills. Many of you have made appearances. In the light of proven savings, as shown by the figures I have just cited, we can make an affirmative presentation. The Nation's water development program has entered the payoff period. We should take advantage of this fact by emphasizing all the more the benefits that are accruing each year through the prevention of floods.

With this sort of approach I am confident that we will find due consideration given to our case on Capitol Hill. In its commendable efforts to economize, I do not believe that Congress will penalize the flood and harbor program, because the program is now making such an impressive showing of tangible savings. These demonstrated savings represent economy in the true and wisest sense of the word.

At our last year's convention it developed that there was considerable interest in the study programs which are underway in various Government agencies dealing with the conservation, development, and use of our national water and land resources. Consequently, in an effort to assemble the data concerning these programs I addressed a questionnaire comprising 18 topics to the heads of 39 Federal agencies concerned with various phases of water and soil resource development and control. The more important replies when received were included in an extension of my remarks in the CONGRESSIONAL RECORD, and widespread distribution was given to this report.

The questionnaire, which was answered by 40 Federal agencies, revealed how many facets of the water problem have interested the Government. Research and experimental programs are going on in the fields of hurricane and tornado reporting, artificial rainmaking, conversion of salt water, long-range weather forecasting, nuclear fallout, industrial water supply and the reuse of water, stream pollution, atomic power as a new source of energy, atomic-propelled merchant ships, weather observations in the Arctic and Antarctic, and the declining water level.

Many of these programs are in the laboratory or pilot plant stage, but sufficient funds should be appropriated to continue and expand them. They are already contributing much toward the success of the older Federal water programs—flood control and harbor improvement, power development, and irrigation and reclamation. There is no way of telling when one of these obscure experimental programs will produce some revolutionary result that will alter our whole approach toward the important water problem.

On June 30, 1956, a simultaneous meeting of the executive and budget committees was held in Washington, attended by all of the members. The budget committee approved a budget for the year ending June 30, 1957, which was ratified by the executive committee, based on anticipated income of approximately $30,000. This was approximately the gross receipts for the calendar year 1956, which has heretofore been the fiscal year of the Congress, so we see that we still have to increase our efforts to reach the goal of $50,000 fixed by our board of directors as our annual budget.

On March 28 of this year a dinner meeting was held in the National Press Club in Washington, to which were invited the officers, directors, and members of the Rivers and Harbors Committee of the Washington Board of Trade. This meeting was attended by about 40 persons and indicated a very real and definite interest in our program on the part of the business people in the Nation's Capital. Following this meeting, Mr. Graydon F. Smart, of Shreveport, La., at my request, spent a week calling upon prospective members in the District of Columbia, and the indications are that our membership roster will be increased by a goodly number of local firms and corporations. Eventually we hope to expand this membership campaign to other areas throughout the United States, with the assistance and cooperation of our national and regional directors and State vice presidents.

A liberal platform plank on river and harbor development was submitted to the resolutions committees of the Democratic and Republican National Conventions; in the latter case, by the splendid cooperation of the Honorable Herbert G. West of the Inland Empire Waterways Association, who journeyed to San Francisco at his own expense and presented our proposed platform plank in person to the public works subcommittee of the Republican National Convention's resolutions committee. Both platforms adopted by the national conventions of the major political parties last August, and the campaign pledges subsequently made, promised vigorous action on this program. The year 1957, therefore, it has been said, should be "the year of fulfillment" in our long campaign for adequate control of the destructive floodwaters, and the conservation and development of our water and land resources.

This year, I have appointed two special committees to deal with particular phases of water resource development, and to give us the benefit of their views and recommendations as to the best method to pursue to reach our goals. I refer to the Committee on Irrigation and Reclamation, under the chairmanship of Representative A. L. MILLER, of Nebraska; and the Committee on Water Conservation and Pollution Abatement, chaired by Representative JOHN A. BLATNIK, of Minnesota. I am sure we shall all look forward with keen anticipation to the reports of these two committees this afternoon.

And now, in closing this report on the activities of our congress during the past year, may I express my gratitude to the many hundreds of individuals who have cooperated with us in advancing our program, not the least of whom have been the members of our advisory committees for the respective States and Congressional districts. These outstanding citizens, devoted to the public welfare, have all been recommended by their Senators and Congressmen as being able, ready, and willing to work with us, and we have been most fortunate to have had their assistance in carrying on our activities. We shall look forward to a continuance of their efforts, and in return, we pledge the best endeavors of our national headquarters office, as well as our regional and State offices, to carrying forward this great program for the sound and orderly development of our national water and land resources.

Communism

EXTENSION OF REMARKS

OF

HON. J. GLENN BEALL

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Thursday, June 6, 1957

Mr. BEALL. Mr. President, last Saturday, at a banquet of the Maryland Forty and Eight, I had the honor of delivering an address on the subject of communism. Among those in attendance were Chef de Chemin de Fer Chester Naumowicz, of Silver Spring, Maryland's first national president of the Forty and Eight; Charles W. Ardery, national secretary; and many patriots from all areas of the great Free State of Maryland. I ask unanimous consent that my remarks on that occasion be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SPEECH DELIVERED BY UNITED STATES SENATOR J. GLENN BEALL, OF MARYLAND, AT BANQUET OF LA SOCIETE DES QUARANTE HOMMES ET HUIT CHEVAUX, LE GRANDE VOITURE DE MARYLAND, ON JUNE 1, 1957, IN THE SOUTHERN HOTEL, BALTIMORE

Although I am a charter member of the American Legion post in my hometown of Frostburg, I never had the honor of belonging to the legion's famous Forty and Eight.

I am, however, a member of another body in which forty and eight is a rather magical number.

The other group to which I refer is the United States Senate, where 48 Senators, plus the Vice President, can give political control to a party.

I might mention, in passing, that leaders of both parties have been known to settle for a forty and eight combination quite similar to the one your fine organization commemorates, that is, 40 men, who ordinarily would vote in accordance with their party's philosophy, and 8 others, who occasionally might act like mules or jackasses.

I shall now drop this particular subject before some of you try to classify your speaker.

Whenever the newspapers write about the Forty and Eight they describe it as the legion's fun-loving organization.

Never permit yourselves to lose that description.

As Joseph Addison, the English poet and essayist, once said:

"If we consider the frequent reliefs we receive from laughter, and how often it breaks the gloom which is apt to depress the mind, one would take care not to grow too wise for so great a pleasure of life."

On the other hand, the members of the Forty and Eight and all of their legionnaire associates have another essential attribute, the ability to recognize when not to laugh.

This has been demonstrated time and again, especially in your determined and continuing fight against communism.

I consider it a privilege to be able to discuss that issue with you this evening.

As all of us know, democracy found a home in America when a group of men and women decided that they wanted to be free individuals instead of unquestioning subjects of a domineering mother country.

Today, however, there is a false belief in many quarters that we must accept all philosophies in order to preserve the spirit of freedom we have fostered.

Nothing could be further from the truth.

If democracies are to preserve their health, they cannot permit the growth of systems dedicated to their destruction any more than healthy bodies can be allowed to have cancer spread through them.

That is why we in this country must never yield to the false propaganda that our four freedoms must embrace all doctrines, including communism.

Other nations have failed to see that communism, like a disease, destroys the very area in which it is allowed to thrive.

Some of those areas have died because of their mistake.

Others are desperately ill.

Despite this, there are still persons who refuse to believe that communism is a threat in this country.

Perhaps these people failed to read a report on the matter which a Senate subcommittee released about 18 months ago.

In their report, the Senate investigators said:

"Those who declare that the Communist Party is no menace because its membership

and voting strength constitute only a fraction of a percent of the total membership and voting strength of major political parties, are deluding themselves and others."

Here's the reason why, and again I quote:

"A party member or sympathizer may be an official of a labor union with thousands of members which can tie up a given community or industry.

"He may be an unpublicized Government official who prepares memorandums on policy affecting the entire Nation.

"He may be an atomic scientist with access to highly secret information vital to our security.

"He may be a writer, a preacher, or a radio commentator with a vast audience.

"He may be an actor or the descendant of some well-known family or the leader of a community organization.

"In each case the individual's influence radiates to ever-widening circles with an effect similar to that of a stone thrown into a pool."

That, in the words of men who have studied the issue closely, is why communism is a menace.

It is well to remember these points, and it is also extremely important to keep in mind that the Communist threat is not always pointed at the atomic-energy installation in Oak Ridge or at some testing grounds in the West.

In 1951, for instance, the Federal Bureau of Investigation estimated that Maryland alone had 250 Communists and our neighboring State to the north had 1,441.

But that was 6 years ago, and the Senate report from which I quoted is now a year and a half old.

What, then, about the present—now—today?

When the members of the House Un-American Activities Committee began their recent hearings in Baltimore I contacted Federal Bureau of Investigation Director J. Edgar Hoover to ask about the current situation.

Mr. Hoover stated, as he previously had done before a Congressional committee, that there were 17,360 Communists in our country at the beginning of this year.

That is about 14,000 less than there were in 1951, but in the remaining group are the ones which Mr. Hoover described as the hard core.

These Communists, he emphasized, are as cruel and as merciless as their Russian masters.

Our problem, therefore, is twofold.

In the first place, we must decide what to do about the individuals who are accused of being Communists but who refuse to answer questions about their alleged connections with the party.

We must also determine how we can best continue our fight against subversion under today's laws.

Let us consider those points one at a time.

Less than a month ago, just several blocks from where we are now assembled, 22 persons invoked the first and fifth amendments in refusing to answer questions about their reported Communist activities.

One of them—a man accused of being the head of the Maryland-District of Columbia region of the Communist Party—was the same fellow who was one of my bitterest critics when I was in the House of Representatives and who later was sent to a Federal jail for violation of the Smith Anti-Communist Act.

I mention the fact that this man did everything he could to defeat me in order to show how an individual's personal feelings—in this case mine—can become involved in a matter such as this.

That is one reason why, despite our hatred of communism, despite our desire to protect our own free land, we must be extra careful not to allow ourselves to join a sort of "mental lynch mob" against those who employed the first and fifth amendments in their testimony.

Admittedly, this is an extremely delicate issue and the distinctions within it are quite narrow.

Therefore, before we proceed further, let us review the law and our philosophy of government.

First, we must remember that every person is presumed to be innocent until proven guilty.

Second, the Constitution specifically provides that a person is not obliged to testify against himself.

Third, there is no law which makes it a crime merely to be a member of the Communist Party in this country.

And finally, the courts are still testing laws passed to make it illegal for a person to participate in Communist activities if he has full knowledge of the aims of the organization.

Now, what does all of this mean?

It means, in the case of the persons named as Communists during the recent hearings, that these individuals are, at most, only suspected of something which itself might or might not be illegal.

The allegations have not been proven.

The illegality of their reported acts has not been established in the courts.

I am stressing—perhaps overstressing—these points because, in our constant fight against the menace of subversion, we must never inflict unintentional wounds on the philosophy of government we are trying so zealously to protect.

On the other hand, what should we do about men and women who use the first and fifth amendments to refuse comment on their alleged Communist connections?

We must, of course, try to find out what is behind the refusal of those individuals to cooperate in legitimate investigations, and I can assure you that this is being done most effectively by numerous experts of your Government and the patriotic citizens with whom they are working.

Then, however, we are faced with the dilemma which arises from our personal and business contacts with those who, in effect, have hidden behind the Constitution.

In most cases this becomes a matter of individual decision, and I would like to tell you how I, personally, feel.

Granted that it is the right of any person to protect himself from questions about his Communist connections by invoking the fifth amendment, it is also my right to hold such individuals in the utmost contempt, and I do so.

Yes, in keeping with the philosophy which underlies our democratic processes, it is our duty to respect the right which every man has to make certain decisions, even though those decisions might have originated within the walls of the Kremlin.

We are not obliged, however, to respect the decisions themselves or the persons who make them.

As I mentioned previously, the distinction is quite delicate, but on it rests the future of our form of government.

Before I change the subject, I would like to take this opportunity to commend publicly those employers who have taken direct action, which they sincerely felt to be justified, and have suspended those persons on their payroll who refused to cooperate with legitimate investigations affecting the security of our country.

Now, for a few minutes, I would like to discuss our day-by-day efforts to head off the ever continuing threat of Communist infiltration.

I know full well that most persons feel that their lives on farms or in factories or in offices will never cross the paths of subversives.

That is exactly the attitude that the Communists want.

Then they can move in and work under the protective cover of public indifference.

Frequently, in such cases, their camouflage is built around the very idea I just mentioned, the false belief of many persons that they have far more chance of meeting a man from Mars than a Communist.

Preying on such mistaken attitudes, the men who would overthrow our democracy masquerade as respectable citizens and distribute their false philosophy through various front organizations.

Suppose, for a minute, that a well-dressed man with an honest smile circulated through your neighborhood seeking signatures for a petition being circulated by the Maryland Committee for Peace.

Or suppose a motherly individual requested the support of you and your neighbors for the Methodist Federation for Social Action.

What would be the result?

Some persons, I'd be willing to bet, would go along with the petitioners as readily as they would with a March of Dimes drive.

But those are just two of the many groups that a Senate subcommittee has listed as Communist-front organizations.

The Maryland Committee for Peace might have had a noble-sounding title, but the peace it sought was a Soviet-brand servitude.

Likewise, the Methodist Federation for Social Action had nothing to do with any religion, and particularly nothing to do with any of the fine churches of Maryland.

Its only connection with a religion, if that word can be used at this time, was its link with the godless creed that has been promoted by the rulers of the Soviet.

Nevertheless, good, sincere Americans, believing that Communist infiltration is conducted strictly on a cloak-and-dagger basis within the secret agencies of the Government, added their endorsements to both groups.

Our task, therefore, becomes clear.

We must maintain a strict, unrelenting vigilance.

We must guard against the men who pledge allegiance to our flag with their right hands while stealing the secrets of our security with their left.

Remember, the wall of defense installations which protects our shores cannot protect us from such conspirators.

They work within the walls.

Our most advanced weapons are ineffectual in these cases, for the enemy is looking over our shoulders as we prepare to fire.

I repeat, therefore, that our major defense is vigilance.

More than that, though, we must step up our offensive in the fight.

One of our Nation's greatest troubles today, I think, is that we are beginning to develop a listless attitude toward good old-fashioned patriotism.

Don't be ashamed of your feelings.

Wave the flag.

Sing the national anthem.

I know it seems unnecessary to say these things to Legionnaires, but I would rather repeat them too often than take a chance on missing one individual who might profit by my remarks.

Now, in closing, I would like to express my personal thanks to you fellow Marylanders, who, as good Americans and good Legionnaires, have been doing so much to guard the strength of our Nation.

Keep up the excellent work.

Wilbur D. Mills

EXTENSION OF REMARKS

OF

HON. JAMES W. TRIMBLE

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 6, 1957

Mr. TRIMBLE. Mr. Speaker, one of the outstanding men of the Congress is our colleague from Arkansas, WILBUR MILLS. We of the Arkansas delegation are proud of him and are grateful for the many things which he has done for us through the years. He is always going about doing good.

Lately an honor has come to him which adds to our pride and adds also to his imposing record of service. On June 1, the University of Arkansas conferred upon him its honorary degree of doctor of laws, an honor well deserved.

At the same time, he delivered the commencement address to the graduating class. Those who heard that address tell me it was enthusiastically received by everyone and was an inspiration to the young graduates. I am delighted to insert that address in the RECORD as part of my remarks.

The address follows:

COMMENCEMENT ADDRESS BY WILBUR D. MILLS, UNIVERSITY OF ARKANSAS, JUNE 1, 1957

Friends, I am deeply grateful for having been invited to participate in these exercises today. The American calendar is crowded with observances, but academic commencement ceremonies, I think, best express the continual beginning which is the basic ingredient of life. It is epitomized in the graduating class, the instrument for trahsmitting our cultural heritage to the future, enriched and strengthened. To be asked to assume an active role on this occasion, therefore, is indeed a privilege of which I always shall be proud.

I have alluded to our cultural heritage. It is, of course, a concept of tremendous dimensions, but I want to offer some brief remarks about just a few of its aspects which events in recent years have cast into critical focus.

This Nation has achieved its greatness through the spirit of its people. It is a spirit of the quest, the seeking out of opportunities and challenges. Opportunities and challenges do not exist as objective conditions of life anywhere in the world. They are created, sometimes out of of material circumstances, sometimes out of spiritual and cultural demands by a people for whom challenge and opportunity are synonymous descriptions of a basic attitude toward their surroundings. It is the spirit of a people who are vigorous and vital, who live instead of merely exist their allotted time. It is the spirit which makes progress possible and inevitable.

It is, however, a spirit which must be carefully nurtured. Paradoxically, the more effective this spirit in providing the Nation with material and cultural riches, the greater the threat to its perpetuation. Self-satisfaction may replace self-confidence, contentment may replace venturesomeness, smugness over past achievements may replace the drive for further accomplishments. The community may grow fat and lazy, short of wind, and hard of artery. Organic weakness, when finally recognized, may lead to fear which either paralyzes or panics and, in any case, hastens breakdown. The therapy required to restore good health may become increasingly rigorous, and may, therefore, be too long postponed. The spirit may expire and with it the greatness it had produced.

Are we now so threatened? In material terms, the progress which both reflects and depends upon our striving has in recent years been impressive indeed. Since the end of World War II, our annual production of goods and services to meet material demands has increased by well over $100 billion, in real terms. Over the period, gross additions to our private capital stock amount to the fabulous total of $591 billion, in 1956 prices. Similarly measured, we have consumed almost $2½ trillion of goods and services while our Governments—Federal, State, and local—have added $350 billion in products.

As reflections of our material achievements there are other measures which may be even more impressive. The physical aspects of our daily lives have drastically changed in recent years. Our foods are grown, processed, and delivered into our hands with the use of machines, techniques, and processes which did not exist when those receiving their diplomas here today first began their schooling. Our clothes have changed similarly. Our automobiles would have been regarded as designers' and engineers' fancies less than half a generation ago. Our homes, offices, factories, and stores are built and equipped along markedly different lines from a few years ago. We accept with equanimity the production of complicated commodities without the immediate agency of human hands. Man today can cross this continent in 3½ hours and we can be sure that tomorrow he will do it in 2½ hours. We are soon to explore space as confidently as 20 years ago we explored the stratosphere. Our progress with things is rushing us headlong into transforming the very face of the world.

There are grounds, therefore, for confidence that in its materialistic manifestations, the quest for challenge and opportunity is receiving abundant encouragement. Indeed, according to some evidence the very process of seeking new ways to satisfy wants is, in itself, becoming an automatic or a built-in feature of our economic life.

There is, however, another side of the question—whether we may have as much confidence in our advancement as human beings. Our world is full of pessimists—those who believe that every silver lining must have its cloud. They are loud and long in their assertions that our concern with and achievements in advancing our material well-being in fact are escape outlets for energies which, had we not become intellectually and culturally timorous, we would apply in improving human beings instead of machines. They contend that we devote ourselves to the superficial lest we be faced with the realization that we are early 20th century people fast becoming antediluvian in a 21st century physical environment.

I would not minimize the importance of our material achievements. I have no faith in the romantic notion that truth and beauty can be cultivated in surroundings of economic retrogression. Nor would I suggest that our spiritual and intellectual resources are so limited that we cannot find and meet challenges for improving simultaneously our cultural and material circumstances.

Our native State affords a magnificent illustration of this contention. We are, I believe, experiencing a great drive forward in many fields of human endeavor. Between 1950 and 1955, for example, wage and salary disbursements to Arkansas employees in farming have increased almost 8 percent, in contrast with the national average which experienced a decline. Wage and salary payments in Arkansas in mining and manufacturing have increased at a faster rate since 1950 than the average for the economy as a whole. Total civilian income arising from production in mining and manufacturing also increased more rapidly in Arkansas than in the Nation as a whole.

This university has taken an active role in the State's advance. It has assumed leadership in exploring and making known our regional attractions. It has brought under fresh and careful scrutiny the strength and weaknesses in our political, social, and economic institutions, and pointed the way to better fitting them to the demands of our people.

It has led a renaissance in our arts and sciences. Its own programs for meeting the educational requirements of our youth have grown and developed at a rate and in a manner that has served to focus increasing attention on the impressive potentialities of our community.

Recent experience in Arkansas, therefore, demonstrates that balanced growth in material, cultural, and intellectual resources is feasible and eminently desirable.

Looking at the broader community of the Nation as a whole, however, the scene is not so encouraging. We have learned to wage the ultimate in war, but we apparently have not been able to find the boldness and daring needed to achieve a meaningful peace. We thrash over the problems of sharing our material progress with the underdeveloped nations of the world, but when these problems, in one small part of the world, become really difficult we seek to resolve them not with insight, nor with understanding, nor with new concepts, but with dollars. We observe fundamental changes occurring in the structure of our economy and instead of finding in this situation a challenge and an opportunity to achieve real progress, too often we cloak our minds in dogmatic assertions that this price support program is superior to that one. Too often we react to movements for profound changes in life by engaging in the "Yes; you will"—"No; I won't" disputation of small boys.

I think we must, therefore, be concerned with evidence of an increasing hesitancy to explore the universe of ideas. I do not know its source. It has been suggested that the war years, following hard on a decade of depression, so whetted our appetites for things that we have been compelled to devote an unduly large proportion of our resources to the satisfaction of such wants. It is also claimed that we have been made fearful of intellectual innovation by the unhappy consequences in Eastern Europe and in China of its radical extremes. Some argue that intellectual and cultural inertia are the consequences of prolonged prosperity, draw dismal comparisons with prior eras from antiquity up through the 1920's, and conclude that catastrophe is required to reinvigorate our spirit.

It is impossible to evaluate such explanations. But regardless of the extent to which we have allowed our progress in the humanities to lag behind our technological achievements and regardless of the causes, the means for overcoming this deficit are here before us today. They are this great educational enterprise and its products. It is up to them and similar institutions throughout the Nation to refocus the attention of us all on the really great opportunity of our time—the orientation of man and his society to circumstances of growing material abundance. They must renew our intellectual capital stock. They must restore the dwindling eminence of achievements in the arts and in pure science. They must prove anew the worth and great rewards in striving for new ideas and fresh concepts about man's proper relationship to his fellows and to his physical and cultural environment.

The applied sciences and technologies have compressed space and time and shown us, in physical terms, a single world community. It now remains for other intellectual disciplines to show us how man may realize the advantages of one world.

This, I believe, is the proper outlet for our restless spirit. Whether we exploit it adequately, I think, will have much to do with whether our greatness as a national community is perpetuated and extended or whether future generations know us as a race of tinkerers and gadgeteers.

I have emphasized the desirability of progress and change. In doing so, I do not intend thereby to dismiss the established and the old. Our inheritance can hardly be discarded without our becoming impoverished. It is the foundation upon which we must build. But we must continually examine this foundation to be sure it is properly reinforced so it may be preserved for the future.

I have set out, I know, the notion of restiveness and of striving as a way of life that is inherently good and indeed necessary. Yet, all of us appreciate that ultimately we are seeking tranquillity. The paradox is more seeming than real. As we recognize the sources and consequences of our striving, this understanding provides us the strength and confidence upon which peace—both within and external to ourselves—truly rests. We must be careful to avoid confusing resignation, indifference, or fatigue with tranquillity. We cannot accept tranquilizers as a substitute.

I have expressed my hope that this generation, whom we honor here today, will improve our perspective and extend our horizons. We give into their charge our quest for challenge and opportunity upon which our future depends. We ask them to improve the balance in our cultural, intellectual, spiritual, and material achievements. Finally, we convey to them our very best wishes—that they will live all the years of their lives.

Thank you.

Statehood For Alaska

EXTENSION OF REMARKS

OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 6, 1957

Mr. MILLER of Nebraska. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include herewith the text of an advertisement printed in the June 4 edition of the Washington Daily News over the signature of the Daily Alaska Empire, a newspaper published in Juneau, Alaska.

Publication of this advertisement as an open letter to me adds one more chapter in the long drawn out controversy over statehood for Alaska. I have asked publication in the RECORD for the reason all of us in Congress are highly interested in the Alaska problem. The statehood bill has been reported out of committee and I assume it will soon come to the floor.

The Empire advertisement levels some specific charges at me and some general charges at the Congress.

In reading this open letter and my answer into the RECORD, it is for the purpose of clarifying the atmosphere. The text charges me with the reversal of position on statehood for Alaska and on a suggested 20-year income-tax moratorium for the Territory. This is not true.

In the long story of the battle for admission of Alaska I have been in favor of statehood. However, I have asked to probe every possible angle to get the full truth of the possibilities of the Territory and the desires of the citizens.

The open letter signed by the Daily Alaska Empire follows:

Congressman A. L. MILLER,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN MILLER: Monday we printed your complete reversal to your earlier statements.

The reversal stated you would not vote for a 20-year tax moratorium for Alaska.

In your statements of a few weeks ago which we published on page 1 of the Daily Alaska Empire, you informed us you didn't believe the allegation made in Congress that all people of Alaska were for immediate statehood. Therefore, you were going to ask that a poll be made which would express the wishes of the Alaskan people.

Earlier you suggested that it was possible to have a 20-year tax moratorium so industry could grow. You also stated that if statehood was granted to Alaska, undoubtedly the 15,000 Federal employees in Alaska would lose their 25-percent, tax-free bonus, now given all Federal employees because of the high cost of living.

Every constitutional authority points out that under statehood no Federal employee or member of the armed services can receive this 25-percent bonus.

It was you who started this whole investigation. You reported back to all newspapers in Alaska and all radio stations in Alaska that the people in Alaska were more than 2½ to 1 against statehood at this time. Now, you come along and try to blast the hopes of these honest Alaskan people, repudiating the findings of your own survey which came from more than 50 towns in Alaska.

None of this is to question your honesty or your integrity. We believe all Senators and Congressmen are by far the highest type of citizens that we have in the United States. At the same time, we realize a few will play politics for what is called political expediency.

For the information of all Members of Congress, the people of Alaska were never given a right to vote except on a loaded question. All of us are for statehood. But, the real questions are: When do we want statehood; How much will it cost; When can we afford it; and Under what conditions? These questions have never been presented to the 50,000 taxpayers in Alaska.

We now pay the United States Treasury $44,500,000 according to a statement to Congress by Hon. Fred Seaton, Secretary of the Interior. This places Alaska 42d on a per capita basis of average income against the other States. But with the cost of living here, 25 to 60 percent above the other States, the average income of the people in Alaska would actually be below the sharecroppers of Georgia, South Carolina, and Mississippi.

During 1956 the United States Department of Commerce reports that Alaska received or spent an approximate $500 million divided as follows: $8 million from farming; $34 million from forest products; $78 million from fish; $24 million from mining. Eight million dollars of this amount was merely sand and gravel. But the big figure was Federal spending of $355 million. This gives you some idea that an area over twice the size of Texas and more than one-fifth the size of the United States, doesn't have any substantial income except Government spending. This $355 million did not include all of the Government doles and subsidies for Alaska.

Actually, over half the people of Alaska are connected directly or indirectly with the Armed Forces. They are here for about 3 years. Previous to the second war, only 40,000 people lived in Alaska other than the natives. The reason I separate the natives is because a great deal of the money spent in Alaska is on basis of assistance to the natives. Aside from this, some of our most outstanding and distinguished citizens in Alaska are Indian and Eskimo people.

Congress is not only going to vote on what is good for Alaska but they are going to vote on what is good for the United States.

Figures show that the Federal spending in Alaska is actually $10 against $1 paid to the Federal Government by the taxpayers of Alaska.

The 48 States are subsidizing Alaska on a basis of $10 to $1.

Our suggestion to the Congressmen and Senators is that they approach this problem on a realistic basis—what is good for the United States is good for Alaska.

The suggestion is that Alaska's economy be changed from a Federal subsidized economy of a 10-to-1 deficit basis to an economy which will attract the development of the natural resources of Alaska. Then Alaska will help support the Treasury of the United States rather than deplete it, as is now the case.

The people of Alaska are not looking for something for nothing. They realize immediate statehood will eliminate $30 million cost-of-living bonus from the Federal employees and members of the armed services.

A per capita cost of government basis for Alaska under statehood shows that the States of Washington or Oregon, using their cost of government figures, would cost the taxpayers of Alaska $60 million additional to operate as a State. This would break 90 percent of the people of Alaska.

A 20-year tax moratorium would merely be a means to the end. Industry could be built, and at the earliest possible moment Alaska would become a State. With industry built up, this 10-to-1 deficit spending for Alaska out of the pockets of the other States would come to an end, with the development of our natural resources.

We would then pay into the Treasury of the United States a probable $400 million a year rather than $44½ million. The people of Alaska do not want to do anything less than share equal responsibility to the greatest Government in the world. We consider paying taxes a privilege.

All Western States were built on grants or subsidies. All railroads were built on subsidies, the airlines, steamship lines; in fact, all of the big airplane manufacturers not only were built on subsidies and grants, but continue to look to the Government for subsidies and grants. We in Alaska merely want to approach this problem from a realistic basis.

The most outstanding men in Congress continue to stand up and be counted in that it would be possible to develop Alaska's natural resources and develop industry on the basis of a 20-year-tax moratorium.

This letter is intended also for these honorable gentlemen of Congress who stood fast and voted against immediate statehood, the Honorable JAMES A. HALEY, the Honorable JOHN R. PILLION, the Honorable WALTER ROGERS, the Honorable J. T. RUTHERFORD, the Honorable GEORGE A. SHUFORD, and the Honorable J. ERNEST WHARTON.

We want to call your attention to the recent action of the Alaska Department of the American Legion, which last week in territorial convention at Skagway eliminated the word immediate from an official resolution urging statehood for Alaska.

Most Congressmen and Senators realize that of the 33 strategic metals necessary to national defense and security of our Nation, all but 3 are in abundance in Alaska. But they cannot be developed because of the 25 to 60 percent higher cost to do business in Alaska than in any other area of the United States. For example: The largest metropolitan newspaper to come to Alaska is the Seattle Post Intelligencer. It costs $1.71 a week to buy the Post Intelligencer in Juneau. Farther north and west, the price is even higher, more than $2 per week. This gives you a thumbnail idea of costs and why only $16 million in minerals were mined in Alaska last year.

The defense of our Nation depends on an abundance of these strategic metals. One of the most necessary metals used for guided missiles and aircraft is titanium. This we have in abundance, also cobalt, nickel, and many other metals. These are in short supply elsewhere and are awaiting a realistic approach so they can be profitably mined.

A tax moratorium is merely a means of allowing private industry to come in and develop this country rather than having the Congressmen and Senators appropriating $10 of Federal money to spend in Alaska against receiving $1 back.

We are sure the voters in Nebraska are interested in a realistic correction of this Republican spending or Democratic spending, whichever you want to call it.

You charge that the Democrats in Congress are the ones who are delaying statehood. We wonder if both the Democrats and Republicans in Congress who are delaying statehood are not the real heroes who are actually trying to work this problem out on a realistic basis of what is good for not only Alaska but what is good for the other 48 States.

Actually, the records show in Congress that most of the Republicans and Democrats are opposed to statehood at this time. Some have suggested that an election be held on an honest basis, not on a loaded question, so the true feelings of the Alaskan people can be expressed.

Let us assure you, your survey or poll of the Alaskan people, you admitted, showed that over two and a half to one were opposed to statehood at this time. This represents the real feelings of all people in Alaska, and an election will verify it.

Your survey has at least opened the eyes of the Alaskan people. So, you have certainly contributed a great deal to this cause of truth, honesty, and integrity. In no way will your attempt to scuttle the will of the people, keep these Alaskan voters from being heard if given the opportunity to express themselves on immediate statehood for Alaska.

We challenge any one to come forward with a survey showing what statehood will cost. These facts have been kept from the public by a small group of greedy politicians who have been afraid to let the people know the truth.

The hearing in Congress about statehood should look into the money paid the Tennessee plan members without authority of law.

With sincere thanks and appreciation to you.

THE DAILY ALASKA EMPIRE.

My reply to the publisher of the Alaska Empire follows:

JUNE 6, 1957.

Mr. WILLIAM PRESCOTT ALLEN,
Daily Alaska Empire,
Juneau, Alaska.

DEAR MR. ALLEN: This is in reply to the open letter you published as an advertisement in the June 4 edition of the Washington Daily News.

I would like to take sharp exception to some of the statements embodied in the open letter. You charge, among other things, that I reversed my stand on statehood for Alaska; that I reversed my stand on a 20-year income tax moratorium for Alaska; that I am scuttling the will of the people, and that my actions have been a matter of political expedience.

Please permit me to take up these charges one by one.

In Alaska, I have been called both a friend and foe of statehood. As a matter of fact and a matter of record, I have long favored statehood for the Territory and since my first visit there have had a strong personal interest in the welfare of your people.

During the most recent committee hearings on the subject, I endeavored to make my position crystal clear. I said I continued to favor statehood and would probably again support such legislation but that I wanted to learn more of the thinking of the people at the grassroots. I said I would endeavor to find, through a variety of efforts, if the people of Alaska are ready. I believe I have found the answer.

My desire was to be completely fair with the people of Alaska, both those for immediate statehood and those against. I pointed both to the attractions of statehood and the hardships of statehood. I pointed out the high cost of living in Alaska might discourage new population and new industry. I pointed out that the extra pay for Federal employees would probably be forfeited. I pointed out special grants which are given to Territories would be lost to the new State, as Alaska then would be on an equal footing with the rest of the States. I also pointed to certain advantages of statehood.

The early testimony at the hearings seemed too conclusive, too pat. I could not conceive that practically all the people of Alaska were demanding statehood. It did not seem reasonable. In the case of my own State of Nebraska, there was bitter controversy over statehood in the middle of the past century and when an election was held, the margin in favor of statehood was very small, in fact, it was an even 100 votes.

Therefore it seemed to me there might be a question of loaded testimony. I conducted an unofficial poll, without expense to the Government and made possible by the fine newspapers and radio stations of Alaska. As you know, I asked this question, "Do you favor immediate statehood for Alaska?"

I received 1,916 replies to that question, with no duplication so far as I know. Many Alaskans wrote interesting and informative letters explaining why they were for or against immediate statehood. There were 522 votes in favor, 1,394 against. I conducted this poll to obtain information. At no time did I ever say the results of the poll would govern my vote.

Although opponents of immediate statehood led by a substantial margin, the poll was only one of several elements taken into consideration in determining the way I would vote. No unofficial poll can be accurately conclusive and, as you know, this poll did not cover all of Alaska.

In addition, there was some argument up there against the poll. It was both praised and condemned. Some called it political; some called it malicious. It was neither. It was a simple effort to learn the thinking of the people of Alaska and I deeply appreciate the replies, the fine letters, the sound reasoning, and the great public service rendered by the newspapers and radio stations.

I repeat, the poll was only one of the factors. One of the considerations was the reasoning of people in the United States. Each year I send out a questionnaire to my home State of Nebraska, covering some of the vital problems of the day. This year I asked my constituents, as 1 of 10 questions, if they favored Alaska statehood. The latest tabulation shows 80.7 percent in favor.

Another factor, of course, was the evidence presented in the hearings and my own study of Alaskan history and ambitions. Another vital factor was the approval of some of the amendments I suggested, including doubling the acreage originally planned for the new State, bringing it up to 182 million acres; repeal of the Jones Act on foreign shipping so Alaska ports would be treated the same as those in the States, and taking out the Tennessee plan of election of officials which I feel is unconstitutional. These changes made a better bill, adding more potential for Alaska to grow and prosper.

The move for an overall vote in Alaska on the specific statehood question was defeated, much to my regret. After taking into consideration all the various factors, I became convinced the Territory is ready to become a valuable member of the team of States.

In your letter you state the records show in Congress that most of the Republicans and Democrats are opposed to statehood at this time. Since no vote has been taken during this session, I am at a loss to know on what factors you base this conclusion. Personally I will wait until the ballots are counted.

Your second charge deals with a so-called reversal of stand on a 20-year income tax moratorium. I was a bit amazed when I began to receive scores of letters asking the moratorium, many saying they understood I approved such legislation. I am sure some of you folks in Alaska jumped to conclusions not based on fact. I have never endorsed an income-tax moratorium. I have many times called the plan not feasible.

I have said time after time that I will gladly consider any plan of action for Alaska. I was and am willing to listen to any suggestions for any Territory or for any State, but the fact I will listen does not mean I will endorse or vote for any plan suggested. I have said that I was willing to listen to any arguments for a plan to give tax advantages that might induce new industry and business to come to Alaska. I further suggested if the proponents of such plans were interested, they should write to their Delegate in the Congress, Mr. BARTLETT, but I repeat my earlier statement, "I could no more vote for an income-tax moratorium for Alaska than I could for one for my home State of Nebraska."

Now the charge of political expediency. It is far from the truth. I get no votes in Alaska. Mine come from the good people of the Fourth District of Nebraska. While statehood for Alaska is a matter of interest in my State, it is not a matter of controversy. The issue will gain no votes, lose no votes, for me in Nebraska. My activities in connection with Alaska are solely as a Member of the Congress of the United States, with a desire to serve the States and Territories to the best of my ability.

The Empire charges me with scuttling the will of the people. The charge is not true. Neither you, sir, nor any man on the face of the earth knows the will of the Alaskan people as of this moment. Neither my poll nor the last plebiscite nor the Tennessee plan election gave a a true and complete picture of the will of the people as a whole. Each represented a small segment of the total potential vote.

Apparently you would be governed by the result of my poll. I am appreciative of that. You charge the Tennessee plan election to be illegal. That is a matter for your people to care for in the Territory.

I want to assure you that I gave the hearings on statehood a great deal of time and study. That study was not confined to the hearings but extended many, many hours beyond. From my study I reached my conclusion.

Under separate cover I am forwarding to you a copy of the hearings on Alaska statehood. I believe you will find my trend of thought clearly outlined, with no endorsement of an income-tax moratorium.

I have always looked upon Alaska as a great Territory which could become a great State. I believe it will.

Sincerely yours,

A. L. MILLER,
Member of Congress,
Fourth District, Nebraska.

The Contribution of Weekly Newspapers to Rural Communities

EXTENSION OF REMARKS
OF
HON. J. FLOYD BREEDING
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 6, 1957

Mr. BREEDING. Mr. Speaker, millions of Americans in rural communities, in addition to receiving a daily metropolitan newspaper, find in their weekly newspaper a true source of local pride and information. The editor of the weekly newspaper and of farm publications is a respected member of community life. He has the recognized responsibility to use his considered judgment in interpreting both national, State, and local news to his subscribers. In a sense, he presents the conscience of the community.

At this time, I should like to pay tribute to this venerable form of newspaper tradition, which, in essence, constituted the very basis on which our present worldwide system of mass communications media is founded; in particular, I should like to recognize and commend the 68 weekly newspapers of the Fifth Congressional District of the State of Kansas: Anthony Republican, Argonia Argosy, Bushton News, Jacksonian, Conway Springs Star, Clark County Clipper, Belle Plaine News, Caldwell Messenger, Claflin Clarion, Cunningham Clipper, Attica Independent, Bucklin Banner, Chase Index, Western Star, Dighton Herald, Elghart Tri-State News, Ellinwood Leader, Hardtner Press, Haviland Journal, Hutchinson Record, Jetmore Republican, Kingman Journal, Rush County News, Lewis Press, Macksville Enterprise, Mineola Record, Mulvane News, Fowler News, Harper Advocate, Hoisington Dispatch, Johnson Pioneer, Kinsley Mercury, Lakin Independent, Meade-Globe Press, Montezuma Press, Ness County News, Great Bend Herald-Press, Kiowa County Signal, Haven Journal, Hugoton-Hermes, Leader-Courier, Kiowa News, Leoti Standard, Little River Monitor, Barber County Index, Mullinville News, Nickerson Argosy, Oxford Register, St. John News, South Haven New Era, Sterling Kansas Bulletin, Syracuse Journal, Ulysses News, Plains Journal, Protection Post, Sawyer News, Spearville News, Sublette Monitor, Greeley County Republican, Pretty Prairie Times, St. John Capital, News Chronicle, Stafford Courier, Sylvia Press, Turon Press, Wellington Monitor-Press, High Plains Journal, the Central Kansas Farm Journal.

On several occasions I have had the pleasure of inserting in the CONGRESSIONAL RECORD editorials from various weekly newspapers in my district. Today I would again like to insert several excellent well-informed weekly editorials which have come to my attention. I compliment their style, associate myself with their content, and ask, Mr. Speaker, that at this time they be incorporated in the RECORD.

From the April 3 issue of the Wellington Monitor Press:

WASHINGTON SNAPSHOTS—KEEP WRITING URGED

Demands from the voters for trimming the $71.8 billion budget—looking toward a tax cut—continue to pour in both to Congress and to the White House.

Members of Congress say the volume of mail is unprecedented—that it is generally spontaneous—that it reveals a surprising depth of feeling on the part of voters.

Already this demand for economy in government has borne fruit—the House of Representatives has made some cuts in appropriation bills.

OPPORTUNITY TO CUT

A new appropriation bill will appear either in the House or Senate each week; so there will be opportunity for additional cuts.

Economy leaders' advice to voters is: Keep writing the White House and Members of Congress urging reduction of the budget.

Meanwhile, President Eisenhower and Budget Director Brundage say they will seek to save money.

While defending his budget as a reflection of desires of the people, Mr. Eisenhower ordered an investigation to determine whether the rate of spending can be slowed down.

From the May 30, 1957, issue of the Mullinville News:

THE FARMER AND HIS HIRED MAN

Farmers who hire agricultural labor in 1957 should be aware of two changes in the social-security law which affect both the farmer and the hired man. First, the tax rate has increased from 2 to 2¼ percent of cash wages paid to be deducted from the employee's wages, and the employer's share is also increased so that he will owe 4½ percent instead of 4 percent as in previous years. The total tax is now 4½ percent instead of 4 percent.

Second, the hired man's wages are covered, if they amount to (a) $150 or more from one employer during the calendar year regardless of the length of time worked; or (b) if the man worked for the same employer on 20 or more different days his wages are subject to social-security tax regardless of the amount of wages.

For example, if a high-school boy worked on a farm on 20 or more days but earned only $140 his wages would be covered because he worked on 20 different days. On the other hand, if a man worked less than 20 days and earned $145 his wages would not be covered because he did not work for the one employer 20 days and his wages did not amount to $150. This is effective on wages beginning on January 1, 1957.

From the May 30, 1957, issue of the Rush County News:

HERE WE GO AGAIN

Watch out for another summit conference. The global scene-shifters, at home and abroad, are peparing for it. Russia frankly wants it, as Premier Bulganin revealed in a Soviet-Mongolian friendship speech in the Kremlin. That means every trick and every pressure will be used to include Red China.

President Eisenhower sees the Russians growing more serious in their attitude toward disarmament. Secretary of State Dulles suggested that we might begin the President's aerial inspection plan by flying over Siberia while the Reds fly over Alaska and northern Canada. Since such a plan would render our three radar warning lines in the north completely useless, we presume Mr. Dulles would have the Russians cross their hearts they won't drop any bombs without letting us know in advance.

There would be plenty to talk about, such as atoms for everybody at United States expense, trade with Red China, whether to fill in the Suez Canal, perhaps even the Korean truce. And as Bulganin says, "• • • experience has shown that such contacts are useful." Furthermore, since Geneva, we know to whom.

MAKES YOU THE JUDGE

We feel no compulsion to review Alger Hiss' book, In the Court of Public Opinion, beyond observing that its author emerged from the Federal Country Club at Lewisburg, Pa., with the standard attitude of the hardened convict—utter, complete innocence.

More newsworthy is the tempest among the booksellers stirred up by patriot Lyle Munson. He runs a service called the Bookmailer, which is sending a free copy of Whittaker Chambers' Witness to each buyer of the Hiss book ($5), and pays the postage on both. This, he says, is to provide a balanced court of public opinion. But it has also caused book dealers to demand free copies of Witness from Hiss' publisher, Alfred Knopf.

Only Munson, Box 101, Murray Hill Station, New York, N. Y., is this much of a hero.

From the Ulysses News published May 30, 1957:

SCANNING THE NEWS

President Eisenhower, according to word from the White House, got his dander up, and decided to make a fight to preserve his budget of $78.1 billion, the biggest budget in the country's history. The President, at the start of his campaign found himself in an almost untenable position. Even his chief of the Government's fiscal policy, Secretary Humphrey, has declared the budget could be cut considerably, and should be. When Members of the Congress, in a spirit of cooperation, sent a formal request to the President asking him wherein cuts could be made in the budget without endangering security or the President's programs, Mr. Eisenhower, rather superciliously sent back word that was not his job, but the job of the Congress. Had the President then and there, sent back a second budget message, saying that at the time the budget was presented at the beginning of this Congress, it appeared the money would be needed, but that after some consideration, he believed it could be cut, and had pointed out where, there is every likelihood the Congress would have gone along with him.

Now, with his program of legislation endangered, he found it too late to compromise and considered an all-out fight to retain his budget requests. Even his friends of the business community, members of the United States Chamber of Commerce, and the National Association of Manufacturers are demanding huge chunks be sliced out of the budget. But even these demands do not get at the real fat which could help the taxpayers. They cite cuts in foreign aid, farm supports, social services, aid to education, even school lunches. But the chamber of commerce and the manufacturers have not mentioned such fiscal matters as the hard-money policy of tight credit and high interest which added $1.2 billion to the budget for national debt interest; nor the 27½ percent oil depletion tax allowance which costs the United States Treasury some $750 million a year; nor the billions in rapid

tax writeoffs in 5 years instead of 20; nor the lease-purchase program which is costing the Government about double to own public buildings than it did when the Government built them itself on bid contracts; nor the policy of letting private industry do jobs which the Government has been doing itself.

Under this policy the Government has been divesting itself of many services which it has been doing itself for years, and turning these jobs over to private industry. When Government officials complained it cost them more money, Mr. Brundage ruled: "The decision to continue or discontinue an activity as being in the public interest should not depend primarily upon whether the product or service can be produced cheaper by the Government. As a general guide our policy is that apparent cost or savings should not be the deciding factor where adequate competition exists."

Of course it's anybody's guess, but the best informed people in Washington predict the budget will wind up with a cut of up to $4 billion, even though it might be that some of the top flighters might be hurt, like for instance, Secretary Charles Wilson, who says all this hue and cry for budget cuts by his friends, "Gives me a pain."

From the May 30, 1957, issue of the Nickerson Argosy:

The Bureau of the Budget is an important adjunct of the executive department of the Government today. As originally set up, the Bureau was intended by the Congress to assist the legislative department to keep track of the expenditures of the various departments by holding them in line under the law setting up the budget system.

As it works out, however, how the Budget Bureau operates largely depends upon who is running the department, and as it is being operated today, there are reasons to suspect that the various departments are being shown how much they can spend under the appropriations of Congress, rather than how much they can save the taxpayers.

A case in point is the Atomic Energy Commission. This important agency has spent some $15 billion dollars of the taxpayers' money in the development of atomic weapons, and is now at the head of the civilian and peaceful development of atomic energy for industry, medicine, and agriculture. The Chairman of the Commission, Adm. Lewis L. Strauss, is, to say the least, a man of strong convictions. Many call him arbitrary. He wears two hats, in that he is at once the chairman of a regulative and licensing agency of the Government, and at the same time, official adviser to the President on atomic energy. Since the weapons divisions of this agency is under direct command of the President and the Department of Defense, it cannot operate in the traditional manner as an independent agency of the Government engaged in civilian licensing and regulation, such as the Federal Communications Commission.

Chairman CLARENCE CANNON, of the House Appropriations Committee, says that in almost every expenditure it has made in the civilian applications of atomic energy the Commission has violated the Atomic Energy Act of 1954 and the intent of Congress. Speaking on this point Chairman CANNON said:

"The Commission's method of defeating the statutory direction has been to arbitrarily divide the various atomic electric power programs into two fiscal categories." With the approval of the Budget Bureau, the Commission sets up part of its electric power programs as "operating expense" which under the act does not have to be specifically authorized by the Joint Committee on Atomic Energy. The rest of the same project it sets up under plant acquisition and construction, which must be authorized by the committee.

"The result has been," Chairman CANNON said, "that for fiscal years 1956, 1957, and 1958 the amount appropriated and requested for the civilian power reactor program totals $236.8 million, of which only $40 million was authorized under authorizing legislation reported out by the Joint Committee and approved by the Congress. Thus it is readily seen that less than 20 percent of this program was authorized and more than 80 percent of this indivisible program was not specifically authorized."

CANNON pointed out that although the Atomic Energy Act contains a specific "no subsidy clause," on the construction of one reactor alone, the Commission in bonus prices for plutonium, waivers of fuel costs and other services had contracted with the private company to pay the company cash subsidies of $58,050,000.

In addition, Mr. Speaker, I have had the extreme pleasure of having had printed an article penned by myself in one of Kansas' finest pictorial periodicals, the Dodge City Pictorial, edited and published by Mr. Rolland Jacquart. With your permission, Mr. Speaker, I now express my commendation and appreciation to Mr. Jacquart, and submit the article referred to above for incorporation in the RECORD:

OUR HOME

Southwest Kansas has been my home for nearly 29 years. Mrs. Breeding and I moved to Rolla, Kans., with our two sons, Charles and Ralph, in August 1928. Southwest Kansas was a new country then and great portions of it were still in grass. It wasn't long after we started farming and ranching that we discovered the great productivity of this land. It seemed that the soil had everything in it that a plant desired and as long as we received plenty of rainfall we could grow abundant crops. Then the bad years of the thirties struck us, and everyone knows what that did to our country.

Many of us had the determination to stick it out, knowing the richness of the soil and that if rainfall ever came the land would again be productive. Along with many of our neighbors, Mrs. Breeding and I and our two sons weathered out the bad times in Morton County. We did everything possible to earn a few dollars in order to provide for our bare necessities. At that time we owned no portion of any acres in western Kansas. It seemed at times that it would be impossible for us to stay another year. However, the years rolled on, and beginning in 1939 and until 1949, the rains came and the snows came and our country was like a garden spot of the world. It was the reward for many long years of drought and suffering for those of us who had persevered. When the country came back we were there to come back with it because of our faith in this land—the country was good to us.

Now this country is again faced with a sad picture—drought, hard times, tight money, acreage controls of wheat and below-parity prices. The future doesn't appear too bright. Rainfall will correct a lot of these problems and the ever-increasing population of our Nation will certainly help. My advice to the younger people living in southwestern Kansas today is to stick it out somehow because eventually, as it has done before again and again, the country will come back. The land will return to its former abundance and your efforts will not be in vain. Many people say to me, "Why doesn't the Government take over the land, put it all back to grass, and force the people to leave." They don't seem to realize that this country, where we have raised our children and grandchildren and built our churches and our schools and our community life is a part of us. Indeed, to many of us this is the greatest spot in all the world, and we have no intention whatsoever of leaving it now or at anytime in the future.

I am fully aware of the fact that wheat and milo and livestock are our principal sources of income, and we will do everything we possibly can to help improve conditions and the general welfare of our High Plains area.

Irrigation now coming into this great area has all the possibilities of making this country the most productive of all. We are presently doing some research on a program to bring the water in from the Great Lakes or from the many rivers in Canada down through the High Plains area. This water will irrigate perhaps 20 million acres. At present many areas are getting underground water but eventually that may play out, so let's do some tall thinking. It may cost $10 billion to complete this program. In years to come we may need more food. It is something to think about. Southwestern Kansas will never be far away from us because that is our home and the people who live there are our finest friends.

The Case of a Strong Military Reserve

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 6, 1957

Mr. BROOKS of Louisiana. Mr. Speaker, last week the House passed the defense appropriation bill for 1958. I had more than a passing interest in one of the provisions of the bill—providing funds for the Army Reserve.

The committee had recommended $197 million for this purpose, as contrasted to the Department's request for $207 million. However, the committee later offered a floor amendment providing that $10 million of the unobligated balance of the appropriation "Reserve personnel, Army, 1957" would remain available until 1958 and should be merged with the appropriation for the Army Reserve in the Appropriation Act of 1958.

I was pleased to support this amendment and it passed with a minimum of debate, because over a period of years the Congress has sought to build a strong Reserve force and at no time has the Congress failed to provide funds toward this objective.

Following discussions I had on the floor regarding the Reserve obligation, I found that some Members believed that the Army had summarily lowered the Reserve obligation in order to make some of its Reserve programs more attractive. Although it might not have been intended, the committee report seemed to lend credence to this belief.

I think I should set the record straight on this matter and, for those who may not be fully informed, I will try to briefly explain the total military obligation assumed by every young man upon entering military service, together with the resulting ready and standby obligations.

I believe I can best make myself understood if I go back to the enactment of the Armed Forces Reserve Act of 1952,

This act provided, for the first time, new categories of reserves. It established the Ready, Standby and Retired Reserves, and all members of the reserve components now must be in one of these categories.

The Universal Military Training and Service Act had previously provided for a total 8 year military obligation for all persons, below age 26, who were inducted, enlisted or appointed in the Armed Forces.

Therefore, it can be said that whereas the Universal Military Training and Service Act established the military obligation and provided for the active duty phase, the Armed Forces Reserve Act made provisions for the performance of duties in the Reserve after the reservist had been released from active service and while he remained in the Reserve components.

The Armed Forces Reserve Act provided that persons, upon release from active duty, would become members of the Ready Reserve for the balance of their military obligation, unless they elected to participate in accredited reserve training for a period which when added to the time spent in active service totaled five years, and if so they could request transfer to the Standby Reserve for the balance of their military obligation.

Perhaps an example would best serve to illustrate how the obligation could be "worked off" under the provisions of the Armed Forces Reserve Act. If a man was inducted for 2 years he was obligated to remain in the Ready Reserve for an additional 6 years, unless he chose to participate in Reserve training for 3 years. If he did this he could request transfer to the Standby Reserve at the end of 5 years—2 years on active duty plus 3 years active participation in the Reserve—for the remaining 3 years of his total military obligation.

By the same method a person having served 4 years on active duty need only serve 1 year participating with the Ready Reserve before he became eligible to transfer to the Standby Reserve for the remaining 3 years of his total military obligation.

Keeping in mind that the Universal Military Training and Service Act established the total military obligation for each youth at 8 years, it is important that we take special note of one provision of the Armed Forces Reserve Act. I have reference to section 269 (3) (2) of title 10, United States Code, which provides that the Secretary of the military service concerned, with the approval of the Secretary of Defense, may provide for a shorter period of Ready Reserve service for satisfactory participation in an accredited Reserve program.

Now, this simply means that whereas the total military obligation is set by law, and cannot be raised or lowered except by amendment to the law, the Ready Reserve obligation, within the total obligation, may be shortened or lengthened by the Secretary of the military service concerned, with the approval of the Secretary of Defense.

In 1955 the Congress enacted the Reserve Forces Act. This law changed the military Reserve programs in two respects, which are pertinent to this discussion. For the first time it provided two military obligations, the length of each depending on the age of the person when entering military service and the type of program in which he volunteers to serve. Thus, a person under the age of 18½ enlisting in the 6-month training program receives a total 8-year military obligation and, on the other hand, all persons over that age, regardless of the type of program entered, receive a 6-year obligation.

The 6 months training program was first instituted by this act. Prior to this a 2-year enlistment, or induction for 2 years, have been the shortest period of active duty service—disregarding 1-year enlistments authorized by the Selective Service Act of 1948 and implemented for only a short period.

Under the 6 months training program a person under 18½ years of age may enlist for a period of 8 years, 6 months of which will be spent on active duty for training with the remainder of the military obligation spent in the Ready Reserve where active participation is required.

In January of this year the Department of the Army administratively revised its reserve program by reducing the Ready Reserve obligation of the 6 months training volunteer from 7½ years to 3 years, with the remaining 4½ years to be spent in the Standby Reserve. In addition, the 6 months training program was opened to those persons between 18½ and 26 years of age with the Ready Reserve obligation set at 5½ years, which is the remainder of the total military obligation for all youths above 18½.

Mr. Speaker, I have taken this time to explain the background of the total military obligation and its relation to the Ready and Standby obligations because I felt it was necessary that incorrect impressions not be left in the minds of some of the Members.

There may be some differences of opinion on the necessity or advisability of providing a 6 months training program for youths 18½ years of age and over. To my way of thinking the Army has made a wise decision to open this program up for these young men. Today we find the manpower pool growing larger and larger. Statistics will show that many more young men are coming of military age with each year that passes. Since the draft calls are low we cannot escape the inevitable result that many young men will be able to evade the draft if a suitable program is not found in which they will volunteer.

To be sure, we are hopeful that more and more young men below the age of 18½ will volunteer for the 6 months' training program, and for that reason we recommended lowering the Ready Reserve obligation to 3 years in order to encourage them to complete their active military service at an early age, when it would least disrupt their personal lives. However, I felt that the 6 months' training program should also be made available to young men over the age of 18½, not to the exclusion of the draft but in a limited program so that those persons not needed in active service can be made available to the Reserve components, after a period of active duty training.

I have studied and worked with Reserve legislation during the entire 22 years of my service in the Congress and until this year I have never known the time when the Reserves have had so many volunteers. This is the day which we have been waiting for and working toward. Now that the ball is rolling I hope that it can never be said that the Congress impeded its forward progress.